

**CLARK COUNTY, NEVADA
DEPARTMENT OF AVIATION
HARRY REID INTERNATIONAL AIRPORT**

ANNUAL REPORT

**FINANCIAL INFORMATION
AND OPERATING DATA**

Pursuant to Amended SEC Rule 15c2-12

As of June 30, 2024

Prepared by:

ZIONS  PUBLIC FINANCE

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In addition to this Annual Report, the documents required for submission for fiscal year ended June 30, 2024, are listed below and have been submitted separately to the appropriate repositories. Each such document may be incorporated herein by reference.

Clark County Department of Aviation Annual Comprehensive Financial Report

Clark County, Nevada Annual Comprehensive Financial Report

Official Statements for all municipal securities transactions

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I. Continuing Disclosure Undertaking

The Clark County, Nevada Department of Aviation, Harry Reid International Airport (formerly McCarran International Airport) (the "Airport") has covenanted to provide ongoing disclosure of certain annual financial information and operating data with respect to the Airport, of the type specified in the respective original offering documents of the municipal securities transactions subject to Amended SEC Rule 15c2-12 (the "Rule").

This Annual Report provides financial information and operating data for the period ended June 30, 2024. Information on subsequent events is contained in the materials listed on the Table of Contents page and are incorporated herein by reference.

The Airport also has covenanted to provide the Airport's annual financial statements, prepared in accordance with generally accepted accounting principles, audited by a firm of certified public accountants or the legislative auditor as required by the laws of the State of Nevada.

In addition, the Airport covenants to provide, or cause to be provided, to the Municipal Securities Rulemaking Board ("MSRB"), in a timely manner (not in excess of ten business days after the occurrence of the event for transactions issued after December 1, 2010), notice of any of the events listed below with respect to the transactions subject to the Rule:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability or Notices of Proposed Issue (IRS Form 5701-TEB)
6. Tender Offers;
7. Defeasances;
8. Ratings changes; and
9. Default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties; and
10. Bankruptcy, insolvency, receivership or similar proceedings;

Note: For the purposes of the event identified in subparagraph (9) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the obligated person.

Also, the Airport covenants to provide, or cause to be provided, to the MSRB, notice of the occurrence of any of the following events with respect to the transactions subject to the Rule, *if material*:

1. Unless described in subparagraph (5) above, other notices or determinations by the Internal Revenue Service with respect to the tax status of the bonds/notes or other events affecting the tax status of the bonds/notes;
2. Modifications to rights of Bond/Note Holders;
3. Optional, unscheduled or contingent bond/note redemptions;
4. Release, substitution or sale of property securing repayment of the bonds/notes;
5. Non-payment related defaults;
6. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; and
7. Appointment of a successor or additional trustee or the change of a name of a trustee.
8. Incurrence of a Financial Obligation of the Issuer or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation of the Issuer, any of which affect security holders.

II. Securities Offerings Subject to Continuing Disclosure

Pursuant the Rule, the Airport is required to provide ongoing secondary market disclosure for municipal transactions issued on and after July 3, 1995. The annual financial information covered by the continuing disclosure undertakings for all municipal securities transactions subject to the Rule will be provided annually to the MSRB in accordance with the continuing disclosure certificates for each transaction. The SEC submission process of the annual financial information is to be distributed to the MSRB in an electronic format filed exclusively through the Electronic Municipal Market Access ("EMMA") system available on the Internet at <http://emma.msrb.org>.

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The following municipal securities transactions are included in this Annual Report:

	Date Issued	Original Amount	Final Maturity (July 1)	Principal Outstanding 06/30/2024	Base CUSIP
REVENUE BONDS					
Senior Lien Bonds					
Series 2010C (BABs) (Taxable Direct Payment)	02/23/10	\$ 454,280,000	2045	\$ 454,280,000	18085P
Series 2015A	04/30/15	59,915,000	2040	59,915,000	18085P
Series 2019B (Non-AMT)	07/01/19	240,800,000	2042	240,800,000	18085P
Subordinate Lien Bonds					
Series 2014A-1 (AMT)	04/08/14	95,950,000	2024	8,820,000	18085P
Series 2017A-2 (Non-AMT)	04/25/17	47,800,000	2040	47,800,000	18085P
Series 2019A (Non-AMT)	07/01/19	107,530,000	2026	59,565,000	18085P
Series 2019D (Non-AMT)	11/27/19	296,155,000	2032	190,620,000	18085P
Series 2021A (Non-AMT)	06/30/21	71,270,000	2036	71,270,000	18085P
Series 2024A (Non-AMT)	04/02/24	319,375,000	2032	319,375,000	18085P
Passenger Facility Charge Bonds (“PFC Bonds”)					
Series 2015C (Non-AMT)	07/22/15	98,965,000	2027	54,445,000	181006
Series 2017B (AMT)	04/25/17	69,305,000	2025	19,420,000	181006
Series 2019E (Non-AMT)	11/27/19	369,045,000	2033	235,075,000	181006
Series 2022B (Non-AMT)	11/23/22	43,400,000	2027	43,400,000	181006
Third Lien Jet Aviation Fuel Tax Bonds					
Series 2022A (AMT)	11/23/22	40,230,000	2026	32,405,000	18085P
Bond Anticipation Notes					
Series 2021B (AMT)	06/30/21	125,310,000	2027	97,475,000	18085P
Series 2024B (Non-AMT)	04/02/24	150,920,000	2029	150,920,000	18085P

III. Financial Information and Operating Data

The Airport has covenanted to provide updates to the information contained in the municipal securities transactions subject to the Rule. The tables originally provided in the initial offering documents are shown in the following pages.

STATEMENT OF HISTORICAL REVENUES AND EXPENSES ^{1/} Clark County, Nevada Department of Aviation (Dollars in Thousands)

Fiscal Year Ended June 30	2024 (Actual)	2023 (Actual)	2022 (Actual)
Operating Revenues:			
Landing Fees	\$ 15,141	\$ 15,026	\$ 19,940
Other Aircraft Fees	11,633	11,066	8,495
Building Rentals	121,114	158,162	138,144
Gate Use Fees	27,894	35,376	18,211
Land Rentals	24,424	21,975	21,258
Ground Transportation Fees	41,156	38,021	30,504
Rental Car Fees	45,684	45,985	43,343
Rental Car Facility Rents	43,454	40,564	34,263
Gaming	62,649	58,490	53,085
Terminal Concession Fees	107,291	85,460	75,164
Parking Fees	64,490	62,220	52,655
Net Revenue from Reliever Airports	20,080	13,525	11,130
Miscellaneous	3,910	3,363	4,486
Total Operating Revenues:	\$ 588,920	\$ 589,233	\$ 510,678
Operating Expenses:			
Salaries, Wages and Benefits	\$ 156,360	\$ 152,110	\$ 100,780
Repairs and Maintenance	23,123	19,998	14,591
Professional Services	89,459	72,851	63,222
Utilities and Communications	35,875	31,381	22,699
Miscellaneous	33,018	29,159	21,130
Total Operating Expenses:	\$ 337,835	\$ 305,499	\$ 222,422
Net Operating Revenues			
CARES Act , CARES II Act, ARP Act and County Grant Funding	\$ 251,085	\$ 283,734	\$ 288,256
Interest Subsidy Received on Build America Bonds ^{2/}	5,971	158,049	49,423
Allowable Interest Income (Expense)	10,226	10,226	10,226
	<u>22,511</u>	<u>11,138</u>	<u>(13,586)</u>
Net Revenues	\$ 289,793	\$ 463,147	\$ 334,319
Other Available Funds for Purposes of Senior Securities Debt Service ^{3/}	11,504	11,504	11,504
Other Available Funds for Purposes of Second Lien Subordinate Securities Debt Service ^{4/}	<u>21,316</u>	<u>23,879</u>	<u>24,680</u>
Total Debt Service for Senior Securities Outstanding ^{5/}	\$ 46,018	\$ 46,018	\$ 46,018
Coverage Ratio for Senior Securities Based on Net Revenues ^{6/}	6.30	10.06	7.26
Coverage Ratio for Senior Securities Based on Total Funds Available pursuant to the Rate Maintenance Covenant under the Master Indenture (Required covenant is 1.25)	6.55	10.31	7.51
Debt Service on Second Lien Subordinate Securities ^{7/}	\$ 98,115	\$ 123,750	\$ 131,757
Coverage Ratio for Second Lien Subordinate Securities Based on Total Funds Available after payment of Senior Securities ^{6/7/}	2.70	3.56	2.38
Coverage Ratio for Senior and Second Lien Subordinate Securities Based on Total Funds Available (Required covenant is 1.10)	2.16	2.87	2.02
PFC Revenues ^{8/}	\$ 111,208	\$ 110,473	\$ 94,026
PFC Related Investment Interest Income (Expense)	5,266	1,589	(1,688)
Total PFC Revenues Available for Debt Service	\$ 116,474	\$ 112,062	\$ 92,338
Debt Service on PFC Pledged Bonds ^{9/}	\$ 68,046	\$ 78,280	\$ 78,324
Coverage Ratio for PFC Pledged Bonds Based Solely on PFC Revenues ^{6/8/}	1.71	1.43	1.18
Revenues Available for Debt Service on Third Lien Subordinate Securities	\$ 200,887	\$ 334,826	\$ 176,219
Jet A Fuel Tax Revenues and Interest Thereon	18,699	17,955	14,228
Jet A Fuel Tax Revenues Bond Debt Service	\$ 11,900	\$ 10,290	\$ 8,567

- Footnotes on following page -

1/ Totals may not add due to independent rounding. Dollars in thousands.

2/ Prior to federal legislation commonly referred to as the federal sequester, the County expected to receive Build America Bond ("BAB") interest subsidy payments ("BAB Credits") in an amount equal to 35% of the interest due on the 2010C Bonds, which are BABs. See the caption "-Management Discussion of Operating Results and Projections-Reduction in BAB Credits" in the Airport's Official Statement dated March 13, 2024, for a discussion of reductions in and the partial elimination of BAB Credit payments. The operating results shown for fiscal years 2022 - 2024 reflect a reduction of 5.8% in BAB Credits. Debt service payable from Net Revenues will increase in the event that BAB Credits are subject to additional reductions or eliminated.

3/ Under the Master Indenture, "Other Available Funds" is defined to mean, for any fiscal year, the smallest amount of unencumbered funds at any time in the fiscal year on deposit in the Capital Fund in excess of the Minimum Capital Reserve; but in no event will such amount exceed 25% of the Aggregate Debt Service Requirements for the Senior Securities then Outstanding for the Comparable Bond Year.

4/ Under the bond ordinances authorizing the Second Lien Subordinate Securities, "Other Available Funds" is defined to mean, for any fiscal year, the smallest amount of unencumbered funds at any time in the fiscal year on deposit in the Capital Fund in excess of the Minimum Capital Reserve; but in no event will such amount exceed the sum of: (i) 25% of the Aggregate Debt Service Requirements for the Parity Bonds then Outstanding for the Comparable Bond Year; and (ii) 10% of the Aggregate Debt Service Requirements of the Second Lien Subordinate Securities then Outstanding for the Comparable Bond Year.

5/ Includes debt service on Senior Securities.

6/ For illustrative purposes only; not required under financing documents.

7/ For the synthetically fixed bonds, interest is calculated based on the respective swap agreements described in Note 9 of the Annual Comprehensive Financial Report for year ended June 30, 2024. Swap agreements do not necessarily correspond to the named series of bonds. Reflects the release of certain moneys from a revocable escrow fund which had been established with respect to prior Airport obligations refunded by the 2014A-1 Bonds and the 2014A-2 Bonds, which was applied to refund certain Second Lien Subordinate Securities.

8/ Revenue derived from \$4.50-per-qualifying-enplaned-passenger passenger facility charge is pledged to the payment on the Parity PFC Bonds.

9/ Debt Service on Parity PFC Bonds paid from PFC Revenues (funds other than Net Revenues); net of capitalized interest; includes interest income.

SOURCE: Clark County Department of Aviation and Clark County Department of Aviation Annual Comprehensive Financial Report for each year shown

HISTORICAL PASSENGER FACILITY CHARGE COLLECTIONS
Clark County, Nevada Department of Aviation

Fiscal Year Ended June 30	Passenger Facility Charge Collection ^{1/2/}	Percentage Change
2020	\$ 70,640,051	--
2021	58,898,601	(16.6)%
2022	94,026,423	59.6
2023	110,473,052	17.5
2024	111,207,877	0.7

1/ Excludes interest earnings.

2/ Decrease reflects the effect of the COVID-19 outbreak and governmental responses thereto.

Source: Clark County Department of Aviation

HISTORICAL AIRLINE TRAFFIC
Harry Reid International Airport

Fiscal Year Ended June 30	Enplaned Passengers ^{1/}	Average Annual Percent Increase (Decrease)	Airline Aircraft Departures ^{2/}	Average Annual Percent Increase (Decrease)
2020 ^{3/}	19,037,659	24.5%	185,107	(17.9%)
2021 ^{3/}	13,187,187	(30.7)	149,370	(19.3)
2022	24,025,401	82.2	217,136	45.4
2023	28,276,384	17.7	255,020	17.4
2024	29,145,881	3.1	258,793	1.5

1/ Includes all enplaned passengers on scheduled, charter, commuter and other airlines.

2/ Includes passenger airline and cargo airline aircraft departures.

3/ Decrease reflects the effect of COVID-19 outbreak and governmental actions in response thereto.

Source: Clark County Department of Aviation and Clark County Department of Aviation Annual Comprehensive Financial Report for fiscal year 2024

AIRLINE MARKET SHARES
Harry Reid International Airport

Scheduled Airlines:	Fiscal Year 2024		Fiscal Year 2023		Fiscal Year 2008	
	Enplaned Passengers	Percent	Enplaned Passengers	Percent	Enplaned Passengers	Percent
Southwest	10,939,130	37.5%	9,716,239	34.4%	8,521,138	36.2%
Spirit	3,981,063	13.7	4,233,125	15.0	260,645	1.1
Delta	2,624,190	9.0	2,387,268	8.4	5,595,897	23.8
American	2,206,011	7.6	2,119,494	7.5	2,095,331	8.9
United	2,142,729	7.4	1,954,018	6.9	2,639,480	11.2
Frontier	2,001,245	6.9	2,627,435	9.3	436,798	1.9
International Carriers	1,737,755	6.0	1,509,313	5.3	1,014,434	4.3
Allegiant	1,038,853	3.6	1,200,620	4.2	892,801	3.8
Alaska	884,322	3.0	917,897	3.2	697,424	3.0
Jet Blue	430,838	1.5	479,899	1.7	447,325	1.9
Hawaiian Air	325,224	1.1	325,241	1.2	185,968	0.8
Sun Country	178,435	0.6	188,331	0.7	62,882	0.3
Breeze	120,867	0.4	89,999	0.3	--	--
Avelo	48,480	0.2	23,328	0.1	--	--
Advanced Air	1,877	0.0	1,457	0.0	--	--
Southern Airways Express	--	--	440	0.0	--	--
ATA ^{1/}	--	--	--	--	92,376	0.4
Champion ^{2/}	--	--	--	--	89,952	0.4
Aloha Airlines ^{2/}	--	--	--	--	16,826	0.1
Subtotal	28,661,019	98.3%	27,774,104	98.2%	23,049,277	98.0%
Charter Airlines	3,579	0.0	791	0.0	64,637	0.3
General Aviation and Other	481,283	1.7	501,489	1.8	411,948	1.8
Total ^{3/}	29,145,881	100.0%	28,276,384	100.0%	23,525,862	100.0%

1/ Filed for Chapter 11 bankruptcy and ceased operations in April 2008.

2/ Ceased operations May 2008.

3/ May not add due to rounding.

Source: Clark County Department of Aviation and Clark County Department of Aviation Annual Comprehensive Financial Report for fiscal year 2024

IV. Revenue Bonds Additionally Secured by Pledged Jet A Fuel Tax Revenues

Information in this section is provided as required by the continuing disclosure agreement for the 2022A Jet Aviation Fuel Tax Refunding Revenue Bonds.

HISTORICAL JET A FUEL TAX COLLECTIONS
Clark County, Nevada, Department of Aviation

Fiscal Year Ended June 30	Actual Jet A Fuel Tax Collections ¹	% Change
2020	\$ 9,676,018	--
2021 ^{2/}	8,241,689	(14.8)%
2022 ^{3/}	15,708,213	90.6
2023	17,295,113	10.1
2024	16,783,118	(3.0)

1/ Excludes interest earnings.

2/ Reduction in fiscal year 2021 amount reflect the effect of the COVID-19 outbreak and governmental responses thereto.

3/ Increases in fiscal year 2022 reflects increase in Jet A Fuel Tax by one additional cent as well as increased airline flow beginning in fiscal year 2022 as a result of the recovery from the effects of the COVID-19 outbreak. The revenues from such increase have not been specifically pledged to repayment of the 2022A Bonds but are available for Airport capital or operating expenses.

SOURCE: Clark County Department of Aviation