

COMMITTEE MEMBERS

Trustees

Jennifer Cunningham, Chair
Richard Jay, Vice Chair
Kitty Jung, Member
Cortney Young, Member
Art Sperber, Alternate
Shaun Carey, Alternate

Staff Liaison

Randy Carlton, Chief Finance &
Administration Officer



PRESIDENT/CEO

Daren Griffin, A.A.E.

CHIEF LEGAL COUNSEL

Ian Whitlock

BOARD CLERK

Lori Kolacek

AGENDA

Finance & Business Development Committee

Tuesday, January 9, 2024 | 9:00 AM

-- Virtual Only --

Notice of Public Meeting

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

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

Watch on Zoom: <https://us02web.zoom.us/j/88150587204>

Listen by Phone: Dial 1-669-900-6833 and enter the Webinar ID: 881 5058 7204

Accommodations

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

Public Comment

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

Posting

This agenda has been posted at the following locations:

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

Supporting Materials

Supporting documentation for this agenda is available at www.renoairport.com. Please contact the Board Clerk at lkolacek@renoairport.com, or (775) 328-6402 for further information.

1. INTRODUCTORY ITEMS

- 1.1 Call to Order
- 1.2 Roll Call

2. PUBLIC COMMENT

3. APPROVAL OF MINUTES

- 3.1 October 10, 2023, Finance & Business Development Committee meeting

4. INFORMATION, DISCUSSION AND/OR POSSIBLE ACTION ITEMS

- 4.1 Financial Compliance Review Report of the Reno-Tahoe International Airport by the Federal Aviation Administration dated November 7, 2023
- 4.2 Review of the Midyear Budget for Fiscal Year 2023-2024

5. ITEMS FOR CONSIDERATION BY THE FULL BOARD ON JANUARY 11, 2024

- 5.1 Board Memo No. 01/2024-01: Adoption of Reno-Tahoe Airport Authority Title VI Plan *(for possible action)*
- 5.2 Board Memo No. 01/2024-02: Authorization for the President/CEO to execute a Second Amendment to extend the Nonexclusive Gaming Concession License with IGT for a two-year period, from December 1, 2024 to November 30, 2026, with an estimated contract value of \$2,725,564 *(for possible action)*
- 5.3 Board Memo No. 01/2024-04: Acceptance of the Annual Comprehensive Financial Report for Fiscal Year 2022-2023 *(for possible action)*

6. ADMINISTRATIVE REPORTS *(provided for reference only)*

- 6.1 Administrative Award of Contracts (Revenues) - December 2023
- 6.2 Administrative Award of Contracts (Expenditures) - December 2023
- 6.3 Financial Reporting Package - November 2023

7. MEMBER COMMENTS, QUESTIONS AND REQUESTS

8. PUBLIC COMMENT

9. ADJOURNMENT

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PRESIDENT/CEO

Daren Griffin, A.A.E.

CHIEF LEGAL COUNSEL

Ian Whitlock

BOARD CLERK

Lori Kolacek

--DRAFT--

MINUTES

Finance & Business Development Committee

Tuesday, October 10, 2023 | 9:00 AM

Reno-Tahoe International Airport, 2001 E. Plumb Lane, Reno, NV

Administrative Offices, Second Floor

1. INTRODUCTORY ITEMS

1.1 Call to Order

The meeting was called to order at 9:00 a.m.

1.2 Roll Call

Roll was taken by the Clerk of the Board. A quorum was present.

MEMBERS PRESENT: Jennifer Cunningham, Richard Jay, Cortney Young

MEMBERS ABSENT: Kitty Jung

2. PUBLIC COMMENT

None.

3. APPROVAL OF MINUTES

3.1 September 12, 2023, Finance & Business Development Committee meeting

Chair Cunningham asked if there were any corrections to the September 12, 2023, Minutes. Hearing none, the Minutes were approved as presented.

4. INFORMATION, DISCUSSION AND/OR POSSIBLE ACTION ITEMS

None.

5. ITEMS FOR CONSIDERATION BY THE FULL BOARD ON OCTOBER 12, 2023

- 5.1 Board Memo No. 10/2023-66:** Request for authorization to negotiate final terms and execute a Non-Commercial Hangar Lease Agreement with Deeside Trading Company LLC and the Reno-Tahoe Airport Authority for Box Hangar G located at General Aviation East at the Reno-Tahoe International Airport for a term of five-years with one three-year option to extend for a minimum contract value including option term of \$486,537 (*for possible action*)

This item was presented by Adam Tennant, Property Specialist II. After discussion, the Committee took the following action:

Motion: Recommend that this item be presented to the full Board on October 12, 2023, for consideration and approval of the proposed motion: *“Move to authorize the President/CEO to negotiate final terms and execute a Non-Commercial Hangar Lease Agreement with Deeside Trading Company LLC and the Reno-Tahoe Airport Authority for Box Hangar G located at General Aviation East at the Reno-Tahoe International Airport for a term of five-years with one three-year option to extend for a minimum contract value including option term of \$486,537.”*

Moved by: Cortney Young

Seconded by: Richard Jay

Vote: Motion passed unanimously

- 5.2 Board Memo No. 10/2023-67:** Authorization for the President/CEO to Execute an amendment to the Professional Services Agreement for State Lobbyist Services with The Griffin Company for a two-year extension in the Amount of \$144,000 (*for possible action*)

This item was presented by Lindsay Anderson, Director of Government Affairs.

After the presentation, Trustee Young disclosed, pursuant to NRS 281A.420, that she has a social relationship with Matt Griffin; however, she does not have a business relationship with Mr. Griffin or the Griffin Company, nor does she have a pecuniary interest in the Griffin Company or this item which would require an abstention from participating in the discussion and vote of this item.

After discussion, the Committee took the following action:

Motion: Recommend that this item be presented to the full Board on October 12, 2023, for consideration and approval of the proposed motion: *“Move to authorize the President/CEO to execute the available two-year extension to the Professional Services Agreement for consultant services for State Lobbyist Services with The Griffin Company in the amount of \$144,000.”*

Moved by: Richard Jay

Seconded by: Cortney Young

Vote: Motion passed unanimously

- 5.3 Board Memo No. 10/2023-68:** Authorization for the President/CEO to execute a one-year contract with Aetna for Reno-Tahoe Airport Authority employee medical coverage in the

amount of \$3,514,106 for CY 2024; a three-year contract with Aetna for dental coverage in the amount of \$224,199 for CY 2024; a four-year contract with Aetna for vision in the amount of \$28,963 for CY 2024; a two-year contract with Kansas City Life for Life, AD&D and Long Term Disability coverage in the amount of \$137,626 for CY 2024; and fund an additional \$44,250 into employee health savings accounts (*for possible action*)

This item was presented by Julie Blevins, Labor Relations & Benefits Manager. After discussion, the Committee took the following action:

Motion: Recommend that this item be presented to the full Board on October 12, 2023, for consideration and approval of the proposed motion: *“Move to authorize the President/CEO to execute a one-year contract with Aetna for Reno-Tahoe Airport Authority employee medical coverage in the amount of \$3,514,106 for CY 2024; a three-year contract with Aetna for dental coverage in the amount of \$224,199 for CY 2024; a four-year contract with Aetna for vision in the amount of \$28,963 for CY 2024; a two-year contract with Kansas City Life for Life, AD&D and Long Term Disability coverage in the amount of \$137,626 for CY 2024; and fund an additional \$44,250 into employee health savings accounts.”*

Moved by: Cortney Young

Seconded by: Richard Jay

Vote: Motion passed unanimously

5.4 Board Memo No. 10/2023-69: Authorization for the President/CEO to execute a four-year Professional Services Agreement and two two-year extensions with Wells Fargo Bank for general banking services and merchant card services estimated at \$597,850 annually (*for possible action*)

This item was presented by Alex Kovacs, Director of Finance.

Prior to the presentation, Trustee Jay disclosed, pursuant to NRS 281A.420, that he is an employee of a Wells Fargo affiliate, Wells Fargo Advisors. As such, he did not participate in this item.

Due to a lack of quorum with Trustee Jay’s recusal, no vote was taken. No objections were raised to staff’s presentation or the proposal for consideration by the Board.

6. ADMINISTRATIVE REPORTS (*provided for reference only*)

- 6.1 Administrative Award of Contracts (Revenues) - September 2023
- 6.2 Administrative Award of Contracts (Expenditures) - September 2023
- 6.3 Financial Reporting Package - August 2023

Trustee Cunningham inquired about the Turo contract.

7. MEMBER COMMENTS, QUESTIONS AND REQUESTS

None.

8. PUBLIC COMMENT

None.

9. ADJOURNMENT

The meeting was adjourned at 9:38 a.m.



U.S. Department
of Transportation
**Federal Aviation
Administration**

Office of Airport Compliance
and Management Analysis

800 Independence Ave., SW.
Washington, DC 20591

November 7, 2023

Mr. Daren Griffin, A.A.E.
President/CEO
Reno-Tahoe International Airport
P.O. Box 12490
Reno, NV 89510-2490

Re: Transmittal of Draft Financial Compliance Report

Dear Mr. Griffin:

The Federal Aviation Administration (FAA), Office of Airport Compliance and Management Analysis (ACO) conducted a financial compliance review at the Reno-Tahoe International Airport (RNO) from April 24 – April 27, 2023. The purpose of the review was to determine if the Reno-Tahoe Airport Authority (RTAA), airport sponsor and operator of RNO, complies with Airport Improvement Program (AIP) Grant Assurances and the FAA *Policy and Procedures Concerning the Use of Airport Revenue* (Revenue Use Policy), 64 Fed. Reg. 7697 (Feb 16, 1999).

We met with officials at RNO, examined financial records pertaining to the use of airport revenues, and toured the facilities. Our review focused on RNO's Fiscal Year 2021 but included prior years where necessary.

We thank you, your staff, and other RTAA officials for providing us with quick responses to our questions and requests for access to airport records. The review is summarized in the following draft report and identifies areas for your response as part of an action plan. We request that RTAA take these findings under advisement and respond to the FAA within 60 days.

We would be happy to discuss these findings further with you and your staff, as well as review any additional information before submitting your plan. For questions regarding the technical aspects of this letter, please contact Lead Financial Management Analyst, Olu Okegbenro at (202) 267-3785.

Sincerely,

**KEVIN
WILLIS**

Digitally signed
by KEVIN WILLIS
Date: 2023.11.07
08:43:12 -05'00'

Kevin C. Willis
Director, Office of Airport Compliance
and Management Analysis

Enclosure

**Federal Aviation Administration
Office of Airports Compliance and Management Analysis
Financial Compliance Review**

**RENO-TAHOE INTERNATIONAL AIRPORT
April 24, 2023 – April 27, 2023**



**Federal Aviation Administration
Office of Airports Compliance and Management Analysis
Draft Financial Compliance Review**

The Federal Aviation Administration (FAA) Office of Airport Compliance and Management Analysis (ACO) conducted a financial compliance review at the Reno-Tahoe International Airport (RNO or Airport) to evaluate compliance with Federal statutes and FAA requirements. The FAA conducted this review at RNO and the Reno-Tahoe Airport Authority (RTAA) offices from April 24, 2023 through April 27, 2023.

As the airport sponsor, RTAA manages RNO and is responsible for ensuring compliance with Federal statutes, the Airport Improvement Program (AIP) Grant Assurances, and FAA policies for federally obligated airports. Airport sponsors agree to certain obligations when they accept Federal grant funds or Federal property transfers for airport purposes. The FAA enforces these obligations through its Airport Compliance Program. The ACO conducts a financial compliance review of selected airports each fiscal year.

Unlawful revenue diversion, as defined in section II, C of the Policy Concerning the Use of Airport Revenue (Revenue Use Policy) 64 Fed. Reg. 7697 (Feb 16, 1999), as “the use of airport revenue for purposes other than the capital or operating costs of the airport, the local airport system, or other local facilities owned or operated by the airport owner or operator and directly and substantially related to air transportation or property.” The ACO is responsible for ensuring that airports adhere to AIP Grant Assurances and the FAA’s Revenue Use Policy.

We reviewed the following financial topics at RNO:

- Financial Transactions and Payments;
- Form 126 & 127 Reporting;
- Leases and Agreements;
- Fire Fighting (ARFF);
- Advertising and Incentives;
- Art in Public Places;
- Police and Security Services;
- Noise Land Program.

Financial Transactions and Payments

To assess compliance of RTAA's expenditures with FAA's Revenue Use Policy, we interviewed finance department staff to understand their accounting practices. We judgmentally selected 65 accounting transactions to determine if these expenditures were allowable, allocable, and reasonable under the Revenue Use Policy.

Finally, we randomly selected five service agreements with related lobby activities, government relations, and public communications to determine if the scope of work in these agreements were related to airport operation. During our onsite evaluation of the transactions, we identified eight exceptions. RTAA provided additional information and explanations, which allowed us to resolve six of the exceptions. However, the other two exceptions remained unresolved during our visit and are described below.

\$50,000 payment to Economic Development RTAA of Washoe Nevada-County (EDAWN)

RTAA paid \$50,000 for Annual Membership dues to EDAWN. According to EDAWN's website, it is a private/public partnership established in 1983, committed to adding quality jobs to the region by recruiting new companies, supporting the success of existing companies, and assisting newly forming companies to diversify the economy and have a positive impact on the quality of life in Greater Reno-Sparks.

As outlined in Section 112 of the FAA Authorization Act of 1994, 49 U.S.C. § 47107(l)(2) (A-D), Congress explicitly prohibited the diversion of airport revenues. This includes usage of airport revenues for general economic development, marketing, and promotional activities that don't pertain to airports or airport systems.

We raised our concern about the potential misuse of airport revenues for general economic development and requested RTAA to provide additional supporting documentation that demonstrates the monetary benefits RTAA obtained as a result of its participation in EDAWN.

RTAA was able to provide examples and quantify the monetary benefits it received through its participation in EDAWN. One such example occurred in September 2020 when Deluxe Public Charter, LLC d/b/a JSX (JSX) initiated flights from Reno-Tahoe International Airport (RNO). As Subject Matter Experts (SMEs), EDAWN presented RTAA with specific information on the local demographics, disposable income, and economic diversity that JSX considers when selecting a region to operate in. According to RTAA, the landing fees collected from JSX since its first flight until April 2023 amounted to a total of over \$165,000.

In addition, RTAA utilizes EDAWN's website to maximize exposure by posting Requests for Proposals (RFPs). One notable outcome from an RFP posted on EDAWN's website was the selection of Stellar for a significant expansion project. Commencing in February 2021, this three-phased project carries an estimated cost of \$25 million. It encompasses the construction of two new 30,000 square foot hangars, over 10,000 square feet of office space, and a 5,000 square foot executive terminal. During the property tour, you were given a glimpse of the area under development. RTAA reports that during the first phase of development, Stellar is paying annual land rents of \$235,224.

Finally, RTAA has stated that they will actively prepare an annual report to highlight the tangible financial benefits accrued from their active engagement with EDAWN.

Conclusion: Since RTAA was able to quantify the monetary benefits it received and will prepare an annual summary that demonstrates the monetary benefits obtained due to its participation in EDAWN. No further action is needed.

\$135,378.00 Payment for participating in the Washoe County Regional Communications P25 System ("P25 System")

P25 is a collaborative project to ensure that two-way radios are interoperable. The goal of P25 is to enable public safety responders to communicate with each other and, thus, achieve enhanced coordination, timely response, and efficient and effective use of communications equipment. RTAA is one of twenty-two partner and sponsored agencies participating in the system. RTAA has pledged a total contribution of \$837,472.51 over a 15-year period to support the funding of the system's construction and infrastructure.

Before they joined the P25 System, the management of RTAA reported that they had difficulties communicating with the State police during public safety incidents, leading to various incidents. The FAA Revenue Use Policy restricts the use of airport revenue for non-airport activities and prohibits direct or indirect payments that exceed the fair and reasonable value of services and facilities provided to the airport. To ensure RTAA is contributing its fair share to the system and adhering to the FAA Revenue Use policy, we have requested RTAA to provide the following information:

- 1) The proportionate number of radios utilized by each Partner and Sponsored Agency, expressed as a percentage of the total number of radios used by all Agencies in the Washoe County P25 System.
- 2) The breakdown of the cost allocation for the Washoe County P25 Radio System, specifying the distribution of costs to each Partner and Sponsored Agency.

After our visit, RTAA supplied a copy of an Excel file and a written statement containing the information we requested. For the fiscal year ending June 30, 2021, RTAA had 268 radios in operation, accounting for 4.20% of the 6,380 radios actively used by all agencies within the Washoe County P25 System. Furthermore, RTAA contributes to the system's debt payments, with their contribution standing at 7.18% (or \$837,472.51)—a figure that corresponds to the number of Radio IDs issued.

Conclusion: After evaluating the cost allocation and analyzing the proportional use of radios by each Partner and Sponsored Agency, it appears that RTAA is contributing its fair share to the system. No further action is needed.

Financial Data Reported to FAA

FAA Form 126 and 127 Operating and Financial Summary

Section 111 of the Federal Aviation Administration Authorization (FAA) Act of 1994, Public Law 103-305 (August 23, 1994) established the requirement for commercial service airports to file financial reports with the FAA. These reports are the Financial Government Payment Report, Form 5100-126, and the Operating Financial Summary, Form 5100-127. Congress enacted the reporting requirements to inform the public about how airports collect and disburse funds and to provide the FAA with a means of evaluating sponsor compliance with revenue–use requirements. Form 5100-126 reports the financial transactions between the Airport and other governmental entities and all services and property provided to such units. Form 5100-127 reports Airport financial operating results.

ACO attempted to reconcile the information reported on both forms with the sponsor’s FY 2021 and 2020 Annual Comprehensive Financial Reports (ACFR). ACO found the information presented in the sponsor’s Form 5100-127 did not reconcile to the ACFR. The sponsor had not updated the FAA financial reporting database (CATS) financial information to reflect the audited financial reports resulting with material variances between the CATS reporting and the ACFRs. For example, variances between amounts entered into CATS and the ACFR for FY 2021 were:

	CATS	ACFR	Variance	%
Total Operating Revenue	\$42,588,202	\$43,662,916	\$-1,074,714	-2.52
Depreciation	22,648,942	26,827,690	-4,178,748	-18.45
Total Non-operating Revenue	30,027,890	41,579,899	-11,552,009	-38.47
Change in Net Assets	8,318,256	15,802,828	-7,484,572	-89.98

Advisory Circular 150/5100-19D Guide for Airport Financial Reports Filed by Airport Sponsors (June 23, 2011) advises that the FAA Authorization Act of 1994 did not require audited information, but the FAA prefers audited data. CATS allows sponsors to update financial data at any time. ACO felt the reported variance warranted the necessity of updating unaudited amounts to those reported in the ACFR to prevent misleading the public.

Conclusion: ACO recommends CATS Forms 5100-126 & 127 be reconciled and updated to the appropriate financial reports in their Fiscal Year Ending (FYE) June 30, 2020 and 2021 ACFRs.

Uses of Airport Property

Background

Each federally assisted airport owner/operator is required by statute and Grant Assurances 24, *Fee and Rental Structure* and Grant Assurance 25, *Airport Revenues* to have an airport fee and rental structure that will make the airport as self-sustaining as possible and minimize the airport’s reliance on Federal funds and local tax revenues. The FAA has generally interpreted the self-sustaining assurances to require airport sponsors to charge fair market value commercial rates for nonaeronautical uses of airport property.

Leases and Agreements

The FAA received and reviewed 52 commercial leases and agreements pertaining to the property and concessions at RNO to determine if the airport sponsor followed acceptable practices for the leasing of airport property.

The FAA determined that properties are appraised at either fair rental value or a fair market value depending on the lease. All properties are appraised before executing a new lease or when a tenant wants to expand their leasehold. Upon an expansion request, a new appraisal is required.

All leases reviewed contained provisions for annual increases with an escalation, and the Airport or Real Estate Division approves all sub-leases, depending on the duration. The FAA found the lease program to exceed leasing practices and fairly administered. There was no indication of outside influences or political favoritism for the soliciting and awarding of leased property.

Aircraft Rescue and Fire Fighting (ARFF)

Aircraft Rescue and Fire Fighting (ARFF) at RTAA is staffed with 15 line staff and 3 battalion chiefs, who handle paramedic, structural, training, and inspections at RNO. The majority of calls at RNO involve Emergency Medical Services. The ARFF staff do not perform off-airport runs however, RNO engages in mutual aid if a specific request is made and authorized. RNO has mutual aid agreements with Reno Fire, Sparks Fire and Truckee Meadows. Remza handles ambulance services and does not bill RNO for services, but rather the patient requesting the services.

RTAA engages the City of Reno for 911 dispatch services at an annual cost of \$97,383. The cost is based on 75% of the cost to the city of the salary and benefits of one full-time Public Safety Dispatcher and some indirect costs. The primary function the City of Reno provides to the RTAA includes, receiving, processing and dispatching “911 emergency” calls for service to RTAA. Typically, an airport 911 call is for a passenger with a possible heart problem. During our review, we were unable to determine how many calls 911 dispatchers received for service requests at RNO.

Conclusion: Typically, 911 services are already paid for through state and local funding. The City of Reno and RTAA need to justify the cost. Specifically, is it a City of Reno requirement that City entities pay for 911 and are there other City entities paying for 911 services? If the charge is justified, the County may not disproportionately charge RTAA for the services. The payment should be tied to a cost allocation methodology that does not disproportionately charge the airport, such as by the number of dispatch calls from RNO or another appropriate metric. There should also be a true up at year end to actual services provided at RTAA.

LESS WORK

Reno-Tahoe International Airport

MORE PLAY

At Reno-Tahoe International Airport (RNO), less is more. We are transforming the travel experience through a multi-year construction program, MoreRNO. First, we are expanding our Ticketing Hall, so we have more room for all the things that make the region a year-round adventure paradise, like golfing, hiking and skiing. Next, you can't top the views here and we want to make sure the airport serves as the best gateway to and from our beautiful region.

With 12 airlines and 20+ non-stop destinations, the future of RNO is more.

more RNO

RenoAirport.com @renoairport #flyRNO #MoreRNO

Airport Marketing/Incentives/Advertising

With an annual budget of \$350,000 RTAA focuses on digital, billboard, MoreRNO, and television marketing programs of the facilities and services at RNO. MoreRNO is a construction program with the emphasis of creating more restaurants, shops, and increased parking at RNO. Recently, RTAA has engaged in marketing to encourage passengers to arrive early for their flights. RTAA does not engage in co-op advertising with air carriers or general economic development organizations. Also, RTAA does not engage in familiarization tours of the regional area. RTAA internally conducts its own market research and does not engage with outside firms.

In December 2020, RTAA created an incentive program to attract new services and expand existing. Incentives are offered for one year and include marketing incentives, waiver of landing fees and terminal rents. Spirit Airlines is currently taking advantage of the incentive and receives one year of marketing reimbursement showcasing the new route and waiver of landing fees for six months on and six months off.

Conclusion: We found that RTAA's practice of reimbursing Spirit directly for marketing expenditures is contrary to FAA Policy which states there can be no direct air carrier subsidies. Although Spirit has a practice of conducting its marketing in-house and not using third-party vendors, this is not a justification for making direct payments to Spirit. We recommend that RTAA find other means which do not involve direct payments to the airline to create

incentives for Spirit. Lamar advertising handles the digital assets throughout the airport terminal. No other irregularities with regard to the marketing and incentive program were found at RTAA.

Art Program at RTAA



RTAA seeks to celebrate the cultural heritage and artistic experience of the region for the enjoyment of passengers, tenants, and employees. In 2005, RTAA opened its first departures gallery showcasing art exhibits that rotate 4 times per year. Art displayed in the terminal consists of, but not limited to, drawings, prints, photographs, collages, sculpture, paintings, and mosaics. Other public art forms may include music, performance dance, and poetry.

The works of art may be permanent or temporary. In 2022, RTAA implemented a multi-year construction program called MoreRNO which allocates 1% of capital construction project costs to public art placement at RNO. RTAA has an art staff of two and maintains policies and procedures for the donation and demolition of art. All donating artists must sign a gallery artwork installation and display agreement.

In addition, RTAA maintains an art inventory listing and all pieces are insured. Except for a collection of prints at the bottom of the escalator in the baggage claim area, the art is donated or loaned to RTAA by local artists or the University of Nevada. RTAA is not involved with art sales of the displayed pieces and refers prospective buyers to the local artist.

Conclusion: The FAA found no irregularities with the art program at RTAA.

Police and Security Services

Reno Tahoe Police Department is a precinct and provides all airport security and law enforcement services, which operates independently from the City of Reno and Washoe County. There are 24 sworn law enforcement officers with arrest powers assigned to the airport and one civilian compliance officer funded by RNO airport. These officers are all Nevada State certified and have gone through both in-house law enforcement training and regional specialized training. The Authority Captain reports to reports directly to the Chief Operations and Public Safety Officer at RNO. The police officers are responsible for maintaining law and order at the terminals and curbside traffic control.

RNO airport funds one Customs and Border Patrol Officer as a part of the agreement to support international flights at the airport. The Police Department's dispatch center monitors approximately 450 security cameras at the airport as well as dispatches an officer to investigate narcotics issue and make arrests when necessary. Also, Reno Tahoe Police Department agreed to provide law enforcement presence to support the U.S. Customs and Border Patrol. The law enforcement officer's sweeps the airport every night after the last flight has landed. Authority Police do not provide any off-airport policing unless needed as part of mutual aid agreements.

Conclusion: No follow-up is required because the FAA found no irregularities with the Airport Police and Security services at RNO.

Police Hangar at Stead Airport

On September 22, 1992, RTAA entered into an agreement with Washoe County to allow hangar use for police helicopters at Stead Airport in exchange for in-kind services. The lease currently continues in force and effect from year to year. RTAA has the option to terminate the lease with 90 days' notice before the year-to-year lease term expires. The parcel of real property consists of 6,364 square feet. If during the term of this agreement, RTAA needs to reclaim the parcel for airport improvement, expansion or development, the Authority can provide 90 days written notice to relocate to another site at the airport.

RTAA would be responsible for any expenses incurred by the tenant for relocation. RTAA has the right to amend the agreement to comply with any existing or future agreement between RTAA and the U.S. Government. In lieu of any rental amounts for the leased premises, the City of Reno agrees to provide patrol services at Stead Airport. The agreement states the value of in-kind service provided by the Reno Police Department is in an overall range of \$25,000 to \$30,000 per year, which would cover the use of the hangar.

The agreement also states, as a result of the agreement the Authority's Police patrols will be limited in light of the City of Reno's continuous presence and occupancy of the hangar.

Conclusion: The lease agreement and exhibit are over 30 years old. We recommend RTAA revise Exhibit E to reflect the current value of in-kind services received from the City of Reno for the use of the hangar. The airport must receive an appropriate rental rate for use of the premises and can be offset by services.

Noise Land Program

There are five areas of Noise Land acquisition properties at RTAA acquired using the AIP grants. These properties located on 75 DNL were acquired between 1994 and 2001; also included in its portfolio is an 80-acre former residential subdivision. Since the 75 DNL is not compatible for residential use, RTAA razed the 80-acre residential subdivision. The property is designated for future cargo development. In addition, RTAA purchased Steel Nash Ranch and the residential neighborhood Home Garden South as noise buffer land.

RTAA proposed selling some of its noise properties, however it does not believe it is the best time to sell. RTAA went through the formal process with the FAA to dispose of the property. In 2014, RTAA had a residential sound insulation program from homes located inside the 65 DNL. The Noise Land sound insulation program ended in 2015. The most recent noise land disposal at RNO was for road expansion in 2016. Also, the most recent disposal at Stead airport involved a former military radar facility.

We note that proceeds from both disposals at RNO and Stead airport went to the airport coffers. The program focuses on noise insulation for properties within 65-69 DNL contour and funded by FAA noise discretionary grants and Passenger Facility Charges, with no direct cost implication to the airport. Noise remediation included window replacement, sliding glass door, buffering of the skylights. Attic batting and blown in insulation. The program ended because they ran out of interested parties. RTAA has a Noise land and inventory reuse plan on file with Phoenix Airport District Office.

Conclusion: No follow-up is required; the FAA found no irregularities with the Noise Land Program at RNO.

Board Memorandum

01/2024-01

In Preparation for the Regular Board Meeting on January 11, 2024

Subject: Adoption of Reno-Tahoe Airport Authority Title VI Plan

STAFF RECOMMENDATION

Staff recommends that the Board adopt the motion stated below.

BACKGROUND

Title VI of the Civil Rights Act of 1964 (Title VI) requires that no person, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity that receives funding from the Federal Government. As a recipient of federal funding, the RTAA is required to implement Title VI through measures set out in various statutes and administrative orders. The nondiscrimination requirements associated with Title VI also include protection from discrimination because of limited English proficiency (LEP), sex, sexual orientation, gender identity, creed, and age. The RTAA proactively ensures nondiscrimination in all its programs and activities.

On August 12, 2022, the Federal Aviation Administration (FAA) wrote a letter to Airport Sponsors, including the RTAA, in which the FAA explained that the Department of Transportation requires the FAA to confirm each Airport Sponsor's probable compliance with Title VI before the award of federal grants. As a result, the FAA is requiring most Airport Sponsors to adopt FAA-approved Title VI Plans using a template developed by FAA. The Title VI Plan documents the various actions taken by the Airport Sponsor to ensure nondiscrimination. Staff have completed the RTAA's Title VI Plan and the Plan has been approved by the FAA. This agenda item seeks the Board's formal approval of the Plan

DISCUSSION

The RTAA's Title VI Plan (included as "Attachment A") details the various ways the RTAA ensures nondiscrimination. Key means of ensuring nondiscrimination include: a) training on nondiscrimination, including sexual harassment training; b) maintenance of voluntarily disclosed demographic information; c) the inclusion of civil rights clauses in contracts and solicitations; d) outreach to communities affected by RTAA actions; e) appointment of a Title VI Coordinator; f) establishment of procedures to allow for complaints of discrimination and a timely investigation of such complaints; g) provision of translation resources for LEP populations; and h) planning processes that include considerations of environmental justice.

Prior to the requirement to adopt a formal plan, the RTAA was already taking the steps described above. The RTAA only had to make a few minor adjustments to its current practices, such as

enhancing training and increasing data collection, to be in full compliance with the requirements of the FAA's template plan. Adoption of the Title VI Plan is consistent with the RTAA's core values and President/CEO Griffin's initiatives to support diversity, equity, and inclusion.

FISCAL IMPACT

There is no fiscal impact associated with this action.

COMMITTEE COORDINATION

Finance and Business Development Committee

Planning and Construction Committee

PROPOSED MOTION

"Move to adopt the Reno-Tahoe Airport Authority Title VI Plan."

ATTACHMENT A
RTAA TITLE VI PLAN

Reno-Tahoe Airport Authority Title VI Plan

1. Title VI Policy Statement¹

The Reno-Tahoe Airport Authority assures that no person shall on the grounds of race, color, national origin (including limited English proficiency (LEP)), sex (including sexual orientation and gender identity), creed, or age, as provided by Title VI of the Civil Rights Act of 1964, the Civil Rights Restoration Act of 1987 (PL 100.259), Section 520 of the Airport and Airway Improvement Act of 1982, and related authorities (hereafter, “Title VI and related requirements”), be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity that receives U.S. Department of Transportation (DOT) funding. Title VI also prohibits retaliation for asserting or otherwise participating in claims of discrimination.

The Reno-Tahoe Airport Authority further assures every effort will be made to ensure nondiscrimination in all of its programs and activities, whether those programs are federally funded or not. The Reno-Tahoe Airport Authority agrees, among other things, to understand the communities surrounding or in the flight path, as well as customers that use the airport. Anytime communities may be impacted by programs or activities the Reno-Tahoe Airport Authority will take action to involve them and the general public in the decision making process.

The Reno-Tahoe Airport Authority requires nondiscrimination assurances, as prescribed by FAA, from each tenant, contractor, and concessionaire providing an activity, service, or facility at the airport. Assurances must be included in any related lease, contract, or franchise agreement between the Reno-Tahoe Airport Authority and each tenant, contractor, and concessionaire, as well as in any similar agreements with their own sub-tenants and sub-contractors.

Tom Luria, available at 775-328-6484 and titlevi@renoairport.com, is responsible for overseeing the Reno-Tahoe Airport Authority’s compliance with Title VI and the point of contact for all airport Title VI matters and related responsibilities, including those required by 49 CFR Part 21.



Signature

Daren Griffin
President/Chief Executive Officer

January 11, 2024

Effective Date

January 11, 2027

3-Year Expiration Date

¹ This policy statement will be translated into languages other than English, upon request and based on patron and local language demographics.

2. Administration

The Reno-Tahoe Airport Authority Board of Trustees has reviewed and adopted this Title VI Plan for the Reno-Tahoe Airport Authority. This plan will be updated no less than once every 3 years. The plan will not be re-adopted following minor changes, such as updating the President/CEO's or Coordinator's name. Significant revisions to our policies or federal guidelines may warrant re-adoption by the Reno-Tahoe Airport Authority Board of Trustees and resubmittal to FAA.

In addition to the Coordinator and Reno-Tahoe Airport Authority's leadership, the following people also assist with our Title VI program requirements: **none**.

The Reno-Tahoe Airport Authority has the following airport program sub-recipients: **None**

As of the date of this plan, the Reno-Tahoe Airport Authority has the following pending applications for Federal financial assistance:

Federal Source	Grant Number	Amount
<i>FAA AIP</i>	<i>TBD</i>	<i>\$911,000</i>

The Reno-Tahoe Airport Authority's sub-recipients have the following pending applications for Federal financial assistance (either directly from the FAA, or passed through the State DOT): None.

Federal Source	Grant Number	Amount
<i>None</i>		

Updated information for pending and awarded grant applications will be available through the following methods:

Federal Source	Grant Award Information Available at:
<i>FAA AIP</i>	<i>https://www.faa.gov/airports/aip/</i>

3. Grant and Procurement Assurances

49 CFR § 21.7 (a)(1); 49 CFR Part 21 Appendix C (b)

The Reno-Tahoe Airport Authority will complete standard grant assurances for Title VI and related requirements, in the form prescribed by FAA.

See https://www.faa.gov/airports/aip/grant_assurances/#current-assurances.

Clauses/Covenants

- a. All contracts, leases, deeds, licenses, permits, and other similar instruments, must contain the contractual requirements and clauses, in the form prescribed by FAA. See

https://www.faa.gov/airports/aip/procurement/federal_contract_provisions/. Note that unlike many other clauses, Civil Rights clauses are required in all contracts. Note also special clauses that are required for certain types of contracts, such as land acquisition.

- b. Reno-Tahoe Airport Authority requires Civil Rights clauses to be included in solicitations and contracts for all subcontractors, subleases, and any other agreements.

Description of Oversight Methods for Subcontracts

The Reno-Tahoe Airport Authority ensures compliance through prime contract provisions and an annual audit of 25% of subcontracts and subleases.

4. Title VI Coordinator Responsibilities

The Coordinator is responsible for ensuring that they and other staff supporting the Title VI are trained in Title VI requirements. Essential training topics include:

- Basic Title VI requirements
- Airport language assistance resources and practices
- Collecting and assessing demographic data
- Reporting Title VI complaints and other required FAA notifications.

See Training Section for more information for expected training for all staff.

Among other responsibilities, the Coordinator:

- Proactively ensures that the Reno-Tahoe Airport Authority is in compliance with nondiscrimination requirements of Title VI and reports to Reno-Tahoe Airport Authority leadership on the status of Title VI compliances.
- Responds promptly to requests by FAA for data and records and for the scheduling of compliance reviews and other FAA meetings to determine compliance with Title VI and related requirements.
- Receives discrimination complaints covered by Title VI and related requirements, and forwards them to the FAA, within 15 days of receipt, together with any actions taken to resolve the matter.
- Provides the FAA with updates regarding its response and status of early resolution efforts to complaints concerning Title VI and related requirements (49 CFR Part 21, Appendix C(b)(3)), including resolution efforts.
- Annually reviews the airport's Title VI plan and disseminates information throughout staff and the Reno-Tahoe Airport Authority's leadership.
- Coordinates data collection to evaluate whether racial or ethnic groups are unequally benefited or impacted by airport programs. The data will be regularly assessed and readily available upon request (49 CFR § 21.9(b) & (c)). Data collection methods will include optional demographic questions in airport customer satisfaction surveys, customer

complaints, and other methods described in the airport Community Participation Plan (CPP).

- Maintains demographic data for members of appointed planning and advisory bodies for the airport. Identifies any disparities compared to the community. In the event of a disparity, a senior executive at the RTAA would be the one to communicate the disparity to the governing bodies that appoint members to the RTAA's Board of Trustees.
- Maintains a copy of 49 CFR Part 21 for inspection by any person asking for it during normal working hours (49 CFR 21, Appendix C (b)(2)(i)).

See Notice, Compliance reviews, Audits, Lawsuits, and Other Investigations, and Complaints Sections of this Plan.

The Coordinator *has* requested and received access to the Title VI portion of the FAA Civil Rights Connect System (<https://faa.civilrightsconnect.com/>).

5. Notice

49 CFR Part 21 Appendix C(b)(2)(ii)

The Reno-Tahoe Airport Authority will conspicuously display the FAA-provided Unlawful Discrimination Poster in all public areas on airport property, including those with pedestrian activity. The Coordinator ensures that these posters are visible, accessible,² and maintained. The poster template is available at the website linked below and a completed copy is attached. See Section 15 Appendix.

https://www.faa.gov/about/office_org/headquarters_offices/acr/com_civ_support/non_disc_pr/

The Reno-Tahoe Airport Authority has posted the above Title VI policy statement at its staff offices.

The Reno-Tahoe Airport Authority will distribute this Title VI Plan among its employees and airport contractors, concessionaires, lessees, and tenants. This plan will be distributed within 30 days of FAA approval of the plan by an all tenant bulletin with a link to the Title VI Plan and will be made available on the RTAA's website.

Posters are displayed in the terminal and other areas on airport property, including the following public locations:

1st Floor

Security Checkpoint Entrance.

Bag Claim North Restroom Vestibule

² For more information about website accessibility, please visit ADA.gov.

Bag Claim South Restroom Vestibule
 Public Phone across from United Ticketing Counter
 Public Phone across from Southwest Ticketing Counter

2nd Floor

RTAA Administrative Reception Desk
 Entrance into Connector Restrooms
 Entrance into Gate B1 Restrooms
 Entrance into Gate B6 Restrooms
 Entrance into Gate C1 Restrooms
 Entrance into Gate C6 Restrooms

Terminal/FBO/Concessions/ Other Locations	Quantity in Pre-Security Area	Quantity in Post-Security Area	Additional Quantities
<i>Ground Floor</i>	<i>5</i>		
<i>RTAA Administrative Offices</i>	<i>1</i>		
<i>Concourse Connector</i>		<i>1</i>	
<i>B Concourse</i>		<i>2</i>	
<i>C Concourse</i>		<i>2</i>	

Outreach to Affected Communities

The RTAA’s Clerk of the Board ensures that notices for public meetings reach all segments of the impacted community through posting notices of public meetings consistent with the requirements of Nevada’s Open Meeting Laws. The Clerk of the Board does not post to social media, only the RTAA’s Marketing and Public Affairs team does.

The RTAA’s **Marketing and Public Affairs** team conducts robust community outreach efforts, including placing RTAA leaders on community boards and through regular outreach to a diverse group of community organizations about RTAA news, projects, and events. Marketing and Public Affairs utilizes social media and email to share announcements, and continually evaluates the best methods to conduct effective outreach. Additionally, RTAA leadership is highly engaged in with community leaders and elected officials, including those of Affected Communities³. Through the outreach described above, the RTAA solicits and receives feedback, including feedback regarding the adequacy of translated materials.

³ We will not subject any persons to discrimination based on race, color, national origin, age, sex, or creed. The term “protected communities” is used within this Title VI Plan to highlight the requirements of Title VI, 49 U.S.C. § 47123, the Age Discrimination Act of 1975, and in some instances, includes low-income populations under Executive Order 12898.

The RTAA will create a detailed CPP by **December 31, 2023**. A copy of the plan will be available on the RTAA’s website.

To ensure that the community is effectively informed of and able to participate in public hearings, **the RTAA’s Clerk of the Board** ensures that upon request, public notices are translated. Notices of public meetings include information on how to obtain free translation services. Additionally, such notices will include direction for obtaining an interpreter, free of charge, for public hearings. 28 CFR § 42.405(d). See Limited English Proficiency (LEP) Section.

6. Community Statistics

Title VI regulations require Federal grant recipients to know their community demographics. See 49 CFR § 21.9(b). By knowing this information, the Reno-Tahoe Airport Authority will be able to identify, understand, and engage with communities. In doing so, the Reno-Tahoe Airport Authority needs to know about communities eligible to be served, actually or potentially affected, benefited or burdened by Reno-Tahoe Airport Authority’s airport program.

Affected Communities⁴	Population
<i>Reno Southeast CCD</i>	<i>83,655⁵</i>
<i>Sparks CCD</i>	<i>61,735</i>

(Hereafter, the above communities will be referred to collectively as “the Affected Communities”).

We have identified the following facts about the Affected Communities:

Low Income Communities⁶

A low-income area is an identifiable group of persons living in geographic proximity, whose median household income is at or below the Department of Health and Human Services poverty guidelines. Pursuant to Executive Order 12898, “Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations,” Reno-Tahoe Airport Authority is collecting information about affected and potentially affected low-income communities. According to United States Census Bureau Quick Facts, the overall poverty level for Washoe County, Nevada is approximately 11.2%. The poverty rate remains similar compared with the rest of the State of Nevada. The poverty rates for the specific Affected Communities are as follows:

⁴ “Affected communities” means any readily identifiable group potentially impacted by an airport project or operation, such as the community immediately surrounding a project or a community in the flight path.

⁵ Sourced from American Community Survey, ACS Demographic and Housing Estimates – DP05

⁶ Low-income data must be collected to assist in our compliance with Environmental Justice requirements (not Title VI requirements). For example, this data will be utilized in our Community Participation Plan (CPP) to help ensure the meaningful involvement of low income communities in airport programs and activities.

Affected Communities	Poverty Rate⁷
<i>Reno Southeast CCD</i>	<i>12.0%</i>
<i>Sparks CCD</i>	<i>10.7%</i>

Racial and Ethnic Communities.

Demographic data for race, color, and national origin was evaluated to identify racial and ethnic communities and populations in each Affected Community. The demographic composition by race, color, or national origin for the specific Affected Communities are as follows:

Affected Community: Reno Southeast CCD Total Affected Community Population: 83,655

Demographic Group within Affected Community	Number of People in Minority Group	Percent of Total Affected Community Population
<i>White</i>	<i>47,029</i>	<i>56%</i>
<i>Black or African American</i>	<i>1,898</i>	<i>2%</i>
<i>American Indian or Alaska Native</i>	<i>881</i>	<i>1%</i>
<i>Asian</i>	<i>6,269</i>	<i>7%</i>
<i>Native Hawaiian or Other Pacific Islander</i>	<i>965</i>	<i>1%</i>
<i>Hispanic or Latino</i>	<i>23,181</i>	<i>28%</i>
<i>More than one</i>	<i>3,256</i>	<i>4%</i>
<i>Some Other Race</i>	<i>176</i>	<i>>1%</i>

Affected Community: Sparks CCD Total Affected Community Population: 61,735

Demographic Group within Affected Community	Number of People in Minority Group	Percent of Total Affected Community Population
<i>White</i>	<i>32,816</i>	<i>53%</i>
<i>Black or African American</i>	<i>1,941</i>	<i>3%</i>
<i>American Indian or Alaska Native</i>	<i>1,130</i>	<i>2%</i>
<i>Asian</i>	<i>3,760</i>	<i>6%</i>
<i>Native Hawaiian or Other Pacific Islander</i>	<i>768</i>	<i>1%</i>
<i>Hispanic or Latino</i>	<i>22,905</i>	<i>37%</i>
<i>More than one</i>	<i>9,148</i>	<i>15%</i>
<i>Some Other Race</i>	<i>12,172</i>	<i>20%</i>

⁷ Source: "low income" percentages as per www.ejscreen.epa.gov

Limited English Proficiency (LEP).

The goal of all language access planning and implementation is to ensure that **the Reno-Tahoe Airport Authority** communicates effectively with limited English proficient (LEP) individuals. Effective language access requires self-assessment and planning. The next table lists non-English languages⁸ that are spoken in LEP households in the Affected Communities. The data source is *American Community Survey*.

The threshold we have used for identifying the languages with significant LEP populations is the DOT LEP Policy Guidance safe harbor threshold, which is 5% or 1,000, whichever is less.⁹ The safe harbor for our community is **1,000**. Please refer to the end of this document to find data for all languages in our community.

Languages Spoken by LEP Population that Meet the Safe Harbor Threshold	Number	Margin of Error
<i>Spanish</i>	13,442	+/-1,558

Frequency of contact with LEP individuals at the airport and airport-related activities (all languages):

Languages Spoken by LEP Persons	A few times a year (12 or less days a year)	Several times a month (13 to 51 days a year)	At least once a week (52 to 364 days a year)	Every day (365 days a year)
<i>Spanish</i>				X

Additional languages spoken by significant numbers of LEP persons in the Affected Communities, local schools, emergency service providers, and others, include: **none**.

This information is updated annually through checking the following resources:

Data Sources for Languages Spoken in Affected Community	Website link to Data Source
<i>U.S. Census Bureau</i>	https://data.census.gov/cedsci/table?q=B16001&tid=ACSDT1Y2019.B16001

Beneficiary Diversity.

⁸ Recommend using language groups from the U.S. Census, and using data for the “Speak English less than ‘very well’” category for each language over the threshold.

⁹ See the DOT LEP Policy Guidance at <https://www.federalregister.gov/d/05-23972/p-133>. The safe harbor provisions apply to the translation of written documents only; however, it provides a consistent starting point for identifying significant LEP populations.

Demographic information is collected from airport customers and participants in public solicitation processes, through voluntary disclosures.

Description of Beneficiary Demographic Information Collection Methods

- *The RTAA conducts occasional surveys of airport guests for customer satisfaction with airport concessions, restroom cleanliness, food offerings, and other elements and services. The survey includes a voluntary request for demographic information.*
- *RTAA asks for voluntary disclosure of demographic information during bidding and outreach processes*

Staff and Advisory Board Diversity.

Demographic information is collected from airport program employees and members of planning and advisory boards, through voluntary disclosures.

Description of Employee and Advisory Board Demographic Information Collection Methods

- *Employees are asked to submit voluntary confidential demographic information at time of hiring. Job applicants are asked to submit the same information when submitting their job application through the job application website.*
- *When new board members are appointed, RTAA solicits demographic information from the new board members by asking them to voluntarily provide demographic information.*

7. Potential or Known Community Impacts

Projects or services receiving federal financial assistance have the potential to touch so many aspects of American life. Thus, in general, no **RTAA** activity must have a discriminatory disparate impact on the basis of race, color, national origin (including LEP), sex (including sexual orientation and gender identity), creed, or age. This means that policies or procedures that have a disparate impact would require a well-documented substantial legitimate nondiscriminatory justification, summarized below. Impacts to protected communities must be avoided or minimized to the extent possible. No project with a discriminatory impact on protected communities will be undertaken.¹⁰

The following airport facilities are already in use or under construction and expected to be in use within the next 3 years:

Existing Airport Facilities	Affected Community Impacted by Operation of the Facility
Airfield Infrastructure	Reno Southeast CCD & Sparks CCD
Terminal/Landside	Reno Southeast CCD
GA Facilities	Reno Southeast CCD

¹⁰ In order to carry out an alternative with a discriminatory impact, the RTAA must demonstrate that there was a substantial legitimate justification for the decision. The RTAA must also show that alternatives with less discriminatory impacts were meaningfully considered and rejected for legitimate reasons.

The following airport facility projects (including all alternatives) are in construction or expected to be in construction within the next 3 years:

Airport Facility Construction Projects	Affected Community Impacted by Construction of the Facility
Concourse Redevelopment	Reno Southeast CCD
Homegardens South	Reno Southeast CCD
Ground Transportation Center	Reno Southeast CCD
Stellar FBO Facilities	Reno Southeast CCD
Taxiway Bravo Reconstruction	Reno Southeast CCD & Sparks CCD
New GA Runup Area	Reno Southeast CCD & Sparks CCD
Taxiway Renaming Project and Airfield Signage Replacement	Reno Southeast CCD & Sparks CCD
PC Air & 400 HZ Unit Replacement	Reno Southeast CCD
GA East Apron and Taxiway Reconstruction	Reno Southeast CCD & Sparks CCD
New Admin HQ	Reno Southeast CCD

We have analyzed the above existing facilities and facility construction projects for disparate impacts on the basis of race, color, or national origin (including LEP) in Affected Communities. The following have disparate impacts: **none**.

8. Limited English Proficiency (LEP)

Executive Order 13166

In creating a Language Assistance Plan, the **RTAA** will consider the volume, proportion, or frequency of contact with LEP persons in determining the appropriate language assistance to provide.

In Community Statistics section, we identified the following languages spoken by LEP persons in Affected Communities

Language
<i>Spanish</i>

RTAA also collects data for languages spoken by airport guests.¹¹ Data sources include:

Data Sources for Languages Spoken by Airport Guests	Website link to Data Source
<i>Airline-provided data</i>	<i>N/A</i>
<i>Assumption from flight origin / destination</i>	<i>N/A</i>

¹¹ We aim to provide appropriate language assistance services to every LEP person encountered. This includes instances when LEP statistical data for a particular language was not available beforehand, or the safe harbor threshold for written translation was not met.

<i>Assistance requests to airport information desks</i>	<i>N/A</i>
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Based on the above data, the following additional languages have been identified as likely to be spoken by LEP airport guests: **none**.

The RTAA will also actively engage with community educators, community groups, places of work, business groups, social groups, and the like to confirm that translation and interpretation services are accurate and effective. Additionally, the Title VI Coordinator will inform leadership and staff of the **RTAA** of the responsibility to provide language access. We have made the following plans to provide translation services free of charge to ensure that individuals with LEP have access to the benefits of the airport:

Translation Services:

- All written notices contain a statement in the identified languages, when appropriate, of how to receive translated written materials.
- The following vendors have been identified for written translations: **none**.
- Information regarding translation services can be obtained at:

Location for Translation Assistance	Languages
<i>Administration Offices Front Desk</i>	<i>All Languages</i>
<i>Airport website translate view</i>	<i>Spanish</i>
<i>Multi-lingual staff pool</i>	<i>Spanish, Tagalog, Hindi, Punjabi, Urdu</i>

Interpretation Services:

- The following vendors have been identified for interpretation services: **none**.
- Information regarding interpretation services can be obtained at: the RTAA Administrative Offices Front Desk.

Location for Interpretation Assistance	Languages
<i>Administration Offices Front Desk</i>	<i>All languages</i>

Description of Interpretation Assistance Processes

- *RTAA staff have access to an ISpeak card with a variety of commonly encountered languages and are trained to use the card as a translation starting point.*
- *RTAA People Operations maintains a list of multilingual employees, the languages they speak, and their associated office telephone numbers. The list indicates whether each employee is proficient to provide interpretation and/or translation services. The list is updated occasionally is available to all airport employees through the internal website. Generally, these employee volunteers are available to assist members of the public with verbal real-time interpretation, during normal business hours.*

- *RTAA staff are innovative and versatile, and help members of the travelling public and others that request language assistance through the use of free translation websites and applications, personal connections (i.e. friends and family), and other means that they find to ensure translation assistance is provided.*
- *For written translations, RTAA would first attempt to utilize bilingual staff. If the RTAA does not have a bilingual employee for the language or the document is too complex, the RTAA will hire a professional translator on an ad hoc basis to translate the document.*

9. Transportation

49 Part CFR 21 Appendix C (a)(1)(ix)

In the Community Statistics section of this plan, we identified Affected Communities and provided demographic and related data for the community populations. The minority and disadvantaged community areas located within the Affected Communities are identified below. Other minority and disadvantaged community areas that are near the airport but not within Affected Communities are also identified below.

We have coordinated with **Regional Transportation Commission of Washoe County** to encourage them to provide transit service access between the airport and these areas.

The following chart identifies existing and planned transit services connecting the airport employment centers with the identified minority and disadvantaged community areas.

Minority and/or Disadvantaged Community Areas	Transit Service	Planned or Existing
Sparks CCD/Southeast Reno CCD	Fixed-route buses	Existing
Sparks CCD/Southeast Reno CCD	Paratransit Service	Existing

10. Minority Businesses

49 CFR 21 Appendix C (a)(1)(x)

Bids for airport concessions and other business opportunities are solicited from area minority and woman-owned businesses through the following methods:

Airport Business Opportunity	Minority Business Outreach Methods
<i>Rental Car Suppliers</i>	<i>Participation in Rental Car Supplier Diversity Outreach Day</i>
<i>Concessions</i>	<i>Community Roadshow/Leadership Outreach</i>
<i>General Employment</i>	<i>Job Fairs in Minority-Majority Neighborhoods</i>

Selections are in compliance with Title VI, Part 21, and related requirements. Information on the award process and documentation for specific bid decisions is kept with **the RTAA's Purchasing**

Department.

11. Training

New employee orientation incorporates Title VI training. Topics include:

- Title VI and related laws prohibit discrimination on the basis of race, color, national origin (including LEP), sex (including sexual orientation and gender identity), creed, or age
- Title VI complaints must be forwarded to the Coordinator
- Protections against retaliation for filing civil rights complaints or related actions
- Title VI notices must be displayed throughout the airport public facilities
- All contracts must include Title VI clauses
- Language interpretation and translation services
- Cultural and community relations sensitivity training
- Anti-harassment training

Refresher information will be provided at least every two years.

12. Compliance Reviews, Audits, Complaints, Lawsuits, and Other Investigations

FAA Notification. The Coordinator will notify FAA of any pending investigations and reviews, including:

- Compliance reviews or audits concerning civil rights requirements¹²
- Complaints, lawsuits, or other investigations alleging noncompliance with civil rights requirements¹³

As discussed in the Title VI Complaints Section, Title VI complaints must be forwarded to FAA contacts within 15 days of receipt. For all other civil rights investigations, **RTAA** must notify FAA contacts of any new investigations prior to grant execution.

At regular intervals, the Coordinator will provide FAA contacts with status updates for the investigations and reviews, until completed. For each existing investigation or review completed within 5 years of this plan, the Coordinator will also provide a statement about the outcome, unless previously provided.

13. Title VI Complaints

49 CFR 21.11; 49 CFR 21 Appendix C (b)(3); 28 CFR 42.406(d)

Scope. These procedures are for complaints of discrimination under Title VI and related laws (hereafter “Title VI Complaints.” In order to be a Title VI Complaint, the complaint must:

1. Allege discrimination on the basis of race, color, national origin (including LEP), sex (including sexual orientation and gender identity), creed, or age or violations administrative requirements under Title VI or related laws.
2. Not only be for employment matters¹⁴
3. Allege misconduct by the **RTAA** including airport employees, contractors, concessionaires, lessees, or tenants.
4. Concern an airport facility or actions by the **RTAA** including airport employees, contractors, concessionaires, lessees, or tenants.

¹² Includes any Title VI, ADA, Sec. 504, Title VII/EEO, or other civil rights program compliance review or audit to be performed on the Reno-Tahoe Airport Authority or any of its sub-recipients by any State, local or Federal agency.

¹³ Includes allegations of discrimination based on race, color, national origin (including LEP), sex (including sexual orientation and gender identity), creed, or age, whether because of actions of the Reno-Tahoe Airport Authority itself, or its employees, contractors, or tenants. Includes noncompliance with related administrative requirements under civil rights laws.

¹⁴ Complaints of employment discrimination must be addressed as required by EEOC and other applicable authorities with jurisdiction over employment matters. If an Reno-Tahoe Airport Authority employment activity is supported by FAA-provided financial assistance or it is alleged that the employment discrimination affects the broader airport program, complaints about that activity must also be reported to FAA.

Rights. Any person who believes that he or she has been subjected to discrimination on the basis of race, color, national origin (including LEP), sex (including sexual orientation and gender identity), creed, or age has the right to file a complaint with the **RTAA**.¹⁵ Alternatively, they can file a formal complaint with an outside agency, such as the U.S. Departments of Justice or Transportation, or the Federal Aviation Administration (FAA), or seek other legal remedies.

Receipt of Complaint. The Coordinator will log in the complaint and promptly send copies of the complaint to **the Chief Legal Officer and President/CEO**.

Complaints must be filed within **180** days of the discriminatory event, must be in writing, and must be delivered to:

Tom Luria, Associate General Counsel
2001 E. Plumb Lane
Reno, NV 89502
775-328-6484
tluria@renoairport.com

If a complaint is initially made by phone, it must be supplemented with a written complaint before **180** days after the discriminatory event has passed. If a verbal complaint is received, the complainant should be given a copy of the Airport Discrimination Complaint Procedures and instructed to submit a written complaint. Accommodation will be provided upon request to individuals unable to file a written complaint due to a disability.

Initial Procedure. The Coordinator may meet with the complainant to clarify the issues, obtain additional information, and determine if informal resolution might be possible in lieu of an investigation. If successfully resolved, the Coordinator will issue a closure letter to the complainant, record the disposition in the complaints log, and report the resolution to FAA.

Discrimination Complaint Referral Procedure

Internal Complaint Referral. All Title VI complaints must be promptly forwarded to the Coordinator within **72 hours**.

Initial FAA Notification. A copy of each Title VI complaint will be forwarded to the FAA within 15 days of initial receipt (not the date that the Coordinator was notified). The Coordinator will forward a copy of the complaint and a statement describing all actions taken to resolve the matter, and the results thereof to the FAA Civil Rights staff. (Note: complaints based on disability do not have to be forwarded to FAA.) To transmit complaint information to the FAA, the Coordinator will **upload the complaint to the FAA Civil Rights Connect System**. The Coordinator will also seek technical assistance from FAA, as needed, throughout complaint intake, investigation and resolution process.

Investigation Procedure

Assignment of Investigator. The Coordinator will immediately begin the investigation or designate an investigator.

Cooperation with FAA. The Coordinator will promptly investigate all Title VI complaints, including those referred by the FAA for investigation. If the FAA is investigating a complaint against **the Reno-Tahoe Airport Authority**, the Coordinator will avoid interfering with the FAA investigation, cooperate with the FAA when needed, and share factual information with the FAA.

Prompt Investigation. The Coordinator will make every effort to complete discrimination complaint investigations within **60** calendar days after the complaint is received. Some investigations may take longer with a justification for the delay and assurance that the investigation is being completed as quickly as possible.

Contact with Complainant. The Coordinator will meet with the complainant to clarify the issues and obtain additional information, and also speak with community members and potential witnesses, as appropriate.

Investigation Report. After completing the investigation, the Coordinator will prepare a written report.

Consultation with Legal Counsel. In each case, the Coordinator will consult with Legal Counsel regarding the investigation and the report. Airport Legal Counsel will ensure that the report is consistent with the DOT and FAA Title VI nondiscrimination requirements.

Prompt Resolution of Disputes. The Coordinator will emphasize voluntary compliance and quickly and fairly resolve disputes with complainants, or with contractors, tenants, or other persons, through **informal mediation**.

Forwarding Report and Response to Complainant. At the completion of the investigation, the complainant and respondent will receive a letter of findings and determination of the investigation and any applicable resolution. The letter transmitting the findings and any applicable resolution will state **the Reno-Tahoe Airport Authority's** conclusion regarding whether unlawful discrimination occurred, and will describe the complainant's appeal rights. A summary of the investigation report, any appeal, or follow-up actions will be sent to the FAA via **the FAA Civil Rights Connect System**.

Appeal Rights. The complainant must be notified of their right to appeal the findings or determinations, and of the procedures and requirements for an appeal:

- The complainant may appeal in writing to the **RTAA's Chief Legal Officer**.
- The written appeal must be received **within 10** business days after receipt of the written decision.
- The written appeal must contain all arguments, evidence, and documents supporting the basis for the appeal.

- The **RTAA's Chief Legal Officer** will issue a final written decision in response to the appeal.

Avoiding Future Discrimination. In addition to taking action with respect to any specific instances of discrimination, the **Reno-Tahoe Airport Authority** will identify and implement measures to reduce the chances of similar discrimination in the future.

Intimidation and Retaliation Prohibited. **Reno-Tahoe Airport Authority** employees, contractors, and tenants will not intimidate or retaliate against a person who has filed a complaint alleging discrimination.

For information on filing a complaint with DOT/FAA, please contact **Tom Luria**.

This complaint procedure is shared with the public through the following methods:

Website, In-person, and Other Distribution Methods

1 *Airport website, Title VI page at www.renoairport.com/at-the-airport/civil-rights/title-vi-procedures/*

2 Email completed complaint to titlevi@renoairport.com or tluria@renoairport.com

14. Population / Language Data
B16001 and S1701 tables for Affected Communities

LANGUAGE SPOKEN AT HOME BY ABILITY TO SPEAK ENGLISH FOR THE POPULATION 5 YEARS AND OVER		United States [®] Census Bureau
Note: The table shown may have been modified by user selections. Some information may be missing.		
DATA NOTES		
TABLE ID:	B16001	
SURVEY/PROGRAM:	American Community Survey	
VINTAGE:	2015	
DATASET:	ACSDT5Y2015	
PRODUCT:	ACS 5-Year Estimates Detailed Tables	
UNIVERSE:	Population 5 years and over	
FTP URL:	https://www2.census.gov/programs-surveys/acs/summary_file/2015/data/	
API URL:	https://api.census.gov/data/2015/acs/acs5	
USER SELECTIONS		
TABLES	B16001	
GEOS	Reno Southeast CCD, Washoe County, Nevada	
EXCLUDED COLUMNS	None	
APPLIED FILTERS	None	
APPLIED SORTS	None	
PIVOT & GROUPING		
PIVOT COLUMNS	None	
PIVOT MODE	Off	
ROW GROUPS	None	
VALUE COLUMNS	None	
WEB ADDRESS	https://data.census.gov/table?q=B16001:+LANGUAGE+SPOKEN+AT+HOME+BY+ABILITY+TO+SPEAK+ENGLISH+FOR+THE+POPULATION+5+YEARS+AND+OVER&g=060XX00US3203194709&tid=ACSDT5Y2015.B16001	

Table: ACSDT5Y2015.B16001

	Sparks CCD, Washoe County, Nevada	
Label	Estimate	Margin of Error
Total:	55,028	±1,043
Speak only English	38,378	±1,098
Spanish or Spanish Creole:	13,891	±966
Speak English "very well"	8,254	±678
Speak English less than "very well"	5,637	±669
French (incl. Patois, Cajun):	88	±67
Speak English "very well"	78	±68
Speak English less than "very well"	10	±16
French Creole:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Italian:	29	±28
Speak English "very well"	29	±28
Speak English less than "very well"	0	±29
Portuguese or Portuguese Creole:	16	±23
Speak English "very well"	16	±23
Speak English less than "very well"	0	±29
German:	149	±91
Speak English "very well"	109	±81
Speak English less than "very well"	40	±39
Yiddish:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29

Table: ACSDT5Y2015.B16001

	Sparks CCD, Washoe County, Nevada	
Label	Estimate	Margin of Error
Other West Germanic languages:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Scandinavian languages:	59	±77
Speak English "very well"	51	±77
Speak English less than "very well"	8	±13
Greek:	26	±30
Speak English "very well"	26	±30
Speak English less than "very well"	0	±29
Russian:	147	±168
Speak English "very well"	51	±66
Speak English less than "very well"	96	±104
Polish:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Serbo-Croatian:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Other Slavic languages:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Armenian:	0	±29
Speak English "very well"	0	±29

Table: ACSDT5Y2015.B16001

	Sparks CCD, Washoe County, Nevada	
Label	Estimate	Margin of Error
Speak English less than "very well"	0	±29
Persian:	56	±67
Speak English "very well"	51	±67
Speak English less than "very well"	5	±10
Gujarati:	52	±125
Speak English "very well"	30	±74
Speak English less than "very well"	22	±51
Hindi:	96	±188
Speak English "very well"	69	±139
Speak English less than "very well"	27	±51
Urdu:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Other Indic languages:	61	±63
Speak English "very well"	16	±25
Speak English less than "very well"	45	±44
Other Indo-European languages:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Chinese:	296	±197
Speak English "very well"	143	±127
Speak English less than "very well"	153	±131

Table: ACSDT5Y2015.B16001

	Sparks CCD, Washoe County, Nevada	
Label	Estimate	Margin of Error
Japanese:	30	±45
Speak English "very well"	16	±24
Speak English less than "very well"	14	±22
Korean:	52	±40
Speak English "very well"	12	±18
Speak English less than "very well"	40	±37
Mon-Khmer, Cambodian:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Hmong:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Thai:	34	±47
Speak English "very well"	28	±46
Speak English less than "very well"	6	±11
Laotian:	35	±56
Speak English "very well"	35	±56
Speak English less than "very well"	0	±29
Vietnamese:	36	±39
Speak English "very well"	22	±35
Speak English less than "very well"	14	±20
Other Asian languages:	0	±29
Speak English "very well"	0	±29

Table: ACSDT5Y2015.B16001

	Sparks CCD, Washoe County, Nevada	
Label	Estimate	Margin of Error
Speak English less than "very well"	0	±29
Tagalog:	1,214	±360
Speak English "very well"	796	±261
Speak English less than "very well"	418	±170
Other Pacific Island languages:	90	±81
Speak English "very well"	47	±44
Speak English less than "very well"	43	±55
Navajo:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Other Native North American languages:	20	±31
Speak English "very well"	20	±31
Speak English less than "very well"	0	±29
Hungarian:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Arabic:	65	±104
Speak English "very well"	48	±78
Speak English less than "very well"	17	±26
Hebrew:	7	±11
Speak English "very well"	7	±11

Table: ACSDT5Y2015.B16001

	Sparks CCD, Washoe County, Nevada	
Label	Estimate	Margin of Error
Speak English less than "very well"	0	±29
African languages:	101	±160
Speak English "very well"	101	±160
Speak English less than "very well"	0	±29
Other and unspecified languages:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29

Table: ACSDT5Y2015.B16001

TABLE NOTES	<p>Supporting documentation on code lists, subject definitions, data accuracy, and statistical testing can be found on the American Community Survey website in the Data and Documentation section.</p> <p>Sample size and data quality measures (including coverage rates, allocation rates, and response rates) can be found on the American Community Survey website in the Methodology section.</p>
	<p>Tell us what you think. Provide feedback to help make American Community Survey data more useful for you.</p> <p>Although the American Community Survey (ACS) produces population, demographic and housing unit estimates, it is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties.</p>

Table: ACSDT5Y2015.B16001

	<p>Explanation of Symbols: * An "***" entry in the margin of error column indicates that either no sample observations or too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.</p> <p>* An "-" entry in the estimate column indicates that either no sample observations or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.</p> <p>* An "-" following a median estimate means the median falls in the lowest interval of an open-ended distribution.</p> <p>* An "+" following a median estimate means the median falls in the upper interval of an open-ended distribution.</p> <p>* An "****" entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.</p> <p>* An "*****" entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.</p> <p>* An "N" entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the number of sample cases is too small.</p> <p>* An "(X)" means that the estimate is not applicable or not available.</p>
	<p>Estimates of urban and rural population, housing units, and characteristics reflect boundaries of urban areas defined based on Census 2010 data. As a result, data for urban and rural areas from the ACS do not necessarily reflect the results of ongoing urbanization.</p>
	<p>While the 2011-2015 American Community Survey (ACS) data generally reflect the February 2013 Office of Management and Budget (OMB) definitions of metropolitan and micropolitan statistical areas; in certain instances the names, codes, and boundaries of the principal cities shown in ACS tables may differ from the OMB definitions due to differences in the effective dates of the geographic entities.</p>
	<p>Methodological changes to data collection in 2013 may have affected language data for 2013. Users should be aware of these changes when using multi-year data containing data from 2013. For more information, see: Language User Note.</p>

Table: ACSDT5Y2015.B16001

	Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see Accuracy of the Data). The effect of nonsampling error is not represented in these
	Source: U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimates
COLUMN NOTES	None

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Speak English less than "very well"	0	±29
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Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Serbo-Croatian:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Other Slavic languages:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Armenian:	0	±29
Speak English "very well"	0	±29

Table: ACSDT5Y2015.B16001

	Sparks CCD, Washoe County, Nevada	
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Speak English less than "very well"	22	±51
Hindi:	96	±188
Speak English "very well"	69	±139
Speak English less than "very well"	27	±51
Urdu:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Other Indic languages:	61	±63
Speak English "very well"	16	±25
Speak English less than "very well"	45	±44
Other Indo-European languages:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
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Speak English "very well"	143	±127
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Table: ACSDT5Y2015.B16001

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Korean:	52	±40
Speak English "very well"	12	±18
Speak English less than "very well"	40	±37
Mon-Khmer, Cambodian:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Hmong:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Thai:	34	±47
Speak English "very well"	28	±46
Speak English less than "very well"	6	±11
Laotian:	35	±56
Speak English "very well"	35	±56
Speak English less than "very well"	0	±29
Vietnamese:	36	±39
Speak English "very well"	22	±35
Speak English less than "very well"	14	±20
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Speak English "very well"	0	±29

Table: ACSDT5Y2015.B16001

	Sparks CCD, Washoe County, Nevada	
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Speak English "very well"	47	±44
Speak English less than "very well"	43	±55
Navajo:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
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Speak English "very well"	20	±31
Speak English less than "very well"	0	±29
Hungarian:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29
Arabic:	65	±104
Speak English "very well"	48	±78
Speak English less than "very well"	17	±26
Hebrew:	7	±11
Speak English "very well"	7	±11

Table: ACSDT5Y2015.B16001

	Sparks CCD, Washoe County, Nevada	
Label	Estimate	Margin of Error
Speak English less than "very well"	0	±29
African languages:	101	±160
Speak English "very well"	101	±160
Speak English less than "very well"	0	±29
Other and unspecified languages:	0	±29
Speak English "very well"	0	±29
Speak English less than "very well"	0	±29

Table: ACSST5Y2021.S1701

	Reno Southeast CCD, Washoe County, Nevada					
	Total		Below poverty level		Percent below poverty level	
Label	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
Population for whom poverty status is determined	82,916	±2,241	9,947	±1,398	12.0%	±1.6
AGE						
Under 18 years	19,383	±1,253	2,961	±734	15.3%	±3.4
Under 5 years	5,332	±704	724	±284	13.6%	±5.0
5 to 17 years	14,051	±1,102	2,237	±637	15.9%	±4.1
Related children of householder under 18 years	19,308	±1,257	2,886	±729	14.9%	±3.4
18 to 64 years	52,386	±1,613	5,920	±828	11.3%	±1.6
18 to 34 years	20,289	±1,353	2,359	±483	11.6%	±2.2
35 to 64 years	32,097	±1,246	3,561	±633	11.1%	±1.9
60 years and over	16,209	±913	1,692	±368	10.4%	±2.1
65 years and over	11,147	±655	1,066	±284	9.6%	±2.4
SEX						
Male	40,703	±1,571	4,113	±733	10.1%	±1.7
Female	42,213	±1,195	5,834	±896	13.8%	±2.1
RACE AND HISPANIC OR LATINO ORIGIN						
White alone	54,927	±2,061	5,213	±986	9.5%	±1.7
Black or African American alone	2,018	±465	407	±193	20.2%	±8.9
American Indian and Alaska Native alone	1,092	±244	308	±109	28.2%	±9.2
Asian alone	6,381	±1,238	319	±127	5.0%	±2.3
Native Hawaiian and Other Pacific Islander alone	994	±295	79	±56	7.9%	±5.8
Some other race alone	10,056	±1,422	2,218	±824	22.1%	±7.5
Two or more races	7,448	±1,324	1,403	±816	18.8%	±9.2
Hispanic or Latino origin (of any race)	22,873	±1,707	4,224	±1,123	18.5%	±4.4
White alone, not Hispanic or Latino	46,653	±1,897	4,370	±849	9.4%	±1.8
EDUCATIONAL ATTAINMENT						
Population 25 years and over	57,056	±1,490	6,008	±868	10.5%	±1.5
Less than high school graduate	6,671	±693	1,414	±305	21.2%	±4.1
High school graduate (includes equivalency)	13,591	±951	2,222	±528	16.3%	±3.9
Some college, associate's degree	17,863	±1,242	1,446	±352	8.1%	±1.9
Bachelor's degree or higher	18,931	±1,262	926	±350	4.9%	±1.8
EMPLOYMENT STATUS						
Civilian labor force 16 years and over	46,153	±1,537	3,130	±578	6.8%	±1.2
Employed	43,832	±1,448	2,288	±436	5.2%	±1.0

Table: ACSST5Y2021.S1701

	Reno Southeast CCD, Washoe County, Nevada					
	Total		Below poverty level		Percent below poverty level	
Label	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
Male	22,759	±883	807	±221	3.5%	±0.9
Female	21,073	±995	1,481	±372	7.0%	±1.8
Unemployed	2,321	±452	842	±340	36.3%	±10.5
Male	975	±236	290	±145	29.7%	±12.9
Female	1,346	±409	552	±302	41.0%	±13.4
WORK EXPERIENCE						
Population 16 years and over	65,793	±1,739	7,325	±944	11.1%	±1.4
Worked full-time, year-round in the past 12 months	32,142	±1,490	773	±253	2.4%	±0.8
Worked part-time or part-year in the past 12 months	15,150	±947	2,181	±411	14.4%	±2.7
Did not work	18,501	±1,116	4,371	±701	23.6%	±3.2
ALL INDIVIDUALS WITH INCOME BELOW THE FOLLOWING POVERTY RATIOS						
50 percent of poverty level	4,785	±970	(X)	(X)	(X)	(X)
125 percent of poverty level	13,626	±1,756	(X)	(X)	(X)	(X)
150 percent of poverty level	17,283	±1,695	(X)	(X)	(X)	(X)
185 percent of poverty level	23,474	±1,850	(X)	(X)	(X)	(X)
200 percent of poverty level	25,652	±2,029	(X)	(X)	(X)	(X)
300 percent of poverty level	36,397	±2,013	(X)	(X)	(X)	(X)
400 percent of poverty level	47,175	±2,267	(X)	(X)	(X)	(X)
500 percent of poverty level	56,977	±2,691	(X)	(X)	(X)	(X)
UNRELATED INDIVIDUALS FOR WHOM POVERTY STATUS IS DETERMINED	21,095	±1,345	4,414	±652	20.9%	±2.7
Male	10,745	±803	1,692	±299	15.7%	±2.7
Female	10,350	±885	2,722	±539	26.3%	±4.4
15 years	62	±39	62	±39	100.0%	±41.8
16 to 17 years	13	±18	13	±18	100.0%	±91.2
18 to 24 years	2,743	±553	701	±220	25.6%	±7.4
25 to 34 years	5,258	±884	890	±306	16.9%	±4.4
35 to 44 years	2,206	±384	501	±197	22.7%	±7.1
45 to 54 years	2,990	±536	616	±299	20.6%	±8.4
55 to 64 years	3,523	±485	1,017	±317	28.9%	±7.2
65 to 74 years	2,556	±334	342	±129	13.4%	±4.7
75 years and over	1,744	±327	272	±132	15.6%	±6.3
Mean income deficit for unrelated individuals (dollars)	8,007	±598	(X)	(X)	(X)	(X)
Worked full-time, year-round in the past 12 months	10,271	±991	298	±139	2.9%	±1.3
Worked less than full-time, year-round in the past 12 months	4,577	±547	1,336	±294	29.2%	±5.7
Did not work	6,247	±701	2,780	±574	44.5%	±6.1

Table: ACSST5Y2021.S1701

	Reno Southeast CCD, Washoe County, Nevada					
	Total		Below poverty level		Percent below poverty level	
Label	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
Population in housing units for whom poverty status is determined	82,741	±2,243	9,807	±1,394	11.9%	±1.6

Table: ACSST5Y2021.S1701

	Sparks CCD, Washoe County, Nevada					
	Total		Below poverty level		Percent below poverty level	
Label	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
Population for whom poverty status is determined	61,967	±1,873	6,624	±1,248	10.7%	±1.9
AGE						
Under 18 years	13,694	±1,038	2,096	±605	15.3%	±4.1
Under 5 years	3,523	±635	697	±288	19.8%	±7.5
5 to 17 years	10,171	±907	1,399	±491	13.8%	±4.5
Related children of householder under 18 years	13,597	±1,033	2,020	±594	14.9%	±4.1
18 to 64 years	38,966	±1,431	3,711	±737	9.5%	±1.8
18 to 34 years	15,639	±1,209	1,835	±527	11.7%	±3.0
35 to 64 years	23,327	±1,160	1,876	±467	8.0%	±2.0
60 years and over	12,891	±840	1,214	±313	9.4%	±2.4
65 years and over	9,307	±644	817	±217	8.8%	±2.3
SEX						
Male	31,642	±1,085	2,662	±569	8.4%	±1.8
Female	30,325	±1,306	3,962	±821	13.1%	±2.5
RACE AND HISPANIC OR LATINO ORIGIN						
White alone	38,162	±1,999	3,349	±692	8.8%	±1.8
Black or African American alone	1,333	±405	191	±132	14.3%	±9.5
American Indian and Alaska Native alone	965	±330	136	±99	14.1%	±9.3
Asian alone	3,316	±684	282	±207	8.5%	±5.9
Native Hawaiian and Other Pacific Islander alone	597	±283	0	±31	0.0%	±6.5
Some other race alone	8,593	±1,470	1,556	±798	18.1%	±7.7
Two or more races	9,001	±1,965	1,110	±667	12.3%	±6.2
Hispanic or Latino origin (of any race)	25,637	±2,013	3,339	±1,060	13.0%	±3.9
White alone, not Hispanic or Latino	28,667	±1,666	2,534	±538	8.8%	±1.8
EDUCATIONAL ATTAINMENT						
Population 25 years and over	42,377	±1,227	3,595	±589	8.5%	±1.4
Less than high school graduate	8,701	±1,012	1,304	±462	15.0%	±4.9
High school graduate (includes equivalency)	12,414	±908	1,009	±256	8.1%	±1.9
Some college, associate's degree	13,484	±921	972	±260	7.2%	±1.8
Bachelor's degree or higher	7,778	±627	310	±159	4.0%	±2.0
EMPLOYMENT STATUS						
Civilian labor force 16 years and over	33,813	±1,531	2,371	±549	7.0%	±1.5
Employed	31,533	±1,482	1,936	±461	6.1%	±1.4

Table: ACSST5Y2021.S1701

	Sparks CCD, Washoe County, Nevada					
	Total		Below poverty level		Percent below poverty level	
Label	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
Male	17,577	±926	689	±204	3.9%	±1.2
Female	13,956	±875	1,247	±372	8.9%	±2.5
Unemployed	2,280	±364	435	±212	19.1%	±8.4
Male	1,281	±322	139	±92	10.9%	±6.5
Female	999	±310	296	±195	29.6%	±15.3
WORK EXPERIENCE						
Population 16 years and over	50,041	±1,483	4,790	±886	9.6%	±1.7
Worked full-time, year-round in the past 12 months	22,399	±1,247	547	±210	2.4%	±1.0
Worked part-time or part-year in the past 12 months	12,248	±973	1,709	±418	14.0%	±3.1
Did not work	15,394	±1,070	2,534	±580	16.5%	±3.3
ALL INDIVIDUALS WITH INCOME BELOW THE FOLLOWING POVERTY RATIOS						
50 percent of poverty level	2,236	±616	(X)	(X)	(X)	(X)
125 percent of poverty level	9,924	±1,528	(X)	(X)	(X)	(X)
150 percent of poverty level	12,889	±1,600	(X)	(X)	(X)	(X)
185 percent of poverty level	17,462	±1,654	(X)	(X)	(X)	(X)
200 percent of poverty level	20,261	±1,776	(X)	(X)	(X)	(X)
300 percent of poverty level	34,078	±2,171	(X)	(X)	(X)	(X)
400 percent of poverty level	43,847	±2,131	(X)	(X)	(X)	(X)
500 percent of poverty level	50,117	±2,155	(X)	(X)	(X)	(X)
UNRELATED INDIVIDUALS FOR WHOM POVERTY STATUS IS DETERMINED	14,023	±1,218	2,443	±508	17.4%	±3.1
Male	7,375	±812	828	±219	11.2%	±2.7
Female	6,648	±693	1,615	±382	24.3%	±5.0
15 years	0	±31	0	±31	-	**
16 to 17 years	76	±57	76	±57	100.0%	±37.7
18 to 24 years	1,993	±634	708	±342	35.5%	±10.0
25 to 34 years	2,978	±590	389	±150	13.1%	±4.5
35 to 44 years	1,488	±397	65	±61	4.4%	±4.0
45 to 54 years	1,681	±343	148	±74	8.8%	±4.2
55 to 64 years	2,353	±412	405	±156	17.2%	±7.0
65 to 74 years	1,799	±256	363	±132	20.2%	±7.0
75 years and over	1,655	±341	289	±158	17.5%	±8.4
Mean income deficit for unrelated individuals (dollars)	7,459	±753	(X)	(X)	(X)	(X)
Worked full-time, year-round in the past 12 months	6,405	±828	108	±74	1.7%	±1.2
Worked less than full-time, year-round in the past 12 months	3,394	±569	900	±346	26.5%	±7.9
Did not work	4,224	±541	1,435	±355	34.0%	±6.4

Table: ACSST5Y2021.S1701

	Sparks CCD, Washoe County, Nevada					
	Total		Below poverty level		Percent below poverty level	
Label	Estimate	Margin of Error	Estimate	Margin of Error	Estimate	Margin of Error
Population in housing units for whom poverty status is determined	61,926	±1,868	6,593	±1,251	10.6%	±1.9

15. Completed Unlawful Discrimination Poster

Unlawful Discrimination

It is unlawful for airport operators and their lessees, tenants, concessionaires and contractors to discriminate against any person because of race, color, national origin, sex, creed or disability in public services and employment opportunities. Allegations of discrimination should be promptly reported to the Airport Manager or:

Federal Aviation Administration
Office of Civil Rights, ACR-1
800 Independence Avenue, S.W.
Washington, D.C. 20591

Federal regulations on unlawful discrimination are available for review in the Airport Manager's Office

Coordinator: Reno-Tahoe Airport Authority Title VI Coordinator
Phone: 775-328-6400
Address: 2001 E. Plumb Ln. Reno, NV 89502

Discriminación Ilegal

Se prohíbe a los operadores de aeropuertos y a sus arrendatarios, inquilinos, concesionarios y contratistas discriminar contra cualquier persona por motivo de raza, color, nacionalidad de origen, sexo, creencias religiosas, impedimento físico o discapacidad en lo que respecta a servicios públicos y oportunidades de empleo. Las alegaciones de discriminación deberán ser dirigidas inmediatamente al Administrador del Aeropuerto o a:

Federal Aviation Administration
Office of Civil Rights, ACR-1
800 Independence Avenue, S.W.
Washington, D.C. 20591

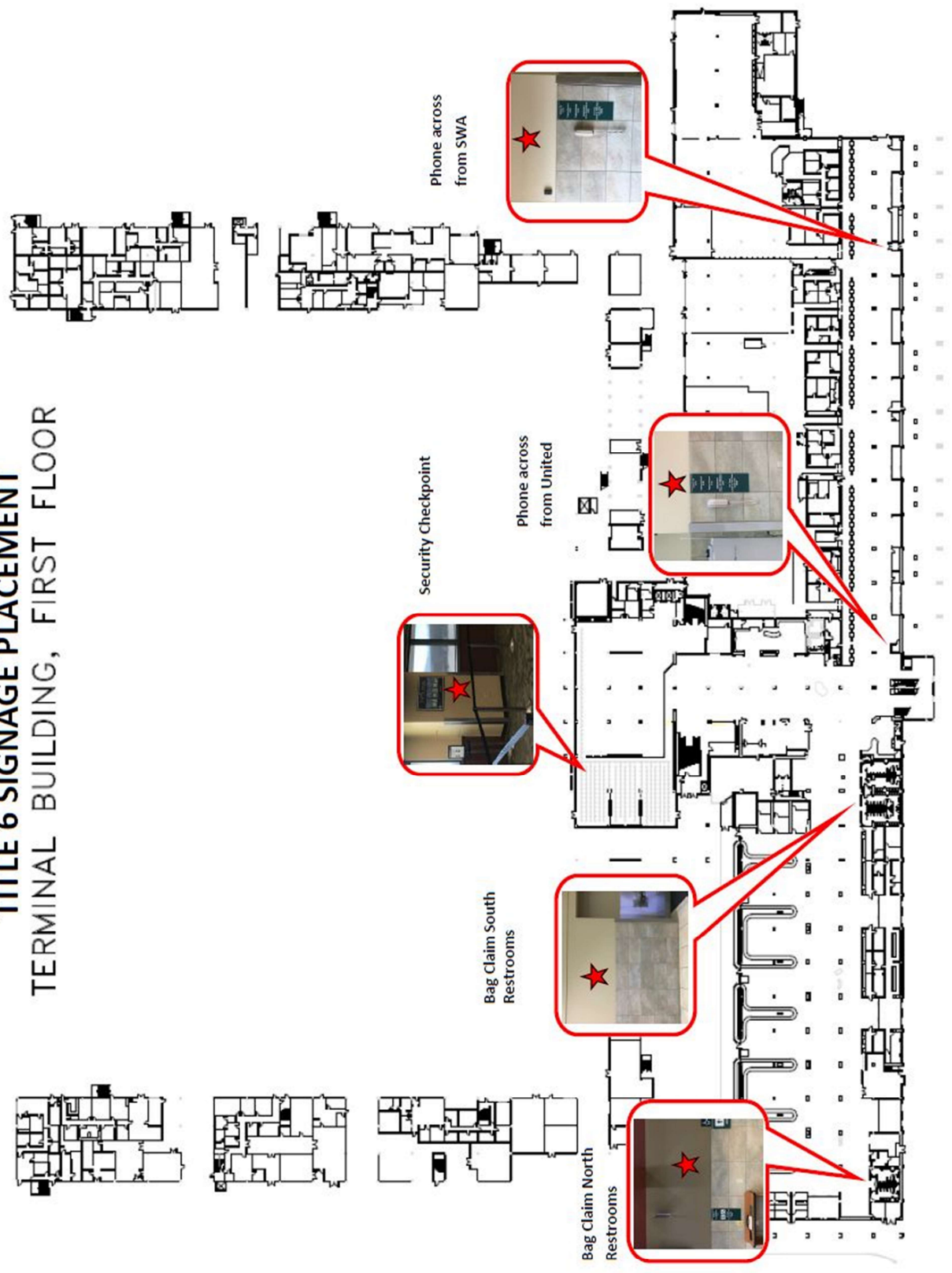
Los reglamentos sobre discriminación ilegal están a la disposición de los interesados para su examen en la oficina del Administrador del Aeropuerto.

Coordinador: Reno-Tahoe Airport Authority Title VI Coordinator
Teléfono: 775-328-6400
Dirección: 2001 E. Plumb Ln., Reno, NV 89502

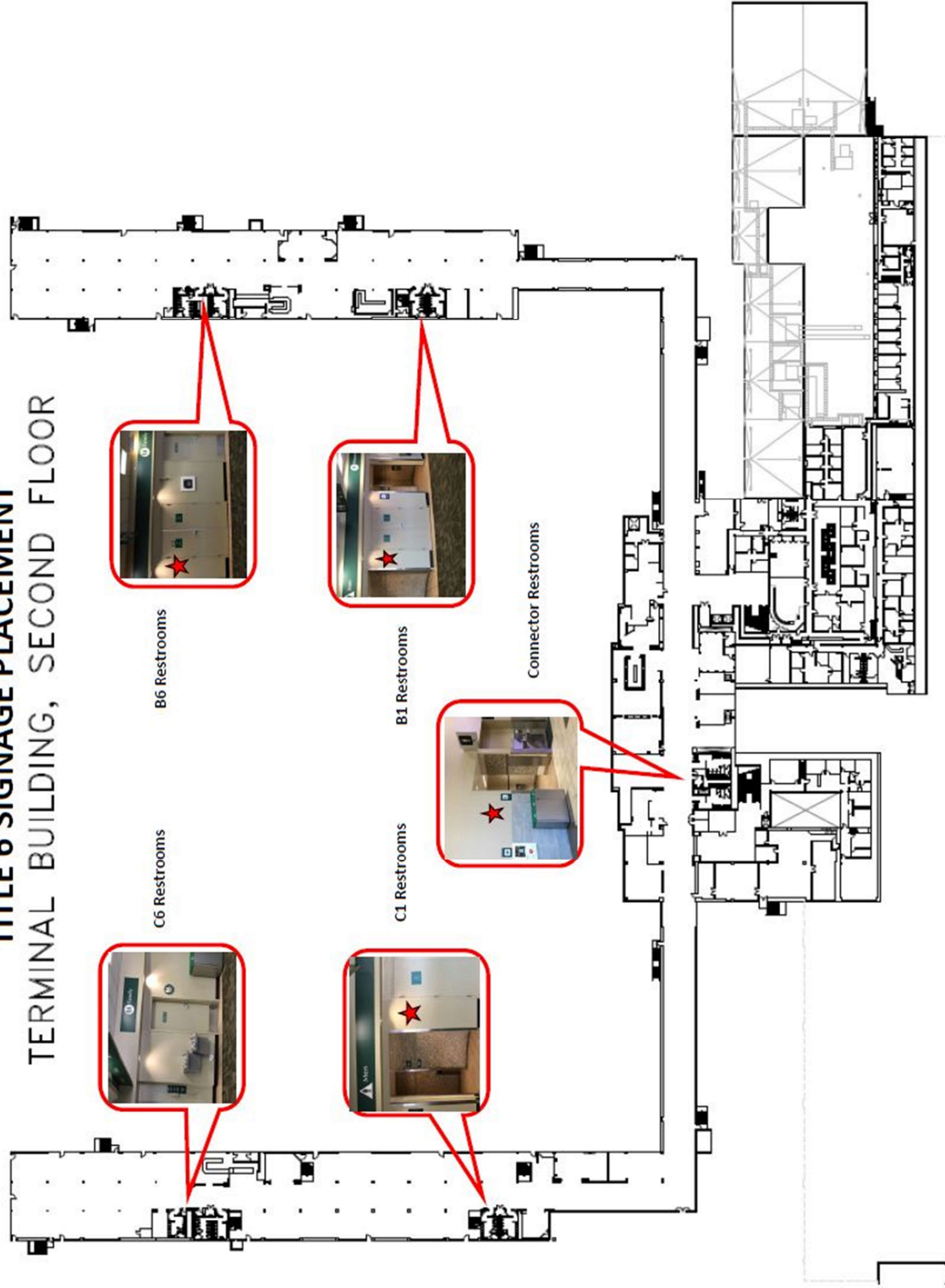


U.S. Department of Transportation
Federal Aviation Administration

TITLE 6 SIGNAGE PLACEMENT
TERMINAL BUILDING, FIRST FLOOR



TITLE 6 SIGNAGE PLACEMENT TERMINAL BUILDING, SECOND FLOOR



16. Affected Communities

445

Sparks CCD

580

Reno Southeast CCD



Board Memorandum

01/2024-02

In Preparation for the Regular Board Meeting on January 11, 2024

Subject: Authorization for the President/CEO to execute a Second Amendment to extend the Nonexclusive Gaming Concession License with IGT for a two-year period, from December 1, 2024 to November 30, 2026, with an estimated contract value of \$2,725,564

STAFF RECOMMENDATION

Staff recommends that the Board approve the motion presented below.

BACKGROUND

IGT was first awarded the gaming concession at Reno-Tahoe International Airport (RNO) in 1992 through a competitive request for bid process. The initial Nonexclusive Gaming Concession License (License) was for a five-year term and multiple one-year options. In 1998 and 2003, the Reno-Tahoe Airport Authority (RTAA) entered into new five-year agreements with IGT effective through November 30, 2008.

A new License with IGT commenced on December 1, 2008 for a three-year term with one two-year option. In 2010 a number of airport development plans collectively referred to as the “Gateway Project” were approved, including refurbishment of the lower-level terminal area, centralizing the security checkpoint, and relocating the food court to the second level. These improvements directly impacted terminal tenants including IGT and subsequently, in December 2011 the Board approved a four-year extension of IGT’s License through November 30, 2015. This extension included a \$1M investment for a total investment from 2008 to 2015 of \$1.5M; the earlier investments included upgrades and replacements of gaming machines and installation of the IGT Advantage Slot System, which allows for enhanced game offerings, player bonuses, and higher progressives. IGT also upgraded its network and surveillance program in the lobby and concourse gaming areas as well as upgraded its vault and count room security.

For each of the aforementioned License agreements, staff conducted informal inquiries of the market to determine if there was any interest from other gaming operators and found no expressed interest. During the extension period of 2011 through 2015 RNO saw a steady decline in both enplanements and gaming revenue; conversely, there were optimistic forecasts of growth in northern Nevada over the next several years due to new market entrants, including Tesla, Panasonic, Switch, etc. These factors led to a recommendation for a shorter-term gaming license of no more than five years at which point a competitive Request for Proposal for a new capital investment and longer-term license for the gaming concession could be conducted.

IGT currently operates the gaming program at RNO under a License that commenced on December 1, 2015 with an initial five-year term. A First Amendment to extend the License was approved by the Board in March of 2020 for an additional four-year term and will expire November 30, 2024. Between 2015 and 2020, IGT invested over \$1M to upgrade and replace gaming machines, ticket redemption kiosks and cash counting machines, and install new digital video surveillance camera recorders and a new automated KeyWatcher key-control inventory system. IGT then invested an additional \$1.4M to upgrade slot machines, games, and systems since 2021. These improvements have provided enhanced gaming opportunities to the traveling public, improved IGT's operational efficiencies and provided additional revenue opportunities.

DISCUSSION

The last four-year term extension, approved by the Board in March 2020, was intended to align with the development of the new concourses as outlined in the 2018 Master Plan; however, that timing was unknown, and the extension approval took place the week before travel drastically declined due to the COVID-19 pandemic. The RTAA has made significant progress over the last several years planning the multi-year infrastructure program, now referred to as MoreRNO, and as part of this, staff has a better understanding of the New Gen A & B timing.

IGT serves as both the gaming operator and manufacturer of the machines. This gives IGT a competitive advantage of vertical integration with the ability to supply gaming machines for the RNO gaming program at cost, with no third-party fees and provides superior operating margins and net revenue to both IGT and the RTAA. Additionally, the planning and capital investment required to install a completely new gaming program at RNO is substantial and would not result in a return on investment prior to the New Gen A & B construction impacts.

Staff recommends continuing the relationship with IGT to maintain the gaming program and provide revenue stability during the implementation of MoreRNO. IGT will continue to monitor slot machine performance and convert/replace games as necessary. IGT will also continue to keep all slot machines in like-new condition and replace any necessary operating equipment as needed.

Staff will issue a Request for Expression of Interest (RFI) by the end of 2024 to gain a better understanding of market interest and allow for any interested parties to participate as stakeholders in the design planning process for New Gen A & B. If expressions of interest are received, staff will issue a Request for Proposals (RFP) in 2025 for a longer-term License that will require a large capital investment to support the new gaming program in the future concourses.

FISCAL IMPACT

License Financial Terms:

- 2-year License extension
- Tiered monthly Concession Fee structure (same as current License):
 - Concession Fee of 30% up to the first \$125,000 of monthly Net Win
 - Concession Fee of 43% from \$125,001 to \$300,000 of monthly Net Win
 - Concession Fee of 75% above \$300,001 of monthly Net Win
- Office/storage/support premises rent of approximately \$28,736 per year as established in the Master Fee Resolution.

Calendar Year (CY) 2025 – CY 2026 Concession Fee Revenue Estimate PROPOSED 2 YEAR LICENSE EXTENSION			
	CY25	CY26	2 YEAR TOTAL
IGT Gross Gaming Revenue	\$3,783,186	\$3,839,934	\$7,623,120
RTAA Revenue	\$1,324,115	\$1,343,977	\$2,668,092

These figures reflect an average revenue share for the RTAA of 35% of IGT’s gross gaming revenue.

COMMITTEE COORDINATION

Finance and Business Development Committee

PROPOSED MOTION

“Move to authorize the President/CEO to execute a Second Amendment to extend the Nonexclusive Gaming Concession License with IGT for a two-year period, from December 1, 2024 to November 30, 2026, with an estimated contract value of \$2,725,564.”

Board Memorandum

01/2024-04

In Preparation for the Regular Board Meeting on January 11, 2024

Subject: Acceptance of the Annual Comprehensive Financial Report for Fiscal Year 22-23

STAFF RECOMMENDATION

Staff recommends that the Board adopt the motion stated below.

BACKGROUND

The Nevada Revised Statute (NRS) 354.624 requires that an independent accounting firm conduct an audit of RTAA's financial statements on an annual basis. The audit, including the opinion and findings of the auditing firm, has been completed and is provided in the accompanying ACFR. In accordance with the NRS, the audit is being submitted to the Board for acceptance.

The accounting firm of Crowe LLP (Crowe) conducted the audit. Through a competitive request for proposal process, RTAA re-hired Crowe as the auditor in 2023 for a five (5) year term with options for two (2) year extensions. Crowe was originally hired in 2014 to perform audits of RTAA's financial statements. This is the first year of the new contract.

The ACFR is comprised of the following:

1. Introductory Section
2. Financial Section (Statements and Accompanying Notes)
3. Statistical Section
4. Compliance Section (Audit Findings and Responses)

The Compliance Section also includes a review of RTAA's internal controls and compliance with federal grant programs and the Passenger Facility Charge (PFC) program.

DISCUSSION

Crowe has examined the RTAA's financial statements and accompanying notes, and concluded the report fairly represents the RTAA's financial position as of June 30, 2023. In addition, no material weaknesses or significant deficiencies were identified and reported.

Financial highlights for FY 2022-2023 include the following:

- The Authority's assets and deferred outflows exceeded liabilities and deferred inflows, or Net Position, by \$480.063 million at June 30, 2023.
- The number of enplaned passengers at the Reno-Tahoe International Airport (RNO) increased 7% to 2.229 million and landing fee revenues increased 20% to \$12.691 million from the prior year.
- In August 2022, RTAA entered into a short-term Non-Revolving Credit Agreement with Wells Fargo Bank to fund capital projects. At June 30, 2023, outstanding principal on the debt is \$5.48 million.
- RTAA's operating revenues increased \$6.776 million (12%) from the prior fiscal year.
- The Authority recognized \$182 thousand in subscription payables and \$293 thousand in subscription right-of-use assets on June 30, 2023, and for the year then ended, related to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription Based Information Technology Agreements.
- Federal stimulus grant revenue increased 5% over prior year to \$15.157 million for the year ended June 30, 2023. Funding sources included award amounts from the Coronavirus Aid, Relief and Economic Security (CARES) Act, and American Rescue Plan Act (ARPA). ARPA grants include both expense reimbursement and concession rent relief.

Analyses of RTAA's financial position and results as of June 30, 2023, are included in the Management Discussion & Analysis (MD&A) of the Financial Section of the ACFR. A high-level overview of the results and analysis will be provided to the Board at the January meeting prior to seeking acceptance of the ACFR. In addition, the Auditor will be present to provide comments and address any questions from the Board.

COMPANY BACKGROUND

Crowe LLP is one of the largest public accounting and consulting firms in the United States. Founded in 1942 in South Bend, Indiana, Crowe uses its deep industry expertise to provide audit services to public and private entities, while also helping clients reach their goals with tax, advisory, risk and performance services. With offices coast to coast and 5,000 personnel, Crowe is ranked as one of the nation's top ten accounting and consulting firms.

Crowe's National Government Services Team is comprised of approximately 250 individuals that serve more than 600 federal, state, and local governments including public transportation organizations throughout the United States. RTAA is served from the Indianapolis, Indiana office, which is the location of the airport audit team lead by Mr. Brad Schelle, Certified Public Accountant (CPA), Engagement Partner, and Ms. Erika Alvarez CPA, Senior Manager.

FISCAL IMPACT

RTAA's financial statements are prepared on the accrual basis in accordance with generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB). RTAA is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when paid. Capital assets are capitalized and depreciated over their useful lives. See the notes to the RTAA's financial statements for a summary of the significant accounting policies.

The RTAA's Statement of Net Position (Balance Sheet) and Statement of Operating Revenues, Expenses, and Changes in Net Position (Income Statement) are attached along with a summary explanation of the significant changes. More detailed analysis, statements, footnotes, and statistical data are contained in the ACFR.

COMMITTEE COORDINATION

None.

RECOMMENDED MOTION

"Move to accept the Annual Comprehensive Financial Report for Fiscal Year 2022 - 2023."

The Future of **RNO** is more

ANNUAL COMPREHENSIVE FINANCIAL STATEMENTS

For the year ended June 30, 2023



**Reno-Tahoe
Airport
Authority**

Reno, Nevada

**more!
RNO+**



**Reno-Tahoe
International
Airport**

RENO-TAHOE AIRPORT AUTHORITY
Reno, Nevada

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

FOR THE YEAR ENDED JUNE 30, 2023

**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, 2023**

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**RENO-TAHOE AIRPORT AUTHORITY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2023**

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INTRODUCTORY SECTION



November 30, 2023

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, 2022, through June 30, 2023. 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, 2023, 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 36 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 64th 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 medium hub commercial airport which served over 4.3 million passengers in calendar year 2022. 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, Allegiant, American Airlines, Delta Airlines, Frontier Airlines, JetBlue, Southwest Airlines, Spirit Airlines, Sun Country, United Airlines, and Volaris. Aha! Airlines also provided service to the local area through September 2022. Commercial cargo carriers include Federal Express (FedEx), United Parcel Service (UPS), and DHL. In calendar year 2022, more than 139 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 US economy has been struggling to control inflation throughout FY 2023, as the Federal Reserve (Fed) has moved aggressively to maintain its dual mandate of price stability and maximum employment. As of June 2022, inflation reached its peak rate of 9.1% annually, and the federal funds overnight rate was 1.75%. The 12-month period that followed was an unprecedented year of quantitative tightening, as the Fed raised rates to 5.5% as of July 2023, a 22 year high, and reduced its balance sheet by 7.3%. The lag effect of monetary policy is now being realized, and inflation has come down every month since its peak in June of 2022, settling at 3.0% in June 2023.

Despite the aggressive policy, the job market has remained historically resilient with the 3.6% unemployment recorded in June of 2023. It has ranged from 3.4% to 3.7% since March of 2022. Fed Chair Jerome Powell remains committed to taming inflation and maximum employment and will adjust monetary policy accordingly over the months to come.

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

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

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

AIR SERVICE MARKET UPDATE

Passenger Airlines

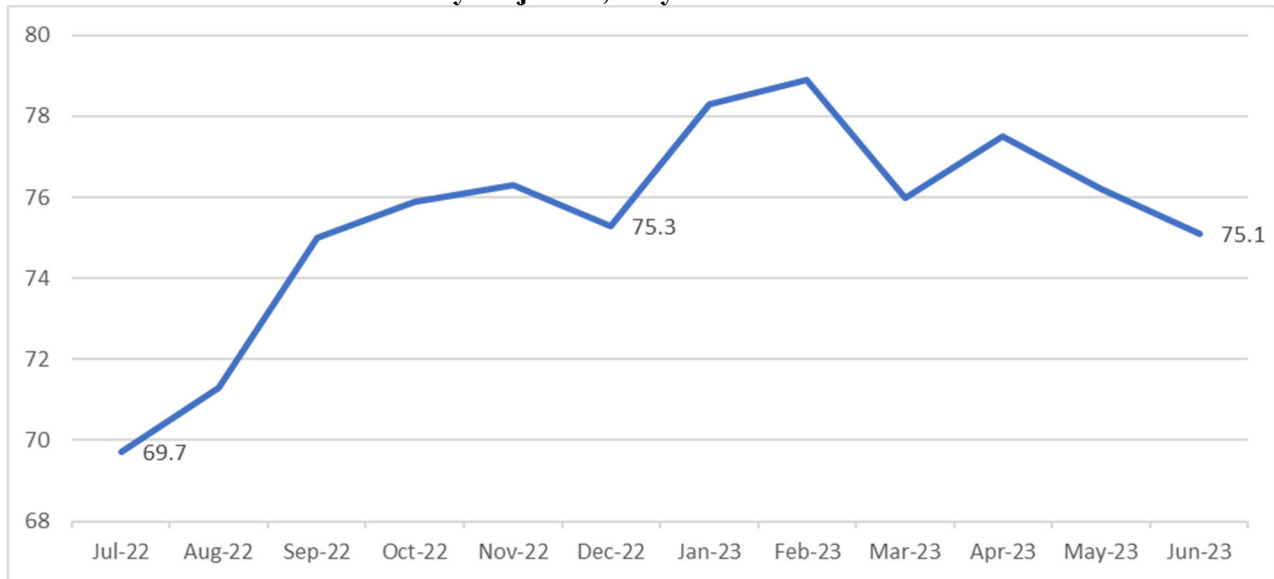
US scheduled passenger airlines reported a 2022 calendar year after-tax net profit of \$1.8 billion, as well as a pre-tax operating profit of \$7.9 billion, posting profits both pre-tax and after tax for the first year since the pandemic. Airlines were able to both benefit and struggle with inflation as higher passenger demand necessitated higher operating costs. Airlines did face similar employment constraints to the greater economy. Low unemployment rates meant fewer staff and higher labor costs. Accordingly, airlines have been reducing scheduled flights to adjust to the labor shortage.

The after-tax profit of \$1.8 billion in calendar year 2022 is a \$4.4 billion increase over the \$2.8 billion loss in 2021, and \$36.6 billion increase over the peak pandemic year of 2020. Additionally, the \$7.9 billion pre-tax profit in 2022 is a \$25.2 billion increase over the \$17.3 billion loss in 2021, signaling the air service market has exited the effects of the pandemic. Total operating revenues in 2022 were \$211.2 billion. Total fares collected were \$155.1 billion, or 73.5% of total revenue, baggage fees accounted for \$6.8 billion or 3.2% of revenue, and reservation change fees of \$1.0 billion accounted for 0.5% of revenue. Operating expenses in 2022 totaled \$203.3 billion, of which fuel accounted for \$49.1 billion, or 24.2% of total expenses, and labor accounted for \$64.0 billion, or 31.5% of expenses.

Passenger Activity

US airlines saw a total of 906 million enplanements in FY 2023, signaling an end to the pandemic and resurgence in demand for airline travel. The 906 million enplanements represent a 104 million passenger or 13% increase over fiscal year 2022.

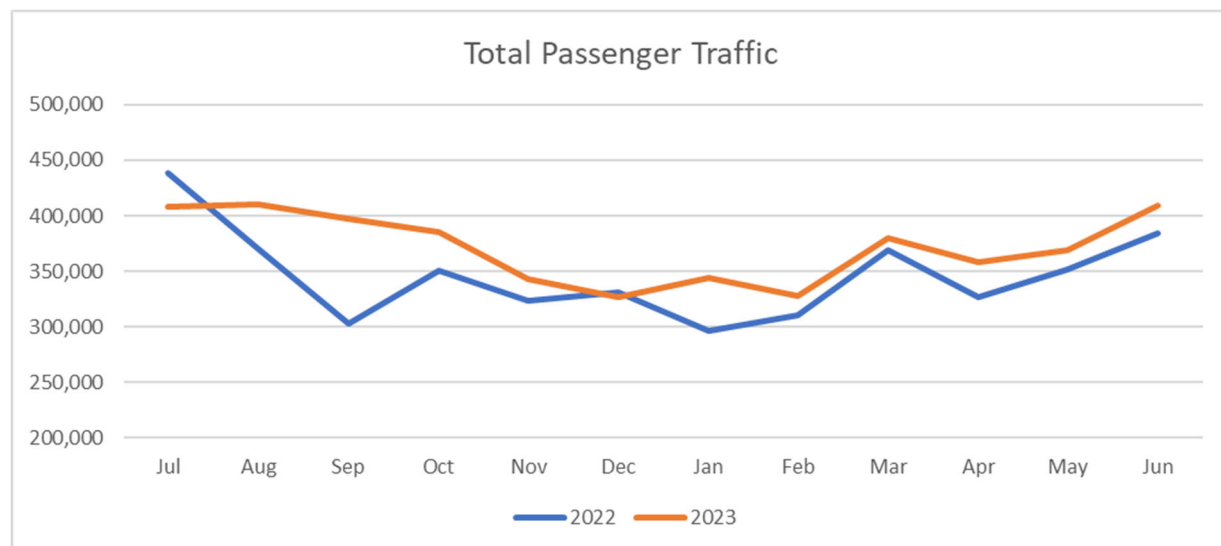
Monthly Passengers (million) on U.S. Scheduled Airlines (Domestic and International) Seasonally Adjusted, July 2022 – June 2023



Source: Bureau of Transportation Statistics

RNO Passengers

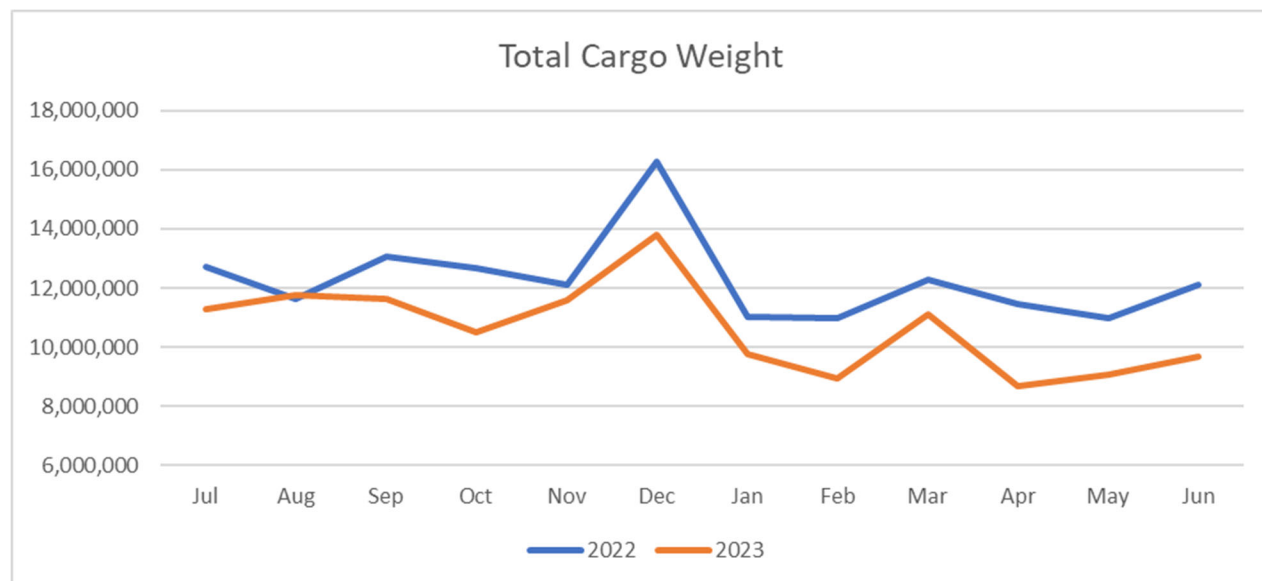
Total traffic for FY 2023 reached 4.460 million passengers, a 7.3% increase over FY 2022. RNO lost two minor operators in the prior fiscal year as aha! Airlines filed for bankruptcy in September 2022, and Frontier terminated operations in February 2023. Total seat capacity, however, increased by 4.9% in FY 2023, with an average load factor of 80.51%



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 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 was 127,892,891 pounds of cargo, a 13.1% decrease from FY 2022.



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 at its core. 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 Next Gen B&C preapproved for a total cost of \$570 million. The project will reconstruct the current two concourses, adding much needed space for passengers and concessionaires, as well as five additional gates to accommodate the growing passenger airline traffic at RNO.

Air Service Development

The success in expanding service by existing carriers reflects the combined efforts of RTAA and a partnership with the Regional Air Service Corporation (RASC), comprised of convention and visitor bureaus, hotels, casinos, ski resorts, and various business groups. In addition, the community partnerships with 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
 - Airline celebrations (inaugurals, anniversaries, etc.)
 - In-terminal assets (Lamar print and digital signage opportunities)

- Local publications (i.e., Planners – North Tahoe, South Tahoe, RSCVA)
- Advertorials in industry publications (i.e., *anna.aero* & Air Service One)
- Community events (i.e., Chamber Alliance, etc.)
- Community and partner presentations (i.e., RASC partner opportunities, RSCVA convention and sales webinars, etc.)

- (b) Continue to work with the RSCVA, EDAWN, RASC and other local community stakeholders to bring new 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:

- Promotion through partner databases (locally and out of market)
- Promotion through partner digital marketing efforts
- 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 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 periodic 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 airport fee and charges, and
 2. Funding for acceptable promotional costs, where the purpose is to encourage an air carrier to bring and/or increase air service at the airport.

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 (2018), 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.

- **RNO Terminal Roadway Reconstruction Project (The Loop)** reconstructs the failing concrete sections of the terminal loop road and expands pick-up and drop-off areas, provides shelter and comfort for passengers with new curbside canopies, and enhances safety & security with curbside bollards. The Loop Project is under construction and slated for completion in late 2024.
- **RNO Remote Parking Surface Lot Project (Purple Lot)** adds a new economy parking lot with 380 additional parking spaces. The Purple Lot Project was completed in November 2023.
- **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 (up to 700 additional spaces). The GTC will be designed, built, financed, maintained, and operated as a public-private partnership with ConRAC Solutions, LLC. The GTC Project is in the design phase, and initial construction on the enabling projects is anticipated to begin in early 2024.

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.

- **RNO Concourse Redevelopment Project (New Gen B & C)** 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, full replacement of the two connector concourses, improved airfield pavement and taxi-lane capacity, and related infrastructure and utility relocation.
- **Central Utility Plant (CUP)**, replaces the original plant constructed in 1958. The new CUP will support the new concourses and reduce energy dependency by an estimated 70%.

The New Gen B & C Project is in design, and initial construction is expected to begin in 2024. 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.

- **Ticketing Hall Expansion Project** adds 9,550 SF to the facility, expands passenger queuing and circulation, adds restrooms, incorporates intuitive wayfinding, modernizes terminal sign standards, and brings to life a public art display in accordance with the RTAA’s first Public Art Policy. The Ticketing Hall Expansion project will provide a more welcoming and enjoyable entrance to RNO, with more natural light and higher ceilings, for departing passengers. The Ticketing Hall Project is under construction and slated for completion in early 2024.
- **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. 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 late 2024/early 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 constructing a general aviation run-up area, renaming the airfield signage and taxiways, relocating the air cargo apron, constructing deicing aprons, and addressing non-standard taxiway geometry and intersections.

- **GA Run-Up Apron Project** constructs a run-up area at the north end of Taxiway Charlie where propeller aircraft can perform system checks prior to departure, safely. The GA Run-Up Project is under construction and slated for completion in 2023.
- **Taxiway Renaming & Signage Project** addresses non-standard taxiway designators and signage. The Taxiway Renaming Project is in design, and initial construction is estimated to begin in 2024. Based on FAA scheduling constraints, the new taxiway designations will not “go live” until 2025.
- **New Air Cargo Development Project** will provide a new location on the southwest quadrant of RNO for air cargo operations and future capacity. Movement from the existing northwest RNO location will also free up space north of the terminal concourses to provide additional passenger aircraft capacity in the future. 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 converts approximately 50 acres of vacant land south of McCarran Boulevard to Class-A mixed use industrial and commercial development. Tolles Development Company anticipates completion of the final building in 2024. The **Reno-Stead AirLogistics Project**, in partnership with Dermody Properties, will convert approximately 56 acres of vacant land southwest of the RTS airfield to industrial and commercial development. Dermody Properties began construction in late 2023 and anticipates completion in 2024. Negotiations with Dermody are underway for the second phase of industrial and commercial development.

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.

The revenue bond resolution is the RTAA's contract with the purchasers of the revenue bonds. This contract specifies how RTAA will manage its money so that it will have sufficient funds to operate the Airport system, and to pay the interest and principal due.

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:

Statutory Date	Calendar Date	Action
April 15 th	April 15, 2023	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 8, 2023	Notice of Budget Public Hearing published
Not sooner than the third Monday in May and not later than the last day in May	May 18, 2023	Hold Public Hearing
On or Before June 1st	May 18, 2023	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, 2022. This was the 36th 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 stylized flourish at the end.

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

RENO-TAHOE AIRPORT AUTHORITY
JUNE 30, 2023



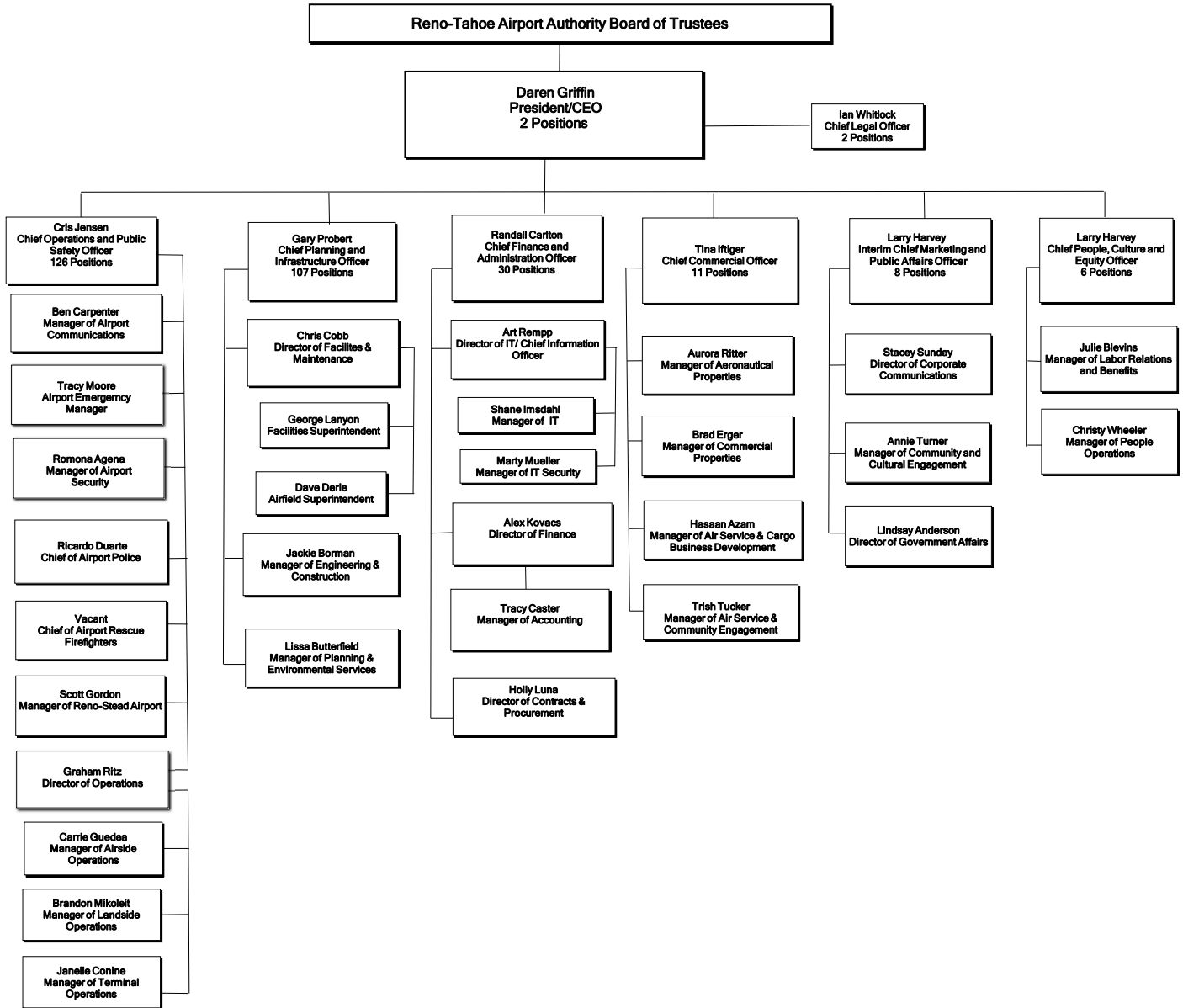
<u>Board of Trustees</u>	<u>Position</u>	<u>Term Expires</u>	<u>Represents</u>
Adam Kramer	Chair	June 2025	Washoe County
Richard Jay	Vice-Chair	June 2025	City of Reno
Jenifer Rose	Secretary	June 2023	City of Reno
Lisa Gianoli	Treasurer	June 2023	Washoe County
Shaun Carey	Trustee	June 2023	City of Sparks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

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

Staff	Title
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 Commercial Officer
Larry Harvey	Chief People, Culture & Equity Officer
Larry Harvey	Interim Chief Marketing & Public Affairs Officer

RENO-TAHOE AIRPORT AUTHORITY

JUNE 30, 2023





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Reno-Tahoe Airport Authority
Nevada**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

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, 2023, 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, 2023, 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* (*Government Auditing Standards*), issued by the Comptroller General of the United States. 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 RTAA's Proportionate Share of the Net Pension Liability, the Schedule of Pension Plan Contributions, and the Schedule of Changes in RTAA'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, the Schedule of Debt Service Requirements on Bonds and Notes, 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 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, 2023 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, Schedule of Debt Service Requirements on Bonds and Notes, and SEFA (except for the Cumulative thru June 30, 2023 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, 2023 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 30, 2023 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 30, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

**RENO-TAHOE AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2023**

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, 2023. 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 \$480.063 million at June 30, 2023.
- The number of enplaned passengers at the Reno-Tahoe International Airport (RNO) increased 7% to 2.229 million and landing fee revenues increased 20% to \$12.691 million from the prior year.
- In August 2022, RTAA entered into a short-term Non-Revolving Credit Agreement with Wells Fargo Bank to fund capital projects. At June 30, 2023, outstanding principal on the debt is \$5.48 million.
- RTAA's operating revenues increased \$6.776 million (12%) from the prior fiscal year.
- The Authority recognized \$182 thousand in subscription payables and \$293 thousand in subscription right-of-use assets on June 30, 2023, and for the year then ended, related to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription Based Information Technology Agreements*.
- Federal stimulus grant revenue increased 5% over prior year to \$15.157 million for the year ended June 30, 2023. Funding sources included award amounts from the Coronavirus Aid, Relief and Economic Security (CARES) Act, and American Rescue Plan Act (ARPA). ARPA grants include both expense reimbursement and concession rent relief.

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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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.

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 \$480.063 million at June 30, 2023.

The following summarizes RTAA's financial position as of June 30, 2023, and 2022:

	2023	2022	\$ Change	% Change
Assets				
Current assets	\$ 93,068,521	\$ 96,078,982	\$ (3,010,461)	-3%
Current assets-restricted	38,038,276	29,978,053	8,060,223	27%
Capital assets, net of depreciation and amortization	409,536,760	388,632,933	20,903,827	5%
Lease receivable, long term	59,152,707	33,195,211	25,957,496	78%
Other assets	1,383,599	1,383,599	-	0%
Total assets	601,179,863	549,268,778	51,911,085	9%
Deferred outflows of resources	18,205,785	14,125,539	4,080,246	29%
Liabilities				
Current liabilities	14,563,850	11,951,622	2,612,228	22%
Payable from restricted assets	630,518	101,202	529,316	523%
Non-current liabilities	60,961,798	29,239,410	31,722,388	108%
Total liabilities	76,156,166	41,292,234	34,863,932	84%
Deferred Inflow of Resources	63,166,553	62,977,306	189,247	0%
Net Position				
Net Investment in Capital Assets	398,934,454	388,632,933	10,301,521	3%
Restricted Net Position	36,521,156	28,495,282	8,025,874	28%
Unrestricted Net Position	44,607,319	41,996,562	2,610,757	6%
Total Net Position	\$ 480,062,929	\$ 459,124,777	\$ 20,938,152	5%

MANAGEMENT'S DISCUSSION AND ANALYSIS

Total assets of \$601.180 million reflect an increase of \$51.911 million or 9% as compared to 2022. A significant portion of the increase relates to the increase of lease receivables and capital asset activity.

Unrestricted current assets decreased by \$3.010 million or 3%. This is mainly due to a \$4.791 million decrease in short-term lease receivables. This decrease is partially offset by an increase in cash and investments of \$1.614 million.

Restricted current assets increased by \$8.060 million or 27%, due to higher balances in restricted investments of \$7.920 million or 28%.

Capital assets of \$409.537 million increased by \$20.904 million or 5% as compared to the prior year. The increase is primarily due to the \$16.338 million or 2% increase in new capital assets and \$28.735 million or 58% increase in construction in progress. These increases are partially offset by the \$24.410 million or 4% increase in accumulated depreciation and amortization.

Other assets are comprised of regional road impact credits with the Regional Transportation Commission (RTC) of Washoe County valued at \$1.384 million. 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. 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 \$76.156 million increased \$34.864 million or 84% for the fiscal year ended June 30, 2023. The significant factors are increases to construction contracts payable by \$2.823 million, outstanding debt of \$5.479 million, and net pension liability by \$26.098 million.

The largest portion (83%) 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, 2023, RTAA had \$398.934 million of net investment in capital assets, an increase of \$10.302 million or 3% 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 (8%) of RTAA's net position represents restricted resources of \$36.521 million, a \$8.026 million or 28% increase from FY 2022. The restricted net position is not available for spending due to the following commitments:

	2023	2022
Revenue bond operations and maintenance	\$ 9,488,004	\$ 7,532,989
Renewal and replacement	786,116	770,498
Passenger facility charge projects	26,221,632	20,160,846
Other reserve purposes	25,404	30,949
	<u>\$ 36,521,156</u>	<u>\$ 28,495,282</u>

As of June 30, 2023, the remaining unrestricted net position of \$44.607 million, or 9% of total net position represents liquidity available to meet any of RTAA's on-going obligations.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following presents RTAA's deferred outflows and inflows as of June 30, 2023, and 2022:

	<u>2023</u>	<u>2022</u>	<u>\$ Change</u>	<u>% Change</u>
Deferred outflows of resources	\$ 18,205,785	\$ 14,125,539	\$ 4,080,246	29%
Deferred inflows of resources	63,166,553	62,977,306	189,247	0%

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 \$3.087 million to the Public Employees Retirement System (PERS) of the State of Nevada after the measurement date of June 30, 2022; (2) the pension value changes in actuarial assumptions of \$6.508 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 \$6.560 million; (4) pension difference between projected and actual earnings on investments of \$618 thousand, and (5) contributions related to Other Postemployment Benefits (OPEB) liability of \$126 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 economic and demographic factors used in the projected actuarial assumptions and actual experiences of \$36 thousand; (2) the difference between the actual and proportionate share of contribution of \$1.122 million; and (3) the value of lease receivables of \$62.008 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.

Statement of Changes in Net Position

During the current fiscal year, the Authority's net position increased by approximately \$20.938 million.

The following summarizes the changes in RTAA's net position for June 30, 2023, and 2022:

	<u>2023</u>	<u>2022</u>	<u>\$ Change</u>	<u>% Change</u>
Operating revenues	\$ 64,841,222	\$ 58,065,181	\$ 6,776,041	12%
Operating expenses	57,675,123	46,340,021	11,335,102	24%
Operating income before depreciation and amortization	7,166,099	11,725,160	(4,559,061)	-39%
Depreciation and amortization expense	24,461,762	25,079,112	(617,350)	-2%
Operating income/(loss)	(17,295,663)	(13,353,952)	(3,941,711)	-30%
Non-operating revenues/(expenses)	33,913,223	27,754,958	6,158,265	22%
Income/(loss) before capital contributions	16,617,560	14,401,006	2,216,554	-15%
Capital contributions	4,320,592	25,193,485	(20,872,893)	-83%
Change in net position	\$ 20,938,152	\$ 39,594,491	\$ 1,599,204	4%

MANAGEMENT'S DISCUSSION AND ANALYSIS

Significant Changes in Net Position for Fiscal Year 2023 versus 2022

Total operating revenues increased by \$6.776 million or 12% and total operating expenses increased by \$11.335 million or 24%. A review of these two categories is detailed below.

Depreciation and amortization expense of \$24.462 million was \$617 thousand or 2% lower than the prior year due to the full depreciation of certain assets in the prior year.

Non-operating income of \$33.913 million increased by \$3.570 million or 22% over prior year. This is primarily due to the increase of federal stimulus grant revenues (CARES and ARPA), interest income, and gain on investments.

Capital contributions of \$4.321 million, primarily comprised of grants from the Federal Aviation Administration (FAA), decreased by \$20.873 million or 83% in FY 2023 as compared to FY 2022. The grant contributions include reimbursements for runways, taxiways, and apron rehabilitation. The decrease compared to FY 2022 is due to the completion of several large runway projects in FY 2022.

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, 2023, and 2022:

Operating revenues	2023	2022	\$ Change	% Change
Landing fees	\$ 12,690,754	\$ 10,584,517	\$ 2,106,237	20%
Concession revenue	15,346,165	15,257,011	89,154	1%
Parking and ground transportation	18,237,964	14,004,587	4,233,377	30%
Rentals	15,072,521	15,073,833	(1,312)	0%
Reimbursements for services	3,384,893	3,000,059	384,834	13%
Other revenue	108,925	145,174	(36,249)	-25%
Total operating revenue	\$ 64,841,222	\$ 58,065,181	\$ 6,776,041	12%

Significant Changes in Operating Revenues for Fiscal Year 2023 versus 2022

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, ending the year with 2.080 million enplanements. The number of enplaned passengers recorded at RNO during FY 2023 increased by 7%, ending the year with 2.229 million enplanements.

Landing fee revenues of \$12.691 million increased \$2.106 million or 20% from the prior year due to both an increase in landed weight as well as an increase in landing and aircraft fees. Landing fees represent approximately 20% of RTAA’s total operating revenues.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Concession billings of \$16.897 million were generated from auto rental, gaming, food and beverage, merchandising, advertising, and other concessions. They represent 25% of the total operating revenues and are 11% higher than FY 2022. Concessions billings have been recorded as \$15.346 million in concession revenue and \$1.551 million in ARPA Concession relief grants as non-operating revenue. ARPA Concession relief funds were received at the end of FY 2022 and \$114 thousand is remaining to be utilized by concessionaires and recognized as non-operating income through FY 2025.

Parking and Ground Transportation revenues of \$18.238 million accounted for 28% of total operating revenues. Parking revenues increased by \$4.233 million or 30% above the prior year results. Parking rates for FY 2023 were \$2.00 for the first 30 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 \$17.444 million increased \$2.370 million or 16% in FY 2023. The increase is the result of a significant Consumer Price Index (CPI) adjustment as well as the addition of a signatory airline with minimum rental space requirements.

Reimbursements for services and Other revenue generated \$3.286 million or 5% of total operating revenues. Reimbursements for services increased \$385 thousand or 13% from fiscal year 2022. 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 \$109 thousand include miscellaneous revenues, such as late fees collected by RTAA, and rebates received.

Operating Expenses

The RTAA's total operating expenses totaled \$57.675 million in FY 2023, an increase of \$11.335 million or 24% above the prior year results. The increase is primarily due to the increase of employee wages and benefits. Of the total operating expenses, 68% were costs associated with employee wages and benefits of a workforce of 289 employees as of June 30, 2023. The following is a summary of operating expenses (excluding depreciation and amortization) by category for the years ended June 30, 2023, and 2022:

Operating expenses	2023	2022	\$ Change	% Change
Employee wages and benefits	\$ 39,092,497	\$ 30,348,607	\$ 8,743,890	29%
Utilities and communications	3,962,745	3,156,581	806,164	26%
Purchase of services	8,016,801	7,405,170	611,631	8%
Materials and supplies	3,234,016	2,575,145	658,871	26%
Administrative expenses	3,369,064	2,854,518	514,546	18%
Total Operating Expenses	\$ 57,675,123	\$ 46,340,021	\$ 11,335,102	24%

MANAGEMENT'S DISCUSSION AND ANALYSIS

Significant Changes in Operating Expenses for Fiscal Year 2023 versus 2022

Employee salaries, wages, and benefits of \$39.092 million increased \$8.744 million or 29% in fiscal year 2023. 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, 2023, and 2022:

	2023	2022	\$ Change	% Change
Salary	\$ 23,483,759	\$ 21,724,022	\$ 1,759,737	8%
Overtime, Standby, Holiday Worked	2,135,618	1,645,304	490,314	30%
Employee Benefits	13,473,120	6,979,281	6,493,839	93%
Total Employee Wages and Benefits	\$ 39,092,497	\$ 30,348,607	\$ 8,743,890	29%

Employee salaries have increased by \$1.760 million or 8% from FY 2022. This increase reflects an addition of 22 full time positions. Overtime also increased by \$490 thousand. Employee benefits increased approximately \$6.494 million or 93% due largely to increases of RTAA's share of the net pension liability based on the actual results of investments. The net pension liability and related inflows and outflows of deferred revenue are based on actuarial assumptions at June 30, 2022. During FY 2022 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 \$3.963 million increased \$806 thousand or 26% from the prior year and represents 7% 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 \$8.017 million, an increase of \$612 thousand or 8% 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 \$3.234 million, an increase of \$659 thousand or 26% from the prior year. Materials and supplies represent 6% of total operating expenses. Inflated costs related to fuel, the purchase of safety equipment and supplies, and software purchases contributed to the increase over FY 2022.

The administrative expense category includes travel, training, air service development, insurance, and other general expenses. In total, the category incurred \$3.369 million in cost, an increase of approximately \$515 thousand or 18% 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is a summary of non-operating revenues and expenses for the years ended June 30, 2023, and 2022:

Non-Operating	2023	2022	\$ Change	% Change
Interest income	\$ 2,449,932	\$ 1,246,627	\$ 1,203,305	49%
Gain (loss) on investment valuation	70,635	(2,737,875)	2,808,510	3976%
Passenger facility charge revenue	8,372,017	8,502,997	(130,980)	-2%
Customer facility charge revenue	7,863,374	6,350,891	1,512,483	19%
Jet fuel tax revenue	300,994	294,018	6,976	2%
Gain (loss) on sale of capital assets	10,871	15,080	(4,209)	-39%
Debt issuance costs	(135,000)	-	(135,000)	100%
Federal grant revenue	15,156,938	14,483,077	673,861	4%
Interest expense	(176,538)	(399,857)	223,319	-126%
Total Non-Operating revenues	\$ 33,913,223	\$ 27,754,958	\$ 6,158,265	22%

Significant Changes in Non-Operating Revenues and Expenses for Fiscal Year 2023 versus 2022

Interest income consists of interest from leases of \$644 thousand and interest earned on cash and investments of \$1.806 million. Interest income from cash and investments increased 176% and RTAA recognized a gain on investments of \$71 thousand this past fiscal year compared to a loss of \$2.738 million in FY 2022. 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 \$15.157 million increased by \$674 thousand in FY 2023. 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 2023 included debt service, capital projects, contracted services, salaries, and wages. RTAA also recognized funding for concession rent relief through ARPA of \$1.606 million.

Interest expense of approximately \$176 thousand decreased by \$223 thousand or 126% below the previous year. In FY 2022, RTAA paid additional interest related to the early retirement of debt, resulting in higher than normal interest expense recognized.

MANAGEMENT'S DISCUSSION AND ANALYSIS

CAPITAL ASSETS

The following presents RTAA's capital assets for the years ended June 30, 2023, and 2022:

	<u>2023</u>	<u>2022</u>	<u>\$ Change</u>	<u>% Change</u>
Capital Assets, not depreciated:				
Land	\$ 172,449,079	\$ 172,449,079	\$ -	0%
Construction in progress	78,095,180	49,359,777	28,735,403	58%
Development rights	2,924,038	2,924,038	-	0%
Capital Assets, depreciated and amortized, net:				
Subscription right-of-use assets	166,538	-	166,538	100%
Improvements	98,299,260	105,146,063	(6,846,803)	-7%
Buildings	32,146,859	33,868,706	(1,721,847)	-5%
Equipment	25,455,806	24,885,270	570,536	2%
Total Capital Assets	<u>\$ 409,536,760</u>	<u>\$ 388,632,933</u>	<u>\$ 20,903,827</u>	<u>5%</u>

Major Capital Asset Events during Fiscal Year 2023

Federal grants funded \$4.321 million of capital projects in FY 2023. Projects included the runway rehabilitation completion at RNO, RTS Parking Apron, and RTS Taxiway A.

Significant construction in progress projects include the ticketing hall expansion, the planning phase for a new rental car facility, a new parking lot, shared use terminal projects, and taxiway reconstruction at RTS.

Completed projects at RNO include a parking lot re-pavement, ticketing hall HVAC, and network infrastructure upgrades.

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 2023, RTAA made drawdowns totaling \$15.104 million and principal payments of \$9.625 million, as well as paid interest and fees of \$169 thousand. At June 30, 2023, the balance of principal borrowed is \$5.479 million, with an Available Commitment remaining of \$34.896 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, 2023, RTAA collected PFCs, including interest earnings thereon, totaling \$8.314 million, a \$131 thousand or 2% decrease 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, 2023, RTAA collected CFCs totaling \$7.863 million, a \$1.512 million or 19% increase over the prior year. This increase is due to the increased passenger activity at RNO and increased CFC fees. CFC funds are designated to fund property management, repairs, and improvements to RTAA-owned rental car facilities. In addition, they will provide funding for a future Consolidated Rental Car (CONRAC) facility as identified in RTAA’s current master plan. Effective July 1, 2022, CFC per rental car transaction day increased to \$6.50 from \$5.50.

AIRLINE SIGNATORY RATES AND CHARGES

RTAA and the airlines successfully negotiated an airline use and lease agreement effective July 1, 2015, for a term of five years. In FY 2020, the agreement was extended for three years and includes seven “signatory airlines” including five passenger and two cargo airlines. An eighth signatory airline, aha! Airlines, operated through September 2022, at which time they declared bankruptcy and ceased operations. The airline agreement 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.

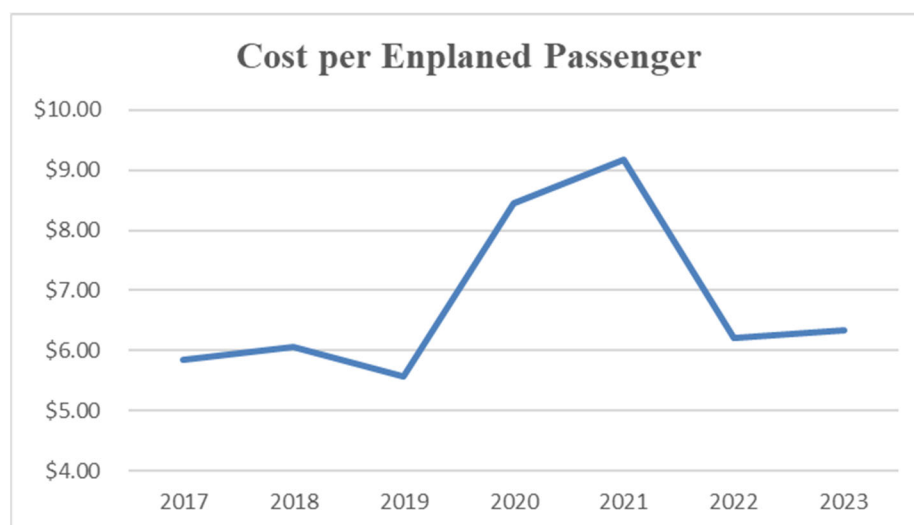
MANAGEMENT’S DISCUSSION AND ANALYSIS

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 credit estimate offsets airline terminal building rents collected during the year with a final airline rates and charges reconciliation and settlement prepared based on audited year-end results.

The final rates and charges for the signatory airlines are shown below for the fiscal year ended June 30, 2023, and 2022:

	<u>2023</u>	<u>2022</u>	<u>\$ Change</u>	<u>% Change</u>
Landing Fee Rate (per 1,000 pounds)	\$ 3.79	\$ 3.04	\$ 0.75	25%
Terminal Rental Rate (Average per sq ft)	34.47	45.74	(11.27)	-25%

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, 2023, was calculated to be \$6.33 as compared to \$6.21 in the prior year. The chart below presents the history 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 2023 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 2024. As we conclude the post-pandemic record year that was FY 2023, we are prepared for another substantial year in FY 2024 as we develop an airport that will meet the growing demand of the region for the next 30 years.

Starting on July 1, 2023, RTAA has entered into a new Airline-Airport Use and Lease Agreement (AAULA). The new ten-year AAULA was negotiated with five commercial and two cargo signatory airlines with the concourse redevelopment capital project at the heart of negotiations. The nearly \$1 billion MoreRNO capital improvement program consists of four main projects; the Ticketing Hall Expansion, Loop Road Improvements, the Ground Transportation Center (GTC), and the construction of two new concourses (New Gen B&C).

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 2023 unemployment rate dropped to 5.7% compared to the 29.5% reached at the height of the pandemic in April 2020 according to the Nevada Department of Employment, Training and Rehabilitation (DETR). Of the three Metropolitan Statistical Areas (MSA) in Nevada, Reno’s unemployment rate was the lowest at 4.5%, while the Las Vegas area was at 6.0% and Carson at 4.8% in June 2023.

The fiscal year 2024 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.

BASIC FINANCIAL STATEMENTS

RENO-TAHOE AIRPORT AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2023

ASSETS

CURRENT ASSETS

Unrestricted Assets:

Cash and cash equivalents	\$ 21,372,300
Investments	61,420,169
Accounts receivable, net	4,629,910
Lease receivable	3,451,389
Interest receivable	424,714
Inventory	937,663
Other current assets	832,376

Total Unrestricted Assets	<u>93,068,521</u>
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Restricted Assets:

Cash and cash equivalents	73,612
Investments	36,318,378
Grants receivable	1,517,196
Interest receivable	129,090

Total Restricted Assets	<u>38,038,276</u>
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Total Current Assets	<u>131,106,797</u>
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NON-CURRENT ASSETS

Capital Assets:

Non-depreciable	253,468,297
Depreciable	847,090,034
Less accumulated depreciation and amortization	<u>(691,021,571)</u>

Total Capital Assets	<u>409,536,760</u>
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Other Assets:

Road credits	1,383,599
Lease receivable	59,152,707

Total Other Assets	<u>60,536,306</u>
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Total Non-Current Assets	<u>470,073,066</u>
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Total Assets	<u>601,179,863</u>
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DEFERRED OUTFLOWS OF RESOURCES

Pension contributions after measurement date	3,086,672
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Pension difference between actual and proportionate share of contributions	1,306,826
--	-----------

Pension changes in actuarial assumptions	6,508,107
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Pension difference between expected and actual pension experience	6,560,113
---	-----------

Pension difference between projected and actual earnings on plan investments	618,129
--	---------

OPEB contributions after measurement date	125,938
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Total Deferred Outflows of Resources	<u>18,205,785</u>
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Total Assets and Deferred Outflows of Resources	<u>619,385,648</u>
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Continued

RENO-TAHOE AIRPORT AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2023

LIABILITIES

CURRENT LIABILITIES

Payable from Unrestricted Assets:	
Accounts payable	\$ 5,483,437
Interest payable	41,707
Subscription liability	117,088
Construction contracts payable	4,492,773
Unearned revenue	2,000,982
Accrued payroll and compensated absences	2,427,863
Total current unrestricted assets	<u>14,563,850</u>
Payable from Restricted Assets:	
Construction contracts payable	<u>630,518</u>
Total restricted current liabilities	<u>630,518</u>
Total Current Liabilities	<u>15,194,368</u>

NON-CURRENT LIABILITIES

Revenue bonds and subordinate notes, net	5,479,015
Compensated absences, net of current portion	1,260,583
Deposits	681,469
Reclamation liability	574,493
Subscription liability	64,970
Total OPEB liability	2,237,559
Net pension liability	<u>50,663,709</u>
Total Non-Current Liabilities	<u>60,961,798</u>
Total Liabilities	<u>76,156,166</u>

DEFERRED INFLOWS OF RESOURCES

Pension difference between actual and expected pension experience	36,193
Pension difference between actual and proportionate share of contribution	1,122,439
Leases	<u>62,007,921</u>
Total Deferred Inflows of Resources	<u>63,166,553</u>

NET POSITION

Net investment in capital assets	<u>398,934,454</u>
Restricted for:	
Operations and maintenance reserve	9,488,004
Renewal and replacement reserve	786,116
Passenger facility charge projects	26,221,632
Other reserve purposes	25,404
Total Restricted	<u>36,521,156</u>
Unrestricted	<u>44,607,319</u>
Total Net Position	<u>480,062,929</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 619,385,648</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, 2023

OPERATING REVENUES

Landing fees	\$ 12,690,754
Concession revenue	15,346,165
Parking and ground transportation	18,237,964
Rentals	15,072,521
Reimbursements for services	3,384,893
Other revenue	108,925
Total operating revenues	<u>64,841,222</u>

OPERATING EXPENSES

Employee wages and benefits	39,092,497
Utilities and communications	3,962,745
Purchase of services	8,016,801
Materials and supplies	3,234,016
Administrative expenses	3,369,064
Total operating expenses	<u>57,675,123</u>

OPERATING INCOME BEFORE DEPRECIATION
AND AMORTIZATION

7,166,099

Depreciation and amortization expense

24,461,762

OPERATING INCOME (LOSS)

(17,295,663)

NON-OPERATING REVENUES (EXPENSES)

Interest income	2,449,932
Gain (Loss) on value of investments	70,635
Passenger facility charge revenue	8,372,017
Customer facility charge revenue	7,863,374
Jet fuel tax revenue	300,994
Gain on sale of capital assets	10,871
Debt issuance costs	(135,000)
Federal grant revenue	15,156,938
Interest expense	(176,538)
Total non-operating revenues (expenses)	<u>33,913,223</u>

INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS

16,617,560

CAPITAL CONTRIBUTIONS (FEDERAL)

4,320,592

CHANGE IN NET POSITION

20,938,152

NET POSITION, BEGINNING OF YEAR

459,124,777

NET POSITION, END OF YEAR

\$ 480,062,929

See accompanying notes to financial statements.

RENO-TAHOE AIRPORT AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from customers	\$ 66,032,435
Cash paid to employees and for benefits	(36,590,409)
Cash paid to suppliers	<u>(20,730,200)</u>
Net cash provided by operating activities	<u>8,711,826</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Federal grants received	15,156,938
Jet fuel tax revenue	<u>300,994</u>
Net cash provided by noncapital financing activities	<u>15,457,932</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Capital contributions (federal)	4,286,241
Passenger facility charge revenue	8,372,017
Customer facility charge revenue	7,863,374
Acquisition and construction of capital assets	(42,542,203)
Proceeds from sale of capital assets	10,871
Proceeds from bond issuance	15,103,544
Principal paid on bonds	(9,624,529)
Cash paid for note issue costs	(135,000)
Interest paid on bonds	<u>(134,831)</u>
Net cash provided by (used in) capital and related financing activities	<u>(16,800,516)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Receipts of interest	2,136,388
Purchase of investments	(19,527,908)
Sale of investments	<u>18,512,660</u>
Net cash provided by (used in) investing activities	<u>1,121,140</u>

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	8,490,382
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CURRENT AND RESTRICTED CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>12,955,530</u>
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CURRENT AND RESTRICTED CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 21,445,912</u></u>
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RENO-TAHOE AIRPORT AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2023

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

Operating (loss) income	\$ (17,295,663)
Adjustments to reconcile operating (loss) income to net cash provided by operating activities:	
Depreciation and amortization	24,461,762
(Increase) Decrease in Assets:	
Accounts receivable, net	175,304
Lease receivable	(21,166,770)
Inventory	(31,909)
Other current assets	(59,728)
Increase (Decrease) in Liabilities:	
Accounts payable	(466,449)
Rents received in advance	(130,592)
Accrued payroll	823,992
Deposits and unearned revenues	(113,747)
Total OPEB liability and related deferred outflows of resources	299,666
Net pension liability and related deferred outflows and inflows of resources	1,378,426
Lease deferred inflows of resources	20,827,885
Reclamation liability	9,649
Net cash provided by operating activities	<u>\$ 8,711,826</u>

Noncash activities:

Capital assets included in construction contracts payable	\$ 5,123,291
Capital Contributions	
Total Capital Contributions	\$ 4,320,592
Grants Receivable (June 30, 2023)	(1,482,845)
Grants Receivable (June 30, 2022)	1,517,196
	<u>\$ 4,354,943</u>

See accompanying notes to financial statements.

NOTES TO THE FINANCIAL STATEMENTS

RENO-TAHOE AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

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, 2023

- 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 2023 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, 2023

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. These separate financial statement elements represent the consumption or addition to net position that applies to a future reporting period(s) 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, 2022.
- 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, 2023

- 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, 2023, liabilities related to compensated absences were \$2,571,377.

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, 2023

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, 2022, RTAA implemented a \$6.50 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. The rental car companies operating at RNO collect and remit CFC revenues monthly to RTAA. These revenues are classified as non-operating revenues.

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.

RENO-TAHOE AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

O. Recent Accounting Pronouncements Adopted/Implemented:

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

- GASB Statement No. 91, *Conduit Debt Obligations*. The objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. This Statement did not have a material effect on the financial statements.
- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs), providing definitions and accounting treatment guidance for service concession arrangements (SCAs) and availability payment arrangements (APAs). This Statement did not have a material effect on the financial statements.
- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. This Statement had a material effect on the financial statements of RTAA, please refer to Note 5 – Capital Assets and Note 8 – Leases and Subscriptions.

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

- GASB Statement No. 99, *Omnibus 2022*.
- GASB Statement No. 100, *Accounting Changes and Errors – An Amendment of GASB Statement No. 62*.
- GASB Statement No. 101, *Compensated Absences*.

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

RENO-TAHOE AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

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, 2023:

Cash and Cash Equivalents:	\$ 21,445,912
Investments:	
State of Nevada Local Government Pool	9,235,665
US Government Agency Securities	67,958,708
Corporate Securities	<u>20,544,174</u>
Total Investments	<u>97,738,547</u>
 Total Cash, Cash Equivalents, Investments	 119,184,459
Less: Unrestricted Cash, Cash Equivalents, and Investments	 <u>(82,792,469)</u>
Total Restricted Cash, Cash Equivalents, and Investments	 <u>\$ 36,391,990</u>

The balance of cash and cash equivalents as of June 30, 2023, was \$21,445,912. 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 obligations, commercial paper, notes, bonds, and other obligations issued by U.S. Corporations are based on quoted market prices provided by recognized broker dealers (Level 1 inputs). The estimated fair value of U.S. Agency securities is 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).

RENO-TAHOE AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

Below is the categorization of the RTAA's total cash, cash equivalents, and investments as of June 30, 2023, 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, 2023	(Level 1)	(Level 2)	(Level 3)
Investments by Fair Value Level:				
US Agencies	\$ 31,254,315	\$ -	\$ 31,254,315	\$ -
US Treasury Notes	36,704,393	36,704,393	-	-
Corporate Securities	20,544,174	-	20,544,174	-
Total Investments by Fair Value Level	\$ 88,502,882	\$ 36,704,393	\$ 51,798,489	\$ -
Investments at Net Asset Value (NAV):				
State of Nevada Local Government Pool	9,235,665			
Total Investments at Net Asset Value (NAV)	9,235,665			
Cash:				
Collateralized Bank Deposits	21,445,912			
Total Cash, Cash Equivalents, and Investments	<u>\$ 119,184,459</u>			

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, 2023, 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).

RENO-TAHOE AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

- US Government Agency Securities (Mortgage-Backed 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 certain groups of people to access 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 this type 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, 2023.

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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:

- A. Notes, bonds, and other unconditional obligations for the payment of money issued by corporations organized and operating in the United States that:
 - i. Are purchased from a registered broker-dealer;
 - ii. At the time of purchase, have a remaining term to maturity of no more than five years;
 - iii. Are rated by a nationally recognized rating service as “A” or its equivalent, or better;
 - iv. Such investments must not, in aggregate value, exceed 20% of the total portfolio as determined on the date of purchase; and
 - v. Not more than 25% of such investments may be in notes, bonds and other unconditional obligations issued by any one corporation.
- B. Collateralized mortgage obligations that are rated by a nationally recognized rating service as “AAA” or its equivalent.
- C. Asset-backed securities that are rated by a nationally recognized rating service as “AAA” or its equivalent.

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, 2023, 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	\$ 21,445,912	\$ -	\$ -	\$ -	\$ -	\$ 21,445,912
LGIP	-	9,235,665	-	-	-	9,235,665
Securities:						
US Treasury	-	14,020,314	6,661,360	7,057,289	8,965,430	36,704,393
US Gov Agency	2,997,300	15,734,567	-	6,579,693	5,942,755	31,254,315
Corporate	-	1,491,825	11,136,637	2,536,752	5,378,960	20,544,174
Total	\$ 24,443,212	\$ 40,482,371	\$ 17,797,997	\$ 16,173,734	\$ 20,287,145	\$ 119,184,459

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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, 2023, 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.

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, 2023, the following investments equaled or exceeded 5% of the RTAA's total cash, cash equivalents and investments:

<u>Investment Types</u>	<u>2023</u>
Local Government Investment Pool	8%
Wells Fargo Collateralized Deposit	18%
US Agencies	26%
US Treasuries	31%
Corporate Securities	17%
Total	<u>100%</u>

4. Accounts and Grants Receivable

The following amounts represent receivables due to RTAA at June 30, 2023:

<u>Accounts and Grants Receivable</u>	<u>2023</u>
Current, Unrestricted:	
Accounts Receivable	\$ 4,650,434
Less: Allowance for uncollectable	<u>(20,524)</u>
Net Accounts Receivable	4,629,910
Grants Receivable, Restricted	<u>1,517,196</u>
Total Current Accounts and Grants Receivable	<u>\$ 6,147,106</u>

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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.

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, 2023, are as follows:

	Balance July 1, 2022	Additions and Transfers	Deletions and Transfers	Balance June 30, 2023
Capital Assets, not depreciated:				
Land	\$ 172,449,079	\$ -	\$ -	\$ 172,449,079
Construction in progress	49,359,777	43,408,180	(14,672,777)	78,095,180
Development rights	2,924,038	-	-	2,924,038
Total Capital Assets, not depreciated	224,732,894	43,408,180	(14,672,777)	253,468,297
Capital Assets, depreciated:				
Subscription right-of-use assets	292,623	-	-	292,623
Improvements	446,360,044	8,189,922	-	454,549,966
Buildings	289,610,051	3,417,320	-	293,027,371
Equipment	94,541,782	4,730,321	(52,029)	99,220,074
Total Capital Assets, depreciated:	830,804,500	16,337,563	(52,029)	847,090,034
Less accumulated depreciation for:				
Subscription right-of-use assets	-	(126,085)	-	(126,085)
Improvements	(341,213,981)	(15,036,725)	-	(356,250,706)
Buildings	(255,741,345)	(5,139,167)	-	(260,880,512)
Equipment	(69,656,512)	(4,159,785)	52,029	(73,764,268)
Total accumulated depreciation:	(666,611,838)	(24,461,762)	52,029	(691,021,571)
Total Capital Assets, net	164,192,662	(8,124,199)	-	156,068,463
Net Capital Assets	\$ 388,925,556	\$ 35,283,981	\$ (14,672,777)	\$ 409,536,760

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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.

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, 2023, RTAA has \$5.48 million in debt under a short term non-revolving credit agreement. The changes in long-term debt for the year ended June 30, 2023, are as follows:

	<u>Balance</u> <u>July 1, 2022</u>	<u>New Debt</u>	<u>Principal</u> <u>Repayment</u>	<u>Balance</u> <u>June 30, 2023</u>
Debt				
Series 2022	\$ -	\$ 15,103,544	\$ (9,624,529)	\$ 5,479,015
Total	-	15,103,544	(9,624,529)	5,479,015
Less: Current Portion	-	-	-	-
Long-term debt:	<u>\$ -</u>	<u>\$ 15,103,544</u>	<u>\$ (9,624,529)</u>	<u>\$ 5,479,015</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.

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- 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.
- 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, 2023.

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.

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Each AMT Non-Revolver Loan and each Non-AMT Non-Revolver 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-Revolver 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, 2023. 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, 2023, interest expense and commitment fees were \$84,985 and \$83,690, respectively. The Available Commitment at June 30, 2023, is \$34,896,455.

7. Non-Current Liabilities

Other long-term liability activity for the year ended June 30, 2023, is summarized below:

	Balance July 1, 2022	Additions and Transfers	Deletions and Transfers	Balance June 30, 2023
Compensated absences	\$ 2,330,697	\$ 2,140,625	\$ (1,899,945)	\$ 2,571,377
Deposits	899,278	33,389	(251,198)	681,469
Reclamation liability	564,844	13,512	(3,863)	574,493
	\$ 3,794,819	\$ 2,187,526	\$ (2,155,006)	\$ 3,827,339
Less current portion of compensated absences				(1,310,794)
Total				<u>\$ 2,516,545</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

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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*

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 2023:

	Implied Interest	Annual Lease Revenue	Lease Receivable	Deferred Inflows
Concessions	\$ 121,040	\$ 8,550,148	\$ 9,173,716	\$ 9,121,816
Rentals	522,664	1,667,784	53,430,380	52,886,105
Total	<u>\$ 643,704</u>	<u>\$ 10,217,932</u>	<u>\$ 62,604,096</u>	<u>\$ 62,007,921</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 \$16,859,075 for the year ending June 30, 2023. The agreements related to concession spaces have various expiration dates between 2023 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, 2022, the discount rates range from 0.83% to 2.02%. New and/or modified leases for the year ended June 30, 2023, were discounted based on the rate determined as of July 1, 2022, and range from 3.47% to 4.58%.

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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
2024	\$ 3,451,389	\$ 997,373	\$ 4,448,762
2025	3,567,959	1,062,127	4,630,086
2026	3,410,609	921,695	4,332,304
2027	2,108,401	887,745	2,996,146
2028	1,094,132	867,174	1,961,306
2029-2033	5,606,940	4,052,340	9,659,280
2034-2038	5,763,051	3,574,478	9,337,529
2039-2043	6,030,303	3,071,227	9,101,530
2044-2048	6,572,084	2,529,446	9,101,530
2049-2053	7,023,095	1,935,158	8,958,253
2054-2058	4,176,708	1,449,145	5,625,853
2059-2063	3,440,302	1,149,658	4,589,960
2064-2068	3,529,334	836,636	4,365,970
2069-2073	3,232,741	517,259	3,750,000
2074-2078	3,597,048	27,952	3,625,000
Total	<u>\$ 62,604,096</u>	<u>\$ 23,879,413</u>	<u>\$ 86,483,509</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

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For the year ended June 30, 2023, RTAA received \$3,271,971 in payments from leases under regulated lease agreements, of which \$2,029,008 was for fixed payments.

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

Year Ending June 30,	Amount
2024	\$ 1,775,739
2025	1,752,437
2026	1,735,932
2027	1,512,096
2028	1,335,801
2029-2033	4,568,673
2034-2038	3,305,001
2039-2043	3,280,847
2044-2048	3,271,210
2049-2053	3,238,784
2054-2058	3,238,784
2059-2063	3,071,975
2064-2068	1,237,082
2069-2073	623,621
Total	<u>\$ 33,947,982</u>

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%.

The total of RTAA's subscription assets are recorded in capital assets of \$292,623, less accumulated amortization of \$126,085. These subscriptions are summarized as follows:

Beginning Subscription Payable at July 1, 2022	Payable Reduction	Ending Subscription Payable at June 30, 2023	Interest Expense	Amortization Expense
\$ 292,623	\$ 110,565	\$ 182,058	\$ 7,863	\$ 126,085

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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
2024	\$ 117,088	\$ 3,890	\$ 120,978
2025	49,071	1,437	50,508
2026	15,899	301	16,200
Total	<u>\$ 182,058</u>	<u>\$ 5,628</u>	<u>\$ 187,686</u>

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, 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.

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>
29.75%	44.00%	\$6,759,233

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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.

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.

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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, 2022.

The RTAA's proportional share reflects the actuarial valuation date as of June 30, 2022, 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, 2023, RTAA is reporting a liability of \$50,663,709 for its proportionate share of the net pension liability. This represents an increase of \$26,098,537 as compared to \$24,565,172 reported as of June 30, 2022. 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, 2023, 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 0.2806% of the total. This compares to the prior year's proportion share of 0.2694% of the total. For the year ended June 30, 2023, RTAA recognized pension expense increase of \$1,378,426.

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Deferred Outflows and Inflows of Resources:

At June 30, 2023, RTAA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 6,560,113	\$ 36,193
Changes of assumptions	6,508,107	-
Net difference between projected and actual earnings on investments	618,129	-
Difference between employer contributions and employers proportionate share of system contributions	1,306,826	1,122,439
Contributions subsequent to measurement date	<u>3,086,672</u>	<u>-</u>
Total	<u><u>18,079,847</u></u>	<u><u>1,158,632</u></u>

The deferred outflows of resources of \$3,086,672 relates to RTAA pension contributions made after the measurement date of June 30, 2022, but before the end of the RTAA's reporting period of June 30, 2023, will be recognized as a reduction of the net pension liability in the subsequent fiscal year ending June 30, 2024.

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
2023	\$ 2,122,207
2024	2,014,103
2025	1,798,260
2026	6,957,926
2027	942,047
Thereafter	<u>-</u>
Total	<u><u>\$ 13,834,543</u></u>

RENO-TAHOE AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

Assumptions

The net pension liability reported as of June 30, 2022, 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, 2022, 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.

RENO-TAHOE AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

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, 2022.

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, 2022 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, 2022.

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	77,785,367	50,663,709	28,284,272

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 \$4,320,592 from federal sources for the year ended June 30, 2023.

RENO-TAHOE AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

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, 2023:

Airfield	\$ 1,284,091
Terminal	1,556,348
Landside	11,197,591
Reno-Stead Airport	2,776,569
Other	<u>694,623</u>
Total outstanding commitments	<u><u>\$ 17,509,222</u></u>

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 \$537,340 for the year ended June 30, 2023.

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, 2023, is \$574,493.

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.

RENO-TAHOE AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

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, 2023. 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 \$125,938 for 34 retirees, which equaled the required contribution. As of June 30, 2023, 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, 2022, 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, 2022
Funding Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	(\$0; no OPEB trust has been established)
Discount Rate	3.54% as of June 30, 2022
Participants Valued	Only current PEBP Retirees
Salary Increase	Not applicable; no active employees in plan
General Inflation Rate	2.5% per year

RENO-TAHOE AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

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																
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"> <thead> <tr> <th>Effective July 1</th><th>Premium Increase</th></tr> </thead> <tbody> <tr> <td>2022</td><td>Actual</td></tr> <tr> <td>2023</td><td>5.8%</td></tr> <tr> <td>2024</td><td>5.6%</td></tr> <tr> <td>2025</td><td>5.4%</td></tr> <tr> <td>2026 - 2027</td><td>5.2%</td></tr> <tr> <td>2028 - 2029</td><td>5.1%</td></tr> <tr> <td>2030 - 2038</td><td>5.0%</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%
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%																

Changes in the Total OPEB Liability: The total OPEB liability at June 30, 2023, was calculated as follows:

OPEB Liability at June 30, 2022	\$	1,939,121
Changes for the year:		
Interest cost		40,512
Assumption changes		385,092
Benefit payments		(127,166)
OPEB Liability at June 30, 2023	\$	<u>2,237,559</u>

RENO-TAHOE AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

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, 2022, is 3.54%. 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. The impact of a 1% increase or decrease in these assumptions is shown in the chart below.

Change in Discount Rate	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Increase in Liability	2,498,605	2,237,559	2,017,539

Change in Healthcare Cost Trend Rate	1% Decrease	Current Trend	1% Increase
Increase in Liability	2,027,918	2,237,559	2,480,534

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	125,938	-
Total	125,938	-

The deferred outflow of resources of \$125,938 relates to RTAA's OPEB contributions made after the measurement date of June 30, 2022, but before the end of the RTAA's reporting period of June 30, 2023.

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.

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.

**RENO-TAHOE AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023**

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, 2023, \$170,804 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.
- 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, 2023, \$24,371 was contributed to the RTAA Police Officers Association plan.

RENO-TAHOE AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

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, 2023, \$76,351 was contributed to the Reno Airport Fire Fighters Association plan.

15. Subsequent Events

Management of the Authority has evaluated events and transactions occurring after June 30, 2023, through the date the financial statements were available for issuance for recognition and/or disclosure in the financial statements.

Effective July 1, 2023, a ten year Airport-Airline Use and Lease Agreement was approved by the board.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

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

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service Cost	-	-	-	-	-	-
Interest Cost	\$ 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	385,092	12,293	363,229	71,227	18,135	(129,137)
Benefit Payments	(127,166)	(111,412)	(115,638)	(128,486)	(120,364)	(124,223)
Net change in total OPEB liability	298,438	(56,252)	342,243	4,378	(108,011)	(199,380)
Total OPEB Liability - beginning	1,939,121	1,995,373	1,653,130	1,648,752	1,756,763	1,956,143
Total OPEB Liability - ending	<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

	2023 ^(b)	2022 ^(b)	2021 ^(b)	2020 ^(b)	2019 ^(b)	2018 ^(b)	2017 ^(b)	2016 ^(b)	2015 ^(b)
RTAA's proportion of the net pension liability	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	\$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	\$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	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	75.1%	86.50%	77.04%	76.46%	75.2%	74.4%	72.2%	75.1%	76.3%

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

(b) 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 CONTRIBUTIONS

	<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>
Statutorily required contribution	6,759,233	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	<u>6,759,233</u>	<u>6,193,630</u>	<u>5,675,385</u>	<u>5,771,419</u>	<u>5,383,749</u>	<u>5,149,826</u>	<u>5,146,592</u>	<u>4,742,955</u>	<u>4,392,386</u>
Annual contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Percent funded	100%	100%	100%	100%	100%	100%	100%	100%	100%
Authority's covered payroll	20,775,007	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	32.54%	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. However until a full 10-year trend is compiled, the RTAA is presenting information for those years for which information is available.

Note: 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, 2023

	Original Budget	Final Amended Budget	Actual	Variance To Final Budget
Operating revenues:				
Landing fees	\$ 13,283,318	\$ 13,283,318	\$ 12,690,754	\$ (592,564)
Concession revenue	17,161,806	17,161,806	15,346,165	(1,815,641)
Parking and ground transportation	17,150,500	17,150,500	18,237,964	1,087,464
Rentals	17,519,227	17,519,227	15,072,521	(2,446,706)
Reimbursements for services	2,972,759	2,972,759	3,384,893	412,134
Other revenue	108,700	108,700	108,925	225
Total Operating Revenues	68,196,310	68,196,310	64,841,222	(3,355,088)
Operating expenses:				
Employee wages and benefits	38,057,907	37,567,907	39,092,497	(1,524,590)
Utilities and communications	3,133,050	4,051,370	3,962,745	88,625
Purchase of services	9,765,000	9,900,329	8,016,801	1,883,528
Materials and supplies	2,984,990	3,111,499	3,234,016	(122,517)
Administrative expenses	3,991,021	3,812,020	3,369,064	442,956
Total Operating Expenses before Depreciation and Amortization	57,931,968	58,443,125	57,675,123	768,002
Depreciation and amortization	30,000,000	30,000,000	24,461,762	5,538,238
Total Operating Expenses	87,931,968	88,443,125	82,136,885	6,306,240
Operating Income (Loss)	(19,735,658)	(20,246,815)	(17,295,663)	2,951,152
Non-operating revenues (expenses):				
Interest income and gain on investments	1,028,800	1,028,800	2,520,567	1,491,767
Passenger facility charge revenue	8,729,300	8,729,300	8,372,017	(357,283)
Customer facility charge revenue	10,588,500	10,588,500	7,863,374	(2,725,126)
Jet fuel tax revenue	256,700	256,700	300,994	44,294
Gain on sale of capital assets	-	-	10,871	10,871
Debt issuance costs	-	-	(135,000)	(135,000)
Federal grant revenue	13,650,300	13,650,300	15,156,938	1,506,638
Interest expense	-	-	(176,538)	(176,538)
Total Non-Operating Revenues (Expenses)	34,253,600	34,253,600	33,913,223	(340,377)
Income (Loss) Before Capital Contributions	\$ 14,517,942	\$ 14,006,785	\$ 16,617,560	\$ 2,610,775

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, 2014 - 2023
(unaudited)

	2014	2015	2016	2017	2018
Operating revenues					
Landing fees	\$7,440,496	\$7,916,995	\$8,071,097	\$8,285,922	\$9,397,172
Concession revenue	10,301,098	10,344,733	10,861,366	11,798,086	12,802,725
Parking and ground transportation	8,983,926	9,515,946	10,519,785	11,316,885	12,009,701
Rentals	13,282,322	13,456,901	13,599,106	13,688,849	13,838,446
Reimbursements for services	2,632,002	2,647,105	2,419,689	2,531,223	2,416,793
Other revenue	34,596	106,844	42,873	168,024	190,432
Total operating revenues	42,674,440	43,988,524	45,513,916	47,788,989	50,655,269
Nonoperating revenues					
Interest income	195,296	289,755	716,702	577,434	835,868
Gain (Loss) on value of investments	93,985	(3,274)	(21,981)	(271,937)	(374,498)
Passenger facility charge revenue	6,601,269	6,332,093	6,740,165	7,480,732	7,587,771
Customer facility charge revenue	1,263,517	1,252,480	1,385,061	1,481,004	1,692,038
Jet fuel tax income	264,586	246,059	268,287	298,124	310,500
Gain on sale of capital assets	5,631	29,533	105,471	13,298	169,208
Misc. Revenue	-	-	-	-	-
Total nonoperating revenues	8,424,284	8,146,646	9,193,705	9,578,655	10,220,887
Total revenues	51,098,724	52,135,170	54,707,621	57,367,644	60,876,156
Operating expense					
Employee wages and benefits	24,301,598	24,638,525	25,007,616	26,672,375	31,878,959
Utilities and communications	2,774,328	2,757,835	2,540,504	2,337,577	2,709,495
Purchase of services	4,770,478	4,763,544	4,803,679	4,595,802	4,866,467
Materials and supplies	1,749,084	1,582,278	1,821,369	1,753,352	2,050,694
Administrative expenses	2,563,199	2,113,887	2,443,771	2,579,040	2,224,655
	36,158,687	35,856,069	36,616,939	37,938,146	43,730,270
Depreciation and amortization	35,816,772	34,958,476	34,613,731	34,462,715	31,094,092
Total operating expenses	71,975,459	70,814,545	71,230,670	72,400,861	74,824,362
Nonoperating expenses					
Non-operating expense	-	-	140,952	7,814	-
Interest expense	1,545,697	1,376,012	1,284,053	616,855	487,308
Total nonoperating expenses	1,545,697	1,376,012	1,425,005	624,669	487,308
Total expenses	73,521,156	72,190,557	72,655,675	73,025,530	75,311,670
Capital contributions	12,210,737	4,867,414	10,010,497	2,517,123	9,200,524
Change in Net Position	(\$10,211,695)	(\$15,187,973)	(\$7,937,557)	(\$13,140,763)	(\$5,234,990)
Net Position at Year-End					
Net Investment in capital assets	\$395,050,506	\$382,231,061	\$367,749,013	\$345,904,676	\$334,863,315
Restricted	22,897,188	22,459,489	20,371,555	23,692,496	26,448,099
Unrestricted	37,432,202	2,670,101	11,302,526	16,685,159	18,238,659
Total Net Position	\$455,379,896	\$407,360,651	\$399,423,094	\$386,282,331	\$379,550,073

Continued

RENO-TAHOE AIRPORT AUTHORITY
NET POSITION AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2014 - 2023
(unaudited)

	2019	2020	2021	2022	2023
Operating revenues					
Landing fees	\$9,719,482	\$10,077,732	\$8,948,847	\$10,584,517	\$12,690,754
Concession revenue	13,086,886	11,301,837	9,628,195	15,257,011	15,346,165
Parking and ground transportation	12,817,675	10,012,455	7,361,177	14,004,587	18,237,964
Rentals	14,078,153	16,534,688	15,715,644	15,073,833	15,072,521
Reimbursements for services	2,671,073	2,397,717	1,823,280	3,000,059	3,384,893
Other revenue	176,468	345,296	185,773	145,174	108,925
Total operating revenues	52,549,737	50,669,725	43,662,916	58,065,181	64,841,222
Nonoperating revenues					
Interest income	1,301,531	1,588,183	886,650	1,246,627	2,449,932
Gain (Loss) on value of investments	867,298	736,237	(935,537)	(2,737,875)	70,635
Passenger facility charge revenue	8,443,673	7,607,924	4,514,399	8,502,997	8,372,017
Customer facility charge revenue	4,613,478	4,891,406	4,954,128	6,350,891	7,863,374
Jet fuel tax income	306,035	263,135	203,765	294,018	300,994
Gain on sale of capital assets	25,070	28,196	41,838	15,080	10,871
Misc Revenue	-	617,197	7,059,146	14,483,077	15,156,938
Total nonoperating revenues	15,557,085	15,732,278	16,724,389	28,154,815	34,224,761
Total revenues	68,106,822	66,402,003	60,387,305	86,219,996	99,065,983
Operating expense					
Employee wages and benefits	29,334,325	32,120,112	30,923,994	30,348,607	39,092,497
Utilities and communications	2,772,620	2,881,068	2,454,099	3,156,581	3,962,745
Purchase of services	5,521,530	5,418,705	4,887,352	7,405,170	8,016,801
Materials and supplies	2,045,295	2,340,685	2,259,926	2,575,145	3,234,016
Administrative expenses	2,646,733	2,431,355	2,086,926	2,854,518	3,369,064
	42,320,503	45,191,925	42,612,297	46,340,021	57,675,123
Depreciation and amortization	27,801,203	27,608,618	26,827,690	25,079,112	24,461,762
Total operating expenses	70,121,706	72,800,543	69,439,987	71,419,133	82,136,885
Nonoperating expenses					
Non-operating expense	-	-	-	-	135,000
Interest expense	438,892	389,125	337,975	399,857	176,538
Total nonoperating expenses	438,892	389,125	337,975	399,857	311,538
Total expenses	70,560,598	73,189,668	69,777,962	71,818,990	82,448,423
Capital contributions	14,057,725	16,868,554	25,193,485	27,686,032	4,320,592
Change in Net Position	\$11,603,949	\$10,080,889	\$15,802,828	\$42,087,038	\$20,938,152
Net Position at Year-End					
Net Investment in capital assets	\$336,079,326	\$348,801,466	\$361,855,033	\$388,632,933	\$398,934,454
Restricted	32,997,130	28,598,653	25,980,476	28,495,282	36,521,156
Unrestricted	22,077,566	23,834,792	29,202,230	41,996,562	44,607,319
Total Net Position	\$391,154,022	\$401,234,911	\$417,037,739	\$459,124,777	\$480,062,929

RENO-TAHOE AIRPORT AUTHORITY
SUMMARY OF OPERATING RESULTS
FOR THE YEARS ENDED JUNE 30, 2014 - 2023
(unaudited)

	2014	2015	2016	2017	2018
Operating Revenues	\$42,674,440	\$43,988,524	\$45,513,916	\$47,788,989	\$50,655,269
Operating Expenses	(36,158,687)	(35,856,069)	(36,616,939)	(37,938,146)	(43,730,270)
Operating Income before Depreciation and Amortization	6,515,753	8,132,455	8,896,977	9,850,843	6,924,999
Depreciation and Amortization	(35,816,772)	(34,958,476)	(34,613,731)	(34,462,715)	(31,094,092)
Operating Income (Loss)	(29,301,019)	(26,826,021)	(25,716,754)	(24,611,872)	(24,169,093)
Nonoperating Revenues and (Expenses):					
Interest Income	195,296	289,755	716,702	577,434	835,868
Gain (Loss) on value of Investments	93,985	(3,274)	(21,981)	(271,937)	(374,498)
PFC Revenue	6,601,269	6,332,093	6,740,165	7,480,732	7,587,771
CFC Revenue	1,263,517	1,252,480	1,385,061	1,481,004	1,692,038
Jet Fuel Tax Revenue	264,586	246,059	268,287	298,124	310,500
Interest Expense	(1,545,697)	(1,376,012)	(1,284,053)	(616,855)	(487,308)
Gain (Loss) on Sale of Capital Asset:	5,631	29,533	105,471	13,298	169,208
Non-operating expenses	-	-	(140,952)	(7,814)	-
	6,878,587	6,770,634	7,768,700	8,953,986	9,733,579
Income (Loss) Before Capital Contributions	(\$22,422,432)	(\$20,055,387)	(\$17,948,054)	(\$15,657,886)	(\$14,435,514)

Continued

Note: Years prior to 2015 have not been adjusted for GASB 68 to 75

RENO-TAHOE AIRPORT AUTHORITY
SUMMARY OF OPERATING RESULTS
FOR THE YEARS ENDED JUNE 30, 2014 - 2023
(unaudited)

	2019	2020	2021	2022	2023
Operating Revenues	\$52,549,737	\$50,669,725	\$43,662,916	\$58,065,181	\$64,841,222
Operating Expenses	(42,320,503)	(45,191,925)	(42,612,297)	(46,340,021)	(57,675,123)
Operating Income before Depreciation and Amortization	10,229,234	5,477,800	1,050,619	11,725,160	7,166,099
Depreciation and Amortization	(27,801,203)	(27,608,618)	(26,827,690)	(25,079,112)	(24,461,762)
Operating Income (Loss)	(17,571,969)	(22,130,818)	(25,777,071)	(13,353,952)	(17,295,663)
Nonoperating Revenues and (Expenses):					
Interest Income	1,301,531	1,588,183	886,650	1,246,627	2,449,932
Gain (Loss) on value of Investments	867,298	736,237	(935,537)	(2,737,875)	70,635
PFC Revenue	8,443,673	7,607,924	4,514,399	8,502,997	8,372,017
CFC Revenue	4,613,478	4,891,406	4,954,128	6,350,891	7,863,374
Jet Fuel Tax Revenue	306,035	263,135	203,765	294,018	300,994
Interest Expense	(438,892)	(389,125)	(337,975)	(399,857)	(176,538)
Gain (Loss) on Sale of Capital Assets	25,070	28,196	41,838	15,080	10,871
Non-operating expenses	-	617,197	7,059,146	14,483,077	15,021,938
	15,118,193	15,343,153	16,386,414	27,754,958	33,913,223
Income (Loss) Before Capital Contributions	(\$2,453,776)	(\$6,787,665)	(\$9,390,657)	\$14,401,006	\$16,617,560

Note: Years prior to 2015 have not been adjusted for GASB 68 to 75

RENO-TAHOE AIRPORT AUTHORITY
PRINCIPAL REVENUE PAYERS
FOR THE YEARS ENDED JUNE 30, 2014-2023
(unaudited)

	2014	2015	2016	2017	2018
<u>Airlines - Landing Fees Only</u>					
Alaska/Horizon	\$ 341,556	\$ 580,120	\$ 623,357	\$ 642,969	\$ 638,296
American Airlines	592,839	715,170	1,308,569	1,125,206	1,253,063
Delta	406,794	455,739	426,813	433,298	507,079
Fed Ex	782,244	888,324	968,838	932,842	716,310
Jet Blue	-	11,198	13,515	238,725	281,464
Southwest	2,751,016	2,642,052	2,576,418	2,699,800	3,188,270
United	657,735	720,757	724,254	701,646	919,786
UPS	451,188	518,289	660,717	654,977	707,324
US Airways	542,374	608,778	-	-	-
Total:	\$ 6,525,746	\$ 7,140,427	\$ 7,302,481	\$ 7,429,463	\$ 8,211,592
<u>Rental Cars - Concession Leases Only</u>					
Avis/Budget	\$ 1,493,707	\$ 1,482,869	\$ 1,620,958	\$ 1,777,825	\$ 1,993,895
Alamo/ National	1,026,907	1,269,575	1,411,955	1,554,676	1,720,779
Dollar/Thrifty	840,070	805,775	757,453	750,745	920,885
Enterprise	879,344	806,729	978,067	1,183,386	1,360,048
Payless	20,833	320,499	314,189	317,940	286,503
Hertz	1,421,777	1,375,025	1,506,355	1,606,381	1,781,205
Total:	\$ 5,682,638	\$ 6,060,472	\$ 6,588,977	\$ 7,190,953	\$ 8,063,315
<u>Other Concession Leases</u>					
IGT	\$ 1,322,752	\$ 1,266,307	\$ 1,071,402	\$ 974,166	\$ 1,102,412
Paradies Gift Shops	901,000	901,000	944,071	1,016,968	1,014,199
SSP America, Inc.	929,240	887,963	992,984	1,221,761	1,484,628
Vino Volo	-	-	-	-	-
MAG Lounge	-	-	-	-	501,415
Clear Channel	-	640,403	564,210	663,436	699,857
Lamar Advertising	-	-	-	-	-
Forever Heather	65,531	43,819	34,855	29,462	35,958
Total:	\$ 3,218,523	\$ 3,739,492	\$ 3,607,522	\$ 3,905,792	\$ 4,838,469
Parking and Ground Transportation	\$ 8,983,926	\$ 9,515,946	\$ 10,519,785	\$ 11,316,885	\$ 12,009,701
Total:	\$ 24,410,833	\$ 26,456,337	\$ 28,018,765	\$ 29,843,093	\$ 33,123,077

Continued

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

RENO-TAHOE AIRPORT AUTHORITY
PRINCIPAL REVENUE PAYERS
FOR THE YEARS ENDED JUNE 30, 2014-2023
(unaudited)

	2019	2020	2021	2022	2023
<u>Airlines - Landing Fees Only</u>					
Alaska/Horizon	\$ 745,193	\$ 711,620	\$ 553,909	\$ 691,885	\$ 618,289
American Airlines	1,313,727	1,331,551	1,079,312	1,275,569	1,207,659
Delta	566,983	534,997	779,290	775,125	769,445
Fed Ex	878,731	882,829	918,027	931,954	1,046,353
Jet Blue	281,296	226,627	107,869	259,437	229,056
Southwest	3,305,577	2,854,752	2,023,722	2,847,213	3,810,742
United	1,111,373	1,026,505	779,167	1,022,320	1,282,803
UPS	903,450	1,023,053	1,012,983	958,933	1,022,230
US Airways	-	-	-	-	-
Total:	\$ 9,106,330	\$ 8,591,934	\$ 7,254,279	\$ 8,762,436	\$ 9,986,577
<u>Rental Cars - Concession Leases Only</u>					
Avis/Budget	\$ 2,061,629	\$ 1,951,327	\$ 1,594,094	\$ 3,220,871	\$ 2,838,199
Alamo/ National	1,840,898	1,826,983	1,394,229	1,968,634	1,945,589
Dollar/Thrifty	1,038,332	1,055,493	725,000	1,038,391	1,302,860
Enterprise	1,448,153	1,430,990	1,427,003	1,951,129	1,777,642
Payless	340,580	301,284	250,000	250,000	250,000
Hertz	1,859,856	1,817,455	1,364,100	1,726,818	2,101,143
Total:	\$ 8,589,448	\$ 8,383,532	\$ 6,754,426	\$ 10,155,843	\$ 10,215,433
<u>Other Concession Leases</u>					
IGT	\$ 1,149,390	\$ 851,669	\$ 666,127	\$ 1,256,202	\$ 1,442,617
Paradies Gift Shops	1,138,086	1,091,785	553,978	859,653	1,142,291
SSP America, Inc.	1,527,992	1,161,992	558,358	1,065,958	1,431,897
Vino Volo	105,361	152,716	204,730	291,232	279,097
MAG Lounge	1,134,388	1,048,880	154,754	207,256	212,640
Clear Channel	768,828	828,974	647,686	458,599	-
Lamar Advertising	-	-	-	251,931	752,039
Forever Heather	-	-	-	-	-
Total:	\$ 5,824,045	\$ 5,136,016	\$ 2,785,633	\$ 4,390,831	\$ 5,260,581
Parking and Ground Transportation	\$ 12,817,675	\$ 10,012,455	\$ 7,361,177	\$ 14,004,586	\$ 18,237,964
Total:	\$ 36,337,498	\$ 32,123,937	\$ 24,155,515	\$ 37,313,696	\$ 43,700,555

RENO-TAHOE AIRPORT AUTHORITY
PRINCIPAL OPERATING REVENUE SOURCES
FOR THE YEARS ENDED JUNE 30, 2014-2023
(unaudited)

	2014	2015	2016	2017	2018
Landing fees	\$ 7,440,496	\$ 7,916,995	\$ 8,071,097	\$ 8,285,922	\$ 9,397,172
Concession revenue	10,301,098	10,344,733	10,861,366	11,798,086	12,802,725
Parking and ground transportation	8,983,926	9,515,946	10,519,785	11,316,885	12,009,701
Rentals	13,282,322	13,456,901	13,599,106	13,688,849	13,838,446
Reimbursement for Services	2,632,003	2,647,105	2,419,689	2,531,223	2,416,793
Toal Operating Revenue	42,639,845	43,881,680	45,471,043	47,620,965	50,464,837
Interest Income	289,281	286,481	694,721	305,497	461,370
Total	\$ 42,929,126	\$ 44,168,161	\$ 46,165,764	\$ 47,926,462	\$ 50,926,207

Continued

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

RENO-TAHOE AIRPORT AUTHORITY
PRINCIPAL OPERATING REVENUE SOURCES
FOR THE YEARS ENDED JUNE 30, 2014-2023
(unaudited)

	2019	2020	2021	2022	2023
Landing fees	\$ 9,719,482	\$ 10,077,732	\$ 8,948,847	\$ 10,584,517	\$ 12,690,754
Concession revenue	13,086,886	11,301,837	9,628,195	15,257,011	15,346,165
Parking and ground transportation	12,817,675	10,012,455	7,361,177	14,004,587	18,237,964
Rentals	14,078,153	16,534,688	15,715,644	15,073,833	15,072,521
Reimbursement for Services	2,671,073	2,397,717	1,823,280	3,000,059	3,384,893
Toal Operating Revenue	52,373,269	50,324,429	43,477,143	57,920,007	64,732,297
Interest Income	2,168,829	2,324,420	\$ (48,887)	\$ (1,491,248)	\$ 1,881,517
Total	\$ 54,542,098	\$ 52,648,849	\$ 43,428,256	\$ 56,428,759	\$ 66,613,814

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

**RENO-TAHOE AIRPORT AUTHORITY
REVENUE RATES AND COST PER ENPLANEMENTS
FOR THE YEARS ENDED JUNE 30, 2014-2023
(unaudited)**

Year	Landing Fee (a)		RON (Ramp Over Night) (a)		Signatory Terminal Rental Rate Average	Signatory Cost per Enplanement
	Signatory	Non-Signatory	Signatory	Non-Signatory		
2023	3.79	3.50	86.00	86.00	65.55	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
2014	2.80	2.78	55.00 (b)	55.00 (b)	53.24	7.31

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

(b) For fiscal year 2014, the Ramp Over Night fee changed to a flat fee amount per occurrence.

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

Notes: The RTAA and certain airlines negotiated an Airline Use and Lease Agreement effective July 1, 2010 through June 30, 2015; the RTAA and the airlines then executed a five-year airline agreement effective through June 30, 2020, followed by an extension through June 30, 2023.

RENO-TAHOE AIRPORT AUTHORITY
SCHEDULE OF DEBT AND OBLIGATION COVERAGES
FOR THE YEARS ENDED JUNE 30, 2014-2023
(unaudited)

YEAR	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Gross Pledged Revenues ⁽¹⁾	\$ 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	\$ 44,371,827
Transfers- CFC Expenses	221,491	713,649	447,935	417,741	642,557	-	-	-	-	-
G/L on Sale of Assets	(10,871)	(15,080)	(41,838)	(28,196)	(25,070)	(169,208)	(13,298)	(105,471)	(29,533)	(5,631)
Airline Revenue Sharing	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	1,213,722
35% Gaming Revenue	(377,953)	(439,671)	(221,413)	(286,561)	(390,756)	(374,379)	(341,751)	(374,991)	(443,208)	(462,963)
Direct Operating Expense ⁽²⁾	(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)	(36,158,687)
Net Pledged Revenue (Available for Debt and Obligation Payments)	\$ 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	\$ 8,958,268
Debt Service (Senior Lien Debt Service)	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	2,516,500
Debt Service Coverage Ratio - Senior Lien Debt Service	148.46	9.93	2.36	5.08	7.09	7.63	6.61	5.16	4.34	3.56
Net Pledged Revenue (Available for Subordinate Notes)	\$ 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	\$ 6,441,768
Pledged PFC Revenue	-	-	-	-	-	-	1,812,790	1,813,919	1,808,804	2,079,176
Pledged Revenue (Available for Subordinate Notes)	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	8,520,944
Debt Service (Subordinate Lien Debt Service)	-	-	-	-	-	-	3,139,393	3,140,055	3,134,943	4,150,028
Debt Service - Coverage Ratio - Subordinate Lien Debt Service	-	-	-	-	-	-	4.59	3.64	3.26	2.05

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.

RENO-TAHOE AIRPORT AUTHORITY
RATE MAINTENANCE COVENANT PERFORMANCE
FOR THE YEARS ENDED JUNE 30, 2014 - 2023
(unaudited)

	2014	2015	2016	2017	2018
Operating Revenues	\$44,208,178	\$45,512,494	\$47,294,719	\$49,616,816	\$52,809,309
Trust Fund Investment					
Interest Income	163,649	253,601	367,167	531,978	835,781
Gross Pledged Revenues	44,371,827	45,766,095	47,661,886	50,148,794	53,645,090
Transfers- Customer Facility					
Charges for Operating Expenses	-	-	-	-	-
Operating Expenses	(36,158,687)	(35,856,069)	(37,603,816)	(38,112,913)	(40,306,317)
G/L on Sale of Capital Assets	(5,631)	(29,533)	(105,471)	(13,298)	(169,208)
Airline Revenue Share Prior Year	1,587,800	1,213,722	1,494,648	2,347,074	3,176,955
35% of Gaming Revenues	(462,963)	(443,208)	(374,991)	(341,751)	(374,379)
Net Pledged Revenues - Senior					
Lien Bonds	\$9,332,346	\$10,651,007	\$11,072,256	\$14,027,906	\$15,972,141
125% of Senior Lien Revenue					
Bond Debt Service	\$3,145,625	\$3,151,625	\$2,887,856	\$2,811,829	\$2,809,125
Senior Lien Debt Service	\$2,516,500	\$2,521,300	\$2,310,285	\$2,249,463	\$2,247,300
Net Pledged Revenues - Subordinate					
Lien Notes	\$6,815,846	\$8,129,707	\$8,761,971	\$11,778,443	\$13,724,841
Pledged Passenger Facility Charges	2,079,176	1,808,804	1,813,919	1,812,790	-
Pledged Revenues - Subordinate					
Lien Notes	\$8,895,022	\$9,938,511	\$10,575,890	\$13,591,233	\$13,724,841
110% of Subordinate Lien					
Debt Service	\$4,559,531	\$3,448,437	\$3,454,061	\$3,453,332	\$ -
Subordinate Lien Debt Service	\$4,145,028	\$3,134,943	\$3,140,055	\$3,139,393	\$ -
Rate Maintenance Minimum					
Revenues	\$7,705,156	\$6,600,062	\$6,341,917	\$6,265,161	\$2,809,125

Continued

RENO-TAHOE AIRPORT AUTHORITY
RATE MAINTENANCE COVENANT PERFORMANCE
FOR THE YEARS ENDED JUNE 30, 2014 - 2023
(unaudited)

	2019	2020	2021	2022	2023
Operating Revenues	\$52,880,841	\$50,669,726	\$43,662,916	\$58,065,181	\$64,841,222
Trust Fund Investment					
Interest Income	1,183,298	2,240,075	1,018,347	1,246,627	2,449,932
Gross Pledged Revenues	54,064,139	52,909,801	44,681,263	59,311,808	67,291,154
Transfers- Customer Facility					
Charges for Operating Expenses	642,557	417,741	447,935	713,649	221,491
Operating Expenses	(42,552,009)	(44,037,667)	(42,205,572)	(46,340,021)	(57,675,123)
G/L on Sale of Capital Assets	(25,070)	(28,196)	(41,838)	(15,080)	(10,871)
Airline Revenue Share Prior Year	4,352,412	4,214,022	2,452,933	2,797,784	5,202,856
35% of Gaming Revenues	(390,756)	(286,561)	(221,413)	(439,671)	(377,953)
Net Pledged Revenues - Senior Lien Bonds	\$16,091,273	\$13,189,140	\$5,113,308	\$16,028,469	\$14,651,554
125% of Senior Lien Revenue Bond Debt Service	\$2,811,125	\$2,811,406	\$2,809,969	\$2,813,063	\$210,845
Senior Lien Debt Service	\$2,248,900	\$2,249,125	\$2,247,975	\$2,250,450	\$168,676
Net Pledged Revenues - Subordinate Lien Notes	\$13,842,373	\$10,940,015	\$2,865,333	\$13,778,019	\$14,482,878
Pledged Passenger Facility Charges	-	-	-	-	-
Pledged Revenues - Subordinate Lien Notes	\$13,842,373	\$10,940,015	\$2,865,333	\$13,778,019	\$14,482,878
110% of Subordinate Lien Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -
Subordinate Lien Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -
Rate Maintenance Minimum Revenues	\$2,811,125	\$2,811,406	\$2,809,969	\$2,813,063	\$210,845

RENO-TAHOE AIRPORT AUTHORITY
RATIOS OF OUTSTANDING DEBT AND DEBT SERVICE
FOR THE YEARS ENDED JUNE 30, 2014 - 2023
(unaudited)

	2014	2015	2016	2017	2018
Outstanding Debt					
Revenue bonds	\$ 23,715,000	\$ 22,360,000	\$ 20,690,000	\$ 19,435,000	\$ 17,720,000
Unamortized premium	894,851	820,280	-	-	-
Notes payable	15,615,000	8,937,000	6,037,000	3,057,000	-
Total outstanding debt	<u>\$ 40,224,851</u>	<u>\$ 32,117,280</u>	<u>\$ 26,727,000</u>	<u>\$ 22,492,000</u>	<u>\$ 17,720,000</u>
Enplaned Passengers	1,658,187	1,656,293	1,778,611	1,909,187	2,064,968
Outstanding debt per enplaned passenger	<u>\$ 24</u>	<u>\$ 19</u>	<u>\$ 15</u>	<u>\$ 12</u>	<u>\$ 9</u>
Debt Service					
Principal	\$ 5,125,000	\$ 4,320,000	\$ 4,235,000	\$ 4,772,000	\$ 1,760,000
Interest	1,541,528	1,336,243	588,367	616,855	487,308
Total debt service	<u>\$ 6,666,528</u>	<u>\$ 5,656,243</u>	<u>\$ 4,823,367</u>	<u>\$ 5,388,855</u>	<u>\$ 2,247,308</u>
Total Expenses	73,521,156	72,190,557	72,514,723	73,017,716	75,311,669
Ratio of debt service to total expenses	<u>9.07%</u>	<u>7.84%</u>	<u>6.65%</u>	<u>7.38%</u>	<u>2.98%</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 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, 2014 - 2023
(unaudited)

	2019	2020	2021	2022	2023
Outstanding Debt					
Revenue bonds	\$ 15,960,000	\$ 14,150,000	\$ 12,290,000	\$ -	\$ 5,479,015
Unamortized premium	-	-	-	-	-
Notes payable	-	-	-	-	-
Total outstanding debt	<u>\$ 15,960,000</u>	<u>\$ 14,150,000</u>	<u>\$ 12,290,000</u>	<u>\$ -</u>	<u>\$ 5,479,015</u>
Enplaned Passengers	2,149,759	1,690,171	1,231,616	2,079,807	2,229,254
Outstanding debt per enplaned passenger	<u>\$ 7</u>	<u>\$ 8</u>	<u>\$ 10</u>	<u>\$ -</u>	<u>\$ 2</u>
Debt Service					
Principal	\$ 1,810,000	\$ 1,860,000	\$ 1,910,000	\$ 1,965,000	\$ 9,624,529
Interest	438,900	389,125	337,975	285,450	168,676
Total debt service	<u>\$ 2,248,900</u>	<u>\$ 2,249,125</u>	<u>\$ 2,247,975</u>	<u>\$ 2,250,450</u>	<u>\$ 9,793,205</u>
Total Expenses	70,560,599	73,189,668	69,777,962	71,818,990	82,448,423
Ratio of debt service to total expenses	<u>3.19%</u>	<u>3.07%</u>	<u>3.22%</u>	<u>3.13%</u>	<u>11.88%</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 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 2013-2022
(unaudited)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Nevada										
<u>County</u>										
Churchill	24,063	23,989	24,200	24,198	24,230	24,440	24,909	25,516	25,723	25,843
Douglas	47,118	47,536	47,710	48,020	48,309	48,467	48,905	49,488	49,870	49,628
Humboldt	17,363	17,279	17,019	16,842	16,826	16,786	16,831	17,285	17,648	17,272
Lyon	51,557	51,789	52,585	53,179	54,122	55,808	57,510	59,235	60,903	61,585
Pershing	6,877	6,698	6,634	6,560	6,508	6,666	6,725	6,650	6,741	6,462
Storey	3,942	3,912	3,987	4,051	4,006	4,029	4,123	4,104	4,143	4,170
Washoe	433,731	440,078	446,903	453,616	460,587	465,735	471,519	486,492	493,392	496,745
Carson City	54,080	54,522	54,521	54,742	54,745	55,414	55,916	58,639	58,993	58,130
Subtotal	638,731	645,803	653,559	661,208	669,333	677,345	686,438	707,409	717,413	719,835
California										
<u>County</u>										
Alpine	1,159	1,116	1,110	1,071	1,120	1,101	1,129	1,204	1,235	1,190
El Dorado	181,737	183,087	184,452	185,625	188,987	190,678	192,843	191,185	193,221	192,646
Lassen	32,163	31,749	31,345	30,870	31,163	30,802	30,573	32,730	33,159	29,904
Mono	14,074	13,997	13,909	13,981	14,168	14,250	14,444	13,195	13,247	12,978
Nevada	98,200	98,893	98,877	99,107	99,814	99,696	99,755	102,241	103,487	102,293
Placer	367,309	371,694	375,391	380,531	386,166	393,149	398,329	404,739	412,300	417,772
Plumas	18,859	18,606	18,409	18,627	18,742	18,804	18,807	19,790	19,915	19,351
Sierra	3,047	3,003	2,967	2,947	2,999	2,987	3,005	3,236	3,283	3,217
Subtotal	716,548	722,145	726,460	732,759	743,159	751,467	758,885	768,320	779,847	779,351
Total	1,355,279	1,367,948	1,380,019	1,393,967	1,412,492	1,428,812	1,445,323	1,475,729	1,497,260	1,499,186
Percentage increase	0.59%	0.93%	0.88%	1.01%	1.33%	1.16%	1.16%	2.10%	1.46%	0.13%
Unemployment rate										
Washoe County	9.4%	7.6%	6.3%	5.0%	3.5%	2.3%	3.2%	4.9%	3.1%	3.5%

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 2022 AND 2012
(unaudited)**

<u>Employer</u>	<u>Calendar year 2022</u>		<u>Calendar year 2012</u>	
	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>	<u>Employees</u>
Renown Regional Medical Center	1	1,000-4,999	4	2,500-2,999
Peppermill Hotel Casino-Reno	2	1,000-4,999	5	2,000-2,499
Nugget Casino Resort	3	1,000-4,999	16	1,000-1,499
Grand Sierra Resort & Casino	4	1,000-4,999	13	1,000-1,499
Saint Mary's Regional Medical Center	5	1,000-4,999	10	1,500-1,999
Eldorado Resort Casino	6	1,000-4,999	11	1,000-1,499
Silver Legacy Resort Casino	7	1,000-4,999	8	1,500-1,999
University of Nevada-Reno	8	1,000-4,999	2	4,000-4,499
International Game Technology	9	1,000-4,999	7	2,000-2,499
AMERCO	10	1,000-4,999	-	-

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

**RENO-TAHOE AIRPORT AUTHORITY
EMPLOYEES
FOR THE YEARS ENDED JUNE 30, 2014-2023
(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
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
2014	9.0	52.0	68.0	42.0	15.0	20.0	71.5	268.5

* 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, 2014-2023**

Scheduled Airline	2014			2015			2016		
	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change
Alaska / Horizon Air	124,581	8%	9%	178,579	11%	43%	204,286	11%	14%
Allegiant Air	21,578	1%	184%	20,061	1%	-7%	19,047	1%	-5%
American	208,919	13%	4%	221,434	13%	6%	385,363	22%	74%
Delta	126,904	8%	-5%	119,649	7%	-6%	128,189	7%	7%
Frontier	-	0%	N/A	-	0%	N/A	165	0%	N/A
JetBlue Airways	-	0%	N/A	3,346	0%	N/A	41,143	2%	1130%
Southwest	815,160	49%	-14%	734,786	44%	-10%	763,006	43%	4%
United	214,531	13%	2%	214,864	13%	0%	216,996	12%	1%
US Airways (America West)	144,760	9%	1%	154,331	9%	7%	-	0%	-100%
Volaris	-	0%	N/A	6,959	0%	N/A	17,070	1%	145%
Other	1,754	0%	63%	2,284	0%	30%	3,346	0%	46%
	1,658,187	100%	-6%	1,656,293	100%	0%	1,778,611	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, 2014-2023**

Scheduled Airline	2017			2018			2019		
	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change
Alaska / Horizon Air	226,117	12%	11%	212,427	10%	-6%	208,312	10%	-2%
Allegiant Air	31,504	2%	65%	30,663	1%	-3%	41,681	2%	36%
American	370,451	19%	-4%	383,996	19%	4%	384,766	18%	0%
Delta	136,418	7%	6%	152,435	7%	12%	165,441	8%	9%
Frontier	-	0%	-100%	18,271	1%	N/A	26,709	1%	46%
JetBlue Airways	77,686	4%	89%	80,494	4%	4%	78,164	4%	-3%
Southwest	816,323	43%	7%	901,470	44%	10%	909,515	42%	1%
United	226,272	12%	4%	265,271	13%	17%	311,716	15%	18%
US Airways (America West)	-	0%	N/A	-	0%	N/A	-	0%	N/A
Volaris	20,966	1%	23%	17,234	1%	-18%	19,819	1%	15%
Other	3,450	0%	3%	2,707	0%	-22%	3,636	0%	34%
	1,909,187	100%	7%	2,064,968	100%	8%	2,149,759	100%	4%

Continued

**RENO-TAHOE AIRPORT AUTHORITY
RENO-TAHOE INTERNATIONAL AIRPORT
ENPLANEMENTS AND MARKET SHARE BY SCHEDULED AIRLINE
FOR THE YEARS ENDED JUNE 30, 2014-2023**

Scheduled Airline	2020			2021			2022			2023		
	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change
Alaska / Horizon Air	172,563	10%	-17%	120,292	10%	-30%	198,399	10%	65%	159,114	7%	-20%
Allegiant Air	35,224	2%	-15%	29,316	2%	-17%	33,008	2%	13%	15,217	1%	-54%
American	347,656	21%	-10%	246,791	20%	-29%	362,636	17%	47%	347,443	16%	-4%
Delta	128,574	8%	-22%	131,351	11%	2%	214,794	10%	64%	202,408	9%	-6%
Frontier	19,390	1%	-27%	24,976	2%	29%	33,071	2%	32%	14,980	1%	-55%
JetBlue Airways	52,825	3%	-32%	16,084	1%	-70%	55,472	3%	245%	51,088	2%	-8%
Southwest	658,668	39%	-28%	460,904	37%	-30%	833,339	40%	81%	962,448	43%	15%
United	253,093	15%	-19%	175,966	14%	-30%	294,366	14%	67%	331,495	15%	13%
US Airways (America West)	-	0%	N/A	-	0%	N/A	-	0%	N/A	-	0%	N/A
Volaris	19,937	1%	1%	18,207	1%	-9%	26,785	1%	47%	32,508	1%	21%
Other	2,241	0%	-38%	7,729	1%	245%	27,948	1%	262%	112,553	5%	303%
	1,690,171	100%	-21%	1,231,616	100%	-27%	2,079,818	100%	69%	2,229,254	100%	7%

**RENO-TAHOE AIRPORT AUTHORITY
OPERATIONAL STATISTICAL SUMMARY
FOR THE YEARS ENDED JUNE 30, 2014 - 2023
(unaudited)**

Year	Enplanements	Airport Growth	Landed Weights	Airport Growth	Air Carrier Operations	Airport Growth
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%
2014	1,658,187	-5.6%	2,388,387	-5.3%	34,687	-5.7%

RENO-TAHOE AIRPORT AUTHORITY
RENO-TAHOE INTERNATIONAL AIRPORT
LANDED WEIGHTS AND MARKET SHARE BY SCHEDULED AIRLINE
FOR THE YEARS ENDED JUNE 30, 2014-2023
(unaudited)

Scheduled Airline	2014			2015			2016		
	Landed Weights (000) lbs	Share	Percent Change	Landed Weights (000) lbs	Share	Percent Change	Landed Weights (000) lbs	Share	Percent Change
Alaska / Horizon Air	122,862	5%	62%	189,675	8%	68%	212,173	8%	12%
Allegiant Air	24,413	1%	n.a	23,003	1%	201%	21,866	1%	-5%
American	213,251	9%	9%	233,599	10%	13%	441,718	17%	89%
Delta	146,329	6%	-29%	148,955	6%	-8%	144,923	6%	-3%
Frontier	-	0%	n.a	-	0%	n.a	145	0%	n.a
JetBlue Airways	-	0%	n.a	3,555	0%	n.a	46,072	2%	1196%
Southwest	989,574	41%	-27%	864,660	36%	-27%	873,884	34%	1%
Spirit Airlines	-	0%	n.a	-	0%	n.a	-	0%	n.a
Sun Country	438	0%	n.a	2,046	0%	n.a	585	0%	-71%
United	236,595	10%	-10%	235,831	10%	-1%	245,891	9%	4%
US Airways (America West)	195,099	8%	5%	199,824	8%	8%	-	0%	-100%
Volaris	-	0%	n.a	8,141	0%	n.a	19,612	1%	141%
Federal Express	281,383	12%	24%	290,218	12%	28%	329,884	13%	14%
United Parcel Service	162,298	7%	17%	168,878	7%	-1%	225,495	9%	34%
Other	16,146	1%	91%	21,646	1%	-16%	37,715	1%	74%
	2,388,388	100%	-11%	2,390,031	100%	-5%	2,599,963	100%	9%

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, 2014-2023
(unaudited)

Scheduled Airline	2017			2018			2019		
	Landed Weights (000) lbs	Share	Percent Change	Landed Weights (000) lbs	Share	Percent Change	Landed Weights (000) lbs	Share	Percent Change
Alaska / Horizon Air	234,218	8%	10%	213,477	7%	-9%	237,323	8%	11%
Allegiant Air	36,073	1%	65%	32,959	1%	-9%	43,831	1%	33%
American	409,575	15%	-7%	419,085	15%	2%	418,385	14%	0%
Delta	157,875	6%	9%	168,798	6%	7%	180,568	6%	7%
Frontier	-	0%	-100%	19,339	1%	n.a	25,565	1%	32%
JetBlue Airways	87,084	3%	89%	94,135	3%	8%	89,585	3%	-5%
Southwest	983,684	35%	13%	1,066,311	37%	8%	1,052,732	35%	-1%
Spirit Airlines	-	0%	n.a	-	0%	n.a	-	0%	n.a
Sun Country	1,102	0%	88%	1,102	0%	0%	844	0%	-23%
United	255,760	9%	4%	307,621	11%	20%	353,941	12%	15%
US Airways (America West)	-	0%	n.a	-	0%	n.a	-	0%	n.a
Volaris	23,234	1%	18%	17,752	1%	-24%	20,807	1%	17%
Federal Express	339,683	12%	3%	239,569	8%	-29%	279,851	9%	17%
United Parcel Service	238,302	8%	6%	236,563	8%	-1%	287,723	9%	22%
Other	42,091	1%	12%	42,788	1%	2%	48,121	2%	12%
	2,808,680	100%	8%	2,859,499	100%	2%	3,039,273	100%	6%

Continued

RENO-TAHOE AIRPORT AUTHORITY
RENO-TAHOE INTERNATIONAL AIRPORT
LANDED WEIGHTS AND MARKET SHARE BY SCHEDULED AIRLINE
FOR THE YEARS ENDED JUNE 30, 2014-2023
(unaudited)

Scheduled Airline	2020			2021			2022			2023		
	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	220,316	8%	-7%	171,489	7%	-22%	226,813	7%	32%	176,654	6%	-22%
Allegiant Air	40,800	1%	-7%	45,311	2%	11%	41,859	1%	-8%	16,404	1%	-61%
American	412,245	15%	-1%	334,152	14%	-19%	413,665	13%	24%	345,045	11%	-17%
Delta	165,634	6%	-8%	241,266	10%	46%	252,886	8%	5%	219,842	7%	-13%
Frontier	20,019	1%	-22%	30,273	1%	51%	34,922	1%	15%	16,244	1%	-53%
JetBlue Airways	70,163	3%	-22%	33,396	1%	-52%	80,321	3%	141%	65,445	2%	-19%
Southwest	883,824	32%	-16%	626,539	26%	-29%	936,363	30%	49%	1,088,784	35%	16%
Spirit Airlines	-	0%	n.a	-	0%	n.a	-	0%	n.a	92,493	3%	n.a
Sun Country	732	0%	-13%	585	0%	-20%	5,559	0%	850%	29,406	1%	429%
United	317,803	11%	-10%	241,228	10%	-24%	336,502	11%	39%	366,515	12%	9%
US Airways (America West)	-	0%	n.a	-	0%	n.a	-	0%	n.a	-	0%	n.a
Volaris	21,948	1%	5%	22,392	1%	2%	30,993	1%	38%	37,540	1%	21%
Federal Express	273,322	10%	-2%	284,219	12%	4%	305,799	10%	8%	298,958	10%	-2%
United Parcel Service	316,735	11%	10%	313,617	13%	-1%	314,538	10%	0%	292,066	9%	-7%
Other	45,846	2%	-5%	59,152	2%	29%	97,117	3%	64%	54,932	2%	-43%
	2,789,387	100%	-8%	2,403,619	100%	-14%	3,077,337	100%	28%	3,100,328	100%	1%

RENO-TAHOE AIRPORT AUTHORITY
CAPITAL ASSET INFORMATION
AS OF JUNE 30, 2023
(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

Created in 1977 by State Legislature
Nine-member Board

RENO-TAHOE AIRPORT AUTHORITY
CAPITAL ASSET INFORMATION
AS OF JUNE 30, 2014-2023
(unaudited)

	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	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
Concession Space	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	196,959	197,723	197,723	197,723
RTAA	44,885	44,885	44,885	44,885	44,885	52,397	45,309	45,309	45,309	45,309
Unfinished Areas	9,550	-	-	-	-	-	-	-	-	-
	<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>
Parking - Number of Spaces										
Short -Term (b)	296	296	296	295	295	296	300	300	450	450
Long-Term	1,630	1,630	1,630	1,630	1,630	1,630	1,650	1,650	1,650	1,650
Surface Lot	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>3,394</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
Landside	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
	<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) In 2023, 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 2022 Settlement -Terminal Rent Tab

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, 2023, 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 30, 2023.

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 30, 2023

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, 2023. 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, 2023.

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

Indianapolis, Indiana
November 30, 2023

RENO-TAHOE AIRPORT AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS FOR THE YEAR ENDED JUNE 30, 2023

DESCRIPTION OF PROJECT	PERCENT OF PARTICIPATION	ASSISTANCE LISTING NUMBER	FEDERAL PROJECT NUMBER	GRANT AMOUNT	REIMBURSEMENTS RECEIVED		REIMBURSEABLE EXPENSES	
					July 1, 2022 to June 30, 2023	Cumulative Thru June 30, 2023	July 1, 2022 to June 30, 2023	Cumulative Thru June 30, 2023
United States Department of Transportation								
Federal Aviation Administration								
Airport Improvement Program								
Construction								
Reno Runway 16R-34L Reconstruction Phase 2	100.00%	20.106	3-32-0017-106	31,705,245	199,887	30,694,150	588,018	31,103,469
Reno CARES Act Grant	100.00%	20.106	3-32-0017-107	30,957,866	14,062,975	23,565,343	13,186,648	23,973,016
Taxiway B & C Design	100.00%	20.106	3-32-0017-109	455,032	44,069	444,338	8,534	444,338
Reno ARPA Act	100.00%	20.106	3-32-0017-112	16,653,997	253,205	4,762,190	284,912	4,803,897
Reno ARPA Consessions	100.00%	20.106	3-32-0017-114	1,852,390	1,852,390	1,852,390	1,616,298	1,748,420
Airfield Signage Replacement	93.75%	20.106	3-32-0017-116	285,938	-	-	15,938	15,938
Reconstruct Apron & Taxiway A	93.75%	20.106	3-32-0018-046	890,625	819,626	819,626	879,205	879,205
Reconstruct Apron & Taxiway A	100.00%	20.106	3-32-0018-047	2,560,000	2,060,468	2,060,468	2,506,469	2,506,469
Reconstruct Apron 1,150 SY	93.75%	20.106	3-32-0018-048	295,000	185,449	185,449	268,590	268,590
Reconstruct Apron & Taxiway A	93.75%	20.106	3-32-0018-049	4,607,500	-	-	53,838	53,838
Reconstruct Apron & Taxiway A	93.75%	20.106	3-32-0018-050	292,000	-	-	-	-
				90,555,593	19,478,069	64,383,954	19,408,450	65,797,180
United States Department of Transportation								
Pipeline and Hazardous Materials Safety Admin								
Hazardous Materials Emergency Preparedness	N/A	20.703	N/A	69,080	-	-	69,080	69,080
United States Department of Homeland Security								
Transportation Security Administration								
Aviation and Transportation Security Act								
Security								
National Explosives Detection Canine Team Program	Fixed	97.072	70T02020T9NNCP474	681,750	151,500	530,250	151,500	530,250
Law Enforcement Officer Reimbursement Agreement Program	Fixed	97.090	70T02021T6114N125	867,516	189,010	189,010	283,720	283,720
				1,549,266	340,510	719,260	435,220	813,970
				\$ 92,173,939	\$ 19,818,579	\$ 65,103,214	\$ 19,912,750	\$ 66,680,230

See accompanying notes to Supplementary Schedule of Expenditures of Federal Awards

RENO-TAHOE AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023

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, 2023. 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, 2023.

RENO-TAHOE AIRPORT AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year ended June 30, 2023

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: \$ 750,000

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, 2023.

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, 2023.

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, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated November 30, 2023, 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 30, 2023

**RENO-TAHOE AIRPORT AUTHORITY
SUPPLEMENTARY SCHEDULE OF PASSENGER FACILITY CHARGES
COLLECTED AND EXPENDED
FOR THE YEAR ENDED JUNE 30, 2023**

Balance July 1, 2022	\$ 21,043,376
Collection of Passenger Facility Charges, July 1, 2022 through June 30, 2023	8,023,661
Interest earnings	290,230
Proceeds expended for Passenger Facility Charge Projects July 1, 2022 through June 30, 2023	<u>\$ (2,707,750)</u>
Balance June 30, 2023	<u><u>\$ 26,649,517</u></u>

RENO-TAHOE AIRPORT AUTHORITY
SCHEDULE OF PASSENGER FACILITY CHARGES FINDINGS AND QUESTIONED COSTS
Year ended June 30, 2023

Summary of Auditor's Results

We have issued an unmodified opinion, dated November 30, 2023 on the financial statements of the Reno-Tahoe Airport Authority as of and for the year ended June 30, 2023.

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 30, 2023 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**

Reno-Tahoe Airport Authority

**P.O.Box 12490
Reno, NV 89510-2490**

Administrative Report

Date: January 9, 2024

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

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.

December 2023

Date	Lessee	Property Address	Agreement Term	Contract Value	Portfolio
12/01/23	5 New Tenants	Mini Warehouse Park to Travel	Month to Month	\$475.00	Outside Properties

Administrative Report

Date: January 9, 2024

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

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 more than \$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

Date	Name of Company	Dollar Amount	Description	Funding Source	Department / Division
12/12/23	Leviathan Corporation	\$30,860.00	A PO was issued for the replacement of tires on the Crash 90 ARFF apparatus.	FY24 O&M	Airfield Maintenance
12/18/23	CDW Government LLC	\$ 34,766.00	A PO was issued for the annual Mimecast email security software renewal.	FY24 O&M	Technology & Information Systems
12/19/23	EDAWN - Economic Development Authority of Western Nevada	\$25,000.00	A PO was issued for semi-annual dues / membership.	FY24 O&M	President / CEO
12/22/23	Peppermill Hotel & Casino	\$27,700.01	A PO was issued for the payment of the annual employee holiday party.	FY23 O&M	People Operations
12/27/23	CDW Government LLC	\$54,260.62	A PO was issued for the annual CrowdStrike endpoint security software renewal.	FY24 O&M	Technology & Information Systems
12/27/23	Vox Network Solutions	\$51,460.47	A contract renewal was issued for one year for data communication network renewal.	FY24 O&M	Technology & Information Systems
12/14/23	Incline Technology Consulting, LLC	\$30,000.00	The T&M contract was extended for one year to allow for miscellaneous IT work to be completed. Individual POs will track the amount spent throughout the year.	FY24 O&M	Technology & Information Systems
12/15/23	VCOM Solutions Inc.	\$43,000.00	An annual contract renewal for master data management for AT&T / Verizon charges.	FY24 O&M	Technology & Information Systems
12/21/23	ServiceTec International, Inc.	\$215,891.00	A contract renewal was issued for one year for on-going support services for the CUPP Project.	FY24 O&M	Technology & Information Systems

Change Orders and Amendments

Date	Name of Company	Dollar Amount	Description	Funding Source	Department / Division
10/20/23	Q & D Construction, LLC	\$3,638,514.36	CO#2A for the Terminal Loop Road Project was to add back in the canopy base bid segment that was deleted through CO#1 to separate the base bid from the canopy components due to the additional grant funding (see attached). Total contract, including this CO, is \$11,167,268.00.	FY22 CIP & FY24 Grant Funds	Engineering & Construction
10/20/23	Q & D Construction, LLC	\$393,000.00	CO#2B for the Terminal Loop Road Project was to add the lump sum bid in its entirety for the canopy (see attached). Total contract, including this CO, is \$11,560,268.00.	PFC (Application #17)	Engineering & Construction
11/14/23	Q & D Construction, LLC	(\$12,956.48)	CO#3 for the Terminal Loop Road Project is for revised scope of work (see attached). Total contract, including this CO, is \$11,921,562.26.	FY22 CIP	Engineering & Construction
12/20/23	Q & D Construction, LLC	\$ 9,234.30	CO#1 for the Emergency Electrical Feed Repair is for revised scope of work (see attached). Total contract, including this CO, is \$45,674.30.	FY24 O&M	Facilities & Maintenance

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

PO = Purchase Order
PSA = Professional Service Agreement

**CHANGE
ORDER**

Distribution to:

RTAA PURCHASING ☒
PM/CM ☒
ENGINEER ☒
CONTRACTOR ☒
FAA ☒

Reno-Tahoe Airport Authority

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



Project: Terminal Loop Road Reconstruction Project

To: Q&D Construction, LLC
1050 S 21st Street
Sparks, NV 89431

Change Order Number 02A

Change Order Initiation Date: September 28, 2023

AIP No. 3-32-0017-117-2023

Contract Date: April 13, 2023

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

The following item shall be added to the Base Bid Schedule of Values:

Bid Item 72 – Canopy (Base Bid Segment) – Add the lump sum bid item in its entirety **\$2,154,514.36**

The following items shall be added to the Schedule of Values:

BA-1 Canopy (Addition Bid 1) – Add the lump sum bid item in its entirety **\$420,000.00**

BA-2 Canopy (Addition Bid 2) – Add the lump sum bid item in its entirety **\$355,000.00**

BA-3 Canopy (Addition Bid 3) – Add the lump sum bid item in its entirety **\$358,000.00**

BA-4 Canopy (Addition Bid 4) – Add the lump sum bid item in its entirety **\$351,000.00**

Total \$3,638,514.36

These changes are to be funded with the Community Project Funding – AIP No. 3-32-0017-117-2023.

All other terms, conditions, and requirements of the contract 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.....	\$9,683,268.00
Net Changes by Previously Authorized Change Orders	(\$2,154,514.36)
Net Changes by Previously Authorized Contingency Change Orders.....	\$0.00
The Revised Contract Sum Prior to this Change Order was	\$7,528,753.64
The Contract Sum will be changed by this Change Order.....	\$3,638,514.36
The new Contract Sum, including this Change Order will be.....	\$11,167,268.00
The Contract Time will not be changed as part of this Change Order.	

Authorized

Construction Materials Engineers

Construction Manager
300 Sierra Manor Dr, Ste 1
Reno, NV 89511

Kimley-Horn and Associates

Engineer/Architect
7900 Rancharra Pkwy, Ste 100
Reno, NV 89511

Q&D Construction, LLC.

Contractor
1050 S 21st Street
Sparks, NV 89431

Reno-Tahoe Airport Authority

Owner
P.O. Box 12490
Reno, NV 89510

By: Joe Mamola
9/28/23
Date

By: Christian Pinbaugh
10/10/2023
Date

By: Jeff Ryan
10/2/23
Date

By: Jackie Borman
10.20.23
Date

Enclosure: Bid Item Tabulations

REVISED 04/13/21

			BASE BID SCHEDULE		
Item No.	Estimated Quantity	Unit	Item Description with Price in Words	Unit Price	Total Price
60	17	EA	NO PARKING LOADING ZONE SIGN (R7-6)	830.00	\$ 14,110.00
61	321	LF	24 INCH WHITE WITH BLACK BORDER CROSSWALK MARKINGS (THERMOPLASTIC)	45.00	\$ 14,445.00
62	2	EA	ONLY MARKINGS (THERMOPLASTIC)	320.00	\$ 640.00
2 63	8	EA	ARROW MARKINGS (THERMOPLASTIC)	500.00	\$ 4,000.00
64	914	LF	4 INCH SOLID WHITE STRIPE	0.60	\$ 548.40
65	5,476	LF	4 INCH BROKEN WHITE STRIPE	0.40	\$ 2,190.40
66	2,795	LF	6 INCH SOLID WHITE STRIPE	0.60	\$ 1,677.00
67	363	LF	8 INCH SOLIDE WHITE STRIPE	1.00	\$ 363.00
68	3	LF	4 INCH DOUBLE YELLOW STRIPE	1.00	\$ 3.00
69	12	LF	24 INCH SOLID WHITE STOP BAR (THERMOPLASTIC)	25.00	\$ 300.00
2 70	20	EA	WHITE WITH BLACK BORDER PAINT SPEED HUMP STRIPING (THERMOPLASTIC)	600.00	\$ 12,000.00
2 71	1,594	LF	6 INCH SOLID RED CURB PAINT	5.00	\$ 7,970.00
CO 2A 72	1	LS	CANOPY (BASE BID SEGMENT)	2,154,514.36	\$ 2,154,514.36
2 73	14	EA	"LOOK" ARROW MARKINGS (THERMOPLASTIC)	230.00	\$ 3,220.00

BID ADDITION SCHEDULE				
(Bid Alternates may be selected in any combination depending on budget availability)				
Item No.	Estimated Quantity	Unit	Item Description with Price in Words	Total Price
BA-1	1	LS	CANOPY (ADDITION BID 1)	\$ 420,000.00
BA-2	1	LS	CANOPY (ADDITION BID 2)	\$ 355,000.00
BA-3	1	LS	CANOPY (ADDITION BID 3)	\$ 358,000.00
BA-4	1	LS	CANOPY (ADDITION BID 4)	\$ 351,000.00
BA-5	1	LS	CANOPY (ADDITION BID 5)	\$ 393,000.00
			TOTAL BID ADDITION PRICE	\$ 11,560,268.00

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

RTAA PURCHASING ☒
PM/CM ☒
ENGINEER ☒
CONTRACTOR ☒
FAA ☐

Reno-Tahoe Airport Authority

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



Project: Terminal Loop Road Reconstruction Project

Change Order Number 02B

To: Q&D Construction, LLC
1050 S 21st Street
Sparks, NV 89431

Change Order Initiation Date: October 16, 2023

Contract Date: April 13, 2023

You are directed to make the following changes in the Contract:**The following item shall be added to the Schedule of Values:**

BA-5 Canopy (Addition Bid 5) – Add the lump sum bid item in its entirety

\$393,000.00

Total

\$393,000.00

This change is funded through the general funds and to be reimbursed with PFC 17.

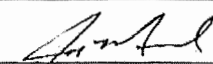
All other terms, conditions, and requirements of the contract not modified herein remain unchanged.

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.

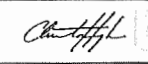
The Original Contract Sum was.....	\$9,683,268.00
Net Changes by Previously Authorized Change Orders.....	\$1,484,000.00
Net Changes by Previously Authorized Contingency Change Orders.....	\$0.00
The Revised Contract Sum Prior to this Change Order was.....	\$11,167,268.00
The Contract Sum will be changed by this Change Order.....	\$393,000.00
The new Contract Sum, including this Change Order will be	\$11,560,268.00
The Contract Time will not be changed as part of this Change Order.	

Authorized


Construction Materials Engineers
Construction Manager
300 Sierra Manor Dr, Ste 1
Reno, NV 89511


By: Joe Mamola
10-16-2023
Date

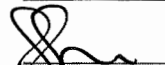
Kimley-Horn and Associates
Engineer/Architect
7900 Rancharra Pkwy, Ste 100
Reno, NV 89511


By: Christian Heinbaugh
2023.10.17
Date

Q&D Construction, LLC.
Contractor
1050 S 21st Street
Sparks, NV 89431


By: Jeff Bean
10/18/2023
Date

Reno-Tahoe Airport Authority
Owner
P.O. Box 12490
Reno, NV 89510


By: Jackie Borman
10.20.23
Date

Enclosure: Bid Item Tabulation

**CHANGE
ORDER**

Distribution to:

RTAA PURCHASING ☒
PM/CM ☒
ENGINEER ☒
CONTRACTOR ☒
FAA ☐

Reno-Tahoe Airport Authority

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



Project: Terminal Loop Road Reconstruction Project

To: Q&D Construction, LLC
1050 S 21st Street
Sparks, NV 89431

Change Order Number 03
Initiation Date: September 14, 2023
AIP No. 3-32-0017-117-2023
Contract Date: April 13, 2023

This Change Order is issued to clarify that Article 9 – Federal Aviation Administration (FAA) Required Assurance, Section 9.13 - FAA Buy American Preference, of Contract No. 320230221 between the Reno-Tahoe Airport Authority and Q&D Construction, LLC does not apply to the bid items listed in the Base Bid portion of work as previously modified by Change Order No. 01.

All other terms, conditions, and requirements of the contract 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.....	\$9,683,268.00
Net Changes by Previously Authorized Change Orders	(\$2,154,514.36)
Net Changes by Previously Authorized Contingency Change Orders.....	\$0.00
The Revised Contract Sum Prior to this Change Order was	\$7,528,753.64
The Contract Sum will not be changed by this Change Order REV.....	\$0.00
The new Contract Sum, including this Change Order will be.....	\$7,528,753.64
The Contract Time will not be changed as part of this Change Order.	

Authorized

Construction Materials Engineers
Construction Manager
300 Sierra Manor Dr, Ste 1
Reno, NV 89511

By: Jde Mamola
9/14/23
Date

Kimley-Horn and Associates
Engineer/Architect
7900 Rancharra Pkwy, Ste 100
Reno, NV 89511

By: Christian Heimbach
10/10/2023
Date

Q&D Construction, LLC.
Contractor
1050 S 21st Street
Sparks, NV 89431

By: Jeff Bean
10/2/23
Date

Reno-Tahoe Airport Authority
Owner
P.O. Box 12490
Reno, NV 89510

By: Jackie Borman
10.20.23
Date

Enclosure: Section 9.13 – FAA Buy American Preference



These goals are applicable to all of the Contractor's construction work (whether or not it is Federal or federally assisted) performed in the covered area. If the Contractor performs construction work in a geographical area located outside of the covered area, it shall apply the goals established for such geographical area where the work is actually performed. With regard to this second area, the Contractor also is subject to the goals for both its federally involved and non-federally involved construction.

The Contractor's compliance with the Executive Order and the regulations in 41 CFR Part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.3(a) and its efforts to meet the goals. The hours of minority and female employment and training must be substantially uniform throughout the length of the Contract, and in each trade, and the Contractor shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from Contractor to Contractor or from project to project for the sole purpose of meeting the Contractor's goals shall be a violation of the Contract, the Executive Order and the regulations in 41 CFR Part 60-4. Compliance with the goals will be measured against the total work hours performed.

- 9.12.3 The Contractor shall provide written notification to the Director of the Office of Federal Contract Compliance Programs (OFCCP) within 10 working days of award of any construction subcontract in excess of \$10,000 at any tier for construction work under the Contract resulting from this solicitation. The notification shall list the name, address, and telephone number of the subcontractor; employer identification number of the subcontractor; estimated dollar amount of the subcontract; estimated starting and completion dates of the subcontract; and the geographical area in which the subcontract is to be performed.
- 9.12.4 As used in this notice and in the Contract resulting from this solicitation, the "covered area" is Nevada, Washoe County, City of Reno.

Change Order No. 02

9.13 FAA Buy American Preference

The Contractor certifies that its bid/offer is in compliance with 49 USC § 50101, BABA and other related Made in America Laws¹, U.S. statutes, guidance, and FAA policies, which provide that Federal funds may not be obligated unless all iron, steel and manufactured goods used in AIP funded projects are produced in the United States, unless the Federal Aviation Administration has issued a waiver for the product; the product is listed as an Excepted Article, Material Or Supply in Federal Acquisition Regulation subpart 25.108; or is included in the FAA Nationwide Buy American Waivers Issued list.

¹ Per Executive Order 14005 "Made in America Laws" means all statutes, regulations, rules, and Executive Orders relating to federal financial assistance awards or federal procurement, including those that refer to "Buy America" or "Buy American," that require, or provide a preference for, the purchase or acquisition of goods, products, or materials produced in the United States, including iron, steel, and manufactured products offered in the United States.

The bidder or offeror must complete and submit the certification of compliance with FAA's Buy American Preference, BABA and Made in America laws included herein with their bid or offer. The Airport Sponsor/Owner will reject as nonresponsive any bid or offer that does not include a completed certification of compliance with FAA's Buy American Preference and BABA.

The bidder or offeror certifies that all constructions materials, defined to mean an article, material, or supply other than an item of primarily iron or steel; a manufactured product; cement and cementitious materials; aggregates such as stone, sand, or gravel; or aggregate binding agents or additives that are or consist primarily of: non-ferrous metals; plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables); glass (including optic glass); lumber; or drywall used in the project are manufactured in the U.S.

9.14 Clean Air And Water Pollution Control

Contractor agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Clean Air Act (42 USC §§ 7401-7671q) and the Federal Water Pollution Control Act as amended (33 USC §§ 1251-1387). The Contractor agrees to report any violation to the RTAA immediately upon discovery. The RTAA assumes responsibility for notifying the Environmental Protection Agency (EPA) and the FAA.

Contractor must include this requirement in all subcontracts that exceed \$150,000.

9.15 Copeland "Anti-Kickback" Act

Contractor must comply with the requirements of the Copeland "Anti-Kickback" Act (18 USC 874 and 40 USC 3145), as supplemented by Department of Labor regulation 29 CFR part 3. Contractor and subcontractors are prohibited from inducing, by any means, any person employed on the project to give up any part of the compensation to which the employee is entitled. The Contractor and each subcontractor must submit to the RTAA, a weekly statement on the wages paid to each employee performing on covered work during the prior week. The RTAA must report any violations of the Act to the FAA.

9.16 Certification of Contractor Regarding Debarment

By authorizing this Contract, the Contractor certifies that neither it nor its principals are presently debarred or suspended by any Federal department or agency from participation in this transaction.

9.17 Certification of Lower Tier Contractors Regarding Debarment

The Contractor, by administering each lower tier subcontract that exceeds \$25,000 as a "covered transaction," must confirm each lower tier participant of a "covered transaction" under the project is not presently debarred or otherwise disqualified from participation in this federally assisted project. The Contractor will accomplish this by:

9.17.1 Checking the System for Award Management at website: <http://www.sam.gov>.

RENO-TAHOE AIRPORT AUTHORITY CONTINGENCY CHANGE ORDER



CCO No.

Contractor:

Project:

Solicitation Number:

Summary of Change and List of Attachments:

This Contingency Change Order sets forth the terms and conditions to provide labor, equipment, material, and full compensation to:
 Extend the existing 2" PVC at Sta 22+32.60, 63.45 RT to the proposed trench drain per RFI No. 06.
 T&M of unmarked utility potholing north of the sky bridge.
 Install purchased fortification bollards in lieu of safety bollards.

The following items will be added to the schedule of values:

T&M Extend 2" PVC to Trench Drain	\$	3,422.77
T&M Unmarked Utility Potholing North of Sky Bridge	\$	5,840.75
Fortification Bollards in lieu of Safety Bollards	\$	(22,220.00)
Total amount approved for all changes referenced	\$	(12,956.48)

The following days will be added to the contract duration:

T&M Unmarked Utility Potholing North of Sky Bridge (trench drain installation is on the critical path)	2 calendar days
--	-----------------

These changes are to be funded with PFC 15.

Enclosures: Q&D Construction Change Order Request No. 009 - Dated 10/24/2023
 Q&D Construction Change Order Request No. 010 - Dated 10/24/2023
 Q&D Construction Change Order Request No. 011 - Dated 11/7/2023

Contingency Change Order Summary:

Change in Contract Times:

Contract Contingency Total:	\$	<input type="text" value="900,000.00"/>	Original Duration:	<input type="text" value="579"/>
Total Previously Approved:	\$	<input type="text" value="374,250.74"/>	Previous Authorization:	<input type="text" value="35"/>
Total Change this Authorization:	\$	<input type="text" value="(12,956.48)"/> DEDUCT	This Authorization:	<input type="text" value="2"/> ADD
Remaining Contingency Balance:	\$	<input type="text" value="538,705.74"/>	Revised Contract Time:	<input type="text" value="616"/>

Contract Summary:

Original Contract:	\$	<input type="text" value="9,683,268.00"/>
Total Previously Approved CO's	\$	<input type="text" value="1,877,000.00"/>
Total Previously Approved CCO's	\$	<input type="text" value="374,250.74"/>
Contract Sum Prior to this CCO	\$	<input type="text" value="11,934,518.74"/>
Total Change this Authorization:	\$	<input type="text" value="(12,956.48)"/>
New Contract Sum:	\$	<input type="text" value="11,921,562.26"/>

Contractor Signature

Date: 11/4/23

Q&D Construction, Jeff Bean

Project Mgr Signature

Date: 11.13.23

RTAA Project Mgr: Jon Lau

Construction Mgr Signature

Date: 11-09-2023

CME, Construction Manager: Joe Mamola

Manager Signature

Date: 11.14.23

RTAA Mgr Engineering & Construction: Jackie Borman



CHANGE ORDER REQUEST

CCO No. 009

Project No.: 16571 – RTIA Terminal Loop Road Project

Date: 10/24/2023

To: Jon Lau
Reno-Tahoe Airport Authority
2001 E Plumb Lane
Reno, NV 89502

From: Braden Riley
Q&D Construction LLC
PO Box 10865
Reno, NV 89510

Phone: 775-328-6462

Fax:

Email: jlau@renoairport.com

Phone: 775-786-2677

Fax: 775-786-5136

Email: briley@qdconstruction.com

cc: Marc Leone (Q&D)

Below is the detail for our proposal to complete the following changes in contract work:

- Change Order Request: CCO#009 – T&M Extend 2" PVC to Trench Drain
 - Proposed Scope of Work: Change order is for labor, equipment, and materials to extend the existing 2" PVC at STA 22+32.60, 63.45 RT to the proposed trench drain per RFI 006.

CCO Item Sub-Totals	Quantity	Units	Unit Price	Amount
T&M Extend 2" PVC to Trench Drain	1	LSU	\$3,422.77	\$3,422.77

CCO Item Totals	Change (in Days)	Amount
CCO#009 – T&M Extend 2" PVC to Trench Drain	0	\$3,422.77

Submitted By:

Braden Riley

10/24/2023

Date

Approved By:

Reno-Tahoe Airport Authority

Date

JC Detail

Mth	Trans#	Posted Date	Actual Date	Trans Type	Source	Description	Units	Hours	Cost
16571. RTAA Terminal Loop Road Reconstruction Project									
02.000.000.003						EXTRA - Extend 2" PVC to Trench Drain 1 MAT			
08/23	46146	08/28/23	08/16/23	AP	AP Entry	12675 Western Nevada Suppl 19899006 / TR# 3771 / 1 / APCo: 1 16571 PVC/DWV Pipe	0.000	0.00	87.80
						Total for Cost Type: 1	0.000	0.00	87.80
02.000.000.003						EXTRA - Extend 2" PVC to Trench Drain 2 LAB			
08/23	68497	09/07/23	08/31/23	PR	PR Entry	NNVLAB/Group 4 1.00 / 1695 / Guillen Lugo , Jesus 689 Jeffrey Taylor	0.000	4.00	224.08
08/23	68498	09/07/23	08/31/23	PR	PR Entry	NNVLAB/Group 4 1.00 / 1961 / Arenas-Serafin , Silvano 689 Jeffrey Taylor	0.000	3.00	168.07
08/23	68499	09/07/23	08/31/23	PR	PR Entry	NNVOPE-M22/Foreman 1.00 / 689 / Taylor , Jeffrey M689 Jeffrey Taylor	0.000	4.00	363.68
08/23	68500	09/07/23	08/31/23	PR	PR Entry	NNVOPE-M22/Foreman 1.50 / 689 / Taylor , Jeffrey M689 Jeffrey Taylor	0.000	0.50	62.66
08/23	68501	09/07/23	08/31/23	PR	PR Entry	NNVOPE-M22/Group 11 1.00 / 3010 / Loudenburg , Coty J689 Jeffrey Taylor	0.000	4.00	337.05
08/23	68502	09/07/23	08/31/23	PR	PR Entry	NNVOPE-M22/Group 6 1.00 / 3103 / Lieberman , Cody E689 Jeffrey Taylor	0.000	4.00	327.00
10/23	13258	10/12/23	10/06/23	PR	PR Entry	NNVLAB/Group 3 1.00 / 1029 / Ramos , Juan A689 Jeffrey Taylor	0.000	2.00	118.85
10/23	13259	10/12/23	10/06/23	PR	PR Entry	NNVLAB/Group 4 1.00 / 1695 / Guillen Lugo , Jesus 689 Jeffrey Taylor	0.000	2.00	119.60
10/23	13260	10/12/23	10/06/23	PR	PR Entry	NNVOPE-M22/Foreman 1.00 / 689 / Taylor , Jeffrey M689 Jeffrey Taylor	0.000	2.00	182.43
10/23	13261	10/12/23	10/06/23	PR	PR Entry	NNVOPE-M22/Group 6 1.00 / 3103 / Lieberman , Cody E689 Jeffrey Taylor	0.000	2.00	164.10
						Total for Cost Type: 2	0.000	27.50	2,067.52
02.000.000.003						EXTRA - Extend 2" PVC to Trench Drain 4 O EQ			
08/23	61166	09/05/23	08/31/23	EM	EMRev	01-444 Pickup/Chevy/4x4/2500 / Equipment Usage / 16660 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	4.00	68.00
08/23	61167	09/05/23	08/31/23	EM	EMRev	52-193 Loader, Wheel/Cat/950GC / Equipment Usage / 16663 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	1.00	83.00
08/23	61168	09/05/23	08/31/23	EM	EMRev	01-479 John Deere Gator/John Deere/XUV560 / Equipment Usage / 16665 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	4.00	40.00
10/23	5319	10/09/23	10/06/23	EM	EMRev	01-444 Pickup/Chevy/4x4/2500 / Equipment Usage / 4149 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	2.00	34.00
10/23	5320	10/09/23	10/06/23	EM	EMRev	53-238 Excavator/Cat/308E2CR / Equipment Usage / 4150 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	2.00	100.00
10/23	5321	10/09/23	10/06/23	EM	EMRev	01-479 John Deere Gator/John Deere/XUV560 / Equipment Usage / 4151 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	2.00	20.00
						Total for Cost Type: 4	0.000	15.00	345.00
02.000.000.003						EXTRA - Extend 2" PVC to Trench Drain 5 R EQ			
08/23	61169	09/05/23	08/31/23	EM	EMRev	99-310 Excavator w thm/Cat/314 / Equipment Usage / 16661 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	4.00	300.00

JC Detail

Mth	Trans#	Posted Date	Actual Date	Trans Type	Source	Description	Units	Hours	Cost
16571. RTAA Terminal Loop Road Reconstruction Project - Continued									
08/23	61170	09/05/23	08/31/23	EM	EMRev	99-010 Skidsteer / Cat / 289D - RPO / Equipment Usage / 16662 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	4.00	148.00
08/23	61171	09/05/23	08/31/23	EM	EMRev	99-216 Roller/Cat/CB22 / Equipment Usage / 16664 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	1.00	28.00
						Total for Cost Type: 5	0.000	9.00	476.00
						Total For Phase: 02.000.000.003		51.50	2,976.32
						Total For Job: 16571.		51.50	2,976.32
						Total For Company:1		51.50	2,976.32
								+ 15% Mark-Up	
								\$3,422.77	



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INVOICE#	INVOICE DATE
19899006	08/16/23
ACCOUNT NO.	CUSTOMER P.O.
170300M	16571
JOB ACCT. NO.	PAGE
170300	1 of 1

[illegible]



Elko
775.738.9811
S. Lake Tahoe
530.541.1884

Carson City
775.882.0900
Bishop
760.873.7119

Truckee
530.582.5009
Susanville
530.251.5800

Winnemucca
775.625.5600

PICK LIST

Corporate
950 S. Rock Blvd. • Sparks, NV 89431
tel 775.359.5800 • fax 775.359.4649

ID#: LOCAL

PAGE#: 1 OF: 1

NO BACK ORDER

SPECIAL INSTRUCTIONS:

ORDER NUMBER: 19899006 08/16/23 02:17PM BACK ORDER: N SHIP VIA: WCS REQ. DATE: 08/16/23		please cut in half 16039 02.000.000.003	
SHIP TO: 170300 Q&D CONSTRUCTION Q&D CONSTRUCTION 1050 SO 21ST STREET-SPARKS P.O. BOX 10865 RENO, NV. 89510-0865 SHIP FROM: SPARKS, NV SALESPERSON: GREG HIGGINS WRITTEN BY: CARRIE RITTER EXT: 1297 PO NUMBER: 16571 ORDER DATE: 08/16/23 VAN: WP-14		JOB NAME: rtaa loop JOB CONTACT: jeff taylor JOB PHONE: 775-786-2677 SHIP VIA: WW COUNTER SALE SOLD FROM: SPARKS, NV FT TERMS: FULL FREIGHT ALLOWED REQ. DATE: 08/16/23 3 LINE(S) OF 3 FORKLIFT REQUIRED: NO	

LN#	FILLED-BY	PRODUCT#	DESCRIPTION	LOCATION	UNIT	QTY-DUE	QTY-PICK
3		iezc114090	SPEA 2 S PVC 40 90 ELL	01-F-01-13-C-03 01-L-05-08-C-02	EA	2	
2		IEZC113766	SPEA 2 S PVC 40 CPLG	01-G-01-31-A-03 01-J-06-03-F-02	EA	2	
1		IEZC000030 #PCS 1	2 40 PVC/DWV PIPE BE	52-00-16-2B	FT	20	

ORDER # 19899006

BOXES:	BUNDLES:	PALLETS:	LOOSE PIECES:	BAGS:	ROLLS:	OTHER:

** ALL HVAC EQUIPMENT AND AIR CONDITIONING MUST BE INSTALLED BY A LICENSED HVAC AND EPA PROFESSIONAL **



REQUEST FOR INFORMATION

RFI # : 0006

1050 S. 21st St.
SPARKS, NV 89431
(775) 786-2677
FAX #: (775) 786-5136

TO: Christian Heinbaugh

DATE: 8/3/2023

COMPANY: Kimley-Horn

Q&D Job #: 16571

FROM: Braden Riley
Project Engineer
Q&D Construction LLC

RE: Existing Drainage Line at Sky Bridge

DESCRIPTION OF REQUEST:

There is an existing 2" PVC drainage line at STA 22+32.30, 63.45 RT that drained to the existing front face of curb shown on the attached plan sheet. Please verify if it is acceptable to abandon in place.

REPLY: _____

SIGNATURE:

AUTHORIZED REPRESENTATIVE



Printed By Siba, Hoster Date: February 02, 2023 04:24:55pm File Path: K:\user\hoster\9N0\091479021 CAD\pdm\ho\22x34\pdm\C=ML=091479021.dwg

Braden Riley

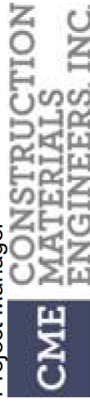
From: Joe Mamola <jmamola@cmenv.com>
Sent: Thursday, August 3, 2023 11:21 AM
To: Braden Riley; Heinbaugh, Christian; Stacy Yokoyama; Tony Angelopoulos
Cc: Marc Leone; Jeff Taylor
Subject: RE: RFI 006 - Existing Drainage Line.pdf

Braden,

Please extend and tie this drain into the trench drain.

Thanks,

Joe Mamola
Project Manager



300 Sierra Manor Drive, Suite 1
Reno, NV 89511

jmamola@cmenv.com
Direct: 775-737-7579
Cell: 775-745-6996
www.cmenv.com

From: Braden Riley <briley@qdconstruction.com>
Sent: Thursday, August 3, 2023 11:16 AM
To: Heinbaugh, Christian <Christian.Heinbaugh@kimley-horn.com>; Joe Mamola <jmamola@cmenv.com>; Stacy Yokoyama <syokoyama@cmenv.com>; Tony Angelopoulos <tony@cmenv.com>
Cc: Marc Leone <mleone@qdconstruction.com>; Jeff Taylor <jtaylor@qdconstruction.com>
Subject: RFI 006 - Existing Drainage Line.pdf

Christian,

Please see attached RFI for the existing drainage line we encountered during demolition. Let me know if you have any questions.

Thank you,



Braden Riley | Project Engineer

Q&D Construction LLC

C: (775) 302-6552

briley@qdcconstruction.com

NVCL #8197 A&B CACL # 427988BA CA DIR # 1000061144

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CHANGE ORDER REQUEST

CCO No. 010

Project No.: 16571 – RTIA Terminal Loop Road Project

Date: 10/24/2023

To: Jon Lau
Reno-Tahoe Airport Authority
2001 E Plumb Lane
Reno, NV 89502

From: Braden Riley
Q&D Construction LLC
PO Box 10865
Reno, NV 89510

Phone: 775-328-6462

Phone: 775-786-2677

Fax:

Fax: 775-786-5136

Email: jlau@renoairport.com

Email: briley@qdconstruction.com

cc: Marc Leone (Q&D)

Below is the detail for our proposal to complete the following changes in contract work:

- Change Order Request: CCO#010 – T&M Unmarked Utility Potholing North of Sky Bridge
 - Proposed Scope of Work: Change order is for labor, equipment, and materials for down time potholing and verify unmarked utilities during excavation:
 - 9/21/2023 Time Card Notes: *Encountered an unmarked 4" ductile iron storm drain line at approx. STA25+29.77 while digging for the trench drain. Potholed and found that it went to what appeared to be an abandoned DI. Tony with CME determined that the 4" line was abandoned and we continued to dig after we backfilled and compacted our potholes.*
 - 9/26/23 Time Card Notes: *While digging the trench drain north from the DI at STA22+99.50, we encountered an unmarked concrete encased duct bank that is possibly power, with a 2" steel line above the encasement.*
 - 9/27/23 Time Card Notes: *Continue to pothole and expose unmarked utilities that were exposed during excavating for the trench drain south of DI at STA22+99.50.*
 - 10/6/23 Time Card Notes: *Located an unmarked 6" storm drain line at the north end of the trench drain in the north work zone. Repaired and backfilled.*

CCO Item Sub-Totals	Quantity	Units	Unit Price	Amount
T&M Unmarked Utility Potholing North of Sky Bridge	1	LSU	\$5,840.75	\$5,840.75

CCO Item Totals	Change (in Days)	Amount
CCO#010 – T&M Unmarked Utility Potholing North of Sky Bridge	2	\$5,840.75

Submitted By:

10/24/2023

Braden Riley

Date

Approved By:

Reno-Tahoe Airport Authority

Date

JC Detail

Mth	Trans#	Posted Date	Actual Date	Trans Type	Source	Description	Units	Hours	Cost
16571. RTAA Terminal Loop Road Reconstruction Project									
02.000.000.007						EXTRA - T&M Unmarked 4" SD Line 2 LAB			
09/23	43647	09/28/23	09/21/23	PR	PR Entry	NNVLAB/App70Grp1 1.00 / 3482 / Rivero Jr, Rene D689 Jeffrey Taylor	0.000	4.00	155.99
09/23	43648	09/28/23	09/21/23	PR	PR Entry	NNVLAB/Group 3 1.00 / 1029 / Ramos , Juan A689 Jeffrey Taylor	0.000	4.00	222.78
09/23	43649	09/28/23	09/21/23	PR	PR Entry	NNVLAB/Group 4 1.00 / 1695 / Guillen Lugo , Jesus 689 Jeffrey Taylor	0.000	4.00	224.08
09/23	43650	09/28/23	09/21/23	PR	PR Entry	NNVOPE-M22/Foreman 1.00 / 689 / Taylor , Jeffrey M689 Jeffrey Taylor	0.000	4.00	364.88
09/23	43651	09/28/23	09/21/23	PR	PR Entry	NNVOPE-M22/Group 11 1.00 / 3010 / Loudenburg , Coty J689 Jeffrey Taylor	0.000	4.00	338.25
09/23	43652	09/28/23	09/21/23	PR	PR Entry	NNVOPE-M22/Group 11 1.00 / 3201 / Kingsley , Trent R689 Jeffrey Taylor	0.000	4.00	338.25
09/23	43653	09/28/23	09/21/23	PR	PR Entry	NNVOPE-M22/Group 6 1.00 / 3103 / Lieberman , Cody E689 Jeffrey Taylor	0.000	4.00	328.20
09/23	58121	10/05/23	09/26/23	PR	PR Entry	NNVLAB/Group 3 1.00 / 1029 / Ramos , Juan A689 Jeffrey Taylor	0.000	2.00	112.64
09/23	58122	10/05/23	09/26/23	PR	PR Entry	NNVLAB/Group 4 1.00 / 1695 / Guillen Lugo , Jesus 689 Jeffrey Taylor	0.000	2.00	113.38
09/23	58123	10/05/23	09/26/23	PR	PR Entry	NNVOPE-M22/Foreman 1.00 / 689 / Taylor , Jeffrey M689 Jeffrey Taylor	0.000	1.00	91.22
09/23	58124	10/05/23	09/26/23	PR	PR Entry	NNVOPE-M22/Group 6 1.00 / 3103 / Lieberman , Cody E689 Jeffrey Taylor	0.000	2.00	164.10
						Total for Cost Type: 2	0.000	35.00	2,453.77
02.000.000.007						EXTRA - T&M Unmarked 4" SD Line 4 O EQ			
09/23	31143	09/25/23	09/21/23	EM	EMRev	01-444 Pickup/Chevy/4x4/2500 / Equipment Usage / 9549 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	4.00	68.00
09/23	31144	09/25/23	09/21/23	EM	EMRev	28-156 GPS SPS985 Rover/Trimble / Equipment Usage / 9550 / Rev Code: 1Hourly / Emp: 3201 / Kingsley , Trent R	0.000	4.00	20.00
09/23	31145	09/25/23	09/21/23	EM	EMRev	28-170 GPS Total Station/SPS930/Trimble / Equipment Usage / 9551 / Rev Code: 1Hourly / Emp: 3201 / Kingsley , Trent R	0.000	4.00	36.00
09/23	31146	09/25/23	09/21/23	EM	EMRev	28-118 GPS Data Collector/Trimble / Equipment Usage / 9552 / Rev Code: 1Hourly / Emp: 3201 / Kingsley , Trent R	0.000	4.00	8.00
09/23	31147	09/25/23	09/21/23	EM	EMRev	53-238 Excavator/Cat/308E2CR / Equipment Usage / 9553 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	4.00	200.00
09/23	31148	09/25/23	09/21/23	EM	EMRev	01-479 John Deere Gator/John Deere/XUV560 / Equipment Usage / 9555 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	4.00	40.00
09/23	36398	09/27/23	09/26/23	EM	EMRev	01-444 Pickup/Chevy/4x4/2500 / Equipment Usage / 12851 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	1.00	17.00
09/23	36399	09/27/23	09/26/23	EM	EMRev	53-238 Excavator/Cat/308E2CR / Equipment Usage / 12852 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	2.00	100.00
09/23	36400	09/27/23	09/26/23	EM	EMRev	01-479 John Deere Gator/John Deere/XUV560 / Equipment Usage / 12853 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	2.00	20.00

JC Detail

Mth	Trans#	Posted Date	Actual Date	Trans Type	Source	Description	Units	Hours	Cost
16571. RTAA Terminal Loop Road Reconstruction Project - Continued									
Total for Cost Type: 4							0.000	29.00	509.00
02.000.000.007	EXTRA - T&M Unmarked 4" SD Line 5 R EQ								
09/23	31149	09/25/23	09/21/23	EM	EMRev	99-010 Skidsteer / Cat / 289D - RPO / Equipment Usage / 9554 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	4.00	148.00
Total for Cost Type: 5							0.000	4.00	148.00
Total For Phase: 02.000.000.007								68.00	3,110.77
02.000.000.008	EXTRA - T&M Potholing Unmarked Utilities 2 LAB								
09/23	58125	10/05/23	09/27/23	PR	PR Entry	NNVLAB/Group 3 1.00 / 1029 / Ramos , Juan A689 Jeffrey Taylor	0.000	2.00	112.64
09/23	58126	10/05/23	09/27/23	PR	PR Entry	NNVLAB/Group 4 1.00 / 1695 / Guillen Lugo , Jesus 689 Jeffrey Taylor	0.000	2.00	113.38
09/23	58127	10/05/23	09/27/23	PR	PR Entry	NNVOPE-M22/Foreman 1.00 / 689 / Taylor , Jeffrey M689 Jeffrey Taylor	0.000	2.00	182.43
09/23	58128	10/05/23	09/27/23	PR	PR Entry	NNVOPE-M22/Group 11 1.00 / 3201 / Kingsley , Trent R689 Jeffrey Taylor	0.000	2.00	169.12
09/23	58129	10/05/23	09/27/23	PR	PR Entry	NNVOPE-M22/Group 6 1.00 / 3103 / Lieberman , Cody E689 Jeffrey Taylor	0.000	2.00	164.10
10/23	13262	10/12/23	10/06/23	PR	PR Entry	NNVLAB/Group 3 1.00 / 1029 / Ramos , Juan A689 Jeffrey Taylor	0.000	3.00	178.27
10/23	13263	10/12/23	10/06/23	PR	PR Entry	NNVLAB/Group 4 1.00 / 1695 / Guillen Lugo , Jesus 689 Jeffrey Taylor	0.000	3.00	179.39
10/23	13264	10/12/23	10/06/23	PR	PR Entry	NNVOPE-M22/Foreman 1.00 / 689 / Taylor , Jeffrey M689 Jeffrey Taylor	0.000	3.00	273.66
10/23	13265	10/12/23	10/06/23	PR	PR Entry	NNVOPE-M22/Group 6 1.00 / 3103 / Lieberman , Cody E689 Jeffrey Taylor	0.000	3.00	246.15
Total for Cost Type: 2							0.000	22.00	1,619.14
02.000.000.008	EXTRA - T&M Potholing Unmarked Utilities 4 O EQ								
09/23	46550	09/28/23	09/27/23	EM	EMRev	01-444 Pickup/Chevy/4x4/2500 / Equipment Usage / 13633 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	2.00	34.00
09/23	46551	09/28/23	09/27/23	EM	EMRev	28-156 GPS SPS985 Rover/Trimble / Equipment Usage / 13634 / Rev Code: 1Hourly / Emp: 3201 / Kingsley , Trent R	0.000	4.00	20.00
09/23	46552	09/28/23	09/27/23	EM	EMRev	28-170 GPS Total Station/SPS930/Trimble / Equipment Usage / 13635 / Rev Code: 1Hourly / Emp: 3201 / Kingsley , Trent R	0.000	4.00	36.00
09/23	46553	09/28/23	09/27/23	EM	EMRev	28-118 GPS Data Collector/Trimble / Equipment Usage / 13636 / Rev Code: 1Hourly / Emp: 3201 / Kingsley , Trent R	0.000	4.00	8.00
09/23	46554	09/28/23	09/27/23	EM	EMRev	01-479 John Deere Gator/John Deere/XUV560 / Equipment Usage / 13637 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	2.00	20.00
10/23	5322	10/09/23	10/06/23	EM	EMRev	01-444 Pickup/Chevy/4x4/2500 / Equipment Usage / 4152 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	3.00	51.00
10/23	5323	10/09/23	10/06/23	EM	EMRev	53-238 Excavator/Cat/308E2CR / Equipment Usage / 4153 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	3.00	150.00
10/23	5324	10/09/23	10/06/23	EM	EMRev	01-479 John Deere Gator/John Deere/XUV560 / Equipment Usage / 4154 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	3.00	30.00

JC Detail

Mth	Trans#	Posted Date	Actual Date	Trans Type	Source	Description	Units	Hours	Cost
16571. RTAA Terminal Loop Road Reconstruction Project - Continued									
						Total for Cost Type: 4	0.000	25.00	349.00
						Total For Phase: 02.000.000.008		47.00	1,968.14
						Total For Job: 16571.		115.00	5,078.91
						Total For Company:1		115.00	5,078.91
								+15% Mark-Up	
								\$5,840.75	



CHANGE ORDER REQUEST

CCO No. 011

Project No.: 16571 – RTIA Terminal Loop Road Project

Date: 11/7/2023

To: Jon Lau
Reno-Tahoe Airport Authority
2001 E Plumb Lane
Reno, NV 89502

From: Braden Riley
Q&D Construction LLC
PO Box 10865
Reno, NV 89510

Phone: 775-328-6462

Phone: 775-786-2677

Fax:

Fax: 775-786-5136

Email: jlau@renoairport.com

Email: briley@qdconstruction.com

cc: Marc Leone (Q&D), Joe Mamola (CME), Stacy Yokohama (CME)

Below is the detail for our proposal to complete the following changes in contract work:

- Change Order Request: CCO#011 – Fortification Bollards in lieu of Safety Bollards
 - Proposed Scope of Work: Change order is for labor, equipment, and materials to install 7 EA safety bollards using the existing fortification bollards per details attached from Kimley-Horn.
 - Pricing includes: structure excavation for fortification bollard foundations, install safety bollards and pour 12" section, aggregate base 6" depth for PCC sidewalk, and pour PCC sidewalk 6" depth, purchase of additional 7 EA bollard covers.

CCO Item Sub-Totals	Quantity	Units	Unit Price	Amount
Bid Item 35 - Safety Bollards	12	EA	(\$4,710.00)	(\$56,520.00)
Fortification Bollards in lieu of Safety Bollards	7	EA	\$4,900.00	\$34,300.00

CCO Item Totals	Change (in Days)	Amount
CCO#011 – Fortification Bollards in lieu of Safety Bollards	0	(\$22,220.00)

Submitted By:

Braden Riley

11/7/2023

Date

Approved By:

Reno-Tahoe Airport Authority

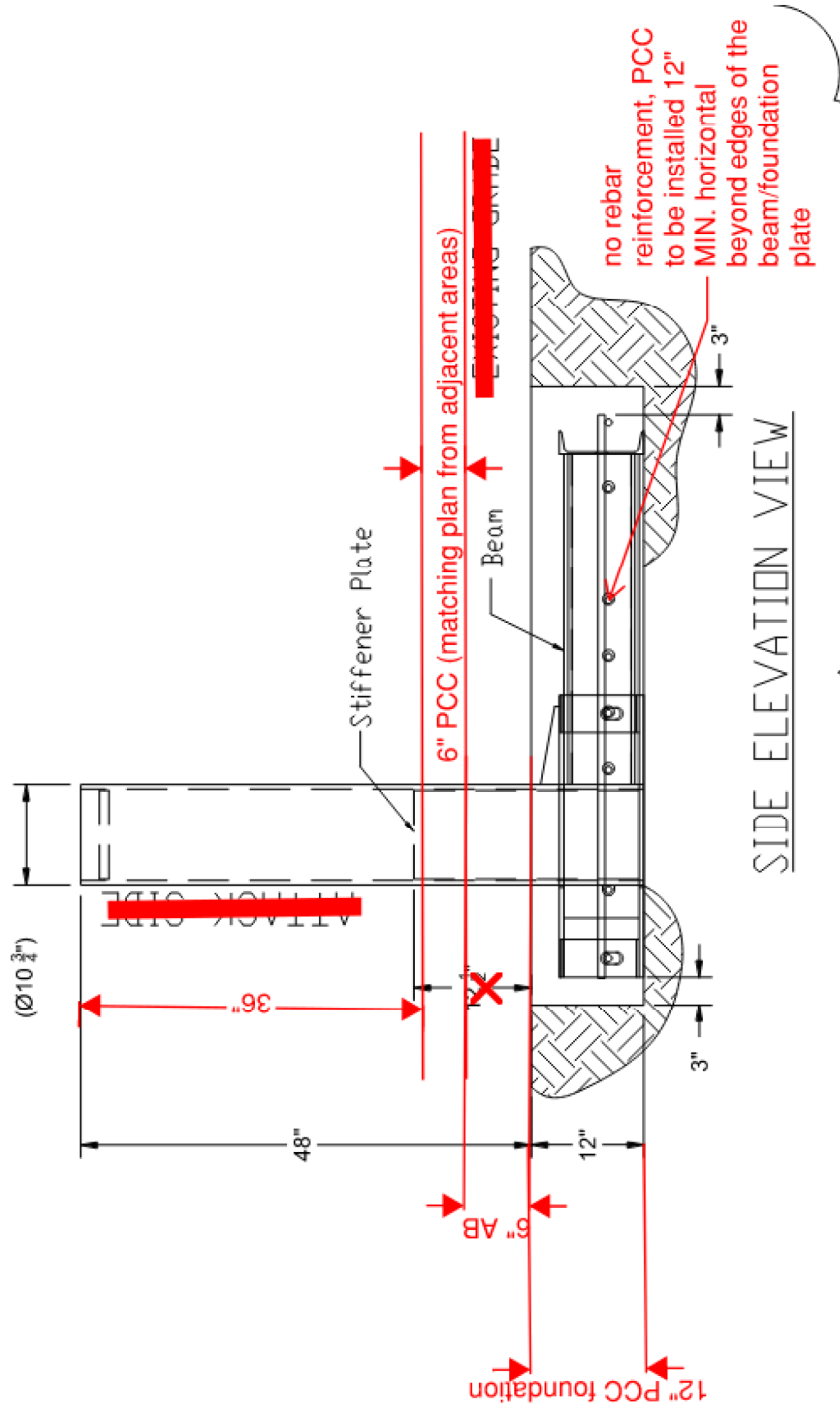
Date

Braden Riley

From: Heinbaugh, Christian <Christian.Heinbaugh@kimley-horn.com>
Sent: Wednesday, October 18, 2023 2:20 PM
To: Braden Riley; Joe Mamola; Lau, Jon; Stacy Yokoyama; Tony Angelopoulos
Cc: Marc Leone
Subject: RE: Submittal 1A - Non-Rated Bollard Shop Drawings

Thanks Braden, I have not reviewed this yet as, per yesterday's discussion during the meeting, there is interest in using the extra fortification bollards in lieu of the non-removable safety bollards. Below is a clip of what this would look like, and would consist of:

- Installing the fortified bollards 12" deeper than normal to prevent the need to cut the top and to ensure there is adequate cover over the beam in the sloped median sidewalk area.
- Placing 12" thick PCC around the bollard foundation/beam
- Placing 6" depth of aggregate base from the top of the foundation PCC
- Placing the planned 6" PCC sidewalk to 36" down from the top of the bollard so the new shorter sleeve layout will work without needing to cut the bollards
- No rebar is required with this approach

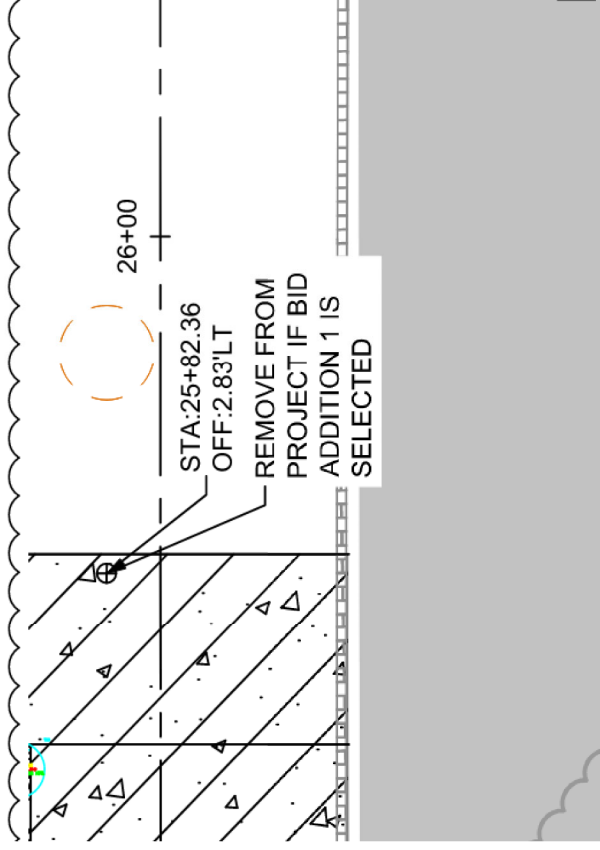


The airport is considering using these for the 7 safety bollards that are planned (there are more on the plans along the median but they were only to be installed if the canopy options weren't selected (see clip below from plans). These are as follows:

- 3 on the median (southern segment, south of canopy installations)
 - The bollards would be in their current planned location with the beam running north/south in to the replacement area thus preventing the need for any additional median sidewalk replacement
- 2 at the green lot driveway
 - The bollards would be in their current planned location with the beam running north/south in the flush curb area
- 2 at the shoe-fly entrance to the surface parking lot
 - The bollards would be in their current planned location with the beam running east/west under the PCC driveway area

Please provide a price proposal for this work so the airport can make a final determination regarding this approach vs. the planned approach with the non-removable safety bollards.

Let me know if you have any questions. Thanks



Christian Heinbaugh, PE (NV, CA)

Kimley-Horn | 7900 Rancharah Parkway, Suite 100, Reno, Nevada 89511

Direct: 775-200-1967 | Mobile: 775-843-8911

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From: Braden Riley <briley@qdconstruction.com>

Sent: Friday, October 13, 2023 5:09 PM

To: Joe Mamola <jmamola@cmenv.com>; Lau, Jon <jlau@renoairport.com>; Heinbaugh, Christian <Christian.Heinbaugh@kimley-horn.com>; Stacy Yokoyama <syokoyama@cmenv.com>; Tony Angelopoulos <tony@cmenv.com>

Cc: Marc Leone <mleone@qdconstruction.com>

Subject: Submittal 1A - Non-Rated Bollard Shop Drawings

Christian,

Please see attached bollard shop drawings for the non-removable bollards. Let me know if you have any questions.

Thank you,



Q&D CONSTRUCTION
EST. 1964

Braden Riley | Project Engineer

Q&D Construction LLC

C: (775) 302-6552

briley@qdcconstruction.com

NVCL #8197 A&B CACL # 427988BA CA DIR # 1000061144

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RENO-TAHOE AIRPORT AUTHORITY CONTINGENCY CHANGE ORDER



CCO No.

Contractor:

Project:

Solicitation Number:

Summary of Change and List of Attachments:

This Contingency Change Order sets forth the terms and conditions to provide labor, equipment, material, and full compensation to:
 Extend the existing 2" PVC at Sta 22+32.60, 63.45 RT to the proposed trench drain per RFI No. 06.
 T&M of unmarked utility potholing north of the sky bridge.
 Install purchased fortification bollards in lieu of safety bollards.

The following items will be added to the schedule of values:

T&M Extend 2" PVC to Trench Drain	\$	3,422.77
T&M Unmarked Utility Potholing North of Sky Bridge	\$	5,840.75
Fortification Bollards in lieu of Safety Bollards	\$	(22,220.00)
Total amount approved for all changes referenced	\$	(12,956.48)

The following days will be added to the contract duration:

T&M Unmarked Utility Potholing North of Sky Bridge (trench drain installation is on the critical path)	2 calendar days
--	-----------------

These changes are to be funded with PFC 15.

Enclosures: Q&D Construction Change Order Request No. 009 - Dated 10/24/2023
 Q&D Construction Change Order Request No. 010 - Dated 10/24/2023
 Q&D Construction Change Order Request No. 011 - Dated 11/7/2023

Contingency Change Order Summary:

Change in Contract Times:

Contract Contingency Total:	\$	<input type="text" value="900,000.00"/>	Original Duration:	<input type="text" value="579"/>
Total Previously Approved:	\$	<input type="text" value="374,250.74"/>	Previous Authorization:	<input type="text" value="35"/>
Total Change this Authorization:	\$	<input type="text" value="(12,956.48)"/> DEDUCT	This Authorization:	<input type="text" value="2"/> ADD
Remaining Contingency Balance:	\$	<input type="text" value="538,705.74"/>	Revised Contract Time:	<input type="text" value="616"/>

Contract Summary:

Original Contract:	\$	<input type="text" value="9,683,268.00"/>
Total Previously Approved CO's	\$	<input type="text" value="1,877,000.00"/>
Total Previously Approved CCO's	\$	<input type="text" value="374,250.74"/>
Contract Sum Prior to this CCO	\$	<input type="text" value="11,934,518.74"/>
Total Change this Authorization:	\$	<input type="text" value="(12,956.48)"/>
New Contract Sum:	\$	<input type="text" value="11,921,562.26"/>

Contractor Signature

Date: 11/4/23

Q&D Construction, Jeff Bean

Project Mgr Signature

Date: 11.13.23

RTAA Project Mgr: Jon Lau

Construction Mgr Signature

Date: 11-09-2023

CME, Construction Manager: Joe Mamola

Manager Signature

Date: 11.14.23

RTAA Mgr Engineering & Construction: Jackie Borman



CHANGE ORDER REQUEST

CCO No. 009

Project No.: 16571 – RTIA Terminal Loop Road Project

Date: 10/24/2023

To: Jon Lau
Reno-Tahoe Airport Authority
2001 E Plumb Lane
Reno, NV 89502

From: Braden Riley
Q&D Construction LLC
PO Box 10865
Reno, NV 89510

Phone: 775-328-6462

Fax:

Email: jlau@renoairport.com

Phone: 775-786-2677

Fax: 775-786-5136

Email: briley@qdconstruction.com

cc: Marc Leone (Q&D)

Below is the detail for our proposal to complete the following changes in contract work:

- Change Order Request: CCO#009 – T&M Extend 2" PVC to Trench Drain
 - Proposed Scope of Work: Change order is for labor, equipment, and materials to extend the existing 2" PVC at STA 22+32.60, 63.45 RT to the proposed trench drain per RFI 006.

CCO Item Sub-Totals	Quantity	Units	Unit Price	Amount
T&M Extend 2" PVC to Trench Drain	1	LSU	\$3,422.77	\$3,422.77

CCO Item Totals	Change (in Days)	Amount
CCO#009 – T&M Extend 2" PVC to Trench Drain	0	\$3,422.77

Submitted By:

Braden Riley

10/24/2023

Date

Approved By:

Reno-Tahoe Airport Authority

Date

JC Detail

Mth	Trans#	Posted Date	Actual Date	Trans Type	Source	Description	Units	Hours	Cost
16571. RTAA Terminal Loop Road Reconstruction Project									
02.000.000.003						EXTRA - Extend 2" PVC to Trench Drain 1 MAT			
08/23	46146	08/28/23	08/16/23	AP	AP Entry	12675 Western Nevada Suppl 19899006 / TR# 3771 / 1 / APCo: 1 16571 PVC/DWV Pipe	0.000	0.00	87.80
						Total for Cost Type: 1	0.000	0.00	87.80
02.000.000.003						EXTRA - Extend 2" PVC to Trench Drain 2 LAB			
08/23	68497	09/07/23	08/31/23	PR	PR Entry	NNVLAB/Group 4 1.00 / 1695 / Guillen Lugo , Jesus 689 Jeffrey Taylor	0.000	4.00	224.08
08/23	68498	09/07/23	08/31/23	PR	PR Entry	NNVLAB/Group 4 1.00 / 1961 / Arenas-Serafin , Silvano 689 Jeffrey Taylor	0.000	3.00	168.07
08/23	68499	09/07/23	08/31/23	PR	PR Entry	NNVOPE-M22/Foreman 1.00 / 689 / Taylor , Jeffrey M689 Jeffrey Taylor	0.000	4.00	363.68
08/23	68500	09/07/23	08/31/23	PR	PR Entry	NNVOPE-M22/Foreman 1.50 / 689 / Taylor , Jeffrey M689 Jeffrey Taylor	0.000	0.50	62.66
08/23	68501	09/07/23	08/31/23	PR	PR Entry	NNVOPE-M22/Group 11 1.00 / 3010 / Loudenburg , Coty J689 Jeffrey Taylor	0.000	4.00	337.05
08/23	68502	09/07/23	08/31/23	PR	PR Entry	NNVOPE-M22/Group 6 1.00 / 3103 / Lieberman , Cody E689 Jeffrey Taylor	0.000	4.00	327.00
10/23	13258	10/12/23	10/06/23	PR	PR Entry	NNVLAB/Group 3 1.00 / 1029 / Ramos , Juan A689 Jeffrey Taylor	0.000	2.00	118.85
10/23	13259	10/12/23	10/06/23	PR	PR Entry	NNVLAB/Group 4 1.00 / 1695 / Guillen Lugo , Jesus 689 Jeffrey Taylor	0.000	2.00	119.60
10/23	13260	10/12/23	10/06/23	PR	PR Entry	NNVOPE-M22/Foreman 1.00 / 689 / Taylor , Jeffrey M689 Jeffrey Taylor	0.000	2.00	182.43
10/23	13261	10/12/23	10/06/23	PR	PR Entry	NNVOPE-M22/Group 6 1.00 / 3103 / Lieberman , Cody E689 Jeffrey Taylor	0.000	2.00	164.10
						Total for Cost Type: 2	0.000	27.50	2,067.52
02.000.000.003						EXTRA - Extend 2" PVC to Trench Drain 4 O EQ			
08/23	61166	09/05/23	08/31/23	EM	EMRev	01-444 Pickup/Chevy/4x4/2500 / Equipment Usage / 16660 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	4.00	68.00
08/23	61167	09/05/23	08/31/23	EM	EMRev	52-193 Loader, Wheel/Cat/950GC / Equipment Usage / 16663 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	1.00	83.00
08/23	61168	09/05/23	08/31/23	EM	EMRev	01-479 John Deere Gator/John Deere/XUV560 / Equipment Usage / 16665 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	4.00	40.00
10/23	5319	10/09/23	10/06/23	EM	EMRev	01-444 Pickup/Chevy/4x4/2500 / Equipment Usage / 4149 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	2.00	34.00
10/23	5320	10/09/23	10/06/23	EM	EMRev	53-238 Excavator/Cat/308E2CR / Equipment Usage / 4150 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	2.00	100.00
10/23	5321	10/09/23	10/06/23	EM	EMRev	01-479 John Deere Gator/John Deere/XUV560 / Equipment Usage / 4151 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	2.00	20.00
						Total for Cost Type: 4	0.000	15.00	345.00
02.000.000.003						EXTRA - Extend 2" PVC to Trench Drain 5 R EQ			
08/23	61169	09/05/23	08/31/23	EM	EMRev	99-310 Excavator w thm/Cat/314 / Equipment Usage / 16661 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	4.00	300.00

JC Detail

Mth	Trans#	Posted Date	Actual Date	Trans Type	Source	Description	Units	Hours	Cost
16571. RTAA Terminal Loop Road Reconstruction Project - Continued									
08/23	61170	09/05/23	08/31/23	EM	EMRev	99-010 Skidsteer / Cat / 289D - RPO / Equipment Usage / 16662 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	4.00	148.00
08/23	61171	09/05/23	08/31/23	EM	EMRev	99-216 Roller/Cat/CB22 / Equipment Usage / 16664 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	1.00	28.00
						Total for Cost Type: 5	0.000	9.00	476.00
						Total For Phase: 02.000.000.003		51.50	2,976.32
						Total For Job: 16571.		51.50	2,976.32
						Total For Company:1		51.50	2,976.32
								+ 15% Mark-Up	
								\$3,422.77	



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INVOICE#	INVOICE DATE
19899006	08/16/23
ACCOUNT NO.	CUSTOMER P.O.
170300M	16571
JOB ACCT. NO.	PAGE
170300	1 of 1

[illegible]



Elko
775.738.9811
S. Lake Tahoe
530.541.1884

Carson City
775.882.0900
Bishop
760.873.7119

Truckee
530.582.5009
Susanville
530.251.5800

Winnemucca
775.625.5600

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950 S. Rock Blvd. • Sparks, NV 89431
tel 775.359.5800 • fax 775.359.4649

ID#: LOCAL

PAGE#: 1 OF: 1

NO BACK ORDER

SPECIAL INSTRUCTIONS:

ORDER NUMBER: 19899006 08/16/23 02:17PM BACK ORDER: N SHIP VIA: WCS REQ. DATE: 08/16/23		please cut in half 16039 02.000.000.003	
SHIP TO: 170300 Q&D CONSTRUCTION Q&D CONSTRUCTION 1050 SO 21ST STREET-SPARKS P.O. BOX 10865 RENO, NV. 89510-0865 SHIP FROM: SPARKS, NV SALESPERSON: GREG HIGGINS WRITTEN BY: CARRIE RITTER EXT: 1297 PO NUMBER: 16571 ORDER DATE: 08/16/23 VAN: WP-14		JOB NAME: rtaa loop JOB CONTACT: jeff taylor JOB PHONE: 775-786-2677 SHIP VIA: WW COUNTER SALE SOLD FROM: SPARKS, NV FT TERMS: FULL FREIGHT ALLOWED REQ. DATE: 08/16/23 3 LINE(S) OF 3 FORKLIFT REQUIRED: NO	

LN#	FILLED-BY	PRODUCT#	DESCRIPTION	LOCATION	UNIT	QTY-DUE	QTY-PICK
3		iezc114090	SPEA 2 S PVC 40 90 ELL	01-F-01-13-C-03 01-L-05-08-C-02	EA	2	
2		IEZC113766	SPEA 2 S PVC 40 CPLG	01-G-01-31-A-03 01-J-06-03-F-02	EA	2	
1		IEZC000030 #PCS 1	2 40 PVC/DWV PIPE BE	52-00-16-2B	FT	20	

ORDER # 19899006

BOXES:	BUNDLES:	PALLETS:	LOOSE PIECES:	BAGS:	ROLLS:	OTHER:

** ALL HVAC EQUIPMENT AND AIR CONDITIONING MUST BE INSTALLED BY A LICENSED HVAC AND EPA PROFESSIONAL **



REQUEST FOR INFORMATION

RFI # : 0006

1050 S. 21st St.
SPARKS, NV 89431
(775) 786-2677
FAX #: (775) 786-5136

TO: Christian Heinbaugh

DATE: 8/3/2023

COMPANY: Kimley-Horn

Q&D Job #: 16571

FROM: Braden Riley
Project Engineer
Q&D Construction LLC

RE: Existing Drainage Line at Sky Bridge

DESCRIPTION OF REQUEST:

There is an existing 2" PVC drainage line at STA 22+32.30, 63.45 RT that drained to the existing front face of curb shown on the attached plan sheet. Please verify if it is acceptable to abandon in place.

REPLY: _____

SIGNATURE:

AUTHORIZED REPRESENTATIVE



Printed By Siba, Hoster Date: February 02, 2023 04:24:55pm File Path: K:\user\hoster\9N0\091479021 CAD\pdm\ho\22x34\pdm\C=ML=091479021.dwg

Braden Riley

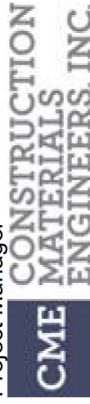
From: Joe Mamola <jmamola@cmenv.com>
Sent: Thursday, August 3, 2023 11:21 AM
To: Braden Riley; Heinbaugh, Christian; Stacy Yokoyama; Tony Angelopoulos
Cc: Marc Leone; Jeff Taylor
Subject: RE: RFI 006 - Existing Drainage Line.pdf

Braden,

Please extend and tie this drain into the trench drain.

Thanks,

Joe Mamola
Project Manager



300 Sierra Manor Drive, Suite 1
Reno, NV 89511

jmamola@cmenv.com
Direct: 775-737-7579
Cell: 775-745-6996
www.cmenv.com

From: Braden Riley <briley@qdconstruction.com>
Sent: Thursday, August 3, 2023 11:16 AM
To: Heinbaugh, Christian <Christian.Heinbaugh@kimley-horn.com>; Joe Mamola <jmamola@cmenv.com>; Stacy Yokoyama <syokoyama@cmenv.com>; Tony Angelopoulos <tony@cmenv.com>
Cc: Marc Leone <mleone@qdconstruction.com>; Jeff Taylor <jtaylor@qdconstruction.com>
Subject: RFI 006 - Existing Drainage Line.pdf

Christian,

Please see attached RFI for the existing drainage line we encountered during demolition. Let me know if you have any questions.

Thank you,



Braden Riley | Project Engineer

Q&D Construction LLC

C: (775) 302-6552

briley@qdcconstruction.com

NVCL #8197 A&B CACL # 427988BA CA DIR # 1000061144

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CHANGE ORDER REQUEST

CCO No. 010

Project No.: 16571 – RTIA Terminal Loop Road Project

Date: 10/24/2023

To: Jon Lau
Reno-Tahoe Airport Authority
2001 E Plumb Lane
Reno, NV 89502

From: Braden Riley
Q&D Construction LLC
PO Box 10865
Reno, NV 89510

Phone: 775-328-6462

Phone: 775-786-2677

Fax:

Fax: 775-786-5136

Email: jlau@renoairport.com

Email: briley@qdconstruction.com

cc: Marc Leone (Q&D)

Below is the detail for our proposal to complete the following changes in contract work:

- Change Order Request: CCO#010 – T&M Unmarked Utility Potholing North of Sky Bridge
 - Proposed Scope of Work: Change order is for labor, equipment, and materials for down time potholing and verify unmarked utilities during excavation:
 - 9/21/2023 Time Card Notes: *Encountered an unmarked 4" ductile iron storm drain line at approx. STA25+29.77 while digging for the trench drain. Potholed and found that it went to what appeared to be an abandoned DI. Tony with CME determined that the 4" line was abandoned and we continued to dig after we backfilled and compacted our potholes.*
 - 9/26/23 Time Card Notes: *While digging the trench drain north from the DI at STA22+99.50, we encountered an unmarked concrete encased duct bank that is possibly power, with a 2" steel line above the encasement.*
 - 9/27/23 Time Card Notes: *Continue to pothole and expose unmarked utilities that were exposed during excavating for the trench drain south of DI at STA22+99.50.*
 - 10/6/23 Time Card Notes: *Located an unmarked 6" storm drain line at the north end of the trench drain in the north work zone. Repaired and backfilled.*

CCO Item Sub-Totals	Quantity	Units	Unit Price	Amount
T&M Unmarked Utility Potholing North of Sky Bridge	1	LSU	\$5,840.75	\$5,840.75

CCO Item Totals	Change (in Days)	Amount
CCO#010 – T&M Unmarked Utility Potholing North of Sky Bridge	2	\$5,840.75

Submitted By:

10/24/2023

Braden Riley

Date

Approved By:

Reno-Tahoe Airport Authority

Date

JC Detail

Mth	Trans#	Posted Date	Actual Date	Trans Type	Source	Description	Units	Hours	Cost
16571. RTAA Terminal Loop Road Reconstruction Project									
02.000.000.007						EXTRA - T&M Unmarked 4" SD Line 2 LAB			
09/23	43647	09/28/23	09/21/23	PR	PR Entry	NNVLAB/App70Grp1 1.00 / 3482 / Rivero Jr, Rene D689 Jeffrey Taylor	0.000	4.00	155.99
09/23	43648	09/28/23	09/21/23	PR	PR Entry	NNVLAB/Group 3 1.00 / 1029 / Ramos , Juan A689 Jeffrey Taylor	0.000	4.00	222.78
09/23	43649	09/28/23	09/21/23	PR	PR Entry	NNVLAB/Group 4 1.00 / 1695 / Guillen Lugo , Jesus 689 Jeffrey Taylor	0.000	4.00	224.08
09/23	43650	09/28/23	09/21/23	PR	PR Entry	NNVOPE-M22/Foreman 1.00 / 689 / Taylor , Jeffrey M689 Jeffrey Taylor	0.000	4.00	364.88
09/23	43651	09/28/23	09/21/23	PR	PR Entry	NNVOPE-M22/Group 11 1.00 / 3010 / Loudenburg , Coty J689 Jeffrey Taylor	0.000	4.00	338.25
09/23	43652	09/28/23	09/21/23	PR	PR Entry	NNVOPE-M22/Group 11 1.00 / 3201 / Kingsley , Trent R689 Jeffrey Taylor	0.000	4.00	338.25
09/23	43653	09/28/23	09/21/23	PR	PR Entry	NNVOPE-M22/Group 6 1.00 / 3103 / Lieberman , Cody E689 Jeffrey Taylor	0.000	4.00	328.20
09/23	58121	10/05/23	09/26/23	PR	PR Entry	NNVLAB/Group 3 1.00 / 1029 / Ramos , Juan A689 Jeffrey Taylor	0.000	2.00	112.64
09/23	58122	10/05/23	09/26/23	PR	PR Entry	NNVLAB/Group 4 1.00 / 1695 / Guillen Lugo , Jesus 689 Jeffrey Taylor	0.000	2.00	113.38
09/23	58123	10/05/23	09/26/23	PR	PR Entry	NNVOPE-M22/Foreman 1.00 / 689 / Taylor , Jeffrey M689 Jeffrey Taylor	0.000	1.00	91.22
09/23	58124	10/05/23	09/26/23	PR	PR Entry	NNVOPE-M22/Group 6 1.00 / 3103 / Lieberman , Cody E689 Jeffrey Taylor	0.000	2.00	164.10
						Total for Cost Type: 2	0.000	35.00	2,453.77
02.000.000.007						EXTRA - T&M Unmarked 4" SD Line 4 O EQ			
09/23	31143	09/25/23	09/21/23	EM	EMRev	01-444 Pickup/Chevy/4x4/2500 / Equipment Usage / 9549 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	4.00	68.00
09/23	31144	09/25/23	09/21/23	EM	EMRev	28-156 GPS SPS985 Rover/Trimble / Equipment Usage / 9550 / Rev Code: 1Hourly / Emp: 3201 / Kingsley , Trent R	0.000	4.00	20.00
09/23	31145	09/25/23	09/21/23	EM	EMRev	28-170 GPS Total Station/SPS930/Trimble / Equipment Usage / 9551 / Rev Code: 1Hourly / Emp: 3201 / Kingsley , Trent R	0.000	4.00	36.00
09/23	31146	09/25/23	09/21/23	EM	EMRev	28-118 GPS Data Collector/Trimble / Equipment Usage / 9552 / Rev Code: 1Hourly / Emp: 3201 / Kingsley , Trent R	0.000	4.00	8.00
09/23	31147	09/25/23	09/21/23	EM	EMRev	53-238 Excavator/Cat/308E2CR / Equipment Usage / 9553 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	4.00	200.00
09/23	31148	09/25/23	09/21/23	EM	EMRev	01-479 John Deere Gator/John Deere/XUV560 / Equipment Usage / 9555 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	4.00	40.00
09/23	36398	09/27/23	09/26/23	EM	EMRev	01-444 Pickup/Chevy/4x4/2500 / Equipment Usage / 12851 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	1.00	17.00
09/23	36399	09/27/23	09/26/23	EM	EMRev	53-238 Excavator/Cat/308E2CR / Equipment Usage / 12852 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	2.00	100.00
09/23	36400	09/27/23	09/26/23	EM	EMRev	01-479 John Deere Gator/John Deere/XUV560 / Equipment Usage / 12853 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	2.00	20.00

JC Detail

Mth	Trans#	Posted Date	Actual Date	Trans Type	Source	Description	Units	Hours	Cost
16571. RTAA Terminal Loop Road Reconstruction Project - Continued									
Total for Cost Type: 4							0.000	29.00	509.00
02.000.000.007	EXTRA - T&M Unmarked 4" SD Line 5 R EQ								
09/23	31149	09/25/23	09/21/23	EM	EMRev	99-010 Skidsteer / Cat / 289D - RPO / Equipment Usage / 9554 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	4.00	148.00
Total for Cost Type: 5							0.000	4.00	148.00
Total For Phase: 02.000.000.007								68.00	3,110.77
02.000.000.008	EXTRA - T&M Potholing Unmarked Utilities 2 LAB								
09/23	58125	10/05/23	09/27/23	PR	PR Entry	NNVLAB/Group 3 1.00 / 1029 / Ramos , Juan A689 Jeffrey Taylor	0.000	2.00	112.64
09/23	58126	10/05/23	09/27/23	PR	PR Entry	NNVLAB/Group 4 1.00 / 1695 / Guillen Lugo , Jesus 689 Jeffrey Taylor	0.000	2.00	113.38
09/23	58127	10/05/23	09/27/23	PR	PR Entry	NNVOPE-M22/Foreman 1.00 / 689 / Taylor , Jeffrey M689 Jeffrey Taylor	0.000	2.00	182.43
09/23	58128	10/05/23	09/27/23	PR	PR Entry	NNVOPE-M22/Group 11 1.00 / 3201 / Kingsley , Trent R689 Jeffrey Taylor	0.000	2.00	169.12
09/23	58129	10/05/23	09/27/23	PR	PR Entry	NNVOPE-M22/Group 6 1.00 / 3103 / Lieberman , Cody E689 Jeffrey Taylor	0.000	2.00	164.10
10/23	13262	10/12/23	10/06/23	PR	PR Entry	NNVLAB/Group 3 1.00 / 1029 / Ramos , Juan A689 Jeffrey Taylor	0.000	3.00	178.27
10/23	13263	10/12/23	10/06/23	PR	PR Entry	NNVLAB/Group 4 1.00 / 1695 / Guillen Lugo , Jesus 689 Jeffrey Taylor	0.000	3.00	179.39
10/23	13264	10/12/23	10/06/23	PR	PR Entry	NNVOPE-M22/Foreman 1.00 / 689 / Taylor , Jeffrey M689 Jeffrey Taylor	0.000	3.00	273.66
10/23	13265	10/12/23	10/06/23	PR	PR Entry	NNVOPE-M22/Group 6 1.00 / 3103 / Lieberman , Cody E689 Jeffrey Taylor	0.000	3.00	246.15
Total for Cost Type: 2							0.000	22.00	1,619.14
02.000.000.008	EXTRA - T&M Potholing Unmarked Utilities 4 O EQ								
09/23	46550	09/28/23	09/27/23	EM	EMRev	01-444 Pickup/Chevy/4x4/2500 / Equipment Usage / 13633 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	2.00	34.00
09/23	46551	09/28/23	09/27/23	EM	EMRev	28-156 GPS SPS985 Rover/Trimble / Equipment Usage / 13634 / Rev Code: 1Hourly / Emp: 3201 / Kingsley , Trent R	0.000	4.00	20.00
09/23	46552	09/28/23	09/27/23	EM	EMRev	28-170 GPS Total Station/SPS930/Trimble / Equipment Usage / 13635 / Rev Code: 1Hourly / Emp: 3201 / Kingsley , Trent R	0.000	4.00	36.00
09/23	46553	09/28/23	09/27/23	EM	EMRev	28-118 GPS Data Collector/Trimble / Equipment Usage / 13636 / Rev Code: 1Hourly / Emp: 3201 / Kingsley , Trent R	0.000	4.00	8.00
09/23	46554	09/28/23	09/27/23	EM	EMRev	01-479 John Deere Gator/John Deere/XUV560 / Equipment Usage / 13637 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	2.00	20.00
10/23	5322	10/09/23	10/06/23	EM	EMRev	01-444 Pickup/Chevy/4x4/2500 / Equipment Usage / 4152 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	3.00	51.00
10/23	5323	10/09/23	10/06/23	EM	EMRev	53-238 Excavator/Cat/308E2CR / Equipment Usage / 4153 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	3.00	150.00
10/23	5324	10/09/23	10/06/23	EM	EMRev	01-479 John Deere Gator/John Deere/XUV560 / Equipment Usage / 4154 / Rev Code: 1Hourly / Emp: 689 / Taylor , Jeffrey M	0.000	3.00	30.00

JC Detail

Mth	Trans#	Posted Date	Actual Date	Trans Type	Source	Description	Units	Hours	Cost
16571. RTAA Terminal Loop Road Reconstruction Project - Continued									
						Total for Cost Type: 4	0.000	25.00	349.00
						Total For Phase: 02.000.000.008		47.00	1,968.14
						Total For Job: 16571.		115.00	5,078.91
						Total For Company:1		115.00	5,078.91
								+15% Mark-Up	
								\$5,840.75	



CHANGE ORDER REQUEST

CCO No. 011

Project No.: 16571 – RTIA Terminal Loop Road Project

Date: 11/7/2023

To: Jon Lau
Reno-Tahoe Airport Authority
2001 E Plumb Lane
Reno, NV 89502

From: Braden Riley
Q&D Construction LLC
PO Box 10865
Reno, NV 89510

Phone: 775-328-6462

Phone: 775-786-2677

Fax:

Fax: 775-786-5136

Email: jlau@renoairport.com

Email: briley@qdconstruction.com

cc: Marc Leone (Q&D), Joe Mamola (CME), Stacy Yokohama (CME)

Below is the detail for our proposal to complete the following changes in contract work:

- Change Order Request: CCO#011 – Fortification Bollards in lieu of Safety Bollards
 - Proposed Scope of Work: Change order is for labor, equipment, and materials to install 7 EA safety bollards using the existing fortification bollards per details attached from Kimley-Horn.
 - Pricing includes: structure excavation for fortification bollard foundations, install safety bollards and pour 12" section, aggregate base 6" depth for PCC sidewalk, and pour PCC sidewalk 6" depth, purchase of additional 7 EA bollard covers.

CCO Item Sub-Totals	Quantity	Units	Unit Price	Amount
Bid Item 35 - Safety Bollards	12	EA	(\$4,710.00)	(\$56,520.00)
Fortification Bollards in lieu of Safety Bollards	7	EA	\$4,900.00	\$34,300.00

CCO Item Totals	Change (in Days)	Amount
CCO#011 – Fortification Bollards in lieu of Safety Bollards	0	(\$22,220.00)

Submitted By:

Braden Riley

11/7/2023

Date

Approved By:

Reno-Tahoe Airport Authority

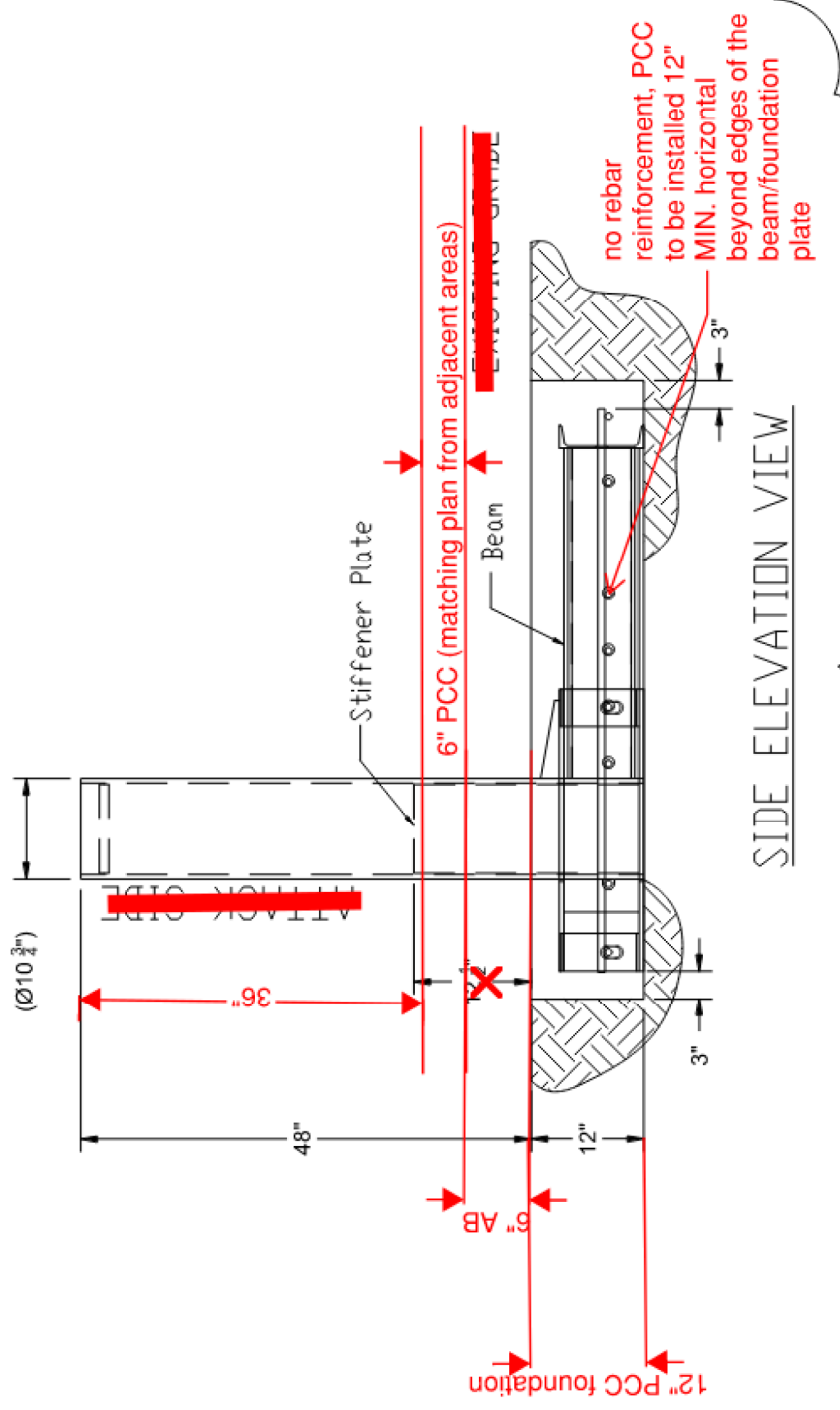
Date

Braden Riley

From: Heinbaugh, Christian <Christian.Heinbaugh@kimley-horn.com>
Sent: Wednesday, October 18, 2023 2:20 PM
To: Braden Riley; Joe Mamola; Lau, Jon; Stacy Yokoyama; Tony Angelopoulos
Cc: Marc Leone
Subject: RE: Submittal 1A - Non-Rated Bollard Shop Drawings

Thanks Braden, I have not reviewed this yet as, per yesterday's discussion during the meeting, there is interest in using the extra fortification bollards in lieu of the non-removable safety bollards. Below is a clip of what this would look like, and would consist of:

- Installing the fortified bollards 12" deeper than normal to prevent the need to cut the top and to ensure there is adequate cover over the beam in the sloped median sidewalk area.
- Placing 12" thick PCC around the bollard foundation/beam
- Placing 6" depth of aggregate base from the top of the foundation PCC
- Placing the planned 6" PCC sidewalk to 36" down from the top of the bollard so the new shorter sleeve layout will work without needing to cut the bollards
- No rebar is required with this approach

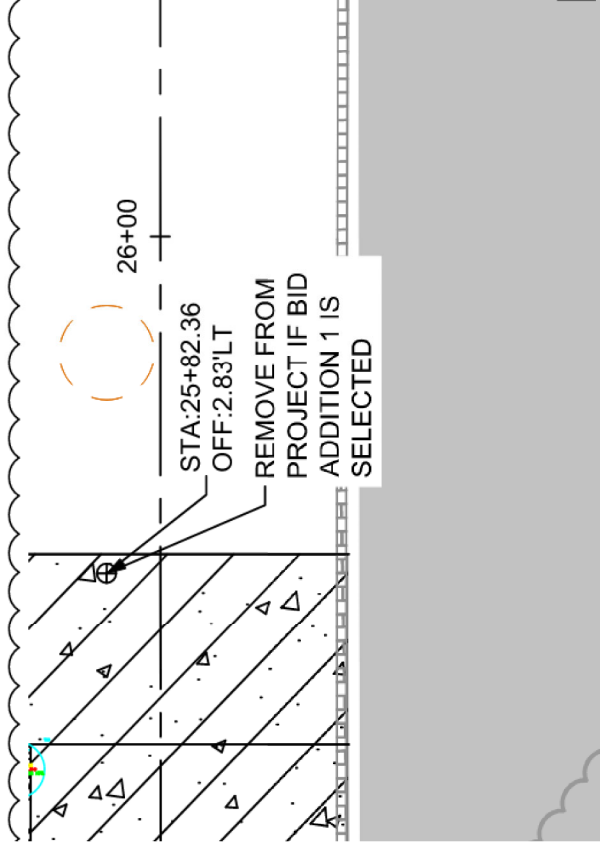


The airport is considering using these for the 7 safety bollards that are planned (there are more on the plans along the median but they were only to be installed if the canopy options weren't selected (see clip below from plans). These are as follows:

- 3 on the median (southern segment, south of canopy installations)
 - The bollards would be in their current planned location with the beam running north/south in to the replacement area thus preventing the need for any additional median sidewalk replacement
- 2 at the green lot driveway
 - The bollards would be in their current planned location with the beam running north/south in the flush curb area
- 2 at the shoe-fly entrance to the surface parking lot
 - The bollards would be in their current planned location with the beam running east/west under the PCC driveway area

Please provide a price proposal for this work so the airport can make a final determination regarding this approach vs. the planned approach with the non-removable safety bollards.

Let me know if you have any questions. Thanks



Christian Heinbaugh, PE (NV, CA)

Kimley-Horn | 7900 Rancharah Parkway, Suite 100, Reno, Nevada 89511

Direct: 775-200-1967 | Mobile: 775-843-8911

Connect with us: [Twitter](#) | [LinkedIn](#) | [Facebook](#) | [Instagram](#) | [Kimley-Horn.com](#)

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From: Braden Riley <briley@qdconstruction.com>

Sent: Friday, October 13, 2023 5:09 PM

To: Joe Mamola <jmamola@cmenv.com>; Lau, Jon <jlau@renoairport.com>; Heinbaugh, Christian <Christian.Heinbaugh@kimley-horn.com>; Stacy Yokoyama <syokoyama@cmenv.com>; Tony Angelopoulos <tony@cmenv.com>

Cc: Marc Leone <mleone@qdconstruction.com>

Subject: Submittal 1A - Non-Rated Bollard Shop Drawings

Christian,

Please see attached bollard shop drawings for the non-removable bollards. Let me know if you have any questions.

Thank you,



Q&D CONSTRUCTION
EST. 1964

Braden Riley | Project Engineer

Q&D Construction LLC

C: (775) 302-6552

briley@qdcconstruction.com

NVCL #8197 A&B CACL # 427988BA CA DIR # 1000061144

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Administrative Report

Date: January 9, 2024

Subject: Financial Reporting Package – November 2023

EXECUTIVE SUMMARY

Attached is the Financial Reporting Package for the five-month period ending November 30, 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 November, the primary U.S. stock indices closed the month with gains exceeding 8%, marking a notable achievement for the Dow Jones Industrial Average, reaching a new high for 2023. Based on total returns, the Nasdaq observed a 10.8% increase, the Dow experienced a 9.2% uptick, and the S&P 500 concluded the month with a 9.1% gain. The Nasdaq 100 is currently poised to register its third-best annual performance in the past two decades¹.

The U.S. Bureau of Labor Statistics reported that the Consumer Price Index for All Urban Consumers (CPI-U) inched up by 0.1 % in November on a seasonally adjusted basis, following a month of no change in October. Over the last 12 months, all items index increased by 3.1 % before seasonal adjustment².

Since July 2023, the Federal Reserve has maintained the target range for interest rates at 5.25%-5.50%, and as of November, the interest rate stands at 5.40%. The national unemployment rate declined from 3.9% in the previous month to 3.7%, holding steady compared to November 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 November 2023, RNO was served by 12 passenger airlines offering non-stop service to 21 destinations. Enplanements were 171,361, a decrease of 12% compared to the budget forecast and a decrease of 0.2% from November 2022. Total enplanements for the five months ending November 30, 2023, reached 1,019,619, a decrease of 1.7% compared to the budget forecast and 4.7% increase year-over-year. Total landed weight was 5.8% 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

¹ www.nasdaq.com/articles/mid-november-2023-review-outlook

² Bureau of Labor Statistics (USDL-23-2563)

and maintaining the Airfield cost center and reducing landing fee rates. These funds are categorized as non-operating revenues.

To enhance tracking of actual results as compared to the budget, adjustments are incorporated into the budget for both revenues and expenses, considering seasonal variations associated with certain expenditures, and 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 November 30, 2023 (In Thousands)						
	Actual Results				41.7% Of Fiscal Year		
	CURRENT YEAR	PRIOR YEAR	VARIANCE		Y-T-D BUDGET	VARIANCE	
			\$	%		\$	%
Operating Revenue							
Airline	\$ 10,631	\$ 8,286	\$ 2,344	28.3%	\$ 10,847	\$ (217)	-2.0%
Non-Airline	21,850	19,367	2,483	12.8%	21,301	549	2.6%
Total Operating Revenue	32,481	27,653	4,827	17.5%	32,148	332	1.0%
Operating Expenses	(24,469)	(21,485)	(2,984)	13.9%	(27,435)	2,966	-10.8%
Net Operating Income	8,012	6,168	1,843	29.9%	4,714	3,298	70.0%
Non-Operating Income (Expense)*	16,191	9,017	7,174	79.6%	8,458	7,733	91.4%
Net Income Before Depreciation	24,203	15,185	9,017	59.4%	13,171	11,031	83.8%

* Includes Federal Stimulus funds

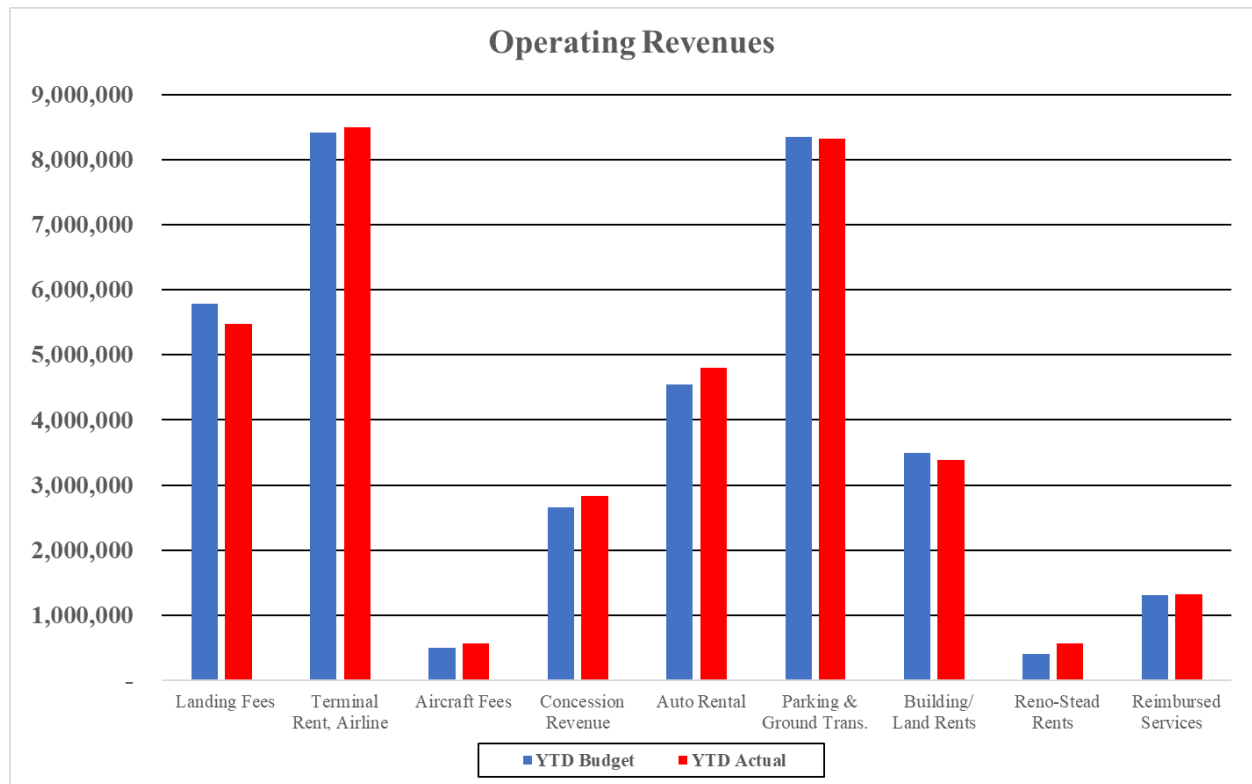
Based on actual results through November 30, 2023, net income before depreciation was approximately \$24.203 million, reflecting a substantial increase of \$11.031 million or 83.8% from the budget forecast. This noteworthy surge is primarily attributed to operating expenses being \$2.966 million or 10.8% below budget, coupled with non-operating income surpassing expectations by \$7.733 million or 91.4% above budget.

Non-operating revenues include \$6.436 million of federal stimulus funds (CARES, ARPA) through November 2023. RTAA received approximately \$4.217 million in federal stimulus funds specifically allocated for debt service expense reimbursement, covering interest, access fee, and principal. Additionally, \$82,000 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 \$548,600 or 2.6%, contributing to the overall positive net results.

OPERATING REVENUES

RTAA's total operating revenues of \$32.481 million are approximately \$332,000 or 1.0% above budget through November 2023 and \$4.827 million or 17.5% above actual results compared to prior FY. The notable increase in relation to the budget is primarily attributed to higher revenues of \$219,000 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 \$3.354 million (\$3.70 per enplaned passenger), was \$14,000 or 0.4% below the FY2023-24 budget. This was attributable to the slightly lower enplaned passenger traffic 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 five-month period ending November 30, 2023, the calculated signatory landing fee per 1,000 lbs. was \$3.83. This reduction is primarily due to lower operating expenses in the Airfield cost center. Total landing fee revenues were \$5.480 million, approximately \$311,900 or 5.4% 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, the landed weight reported through November 30, 2023, was 3.1% 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 five-month period ending November 30, 2023, the calculated average terminal rental rate was \$123.32. This decrease is primarily due to the 11.0% reduction in costs in the Terminal cost center and higher in-terminal non-airline revenues. Actual airline terminal rental revenues were \$8.423 million through November 2023, surpassing the budget by approximately \$81,200 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 related 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 five-month period ending November 30, 2023, non-airline operating revenues, adjusted by the ARPA allocation of approximately \$82,000, totaled \$21.850 million. This represents a significant increase of \$548,600 or 2.6% compared to budget. The ARPA fund distribution to concessionaires operating at RNO does not impact the total cash received by RTAA.

During the initial five 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. The auto rental concession revenues, although slowing down, continue to surpass the budgeted amount by \$219,000 or a 4.8% increase above budget.

Reno-Stead Airport (RTS) rents outperformed the YTD budgeted amount by \$159,500 due to the option payments received from Dermody Properties. Additionally, \$137,600 higher than budgeted revenues were received from FBOs and ground handlers at RNO, 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 forecast by \$77,400, or a decrease of 1.0%, but still exceeded the same period in the previous fiscal year by \$318,400 or 4.2%. The underperformance in parking revenues

is directly related to increased activity reported by the transportation network companies. Ground transportation revenues outperformed the budget by \$49,700. Parking revenue per enplaned passenger decreased by 0.33% from \$7.58 to \$7.53 when compared to the same period in the prior FY. Short-term parking rates have increased effective July 1, 2023.

Reno-Tahoe land rental revenues are \$258,700 below budget through November 2023. This shortfall is contributed to the delayed commencement of rent for the Toles commercial development.

NON-OPERATING REVENUES

Non-Operating revenues reached \$16.190 million, exceeding the budget by approximately \$7.733 million or 91.4% based on actual results for the period ending November 30, 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 \$4.217 million from federal stimulus funds for debt service expense through November 2023. Additionally, approximately \$82,000 ARPA funds were distributed to concessionaires. CFC collections, interest income, and PFCs collectively surpassed the budget forecast by approximately \$1.427 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.

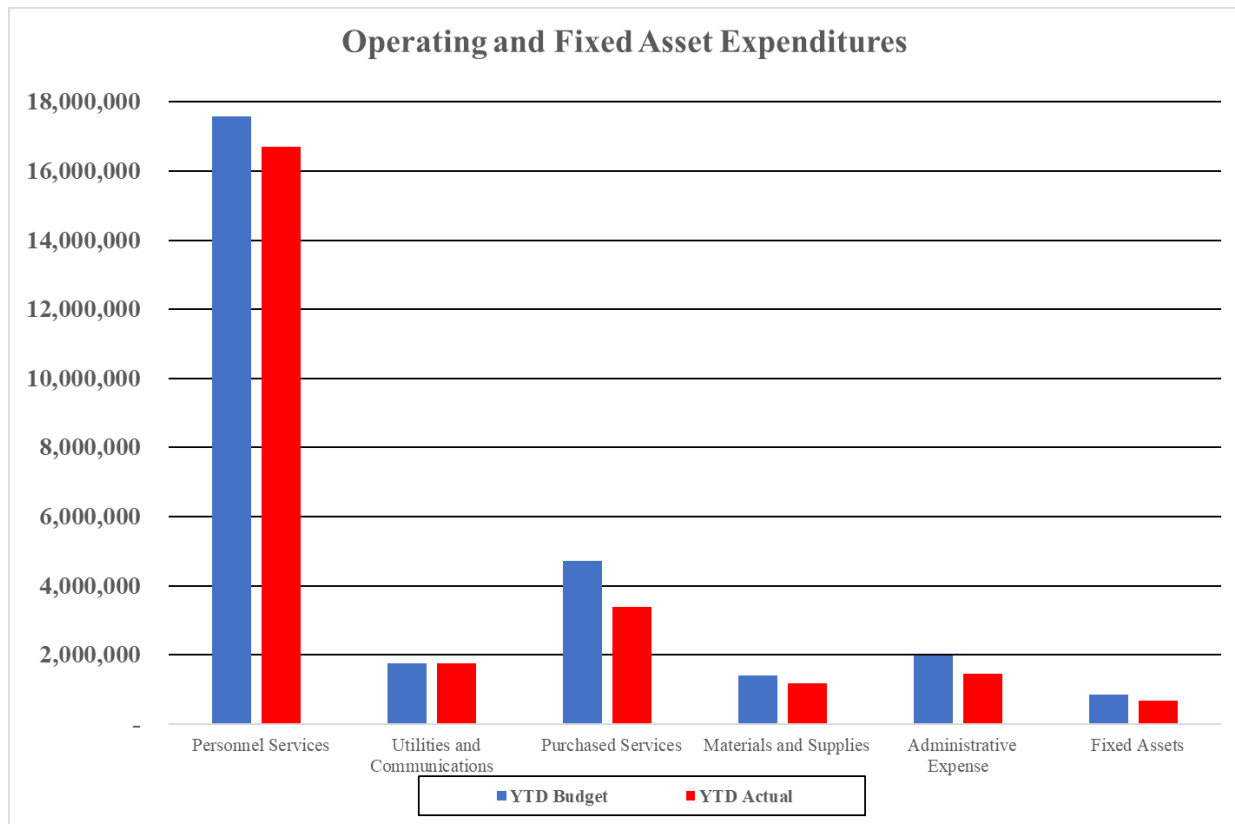
FY 2023-24 CFC revenues through November 2023, were \$1.298 million or 38.0% greater than same period in prior fiscal year and \$733,600 or 18.4% above budget primarily due to the higher per enplanement rental car transactions, increased passenger numbers, and the rate increase in September 2023.

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-collected and others under-collected due to timing. PFC revenues were \$345,800, exceeding the same period in the prior year by 9.4%, and surpassing the budget by \$97,700 or 2.5%. 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 November 30, 2023, operating expenses of \$24.469 million, were \$2.966 million or 10.8% below budget, and \$2.984 million or 13.9% above the same period in the prior fiscal year. 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 five months of FY 2023-24.

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



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 November 30, 2023						
					41.7% Of Fiscal Year		
	CURRENT YEAR	PRIOR YEAR	VARIANCE	%	Y-T-D BUDGET	VARIANCE	%
Enplaned Passengers	1,019,619	974,259	45,360	4.7%	1,037,295	(17,676)	-1.7%
Airline Cost Per Enplaned Passenger	\$ 9.35	\$ 4.94	\$ 4.41	89.2%	\$ 9.69	(0.34)	-3.5%
Non-Airline Revenues per EPAX (a)	\$ 20.09	\$ 14.88	\$ 5.22	35.1%	\$ 19.28	0.82	4.2%
Operating Ratio	75.3%	77.7%	-2.4%	-3.0%	85.3%	-10.0%	-11.7%
Days Cash On Hand	448	464	(16.4)	-3.5%	483	(35.0)	-7.3%
Federal Stimulus	\$ 6,435,911	\$ 1,412,598	\$ 5,023,313	355.6%	\$ 483,373	5,952,538	1231.5%

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

Enplaned Passengers

Enplaned passengers for the first five months of FY 2023-24 reached 1,019,619, a 4.7% increase compared to the corresponding period in the prior fiscal year and 1.7% less than the budget forecast. Despite reported underperformance in the landed weight by passenger airlines, the passenger traffic has maintained strong, primarily due to the higher-than-anticipated load factors observed through November 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 10.8% 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 \$9.35 as compared to the FY 2023-24 budget of \$9.69.

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 \$20.09, 4.2% higher than the budgeted amount of \$19.28. 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 five months of FY 2023-24, the operating ratio was 75.3% as compared to the higher ratio in the prior year of 77.7%, and the adopted budget of 85.3%. These results compared to the budget reflect the lower operating expenses and higher operating revenues through November 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 November 30, 2023, RTAA's DCOH was 448 days, approximately 35 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.

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 November 2023, a total of \$31.219 million has been drawn, leaving a balance of \$18.781 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. \$15.987 million was the outstanding debt balance as of November 2023 and is associated with the Ticketing Hall Expansion project.

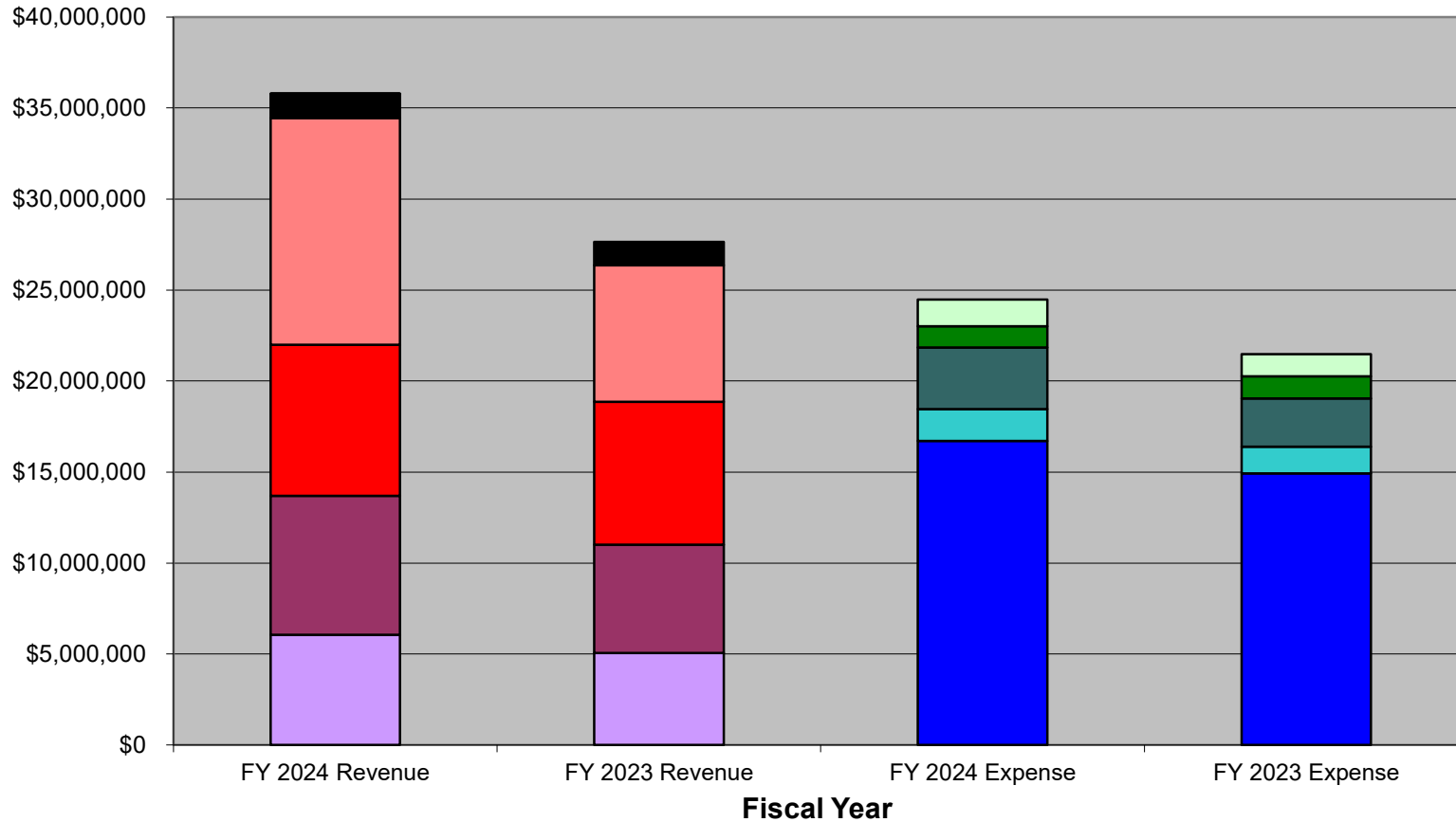
OPERATING STATEMENT
RENO-TAHOE AIRPORT AUTHORITY
For the Five Months Ending November 30, 2023

	<i>CURRENT MONTH</i>				<i>For the Five Months Ending November 30, 2023</i>						
	CURRENT YEAR	PRIOR YEAR	VARIANCE	%	CURRENT YEAR	PRIOR YEAR	VARIANCE	%	41.67% Y-T-D BUDGET	OF FISCAL YEAR VARIANCE	%
REVENUES											
Landing Fees	\$ 1,029,486	\$ 873,896	\$ 155,590	17.8%	\$ 5,479,767	\$ 4,536,740	\$ 943,027	20.8%	\$ 5,791,642	\$ (311,875)	-5.4%
Terminal Rent, Airline	1,683,821	746,028	937,793	125.7%	8,504,497	3,749,354	4,755,143	126.8%	8,423,250	81,247	1.0%
Airline Revenue Sharing	(560,332)	0	(560,332)	n.a.	(3,353,761)	0	(3,353,761)	n.a.	(3,367,803)	14,042	-0.4%
Aircraft Fees	110,087	98,552	11,535	11.7%	564,074	521,523	42,551	8.2%	504,303	59,772	11.9%
Concession Revenue	479,159	403,100	76,059	18.9%	2,833,702	1,216,341	1,617,361	133.0%	2,651,748	181,954	6.9%
Auto Rental	544,426	711,705	(167,279)	-23.5%	4,801,007	4,738,679	62,328	1.3%	4,543,352	257,655	5.7%
Parking & Ground Transportation	1,604,612	1,538,846	65,767	4.3%	8,326,363	7,849,779	476,584	6.1%	8,354,051	(27,688)	-0.3%
Reno-Tahoe Building/ Land Rents	658,274	638,487	19,787	3.1%	3,378,928	3,209,084	169,844	5.3%	3,490,483	(111,555)	-3.2%
Reno-Stead Rents	102,297	74,639	27,658	37.1%	568,785	537,355	31,431	5.8%	409,333	159,452	39.0%
Reimbursed Services	221,560	280,990	(59,430)	-21.2%	1,323,200	1,277,289	45,911	3.6%	1,306,954	16,246	1.2%
Miscellaneous	4,281	4,650	(369)	-8%	53,961	17,159	36,802	214.5%	41,167	12,794	31.1%
OPERATING REVENUE	\$ 5,877,671	\$ 5,370,892	\$ 506,779	9.4%	\$ 32,480,523	\$ 27,653,303	\$ 4,827,221	17.5%	\$ 32,148,479	\$ 332,044	1.0%
EXPENSES											
Personnel Services	\$ 3,442,961	\$ 3,183,285	\$ 259,676	8.2%	\$ 16,704,972	\$ 14,925,828	\$ 1,779,144	11.9%	\$ 17,577,493	\$ (872,522)	-5.0%
Utilities and Communications	350,486	294,073	56,413	19.2%	1,750,315	1,472,357	277,958	18.9%	1,748,001	2,314	0.1%
Purchased Services	951,769	411,609	540,160	131.2%	3,380,612	2,639,419	741,193	28.1%	4,724,402	(1,343,790)	-28.4%
Materials and Supplies	278,040	279,388	(1,347)	-0.5%	1,174,010	1,213,294	(39,284)	-3.2%	1,394,842	(220,832)	-15.8%
Administrative Expense	302,098	332,337	(30,238)	-9.1%	1,458,964	1,234,073	224,891	18.2%	1,990,215	(531,250)	-26.7%
OPERATING EXPENSES	\$ 5,325,355	\$ 4,500,691	\$ 824,664	18.3%	\$ 24,468,873	\$ 21,484,971	\$ 2,983,902	13.9%	\$ 27,434,953	\$ (2,966,080)	-10.8%
NET OPERATING INC. BEFORE DEPR.	\$ 552,316	\$ 870,201	\$ (317,884)	-36.5%	\$ 8,011,651	\$ 6,168,332	\$ 1,843,319	29.9%	\$ 4,713,527	\$ 3,298,124	70.0%
Depreciation and Amortization	1,977,484	2,063,056	(85,573)	-4.1%	9,897,000	10,337,915	(440,915)	-4.3%	11,666,200	(1,769,200)	-15.2%
OPERATING INCOME	\$ (1,425,167)	\$ (1,192,856)	\$ (232,312)	-19.5%	\$ (1,885,349)	\$ (4,169,583)	\$ 2,284,233	54.8%	\$ (6,952,673)	\$ 5,067,324	72.9%
NON-OPERTING INCOME (EXPENSE)											
Interest Income	\$ 243,595	\$ 138,046	\$ 105,550	76.5%	\$ 1,100,314	\$ 554,465	\$ 545,849	98.4%	\$ 504,625	595,689	118.0%
Passenger Facility Charge	731,253	723,405	7,848	1.1%	4,012,154	3,666,326	345,828	9.4%	3,914,417	97,738	2.5%
Customer Facility Charge	726,017	530,255	195,762	36.9%	4,710,634	3,412,854	1,297,780	38.0%	3,977,002	733,632	18.4%
Jet Fuel Tax Revenue	23,000	26,607	(3,607)	-13.6%	131,452	138,236	(6,784)	-4.9%	124,333	7,119	5.7%
Federal Grant Revenue	4,827,101	50,457	4,776,644	n.a.	6,447,880	1,412,598	5,035,282	356.5%	483,373	5,964,507	1233.9%
G/L on Sale of Capital Assets	0	2,157	(2,157)	-100.0%	836	2,157	(1,321)	-61.2%	0	836	n.a.
Other Non-Operating Revenue (Expense)	(0)	0	(0)	n.a.	0	(135,000)	135,000	-100.0%	(83,330)	83,330	-100.0%
Interest Expense	(57,594)	(8,704)	(48,890)	561.7%	(212,335)	(34,793)	(177,541)	510.3%	(462,698)	250,363	-54.1%
Total	\$ 6,493,373	\$ 1,462,222	\$ 5,031,151	344.1%	\$ 16,190,936	\$ 9,016,842	\$ 7,174,094	79.6%	\$ 8,457,722	\$ 7,733,214	91.4%
Net Income Before Capital Contributions	\$ 5,068,205	\$ 269,366	\$ 4,798,839	1781.5%	\$ 14,305,587	\$ 4,847,259	\$ 9,458,328	195.1%	\$ 1,505,048	\$ 12,800,538	850.5%

OPERATING STATEMENT
RENO-TAHOE AIRPORT AUTHORITY
For the Five Months Ending November 30, 2023

	CURRENT MONTH				YEAR TO DATE				ANNUAL BUDGET	
	ACTUAL	BUDGET	VARIANCE		ACTUAL	BUDGET	VARIANCE		TOTAL	ANNUAL BUDGET % TO DATE
			\$	%			\$	%		
REVENUES										
Landing Fees	\$ 1,029,486	\$ 1,105,497	\$ (76,010)	-6.9%	\$ 5,479,767	\$ 5,791,642	\$ (311,875)	-5.4%	\$ 14,007,453	39%
Terminal Rent, Airline	1,683,821	1,684,650	(829)	0.0%	\$ 8,504,497	8,423,250	81,247	1.0%	20,215,800	42%
Airline Revenue Sharing	(560,332)	(633,009)	72,677	-11.5%	\$ (3,353,761)	(3,367,803)	14,042	-0.4%	(8,180,400)	41%
Aircraft Fees	110,087	100,861	9,227	9.1%	\$ 564,074	504,303	59,772	11.9%	1,210,326	47%
Concession Revenue	479,159	505,535	(26,376)	-5.2%	\$ 2,833,702	2,651,748	181,954	6.9%	6,378,460	44%
Auto Rental	544,426	852,637	(308,211)	-36.1%	\$ 4,801,007	4,543,352	257,655	5.7%	10,936,255	44%
Parking & Ground Transportation	1,604,612	1,571,636	32,976	2.1%	\$ 8,326,363	8,354,051	(27,688)	-0.3%	20,106,733	41%
Reno-Tahoe Building/ Land Rents	658,274	698,097	(39,822)	-5.7%	\$ 3,378,928	3,490,483	(111,555)	-3.2%	8,377,158	40%
Reno-Stead Rents	102,297	81,867	20,430	25.0%	\$ 568,785	409,333	159,452	39.0%	982,400	58%
Reimbursed Services	221,560	250,698	(29,138)	-11.6%	\$ 1,323,200	1,306,954	16,246	1.2%	3,142,836	42%
Miscellaneous	4,281	8,233	(3,952)	-48.0%	\$ 53,961	41,167	12,794	31.1%	98,800	55%
OPERATING REVENUE	\$ 5,877,671	\$ 6,226,700	\$ (349,029)	-5.6%	\$ 32,480,523	\$ 32,148,479	\$ 332,044	1.0%	\$ 77,275,821	42%
EXPENSES										
Personnel Services	\$ 3,442,961	\$ 3,515,369	\$ (72,407)	-2.1%	\$ 16,704,972	\$ 17,577,493	\$ (872,522)	-5.0%	\$ 42,186,759	40%
Utilities and Communications	350,486	384,518	(34,032)	-8.9%	\$ 1,750,315	1,748,001	2,314	0.1%	4,543,050	39%
Purchased Services	951,769	821,254	130,515	15.9%	\$ 3,380,612	4,724,402	(1,343,790)	-28.4%	9,917,771	34%
Materials and Supplies	278,040	260,936	17,104	6.6%	\$ 1,174,010	1,394,842	(220,832)	-15.8%	3,220,834	36%
Administrative Expense	302,098	394,733	(92,634)	-23.5%	\$ 1,458,964	1,990,215	(531,250)	-26.7%	4,716,531	31%
OPERATING EXPENSES	\$ 5,325,355	\$ 5,376,809	\$ (51,454)	-1.0%	\$ 24,468,873	\$ 27,434,953	\$ (2,966,080)	-10.8%	\$ 64,584,945	38%
NET OPERATING INC. BEFORE DEPR.	\$ 552,316	\$ 849,891	\$ (297,575)	-35.0%	\$ 8,011,651	\$ 4,713,527	\$ 3,298,124	70.0%	\$ 12,690,876	63%
Depreciation and Amortization	1,977,484	2,333,333	(355,850)	-15.3%	9,897,000	11,666,200	(1,769,200)	-15.2%	28,000,000	35%
OPERATING INCOME	\$ (1,425,167)	\$ (1,483,442)	\$ 58,275	3.9%	\$ (1,885,349)	\$ (6,952,673)	\$ 5,067,324	72.9%	\$ (15,309,124)	12%
NON-OPERATING INCOME (EXPENSE)										
Interest Income	\$ 243,595	\$ 100,925	\$ 142,670	141.4%	\$ 1,100,314	\$ 504,625	\$ 595,689	118.0%	1,211,100	91%
Passenger Facility Charge	731,253	782,883	(51,630)	-6.6%	\$ 4,012,154	3,914,417	97,738	2.5%	9,394,600	43%
Customer Facility Charge	726,017	746,352	(20,335)	-2.7%	\$ 4,710,634	3,977,002	733,632	18.4%	9,573,000	49%
Jet Fuel Tax Revenue	23,000	24,867	(1,867)	-7.5%	\$ 131,452	124,333	7,119	5.7%	298,400	44%
Federal Stimulus	4,827,101	96,675	4,730,427	4893.1%	\$ 6,447,880	483,373	5,964,507	1233.9%	1,160,094	556%
G/L on Sale of Capital Assets	0	0	0	n.a.	\$ 836.00	0	836	n.a.	0	n.a.
Other Non-Operating Revenue (Expense)	(0)	(16,667)	16,666	-100.0%	0	(83,330)	83,330	-100.0%	(200,000)	0%
Interest Expense	(57,594)	(92,543)	34,949	-37.8%	\$ (212,335)	(462,698)	250,363	-54.1%	(1,110,519)	19%
Total	\$ 6,493,373	\$ 1,642,491	\$ 4,850,881	295.3%	\$ 16,190,936	\$ 8,457,722	\$ 7,733,214	91.4%	\$ 20,326,675	80%
Net Income Before Capital Contributions	\$ 5,068,205	\$ 159,049	\$ 4,909,156	3086.6%	\$ 14,305,587	\$ 1,505,048	\$ 12,800,538	850.5%	\$ 5,017,551	285%

Operating Revenue and Expense YTD through November 30, 2023



SUMMARY OF NON-AIRLINE REVENUES

Reno-Tahoe Airport Authority

	11/30/2023 YTD Actual	11/30/2022 YTD Actual	Over (Under) Prior Year	% Variance	11/30/2023 Year to Date Budget	Over (Under) Budget	% Variance	2023-24 Annual Budget	% of Annual Budget
Aircraft Fees - Reno	\$ 554,115	\$ 511,409	\$ 42,706	8.4%	479,844	\$ 74,271	15.5%	1,151,625	48.1%
Aircraft Fees - Stead	9,959	10,114	(155)	-1.5%	24,458	(14,499)	-59.3%	58,700	17.0%
Gaming Concession	631,432	242,786	388,646	1.60077583	580,885	50,547	8.7%	1,398,243	45.2%
Food & Beverage	857,290	246,840	610,450	247.3%	922,894	(65,604)	-7.1%	2,221,488	38.6%
Retail/Merchandise	577,981	65,548	512,434	781.8%	508,290	69,691	13.7%	1,223,500	47.2%
Advertising	319,190	321,520	(2,330)	-0.7%	346,652	(27,462)	-7.9%	831,964	38.4%
Other Concessions	73,229	31,984	41,245	129.0%	60,235	12,994	21.6%	144,565	50.7%
FBO and Ground Handlers	355,923	286,900	69,023	24.1%	218,333	137,590	63.0%	524,000	67.9%
Stead Concessions	18,657	20,764	(2,107)	-10.1%	14,458	4,198	29.0%	34,700	53.8%
Auto Rental	4,762,376	4,738,679	23,697	0.5%	4,543,352	219,024	4.8%	10,936,255	43.5%
Ground Transportation	456,342	298,154	158,188	53.1%	406,602	49,740	12.2%	977,700	46.7%
Auto Parking	7,870,021	7,551,625	318,396	4.2%	7,947,449	(77,428)	-1.0%	19,129,032	41.1%
Other Terminal Rents	455,151	338,645	116,506	34.4%	437,042	18,110	4.1%	1,048,900	43.4%
Reno-Tahoe Building Rents	1,432,852	1,391,720	41,132	3.0%	1,303,821	129,031	9.9%	3,129,171	45.8%
Reno-Tahoe Land Rents	1,490,925	1,478,718	12,206	0.8%	1,749,620	(258,695)	-14.8%	4,199,087	35.5%
Reno-Stead Rents	568,785	537,355	31,431	5.8%	409,333	159,452	39.0%	982,400	57.9%
Reimbursed Services	1,323,200	1,277,289	45,911	3.6%	1,306,954	16,246	1.2%	3,142,836	42.1%
Miscellaneous	53,961	17,159	36,802	214.5%	41,167	12,794	31.1%	98,800	54.6%
Total Non-Airline Operating Revenue	21,811,390	19,367,209	2,444,182	12.6%	21,301,390	510,000	2.4%	51,232,966	42.6%
Non Operating Revenue (a)	1,244,571	694,857	549,714	79.1%	524,417	720,155	137.3%	1,258,600	98.9%
TOTAL NON-AIRLINE REVENUE	\$ 23,055,961	\$ 20,062,066	\$ 2,993,895	14.9%	\$ 21,825,807	\$ 1,230,155	5.6%	\$ 52,491,566	43.9%
Year to Date Enplaned Passengers	1,019,619	974,259			1,037,295			2,496,862	
Non-Airline Revenue Per EPAX (b)	\$ 20.09	\$ 18.57			\$ 19.28			\$ 19.26	
Non-Airline Revenue Per EPAX (c)	\$ 11.32	\$ 9.96			\$ 10.70			\$ 10.68	

(a) Excludes PFC and CFC revenues

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

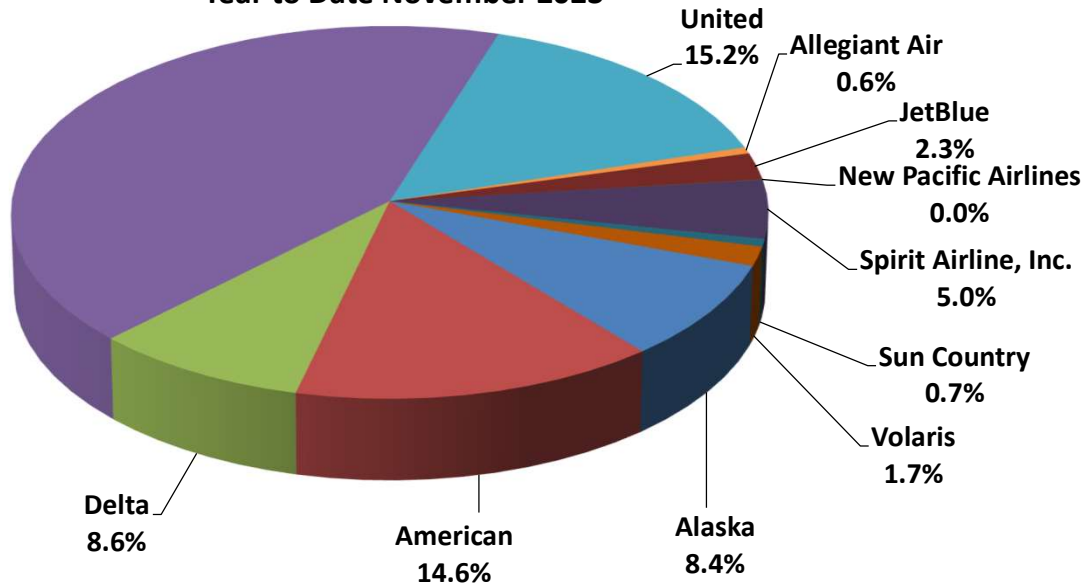
(c) Non-Airline Revenue (Concessions, Rental Car, Other Rents) Per Enplaned Passenger (Strategic Plan Measure)

SUMMARY OF ENPLANED PASSENGERS BY AIRLINE

Reno-Tahoe International Airport

Enplaned passengers by Airline	Month			Year-to-date		
	Nov-23	Nov-22	Percent change	YTD 2023-24	YTD 2022-23	Percent change
Major/national carriers (Signatory)						
Aha!	0	0	n.a.	0	5,407	-100.0%
Alaska	12,665	11,683	8.4%	85,428	73,959	15.5%
American	25,020	25,754	-2.9%	149,078	148,598	0.3%
Delta	14,143	15,357	-7.9%	88,050	82,071	7.3%
Southwest	75,268	76,087	-1.1%	429,281	423,767	1.3%
United	24,345	23,616	3.1%	154,585	148,661	4.0%
Total	151,441	152,497	-0.7%	906,422	882,463	2.7%
Non-Signatory and Charter						
Allegiant Air	1,043	1,042	0.1%	5,625	7,702	-27.0%
Frontier	0	2,289	-100.0%	0	9,647	-100.0%
JetBlue	2,320	3,164	-26.7%	23,462	23,231	1.0%
New Pacific Airlines, Inc.	217	0	n.a.	217	0	n.a.
Spirit Airlines	10,143	7,264	39.6%	51,431	30,165	70.5%
Sun Country Airlines	1,073	0	n.a.	6,659	0	n.a.
Volaris	3,005	2,758	9.0%	16,916	12,467	35.7%
Other Charters	2,119	2,612	-18.9%	8,887	8,584	3.5%
Total	19,920	19,129	4.1%	113,197	91,796	23.3%
Total enplaned passengers	171,361	171,626	-0.2%	1,019,619	974,259	4.7%

**Enplaned Passenger Market Share
Year to Date November 2023**



RTAA Liquidity Position

