

**Reno-Tahoe  
Airport Authority**

*For the year ended  
**June 30, 2025***

# ***Annual Comprehensive Financial Statements***

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

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2025**

**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, 2025**

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# **INTRODUCTORY SECTION**



November 26, 2025

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, 2024, through June 30, 2025. 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, 2025, 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 38 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 67<sup>th</sup> busiest commercial passenger airport in the nation. RNO also has substantial cargo activity and a vibrant general aviation community.

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

As defined by the FAA, RNO is a small hub commercial airport which served over 4.8 million passengers in calendar year 2024. RNO is located four miles southeast of Reno's central business district. RTS is a general aviation airport located 11 miles northwest of the central business district. Carson City, the capital of Nevada, is 30 miles south of Reno. The closest competing commercial airport is 115 miles away in Sacramento, California. Commercial air service for the public is provided by Alaska Airlines, American Airlines, Delta Air Lines, Frontier Airlines, JetBlue, JSX, Southwest Airlines, Spirit Airlines, Sun Country, United Airlines, and Volaris. Commercial cargo carriers include Federal Express (FedEx), United Parcel Service (UPS), and DHL. In calendar year 2024, more than 102 million pounds of air cargo was transported through RNO. Air cargo operations occupy about 25 acres north of the RNO passenger terminal with two buildings used for air cargo activities that consist of approximately 67,300 square feet. The ramp facilities can handle 14 aircraft simultaneously.

## **ECONOMIC CONDITION AND OUTLOOK**

The performance of the U.S. economy remains strong, though growth has moderated. Consumer spending continues to show resilience, supporting overall economic momentum. U.S. GDP grew 3.8% in the second quarter of 2025, reflecting steady but slower expansion. Inflation stood at 2.7% in June 2025, with expectations for a continued downward trend through the remainder of the year. The labor market remains stable, with the national unemployment rate at 4.1% as of June 2025.

Within the Reno Metropolitan Statistical Area (MSA), the unemployment rate was 4.6% in June 2025—still below Washoe County's long-term historical average. The region recorded a net increase of 8,900 jobs compared to a year earlier, representing a 3.2% year-over-year gain. Reno's economy continues to diversify and strengthen, increasingly recognized as an emerging technology hub. This evolution is supported by favorable business conditions, significant investments from major tech firms such as Tesla, Apple, Panasonic, and Microsoft, and a steady pipeline of STEM talent from the University of Nevada, Reno. Additionally, the region's growing emphasis on lithium battery production and electric vehicle (EV) materials is accelerating industrial growth and positioning Reno for sustained long-term success.

### **Reno MSA Industry Trends (June 2025)** *Compiled by Ekay Consulting*

- In June 2025, the Business Activity Index declined by 2.4% compared with the same month in the previous year. Taxable sales posted a modest decrease of 0.3%, while gaming revenue rose 4.96%, serving as a key positive contributor for the month. The most significant drag on the index stemmed from air cargo activity, which fell 30% year over year at Reno-Tahoe International Airport, reflecting softer trade conditions.

- A housing affordability ratio of 100 indicates that the median family income in the MSA is sufficient to purchase a median-priced home. In the second quarter of 2025, the index stood at 65.54, meaning that the median family income was 34.46% below the level required to afford a median-priced home. This represents a 2.38% improvement in affordability compared to the same period in 2024, driven by stabilizing home prices relative to income growth.

## **AIR SERVICE MARKET UPDATE**

### **Passenger Airlines**

U.S. scheduled passenger airlines reported a 2024 after-tax net profit of \$6.7 billion and a pre-tax operating profit of \$13.5 billion. Following strong post-pandemic gains in 2023, the U.S. airline industry experienced a moderation in profitability in 2024. While travel demand remained robust and operating revenues increased, rising labor costs and other operating expenses outpaced revenue growth, resulting in a year-over-year decline in net profit.

The industry's total after-tax net profit of \$6.7 billion marked a decrease from \$7.8 billion in 2023, though pre-tax operating profit edged slightly higher from \$13.2 billion to \$13.5 billion.

Total operating revenue reached \$247.2 billion, with passenger fares continuing to represent the largest share at 75.0%. Baggage fees and reservation change fees accounted for 2.9% and 0.4% of total revenue, respectively.

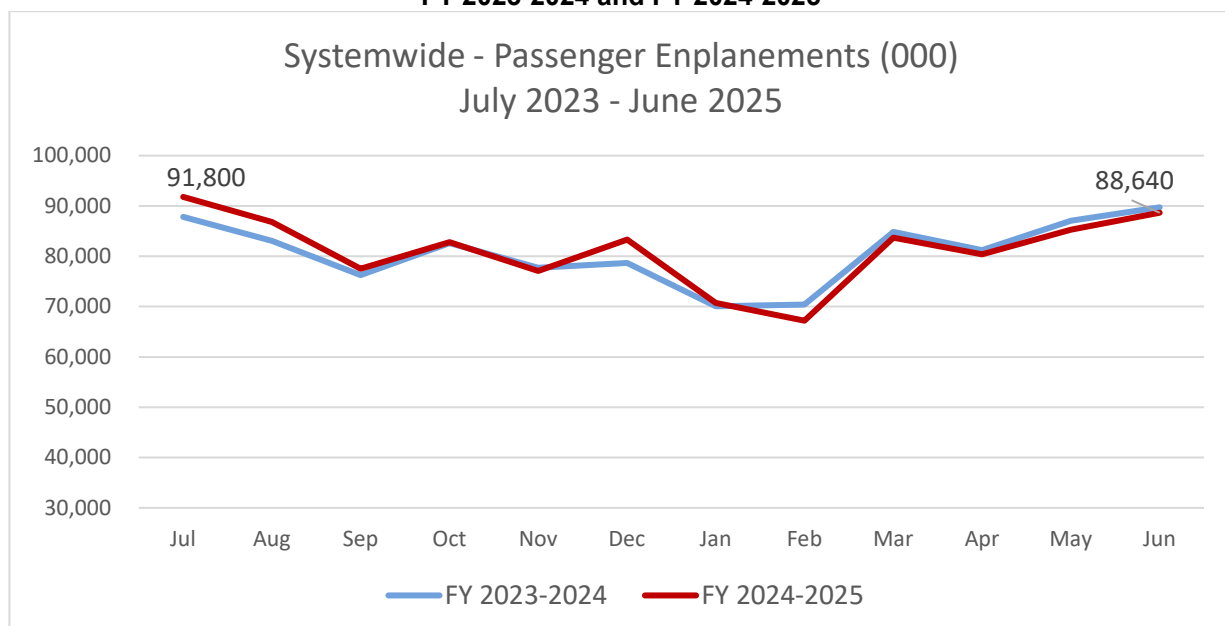
Operating expenses totaled \$233.7 billion, up from \$223.1 billion the previous year. Labor remained the largest cost component at 36.4% of total expenses.

Despite the decline in overall profit margins—2.7% after-tax and 5.5% operating—the industry's performance reflects continued demand resilience and steady revenue generation amid higher cost pressures.

### **Passenger Activity**

U.S. airlines served 975 million enplanements in FY 2024-2025, an increase of 0.6% when compared to FY 2023-2024.

#### **Monthly Passengers (000) on U.S. Scheduled Airlines (Domestic and International) - Unadjusted FY 2023-2024 and FY 2024-2025**

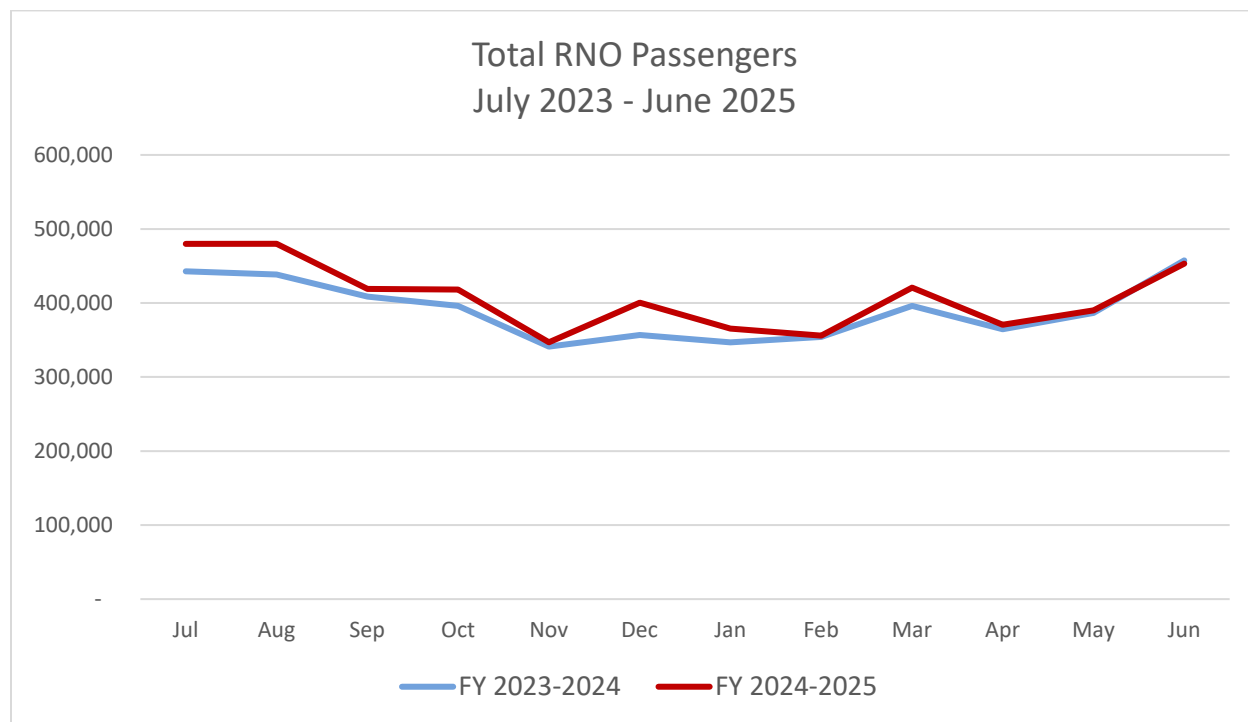


Source: Bureau of Transportation Statistics, DOT T-100 Market Data



### RNO Passengers

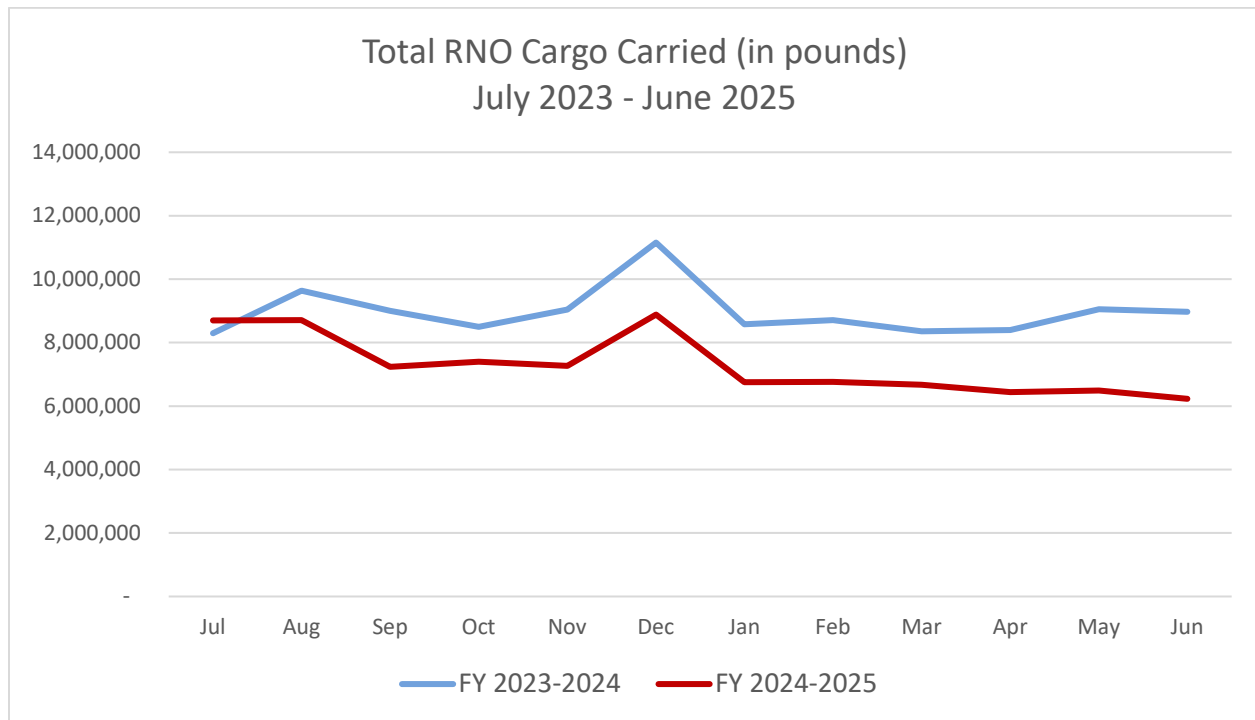
RNO served 4,900,401 passengers during FY 2024-2025, an increase of 4.5% when compared to last year. Total seat capacity, however, increased by 6.8% in FY 2024-2025 when compared to the same period last year. The average load factor was 76.3% in FY 2024-2025.



### Cargo Airlines

The Reno Metropolitan Statistical Area (MSA) has evolved into a major West Coast logistics and manufacturing hub, driven by its strategic location, multimodal connectivity, and pro-business environment. Companies such as Tesla, Switch, Redwood Materials, Uline, Symbia Logistics and ITS Logistics have established major operations or distribution facilities in the immediate vicinity of RNO. Continued expansion across industrial development zones—particularly the Tahoe-Reno Industrial Center (TRIC) and surrounding corridors—has reinforced Reno’s position as a key inland gateway for regional and national freight movement.

Total cargo weight for FY 2024-2025 was 89,433,397 pounds of cargo, an 18.8% decrease from FY 2023-2024. The year-over-year decline reflects a broader normalization in air freight volumes following pandemic-era highs, as well as modal shifts toward ground and regional trucking amid improved supply chain stability and increased use of warehouse capacity closer to major consumer markets. While overall cargo weight has declined, the region’s industrial growth and strategic location continue to support RNO’s long-term role as a vital logistics and distribution hub for Northern Nevada and the greater Sierra region.



## **MAJOR INITIATIVES**

### **Strategic Initiatives**

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

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

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

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

1. Safety and Security - Create a safe and secure environment for everyone who utilizes the Reno-Tahoe International Airport and Reno-Stead Airport.
2. People - Bolster our employees who are the current and future strength of our organization.

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

#### Airport-Airline Use and Lease Agreement

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

Effective July 1, 2023, RTAA entered into a new ten-year AAULA. The agreement remains hybrid in nature, with net Airfield cost center operating, maintenance and capital improvement costs being 100% recouped via landing fees from the airlines, and the airlines only pay for the space they use in the terminal building. The AAULA was negotiated with the MoreRNO capital improvement plan at its core, especially the concourse redevelopment project commonly referred to as New Gen A&B preapproved for a total cost of \$650 million, as amended. The project will construct two new concourses to replace existing concourses, adding much needed space for passengers and concessionaires to accommodate the growing passenger airline traffic at RNO.

#### Air Service Development

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

- (a) Support of existing air service through awareness efforts, such as:
  - Airport website
  - Newsletter
  - Social Media Campaigns
  - Airline celebrations (inaugurals, anniversaries, etc.)
  - In-terminal assets (Lamar print and digital signage opportunities)
  - Community events (i.e., Chamber Alliance, etc.)
  - Community and partner presentations (i.e., RASC partner opportunities, RSCVA convention and sales webinars, etc.)
- (b) Collaborate with the RSCVA, EDAWN, RASC and other stakeholders to retain, expand and attract air service to RNO. With the FAA policy restricting the use of RTAA funds in support of new air service, the RASC and its partners have historically been able to provide the following:
  - Leveraging partner databases for both local and out-of-market promotions
  - Utilizing partner digital marketing channels to increase visibility
  - Promotion through partner traditional marketing efforts
  - Air carrier marketing cooperative programs
  - Promotion through public relations programs
  - Air carrier risk mitigation efforts

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

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

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

#### Land and Infrastructure Development

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

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

The strategic direction of the MoreRNO program envisions the following:

**Relieve congestion and provide additional capacity in RNO landside facilities.** RNO's growth has resulted in congestion along the terminal curbside pick-up and drop-off areas and capacity constraints in the public parking facilities and rental car facilities. The following landside projects made progress or were completed in 2025.

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



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

- The **RNO Concourse Redevelopment Project (New Gen A & B)** is the centerpiece project of the MoreRNO Program and includes the demolition of existing structures and pavements, the full replacement of the two existing terminal concourses, improved airfield pavement and taxi-lane capacity, and related infrastructure and utility relocation.
- The **Central Utility Plant (CUP)** replaces the original plant constructed in 1958. The new hybrid CUP will include electric and geothermal power generation in support of the new concourses, reducing energy use intensity (EUI) by an estimated 70%. EUI measures how much energy a building uses in relation to its overall size.
- The **South Remain Over-Night (RON) Project** is in the construction phase, which is an enabling project for New Gen A & B. Initial site construction work began in 2025, and is anticipated to be completed in 2026. The project will be funded largely by RTAA Airport Revenue Bonds and the balance from awarded Federal grant programs.

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

- The **Ticketing Hall Expansion Project**, completed in early 2025, added 9,550 SF to the facility, expanded passenger queuing and circulation, added restrooms, incorporated intuitive wayfinding, modernized terminal sign standards, and brought to life a public art display in accordance with the RTAA's first Public Art Policy. The Ticketing Hall Expansion project created a more welcoming and enjoyable entrance to RNO, with more natural light and higher ceilings, for departing passengers.
- The **Administrative Headquarters and Police Station Project (The HQ)** will relocate the existing Administrative Offices and Police Station from the terminal building to a new facility within walking distance. Relocation will allow valuable terminal space to be utilized by airlines and tenants instead of RTAA functions that can effectively operate further away from the terminal facilities. Additionally, the new site will provide better access for Police, giving them direct airside and landside access and shifting their operations away from aircraft operations. The HQ Project has completed design, and construction will begin in late 2025.

**Preserve and modify the RNO Airfield.** In addition to ensuring the future viability of RNO through capacity projects, the RTAA invests significantly in preserving existing critical infrastructure through effective maintenance, rehabilitation, and reconstruction programs. Identified airfield infrastructure improvements include renaming the airfield signage and taxiways, relocating the air cargo apron, constructing deicing aprons, and addressing non-standard taxiway geometry and intersections. In addition to a new general aviation run-up apron constructed in 2023, the following airside projects made progress or were completed in 2025.

- The **Taxiway Renaming & Signage Project** addresses non-standard taxiway designators and signage. The Taxiway Renaming Project completed design work in 2024, and construction is anticipated to occur in 2026.
- The **General Aviation East Taxilane and Apron Reconstruction Project** reconstructs failing general aviation common-use parking areas and taxilanes between RTAA-owned hangars on the east side of the airport. Design began in late 2024, and construction is anticipated to occur in 2025. Hangar facilities on the east side of the airport are fully leased out, preserving the aircraft pavement allows for the continued use of these facilities.

- The **RTS and RNO 2025 Annual Pavement Maintenance Projects** applied slurry seals and emulsified seal coats to thousands of square yards of apron, taxiway, and shoulder pavements. These projects help the airport ensure these facilities will remain operational.
- The **VALE PCAir and Ground Power Unit Replacement Project** replaced 23 Pre-conditioned Air (PCA) units and 23 ground power units (GPU) for each passenger boarding bridge at the RNO airport. The new units are replacing units that are at the end of their useful life. The new units are significantly more energy efficient which will help the airport improve its carbon footprint and lower its utility costs. The project was funded by FAA Voluntary Airport Low Emissions Program.
- The **New Air Cargo Development Project** will provide a new location on the southwest quadrant of RNO for current air cargo operations and future capacity. A private developer is preparing a plan to finance and construct the related facilities, including the potential for a new deicing facility. Pending successful negotiations with the developer, the project could begin design and environmental review as early as 2026.

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

- The **Airway Commerce Park Project** by Tolles Development Company converted approximately 50 acres of vacant land south of McCarran Boulevard to Class-A mixed use industrial and commercial development. Tolles Development Company completed the final building in 2024.
- The **Reno-Stead AirLogistics Project**, in partnership with Dermody Properties, will convert vacant, non-revenue generating land to industrial and commercial revenue-generating land at RTS. The Phase 1 development includes approximately 56 acres southwest of the RTS airfield. Dermody Properties began construction on Phase 1 in late 2023 and anticipates completion in 2025. Negotiations on the Phase 2 development, which includes approximately 100 acres west of the Nevada Army Guard Base, were completed in 2024, and planning and preliminary design is underway.

## FINANCIAL INFORMATION

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

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

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

Statutory Date	Calendar Date	Action
April 15 <sup>th</sup>	April 15, 2025	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 12, 2025	Notice of Budget Public Hearing published
Not sooner than the third Monday in May and not later than the last day in May	May 22, 2025	Hold Public Hearing
On or Before June 1st	May 22, 2025	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, 2024. This was the 38<sup>th</sup> consecutive year that RTAA has achieved this prestigious award. To be awarded a Certificate of Achievement, the ACFR must be easily readable, efficiently organized, and conform to the program standards. This report must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. RTAA believes this current report continues to meet the Certificate of Achievement Program's requirements and will submit this report to the GFOA to determine its eligibility for another certificate.

## INDEPENDENT AUDIT

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

Respectfully submitted,



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

**RENO-TAHOE AIRPORT AUTHORITY  
JUNE 30, 2025**



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

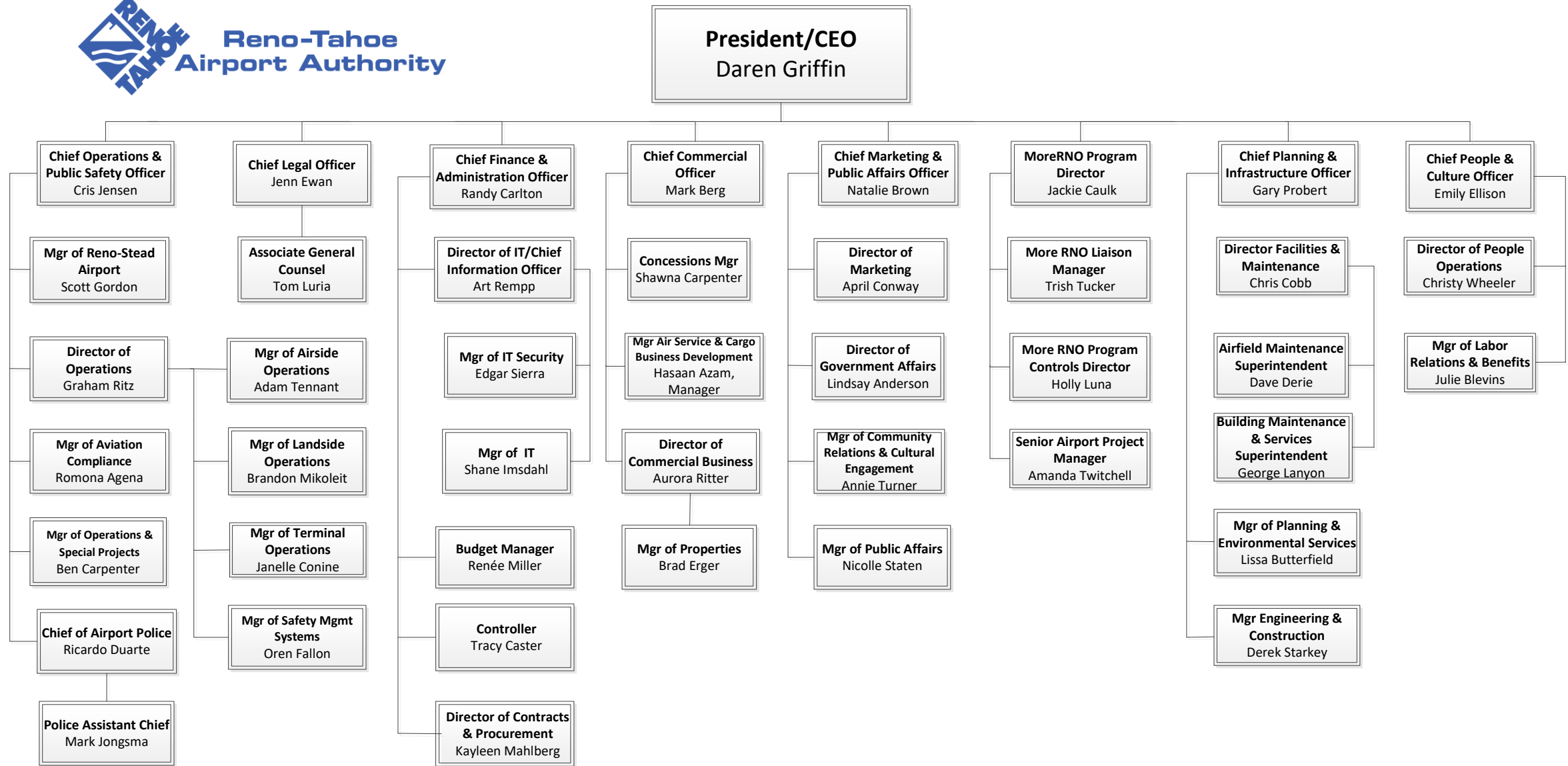
<b>Board of Trustees</b>	<b>Position</b>	<b>Term Expires</b>	<b>Represents</b>
Carol Chaplin	Chair	Jun-25	Reno-Sparks Convention & Visitors Authority
Richard Jay	Vice-Chair	Jun-25	City of Reno
Jennifer Cunningham	Treasurer	Jun-25	City of Reno
Adam Kramer	Secretary	Jun-25	Washoe County
Shaun Carey	Trustee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

*\*Trustee positions as of June 30, 2025. More information on the Board of Trustees can be viewed on the RTAA website at [www.renoairport.com](http://www.renoairport.com) or by clicking [RTAA Board of Trustees](#).*

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

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







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Presented to

**Reno-Tahoe Airport Authority  
Nevada**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

*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, 2025, 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, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

#### ***Emphasis of Matter***

As discussed in Note 3 to the financial statements, during the year ended June 30, 2025, the Authority adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

#### ***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.

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## ***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, and the Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios, the Schedule of the Authority's Proportionate Share of the Net Pension Liability, and the Schedule of the Authority's Pension Plan Contributions, 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.

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### ***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, and Comparison of Budget to Actual, 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, and Comparison of Budget to Actual are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information 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, and Comparison of Budget to Actual are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory Section and Statistical Section 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 26, 2025 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.

A handwritten signature in black ink that reads "Crowe LLP". The signature is written in a cursive, flowing style.

Crowe LLP

Indianapolis, Indiana  
November 26, 2025

# **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**RENO-TAHOE AIRPORT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2025**

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, 2025. 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 \$541.171 million at June 30, 2025.
- The number of enplaned passengers at the Reno-Tahoe International Airport (RNO) increased 5% to 2.451 million.
- RTAA's operating revenues increased \$6.551 million (9%) and operating expenses increased \$276 thousand (.5%) from the prior fiscal year, resulting in an increase of operating income before depreciation and amortization of \$6.275 million.
- The Authority issued Airport Revenue Bonds of \$238.260 million to fund capital projects. See Note 7 to the financial statements for additional information.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

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

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

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

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

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

**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.



## MANAGEMENT'S DISCUSSION AND ANALYSIS

### 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 \$541.171 million at June 30, 2025.

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

	2025	2024	\$ Change	% Change
<b>Assets</b>				
Current assets	\$ 122,774,071	\$ 102,495,019	\$ 20,279,052	20%
Current assets-restricted	251,534,830	40,115,020	211,419,810	527%
Capital assets, net of depreciation and amortization	476,010,170	443,650,877	32,359,293	7%
Lease receivable, long term	127,671,069	135,386,359	(7,715,290)	-6%
Other assets	32,553,609	32,553,609	-	0%
Total assets	1,010,543,749	754,200,884	256,342,865	34%
Deferred outflows of resources	23,345,183	21,678,124	1,667,059	8%
<b>Liabilities</b>				
Current liabilities	29,073,334	21,678,124	7,395,210	34%
Payable from restricted assets	6,073,753	4,975,500	1,098,253	22%
Non-current liabilities	319,391,761	86,966,307	232,425,454	267%
Total liabilities	354,538,848	113,619,931	240,918,917	212%
Deferred Inflow of Resources	138,178,864	146,619,623	(8,440,759)	-6%
<b>Net Position</b>				
Net investment in capital assets	411,110,184	405,888,411	5,221,773	1%
Restricted net position	49,840,436	35,614,141	14,226,295	40%
Unrestricted net position	80,220,600	74,318,707	5,901,893	8%
Total net position	\$ 541,171,220	\$ 515,821,259	\$ 25,349,961	5%

Total assets of \$1.011 billion reflect an increase of \$256.343 million or 34% as compared to 2024. A significant portion of the increase relates to cash and investments of funds received through the bond issuance.

Unrestricted current assets increased by \$20.279 million or 20%. This is mainly due to an increase in investments held by the Authority.

Restricted current assets increased by \$211.420 million or 527%, due to the investments of funds received through the bond issuance.

Capital assets increased by \$32.359 million or 7% as compared to the prior year. The increase is primarily due to the \$92.571 million increase in buildings and improvements placed into service, offset by a change in accumulated depreciation of \$24.041 million.

Other assets are comprised of regional road impact credits with the Regional Transportation Commission (RTC) of Washoe County valued at \$1.384 million and a prepaid asset of \$31.170 million related to costs for the design of the ground transportation center (GTC) (See Note 16 – Public Private Partnership in the notes to financial statements). 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.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Total liabilities of \$354.539 million increased \$232.534 million or 267% for the fiscal year ended June 30, 2025. The increase is primarily due to the issuance of the Airport Revenue Bonds.

The largest portion (76%) 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, 2025, RTAA had \$411.110 million of net investment in capital assets, an increase of \$5.222 million or 1% 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 (9%) of RTAA's net position represents restricted resources of \$49.840 million, a \$14.226 million or 40% increase from FY 2024. The restricted net position is not available for spending due to the following commitments:

	<u>2025</u>	<u>2024</u>
Revenue bond operations and maintenance	\$ 11,970,343	\$ 10,918,606
Renewal and replacement	866,487	817,857
Passenger facility charge projects	17,141,374	23,844,563
Debt service	16,955,887	-
Capital improvements	2,797,909	-
Other reserve purposes	108,436	33,115
	<u>\$ 49,840,436</u>	<u>\$ 35,614,141</u>

As of June 30, 2025, the remaining unrestricted net position of \$80.221 million, or 15% of total net position represents liquidity available to meet any of RTAA's on-going obligations.

The following presents RTAA's deferred outflows and inflows as of June 30, 2025, and 2024:

	<u>2025</u>	<u>2024</u>	<u>\$ Change</u>	<u>% Change</u>
Deferred outflows of resources	\$ 23,345,183	\$ 21,678,124	\$ 1,667,059	8%
Deferred inflows of resources	138,178,864	146,619,623	(8,440,759)	-6%

A *deferred outflow* of resources is the recognition of "consumed" net assets that is applicable to a future reporting period. This recognition includes: (1) pension contributions of \$4.474 million to the Public Employees Retirement System (PERS) of the State of Nevada after the measurement date of June 30, 2024; (2) the pension value changes in actuarial assumptions of \$3.588 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 \$11.797 million; (4) pension difference between actual and proportionate share of contributions of \$3.380 million, and (5) contributions related to Other Postemployment Benefits (OPEB) liability of \$106 thousand.

Conversely a *deferred inflow* of resources is the recognition of "acquired" resources of net assets applicable to a future reporting period. This recognition includes: (1) the differences in actual and projected earnings on plan investments of \$5.478 million; (2) the difference between the actual and proportionate share of contribution of \$974 thousand; and (3) the value of lease receivables of \$131.727 million.

The deferred outflows and inflows related to RTAA's pension plan and OPEB are further explained in Note 10 - Pension Plan and Note 14 - Other Postemployment Benefits (OPEB) in the notes to the financial statements. Deferred inflows related to leases are discussed in detail in Note 9 – Leases.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Statement of Changes in Net Position

During the current fiscal year, the Authority's net position increased by approximately \$27.401 million.

The following summarizes the changes in RTAA's net position for June 30, 2025, and 2024:

	2025	2024	\$ Change	% Change
Operating revenues	\$ 79,616,607	\$ 73,065,625	\$ 6,550,982	9%
Operating expenses	66,020,884	65,745,118	275,766	0%
Operating income before depreciation and amortization	13,595,723	7,320,507	6,275,216	86%
Depreciation and amortization expense	24,464,365	24,043,881	420,484	2%
Operating income/(loss)	(10,868,642)	(16,723,374)	5,854,732	35%
Non-operating revenues/(expenses)	28,313,552	36,297,640	(7,984,088)	-22%
Income/(loss) before capital contribution	17,444,910	19,574,266	(2,129,356)	11%
Capital contributions	9,955,718	16,184,064	(6,228,346)	-38%
Change in net position	27,400,628	35,758,330	(8,357,702)	-23%
Net position, beginning of year (as previously stated)	515,821,259	480,062,929	35,758,330	7%
Restatement - GASB 101	(2,050,667)	-		
Net position, beginning of year (as restated)	513,770,592	480,062,929	33,707,663	7%
Net position, end of year	\$ 541,171,220	\$ 515,821,259	\$ 25,349,961	5%

### Significant Changes in Net Position for Fiscal Year 2025 versus 2024

Total operating revenues increased by \$6.551 million or 9% and total operating expenses increased by \$276 thousand or 0.4%. A review of these two categories is detailed below.

Non-operating income of \$28.313 million decreased by \$7.984 million or 22% over prior year. This is primarily due to the increase of interest expense, debt issuance costs, and discontinuation of CFC revenue, offset by an increase in interest income.

Capital contributions of \$9.956 million, primarily comprised of grants from the Federal Aviation Administration (FAA), decreased by \$6.228 million or 38% over prior year. The grant contributions include reimbursements for runways, taxiways, and apron rehabilitation, VALE equipment, and a central utility plant.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Operating Revenues

Revenues are defined as “operating” for those revenue categories used to finance RTAA’s operation and maintenance of RNO and Reno-Stead Airport (RTS). Included are landing fees, concession revenues, parking, and other charges. The table below represents operating revenues by source for the fiscal years ended June 30, 2025, and 2024:

Operating revenues	2025	2024	\$ Change	% Change
Landing fees	\$ 11,045,980	\$ 10,792,911	\$ 253,069	2%
Concession revenue	17,401,586	17,106,254	295,332	2%
Parking and ground transportation	21,734,060	19,474,450	2,259,610	12%
Rentals	26,364,384	22,362,432	4,001,952	18%
Reimbursements for services	2,976,275	3,210,986	(234,711)	-7%
Other revenue	94,322	118,592	(24,270)	-20%
Total operating revenue	\$ 79,616,607	\$ 73,065,625	\$ 6,550,982	9%

### Significant Changes in Operating Revenues for Fiscal Year 2025 versus 2024

A key metric associated with RTAA’s operating revenues is the number of enplaned passengers at RNO. Enplanements at RNO have continued to increase following the COVID-19 pandemic. In FY 2024 RNO recorded 2.345 million enplanements. In FY 2025 enplanements of 2.451 million were recorded which is an increase of 4% over the prior year.

In FY 2025 RTAA recorded an increase in landed weight as well as an increase in landing and aircraft fees. Landing fee revenues of \$11.046 million increased \$253 thousand or 2% from the prior year. Landing fees represent approximately 14% of RTAA’s total operating revenues.

Concession revenues of \$17.401 million were generated from auto rental, gaming, food and beverage, merchandising, advertising, and other concessions. They represent 22% of the total operating revenues and are 2% higher than FY 2024.

Parking and Ground Transportation revenues of \$21.734 million accounted for 27% of total operating revenues. Parking revenues increased by \$2.260 million or 12% above the prior year results, primarily related to an increase in rates. Parking rates for FY 2025 increased over FY 2024, and 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, \$22.00 per day for the long-term garage, and \$18.00 per day for long-term surface lot parking.

Rental revenues of \$26.364 million increased \$4.002 million or 18% in FY 2025. Rental revenues represent approximately 33% of RTAA’s total operating revenues.

Reimbursements for services and Other revenue generated \$3.071 million or 4% of total operating revenues. Reimbursements for services decreased \$235 thousand or 7% from fiscal year 2024. 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 \$94 thousand include miscellaneous revenues, such as late fees collected by RTAA, and rebates received.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Operating Expenses

The RTAA's total operating expenses totaled \$66.021 million in FY 2025, an increase of \$276 thousand or 0.4% above the prior year results. Of the total operating expenses, 67% were costs associated with employee wages and benefits of a workforce of 271 employees as of June 30, 2025. The following is a summary of operating expenses (excluding depreciation and amortization) by category for the years ended June 30, 2025, and 2024:

Operating expenses	2025	2024	\$ Change	% Change
Employee wages and benefits	\$ 44,397,184	\$ 45,677,878	\$ (1,280,694)	-3%
Utilities and communications	3,476,818	4,033,644	(556,826)	-14%
Purchase of services	12,197,826	9,446,371	2,751,455	29%
Materials and supplies	2,391,504	3,007,699	(616,195)	-20%
Administrative expenses	3,557,552	3,579,526	(21,974)	-1%
Total Operating Expenses	\$ 66,020,884	\$ 65,745,118	\$ 275,766	0%

### Significant Changes in Operating Expenses for Fiscal Year 2025 versus 2024

Employee salaries, wages, and benefits of \$44.397 million decreased \$1.281 million or 2.8% in fiscal year 2025. Personnel related expenses represent approximately 57% of total operating expenses. The following table outlines the major expense categories within employee salaries, wages, and benefits for the years ending June 30, 2025, and 2024:

	2025	2024	\$ Change	% Change
Salary	\$25,597,753	\$26,436,133	\$ (838,380)	-3%
Overtime, Standby, Holiday Worked	2,051,906	2,138,700	(86,794)	-4%
Employee Benefits	16,747,525	17,103,045	(355,520)	-2%
Total Employee Wages and Benefits	\$ 44,397,184	\$ 45,677,878	\$ (1,280,694)	-3%

Employee salaries have decreased by \$838 thousand or 3% from FY 2024. Overtime also decreased by \$87 thousand. Employee benefits decreased approximately \$355 thousand or 2%. While wages and benefits increased for employees, vacancies and the transfer of airport fire services to the City of Reno in March 2025 resulted in an overall decrease in expense for the fiscal year.

Utilities and communications expenses of \$3.477 million decreased \$557 thousand or 14% from the prior year and represents 4% of total operating expenses and is a result of decreased 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 \$12.197 million, an increase of \$2.751 million or 29% from the prior year. Purchase of services expense represents 16% of total operating expenses. The increase in purchase of services is primarily related to the airport fire services cost to RTAA after the transfer to the City of Reno.

Expenses for materials and supplies totaled \$2.392 million, a decrease of \$616 thousand or 20% from the prior year. Materials and supplies represent 3% of total operating expenses.

The administrative expense category includes travel, training, air service development, insurance, and other general expenses. In total, the category incurred \$3.558 million in cost, a decrease of approximately \$22 thousand or 5% from the prior fiscal year.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Non-Operating Revenues and Expenses

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

The following is a summary of non-operating revenues and expenses for the years ended June 30, 2025, and 2024:

Non-Operating	2025	2024	\$ Change	% Change
Interest income	\$ 14,698,124	\$ 4,345,635	\$ 10,352,489	70%
Gain on investment valuation	2,135,820	1,753,114	382,706	18%
Passenger facility charge revenue	9,940,702	9,067,927	872,775	9%
Customer facility charge revenue	-	7,919,364	(7,919,364)	-100%
Jet fuel tax revenue	335,934	302,499	33,435	10%
Gain on sale of capital assets	28,024	84,065	(56,041)	-200%
Miscellaneous revenue	5,000,000	2,300,000	2,700,000	54%
Debt issuance costs	(1,620,196)	-	(1,620,196)	-100%
Federal grant revenue	7,668,723	11,271,352	(3,602,629)	-47%
Interest expense	(9,873,579)	(746,316)	(9,127,263)	92%
Total Non-Operating revenues	\$ 28,313,552	\$ 36,297,640	\$ (7,984,088)	-22%

### Significant Changes in Non-Operating Revenues and Expenses for Fiscal Year 2025 versus 2024

Interest income consists of interest from leases of \$3.744 million and interest earned on cash and investments of \$10.954 million. Interest income increased 70% and RTAA recognized a gain on investments of \$2.138 million this past fiscal year compared to \$1.753 million in FY 2024. 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. The increase is primarily related to the increase in the investment portfolio from the issuance of the 2024 Airport Revenue Bonds.

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 \$7.669 million decreased by \$3.603 million in FY 2025. 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 2025 included debt service, capital projects, contracted services, salaries, and wages. At June 30, 2025 all funds under CARES and ARPA have been disbursed to the Authority.

Miscellaneous revenue consists of \$5.000 million in revenue the Authority received under a settlement related to costs of runway maintenance and repair. These funds have been designated to be held for future repairs.

Interest expense of approximately \$9.874 million increased by \$9.127 million or 92% above the previous year due to the issuance of the 2024 Airport Revenue Bonds.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### CAPITAL ASSETS

The following presents RTAA's capital assets for the years ended June 30, 2025, and 2024:

	2025	2024	\$ Change	% Change
Capital Assets, not depreciated:				
Land	\$ 172,441,003	\$ 172,449,079	\$ (8,076)	0%
Construction in progress	70,246,522	106,409,176	(36,162,654)	-34%
Development rights	2,924,038	2,924,038	-	0%
Capital Assets, depreciated and amortized, net:				
Subscription right-of-use assets	1,022,728	668,669	354,059	100%
Improvements	143,700,383	101,913,968	41,786,415	41%
Buildings	63,047,133	35,777,129	27,270,004	76%
Equipment	22,628,363	23,508,818	(880,455)	-4%
Total Capital Assets	<u>\$ 476,010,170</u>	<u>\$ 443,650,877</u>	<u>\$ 32,359,293</u>	<u>7%</u>

### Major Capital Asset Events during Fiscal Year 2025

Federal grants funded \$9.956 million of capital projects in FY 2025. Projects included reconstruction of taxiways and general aviation run up area rehabilitation at RNO, VALE equipment, and the construction of a central utility plant.

Significant construction in progress projects include design for the police and headquarters building, the concourse redevelopment project.

Completed projects during FY 2025 at RNO include the ticketing hall and terminal loop road reconstruction which were placed into service at \$27.267 million and \$10.361 million, respectively.

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 6 – Capital Assets.

### DEBT ADMINISTRATION

In September 2024, RTAA issued Airport Revenue Bonds (the Bonds) Series 2024A (AMT) and 2024B (Non-AMT) in an aggregate amount of \$238.263 million at a premium of \$19.810 million. Upon issuance of the Bonds, the Wells Fargo Non-Revolving Credit Agreement was fully paid and defeased. Principal and interest payments are due semi-annually through the maturity date of July 2054. The Bonds were issued to fund MoreRNO capital projects.

The following presents debt for the years ended June 30, 2025, and 2024:

Bond Series	2025	2024	Change
2022	\$ -	\$ 24,524,708	-100%
2024A	159,855,000	-	100%
2024B	78,408,000	-	100%
Total debt	<u>\$ 238,263,000</u>	<u>\$ 24,524,708</u>	<u>871.52%</u>

For additional information on bonds, see Notes to the Financial Statements, Note 7 - 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, 2025, RTAA collected PFCs, including interest earnings thereon, totaling \$9.940 million, a \$873 thousand or 10% increase over the prior year. PFCs are collected by airlines on their passengers' tickets and remitted monthly to RTAA. These funds are spent on a list of projects reviewed by the airlines in a process prescribed by the FAA. This funding must be segregated from all other Airport revenues. For further details, see the Summary Schedule of Passenger Facility Charges Collected and Expended in the Compliance Section of this report.

### CUSTOMER FACILITY CHARGES (CFCs)

CFCs are paid by customers utilizing rental cars based at RNO. Implemented in August 2012, the CFCs are collected and remitted by the rental car companies to RTAA. Beginning in May 2024 CFC collections were remitted directly to a single-purpose entity created under the Public-Private Partnership for the purpose of construction of a ground transportation center. CFC funds are designated to fund property management, repairs, and improvements to RTAA-owned rental car facilities. In addition, the CFC fund will provide funding for debt services on the Consolidated Rental Car (CONRAC) facility currently in construction. For the year ended June 30, 2025, CFC per rental car transaction day increased to \$9.80 from \$9.00.

### AIRLINE SIGNATORY RATES AND CHARGES

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

Net airfield costs and associated landing fees are established on a cost center residual methodology in which the signatory airlines bear 100% of the financial risk for the Airfield. The expenditures associated with the Airfield cost center, which are primarily comprised of operating expenses, debt service, and recovery of capital projects/equipment with unit costs of less than \$500,000, 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 \$500,000, in the Terminal Building cost center are divided by a "rentable" space divisor (total terminal space available that is revenue producing and available for lease). The result of this approach is that the signatory airlines are only responsible for terminal building costs allocated to airline leased premises and any costs allocated to vacant, concession, or other rentable space is the financial responsibility of RTAA.

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

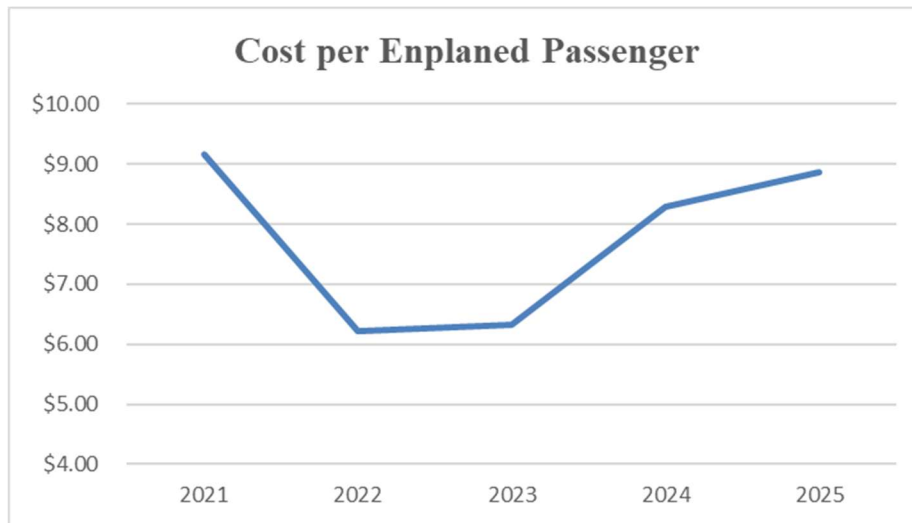


## MANAGEMENT'S DISCUSSION AND ANALYSIS

The final rates and charges for the signatory airlines are shown below for the fiscal year ended June 30, 2025, and 2024:

	2025	2024	\$ Change	% Change
Landing Fee Rate - Signatory (per 1,000 pounds)	\$ 3.91	\$ 4.12	\$ (0.21)	-5%
Landing Fee Rate - Non-Signatory (per 1,000 pounds)	4.82	4.74	0.08	2%
Terminal Rental Rate (Average per sq ft)	149.12	131.34	17.78	14%

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, 2025, was calculated to be \$8.87 as compared to \$8.28 in the prior year. The chart below presents the five years of the cost per enplaned passenger.



### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The US economy has been struggling to control inflation throughout the 2025 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, though growth has moderated. Much like the greater US economy, RTAA has proved its resiliency, and is in a strong financial position entering FY 2026. We are prepared for another substantial year in FY 2026 as we develop an airport that will meet the growing demand of the region for the next 30 years.

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

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

Within the Reno Metropolitan Statistical Area (MSA), the unemployment rate was 4.6% in June 2025—still below Washoe County's long-term historical average. The region recorded a net increase of 8,900 jobs compared to a year earlier, representing a 3.2% year-over-year gain.

The fiscal year 2026 Board approved budget is balanced, includes increased funding for mission critical airport operations, higher revenues, and the usage of federal funding for major capital projects. We continue to closely monitor airline traffic, revenues, and expenses, and are prepared to make necessary adjustments if the current forecasts do not materialize, or we are faced with an economic downturn.

### **REQUESTS FOR INFORMATION**

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

# **BASIC FINANCIAL STATEMENTS**

**RENO-TAHOE AIRPORT AUTHORITY**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2025**

**ASSETS**

**CURRENT ASSETS**

Unrestricted Assets:

Cash and cash equivalents	\$ 16,796,044
Investments	88,208,848
Accounts receivable, net	5,186,070
Lease receivable	9,780,734
Interest receivable	1,042,762
Inventory	891,339
Other current assets	868,274

Total Unrestricted Assets	<u>122,774,071</u>
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Restricted Assets:

Cash and cash equivalents	35,694,422
Investments	212,198,532
Grants receivable	2,763,384
Interest receivable	878,492

Total Restricted Assets	<u>251,534,830</u>
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Total Current Assets	<u>374,308,901</u>
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**NON-CURRENT ASSETS**

Capital Assets:

Non-depreciable	245,611,563
Depreciable	965,003,054
Less accumulated depreciation and amortization	<u>(734,604,447)</u>

Total Capital Assets	<u>476,010,170</u>
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Other Assets:

Road credits	1,383,599
Public private partnership prepaid	31,170,010
Lease receivable	127,671,069

Total Other Assets	<u>160,224,678</u>
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Total Non-Current Assets	<u>636,234,848</u>
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Total Assets	<u>1,010,543,749</u>
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**DEFERRED OUTFLOWS OF RESOURCES**

Pension contributions after measurement date	4,474,392
Pension difference between actual and proportionate share of contributions	3,380,017
Pension changes in actuarial assumptions	3,588,106
Pension difference between expected and actual pension experience	11,796,807
OPEB contributions after measurement date	105,861
Total Deferred Outflows of Resources	<u>23,345,183</u>
Total Assets and Deferred Outflows of Resources	<u>1,033,888,932</u>

Continued

**RENO-TAHOE AIRPORT AUTHORITY**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2025**

**LIABILITIES**

**CURRENT LIABILITIES**

Payable from Unrestricted Assets:

Accounts payable	\$ 15,558,465
Interest payable	6,146,894
Subscription liability	372,990
Construction contracts payable	663,675
Unearned revenue	1,872,124
Accrued payroll and compensated absences	4,070,788
Total OPEB liability, current portion	108,398
Revenue bonds and subordinate notes, net	280,000

Total current unrestricted liabilities	29,073,334
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Payable from Restricted Assets:

Construction contracts payable	6,073,753
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Total current restricted liabilities	6,073,753
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Total Current Liabilities	35,147,087
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**NON-CURRENT LIABILITIES**

Revenue bonds and subordinate notes, net	257,280,170
Compensated absences, net of current portion	3,074,778
Deposits	813,071
Reclamation liability	546,724
Subscription liability	589,353
Total OPEB liability	1,480,756
Net pension liability	55,606,909

Total Non-Current Liabilities	319,391,761
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Total Liabilities	354,538,848
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**DEFERRED INFLOWS OF RESOURCES**

Pension difference between actual and projected earnings on plan investments	5,477,997
Pension difference between actual and proportionate share of contribution	973,971
Leases	131,726,896
Total Deferred Inflows of Resources	138,178,864

**NET POSITION**

Net investment in capital assets	411,110,184
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Restricted for:

Operations and maintenance reserve	11,970,343
Renewal and replacement reserve	866,487
Passenger facility charge projects	17,141,374
Debt service	16,955,887
Capital improvements	2,797,909
Other reserve purposes	108,436

Total Restricted	49,840,436
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Unrestricted	80,220,600
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Total Net Position	541,171,220
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Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 1,033,888,932
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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, 2025**

<b>OPERATING REVENUES</b>	
Landing and aircraft fees	\$ 11,045,980
Concession revenue	17,401,586
Parking and ground transportation	21,734,060
Rentals	26,364,384
Reimbursements for services	2,976,275
Other revenue	94,322
Total operating revenues	<u>79,616,607</u>
<b>OPERATING EXPENSES</b>	
Employee wages and benefits	44,397,184
Utilities and communications	3,476,818
Purchase of services	12,197,826
Materials and supplies	2,391,504
Administrative expenses	3,557,552
Total operating expenses	<u>66,020,884</u>
<b>OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION</b>	13,595,723
Depreciation and amortization expense	<u>24,464,365</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(10,868,642)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>	
Interest income	14,698,124
Gain on value of investments	2,135,820
Passenger facility charge revenue	9,940,702
Jet fuel tax revenue	335,934
Gain on sale of capital assets	28,024
Miscellaneous revenue	5,000,000
Debt issuance costs	(1,620,196)
Federal grant revenue	7,668,723
Interest expense	(9,873,579)
Total non-operating revenues (expenses)	<u>28,313,552</u>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS</b>	17,444,910
<b>CAPITAL CONTRIBUTIONS (FEDERAL)</b>	<u>9,955,718</u>
<b>CHANGE IN NET POSITION</b>	27,400,628
<b>NET POSITION, BEGINNING OF YEAR (as previously stated)</b>	<u>515,821,259</u>
Restatement - GASB 101	(2,050,667)
<b>NET POSITION, BEGINNING OF YEAR (as restated)</b>	<u>513,770,592</u>
<b>NET POSITION, END OF YEAR</b>	<u><u>\$ 541,171,220</u></u>

See accompanying notes to financial statements.

**RENO-TAHOE AIRPORT AUTHORITY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2025**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received from customers	\$ 75,296,927
Cash paid to employees and for benefits	(41,904,118)
Cash paid to suppliers	<u>(21,050,108)</u>
Net cash provided by operating activities	<u>12,342,701</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Federal grants received	7,668,723
Jet fuel tax revenue	<u>335,934</u>
Net cash provided by noncapital financing activities	<u>8,004,657</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Capital contributions (federal)	11,693,289
Passenger facility charge revenue	9,940,702
Proceeds from insurance settlement	5,000,000
Acquisition and construction of capital assets	(57,268,765)
Proceeds from sale of capital assets	28,024
Proceeds from bond issuance	264,283,408
Principal paid on bonds	(30,737,814)
Cash paid for bond issuance costs	(1,620,196)
Interest paid on bonds	<u>(5,192,069)</u>
Net cash provided by capital and related financing activities	<u>196,126,579</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Receipts of interest	13,752,286
Purchase of investments	(217,775,624)
Sale of investments	<u>15,907,256</u>
Net cash used in investing activities	<u>(188,116,082)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>28,357,855</b>
<b>CURRENT UNRESTRICTED AND RESTRICTED CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b><u>24,132,611</u></b>
<b>CURRENT UNRESTRICTED AND RESTRICTED CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b><u>\$ 52,490,466</u></b>

Continued

**RENO-TAHOE AIRPORT AUTHORITY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2025**

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

Operating (loss) income	\$ (10,868,642)
Adjustments to reconcile operating (loss) income to net cash provided by operating activities:	
Depreciation and amortization	24,464,365
(Increase) Decrease in Assets:	
Accounts receivable, net	(1,367,903)
Lease receivable	9,862,403
Inventory	(24,024)
Other current assets	(11,817)
Increase (Decrease) in Liabilities:	
Accounts payable	908,260
Rents received in advance	530,937
Accrued payroll	772,927
Deposits and unearned revenues	4,888
Total OPEB liability and related deferred outflows of resources	(573,524)
Net pension liability and related deferred outflows and inflows of resources	2,320,071
Lease deferred inflows of resources	(13,659,764)
Reclamation liability	(15,476)
Net cash provided by operating activities	<u>\$ 12,342,701</u>

Noncash activities:

Capital assets included in construction contracts payable	\$ 6,737,428
Subscription agreements entered into	\$ 743,762

See accompanying notes to financial statements.



# **NOTES TO THE FINANCIAL STATEMENTS**

**RENO-TAHOE AIRPORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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**1. Organization and Reporting Entity**

A. Organization

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

B. Reporting Entity

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

i. Composition of the Board.

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

ii. Accounting for Fiscal Matters.

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

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

**2. Summary of Significant Accounting Policies**

A. Basis of Accounting

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

Enterprise funds account for the following activities:

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

**RENO-TAHOE AIRPORT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2025**

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

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

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

**B. Use of Estimates**

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

**C. Budgets**

RTAA adheres to the Local Government Budget and Finance Act established by Nevada state statute. The filing deadlines and procedures during fiscal year 2025 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, 2025**

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

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

The statement of net position contains items relating to deferred outflows and deferred inflows associated with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, GASB Statement No. 87, *Leases*, and GASB Statement No. 101, *Subscription Based Information Technology Arrangements*. 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, 2024.
- 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, 2025**

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

See Note 6 – Capital Assets, Note 9 – Leases, Note 10 - Pension Plan, and Note 14 - 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 and sick time 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 is based on compensated absences more likely to be used or paid out than not and included in both the current and non-current portion of accrued payroll. As of June 30, 2025, liabilities related to compensated absences were \$4,719,685.

**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, 2025**

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**J. Passenger Facility Charge (PFC) Revenue**

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

**K. Customer Facility Charge (CFC) Revenue**

Effective July 1, 2025, RTAA implemented a \$11.00 CFC per transaction day on each individual vehicle rental collected by each participating rental car lessee. CFC revenues fund the following projects: (1) renewal and replacement improvements to the Quick Turnaround (QTA) Facility and the Service Facility Area, (2) the on-going overhead and maintenance of the QTA, and (3) the building of a future consolidated rental car facility. Beginning May 2024, CFC collections are directed to a single-purpose entity for construction of the ground transportation center and thus RTAA does not recognize any CFC revenues on the Statement of Revenues, Expenses, and Changes in Net Position.

**L. Capital Contributions**

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

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

**M. Regional Road Impact Fee Credits**

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

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**O. Recent Accounting Pronouncements Adopted/Implemented:**

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

GASB Statement No. 101, *Compensated Absences*. The objective of this statement is better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement had a significant effect on the financial statements. See Note 3 – Restatement and Note 7 – Long-Term Debt.

GASB Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This statement did not have a material effect on the financial statements.

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

- GASB Statement No. 103, *Financial Reporting Model Improvements*
- GASB Statement No. 104, *Disclosure of Certain Capital Assets*

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

**3. Restatement**

For the year ended June 30, 2025, the Authority adopted GASB Statement No. 101, *Compensated Absences* (GASB 101). GASB 101 updates the recognition, measurement, and disclosure guidance for compensated absences. GASB 101 requires that liabilities for compensated absences be recognized for leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through non-cash means. GASB 101 also requires that a liability for certain types of compensated absences not be recognized until the leave commences.

The provisions of GASB 101 have been applied as of July 1, 2024, net position. The following is a reconciliation of the total net position as previously reported at June 30, 2024, to the total restated net position:

Total net position as previously reported at June 30, 2024:	\$ 515,821,259
GASB 101 - Compensated Absences	<u>(2,050,667)</u>
Total net position at July 1, 2024, as restated:	<u><u>\$ 513,770,592</u></u>

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**4. 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, 2025:

<b>Cash and Cash Equivalents:</b>	
Cash	\$ 16,568,986
Cash Equivalents (Money Market, Short-Term)	35,921,480
Total Cash and Cash Equivalents	<u>52,490,466</u>
 <b>Investments:</b>	
State of Nevada Local Government Pool	20,154,475
US Government Agencies	84,841,270
US Treasuries	181,735,037
Corporate Securities	13,676,598
Total Investments	<u>300,407,380</u>
 Total Cash, Cash Equivalents, Investments	 352,897,846
Less: Unrestricted Cash, Cash Equivalents, and Investments	 <u>(105,004,892)</u>
<b>Total Restricted Cash, Cash Equivalents, and Investments</b>	 <u><u>\$ 247,892,954</u></u>

At June 30, 2025, the recorded amount of the Authority's deposits was \$16,556,061 and the bank balance was \$23,798,417. 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 7 – Long-Term Debt. The resolutions also impose limitations as to the disposition of related interest income.

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

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



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Below is the categorization of the RTAA's total cash, cash equivalents, and investments as of June 30, 2025, 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, 2025	(Level 1)	(Level 2)	(Level 3)
<b>Investments by Fair Value Level:</b>				
US Government Agencies	\$ 84,841,270	\$ -	\$ 84,841,270	\$ -
US Treasury Notes	181,735,037	181,735,037	-	-
Corporate Securities	13,676,598	-	13,676,598	-
Total Investments by Fair Value Level	\$ 280,252,905	\$ 181,735,037	\$ 98,517,868	\$ -
<b>Investments at Net Asset Value (NAV):</b>				
State of Nevada Local Government Pool	20,154,475			
Total Investments at Net Asset Value (NAV)	20,154,475			
<b>Cash and Cash Equivalents:</b>				
Collateralized Bank Deposits	16,568,986			
Money Market	35,921,480			
<b>Total Cash, Cash Equivalents, and Investments</b>	<u>\$ 352,897,846</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, 2025, are the following statutorily approved investments:

- Demand Deposits, Time and Savings Deposits including Negotiable Order of Withdrawal (NOW) accounts. They are issued by insured commercial banks, credit unions or saving and loan associations, either within the limits of insurance provided by an instrumentality of the United States and/or collateralized as required under the Nevada pooled collateral program (NRS 356).
- US Government Agency Securities. These securities are issued by a U.S. government-sponsored agency with backing by the federal government, but not guaranteed since the agencies are private entities. Such agencies have been set up in order to allow access to low-cost financing, e.g. home buyers, farmers, and students. The RTAA's investments include Federal National Mortgage Association, Federal Home Loan Banks, Federal Home Loan Mortgage Corporation, and Federal Farm Credit Banks.

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- US Treasury Notes. These notes are issued by the United States government in order to pay for government projects. They are backed by the U.S. government making them low risk. Interest payments on the notes are made every six months until maturity which is usually not less than one year or more than seven years.
  - State of Nevada Local Government Investment Pool (LGIP). Investment of the LGIP is a function performed by the Office of the State Treasurer pursuant to NRS. In addition to investing the assets of the LGIP as prescribed by law, with regular oversight provided by the State Board of Finance, an investment policy also controls the parameters used to invest pool assets. Investment in the LGIP is carried at fair value, which is the same as the value of pool shares. By pooling funds, participating local governments benefit from economies of scale, full-time portfolio management, diversification, and liquidity. The external investment pool is not registered with the Securities and Exchange Commission (SEC) as an investment company.

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

The fair value of the investment in LGIP has been determined using a Net Asset Value (NAV) calculation. The NAV is calculated daily by dividing the total value of the securities and other assets, less any liabilities, by the total outstanding shares of the fund. RTAA may withdraw funds from the pool upon written notice and LGIP shall comply at the first reasonable opportunity. However, the LGIP may charge RTAA any penalty or loss of interest resulting from the withdrawal of funds, if necessary, to meet the request. RTAA has no unfunded commitments as of June 30, 2025.

Designated Cash, Cash Equivalents, and Investments

The revenue bond 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 Agreement, in the following amounts and order of priority:

- 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 one-twelfth of the RTAA's currently budgeted annual operation and maintenance expenses. RTAA's airline agreement allows for the amount necessary to satisfy the one-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.
- Debt Service Funds – deposited in amounts sufficient to meet the next required debt service payment on the revenue bonds first, then other common debt service requirements.
- Renewal and Replacement Fund – One-twelfth of the aggregate deficiency 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.

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- Special Fund – funds are transferred to the RTAA's Special Fund in an amount aggregating 50% 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 Debt Service Fund and all accounts therein are held by a commercial bank who serves as the Paying Agent and Trustee.

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, 2025, the RTAA's investments have the following maturity distributions:

	Less Than 1 Year	1 to 2 Years	2 to 3 Years	3 to 5 Years	6 to 10 Years	Total
LGIP	\$ 20,154,475	\$ -	\$ -	\$ -	\$ -	\$ 20,154,475
Securities:						
US Treasury	110,199,186	44,114,187	6,895,082	18,985,783	1,540,799	181,735,037
US Gov Agency	44,602,350	8,271,981	13,333,800	16,944,875	1,688,264	84,841,270
Corporate	1,498,680	4,017,871	6,591,692	1,568,355	-	13,676,598
Total	\$ 176,454,691	\$ 56,404,039	\$ 26,820,574	\$ 37,499,013	\$ 3,229,063	\$ 300,407,380

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, 2025, Standard & Poor's had rated US Government Agency Securities (mortgage-backed securities) as AA+ and the Fidelity Government Fund (money market funds) as AAA.

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**Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of the RTAA's investment in a single issue. RTAA places no limit on the amount RTAA may invest in any one issuer. As of June 30, 2025, the following investments equaled or exceeded 5% of the RTAA's total cash, cash equivalents and investments:

<u>Investment Types</u>	<u>2025</u>
Local Government Investment Pool	6%
Wells Fargo Collateralized Deposit	5%
US Government Agencies	24%
US Treasuries	51%

**5. Accounts and Grants Receivable**

The following amounts represent receivables due to RTAA at June 30, 2025:

<u>Accounts and Grants Receivable</u>	<u>2025</u>
Current, Unrestricted:	
Accounts Receivable	\$ 5,244,153
Less: Allowance for uncollectable	<u>(58,083)</u>
Net Accounts Receivable	5,186,070
Grants Receivable, Restricted	<u>2,763,384</u>
Total Current Accounts and Grants Receivable	<u><u>\$ 7,949,454</u></u>

The grants receivable in the accompanying Statements of Net Position represent reimbursements due for project costs under the FAA and TSA grants.

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**6. 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, 2025, are as follows:

	Balance June 30, 2024	Additions and Transfers	Deletions and Transfers	Balance June 30, 2025
Capital Assets, not depreciated:				
Land and acquisitions	\$ 172,449,079	\$ -	\$ (8,076)	\$ 172,441,003
Construction in progress	106,409,176	55,270,042	(91,432,696)	70,246,522
Development rights	2,924,038	-	-	2,924,038
Total Capital Assets, not depreciated:	281,782,293	55,270,042	(91,440,772)	245,611,563
Capital Assets, depreciated:				
Subscription right-of-use assets	889,443	743,762	(22,387)	1,610,818
Improvements	473,389,906	57,460,785	-	530,850,691
Buildings	297,921,059	31,145,597	(7,026)	329,059,630
Equipment	100,232,000	3,644,244	(394,329)	103,481,915
Total Capital Assets, depreciated:	872,432,408	92,994,388	(423,742)	965,003,054
Less accumulated depreciation/amortization for:				
Subscription right-of-use assets	(220,774)	(389,703)	22,387	(588,090)
Improvements	(371,475,938)	(15,674,370)	-	(387,150,308)
Buildings	(262,143,930)	(3,875,593)	7,026	(266,012,497)
Equipment	(76,723,182)	(4,524,699)	394,329	(80,853,552)
Total accumulated depreciation/amortization:	(710,563,824)	(24,464,365)	423,742	(734,604,447)
Total Capital Assets depreciated, net:	161,868,584	68,530,023	-	230,398,607
Net Capital Assets	\$ 443,650,877	\$ 123,800,065	\$ (91,440,772)	\$ 476,010,170

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

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

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

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RTAA enters into subscription-based information technology arrangements (SBITAs) to utilize vendor-provided information technology software, which are recorded as subscription right-of-use assets amortized over the shorter of the term of the contract or useful life of the asset. Under GASB 96, certain contracts with terms exceeding one year have been included in the depreciable assets and accumulated depreciation on the balance sheet. See Note 7 – Long-Term Debt for additional information.

## 7. Long-Term Debt

Long-Term debt balances and activity for the year ended June 30, 2025, are as follows:

	Balance June 30, 2024	Additions	Reductions	Balance June 30, 2025	Amount Due Within one Year
Bonds and notes payable:					
Direct borrowing:					
Series 2022	\$ 24,524,708	\$ 6,213,106	\$(30,737,814)	\$ -	\$ -
Direct placement:					
Series 2024A	-	159,855,000	-	159,855,000	280,000
Series 2024B	-	78,405,000	-	78,405,000	-
Compensated absences*	4,584,192	135,493	-	4,719,685	1,644,910
Subscription liability	609,577	743,762	(390,996)	962,343	372,990
Unamortized premium, net	-	19,810,301	(510,131)	19,300,170	-
<b>Total</b>	<b>\$ 29,718,477</b>	<b>\$ 265,162,662</b>	<b>\$(31,638,941)</b>	<b>\$ 263,242,198</b>	<b>\$ 2,297,900</b>

\* The change in compensated absences above is a net change for the year. Balance at June 30, 2024 is as restated.

### Wells Fargo – Series 2022 Bonds

On August 1, 2022, RTAA entered into a Non-Revolver 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-Revolver Credit Agreement allows RTAA to take advances no less than \$500,000 up to the amount of the Available Commitment (\$50,000,000 less any previous advances) at any time up to the Commitment Expiration date of August 1, 2025, at which time all outstanding principal and interest is due.

Each AMT Non-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.

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RTAA was in compliance with all covenants for the year ending June 30, 2025. During the year ended June 30, 2025, interest expense and commitment fees were \$200,508 and \$4,534, respectively. This Agreement was paid in full and closed on September 4, 2024, with the issuance of the Series 2024 Bonds.

US Bank – Series 2024 Bonds

On September 4, 2024, RTAA issued revenue bonds with US Bank Trust Company, National Association (the Trustee) Series 2024A (AMT) and Series 2024B (Non-AMT) of \$159,855,000 and \$78,405,000, respectively, to finance capital projects and pay off the Series 2022 bonds. The bonds are secured by a pledge and lien on net revenues, and payable from the lawfully available funds of the Authority. A Debt Service Reserve has been established and is held by the Trustee, which will be maintained to provide coverage for the current portion payment of principal and interest.

The Bonds bear interest at rates per annum ranging from 5.00% - 5.25%, with payments due semi-annually. The bonds are subject to certain covenants, including that net revenues will be equal to at least 125% of the aggregate annual debt service on the outstanding obligations. RTAA was in compliance with all covenants on June 30, 2025. The Agreement contains a provision that in an event of default, the lender may exercise any remedy available at law or in equity, however the payments are not subject to acceleration.

Interest paid on the bonds was \$3,995,481 and interest expense was \$10,142,375 for the current fiscal year.

Annual debt service requirements to maturity for the bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 280,000	\$ 12,279,788	\$ 12,559,788
2027	350,000	12,262,288	12,612,288
2028	1,705,000	12,177,038	13,882,038
2029	1,790,000	12,087,538	13,877,538
2030	4,525,000	11,861,288	16,386,288
2031 - 2035	26,210,000	55,502,188	81,712,188
2036 - 2040	33,490,000	47,827,138	81,317,138
2041 - 2045	43,080,000	37,747,288	80,827,288
2046 - 2050	55,410,000	24,765,288	80,175,288
2051 - 2055	71,420,000	7,881,825	79,301,825
	<u>\$ 238,260,000</u>	<u>\$ 234,391,663</u>	<u>\$ 472,651,663</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 three 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. The liability was discounted to the net present value based on the Authority's alternative minimum tax (AMT) borrowing rate for years prior to July 1, 2024. For years prior to July 1, 2024, the discount rates range from 0.83% to 4.58%. New and/or modified leases for the year ended June 30, 2025, were discounted based on the rate equal to the rates of the current debt arrangements and range from 5.00% to 5.25%.

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The total of RTAA's subscription assets are recorded in capital assets of \$1,610,819, less accumulated amortization of \$558,090.

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

Year Ended June 30,	Principal	Interest	Total
2026	\$ 372,990	\$ 28,582	\$ 401,572
2027	288,091	14,593	302,684
2028	301,262	1,422	302,684
Total	<u>\$ 962,343</u>	<u>\$ 44,597</u>	<u>\$ 1,006,940</u>

## 8. Non-Current Liabilities

Other long-term liability activity for the year ended June 30, 2025, is summarized below:

	Balance June 30, 2024	Additions and Transfers	Deletions and Transfers	Balance June 30, 2025
Deposits	873,278	4,173	(64,380)	813,071
Reclamation liability	562,200	10,655	(26,131)	546,724
	<u>\$ 1,435,478</u>	<u>\$ 14,828</u>	<u>\$ (90,511)</u>	<u>\$ 1,359,795</u>

## 9. Leases

The Authority leases nonfinancial assets to and from other entities as a lessor. 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.

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

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

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



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**GASB No. 87 Leases – Included**

In accordance with GASB No. 87, the Authority recognizes a lease receivable and a deferred inflow of resources for leases that are categorized as GASB No. 87 - Included. The lease activity is summarized as follows for fiscal year 2025:

	Implied Interest	Annual Lease Revenue	Lease Receivable	Deferred Inflows
Concessions	\$ 1,024,701	\$ 10,703,715	\$ 34,936,393	\$ 34,338,017
Rentals	2,719,432	2,956,049	102,515,410	97,388,879
Total	<u>\$ 3,744,133</u>	<u>\$ 13,659,764</u>	<u>\$ 137,451,803</u>	<u>\$ 131,726,896</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 \$18,286,528 for the year ending June 30, 2025. The agreements related to concession spaces have various expiration dates between 2026 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, 2024. For years prior to July 1, 2024, the discount rates range from 0.83% to 4.58%. New and/or modified leases for the year ended June 30, 2025, were discounted based on the rate equal to the rates of the current debt arrangements and range from 5.00% to 5.25%.

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

Year Ending June 30,	Principal	Interest	Total Payments
2026	\$ 9,780,734	\$ 3,531,487	\$ 13,312,221
2027	8,917,571	3,318,909	12,236,480
2028	9,164,013	3,106,562	12,270,575
2029	11,567,422	2,816,209	14,383,631
2030	2,139,962	2,638,752	4,778,714
2031-2035	11,242,177	12,318,143	23,560,320
2036-2040	12,622,189	10,706,381	23,328,570
2041-2045	14,348,160	8,840,410	23,188,570
2046-2050	16,530,854	6,657,716	23,188,570
2051-2055	17,907,886	4,121,625	22,029,511
2056-2060	10,898,943	1,685,936	12,584,879
2061-2065	3,567,116	1,022,844	4,589,960
2066-2070	3,326,088	703,899	4,029,987
2071-2075	3,371,569	378,431	3,750,000
2076-2078	2,067,119	57,881	2,125,000
Total	<u>\$ 137,451,803</u>	<u>\$ 61,905,185</u>	<u>\$ 199,356,988</u>

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**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 – 12 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 – 32 of 53 available ticket counters are designated as preferential use
- Ticket office space – 100% of available space is designated preferential use
- Terminal operations space – 100% of available space is designated preferential use
- Unenclosed storage areas – 100% of available space is designated preferential use

For the year ended June 30, 2025, RTAA received \$10,860,002 in payments from leases under regulated lease agreements, of which \$8,689,842 was for variable payments.

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

Year Ending June 30,	Amount
2026	\$ 1,012,506
2027	1,002,391
2028	932,958
2029	858,102
2030	856,404
2031-2035	3,713,536
2036-2040	3,288,818
2041-2045	3,276,998
2046-2050	3,257,877
2051-2055	3,238,784
2056-2060	3,238,784
2061-2065	2,271,295
2066-2070	1,237,082
2071-2073	128,788
Total	<u><u>\$ 28,314,323</u></u>

## 10. Pension Plan

### A. Purpose and History

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

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

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

### B. Benefits

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

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

<u>Contribution Rate</u>		
<u>Regular</u>	<u>Police/Fire</u>	<u>Total Contribution</u>
33.50%	50.00%	\$8,972,319

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, 2024.

The RTAA's proportional share reflects the actuarial valuation date as of June 30, 2024, 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, 2025, RTAA is reporting a liability of \$55,606,909 for its proportionate share of the net pension liability. This represents a decrease of \$1,412,384 as compared to \$57,019,293 reported as of June 30, 2024. 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, 2025, 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 0.3078% of the total. This compares to the prior year's proportion share of 0.3124% of the total. For the year ended June 30, 2025, RTAA recognized pension expense decrease of \$585,838.

**Deferred Outflows and Inflows of Resources:**

At June 30, 2025, RTAA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 11,796,807	\$ -
Changes of assumptions	3,588,106	-
Net difference between projected and actual earnings on investments	-	5,477,997
Difference between employer contributions and employers proportionate share of system contributions	3,380,017	973,971
Contributions subsequent to measurement date	4,474,392	-
	<u>                    </u>	<u>                    </u>
Total	<u>\$ 23,239,322</u>	<u>\$ 6,451,968</u>

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The deferred outflows of resources of \$4,474,392 relates to RTAA pension contributions made after the measurement date of June 30, 2024, but before the end of the RTAA's reporting period of June 30, 2025, will be recognized as a reduction of the net pension liability in the subsequent fiscal year ending June 30, 2026.

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
2026	\$ 1,973,841
2027	7,564,826
2028	1,094,766
2029	609,448
2030	1,156,558
Thereafter	(86,477)
Total	<u>\$ 12,312,962</u>

Assumptions

The net pension liability reported as of June 30, 2024, 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 June 30, 2024, funding actuarial valuation, based on experience study from July 1,2016 – June 30,2020.

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.
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Healthy:	<p>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.</p> <p>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.</p>
Disabled:	<p>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.</p>

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

**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, 2024.

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return*
U.S. stocks	34%	5.50%
International stocks	14%	5.50%
U.S bonds	28%	2.25%
Private markets	12%	6.65%
Short-term investments	12%	0.50%

**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, 2024, 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, 2024.

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**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	\$ 89,422,652	\$ 55,606,909	\$ 27,708,565

**11. 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 \$9,955,718 from federal sources for the year ended June 30, 2025.

**12. 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, 2025:

Airfield	\$ 22,690,679
Terminal	27,283,292
Landside	5,134,435
Reno-Stead Airport	943,156
Other	1,157,577
Total outstanding commitments	<u>\$ 57,209,139</u>

Financial resources for these projects will come from FAA grants, PFC revenue, the General Purpose Fund, the Special Fund, and bond proceeds.

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 \$510,822 for the year ended June 30, 2025.



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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, 2025, is \$546,724.

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.

### **13. 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.

### **14. 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 \$719 to a maximum of \$1,607 per month for the year ended June 30, 2025. 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 \$105,861 for 29 retirees, which equaled the required contribution. As of June 30, 2025, the plan was funded on a "pay as you go" basis and no contribution was made to fund the actuarial determined liability.

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Actuarial assumptions and other inputs: The total OPEB liability in the June 30, 2024, 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, 2024																						
Measurement Date	June 30, 2024																						
Funding Method	Entry Age Normal Cost, level percent of pay																						
Asset Valuation Method	(\$0; no OPEB trust has been established)																						
Discount Rate	3.93% as of June 30, 2024																						
Participants Valued	Only current PEBP Retirees																						
Salary Increase	Not applicable; no active employees in plan																						
General Inflation Rate	2.5% per year																						
Mortality	The basic mortality rates used in this valuation are based on the published report of the Nevada Public Employees Retirement System, dated September 2021. <u>Non-disabled life rates for Regular employees:</u> Males and Females: Pub-2010 General Healthy Retiree																						
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	RTAA's subsidy toward the cost of PEBP retiree coverage is assumed to increase at the following rates: <table border="1" data-bbox="760 1100 1109 1591"> <thead> <tr> <th>Effective July 1</th><th>Premium Increase</th></tr> </thead> <tbody> <tr> <td>2024</td><td>Actual</td></tr> <tr> <td>2025</td><td>6.5%</td></tr> <tr> <td>2026</td><td>6.0%</td></tr> <tr> <td>2027</td><td>5.5%</td></tr> <tr> <td>2028</td><td>5.4%</td></tr> <tr> <td>2029</td><td>5.3%</td></tr> <tr> <td>2030</td><td>5.2%</td></tr> <tr> <td>2031</td><td>5.1%</td></tr> <tr> <td>2032 – 2047</td><td>5.0%</td></tr> <tr> <td>2038 - 2039</td><td>4.9%</td></tr> </tbody> </table>	Effective July 1	Premium Increase	2024	Actual	2025	6.5%	2026	6.0%	2027	5.5%	2028	5.4%	2029	5.3%	2030	5.2%	2031	5.1%	2032 – 2047	5.0%	2038 - 2039	4.9%
Effective July 1	Premium Increase																						
2024	Actual																						
2025	6.5%																						
2026	6.0%																						
2027	5.5%																						
2028	5.4%																						
2029	5.3%																						
2030	5.2%																						
2031	5.1%																						
2032 – 2047	5.0%																						
2038 - 2039	4.9%																						

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Changes in the Total OPEB Liability: The total OPEB liability at June 30, 2025, was calculated as follows:

Total OPEB Liability at June 30, 2024	\$	2,163,974
Changes for the year:		
Interest cost		77,029
Assumption changes		(23,063)
Plan Experience		(521,629)
Benefit payments		(107,157)
Total OPEB Liability at June 30, 2025	\$	<u>1,589,154</u>

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, 2024, is 3.93%. Healthcare cost trend rate prior to eligibility for Medicare was assumed to start at 5.8% (increase effective January 1, 2023) and fluctuate down to the ultimate rate of 3.9% by year 2076; medical cost inflation for those covered by Medicare is 4.5% per year. The impact of a 1% increase or decrease in these assumptions is shown in the chart below.

Change in Discount Rate	1% Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB Liability	\$ 1,753,628	\$ 1,589,154	\$ 1,448,736

Change in Healthcare Cost Trend Rate	1% Decrease	Current Trend	1% Increase
Total OPEB Liability	\$ 1,455,702	\$ 1,589,154	\$ 1,742,008

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	\$ 105,861	\$ -
Total	<u>\$ 105,861</u>	<u>\$ -</u>

The deferred outflow of resources of \$105,861 relates to RTAA's OPEB contributions made after the measurement date of June 30, 2024, but before the end of the RTAA's reporting period of June 30, 2025.

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

Year Ended June 30,	Projected Annual Benefit Payments
2026	\$ 108,398
2027	110,391
2028	111,827
2029	110,715
2030	111,106

**15. 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.

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.

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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, 2025, \$241,746 was contributed to the PEHP plan.

B. 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, 2025, \$17,571 was contributed to the RTAA Police Officers Association plan.

C. 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.

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- 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, 2025, \$68,073 was contributed to the Reno Airport Fire Fighters Association plan.

#### **16. Public-Private Partnership**

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

At closing, RTAA transferred \$16,766,843 of CFC funds to RNO Conrac, LLC for construction, and received an expense reimbursement of \$2,300,000. RNO Conrac LLC entered into a 30 year ground lease agreement for the property where the GTC will be constructed, which has been recognized as a receivable to RTAA under GASB 87 (Note 9). All CFC collections from the date of closing are remitted directly to the single purpose entity under the SCA, of which usage of these funds has been outlined in the SCA. RTAA has recognized a prepaid asset of \$31,170,010 related to design of the GTC and costs incurred related to the SCA.

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

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

#### **17. Subsequent Events**

Management of the Authority has evaluated events and transactions occurring after June 30, 2025, through the date the financial statements were available for issuance for recognition and/or disclosure in the financial statements.

**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

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

	2025	2024	2023	2022	2021	2020	2019	2018
<b>Total OPEB Liability</b>								
Service Cost	-	-	-	-	-	-	-	-
Interest Cost	77,029	76,980	40,512	42,867	55,995	61,637	59,099	53,980
Changes of Benefit Terms (a)	-	-	-	-	-	-	(22,397)	-
Differences between expected and actual experience	(521,629)	-	-	-	38,657	-	(42,484)	-
Assumption Changes	(23,063)	(24,627)	385,092	12,293	363,229	71,227	18,135	(129,137)
Benefit Payments	(107,157)	(125,938)	(127,166)	(111,412)	(115,638)	(128,486)	(120,364)	(124,223)
<b>Net change in total OPEB liability</b>	<b>(574,820)</b>	<b>(73,585)</b>	<b>298,438</b>	<b>(56,252)</b>	<b>342,243</b>	<b>4,378</b>	<b>(108,011)</b>	<b>(199,380)</b>
Total OPEB Liability - beginning	2,163,974	2,237,559	1,939,121	1,995,373	1,653,130	1,648,752	1,756,763	1,956,143
Total OPEB Liability - ending	<u>\$ 1,589,154</u>	<u>\$ 2,163,974</u>	<u>\$ 2,237,559</u>	<u>\$ 1,939,121</u>	<u>\$ 1,995,373</u>	<u>\$ 1,653,130</u>	<u>\$ 1,648,752</u>	<u>\$ 1,756,763</u>
RTAA's Covered Payroll (b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

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

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

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



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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
RTAA's proportion of the net pension liability	0.3078%	0.3124%	0.2806%	0.2694%	0.2770%	0.2795%	0.2774%	0.2867%	0.2810%	0.2846%
RTAA's proportionate share of the net pension liability	\$ 55,606,909	\$57,019,293	\$50,663,709	\$24,565,172	\$38,581,748	\$38,109,676	\$37,835,366	\$38,129,158	\$37,811,756	\$32,609,501
RTAA's covered payroll	\$24,778,988	\$22,938,678	\$20,681,498	\$17,749,645	\$18,298,781	\$17,709,373	\$17,204,432	\$17,041,362	\$15,831,440	\$15,511,214
RTAA's proportion of the net pension liability as a percentage of its covered payroll	224.41%	248.57%	244.97%	138.40%	210.84%	215.19%	219.92%	223.74%	238.84%	210.23%
Plan fiduciary net position as a percentage of the total pension liability	78.1%	76.2%	75.1%	86.50%	77.04%	76.46%	75.2%	74.4%	72.2%	75.1%

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

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

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 8,972,319	\$ 9,121,238	\$ 7,401,218	\$ 6,193,630	\$ 5,675,385	\$ 5,771,419	\$ 5,383,749	\$ 5,149,826	\$ 5,146,592	\$ 4,742,955
Contributions in relation to the statutorily required contribution	8,972,319	9,121,238	7,401,218	6,193,630	5,675,385	5,771,419	5,383,749	5,149,826	5,146,592	4,742,955
Annual contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Percent funded	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Authority's covered payroll	\$22,938,678	\$ 20,681,498	\$ 22,938,678	\$ 20,681,498	\$ 17,749,645	\$ 18,298,781	\$ 17,709,373	\$ 17,204,432	\$ 17,041,362	\$ 15,831,440
Contributions as a percentage of covered payroll	39.11%	44.10%	32.27%	29.95%	31.97%	31.54%	30.40%	29.93%	30.20%	29.96%

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

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

**OTHER  
SUPPLEMENTARY  
INFORMATION**

**RENO-TAHOE AIRPORT AUTHORITY  
SCHEDULE OF REVENUES AND EXPENSES  
COMPARISON OF BUDGET TO ACTUAL  
YEAR ENDED JUNE 30, 2025**

	Original Budget	Final Amended Budget	Actual	Variance To Final Budget
Operating revenues:				
Landing fees	\$ 15,480,703	\$ 15,480,703	\$ 11,045,980	\$ (4,434,723)
Concession revenue	17,342,124	17,342,124	17,401,586	59,462
Parking and ground transportation	20,321,707	20,321,707	21,734,060	1,412,353
Rentals	32,004,953	32,004,953	26,364,384	(5,640,569)
Reimbursements for services	3,159,116	3,159,116	2,976,275	(182,841)
Other revenue	100,200	100,200	94,322	(5,878)
Total Operating Revenues	88,408,803	88,408,803	79,616,607	(8,792,196)
Operating expenses:				
Employee wages and benefits	45,219,168	43,029,670	44,397,184	(1,367,514)
Utilities and communications	4,658,400	4,201,527	3,476,818	724,709
Purchase of services	11,281,164	14,113,572	12,197,826	1,915,746
Materials and supplies	2,983,930	2,805,482	2,391,504	413,978
Administrative expenses	4,525,373	4,508,162	3,557,552	950,610
Total Operating Expenses before Depreciation and Amortization	68,668,035	68,658,413	66,020,884	2,637,529
Depreciation and amortization	28,000,000	28,000,000	24,464,365	3,535,635
Total Operating Expenses	96,668,035	96,658,413	90,485,249	6,173,164
Operating Income (Loss)	(8,259,232)	(8,249,610)	(10,868,642)	(2,619,032)
Non-operating revenues (expenses):				
Interest income and gain on investments	2,696,900	2,696,900	16,833,944	14,137,044
Passenger facility charge revenue	9,076,700	9,076,700	9,940,702	864,002
Customer facility charge revenue	-	-	-	-
Jet fuel tax revenue	302,900	302,900	335,934	33,034
Gain on sale of capital assets	-	-	28,024	28,024
Miscellaneous revenue	-	-	5,000,000	5,000,000
Debt issuance costs	-	-	(1,620,196)	(1,620,196)
Federal grant revenue	5,000,000	5,000,000	7,668,723	2,668,723
Interest expense	(1,580,560)	(1,580,560)	(9,873,579)	(8,293,019)
Total Non-Operating Revenues (Expenses)	15,495,940	15,495,940	28,313,552	12,817,612
Income (Loss) Before Capital Contributions	\$ 7,236,708	\$ 7,246,330	\$ 17,444,910	\$ 10,198,580

# **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 annual comprehensive financial report for the relevant year.

**RENO-TAHOE AIRPORT AUTHORITY**  
**NET POSITION AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED JUNE 30, 2016 - 2025**  
**(unaudited)**

	2016	2017	2018	2019	2020
Operating revenues					
Landing fees	\$8,071,097	\$8,285,922	\$9,397,172	\$9,719,482	\$10,077,732
Concession revenue	10,861,366	11,798,086	12,802,725	13,086,886	11,301,837
Parking and ground transportation	10,519,785	11,316,885	12,009,701	12,817,675	10,012,455
Rentals	13,599,106	13,688,849	13,838,446	14,078,153	16,534,688
Reimbursements for services	2,419,689	2,531,223	2,416,793	2,671,073	2,397,717
Other revenue	42,873	168,024	190,432	176,468	345,296
Total operating revenues	45,513,916	47,788,989	50,655,269	52,549,737	50,669,725
Nonoperating revenues					
Interest income	716,702	577,434	835,868	1,301,531	1,588,183
Gain (Loss) on value of investments	(21,981)	(271,937)	(374,498)	867,298	736,237
Passenger facility charge revenue	6,740,165	7,480,732	7,587,771	8,443,673	7,607,924
Customer facility charge revenue	1,385,061	1,481,004	1,692,038	4,613,478	4,891,406
Jet fuel tax income	268,287	298,124	310,500	306,035	263,135
Gain on sale of capital assets	105,471	13,298	169,208	25,070	28,196
Misc. Revenue	-	-	-	-	617,197
Total nonoperating revenues	9,193,705	9,578,655	10,220,887	15,557,085	15,732,278
Total revenues	54,707,621	57,367,644	60,876,156	68,106,822	66,402,003
Operating expense					
Employee wages and benefits	25,007,616	26,672,375	31,878,959	29,334,325	32,120,112
Utilities and communications	2,540,504	2,337,577	2,709,495	2,772,620	2,881,068
Purchase of services	4,803,679	4,595,802	4,866,467	5,521,530	5,418,705
Materials and supplies	1,821,369	1,753,352	2,050,694	2,045,295	2,340,685
Administrative expenses	2,443,771	2,579,040	2,224,655	2,646,733	2,431,355
	36,616,939	37,938,146	43,730,270	42,320,503	45,191,925
Depreciation and amortization	34,613,731	34,462,715	31,094,092	27,801,203	27,608,618
Total operating expenses	71,230,670	72,400,861	74,824,362	70,121,706	72,800,543
Nonoperating expenses					
Non-operating expense	140,952	7,814	-	-	-
Interest expense	1,284,053	616,855	487,308	438,892	389,125
Total nonoperating expenses	1,425,005	624,669	487,308	438,892	389,125
Total expenses	72,655,675	73,025,530	75,311,670	70,560,598	73,189,668
Capital contributions	10,010,497	2,517,123	9,200,524	14,057,725	16,868,554
Change in Net Position	(\$7,937,557)	(\$13,140,763)	(\$5,234,990)	\$11,603,949	\$10,080,889
Net Position at Year-End					
Net Investment in capital assets	\$367,749,013	\$345,904,676	\$334,863,315	\$336,079,326	\$348,801,466
Restricted	20,371,555	23,692,496	26,448,099	32,997,130	28,598,653
Unrestricted	11,302,526	16,685,159	18,238,659	22,077,566	23,834,792
Total Net Position	\$399,423,094	\$386,282,331	\$379,550,073	\$391,154,022	\$401,234,911

Continued

**RENO-TAHOE AIRPORT AUTHORITY**  
**NET POSITION AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED JUNE 30, 2016 - 2025**  
**(unaudited)**

	2021	2022	2023	2024	2025
Operating revenues					
Landing fees	\$8,948,847	\$10,584,517	\$12,690,754	\$10,792,911	\$ 11,045,980
Concession revenue	9,628,195	15,257,011	15,346,165	17,106,254	17,401,586
Parking and ground transportation	7,361,177	14,004,587	18,237,964	19,474,450	21,734,060
Rentals	15,715,644	15,073,833	15,072,521	22,362,432	26,364,384
Reimbursements for services	1,823,280	3,000,059	3,384,893	3,210,986	2,976,275
Other revenue	185,773	145,174	108,925	118,592	94,322
Total operating revenues	43,662,916	58,065,181	64,841,222	73,065,625	79,616,607
Nonoperating revenues					
Interest income	886,650	1,246,627	2,449,932	4,345,635	14,698,124
Gain (Loss) on value of investments	(935,537)	(2,737,875)	70,635	1,753,114	2,135,820
Passenger facility charge revenue	4,514,399	8,502,997	8,372,017	9,067,927	9,940,702
Customer facility charge revenue	4,954,128	6,350,891	7,863,374	7,919,364	-
Jet fuel tax income	203,765	294,018	300,994	302,499	335,934
Gain on sale of capital assets	41,838	15,080	10,871	84,065	28,024
Misc Revenue	7,059,146	14,483,077	15,156,938	13,571,352	12,668,723
Total nonoperating revenues	16,724,389	28,154,815	34,224,761	37,043,956	39,807,327
Total revenues	60,387,305	86,219,996	99,065,983	110,109,581	119,423,934
Operating expense					
Employee wages and benefits	30,923,994	30,348,607	39,092,497	45,677,878	44,397,184
Utilities and communications	2,454,099	3,156,581	3,962,745	4,033,644	3,476,818
Purchase of services	4,887,352	7,405,170	8,016,801	9,446,371	12,197,826
Materials and supplies	2,259,926	2,575,145	3,234,016	3,007,699	2,391,504
Administrative expenses	2,086,926	2,854,518	3,369,064	3,579,526	3,557,552
	42,612,297	46,340,021	57,675,123	65,745,118	66,020,884
Depreciation and amortization	26,827,690	25,079,112	24,461,762	24,043,881	24,464,365
Total operating expenses	69,439,987	71,419,133	82,136,885	89,788,999	90,485,249
Nonoperating expenses					
Non-operating expense	-	-	135,000	-	1,620,196
Interest expense	337,975	399,857	176,538	746,316	9,873,579
Total nonoperating expenses	337,975	399,857	311,538	746,316	11,493,775
Total expenses	69,777,962	71,818,990	82,448,423	90,535,315	101,979,024
Capital contributions	25,193,485	27,686,032	4,320,592	16,184,064	9,955,718
Change in Net Position	\$15,802,828	\$42,087,038	\$20,938,152	\$35,758,330	\$27,400,628
Net Position at Year-End					
Net Investment in capital assets	\$361,855,033	\$388,632,933	\$398,934,454	\$405,888,411	\$411,110,184
Restricted	25,980,476	28,495,282	36,521,156	35,614,141	49,840,436
Unrestricted	29,202,230	41,996,562	44,607,319	74,318,707	80,220,600
Total Net Position	\$417,037,739	\$459,124,777	\$480,062,929	\$515,821,259	\$541,171,220



**RENO-TAHOE AIRPORT AUTHORITY**  
**SUMMARY OF OPERATING RESULTS**  
**FOR THE YEARS ENDED JUNE 30, 2016 - 2025**  
**(unaudited)**

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Operating Revenues	\$45,513,916	\$47,788,989	\$50,655,269	\$52,549,737	\$50,669,725
Operating Expenses	(36,616,939)	(37,938,146)	(43,730,270)	(42,320,503)	(45,191,925)
Operating Income before Depreciation and Amortization	8,896,977	9,850,843	6,924,999	10,229,234	5,477,800
Depreciation and Amortization	(34,613,731)	(34,462,715)	(31,094,092)	(27,801,203)	(27,608,618)
Operating Income (Loss)	(25,716,754)	(24,611,872)	(24,169,093)	(17,571,969)	(22,130,818)

Continued

**RENO-TAHOE AIRPORT AUTHORITY**  
**SUMMARY OF OPERATING RESULTS**  
**FOR THE YEARS ENDED JUNE 30, 2016 - 2025**  
**(unaudited)**

	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Operating Revenues	\$43,662,916	\$58,065,181	\$64,841,222	\$73,065,625	\$79,616,607
Operating Expenses	<u>(42,612,297)</u>	<u>(46,340,021)</u>	<u>(57,675,123)</u>	<u>(65,745,118)</u>	<u>(66,020,884)</u>
Operating Income before Depreciation and Amortization	1,050,619	11,725,160	7,166,099	7,320,507	13,595,723
Depreciation and Amortization	<u>(26,827,690)</u>	<u>(25,079,112)</u>	<u>(24,461,762)</u>	<u>(24,043,881)</u>	<u>(24,464,365)</u>
Operating Income (Loss)	<u><u>(25,777,071)</u></u>	<u><u>(13,353,952)</u></u>	<u><u>(17,295,663)</u></u>	<u><u>(16,723,374)</u></u>	<u><u>(10,868,642)</u></u>

**RENO-TAHOE AIRPORT AUTHORITY**  
**PRINCIPAL REVENUE PAYERS**  
**FOR THE YEARS ENDED JUNE 30, 2016 - 2025**  
**(unaudited)**

	2016	2017	2018	2019	2020
<u>Airlines - Landing Fees Only</u>					
Alaska/Horizon	\$ 623,357	\$ 642,969	\$ 638,296	\$ 745,193	\$ 711,620
American Airlines	1,308,569	1,125,206	1,253,063	1,313,727	1,331,551
Delta	426,813	433,298	507,079	566,983	534,997
Fed Ex	968,838	932,842	716,310	878,731	882,829
Jet Blue	13,515	238,725	281,464	281,296	226,627
Southwest	2,576,418	2,699,800	3,188,270	3,305,577	2,854,752
United	724,254	701,646	919,786	1,111,373	1,026,505
UPS	660,717	654,977	707,324	903,450	1,023,053
Total:	\$ 7,302,481	\$ 7,429,463	\$ 8,211,592	\$ 9,106,330	\$ 8,591,934
<u>Rental Cars - Concession Leases Only</u>					
Avis/Budget	\$ 1,620,958	\$ 1,777,825	\$ 1,993,895	\$ 2,061,629	\$ 1,951,327
Alamo/ National	1,411,955	1,554,676	1,720,779	1,840,898	1,826,983
Dollar/Thrifty	757,453	750,745	920,885	1,038,332	1,055,493
Enterprise	978,067	1,183,386	1,360,048	1,448,153	1,430,990
Payless	314,189	317,940	286,503	340,580	301,284
Hertz	1,506,355	1,606,381	1,781,205	1,859,856	1,817,455
Total:	\$ 6,588,977	\$ 7,190,953	\$ 8,063,315	\$ 8,589,448	\$ 8,383,532
<u>Other Concession Leases</u>					
IGT	\$ 1,071,402	\$ 974,166	\$ 1,102,412	\$ 1,149,390	\$ 851,669
Paradies Gift Shops	944,071	1,016,968	1,014,199	1,138,086	1,091,785
SSP America, Inc.	992,984	1,221,761	1,484,628	1,527,992	1,161,992
Vino Volo	-	-	-	105,361	152,716
MAG Lounge	-	-	501,415	1,134,388	1,048,880
Clear Channel	564,210	663,436	699,857	768,828	828,974
Lamar Advertising	-	-	-	-	-
Forever Heather	34,855	29,462	35,958	-	-
Frist Class Vending	-	-	-	-	-
Total:	\$ 3,607,522	\$ 3,905,792	\$ 4,838,469	\$ 5,824,045	\$ 5,136,016
Parking and Ground Transportation	\$ 10,519,785	\$ 11,316,885	\$ 12,009,701	\$ 12,817,675	\$ 10,012,455
Total:	\$ 28,018,765	\$ 29,843,093	\$ 33,123,077	\$ 36,337,498	\$ 32,123,937

Continued

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

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

**RENO-TAHOE AIRPORT AUTHORITY**  
**PRINCIPAL REVENUE PAYERS**  
**FOR THE YEARS ENDED JUNE 30, 2016 - 2025**  
**(unaudited)**

	2021	2022	2023	2024 (a)	2025 (a)
<u>Airlines - Landing Fees Only</u>					
Alaska/Horizon	\$ 553,909	\$ 691,885	\$ 618,289	\$ 793,782	\$ 1,185,771
American Airlines	1,079,312	1,275,569	1,207,659	1,477,694	1,623,978
Delta	779,290	775,125	769,445	911,564	1,222,395
Fed Ex	918,027	931,954	1,046,353	1,091,651	1,005,340
Jet Blue	107,869	259,437	229,056	306,784	75,495
Southwest	2,023,722	2,847,213	3,810,742	4,767,078	4,990,402
United	779,167	1,022,320	1,282,803	1,637,204	2,043,993
UPS	1,012,983	958,933	1,022,230	886,235	826,496
Total:	\$ 7,254,279	\$ 8,762,436	\$ 9,986,577	\$ 11,871,992	\$ 12,973,870
<u>Rental Cars - Concession Leases Only</u>					
Avis/Budget	\$ 1,594,094	\$ 3,220,871	\$ 2,838,199	\$ 3,125,017	\$ 3,386,570
Alamo/ National	1,394,229	1,968,634	1,945,589	2,016,286	2,255,962
Dollar/Thrifty	725,000	1,038,391	1,302,860	1,153,751	991,849
Enterprise	1,427,003	1,951,129	1,777,642	1,791,343	1,873,644
Payless	250,000	250,000	250,000	229,167	-
Hertz	1,364,100	1,726,818	2,101,143	1,941,679	2,060,641
Total:	\$ 6,754,426	\$ 10,155,843	\$ 10,215,433	\$ 10,257,243	\$ 10,568,666
<u>Other Concession Leases</u>					
IGT	\$ 666,127	\$ 1,256,202	\$ 1,442,617	\$ 1,311,782	\$ 1,505,530
Paradies Gift Shops	553,978	859,653	1,142,291	1,261,133	1,317,285
SSP America, Inc.	558,358	1,065,958	1,431,897	1,483,405	1,596,317
Vino Volo	204,730	291,232	279,097	261,100	253,619
MAG Lounge	154,754	207,256	212,640	249,007	282,809
Clear Channel	647,686	458,599	-	-	-
Lamar Advertising	-	251,931	752,039	842,338	1,003,830
Forever Heather	-	-	-	-	-
Frist Class Vending	-	-	-	28,331	51,331
Total:	\$ 2,785,633	\$ 4,390,831	\$ 5,260,581	\$ 5,437,096	\$ 6,010,721
Parking and Ground Transportation	\$ 7,361,177	\$ 14,004,586	\$ 18,237,964	\$ 19,474,450	\$ 21,734,060
Total:	\$ 24,155,515	\$ 37,313,696	\$ 43,700,555	\$ 47,040,781	\$ 51,287,317

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

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

**RENO-TAHOE AIRPORT AUTHORITY**  
**PRINCIPAL OPERATING REVENUE SOURCES**  
**FOR THE YEARS ENDED JUNE 30, 2016 - 2025**  
**(unaudited)**

	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Landing fees	\$ 8,071,097	\$ 8,285,922	\$ 9,397,172	\$ 9,719,482	\$ 10,077,732
Concession revenue	10,861,366	11,798,086	12,802,725	13,086,886	11,301,837
Parking and ground transportation	10,519,785	11,316,885	12,009,701	12,817,675	10,012,455
Rentals	13,599,106	13,688,849	13,838,446	14,078,153	16,534,688
Reimbursement for Services	2,419,689	2,531,223	2,416,793	2,671,073	2,397,717
Toal Operating Revenue	45,471,043	47,620,965	50,464,837	52,373,269	50,324,429
Interest Income	694,721	305,497	461,370	2,168,829	2,324,420
Total	\$ 46,165,764	\$ 47,926,462	\$ 50,926,207	\$ 54,542,098	\$ 52,648,849

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, 2016 - 2025**  
(unaudited)

	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Landing fees	\$ 8,948,847	\$ 10,584,517	\$ 12,690,754	\$ 10,792,911	\$ 11,045,980
Concession revenue	9,628,195	15,257,011	15,346,165	17,106,254	17,401,586
Parking and ground transportation	7,361,177	14,004,587	18,237,964	19,474,450	21,734,060
Rentals	15,715,644	15,073,833	15,072,521	22,362,432	26,364,384
Reimbursement for Services	1,823,280	3,000,059	3,384,893	3,210,986	2,976,275
Toal Operating Revenue	43,477,143	57,920,007	64,732,297	72,947,033	79,522,285
Interest Income	\$ (48,887)	\$ (1,491,248)	\$ 2,449,932	\$ 4,345,635	\$ 14,698,124
Total	\$ 43,428,256	\$ 56,428,759	\$ 67,182,229	\$ 77,292,668	\$ 94,220,409

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, 2016 - 2025**  
**(unaudited)**

Year	Landing Fee (a)		RON (Ramp Over Night)		Signatory Terminal Rental Rate Average (b)	Signatory Cost per Enplanement
	Signatory	Non- Signatory	Signatory	Non- Signatory		
2025	3.91	4.82	132.00	132.00	149.12	8.87
2024	4.12	4.59	126.00	126.00	131.34	8.28
2023	3.79	3.50	86.00	86.00	34.47	6.33
2022	3.04	3.23	73.00	73.00	40.66	6.21
2021	3.23	3.23	85.00	85.00	45.74	9.17
2020	3.23	3.23	78.00	78.00	55.31	8.46
2019	2.84	3.14	77.00	77.00	38.49	5.57
2018	2.95	2.99	77.00	77.00	35.14	5.63
2017	2.62	2.79	73.00	73.00	40.48	5.85
2016	2.78	2.94	70.00	70.00	46.72	6.56

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

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

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

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

**RENO-TAHOE AIRPORT AUTHORITY**  
**SCHEDULE OF DEBT AND OBLIGATION COVERAGES**  
**FOR THE YEARS ENDED JUNE 30, 2016 - 2025**  
**(unaudited)**

YEAR	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Gross Pledged Revenues <sup>(1)</sup>	\$ 112,671,001	\$ 92,113,334	\$ 75,537,028	\$ 63,233,922	\$ 44,522,461	\$ 52,909,801	\$ 54,064,139	\$ 53,645,091	\$ 50,148,794	\$ 47,661,886
Transfers- CFC Expenses	1,455,573	1,317,814	221,491	713,649	447,935	417,741	642,557	-	-	-
G/L on Sale of Assets	(28,024)	(84,805)	(10,871)	(15,080)	(41,838)	(28,196)	(25,070)	(169,208)	(13,298)	(105,471)
Airline Revenue Sharing	(11,164,402)	(10,649,700)	7,347,445	5,202,856	2,797,784	2,452,933	4,214,022	4,352,412	3,176,955	2,347,074
35% Gaming Revenue	(526,936)	(459,124)	(377,953)	(439,671)	(221,413)	(286,561)	(390,756)	(374,379)	(341,751)	(374,991)
Direct Operating Expense <sup>(2)</sup>	(65,104,072)	(64,285,688)	(57,675,123)	(46,340,021)	(42,205,572)	(44,037,667)	(42,552,009)	(40,306,317)	(38,112,913)	(37,603,816)
Net Pledged Revenue (Available for Debt and Obligation Payments)	\$ 37,303,141	\$ 17,951,831	\$ 25,042,017	\$ 22,355,655	\$ 5,299,357	\$ 11,428,051	\$ 15,952,883	\$ 17,147,599	\$ 14,857,787	\$ 11,924,682
Debt Service (Senior Lien Debt Service)	375,654	-	-	2,250,450	2,247,975	2,249,125	2,248,900	2,247,300	2,249,463	2,310,285
Debt Service Coverage Ratio - Senior Lien Debt Service	99.30	N/A	N/A	9.93	2.36	5.08	7.09	7.63	6.61	5.16
Net Pledged Revenue (Available for Subordinate Notes)	\$ 36,927,487	\$ 17,951,831	\$ 25,042,017	\$ 20,105,205	\$ 3,051,382	\$ 9,178,926	\$ 13,703,983	\$ 14,900,299	\$ 12,608,324	\$ 9,614,397
Pledged PFC Revenue	-	-	-	-	-	-	-	-	1,812,790.00	1,813,919
Pledged Revenue (Available for Subordinate Notes)	36,927,487	17,951,831	25,042,017	20,105,205	3,051,382	9,178,926	13,703,983	14,900,299	14,421,114	11,428,316
Debt Service (Subordinate Lien Debt Service)	-	-	-	-	-	-	-	-	3,139,393	3,140,055
Debt Service - Coverage Ratio - Subordinate Lien Debt Service	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4.59	3.64

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 for years through 2023. In 2024 it also excludes CFC expense, fuel tax expense, and CBP expense. The change was made to be in compliance with the Master Trust Indenture of the 2024 Series Bonds.

3) Debt service is less amounts funded by Capital Interest



**RENO-TAHOE AIRPORT AUTHORITY**  
**RATE MAINTENANCE COVENANT PERFORMANCE**  
**FOR THE YEARS ENDED JUNE 30, 2016 - 2025**  
**(unaudited)**

	2016	2017	2018	2019	2020
Operating Revenues	\$47,294,719	\$49,616,816	\$52,809,309	\$52,880,841	\$50,669,726
Trust Fund Investment Interest Income	367,167	531,978	835,781	1,183,298	2,240,075
Gross Pledged Revenues	47,661,886	50,148,794	53,645,090	54,064,139	52,909,801
Transfers- Customer Facility Charges for Operating Expenses	-	-	-	642,557	417,741
Operating Expenses	(37,603,816)	(38,112,913)	(40,306,317)	(42,552,009)	(44,037,667)
G/L on Sale of Capital Assets	(105,471)	(13,298)	(169,208)	(25,070)	(28,196)
Airline Revenue Share Prior Year	1,494,648	2,347,074	3,176,955	4,352,412	4,214,022
35% of Gaming Revenues	(374,991)	(341,751)	(374,379)	(390,756)	(286,561)
Net Pledged Revenues - Senior Lien Bonds	\$11,072,256	\$14,027,906	\$15,972,141	\$16,091,273	\$13,189,140
125% of Senior Lien Revenue Bond Debt Service	\$2,887,856	\$2,811,829	\$2,809,125	\$2,811,125	\$2,811,406
Senior Lien Debt Service	\$2,310,285	\$2,249,463	\$2,247,300	\$2,248,900	\$2,249,125
Net Pledged Revenues - Subordinate Lien Notes	\$8,761,971	\$11,778,443	\$13,724,841	\$13,842,373	\$10,940,015
Pledged Passenger Facility Charges	1,813,919	1,812,790	-	-	-
Pledged Revenues - Subordinate Lien Notes	\$10,575,890	\$13,591,233	\$13,724,841	\$13,842,373	\$10,940,015
110% of Subordinate Lien Debt Service	\$3,454,061	\$3,453,332	\$ -	\$ -	\$ -
Subordinate Lien Debt Service	\$3,140,055	\$3,139,393	\$ -	\$ -	\$ -
Rate Maintenance Minimum Revenues	\$6,341,917	\$6,265,161	\$2,809,125	\$2,811,125	\$2,811,406

Continued

**RENO-TAHOE AIRPORT AUTHORITY**  
**RATE MAINTENANCE COVENANT PERFORMANCE**  
**FOR THE YEARS ENDED JUNE 30, 2016 - 2025**  
**(unaudited)**

	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Operating Revenues	\$43,662,916	\$58,065,181	\$64,841,222	\$73,065,625	\$79,616,607
Trust Fund Investment Interest Income	1,018,347	1,246,627	2,449,932	4,345,635	14,698,124
Gross Pledged Revenues	44,681,263	59,311,808	67,291,154	77,411,260	94,314,731
Transfers- Customer Facility Charges for Operating Expenses	447,935	713,649	221,491	1,317,814	1,455,573
Operating Expenses	(42,205,572)	(46,340,021)	(57,675,123)	(64,285,688)	(65,104,072)
G/L on Sale of Capital Assets	(41,838)	(15,080)	(10,871)	(84,805)	(28,024)
Airline Revenue Share Prior Year	2,452,933	2,797,784	5,202,856	7,347,445	10,649,700
35% of Gaming Revenues	(221,413)	(439,671)	(377,953)	(459,124)	(526,936)
Net Pledged Revenues - Senior Lien Bonds	\$5,113,308	\$16,028,469	\$14,651,554	\$21,246,902	\$40,760,973
125% of Senior Lien Revenue Bond Debt Service	\$2,809,969	\$2,813,063	\$210,845	\$0	\$469,568
Senior Lien Debt Service	\$2,247,975	\$2,250,450	\$168,676	\$0	\$375,654
Net Pledged Revenues - Subordinate Lien Notes	\$2,865,333	\$13,778,019	\$14,482,878	\$21,246,902	\$40,385,319
Pledged Passenger Facility Charges	-	-	-	-	-
Pledged Revenues - Subordinate Lien Notes	\$2,865,333	\$13,778,019	\$14,482,878	\$21,246,902	\$40,385,319
110% of Subordinate Lien Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -
Subordinate Lien Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -
Rate Maintenance Minimum Revenues	\$2,809,969	\$2,813,063	\$210,845	\$0	\$469,568

**RENO-TAHOE AIRPORT AUTHORITY**  
**RATIOS OF OUTSTANDING DEBT AND DEBT SERVICE**  
**FOR THE YEARS ENDED JUNE 30, 2016 - 2025**  
**(unaudited)**

	2016	2017	2018	2019	2020
Outstanding Debt					
Revenue bonds	\$ 20,690,000	\$ 19,435,000	\$ 17,720,000	\$ 15,960,000	\$ 14,150,000
Unamortized premium	-	-	-	-	-
Notes payable	6,037,000	3,057,000	-	-	-
Subscription Liability	-	-	-	-	-
Total outstanding debt	<u>\$ 26,727,000</u>	<u>\$ 22,492,000</u>	<u>\$ 17,720,000</u>	<u>\$ 15,960,000</u>	<u>\$ 14,150,000</u>
Enplaned Passengers	1,778,611	1,909,187	2,064,968	2,149,759	1,690,171
Outstanding debt per enplaned passenger	<u>\$ 15</u>	<u>\$ 12</u>	<u>\$ 9</u>	<u>\$ 7</u>	<u>\$ 8</u>
Debt Service					
Principal	\$ 4,235,000	\$ 4,772,000	\$ 1,760,000	\$ 1,810,000	\$ 1,860,000
Interest	588,367	616,855	487,308	438,900	389,125
Total debt service	<u>\$ 4,823,367</u>	<u>\$ 5,388,855</u>	<u>\$ 2,247,308</u>	<u>\$ 2,248,900</u>	<u>\$ 2,249,125</u>
Total Expenses	\$ 72,514,723	\$ 73,017,716	\$ 75,311,669	\$ 70,560,599	\$ 73,189,668
Ratio of debt service to total expenses	<u>6.65%</u>	<u>7.38%</u>	<u>2.98%</u>	<u>3.19%</u>	<u>3.07%</u>

Continued

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

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

**RENO-TAHOE AIRPORT AUTHORITY**  
**RATIOS OF OUTSTANDING DEBT AND DEBT SERVICE**  
**FOR THE YEARS ENDED JUNE 30, 2016 - 2025**  
**(unaudited)**

	2021	2022	2023	2024	2025
Outstanding Debt					
Revenue bonds	\$ 12,290,000	\$ -	\$ 5,479,015	\$ 24,524,708	\$ 238,260,000
Unamortized premium	-	-	-	-	19,300,170
Notes payable	-	-	-	-	-
Subscription Liability	-	-	182,058	609,577	962,343
Total outstanding debt	<u>\$ 12,290,000</u>	<u>\$ -</u>	<u>\$ 5,661,073</u>	<u>\$ 25,134,285</u>	<u>\$ 258,522,513</u>
Enplaned Passengers	1,231,616	2,079,807	2,229,254	2,344,848	2,451,805
Outstanding debt per enplaned passenger	<u>\$ 10</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 11</u>	<u>\$ 105</u>
Debt Service					
Principal	\$ 1,910,000	\$ 1,965,000	\$ 9,624,529	\$ 9,637,657	\$ 30,737,814
Interest	337,975	285,450	168,676	729,205	375,654
Total debt service	<u>\$ 2,247,975</u>	<u>\$ 2,250,450</u>	<u>\$ 9,793,205</u>	<u>\$ 10,366,862</u>	<u>\$ 31,113,468</u>
Total Expenses	\$ 69,777,962	\$ 71,818,990	\$ 82,448,423	\$ 90,535,315	\$ 101,979,024
Ratio of debt service to total expenses	<u>3.22%</u>	<u>3.13%</u>	<u>11.88%</u>	<u>11.45%</u>	<u>30.51%</u>

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

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

**RENO-TAHOE AIRPORT AUTHORITY  
POPULATION IN AIR TRADE AREA  
FOR THE CALENDAR YEARS 2015 - 2024  
(unaudited)**

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Nevada</b>										
County										
Churchill	24,200	24,198	24,230	24,440	24,909	25,516	25,723	25,843	25,803	26,033
Douglas	47,710	48,020	48,309	48,467	48,905	49,488	49,870	49,628	49,545	49,564
Humboldt	17,019	16,842	16,826	16,786	16,831	17,285	17,648	17,272	17,136	17,116
Lyon	52,585	53,179	54,122	55,808	57,510	59,235	60,903	61,585	62,583	63,718
Pershing	6,634	6,560	6,508	6,666	6,725	6,650	6,741	6,462	6,364	6,536
Storey	3,987	4,051	4,006	4,029	4,123	4,104	4,143	4,170	4,177	4,112
Washoe	446,903	453,616	460,587	465,735	471,519	486,492	493,392	496,745	498,022	507,280
Carson City	54,521	54,742	54,745	55,414	55,916	58,639	58,993	58,130	58,036	58,148
Subtotal	653,559	661,208	669,333	677,345	686,438	707,409	717,413	719,835	721,666	732,507
<b>California</b>										
County										
Alpine	1,110	1,071	1,120	1,101	1,129	1,204	1,235	1,190	1,141	1,099
El Dorado	184,452	185,625	188,987	190,678	192,843	191,185	193,221	192,646	192,215	192,823
Lassen	31,345	30,870	31,163	30,802	30,573	32,730	33,159	29,904	28,861	28,340
Mono	13,909	13,981	14,168	14,250	14,444	13,195	13,247	12,978	13,066	12,991
Nevada	98,877	99,107	99,814	99,696	99,755	102,241	103,487	102,293	102,037	102,195
Placer	375,391	380,531	386,166	393,149	398,329	404,739	412,300	417,772	423,561	433,822
Plumas	18,409	18,627	18,742	18,804	18,807	19,790	19,915	19,351	19,131	18,834
Sierra	2,967	2,947	2,999	2,987	3,005	3,236	3,283	3,217	3,200	3,113
Subtotal	726,460	732,759	743,159	751,467	758,885	768,320	779,847	779,351	783,212	793,217
Total	1,380,019	1,393,967	1,412,492	1,428,812	1,445,323	1,475,729	1,497,260	1,499,186	1,504,878	1,525,724
Percentage increase	0.88%	1.01%	1.33%	1.16%	1.16%	2.10%	1.46%	0.13%	0.38%	1.39%
Unemployment rate										
Washoe County	6.3%	5.0%	3.5%	2.3%	3.2%	4.9%	3.1%	3.5%	4.0%	4.7%

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 2024 AND 2014  
(unaudited)**

<u>Employer</u>	<u>Calendar year 2024</u>		<u>Calendar year 2014</u>	
	<u>Rank</u>	<u>Employees</u>	<u>Rank</u>	<u>Employees</u>
Nugget Casino Resort	1	1,000-4,999	-	1,000-4,999
Renown Health	2	1,000-4,999	3	1,000-4,999
Peppermill Inc	3	1,000-4,999	5	1,000-4,999
Grand Sierra Resort & Casino	4	1,000-4,999	9	1,000-4,999
St Mary's Regional Medical Center	5	1,000-4,999	10	1,000-4,999
Peppermill Casinos Inc	6	1,000-4,999	5	1,000-4,999
Eldorado Hotel & Casino	7	1,000-4,999	11	1,000-4,999
Silver Legacy	8	1,000-4,999	11	1,000-4,999
University of Nevada, Reno Sponsored	9	1,000-4,999	2	1,000-4,999
U-Haul Holding Company	10	1,000-4,999	-	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, 2024 2nd Release

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

**RENO-TAHOE AIRPORT AUTHORITY  
EMPLOYEES  
FOR THE YEARS ENDED JUNE 30, 2016 - 2025  
(unaudited)**

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

Year	Board of Trustees*	Airfield Operations	Terminal Ops & Building Maintenance	Police/ Security	Parking	Aircraft Rescue and Firefighting	Administration	Total
2025**	9.0	57.0	79.0	29.0	23.0	0.0	82.5	270.5
2024	9.0	57.0	64.0	44.0	23.0	25.0	79.0	292.0
2023	9.0	56.0	62.0	44.0	23.0	22.0	82.0	289.0
2022	9.0	56.0	64.5	44.5	15.0	22.0	64.5	266.5
2021	9.0	56.0	67.5	44.5	16.0	20.0	76.5	280.5
2020	9.0	55.0	67.5	44.5	16.0	20.0	77.5	280.5
2019	9.0	55.0	67.5	44.0	16.0	20.0	75.0	277.5
2018	9.0	54.0	68.0	44.0	16.0	20.0	75.5	277.5
2017	9.0	52.0	68.0	43.0	15.0	20.0	74.5	272.5
2016	9.0	52.0	68.0	42.0	15.0	20.0	73.5	270.5

\* 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.

\*\* In FY 2025 adjustments were made to classifications of departments related to Terminal Operations and Security. Additionally, Fire employees are now employed by the City of Reno, and RTAA contracts these services with the City.

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  
OPERATIONAL STATISTICAL SUMMARY  
FOR THE YEARS ENDED JUNE 30, 2016 - 2025  
(unaudited)**

Year	Enplanements	Airport Growth	Landed Weights	Airport Growth	Air Carrier Operations	Airport Growth
2025	2,451,805	4.6%	3,377,420	4.7%	51,019	6.9%
2024	2,344,848	5.2%	3,225,057	4.0%	47,707	8.9%
2023	2,229,254	7.2%	3,100,328	0.7%	43,791	-2.5%
2022	2,079,807	68.9%	3,077,335	28.0%	44,896	24.8%
2021	1,231,616	-27.1%	2,403,819	-13.8%	35,962	-14.0%
2020	1,690,171	-21.4%	2,789,987	-8.2%	41,797	-12.9%
2019	2,149,759	4.1%	3,039,273	6.3%	47,970	-0.7%
2018	2,064,968	8.2%	2,859,499	1.8%	48,303	11.4%
2017	1,909,187	7.3%	2,808,680	8.0%	43,347	9.5%
2016	1,778,611	7.4%	2,599,963	8.8%	39,579	9.6%



**RENO-TAHOE AIRPORT AUTHORITY  
RENO-TAHOE INTERNATIONAL AIRPORT  
ENPLANEMENTS AND MARKET SHARE BY SCHEDULED AIRLINE  
FOR THE YEARS ENDED JUNE 30, 2016 - 2025  
(unaudited)**

Scheduled Airline	2016			2017			2018		
	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change
Alaska / Horizon Air	204,286	11%	14%	226,117	12%	11%	212,427	10%	-6%
Allegiant Air	19,047	1%	-5%	31,504	2%	65%	30,663	1%	-3%
American	385,363	22%	74%	370,451	19%	-4%	383,996	19%	4%
Delta	128,189	7%	7%	136,418	7%	6%	152,435	7%	12%
Frontier	165	0%	N/A	-	0%	-100%	18,271	1%	N/A
JetBlue Airways	41,143	2%	1130%	77,686	4%	89%	80,494	4%	4%
Southwest	763,006	43%	4%	816,323	43%	7%	901,470	44%	10%
United	216,996	12%	1%	226,272	12%	4%	265,271	13%	17%
US Airways (America West)	-	0%	-100%	-	0%	N/A	-	0%	N/A
Volaris	17,070	1%	145%	20,966	1%	23%	17,234	1%	-18%
Other	3,346	0%	46%	3,450	0%	3%	2,707	0%	-22%
	1,778,611	100%	7%	1,909,187	100%	7%	2,064,968	100%	8%

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, 2016 - 2025**  
**(unaudited)**

Scheduled Airline	2019			2020			2021		
	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change
Alaska / Horizon Air	208,312	10%	-2%	172,563	10%	-17%	120,292	10%	-30%
Allegiant Air	41,681	2%	36%	35,224	2%	-15%	29,316	2%	-17%
American	384,766	18%	0%	347,656	21%	-10%	246,791	20%	-29%
Delta	165,441	8%	9%	128,574	8%	-22%	131,351	11%	2%
Frontier	26,709	1%	46%	19,390	1%	-27%	24,976	2%	29%
JetBlue Airways	78,164	4%	-3%	52,825	3%	-32%	16,084	1%	-70%
Southwest	909,515	42%	1%	658,668	39%	-28%	460,904	37%	-30%
United	311,716	15%	18%	253,093	15%	-19%	175,966	14%	-30%
US Airways (America West)	-	0%	N/A	-	0%	N/A	-	0%	N/A
Volaris	19,819	1%	15%	19,937	1%	1%	18,207	1%	-9%
Other	3,636	0%	34%	2,241	0%	-38%	7,729	1%	245%
	2,149,759	100%	4%	1,690,171	100%	-21%	1,231,616	100%	-27%

Continued

**RENO-TAHOE AIRPORT AUTHORITY**  
**RENO-TAHOE INTERNATIONAL AIRPORT**  
**ENPLANEMENTS AND MARKET SHARE BY SCHEDULED AIRLINE**  
**FOR THE YEARS ENDED JUNE 30, 2016 - 2025**  
**(unaudited)**

Scheduled Airline	2022			2023			2024			2025		
	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change	Enplanements	Share	Percent Change
Alaska / Horizon Air	198,399	10%	65%	159,114	7%	-20%	175,632	7%	10%	236,027	10%	34%
Allegiant Air	33,008	2%	13%	15,217	1%	-54%	6,753	0%	-56%	-	0%	-100%
American	362,636	17%	47%	347,443	16%	-4%	360,812	15%	4%	363,023	15%	1%
Delta	214,794	10%	64%	202,408	9%	-6%	204,510	9%	1%	244,134	10%	19%
Frontier	33,071	2%	32%	14,980	1%	-55%	-	0%	-100%	13,579	1%	N/A
JetBlue Airways	55,472	3%	245%	51,088	2%	-8%	48,845	2%	-4%	13,168	1%	-73%
Southwest	833,339	40%	81%	962,448	43%	15%	989,616	42%	3%	978,412	40%	-1%
United	294,366	14%	67%	331,495	15%	13%	366,528	16%	11%	403,605	16%	10%
US Airways (America West)	-	0%	N/A	-	0%	N/A	-	0%	N/A	-	0%	N/A
Volaris	26,785	1%	47%	32,508	1%	21%	36,538	2%	12%	33,057	1%	-10%
Other	27,948	1%	262%	112,553	5%	303%	155,614	7%	38%	166,800	7%	7%
	2,079,818	100%	69%	2,229,254	100%	7%	2,344,848	100%	5%	2,451,805	100%	5%

**RENO-TAHOE AIRPORT AUTHORITY**  
**RENO-TAHOE INTERNATIONAL AIRPORT**  
**LANDED WEIGHTS AND MARKET SHARE BY SCHEDULED AIRLINE**  
**FOR THE YEARS ENDED JUNE 30, 2016 - 2025**  
**(unaudited)**

Scheduled Airline	2016			2017			2018		
	Landed Weights (000) lbs	Share	Percent Change	Landed Weights (000) lbs	Share	Percent Change	Landed Weights (000) lbs	Share	Percent Change
Alaska / Horizon Air	212,173	8%	12%	234,218	8%	10%	213,477	7%	-9%
Allegiant Air	21,866	1%	-5%	36,073	1%	65%	32,959	1%	-9%
American	441,718	17%	89%	409,575	15%	-7%	419,085	15%	2%
Delta	144,923	6%	-3%	157,875	6%	9%	168,798	6%	7%
Frontier	145	0%	N/A	-	0%	-100%	19,339	1%	N/A
JetBlue Airways	46,072	2%	1196%	87,084	3%	89%	94,135	3%	8%
Southwest	873,884	34%	1%	983,684	35%	13%	1,066,311	37%	8%
Spirit Airlines	-	0%	N/A	-	0%	N/A	-	0%	N/A
Sun Country	585	0%	-71%	1,102	0%	88%	1,102	0%	0%
United	245,891	9%	4%	255,760	9%	4%	307,621	11%	20%
US Airways (America West)	-	0%	-100%	-	0%	N/A	-	0%	N/A
Volaris	19,612	1%	141%	23,234	1%	18%	17,752	1%	-24%
Federal Express	329,884	13%	14%	339,683	12%	3%	239,569	8%	-29%
United Parcel Service	225,495	9%	34%	238,302	8%	6%	236,563	8%	-1%
Other	37,715	1%	74%	42,091	1%	12%	42,788	1%	2%
	2,599,963	100%	9%	2,808,680	100%	8%	2,859,499	100%	2%

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, 2016 - 2025**  
**(unaudited)**

Scheduled Airline	2019			2020			2021		
	Landed Weights (000) lbs	Share	Percent Change	Landed Weights (000) lbs	Share	Percent Change	Landed Weights (000) lbs	Share	Percent Change
Alaska / Horizon Air	237,323	8%	11%	220,316	8%	-7%	171,489	7%	-22%
Allegiant Air	43,831	1%	33%	40,800	1%	-7%	45,311	2%	11%
American	418,385	14%	0%	412,245	15%	-1%	334,152	14%	-19%
Delta	180,568	6%	7%	165,634	6%	-8%	241,266	10%	46%
Frontier	25,565	1%	32%	20,019	1%	-22%	30,273	1%	51%
JetBlue Airways	89,585	3%	-5%	70,163	3%	-22%	33,396	1%	-52%
Southwest	1,052,732	35%	-1%	883,824	32%	-16%	626,539	26%	-29%
Spirit Airlines	-	0%	N/A	-	0%	N/A	-	0%	N/A
Sun Country	844	0%	-23%	732	0%	-13%	585	0%	-20%
United	353,941	12%	15%	317,803	11%	-10%	241,228	10%	-24%
US Airways (America West)	-	0%	N/A	-	0%	N/A	-	0%	N/A
Volaris	20,807	1%	17%	21,948	1%	5%	22,392	1%	2%
Federal Express	279,851	9%	17%	273,322	10%	-2%	284,219	12%	4%
United Parcel Service	287,723	9%	22%	316,735	11%	10%	313,617	13%	-1%
Other	48,121	2%	12%	45,846	2%	-5%	59,152	2%	29%
	3,039,273	100%	6%	2,789,387	100%	-8%	2,403,619	100%	-14%

Continued

**RENO-TAHOE AIRPORT AUTHORITY**  
**RENO-TAHOE INTERNATIONAL AIRPORT**  
**LANDED WEIGHTS AND MARKET SHARE BY SCHEDULED AIRLINE**  
**FOR THE YEARS ENDED JUNE 30, 2016 - 2025**  
**(unaudited)**

Scheduled Airline	2022			2023			2024			2025		
	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	226,813	7%	32%	176,654	6%	-22%	198,943	6%	13%	283,000	8%	42%
Allegiant Air	41,859	1%	-8%	16,404	1%	-61%	7,450	0%	-55%	0	0%	-100%
American	413,665	13%	24%	345,045	11%	-17%	370,349	11%	7%	387,584	11%	5%
Delta	252,886	8%	5%	219,842	7%	-13%	228,462	7%	4%	291,741	9%	28%
Frontier	34,922	1%	15%	16,244	1%	-53%	-	0%	-100%	16,075	0%	N/A
JetBlue Airways	80,321	3%	141%	65,445	2%	-19%	66,837	2%	2%	15,663	0%	-77%
Southwest	936,363	30%	49%	1,088,784	35%	16%	1,194,756	37%	10%	1,191,027	35%	0%
Spirit Airlines	-	0%	N/A	92,493	3%	N/A	131,499	4%	42%	146,450	4%	11%
Sun Country	5,559	0%	850%	29,406	1%	429%	36,282	1%	23%	35,697	1%	-2%
United	336,502	11%	39%	366,515	12%	9%	410,327	13%	12%	487,826	14%	19%
US Airways (America West)	-	0%	N/A	-	0%	N/A	-	0%	N/A	-	0%	N/A
Volaris	30,993	1%	38%	37,540	1%	21%	37,525	1%	0%	37,540	1%	0%
Federal Express	305,799	10%	8%	298,958	10%	-2%	273,597	8%	-8%	239,938	7%	-12%
United Parcel Service	314,538	10%	0%	292,066	9%	-7%	222,114	7%	-24%	197,254	6%	-11%
Other	97,117	3%	64%	54,932	2%	-43%	46,916	1%	-15%	47,625	1%	2%
	3,077,337	100%	28%	3,100,328	100%	1%	3,225,057	100%	4%	3,377,420	100%	5%

**RENO-TAHOE AIRPORT AUTHORITY  
CAPITAL ASSET INFORMATION  
AS OF JUNE 30, 2025  
(unaudited)**

**Reno-Tahoe International Airport**

Location: 2001 East Plumb Lane  
4 miles southeast of Downtown Reno

Airport Code: RNO

Elevation: 4,415 ft

Area: 1,450 acres

Runways and Facilities:

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

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

**Reno Stead Airport**

Location: 11 miles northwest of Downtown Reno

Elevation: 5,050 ft

Area: 5,000 acres

Runways and Facilities:

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

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Created in 1977 by State Legislature  
Nine-member Board

**RENO-TAHOE AIRPORT AUTHORITY**  
**CAPITAL ASSET INFORMATION**  
**AS OF JUNE 30, 2016 - 2025**  
**(unaudited)**

	2025	2024 (d)	2023 (d)	2022	2021	2020	2019	2018 (c)	2017 (b)	2016 (a)
Terminal Space - square feet										
Airlines	176,742	176,742	176,742	176,742	176,742	176,742	176,742	169,230	175,985	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	37,604	37,604	37,167	37,167
Public Areas	196,189	196,189	196,189	196,189	196,189	196,189	196,189	196,189	196,959	197,723
RTAA	44,885	44,885	44,885	44,885	44,885	44,885	44,885	52,397	45,309	45,309
Unfinished Areas	9,550	9,550	9,550	-	-	-	-	-	-	-
	<u>467,853</u>	<u>467,853</u>	<u>467,853</u>	<u>458,303</u>	<u>458,303</u>	<u>458,303</u>	<u>458,303</u>	<u>458,303</u>	<u>458,303</u>	<u>458,303</u>
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	296	296	295	295	296	300	300
Long-Term	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,650	1,650
Surface Lot	1,462	1,462	1,462	1,462	1,462	1,469	1,462	1,462	1,532	1,532
	<u>3,388</u>	<u>3,388</u>	<u>3,388</u>	<u>3,388</u>	<u>3,388</u>	<u>3,394</u>	<u>3,387</u>	<u>3,388</u>	<u>3,482</u>	<u>3,482</u>
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) The ticketing hall expansion construction project was in progress as an unfinished area of the terminal building.

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



# **COMPLIANCE SECTION**

# **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, 2025.

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, 2025.

***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.

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(Continued)

## ***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.

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(Continued)

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, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated November 26, 2025, 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 26, 2025

**RENO-TAHOE AIRPORT AUTHORITY  
SUPPLEMENTARY SCHEDULE OF PASSENGER FACILITY CHARGES  
COLLECTED AND EXPENDED  
FOR THE YEAR ENDED JUNE 30, 2025**

Balance July 1, 2024	\$ 23,923,744
Collection of Passenger Facility Charges, July 1, 2024 through June 30, 2025	9,195,300
Interest earnings	770,937
Proceeds expended for Passenger Facility Charge Projects July 1, 2024 through June 30, 2025	<u>(17,082,552)</u>
Balance June 30, 2025	<u><u>\$ 16,807,429</u></u>

RENO-TAHOE AIRPORT AUTHORITY  
SCHEDULE OF PASSENGER FACILITY CHARGES FINDINGS AND QUESTIONED COSTS  
Year ended June 30, 2025

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**Summary of Auditor's Results**

We have issued an unmodified opinion, dated November 26, 2025 on the financial statements of the Reno-Tahoe Airport Authority as of and for the year ended June 30, 2025.

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 26, 2025 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.

# **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, 2025, 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 26, 2025.

**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*.

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(Continued)

## 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.

A handwritten signature in black ink that reads "Crowe LLP". The signature is stylized, with the "C" being large and the "LLP" being more compact.

Crowe LLP

Indianapolis, Indiana  
November 26, 2025

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

Board of Trustees  
Reno-Tahoe Airport Authority  
Reno, Nevada

### **Report on Compliance for the Major Federal Program**

#### ***Opinion on the 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, 2025. 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, 2025.

#### ***Basis for Opinion on the 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.

A handwritten signature in black ink that reads "Crowe LLP". The script is cursive and fluid, with the "C" being particularly large and the "LLP" being more compact.

Crowe LLP

Indianapolis, Indiana  
December 10, 2025

**RENO-TAHOE AIRPORT AUTHORITY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2025**

DESCRIPTION OF PROJECT	PERCENT OF PARTICIPATION	ASSISTANCE LISTING NUMBER	FEDERAL PROJECT NUMBER	GRANT AMOUNT	REIMBURSEMENTS RECEIVED		REIMBURSEABLE EXPENSES		
					July 1, 2024 to June 30, 2025	Cumulative Thru June 30, 2025	July 1, 2024 to June 30, 2025	Cumulative Thru June 30, 2025	
<b>United States Department of Transportation</b>									
<b>Federal Aviation Administration</b>									
<b>Airport Improvement Program</b>									
<b><u>Construction</u></b>									
Reno Runway 16R-34L Reconstruction Phase 2	100.00%	20.106	3-32-0017-106	\$ 31,705,245	\$ 914,421	\$ 31,608,571	\$ 505,102	\$ 31,608,571	
COVID-19 ARPA Act	100.00%	20.106	3-32-0017-112	16,653,997	7,660,437	16,653,997	7,653,956	16,653,997	
COVID-19 ARPA Consessions	100.00%	20.106	3-32-0017-114	1,852,390	-	1,852,390	14,767	1,843,041	
Twy B and GA Runup	93.75%	20.106	3-32-0017-115	8,149,937	4,220,498	8,149,937	503,760	8,149,937	
Airfield Signage Replacement	93.75%	20.106	3-32-0017-116	285,938	2,369	226,525	2,369	226,525	
Terminal Loop Road	93.75%	20.106	3-32-0017-117	3,589,000	992,211	3,100,494	329,049	3,357,306	
VALE Equipment	93.75%	20.106	3-32-0017-118	6,644,656	5,591,917	6,094,131	5,889,548	6,506,335	
New Gen A & B - Central Utility Plant	80.00%	20.106	3-32-0017-119	7,000,000	-	-	1,320,316	1,320,316	
Reconstruct Apron, Taxilanes A,B,C & D	93.75%	20.106	3-32-0017-120	417,958	374,711	350,326	394,102	394,102	
ARFF Vehicle Class 4	93.75%	20.106	3-32-0017-121	911,000	-	-	281,164	281,164	
Airfield Guidance Signage	93.75%	20.106	3-32-0017-122	4,279,500	-	-	233,298	233,298	
S. RON Expansion	93.75%	20.106	3-32-0017-126	8,134,000	-	-	497,010	497,010	
					89,623,621	19,756,564	68,036,371	17,624,441	71,071,602
<b>United States Department of Homeland Security</b>									
<b>Transportation Security Administration</b>									
<b>Aviation and Transportation Security Act</b>									
<b><u>Security</u></b>									
Law Enforcement Officer Reimbursement Agreement Program	Fixed	97.090	70T02021T6114N125	867,516	72,684	451,762	-	525,022	
				867,516	72,684	451,762	-	525,022	
					\$ 90,491,137	\$ 19,829,248	\$ 68,488,133	\$ 17,624,441	\$ 71,596,624

See accompanying notes to Schedule of Expenditures of Federal Awards

**RENO-TAHOE AIRPORT AUTHORITY**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2025**

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**1. Basis of Presentation:**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Authority under programs of the federal government for the year ended June 30, 2025. 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, 2025.

RENO-TAHOE AIRPORT AUTHORITY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year ended June 30, 2025

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

***Financial Statements***

Type of auditor’s report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_\_\_ Yes      X   No

Significant deficiencies identified not  
considered to be material weaknesses?

\_\_\_\_\_ Yes      X   None Reported

Noncompliance material to financial statements noted?

\_\_\_\_\_ Yes      X   No

***Federal Awards***

Internal Control over major programs:

Material weakness(es) identified?

\_\_\_\_\_ Yes      X   No

Significant deficiency(ies) identified not  
considered to be material weaknesses?

\_\_\_\_\_ Yes      X   None Reported

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

Unmodified

Any audit findings disclosed that are required to be  
reported in accordance with 2 CFR 200.516(a)?

\_\_\_\_\_ Yes      X   No

Identification of major programs:

Assistance Listing Number(s)

Name of Federal Program or Cluster

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.





**Reno-Tahoe  
Airport Authority**

PO Box 12490  
Reno, NV 89510-2490

*For the year ended  
**June 30, 2025***