



# ANNUAL COMPREHENSIVE FINANCIAL STATEMENTS

For the year ended June 30, 2024



Reno-Tahoe  
Airport  
Authority



**RENO-TAHOE AIRPORT AUTHORITY**  
**Reno, Nevada**

**ANNUAL COMPREHENSIVE**  
**FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2024**

**Prepared by**  
**Finance Department**

**Randall O. Carlton**  
**Chief Finance & Administration Officer**

**RENO-TAHOE AIRPORT AUTHORITY  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2024**

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# **INTRODUCTORY SECTION**



November 27, 2024

To the Members of the Board of Trustees and Citizens of Northern Nevada and North-Eastern California,

This report is the Annual Comprehensive Financial Report (ACFR) of the Reno-Tahoe Airport Authority ("RTAA" or "Authority") for the fiscal year July 1, 2023, through June 30, 2024. The staff of the RTAA prepared this report and is responsible for the information it contains. The purpose of this report is to present fully and fairly RTAA's financial position, operating results, and cash flows.

Management assumes full responsibility for the accuracy, completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. The design of the internal accounting controls employed by RTAA is to provide reasonable assurance that assets will be safeguarded against loss and that financial records will be reliable for use in preparing financial statements that are free of any material misstatements.

This ACFR contains financial statements and statistical data that fully disclose all the material financial operations of RTAA. A narrative overview and analysis of RTAA's financial activities that occurred during the fiscal year ended June 30, 2024, are presented in the Management's Discussion and Analysis (MD&A) found at the beginning of the Financial Section.

This ACFR reflects guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). The GFOA awards a Certificate of Achievement to those entities whose annual financial reports conform to the high standards of public financial reporting, including generally accepted accounting principles issued by the Governmental Accounting Standards Board. RTAA has received this prestigious award for 37 consecutive years and it is our belief that the accompanying ACFR also meets these program standards and will be submitted to the GFOA for review.

## **REPORTING ENTITY**

The RTAA is a quasi-municipal corporation created by the Nevada State Legislature and began operation on July 1, 1977. The act creating RTAA provides that it will serve a public use and will facilitate safe and convenient air travel and transport to and from the Reno-Tahoe area. RTAA is an independent entity that is not part of any other unit of local government and does not use local property or sales tax revenue to fund its operation.

The City of Reno, City of Sparks, Washoe County, and the Reno-Sparks Convention & Visitors Authority (RSCVA) appoint the nine-member Board of Trustees that governs RTAA. Four members appointed by the City of Reno, two by the City of Sparks, two by Washoe County, and a ninth board member by the RSCVA. The Board of Trustees serve a four-year term, and terms are staggered to ensure the continued presence of experienced members.

RTAA owns and operates the Reno-Tahoe International Airport (RNO) and the Reno-Stead Airport (RTS). RTS is a general aviation facility that is home to approximately 200-based aircraft. According to the latest available Federal Aviation Administration (FAA) statistics, RNO is the 68<sup>th</sup> busiest commercial passenger airport in the nation. RNO also has substantial cargo activity and a vibrant general aviation community.

The geographical, or catchment area, served by RNO primarily encompasses the seven northern Nevada counties of Churchill, Douglas, Humboldt, Lyon, Pershing, Storey, and Washoe and the major cities of Reno, Sparks, and Carson City (the capital of the State of Nevada). The total catchment area for RNO also includes the Lake Tahoe area and several communities in northeastern California.

As defined by the FAA, RNO is a small hub commercial airport which served over 4.5 million passengers in calendar year 2023. RNO is located four miles southeast of Reno's central business district. RTS is a general aviation airport located 11 miles northwest of the central business district. Carson City, the capital of Nevada, is 30 miles south of Reno. The closest competing commercial airport is 115 miles away in Sacramento, California. Commercial air service for the public is provided by Alaska Airlines, , American Airlines, Delta Airlines, JetBlue, Southwest Airlines, Spirit Airlines, Sun Country, United Airlines, and Volaris. Commercial cargo carriers include Federal Express (FedEx), United Parcel Service (UPS), and DHL. In calendar year 2023, more than 114 million pounds of air cargo was transported through RNO. Air cargo operations occupy about 25 acres north of the RNO passenger terminal with two buildings used for air cargo activities that consist of approximately 67,300 square feet. The ramp facilities can handle 14 aircraft simultaneously.

## **ECONOMIC CONDITION AND OUTLOOK**

The performance of the U.S. economy has been notably strong. Economic activity and employment have exceeded expectations, and the disinflationary process has been less challenging than initially feared. Notably, U.S. GDP in June 2024 surpassed pre-pandemic levels, marking a significant milestone for the country. Inflation stood at 3% in June 2024, with expectations for it to continue trending downward through the end of the year. The job market remains exceptionally resilient, with the unemployment rate at 3.7% in June 2024. Employment growth has been particularly strong in the government, healthcare, social services, and construction sectors.

As of June 2024, the unemployment rate in the Reno MSA was 5%, remaining below the long-term historical average for Washoe County. The region also experienced a net gain of 600 jobs, reflecting a 0.2 percentage point increase. Reno MSA has continued in diversifying its economy. The city is increasingly recognized as an emerging tech hub, driven by favorable business conditions, substantial investments from major tech companies such as Tesla, Apple, Panasonic and Microsoft, and a strong pipeline of skilled STEM graduates from the University of Nevada, Reno. Furthermore, the region's growing focus on lithium battery production and electric vehicle (EV) materials is accelerating its economic expansion, positioning Reno for continued growth and long-term success

The Reno MSA industry trends for the month of June 2024, as published by Ekay Consulting, are as follows:

- In June 2024, the Business Activity Index showed a decline of 0.90% compared to the same month in the previous year. Both taxable sales and gaming revenue experienced notable decreases of 2.9% and 10.6%, respectively. This slowdown in economic activity aligns with broader trends, as household spending continues to decelerate, particularly when adjusted for inflation, following the depletion of pandemic-era savings and persistently high levels of household debt. On a more positive note, airport passenger traffic increased by 11.7% year-over-year, signaling strong growth in air travel, and job growth also saw a modest rise of 0.44%.

- The Construction Index showed a 7.75% increase in activity from June 2023 to June 2024. Employment in the construction sector, as well as single-family home values and permits, all surpassed levels seen in June 2023. In contrast, the multi-family sector initially lagged behind historical trends at the start of the year but has gradually been increasing the number of planned units, despite the challenges posed by high construction and financing costs.
- A housing affordability ratio of 100 signifies that the median family income in the MSA is adequate to purchase a median-priced home. In the second quarter of 2024, the index stood at 64.02, indicating that the median family income is 35.98% below the amount needed to afford a median-priced home. This represents a 4.07% decrease in affordability compared to the same period in 2023, driven by a larger increase in home prices and mortgage rates relative to income growth.

## **AIR SERVICE MARKET UPDATE**

### **Passenger Airlines**

U.S. scheduled passenger airlines reported a 2023 calendar year after-tax net profit of \$7.8 billion, and a pre-tax operating profit of \$13.2 billion. The U.S. airline industry experienced a significant rebound in 2023. Strong travel demand led to increased revenue, particularly from fares. While fuel costs were lower than the previous year, labor costs and other operational expenses rose.

Despite these challenges, the industry achieved a substantial after-tax net profit of \$7.8 billion, a significant increase from the \$1.6 billion profit in 2022. Pre-tax operating profit also surged to \$13.2 billion, up from \$7.9 billion the previous year.

Total operating revenue reached \$236.3 billion, with fares accounting for the largest portion at 75.8%. Baggage fees and reservation change fees contributed 3.0% and 0.4% to the total revenue, respectively.

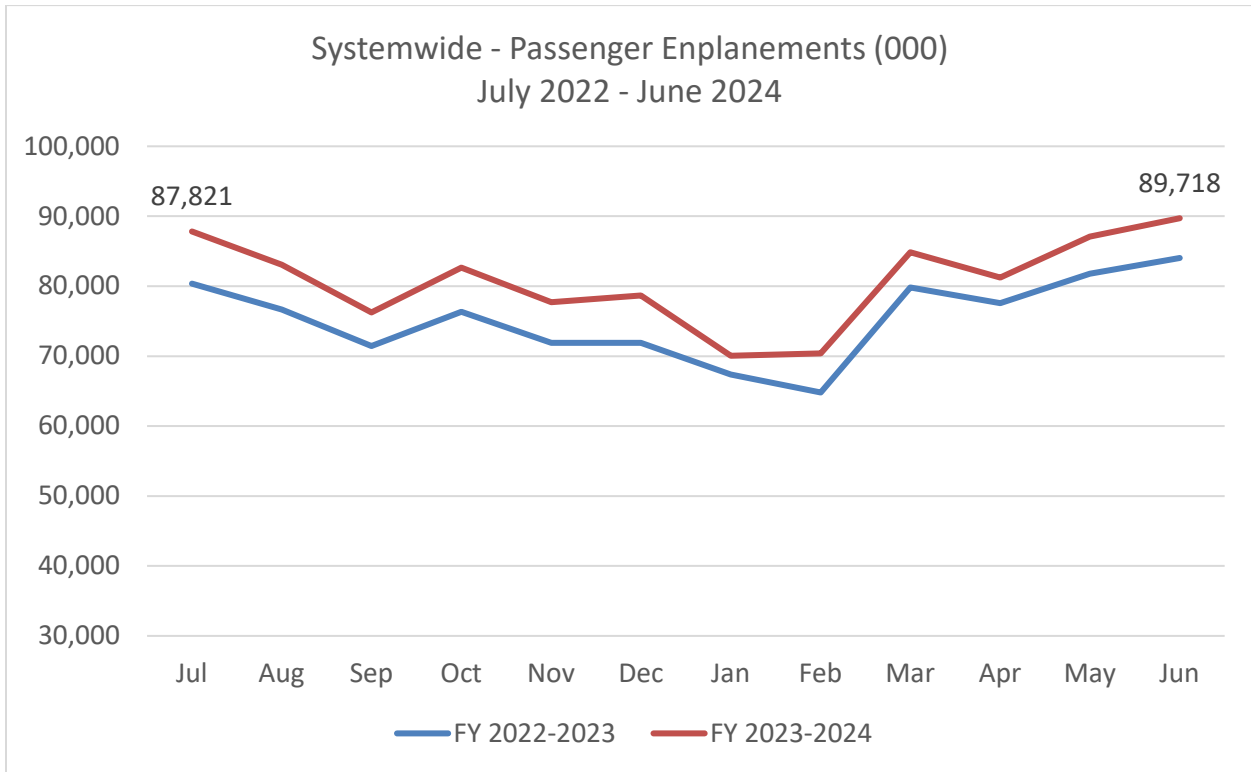
While fuel costs decreased to 21.3% of total operating expenses, labor costs increased to 34.8%. Despite this rise in labor costs, the industry's strong performance demonstrates its resilience and ability to adapt to changing economic conditions.

### **Passenger Activity**

U.S. airlines served 969 million enplanements in FY 2023-2024, an increase of 7.3% when compared to FY 2022-2023.



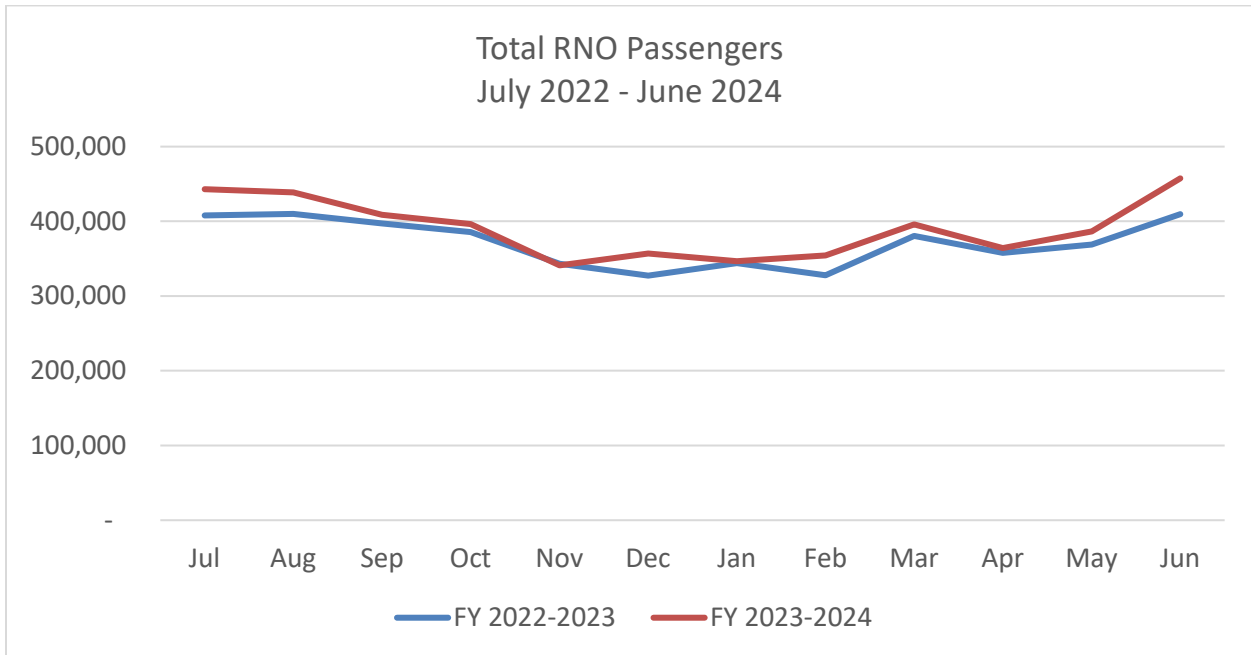
**Monthly Passengers (000) on U.S. Scheduled Airlines (Domestic and International)  
FY 2022-2023 and FY 2023-2024**



Source: Bureau of Transportation Statistics, DOT T-100 Market Data

**RNO Passengers**

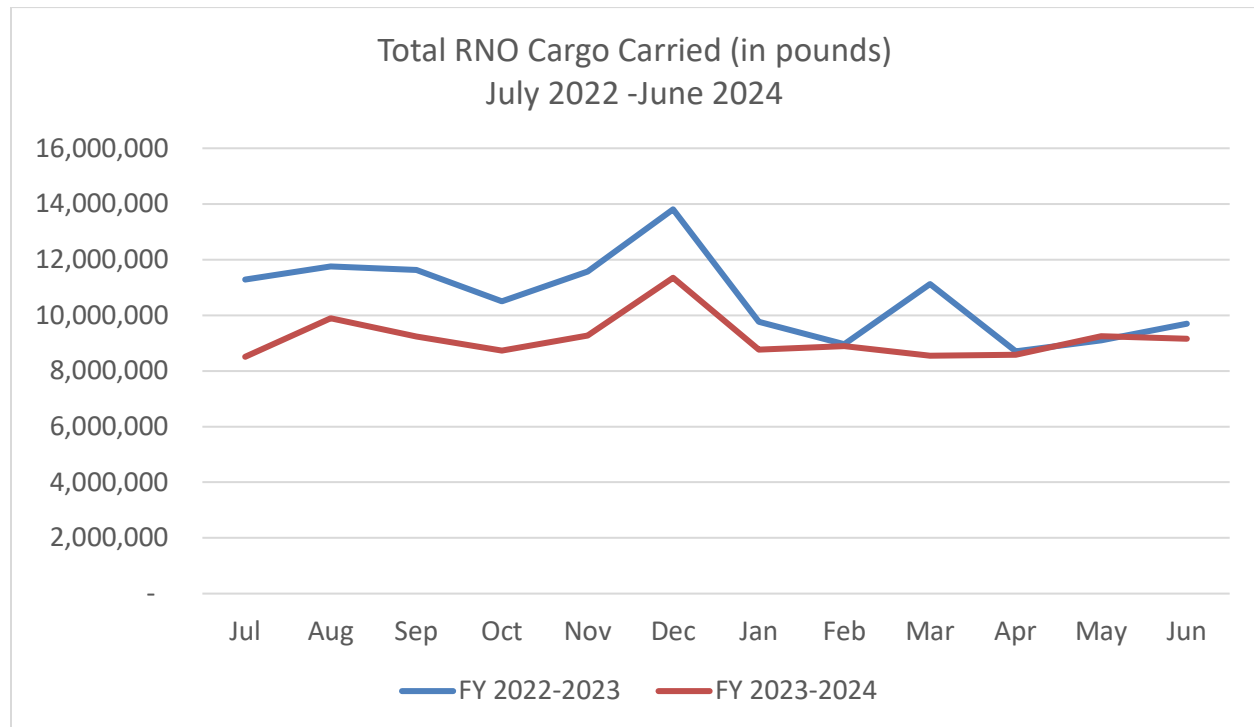
RNO served 4,689,790 passengers during FY 2023-2024, an increase of 5.2% when compared to last year. Total seat capacity, however, increased by 9.1% in FY 2023-2024 when compared to the same period last year. The average load factor was 78.1% in FY 2023-2024.



### Cargo Airlines

The Reno MSA has become a major west coast distribution hub due to its strategic location and the business-friendly environment that has developed since the great recession. Companies such as Amazon, Walmart, Switch, Reno Experience District, Petco, eBay, and Zulily have major distribution centers in the immediate vicinity of RNO. This sector of the economy, along with growth in industrial development areas such as the Tahoe-Reno Industrial Center, has played a key role in cargo growth at RNO in recent years.

However, as we have exited the pandemic, we have seen a decrease in overall cargo weight. The decline in FY 2023-2024 was partially due to unusual greater weights in the years following the pandemic as the industry addressed supply chain and resupply anomalies. Total cargo weight for FY 2023-2024 was 110,194,601 pounds of cargo, a 13.8% decrease from FY 2022-2023.



## **MAJOR INITIATIVES**

### Strategic Initiatives

On June 8, 2023, the Board of Trustees approved the Strategic Plan for fiscal years 2024 through 2028. The Strategic Plan was developed with extensive input from the Board, RTAA staff, and other interested stakeholders. The Strategic Plan was developed with the successful launch of the MoreRNO capital improvement plan. This five-year plan will help guide RNO and RTS staff on a path to change the future of air travel in the region for generations to come.

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

- **Shared Vision** - A strategic vision for the organization that is shared by staff and Board of Trustees.
- **Strategic Direction** - Core strategies that will help guide the RTAA over the next five fiscal years.
- **Roadmap** - A high-level plan to guide priority setting and serve as a helpful road map for staff and the Board of Trustees.

- **Planning Structure** - Long-term goals and performance measures that support the strategic priorities and provide a planning structure for objectives setting and annual action plans developed by the Executive Team.
- **Agility/Flexibility** - A living, breathing plan that provides direction, but is also flexible and broad enough to incorporate constant change in the aviation industry.

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

1. Safety and Security - Create a safe and secure environment for everyone who utilizes the Reno-Tahoe International Airport and Reno-Stead Airport.
2. People - Bolster our employees who are the current and future strength of our organization.
3. Facilities for the Future - Optimize existing facilities and construct new infrastructure at both airports to address market demand by implementing the MoreRNO Program and Airport Capital Improvement Program.
4. Air Service and Cargo - Retain and increase air service and cargo.
5. Financial Stewardship - Establish a culture of fiscal integrity; responsibly manage our business costs, diversify revenues, engage commercial business opportunities, and pursue grant funding, and the prudent use of debt financing for MoreRNO projects.
6. Customer Experience - Provide a positive environment and experience for all.
7. General Aviation - Support and elevate general aviation at both airports.
8. Sustainability - Operate and manage both airports with a holistic approach reflecting sustainability policies and practices along with environmental stewardship.

#### Airport-Airline Use and Lease Agreement

The Airport-Airline Use and Lease Agreement (AAULA) is the contract between the airport operator and its tenant airlines that establishes the rights, privileges, and obligations for each party and defines how RNO is to be used by the airlines.

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

#### Air Service Development

The retention, expansion and attraction of air service at RNO is a result of collaborative efforts between the RTAA and the Regional Air Service Corporation (RASC), a partnership of convention and visitor bureaus, hotels, casinos, ski resorts, and various business groups. In addition, the community partnerships with Reno-Sparks Convention and Visitors Authority (RSCVA), the Economic Development Authority of Western Nevada (EDAWN), Reno-Sparks Chamber of Commerce, and other key associations have all played an important role in the recent success. Staff is committed to building on this success by continuing the following:

- (a) Support of existing air service through awareness efforts, such as:
  - Airport website
  - Newsletter
  - Social Media Campaigns
  - Airline celebrations (inaugurals, anniversaries, etc.)
  - In-terminal assets (Lamar print and digital signage opportunities)

- Community events (i.e., Chamber Alliance, etc.)
  - Community and partner presentations (i.e., RASC partner opportunities, RSCVA convention and sales webinars, etc.)
- (b) Collaborate with the RSCVA, EDawn, RASC and other stakeholders to retain, expand and attract air service to RNO.

With the FAA policy restricting the use of RTAA funds in support of new air service, the RASC and its partners have historically been able to provide the following:

- Leveraging partner databases for both local and out-of-market promotions
- Utilizing partner digital marketing channels to increase visibility
- Promotion through partner traditional marketing efforts
- Air carrier marketing cooperative programs
- Promotion through public relations programs
- Air carrier risk mitigation efforts

RASC offers a unique marketing resource - a consortium that spreads across multiple industries and counties to promote RNO air service and the region.

- (c) Host airline representatives to the Reno-Tahoe region as guests to highlight the area by private invitations, Familiarization Tours promoting leisure and business, special event attendance, and more.
- (d) Continue on-going efforts to attract new, as well as expand and maintain existing air service through headquarter meetings, industry conferences, and frequent check-in calls.
- (e) Continue funding for an additional Customs and Border Protection (CBP) officer to reduce processing times to enter the United States by international passengers. The additional CBP officer began in July 2018.
- (f) In accordance with the FAA's Policy and Procedures Concerning the Use of Airport Revenue and Board adopted policy, RTAA revenue may provide the following financial incentives:
1. Waiver or reduction of landing fees, and
  2. Funding for promotional activities to incentivize airlines to initiate or expand service at RNO.

The FAA allows promotional incentives to air carriers for new service to (a) increase travel using the airport and/or (b) promote competition at the airport.

### Land and Infrastructure Development

Land and infrastructure development is an integral element to all strategic priorities. RTAA must not only proactively respond to market demands with capacity projects, but also maintain existing transportation infrastructure and support the financial bottom line with non-aeronautical land development.

With the launch of MoreRNO, the largest infrastructure program in the RTAA's history, the RTAA is positioned to bring RNO into the future by providing decades of capacity to meet the needs of the growing region. The MoreRNO program will support the infrastructure needs outlined in the RNO Master Plan, the RNO Landside Development Study (2021), the RNO Concourse Redevelopment Planning Study (2022) and the Digital Transformation Plan (2022). MoreRNO provides a proactive response to the projected growth of passenger traffic at RNO to an estimated 7.3 million annual passengers by 2046.

The strategic direction of the MoreRNO program envisions the following:

**Relieve congestion and provide additional capacity in RNO landside facilities.** RNO's growth has resulted in congestion along the terminal curbside pick-up and drop-off areas and capacity constraints in the public parking facilities and rental car facilities. In addition to a new 380-space employee parking lot completed in 2023, the following landside projects made progress or were completed in 2024.

- The **RNO Terminal Roadway Reconstruction Project (The Loop)**, completed in 2024, reconstructed the failing concrete sections of the terminal loop road, expanded pick-up and drop-off areas, provided shelter and comfort for passengers with new curbside canopies, and enhanced safety & security with curbside bollards.
- The **Consolidated Rental Car Facility / Ground Transportation Center Project (The GTC)** will provide long term rental car and ground transportation capacity while also freeing up space in close proximity to baggage claim for additional public parking (approximately 600 additional spaces). The GTC will be designed, built, financed, maintained, and operated as a public-private partnership with ConRAC Solutions, LLC. The enabling projects for the GTC Project began construction in 2024 and will be completed in 2025. The primary GTC Project is in the design phase, and construction is anticipated to begin in late 2025 / early 2026 after completion of the enabling projects.

**Replace RNO terminal concourses which are aging and undersized.** The strategy calls for the full replacement of RNO's two existing concourses and 23 total passenger gates which were originally constructed in 1981.

- The **RNO Concourse Redevelopment Project (New Gen A & B)** is the centerpiece project of the MoreRNO Program and includes the demolition of existing structures and pavements, the full replacement of the two existing terminal concourses, improved airfield pavement and taxi-lane capacity, and related infrastructure and utility relocation.
- The **Hybrid Central Utility Plant (eCUP)** replaces the original plant constructed in 1958. The new hybrid CUP will include electric and geothermal power generation in support of the new concourses, reducing energy use intensity (EUI) by an estimated 70%. EUI measures how much energy a building uses in relation to its overall size.
- The **New Gen A & B Project** is in the design phase. Early procurement for long-lead CUP equipment began in 2024. Initial site construction work is expected to begin in 2025. The project will be funded largely by RTAA Airport Revenue Bonds and the balance from awarded Federal grant programs.

**Modernize the RNO Terminal Building to accommodate future technologies and enhance customer experience and wayfinding.** The terminal building consists of the functional areas in the non-sterile area, including the ticketing hall, main lobby, security-screening checkpoint (SSCP) and baggage claim areas. The modernization effort focuses on expanding the Ticketing Hall and adding an Administrative Headquarters and Police Station.

- The **Ticketing Hall Expansion Project**, completed in early 2024, added 9,550 SF to the facility, expanded passenger queuing and circulation, added restrooms, incorporated intuitive wayfinding, modernized terminal sign standards, and brought to life a public art display in accordance with the RTAA's first Public Art Policy. The Ticketing Hall Expansion project created a more welcoming and enjoyable entrance to RNO, with more natural light and higher ceilings, for departing passengers.
- The **Administrative Headquarters and Police Station Project (The HQ)** will relocate the existing Administrative Offices and Police Station from the terminal building to a new facility within walking distance. Relocation will allow valuable terminal space to be utilized by airlines and tenants instead of RTAA functions that can effectively operate further away from the terminal facilities. Additionally, the new site will provide better access for Police, giving them direct airside

and landside access and shifting their operations away from aircraft operations. The HQ Project is in design, and construction is anticipated to begin in 2025.

**Preserve and modify the RNO Airfield.** In addition to ensuring the future viability of RNO through capacity projects, the RTAA invests significantly in preserving existing critical infrastructure through effective maintenance, rehabilitation, and reconstruction programs. Identified airfield infrastructure improvements include renaming the airfield signage and taxiways, relocating the air cargo apron, constructing deicing aprons, and addressing non-standard taxiway geometry and intersections. In addition to a new general aviation run-up apron constructed in 2023, the following airside projects made progress or were completed in 2024.

- The **Taxiway Renaming & Signage Project** addresses non-standard taxiway designators and signage. The Taxiway Renaming Project completed design work in 2024, and construction is anticipated to occur in 2025.
- The **General Aviation East Taxilane and Apron Reconstruction Project** reconstructs failing general aviation common-use parking areas and taxilanes between RTAA-owned hangars on the east side of the airport. Design began in late 2024, and construction is anticipated to occur in 2025. Hangar facilities on the east side of the airport are fully leased out, preserving the aircraft pavement allows for the continued use of these facilities.
- The **New Air Cargo Development Project** will provide a new location on the southwest quadrant of RNO for current air cargo operations and future capacity. A private developer is preparing a plan to finance and construct the related facilities, including the potential for a new deicing facility. Pending successful negotiations with the developer, the project could begin design and environmental review as early as 2026.

In addition to capacity and infrastructure preservation projects, RTAA actively works with third-party developers to convert vacant land to revenue producing non-aeronautical facilities that provide revenue streams independent of passenger volumes.

- The **Airway Commerce Park Project** by Tolles Development Company converted approximately 50 acres of vacant land south of McCarran Boulevard to Class-A mixed use industrial and commercial development. Tolles Development Company completed the final building in 2024.
- The **Reno-Stead AirLogistics Project**, in partnership with Dermody Properties, will convert vacant, non-revenue generating land to industrial and commercial revenue-generating land at RTS. The Phase 1 development includes approximately 56 acres southwest of the RTS airfield. Dermody Properties began construction on Phase 1 in late 2023 and anticipates completion in 2025. Negotiations on the Phase 2 development, which includes approximately 100 acres west of the Nevada Army Guard Base, were completed in 2024, and planning and preliminary design is underway.
- The **Lyten Gigafactory Project** was announced in October 2024. In partnership with Dermody Properties, Lyten will lease approximately 125 acres of land, northeast of the RTS airfield, to construct a lithium-sulfur battery factory. Dermody Properties will support the Lyten Gigafactory Project by constructing roadway and utility improvements to the site. Construction is anticipated to begin in 2025.

## FINANCIAL INFORMATION

While RTAA is a quasi-governmental entity, the generally accepted accounting principles applicable to an enterprise fund governmental entity apply. RTAA's financial statements are prepared on an accrual basis. Revenues are recognized when earned, not when received. Expenses are recognized when incurred, not when paid. Financial policies are set to conform to Generally Accepted Accounting Principles (GAAP) and the accrual basis of accounting. There were no unusual financial policies or one-time activities during the current period.

RTAA has several funds that accumulate money for specific and discretionary purposes. These are not the governmental purpose type funds usually seen in governmental accounting, but debt related accounts. The RTAA's revenue bond resolution establishes the funds and their payment priority. These funds are common in the airport industry's revenue bond resolutions.

RTAA prepares, approves, and revises its budget pursuant to the Nevada Local Government Budget and Finance Act, the airline agreement, and the RTAA's revenue bond resolution. The table below outlines the statutory requirements:

<b>Statutory Date</b>	<b>Calendar Date</b>	<b>Action</b>
April 15 <sup>th</sup>	April 15, 2024	Tentative budget filed with the Nevada Department of Taxation
Not more than 14 nor less than seven days before the date set for the hearing	May 14, 2024	Notice of Budget Public Hearing published
Not sooner than the third Monday in May and not later than the last day in May	May 23, 2024	Hold Public Hearing
On or Before June 1st	May 23, 2024	Adopt Budget

Pursuant to the airline agreement, airlines that have signed agreements with RTAA must also review the budget. Adoption of a resolution by the RTAA's Board of Trustees is required for any subsequent changes to the budget and the amendment submitted to the Nevada Department of Taxation.

## INTERNAL CONTROLS

The RTAA's management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

## **REPORTING ACHIEVEMENT**

The Government Finance Officers Association of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to RTAA for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. This was the 37<sup>th</sup> consecutive year that RTAA has achieved this prestigious award. To be awarded a Certificate of Achievement, the ACFR must be easily readable, efficiently organized, and conform to the program standards. This report must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. RTAA believes this current report continues to meet the Certificate of Achievement Program's requirements and will submit this report to the GFOA to determine its eligibility for another certificate.

## **INDEPENDENT AUDIT**

Nevada Revised Statutes 354.624 requires that RTAA have its financial statements audited each year by an Independent Certified Public Accountant. In addition, the receipt of federal funds and Passenger Facility Charges, to assist in funding capital improvement projects and security-related costs, requires the audit meet federal audit standards referred to collectively as the "Single Audit Act". The reports of the RTAA's auditors, Crowe LLP, are included herein.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Daren A. Griffin", with a long, sweeping underline that extends to the right.

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



**RENO-TAHOE AIRPORT AUTHORITY  
JUNE 30, 2024**



**List of Board of Trustees with Appointing Entities\***

<b>Board of Trustees</b>	<b>Position</b>	<b>Term Expires</b>	<b>Represents</b>
Carol Chaplin	Chair	Jun-25	Reno-Sparks Convention & Visitors Authority
Richard Jay	Vice-Chair	Jun-25	City of Reno
Jennifer Cunningham	Treasurer	Jun-25	City of Reno
Adam Kramer	Secretary	Jun-25	Washoe County
Shaun Carey	Trustee	Jun-27	City of Sparks
Art Sperber	Trustee	Jun-25	City of Sparks
Joel Grace	Trustee	Jun-27	City of Reno
Kitty Jung	Trustee	Jun-27	City of Reno
Cortney Young	Trustee	Jun-27	Washoe County

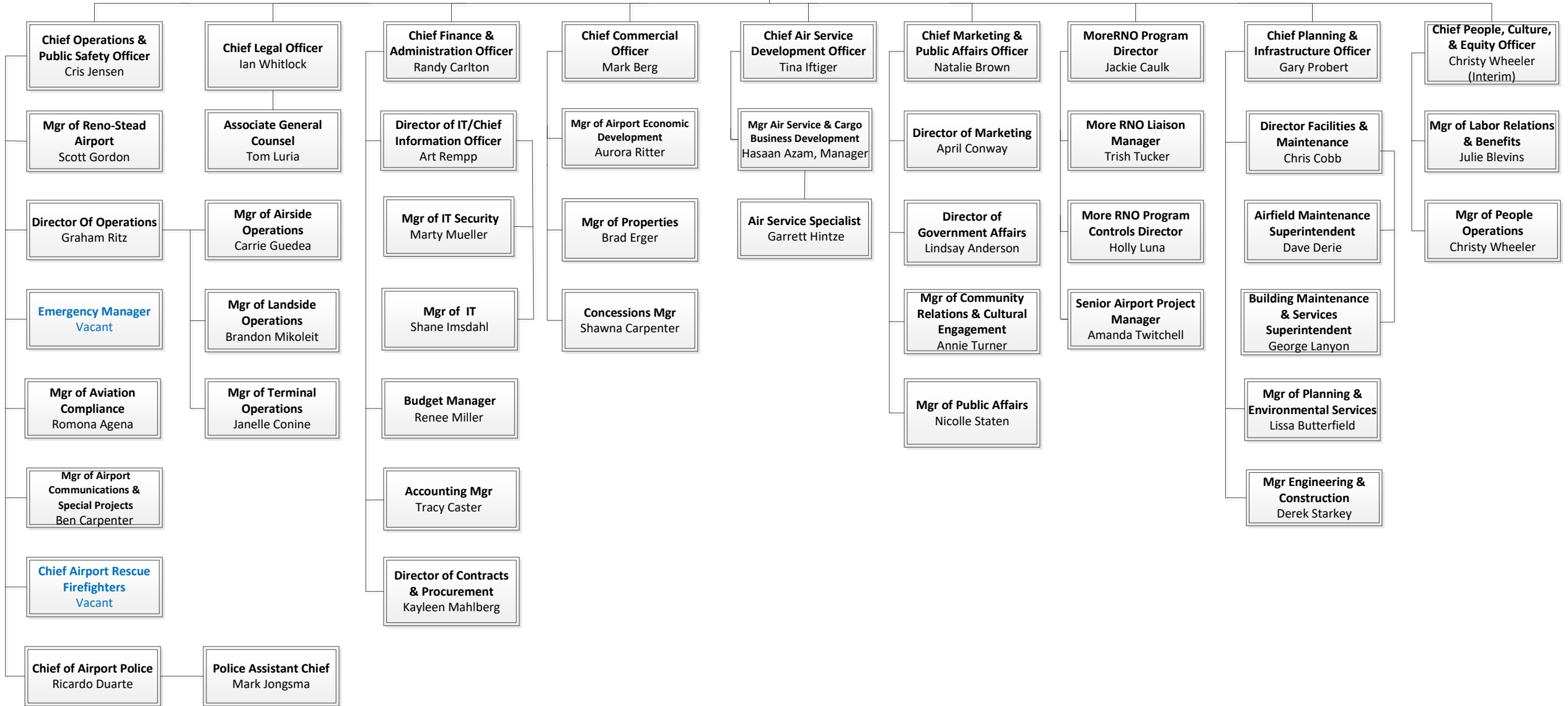
*Trustee positions as of June 30, 2024. More information on the Board of Trustees can be viewed on the RTAA website at [www.renoairport.com](http://www.renoairport.com) or by clicking [RTAA Board of Trustees](#).*

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

<b>Staff</b>	<b>Title</b>
Daren Griffin, A.A.E.	President/CEO
Cris Jenson	Chief Operations & Public Safety Officer
Gary Probert	Chief Infrastructure & Planning Officer
Randall Carlton	Chief Finance & Administration Officer
Tina Iftiger	Chief Air Service Development Officer
Mark Berg	Chief Commercial Officer
Christy Wheeler	Interim Chief People, Culture & Equity Officer
Natalie Brown	Chief Marketing & Public Affairs Officer



**President/CEO  
Daren Griffin**





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**Reno-Tahoe Airport Authority  
Nevada**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morill*

Executive Director/CEO

# **FINANCIAL SECTION**

## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
Reno-Tahoe Airport Authority  
Reno, Nevada

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the financial statements of the business-type activities of the Reno-Tahoe Airport Authority (the "Authority" or "RTAA"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Authority, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of the Authority's Proportionate Share of the Net Pension Liability, the Schedule of the Authority's Pension Plan Contributions, and the Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Introductory Section, Statistical Section, the Schedule of Revenues and Expenses, Comparison of Budget to Actual, and the Schedule of Expenditures of Federal Awards (SEFA) as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, as listed in the Table of Contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Revenues and Expenses, Comparison of Budget to Actual, Schedule of Debt Service Requirements on Bonds and Notes, and SEFA are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information (except for the cumulative thru June 30, 2024 amounts on the SEFA) has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues and Expenses, Comparison of Budget to Actual, and SEFA (except for the Cumulative thru June 30, 2024 amounts) are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory Section, Statistical Section, and Cumulative thru June 30, 2024 amounts on the SEFA have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2024 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

  
Crowe LLP

Indianapolis, Indiana  
November 27, 2024

**MANAGEMENT'S  
DISCUSSION  
AND ANALYSIS**



**RENO-TAHOE AIRPORT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

This Management Discussion and Analysis (MD&A) of Reno-Tahoe Airport Authority (“RTAA” or “the Authority”) provides an introduction and overview of the major activities affecting the operations and the financial performance of RTAA for the fiscal year (FY) ended June 30, 2024. The information contained in this MD&A should be considered in conjunction with the information contained in RTAA’s financial statements.

**FINANCIAL HIGHLIGHTS**

- The Authority’s assets and deferred outflows exceeded liabilities and deferred inflows, or Net Position, by \$515.821 million at June 30, 2024.
- The number of enplaned passengers at the Reno-Tahoe International Airport (RNO) increased 5% to 2.345 million.
- Landing fee revenues decreased 15% to \$10.793 million from the prior year. The decrease is a result of terms of the AAULA effective July 1, 2023, in which airline revenue sharing credits were applied to both signatory landing fees and terminal rents. Previously, the credits were applied solely to terminal rents.
- RTAA’s operating revenues increased \$8.224 million (13%) and operating expenses increased \$8.070 million (14%) from the prior fiscal year, resulting in an increase of operating income before depreciation and amortization of \$154 thousand.
- The Authority entered into a Public-Private Partnership to finance and facilitate the construction of a ground transportation center (GTC) resulting in a \$31 million prepaid asset for the GTC. See Note 15 to the financial statements for additional information.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

RTAA’s financial statements are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America (GAAP) promulgated by GASB. RTAA has a single enterprise fund, and as such separate government-wide financial statements are not prepared. Revenues are recognized when earned, not when received, and expenses are recognized when incurred, not when paid. Capital assets are capitalized and depreciated over their useful lives. See the notes to RTAA’s financial statements for a summary of the significant accounting policies.

This discussion and analysis is intended to serve as an introduction to RTAA’s basic financial statements. The basic financial statements consist of three components: 1) fund financial statements, 2) notes to the financial statements, and 3) required supplementary information other than the MD&A.

**Fund financial statements** – RTAA maintains its accounting records in a single enterprise fund. An enterprise fund is a type of proprietary fund used to report business-type activities.

*The statement of net position* presents information on RTAA’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference shown as net position.

*The statement of revenues, expenses and change in net position* presents information on how RTAA’s net position changed during the fiscal year. All changes in net position are reported as soon as the underlying events giving rise to the changes occur, regardless of the timing of the related cash flows.

*The statement of cash flows* presents RTAA’s cash flow (sources and uses) related to operating activities, non-capital financing activities, capital financing activities, and investing activities during the year.

**Notes to Financial Statements** - The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the fund financial statements.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

**Required Supplementary Information other than MD&A** - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information related to RTAA's pension plan as required by the GASB to supplement information found in the notes to the basic financial statements.

### FINANCIAL ANALYSIS

#### Statement of Net Position

Net position over time may serve as a useful indicator of an organization's financial position. The Authority's assets and deferred outflows exceeded liabilities and deferred inflows by \$515.821 million at June 30, 2024.

The following summarizes RTAA's financial position as of June 30, 2024, and 2023:

	2024	2023	\$ Change	% Change
<b>Assets</b>				
Current assets	\$ 102,495,019	\$ 93,068,521	\$ 9,426,498	10%
Current assets-restricted	40,115,020	38,038,276	2,076,744	5%
Capital assets, net of depreciation and amortization	443,650,877	409,536,760	34,114,117	8%
Lease receivable, long term	135,386,359	59,152,707	76,233,652	129%
Other assets	32,553,609	1,383,599	31,170,010	2253%
<b>Total assets</b>	<b>754,200,884</b>	<b>601,179,863</b>	<b>153,021,021</b>	<b>25%</b>
Deferred outflows of resources	21,859,929	18,205,785	3,654,144	20%
<b>Liabilities</b>				
Current liabilities	25,561,818	14,563,850	10,997,968	76%
Payable from restricted assets	1,091,806	630,518	461,288	73%
Non-current liabilities	86,966,307	60,961,798	26,004,509	43%
<b>Total liabilities</b>	<b>113,619,931</b>	<b>76,156,166</b>	<b>37,463,765</b>	<b>49%</b>
Deferred Inflow of Resources	146,619,623	63,166,553	83,453,070	132%
<b>Net Position</b>				
Net investment in capital assets	405,888,411	398,934,454	6,953,957	2%
Restricted net position	35,614,141	36,521,156	(907,015)	-2%
Unrestricted net position	74,318,707	44,607,319	29,711,388	67%
<b>Total net position</b>	<b>\$ 515,821,259</b>	<b>\$ 480,062,929</b>	<b>\$ 35,758,330</b>	<b>7%</b>

Total assets of \$754.201 million reflect an increase of \$153.021 million or 25% as compared to 2023. A significant portion of the increase relates to the increase in lease receivables and capital asset activity.

Unrestricted current assets increased by \$9.426 million or 3%. This is mainly due to a \$7.955 million increase in short-term lease receivables.

Restricted current assets increased by \$2.077 million or 5%, due to higher balances in grant receivables.

Capital assets of \$443.651 million increased by \$31.114 million or 8% as compared to the prior year. The increase is primarily due to the \$28.314 increase in construction in progress and \$23.724 million in buildings and improvements, offset by a change in accumulated depreciation of \$19.542 million.

Other assets are comprised of regional road impact credits with the Regional Transportation Commission (RTC) of Washoe County valued at \$1.384 million and a prepaid asset of \$31.170 million related to costs for the design of the ground transportation center (GTC) (See Note 15 – Public Private Partnership in the notes to financial statements). The regional road impact fee is a one-time assessment to pay for new roads

## MANAGEMENT'S DISCUSSION AND ANALYSIS

or improvements to existing roads necessary to serve traffic from a new development. The fee is paid at the time a building permit is issued. RTAA owned credits are currently set to expire on June 26, 2033, and can be used as an offset to the road impact fee as needed or sold to others.

Total liabilities of \$113.620 million increased \$37.464 million or 49% for the fiscal year ended June 30, 2024. The significant factors are increases to construction contracts payable by \$7.437 million, outstanding debt of \$24.525 million, and net pension liability by \$6.356 million.

The largest portion (78%) of RTAA's total net position represents the investment in capital assets, less the related indebtedness outstanding used to acquire those capital assets. On June 30, 2024, RTAA had \$405.888 million of net investment in capital assets, an increase of \$6.954 million or 2% from the prior fiscal year. RTAA uses these capital assets to provide services to airlines, passengers, visitors, and service providers at the Airport. Consequently, these assets are not available for future spending.

An additional portion (7%) of RTAA's net position represents restricted resources of \$36.614 million, a \$907 thousand or 2% decrease from FY 2023. The restricted net position is not available for spending due to the following commitments:

	2024	2023
Revenue bond operations and maintenance	\$ 10,918,606	\$ 9,488,004
Renewal and replacement	817,857	786,116
Passenger facility charge projects	23,844,563	26,221,632
Other reserve purposes	33,115	25,404
	\$ 35,614,141	\$ 36,521,156

As of June 30, 2024, the remaining unrestricted net position of \$74.319 million, or 15% of total net position represents liquidity available to meet any of RTAA's on-going obligations.

The following presents RTAA's deferred outflows and inflows as of June 30, 2024, and 2023:

	2024	2023	\$ Change	% Change
Deferred outflows of resources	\$ 21,859,929	\$ 18,205,785	\$ 3,654,144	20%
Deferred inflows of resources	146,619,623	63,166,553	83,453,070	132%

A *deferred outflow* of resources is the recognition of "consumed" net assets that is applicable to a future reporting period. This recognition includes: (1) pension contributions of \$4.460 million to the Public Employees Retirement System (PERS) of the State of Nevada after the measurement date of June 30, 2023; (2) the pension value changes in actuarial assumptions of \$5.344 million; differences identified on the Schedule of Employer Allocations, Schedule of Pension Amounts by Employer and Related Notes by PERS; (3) pension differences between expected and actual pension experience of \$7.432 million; (4) pension difference between actual and proportionate share of contributions of \$4.416 million, and (5) contributions related to Other Postemployment Benefits (OPEB) liability of \$107 thousand.

Conversely a *deferred inflow* of resources is the recognition of "acquired" resources of net assets applicable to a future reporting period. This recognition includes: (1) the differences in actual and projected earnings on plan investments of \$534 thousand; (2) the difference between the actual and proportionate share of contribution of \$699 thousand; and (3) the value of lease receivables of \$145.387 million.

The deferred outflows and inflows related to RTAA's pension plan and OPEB are further explained in Note 9 - Pension Plan and Note 13 - Other Postemployment Benefits (OPEB) in the notes to the financial statements. Deferred inflows related to leases are discussed in detail in Note 8 – Leases and Subscriptions.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Statement of Changes in Net Position

During the current fiscal year, the Authority's net position increased by approximately \$35.758 million.

The following summarizes the changes in RTAA's net position for June 30, 2024, and 2023:

	2024	2023	\$ Change	% Change
Operating revenues	\$ 73,065,625	\$ 64,841,222	\$ 8,224,403	13%
Operating expenses	65,745,118	57,675,123	8,069,995	14%
Operating income before depreciation and amortization	7,320,507	7,166,099	154,408	2%
Depreciation and amortization expense	24,043,881	24,461,762	(417,881)	-2%
Operating income/(loss)	(16,723,374)	(17,295,663)	572,289	3%
Non-operating revenues/(expenses)	36,297,640	33,913,223	2,384,417	7%
Income/(loss) before capital contribution	19,574,266	16,617,560	2,956,706	-18%
Capital contributions	16,184,064	4,320,592	11,863,472	275%
Change in net position	\$ 35,758,330	\$ 20,938,152	\$ 14,820,178	71%

### Significant Changes in Net Position for Fiscal Year 2024 versus 2023

Total operating revenues increased by \$8.224 million or 13% and total operating expenses increased by \$8.070 million or 14%. A review of these two categories is detailed below.

Depreciation and amortization expense of \$24.044 million was \$418 thousand or 2% lower than the prior year due to the full depreciation of certain assets in the prior year as well as asset disposals.

Non-operating income of \$36.298 million increased by \$2.384 million or 7% over prior year. This is primarily due to the increase of interest income, gain on investments, and miscellaneous revenue related to the Public-Private Partnership, offset by a decrease in federal grant revenues.

Capital contributions of \$16.184 million, primarily comprised of grants from the Federal Aviation Administration (FAA), increased by \$11.864 million or 275% in FY 2024 as compared to FY 2023. The grant contributions include reimbursements for runways, taxiways, and apron rehabilitation.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Operating Revenues

Revenues are defined as “operating” for those revenue categories used to finance RTAA’s operation and maintenance of RNO and Reno-Stead Airport (RTS). Included are landing fees, concession revenues, parking, and other charges. The table below represents operating revenues by source for the fiscal years ended June 30, 2024, and 2023:

Operating revenues	2024	2023	\$ Change	% Change
Landing fees	\$ 10,792,911	\$ 12,690,754	\$ (1,897,843)	-15%
Concession revenue	17,106,254	15,346,165	1,760,089	11%
Parking and ground transportation	19,474,450	18,237,964	1,236,486	7%
Rentals	22,362,432	15,072,521	7,289,911	48%
Reimbursements for services	3,210,986	3,384,893	(173,907)	-5%
Other revenue	118,592	108,925	9,667	9%
<b>Total operating revenue</b>	<b>\$ 73,065,625</b>	<b>\$ 64,841,222</b>	<b>\$ 8,224,403</b>	<b>13%</b>

### Significant Changes in Operating Revenues for Fiscal Year 2024 versus 2023

A key metric associated with RTAA’s operating revenues is the number of enplaned passengers at RNO. Following the COVID-19 pandemic, passenger traffic increased to near pre-pandemic levels in FY 2022, and then increasing again during FY 2023 by 7%, ending the year with 2.229 million enplanements. In FY 2024 RNO recorded 2.345 million enplanements, an increase of 5% over the prior year.

In FY 2024 RTAA recorded an increase in landed weight as well as an increase in landing and aircraft fees. Landing fee revenues of \$10.793 million decreased \$1.898 million or 15% from the prior year due to the terms of the AAULA effective July 1, 2023 in which airline revenue sharing credits were applied to both signatory landing fees and terminal rents. Previously, the credits were applied solely to terminal rents. Landing fees represent approximately 15% of RTAA’s total operating revenues.

Concession revenues of \$17.106 million were generated from auto rental, gaming, food and beverage, merchandising, advertising, and other concessions. They represent 23% of the total operating revenues and are 11% higher than FY 2023.

Parking and Ground Transportation revenues of \$19.474 million accounted for 26% of total operating revenues. Parking revenues increased by \$1.236 million or 7% above the prior year results. Parking rates for FY 2024 were \$2.00 for the first 40 minutes, \$3.00 for the first hour, and an additional \$3.00 per hour, with maximum amounts of \$36.00 per day for short-term, \$16.00 per day for the long-term garage, and \$12.00 per day for long-term surface lot parking.

Rental revenues of \$22.362 million increased \$7.290 million or 48% in FY 2024. The increase is primarily the result of a reclassification of terminal spaces and rate increases under the AAULA that was effective July 1, 2023.

Reimbursements for services and Other revenue generated \$3.330 million or 4% of total operating revenues. Reimbursements for services decreased \$174 thousand or 5% from fiscal year 2023. Revenues in this category include airline charges to use RTAA’s baggage handling system (BHS). The BHS fee reflects 100% cost recovery of the direct operating and maintenance costs of the system less any reimbursement from the Transportation Security Administration (TSA) for direct costs associated with their screening equipment. Other revenues of \$119 thousand include miscellaneous revenues, such as late fees collected by RTAA, and rebates received.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Operating Expenses

The RTAA's total operating expenses totaled \$65.745 million in FY 2024, an increase of \$8.070 million or 14% above the prior year results. The increase is primarily due to the increase of employee wages and benefits and purchase of services. Of the total operating expenses, 69% were costs associated with employee wages and benefits of a workforce of 284 employees as of June 30, 2024. The following is a summary of operating expenses (excluding depreciation and amortization) by category for the years ended June 30, 2024, and 2023:

Operating expenses	2024	2023	\$ Change	% Change
Employee wages and benefits	\$ 45,677,878	\$ 39,092,497	\$ 6,585,381	17%
Utilities and communications	4,033,644	3,962,745	70,899	2%
Purchase of services	9,446,371	8,016,801	1,429,570	18%
Materials and supplies	3,007,699	3,234,016	(226,317)	-7%
Administrative expenses	3,579,526	3,369,064	210,462	6%
<b>Total Operating Expenses</b>	<b>\$ 65,745,118</b>	<b>\$ 57,675,123</b>	<b>\$ 8,069,995</b>	<b>14%</b>

### Significant Changes in Operating Expenses for Fiscal Year 2024 versus 2023

Employee salaries, wages, and benefits of \$45.678 million increased \$6.585 million or 17% in fiscal year 2024. Personnel related expenses represent approximately 68% of total operating expenses. The following table outlines the major expense categories within employee salaries, wages, and benefits for the years ending June 30, 2024, and 2023:

	2024	2023	\$ Change	% Change
Salary	\$26,436,133	\$ 23,483,759	\$ 2,952,374	13%
Overtime, Standby, Holiday Worked	2,737,126	2,135,618	601,508	28%
Employee Benefits	16,504,619	13,473,120	3,031,499	23%
<b>Total Employee Wages and Benefits</b>	<b>\$ 45,677,878</b>	<b>\$ 39,092,497</b>	<b>\$ 6,585,381</b>	<b>16.8%</b>

Employee salaries have increased by \$2.952 million or 13% from FY 2023. Overtime also increased by \$602 thousand. Employee benefits increased approximately \$3.031 million or 23% due largely to increases of RTAA's share of the net pension liability based on the actual results of investments, as well as an increase in percentage of employer paid contributions. The net pension liability and related inflows and outflows of deferred revenue are based on actuarial assumptions at June 30, 2023. During FY 2023 actual results of earnings on investments was lower than expectations, resulting in an increase of the net pension liability and RTAA's related expense. These expenses are further explained in Note 9 – Pension Plan and Note 13 – Other Post-Employment Benefits (OPEB).

Utilities and communications expenses of \$4.034 million increased \$71 thousand or 2% from the prior year and represents 2% of total operating expenses and is a result of increased utility costs. This category includes electricity, natural gas, water, sewer service, telephone, and other utility services.

Purchase of services expense includes professional and technical services and totaled \$9.446 million, an increase of \$1.430 million or 18% from the prior year. Purchase of services expense represents 14% of total operating expenses. The increase in purchase of services is related to the utilization of consultants for ongoing capital projects.

Expenses for materials and supplies totaled \$3.008 million, a decrease of \$226 thousand or 7% from the prior year. Materials and supplies represent 5% of total operating expenses.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The administrative expense category includes travel, training, air service development, insurance, and other general expenses. In total, the category incurred \$3.580 million in cost, an increase of approximately \$210 thousand or 6% from the prior fiscal year. This increase reflects increased costs associated with training, conference sponsorship, insurance premiums, and community outreach.

### Non-Operating Revenues and Expenses

The category of non-operating revenues and expenses contains sources and uses of RTAA funding not directly associated with supporting the operations of the airports or funding intended or restricted for specific uses. Included in this group are the following: interest income, Passenger Facility Charges (PFCs), Customer Facility Charges (CFCs), jet fuel taxes, federal stimulus grants, interest expense on RTAA revenue bonds, and debt issuance costs.

The following is a summary of non-operating revenues and expenses for the years ended June 30, 2024, and 2023:

Non-Operating	2024	2023	\$ Change	% Change
Interest income	\$ 4,345,635	\$ 2,449,932	\$ 1,895,703	44%
Gain (loss) on investment valuation	1,753,114	70,635	1,682,479	96%
Passenger facility charge revenue	9,067,927	8,372,017	695,910	8%
Customer facility charge revenue	7,919,364	7,863,374	55,990	1%
Jet fuel tax revenue	302,499	300,994	1,505	0%
Gain (loss) on sale of capital assets	84,065	10,871	73,194	87%
Miscellaneous revenue	2,300,000	-	2,300,000	100%
Debt issuance costs	-	(135,000)	135,000	-100%
Federal grant revenue	11,271,352	15,156,938	(3,885,586)	-34%
Interest expense	(746,316)	(176,538)	(569,778)	76%
<b>Total Non-Operating revenues</b>	<b>\$ 36,297,640</b>	<b>\$ 33,913,223</b>	<b>\$ 2,384,417</b>	<b>7%</b>

### Significant Changes in Non-Operating Revenues and Expenses for Fiscal Year 2024 versus 2023

Interest income consists of interest from leases of \$1.437 million and interest earned on cash and investments of \$2.908 million. Interest income from cash and investments increased 61% and RTAA recognized a gain on investments of \$1.753 million this past fiscal year compared to \$71 thousand in FY 2023. Interest rate changes can impact RTAA's financial position in two ways: 1) revenues will change based on lower or higher interest rates and 2) investment market values will change positively if rates decline and negatively if rates rise. The impact is dependent on the overall maturity structure of the investment portfolio. Overall interest rates increased continuously during the fiscal year resulting in higher yields.

Jet fuel tax revenues are derived from a one cent per gallon of fuel for jet or turbine aircraft sold, distributed, or used. The tax is collected by Washoe County and remitted to RTAA as outlined in Nevada Revised Statute (NRS) 365.170. These revenues are used by RTAA to support air service development objectives and other discretionary expenses. The increase in revenues is due to the higher volume of aircraft operations at RNO.

Federal stimulus grant revenues of \$11.271 million decreased by \$3.886 million in FY 2024. This includes eligible cost reimbursement from the CARES and ARPA Acts. This funding is permissible for any eligible use of airport revenues. CARES Act reimbursement in fiscal year 2024 included debt service, capital projects, contracted services, salaries, and wages.

Miscellaneous revenue consists of \$2.300 million in revenue the Authority received as part of the Public-Private Partnership for the purpose of reimbursement of expenses incurred related to the GTC and the agreement.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Interest expense of approximately \$746 thousand increased by \$570 thousand or 76% above the previous year due to additional usage of the short-term non-revolving credit agreement.

### CAPITAL ASSETS

The following presents RTAA's capital assets for the years ended June 30, 2024, and 2023:

	2024	2023	\$ Change	% Change
Capital Assets, not depreciated:				
Land	\$ 172,449,079	\$ 172,449,079	\$ -	0%
Construction in progress	106,409,176	78,095,180	28,313,996	36%
Development rights	2,924,038	2,924,038	-	0%
Capital Assets, depreciated and amortized, net:				
Subscription right-of-use assets	668,669	166,538	502,131	100%
Improvements	101,913,968	98,299,260	3,614,708	4%
Buildings	35,777,129	32,146,859	3,630,270	11%
Equipment	23,508,818	25,455,806	(1,946,988)	-8%
<b>Total Capital Assets</b>	<b>\$ 443,650,877</b>	<b>\$ 409,536,760</b>	<b>\$ 34,114,117</b>	<b>8%</b>

### Major Capital Asset Events during Fiscal Year 2024

Federal grants funded \$16.184 million of capital projects in FY 2024. Projects included reconstruction of taxiways and general aviation run up area rehabilitation at RNO, VALE equipment, and RTS Parking Aprons and taxiway reconstruction.

Significant construction in progress projects include design for the concourse redevelopment project, loop road construction, and taxiway reconstruction. The ticketing hall expansion was substantially complete, however remains in construction in progress at fiscal year-end as final items were completed.

Completed projects during FY 2024 at RNO include the economy lot construction, terminal improvements, and apron reconstruction at RTS.

RTAA continued its on-going pavement maintenance program with major projects on the airfield, parking, and various tenant properties adding to the value of capital assets. For additional information on capital assets, see Notes to the Financial Statements, Note 5 – Capital Assets.

### DEBT ADMINISTRATION

In August 2022, RTAA entered into a Non-Revolving Credit Agreement with Wells Fargo Bank, National Association relating to an aggregate \$50,000,000 principal amount in subordinate lien revenue bonds, Series 2022: Subseries A (AMT), Subseries B (Non-AMT), and Subseries C (taxable) to finance capital projects. The Non-Revolving Credit Agreement allows RTAA to take advances up to the amount of the Available Commitment (\$50,000,000 less any previous advances) at any time through the Commitment Expiration date of August 1, 2025.

RTAA used these drawdowns to finance capital projects including the ticketing hall expansion, network infrastructure replacement, the shared use project, and the economy lot construction.

During FY 2024, RTAA made drawdowns totaling \$28.683 million and principal payments of \$9.638 million, as well as paid interest and fees of \$746 thousand. At June 30, 2024, the balance of principal borrowed is \$24.525 million, with an Available Commitment remaining of \$6.213 million.

For additional information on bonds, see Notes to the Financial Statements, Note 6 - Long-Term Debt.



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### PASSENGER FACILITY CHARGES (PFCs)

In October 1993, RTAA received approval from FAA to impose a PFC of \$3.00 per enplaned passenger. Collection began January 1, 1994. In May 2001, that amount increased to \$4.50 per enplaned passenger with collection beginning August 1, 2001. For the fiscal year ended June 30, 2024, RTAA collected PFCs, including interest earnings thereon, totaling \$9.068 million, a \$696 thousand or 8% increase over the prior year. PFCs are collected by airlines on their passengers' tickets and remitted monthly to RTAA. These funds are spent on a list of projects reviewed by the airlines in a process prescribed by the FAA. This funding must be segregated from all other Airport revenues. For further details, see the Summary Schedule of Passenger Facility Charges Collected and Expended in the Compliance Section of this report.

### CUSTOMER FACILITY CHARGES (CFCs)

CFCs are paid by customers utilizing rental cars based at RNO. Implemented in August 2012, the CFCs are collected and remitted by the rental car companies to RTAA. For the fiscal year ended June 30, 2024, RTAA collected CFCs totaling \$7.919 million through April 2024. Beginning in May 2024 CFC collections were remitted directly to a single-purpose entity created under the Public-Private Partnership for the purpose of construction of a ground transportation center. CFC funds are designated to fund property management, repairs, and improvements to RTAA-owned rental car facilities. In addition, the CFC fund will provide funding for debt services on the Consolidated Rental Car (CONRAC) facility currently in construction. Effective July 1, 2023, CFC per rental car transaction day increased to \$9.00 from \$6.50.

### AIRLINE SIGNATORY RATES AND CHARGES

RTAA and the airlines successfully negotiated an airline-airport use and lease agreement (AAULA) effective July 1, 2023, for a term of ten years. The AAULA establishes the airline rate setting formula and the airport model is known as a hybrid rate setting formula. In this formula, the two airports owned and operated by RTAA are divided into six cost centers: Airfield, Terminal Building, Baggage Handlings System (BHS), Landside (Parking and Ground Transportation), Other, and Reno-Stead Airport. The Airfield and Terminal Building airline related cost centers are used in the calculation of the landing fee and terminal rental rate.

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

In contrast, the terminal building rental rates reflect a commercial compensatory rate setting formula that places the financial risk of funding terminal building costs with RTAA. The expenditures, which are primarily comprised of operating expenses, debt service, and recovery of capital project/equipment expenditures with unit costs of less than \$300,000, in the Terminal Building cost center are divided by a "rentable" space divisor (total terminal space available that is revenue producing and available for lease). The result of this approach is that the signatory airlines are only responsible for terminal building costs allocated to airline leased premises and any costs allocated to vacant, concession, or other rentable space is the financial responsibility of RTAA.

In addition, the current hybrid agreement provides that RTAA's net available revenues after debt service are split equally (50%-50%) between the signatory airlines and RTAA through a revenue sharing formula. Revenue sharing is derived by taking the sum of RTAA's total revenues less total expenses posted to all costs centers less debt service and other identified requirements. A per passenger estimated credit, applicable to landing fees and/or terminal rents, is provided to the airlines on a monthly basis throughout the year with a final airline rates and charges reconciliation and settlement prepared based on audited year-end results.

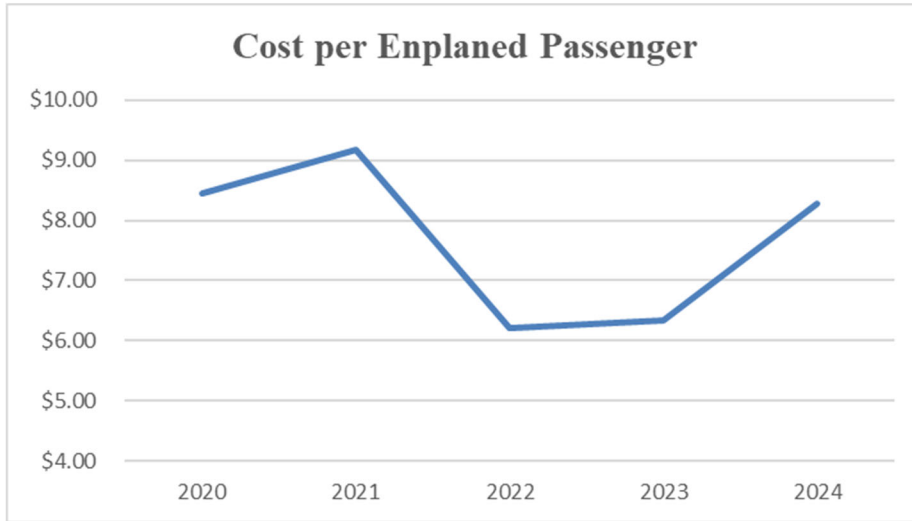
**MANAGEMENT’S DISCUSSION AND ANALYSIS**

The final rates and charges for the signatory airlines are shown below for the fiscal year ended June 30, 2024, and 2023:

	<u>2024</u>	<u>2023</u>	<u>\$ Change</u>	<u>% Change</u>
Landing Fee Rate (per 1,000 pounds)	\$ 4.12	\$ 3.79	\$ 0.33	9%
Terminal Rental Rate (Average per sq ft)	131.34	34.47	96.87	281%

The terminal rental rate increased significantly over the prior fiscal year due to a change in the airline revenue sharing and settlement under the new AAULA. Prior year’s rental rate included a credit from airline revenue sharing. In the current fiscal year, the revenue share is calculated separately and is applied as credits against both landing fees and terminal rents after rates are determined.

Comparing the operating results of airports is difficult. The landing fee and terminal rental rates of airports are often not comparable because of the different airline operating agreements used to calculate those fees. As a result, an airport’s impact to signatory airline tenants is benchmarked on a ratio of total fees paid by the airlines (landing fees and terminal rents), divided by the number of passengers boarding aircraft. RTAA targets to maintain a reasonable cost structure for the airlines to attract and retain air service to the Reno-Sparks community. The RNO cost per enplaned passenger for the fiscal year ended June 30, 2024, was calculated to be \$8.28 as compared to \$6.33 in the prior year. The chart below presents the five years of the cost per enplaned passenger.



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The US economy has been struggling to control inflation throughout the 2024 fiscal year. Despite the aggressive Federal Reserve policy to maintain its dual mandate of price stability and maximum employment, the job market has remained resilient. Much like the greater US economy, RTAA has proved its resiliency, and is in a strong financial position entering FY 2025. We are prepared for another substantial year in FY 2025 as we develop an airport that will meet the growing demand of the region for the next 30 years.

The greater Reno area's economic picture continues to remain resilient as it significantly continues to diversify and grow, despite the high inflation. The Reno-Tahoe regional area economy is no longer relying solely on tourism and gaming as a source of revenue. Northern Nevada's business friendly environment, proximity to customers, availability of skilled workforce and logistics continues to attract a diverse group of businesses to the area, such as Tesla, Panasonic, Microsoft, Apple, Amazon, Patagonia, Walmart, and Petco to set up major business operations in Northern Nevada.

Nevada's June 2024 unemployment rate dropped to 5.2% compared to the 5.7% in the previous fiscal year according to the Nevada Department of Employment, Training and Rehabilitation (DETR). Of the three Metropolitan Statistical Areas (MSA) in Nevada, Reno's unemployment rate was the lowest at 5.1%, while the Las Vegas area was at 7.4% in June 2024.

The fiscal year 2025 Board approved budget is balanced, includes increased funding for mission critical airport operations, higher revenues, and the usage of federal funding for major capital projects. We continue to closely monitor airline traffic, revenues, and expenses, and are prepared to make necessary adjustments if the current forecasts do not materialize, or we are faced with an economic downturn.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the financial activity and condition of RTAA to all having such an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Reno-Tahoe Airport Authority, Accounting Department, P.O. Box 12490, Reno, NV 89510-2490 or "Ask the Airport" at [asktheairport@renoairport.com](mailto:asktheairport@renoairport.com).

# **BASIC FINANCIAL STATEMENTS**

**RENO-TAHOE AIRPORT AUTHORITY**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2024**

**ASSETS**

**CURRENT ASSETS**

Unrestricted Assets:

Cash and cash equivalents	\$ 23,718,172
Investments	61,214,163
Accounts receivable, net	3,814,129
Lease receivable	11,406,080
Interest receivable	614,665
Inventory	867,315
Other current assets	860,495
	<u>860,495</u>

Total Unrestricted Assets 102,495,019

Restricted Assets:

Cash and cash equivalents	414,439
Investments	35,189,028
Grants receivable	4,500,954
Interest receivable	10,599
	<u>10,599</u>

Total Restricted Assets 40,115,020

Total Current Assets 142,610,039

**NON-CURRENT ASSETS**

Capital Assets:

Non-depreciable	281,782,293
Depreciable	872,432,408
Less accumulated depreciation and amortization	(710,563,824)
	<u>(710,563,824)</u>

Total Capital Assets 443,650,877

Other Assets:

Road credits	1,383,599
Public private partnership prepaid	31,170,010
Lease receivable	135,386,359
	<u>135,386,359</u>

Total Other Assets 167,939,968

Total Non-Current Assets 611,590,845

Total Assets 754,200,884

**DEFERRED OUTFLOWS OF RESOURCES**

Pension contributions after measurement date	4,560,619
Pension difference between actual and proportionate share of contributions	4,416,243
Pension changes in actuarial assumptions	5,343,793
Pension difference between expected and actual pension experience	7,432,117
OPEB contributions after measurement date	107,157
	<u>107,157</u>
Total Deferred Outflows of Resources	<u>21,859,929</u>

Total Assets and Deferred Outflows of Resources 776,060,813

Continued

**RENO-TAHOE AIRPORT AUTHORITY**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2024**

**LIABILITIES**

**CURRENT LIABILITIES**

Payable from Unrestricted Assets:	
Accounts payable	\$ 9,164,950
Interest payable	83,333
Subscription liability	216,361
Construction contracts payable	11,929,591
Unearned revenue	1,275,248
Accrued payroll and compensated absences	<u>2,892,335</u>
Total current unrestricted assets	<u>25,561,818</u>
Payable from Restricted Assets:	
Construction contracts payable	<u>1,091,806</u>
Total restricted current liabilities	<u>1,091,806</u>
Total Current Liabilities	<u>26,653,624</u>

**NON-CURRENT LIABILITIES**

Revenue bonds and subordinate notes, net	24,524,708
Compensated absences, net of current portion	1,429,638
Deposits	873,278
Reclamation liability	562,200
Subscription liability	393,216
Total OPEB liability	2,163,974
Net pension liability	<u>57,019,293</u>
Total Non-Current Liabilities	<u>86,966,307</u>
Total Liabilities	<u>113,619,931</u>

**DEFERRED INFLOWS OF RESOURCES**

Pension difference between actual and projected earnings on plan investments	533,702
Pension difference between actual and proportionate share of contribution	699,261
Leases	<u>145,386,660</u>
Total Deferred Inflows of Resources	<u>146,619,623</u>

**NET POSITION**

Net investment in capital assets	<u>405,888,411</u>
Restricted for:	
Operations and maintenance reserve	10,918,606
Renewal and replacement reserve	817,857
Passenger facility charge projects	23,844,563
Other reserve purposes	<u>33,115</u>
Total Restricted	<u>35,614,141</u>
Unrestricted	<u>74,318,707</u>
Total Net Position	<u>515,821,259</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 776,060,813</u>

See accompanying notes to financial statements.

**RENO-TAHOE AIRPORT AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN**  
**NET POSITION FOR THE YEAR ENDED JUNE 30, 2024**

OPERATING REVENUES	
Landing and aircraft fees	\$ 10,792,911
Concession revenue	17,106,254
Parking and ground transportation	19,474,450
Rentals	22,362,432
Reimbursements for services	3,210,986
Other revenue	118,592
Total operating revenues	<u>73,065,625</u>
OPERATING EXPENSES	
Employee wages and benefits	45,677,878
Utilities and communications	4,033,644
Purchase of services	9,446,371
Materials and supplies	3,007,699
Administrative expenses	3,579,526
Total operating expenses	<u>65,745,118</u>
OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION	7,320,507
Depreciation and amortization expense	<u>24,043,881</u>
OPERATING INCOME (LOSS)	<u>(16,723,374)</u>
NON-OPERATING REVENUES (EXPENSES)	
Interest income	4,345,635
Gain (Loss) on value of investments	1,753,114
Passenger facility charge revenue	9,067,927
Customer facility charge revenue	7,919,364
Jet fuel tax revenue	302,499
Gain on sale of capital assets	84,065
Miscellaneous revenue	2,300,000
Federal grant revenue	11,271,352
Interest expense	(746,316)
Total non-operating revenues (expenses)	<u>36,297,640</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	19,574,266
CAPITAL CONTRIBUTIONS (FEDERAL)	<u>16,184,064</u>
CHANGE IN NET POSITION	35,758,330
NET POSITION, BEGINNING OF YEAR	<u>480,062,929</u>
NET POSITION, END OF YEAR	<u><u>\$ 515,821,259</u></u>

See accompanying notes to financial statements.

**RENO-TAHOE AIRPORT AUTHORITY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2024**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers	\$ 72,443,630
Cash paid to employees and for benefits	(42,376,906)
Cash paid to suppliers	<u>(8,901,209)</u>
Net cash provided by operating activities	<u>21,165,515</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Federal grants received	11,271,352
Jet fuel tax revenue	<u>302,499</u>
Net cash provided by noncapital financing activities	11,573,851
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Capital contributions (federal)	13,200,306
Passenger facility charge revenue	9,067,927
Customer facility charge revenue	7,919,364
Proceeds from P3 agreement	2,300,000
Acquisition and construction of capital assets	(88,849,746)
Proceeds from sale of capital assets	84,065
Proceeds from bond issuance	28,683,349
Principal paid on bonds	(9,637,656)
Interest paid on bonds	<u>(704,690)</u>
Net cash provided by (used in) capital and related financing activities	<u>(37,937,081)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Receipts of interest	4,795,943
Purchase of investments	(37,686,551)
Sale of investments	<u>40,775,022</u>
Net cash provided by (used in) investing activities	<u>7,884,414</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>2,686,699</b>
<b>CURRENT AND RESTRICTED CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b><u>21,445,912</u></b>
<b>CURRENT AND RESTRICTED CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b><u><u>\$ 24,132,611</u></u></b>

Continued



**RENO-TAHOE AIRPORT AUTHORITY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2024**

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH  
PROVIDED BY OPERATING ACTIVITIES

Operating (loss) income	\$ (16,723,374)
Adjustments to reconcile operating (loss) income to net cash provided by operating activities:	
Depreciation and amortization	24,043,881
(Increase) Decrease in Assets:	
Accounts receivable, net	815,780
Lease receivable	(84,710,110)
Inventory	70,348
Other current assets	(28,119)
Increase (Decrease) in Liabilities:	
Accounts payable	11,528,877
Rents received in advance	(635,376)
Accrued payroll	633,527
Deposits and unearned revenues	101,450
Total OPEB liability and related deferred outflows of resources	(54,804)
Net pension liability and related deferred outflows and inflows of resources	2,756,990
Lease deferred inflows of resources	83,378,739
Reclamation liability	(12,294)
Net cash provided by operating activities	\$ 21,165,515

Noncash activities:

Capital assets included in construction contracts payable	\$ 13,021,397
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See accompanying notes to financial statements.

# **NOTES TO THE FINANCIAL STATEMENTS**

**RENO-TAHOE AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

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**1. Organization and Reporting Entity**

A. Organization

The Reno-Tahoe Airport Authority (“RTAA” or “Authority”) (formerly the Airport Authority of Washoe County) was created on July 1, 1977, by an act of the Nevada Legislature for the purpose of operating Reno-Tahoe International Airport (RNO) and Reno-Stead Airport (RTS).

B. Reporting Entity

RTAA is an independent reporting entity and not a component unit of another government. This conclusion is based on the following criteria:

i. Composition of the Board.

The governing boards of the following jurisdictions appointed nine members to the Board of Trustees as follows: (1) four members by the City of Reno, (2) two members by the City of Sparks, (3) two members by Washoe County, and (4) one member by the Reno-Sparks Convention & Visitors Authority (RSCVA). The Board directs the President/CEO, who is responsible for management and staffing of the RTAA departments. RTAA is responsible for the day-to-day operations at the two airports.

ii. Accounting for Fiscal Matters.

RTAA is responsible for reviewing, approving, and revising its budget. The Authority is solely responsible for financing the entity’s deficits and has sole control of its surplus funds, restricted only by the RTAA’s Bond Resolutions and underlying Lease and Use Agreements.

RTAA collects revenues, controls disbursements, and has title to all assets. RTAA establishes fees and charges and negotiates contracts with commercial enterprises.

**2. Summary of Significant Accounting Policies**

A. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. RTAA uses the economic resources measurement focus, whereby revenues and expenses are recognized in the period earned or incurred, regardless of when the related cash flows take place. All transactions are accounted for in a single enterprise fund.

Enterprise funds account for the following activities:

- i. Financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered through user charges; or

**RENO-TAHOE AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

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- ii. The governing body has decided that periodic determination of revenues earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Revenues from landing fees, rents, parking operations, and other miscellaneous sources are reported as operating revenues. Transactions, which are capital, financing or investing related, are reported as non-operating revenues, including Passenger Facility Charges (PFC), Customer Facility Charges (CFC), and federal stimulus funds received from the Federal Aviation Administration (FAA).

Expenses from employee wages and benefits, purchases of services, materials and supplies, and other miscellaneous expenses are reported as operating expenses. Interest expense and financing costs are reported as non-operating expenses.

**B. Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**C. Budgets**

RTAA adheres to the Local Government Budget and Finance Act established by Nevada state statute. The filing deadlines and procedures during fiscal year 2024 were as follows:

- i. On or before April 15, the RTAA files a preliminary operating budget with the State Department of Taxation.
- ii. A public hearing on the proposed budget with the Board of Trustees on the Thursday following the third Monday in the month of May.
- iii. On or before June 1, the final budget is adopted by a majority vote of the Board of Trustees.
- iv. The budget is adopted on the accrual basis. Actual operating and non-operating expenses (excluding depreciation) may not exceed budgeted appropriations. Budget augmentations that change the total revenues or expenses must be approved by a resolution of the Board of Trustees and filed with the Nevada Department of Taxation. Unexpended appropriations lapse at year-end.

**D. Cash, Cash Equivalents, and Investments**

RTAA considers all liquid investments (including restricted assets) with an original maturity of three months or less to be cash equivalents. Investments are measured at fair value.

**E. Inventory**

Inventory is valued by the weighted average method. Weighted average measures the total cost of items in inventory divided by the total number of units available for issuance. Inventory items are recorded as assets when purchased and expensed as consumed.

**RENO-TAHOE AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

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**F. Deferred Outflows/Inflows of Resources**

In addition to assets and liabilities, the statement of net position may report a separate section for deferred outflows of resources and deferred inflows of resources, respectively. Deferred outflows of resources represent a consumption of net assets that applies to future periods and deferred inflows of resources represent an acquisition of net assets that applies to future periods, and as such will not be recognized as flows of resources (expenses/revenues) until then.

The statement of net position contains items relating to deferred outflows and deferred inflows associated with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, and GASB Statement No. 87, *Leases*. A description of the deferred outflow and inflow items is as follows:

- Pension - contributions after measurement date for pensions and Other Postemployment Benefits (OPEB). These contributions are made after the measurement date through the fiscal year end resulting in a cash outlay not yet recognized under GASB 68. This amount is deferred and recognized in the following fiscal year. This item is presented as a deferred outflow of resources.
- Pension - difference between actual and proportionate share of contributions. This represents the unamortized difference between actual and proportional contributions to the defined benefit pension plan and increases in the RTAA's allocation share as provided in the schedule of employer allocations for the year ending June 30, 2023.
- Pension - changes in actuarial assumptions. These amounts represent the difference resulting from a change in assumptions used to measure the underlying net pension, OPEB liability, or asset. These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the beginning of the measurement period. This item can be presented as both a deferred outflow and deferred inflow of resources.
- Pension - difference between expected and actual pension experience. These amounts represent the difference in expected and actual pension or OPEB experience. These differences are deferred and recognized over the estimated average remaining lives of all members determined as of the beginning of the measurement period. This item can be presented as both a deferred outflow and deferred inflow of resources shown as net if there are unamortized balances for categories.
- Pension - difference between actual and projected earnings on plan investments. These amounts represent the difference in projected and actual earnings on pension plan assets. The differences are deferred and amortized over a closed five-year period. This item can be presented as both a deferred outflow and deferred inflow of resources and is combined annually as a single net unamortized balance.

**RENO-TAHOE AIRPORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024**

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- Leases – value of the lease receivable and prepayments. These amounts represent the present value of future lease payments in addition to any payments received at or before the commencement of the lease term that relates to future periods. The deferred inflow will be amortized over the life of the lease.

See Note 8 – Leases and Subscriptions, Note 9 - Pension Plan, and Note 13 - Other Postemployment Benefits (OPEB) for additional information on the deferred outflows and inflows of resources.

G. Compensated Absences

RTAA accounts for compensated absences by accruing a liability for employees' compensation of future absences. Employees accrue vacation in varying amounts based on classification and length of service. Additionally, certain employees are allowed compensated time off in lieu of overtime compensation and/or working on holidays. Vacation pay and compensatory time vests as earned and sick pay vests after five years of service at the rate of 50% available for payout at termination for certain represented employees. After 880 hours, sick pay also vests for certain represented employees. The liability for the compensated absences is included in both the current and non-current portion of accrued payroll. As of June 30, 2024, liabilities related to compensated absences were \$2,828,413.

H. Landing Fees, Terminal Building Rents, and Baggage Handling System (BHS) Charges

Landing fees, terminal rents, and BHS charges are set based and collected on estimates of airline activity, revenues, and expenses. The actual landing fees, terminal rental rates, and BHS charges due from the signatory airlines are calculated based on actual year-end results in accordance with the Airport-Airline Use and Lease Agreement (AAULA). Any over-collections and under-collections are netted and recorded on the Statements of Net Position as a receivable or payable.

I. Net Position

The following categories comprise the RTAA's net position:

- i. Net Investment in Capital Assets – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.
- ii. Restricted – Net Position that has external constraints placed on it by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through contribution provision of enabling legislation.
- iii. Unrestricted – Unrestricted net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

At times, RTAA will fund outlays for a particular purpose from both restricted and unrestricted resources. It is the RTAA's policy to deplete restricted net position, if permitted, before unrestricted net position is applied.

**RENO-TAHOE AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2024**

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J. Passenger Facility Charge (PFC) Revenue

Currently, RTAA has approval from the FAA to impose and use a PFC of \$4.50 per enplaned passenger. PFC collections fund FAA approved projects to improve or renew passenger safety, conveyance, or related facilities. The airlines collect and remit PFC revenues monthly to RTAA. These revenues are recognized by RTAA as non-operating revenues.

K. Customer Facility Charge (CFC) Revenue

Effective July 1, 2023, RTAA implemented a \$9.00 CFC per transaction day on each individual vehicle rental collected by each participating rental car lessee. CFC revenues fund the following projects: (1) renewal and replacement improvements to the Quick Turnaround (QTA) Facility and the Service Facility Area, (2) the on-going overhead and maintenance of the QTA, and (3) the building of a future consolidated rental car facility. In addition, \$0.11 per rental day of CFC receipts reimburse RTAA to cover reasonable costs associated with accounting, administering, and managing the CFC program. Rental car companies operating at RNO collected and remitted CFC revenues monthly to RTAA through April 2024. These revenues are classified as non-operating revenues. Beginning May 2024, CFC collections are directed to a single-purpose entity for construction of the ground transportation center.

L. Capital Contributions

The FAA's Airport Improvement Program (AIP) funds a significant portion of eligible costs for airport capital improvements along with matching funds provided by RTAA or through the PFC program. In addition, the Transportation Security Administration (TSA) funds certain approved capital projects associated with passenger and luggage screening.

Capital funding provided under government grants and agreements are considered earned as the related allowable expenses are incurred. Grants and related agreements for the acquisition of land, acquisition and construction of property, and certain types of equipment are reported in the Statements of Revenues, Expenses and Changes in Net Position, after non-operating revenues and expenses, as capital contributions.

M. Regional Road Impact Fee Credits

The regional road impact fee is a one-time assessment to pay for new roads or improvements to existing roads necessary to serve traffic from a new development. Payment of this fee is typically required upon issuance of a building permit. RTAA owns credits for the fees and can use them as needed or sell them to others until the credits expire June 26, 2033. The value of these credits was determined by Washoe County, who provided the credits to RTAA.

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O. Recent Accounting Pronouncements Adopted/Implemented:

During the year, RTAA adopted the following new GASB Statements:

GASB Statement No. 99, *Omnibus 2022*. The objective of this statement is to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. This statement did not have a material effect on the financial statements.

GASB Statement No. 100, *Accounting Changes and Errors – An Amendment of GASB Statement No. 62*. The objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement did not have a material effect on the financial statements.

In addition, GASB has issued the following statements that have not yet been implemented by RTAA:

- GASB Statement No. 101, *Compensated Absences*.
- GASB Statement No. 102, *Certain Risk Disclosures*
- GASB Statement No. 103, *Financial Reporting Model Improvements*
- GASB Statement No. 104, *Disclosure of Certain Capital Assets*

RTAA will continue to evaluate GASB Statements and determine if these statements will have a financial impact and require implementation in future reporting periods.

**3. Cash, Cash Equivalents, and Investments**

RTAA accounts for its investments at fair value. Cash, Cash Equivalents, and Investments consist of the following as of June 30, 2024:

<b>Cash and Cash Equivalents:</b>	\$ 24,132,611
 <b>Investments:</b>	
State of Nevada Local Government Pool	4,723,883
US Government Agency Securities	71,055,420
Corporate Securities	20,623,888
Total Investments	96,403,191
Total Cash, Cash Equivalents, Investments	120,535,802
Less: Unrestricted Cash, Cash Equivalents, and Investments	(84,932,335)
<b>Total Restricted Cash, Cash Equivalents, and Investments</b>	<b>\$ 35,603,467</b>



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At June 30, 2024, the recorded amount of the Authority's deposits was \$24,132,611 and the bank balance was \$22,644,085. Restricted cash, cash equivalents, and investments represent funds deposited with third-party custodians, which are restricted as to use pursuant to the revenue bond resolutions as discussed in Note 6 – Long-Term Debt. The resolutions also impose limitations as to the disposition of related interest income.

GASB Statement No. 72, *Fair Value Measurement and Application*, defines fair value, establishes a framework for measuring fair value and provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows: Level 1 inputs are unadjusted quoted prices for identical assets or liabilities in active markets; Level 2 inputs are other observable inputs; Level 3 inputs are unobservable.

The estimated fair values of the RTAA's U.S. Treasury notes are based on quoted market prices provided by recognized broker dealers (Level 1 inputs). The estimated fair value of U.S. Government Agency securities and corporate securities are based on a matrix pricing model that maximizes the use of observable inputs for similar securities as provided by recognized broker dealers (Level 2 inputs).

Below is the categorization of the RTAA's total cash, cash equivalents, and investments as of June 30, 2024, by fair market value using the categories of relative reliability:

	Total Cash, Cash Equivalents, and Investments	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
	June 30, 2024	(Level 1)	(Level 2)	(Level 3)
<b>Investments by Fair Value Level:</b>				
US Government Agencies	\$ 40,042,710	\$ -	\$ 40,042,710	\$ -
US Treasury Notes	31,012,710	31,012,710	-	-
Corporate Securities	20,623,888	-	20,623,888	-
Total Investments by Fair Value Level	<u>\$ 91,679,308</u>	<u>\$ 31,012,710</u>	<u>\$ 60,666,598</u>	<u>\$ -</u>
<b>Investments at Net Asset Value (NAV):</b>				
State of Nevada Local Government Pool	4,723,883			
Total Investments at Net Asset Value (NAV)	<u>4,723,883</u>			
<b>Cash:</b>				
Collateralized Bank Deposits	24,132,611			
<b>Total Cash, Cash Equivalents, and Investments</b>	<u><u>\$ 120,535,802</u></u>			

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Investment Policies

In accordance with Nevada Revised Statute (NRS) 355 *Public Investments*, the RTAA's Bond Resolution and Investment Policy, RTAA manages its exposure to interest rate risk by regular evaluation of its cash position to determine the amount of short and long-term funds available for investment within the context of the entire portfolio and its cash flow and liquidity needs. By purchasing a combination of shorter term and longer-term investments and timing their maturities, RTAA meets its cash flow and liquidity needs. RTAA uses specific identification for calculating unrealized gains or losses for investment valuation.

Included in the RTAA's investment portfolio as of June 30, 2024, are the following statutorily approved investments:

- Demand Deposits, Time and Savings Deposits including Negotiable Order of Withdrawal (NOW) accounts. They are issued by insured commercial banks, credit unions or 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).
- US Government Agency Securities. These securities are issued by a U.S. government-sponsored agency with backing by the federal government, but not guaranteed since the agencies are private entities. Such agencies have been set up in order to allow access to low-cost financing, e.g. home buyers, farmers, and students. The RTAA's investments include Federal National Mortgage Association, Federal Home Loan Banks, Federal Home Loan Mortgage Corporation, and Federal Farm Credit Banks.
- US Treasury Notes. These notes are issued by the United States government in order to pay for government projects. They are backed by the U.S. government making them low risk. Interest payments on the notes are made every six months until maturity which is usually not less than one year or more than seven years.
- State of Nevada Local Government Investment Pool (LGIP). Investment of the LGIP is a function performed by the Office of the State Treasurer pursuant to NRS. In addition to investing the assets of the LGIP as prescribed by law, with regular oversight provided by the State Board of Finance, an investment policy also controls the parameters used to invest pool assets. Investment in the LGIP is carried at fair value, which is the same as the value of pool shares. By pooling funds, participating local governments benefit from economies of scale, full-time portfolio management, diversification, and liquidity. The external investment pool is not registered with the Securities and Exchange Commission (SEC) as an investment company.

The LGIP investment policy allows for investments in bankers' acceptances, commercial paper, corporate notes, money market funds, negotiable certificates of deposit, repurchase agreements, tax-exempt municipal bonds, time certificates of deposit, U.S. Treasury securities, U.S. agency securities, and asset-backed securities, with the objective of preserving the principal investment and providing a competitive return.

The fair value of the investment in LGIP has been determined using a Net Asset Value (NAV) calculation. The NAV is calculated daily by dividing the total value of the securities and other assets, less any liabilities, by the total outstanding shares of the fund. RTAA may withdraw funds from the pool upon written notice and LGIP shall comply at the first reasonable opportunity. However, the LGIP may charge RTAA any penalty or loss of interest resulting from the withdrawal of funds, if necessary, to meet the request. RTAA has no unfunded commitments as of June 30, 2024.

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In addition, NRS 355.171 provides the following additional authorized investments for counties and school districts with county populations greater than 100,000 (Washoe County) and city governments with city populations greater than 150,000.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Any deposits in excess of Federal Deposit Insurance Corporation (FDIC) Insurance, if applicable, are held in the financial institution's name. RTAA has no investment securities exposed to custodial credit risk in the event of the failure of the counter party to a transaction.

Interest Rate Risk

As of June 30, 2024, the RTAA's cash, cash equivalents and investments have the following maturity distributions:

	0 to 1 Month	1 to 12 Months	1 to 2 Years	2 to 3 Years	3 to 5 Years	Total
Cash	\$ 24,132,611	\$ -	\$ -	\$ -	\$ -	\$ 24,132,611
LGIP	-	4,723,883	-	-	-	4,723,883
Securities:						
US Treasury	-	6,881,240	7,163,417	8,823,948	8,144,105	31,012,710
US Gov Agency	-	-	15,325,770	6,680,505	18,036,435	40,042,710
Corporate	-	9,136,448	1,860,097	1,686,243	7,941,100	20,623,888
<b>Total</b>	<b>\$ 24,132,611</b>	<b>\$ 20,741,571</b>	<b>\$ 24,349,284</b>	<b>\$ 17,190,696</b>	<b>\$ 34,121,640</b>	<b>\$ 120,535,802</b>

Credit Risk

State statutes, the RTAA's revenue bond resolutions and the RTAA's investment policy authorize investments in direct obligations of, or obligations guaranteed by the United States of America. RTAA may also invest in commercial paper (rated A-1 or better by Standard & Poor's or P-1 by Moody's Investor Services) or interests in short-term investment trust funds restricted to the investment obligations described above.

The RTAA's investment policy also permits investment in the State of Nevada LGIP and in deposit accounts with financial institutions collateralized under the State of Nevada Pooled Collateral Program. This state sponsored program provides 102% of collateral for any deposit in a participating financial institution, above FDIC insurance protection. The collateral is composed of US Treasury Obligations and US Agency Securities. The LGIP is unrated external investment pools subject to NRS 355.171 Public Investment statutory requirements on authorized and prohibited investments.

At June 30, 2024, Standard & Poor's had rated US Government Agency Securities (mortgage-backed securities) as AA+ and the Fidelity Government Fund 57 (money market funds) as AAA.

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Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the RTAA's investment in a single issue. RTAA places no limit on the amount RTAA may invest in any one issuer. As of June 30, 2024, the following investments equaled or exceeded 5% of the RTAA's total cash, cash equivalents and investments:

Investment Types	2024
Wells Fargo Collateralized Deposit	20%
US Government Agencies	33%
US Treasuries	26%
Corporate Securities	17%

**4. Accounts and Grants Receivable**

The following amounts represent receivables due to RTAA at June 30, 2024:

Accounts and Grants Receivable	2024
Current, Unrestricted:	
Accounts Receivable	\$ 3,828,445
Less: Allowance for uncollectable	(14,316)
Net Accounts Receivable	3,814,129
Grants Receivable, Restricted	4,500,954
Total Current Accounts and Grants Receivable	\$ 8,315,083

The grants receivable in the accompanying Statements of Net Position represent reimbursements due for project costs under the FAA and TSA compliance audit by the RTAA's independent auditor. However, RTAA believes that the receivable amounts recorded result from qualified expenses and, accordingly, an allowance for doubtful accounts is not required.

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**5. Capital Assets**

Capital assets are stated at historical cost and include property, equipment, and capitalized expenses that substantially increase the useful lives of existing assets. The RTAA's policy is to capitalize assets with an initial cost of \$5,000 or more and an estimated useful life of more than one year.

Capital asset balances and changes for the year ended June 30, 2024, are as follows:

	Balance July 1, 2023	Additions and Transfers	Deletions and Transfers	Balance June 30, 2024
Capital Assets, not depreciated:				
Land	\$ 172,449,079	\$ -	\$ -	\$ 172,449,079
Construction in progress	78,095,180	70,806,988	(42,492,992)	106,409,176
Development rights	2,924,038	-	-	2,924,038
Total Capital Assets, not depreciated:	<u>253,468,297</u>	<u>70,806,988</u>	<u>(42,492,992)</u>	<u>281,782,293</u>
Capital Assets, depreciated:				
Subscription right-of-use assets	292,623	708,991	(112,171)	889,443
Improvements	454,549,966	18,839,940	-	473,389,906
Buildings	293,027,371	7,745,274	(2,851,586)	297,921,059
Equipment	99,220,074	2,552,418	(1,540,492)	100,232,000
Total Capital Assets, depreciated:	<u>847,090,034</u>	<u>29,846,623</u>	<u>(4,504,249)</u>	<u>872,432,408</u>
Less accumulated depreciation for:				
Subscription right-of-use assets	(126,085)	(206,860)	112,171	(220,774)
Improvements	(356,250,706)	(15,225,232)	-	(371,475,938)
Buildings	(260,880,512)	(4,115,004)	2,851,586	(262,143,930)
Equipment	(73,764,268)	(4,496,785)	1,537,871	(76,723,182)
Total accumulated depreciation:	<u>(691,021,571)</u>	<u>(24,043,881)</u>	<u>4,501,628</u>	<u>(710,563,824)</u>
Total Capital Assets depreciated, net:	<u>156,068,463</u>	<u>5,802,742</u>	<u>(2,621)</u>	<u>161,868,584</u>
Net Capital Assets	<u>\$ 409,536,760</u>	<u>\$ 76,609,730</u>	<u>\$ (42,495,613)</u>	<u>\$ 443,650,877</u>

The straight-line method at various rates allocates the costs of property and equipment over the useful lives of assets for depreciation. The estimated lives by general classification are as follows:

	<u>Years</u>
Improvements	5-30
Buildings	3-30
Equipment	3-15

Development rights, which preclude residential development near RNO, are recorded at cost. Development rights, which prevent the construction of residential homes on property adjacent to RNO, are a condition of land ownership that goes on into perpetuity.

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RTAA enters into subscription-based information technology arrangements (SBITAs) to utilize vendor-provided information technology software, which are recorded as subscription right-of-use assets amortized over the shorter of the term of the contract or useful life of the asset. Under GASB 96, certain contracts with terms exceeding one year have been included in the depreciable assets and accumulated depreciation on the balance sheet. See Note 8 – Leases and Subscriptions for additional information.

**6. Long-Term Debt**

As of June 30, 2024, RTAA has \$24.525 million in debt under a non-revolving credit agreement. The changes in long-term debt for the year ended June 30, 2024, are as follows:

	Balance July 1, 2023	New Debt	Principal Repayment	Balance June 30, 2024
Debt				
Series 2022	\$ 5,479,015	\$ 28,683,349	\$ (9,637,656)	\$ 24,524,708
Total	5,479,015	28,683,349	(9,637,656)	24,524,708
Less: Current Portion	-	-	-	-
Long-term debt:	<u>\$ 5,479,015</u>	<u>\$ 28,683,349</u>	<u>\$ (9,637,656)</u>	<u>\$ 24,524,708</u>

Bond Resolution

The revenue bond resolution established certain cash and investments sub-accounts (referred to as “Funds”). These Funds provide accountability for bond proceeds and pledged revenues to assure adherence to restrictions on expenses. Gross Revenues are defined as all income and revenues received or accrued under generally accepted accounting principles derived directly or indirectly by RTAA from the operation and use of and otherwise pertaining to the Airport System, or for any service rendered by RTAA in the operation thereof. Gross revenues are deposited at least weekly in the Revenue Fund. Operation and maintenance expenses are paid from these revenues. The remaining funds are applied monthly, as outlined in the Bond Resolution, in the following amounts and order of priority:

- Bond Fund Interest and Principal Accounts – deposited in amounts sufficient to meet the next required debt service payment on the revenue bonds.
- Operating and Maintenance Reserve Fund – from amounts remaining after the above allocations and the payment of debt service on any subordinate securities. This fund receives an allocation in the amount necessary to reinstate over a one-year period a minimum reserve of 17% or two months of the RTAA’s currently budgeted operation and maintenance expenses. RTAA’s airline agreement allows for the amount necessary to satisfy the two month reserve to fund operation and maintenance be included in the airline rates and charges calculation. The reserve fund requirement is calculated annually based on the adopted budget.
- Renewal and Replacement Fund – \$10,000 per month until a specified maximum amount (currently \$780,000 but not less than \$600,000) determined by RTAA is accumulated as an emergency capital account.
- Remaining funds are transferred to the RTAA’s Special Fund in an amount aggregating 35% of annual gaming concession revenues.

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- Any remaining funds are transferred to the General Purpose Fund, to be used for additional construction, maintenance, or other Airport obligations.

Pursuant to the Bond Resolution, the Revenue Fund, the Operation and Maintenance Fund, the Operation and Maintenance Reserve Fund, the Renewal and Replacement Fund, the Special Fund, and the General Purpose Fund may be held by RTAA. The Bond Fund and all accounts therein are held by a commercial bank who serves as the Paying Agent and Trustee.

While the current debt issues do not require a Bond Service Reserve Fund under the existing bond resolutions, RTAA may include separate debt service reserve funds, created for individual series of parity securities issued, if required by the supplemental instrument authorizing the issuance of such series of parity securities.

The revenue bond resolutions require RTAA to meet a rate maintenance covenant, whereby its annual revenues, after deducting operation and maintenance expenses and 35% of gaming concession revenues, must equal at least 125% of the revenue bond debt service requirement to be paid from such revenues. Agreements with airlines provide for this coverage and the rate maintenance covenant continues to be met for the year ended June 30, 2024.

#### Wells Fargo – Series 2022 Bonds

On August 1, 2022, RTAA entered into a Non-Revolving Credit Agreement with Wells Fargo Bank, National Association relating to an aggregate \$50,000,000 principal amount in subordinate lien revenue bonds, Series 2022: Subseries A (AMT), Subseries B (Non-AMT), and Subseries C (taxable) to finance capital projects. The Non-Revolving Credit Agreement allows RTAA to take advances no less than \$500,000 up to the amount of the Available Commitment (\$50,000,000 less any previous advances) at any time up to the Commitment Expiration date of August 1, 2025, at which time all outstanding principal and interest is due.

Each AMT Non-Revolving Loan and each Non-AMT Non-Revolving Loan bear interest at a rate per annum equal to the sum of (A) the Tax-Exempt Applicable Spread and (B) the product of (1) Daily Simple SOFR and (2) the Applicable Factor and (ii) each Taxable Non-Revolving Loan bear interest at a rate per annum equal to the sum of (A) the Taxable Applicable Spread and (B) Daily Simple SOFR, and rates are updated daily. A non-refundable commitment fee is assessed based on the daily Available Commitment and a rate equal to 20 basis points per annum.

The Agreement is secured by net revenues, and payable from the lawfully available funds of the Authority. The Agreement is subject to certain covenants, including that net revenues will be equal to at least 110% of the aggregate annual debt service on the outstanding obligations. RTAA was in compliance with all covenants on June 30, 2024. The Agreement contains a provision that in an event of default, the lender may exercise any remedy available at law or in equity and the payments may be subject to immediate payment or acceleration.

During the year ended June 30, 2024, interest expense and commitment fees were \$685,963 and \$43,242, respectively. The Available Commitment at June 30, 2024, is \$6,213,106.

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**7. Non-Current Liabilities**

Other long-term liability activity for the year ended June 30, 2024, is summarized below:

	Balance July 1, 2023	Additions and Transfers	Deletions and Transfers	Balance June 30, 2024
Compensated absences	\$ 2,571,377	\$ 2,101,028	\$ (1,843,992)	\$ 2,828,413
Deposits	681,469	231,011	(39,202)	873,278
Reclamation liability	574,493	16,656	(28,949)	562,200
	<u>\$ 3,827,339</u>	<u>\$ 2,348,695</u>	<u>\$ (1,912,143)</u>	<u>\$ 4,263,891</u>
Less current portion of compensated absences				<u>(1,398,775)</u>
Total				<u><u>\$ 2,865,116</u></u>

**8. Leases and Subscriptions**

The Authority leases nonfinancial assets to and from other entities as a lessor and lessee, respectively. In accordance with GASB 87, RTAA as a lessor has recognized lease receivables and deferred inflows of resources, with exceptions for short-term leases and certain regulated leases. In accordance with GASB 96, RTAA as a lessee has recognized subscription right-of-use assets and corresponding subscription lease liabilities.

Leases

Substantially all the property owned by RTAA is subject to non-cancelable leases and concession agreements. The Authority, as a lessor, recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. For the lessor the asset underlying the lease is not derecognized. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflow of resources should be measured at the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods.

For the purposes of the GASB No. 87, leases have been categorized as follows:

- *GASB No. 87 Leases – Included*
- *GASB No. 87 Leases – Excluded – Regulated*



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*GASB No. 87 Leases – Included*

In accordance with GASB No. 87, the Authority recognizes a lease receivable and a deferred inflow of resources for leases that are categorized as GASB No. 87 - Included. The lease activity is summarized as follows for fiscal year 2024:

	<u>Implied Interest</u>	<u>Annual Lease Revenue</u>	<u>Lease Receivable</u>	<u>Deferred Inflows</u>
Concessions	\$ 61,434	\$ 3,004,727	\$ 5,192,765	\$ 5,132,512
Rentals	<u>1,375,736</u>	<u>2,977,451</u>	<u>141,599,674</u>	<u>140,254,148</u>
Total	<u>\$ 1,437,170</u>	<u>\$ 5,982,178</u>	<u>\$ 146,792,439</u>	<u>\$ 145,386,660</u>

*Concessions* – the Authority has entered into multiple lease agreements for the use of concession space. The terms of these agreements include a variable revenue component that is not included in the measurement of the lease receivable related to the Authority receiving a concession fee based on concession sales. Revenue recognized under the variable component of these lease agreements was \$25,416,385 for the year ending June 30, 2024. The agreements related to concession spaces have various expiration dates between 2024 and 2038.

*Rentals* – the Authority has entered into multiple property lease agreements to include land, buildings, and office space. These leases range in expiration dates through April 30, 2078. The rent escalates by an inflationary factor each year.

The receivable on these leases was discounted to the net present value based on the Authority's alternative minimum tax (AMT) borrowing rate and the length of the lease. For years prior to July 1, 2023, the discount rates range from 0.83% to 4.58%. New and/or modified leases for the year ended June 30, 2024, were discounted based on the rate determined as of July 1, 2023, and range from 2.81% to 3.65%.

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Total future minimum lease payments to be received under lease agreements are as follows:

Year Ending June 30,	Principal	Interest	Total Payments
2025	\$ 11,406,080	\$ 2,200,456	\$ 13,606,536
2026	11,487,763	1,824,458	13,312,221
2027	10,688,713	1,547,767	12,236,480
2028	10,292,606	1,977,969	12,270,575
2029	10,573,014	3,810,617	14,383,631
2030-2034	5,669,166	17,984,154	23,653,320
2035-2039	12,286,621	11,089,949	23,376,570
2040-2044	13,901,408	9,287,162	23,188,570
2045-2049	16,005,882	7,182,688	23,188,570
2050-2054	17,900,257	4,721,828	22,622,085
2055-2059	13,591,966	2,120,061	15,712,027
2060-2064	3,500,817	1,089,143	4,589,960
2065-2069	3,425,225	772,754	4,197,979
2070-2074	3,298,650	451,350	3,750,000
2075-2078	2,764,271	110,729	2,875,000
Total	<u>\$ 146,792,439</u>	<u>\$ 66,171,085</u>	<u>\$ 212,963,524</u>

**GASB No. 87 Leases – Excluded - Regulated**

In accordance with GASB Statement No. 87, the Authority does not recognize a lease receivable and a deferred inflow of resources for regulated leases. Regulated leases are certain leases subject to external laws, regulations, or legal rulings, e.g., the U.S. Department of Transportation (DOT) and the FAA, regulated aviation leases between airports and air carriers and other aeronautical users.

The Authority leases certain assets to various third parties, including ticket counters, passenger hold rooms, terminal operations space, terminal office space, baggage service office space, unenclosed storage areas, hangars, grounds and land, and are regulated leases under the FAA Rates and Charges Policy and Grant Assurance 22. Leased land and hangars are considered exclusive use, while several of the terminal locations are considered preferential or joint use. Terminal areas considered preferential or exclusive use under regulated leases are as follows:

- Passenger hold rooms – 14 of 23 available passenger hold rooms are designated as preferential use
- Baggage service office space – 100% of available space is designated preferential use
- Ticket counters – 35 of 53 available ticket counters are designated as preferential use
- Ticket office space – 100% of available space is designated preferential use
- Terminal operations space – 100% of available space is designated preferential use
- Unenclosed storage areas – 100% of available space is designated preferential use

For the year ended June 30, 2024, RTAA received \$27,527,537 in payments from leases under regulated lease agreements, of which \$25,416,385 was for fixed payments.

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Future noncancelable fixed minimum payments under regulated lease agreements are as follows:

Year Ending June 30,	Amount
2025	\$ 1,029,011
2026	1,012,506
2027	1,002,391
2028	932,958
2029	858,102
2030-2034	3,909,776
2035-2039	3,292,634
2040-2044	3,278,923
2045-2049	3,264,543
2050-2054	3,238,784
2055-2059	3,238,784
2060-2064	2,671,635
2065-2069	1,237,082
2070-2073	376,205
Total	\$ 29,343,334

Subscriptions

The Authority has entered into subscription-based information technology arrangements (SBITAs) as lessee for the use of software to include accounting systems, cyber security monitoring, airport management, and incident reporting. These non-cancellable agreements have terms longer than one year and up to five years and have been recognized as a subscription right-of-use asset and liability at the present value of future payments with a discount rate based on the Authority's AMT borrowing rate at July 1, 2022, of 3.47%. New and/or modified agreements for the year ended June 30, 2024, were discounted based on the rate determined as of July 1, 2023, of 2.81%.

The total of RTAA's subscription assets are recorded in capital assets of \$889,443, less accumulated amortization of \$220,774. The changes in the subscription liability for the year ended June 30, 2024, are as follows:

Subscription Payable at July 1, 2023	Additions	Reductions	Interest Expense	Subscription Payable at June 30, 2024
\$ 182,058	\$ 708,991	\$ (298,582)	\$ 17,110	\$ 609,577

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Total future minimum payments to be paid under the subscription agreements are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	\$ 216,361	\$ 15,501	\$ 231,862
2026	193,497	7,995	201,492
2027	98,729	3,875	102,604
2028	100,990	1,614	102,604
Total	\$ 609,577	\$ 28,985	\$ 638,562

**9. Pension Plan**

A. Purpose and History

RTAA contributes to the Public Employees Retirement System of Nevada (PERS), a cost-sharing, multiple-employer, defined benefit plan governed by the Public Employees Retirement Board. PERS provides retirement benefits, disability benefits, and death benefits, including annual cost of living adjustments, to plan members and their beneficiaries. NRS Chapter 286 establishes the benefit provisions provided to the participants of PERS. These plan provisions may only be amended through legislation.

PERS was established by the Nevada Legislature in 1947, effective July 1, 1948, to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earning capacities have been removed or substantially impaired by age or disability.

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued pension plan financial reports. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by going to [www.nvpers.org](http://www.nvpers.org), writing to the Public Employees Retirement System of the State of Nevada, 693 Nye Lane, Carson City, NV 89703-1599 or by calling (775) 687-4200.

B. Benefits

Benefits for plan members are funded under one of two methods: the employer paid contribution plan, or the employer/employee paid contribution plan. All RTAA employees are under the employer paid contribution plan where RTAA is required to contribute all amounts due under the plan. The contribution requirements are established by NRS Chapter 286. The funding mechanism and benefits may only be amended through legislation.

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The RTAA's contribution rates based on employee members covered payroll and amounts contributed (equal to the required contributions) are as follows:

<u>Contribution Rate</u>		
<u>Regular</u>	<u>Police/Fire</u>	<u>Total Contribution</u>
33.61%	49.95%	\$9,121,238

Benefits, as required by NRS, are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the System on or after January 1, 2010. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Monthly benefit allowances for members are computed at 2.5% of average compensation for each accredited year of service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.25% multiplier.

The System offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death. Post-retirement increases are provided by the authority of NRS 286.575-.579.

**C. Vesting**

Regular members are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, or at any age with 30 years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with ten years of service, or any age with 30 years of service. Regular members who entered the System on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, or at age 62 with ten years of service, or at age 55 with 30 years of service or any age with 33 1/3 years of service.

Police/Fire members are eligible for retirement at age 65 with five years of service, at age 55 with ten years of service, at age 50 with 20 years of service, or at any age with 25 years of service. Police/Fire members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 60 with ten years of service, or age 50 with 20 years of service, or at any age with 30 years of service. Only service performed in a position as a police officer or firefighter may be counted towards eligibility for retirement as Police/Fire accredited service.

The normal ceiling limitation on monthly benefit allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Both Regular and Police/Fire members become fully vested as to benefits upon completion of five years of service.

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**D. Member Contributions**

The authority for establishing and amending the obligation, to make contributions and member contribution rates, is set by NRS. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan, prior to July 1, 1983, have the option of selecting one of two contribution plans. One plan provides for matching employee and employer contributions, while the other plan provides for employer-pay contributions only.

Under the matching Employee/Employer Contribution plan a member may, upon termination of service for which contribution is required, withdraw employee contributions which have been credited to their account. All membership rights and active service credit in the System are canceled upon withdrawal of contributions from the member's account. If EPC was elected, the member cannot convert to the Employee/Employer Contribution plan.

**E. Termination**

Upon termination or partial termination of the System, all accrued benefits that are funded become 100% vested and non-forfeitable.

**F. Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

Based on a Schedule of Employer Allocations, Schedule of Pension Amounts by Employer and Related Notes provided by PERS, RTAA reported the net pension liability, total deferred outflow of resources, deferred inflows of resources, and pension expense as of June 30, 2023.

The RTAA's proportional share reflects the actuarial valuation date as of June 30, 2023, per the PERS Actuarial Reports. Due to the difference between the valuation date of the PERS Actuarial Reports and payments made in advance of the RTAA's reporting date, pension contributions are recognized as a deferred outflow of resources.

As of June 30, 2024, RTAA is reporting a liability of \$57,019,293 for its proportionate share of the net pension liability. This represents an increase of \$6,355,584 as compared to \$50,663,709 reported as of June 30, 2023. The RTAA's proportion of the net pension liability reflects the RTAA's contributions to the pension plan relative to the contributions of all participating entities.

At June 30, 2024, the RTAA's proportion share of the net pension liability, based on the RTAA's contributions to the pension plan relative to the contribution of all participating entities, is 0.3124% of the total. This compares to the prior year's proportion share of 0.2806% of the total. For the year ended June 30, 2024, RTAA recognized pension expense increase of \$1,720,020.

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Deferred Outflows and Inflows of Resources:

At June 30, 2024, RTAA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 7,432,117	\$ -
Changes of assumptions	5,343,793	-
Net difference between projected and actual earnings on investments	-	533,702
Difference between employer contributions and employers proportionate share of system contributions	4,416,243	699,261
Contributions subsequent to measurement date	4,560,619	-
	<u>\$ 21,752,772</u>	<u>\$ 1,232,963</u>
Total	<u>\$ 21,752,772</u>	<u>\$ 1,232,963</u>

The deferred outflows of resources of \$4,560,619 relates to RTAA pension contributions made after the measurement date of June 30, 2023, but before the end of the RTAA's reporting period of June 30, 2024, will be recognized as a reduction of the net pension liability in the subsequent fiscal year ending June 30, 2025.

Experience gains/losses and the impact of changes in actuarial assumptions, if any, are amortized over the average remaining service life of the active and inactive System members at the beginning of the fiscal year, which was 5.70 years. Investment gains and losses are amortized over a fixed five-year period. Deferred outflows/ (inflows) related to pensions excluding pension contributions made subsequent to the measurement date and the change in proportion and differences between actual contributions and proportionate share contributions will be recognized as follows:

Year Ended June 30,	Net Deferred Outflow/(Inflow) of Resources
2025	\$ 2,538,047
2026	2,408,575
2027	8,083,344
2028	1,515,597
2029	1,022,271
Thereafter	<u>391,356</u>
Total	<u>\$ 15,959,190</u>

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Assumptions

The net pension liability reported as of June 30, 2023, was determined using the following assumptions in the PERS Actuarial Reports, applied to all periods included in the measurement:

Inflation rate	2.50%
Productivity pay increase	0.50%
Projected salary increases	Regular: 4.20% to 9.10% depending on service Police/Fire: 4.60% to 14.50% depending on service Rates include inflation and productivity increases
Investment rate of return	7.25%, net of pension plan investment expense, including inflation
Other Assumptions	Same as those used in the June 30, 2023, funding actuarial valuation.

The following actuarial assumptions determined the mortality rates:

Pre-Retirement:	Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table (separate tables for males and females), projected generationally with the two-dimensional mortality improvement scale MP-2020.
Healthy:	Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table (separate tables for males and females) with rates increased by 30% for males and 15% for females, projected generationally with the two-dimensional monthly improvement scale MP-2020.  For ages less than 50, mortality rates are based on the Pub-2010 General Employee Amount-Weighted Above-Median Mortality Tables and the rates at age 50 from the Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Tables.
Disabled:	Pub-2010 Non-Safety Disabled Retiree Amount-Weighted Mortality Table (separate tables for males and females) with rates increased by 20% for males and 15% for females, projected generationally with the two-dimensional mortality improvement scale MP- 2020.

Changes since measurement date: There were no changes between the measurement date of the collective net pension liability and the employer's reporting date.



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Assumed Asset Allocation

The PERS Board establishes the target asset allocations for the investment portfolio and the expected real rates of return (expected returns, net of investment expenses and inflation) for each asset class. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System. The following target asset allocation policy was adopted as of June 30, 2023.

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
U.S. Stocks	42%	5.50%
International Stocks	18%	5.50%
U.S Bonds	28%	0.75%
Private Markets	12%	6.65%
*The PERS' long-term inflation assumption was 2.50%		

G. Discount rate

The discount rate used in the PERS Actuarial Reports to measure the total pension liability is 7.25%. The projection of cash flows used to determine the discount rate assumed the employee and employer contributions will be made at the rate specified in statute. Based on those assumptions, the pension plan's fiduciary net position at June 30, 2023 was projected to be available to make all projected future benefit payments for current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2023.

H. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the RTAA's net pension liability using the discount rate of 7.25%, as well as what the RTAA net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.25%) or one-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
RTAA's proportionate share of the net pension liability	\$ 88,730,391	\$ 57,019,293	\$ 30,848,326

**10. Capital Contributions**

Certain expenses for airport capital improvements are significantly funded through the FAA's AIP program, with certain matching funds provided by RTAA either through internal funds or PFCs. Capital improvements may also be funded by an agreement between RTAA and TSA.

Grants and related agreements for the acquisition and construction of land, property and certain types of equipment are reported in the Statements of Revenues, Expenses and Changes in Net Position, after non-operating revenue and expenses, as capital contributions.

The Authority recognized \$16,184,064 from federal sources for the year ended June 30, 2024.

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**11. Commitments and Contingencies**

RTAA has outstanding commitments for various construction projects. The following is a summary of the more significant of these commitments at June 30, 2024:

Source	Inception to date	Year Ended 2024
Federal	\$ 551,416,965	\$ 16,184,064
State	306,536	-
Other Sources	29,617,862	-
<b>Total</b>	<b>\$ 581,341,363</b>	<b>\$ 16,184,064</b>

Financial resources for these projects will come from FAA grants, PFC revenue, CFC revenue, the General Purpose Fund, and Special Fund. In 2000, RTAA entered into a Consent Decree in the case captioned "Nevada Division of Environmental Protection vs. United States of America et al." The Consent Decree, which relates to certain land located at the Reno-Stead Airport, requires those parties identified to perform environmental investigation, monitoring, and remediation for any contamination found. Other parties to this Consent Decree are the City of Reno, U.S. Department of Defense by and through the U.S. Army Corps of Engineers and various Lear entities. These parties utilize an allocation for costs to address the contamination as follows: U.S. Army Corps of Engineers 51%, City of Reno 12%, Lear entities 18.5% and RTAA 18.5%.

Previously, U.S. Army Corps of Engineers paid \$2.62 million to prefund these costs and the Lear entities paid \$1.57 million as a settlement to end participation. The bank balance of this fund is \$526,167 for the year ended June 30, 2024.

During the 2012 fiscal year, an updated study was completed, which identified additional remediation costs of \$5.48 million that would be required over the next 23 years. Based on the 18.5% share allocated to RTAA, additional expense and a related liability of \$474,912 was recorded and \$475,000 was added to the fund for the RTAA share. The reclamation liability at June 30, 2024, is \$562,200.

RTAA may be a defendant in certain litigation arising out of the normal operation and ownership of the Airports. RTAA management and legal counsel estimate that the potential claims against RTAA will not materially affect the financial statements.

**12. Risk Management**

RTAA is exposed to various risks of loss related to theft of, damage to and destruction of assets, police and public official liability, injuries to employees and customers, and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. RTAA also provides employees with health, dental, vision, and prescription benefits. These benefits (except vision and dental which are self-funded) are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

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**13. Other Postemployment Benefits (OPEB)**

The RTAA provides other postemployment benefits for eligible retirees through one plan: State of Nevada’s Public Employees Benefits Program (PEBP) if retired prior to September 1, 2008. This plan provides medical benefits to eligible RTAA retirees and beneficiaries.

Plan Description and Eligibility: For employees who retired prior to September 1, 2008, NRS 287.023 allows retired employees of governmental entities within the State of Nevada to join the state’s PEBP, an agent multiple- employer defined benefit OPEB plan administered by a nine-member governing board. PEBP provides medical, prescription, vision, life, and accident insurance, and dental for retirees. Retirees can choose between a self-funded Preferred Provider Organization (PPO) and a Health Maintenance Organization (HMO) plan. RTAA makes contributions as outlined below under the section titled “Funding Policy” and retirees are responsible for payment of unsubsidized premiums. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan, and no financial reports are issued.

Eligibility and subsidy requirements are governed by statutes of the State of Nevada and can only be amended through legislation. The statutes were revised with an effective date of November 30, 2008, to create new participation limitations so that only active members of PEBP can elect coverage after retirement. As a result, no employees retiring from RTAA on or after September 1, 2008, are eligible to participate in this plan as a retiree at the RTAA’s expense.

Funding Policy: RTAA is required to provide a subsidy to the plan of each retiree that has joined the PEBP. Contribution requirements for plan members and the participating employers are assessed by the PEBP Board annually. The contributions required for PEBP subsidies depends on the date of retirement, prior years of PERS service former employees earned while working for RTAA, and number of qualifying employers. The subsidies are determined by years of service and range from a minimum of \$3 to a maximum of \$1,526 per month for the year ended June 30, 2024. Subsidies for retiree premiums are paid directly to the State PEBP when due.

The RTAA’s obligation for subsidies is limited to payment of the statutorily required contribution. The current year contribution to PEBP was \$107,157 for 29 retirees, which equaled the required contribution. As of June 30, 2024, the plan was funded on a “pay as you go” basis and no contribution was made to fund the actuarial determined liability.

Actuarial assumptions and other inputs: The total OPEB liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions and other inputs. Applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Funding Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	(\$0; no OPEB trust has been established)
Discount Rate	3.65% as of June 30, 2023
Participants Valued	Only current PEBP Retirees
Salary Increase	Not applicable; no active employees in plan
General Inflation Rate	2.5% per year
Mortality	The basic mortality rates used in this valuation are based on the published report of the Nevada Public Employees Retirement System, dated September 2021. <u>Non-disabled life rates for Regular employees:</u> Males and Females: Pub-2010 General Healthy Retiree

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Medicare Eligibility	Absent contrary data, all individuals are assumed to be eligible for Medicare Parts A and B at 65. Retirees over age 65 who are not eligible for Medicare are assumed to remain ineligible.																				
Participation Rate	All retirees currently covered by PEBP are assumed to retain their existing election until death.																				
Healthcare Trend	<p>RTAA's subsidy toward the cost of PEBP retiree coverage is assumed to increase at the following rates:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Effective July 1</th> <th style="text-align: center;">Premium Increase</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2022</td> <td style="text-align: center;">Actual</td> </tr> <tr> <td style="text-align: center;">2023</td> <td style="text-align: center;">5.8%</td> </tr> <tr> <td style="text-align: center;">2024</td> <td style="text-align: center;">5.6%</td> </tr> <tr> <td style="text-align: center;">2025</td> <td style="text-align: center;">5.4%</td> </tr> <tr> <td style="text-align: center;">2026 - 2027</td> <td style="text-align: center;">5.2%</td> </tr> <tr> <td style="text-align: center;">2028 - 2029</td> <td style="text-align: center;">5.1%</td> </tr> <tr> <td style="text-align: center;">2030 - 2038</td> <td style="text-align: center;">5.0%</td> </tr> <tr> <td style="text-align: center;">2039</td> <td style="text-align: center;">4.9%</td> </tr> <tr> <td style="text-align: center;">2040 - 2043</td> <td style="text-align: center;">4.8%</td> </tr> </tbody> </table>	Effective July 1	Premium Increase	2022	Actual	2023	5.8%	2024	5.6%	2025	5.4%	2026 - 2027	5.2%	2028 - 2029	5.1%	2030 - 2038	5.0%	2039	4.9%	2040 - 2043	4.8%
Effective July 1	Premium Increase																				
2022	Actual																				
2023	5.8%																				
2024	5.6%																				
2025	5.4%																				
2026 - 2027	5.2%																				
2028 - 2029	5.1%																				
2030 - 2038	5.0%																				
2039	4.9%																				
2040 - 2043	4.8%																				

Changes in the Total OPEB Liability: The total OPEB liability at June 30, 2024, was calculated as follows:

OPEB Liability at June 30, 2023	\$	2,237,559
Changes for the year:		
Interest cost		76,980
Assumption changes		(24,627)
Benefit payments		(125,938)
OPEB Liability at June 30, 2024	\$	2,163,974

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Sensitivity of Liabilities to Changes in the Discount Rate and Healthcare Cost Trend Rate: The discount rate used for the fiscal year ending June 30, 2023, is 3.65%. Healthcare cost trend rate prior to eligibility for Medicare was assumed to start at 5.8% (increase effective January 1, 2023) and fluctuate down to the ultimate rate of 3.9% by year 2076; medical cost inflation for those covered by Medicare is 4.5% per year. The impact of a 1% increase or decrease in these assumptions is shown in the chart below.

Change in Discount Rate	1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
Total OPEB Liability	\$ 2,405,411	\$ 2,163,974	\$ 1,959,448

Change in Healthcare Cost Trend Rate	1% Decrease	Current Trend	1% Increase
Total OPEB Liability	\$ 1,961,227	\$ 2,163,974	\$ 2,398,958

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to measurement date	\$ 107,157	\$ -
Total	<u>\$ 107,157</u>	<u>\$ -</u>

The deferred outflow of resources of \$107,157 relates to RTAA's OPEB contributions made after the measurement date of June 30, 2023, but before the end of the RTAA's reporting period of June 30, 2024.

Expected annual benefits have been projected on the basis of the actuarial assumptions. The following is a 5-year projected estimate of OPEB benefits to be paid on behalf of current retirees:

Year Ended June 30,	Projected Annual Benefit Payments
2025	\$ 132,411
2026	135,231
2027	137,607
2028	139,676
2029	139,331

**14. Post-Employment Health Plan (PEHP) – Defined Contribution Plan**

Plan Description and Eligibility: RTAA established the Post Employment Health Plan, pursuant to Section 501(C) (9) of the Internal Revenue Code permitting such plans. The plan is administrated by Nationwide Retirement Solutions. The purpose of the plan is to provide for reimbursement of qualified post-employment expenses for medical care, including expenses for medical insurance, incurred by employees covered by RTAA and who have separated from service.

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Funding Policy: The plan provides employees, subject to Management Guidelines, Civil Service Plan, or the collective bargaining agreement with the RTAA Police Officers Association, an individual account for post-employment health benefits. The funding of the employees subject to Management Guidelines and Civil Service Plan is as follows:

- A. Each July 1, RTAA shall contribute the amount of accrued sick leave as of the last pay period in June into the employee's individual PEHP plan account at 100% of the employee's base rate of pay.

All contributions will be made on a pre-tax basis as follows:

Sick Leave Balance	Amount of Sick Leave Contributed to Employee's PEHP Account
100-199 hours	5 hours
200-299 hours	10 hours
300-399 hours	25 hours
400-499 hours	35 hours
500-599 hours	50 hours
600-699 hours	65 hours
700-799 hours	80 hours
800-899 hours	95 hours
900-999 hours	110 hours
1000 or more hours	150 hours

Each July 1 for those employees with accrued vacation leave balances greater than two hundred (200) hours as of the last pay period in June, RTAA shall contribute 20 hours from each employee's accrued vacation account into the employee's individual PEHP plan account at 100% of the employee's base rate of pay on June 30. All contributions will be made on a pre-tax basis.

- B. Each July 1 for those employees that have not used the Floating Holiday as of the last pay period in June, RTAA will convert the Floating Holiday hours at the employee's base rate of pay on June 30 and contribute those funds to the employee's individual PEHP plan account. All contributions will be made on a pre-tax basis.

For the year ended June 30, 2024, \$204,313 was contributed to the PEHP plan.

The plan for employees covered by the collective bargaining agreement with the RTAA Police Officers Association is funded under the following provisions:

- A. Upon the plan's inception, RTAA contributed a one-time lump sum payment in the amount of \$900 into the plan for each officer.
- B. Each pay period, \$31 of each member's salary will be put into their plan account.
- C. Once a member has accumulated one hundred twenty (120) hours of compensatory time, RTAA shall contribute 100% of that member's compensatory time in excess of one hundred twenty (120) hours into their plan account at 100% of their base pay.

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- D. On the first pay period each December, RTAA shall contribute forty (40) hours of each member's accrued vacation time into their plan account at 100% of their base pay, provided such contribution does not reduce the member's vacation accrual balance to less than 200 hours.

For the year ended June 30, 2024, \$18,176 was contributed to the RTAA Police Officers Association plan.

The plan for employees covered by the collective bargaining agreement with the RTAA Reno Airport Fire Fighters Association is funded under the following provisions:

- A. Effective July 1, 2022 – June 30, 2025, the employer will contribute \$92.31 each pay period (26 pay periods per year) into each employee's individual plan account.
- B. An amount equal to \$60.00 of each employee's salary per pay period (26 pay periods per year) shall be contributed into his/her plan account.
- C. If an employee has greater than 116 hours of compensatory time as of the last pay period of any fiscal year (prior to any roll-over of hours), the employer shall contribute 20 hours of that employee's compensatory time into their plan account at 100% of their base pay.
- D. If an employee has greater than 200 hours of vacation accrual as of the last pay period of any fiscal year, the employer shall contribute 20 hours of that employee's vacation accrual into their plan account at 100% of their base pay.
- E. If an employee has not used his/her floating holiday as of the last pay period of any fiscal year, the employer shall contribute that employee's floating holiday (12 hours) into their plan account at 100% of their base pay.
- F. If an employee with the indicated years of service has greater than 600 hours of sick accrual as of the last pay period of any fiscal year, the employer shall contribute 20 hours of that employee's sick accrual into their plan account at the indicated percentage of their base pay:

Years of Service	% of Base Pay
5 but less than 10	12.5%
10 but less than 20	25%
20 or more	50%

For the year ended June 30, 2024, \$88,176 was contributed to the Reno Airport Fire Fighters Association plan.

**15. Public-Private Partnership**

On April 9, 2024 the Authority entered into a Public-Private Partnership classified as a service concession agreement (SCA) for the construction of a ground transportation center (GTC) with ConRAC Solutions. Under the terms of the SCA, a single purpose entity (RNO Conrac, LLC) was created for the purpose of constructing, operating, and maintaining the GTC.

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JUNE 30, 2024**

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At closing, RTAA transferred \$16,766,843 of CFC funds to RNO Conrac, LLC for construction, and received an expense reimbursement of \$2,300,000. RNO Conrac LLC entered into a 30 year ground lease agreement for the property where the GTC will be constructed, which has been recognized as a receivable to RTAA under GASB 87 (Note 8). All CFC collections from the date of closing are remitted directly to the single purpose entity under the SCA, of which usage of these funds has been outlined in the SCA. RTAA has recognized a prepaid asset of \$31,170,010 related to design of the GTC and costs incurred related to the SCA.

Upon completion of the construction of the GTC, RTAA is required to make a payment in the amount of \$16 million and will receive a return on the payment after debt service is satisfied. RTAA may choose to contribute an additional amount up to \$34 million within the first three years after substantial construction completion. For the length of the term of the ground lease, RNO Conrac LLC is responsible for operating and maintaining the GTC, while RTAA will have some oversight rights.

The Authority has the right to terminate the lease without cause at any point after the date of total project substantial completion with 180 days notice. If early termination occurs, RTAA must assume all outstanding debt and pay ConRAC Solutions equity member payments.

**16. Subsequent Events**

Management of the Authority has evaluated events and transactions occurring after June 30, 2024, through the date the financial statements were available for issuance for recognition and/or disclosure in the financial statements.

On September 4, 2024 RTAA issued bonds in the amount of \$238.260 million for the purpose of funding capital projects to include concourse redevelopment and the construction of an administrative building.



**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

**RENO-TAHOE AIRPORT AUTHORITY**  
**SCHEDULE OF CHANGES IN THE AUTHORITY'S TOTAL OPEB LIABILITY**  
**AND RELATED RATIOS**

	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>							
Service Cost	-	-	-	-	-	-	-
Interest Cost	\$ 76,980	\$ 40,512	\$ 42,867	\$ 55,995	\$ 61,637	\$ 59,099	\$ 53,980
Changes of Benefit Terms (a)	-	-	-	-	-	(22,397)	-
Differences between expected and actual experience	-	-	-	38,657	-	(42,484)	-
Assumption Changes	(24,627)	385,092	12,293	363,229	71,227	18,135	(129,137)
Benefit Payments	(125,938)	(127,166)	(111,412)	(115,638)	(128,486)	(120,364)	(124,223)
<b>Net change in total OPEB liability</b>	(73,585)	298,438	(56,252)	342,243	4,378	(108,011)	(199,380)
Total OPEB Liability - beginning	2,237,559	1,939,121	1,995,373	1,653,130	1,648,752	1,756,763	1,956,143
Total OPEB Liability - ending	<u>\$ 2,163,974</u>	<u>\$ 2,237,559</u>	<u>\$ 1,939,121</u>	<u>\$ 1,995,373</u>	<u>\$ 1,653,130</u>	<u>\$ 1,648,752</u>	<u>\$ 1,756,763</u>
RTAA's Covered Payroll (b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(a) Subsequent to fiscal year end 2019 the RTAA Group Health Plan no longer had retirees.

(b) The Public Employee Benefit Program is a closed plan; and therefore, there are no current covered employees.

(c) There are no assets accumulated in a trust to pay related benefits

This schedule is presented to illustrate the requirement to show information for 10 years. However until a full 10-year trend is compiled, the RTAA is presenting information for those years for which information is available.

**RENO-TAHOE AIRPORT AUTHORITY  
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY**

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
RTAA's proportion of the net pension liability	0.3124%	0.2806%	0.2694%	0.2770%	0.2795%	0.2774%	0.2867%	0.2810%	0.2846%	0.2800%
RTAA's proportionate share of the net pension liability	\$57,019,293	\$50,663,709	\$24,565,172	\$38,581,748	\$38,109,676	\$37,835,366	\$38,129,158	\$37,811,756	\$32,609,501	\$29,388,235
RTAA's covered payroll	\$22,938,678	\$20,681,498	\$17,749,645	\$18,298,781	\$17,709,373	\$17,204,432	\$17,041,362	\$15,831,440	\$15,511,214	\$15,137,166
RTAA's proportion of the net pension liability as a percentage of its covered payroll	248.57%	244.97%	138.40%	210.84%	215.19%	219.92%	223.74%	238.84%	210.23%	194.15%
Plan fiduciary net position as a percentage of the total pension liability	76.2%	75.1%	86.50%	77.04%	76.46%	75.2%	74.4%	72.2%	75.1%	76.3%

This schedule is presented to illustrate the requirement to show information for 10 years.

Actuarial Studies used to calculate total and RTAA net pension liability are completed as of June 30th in the previous fiscal year. Covered payroll also reflects the previous year to match the liability.

**RENO-TAHOE AIRPORT AUTHORITY  
SCHEDULE OF THE AUTHORITY'S PENSION PLAN CONTRIBUTIONS**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 9,121,238	\$ 7,401,218	\$ 6,193,630	\$ 5,675,385	\$ 5,771,419	\$ 5,383,749	\$ 5,149,826	\$ 5,146,592	\$ 4,742,955	\$ 4,392,386
Contributions in relation to the statutorily required contribution	9,121,238	7,401,218	6,193,630	5,675,385	5,771,419	5,383,749	5,149,826	5,146,592	4,742,955	4,392,386
Annual contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Percent funded	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Authority's covered payroll	\$ 20,681,498	\$ 22,938,678	\$ 20,681,498	\$ 17,749,645	\$ 18,298,781	\$ 17,709,373	\$ 17,204,432	\$ 17,041,362	\$ 15,831,440	\$ 15,511,214
Contributions as a percentage of covered payroll	44.10%	32.27%	29.95%	31.97%	31.54%	30.40%	29.93%	30.20%	29.96%	28.32%

This schedule is presented to illustrate the requirement to show information for 10 years.

Amounts reported above for statutorily required contributions include employer and employee contributions made to the Plan. RTAA contributes the employees' share on their behalf.

**OTHER  
SUPPLEMENTARY  
INFORMATION**

**RENO-TAHOE AIRPORT AUTHORITY**  
**SCHEDULE OF REVENUES AND EXPENSES**  
**COMPARISON OF BUDGET TO ACTUAL**  
**JUNE 30, 2024**

	Original Budget	Final Amended Budget	Actual	Variance To Final Budget
Operating revenues:				
Landing fees	\$ 15,217,778	\$ 15,217,778	\$ 10,792,911	\$ (4,424,867)
Concession revenue	17,314,715	17,314,715	17,106,254	(208,461)
Parking and ground transportation	20,106,732	20,106,732	19,474,450	(632,282)
Rentals	29,575,358	29,575,358	22,362,432	(7,212,926)
Reimbursements for services	3,142,836	3,142,836	3,210,986	68,150
Other revenue	98,800	98,800	118,592	19,792
Total Operating Revenues	<u>85,456,219</u>	<u>85,456,219</u>	<u>73,065,625</u>	<u>(12,390,594)</u>
Operating expenses:				
Employee wages and benefits	42,186,109	42,186,109	45,677,878	(3,491,769)
Utilities and communications	4,543,050	4,204,550	4,033,644	170,906
Purchase of services	9,992,704	10,802,921	9,446,371	1,356,550
Materials and supplies	3,674,957	3,235,334	3,007,699	227,635
Administrative expenses	4,747,930	4,747,930	3,579,526	1,168,404
Total Operating Expenses before Depreciation and Amortization	<u>65,144,750</u>	<u>65,176,844</u>	<u>65,745,118</u>	<u>(568,274)</u>
Depreciation and amortization	28,000,000	28,000,000	24,043,881	3,956,119
Total Operating Expenses	<u>93,144,750</u>	<u>93,176,844</u>	<u>89,788,999</u>	<u>3,387,845</u>
Operating Income (Loss)	<u>(7,688,531)</u>	<u>(7,720,625)</u>	<u>(16,723,374)</u>	<u>(9,002,749)</u>
Non-operating revenues (expenses):				
Interest income and gain on investments	1,211,100	1,211,100	6,098,749	4,887,649
Passenger facility charge revenue	9,394,600	9,394,600	9,067,927	(326,673)
Customer facility charge revenue	9,573,000	9,573,000	7,919,364	(1,653,636)
Jet fuel tax revenue	298,400	298,400	302,499	4,099
Gain on sale of capital assets	-	-	84,065	84,065
Miscellaneous revenue/(expense)	(200,000)	(200,000)	2,300,000	2,500,000
Federal grant revenue	6,660,094	6,660,094	11,271,352	4,611,258
Interest expense	(1,110,519)	(1,110,519)	(746,316)	364,203
Total Non-Operating Revenues (Expenses)	<u>25,826,675</u>	<u>25,826,675</u>	<u>36,297,640</u>	<u>10,470,965</u>
Income (Loss) Before Capital Contributions	<u>\$ 18,138,144</u>	<u>\$ 18,106,050</u>	<u>\$ 19,574,266</u>	<u>\$ 1,468,216</u>

# **STATISTICAL SECTION**

## STATISTICAL SECTION EXPLANATIONS

This part of the RTAA's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Authority's overall financial health.

### **Contents**

#### Financial Trends

These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.

#### Revenue Capacity

These schedules contain information to assist the reader in understanding and assessing the factors affecting the Authority's ability to generate revenues.

#### Debt Capacity

These schedules present information to help the reader assess the affordability of the Authority's current levels of outstanding debt and the Authority's ability to issue additional debt in the future.

#### Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.

#### Operation Information

These schedules contain service data to help the reader understand how the information in the Authority's financial report relates to the services the Authority provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.



**RENO-TAHOE AIRPORT AUTHORITY**  
**NET POSITION AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED JUNE 30, 2015 - 2024**  
**(unaudited)**

	2015	2016	2017	2018	2019
Operating revenues					
Landing fees	\$7,916,995	\$8,071,097	\$8,285,922	\$9,397,172	\$9,719,482
Concession revenue	10,344,733	10,861,366	11,798,086	12,802,725	13,086,886
Parking and ground transportation	9,515,946	10,519,785	11,316,885	12,009,701	12,817,675
Rentals	13,456,901	13,599,106	13,688,849	13,838,446	14,078,153
Reimbursements for services	2,647,105	2,419,689	2,531,223	2,416,793	2,671,073
Other revenue	106,844	42,873	168,024	190,432	176,468
Total operating revenues	<u>43,988,524</u>	<u>45,513,916</u>	<u>47,788,989</u>	<u>50,655,269</u>	<u>52,549,737</u>
Nonoperating revenues					
Interest income	289,755	716,702	577,434	835,868	1,301,531
Gain (Loss) on value of investments	(3,274)	(21,981)	(271,937)	(374,498)	867,298
Passenger facility charge revenue	6,332,093	6,740,165	7,480,732	7,587,771	8,443,673
Customer facility charge revenue	1,252,480	1,385,061	1,481,004	1,692,038	4,613,478
Jet fuel tax income	246,059	268,287	298,124	310,500	306,035
Gain on sale of capital assets	29,533	105,471	13,298	169,208	25,070
Misc. Revenue	-	-	-	-	-
Total nonoperating revenues	<u>8,146,646</u>	<u>9,193,705</u>	<u>9,578,655</u>	<u>10,220,887</u>	<u>15,557,085</u>
Total revenues	<u>52,135,170</u>	<u>54,707,621</u>	<u>57,367,644</u>	<u>60,876,156</u>	<u>68,106,822</u>
Operating expense					
Employee wages and benefits	24,638,525	25,007,616	26,672,375	31,878,959	29,334,325
Utilities and communications	2,757,835	2,540,504	2,337,577	2,709,495	2,772,620
Purchase of services	4,763,544	4,803,679	4,595,802	4,866,467	5,521,530
Materials and supplies	1,582,278	1,821,369	1,753,352	2,050,694	2,045,295
Administrative expenses	2,113,887	2,443,771	2,579,040	2,224,655	2,646,733
	<u>35,856,069</u>	<u>36,616,939</u>	<u>37,938,146</u>	<u>43,730,270</u>	<u>42,320,503</u>
Depreciation and amortization	34,958,476	34,613,731	34,462,715	31,094,092	27,801,203
Total operating expenses	<u>70,814,545</u>	<u>71,230,670</u>	<u>72,400,861</u>	<u>74,824,362</u>	<u>70,121,706</u>
Nonoperating expenses					
Non-operating expense	-	140,952	7,814	-	-
Interest expense	1,376,012	1,284,053	616,855	487,308	438,892
Total nonoperating expenses	<u>1,376,012</u>	<u>1,425,005</u>	<u>624,669</u>	<u>487,308</u>	<u>438,892</u>
Total expenses	<u>72,190,557</u>	<u>72,655,675</u>	<u>73,025,530</u>	<u>75,311,670</u>	<u>70,560,598</u>
Capital contributions	4,867,414	10,010,497	2,517,123	9,200,524	14,057,725
Change in Net Position	<u>(\$15,187,973)</u>	<u>(\$7,937,557)</u>	<u>(\$13,140,763)</u>	<u>(\$5,234,990)</u>	<u>\$11,603,949</u>
Net Position at Year-End					
Net Investment in capital assets	\$382,231,061	\$367,749,013	\$345,904,676	\$334,863,315	\$336,079,326
Restricted	22,459,489	20,371,555	23,692,496	26,448,099	32,997,130
Unrestricted	2,670,101	11,302,526	16,685,159	18,238,659	22,077,566
Total Net Position	<u>\$407,360,651</u>	<u>\$399,423,094</u>	<u>\$386,282,331</u>	<u>\$379,550,073</u>	<u>\$391,154,022</u>

Continued

**RENO-TAHOE AIRPORT AUTHORITY**  
**NET POSITION AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED JUNE 30, 2015 - 2024**  
(unaudited)

	2020	2021	2022	2023	2024
Operating revenues					
Landing fees	\$10,077,732	\$8,948,847	\$10,584,517	\$12,690,754	\$10,792,911
Concession revenue	11,301,837	9,628,195	15,257,011	15,346,165	17,106,254
Parking and ground transportation	10,012,455	7,361,177	14,004,587	18,237,964	19,474,450
Rentals	16,534,688	15,715,644	15,073,833	15,072,521	22,362,432
Reimbursements for services	2,397,717	1,823,280	3,000,059	3,384,893	3,210,986
Other revenue	345,296	185,773	145,174	108,925	118,592
Total operating revenues	<u>50,669,725</u>	<u>43,662,916</u>	<u>58,065,181</u>	<u>64,841,222</u>	<u>73,065,625</u>
Nonoperating revenues					
Interest income	1,588,183	886,650	1,246,627	2,449,932	4,345,635
Gain (Loss) on value of investments	736,237	(935,537)	(2,737,875)	70,635	1,753,114
Passenger facility charge revenue	7,607,924	4,514,399	8,502,997	8,372,017	9,067,927
Customer facility charge revenue	4,891,406	4,954,128	6,350,891	7,863,374	7,919,364
Jet fuel tax income	263,135	203,765	294,018	300,994	302,499
Gain on sale of capital assets	28,196	41,838	15,080	10,871	84,065
Misc Revenue	617,197	7,059,146	14,483,077	15,156,938	13,571,352
Total nonoperating revenues	<u>15,732,278</u>	<u>16,724,389</u>	<u>28,154,815</u>	<u>34,224,761</u>	<u>37,043,956</u>
Total revenues	<u>66,402,003</u>	<u>60,387,305</u>	<u>86,219,996</u>	<u>99,065,983</u>	<u>110,109,581</u>
Operating expense					
Employee wages and benefits	32,120,112	30,923,994	30,348,607	39,092,497	45,677,878
Utilities and communications	2,881,068	2,454,099	3,156,581	3,962,745	4,033,644
Purchase of services	5,418,705	4,887,352	7,405,170	8,016,801	9,446,371
Materials and supplies	2,340,685	2,259,926	2,575,145	3,234,016	3,007,699
Administrative expenses	2,431,355	2,086,926	2,854,518	3,369,064	3,579,526
Total operating expenses	<u>45,191,925</u>	<u>42,612,297</u>	<u>46,340,021</u>	<u>57,675,123</u>	<u>65,745,118</u>
Depreciation and amortization	27,608,618	26,827,690	25,079,112	24,461,762	24,043,881
Total operating expenses	<u>72,800,543</u>	<u>69,439,987</u>	<u>71,419,133</u>	<u>82,136,885</u>	<u>89,788,999</u>
Nonoperating expenses					
Non-operating expense	-	-	-	135,000	-
Interest expense	389,125	337,975	399,857	176,538	746,316
Total nonoperating expenses	<u>389,125</u>	<u>337,975</u>	<u>399,857</u>	<u>311,538</u>	<u>746,316</u>
Total expenses	<u>73,189,668</u>	<u>69,777,962</u>	<u>71,818,990</u>	<u>82,448,423</u>	<u>90,535,315</u>
Capital contributions	16,868,554	25,193,485	27,686,032	4,320,592	16,184,064
Change in Net Position	<u>\$10,080,889</u>	<u>\$15,802,828</u>	<u>\$42,087,038</u>	<u>\$20,938,152</u>	<u>\$35,758,330</u>
Net Position at Year-End					
Net Investment in capital assets	\$348,801,466	\$361,855,033	\$388,632,933	\$398,934,454	\$405,888,411
Restricted	28,598,653	25,980,476	28,495,282	36,521,156	35,614,141
Unrestricted	23,834,792	29,202,230	41,996,562	44,607,319	74,318,707
Total Net Position	<u>\$401,234,911</u>	<u>\$417,037,739</u>	<u>\$459,124,777</u>	<u>\$480,062,929</u>	<u>\$515,821,259</u>

**RENO-TAHOE AIRPORT AUTHORITY**  
**SUMMARY OF OPERATING RESULTS**  
**FOR THE YEARS ENDED JUNE 30, 2015 - 2024**  
**(unaudited)**

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Operating Revenues	\$43,988,524	\$45,513,916	\$47,788,989	\$50,655,269	\$52,549,737
Operating Expenses	<u>(35,856,069)</u>	<u>(36,616,939)</u>	<u>(37,938,146)</u>	<u>(43,730,270)</u>	<u>(42,320,503)</u>
Operating Income before Depreciation and Amortization	8,132,455	8,896,977	9,850,843	6,924,999	10,229,234
Depreciation and Amortization	<u>(34,958,476)</u>	<u>(34,613,731)</u>	<u>(34,462,715)</u>	<u>(31,094,092)</u>	<u>(27,801,203)</u>
Operating Income (Loss)	<u><u>(26,826,021)</u></u>	<u><u>(25,716,754)</u></u>	<u><u>(24,611,872)</u></u>	<u><u>(24,169,093)</u></u>	<u><u>(17,571,969)</u></u>

Continued

**RENO-TAHOE AIRPORT AUTHORITY**  
**SUMMARY OF OPERATING RESULTS**  
**FOR THE YEARS ENDED JUNE 30, 2015 - 2024**  
**(unaudited)**

	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Operating Revenues	\$50,669,725	\$43,662,916	\$58,065,181	\$64,841,222	\$73,065,625
Operating Expenses	<u>(45,191,925)</u>	<u>(42,612,297)</u>	<u>(46,340,021)</u>	<u>(57,675,123)</u>	<u>(65,745,118)</u>
Operating Income before Depreciation and Amortization	5,477,800	1,050,619	11,725,160	7,166,099	7,320,507
Depreciation and Amortization	<u>(27,608,618)</u>	<u>(26,827,690)</u>	<u>(25,079,112)</u>	<u>(24,461,762)</u>	<u>(24,043,881)</u>
Operating Income (Loss)	<u><u>(22,130,818)</u></u>	<u><u>(25,777,071)</u></u>	<u><u>(13,353,952)</u></u>	<u><u>(17,295,663)</u></u>	<u><u>(16,723,374)</u></u>

**RENO-TAHOE AIRPORT AUTHORITY**  
**PRINCIPAL REVENUE PAYERS**  
**FOR THE YEARS ENDED JUNE 30, 2015 - 2024**  
(unaudited)

	2015	2016	2017	2018	2019
<u>Airlines - Landing Fees Only</u>					
Alaska/Horizon	\$ 580,120	\$ 623,357	\$ 642,969	\$ 638,296	\$ 745,193
American Airlines	715,170	1,308,569	1,125,206	1,253,063	1,313,727
Delta	455,739	426,813	433,298	507,079	566,983
Fed Ex	888,324	968,838	932,842	716,310	878,731
Jet Blue	11,198	13,515	238,725	281,464	281,296
Southwest	2,642,052	2,576,418	2,699,800	3,188,270	3,305,577
United	720,757	724,254	701,646	919,786	1,111,373
UPS	518,289	660,717	654,977	707,324	903,450
US Airways	608,778	-	-	-	-
Total:	<u>\$ 7,140,427</u>	<u>\$ 7,302,481</u>	<u>\$ 7,429,463</u>	<u>\$ 8,211,592</u>	<u>\$ 9,106,330</u>
<u>Rental Cars - Concession Leases Only</u>					
Avis/Budget	\$ 1,482,869	\$ 1,620,958	\$ 1,777,825	\$ 1,993,895	\$ 2,061,629
Alamo/ National	1,269,575	1,411,955	1,554,676	1,720,779	1,840,898
Dollar/Thrifty	805,775	757,453	750,745	920,885	1,038,332
Enterprise	806,729	978,067	1,183,386	1,360,048	1,448,153
Payless	320,499	314,189	317,940	286,503	340,580
Hertz	1,375,025	1,506,355	1,606,381	1,781,205	1,859,856
Total:	<u>\$ 6,060,472</u>	<u>\$ 6,588,977</u>	<u>\$ 7,190,953</u>	<u>\$ 8,063,315</u>	<u>\$ 8,589,448</u>
<u>Other Concession Leases</u>					
IGT	\$ 1,266,307	\$ 1,071,402	\$ 974,166	\$ 1,102,412	\$ 1,149,390
Paradies Gift Shops	901,000	944,071	1,016,968	1,014,199	1,138,086
SSP America, Inc.	887,963	992,984	1,221,761	1,484,628	1,527,992
Vino Volo	-	-	-	-	105,361
MAG Lounge	-	-	-	501,415	1,134,388
Clear Channel	640,403	564,210	663,436	699,857	768,828
Lamar Advertising	-	-	-	-	-
Forever Heather	43,819	34,855	29,462	35,958	-
Frist Class Vending	-	-	-	-	-
Total:	<u>\$ 3,739,492</u>	<u>\$ 3,607,522</u>	<u>\$ 3,905,792</u>	<u>\$ 4,838,469</u>	<u>\$ 5,824,045</u>
Parking and Ground Transportation	<u>\$ 9,515,946</u>	<u>\$ 10,519,785</u>	<u>\$ 11,316,885</u>	<u>\$ 12,009,701</u>	<u>\$ 12,817,675</u>
Total:	<u>\$ 26,456,337</u>	<u>\$ 28,018,765</u>	<u>\$ 29,843,093</u>	<u>\$ 33,123,077</u>	<u>\$ 36,337,498</u>

Continued

(a) Landing fees are reported gross of revenue sharing credits

Note: Each year the RTAA reports the largest tenant revenue payors.

**RENO-TAHOE AIRPORT AUTHORITY**  
**PRINCIPAL REVENUE PAYERS**  
**FOR THE YEARS ENDED JUNE 30, 2015 - 2024**  
**(unaudited)**

	2020	2021	2022	2023	2024 (a)
<u>Airlines - Landing Fees Only</u>					
Alaska/Horizon	\$ 711,620	\$ 553,909	\$ 691,885	\$ 618,289	\$ 793,782
American Airlines	1,331,551	1,079,312	1,275,569	1,207,659	1,477,694
Delta	534,997	779,290	775,125	769,445	911,564
Fed Ex	882,829	918,027	931,954	1,046,353	1,091,651
Jet Blue	226,627	107,869	259,437	229,056	306,784
Southwest	2,854,752	2,023,722	2,847,213	3,810,742	4,767,078
United	1,026,505	779,167	1,022,320	1,282,803	1,637,204
UPS	1,023,053	1,012,983	958,933	1,022,230	886,235
US Airways	-	-	-	-	-
Total:	<u>\$ 8,591,934</u>	<u>\$ 7,254,279</u>	<u>\$ 8,762,436</u>	<u>\$ 9,986,577</u>	<u>\$ 11,871,992</u>
<u>Rental Cars - Concession Leases Only</u>					
Avis/Budget	\$ 1,951,327	\$ 1,594,094	\$ 3,220,871	\$ 2,838,199	\$ 3,125,017
Alamo/ National	1,826,983	1,394,229	1,968,634	1,945,589	2,016,286
Dollar/Thrifty	1,055,493	725,000	1,038,391	1,302,860	1,153,751
Enterprise	1,430,990	1,427,003	1,951,129	1,777,642	1,791,343
Payless	301,284	250,000	250,000	250,000	229,167
Hertz	1,817,455	1,364,100	1,726,818	2,101,143	1,941,679
Total:	<u>\$ 8,383,532</u>	<u>\$ 6,754,426</u>	<u>\$ 10,155,843</u>	<u>\$ 10,215,433</u>	<u>\$ 10,257,243</u>
<u>Other Concession Leases</u>					
IGT	\$ 851,669	\$ 666,127	\$ 1,256,202	\$ 1,442,617	\$ 1,311,782
Paradies Gift Shops	1,091,785	553,978	859,653	1,142,291	1,261,133
SSP America, Inc.	1,161,992	558,358	1,065,958	1,431,897	1,483,405
Vino Volo	152,716	204,730	291,232	279,097	261,100
MAG Lounge	1,048,880	154,754	207,256	212,640	249,007
Clear Channel	828,974	647,686	458,599	-	-
Lamar Advertising	-	-	251,931	752,039	842,338
Forever Heather	-	-	-	-	-
Frist Class Vending	-	-	-	-	28,331
Total:	<u>\$ 5,136,016</u>	<u>\$ 2,785,633</u>	<u>\$ 4,390,831</u>	<u>\$ 5,260,581</u>	<u>\$ 5,437,096</u>
Parking and Ground Transportation	<u>\$ 10,012,455</u>	<u>\$ 7,361,177</u>	<u>\$ 14,004,586</u>	<u>\$ 18,237,964</u>	<u>\$ 19,474,450</u>
Total:	<u>\$ 32,123,937</u>	<u>\$ 24,155,515</u>	<u>\$ 37,313,696</u>	<u>\$ 43,700,555</u>	<u>\$ 47,040,781</u>

(a) Landing fees are reported gross of revenue sharing credits

Note: Each year the RTAA reports the largest tenant revenue payors.

**RENO-TAHOE AIRPORT AUTHORITY  
PRINCIPAL OPERATING REVENUE SOURCES  
FOR THE YEARS ENDED JUNE 30, 2015 - 2024  
(unaudited)**

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Landing fees	\$ 7,916,995	\$ 8,071,097	\$ 8,285,922	\$ 9,397,172	\$ 9,719,482
Concession revenue	10,344,733	10,861,366	11,798,086	12,802,725	13,086,886
Parking and ground transportation	9,515,946	10,519,785	11,316,885	12,009,701	12,817,675
Rentals	13,456,901	13,599,106	13,688,849	13,838,446	14,078,153
Reimbursement for Services	2,647,105	2,419,689	2,531,223	2,416,793	2,671,073
<b>Total Operating Revenue</b>	<b>43,881,680</b>	<b>45,471,043</b>	<b>47,620,965</b>	<b>50,464,837</b>	<b>52,373,269</b>
Interest Income	286,481	694,721	305,497	461,370	2,168,829
<b>Total</b>	<b>\$ 44,168,161</b>	<b>\$ 46,165,764</b>	<b>\$ 47,926,462</b>	<b>\$ 50,926,207</b>	<b>\$ 54,542,098</b>

Continued

Note: Top revenue sources per the Statements of Revenues, Expenses and changes in year including interest income and excluding other revenue.

**RENO-TAHOE AIRPORT AUTHORITY**  
**PRINCIPAL OPERATING REVENUE SOURCES**  
**FOR THE YEARS ENDED JUNE 30, 2015 - 2024**  
(unaudited)

	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Landing fees	\$ 10,077,732	\$ 8,948,847	\$ 10,584,517	\$ 12,690,754	\$ 10,792,911
Concession revenue	11,301,837	9,628,195	15,257,011	15,346,165	17,106,254
Parking and ground transportation	10,012,455	7,361,177	14,004,587	18,237,964	19,474,450
Rentals	16,534,688	15,715,644	15,073,833	15,072,521	22,362,432
Reimbursement for Services	2,397,717	1,823,280	3,000,059	3,384,893	3,210,986
<b>Toal Operating Revenue</b>	<b>50,324,429</b>	<b>43,477,143</b>	<b>57,920,007</b>	<b>64,732,297</b>	<b>72,947,033</b>
Interest Income	2,324,420	\$ (48,887)	\$ (1,491,248)	\$ 2,449,932	\$ 4,345,635
<b>Total</b>	<b>\$ 52,648,849</b>	<b>\$ 43,428,256</b>	<b>\$ 56,428,759</b>	<b>\$ 67,182,229</b>	<b>\$ 77,292,668</b>

Note: Top revenue sources per the Statements of Revenues, Expenses and changes year including interest income and excluding other revenue.



**RENO-TAHOE AIRPORT AUTHORITY  
REVENUE RATES AND COST PER ENPLANEMENTS  
FOR THE YEARS ENDED JUNE 30, 2015 - 2024  
(unaudited)**

Year	Landing Fee (a)		RON (Ramp Over Night)		Signatory Terminal Rental Rate Average (b)	Signatory Cost per Enplanement
	Signatory	Non-Signatory	Signatory	Non-Signatory		
2024	4.12	4.59	126.00	126.00	131.34	8.28
2023	3.79	3.50	86.00	86.00	34.47	6.33
2022	3.04	3.23	73.00	73.00	40.66	6.21
2021	3.23	3.23	85.00	85.00	45.74	9.17
2020	3.23	3.23	78.00	78.00	55.31	8.46
2019	2.84	3.14	77.00	77.00	38.49	5.57
2018	2.95	2.99	77.00	77.00	35.14	5.63
2017	2.62	2.79	73.00	73.00	40.48	5.85
2016	2.78	2.94	70.00	70.00	46.72	6.56
2015	2.97	3.06	60.00	60.00	49.43	7.21

(a) Assessed per thousand pounds of FAA maximum certificated landed weight

(b) In fiscal year 2024, terminal space was reclassified and the method of calculation was modified based on the AAULA effective July 1, 2023

Non-Signatory and Ramp Over Night Fees are charged at the budgeted amount.

Notes: The RTAA and certain airlines entered an Airline-Airport Use and Lease Agreement effective July 1, 2023 through June 30, 2033

**RENO-TAHOE AIRPORT AUTHORITY**  
**SCHEDULE OF DEBT AND OBLIGATION COVERAGES**  
**FOR THE YEARS ENDED JUNE 30, 2015 - 2024**  
**(unaudited)**

YEAR	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Gross Pledged Revenues <sup>(1)</sup>	\$ 87,470,302	\$ 75,537,028	\$ 63,233,922	\$ 44,522,461	\$ 52,909,801	\$ 54,064,139	\$ 53,645,091	\$ 50,148,794	\$ 47,661,886	\$ 45,766,095
Transfers- CFC Expenses	1,317,814	221,491	713,649	447,935	417,741	642,557	-	-	-	-
G/L on Sale of Assets	(84,065)	(10,871)	(15,080)	(41,838)	(28,196)	(25,070)	(169,208)	(13,298)	(105,471)	(29,533)
Airline Revenue Sharing	10,649,700	7,347,445	5,202,856	2,797,784	2,452,933	4,214,022	4,352,412	3,176,955	2,347,074	1,494,648
35% Gaming Revenue	(459,124)	(377,953)	(439,671)	(221,413)	(286,561)	(390,756)	(374,379)	(341,751)	(374,991)	(443,208)
Direct Operating Expense <sup>(2)</sup>	(65,745,118)	(57,675,123)	(46,340,021)	(42,205,572)	(44,037,667)	(42,552,009)	(40,306,317)	(38,112,913)	(37,603,816)	(35,856,069)
Net Pledged Revenue (Available for Debt and Obligation Payments)	\$ 33,149,509	\$ 25,042,017	\$ 22,355,655	\$ 5,299,357	\$ 11,428,051	\$ 15,952,883	\$ 17,147,599	\$ 14,857,787	\$ 11,924,682	\$ 10,931,933
Debt Service (Senior Lien Debt Service)	729,205	168,676	2,250,450	2,247,975	2,249,125	2,248,900	2,247,300	2,249,463	2,310,285	2,521,300
Debt Service Coverage Ratio - Senior Lien Debt Service	45.46	148.46	9.93	2.36	5.08	7.09	7.63	6.61	5.16	4.34
Net Pledged Revenue (Available for Subordinate Notes)	\$ 32,420,304	\$ 24,873,341	\$ 20,105,205	\$ 3,051,382	\$ 9,178,926	\$ 13,703,983	\$ 14,900,299	\$ 12,608,324	\$ 9,614,397	\$ 8,410,633
Pledged PFC Revenue	-	-	-	-	-	-	-	1,812,790	1,813,919	1,808,804
Pledged Revenue (Available for Subordinate Notes)	32,420,304	24,873,341	20,105,205	3,051,382	9,178,926	13,703,983	14,900,299	14,421,114	11,428,316	10,219,437
Debt Service (Subordinate Lien Debt Service)	-	-	-	-	-	-	-	3,139,393	3,140,055	3,134,943
Debt Service - Coverage Ratio - Subordinate Lien Debt Service	-	-	-	-	-	-	-	4.59	3.64	3.26

1) Gross Revenue includes operating revenue, investment income, CFC revenues, jet fuel tax, insurance reimbursements and gain (loss) on sale of capital assets

2) Direct operating expense excludes depreciation and reclamation expense.

Notes: Years Prior to 2015 have not been adjusted for GASB 68 to 71

**RENO-TAHOE AIRPORT AUTHORITY**  
**RATE MAINTENANCE COVENANT PERFORMANCE**  
**FOR THE YEARS ENDED JUNE 30, 2015 - 2024**  
(unaudited)

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Operating Revenues	\$45,512,494	\$47,294,719	\$49,616,816	\$52,809,309	\$52,880,841
Trust Fund Investment					
Interest Income	253,601	367,167	531,978	835,781	1,183,298
Gross Pledged Revenues	45,766,095	47,661,886	50,148,794	53,645,090	54,064,139
Transfers- Customer Facility					
Charges for Operating Expenses	-	-	-	-	642,557
Operating Expenses	(35,856,069)	(37,603,816)	(38,112,913)	(40,306,317)	(42,552,009)
G/L on Sale of Capital Assets	(29,533)	(105,471)	(13,298)	(169,208)	(25,070)
Airline Revenue Share Prior Year	1,213,722	1,494,648	2,347,074	3,176,955	4,352,412
35% of Gaming Revenues	(443,208)	(374,991)	(341,751)	(374,379)	(390,756)
Net Pledged Revenues - Senior Lien Bonds	<u>\$10,651,007</u>	<u>\$11,072,256</u>	<u>\$14,027,906</u>	<u>\$15,972,141</u>	<u>\$16,091,273</u>
125% of Senior Lien Revenue Bond Debt Service	<u>\$3,151,625</u>	<u>\$2,887,856</u>	<u>\$2,811,829</u>	<u>\$2,809,125</u>	<u>\$2,811,125</u>
Senior Lien Debt Service	<u>\$2,521,300</u>	<u>\$2,310,285</u>	<u>\$2,249,463</u>	<u>\$2,247,300</u>	<u>\$2,248,900</u>
Net Pledged Revenues - Subordinate Lien Notes	\$8,129,707	\$8,761,971	\$11,778,443	\$13,724,841	\$13,842,373
Pledged Passenger Facility Charges	1,808,804	1,813,919	1,812,790	-	-
Pledged Revenues - Subordinate Lien Notes	<u>\$9,938,511</u>	<u>\$10,575,890</u>	<u>\$13,591,233</u>	<u>\$13,724,841</u>	<u>\$13,842,373</u>
110% of Subordinate Lien Debt Service	<u>\$3,448,437</u>	<u>\$3,454,061</u>	<u>\$3,453,332</u>	<u>\$ -</u>	<u>\$ -</u>
Subordinate Lien Debt Service	<u>\$3,134,943</u>	<u>\$3,140,055</u>	<u>\$3,139,393</u>	<u>\$ -</u>	<u>\$ -</u>
Rate Maintenance Minimum Revenues	<u>\$6,600,062</u>	<u>\$6,341,917</u>	<u>\$6,265,161</u>	<u>\$2,809,125</u>	<u>\$2,811,125</u>

Continued

**RENO-TAHOE AIRPORT AUTHORITY**  
**RATE MAINTENANCE COVENANT PERFORMANCE**  
**FOR THE YEARS ENDED JUNE 30, 2015 - 2024**  
(unaudited)

	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Operating Revenues	\$50,669,726	\$43,662,916	\$58,065,181	\$64,841,222	\$73,065,625
Trust Fund Investment Interest Income	2,240,075	1,018,347	1,246,627	2,449,932	4,345,635
Gross Pledged Revenues	52,909,801	44,681,263	59,311,808	67,291,154	77,411,260
Transfers- Customer Facility Charges for Operating Expenses	417,741	447,935	713,649	221,491	1,317,814
Operating Expenses	(44,037,667)	(42,205,572)	(46,340,021)	(57,675,123)	(65,745,118)
G/L on Sale of Capital Assets	(28,196)	(41,838)	(15,080)	(10,871)	(84,065)
Airline Revenue Share Prior Year	4,214,022	2,452,933	2,797,784	5,202,856	7,347,445
35% of Gaming Revenues	(286,561)	(221,413)	(439,671)	(377,953)	(459,124)
Net Pledged Revenues - Senior Lien Bonds	<u>\$13,189,140</u>	<u>\$5,113,308</u>	<u>\$16,028,469</u>	<u>\$14,651,554</u>	<u>\$19,788,212</u>
125% of Senior Lien Revenue Bond Debt Service	<u>\$2,811,406</u>	<u>\$2,809,969</u>	<u>\$2,813,063</u>	<u>\$210,845</u>	<u>\$911,506</u>
Senior Lien Debt Service	<u>\$2,249,125</u>	<u>\$2,247,975</u>	<u>\$2,250,450</u>	<u>\$168,676</u>	<u>\$168,676</u>
Net Pledged Revenues - Subordinate Lien Notes	\$10,940,015	\$2,865,333	\$13,778,019	\$14,482,878	\$19,619,536
Pledged Passenger Facility Charges	-	-	-	-	-
Pledged Revenues - Subordinate Lien Notes	<u>\$10,940,015</u>	<u>\$2,865,333</u>	<u>\$13,778,019</u>	<u>\$14,482,878</u>	<u>\$19,619,536</u>
110% of Subordinate Lien Debt Service	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Subordinate Lien Debt Service	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Rate Maintenance Minimum Revenues	<u>\$2,811,406</u>	<u>\$2,809,969</u>	<u>\$2,813,063</u>	<u>\$210,845</u>	<u>\$911,506</u>

**RENO-TAHOE AIRPORT AUTHORITY**  
**RATIOS OF OUTSTANDING DEBT AND DEBT SERVICE**  
**FOR THE YEARS ENDED JUNE 30, 2015 - 2024**  
**(unaudited)**

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Outstanding Debt					
Revenue bonds	\$ 22,360,000	\$ 20,690,000	\$ 19,435,000	\$ 17,720,000	\$ 15,960,000
Unamortized premium	820,280	-	-	-	-
Notes payable	8,937,000	6,037,000	3,057,000	-	-
Subscription Liability	-	-	-	-	-
Total outstanding debt	<u>\$ 32,117,280</u>	<u>\$ 26,727,000</u>	<u>\$ 22,492,000</u>	<u>\$ 17,720,000</u>	<u>\$ 15,960,000</u>
Enplaned Passengers	1,656,293	1,778,611	1,909,187	2,064,968	2,149,759
Outstanding debt per enplaned passenger	<u>\$ 19</u>	<u>\$ 15</u>	<u>\$ 12</u>	<u>\$ 9</u>	<u>\$ 7</u>
Debt Service					
Principal	\$ 4,320,000	\$ 4,235,000	\$ 4,772,000	\$ 1,760,000	\$ 1,810,000
Interest	1,336,243	588,367	616,855	487,308	438,900
Total debt service	<u>\$ 5,656,243</u>	<u>\$ 4,823,367</u>	<u>\$ 5,388,855</u>	<u>\$ 2,247,308</u>	<u>\$ 2,248,900</u>
Total Expenses	72,190,557	72,514,723	73,017,716	75,311,669	70,560,599
Ratio of debt service to total expenses	<u>7.84%</u>	<u>6.65%</u>	<u>7.38%</u>	<u>2.98%</u>	<u>3.19%</u>

Continued

Note 1: No debt-to-personal-income ratio is shown because personal income information is not available for the RTAA trade area. See schedule of Operational Statistical Summary for enplanements.

Note 2: Debt Service for 2022 - 2024 reflects minimum debt service requirements for the year. RTAA used federal stimulus funds under the CARES act and paid off the full principal amount.

**RENO-TAHOE AIRPORT AUTHORITY**  
**RATIOS OF OUTSTANDING DEBT AND DEBT SERVICE**  
**FOR THE YEARS ENDED JUNE 30, 2015 - 2024**  
**(unaudited)**

	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Outstanding Debt					
Revenue bonds	\$ 14,150,000	\$ 12,290,000	\$ -	\$ 5,479,015	\$ 24,524,708
Unamortized premium	-	-	-	-	-
Notes payable	-	-	-	-	-
Subscription Liability	-	-	-	182,058	609,577
Total outstanding debt	<u>\$ 14,150,000</u>	<u>\$ 12,290,000</u>	<u>\$ -</u>	<u>\$ 5,661,073</u>	<u>\$ 25,134,285</u>
Enplaned Passengers	1,690,171	1,231,616	2,079,807	2,229,254	2,344,848
Outstanding debt per enplaned passenger	<u>\$ 8</u>	<u>\$ 10</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 11</u>
Debt Service					
Principal	\$ 1,860,000	\$ 1,910,000	\$ 1,965,000	\$ 9,624,529	\$ 9,637,657
Interest	389,125	337,975	285,450	168,676	729,205
Total debt service	<u>\$ 2,249,125</u>	<u>\$ 2,247,975</u>	<u>\$ 2,250,450</u>	<u>\$ 9,793,205</u>	<u>\$ 10,366,862</u>
Total Expenses	73,189,668	69,777,962	71,818,990	82,448,423	90,535,315
Ratio of debt service to total expenses	<u>3.07%</u>	<u>3.22%</u>	<u>3.13%</u>	<u>11.88%</u>	<u>11.45%</u>

Note 1: No debt-to-personal-income ratio is shown because personal income information is not available for the RTAA trade area. See schedule of Operational Statistical Summary for enplanements.

Note 2: Debt Service for 2022 - 2024 reflects minimum debt service requirements for the year. RTAA used federal stimulus funds under the CARES act and paid off the full principal amount.

**RENO-TAHOE AIRPORT AUTHORITY  
POPULATION IN AIR TRADE AREA  
FOR THE CALENDAR YEARS 2014 - 2023  
(unaudited)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Nevada</b>										
County										
Churchill	23,989	24,200	24,198	24,230	24,440	24,909	25,516	25,723	25,843	25,803
Douglas	47,536	47,710	48,020	48,309	48,467	48,905	49,488	49,870	49,628	49,545
Humboldt	17,279	17,019	16,842	16,826	16,786	16,831	17,285	17,648	17,272	17,136
Lyon	51,789	52,585	53,179	54,122	55,808	57,510	59,235	60,903	61,585	62,583
Pershing	6,698	6,634	6,560	6,508	6,666	6,725	6,650	6,741	6,462	6,364
Storey	3,912	3,987	4,051	4,006	4,029	4,123	4,104	4,143	4,170	4,177
Washoe	440,078	446,903	453,616	460,587	465,735	471,519	486,492	493,392	496,745	498,022
Carson City	54,522	54,521	54,742	54,745	55,414	55,916	58,639	58,993	58,130	58,036
Subtotal	645,803	653,559	661,208	669,333	677,345	686,438	707,409	717,413	719,835	721,666
<b>California</b>										
County										
Alpine	1,116	1,110	1,071	1,120	1,101	1,129	1,204	1,235	1,190	1,141
El Dorado	183,087	184,452	185,625	188,987	190,678	192,843	191,185	193,221	192,646	192,215
Lassen	31,749	31,345	30,870	31,163	30,802	30,573	32,730	33,159	29,904	28,861
Mono	13,997	13,909	13,981	14,168	14,250	14,444	13,195	13,247	12,978	13,066
Nevada	98,893	98,877	99,107	99,814	99,696	99,755	102,241	103,487	102,293	102,037
Placer	371,694	375,391	380,531	386,166	393,149	398,329	404,739	412,300	417,772	423,561
Plumas	18,606	18,409	18,627	18,742	18,804	18,807	19,790	19,915	19,351	19,131
Sierra	3,003	2,967	2,947	2,999	2,987	3,005	3,236	3,283	3,217	3,200
Subtotal	722,145	726,460	732,759	743,159	751,467	758,885	768,320	779,847	779,351	783,212
<b>Total</b>	<b>1,367,948</b>	<b>1,380,019</b>	<b>1,393,967</b>	<b>1,412,492</b>	<b>1,428,812</b>	<b>1,445,323</b>	<b>1,475,729</b>	<b>1,497,260</b>	<b>1,499,186</b>	<b>1,504,878</b>
Percentage increase	0.93%	0.88%	1.01%	1.33%	1.16%	1.16%	2.10%	1.46%	0.13%	0.38%
<b>Unemployment rate</b>										
Washoe County	7.6%	6.3%	5.0%	3.5%	2.3%	3.2%	4.9%	3.1%	3.5%	4.0%

Source: US Census Bureau - Quickfacts  
Nevada Department of Employment, Training, and Rehabilitation

**RENO-TAHOE AIRPORT AUTHORITY  
 PRINCIPAL EMPLOYERS WITHIN AIR TRADE AREA  
 FOR THE CALENDAR YEARS ENDED 2023 AND 2013  
 (unaudited)**

Employer	Calendar year 2023		Calendar year 2013	
	Rank	Employees	Rank	Employees
Renown Health	1	1,000-4,999	3	2,500-2,999
Peppermill Inc	2	1,000-4,999	5	2,000-2,499
Nugget Casino Resort	3	1,000-4,999	-	-
Grand Sierra Resort & Casino	4	1,000-4,999	10	1,000-1,499
St Mary's Regional Medical Center	5	1,000-4,999	12	1,500-1,999
Eldorado Hotel & Casino	6	1,000-4,999	11	1,000-1,499
Spa at Silver Legacy	7	1,000-4,999	7	1,500-1,999
University of Nevada, Reno Sponsored	8	1,000-4,999	2	4,000-4,499
International Game Technology (IGT)	9	1,000-4,999	6	2,000-2,499
AMERCO	10	1,000-1,499	-	-

Nevada Revised Statute Chapter 612 stipulates that actual employment for individual employers may not be published.

Source: Nevada Workforce & the Department of Employment, Training and Rehabilitation, 2023 1st Release

[www.nevadaworkforce.com/CAFR](http://www.nevadaworkforce.com/CAFR)

Nevada Revised Statute Chapter 612 stipulates that actual employment for individual employers may not be published.  
 Source: Nevada Workforce & the Department of Employment, Training, and Rehabilitation, 2021 second half.



**RENO-TAHOE AIRPORT AUTHORITY  
EMPLOYEES  
FOR THE YEARS ENDED JUNE 30, 2015 - 2024  
(unaudited)**

Full-time Equivalent Budgeted Employees  
as of Fiscal Year-End

Year	Board of Trustees*	Airfield Operations	Terminal Building Maintenance	Police/ Security	Parking	Aircraft Rescue and Firefighting	Administration	Total
2024	9.0	57.0	64.0	44.0	23.0	25.0	79.0	292.0
2023	9.0	56.0	62.0	44.0	23.0	22.0	82.0	289.0
2022	9.0	56.0	64.5	44.5	15.0	22.0	64.5	266.5
2021	9.0	56.0	67.5	44.5	16.0	20.0	76.5	280.5
2020	9.0	55.0	67.5	44.5	16.0	20.0	77.5	280.5
2019	9.0	55.0	67.5	44.0	16.0	20.0	75.0	277.5
2018	9.0	54.0	68.0	44.0	16.0	20.0	75.5	277.5
2017	9.0	52.0	68.0	43.0	15.0	20.0	74.5	272.5
2016	9.0	52.0	68.0	42.0	15.0	20.0	73.5	270.5
2015	9.0	52.0	68.0	42.0	15.0	20.0	73.5	270.5

\* Board of Trustees Department comprises a nine-member Board of Trustees appointed by the City of Reno, City of Sparks, Washoe County and the Reno-Sparks Convention & Visitors Authority, and are not included in the total personnel complement.

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time equivalent employment is calculated by dividing total labor hours by 2,080. The amounts above show the budgeted personnel complement for each fiscal year.

**RENO-TAHOE AIRPORT AUTHORITY**  
**RENO-TAHOE INTERNATIONAL AIRPORT**  
**ENPLANEMENTS AND MARKET SHARE BY SCHEDULED AIRLINE**  
**FOR THE YEARS ENDED JUNE 30, 2015 - 2024**  
**(unaudited)**

Scheduled Airline	2015			2016			2017		
	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change
Alaska / Horizon Air	178,579	11%	43%	204,286	11%	14%	226,117	12%	11%
Allegiant Air	20,061	1%	-7%	19,047	1%	-5%	31,504	2%	65%
American	221,434	13%	6%	385,363	22%	74%	370,451	19%	-4%
Delta	119,649	7%	-6%	128,189	7%	7%	136,418	7%	6%
Frontier	-	0%	N/A	165	0%	N/A	-	0%	-100%
JetBlue Airways	3,346	0%	N/A	41,143	2%	1130%	77,686	4%	89%
Southwest	734,786	44%	-10%	763,006	43%	4%	816,323	43%	7%
United	214,864	13%	0%	216,996	12%	1%	226,272	12%	4%
US Airways (America West)	154,331	9%	7%	-	0%	-100%	-	0%	N/A
Volaris	6,959	0%	N/A	17,070	1%	145%	20,966	1%	23%
Other	2,284	0%	30%	3,346	0%	46%	3,450	0%	3%
	1,656,293	100%	0%	1,778,611	100%	7%	1,909,187	100%	7%

Rounding errors may occur.

Continued

**RENO-TAHOE AIRPORT AUTHORITY**  
**RENO-TAHOE INTERNATIONAL AIRPORT**  
**ENPLANEMENTS AND MARKET SHARE BY SCHEDULED AIRLINE**  
**FOR THE YEARS ENDED JUNE 30, 2015 - 2024**  
**(unaudited)**

Scheduled Airline	2018			2019			2020		
	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change
Alaska / Horizon Air	212,427	10%	-6%	208,312	10%	-2%	172,563	10%	-17%
Allegiant Air	30,663	1%	-3%	41,681	2%	36%	35,224	2%	-15%
American	383,996	19%	4%	384,766	18%	0%	347,656	21%	-10%
Delta	152,435	7%	12%	165,441	8%	9%	128,574	8%	-22%
Frontier	18,271	1%	N/A	26,709	1%	46%	19,390	1%	-27%
JetBlue Airways	80,494	4%	4%	78,164	4%	-3%	52,825	3%	-32%
Southwest	901,470	44%	10%	909,515	42%	1%	658,668	39%	-28%
United	265,271	13%	17%	311,716	15%	18%	253,093	15%	-19%
US Airways (America West)	-	0%	N/A	-	0%	N/A	-	0%	N/A
Volaris	17,234	1%	-18%	19,819	1%	15%	19,937	1%	1%
Other	2,707	0%	-22%	3,636	0%	34%	2,241	0%	-38%
	2,064,968	100%	8%	2,149,759	100%	4%	1,690,171	100%	-21%

Continued

**RENO-TAHOE AIRPORT AUTHORITY  
RENO-TAHOE INTERNATIONAL AIRPORT  
ENPLANEMENTS AND MARKET SHARE BY SCHEDULED AIRLINE  
FOR THE YEARS ENDED JUNE 30, 2015 - 2024  
(unaudited)**

Scheduled Airline	2021			2022			2023			2024		
	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change
Alaska / Horizon Air	120,292	10%	-30%	198,399	10%	65%	159,114	7%	-20%	175,632	7%	10%
Allegiant Air	29,316	2%	-17%	33,008	2%	13%	15,217	1%	-54%	6,753	0%	-56%
American	246,791	20%	-29%	362,636	17%	47%	347,443	16%	-4%	360,812	15%	4%
Delta	131,351	11%	2%	214,794	10%	64%	202,408	9%	-6%	204,510	9%	1%
Frontier	24,976	2%	29%	33,071	2%	32%	14,980	1%	-55%	-	0%	-100%
JetBlue Airways	16,084	1%	-70%	55,472	3%	245%	51,088	2%	-8%	48,845	2%	-4%
Southwest	460,904	37%	-30%	833,339	40%	81%	962,448	43%	15%	989,616	42%	3%
United	175,966	14%	-30%	294,366	14%	67%	331,495	15%	13%	366,528	16%	11%
US Airways (America West)	-	0%	N/A	-	0%	N/A	-	0%	N/A	-	0%	N/A
Volaris	18,207	1%	-9%	26,785	1%	47%	32,508	1%	21%	36,538	2%	12%
Other	7,729	1%	245%	27,948	1%	262%	112,553	5%	303%	155,614	7%	38%
	1,231,616	100%	-27%	2,079,818	100%	69%	2,229,254	100%	7%	2,344,848	100%	5%

**RENO-TAHOE AIRPORT AUTHORITY  
RENO-TAHOE INTERNATIONAL AIRPORT  
OPERATIONAL STATISTICAL SUMMARY  
FOR THE YEARS ENDED JUNE 30, 2015 - 2024  
(unaudited)**

Year	Enplanements	Airport Growth	Landed Weights	Airport Growth	Air Carrier Operations	Airport Growth
2024	2,344,848	5.2%	3,225,057	4.0%	47,707	8.9%
2023	2,229,254	7.2%	3,100,328	0.7%	43,791	-2.5%
2022	2,079,807	68.9%	3,077,335	28.0%	44,896	24.8%
2021	1,231,616	-27.1%	2,403,819	-13.8%	35,962	-14.0%
2020	1,690,171	-21.4%	2,789,987	-8.2%	41,797	-12.9%
2019	2,149,759	4.1%	3,039,273	6.3%	47,970	-0.7%
2018	2,064,968	8.2%	2,859,499	1.8%	48,303	11.4%
2017	1,909,187	7.3%	2,808,680	8.0%	43,347	9.5%
2016	1,778,611	7.4%	2,599,963	8.8%	39,579	9.6%
2015	1,656,293	-0.1%	2,390,031	0.1%	36,122	4.1%

**RENO-TAHOE AIRPORT AUTHORITY**  
**RENO-TAHOE INTERNATIONAL AIRPORT**  
**LANDED WEIGHTS AND MARKET SHARE BY SCHEDULED AIRLINE**  
**FOR THE YEARS ENDED JUNE 30, 2015 - 2024**  
**(unaudited)**

Scheduled Airline	2015			2016			2017		
	Landed Weights (000) lbs	Share	Percent Change	Landed Weights (000) lbs	Share	Percent Change	Landed Weights (000) lbs	Share	Percent Change
Alaska / Horizon Air	189,675	8%	68%	212,173	8%	12%	234,218	8%	10%
Allegiant Air	23,003	1%	201%	21,866	1%	-5%	36,073	1%	65%
American	233,599	10%	13%	441,718	17%	89%	409,575	15%	-7%
Delta	148,955	6%	-8%	144,923	6%	-3%	157,875	6%	9%
Frontier	-	0%	N/A	145	0%	N/A	-	0%	-100%
JetBlue Airways	3,555	0%	N/A	46,072	2%	1196%	87,084	3%	89%
Southwest	864,660	36%	-27%	873,884	34%	1%	983,684	35%	13%
Spirit Airlines	-	0%	N/A	-	0%	N/A	-	0%	N/A
Sun Country	2,046	0%	N/A	585	0%	-71%	1,102	0%	88%
United	235,831	10%	-1%	245,891	9%	4%	255,760	9%	4%
US Airways (America West)	199,824	8%	8%	-	0%	-100%	-	0%	N/A
Volaris	8,141	0%	N/A	19,612	1%	141%	23,234	1%	18%
Federal Express	290,218	12%	28%	329,884	13%	14%	339,683	12%	3%
United Parcel Service	168,878	7%	-1%	225,495	9%	34%	238,302	8%	6%
Other	21,646	1%	-16%	37,715	1%	74%	42,091	1%	12%
	<b>2,390,031</b>	<b>100%</b>	<b>-5%</b>	<b>2,599,963</b>	<b>100%</b>	<b>9%</b>	<b>2,808,680</b>	<b>100%</b>	<b>8%</b>

Continued

Rounding errors may occur.

**RENO-TAHOE AIRPORT AUTHORITY**  
**RENO-TAHOE INTERNATIONAL AIRPORT**  
**LANDED WEIGHTS AND MARKET SHARE BY SCHEDULED AIRLINE**  
**FOR THE YEARS ENDED JUNE 30, 2015 - 2024**  
**(unaudited)**

Scheduled Airline	2018			2019			2020		
	Landed Weights (000) lbs	Share	Percent Change	Landed Weights (000) lbs	Share	Percent Change	Landed Weights (000) lbs	Share	Percent Change
Alaska / Horizon Air	213,477	7%	-9%	237,323	8%	11%	220,316	8%	-7%
Allegiant Air	32,959	1%	-9%	43,831	1%	33%	40,800	1%	-7%
American	419,085	15%	2%	418,385	14%	0%	412,245	15%	-1%
Delta	168,798	6%	7%	180,568	6%	7%	165,634	6%	-8%
Frontier	19,339	1%	N/A	25,565	1%	32%	20,019	1%	-22%
JetBlue Airways	94,135	3%	8%	89,585	3%	-5%	70,163	3%	-22%
Southwest	1,066,311	37%	8%	1,052,732	35%	-1%	883,824	32%	-16%
Spirit Airlines	-	0%	N/A	-	0%	N/A	-	0%	N/A
Sun Country	1,102	0%	0%	844	0%	-23%	732	0%	-13%
United	307,621	11%	20%	353,941	12%	15%	317,803	11%	-10%
US Airways (America West)	-	0%	N/A	-	0%	N/A	-	0%	N/A
Volaris	17,752	1%	-24%	20,807	1%	17%	21,948	1%	5%
Federal Express	239,569	8%	-29%	279,851	9%	17%	273,322	10%	-2%
United Parcel Service	236,563	8%	-1%	287,723	9%	22%	316,735	11%	10%
Other	42,788	1%	2%	48,121	2%	12%	45,846	2%	-5%
	<b>2,859,499</b>	<b>100%</b>	<b>2%</b>	<b>3,039,273</b>	<b>100%</b>	<b>6%</b>	<b>2,789,387</b>	<b>100%</b>	<b>-8%</b>

Continued

**RENO-TAHOE AIRPORT AUTHORITY**  
**RENO-TAHOE INTERNATIONAL AIRPORT**  
**LANDED WEIGHTS AND MARKET SHARE BY SCHEDULED AIRLINE**  
**FOR THE YEARS ENDED JUNE 30, 2015 - 2024**  
**(unaudited)**

Scheduled Airline	2021			2022			2023			2024		
	Landed Weights (000) lbs	Share	Percent Change	Landed Weights (000) lbs	Share	Percent Change	Landed Weights (000) lbs	Share	Percent Change	Landed Weights (000) lbs	Share	Percent Change
Alaska / Horizon Air	171,489	7%	-22%	226,813	7%	32%	176,654	6%	-22%	198,943	6%	13%
Allegiant Air	45,311	2%	11%	41,859	1%	-8%	16,404	1%	-61%	7,450	0%	-55%
American	334,152	14%	-19%	413,665	13%	24%	345,045	11%	-17%	370,349	11%	7%
Delta	241,266	10%	46%	252,886	8%	5%	219,842	7%	-13%	228,462	7%	4%
Frontier	30,273	1%	51%	34,922	1%	15%	16,244	1%	-53%	-	0%	-100%
JetBlue Airways	33,396	1%	-52%	80,321	3%	141%	65,445	2%	-19%	66,837	2%	2%
Southwest	626,539	26%	-29%	936,363	30%	49%	1,088,784	35%	16%	1,194,756	37%	10%
Spirit Airlines	-	0%	N/A	-	0%	N/A	92,493	3%	N/A	131,499	4%	42%
Sun Country	585	0%	-20%	5,559	0%	850%	29,406	1%	429%	36,282	1%	23%
United	241,228	10%	-24%	336,502	11%	39%	366,515	12%	9%	410,327	13%	12%
US Airways (America West)	-	0%	N/A	-	0%	N/A	-	0%	N/A	-	0%	N/A
Volaris	22,392	1%	2%	30,993	1%	38%	37,540	1%	21%	37,525	1%	0%
Federal Express	284,219	12%	4%	305,799	10%	8%	298,958	10%	-2%	273,597	8%	-8%
United Parcel Service	313,617	13%	-1%	314,538	10%	0%	292,066	9%	-7%	222,114	7%	-24%
Other	59,152	2%	29%	97,117	3%	64%	54,932	2%	-43%	46,916	1%	-15%
	<b>2,403,619</b>	<b>100%</b>	<b>-14%</b>	<b>3,077,337</b>	<b>100%</b>	<b>28%</b>	<b>3,100,328</b>	<b>100%</b>	<b>1%</b>	<b>3,225,057</b>	<b>100%</b>	<b>4%</b>



**RENO-TAHOE AIRPORT AUTHORITY  
CAPITAL ASSET INFORMATION  
AS OF JUNE 30, 2024  
(unaudited)**

**Reno-Tahoe International Airport**

Location: 2001 East Plumb Lane  
4 miles southeast of Downtown Reno  
Airport Code: RNO  
Elevation: 4,415 ft  
Area: 1,450 acres

Runways and Facilities:

Runway 17R/35L	11,002 x 150 ft
Runway 17L/35R	9,000 x 150 ft
Runway 8/26	6,102 x 150 ft

FAA staffs and operates one 24-hour Air Traffic Control Tower

**Reno Stead Airport**

Location: 11 miles northwest of Downtown Reno  
Elevation: 5,050 ft  
Area: 5,000 acres

Runways and Facilities:

Runway 08/26	7,608 x 150 ft
Runway 14/32	9,000 x 150 ft

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Created in 1977 by State Legislature  
Nine-member Board

**RENO-TAHOE AIRPORT AUTHORITY  
CAPITAL ASSET INFORMATION  
AS OF JUNE 30, 2015 - 2024  
(unaudited)**

	2024 (d)	2023 (d)	2022	2021	2020	2019	2018 (c)	2017 (b)	2016 (a)	2015	2014
Terminal Space - square feet											
Airlines	176,742	176,742	176,742	176,742	176,742	176,742	169,230	175,985	175,221	175,221	175,221
Ground Transportation	2,883	2,883	2,883	2,883	2,883	2,883	2,883	2,883	2,883	2,883	2,883
Concession Space	37,604	37,604	37,604	37,604	37,604	37,604	37,604	37,167	37,167	37,167	37,167
Public Areas	196,189	196,189	196,189	196,189	196,189	196,189	196,189	196,959	197,723	197,723	197,723
RTAA	44,885	44,885	44,885	44,885	44,885	44,885	52,397	45,309	45,309	45,309	45,309
Unfinished Areas	9,550	9,550	-	-	-	-	-	-	-	-	-
	<u>467,853</u>	<u>467,853</u>	<u>458,303</u>	<u>458,303</u>	<u>458,303</u>	<u>458,303</u>	<u>458,303</u>	<u>458,303</u>	<u>458,303</u>	<u>458,303</u>	<u>458,303</u>
Passenger Boarding Gates	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>
Parking - Number of Spaces											
Short -Term (b)	296	296	296	296	295	295	296	300	300	450	450
Long-Term	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,650	1,650	1,650	1,650
Surface Lot	1,462	1,462	1,462	1,462	1,469	1,462	1,462	1,532	1,532	1,532	1,532
	<u>3,388</u>	<u>3,388</u>	<u>3,388</u>	<u>3,388</u>	<u>3,394</u>	<u>3,387</u>	<u>3,388</u>	<u>3,482</u>	<u>3,482</u>	<u>3,632</u>	<u>3,632</u>
Cargo - square feet											
Building	67,500	67,500	67,500	67,500	67,500	67,500	67,500	67,500	67,500	67,500	67,500
Landside	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Airside	591,250	591,250	591,250	591,250	591,250	591,250	591,250	591,250	591,250	591,250	591,250
	<u>808,750</u>	<u>808,750</u>	<u>808,750</u>	<u>808,750</u>	<u>808,750</u>	<u>808,750</u>	<u>808,750</u>	<u>808,750</u>	<u>808,750</u>	<u>808,750</u>	<u>808,750</u>

(a) In 2016, the decrease in short-term parking spaces reflect the expansion of the rental car return area in the parking garage to accommodate increasing rental car activity

(b) In 2017, the increase in airline square footage reflects the installation of kiosks in the public queuing area

(c) In 2018, the decrease in parking spaces reflects a reconfiguration of the parking areas to maximize efficiency

(d) The ticketing hall expansion construction project was in progress as an unfinished area of the terminal building

Source: Terminal Square Footage - Financial Scenario Model FY 2024 Settlement -Terminal Rent Tak

# **COMPLIANCE SECTION**

# **FEDERAL AWARDS**

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Trustees  
Reno-Tahoe Airport Authority  
Reno, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Reno-Tahoe Airport Authority (the "Authority") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 27, 2024.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
Crowe LLP

Indianapolis, Indiana  
November 27, 2024

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR MAJOR FEDERAL  
PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Board of Trustees  
Reno-Tahoe Airport Authority  
Reno, Nevada

**Report on Compliance for Major Federal Program**

***Opinion on Major Federal Program***

We have audited the Reno-Tahoe Airport Authority's (the "Authority") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Authority's major federal program for the year ended June 30, 2024. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

***Basis for Opinion on Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contract or grant agreements applicable to the Authority's federal programs.

## **Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.



The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Crowe LLP*  
Crowe LLP

Indianapolis, Indiana  
November 27, 2024

**RENO-TAHOE AIRPORT AUTHORITY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2024**

DESCRIPTION OF PROJECT	PERCENT OF PARTICIPATION	ASSISTANCE LISTING NUMBER	FEDERAL PROJECT NUMBER	GRANT AMOUNT	REIMBURSEMENTS RECEIVED		REIMBURSEABLE EXPENSES		
					July 1, 2023 to June 30, 2024	Cumulative Thru June 30, 2024	July 1, 2023 to June 30, 2024	Cumulative Thru June 30, 2024	
<b>United States Department of Transportation</b>									
<b>Federal Aviation Administration</b>									
<b>Airport Improvement Program</b>									
<b>Construction</b>									
Reno Runway 16R-34L Reconstruction Phase 2	100.00%	20.106	3-32-0017-106	\$ 31,705,245	\$ 409,319	\$ 31,103,469	\$ -	\$ 31,103,469	
COVID-19 CARES Act Grant	100.00%	20.106	3-32-0017-107	30,957,866	7,392,523	30,957,866	6,984,850	30,957,866	
COVID-19 ARPA Act	100.00%	20.106	3-32-0017-112	16,653,997	4,231,370	8,993,560	4,196,144	9,000,041	
COVID-19 ARPA Concessions	100.00%	20.106	3-32-0017-114	1,852,390	-	1,852,390	79,854	1,828,274	
Twy B and GA Runup	93.75%	20.106	3-32-0017-115	8,149,937	3,929,439	3,929,439	7,646,177	7,646,177	
Airfield Signage Replacement	93.75%	20.106	3-32-0017-116	285,938	224,156	224,156	208,218	224,156	
Terminal Loop Road	93.75%	20.106	3-32-0017-117	3,589,000	2,365,095	2,365,095	3,028,257	3,028,257	
VALE Equipment	93.75%	20.106	3-32-0017-118	6,644,656	502,214	502,214	616,787	616,787	
Reconstruct Apron & Taxiway A	93.75%	20.106	3-32-0018-046	890,625	69,316	888,942	9,737	888,942	
Reconstruct Apron & Taxiway A	100.00%	20.106	3-32-0018-047	2,560,000	452,546	2,513,014	6,545	2,513,014	
Reconstruct Apron 1,150 SY	93.75%	20.106	3-32-0018-048	295,000	83,141	268,590	-	268,590	
Reconstruct Apron & Taxiway A	93.75%	20.106	3-32-0018-049	4,607,500	4,446,549	4,446,549	4,392,711	4,446,549	
Reconstruct Apron & Taxiway A	93.75%	20.106	3-32-0018-050	292,000	267,742	267,742	267,742	267,742	
				<u>108,484,154</u>	<u>24,373,410</u>	<u>88,313,026</u>	<u>27,437,022</u>	<u>92,789,864</u>	
<b>United States Department of Homeland Security</b>									
<b>Transportation Security Administration</b>									
<b>Aviation and Transportation Security Act</b>									
<b>Security</b>									
National Explosives Detection Canine Team Program	Fixed	97.072	70T02020T9NNCP474	681,750	50,500	380,750	50,500	580,750	
Law Enforcement Officer Reimbursement Agreement Program	Fixed	97.090	70T02021T6114N125	867,516	190,068	379,078	241,302	525,022	
				<u>1,549,266</u>	<u>240,568</u>	<u>759,828</u>	<u>291,802</u>	<u>1,105,772</u>	
				<u>\$ 110,033,420</u>	<u>\$ 24,613,978</u>	<u>\$ 89,072,854</u>	<u>\$ 27,728,824</u>	<u>\$ 93,895,636</u>	

See accompanying notes to Schedule of Expenditures of Federal Awards

**RENO-TAHOE AIRPORT AUTHORITY**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2024**

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**1. Basis of Presentation:**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Authority under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

**2. Summary of Significant Accounting Policies:**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**3. Indirect Cost Rate:**

The Authority has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**4. Special Tests and Provisions:**

Special tests and provisions for the Airport Improvement Program (AIP) include review of the Authority's policy for using airport revenue to determine whether all airport revenue is accounted for and used for the capital or operating costs of the airport.

**5. Subrecipients:**

The Authority did not have any federal awards that were passed through to subrecipients for the year ended June 30, 2024.

RENO-TAHOE AIRPORT AUTHORITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year ended June 30, 2024

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**Section 1 – Summary of Auditor’s Results**

***Financial Statements***

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?        Yes   X   No

Significant deficiencies identified not considered to be material weaknesses?        Yes   X   None Reported

Noncompliance material to financial statements noted?        Yes   X   No

***Federal Awards***

Internal Control over major programs:

Material weakness(es) identified?        Yes   X   No

Significant deficiency(ies) identified not considered to be material weaknesses?        Yes   X   None Reported

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?        Yes   X   No

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.106	Airport Improvement Program (including COVID-19 funding)

Dollar threshold used to distinguish between Type A and Type B programs: \$ 831,865

Auditee qualified as low-risk auditee?   X   Yes        No

**Section II – Financial Statement Findings**

None reported.

**Section III – Federal Award Findings and Questioned Costs**

None reported.

# **PASSENGER FACILITY CHARGES**

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO THE PASSENGER FACILITY  
CHARGE (PFC) PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE AND THE SCHEDULE OF PASSENGER  
FACILITY CHARGES COLLECTED AND EXPENDED

Board of Trustees  
Reno-Tahoe Airport Authority  
Reno, Nevada

### **Report on Compliance of Passenger Facility Charges**

#### ***Opinion on Passenger Facility Charge Program***

We have audited the Reno-Tahoe Airport Authority's (the "Authority") compliance with the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration ("Guide"), that could have a direct and material effect on its passenger facility charge program for the year ended June 30, 2024.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its passenger facility charge program for the year ended June 30, 2024.

#### ***Basis for Opinion on Passenger Facility Charge Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of the Guide. Our responsibilities under those standards and the Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the passenger facility charge program. Our audit does not provide a legal determination of the Authority's compliance with the Guide referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contract or grant agreements applicable to the Authority's passenger facility charge program.

## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of the passenger facility charge program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration. Accordingly, this report is not suitable for any other purpose.

## Report on Schedule of Expenditures of Passenger Facility Charges

We have audited the financial statements of the Authority as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated November 27, 2024, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying supplemental schedule of passenger facility charges collected and expended is presented for purposes of additional analysis as specified in the Guide and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedule of passenger facility charges collected and expended is fairly stated in all material respects, in relation to the basic financial statements as a whole.

  
Crowe LLP

Indianapolis, Indiana  
November 27, 2024



**RENO-TAHOE AIRPORT AUTHORITY  
 SUPPLEMENTARY SCHEDULE OF PASSENGER FACILITY CHARGES  
 COLLECTED AND EXPENDED  
 FOR THE YEAR ENDED JUNE 30, 2024**

Balance July 1, 2023	\$ 26,649,517
Collection of Passenger Facility Charges, July 1, 2023 through June 30, 2024	8,553,431
Interest earnings	589,207
Proceeds expended for Passenger Facility Charge Projects July 1, 2023 through June 30, 2024	<u>(11,890,610)</u>
Balance June 30, 2024	<u><u>\$ 23,901,545</u></u>

RENO-TAHOE AIRPORT AUTHORITY  
SCHEDULE OF PASSENGER FACILITY CHARGES FINDINGS AND QUESTIONED COSTS  
Year ended June 30, 2024

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**Summary of Auditor's Results**

We have issued an unmodified opinion, dated November 27, 2024 on the financial statements of the Reno-Tahoe Airport Authority as of and for the year ended June 30, 2024.

Our audit disclosed no material weaknesses or significant deficiencies that are considered to be material weaknesses in relation to internal control over financial reporting or internal control over the passenger facility charge program.

Our audit disclosed no instances of non-compliance which are material to the Reno-Tahoe Airport Authority's financial statements.

We have issued an unmodified opinion, dated November 27, 2024 on the Reno-Tahoe Airport Authority's compliance for the passenger facility charge program.

Our audit disclosed no findings required to be reported under the provisions of the Passenger Facility Charge Audit Guide for Public Agencies.

**Findings Relating to the Financial Statements**

Our audit disclosed no findings which are required to be reported in accordance with the Passenger Facility Charge Audit Guide for Public Agencies.

**Findings and Questioned Costs for the Passenger Facility Charge Program**

Our audit disclosed no findings or questioned costs for passenger facility charge program as defined by the Passenger Facility Charge Audit Guide for Public Agencies.

**SCHEDULE OF PRIOR AUDIT PASSENGER FACILITY CHARGES  
FINDINGS AND THEIR RESOLUTION**

The prior year's audit disclosed no findings required to be reported in accordance with the provisions of the Passenger Facility Charge Audit Guide for Public Agencies.



**Reno-Tahoe  
Airport  
Authority**

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