

**BOARD OF TRUSTEES**  
Jennifer Cunningham, Chair  
Shaun Carey, Vice Chair  
Cortney Young, Treasurer  
Adam Kramer, Secretary  
Carol Chaplin, Trustee  
Joel Grace, Trustee  
Richard Jay, Trustee  
Kitty Jung, Trustee  
Art Sperber, Trustee



**PRESIDENT/CEO**  
Daren Griffin, A.A.E.

**CHIEF LEGAL COUNSEL**  
Ian Whitlock

**BOARD CLERK**  
Lori Kolacek

## **AGENDA**

**Board of Trustees Regular Meeting**  
**Thursday, August 8, 2024 | 9:00 AM**  
**Reno-Tahoe International Airport, Reno, NV**  
**Administrative Offices, Second Floor**

### **Notice of Public Meeting**

Meetings are open to the public and notice is given pursuant to [NRS 241.020](#).

This meeting will be livestreamed and may be viewed by the public at the following link:

**Watch on Zoom:** <https://us02web.zoom.us/j/82275583396>

**Listen by Phone:** Dial 1-669-900-6833

**Webinar ID:** 822 7558 3396

### **Accommodations**

Members of the public who require special accommodations or assistance at the meeting are requested to notify the Clerk by email at [lkolacek@renoairport.com](mailto:lkolacek@renoairport.com) or by phone at (775) 328-6402. Translated materials and translation services are available upon request at no charge.

### **Public Comment**

Anyone wishing to make public comment may do so in person at the Board meeting, or by emailing comments to [lkolacek@renoairport.com](mailto:lkolacek@renoairport.com). Comments received **prior to 4:00 p.m. on the day before the meeting** will be given to the Board for review and included with the minutes of this meeting. To make a public comment during the Zoom meeting, please make sure your computer or device has a working microphone. Use the "Chat" feature to submit a request to speak. When the time comes to make public comments, you will be invited to speak. Public comment is **limited to three (3) minutes** per person. No action may be taken on a matter raised under general public comment.

### **Posting**

This agenda has been posted at the following locations:

1. RTAA Admin Offices, 2001 E. Plumb
2. [www.renoairport.com](http://www.renoairport.com)
3. <https://notice.nv.gov/>

### **Supporting Materials**

Supporting documentation for this agenda is available at [www.renoairport.com](http://www.renoairport.com), and will be available for review at the Board meeting. Please contact the Board Clerk at [lkolacek@renoairport.com](mailto:lkolacek@renoairport.com), or (775) 328-6402 for further information.

## **1. INTRODUCTORY ITEMS**

- 1.1 Pledge of Allegiance
- 1.2 Roll Call

## **2. PUBLIC COMMENT**

## **3. APPROVAL OF AGENDA (*For Possible Action*)**

## **4. APPROVAL OF MINUTES**

- 4.1 July 11, 2024, Board of Trustees meeting

## **5. PRESIDENT/CEO REPORT**

## **6. BOARD MEMBER REPORTS AND UPDATES**

## **7. INFORMATION / POSSIBLE ACTION ITEMS**

- 7.1 Board Memo No. 08/2024-43 (*For Possible Action*): Review, discussion and potential authorization for the President and CEO to negotiate final terms and execute a new 5-year Commercial Lease Agreement with two 2-year options to extend with Academy for Career Education for 14,694 square feet of space at the commercial building located at 2800 Vassar Street for a minimum contract value of \$514,290
- 7.2 Board Memo No. 08/2024-44 AND PUBLIC HEARING (*For Possible Action*): Review, discussion and potential authorization to conduct a public hearing pursuant to Section 147(f) of the Internal Revenue Code concerning the proposed issuance of Reno-Tahoe Airport Authority Nevada Airport System Revenue Bonds in one or more series in the maximum aggregate principal amount of \$750,000,000
- 7.3 Board Memo No. 08/2024-45 (*For Possible Action*): Review, discussion and potential adoption of Resolution No. 570 relating to the Reno-Tahoe Airport Authority issuance of Airport Revenue Bonds, Series 2024A (AMT) and Series 2024B (NON-AMT), in the combined maximum aggregate principal amount of \$275,000,000; authorizing the redemption and early payment of all or a portion of the Authority's outstanding Airport System Subordinate Lien Revenue Bonds, Series 2022; approving certain documents and other matters related thereto; and providing the effective date hereof
- 7.4 Board Memo No. 08/2024-46 (*For Possible Action*): Review, discussion and potential adoption of Reno-Tahoe Airport Authority Investment Policy for the Investment of Public Funds
- 7.5 Presentation of Culture Survey results (*non-action item*)

7.6 Board Memo No. 08/2024-47 (For Possible Action): Review, discussion and potential approval of Reno-Tahoe Airport Authority Chair’s Permanent Committee Appointments for Fiscal Year 2024-2025

**8. TRUSTEE COMMENTS AND REQUESTS**

**9. UPCOMING RTAA MEETINGS**

<b>DATE</b>	<b>MEETING</b>
09/10/2024	Finance & Business Development Committee Meeting Planning & Construction Committee Meeting
09/12/2024	Board of Trustees Regular Meeting
10/8/2024	Finance & Business Development Committee Meeting Planning & Construction Committee Meeting
10/10/2024	Board of Trustees Regular Meeting
11/12/2024	Finance & Business Development Committee Meeting Planning & Construction Committee Meeting
11/14/2024	Board of Trustees Regular Meeting
12/10/2024	Finance & Business Development Committee Meeting Planning & Construction Committee Meeting
12/12/2024	Board of Trustees Regular Meeting

**10. PUBLIC COMMENT**

**11. ADJOURNMENT**

**BOARD OF TRUSTEES**

Carol Chaplin, Chair  
Richard Jay, Vice Chair  
Jennifer Cunningham, Treasurer  
Adam Kramer, Secretary  
Shaun Carey, Trustee  
Joel Grace, Trustee  
Kitty Jung, Trustee  
Art Sperber, Trustee  
Cortney Young, Trustee



**PRESIDENT/CEO**  
Daren Griffin, A.A.E.

**CHIEF LEGAL COUNSEL**  
Ian Whitlock

**BOARD CLERK**  
Lori Kolacek

**--DRAFT--**

**MINUTES**

**Board of Trustees Regular Meeting**  
**Thursday, July 11, 2024 | 9:00 AM**  
**Reno-Tahoe International Airport, Reno, NV**  
**Administrative Offices, Second Floor**

**1. INTRODUCTORY ITEMS**

Chair Chaplin called the meeting to order at 9:02 a.m. Trustee Grace led the Pledge. Roll was taken by the Clerk.

**Members Present:** Shaun Carey  
Carol Chaplin  
Jennifer Cunningham  
Joel Grace  
Richard Jay  
Kitty Jung  
Adam Kramer  
Art Sperber  
Cortney Young

**2. ELECTION OF OFFICERS**

**2.1 Election of Chair**

Chair Chaplin called for nominations for the election of Chair. Trustee Kramer nominated Trustee Cunningham. Chair Chaplin called for any other nominations. Hearing none, Trustee Cunningham was declared Chair by unanimous consent.

At this time, Chair Cunningham assumed the office of Chair and continued with the remaining elections.

**2.2 Election of Vice Chair**

Chair Cunningham called for nominations for the election of Vice-Chair. Trustee Sperber nominated Trustee Carey. Chair Cunningham called for any other nominations. Hearing none, Trustee Carey was declared Vice-Chair by unanimous consent.

### **2.3 Election of Treasurer**

Chair Cunningham called for nominations for the election of Treasurer. Trustee Kramer nominated Trustee Young. Chair Cunningham called for any other nominations. Hearing none, Trustee Young was declared Treasurer by unanimous consent.

### **2.4 Election of Secretary**

Chair Cunningham called for nominations for the election of Secretary. Trustee Young nominated Trustee Kramer. Chair Cunningham called for any other nominations. Hearing none, Trustee Kramer was declared Secretary by unanimous consent.

## **3. PUBLIC COMMENT**

Chair Cunningham called for public comment. Tony Figueroa, owner of Albita's Restaurant, expressed his concerns about his lease ending.

## **4. APPROVAL OF AGENDA (*For Possible Action*)**

**Motion:** Move to approve the agenda as presented

**Moved by:** Art Sperber

**Seconded by:** Adam Kramer

**Aye:** Trustees Carey, Chaplin, Cunningham, Grace, Jay, Jung, Kramer, Sperber, Young

**Result:** Passed unanimously

## **5. APPROVAL OF MINUTES**

### **5.1 May 23, 2024, Board of Trustees meeting**

Chair Cunningham asked if there were any corrections to the Minutes of May 23, 2024. Hearing none, the Minutes were approved as presented.

### **5.2 June 13, 2024, Board of Trustees meeting**

Chair Cunningham asked if there were any corrections to the Minutes of May 23, 2024. Hearing none, the Minutes were approved as presented.

## **6. PRESIDENT/CEO REPORT**

Dennis LeBaron, Facilities Project Manager II, gave a safety presentation on wildfire prevention and smoke safety. CEO Griffin introduced the new Chief Commercial Officer, Mark Berg. He announced a new Alaska Airlines non-stop flight to San Diego beginning in December. He noted the steady high passenger counts recently and he spoke about the upcoming Familiarity Airline Tour (FAM), an event which brings airline representatives here to learn more about the Northern Nevada region. He mentioned that Tina Iftiger, Chief Air Service Development Officer, will be representing the airport on the newly formed Air Service Development

Commission. He also mentioned that the FAA released the hub status for all airports, and we have moved again and are now back to a small hub airport status. Lastly, he remarked on the Chairman's Award ceremony with Senator Rosen.

## **7. BOARD MEMBER REPORTS AND UPDATES**

Trustee Jung reported on the AirLogistics wall tilt event. And Chair Cunningham commented on the Art Committee presentation given by Annie Turner at the Finance Committee meeting. She encouraged anyone who hasn't seen that presentation to reach out to Annie.

## **8. RECOGNITIONS AND ITEMS OF SPECIAL INTEREST**

### **8.1 Recognition of outgoing Chair, Carol Chaplin**

CEO Griffin led this recognition and expressed his gratitude for Trustee Chaplin's service this past year as Chair.

### **8.2 Recognition of retiring Chief People, Culture & Equity Officer, Larry Harvey**

CEO Griffin led this recognition and expressed his gratitude for Mr. Harvey's executive leadership at RTAA.

## **9. CONSENT ITEMS (All consent items may be approved together with a single motion, be taken out of order, and/or be heard and discussed individually.)**

Prior to this motion being called, Chair Sperber announced he has a conflict of interest with items 9.1 and 9.2. As such, he will not participate in the vote of the consent items.

**Motion:** Move to approve items 9.1 through 9.3 as presented

**Moved by:** Kitty Jung

**Seconded by:** Joel Grace

**Abstain:** Art Sperber

**Aye:** Trustees Carey, Chaplin, Cunningham, Grace, Jay, Jung, Kramer, Young

**Result:** Passed

**9.1 Board Memo No. 07/2024-34 (For Possible Action): Authorization for the President/CEO to execute a Professional Services Agreement for Construction Administration services for the Runway 17R Remediation project at Reno-Tahoe International Airport with Wood Rodgers in the amount of \$138,000**

**9.2 Board Memo No. 07/2024-35 (For Possible Action): Authorization for the President/CEO to execute a Professional Services Agreement for Construction Management services for the Runway 17R Remediation project at Reno-Tahoe International Airport with AtkinsRéalis in the amount of \$550,000**

**9.3 Board Memo No. 07/2024-36 (For Possible Action): Authorization for the President/CEO to execute a 4-year agreement to Scheidt & Bachmann USA, for a Maintenance Services Agreement for public parking equipment in the amount of \$1,039,123**

## **10. INFORMATION / POSSIBLE ACTION ITEMS**

**10.1 Board Memo No. 07/2024-37 (For Possible Action): Review, discussion and potential approval of Resolution 569, A Resolution To Amend the Reno-Tahoe Airport Authority (RTAA) Civil Service Plan Defined In Resolution No. 517**

This item having been initially presented to the Board at a previous meeting, no staff presentation was requested and no additional discussion took place.

**Motion:** Move to approve Board Resolution 569 to update the Civil Service Plan

**Moved by:** Carol Chaplin

**Seconded by:** Art Sperber

**Aye:** Trustees Carey, Chaplin, Cunningham, Grace, Jay, Jung, Kramer, Sperber, Young

**Result:** Passed unanimously

**10.2 Board Memo No. 07/2024-38 (For Possible Action): Review, discussion and potential authorization for the President/CEO to execute Amendment #1 to the Professional Services Agreement for consultant services for the Program Manager support of the MoreRNO Program with Jacobs Project Management Co. in the amount of \$5,825,000, increasing the total contract amount from \$160,000 to \$5,985,000**

Prior to this item being heard, a clerical error was brought to the Board's attention. The base contract for this item is \$160,000, not \$5,825,000, and the amendment will increase the contract by \$5,825,000, not \$160,000.

This item was presented by Jackie Borman, MoreRNO Program Director, and was first heard by the Planning & Construction Committee on July 9, 2024. After discussion, the Board took the following action:

**Motion:** Move to authorize the President/CEO to execute Amendment #1 to the Professional Services Agreement for consultant services for Program Manager support of the MoreRNO Program with Jacobs Project Management Co. in the amount of \$5,825,000, increasing the total contract amount to \$5,985,000

**Moved by:** Art Sperber

**Seconded by:** Joel Grace

**Aye:** Trustees Carey, Chaplin, Cunningham, Grace, Jay, Jung, Kramer, Sperber, Young

**Result:** Passed unanimously

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**10.3 Board Memo No. 07/2024-39 (For Possible Action): Review, discussion and potential authorization for the President/CEO to execute Amendment #1 to the Professional Services Agreement for consultant services for the design of the Reno-Tahoe International Airport New Gen A&B Project with Gensler Architecture, Design & Planning, P.C., in the amount of \$15,973,628, for New Gen A to 100% and Miscellaneous Supplemental Services, increasing the total contract amount from \$17,994,409 to \$33,968,037**

This item was presented by Roddy Boggus, MoreRNO Program Manager, and was first heard by the Planning & Construction Committee on July 9, 2024. After discussion, the Board took the following action:

**Motion:** Move to authorize the President/CEO to execute Amendment #1 to the Professional Services Agreement for consultant services for the design of the Reno-Tahoe International Airport New Gen A&B Project to Gensler Architecture, Design & Planning, P.C., in the amount of \$15,973,628, for New Gen A to 100% and Miscellaneous Supplemental Services, increasing the total contract amount to \$33,968,037

**Moved by:** Art Sperber

**Seconded by:** Adam Kramer

**Aye:** Trustees Carey, Chaplin, Cunningham, Grace, Jay, Jung, Kramer, Sperber, Young

**Result:** Passed unanimously

**10.4 Board Memo No. 07/2024-40 (For Possible Action): Review, discussion and potential authorization for the President/CEO to execute a Construction Contract for GMP #1 - CUP Enabling Package – General Conditions, as a part of the New Gen A&B Project at the Reno-Tahoe International Airport, with Holder/Q&D Joint Venture, for a Guaranteed Maximum Price (GMP) of \$188,464**

This item was presented by Roddy Boggus, MoreRNO Program Manager, and was first heard by the Planning & Construction Committee on July 9, 2024. After discussion, the Board took the following action:

**Motion:** Move to authorize the President/CEO to execute a Construction Contract for GMP #1 General Conditions for the CUP Enabling Package as a part of the New Gen A&B Project at the Reno-Tahoe International Airport, with HQD Joint Venture, for a Guaranteed Maximum Price (GMP) of \$188,464

**Moved by:** Art Sperber

**Seconded by:** Joel Grace

**Aye:** Trustees Carey, Chaplin, Cunningham, Grace, Jay, Jung, Kramer, Sperber, Young

**Result:** Passed unanimously

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**10.5 Board Memo No. 07/2024-41 (For Possible Action): Review, discussion and potential authorization for the President/CEO to execute a Construction Contract for GMP #2 - CUP Enabling Package - Select Long-Lead Equipment, as a part of the New Gen A&B Project at the Reno-Tahoe International Airport, with Holder/Q&D Joint Venture, for a Guaranteed Maximum Price (GMP) of \$12,577,765**

This item was presented by Roddy Boggus, MoreRNO Program Manager, and was first heard by the Planning & Construction Committee on July 9, 2024. After discussion, the Board took the following action:

**Motion:** Move to authorize the President/CEO to execute a Construction Contract for GMP #2 - CUP Enabling Package - Select Long-Lead Equipment, as a part of the New Gen A&B Project at the Reno-Tahoe International Airport, with Holder/Q&D Joint Venture, for a Guaranteed Maximum Price (GMP) of \$12,577,765

**Moved by:** Art Sperber

**Seconded by:** Joel Grace

**Aye:** Trustees Carey, Chaplin, Cunningham, Grace, Jay, Jung, Kramer, Sperber, Young

**Result:** Passed unanimously

**10.6 Board Memo No. 07/2024-42 (For Possible Action): Review, discussion and potential approval to dissolve the Reno-Tahoe International Airport Community Outreach Committee and transition the Committee as reflected in the proposed guidelines**

This item was presented by Natalie Brown, Chief Marketing & Public Affairs Officer.

During discussion, Trustee Kramer requested that staff come back to the Board to discuss the outreach process. After discussion, the Board took the following action:

**Motion:** Move to dissolve Community Outreach Committee as a committee of the Board and adopt new guidelines transitioning the committee as reflected in the proposed guidelines

**Moved by:** Joel Grace

**Seconded by:** Cortney Young

**Aye:** Trustees Carey, Chaplin, Cunningham, Grace, Jay, Jung, Kramer, Sperber, Young

**Result:** Passed unanimously

**11. TRUSTEE COMMENTS AND REQUESTS**

Chair Cunningham reminded the Trustees that the Committee assignments will be announced at the next Board meeting.

**12. UPCOMING RTAA MEETINGS**

DATE	MEETING
08/06/2024	Finance & Business Development Committee Meeting Planning & Construction Committee Meeting
08/08/2024	Board of Trustees Regular Meeting

09/10/2024	Finance & Business Development Committee Meeting Planning & Construction Committee Meeting
09/12/2024	Board of Trustees Regular Meeting
10/8/2024	Finance & Business Development Committee Meeting Planning & Construction Committee Meeting
10/10/2024	Board of Trustees Regular Meeting
11/12/2024	Finance & Business Development Committee Meeting Planning & Construction Committee Meeting
11/14/2024	Board of Trustees Regular Meeting
12/10/2024	Finance & Business Development Committee Meeting Planning & Construction Committee Meeting
12/12/2024	Board of Trustees Regular Meeting

There was no discussion on this item.

### **13. PUBLIC COMMENT**

Chair Cunningham called for public comment. There were none.

### **14. ADJOURNMENT**

Chair Cunningham adjourned the meeting at 10:30 a.m.

# President/CEO Report

**To:** All Board Members  
**From:** Daren Griffin, President/CEO  
**Date:** August 2024

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## AIR SERVICE DEVELOPMENT

### **Airline Familiarization Tour**

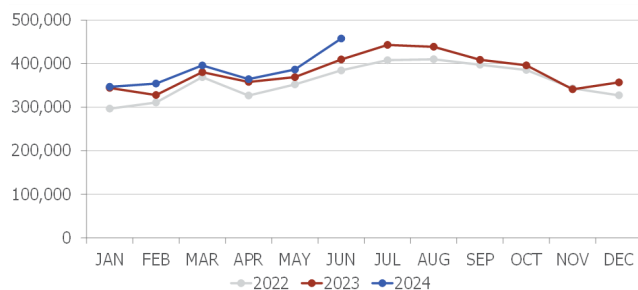
The Reno-Tahoe Airport Authority (RTAA), in partnership with the Reno-Sparks Convention and Visitors Authority (RSCVA), held its inaugural joint Familiarization Tour (FAM) from July 13 through July 15. This FAM, branded "The Reno-Tahoe Experience" or RTX, was built around the American Century Celebrity Golf Championship at Lake Tahoe. This FAM is intended to replace the prior Air Race-oriented FAM.

The RTX FAM attendees included airline network planners, airline sales representatives, Airline Airport Affairs Committee (AAAC) members, and RSCVA meeting & convention planners. In total, eleven airline associates from seven airlines attended, with all RNO signatory air carriers represented. Attendees were thrilled to have the chance to watch, meet, and take pictures with many of the tournament celebrities. Additionally, they enjoyed the CEO presentations from the RTAA, RSCVA, and the Economic Development Authority of Western Nevada (EDAWN). This, along with the marvelous tour of the Tahoe Reno Industrial Center (TRIC), given by the TRIC Project Manager Kris Thompson, and the stop at Tesla, gave them the chance to learn more about the amazing Reno Tahoe region and the growth that is happening in tourism and in business. The attendees especially appreciated time with the RTAA and RSCVA Board Members, as well as the community partners, such as the University of Nevada Tech Hub, Caesars Entertainment, and the Tahoe Knight Monsters, that helped to provide an even better picture of the leisure and business market that is Reno Tahoe. The Air Service Development Department plans to use these newly expanded airline partnerships to continue building the business case for robust air service both inbound and outbound.

### **June 2024 RNO Passengers**

Reno-Tahoe International Airport (RNO) served 457,524 passengers in June 2024, an increase of 11.7% versus the same period last year. In June 2024, RNO was served by 10 airlines to 24 non-stop destinations. The total seat capacity increased 15.6% and flights increased 12.4% when compared to June 2023.

In FY 2023-2024, RNO served 4,689,790 passengers, an increase of 5.2% when compared to FY 2022-2023.



Total Passengers					
Jun-24					
	Passengers		% Diff.	Passengers	YOY % Diff.
	2022	2023			
JAN	296,641	344,268	16.1%	346,845	0.7%
FEB	310,738	327,934	5.5%	354,252	8.0%
MAR	368,946	380,363	3.1%	395,906	4.1%
<b>1st QTR</b>	<b>976,325</b>	<b>1,052,565</b>	<b>7.8%</b>	<b>1,097,003</b>	<b>4.2%</b>
APR	326,787	357,924	9.5%	364,374	1.8%
MAY	352,255	368,930	4.7%	386,391	4.7%
JUN	384,429	409,467	6.5%	457,524	11.7%
<b>2nd QTR</b>	<b>1,063,471</b>	<b>1,136,321</b>	<b>6.9%</b>	<b>1,208,289</b>	<b>6.3%</b>
JUL	407,867	442,942	8.6%		
AUG	409,942	438,621	7.0%		
SEP	397,404	408,732	2.9%		
<b>3rd QTR</b>	<b>1,215,213</b>	<b>1,290,295</b>	<b>6.2%</b>	<b>0</b>	
OCT	385,466	396,147	2.8%		
NOV	343,130	341,084	-0.6%		
DEC	327,353	356,972	9.0%		
<b>4th QTR</b>	<b>1,055,949</b>	<b>1,094,203</b>	<b>3.6%</b>	<b>0</b>	
<b>TOTAL</b>	<b>4,310,958</b>	<b>4,573,384</b>	<b>6.1%</b>		

Alaska Airlines (AS)

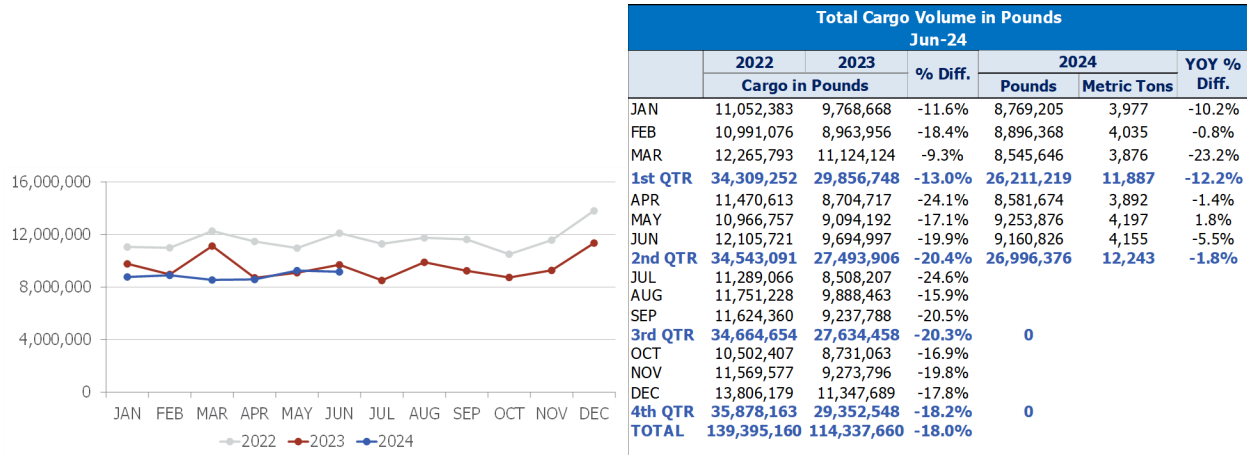
- AS will begin twice daily non-stop flights between RNO and Los Angeles (LAX) on October 1.
- AS will begin non-stop flights between RNO and San Diego (SAN) on December 19.

August 2024 RNO Flight Schedule			
Destination	Airlines	Total Departures	Details
Atlanta	Delta	24	Daily 1-12. Five weekly Mon, Thu Fri, Sat, Sun
Austin	American	5	Daily 1-5
Burbank	Southwest	49	Daily. Twice daily on Mon, Thu, Fri, Sun
Chicago-Midway	Southwest	19	Five weekly on Mon, Thu Fri, Sun and Aug 3
Chicago-O'Hare	American	31	Daily
	United	31	Daily
Dallas-Love	Southwest	9	Twice weekly. Sat, Sun
Dallas/Fort Worth	American	117	Four daily. Three on 10,17,24,27,28. Twice on 31
Denver	Southwest	97	Three daily. Four on Sun
	United	133	Four daily. Five on 21-23,26,28-30. Six on 25
Guadalajara	Volaris	22	Daily. Mon-Fri
Houston-Intercontinental	United	7	Twice weekly Sat, Sun. Once on 26
Las Vegas	Southwest	286	Six to 10 daily. 11 daily on Mon, Thu, Fri.
	Spirit	91	Three daily. Once on 31
Long Beach	Southwest	62	Twice daily
Los Angeles	American	19	Three daily 23-25, 31. Twice on 26,30. Once on 27-29
	Delta	92	Three daily. Once on 31
	Southwest	38	Daily. Twice on 4. Three on 11,18,25
	Spirit	31	Daily
	United	62	Twice daily
Minneapolis/St. Paul	Delta	31	Daily
	Sun Country	11	Twice weekly Thu, Sun. Once on 2,5
New York-JFK	JetBlue	11	Daily. 1-11
Oakland	Southwest	45	Once daily. Twice on Mon. Thu, Fri
Phoenix	American	139	Four to five daily
	Southwest	77	Twice daily. Three on Mon, Thu, Fri, and 4
Portland	Alaska	107	Four daily. Three daily on 3,7,10,14,17, 20-31
Salt Lake City	Delta	93	Three daily
San Diego	Southwest	81	Three daily. Twice daily Tue, Wed, Sat
San Francisco	United	104	Three daily. Four daily 19-31. Twice on 5,12
San Jose	Southwest	31	Daily
Seattle	Alaska	153	Five daily. Four daily 24,31
	Multiple airlines		

**June 2024 RNO Cargo**

RNO handled 9,160,826 pounds of air cargo in June 2024, a decrease of 5.5% when compared to June 2023.

In FY 2023-2024, RNO handled 110,194,601 pounds of air cargo, a decrease of 13.8% when compared to FY2022-2023.



**ECONOMIC DEVELOPMENT**

**Properties**

**Paslay Concessions Consultants**

The Professional Services Agreement (PSA) with Paslay Management Group, L.P. (Paslay) commenced in January 2023 for concessions consulting in the following areas: concessions assessment and strategy, program development, solicitation, and construction planning. Initial efforts included an existing conditions analysis to validate the Basis of Design report for the new concourses and to identify and recommend near term improvements to ensure the concession program is operating at its full potential in advance of soliciting new opportunities. Paslay’s scope also includes developing and documenting program goals, as well as recommendations and guidance on community and industry outreach to advise of the upcoming opportunities that will align with the timing of New Gen A & B.

Developing concession strategy for upcoming opportunities is another key element of Paslay’s scope. Their efforts are ongoing and include insight into industry practices, benchmarking against peer airports and those of similar size, understanding the local market to recommend solicitation packages and concession categories to garner the best response outcome, and carefully balancing the desire to have a strong local presence with national brands to ensure the highest revenue potential. In addition to maximizing concession revenue, Paslay’s comprehensive approach aims to ensure that the concessions program meets operational needs, provides opportunity for future growth, and enhances overall passenger satisfaction.

Paslay is currently working closely with staff and the New Gen A & B teams to comment on Gensler’s 30% Design documents and participating in related workshops to provide recommendations for the future concessions program in New Gen A & B. Paslay will also support staff through upcoming follow-up meetings to the April Gaming Industry Days in an effort to better understand the viability of the future gaming program.

**RTS Land Development**

**Dermody Properties Development**

Dermody continues to work on the wall tilt-ups for the first building and is about 75% complete. They have also started grading for the dock aprons and curbs and will be pouring concrete for the dock aprons and curbs within the next two weeks.

Sewer work along Moya Blvd started and is continuing north to the railroad tracks. Union Pacific Railroad will soon commence the replacement of track and the RR crossing infrastructure/electrical will follow that work. Additional work along Moya that is occurring is the relocation of an NV Energy pole and fiberoptic patch vault as well as the installation of a new storm line.

**RNO Land Development**

**Tolles Development Company**

Tolles completed construction of its Class A mixed use industrial and commercial center known as Airway Commerce Park. Tolles has had success in leasing the facilities and has secured a long-term national tenant in Marvin, which is a Minnesota-based manufacturer of residential doors and windows that employs 7,500 employees in 16 cities across the United States. A ribbon-cutting event took place Thursday, July 25<sup>th</sup>, at 11am.

**OPERATIONS & PUBLIC SAFETY**

Department	Event	06/2024	06/2023	06/2022
Joint Actions	Aircraft Alerts: ARFF, Ops, Police, Aircom	0	5	3
	Medicals: ARFF, Ops, Police, Aircom	37	27	34
Operations	Inspections	141	113	62
	Wildlife Incidents	3	4	3
Police	TSA Checkpoint Incidents	12	16	18
	Case Numbers Requested	9	17	9
Terminal Ops	Alarm Responses	58	93	309
	Inspections: Vehicle, Delivery, Employee	907	1187	1014
Compliance	Badge Actions	1153	696	881
ARFF	Inspections: Fuelers/Facilities	9/0	11/0	8/5
Landside	Public Parking – Total Revenue	\$1,507,210.00	\$1,386,378.00	\$1,115,198.00
	Public Parking – Total Transactions	43,072	41,977	41,646
	Public Parking – Average \$ Per Transaction	\$34.99	\$33.03	\$26.78
	Shuttle & Bus Trips Through GT	9,495	8,636	8,672
	Transportation Network Company Trips	37,579	15,814	13,020
	Taxi Trips Through GT	5,502	5,775	6,609

**PLANNING & INFRASTRUCTURE**

For project updates, please refer to the Monthly Project Status Reports which are posted with Planning & Construction Committee meetings agendas. Click [HERE](#) to view those agendas.

**PEOPLE, CULTURE AND EQUITY**

Time frame: 7/01/2024 through 7/31/2024

Open Positions	3
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New Starts	4
Resignations/Terminations*	2
Promotions	0
<i>*Termination refers to an employee leaving under any circumstances, good or bad.</i>	

The Culture Club kicked off a summer softball league. All employees were invited to join the team as a regular or a sub. Games are held at the Reno Softball Complex through the summer. Schedules are posted on The Hub and cheering squads are encouraged! Culture Club is also hosting a Family Event at Bower’s Mansion where lunch will be served for RTAA employees and their families.

People Operations partnered with Marketing & Public Affairs in coordinating the bi-annual Town Hall meetings. The theme for these meetings was “What’s Your Why?” Each speaker talked about “what gets you up in the morning” and what is most fulfilling about their work here at the RTAA. The hour-long meetings were packed with information and updates and finished with snack vendors in the Atrium: cotton candy, sno-cones, and fresh popped popcorn. In-person meetings were held for day and swing shift employees, while the night shift held a “watch party” with food catered by the RTIA’s own Liberty Toast.

## MARKETING & PUBLIC AFFAIRS

### Notable metrics from June 16 – July 15 include:

Due to a combination of factors, including an intentional slowdown in advertising the last few weeks of June to normalize our typical monthly advertising placement spend, we experienced an anticipated decrease in ad impressions, clicks and conversions. New ads highlighting service to Chicago started in mid-July as did incentive ads for Atlanta. We recognize and thank the Regional Air Services Corporation (RASC) for contributing \$100,000 to augment the incentive ad campaign for Atlanta.

Ad Impressions

1.9M

↓ -37.5%

Ad Clicks

14.1K

↓ -8.5%

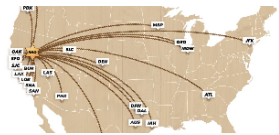
Conversions

6,459

↓ -2.4%

### Organic Social Media:

- The widely successful Best Bites and Brands Campaign wrapped up at the end of June. Campaign highlights included hundreds of responses from the community, more than 200 different businesses were “nominated” on social media, more than 47,000 impressions on Facebook, and more than 9,000 impressions on Instagram. Overall, the campaign earned impressions through organic channels, newsletter, and media; with 474,000 combined potential impressions. This number exceeded our goal by 137%.



**Reno-Tahoe International Airport**  
Jun 21, 21:03

Yee-haw! Did you just lasso another flight? We're not horsing around when we say that all it takes is a little two-step over to our website to see all available options to and from the beautiful Reno-Tahoe region. We're pretty steer-ious about our 20+ nonstop destinations. Happy Reno Rodeo

**25,033 impressions**  
2.88 % engagement rate

- Another successful post from this period, with over 25,000 impressions on Facebook, was a rodeo-themed map featuring our nonstop destinations and RNO "lassoing another flight".
- **Website:** The website saw slight decreases in sessions and users this period driven by the above-mentioned shift in advertising and resulting click-throughs described above. However, website engagement rate and page views increased by 5% and 2% respectively suggesting that despite the lower advertising spend, our audience continues to engage with our content.
- **Newsletter:** The July newsletter featured new flight offerings to southern California, Southwest Airlines joining Google Flights, Artown at RNO, and the Best Bites and Brands Campaign social media giveaway winners. The newsletter saw an exceptional open rate of 74% for the second month in a row, again far exceeding the travel/leisure industry benchmark of 38%.

### **Media and Public Outreach**

During the global technology outage on July 19, the team participated in media interviews and delivered airport updates to the public on social media platforms and the airport website to ensure accurate and timely information was readily available. The team also issued a press release announcing the newly appointed board officer positions and supported the Tolles Development team with the opening of the new Airway Commerce Center.

### **Government Affairs**

The FY25 Airport Terminal Program (ATP) grant application has been submitted to the FAA requesting over \$35 million of Bipartisan Infrastructure Law funds to support New Gen A&B. Our FAA ADO reviewed the application and we were able to secure letters of support from our federal delegation, Governor Lombardo, Mayor Schieve, Mayor Lawson, Washoe County Manager Brown, EDawn CEO Adams, and UNR President Sandoval which will demonstrate the vast local and regional support we enjoy for the MoreRNO program.

### **Art**

The annual Burning Man Exhibition opens next week in the depARTures gallery and runs through November 2. This year's theme is "Beyond Blackrock: A Global Burning Man Showcase". RNO wrapped up another successful Artown performing art series. The series included four performances, including two new performers: the India Arts and Cultural Center in Northern Nevada and Reno Taiko Tsurunokai.



# Board Memorandum

08/2024-43

## In Preparation for the Regular Board Meeting on August 8, 2024

**Subject:** Authorization for the President and CEO to negotiate final terms and execute a new 5-year Commercial Lease Agreement with two 2-year options to extend with Academy for Career Education for 14,694 square feet of space at the commercial building located at 2800 Vassar Street for a minimum contract value of \$514,290

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### STAFF RECOMMENDATION

Staff recommends that the Board adopt the motion stated below.

### STRATEGIC PRIORITIES

Financial Stewardship

### BACKGROUND

Academy for Career Education is an accredited public high school, operating under public charter sponsorship with the Washoe County School District Since 2002. ACE's curriculum provides technical and vocational training to 9th through 12th grade students interested in the building trades, diesel technology, computer aided drafting and design (CADD), advanced machining and manufacturing fields and autonomous systems technology (drones). In addition to the on-site instruction, ACE also facilitates other career and technical education programs in conjunction with Truckee Meadows Community College. Currently, ACE employs sixteen full-time faculty and staff, as well as one part-time position.

The 14,694 square foot commercial building located at 2800 Vassar Street was constructed in 1964. The Authority acquired the building in 1991 as part of the Airport Vassar Annex (AVA) acquisition. The building was previously occupied by the Nevada Air National Guard until they vacated the space in 2005. ACE first leased the building in April of 2006, where they completed a series of significant tenant improvements to the facility. They have performed over \$1,000,000 in improvements to the building and grounds since first occupying the building. Their most recent improvements in 2024 have been repaving the student parking lot, and a fresh coat of paint for the interior of the building.

### DISCUSSION

ACE finds the location and building ideally suited to their current operations and expressed interest in entering into a new lease agreement with the Authority. Proposed business terms were discussed at the July 2024 meeting of the ACE Board of Governors and ACE staff received

unanimous approval to execute a new agreement with the RTAA, subject to RTAA Board approval.

The proposed business terms for the new lease are as follows:

- Term: Five Years (August 1, 2024 through July 31, 2029)
- Premises: 14,694 sq. ft. commercial building and approximately 66,174 sq. ft. of land located at 2800 Vassar Street
- Use: Operation of a charter high school
- Rent: \$8,571.50 per month or \$102,858 per year
- Rent Adjustment: Annual CPI adjustment not to exceed 3%
- Option to Extend: Two 2-year options to extend at discretion of Authority
- Utilities and Maintenance: Tenant responsibility

ACE has been an excellent tenant dating back to the start of their relationship with the Authority. In addition to the aforementioned renovation and upgrades they have made to the building, they have met all of their financial obligations to the Authority in a timely fashion. Staff is pleased to continue the relationship with ACE.

**FISCAL IMPACT**

The proposed new lease term is five years at a rate of \$102,858, or \$8,571.50 per month. The proposed agreement has a minimum total contract value of approximately \$514,290. Rent will be adjusted annually via CPI-U, with a cap of no more than 3%.

ACE will remain responsible for all utility services, as well as all maintenance and repair of the Premises except for building structural components which will remain the responsibility of the Authority. Expenses for the Authority are expected to be minimal for the duration of the agreement.

The table below outlines the minimum revenue to the Authority over the possible term options of the proposed agreement:

<b>Annual Rent (1 Year)</b>	<b>Total Rent 5-Year Term</b>	<b>Total Rent with 1<sup>st</sup> Option</b>	<b>Total Rent with 1<sup>st</sup> and 2<sup>nd</sup> Option</b>
<b>\$102,858</b>	<b>\$514,290</b>	<b>\$720,006</b>	<b>\$925,722</b>

The contract value for the five-year term is \$514,290. Should the Authority permit ACE to exercise both of the 2-year options to extend, the total minimum contract value would be \$925,722. The minimum contract values do not include CPI-U adjustments.

**COMMITTEE COORDINATION**

Finance

**PROPOSED MOTION**

“Authorize the President and CEO or his delegate to negotiate final terms and execute a new 5-year Commercial Lease Agreement with Academy for Career Education for 14,694 square feet of space at the commercial building located at 2800 Vassar Street.”

# Board Memorandum

08/2024-44

**In Preparation for the Regular Board Meeting on August 8, 2024**

**Subject:** Authorization to conduct a public hearing pursuant to Section 147(f) of the Internal Revenue Code concerning the proposed issuance of Reno-Tahoe Airport Authority Nevada Airport System Revenue Bonds in one or more series in the maximum aggregate principal amount of \$750,000,000

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## STAFF RECOMMENDATION

Staff recommends that the Board conduct a public hearing related to the planned issuance of tax-exempt bonds by the Reno-Tahoe Airport Authority (RTAA) to finance the cost of acquiring, constructing, improving and equipping facilities of the Reno-Tahoe International Airport.

## STRATEGIC PRIORITIES

Facilities for the Future  
Financial Stewardship

## BACKGROUND

In accordance with Internal Revenue Code Section 147(f), the RTAA must conduct a public hearing regarding the planned issuance of bonds. The hearing is referred to as a “TEFRA hearing” or otherwise known by the enabling legislation titled the Tax Equity and Fiscal Responsibility Act.

The purpose of these regulations is to provide opportunity for the public to comment on the proposed issuance of the bonds. RTAA intends to issue airport system revenue bonds to finance project expenditures for the MoreRNO program of projects and other RTAA capital improvements. The total amount is estimated not to exceed \$750 million and will be issued in multiple series within this amount over the coming years. Approval of the first issuance, the 2024 Bonds in the amount up to \$275 million, will be considered by the Board as a separate matter and also on the Board’s agenda for August 8, 2024. The amount and timing of future bonds are planned commensurate with construction schedules, forecasted to occur in 2026 and 2028.

## DISCUSSION

The accompanying Notice of Hearing was posted on RTAA’s website for the required noticing period. The Board must first conduct the TEFRA hearing before the Board takes action to approve the proposed bond issuance resolution in a subsequent action.

## FISCAL IMPACT

None

**COMMITTEE COORDINATION**

Finance and Business Development Committee

**PROPOSED MOTION**

“Move to open a hearing and invite public comment on the proposed issuance of Airport System Revenue Bonds by the Reno-Tahoe Airport Authority in the maximum aggregate principal amount of \$750,000,000.”

# Board Memorandum

08/2024-45

## In Preparation for the Regular Board Meeting on August 8, 2024

**Subject:** Adoption of Resolution No. 570 relating to the Reno-Tahoe Airport Authority issuance of Airport Revenue Bonds, Series 2024A (AMT) and Series 2024B (NON-AMT), in the combined maximum aggregate principal amount of \$275,000,000; authorizing the redemption and early payment of all or a portion of the Authority’s outstanding Airport System Subordinate Lien Revenue Bonds, Series 2022; approving certain documents and other matters related thereto; and providing the effective date hereof

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### STAFF RECOMMENDATION

Staff recommends that the Board adopts Resolution No. 570 relating to the issuance of Airport Revenue Bonds, Series 2024A and Series 2024B (collectively, the “2024 Bonds”) of up to \$275 million aggregate principal amount, in one or more series, to fund certain airport capital improvements under the MoreRNO program, including the repayment of subordinate RTAA bonds, a deposit to the construction fund, debt service reserve fund, capitalized interest on the bonds, bond issuance costs; and approving certain documents and other matters related thereto.

### BACKGROUND

Chapter 474 and the Local Government Securities Law of the Nevada Revised Statutes (NRS) provide conditions, procedure and authorization to RTAA to issue revenue bonds for airport capital improvements. Bonds of this nature are anticipated to finance the development of major capital improvements planned under the MoreRNO program of projects. Airport revenue bonds are limited obligations and repaid by a pledge of net revenues generated by RTAA from the operation of the airport system and can include other eligible sources such as Passenger Facility Charges. The bonds are typically issued in multiple series to align with the timing of cashflow requirements of major project expenditures.

The MoreRNO program of projects anticipates approximately \$985 million of capital improvements for developing the RTAA administration and public safety facility (the “HQ”), new concourses (“NewGen A&B”), and other airport improvements anticipated over the coming years. Approximately half of the funding for these projects is expected to come from the issuance of bonds. RTAA was last in the market in 2015 when it refinanced earlier bonds issued to finance the parking garage improvements, pedestrian overpass and the snow removal equipment storage facility. The 2015 bonds were issued on a private placement basis as unrated bonds and have since been paid in full. Currently the only debt outstanding is approximately \$22.4 million on RTAA’s non-revolving line of credit used for the Ticketing Hall and other capital projects.

On May 23, 2024, the Board approved 4 investment banking firms to act as underwriters on the 2024 Bonds. The designated banking team for the 2024 Bonds is led by BofA Securities, Inc. as the Senior Manager. Co-Managers for the 2024 Bonds include Wells Fargo, Loop Capital Markets and Academy Securities. Other members of the financing team include PFM Financial Advisors, LLC as RTAA's Municipal Advisor, Sherman & Howard as Bond Counsel, Kaplan Kirsch as Disclosure Counsel, Stradling Yocca Carlson & Rauth as Underwriters' Counsel, Landrum & Brown as the Feasibility Consultant and US Bank as the Bond Trustee.

A key strength of the 2024 Bonds is the support received from the RNO Airport-Airline Affairs Committee (AAAC). This support is especially expressed in RTAA's 10-year airline agreement that contains AAAC preapproval of the \$570 million budget for the NewGEN A&B project. On July 18, 2024, the financing team presented the 2024 Bond plan of finance and fiscal forecast to the AAAC. The forecast contained the Cost Per Enplanement (CPE), a measure of costs associated with RNO facilities, operations and debt service as compared to the number of enplaned passengers. The repayment of bonds is secured and funded from the rates and charges paid by airlines, concessionaires, Passenger Facility Charges, non-airline revenues or other revenues available to RTAA for this purpose. The AAAC Chair, Nick James (Southwest Airlines), has provided a written letter of support for the 2024 Bonds.

The 2024 bonds will be issued as fixed-rate bonds, amortizing over 30 years and will have a credit quality designation from two nationally recognized bond rating agencies. On July 18 and 19, 2024, the RTAA financing team and Board Chair Cunningham and Treasurer Young, presented RTAA's bond rating package to Moody's, Standard & Poor's and Kroll. The presentations focused on RTAA's key credit quality features, including a profile of RTAA and the region, the RNO air service market area, RNO commercial airline activity, regional development and growth, financial performance, the MoreRNO projects and implementation plan, a comprehensive capital financing forecast and the proposed structure of the 2024 Bonds.

The RTAA team was also joined by Taylor Adams, President/CEO of EDAWN for the bond rating presentations. RTAA is very grateful to Mr. Adams for his contributions addressing the economic vitality, diversity and growth of the region. His timely updates helped support the important relationship of economic growth and the demand for more air service at RNO. The 2024 Bonds are currently under review by the rating agencies and bond rating designations are anticipated in early August.

The expected timing of the bond sale is anticipated on or about August 15, 2024, and a final closing and settlement of funds on or about September 4, 2024.

## **DISCUSSION**

There are several financing documents referenced in Resolution No. 570 the Board is requested to approve in substantially final form, including a Master Trust Indenture, First Supplement Trust Indenture, Bond Purchase Agreement (BPA), Continuing Disclosure Certificate and a Preliminary Official Statement (POS). The purpose of the POS document is to provide potential investors with essential information about the terms, conditions and financial details of the bonds being issued before the final terms are set. The POS has been prepared in conjunction with an extensive due diligence process led by Disclosure Counsel to ensure the accuracy of the information. This is an

important step to ensure that there are no untrue statements of material fact or omissions in the POS.

The Resolution also contains authorizations for the President/CEO or Chief Finance & Administration Officer of RTAA to enter into the BPA and finalize the sale of the 2024 Bonds to the underwriters. The BPA establishes the bond sale terms under which RTAA agrees to sell the bonds to the underwriter, including the purchase price, interest rates and other key details of the 2024 Bonds. The BPA provides legal protections and representations from both parties, as well as “outs” that specify reasons either party can terminate the issuance, for example a catastrophic market event. Other representations address required certificates, legal opinions and various other SEC and compliance matters. The BPA, POS and other documents referenced above are substantially final, available for public review and provided to the Board of Trustees.

### **PLAN OF FINANCE**

The 2024A Bonds are fixed-rate bonds with a final maturity of July 1, 2054. The 2024 Bonds are anticipated to price with a 10-year par call option that would allow the bonds to be optionally redeemed on or after July 1, 2034 at par without premium. The 2024 Bonds are expected to be sold in two series: Series 2024A (AMT) and Series 2024B (Non-AMT). “AMT” refers to Alternative Minimum Tax. Bonds subject to AMT often have higher yields and the interest from these bonds are included in the AMT calculation as income, potentially increasing the tax liability of the holder of the bonds. AMT bonds are associated with financing facilities used for private business activities, such as airline and concession facilities. Non-AMT bonds typically have a lower interest cost and are utilized for facilities occupied and used by a public agency for general governmental purposes. As such, NewGEN A&B will be financed with AMT bonds and the HQ will be financed with Non-AMT bonds.

The primary purpose of the Series 2024A will be to fund the initial construction of NewGEN A and a portion of a new central utility plant. Approximately \$22.4 million will be used to pay off RTAA’s non-revolving \$50 million line of credit with Wells Fargo. The line of credit has been a useful source of liquidity and seed funding for MoreRNO, including the Ticketing Hall project. A portion of the proceeds will also be used to capitalize interest associated with the NewGEN A project and the central utility plant through January 1, 2028, to coincide with the estimated project completion dates. Capitalized interest funds the bond interest payments during construction.

The Series 2024B will primarily be issued to fund the construction of the new combined headquarters for the Authority and its police department (the “HQ” project) and the portion of the central utility plant that provides power to the new headquarters. A portion of the proceeds will also be used to capitalize interest associated with the headquarters project and the central utility plant through October 1, 2026, to coincide with the estimated project completion dates.

The 2024 bonds will also fund a debt service reserve fund that is equal to the maximum annual debt service for the bonds as well as various costs associated with the issuance of the bonds. A further breakdown of the sources and uses is listed in the table below:

**Reno-Tahoe Airport Authority  
Airport Revenue Bonds  
Estimated Sources and Uses**

<b>Sources</b>	<b>Series 2024A (AMT)</b>	<b>Series 2024B (Non-AMT)</b>	<b>Total</b>
Par Amount	\$169,140,000	\$83,225,000	\$252,365,000
Original Issue Premium	4,143,402	3,390,940	7,534,342
<b>Total Sources</b>	<b>\$173,283,402</b>	<b>\$86,615,940</b>	<b>\$259,899,342</b>

<b>Uses</b>			
Project Fund	\$136,012,066	\$71,779,845	\$207,791,991
Debt Service Reserve	11,642,729	5,819,634	17,462,363
Capitalized Interest	24,872,643	8,646,153	33,518,796
Cost of Issuance	515,925	248,648	764,573
Underwriters' Discount	240,039	121,661	361,700
<b>Total Uses</b>	<b>\$173,283,402</b>	<b>\$86,615,940</b>	<b>\$259,899,342</b>

The combined principal amount of the 2024 Bonds is anticipated to be approximately \$252 million. However, staff recommends the Board authorize up to \$275 million in aggregate principal amount. The 2024 Bonds are anticipated to be sold at a premium, which currently provides RTAA with approximately \$7.5 million in additional proceeds to be used to fund projects. However, if rates increase, the additional proceeds gained from the premium could be reduced, or, while extremely unlikely, become negative. Therefore, the authority authorizing up to \$275 million in aggregate principal provides protection and ensures the project funding target is fully funded on the day of pricing. The premium also affords greater flexibility for RTAA at the time of pricing to offer bonds at coupons (the fixed interest rate) slightly above current interest rates which can help attract investors seeking income and provide some cushion in a rising interest rate market.

**FISCAL IMPACT**

The fiscal impact of approving Resolution No. 570 will commit RTAA to a long-term financial obligation to pay principal and interest of the 2024 Bonds through the final bond maturity on July 1, 2054, to maintain a debt service reserve fund and fund other obligations for capitalized interest and bond issuance costs. The Series 2024 bonds, based on a \$252 million issuance amount, will result in an estimated average debt service of \$17.5 million per year. Additional bond transactions are forecasted for 2026 and 2028. In total, the forecast calls for RTAA to issue approximately \$633.1 million of RTAA airport revenue bonds for the MoreRNO program. The annual debt service payments, once all the bonds have been issued, are estimated at \$44 million per year. These figures are estimates. Approximately 16 percent of the MoreRNO program (excluding GTC) is forecasted to be funded from federal grants. To the extent grants are not fully obtained, additional bonds or other funding sources may be required.

**COMMITTEE COORDINATION**

Finance and Business Development Committee



**PROPOSED MOTION**

“Move to adopt Resolution No. 570 relating to the issuance of Airport Revenue Bonds by the Reno-Tahoe Airport Authority of up to \$275 million aggregate principal amount, in one or more series, to fund certain airport capital improvements under the MoreRNO program, the repayment of subordinate RTAA bonds, capitalized interest on the bonds and bond issuance costs; and approving certain documents and other matters related thereto.”

## RESOLUTION NO. 570

**A RESOLUTION RELATING TO THE RENO-TAHOE AIRPORT AUTHORITY'S ISSUANCE OF ITS AIRPORT REVENUE BONDS, SERIES 2024A (AMT) AND SERIES 2024B (NON-AMT), IN THE COMBINED MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$275,000,000; AUTHORIZING THE REDEMPTION AND EARLY PAYMENT OF ALL OR A PORTION OF THE AUTHORITY'S OUTSTANDING AIRPORT SYSTEM SUBORDINATE LIEN REVENUE BONDS, SERIES 2022, SUBSERIES A (AMT), SUBSERIES B (NON-AMT) AND SUBSERIES C (TAXABLE); APPROVING CERTAIN DOCUMENTS AND OTHER MATTERS RELATED THERETO; AND PROVIDING THE EFFECTIVE DATE HEREOF.**

(1) **WHEREAS**, pursuant to chapter 474, Statutes of Nevada 1977, cited in Section 1 thereof as the Reno-Tahoe Airport Authority Act, as amended by chapter 668, Statutes of Nevada 1979 and chapter 369, Statutes of Nevada 2005, and all laws amendatory thereof (collectively, the "Authority Act"), the Reno-Tahoe Airport Authority (the "Authority") was created; and

(2) **WHEREAS**, the Authority Act provides in effect, among other provisions, that the board of trustees of the Authority (herein the "Board") has the authority to control, operate, and maintain its airports (collectively, the "Airport System") located within Washoe County, Nevada (the "County" and the "State") for the use and benefit of the public; and

(3) **WHEREAS**, the Authority is a body corporate and politic and a quasi-municipal corporation, the geographical boundaries of which are conterminous with the boundaries of the County, the Authority is a political subdivision for purposes of Section 103 of the Internal Revenue Code of 1986, as amended (the "Tax Code"), and the Authority and its Board are organized and operating under the Authority Act and all laws supplemental thereto; and

(4) **WHEREAS**, pursuant to the Authority Act, as supplemented by the Local Government Securities Law and all laws amendatory thereof (herein the "Bond Act"), cited as Nevada Revised Statutes ( "NRS"), 350.500 through 350.720, and all laws supplemental thereto, the Authority has the power to issue revenue bonds secured by a lien on the net revenues of the Airport System which constitute special obligations of the Authority, for the purpose of acquiring, constructing, improving and equipping facilities and certain supplemental facilities within the Airport System, including, without limitation, terminals, concourses, hangars, runways and taxiways, aprons, roads, parking lots and other structures, an airport police station, administration headquarters and office buildings, and additional facilities thereat, which are necessary or convenient to the development of the Airport System and paying related costs (collectively, the "Improvement Project"); and

(5) **WHEREAS**, a portion of the bonds issued, in one or more series, to fund the cost of the Improvement Project (in the maximum aggregate principal amount of \$750,000,000) may be treated as "private activity bonds" under Section 141 of the Tax Code; and

(6) **WHEREAS**, on the date hereof, the Board held a hearing with respect to the issuance of private activity bonds, in one or more series, and published notice of such hearing prior thereto (in the form attached hereto as **Exhibit B**) all in accordance with Section 147(f) of the Tax Code; and

(7) **WHEREAS**, prior to the issuance of such private activity bonds, the Authority shall receive any necessary public approval of such issuance (the “TEFRA Approval”) all in accordance with Section 147(f) of the Tax Code; and

(8) **WHEREAS**, the Authority has heretofore issued Airport System Subordinate Lien Revenue Bonds, Series 2022, Subseries A (AMT), Subseries B (Non-AMT) and Subseries C (Taxable) (collectively, the “2022 Subordinate Bonds”) with a lien on the Net Revenues subordinate to the lien thereon of the proposed 2024 Bonds (as defined below); and

(9) **WHEREAS**, the Authority proposes to issue its Airport Revenue Bonds, Series 2024A (AMT) (the “Series 2024A Bonds”) and Series 2024B (Non-AMT) (the “2024B Bonds”) and together with the 2024A Bonds, the “2024 Bonds”) secured by a senior lien on the Net Revenues of the Airport System, for the purpose of (i) financing in whole or in part the costs of the Improvement Project, and (ii) paying, together with other moneys legally available therefor, the principal of and interest on all or such portion of the outstanding 2022 Subordinate Bonds as the Authority’s Chief Finance & Administration Officer determines to be in the best interests of the Authority, as the same becomes due upon the prior redemption thereof on the delivery date of the 2024 Bonds and paying related costs (the “Refunding Project” and together with the Improvement Project, the “Project”); and

(10) **WHEREAS**, to facilitate the issuance and sale of the 2024 Bonds, there have been filed with the Secretary to the Board (the “Secretary”) the proposed substantially final forms of the following documents (the documents listed in paragraphs (a) through (d) below, both inclusive, being referred to herein as the “2024 Bond Documents”):

(a) the Master Trust Indenture, dated as of August 8, 2024 (as amended, the “Master Indenture”), with U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), which provides for the issuance of revenue bonds and other securities with a lien on the Net Revenues of the Airport System for the purposes stated therein;

(b) the First Supplemental Trust Indenture (the “2024 Indenture”) between the Authority and the Trustee, authorizing the issuance of the 2024 Bonds;

(c) the Bond Purchase Agreement (the “Bond Purchase Agreement”) between the Authority and BofA Securities, Inc. on behalf of itself and as representative of the underwriters of the 2024 Bonds listed therein (the “Underwriters”);

(d) the Continuing Disclosure Certificate of the Authority with respect to the 2024 Bonds (the “Continuing Disclosure Certificate”);

(e) the Preliminary Official Statement (the “Preliminary Official Statement”) for the 2024 Bonds; and

(11) **WHEREAS**, pursuant to the Authority Act and the Bond Act, the Authority’s Chief Finance & Administration Officer (the “Chief Finance & Administration Officer”), as the chief financial officer for purposes of NRS Chapter 350, or, in his absence, the Authority’s President/CEO (the “President/CEO”), as the chief administrative officer for purposes of NRS Chapter 350, is hereby authorized to sell the 2024 Bonds to the Underwriters in accordance with the Bond Purchase Agreement and to accept the Bond Purchase Agreement; and

(12) **WHEREAS**, the Board hereby elects to have the provisions of Chapter 348 of NRS (the “Supplemental Bond Act”) apply to the Bonds; and

(13) **WHEREAS**, the Board desires to approve the form, terms, provisions, and performance of the 2024 Bond Documents (capitalized terms used herein that are not otherwise defined shall have the respective meanings provided in the Master Indenture) and the Preliminary Official Statement, as well as approve certain other matters relating to the 2024 Bonds; and

(14) **WHEREAS**, the Board is authorized by the Authority Act and the Bond Act, and all laws amendatory thereof, without any further preliminaries:

(A) To issue and sell the Bonds to the Underwriters for the purpose of financing the Improvement Project and the Refunding Project; and

(B) To exercise the incidental powers provided in the Bond Act in connection with the powers authorized therein as otherwise expressly provided therein; and

(15) **WHEREAS**, the Board has determined and hereby declares:

(A) It is necessary and for the best interests of the Authority that it issue the 2024 Bonds; and

(B) Each of the limitations and other conditions to the issuance of the 2024 Bonds in the Authority Act, the Bond Act, the Supplemental Bond Act, and in any other relevant act of the State of Nevada or the United States of America has been met; and pursuant to NRS 350.708, this determination of the Board that the limitations in the Bond Act have been met shall be conclusive in the absence of fraud or arbitrary or gross abuse of discretion.

**NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE RENO-TAHOE AIRPORT AUTHORITY, NEVADA, DO RESOLVE:**

Section 1. Short Title. This resolution shall be known as the, and may be cited by the short title, “2024 Revenue Bond Approval Resolution” (the “Resolution”).

Section 2. 2024A Bonds.

1. The 2024A Bonds are hereby created and authorized to be issued, as follows:

a. The 2024A Bonds shall be issued in the respective principal amounts specified in the Bond Purchase Agreement to be necessary, in the aggregate, to finance, together with other monies legally available therefor, all or a portion of the cost of the

Project, the cost of a debt service reserve (or related debt service reserve policy) for the 2024A Bonds, if necessary, and certain costs of issuing the 2024A Bonds, provided that the aggregate principal amount of the 2024A Bonds plus the aggregate principal amount of the 2024B Bonds shall not exceed \$275,000,000.

b. The 2024A Bonds shall be dated the date of the initial issuance thereof, shall be issued pursuant to the 2024 Indenture and shall mature on the dates specified in the Bond Purchase Agreement. The 2024A Bonds shall bear interest at the fixed interest rate or rates specified in the Bond Purchase Agreement, payable on January 1 and July 1 of each year, commencing on the first January 1 or July 1 which is at least 60 days after the date of delivery of the 2024A Bonds. Such rate or rates on the 2024A Bonds must not exceed by more than 3% the Index of Revenue Bonds most recently published in The Bond Buyer prior to the time a negotiated offer for the 2024A Bonds is accepted.

c. The payment of the Debt Service on the 2024A Bonds shall be secured by the Net Revenues, and such lien on the Net Revenues shall be senior to the lien thereon of any Subordinate Obligations heretofore or hereafter issued.

d. The 2024A Bonds shall be payable, and shall be subject to redemption prior to maturity, in the manner, to the extent and upon the terms set forth in the 2024 Indenture and the Bond Purchase Agreement.

e. All or a portion of the 2024A Bonds may be insured, to the extent that the Chief Finance & Administration Officer determines that obtaining bond insurance for such 2024A Bonds is in the best interests of the Authority.

### Section 3. 2024B Bonds.

2. The 2024B Bonds are hereby created and authorized to be issued, as follows:

a. The 2024B Bonds shall be issued in the respective principal amounts specified in the Bond Purchase Agreement to be necessary, in the aggregate, to finance, together with other monies legally available therefor, all or a portion of the cost of the Project, the cost of a debt service reserve (or related debt service reserve policy) for the 2024B Bonds, if necessary, and certain costs of issuing the 2024B Bonds, provided that the aggregate principal amount of the 2024B Bonds plus the aggregate principal amount of the 2024A Bonds shall not exceed \$275,000,000.

b. The 2024B Bonds shall be dated the date of the initial issuance thereof, shall be issued pursuant to the 2024 Indenture and shall mature on the dates specified in the Bond Purchase Agreement. The 2024B Bonds shall bear interest at the fixed interest rate or rates specified in the Bond Purchase Agreement, payable on January 1 and July 1 of each year, commencing on the first January 1 or July 1 which is at least 60 days after the date of delivery of the 2024B Bonds. Such rate or rates on the 2024B Bonds must not exceed by more than 3% the Index of Revenue Bonds most recently published in The Bond Buyer prior to the time a negotiated offer for the 2024B Bonds is accepted.

c. The payment of the Debt Service on the 2024B Bonds shall be secured by the Net Revenues, and such lien on the Net Revenues shall be senior to the lien thereon of any Subordinate Obligations heretofore or hereafter issued.

d. The 2024B Bonds shall be payable, and shall be subject to redemption prior to maturity, in the manner, to the extent and upon the terms set forth in the 2024 Indenture and the Bond Purchase Agreement.

e. All or a portion of the 2024B Bonds may be insured, to the extent that the Chief Finance & Administration Officer determines that obtaining bond insurance for such 2024B Bonds is in the best interests of the Authority.

Section 4. Approval of 2024 Bond Documents. The 2024 Bond Documents, in substantially the forms filed with the Secretary and presented to this meeting, are hereby approved, and the Authority shall enter into and perform its obligations under the 2024 Bond Documents in the respective forms thereof filed with the Secretary, with such changes, variations, omissions and insertions as any Authorized Officer (as defined in Section 5 below) executing the respective 2024 Bond Documents shall approve. The form, terms and provisions of the 2024 Bonds, in the form attached to the 2024 Indenture as Exhibit A, are hereby approved with only such changes therein, if any, as are not inconsistent herewith. The execution of any 2024 Bond Document by such Authorized Officers shall be conclusive evidence of the approval by the Authority of such 2024 Bond Document in accordance with the terms hereof.

Section 5. Delegated Powers. Each of the Chair of the Board, the Secretary, the Authority's Treasurer, the President/CEO and the Chief Finance & Administration Officer (each, an "Authorized Officer") is hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Resolution, including, without limitation: (i) the execution (electronically or otherwise), delivery, and performance of the 2024 Bond Documents, as applicable; (ii) the execution (electronically or otherwise), delivery, and performance of such notices, requests, closing certificates, supplemental instruments and other documents, as may be reasonably required by the Underwriters or necessary and desirable in connection with the issuance of the Bonds and any instrument supplemental thereto, in such forms and with such terms as are not inconsistent herewith and as are approved by the Chief Finance & Administration Officer; and (iii) the execution and delivery of the 2024 Bonds in accordance with the Bond Act. The Secretary is hereby authorized to affix the Authority's seal to the 2024 Bonds in accordance with the Bond Act. In accordance with NRS 350.165, the Chief Finance & Administration Officer, or in his absence, the President/CEO, is hereby authorized to execute and deliver the Bond Purchase Agreement, and the execution and delivery of the same shall constitute conclusive evidence of the Authority's approval thereof in accordance with the terms hereof. Notwithstanding the provisions contained herein, the 2024A Bonds, which will constitute private activity bonds, shall not be issued until such issuance receives the TEFRA Approval described herein.

Section 6. Preliminary Official Statement. The Preliminary Official Statement, in substantially the form filed with the Secretary and presented to this meeting, with such changes, omissions, insertions and revisions as an Authorized Officer, acting singly, shall deem advisable, is hereby approved, and the use of the Preliminary Official Statement by the Underwriters in connection with the offering of the 2024 Bonds to the public, is hereby

authorized. The President/CEO or Chief Finance & Administration Officer are each hereby authorized to certify that the Preliminary Official Statement is in a form that the Authority “deems final” for the purposes of Rule 15c2-12 (the “Rule”) under the Securities Exchange Act of 1934, as promulgated by the Securities and Exchange Commission, to the extent applicable, except for the omission of certain information permitted by the Rule. The President/CEO or Chief Finance & Administration Officer are each hereby authorized, singly, to execute the final Official Statement in substantially the form of the Preliminary Official Statement, completed with the information permitted to be omitted from the Preliminary Official Statement by the Rule and with such other changes therein as are approved by the President/CEO or Chief Finance & Administration Officer (including any supplements to the Preliminary Official Statement or final Official Statement as may be deemed necessary or advisable by the President/CEO or Chief Finance & Administration Officer). Such approval of any such changes shall be conclusively established by the President/CEO or Chief Finance & Administration Officer signing of one or more copies of the final Official Statement (including any supplements to the Preliminary Official Statement or final Official Statement as may be deemed necessary or advisable by the President/CEO or Chief Finance & Administration Officer). The President/CEO or Chief Finance & Administration Officer shall cause the final Official Statement, including any supplements thereto as may be deemed necessary or advisable by the President/CEO or Chief Finance & Administration Officer, to be delivered to the Underwriters in sufficient time to accompany any confirmation that requests payment from any customer of any Underwriter in sufficient quantities for distribution to prospective purchasers of the 2024 Bonds and other interested persons.

Section 7. Redemption Notice. The Chief Finance & Administration Officer is authorized, in the discretion of such officer, but not required, to take all necessary action to effectuate the payment or defeasance of all or a part of the 2022 Subordinate Bonds, including, without limitation, the delivery of a conditional or unconditional notice of redemption with respect thereto and the transfer of otherwise legally available revenues of the Airport System in an amount not to exceed \$25,000,000 to pay or defease the same.

Section 8. Approval of Private Activity Bonds. After a public hearing held on the date hereof, which was held following not less than seven days public notice, the Board hereby approves under Section 147(f) of the Tax Code the plan of finance described in the notice of hearing attached hereto as **Exhibit B**.

Section 9. Irrevocable Contract. This resolution shall constitute an irrevocable contract between the Authority and the owner or owners of any 2024A Bonds and 2024B Bonds, as applicable; and this resolution shall be and shall remain irrevocable until such 2024A Bonds or 2024B Bonds, as applicable, shall be fully paid, canceled and discharged.

Section 10. Governing Law. This Resolution shall be construed and governed in accordance with the laws of the State of Nevada.

Section 11. Repealer.

All ordinances, resolutions, bylaws, orders and other instruments, or parts thereof, inconsistent herewith are hereby repealed to the extent only of the inconsistency. This repealer shall not be

construed to revive any ordinance, resolution, bylaw, order or other instrument, or part thereof, heretofore repealed.

Section 12. Severability.

If any section, subsection, paragraph, clause, or other provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause, or other provision shall not affect any of the remaining provisions of this Resolution.

Section 13. Prior Action. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Board, the officers of the Authority and otherwise by the Authority in connection with the 2024A Bonds and the 2024B Bonds hereby is ratified, approved and confirmed.

Section 14. Execution of Resolution. This Resolution, immediately on its final passage and adoption, shall be recorded in the official records of the Authority kept for that purpose, shall be executed by the signature of the Chair of the Board, shall be attested by the Secretary, and the seal of the Authority shall be affixed thereto.

Section 15. Effective Date.

This Resolution shall be in effect immediately upon its adoption.

On motion by Trustee \_\_\_\_\_, second by Trustee \_\_\_\_\_, the foregoing Resolution No. \_\_\_\_\_ was passed and adopted this 8<sup>th</sup> day of August 2024, by the following vote of the Board:

AYES:

NAYS:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Jennifer Cunningham, Chair

(SEAL)

Attest:

\_\_\_\_\_  
Adam Kramer, Secretary



STATE OF NEVADA        )  
                                  ) ss.  
COUNTY OF WASHOE    )

I am the duly chosen and qualified Secretary of the Reno-Tahoe Airport Authority and in the performance of my duties as Secretary do hereby certify:

1. The foregoing pages are a full and correct copy of the record of proceedings of the Authority taken at a regular meeting thereof held on August 8, 2024, so far as such minutes relate to a resolution, a copy of which are therein set forth; and a copy of such resolution contained in such minutes is a true, correct, compared copy of the original proposed at such meeting.

2. All members of the Board were given due and proper notice of such meeting.

3. Said proceedings were duly had and taken as therein shown and the persons therein named were present at said meeting and voted as set forth in the resolution.

4. Public notice of such meeting was given and such meeting was held and conducted in full compliance with the provisions of NRS 241.020. A copy of the notice of meeting is attached as **Exhibit A**.

5. At least three working days before such meeting, such notice was given to each member of the Board and to each person, if any, who has requested notice of meetings of the Board in accordance with the provisions of Chapter 241 of NRS.

**IN WITNESS WHEREOF**, I have hereunto set my hand this August 8, 2024.

\_\_\_\_\_  
Adam Kramer, Secretary

# **ATTACHMENT A**

**BOARD OF TRUSTEES**  
Jennifer Cunningham, Chair  
Shaun Carey, Vice Chair  
Cortney Young, Treasurer  
Adam Kramer, Secretary  
Carol Chaplin, Trustee  
Joel Grace, Trustee  
Richard Jay, Trustee  
Kitty Jung, Trustee  
Art Sperber, Trustee



**PRESIDENT/CEO**  
Daren Griffin, A.A.E.

**CHIEF LEGAL COUNSEL**  
Ian Whitlock

**BOARD CLERK**  
Lori Kolacek

## **AGENDA**

**Board of Trustees Regular Meeting**  
**Thursday, August 8, 2024 | 9:00 AM**  
**Reno-Tahoe International Airport, Reno, NV**  
**Administrative Offices, Second Floor**

### **Notice of Public Meeting**

Meetings are open to the public and notice is given pursuant to [NRS 241.020](#).

This meeting will be livestreamed and may be viewed by the public at the following link:

**Watch on Zoom:** <https://us02web.zoom.us/j/82275583396>

**Listen by Phone:** Dial 1-669-900-6833

**Webinar ID:** 822 7558 3396

### **Accommodations**

Members of the public who require special accommodations or assistance at the meeting are requested to notify the Clerk by email at [lkolacek@renoairport.com](mailto:lkolacek@renoairport.com) or by phone at (775) 328-6402. Translated materials and translation services are available upon request at no charge.

### **Public Comment**

Anyone wishing to make public comment may do so in person at the Board meeting, or by emailing comments to [lkolacek@renoairport.com](mailto:lkolacek@renoairport.com). Comments received **prior to 4:00 p.m. on the day before the meeting** will be given to the Board for review and included with the minutes of this meeting. To make a public comment during the Zoom meeting, please make sure your computer or device has a working microphone. Use the "Chat" feature to submit a request to speak. When the time comes to make public comments, you will be invited to speak. Public comment is **limited to three (3) minutes** per person. No action may be taken on a matter raised under general public comment.

### **Posting**

This agenda has been posted at the following locations:

1. RTAA Admin Offices, 2001 E. Plumb
2. [www.renoairport.com](http://www.renoairport.com)
3. <https://notice.nv.gov/>

### **Supporting Materials**

Supporting documentation for this agenda is available at [www.renoairport.com](http://www.renoairport.com), and will be available for review at the Board meeting. Please contact the Board Clerk at [lkolacek@renoairport.com](mailto:lkolacek@renoairport.com), or (775) 328-6402 for further information.

## **1. INTRODUCTORY ITEMS**

- 1.1 Pledge of Allegiance
- 1.2 Roll Call

## **2. PUBLIC COMMENT**

## **3. APPROVAL OF AGENDA *(For Possible Action)***

## **4. APPROVAL OF MINUTES**

- 4.1 July 11, 2024, Board of Trustees meeting

## **5. PRESIDENT/CEO REPORT**

## **6. BOARD MEMBER REPORTS AND UPDATES**

## **7. INFORMATION / POSSIBLE ACTION ITEMS**

- 7.1 Board Memo No. 08/2024-43 *(For Possible Action)*: Review, discussion and potential authorization for the President and CEO to negotiate final terms and execute a new 5-year Commercial Lease Agreement with two 2-year options to extend with Academy for Career Education for 14,694 square feet of space at the commercial building located at 2800 Vassar Street for a minimum contract value of \$514,290
- 7.2 Board Memo No. 08/2024-44 AND PUBLIC HEARING *(For Possible Action)*: Review, discussion and potential authorization to conduct a public hearing pursuant to Section 147(f) of the Internal Revenue Code concerning the proposed issuance of Reno-Tahoe Airport Authority Nevada Airport System Revenue Bonds in one or more series in the maximum aggregate principal amount of \$750,000,000
- 7.3 Board Memo No. 08/2024-45 *(For Possible Action)*: Review, discussion and potential adoption of Resolution No. 570 relating to the Reno-Tahoe Airport Authority issuance of Airport Revenue Bonds, Series 2024A (AMT) and Series 2024B (NON-AMT), in the combined maximum aggregate principal amount of \$275,000,000; authorizing the redemption and early payment of all or a portion of the Authority's outstanding Airport System Subordinate Lien Revenue Bonds, Series 2022; approving certain documents and other matters related thereto; and providing the effective date hereof
- 7.4 Board Memo No. 08/2024-46 *(For Possible Action)*: Review, discussion and potential adoption of Reno-Tahoe Airport Authority Investment Policy for the Investment of Public Funds
- 7.5 Presentation of Culture Survey results *(non-action item)*

7.6 Board Memo No. 08/2024-47 (For Possible Action): Review, discussion and potential approval of Reno-Tahoe Airport Authority Chair’s Permanent Committee Appointments for Fiscal Year 2024-2025

**8. TRUSTEE COMMENTS AND REQUESTS**

**9. UPCOMING RTAA MEETINGS**

<b>DATE</b>	<b>MEETING</b>
09/10/2024	Finance & Business Development Committee Meeting Planning & Construction Committee Meeting
09/12/2024	Board of Trustees Regular Meeting
10/8/2024	Finance & Business Development Committee Meeting Planning & Construction Committee Meeting
10/10/2024	Board of Trustees Regular Meeting
11/12/2024	Finance & Business Development Committee Meeting Planning & Construction Committee Meeting
11/14/2024	Board of Trustees Regular Meeting
12/10/2024	Finance & Business Development Committee Meeting Planning & Construction Committee Meeting
12/12/2024	Board of Trustees Regular Meeting

**10. PUBLIC COMMENT**

**11. ADJOURNMENT**

# **ATTACHMENT B**

**NOTICE OF HEARING CONCERNING THE PROPOSED  
ISSUANCE OF RENO-TAHOE AIRPORT AUTHORITY,  
NEVADA AIRPORT SYSTEM REVENUE BONDS, IN ONE  
SERIES OR MORE, IN THE MAXIMUM AGGREGATE  
PRINCIPAL AMOUNT OF \$750,000,000**

**NOTICE** is hereby given that the Board of Trustees of the Reno-Tahoe Airport Authority, Nevada, will hold a public hearing at a regular meeting to be held on August 8, 2024 at the hour of 9:00 a.m. in the Admin Offices, Main Terminal Building, Second Floor, Reno-Tahoe International Airport, 2001 E. Plumb Lane, Reno, Nevada 89502, on a plan of finance involving the issuance of Reno-Tahoe Airport Authority, Nevada, private activity airport system revenue bonds, in one series or more, in the maximum amount of \$750,000,000 (the “Bonds”). The Bonds are proposed to be issued over a three-year period beginning with the issue date of the first series issued under this authority. The Bonds are proposed to be issued to finance a portion of the costs of acquiring, constructing, improving and equipping facilities and certain supplemental facilities within the Reno-Tahoe International Airport and its environs, located at 2001 E. Plumb Lane, Reno, Nevada 89502 and within the Reno Stead Airport and its environs, located at 4895 Texas Avenue, Reno, Nevada 89506 (collectively, the “Airports”), including, without limitation, concourses, terminals, hangars, runways and taxiways, aprons, roads, parking lots and other structures, a police station, administration headquarters and office buildings, and additional facilities thereat, which are necessary or convenient to the development of the Airports and paying related costs (collectively, the “Project”).

This hearing is being held pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended. The name of the initial owner, operator and manager of the Project is the Reno Tahoe Airport Authority, Nevada, and the location of the Project is at the Reno-Tahoe International Airport and its environs, located at 2001 E. Plumb Lane, Reno, Nevada 89502 and the Reno Stead Airport and its environs, located at 4895 Texas Avenue, Reno, Nevada 89506.

All persons are invited to attend and to be heard regarding these Bonds. Written comments may be filed with Lori Kolacek, the Board Clerk at the Admin Offices, Main Terminal Building, Second Floor, Reno-Tahoe International Airport, 2001 E. Plumb Lane, Reno, Nevada 89502 prior to the hearing.

Any such written comments and all oral comments made will be considered by the Board of Trustees at the hearing.

Dated this July 29, 2024

RENO-TAHOE AIRPORT AUTHORITY,  
NEVADA

By: /s/Randall Carlton  
Chief Finance & Administration Officer  
Reno-Tahoe Airport Authority, Nevada

# Board Memorandum

08/2024-46

In Preparation for the Regular Board Meeting on August 8, 2024

**Subject:** Adoption of Reno-Tahoe Airport Authority Investment Policy for the Investment of Public Funds

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## STAFF RECOMMENDATION

Staff recommends that the Board adopt the motion stated below adopting a revised investment policy that governs the framework of the daily investment activities of the Reno-Tahoe Airport Authority (RTAA).

## STRATEGIC PRIORITIES

Financial Stewardship

## BACKGROUND

The adoption of an investment policy is a recommended best practice by the Government Finance Officers Association of the United States and Canada (GFOA). The accompanying proposed policy follows the sample GFOA policy for public agencies and includes pertinent provisions related to Nevada law and RTAA's specific elements of investment risk, tolerance, and protocols. RTAA's investment policy serves as an important framework for the fiduciary responsibilities of the Board and staff relating to the investment of public funds. The policy provides guidance on investment activities and aims to achieve objectives of capital preservation, sufficient liquidity to meet RTAA operational needs, and obtain a market rate of return on invested cash. RTAA's investment portfolio balance was \$121.5 million as of June 30, 2024.

## DISCUSSION

Each year RTAA's investment policy is reviewed with assistance from RTAA's investment advisory firm, GPA Investments. This review confirms that the policy continues to be consistent with current rules, regulations and investment practices. GPA has completed this review and have proposed revisions as described in the attached Memo (**Attachment A**). Many of those revisions address updates to confirm with current rules and an edit that extends the maximum maturity for Treasury and Agency securities from 5 years to 10 years. This extension would be permitted only for longer term assets such as the Debt Service Reserve fund anticipated to be funded within the upcoming 2024 RTAA Airport Revenue Bonds. The longer maturity is intended to provide for greater yield within the safety of fixed income Treasury and Agencies securities. Attached is a redline version of the proposed Investment Policy (**Attachment B**).



Government Portfolio Advisors was founded on February 4, 2014, as a firm dedicated to serving the investment programs of public entities throughout the country. Over the last 10 years, the firm has grown from \$1.8 billion in assets under management in 2014 to over \$24 billion as of March 31, 2024. GPA's primary line of business is investing separately managed portfolios for public entities relating to operating, project, and reserve funds in both discretionary and non-discretionary capacities. GPA has provided services to the Nevada State Treasurer's office and Nevada local governments since 2007. GPA has been RTAA's investment advisor since June of 2017.

GPA will also provide the Finance Committee with a comprehensive review of the investment portfolio as of June 30, 2024 (**Attachment C**).

**FISCAL IMPACT**

Interest income from the RTAA investment portfolio is budgeted at \$2.7 million for FY2025. The actual amount earned will depend on the level of interest rates and cash balances that can fluctuate during the year.

**COMMITTEE COORDINATION**

Finance and Business Development Committee

**PROPOSED MOTION**

"Move that the Board adopt the Reno-Tahoe Airport Authority Investment Policy, as revised and effective August 8, 2024."

# MEMO

To: Randy Carlton, Reno-Tahoe Airport Authority  
From: Deanne Woodring and Whitney Maher, Government Portfolio Advisors  
Date: July 23, 2024  
Re: Investment Policy Review 2024

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## **Annual Review Requirements:**

RTAA's investment policy requires the policy to be reviewed annually by the President/CEO and any changes are required to be presented to the Finance and Business Development Committee.

## **GPA Review:**

The City's policy was last adopted in July 2021. After legislative updates (Bill AB33) which affect certain authorized investments under NRS 355.170, GPA has reviewed the policy and is recommending the following updates:

- **Extend Maximum Maturity for US Agency/US Treasury** – Moving from 5 years maximum to 10 years maximum single maturity to provide flexibility for upcoming bond proceeds/reserve fund/restricted fund investments.
- **Weighted Average Maturity** – Moving from 2.0 years to 2.5 years for consistency with current investment core strategy (0-5 year benchmark).
- **Update Municipal Bonds** – AB33 removes the requirement that Munis outside of Nevada must be tax exempt.
- **Negotiable Certificates of Deposit** – update ratings to align to statute per recent AB33 update, which utilizes short-term ratings A1/P1.
- **Demand Deposits** – GPA recommends adding issuer constraint (moves from 0% to 25% per issuer) as a best practice for diversification.
- **Bond Proceeds** – Adding language specific to bond proceeds investing as the RTAA has an upcoming issuance of \$500 million over the coming years.
- **Update Language in Section 6. Suitable and Authorized Investments** – Updates include adding further detail in each description for consistency and clarity throughout (ex: describing maximum maturity, maximum % holdings, and/or maximum % per issuer).

**Updated Diversification Table:** Reflects changes to move maximum single maturity on US Treasury and US Agency securities from 5 years to 10 years, Muni ratings to match definitions in policy and Negotiable CD ratings to align to statute change (utilizing short-term ratings). Also adding issuer constraint to demand deposits for diversification purposes.

Issuer	Maximum % Holdings Par Value	Maximum % Per Issuer Par Value	Maturity at Time of Purchase	Ratings Equivalent S&P, Moody's or Fitch
US Treasury Obligations	100%	N/A	10 years	N/A
US Agency Obligations	100%	35%	10 years	N/A
Supranationals (IBRD, IFC, IADB Only)	15%	5%	5 years	AA-/Aa3/AA-
US Corporate Securities	20%	5%	5 years	A-/A3/A-
Foreign Corporate or Government Notes	10%	5%	5 years	AA-/Aa3/AA-
Collateralized Mortgage Obligations	10%	5%	5 years	AAA/Aaa/AAA
Asset-Backed Securities	10%	5%	5 years	AAA/Aaa/AAA
Municipal Bonds	20%	5%	5 years	A-/A3/A-
Commercial Paper	20%	5%	270 days	A1/P1/F1
Negotiable Certificates of Deposit	20%	5%	5 years	A1/P1/F1 or FDIC limit
Non-Negotiable Certificates of Deposit	20%	10%	5 years	FDIC limit or collateralized*
Money Market Funds	50%	25%	N/A	AAAm
Demand Deposits	50%	25%	N/A	*
Bankers' Acceptance Notes	20%	5%	180 days	N/A
State LGIP	50%	N/A	N/A	N/A
Washoe County Investment Pool	20%	N/A	N/A	N/A

**Updated Maturity Constraints Table:** Move maximum single maturity to 10 years and increase WAM from 2.0 years to 2.5 years for consistency with investment core strategy (0-5 year benchmark).

<b>Maturity Constraints</b>	<b>Minimum % of Total Portfolio</b>
Under 30 days	10%
Under 1 year	25%
Under 5 years	90%
Under 10 years	100%
<b>Maturity Constraint</b>	<b>Maximum of Total Portfolio</b>
Weighted Average Maturity (years)	2.5
<b>Security Structure Constraint</b>	<b>Maximum % of Total Portfolio</b>
Callable Agency Securities	25%



**EXHIBIT B**

Investment Policy  
Effective August 8, 2024

(marked to show edits from current policy)

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## **PURPOSE**

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The purpose of these investment guidelines is to formalize the framework for the Reno-Tahoe Airport Authority's (RTAA) daily investment activities. It is the policy of the RTAA to invest funds in a manner which will provide a market rate of return, while providing preservation of capital, meeting the daily cash flow demands of the RTAA, and conforming to all Nevada Revised Statutes (NRS) and ordinances governing the investment of public funds.

## **REFERENCES**

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Reno-Tahoe Airport Authority Act, Chapter 474, NRS. Local Government Budget and Finance Act, NRS 354. Public Investments, NRS 355.

## **POLICY**

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### **1. SCOPE**

This investment policy applies to all cash and liquidity investments of the RTAA. Should bond covenants be more restrictive than this policy, bond proceeds will be invested in full compliance with those restrictions. Additionally, all funds are accounted for in the RTAA's Comprehensive Annual Financial Report.

~~Unless prohibited by law or contract, the RTAA may pool cash from several different funds to achieve market rate investment earnings and to increase efficiencies in investment pricing, safekeeping, and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with Generally Accepted Accounting Principles (GAAP).~~

### **2. GENERAL OBJECTIVES**

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

#### Safety

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To obtain this objective, funds will be diversified in highly rated securities and financial institutions.

#### Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). A portion of the portfolio also may be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short-term funds.

Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, considering the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

**3. STANDARDS OF CARE**

Prudence

The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The "prudent person" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the RTAA.

Delegation of Authority

Under authority delegated by the Board of Trustees of the RTAA, in accordance with chapter 474, Statutes of Nevada, NRS 354.474 and 355.175, and Bond Resolution 459, the investment of RTAA funds is the responsibility of the President/Chief Executive Officer (CEO). All cash, including bond proceeds, received by the RTAA will be invested by the Chief Financial Officer (CFO).

The President/CEO's responsibilities include the authority to open accounts with financial institutions and broker/dealers, to arrange for the custody of securities, and to execute such documents as may be necessary to carry out these responsibilities. The CFO is responsible for furnishing authentic, timely instructions to the safekeeping bank(s) concerning settlement of investment transactions and verifying accuracy of completed transactions.

**4. AUTHORIZED BROKER/DEALERS, INVESTMENT ADVISORS AND FINANCIAL BANK INSTITUTIONS**

**Broker/Dealers**

The CFO will maintain a list of approved broker/dealers and financial institutions which are authorized to provide investment services to the RTAA. Authorized broker/dealers will be limited to "primary" dealers or other dealers that qualify under SEC Rule 15C3-1, the Uniform Net Capital Rule.

The CFO or designee may utilize an investment advisor's approved broker/dealer list in lieu of RTAA's own approved list. The advisor must submit the approved list to RTAA annually and provide updates throughout the year as they occur. The advisor must maintain documentation of appropriate license and professional credentials of broker/dealers on the list.

The annual investment advisor broker/dealer review procedures include:

- a. FINRA Certification check:
  - i. Firm Profile
  - ii. Firm History
  - iii. Firm Operations
  - iv. Disclosures of known arbitration awards, disciplinary and regulatory events, and State Registration Verification
- b. Financial review of acceptable FINRA capital or letter of credit for clearing settlements.

### **Investment Advisors**

RTAA may contract with an external investment advisor to assist with the management of RTAA's investment portfolio in a manner that is consistent with the RTAA's objectives and this policy. Advisors must be registered under the Investment Advisers Act of 1940 and may act in discretionary or non-discretionary capacity. Strategic approval by the CFO will be required prior to this use of discretionary capacity. The investment advisor will be held to the "prudent investor" standard of prudence regarding all recommendations.

The advisor may be authorized through the contracted agreement to open accounts on behalf of the RTAA with the broker/dealers on the approved broker dealer list. The RTAA will receive documentation directly from the brokers for account verification and regulatory requirements.

### **Financial Bank Institutions**

RTAA will hold deposits in qualified public depositories by insured commercial banks, insured credit union or insured saving and loan associations, either within the limits of insurance provided by an instrumentality of the United States and/or collateralized as required under the Nevada pooled collateral program (NRS 356).

## **5. SAFEKEEPING AND CUSTODY**

Securities purchased by the RTAA shall be delivered against payment (delivery vs. payment) and held in a custodial safekeeping account with the trust department of a third-party bank insured by the Federal Deposit Insurance Corporation designated by the CFO for this purpose in accordance with NRS 355.172. A custody agreement between the bank and the RTAA is required before execution of any transactions.

~~The CFO shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by the President/CEO, the Internal Auditor and with the independent auditor. The controls shall be designed to prevent the loss of funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the RTAA.~~

## **6. SUITABLE AND AUTHORIZED INVESTMENTS**

Investments made by or on behalf of RTAA shall be limited to the following security types according to applicable statutes and limitations defined in the NRS and this policy. The CFO, in accordance with the provisions of NRS 355.170, 355.180, current bond resolutions, and this



investment policy, is authorized to invest in the security types ~~following~~listed below. Minimum credit ratings and percentage limitations apply to the time of purchase. Calculations are based on par value of the total portfolio.

A. U.S. Treasury Bonds, Debentures, Bills and Notes (NRS 355.170 1(a) & 1(e))

1. Maximum maturity shall be 10 years.

~~1-2.~~ U.S. Treasury securities may be up to 100 percent of the par value of the total portfolio.

B. U.S. Agency Obligations of the following agencies/instrumentalities of the United States of America including both debentures and mortgage-backed securities (NRS 355.170 1(f))

1. Federal National Mortgage Association (FNMA)

2. Federal Home Loan Mortgage Corporation (FHLMC)

3. Federal Home Loan Bank (FHLB)

4. Federal Farm Credit Banks Funding Corporation (FFCB)

5. ~~Other departments and agencies of the United States including Government National Mortgage Association (GNMA) and other~~ agency or instrumentality of the United States of America or corporation one sponsored by the government.

6. Maximum maturity shall be 10 years.

~~5-7.~~ Purchases of U.S. Agency obligations may be up to 100 percent of the par value of the total portfolio (no more than 35 percent per issuer).

C. Supranationals: Notes, bond or other obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, the International Finance Corporation, or the Inter-American Development Bank that: (NRS 355.170 1(b))

1. Is denominated in United States Dollars.

2. Is a senior unsecured unsubordinated obligation.

3. At the time of purchase have a remaining term to maturity of no more than 5 years.

4. Are rated by at least one nationally recognized rating service as "AA-" or its equivalent, or better.

5. Purchases of Supranational may not exceed 15 percent of the par value of the total portfolio (5 percent per issuer)% on day of purchase.

- D. Corporate Securities: Notes, bonds, and other unconditional obligations for the payment of money issued by corporations organized and operating in the United States (~~Corporates~~) (NRS 355.171 1 (a)).
1. Are purchased from a registered broker-dealer.
  2. At the time of purchase have a remaining term to maturity of no more than 5 years.
  3. Are rated by at least one nationally recognized rating service as "A-" or its equivalent, or better.
  4. ~~Purchases of such investments may Notnot, in aggregate value, exceed~~ more than 20 percent% of the par value of such investments may be in notes, bonds, and other unconditional obligations issued by any one corporationthe total portfolio (no more than 5 percent% issued by any one corporationper counterparty).
- E. Foreign Corporate or Government Notes, bond or other obligations publicly issued in the United States by a foreign financial institution, corporation or government that: (NRS 355.170 1(c))
1. Is denominated in United States Dollars.
  2. Is a senior unsecured unsubordinated obligation.
  3. Is registered with the Securities and Exchange Commission in accordance with the provisions of the Securities Act of 1933, as amended.
  4. Is publicly traded.
  5. Is purchased from a registered broker-dealers.
  6. At the time of purchase has a remaining term to maturity of 5 years or less; and
  7. Is rated by a nationally recognized rating services as AA- or its equivalent, or better.
  - 7.8. Not more than 10 percent (5 percent per issuer) of the total par value of the portfolio may be in Foreign Corporate or Government notes, bonds or obligations.
- F. Collateralized Mortgage Obligations (CMOs) (NRS 355.171 1(b))
1. Must be rated "AAA" or equivalent by an NRSRO.
  - 1.2. At the time of purchase has a remaining term to maturity of 5 years or less; and
  - 2.3. CMOs may not exceed 10 percent of the par value (no more than 5 percent per issuer) as determined on the date of purchase.

G. Asset-Backed Securities (ABSs) (NRS 355.171 1(c))

1. Must be rated "AAA" or equivalent by an NRSRO.
- ~~1.2.~~ At the time of purchase has a remaining term to maturity of 5 years or less; and
- ~~2.3.~~ ABS may not exceed 10 percent of the par value (no more than 5 percent per issuer) as determined on the date of purchase.

H. Municipal Obligations (NRS 355.170 1(j) & 1(l))

1. Obligations of local governments within the State of Nevada pursuant to NRS 350.087 to 350.095, inclusive. Subject to limitations contained in NRS 355.177.
2. Obligations of all other state and local governments of states other than Nevada if ~~the interest on~~ the obligation ~~is federally tax exempt and has been~~ rated "A--" or higher by one or more Nationally Recognized Statistical Rating Organizations (NRSRO).
3. At the time of purchase has a remaining term to maturity of 5 years or less; and
- ~~2.4.~~ Municipals may not exceed 20 percent of par value (no more than 5 percent per issuer) as determined on the date of purchase.

I. Commercial Paper (NRS 355.170 1 (m))

1. Issued by a corporation, trust or limited-liability company organized and operating in the U.S. or by a depository institution licensed by the U.S. or any state operating in the U.S. that:
2. Is Ppurchased from a registered broker/dealer.
3. At the time of purchase has a remaining term to maturity of no more than 270 days.
- ~~4.~~ Is rated "A-1", "P-1" ,~~"F-1"~~ or its equivalent or better by at least one NRSRO.
- ~~4.~~
5. Commercial paper may not exceed 20 percent of par value (no more than 5 percent per issuer) as determined on the date of purchase. If the rating of an obligation is reduced to a level that does not meet the requirements, it must be sold as soon as possible.

J. Negotiable Certificates of Deposit (NCD's) (NRS 355.170 1(g))

1. Negotiable certificates of deposit issued by commercial banks, insured credit unions, ~~or~~ savings and loan associations or savings banks.

2. If the certificates are not within the limits of insurance provided by an instrumentality of the United States, are s rated by a nationally recognized rating services as A1, P1- or its equivalent, or better.

3. At the time of purchase has a remaining term to maturity of 5 years or less.

2.4. May not exceed 20 percent of par value (no more than 5 percent per issuer) as determined on the date of purchase.

K. Non-Negotiable Certificate of Deposit (CD's) (NRS 355.170 1(i))

1. Nonnegotiable certificates of deposit issued by insured commercial banks, insured credit unions, or insured savings and loan associations. Certificates above the limits of FDIC insurance must be collateralized pursuant to NRS 356.133.

1.2. At the time of purchase must have a remaining term to maturity of 5 years or less.

3. Non-negotiable Certificates of deposit may not exceed 20 percent of par value (10 percent per issuer) as determined on the date of purchase.

2.—

L. Demand Deposits, Time and Savings Deposits (NRS 356.300)

1. Issued by insured commercial banks, insured credit union or insured saving and loan associations, either within the limits of insurance provided by an instrumentality of the United States and/or collateralized as required under the Nevada pooled collateral program (NRS 356).

1.2. May not exceed 50 percent (no more than 25 percent per issuer) of the par value of the total portfolio as determined on the date of purchase.

M. Money Market Mutual Funds (NRS ~~350.658 1 (b)~~ 355.170 (1)(n))

1. Use of money market mutual funds are limited to funds which are registered with the Securities and Exchange Commission (SEC), are rated "AAA" by a NRSRO and invest only in securities issued by the federal government or agencies of the federal government, ~~master notes, bank notes or other short-term commercial paper~~ rated by a nationally recognized rating service as "A-1", "P-1" or its equivalent, or better, issued by a corporation organized and operating in the United States or by a depository institution licensed by the United States or any state and operating in the United states or repurchases agreements that are fully collateralized by such securities ~~in accordance with NRS 350.658 1 (b)~~.

1.2. Holdings of money market funds may not exceed 50 percent (no more than 25 percent per issuer) of the par value of the total portfolio as determined on the date of purchase.

N. Bankers' Acceptances (NRS 355.170 1(k))

1. Bankers' acceptances of the kind and maturities made eligible by law for rediscount with Federal Reserve Banks, and generally accepted by banks or trust companies of the Federal Reserve system. Eligible bankers' acceptances may not exceed 180 days' maturity.
2. Purchases may not exceed 20 percent (no more than 5 percent per issuer) of the money available by a local government for investment as determined at time of purchase.

O. State of Nevada Local Government Investment Pool ("LGIP") (NRS 355.167) as established by the Nevada State Treasurer for the benefit of local agencies.

- 3-1. Holdings of the LGIP may not exceed 50 percent of the par value of the total portfolio.

P. Washoe County Investment Pool (NRS 277.080 to 277.180). The Washoe County Treasurer is authorized to pool, for purposes of investment, any money held for local governments within the county as identified under NRS 355.168.

1. Holdings of the County Investment Pool may not exceed 20 percent of the par value of the total portfolio.

## 7. INVESTMENT PARAMETERS

### DIVERSIFICATION

Assets held in the investment portfolio shall be diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific class of securities.

Issuer	Maximum % Holdings Par Value	Maximum % Per Issuer Par Value	Maturity at Time of Purchase	Ratings Equivalent S&P, Moody's or Fitch
US Treasury Obligations	100%	N/A	<u>105</u> years	N/A
US Agency Obligations	100%	35%	<u>105</u> years	N/A
Supranationals (IBRD, IFC, IADB Only)	15%	5%	5 years	AA-/Aa3/AA-
US Corporate Securities	20%	5%	5 years	A-/A3/A-
Foreign Corporate or Government Notes	10%	5%	5 years	AA-/Aa3/AA-
Collateralized Mortgage Obligations	10%	5%	5 years	AAA/Aaa/AAA
Asset-Backed Securities	10%	5%	5 years	AAA/Aaa/AAA
Municipal Bonds	20%	5%	5 years	<del>AA-/Aa3/AA-</del>
Commercial Paper	20%	5%	270 days	A1/P1/F1
Negotiable Certificates of Deposit	20%	5%	5 years	<u>A1/P1/F1</u> or FDIC limit <del>A-/A3/A-</del>
Non-Negotiable Certificates of Deposit	20%	10%	5 years	<del>*FDIC limit or collateralized*</del>
Money Market Funds	50%	25%	N/A	AAAm
Demand Deposits	50%	<del>None</del> <u>25%</u>	N/A	*

Reno-Tahoe Investment Policy  
Effective August 8, 2024

Bankers' Acceptance Notes	20%	5%	180 days	N/A
State LGIP	50%	NoneN/A	N/A	N/A
Washoe County Investment Pool	20%	NoneN/A	N/A	N/A

\*Nevada Pooled Collateral Program

### Maximum Maturities

~~To the extent possible~~Where feasible and prudent, the RTAA shall attempt to match its investments with anticipated cash flow requirements to mitigate risk.

- The RTAA will not directly invest in securities maturing more than 10 years from the date of purchase. Core funds will be the defined as the funds in excess of liquidity requirements. The investments in this portion of the portfolio will have maturities between one day and 5 years and will be only invested in higher quality and liquid securities. Debt Service Reserve funds or -other restricted funds may be invested between 5 years and 10 years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.
- The maximum weighted maturity of the total portfolio shall not exceed 2.50 years. This maximum is established to limit the portfolio to excessive price change exposure.
- Liquidity funds will be held in the State Pool or in money market instruments generally maturing one year and shorter.

<b>Maturity Constraints</b>	<b>Minimum % of Total Portfolio</b>
Under 30 days	10%
Under 1 year	25%
Under 5 years	<del>9</del> 100%
<u>Under 10 years</u>	<u>100%</u>
<b>Maturity Constraint</b>	<b>Maximum of Total Portfolio</b>
Weighted Average Maturity (years)	<del>2.50</del>
<b>Security Structure Constraint</b>	<b>Maximum % of Total Portfolio</b>
Callable Agency Securities	25%

## 8. INVESTMENT STRATEGIES

### Managing Return

Investment strategies are developed for each fund based on the specific fund objectives, liquidity requirements, time horizon and risk tolerance. The strategic plans are not reactive to short-term changes in interest rates but recognize the benefits to investment performance over a complete market cycle.

	<b>Liquidity Component</b>	<b>Investment Component</b>
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Reno-Tahoe Investment Policy  
Effective August 8, 2024

<b>Objective</b>	Component of funds that require daily cash flow and certain restricted funds that are funded to make debt service payments	Excess liquidity funds that have a longer horizon date and can be invested out the yield curve.
<b>Purpose</b>	Daily or cyclical liquidity	Provides for secondary liquidity and longer-term investments
<b>Strategy</b>	Ensure adequate cash for operations through investing in Pool funds, money market accounts or bank deposits. Cash match funding liabilities under 1 year.	Invest in longer maturities and manage the risk and return components of the portfolio. Establish a benchmark that incorporates both the liquidity and investments for each fund.

## Managing Risk

Credit Risk: The RTAA will minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments to the safest types of securities
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the RTAA will do business.
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

Interest Rate Risk: The RTAA will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.
- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.
- Investing excess liquidity funds in a manner that addresses the risk and return objectives of the portfolio.

## Investment of Bond Proceeds

Investments of bond proceeds are restricted under master trust indentures and NRS 350.658, which may be more restrictive than the investment parameters included in this policy. The investments will be made in a manner to match cash flow expectations based on managed disbursement schedules. Liquidity for bond proceeds will be managed through the State Pool, allowable money market funds and bank deposits.

Funds from bond proceeds and amounts held in restricted funds- may be invested pursuant to NRS 350.658 restrictions which include limiting the type of investments of bond proceeds to federal securities and certain money market mutual funds as described below:

A. Federal securities and other securities of the Federal Government

B. Money Market Mutual Funds that:

a. Are registered with the Securities and Exchange Commission;

b. Are rated by a nationally recognized rating services as "AAA" or its equivalent;  
and

- c. Invest only in securities issued or guaranteed as to payment of principal and interest by the Federal Government, or its agencies or instrumentalities, or in repurchase agreements that are fully collateralized by such securities.

## **9. INTERNAL CONTROLS**

### **Internal Controls Process**

The CFO shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by the President/CEO, the Internal Auditor and with the independent auditor. The controls shall be designed to prevent the loss of funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the RTAA.

The CFO shall establish an annual process of independent review by an external auditor. The investment portfolio is subject to periodic audits by the RTAA's Internal Auditor, including unscheduled cash and securities counts. The investment portfolio will be audited annually by the RTAA's independent external auditor as required by N.R.S. Statute 354.624.

RTAA shall comply with all required legal provisions, GAAP and the accounting principles contained in the pronouncements of authoritative bodies including but not necessarily limited to the Governmental Accounting Standards Board.

### **Competitive Transactions**

The CFO shall obtain and document competitive bid information on all investments purchased or sold. Competitive bids or offers should be obtained, when possible, from at least three separate brokers/financial institutions or using a nationally recognized trading platform.

If an investment advisor provides investment transaction services, the advisor must retain documentation of competitive pricing execution on each transaction and provide documentation to the CFO.

### **Sale of Securities**

Securities shall generally be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal.
- A security exchange that would improve the quality, yield, or target duration (average maturity) of the portfolio.
- Liquidity needs of the portfolio require that the security be sold.

### **Downgrade of Securities**



If the rating of an obligation is reduced to a level that does not meet the requirements the investment adviser must, as soon as possible, report the reduction in the rating to the government body of the local government or administrative entity that purchased the investment. It is generally preferred to sell such security; however, the investment advisor will provide a recommendation whether to hold or sell the security based on the amount of loss, remaining maturity, and other relevant factors.

### **Risk of Loss**

The Board of Trustees recognizes that in a diversified portfolio, occasional measured losses and change in market values due to market volatility are inevitable and must be considered in the context of the overall portfolio's investment return.

## **10. REPORTING REQUIREMENTS**

### **Reporting**

A quarterly investment report will be submitted to the Finance and Business Development Committee. The report will summarize investment transactions that occurred during the reporting period, and discuss the current portfolio in terms of maturity, rates of return and may include other features.

### **Compliance**

A quarterly compliance report will be generated comparing the portfolio positions to this investment policy.

Due to fluctuations in the aggregate surplus funds balance, maximum or minimum percentages for a particular issuer, investment type or minimum maturity constraint may be surpassed at a point in time. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

### **Accounting Method**

RTAA shall comply with all applicable federal, state and local laws. Additionally, RTAA will comply with all Government Accounting Standards Board (GASB) requirements and appropriate Generally Accepted Accounting Principles (GAAP).

Pooling of Funds: Unless prohibited by law or contract, the RTAA may pool cash from several different funds to achieve market rate investment earnings and to increase efficiencies in investment pricing, safekeeping, and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with Generally Accepted Accounting Principles (GAAP).

### **Performance Standards**

Reno-Tahoe Investment Policy  
Effective August 8, 2024

The portfolio shall be managed to attain a change to market instead of fair rate of return and earnings rate that incorporates the primary objectives of protecting RTAA's capital and assuring adequate liquidity to meet cash flow needs. Investment portfolio performance may be tracked against a market index or a customized benchmark. The benchmark will represent the maturity structure and risk profile of the fund.

**11. REVIEW OF INVESTMENT POLICY**

The investment policy shall be reviewed annually by the President/CEO and any changes will be presented to the Finance and Business Development Committee.

SIGNATURE AUTHORIZATION LINE

\_\_\_\_\_  
President/CEO

\_\_\_\_\_  
Date

# EXHIBIT C

# Annual Investment Report Reno Tahoe Airport Authority

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June 30, 2024

Total Aggregate Portfolio

<b>Market and Economic Overview</b>	<b>3</b>
<b>Investment Report</b>	<b>13</b>
<b>Disclosure</b>	<b>27</b>



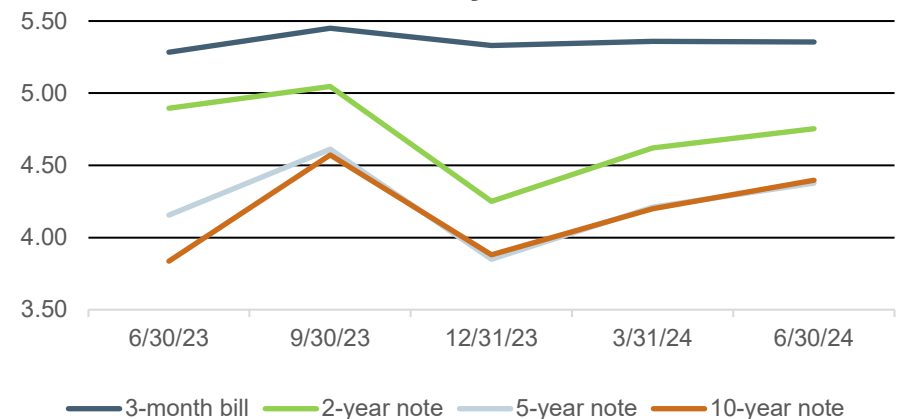
## Market Yields

Market yields in Q2 2024 rose early in the quarter on strong jobs data and March’s CPI print before partially retreating on softer inflation and employment data as fixed-income investors adjusted their expectations of the Fed funds market over the near future. Entering Q2, market participants expected the Fed to lower rates at their June meeting, and if not, certainly at their July meeting. The meetings in June and July passed without the Fed acting to lower rates. Inflation proved just sticky enough to reduce expectations of the extent and the timing of lower rates. The economic environment continued to show more resilience to higher rates than expected, which added to the uncertainty of when the Fed would move to lower rates and how long the action to lower rates would last. The bellwether two-year Treasury note increased 13 basis points in yield from Q1 to Q2, closing Q2 with a yield of 4.75%.

Quarterly Yields

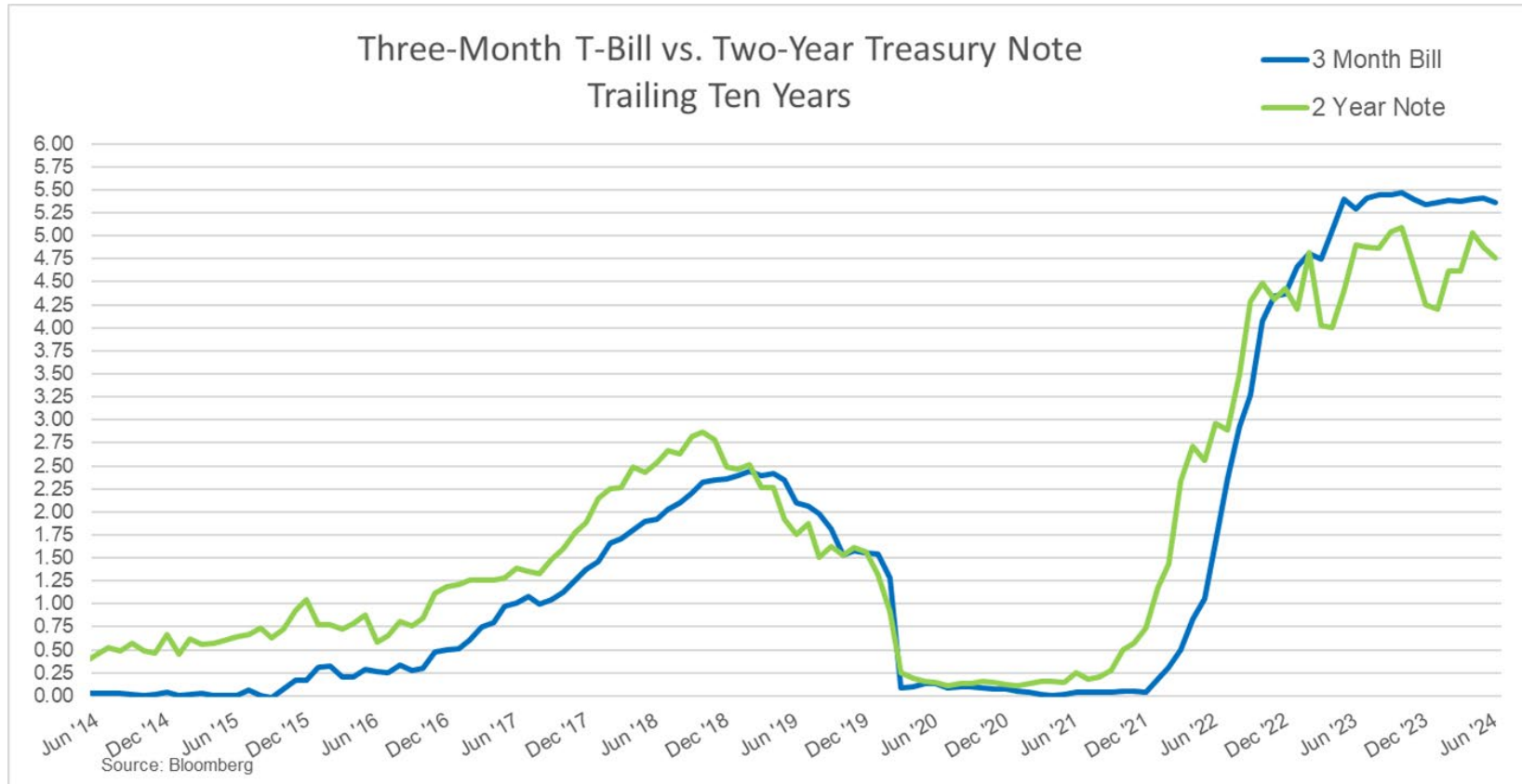
	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24
<b>3-month bill</b>	5.28	5.45	5.33	5.36	5.36
<b>2-year note</b>	4.90	5.05	4.25	4.62	4.75
<b>5-year note</b>	4.16	4.61	3.85	4.21	4.38
<b>10-year note</b>	3.84	4.57	3.88	4.20	4.40

Quarterly Yields

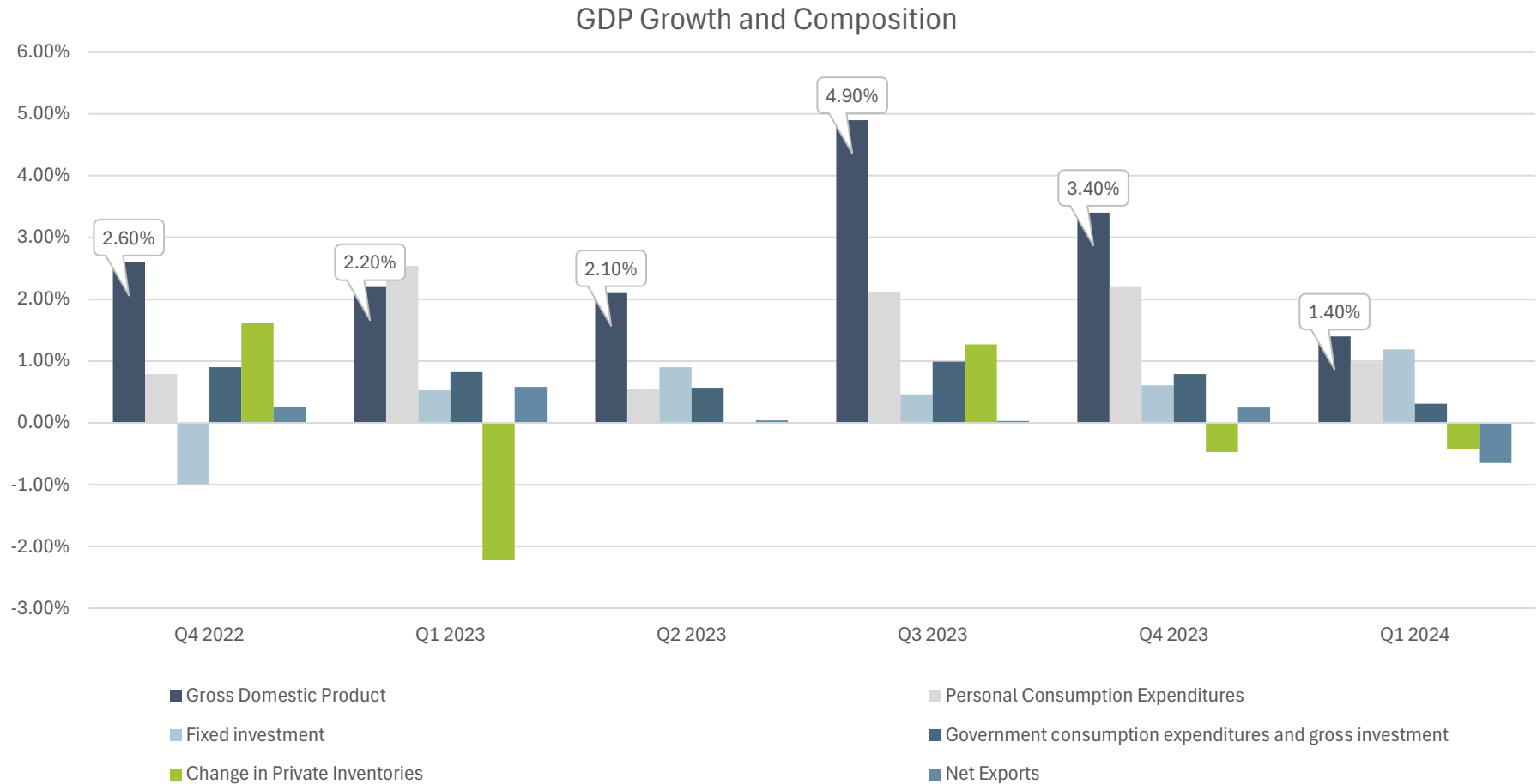


## Reading the Markets

When looking at the historical rates over the last ten years, the rates appear to be peaking. 5% is a rate that we have not seen for over 15 years. Locking in these rates should add continual value to core fund investments through the an expected rate downtrend.







## GDP

Real GDP slowed to 1.4% in Q1 from a rate of 3.4% at the end of 2023 and it is currently estimated that Q2 growth will land somewhere between 1.5% and 2.0%. While inflation remains above the Fed’s target levels, the trend of slowing GDP growth bears monitoring in light of the Fed continuing to abstain from cutting rates.

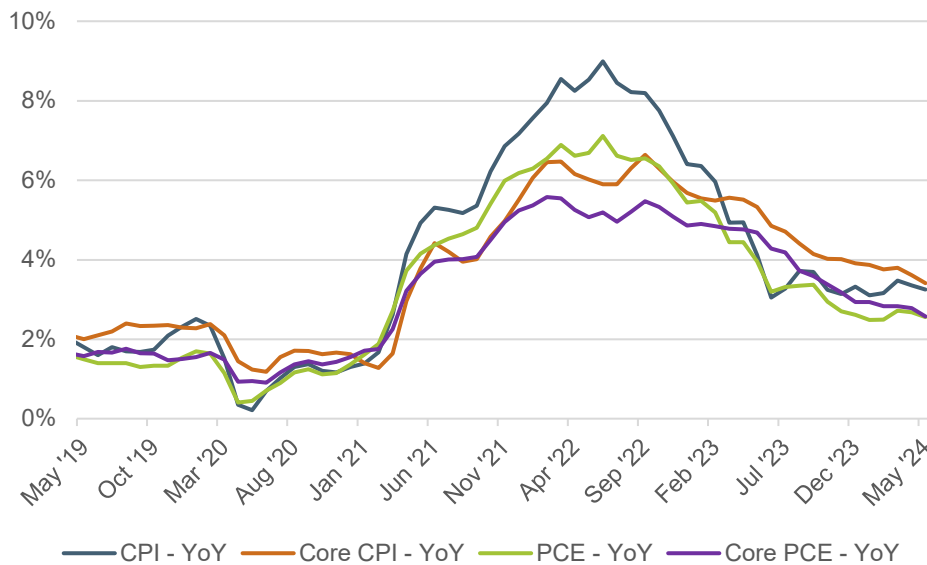
# Inflation

June 30, 2024

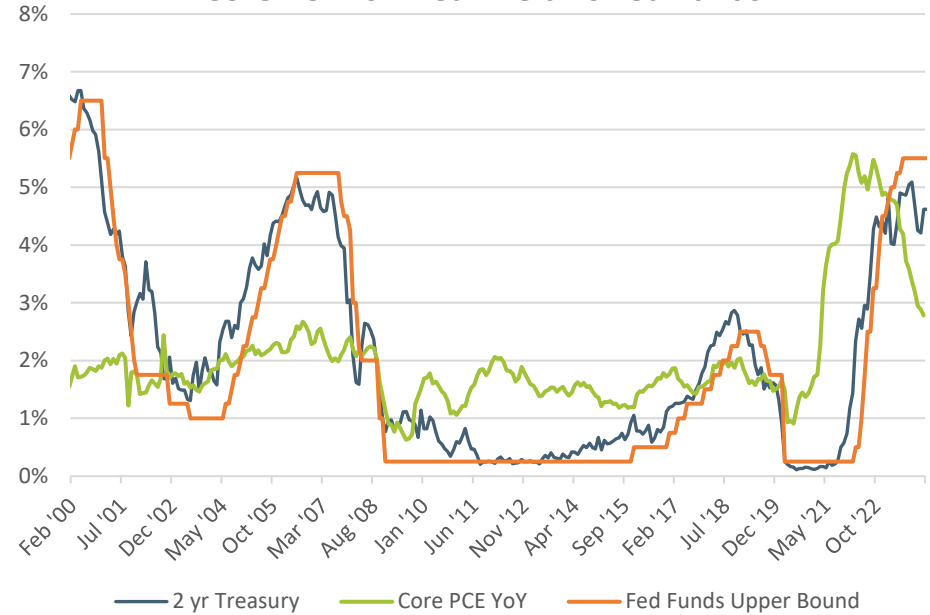
## Inflation

The Fed's preferred inflation metric, Core PCE, slowed during Q2 from a year-ending annual growth rate of 2.9% to 2.6%. The lag effects of higher interest rates are complex to time but are constantly working to increase the cost of capital, which should eventually slow final demand and, consequently, inflation. The Fed funds rate is still trading higher than the inflation rate, which is slightly restrictive but will not deter the Fed from lowering rates as inflation moves closer to its 2% long-term target.

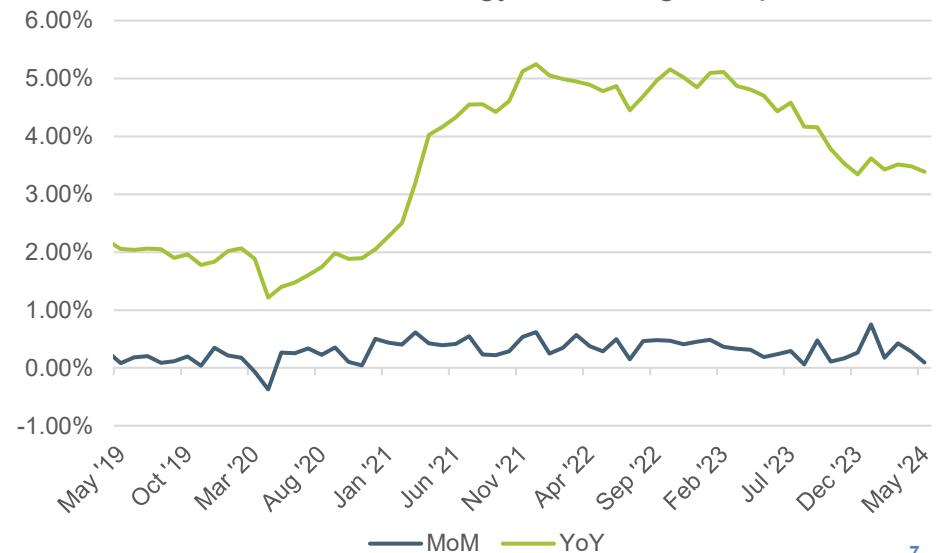
Inflation YoY



Core PCE vs 2 Year Yield vs Fed Funds



PCE Services Ex Energy & Housing - "Supercore"



Source: Federal Reserve, Bureau of Economic Analysis, Bloomberg

## Economists' Survey Projections - Rates

	Q3-24	Q4-24	Q1-25	Q2-25	Q3-25
<b>Fed Funds</b>	5.35	5.05	4.75	4.40	4.15
<b>2 Year</b>	4.53	4.24	4.03	3.85	3.68
<b>10 year</b>	4.25	4.13	4.06	4.01	3.91

## Data Expectations

Market participants are projecting the Fed to successfully navigate a soft landing tied to expectations for 1-2 rates cuts before year end. GDP is projected to rebound from its downward trend and Core PCE is expected to continue its trend lower towards the Fed's target 2% level, all while unemployment remains steady around 4.1%

## Rate Expectations

During Q2, Two-year Treasury yields increased by 13 basis points from 4.62% to 4.75%. Two-year yields are expected to decline with the Fed funds rate as market participants are forecasting two-year notes to trade at 4.50% in Q3 and 4.25% in Q4. Meanwhile, Ten-Year Treasury yields are expected to overtake Two-Year yields once again starting in Q1 2025.

## Economists' Survey Projections - Data

	Q3-24	Q4-24	Q1-25	Q2-25	Q3-25
<b>Real GDP</b>	1.60	1.60	1.80	1.90	2.00
<b>Core PCE (YoY%)</b>	2.70	2.70	2.40	2.30	2.20
<b>Unemployment</b>	4.00	4.10	4.10	4.20	4.10

# Labor Trends

June 30, 2024

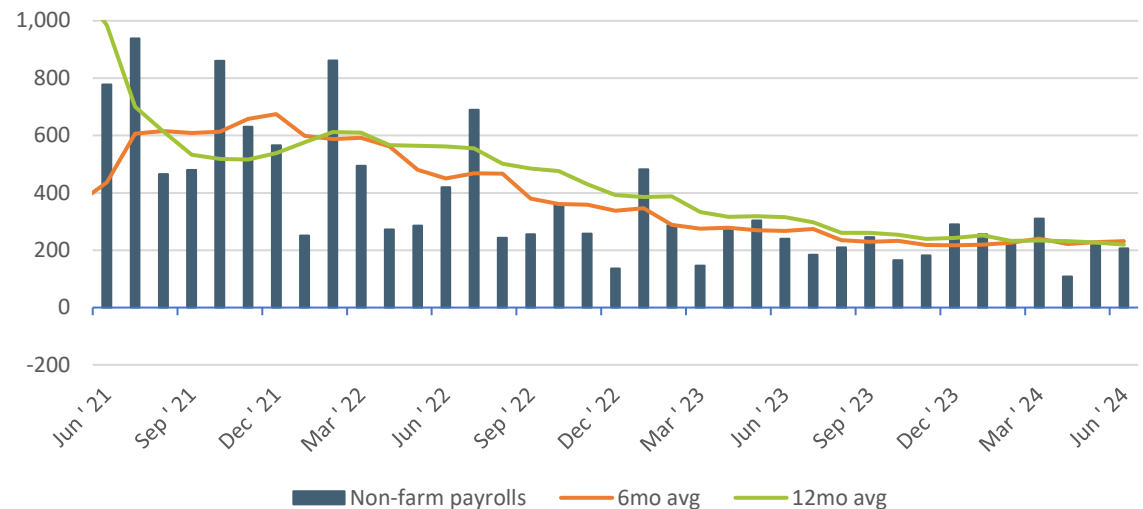
## Employment

The labor market softened in Q2 as the unemployment rate rose to 4.1%, the highest level since November 2021. Job openings declined along with a decrease in the quits ratio as fewer workers walked away from their jobs, hoping to find something better. A growing number of people filed for unemployment benefits. The increase in labor slack contributed to a slowing in wage growth from 4.1% to 3.9%. However, continued weakness in labor and moderating wage growth provides a promising outlook for the future as it will likely allow the Fed to ease rates sometime in Q3, most likely at their September 18 meeting.

Average Hourly Earnings YoY



Non-Farm Payrolls



Source: Bureau of Labor Statistics, Bloomberg

# Consumption

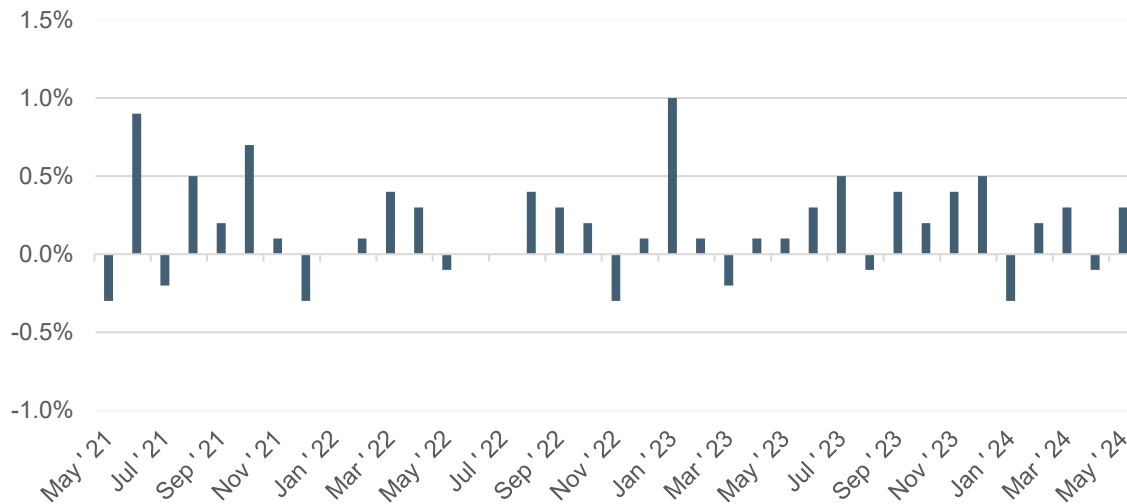
June 30, 2024

## Retail Sales

Consumers downshifted in Q2 led by a decrease in spending on goods, continuing the softening trend that started with in early 2022.



## Real Personal Consumption



## Real Personal Consumption

Spending on services has remained buoyant, increasing MoM and matching the March reading, however, it appears that it too is beginning to moderate..



## Duration

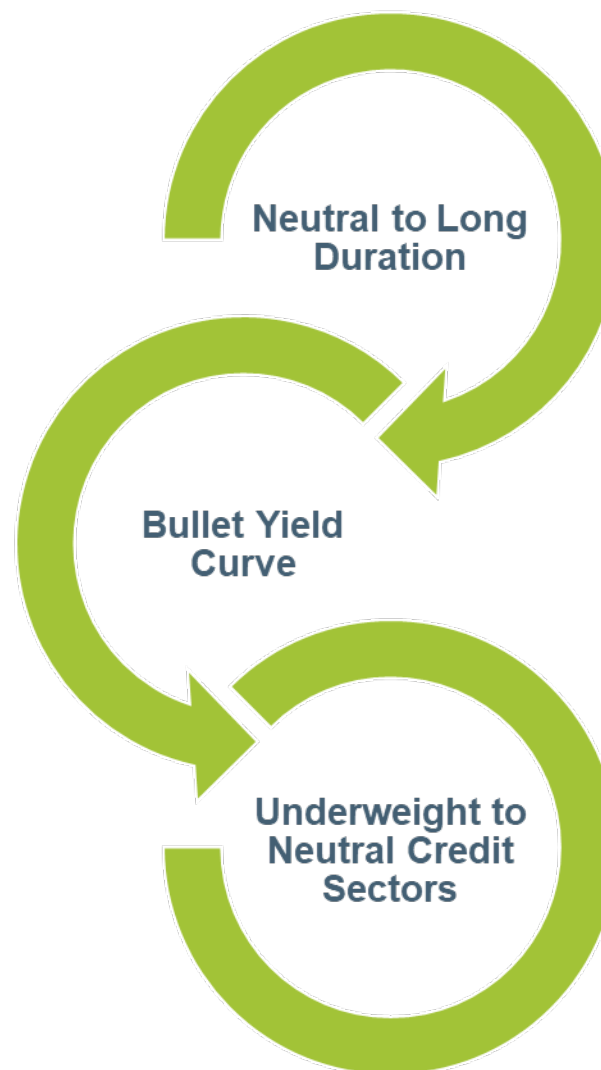
Given our outlook for lower rates into next year, we are focused on moving core portfolio durations neutral to long relative to the benchmark effectively, locking in higher rates for longer.

## Yield Curve

The inversion of the yield curve supports slightly overweighting the middle of the maturity buckets relative to the index. We will seek to add to the 2-3 year sector if portfolio duration is aligned.

## Asset Classes

Corporate and municipal debt securities are considered credit. When yield spreads are tight to US Treasuries, credit risk is considered to be rich, or expensive. We are starting to see spreads move back to historical averages and will work on unwinding the current underweighted positioning when opportunities arise.







# Compliance Report



Reno Tahoe Airport Authority | Total Aggregate Portfolio

June 30, 2024

## Category

Policy Diversification Constraint	Policy Limit	Actual Value*	Status
US Treasury Obligations Maximum % of Holdings	100.000	26.042	Compliant
US Agency Callable Securities Maximum % of Total Portfolio	25.000	0.000	Compliant
US Agency Obligations Issuer Concentration	100.000	15.094	Compliant
US Agency Obligations Maximum % of Holdings	100.000	31.532	Compliant
US Agency Securities Maximum % holdings	100.000	31.532	Compliant
Supranationals - Issuer is IADB, IBRD, or IFC	0.000	0.000	Compliant
Supranationals Issuer Concentration	5.000	2.093	Compliant
Supranationals Maximum % of Holdings	15.000	2.093	Compliant
Municipal Bonds Issuer Concentration	5.000	0.000	Compliant
Municipal Bonds Maximum % of Holdings	20.000	0.000	Compliant
Municipal Bonds Nevada Only	0.000	0.000	Compliant
Municipal Bonds Outside NV – Tax Exempt Only	0.000	0.000	Compliant
Asset Backed Securities Issuer Concentration	5.000	1.254	Compliant
CMO Issuer Concentration	5.000	0.000	Compliant
CMO Maximum % of Holdings	10.000	0.000	Compliant
Corporate Notes Issuer Concentration	5.000	0.000	Compliant
Corporate Notes Maximum % of Holdings - US Only	20.000	14.323	Compliant
Foreign Corporates % Holdings	10.000	0.000	Compliant
Foreign Corporates Issuer % Holdings	50.000	0.000	Compliant
Commercial Paper Issued and Operating in the US	0.000	0.000	Compliant
Commercial Paper Issuer Concentration	5.000	0.000	Compliant
Commercial Paper Maximum % of Holdings	20.000	0.000	Compliant
Negotiable CDs Issuer Concentration	5.000	0.000	Compliant
Negotiable CDs Maximum % of Holdings	20.000	0.000	Compliant
Non-Negotiable CDs Issuer Concentration	5.000	0.000	Compliant
Non-Negotiable CDs Maximum % of Holdings	20.000	0.000	Compliant
Banker's Acceptance Issuer Concentration	5.000	0.000	Compliant
Banker's Acceptance Maximum % of Holdings	20.000	0.000	Compliant
Money Market Govt Only	0.000	0.000	Compliant
Money Market Issuer Concentration	25.000	0.903	Compliant
Money Market Maximum % of Holdings	50.000	0.903	Compliant
LGIP Maximum % of Holdings	50.000	3.968	Compliant
County Investment Pool Maximum % of Holdings	20.000	0.000	Compliant
Bank Time Deposits/Savings Accounts Maximum % of Holdings	50.000	18.986	Compliant
Asset Back Securities Maximum % Holdings	10.000	2.995	Compliant

# Compliance Report

Reno Tahoe Airport Authority | Total Aggregate Portfolio



June 30, 2024

## Category

<b>Policy Maturity Structure Constraint</b>	<b>Policy Limit</b>	<b>Actual %</b>	<b>Status</b>
Maturity Constraints Under 30 days Minimum % of Total Portfolio	10.000	22.968	Compliant
Maturity Constraints Under 1 year Minimum % of Total Portfolio	25.000	37.991	Compliant
Maturity Constraints Under 5 years Minimum % of Total Portfolio	100.000	100.000	Compliant
<b>Policy Maturity Constraint</b>	<b>Policy Limit</b>	<b>Actual Term</b>	<b>Status</b>
US Treasury Maximum Maturity At Time of Purchase (years)	5.000	4.959	Compliant
US Agency Maximum Maturity At Time of Purchase (years)	5.000	4.967	Compliant
Supranationals Maximum Maturity At Time of Purchase (years)	5.000	4.962	Compliant
Municipals Maximum Maturity At Time of Purchase (years)	5.000	0.000	Compliant
Asset Backed Maximum Maturity at Time of Purchase	5.000	0.000	Compliant
CMO Maximum Single Maturity at Time of Purchase	5.000	0.000	Compliant
Corporate Maximum Maturity At Time of Purchase (years)	5.000	4.981	Compliant
Commercial Paper Days to Final Maturity (days)	270.00	0.00	Compliant
Non-Negotiable CDs Maximum Maturity At Time of Purchase (years)	5.000	0.000	Compliant
Banker's Acceptance Maximum Maturity At Time of Purchase (days)	180.00	0.00	Compliant
Weighted Average Maturity (years)	2.000	1.890	Compliant
<b>Policy Credit Constraint</b>			<b>Status</b>
Supranationals Ratings AA-/Aa3/AA- or better (Rated by 1 NRSRO)			Compliant
Municipal Bonds Ratings Minimum AA-/Aa3/AA- (Rated by 1 NRSRO)			Compliant
Asset Backed Securities Minimum Credit Rating AAA/Aaa/AAA (Rated by 1 NRSRO)			Compliant
CMO and Other Minimum Ratings AAA/Aaa/AAA (rated by 1 NRSRO)			Compliant
Corporate Notes Ratings Minimum A-/A-/A3 (Rated by 1 NRSRO)			Compliant
Foreign Corporates Ratings Minimum AA-/AA-/Aa3 (Rated by 1 NRSRO)			Compliant
Commercial Paper Ratings Minimum A1/P1/F1 (Rated by 1 NRSRO)			Compliant
Negotiable Certificates of Deposit Minimum Long Term Rating A-/A3/A- (Rated by 1 NRSRO)			Compliant
Money Market Ratings Minimum AAA/Aaa/AAA (Rated by 1 NRSRO)			Compliant

1) Actual values are based on market value.

2) The compliance report allows for resolutions to be documented if an actual value exceeds a limit. The specific resolution can be found on the client portal site.

# Strategic Annual Update

Reno Tahoe Airport Authority | Total Aggregate Portfolio



June 30, 2024

Metric	Previous	Current
<b>Strategy</b>	<b>06/30/2023</b>	<b>06/30/2024</b>
<b>Effective Duration</b>		
Pooled Investments Core	1.60	2.14
Benchmark Duration	2.05	2.10
<b>Total Effective Duration</b>	<b>1.18</b>	<b>1.68</b>
<b>Total Return (Net of Fees %)*</b>		
Pooled Investments Core	1.22	4.62
Benchmark Return	0.42	4.45
<b>Maturity Total Portfolio</b>		
<b>Average Maturity Total Holdings</b>	<b>1.32</b>	<b>1.87</b>

*\*Changes in Market Value include net unrealized and realized gains/ losses.*

Metric	Previous	Current
<b>Book Yield</b>	<b>06/30/2023</b>	<b>06/30/2024</b>
<b>Ending Book Yield</b>		
Pooled Investments Core	2.19%	3.80%
Pooled Liquidity	4.85%	5.22%
<b>Total Book Yield</b>	<b>2.89%</b>	<b>4.11%</b>
<b>Values</b>		
	<b>06/30/2023</b>	<b>06/30/2024</b>
<b>Market Value + Accrued</b>		
Pooled Investments Core	89,343,926	93,504,358
Pooled Liquidity	31,664,160	26,260,924
<b>Total MV + Accrued</b>	<b>121,008,085</b>	<b>119,765,283</b>
<b>Net Unrealized Gain/Loss</b>		
<b>Total Net Unrealized Gain/Loss</b>	<b>(2,208,331)</b>	<b>(966,557)</b>

# Asset Allocation Change over Year

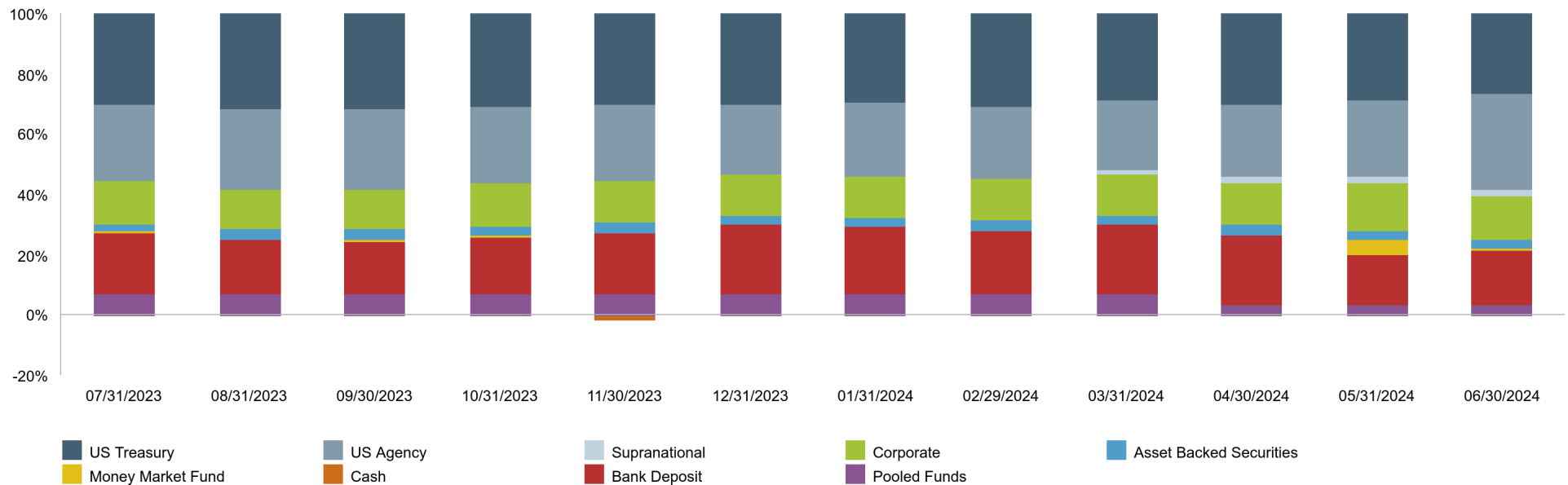


June 30, 2024

Reno Tahoe Airport Authority | Total Aggregate Portfolio

## Asset Allocation Changes

Security Type	06/30/2023		06/30/2024		Change	
	Market Value + Accrued	% of Portfolio	Market Value + Accrued	% of Portfolio	Market Value + Accrued	% of Portfolio
US Treasury	36,860,810.75	30.46%	31,245,728.67	26.09%	(5,615,082.08)	(4.37%)
US Agency	31,428,238.49	25.97%	37,831,480.56	31.59%	6,403,242.07	5.62%
Supranational	0.00	0.00%	2,528,966.67	2.11%	2,528,966.67	2.11%
Corporate	17,690,012.95	14.62%	17,179,007.53	14.34%	(511,005.42)	(0.27%)
Asset Backed Securities	2,985,545.85	2.47%	3,572,257.87	2.98%	586,712.02	0.52%
Money Market Fund	378,186.18	0.31%	1,074,976.41	0.90%	696,790.23	0.59%
Cash	1,131.29	0.00%	71,940.75	0.06%	70,809.46	0.06%
Bank Deposit	22,402,564.54	18.51%	21,535,363.04	17.98%	(867,201.50)	(0.53%)
Pooled Funds	9,261,595.37	7.65%	4,725,561.43	3.95%	(4,536,033.94)	(3.71%)
Total	121,008,085.42	100.00%	119,765,282.93	100.00%	(1,242,802.49)	

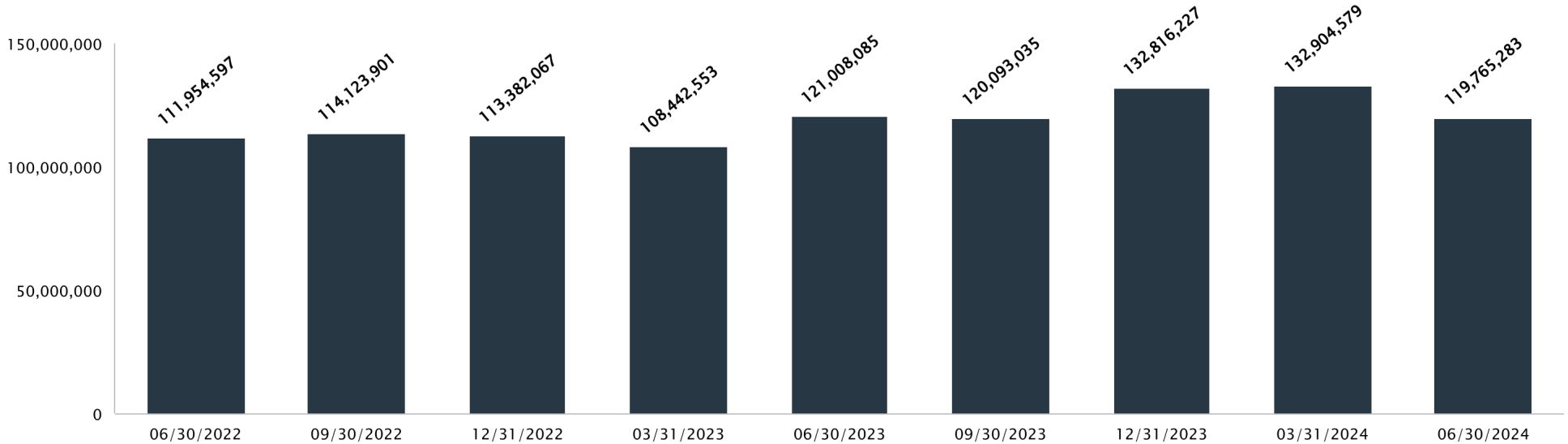


If negative cash balance is showing, it is due to a pending trade payable at the end of period.

# Historical Balances

Reno Tahoe Airport Authority | Total Aggregate Portfolio

## Market Value



## Market Value and Return

Period Begin	Period End	Market Value + Accrued	Earned Income	Book Yield	Effective Duration	Maturity in Years
07/01/2022	09/30/2022	114,123,901	364,709	1.61%	0.90	0.99
10/01/2022	12/31/2022	113,382,067	535,924	2.13%	1.20	1.33
01/01/2023	03/31/2023	108,442,553	655,652	2.41%	1.30	1.44
04/01/2023	06/30/2023	121,008,085	801,918	2.89%	1.18	1.32
07/01/2023	09/30/2023	120,093,035	978,665	3.45%	1.38	1.56
10/01/2023	12/31/2023	132,816,227	1,136,052	3.81%	1.26	1.42
01/01/2024	03/31/2024	132,904,579	1,272,562	4.04%	1.45	1.63
04/01/2024	06/30/2024	119,765,283	1,265,458	4.11%	1.68	1.87

# Summary Overview



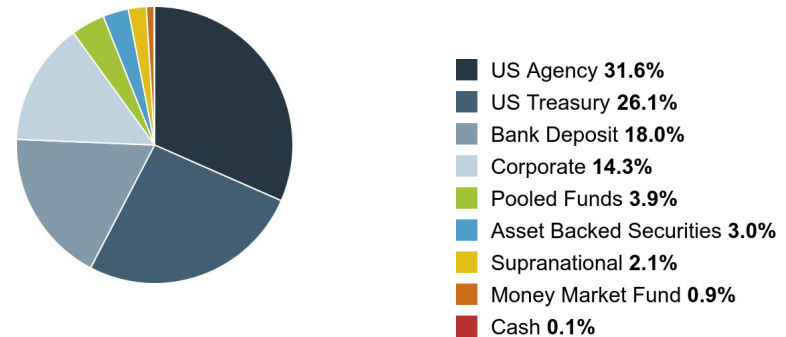
June 30, 2024

Reno Tahoe Airport Authority | Total Aggregate Portfolio

## Portfolio Characteristics

Metric	Value
Cash and Cash Equivalents	27,407,841.63
Investments	92,357,441.30
Book Yield	4.11%
Market Yield	4.93%
Effective Duration	1.68
Years to Maturity	1.87
Avg Credit Rating	AA+

## Allocation by Asset Class



## Strategic Structure

Account	Par Amount	Book Value	Market Value	Net Unrealized Gain (Loss)	Yield at Cost	Effective Duration	Benchmark Duration	Benchmark
RTAA-Pooled Investments Core	95,158,396.57	93,792,782.85	92,826,226.11	(966,556.74)	3.80%	2.14	2.10	ICE BofA 0-5 Year US Treasury Index
RTAA-Pooled Liquidity	26,260,924.47	26,260,924.47	26,260,924.47	0.00	5.22%	0.01	0.08	ICE BofA US 1-Month Treasury Bill Index
<b>Total</b>	<b>121,419,321.04</b>	<b>120,053,707.32</b>	<b>119,087,150.58</b>	<b>(966,556.74)</b>	<b>4.11%</b>	<b>1.68</b>	<b>0.48</b>	

# Portfolio Activity

Reno Tahoe Airport Authority | Total Aggregate Portfolio



June 30, 2024

## Accrual Activity Summary

	Fiscal Year Ending 06/30/2023	Fiscal Year Ending 06/30/2024
Beginning Book Value	113,757,367.95	122,781,351.78
Maturities/Calls	(18,450,000.00)	(39,850,000.00)
Purchases	36,907,887.02	42,276,462.65
Sales	0.00	0.00
Change in Cash, Payables, Receivables	(9,471,522.71)	(4,635,635.75)
Amortization/Accretion	187,834.94	469,833.84
Realized Gain (Loss)	0.00	(0.00)
Ending Book Value	122,781,351.78	120,053,707.32

## Fair Market Activity Summary

	Fiscal Year Ending 06/30/2023	Fiscal Year Ending 06/30/2024
Beginning Market Value	111,751,083.39	120,573,021.05
Maturities/Calls	(18,450,000.00)	(39,850,000.00)
Purchases	36,907,887.02	42,276,462.65
Sales	0.00	0.00
Change in Cash, Payables, Receivables	(9,471,522.71)	(4,635,635.75)
Amortization/Accretion	187,834.94	469,833.84
Change in Net Unrealized Gain (Loss)	(202,046.17)	1,241,773.99
Net Realized Gain (Loss)	0.00	(0.00)
Ending Market Value	120,573,021.05	119,087,150.58

Maturities/Calls	Market Value
Fiscal Year to Date	(39,850,000.00)

Purchases	Market Value
Fiscal Year to Date	42,276,462.65

Sales	Market Value
Fiscal Year to Date	0.00

# Return Management-Income Detail

Reno Tahoe Airport Authority | Total Aggregate Portfolio



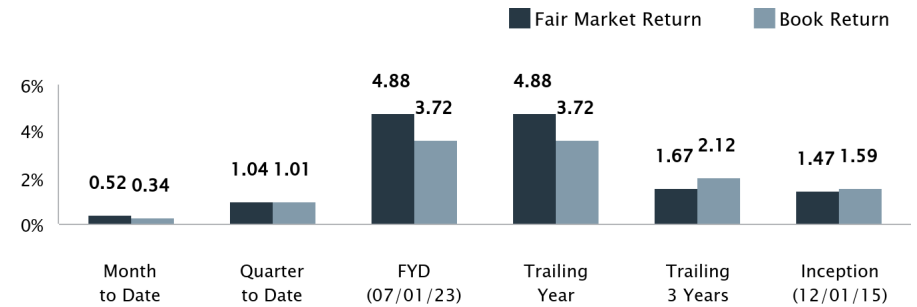
June 30, 2024

## Accrued Book Return

	Fiscal Year Ending 06/30/2023	Fiscal Year Ending 06/30/2024
Amortization/Accretion	187,834.94	469,833.84
Interest Earned	2,170,367.90	4,182,904.16
Realized Gain (Loss)	0.00	(0.00)
<b>Book Income</b>	<b>2,358,202.84</b>	<b>4,652,737.99</b>
Average Portfolio Balance	119,722,156.75	124,993,230.61
Book Return for Period	2.03%	3.72%

## Return Comparisons

Periodic for performance less than one year. Annualized for performance greater than one year.



## Fair Market Return

	Fiscal Year Ending 06/30/2023	Fiscal Year Ending 06/30/2024
<b>Market Value Change</b>	<b>(389,881.10)</b>	<b>1,241,773.99</b>
Amortization/Accretion	187,834.94	469,833.84
Interest Earned	2,170,367.90	4,182,904.16
Fair Market Earned Income	1,968,321.73	5,424,678.14
Average Portfolio Balance	114,436,641.59	124,993,230.61
Fair Market Return for Period	1.90%	4.88%

## Interest Income

	Fiscal Year Ending 06/30/2023	Fiscal Year Ending 06/30/2024
Beginning Accrued Interest	203,513.41	435,064.37
Coupons Paid	2,103,138.13	4,130,751.42
Purchased Accrued Interest	164,114.49	189,783.95
Sold Accrued Interest	0.00	0.00
Ending Accrued Interest	435,064.37	678,132.34
Interest Earned	2,170,367.90	4,182,904.16

Notation: Book and Fair Market Returns are not annualized



# Security Type Distribution

Reno Tahoe Airport Authority | Total Aggregate Portfolio

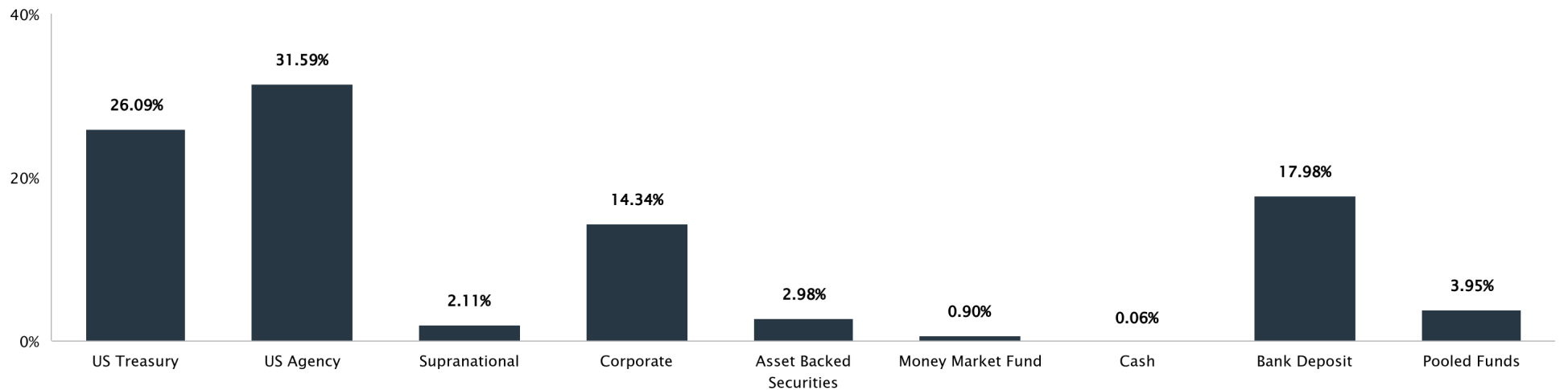


June 30, 2024

## Security Type Distribution

Security Type	Par Amount	Book Yield	Market Value + Accrued	% of Market Value + Accrued
US Treasury	32,250,000.00	3.38%	31,245,728.67	26.09%
US Agency	38,225,000.00	4.37%	37,831,480.56	31.59%
Supranational	2,500,000.00	4.21%	2,528,966.67	2.11%
Corporate	17,425,000.00	3.25%	17,179,007.53	14.34%
Asset Backed Securities	3,611,479.41	3.54%	3,572,257.87	2.98%
Money Market Fund	1,074,976.41	5.21%	1,074,976.41	0.90%
Cash	71,940.75	0.00%	71,940.75	0.06%
Bank Deposit	21,535,363.04	5.21%	21,535,363.04	17.98%
Pooled Funds	4,725,561.43	5.29%	4,725,561.43	3.95%
<b>Total</b>	<b>121,419,321.04</b>	<b>4.11%</b>	<b>119,765,282.93</b>	<b>100.00%</b>

## Security Type Distribution



# Risk Management-Credit/Issuer

Reno Tahoe Airport Authority | Total Aggregate Portfolio

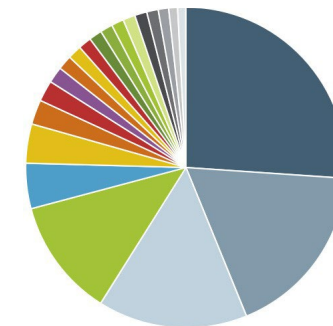


June 30, 2024

## Credit Rating S&P/Moody's/Fitch

	Market Value + Accrued	%
<b>S&amp;P</b>		
A	4,949,949.58	4.13
A+	4,535,568.17	3.79
A-	5,714,584.78	4.77
AA	1,978,905.00	1.65
AA+	69,077,209.23	57.68
AAA	6,173,165.29	5.15
AAAm	1,074,976.41	0.90
NA	26,260,924.47	21.93
<b>Moody's</b>		
A1	8,896,584.78	7.43
A2	2,982,034.58	2.49
A3	2,754,560.00	2.30
Aa2	982,543.33	0.82
Aa3	1,563,284.83	1.31
Aaa	72,964,998.34	60.92
NA	29,621,277.06	24.73
<b>Fitch</b>		
A	1,496,472.50	1.25
A+	7,990,284.42	6.67
A-	1,258,087.50	1.05
AA	982,543.33	0.82
AA+	69,077,209.23	57.68
AA-	3,956,386.44	3.30
AAA	4,507,269.75	3.76
NA	30,497,029.75	25.46
<b>Total</b>	<b>119,765,282.93</b>	<b>100.00</b>

## Issuer Concentration



- United States 26.1%
- WELLS FARGO MONEY FUND 17.8%
- Federal Home Loan Banks 15.1%
- Farm Credit System 11.9%
- Federal National Mortgage Association 4.6%
- NV LOCAL GOVT INVESTMENT POOL 3.9%
- Caterpillar Inc. 2.5%
- Inter-American Development Bank 2.1%
- Deere & Company 1.6%
- Other 1.5%
- Honda Motor Co., Ltd. 1.4%
- Bank of America Corporation 1.3%
- Citigroup Inc. 1.3%
- American Express Credit Account Master Trust , series 2023-1 1.2%
- PACCAR Inc 1.2%
- Toyota Motor Corporation 1.2%
- Capital One Multi-Asset Execution Trust, Series 2022-2 1.2%
- JPMorgan Chase & Co. 1.2%
- U.S. Bancorp 1.1%
- FMR LLC 0.9%
- Amazon.com, Inc. 0.8%

# Risk Management-Maturity/Duration

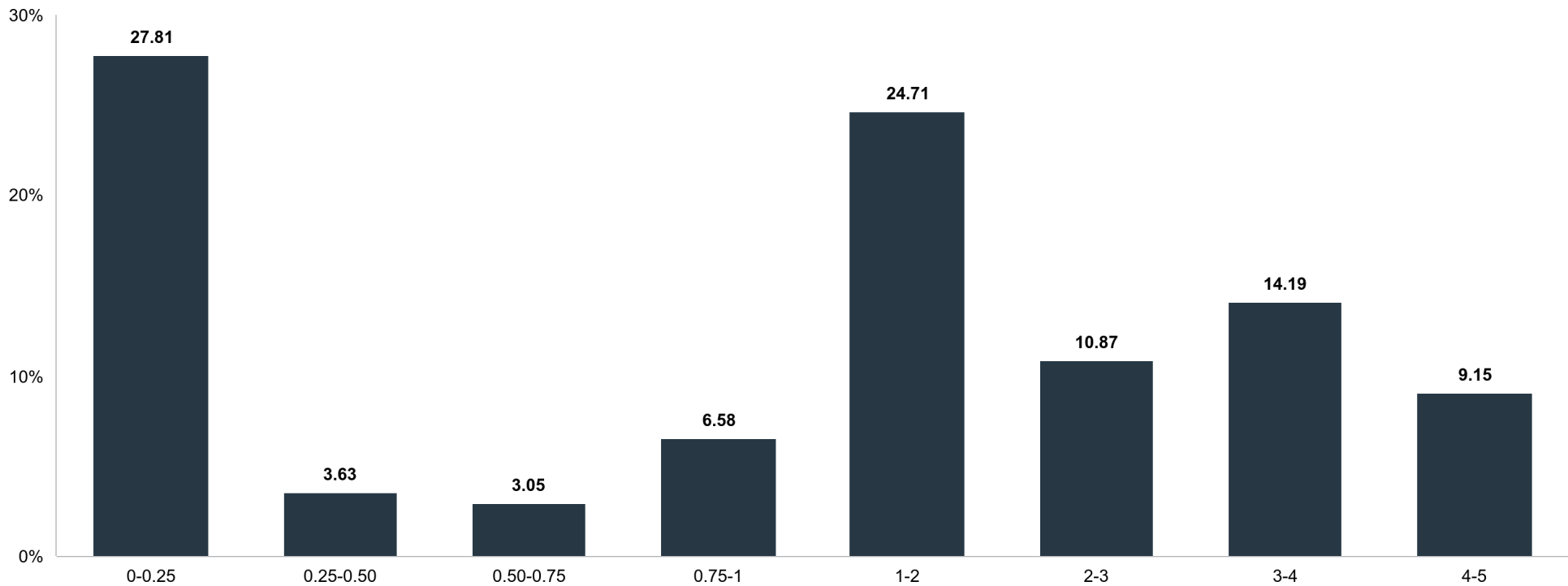
Reno Tahoe Airport Authority | Total Aggregate Portfolio



June 30, 2024

<b>1.68 Yrs</b>	<b>Effective Duration</b>	<b>1.87 Yrs</b>	<b>Years to Maturity</b>	<b>683</b>	<b>Days to Maturity</b>
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Distribution by Effective Duration



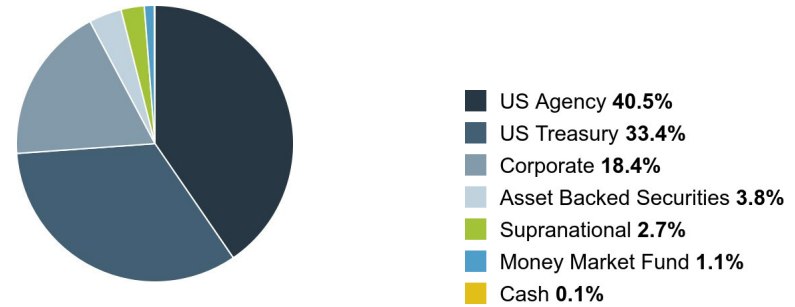
# Summary Overview

Reno Tahoe Airport Authority | Pooled Investments Core

## Portfolio Characteristics

Metric	Value
Cash and Cash Equivalents	1,146,917.16
Investments	92,357,441.30
Book Yield	3.80%
Market Yield	4.85%
Effective Duration	2.14
Years to Maturity	2.39
Avg Credit Rating	AA+

## Allocation by Asset Class



## Strategic Structure

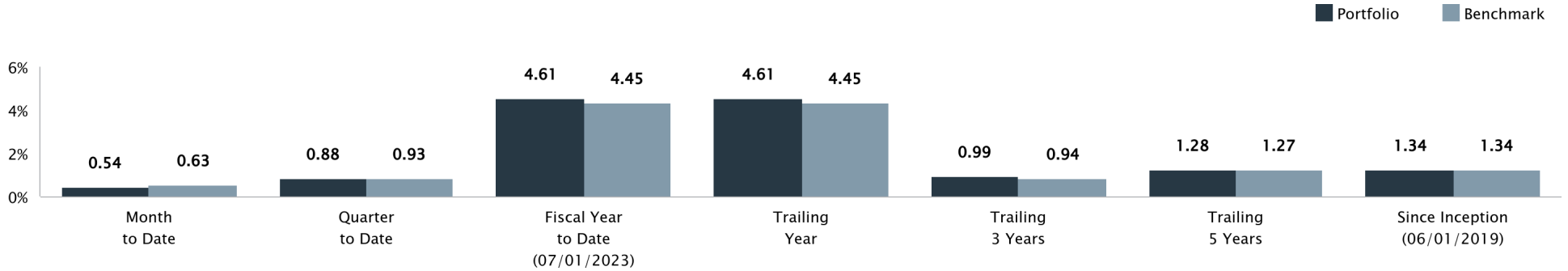
Account	Par Amount	Book Value	Market Value	Net Unrealized Gain (Loss)	Yield at Cost	Effective Duration	Benchmark Duration	Benchmark
RTAA-Pooled Investments Core	95,158,396.57	93,792,782.85	92,826,226.11	(966,556.74)	3.80%	2.14	2.10	ICE BofA 0-5 Year US Treasury Index
<b>Total</b>	<b>95,158,396.57</b>	<b>93,792,782.85</b>	<b>92,826,226.11</b>	<b>(966,556.74)</b>	<b>3.80%</b>	<b>2.14</b>	<b>2.10</b>	

# Return Management-Performance

Reno Tahoe Airport Authority | Pooled Investments Core

## Performance Returns Net of Fees

Periodic for performance less than one year. Annualized for performance greater than one year.



## Historical Returns

Period	Month to Date	Quarter to Date	Fiscal Year to Date (07/01/2023)	Trailing 3 Years	Trailing 5 Years	Since Inception (06/01/2019)
Return (Net of Fees)	0.538%	0.881%	4.614%	0.994%	1.279%	1.338%
Return (Gross of Fees)	0.543%	0.893%	4.666%	1.041%	1.330%	1.387%
ICE BofA 0-5 Year US Treasury Index	0.634%	0.930%	4.448%	0.940%	1.273%	1.342%

# Shock Analysis

Reno Tahoe Airport Authority | Pooled Investments Core



June 30, 2024

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<b>Account</b>	<b>Market Value</b>	<b>Duration</b>	<b>+10 BP FMV Change</b>	<b>+25 BP FMV Change</b>	<b>+50 BP FMV Change</b>	<b>+100 BP FMV Change</b>
RTAA-Pooled Investments Core	92,826,226.11	2.143	(90,838.71)	(227,096.78)	(454,193.57)	(1,987,512.50)
Total	92,826,226.11	2.143	(90,838.71)	(227,096.78)	(454,193.57)	(1,987,512.50)

The changes in market values displayed represent approximations of principal changes given an instantaneous increase in interest rates. Changes in interest rates over longer periods would most likely mitigate the impact of an instantaneous change through the addition of the interest income received on the investments within the portfolio. Additional impacts to consider when estimating future principal changes also include, but are not limited to, changes in the shape of the yield curve, changes in credit spreads.

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## **Bond Proceeds**

GPA is preparing to invest the bond proceeds when funded. The following actions will occur:

- 1) Cash flow disbursements will be provided with an expected cost schedule
- 2) GPA will design a portfolio to match maturities to the cash flow
- 3) A separate custodial account will be opened to keep funds segregated from general funds
- 4) Ongoing tracking and alignment to the spending schedule will be provided to RTAA
- 5) Arbitrage data will be provided to the providers

This report is for general informational purposes only and is not intended to provide specific advice or recommendations. Government Portfolio Advisors (GPA) is an investment advisor registered with the Securities and Exchange Commission and is required to maintain a written disclosure statement of our background and business experience.

**Questions About an Account:** GPA's monthly & quarterly reports are intended to detail the investment advisory activity managed by GPA. The custodial bank maintains the control of assets and settles all investment transactions. The custodial statement is the official record of security and cash holdings and transactions. GPA recognizes that clients may use these reports to facilitate record keeping and that the custodial bank statement and the GPA report should be reconciled, and differences documented.

**Trade Date versus Settlement Date:** Many custodial banks use settlement date basis and post coupons or maturities on the following business days when they occur on weekend. These items may result in the need to reconcile due to a timing difference. GPA reports are on a trade date basis in accordance with GIPS performance standards. GPA can provide all account settings to support the reason for any variance.

**Bank Deposits and Pooled Investment Funds Held in Liquidity Accounts Away from the Custodial Bank are Referred to as Line Item Securities:** GPA relies on the information provided by clients when reporting pool balances, bank balances and other assets that are not held at the client's custodial bank. GPA does not guarantee the accuracy of information received from third parties. Balances cannot be adjusted once submitted however corrective transactions can be entered as adjustments in the following months activity. Assets held outside the custodial bank that are reported to GPA are included in GPA's oversight compliance reporting and strategic plan.

**Account Control:** GPA does not have the authority to withdraw or deposit funds from or to any client's custodial account. Clients retain responsibility for the deposit and withdrawal of funds to the custodial account. Our clients retain responsibility for their internal accounting policies, implementing and enforcing internal controls and generating ledger entries or otherwise recording transactions.

**Custodial Bank Interface:** Our contract provides for the ability for GPA to interface into our client's custodial bank to reconcile transactions, maturities and coupon payments. The GPA client portal will be available to all clients to access this information directly at any time.

**Market Price:** Generally, GPA has set all securities market pricing to match custodial bank pricing. There may be certain securities that will require pricing override due to inaccurate custodial bank pricing that will otherwise distort portfolio performance returns. GPA may utilize Refinitiv pricing source for commercial paper, discount notes and supranational bonds when custodial bank pricing does not reflect current market levels. The pricing variances are obvious when market yields are distorted from the current market levels.

**Performance Calculation:** Historical returns are presented as time-weighted total return values and are presented gross and net of fees.

**Amortized Cost:** The original cost on the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discounts or premiums are amortized on a straight-line basis on all securities. This can be changed at the client's request.

**Callable Securities:** Securities subject to redemption in whole or in part prior to the stated final maturity at the discretion of the security's issuer are referred to as "callable". Certain call dates may not show up on the report if the call date has passed or if the security is continuously callable until maturity date. Bonds purchased at a premium will be amortized to the next call date while all other callable securities will be amortized to maturity. If the bond is amortized to the call date, amortization will be reflected to that date and once the call date passes, the bond will be fully amortized.

**Duration:** The duration is the effective duration. Duration on callable securities is based on the probability of the security being called given market rates and security characteristics.

**Benchmark Duration:** The benchmark duration is based on the duration of the stated benchmark that is assigned to each account.

**Rating:** Information provided for ratings is based upon a good faith inquiry of selected sources, but its accuracy and completeness cannot be guaranteed.

**Coupon Payments and Maturities on Weekends:** On occasion, coupon payments and maturities occur on a weekend or holiday. GPA's report settings are on the accrual basis so the coupon postings and maturities will be accounted for in the period earned. The bank may be set at a cash basis, which may result in a reconciliation variance.

**Cash and Cash Equivalents:** GPA has defined cash and cash equivalents to be cash, bank deposits, LGIP pools and repurchase agreements. This may vary from your custodial bank which typically defines cash and equivalents as all securities that mature under 90 days. Check with your custodial bank to understand their methodology.

**Account Settings:** GPA has the portfolio settings at the lot level, if a security is sold our setting will remove the lowest cost security first. First-in-first-out (FIFO) settings are available at the client's request.

**Historical Numbers:** Data was transferred from GPA's legacy system, however, variances may exist from the data received due to a change of settings on Clearwater. GPA is utilizing this information for historical return data with the understanding the accrual settings and pricing sources may differ slightly.

**Financial Situation:** In order to better serve you, GPA should be promptly notified of any material change in your investment objective or financial situation.

**No Guarantee:** The securities in the portfolio are not guaranteed or otherwise protected by GPA, the FDIC (except for non-negotiable certificates of deposit) or any government agency. Investment in securities involves risks, including the possible loss of the amount invested.





# Board Memorandum

08/2024-47

**In Preparation for the Regular Board Meeting on August 8, 2024**

**Subject:** Consideration of approval of Reno-Tahoe Airport Authority Chair's Permanent Committee Appointments for Fiscal Year 2024-2025

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## STAFF RECOMMENDATION

Staff recommends that the Board adopt the motion stated below.

## BACKGROUND

Bylaw 9140 provides that the Chairperson shall, *with approval of the Board*, establish Permanent Board Committees consisting of at least two members of the Board, but less than the full membership of the Board. The Chair is an ex-officio member of any committee of which he/she is not a regular member. The Chair typically appoints 3-4 members to a permanent committee. **At present there are two Permanent Committees:** the Finance and Business Development Committee and the Planning and Construction Committee. These committees hear informational items and also make recommendations on whether matters brought before them should be advanced for consideration by the full Board. Bylaw 9240 provides that the Treasurer shall also serve as the Chair of the Finance and Business Development Committee.

To assure a quorum can be assembled in the absence of a committee member(s), the Chair also appoints two alternates to these committees. When sufficient regular committee members of either of these committees are not present for purposes of a quorum, the first alternate will sit as a regular committee member with voting rights. If the first alternate is not available, or if both alternates are required for a quorum to be present, the second alternate will also sit as a regular committee member with voting rights.

Bylaw 9150 provides that the Chairperson may appoint temporary committees comprising not less than two members of the Board but less than the full membership, for special purposes. These committees are discharged on completion of their assignment. **At present there are no temporary committees.**

In addition to the Committees described above, Bylaw 9210 provides that the Chairperson may appoint Board members to serve as liaisons to various community boards, organizations, and committees. **At present these include the following:** the Community Outreach Committee (COC); the Airport Sustainability Advisory Committee; the CEO Users Working Group; the CEO Land Development Working Group; the Air Service Development Committee; and the Art Advisory Committee.

**DISCUSSION**

The Chair solicited input from Board members regarding their interest in serving on the RTAA Committees, and in liaison capacities. After careful consideration of Trustee requests and, taking into account their respective backgrounds and experience, the Chair has assigned Trustees in Committee positions and liaison roles where they may best serve the mission of the RTAA. The Committee members outlined below will serve until new appointments are made by the next Chairperson in FY 2024-2025.

Chair Cunningham, therefore, recommends the following Permanent Committee appointments and seeks the Board’s formal approval:

**Finance & Business Development Committee**

Chair: Cortney Young	Alt 1: Art Sperber
Vice-Chair: Richard Jay	Alt 2: Carol Chaplin
Member 1: Kitty Jung	
Member 2: Adam Kramer	

**Planning & Construction Committee**

Chair: Art Sperber	Alt 1: Adam Kramer
Vice-Chair: Joel Grace	Alt 2: Carol Chaplin
Member 1: Shaun Carey	
Member 2: Cortney Young	

Chair Cunningham has made the following liaison appointments:

**Community Outreach Committee (COC)**

Board Liaison: Richard Jay

**Airport Sustainability Advisory Committee**

Board Liaison: Kitty Jung

**CEO Users Working Group**

Board Liaison: Shaun Carey

**CEO Land Development Working Group**

Board Liaison: Joel Grace

**Air Service Development Committee**

Board Liaison 1: Jennifer Cunningham

Board Liaison 2: Adam Kramer

Board Liaison 3: Carol Chaplin

**Art Advisory Committee**

Board Liaison: Jennifer Cunningham

**FISCAL IMPACT**

Approval of this item has no fiscal impact to the RTAA

**COMMITTEE COORDINATION**

None

**PROPOSED MOTION**

“Approve the Chairman’s Permanent Committee appointments for Fiscal Year 2024-2025.”