



2025 ANNUAL REPORT



\$1.9 MILLION IN ASSET INVESTMENTS

Projects include the Apron A2 Reconstruction, hangar revitalization project, finalized prior hangar damage repair costs, and replaced loader for snow removal.

**\$68 MILLION
TOTAL NET POSITION**

Up 2.5% to 2024

**\$83 MILLION
IN TOTAL ASSETS**

Up 9.5% to 2024

**\$6,746,318 IN
OPERATING REVENUES**

Up \$816K or 13.8% to 2024

**\$10,316,053 IN OTHER REVENUES
INCLUDING PROPERTY TAXES AND STATE GRANTS**

Up \$591K or 91% of budget

**\$ 1,679,878
IN NET INCOME**

Up \$659K or up 164% to budget

**\$11,587,637 IN
OPERATING EXPENSES**

Under \$70K to budget

2025 REVENUE HIGHLIGHTS

FBO (FIXED BASE OPERATIONS-AIRSIDE OPS) REVENUES

- \$408K or 13% over budget due to increased Ramp and Landing fees. Low snow year so more flight days.
- 20% increase in Jet A/SAF Fuel Sales vs. 2024
- 25% increase in 100LL Fuel Sales vs. 2024
- \$151K over 2024 in Landing Fees

OTHER OPERATING REVENUES

- Hangar Lease Revenue up \$188,788 or 8.3% vs. 2024
- Other Business Lease Revenue up \$38,185 or 3.6% vs. 2024
- Warehouse Lease Revenue static to 2024

NON-OPERATING REVENUES

- Up \$4.9 Million or 47% vs. 2024 (due to a change in accounting recordation for property tax)

TOTAL REVENUES

- Up \$3.9 Million or 21.3% vs. 2024

INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying financial statements of Truckee Tahoe Airport District, which comprise the statements of net position as of December 31, 2025 and 2024 and the related statements of revenues, expenses and the change in net position and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Truckee Tahoe Airport District as of December 31, 2025 and 2024 and the results of its operations in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

BASIS OF OUR OPINION

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the State Controller's Minimum Audit Requirements for California Special Districts. 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 Truckee Tahoe Airport District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

RESPONSIBILITY OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

Truckee Tahoe Airport District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Truckee Tahoe Airport District's ability to continue as a going concern for one year after the date that the financial statements are issued.

AUDITOR'S RESPONSIBILITY 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 Truckee Tahoe Airport District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Truckee Tahoe Airport District's ability to continue as a going concern for a reasonable period of time.

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



INDEPENDENT AUDITOR'S REPORT

OTHER MATTERS

REQUIRED SUPPLEMENTARY INFORMATION

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Proportionate Share of the Net pension Liability, Schedule of Contributions, and the Notes to Required Supplementary Information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

SUPPLEMENTARY INFORMATION

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Truckee Tahoe Airport District. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis and is not required parts of the basic financial statements.

The Schedule of Expenditures of Federal Awards 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. Such 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 Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with Government Auditing Standards, we have also issued our report dated June 30, 2026 on our consideration of Truckee Tahoe Airport District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Truckee Tahoe Airport District's internal control over financial reporting and compliance.

James Marta & Company LLP Certified Public Accountants Sacramento, California, June 30, 2026

TRUCKEE TAHOE AIRPORT DISTRICT MANAGEMENT'S DISCUSSION & ANALYSIS

FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

The following discussion and analysis of the financial performance of the Truckee Tahoe Airport District (the "District" or the "Airport") provides an overview of the District's financial activities for the fiscal year (twelve months) ended December 31, 2025. Please read it in conjunction with the District's financial statements, which follow this section.



FINANCIAL HIGHLIGHT

The District continues to implement Governmental Accounting Standards Board (GASB) Statement 68-Accounting and Financial Reporting for Pensions. This accounting principle sets up a Net Pension Liability that has decreased, based on annual actuarial reports, from \$2.1 million on December 31, 2024 to \$1.5 million on December 31, 2025.

In the calendar year ended December 31, 2025, the District's operating revenues increased \$488k (8%) over the prior fiscal year. This is primarily due to increased landing fees, ramp fees, hangar revenue, and warehouse rents.

The District did not receive funding through the Federal Aviation Administration (FAA) Grants Airport Improvement Program (AIP) for the reconstruction of Apron A2.

The District saw annualized property tax revenues increase 47%, in calendar year ended December 31, 2025 due to a change in accounting procedure. Tax revenues in 2025 are recognized when received instead of an accrual basis.

The District's annualized personnel costs decreased by 2.0% overall compared to 2024. Salaries and Wages decreased by 1.7% due to net annual Cost of Living Allowance (COLA) and Merit increases, and vacancy in positions. There is a year-end adjustment relating to GASB 68 that decreases the PERS liability by \$597k based on the annual actuarial report and calculation.

Operating, general and administrative annualized expenses were up 5% over the prior year. The increase was primarily due to Studies & Plans, Recruitment, Interest Expense, County Support, Credit Card Fees, and Non AIP Airfield Maintenance.

Repair and maintenance annualized expenses were up from the prior fiscal year by 8%. In 2025, the District caught up on some needed hangar repairs, vehicle maintenance and general airside repairs and maintenance.

Due to long-term fiscal discipline, the Truckee Tahoe Airport District is in excellent financial condition. The District's net position is \$69 million. The District has designated the unrestricted net position for future capital projects, replacement reserve expenditures and contingencies.



OPERATIONAL HIGHLIGHTS

During the twelve-month year ended December 31, 2025, Fixed Base Operations (FBO) revenues were up 12% compared to 2024. Jet A/SAF sales were up 20% over 2024 in gallons sold and up \$275k in revenue. 100LL sales were up 25% over 2024 in gallons sold and up \$48k in revenue. Net airside revenue was up 17% from the previous year primarily due to increased fuel sales, landing and ramp fees. Overall increases were primarily due to increased air traffic.

The District saw an increase in hangar revenue of 8.3% compared to 2024 considering the annual CPI increase.

Other business leases were up 3.6% due to increased car rentals and annual CPI increase.

As part of its commitment to land conservation, the District manages approximately 2,350 acres in partnership with the Truckee Donner Land Trust (TDLT), Trust for Public Land, Northern Sierra Partnership, and the Town of Truckee. These lands function as a buffer between airport operations and surrounding communities, supporting aviation safety, noise mitigation, and compatible land use, while also providing scenic, recreational, and ecological benefits to the region.

In partnership with NZero, the District has published annual land management reports since 2023, documenting its ongoing programs related to wildfire mitigation, carbon management, and open space stewardship. The 2020 to 2023 and 2024 reports established the baseline and multi-year trajectory; the 2025 report summarizes activities undertaken during the year and their associated outcomes.

In 2025, the District continued to advance its land stewardship program with a focus on wildfire risk reduction. Key initiatives included a CAL FIRE supported prescribed burn at Waddle Ranch under the Vegetation Treatment Program (VTP), Protection Zone Management and fuels reduction activities at the Ponderosa Golf Course and hosting a public demonstration of Burn Bot technology on Airport property.



USE OF FINANCIAL STATEMENTS TO ANALYZE THE DISTRICT'S CONDITION

When financial statements are presented, the District is often asked, "Is the District better off or worse off as a result of this year's activities?" The financial statements report information about the District's activities in a way that helps answer this question. The statements are prepared on the accrual basis of accounting, which means that all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. An explanation of each of the statements and the information they report follows.

STATEMENT OF NET POSITION

The District's net position on December 31, 2025 totaled \$68,898,000 compared with \$67,218,000 on December 31, 2024. As noted in the Financial Highlights, due to long-term fiscal discipline, the Truckee Tahoe Airport District is in excellent financial condition. A summary of the District's asset, liability, and net position balances at the end of the current and prior two fiscal years appears on the following chart.

ASSETS	DEC 31, 2025	DEC 31, 2024	INCREASE (DECREASE)	PERCENT CHANGE
Cash & Equivalents	\$8,895,037	\$6,890,763	\$2,004,274	29.1%
Other Current Assets	8,418,539	4,799,524	3,619,015	75.4%
Total Current Assets	17,313,576	11,690,287	5,623,289	48.1%
Investments	0	250,000	(250,000)	-100%
Noncurrent Receivable	0	35,600	(35,600)	-100%
Net Capital Assets	66,120,675	64,204,684	1,915,991	3.0%
Total Assets	83,434,251	76,180,571	7,253,680	9.5%
DEFERRED OUTFLOWS	910,271	1,008,672	(98,401)	-9.8%
Liabilities				
Current Liabilities	3,083,464	1,729,299	1,354,165	78.3%
Long Term Liabilities	11,530,747	7,378,337	4,152,410	56.3%
Total Liabilities	14,614,211	9,107,636	5,506,575	60.5%
DEFERRED INFLOWS	832,102	863,276	(31,174)	-3.6%
Net Position				
Invested in Capital Assets, Net	55,561,427	58,651,022	(3,089,595)	-5.3%
Restricted	-	-	-	-
Unrestricted	13,336,782	8,567,309	4,769,473	55.7%
Total Net Position	\$68,898,209	\$67,218,331	\$1,679,878	2.5%

The December 31, 2025 cash and cash equivalents balance increased \$2,004,274 from the balance at the end of the prior year. The District invests surplus cash in the Local Agency Investment Fund (LAIF), as well as California CLASS. LAIF is a governmental investment pool managed and directed by the California State Treasurer. California CLASS is a Joint Powers Authority investment pool for public agencies that allows investing on a cooperative basis.

The increase in net property, plant and equipment is due to the completion of various capital projects and additions that are offset by depreciation of District's assets.

The unrestricted portion of net position has been designated by the Board of Directors based on current capital projects, potential contingencies, and policy-based priorities. The Board approved allocation of \$13.3 million of unrestricted net assets is as follows: 22% Replacement Reserve Fund, 17% Property Tax Fund for Community Benefit, 26% Property Tax Fund for Airport Operations, and 35% Airport Operating Fund. These breakdowns are based on the board approved categories/percentages from the Q1 2024 Board workshop. Additional information on the designation of unrestricted net position can be found in the notes to the financial statements.



THE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Net operating revenues were greater than the prior calendar year, due to FBO services, hangar rentals, and warehouse leases. The following table summarizes the District's Statement of Revenues, Expenses and Changes in Net Position for the current and prior two fiscal years:

	YEAR ENDED DEC 31, 2025	YEAR ENDED DEC 31, 2024	INCREASE (DECREASE)	PERCENT CHANGE
Net Operating Revenues:				
Operating Expenses, Net of Depreciation	\$6,746,318	\$5,929,768	\$816,550	13.8%
Operating Loss before Depreciation	(11,587,637)	(11,658,305)	70,668	-0.6%
Depreciation Expense	(4,841,319)	(5,728,537)	887,218	-15.5%
Net Operating Loss	(3,794,856)	(2,972,401)	(822,455)	27.7%
	(8,636,175)	(8,700,938)	64,763	-0.7%
Nonoperating Income:				
Property Tax Revenue	10,051,776	9,596,457	455,319	4.7%
Gain (Loss) on Disposal of Assets	8,224	(262,398)	270,622	-103.1%
Grant Revenues-Capital/Operating	13,440	66,186	(52,746)	-79.7%
Interest Expense	(203,509)	(127,572)	(75,937)	59.5%
Interest and Other Nonoperating Income	446,122	452,270	(6,148)	-1.4%
Total Nonoperating Income	10,316,053	9,724,943	591,110	6.1%
Extraordinary Item	-	-	-	0.0%
Change in Net Position	1,679,878	1,024,005	655,873	64.0%
Change in Accounting Principle	-	-	-	0.0%
Net Position, Beginning-Restated	67,218,331	66,194,326	1,024,005	1.5%
Net Position, Ending	\$68,898,209	\$67,218,331	\$1,679,878	2.5%



Operating expenses, net of depreciation, decreased \$70,668 or -0.6%, from the prior fiscal year. This category includes all costs related to payroll and employee benefits, general and administrative expenses, as well as the cost of maintaining the District's high value infrastructure. The District continues to work with its pavement management program to keep the Airport's pavements in good condition. In 2025, with the aid of long term financing, the District expended approximately \$4,295,640 for the reconstruction of Apron A2. The district did not take any FAA grant funds for this project. Property tax revenues were up 4.7% from the prior fiscal year.

Analysis of the District's Overall Financial Position: The net position increased \$1,679,878 due to increases in property taxes and operational revenues during the year.

CAPITAL ASSETS

On December 31, 2025, the District had over \$66 million invested in a broad range of capital assets. The amounts invested in capital assets, net of related accumulated depreciation, are shown in the table below.

CAPITAL ASSETS NET OF DEPRECIATION

	DEC 31, 2025	DEC 31, 2024
Land and Easements	\$14,966,105	\$14,966,105
Building and Building Improvements	\$29,301,143	\$18,638,616
Land Improvements	\$9,865,073	\$15,537,223
Equipment	\$3,416,129	\$3,731,409
Construction in Progress	\$8,572,225	\$11,331,331
	\$66,120,675	\$64,204,684

The net capital asset balance increased \$1.9 Million during the 2025 fiscal year. That amount includes net capital additions of \$5,710,400 offset by \$3,794,800 in depreciation expense and \$0 in asset deletions. \$7,544,000 of previous construction in progress have been capitalized during the year. The capital additions are detailed in the table below.

SUMMARY OF ADDITIONS TO CAPITAL ASSETS

Reconstruct Runway 2-20 w marking and lighting	\$371,680
Fuel Farm skid electrical, engineering	3,142
Reconstruction of Apron A2	4,295,640
Soaring Club Rebuild	52,839
Hangar 1 Code improvements	47,649
Re-rig Lima 1 Door	85,160
Density altitude display	23,000
Alterton/Compass HVAC software	5,072
Hangar Claim roof repairs	187,798
Epoxy flooring, fire extinguishers	189,061
Observation deck composite furniture	6,060
Observation deck sunsetter awning	3,700
Warehouse Trash Enclosure	51,305
Hali Brite rotating beacon	21,344
Mobile Fuel Containment	12,440
CAT Loader lease 48 months	304,515
Ponderosa golf course irrigation maintenance	50,000
Total	\$5,710,407

COMMUNITY BENEFIT

- CalFire
- California State Parks
- Truckee Fire Protection District
- Northstar Fire District
- Olympic Valley Fire District
- North Tahoe Fire Protection District
- Truckee Tahoe Workforce Housing Agency
- Climate Transformation Alliance
- Boys & Girls Club North Lake Tahoe
- Tahoe Nordic Search & Rescue
- Town of Truckee River Revitalization Steering Committee
- Civil Air Patrol
- Art at the Airport by Truckee Cultural District
- Experimental Aircraft Owners Association
- Tahoe Expedition Academy
- Ponderosa Golf Course Irrigation System
- Waddle Ranch wildfire mitigation and forestry management
- Riverview Bike Park





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