HARRY REID
INTERNATIONAL
LAS VEGAS

CLARK COUNTY DEPARTMENT OF AVIATION

$150,920,000

Clark County, Nevada
Airport System Junior Subordinate Lien Revenue Notes
Series 2024B (Non-AMT)

CLARK COUNTY DEPARTMENT OF AVIATION

Rosemary A. Vassiliadis
Director of Aviation

James Chrisley
Senior Director of Aviation

Ralph LePore
Senior Director of Aviation

Joseph Piurkowski
Chief Financial Officer

HARRY REID
INTERNATIONAL
LAS VEGAS

NEW ISSUE – BOOK-ENTRY ONLY **RATINGS: See the caption "RATINGS"**

In the opinion of Sherman & Howard L.L.C., Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the 2024B Notes is excluded from gross income pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the 2024B Notes (the "Tax Code"), and interest on the 2024B Notes is excluded from alternative minimum taxable income as defined in Section 55(b) of the Tax Code, however, to the extent such interest is included in calculating the "adjusted financial statement income" of "applicable corporations" (as defined in Sections 56A and 59(k), respectively, of the Tax Code), such interest is subject to the alternative minimum tax applicable to those corporations under Section 55(b) of the Tax Code. Also, in the opinion of Bond Counsel, under present laws of the State of Nevada, the 2024B Notes, their transfer, and the income thereon are free and exempt from taxation by the State of Nevada or any subdivision thereof except the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation skipping transfers imposed pursuant to Chapter 375B of NRS. See the caption "TAX MATTERS."

$150,920,000
CLARK COUNTY, NEVADA
Airport System Junior Subordinate Lien Revenue Notes
Series 2024B (Non-AMT)

Dated: Date of Delivery

The 2024B Notes are being issued by Clark County, Nevada to finance the acquisition cost of certain real property for Airport System purposes and to pay certain costs of issuance.

The 2024B Notes will be issued in book-entry form, without coupons, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York. Purchasers of the 2024B Notes will not receive physical certificates representing their interests in the 2024B Notes purchased. DTC will act as securities depository for the 2024B Notes. The principal of and interest on the 2024B Notes are payable directly to DTC by The Bank of New York Mellon Trust Company, N.A., as trustee on July 1, 2024 and each January 1 and July 1 thereafter. Upon receipt of payments of such principal and interest, DTC will remit such principal and interest to DTC Participants for subsequent disbursement to the Beneficial Owners of the 2024B Notes. Individual purchases of 2024B Notes will be made in principal amounts of $5,000 and integral multiples thereof.

The 2024B Notes are secured by a lien on and are payable from Net Revenues of the Airport System: (i) subordinate and junior to: (a) Senior Bonds currently outstanding in the aggregate principal amount of approximately $754,995,000; and (b) Second Lien Subordinate Securities currently outstanding in the aggregate principal amount of approximately $1,040,475,000 (excluding the $352,340,000 outstanding principal amount of the Parity PFC Bonds (as defined herein)) and certain amounts which are payable by the County with respect to interest rate swap agreements described under the caption "FINANCIAL FACTORS—Interest Rate Swap Agreements" and letters of credit or liquidity facilities securing certain Second Lien Subordinate Securities and described under the caption "FINANCIAL FACTORS—Credit or Liquidity Facilities;" and (ii) on a parity with the lien thereon of Third Lien Subordinate Securities currently outstanding in the aggregate principal amount of approximately $129,880,000 and certain obligations under certain bank credit and liquidity agreements described under the caption "FINANCIAL FACTORS—Credit or Liquidity Facilities."

Neither the Master Indenture nor the Series Indenture establish a debt service reserve fund or account for the 2024B Notes.

Maturity Date	*Principal Amount*	*Interest Rate*	*Yield*	*Price*	*CUSIP*†
July 1, 2029	$150,920,000	5.00%	2.74%	110.971	18085PTA2

The 2024B Notes do not constitute an obligation of the general revenues of the County, including but not limited to a debt within the meaning of any constitutional or statutory provision or limitation, and neither the full faith and credit nor the taxing power of the County is pledged to the payment thereof.

The 2024B Notes are not subject to redemption prior to maturity.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR GENERAL REFERENCE ONLY. IT IS NOT INTENDED TO BE A SUMMARY OF THE TERMS OF OR SECURITY FOR THE 2024B NOTES. INVESTORS ARE ADVISED TO READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION. CAPITALIZED TERMS THAT ARE USED ON THE COVER OF THIS OFFICIAL STATEMENT HAVE THE MEANINGS ASCRIBED THERETO HEREIN.

The 2024B Notes are offered when, as and if issued, subject to the approval of their validity and enforceability by Sherman & Howard L.L.C., Las Vegas, Nevada, Bond Counsel. Certain legal matters will be passed upon for the County by the County District Attorney, Las Vegas, Nevada, and by Stradling Yocca Carlson & Rauth LLP, Las Vegas, Nevada, as Disclosure Counsel. Kutak Rock LLP, Denver, Colorado is serving as counsel to the Underwriters. It is expected that the 2024B Notes in book-entry form will be available for delivery through the facilities of The Depository Trust Company on or about April 2, 2024.

RBC Capital Markets **BofA Securities**

Siebert Williams Shank & Co., LLC **Wells Fargo Securities**

Dated: March 13, 2024

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No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations by the County or the Underwriters, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the County or the Underwriters. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 2024B Notes by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers of the 2024B Notes. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as a representation of facts.

The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

The information set forth herein has been furnished by the County and includes information which has been obtained from other sources which are believed to be reliable but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriters. The information and expression of opinion contained herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implications that there has been no change in the affairs of the County since the date hereof.

THE 2024B NOTES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT. THE 2024B NOTES HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "budget" or other similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information under the captions "FINANCIAL FACTORS," "THE AIRPORT SYSTEM" and "OPERATING RESULTS."

The County maintains a website and certain social media accounts. However, the information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the 2024B Notes.

This Official Statement does not contain an "Investment Considerations," "Risk Factors" or similar section; such matters are discussed throughout this Official Statement, which should be read in its entirety.

References to website addresses presented herein, including the County's and the Airport's respective websites, are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

CLARK COUNTY, NEVADA
500 South Grand Central Parkway
Las Vegas, Nevada 89106

BOARD OF COUNTY COMMISSIONERS

Tick Segerblom, Chair
William McCurdy, II, Vice Chair
James B. Gibson
Justin Jones
Marilyn Kirkpatrick
Ross Miller
Michael Naft

COUNTY OFFICIALS

Kevin Schiller, County Manager/Chief Executive Officer
J. Ken Diaz, Treasurer
Jessica Colvin, Chief Financial Officer
Lynn Marie Goya, Clerk
Steven B. Wolfson, District Attorney

DEPARTMENT OF AVIATION OFFICIALS

Rosemary A. Vassiliadis, Director of Aviation
James Chrisley, Deputy Director of Aviation
Ralph LePore, Deputy Director of Aviation
Joseph Piurkowski, Chief Financial Officer

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Las Vegas, Nevada

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San Francisco, California

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Las Vegas, Nevada

DISCLOSURE COUNSEL

Stradling Yocca Carlson & Rauth LLP
Las Vegas, Nevada

TRUSTEE

The Bank of New York Mellon Trust Company, N.A.
Los Angeles, California

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** To be updated annually pursuant to the County's Continuing Disclosure Certificate.

* These tables contain both historical and projected information. Only historical information is to be updated pursuant to the County's Continuing Disclosure Certificate.

Only the full Fiscal Year information set forth in this table will be updated pursuant to the County's Continuing Disclosure Certificate.

$150,920,000
Clark County, Nevada
Airport System Junior Subordinate Lien Revenue Notes
Series 2024B (Non-AMT)

INTRODUCTION

The purpose of this Official Statement, which includes the cover page and appendices hereto, is to furnish information concerning Clark County (the "County"), Nevada (the "State"), the County's Harry Reid International Airport (the "Airport"), as well as four smaller airfields owned and operated by the County used primarily for private aircraft known as North Las Vegas Air Terminal, Henderson Executive Airport, Overton Airport and Jean Airport (collectively with the Airport, the "Airport System," as more fully described herein), and certain other information in connection with the sale of the Clark County, Nevada, Airport System Junior Subordinate Lien Revenue Notes, Series 2024B (the "2024B Notes").

Issuance of the 2024B Notes is authorized pursuant to the Nevada Municipal Airports Act (Nevada Revised Statutes § 496.010 *et seq*.) (the "Project Act"), the Nevada Local Government Securities Law (Nevada Revised Statutes § 350.500 *et seq*.) (the "Bond Act") and the Nevada Registration of Public Securities Law (Nevada Revised Statutes § 348.010 *et seq*.) (the "Supplemental Bond Act"). The 2024B Notes are to be issued and secured pursuant to the Master Indenture of Trust dated as of May 1, 2003 (as amended, the "Master Indenture"), by and between the County and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and the 2024 Series B Indenture, dated as of April 1, 2024 (the "Series Indenture"), by and between the County and the Trustee.

Under the Series Indenture, the 2024B Notes are secured by a lien on and are payable from Net Revenues of the Airport System on a subordinate basis as described under the caption "SECURITY FOR THE 2024B NOTES—Pledge of Airport Revenues."

The 2024B Notes are being issued by Clark County, Nevada to finance the acquisition cost of certain real property for Airport System purposes (the "2024 Project") and to pay certain costs of issuance. See the captions "THE 2024 PROJECT" and "ESTIMATED SOURCES AND USES OF FUNDS."

The 2024B Notes are secured by and are payable from Net Revenues of the Airport System (as described under the caption "SECURITY FOR THE 2024B NOTES—Pledge of Airport Revenues"): (a) subordinate and junior to certain obligations currently outstanding in the aggregate principal amount of approximately $754,995,000 (together with future obligations issued on a parity therewith in accordance with the Master Indenture, the "Senior Bonds"); and (b) subordinate and junior to: (i) $1,040,475,000 aggregate principal amount of currently outstanding second lien subordinate securities (excluding the $352,340,000 outstanding principal amount of the Parity PFC Bonds (as defined herein)) (together with future second lien subordinate securities hereafter issued, the "Second Lien Subordinate Securities"); (ii) amounts which are payable by the County to reimburse banks for drawings under a credit or liquidity facility to pay regularly scheduled principal and interest with respect to certain Second Lien Subordinate Securities; (iii) certain amounts payable by the County with respect to certain interest rate swap agreements, all as more particularly described under the captions "SECURITY FOR THE 2024B NOTES," "FINANCIAL FACTORS—Credit or Liquidity Facilities" and "FINANCIAL FACTORS—Interest Rate Swap Agreements;" and (iv) any additional Second Lien Subordinate Securities which may be issued in the future.

The 2024B Notes are also secured by a lien on and payable from Net Revenues of the Airport System on a parity with: (a) the $97,475,000 outstanding aggregate principal amount of Clark County, Nevada Airport System Junior Subordinate Lien Revenue Notes, Series 2021B (the "2021B Notes"); (b) $32,405,000 outstanding aggregate principal amount of Clark County, Nevada Jet Aviation Fuel Tax Refunding Revenue Bonds (Additionally Secured by Pledged Airport System Revenues), Series 2022A (the "2022A Bonds"); (c)

certain obligations under certain bank credit and liquidity agreements described under the caption "FINANCIAL FACTORS—Credit or Liquidity Facilities;" and (d) future obligations issued on a parity therewith (collectively, the "Third Lien Subordinate Securities").

Neither the Master Indenture nor the Series Indenture require or establish a reserve fund for the 2024B Notes.

The Master Indenture and the series indentures pursuant to which the Senior Bonds and the Second Lien Subordinate Securities were issued permit the issuance of additional obligations payable from Net Revenues of the Airport System on a superior basis to the 2024B Notes. The Master Indenture and the Series Indenture also permit the issuance of additional obligations payable from Net Revenues of the Airport System on a parity with the 2024B Notes.

The Bank of New York Mellon Trust Company, N.A. has been appointed as Trustee with respect to the 2024B Notes.

The 2024B Notes are special obligations of the County payable solely from Net Revenues of the Airport System (subject to prior payment of the Senior Bonds and Second Lien Subordinate Securities) as described herein. Except as described in the previous sentence, the 2024B Notes do not constitute an indebtedness or a debt of the County for any purpose, including but not limited to constituting an indebtedness or a debt within the meaning of any constitutional or statutory provision or limitation, and the 2024B Notes are not considered or held to be general obligations of the County. Neither the full faith and credit nor the taxing power of the County is pledged to the payment thereof.

Brief descriptions of the 2024B Notes, the security for the 2024B Notes, the County and the Airport, among other topics, are included in this Official Statement, together with summaries of certain provisions of the Master Indenture, the Series Indenture and certain other documents. Such descriptions do not purport to be comprehensive or definitive. All references herein to the Master Indenture, the Series Indenture, the 2024B Notes and other documents and instruments are qualified in their entirety by reference to such documents or instruments or the forms thereof, copies of which are available for inspection at the office of the Chief Financial Officer, Clark County Department of Aviation (the "Department"), telephone (702) 261-6029. Certain capitalized terms used herein and not defined have the meanings given to such terms in Appendix C.

On February 20, 2024, the Board of County Commissioners (the "Board") approved the issuance of the Clark County, Nevada, Airport System Subordinate Lien Refunding Revenue Bonds Series 2024A (the "2024A Bonds") to refund all of the outstanding Clark County, Nevada, Airport System Subordinate Lien Revenue Bonds, Series 2014A-2 (the "2014A-2 Bonds") and Clark County, Nevada, Airport System Subordinate Lien Revenue Bonds, Series 2008D-3 (the "2008D-3 Bonds"), which are Second Lien Subordinate Securities. The 2024A Bonds were sold in the aggregate principal amount of $319,375,000 pursuant to a purchase contract dated March 13, 2024, and are expected to be issued on or about the date of issuance of the 2024B Notes. If issued, the 2024A Bonds are expected to be payable from Net Revenues as Second Lien Subordinate Securities on a superior basis to the 2024B Notes. There can be no assurance that the 2024A Bonds will be issued as currently contemplated. The 2024A Bonds are not being offered pursuant to this Official Statement, and the issuance of the 2024B Notes is not contingent upon the issuance of the 2024A Bonds.

Changes have been made in this Official Statement since the Preliminary Official Statement dated March 1, 2024 to remove references to Tina M. Frias as Ms. Frias has resigned from the position as a Deputy Director of Aviation since the date of Preliminary Official Statement.

DESCRIPTION OF THE 2024B NOTES

General

The 2024B Notes will be dated the date of initial delivery thereof and will bear interest at the rates and in the amounts set forth on the front cover of this Official Statement. Interest on the 2024B Notes will be payable on July 1, 2024 and each January 1 and July 1 thereafter (each, an "Interest Payment Date"). Interest on the 2024B Notes will accrue on the basis of a 360-day year comprised of twelve 30-day months.

The principal of any 2024B Note will be payable to the registered owner thereof as shown on the registration records kept by the Registrar, upon maturity thereof and upon presentation and surrender at the office of the Registrar. If any 2024B Note is not paid upon presentation and surrender at or after maturity, it will continue to draw interest at the interest rate borne by said 2024B Note until the principal thereof is paid in full. Except as described in Appendix D, payment of interest on any 2024B Note will be made to the registered owner thereof by check or draft mailed by first class mail by the Paying Agent on each Interest Payment Date (or, if such Interest Payment Date is not a Business Day, on or before the next succeeding Business Day), to the registered owner thereof at its address as shown on the registration records kept by the Registrar at the close of business on the fifteenth day of the calendar month next preceding such Interest Payment Date, whether or not a Business Day (the "Regular Record Date"); except that in the case of such an owner of $1,000,000 or more in aggregate principal amount of 2024B Notes, upon the written request of such owner to the Trustee at least two Business Days before the Regular Record Date, specifying the account or accounts in the continental United States to which such payment will be made, such payments will be made by wire transfer of immediately available funds on the applicable payment date following such Regular Record Date.

No Redemption of the 2024B Notes

The 2024B Notes as not subject to redemption prior to maturity.

Book-Entry Only System

The 2024B Notes will be issued in fully registered form and are registered in the name of Cede & Co., as registered owner and nominee of DTC. DTC will act as securities depository for the 2024B Notes. The information in this caption concerning DTC and DTC's book-entry system has been obtained from DTC, and the County and the Trustee take no responsibility for the accuracy thereof. Capitalized terms used under this caption and not otherwise defined have the respective meanings given to such terms in Appendix D. A fully-registered 2024B Note certificate has been issued in an amount equal to the aggregate principal amount of the 2024B Notes. Individual purchases may be made in book-entry only form. Purchasers will not receive certificates representing their interest in the 2024B Notes purchased. So long as Cede & Co., as nominee of DTC, is the registered owner of the 2024B Notes, references herein to the owners of the 2024B Notes or 2024B Noteholders mean Cede & Co. and not the actual purchasers of the 2024B Notes (the "Beneficial Owners"). The principal of and interest on each 2024B Note will be payable by wire transfer by the Trustee to Cede & Co., as nominee for DTC, which is required, in turn, to remit such amounts to the DTC Participants for subsequent disbursement to the Beneficial Owners. See Appendix D for a further description of DTC and its book-entry system.

The book-entry system may be discontinued by the Trustee and the County, at the direction and expense of the County, and the County and the Trustee will cause the delivery of 2024B Note certificates to such Beneficial Owners of the 2024B Notes and registered in the names of such Beneficial Owners as will be specified to the Trustee by the Securities Depository in writing, under the following circumstances:

A. The Securities Depository determines to discontinue providing its service with respect to the 2024B Notes and no successor Securities Depository is appointed as described in Appendix D. Such a

determination may be made at any time by giving 30 days' notice to the County and the Trustee and discharging its responsibilities with respect thereto under applicable law; or

B. The County determines not to continue the book-entry system through a Securities Depository, upon not less than 45 days' prior written notice to the Trustee.

THE 2024 PROJECT

In early 2024, the County acquired approximately 65 acres of land adjacent to the Airport to be developed at a later time. The County expects to apply the proceeds of 2024B Notes to reimburse all or a portion of the County funds expended toward the acquisition price of such property and to pay for certain costs of development thereon. The County is currently reviewing various potential uses for the property but has not made a decision as to the ultimate use.

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds from proceeds of the 2024B Notes.

Sources:	
Principal Amount	$ 150,920,000.00
Plus Original Issue Premium	16,557,433.20
Total Sources	$ 167,477,433.20
Uses:	
Transfer to County for 2024 Project	$ 166,700,000.00
Costs of Issuance[(1)]	777,433.20
Total Uses	$ 167,477,433.20

(1) Includes Underwriters' discount and certain legal, municipal advisory, rating agency, printing and other financing-related costs.

SECURITY FOR THE 2024B NOTES

Pledge of Airport Revenues

The Master Indenture defines the following terms:

"Net Revenues" means the Gross Revenues remaining after the deduction of the Operation and Maintenance Expenses of the Airport System, or any other facilities with which the defined term is used.

"Gross Revenues" means all income and revenues derived directly or indirectly by the County from the operation and use of and otherwise pertaining to the Airport System, or any other facilities in connection with which any such defined term is used, or any part thereof, whether resulting from extensions, enlargements, repairs, betterments, or other improvements to the Airport System, or otherwise, and includes all revenues received by the County from the Airport System, including, without limitation, all rentals, rates, fees, and other charges for the use of the Airport System, or for any service rendered by the County in the operation thereof, revenues from any gaming at the Airport System, interest and other realized gain from any investment of moneys accounted for in various accounts of the Airport System Fund, and to the extent provided in the Master Indenture, the Debt Service Reserve Fund, or other account into which revenues are transferred from the Revenue Fund, but excluding: (a) any Senior Bond proceeds and any other money credited to any construction or like account for financing the acquisition of capital improvements and pertaining to any Additional Project, other than any surplus bond proceeds of Senior Bonds or other unrestricted surplus moneys in such account after the completion of and payment for the improvement project pertaining thereto;

(b) any moneys received as grants, appropriations or gifts from the United States, the State, or other sources, the use of which is limited by the grantor or donor to the construction of capital improvements for the Airport Facilities, except to the extent any such moneys are received as payments for the use of the Airport Facilities; (c) any revenues derived from any Special Facilities other than ground lease rentals pertaining to such Special Facilities and any moneys paid to the County in lieu of such ground rentals; (d) Insurance Proceeds other than loss of use or business interruption insurance proceeds; (e) interest and other gain from any investment of moneys in the Debt Service Reserve Fund so long as the amount of such Fund is less than the Maximum Aggregate Debt Service Requirements for the Senior Bonds and all Parity Securities (as such term is defined in the Master Indenture); (f) the proceeds of any passenger head tax or other per-passenger charge fixed and collected by the County in accordance with law; and (g) any amounts paid to the County pursuant to a Qualified Swap.

Specifically excluded from "Gross Revenues" are passenger facility charges collected by the County. The County may, in its absolute discretion, use revenues from any such passenger facility charges ("PFC Revenues") that are legally available for the purpose, if such use would be in conformity with federal law, to pay the principal of, premium, if any, and interest on Senior Securities (as such term is defined in Appendix C) and Subordinate Revenue Securities (as such term is defined in Appendix C) other than PFC Bonds (as such term is defined in Appendix C); provided, however, that such PFC Revenues are not pledged for such purpose, and neither the Owners of the 2024B Notes nor the Trustee on their behalf have any lien on any such PFC Revenues, which are pledged solely for payment of the PFC Bonds and other projects which are authorized to be funded with PFC Revenues.

"Operation and Maintenance Expenses," or any phrase of similar import, means all reasonable and necessary current expenses of the County, paid or accrued, of operating, maintaining, and repairing the Airport System or any other designated facilities in connection with which such term is used; and the term includes, without limitation: (a) engineering, auditing, reporting, legal and other overhead expenses of the various departments of the County relating to the administration, operation, and maintenance of the Airport System; (b) fidelity bond and property and liability insurance premiums pertaining to the Airport System, or a reasonably allocable share of a premium of any blanket bond or policy pertaining to the Airport System; (c) payments to pension, retirement, health, and hospitalization funds, and other insurance, and to any self-insurance fund as insurance premiums not in excess of such premiums which would otherwise be required for such insurance; (d) any general (ad valorem) taxes, assessments, excise taxes, or other charges which may be lawfully imposed on the County, the Airport System, revenues derived therefrom, or the County's income from or operations of any properties under its control and pertaining to the Airport System, or any privilege in connection with the Airport System or its operation; (e) the reasonable charges of paying agents and any other depository bank pertaining to the Senior Bonds and any other Revenue Securities (as such term is defined in Appendix C) payable from Pledged Revenues (as such term is defined in Appendix C) or otherwise pertaining to the Airport System; (f) contractual services, professional services, salaries, other administrative expenses, and costs of materials, supplies, repairs, and labor, pertaining to the Airport System or to the issuance of the Senior Bonds or any other Securities relating to the Airport System, including, without limitation, the expenses and compensation of the Trustee, any receiver, or other fiduciary under the Bond Act (except to the extent paid from Revenue Securities proceeds); (g) the costs incurred by the Board in the collection and in making any refunds of all or any part of the Gross Revenues of the Airport System; (h) any costs of utility services furnished to the Airport System by the County or otherwise; (i) cost of reimbursing the provider of a surety bond providing for the payment of fees of a liquidity facility provider in connection with variable rate bonds, for payments made under such surety bond; (j) any lawful refunds of any Gross Revenues; (k) and all other administrative, general, and commercial expenses, but excluding: (i) any allowance for depreciation; (ii) any costs of extensions, enlargements, betterments, and other improvements, or any combination thereof; (iii) any reserves for major capital replacements, other than normal repairs; (iv) any reserves for operation, maintenance, or repair of the Airport System; (v) any allowance for the redemption of any Senior Bond or other Revenue Security evidencing a loan or other obligation, or the payment of any interest thereon, or any prior redemption premium due in connection therewith; (vi) any liabilities incurred in the acquisition or improvement of any properties comprising any Project or any existing facilities, or any combination thereof,

pertaining to the Airport System; (vii) any expenses incurred by lessees or licensees under Net Rent Leases pertaining to the Airport System; (viii) any Operation and Maintenance Expenses as hereinbefore delineated in this paragraph but pertaining to Special Facilities; and (ix) any liabilities imposed on the County for any ground of legal liability not based on contract, including, without limitation, negligence in the operation of the Airport System.

"Airport Facilities" or "Airport System" means all of the County's airport facilities, including, without limitation: (a) (i) the presently existing airport system consisting of the McCarran International Airport, also known as the McCarran Airfield*; (ii) Henderson Executive Airport; (iii) North Las Vegas Air Terminal; (iv) Overton Airfield; and (v) Jean Airfield; (b) all land, buildings, structures, and other facilities of such airports or related thereto of whatsoever character and wherever situated, within the County, and all future enlargements thereof and other improvements thereto, however financed and wherever located, including, without limitation, any airport facility of the County for use by Airlines in substitution for the presently existing Airport or being complementary thereto, as provided in the Master Indenture; and (c) all properties, real, personal, mixed, or otherwise, now owned or later acquired by the County, through purchase, construction, or otherwise, and used in connection with the Airport Facilities and in any way pertaining thereto; but excluding: (i) Special Facilities until the end of the respective terms of the Net Rent Leases pertaining to such Special Facilities; and (ii) any additional airfields or other independent airport facilities (other than the Airport System or any part thereof) which are excluded from the Airport Facilities at the option and by order of the Governing Body pursuant to the Master Indenture.

Senior Bonds

Pursuant to the Series Indenture, the 2024B Notes are Third Lien Subordinate Securities payable from the Net Revenues of the Airport System subordinate and junior to the Senior Bonds and Second Lien Subordinate Securities.

The Senior Bonds consist of: (a) (i) the Clark County, Nevada, Airport System Revenue Bonds, Senior Series 2010C (Taxable Direct Payment Build America Bonds) (the "2010C Bonds"); (ii) the Clark County, Nevada, Airport System Revenue Bonds, Senior Series 2015A (the "2015A Bonds"); and (iii) the Clark County, Nevada Airport System Revenue Bonds, Senior Series 2019B (the "2019B Bonds"), of which approximately $754,995,000 aggregate principal amount was outstanding as of February 29, 2024; and (b) future obligations issued on a parity therewith in accordance with the Master Indenture. The Senior Bonds are also secured by a pledge of all funds and accounts held under the Master Indenture, subject to the provisions of the Master Indenture permitting disbursements of such amounts at the times and in the manner described therein.

Set forth below are the outstanding principal amounts of Senior Bonds and the final maturity of each series of Senior Bonds as of February 29, 2024.

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* *Note: Currently known as Harry Reid International Airport.*

CLARK COUNTY, NEVADA, DEPARTMENT OF AVIATION
Senior Bonds

Name of Bonds	*Principal Amount Outstanding*[(1)]	*Final Maturity (July 1)*
2010C Bonds[(2)]	$ 454,280,000	2045
2015A Bonds	59,915,000	2040
2019B Bonds	240,800,000	2042
Total	$ 754,995,000	

(1) As of February 29, 2024.
(2) These obligations are Build America Bonds. See the caption "OPERATING RESULTS—Management Discussion of Operating Results and Projections—Reduction in BAB Credits."
Source: Clark County Department of Aviation.

The Senior Bonds are special obligations of the County payable solely from Net Revenues of the Airport System. The Senior Bonds do not constitute an obligation of the general revenues of the County, including but not limited to a debt within the meaning of any constitutional or statutory provision or limitation, or a pledge of the full faith, credit and taxing power of the County. In addition, the facilities comprising the Airport System have not been pledged to secure payment of the Senior Bonds.

The Master Indenture creates a special fund designated the Revenue Fund, to which the County is required to set aside and credit all Gross Revenues of the Airport System upon receipt thereof by the County. The Master Indenture requires that moneys or deposits in the Revenue Fund will be applied solely in accordance with the order of priorities established by the Master Indenture. The first such priority and charge against the Revenue Fund is the payment of Operation and Maintenance Expenses budgeted and approved pursuant to the Master Indenture. See the caption "—Application of Revenues."

The Master Indenture and the series indentures pursuant to which the Senior Bonds were issued permit the issuance of additional Senior Bonds payable from Net Revenues on a superior basis to the 2024B Notes. See the caption "—Issuance of Additional Senior Securities and Second Lien Subordinate Securities—Additional Senior Bonds."

Second Lien Subordinate Securities

Pursuant to the Series Indenture, the 2024B Notes are Third Lien Subordinate Securities payable from the Net Revenues of the Airport System subordinate and junior to the Second Lien Subordinate Securities.

As of February 29, 2024, Second Lien Subordinate Securities (not including the Parity PFC Bonds described below) in an approximately aggregate principal amount of $1,040,475,000 were outstanding including the Clark County, Nevada, Airport System Subordinate Lien Revenue Bonds, Series 2008C (the "2008C Bonds"), the Clark County, Nevada, Airport System Subordinate Lien Revenue Bonds, Series 2008D-2 (the "2008D-2 Bonds"), the 2008D-3 Bonds (which are expected to be refunded from proceeds of the 2024A Bonds on or about the date of issuance of the 2024B Notes, as described under the caption "INTRODUCTION"), the Clark County, Nevada Airport System Subordinate Lien Revenue Bonds, Series 2014A-1 (the "2014A-1 Bonds"), the 2014A-2 Bonds (which are expected to be refunded from proceeds of the 2024A Bonds on or about the date of issuance of the 2024B Notes, as described under the caption "INTRODUCTION"), the Clark County, Nevada Airport System Subordinate Lien Refunding Revenue Bonds, Series 2017A-2 (the "2017A-2 Bonds"), the Clark County, Nevada Airport System Subordinate Lien Refunding Revenue Bonds, Series 2019A (the "2019A Bonds"), the Clark County, Nevada Airport System Subordinate Lien Refunding Revenue Bonds, Series 2019D (the "2019D Bonds") and the Clark County, Nevada Airport System Subordinate Lien Refunding Revenue Bonds, Series 2021A (the "2021A Bonds").

In addition, the following PFC Bonds are also Second Lien Subordinate Securities: the Clark County, Nevada, Las Vegas-McCarran International Airport Passenger Facility Charge Refunding Revenue Bonds, 2015 Series C (the "2015C PFC Bonds"), the Clark County, Nevada, Las Vegas-McCarran International Airport Passenger Facility Charge Refunding Revenue Bonds, 2017 Series B (the "2017B PFC Bonds"), the Clark County, Nevada Las Vegas-McCarran International Airport Passenger Facility Charge Refunding Revenue Bonds, Series 2019E (the "2019E PFC Bonds"), and the Clark County, Nevada Las Vegas-Harry Reid International Airport Passenger Facility Charge Refunding Revenue Bonds, Series 2022B (the "2022B PFC Bonds" and together with the 2015C PFC Bonds, the 2017B PFC Bonds and the 2019E PFC Bonds, the "Parity PFC Bonds").

For a discussion of certain interest rate swap agreements, standby bond purchase agreements and irrevocable direct-pay letters of credit of the County, certain payments under which are secured by a pledge of Net Revenues on a parity with the Second Lien Subordinate Securities, see the captions "FINANCIAL FACTORS—Interest Rate Swap Agreements" and "—Credit or Liquidity Facilities."

Set forth below are the outstanding principal amounts of Second Lien Subordinate Securities and the final maturity of each series of Second Lien Subordinate Securities as of February 29, 2024.

CLARK COUNTY, NEVADA, DEPARTMENT OF AVIATION
Second Lien Subordinate Securities

Name of Bonds	***Principal Amount Outstanding***[1]	***Final Maturity (July 1)***
2008C Bonds[2]	$ 122,900,000	2040
2008D-2 Bonds[2]	199,605,000	2040
2008D-3 Bonds[2][3]	118,025,000	2029
2014A-1 Bonds	8,820,000	2024
2014A-2 Bonds[3]	221,870,000	2036
2017A-2 Bonds	47,800,000	2040
2019A Bonds	59,565,000	2026
2019D Bonds	190,620,000	2032
2021A Bonds	71,270,000	2036
Subtotal	$ 1,040,475,000	
2015C PFC Bonds	$ 54,445,000	2027
2017B PFC Bonds	19,420,000	2025
2019E PFC Bonds	235,075,000	2033
2022B PFC Bonds	43,400,000	2027
Subtotal	$ 352,340,000	
Total	$ 1,392,815,000	

(1) As of February 29, 2024.
(2) These obligations constitute variable rate demand obligations. See the caption "FINANCIAL FACTORS—Credit or Liquidity Facilities" for certain disclosures with respect to credit or liquidity facilities supporting such obligations.
(3) These obligations are expected to be refunded from proceeds of the 2024A Bonds on or about the date of issuance of the 2024B Notes. See the caption "INTRODUCTION."
Source: Clark County Department of Aviation.

The Second Lien Subordinate Securities are special obligations of the County payable solely from Net Revenues of the Airport System, subordinate to the Senior Bonds. The Second Lien Subordinate Securities do not constitute an obligation of the general revenues of the County, including but not limited to a debt within the meaning of any constitutional or statutory provision or limitation, or a pledge of the full faith, credit and

taxing power of the County. In addition, the facilities comprising the Airport System have not been pledged to secure payment of the Second Lien Subordinate Securities.

The Master Indenture and the series indentures pursuant to which the Second Lien Subordinate Securities were issued permit the issuance of additional Second Lien Subordinate Securities payable from Net Revenues on a superior basis to the 2024B Notes. See the caption "—Issuance of Additional Senior Securities and Second Lien Subordinate Securities—Additional Second Lien Subordinate Securities."

See the caption "INTRODUCTION" for a discussion of the expected issuance of the 2024A Bonds in the initial aggregate principal amount of $319,375,000 on or about the date of issuance of the 2024B Notes. If issued, the 2024A Bonds will be Second Lien Subordinate Securities payable from Net Revenues on a superior basis to the 2024B Notes.

Third Lien Subordinate Securities – Including the 2024B Notes

The 2021B Notes and the 2022A Bonds are the only Third Lien Subordinate Securities outstanding prior to the issuance of the 2024B Notes. The third lien on Net Revenues of the 2024B Notes will be on a parity with the 2021B Notes and the 2022A Bonds and certain obligations under certain bank credit and liquidity agreements and will be on a parity with other Third Lien Subordinate Securities that may be issued in the future.

Set forth below are the outstanding principal amounts of Third Lien Subordinate Securities and the final maturity of each series of Third Lien Subordinate Securities as of February 29, 2024.

CLARK COUNTY, NEVADA, DEPARTMENT OF AVIATION
Third Lien Subordinate Securities

Name of Bonds	*Principal Amount Outstanding*[(1)]	*Final Maturity (July 1)*
2021B Notes	$ 97,475,000	2027
2022A Bonds	32,405,000	2026
Total	$ 129,880,000	

(1) As of February 29, 2024.
Source: Clark County Department of Aviation.

The County's pledge of Net Revenues to the payment of the 2024B Notes is valid and binding from and after the date of the initial delivery of any 2024B Notes; and the moneys, as received by the County and pledged pursuant to the Series Indenture, are to be immediately subject to the lien of the pledge without any further act. The lien of such pledge and the obligation to perform the contractual provisions made by the Series Indenture have priority over any or all other obligations and liabilities of the County except as described above; and the lien of such pledge is valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the County (except as provided in the Series Indenture or in the Master Indenture) irrespective of whether such parties have notice thereof. In addition, the facilities comprising the Airport System have not been pledged to secure payment of the Third Lien Subordinate Securities.

The Series Indenture does not limit the issuance by the County of securities payable on a parity with or subordinate to the 2024B Notes. See the caption "—Issuance of Third Lien Subordinate Securities."

No Reserve Fund

Neither the Master Indenture nor the Series Indenture require or establish a reserve fund for the 2024B Notes.

No Acceleration

The 2024B Notes are not subject to acceleration in the event of default. See Appendix C under the caption "MASTER INDENTURE—Remedies of Senior Lien Revenue Bondholders" for a discussion of remedies available to 2024B Noteholders in the event of a default under the Master Indenture or the Series Indenture.

Budgetary Procedures

The Master Indenture requires the Director to annually submit for each Budget Year to the Board in accordance with the budget calendar estimates of Gross Revenues and expenditure requirements for the Airport System for the Budget Year, i.e., the next ensuing fiscal year of the County (July 1 to June 30) (each, a "Fiscal Year"), including, without limitation, as a part of such expenditure requirements the Operation and Maintenance Expenses for the Budget Year and the Aggregate Debt Service Requirements for the Comparable Bond Year (but none other). The estimates of expenditures in connection with the Airport System will be classified so as to set forth the data by accounts, including those designated in the Master Indenture, character, and object of expenditures, work programs and other details requested by the Board. The estimates of the Gross Revenues will be classified as to accounts and sources of income in such detail as requested by the Board. Such estimates, in addition, will be so prepared as to permit an analysis of the Gross Revenues of the Airport System and of the Operation and Maintenance Expenses of the Airport System under definitions therefor set forth in the Master Indenture.

The amount of the Net Revenues, as shown by the foregoing analysis for each Fiscal Year, shall be at least equal to the sum required for the Fiscal Year by the rate maintenance covenant described under the caption "—Rate Maintenance Covenants—Master Indenture." After adoption of the annual Airport System budget by the Board, the total expenditures for operating and maintaining the Airport System in any Fiscal Year (other than expenses for the purchase of commodities for resale) are not to exceed the total expenditures as set forth in such budget except upon the approving vote of a majority of the Board.

See the caption "THE AIRPORT SYSTEM—Budget Process" for further information with respect to the Department's budget process.

Rate Maintenance Covenants

Master Indenture. Pursuant to the Master Indenture, the County has covenanted to at all times fix, charge, and collect rentals, rates, fees and other charges for the use of the Airport System, and, from time to time and as so often as it appears necessary, to revise such as may be necessary or appropriate, in order that in each Fiscal Year the Gross Revenues, together with any Other Available Funds (as such term is defined in Appendix C), will at all times be at least sufficient: (a) to provide for the payment of Operation and Maintenance Expenses for such Fiscal Year; and (b) to provide for the larger of either: (1) the amounts needed for making the required cash deposits in such Fiscal Year to the credit of the several subaccounts in the Bond Fund (including amounts necessary to pay debt service on the Senior Bonds) and to the credit of the Debt Service Reserve Fund, the Subordinate Securities Fund (including amounts necessary to pay debt service on the Second Lien Subordinate Securities and on Third Lien Subordinate Securities such as the 2024B Notes), the Working Capital and Contingency Reserve Fund and the Capital Fund established under the Master Indenture; or (2) an amount not less than 125% of the Aggregate Debt Service Requirements to be accumulated in such Fiscal Year and expended in the Comparable Bond Year for the Senior Bonds, any Parity Bonds and any other Senior Securities.

In any computation required by the above rate maintenance covenant, there will be excluded from Gross Revenues any surplus Senior Bond proceeds or the Revenue Security proceeds and any capital gain resulting from any sale or revaluation of investments in Investment Securities or bank deposits, or both such securities and such deposits. Nothing in the above rate maintenance covenant requires the County to take any action in violation of any applicable requirements imposed by law.

In calculating the amount required to be deposited in the Bond Fund and Subordinate Securities Fund in clause (b)(i) above: (a) in the case of any Term Securities (as defined in Appendix C) which constitute Senior Guaranteed Obligations (as defined in Appendix C), the amount required to be deposited in the Bond Fund in the Fiscal Year immediately preceding the maturity date of the Senior Guaranteed Obligations will equal the Guaranteed Obligation Requirements (as defined in Appendix C) for such Senior Guaranteed Obligations (as defined in Appendix C) for the Comparable Bond Year (as defined in Appendix C); and (b) in the case of any Term Securities (as defined in Appendix C) which constitute Subordinate Guaranteed Obligations (as defined in Appendix C), the amount required to be deposited in the Subordinate Securities Fund in the Fiscal Year immediately preceding the maturity date of the Subordinate Guaranteed Obligations will equal the Guaranteed Obligation Requirements (as defined in Appendix C) for such Subordinate Guaranteed Obligations for the Comparable Bond Year.

If Gross Revenues in any Fiscal Year, together with any Other Available Funds, are less than the amounts specified above, the County, upon receipt of the annual audit for such Fiscal Year, shall revise its rentals, rates, fees and other charges, its Operation and Maintenance Expenses or the method of operation of the Airport System in order to satisfy as quickly as practicable the foregoing requirements.

If the County complies in good faith with the requirement of the preceding paragraph, it will not constitute an Event of Default pertaining to the County's non-performance of its duties under the Master Indenture if the resulting Gross Revenues, together with any Other Available Funds, are not sufficient to satisfy the Rate Maintenance Covenant. If, however, the County fails to comply in good faith with such requirements, the Trustee may, and upon the request of the owners of not less than 10% in aggregate principal amount of the Senior Bonds of any series then Outstanding and upon being indemnified to its satisfaction, is required to institute and prosecute in a court of competent jurisdiction an appropriate action to compel the County to satisfy such requirements. The County has covenanted that it will adopt and charge rentals, rates, fees and charges and revise its Operation and Maintenance Expenses or the method of operation of the Airport System in compliance with any final order, decree or judgment entered in any such proceeding or any modification thereof.

Series Indenture. Pursuant to the series indentures for the Second Lien Subordinate Securities, the County has covenanted to fix, charge and collect rentals, rates, fees and other charges for the use of the Airport System, and that, from time to time and as often as it appears necessary, it will revise such as may be necessary or appropriate, in order that in each Fiscal Year the Gross Revenues, together with any Other Available Funds, will at all times be at least equal to the greater of the amount required by the Master Indenture (as described above under the subcaption "—Master Indenture" above) or an amount sufficient to provide for: (A) the payment of Operation and Maintenance Expenses for the Fiscal Year; and (B) an amount equal to 110% of the Aggregate Debt Service Requirements to be accumulated in the Fiscal Year and expended in the Comparable Bond Year for any Senior Securities and any other Subordinate Securities with a lien on the Net Revenues (other than Third Lien Subordinate Securities such as the 2024B Notes) on a parity with the lien thereon of the Second Lien Subordinate Securities which are not secured by and expected to be paid from PFC Revenues.

Certain adjustments are permitted under the series indentures for the Second Lien Subordinate Securities in order to satisfy the rate maintenance covenants contained therein.

Application of Revenues

Pursuant to the Master Indenture, the County is required to set aside and credit all Gross Revenues upon receipt to the Revenue Fund. In addition to the Revenue Fund and the Operation and Maintenance Fund (including the Rebate Account of the Operation and Maintenance Fund established by the Series Indenture), which are held by the County, the Master Indenture creates the following additional funds and accounts held by the County or the Trustee, as the case may be:

Fund or Account	***Held By***
Bond Fund	Trustee
Interest Account	
Principal Account	
Sinking Fund Account	
Redemption Account	
Debt Service Reserve Fund	Trustee
Subordinate Securities Fund	County
Working Capital and Contingency Reserve Fund	County
Capital Fund	County
Construction Fund	County

After making the payments each month required to be credited to the Operation and Maintenance Fund, moneys in the Revenue Fund are required to be transferred and credited to the following funds and accounts at the following times and in the following order of priority:

(i) Monthly, to the Interest Account of the Bond Fund, an amount, together with other moneys available therefor from whatever source, including moneys in the Capitalized Interest Account set aside for such payment, in substantially equal installments to pay the next maturing installment of interest on the Senior Securities then outstanding;

(ii) Monthly, to the Principal Account of the Bond Fund, an amount in substantially equal installments to pay, together with any other moneys from time to time available therefor from whatever source, the next maturing installment of principal on the Serial Senior Securities then outstanding;

(iii) Monthly, commencing or recommencing in any Fiscal Year one year next prior to the due date of each installment of principal of any Senior Securities that are Term Securities to the Sinking Fund Account of the Bond Fund, an amount equal to 1/12 of the next Sinking Fund Requirement for the Comparable Bond Year for the Senior Securities that are Term Securities then outstanding;

(iv) Monthly, to the Redemption Account of the Bond Fund, an amount sufficient to pay the Debt Service Requirements on the redemption date on which the County has called for prior redemption of Senior Securities;

(v) Monthly, to the Debt Service Reserve Fund, an amount which (except as provided in the following paragraph), if made as one of 60 equal monthly installments, is sufficient to make the sum of the amount on deposit in the Debt Service Reserve Fund plus the amount of any Qualified Surety Bonds on deposit therein equal the Maximum Aggregate Debt Service Requirements for the then outstanding Senior Securities; provided that if any moneys are withdrawn from the Debt Service Reserve Fund (other than any amounts the withdrawal of which does not reduce the reserve to an amount less than the Maximum Aggregate Debt Service Requirements) or if payment is made under any Qualified Surety Bond in the Debt Service Reserve Fund to pay the Securities Requirements of any Senior Securities, the amount so withdrawn, except to the extent that any such Qualified Surety Bond is reinstated as may be provided therein or in connection therewith, will be restored therein from Net Revenues available therefor over a 60 month period;

Pursuant to the Second Supplement to Master Indenture, dated as of September 24, 2009 (the "Second Supplement"), the Reserve Requirement for any Senior Securities subsequently issued will be established in the applicable series indenture. The County may elect to secure any Senior Securities subsequently issued with the Debt Service Reserve Fund, so long as the Reserve Requirement for such bonds is equal to the maximum aggregate debt service.

The Reserve Requirement for the 2010C Bonds, which were issued after the date of the Second Supplement, has been set at $0 and the election described in the previous sentence has not been made.

The Reserve Requirement for the 2015A Bonds has been set at the least of the following: (a) initially $5,991,500; and (b) thereafter, as of the date of computation, the lesser of the amount stated in clause (a) above and the least of: (i) the maximum annual Debt Service Requirements for the 2015A Bonds; (ii) 125% of the average annual Debt Service Requirements for the 2015A Bonds; or (iii) 10% of the aggregate principal amount of the 2015A Bonds.

The Reserve Requirement for the 2019B Bonds has been set at the least of the following: (a) initially $23,151,535.33; and (b) thereafter, as of the date of computation, the lesser of the amount stated in clause (a) above and the least of: (i) the maximum annual Debt Service Requirements for the 2019B Bonds; (ii) 125% of the average annual Debt Service Requirements for the 2019B Bonds; or (iii) 10% of the aggregate principal amount of the 2019B Bonds.

The County did not elect to secure the 2015A Bonds or the 2019B Bonds with the Debt Service Reserve Fund (and, if the 2024A Bonds are issued, will not secure the 2024A Bonds with the Debt Service Reserve Fund), and the reserve funds for the 2015A Bonds, the 2019B Bonds and the 2024A Bonds are maintained separately therefrom.

(vi) Monthly, to the Subordinate Securities Fund, an amount which is required to provide for the payment of the principal of and interest due on Subordinate Securities (including the 2024B Notes) as the same become due, including any reasonable reserves for such securities. Debt service reserve funds are maintained for all of the Second Lien Subordinate Securities except for the 2008C Bonds and the 2008D Bonds. No debt service reserve funds are maintained for any of the Third Lien Subordinate Securities;

(vii) Monthly, to the Working Capital and Contingency Reserve Fund, an amount equal to 1/12 of 8.333 percent of the amount designated in the annual Airport System budget then in effect as the annual Operation and Maintenance Expenses for the current Fiscal Year (the "Minimum Working Capital Reserve") less any money available in such Fund. If the Governing Body, after consultation with the Airport Management Consultant, determines at any time that the aforesaid percentage provides insufficient or excessive revenues for the purpose for which the Working Capital and Contingency Reserve Fund is established, the Chief Financial Officer of the Department will adjust the percentage referred to above as directed by the Governing Body, but in no event will such percentage be reduced below 8.333 percent. No payment need be made into the Working Capital and Contingency Reserve Fund so long as the moneys therein will then equal not less than the Minimum Working Capital Reserve. The moneys in the Working Capital and Contingency Reserve Fund will be accumulated or reaccumulated and maintained as a continuing reserve to be used only to prevent deficiencies in the payment of the Operation and Maintenance Expenses resulting from the failure to deposit into the Operation and Maintenance Fund sufficient funds to pay such expenses as the same accrue and become due. If at any time the moneys credited to the Operation and Maintenance Fund are insufficient to pay Operation and Maintenance Expenses, the County acting by and through the Chief Financial Officer of the Department may withdraw such moneys from the Working Capital and Contingency Reserve Fund and transfer them to the credit of the Operation and Maintenance Fund. Any moneys in the Working Capital and Contingency Reserve Fund exceeding the Minimum Working Capital Reserve will be transferred to the Revenue Fund; and

(viii) To the Capital Fund, from any remaining moneys in the Revenue Fund each Fiscal Year: (a) substantially equal monthly installments or such greater amounts as required to provide for the payment of the General Obligation Requirements (i.e., an amount derived from Pledged Revenues (as such term is defined in Appendix C) sufficient to pay the principal of, any prior redemption premiums due in connection with, and interest on any General Obligation Securities (as such term is defined in Appendix C)) of any General Obligation Securities, as the same, if any, become due, and payable from Net Revenues of the Airport System, but the payment of which securities is not secured by a pledge and lien on the Net Revenues, or by both such a pledge and lien, and amount at least equal to such amount as is required to pay or provide for the payment of the General Obligation Requirements due in any Comparable Bond Year; and (b) not less infrequently than annually by the end of each Fiscal Year an amount, but in any event not more than $100,000, necessary to accumulate or to reaccumulate in the Capital Fund a reserve in an amount of not less than $1,000,000 (the "Minimum Capital Reserve").

Moneys in the Capital Fund may be withdrawn in any priority for any one, all, or any combination of the following purposes, as the Governing Body may from time to time determine:

A. *Payment of General Obligation Securities*. To pay General Obligation Requirements of any such General Obligation Securities (none of which are currently outstanding (see the caption "OUTSTANDING AIRPORT INDEBTEDNESS");

B. *Capital Costs*. To pay the costs of constructing or otherwise acquiring any betterments of, enlargements of, extensions of or any other improvements at the Airport System, or any part thereof, authorized by law;

C. *Maintenance Costs*. To pay the costs of extraordinary and major repairs, renewals, replacements, or maintenance items pertaining to any properties of the Airport System, of a type not recurring annually or at shorter intervals and not defrayed as Operation and Maintenance Expenses; and

D. *Securities Requirements*. To pay any Securities payable from the Net Revenues of the Airport System, if such payment is necessary to prevent any default in the payment of such Securities, or otherwise.

If any monthly payment required to be made into any fund or account of the Bond Fund (as described in clauses (i) through (iv) set forth above) is deficient, the County is required to include the amount of such deficiency in the next monthly deposit into such fund or account.

At the end of any Fiscal Year or whenever in any Fiscal Year there has been credited to the above funds and accounts all amounts required to be deposited in those funds or accounts for all of that Fiscal Year and in satisfaction of any deficiencies in any prior Fiscal Year, any remaining Net Revenues in the Revenue Fund may be used for any lawful purposes pertaining to the Airport System, as the Governing Body may from time to time determine.

In accordance with the Series Indenture, there will be transferred into the Rebate Fund from the Revenue Fund such amounts as are required to be deposited therein to meet the County's obligations under its covenant in the Series Indenture to comply with Section 148(f) of the Tax Code.

Issuance of Additional Senior Securities and Second Lien Subordinate Securities

Additional Senior Bonds. The Master Indenture permits, and in instances where the County has covenanted to complete a project requires, the County to issue additional Senior Bonds payable from the Net Revenues of the Airport System on a parity with the Senior Bonds (the "Senior Securities," defined by the Master Indenture include "Senior Completion Bonds," "Senior Additional Bonds" and "Senior Refunding Bonds," all as described below) for the following purposes:

(1) paying the Cost of completing the Terminal Improvement Project or any Additional Project (as such term is defined below) for which any series of Senior Securities has been issued (see the caption "—Senior Completion Bonds");

(2) paying the Cost of any additions, betterments, extensions, other improvements or equipment of or related to the Airport System (an "Additional Project") (see the caption "—Senior Additional Bonds"); and

(3) refunding all outstanding Senior Bonds or Senior Securities of one or more series, or one or more outstanding Senior Bonds or Senior Securities of one or more series, or one or more maturities within a series, or refunding any Subordinate Securities (see the caption "—Senior Refunding Bonds").

In connection with the issuance of additional series of Senior Securities, the "Cost" of any Project or Additional Project includes, among other items, the costs of surveys or other plans or specifications, builder's insurance, consultant's fees, construction contingencies, property acquisition costs, the costs of issuance of such series of Senior Securities, capitalized interest to a date not exceeding one year following the estimated completion date of the Project and the funding of reserves for the payment of the series of Senior Securities.

Senior Completion Bonds. The County may issue one or more series of Senior Bonds or other Senior Securities ("Senior Completion Bonds") to pay the cost of completing the Terminal Improvement Project or any Additional Project.

Prior to the issuance of any series of Senior Completion Bonds, the County is required to have delivered to the Trustee, among other documents:

A. A certificate by the Consulting Engineer stating that the Terminal Improvement Project or Additional Project, as the case may be, subject to the provisions of the Master Indenture permitted modifications to the Terminal Improvement Project or Additional Project, has not materially changed from the description of the Terminal Improvement Project in the original Consulting Engineer's report with respect thereto or from the description of the Additional Project as described in any series indenture relating to the series of additional Senior Securities issued to finance the Additional Project, and setting forth the aggregate Cost of the Project which, in the opinion of the signer, has been or will be incurred and cannot be paid with the moneys available at the date of the certificate in the account within the related construction fund or other like account (other than any capitalized interest account therein) applicable to the Project; and stating that, in the opinion of the signer, issuance of the Senior Completion Bonds is necessary to provide funds for completion of the Project; and

B. A certificate by the Director stating that the previous series of Senior Securities issued in connection with the Project for which the Senior Completion Bonds are being issued were issued to pay all or the balance of the Costs of such Project.

Senior Additional Bonds. The County may issue one or more series of Senior Bonds or other Parity Senior Securities for the purpose of paying the Cost of any Additional Project ("Senior Additional Bonds") if, among other conditions, the County has delivered to the Trustee, among other documents:

A. A certificate of the Director or Chief Financial Officer of the Department stating that the Net Revenues, together with any Other Available Funds received: (i) in the last audited Fiscal Year preceding the delivery of the series of Senior Additional Bonds; or (ii) for any period of 12 consecutive calendar months out of the 18 calendar months next preceding the delivery of the series of Senior Additional Bonds, were at least sufficient to pay an amount equal to the larger of either: (a) the amounts needed for making the required cash deposits in the 12-month period to the credit of the several accounts in the Bond Fund and to the credit of the Debt Service Reserve Fund, the Subordinate Securities Fund, the Working Capital and Contingency Reserve Fund and the Capital Fund (such required deposits to the Bond Fund and

Subordinate Securities Fund to be adjusted for Parity and Subordinate Guaranteed Obligations, respectively, in the manner described under the caption "—Rate Maintenance Covenants"); or (b) an amount not less than 125% of the Maximum Aggregate Debt Service Requirements (calculated for the period beginning on the date of issuance of the proposed Senior Additional Bonds and ending on the final maturity date of the then Outstanding Senior Bonds and the proposed Senior Additional Bonds) of the Outstanding Senior Bonds and the Senior Additional Bonds proposed to be issued; or

B. A certificate of the Airport Management Consultant setting forth for each of the Fiscal Years following the earlier of either: (i) the Fiscal Year in which the Consulting Engineer estimates that such Additional Project will be completed; or (ii) the last Fiscal Year in which there are no Debt Service Requirements for such Senior Additional Bonds, and ending with the Fiscal Year which is five years after that Fiscal Year in which the Consulting Engineer estimates such Additional Project will be completed, estimates of: (a) the Gross Revenues; and (b) the Operation and Maintenance Expenses and other amounts required to be deposited in each of the accounts and subaccounts established under the Master Indenture and each series indenture supplemental thereto, and demonstrating that the Net Revenues in each such Fiscal Year will at least equal the larger of either: (1) the amounts needed for making the required deposits to the credit of the several subaccounts (other than the Redemption Account) in the Bond Fund, the Debt Service Reserve Fund, the Subordinate Securities Fund, the Working Capital and Contingency Reserve Fund and the Capital Fund (such required deposits to the Bond Fund and Subordinate Securities Fund to be adjusted for any Parity Guaranteed Obligations and Subordinate Guaranteed Obligations, respectively, among other adjustments required or permitted in the manner provided by the definition of "Guaranteed Obligation Requirements"); or (2) an amount not less than 125% of the Aggregate Debt Service Requirements for the Senior Bonds and Parity Securities of each series then outstanding for the Comparable Bond Year for each such Fiscal Year, in each case after giving effect to, among other factors, the completion of the Additional Project or any completed portion thereof, the increase in rates, fees, rentals or other charges (or any combination thereof) under the Rate Maintenance Covenant required by the Master Indenture as a result of the completion of such Additional Project or any such completed portion thereof, and the Debt Service Requirements on the series of Senior Additional Bonds then to be issued and the Debt Service Requirements, as estimated by the Financial Consultant, with respect to future series of Senior Additional Bonds which the Director and the Chief Financial Officer of the Department estimate (based on the estimate of the Consulting Engineer of the Cost of such Additional Project) will be required to complete payment of the Cost of such Additional Project; and

C. If the test described in paragraph (B) is used in connection with the issuance of Senior Additional Bonds, a certificate of the Consulting Engineer setting forth: (i) the estimated date of completion of the Additional Project for which such series of Senior Additional Bonds is being issued and for any other uncompleted Project for which the Senior Additional Bonds are not being issued; and (ii) an estimate of the Cost of such Additional Project and of any other uncompleted Project; and

D. A certificate of the Director and Chief Financial Officer of the Department that at the time of the execution and delivery of the supplemental instrument authorizing the Senior Additional Bonds as provided in the Master Indenture, the County is not in default in making any payments required by the Master Indenture.

Senior Refunding Bonds. Prior to the issuance of any series of Senior Bonds or Senior Securities to refund one or more series of Senior Bonds or Senior Securities or one or more Senior Bonds or Senior Securities within a series, or one or more maturities of a series of Senior Bonds or any series of Senior Securities ("Senior Refunding Bonds"), other than for redeeming at their maturity the Term Bonds or Term Securities of a series which mature within one year of such refunding, the County will deliver to the Trustee, among other documents, either of the following: (i) a certificate of the Treasurer setting forth: (1) the Aggregate Debt Service Requirements for the then current and each future Bond Year to and including the Bond Year ending on the date of the latest maturity of any series of Senior Bonds or Senior Securities to be refunded of each Series then Outstanding: (a) with respect to the series of Senior Bonds and Senior Securities of all series outstanding immediately prior to the date of delivery of such Senior Refunding Bonds; and (b)

with respect to the series of Senior Bonds and Senior Securities to be Outstanding immediately thereafter; and (2) that the Aggregate Debt Service Requirements set forth for each Bond Year pursuant to clause (1)(b) above is no greater than that set forth for such Bond Year pursuant to clause (1)(a) above; or (ii) the certificates required by clauses A through D under the caption "—Senior Additional Bonds" above evidencing that such series of Senior Refunding Bonds meets the tests provided for all purposes of such certificate and tests applied as if such series of Senior Refunding Bonds was a series of Senior Additional Bonds. Senior Refunding Bonds of each series issued to refund Subordinate Securities may be delivered in a principal amount sufficient, together with other moneys available therefor (including investment income thereon), to accomplish such refunding provided that the County delivers, among other documents, the certificates required by clauses A through D under the caption "—Senior Additional Bonds" above if the Subordinate Securities were originally issued to fund an Additional Project or the certificates required by clauses A and B under the caption "—Senior Completion Bonds" above if such Subordinate Securities were originally issued to fund completion of a Project, such certificates to be prepared as if such series of Senior Refunding Bonds was a series of Senior Additional Bonds or Senior Completion Bonds, as the case may be.

Additional Second Lien Subordinate Securities. The supplemental bond ordinances or series indentures authorizing the issuance of Second Lien Subordinate Securities permit the County to issue additional Second Lien Subordinate Securities upon delivery of certificates described below.

While PFC Bonds are Outstanding: Tests Contained in PFC Instruments. While any PFC Bonds remain Outstanding under the series indentures authorizing the issuance of the County's various series of PFC Bonds (the "PFC Instruments"), the County may issue Second Lien Subordinate Securities secured by a pledge of the Net Revenues of the Airport System that is senior to the pledge in favor of the 2024B Notes only to the extent that the County is in compliance with certain additional debt tests included in the PFC Instruments and described below (provided that the requirements of the PFC Instruments to be met through the final maturity of the Outstanding PFC Bonds are required to be met through the final maturity of any Outstanding PFC Bonds or any Outstanding Second Lien Subordinate Securities):

Absence of Default. A certification of the Director or Chief Financial Officer of the Department that at the date of the issuance of the additional bonds: (i) the County is not in default in making any payments required by the PFC Instruments with respect to the PFC Bonds; and (ii) the County is in compliance with the rate maintenance covenant in the Master Indenture; and

Earnings Test. (1) A certification of the Director or Chief Financial Officer of the Department that: (a) the PFC Revenues (adjusted as described below) received: (i) in the most recent Fiscal Year preceding the date of the issuance of the additional PFC Bonds for which audited financial statements are available; or (ii) for any period of 12 consecutive calendar months out of the 18 calendar months next preceding the date of issuance of the additional PFC Bonds, were at least sufficient to pay an amount equal to 135% of the average annual principal and interest requirements (calculated for the period beginning on the date of issuance of the proposed additional PFC Bonds and ending on the final maturity date of the Outstanding additional PFC Bonds and the proposed additional PFC Bonds), of the Outstanding additional PFC Bonds and the additional PFC Bonds proposed to be issued (excluding the reserves therefor); and (b) the aggregate approved PFC Revenues to be received after the issuance of the additional PFC Bonds plus the amount of PFC Revenues then held in the Bond Fund and any applicable debt service reserve fund (and any similar funds for Outstanding additional PFC Bonds) and the unencumbered balance in the Capital Fund exceeds the aggregate unpaid Bond Requirements of the Outstanding additional PFC Bonds and the additional PFC Bonds proposed to be issued, accrued and unaccrued to maturity, but less any such Bond Requirements which were capitalized from the proceeds of any additional PFC Bonds; or

(2) A certification of the Director or Chief Financial Officer of the Department setting forth: (a) the Net Revenues and any Other Available Funds for; and (b) the PFC Revenues (adjusted as provided below) received in: (i) the most recent Fiscal Year preceding the date of the issuance of such additional bonds for which audited financial statements are available; or (ii) any period of 12 consecutive

calendar months out of the 18 calendar months next preceding the date of the issuance of such additional bonds and demonstrating:

(x) that such Net Revenues and Other Available Funds at least equal 110% of the maximum amount of Bond Requirements payable in any Bond Year (occurring from the date of calculation through the final maturity of Outstanding PFC Bonds) of the then Outstanding Senior Securities, the Outstanding PFC Bonds, any additional Second Lien Subordinate Securities to be issued having a lien on the Net Revenues on a parity with the lien thereon of the PFC Bonds which are not secured by and expected to be paid from PFC Revenues, and any other Outstanding Second Lien Subordinate Securities having a lien on the Net Revenues on a parity with the lien thereon of the PFC Bonds (provided that the Bond Requirements of the Outstanding PFC Bonds or other Outstanding Second Lien Subordinate Securities need not be taken into account in the foregoing calculation to the extent that Net Revenues and any Other Available Funds were not used in the most recent Fiscal Year to pay the Bond Requirements of the Outstanding PFC Bonds or other Outstanding Second Lien Subordinate Securities); and

(y) that the sum of such Net Revenues and Other Available Funds plus such PFC Revenues equals at least 135% of the maximum amount of Bond Requirements payable in any Bond Year (occurring from the date of calculation through the final maturity of the Outstanding PFC Bonds) of the then Outstanding Senior Securities, any Outstanding PFC Bonds which are Second Lien Subordinate Securities and any additional PFC Bonds to be issued which are Second Lien Subordinate Securities; or

(3) A certification of the Airport Management Consultant setting forth: (a) the PFC Revenues (adjusted as provided below) received: (i) in the most recent Fiscal Year preceding the date of issuance of such additional bonds for which audited financial statements are available; or (ii) for any 12 consecutive calendar months out of the 18 calendar months next preceding the date of issuance of the additional bonds; and (b) for each of the five Fiscal Years following the date of issuance of the additional bonds (or, if interest is capitalized on such bonds, following the last Fiscal Year for which any of such interest is capitalized), estimates of the Net Revenues and Other Available Funds, and concluding that for each such Fiscal Year:

(x) the estimated Net Revenues and Other Available Funds for that Fiscal Year equal at least 110% of the Aggregate Debt Service Requirements or the Bond Requirements, as the case may be, to be accumulated in the Fiscal Year and expended in the Comparable Bond Year for the then Outstanding Senior Securities, the Outstanding PFC Bonds, any additional Second Lien Subordinate Securities to be issued having a lien on the Net Revenues on a parity with the lien thereon of the PFC Bonds which are not secured by and expected to be paid from PFC Revenues, and any other Outstanding Second Lien Subordinate Securities having a lien on the Net Revenues on a parity with the lien thereon of the PFC Bonds (provided that the Bond Requirements of the Outstanding PFC Bonds or other Outstanding Second Lien Subordinate Securities need not be taken into account in the foregoing calculation to the extent that Net Revenues and any Other Available Funds were not used in the most recent Fiscal Year to pay the Bond Requirements of the Outstanding PFC Bonds or other Outstanding Second Lien Subordinate Securities), after giving effect, among other factors, to the increase in rates, fees, rentals or other charges (or any combination thereof) under the rate maintenance covenant in the Master Indenture; and

(y) the sum of such PFC Revenues plus the estimated Net Revenues and Other Available Funds for that Fiscal Year at least equal 135% of the Aggregate Debt Service Requirements or the Bond Requirements, as the case may be, to be accumulated in the Fiscal Year and expended in the Comparable Bond Year for the then Outstanding Senior Securities, the Outstanding PFC Bonds which are Second Lien Subordinate Securities and any additional PFC Bonds to be issued which are Second Lien Subordinate Securities, after giving effect, among other factors, to the increase in rates, fees, rentals or other charges (or any combination thereof) under the rate maintenance covenant in the Master Indenture.

Paragraphs (2) or (3) of the foregoing earnings test may be used only if the additional PFC Bonds to be issued are additionally secured by a subordinate pledge of the Net Revenues of the Airport System. In the computation of any earnings test under paragraphs (1), (2) or (3) above as to whether or not additional PFC Bonds may be issued, the amount of the PFC Revenues for the computation period will be decreased and may be increased by the amount of any loss or gain conservatively estimated by the Director or Chief Financial Officer of the Department, which loss or gain results from any change in the rate of the levy of passenger facility charges constituting a part of the PFC Revenues which change took effect during the computation period or thereafter prior to the issuance of such additional PFC Bonds, as if such modified rate has been in effect during the entire computation period.

In the computation of either earnings test above as to whether or not additional bonds may be issued, the amount of the PFC Revenues for the computation period will be decreased and may be increased by the amount of any loss or gain conservatively estimated by the Director or Chief Financial Officer of the Department, which loss or gain results from any change in the rate of the levy of passenger facility charges constituting a part of the PFC Revenues which change took effect during the computation period or thereafter prior to the issuance of such PFC Bonds, as if such modified rate has been in effect during the entire computation period.

Notwithstanding the above paragraph, on and after the date on which no PFC Bonds remain Outstanding under the PFC Instruments, the County may issue Second Lien Subordinate Securities which constitute Refunding Bonds having a lien on the Net Revenues that is senior to the lien in favor of the 2024B Notes (including Second Lien Subordinate Securities which are issued to refund other Second Lien Subordinate Securities which have a lien on Net Revenues that is senior to the lien thereon of the 2024B Notes, but not including any Subordinate Securities with a lien on Net Revenues which is on a parity with the lien thereon of the 2024B Notes), upon the filing by the County with the Trustee of a certificate of the Treasurer setting forth: (i) the Debt Service Requirements of the Refunding Bonds proposed to be issued for each Bond Year while Second Lien Subordinate Securities are Outstanding; and (ii) the Debt Service Requirements of the Securities refunded by the proposed Refunding Bonds for each of those Bond Years, and showing that for each of those Bond Years the Debt Service Requirements described in clause (i) are not greater than the Debt Service Requirements described in clause (ii).

When No PFC Bonds Are Outstanding: Tests Contained in Second Lien Subordinate Securities Series Indentures. The supplemental bond ordinances or series indentures for the Second Lien Subordinate Securities (the "Second Lien Subordinate Series Indentures") provide that, on and after the date on which no PFC Bonds remain Outstanding under the PFC Instruments, the County may issue Second Lien Subordinate Securities with a lien on Net Revenues of the Airport System that is on a senior to the lien in favor of the 2024B Notes so long as the County files with the Trustee:

Absence of Default. A certification of the Director or Chief Financial Officer of the Department that at the date of issuance of the additional Second Lien Subordinate Securities: (i) the County is not in default in making any payments required by the Second Lien Subordinate Series Indentures; and (ii) the County is in compliance with the rate maintenance covenants in the Master Indenture and the Second Lien Subordinate Series Indentures; and

Earnings Test. (1) A certification of the Director or Chief Financial Officer of the Department setting forth the Net Revenues of the Airport System and any Other Available Funds for: (i) the most recent Fiscal Year preceding the date of the issuance of such additional Second Lien Subordinate Securities for which audited financial statements are available; or (ii) any period of 12 consecutive calendar months out of the 18 calendar months next preceding the date of the issuance of such additional Second Lien Subordinate Securities, and demonstrating that such Net Revenues and Other Available Funds equal at least 110% of the maximum amount of Debt Service Requirements payable in any Bond Year (occurring from the date of the calculation through the final maturity of the Outstanding Bonds) of the then Outstanding Senior Securities and the then Outstanding Second Lien Subordinate Securities with a lien on the Net Revenues on a

parity with the lien thereon of the Second Lien Subordinate Securities which are not secured by and expected to be paid from PFC Revenues; provided that the Debt Service Requirements of any Outstanding Subordinate Securities need not be taken into account in the foregoing calculation to the extent that Net Revenues and any Other Available Funds were not used in the most recent Fiscal Year to pay the Debt Service Requirements of such Outstanding Second Lien Subordinate Securities; or

(2) A certification of the Airport Management Consultant setting forth: (i) the Net Revenues received: (a) in the most recent Fiscal Year preceding date of issuance of the additional Second Lien Subordinate Securities for which audited financial statements are available; or (b) for any 12 consecutive calendar months out of the 18 calendar months next preceding the date of issuance of the additional Second Lien Subordinate Securities; and (ii) for each of the five Fiscal Years following the date of issuance of the additional Subordinate Securities (or, if interest is capitalized on such Second Lien Subordinate Securities, following the last Fiscal Year for which any of such interest is capitalized), estimates of the Net Revenues and Other Available Funds and concluding that for each such Fiscal Year, the estimated Net Revenues and other Available Funds for that Fiscal Year equal at least 125% of the Aggregate Debt Service Requirements to be accumulated in the Fiscal Year and expended in the Comparable Bond Year for the then Outstanding Senior Securities, and the then Outstanding Second Lien Subordinate Securities with a lien on the Net Revenues on a parity with the lien thereon of the Second Lien Subordinate Securities which are not secured by and expected to be paid from PFC Revenues, after giving effect, among other factors, to the increase in rates, fees, rentals or other charges (or any combination thereof) under the rate maintenance covenant in the Master Indenture; provided, that the Debt Service Requirements of any Outstanding Second Lien Subordinate Securities need not be taken into account in the foregoing calculation to the extent that Net Revenues and any Other Available Funds were not used in the most recent Fiscal Year to pay the Debt Service Requirements of such Outstanding Second Lien Subordinate Securities.

Notwithstanding the above paragraph, on and after the date on which no PFC Bonds remain Outstanding under the PFC Instruments, the County may issue Second Lien Subordinate Securities which constitute Refunding Bonds having a lien on the Net Revenues that is senior to the lien in favor of the 2024B Notes (including Second Lien Subordinate Securities which are issued to refund other Second Lien Subordinate Securities which have a lien on Net Revenues that is senior to the lien thereon of the 2024B Notes, but not including any Subordinate Securities with a lien on Net Revenues which is on a parity with the lien thereon of the 2024B Notes), upon the filing by the County with the Trustee of a certificate of the Treasurer setting forth: (i) the Debt Service Requirements of the Refunding Bonds proposed to be issued for each Bond Year while such Second Lien Subordinate Securities are Outstanding; and (ii) the Debt Service Requirements of the Securities refunded by the proposed Refunding Bonds for each of those Bond Years, and showing that for each of those Bond Years the Debt Service Requirements described in clause (i) are not greater than the Debt Service Requirements described in clause (ii).

Issuance of Third Lien Subordinate Securities

The Series Indenture does not limit the issuance by the County of securities payable on a parity with or subordinate to the 2024B Notes. For information regarding obligations payable on a parity with the 2024B Notes, see the caption "OUTSTANDING AIRPORT INDEBTEDNESS—Third Lien Subordinate Securities."

Issuance of Special Facilities Bonds

The Master Indenture includes provisions under which the County may issue Special Facilities Bonds for the purpose of constructing Special Facilities at the Airport for lease on a net rent basis. Any such Special Facilities Bonds will be payable solely from rentals payable to the County pursuant to such net rent leases, and will not be a charge or claim against the Revenue Fund or any other account designated in the Master Indenture.

Limited Liability

THE OBLIGATION OF THE COUNTY TO PAY DEBT SERVICE ON THE 2024B NOTES DOES NOT CONSTITUTE AN OBLIGATION OF THE COUNTY FOR WHICH THE COUNTY IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE COUNTY HAS LEVIED OR PLEDGED ANY FORM OF TAXATION. THE 2024B NOTES DO NOT CONSTITUTE AN OBLIGATION OF THE GENERAL REVENUES OF THE COUNTY, INCLUDING BUT NOT LIMITED TO A DEBT WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION, OR A PLEDGE OF THE FULL FAITH, CREDIT AND TAXING POWER OF THE COUNTY.

The 2024B Notes are special obligations of the County payable solely from Net Revenues of the Airport System on a subordinate basis. The 2024B Notes do not constitute an obligation of the general revenues of the County, including but not limited to a debt within the meaning of any constitutional or statutory provision or limitation, or a pledge of the full faith, credit and taxing power of the County. In addition, the facilities comprising the Airport System have not been pledged to secure payment of the 22024B Notes.

OUTSTANDING AIRPORT INDEBTEDNESS

Set forth below is a discussion of outstanding Airport indebtedness, including Senior Bonds, Second Lien Subordinate Securities, PFC Bonds, Third Lien Subordinate Securities and general obligation bonds relating to the Airport.

Senior Bonds

As of February 29, 2024, the County had outstanding approximately $754,995,000 principal amount of Senior Bonds, which are the only Senior Securities currently outstanding. See the caption "SECURITY FOR THE 2024B NOTES—Senior Bonds" for a description of each series of Senior Bonds.

Second Lien Subordinate Securities

As of February 29, 2024, the County had outstanding approximately $1,040,475,000 principal amount of Second Lien Subordinate Securities, excluding the Parity PFC Bonds, but including the 2014A-2 Bonds and 2008D-3 Bonds which are expected to be refunded from proceeds of the 2024A Bonds as described under the caption "INTRODUCTION." Such obligations, the Parity PFC Bonds and certain interest rate swap agreements described under the caption "—Interest Rate Swap Agreements" are the only Second Lien Subordinate Securities currently outstanding. See the caption "SECURITY FOR THE 2024B NOTES—Second Lien Subordinate Securities" for a description of each series of Second Lien Subordinate Securities.

PFC Bonds

As of February 29, 2024, the County had outstanding approximately $352,340,000 principal amount of Parity PFC Bonds, debt service on which is secured by a lien on and payable from the Airport's PFC revenues, and which are also secured by a lien on and payable from Net Revenues of the Airport System on parity with the Second Lien Subordinate Securities. See the caption "SECURITY FOR THE 2024B NOTES—Second Lien Subordinate Securities" for a description of each series of Parity PFC Bonds.

Third Lien Subordinate Securities

As of February 29, 2024, the County had outstanding approximately $129,880,000 aggregate principal amount of the 2021B Notes and 2022A Bonds, which along with certain obligations under certain bank credit and liquidity agreements, were the only Third Lien Subordinate Securities outstanding as of such date. See the

caption "SECURITY FOR THE 2024B NOTES—Third Lien Subordinate Securities – Including the 2024B Notes" for a description of each series of Third Lien Subordinate Securities.

General Obligation Bonds

As of February 29, 2024, the County did not have any outstanding general obligation bonds which are payable from Net Revenues of the Airport System, either on a subordinate basis to the payment of the Third Lien Subordinate Securities or otherwise.

FINANCIAL FACTORS

Credit or Liquidity Facilities

General. In connection with the issuance of certain Second Lien Subordinate Securities, the County has arranged for standby bond purchase agreements or irrevocable direct-pay letters of credit (the "Credit or Liquidity Facilities") to be entered into or issued, as applicable. The following information is applicable to all Credit or Liquidity Facilities of the Airport System.

If a Credit or Liquidity Facility expires, or in certain cases, if the rating of a Credit or Liquidity Facility provider is withdrawn or lowered, the County must replace the Credit or Liquidity Facility. If the County is unable to secure a replacement credit or liquidity facility, the related Second Lien Subordinate Securities will be subject to mandatory tender for purchase by the holders thereof upon such expiration. In addition, the related Credit or Liquidity Facility will be drawn upon to pay the purchase price of such tendered Second Lien Subordinate Securities. See the caption "—Renewal of Credit or Liquidity Facilities" below.

In connection with such Credit or Liquidity Facilities, the County has entered into certain agreements with the banks providing such Credit or Liquidity Facilities. Under such agreements, the County is generally required to reimburse the related bank for any amounts paid by such bank under the related Credit or Liquidity Facility on the same day such amount is paid. Amounts owed to each bank bear interest at a specified rate. The County is also required to pay certain fees to the banks, including establishment, facility, drawing and transfer fees, in addition to the banks' costs, expenses and certain taxes.

In the event that there is a drawing on any Credit or Liquidity Facility to purchase any related Second Lien Subordinate Securities which are tendered for purchase by the holders thereof, the agreements generally provide that the related bank become the holder of such obligations ("Bank Bonds"). In addition, the County is required to repay such Bank Bonds over a period that is less than the remaining term to maturity of the related Second Lien Subordinate Securities (generally five years or less, and in some circumstances immediately upon the purchase of such obligations by the related bank), at an increased interest rate.

The agreements contain a number of covenants and representations on the part of the County and specify events of default (which may include failure of the County to maintain credit ratings at specified levels), and remedies. Remedies of the banks generally include the right to cause a mandatory tender of the related Second Lien Subordinate Securities. The obligation of the County pursuant to the agreements to reimburse a bank for drawings under a related Credit or Liquidity Facility to pay regularly scheduled principal and interest is payable from Net Revenues on a parity with the Second Lien Subordinate Securities. The obligation of the County pursuant to the agreements to reimburse a bank for advances secured by Bank Bonds: (i) that exceed the amounts needed to pay regularly scheduled principal and interest on related Second Lien Subordinate Securities; and (ii) for any fees due and owing to such bank is typically payable from Net Revenues on a subordinate basis to Second Lien Subordinate Securities and on a parity with the 2024B Notes.

Renewal of Credit or Liquidity Facilities. As described above, in connection with certain variable rate obligations, the County has obtained Credit or Liquidity Facilities which expire prior to the maturity dates of the obligations to which they relate. If the Credit or Liquidity Facilities expire and the County is unable to

secure replacement credit or liquidity facilities, the related Second Lien Subordinate Securities will be subject to mandatory tender for purchase by the holders thereof upon such expiration and the related Credit or Liquidity Facilities will be drawn upon to pay the purchase price of such tendered obligations. In such circumstances, the County is required to repay banks providing Credit or Liquidity Facilities over a period that is less than the remaining term to maturity of the related obligations (generally five years or less, and in some circumstances immediately upon the purchase of such obligations by the related bank), at an increased interest rate. There can be no guarantee that the County will be able to renew the current Credit or Liquidity Facilities or obtain similar credit or liquidity facilities in the future with respect to the applicable Second Lien Subordinate Securities.

Ratings of Issuers of Credit or Liquidity Facilities. From time to time rating agencies change the ratings of banks that have issued Credit or Liquidity Facilities. In the event that the rating of a bank that has executed or issued a Credit or Liquidity Facility is reduced, such reduction may result in the related Second Lien Subordinate Securities bearing interest at a higher than projected interest rate or result in the downgrade of the rating of such Second Lien Subordinate Securities, or both.

The credit rating agencies have in the past downgraded and may in the future downgrade certain banks which have executed and issued existing or prior Credit or Liquidity Facilities securing certain Second Lien Subordinate Securities. There can be no assurance that future rating reductions or other factors perceived to have an effect on, or to reflect, the credit quality of the banks that have issued Credit or Liquidity Facilities will not result in a material increase in interest payments on the Second Lien Subordinate Securities. No assurance or representation regarding the financial strength or projected financial strength of the banks which have issued Credit or Liquidity Facilities is being made by the County in this Official Statement. See the caption "SECURITY FOR THE 2024B NOTES—Rate Maintenance Covenants."

A brief description of the County's outstanding Credit or Liquidity Facilities is set forth in the below table:

CLARK COUNTY, NEVADA, DEPARTMENT OF AVIATION
Credit or Liquidity Facilities as of February 29, 2024[(1)]

Name of Bonds	***Principal Amount Outstanding***	***Credit or Liquidity Facility Provider***	***Scheduled Expiration Date***
2008C-1 Bonds[(2)]	$122,900,000	Bank of America, N.A.	6/6/2025
2008D-2A Bonds[(2)]	100,000,000	Wells Fargo Bank, National Association	2/24/2026
2008D-2B Bonds[(2)]	99,605,000	Sumitomo Mitsui Banking Corporation, acting through its New York Branch	7/23/2027
2008D-3 Bonds[(2)(3)]	118,025,000	Bank of America, N.A.	6/2/2025
TOTAL	$440,530,000		

(1) See Note 8(b) to the Financial Statements set forth in Appendix B for more information with respect to the Credit or Liquidity Facilities.
(2) Supported by a credit facility.
(3) These obligations are expected to be refunded from proceeds of the 2024A Bonds and the related credit facility terminated. See the caption "INTRODUCTION."
Source: Clark County Department of Aviation.

Interest Rate Swap Agreements

Outstanding Interest Rate Swap Agreements. The County, on behalf of the Airport, has entered into several swap transactions. Set forth below is a brief description of the County's outstanding swap agreements related to the Airport, payments under which are based on a spread to the Secured Overnight Financing Rate.

CLARK COUNTY, NEVADA, DEPARTMENT OF AVIATION
Interest Rate Swap Agreements as of February 29, 2024[(1)]

Name of Swap	*Counterparty*	*Outstanding Notional Amount*	*Nature of Swap*
2001 Basis Swap Agreement	Citigroup Financial Products Inc.	$ 58,963,546	Variable to variable (basis swap)
2003 Fixed Spread Basis Swap Agreement	Citigroup Financial Products Inc.	22,800,845	Variable to variable (basis swap)
2005C Swap Agreements[(2)]	Citigroup Financial Products Inc., JPMorgan Chase Bank, N.A., UBS AG	166,950,000	Variable to fixed
2005D Swap Agreements[(2)]	JPMorgan Chase Bank, N.A., UBS AG	59,870,000	Variable to fixed
2005E Swap Agreements[(2)]	Citigroup Financial Products Inc., JPMorgan Chase Bank, N.A.	41,565,000	Variable to fixed
2009 Swap Agreements	Citigroup Financial Products Inc.	122,950,000	Variable to fixed
TOTAL		$473,099,391	

(1) See Note 9 of the Financial Statements set forth in Appendix B for more information with respect to the Airport swap agreements.
(2) The distribution of the notional amount of this swap agreement among the counterparties is described in Note 9 of the Financial Statements set forth in Appendix B.
Source: Clark County Department of Aviation.

As of February 28, 2024, the fair value (as such term is defined under Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application*) of the above-described interest rate swap agreements was approximately $6,087,270.77. See Note 9 to the Financial Statements attached hereto as Appendix B for further information with respect to the Airport's interest rate swap agreements.

The County has entered into International Swaps and Derivatives Association, Inc. ("ISDA") Master Agreements with the counterparties to the swap agreements. Each of these Master Agreements is supported by a Credit Support Annex (each, a "CSA"). Under each CSA, under certain market conditions, if the rating of the counterparty falls to an established threshold defined within the CSA, then the counterparty is required to post collateral with a third party custodian, which collateral is pledged to the County. As of December 31, 2023, the total counterparty posted collateral was in the form of cash in the amount of approximately $6.7 million.

The above-described interest rate swap transactions entail risk to the County. For example, the swap agreement counterparties may fail or be unable to perform, interest rates may vary from assumptions, the County may be required to post collateral in certain circumstances or the County may be required to make significant payments (senior to the 2024B Notes) in the event of an early termination of one or more swap agreements. The County cannot predict if any of the foregoing events will occur with respect to one or more of the swap agreements. However, the County does not anticipate that any such event would have a material adverse effect on the County's ability to pay the principal of and interest on the 2024B Notes.

Future Interest Rate Swap Agreements. The County may, from time to time, enter into additional interest rate swap agreements (or amend, modify, novate or take certain other actions with respect to existing interest rate swap agreements) with security and payment provisions as permitted under the Master Indenture, the Series Indenture and other applicable agreements. See the caption "—Debt Management Policy" for a description of the County's debt management policy.

Debt Service Requirements

The following table sets forth the annual debt service requirements for the outstanding Senior Securities, the various issues of Second Lien Subordinate Securities (other than PFC Bonds) and the various issues of PFC Bonds. The debt service requirements for Third Lien Subordinate Securities, including the 2024B Notes, are not shown below. The debt service requirements do not reflect payments with respect to interest rate swaps not associated with specific bonds included in the following table.

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CLARK COUNTY, NEVADA, DEPARTMENT OF AVIATION
Debt Service Requirements for Outstanding Senior Securities, Second Lien Subordinate Securities and PFC Bonds

Period Ending July 1[(1)]	*Requirements on Outstanding Senior Securities*[(2)]	*Total Requirements on Subordinate Securities*[(3)(4)]	*Requirements on PFC Bonds*[(5)]	*Total*
2024	$ 46,017,646	$ 94,543,230	$ 68,039,500	$ 208,600,376
2025	46,017,646	110,980,959	68,040,750	225,039,355
2026	46,017,646	132,548,809	68,043,250	246,609,705
2027	60,432,646	85,562,304	68,043,250	214,038,200
2028	60,431,896	111,595,250	26,574,250	198,601,396
2029	60,435,146	111,564,616	26,577,750	198,577,512
2030	60,430,396	99,110,076	26,576,500	186,116,972
2031	60,431,146	99,141,739	26,573,250	186,146,135
2032	60,435,146	99,172,820	26,570,500	186,178,466
2033	60,430,146	61,106,491	26,575,500	148,112,137
2034	60,434,396	66,643,246	-	127,077,642
2035	60,430,146	66,353,579	-	126,783,725
2036	73,950,396	52,679,167	-	126,629,563
2037	73,370,668	44,101,468	-	117,472,136
2038	72,947,004	53,867,838	-	126,814,842
2039	72,517,885	53,926,621	-	126,444,506
2040	72,075,411	53,940,505	-	126,015,916
2041	71,611,829	-	-	71,611,829
2042	71,125,842	-	-	71,125,842
2043	118,503,633	-	-	118,503,633
2044	116,175,267	-	-	116,175,267
2045	113,736,595	-	-	113,736,595
TOTAL	$1,537,958,532	$1,396,838,719	$431,614,500	$3,366,411,751

(1) Totals may not add due to independent rounding. Amount shown is for the Fiscal Year ending on the prior June 30 in which principal and interest accrues.

(2) Debt service on the 2010C Bonds reflects receipt of no BAB Credits through the maturity of the 2010C Bonds. See the caption "OPERATING RESULTS—Management Discussion of Operating Results and Projections—Reduction in BAB Credits" for a discussion of announced reductions in and the expected partial elimination of such BAB Credits.

(3) Excludes debt service on Parity PFC Bonds, 2021B Notes, 2022A Bonds and 2024B Notes. See the caption "OUTSTANDING AIRPORT INDEBTEDNESS." Excludes debt service on 2014A-2 Bonds and 2008D-3 Bonds other than the debt service payment made with respect thereto on January 1, 2024. Includes debt service on 2024A Bonds.

(4) Interest on certain variable rate Subordinate Securities that are hedged with Qualified Swaps is computed based on the fixed rate on the respective Qualified Swap plus: (i) 100 basis points (for obligations not subject to Alternative Minimum Tax); or (ii) 110 basis points (for obligations subject to Alternative Minimum Tax). Interest on certain variable rate Subordinate Securities that are not hedged with Qualified Swaps is computed based upon the prevailing forward curve for the Securities Industry and Financial Markets Association index plus: (i) 100 basis points (for obligations not subject to Alternative Minimum Tax); or (ii) 110 basis points (for obligations subject to Alternative Minimum Tax). Interest on certain Subordinate Securities consisting of interest rate swaps that are not associated with a particular series of obligations is computed based upon the net of the fixed-rate component of such swaps less the floating-rate component thereof, the latter of which is computed based upon a percentage of the prevailing forward curve of the 1-month SOFR rate plus a fixed spread. Interest assumptions differ from interest assumptions for Subordinate Securities set forth in the table entitled "Statement of Historical and Projected Revenues and Expenses" under the caption "OPERATING RESULTS—Historical Operating Results and Projected Future Operating Results," as described in Footnote 8 to such table.

(5) Secured by and payable from a portion of certain passenger facilities charges, and in the event that the portion of such passenger facilities charges is insufficient to pay the debt service requirements of the Parity PFC Bonds, then from a second lien on the Net Revenues. See Footnote 9 to the table entitled "Statement of Historical and Projected Revenues and Expenses" under the caption "OPERATING RESULTS—Historical Operating Results and Projected Future Operating Results."

Source: Clark County Department of Aviation; PFM Financial Advisors LLC.

The following table sets forth the annual debt service requirements for the 2024B Notes.

CLARK COUNTY, NEVADA, DEPARTMENT OF AVIATION
Debt Service Requirements for 2024B Notes

Period Ending July 1[(1)]	*Principal*	*Interest*	*Total Debt Service*
2024	--	$1,865,538.89	$1,865,538.89
2025	--	7,546,000.00	7,546,000.00
2026	--	7,546,000.00	7,546,000.00
2027	--	7,546,000.00	7,546,000.00
2028	--	7,546,000.00	7,546,000.00
2029	$150,920,000	7,546,000.00	158,466,000.00
TOTAL	$150,920,000	$39,595,538.89	$190,515,538.89

(1) Totals may not add due to independent rounding. Amount shown is for the Fiscal Year ending on the prior June 30 in which principal and interest accrues.
Source: Clark County Department of Aviation; PFM Financial Advisors LLC.

Future Developments

The Department continuously updates its long-range plan for development of the passenger terminal facilities and airfield areas to meet anticipated growth in airline passengers and aircraft operations. Pursuant to the five-year plan for Fiscal Years 2024 through 2028, the Department scheduled the expenditure of approximately $756.8 million on capital improvements in such Fiscal Years, consisting of approximately $197.1 million in airfield and apron improvements, $347.7 million in terminal facilities enhancements, $185.8 million in infrastructure and support facilities improvements and $26.2 million in improvements to North Las Vegas Airport, Henderson Executive Airport, Jean Airport and Overton Airport. Any such improvements are projected by the Department to be funded from a combination of federal grants, Jet A Fuel Tax revenues and internally generated cash.

The County has acquired 6,500 acres of land approximately 32 miles south of Las Vegas, near the intersection of Interstate 15 and the Nevada-California border, for the construction of a supplemental commercial airport facility once capacity is reached at the Airport. Such facility would be in addition to the Airport and would provide facilities to accommodate approximately 30 million enplanements at ultimate buildout. In September 2018, the Board voted to resume the environmental impact study (the "EIS") and updates to and reevaluation of supporting studies (the "Supplemental Airport Studies") for the new facility. The Bureau of Land Management and Federal Aviation Administration is overseeing the EIS process. The Supplemental Airport Studies have been completed and the Bureau of Land Management and Federal Aviation Administration have authorized the commencement of the EIS process. The County is currently undertaking the selection process for an EIS consultant and expects to select the consultant in April 2024. The County estimates that the EIS process could take approximately two years to complete. If the EIS results in a favorable Record of Decision, then the County can elect to proceed with construction and the federal government would be obligated to give the County an additional 17,000 acres of surrounding land for industrial and commercial development that is compatible with the supplemental airport and subject to certain legal restrictions.

In 2023, State Senate Bill 19 was enacted into law ("SB 19") which, among other things, allows the County to form an unincorporated town over territory conveyed, or authorized to be conveyed, to the County pursuant to certain federal law for the purpose of developing an airport and any related infrastructure. SB 19 provides the County with greater control over the development of infrastructure and provision of services in and around the area proposed for the supplemental airport.

If constructed, the supplemental airport would have an impact on the Airport's revenues and expenses, which impact will be dependent on a variety of factors and decisions with respect to the supplemental airport,

both operational and financial. The Department cannot estimate such impact on revenues and expenses at this time.

County Investment Policy

Nevada Revised Statutes § 355.170 sets forth investments in which the County Treasurer may invest taxes and other County monies, which currently include United States Treasury notes, bonds and bills, certain federal agency securities, bankers acceptances, commercial paper, money market mutual funds, certificates of deposit of local banks, corporate securities, collateralized mortgage obligations and repurchase agreements. Under the current investment policy approved by the Board (the "Investment Policy"), the County Treasurer is required to invest all County monies in accordance with the Investment Policy. Under the Investment Policy, the County Treasurer may invest such moneys in investments described therein, which include certain State Authorized Investments (the "County Authorized Investments"). Certain other restrictions are contained in the Investment Policy, including limitations on maturities of certain County Authorized Investments and ratings qualifications on certain categories of investments.

A large portion of the money held by the County Treasurer for investment is invested through the County Treasurer's general pooled investment fund (the "County Pool"). Unexpected withdrawals could force the sale of some investments prior to maturity and lead to realization of losses. Such unexpected withdrawals are considered highly unlikely by the County Treasurer. The current Investment Policy allocates gains on securities in the County Pool on a pro rata basis and the County Treasurer reports that any losses would be allocated on the same basis.

Debt Management Policy

The County has integrated a debt management policy (the "Debt Policy") with its capital planning process. The Debt Policy, which also governs management of the Department's debt, is approved by the Board at the commencement of each Fiscal Year. The Debt Policy consists of three sections: (i) a summary of the County's existing and proposed debt; (ii) guidelines for the issuance of debt (including permitted types of debt, optimal terms of issuance and permitted financing methods); this section also sets forth the County's disclosure and continuing disclosure policies; and (iii) statistical information about the County's debt, including the calculation of debt service coverage ratios. An appendix to the Debt Policy contains guidelines that govern the County's interest rate swap agreements.

The goal of the Debt Policy is to ensure that the County has sufficient funds to meet its capital needs while maintaining the County's credit ratings and market access. The current Debt Policy was adopted by the Board in July 2023.

THE AIRPORT SYSTEM

Description of Existing Airport Facilities

The County owns and operates an Airport System that includes Harry Reid International Airport as well as four general aviation airports: North Las Vegas Air Terminal, Henderson Executive Airport, Jean Airport and Overton Airport.

Harry Reid International Airport. The Airport, formerly known as McCarran International Airport, which occupies approximately 2,800 acres of land, serves Las Vegas and the surrounding communities of southern Nevada, as well as segments of California, Utah and Arizona. It is located six miles south of downtown Las Vegas and one mile from the Las Vegas "Strip," the center of the Las Vegas gambling and entertainment industry.

In 1979, the County adopted a Master Plan for ongoing Airport expansion and development (the "Master Plan"). The County continually reviews and updates the Master Plan. The County has made significant improvements to the Airport pursuant to the Master Plan.

A major expansion of the terminal structure, an automated transit system, a satellite terminal building, remodeling of the existing terminal structure, a crash/fire/rescue building and a major expansion of the roadway system and supporting facilities were completed by 1987.

Construction of a new parallel east-west runway and associated air-field improvements, land acquisition for future expansion and noise compatibility and various other terminal and property improvement projects at the Airport, as well as improvements to the North Las Vegas Air Terminal, were completed by 1992.

Construction of roadway improvements and certain projects for which the Federal Aviation Administration has granted the County approval to impose and use a passenger facility charge were completed by 1994.

Construction of an approximately 6,000-space parking garage adjacent to the previously existing Airport parking garage, roadway modifications, Concourse D, an automated transit system connecting Concourse D to the main terminal, runway improvements, improvements to the international terminal and the west rotunda of the Airport, expansion of baggage handling facilities and land acquisition were completed by 1998.

In April 2005, the County completed the construction of the third wing of Concourse D, which resulted in a net increase of 10 gates.

In April 2007, the consolidated rental car facility was opened to the public. Installation of an in-line baggage screening facility to meet new security requirements was completed in Fiscal Year 2007.

During Fiscal Year 2009, a number of major capital improvements were completed, including the construction of the fourth and final wing of Concourse D, which added eight gates, the repaving of Runway 7R/25L (now called 8R/26L) and Taxiway A, a new security checkpoint to Concourse C, a new pedestrian walkway from Concourse C to Concourses A and B and a complete remodel of the baggage claim areas.

In July 2012, the County completed the $2.4 billion Terminal 3 project which added additional ticketing, baggage claim and international facilities to the Airport as well as additional parking facilities. The terminal includes 14 aircraft gates and related support space. The terminal building contains approximately 2,000,000 square feet of space, consisting of a two-story structure, including ticketing and baggage claim lobbies, a bridge and rotunda, a central concession area (e.g., restaurants, shops, restrooms, and other passenger amenities) served by an automated transit system connecting with the Concourse D gates and public and employee parking. A first level terminal provides covered parking spaces for approximately 6,000 automobiles, accessible from an elevated roadway and one helical ramp. A new parking structure includes approximately 2,000,000 square feet, consists of eight levels and is connected to the terminal building through three pedestrian bridges.

In October 2021, the County completed a renovation of Concourse C in the Main Terminal Building which included new fixtures to create additional space for passengers, updated flooring and additional amenities.

Main Terminal Building at Harry Reid International Airport. The terminal building contains approximately 2,951,000 square feet of space, consisting of a seven-story structure, including ticketing and baggage claim lobbies, a bridge and rotunda, central concession area (e.g., restaurants, shops, restrooms, and

other passenger amenities), two pier concourses (Concourses A and B), two satellite concourses (Concourses C and D) served by an automated transit system and public and employee parking.

The ground level of the central terminal includes an inbound baggage handling system, selected building service functions and a special entrance facility for tour group buses. The ground level of the concourses provides space for airline operations and ramp equipment storage.

The esplanade level of the terminal provides space for concession areas and other public facilities. The four building levels above the esplanade level provide covered employee parking spaces for approximately 1,550 automobiles, accessible from an elevated roadway and two helical ramps, as well as office space occupied by the Department.

Concourses A and B extend outward from the rotunda to provide aircraft parking positions and accompanying passenger boarding areas. Each concourse branches to provide access to two cluster buildings, which are used for aircraft parking and boarding. There are a total of 33 aircraft gates in Concourses A and B.

Concourse C consists of approximately 265,530 square feet of concession area, holdrooms and public circulation facilities and provides 18 aircraft gates and related support space.

Concourse D currently consists of approximately 880,062 square feet of concession area, holdrooms and public circulation facilities and provides 44 aircraft gates and related support space.

Other Facilities at Harry Reid International Airport. Other landside facilities at the Airport include an air cargo facility, general aviation and small aircraft sightseeing operations, the Airport traffic control tower and flight standards district office, an aircraft rescue and firefighting station, a central heating and cooling plant, Airport maintenance and engineering buildings and a fuel storage tank area. Ground vehicular areas consist of Airport drives and roadways, public parking lots, a taxi staging area, a charter bus plaza and a rental car service and storage area.

Runways. There are four runways at the Airport: (1) Runway 8L/26R is 14,505 feet long and 150 feet wide and is the primary air carrier aircraft departure runway; (2) Runway 8R/26L is 10,525 feet long and 150 feet wide and is used primarily for air carrier aircraft arrivals; (3) Runway 1R/19L is 9,770 feet long and 150 feet wide and is used primarily for air carrier arrivals and departures; and (4) Runway 1L/19R is 9,770 feet long and 150 feet wide and is used primarily for air carrier arrivals and departures. Other airside facilities consist of related taxiways and apron parking areas. The runway system is capable of accommodating the largest widebody aircraft currently in service.

North Las Vegas Airport. In October 1987, the County acquired the North Las Vegas Airport. The North Las Vegas Airport is within the corporate limits of the City of North Las Vegas on a 920-acre site about 5 miles northwest of downtown Las Vegas. The airfield has three active runways. An approximately 15,600 square-foot terminal and administration building was dedicated in March 1992. In Fiscal Year 2023, approximately 692 aircraft were based at the North Las Vegas Air Terminal, and 166,999 aircraft operations were performed.

Henderson Executive Airport. In March 1996, the County acquired Henderson Executive Airport. Henderson Executive Airport is within the corporate limits of the City of Henderson on an approximately 570-acre site near the edge of the Henderson city limits. The airfield has two active runways, the longest of which is 6,500 feet and capable of accommodating most corporate aircraft. In June 2006, the Department opened a new 24,000 square foot terminal complex at Henderson Executive Airport, a new stand-alone air traffic control tower and 95 new private hangars. In addition, a privately funded office/hangar complex was completed in 2011 and additional third-party projects are currently under construction. In Fiscal Year 2023, approximately 284 aircraft were based at the Henderson Executive Airport, and 75,745 aircraft operations were performed.

Jean Airport. Jean Airport is a general aviation airport in Jean, Nevada, approximately 30 miles south of Las Vegas between Las Vegas and the California/Nevada state line. Jean Airport serves gliders and single-engine aircraft, with glider operations predominant. The airport occupies approximately 280 acres and consists of two parallel paved runways, 2L/20R and 2R/20L. Runway 2L/20R is 4,600 feet long and 75 feet wide and is used primarily for training and powered aircraft operations. Runway 2R/20L is 3,700 feet long and 60 feet wide and is mainly used for gliders and ultralights. Paved aircraft parking facilities for approximately 40 aircrafts are located on the west side of the airport in front of the 6,000 square foot terminal building. There is also a self-service fueling facility providing both Jet A and 100LL fuel on the south side of the parking apron.

Overton Airport. Overton Airport is a general aviation airport in Overton, Nevada, approximately 70 miles northeast of Las Vegas at the northern end of Lake Mead. The airport serves primarily single-engine general aviation aircraft for personal, recreational, and business uses. The approximately 250-acre airport has one active asphalt surface runway, which is 4,800 feet long by 75 feet wide, tiedown spaces and 15 hangers that can accommodate approximately 50 aircrafts, two shade hangars accommodating one aircraft each, a general services building providing public restrooms, telephone and radio transmission equipment and fueling facilities.

Airport Traffic

Between Fiscal Years 1980 and 2007, the annual number of airline passengers enplaned at the Airport increased from 5,406,216 to 23,628,484. Enplanements fell by approximately 15.6% between Fiscal Years 2007 and 2010. Enplanements rose by approximately 5.1% between Fiscal Years 2010 and 2012 before decreasing slightly in Fiscal Year 2013 to 20,872,526 and increasing from 21,224,639 in Fiscal Year 2014 to 25,223,715 in Fiscal Year 2019.

Enplanements fell dramatically in the second half of Fiscal Year 2020 in light of the COVID-19 outbreak and governmental actions in response thereto and enplanements for Fiscal Year 2020 as a whole decreased approximately 24.5% compared to Fiscal Year 2019. See the caption "OPERATING RESULTS—COVID-19 Outbreak." Enplanements increased in Fiscal Year 2022 to 24,025,401 but remained below Fiscal Year 2019 levels. In Fiscal Year 2023, enplanements totaled 28,276,384, which was approximately 17.7% higher than enplanements in Fiscal Year 2022 and approximately 12.1% higher than enplanements in Fiscal Year 2019 the last full year prior to the COVID-19 outbreak.

See the table entitled "Historical Airline Traffic" under the caption "—Airline Operations—Historical Passenger Traffic and Airport Operations" for historical passenger traffic over the past ten years.

According to Airports Council International, for calendar year 2022, the Airport was the fifth busiest airport in the world in terms of aircraft movements and the twelfth busiest airport in the world in terms of passenger traffic, as well as the seventh busiest airport in the United States in terms of passenger traffic.

Service Area

The Airport serves Las Vegas and the surrounding communities of southern Nevada, as well as portions of California, Utah and Arizona. The nearest airports of comparable size to the Airport are Ontario International Airport in California (approximately 225 miles away) and Phoenix Sky Harbor International Airport (approximately 300 miles away).

Airport Management

The Airport is operated as an enterprise fund of the County and is managed by the Department under the supervision of the Board and the County Manager.

Board of County Commissioners

The Board is the governing body of the County. The seven members are elected from County commission election districts for four-year staggered terms. The County Board members also serve as the directors of the Las Vegas Valley Water District, as trustees of the University Medical Center of Southern Nevada, the Clark County Water Reclamation District, the Big Bend Water District, the Kyle Canyon Water District and the Coyote Springs Water Resources General Improvement District and as members of the Clark County Liquor and Gaming Licensing Board and the Mount Charleston Fire Protection District.

The current members of the County Board and their terms of office are as follows:

Commission Members	*District*	*Years of Service*	*Expiration of Term*
Tick Segerblom, Chair	E	4	2027
William McCurdy, II, Vice Chair	D	2	2025
James B. Gibson	G	5	2027
Justin Jones	F	3	2027
Marilyn Kirkpatrick	B	7	2025
Ross Miller	C	2	2025
Michael Naft	A	4	2025

Administration

The County Manager is the County's chief executive officer and serves at the pleasure of the Board. Kevin Schiller is the County Manager. A brief biography for Mr. Schiller follows.

Kevin Schiller was appointed County Manager effective November 11, 2022. In his position as the County's chief executive officer, Mr. Schiller is responsible for the executive oversight of the nation's 12th largest county, which provides regional and municipal-type services to over 2.3 million residents. Mr. Schiller is charged with carrying out the policies established by the seven-member Board. He is responsible for the fiscal management of the County's $10.3 billion budget and provides administrative oversight for 38 diverse and geographically dispersed departments (including the Airport and University Medical Center) and for more than 10,000 employees. Mr. Schiller joined the County on May 16, 2017, as a Deputy County Manager responsible for the departments of Family Services, Social Service and the Public Defender. He also was the County Manager's representative to the office of the County Clerk. Prior to coming to Clark County, Mr. Schiller served more than 17 years in the role of Director of Washoe County's Department of Social Services. During his tenure with Washoe County, he led the integration of human services and created innovative programming to serve vulnerable children, adults and families. He began his career as a social worker and juvenile probation officer for the State of Wyoming. Mr. Schiller holds a bachelor's degree in social work from the University of Nevada, Reno.

Department of Aviation

Rosemary A. Vassiliadis, Director of Aviation. Ms. Vassiliadis was appointed Director of Aviation in June 2013. Ms. Vassiliadis previously served the Department as Deputy Director between December 1997 and June 2013. Previously she worked for the County as the Director of the Department of Finance and for the City of Las Vegas as the Manager of Finance and Budget. Prior to her government service, Ms. Vassiliadis worked for Zenith International Corporation in the Corporate Accounting Department. Ms. Vassiliadis graduated from DePaul University in Chicago with a Bachelor of Science Degree in Accountancy.

James Chrisley, Deputy Director of Aviation. Mr. Chrisley has worked for the Department since 2015 and was appointed Deputy Director of Aviation in 2015. In his current position, Mr. Chrisley oversees a variety of functions at the Airport, including airside, facilities and maintenance and construction and engineering, as well as general aviation operations. Mr. Chrisley served more than 21 years in the United

States Air Force, advancing in ranks to a variety of leadership and management positions within the Mission and Support and Civil Engineer career fields and has served both as a Deputy Commander and as a Commander. Mr. Chrisley earned his Bachelor's Degree in Civil Engineering from the United States Air Force Academy and Master's Degree from the University of Texas at Austin.

Ralph LePore, Deputy Director of Aviation. Mr. LePore has worked for the Department since 2001 and was appointed Deputy Director of Aviation in 2019. In his current position, Mr. LePore oversees a variety of functions at the Airport, including terminal operations, landside operations and security. Immediately prior to stepping into the Deputy Director role, Mr. LePore was Assistant Director of Aviation, Terminal Operations overseeing passenger services, custodial operations and facility maintenance for more than 12 million square feet of terminal space. Before joining the Department, Mr. LePore was a service professional in the Las Vegas resort industry. Among his diverse experiences in hotel, housekeeping and facility operations, LePore played a vital role in the openings of two well-known hotel properties on the Las Vegas Strip and he was named Manager of the Year in 1996 by the Las Vegas Chapter of the International Executive Housekeeper's Association. Mr. LePore earned his Bachelor's Degree in Hotel Administration from the University of Nevada, Las Vegas and a Master of Business Administration from Webster University.

Joseph Piurkowski, Chief Financial Officer. Mr. Piurkowski joined the Department in October 2007 as Audit Supervisor and was promoted to Manager of Fiscal Services and Budget in December 2009. He served as Assistant Director of Aviation/Finance between 2010 and 2013 and was appointed Chief Financial Officer in 2013. Prior to working at the Department, Mr. Piurkowski spent a total of seven years in the public accounting industry, performing a variety of accounting and auditing related services for clientele ranging from locally owned businesses to large publicly traded corporations. He began his professional career as a staff accountant with a small public accounting firm where he earned his Certified Public Accountant designation in September 2002, and was promoted to manager of the firm's accounting and auditing practice. Mr. Piurkowski was most recently employed by the international accounting firm of PricewaterhouseCoopers, LLP where he spent two years in the firm's assurance practice performing, supervising, and reviewing both internal and external audits. Mr. Piurkowski graduated from the University of Nevada, Las Vegas with a Bachelor's Degree in Business Administration majoring in Accounting.

Employees and Pension Matters

As of July 1, 2023, the Department had approximately 1,326 full time employees. Certain Department employees are represented by the Service Employees International Union Local 1107 (the "SEIU") under a collective bargaining agreement (a "CBA") that expires in June 2024 and by the International Union of Elevator Constructors (the "IUEC" and, together with the "SEIU," the "Unions") under a CBA that expires in June 2024. Negotiations with respect to a new CBA began in February 2024.

Substantially all of the public employees in Nevada, including those of the Department, are covered under the State's Public Employees Retirement System ("PERS"). PERS was established by the State Legislature on July 1, 1948 and is governed by the Public Employees Retirement Board, whose seven members are appointed by the Nevada Governor to four-year terms. Except for certain County-specific information that is set forth below, the information below has been obtained from publicly-available documents provided by PERS. The County has not independently verified the information obtained from the publicly available documents provided by PERS and is not responsible for its accuracy. Copies of PERS' most recent annual financial report, including audited financial statements and required supplemental information, are available from the Public Employees Retirement System of Nevada, 693 West Nye Lane, Carson City, Nevada 89703-1599, telephone: (775) 687-4200.

All Department employees who meet certain eligibility requirements participate in PERS, which is a cost-sharing, multiple-employer defined benefit plan. Benefits, as required by statute, are determined by the number of years of accredited service at the time of retirement and the member's highest average compensation over 36 consecutive months. Benefit payments to which participants may be entitled under

PERS include pension benefits, disability benefits and death benefits. PERS has several tiers based on legislative changes effective with membership dates.

The Department's 14.7% share of the County's proportionate share of the total PERS net pension liability is set forth in Note 5 to the Financial Statements attached hereto as Appendix B. The Department's contributions to PERS for the years ended June 30, 2023, 2022 and 2021 were approximately $27,678,436, $26,271,083, $24,448,105, respectively.

See Note 5 to the Financial Statements attached hereto as Appendix B for further information with respect to the PERS plan.

Other Post-Employment Benefits

General. The County also makes available certain post-retirement health insurance and life insurance benefits ("OPEB") to employees, including Airport employees, who retire under PERS and elect to receive and pay for these benefits. The OPEB are only available to retirees who are then receiving a pension from PERS ("Retirees"). The current OPEB program covers County employees and Retirees. Legislation enacted during 2007 changed County employee eligibility to join the State-administered Public Employees' Benefit Program ("PEBP"), described below. Employees who retired on or before September 1, 2008 were eligible to join the PEBP. All other employees who retire after that date will be able to join the County Self-Funded Group Medical and Dental Benefit Plan.

Health Insurance. Retirees can elect to continue to participate in the health insurance benefits provided to employees. For each Retiree, the premium for this insurance benefit is based on the number of persons covered (i.e., the premium is greater for a Retiree who elects to also have dependents covered). The County offers a self-funded PPO plan and a self-funded EPO plan. Retirees can elect to continue coverage under either of these plans upon payment of the required premium for themselves and their dependents. The premium payable by the Retiree for the self-funded plan is based on the number of years of service with any of the public entities within the benefit plan, and whether the Retiree (or dependent) receives Medicare insurance benefits. Premiums for the EPO are not dependent on the years of County employment.

In lieu of participating in one of the County health insurance plans, Retirees can elect to obtain health care coverage for themselves and their dependents under the PEBP. If a Retiree elects this option, the County is required by Nevada Revised Statutes § 287.023 to pay a statutorily-defined portion of the Retiree's premium for coverage under the PEBP; the balance of the premium must be paid by the Retiree. The County's portion of the premium is based on the number of years the Retiree was employed by the County; for employment of 20 years or more, the County is required to pay 100% of the premium subsidy. In the 2007 Nevada Legislative Session, Senate Bill 544 ("SB 544") was adopted, which eliminated the ability of a retiree to receive coverage for health insurance under the PEBP unless the retiree's last employer was actively participating in the plan. Since the County does not utilize the plan for active employees, the practical effect of SB 544 is that after November 30, 2008, retired County personnel will no longer be eligible to receive health insurance coverage through the PEBP. Any members already enrolled in the plan at that date will be grandfathered in and will not be subject to any benefit terminations.

Life Insurance. The life insurance benefit offered to Retirees currently provides a $20,000 death benefit if the Retiree dies before age 70 and a $1,000 death benefit if the Retiree dies after that age; Retirees who elect to obtain this benefit must pay a subsidized premium of $45.60 per year if they are under 70 and a premium of $2 per year if they are over 70. Spouses of Retirees can also be covered at additional cost to the Retiree; the death benefit paid on the death of the spouse is $5,000 if the Retiree is under 70 and $1,000 if the Retiree is 70 or older.

Valuation of the OPEB Program and County Share. The County historically has funded its OPEB on a pay-as-you-go basis, but beginning in Fiscal Year 2008, Governmental Accounting Standards Board

Statement No. 45 (subsequently replaced by Government Accounting Standards Board Statement No. 75) required that the County begin recording a liability for its share of the OPEB Program unless it sets aside into an irrevocable trust sufficient monies to fund its "ARC" (as defined below) in each year. The annual OPEB cost is calculated based on an amount that is actuarially determined to be a level of funding that, if paid on an ongoing basis is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years (the "Annual Required Contribution" or ARC).

Funding of Net OPEB Obligation. Prior to 2017, the County, excluding the non-Detention portion of the Metropolitan Police Department ("Metro"), used the Other Postemployment Benefits Reserve internal service fund to allocate OPEB costs to each fund, based on employee count. Each fund incurred a charge for service from the Other Postemployment Benefit Reserve fund for their portion of the annual OPEB cost. In June 2017, the County closed the Other Postemployment Benefits Reserve internal service fund and transferred the internal service fund's assets to a new Post-Employment Benefit Reserve special revenue fund to address accounting standard changes in Governmental Accounting Standards Board Statement ("GASB") Statement No. 75. The purpose and function of the Post-Employment Benefit Reserve special revenue fund is the same as the former Other Postemployment Benefits Reserve internal service fund, except that the permitted use of the special revenue fund has been expanded to include post-retirement benefits in general, including pension contributions. Although the permitted use of the special revenue fund has been expanded, the County continues to only charge OPEB-related costs to this fund.

In Fiscal Year 2014, the County approved the establishment of an irrevocable trust called the Clark County, Nevada Self-Funded OPEB Trust Fund (the "OPEB Trust") to pre-fund OPEB costs. The County contributed approximately $82.9 million in Fiscal Year 2015 to the OPEB Trust, but did not contribute any moneys to the OPEB Trust in Fiscal Years 2016, 2017 or 2018. The County contributed approximately $24.1 million and $12.9 million, of which the Department's budgeted share was $10.4 million and $8.3 million, respectively, to the OPEB Trust in Fiscal Years 2019 and 2020. The Department did not make a contribution to the OPEB Trust in Fiscal Years 2021, 2022 or 2023, and no contribution has been budgeted for Fiscal Year 2024.

As of September 30, 2023, the portion of the OPEB Trust that is allocable to the Department had $53.6 million in net assets that the County intends to use for future OPEB obligations. As of September 30, 2023, the Department is responsible for approximately $8.4 million of the County's net OPEB obligation. For Fiscal Years 2023, 2022 and 2021, the Department recorded expenses or credits of $11,065,894, $6,395,352 (credit) and $3,455,509 (credit), respectively, representing its share of the changes in the total net OPEB obligation of the County, Metro, PEBP and Fire Plans described above. For Fiscal Year 2024, the Department has budgeted a credit of approximately $8 million for OPEB costs, representing its share of the decrease in the total net OPEB obligation of the County, PEBP and Fire Plans described above.

See Note 6 to the Financial Statements attached hereto as Appendix B for further information with respect to the County's OPEB plans.

Budget Process

The Department's budget is prepared on the basis of full accrual accounting. As a component unit of the County, the Department's budget is prepared by the Director of Aviation and Department staff and then submitted to the County and incorporated in its budget as one of the County's enterprise funds. Accordingly, the Department budget is subject to the budgeting requirements of the State of Nevada and the related budget hearings and open public meeting requirements of the County's budget process. The budget is ultimately approved by the Board. The Board approved the Department's operating budget for Fiscal Year 2024 on May 15, 2023.

Department Insurance

The Department maintains a comprehensive general liability insurance policy from Starr Indemnity in the amount of $750,000,000 (total per occurrence), and property insurance through policies purchased from Lexington Insurance Company, Chubb Bermuda and Mitsui Sumitomo with a total limit of $1,500,000,000. In addition, the Department maintains construction liability and builder's risk insurance for certain capital projects as well as insurance coverage for certain cyber incidents. See Note 13 in the Financial Statements set forth in Appendix B for more information with respect to the Department's insurance coverages.

Airport Operations

Historical Passenger Traffic and Airport Operations. Set forth below is a table showing airline enplaned passenger and aircraft departure information for the Airport for the past ten Fiscal Years and for the first six months of the current and previous Fiscal Year. For Fiscal Year 2023, scheduled airlines accounted for approximately 97.8% of total enplanements and the remainder was general aviation.

HISTORICAL AIRLINE TRAFFIC
Harry Reid International Airport

Fiscal Year	*Enplaned Passengers*[1]	*Average Annual Percent Increase (Decrease)*	*Airline Aircraft Departures*[2]	*Average Annual Percent Increase (Decrease)*
2014	21,224,639	1.7%	219,437	(1.0)%
2015	21,863,773	3.0	216,604[3]	(1.3)
2016	23,307,617	6.6	215,887	(0.3)
2017	23,973,303	2.9	220,229	2.0
2018	24,596,343	2.6	223,879	1.7
2019	25,223,715	2.6	225,571	0.8
2020[4]	19,037,659	(24.5)	185,107	(17.9)
2021	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
July 1, 2022 – December 31, 2022	14,164,604[4]	--	128,656	--
July 1, 2023 – December 31, 2023	14,697,356[4]	3.8%	133,725	3.9%

(1) Includes all enplaned passengers on scheduled, charter, and commuter and other airlines.
(2) Includes passenger airline and cargo airline aircraft departures.
(3) Decrease reflects a general aviation operator's partial shift of operations from the Airport to Henderson Executive Airport.
(4) Differs from amount set forth in the table entitled "Origination and Destination and Connecting Passengers Airline Traffic" below because the above numbers reflect Airport enplanements only.
Source: Clark County Department of Aviation.

For Fiscal Year 2023, on a year over year basis, enplaned passenger traffic increased approximately 17.7% and aircraft departures increased approximately 17.4%. Fiscal Year 2023 enplaned passenger traffic was approximately 12.1% above enplaned passenger traffic in Fiscal Year 2019, the last full Fiscal Year prior to the COVID-19 outbreak. For the first six months of Fiscal Year 2024, enplaned passenger traffic increased approximately 3.8% from the corresponding period in Fiscal Year 2023. In addition, for the first six months of Fiscal Year 2024, aircraft departures increased approximately 3.9% from the corresponding period in Fiscal Year 2023.

Set forth below is a table showing origination and destination passenger traffic and connecting passenger traffic for the Airport for the past ten Fiscal Years and for the first six months of the current and previous Fiscal Year.

ORIGINATION AND DESTINATION AND CONNECTING PASSENGERS AIRLINE TRAFFIC
Harry Reid International Airport

Fiscal Year	*Total Passengers*	*Average Annual Percent Increase (Decrease)*	*Connecting Passengers*	*Average Annual Percent Increase (Decrease)*	*Origination and Destination Passengers*	*Average Annual Percent Increase (Decrease)*
2014	42,323,363	1.5%	4,674,528	8.6%	37,648,835	0.7%
2015	43,654,371	3.1	4,994,313	6.8	38,660,058	2.7
2016	46,558,098	6.7	5,258,746	5.3	41,299,352	6.8
2017	47,884,189	2.8	4,761,831	(9.4)[2]	43,122,358	4.4
2018	49,152,910	2.6	5,102,156	7.1	44,050,754	2.2
2019	50,411,721	2.6	5,413,262	6.1	44,998,459	2.2
2020[1]	37,966,578	(24.7)	4,230,422	(21.9)	33,736,156	(25.0)
2021	26,458,311	(30.3)	4,915,183	16.2	21,543,128	(36.1)
2022	48,062,113	81.7	6,550,778	33.3	41,511,335	92.7
2023	56,532,889	17.6	9,395,657	43.4	47,137,232	13.6
July 1, 2022 – December 31, 2022[1]	28,382,636[3]	--	4,730,415	--	23,652,221	--
July 1, 2023 – December 31, 2023	29,491,638[3]	3.9%	5,053,356	6.8%	24,438,282	3.3%

(1) Decreases reflect effect of COVID-19 outbreak and governmental actions in response thereto. See the caption "OPERATING RESULTS—COVID-19 Outbreak."

(2) Decrease reflects reduction in number of seats serving the Airport in such Fiscal Year by Southwest Airlines, the largest carrier at the Airport.

(3) Differs from amount set forth in the table entitled "Airline Market Shares Harry Reid International Airport First Six Months of Fiscal Year 2024 and First Six Months of Fiscal Year 2023" under the caption "—Airlines Serving the Airport" because the above numbers reflect Airport enplanements and deplanements.

Source: Clark County Department of Aviation.

In Fiscal Year 2023, approximately 83.4% of passengers at the Airport represented origination and destination passengers, with the remaining approximately 16.6% representing connecting passengers changing planes at the Airport. The origination and destination passenger activity increased by approximately 13.6% in Fiscal Year 2023 as compared to Fiscal Year 2022. Fiscal Year 2023 origination and destination passenger activity was approximately 4.8% above origination and destination passenger activity in Fiscal Year 2019, the last full Fiscal Year prior to the COVID-19 outbreak. For the first six months of Fiscal Year 2024, connecting passengers increased approximately 6.8% from the corresponding period in Fiscal Year 2023. In addition, for the first six months of Fiscal Year 2024, origination and destination passengers increased approximately 3.3% from the corresponding period in Fiscal Year 2023.

The cumulative increase in connecting passengers since Fiscal Year 2014 reflects additional connecting flights through the Airport by the largest carrier serving the Airport, Southwest Airlines.

Historical Seat Capacity and Average Load Factor. Set forth below is a summary of historical seat capacity and average load factor for the Airport for the past ten Fiscal Years and for the first six months of the current and previous Fiscal Year.

HISTORICAL SEAT CAPACITY AND AVERAGE LOAD FACTOR
Harry Reid International Airport

Fiscal Year	*Total One-Way Seats*	*Average Annual Percent Increase (Decrease)*	*Average Load Factor*	*Average Annual Percent Increase (Decrease)*
2014	24,975,104	2.0%	85.0	(0.2)%
2015	25,598,313	2.5	85.5	0.6
2016	27,033,052	5.6	86.4	1.1
2017	27,940,073	3.4	85.9	(0.6)
2018	28,356,626	1.5	86.9	1.2
2019	29,110,308	2.7	86.6	(0.3)
2020[(1)]	25,578,221	(12.1)	74.5	(14.0)
2021[(1)]	19,194,929	(25.0)	67.4	(9.5)
2022	28,888,067[(2)]	50.5	81.6	21.1
2023	34,102,387	18.1	85.1	4.3
July 1, 2023 – December 31, 2022[(1)]	16,994,567	--	85.5	--
July 1, 2023 – December 31, 2023	17,946,987	5.6%	82.0	(3.5)%

(1) Decreases reflect effect of COVID-19 outbreak and governmental actions in response thereto, as well as certain voluntary actions by airlines. See the caption "OPERATING RESULTS—COVID-19 Outbreak."
(2) Increase primarily reflects recover from the effect of the COVID-19 outbreak and governmental actions in response thereto.
Source: Clark County Department of Aviation.

Seat capacity grew between Fiscal Year 2014 and Fiscal Year 2019, while load factors remained stable. Seat capacity decreased by approximately 12.1% in Fiscal Year 2020 compared to Fiscal Year 2019 as airlines reduced the number of available seats in the last two quarters of the Fiscal Year as a result of the COVID-19 outbreak and governmental actions in response thereto, while load factors decreased by approximately 14.0%. Seat capacity increased by approximately 18.1% in Fiscal Year 2023 compared to Fiscal Year 2022. Fiscal Year 2023 seat capacity was approximately 17.1% above seat capacity in Fiscal Year 2019, the last full Fiscal Year prior to the COVID-19 outbreak. Seat capacity increased approximately 5.6% in the first six months of Fiscal Year 2024 from the corresponding period in Fiscal Year 2023.

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Historical Airline Landed Weight. Set forth below is a summary of historical airline landed weight for the Airport for the past ten Fiscal Years and for the first six months of the current and previous Fiscal Year.

HISTORICAL AIRLINE LANDED WEIGHT
Harry Reid International Airport

Fiscal Year	*Landed Weight*[1]	*Average Annual Percent Increase (Decrease)*
2014	24,431,409	0.5%
2015	24,668,357	1.0
2016	25,803,661	4.6
2017	26,493,451	2.7
2018	26,856,277	1.4
2019	27,418,216	2.1
2020[2]	22,749,778	(17.0)
2021	17,839,131	(21.6)
2022	26,408,350	48.0
2023	30,729,432	16.4
July 1, 2022 – December 31, 2022[2]	15,286,677	--
July 1, 2023 – December 31, 2023	16,266,191	6.4%

(1) Amounts in thousands of pounds.
(2) Decrease reflects effect of COVID-19 outbreak and governmental actions in response thereto. See the caption "OPERATING RESULTS—COVID-19 Outbreak."
Source: Clark County Department of Aviation.

Airline landed weight increased approximately 16.4% in Fiscal Year 2023 as compared to Fiscal Year 2022 and approximately 6.4% during the first six months of Fiscal Year 2024 as compared to the corresponding period in Fiscal Year 2023. Fiscal Year 2023 landed weight was approximately 12.1% above landed weight in Fiscal Year 2019, the last full Fiscal Year prior to the COVID-19 outbreak.

Airlines Serving the Airport. As of December 31, 2023, the Airport was served by 30 scheduled airlines, of which 15 were international carriers. In addition, the Airport is served by several charter airlines that provide service to the Airport on an occasional basis. The scheduled airlines serving the Airport (excluding charters and air taxis) averaged 560 scheduled departures per day in 2023 with 171 nonstop markets served as of December 31, 2023.

The following tables present the market shares of enplaned passengers for the scheduled airlines serving the Airport for the first six months of Fiscal Year 2024 and for Fiscal Years 2023 and 2022, as well as for the first six months of Fiscal Year 2024 compared to the same period in Fiscal Year 2023. Southwest Airlines accounted for approximately 34.4% of total enplaned passengers at the Airport in Fiscal Year 2023. No other airline accounted for more than 15% of total enplaned passengers in Fiscal Year 2023.

AIRLINE MARKET SHARES
Harry Reid International Airport
First Six Months of Fiscal Year 2024 and Fiscal Years 2023 and 2022

	July 1, 2023 – December 31, 2023		*Fiscal Year 2023*		*Fiscal Year 2022*	
	Enplaned Passengers	***Percent***	***Enplaned Passengers***	***Percent***	***Enplaned Passengers***	***Percent***
Scheduled Airlines:						
Southwest	5,490,931	37.4%	9,716,239	34.4%	8,423,490	35.1%
Spirit[(1)]	2,070,347	14.1	4,233,125	15.0	2,934,246	12.2
Frontier	1,065,295	7.2	2,627,435	9.3	2,316,816	9.6
Delta	1,288,973	8.8	2,387,268	8.4	2,315,268	9.6
American	1,092,982	7.4	2,119,494	7.5	2,225,859	9.3
United	1,056,545	7.2	1,954,018	6.9	1,701,130	7.1
Allegiant	541,439	3.7	1,200,620	4.2	1,144,105	4.8
Alaska	380,206	2.6	917,897	3.2	760,297	3.2
JetBlue[(1)]	225,557	1.5	479,899	1.7	477,113	2.0
Hawaiian Air	161,062	1.1	325,241	1.2	282,902	1.2
Sun Country	97,063	0.7	188,331	0.7	174,246	0.7
International Carriers	830,045	5.6	1,508,879	5.3	773,187	3.2
Subtotal	14,300,445	97.3%	27,658,446	97.8%	23,528,659	97.9%
Charter Airlines	4,002	0.0	1,225	0.0	3,011	0.0
General Aviation and Other	392,909	2.7	616,713	2.2	493,731	2.1
Total Enplaned Passengers[(2)]	14,697,356	100.0%	28,276,384	100.0%	24,025,401	100.0%

(1) In July 2022, Spirit Airlines and JetBlue Airways announced their intention to merge. The merger was approved by Spirit Airlines shareholders in October 2022. On March 14, 2023, the United States Department of Justice filed a lawsuit to block the proposed merger and on January 16, 2024, the court issued a ruling which disapproved the merger. The County does not have information as to whether the court's ruling will be challenged.

(2) May not add due to rounding.

Source: Clark County Department of Aviation.

See the caption "OPERATING RESULTS—Other Factors Affecting Airport Operations and Revenues" for a discussion of airline bankruptcies and the possible effects thereof on the Airport.

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AIRLINE MARKET SHARES
Harry Reid International Airport
First Six Months of Fiscal Year 2024 and First Six Months of Fiscal Year 2023

	July 2023 – December 2023			*July 2022 – December 2022*	
Airline	*Enplaned Passengers*	*Percent*	*Increase/ (Decrease)*	*Enplaned Passengers*	*Percent*
Southwest	5,490,931	37.4	3.6%	4,790,796	33.8%
Spirit[(1)]	2,070,347	14.1	(0.7)	2,091,427	14.8
Frontier	1,065,295	7.2	(2.9)	1,431,173	10.1
Delta	1,288,973	8.8	0.5	1,177,496	8.3
American	1,092,982	7.4	(0.3)	1,085,456	7.7
United	1,056,545	7.2	0.5	953,420	6.7
International Carriers	830,045	5.6	0.4	731,538	5.2
Allegiant	541,439	3.7	(0.7)	624,187	4.4
Alaska	380,206	2.6	(0.6)	455,725	3.2
General Aviation & Other	392,909	2.7	0.5	314,085	2.2
JetBlue[(1)]	225,557	1.5	(0.2)	246,933	1.7
Hawaiian Air	161,062	1.1	0.0	157,279	1.1
Sun Country	97,063	0.7	0.0	104,799	0.7
Charter Airlines	4,002	0.0	(0.1)	474	0.1
Total Enplaned Passengers[(2)(3)]	14,697,356	100.0%		14,164,788	100.0%

(1) In July 2022, Spirit Airlines and JetBlue Airways announced their intention to merge. The merger was approved by Spirit Airlines shareholders in October 2022. On March 14, 2023, the United States Department of Justice filed a lawsuit to block the proposed merger and on January 16, 2024, the court issued a ruling which disapproved the merger. The County does not have information as to whether the court's ruling will be challenged.

(2) Differs from amount set forth in the table entitled "Origination and Destination and Connecting Passengers Airline Traffic" under the caption "—Historical Passenger Traffic and Airport Operations" because the above numbers reflect Airport enplanements only.

(3) May not add due to rounding.

Source: Clark County Department of Aviation.

Airline Agreements; Rates and Charges

On August 17, 2010, the Board approved and authorized the Director of Aviation to execute the new Airline-Airport Use and Lease Agreement (the "Airline Agreement") with those airlines serving the Airport that meet the minimum qualifications to become signatories thereof.

The key provisions of the Airline Agreement include the following: (i) a term of five years with two one-year options with the effective date being retroactive to July 1, 2010; the extension of the Airline Agreement through June 30, 2030 is discussed below; (ii) the rate making methodology is a full residual agreement with each direct cost center, airfield, terminal and apron areas standing on its own; (iii) the Department retains the gaming and net revenues from the consolidated rental car facility as its discretionary cash which is deposited into the Capital Fund; (iv) the Department's five-year capital plan is pre-approved as an exhibit to the Airline Agreement; and (v) the Airline Agreement establishes a Rate Stabilization Fund that will be funded each year with 50% of the amortization charged to the airlines and this fund can be used to keep rates at competitive levels. Rentals and fees are established each Fiscal Year based on the approved Airport System operating budget. The rates are reviewed and adjusted, if necessary, throughout each Fiscal Year to ensure that the rate covenants described under the caption "SECURITY FOR THE 2024B NOTES—Rate Maintenance Covenants" are being met. At the end of each Fiscal Year, the Airport recalculates the rates based on actual expenses and revenues and, if additional rents or credits are due, the airlines receive these credits or are paid additional amounts due within 30 days from notification. The County reserves the right to make certain extraordinary adjustments to rentals and fees to assure that costs and expenses of the Airport will be paid.

The Airline Agreement provides that all rights of the airlines thereunder are expressly subordinated to the provisions of any pledge made by the County pursuant to the terms of the Master Indenture.

Rates and charges for those airlines at the Airport which are not subject to the Airline Agreement are 125% of the signatory rates (with the exception of landing fees).

The Department and the Airline Airport Affairs Committee, representing the signatory airlines, have extended the Airline Agreement, with the current extension effective from July 1, 2021 through July 1, 2026. The Airline Agreement includes an option for a final four-year extension through July 1, 2030. As of January 1, 2024, the following signatory airlines have executed the Airline Agreement, as well as an amendment to the Airline Agreement reflecting the option to extend the term thereof to June 30, 2030, as described above: Alaska Airlines, American Airlines, Delta Air Lines, United Airlines, Southwest Airlines, Air Canada, Allegiant Air, Spirit, British Airways, Frontier Airlines, JetBlue Airways, WestJet Airlines and Hawaiian Airlines. Upon mutual agreement of the Department and a majority of the signatory airlines to either of the extension periods outlined in the Airline Agreement, each extension shall be binding on all signatory airlines. If a signatory airline chooses not to be bound by either extension period, such airline may elect to opt out of the extension term by providing the Department written notice of such election within 90 days of the mutual agreement between the parties to the extension period.

Airport Concessions

The principal concessions at the Airport are gaming, rental car, automobile parking, advertising, news and gift and food and beverage. The County also derives revenues from specialty shops, limousines, ground transportation services, building and land rentals and other concessions. Concessions in general operate under concession agreements providing for payment to the County of a percentage of gross revenue. In Fiscal Year 2023, concession revenues included approximately $61.9 million in gaming revenues, $96.4 million in advertising and food/beverage revenues, news/gift and other terminal concession revenues, $84.1 million in rental car and other transportation (including limousine, taxi, bus and transportation network companies ("TNCs") such as Uber and Lyft) revenues and $62.3 million in parking revenues.

The Department currently projects increases in concessionaire sales revenues in proportion to the anticipated 1% increase in passenger traffic in Fiscal Year 2024 compared to Fiscal Year 2023.

A discussion of the major concession arrangements follows:

Gaming. The gaming concession at the Airport operates under an agreement providing for payment to the County of 86.5% of net revenues (gross revenues less payment of payroll and tax expenses), which results in the County receiving approximately 60% of gross gaming revenues, subject to guaranteed minimum payments. The current gaming concession agreement extends to September 30, 2028. For Fiscal Year 2023, gaming revenues were approximately $61.9 million, an increase of approximately 16.7% as compared to Fiscal Year 2022. Fiscal Year 2023 gaming revenues were approximately 65.6% greater than gaming revenues in Fiscal Year 2019, the last full Fiscal Year prior to the COVID-19 outbreak. For the first six months of Fiscal Year 2024, gaming revenues increased approximately 3.1% compared to the first six months of Fiscal Year 2023.

Rental Cars. Ten rental car brands (Alamo, Avis, Budget, Dollar, Enterprise, Hertz, National, Payless, SIXT and Thrifty) are operating at the Airport under concession agreements that became effective in 2004. Such agreements expire on March 31, 2025. The concession agreement requires the payment of 10% of gross revenues, subject to minimum annual guarantees. The rental car companies are also required to collect from their customers and remit to the County a customer facility charge ("CFC") of $5.50 per contract day (effective as of February 1, 2023). The CFC is currently being used by the County to pay for certain expenses relating to the consolidated rental car facility and to purchase new buses. The concession revenues generated by the rental car companies totaled approximately $46.1 million in Fiscal Year 2023, an increase of

approximately 6.1% from Fiscal Year 2022. Fiscal Year 2023 rental car concession revenues were approximately 28.9% greater than rental car concession revenues in Fiscal Year 2019, the last full Fiscal Year prior to the COVID-19 outbreak. For the first six months of Fiscal Year 2024, rental car revenues remained unchanged compared to the first six months of Fiscal Year 2023.

Turo, Inc. ("Turo") is a web-based rental car company that operates at the Airport. Turo is a peer-to-peer service that matches individual car owners with prospective renters and it advertises and markets itself as competing with traditional rental car companies. Turo does not hold an Airport rental car permit but offers its services at the Airport. The Department has been in discussions with Turo, which asserts that Turo is merely a technology platform and a car-sharing program, not a rental car company, and that it does not operate at the Airport. To date, the Department has notified Turo of its obligation to obtain an operating permit in order to conduct business at the Airport and its associated obligation to comply with Airport operating directives which include paying the associated fees for operating at the Airport. The Department has issued Turo cease and desist letters and has ticketed and towed vehicles that it has been able to identify as Turo rentals in order to discourage Airport patrons from using Turo. In 2021, the State Legislature adopted a bill which specifically requires Turo and similar peer-to-peer car sharing companies to obtain permits and pay fees for the right to operate at the Airport, as well as comply with all applicable Airport rules and regulations. The Department and Turo are currently in the process of negotiating Turo's Airport operating permit.

Automobile Parking/Taxi Services/TNC Services. Parking facilities at the Airport are operated by the Department and include three parking garages (including a garage serving Terminal 3) containing approximately 10,275 covered parking spaces and three other lots. There are no significant off airport parking facilities in operation. Parking revenues for Fiscal Year 2023 totaled approximately $62.3 million, an increase of approximately 18.2% as compared to Fiscal Year 2022. Such amount was approximately 52.7% greater than parking revenues in Fiscal Year 2019, the last full Fiscal Year prior to the COVID-19 outbreak. For the first six months of Fiscal Year 2024, parking revenues increased approximately 4.2% compared to the first six months of Fiscal Year 2023.

The Department charges taxis a $2.40 pickup fee. Taxi revenues totaled approximately $7.3 million in Fiscal Year 2023, an increase of approximately 13.3% compared to Fiscal Year 2022. Fiscal Year 2023 taxi revenues were approximately 17.7% greater than taxi revenues in Fiscal Year 2019, the last full Fiscal Year prior to the COVID-19 outbreak. For the first six months of Fiscal Year 2024, taxi revenues remained unchanged compared to the first six months of Fiscal Year 2023.

The Department currently charges TNCs a pickup fee of $2.90 and a dropoff fee of $2.90. The Department is unable to predict the effect of increased use of TNCs by Airport passengers on parking, taxi and rental car revenues of the Airport in the future, but notes that TNC pickups and dropoffs, and associated revenues, had been steadily increasing prior to the COVID-19 outbreak. TNC revenues totaled approximately $26.4 million in Fiscal Year 2023, an increase of approximately 32.6% compared to Fiscal Year 2022 as a result of the increasing popularity of TNCs. Fiscal Year 2023 TNC revenues were approximately 35.7% above TNC revenues in Fiscal Year 2019, the last full Fiscal Year prior to the COVID-19 outbreak. For the first six months of Fiscal Year 2024, TNC revenues increased approximately 12.8% compared to the first six months of Fiscal Year 2023.

In Fiscal Year 2023, 4,102,718 TNC pick-ups served Airport passengers, compared to 3,058,244 taxis, a ratio of approximately 1.34:1. In Fiscal Year 2019, 3,071,162 TNC pick-ups served Airport passengers, compared to 3,200,639 taxis, a ratio of approximately 0.96:1.

Advertising. The advertising arrangements in the Main Terminal, Terminal 3 and other areas provide for the payment of advertising commissions to the County of up to 85% of gross revenues, with a total minimum annual guarantee of $5,038,000. Agreements for outdoor billboard advertising locations on Airport property provide for the payment of advertising commissions to the County ranging from 25% to 80% of gross revenues. Terminal advertising revenues for Fiscal Year 2023 totaled approximately $20.7 million, an increase

of approximately 29.3% as compared to Fiscal Year 2022. Fiscal Year 2023 advertising revenues were approximately 59.9% greater than advertising revenues in Fiscal Year 2019, the last full Fiscal Year prior to the COVID-19 outbreak. Billboard revenues from roadway advertising totaled approximately $7.7 million in Fiscal Year 2023, an increase of approximately 22.0% from Fiscal Year 2022. For the first six months of Fiscal Year 2024, advertising revenues increased approximately 20.1% compared to the first six months of Fiscal Year 2023.

News and Gifts. The Hudson Group operates all of the news and general merchandise (gifts) concessions at the Airport under an agreement that extends through July 31, 2038. The County receives 17.5% of gross revenues on reading materials, 20% of gross revenues on the sale of cigarettes, candies, drugs, sundries and snack foods, 16% of gross revenues on specialty retail and 22% of gross revenues on all other items. On August 1, 2030, these percentages will increase in varying amounts in accordance with the County's agreement with the Hudson Group. The Hudson Group recently renovated the news and gift stores within the Airport. News and gift revenues at the Airport for Fiscal Year 2023 totaled approximately $18.6 million, an increase of approximately 25.2% as compared to Fiscal Year 2022. Fiscal Year 2023 news and gift revenues were approximately 34.9% greater than news and gift revenues in Fiscal Year 2019, the last full Fiscal Year prior to the COVID-19 outbreak. For the first six months of Fiscal Year 2024, news and gift revenues decreased by 0.6% compared to the first six months of Fiscal Year 2023 due to temporary store closings for remodels.

Nuance Global Traders, USA Inc. ("Nuance") operates the news and general merchandise and duty free concession at Terminal 3 and the D Gates under an agreement that extends through June 30, 2035. According to the terms of the agreement for the duty free concession, the County receives between 5% and 35% of gross revenues (depending on location and product type) on fashion apparel and accessories, electronics hardware, electronics accessories and purchases for which duty is paid. The County's receipts increase when certain sale thresholds are met. In Fiscal Year 2023, Nuance generated approximately $3.2 million in duty free revenues, an increase of approximately 23.7% as compared to Fiscal Year 2022. Fiscal Year 2023 duty free revenues were approximately 47.3% below duty free revenues in Fiscal Year 2019, the last full Fiscal Year prior to the COVID-19 outbreak. For the first six months of Fiscal Year 2024, duty free revenues increased approximately 15.1% compared to the first six months of Fiscal Year 2023.

Food and Beverage. HMS Host Services Corporation ("HMS Host") has the exclusive concession privilege to operate food and beverage services in the Main Terminal Building and Terminal 3, including terminal restaurants, cafeterias, snack bars and cocktail bars. Under an agreement that extends to November 30, 2038, HMS Host pays the County 11.0% of gross revenues on food and non-alcoholic beverages and 18.0% of gross revenues on liquor sales. HMS Host recently re-branded and renovated several of the food locations throughout the Airport. Food, beverage and bar sales at the Airport for Fiscal Year 2023 totaled approximately $32.1 million, an increase of approximately 24.3% as compared to Fiscal Year 2022. Fiscal Year 2023 food and beverage revenues were approximately 25.2% greater than food and beverage revenues in Fiscal Year 2019, the last full Fiscal Year prior to the COVID-19 outbreak. For the first six months of Fiscal Year 2024, food and beverage revenues increased approximately 9.7% compared to the first six months of Fiscal Year 2023.

Other Terminal Building Concessions. The County also derives revenues from specialty shops and other concessions and services within the Airport according to the terms of various agreements. Specialty retail at the airport generated approximately $13.3 million in Fiscal Year 2023, an increase of approximately 29.0% as compared to Fiscal Year 2022. Fiscal Year 2023 specialty retail revenues were approximately 26.1% above specialty retail revenues in Fiscal Year 2019, the last full Fiscal Year prior to the COVID-19 outbreak. For the first six months of Fiscal Year 2024, specialty retail revenues increased approximately 16.4% compared to the first six months of Fiscal Year 2023.

OPERATING RESULTS

Financial Statements

A copy of the most recent audited financial statements of the Department audited by Crowe, LLP, Costa Mesa, California (the "Auditor") is included as Appendix B to this Official Statement (the "Financial Statements"). The Auditor's report concludes that the Financial Statements present fairly, in all material respects, the financial position of the Department as of June 30, 2023 and 2022, and the respective changes in financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America. The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the Financial Statements addressed in its report. The Auditor has not performed any procedures relating to this Official Statement, nor has the Auditor consented to the inclusion of the Financial Statements, which are public documents, herein.

The summary operating results for Fiscal Years 2023 and 2022 contained under the caption "—Historical Operating Results and Projected Future Operating Results" are derived from the Financial Statements (excluding certain non-cash items and after certain other adjustments) and are based on the financial covenants included in the Master Indenture and the Series Indenture. See the definitions of certain terms, including "Gross Revenues" and "Operation and Maintenance Expenses" in Appendix C for additional information with respect to such exclusions and adjustments. The summary operating results are qualified in their entirety by reference to such Financial Statements, including the notes thereto.

The Department accounts for moneys received and expenses paid in accordance with generally accepted accounting principles applicable to governmental agencies such as the Department ("GAAP"), and the Department applies all relevant Governmental Accounting Standards Board pronouncements. In certain cases, GAAP requires or permits moneys collected in one Fiscal Year to be recognized as revenue in a subsequent Fiscal Year and requires or permits expenses paid or incurred in one Fiscal Year to be recognized in a subsequent Fiscal Year.

The Department's financial statements are prepared using the accrual basis of accounting; therefore, revenues are recognized when earned, and expenses are recognized when incurred. Capital assets resulting from projects are capitalized when substantially complete and depreciated over their estimated useful lives.

The Department's funds distinguish revenues, expenses and nonoperating items. The Department's operating revenues are derived from fees earned by airlines, concessionaires, tenants and others. The fees are based on usage fees established by the Department and approved by the Board or in accordance with the Airline Agreement, which is discussed under the caption "THE AIRPORT SYSTEM—Airline Agreements; Rates and Charges." Expenses are recognized when incurred. Non-operating income consists of interest income, gains and losses on derivative instruments (as discussed under the caption "FINANCIAL FACTORS—Interest Rate Swap Agreements"), PFC Revenues, Jet A Fuel Tax revenues (as discussed under the caption "—Historical and Projected Jet A Fuel Tax Revenues"), grants and certain other income and non-operating expenses primarily consisting of interest expenses on outstanding Department debt.

See Appendix B for a discussion of the Department's accounting practices. Except as otherwise expressly noted herein, all financial information derived from the Financial Statements reflects the application of GAAP.

Historical Operating Results and Projected Future Operating Results

Set forth below is a statement of historical revenues and expenses for the Department as well as debt service coverage as calculated in accordance with the provisions of the Master Indenture for Fiscal Year 2023, compared to Fiscal Year 2022. Fiscal Year 2022 and 2023 information presented below has been excerpted from the Financial Statements. In each case, certain non-cash items have been excluded and certain other

adjustments have been made. Also set forth below are estimates of operating results for the Fiscal Years ending June 30, 2024, 2025 and 2026, in each case prepared by Airport management.

Enplaned passenger traffic increased by approximately 17.7% in Fiscal Year 2023 compared to Fiscal Year 2022 as a result of the Airport's continuing recovery from the COVID-19 pandemic and the loosening of government-imposed restrictions in connection therewith. The Department currently projects that passenger traffic will increase by approximately 1.0% in Fiscal Year 2024 compared to Fiscal Year 2023, increase by approximately 1.0% in Fiscal Year 2025 compared to Fiscal Year 2024 and increase by approximately 1.0% in Fiscal Year 2026 compared to Fiscal Year 2025.

The Department's estimates for Fiscal Years 2024 through 2026 are subject to significant uncertainties. Inevitably, some assumptions used to develop the estimates will not be realized and unanticipated events and circumstances will occur. Therefore, the actual results achieved during the estimate period will vary, and the variations may be material. The table set forth below has not been audited by the Auditor.

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CLARK COUNTY, NEVADA, DEPARTMENT OF AVIATION
Statement of Historical and Projected Revenues and Expenses[1]

	Projected Results Fiscal Years Ending June 30,			*Historical Results Fiscal Years Ended June 30,*	
	2026	***2025***	***2024***	***2023***[2]	***2022***[2]
Operating Revenues:					
Landing fees	$ 45,093	$ 39,753	$ 27,453[12]	$ 15,026	$ 19,940[12]
Other aircraft fees	11,333	11,245	11,140	11,066	8,495[12]
Building rentals	199,011	159,213	148,064	158,162	138,144[12]
Gate use fees	26,625	26,297	23,839	35,376	18,211[12]
Land rentals	22,852	22,735	22,604	21,975	21,258[12]
Ground transportation fees	39,854	36,567	39,227	38,021	30,504
Rental car fees	47,062	46,694	46,260	45,985	43,343
Rental car facility rents	42,062	41,816	41,492	40,564	34,263
Gaming	63,888	63,389	62,800	58,490	53,085
Terminal concession fees	96,602	95,887	95,042	85,460	75,164
Parking fees	64,660	64,216	63,697	62,220	52,655
Net revenue from reliever airports	13,867	13,794	14,199	13,525	11,130
Miscellaneous	3,769	3,755	3,741	3,363	4,486
Total Operating Revenues:	$ 676,678	$ 628,361	$ 599,558	$ 589,233	$ 510,678
Operating Expenses:					
Salaries, wages and benefits	$ 181,457	$ 171,862	$ 158,458	$ 152,110	$ 100,780
Repairs and maintenance	30,335	28,064	24,154	19,998	14,591
Professional services	104,358	97,945	86,604	72,851	63,222
Utilities and communications	36,814	34,627	31,603	31,381	22,699
Miscellaneous	27,148	26,092	24,585	29,159	21,130
Total Operating Expenses:	$ 380,112	$ 358,590	$ 325,404	$ 305,499	$ 222,422
Net Operating Revenues	$ 296,566	$ 269,771	$ 274,154	$ 283,734	$ 288,256
CARES Act, Cares II Act, ARP Act and County Grant Funding	-	-	5,969	158,049	49,423
Interest Subsidy Received on Build America Bonds[3]	10,226	10,226	10,226	10,226	10,226
Allowable Investment Income (Expense)	10,500	11,350	12,125	11,138	(13,586)
Net Revenues	$ 317,292	$ 291,347	$ 302,474	$ 463,147	$ 334,319
Other Available Funds for purposes of Senior Securities debt service[4]	11,505	11,505	11,505	11,504	11,504
Other Available Funds for purposes of Second Lien Subordinate Securities debt service[5]	24,645	22,293	20,911	23,879	24,680
Total Debt Service for Senior Securities outstanding[6]	$ 46,018	$ 46,018	$ 46,018	$ 46,018	$ 46,018
Coverage Ratio for Senior Securities Based on Net Revenues[7]	6.90	6.33	6.57	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)	7.15	6.58	6.82	10.31	7.51
Debt Service on Second Lien Subordinate Securities[8]	$ 131,403	$ 107,877	$ 94,063	$ 123,750	$ 131,757
Coverage Ratio for Second Lien Subordinate Securities Based on Net Revenues After Payment of Senior Securities[7][8]	2.25	2.48	2.95	3.56	2.38
Coverage Ratio for Senior and Second Lien Subordinate Securities Based on Total Funds Available (Required covenant is 1.10)	1.93	2.04	2.31	2.87	2.02
PFC Revenues[9]	$ 109,841	$ 108,700	$ 107,513	$ 110,473	$ 94,026
PFC-Related Investment Income (Expense)	1,838	1,819	2,000	1,589	(1,688)
Total PFC Revenues Available for Debt Service	$ 111,679	$ 110,519	$ 109,513	$ 112,062	$ 92,338
Debt Service on PFC Bonds[10]	$ 68,044	$ 68,041	$ 68,040	$ 78,280	$ 78,323
Total Debt Service Paid from PFC Revenues	$ 68,044	$ 68,041	$ 68,040	$ 78,280	$ 78,323
Coverage Ratio for PFC Bonds Based Solely on PFC Revenues[7][9]	1.64	1.62	1.61	1.43	1.18
Revenues Available for Debt Service on Third Lien Subordinate Securities[11]	$ 190,306	$ 186,567	$ 210,416	$ 334,826	$ 170,559

(FOOTNOTES SET FORTH ON FOLLOWING PAGE)

(1) Totals may not add due to independent rounding. Dollars in Thousands.

(2) Based on the Financial Statements.

(3) 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" for a discussion of reductions in and the partial elimination of BAB Credit payments. The operating results for the historical Fiscal Years shown reflect such reductions in BAB Credits. The projected operating results for Fiscal Year 2024 through 2026 reflect the receipt of BAB Credits subject only to currently announced reductions. Debt service payable from Net Revenues will increase in the event that BAB Credits are subject to additional reductions or eliminated.

(4) 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.

(5) 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.

(6) See the caption "FINANCIAL FACTORS—Debt Service Requirements" for debt service on Senior Securities.

(7) For illustrative purposes only; not required under financing documents.

(8) For the synthetically fixed bonds, interest is calculated based on the respective swap agreements described under the caption "FINANCIAL FACTORS—Interest Rate Swap Agreements." Swap agreements do not necessarily correspond to the named series of bonds. Interest assumptions differ from interest assumptions for Second Lien Subordinate Securities set forth in the table entitled "Debt Service Requirements for Outstanding Senior Securities, Subordinate Securities and PFC Bonds" under the caption "FINANCIAL FACTORS—Debt Service Requirements," as described in Footnote 4 to such table.

(9) Revenue derived from $4.50-per-qualifying-enplaned-passenger passenger facility charge is pledged to the payment on the Parity PFC Bonds.

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

(11) See the caption "OUTSTANDING AIRPORT INDEBTEDNESS—Third Lien Subordinate Securities."

(12) Changes reflect the residual nature of the Airport's Airline Agreements, under which such fees change as expenses for the airfield cost center increase or decrease annually. See the caption "THE AIRPORT SYSTEM—Airline Agreements; Rates and Charges." Fiscal Year 2024 amounts reflect the Department's expectation of an increase in passenger traffic of approximately 1% compared to Fiscal Year 2023.

Source: Clark County Department of Aviation.

Management Discussion of Operating Results and Projections

General. In Fiscal Year 2023, the Airport passenger traffic exceeded passenger traffic in Fiscal Year 2019 by 12.1%, the last full year prior to the COVID-19 outbreak. The Airport's busiest ever month of passenger traffic occurred in October 2023. The Department currently projects that passenger traffic will increase by approximately 1% in Fiscal Year 2024 compared to Fiscal Year 2023, increase by approximately 1% in Fiscal Year 2025 compared to Fiscal Year 2024 and increase by approximately 1% in Fiscal Year 2026 compared to Fiscal Year 2025.

Landing fee rates, terminal building rental rates and airport gate use fees are established each Fiscal Year based on the approved Airport System operating budget in accordance with the Airline Agreements. See the caption "THE AIRPORT SYSTEM—Airline Agreements; Rates and Charges." These rates are reviewed and adjusted, if necessary, throughout each Fiscal Year to ensure that the rate covenants described under the caption "SECURITY FOR THE 2024B NOTES—Rate Maintenance Covenants" are being met. At the end of each Fiscal Year, as part of the residual cost recovery nature of the airline cost center rate making methodology, the Airport recalculates the rates based on actual audited expenses and revenues and, if additional rents or credits are due, the airlines receive or pay additional amounts due within 30 days.

Airline rates and charges for Fiscal Year 2023 were calculated as follows: the landing fee rate was $0.61 per thousand pounds of aircraft landed weight, the terminal building rental rate was $116.98 per square foot and the gate use fee is $261,842 per leased gate per year.

The airline rates and charges for Fiscal Years 2024 through 2026 are projected as follows: the landing fee rate is $0.94, $1.27 and $1.44, respectively, per thousand pounds of aircraft landed weight, the terminal building rental rate is $116.25, $125.94 and $152.03, respectively, per square foot, and the gate use fee is $196,408, $218,628 and $201,172, respectively, per leased gate per year.

Airline cost per enplaned passenger was $6.78 for Fiscal Year 2023 and $6.68 for Fiscal Year 2022. The Department estimates that the cost per enplaned passenger for Fiscal Years 2024, 2025 and 2026 will be $6.49, $7.52 and $8.66, respectively, reflecting the residual nature of the Airport's Airline Agreements, under which airline fees change as expenses for each cost center increase or decrease annually. See the caption "THE AIRPORT SYSTEM—Airline Agreements; Rates and Charges." The Department's calculation of airline cost per enplaned passenger includes substantially all costs of facilities utilized by airlines at the Airport. As a result, comparisons of the Airport's cost per enplaned passenger with those of other airports in which airlines pay only a portion of such costs may not be comparable.

With respect to ground transportation revenues, the Airport notes that, although rental car concession fees, taxi revenues, parking revenues and TNC revenues increased in Fiscal Year 2023 as compared to Fiscal Year 2022 given the continuing recovery from the COVID-19 pandemic, parking revenues and TNC revenues had been increasing prior to the pandemic while taxi revenues had been decreasing, and total ground transportation revenues (reflecting the sum of rental car concession fees, taxi, limousine, public transportation, bus and valet revenues, parking revenues and TNC revenues) had also been increasing. Although the Department is unable to predict the effect of increased use of TNCs by Airport passengers on parking revenues and rental car concession fees of the Airport in the future, the Department does not expect overall ground transportation revenues to decrease as a result of the increased use of TNCs.

Reduction in BAB Credits. On March 1, 2013, the federal government announced the implementation of certain automatic budget cuts known as the sequester, including reductions in BAB Credits. Under the Infrastructure Investment and Jobs Act enacted in 2021, the reduction of BAB Credits will continue through September 30, 2030 at the rate of 5.7%.

Under federal legislation enacted in 2010, any increase in the federal deficit caused by a new tax or entitlement spending law also triggers sequestration reductions to eliminate the deficit increase, absent a

waiver either as part of the triggering law or in subsequent legislation. In light of the federal deficit increase resulting from the American Rescue Plan Act of 2021 (which is discussed in detail under the caption "—COVID-19 Outbreak—General"), the Congressional Budget Office has estimated that BAB Credits will be subject to elimination entirely starting January 1, 2023 through September 30, 2026 without action by Congress to waive or postpone such reductions; (such a waiver was enacted for federal fiscal years 2022 and 2023). The Department can give no assurance regarding the level of subsidy payments that it will receive in the future or the likelihood of the further reduction or elimination of the subsidy payments for direct-pay bonds, including BABs.

The County is obligated to make all interest payments on its BABs without regard to the receipt of any BAB Credits. Accordingly, the projected operating results set forth under the caption "—Historical Operating Results and Projected Future Operating Results" reflect the receipt of BAB Credits in Fiscal Years 2024 through 2026 for the Department's BABs (the 2010C Bonds), subject only to the announced reduction of 5.7% in the BAB Credit.

The Department does not expect the currently approved reduction, or any future reductions, in BAB Credits to have a material adverse effect on its ability to make payments of interest on its outstanding BABs. The Department also does not currently expect that such reductions would have a material adverse effect on the ability of the County to make payments of principal of and interest on the 2024B Notes from Net Revenues of the Airport System.

COVID-19 Outbreak

General. The spread of COVID-19, and local, state and federal actions in response to COVID-19, had a significant impact on the County, the Department and Airport operations and finances in Fiscal Years 2020 through 2022. Emergency declarations, stay-at-home orders, masking and social distancing requirements and mandatory shutdowns of commercial establishments adversely affected domestic and international travel and industries and caused enplanements and scheduled flights to fall dramatically in the last two quarters of Fiscal Year 2020. See the subcaption "—Reduced Passenger Traffic" below.

Airport Operations. Airport operations were modified at the onset of the pandemic, including terminal closures, a hiring freeze, the elimination of part-time positions and a prohibition on overtime. Operations had largely returned to pre-pandemic conditions by Fiscal Year 2023, although as a cost-saving measure the Department elected not to make any contributions to the OPEB Trust in Fiscal Year 2023. See the caption "THE AIRPORT SYSTEM—Other Post-Employment Benefits."

Reduced Passenger Traffic. The Airport, like most U.S. airports, experienced steep declines in passenger volumes as a result of the COVID-19 outbreak in the third and fourth quarters of Fiscal Year 2020. Fiscal Year 2021 and 2022 passenger traffic totals remained 47.7% and 4.8% below the levels in Fiscal Year 2019, the last full year prior to the COVID-19 outbreak. By Fiscal Year 2023, the Airport had fully recovered from the slowdown of the pandemic years, with passenger traffic exceeding passenger traffic in Fiscal Year 2019 by 12.1%. See the caption "THE AIRPORT SYSTEM—Airport Traffic."

The Department currently projects that passenger traffic will increase by approximately 1% in Fiscal Year 2024 compared to Fiscal Year 2023, increase by approximately 1% in Fiscal Year 2025 compared to Fiscal Year 2024 and increase by approximately 1% in Fiscal Year 2026 compared to Fiscal Year 2025.

Fiscal Year 2023 Net Operating Revenues. Gross Revenues of the Airport System decreased from $565.9 million in Fiscal Year 2019 to $497.8 million in Fiscal Year 2020 and $414.3 million in Fiscal Year 2021 as a result of the declines in passenger traffic and air service at the Airport that are described above under the subcaptions "—Reduced Passenger Traffic" and "—Reduced Air Service," before increasing to $510.7 million in Fiscal Year 2022 and $589.2 million in Fiscal Year 2023. Operation and Maintenance Expenses increased from $280.0 million in Fiscal Year 2019 to $286.2 million in Fiscal Year 2020 as a result of

operational changes necessitated by the COVID-19 pandemic, as well as budgeted increases in salaries and professional services which were negotiated prior to the onset of the COVID-19 pandemic. Operation and Maintenance Expenses declined to $231.4 million in Fiscal Year 2021 and $222.4 million in Fiscal Year 2022 before rising to $305.5 million in Fiscal Year 2023. The largest drivers of the increase in Fiscal Year 2023 Operation and Maintenance Expenses were termination of certain cost-cutting measures that were implemented during the COVID-19 pandemic and increased pension and OPEB costs (which accounted for approximately $46.6 million of the increase). Net operating revenues before depreciation and amortization fell from $323.0 million in Fiscal Year 2019 to $293.5 million in Fiscal Year 2020 before rising to $286.5 million (primarily as a result of the receipt of federal relief moneys) in Fiscal Year 2021, declining slightly to $288.3 million in Fiscal Year 2022 and to $283.7 million in Fiscal Year 2023.

Despite the reductions in Net Revenues in Fiscal Year 2020 through 2022 and the deferral and waiver of certain payments due from airlines and concessionaires, the Airport met all of its debt service covenants and made all required debt service payments in Fiscal Years 2020 through 2023 while maintaining liquidity levels. See the subcaption "—Liquidity and Financial Position."

Federal Relief Efforts. Beginning in mid-2020, the federal government allocated to the Airport System: (i) $195.9 million of grant assistance under the Coronavirus Aid, Relief, and Economic Stabilization Act, which the Department applied to payroll and debt service expenses; (ii) $41.8 million of grant assistance under the Coronavirus Response and Relief Supplemental Appropriations Act, which the Department applied largely to rent relief to airlines and Airport concessionaires; and (iii) $171.7 million under the American Rescue Plan Act, which the Department applied largely to rent relief to airlines and Airport concessionaires and payroll and debt service expenses. Approximately $5 million of such amounts remain unspent. The County expects to spend the remaining $5 million by the end of Fiscal Year 2024.

Liquidity and Financial Position. At December 31, 2023, the Department held unrestricted cash and investment balances of approximately $532.8 million, compared to approximately $485.7 million on December 31, 2019, prior to the onset of the pandemic, equivalent to 598 days' cash on hand (unrestricted cash and investment balances divided by average estimated daily operating expenses).

The Department also collects passenger facility charges, which can only be used for certain authorized purposes. The Department applied approximately $15.4 million and $20.3 million in accumulated passenger facility charge revenues to pay debt service on Parity PFC Bonds in Fiscal Years 2020 and 2021, respectively. The Department did not apply accumulated passenger facility charge revenues (of which the Department held $80.1 million as of December 31, 2023) to pay debt service on Parity PFC Bonds secured by such revenues in Fiscal Years 2022 or 2023. See the caption "—Historical and Projected PFC Revenues."

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Historical and Projected PFC Revenues

Set forth below is a summary of historical passenger facility charge collections by the County for the past five Fiscal Years and projected amounts of passenger facility charge collections for the current and following two Fiscal Years. The table below has not been audited by the Auditor.

CLARK COUNTY, NEVADA, DEPARTMENT OF AVIATION
Historical and Projected Passenger Facility Charge Collections

Fiscal Year Ended June 30	*Passenger Facility Charge Collections*[1]	*Percentage Change*
2019	$ 96,782,820	N/A
2020[2]	70,640,051	(27.0)%
2021[2]	58,898,601	(16.6)
2022	94,026,423	59.6
2023	110,473,052	17.5
Projected[3]		
2024	$ 107,513,000	(2.7)%
2025	108,700,000	1.1
2026	109,841,000	1.0

(1) Excludes interest earnings.
(2) Decreases reflect effect of COVID-19 outbreak and governmental actions in response thereto. See the caption "OPERATING RESULTS—COVID-19 Outbreak."
(3) Projected collections assume no change to the current passenger facility charge of $4.50 per qualifying enplaned passenger.
Source: Clark County Department of Aviation.

In Fiscal Year 2020, passenger facility charge collections dropped by approximately 27.0% as a result of a significant decline in passenger traffic in the second half of such Fiscal Year in the wake of the COVID-19 outbreak and governmental actions in response thereto. See the caption "—COVID-19 Outbreak." In Fiscal Year 2021, passenger facility charge collections dropped by a further 16.6% as a result of continued reductions in passenger traffic as a result of the pandemic during the full Fiscal Year. Fiscal Year 2022 passenger facility charge collections increased approximately 59.6% compared to Fiscal Year 2021 as the Airport recovered from the COVID-19 outbreak and governmental restrictions related thereto were relaxed. Fiscal Year 2023 passenger facility charge collections increased 17.5% compared to Fiscal Year 2022 and exceeded collections in Fiscal Year 2019, the last full Fiscal Year prior to the outbreak of COVID-19, by 14.1%.

The Department currently projects that passenger traffic will increase by approximately 1% in Fiscal Year 2024 compared to Fiscal Year 2023, increase by approximately 1% in Fiscal Year 2025 compared to Fiscal Year 2024 and increase by approximately 1% in Fiscal Year 2026 compared to Fiscal Year 2025. The Department expects passenger facility charge revenues to decrease by approximately 2.7% in Fiscal Year 2024 (reflecting advance bookings for which revenues were received prior to the commencement of Fiscal Year 2024), while increasing by 1.1% and 1.0% in Fiscal Years2025 and 2026, respectively, as a result of such projected passenger traffic. Passenger facility charge revenues in Fiscal Years 2022 and 2023 were sufficient to pay debt service on Parity PFC Bonds in such years.

The rate of changes in passenger facility charge revenues differs from the rate of changes in passenger traffic because passenger facility charges are collected at the time of booking, which may not necessarily occur in the Fiscal Year in which passengers travel, and because not all passenger enplanements are eligible for charges under the passenger facility charge program.

Historical and Projected Jet A Fuel Tax Revenues

Set forth below is a summary of historical jet aviation fuel tax ("Jet A Fuel Tax") collections by the County for the past five Fiscal Years and projected Jet A Fuel Tax collections for the current and following two Fiscal Years.

The historical information set forth below has been excerpted from the Airport's audited financial statements. The table below has not been audited by the Auditor.

CLARK COUNTY, NEVADA, DEPARTMENT OF AVIATION
Historical and Projected Jet A Fuel Tax Collections

Fiscal Year Ended June 30	*Jet A Fuel Tax Collections*	*Percentage Change*
2019	$ 11,978,649	N/A
2020[(1)]	9,676,018	(19.2)%
2021[(1)]	8,241,689	(14.8)
2022[(2)]	15,708,213	90.6
2023	17,295,113	10.1
Projected		
2024	$17,750,000	2.6%
2025	17,829,000	0.4
2026	17,948,000	0.7

(1) Decreases reflect effect of COVID-19 outbreak and governmental actions in response thereto. See the caption "OPERATING RESULTS—COVID-19 Outbreak."

(2) Increase 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.

Jet A Fuel Tax collections are influenced by total airline fuel flow at the Airport, which in turn is influenced by individual airline policies. The decreases in Jet A Fuel Tax collections in Fiscal Years 2020 and 2021 reflect the effect of the COVID-19 outbreak and governmental actions in response thereto. See the caption "—COVID-19 Outbreak."

There is no assurance that the Jet A Fuel Tax collections distributed to the County will generate the amounts projected above in Fiscal Years 2024 through 2026. In the event that annual debt service on the 2022A Bonds in any Fiscal Year exceeds Jet A Fuel Tax collections in such corresponding Fiscal Year, the 2022A Bonds are additionally secured by and payable from Net Revenues of the Airport System on a subordinate basis to Senior Bonds and Second Lien Subordinate Securities, including the 2024A Bonds. In the event that Jet A Fuel Tax collections in any Fiscal Year exceed annual debt service on the 2022A Bonds in such corresponding Fiscal Year, the County may elect to apply such excess Jet A Fuel Tax revenues to payment of other Airport obligations.

Prior to July 1, 2021, of the total Jet A Fuel Tax of four cents per gallon, one cent was allocated to the County Regional Transportation Commission (the "RTC") and three cents were allocated to the Department. On June 15, 2021, in response to guidance from the Federal Aviation Administration (the "FAA") to the effect that the allocation of Jet A Fuel Tax proceeds to the RTC was impermissible, the Board approved a resolution which reallocated the one cent that had previously been directed to the RTC to the Department for capital and operating expenditures. This change became effective on July 1, 2021. The Board could have elected to include the additional one cent tax that was allocated to the Department in Jet A Fuel Tax revenues that are

pledged to the 2022A Bonds; however, the Board did not elect to do so. Accordingly, although the proceeds of the additional one cent tax are not specifically pledged to the payment of the 2022A Bonds, such proceeds are available to pay Airport capital and operating costs.

Other Factors Affecting Airport Operations and Revenues

Future traffic at the Airport and the revenues of the Department are sensitive to a variety of factors, including the following:

(1) The growth in the population and economy in the Airport service area could affect residents' disposable income and ability and willingness to engage in air travel. Although the Department believes that the majority of Airport users are Las Vegas area vacationers and convention attendees rather than local residents, a significant reduction in the use of the Airport by residents of the local service area could reduce Airport revenues. See the caption "THE AIRPORT SYSTEM—Service Area" and Appendix A for a description of the Airport's service area and service area population, respectively.

(2) National and international economic and geopolitical conditions, including the governmental orders to slow the spread of COVID-19 or future disease outbreaks, civil unrest and currency exchange rates, could affect disposable income, which could affect the willingness of travelers to visit the Las Vegas area as a vacation and convention destination and thereby reduce Airport revenues. In addition, as a result of certain international hostilities and threats, the Department has implemented enhanced security measures mandated by the federal government and Airport management. Current and future security measures may create increased inconvenience, costs and delays at the Airport which may give rise to the avoidance of air travel generally and may adversely affect the Department's operations, expenditures and revenues. The Airport is a high-profile public facility in a major metropolitan area and the Department cannot predict whether it will be a target of violent acts in the future.

(3) Airline economics and air fares could affect airline profitability and the willingness of potential passengers to travel by air. Slow or negative traffic growth in multiple regions, increased competition among air carriers, consolidation and mergers among airlines, increased fuel, labor, equipment and other costs and increases in the requirements for and the cost of debt capital have combined from time to time to reduce profits or to cause losses for the airlines, sometimes leading to bankruptcy or reorganization. A recurrence of these factors could lead to further bankruptcy filings, liquidations or major restructuring by other airlines. Under such circumstances, an airline, or a trustee in bankruptcy, may have the right to reject the Airline Agreements that are described under the caption "THE AIRPORT SYSTEM—Airline Agreements; Rates and Charges." In addition, in the aftermath of the September 11, 2001 terrorist attacks, the airline industry experienced significant financial losses and short-term reductions in the number of passengers who traveled by air. A number of airlines filed for bankruptcy protection or merged with competitors in the intervening years. See the caption "THE AIRPORT SYSTEM—Airport Operations—Airlines Serving the Airport." In certain cases, other airlines increased routes that were previously served by competitors upon such competitors' bankruptcies, resulting in minimal net effect on Airport operations. However, there can be no assurance that similar events will not disrupt passenger traffic to the Airport in the future.

(4) The availability and price of aviation fuel could create significant economic challenges for the airlines that use the Airport. Fuel price increases or volatility could cause airlines to ground aircraft, restructure or eliminate route networks, reduce seat capacity and increase airfares. Any of such actions could reduce the number of passengers that use the Airport and have a negative effect on Airport revenues. See the caption "THE AIRPORT SYSTEM—Airline Agreements; Rates and Charges" for a description of the Airport's cost recovery mechanism.

(5) Limitations on the capacity of the air traffic control system (or the scheduling system of individual airlines) to handle airline traffic because of software malfunctions, federal budgetary constraints, labor actions or regulatory requirements could hinder increases in the number of flights to and from the Airport

and thereby restrain revenue growth. Demands on the air traffic control system at the national level and recent disruptions in the scheduling system of Southwest Airlines, the largest carrier at the Airport, have previously caused delays to and operational restrictions on airline schedules and passenger traffic. There can be no assurance that the Airport will not be affected by such matters in the future.

(6) In addition to any future constraints that may be imposed by the capacity of the national air traffic control system, future growth in airline traffic at the Airport will depend on the capacity at the Airport itself. See the caption "FINANCIAL FACTORS—Future Developments" for information about the Airport's capital plan. The ability of the Airport to complete planned projects may be adversely affected by various factors including, without limitation: (i) estimating errors; (ii) design and engineering errors; (iii) changes to the scope of the capital improvements; (iv) delays in contract awards; (v) material and/or labor shortages; (vi) unforeseen site conditions; (vii) adverse weather conditions; (viii) contractor defaults; (ix) labor disputes; (x) unanticipated levels of inflation; (xi) litigation; (xii) delays in permitting; (xiii) environmental issues; and (xiv) the availability of federal funding (as further described in paragraph (9) below). No assurance can be given that any portion of the Airport's capital plan will not cost more than currently estimated. Any schedule delays or cost increases could result in the need to issue additional indebtedness and may result in increased costs per enplaned passenger to the airlines utilizing the Airport. Construction of large projects at the Airport could also disrupt ongoing operations and cause reluctance on the part of passengers and airlines to use the Airport.

(7) The accessibility of and traffic to the Airport could affect Airport revenues in the future. See the caption "THE AIRPORT SYSTEM—Airport Concessions" for a discussion of the effect of TNCs such as Uber and Lyft on Airport revenues.

(8) The County collects a passenger facility charge (a "PFC"), which is currently $4.50 per qualifying enplaned passenger. PFC revenues are collected by the airlines and remitted to the Airport. The Parity PFC Bonds, which are described under the caption "SECURITY FOR THE 2024B NOTES—Second Lien Subordinate Securities" are payable from such PFC revenues in addition to Net Revenues of the Airport System on senior basis to the 2024B Notes. The Administrator of the FAA may terminate the County's authority to impose the PFC: (i) if the Administrator determines that the County is in violation of certain provisions of the Airport Noise and Capacity Act of 1990 relating to noise and access restrictions; (ii) if the Administrator determines that the PFC revenue is excessive or cannot determine that such revenue is being used for approved projects in accordance with the Imposition and Use Approval or with the Federal Aviation Act (49 United States Code § 40117) and regulations promulgated thereunder (collectively, the "Federal Act"); (iii) if project implementation does not commence within the time period specified in the Federal Act; or (iv) if the County is otherwise in violation of the Federal Act. In the event that PFC revenues are reduced, the Parity PFC Bonds will be payable from Net Revenues of the Airport System on senior basis to the 2024B Notes.

(9) The United States Congress periodically approves authorizing and funding legislation for the FAA. Such legislation includes federal capital grants to support airport infrastructure through entitlement grants (which are determined by formulas based on passenger, cargo and general aviation activity levels) and discretionary grants (which are allocated on the basis of specific set-asides and the national priority ranking system). If there is a reduction in the amount of grants that are awarded to the County for the Airport, it could: (i) increase by a corresponding amount the capital expenditures that the County would need to fund from other sources (including operating revenues and bond proceeds); (ii) extend the timing to complete certain projects; or (iii) reduce the scope of individual proposed projects or the overall program, or both. Over the years, FAA funding legislation and various components of FAA operations have not been consistently approved on a long-term basis. The FAA has previously endured brief shutdowns when a lapse in continuing authority terminated funding for non-essential operations. Based on past experience, the Department does not expect such shutdowns to have a material adverse effect on Airport operations. However, the failure by Congress to reauthorize the operating authority of the FAA, or additional conditions placed on such authority, could have an adverse impact on Airport operations, including the availability of grant and other federal funds to finance capital improvements, in the future.

(10) The airline industry is heavily regulated, especially by the federal government, and there are a significant number of governmental agencies and legislative bodies that have the ability to directly or indirectly affect the Department and the airline industry financially and operationally. From time to time, governmental agencies, executives and legislative bodies, have proposed, issued or enacted and may continue to propose, issue and enact, legislation, rules, orders and other laws and guidance that have the effect of law, particularly in with respect to Federal aviation regulation, funding, security, immigration, tariffs and trade. The proposal, issuance or enactment of such legislation, rules, orders and other laws and guidance that have the effect of law may have a material effect on the airline industry and the Department. As of the date of this Official Statement, there is insufficient information available about the potential governmental action to estimate the impacts, if any, on direct or indirect Federal funding that may impact the aviation industry, airports or local governments or their respective operations, including law enforcement, transportation or other activities. Moreover, while enforcement of potential executive orders, laws or regulations could impose additional financial burdens upon the aviation industry, the Department or the County, as of the date of this Official Statement, insufficient information available regarding potential governmental action to estimate the magnitude, if any, of such potential impacts.

(11) The ability of the Department to generate Net Revenues depends, in part, upon the financial health of the aviation industry. The economic condition of the industry has historically been volatile, and the aviation industry has undergone significant changes, including mergers, acquisitions, bankruptcies and closures in recent years. Furthermore, the aviation industry is sensitive to a variety of factors, including the cost and availability of labor, fuel, aircraft, supplies and insurance; general economic conditions; international trade; currency values; competitive considerations, including the effects of airline ticket pricing; traffic and airport capacity constraints; governmental regulation, including security and climate change-related regulations; taxes imposed on airlines and passengers; maintenance and environmental requirements; passenger demand for air travel; strikes and other union activities; availability of financing; and disruptions caused by airline accidents, technology failures, prolonged adverse weather conditions, criminal incidents, public health concerns and acts of war or terrorism.

The major airline carriers (or their respective parent corporations) are subject to the informational requirements of the Securities and Exchange Act of 1934 and in accordance therewith file reports and other information with the Securities and Exchange Commission (the "SEC"). Certain information, including financial information as of particular dates concerning several of the airline carriers (or their respective parent corporations), is disclosed in certain reports and statements filed with the SEC. Such reports and statements can be inspected at the Public Reference Room of the SEC at 450 Fifth Street N.W., Washington, D.C. 20549, and copies of such reports and statements can be obtained from the SEC at prescribed rates. In addition, each scheduled airline is required to file periodic reports containing certain financial and operating statistics with the Department of Transportation. Such reports can be inspected at the following location: Office of Aviation Information Management, Data Requirements and Public Reports Division, Research and Special Programs Administration, Department of Transportation, 400 7th Street S.W., Washington, D.C. 20590, and copies of such reports can be obtained from the Department of Transportation at prescribed rates.

In addition to revenues from airlines, the Department derives a substantial portion of its revenues from concessionaires including parking operations, duty free concessions, food and beverage concessions, retail concessions, rental cars and TNCs. See "USE OF AIRPORT FACILITIES—Concession and Parking Agreements." Declines in passenger traffic or changes in the way passengers transact with concessionaires may in the future adversely affect the commercial operation of concessionaries and alter the mix of revenues at the Airport. Severe financial difficulties for a concessionaire could lead to a failure by one or more concessionaires to make payments required under such concession agreements and/or interrupt such concessionaires' operations.

Revenues from TNCs represent an increasing portion of Net Revenues and may have been contributing to a change in revenue sources, away from parking, rental cars, taxis and limousines. Emerging technologies, including autonomous vehicles and new transportation business strategies, may contribute to

additional changes in the Department's revenue sources. There can be no assurance that these changes will not adversely affect the Department's revenues.

A number of airlines and concessionaires (i.e., rental car companies) that serve airports have filed for bankruptcy protection in the past and may do so in the future. Bankruptcies, liquidations or major restructurings of other airlines and/or concessionaires or other contractual counterparties may occur. While it is not possible to predict the impact on the Airport of future bankruptcies, liquidations or major restructurings of contractual counterparties, if a contractual counterparty has significant operations or obligations at the Airport, its bankruptcy, liquidation or major restructuring could have a material adverse effect on revenues of the Department, operations at the Airport, the costs to other contractual counterparties to operate at the Airport (as, for instance, certain costs allocated to any such airline or concessionaire may be passed on to the remaining airlines or concessionaires under their respective agreements and there can be no assurance that such other contractual counterparties would be financially able to absorb the additional costs) and may result in reductions in Net Revenues. The bankruptcy of a contractual counterparty (such as an airline or rental car company) may allow, over the long term, such counterparty to reduce its costs or improve its profitability, thus incentivizing similar contractual counterparties to consider bankruptcy protection to remain competitive.

(12) The airline industry continues to evolve as a result of competition and changing demand patterns and it is possible that the airlines serving the Airport could further consolidate operations through acquisition, merger, alliances, and code share sales strategies. Airline consolidation has also occurred through the creation of global alliances and joint ventures. Airlines worldwide have increasingly sought to increase revenues, share costs and expand the reach of their route networks by developing international partnerships through multilateral alliances or joint ventures. Depending on which airlines serving Airport, if any, merge or join alliances, the result may be fewer flights by one or more airlines, which decrease could be significant.

(13) Workforce and labor shortages within the aviation industry (including pilots, flight attendants, mechanics and other personnel) have and could in the future continue to have an impact on airlines maintaining routes and generally providing service. Such shortages could result from fewer individuals entering the applicable fields to replace the aging workfore and discord among labor, including strikes. Such labor shortages within the Airport, or other industries affecting or relating to the Airport's operations and finances, could adversely impact the Airport's operations or finances.

(14) Concerns about the safety of airline travel and the effectiveness of security precautions may influence, and in some instances have influenced, passenger travel behavior and air travel demand, particularly in light of fatal crashes of aircraft, existing international hostilities, potential terrorist attacks and world health concerns, including epidemics and pandemics.

In early January 2024, the FAA ordered the temporary grounding of Boeing 737-9 MAX aircraft (the "MAX") operated by U.S. airlines or in U.S. territory following an incident on Alaska Airlines Flight 1282 during which a plug door malfunctioned. On January 24, 2024, the FAA approved an inspection and maintenance process that each Boeing 737-9 MAX aircraft must undergo before being eligible to return to service. Future safety issues (or the perception thereof) with respect to aircraft which serve the Airport may result in reduced passenger traffic.

(15) The County operates a large and complex information technology infrastructure to support internal and external operations. As is the case with any such environment, the threat of cybersecurity incidents is a constant one. These incidents may arise from multiple sources, including unintentional events or actions, intentional insider threats and deliberate malicious attacks or actions from outside entities. The effect of these threats may include unauthorized access to County systems, data or resources, inappropriate exposure or use of County information, disruption of County services and damage to County systems.

The County has a team of information technology employees that are dedicated to the protection of the County from cybersecurity attacks as well as enforcing County security policies and procedures. This team

is comprised of nine full time employees, with one of them serving as a supervisor for the group. In addition, the Department has two full time cybersecurity employees. Multiple technology investments have also been made by the County to implement software tools to assist the information technology security team in their mission of protecting County from cyberattacks. These tools include anti-virus software, whitelisting software, extensive log monitoring tools and multi factor authentication. The County is also a PCI-compliant organization that has satisfied the rigorous requirements instituted by the PCI Data Security Standards Council. However, the County acknowledges that no amount of detective or defensive measures can prevent all cybersecurity attacks or the resultant disruptions and costs. To that end, the County has obtained a cyber-liability insurance policy.

(16) Climate change caused by human activities may have adverse effects on Airport revenues. As greenhouse gas emissions continue to accumulate in the atmosphere as a result of economic activity, climate change is expected to intensify, increasing the frequency, severity and timing of extreme weather events such as intense rainfall during storms, drought, wildfires, floods and heat waves, and raising sea levels.

Projections of the impacts of global climate change on the County are complex and depend on many factors that are outside of the County's control. The various scientific studies that forecast the amount and timing of adverse impacts of climate change are based on assumptions contained in such studies, but actual events may vary materially. Also, the scientific understanding of climate change and its effects continues to evolve. Accordingly, the County is unable to forecast with certainty when adverse impacts of climate change will occur or the extent of such impacts on Airport revenues. While the impacts of climate change may be mitigated by the County's past and future investment in adaptation strategies, the County can give no assurance about the net effects of those strategies and whether the County will be required to take additional adaptive mitigation measures.

(17) Competition from surface modes of transportation has resulted in decreased passenger numbers in certain airport markets. In addition, businesses and individuals may choose or be compelled to use surface modes of transportation for environmental reasons. In December 2023, the Federal government awarded a $3 billion dollar grant toward the construction of a high-speed rail route linking the Las Vegas Valley with the City of Rancho Cucamonga in southern California, with additional stations along the route currently planned in the City of Hesperia and the Town of Apple Valley. If constructed, travelers from southern California will have an additional mode of transportation into the Las Vegas area, which could impact the demand for air travel to the Airport.

Teleconference, video-conference and web-based meetings continue to improve in quality and price and are considered a satisfactory alternative to some face-to-face business meetings, especially with their increased use throughout the COVID-19 pandemic. In addition, consumers have become more price-sensitive. Efforts by airlines to stimulate traffic by discounting fares have changed consumer expectations regarding airfares. In addition, the availability of transparent price information on the Internet, which allows easier comparison shopping, has changed consumer purchasing habits. As a result, pricing and marketing have become more competitive in the United States airline industry.

(18) The County cannot predict: (i) whether another COVID-19 outbreak or a different pandemic will occur in the future; (ii) what additional long-term effects the COVID-19 pandemic may have on air travel or Airport System costs or revenues; (iii) to what extent the local, State, national or global economy, manufacturing or supply chain may be disrupted in the future, or whether any such disruption may adversely impact Airport-related construction, the cost, sources of funds, schedule or implementation of the Airport's capital plan, maintenance and other landside operations or airside operations; (iv) whether or to what extent the County may provide additional deferrals, forbearances, adjustments or other changes to the County's arrangements with airlines and concessionaires; or (v) whether airlines or concessionaires will be compelled to seek bankruptcy protection or seek to merge, or the ultimate effect of such occurrences on Airport revenues or airline service to and from the Airport.

LITIGATION AND OTHER LEGAL MATTERS AFFECTING THE AIRPORT

Based on its review and search of the court dockets for the Eighth Judicial District Court for the State, the County, and the United States District Court of Nevada, and based on due investigation, the Clark County District Attorney's office is of the opinion that currently no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, is pending or, to its knowledge, threatened, seeking: (i) to restrain or enjoin the issuance of the 2024B Notes; or (ii) in any way to contest or affect the validity of the 2024B Notes or any proceedings of the County taken with respect to the issuance thereof or the pledge, collection or application of any moneys or security provided for the payment of the 2024B Notes, or the corporate existence or the powers of the County. The only cases of note are as follows:

General Litigation

Gypsum Resources, LLC v. Clark County and Clark County Board of Commissioners - Case No. 2:19-cv-00850-GMN (jointly administered with Case No. BK-S-14799-mkn, Case No. BK-S-19-14796-mkn and Case No. A-23-871997-B, Department 31). These cases are based on a 2010 Settlement Agreement between Gypsum Resources, LLC ("Gypsum") and the County that resolved a prior case between the parties concerning 2,400 acres of land that Gypsum owns on Blue Diamond Hill. The cases are also based on subsequent land use applications submitted by Gypsum after the date of the 2010 Settlement Agreement. In 2011, the County approved Gypsum's land use application for a concept plan for a major project development. The 2011 approval included a condition that Gypsum obtain a right-of-way approval from the United States Bureau of Land Management ("BLM") in order to access Gypsum's prospective development prior to moving on to the next stage of the major project development process. Gypsum's property is surrounded by BLM land and Gypsum must obtain approvals from BLM in order to provide access, utilities and services to a new development on its property. In 2018, Gypsum submitted a land use application requesting that the County waive the condition that Gypsum obtain the right-of-way prior to proceeding to the next stage of the major project process. The Board denied Gypsum's request, prompting Gypsum to file suit in federal court. The lawsuit alleged an equal protection violation, inverse condemnation, pre-condemnation damages, breach of contract and breach of the implied covenant of good faith and fair dealing and requests a writ of mandamus and injunctive relief. In May 2023, the federal district court granted summary judgment in the County's favor on all of the federal claims. The federal district court also declined to exercise supplemental jurisdiction and dismissed the remaining state law claims. The Plaintiff appealed to the Ninth Circuit and that appeal remains pending. If the judgment is reversed, the complaint includes a claim for damages and Gypsum's inverse condemnation claim alone could exceed $100 million in the event that Gypsum is successful. In June 2023, the Plaintiff filed an action in state court reasserting its state law claims against the County. The state court action includes claims for breach of contract, violation of due process and equal protection under the State Constitution and a claim for inverse condemnation in which the Plaintiff is expected to seek well over $100 million in just compensation. The discovery process in the state court action commenced in November 2023. The County has retained outside counsel, is vigorously defending the suit and is of the opinion that the state court action lacks merit.

Inverse Condemnation Litigation

The County has previously been a party to actions concerning Airport System operations in which inverse condemnation damages and other damages were sought against the County. Except for the *Gypsum* cases referenced above, the County is not currently a party to any inverse condemnation litigation. However, the possibility of future litigation with inverse condemnation allegations is a possibility. As a precaution, the following cases are provided to note the impact they may have on future claims.

Steve Sisolak v. McCarran International Airport and Clark County ("Sisolak"). In Sisolak, the district court found for the plaintiff's inverse condemnation claim, holding that a "per se taking" had occurred as a result of the County's enactment of airport height zoning ordinances. On appeal, the Nevada Supreme

Court on July 13, 2006 affirmed the district court's ruling that a "per se taking" had occurred as a result of the County's airport height zoning ordinance. The County petitioned the United States Supreme Court for a writ of certiorari based on federal law, but such petition was denied in February 2007. The Sisolak decision is currently the controlling law in Nevada.

David Johnson, Trustee of the Joseph W. Huntsman 1983 Trust v. McCarran International Airport and Clark County ("Johnson"); and Tertia Dvorchak as special administratrix of the estate of Thomas T. Beam, Deceased v. McCarran International Airport and Clark County ("Dvorchak"). In Johnson and Dvorchak, both plaintiffs filed cases alleging that the imposition of zoning height restrictions on the plaintiffs' properties constituted a "per se taking." The County successfully filed motions to dismiss each case based upon the statute of limitations. The Nevada Supreme Court upheld both lower court decisions that per se regulatory takings claims filed more than fifteen years after the adoption of airport-related zoning regulations were time-barred. In both Dvorchak and Johnson, all seven Supreme Court Justices unanimously decided in favor of affirmance. In particular, the Nevada Supreme Court found that its decision in *White Pine Lumber v. City of Reno, 106 Nev. 778, 801 P.2d 1370 (1990)*, which recognized a fifteen-year limitations period in inverse condemnation cases, was applicable and that the per se regulatory takings claims accrued upon the adoption of airport-related zoning regulations.

Because these decisions were decided unanimously by all seven Supreme Court Justices, there is a strong likelihood that the Nevada Supreme Court would continue to uphold dismissals of other inverse condemnation airspace takings cases that were filed more than fifteen years after the adoption of Clark County Ordinance 1221 (adopted August 1, 1990), Clark County Ordinance 1599 (adopted July 6, 1994) or any other airport-related zoning regulation. Nonetheless, because the orders of affirmance in Johnson and Dvorchak were not selected for publication, it must be noted that the orders may not be cited as precedent or legal authority under Nevada Supreme Court Rule 123 and this results in it being impossible to predict the legal effect of these orders of affirmance.

Other Litigation and Claims

The County is a party to numerous other actions and claims in connection with the ownership and operation of the Airport System, including personal injury claims, employment-related claims and construction claims, but in the opinion of the County District Attorney, based in part on advice of outside counsel, the actions and claims described under this caption are not expected, in the aggregate, to have a material adverse effect on the financial condition of the Airport System at this time.

RATINGS

Moody's Investors Service, Inc., Fitch Ratings, Inc. and Kroll Bond Rating Agency are expected to assign the 2024B Notes the ratings of "Aa3" (stable outlook), "AA-" (stable outlook) and "A+" (stable outlook), respectively.

No application has been made or is anticipated to be made to any other rating agency for the purpose of obtaining any additional ratings on the 2024B Notes. Any desired explanation of such ratings should be obtained from the rating agency furnishing the same. Generally, rating agencies base their ratings on information and materials furnished to them and on investigations, studies and assumptions by the rating agencies. There is no assurance that any rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency if, in the judgment of such rating agency, circumstances so warrant. Any such change in or withdrawal of such ratings may have an adverse effect on the market price of the 2024B Notes. A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

The County has covenanted in a Continuing Disclosure Certificate to file notices of any rating changes on the 2024B Notes with the Municipal Securities Rulemaking Board's Electronic Municipal Market Access

system. See the caption "CONTINUING DISCLOSURE" and Appendix F. Notwithstanding such covenant, information relating to rating changes on the 2024B Notes may be publicly available from the rating agencies prior to such information being provided to the County or the Department and prior to the date by which the County is obligated to file a notice of rating change. Purchasers of the 2024B Notes are directed to the rating agencies and their respective websites and official media outlets for the most current ratings with respect to the 2024B Notes after the initial issuance of the 2024B Notes.

In providing a rating on the 2024B Notes, certain rating agencies may have performed independent calculations of coverage ratios using their own internal formulas and methodology which may not reflect the provisions of the Series Indenture or the Master Indenture. The County makes no representations as to any such calculations, and such calculations should not be construed as a representation by the County or the Department as to past or future compliance with any financial covenants, the availability of particular revenues for the payment of debt service or for any other purpose.

MUNICIPAL ADVISORS

PFM Financial Advisors LLC, San Francisco, California, and Hobbs, Ong & Associates, Inc., Las Vegas, Nevada, are acting as municipal advisors (the "Municipal Advisors") to the County in connection with various matters relating to the issuance of the 2024B Notes. The Municipal Advisors have not audited, authenticated or otherwise verified the information set forth in this Official Statement, or any other related information available to the County and the Board, with respect to the accuracy and completeness of disclosure of such information. No guaranty, warranty or other representation is made by the Municipal Advisors respecting accuracy and completeness of this Official Statement or any other matter related to the Official Statement.

UNDERWRITING

The 2024B Notes will be purchased by RBC Capital Markets, LLC, as representative (the "**Representative**") of itself, BofA Securities, Inc., Siebert Williams Shank & Co., LLC, and Wells Fargo Bank, National Association (collectively, the "**Underwriters**"), pursuant to a purchase contract, dated the date hereof (the "**Purchase Contract**"), by and among the County and the Underwriters. Under the Purchase Contract, the Underwriters have agreed to purchase all, but not less than all, of the 2024B Notes for an aggregate purchase price of $167,051,579.64 (representing the principal amount of the 2024B Notes, plus original issue premium of $16,557,433.20, and less an Underwriters' discount of $425,853.56). The Purchase Contract provides that the Underwriters will purchase all of the 2024B Notes if any are purchased, the obligation to make such a purchase being subject to certain terms and conditions set forth in the Purchase Contract, the approval of certain legal matters by counsel and certain other conditions.

Under certain circumstances, the initial public offering yields stated on the cover of this Official Statement may be changed from time to time by the Underwriters. The Underwriters may offer and sell the 2024B Notes to certain dealers (including dealers depositing the 2024B Notes into investment trusts), dealer banks, banks acting as agent and others at yields higher than said public offering yields.

BofA Securities, Inc., one of the Underwriters of the 2024B Notes, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("**MLPF&S**"). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for its selling efforts with respect to the 2024B Notes.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association, one of the Underwriters of the 2024B Notes, which conducts its municipal securities sales, trading and underwriting operations through the Wells Fargo Bank, NA Municipal Finance Group, a separately

identifiable department of Wells Fargo Bank, National Association, registered with the Securities and Exchange Commission as a securities dealer pursuant to Section 15B(a) of the Securities Exchange Act of 1934.

Wells Fargo Bank, National Association, acting through its Municipal Finance Group ("**WFBNA**"), one of the Underwriters of 2024B Notes, has entered into an agreement (the "**WFA Distribution Agreement**") with its affiliate, Wells Fargo Clearing Services, LLC (which uses the trade name "Wells Fargo Advisors") ("**WFA**"), for the distribution of certain municipal securities offerings, including the 2024B Notes. Pursuant to the WFA Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the 2024B Notes with WFA. WFBNA has also entered into an agreement (the "**WFSLLC Distribution Agreement**") with its affiliate Wells Fargo Securities, LLC ("**WFSLLC**"), for the distribution of municipal securities offerings, including the 2024B Notes. Pursuant to the WFSLLC Distribution Agreement, WFBNA pays a portion of WFSLLC's expenses based on its municipal securities transactions. WFBNA, WFSLLC, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, municipal advisory, investment management, principal investment, hedging, financing and brokerage services. The Underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various municipal advisory and investment banking services for the County, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the County.

The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

TRUSTEE

The Bank of New York Mellon Trust Company, N.A., as Trustee under the Series Indenture, has not reviewed this Official Statement and has made no representations as to the information contained herein, including but not limited to, any representations as to the financial feasibility of the 2024B Notes or related activities.

TAX MATTERS

In the opinion of Sherman & Howard L.L.C., Bond Counsel, assuming continuous compliance with certain covenants described below, interest on the 2024B Notes is excluded from gross income pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the 2024B Notes (the "Tax Code"), and interest on the 2024B Notes is excluded from alternative minimum taxable income as defined in Section 55(b) of the Tax Code, however, to the extent such interest is included in calculating the "adjusted financial statement income" of "applicable corporations" (as defined in Sections 56A and 59(k), respectively, of the Tax Code), such interest is subject to the alternative minimum tax applicable to those corporations under Section 55(b) of the Tax Code.

The Tax Code imposes several requirements which must be met with respect to the 2024B Notes in order for the interest thereon to be excluded from gross income and alternative minimum taxable income (except to the extent as described in the next paragraph). Certain of these requirements must be met on a continuous basis throughout the term of the 2024B Notes. These requirements include: (a) limitations as to the use of proceeds of the 2024B Notes and as to the use of the facilities financed thereby; (b) limitations on the extent to which proceeds of the 2024B Notes may be invested in higher yielding investments; and (c) a provision, subject to certain limited exceptions, that requires all investment earnings on the proceeds of the 2024B Notes above the yield on the 2024B Notes to be paid to the United States Treasury. The County will covenant and represent in the Series Indenture that it will take all steps to comply with the requirements of the Tax Code to the extent necessary to maintain the exclusion of interest on the 2024B Notes from gross income and alternative minimum taxable income (except to the extent as described in the next paragraph) under such federal income tax laws. Bond Counsel's opinion as to the exclusion of interest on the 2024B Notes from gross income and alternative minimum taxable income (to the extent described below) is rendered in reliance on these covenants, and assumes continuous compliance therewith. The failure or inability of the County to comply with these requirements could cause the interest on the 2024B Notes to be included in gross income, alternative minimum taxable income or both from the date of issuance. Bond Counsel's opinion also is rendered in reliance upon certifications of the County and other certifications furnished to Bond Counsel. Bond Counsel has not undertaken to verify such certifications by independent investigation.

Section 55 of the Tax Code contains a 15% alternative minimum tax on the "adjusted financial statement income" of "applicable corporations" (as those terms are defined in Sections 56A and 59(k), respectively, of the Tax Code). "Applicable corporations" are generally corporations with average annual adjusted financial statement income over a three-year period of $1 billion or more. "Adjusted financial statement income" generally means the net income or loss of a corporation (including interest on the Bonds) as set forth on the corporation's applicable financial statement, adjusted as provided in Section 56A of the Tax Code. Corporations should consult their tax advisors about whether the corporation is an "applicable corporation" and if the corporation is such an applicable corporation, about the calculation of "adjusted financial statement income" and the alternative minimum tax for the corporation.

The Tax Code contains numerous provisions which may affect an investor's decision to purchase the 2024B Notes. Owners of the 2024B Notes should be aware that the ownership of tax-exempt obligations by particular persons and entities, including, without limitation, financial institutions, insurance companies, recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, foreign corporations doing business in the United States and certain "subchapter S" corporations may result in adverse federal tax consequences. Under Section 3406 of the Tax Code, backup withholding may be imposed on payments on the 2024B Notes made to any owner who fails to provide certain required information, including an accurate taxpayer identification number, to certain persons required to collect such information pursuant to the Tax Code. Backup withholding may also be applied if the owner underreports "reportable payments" (including interest and dividends) as defined in Section 3406, or fails to provide a certificate that the owner is not subject to backup withholding in circumstances where such a certificate is required by the Tax Code. Bond Counsel's opinion relates only to the exclusion of interest on the 2024B Notes from gross income and alternative minimum taxable income as described above, and will state that Bond Counsel is not opining on other federal tax consequences arising from the receipt or accrual of interest on or ownership of the 2024B Notes. Owners of the 2024B Notes are advised to consult with their own tax advisors with respect to such matters.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. No assurances can be given as to whether or not the Service will commence an audit of the 2024B Notes. If an audit is commenced, the market value of the 2024B Notes may be adversely affected. Under current audit procedures the Service will treat the County as the taxpayer and the owners may have no right to participate in such procedures. The County has covenanted in the Series Indenture not to take any action that would cause the interest on the

2024B Notes to lose its exclusion from gross income for federal income tax purposes or lose its exclusion from alternative minimum taxable income except to the extent described above for the owners thereof for federal income tax purposes. None of the County, the Underwriters nor Bond Counsel is responsible for paying or reimbursing any owner with respect to any audit or litigation costs relating to the 2024B Notes.

Also, in the opinion of Bond Counsel, under present laws of the State of Nevada, the 2024B Notes, their transfer, and the income thereon are free and exempt from taxation by the State of Nevada or any subdivision thereof except the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation skipping transfers imposed pursuant to Chapter 375B of NRS.

The opinions expressed by Bond Counsel are based upon existing law as of the delivery date of the 2024B Notes. No opinion is expressed as of any subsequent date nor is any opinion expressed with respect to any pending or proposed legislation. Amendments to federal or state tax laws may be pending now or could be proposed in the future that, if enacted into law, could adversely affect the value of the 2024B Notes, the exclusion of interest on the 2024B Notes from gross income or alternative minimum taxable income, or both, from the date of issuance of the 2024B Notes or any other date, or that could result in other adverse federal tax consequences. In addition, future court actions or regulatory decisions could affect the tax treatment or market value of the 2024B Notes. Owners of the 2024B Notes are advised to consult with their own tax advisors with respect to such matters.

LEGAL MATTERS

Certain legal matters incident to the validity and enforceability of the 2024B Notes are subject to the final approving opinion of Sherman & Howard L.L.C., Las Vegas, Nevada, Bond Counsel, in the form attached hereto as Appendix E. Certain legal matters will be passed upon for the County by Stradling Yocca Carlson & Rauth LLP, Las Vegas, Nevada, as Disclosure Counsel and by the County District Attorney, Las Vegas, Nevada. Kutak Rock LLP, Denver, Colorado, is serving as counsel to the Underwriters. The fees of Bond Counsel and Disclosure Counsel are contingent upon the issuance of the 2024B Notes. Bond Counsel and Disclosure Counsel represent one or more of the Underwriters from time to time on matters unrelated to the County or the 2024B Notes. Bond Counsel and Disclosure Counsel do not represent the Underwriters or any party other than the County in connection with the issuance of the 2024B Notes.

CONTINUING DISCLOSURE

The County has covenanted for the benefit of the holders and Beneficial Owners of the 2024B Notes to provide certain financial information and operating data (the "County Annual Report") by March 31 following the end of the County's Fiscal Year, commencing March 31, 2025 for the County Annual Report for Fiscal Year 2024, and to provide notices of the occurrence of certain enumerated events. A form of document specifying the nature of the information to be contained in the County Annual Report and the notices of enumerated events is set forth in Appendix F. These covenants have been made in order to assist the Underwriters in complying with Rule 15c2 12(b)(5) promulgated by the United States Securities and Exchange Commission (the "Rule").

MISCELLANEOUS

Insofar as any statements made in this Official Statement involve matters of opinion, forecast or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the purchasers of any of the 2024B Notes and the Department or the County.

This Official Statement contains forward-looking statements, including: (a) statements containing projections of Airport System Revenues, expenditures and other financial items; (b) statements of the plans and objectives of the County for future operations of the Airport System; (c) statements of future economic

performance of the Airport System; and (d) statements of the assumptions underlying or relating to statements described in (a), (b) and (c) above (collectively, "Forward-Looking Statements"). All statements other than statements of historical facts included in this Official Statement, including without limitation under the captions "FINANCIAL FACTORS," "THE AIRPORT SYSTEM" and "OPERATING RESULTS" regarding the Airport System's financial position, business strategy, capital resources and plans and objectives of the County for future operations of the Airport System are Forward-Looking Statements. Although the expectations reflected in such Forward-Looking Statements are reasonable, there can be no assurance that such expectations will prove to have been correct. Important factors that could cause actual results to differ materially from expectations of the County (collectively, the "Cautionary Statements") are disclosed in this Official Statement. All subsequent written and oral Forward-Looking Statements attributable to the County or persons acting on behalf of the County are expressly qualified in their entirety by the Cautionary Statements.

There are appended to this Official Statement appendices entitled "CERTAIN INFORMATION RELATING TO THE COUNTY," "REPORT OF CROWE, LLP AND FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022," "DEFINITIONS AND SUMMARIES OF CERTAIN PROVISIONS OF THE MASTER INDENTURE AND THE SERIES INDENTURE," "DTC AND BOOK-ENTRY SYSTEM," "FORM OF OPINION OF BOND COUNSEL" and "FORM OF CONTINUING DISCLOSURE CERTIFICATE." The appendices are integral parts of this Official Statement and must be read together with all other parts of this Official Statement.

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COUNTY OF CLARK, NEVADA

By: /s/ Tick Segerblom
Tick Segerblom, Chair
Board of County Commissioners

APPENDIX A

CERTAIN INFORMATION RELATING TO THE COUNTY

This portion of the Official Statement contains general information concerning the economic and demographic conditions in the County. This information is intended only to provide prospective investors with general information regarding the community. No moneys of the County, other than Net Revenues of the Airport, have been pledged to the payment of the 2024B Notes. The information is historic in nature; it is not possible to predict whether the trends shown will continue in the future. ***In particular, in many cases the information reflects conditions prior to the COVID-19 outbreak that is discussed in the forepart of the Official Statement under the caption "OPERATING RESULTS—COVID-19 Outbreak" rather than current conditions****. The information presented was obtained from the sources indicated, and the County makes no representation as to the accuracy or completeness of the data obtained from parties other than the County.*

Population and Age Distribution

The table below sets forth the population growth of the County and the State since 1970. Between 2010 and 2023, the County's population increased approximately 21.0%, while the State's population increased approximately 20.0% over the same time period.

POPULATION

Calendar Year	*State of Nevada*	*Percent Change*	*Clark County*	*Percent Change*
1970	488,738	--	273,288	--
1980	800,493	63.8%	463,087	69.5%
1990	1,201,833	50.1	741,459	60.1
2000	1,998,257	66.3	1,375,765	85.5
2010	2,700,551	35.1	1,951,269	41.8
2020	3,104,614	15.0	2,265,461	16.1
2021	3,158,539	1.7	2,320,551	2.4
2022	3,204,105	1.4	2,338,127	0.8
2023	3,241,678	1.2	2,361,285	1.0

Sources: United States Department of Commerce, Bureau of the Census (1970-2020 as of April 1 of each year) and Nevada State Department of Taxation (2021-2023 estimates as of July 1). Estimated population figures are subject to periodic revision.

The following table sets forth a projected comparative age distribution profile for the County, the State and the United States, as of January 1, 2023.

AGE DISTRIBUTION

	Percent of Population		
Age	***Clark County***	***State of Nevada***	***United States***
0-17	22.4%	21.9%	21.8%
18-24	8.3	8.2	9.2
25-34	14.0	13.8	13.4
35-44	14.1	13.7	12.9
45-54	12.9	12.5	12.1
55-64	11.9	12.3	12.6
65-74	10.0	10.8	10.7
75 and Older	6.4	6.8	7.3

Source: Claritas, LLC. © 2023.

Income

The following table sets forth annual per capita personal income levels for the residents of the County, the State and the United States.

PER CAPITA PERSONAL INCOME[(1)]

Calendar Year	***Clark County***	***State of Nevada***	***United States***
2019	$50,382	$51,905	$55,547
2020	52,562	54,650	59,153
2021	58,388	61,024	64,430
2022	59,150	62,085	65,470
2023	N/A	64,709[(2)]	68,717[(2)]

(1) Last updated September 29, 2023. Revised Statistics for 1929-2022. All figures are subject to periodic revisions.
(2) Preliminary quarterly per capital personal income for the third quarter of 2023.
Source: U.S. Department of Commerce, Bureau of Economic Analysis.

General. The economy of the County (and the State) is substantially dependent upon the tourist industry, which is based on legalized casino gambling and related forms of entertainment. The following table shows a history of the gross taxable gaming revenue and total gaming taxes collected in the County and the State. Over the last five years, an average of 84.8% of the State's total gross taxable gaming revenue has been generated from the County.

GROSS TAXABLE GAMING REVENUE AND TOTAL GAMING TAXES[1]

Fiscal Year Ended June 30	*Gross Taxable Gaming Revenue*[2]		*% Change*	*State Gaming Collection*[3]		*% Change*
	State Total	*Clark County*	*Clark County*	*State Total*	*Clark County*	*Clark County*
2019	$11,358,701,958	$ 9,702,414,291	--	$ 919,517,387	$ 789,848,207	--
2020	9,150,732,262	7,788,140,306	(19.73)%	617,451,077	530,536,630	(32.83)%
2021	10,351,174,095	8,510,276,151	9.27	885,683,152[4]	721,146,768[6]	35.93
2022	14,151,229,826	12,155,741,465	42.84	1,161,473,525[5]	1,010,924,394[6]	40.18
2023	14,623,796,754	12,597,918,483	3.64	1,174,506,278	1,021,783,910	1.07
July 2022-December 2022	$ 7,197,452,494	$ 6,145,359,536	--	$ 555,861,379	$ 480,017,612	--
July 2023-December 2023	7,456,361,725	6,400,878,233	4.16%	590,683,506	503,792,133	4.95%

(1) The figures shown are subject to adjustments due to amended tax filings, fines and penalties.

(2) The total of all sums received as winnings less only the total of all sums paid out as losses (before operating expenses).

(3) Cash receipts of the State from all sources relating to gaming (General Fund and other revenues), including percentage license fees, quarterly flat license fees, annual license fees, casino entertainment taxes, annual slot machine taxes, penalties, advance fees and miscellaneous collections. A portion of collections is deposited to State funds other than the State's General Fund.

(4) This amount includes $118.0 million in unused tax credits pursuant to NRS 463.370(12) that were collected in Fiscal Year 2020 and transferred to Fiscal Year 2021 at Fiscal Year-end. Due to the extraordinary circumstances experienced in Fiscal Year 2020 (suspension of gaming operations), the amount of the transfer for Fiscal Year 2021 was much larger than any other period.

(5) This amount includes $1.6 million in unused tax credits pursuant to NRS 463.370(12) that were collected in Fiscal Year 2021 and transferred to Fiscal Year 2022 at Fiscal Year-end.

(6) These amounts include unused tax credits pursuant to NRS 463.370(12) that were collected in the prior Fiscal Year and transferred at Fiscal Year-end to counties based on the location of the gaming licensees.

Source: State of Nevada Gaming Control Board.

Gaming Competition. Different forms of legalized gaming have been authorized by many states, as well as the tribal casinos, across the United States. Other states may authorize gaming in the future in one form or another. The different forms of gaming range from casino gaming to riverboat gambling to lotteries and internet gaming. Historically, the availability of these forms of gaming in other states has not had any significant impact on gaming in the County. Nonetheless, neither the County nor the Commission can predict the impact of legalization of legalized gaming in other states or other countries on the future economy of the County.

No gaming revenues are pledged to pay debt service on the 2024B Notes.

Tourism

Tourism is an important industry in the County. The Las Vegas Strip, Hoover Dam, Lake Mead, Mt. Charleston and other tourist attractions are in Clark County. Attractions such as the Great Basin, Grand Canyon, Yosemite, Bryce Canyon, Zion and Death Valley National Parks are each within a short flight or day's drive of Southern Nevada.

One reflection of the growth of tourism in Southern Nevada is the increase in the number of hotel and motel rooms available for occupancy as shown in the following table. The area's hotels and motels have historically experienced higher occupancy rates than those on a national level.

Set forth in the table below is the Las Vegas Convention and Visitors Authority Marketing Department's estimate of the number of visitors to the Las Vegas Metropolitan Area for the last five years and partial year information for the current and prior year.

VISITOR VOLUME AND ROOM OCCUPANCY RATE
Las Vegas Metropolitan Area, Nevada

Calendar Year	*Total Visitor Volume*	*Number of Hotel/Motel Rooms Available*	*Hotel/Motel Occupancy Rate*[(1)]	*National Occupancy Rate*
2019	42,523,700	150,259	88.9%	66.1%
2020	19,031,100	145,308	42.1	44.0
2021	32,230,600	150,487	66.8	57.6
2022	38,829,300	150,857	79.2	62.7
2023	40,829,900	154,662	83.5	63.0

(1) The sample size for this survey represents approximately 75% of the total hotel/motel rooms available.
Source: Las Vegas Convention and Visitors Authority (Las Vegas metropolitan area data) and STR (national data).

APPENDIX B

REPORT OF CROWE, LLP AND FINANCIAL STATEMENTS FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022

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Clark County Department of Aviation
Annual Comprehensive Financial Report
Fiscal Year 2023

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Annual Comprehensive Financial Report

Clark County Department of Aviation

An Enterprise Fund of Clark County, Nevada

For the Fiscal Years Ended June 30, 2023 and 2022

Prepared by the Department of Aviation

Las Vegas, Nevada

CLARK COUNTY DEPARTMENT OF AVIATION

Clark County, Nevada

Clark County Board of Commissioners

James B. Gibson, Chair

Tick Segerblom, Vice Chair

Michael Naft

Marilyn Kirkpatrick

Ross Miller

William McCurdy II

Justin Jones

County Manager's Office

Kevin Schiller, County Manager

Les Lee Shell, Deputy County Manager

Abigail Frierson, Deputy County Manager

Lisa Kremer, Deputy County Manager

Sam Bateman, Deputy County Manager

Department of Aviation

Rosemary A. Vassiliadis, Director

James Chrisley, Senior Director

Ralph Lepore, Senior Director

Tina M. Frias, Senior Director

Joseph M. Piurkowski, Airport Chief Financial Officer

CLARK COUNTY DEPARTMENT OF AVIATION
CLARK COUNTY, NEVADA
Annual Comprehensive Financial Report
For the Fiscal Years Ended June 30, 2023 and 2022

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Introductory Section

HARRY REID INTERNATIONAL LAS VEGAS

Department of Aviation

ROSEMARY A. VASSILIADIS
DIRECTOR

POSTAL BOX 11005
LAS VEGAS, NEVADA 89111-1005
(702) 261-5211
FAX (702) 597-9553

December 5, 2023

To the Board of County Commissioners and County Manager of Clark County, Nevada:

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the Clark County Department of Aviation (Department) for the fiscal year ended June 30, 2023. These financial statements were audited, as required by Nevada Revised Statues §354.624, by Crowe LLP, independent certified public accountants.

The Department's management is responsible for the accuracy of the data presented in the financial statements, along with the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge, and as indicated in the unmodified opinion of our independent auditors, this report fairly presents and fully discloses, in all material respects, the Department's financial position, results of operations, and cash flows in accordance with generally accepted accounting principles (GAAP) in the United States of America.

In developing and evaluating the Department's accounting system, consideration is given to the adequacy of internal controls. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements. The Department's management believes the Department's internal control processes adequately safeguard assets and provide reasonable assurance that financial transactions are properly recorded.

Management's Discussion and Analysis, located in the Financial Section of the ACFR, should be read in conjunction with this Letter of Transmittal.

Reporting Entity

The Department is a single enterprise fund of Clark County, Nevada (County), and operates as a self-supporting entity. The seven-member Board of County Commissioners (Board) is responsible for governing the affairs of the Department. The Director of Aviation is appointed by the Board and reports directly to the County Manager. The Department is a self-supporting entity and is not subsidized by any tax revenues of the County.

The County owns, and the Department operates and maintains, the Harry Reid International Airport (Airport) and four general aviation airports. The Airport occupies approximately 2,800 acres and is located one mile from the Las Vegas Strip, which is the center of the Las Vegas gaming and entertainment industry. LAS is one of the top ten busiest airports in North America in terms of passenger volume. The Department also operates the following general aviation airports: North Las Vegas Airport, Henderson Executive Airport, Jean Sports Aviation Center and Overton-Perkins Field. The North Las Vegas Airport is the second-busiest airport in the State of Nevada in terms of aircraft operations. The Henderson Executive Airport features a state-of-the-art terminal, private hangar facilities, and a Federal Aviation Administration control tower designed to meet the needs of the business aviation community.

The Jean Sports Aviation Center and Overton-Perkins Field are primarily used for recreational aviation purposes. All the airports operated and maintained by the Department are collectively referred to as the Airport System.

Clark County Board of Commissioners
James B. Gibson, Chair · Tick Segerblom, Vice-Chair
Justin C. Jones · Marilyn Kirkpatrick · William McCurdy II · Ross Miller · Michael Naft

Economic Outlook

Passenger traffic at the Airport recovered swiftly in FY 2022 following the COVID-19 pandemic. During the month of June 2023, the Airport recorded a record number of enplaned passengers which totaled 2,437,322. In FY 2023, enplaned passenger counts significantly increased by 18% compared to FY 2022.

Large scale construction projects such as hotels and entertainment venues continue to progress within the Las Vegas area. The convention market and related activities and events are scheduled and returning to pre-pandemic levels. Las Vegas is scheduled to host large scale events such as the Formula 1 Las Vegas Grand Prix in November 2023 and the NFL Super Bowl in February 2024. As a result, the Airport will need to meet the demands of the passenger traffic coming to participate in large scale events and conventions.

Financial Information

The Department's total operating revenues increased from $510.7 million in fiscal year 2022 to $589.2 million in fiscal year 2023, an increase of $78.6 million. The increase in operating revenues primarily is attributed to the increase in overall passenger traffic and activity during FY 2023. Operating expenses for fiscal year 2023 were $305.5 million, which was $83.1 million more than prior fiscal year operating costs of $222.4 million. The increase in operating expenses is primarily driven by the actuarial analysis performed to assist in determining the pension expense and the other post retirement benefits expense, which increased by $29.1 million and $17.5 million, respectively, from FY 2022 to FY 2023. Beyond personnel costs and employee benefits, professional service expenses rose by $9.6 million. These costs are primarily associated with capital improvement projects reflecting the Department's efforts to enhance its services to accommodate the growth in general aviation traffic in the Las Vegas area as well as maintenance of the terminal buildings. Further more, all other categories of operating expenses increased $22.1 million, driven by the increase in passenger traffic and activities in FY 2023. The Department remains committed to keeping the destination affordable to the airlines. Through these measures, the Department has kept the airline cost per enplaned passenger reasonable and consistent considering the current air travel environment. The airline cost per enplaned passenger was $6.78 for fiscal year 2023.

The Department is current on all its outstanding bond obligations and has made all scheduled debt service payments. The Department's bonds were issued to provide funding for capital assets to be acquired or constructed. As of June 30, 2023, the current bond proceeds available are anticipated to be used for airfield projects. The Department does not anticipate issuing any new debt to fund its current capital improvement plan. All outstanding bonds are secured by pledges of Airport System revenues, however, Passenger Facility Charge (PFC) bonds and Jet A bonds, are primarily secured by PFC and Jet A fuel tax revenues, respectively.

The Department's financial policies remained consistent in fiscal year 2023, in comparison to fiscal year 2022.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the Department for its ACFR for the fiscal year ended June 30, 2022, as well as for the fiscal year ended June 30, 2021. This was the 18th consecutive year that the Department has received this prestigious award. In order to be awarded a Certificate of Achievement, the Department must publish an easily readable and efficiency organized ACFR that meets both GAAP and applicable eligibility requirements. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA, to determine the Department's eligibility to receive a certificate for this ACFR.

Acknowledgments

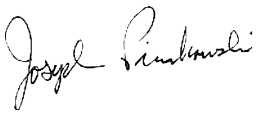
The extraordinary success of the Department is a direct result of the leadership and support of the Board and the County Manager. The employees of the Department and the airlines, as well as the tenants of the Airport System, are also recognized for making a tremendous effort in promoting the success of the Airport System.

We thank the Board for its continuing support of the Department, for its efforts to conduct financial operations in a responsible and progressive manner, and for its commitment to making the Department a global leader in its industry.

The preparation of this report is the product of the dedicated service and professionalism of the staff of the Department's Finance Division. We also thank all other members of the Department's staff who contributed to the preparation of this report.

Sincerely submitted,

Rosemary A. Vassiliadis
Director of Aviation



Joseph M. Piurkowski
Airport Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Clark County Department of Aviation

Nevada

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO

HARRY REID INTERNATIONAL LAS VEGAS

Department of Aviation
Executive Team

Kevin Schiller
County Manager

Rosemary A. Vassiliadis
Director of Aviation

Monika Bertaki
Chief Aviation Marketing Officer

Joseph Piurkowski
Airport Chief Financial Officer

Scott Kichline
Managing Director
Business & Commercial Development

Tyler McHenry
Managing Director
Finance

Rishma Khimji
Chief Information Technology Officer

VACANT
Managing Director
IT Operations

Jason Cabrera
Managing Director
IT Project Management Office

James Chrisley
Senior Director of Aviation

Byron Perry
Managing Director
Airside Operations

Layne Weight
Managing Director
Construction & Engineering

Doug McMahan
Managing Director
Facilities

Ben Czyzewski
Managing Director
General Aviation

Bryant Holt
Managing Director
Planning

Ralph LePore
Senior Director of Aviation

Freddie Kirtley
Managing Director
Landside Operations

Scott Shire
Managing Director
Security

Celeste Hamner
Managing Director
Terminal Operations

Tina M. Frias
Senior Director of Aviation

Jennifer Scharn
Managing Director
Employee Services

Edward Munzing
Managing Director
Diversity, Procurement & Contracts

Financial Section

Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Clark County Department of Aviation
Las Vegas, Nevada

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Clark County Department of Aviation (the "Department"), an enterprise fund of Clark County, Nevada (the "County") as of and for the years ended June 30, 2023 and 2022 and the related notes to the 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 financial position of the Department as of June 30, 2023 and 2022, and the respective changes in financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (*Government Auditing Standards*), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Department, 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 opinion.

Emphasis of Matters

As discussed in Note 1(a), the financial statements of the Department are intended to present the financial position, and the changes in financial position, and, where applicable, cash flows of only that portion of the County that is attributable to the transactions of the Department. They do not purport to, and do not, present fairly the financial position of the County, as of June 30, 2023 and 2022, and the changes in its financial position, or, where applicable, its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

As discussed in Note 1 to the financial statements, during the year ended June 30, 2023, the Department adopted new accounting guidance, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The adoption resulted in recording a SBITA liability and corresponding right-of-use SBITA asset. Net position as of June 30, 2022 and for the year then ended was restated by $414,000 as a result of adoption. 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.

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 opinion. 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 Department'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.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of proportionate share of net pension liability, schedule of defined benefit plan contributions, schedule of changes in the net other post employment benefit plan liability and related ratios, and schedule of other post employment benefit plan contributions – CCSF, as listed in the table of contents, be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of 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 responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Department's financial statements. The schedule of airport revenue bond debt service coverage is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 airport revenue bond debt service coverage is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated December 5, 2023 on our consideration of the Department’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 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 Department’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 Department’s internal control over financial reporting and compliance.

Crowe LLP

Costa Mesa, California
December 5, 2023

Introduction

The following is Management's Discussion and Analysis (MD&A) of the financial performance and activity of the Clark County Department of Aviation (Department). The MD&A provides an introduction to and understanding of the financial statements of the Department for the fiscal years (FYs) ended June 30, 2023 (FY 2023) and 2022 (FY 2022), with selected comparable data for the fiscal year ended June 30, 2021 (FY 2021). This section should be read in conjunction with the transmittal letter, financial statements, and notes, to gain a better understanding of the information presented in MD&A.

The Clark County Department of Aviation is a department of Clark County (County), a political subdivision of the State of Nevada. The Department, under the supervision of the Board of County Commissioners (Board) and the County Manager, is established to operate Harry Reid International Airport (Airport) and the four other general aviation facilities owned by the County (Airport System). The Airport System comprises the Airport , the seventh-busiest airport in North America by passenger volume in calendar year 2022; North Las Vegas Airport, which services general aviation activity and is the second-busiest airport in the State of Nevada by aircraft operations; Henderson Executive Airport, a premier corporate aviation facility that features a state-of-the-art terminal and private hangar facilities designed to meet the needs of the business aviation community; and Jean Sport Aviation Center and Overton-Perkins Field, which primarily are used for aviation-related recreational purposes.

The Department is a self-supporting entity that generates revenues from Airport System users to fund operating expenses and debt service requirements. Capital projects are funded by bond issuances, Passenger Facility Charges (PFCs), federal awards, and internally generated cash flows from operations. The Department is not subsidized by any tax revenues of the County.

Overview of Financial Statements

The Department's financial statements are prepared using the accrual basis of accounting; therefore, revenues are recognized when earned, and expenses are recognized when incurred.

The Statements of Net Position present information on all the Department's assets, deferred outflows of resources, liabilities, and deferred inflows of resources as of June 30, 2023 and 2022. The Statements of Revenues, Expenses, and Changes in Net Position present financial information showing how the Department's net position changed during the fiscal years ended June 30, 2023 and 2022. The Statements of Cash Flows relate the inflows and outflows

of cash and cash equivalents as a result of the financial transactions that occurred during these two fiscal years, and also includes a reconciliation of operating income to net cash provided by operating activities.

Activity Highlights

Passenger traffic at the Airport recovered swiftly in FY 2023 following the COVID-19 pandemic. During the month of June 2023, the Airport recorded a record number of enplaned passengers which totaled 2,437,322. In FY 2023, enplaned passenger counts significantly increased by 18% compared to FY 2022. Passenger enplanements in FY 2023 totaled 28,276,384, compared to 24,025,401 in FY 2022, and 13,187,187 in FY 2021.

Aircraft landed weights in FY 2023 totaled 30,729,432 thousand pounds , compared to 26,408,488 thousand pounds in FY 2022 and 17,839,131 thousand pounds in FY 2021. The FY 2023 landed weights represent a 16% increase compared to FY 2022. The number of departures for domestic and international flights in FY 2023 totaled 255,020 compared to 217,136 in FY 2022 and 149,370 in FY 2021. The FY 2023 departures represent a 17% increase from FY 2022.

In early FY 2024, the Department anticipates completing the West Apron Expansion project, for the upcoming events such as Formula 1 in November 2023 and the Super Bowl in February 2024. With an estimated total expenditure of approximately $35.7 million, the project is specifically designed to boost the airport's capacity to accommodate the expected surge in general aviation traffic. Alongside this major development, the Airport continues its commitment to elevate various aspects, including security, roadway systems, airfield operations, passenger circulation, and the overall passenger experience.

In FY 2023, Korean Airlines restarted their service following restrictions and conditions brought on by the pandemic. In addition, new airlines began flying routes in and out of the Airport, which include Lynx Air and Canada Jetlines.

On November 15, 2021, the Bipartisan Infrastructure Law (BIL) was signed into law to address repairs and maintenance needs for facilities and equipment, airport infrastructure, and air traffic facilities. The Department was awarded $45.7 million from the airport infrastructure program for federal FY 2023. In addition, the Department was also awarded $47.5 million from the airport terminals program to fund the upgrade of the baggage handling systems in two terminals to enhance capacity, security, reliability and energy efficiency in federal FY 2023.

Financial Highlights

Net Position Summary

The following table summarizes assets, liabilities, deferred inflows and outflows of resources, and net position as of June 30 (in thousands):

				Change			
	2023	2022*	2021	2023 vs 2022		2022 vs 2021	
Assets and deferred outflows of resources:							
Current assets	$ 965,148	$ 900,698	$ 864,737	$ 64,450	7.2%	$ 35,961	4.2%
Capital assets, net	3,902,409	4,021,805	4,061,215	(119,396)	(3.0%)	(39,410)	(1.0%)
Other non-current assets	465,737	456,517	524,881	9,220	2.0%	(68,364)	(13.0%)
Total assets	5,333,294	5,379,020	5,450,833	(45,726)	(0.9%)	(71,813)	(1.3%)
Deferred outflows of resources	111,660	96,272	71,678	15,388	16.0%	24,594	34.3%
Total assets and deferred outflows of resources	$ 5,444,954	$ 5,475,292	$ 5,522,511	$ (30,338)	(0.6%)	$ (47,219)	(0.8%)
Liabilities, deferred inflows of resources, and net position:							
Current liabilities	333,699	498,133	484,269	(164,434)	(33.0%)	13,864	3.2%
Non-current liabilities	2,703,433	2,872,845	3,215,716	(169,412)	(5.9%)	(342,871)	(10.7%)
Total liabilities	3,037,132	3,370,978	3,699,985	(333,846)	(9.9%)	(329,007)	(8.9%)
Deferred inflows of resources	167,437	217,961	140,887	(50,524)	(23.2%)	77,074	54.7%
Net position:							
Net investment in capital assets	1,454,617	1,169,570	951,423	285,047	24.4%	218,147	22.9%
Restricted	410,879	399,175	399,639	11,704	2.9%	(464)	(0.1%)
Unrestricted	374,889	317,608	330,577	57,281	18.0%	(12,969)	(3.9%)
Total net position	2,240,385	1,886,353	1,681,639	354,032	18.8%	204,714	12.2%
Total liabilities, deferred inflows of resources, and net position	$ 5,444,954	$ 5,475,292	$ 5,522,511	$ (30,338)	(0.6%)	$ (47,219)	(0.8%)

*Refer to Note 1 "Accounting Changes and Restatement"

Discussion of FY 2023 Net Position

Total net position for the Department as of June 30, 2023 was $2,240.4 million. This is an increase of $354.0 million from FY 2022. This can be primarily attributed to the following significant changes:

- Current assets
  - For FY 2023, current assets were $965.1 million, an increase of $64.5 million from FY 2022. The majority of this change was due to increases in cash, investments classified as current assets, accounts receivable, interest receivable, lease receivable, other restricted receivables, inventory, and prepaid expenses and other. These increases were offset by decreases in grants receivable. Cash and cash equivalents increased $15.1 million from FY 2022 to FY 2023. These increases were driven by the federal grants and reimbursement received in FY 2023. Investments classified as current assets increased $44.2 million from FY 2022 to FY 2023. These amounts represent investments which are restricted and available to be used for current obligations. The increases are driven by the Department's treasury needs and timing of current obligations. Total accounts receivable, net increased $2.0 million from FY 2022 to FY 2023. Increases in receivables were driven by timing of payments received from tenants and customers. Interest receivable increased $4.9 million from FY 2022 to FY 2023, with the majority of the change being due to the increase in overall interest rates during the period. Lease receivable increased by $2.3 million as additional GASB 87 agreements were added during FY 2023. Other receivables, restricted increased $5.3 million from FY 2022 to FY 2023, with the majority of the change being due to the timing of the subsidy payments received related to the Department's Build America Bonds (BABs); see Note 8, "Long-Term Debt" for further detail regarding the BABs. Prepaid expenses and other also increased by $1.1 million, with $0.3 million attributed to an increase in prepaid insurance, $0.3 million in prepayments for asset acquisitions, and $0.5 million due to a change in prepaid services provided by the metropolitan police department. The Grant receivable decreased $11.4 million from FY 2022 to FY 2023. The reduction was due to the timing of the FAA grant request payments as well as a decrease in Rescue and CRRSA grant spending and drawdown requests during the final quarter of the year.
- Other non-current assets
  - For FY 2023, other non-current assets were $465.7 million, an increase of $9.2 million, from $456.5 million in FY 2022. The change is largely due to increases in cash and cash equivalents classified as non-current assets, derivative instruments - interest rate swaps, and lease receivable classified as non-current assets. These increases were offset by decreases in investments classified as non-current assets and the net other post employment benefits asset balance. Cash and cash equivalents classified as non-current assets increased $79.0 million from FY 2022 to FY 2023 which is primarily driven by the Department's treasury requirements for restricted cash associated with non-current obligations. Interest rate swap derivative instruments increased $1.4 million from FY 2022 to FY 2023, resulting from the change in fair value of these instruments. Lease receivable classified as non-current assets increased

$22.0 million. The lease receivable represents the present value of lease payments expected to be received until the end of the lease term, and the net of lease revenue received and interest revenue is reduced from the lease receivable. Increase was due to the reassessment of lease agreements during the fiscal year and the subsequent extension of lease terms. Refer to Note 12, "Leases", for further detail. Partially offsetting these increases, investments classified as non-current assets decreased $68.4 million. These investments represent investments which are restricted and available to be used for non-current obligations. The decrease is reflective of the Department's treasury needs and timing of non-current obligations. The net other post employment benefits asset decreased to $0 from $24.7 million recorded in FY 2022. This reduction was due to the termination of the fully insured HMO plan, which has been replaced by a self-insured EPO plan under the CCSF OPEB trust. Refer to Note 6, "Other Post Employment Benefit (OPEB)", for further detail.

- Capital assets
  - For FY 2023, capital assets, net of accumulated depreciation, were $3,902.4 million, a decrease of $119.4 million, from $4,021.8 million in FY 2022. This decrease was primarily driven by depreciation and amortization of $193.9 million, retirement of assets of $7.4 million, and an adjustment of $7.0 million to the right of use - lease building due to lease agreement reassessment during the fiscal year. These reductions were partially offset by capital expenditures of $87.5 million, in addition to $1.4 million in right of use - SBITA ("Subscription-Based Information Technology Arrangements") additions. Refer to Note 1 and Note 12 for additional information related to SBITAs. Significant capital expenditures include the acquisition of diesel buses, reconstruction of a holding pad, parking improvements at Terminal 1, and LAS Runway Infrastructure Management (R.I.M) projects and rehabilitation of runways. Refer to Note 7, “Changes in Capital Assets” and Note 12, "Leases" for further detail.
- Current liabilities
  - For FY 2023, current liabilities were $333.7 million, a decrease of $164.4 million, from $498.1 million in FY 2022. This change primarily relates to decreases in the current portion of accounts payable and current portion of long term debt, offset by increases in rents received in advance. Accounts payable decreased $27.8 million from FY 2022 to FY 2023, driven by the timing of payments to vendors. The current portion of long term debt decreased $140.4 million from FY 2022 to FY 2023. This decrease is primarily driven by the planned early redemption of Series 2013B GO, 2008A GO, 2008C-2, and 2008C-3 in January FY 2023. Refer to Note 8 for additional information related to long-term debt activity. Rents received in advance increased $3.8 million from FY 2022 to FY 2023, these increases were driven by the timing of payments received.

- Non-current liabilities
  - Non-current liabilities in FY 2023 were $2,703.4 million, a decrease of $169.4 million, from $2,872.8 million in FY 2022. This change is primarily due to decreases in the non-current portion of long-term debt, net other post employment benefit liability, derivative instruments - interest rate swaps, and non-current portion of lease liabilities. These decreases were offset by activities in net pension liability and the other non-current liabilities. The non-current portion of long-term debt decreased $235.2 million, from FY 2022 to FY 2023, in accordance with the scheduled debt payments, amortization of bond premiums and discount. Non-current portion of lease liability decreased $9.1 million. The lease liability represents the present value of lease payments expected to be paid until the end of the lease term, and the net of lease expense paid and interest expense is reduced from the lease payable. The decrease was due to the amortization of the lease payment through out the lease term. Further contributing to the overall decrease was an $8.7 million decrease in derivative instruments - interest rate swaps, which was driven by changes in the fair value of the interest rate swap portfolio. Offsetting these decreases was the other non-current liabilities increase of $2.5 million from FY 2022 to FY 2023, which is driven by the Department recording its estimates of employee compensated absences. Net pension liability increased $115.1 million and net other post employment benefits liability decreased $33.9 million, which was driven by changes in various pension and other post employment benefits actuarial assumptions; such changes are discussed in detail in Note 5.

Discussion of FY 2022 Net Position

Total net position for the Department as of June 30, 2022 was $1,886.4 million. This is an increased of $204.7 million from FY 2021. This can be primarily attributed to the following significant changes:

- Current assets
  - For FY 2022, current assets were $900.7 million, an increase of $36.0 million from FY 2021. The majority of this change was due to increases in investments classified as current assets, grants receivable, and other receivables, restricted. These increases were offset by decreases in cash and cash equivalents as current assets and accounts receivable. Investments classified as current assets increased $48.8 million from FY 2021 to FY 2022. These amounts represent investments which are restricted and available to be used for current obligations. The increase is reflective of the Department's treasury needs and timing of current obligations. Grant receivable increased $10.7 million from FY 2021 to FY 2022 which was attributed to the Department's timing of receivables from Rescue Act grants. Other receivables,

restricted increased $6.0 million from FY 2021 to FY 2022, with the majority of the change being due to the timing of the subsidy payments received related to the Department's Building America Bonds (BABs); see Note 8, "Long-Term Debt" for further detail regarding the BABs. Cash and cash equivalents decreased $26.7 million from FY 2021 to FY 2022. These decreases were driven by two land purchases the Department entered into in November and December of 2021 in the amounts of $55.0 million and $60.3 million, respectively. The acquired land is located adjacent to the Airport for further development. Total accounts receivable, net decreased $1.7 million from FY 2021 to FY 2022. Decreases in receivables are attributable to reduction in Passenger Facility Charge receivable at year-end in FY 2022 compared to FY 2021.

- Other non-current assets
  - For FY 2022, other non-current assets were $456.5 million, a decrease of $68.4 million, from $524.9 million in FY 2021. The change is largely due to decreases in cash and cash equivalents classified as non-current assets, investments classified as non-current assets, and lease receivable classified as non-current assets. These decreases were offset by increases in the net other post employment benefits asset balance and derivative instruments - interest rate swaps. Cash and cash equivalents classified as non-current assets decreased $54.0 million from FY 2021 to FY 2022 which is primarily driven by the Department's treasury requirements for restricted cash associated with non-current obligations. Investments classified as non-current assets deceased $17.5 million. These investments represent investments which are restricted and available to be used for non-current obligations. Lease receivable classified as non-current assets increased $13.3 million. The lease receivable represents the present value of lease payments expected to be received until the end of the lease term, and the net of lease revenue received and interest revenue is reduced from the lease receivable (Refer to Note 1 for additional information regarding the implementation of GASB 87). These decreases were offset by increases in the net other post employment benefits and the interest rate swap derivative instruments. Interest rate swap derivative instruments increased $6.0 million from FY 2021 to FY 2022, resulting from the change in fair value of these instruments. The Department recorded a net other post employment benefits asset in FY 2022 of $24.7 million which was actuarially determined, an increase of $10.4 million from FY 2021.
- Capital assets
  - For FY 2022, capital assets, net of accumulated depreciation, were $4,021.8 million, a decrease of $119.4 million, from $4,061.2 million in FY 2021. This decrease was primarily due to depreciation and amortization of $192.9 million. Offsetting these expenses were capital expenditures of $152.3 million. Significant capital expenditures included the acquisition of land, the reconstruction of holding pad 8 and

the north tear drop, and airport security cameras. Refer to Note 7, “Changes in Capital Assets,” for further detail.

- Current liabilities
  - For FY 2022, current liabilities were $498.1 million, an increase of $13.9 million, from $484.3 million in FY 2021. This change primarily relates to increases in rents received in advance and the current portion of accounts payable, accrued interest, offset by decreases in current portion of long term debt and other accrued expenses. Accounts payable increased $45.4 million from FY 2021 to FY 2022, driven by the timing of payments to vendors. Rents received in advance increased $7.0 million from FY 2021 to FY 2022, these increases were driven by the timing of payments received. Accrued interest increased $2.1 million from FY 2021 to FY 2022, largely due to the increase in interest rates during FY 2022. Other accrued expenses decreased $8.1 million from FY 2021 to FY 2022 mainly driven by the timing of the accrued payroll expense. The current portion of long term debt decreased $32.6 million from FY 2021 to FY 2022. This decrease is primarily driven by the termination of 2008 Series A-2, 2008 Series B-2, 2019 Series C, Series 2008 D-1, and 2017 Series D in FY 2022. Refer to Note 8 for additional information related to long-term debt activity.
- Non-current liabilities
  - Non-current liabilities in FY 2022 were $2,872.8 million, a decrease of $342.9 million, from $3,215.7 million in FY 2021. This change is primarily due to decreases in the non-current portion of lease liabilities, and derivative instruments - interest rate swaps. These decreases were offset by increases in the other non-current liabilities and total other post employment benefits liability. The non-current portion of long-term debt decreased $245.3 million, from FY 2021 to FY 2022, in accordance with the scheduled debt payments, amortization of bond premiums and discount, and the Series 2008 D-2 A general obligation bonds are classified as current due to the expiration of the related letter of credit. The Department intends to renew this letter of credit before its expiration. Non-current portion of lease liability decreased $2.3 million. The lease payable represents the present value of lease payments expected to be paid until the end of the lease term, and the net of lease expense paid and interest expense is reduced from the lease payable. Net pension liability decreased $77.4 million which was driven by changes in the actuarilly determined assumptions used in measuring the liability; such changes are discussed in detail in Note 5. Further contributing to the overall decrease was a $27.0 million decrease in derivative instruments - interest rate swaps, which was driven by changes in the fair value of the interest rate swap portfolio. Offsetting these decreases was the other non-current liabilities increase of $6.6 million from FY 2021 to FY 2022, which is driven by the Department recording its estimates of employee compensated absences and Subscription-Based Information Technology Arrangements

(SBITA) Payable $3.0 million recorded in conjunction with the implementation of GASB 96 (Refer to Note 1 for additional details). Total other post employment benefits liability increased $2.6 million, which was driven by changes in the actuarially determined assumptions used in measuring the liability; such changes are discussed in detail in Note 6.

Operating Revenue

The following table summarizes total operating revenue for the fiscal years ended June 30 (in thousands):

				Change			
	2023	2022*	2021	2023 vs 2022		2022 vs 2021	
Terminal building and use fees	$ 155,979	$ 135,890	$ 178,150	$ 20,089	14.8%	$ (42,260)	(23.7%)
Landing fees and other aircraft fees	26,098	28,441	30,837	(2,343)	(8.2%)	(2,396)	(7.8%)
Gate use fees	38,075	20,998	26,410	17,077	81.3%	(5,412)	(20.5%)
Terminal concession fees	85,472	75,176	31,249	10,296	13.7%	43,927	140.6%
Rental car facility and concession fees							
Rental car facility fees	40,565	34,264	23,856	6,301	18.4%	10,408	43.6%
Rental car concession fees	46,078	43,420	24,224	2,658	6.1%	19,196	79.2%
Parking and ground transportation fees							
Public and employee parking fees	62,258	52,694	32,153	9,564	18.2%	20,541	63.9%
Ground transportation fees	38,024	30,526	14,426	7,498	24.6%	16,100	111.6%
Gaming fees	58,490	53,085	23,063	5,405	10.2%	30,022	130.2%
Ground rents and use fees	25,245	24,298	21,446	947	3.9%	2,852	13.3%
Other							
General aviation fuel sales (net of cost)	9,025	6,797	3,985	2,228	32.8%	2,812	70.6%
Other operating income	3,924	5,089	4,525	(1,165)	(22.9%)	564	12.5%
	$ 589,233	$ 510,678	$ 414,324	$ 78,555	15.4%	$ 96,354	23.3%

*Refer to Note 1 "Accounting Changes and Restatement"

General Discussion of Operating Revenues

Aviation Revenues

Aviation revenues consist of terminal building and use fees, landing fees and other aircraft fees, and gate use fees. Effective July 1, 2020, the Department entered into an amendment to the Airline-Airport Use and Lease Agreement (Agreement) with airlines serving the Las Vegas market. The amendment, extended the terms of the Agreement through June 30, 2021 with extension options through June 30, 2030. The Agreement has currently been extended through June 30, 2026. The Agreement requires that the rates be set each fiscal year based on a residual rate-making approach of leased space. Refer to Note 1 for additional information related to the Agreement.

Terminal building and use fees

The majority of terminal building and use fees consist of signatory and non-signatory ticketing area fees, baggage system fees, baggage claim fees, common use fees, and fees from hold rooms, along with certain operation and storage areas. There is also a portion of terminal building and use fees that are collected from sources other than airlines.

Landing fees

Landing fees consist of fees charged per 1,000 lbs. of landed weight.

Gate use fees

Gate use fees consist of charges which are paid for leasing an individual gate or charges paid on a per turn basis for common use gates, as well as aircraft parking fees.

Non-Aviation Revenues

Non-aviation revenues consist of terminal concession fees, rental car facility fees, rental car concession fees, public and employee parking fees, ground transportation fees, gaming fees, ground rents and use fees, general aviation fuel sales, and other operating income.

Terminal concession fees

The largest source of non-aviation revenues is terminal concession fees, which are generated from an agreed percentage of gross sales from various concessionaire-related sources, including the food and beverage concessionaire, news and gift concessionaires, specialty retail outlets, advertising revenue, and passenger services revenue.

Rental car facility and concession fees

Rental car facility fees consist of building rental fees associated with the Airport Rent-A-Car Center (ARACC), which derive from the rental of operational space, as well as from the Customer Facility Charge (CFC). The CFC is a charge of $5.50 that car rental customers pay daily for each rented vehicle, which is collected by the car rental companies on behalf of the Airport System. Rental car concession fees consist of a percentage of gross sales from rental car concessionaires. The CFC rate increased from $5.00 to $5.50 on February 1, 2023.

Parking and ground transportation fees

Public parking fees consist of fees collected from public parking provided at the Airport System and includes short-term, long-term, and valet parking, along with fees generated from employee parking. Ground transportation fees consist of percentage fees or trip charges paid to the Airport System by limousine operators, courtesy van operators, bus operators, taxicabs, along with transportation network companies (TNCs).

Gaming fees

Gaming fees are derived from the agreement with the Airport System's gaming provider, which provides that the Airport System receives a percentage of the net profits generated by gaming activity.

Ground rents and use fees

Ground rents and use fees include amounts charged by the Department to private hangar tenants, fixed- base operators, and concessionaires.

Other

General aviation fuel sales consist of jet fuel sales at the general aviation facilities. Other operating income consists of miscellaneous items, such as amounts collected in accordance with auctions of surplus property and various cost recoveries.

Concessionaire Grant Credits

In FY 2023, the Department recognized $2.0 million and $12.5 million from the CRRSA and ARPA concession grants, respectively, to provide financial relief to in-terminal concessionaires who met the outlined FAA criteria. These credits were netted against gross revenues and recognized as non-operating grant revenues in the Statement of Revenues, Expenses, and Changes in Net Position.

Discussion of FY 2023 Operating Revenues

Total operating revenues for the Department as of June 30, 2023 were $589.2 million, an increase of $78.6 million from FY 2022. This can be primarily attributed to the following significant changes:

- Terminal building and use fees
  - The following table summarizes the gross billing and grant credit for FY 2023 (in thousands):

	2023	2022	Change	
Gross Billing	$ 156,134	$ 135,890	20,244	14.9%
Concessionaire grants credit applied				
CRRSA grant credit	(49)	—	(49)	100.0%
ARPA grant credit	(106)	—	(106)	100.0%
Total Revenue	$ 155,979	$ 135,890	$ 20,089	14.8%

  - Terminal building and use fees (gross billing) increased $20.2 million, from $135.9 million in FY 2022 to $156.1 million in FY 2023. This increase was largely due to increases in the terminal complex rental revenue of $11.8 million, and the international passenger processing fees of $8.5 million driven by the increase in international passengers arriving during the fiscal year. A blended terminal complex rental rate of Signatory and Non-signatory increased by 5.4%. These increases were offset by the CRRSA and ARPA grant credit given to concessionaires, totaling $0.2 million in FY 2023.
- Landing fees and other aircraft fees
  - For FY 2023, revenues from landing fees and other aircraft fees were $26.1 million, a decrease of $2.3 million from $28.4 million in FY 2022. Landing fees decreased by $4.9 million from FY 2023 to FY 2022. The decrease is mainly related to the decreased landing fee rate. The blended landing fee rate of signatory and non-signatory decreased by 19.7%. Other aircraft fees increased by $2.6 million from $8.5 million in FY 2022 to $11.1 million in FY 2023, due to the 17.7% increase in passenger enplanements.
- Gate use fees
  - Gate use fees increased $17.1 million from $21.0 million in FY 2022 to $38.1 million in FY 2023. The increase was primarily driven by a 12.9% increase in gate turns from FY 2022, which was offset by a $124 reduction in the average fee charged per turn.
- Terminal Concession fees
  - The following table summarizes the gross billing and grant credit for FY 2023 (in thousands):

	2023	2022	Change	
Gross Billing	$ 96,398	$ 75,176	21,222	28.2%
Concessionaire grants credit applied				
CRRSA grant credit	(842)	—	(842)	100.0%
ARPA grant credit	(10,083)	—	(10,083)	100.0%
Total Revenue	$ 85,473	$ 75,176	$ 10,297	13.7%

Terminal concession fees (gross billing) increased $21.2 million from $75.2 million in FY 2022 to $96.4 million in FY 2023. The increase was primary due to the increase in passenger traffic. Comparing FY 2023 to FY 2022, passenger enplanements increased 17.7%, which consequently increased revenues from terminal food and beverage sales, in-terminal advertising, and passenger services in the terminal. The

increase was offset by CRRSA and ARPA grant credit given to concessionaires, totaling $10.9 million during FY 2023.

- Rental car facility fees
  - Rental car facility fees increased $6.3 million from $34.3 million in FY 2022 to $40.6 million in FY 2023. Consolidated facility charge (CFC) revenue, which is driven by car rental transaction days, increased $6.3 million comparing FY 2023 to FY 2022. Transaction days increased 8.2% over the comparable period.
- Rental car concession fees
  - Rental car concession fees increased $2.7 million from $43.4 million in FY 2022 to $46.1 million in FY 2023. The majority of this change was due to increases in the utilization the ARACC in FY 2023. The rental car tenants within the ARACC reported a 4.8% increase in gross receipts comparing FY 2023 to FY 2022.
- Public and employee parking fees
  - Public and employee parking fees increased $9.6 million, from FY 2022 to FY 2023. The majority of this change was due to increases in the utilization of public parking areas during the fiscal year, as well as an overall increase in the number of individuals working at the Airport terminals in FY 2023. Passenger enplanements increased 17.7% in FY 2023.
- Ground transportation fees
  - The following table summarizes the gross billing and grant credit for FY 2023 (in thousands:)

	2023	2022	Change	
Gross Billing	$ 38,050	$ 30,526	7,524	24.6%
Concessionaire grants credit applied ARPA grant credit	(26)	—	(26)	100.0%
Total Revenue	$ 38,024	$ 30,526	$ 7,498	24.6%

  - Ground transportation fees (gross billing) increased $7.5 million, from FY 2022 to FY 2023. The majority of this change was due to an increase in fees derived from TNCs, which increased $6.5 million, an increase in fees derived from taxicab services which increased $0.9 million, an increase in fees derived from limousine operations which increased $0.1 million and an increase in fees derived from buses and courtesy vehicles of $0.03 million from FY 2022 to FY 2023. The increases were driven by higher passenger counts and were offset by the ARPA grant credit given to concessionaires totaling $0.03 million in FY 2023.

- Gaming fees
  - The following table summarizes the gross billing and grant credit for FY 2023 (in thousands):

	2023	2022	Change	
Gross Billing	$ 61,940	$ 53,085	8,855	16.7 %
Concessionaire grants credit applied				
CRRSA grant credit	(1,137)	—	(1,137)	100.0%
ARPA grant credit	(2,313)	—	(2,313)	100.0%
Total Revenue	$ 58,490	$ 53,085	$ 5,405	10.2%

  - Gaming fees (gross billing) were $61.9 million in FY 2023, an increase of $8.9 million from $53.1 million in FY 2022. This increase can mainly be attributed to increases in passenger traffic; for FY 2023, enplaned passengers increased 17.7% from FY 2022 to FY 2023. The increase was offset by CRRSA and ARPA grant credit given to concessionaires totaling $3.4 million in FY 2023.
- General aviation fuel sales (net of cost)
  - General aviation fuel sales (net of cost) increased $2.2 million from FY 2022 to FY 2023. The majority of this change was attributable to the increase in traffic and activity at the general aviation airports in FY 2023. Gallons of fuel sold at the general aviation airports increased by 7.2% in FY 2023.
- Other operating income
  - Other operating income was $3.9 million, a decrease of $1.2 million from $5.1 million in FY 2022. The decrease was mainly due to the reduction in late fees billings, reflecting improved invoice payment collection. Additionally, the change was also driven by a decrease in land rental income, resulting from the sale of the Beltway Business Park lease portfolio, consisting of 19 leases, in December 2021.

Discussion of FY 2022 Operating Revenues

Total operating revenues for the Department as of June 30, 2022 were $510.7 million, an increase of $96.4 million from FY 2021. This can be primarily attributed to the following significant changes:

- Terminal building and use fees
  - Terminal building and use fees decreased $42.3 million, from $178.2 million in FY 2021 to $135.9 million in FY 2022. This decrease was largely due to decreases in the terminal complex rental revenue of $41.4 million and the international passenger processing fees of $0.8 million. A blended terminal complex rental rate of Signatory and Non-signatory decreased by 21.2%.

- Landing fees and other aircraft fees
  - For FY 2022, revenues from landing fees and other aircraft fees were $28.4 million, a decrease of $2.4 million from $30.8 million in FY 2021. Landing fees decreased by $5.6 million from FY 2022 to FY 2021. The decrease is mainly related to the decrease in the landing fee rate. The blended landing fee rate of Signatory and Non-signatory decreased by 1.3%. This was offset with an increase in other aircraft fees of $3.2 million from FY 2022 to FY 2021 due to the 82% increase in passenger enplanements.
- Gate use fees
  - Gate use fees decreased $5.4 million from $26.4 million in FY 2021 to $21.0 million in FY 2022. A blended aircraft gate use rate of Signatory and Non-signatory decreased by 52.8% comparing FY 2022 to FY 2021.
- Terminal concession fees
  - Terminal concession fees increased $43.9 million from $31.2 million in FY 2021 to $75.2 million in FY 2022. The increase was primarily due to increases in revenues from terminal food and beverage sales, in-terminal advertising and revenues from passenger services in the terminal, largely due to increase in passenger traffic. Passenger enplanements increased 82% from 13.2 million in FY 2021 to 24.0 million in FY 2022. Further, overall in-terminal advertising revenue during FY 2022 increased $12.5 million from $3.5 million in to $16.0 million, due to the addition of new advertisers.
- Rental car facility fees
  - Rental car facility fees increased $10.4 million from 23.9 million in FY 2021 to 34.3 million in FY 2022. Consolidated facility charge (CFC) revenue, which is driven by car rental transaction days, increased $10.4 million comparing FY 2022 to FY 2021. Transaction days increased 35.3% over the comparable period.
- Rental car concession fees
  - Rental car concession fees increased $19.2 million from 24.2 million in FY 2021 to 43.4 million in FY 2022. The majority of this change was due to increases in the utilization the ARACC following the end of the COVID-19 pandemic in FY 2021. The rental car tenants within the ARACC reported an 81.4% increase in gross receipts comparing FY 2022 to FY 2021.
- Public and employee parking fees
  - Public and employee parking fees increased $20.5 million, from FY 2021 to FY 2022. The majority of this change was due to increases in the utilization of public parking areas during the fiscal year, as well as an overall increase in the number of individuals working at the Airport terminals during the same period following the recovery from the COVID-19 pandemic. Passenger enplanements increased 82% in FY 2022.

- Ground transportation fees
  - Ground transportation fees increased $16.1 million, from FY 2021 to FY 2022. The majority of this change was due to an increased in fees derived from TNCs, which increased $10.5 million, an increase in fees derived from taxicab services which increased $3.6 million, an increase in fees derived from limousine operations which increased $1.3 million and increases in fees derived from buses and courtesy vehicles of $0.7 million from FY 2021 to FY 2022. These increases were driven by higher passenger counts.
- Gaming fees
  - Gaming fees were $53.1 million in FY 2022, an increase of $30.0 million from $23.1 million in FY 2021. This increase can mainly be attributed to increases in passenger traffic; for FY 2022, enplaned passengers increased 82% from FY 2021 to FY 2022.

Operating Expenses

The following table summarizes total operating expenses for the fiscal years ended June 30 (in thousands):

				Change			
	2023	2022*	2021	2023 vs 2022		2022 vs 2021	
Salaries and benefits	$ 152,110	$ 100,780	$ 129,800	$ 51,330	50.9%	$ (29,020)	(22.4%)
Professional services	72,851	63,222	57,403	9,629	15.2%	5,819	10.1%
Utilities and communications	31,381	22,699	19,660	8,682	38.2%	3,039	15.5%
Repairs and maintenance	19,998	14,591	10,781	5,407	37.1%	3,810	35.3%
Materials and supplies	20,691	15,239	9,916	5,452	35.8%	5,323	53.7%
General administrative							
Insurance	3,438	3,098	2,346	340	11.0%	752	32.1%
Administrative	5,030	2,793	1,488	2,237	80.1%	1,305	87.7%
	$ 305,499	$ 222,422	$ 231,394	$ 83,077	37.4%	$ (8,972)	(3.9%)

*Refer to Note 1 "Accounting Changes and Restatement"

Discussion of FY 2023 Operating Expenses

For FY 2023, the Department's total operating expenses were $305.5 million, an increase of $83.1 million from $222.4 million in FY 2022. This can be primarily attributed to the following significant changes:

- Salaries and benefits
  - Salaries and benefits increased by $51.3 million from FY 2022 to FY 2023. A significant driver to the increase is an increase in pension expense. Pension expense was $0.6 million in FY 2022 vs $29.7 million in FY 2023 which is an increase of $29.1 million. Pension expense is recorded based upon actuarial analysis. See Note 5, "Retirement System" for further details related to the assumptions used in estimating pension expense. In addition, OPEB expense increased by $17.5 million and retirement

contribution increased by $0.2 million from FY 2022 to FY 2023. See Note 6, "Other Post Employment Benefits" for further detail. Lastly, salaries and wages increased $4.6 million from FY 2022 to FY 2023. The increase is driven by an increase in the full time headcount which increased by 4% from FY 2022 to FY 2023. These increases were offset with a decrease in health insurance expense by $0.03 million.

- Professional services
  - Professional services costs during FY 2023 increased by $9.6 million from FY 2022. The change was partially attributable to $1.1 million in expenditures related to the Airport's name change in FY 2023. In addition, the Department expanded the scope of services to accommodate the growth in general aviation and airliner traffic to the Las Vegas area driven by larger scale events which the city is hosting. Shuttle service expense rose $4.1 million, from $8.5 million in FY 2022 to $12.6 million in FY 2023. Software support and other purchases costs went up by $1.6 million, from $6.5 million in FY 2022 to $8.2 million in FY 2023. Legal expenses increased by $0.6 million, from $0.5 million in FY 2022 to $1.1 million in FY 2023. Services provided by the metropolitan police and fire departments increased $0.3 million, from $36.2 million in FY 2022 to $36.5 million in FY 2023. Security fees also increased $0.5 million, from $2.0 million in FY 2022 to $2.5 million in FY 2023. Additionally, the Department recorded $0.8 million in bond issuance related costs in conjunction with the Series 2022A and 2022B in FY 2023. No bonds were issued in FY 2022. See Note 8, "Long Term Debt" for further detail.
- Utilities and communication
  - Utilities and communication costs during FY 2023 increased by $8.7 million from FY 2022. The change in utilities and communication costs is attributable to increases in electricity costs of $6.0 million as well as increases in natural gas, water and waste disposal costs of $1.1 million, $0.2 million and $0.4 million, respectively. Communication cost increased $0.9 million during FY 2023. Increases in utility and communication costs are attributed to both the rise in utility rates and communication services fees as well as increased passenger traffic experienced during FY 2023.
- Repairs and maintenance
  - Repairs and maintenance expense during FY 2023 increased by $5.4 million from FY 2022. The change in repairs and maintenance expense is attributable to an overall increase in facility maintenance projects as well as increases in third-party service contracts whose values directly related to the increase in passenger traffic during FY 2023.
- Materials and supplies
  - Materials and supplies expense increased $5.5 million from FY 2022 to FY 2023. The majority of this increase related to overall increases in the usage of general operating, electrical and office supplies.

These increases were attributable to the increase in passenger and activity volumes which occurred in FY 2023.

- Administrative
  - Administrative expense increased $2.2 million from FY 2022 to FY 2023. The majority of this increase related to bad debt expense, other administrative expense, and bank charges. Bad debt expense increased $0.4 million from FY 2022 to FY 2023. This increase was directly correlated with the rise in revenue, reflecting the greater volume of transactions and accounts receivable generated. Other administrative expenses increased by $0.3 million from FY 2022 to FY 2023, primarily due to the cost paid for World Routes hosting fees in FY 2023. Additionally, Bank charges also increased $0.5 million in FY 2023, attributed to increased banking and credit card fees.

Discussion of FY 2022 Operating Expenses

For FY 2022, the Department's total operating expenses were $222.4 million, an decrease of $9.0 million from $231.4 million in FY 2021. This can be primarily attributed to the following significant changes:

- Salaries and benefits
  - Salaries and benefits decreased by $29.0 million from FY 2021 to FY 2022. A significant driver to the decrease is a decrease in pension expense. Pension expense was $29.9 million in FY 2021 vs $0.6 million in FY 2022 which is a decrease of $29.3 million. Pension expense is recorded based upon actuarial analysis. See Note 5, "Retirement System" for further details related to the assumptions used in estimating pension expense. In addition, OPEB expense decreased by $2.9 million and retirement contribution decreased by $1.2 million from FY 2021 to FY 2022. See Note 6, "Other Post Employment Benefits" for further detail. Lastly, health insurance expense decreased by $0.7 million in FY 2022. These decreases were offset with an increase in salaries and wages in the amount of $5.2 million. The increase is driven by a County paid bonus of $1,500 to all employees in FY 2022. In addition, the full time headcount increased by 0.3% from FY 2021 to FY 2022.
- Professional services
  - Professional services costs during FY 2022 increased by $5.8 million from FY 2021. The change in professional services costs is attributable to the recovery of COVID-19 pandemic where cost cutting strategies were in practice during FY 2021. The increase in professional service contracts is mainly attributable to the Department increasing the levels of scope of services as passengers returned. Offsetting the increase was the $0.1 million decrease in other professional service fee and $1.6 million

decrease in software support expenses from FY 2021 to FY 2022, which is driven by the Department's implementation of GASB 96 (Refer to Note 1 for additional details).

- Utilities and communication
  - Utilities and communication costs during FY 2022 increased by $3.0 million from FY 2021. The change in utilities and communication costs is attributable to increases in electricity costs of $1.4 million as well as increases in natural gas, water and waste disposal costs of $0.6 million, $0.5 million and $0.4 million, respectively. Increases in utility costs is a direct result of the Department reopening all of its facilities as passenger traffic returned from pandemic levels during FY 2022.
- Repairs and maintenance
  - Repairs and maintenance expense during FY 2022 increased by 3.8 million from FY 2021. The change in repairs and maintenance expense is attributable to an overall increase in general facility maintenance as the Department reopened all of its facilities following the COVID-19 pandemic as well as increases in third-party service contracts whose values directly related to the increase in passenger traffic during FY 2022.
- Materials and supplies
  - Materials and supplies expense increased $5.3 million from FY 2021 to FY 2022. The majority of this increase related to overall increases in the usage of general operating, electrical and office supplies. These increases were attributable to the increase in passenger and activity volumes which occurred in FY 2022.

Non-Operating Revenues and Expenses

The following table summarizes non-operating revenues and expenses for the fiscal years ended June 30 (in thousands):

				Change			
	2023	2022*	2021	2023 vs 2022		2022 vs 2021	
Passenger Facility Charge revenue	$ 110,473	$ 94,026	$ 58,899	$ 16,447	17.5%	$ 35,127	59.6%
Jet A Fuel Tax revenue	17,295	15,708	8,242	1,587	10.1%	7,466	90.6%
Interest and investment income (loss)							
Unrestricted	9,605	(21,127)	5,934	30,732	(145.5%)	(27,061)	(456.0%)
Restricted	9,288	(7,301)	(284)	16,589	(227.2%)	(7,017)	2,470.8%
PFC	1,589	(1,688)	(846)	3,277	(194.1%)	(842)	99.5%
Unrealized gain on investments - derivative instruments	8,411	20,981	20,276	(12,570)	(59.9%)	705	3.5%
Interest expense	(87,916)	(94,167)	(99,125)	6,251	(6.6%)	4,958	(5.0%)
Net gain (loss) from disposition of capital assets	7,826	39,103	(2,653)	(31,277)	(80.0%)	41,756	(1,573.9%)
Other non-operating revenue	9,264	2,805	7,853	6,459	230.3%	(5,048)	(64.3%)
ARPA Grants	156,018	9,695	—	146,323	100.0%	9,695	0.0%
CRRSA Grants	2,031	39,728	36	(37,697)	(94.9%)	39,692	100.0%
CARES Act Airport Grant	—	—	147,193	—	202.5%	(147,193)	(100.0%)
	$ 243,884	$ 97,763	$ 145,525	$ 146,121	149.5%	$ (47,762)	(32.8%)

*Refer to Note 1 "Accounting Changes and Restatement"

Discussion of FY 2023 Non-Operating Revenues/Expenses

For FY 2023, net non-operating revenue increased $146.1 million, from $97.8 million net non-operating revenue in FY 2022 to $243.9 million net non-operating revenue in FY 2023. This can primarily be attributed to the following significant changes:

- Passenger Facility Charge revenue
  - Passenger Facility Charge revenue increased $16.4 million in FY 2023 compared to FY 2022. The increase is attributable to the increase in overall passenger activity during FY 2023. Passenger enplanements increased 17.7% in FY 2023 compared to FY 2022.
- Jet A Fuel Tax Revenue
  - Jet A Fuel Tax revenue increased $1.6 million in FY 2023 compared to FY 2022. This increase is attributable to the increase in aircraft activity at all locations in the Airport System in FY 2023. The increased number of concerts and sporting events, including those at Allegiant Stadium, which opened in late 2020, has significantly contributed to the growth in general aviation traffic to the Las Vegas area.

- Unrestricted interest and investment income (loss)
  - Unrestricted interest and investment income increased $30.7 million in FY 2023 compared to FY 2022 which recorded a $21.1 million loss and can be attributed mainly to significant increases in the rate of return on investments and the fair market value of investments.
- Restricted interest and investment income (loss)
  - Restricted interest and investment income (loss) increased $16.6 million in FY 2023 compared to FY 2022 which recorded $7.3 million loss and can be attributed mainly to significant increases in the rate of return on investments and the fair market value of investments.
- PFC interest and investment income (loss)
  - PFC interest and investment income increased $3.3 million in FY 2023 compared to FY 2022 which recorded $1.7 million loss and can be attributed mainly to significant increases in the rate of return on investments and the fair market value of investments.
- Unrealized gain on investments – derivative instruments
  - The Department’s unrealized gain on investments – derivative instruments decreased from $21.0 million in FY 2022 to $8.4 million in FY 2023. The decrease is attributable to fair value changes in investment derivative instruments from FY 2022 to FY 2023.
- Interest expense
  - Interest expense on the Department's outstanding bonds and interest rate swaps decreased by $6.3 million, to $87.9 million in FY 2023 from $94.2 million in FY 2022. The decrease is driven by interest savings from changes in bond premium amortizations, resulting from refundings of the Series 2012B Passenger Facility Charge Bonds and Series 2013A Jet Aviation Fuel Tax Bonds, along with the early redemption of Series 2008C-1, 2008C-2, Series 2008 General Obligation Series A, and 2013B General Obligation Series B Bonds in FY 2023 as well as scheduled debt service pay downs; see Note 8, "Long Term Debt" for further detail. The decrease is also attributable to the decrease of $0.1 million lease asset interest expense from $0.8 million in 2022 to $0.7 million in 2023 resulting from the scheduled amortization of the lease liability. The decrease was partially offsetting by a small increase of $0.02 million in SBITA interest expense.
- Net gain (loss) from disposition of capital assets
  - Net gain from the disposition of capital assets was $7.8 million in FY 2023 compared to $39.1 million in FY 2022. The Department realized $15.0 million related to land sales in FY 2023 as compared to $38.9 million FY 2022. In FY 2023, the Department also recorded losses of $7.3 million on disposal of capital assets, no such charges recorded in FY 2022.

- Other non-operating revenue
  - Other non-operating revenue increased by $6.5 million for FY 2023 vs FY 2022, reflecting the net effect of changes in non-operating revenues and expenses from land sales auction and appraisal fees. This increase is primarily attributable to a decrease in fees incurred related to land auction, appraisal, and land publication in the amount of $5.3 million as compared to FY 2022. In addition, the increase is also due to a non-CMA land sale of $0.8 million in FY 2023. There were no non-CMA land sale in the previous year.
- ARPA Grants
  - In FY 2023, the Department recognized $156.0 million in non-operating revenue subsidy from the ARPA Grants compared to $9.7 million in FY 2022. Refer to Note 1 for additional information related to this subsidy.
- CRRSA Airport Grant
  - In FY 2023, the Department recognized $2.0 million in non-operating revenue subsidy from the CRRSA Grants compared to $39.7 million in FY 2022. Refer to Note 1 for additional information related to this subsidy.

Discussion of FY 2022 Non-Operating Revenues/Expenses

For FY 2022, net non-operating revenue increased $47.8 million, from $145.5 million net non-operating expense in FY 2021 to $97.9 million net non-operating revenue in FY 2022. This can primarily be attributed to the following significant changes:

- Passenger Facility Charge revenue
  - Passenger Facility Charge revenue increased $35.1 million in FY 2022 compared to FY 2021. The increase is attributable to the increase in overall passenger activity during FY 2022 driven by the COVID-19 pandemic recovery. Passenger enplanements increased 82% in FY 2022 compared to FY 2021.
- Jet A Fuel Tax Revenue
  - Jet A Fuel Tax revenue increased $7.5 million in FY 2022 compared to FY 2021. This increase is attributable to the additional one-cent per gallon tax collected increase which went into effect on July 1, 2021 and was approved by the Board on June 15, 2021.

- Unrestricted interest and investment income (loss)
  - Unrestricted interest and investment income decreased $27.1 million in FY 2022 compared to FY 2021 which recorded $5.9 million income and can be attributed mainly to significant decreases in the fair market value of investments.
- Restricted interest and investment income (loss)
  - Restricted interest and investment loss recognized a $7.0 million loss in FY 2022 compared to FY 2021 which recorded $0.3 million loss and can be attributed mainly to decrease in the fair market value of investments.
- PFC interest and investment income (loss)
  - PFC interest and investment loss recognized $0.8 million additional loss in FY 2022 compared to FY 2021 which recorded $0.8 million loss and can be attributed mainly to decreases in the fair market value of investments.
- Unrealized gain (loss) on investments – derivative instruments
  - The Department’s unrealized gain (loss) on investments – derivative instruments increased from a loss of $20.3 million in FY 2021 to a gain of $21.0 million in FY 2022. The increase is attributable to fair value changes in investment derivative instruments from FY 2021 to FY 2022.
- Interest expense
  - Interest expense on the Department's outstanding bonds, interest rate swaps, lease assets interest, and SBITA interest deceased by $5.0 million, to $94.2 million in FY 2022 from $99.1 million in FY 2021. The decrease is mainly driven by the terminations of 2008 Series A-2, 2008 Series B-2, 2019 Series C, Series 2008D-1, and 2017 Series D in FY 2022 and early redemption of Series 2008D-1 in January 2022 as well as scheduled debt service pay downs; see Note 8, "Long Term Debt" for further detail. The decrease was partially offset by SBITA interest expense related to the implementation of GASB 96. $0.1 million was recorded for SBITA interest expense for FY 2022 (Refer to Note 1 for additional information regarding the implementation of GASB 96).
- Net gain (loss) from disposition of capital assets
  - Net gain from the disposition of capital assets was $39.1 million in FY 2022 compared to a net loss of $2.7 million in FY 2021. The Department realized $38.9 million related to land sales in FY 2022 as compared to $9.6 million in the comparable to FY 2021. In FY 2021, the Department recorded impairment charges of $13.3 million, no such charges recorded in FY 2022.

- Other non-operating revenue
  - Other non-operating revenue decreased by $5.0 million in FY 2022 compared to FY 2021. The decrease is attributed to an increase in fees incurred related to land auction, appraisal, land publication in the amount of $5.0 million as compared to FY 2021.
- ARPA Grant
  - In FY 2022, the Department recognized $9.7 million in non-operating revenue subsidy from the ARPA Grants. Refer to Note 1 for additional information related to this subsidy.
- CRRSA Airport Grant
  - In FY 2022, the Department recognized $39.7 million in non-operating revenue subsidy from the CRRSA Grants. Refer to Note 1 for additional information related to this subsidy.

Capital Contributions

The following table summarizes capital contributions for the fiscal years ended June 30 (in thousands):

				Change			
	2023	2022	2021	2023 vs 2022		2022 vs 2021	
Capital Contributions	$ 20,379	$ 16,650	$ 20,590	$ 3,729	22.4%	$ (3,940)	(19.1%)

Discussion of FY 2023 Capital Contributions

Capital contributions during FY 2023 increased by $3.7 million from FY 2022. The Department recorded $18.4 million in capital contributions related to amounts reimbursable from the FAA compared to $13.0 million million in FY 2022, an increase of $5.4 million. The FAA grants represent the Department's portion of entitlement funds allocated to airports in the United States, based on an enplanement formula, in addition to discretionary grants obtained by the Department. The major FAA grant-funded projects in FY 2023, for which the Department received reimbursement, included a purchase of zero emission vehicle infrastructure, a runway and runway incursion mitigation improvement project as well as apron rehabilitation. The Department also received $2.0 million in donations related to the airport name change fund during FY 2023, which is a decrease of $1.7 million from FY 2022.

Discussion of FY 2022 Capital Contributions

Capital contributions during FY 2022 decreased by $3.9 million from FY 2021. The Department recorded $13.0 million in capital contributions related to amounts reimbursable from the FAA compared to $18.8 million in FY 2021,

a decrease of $5.7 million. The FAA grants represent the Department's portion of entitlement funds allocated to airports in the United States, based on an enplanement formula, in addition to discretionary grants obtained by the Department. The major FAA grant-funded projects in FY 2022, for which the Department received reimbursement, included a holding pad improvements project as well as apron rehabilitation. The Department also received $3.6 million in donation related to the airport name change fund during FY 2022 which is an increase of $2.6 million from FY 2021. The Department recognized $0.8 million related to the security camera system upgrade project under TSA OTAs in FY 2021 while no subsidy related to TSA OTAs was recorded in FY 2022.

Change in Net Position and Ending Net Position

				Change			
	2023	2022*	2021	2023 vs 2022		2022 vs 2021	
Change in net position	$ 354,032	$ 204,714	$ 154,288	$ 149,318	72.9%	$ 50,426	32.7%
Ending net position	2,240,385	1,886,353	1,681,639	354,032	18.8%	204,714	12.2%

*Refer to Note 1 "Accounting Changes and Restatement"

The change in net position is comprised of the changes in operating revenues, operating expenses, non-operating revenues and expenses, capital contributions and capital asset activity. Refer to commentary throughout the MD&A for additional details related to these changes.

Outstanding Debt

The following table summarizes outstanding debt obligations for the fiscal years ended in June 30 (in thousands):

				Change			
	2023	2022	2021	2023 vs 2022		2022 vs 2021	
Senior lien bonds	$ 754,995	$ 754,995	$ 778,630	$ —	—%	$ (23,635)	(3.0%)
Subordinate lien bonds	1,119,375	1,301,395	1,460,220	(182,020)	(14.0%)	(158,825)	(10.9%)
PFC bonds	410,135	466,615	519,040	(56,480)	(12.1%)	(52,425)	(10.1%)
Junior subordinate lien and Jet A bonds	155,540	180,450	185,985	(24,910)	(13.8)%	(5,535)	(3.0%)
General obligation bonds	—	76,020	76,020	—	(100)%	—	—%
Total bonded debt principal outstanding	2,440,045	2,779,475	3,019,895	(339,430)	(12.2%)	(240,420)	(8.0%)
Unamortized premiums	163,638	200,784	237,251	(37,146)	(18.5%)	(36,467)	(15.4%)
Unamortized discounts	(7,045)	(8,046)	(9,051)	1,001	(12.4%)	1,005	(11.1%)
Imputed debt from termination of hedges	—	—	1,962	—	—%	(1,962)	(100.0%)
Current portion of long term debt	(162,355)	(302,725)	(335,290)	140,370	(46.4%)	32,565	(9.7%)
Total outstanding long-term debt obligations	$ 2,434,283	$ 2,669,488	$ 2,914,767	$ (235,205)	(8.8%)	$ (245,279)	(8.4%)

Discussion of FY 2023 Debt

Total outstanding bonded debt for FY 2023 was $2,440.0 million, a decrease of $339.4 million, from $2,779.5 million in FY 2022. The decrease was primarily related to scheduled principal payments made during FY 2023, the early redemption of Series 2008C-2, Series 2008C-3, Series 2008A GO, and Series 2013B GO in January 2023, and the refunding of Series 2012B and Series 2013 Jet A to Series 2022B and Series 2022 Jet A in November 2022. Refer to Note 8 for additional information related to the outstanding debt and early redemption transactions executed in FY 2023. A portion of the outstanding debt during FY 2023 was at a naturally or synthetically fixed interest rate debt, due to interest rate swap agreements. Refer to Note 9 for further detail regarding the Department's swap portfolio.

The Department's credit ratings remained unchanged from FY 2022 to FY 2023 (Refer to Note 15 for related credit rating changes subsequent to FY 2023).

Discussion of FY 2022 Debt

Total outstanding bonded debt for FY 2022 was $2,779.5 million, a decrease of $240.4 million, from $3,019.9 million in FY 2021. The decrease was primarily related to scheduled principal payments made during FY 2022. (Refer to Note 8 for additional information related to the outstanding debt and refunding transactions executed in FY 2022). A portion of the outstanding debt during FY 2022 was at a naturally or synthetically fixed interest rate debt, due to interest rate swap agreements. Refer to Note 9 for further detail regarding the Department's swap portfolio.

On May 13, 2022, S&P Global Ratings raised it's long-term rating and underlying rating to AA- from A+ on the Department's senior airport system bonds and raised to A+ from A- the long-term rating and underlying rating on the Department's subordinate lien debt and PFC revenue debt, the junior-subordinate lien, and the underlying rating on the jet aviation fuel tax bonds. Refer to Note 8 for further detail regarding long-term debt obligations.

Looking Forward

Each fiscal year, the Department updates its five-year capital improvement plan. The Department's current, comprehensive five-year capital improvement plan, includes projects funded by bonds, notes, and federal awards. The Signatory Airlines serving the Department have input into all major projects in the capital improvement plan. The capital improvement account consists of the Department's gaming revenue, the net cash flows from the Airport Rent-A-Car Center, and net operating cash flows. Based on the current five-year projection, it is anticipated that future gaming revenues and future cash flows from the rental car facility, along with existing funds, federal grant awards, and federal reimbursements, will adequately fund the capital improvement account requirements.

Almost all of the airlines who were flying into the Las Vegas area before the COVID-19 pandemic have returned. During FY 2023, Korean Air resumed operations at the Airport. Las Vegas continues to promote and draw large scale events, including many major sporting events. The Airport anticipates hosting many large event passengers in the near future as more events are scheduled to be hosted at Allegiant Stadium, including the Super Bowl in February 2024. Las Vegas will also host Formula 1's Las Vegas Grand Prix in November 2023 and is planned to host the annual race over the next ten years. In addition, the opening of "The Sphere", a new entertainment venue in September 2023, is expected to attract additional special entertainment events to the Las Vegas area.

Additional Information

This financial report is designed to provide a general overview of the Department's finances. For questions about this report or for additional financial information, please contact the Finance Division, Clark County Department of Aviation, at P.O. Box 11005, Las Vegas, NV 89111-1005. Financial and statistical information for the Department may also be found at www.harryreidairport.com.

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CLARK COUNTY DEPARTMENT OF AVIATION
CLARK COUNTY, NEVADA
Statements of Net Position
June 30, 2023 and 2022

Assets and Deferred Outflows of Resources	2023 (000)	2022* (000)
Assets		
Current assets:		
Cash and cash equivalents	$ 669,422	$ 638,422
Cash and cash equivalents, restricted	73,475	89,339
Investments, restricted	106,210	61,970
Accounts receivable, net of allowance of $718 and $457	49,422	51,174
Accounts receivable, restricted	14,295	10,570
Interest receivable	2,732	1,295
Interest receivable, restricted	4,074	643
Grants receivable, restricted	3,993	15,360
Lease receivable	15,588	13,296
Other receivables, restricted	13,207	7,860
Inventories	10,218	9,308
Prepaid expenses and other	2,512	1,461
Total current assets	965,148	900,698
Non-current assets:		
Capital assets:		
Capital assets not being depreciated		
Construction in progress	76,886	43,163
Land	705,795	706,973
Land, restricted	13,018	13,018
Perpetual avigation easement	332,562	332,562
Capital assets being depreciated/amortized		
Land improvements	1,814,641	1,798,565
Buildings and improvements	3,720,290	3,706,530
Furniture and fixtures	36,770	36,835
Machinery and equipment	626,515	633,701
Right of use - leased building	19,085	28,686
Right of use - SBITA	7,562	6,175
	7,353,124	7,306,208
Accumulated depreciation/amortization	(3,450,715)	(3,284,403)
Capital assets, net	3,902,409	4,021,805
Other non-current assets:		
Cash and cash equivalents, restricted	398,683	319,700
Investments, restricted	13,833	82,268
Net other post employment benefits asset, restricted	—	24,683
Derivative instruments - interest rate swaps	10,248	8,861
Lease receivable	42,862	20,872
Prepaid expenses	111	133
Total other non-current assets	465,737	456,517
Total non-current assets	4,368,146	4,478,322
Total assets	5,333,294	5,379,020
Deferred outflows of resources:		
Pension	83,114	60,564
Other post employment benefits	16,179	20,089
Hedging derivative instruments	—	1,040
Losses on bond refundings and on imputed debt	12,367	14,579
Total deferred outflows of resources	111,660	96,272
Total assets and deferred outflows of resources	$ 5,444,954	$ 5,475,292

*Refer to Note 1 "Accounting Changes and Restatement"

See accompanying notes to financial statements.

CLARK COUNTY DEPARTMENT OF AVIATION
CLARK COUNTY, NEVADA
Statements of Net Position
June 30, 2023 and 2022

Liabilities, Deferred Inflows of Resources, and Net Position	2023 (000)	2022* (000)
Liabilities:		
Current liabilities:		
Payable from unrestricted assets:		
Accounts payable and other current liabilities	$ 67,672	$ 95,318
Other accrued expenses	14,212	13,813
Rents received in advance	17,922	14,123
Total payable from unrestricted assets	99,806	123,254
Payable from restricted assets:		
Accounts payable and other current liabilities	9,759	9,942
Accrued interest	61,779	62,212
Current portion of long-term debt	162,355	302,725
Total payable from restricted assets	233,893	374,879
Total current liabilities	333,699	498,133
Noncurrent liabilities:		
Payable from unrestricted assets:		
Net pension liability	221,614	106,501
Total other post employment benefits liability	8,404	42,296
Derivative instruments - interest rate swaps	11,573	20,315
Long term lease liabilities	13,368	22,518
Other non-current liabilities	14,191	11,727
Total payable from unrestricted assets	269,150	203,357
Payable from restricted assets:		
Long-term debt, net of current portion	2,434,283	2,669,488
Total payable from restricted assets	2,434,283	2,669,488
Total noncurrent liabilities	2,703,433	2,872,845
Total liabilities	3,037,132	3,370,978
Deferred inflows of resources:		
Pension	9,004	99,499
Other post employment benefits	85,841	72,451
Hedging derivative instruments	7,987	7,308
Leases	55,621	32,636
Unamortized gain on bond refundings	8,984	6,067
Total deferred inflows of resources	167,437	217,961
Net position:		
Net investment in capital assets	1,454,617	1,169,570
Restricted for:		
Capital projects	93,333	61,613
Debt service	235,301	248,505
Other	82,245	89,057
Total restricted	410,879	399,175
Unrestricted	374,889	317,608
Total net position	2,240,385	1,886,353
Total liabilities, deferred inflows of resources, and net position	$ 5,444,954	$ 5,475,292

*Refer to Note 1 "Accounting Changes and Restatement"

See accompanying notes to financial statements.

CLARK COUNTY DEPARTMENT OF AVIATION
CLARK COUNTY, NEVADA
Statements of Revenues, Expenses, and Changes in Net Position
For the Fiscal Years Ended June 30, 2023 and 2022

	2023 (000)	2022* (000)
Operating revenues:		
Terminal building and use fees	$ 155,979	$ 135,890
Landing fees and other aircraft fees	26,098	28,441
Gate use fees	38,075	20,998
Terminal concession fees	85,472	75,176
Rental car facility and concession fees	86,643	77,684
Parking and ground transportation fees	100,282	83,220
Gaming fees	58,490	53,085
Ground rents and use fees	25,245	24,298
Other	12,949	11,886
	589,233	510,678
Operating expenses:		
Salaries and benefits	152,110	100,780
Professional services	72,851	63,222
Repairs and maintenance	19,998	14,591
Utilities and communication	31,381	22,699
Materials and supplies	20,691	15,239
General administrative	8,468	5,891
	305,499	222,422
Operating income before depreciation and amortization	283,734	288,256
Depreciation and amortization	193,965	197,955
Operating income	89,769	90,301
Non-operating revenues (expenses):		
Passenger Facility Charge	110,473	94,026
Jet A Fuel Tax	17,295	15,708
Interest and investment income (loss)	28,893	(9,135)
Interest expense	(87,916)	(94,167)
Net gain from disposition of capital assets	7,826	39,103
Other non-operating revenue	9,264	2,805
ARPA Airport Grant	156,018	9,695
CRRSA Act Airport Grant	2,031	39,728
	243,884	97,763
Income before capital contributions	333,653	188,064
Capital contributions	20,379	16,650
Change in net position	354,032	204,714
Net position, beginning of year	1,886,353	1,681,639
Net position, end of year	$ 2,240,385	$ 1,886,353

*Refer to Note 1 "Accounting Changes and Restatement"

See accompanying notes to financial statements.

CLARK COUNTY DEPARTMENT OF AVIATION
CLARK COUNTY, NEVADA
Statements of Cash Flows
For the Fiscal Years Ended June 30, 2023 and 2022

	2023 (000)	2022* (000)
Cash flows from operating activities:		
Cash received from customers	$ 544,534	$ 517,997
Cash paid to employees	(140,560)	(138,276)
Cash paid to outside vendors	(147,625)	(83,836)
Net cash provided by operating activities	256,349	295,885
Cash flows from non-capital financing activities:		
Federal grants and reimbursements received	170,360	37,149
Cash flows from capital and related financing activities:		
Collateralized agreements with swap counterparties	1,090	5,570
Passenger Facility Charges received	106,748	96,126
Jet A Fuel Tax received	17,061	14,868
Acquisition and construction of capital assets	(77,011)	(152,321)
Right of Use - SBITA payments	(1,635)	(1,631)
Federal grants and reimbursements received	17,485	14,570
Bond refunding payments	(7,625)	—
Proceeds from CMA Land sales	109,285	389,667
Payment for CMA Land sales	(94,138)	(358,138)
Proceeds from capital asset disposal	2,592	153
Donations received for airport name change	1,950	3,616
Build America Bonds subsidy	5,775	5,113
Debt service payments:		
Principal	(328,895)	(240,420)
Interest	(121,483)	(126,709)
Lease interest received	576	476
Lease payments	(2,787)	(1,863)
SBITA interest payments	(134)	(117)
Net cash used in capital and related financing activities	(371,146)	(351,040)
Cash flows from investing activities:		
Interest and investment income received (paid)	14,361	(31,324)
Proceeds from maturities of investments	272,194	210,340
Purchase of investments	(247,999)	(241,731)
Net cash provided by (used by) investing activities	38,556	(62,715)
Increase (decrease) in cash and cash equivalents	94,119	(80,721)
Cash and cash equivalents, beginning of year	1,047,461	1,128,182
Cash and cash equivalents, end of year	$ 1,141,580	$ 1,047,461
Cash and cash equivalent balances:		
Unrestricted cash and cash equivalents	669,422	638,422
Restricted cash and cash equivalents	472,158	409,039
Cash and cash equivalents, end of year	$ 1,141,580	$ 1,047,461

*Refer to Note 1 "Accounting Changes and Restatement"

See accompanying notes to financial statements.

CLARK COUNTY DEPARTMENT OF AVIATION
CLARK COUNTY, NEVADA
Statements of Cash Flows
For the Fiscal Years Ended June 30, 2023 and 2022

Reconciliation of operating income to net cash provided by operating activities:	2023 (000)	2022* (000)
Operating income	$ 89,769	$ 90,301
Adjustments to reconcile income from operations to net cash from operating activities:		
Depreciation and amortization	193,965	197,955
Changes in operating assets and liabilities:		
Accounts receivable	1,752	(374)
Other receivables	(537)	221
Inventory	(912)	306
Prepaid expenses	(515)	451
Lease receivables	(24,281)	13,375
Net other post employment benefits asset	24,683	(10,362)
Deferred outflows - pension	(22,549)	(36,683)
Deferred outflows - other post employment benefits	3,910	339
Accrued payroll and benefits	1,390	(3,640)
Accounts payable and other accrued expenses	(41,297)	36,803
Unearned revenue	3,799	6,984
Deposits	71	991
Net pension liability	115,113	(77,447)
Net other post employment benefits liability	(33,892)	2,555
Deferred inflows - pension	(90,496)	88,478
Deferred inflows - other post employment benefits	13,391	(736)
Deferred inflows - leases	22,985	(13,632)
Net cash provided by operating activities	$ 256,349	$ 295,885
Non-cash capital and related financing and investing activities:		
Capital asset additions with outstanding accounts payable	$ 14,452	$ 5,496
Gain on investments - derivative instruments	$ 8,411	$ 20,981
Gain (loss) on investments - other investments	$ 38,129	$ (30,350)
Refunding bond payments made in escrow account	$ (94,165)	$ —
Refunding bond proceeds deposited in escrow account	$ 83,630	$ —

*Refer to Note 1 "Accounting Changes and Restatement"

See accompanying notes to financial statements.

1.) SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

(a) Reporting Entity

The Clark County Department of Aviation (Department) is a department of Clark County (County), a political subdivision of the State of Nevada. The Department, under the supervision of the Board of County Commissioners (Board) and the County Manager, is established to operate Harry Reid International Airport (Airport) and the four other general aviation facilities owned by the County: North Las Vegas Airport, Henderson Executive Airport, Jean Sport Aviation Center, and Overton-Perkins Field (all collectively referred to as the Airport System). The Board is the governing body of the County. The seven Board members are elected from County commission election districts to four-year staggered terms. The Board appoints the Director of Aviation, who is charged with the day-to-day operation of the Department.

Only the accounts of the Department are included in the reporting entity. The Airport System is owned and operated as an enterprise fund of the County and is included as part of the County's government-wide financial statements and the County's Annual Comprehensive Financial Report (ACFR). Therefore, these financial statements do not purport to represent the financial position or changes in financial position of the County as a whole.

(b) Basis of Accounting

The accounting principles used are similar to those applicable to a commercial business enterprise, where the costs of providing services to the public are recovered through user fees. The Department is not subsidized by any tax revenues of the County.

The financial statements of the Department, an enterprise fund, are presented applying the accrual basis of accounting. Revenues are recorded when earned. The Department's operating revenues are derived from fees earned by airlines, concessionaires, tenants, and other users of Airport System facilities. These fees are based on usage fees established by the Department and approved by the Board or established in accordance with the Airline–Airport Use and Lease Agreement, discussed in more detail in the "Airline Rates and Charges" section of this note. Expenses are recognized when incurred. Non-operating revenue/expenses primarily consist of interest income, gains and losses on derivative instruments, Passenger Facility Charge proceeds, Jet A Fuel Tax revenues, interest expense on outstanding Department debt, Build America Bond subsidies, grant funding, and the net gain or loss from the disposition of capital assets.

(c) Cash and Cash Equivalents

The Department's pooled funds and short-term investments, having original maturities of three months or less from the date of acquisition, are considered to be cash equivalents.

(d) Investments

Investments, consisting of federal government obligations and repurchase agreements, guaranteed investment certificates, and collateralized investment agreements, are stated at fair value. Investments in the County's pooled Treasurer's cash account are reported at fair value.

(e) Accounts Receivable

Accounts receivable are reported net of an allowance for doubtful accounts. The allowance for doubtful accounts is based on management's assessment of the potential for losses, taking into account historical experience and currently available information.

(f) Inventories

Inventories consist of fuel and supplies which have been valued at cost, parts and supplies which have been valued at average cost, and merchandise for resale to customers which has been valued at lower of cost or market.

(g) Capital Assets

Capital assets with a useful life of more than one year are capitalized and recorded at historical cost except for intangible right-to-use lease and SBITA assets, the measurement of which is discussed below within Note 1 (h). The capitalization threshold is $5,000. Costs related to the alteration or demolition of existing facilities during major expansion programs are capitalized as additional costs of the program. Depreciation is computed using the straight-line method based on useful lives currently estimated as follows:

Land Improvements	20-50 years
Buildings and Improvements	20-50 years
Furniture and Fixtures	5-15 years
Machinery and Equipment	3-15 years

Repairs and maintenance costs are charged to operations as incurred, unless they have the effect of improving or extending the life of an asset, in which case they are capitalized as part of the cost of the asset.

(h) Leases and Subscription-Based Information Technology Arrangements

Lessor

The Department leases land, buildings, and terminal space to various tenants and concessionaires under operating agreements. With the adoption of GASB 87, all leases are categorized into three types (1) GASB 87 - Included ("Included") (2) GASB 87 - Exempted - Regulated Lease and (3) Short-term Leases. Refer to Note 12 for further discussion of the lease types. The Department does not recognize a lease receivable and a deferred inflow of resources for short-term leases in accordance with GASB 87. A short-term lease is defined as a lease that, at the commencement of the lease term, has a maximum possible term under the lease contract of twelve months or less, including any options to extend, regardless of their probability of being exercised. Public and employee parking monthly rent agreements were considered as short-term leases and excluded from the GASB 87 implementation.

For Included leases, at the inception of a lease, the Department initially measures the lease receivable and the deferred inflow of resource at the present value of lease payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the lease payments received. The deferred inflow of resources is recognized as revenue over the agreement terms. The present value calculation includes the following key inputs: (1) discount rate (2) lease term and (3) lease payments.

The Department will closely monitor changes in circumstances that would requirement the remeasurement of the present value of each lease.

Lessee

The Department entered into a twenty-two year lease agreement for use of an administrative office building. Similar to the Lessor side, key estimates for present value calculation includes (1) discount rate (2) lease term and (3) lease payments.

At the commencement of a lease, the Department initially measures the lease payable and the right of use - leased building asset at the present value of the lease payments expected to be paid until the end of the lease term.

Subsequently, the lease payable is reduced by the lease payments paid. The right of use - leased building asset is amortized over the agreement shorter of the estimated useful life of the asset or the agreement period.

The Department will closely monitor changes in circumstances that would requirement the remeasurement of the present value of each lease.

SBITA

The Department entered into various Subscription-Based Information Technology Arrangements (SBITAs) for operational, security, and productivity software. Similar to the lease arrangements, key estimates for the present value calculation for SBITAs include (1) the discount rate, (2) the duration of the subscription agreement, and (3) the subscription payments.

At the inception of a subscription, the Department initially measures the SBITA payable and the right-of-use SBITA asset at the present value of the subscription payments excepted to be paid over the term of the agreement. Subsequently, the SBITA payable is reduced by the subscription payments made. The right-of-use SBITA asset is amortized over the shorter of the estimated useful life of the asset or the contract period.

The Department continually monitors changes in circumstances that would require the remeasurement the present value of each SBITA.

(i) Derivative Instruments

The Department has both hedging derivative instruments and investment derivative instruments, which are reported at fair value.

(j) Deferred Outflows and Inflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to future periods, and would not be recognized as an outflow of resources (expense/expenditure) until then. Deferred outflows from losses on bond refundings and on imputed debt are unamortized balances resulting from advance bond refundings and deferred losses incurred on the re-association and revaluation of interest rate swaps paired to certain bonds that were refunded. The hedging instruments generate deferred outflows from the changes in the fair value of interest rate swaps serving as hedging derivative instruments at the end of the fiscal year. The pension related amounts resulted

from the Department's pension contributions subsequent to the plan measurement date, changes in proportion since the prior measurement date, and differences between expected and actual experience with economic and demographic factors. The other post employment benefits related amounts resulted from the Department's other post employment benefit plans contributions and benefit payments subsequent to the plan measurement date, as well as differences between expected and actual experience with economic and demographic factors.

Deferred inflows of resources represent an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows from refundings are unamortized balances resulting from advance bond refundings. Deferred inflows from the derivative instruments are the changes in the fair value of interest rate swaps serving as hedging derivative instruments at the end of the fiscal year. Deferred inflows from leases are unamortized balances of the lease payments that are recognized in future periods over the lease term. Deferred inflow balances resulting from the the pension amounts resulted from the difference between projected and actual experience with economic and demographic factors, the difference between projected and actual investment earnings, changes in proportionate share of collective net pension liability, and the difference between employee contributions and proportionate share of contributions. The other post employment benefit related amounts resulted from changes in actuarial assumptions, differences between expected and actual experience with economic and demographic factors, and the net excess of actual investment earnings over projected investment earnings on the Department's other post employment plan investments.

(k) Federal Grants and Other Transaction Agreements

Amounts received from Federal Aviation Administration (FAA) grants and Transportation Security Administration (TSA) other transaction agreements (OTAs) are restricted for certain capital improvements and are reported as capital contributions. Such funds are generally available for reimbursement upon the acquisition of the specific asset or upon the incurrence of costs for a project and are accrued as receivables at that time.

In February 2021, the Department was notified of its eligibility for $41.8 million of funds under the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). The FAA distributes these grants under the new Airport Coronavirus Response Grant Program (ACRGP). $5.3 million is specifically designated for relieving rent and minimum annual guarantees for concessionaires. The Department has recognized $2.0 million and $39.7 million from the CRRSAA in non-operating revenue for FY 2023 and 2022, respectively.

On March 11, 2021, the American Rescue Plan Act of 2021 (Rescue Act) was signed into law. The Department was notified of its eligibility to receive $171.7 million. $21.2 million is specifically designated for relieving rent and

minimum annual guarantees for concessionaires. The Department has recognized $156.0 million and $9.7 million from the Rescue Act in non-operating revenue for FY 2023 and 2022, respectively.

On November 15, 2021, the Bipartisan Infrastructure Law (BIL) was signed into law to address repairs and maintenance needs for facilities and equipment, airport infrastructure, and air traffic facilities. The Department was awarded $45.7 million and $45.7 million from the airport infrastructure program for federal FY 2023 and FY 2022, respectively. Additional to the airport infrastructure program, for federal FY 2023, the Department received two grants totaling $47.5 million from the airport terminals program to upgrade the baggage handling systems in two terminals to enhance capacity, security, reliability and energy efficiency. No amounts were recognized from the BIL in FY 2022 and FY 2023.

(l) Passenger Facility Charge

The Passenger Facility Charge (PFC) Program allows the collection of PFC fees up to $4.50 per boarded passenger at commercial airports controlled by public agencies. The Department uses these fees to fund FAA-approved projects that enhance safety, security, or capacity; reduce noise; or increase air carrier competition.

The Department recorded $110.5 million and $94.0 million in PFC fees for the years ended June 30, 2023 and 2022, respectively.

(m) Airline Rates and Charges

Effective July 1, 2010, the Department entered into a Airline-Airport Use and Lease Agreement (Agreement) with airlines serving the Las Vegas market; the Agreement had a five-year term with a two- year extension option. The Agreement incorporates the lease and use of the terminal complex, apron areas, and airfields at the Airport System. On November 5, 2014, the Board approved an amendment to the Agreement (2014 Amendment) which extended the terms of the Agreement through June 30, 2020. On July 21, 2020, the Board approved an amendment to the Agreement (2020 Amendment) which extended the terms of the Agreement through June 30, 2021 with extension options through June 30, 2030.

The Agreement establishes a residual rate-making methodology for the Airport System through both direct and indirect cost centers. The net cash flows from the Airport System's gaming fees and the Airport Rent-A-Car Center are set aside in a capital improvement account, the balance of which may be used to pay the costs of future capital projects or pay down outstanding Department debt.

Rates and charges are calculated annually at the beginning of each fiscal year, pursuant to budgeted revenues, expenses, and debt service requirements. The established rates and charges are reviewed and adjusted, if necessary, throughout each fiscal year to ensure that sufficient Department revenues are generated to satisfy all the requirements of the Master Indenture of Trust dated May 1, 2003, as amended, which governs the issuance of certain debt.

At the close of each fiscal year, audited financial data, in conjunction with the balance in the rate stabilization account, will be used to determine if any additional amount is due to or from the Signatory Airlines in accordance with the Agreement (airline true-up). In the event an overpayment is due, the Department will refund such overpayment to the Signatory Airlines; in the event an underpayment is owed, the Department will invoice the Signatory Airlines the underpayment within 30 days of such determination. For the fiscal years ended June 30, 2023 and 2022, the Department recorded a payable due to the airlines of $22.0 million and $71.4 million, respectively.

Certain airline landing fees, terminal building rentals, gate use fees, and passenger fees are used to calculate the airline rental and fee revenue, which is used to calculate cost per enplaned passenger. The following is the cost per enplaned passenger for the fiscal years ended June 30, 2023 and 2022:

	June 30, 2023	June 30, 2022
Airline rental and fee revenue *	$ 191,746	$ 160,437
Enplaned passengers * (unaudited)	28,276	24,025
Cost per enplaned passenger	$ 6.78	$ 6.68

* Figures are reported in thousands.

(n) Restricted Assets and Liabilities

Restricted assets consist of cash, investments, and other resources that are legally restricted to certain uses pursuant to the Master Indenture of Trust dated May 1, 2003. Capital program funds are restricted to pay the cost of certain capital projects as defined in various bond ordinances. PFC program funds are restricted to pay the cost of FAA-approved capital projects and any debt service incurred to finance these projects. Debt service funds are restricted to sourcing payments for principal, interest, sinking funds, and coverage as required by specific bond covenants.

(o) Budgetary Control

As an enterprise fund of the County, the Department is subject to the budgetary requirements of the State of Nevada (State), including budgetary hearings and public meetings as required by the County's overall budget

process. Accordingly, the Board approves the Department's annual budget and any subsequent changes thereto. The Department's budget is prepared using the accrual basis of accounting, and actual expenses cannot exceed total budgeted operating expenses without action pursuant to the State's budgetary requirements. Appropriations for operating expenses lapse at the end of each fiscal year.

(p) Use of Estimates

The preparation of financial statements in accordance with Generally Accepted Accounting Principles in the United States of America requires the Department to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates and assumptions.

(q) Net Position

Net position represents all assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources. Net position is displayed in the Statements of Net Position in the following categories:

- 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.
- Restricted: Net position subject to externally imposed stipulations on their use.
- Unrestricted: All remaining net position not meeting the definition of net investment in capital assets or restricted.

When both restricted and unrestricted resources are available for the same purpose, restricted net position is considered to be used first over unrestricted net position.

(r) Name Change

On December 2021, the Airport officially changed its name to Harry Reid International Airport. As stipulated by the Board's direction, all funds expended to effect the Airport name change must come from private donations. The total estimated amount for this project is $7.7 million. The Department received donations totaling $4.6 million in FY 2022. An additional $2.0 million in donations was received during FY 2023.

(s) Accounting Changes and Restatements

The Department adopted GASB Statement No. 96, Subscription-Based Information Technology Arrangements (GASB 96), effective for the period beginning July 1, 2022 and reflected in the financial statements for the period beginning July 1, 2021 for comparability purposes. The implementation of this standard requires recognition of certain intangible assets and corresponding liabilities for subscription-based IT arrangements that previously were treated as service contracts, recognizing expenses as the services were used or as payments became due. GASB 96 establishes a unified approach to accounting for subscription-based IT arrangements based on the foundational principle that these arrangements covey control of the right to use a subscription-based IT software as an intangible asset, including additional note disclosure. Under this Statement, subscription-based IT arrangements is required to recognize a right-to use subscription asset and a corresponding subscription liability.

The net adjustment to adopt the standard is now reflected for the period beginning July 1, 2021. Additional adjustments reclassification of subscription expenses and related costs in accordance with GASB 96 during FY 2022. Adjustments related to the accounting change are all summarized as follows (in thousands):

	July 1, 2021- as Restated - related to GASB 96	GASB 96- Effect of Adoption	June 30,2022- As Restated
Statement of Net Position			
Right of use - SBITA	$ 1,035	$ 5,140	$ 6,175
Accumulated Amortization - SBITA	—	(1,216)	(1,216)
SBITA Liability - current portion	484	1,067	1,551
SBITA Liability - long term portion	551	2,442	2,993
Net Position-Unrestricted	—	415	317,608
Statement of Revenues, Expenses, and Changes in Net Position			
Professional services	$ —	$ (1,693)	$ 63,222
General administrative	—	(55)	5,891
Depreciation and Amortization	—	1,216	197,955
Interest expense	—	117	(94,167)
Change in net position	—	415	204,714

(t) Reclassifications

Certain minor reclassifications have been made in the fiscal year 2022 financial statements to confirm to the fiscal year 2023 presentation. There was no impact on net position or changes in net position.

2.) CASH AND INVESTMENTS

According to Nevada Revised Statutes, County monies must be deposited with federally insured banks, credit unions, or savings and loan institutions situated within the County. The County is authorized to use demand accounts, time accounts, and certificates of deposit. State statutes do not specifically require collateral for demand deposits, but do specify that collateral for time deposits may be of the same type as that described for permissible investments. Permissible investments are similar to the allowable County investments described below, except the statutory language permits a longer term and include securities issued by municipalities within Nevada.

The County's deposits are fully covered by federal depository insurance or collateral held by the County's agent in the County's name. The County has written custodial agreements in force with the various financial institutions' trust banks for demand deposits and certificates of deposits. These custodial agreements pledge securities totaling 102% of the deposits with each financial institution. The County has a written agreement with the State Treasurer for monitoring the collateral maintained by the County's depository institutions.

The majority of all cash and investments of the Department are included in the investment pool of the Clark County Treasurer (Treasurer) and the Department's Trustee, the Bank of New York Mellon. As of June 30, 2023 and 2022, these amounts were distributed as follows (in thousands):

	June 30, 2023	June 30, 2022
Clark County Investment Pool	$ 865,886	$ 808,654
Cash and Investments with Trustee	381,025	369,733
Custodian Account	9,140	8,050
Cash On Hand or In Transit	5,572	5,262
Total	$ 1,261,623	$ 1,191,699

(a) Interest Rate Risk

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. Through its investment policy, the County manages its exposure to fair value losses arising from

increasing interest rates by limiting the average weighted duration of its investment pool to fewer than 2.5 years. Duration is a measure of the present value of a fixed income security's cash flows and is used to estimate the sensitivity of a security's price to interest rate changes.

(b) Interest Rate Sensitivity

As of June 30, 2023 and 2022, the County invested in the following types of securities that have a higher sensitivity to interest rates:

- *Callable securities* are directly affected by the movement of interest rates. Callable securities allow the issuer to redeem, or call, a security before maturity, either on a given date or, generally, on coupon dates.

- *Asset Backed Securities* are financial securities backed by a loan, lease, or receivable against assets other than real estate and mortgage backed securities. These securities are subject to interest rate risk in that the value of the assets fluctuates inversely with changes in the general levels of interest rates.

- *A Corporate Note Floater* is a note with a variable interest rate that is usually, but not always, tied to an index.

- *Step-up* or *step-down securities* have fixed rate coupons for a specific time interval that will step up or step down a predetermined number of basis points at scheduled coupon dates or other reset dates. These securities are callable either one time or on their coupon dates.

(c) Credit Risk

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The County's investment policy applies the prudent-person rule: In investing the County's monies, there shall be exercised the judgment and care under the circumstances then prevailing which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The County's investments were rated by Moody's Investors Service (Moody's) and Standard & Poor's (S&P) as follows:

	Moody's	S&P
U.S. Treasury Bills	P-1	A-1+
U.S. Treasury Notes	Aaa	AA+
U.S. Agency Callables	Aaa	AA+
U.S. Agency Non Callables	Aaa	AA+
Corporate Notes	A2	A-
Money Market Funds	Aaa	AAA
Commercial Paper Discount	P-1	A-1
Negotiable Certificates of Deposit	P-1	A-1
Asset Backed Securities	Aaa	AAA

(d) Concentration of Credit Risk

Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County's investment policy limits the amount that may be invested in obligations of any one issuer, except direct obligations of the U.S. government or federal agencies, to no more than 5% of the County Investment Pool.

At June 30, 2023, the following investments exceeded 5% of the total Department investments:

Federal Farm Credit Bank (FFCB)	6.47 %
Federal Home Loan Bank (FHLB)	6.46 %
Federal National Mortgage Association (FNMA)	6.71 %

As of June 30, 2022, the following investments exceeded 5% of total Department investments:

Federal Farm Credit Banks (FFCB)	10.21 %
Federal Home Loan Banks (FHLB)	6.60 %
Federal National Mortgage Association (FNMA)	13.67 %

(e) Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

(f) Trustee Cash

In accordance with the Master Indenture of Trust dated May 1, 2003, as amended, between the County and the Bank of New York Mellon (Trustee), the Department uses the Trustee to retain all debt service reserve funds and to make all annual debt service payments to bondholders. As of June 30, 2023 and 2022, the Trustee held $381.0 million and $369.7 million, respectively, of the Department's cash and investments restricted for debt service reserves, bond proceeds, and annual debt service payments.

As of June 30, 2023, of the $381.0 million held by the Trustee, $261.0 million in cash and cash equivalents was invested in United States Government Money Market Funds, and $120.0 million was invested in short- and long-term investments with entities as follows (in thousands):

		Investment Maturities (in years)		
Investment Type	Fair Value	Less Than 1	1 to 3	3 to 5
US Treasury Bills	$ 38,645	$ 38,645	$ —	$ —
US Treasury Notes	57,824	57,824	—	—
Federal Farm Credit Bank Non-Callables	7,766	1,991	5,775	—
Federal Home Loan Bank Non-Callables	7,750	7,750	—	—
Federal National Mortgage Association Non-Callables	8,058	—	8,058	—
	$ 120,043	$ 106,210	$ 13,833	$ —

Investment Ratings	Moody's	S&P
US Treasury Bills	P-1	A-1+
US Treasury Notes	Aaa	AA+
Federal Farm Credit Bank Non-Callables	Aaa	AA+
Federal Home Loan Bank Non-Callables	Aaa	AA+
Federal National Mortgage Association Non-Callables	Aaa	AA+

As of June 30, 2022, of the $369.7 million held by the Trustee, $225.5 million in cash and cash equivalents was invested in United States Government Money Market Funds, and $144.2 million was invested in short- and long-term investments with entities as follows (in thousands):

Investment Type	Fair Value	Investment Maturities (in years) Less Than 1	1 to 3	3 to 5
US Treasury Bills	$ 18,990	$ 18,990	$ —	$ —
US Treasury Notes	81,294	24,643	56,651	—
Federal Farm Credit Bank Non-Callables	14,721	6,845	7,876	—
Federal Home Loan Bank Non-Callables	9,519	—	9,519	—
Federal National Mortgage Association Callables	19,714	11,492	8,222	—
	$ 144,238	$ 61,970	$ 82,268	$ —

Investment Ratings	Moody's	S&P
US Treasury Bills	P-1	A-1+
US Treasury Notes	Aaa	AA+
Federal Farm Credit Bank Non-Callables	Aaa	AA+
Federal Home Loan Bank Non-Callables	Aaa	AA+
Federal National Mortgage Association Callables	Aaa	AA+

(g) Fair Value of Combined Investments and Derivative Instruments

The fair value of the Department's investments and derivative instruments as of June 30, 2023 and 2022, is as follows (in thousands):

As of June 30, 2023 Investment Type	Fair Value	Fair Value Measurements: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Debt Securities with Clark County Investment Pool	$ 865,886	$ 344,312	$ 521,574
Debt Securities held by Trustee			
U.S. Treasury Bills	38,645	38,645	—
U.S. Treasury Notes	57,824	57,824	—
Federal Farm Credit Bank Non-Callables	7,766	—	7,766
Federal Home Loan Bank Non-Callables	7,750	—	7,750
Federal National Mortgage Association Non-Callables	8,058	—	8,058
Money Market Funds	260,982	260,982	—
Subtotal	381,025	357,451	23,574
Debt Securities Derivative Instruments			
Derivative Instruments - Assets	10,248	—	10,248
Derivative Instruments - Liability	(11,573)	—	(11,573)
Subtotal	(1,325)	—	(1,325)
Total	$ 1,245,586	$ 701,763	$ 543,823

As of June 30, 2022		Fair Value Measurements	
Investment Type	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Debt Securities with Clark County Investment Pool	$ 808,654	$ 255,073	$ 553,581
Debt Securities held by Trustee			
U.S. Treasury Bills	18,989	18,989	—
U.S. Treasury Notes	81,294	79,144	2,150
Federal Farm Credit Bank Non-Callables	14,722	—	14,722
Federal Home Loan Bank Non-Callables	9,519	—	9,519
Federal National Mortgage Association Non-Callables	19,714	—	19,714
Money Market Funds	225,495	225,495	—
Subtotal	369,733	323,628	46,105
Debt Securities Derivative Instruments			
Derivative Instruments - Assets	8,861	—	8,861
Derivative Instruments - Liability	(20,315)	—	(20,315)
Subtotal	(11,454)	—	(11,454)
Total	$ 1,166,933	$ 578,701	$ 588,232

Securities classified at Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities or offer same-day liquidity at a price of par. Securities classified at Level 2 of the fair value hierarchy are generally valued using a matrix pricing technique. Matrix pricing is the process of estimating the market price of a bond based on the quoted prices of more frequently traded comparable bonds.

3.) GRANTS RECEIVABLE

Grants receivable as of June 30, 2023 and 2022, consists of the following (in thousands):

	June 30, 2023	June 30, 2022
Rescue Act	$ —	$ 9,040
CRRSA Act	—	3,271
FAA Grants	3,993	3,049
Total	$ 3,993	$ 15,360

4.) RESTRICTED ASSETS

The Master Indenture of Trust requires segregation of certain assets into restricted accounts. The Department has also included Passenger Facility Charges and Jet A Fuel Tax revenue-related assets as restricted assets, because these assets have been pledged for capital projects and debt service. Restricted assets consist of the following at June 30, 2023 and 2022 (in thousands):

	June 30, 2023	June 30, 2022
Restricted for capital projects:		
Cash and investments - PFC and other bond proceeds	$ 31,290	$ 31,533
Cash and investments - PFC	57,777	28,613
Cash and investments - FAA grant reimbursements	8,506	1,885
Accounts receivable - PFC	14,295	10,570
Grant reimbursements receivable	3,993	15,360
Interest receivable	3,931	570
Subtotal restricted for capital projects	119,792	88,531
Restricted for debt service:		
Bond funds:		
Cash and investments - PFC bonds	68,295	66,728
Cash and investments - other bonds	173,551	159,285
Other receivable	10,226	5,113
Subtotal restricted for bond funds	252,072	231,126
Debt service reserves:		
Cash and investments - PFC bonds	36,046	35,174
Cash and investments - other bonds	101,454	138,613
Subtotal restricted for debt service reserves	137,500	173,787
Subordinate and other debt coverage reserves:		
Cash and investments	36,914	32,041
Interest receivable	143	73
Other receivable - Jet A Fuel Tax	2,981	2,747
Subtotal restricted for subordinate and other debt coverage reserves	40,038	34,861
Subtotal restricted for debt service	429,610	439,774
Other restricted assets:		
Cash and investments - Working capital and contingency	25,458	18,681
Cash and investments - Capital fund and rate stabilization	43,770	32,674
Custodian account	9,140	8,050
Net other post employment benefits asset	—	24,683
Land - Heliport facility	3,718	3,718
Land - Henderson runway	9,300	9,300
Subtotal other restricted assets	91,386	97,106
Total restricted assets	$ 640,788	$ 625,411
Restricted assets by class:		
Total current assets	$ 215,254	$ 185,742
Total capital assets	13,018	13,018
Total other non-current assets	412,516	426,651
Total restricted assets:	$ 640,788	$ 625,411

5.) RETIREMENT SYSTEM

Plan Description

Public Employees Retirement System of Nevada (PERS or System) administers a cost-sharing, multiple-employer, defined benefit public employees' retirement system which includes both regular and police/fire members. The Department contributes, through the County, to the System. The System was established by the Nevada Legislature in 1947, effective July 1, 1948. The System is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earnings capacities have been removed or substantially impaired by age or disability.

As of June 30, 2023 and 2022, the Department had a net pension liability of $221.6 million and $106.5 million, respectively, which represents the Department's percentages, 14.7% and 15.1%, respectively, of the County's net pension liability. These percentages were determined based on the contributions to PERS by the Department during fiscal years 2022 and 2021, relative to the total contributions to PERS by the County during those fiscal years.

Benefits Provided

Benefits, as required by the Nevada Revised Statutes (NRS or statute), 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, and July 1, 2015. 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 as 2.50% 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 2.5% service time factor and for regular members entering the System on or after July 1, 2015, there is a 2.25% factor. 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 authority of NRS §286.575-.579.

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 entering the System on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, or 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, 2020, are eligible for retirement at 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. Policy/fire members entering the System on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, at age 60 with ten years of service, at age 50 with 20 years of service and at any age with 33 1/3 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.

Contributions

The authority for establishing and amending the obligation to make contributions and member contribution rates is set by statute. 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. Contributions are shared equally by employer and employee. Employees can take a reduced salary and have contributions made by the EPC or can make contributions by a payroll deduction matched by the employer.

The System's basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due.

The System receives an actuarial valuation on an annual basis indicating the contribution rates required to fund the System on an actuarial reserve basis. Contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased or decreased pursuant to NRS §286.421 and §286.450.

The actuarial funding method used is the Entry Age Normal Cost method. It is intended to meet the funding objective and to result in a relatively level long-term contributions requirement as a percentage of salary. For the fiscal years ended June 30, 2022 and 2021, the statutory employer-employee matching rate was 15.50% and 15.25%, respectfully, for regular employees and 22.75% and 22.00%, respectfully, for police or fire employees, and the respective employer- pay contribution rates were 29.75% and 29.25%, respectfully, for Regular employees and 44.00% and 42.50%, respectfully, for police or fire employees.

For the fiscal year ended June 30, 2022, the Department's contributions were $13.1 million. A total of $13.8 million was contributed during the fiscal year ended June 30, 2023; these contributions after the measurement date are recognized as a deferred outflow of resources, as further described in the "Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions" section of this note.

Summary of Significant Accounting and Reporting Policies

For the purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense, information about the fiduciary net position of the PERS and additions to or deductions from the PERS fiduciary net position have been determined on the same basis as they are reported by PERS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Basis of Accounting

The underlying financial information used to prepare the pension allocation schedules is based on the PERS financial statements. The PERS financial statements are prepared in accordance with Generally Accepted Accounting Principles in the United States of America that apply to governmental accounting for fiduciary funds.

Contributions for employer pay dates that fall within the PERS fiscal years ending June 30, 2022 and 2021, are used as the basis for determining each employer’s proportionate share of the collective pension amounts reported in the Schedule of Employer Allocations.

The total pension liability is calculated by the PERS actuary. The System's fiduciary net position is reported in the PERS financial statements, and the net pension liability is disclosed in the PERS notes to the financial statements. An annual report containing financial statements and required information for the System may be obtained at www.nvpers.org, by writing to PERS, 693 W. Nye Lane, Carson City, Nevada 89703- 1599, or by calling (775) 687-4200.

Investment Policy

The System's policies which determine the investment portfolio target asset allocation are established by the Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System.

The following is the target asset allocation adopted by the Board as policy as of June 30, 2023 and 2022:

Asset Class	Target Allocation	Long-term Geometric Expected Real Rate of Return *
Domestic Equity	42%	5.50%
International Equity	18%	5.50%
Domestic Fixed Income	28%	0.75%
Private Markets	12%	6.65%

* As of the plan fiscal years ended June 30, 2022 and 2021, the PERS long-term inflation assumption was 2.50%.

Net Pension Liability

The net pension liabilities as of June 30, 2023 and 2022, were measured as of June 30, 2022 and 2021, respectively, and the total pension liabilities used to calculate the net pension liabilities for those years were determined by actuarial valuations as of those dates. The employer allocation percentage of the net pension liability was based on the total contributions due on wages paid during the measurement period. Each employer's proportion of the net pension liability is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers in the System.

Net Pension Liability Discount Rate Sensitivity

The following table presents the Department's share of the County's net pension liability as of June 30, 2023, based on the System's net pension liability for the System's fiscal years ended June 30, 2022, calculated using the discount

rate 7.25%, as well as what the Department's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate (in thousands):

Plan Fiscal Year	1% Decrease in Discount Rate 6.25%	Discount Rate 7.25%	1% Increase in Discount Rate 8.25%
2022	$ 340,249	$ 221,614	$ 123,721

The following table presents the Department's share of the County's net pension liability as of June 30, 2022, based on the System's net pension liability for the System's fiscal years ended June 30, 2021, calculated using the discount rate 7.25%, as well as what the PERS net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate (in thousands):

Plan Fiscal Year	1% Decrease in Discount Rate 6.25%	Discount Rate 7.25%	1% Increase in Discount Rate 8.25%
2021	$ 212,039	$ 106,501	$ 19,440

Actuarial Assumptions

The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the June 30, 2022 measurement:

Inflation rate:	2.50%
Investment rate of return:	7.25%
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
Consumer Price Index:	2.50%
Mortality Table:	Pub-2010 (separate tables for males and females)
Other assumptions:	Same as those used in the June 30, 2022 funding actuarial valuation

The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the June 30, 2021 measurement:

Inflation rate:	2.50%
Investment rate of return:	7.25%
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
Consumer Price Index:	2.75%
Mortality Table:	Pub-2010 (separate tables for males and females)
Other assumptions:	Same as those used in the June 30, 2021 funding actuarial valuation

Actuarial assumptions used in the June 30, 2022 valuations were based on the results of the experience study for the period July 1, 2016, through June 30, 2021. The discount rate used to measure the total pension liability were 7.25% and 7.25% as of June 30, 2022 and 2021. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position at June 30, 2022 and 2021, was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2022 and 2021.

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the years ended June 30, 2023 and 2022, the Department recognized pension expense of $29.7 million and $0.6 million, respectively. At June 30, 2023 and 2022, the Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Differences between expected and actual experience *	$ 28,695	$ 11,797	$ 158	$ 750
Changes in assumptions *	28,468	35,360	—	—
Net difference between projected and actual earnings on investments	2,704	—	—	86,900
Changes in proportion and differences between actual contributions and proportionate share of contributions *	9,408	272	8,846	11,849
Contributions to PERS after measurement date	13,839	13,135	—	—
	$ 83,114	$ 60,564	$ 9,004	$ 99,499

* FY 2023 Average expected remaining service lives: 5.7 years;
FY 2022 Average expected remaining service lives: 6.14 years

Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date totaling $13.8 million will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2024. Deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date totaling $13.1 million were recognized as a reduction of the net pension liability in the year ending June 30, 2023.

Other estimated amounts reported as deferred outflows of resources and deferred inflows of resources related to the year ended June 30, 2023, will be recognized in pension expense as follows (in thousands):

Fiscal Year	Pension Expense
2024	$ 8,847
2025	8,621
2026	7,677
2027	29,954
2028	5,172
Thereafter	—

6.) OTHER POST EMPLOYMENT BENEFITS (OPEB)

General Information about the Other Post Employment Benefit (OPEB) Plans

OPEB Plans Administered as Trusts

Plan Description

The Clark County Self-Funded (CCSF) OPEB Trust provides OPEB to all permanent full-time employees of Clark County (primary government only and including the Department) enrolled in the Clark County Self-Funded Group Medical and Dental Benefit Plans. The CCSF OPEB Trust is a single-employer, defined benefit OPEB plan administered by Clark County, Nevada. CCSF OPEB Trust issues a publicly available financial report. The report may be obtained at https://www.clarkcountynv.gov/government/departments/finance/boards_and_committees.php.

Benefits Provided

CCSF OPEB Trust provides medical, dental, vision, and prescription drug benefits to eligible retirees and beneficiaries. Retirees are eligible to continue coverage in the Clark County Self-Funded Group Medical and Dental Benefit Plan as a participant with active employees at a blended premium rate as an implicit subsidy. Benefit provisions are established and amended through negotiations between the respective unions and the County.

Basis of Accounting

For the purposes of measuring the net OPEB asset, net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense, information about the fiduciary net position of CCSF has been determined on the same basis as they are reported by CCSF. Further, additions to or deductions from the CCSF fiduciary position have been determined on the same basis as they are reported by CCSF. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Contributions

The CCSF OPEB Trust does not have contractually or statutorily required contributions. State law requires health insurance to be provided to retirees at a blended rate. No contributions were made during fiscal year ended June 30, 2023 and 2022.

OPEB Plans Not Administered as Trusts

Plan Descriptions

CC RHPP

Clark County Retiree Health Program Plan (CC RHPP) provides OPEB to all permanent full-time employees of Clark County (primary government only and including the Department) enrolled in the health maintenance organization (HMO) Plan. The plan also provides life insurance to eligible retirees of Clark County (primary government only and including the Department). The CC RHPP is a non-trust, single-employer defined benefit OPEB Plan, administered by Clark County, which does not issue stand-alone financial statements. As of January 1, 2022, the fully-insured HMO plan no longer exists and was replaced by a self-insured Exclusive Provider Organization (EPO) plan which now falls under the CCSF OPEB Trust plan. All current and future plan participants covered by the self-funded group medical and dental benefit plan and the life insurance plan fall under the CCSF group.

PEBP

Public Employees' Benefits Plan (PEBP) is a non-trust, agent multiple-employer defined benefit OPEB plan administered by the State of Nevada. Clark County subsidizes eligible retirees' contributions to PEBP. NRS 287.041 assigns the authority to establish and amend benefit provisions to the PEBP nine-member board of trustees. The plan is now closed to future retirees, however, County employees who previously met the eligibility requirement for retirement within the Nevada Public Employee Retirement System had the option upon retirement to enroll in coverage under the PEBP with a subsidy provided by the County as determined by the number of years of service. The Department is required to pay the PEBP an explicit subsidy, based on years of service, for retirees who have enrolled in this plan. The subsidy is set by the State Legislature. The PEBP issues a publicly available financial report. The report may be obtained at https://pebp.state.nv.us/resources/fiscal-utilization-reports/.

Benefits Provided

CC RHPP

CC RHPP provides medical, dental, vision, prescription drug, and life insurance benefits to eligible retirees and beneficiaries. Retirees are eligible to continue coverage in the HMO Plan as a participant with active employees at a blended premium rate, resulting in an implicit subsidy. Benefit provisions are established and amended through negotiations between the respective unions and the County. Benefit payments were $0.2 million and $0.3 million during the fiscal years ended June 30, 2022 and 2021, respectively. As of January 1, 2022, CC RHPP was replaced by a self-insured EPO plan which now falls under the CCSF OPEB Trust plan. As a result, there was no longer an OPEB

liability for the CC RHPP as of measurement date June 30, 2022. Any outstanding balances of benefits payment recorded as deferred inflows of resources were recognized immediately in the current year OPEB expense for CC RHPP, as further described in the "OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources" section of this note.

PEBP

PEBP plan provides medical, dental, prescription drug, Medicare Part B, and life insurance coverage to eligible retirees and their spouses. Benefits are provided through a third-party insurer. Benefit payments were $0.1 million and $0.1 million during the fiscal years ended June 30, 2022 and 2021, respectively. A total of $0.1 million in benefit payments were made during the fiscal year ended June 30, 2023; these benefit payments after the plan measurement date are recognized as a deferred outflow of resources, as further described in the "OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources" section of this note.

Net OPEB Asset, Net OPEB Liability and Changes in the Net OPEB Liability

As of June 30, 2023, the Department recorded a net OPEB asset of $0 and a total OPEB liability of $57.1 million both were measured as of June 30, 2022, and were determined by an actuarial valuation as of that date. As of January 1, 2022, RHPP no longer exists and was replaced by a self-insured EPO plan which now falls under the CCSF OPEB Trust plan. As result, there was no longer an OPEB liability for the RHPP as of June 30, 2022. The combined total OPEB liabilities for CCSF OPEB and PEBP plans exceeded the total CCSF fiduciary net position as of measurement date June 30, 2022, therefore the Department recognized a net OPEB liability of $8.4 million as of fiscal year ending June 30, 2023. The Department’s portion of the CCSF liability is calculated based on the Department’s census data for the plan valuation year. The Department’s portion of the PEBP OPEB liability is allocated to the Department, based on the proportion of the Department’s PEBP subsidy payments as a portion of all PEBP payments made by the County, during the PEBP actuarial valuation year. The Department’s CCSF fiduciary net position consists of contributions made by the Department to the CCSF Trust, including adjustments such as investment earnings.

The following table presents the changes in the Department’s total OPEB liability during June 30, 2023 (in thousands):

	CCSF	CC RHPP	PEBP	Total
Total OPEB liability at June 30, 2022	$ 29,410	$ 39,964	$ 2,333	$ 71,707
Changes recognized for the fiscal year:				
Service cost	1,317	805	—	2,122
Interest cost	3,128	884	49	4,061
Changes of benefits terms	41,463	(41,463)	—	—
Differences between expected and actual experience	(27,037)	—	808	(26,229)
Changes in assumptions or other inputs	7,639	—	(356)	7,283
Benefit payments	(1,468)	(190)	(141)	(1,799)
Net change in total OPEB liability	$ 25,042	$ (39,964)	$ 360	$ (14,562)
Total OPEB liability at June 30, 2023	$ 54,452	$ —	$ 2,693	$ 57,145

As of June 30, 2022, the Department recorded a net OPEB asset of $24.7 million and a total OPEB liability of $42.3 million, both were measured as of June 30, 2021, and were determined by an actuarial valuation as of June 30, 2020. The CCSF fiduciary net position exceeded the total CCSF OPEB liability as of measurement date June 30, 2021, therefore the Department recognized a net OPEB asset for the CCSF OPEB plan. The remaining total OPEB liability was recognized by the department by combining the total OPEB liabilities for RHPP and PEBP plans. The following table presents the changes in the Department's total OPEB liability during June 30, 2022 (in thousands):

	CCSF	CC RHPP	PEBP	Total
Total OPEB liability at June 30, 2021	$ 27,553	$ 37,476	$ 2,265	$ 67,294
Changes recognized for the fiscal year:				
Service cost	513	1,586	66	2,165
Interest cost	2,078	860	—	2,938
Changes in assumptions or other inputs	—	379	145	524
Benefit payments	(734)	(337)	(143)	(1,214)
Net change in total OPEB liability	$ 1,857	$ 2,487	$ 68	4,414
Total OPEB liability at June 30, 2022	$ 29,410	$ 39,964	$ 2,333	$ 71,707

The Department's fiduciary net position for CCSF as of June 30, 2022 and 2021 was $48.7 million and $54.1 million, respectively. The following table presents the changes in the Department's fiduciary net position during June 30, 2023 and 2022, which utilize the measurement dates of June 30 2022 and 2021, respectively (in thousands):

	2023	2022
	CCSF	CCSF
Beginning CCSF fiduciary net position	$ 54,093	$ 41,875
Changes in CCSF fiduciary net position recognized for the fiscal year		
Employer contributions	1,468	734
Net investment income	(5,350)	12,220
Benefit payments	(1,468)	(734)
Administrative expense	(2)	(2)
Net change in CCSF fiduciary net position	(5,352)	12,218
Ending CCSF fiduciary net position	$ 48,741	$ 54,093
Net OPEB liability (asset)	$ 5,711	$ (24,683)

Employees Covered by Benefit Terms

At June 30, 2022, the valuation date for the June 30, 2023 net OPEB liability, the following employees were covered by the benefit terms for the OPEB plans:

	CCSF	PEBP*	Total
Inactive employees or beneficiaries currently receiving benefit payments	245	42	287
Active employees	1,218	—	1,218
Covered spouses	91	—	91
Total	1,554	42	1,596

*As of November 1, 2008, PEBP was closed to any new participants.

At June 30, 2020, the valuation date for the June 30, 2022 and 2021 net OPEB asset and liability, the following employees were covered by the benefit terms for the OPEB plans:

	CCSF	CC RHPP	PEBP*	Total
Inactive employees or beneficiaries currently receiving benefit payments	159	246	42	447
Active employees	766	1,368 †	—	2,134
Covered spouses	63	94	—	157
Total	988	1,708	42	2,738

*As of November 1, 2008, PEBP was closed to any new participants.
† CC RHPP also provides life insurance to eligible retirees. Active employees count included CCSF employees with life insurance.

Actuarial assumptions and other inputs:

The Net OPEB liability as of June 30, 2023 (using the measurement date of June 30, 2022), was determined using the following actuarial assumptions and other inputs:

Actuarial Cost Method	Entry age normal, based on level percentage of salary
Inflation	2.50%
Discount Rate - CCSF*	6.38%
Discount Rate - PEBP	3.54%
Salary increases	3.00% per annum
Health care cost trend rates	6.50% decreasing to an ultimate rate of 4.0%
Municipal Bond rate	3.54%
Retirees' share of benefit related costs	0% to 100% of premium amounts, based on years of service
Investment return on CCSF assets **	7.50%
Post-retirement mortality rates	PUB-2010 headcount weighted base mortality table, projected generationally using Scale MP-2021, applied on a gender-specific and job class basis (teacher, safety, or general, as applicable).

* Blending of Bond Buyer 20-Bond GO Index and Expected Return on Assets Assumption. The Department of Aviation OPEB trust is assumed to be depleted by year 2066.
** The long-term expected rate of return on the CCSF OPEB Trust investments was based upon a description of the plan assets invested in Retirement Benefits Investment Fund (RBIF) and Clark County Treasurer Investment Pool.

The Net OPEB liability as of June 30, 2022 (using the a measurement date of June 30, 2021), was determined using the following actuarial assumptions and other inputs:

Actuarial Cost Method	Entry age normal, based on level percentage of salary
Inflation	2.75%
Discount Rate - CCSF*	7.50%
Discount Rate - CC RHPP and PEBP	2.16%
Salary increases	3.00% per annum
Health care cost trend rates	6.75% decreasing to an ultimate rate of 4.00%
Municipal Bond rate	2.16% of Bond Buyer 20-Bond GO Index
Retirees' share of benefit related costs	0% to 100% of premium amounts, based on years of service
Investment return on CCSF assets **	7.50%
Post-retirement mortality rates	Pub-2010 headcount weighted mortality table, projected generationally using Scale MP-2020, applied on a gender-specific basis

* The discount rate was based on Expected Return on Asset Assumption.
** The long-term expected rate of return on the CCSF OPEB Trust investments was based upon a description of the plan assets invested in Retirement Benefits Investment Fund (RBIF) and Clark County Treasurer Investment Pool.

Rationale for Assumptions:

For the actuarial valuation dated June 30, 2022, demographic assumptions are based on the Nevada PERS Actuarial Experience Study based on the 2021 Nevada PERS Actuarial Valuation. Salary scale and inflation assumptions are based on the 2021 Nevada PERS Actuarial Valuation. For the actuarial valuation dated June 30, 2020, demographic assumptions are based on the Nevada PERS Actuarial Experience Study based on the 2020 Nevada PERS Actuarial Valuation. Salary scale and inflation assumptions are based on the 2020 Nevada PERS Actuarial Valuation.

Changes in Assumptions

The following are changes in assumptions from the June 30, 2019 plan measurement date to the June 30, 2022 measurement date:

CCSF

The discount rate was updated from 7.50% at June 30, 2021 to 6.38% at June 30, 2022, based on the long-term expected return on assets of the plan. The decrease of discount rate was primarily due to the Department's decrease in fiduciary net position compared to prior fiscal year. The fiduciary net position is sufficient to cover all future expected benefit payouts based on the current valuation.

CC PEBP

At valuation date June 30, 2023, the discount rate was updated from 2.16% at June 30, 2021 to 3.54% at June 30, 2022, based on the municipal bond rate at that date.

All Post Employment Benefit Plans

The following changes in assumptions were noted for all post employment benefit plans, as of the plan measurement dates of June 30, 2022:

- The trend rates were reset to an initial rate of 6.50%, grading down by 0.25% per year until reaching the ultimate rate of 4.00% based on current Healthcare Analytics (HCA) Consulting trend study.
- The termination and retirement rates were updated to the rates from the Nevada PERS Actuarial Valuation report as of June 30, 2021.
- The mortality projection scale was updated from MP-2020 to MP-2021 to reflect the Society of Actuaries' recent mortality study.

- The inflation rate was updated to 2.50%.

The following are changes in assumptions from the June 30, 2019 plan measurement date to the June 30, 2020 and 2021 measurement date:

CCSF

The discount rate was updated from 5.26% at June 30, 2019 to 7.50% at June 30, 2020 and June 30, 2021, based on the long-term expected return on assets of the plan. The increase of discount rate was primarily due to the department's increase in fiduciary net position compared to prior fiscal year. The fiduciary net position is sufficient to cover all future expected benefit payouts based on the current valuation.

CC RHPP and PEBP

At valuation date June 30, 2022, the discount rate was updated from 2.21% at June 30, 2020 to 2.16% at June 30, 2021, based on the municipal bond rate at that date.

All Post Employment Benefit Plans

The following changes in assumptions were noted for all post employment benefit plans, as of the plan measurement dates of June 30, 2021 and 2020:

- The trend rates were reset to an initial rate of 7.00% (6.00% for post-Medicare), grading down by 0.25% per year until reaching the ultimate rate of 4.00% based on current Healthcare Analytics (HCA) Consulting trend study; current economic environment suggest a longer period until reaching the ultimate rate.
- The marriage assumption is updated to 30% based on the current retiree population data.
- The plan election rate is updated to 80% PPO, and 20% HMO based on the current retiree elections.
- The mortality tables were updated to utilize the Pub-2010 table with the MP-2020 improvement scales (previously the RP 2014 with MP-2018 scales).

Discount Rate Information and Discount Rate Sensitivity

CCSF

The discount rates used to measure the Department’s net OPEB liability was 6.38% as of June 30, 2022 and 7.50% as of June 30, 2021. As of measurement date June 30, 2022, the Department’s portion of the Clark County CCSF OPEB

Trust Assets, when projected in accordance with the method prescribed by GASB 75, is expected to be sufficient to make benefit payments to current members. The projection of cash flows used to determine the discount rate assumed employer and plan member contributions will be made at the current contribution rate. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the OPEB Plan's assets were projected to be sufficient to make projected future benefit payments for current plan members through the year 2066 for the Department. Payments after that date would need to be funded by employer assets.

The following presents the CCSF net OPEB asset, as of June 30, 2023, as well as what the CCSF net OPEB asset would be if it were calculated using a discount rate that is 1-percentage-point lower or 1- percentage point higher than the current discount rate (in thousands):

	1% Decrease in Discount Rate 5.38%	Discount Rate 6.38%	1% Increase in Discount Rate 7.38%
CCSF	$ 15,068	$ 5,711	$ (1,789)

The following presents the CCSF net OPEB liability, as of June 30, 2022, as well as what the CCSF net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1- percentage point higher than the current discount rate (in thousands):

	1% Decrease in Discount Rate 6.50%	Discount Rate 7.50%	1% Increase in Discount Rate 8.50%
CCSF	$ (18,457)	$ (24,683)	$ (29,532)

CC RHPP and PEBP

The following presents CC RHPP and PEBP OPEB liabilities of the department, as of June 30, 2023, as well as what the OPEB liabilities would be if they were calculated using a discount rate that is 1- percentage-point lower or 1-percentage point higher than the current discount rate (in thousands):

	1% Decrease in Discount Rate 2.54%	Discount Rate 3.54%	1% Increase in Discount Rate 4.54%
CC RHPP	$ —	$ —	$ —
PEBP	$ 3,038	$ 2,693	$ 2,408

The following presents CC RHPP and PEBP OPEB liabilities of the department, as of June 30, 2022, as well as what the OPEB liabilities would be if they were calculated using a discount rate that is 1- percentage-point lower or 1-percentage point higher than the current discount rate (in thousands):

	1% Decrease in Discount Rate 1.16%	Discount Rate 2.16%	1% Increase in Discount Rate 3.16%
CC RHPP	$ 48,430	$ 39,969	$ 33,379
PEBP	$ 2,677	$ 2,328	$ 2,044

Healthcare Cost Trend Rate Sensitivity

The following presents the total net OPEB (asset) liability of the Department as of June 30, 2023, as well as what the Department's net OPEB (asset) liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates (in thousands):

	1% Decrease Ultimate 3.0%	Trend Rates Ultimate 4.0%	1% Increase Ultimate 5.0%
CCSF	$ (1,980)	$ 5,711	$ 15,292
RHPP	—	—	—
PEBP	2,420	2,693	3,017

The following presents the total net OPEB liability of the Department as of June 30, 2022, as well as what the Department's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates (in thousands):

	1% Decrease Ultimate 3.0%	Trend Rates Ultimate 4.0%	1% Increase Ultimate 5.0%
CCSF	$ (29,545)	$ (24,683)	$ (18,503)
RHPP	33,363	39,969	48,368
PEBP	2,057	2,328	2,651

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

For year ended June 30, 2023, the Department recognized OPEB expense of $11.1 million. The OPEB Expense by OPEB plan type, for the years ended June 30, 2023 and 2022, is as follows (in thousands):

	CCSF	CC RHPP	PEBP	VSP*	Total
2023	$ 33,040	$ (23,937)	$ 508	$ 1,454	$ 11,065
2022	$ (10,448)	$ 3,839	$ 214	$ —	$ (6,395)

*On May 19, 2020, the Clark County Board approved the Voluntary Separation Program (VSP) that offered payment to employee health insurance premiums for 24 months. VSP program ended in fiscal year 2023.

At June 30, 2023 and 2022, the Department reported deferred outflows of resources and deferred inflows of resources related to OPEB, from the following sources (in thousands):

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
CCSF				
Differences between expected and actual experience	$ 150	$ 210	$ 47,173	$ 24,864
Changes of assumptions or other inputs	7,027	—	32,994	37,641
Net excess of actual over projected earnings on OPEB plan investments	7,482	—	5,674	7,708
Contributions made after the measurement date	1,300	1,468	—	—
CCSF Total	15,959	1,678	85,841	70,213
CC RHPP				
Differences between expected and actual experience	—	9,066	—	—
Changes of assumptions or other inputs	—	9,014	—	2,238
Benefit payments made after the measurement date	—	190	—	—
RHPP Total	—	18,270	—	2,238
PEBP				
Benefit payments made after the measurement date	111	141	—	—
PEBP Total	111	141	—	—
VSP				
Benefit payments made after the measurement date	109	—	—	—
VSP Total	109	—	—	—
Combined amounts, all plans				
Differences between expected and actual experience	150	9,276	47,173	24,864
Changes of assumptions or other inputs	7,027	9,014	32,994	39,879
Net excess of actual over projected earnings on OPEB plan investments	7,482	—	5,674	7,708
Contributions and benefit payments made after the measurement date	1,520	1,799	—	—
Total, all plans	$ 16,179	$ 20,089	$ 85,841	$ 72,451

The amount of $1.5 million reported at June 30, 2023 as deferred outflows of resources related to OPEB from the Department's benefit payments subsequent to June 30, 2022 (the measurement date), will be recognized as a reduction of the OPEB liability in the year ended June 30, 2024. The amount of $1.8 million at June 30, 2022,

reported as deferred outflows of resources related to OPEB from the Department's contributions subsequent to the measurement date at June 30, 2021, was recognized as a reduction of the OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources, related to OPEB, will be recognized in OPEB expense as follows (in thousands):

For the fiscal year ending June 30,	CCSF	CC RHPP	PEBP	Total
2024	$ (8,837)	$ —	$ —	$ (8,837)
2025	(8,683)	—	—	(8,683)
2026	(7,999)	—	—	(7,999)
2027	(5,522)	—	—	(5,522)
2028	(7,392)	—	—	(7,392)
Thereafter	(32,749)	—	—	(32,748)
	$ (71,182)	$ —	$ —	$ (71,182)

7.) CHANGES IN CAPITAL ASSETS

Capital asset activity, including the adjustment related to GASB 96, for the years ended June 30, 2023 and 2022 was as follows (in thousands):

	July 1, 2022 (as restated)	Additions	Deletions	June 30, 2023
Capital assets, not being depreciated:				
Land	$ 719,991	$ 50	$ (1,228)	$ 718,813
Avigation easement	332,562	—	—	332,562
Construction in progress	43,163	84,024	(50,301)	76,886
Total capital assets, not being depreciated	1,095,716	84,074	(51,529)	1,128,261
Capital assets, being depreciated:				
Land Improvements	1,798,565	17,226	(1,150)	1,814,641
Buildings and improvements	3,706,530	13,926	(166)	3,720,290
Furniture and fixtures	36,835	—	(65)	36,770
Machinery and equipment	633,701	23,776	(30,962)	626,515
Right of Use - Building	28,686	—	(9,601)	19,085
Right of Use - SBITA	6,175	1,387	—	7,562
Total capital assets being depreciated/ amortized	6,210,492	56,315	(41,944)	6,224,863
Less accumulated depreciation/amortization:				
Land improvements	(1,229,010)	(58,698)	—	(1,287,708)
Buildings and improvements	(1,555,147)	(96,750)	3	(1,651,894)
Furniture and fixtures	(29,027)	(788)	65	(29,750)
Machinery and equipment	(464,538)	(33,413)	24,956	(472,995)
Right of Use - Building	(5,464)	(2,580)	2,591	(5,453)
Right of Use- SBITA	(1,217)	(1,698)	—	(2,915)
Total accumulated depreciation	(3,284,403)	(193,927)	27,615	(3,450,715)
Total capital assets being depreciated, net	2,926,089	(137,612)	(14,329)	2,774,148
Total capital assets, net	$ 4,021,805	$ (53,538)	$ (65,858)	$ 3,902,409

	July 1, 2021	Additions	Deletions	June 30, 2022
Capital assets, not being depreciated:				
Land	$ 604,654	$ 115,337	$ —	$ 719,991
Avigation easement	332,562	—	—	332,562
Construction in progress	39,228	35,991	(32,056)	43,163
Total capital assets, not being depreciated	976,444	151,328	(32,056)	1,095,716
Capital assets, being depreciated:				
Land Improvements	1,776,980	21,585	—	1,798,565
Buildings and improvements	3,712,859	3,959	(10,288)	3,706,530
Furniture and fixtures	41,198	—	(4,363)	36,835
Machinery and equipment	616,513	17,841	(653)	633,701
Right of Use - Building	28,686	—	—	28,686
Right of Use- SBITA	1,035	5,140	—	6,175
Total capital assets being depreciated	6,177,271	48,525	(15,304)	6,210,492
Less accumulated depreciation:				
Land improvements	(1,168,630)	(60,380)	—	(1,229,010)
Buildings and improvements	(1,457,726)	(97,421)	—	(1,555,147)
Furniture and fixtures	(31,293)	(2,100)	4,366	(29,027)
Machinery and equipment	(431,085)	(34,106)	653	(464,538)
Right of Use - Building	(2,732)	(2,732)	—	(5,464)
Right of Use- SBITA	—	(1,217)	—	(1,217)
Total accumulated depreciation	(3,091,466)	(197,956)	5,019	(3,284,403)
Total capital assets being depreciated, net	3,085,805	(149,431)	(10,285)	2,926,089
Total capital assets, net	$ 4,062,249	$ 1,897	$ (42,341)	$ 4,021,805

8.) LONG-TERM DEBT

(a) Changes in Long-Term Debt Obligations

Changes in long-term debt obligations for the years ended June 30, 2023 and 2022 are summarized as follows (in thousands):

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	July 1, 2022	Additions	Refunding	Pay downs	June 30, 2023	
SENIOR LIEN BONDS:						
2010 Series C Build America Bonds	454,280	—	—	—	454,280	†
2015 Series A	59,915	—	—	—	59,915	†
2019 Series B	240,800	—	—	—	240,800	†
Sub-Total Senior Lien Bonds	754,995	—	—	—	754,995	
SUBORDINATE LIEN BONDS:						
2008 Series C-1	122,900	—	—	—	122,900	*
2008 Series C-2	53,525	—	—	(53,525)	—	*
2008 Series C-3	53,525	—	—	(53,525)	—	*
2008 Series D-2A	100,000	—	—	—	100,000	*
2008 Series D-2B	99,605	—	—	—	99,605	*
2008 Series D-3	119,205	—	—	(580)	118,625	*
2014 Series A-1	12,655	—	—	(3,835)	8,820	†
2014 Series A-2	221,870	—	—	—	221,870	†
2017 Series A-1	13,960	—	—	(13,960)	—	†
2017 Series A-2	47,800	—	—	—	47,800	†
2019 Series A	107,530	—	—	—	107,530	†
2019 Series D	277,550	—	—	(56,595)	220,955	†
2021 Series A	71,270	—	—	—	71,270	†
Sub-Total Subordinate Lien Bonds	1,301,395	—	—	(182,020)	1,119,375	
PFC BONDS:						
2012 Series B	50,080	—	(44,835)	(5,245)	—	†
2015 Series C	66,370	—	—	(11,925)	54,445	†
2017 Series B	44,235	—	—	(7,740)	36,495	†
2019 Series E	305,930	—	—	(30,135)	275,795	†
2022 Series B	—	43,400	—	—	43,400	†
Sub-Total PFC Bonds	466,615	43,400	(44,835)	(55,045)	410,135	
JUNIOR SUBORDINATE LIEN DEBT AND JET A BONDS:						
2013 Jet A Fuel Tax Series A	55,140	—	(49,330)	(5,810)	—	†
2021 Notes Series B	125,310	—	—	(10,000)	115,310	†
2022 Jet A Fuel Tax Series A	—	40,230	—	—	40,230	†
Sub-Total Junior Subordinate Lien Debt and Jet A Bonds	180,450	40,230	(49,330)	(15,810)	155,540	
GENERAL OBLIGATION BONDS:						
2008 General Obligation Series A	43,105	—	—	(43,105)	—	*
2013 General Obligation Series B	32,915	—	—	(32,915)	—	†
Sub-Total General Obligation Bonds	76,020	—	—	(76,020)	—	
Total principal outstanding	2,779,475	$ 83,630	$ (94,165)	$ (328,895)	2,440,045	
Premiums, discounts, and imputed debt from termination of hedges:		Additions	Amortization	Deletions		
Unamortized premiums	200,784	$ 2,702	$ (32,361)	$ (7,487)	163,638	
Unamortized discounts	(8,046)	—	1,001	—	(7,045)	
	192,738	$ 2,702	$ (31,360)	$ (7,487)	156,593	
Current portion of long-term debt	(302,725)				(162,355)	
Net long-term debt outstanding	$ 2,669,488				$ 2,434,283	

* Variable Rate Debt Obligations

† Fixed Rate Bonds

	July 1, 2021	Additions	Refunding	Pay downs	June 30, 2022	
SENIOR LIEN BONDS:						
2010 Series C Build America Bonds	454,280	—	—	—	454,280	†
2015 Series A	59,915	—	—	—	59,915	†
2019 Series B	240,800	—	—	—	240,800	†
2019 Series C	23,635	—	—	(23,635)	—	†
Sub-Total Senior Lien Bonds	778,630	—	—	(23,635)	754,995	
SUBORDINATE LIEN BONDS:						
2008 Series A-2	16,895	—	—	(16,895)	—	*
2008 Series B-2	16,910	—	—	(16,910)	—	*
2008 Series C-1	122,900	—	—	—	122,900	*
2008 Series C-2	56,775	—	—	(3,250)	53,525	*
2008 Series C-3	56,775	—	—	(3,250)	53,525	*
2008 Series D-1	48,670	—	—	(48,670)	—	*
2008 Series D-2A	100,000	—	—	—	100,000	*
2008 Series D-2B	99,605	—	—	—	99,605	*
2008 Series D-3	119,760	—	—	(555)	119,205	*
2014 Series A-1	14,410	—	—	(1,755)	12,655	†
2014 Series A-2	221,870	—	—	—	221,870	†
2017 Series A-1	29,080	—	—	(15,120)	13,960	†
2017 Series A-2	47,800	—	—	—	47,800	†
2019 Series A	107,530	—	—	—	107,530	†
2019 Series D	296,155	—	—	(18,605)	277,550	†
2021 Series A	71,270	—	—	—	71,270	†
SUBORDINATE LIEN BONDS FROM DIRECT PLACEMENTS:						
2017 Series D	33,815	—	—	(33,815)	—	*
Sub-Total Subordinate Lien Bonds	1,460,220	—	—	(158,825)	1,301,395	
PFC BONDS:						
2012 Series B	55,075	—	—	(4,995)	50,080	†
2015 Series C	77,690	—	—	(11,320)	66,370	†
2017 Series B	51,640	—	—	(7,405)	44,235	†
2019 Series E	334,635	—	—	(28,705)	305,930	
Sub-Total PFC Bonds	519,040	—	—	(52,425)	466,615	
JUNIOR SUBORDINATE LIEN DEBT AND JET A BONDS:						
2013 Jet A Fuel Tax Series A	60,675	—	—	(5,535)	55,140	†
2021 Notes Series B		—	—	—	125,310	†
Sub-Total Junior Subordinate Lien Debt and Jet A Bonds	185,985	—	—	(5,535)	180,450	
GENERAL OBLIGATION BONDS:						
2008 General Obligation Series A	43,105	—	—	—	43,105	*
2013 General Obligation Series B	32,915	—	—	—	32,915	†
Sub-Total General Obligation Bonds	76,020	—	—	—	76,020	
Total principal outstanding	3,019,895	—	—	(240,420)	2,779,475	
Premiums, discounts, and imputed debt from termination of hedges:		Additions	Amortization	Deletions		
Unamortized premiums	237,251	—	(36,467)	—	200,784	
Unamortized discounts	(9,051)	—	1,005	—	(8,046)	
Imputed debt from termination of hedges	1,962	—	(1,962)	—	—	
	230,161	—	(37,424)	—	192,738	
Current portion of long-term debt	(335,290)				(302,725)	
Net long-term debt outstanding	$ 2,914,766				$ 2,669,488	

* Variable Rate Debt Obligations
† Fixed Rate Bonds

(b) Description of Outstanding Debt Issuance Types and Other Information

Senior Lien Bonds

The issuance of senior lien bonds is authorized pursuant to the Nevada Municipal Airports Act (NRS§§496.010 *et seq*.), the Nevada Local Government Securities Law (NRS §§350.500 *et seq*.), and the Nevada Registration of Public Securities Law (NRS §§348.010 *et seq*.). All senior lien bonds are issued in accordance with the Master Indenture of Trust dated May 1, 2003, (Indenture) between Clark County and The Bank of New York Mellon Trust Company, N.A.

Senior lien bonds are secured by and are payable from the net revenues of the Airport System after the payment of all Airport System operating and maintenance expenses. Pursuant to the Indenture, the Department has covenanted to fix, charge, and collect rentals, fees, and charges for the use of the Airport System such that, in any fiscal year, the gross revenues, together with any other available funds, will at all times be at least sufficient: 1) to provide for the payment of all Airport System operating and maintenance expenses in the fiscal year and 2) to provide an amount not less than 125% of the aggregate debt service requirement (Senior Lien Coverage) for all the senior lien bonds then outstanding for the fiscal year. The actual senior lien coverage ratios (the ratio of total revenue less operating expenses to debt service) for fiscal year 2023 and fiscal year 2022 were 10.31 and 7.51, respectively. As of June 30, 2023 and 2022, the Department had $755.0 million in outstanding senior lien bonds, respectively.

One of the Department's senior lien bonds, 2010 Series C, was issued as federally taxable Build America Bonds (BABs) under the American Recovery and Reinvestment Act of 2009. The Department receives a direct federal subsidy payment in the amount equal to 35% of the interest expense on the BABs less 5.7% for sequestration. The interest subsidy on 2010 Series C was $10.2 million and $10.2 million for fiscal years ended June 30, 2023 and 2022, respectively. The subsidy is recorded as a non-capital grant, a component of other non-operating revenue.

During FY 2023, there were no changes in the credit ratings of Clark County, Nevada Airport System Senior Revenue Bonds. On May 13, 2022, S&P Global Ratings raised its long-term rating on Clark County, Nevada Airport System Senior Revenue Bonds from A+ to AA-.

Subordinate Lien Bonds

The issuance of subordinate lien bonds is authorized pursuant to the Nevada Municipal Airports Act (NRS§§496.010 *et seq*.), the Nevada Local Government Securities Law (NRS §§350.500 *et seq*.), and the Nevada Registration of Public Securities Law (NRS §§348.010 *et seq*.). All subordinate lien bonds are issued in accordance with the Indenture between Clark County and The Bank of New York Mellon Trust Company, N.A.

Subordinate lien bonds are secured by and are payable from the net revenues of the Airport System after the payment of all Airport System operating and maintenance expenses and after the payment of all senior lien debt service. Pursuant to the Indenture, the Department has covenanted to fix, charge, and collect rentals, fees, and charges for the use of the Airport System such that, in any fiscal year, the gross revenues, together with any other available funds, will at all times be at least sufficient 1. To provide for the payment of all Airport System operating and maintenance expenses in such fiscal year and 2. To provide an amount not less than 110% of the aggregate debt service requirement (Subordinate Lien Coverage) for all the senior lien and subordinate lien bonds then outstanding for the fiscal year. The coverages on the combined senior and subordinate lien debt for fiscal year 2023 and fiscal year 2022 were 2.87 and 2.02, respectively. As of June 30, 2023 and 2022, the Department had $1.1 billion and $1.3 billion in outstanding subordinate lien bonds, respectively.

During FY 2023, there were no changes in the credit ratings of Clark County, Nevada Airport System Subordinate Lien Revenue Bonds. On May 13, 2022, S&P Global Ratings raised its long-term rating on the Clark County, Nevada Airport System, Subordinate Lien Revenue Bonds from A to A+.

PFC Bonds

The issuance of PFC bonds is authorized pursuant to the Nevada Municipal Airports Act (NRS §§496.010 *et seq*.), the Nevada Local Government Securities Law (NRS §§350.500 *et seq*.), and the Nevada Registration of Public Securities Law (NRS §§348.010 *et seq*.). All PFC bonds are issued in accordance with the Indenture between Clark County and The Bank of New York Mellon Trust Company, N.A.

The PFC bonds are secured by a pledge of and lien upon pledged PFC revenues derived from a $4.50 PFC which has been imposed by the County under authorization of the Federal Aviation Act. In addition, the PFC bonds are secured by and are payable from a claim on the net revenues of the Airport System on parity with that of the subordinate lien bonds and junior to that of the senior lien bonds. Effective October 1, 2008, the PFC rate is $4.50 per qualifying enplaned passenger. As of June 30, 2023 and 2022, the Department had $410.1 million and $466.6 million in outstanding PFC pledged bonds, respectively.

In fiscal years 2023 and 2022, the Department earned $110.5 million and $94.0 million, respectively, in PFC revenues. The Department earned $1.6 million in fiscal year 2023 and lost $1.7 million in fiscal year 2022 in PFC interest. In fiscal years 2023 and 2022, the Department pledged $78.3 million and $78.3 million respectively, toward debt service payments associated with outstanding PFC bonds and pledged no monies toward service payment on

certain subordinate lien bonds that were used to fund PFC projects approved by the FAA. No coverage is required for the PFC bonds.

During FY 2023, there were no changes in the credit ratings of Clark County, Nevada Airport System Passenger Facility Charge Revenue Bonds. On May 13, 2022, S&P Global Ratings raised its long-term rating on the Clark County, Nevada Airport System, Passenger Facility Charge Revenue Bonds from A to A+.

Junior Subordinate Lien Debt and Jet A Bonds

The junior subordinate lien debt and Jet A bonds comprise Jet A Fuel Tax bonds and bond anticipation notes issued pursuant to the Nevada Municipal Airports Act (NRS §§496.010 *et seq*.), the Nevada Local Government Securities Law (NRS §§350.500 *et seq*.), and the Nevada Registration of Public Securities Law (NRS §§348.010 *et seq*.). These bonds and notes are issued in accordance with the Indenture between Clark County and The Bank of New York Mellon Trust Company, N.A.

The junior subordinate lien debt and Jet A bonds are on parity with each other and are secured by and payable from the net revenues of the Airport System after the payment of all Airport System operating and maintenance expenses and after the payment of all senior lien debt service, subordinate lien debt service, and PFC lien debt service. These bonds and notes do not constitute debt of Clark County within the meaning of any constitutional or statutory provisions or limitations, and neither the full faith and credit nor the taxing power of the County is pledged to the payment thereof. As of June 30, 2023 and 2022, the Department had $40.2 million and $55.1 million, respectively, in outstanding Jet A bonds.

The Jet A Bonds are payable from and secured by a pledge of and lien upon the proceeds of a four-cent-per-gallon tax collected by the County on jet aviation fuel sold, distributed, or used in the County (three-cents-per-gallon out of the four cents collected are specifically pledged to the Jet A Bonds). Shortages in debt service from fuel tax collections are funded with Airport System revenues. As of June 30, 2023 and 2022, there was no shortage of Jet A Fuel Tax revenues to cover the Jet A Bonds debt service.

During FY 2023, there were no changes in the credit ratings of Clark County, Nevada Airport System Jet Aviation Fuel Tax Revenue Bonds. On May 13, 2022, S&P Global Ratings raised its long-term rating on the Clark County, Nevada Jet Aviation Fuel Tax Revenue Bonds from A to A+.

General Obligation Bonds

The general obligation bonds were issued pursuant to the Nevada Municipal Airports Act (NRS §§496.010 et seq.), the Nevada Local Government Securities Law (NRS §§350.500 et seq.), and the Nevada Registration of Public Securities Law (NRS §§348.010 et seq.). All general obligation bonds are issued in accordance with the Indenture between Clark County and The Bank of New York Mellon Trust Company, N.A.

These bonds constitute direct and general obligations of the County. The full faith and credit of the County is pledged for the payment of principal and interest subject to Nevada constitutional and statutory limitations on the aggregate amount of ad valorem taxes and to certain other limitations on the amount of ad valorem taxes the County may levy.

The general obligation bonds are secured by and payable from a claim on the net revenues of the Airport System after the payment of all Airport System operating and maintenance expenses and after the payment of all senior lien debt service, subordinate lien debt service, PFC lien debt service, and junior subordinate lien and Jet A bonds lien debt service. Pursuant to the Indenture, the County has covenanted to fix, charge, and collect rentals, fees, and charges for the use of the Airport System sufficient to pay debt service on the senior lien bonds, the subordinate lien bonds, the general obligation (limited tax) airport bonds, the PFC bonds, and the junior subordinate lien debt and Jet A bonds.

On January 3, 2023, the Department called for the full redemption of the 2008 General Obligation Series A and the 2013 General Obligation Series B having an outstanding par value of $43.1 million and $32.9 million, respectively, and accrued interest of $0.4 million and $0.8 million, respectively. As of June 30, 2023, the Department had no other outstanding general obligation bonds. As of June 30, 2022, the Department had $76.0 million in outstanding general obligation bonds.

Other Information Related to Debt Issuances

The Department's outstanding bonds and notes contain a provision that in an event of default, the Trustee shall enforce the rights of the bond owners if the Department is unable to make payment. The consequences in the event of a default may include various legal or financial actions taken against the Department by the Trustee, with financial actions being limited to the pursuit of amounts currently due.

The Department's variable rate demand bonds have four associated letters of credit. Under the letters of credit, the banks who issued the facilities are unconditionally obligated to pay principal and interest on the bonds secured by letters of credit when due, and to pay the purchase price of tendered bonds when tendered. The Department is obligated to immediately reimburse the banks who issued these facilities for principal and interest draws. Each letter of credit has a three-year term out agreement. If a term-out agreement were to take effect, it would require all outstanding amounts to such series of bonds to be repaid within three years on an accelerated basis. The Department's letters of credit terminate on dates occurring between March 2024 and February 2026. Refer to Note 15 for additional information related to the letters of credit terminating within the next fiscal year.

Below summarizes the credit facilities securing the variable rate bonds at June 30, 2023 (in thousands):

Bond Series	Credit Provider	Facility Fee Rate	Remarketing Agent	Remarketing Fee Rate
2008C-1	Bank of America	0.32 %	Bank of America Merrill Lynch	0.07 %
2008D-2A	Wells Fargo Bank, N.A.	0.38 %	Wells Fargo Securities	0.07 %
2008D-2B	Barclays Bank PLC	0.90 %	RBC Capital Markets	0.09 %
2008D-3	Bank of America	0.32 %	Citi Bank N.A.	0.09 %

Below summarizes the credit facilities securing the variable rate bonds at June 30, 2022 (in thousands):

Bond Series	Credit Provider	Facility Fee Rate	Remarketing Agent	Remarketing Fee Rate
2008A-GO	State Street Bank and Trust	0.35 %	Citi Bank N.A.	0.09 %
2008C-1	Bank of America	0.32 %	Bank of America Merrill Lynch	0.07 %
2008C-2	State Street Bank and Trust	0.40 %	J.P. Morgan Securities	0.09 %
2008C-3	Sumitomo Mitsui Banking Corporation	0.42 %	Citi Bank N.A.	0.09 %
2008D-2A	Wells Fargo Bank, N.A.	0.38 %	Wells Fargo Securities	0.07 %
2008D-2B	Barclays Bank PLC	0.90 %	RBC Capital Markets	0.09 %
2008D-3	Bank of America	0.32 %	Citi Bank N.A.	0.09 %

Credit Type	Original Commitment	Term out	Termination Date
Letter of credit	130,941	3 years	June 6, 2025
Letter of credit	106,641	3 years	February 24, 2026
Letter of credit	106,122	3 years	March 1, 2024
Letter of credit	130,903	3 years	June 2, 2025

Credit Type	Original Commitment	Term out	Termination Date
Line of credit*	45,713	3 years	February 14, 2024
Letter of credit	130,941	3 years	June 6, 2025
Letter of credit	76,018	3 years	February 14, 2023
Letter of credit	76,018	3 years	February 14, 2024
Letter of credit	106,641	3 years	February 24, 2023
Letter of credit	106,122	3 years	March 1, 2024
Letter of credit	130,903	3 years	June 2, 2025

* The full commitment amount on the Department's line of credit is unused as of June 30, 2022.

(c) Arbitrage Rebate Requirement

Tax-exempt bond arbitrage involves the investment of governmental bond proceeds which are derived from the sale of tax-exempt obligations in higher yielding taxable securities that generate a profit. The Tax Reform Act of 1986 imposes arbitrage restrictions on bonds issued by the County. Under this Act, an amount may be required to be rebated to the United States Treasury so that all interest on the bonds qualifies for exclusion from gross income for federal income tax purposes.

The Department is current on all required arbitrage payments.

(d) Description of Bond Series Issuances, Calls, and Refundings During the Fiscal Years Ended June 30, 2023 and 2022

Subordinate Lien Bonds

On January 3, 2023, the Department called for the full redemption of the Series 2008C-2 and Series 2008C-3, with both series having an outstanding par value of $50.2 million, and accrued interest of $0.5 million and $0.5 million, respectively.

On January 3, 2022, the Department called for the full redemption of the Series 2008D-1 Airport System Subordinate Lien Refunding Revenue Bonds Series 2008D-1 having an outstanding par value of $46.4 million and accrued interest of $0.01 million.

On July 1, 2021, the Department called for the full redemption of the Series 2008A-2 and Series 2008B-2, with both having an outstanding par value of $16.9 million, and accrued interest of $0.01 million and $0.01 million, respectively.

Subordinate Lien Bonds from Direct Placements

On July 1, 2021, the Department called for the full redemption of the Series 2017D Airport System Subordinate Lien Refunding Revenue Bonds having an outstanding par value of $33.8 million and accrued interest of $0.02 million.

PFC Bonds

On November 23, 2022, the Department issued the Series 2022B Passenger Facility Charge Refunding Revenue Bonds (Series 2022B PFC Bonds). The net proceeds of $43.4 million were used to refund the outstanding principal and interest on the Series 2012B Passenger Facility Charge Refunding Revenue Bonds. The difference between the re-acquisition price and the net carrying amount of the old debt resulted in a gain of $3.2 million. The refunding transaction for the Series 2012B PFC Bonds resulted in an economic gain of $4.2 million and reduction of the aggregated debt service payments associated with those bonds of $11.8 million. The Series 2022B PFC Bonds have a stated interest rate of 5.00%, with yields varying from 3.31% to 3.47%. Interest payments are due on January 1 and July 1 of each year, and scheduled principal payments are due starting July 1, 2024 and continuing for three years until the scheduled maturity date of July 1, 2027.

Junior Subordinate Lien Notes

On November 23, 2022, the Department issued the Series 2022A Jet Aviation Fuel Tax Refunding Revenue Bonds (Series 2022A Bonds). The net proceeds of $40.2 million, along with the prior debt service deposit of $2.9 million and additional contribution from the Department of $7.0 million, were used to refund the outstanding principal and interest on the Series 2013A Jet Aviation Fuel Tax Refunding Revenue Bonds. The difference between the re-acquisition price and the net carrying amount of the old debt resulted in a gain of $2.4 million. The refunding transaction for the Series 2013A Bonds resulted in an economic gain of $0.9 million and reduction of the aggregated debt service payments associated with those bonds of $12.0 million. The Series 2022A Bonds have a stated interest rate of 5.00%, with yields varying from 3.93% to 4.27%. Interest payments are due on January 1 and July 1 of each year, and scheduled principal payments are due starting July 1, 2023 and continuing for three years until the scheduled maturity date of July 1, 2026.

General Obligation Bonds

On January 3, 2023, the Department called for the full redemption of the 2008 General Obligation Series A having an outstanding par value of $43.1 million and accrued interest of $0.4 million.

On January 3, 2023, the Department called for the full redemption of the 2013 General Obligation Series B having an outstanding par value of $32.9 million and accrued interest of $0.8 million.

(e) Long-term Debt Obligations

The following tables summarize of long-term debt obligations at June 30, 2023 and 2022 (in thousands):

June 30, 2023

Series		Purpose	Pledged Revenue
Senior Lien Bonds	2010C	Issued to fund the construction of Terminal 3	Airport System Revenue
	2015A	Refunded Series 2005A	Airport System Revenue
	2019B	Refunded Series 2009B	Airport System Revenue
Subordinate Lien Bonds	2008C1*	*Refunded Series 2005 C1A, Series 2005 C1B, Series 2005 C2, Series 2005 C3, Series 2005 D1, Series 2005 D2, Series 2005 E1, Series 2005 E2, Series	Airport System Revenue
	2008D2*	2005 E3	Airport System Revenue
	2008D3	Refunded Series 2001C	Airport System Revenue
	2014A1	Refunded Series 2004 A1 and Series 2004 A2	Airport System Revenue
	2014A2	Refunded Series 2004 A1 and Series 2004 A2	Airport System Revenue
	2017A2	Refunded Series 2007 A1	Airport System Revenue
	2019A	Refunded Series 2009C	Airport System Revenue
	2019D	Refunded Series 2010B	Airport System Revenue
	2021A	Refunded Series 2018A	Airport System Revenue
PFC Bonds	2015C PFC	Refunded Series 2007	Passenger Facility Charge Revenue
	2017B PFC	Refunded Series 2007 A1 Bonds and funded a new debt service reserve fund for the Series 2017B Bonds	Passenger Facility Charge Revenue
	2019E PFC	Refunded Series 2010A PFC	Passenger Facility Charge Revenue
	2022B PFC	Refunded Series 2012B PFC	Passenger Facility Charge Revenue
Junior Subordinate Lien and Jet A Bonds	2021B	Refunded Series 2017C	Airport System Revenue
	2022A	Refunded Series 2013A Jet A	Jet Aviation Fuel Tax Revenue

Issue Date	Maturity Date	Interest Rate	Original Issue	6/30/2023
2/23/2010	7/1/2045	6.82%	$ 454,280	$ 454,280
4/30/2015	7/1/2040	5%	59,915	59,915
7/1/2019	7/1/2042	5%	240,800	240,800
	Subtotal			754,995
	Unamortizied premiums			50,229
	Current portion			—
	Total Senior Lien Bonds			805,224
3/19/2008	7/1/2040	weekly variable rate **	122,900	122,900
3/19/2008	7/1/2040	weekly variable rate **	199,605	199,605
3/19/2008	7/1/2029	weekly variable rate **	122,865	118,625
4/8/2014	7/1/2024	4.00%- 5.00%	95,950	8,820
4/8/2014	7/1/2036	4.00%- 5.00%	221,870	221,870
4/25/2017	7/1/2040	5%	47,800	47,800
7/1/2019	7/1/2026	5%	107,530	107,530
11/27/2019	7/1/2032	5%	296,155	220,955
06/30/2021	7/1/2036	5%	71,270	71,270
	Subtotal			1,119,375
	Unamortized premiums			61,073
	Unamortized discounts			(7,045)
	Current portion			(78,900)
	Total Subordinate Lien Bonds			1,094,503
7/22/2015	7/1/2027	5	98,965	54,445
4/25/2017	7/1/2025	3.25%-5.00%	69,305	36,495
11/27/2019	7/1/2033	5.00%	369,045	275,795
11/23/2022	7/1/2027	5.00%	43,400	43,400
	Subtotal			410,135
	Unamortized premiums			40,215
	Unamortized discounts			—
	Current portion			(57,795)
	Total PFC Bonds			392,555
06/30/2021	7/1/2027	5.00%	125,310	115,310
11/23/2022	7/1/2026	5.00%	40,230	40,230
	Subtotal			155,540
	Unamortized premiums			12,122
	Current portion			(25,660)
	Total Junior Subordinate Lien and Jet A Bonds			142,002
	Total long-term debt			$ 2,434,283

** Interest on the variable-rate bonds is determined by each remarketing agent and is reset weekly. The owners of such bonds are permitted to tender the bonds for repurchase on seven business days' notice.

† Interest on the Series 2017D is paid at 70% of LIBOR plus 49 basis points and is reset monthly.

June 30, 2022

Series		Purpose	Pledged Revenue
Senior Lien Bonds	2010C	Issued to fund the construction of Terminal 3	Airport System Revenue
	2015A	Refunded Series 2005A	Airport System Revenue
	2019B	Refunded Series 2009B	Airport System Revenue
Subordinate Lien Bonds	2008C1*	*Refunded Series 2005 C1A, Series 2005 C1B, Series 2005 C2, Series 2005 C3, Series 2005 D1, Series 2005 D2, Series 2005 E1, Series 2005 E2, Series 2005 E3	Airport System Revenue
	2008C2*		Airport System Revenue
	2008C3*		Airport System Revenue
	2008D2*		Airport System Revenue
	2008D3	Refunded Series 2001C	Airport System Revenue
	2014A1	Refunded Series 2004 A1 and Series 2004 A2	Airport System Revenue
	2014A2	Refunded Series 2004 A1 and Series 2004 A2	Airport System Revenue
	2017A1	Refunded Series 2007 A1	Airport System Revenue
	2017A2	Refunded Series 2007 A1	Airport System Revenue
	2019A	Refunded Series 2009C	Airport System Revenue
	2019D	Refunded Series 2010B	Airport System Revenue
	2021A	Refunded Series 2018A	Airport System Revenue
PFC Bonds	2012B PFC	Refunded Series 1998A	Passenger Facility Charge Revenue
	2015C PFC	Refunded Series 2007	Passenger Facility Charge Revenue
	2017B PFC	Refunded Series 2007 A1 Bonds and funded a new debt service reserve fund for the Series 2017B Bonds	Passenger Facility Charge Revenue
	2019E PFC	Refunded Series 2010A PFC	Passenger Facility Charge Revenue
Junior Subordinate Lien and Jet A Bonds	2013A	Refunded Series 2003C	Jet Aviation Fuel Tax Revenue
	2021B	Refunded Series 2017C	Airport System Revenue
General Obligation Bonds	2008A	Refunded Series 2003A	Airport System Revenue
	2013B	Refunded Series 2003B	Airport System Revenue

Issue Date	Maturity Date	Interest Rate	Original Issue	June 30, 2022
2/23/2010	7/1/2045	6.82%	$ 454,280	$ 454,280
4/30/2015	7/1/2040	5.00%	59,915	59,915
7/1/2019	7/1/2042	5.00 %	240,800	240,800
	Subtotal			754,995
	Unamortized premiums			54,522
	Current portion			—
	Total Senior Lien Bonds			809,517
3/19/2008	7/1/2040	weekly variable rate **	122,900	122,900
3/19/2008	7/1/2029	weekly variable rate **	71,550	53,525
3/19/2008	7/1/2029	weekly variable rate **	71,550	53,525
3/19/2008	7/1/2040	weekly variable rate **	199,605	199,605
3/19/2008	7/1/2029	weekly variable rate **	122,865	119,205
4/8/2014	7/1/2024	4.00%- 5.00%	95,950	12,655
4/8/2014	7/1/2036	4.00%- 5.00%	221,870	221,870
4/25/2017	7/1/2022	4.00%- 5.00%	65,505	13,960
4/25/2017	7/1/2040	5.00%	47,800	47,800
7/1/2019	7/1/2026	5.00 %	107,530	107,530
11/27/2019	7/1/2032	5.00 %	296,155	277,550
6/30/2021	7/1/2036	5.00 %	71,270	71,270
	Subtotal			1,301,395
	Unamortized premiums			73,826
	Unamortized discounts			(8,046)
	Current portion			(231,870)
	Total Subordinate Lien Bonds			1,135,304
7/2/2012	7/2/2012	4,109,200.00%	64,360	50,080
7/22/2015	7/22/2015	4,220,700.00%	98,965	66,370
4/25/2017	4/25/2017	4,285,000.00%	69,305	44,235
11/27/2019	11/27/2019	4,379,600.00%	369,045	305,930
	Subtotal			466,615
	Unamortized premiums			51,308
	Unamortized discounts			—
	Current portion			(55,045)
	Total PFC Bonds			462,878
4/2/2013	4/2/2013	5.00%	70,965	55,140
6/30/2021	6/30/2021	5.00%	125,310	125,310
	Subtotal			180,450
	Unamortized premiums			18,876
	Current portion			(15,810)
	Total Junior Subordinate Lien and Jet A Bonds			183,516
2/26/2008	7/1/2027	variable	43,105	43,105
4/2/2013	7/1/2033	5.00%	32,915	32,915
	Subtotal			76,020
	Unamortized premiums			2,252
	Total General Obligation Bonds			78,272
	Total long-term debt			$ 2,669,488

** Interest on the variable-rate bonds is determined by each remarketing agent and is reset weekly. The owners of such bonds are permitted to tender the bonds for repurchase on seven business days' notice

† Interest on the Series 2017D is paid at 70% of LIBOR plus 49 basis points and is reset monthly.

(f) Schedule of Pledged Revenues

The following is a comparison of the pledged Department revenues recognized during the years ended June 30, 2023 and 2022 to the principal and interest requirements for the liens directly collateralized by those revenues (in thousands):

	2023	2022
Net operating revenues	283,734	288,256
Non-operating revenues available for debt service		
CRRSA Act Airport Grant	2,031	39,728
ARPA Airport Grant	156,018	9,695
BABs interest subsidy	10,226	10,226
Interest income (loss)	11,138	(13,586)
Total revenues pledged for debt service	$ 463,147	$ 334,319
Less: Senior lien debt service	(46,018)	(46,018)
Total revenues pledged for Subord. lien debt service	$ 417,129	$ 288,301
PFC revenue	110,473	94,026
PFC fund interest income (loss)	1,589	(1,688)
Total PFC revenues pledged for Subordinate lien PFC bonds	$ 112,062	$ 92,338
Total revenues pledged for Subord. lien debt service including total PFC revenues	$ 529,191	$ 380,639
Subordinate lien PFC bond debt service	(78,278)	(78,323)
Subordinate lien bond debt service	(123,749)	(131,757)
Total Subordinate lien (including PFC bonds) debt service	$ (202,027)	$ (210,080)
Total revenue pledged for debt service after payment of Senior and Subordinate liens	$ 327,164	$ 170,559
Jet A fuel tax revenue	17,295	15,708
Jet A fund interest income (loss)	660	(1,480)
Total Jet A fuel tax revenues pledged for Jet A bonds	$ 17,955	$ 14,228
Jet A tax bond debt service	(10,290)	(8,567)
Total revenue pledged for debt service after payment of Senior, Subordinate, and Jet A fuel tax liens	$ 334,829	$ 176,220
Junior Subordinate lien notes debt service	(23,601)	(16,283)
General obligation bonds debt service*	(448)	(1,968)

*Additionally secured by the full faith and credit of the County

(g) Schedule of Debt Principal and Interest

Principal and interest payments on debt at June 30, 2023, are as follows (in thousands):

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Fiscal Year Ended June 30,	Total		Senior Lien Bonds		Subordinate Lien Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 162,355	$ 141,937	$ —	$ 66,156	$ 78,900	$ 49,195
2025	135,890	$ 133,829	—	66,156	56,465	45,816
2026	136,405	$ 127,053	—	66,156	61,790	42,866
2027	183,810	$ 119,367	—	66,156	88,020	39,197
2028	141,790	$ 111,427	14,415	65,796	29,870	36,450
2029-2033	520,795	$ 482,305	83,635	317,129	327,585	144,618
2034-2038	488,475	$ 354,291	134,325	289,136	328,840	64,522
2039-2043	364,460	$ 226,948	216,555	217,159	147,905	9,790
2044-2046	306,065	$ 52,658	306,065	52,658	—	—
Total	$ 2,440,045	$ 1,749,815	$ 754,995	$ 1,206,502	$ 1,119,375	$ 432,454

PFC		Jet A Fuel Tax Bonds	
Principal	Interest	Principal	Interest
$ 57,795	$ 19,238	$ 25,660	$ 7,348
50,475	16,087	28,950	5,770
44,355	13,742	30,260	4,290
64,245	11,269	31,545	2,745
58,380	8,204	39,125	978
109,575	20,558	—	—
25,310	633	—	—
—	—	—	—
—	—	—	—
$ 410,135	$ 89,731	$ 155,540	$ 21,131

(h) Deferred Outflows of Resources Related to Debt

The Department has incurred deferred costs, which comprise unamortized losses on bond refundings and deferred losses on imputed debt resulting from the revaluation of certain interest rate swaps pursuant to the refunding of certain hedged bonds.

Such deferred outflows are as follows at June 30, 2023 and 2022 (in thousands):

	2023	2022
2008 Series A	—	347
2008 Series C	—	93
2008 Series D-2	7,152	7,835
2008 Series D-3	353	429
2013 Series B	—	30
2014 Series A-2	1,910	2,132
2015 Series C	1,091	1,452
2019 Series E	1,861	2,261
Total unamortized losses on refunded bonds	12,367	14,579

(i) Deferred Inflows of Resources Related to Debt

The following schedule details the unamortized gains on bond refundings, presented as deferred inflows, at June 30 2023 and 2022 (in thousands):

	2023	2022
2013 Jet A Fuel Tax Series A	$ 1,758	$ —
2014 Series A-1	72	144
2015 Series A	709	757
2017 Series A-1	—	—
2017 Series A-2	1,446	1,537
2017 Series B PFC	160	355
2019 Series A	787	1,393
2019 Series C	—	—
2019 Series D	1,512	1,881
2022 Series B	2,540	—
Total unamortized gains on refunded bonds	$ 8,984	$ 6,067

9.) DERIVATIVE INSTRUMENTS – INTEREST RATE SWAPS

(a) Interest Rate Swaps

The intention of the Department's implementation of a swap portfolio was to convert variable interest rate bonds to synthetically fixed interest rate bonds as a means to lower its borrowing costs when compared to fixed-rate bonds at the time of issuance. The Department executed several floating-to-fixed swaps in connection with its issuance of variable rate bonds and forward starting swaps to lock in attractive synthetically fixed rates for future variable rate bonds.

The derivative instruments are valued at fair value. The fair values of the interest rate derivative instruments are estimated using an independent pricing service. The valuations provided are derived from proprietary models based upon well-recognized principles and estimates about relevant future market conditions. The instruments' expected cash flows are calculated using the zero-coupon discount method, which takes into consideration the prevailing benchmark interest rate environment as well as the specific terms and conditions of a given transaction and which assumes that the current forward rates implied by the benchmark yield curve are the market's best estimate of future spot interest rates.

The income approach is then used to obtain the fair value of the instruments by discounting future expected cash flows to a single valuation using a rate of return that takes into account the relative risk of nonperformance associated with the cash flows and the time value of money. This valuation technique is applied consistently across all instruments. Given the observability of inputs that are significant to the entire sets of measurements, the fair values of the instruments are based on inputs categorized as Level 2.

The mark-to-market value for each swap had been estimated using the zero-coupon method. Under this method, future cash payments were calculated either based on using the contractually-specified fixed rate or based on using the contractually-specified variable forward rates as implied by the SIFMA (Securities Industry and Financial Markets Association) Municipal Swap Index yield curve (formerly known as the Bond Market Association Municipal Swap Index yield curve, or BMA Municipal Swap Index yield curve), as applicable. Each future cash payment was adjusted by a factor called the swap rate, which is a rate that is set, at the inception of the swap and at the occurrence of certain events, such as a refunding, to such a value as to make the mark-to-market value of the swap equal to zero. Future cash receipts were calculated either based on using the contractually-specified fixed rate or based on using the contractually-specified variable forward rates as implied by the LIBOR (London Interbank Offered Rate) yield curve or the CMS (Constant Maturity Swap rate) yield curve, as applicable. The future cash

payment, as modified by the swap rate factor, and the future cash receipt due on the date of each and every future net settlement on the swap were netted, and each netting was then discounted using the discount factor implied by the LIBOR yield curve for a hypothetical zero-coupon rate bond due on the date of the future net settlement. These discounted nettings were then summed to arrive at the mark-to-market value of the swap.

All swaps entered into by the Department comply with the County's swap policy. Each swap is written pursuant to guidelines and documentation promulgated by the International Swaps and Derivatives Association (ISDA), which include standard provisions for termination events such as failure to pay or bankruptcy. The Department retains the right to terminate any swap agreement at fair value prior to maturity. The Department has termination risk under the contract, particularly if an additional termination event (ATE) were to occur. An ATE occurs either if the credit rating of the bonds associated with a particular swap agreement and the rating of the swap insurer fall below a pre-defined credit rating threshold or if the credit rating of the swap counterparty falls below a threshold as defined in the swap agreement.

With regard to credit risk, potential exposure is mitigated through the use of an ISDA credit support annex (CSA). Under the terms of master agreements between the Department and the swap counterparties, each swap counterparty is required to post collateral with a third party when the counterparty's credit rating falls below the trigger level defined in each master agreement. This arrangement protects the Department from credit risks inherent in the swap agreements. As long as the Department retains insurance, the Department is not required to post any collateral; only the counterparties are required to post collateral.

The initial notional amounts and outstanding notional amounts of all active swaps, as well as the breakout of floating-to-fixed swaps, basis swaps, and fixed-to-fixed swaps as of June 30, 2023 and 2022, are summarized as follows (in thousands):

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Swap #		Interest Rate Swap Description	Associated Variable Rate Bonds or Amended Swaps	County Pays	County Receives
02		Basis Swap	N/A	SIFMA Swap Index - 0.41%	72.5% of USD LIBOR - 0.410%
04		Basis Swap	N/A	SIFMA Swap Index	68.0% of USD LIBOR + 0.435%
07A	‡	Floating-to-Fixed	2008A GO, 2008D-2A, 2008D-2B	4.3057% to 7/2017, 0.2500% to maturity	64.7% of USD LIBOR + 0.280%
07B	‡	Floating-to-Fixed	2008 D-2A, 2008D-2B	4.3057% to 7/2017, 0.2500% to maturity	64.7% of USD LIBOR + 0.280%
08A		Floating-to-Fixed	2008C1, 2008D-2A, 2008D-2B	4.0000% to 7/2015, 3.0000% to maturity	82.0% of 10 year CMS - 0.936%
08B		Floating-to-Fixed	2008C1, 2008D-2A, 2008D-2B	4.0000% to 7/2015, 3.0000% to maturity	82.0% of 10 year CMS - 0.936%
08C		Floating-to-Fixed	2008C1, 2008D-2A, 2008D-2B	4.0000% to 7/2015, 3.0000% to maturity	82.0% of 10 year CMS - 0.936%
09A		Floating-to-Fixed	2008 D-2A, 2008D-2B	5.0000% to 7/2015, 1.2100% to maturity	82.0% of 10 year CMS - 1.031%
09B		Floating-to-Fixed	2008 D-2A, 2008D-2B	5.0000% to 7/2015, 1.2100% to maturity	82.0% of 10 year CMS - 1.031%
09C		Floating-to-Fixed	2008 D-2A, 2008D-2B	5.0000% to 7/2015, 1.2100% to maturity	82.0% of 10 year CMS - 1.031%
10B		Floating-to-Fixed	2008 D-2A, 2008D-2B	4.0030% to 7/2015, 2.2700% to maturity	62.0% of USD LIBOR + 0.280%
10C		Floating-to-Fixed	2008 D-2A, 2008D-2B	4.0030% to 7/2015, 2.2700% to maturity	62.0% of USD LIBOR + 0.280%
12A	**	Floating-to-Fixed	2008 D-2A, 2008D-2B, 2008D-3	5.6260% to 7/2017, 0.2500% to maturity	64.7% of USD LIBOR + 0.280%

‡ On August 3, 2011, the Department refunded the outstanding principal of its Series 2008A-1 and B-1 Bonds with the Series 2011B-1 and B-2 Bonds, respectively. Upon refunding, swap #07B was re-associated with the cash flows of the $100 million of outstanding principal of the Series 2011B-1 Bonds, and swap #07A was re-associated with the cash flows of the $100 million of outstanding principal of the Series 2011B-2 Bonds. On November 19, 2013, to better match the principal amortizations, swap #07A was re-associated with the Series 2011B-1 Bonds, and swap #07B was re-associated with the Series 2011B-2 Bonds. On December 6, 2017, the Series 2011B-2 Bonds were refunded by the issuance of Series 2017D Bonds and therefore re-associating $92.5 million in notional of swap #07B with 2017D Bonds. The Series 2008 B-2 and Series 2017D bonds were subsequently redeemed early on July 1, 2021, and therefore reassociating $21.0 million in notional of swap #07B with Series 2008D-2A/B.

** On July 1, 2011, forward swaps #14A and #14B, both with a trade date of April 17, 2007, became effective as scheduled. The $4.48 million of the entire notional amount of swap #14A, $73.0 million, was associated with the 2008A General Obligation Bonds, with the excess notional balance classified as an investment derivative instrument. The entire notional amount of swap #14B, $201.9 million, was associated both with the principal of the 2008A General Obligation Bonds remaining after the association of swap #14A and with the 2013 C-1 and 2013 C-2 Notes. Although these Notes are deemed to mature in perpetuity, the 2008A General Obligation Bond was originally planned to mature on July 1, 2027, a date in advance of the maturities of swaps #14A and #14B, which occur on July 1, 2030 and July 1, 2037, respectively. Therefore, those portions of swaps #14A and #14B associated with these excess maturities had been classified as investment derivative instruments. On November 19, 2013, the Department partially terminated swap #14B and re-associated with variable rate bonds. Swaps #14A and 14B were fully hedged derivative instruments. On July 1, 2016, the outstanding notional amounts previously associated with the 2013C-1 Notes were re-associated with the 2008D-2A and 2008D-2B Bonds to maximize the hedging of the derivative instrument. On December 19, 2018, swaps #14A and 14B were terminated. Upon the termination, the $47.5 million in notional amount of swap #12A was re-associated to 2008D-3 Bonds from swap #14A while $29.1 million and $0.4 million in notional amounts of swap #12A were re-associated to 2008A General Obligation Bonds and 2008C Bonds, respectively, from swap #14B. Notional amounts of swaps #14A and 14B associated to 2008D-2A, 2008-D2B, and 2010F-2 PFC were not re-associated with other active hedged swaps as of the termination date.

Effective Date	Maturity Date	Initial Notional Amount	Counterparty	Counterparty Ratings			Outstanding Notional	
				Moody's	S&P	Fitch	June 30, 2023	June 30, 2022
8/23/2001	7/1/2036	$ 185,855	Citigroup Financial Products Inc.	A2	A	A+	$ 62,752	$ 63,320
7/1/2003	7/1/2025	200,000	Citigroup Financial Products Inc.	A2	A	A+	42,628	59,830
7/1/2008	7/1/2022	150,000	JPMorgan Chase Bank, N.A.	Aa2	A+	AA	—	21,000
7/1/2008	7/1/2022	150,000	UBS AG	Aa3	A+	AA-	—	21,025
3/19/2008	7/1/2040	151,200	Citigroup Financial Products Inc.	A2	A	A+	122,150	126,800
3/19/2008	7/1/2040	31,975	JPMorgan Chase Bank, N.A.	Aa2	A+	AA	25,825	26,800
3/19/2008	7/1/2040	31,975	UBS AG	Aa3	A+	AA-	25,825	26,800
3/19/2008	7/1/2036	41,330	Citigroup Financial Products Inc.	A2	A	A+	30,880	32,535
3/19/2008	7/1/2036	8,795	JPMorgan Chase Bank, N.A.	Aa2	A+	AA	6,570	6,925
3/19/2008	7/1/2036	8,795	UBS AG	Aa3	A+	AA-	6,570	6,925
3/19/2008	7/1/2040	29,935	JPMorgan Chase Bank, N.A.	Aa2	A+	AA	29,935	29,935
3/19/2008	7/1/2040	29,935	UBS AG	Aa3	A+	AA-	29,935	29,935
7/1/2009	7/1/2026	200,000	Citigroup Financial Products Inc.	A2	A	A+	182,525	200,000
	Total	$ 1,219,795					$ 565,595	$ 651,830

(b) Derivative Instruments

The Department has both hedging and investment derivative instruments. Hedging derivative instruments are derivative instruments that significantly reduce an identified financial risk by substantially offsetting changes in the cash flows of an associated hedgeable item. Hedging derivative instruments are required to be tested for their effectiveness. Effectiveness of hedging derivative instruments is first tested using the consistent critical terms method. If critical terms analysis fails because the critical terms of the hedged item and the hedging instrument do not match, a quantitative method is employed, typically regression analysis. On an annual basis and consistent with the fiscal year end, the Department employs an external consulting firm to perform this evaluation. Investment derivative instruments are either derivative instruments entered into primarily for income or profit purposes or derivative instruments that do not meet the criteria of an effective hedging derivative instrument.

The following are the fair values and changes in fair values of the Department's interest rate swap agreements for the fiscal years ended June 30, 2023 and 2022 (in thousands):

		Fair Value and Classifications as of June 30, 2023		Changes in Fair Value for the Twelve Months Ended June 30, 2023		
Swap #	Description	Derivative Instrument Classification	Fair Value	Increase (Decrease) in Deferred Inflows	Increase (Decrease) in Deferred Outflows	Net Change in Fair Value
Hedging derivative instruments						
07A ‡	Floating-to-Fixed Interest Rate Swap	Non-current liability	$ —	$ —	$ (8)	$ 8
07B ‡	Floating-to-Fixed Interest Rate Swap	Non-current liability	—	—	(8)	8
10B	Floating-to-Fixed Interest Rate Swap	Non-current asset	786	786	(512)	1,298
10C	Floating-to-Fixed Interest Rate Swap	Non-current asset	756	756	(512)	1,268
12A	Floating-to-Fixed Interest Rate Swap	Non-current asset	5,590	(863)	—	(863)
Total hedging derivative instrument activities			7,132	$ 679	$ (1,040)	1,719
Investment derivative instruments				Gain (loss) on Investment	Deferral Included in Gain (loss)	
2	Basis Rate Swap	Non-current liability	(927)	648	—	648
4	Basis Rate Swap	Non-current asset	146	3	—	3
08A	Floating-to-Fixed Interest Rate Swap	Non-current liability	(7,480)	4,957	—	4,957
08B	Floating-to-Fixed Interest Rate Swap	Non-current liability	(1,583)	1,049	—	1,049
08C	Floating-to-Fixed Interest Rate Swap	Non-current liability	(1,583)	1,049	—	1,049
09A	Floating-to-Fixed Interest Rate Swap	Non-current asset	1,625	636	—	636
09B	Floating-to-Fixed Interest Rate Swap	Non-current asset	346	135	—	135
09C	Floating-to-Fixed Interest Rate Swap	Non-current asset	346	135	—	135
12A	Floating-to-Fixed Interest Rate Swap	Non-current asset	653	(200)	—	(200)
Total investment derivative instrument activities			(8,457)	8,412	—	8,412
Total			$ (1,325)			$ 10,131

‡ On August 3, 2011, the Department refunded the outstanding principal of Series 2008A-1 and B-1 Bonds with the Series 2011B-1 and B-2 Bonds, respectively. Upon refunding, swap #07B was re-associated with the cash flows of the $100 million of outstanding principal of the Series 2011B-1 Bonds, and swap #07A was re-associated with the cash flows of the $100 million of outstanding principal of the Series 2011B-2 Bonds. On November 19, 2013, to better match the principal amortizations, swap #07A was re-associated with the Series 2011B-1 Bonds and swap #07B was re-associated with the Series 2011B-2 Bonds.

Swap #	Description	Fair Value and Classifications as of June 30, 2022: Derivative Instrument Classification	Fair Value	Changes in Fair Value for the Twelve Months Ended June 30, 2022: Increase (Decrease) in Deferred Inflows	Increase (Decrease) in Deferred Outflows	Net Change in Fair Value
Hedging derivative instruments						
07A ‡	Floating-to-Fixed Interest Rate Swap	Non-current asset	$ (8)	$ —	$ (121)	$ 121
07B ‡	Floating-to-Fixed Interest Rate Swap	Non-current asset	(8)	—	(139)	139
10B	Floating-to-Fixed Interest Rate Swap	Non-current liability	(512)	—	(3,392)	3,392
10C	Floating-to-Fixed Interest Rate Swap	Non-current liability	(512)	—	(3,392)	3,392
12A**	Floating-to-Fixed Interest Rate Swap	Non-current asset	7,308	5,022	—	5,022
Total hedging derivative instrument activities			$ 6,268	$ 5,022	$ (7,044)	$ 12,066
				Gain (loss) on Investment	Deferral Included in Gain (loss)	
Investment derivative instruments						
02	Basis Rate Swap	Non-current liability	(1,575)	(1,079)	—	(1,079)
04	Basis Rate Swap	Non-current asset	143	(403)	—	(403)
08A	Floating-to-Fixed Interest Rate Swap	Non-current liability	(12,437)	13,443	—	13,443
08B	Floating-to-Fixed Interest Rate Swap	Non-current liability	(2,631)	2,844	—	2,844
08C	Floating-to-Fixed Interest Rate Swap	Non-current liability	(2,631)	2,844	—	2,844
09A	Floating-to-Fixed Interest Rate Swap	Non-current asset	989	2,338	—	2,338
09B	Floating-to-Fixed Interest Rate Swap	Non-current asset	210	497	—	497
09C	Floating-to-Fixed Interest Rate Swap	Non-current asset	210	497	—	497
Total investment derivative instrument activities			(17,722)	$ 20,981	—	20,981
Total			$ (11,454)			$ 33,047

‡ On August 3, 2011, the Department refunded the outstanding principal of its Series 2008A-1 and B-1 Bonds with the Series 2011B-1 and B-2 Bonds, respectively. Upon refunding, swap #07B was re-associated with the cash flows of the $100 million of outstanding principal of the Series 2011B-1 Bonds, and swap #07A was re-associated with the cash flows of the $100 million of outstanding principal of the Series 2011B-2 Bonds. On November 19, 2013, to better match the principal amortizations, swap #07A was re-associated with the Series 2011B-1 Bonds, and swap #07B was re-associated with the Series 2011B-2 Bonds.

On August 3, 2011, the Department refunded the Series 2008B-1 Bonds and the Series 2008A-1 Bonds with the Series 2011B-2 Bonds and the Series 2011B-1 Bonds, respectively. Upon refunding, $100.0 million in notional of swap #07A and $100.0 million in notional of swap #07B were re-associated with the 2011B-1 Bonds and the 2011B-2 Bonds, respectively. This re-association resulted in a revaluation of swaps #07A and #07B to adjust the overall swap rate of each swap to the market rate, creating a deferred loss on imputed debt for each swap, and an equivalent offsetting liability for each swap, imputed debt, in the amounts of $10.7 million for swap #07A and $10.7 million for swap #07B. These deferred losses on imputed debt and corresponding imputed debts are amortized against each other on a straight-line basis over the remaining lives of the swaps. In November 2013, the Department re-associated swap #07A with the 2011B-1 Bonds and re-associated swap #07B with the 2011B-2 Bonds. On December 6, 2017, the Series 2011B-2 Bonds were refunded by the issuance of Series 2017D Bonds and therefore re-associating $92.5 million in notional of swap #07B with 2017D Bonds. The Series 2008 B-2 and Series 2017D bonds were subsequently redeemed early on July 1, 2021, and therefore reassociating $21.0 million in notional of swap #07B with Series 2008D-2A/B.

On November 19, 2013, the Department fully terminated swaps #06, #12B, and #17, and partially terminated swap #14B. Because swap #14B was only partially terminated, its outstanding notional value was reduced by $56.8 million from $202.0 million to $145.2 million. At the transaction closing, the fair values of all the terminated swaps or portions thereof, coupled with their related accrued interest, resulted in a net termination payment of $0. The Department executed this transaction to lower overall swap exposure, reduce interest rate risk, increase cash flow, reduce debt service, and tailor its swap portfolio to better match its variable rate bond portfolio. Upon completion of the termination, the Department re-associated the investment component of each of swap derivative instruments #14A and #14B with variable rate bonds, thereby resulting in the full hedging of these swaps.

On December 19, 2018, the Department fully terminated swaps #14A, #14B, #15, #16, and #18, causing a reduction in outstanding notional value of $442.5 million, from $1,333.3 million to $890.9 million. The transaction closing resulted in a net termination payment of $5.2 million. The Department executed this transaction to lower overall swap exposure, reduce interest rate risk, increase cash flow, and reduce debt service. Upon completion of the termination, the $47.5 million in notional amount of swap #12A was re-associated to 2008D-3, from swap #14. Additionally, $29.1 million and $50.0 million in notional amounts from swap #12A were re-associated to 2008A General Obligation Bonds and 2008C Bonds, respectively, from swap #14B. Notional amounts of swaps #14A and #14B, associated to 2008D-2A, 2008D-2B, and 2010F-2 PFC Bonds, were not associated with other active hedged swaps as of the termination date.

On May 22, 2023, the Department executed two letters of adherence with the International Swaps and Derivatives Association, Inc. (ISDA). These letters affirm the Department's adherence to the ISDA 2020 IBOR Fallbacks Protocol and the ISDA 2021 Fallbacks Protocol.

(c) Hedging Derivative Instruments

As of June 30, 2023, the Department had three outstanding floating-to-fixed interest rate swap agreements considered to be hedging derivative instruments in accordance with the provisions of GASB 53. The three outstanding hedging swaps have been structured with step-down coupons to reduce the cash outflows of the fixed leg of those swaps in the later years of the swap.

Forward Starting Swap Agreements – Hedging Derivative Instruments

On January 3, 2006, the Department entered into five swap agreements (swaps #7A, #7B, #12A, #12B, and #13) to hedge future variable rate debt as a means to lower its borrowing costs and to provide favorable synthetically fixed

rates for financing the construction of Terminal 3 and other related projects. Swaps #7A and #7B, with notional amounts of $150.0 million each, became effective July 1, 2008, while swaps #12A and #12B, with notional amounts totaling $550.0 million, became effective July 1, 2009. To better match its outstanding notional of floating-to-fixed interest rate swaps to the cash flows associated with its outstanding variable rate bonds, on April 6, 2010, the Department terminated $543.4 million in notional amounts of its outstanding floating-to-fixed interest rate swaps (swaps #3, #5, #10A, and #11) and $150.0 million in the notional amount of the July 1, 2010, forward starting swap #13. On April 17, 2007, the Department entered into two additional forward starting swaps, swaps #14A and #14B, with notional amounts totaling $275.0 million, which became effective on July 1, 2011, and the Department later re-associated the investment component of each of swap derivative instruments #14A and #14B with variable rate bonds. Swaps #14A and #14B were subsequently terminated on December 19, 2018, and Swaps #7A and #7B matured on July 1, 2022.

Notional Amounts and Fair Values - Hedging Derivative Instruments

The notional amounts of the swap agreements match the principal portions of the associated debt and contain reductions in the notional amounts that are expected to follow the reductions in principal of the associated debt, except as discussed in the section on rollover risk.

Due to an overall decrease in variable rates, three of the Department's hedging derivative instruments had a positive fair value as of June 30, 2023 compared to only one in 2022.

Associated Debt Cash Flows - Hedging Derivative Instruments

The following are the net cash flows for the Department's hedging derivative instruments for the years ended June 30, 2023 and 2022 (in thousands):

Swap #	Interest Rate Swap Description	Associated Variable Rate Bonds	Counterparty Swap Interest (Pay)	Counterparty Swap Interest Receive	Counterparty Swap Interest Net	Interest to Bondholders (Pay)	Net Interest Payments 2023	Net Interest Payments 2022
07A	Floating-to-Fixed	2008D-2A, 2008D-2B	$ (316)	$ 350	$ 34	$ (55)	$ (20)	$ (309)
07B *	Floating-to-Fixed	2008 D-2A, 2008D-2B	—	35	35	(64)	(29)	(270)
10B	Floating-to-Fixed	2008 D-2A, 2008D-2B	(531)	257	(273)	(661)	(934)	(803)
10C	Floating-to-Fixed	2008 D-2A, 2008D-2B	(272)	—	(272)	(661)	(933)	(803)
12A **	Floating-to-Fixed	2008D-2A, 2008D-2B, 2008 D-3	(4,326)	6,467	2,141	(2,568)	(427)	(277)
			$ (5,445)	$ 7,109	$ 1,665	$ (4,009)	$ (2,343)	$ (2,462)

* On December 6, 2017, the Series 2011B-2 Bonds were refunded by the issuance of Series 2017D Bonds and therefore re-associating $92.5 million in notional of swap #07B with 2017D Bonds. The Series 2008 B-2 and Series 2017D bonds were subsequently redeemed early on July 1, 2021, and therefore reassociating $21.0 million in notional of swap #07B with Series 2008D-2A/B.

** On December 19, 2018, swaps #14A and 14B were terminated. Upon the termination, the $47.5 million of notional amount of swap #12A was re-associated to 2008D-3 Bonds from swap #14A, while $29.1 million and $50.0 million in notional amounts of swap #12A were re-associated to 2008A General Obligation Bonds and 2008C Bonds, respectively, from swap #14B. Notional amounts of swaps #14A and #14B associated to 2008D-2A, 2008-D2B, and 2010F-2 PFC were not re-associated with other active hedged swaps as of the termination date.

Credit Risk - Hedging Derivative Instruments

The Department was exposed to credit risk on the three hedging derivative instruments that had a positive fair value totaling $7.1 million as of June 30, 2023. However, a CSA is in place to provide collateral to protect the value of the swaps under specific circumstances. The following are the hedging swaps and their amounts at risk as of June 30, 2023, along with the counterparty credit ratings for these swaps (in thousands):

Swap #	Interest Rate Swap Description	Counterparty	Counterparty Ratings			Credit Risk Exposure
			Moody's	S&P	Fitch	
10B	Floating-to-Fixed	JPMorgan Chase Bank, N.A.	Aa2	A+	AA	$ 786
10C	Floating-to-Fixed	UBS AG	Aa3	A+	AA-	756
12A	Floating-to-Fixed	Citigroup Financial Products Inc.	A2	A	A+	5,591
						$ 7,133

The Department was exposed to credit risk on one hedging derivative instrument that had a positive fair value totaling $7.3 million as of June 30, 2022. However, a CSA is in place to provide collateral to protect the value of the swaps under specific circumstances. The following are the hedging swaps and their amounts at risk as of June 30, 2022, along with the counterparty credit ratings for these swaps (in thousands):

Swap #	Interest Rate Swap Description	Counterparty	Counterparty Ratings			Credit Risk Exposure
			Moody's	S&P	Fitch	
12A	Floating-to-Fixed	Citigroup Financial Products Inc.	A3	A	A+	$ 7,308

The counterparty to swap #12A is required to post collateral pursuant to the terms of the ISDA CSA Agreement, given that the credit rating of this counterparty declined to the rating threshold defined in the ISDA CSA Agreement. As of June 30, 2023 and 2022, the cash collateral posted with the custodian for Swap #12A was $9.1 million and $8.1 million, respectively.

Basis and Interest Rate Risk – Hedging Derivative Instruments

All hedging derivative instruments are subject to basis risk and interest rate risk should the relationship between the LIBOR rate and the Department's bond rates converge. If a change occurs that results in the rates moving to convergence, the expected cost savings and expected cash flows of the swaps may not be realized.

Tax Policy Risk – Hedging Derivative Instruments

The Department is exposed to tax risk if a permanent mismatch (shortfall) occurs between the floating rate received on the swap and the variable rate paid on the underlying variable rate bonds due to changes in tax law such that any federal or state tax exemption of municipal debt is eliminated or its value is reduced.

Termination Risk – Hedging Derivative Instruments

The Department is exposed to termination risk if either the credit rating of the bonds associated with the swap or the credit rating of the swap counterparty falls below the threshold defined in the swap agreement, i.e. if an ATE occurs. If at the time of the ATE the swap has a negative fair value, the Department would be liable to the counterparty for a payment equal to the swap's fair value. For all swap agreements, except for swaps #08A and #09A, the Department is required to designate a day between 5 and 30 days to provide written notice following the ATE date. For swaps #08A and #09A, the designated date is 30 days after the ATE date.

Market Access Risk - Hedging Derivative Instruments

The Department is exposed to market access risk, which is the risk that the Department will not be able to enter credit markets or that credit will become more costly. For example, to complete a hedging instrument's objective, an issuance of refunding bonds may be planned in the future. If at that time the Department is unable to enter credit markets, expected cost savings may not be realized.

Foreign Currency Risk - Hedging Derivative Instruments

All hedging instruments are denominated in US dollars, therefore, the Department is not exposed to foreign currency risk.

Rollover Risk and Other Risks – Hedging Derivative Instruments

There exists the possibility that the Department may undertake additional refinancing with respect to its swaps to improve its debt structure or cash flow position and that such refinancing may result in hedging swap maturities that do not extend to the maturities of the associated debt, in hedging swaps becoming decoupled from associated debt, in the establishment of imputed debt, or in the creation of losses.

d) Investment Derivative Instruments

Credit Risk - Investment Derivative Instruments

The Department was exposed to credit risk on the investment derivative instruments that had positive fair value totaling $3.1 million as of June 30, 2023, and $1.6 million as of June 30, 2022. A CSA is in place to provide collateral to protect the value of the swaps under specific circumstances. The investment swaps and their amounts at risk as of June 30, 2023, along with the counterparty credit ratings for these swaps, are as follows (in thousands):

Swap #	Interest Rate Swap Description	Counterparty	Counterparty Ratings			Credit Risk Exposure
			Moody's	S&P	Fitch	
04	Basis Swap	Citigroup Financial Products Inc.	A2	A	A+	$ 146
09A	Floating-to-Fixed	Citigroup Financial Products Inc.	A2	A	A+	1,625
09B	Floating-to-Fixed	JPMorgan Chase Bank, N.A.	Aa2	A+	AA	346
09C	Floating-to-Fixed	UBS AG	Aa3	A+	AA-	346
12A	Floating-to-Fixed	Citigroup Financial Products Inc.	A2	A	A+	653
						$ 3,116

The investment swaps and their amounts at risk as of June 30, 2022, along with the counterparty credit ratings for these swaps, are as follows (in thousands):

Swap #	Interest Rate Swap Description	Counterparty	Counterparty Ratings			Credit Risk Exposure
			Moody's	S&P	Fitch	
04	Basis Swap	Citigroup Financial Products Inc.	A3	A	A	$ 143
09A	Floating-to-Fixed	Citigroup Financial Products Inc.	A3	A	A+	989
09B	Floating-to-Fixed	JPMorgan Chase Bank, N.A.	Aa2	A+	AA	210
09C	Floating-to-Fixed	UBS AG	Aa3	A+	AA-	210
						$ 1,552

Interest Rate Risk – Investment Derivative Instruments

Swaps #02 and #04 are subject to interest rate risk should the relationship between the LIBOR rate and the SIFMA rate converge. If economic conditions change such that these rates converge, the expected cash flows of the swaps and expected cost savings may not be realized.

Swaps #08A, #08B, and #08C, and swaps #09A, #09B, and #09C are subject to interest rate risk should the relationship between the 10-year CMS rate (Constant Maturity Swap rate) and the LIBOR rate converge. If economic conditions change such that these rates converge, the expected cash flows of the swaps and expected cost savings may not be realized.

(e) Projected Maturities and Interest on Variable Rate Bonds and Swap Payments

Using the rates in effect on June 30, 2023, the approximate maturities and interest payments of the Department's variable rate debt associated with the interest rate swaps, as well as the net payment projections on the floating-to-fixed interest rate swaps, are as follows (in thousands):

Due for the Fiscal Year Ended June 30,	Variable Rate Bonds			
	Principal	Interest	Net Swap Payments	Total
2024	$ 600	$ 17,945	$ 4,801	$ 23,346
2025	615	17,920	3,146	21,681
2026	720	17,892	1,130	19,742
2027	17,260	17,519	238	35,017
2028	29,870	16,541	28	46,439
2029-2033	135,590	64,517	76	200,183
2034-2038	152,125	36,825	204	189,154
2039-2041	104,350	6,414	51	110,815
Total	$ 441,130	$ 195,573	$ 9,674	$ 646,377

10.) PAYMENTS TO CLARK COUNTY

The Department reimburses the County for providing the Airport System with fire services, police services, legal services, administrative services, certain maintenance services based on the actual cost of those services and special projects. The total amounts billed for these services were $41.9 million and $42.5 million for the fiscal years ended June 30, 2023 and 2022, respectively.

11.) COMMITMENTS AND CONTINGENCIES

(a) Construction in Progress

As of June 30, 2023, the Department's management estimates that future expenditures which have been committed through execution of construction contracts will require an additional outlay of approximately $311.4 million to bring those projects to completion.

(b) Litigation and Claims

General Litigation

The Department, through the County, is contingently liable in respect to lawsuits and other claims incidental to the ordinary course of its operations. The opinion of County management, based on the advice of the County Attorney, is that the outcome of such claims will not have a material adverse effect on the Department's financial position, results of operations or liquidity at June 30, 2023.

Other Litigation

The County is a party to numerous other actions and claims in connection with the ownership and operation of the Airport System, including personal injury claims, employment-related claims, and construction claims, but, in the opinion of the District Attorney, the actions and claims described in this paragraph are not expected, in the aggregate, to have a material adverse effect on the financial condition of the Airport System.

12.) LEASES

Lessor

The Department leases land, buildings, and terminal space to various tenants and concessionaires under operating agreements. Charges to air carriers are generated from terminal building rentals, gate use fees, and landing fees in accordance with the Agreement or with the provisions of the applicable County ordinance. Under the terms of these agreements, concession fees are based principally either on a percentage of the concessionaires' gross sales or a stated minimum annual guarantee, whichever is greater, or on other land and building rents that are based on square footage rental rates. The Department, as a lessor, recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions such as regulated leases and short-term leases.

Following the adoption of GASB 87, the Department categorizes leases into two groups: (1) Included and (2) Regulated.

GASB 87 Leases – Included

The Department categorizes leases that meet GASB 87 requirements as Included leases and recognizes a lease receivable, a deferred inflow of resources, interest income, and lease revenue accordingly. Any performance based contract provisions within Included type agreements are excluded from GASB 87 accounting such as floating minimum annual guarantee (MAG), facility use fees, and profit sharing. The terms of the Included leases range from three to twenty-two years from the date of their commencement. As of June 30, 2023, all of the Included leases have terms expiring before fiscal year-end 2034. The Included leases are summarized as below (in thousands):

Beginning Lease Receivable at July 1, 2022	Receivable Addition (Reduction)	Ending Lease Receivable at June 30, 2023	Interest Revenue	Lease Revenue
$ 34,168	$ 24,282	$ 58,450	$ 1,253	$ 16,514

Included leases were identified within three different revenue streams: terminal concession, parking and ground transportation, and rental car facility and concession. The Department recognized a total of $16.5 million of lease revenue and $1.3 million of lease interest revenue associated with Included lease payments received in FY 2023. The FY 2023 beginning balance of deferred inflows in was $32.6 million related to the Included leases. The Department

recognized additional deferred revenue in the amount of $23.0 million in FY 2023 which resulted deferred inflow ending balance of $55.6 million related to the Included lease population as of June 30, 2023 .

As of June 30, 2022, all of the Included leases have terms expiring before fiscal year-end 2027. The Included leases are summarized as below (in thousands):

Beginning Lease Receivable at July 1, 2021	Receivable Addition (Reduction)	Ending Lease Receivable at June 30, 2022	Interest Revenue	Lease Revenue
$ 47,544	$ (13,376)	$ 34,168	$ 1,252	$ 13,647

The Department recognized a total of $13.6 million of lease revenue and $1.3 million of lease interest revenue in FY 2022. The FY 2022 beginning balance of deferred inflows was $46.3 million related to the Included leases. The Department recognized revenue in the amount of $13.6 million during FY 2022 which resulted in a FY 2022 deferred inflow ending balance to increase to $32.6 million related to the included lease population.

The following is a schedule of minimum future rental income on Included leases as of June 30, 2023 (in thousands):

Fiscal Year	Principal	Interest
2024	$ 15,588	$ 1,559
2025	13,770	1,086
2026	5,388	799
2027	4,264	662
2028	3,776	535
2029-2033	13,937	1,287
2034	1,727	20

Regulated Leases

The Department leases certain assets to various third parties as regulated leases, as defined by GASB 87. The leased assets include jet bridges, passenger hold rooms, concourse operations space, baggage service areas, hangars, and tie-down spaces. These leases are regulated under the FAA Rates and Charges Policy and Grant Assurance 22. Certain assets are subject to preferential or exclusive use by the counterparties to these agreements as follows:

Jet Bridges - 62 of 109 total jet bridges are designated as preferential use
26% of available terminal leased space is preferentially leased
51% of available terminal leased space is designated as joint-use space
23% of available terminal leased space is designated as common use space

For the Airline-Airport use and lease, the Department recognized revenue from terminal/building rent, apron use, passenger enplanements, gate use, and landing fees in the amount of $57.7 million and $61.8 million in FY 2023 and FY 2022 respectively. For ground handling, the Department recognized lease revenue of $3.4 million and $3.5 million in FY 2023 and FY 2022 respectively, from terminal/building rent and apron use. Rates and charges are calculated annually at the beginning of each fiscal year based on the budgeted revenues, expenses, and debt service requirements and applied to both Airline-Airport use and lease agreements and ground handling agreements. Due to the nature of the rates and charges calculation, expected future minimum payments are indeterminable.

The Airport entered into various hangars, tie-down spaces, and FBO lease agreements with tenants for the use of spaces. During FY 2023, total revenues of $12.2 million were recorded for these categories of Regulated leases. In FY 2022, total revenue of $11.8 million was recorded for the Regulated leases.

The following is a schedule of minimum future rental income on Regulated leases as of June 30, 2023, for the upcoming fiscal years (in thousands):

Fiscal Year		Minimum Future Rents
2024	$	7,350
2025		7,094
2026		6,980
2027		6,627
2028		6,434
2029-2033		31,061
2034-2038		28,339
2039-2043		25,769
2044-2048		21,311
2049-2053		14,211
2054-2057		931

Lessee

The Department entered into a twenty-two year lease agreement for the use of an administrative office building located adjacent to the Airport on August 7, 2007. The Department recognizes a lease payable, interest expense, right of use asset net of accumulated amortization and amortization expense accordingly. Effective May 1, 2023, the Department partially terminated its lease of certain spaces in the administrative office building. The Department

surrendered the space subject to termination of the lease, as required by the lease amendment. The necessary adjustments were made to the lease payable and right-of-use asset net of accumulated amortization, and a gain was recognized accordingly. Refer to the summary of lease payable for the building as of June 30, 2023 below (in thousands):

Beginning Lease Payable at July 1, 2022	Payable Reduction	Ending Lease Payable at June 30, 2023	Interest Expense	Amortization Expense
$ 24,772	$ 9,797	$ 14,975	$ 677	$ 2,580

The Department has recorded a right of use asset for the building asset in the amount of $19.1 million and accumulated amortization totaled $5.5 million as of June 30, 2023. Current and non-current portion of ending lease payable as of June 30, 2023, for the building lease are $1.6 million and $13.4 million, respectively.

Refer to the summary of lease payable for the building as of June 30, 2022 below (in thousands):

Beginning Lease Payable at July 1, 2021	Payable Reduction	Ending Lease Payable at June 30, 2022	Interest Expense	Amortization Expense
$ 26,635	$ 1,863	$ 24,772	$ 776	$ 2,732

The Department recorded a right of use in building asset in the amount of $28.7 million and accumulated amortization totaled $5.5 million as of June 30, 2022. A current and non-current portion of ending lease payable as of June 30, 2022, for the building lease are $2.3 million and $22.5 million, respectively.

The following is a schedule of future principal and interest payments to maturity for the leased building as of June 30, 2023 (in thousands):

Fiscal Year	Principal	Interest
2024	$ 1,607	$ 429
2025	1,716	379
2026	1,831	326
2027	1,953	269
2028	2,082	209
2029-2031	5,786	230

The Department's manner of use of the building remained unchanged, except for the partial termination of the lease in May 2023. The duration of the right-of-use of the building is unchanged. There were no impairment triggering events identified during FY 2022 or 2023.

GASB 96 Subscription-Based IT Arrangements

The Department adopted GASB Statement No. 96, Subscription-Based Information Technology Arrangements (GASB 96) to account for its subscription-based information technology arrangements (SBITAs). The Department has various types of operational, security, and productivity software under subscription-based information technology arrangements.

At the inception of a subscription, the Department initially measures the SBITA payable and the right-of-use SBITA asset at the present value of the subscription payments, discounted at 3.25% per annum. The right-of-use SBITA asset is amortized over the shorter of the estimated useful life of the asset or the contract period. The Department recognizes a SBITA payable, interest expense, right of use asset net of accumulated amortization, and amortization expense for each relevant period following the inception date, accordingly.

Variable payments related to certain of the Department's SBITAs are contingent upon the number of seat licenses. Management has assessed the impact of the potential variable payments related to seat licenses and determined these potential payments to be immaterial. There were no other material outflows related to early termination fees or other service-related fees beyond the recognized subscription liability.

As of June 30, 2023, the terms of the SBITA arrangements range from two to six years from the date of their commencement. The SBITA activities for the year ended June 30, 2023 are summarized below (in thousands):

Beginning SBITA Payable at July 1, 2022	Payable Reduction	Ending SBITA Payable at June 30, 2023	Interest Expense	Amortization Expense
$ 4,544	$ 248	$ 4,296	$ 134	$ 1,698

The Department has recorded a right of use for the SBITA asset in the amount of $7.6 million and accumulated amortization totaled $2.9 million as of June 30, 2023. Current and non-current portion of SBITA payable as of June 30, 2023, for the right of use for SBITA asset are $1.7 million and $2.6 million, respectively. The current and non-current portion of SBITA payables are reported under different line items on the Statement of Net Position. The

current portion is included within Accounts payable and other current liabilities and the non-current portion is recognized within Other non-current liabilities.

Refer to the summary of SBITA activities for the year ended June 30, 2022 below (in thousands):

Beginning SBITA Payable at July 1, 2021	Payable Reduction	Ending SBITA Payable at June 30, 2022	Interest Expense	Amortization Expense
$ 1,035	$ (3,509)	$ 4,544	$ 117	$ 1,217

The Department recorded a right of use for the SBITA asset in the amount of $6.2 million and accumulated amortization totaled $1.2 million as of June 30, 2022. A current and non-current portion of SBITA payable as of June 30, 2022, for the right of use for SBITA asset are $1.6 million and $3.0 million, respectively.

The following is a schedule of future principal and interest payments to maturity for the SBITA as of June 30, 2023 (in thousands):

Fiscal Year	Principal	Interest
2024	$ 1,618	$ 109
2025	888	65
2026	907	36
2027	556	16
2028	218	4
2029-2033	55	—

The Department did not experience any change in the manner of use or duration of the right of use of the SBITA asset. There were no impairment triggering events identified during FY 2022 or 2023.

13.) RISK MANAGEMENT

The Department is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and customers; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties and County self-insured programs for off-airport auto liability, employee medical benefits, and workers' compensation.

From time-to-time, the Department carries cash and cash equivalents on deposit with financial institutions in excess of federally-insured limits. However, the extent of any future loss to be sustained as a result of uninsured deposits in the event of a failure of a financial institution, if any, is not subject to estimation at this time.

The County has established a fund for self-insurance related to medical benefits provided to employees and covered dependents. An independent claims administrator handles all claims procedures. The County also provides an option for employees to select an independent health maintenance organization for medical benefits.

The County has also established a fund for self-insurance related to workers' compensation claims. The County maintains reinsurance coverage obtained from private insurers for losses in excess of $1.0 million per claim.

The Department reimburses the County at a per capita rate for employee medical benefits and for a percentage of payrolls for workers' compensation coverage. Rates for this coverage are uniform for all County departments and are adjusted based on the overall performance of the self-insured medical benefits fund and the self-insured workers' compensation fund.

As a participant in the County's self-insured programs, the Department is assessed annual fees based on the allocation of each respective fund. These assessments are charged to the Department's expense each year. There is no separate accounting for the Department's claims. Accordingly, information regarding claims liability and payments is not presented in this financial report.

Settled claims from these risks have not exceeded commercial insurance coverage during the past twelve months.

14.) AIRPORT LAND TRANSFERS

The Southern Nevada Public Land Management Act of 1998, Public Law 105-263, was enacted by Congress in October 1998. A provision of this law provided that the Bureau of Land Management (BLM), an agency of the United States Department of the Interior, transfer approximately 5,000 acres of land to the Department, without consideration, subject to the following:

1. Valid existing rights;

2. Agreement that the land be managed in accordance with the law, with 49 U.S.C. §47504 (relating to airport noise compatibility planning), and with regulations promulgated pursuant to that section;

3. Agreement that, if any land is sold, leased, or otherwise conveyed by the Department, such sale, lease, or other conveyance shall contain a limitation that requires uses be compatible with the Interim Cooperative Management Agreement and with Airport Noise Compatibility Planning provisions (14 C.F.R. Part 150); and

4. Agreement that, if any land is sold, leased, or otherwise conveyed by the Department, such sale, lease, or other conveyance shall be at fair market value. The Department contributes 85% of the gross proceeds from the sale, lease, or other conveyance of such land directly to the BLM for use in purchasing, improving, or developing other land for environmental purposes. The Department contributes 5% of the gross proceeds from the sale, lease, or other conveyance of such land directly to the State for use in its general education program. The remainder is available for use by the Department for the benefit of airport development and the Noise Compatibility Program.

Due to the uncertainty of any future benefit to the Department, a value has not been assigned to, nor was income reported relating to, land not yet sold or leased under the Southern Nevada Public Land Management Act of 1998. Gross proceeds from the sale and lease of CMA land for the years ended June 30, 2023 and 2022, were $114.2 million and $396.8 million, respectively. The Department's share of these proceeds was $11.4 million and $39.7 million for the years ended June 30, 2023 and 2022, respectively.

15.) SUBSEQUENT EVENTS

Subsequent to June 30, 2023, the following significant events occurred:

1. As of July 1, 2023, the Intercontinental Exchange (ICE) Benchmark Administration ceased publishing any LIBOR setting using the methodology in place as of December 31, 2021. As a result, effective July 1, 2023, LIBOR is no longer an appropriate benchmark interest rate for a derivative instrument that hedges the interest rate risk of taxable debt for purposes of GASB Statement 53.

2. On July 25, 2023, the Direct-Pay Letter of Credit provided by Barclays Bank PLC that supports the Airport System Subordinate Lien Revenue Bonds, Series 2008D-2B, was replaced with an Irrevocable Transferable Direct-Pay Letter of Credit by Sumitomo Mitsui Banking Corporation for a four-year term with an expiration date of July 23, 2027.

3. On July 26, 2023, Fitch Ratings downgraded the long-term rating assigned to the Airport System Subordinate Lien Revenue Bonds, Series 2008D2-B, from A+ to A- and affirmed the short-term 'F1' rating. The Rating Outlook for the long-term rating will be Stable.

4. On October 10, 2023, an offer submitted by the Department to purchase land adjacent to the Airport located at the northeast corner of Las Vegas Boulevard and Hidden Well Road was accepted. The full amount of compensation offered for the property is $166.7 million. The close of escrow will be on or before February 29, 2024.

5. On November 15, 2023, Fitch Ratings upgraded the long-term rating assigned to the Airport System Subordinate Lien Revenue Bonds, Series 2008C-1, Series 2008D-2A, Series 2008D3, Series 2021A and the Junior Subordinate Lien Revenue Notes, Series 2021B to AA- from A+. The Rating Outlook is Stable.

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REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Proportionate Share of Net Pension Liability
Last Ten Fiscal Years *
(in thousands)

	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Proportion of the Plan's collective net pension liability	$ 221,614	$ 106,501	$ 183,948	$ 178,360	$ 176,581
Proportionate share of the collective net pension liability	1.23 %	1.17 %	1.32 %	1.31 %	1.29 %
Covered payroll	$ 91,129	$ 84,034	$ 94,690	$ 89,678	$ 85,678
Proportionate share of the collective net pension liability as a percentage of the covered payroll	243.19 %	126.74 %	194.26 %	198.89 %	206.10 %
Plan's fiduciary net position	$ 54,514,012	$ 58,458,484	$ 46,735,117	$ 44,284,253	$ 41,431,687
Plan's fiduciary net position as a percentage of the total pension liability	75.12 %	86.51 %	77.00 %	76.46 %	75.24 %

* FY 2015 was the first year of implementation of GASB 68. This schedule is intended to show information over a period of ten years. Information for additional years will be presented as it becomes available.

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior (plan measurement year).

Changes in assumptions:

Significant changes in assumptions between the June 30, 2017 plan measurement date and June 30, 2016 plan measurement date include: the inflation rate was updated to 2.75% from 3.50%, the investment rate of return was updated to 7.50% from 8.00%, the productivity pay increase was updated to 0.5% from 0.75%, projected salary increases were updated to 4.25% to 9.15% for regular (depending on service) from 4.60% to 9.75%, projected salary increases were updated to 4.55% to 13.90% for police/fire (depending on service) from 5.25% - 14.5%, and the consumer price index was updated to 2.75% from 3.50%.

Significant changes in assumptions between the June 30, 2021 plan measurement date and the June 30, 2020 plan measurement date include: the discount rate was updated to 7.5% from 7.25%, the inflation rate was updated from 2.75% to 2.5%.

Significant change in assumption between the June 30, 2022 plan measurement date and the June 30, 2021 plan measurement date includes consumer price index updated to 2.50% from 2.75%.

FY 2018	FY 2017	FY 2016	FY 2015
$ 170,398	$ 174,029	$ 142,762	$ 130,301
1.28 %	1.29 %	1.25 %	1.25 %
$ 82,499	$ 78,305	$ 76,440	$ 73,355
198.88 %	222.25 %	186.76 %	177.63 %
$ 38,686,253	$ 35,002,029	$ 34,610,720	$ 33,575,081
74.40 %	72.20 %	75.10 %	76.30 %

Schedule of Defined Benefit Plan Contributions
Last Ten Fiscal Years *
(in thousands)

Year Ended June 30,	Contractually Required Contribution (statutorily determined)	(a) Contributions in Relation to the statutorily Determined Contributions	Contribution Deficiency (Excess)	(b) Covered Payroll †	(a)/(b) Contributions as a Percentage of Covered Payroll
2015	$ 9,842	$ 9,842	$ —	$ 76,440	12.9%
2016	10,963	10,963	—	78,305	14.0%
2017	11,550	11,550	—	82,499	14.0%
2018	12,047	12,047	—	85,678	14.1%
2019	12,633	12,633	—	89,678	14.1%
2020	13,915	13,915	—	94,690	14.7%
2021	12,224	12,224	—	84,034	14.5%
2022	13,135	13,135	—	91,129	14.4%
2023	13,839	13,839	—	92,785	14.9%

* FY 2015 was the first year of implementation. This schedule is intended to show information over a period of ten years. Information for additional years will be presented as it becomes available.

† Covered payroll is based on current fiscal year eligible payroll cost.

Schedule of Changes in the Net Other Post Employment Benefit Plan Liability and Related Ratios
Last Ten Fiscal Years *
(in thousands)

	CCSF	CC RHPP	PEBP	Total
Net OPEB liability at June 30, 2017	$ 72,515	$ 13,535	$ 4,159	$ 90,209
Changes recognized for the fiscal year:				
Service cost	7,199	979	—	8,178
Interest	2,745	413	118	3,276
Differences between expected and actual experience	510	356	13	879
Changes in assumptions***	(11,662)	(993)	(384)	(13,039)
Benefit payments	(1,323)	(615)	(153)	(2,091)
Net change in total OPEB liability	(2,531)	140	(406)	(2,797)
Net change in plan's fiduciary net position**	(1,858)	N/A	N/A	(1,858)
Net OPEB liability at June 30, 2018	$ 68,126	$ 13,675	$ 3,753	$ 85,554
Covered-employee payroll †	$ 47,578	$ 32,721	N/A	80,299
Net OPEB liability as a percentage of covered-employee payroll	143.0%	42.0%	N/A	107.0%
Proportion of CCSF fiduciary net position as a percentage of CCSF total liability	20.1%	N/A	N/A	N/A

	CCSF	CC RHPP	PEBP	Total
Net OPEB liability at June 30, 2018	$ 68,126	$ 13,675	$ 3,753	$ 85,554
Changes recognized for the fiscal year:				
Service cost	6,992	991	—	7,983
Interest	2,993	522	138	3,653
Differences between expected and actual experience	(25,290)	6,043	104	(19,143)
Changes in assumptions***	(21,991)	(2,608)	(207)	(24,806)
Benefit payments	(441)	(206)	(165)	(812)
Net change in total OPEB liability	(37,737)	4,742	(130)	(33,125)
Net change in plan's fiduciary net position**	(1,423)	N/A	N/A	(1,423)
Net OPEB liability at June 30, 2019	$ 28,966	$ 18,417	$ 3,623	$ 51,006
Covered-employee payroll †	$ 47,954	$ 34,607	N/A	82,561.144
Net OPEB liability as a percentage of covered-employee payroll	60.4%	53.2%	N/A	61.8%
Proportion of CCSF fiduciary net position as a percentage of CCSF total liability	39.1%	N/A	N/A	N/A

(continued on next page)

Schedule of Changes in the Net Other Post Employment Benefit Plan Liability and Related Ratios
Last Ten Fiscal Years *
(in thousands - continued from previous page)

	CCSF	CC RHPP	PEBP	Total
Net OPEB liability at June 30, 2019	$ 28,966	$ 18,417	$ 3,623	$ 51,006
Changes recognized for the fiscal year:				
Service cost	2,408	1,012	—	3,420
Interest	3,779	748	137	4,664
Differences between expected and actual experience	—	—	—	—
Changes in assumptions***	(7,468)	1,385	178	(5,905)
Benefit payments	(421)	(206)	(159)	(786)
Net change in total OPEB liability	(1,702)	2,939	156	1,393
Net change in plan's fiduciary net position**	(12,527)	N/A	N/A	(12,527)
Net OPEB liability at June 30, 2020	$ 14,737	$ 21,356	$ 3,779	$ 39,872
Covered-employee payroll †	$ 49,392	$ 35,645	N/A	85,037
Net OPEB liability as a percentage of covered-employee payroll	29.8%	59.9%	N/A	46.9 %
Proportion of CCSF fiduciary net position as a percentage of CCSF total liability	67.9%	N/A	N/A	N/A

	CCSF	CC RHPP	PEBP	Total
Net OPEB liability at June 30, 2020	$ 14,737	$ 21,356	$ 3,779	$ 39,872
Changes recognized for the fiscal year:				
Service cost	2,209	1,195	—	3,404
Interest	2,512	784	129	3,425
Differences between expected and actual experience	(8,565)	5,536	(1,793)	(4,822)
Changes in assumptions***	(13,857)	8,910	312	(4,635)
Benefit payments	(603)	(305)	(162)	(1,070)
Net change in total OPEB liability	(18,304)	16,120	(1,514)	(3,698)
Net change in plan's fiduciary net position**	(10,755)	N/A	N/A	(10,755)
Net OPEB (asset)	(14,322)	0	0	(14,322)
Net OPEB liability	—	37,476	2,265	39,741
Net OPEB (asset) liability at June 30, 2021	$ (14,322)	$ 37,476	$ 2,265	$ 25,419
Covered-employee payroll †	$ 56,058	$ 93,443	N/A	$ 149,501
Net OPEB liability as a percentage of covered-employee payroll	-25.5%	40.1%	N/A	14.6%
Proportion of CCSF fiduciary net position as a percentage of CCSF total liability	152.0%	N/A	N/A	N/A

Schedule of Changes in the Net Other Post Employment Benefit Plan Liability and Related Ratios
Last Ten Fiscal Years *
(in thousands - continued from previous page)

	CCSF	CC RHPP	PEBP	Total
Net OPEB (asset) liability at June 30, 2021	$ (14,322)	$ 37,476	$ 2,265	$ 25,419
Changes recognized for the fiscal year:				
Service cost	513	1,586	66	2,165
Interest	2,078	860	—	2,938
Differences between expected and actual experience	—	—	—	—
Changes in assumptions***	—	379	145	524
Benefit payments	(734)	(337)	(143)	(1,214)
Net change in total OPEB liability	1,857	2,488	68	4,413
Net change in plan's fiduciary net position**	(12,218)	N/A	N/A	(12,218)
Net OPEB (asset)	(24,683)	0	0	(24,683)
Net OPEB liability	—	39,964	2,333	42,297
Net OPEB (asset) liability at June 30, 2022	$ (24,683)	$ 39,964	$ 2,333	$ 17,614
Covered-employee payroll †	$ 47,798	$ 80,284	N/A	$ 128,082
Net OPEB liability as a percentage of covered-employee payroll	-51.6%	49.8%	N/A	-1.9%
Proportion of CCSF fiduciary net position as a percentage of CCSF total liability	183.9%	N/A	N/A	N/A

	CCSF	CC RHPP	PEBP	Total
Net OPEB (asset) liability at June 30, 2022	$ (24,683)	$ 39,964	$ 2,333	$ 17,614
Changes recognized for the fiscal year:				
Service cost	1,317	805	—	2,122
Interest	3,128	884	49	4,061
Changes of benefit terms ††	41,463	(41,463)	—	—
Differences between expected and actual experience	(27,037)	—	808	(26,229)
Changes in assumptions***	7,639	—	(356)	7,283
Benefit payments	(1,468)	(190)	(141)	(1,799)
Net change in total OPEB liability	25,042	(39,964)	360	(14,562)
Net change in plan's fiduciary net position**	5,352	N/A	N/A	5,352
Net OPEB liability at June 30, 2023	$ 5,711	$ —	$ 2,693	$ 8,404
Covered-employee payroll †	$ 86,016	$ —	N/A	$ 86,016
Net OPEB liability as a percentage of covered-employee payroll	6.6%	0%	N/A	6.6%
Proportion of CCSF fiduciary net position as a percentage of CCSF total liability	89.5%	N/A	N/A	N/A

	2023	2022	2021	2020	2019
	CCSF	CCSF	CCSF	CCSF	CCSF
Beginning CCSF fiduciary net position	$ 54,093	$ 41,875	$ 31,120	$ 18,593	$ 17,170
Changes in CCSF fiduciary net position recognized for the fiscal year					
Employer contributions	1,468	734	8,909	10,802	441
Employee contributions	—	—	—	—	—
Net investment income	(5,350)	12,220	2,450	2,150	1,423
Benefit payments	(1,468)	(734)	(603)	(421)	(441)
Administrative expense	(2)	(2)	(1)	(4)	—
Net change in CCSF fiduciary net position	(5,352)	12,218	10,755	12,527	1,423
Ending CCSF fiduciary net position	$ 48,741	$ 54,093	$ 41,875	$ 31,120	$ 18,593

† Covered-employee payroll based on the annual payroll cost during the measurement period.

†† As of January 1, 2022, the CC RHPP no longer exists and was replaced by a self-insured Exclusive Provider Organization (EPO) plan which now falls under the CCSF OPEB Trust plan. All current and future plan participants covered by the self-funded group medical and dental benefit plan and the life insurance plan fall under the CCSF group. As a result, there was no longer an OPEB liability for the CC RHPP as of measurement date June 30, 2022. Any outstanding balances of benefits payment recorded as deferred inflows of resources were recognized immediately as OPEB expense for fiscal year 2023.

* Fiscal year 2018 was the first year of implementation for GASB 75. This schedule is intended to show information over a period of ten years. Information for additional years will be presented as it becomes available. The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior (plan measurement year).

** There are no assets accumulated in a trust that meets the criteria in GASB 75 to pay related benefits for CC RHPP and PEBP.

*** Significant changes in assumptions from the June 30, 2017 valuation to the June 30, 2018 valuation were as follows:

CCSF: The discount rate was updated from 3.60% at June 30, 2017 to 4.57% at June 30, 2018, based on the blending of the long-term expected return on assets of the plan and the municipal bond rate.

CC RHPP and PEBP: The discount rate was updated from 3.87% at June 30, 2017 to 3.58% at June 30, 2017 based on the municipal bond rate.

All Post Employment Benefit Plans: The marriage assumption was updated to reflect the most recent participant experience. The aging factors were updated to be based on the 2013 Society of Actuaries study. The termination rates and retirement rates were updated based on the 2018 Nevada PERS Actuarial Valuation results. The mortality table was updated from RP-2000 projected to year 2013 using Scale AA to RP-2014 with generational projection scale MP-2018. The salary scale assumption was updated to 3.0%. The inflation rate was updated to 2.00%. The investment rate of return was updated to 7.50%, based on the Nevada Retirement Benefits Investment Fund investment policy objective.

Significant changes in assumptions from the June 30, 2018 valuation to the June 30, 2019 valuation were as follows:

CCSF: The discount rate was updated from 4.57% at June 30, 2018 to 5.26% at June 30, 2019, based on the blending of the long-term expected return on assets of the plan and the municipal bond rate. The increase of discount rate was primarily due to the department's increase in trust contribution compared to prior fiscal year.

CC RHPP and PEBP: The discount rate was updated from 3.87% at June 30, 2018 to 3.50% at June 30, 2019, based on the municipal bond rate.

Significant changes in assumptions from the June 30, 2020 was as follows:

CCSF: The discount rate was updated from 5.26% at June 30, 2019 to 7.50% at June 30, 2020, based on long-term expected return on assets of the plan. The increase of discount rate was primarily due to the department's increase in fiduciary net position compared to prior year fiscal year.

CC RHPP and PEBP: The discount rate was updated from 3.50% at June 30, 2019 to 2.21% at June 30, 2020, based on the municipal bond rate.

	2018
$	15,312
	1,323
	—
	1,859
	(1,323)
	(1)
	1,858
$	17,170

All Post Employment Benefit Plans: The inflation rate was updated from 2.00% at June 30, 2018 to 2.75% at June 30, 2020, based on 2020 Nevada PERS Actuarial valuation. The trend rates were reset to an initial rate of 7.00% (6.00% for post-Medicare), grading down by 0.25% per year until reaching the ultimate of 4.00% based on Healthcare Analytics (HCA) Consulting trend study performed during measurement period. The marriage assumption is updated to 30% based on the current retiree population data. The plan election rate is updated to 80% PPO, and 20 % HMO based on the retiree election during measurement period. The mortality tables were updated to utilize the Pub-2010 table with MP-2020 improvement scales (previously the RP 2014 with MP-2018 scales).

Significant changes in assumptions from the June 30, 2020 valuation to the June 30, 2021 valuation were as follows:

CC RHPP and PEBP: The discount rate was updated from 2.21% at June 30, 2020 to 2.16% at June 30, 2019, based on the municipal bond rate.

Significant changes in assumptions from the June 30, 2022 was as follows:

CCSF: The discount rate was updated from 7.50% at June 30, 2021 to 6.38% at June 30, 2022, based on long-term expected return on assets of the plan. The decrease of discount rate was primarily due to the department's decrease in fiduciary net position compared to prior fiscal year.

CC PEBP: The discount rate was updated from 2.16% at June 30, 2021 to 3.54% at June 30, 2022, based on the municipal bond rate.

All Post Employment Benefit Plans: The trend rates were reset to an initial rate of 6.50%, grading down by 0.25% per year until reaching the ultimate rate of 4.00% based on current Healthcare Analytics (HCA) Consulting trend study. The termination and retirement rates were updated to the rates from the Nevada PERS Actuarial Valuation report as of June 30, 2021. The mortality projection scale was updated from MP-2020 to MP-2021 to reflect the Society of Actuaries' recent mortality study. The inflation rate was updated to 2.50%.

There have been no significant changes in benefits provided to retirees.

Schedule of Other Post Employment Benefit Plan Contributions - CCSF
Last Ten Fiscal Years *
(in thousands)

	Fiscal Year Ending June 30, 2023	Fiscal Year Ending June 30, 2022	Fiscal Year Ending June 30, 2021	Fiscal Year Ending June 30, 2020
	CCSF	CCSF	CCSF	CCSF
Required contribution (actuarially determined)	$ —	$ 1,664	$ —	$ 3,318
Contributions in relation to the actuarially determined contributions	1,300	1,468	276	8,807
Contribution excess (deficiency)	$ 1,300	$ (196)	$ 276	$ 5,489
Covered-employee payroll †	$ 91,580	$ 86,016	$ 47,798	$ 56,058
Contributions as a percentage of covered-employee payroll	1.4%	1.7%	0.6%	15.7%

* Fiscal year 2018 was the first year of implementation for GASB 75. This schedule is intended to show information over a period of ten years. Information for additional years will be presented as it becomes available.

† Covered-employee payroll based on the annual payroll cost during the fiscal year.

Fiscal Year Ending June 30, 2019 CCSF	Fiscal Year Ending June 30, 2018 CCSF
$ 9,129	$ 8,313
10,802	714
$ 1,673	$ (7,599)
$ 49,392	47,954
21.9%	1.5%

SUPPLEMENTARY INFORMATION

CLARK COUNTY DEPARTMENT OF AVIATION
CLARK COUNTY, NEVADA
Supplementary Information
As of June 30, 2023 and 2022

Schedule of Airport Revenue Bond Debt Service Coverage
For the Fiscal Years Ended June 30, 2023 and 2022
(in thousands)

	Reference	FY 2023	FY 2022
Operating revenue		$ 589,233	$ 510,678
Operating expenses		(305,499)	(222,422)
Net operating revenues	(a)	283,734	288,256
CRRSA Act Grant		2,031	39,728
ARPA Grant		156,018	9,695
BABs Interest Subsidy		10,226	10,226
Interest income (loss)		11,138	(13,586)
Net revenue available for debt service	(b)	463,147	334,319
Other available funds:			
Senior lien coverage	(c)	11,504	11,504
Subordinate lien coverage		11,971	13,176
Total other available funds for debt service	(d)	23,475	24,680
Net revenue and other available funds for debt service	(e)	486,622	358,999
PFC revenue		110,473	94,026
PFC fund interest income (loss)		1,589	(1,688)
Total PFC revenue	(f)	112,062	92,338
Senior lien debt service	(g)	46,018	46,018
Subordinate lien debt service	(h)	123,749	131,757
Subordinate PFC debt service paid with PFC revenue	(i)	78,323	78,323
Total subordinate PFC debt service		$ 78,323	$ 78,323
Coverage ratios			
Senior lien based on net revenues*	b/g	10.06	7.26
Senior lien including other available funds (1.25 required)	(b+c)/g	10.31	7.51
Subordinate lien after payment of senior lien*	(e-g)/h	3.56	2.38
Senior and subordinate lien including other available funds (1.10 required)	e/(g+h)	2.87	2.02
Subordinate PFC bonds*	f/i	1.43	1.18

*Provided for informational purposes only

Statistical Section

CLARK COUNTY DEPARTMENT OF AVIATION
CLARK COUNTY, NEVADA
Overview of Information Provided in the Statistical Section

The information provided in the statistical section has not been audited. It is intended to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, the notes to the financial statements, and the required supplementary information in order to understand and assess the Department's economic condition.

Financial trends:

Financial trend data has been provided to assist users in understanding and assessing how the Department's financial position has changed over time. Schedules included are:

- Schedule of Revenues, Expenses, and Changes in Net Position, Budget vs. Actual
- Summary of Changes in Net Position
- Summary of Net Position
- Summary of Operating Expenses
- Summary of Non-operating Income and Expenses

Revenue Capacity:

Revenue capacity information has been provided to assist users in assessing and understanding the Department's major revenue sources. Schedules included are:

- Summary of Operating Revenues
- Summary of Restricted Revenues

Debt Capacity:

Debt capacity information has been provided to assist users in understanding and assessing the Department's ability to service existing debt and ability issue additional debt in the future. Schedules included are:

- Schedule of Airport Revenue Bond Debt Service Coverage
- Ratios of Airport Revenue Bond Debt Service to Total Operating Revenues and Expenses
- Outstanding Debt Principal Balance by Type

CLARK COUNTY DEPARTMENT OF AVIATION
CLARK COUNTY, NEVADA
Overview of Information Provided in the Statistical Section

Demographic and Economic Information:

These schedules offer demographic and economic indicators to help the reader understand the environment within with the Department's financial activities take place. Schedules included are:

- Visitor, Convention and Room Statistics
- Demographic and Economic Statistics
- Employment by Industry

Operating information:

Operating information has been provided to assist users with contextual information about the Department's operations and resources and to assist the reader in using financial statement information to understand and assess the Department's economic condition. Schedules included are:

- Passenger and Operating Statistics
- Market Share of Air Carriers
- Per Passenger Calculations
- Full Time Equivalent Employees
- Nature, Volume and Usage of Capital Assets

Schedule of Revenues, Expenses, and Changes in Net Position
Budget vs. Actual for the Fiscal Year Ended June 30, 2023
(With Comparative Totals for the Fiscal Year Ended June 30, 2022) (in thousands)

	FY 2023			FY 2022**
	Budget	Actual	Variance	Actual
Operating Revenues				
Landing fees and other aircraft fees	$ 33,469	$ 26,098	$ (7,371)	$ 28,441
Gate use fees	23,277	38,075	14,798	20,998
Terminal concessions	71,013	85,472	14,459	75,176
Terminal building and use fees	153,497	155,979	2,482	135,890
Parking and ground transportation fees	82,085	100,282	18,197	83,220
Gaming fees	51,275	58,490	7,215	53,085
Rental car facility and concession fees	79,248	86,643	7,395	77,684
Ground rents and use fees	29,265	25,245	(4,020)	24,298
Other	13,592	12,949	(643)	11,886
Total Operating Revenue	536,721	589,233	52,512	510,678
Operating Expenses				
Salaries and wages	95,766	96,447	681	91,809
Employee benefits	51,518	55,663	4,145	8,971
Contracted and professional services	68,957	72,851	3,894	63,222
Repairs and maintenance	19,595	19,998	403	14,591
Utilities and communications	26,899	31,381	4,482	22,699
Materials and supplies	13,755	20,691	6,936	15,239
Administrative expenses	22,172	8,468	(13,704)	5,891
Total Operating Expenses	298,662	305,499	6,837	222,422
Operating income before depreciation	238,059	283,734	(45,675)	288,256
Depreciation/Amortization	195,000	193,965	(1,035)	197,955
Operating income (loss)	43,059	89,769	(46,710)	90,301
Non-operating Revenues (Expenses)				
Passenger Facility Charge revenue	88,337	110,473	22,136	94,026
Jet A Fuel Tax	16,225	17,295	1,070	15,708
Interest and investment income	5,850	28,893	23,043	(9,135)
Interest expense	(95,000)	(87,916)	7,084	(94,167)
Capital contributions	10,000	20,379	10,379	16,650
Net gain (loss) from disposition of capital assets	10,000	7,826	(2,174)	39,103
Other non-operating revenue (loss)	10,226	9,264	(962)	2,805
ARPA Airport Grants	107,000	156,018	49,018	9,695
CRRSA Act Airport Grants	2,000	2,031	31	39,728
Total non-operating revenues (expenses)	154,638	264,263	109,625	114,413
Change in net position	197,697	354,032	156,335	204,714
Net position, beginning of year	1,886,353	1,886,353	—	1,681,639
Net position, end of year	$ 2,084,050	$ 2,240,385	$ 156,335	$ 1,886,353

** Refer to Note 1 "Accounting Changes and Restatements".

Summary of Changes in Net Position
Last Ten Fiscal Years
(in thousands)

Fiscal Year	Operating Revenue	Percentage Increase/ (Decrease)	Operating Expenses	Percentage Increase/ (Decrease)	Income Before Depreciation	Percentage Increase/ Decrease	Depreciation and Amortization	Percentage Increase/ (Decrease)
2014	$ 507,055	2.1%	$ 233,978	(1.1%)	$ 273,077	5.0 %	$ 198,247	(0.6%)
2015	521,729	2.9%	235,937	0.8%	285,792	4.7 %	198,672	0.2%
2016	540,200	3.5%	241,158	2.2%	299,042	4.6 %	197,738	(0.5%)
2017	550,612	1.9%	255,386	5.9%	295,226	(1.3)%	195,035	(1.4%)
2018	559,319	1.6%	271,873	6.5%	287,446	(2.6)%	191,840	(1.6%)
2019	565,873	1.2%	280,001	3.0%	285,872	(0.5)%	190,874	(0.5%)
2020	497,833	(12.0%)	286,242	2.2%	211,591	(26.0)%	190,649	(0.1%)
2021	414,325	(16.8%)	231,395	(19.2%)	182,930	(13.5)%	194,757	2.2%
2022 **	510,678	23.3%	222,422	(3.9%)	288,256	57.6 %	197,955	1.6%
2023	589,233	15.4%	305,499	37.4%	283,734	(1.6)%	193,965	(2.0%)

This schedule provides information on operating revenues and expenses, non-operating income, capital contributions, and changes in net position for the last ten years of the Department's operations.

** Refer to Note 1 "Accounting Changes and Restatements".

Operating Income (loss)	Percentage Increase/ (Decrease)	Non-Operating Income (Expense)	Percentage Increase/ (Decrease)	Income (loss) before Capital Contributions	Percentage Increase/ (Decrease)	Capital Contributions	Percentage Increase/ (Decrease)	Change in Net Position	Percentage Increase/ (Decrease)
$ 74,830	23.6 %	$ (132,746)	42.4 %	$ (57,916)	77.3 %	$ 9,794	(6.4)%	$ (48,122)	116.8 %
87,120	16.4 %	(81,794)	(38.4)%	5,326	(109.2)%	30,013	206.4 %	35,339	(173.4)%
101,304	16.3 %	(99,021)	21.1 %	2,283	(57.1)%	19,222	(36.0)%	21,505	(39.1)%
100,191	(1.1)%	(50,288)	(49.2)%	49,903	2085.9 %	49,276	156.4 %	99,179	361.2 %
95,606	(4.6)%	(27,476)	(45.4)%	68,130	36.5 %	7,517	(84.7)%	75,647	(23.7)%
94,998	(0.6)%	(34,064)	24.0 %	60,934	(10.6)%	22,281	196.4 %	83,215	10.0 %
20,942	(78.0)%	36,841	(208.2)%	57,783	(5.2)%	23,030	3.4 %	80,812	(2.9)%
(11,827)	(156.5)%	145,524	295.0 %	133,697	131.4 %	20,590	(10.6)%	154,287	90.9 %
90,301	(863.5)%	97,763	(32.8)%	188,064	40.7 %	16,650	(19.1)%	204,714	32.7 %
89,769	(0.6)%	243,884	149.5 %	333,653	77.4 %	20,379	22.4 %	354,032	72.9 %

Summary of Net Position
Last Ten Fiscal Years
(in thousands)

Fiscal Year	Net Investment in Capital	Restricted for Capital	Restricted for Debt Service	Restricted for Other	Unrestricted Net Position	Total Net Position
2014	$ 775,098	$ 37,846	$ 166,940	$ 75,182	$ 252,557	$ 1,307,623
2015	666,778	64,783	181,526	76,906	198,861	1,188,854
2016	619,109	59,445	242,817	76,349	212,639	1,210,359
2017	714,945	66,129	212,012	82,120	234,332	1,309,538
2018	668,209	84,356	264,923	84,077	261,758	1,363,323
2019	701,267	124,317	316,042	89,152	215,760	1,446,538
2020	937,167	75,802	279,634	65,761	168,987	1,527,351
2021	951,423	38,693	280,300	80,646	330,577	1,681,639
2022 **	1,169,570	61,613	248,505	89,057	317,608	1,886,353
2023	1,454,617	93,333	235,301	82,245	374,889	2,240,385

This schedule provides information on the restricted and unrestricted components of net position for the last ten years of the Department's operations.

** Refer to Note 1 "Accounting Changes and Restatements".

Summary of Operating Expenses
Last Ten Fiscal Years
(in thousands)

Fiscal Year	Total	Salaries and Benefits	Professional Services	Utilities	Repairs, Supplies, and Maintenance	Insurance	Administrative
2014	$ 233,978	$ 117,903	$ 54,205	$ 24,404	$ 32,145	$ 2,579	$ 2,742
2015	235,937	120,067	52,610	25,666	32,770	2,467	2,357
2016	241,158	121,697	54,687	24,338	34,020	2,395	4,021
2017	255,386	134,420	56,667	22,779	36,135	2,283	3,102
2018	271,873	139,783	59,937	24,128	40,001	2,007	6,017
2019	280,001	141,060	65,115	23,946	44,440	2,364	3,076
2020	286,242	151,420	67,154	23,843	38,489	2,075	3,261
2021	234,204	129,800	57,403	19,660	23,507	2,346	1,488
2022 **	222,422	100,780	63,222	22,699	29,830	3,098	2,793
2023	305,499	152,110	72,851	31,381	40,689	3,438	5,030

This schedule provides information on operating expenses by type for the last ten years of the Department's operations.

** Refer to Note 1 "Accounting Changes and Restatements".

Summary of Non-Operating Income and Expenses
Last Ten Fiscal Years
(in thousands)

Fiscal Year	Passenger Facility Charges	Jet A Fuel Tax Revenue	Interest and Investment Income	Interest Expense	Other Non-Operating Income	Gain/(Loss) from Disposition of Assets	Total Non-operating Income/ (Expense)
2014	$ 79,524	$ 10,389	$ (8,927)	$ (230,690)	$ 16,768	$ 190	$ (132,746)
2015	83,921	10,542	6,813	(210,002)	16,750	10,182	(81,794)
2016	89,567	11,337	(16,977)	(199,850)	16,840	62	(99,021)
2017	90,793	12,050	29,355	(199,267)	16,822	(41)	(50,288)
2018	94,597	11,795	12,807	(164,486)	16,986	825	(27,476)
2019	96,783	11,979	188	(160,194)	16,948	232	(34,064)
2020	70,640	9,676	13,773	(122,953)	65,629	76	36,841
2021	58,899	8,242	23,829	(98,366)	157,419	(5,026)	144,997
2022 **	94,026	15,708	(9,135)	(94,167)	52,228	39,103	97,763
2023	110,473	17,295	28,893	(87,916)	167,313	7,826	243,884

This schedule provides information on non-operating income and expenses by source and/or activity for the last ten years of the Department's operations.

** Refer to Note 1 "Accounting Changes and Restatements".

CLARK COUNTY DEPARTMENT OF AVIATION
CLARK COUNTY, NEVADA
Statistical Section

Summary of Operating Revenues
Last Ten Fiscal Years
(in thousands)

Fiscal Year	Total Operating Revenue	Rentals and Fees				Concessions				Other
		Landing Fees	Aircraft Fees	Building Rentals	Land Rentals	Ground Transportation	Gaming	Terminal Concessions	Parking Fees	Misc.
2014	$ 507,055	$ 54,924	$ 6,298	$ 242,847	$ 21,605	$ 47,545	$ 25,566	$ 65,910	$ 33,704	$ 8,656
2015	521,729	54,342	6,575	249,505	22,122	50,650	27,657	66,586	36,034	8,258
2016	540,200	50,905	6,715	261,708	22,020	54,873	29,516	67,009	38,852	8,602
2017	550,612	48,833	7,055	257,963	22,849	60,510	34,410	71,153	38,616	9,223
2018	559,319	43,683	7,338	252,938	25,019	62,827	36,051	75,478	39,002	16,983
2019	565,873	43,557	8,337	257,824	25,303	66,920	37,395	75,843	40,759	9,935
2020	497,834	36,253	7,126	246,983	24,146	52,132	28,606	58,999	34,392	9,197
2021	414,299	25,579	5,258	227,827	21,655	38,651	23,063	31,603	32,153	8,510
2022	510,678	19,940	8,501	191,151	24,298	73,948	53,085	75,176	52,693	11,886
2023 **	603,789	15,025	11,073	234,774	25,245	84,130	61,940	96,398	62,258	12,947

**Concession revenue before applying grant credit. Refer to Operating Revenue in "Management's Discussion and Analysis".

2023	Building Rentals	Ground Transportation	Gaming	Terminal Concessions
Gross Billing	$ 234,774	$ 84,130	$ 61,940	$ 96,398
CRRSA Credit	(49)	—	(1,137)	(842)
ARPA Credit	(106)	(26)	(2,313)	(10,083)
Total Revenue	$ 234,619	$ 84,104	$ 58,490	$ 85,473

This schedule provides operating income by revenue type as rentals, fees, and concessions for the last ten years of the Department's operations.

Summary of Restricted Revenues
Last Ten Fiscal Years
(in thousands)

Fiscal Year	Jet A Fuel Tax Revenue	Jet A Fuel Tax Per Enplaned Passenger	Passenger Facility Charges	PFC Per Enplaned Passenger
2014	$ 10,389	0.49	$ 79,524	$3.75
2015	10,542	0.48	83,921	3.84
2016	11,337	0.49	89,567	3.84
2017	12,050	0.5	90,793	3.79
2018	11,795	0.48	94,597	3.85
2019	11,979	0.47	96,783	3.84
2020	9,676	0.51	70,640	3.71
2021	8,242	0.63	58,899	4.47
2022	15,708	0.65	94,026	3.91
2023	17,295	0.61	110,473	3.91

This schedule provides information on restricted revenues for capital project funding collected from fuel taxes and passenger fees for the last ten years of the Department's operations.

Schedule of Airport Revenue Bond Debt Service Coverage (From Operating Revenues and Interest Income Available for Debt Service)
Last Ten Fiscal Years (in thousands)

Fiscal Year	(a) Total Revenue Available for Senior Debt Service	(b) Total Revenue Available for Subordinate Debt Service	(c) Less: Operating and Maintenance Expenses	(d) (a) minus (c) Net Revenue Available for Senior Debt Service	(e) (b) minus (c) Net Revenue Available for Subordinate Debt Service	(f) Senior Debt Service	(d)/(f) Senior Lien Coverage (1.25 Required*)	(g) Subordinate Lien Debt Service	(e)/(f+g) Senior and Subordinate Lien Coverage (1.10 Required*)
2014	$ 543,229	$ 557,773	$ 233,978	$ 309,251	$ 323,795	$ 70,559	4.38	$ 145,442	1.50
2015	560,237	572,092	235,937	324,300	336,155	79,533	4.08	118,553	1.70
2016	580,171	594,208	241,158	339,013	353,050	75,401	4.50	140,369	1.64
2017	585,379	599,642	255,386	329,993	344,256	71,778	4.60	142,633	1.61
2018	599,958	614,429	271,873	328,085	342,556	71,945	4.56	144,707	1.58
2019	620,677	635,195	280,001	340,676	355,194	70,622	4.82	145,180	1.65
2020	604,004	616,018	286,242	317,762	329,776	96,881	3.28	120,135	1.52
2021	592,548	605,725	231,394	361,154	374,331	70,836	5.10	131,766	1.85
2022	518,822	531,998	224,170	294,652	307,828	46,018	6.40	131,757	1.73
2023	780,150	792,121	305,499	474,651	486,622	46,018	10.31	119,713	2.94

* Required by Master Indenture of Trust, dated May 1, 2003, as amended

Schedule of Passenger Facility Charge (PFC) Revenue Bond Debt Service Coverage From PFC Revenues and PFC Interest Income Available for Debt Service Last Ten Fiscal Years (in thousands)

Fiscal Year	PFC Revenue	PFC Debt Service	PFC Coverage (none Required)
2014	$ 80,250	$ 76,231	1.05
2015	84,675	76,185	1.11
2016	91,425	75,977	1.20
2017	91,383	76,957	1.19
2018	95,912	77,231	1.24
2019	103,720	77,810	1.33
2020	75,203	90,595	0.83
2021	58,053	78,328	0.74
2022	92,338	78,323	1.18
2023	112,062	78,323	1.43

This schedule provides information on coverage requirements for senior lien and subordinate lien debt service as defined in the Master Indenture of Trust dated May 1, 2003. For illustrative purposes, this schedule also provides calculated coverage for Passenger Facility Charge revenue bonds issued by the Department.

Ratios of Airport Revenue Bond Debt Service to Total Operating Revenues and Expenses
Last Ten Fiscal Years
(in thousands)

Fiscal Year	Senior Lien Debt Service	Subordinate Lien Debt Service	Total Debt Service	Operating Revenues	Ratio of Debt Service to Revenues	Operating Expenses	Ratio of Debt Service to Expenses
2014	$ 70,559	$ 145,442	$ 216,001	$ 507,055	2.35	$ 233,978	1.08
2015	79,533	118,553	198,086	521,729	2.63	235,937	1.19
2016	75,401	140,369	215,770	540,200	2.50	241,158	1.12
2017	71,778	142,633	214,411	550,612	2.57	255,386	1.19
2018	71,945	144,707	216,652	559,319	2.58	271,873	1.25
2019	70,622	145,180	215,802	565,873	2.62	280,001	1.30
2020	96,881	120,135	217,016	497,833	2.29	286,242	1.32
2021	70,836	131,766	202,602	414,325	2.05	231,395	1.14
2022**	46,018	131,757	177,775	510,678	2.87	222,422	1.25
2023	46,018	119,713	165,731	589,233	3.56	305,499	1.84

This schedule provides information on bond debt service ratios for operating revenues and operating expenses for the last ten years of the Department's operations.

** Refer to Note 1 "Accounting Changes and Restatements".

Outstanding Debt Principal Balance by Type
Last Ten Fiscal Years
(Debt figures in thousands)

Fiscal Year	Senior Lien Bonds	Subordinate Lien Bonds	Passenger Facility Charge Bonds	Junior Subordinate Lien Debt and Jet A Bonds	General Obligation Bonds	Total Outstanding Debt	Total Enplaned Passengers	Ratio of Outstanding Debt to Enplaned Passengers
2014	983,010	2,009,578	982,757	375,286	80,199	4,430,830	21,224,639	208.76
2015	971,455	1,982,261	949,193	368,077	79,958	4,350,944	21,863,773	199.00
2016	953,131	1,960,532	919,885	359,118	79,717	4,272,383	23,307,617	183.30
2017	937,343	1,846,989	852,691	350,188	79,476	4,066,687	23,973,303	169.63
2018	924,198	1,799,575	813,894	341,139	79,235	3,958,041	24,596,343	160.92
2019	910,794	1,718,420	770,715	332,630	78,995	3,811,554	25,223,715	151.11
2020	889,496	1,521,731	651,124	319,182	78,754	3,460,287	19,037,659	181.76
2021	837,446	1,539,863	581,462	210,812	78,513	3,248,096	13,187,187	246.31
2022	809,517	1,367,174	517,923	199,326	78,272	2,972,212	24,025,401	123.71
2023	805,224	1,173,403	450,350	167,662	—	2,596,638	28,276,384	91.83

This schedule provides information on bond debt valued at outstanding principal net of unamortized premiums and discounts for the last ten years of the Department's operations.

Visitor, Convention, and Room Statistics (Las Vegas)
Last Ten Calendar Years

Calendar Year	Total Visitor Volume	Convention Attendance	Total Available Hotel-Motel Rooms	Occupancy Rates
2014	41,126,512	5,169,054	150,544	86.8 %
2015	42,312,216	5,891,151	149,213	87.7 %
2016	42,936,109	6,310,616	149,339	89.1 %
2017	42,214,200	6,646,200	146,993	88.7 %
2018	42,116,800	6,501,800	149,158	88.2 %
2019	42,523,700	6,649,100	150,259	88.9 %
2020	19,031,100	1,727,200	145,308	42.1 %
2021	32,230,600	2,206,400	150,487	66.8 %
2022	38,829,300	4,991,500	151,771	79.2 %
2023	not available	not available	not available	not available

Source: Las Vegas Convention and Visitors Authority - City of Las Vegas figures

This schedule provides visitor, room, and convention statistics for the Las Vegas metropolitan area for the last ten years of the Department's operations.

Demographic and Economic Statistics (Clark County, Nevada)
Last Ten Calendar Years

Calendar Year	(1) Clark County Population	(2) Personal Income	Per Capita Personal Income	(3) School Enrollment	(4) Labor Force	(4) Unemployment Rate
2014	2,102,238	83,488,842,000	40,967	314,598	1,019,653	7.8%
2015	2,147,641	90,220,176,000	43,421	317,759	1,047,528	6.8%
2016	2,205,210	93,775,241,000	44,318	320,186	1,048,043	5.8%
2017	2,248,390	99,056,863,000	45,974	321,991	1,060,660	5.5%
2018	2,284,616	104,985,712,000	47,814	324,030	1,098,114	4.8%
2019	2,325,798	114,155,310,000	51,012	325,081	1,131,551	4.0%
2020	2,376,683	121,767,470,000	53,562	323,787	1,097,286	9.6%
2021	2,333,092	133,596,955,000	58,276	309,707	1,093,227	5.0%
2022	2,331,934	not available	not available	304,782	1,155,570	5.6 %
2023	not available	not available	not available	not available	not available	not available

Source: (1) Clark County Department of Comprehensive Planning
(2) U.S. Bureau of Economic Analysis (with prior years correction)
(3) Clark County School District (in fiscal year format) * Estimated
(4) State of Nevada Department of Employment, Training and Rehabilitation

This table includes historical revisions, therefore, certain amounts presented may not be comparable to amounts presented in prior reports.

This schedule provides information on certain Clark County demographic and economic statistics for the last ten years of the Department's operations.

Employment by Industry (Clark County, Nevada)
Current Year and Nine Years Ago

	2023		2014	
Industry	Employees	% of Total Employment	Employees	% of Total Employment
Leisure and Hospitality	298,600	26.47 %	281,300	31.93 %
Trade, Transporation and Utilities	206,100	18.27 %	160,700	18.24 %
Professional and Business Services	173,900	15.42 %	116,900	13.27 %
Education and Health Services	123,700	10.97 %	82,000	9.31 %
Government	108,700	9.64 %	92,600	10.51 %
Construction	82,400	7.30 %	44,500	5.05 %
Financial Activities	58,200	5.16 %	43,400	4.93 %
Other Services	32,100	2.85 %	25,900	2.94 %
Manufacturing	30,300	2.69 %	21,100	2.40 %
Information	13,700	1.21 %	12,200	1.38 %
Mining and Logging	400	0.04 %	400	0.05 %
Total Clark County, Nevada Employment	1,128,100		881,000	

Source: United States Bureau of Labor Statistics

This schedule provides employment by industry in Clark County for the current year and the year nine years prior.

Passenger and Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Aircraft Operations (Departures)	Landed Weight(000 lbs.)	Total Enplaned Passengers	Cargo Tons
2014	219,437	24,431,409	21,224,639	104,101
2015	216,604	24,668,357	21,863,773	109,319
2016	215,887	25,803,661	23,307,617	108,695
2017	220,229	26,493,451	23,973,303	117,035
2018	223,879	26,856,277	24,596,343	126,830
2019	225,571	27,418,216	25,223,715	132,975
2020	185,107	22,749,778	19,037,659	125,932
2021	149,370	17,839,131	13,187,187	117,164
2022	217,135	26,408,350	24,025,401	121,634
2023	255,020	30,729,432	28,276,384	136,930

This schedule provides information on passenger and landed weight statistics for the last ten years of the Department's operations.

Market Share of Air Carriers
Last Three Fiscal Years

	FY 2023			FY 2022			FY 2021		
	Enplaned Passengers			Enplaned Passengers			Enplaned Passengers		
Airline	Number	Percent of Total	Increase/ Decrease	Number	Percent of Total	Increase/ Decrease	Number	Percent of Total	Increase/ Decrease
Southwest	9,716,239	34.4%	15.3%	8,423,490	35.1%	79.8%	4,685,234	35.7%	(24.9%)
Spirit	4,233,125	15.0%	44.3%	2,934,246	12.2%	63.5%	1,794,704	13.6%	(11.1%)
Frontier	2,627,435	9.3%	13.4%	2,316,816	9.6%	83.0%	1,266,341	9.6%	(9.7%)
Delta	2,387,268	8.4%	3.1%	2,315,268	9.6%	98.9%	1,163,833	8.8%	(39.5%)
American	2,119,494	7.5%	(4.8%)	2,225,859	9.3%	60.7%	1,385,471	10.5%	(19.4%)
United	1,954,018	6.9%	14.9%	1,701,130	7.1%	103.8%	834,904	6.3%	(44.1%)
Allegiant	1,200,620	4.2%	4.9%	1,144,105	4.8%	60.9%	711,046	5.4%	(19.8%)
International	1,509,313	5.3%	94.6%	775,459	3.2%	533.0%	122,498	0.9%	(90.5%)
Alaska	917,897	3.2%	20.7%	760,297	3.2%	61.7%	470,315	3.6%	(40.7%)
JetBlue	479,899	1.7%	0.6%	477,113	2.0%	90.2%	250,786	1.9%	(38.7%)
General Aviation & Other	501,489	1.8%	9.8%	456,652	1.9%	62.5%	280,975	2.1%	(32.0%)
Sun Country	188,331	0.7%	8.1%	174,246	0.7%	27.6%	136,528	1.0%	(34.6%)
Hawaiian	325,241	1.2%	15.0%	282,902	1.2%	234.7%	84,512	0.6%	(56.3%)
Avelo	23,328	0.1%	(32.0%)	34,301	0.1%	—%	—	—%	—%
Charter Airlines	791	—%	(52.1%)	1,650	—%	4025.0%	40	—%	(99.9%)
Breeze	89,999	0.3%	5985.1%	1,479	—%	—%	—	—%	—%
Advanced Air	1,457	—%	539.0%	228	—%	—%	—	—%	—%
Southern Airways Express	440	—%	175.0%	160	—%	—%	—	—%	—%
Total Enplanements	28,276,384	100.0%	17.7%	24,025,401	100.0%	82.2%	13,187,187	100.0%	(30.7%)

This schedule provides market share information by air carrier for the last three fiscal years of the Department's operations.

CLARK COUNTY DEPARTMENT OF AVIATION
CLARK COUNTY, NEVADA
Statistical Section

Per Passenger Calculations
Last Ten Fiscal Years

Fiscal Year	Concessions				Concession Revenue per Enplaned Passenger	Operating Expenses per Enplaned Passenger	Outstanding Debt per Enplaned Passenger	Airport Revenue Bond Debt Service per Enplaned Passenger	Airline Cost per Enplaned Passenger
	Ground Trsp	Gaming	Terminal	Parking					
2014	$ 3.92	$ 1.20	$ 3.11	$ 1.59	$ 9.82	$ 11.02	$ 208.76	$ 10.18	$ 11.74
2015	3.95	1.26	3.04	1.65	9.90	10.78	199.00	9.05	11.60
2016	3.95	1.26	2.87	1.66	9.74	10.24	183.30	9.24	11.05
2017	4.14	1.43	2.96	1.61	10.14	10.64	169.41	8.93	10.13
2018	4.14	1.47	3.07	1.59	10.27	11.05	160.92	8.81	9.89
2019	4.16	1.48	3.01	1.62	10.27	11.10	151.11	8.56	9.91
2020	4.31	1.50	3.10	1.81	10.72	15.04	181.76	6.82	12.55
2021	4.74	1.75	2.37	2.44	11.30	17.55	246.31	15.36	16.34
2022**	4.50	2.21	3.13	2.19	12.04	9.26	123.71	7.40	6.68
2023	4.41	2.07	3.02	2.20	11.70	10.80	91.83	5.86	6.78
Average	$ 4.22	$ 1.56	$ 2.97	$ 1.84	$ 10.59	$ 11.75	$ 171.61	$ 9.02	$ 10.67

This schedule provides information on concession revenues, operating expenses, bond debt and service coverage, and airline cost, all normalized per enplaned passenger for the last ten years of the Department's operations.

** Refer to Note 1 "Accounting Changes and Restatements".

Full Time Equivalent Employees
Last Ten Fiscal Years

Fiscal Year	Total
2014	1,400
2015	1,364
2016	1,377
2017	1,402
2018	1,434
2019	1,453
2020	1,460
2021	1,277
2022	1,281
2023	1,326
Average Annual Increase (Decrease)	(0.6%)

This schedule provides information on the number of full time equivalent employees for the last ten years of the Department's operations.

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CLARK COUNTY DEPARTMENT OF AVIATION
CLARK COUNTY, NEVADA
Statistical Section

Nature, Volume, and Usage of Capital Assets - Last Ten Fiscal Years

	For the Fiscal Years Ended:			
	2023	2022	2021	2020
Indicators of the Level of Demand for Services				
Airlines:	38	40	38	33
Destinations served:	165	161	131	156
Daily flight operations:	1,655	1,517	1,027	1,202
Daily commercial operations:	1,093	934	644	839
Annual passengers:	56,532,889	48,062,113	26,458,311	37,963,942
McCarran International Airport Site:	3,213 acres	3,213 acres	2,820 acres	2,820 acres
Runways:	26R*/8L: 14,515' X 150'	26R*/8L: 14,515' X 150'	26R*/8L: 14,512' X 150'	26R*/8L: 14,512' X 150'
	26L*/8R: 10,525' X 150'	26L*/8R: 10,525' X 150'	26L*/8R: 10,525' X 150'	26L*/8R: 10,525' X 150'
	19R/1L*: 8,988' X 150'	19R/1L*: 8,988' X 150'	19R/1L*: 8,988' X 150'	19R/1L*: 8,988' X 150'
	19L/1R: 9,771' X 150'	19L/1R: 9,771' X 150'	19L/1R: 9,775' X 150'	19L/1R: 9,775' X 150'
	* ILS equipped	* ILS equipped	* ILS equipped	* ILS equipped
Gates	109	109	109	109
Terminal buildings:				
Rentable Space	2,331,719	2,423,719	2,395,245	2,318,410
Public Space	1,586,804	1,584,874	1,587,495	1,617,519
Total Usable Space	3,918,523	4,008,593	3,982,740	3,935,929
Administration	518,907	515,402	512,920	520,077
Mechanical/Utilities	536,457	533,876	533,660	640,098
Total Space	4,973,887	5,057,871	5,029,320	5,096,104
Parking:				
Short-term	1,195	1,195	1,195	1,381
Valet	923	923	923	917
Long-Term	7,217	6,596	6,596	7,363
Surface Lot(s)	1,342	7,336	1,342	1,235
Economy	1,732	4,860	4,860	5,724
Remote	1,453	1,130	1,130	526
Total Public Parking Spaces	13,862	22,040	16,046	17,146
Consolidated Car Rental Facility:				
Customer Service Building (Sq. Ft.)	176,948	176,948	111,000	111,000
Garage (Sq. Ft.)	1,642,775	1,642,775	1,800,000	1,800,000
Vehicle Capacity	5,000+	5,000+	5,000+	5,000+
Shuttle Bus Fleet (units)	47	47	48	48

This schedule provides information on the nature, volume, and usage of the Department's capital assets for the last ten years of the Department's operations.

Nature, Volume, and Usage of Capital Assets - Last Ten Fiscal Years (continued)

	For the Fiscal Years Ended:				
2019	2018	2017	2016	2015	2014
36	29	29	31	32	35
156	137	150	152	149	(including 27 international)
1,492	1,480	1,501	1,463	1,429	1,432
992	965	953	938	907	931
50,488,456	49,226,068	47,946,907	46,629,208	43,685,099	42,323,363
2,820 acres	2,820 acres	2,820 acres	2,820 acres	2,820 acres	2,820 acres
26R*/8L: 14,510' X 150'	26R*/8L: 14,512' X 150'	26R*/8L: 14,510' X 150'	25R*/7L: 14,510' X 150'	25R*/7L: 14,510' X 150'	25R*/7L: 14,510' X 150'
26L*/8R: 10,525' X 150'	26L*/8R: 10,525' X 150'	26L*/8R: 10,526' X 150'	25L*/7R: 10,526' X 150'	25L*/7R: 10,526' X 150'	25L*/7R: 10,526' X 150'
19R/1L*: 8,988' X 150'	19R/1L*: 8,988' X 150'	19R/1000L*: 8,985' X 150'	19R/1000L*: 8,985' X 150'	19R/1000L*: 8,985' X 150'	19R/1000L*: 8,985' X 150'
19L/1000R: 9,775' X 150'	19L/1R: 9,771' X 150'	19L/1000R: 9,775' X 150'	19L/1000R: 9,775' X 150'	19L/1000R: 9,775' X 150'	19L/1000R: 9,775' X 150'
* ILS equipped	* ILS equipped	* ILS equipped	* ILS equipped	* ILS equipped	* ILS equipped
109	109	109	109	110	110
2,318,410	2,340,694	2,340,694	2,340,694	2,340,694	2,340,694
1,617,519	1,540,266	1,540,266	1,540,266	1,540,266	1,540,266
3,935,929	3,880,960	3,880,960	3,880,960	3,880,960	3,880,960
520,077	510,482	510,482	510,482	510,482	510,482
640,098	497,036	497,036	497,036	497,036	497,036
5,096,104	4,888,478	4,888,478	4,888,478	4,888,478	4,888,478
1,381	1,381	1,381	1,381	1,381	1,381
917	769	769	857	1,530	1,530
7,363	7,363	7,471	7,363	7,363	7,363
1,235	624	624	624	624	624
5,724	5,100	5,100	5,100	5,100	5,100
526	1,954	1,954	1,954	1,954	1,954
17,146	17,191	17,299	17,279	17,952	17,952
111,000	111,000	111,000	111,000	111,000	111,000
1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
5,000+	5,000+	5,000+	5,000+	5,000+	5,000+
48	48	48	50	50	50

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APPENDIX C

DEFINITIONS AND SUMMARIES OF CERTAIN PROVISIONS OF THE MASTER INDENTURE AND THE SERIES INDENTURE

DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE MASTER INDENTURE

Following is a summary of certain provisions of the Master Indenture. This summary is not intended to be definitive and is qualified in its entirety by reference to the Master Indenture.

DEFINITIONS

The terms set forth below have the same meanings in the Master Indenture, this Official Statement and this Appendix except as otherwise noted. Unless the context otherwise requires, the terms defined under this caption will, for all purposes of this Official Statement, have the meanings herein specified. All defined terms used herein and not otherwise defined herein shall have the respective meanings given to such terms in the Master Indenture.

"Additional Project" means (a) any additions, betterments, extensions, other improvements, or equipment of or related to the Airport System, and (b) any airport or airport related facility hereafter constructed, or otherwise acquired, or operated and maintained by the County at any site or sites other than the site of the Airport and any additions, betterments, extensions, or other improvements of any such airport or airport facilities; but excluding any Special Facilities.

"Aggregate Debt Service Requirements" means, for any Bond Year, the sum of the Debt Service Requirements of any Senior Lien Revenue Securities payable from the Net Revenues, which payment is secured by a pledge of and lien on the Net Revenues of the Airport System.

"Airport Facilities" or "Airport System" has the meaning set forth in the front part of this Official Statement.

"Airport Management Consultant" means an independent airport management consultant or airport management consulting firm, as from time to time appointed and compensated by the Governing Body on the behalf and in the name of the County, (a) who has a wide and favorable reputation for special skill and knowledge in methods of the development, operation and management of airports and airport facilities and (b) who is selected and retained by the Governing Body, in the name of the County, and is compensated thereby, but who is not in the regular employ or control of the County.

"Board" means the Board of County Commissioners of Clark County, in the State of Nevada, including any successor of the County.

"Bond Year" means the 12 months commencing on July 2nd of any calendar year and ending on July 1 of the next succeeding calendar year.

"Chairman" means the de jure or de facto chairman of the Governing Body and chosen as such officer by the Governing Body from the members thereof, and means the de jure or de facto vice chairman of the Governing Body whenever the chairman thereof is unable to act in such capacity, and the defined term means, his successor in functions, if any.

"Clerk" means the de jure or de facto county clerk of the County and chosen as such officer by the electors of the County, and means a de jure or de facto deputy clerk of the County whenever the clerk thereof is unable to act in such capacity, and the defined term means his successor in functions, if any.

"Commercial Bank" means a state or national bank or trust company which is a member of the Federal Deposit Insurance Corporation and of the Federal Reserve System, which has a capital and surplus of $25,000,000

or more, and which is located within the United States; and such term includes, without limitation, any "Trust Bank."

"Comparable Bond Year" means, in connection with any Fiscal Year, the Bond Year which commences in the Fiscal Year.

"Consulting Engineer" means any registered or licensed professional engineer, any firm of such engineers, any licensed professional architect, or any firm of such architects, as from time to time determined by the County, which Person or Persons (a) have a wide and favorable reputation for skill and experience in the field of designing, preparing plans and specifications for, and supervising construction of, airports and airport facilities, (b) are entitled to practice and are practicing as such under the laws of the State, and (c) are selected, retained and compensated by the Governing Body, in the name and on behalf of the County, and who may be in the regular employ or control of the County.

"Debt Service Requirements" or "Securities Requirements," means, for any Fiscal Year, as applied to any series of Revenue Bonds or other Revenue Securities issued under the Master Indenture, the sum of (a) the amount required to pay the interest on all Outstanding Senior Lien Revenue Securities of such series which is payable during the Comparable Bond Year, but if the Revenue Bonds or Revenue Securities of any series bear interest at a variable rate of interest, then except as provided in the Master Indenture with respect to Revenue Bonds subject to a Qualified Swap, the interest rate used in the foregoing determination will be the prevailing interest rate on such Revenue Bonds or Revenue Securities at the time of calculation, but neither greater than any maximum interest rate pertaining to such variable interest rate nor less than any minimum interest rate pertaining to such variable interest rate; (b) the amount required to pay the principal of all Outstanding Serial Senior Lien Revenue Securities and any prior redemption premiums due in connection therewith of such series which is payable in the Comparable Bond Year; (c) the Sinking Fund Requirements of the Outstanding Term Senior Lien Revenue Securities of such series for such Bond Year (other than Term Senior Lien Revenue Securities constituting Senior Guaranteed Obligations); and (d) the amount of any Senior Guaranteed Obligation Requirements for any Senior Guaranteed Obligations due in the Comparable Bond Year.

Any computation of the Debt Service Requirements is made for the computation of the Senior Lien Revenue Securities of the series to which the computation pertains as the Securities Requirements fall due (other than by call of Revenue Securities for prior redemption as the County's option except as hereinafter specifically provided) during any one succeeding Bond Year, but including in any computation as a part of the Debt Service Requirements for the Bond Year the Sinking Fund Requirements becoming due and payable therein, for the period beginning with the Bond Year in which such computation is made and ending with the Bond Year in which any such Revenue Securities last become due at their respective fixed maturity dates or on a Redemption Date on which any Revenue Bonds and any other Revenue Securities thereafter maturing are called for prior redemption or on which the County has obligated itself to such Revenue Bonds or any other Revenue Securities for prior redemption, whichever time is earlier, if any, by not including as Outstanding any Revenue Securities which are no longer Outstanding under the defeasance provisions of the Master Indenture, subject to the following provisions:

(i) In any computation of the Debt Service Requirements preliminary to the computation of the Maximum Aggregate Debt Service Requirements for the Debt Service Reserve Fund, the computation pertains to the Outstanding Senior Lien Revenue Securities, including, without limitation, any Senior Guaranteed Obligations, without taking into account any Swap Termination Payments due in connection therewith, and the computation pertains to the same Fiscal Year or other 12-month period in the case of the computation under Section 705A of the Master Indenture (relating to the earnings test required to be met as a condition precedent to the issuance of additional Senior Lien Revenue Securities),

(ii) In any computation for the issuance of additional Senior Lien Revenue Securities as provided in the Master Indenture, for the issuance of additional Senior Lien Revenue Securities to refund Outstanding Senior Lien Revenue Securities or other Revenue Securities as provided in the Master Indenture, and of the Debt Service Requirements under the Rate Maintenance Covenant in the Master Indenture, the computation pertains to the Outstanding Senior Lien Securities, including, without limitation, any Senior Parity Guaranteed Obligations, without, for purposes of the conditions for issuing additional Senior Lien Revenue Securities in the Master Indenture and the conditions for issuing additional Senior Lien Revenue Securities to refund Outstanding Senior Lien Revenue

Securities or other Revenue Securities as provided in the Master Indenture, taking into account any Swap Termination Payments due in connection therewith, and in the computation of paragraph (1) of the Rate Maintenance Covenant, but not paragraph (2) thereof, the computation also pertains to any Subordinate Revenue Securities, be they General Obligation Securities or Subordinate Revenue Securities the payment of which is secured by a pledge of or lien on the Net Revenues, or both such a pledge and such a lien, so including any Subordinate Guaranteed Obligations; and in the computation of either or both the Debt Service Requirements as required for the issuance of additional Senior Lien Revenue Securities and the amounts required by the Rate Maintenance Covenant there shall be excluded from the amounts to be paid thereunder those amounts which are to be paid in any Fiscal Year or its Comparable Bond Year, as the case may be, with revenues other than those derived as Pledged Revenues from the operation of the Airport Facilities, e.g., with revenues constituting Revenue Bond proceeds, grants in aid from the Federal Government, or otherwise.

For purposes of computing the Debt Service Requirements of Revenue Bonds and other Revenue Securities with respect to which a Qualified Swap is in effect, the interest payable thereon (a) except as provided in clause (b) of this sentence, shall be deemed to be the interest payable thereon in accordance with the terms thereof plus any amount required to be paid by the County to the Qualified Swap Provider pursuant to the Qualified Swap or minus any amount required to be paid by the Qualified Swap Provider to the County pursuant to the Qualified Swap, or (b) for purposes of computing the Debt Service Requirements preliminary to the computation of the Maximum Aggregate Debt Service Requirements for the Debt Service Reserve Fund as provided in the Master Indenture, for purposes of any computation for the issuance of additional Senior Lien Revenue Securities as provided in the Master Indenture, and for purposes of any computation for the issuance of additional Senior Lien Revenue Securities to refund Outstanding Senior Lien Revenue Securities or other Revenue Securities as provided in the Master Indenture, shall be deemed to be the amount accruing at the fixed rate as provided in the Qualified Swap. No computation of Debt Service Requirements under the Master Indenture shall take into account Swap Termination Payments unless such Swap Termination Payments are then due and payable in accordance with the terms of the related Qualified Swap.

For purposes of computing the Debt Service Requirements of a Qualified Swap with respect to which no Revenue Bonds remain Outstanding or of that portion of a Qualified Swap with respect to which the notional amount is greater than the principal amount of Outstanding Revenue Bonds to which such Qualified Swap relates, (a) for purposes of the provisions of the Master Indenture relating to payment of interest from the Bond Fund, the interest payable therefor shall be deemed to be the net amount, if any, required to be paid by the County to the Qualified Swap Provider pursuant to the Qualified Swap, and (b) for purposes of any computation of Debt Service Requirements for a period after the date of computation, the interest payable thereon shall be deemed to be the net amount most recently paid, as of the date of computation, by the County to the Qualified Swap Provider thereunder or (expressed as a negative number) by the Qualified Swap Provider to the County thereunder.

"Defeasance Securities" means (a) Federal Securities which are not callable for redemption prior to their maturity by any Person other than the owner thereof and (b) other Investment Securities (i) which either are not callable for redemption prior to their maturities by any Person other than the owner thereof or for which an option to redeem prior to maturity has previously been irrevocably exercised (or an irrevocable covenant to exercise such option has previously been made by the Person entitled to exercise such option) and the redemption date of such securities has thereby been irrevocably fixed prior to the use of any such securities as Defeasance Securities, and (ii) which at the time of their initial use as Defeasance Securities are rated in the highest generic rating category by Standard & Poor's or Moody's.

"Director" means the de jure or de facto director of aviation of the County and designated as such by the County, and means the de jure or de facto chief assistant of that official or the acting director of aviation, if any, of the County whenever the director of aviation is unable to act in such capacity, or the successor of the director of aviation in functions, if any.

"Federal Securities" means bills, certificates of indebtedness, notes, bonds or similar securities which are direct obligations of, or the principal and interest of which are unconditionally guaranteed by, the United States.

"Financial Consultant" means the firm which is retained by the County to render to it fiscal advice and to perform financial advisory services in connection with a series of bonds and the Airport Facilities.

"Fiscal Year" means the 12 months commencing on July 1 of any calendar year and ending on June 30 of the next succeeding calendar year; and if the Nevada legislature changes the statutory fiscal year relating to the County, the Fiscal Year will conform to such modified statutory fiscal year from the time of each such modification, if any.

"General Obligation Requirements" means an amount derived from Pledged Revenues sufficient to pay the principal of, any prior redemption premium due in connection with, and the interest on any Airport System improvement or refunding project, or both improvement project and refunding project, General Obligation Securities and to be credited to the Subordinate Securities Fund or the Capital Fund as provided in the Master Indenture, except to the extent the County may appropriate money therefor from other sources of funds.

"General Obligation Securities" means general obligation bonds, general obligation notes or general obligation securities issued for purposes pertaining to the Airport System payable from general (ad valorem) taxes and for the payment of which the County pledges its full faith and credit, which payment may be additionally made from the Net Revenues deposited to the Capital Fund created by the Master Indenture; but if the payment of such General Obligation Securities is additionally secured by a pledge of and lien on the Net Revenues, or both such a pledge and such a lien, as Subordinate Revenue Securities are to be paid from the Subordinate Securities Fund.

"Governing Body" means the Board.

"Gross Revenues" has the meaning set forth in the front part of this Official Statement.

"Guaranteed Obligation Requirements" means, with respect to any Guaranteed Obligations pertaining to any series of Senior Lien Revenue Securities or Subordinate Revenue Securities, regardless of whether any calculation of the designated requirements for inclusion in any Debt Service Requirements for any Bond Year and pertaining to any reserve account, any earnings test for the issuance of additional Revenue Securities, the rate maintenance covenant in the Master Indenture or any other rate maintenance covenant which in turn pertains to any Subordinate Revenue Securities, is made prior to, on or after the fixed maturity date of such Guaranteed Obligations, the sum of the amounts to be accumulated in the Bond Fund or Subordinate Securities Fund, as the case may be, by the County in each Fiscal Year for payment by the County in the Comparable Bond Year to a Qualified Bank, as compensation for the payment from the proceeds of its Letter of Credit of at least wholly or in part the principal amount of the Guaranteed Obligations in accordance with the related Letter of Credit Agreement, but subject to the following provisions:

(a) In the case of any calculation made prior to the fixed maturity date of the Guaranteed Obligations for each Comparable Bond Year, (i) in the calculation for the period from the date of the calculation to and including the fixed maturity date of such obligations, (a) there shall be excluded from the calculation the principal amount of the Guaranteed Obligations, but (b) the interest thereon shall be included in the calculation as a part of the interest as the same becomes due on and before that fixed maturity date, and (ii) for the period after such maturity date there shall be included in the calculation for each Bond Year the maximum amount required to be paid by the County to the Qualified Bank (whether by reason of scheduled payments, payments required to be made at the option or demand of the Qualified Bank, or otherwise) pursuant to the Letter of Credit Agreement as if the Letter of Credit had been drawn upon its full amount to pay the Guaranteed Obligations on the fixed maturity date thereof; and

(b) In the case of any calculation made on or after the fixed maturity date of the Guaranteed Obligations, there shall be included in the calculation for the Bond Year in which the calculation is made and for each subsequent Bond Year the amount required to be paid by the County to the Qualified Bank (whether by reason of scheduled payments, payments required to be made at the option or demand of the Qualified Bank or otherwise) as compensation in accordance with the terms of the Letter of Credit Agreement, if at the time of or prior to the calculation the Letter of Credit shall have been drawn upon wholly or in part to pay the principal of the Guaranteed Obligations, or both the principal thereof and the interest thereon, as the case may be, and in such case the repayment obligations under the Letter of Credit Agreement shall constitute Senior Lien Revenue Securities or Subordinate Revenue Securities, as the case may be.

"Guaranteed Obligations" means either Senior Guaranteed Obligations or Subordinate Guaranteed Obligations, or both of the foregoing, as the context requires.

"Investment Securities" means:

(a) Bills, certificates of indebtedness, notes, bonds, or similar securities which are direct obligations of, or the principal and interest of which securities are unconditionally guaranteed by, the United States;

(b) If the laws of the State permit any of the following investments to be made at the time the investment is made, any of the following investments:

(i) Interest bearing bank time deposits evidenced by certificates of deposit issued by banks incorporated under the laws of any State or the Federal Government, including the State of Nevada, or any national banking association that are members of the Federal Deposit Insurance Corporation, and interest bearing savings and loan association time deposits evidenced by certificates of deposit issued by savings and loan associations which are members of the Federal Deposit Insurance Corporation, if either (a) the capital and surplus of such bank or savings and loan association is at least equal to $10,000,000 or (b) such time deposits in any bank or savings and loan association are secured by obligations described in subparagraphs (a) and (if then so permitted by law) (b) (ii) of this definition or by tax-exempt unlimited general obligation bonds of a state or municipal government rated "A" or better by one or more nationally recognized rating agencies, in the aggregate having at all times a market value (exclusive of accrued interest) at least equal to such time deposits so secured, including accrued interest (or by any combination of such securities);

(ii) Bonds, debentures, or notes, or other evidences of indebtedness issued or guaranteed by any of the following agencies; Federal Farm Credit Banks; the Export-Import Bank of the United States; Federal Land Banks; the Federal National Mortgage Association; the Tennessee Valley Authority; the Government National Mortgage Association; the Federal Financing Bank; the Farmers Home Administration; the Federal Home Loan Bank; or any agency or instrumentality of the Federal Government which shall be established for the purposes of acquiring the obligations of any of the foregoing or otherwise providing financing therefor;

(iii) Repurchase agreements or reverse repurchase agreements with banks described in subparagraph (b)(i) of this definition or as otherwise described in the Master Indenture and government bond dealers reporting to and trading with the Federal Reserve Bank of New York, which such agreements are secured by securities which are obligations described in subparagraph (a) of this definition;

(iv) Repurchase agreements or reverse repurchase agreements with banks described in subparagraph (b)(i) of this definition or as otherwise described in the Master Indenture and government bond dealers reporting and trading with the Federal Reserve Bank of New York, which such agreements are secured (if then so permitted by law) by securities which are obligations described in subparagraph (b)(ii) of this definition;

(v) Banker's acceptances endorsed and guaranteed by banks described in subparagraph (b)(i) of this definition or as otherwise described in the Master Indenture which have a capital and surplus of $25,000,000 or more;

(vi) New housing authority bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an Annual Contributions Contract or Contracts with the Federal Government; or project notes issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a requisition or payment agreement with the Federal Government;

(vii) Any bond or other obligation the interest on which is excluded from gross income under Section 103 of the Tax Code which has a rating in one of the two highest generic rating categories from Moody's or Standard & Poor's;

(viii) Money market funds registered under the Federal Investment Company Act of 1940, as amended, whose shares are registered under the Federal Securities Act of 1933, as amended, and having a rating by Standard & Poor's of AAAm-G, AAAm, or AAm and if rated by Moody's, rated Aaa, Aa1 or Aa2; and

(ix) Any other security or account in which the Treasurer of, or any municipality corporation in, the State is from time to time authorized to invest public funds.

"Letter of Credit" means an irrevocable and unconditional letter of credit issued to the Trustee by a Qualified Bank which is issued to secure payment of Guaranteed Obligations on their maturity date or is used to fund all or a portion of the Debt Service Reserve Fund created by the Master Indenture.

"Letter of Credit Agreement" means the agreement between the County and the Qualified Bank pursuant to which the Qualified Bank agrees to issue a Letter of Credit and which sets forth the repayment obligation of the County to the Qualified Bank on account of any draw under the Letter of Credit, which agreement shall be authorized by the County in the Series Indenture which also authorizes the issuance of the Guaranteed Obligations or the funding of all or a part of the Debt Service Reserve Fund created by the Master Indenture with a Letter of Credit.

"Maximum Aggregate Debt Service Requirements" means, as of the date of calculation, the Aggregate Debt Service Requirements as computed for the Bond Year in which such sum is the largest.

"Moody's" means Moody's Investors Service, Inc. or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency (other than Standard & Poor's) as may be designated in writing by the County and, with respect to any particular series of Revenue Bonds, approved in writing by any bond insurer insuring payment of principal of and interest on such Revenue Bonds.

"Net Rent Lease" means a lease of property or facilities pertaining to the Airport System or Special Facilities entered into by the County pursuant to which the lessee or licensee agrees to pay to the County rentals during the term thereof, and to pay in addition all operations and maintenance expenses pertaining to the leased facilities, including, without limitation, maintenance costs, insurance and all property taxes and assessments now or hereafter lawfully levied, commonly known in the real estate business as a "100% net rental lease."

"Net Revenues" has the meaning set forth in the front part of this Official Statement.

"Operation and Maintenance Expenses" has the meaning set forth in the front part of this Official Statement.

"Other Available Funds" means, with respect to the Master Indenture, 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 shall such amount exceed 25% of the Aggregate Debt Service Requirements for the Senior Lien Revenue Securities then Outstanding for the Comparable Bond Year.

"Outstanding" when used with reference to any Revenue Bonds or any other designated Revenue Securities and as of any particular date means all the Revenue Bonds or any such other Revenue Securities payable from Gross Revenues or otherwise pertaining to the Airport System, as the case may be, in any manner theretofore and thereupon being executed and delivered: except (a) any Revenue Bond or other Revenue Security canceled by the County, by the Paying Agent or otherwise on the County's behalf, at or before such date; (b) any Revenue Bond or other Revenue Security for the payment or the redemption of which moneys at least equal to its Bond Requirements to the date of its maturity or any Redemption Date, whichever date is earlier, if any, shall have theretofore been deposited with a Trust Bank in escrow or in trust for that purpose, as provided in the Master Indenture; and (c) any Revenue Bond or other Revenue Security in lieu of or in substitution for which another Revenue Bond or other Revenue Security shall have been executed and delivered pursuant to the Master Indenture.

"Paying Agent" means The Bank of New York Mellon Trust Company, N.A., or any successor Commercial Bank which may be appointed from time to time as paying agent for Revenue Securities.

"Person" means a corporation, firm, other body corporate (including, without limitation, the federal government, the State, or any other body corporate and politic other than the County) partnership, association or individual, and also includes an executor, administrator, trustee, receiver or other representative appointed according to laws.

"Pledged Revenues" means all or a portion of the Gross Revenues. The designated term indicates a source of revenues and does not necessarily indicate all or any portion or other part of such revenues in the absence of further qualification.

"Project" means any Additional Project comprised of the enlargement, other improvement and equipment of the Airport System, including, without limitation, the acquisition of land therefor, or any combination thereof, as the Improvement Project or any other project may be modified pursuant to the Master Indenture, in the absence of the defined term expressly including both an Improvement Project and a Refunding Project as to any series of Revenue Bonds or other Revenue Securities as stated in the proceedings pertaining thereto.

"Qualified Bank" means a Commercial Bank organized and in good standing under the laws of the United States or any state thereof, and, insofar as the Letter of Credit of such bank secures the payment of Senior Guaranteed Obligations, whose most recent debt obligations are rated by Moody's or by Standard & Poor's at least one full rating category above the rating on any Senior Lien Revenue Bonds which are not Guaranteed Obligations and which are then Outstanding, but not less than "A" by either agency.

"Qualified Surety Bond" means any surety bond or other insurance policy, which has liquidity features equivalent to a Letter of Credit, or any Letter of Credit deposited in the Debt Service Reserve Fund in lieu of or in partial substitution for monies on deposit therein, the issuer of which is rated in the highest rating category by each Rating Agency.

"Qualified Swap" means any financial arrangement which, in connection with a particular series of Revenue Bonds, has been approved in writing by any bond insurer insuring payment of principal of and interest on such series of Revenue Bonds (i) that is entered into by the County with an entity that is a Qualified Swap Provider at the time the arrangement is entered into; (ii) which provides that the County shall pay to such entity an amount based on the interest accruing at a fixed rate on an amount equal to the designated principal amount of Revenue Bonds Outstanding as described therein, and that such entity shall pay to the County an amount based on the interest accruing on such principal amount at a variable rate of interest computed according to a formula set forth in such arrangement (which need not be the same as the actual rate of interest borne by such Revenue Bonds) or that one shall pay to the other any net amount due under such arrangement; and (iii) which has been designated in writing to the Trustee by the County as a Qualified Swap with respect to such Revenue Bonds.

"Qualified Swap Provider" means with respect to a Qualified Swap, a financial institution whose senior long term debt obligations, or whose obligations under a Qualified Swap are guaranteed by a financial institution whose senior long term debt obligations, are rated (at the time the subject Qualified Swap is entered into) at least A3, in the case of Moody's and A-, in the case of Standard & Poor's, or the equivalent thereto in the case of any successor thereto, and which is approved in writing by any bond insurer insuring payment of principal of and interest on the series of Revenue Bonds to which such Qualified Swap relates.

"Registrar" means The Bank of New York Mellon Trust Company, N.A., or any successor Commercial Bank which may be appointed from time to time as registrar.

"Reserve Requirement" shall have the meaning set forth in the related Series Indenture.

"Revenue Bonds" (defined as "Bonds" in the Master Indenture) means any bond or bonds issued in accordance with the provisions of the Master Indenture which are payable from the Net Revenues of the Airport System and which payment is secured by a pledge of and lien on the Net Revenues. The term "Revenue Bonds"

does not include any special obligation bonds or other special obligation securities designated as Special Facilities Bonds and pertaining to Special Facilities, and such term does not include any Subordinate Revenue Bonds unless the context of the provisions in which the term "Revenue Bonds" is used clearly indicates that term pertains to Subordinate Revenue Bonds. In connection with Revenue Bonds of a series with respect to which a Qualified Swap is in effect or proposed to be in effect, the term "Revenue Bonds" includes, collectively, both such Revenue Bonds and either such Qualified Swap or the obligations of the County under such Qualified Swap, as the context requires, but the Qualified Swap Provider shall not be considered to be an owner of Revenue Bonds for purposes of receiving notices, granting consents or approvals, or directing or controlling any actions, restrictions, rights, remedies or waivers under the Master Indenture, except as expressly provided in the Master Indenture.

"Revenue Securities" (defined as "Securities" in the Master Indenture) means any bond or bonds, note or notes, warrant or warrants, or other similar securities or any book entry obligations, or any certificates whether pertaining to such securities or not or to other securities, authorized by law to be issued by the County in relation to the Airport System and issued in accordance with the Master Indenture which securities are payable from the Net Revenues of the Airport System and which payment is secured by a pledge of and lien on the Net Revenues. In connection with Revenue Securities with respect to which a Qualified Swap is in effect or proposed to be in effect, the term "Revenue Securities" includes, collectively, both such Revenue Securities and either such Qualified Swap or the obligations of the County under such Qualified Swap, as the context requires. The term "Revenue Securities" also includes a Qualified Swap or the obligations of the County under such Qualified Swap, as the context requires, although none of the Revenue Bonds with respect to which such Qualified Swap was entered into are Outstanding. The Qualified Swap Provider shall not be considered to be an owner of Revenue Securities for purposes of receiving notices, granting consents or approvals, or directing or controlling any actions, restrictions, rights, remedies or waivers under the Master Indenture, except as expressly provided therein.

"Securities Depository" means The Depository Trust Company, New York, New York, and its successors and assigns, or any additional or other securities depository designated in a Series Indenture, or: (i) if the then Securities Depository resigns from its functions as depository of the Bonds; or (ii) if the County discontinues use of the Securities Depository pursuant to the Master Indenture, then any other securities depository which agrees to follow the procedures required to be followed by a securities depository in connection with the Bonds and which is selected by the County with the consent of the Trustee.

"Senior Lien Revenue Bonds," "Senior Lien Revenue Securities" or "Senior Securities" (defined as "Parity Bonds" and "Parity Securities" in the Master Indenture) and "Senior Bonds" as used in the front part of this Official Statement but not in this Appendix C, refer to the 2010C Bonds, the 2010D Bonds, the 2015A Bonds, the 2019B Bonds, the 2019C Bonds and any other securities or bonds pertaining to the Airport System and payable from Net Revenues on a parity with such Revenue Bonds, including the obligations payable to a Qualified Bank under a Letter of Credit Agreement and in connection with Revenue Bonds or other Revenue Securities with respect to which a Qualified Swap is in effect or proposed to be in effect, the terms "Senior Lien Revenue Bonds" and "Senior Lien Revenue Securities" includes, collectively, both such Revenue Bonds and either such Qualified Swap or the obligations of the County under such Qualified Swap, as the context requires, except as otherwise provided in the Master Indenture.

"Senior Guaranteed Obligations" means one or more Senior Term Securities of any series becoming due on one fixed maturity date, the payment of which Senior Lien Revenue Securities is additionally secured by a Letter of Credit issued by a Qualified Bank pursuant to a Letter of Credit Agreement.

"Serial Senior Lien Revenue Bonds" or "Serial Senior Lien Revenue Securities" means the Revenue Bonds or other Senior Lien Revenue Securities of any series which are stated to mature in consecutive annual installments.

"Series Indenture" means a supplemental instrument providing for the issuance of any particular Series of Bonds or other Securities.

"Sinking Fund Requirements" means, with respect to the Term Bonds or Term Securities for any series other than Guaranteed Obligations and for any Fiscal Year, the amount to be accumulated in the Fiscal Year in the Sinking Fund Account for the payment for the principal amount fixed or computed for the Comparable Bond Year for the retirement of such Term Bonds or Term Securities by purchase, either upon the open market or by calls for

tenders for purchase by the County, or by both such types of purchase, or by prior redemption, or by both such purchase and such prior redemption, as follows. The Sinking Fund Requirements for the Term Bonds or Term Securities of each series for each Fiscal Year in which the Sinking Fund Requirements are accumulated in the Sinking Fund Account for payment of Term Bonds or Term Securities are initially the respective principal amounts of the Term Bonds or Term Securities to be redeemed on July 1 of the Comparable Bond Year as fixed in the Series Indenture for such series, or otherwise so retired by purchase not later than 45 days prior to that due date. The aggregate amount of the Sinking Fund Requirements payable for the Term Bonds or Term Securities of each series shall be equal to the aggregate principal amount of the Term Bonds or Term Securities of the series then Outstanding. The Sinking Fund Requirements for the Term Bonds or Term Securities of the same maturity of each series are accumulated by substantially equal monthly deposits in the Sinking Fund Account commencing on the first day of the Fiscal Year which pertains to the Comparable Bond Year on July 1 of which Term Bonds or Term Securities are paid by prior redemption or prior purchase, and ends with the Bond Year which ends one year next preceding the fixed maturity date of each series of such Term Bonds or Term Securities (such final installment being payable on the fixed maturity date). If at the close of any Bond Year the total principal amount of the Term Bonds or Term Securities of any series of the same maturity retired by purchase or prior redemption during the Bond Year shall be greater than the total amount of the Sinking Fund Requirements for such Term Bonds or Term Securities to and including the Bond Year, then the Sinking Fund Requirements for such Term Bonds or Term Securities for all subsequent Bond Years must be reduced by the amount of that excess as determined by the Board. The amount of the reduction in the Sinking Fund Requirements for each subsequent Bond Year shall be as determined by the Board. Once the Board has adjusted the Sinking Fund Requirements for the subsequent Bond Years to reflect the reduction resulting from the excess redemption or purchase in contradistinction to any like excess reduction resulting from an excess redemption or purchase in any of the subsequent Bond Years. If at the close of any Bond Year the total principal amount of the Term Bonds or Term Securities of any series of the same maturity retired by purchase or prior redemption during the Bond Year shall be less than the total amount of the Sinking Fund Requirements for those Term Bonds or Term Securities to and including the Bond Year, then the Sinking Fund Requirement for the Term Bonds or Term Securities expended in the next ensuing Bond Year must be increased by the amount of such deficiency and such event shall be an Event of Default under the Master Indenture. The Board shall, before the first day of each Fiscal Year, recompute, if necessary, the Sinking Fund Requirements for the Comparable Bond Year and all subsequent Bond Years for the Term Bonds or Term Securities of each series then Outstanding. The Sinking Fund Requirements for the Bond Year as recomputed shall continue to be applicable during the Bond Year and no adjustment need be made therein by reason of Term Bonds or Term Securities purchased or called for prior redemption during the Bond Year.

"Special Facilities" means structures, hangars, aircraft overhaul, maintenance or repair shops, heliports, hotels, storage facilities, garages, other facilities, and appurtenances, being a part of or related to the Airport System, the cost of the construction or other acquisition of which Special Facilities is financed with the proceeds of Special Facilities Bonds.

"Special Facilities Bonds" means the bonds or other securities payable solely from all or a portion of the rentals received pursuant to a Net Rent Lease or Net Rent Leases pertaining to Special Facilities as provided in the Master Indenture.

"Standard & Poor's" means Standard & Poor's Global Ratings, a division of Standard & Poor's Financial Services LLC, or, if such corporation is dissolved or liquidated or otherwise ceases to perform securities rating services, such other nationally recognized securities rating agency (other than Moody's) as may be designated in writing by the County and approved in writing by any bond insurer insuring payment of principal of and interest on such Revenue Bonds.

"Subordinate Revenue Bonds" or "Subordinate Revenue Securities" (defined as "Subordinate Bond" and "Subordinate Securities" in the Master Indenture) means bonds or other securities pertaining to the Airport System and payable from its Net Revenues subordinate and junior to the lien thereon of the Revenue Bonds and include Swap Termination Payments and any other amounts payable by the County under a Qualified Swap entered into in connection with the proposed issuance of a series of Revenue Bonds in the event that no Revenue Bonds of such series are issued by the date provided in such Qualified Swap.

"Subordinate Guaranteed Obligations" means one or more Subordinate Revenue Securities of any series becoming due on one fixed maturity date, the payment of which Subordinate Revenue Securities is additionally secured by a Letter of Credit issued by a Qualified Bank pursuant to a Letter of Credit Agreement.

"Swap Termination Payment" means an amount payable by the County or a Qualified Swap Provider, in accordance with a Qualified Swap, to compensate the other party to the Qualified Swap for any losses and costs that such other party may incur as a result of the early termination of the obligations, in whole or in part, of the parties under such Qualified Swap. Beginning on the date, if any, that a Swap Termination Payment by the County becomes due and payable, the amount of such Swap Termination Payment shall be taken into account in determining the Debt Service Requirements of the series of Revenue Bonds to which such Qualified Swap relates, except as otherwise specifically provided in the Master Indenture.

"Trustee" means The Bank of New York Mellon Trust Company, N.A., or any successor Commercial Bank which may be appointed from time to time as trustee for Revenue Securities.

"Tax Code" means the Internal Revenue Code of 1986, as amended.

"Term Bonds" or "Term Securities" means the Revenue Bonds or Revenue Securities of a series with a fixed maturity date or dates designated as Term Bonds or Term Securities (other than Guaranteed Obligations) in a Series Indenture, but which fixed maturity date or dates do not constitute consecutive annual installments.

"Treasurer" means the de jure or de facto county treasurer of the County, or his successor in functions, if any.

MASTER INDENTURE

Revenue Pledge

Pursuant to the Master Indenture, the County has irrevocably pledged the Net Revenues of the Airport System to the payment of the Senior Lien Revenue Bonds. The facilities comprising the Airport System, however have not been pledged to secure payment of the Senior Lien Revenue Bonds. The Senior Lien Revenue Bonds are also secured by a pledge of all funds and accounts held under the Master Indenture, subject to the provisions of the Master Indenture permitting disbursements of such amounts at the times and in the manner described therein.

The Senior Lien Revenue Bonds and other Revenue Securities are special obligations of the County payable solely from Net Revenues generated by the Airport System. The Senior Lien Revenue Bonds and other Revenue Securities do not constitute a debt of the County within the meaning of any Constitutional or statutory provision or limitation, or a pledge of the full faith, credit and taxing power of the County.

The Master Indenture creates a special fund designated the Revenue Fund, to which the County is required to set aside and credit all Gross Revenues of the Airport System upon receipt thereof by the County. The Master Indenture requires that moneys or deposits in the Revenue Fund be applied solely in accordance with the order of priorities established by the Master Indenture. The first such priority and charge against the Revenue Fund is the payment of Operation and Maintenance Expenses budgeted and approved pursuant to the Master Indenture, including transfers to the Rebate Accounts established with respect to any series of Revenue Bonds.

Issuance of Subordinate Revenue Securities and Special Facilities Bonds

The Master Indenture provides that the County may issue junior lien (subordinate) securities. The Master Indenture also includes provisions under which the County may issue Special Facilities Bonds for the purpose of constructing Special Facilities at the Airport for lease on a net rent basis. Any such Special Facilities Bonds shall be payable solely from rentals payable to the County pursuant to such Net Rent Leases, and shall not be a charge or claim against the Revenue Fund or any other account designated in the Master Indenture.

Acquisition of Additional Facilities

The County is not to acquire additional airfields or other independent airport facilities unless, in the written opinion of the Airport Management Consultant, the acquisition, operation and maintenance of such facilities will not materially affect the County's ability to comply with the Rate Maintenance Covenant described above or unless such facilities are excluded from the Airport Facilities at the option of and by order of the Board.

Security for Deposits; Investments

Until such money is invested pursuant to the last paragraph of this section, all money (not including securities) held by the Trustee may be deposited by the Trustee in demand or time deposits in its banking department or with such other Commercial Banks as may be designated by the County and approved by the Trustee. No such money is to be deposited with any Commercial Bank, other than the Trustee, in an amount exceeding 50% of the amount which an officer of such bank shall certify to the Trustee and to the County as the combined capital and surplus of such bank. No such money is to be deposited or remain on deposit with any Commercial Bank, including the Trustee, in excess of the amount guaranteed by the Federal Deposit Insurance Corporation or other Federal agency:

A. unless such bank shall have lodged with the trust department of the Trustee or, with the written approval of the Trustee and of the County, pledged to some other Commercial Bank for the benefit of the County and every owner of any Revenue Securities issued under the Master Indenture, as collateral security for the moneys deposited, Federal Securities or such securities as are provided by law for securing a deposit in a Commercial Bank in the State, having a market value (exclusive of accrued interest) at least equal to 110% of the amount of such moneys; or

B. unless, in lieu of such collateral security as to all or any part of such moneys, there shall have been lodged with the trust department of the Trustee for the benefit of the County and every owner of any Revenue Securities issued under the Master Indenture, and remain in full force and effect as security for such moneys or part thereof, the indemnifying bond or bonds of a surety company or companies qualified as surety for deposits of funds of the United States and qualified to transact business in the state in which such Commercial Bank is located in a sum at least equal to the amount of such moneys or part thereof.

Any money in any account or subaccount designated in the Master Indenture (other than any account for the refunding, payment and/or discharge of the Securities Requirements of any Outstanding Revenue Bonds or other Revenue Securities under the defeasance provisions of the Master Indenture, or otherwise), and not required for immediate disbursement and withdrawal is to be invested or reinvested by the Treasurer or the Trustee at the direction of the Director or Chief Financial Officer of the Department of Aviation by deposit in one or more Commercial Banks or in Investment Securities (and subject to an appropriate statutory amendment, other investment securities) which Investment Securities either shall be subject to redemption at any time at a fixed value by the holder thereof, at the option of the holder, or shall mature from the date of such investment or reinvestment neither later than such times as moneys are needed for payments from the respective accounts and subaccounts, nor (1) in the case of the Debt Service Reserve Fund, (i) later than 10 years from the date of investment (unless redeemable at the holder's option), or (ii) later than the last fixed maturity date of the Senior Lien Revenue Securities, nor (2) in the case of the Construction Fund later than the estimated completion date of the Project, nor (3) in the case of the Working Capital and Contingency Reserve Fund in securities with an average maturity exceeding 2½ years. The Investment Securities so purchased as an investment or reinvestment of moneys in any such account or subaccount shall be deemed at all times to be a part of the account or subaccount held in trust therefor.

Defeasance; Modification of the Master Indenture

When all principal, interest and any prior redemption premiums due in connection with Revenue Securities of any series payable from Pledged Revenues have been duly paid, or provision made therefor in accordance with the Master Indenture, the pledge and lien and all obligations under the Master Indenture shall thereby be discharged and such Revenue Securities shall no longer be deemed to be Outstanding. The County may provide for such payment by placing in escrow or in trust with a Trust Bank an amount sufficient, together with the known minimum yield available therefor from any initial investment in Defeasance Securities, to meet all requirements of principal,

interest and any prior redemption premiums due, as the same become due to the final maturity of the Revenue Securities or upon any prior redemption date as of which the County shall have exercised or shall have obligated itself to exercise its prior redemption option by the call of the Revenue Securities for payment.

The Master Indenture may be amended or supplemented by instruments executed and delivered by the Board in accordance with the laws of the State upon the written consent of the holders of 66% in principal amount of all Senior Lien Revenue Bonds then Outstanding (excluding any Senior Lien Revenue Bonds held by the County), but no instrument shall have the effect of permitting: (1) a change in the maturity or the terms of redemption of any installment of principal, or interest of any Outstanding Senior Lien Revenue Bond; (2) a reduction of the principal, interest rate or prior redemption premium of any Senior Lien Revenue Bond without the consent of the owner of such Senior Lien Revenue Bond; (3) the creation of a lien upon or a pledge of revenues ranking prior to the lien or to the pledge created by the Master Indenture; or (4) a reduction of the principal amount or percentages or otherwise affecting the description of Senior Lien Revenue Bonds or the consent of the owners of which is required for any such modification of or prejudicial effect upon the rights or privileges of the owners of less than all of the Senior Lien Revenue Bonds then Outstanding.

Remedies of Senior Lien Revenue Bondholders

The Master Indenture defines "events of default" as follows: (1) the failure to pay when due the principal of any Senior Lien Revenue Bond, or any prior redemption premium in connection therewith, or any failure to pay installment of interest within 30 days after it is due; (2) the County is rendered incapable of fulfilling its obligations under the Master Indenture; (3) the County fails to perform (or begin the performance of) all acts required of it under any contract relating to the Pledged Revenues, the Airport System or any Special Facilities, continuing 60 days after notice of such failure; (4) the County discontinues, delays or fails to carry out reconstruction or replacement of any part of the Airport System which is destroyed or damaged; (5) an order or decree is entered appointing a receiver for the Airport System or the Pledged Revenues derived therefrom, or if such decree was entered without the consent of the County, it is not vacated, discharged or stayed on appeal within 60 days after entry; (6) the County defaults in the due and punctual performance of any other of the covenants, agreements and provisions contained in any Revenue Securities or in the Master Indenture on its part to be performed, if such default continues for 60 days after written notice specifying such default and requiring the same to be remedied has been given to the County by the owners of 10% in principal amount of the Revenue Securities of any series then Outstanding or by the Trustee of the Revenue Securities; and (7) the County files a petition pertaining to its Airport System and seeking a composition of indebtedness under the Federal Bankruptcy Code, or under any other applicable law or statute of the United States of America or the State. In the event of any default, the Trustee may proceed, and if the owners of not less than 10% in principal amount of any series of Senior Lien Revenue Securities then Outstanding so request, then the Trustee is to proceed, against the County to protect and enforce the rights of the owners of the Senior Lien Revenue Bonds under the Master Indenture by suit, action or special proceedings in equity or at law either for the appointment of a receiver or for the specific performance of any covenant or agreement contained in, or by an award of execution of any power granted in, the Master Indenture or for the enforcement of any proper legal or equitable remedy as such bondholders may deem most effectual to protect and enforce such rights.

Force Majeure

The Trustee shall not be considered in breach of or default in its obligations with respect to any obligations created under the Master Indenture or progress in respect thereto, in the event of enforced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including but not limited to: acts of God, terrorism, war, riots, strikes, fire, floods, earthquakes, epidemics or other like occurrences beyond the control of the Trustee; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE SERIES INDENTURE

The following statements are summaries of certain provisions of the Series Indenture but are in addition and complementary to the summaries found under the caption "SECURITY FOR THE 2024B NOTES."

DEFINITIONS

Unless the context otherwise requires, the terms defined under this caption will, for all purposes of this Official Statement, have the meanings herein specified. All defined terms used herein and not otherwise defined herein shall have the respective meanings given to such terms in the Series Indenture.

"2019B Bonds" means the securities designated as the Clark County, Nevada, Airport System Revenue Bonds, Senior Series 2019B.

"2021A Bonds" means the securities designated as the Clark County, Nevada, Airport System Subordinate Lien Refunding Revenue Bonds, Series 2021A.

"Authorized Denominations" means $5,000 or any integral multiple thereof.

"Business Day" means (i) any day other than a Saturday or Sunday, or (ii) a day on which banks located in the city in which the Principal Office of the Trustee is located are authorized or required to remain closed.

"Certificate of the County Chief Financial Officer" means the certificate signed by the Chief Financial Officer of the County relating to the 2024B Notes.

"Debt Service Requirements," with respect to the 2024B Notes, means "Debt Service Requirements" as defined in the Master Indenture, except that for purposes of the Series Indenture there shall be included in the calculation of "Debt Service Requirements" of the 2024B Notes the interest on and principal of the 2024B Notes, and the amount of any Guaranteed Obligation Requirements of any Subordinate Guaranteed Obligations with respect thereto due in the Comparable Bond Year.

"Interest Payment Date" means each January 1 and July 1, commencing July 1, 2024; provided, that if the date for making any payment as provided in the Series Indenture shall not be a Business Day, such payment may be made on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in the Series Indenture, and no interest shall accrue for the period after such nominal date.

"PFC Bonds" means, collectively, those securities designated as the Clark County, Nevada, Las Vegas-McCarran International Airport Passenger Facility Charge Refunding Revenue Bonds, 2015 Series C, the Clark County, Nevada, Las Vegas-McCarran International Airport Passenger Facility Charge Refunding Revenue Bonds, 2017 Series B, the Clark County, Nevada, Las Vegas-McCarran International Airport Passenger Facility Charge Refunding Revenue Bonds, 2019 Series E, and the Clark County, Nevada, Las Vegas-Harry Reid International Airport Passenger Facility Charge Refunding Revenue Bonds, Series 2022B.

"PFC Revenues" means all income and revenue received by or required to be remitted to the County from the $4.50 passenger facility charge (but not from any future increase in such charge) per qualifying enplaned passenger imposed by the County pursuant to the Aviation Safety and Capacity Expansion Act of 1990, Pub. L. 101-508, Title IX, Subtitle B, Sections 9110 and 9111, as amended from time to time, the Federal Aviation Regulations issued thereunder, and the authorizing ordinances of the County, including any interest earned after such charges have been remitted to the County as provided in such Federal Aviation Regulations.

"Principal Office" means, with respect to the Trustee, means 333 South Hope Street, Suite 2525, Los Angeles, California 90071, Attention: Fanny Chen, Vice President, or such other address as the Trustee may designate in writing to the County.

"Second Lien Subordinate Securities" means the 2021A Bonds, all other Subordinate Securities having a lien on the Net Revenues of the Airport System on a parity with the lien thereon of the 2021A Bonds, the PFC Bonds and any other payments under any interest rate swap agreements executed by the County pursuant to authorization granted by ordinance which by the terms thereof are secured by Net Revenues of the Airport System on a parity with the 2021A Bonds and such other Subordinate Securities, and any other additional Subordinate Securities hereafter issued with a lien thereon on a parity with the lien thereon of the 2021A Bonds and such other Subordinate Securities.

"Tax Code" means the Internal Revenue Code of 1986, as amended to the date of issuance of the 2024B Notes.

SERIES INDENTURE

Set forth below is a summary of certain provisions of the Series Indenture. All capitalized terms used under this caption and not otherwise defined herein have the respective meanings given to such terms in the Series Indenture.

Obligation of County

Notes Equally Secured. The covenants and agreements set forth in the Series Indenture to be performed on behalf of the County will be for the equal benefit, protection and security of the Owners of any and all of the Outstanding 2024B Notes. All of the 2024B Notes, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of such Securities over any other thereof as to the Net Revenues.

No Pledge of Property. The payment of the 2024B Notes is not secured by an encumbrance, mortgage or other pledge of property of the County, except the proceeds of the Net Revenues and any other moneys pledged for the payment of the 2024B Notes. No property of the County, subject to such exceptions, shall be liable to be forfeited or taken in payment of the 2024B Notes.

No Recourse Against Officers and Agents. No recourse shall be had for the payment of the Debt Service Requirements of the 2024B Notes or for any claim based thereon or otherwise upon the Series Indenture authorizing their issuance or any other instrument relating thereto, against any individual member of the County or any officer or other agent of the County, past, present or future, either directly or indirectly through the County or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of the 2024B Notes and as a part of the consideration of their issuance specially waived and released.

Revenue Pledge

The 2024B Notes constitute Subordinate Securities, the payment of which is secured by and is payable from the Net Revenues of the Airport System subordinate and junior to the lien thereon of the Senior Lien Revenue Securities now or hereafter outstanding and subordinate and junior to the lien thereon of the Second Lien Subordinate Securities now or hereafter outstanding. Such subordinate lien on the Net Revenues is on a parity with the lien thereon of (i) Clark County, Nevada, Jet Aviation Fuel Tax Refunding Revenue Bonds (Additionally Secured by Pledged Airport System Revenues), Series 2013A, , (ii) any "Third Lien Obligations" or "Junior Lien Obligations" as defined in the respective ordinances or Series Indentures authorizing the issuance of Outstanding Second Lien Subordinate Securities and (iii) any other additional Subordinate Securities hereafter issued with a lien thereon on a parity with the lien thereon of the Notes. No Subordinate Securities with a lien on the Net Revenues superior to the lien thereon of the Notes but junior to the lien thereon of the Second Lien Subordinate Securities may be issued.

The County may, in its absolute discretion, use any PFC Revenues that are legally available for the purpose, to pay the principal of and interest on the 2024B Notes; provided, that such PFC Revenues are not and shall

not be pledged for such purpose, and neither the Owners of the 2024B Notes nor the Trustee on their behalf shall have any lien on any such PFC Revenues.

Registration, Transfer and Exchange of Notes

Except as otherwise described in "APPENDIX E—DTC AND BOOK-ENTRY ONLY SYSTEM":

Registration and Transfer. Records for the registration and transfer of the 2024B Notes will be kept by the Registrar. Upon the surrender for transfer of any 2024B Note at the Registrar, duly endorsed for transfer or accompanied by an assignment in form satisfactory to the Registrar duly executed by the registered Owner or its attorney duly authorized in writing, the Registrar shall authenticate and deliver in the name of the transferee or transferees a new 2024B Note or 2024B Notes of a like aggregate principal amount and series, bearing a number or numbers not previously assigned to 2024B Notes. 2024B Notes may be exchanged at the office of the Registrar for an equal aggregate principal amount of 2024B Notes of the same series of other Authorized Denominations. The Registrar shall authenticate and deliver the 2024B Note or 2024B Notes which the registered Owner making the exchange is entitled to receive, bearing a number or numbers not previously assigned to 2024B Notes. The Registrar shall require the payment by the Owner of any 2024B Note requesting exchange or transfer, of any tax or other governmental charge required to be paid with respect to such exchange or transfer and of the cost of preparing (excluding printing) and authenticating a new 2024B Note or 2024B Notes.

Effect of Registration. The Person in whose name any 2024B Note shall be registered in the registration records kept by the Registrar shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes; and payment of or on account of either principal or interest on any 2024B Note shall be made only to or upon the written order of the registered Owner thereof or its legal representative, but such registration may be changed upon transfer of such 2024B Note in the manner and subject to the conditions and limitations provided herein. All such payments shall be valid and effectual to discharge the liability upon such 2024B Note to the extent of the sum or sums so paid.

Amendment of the Series Indenture

Privilege of Amendments. The Series Indenture may be amended or supplemented by instruments adopted by the County in accordance with the laws of the State, without receipt by the County of any additional consideration, but with the written consent of the Owners of a majority in aggregate principal amount of the 2024B Notes Outstanding at the time of the adoption of the amendatory or supplemental instrument, excluding any 2024B Notes which may then be held or owned for the account of the County, but including such refunding securities as may be issued for the purpose of refunding any of the 2024B Notes if the refunding securities are not owned by the County.

Limitations upon Amendments. No such instrument shall be adopted which adversely affects the Owners of any Senior Lien Revenue Bonds or any Second Lien Subordinate Securities then Outstanding. No such instrument shall permit without the written consent of all Owners of the 2024B Notes adversely and materially affected thereby:

Changing Payment. A change in the maturity or in the terms of redemption of the principal of any 2024B Note or any installment of interest thereon; or

Reducing Return. A reduction in the principal amount of any 2024B Note or the rate of interest thereon, without the consent of the Owner of the 2024B Note; or

Prior Lien. The creation of a lien upon or a pledge of revenues ranking prior to the lien or to the pledge created by the Series Indenture, except as provided in the Master Indenture; or

Modifying any Note. A reduction of the percentages or otherwise affecting the description of 2024B Notes the consent of the Owners of which is required for any modification or amendment; or

Priorities between Notes. The establishment of priorities as between 2024B Notes Outstanding under the provisions of the Series Indenture, except as otherwise permitted thereby; or

Partial Modification. The modifications of or otherwise materially and prejudicially affecting the rights or privileges of the Owners of less than all of the 2024B Notes then Outstanding.

Notice of Amendment. Whenever the County proposes to amend or modify the Series Indenture under the provisions thereof, it is to cause notice of the proposed amendment to be given not later than 30 days prior to the date of the proposed enactment of the amendment by mailing to the purchasers of the 2024B Notes, the Trustee, the Paying Agent, the Registrar and the Owner of each of the 2024B Notes Outstanding under the Series Indenture. The notice is to briefly set forth the nature of the proposed amendment and state that a copy of the proposed amendatory instrument is on file in the office of the County Clerk for public inspection.

Time for Amendment. Whenever at any time within one year from the date of the mailing of such notice, there shall be filed in the office of the County Clerk an instrument or instruments executed by the Owners of a majority in aggregate principal amount of the 2024B Notes then Outstanding under the Series Indenture, which instrument or instruments will refer to the proposed amendatory instrument described in the notice and specifically consents to and approves the adoption of the instrument, thereupon, but not otherwise, the County may adopt the amendatory instrument and instrument will become effective.

Binding Consent to Amendment. If the Owners of a majority in aggregate principal amount of the 2024B Notes Outstanding under the Series Indenture, at the time of the adoption of the amendatory instrument, or the predecessors in title of such Owners, shall have consented to and approved the adoption thereof as provided in the Series Indenture, no Owner of any 2024B Note, whether or not the Owner shall have consented to or shall have revoked any consent as provided above, will have any right or interest to object to the adoption of the amendatory instrument or to object to any of the terms or provisions therein contained or to the operation thereof or to enjoin the County from taking any action pursuant to the provisions thereof.

Time Consent Binding. Any consent given by the Owner of a 2024B Note pursuant to the provisions of the Series Indenture will be irrevocable for a period of 6 months from the date of the mailing of the notice described above, and will be conclusive and binding upon all future Owners of the same 2024B Note during that period. The consent may be revoked at any time after 6 months from the date of the mailing of the notice by the Owner who gave the consent or by a successor in title by filing notice of the revocation with the County Clerk, but the revocation will not be effective if the Owners of a majority in aggregate principal amount of the 2024B Notes Outstanding under the Series Indenture, before the attempted revocation, consented to and approved the amendatory instrument referred to in the revocation.

Unanimous Consent. Notwithstanding anything contained in the foregoing provisions, the terms and the provisions of the Series Indenture or of any instrument amendatory thereof or supplemental thereto and the rights and the obligations of the County and of the Owners of the 2024B Notes under the Series Indenture may be modified or amended in any respect (other than modifications or amendments that adversely affects the Owners of any Senior Lien Revenue Bonds then Outstanding) upon the adoption by the County and upon the filing with the County Clerk of an instrument to that effect and with the consent of the Owners of all the then Outstanding 2024B Notes the consent to be given as provided in the Series Indenture; and no notice to Owners of 2024B Notes will be required as provided in the Series Indenture, nor will the time of consent be limited except as may be provided in the consent.

Notation on Notes. 2024B Notes authenticated and delivered after the effective date of any action taken as in the Series Indenture provided may bear a notation by endorsement or otherwise in form approved by the County as to the action; and if any 2024B Note so authenticated and delivered shall bear such notation, then upon demand of the Owner of any 2024B Note Outstanding at such effective date and upon presentation of its 2024B Note for the purpose at the principal office of the County Clerk, suitable notation will be made on such 2024B Note by the County Clerk as to any such action. If the County so determines, new 2024B Notes so modified as in the opinion of the County to conform to such action will be prepared, authenticated and delivered; and upon demand of the Owner of any 2024B Note then Outstanding, will be exchanged without cost to the Owner for 2024B Notes then Outstanding upon surrender of the 2024B Notes.

Amendments Not Requiring Noteholders' Consent. The County, acting by and through the Board, and the Trustee, notwithstanding certain other provisions of the Series Indenture, and without the consent of or notice to any Owner of any 2024B Note, will consent to any amendment, change or modification of the Series Indenture as may be required (a) by the provisions of the Series Indenture; (b) for the purpose of curing any ambiguity or formal defect or omission in the Series Indenture; (c) in connection with the issuance and delivery of additional or other securities payable from Net Revenues; (d) to modify or supplement the Series Indenture in such manner as may be necessary or appropriate to qualify the Series Indenture under the Trust Indenture Act of 1939 as then amended, or under any similar federal or state statute enacted after the Series Indenture, including provisions whereby the Trustee accepts such powers, duties, conditions and restrictions under the Series Indenture and the County undertakes such covenants, conditions or restrictions additional to those contained in the Series Indenture as would be necessary or appropriate so to qualify the Series Indenture; or (e) in connection with any other change in the Series Indenture which is not to the prejudice of the Trustee and which would not materially adversely affect the Owners of the 2024B Notes or other securities.

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APPENDIX D

DTC AND BOOK-ENTRY SYSTEM

The information in this Appendix concerning DTC and DTC's book-entry system has been obtained from sources that the County believes to be reliable, but the County takes no responsibility for the accuracy or completeness thereof. The County cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners: (a) payments of interest, principal or premium, if any, with respect to the 2024B Notes; (b) certificates representing ownership interest in or other confirmation or ownership interest in the 2024B Notes; or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the 2024B Notes, or that they will so do on a timely basis or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the 2024B Notes. The 2024B Notes will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered 2024B Note certificate will be issued for the 2024B Notes, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of 2024B Notes under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2024B Notes on DTC's records. The ownership interest of each actual purchaser of each 2024B Note ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2024B Notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2024B Notes, except in the event that use of the book-entry system for the 2024B Notes is discontinued.

To facilitate subsequent transfers, all 2024B Notes deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an

authorized representative of DTC. The deposit of 2024B Notes with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2024B Notes; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2024B Notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2024B Notes may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2024B Notes, such as redemptions, tenders, defaults, and proposed amendments to the 2024B Note documents. For example, Beneficial Owners of 2024B Notes may wish to ascertain that the nominee holding the 2024B Notes for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2024B Notes unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Airport as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2024B Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Distributions, and dividend payments on the 2024B Notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Airport or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its 2024B Notes purchased or tendered, through its Participant, to the Paying Agent, and shall effect delivery of such 2024B Notes by causing the Direct Participant to transfer the Participant's interest in the 2024B Notes, on DTC's records, to the Paying Agent.

DTC may discontinue providing its services as depository with respect to the 2024B Notes at any time by giving reasonable notice to the County or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, 2024B Note certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2024B Notes will be printed and delivered to DTC.

APPENDIX E

FORM OF OPINION OF BOND COUNSEL

In connection with the issuance of the 2024B Notes, Sherman & Howard L.L.C., Bond Counsel, proposes to render an opinion in substantially the following form:

[Closing Date]

Clark County, Nevada
Clark County Government Center
500 South Grand Central Parkway
Las Vegas, Nevada 89106

Clark County, Nevada
Airport System
Junior Subordinate Lien Revenue Notes, Series 2024B

Ladies and Gentlemen:

We have acted as bond counsel to Clark County, Nevada (the "County"), in connection with the issuance of its Airport System Junior Subordinate Lien Revenue Notes, Series 2024B (the "Notes"), in the aggregate principal amount of $150,920,000. In such capacity, we have examined the County's certified proceedings and such other documents and such law of the State of Nevada (the "State") and of the United States of America as we have deemed necessary to render this opinion letter. The Notes are authorized and issued pursuant to the Master Indenture of Trust dated as of May 1, 2003 (as amended, the "Master Indenture"), as supplemented by the 2024 Series B Indenture dated as of April 1, 2024 (the "2024 Series B Indenture" and, together with the Master Indenture, the "Indenture") between the County and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Indenture.

Regarding questions of fact material to our opinions, we have relied upon the County's certified proceedings and other representations and certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Based upon such examination, it is our opinion as bond counsel that:

1. The Notes constitute valid and binding special, limited obligations of the County, constitute Subordinate Securities and are payable solely out of and are secured by a lien on the Net Revenues of the County's Airport System, i.e., the Gross Revenues of the Airport System (which term excludes revenues pertaining to Special Facilities financed with Special Facilities Bonds and certain other revenues as expressly provided in the Indenture) after deduction of Operation and Maintenance Expenses of the Airport System. The lien on the Net Revenues of the Airport System pledged for the security of the Notes is subordinate and junior to the lien thereon of the Parity Securities now or hereafter Outstanding and is also subordinate and junior to the lien thereon of the Second Lien Subordinate Securities now or hereafter Outstanding. The Indenture provides that no Subordinate Securities with a lien on the Net Revenues superior to the lien thereon of the Notes but junior to the lien thereon of the Second Lien Subordinate Securities may be issued. Except as described in this paragraph, we express no opinion regarding the priority of the lien on the Net Revenues securing the Notes.

2. The Indenture has been duly authorized by the County, duly executed and delivered by authorized officials of the County and, assuming due authorization, execution and delivery by the Trustee, constitutes a binding obligation of the County enforceable in accordance with its terms.

3. Interest on the Notes is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Tax Code"), and interest on the Notes is excluded from alternative minimum taxable income as defined in Section 55(b) of the Tax Code; however, to the extent such interest is included in calculating the "adjusted financial statement income" of "applicable corporations" (as defined in Sections 56A and 59(k), respectively, of the Tax Code), such interest is subject to the alternative minimum tax applicable to those corporations under Section 55(b) of the Tax Code. The opinions expressed in this paragraph assume continuous compliance with the covenants and continued accuracy of the representations contained in the District's certified proceedings and in certain other documents and certain other certifications furnished to us.

4. Under laws of the State in effect as of the date hereof, the Notes, their transfer, and the income therefrom are free and exempt from taxation by the State or any subdivision thereof, except for the tax on estates imposed pursuant to Chapter 375A of NRS and the tax on generation skipping transfers imposed pursuant to Chapter 375B of NRS.

The opinions expressed in this opinion letter above are subject to the following:

The obligations of the County pursuant to the Notes and the Indenture may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

In this opinion letter issued in our capacity as bond counsel, we are opining only upon those matters set forth herein, and we are not opining upon the accuracy, adequacy or completeness of the Official Statement, or any other statements made in connection with any offer or sale of the Notes or upon any federal or state tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Notes except those specifically addressed herein.

This opinion letter is issued as of the date hereof and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

APPENDIX F

FORM OF CONTINUING DISCLOSURE CERTIFICATE

Upon issuance of the 2024B Notes, the County proposes to enter into a Continuing Disclosure Certificate in substantially the following form:

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by Clark County, Nevada (the "Issuer") in connection with the issuance of the Issuer's Airport System Junior Subordinate Lien Revenue Notes, Series 2024B (the "Notes"). The Notes are being issued pursuant to the Master Indenture of Trust, dated as of May 1, 2003 (as amended, the "Master Indenture"), by and between the Issuer and The Bank of New York Mellon Trust Company, N.A. (the "Trustee"), and the 2024 Series B Indenture, dated as of April 1, 2024 (the "Series Indenture," and together with the Master Indenture, the "Indenture"), by and between the Issuer and the Trustee. The Issuer covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders and Beneficial Owners of the Notes and in order to assist the Participating Underwriter in complying with Rule 15c2-12(b)(5) of the Securities Exchange Commission.

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture or parenthetically defined herein, which apply to any capitalized terms used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

Annual Report. The term "Annual Report" means any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

Beneficial Owner. The term "Beneficial Owner" means any person which: (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Notes (including persons holding Notes through nominees, depositories or other intermediaries); or (b) is treated as the owner of any Notes for federal income tax purposes.

Dissemination Agent. The term "Dissemination Agent" means, initially, the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

EMMA. "EMMA" means the MRSB's Electronic Municipal Market Access system, which can be found at http://emma.msrb.org.

Financial Obligation. "Financial Obligation" means: (a) a debt obligation; (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b). The term "Financial Obligation" does not include municipal securities (as such term is defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as such term is defined in the Rule) has been provided to the MSRB consistent with the Rule.

Fiscal Year. The term "Fiscal Year" means the one-year period beginning on July 1 of each year and ending on the last day of June of the succeeding year, or such other fiscal year of the Issuer designated by the Issuer.

Listed Events. The term "Listed Events" means any of the events listed in Section 5 of this Disclosure Certificate.

MSRB. The term "MSRB" means the Municipal Securities Rulemaking Board. As of the date hereof, the MSRB's required method of filing continuing disclosure annual reports is electronically via EMMA.

Participating Underwriter. The term "Participating Underwriter" means any underwriter of the Notes required to comply with the Rule in connection with an offering of the Notes.

Rule. The term "Rule" means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than each March 31 following the end of its Fiscal Year, commencing March 31, 2025, provide to EMMA in electronic format as prescribed by the MSRB an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than five (5) business days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent (if other than the Issuer). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report.

(b) If the Issuer is unable to provide to EMMA an Annual Report by the date required in subsection (a), the Issuer shall or shall cause the Dissemination Agent to send a notice to EMMA in the manner prescribed by the Municipal Securities Rulemaking Board.

(c) The Dissemination Agent shall: (i) determine each year prior to the date for providing the Annual Report the appropriate electronic format prescribed by the MSRB; (ii) if the Dissemination Agent is other than the Issuer, send written notice to the Issuer at least 45 days prior to the date the Annual Report is due stating that the Annual Report is due as provided in Section 3(a) hereof; and (iii) if the Dissemination Agent is other than the Issuer, file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided and listing all the entities to which it was provided.

(d) If the Dissemination Agent is other than the Issuer, the Dissemination Agent shall file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate and stating the date that it was provided to EMMA.

SECTION 4. Content of Annual Reports. The Issuer's Annual Report shall contain or incorporate by reference the following:

(a) A copy of the annual financial statements of the Issuer's Department of Aviation prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board and audited by a firm of certified public accountants. If audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Report and audited financial statements will be provided when and if available.

(b) An update of the information for the most recently concluded Fiscal Year only of the type contained in the tables identified by a double asterisk (**) under the heading "TABLES" found on page (iii) of the Official Statement for the Notes, as set forth on Exhibit A hereto.

If the information in Section 4(b) above can be derived from the financial statements required to be filed under Section 4(a) hereof, failure to file separate tables under Section 4(b) above shall not constitute a default hereunder. Any or all of the items listed above may be incorporated by reference from other

documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from EMMA. The Issuer shall clearly identify each such document incorporated by reference.

SECTION 5. Reporting of Listed Events. Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Notes in a timely manner not more than ten (10) Business Days after the event:

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;

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 (10), 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.

(b) Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Notes, if material, in a timely manner not more than ten (10) Business Days after the event:

1. unless described in Section 5(a)(5), other notices or determinations by the Internal Revenue Service with respect to the tax status of the Notes or other events affecting the tax status of the Notes;

2. modifications to the rights of Note holders;

3. optional, unscheduled or contingent Note redemptions;

4. release, substitution or sale of property securing repayment of the 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;

7. appointment of a successor or additional trustee or the change of the name of a trustee; and

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.

(c) If the Issuer determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the Issuer shall file a notice of such occurrence with EMMA in a timely manner not more than ten (10) Business Days after the event.

SECTION 6. Format; Identifying Information. All documents provided to the MSRB pursuant to this Disclosure Certificate shall be in the format prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB.

SECTION 7. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate with respect to the Notes upon the earlier of: (i) the date of legal defeasance, prior redemption or payment in full of all of the Notes; (ii) the date that the Issuer shall no longer constitute an "obligated person" within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this written undertaking are held to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Notes. If such termination occurs prior to the final maturity of the Notes, the Issuer shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

SECTION 8. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist the Issuer in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, without the consent of the holders of the Notes, if such amendment or waiver does not, in and of itself, cause the undertakings herein to violate the Rule, but taking into account any subsequent change in or official interpretation of the Rule. The Issuer will provide notice of such amendment or waiver to EMMA.

SECTION 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. Default. In the event of a failure of the Issuer to file an annual report under Section 4 hereof or to file a report of a listed event under Section 5 hereof, any holder or Beneficial Owner of the Notes may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to make such filing. A default under this Disclosure Certificate shall not be deemed an event of default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

No holder or Beneficial Owner may institute such action, suit or proceeding to compel performance unless they shall have first delivered to the Issuer satisfactory written evidence of their status as holder or Beneficial Owner and a written notice of and request to cure such failure, and the Issuer shall have refused to comply therewith within a reasonable time.

SECTION 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter, the holders and Beneficial Owners from time to time of the Notes, and shall create no rights in any other person or entity.

DATED: April 2, 2024

CLARK COUNTY, NEVADA

_____

Director of Aviation

EXHIBIT A

TABLES

CLARK COUNTY, NEVADA, DEPARTMENT OF AVIATION
Statement of Historical and Projected Revenues and Expenses[(1)]

CLARK COUNTY, NEVADA, DEPARTMENT OF AVIATION
Historical and Projected Passenger Facility Charge Collections[(1)]

HISTORICAL AIRLINE TRAFFIC
Harry Reid International Airport

AIRLINE MARKET SHARES
Harry Reid International Airport
First Six Months of Fiscal Year 2024 and Fiscal Years 2023 and 2022[(1)]

(1) These tables contain both full year and partial year historical and projected information. Only full year historical information is to be updated pursuant to County's Continuing Disclosure Certificate.

CLARK COUNTY BOARD OF COMMISSIONERS

Left to Right:

Ross Miller
William McCurdy II, Vice Chairman
Michael Naft
James B. Gibson
Justin Jones
Marilyn Kirkpatrick
Tick Segerblom, Chairman

HARRY REID
INTERNATIONAL
LAS VEGAS

HARRY REID
INTERNATIONAL
LAS VEGAS

CLARK COUNTY, NEVADA • AIRPORT SYSTEM JUNIOR SUBORDINATE LIEN REVENUE NOTES, SERIES 2024B (NON-AMT)

Clark County Department of Aviation
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