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Richard Jay, Vice Chair

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Shaun Carey, Alternate

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Randy Carlton, Chief Finance &  
Administration Officer



**PRESIDENT/CEO**

Daren Griffin, A.A.E.

**CHIEF LEGAL COUNSEL**

Ian Whitlock

**BOARD CLERK**

Lori Kolacek

**\*\*\* CANCELLATION NOTICE \*\*\***

**AGENDA**

**Finance & Business Development Committee**

**The Reno-Tahoe Airport Authority Finance & Business Development Committee  
Meeting scheduled for Tuesday, December 12, 2023 at 9:00 a.m. has been canceled.**

For informational purposes, the following documents are attached:

- [1.](#) Administrative Award of Contracts (Revenues) - November 2023
- [2.](#) Administrative Award of Contracts (Expenditures) - November 2023
- [3.](#) Financial Reporting Package - October 2023

# Administrative Report

**Date:** December 12, 2023

**Subject:** Administrative Award of Contracts (Revenues) Pursuant To Resolution No. 557  
for the Month of November 2023

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## BACKGROUND

At the July 14, 2022 meeting of the Board of Trustees of the Reno-Tahoe Airport Authority, the Board approved Resolution No. 557, recognizing the inherent authority of the President/CEO, or authorized representative to award revenue contracts except those that are, in combination, more than 5 years in Term, including options, and generate aggregate revenues of \$250,000 or more.

## DISCUSSION

Resolution No. 557 requires that the President/CEO provide the Board of Trustees with an administrative report setting forth a list of revenue contracts and associated options to extend approved administratively as a result of the resolution to be given to the Board on a monthly basis.

### November 2023

Date	Lessee	Property Address	Agreement Term	Contract Value	Portfolio
10/1/23	Prepango LLC Vending Package 1	Airport Terminal	Three Years	\$6,000 Minimum Annual Guarantee	Concessions
10/1/23	Prepango LLC Vending Package 3	Airport Terminal	Three Years	\$2,000 Minimum Annual Guarantee	Concessions
10/1/23	First Class Vending, Inc. Vending Package 2	Airport Terminal	Three Years	\$10,000 Minimum Annual Guarantee	Concessions
11/1/23	5 New Tenants	Mini Warehouse Park to Travel	Month to Month	\$625.00	Outside Properties
11/1/23	Use Permit Issued to IntelliWeather, Inc.	Near Riley Ave.	Month to Month	\$0.00	Outside Properties

# Administrative Report

**Date:** November 7, 2023

**Subject:** Administrative Award of Contracts (Expenditures) Pursuant to Resolution No. 557 - October 2023

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## BACKGROUND

At the July 14, 2022, Board of Trustees' Meeting of the Reno-Tahoe Airport Authority, the Board approved Resolution No. 557 authorizing the President/CEO to administratively award contracts for:

- budgeted professional services when the scope of work is \$200,000 or less, and to approve amendments where the sum of the total net of amendments per agreement does not to exceed \$50,000; and
- budgeted goods, materials, supplies, equipment, technical services, and maintenance contracts when the estimated amount to perform the contract, including all change orders, is \$250,000 or less; and
- budgeted construction contracts when the estimated amount to perform the work is \$500,000 or less, and approve change orders to construction contracts where the sum of the total net of change orders per contract does not exceed \$250,000; and
- budgeted Construction Management and Administration professional service agreements and amendments ("Work Order") where a single Work Order does not exceed \$250,000.

All construction contracts exceeding \$500,000 must be approved by the Board of Trustees, along with a request to establish an Owner's Contingency. Additionally, if the Board of Trustees originally approved the construction contract, any construction change order exceeding the sum of the total of the contract and Owner's Contingency must also be approved by the Board.

## DISCUSSION

Resolution No. 557 requires that the President/CEO provide the Board of Trustees with a monthly administrative report listing of all agreements and purchase orders in excess of \$25,000 and approved administratively as a result of this Resolution. Further, all change orders and amendments approved administratively as a result of this Resolution shall be included in a separate administrative report regardless of value.

**Agreements and POs in Excess of \$25,000**

<b>Date</b>	<b>Name of Company</b>	<b>Dollar Amount</b>	<b>Description</b>	<b>Funding Source</b>	<b>Department / Division</b>
09/26/23	Mead & Hunt, Inc.	\$98,450.00	A fixed fee PSA was issued for Air Service Consulting Services for FY24 which includes \$9,300.00 for per diem, if needed.	FY24 O&M	Air Service Development
10/02/23	Halliday Technologies, Inc.	\$122,690.14	A PO was issued for a sole source purchase for a friction meter to include all the components, shipping, installation and training costs.	FY24 Fixed Asset	Airside Operations
10/04/23	Zion Builders, Inc.	\$38,472.00	A Contract was let for the canopy for the operations office remodel project. There was an informal bidding process whereby other bidders were solicited but it was determined that this was a sole source contract due to the nature of the design/build process of the canopy.	FY23 CIP	Engineering & Construction
10/10/23	Intermountain Electric, Inc.	\$95,995.00	An Emergency Contract was let for the Concourse Feeder Replacement. This was publicly announced per NRS at the October 12 <sup>th</sup> Board Meeting.	FY23 O&M	Facilities & Maintenance
10/13/23	Q & D Construction, Inc.	\$336,432.00	A formal bid, ITB #23/24-08, was issued for the Automated Exit Lanes Project, and Q&D was the lowest, most responsive and responsible bidder.	FY24 CIP	Engineering & Construction
10/16/23	Big Valley Ford, Inc.	\$54,975.00	A PO was issued for a 2023 Ford F-350 to house the friction meter.	FY24 Fixed Asset	Airside Operations
10/17/23	Lexisnexis	\$30,000.00	A PO was issued for an annual subscription renewal for Diio to provide on-time monthly and annual airline and airport performance reports.	FY24 O&M	Air Service Development
10/18/23	Q & D Construction, Inc.	\$36,440.00	An informal bid was issued for emergency repair work for the Concourse Feeder Replacement. The other 2 bidders were Sierra Nevada Construction and Granite Construction, with Q&D being the lowest, most responsive and responsible bidder.	FY23 O&M	Facilities & Maintenance
10/18/23	Construction Materials Engineering (CME)	\$65,690.00	A PSA was issued for the Work Order associated with the Automated Exit Lanes Project for Construction Management Services.	FY24 CIP	Engineering & Construction
10/30/23	Graymar Environmental Services, Inc.	\$44,240.00	A PO was issued after 3 informal quotes were solicited for maintenance work (NRS 332 only requires 2) on the sand/oil separator.	FY24 O&M	Airfield Maintenance

## Change Orders and Amendments

Date	Name of Company	Dollar Amount	Description	Funding Source	Department / Division
08/16/23	Barich, Inc.	\$25,000.00	Amendment #2 for CUPPS project for additional scope of work. Total PSA, including this amendment = \$100,000.00. The Board originally approved the overall budget for this project, and the project remains within budget.	FY23 CIP	Technology & Information Systems
09/26/23	Q&D Construction, LLC	\$5,926.00	CO#3 for the CUPPS podium installation contract for additional scope of work related to relocation of millwork (attached). Contract total, including this CO = \$281,443.00.	FY23 CIP	Engineering & Construction
09/28/23	Reyman Brothers Construction, Inc.	\$4,698.38	CO#7 for the Airfield Admin & Airport Operations Admin Office Remodel Project for additional scope of work pertaining to electrical (attached). Contract total, including this CO = \$1,680,696.63.	FY23 CIP	Engineering & Construction
09/26/23	Q&D Construction, LLC	\$7,512.92	CO#1 for the emergency repair work to the QTA for additional scope of work related to patch and pave existing PCC (attached). Contract total, including this CO = \$32,512.92.	FY23 CIP	Business Development

**Key to abbreviations:**

AIP = Airport Improvement Project  
CIP = Capital Improvement Program  
CFC = Customer Facility Charge

CO = Change Order  
NTE = Not to Exceed  
PFC = Passenger Facility Charge

WO = Construction Mgmt Work Order  
PO = Purchase Order  
PSA = Professional Service Agreement

**CHANGE  
ORDER****Distribution to:**

RTAA PURCHASING	<input checked="" type="checkbox"/>
PM	<input checked="" type="checkbox"/>
CM	<input checked="" type="checkbox"/>
ENGINEER	<input type="checkbox"/>
CONTRACTOR	<input checked="" type="checkbox"/>
FAA	<input type="checkbox"/>

**Reno-Tahoe Airport Authority**

Reno-Tahoe International Airport  
Reno-Stead Airport  
Box 12490  
Reno, NV 89510



Project: Airside Pavement Maintenance Project 2023  
Solicitation #: 23/24-09

Change Order Number 01  
Change Order Initiation Date: September 26, 2023  
Original Contract Date: September 6, 2023

To: Intermountain Slurry Seal  
1120 Terminal Way  
Reno, Nevada 89502

**You are directed to make the following changes in the Contract:**

The following change shall be made to the Base Bid Schedule of Values:

Bid Item P-626-1 Emulsified Asphalt for Slurry Coat.

- Increase by an Additional 7,260 SY for Taxiway Alpha Shoulders (7,260 SY at \$3.50) \$25,410.00

**All other terms, conditions, and requirements not modified herein remain unchanged.**

Not valid until signed by ALL parties. Execution of this Change Order by both Owner and Contractor constitutes a binding agreement and serves as a full accord and satisfaction of any claim, demand, lien, stop notice or further request for compensation, past or present, known or unknown, and/or time extension arising out of or by virtue of the work described above in the Change Order. Contractor's signature indicates agreement herewith, including any adjustments in the Contract Sum or Contract Time.

The Original Contract Sum was.....	\$337,230.00
Net Changes by Previously Authorized Change Orders .....	\$0.00
Net Changes by Previously Authorized Contingency Change Orders .....	\$0.00
The Revised Contract Sum Prior to this Change Order was .....	\$337,230.00
The Contract Sum will be <b>increased</b> by this Change Order.	\$25,410.00
The new Contract Sum, including this Change Order will be .....	\$362,640.00

The Contract Completion date prior to this Change Order was October 9, 2023.

The Contract Time will be **increased** by two (2) calendar days.

The Contract completion date, as of the date of this Change Order, therefore is October 11, 2023.

**Authorized By:****CME, INC.**

Construction Manager  
300 Sierra Manor Drive, Suite 1  
Reno, NV 89511

By: Joe Mamola

10/16/23

Date

**Reno-Tahoe Airport Authority**

Engineer/Architect  
P.O. Box 12490  
Reno, NV 89510

By: Bryce Juzek

October 18, 2023

Date

**Intermountain Slurry Seal**

Contractor  
1120 Terminal Way  
Reno, NV 89502

By: Shawn St. Jacques

October 18, 2023

Date

**Reno-Tahoe Airport Authority**

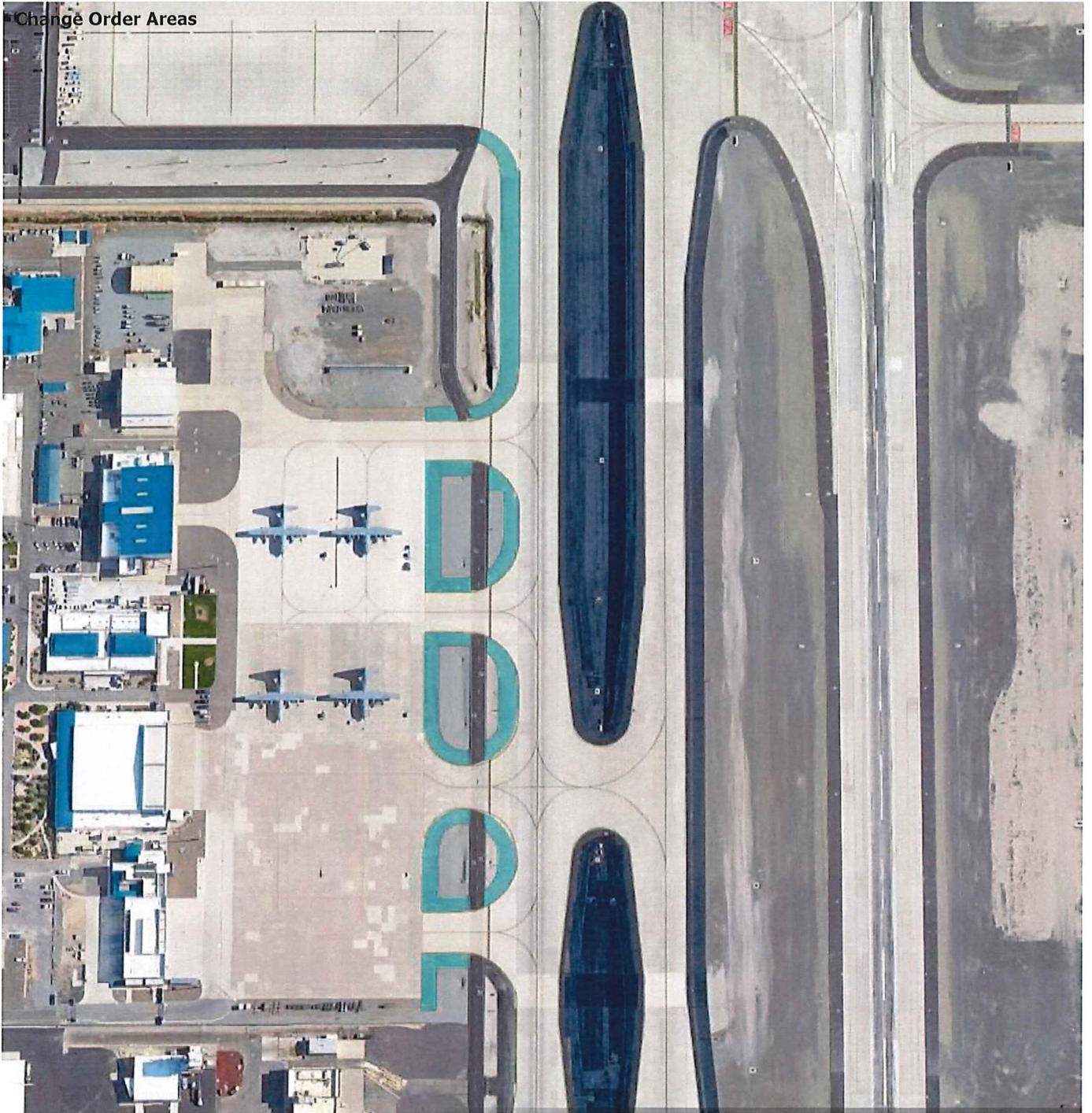
Owner  
P.O. Box 12490  
Reno, NV 89510

By: Jackie Borman

Date



Change Order Areas





# Administrative Report

**Date:** December 12, 2023

**Subject:** Financial Reporting Package – October 2023

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## EXECUTIVE SUMMARY

Attached is the Financial Reporting Package for the four-month period ending October 31, 2023, of fiscal year (FY) 2023-24. The package includes a high-level summary of total revenue and expenses, followed by a more detailed discussion of key metrics.

In October, the US equity markets experienced a continued downturn, concluding the third quarter of the calendar year in the red. The Dow recorded a 1.3% decline, the S&P 500 showed a 2.1% decrease, and the NASDAQ finished October 2023 down by 2.8%. The Consumer Price Index (CPI) for October 2023 remained steady at 0.4% compared to September 2023 and increased by 3.2% over the previous 12 months. The Federal Reserve maintained the interest rates at 5.50%, with no changes in October 2023, there is a potential indication that the Federal Reserves might keep the rate hike steady through the end of 2023, considering the cooling of inflation in October 2023 year-over-year. The national unemployment rate slightly increased to 3.9% up from 3.8% the prior month, and 0.2% higher than October 2022.

Passenger traffic at RNO was forecasted to continue its upward trend in FY 2023-24, expected to reach 2.497 million enplaned passengers. This represents a 12% increase from the prior fiscal year and marks the highest passenger forecast since FY 2006-07. While demand for travel in the Reno-Tahoe region remains strong, passenger airlines are adapting their schedules to align with pilot and aircraft availability, leading to a reduction in flight frequency in favor of larger aircraft and a potential for high load factors. In October 2023, RNO was served by 11 passenger airlines offering non-stop service to 20 destinations. Enplanements were 197,692, a decrease of 2.3% compared to the budget forecast and an increase of 2.4% from October 2022. Total enplanements for the four-month period ending October 31, 2023, reached 845,329, an increase of 0.3% compared to the budget forecast and 5.3% year-over-year. Total landed weight was 5.5% lower than the budget forecast for both passenger and cargo airlines.

In terms of the federal stimulus, the Coronavirus Aid, Relief, and Economic Security Act (CARES) and American Rescue Plan Act (ARPA) are expected to provide \$1.160 million in funding for FY 2023-24. Of the total, \$860,100 is allocated for debt service, while \$300,000 is allocated to pay a portion of operating and maintaining the Airfield cost center and reduce landing fee rates. These funds are categorized as non-operating revenues.

To enhance tracking of actual results as compared to budget, adjustments are incorporated into the budget for both revenues and expenses, taking into account seasonal variations associated with passenger and aircraft activity. Revenues are adjusted to reflect changes in activity during peak months, including landing fees, public parking, and concessions. Other seasonal adjustments account for specific utility costs and special events. The balance of budgeted operating expenses assumes a uniform distribution, with one twelfth of the operating expense budget allocated to each month.



	YEAR TO DATE as of October 31, 2023 (In Thousands)						
	Actual Results				33.3% Of Fiscal Year		
	CURRENT YEAR	PRIOR YEAR	VARIANCE		Y-T-D BUDGET	VARIANCE	
			\$	%		\$	%
<b>Operating Revenue</b>							
Airline	\$ 8,464	\$ 6,666	\$ 1,798	27.0%	\$ 8,675	\$ (211)	-2.4%
Non-Airline	18,131	15,616	2,515	16.1%	17,232	899	5.2%
<b>Total Operating Revenue</b>	<b>26,595</b>	<b>22,282</b>	<b>4,313</b>	<b>19.4%</b>	<b>25,907</b>	<b>689</b>	<b>2.7%</b>
<b>Operating Expenses</b>	(19,151)	(16,984)	(2,167)	12.8%	(22,058)	2,907	-13.2%
<b>Net Operating Income</b>	7,444	5,298	2,146	40.5%	3,848	3,595	93.4%
<b>Non-Operating Income (Expense)*</b>	9,638	7,555	2,083	27.6%	6,815	2,823	41.4%
<b>Net Income Before Depreciation</b>	<b>17,081</b>	<b>12,853</b>	<b>4,229</b>	<b>32.9%</b>	<b>10,664</b>	<b>6,418</b>	<b>60.2%</b>

\* Includes Federal Stimulus funds

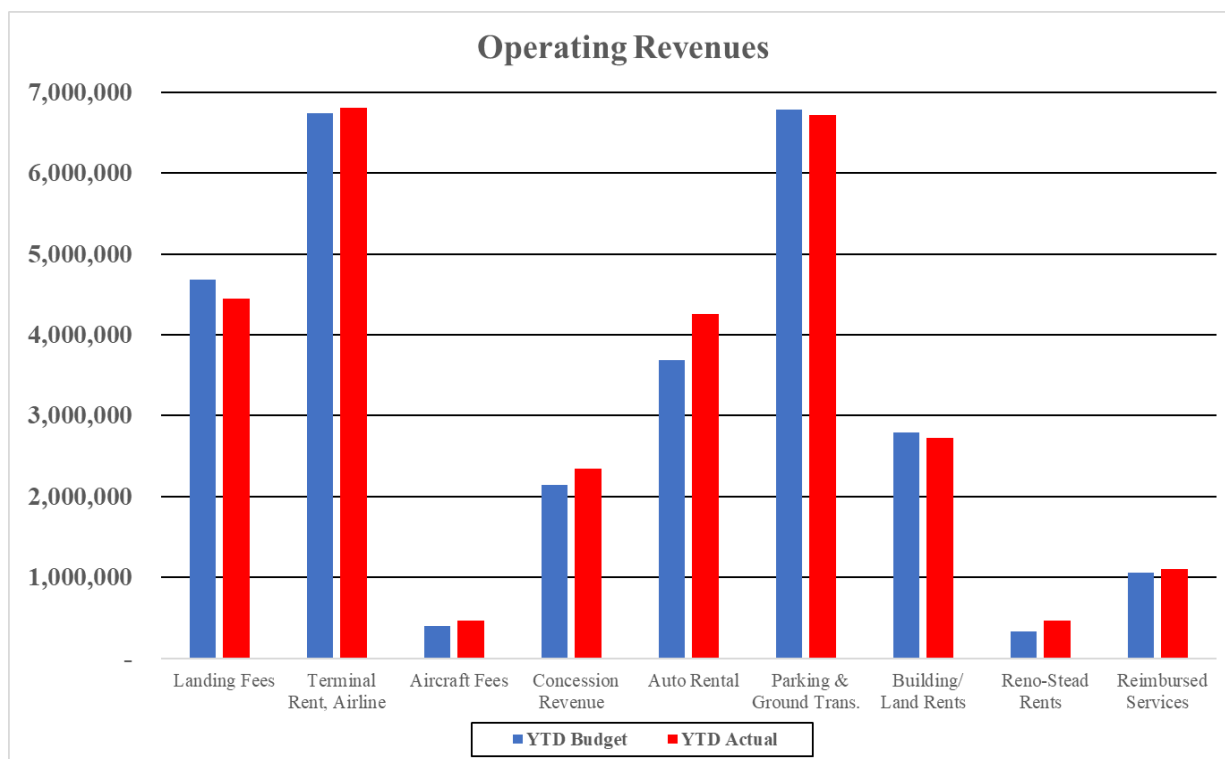
Based on actual results through October 31, 2023, net income before depreciation was approximately \$17.081 million, reflecting a substantial increase of \$6.418 million or 60.2% from the budget forecast. This noteworthy surge is primarily attributed to operating expenses being \$2.907 million or 13.2% below budget, coupled with non-operating income surpassing expectations by \$2.823 million or 41.4% above budget.

Non-operating revenues include \$1.609 million of federal stimulus funds (CARES, ARPA) through October 2023. RTAA received approximately \$1.539 million federal stimulus funds specifically allocated for debt service expense reimbursement, covering interest, access fee, and principal. Additionally, \$70,000 from ARPA funds was recognized as part of the national airport concessionaire recovery program. RTAA continues to distribute these funds in FY 2023-24 to qualifying in-terminal concessionaires. The disbursement of ARPA funds was facilitated by the Federal Aviation Administration (FAA) in response to reimbursement requests submitted by RTAA. Furthermore, non-airline operating revenues exceeded budget expectations by \$899,100 or 5.2% above budget, contributing to the overall positive net results.

## OPERATING REVENUES

RTAA's total operating revenues of \$26.595 million are approximately \$688,500 or 2.7% above budget through October 2023 and \$4.313 million or 19.4% above actual results compared to prior FY. The notable increase in relation to the budget is primarily attributed to higher revenues of \$533,400 from the auto rental operations.

The chart below reflects actual operating revenues for the fiscal year as compared to the budget amount.



## AIRLINE REVENUES

Airline revenues are collected in accordance with prescribed rates and charges as specified by formulas in RTAA's new Airline-Airport Use and Lease Agreement (AAULA) with the signatory airlines, effective from July 1, 2023, to June 30, 2033. The new AAULA remains hybrid in nature, with a complete recoupment of net Airfield cost center operating, maintenance, debt service, amortization, and capital improvement costs through landing fees from the airlines, and the airlines only pay for the space they use in the terminal building.

Under the new agreement, a 15% landing fee premium is imposed on non-signatory airlines. Other significant changes in the terminal rental rate calculation include the use of airline rentable space instead of total rentable space. Furthermore, in-terminal concession revenues are now credited to the Terminal cost center, reducing the terminal rate for all passenger airlines.

A notable shift in revenue-sharing methodology involves the distribution to signatory passenger airlines on a per enplaned passenger basis, as opposed to being applied as a credit to the Terminal Net Requirement. This revised approach to revenue-sharing aims to incentivize air service at RNO by tying the revenue share amount to the number of enplaned passengers. The total revenue share credit of \$2.793 million (\$3.70 per enplaned passenger), exceeded the FY2023-24 budgeted by \$43,400, or 1.6%. This was attributable to higher enplaned passengers reported by signatory airlines. Signatory airlines have the flexibility to use the revenue share credit to cover rates and charges.

### Landing Fees

The formula for calculating landing fees consists of 100% cost recovery of Airfield related operating costs, capital improvement costs, debt service, amortization, and other charges. These costs are mitigated by Airfield derived revenues and non-signatory landing fees. Landing fees were budgeted and collected at

\$3.99 per 1,000 lbs. of landed weight for signatory airlines and \$4.59 for non-signatory airlines. Based on actual results for the four-month period ending October 31, 2023, the calculated signatory landing fee per 1,000 lbs. was \$3.71. This reduction is primarily due to lower operating expenses in the Airfield cost center. Total landing fee revenues were \$4.450 million, approximately \$235,900 or 5.0% below the adopted budget. The decrease is a result of lower landed weight reported by Alaska, Allegiant, Delta, JetBlue, Spirit, Southwest, Volaris, FedEx, and UPS, partially offset by higher landed weight reported by American, United, and Sun Country Airlines. While below budget, landed weight reported through October 31, 2023, was 1.5% above the same period in FY 2022-23.

### Airline Terminal Rents

Airline terminal rents are determined by the recovery of all Terminal costs, including operating and maintenance, capital improvement, debt service, and amortization. This cost is divided by the square footage of the airline rentable space in the terminal building. The Terminal requirement is partially offset by in-terminal concession revenues, a 50% share of gaming revenues, and reimbursed services. The budgeted average rental rate is \$142.44 per square foot per annum (PSFPA). Based on the actual results for the four-month period ending October 31, 2023, the calculated average terminal rental rate was \$118.82. This decrease is primarily due to the 11.9% reduction in costs in the Terminal cost center and higher in-terminal non-airline revenues. Actual airline terminal rental revenues were \$6.807 million through October 2023, surpassing the budget by approximately \$68,700 or 1.0%. This positive variance is mainly due to the higher than anticipated per-turn fees.

## **NON-AIRLINE REVENUES**

Non-airline operating revenues play a crucial role in supporting RTAA's operating costs outside of airline-affiliated operations. While airline revenues are calculated and collected as cost recovery for airline affiliated operations, non-airline operating revenues are essential to fund internal operations, equipment acquisitions, and capital improvement projects that are not directly associated with airline operations. Non-airline operating revenues are primarily comprised of terminal and rental car concession revenues, public parking, building/land rents, and reimbursement of RTAA provided services. Based on actual results for the four-month period ending October 31, 2023, non-airline operating revenues, adjusted by the ARPA allocation of approximately \$70,000, totaled \$18.131 million. This represents a significant increase of \$899,100 or 5.2% compared to budget. The ARPA fund distribution to concessionaires operating at RNO does not impact the total cash received by RTAA.

During the initial four months of FY 2023-24, most concessionaires exceeded their minimum annual guarantees (MAGs). This overperformance can be attributed primarily to the increase in gross sales and passenger traffic compared to the same period in the prior fiscal year. Notably, the auto rental concession revenues surpassed the budget by \$533,400 or 14.5% increase above budget, as more passengers rented cars than anticipated in the forecast.

Reno-Stead Airport (RTS) rents outperformed budget by \$134,500 due to the option payments received from Dermody Properties. Additionally, revenues received from FBOs and ground handlers at RNO totaled \$111,700, reflecting a higher than anticipated level of business activity. On the other hand, despite the increase of the short-term parking rates effective July 1, 2023, the parking revenues fell short of the budget totaling \$118,200, or a decrease of 1.8%, but still exceeded the same period in the previous fiscal year by \$272,800 or 4.5%. The underperformance in parking revenues is directly related to increased activity reported by the transportation network companies. Ground transportation revenues outperformed the budget by \$57,500. Parking revenue per enplaned passenger decreased by 1.0% from \$7.39 to \$7.32 when compared to the same period in prior FY. Short-term parking rates have increased effective July 1, 2023.

Reno-Tahoe land rental revenues are \$190,500 below budget through October 2023. This shortfall is contributed to the delayed commencement of rent for the Toles commercial development.

## NON-OPERATING REVENUES

Non-Operating revenues reached \$9.638 million, exceeding the budget by approximately \$2.823 million or 41.4% based on actual results for the period ending October 31, 2023. This revenue category is primarily comprised of Customer Facility Charges (CFCs) associated with the rental car activity, Passenger Facility Charges (PFCs), federal stimulus funds (CARES, ARPA), interest income, and aviation fuel tax. Federal stimulus funds are recorded as non-operating revenues when funds are received from the FAA.

RTAA received \$1.539 million from federal stimulus funds for debt service expense through October 2023. Additionally, approximately \$70,000 ARPA funds were distributed to concessionaires. CFC collections, interest income, and PFCs collectively surpassed the budget forecast by approximately \$1.301 million.

CFCs were increased from \$6.50 to \$9.00 per transaction day effective September 1, 2023. Due to the operating procedures of the car rental companies. Reservations made prior to the announcement of the new CFC rates are quoted and collected at the previous rates. The rate increase was not factored into the adopted budget forecast, and the additional revenue generated will be evaluated during the mid-year process.

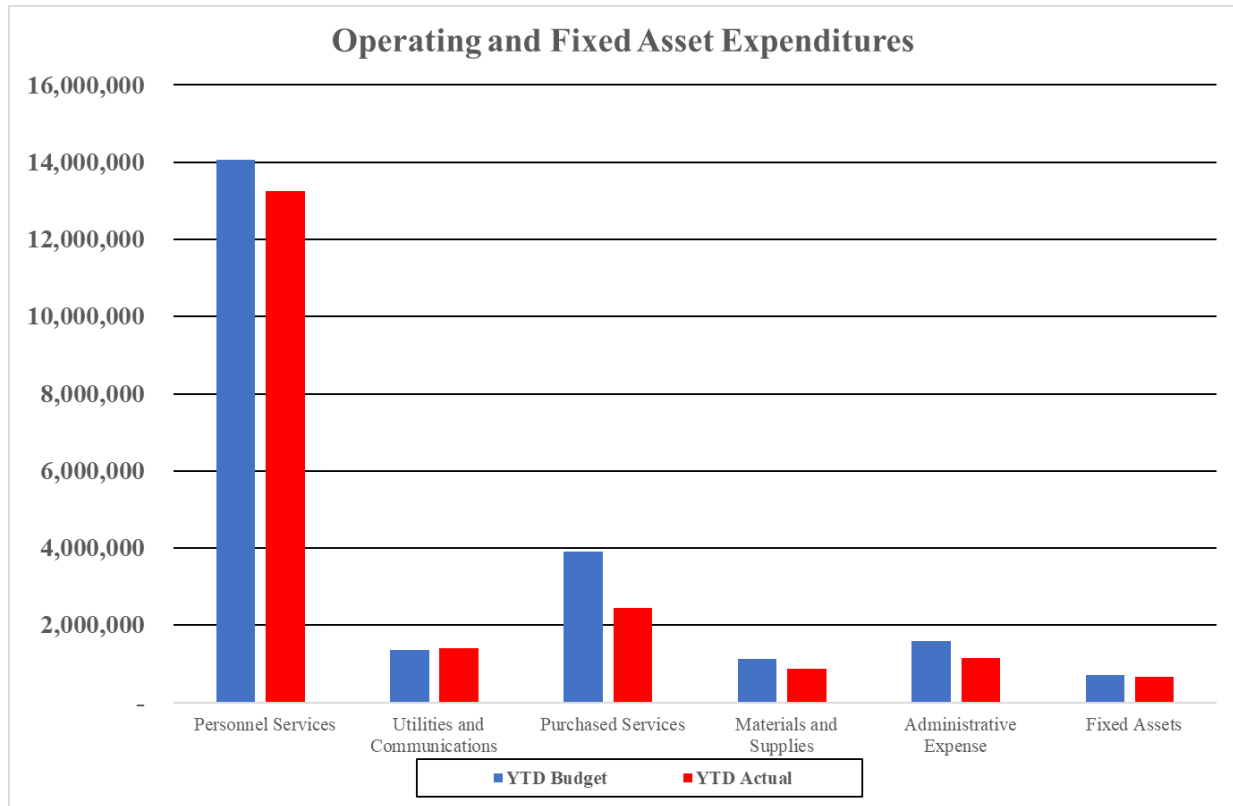
FY 2023-24 CFC revenues through October 2023, were \$1.102 million or 38.2% greater than same period in prior fiscal year and \$754,000 or 23.3% above budget primarily due to the higher per enplanement rental car transactions, increased passenger numbers, and the rate increase in September 2023.

PFC revenues are collected by airlines from ticket sales at \$4.50 per enplaned passenger, with RTAA receiving a net of \$4.39 after a \$0.11 administration fee. PFC collections are reflected as revenue when the cash is received, resulting in some months appearing to be over collecting and others under collecting due to timing. PFC revenues were \$282,700, exceeding the same period in the prior year by 9.6%, and surpassing the budget by \$94,100 or 3.0%. This difference is primarily attributed to the timing of cash received and increased passenger volume. It's worth noting that PFCs are collected by airlines at the time of ticket sales, resulting in revenues not precisely aligning with actual passenger traffic in any period.

## OPERATING EXPENSES

Based on actual results for the period ending October 31, 2023, operating expenses of \$19.151 million, were \$2.907 million or 13.2% below budget, and \$2.167 million or 12.8% above the same period in prior FY. Operating expenses are grouped into five categories: Personnel Services, Utilities and Communications, Purchased Services, Materials and Supplies and Administrative expenses. All categories were below budget, except for Utilities and Communications. The notable savings were mainly in the Purchased Services category due to the numerous studies and contracted services not started in the first four months of FY 2023-24.

The below-budget results in Personnel Services were primarily due to vacancy savings through October 2023. Utilities and Communication expenses exceeded the budget primarily due to higher cost of communications and natural gas.



## DEBT SERVICE

On July 14, 2022, the Board approved a \$50 million non-revolving credit agreement with Wells Fargo Bank to provide short-term financing for RTAA's capital program. The funds may be drawn in any amount not to exceed \$50 million. As of October 2023, a total of \$20.501 million has been drawn, leaving a balance of \$29.499 million available for future RTAA capital financing needs. Repayment of a portion of the drawn funds, along with interest and fees, is currently being repaid from federal stimulus funds. \$9.377 million was the outstanding debt balance as of October 2023 and is associated with the Ticketing Hall Expansion project.

## KEY BENCHMARKS

The following are key benchmarks and ratios used to measure financial activities and monitor the financial health and condition of RTAA:

Key Statistics / Benchmarks	YEAR TO DATE (October 31, 2023)						
					33.3% Of Fiscal Year		
	CURRENT YEAR	PRIOR YEAR	VARIANCE	%	Y-T-D BUDGET	VARIANCE	%
Enplaned Passengers	845,329	802,633	42,696	5.3%	842,629	2,700	0.3%
Airline Cost Per Enplaned Passenger	\$ 8.53	\$ 5.84	\$ 2.69	46.1%	\$ 9.55	(1.02)	-10.6%
Non-Airline Revenues per EPAX (a)	\$ 20.11	\$ 19.43	\$ 0.68	3.5%	\$ 19.20	0.92	4.8%
Operating Ratio	72.0%	76.2%	-4.2%	-5.5%	85.1%	-13.1%	-15.4%
Days Cash On Hand	429	460	(30.1)	-6.6%	483	(53.5)	-11.1%
Federal Stimulus	\$ 1,608,810	\$ 1,362,141	\$ 246,669	18.1%	\$ 386,698	1,222,112	316.0%

(a) Excludes cost reimbursement for the Baggage Handling System (BHS) paid by the airlines.



### Enplaned Passengers

Enplaned passengers for the first four months of FY 2023-24 reached 845,329, 5.3% increase compared to the corresponding period in prior fiscal year and surpassing the budget forecast by 0.3%. Despite reported underperformance in the landed weight by passenger airlines, the passenger traffic has exceeded expectation, primarily due to the higher-than-anticipated load factor observed through October 2023. Enplaned passengers are critical to non-airline revenues, such as public parking, rental car concessions, food and beverage concessions, gaming, etc.

### Airline Cost per Enplaned Passenger (CPE)

This ratio represents airline payments for use of airport facilities including landing fees, terminal rents, and baggage handling systems, in accordance with the adopted rates and charges methodology as outlined in the new airline lease agreement. RTAA targets to maintain a reasonable cost structure for airlines operating at RNO to attract and maintain air service to our community. With operating expenses running 13.2% below budget, together with higher passenger traffic, and the \$3.70 revenue share credit per enplaned passenger, the signatory airline CPE is estimated to be \$8.53 as compared to the FY 2023-24 budget of \$9.55.

### Non-Airline Revenue per Enplaned Passenger

This ratio represents operating revenues derived from sources other than the airlines, divided by enplaned passengers for the fiscal year. It measures operating revenue capacity from various sources including terminal rents, rental car concession fees, public parking, and land and building rents from non-airline facilities at both airports. Based on actual results for the first four months of FY 2023-24, the non-airline revenue per enplaned passenger was \$20.11, exceeding the budget by \$0.92. This increase is primarily due to higher revenues from auto rentals, space rents, and other in-terminal concession revenues.

### Operating Ratio

The Operating Ratio is calculated by dividing operating and maintenance expenses by total operating revenues. This ratio indicates whether the level of operating expenses as a proportion of operating revenues are consistent and tracking with the approved expenditures and revenues adopted in the budget. Generally, a lower ratio of expenses to revenues is positive since it reflects an improvement in the net operating revenues available to pay debt service and generate additional cash flow. Based on the first four months of FY 2023-24, the operating ratio was 72.0% as compared to the higher ratio in the prior year of 76.2%, and the adopted budget of 85.1%. These results compared to the budget reflect the lower operating expenses and higher operating revenues through October 2023.

### Days Cash on Hand (DCOH)

DCOH is an important measure of liquidity. It is calculated by dividing unrestricted cash and investments by the daily operating and maintenance expenditure budget (annual operating and maintenance budget divided by 365 days). As of October 31, 2023, RTAA's DCOH was 429 days, approximately 54 days lower than the FY 2023-24 budget forecast. RTAA's policy is a desired target of 365 days. The 2021 median average, as compiled by Moody's Investor Services, is 794 for medium hub airports.

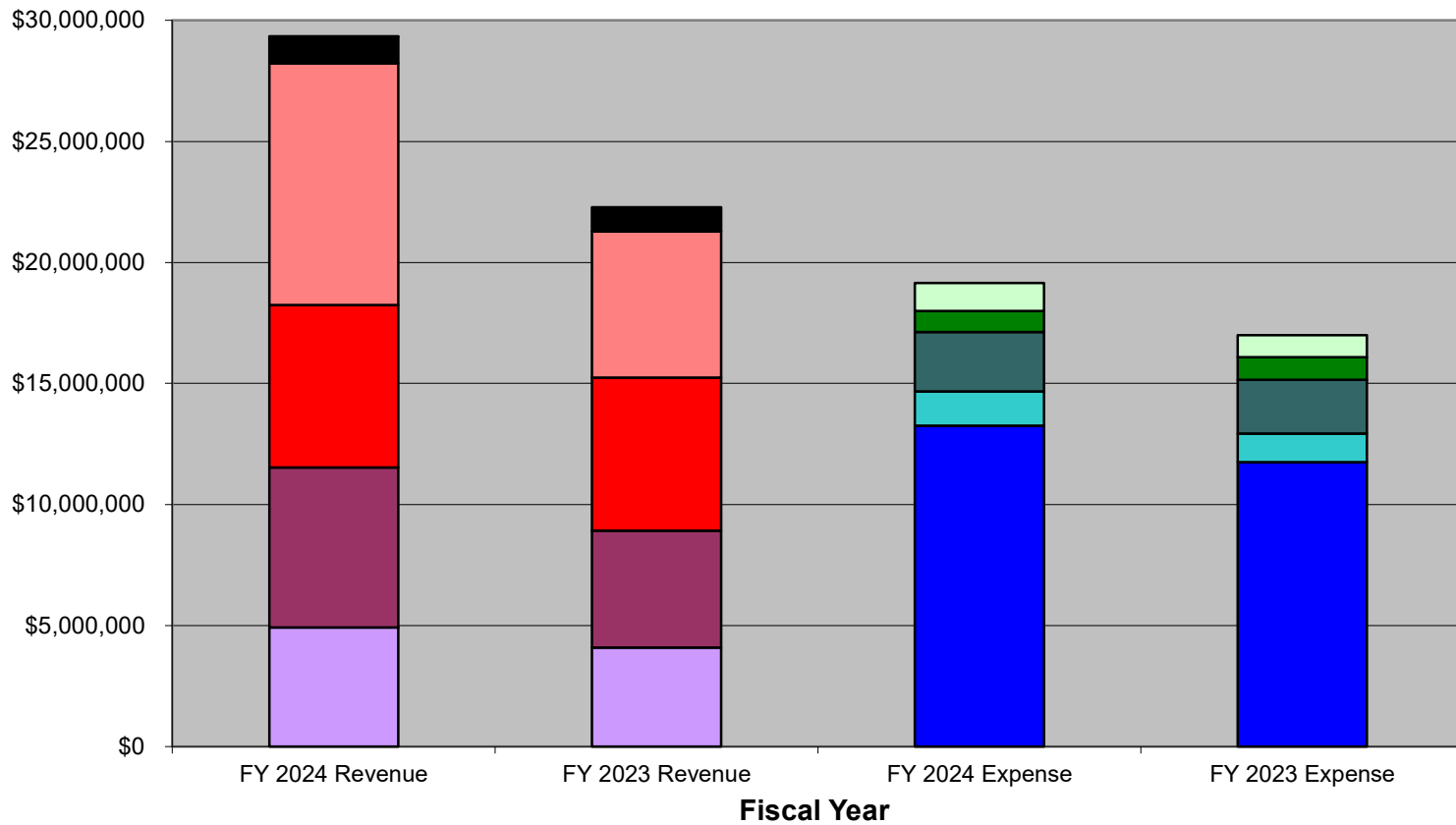
**OPERATING STATEMENT**  
**RENO-TAHOE AIRPORT AUTHORITY**  
For the Four Months Ending October 31, 2023

	<i>CURRENT MONTH</i>				<i>For the Four Months Ending October 31, 2023</i>						
	CURRENT YEAR	PRIOR YEAR	VARIANCE	%	CURRENT YEAR	PRIOR YEAR	VARIANCE	%	33.33%	OF FISCAL YEAR	
									Y-T-D BUDGET	VARIANCE	%
<b>REVENUES</b>											
Landing Fees	\$ 1,081,318	\$ 875,404	\$ 205,914	23.5%	\$ 4,450,280	\$ 3,662,843	\$ 787,437	21.5%	\$ 4,686,145	\$ (235,865)	-5.0%
Terminal Rent, Airline	1,685,024	750,739	934,285	124.4%	6,807,306	3,003,326	3,803,980	126.7%	6,738,600	68,706	1.0%
Airline Revenue Sharing	(644,892)	0	(644,892)	n.a.	(2,793,430)	0	(2,793,430)	n.a.	(2,749,982)	(43,448)	1.6%
Aircraft Fees	117,591	104,767	12,824	12.2%	467,483	422,971	44,512	10.5%	403,442	64,041	15.9%
Concession Revenue	521,565	271,200	250,365	92.3%	2,349,735	813,242	1,536,493	188.9%	2,146,213	203,522	9.5%
Auto Rental	793,689	802,839	(9,150)	-1.1%	4,251,966	4,026,974	224,991	5.6%	3,690,715	561,251	15.2%
Parking & Ground Transportation	1,812,327	1,727,716	84,611	4.9%	6,721,751	6,310,934	410,817	6.5%	6,782,415	(60,665)	-0.9%
Reno-Tahoe Building/ Land Rents	686,057	650,632	35,425	5.4%	2,720,654	2,570,597	150,057	5.8%	2,792,386	(71,732)	-2.6%
Reno-Stead Rents	116,586	91,236	25,349	27.8%	461,957	462,716	(759)	-0.2%	327,467	134,491	41.1%
Reimbursed Services	243,135	232,087	11,048	4.8%	1,101,641	996,300	105,341	10.6%	1,056,256	45,385	4.3%
Miscellaneous	3,360	6,431	(3,071)	-48%	55,788	12,509	43,280	346.0%	32,933	22,855	69.4%
<b>OPERATING REVENUE</b>	<b>\$ 6,415,762</b>	<b>\$ 5,513,052</b>	<b>\$ 902,710</b>	<b>16.4%</b>	<b>\$ 26,595,131</b>	<b>\$ 22,282,411</b>	<b>\$ 4,312,720</b>	<b>19.4%</b>	<b>\$ 25,906,591</b>	<b>\$ 688,541</b>	<b>2.7%</b>
<b>EXPENSES</b>											
Personnel Services	\$ 3,321,177	\$ 3,050,997	\$ 270,180	8.9%	\$ 13,262,010	\$ 11,742,543	\$ 1,519,467	12.9%	\$ 14,062,124	\$ (800,114)	-5.7%
Utilities and Communications	333,896	261,522	72,374	27.7%	1,407,749	1,178,284	229,465	19.5%	1,363,484	44,265	3.2%
Purchased Services	698,502	609,378	89,125	14.6%	2,444,742	2,227,810	216,933	9.7%	3,903,148	(1,458,405)	-37.4%
Materials and Supplies	245,046	270,604	(25,559)	-9.4%	880,070	933,906	(53,836)	-5.8%	1,133,906	(253,836)	-22.4%
Administrative Expense	299,068	273,428	25,639	9.4%	1,156,866	901,736	255,130	28.3%	1,595,482	(438,616)	-27.5%
<b>OPERATING EXPENSES</b>	<b>\$ 4,897,689</b>	<b>\$ 4,465,929</b>	<b>\$ 431,760</b>	<b>9.7%</b>	<b>\$ 19,151,438</b>	<b>\$ 16,984,280</b>	<b>\$ 2,167,158</b>	<b>12.8%</b>	<b>\$ 22,058,144</b>	<b>\$ (2,906,706)</b>	<b>-13.2%</b>
<b>NET OPERATING INC. BEFORE DEPR.</b>	<b>\$ 1,518,074</b>	<b>\$ 1,047,124</b>	<b>\$ 470,950</b>	<b>45.0%</b>	<b>\$ 7,443,694</b>	<b>\$ 5,298,131</b>	<b>\$ 2,145,562</b>	<b>40.5%</b>	<b>\$ 3,848,447</b>	<b>\$ 3,595,246</b>	<b>93.4%</b>
Depreciation and Amortization	1,977,484	2,063,556	(86,072)	-4.2%	7,919,516	8,274,858	(355,342)	-4.3%	9,332,960	(1,413,444)	-15.1%
<b>OPERATING INCOME</b>	<b>\$ (459,411)</b>	<b>\$ (1,016,432)</b>	<b>\$ 557,021</b>	<b>54.8%</b>	<b>\$ (475,823)</b>	<b>\$ (2,976,727)</b>	<b>\$ 2,500,904</b>	<b>84.0%</b>	<b>\$ (5,484,513)</b>	<b>\$ 5,008,690</b>	<b>91.3%</b>
<b>NON-OPERTING INCOME (EXPENSE)</b>											
Interest Income	\$ 268,168	\$ 129,383	\$ 138,785	107.3%	\$ 856,718	\$ 416,419	\$ 440,299	105.7%	\$ 403,700	453,018	112.2%
Passenger Facility Charge	791,029	707,318	83,711	11.8%	3,225,637	2,942,921	282,716	9.6%	3,131,533	94,104	3.0%
Customer Facility Charge	966,684	681,940	284,743	41.8%	3,984,617	2,882,599	1,102,018	38.2%	3,230,650	753,967	23.3%
Jet Fuel Tax Revenue	23,000	24,970	(1,970)	-7.9%	103,898	111,629	(7,731)	-6.9%	99,467	4,431	4.5%
Federal Grant Revenue	23,029	220,933	(197,904)	n.a.	1,608,810	1,362,141	246,669	18.1%	386,698	1,222,112	316.0%
G/L on Sale of Capital Assets	836	0	836	n.a.	836	0	836	n.a.	0	836	n.a.
Other Non-Operating Revenue (Expense)	0	0	0	n.a.	11,969	(135,000)	146,969	-108.9%	(66,664)	78,633	-118.0%
Interest Expense	(42,126)	(8,635)	(33,491)	387.8%	(154,741)	(26,090)	(128,651)	493.1%	(370,158)	215,417	-58.2%
<b>Total</b>	<b>\$ 2,030,620</b>	<b>\$ 1,755,908</b>	<b>\$ 274,712</b>	<b>15.6%</b>	<b>\$ 9,637,745</b>	<b>\$ 7,554,620</b>	<b>\$ 2,083,125</b>	<b>27.6%</b>	<b>\$ 6,815,226</b>	<b>\$ 2,822,519</b>	<b>41.4%</b>
<b>Net Income Before Capital Contributions</b>	<b>\$ 1,571,209</b>	<b>\$ 739,476</b>	<b>\$ 831,733</b>	<b>112.5%</b>	<b>\$ 9,161,922</b>	<b>\$ 4,577,893</b>	<b>\$ 4,584,030</b>	<b>100.1%</b>	<b>\$ 1,330,713</b>	<b>\$ 7,831,209</b>	<b>588.5%</b>

**OPERATING STATEMENT**  
**RENO-TAHOE AIRPORT AUTHORITY**  
For the Four Months Ending October 31, 2023

	CURRENT MONTH				YEAR TO DATE				ANNUAL BUDGET	
	ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE		TOTAL	ANNUAL BUDGET % TO DATE
			\$	%			\$	%		
<b>REVENUES</b>										
Landing Fees	\$ 1,081,318	\$ 1,128,788	\$ (47,470)	-4.2%	\$ 4,450,280	\$ 4,686,145	\$ (235,865)	-5.0%	\$ 14,007,453	32%
Terminal Rent, Airline	1,685,024	1,684,650	374	0.0%	\$ 6,807,306	6,738,600	68,706	1.0%	20,215,800	34%
Airline Revenue Sharing	(644,892)	(663,299)	18,408	-2.8%	\$ (2,793,430)	(2,749,982)	(43,448)	1.6%	(8,180,400)	34%
Aircraft Fees	117,591	100,861	16,730	16.6%	\$ 467,483	403,442	64,041	15.9%	1,210,326	39%
Concession Revenue	521,565	520,279	1,287	0.2%	\$ 2,349,735	2,146,213	203,522	9.5%	6,378,460	37%
Auto Rental	793,689	885,929	(92,240)	-10.4%	\$ 4,251,966	3,690,715	561,251	15.2%	10,936,255	39%
Parking & Ground Transportation	1,812,327	1,630,561	181,766	11.1%	\$ 6,721,751	6,782,415	(60,665)	-0.9%	20,106,733	33%
Reno-Tahoe Building/ Land Rents	686,057	698,097	(12,039)	-1.7%	\$ 2,720,654	2,792,386	(71,732)	-2.6%	8,377,158	32%
Reno-Stead Rents	116,586	81,867	34,719	42.4%	\$ 461,957	327,467	134,491	41.1%	982,400	47%
Reimbursed Services	243,135	257,051	(13,916)	-5.4%	\$ 1,101,641	1,056,256	45,385	4.3%	3,142,836	35%
Miscellaneous	3,360	8,233	(4,873)	-59.2%	\$ 55,788	32,933	22,855	69.4%	98,800	0%
<b>OPERATING REVENUE</b>	<b>\$ 6,415,762</b>	<b>\$ 6,333,016</b>	<b>\$ 82,746</b>	<b>1.3%</b>	<b>\$ 26,595,131</b>	<b>\$ 25,906,591</b>	<b>\$ 688,541</b>	<b>2.7%</b>	<b>\$ 77,275,821</b>	<b>34%</b>
<b>EXPENSES</b>										
Personnel Services	\$ 3,321,177	\$ 3,515,369	\$ (194,192)	-5.5%	\$ 13,262,010	\$ 14,062,124	\$ (800,114)	-5.7%	\$ 42,186,759	31%
Utilities and Communications	333,896	310,151	23,745	7.7%	\$ 1,407,749	1,363,484	44,265	3.2%	4,543,050	31%
Purchased Services	698,502	842,753	(144,251)	-17.1%	\$ 2,444,742	3,903,148	(1,458,405)	-37.4%	9,917,771	25%
Materials and Supplies	245,046	263,597	(18,551)	-7.0%	\$ 880,070	1,133,906	(253,836)	-22.4%	3,220,834	27%
Administrative Expense	299,068	394,733	(95,665)	-24.2%	\$ 1,156,866	1,595,482	(438,616)	-27.5%	4,716,531	25%
<b>OPERATING EXPENSES</b>	<b>\$ 4,897,689</b>	<b>\$ 5,326,603</b>	<b>\$ (428,914)</b>	<b>-8.1%</b>	<b>\$ 19,151,438</b>	<b>\$ 22,058,144</b>	<b>\$ (2,906,706)</b>	<b>-13.2%</b>	<b>\$ 64,584,945</b>	<b>30%</b>
<b>NET OPERATING INC. BEFORE DEPR.</b>	<b>\$ 1,518,074</b>	<b>\$ 1,006,413</b>	<b>\$ 511,660</b>	<b>50.8%</b>	<b>\$ 7,443,694</b>	<b>\$ 3,848,447</b>	<b>\$ 3,595,246</b>	<b>93.4%</b>	<b>\$ 12,690,876</b>	<b>59%</b>
Depreciation and Amortization	1,977,484	2,333,333	(355,849)	-15.3%	7,919,516	9,332,960	(1,413,444)	-15.1%	28,000,000	28%
<b>OPERATING INCOME</b>	<b>\$ (459,411)</b>	<b>\$ (1,326,920)</b>	<b>\$ 867,509</b>	<b>65.4%</b>	<b>\$ (475,823)</b>	<b>\$ (5,484,513)</b>	<b>\$ 5,008,690</b>	<b>91.3%</b>	<b>\$ (15,309,124)</b>	<b>3%</b>
<b>NON-OPERTING INCOME (EXPENSE)</b>										
Interest Income	\$ 268,168	\$ 100,925	\$ 167,243	165.7%	\$ 856,718	\$ 403,700	\$ 453,018	112.2%	1,211,100	71%
Passenger Facility Charge	791,029	782,883	8,146	1.0%	\$ 3,225,637	3,131,533	94,104	3.0%	9,394,600	34%
Customer Facility Charge	966,684	775,494	191,189	24.7%	\$ 3,984,617	3,230,650	753,967	23.3%	9,573,000	42%
Jet Fuel Tax Revenue	23,000	24,867	(1,867)	-7.5%	\$ 103,898	99,467	4,431	4.5%	298,400	35%
Federal Stimulus	23,029	96,675	(73,646)	-76.2%	\$ 1,608,810	386,698	1,222,112	316.0%	1,160,094	139%
G/L on Sale of Capital Assets	836	0	836	n.a.	\$ 836.00	0	836	n.a.	0	n.a.
Other Non-Operating Revenue (Expense)	0	(16,667)	16,667	-100.0%	11,969	(66,664)	78,633	-118.0%	(200,000)	-6%
Interest Expense	(42,126)	(92,543)	50,417	-54.5%	\$ (154,741)	(370,158)	215,417	-58.2%	(1,110,519)	14%
<b>Total</b>	<b>\$ 2,030,620</b>	<b>\$ 1,671,634</b>	<b>\$ 358,986</b>	<b>21.5%</b>	<b>\$ 9,637,745</b>	<b>\$ 6,815,226</b>	<b>\$ 2,822,519</b>	<b>41.4%</b>	<b>\$ 20,326,675</b>	<b>47%</b>
<b>Net Income Before Capital Contributions</b>	<b>\$ 1,571,209</b>	<b>\$ 344,714</b>	<b>\$ 1,226,495</b>	<b>355.8%</b>	<b>\$ 9,161,922</b>	<b>\$ 1,330,713</b>	<b>\$ 7,831,209</b>	<b>588.5%</b>	<b>\$ 5,017,551</b>	<b>183%</b>

## Operating Revenue and Expense YTD through October 31, 2023



# SUMMARY OF NON-AIRLINE REVENUES

Reno-Tahoe Airport Authority

	10/31/2023 YTD Actual	10/31/2022 YTD Actual	Over (Under) Prior Year	% Variance	10/31/2023 Year to Date Budget	Over (Under) Budget	% Variance	2023-24 Annual Budget	% of Annual Budget
Aircraft Fees - Reno	\$ 459,182	\$ 413,944	\$ 45,238	10.9%	383,875	\$ 75,306	19.6%	1,151,625	39.9%
Aircraft Fees - Stead	8,302	9,027	(725)	-8.0%	19,567	(11,265)	-57.6%	58,700	14.1%
Gaming Concession	536,817	136,308	400,510	2.93827735	471,872	64,945	13.8%	1,398,243	38.4%
Food & Beverage	713,601	142,005	571,595	402.5%	749,697	(36,096)	-4.8%	2,221,488	32.1%
Retail/Merchandise	494,290	-	494,290	#DIV/0!	412,901	81,389	19.7%	1,223,500	40.4%
Advertising	248,241	261,001	(12,760)	-4.9%	277,321	(29,080)	-10.5%	831,964	29.8%
Other Concessions	56,254	21,074	35,181	166.9%	48,188	8,066	16.7%	144,565	38.9%
FBO and Ground Handlers	286,371	238,067	48,304	20.3%	174,667	111,705	64.0%	524,000	54.7%
Stead Concessions	14,160	14,786	(627)	-4.2%	11,567	2,593	22.4%	34,700	40.8%
Auto Rental	4,224,079	4,026,974	197,105	4.9%	3,690,715	533,364	14.5%	10,936,255	38.6%
Ground Transportation	386,040	248,013	138,027	55.7%	328,509	57,531	17.5%	977,700	39.5%
Auto Parking	6,335,711	6,062,921	272,790	4.5%	6,453,907	(118,196)	-1.8%	19,129,032	33.1%
Other Terminal Rents	364,039	272,941	91,098	33.4%	349,633	14,406	4.1%	1,048,900	34.7%
Reno-Tahoe Building Rents	1,147,417	1,110,709	36,709	3.3%	1,043,057	104,360	10.0%	3,129,171	36.7%
Reno-Tahoe Land Rents	1,209,197	1,186,947	22,250	1.9%	1,399,696	(190,498)	-13.6%	4,199,087	28.8%
Reno-Stead Rents	461,957	462,716	(759)	-0.2%	327,467	134,491	41.1%	982,400	47.0%
Reimbursed Services	1,101,641	996,300	105,341	10.6%	1,056,256	45,385	4.3%	3,142,836	35.1%
Miscellaneous	55,788	12,509	43,280	346.0%	32,933	22,855	69.4%	98,800	56.5%
Total Non-Airline Operating Revenue	18,103,088	15,616,242	2,486,846	15.9%	17,231,827	871,261	5.1%	51,232,966	35.3%
Non Operating Revenue (a)	973,422	528,048	445,374	84.3%	419,533	553,888	132.0%	1,258,600	77.3%
<b>TOTAL NON-AIRLINE REVENUE</b>	<b>\$ 19,076,510</b>	<b>\$ 16,144,290</b>	<b>\$ 2,932,220</b>	<b>18.2%</b>	<b>\$ 17,651,361</b>	<b>\$ 1,425,149</b>	<b>8.1%</b>	<b>\$ 52,491,566</b>	<b>36.3%</b>
Year to Date Enplaned Passengers	845,329	802,633			842,629			2,496,862	
Non-Airline Revenue Per EPAX (b)	<b>\$ 20.11</b>	<b>\$ 18.21</b>			<b>\$ 19.20</b>			<b>\$ 19.26</b>	
Non-Airline Revenue Per EPAX (c)	<b>\$ 11.54</b>	<b>\$ 9.81</b>			<b>\$ 10.63</b>			<b>\$ 10.68</b>	

(a) Excludes PFC and CFC revenues

(b) Total Non-Airline Revenue less Reimbursed Services divided by enplaned passengers

(c) Non-Airline Revenue (Concessions, Rental Car, Other Rents) Per Enplaned Passenger (Strategic Plan Measure)



# SUMMARY OF ENPLANED PASSENGERS BY AIRLINE

Reno-Tahoe International Airport

Enplaned passengers by Airline	Month			Year-to-date		
	Oct-23	Oct-22	Percent change	YTD 2023-24	YTD 2022-23	Percent change
<b>Major/national carriers (Signatory)</b>						
Aha!	0	0	n.a.	0	5,407	-100.0%
Alaska	14,288	12,480	14.5%	72,763	62,276	16.8%
American	26,688	33,454	-20.2%	124,058	122,844	1.0%
Delta	16,708	16,907	-1.2%	73,907	66,714	10.8%
Southwest	84,737	82,217	3.1%	354,013	347,680	1.8%
United	31,874	28,767	10.8%	130,240	125,045	4.2%
<b>Total</b>	<b>174,295</b>	<b>173,825</b>	<b>0.3%</b>	<b>754,981</b>	<b>729,966</b>	<b>3.4%</b>
<b>Non-Signatory and Charter</b>						
Allegiant Air	1,079	1,202	-10.2%	4,582	6,660	-31.2%
Frontier	0	1,473	-100.0%	0	7,358	-100.0%
JetBlue	3,378	2,953	14.4%	21,142	20,067	5.4%
Spirit Airlines	12,360	8,555	44.5%	41,288	22,901	80.3%
Sun Country Airlines	1,303	0	n.a.	5,586	0	n.a.
Volaris	2,929	2,586	13.3%	10,982	9,709	13.1%
Other Charters	2,348	2,480	-5.3%	6,768	5,972	13.3%
<b>Total</b>	<b>23,397</b>	<b>19,249</b>	<b>21.5%</b>	<b>90,348</b>	<b>72,667</b>	<b>24.3%</b>
<b>Total enplaned passengers</b>	<b>197,692</b>	<b>193,074</b>	<b>2.4%</b>	<b>845,329</b>	<b>802,633</b>	<b>5.3%</b>

