

Airport

Continued from C1

Reumann said he was planning to make a trip to Bordeaux in August but canceled his plans due to the uncertainty of travel. France may be opening up, he said, but that doesn't mean life is back to normal. He worries that the on-again, off-again lockdowns could cause business closures during his trip. That morning coffee and croissant at the corner bakery in Bordeaux might not happen if all the bakeries in town are closed, he said.

"So we will reschedule that for next year."

One advantage of foreign travel, said Reumann, is that flights are still mostly empty. That could mean more comfortable travel compared to crowded domestic flights.

"But if you go over, you may have to quarantine and have proof of tests and vaccinations, and a lot of people don't want to deal with that," he said.

Those who do start their air journey from Redmond will encounter some improvements at the airport. A 500-spot parking lot costing \$3.5 million was recently completed. The third TSA line was also installed to speed up passenger lines through security checkpoints.

The 45,000-square-foot operations building was constructed at a cost of \$14 million; it houses heavy equipment like snowplows and snowblowers (trucks that "sweep" the runway). While snow and ice removal takes up a lot of time in winter, the summers are spent doing pavement maintenance and painting.



Dean Guernsey/The Bulletin

Travelers line up at the Alaska Airlines ticket counter in the Redmond Municipal Airport on Tuesday.

"It never slows down for us; there is always something depending on the season," said Mike Wilcox, operations supervisor at the facility.

Bass also upgraded the airport's HVAC system. It now includes a new UV lighting that purifies the air flowing through the vents.

All up, the airport spent \$25 million on upgrades during the pandemic.

Funds to pay for the upgrades came with considerable help from federal assistance packages, including the CARES Act. The airport received \$12 million in funding and is expecting to receive another \$6 million, said Bass.

There were some hiccups, though. Construction of a \$10 million "quick turnaround" car rental facility was put on hold during the pandemic. That could get going again in

the summer of 2022, said Bass. The facility will include car washing, detailing and a fueling depot.

As Redmond Airport moves past the pandemic, it will be building on what had been unprecedented growth. The airport is now the 115th largest commercial airport in the country.

Passenger numbers doubled over the five years before the pandemic hit, from 500,000 each year to one million. That volume puts Redmond in the "small hub" category designated by the Federal Aviation Administration. It previously was labeled a "primary non-hub." Other "small hub" airports include Palm Springs, California, Eugene and Spokane, Washington.

More passengers mean more destinations. The newest non-

stop daily flights will be to San Jose, California, starting in September on Allegiant Airlines. San Jose is Redmond's 12th destination.

September will also see the return of nonstop flights to Las Vegas on Allegiant Airlines. Chicago, a seasonal flight with United, is expected to return in the summer of 2022.

Bass said he is also working with American Airlines to start a new nonstop flight to Dallas, expected in the spring of 2022. After Dallas, Bass said Minneapolis could be the next nonstop destination.

The East Coast and Hawaii could also be future destinations, but Redmond would first need to extend its runway, said Bass.

"It's on our plan for the next 10 years," he said.

■ Reporter: 541-617-7818, mkohn@bendbulletin.com

Valentine

Continued from C1

The first is the dividend yield — the amount of dividends you get per dollar of stock price invested. Historically the average yield in the U.S. has been about 4.5%. Today, dividend yields in the U.S. are closer to 1.2%. Yikes.

The second component that's contributed to the 10% historical return is inflation. In the long run, it's come in at about 3% annually. For the past few decades, inflation has been below that, but there are indications that it is picking up pace right now and how much (or how little) inflation the next decade reveals will have a big impact on stock returns.

The third component to stock returns is the real growth of earnings. Over the long haul, that rate has been about 1.5%. Companies have grown profits by that rate, net of inflation. How well companies do going forward is impossible to guess. Optimists will peg that growth number north of 1.5% due to advancements in productivity on the back of extraordinary benefits of technology. That's plausible.

Finally, about 1% of the 10% annual average stock return owes itself to the increase in

the valuation of the market — the aforementioned P/E. Given how high valuations are already, it's hard to see the multiple continue to expand.

Looking forward in the U.S., your estimate for stock returns then is sum of your estimates of the four components.

If we think dividend yields aren't going to change much (1.2%) and we assume higher, but normal, inflation (3%) and we add that to solid earnings growth (2%) and no change in valuation, that assumes the go-forward return in the U.S.

is about 6% per year.

So what's the takeaway?

To eke out results above that 6% will require the broadest opportunity set possible.

Thus, we have to look overseas. However, this does not mean abandoning investments domestically.

In our view, the decade ahead should be decent for most markets, and the U.S. market will likely continue to be a leader. Diversifying globally will be the added key to extracting the best of the markets have to offer investors.

■ William Valentine, CFA, is the co-chief Investment Officer of ASI Wealth Management of Bend. He and his wife, Jessica, have lived in Bend since 2000, where they raised their four sons.

Solve these puzzles on C4

SOLUTION TO TODAY'S SUDOKU

2	7	6	5	9	3	4	8	1
8	3	5	7	4	1	9	6	2
4	1	9	2	8	6	7	3	5
3	9	2	1	6	5	8	7	4
6	8	7	3	2	4	1	5	9
1	5	4	8	7	9	6	2	3
7	2	3	9	1	8	5	4	6
5	6	1	4	3	7	2	9	8
9	4	8	6	5	2	3	1	7

SOLUTION TO TODAY'S JUMBLE

JUMBLE
Answer:
 ABSORB UTOPIA TIMELY
 SMOGGY ENTICE FUNGUS
 The Roman numerals' convention didn't need security because there was —
SAFETY IN NUMBERS

NYT CROSSWORD SOLUTION

R	A	D	N	E	R	S	O	T	S	S	E	A	M	S	B	F	A				
A	S	I	A	G	O	N	C	A	A	C	L	I	O	A	W	A	R	D			
P	H	A	R	O	S	I	T	L	L	H	I	M	A	L	A	L	A	Y	A	S	
C	O	L	E	A	D	V	O	C	A	T	E	D	B	E	T	A	S				
D	R	I	P	S	E	E	M	D	O	M	E	S	S	C	R	I	M				
S	E	N	T	S	L	O	G	P	E	S	O	S	H	E	E	D					
I	M	A	M	M	A	C	J	R	D	A	B	E	A	R	S						
H	O	T	C	O	C	O	A	R	H	O	D	A	V	I	D						
A	N	A	W	E	N	T	B	Y	E	B	Y	E	O	N	E	I	D	A			
R	A	M																			
A	R	E	T	U	T	I	N	K	E	R	I	R	S	A	B	C					
S	U	R	F	I	N	U	S	A	M	I	D	A	S	L	T	E					
S	N	A	I	L	S	I	N	B	A	D	S	H	A	P	E	I	O	N			
D	E	T	E	R	R	T	E	A	M	E	X	C	A	R	D						
E	G	G	D	R	O	P	M	Y	E	R	S	O	A	T	H						
L	E	A	R	W	E	I	R	D	S	O	T	U	A	L	L	Y					
I	T	S	O	K	E	N	J	O	Y	J	E	S	U	L	I	E	U				
F	L	U	E	S	D	O	N	O	T	O	P	E	N	K	O	N	G				
B	R	I	N	G	I	T	I	N	S	H	U	E	C	U	A	N	D	O			
T	E	N	D	E	R	A	G	E	H	I	R	E	U	N	R	E	E	L			
W	E	E	L	E	G	O	S	I	N	N	S	T	I	T	L	E	D				

LAT CROSSWORD SOLUTION

R	A	G	T	I	M	E	C	S	P	O	T	B	E	D	S	I	D	E			
A	R	S	E	N	A	L	R	O	S	I	E	A	C	E	T	O	N	E			
C	O	U	N	T	Y	D	R	A	C	U	L	A	R	A	C	E	C	A	R		
K	N	I	T	S	A	B	C	S	O	R	R	O	W								
S	I	T	H	B	A	R	B	E	C	U	E	P	I	T	Y	A	S	K			
M	A	H	C	A	E	N	S	I	B	A	L	L	I	N							
A	R	O	M	A	S	I	M	I	T	A	T	I	O	N	F	U	R	Y			
C	A	P	I	S	T	R	A	N	O	A	H	M	A	D	D	E	A				
S	L	I	D	E	R	O	D	E	S	R	B	H	B	E	E	N					
A	Y	T	H	E	R	E	S	T	H	E	R	U	B	Y							
R	E	G	S	H	E	N	M	O	R	E	A	U	A	B	A	S	E				
A	A	U	S	E	A	O	F	A	D	D	E	D	S	U	G	A	R				
T	R	I	C	K	O	R	T	R	E	A	T	Y	O	H	S	U	R	E			
E	N	N	U	I	B	M	L	A	K	E	A	A	S								
D	E	E	R	W	E	I	B	A	R	T	E	R	E	R	S						
R	D	A	C	A	L	V	E	S	L	I	V	E	R	Y	A	M	F	M			
S	I	L	E	N	T	P	S	M	O	K	E	Y	S	I	G	N	A	L	S		
T	R	E	A	D	L	E	E	G	R	E	T	P	R	A	T	T	L	E			
S	A	I	D	Y	E	S	S	T	U	D	S	R	E	D	E	Y	E	S			

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