CHARLOTTE COUNTY AIRPORT AUTHORITY

BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
TOGETHER WITH ADDITIONAL REPORTS

YEARS ENDED
SEPTEMBER 30, 2021 AND 2020

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Certified Public Accountants & Consultants

Affiliations
Florida Institute of Certified Public Accountants
American Institute of Certified Public Accountants
Private Companies Practice Section
Tax Division

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Charlotte County Airport Authority
28000 A-1 Airport Road
Punta Gorda, Florida 33982

Report on the Financial Statements
We have audited the accompanying basic financial statements of the business-type activities of Charlotte County Airport Authority (the "Authority") as of and for the years ended September 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements
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; this includes 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 Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of the Florida Retirement System Pension Plan (FRS) or the Health Insurance Subsidy Pension Plan (HIS) as of and for the years ended June 30, 2021 or 2020. The Authority is required to record its proportionate share of the FRS and HIS liability in the Authority's government-wide financial statements as of September 30, 2021 and 2020 and for the years then ended. Those financial statements (FRS & HIS) were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Charlotte County Airport Authority's government-wide financial statements, is based on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's

internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, based on our audits and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Charlotte County Airport Authority as of September 30, 2021 and 2020, and the respective changes in financial position and cash flows thereof, for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters
As discussed in Note A, the basic financial statements present only Charlotte County Airport Authority and are not intended to present fairly the financial position of Charlotte County, Florida, as of September 30, 2021 and 2020, and the results of its operations and the cash flows of its business type activities for the fiscal years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters
Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i - xxiv, Schedule of the Authority's Proportionate Share of the Net Pension Liability - Florida Retirement System Pension Plan (FRS), Schedule of Authority Contributions - Florida Retirement System Pension Plan (FRS), Schedule of the Authority's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy Pension Plan (HIS), Schedule of Authority Contributions - Health Insurance Subsidy Pension Plan (HIS), Notes to the Required Supplementary Information and Schedule of Changes in the Total OPEB Liability and Related Ratios - GASB No. 75 and Related Notes to the Schedule, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of 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 - management's discussion and analysis (MD&A), Schedule of the Authority's Proportionate Share of the Net Pension Liability - Florida Retirement System Pension Plan (FRS), Schedule of Authority Contributions - Florida Retirement System Pension Plan (FRS), Schedule of the Authority's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy Pension Plan (HIS), Schedule of Authority Contributions - Health Insurance Subsidy Pension Plan (HIS), Notes to the Required Supplementary Information and Schedule of Changes in the Total OPEB Liability and Related Ratios - GASB No. 75 and Related Notes to the Schedule, as listed in the table of contents, 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 required supplementary information - management's discussion and analysis (MD&A), Schedule of the Authority's Proportionate Share of the Net Pension Liability - Florida Retirement System Pension Plan (FRS),

Schedule of Authority Contributions - Florida Retirement System Pension Plan (FRS), Schedule of the Authority's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy Pension Plan (HIS), Schedule of Authority Contributions - Health Insurance Subsidy Pension Plan (HIS), Notes to the Required Supplementary Information and Schedule of Changes in the Total OPEB Liability and Related Ratios - GASB No. 75 and Related Notes to the Schedule, as listed in the table of contents, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Required Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Charlotte County Airport Authority's basic financial statements. The required supplementary information other than MD&A - budgetary comparison information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The required supplementary information other than MD&A - budgetary comparison information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the required supplementary information other than MD&A budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming an opinion on the financial statements of Charlotte County Airport Authority that collectively comprise the Charlotte County Airport Authority's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance for the year ended September 30, 2021 as required by the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" and/or the Florida Single Audit Act (Florida Statute 215.97) 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. 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 accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance for the year ended September 30, 2021 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information
Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Exhibit 1 - Management's Response to Independent Auditor's Report to Management and Exhibit 2 - Florida Rules of the Auditor General - Rule 10.554(1)(i)6-8 Compliance are not a required part of the basic financial statements but is required by Government Auditing Standards and/or Rules of the Auditor General, Section 10.554(i), respectively. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Section 218.415, Florida Statutes
In accordance with Section 218.415, Florida Statutes, we have also issued a report dated January 24, 2022, on our consideration of Charlotte County Airport Authority's compliance with provisions of Section 218.415, Florida Statutes. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and to provide an opinion on compliance with the aforementioned Statute. That report is an integral part of an audit performed in accordance with Sections 218.39 and 218.415, Florida Statutes in considering Charlotte County Airport Authority's compliance with Section 218.415, Florida Statutes.

Other Reporting Required by Government Auditing Standards
In accordance with Government Auditing Standards, we have also issued our report dated January 24, 2022, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contract 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Authority's internal control over financial reporting and compliance.

Tuscan & Company, P.A.

TUSCAN & COMPANY, P.A.
Fort Myers, Florida
January 24, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

The following management discussion and analysis of the Charlotte County Airport Authority's financial performance provides an overview of the financial activities of the Airport for the fiscal year ended September 30, 2021. The information contained in this discussion should be considered in conjunction with the financial results, footnotes, and supplemental information in the Airport's basic financial statements.

Mission Statement

The Charlotte County Airport Authority (the "Airport") is an independent special district pursuant to the State constitution and the Laws of Florida, particularly Chapter 98-508 (codification) as amended by Laws of Florida, Chapter 2011-263, Section 4 and by Chapter 2013-254. It is not a component unit of Charlotte County. The Airport has jurisdiction, control, supervision and management of the Airport and surrounding land within its legal boundaries, governed by a five (5) member elected Board of Commissioners. The Airport is self-supporting, generating its revenues from aviation and non-aviation leases, concessions, airline related revenues and fuel sales. The Airport facility is in Charlotte County, Florida and was officially named the Punta Gorda Airport in 2010.

The Airport strives to ensure the safety and security of the traveling public. The Airports mission is serving the community and business through aviation and adapting to the needs of the community by providing a safe, efficient and convenient hub for economic activity in the region. It is dedicated to maintaining a superior and reliable level of Airport services for local residents and tourists and is committed to supporting the development of air linkages and facilities, which are integral parts of its future economic growth as well as that of Southwest Florida.

Punta Gorda Airport is the only public use/public owned facility serving both the general aviation and commercial aviation needs of the community. The Airport is a hub for Allegiant Airlines, a low-cost carrier that offers direct flights to over 40 destinations. Sun Country Airlines began flights to Minneapolis in October 2021. The Airport is open 24 hours a day, 7 days a week and serves as a base airport for general aviation aircraft owners and operators in the surrounding area. The Punta Gorda Airport boasts a strong personal and recreational flying community.

The Airport occupies approximately 1800 acres of land east of I-75, south of US 17, and approximately two miles south of the Peace River. It is the highest elevation in Charlotte County, at 25 feet above sea level. The Airport has within its boundaries a Foreign Trade Zone and three runways accommodating private and commercial aircraft.

The Airport plays an important role in the enhancement of community services as well. The Airport is the staging area for the First In Team for disasters and serves the U.S. Forestry Service as a temporary fire tanker base. The Airport serves as a base of operation for the Charlotte County Sheriff's Office and Charlotte County Mosquito Control. The Airport is also home to an active division of the Civil Air Patrol. The Airport began offering commercial airline passenger service in 2007.

GASB 34

The Annual Financial Statement summarizes the activity of all the Airport's funds. The statements have changed in format as a result of implementing Governmental Accounting Standards Board GASB 34 for the year ended September 30, 2004, the year implementation was required. The discussion on the implications of GASB 34 can be extensive. For the purposes of this report, a brief overview is included herein.

In June, 1999, the Governmental Accounting Standards Board (GASB) - which sets accounting principles generally accepted in the United States of America (Financial reporting rules) for all state and local governments - established a new framework for the financial reports of state and local governments. The new framework or financial reporting model represents the biggest single change in the history of governmental accounting. GASB 34, known as Statement No. 34: Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, represent a fundamental revision of the current financial reporting model, which has been in place since 1979.

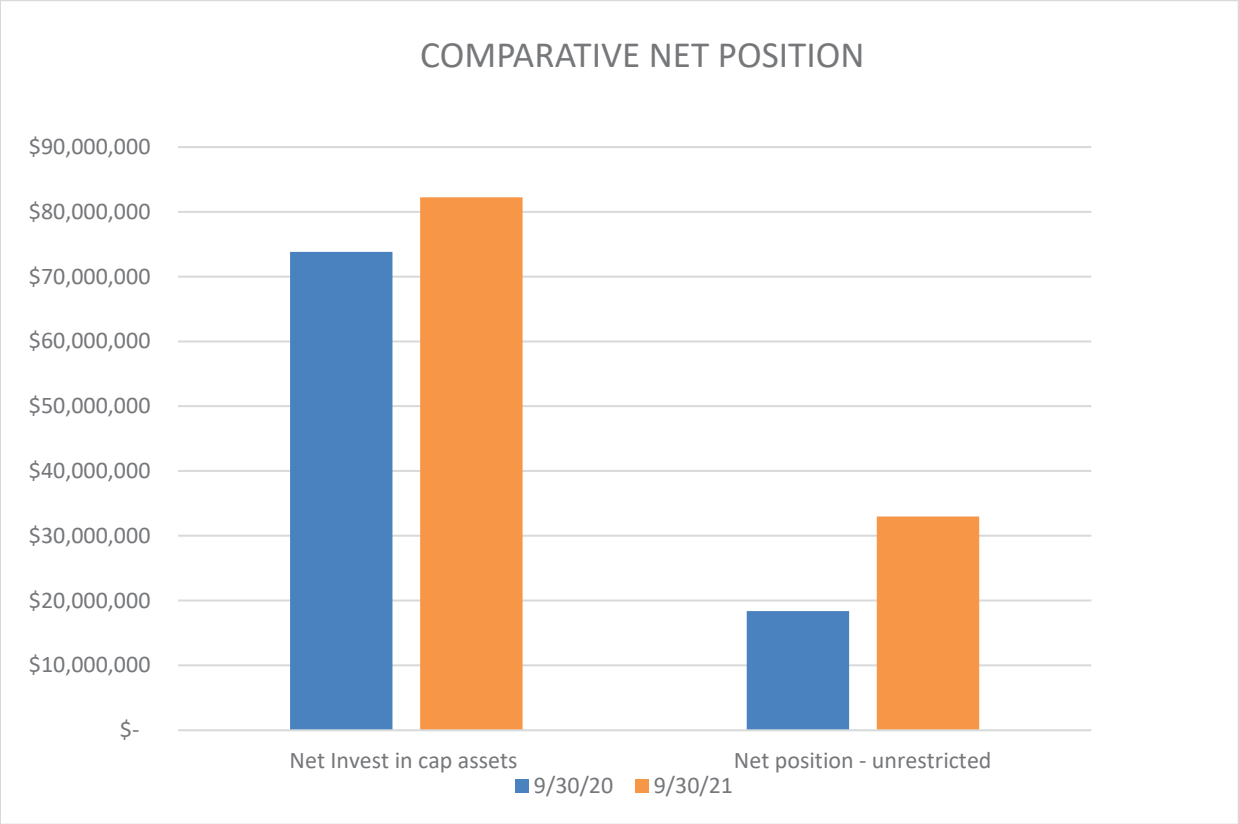
The GASB 34 model includes new features, such as government-wide financial reporting, narrative overview, analysis (management's discussion and analysis - MD&A) and infrastructure reporting.

Overview of the Financial Statements

The Airport is structured as an enterprise fund. The Airport's basic financial statements are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America promulgated by the Governmental Accounting Standards Board (GASB). Therefore, revenues are recognized when earned, not when received. Expenses are recognized when incurred, not when they are paid. Capital assets are capitalized and (except for land and construction in progress) are depreciated over their useful lives. Refer to the notes of the basic financial statements for a summary of the Airport's significant accounting policies.

Following this Management Discussion and Analysis ("MD&A") are the basic financial statements and supplemental schedules of the Airport. This information, taken collectively, is designed to provide readers with an understanding of the Airport's finances.

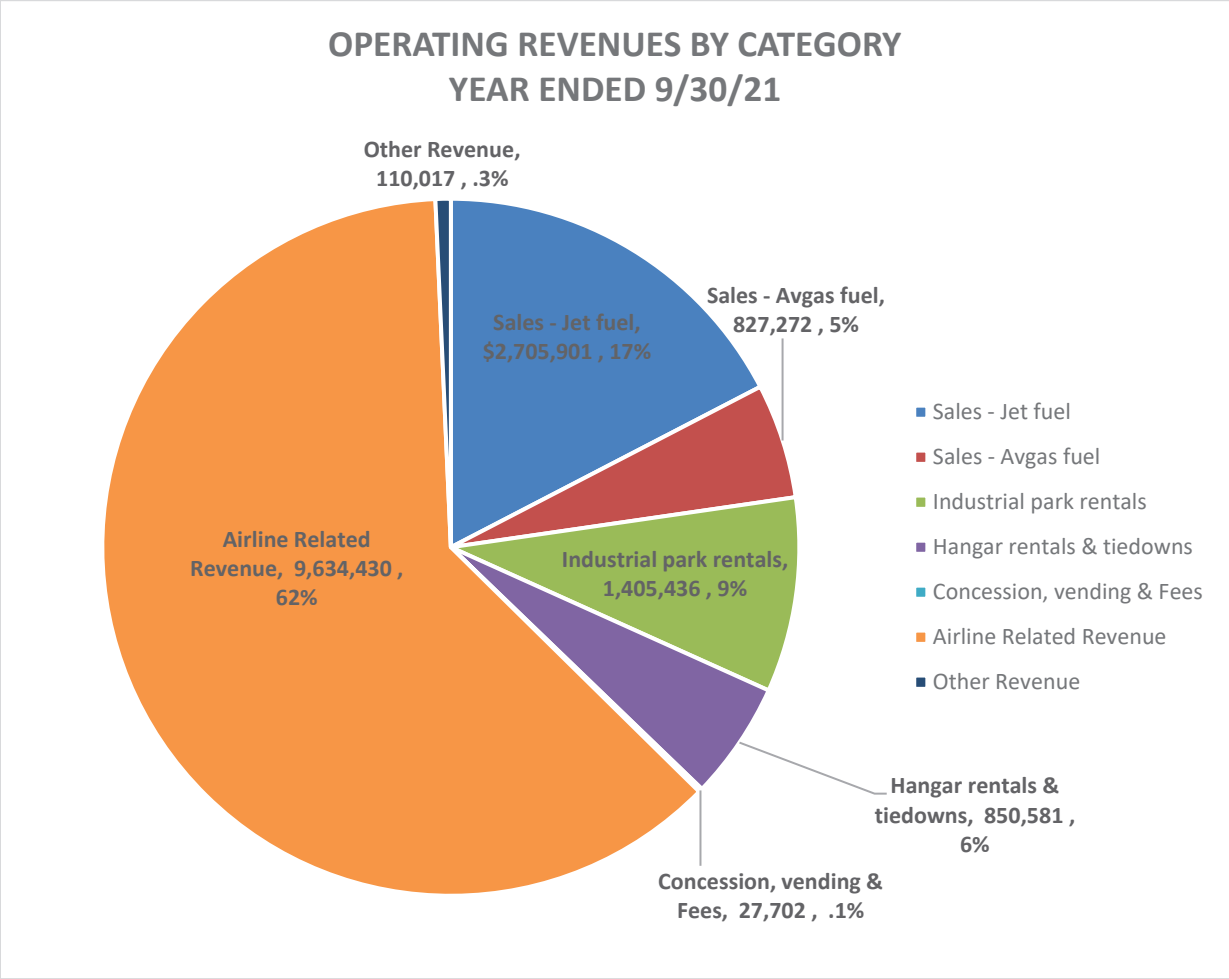
The Statement of Net Position presents information on all the Airport's assets, deferred outflows/inflows, and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the Airport's financial position. Below is a comparative of the components of the Airport's net position.



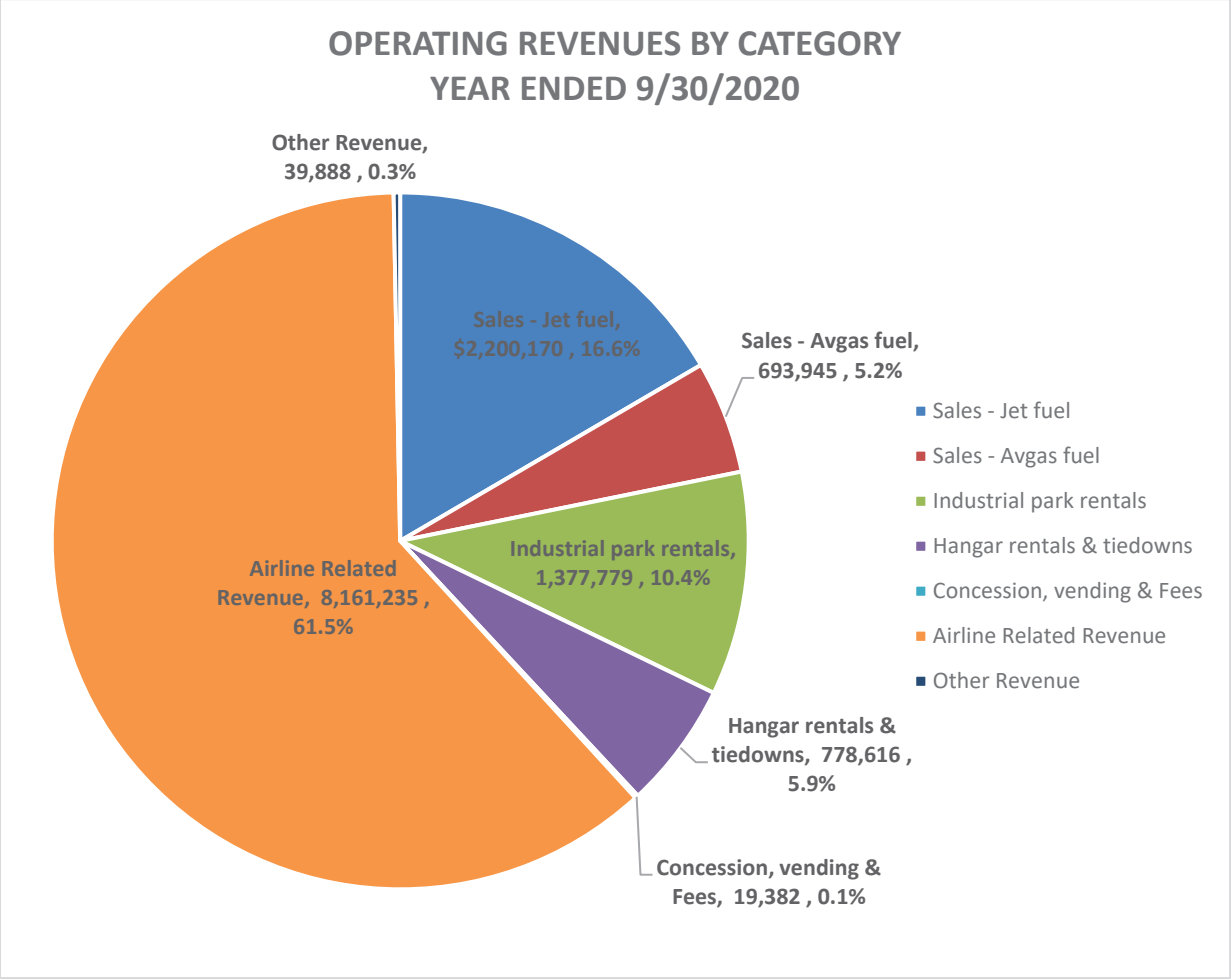
NET POSITION			Increase	% Inc
	9/30/20	9/30/21	(Decrease)	(Dec)
Net Invest in cap assets	$ 73,807,620	$ 82,225,109	$ 8,417,489	11.4%
Net position - unrestricted	18,390,691	32,973,290	14,582,599	79%
Total Net position	$ 92,198,311	$ 115,198,399	$ 23,000,088	24.9%

Operating Revenues

The following chart shows major operating revenue sources and the percentage of operating revenue for the fiscal year ending September 30, 2021.

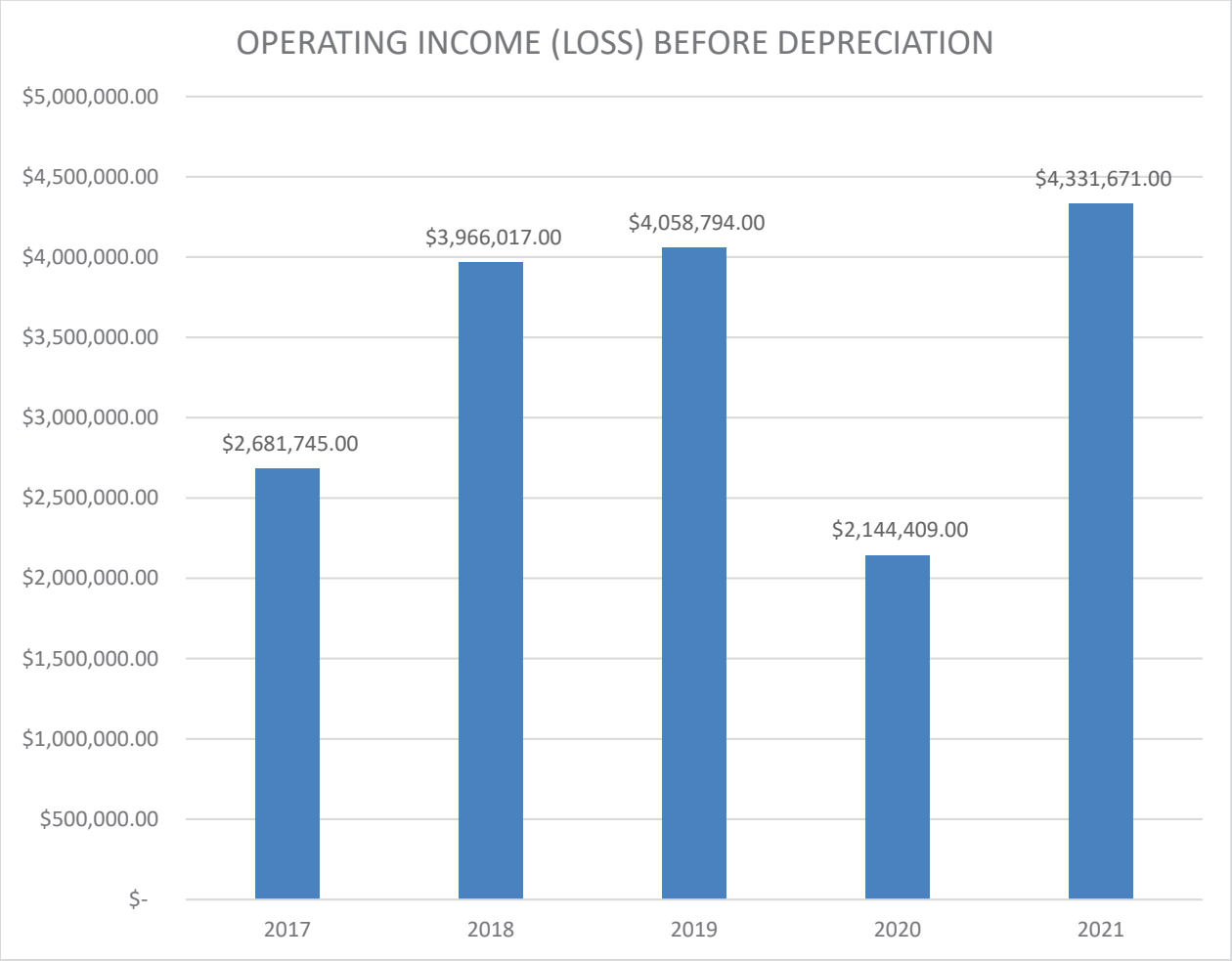


In comparison with the previous fiscal year ending September 30, 2020:



The following schedule shows net operating income (loss) before Depreciation for the past five fiscal years ending September 30, 2021:

OPERATING INCOME (LOSS) BEFORE DEPRECIATION



The Statement of Revenues, Expenses, and Changes in Net Position presents information showing how the Airport's net position changed during the most recent year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses for some items are reported in this Statement that will result in cash flows in future periods.

The Statement of Cash Flows relates to the flow of cash and cash equivalents. Consequently, only transactions that affect the Airport's cash accounts are recorded in this statement. The reconciliation is provided at the bottom of the Statement of Cash Flows to assist in the understanding of the difference between cash flows from operating activities and operating income.

Budgetary Highlights

September 30, 2021

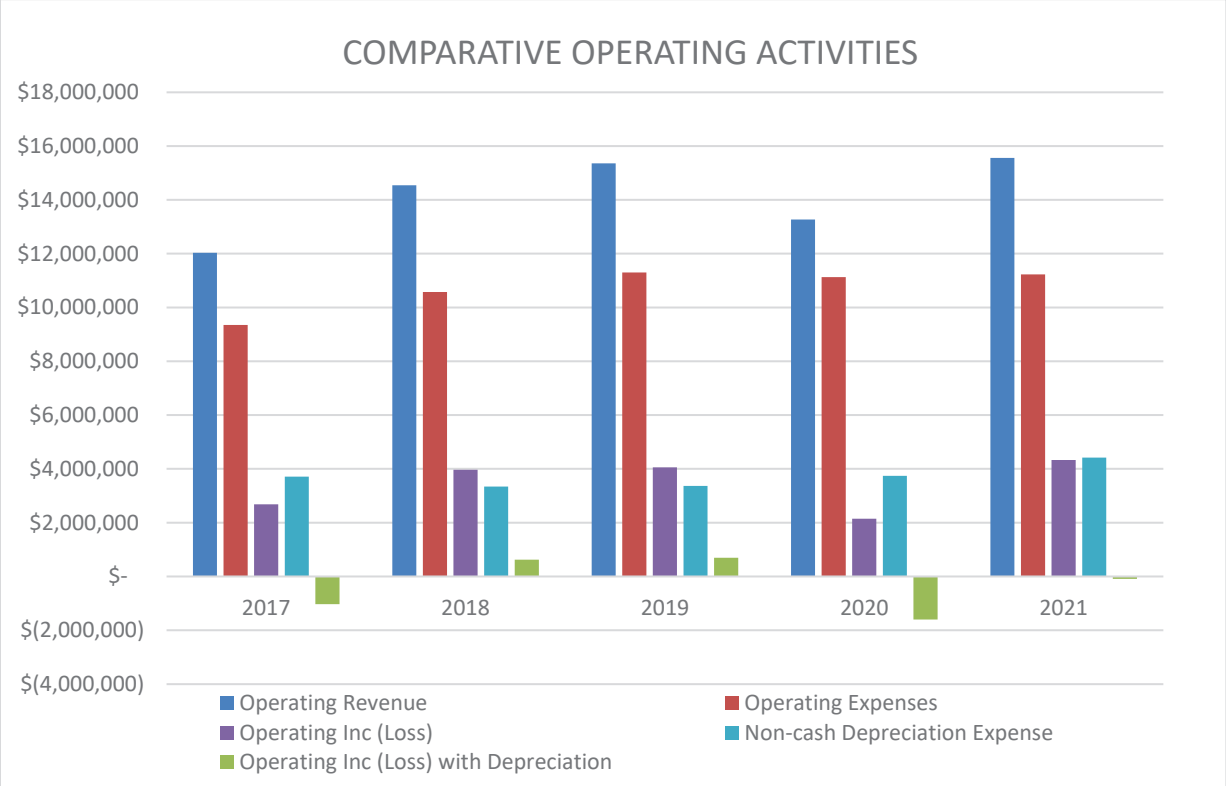
For the years ended September 30, 2021 and 2020, the Airport completed its required audit in a timely manner.

Original Budget to Actual Variance

Total operating revenues were $15,561,339, a variance of $2,549,837 over the original budgeted amount of $13,011,502. The Airport was very conservative in the original budget due to the uncertainty of the industry during the coronavirus pandemic. The variance is largely in Airline Related Revenues which were higher than anticipated.

Total operating expenses were $11,229,668, an increase of $400,260 over the original budgeted amount of $10,829,408. Cost of fuel sold (Jet A and Avgas) saw an increase of $267,889 over the budgeted amount due to the large rise in fuel prices in FY2021.

CHARLOTTE COUNTY AIRPORT AUTHORITY
GRAPH - COMPARATIVE SUMMARY OF OPERATIONS
Years Ended September 30, 2017- 2021

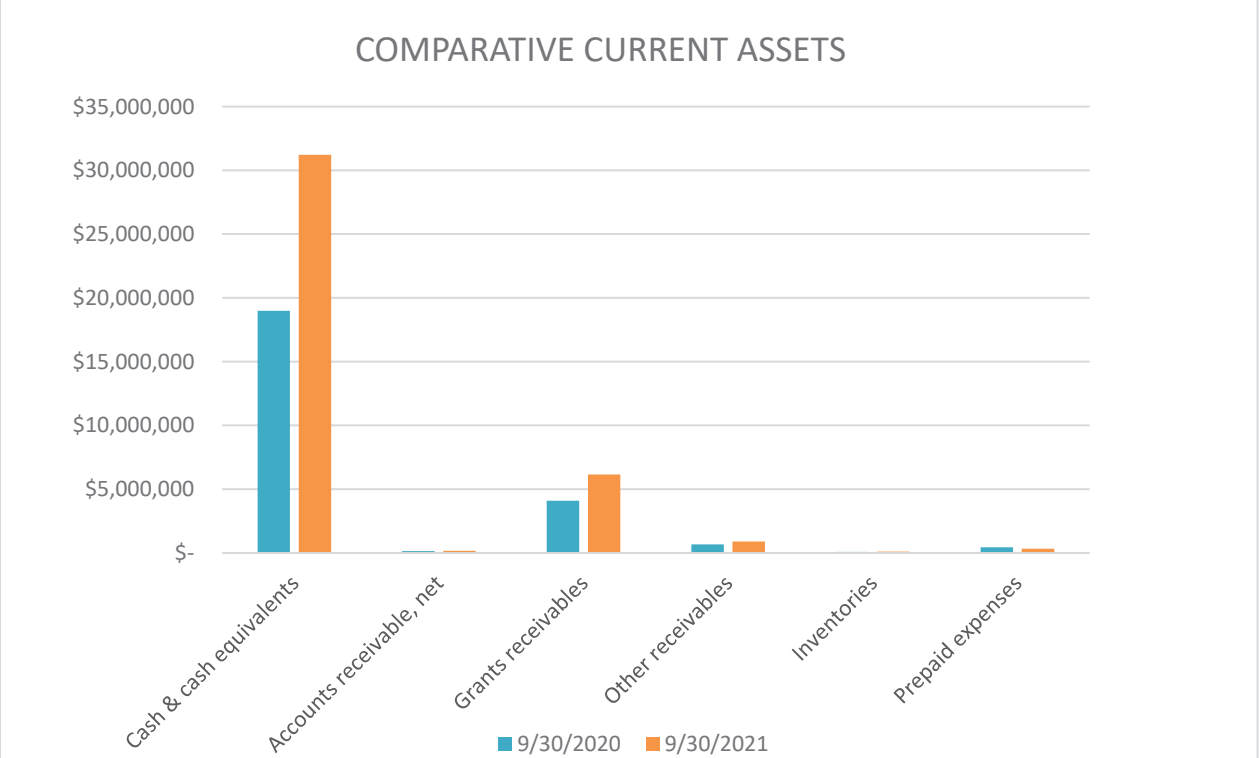


Fiscal Year	Operating Revenue	Operating Expenses	Operating Inc (Loss)	Non-cash Depreciation Expense	Operating Inc (Loss) with Depreciation
2015	$ 8,580,192	$ 6,534,300	$ 2,045,892	$ 2,967,210	$ (921,318)
2016	$ 9,787,656	$ 7,192,354	$ 2,595,302	$ 3,104,269	$ (508,967)
2017	$ 12,032,255	$ 9,350,480	$ 2,681,745	$ 3,712,009	$ (1,030,264)
2018	$ 14,543,625	$ 10,577,608	$ 3,966,017	$ 3,341,419	$ 624,598
2019	$ 15,358,981	$ 11,300,187	$ 4,058,794	$ 3,364,989	$ 693,805
2020	$ 13,271,015	$ 11,126,606	$ 2,144,409	$ 3,743,983	$ (1,599,574)
2021	$ 15,561,339	$ 11,229,668	$ 4,331,671	$ 4,419,911	$ (88,240)

Non-Capital Assets

The Airport's current assets as of September 30, 2021, and 2020 amounted to $38,858,783 and $24,419,944 respectively. This change is largely due to an increase in Cash and Cash Equivalents of $12,224,273. This growth is a result of the Airport maintaining positive operating gains during the coronavirus pandemic while receiving funds to cover operating expenses from the CARES Act.

CHARLOTTE COUNTY AIRPORT AUTHORITY
GRAPH - COMPARATIVE SUMMARY OF CURRENT ASSETS
September 30, 2020 & 2021

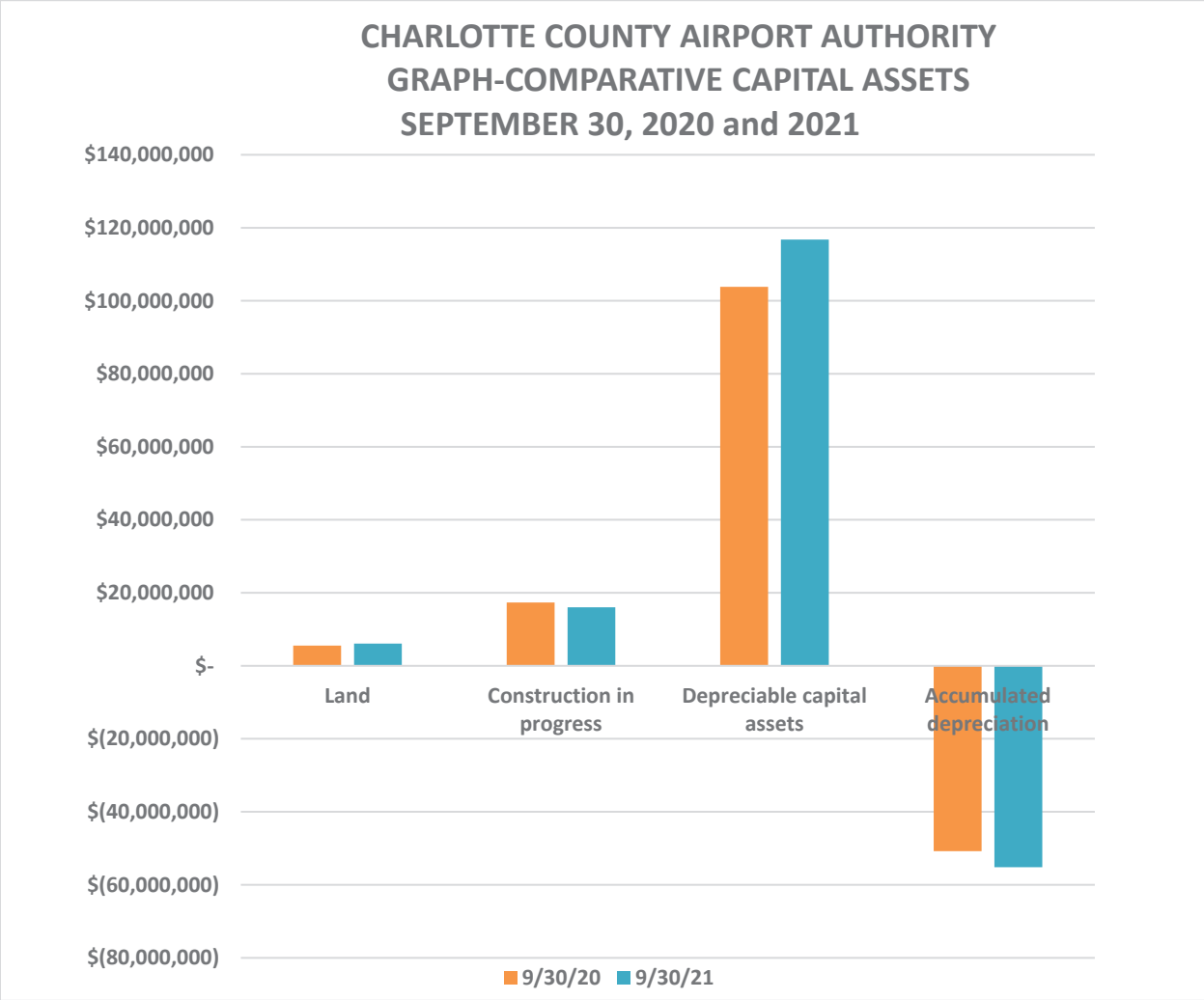


	9/30/2020	9/30/2021	Inc(Dec)	% Inc(Dec)
Cash & cash equivalents	$ 18,988,742	$ 31,213,016	$ 12,224,274	64%
Accounts receivable, net	146,311	169,038	22,727	16%
Grants receivables	4,096,032	6,152,912	2,056,880	50%
Other receivables	665,059	890,401	225,342	34%
Inventories	76,698	107,042	30,344	40%
Prepaid expenses	447,102	326,374	(120,728)	-27%
Total Current Assets	$ 24,419,944	$ 38,858,783	$ 14,438,839	59%

The Airport's net capital assets as of September 30, 2021, and 2020 amounted to $83,678,594 and

$75,872,034, respectively. This increase of $7,806,560 primarily comes from a $12,951,415 increase in depreciable capital assets netted with an increase in accumulated depreciation of $4,399,911. Additional information on the Airport's capital asset activity can be found in Note E of the Financial Statements.

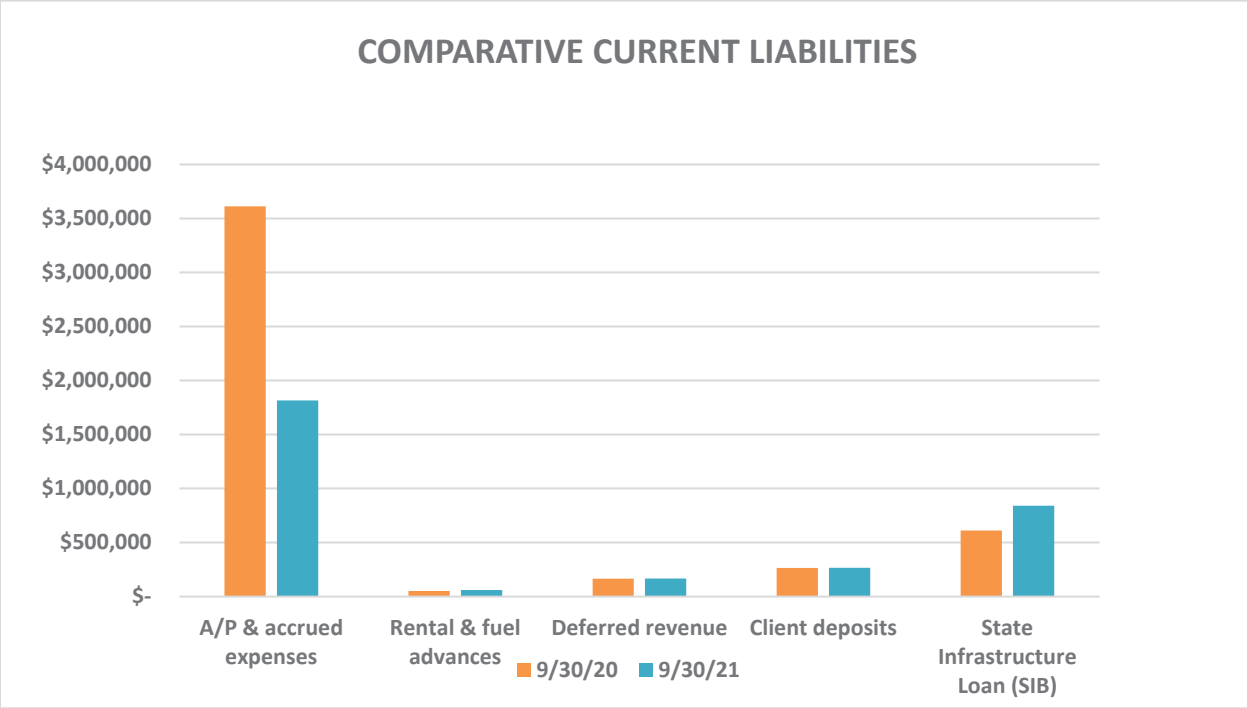
The Airport primarily acquires its capital assets with proceeds from federal and state grants along with Airport matching funds and more recently with the assistance of PFC's. Below is the comparative chart of capital assets as of September 30, 2020 and 2021:



			Increase	% Inc
	9/30/20	**9/30/21**	**(Decrease)**	**(Dec)**
Land	$ 5,533,331	$ 6,094,320	$ 560,989	10.1%
Construction in progress	17,335,891	16,029,958	(1,305,933)	-7.5%
Depreciable capital assets	103,801,253	116,752,668	12,951,415	12.5%
Accumulated depreciation	(50,798,441)	(55,198,352)	(4,399,911)	8.7%
Total Capital Assets - Net	**$ 75,872,034**	**$ 83,678,594**	**$ 7,806,560**	10.3%

Current Liabilities

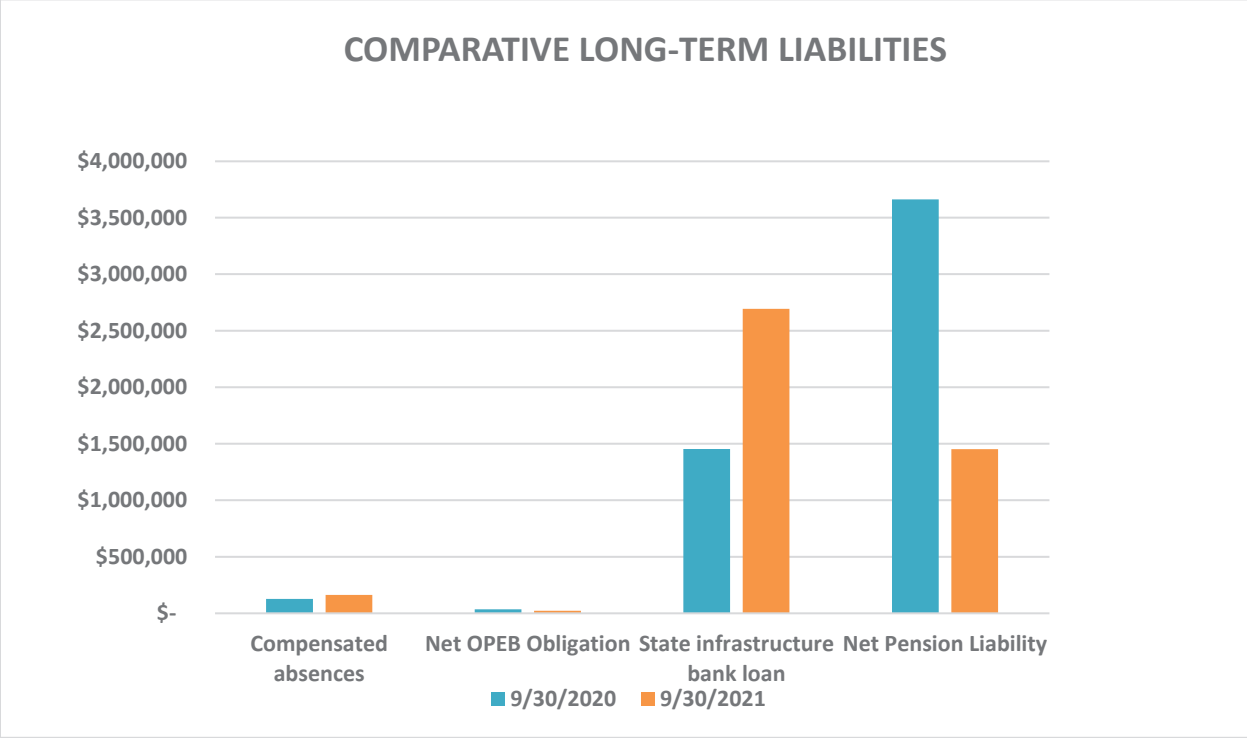
As of September 30, 2021, the Airport's current liabilities totaled $3,150,432 compared to $4,705,229 in the previous fiscal year.



			Increase	Inc
CURRENT LIABILITIES	**9/30/20**	**9/30/21**	**INC(DEC)**	**% INC(DEC)**
A/P & accrued expenses	$ 3,611,486	$ 1,815,902	$ (1,795,584)	-50%
Rental & fuel advances	51,705	60,790	9,085	18%
Deferred revenue	165,748	166,533	785	0%
Client deposits	265,361	266,378	1,017	0%
State Infrastructure Loan (SIB)	610,929	840,829	229,900	38%
Total	$ 4,705,229	$ 3,150,432	(1,554,797)	-33%

Long-Term Liabilities

As of September 30, 2021, the Airport's long-term liabilities totaled $4,331,586 compared to $5,227,165 the previous fiscal year. Significant differences include a 85% increase in the SIB loan amount and a 60% decrease in Net Pension Liability.



			Increase	% Inc
LONG-TERM LIABILITIES	**9/30/2020**	**9/30/2021**	**INC(DEC)**	**% INC(DEC)**
Compensated absences	$ 127,604	$ 162,457	$ 34,853	27%
Net OPEB Obligation	34,552	22,742	$ (11,810)	-34%
State infrastructure bank loan	1,453,485	2,693,916	$ 1,240,431	85%
Net Pension Liability	3,661,524	1,452,471	$ (2,209,053)	-60%
Subtotal	**$ 5,277,165**	**$ 4,331,586**	**$ (945,579)**	**-17.9%**

Financial Highlights

- In FY 2021, net position increased by $23,000,088, substantially due to an increase in capital assets along with an increase in unrestricted assets.

- Total operating revenues in FY 2021 were $15,561,339, compared to $13,271,015 in FY 2020. The majority of this increase comes from a $1,473,195 rise in airline related revenues as the industry recovers from the coronavirus pandemic.

- Total operating expenses were $11,229,668, a slight increase in comparison to FY 2020. The Airport Authority worked hard to keep expenses minimal in due to the uncertainty of the market during the pandemic.



The Year 2021 in Review

The Airport remained cautious in FY 2021 as the coronavirus pandemic continued to affect the world. The Board and its staff continued to minimize expenses and monitor trends and saw a slow return to normal operations. In FY 2020, CCAA was awarded $23.8 million in grant money through the CARES Act Airport Grant Agreement, a 4 year FAA grant to provide eligible funding to help offset a decline in revenue arising from diminished airport operations and activities as a result of the Covid-19 public health emergency. The Airport has had success in maintaining an operating gain and has been able to use the excess funds to build reserves. The Airport saw an increase in general aviation in FY2021 and anticipates that trend to continue with the opening of the new general aviation terminal in FY2022.

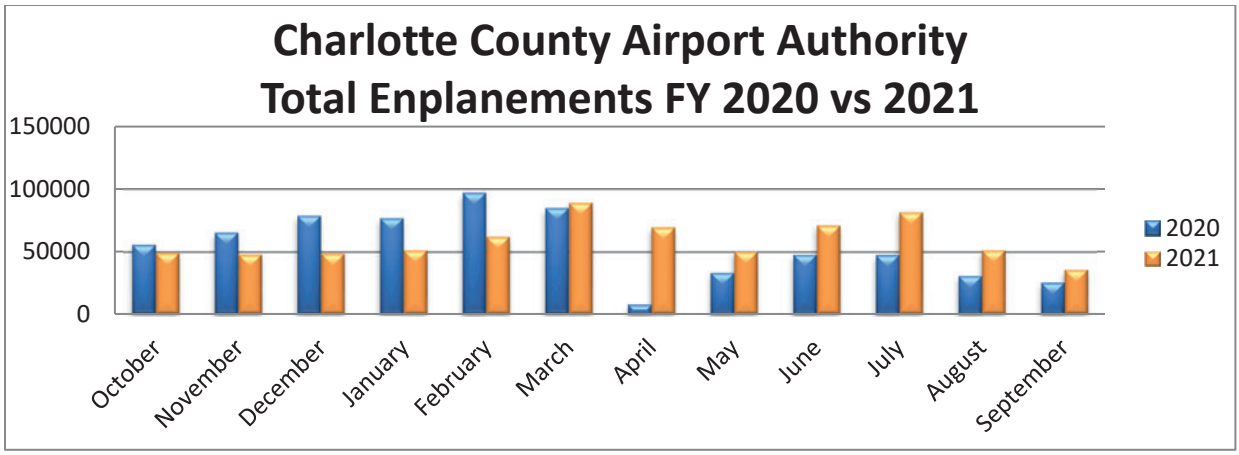


Allegiant Air provides commercial flight service with flights to many Northeast, Midwest, and Southeast U.S. destinations Allegiant Air currently provides service to over 50 cities to and from Punta Gorda. Sun Country Airlines joined the Airport in October 2021 with multiple weekly flights to Minneapolis.



Passenger Comparisons for Fiscal Years 2020 & 2021

Fiscal year 2021 recorded a total passenger count of 1,414,474 versus the previous fiscal year of 1,295,741 passengers, an increase of 9.2%. The Authority continues to closely monitor airline activity and is seeing a slow return to normal.



2020	Enplaned Total	Deplaned Total	**Airline Totals**
October	55,560	61,924	117,484
November	65,124	65,499	130,623
December	78,611	87,476	166,087
January	76,696	78,109	154,805
February	96,861	103,689	200,550
March	84,761	67,022	151,783
April	8,141	3,889	12,030
May	33,353	29,961	63,314
June	47,846	45,921	93,767
July	47,627	43,810	91,437
August	30,951	29,555	60,506
September	25,591	27,764	53,355
Totals	**651,122**	**644,619**	**1,295,741**

2021	Enplaned Total	Deplaned Total	**Airline Totals**
October	48,884	55,886	104,770
November	47,590	48,116	95,706
December	48,414	59,244	107,658
January	50,943	47,883	98,826
February	61,910	67,073	128,983
March	88,943	93,004	181,947
April	69,249	56,055	125,304
May	49,910	47,098	97,008
June	70,870	70,858	141,728
July	81,319	79,929	161,248
August	50,924	47,372	98,296
September	35,541	37,459	73,000
Totals	**704,497**	**709,977**	**1,414,474**

Many things are happening at the Punta Gorda Airport:



The Junction inside the Bailey Terminal expanded its bar and seating.





Charlotte Technical College launched its Aviation Mechanic Training program at PGD.





Florida International Air Show





Airport Authority staff honored its Veterans.



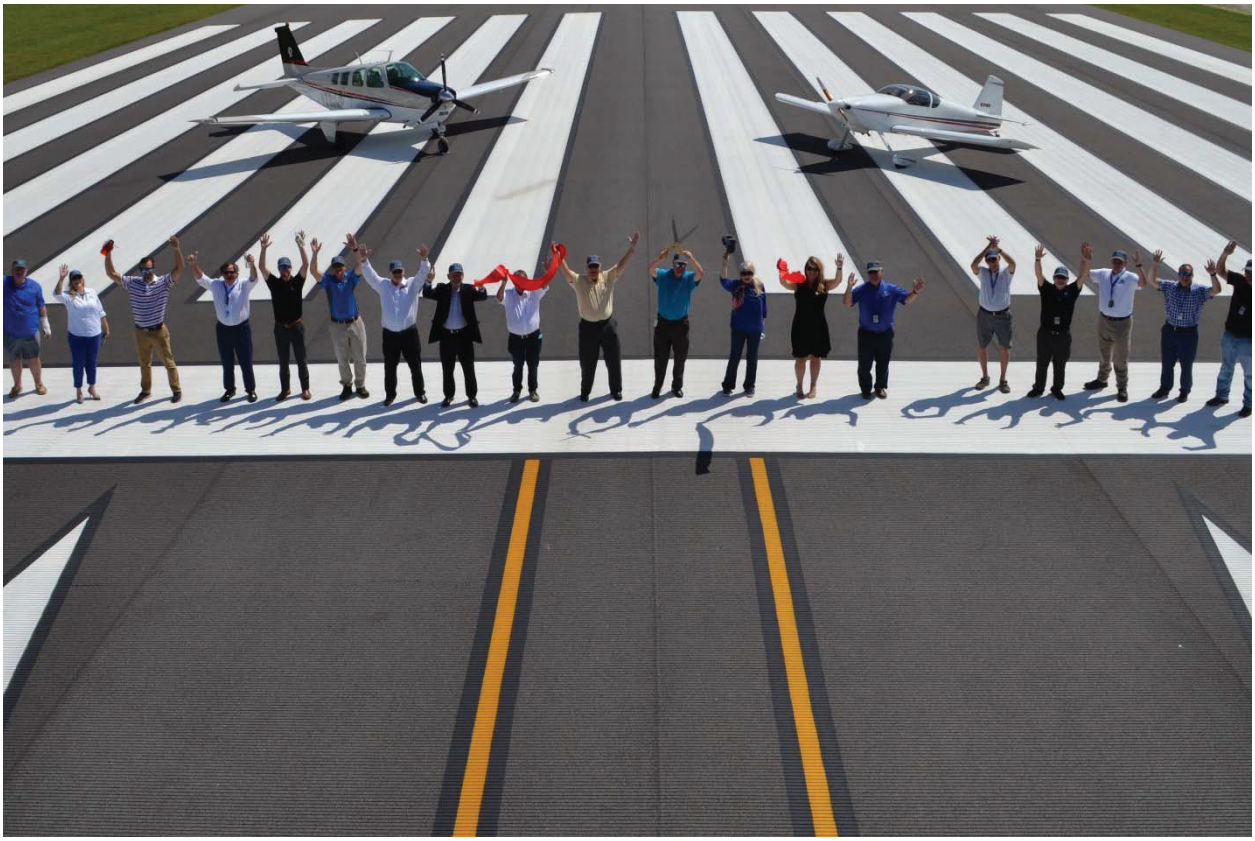


Airport Authority staff volunteered for kindergarten readiness and toy drives through the United Way.





PGD's 15-33 Rehab & Extension was recognized by the Florida DOT as its Commercial Service Project of the Year.



Economic Factors and Next Year's Budget

The Airport is cautiously moving forward in light of the Covid-19 pandemic. The Fiscal Year 2021 Budget was based on the airline schedule and the related revenues and expenses the Airport will collect and incur, with careful consideration of the volatility of the airline industry during these difficult times.

Future Outlook

In 2021 the Airport not only rebounded from the pandemic, it nearly surpassed 2019 passenger levels due to resilient operations, low-cost airport model and the strength of southwest Florida's leisure market. PGD also landed an airline partnership with Sun Country Airlines, which is planning to return for a longer season in 2021-22.

Through the Airport's partnership with Charlotte County Public Schools, PGD also became home to Charlotte Technical College's Aviation Maintenance Technician School which launched

in August 2021. While business and workforce training is thriving within property boundaries and seeing new growth, the surrounding Interstate Airport Park is also seeing a plethora of development activity.

While growth is inevitable, the Airport is also fanning the spirit of aviation as host of the Florida International Air Show – and management looks forward to the return of the Air Force Thunderbirds in 2023.

In 2021, the Airport added 1,000 new paved parking spots and a new 40-seat bar with runway views between Gates 2 and 3. In December, the Airport Authority inked an agreement with Turo, making PGD the third airport in the entire state of Florida where peer-to-peer car sharing can take place in a way that's efficient, safe, and Airport-approved.

For fiscal 2021-22, the Airport's Capital Improvement Program includes airfield pavement rehabilitation, reconstruction and extension projects, and new hangars located next to the PGD Air Center on the north side of the Airport. The Airport's new 510,000-square foot ramp and new PGD Air Center will finally open to the public in 2022.

The Airport is a self-supporting authority that depends on concessions, fuel sale revenues, along with revenues from rentals of hangars, buildings, and land leases to operate the airport. The Airport hosts approximately 400 based aircraft and has an active general aviation community. Airport property is home to aviation and non-aviation businesses currently providing employment to approximately 1,670 employees.

The Punta Gorda Airport is one of largest generators of economic activity in Charlotte County and is responsible for more than $1.275 billion in total business sales as measured by the FDOT's 2018 Statewide Aviation Economic Impact Study. With multiplier impacts, the study attributed 12,392 in total employment and nearly $419 million in labor income to Punta Gorda Airport. Management will continue to develop strategic partnerships and attract new businesses with the airport's great access to air transportation, easy access to Interstate 75 and nearby rail facilities.

Request for Information

This financial report is designed to provide a general overview of the Airport's finances for all those with an interest in its finances. Questions concerning any of the information should be addressed to James W. Parish, CEO, Charlotte County Airport Authority, 28000 A-1 Airport Road, Punta Gorda, Florida 33982.

CHARLOTTE COUNTY AIRPORT AUTHORITY
STATEMENTS OF NET POSITION
September 30, 2021 and 2020

	2021	2020
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 31,213,016	$ 18,988,742
Accounts receivable, net	169,038	146,311
Grant receivables	6,152,912	4,096,032
Other receivables	890,401	665,059
Inventories	107,042	76,698
Prepaid expenses	326,374	447,102
TOTAL CURRENT ASSETS	38,858,783	24,419,944
RESTRICTED ASSETS		
Cash and cash equivalents - tenant deposits	266,378	265,361
Cash and cash equivalents - PFC's	906,017	593,469
TOTAL RESTRICTED ASSETS	1,172,395	858,830
CAPITAL ASSETS		
Capital assets not being depreciated:		
Land	6,094,320	5,533,331
Construction in progress	16,029,958	17,335,891
Capital assets being depreciated:		
Buildings	53,113,985	53,113,985
Airport master plan	1,727,490	1,727,490
Capital improvements	55,382,820	42,726,818
Furniture, fixtures and equipment	6,481,073	6,165,660
Donated surplus equipment	47,300	67,300
Less: accumulated depreciation	(55,198,352)	(50,798,441)
CAPITAL ASSETS, NET	83,678,594	75,872,034
TOTAL ASSETS	123,709,772	101,150,808
DEFERRED OUTFLOWS OF RESOURCES	769,464	1,255,154

The accompanying notes are an integral part of this statement.

	2021	2020
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 1,815,902	$ 3,611,486
Rental and fuel advances	60,790	51,705
Unearned revenue	166,533	165,748
Tenant deposits	266,378	265,361
State Infrastructure Bank (SIB) loan, current portion	840,829	610,929
TOTAL CURRENT LIABILITIES	3,150,432	4,705,229
LONG-TERM LIABILITIES		
State Infrastructure Bank (SIB) loan, net of current portion	2,693,916	1,453,485
Estimated liability for compensated absences	162,457	127,604
Net OPEB liability	22,742	34,552
Net pension liability	1,452,471	3,661,524
TOTAL LONG-TERM LIABILITIES	4,331,586	5,277,165
TOTAL LIABILITIES	7,482,018	9,982,394
DEFERRED INFLOWS OF RESOURCES	1,798,819	225,257
NET POSITION		
Net investment in capital assets	82,225,109	73,807,620
Unrestricted	32,973,290	18,390,691
TOTAL NET POSITION	$ 115,198,399	$ 92,198,311

CHARLOTTE COUNTY AIRPORT AUTHORITY
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Years ended September 30, 2021 and 2020

	2021	2020
OPERATING REVENUES		
Fuel and oil sales	$ 3,533,173	$ 2,894,115
Industrial and commercial park rentals	1,405,436	1,377,779
Hangar rentals and tie downs	850,581	778,616
General-aviation-related concession, vending and fees	27,702	19,382
Airline-related revenues:		
Car rentals	5,642,327	4,702,995
Parking	2,841,439	2,415,510
Other, including LEO and concessions	1,150,664	1,042,730
Other operating revenues	110,017	39,888
TOTAL OPERATING REVENUES	15,561,339	13,271,015
OPERATING EXPENSES		
Salaries and wages	3,374,274	3,313,848
Payroll taxes and retirement	594,925	1,175,063
Personnel expenses	973,754	914,429
Cost of fuel and oil sales	1,795,000	1,427,155
Advertising	15,008	1,232
Marketing and promotional	143,226	187,121
Bank charges and credit card fees	61,118	39,688
Dues and subscriptions	63,787	66,757
Insurance	523,554	539,352
Legal and professional	301,299	346,149
Licenses and permits	5,135	6,398
Mowing	18,377	28,750
Postage	1,101	4,305
Repairs and maintenance and equipment fuel	745,778	549,086
Computer maintenance and expense	184,420	156,783
Supplies (including vending purchases)	249,585	215,017
Telephone and communications	50,871	50,174
Travel and auto allowance	26,098	18,697
Utilities	429,778	382,237
Airline expenses	1,638,358	1,660,993
Security	34,222	43,372
TOTAL OPERATING EXPENSES BEFORE DEPRECIATION	11,229,668	11,126,606
NET OPERATING INCOME BEFORE DEPRECIATION	4,331,671	2,144,409
Less: Depreciation	(4,419,911)	(3,743,983)
OPERATING REVENUE (LOSS)	$ (88,240)	$ (1,599,574)

The accompanying notes are an integral part of this statement.

	2021	2020
OPERATING REVENUE (LOSS) from previous page	$ (88,240)	$ (1,599,574)
NON-OPERATING REVENUES (EXPENSES)		
PFC's	3,421,121	2,713,570
CFC's	1,260,549	1,356,204
Other financial assistance- CARES Act	13,405,335	7,225,272
Interest on investments	99,009	149,303
Miscellaneous revenue (expense)	(199,325)	514,120
Interest expense	(72,508)	(73,122)
Gain (loss) on disposition of capital assets	-	(16,925)
Post retirement benefit accrual (expense)	(4,465)	(5,600)
Bank fees	(8,134)	(9,122)
Bad debt expense	-	-
NET NON-OPERATING REVENUES (EXPENSES)	17,901,582	11,853,700
GAIN (LOSS) BEFORE CAPITAL CONTRIBUTIONS	17,813,342	10,254,126
CAPITAL CONTRIBUTIONS		
Capital grants and contributions	5,186,746	8,119,015
TOTAL CAPITAL CONTRIBUTIONS	5,186,746	8,119,015
INCREASE (DECREASE) IN NET POSITION	23,000,088	18,373,141
NET POSITION - Beginning of the year	92,198,311	73,825,170
NET POSITION - End of the year	$ 115,198,399	$ 92,198,311

The accompanying notes are an integral part of this statement.

CHARLOTTE COUNTY AIRPORT AUTHORITY
STATEMENTS OF CASH FLOWS
Years ended September 30, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$ 15,321,110	$ 13,136,038
Cash received (paid) from customer deposits	3,047	66,798
Other income received	4,654,851	4,583,894
Cash payments for goods and services	(8,965,667)	(5,605,076)
Cash payments to employees	(4,100,424)	(3,977,981)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	6,912,917	8,203,673
CASH FLOWS FROM NONCAPITAL FINANCING		
Proceeds from CARES Act	10,996,430	5,207,315
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Contributions from government agencies	5,366,265	6,604,729
Acquisition and construction of capital assets	(12,226,471)	(15,335,899)
Principal payments (SIB)	(1,617,753)	(594,578)
Interest expense on debt (SIB)	(72,508)	(73,122)
Bank fees	(8,134)	(9,122)
Proceeds from debt (SIB)	3,088,084	-
Proceeds from disposition of capital assets	-	39,438
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	(5,470,517)	(9,368,554)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest earned on investments	99,009	149,303
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	99,009	149,303
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	12,537,839	4,191,737
CASH AND CASH EQUIVALENTS - BEGINNING	19,847,572	15,655,835
CASH AND CASH EQUIVALENTS - ENDING	$ 32,385,411	$ 19,847,572

The accompanying notes are an integral part of this statement.

	2021	2020
RECONCILIATION OF OPERATING REVENUE (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
OPERATING REVENUE (LOSS)	$ (88,240)	$ (1,599,574)
Adjustments to reconcile operating revenue (loss) to net cash provided by (used in) operating activities:		
Depreciation	4,419,911	3,743,983
Bad debt expense	-	-
Plus non-cash CIP determined non-capital	-	32,112
Miscellaneous non-operating net revenue	4,650,386	4,578,294
(Increase) decrease in accounts receivable	(22,727)	(36,979)
(Increase) decrease in other receivables	(225,342)	(92,255)
(Increase) decrease in inventories	(30,344)	1,131
(Increase) decrease in prepaid expenses	120,728	(283,077)
Increase (decrease) in accounts payable and accrued expenses	(1,795,584)	1,282,453
Increase (decrease) in rental and fuel advances	9,085	(8,471)
Increase (decrease) in unearned revenue	785	6,553
Increase (decrease) in tenant deposits	1,017	62,973
Increase (decrease) in estimated liability for compensated absences - non cash	34,853	11,600
Net increase (decrease) in pension expense - non cash	(166,076)	499,330
Net increase (decrease) in OPEB expense - non cash	4,465	5,600
TOTAL ADJUSTMENTS	7,001,157	9,803,247
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	$ 6,912,917	$ 8,203,673

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and nature of activities

Charlotte County Airport Authority (the "Authority") was authorized under Laws of Florida, Chapter 65-1357 and Florida Statute, Chapter 332, in 1965. This enabling act has been amended by subsequent acts of the State of Florida legislature. Two significant amendments directly affected the operations of the Authority. Laws of Florida, Chapter 91-399 removed the ability of the Authority to levy ad valorem taxes. The other, Laws of Florida, Chapter 91-361 had the potential of abolishing the Authority and transferring its assets and liabilities to Charlotte County. However, the Charlotte County Board of Commissioners voted on November 12, 1991 to allow the Authority to remain as an independent elected Authority. Laws of Florida, Chapter 98-508 codified, reenacted, amended and repealed its prior enabling acts including a change to its official name to become the Charlotte County Airport Authority. The Authority was originally known as the Charlotte County Development Authority. Laws of Florida, Chapter 98-508 (codification) was amended by Laws of Florida, Chapter 2004-405 to eliminate certain obsolete requirements and modernize certain other provisions. During July 2010, the Authority approved a name change of the airport facility (not the Authority itself) to Punta Gorda Airport. Effective on June 21, 2011, the Authority amended Chapter 98-508, Laws of Florida, via Chapter 2011-263, Laws of Florida, by expanding the purpose of the Authority to include any airports within the boundaries of Charlotte County and all facilities, real estate and commerce parks within the Authority's boundaries. It also revised certain technical definitions and requirements. Chapter 2013-254, Laws of Florida, clarified the manner in which Authority Board Members are elected. The Authority is governed by an elected five (5) member Board of Commissioners.

Reporting entity

The Charlotte County Airport Authority is financially independent of all other units of government. It is responsible for financing its own activities and the payment of its own debt. The Authority's Board members are elected by the voters of Charlotte County to serve staggered four (4) year terms. The Board has the responsibility to employ management that is responsible for the day-to-day operations of the Authority. The Board has absolute authority over all funds included in the entity. The Charlotte County Airport Authority is not a component unit of any other governmental unit.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Reporting entity, continued

The Authority has adopted Governmental Accounting Standards Board Statement Number 14, "Financial Reporting Entity" (GASB 14), as amended by GASB Statement Number 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement Number 61, "The Financial Reporting Entity: Omnibus - An Amendment of GASB Statements No. 14 and No. 34". These Statements require the financial statements of the Authority (the primary government) to include its component units, if any. Component units are legally separate agencies for which the primary government is financially accountable for organizations whose exclusion would cause the financial statements to be misleading because of the nature and significance of their relationship with the primary government. Financial accountability is determined by the primary government's ability to appoint the voting majority of the entity's Board, impose its will on the Organization, and the existence of a financial benefit/burden relationship or fiscal dependency. Based on this criteria, there are no component units included or required to be included in the Authority's financial statements.

The Charlotte County Airport Authority adheres to the requirements of Governmental Accounting Standards Board Statement Number 33 "Accounting and Financial Reporting for Non-Exchange Transactions." As such, capital grant revenue is recorded as non-operating revenue and is reflected on the Statements of Revenue, Expenses and Changes in Net Position. Prior to implementation of this Statement, these revenues were required to be recorded directly to equity as part of contributed capital and, as such, had no effect on the Statements of Revenues, Expenses and Changes in Net Position.

Accordingly, the Authority recorded non-operating revenues as follows: non-capital and capital grants totaling $18,592,081 and $15,344,287 for the years ended September 30, 2021 and 2020, respectively.

The following is a summary of the significant accounting policies used in the preparation of these financial statements:

The Authority adheres to the requirements of Governmental Accounting Standards Board Statement Number 34, "Basic Financial Statement and Management's Discussion and Analysis for State and Local Governments" (GASB 34).

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

The government-wide financial statements along with the notes to the financial statements and the RSI, as noted below comprise the basic financial statements.

The basic financial statements of the Authority are comprised of the following:
- Government-wide financial statements
- Notes to the financial statements
- Required supplementary information other than MD&A

Government-wide financial statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position) report information on all of the activities of the Authority and do not emphasize fund types. These business-type activities comprise the primary government. Business-type activities rely on user fees and charges to support its activities rather than taxes and intergovernmental revenues. The purpose of the government-wide financial statements is to allow the user to be able to determine if the Authority is in a better or worse financial position than the prior year.

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement Number 33, "Accounting and Financial Reporting for Nonexchange Transactions".

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as other financing sources. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability in the government-wide financial statements, rather than as expenditures.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Government-wide financial statements, continued

The Statement of Revenues, Expenditures and Changes in Net Position demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital improvements of a particular function.

Program revenues are considered to be revenues generated by such functions as airline revenue, fuel and oil sales, facility rentals and leases, and concessions.

Budgetary information

As required, the Authority uses only one fund to account for its financial activities. As such, it is considered a major fund. The Authority has elected to report budgetary comparison of its major fund as required supplementary information (RSI).

Fund accounting

The Authority's financial practices are based upon fund accounting concepts. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and fund equity balances and changes therein.

The accompanying financial statements are classified as a proprietary fund type - enterprise fund. This fund accounts for all the revenues and cost of services provided by the Authority.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Business-type activities - proprietary fund type

Enterprise Fund - An enterprise fund is used to account for operations (1) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the Authority has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Measurement focus

Proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, assets and liabilities associated with the operation of these funds are included on the Statements of Net Position. Fund equity is segregated into net investment in capital assets and retained earnings components. Proprietary fund-type operating statements present increases (i.e. revenues) and decreases (i.e. expenses) in total net position.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

Basis of accounting

The proprietary fund type is presented on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded in the period earned and expenses are recorded in the period the liability is incurred.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Budgetary process

The Authority operates under a flexible budget for control purposes. The budget and amendments, if any, are approved by the Board of Commissioners. The budget is prepared on a Non-GAAP accrual basis, whereby capital expenditures and debt principal payments are budgeted as operating expenses.

The annual budget serves as the legal authorization for expenditures. Expenditures cannot legally exceed the total amount budgeted. All budget amendments, which change the legally adopted total appropriation, are approved by the Board.

The Authority follows these procedures in establishing budgetary data.

1. During the summer of each year, management submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing on October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain citizen comments.
3. The budget is adopted by approval of the Board of Commissioners.
4. Budget amounts, as shown in these financial statements, are as originally adopted or as amended by the Board of Commissioners.
5. The budget is adopted on a Non-GAAP basis as reflected in the supplementary information and as noted above.
6. The level of control for appropriations is exercised at the fund level.
7. Appropriations lapse at year-end.

The Board of Commissioners approved budget amendments during the fiscal year ended September 30, 2021. The budget amendments decreased total budgeted revenues (operating and non-operating) by $11,145,334 and decreased total budgeted expenses (operating and non-operating) by $11,145,334.

Cash and cash equivalents

For the purpose of the Statement of Cash Flows, the Authority considers all highly liquid investments with a maturity of three months or less, when purchased, to be a cash equivalent, including both restricted and unrestricted cash, in accordance with Authority policy.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Accounts receivable

Receivables include fuel sales and rental/lease activities from operations by the Authority. The Authority places customers that have accounts over 90 days past due on a cash basis and negotiates payment and/or takes legal action for the past due amounts. The accounts receivable are recorded net of the estimated allowance for doubtful accounts.

Grants and contracts receivable

Grants and contracts receivable consist of receivables from expenditure reimbursements filed with State and/or Federal governments. No allowance for doubtful accounts has been provided, as management believes the balances to be fully collectible.

Inventories

Inventories consist of fuel and oil held for resale at year end. The inventories are valued at cost, which approximates net realizable value. The method used to determine the value of the inventory is the FIFO (first in-first out) method.

Capital assets and depreciation

All capital assets acquired by proprietary funds are reported in those funds at historical cost or estimated historical cost, if actual historical cost is not available. Donated assets are reported at estimated fair market value at the time received. Substantially, all infrastructure type capital assets consisting of certain improvements such as roads, curbs, gutters, drainage systems and lighting systems have been capitalized.

The Authority follows a policy which calls for capitalization of all capital assets that have a cost or donated value of $5,000 or more and have a useful life in excess of one year.

Maintenance, repairs and minor renovations are not capitalized. The acquisition of land and construction projects utilizing resources received from Federal and State agencies are capitalized when the related expenditure is incurred.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Capital assets and depreciation, continued

Depreciable capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset	Years
Buildings	10-40
Airport Master Plan	5
Capital Improvements	3-20
Furniture, Fixtures and Equipment	3-20
Donated Surplus Equipment	5-10

Restricted assets

Restricted assets are cash reserves required by the applicable contracts, tenant deposits, insurance and/or amounts advanced as part of Federal or State Financial Awards.

Income taxes

The Authority, as a governmental unit, is exempt from income taxes under current provisions of the Internal Revenue Code.

Sick leave and other compensated absences

Accumulated unpaid sick pay and other compensated absences are accrued when incurred in the proprietary fund. The method of accrual is in accordance with Governmental Accounting Standards Board Statement Number 16, "Accounting for Compensated Absences" (GASB 16). This Standard provides for the measurement of accrued vacation leave and other compensated absences using the pay or salary rates in effect at the balance sheet date. It also requires additional amounts to be accrued for certain salary related payments associated with the payment of compensated absences such as FICA.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Authority because at present it is not necessary in order to assure budgetary control or to facilitate effective cash planning and control.

Capital contributions and restricted net assets

Grants, entitlements or shared revenues which are externally restricted for capital acquisition or construction are reported as capital contributions on the Statements of Revenues, Expenses and Changes in Net Position. Contributed or donated fixed assets are also recorded as capital contributions. Restricted net assets represent those portions of fund equity legally restricted by debt covenants for future debt service or to fund the cost of capital assets.

Leasing activity

The Authority derives a portion of its operating revenues from the rental and leasing of land, buildings, and aircraft hangars and tie-down space. The lease agreements have been determined to be operating leases which are cancellable and substantially, annually renewable. Therefore, leasing arrangements are reported and reflected in the financial statements as rental income.

Reclassifications

Certain amounts in the financial statements have been reclassified to conform with the current presentation. These reclassifications had no effect on the results of operations or fund equity.

Application of FASB Pronouncements to Proprietary Funds

In accordance with GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting", the Authority has elected not to apply those FASB Statements and Interpretations issued after November 30, 1989.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Accounting Pronouncement GASB No. 42

The Authority adheres to Government Accounting Standards Board Statement Number 42, "Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries" (GASB 42). GASB 42 establishes accounting and financial reporting standards for impairment of capital assets.

A capital asset is considered impaired when its service utility has declined significantly and unexpectedly. Governments are required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. Such events or changes in circumstances that may be indicative of impairment include evidence of physical damage, enactment or approval of laws or regulations or other changes in environmental factors, technological changes or evidence of obsolescence, changes in the manner or duration of a capital asset, and construction stoppage. A capital asset generally should be considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset.

The Authority incurred no capital asset impairment activity for the years ended September 30, 2021 or 2020.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Operating and non-operating revenues

Operating revenues result from providing private and commercial airline services, and also from the rental and leasing of land, buildings, and aircraft hangars and tie-down space. The Authority considers revenues from fuel and oil sales, industrial and commercial park rentals, hangar rentals and tiedowns, concession and vending, and airline (primarily car rentals and parking) as operating revenues. All other revenues are treated as non-operating revenues.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Pensions

In the Statements of Net Position, liabilities are recognized for the Authority's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) and the Health Insurance Subsidy (HIS) defined benefit plans and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments, (including refunds of employees contributions) are recognized when due and payable in accordance with the benefit terms.

The Authority's retirement plans and related amounts are described in a subsequent note.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statements of Net Position report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized an as outflow of resources (expense/expenditure) until then. The deferred amount on pensions and OPEB is reported in the Statements of Net Position. The deferred outflows of resources related to pensions are discussed in a subsequent note.

In addition to liabilities, the Statements of Net Position report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The deferred amount on pension is reported only in the Statements of Net Position. A deferred amount on pension and OPEB results from the difference in the expected and actual amounts of expenditures, earnings, and contributions. This amount is deferred and amortized over the service life of all employees that are provided with these benefits through the pension and OPEB plans except earnings which are amortized over five to seven years.

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Subsequent events

Subsequent events have been evaluated through January 24, 2022, which is the date the basic financial statements were available to be issued.

NOTE B - CASH AND INVESTMENTS

At September 30, 2021 and 2020, cash and cash equivalents were $32,385,411 and $19,847,572, including cash on hand of $18,029 and $18,371, respectively. The carrying amount of $32,385,411 at September 30, 2021 was comprised of unrestricted cash of $31,213,016 and restricted cash of $1,172,395. At September 30, 2020, the carrying amount of $19,847,572 was comprised of unrestricted cash of $18,988,742 and restricted cash of $858,830.

Deposits

The Authority's deposit policy allows deposits to be held in demand deposits, savings accounts, certificates of deposit and money market accounts. At September 30, 2021 and 2020, all deposits were held in qualified public depositories pursuant to Florida Statutes Chapter 280, "Florida Security for Public Deposits Act". The Authority adheres to the requirements of GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," in which all investments are reported at fair value. In addition, the Authority abides by Florida Statute 218.415(17) as its investment policy. All deposits were fully insured by Federal Depository Insurance or collateralized, in the Authority's name, as required by Sections 280.07 and 280.08 of the Florida Statutes.

Deposits were as follows at September 30:

September 30, 2021	Bank Balance	Carrying Amount
Unrestricted		
Depository accounts	$ 31,209,970	$ 31,194,987
Restricted		
Depository account - tenant deposits	266,378	266,378
Depository account - PFC's	906,017	906,017
	$ 32,382,365	$ 32,367,382
September 30, 2020		
Unrestricted		
Depository accounts	$ 19,231,693	$ 18,970,371
Restricted		
Depository account - tenant deposits	265,361	265,361
Depository account - PFC's	593,469	593,469
	$ 20,090,523	$ 19,829,201

NOTE B - CASH AND INVESTMENTS, CONTINUED

Investments

Florida Statutes and the Authority's investment policy authorize investments in direct obligations of the U.S. Treasury, Federal agencies and instrumentalities, certificates of deposit, savings accounts with qualified public depositories and the Florida Municipal Investment Trust Fund. The Authority held no such investments during the years September 30, 2021 or 2020 or at the respective year ends.

NOTE C - ACCOUNTS RECEIVABLE

Accounts receivable consists of the following at September 30:

	2021	2020
Accounts receivable	$ 169,038	$ 146,311
Less: allowance for doubtful accounts	-	-
Accounts receivable, net	$ 169,038	$ 146,311

An allowance for doubtful accounts is recorded in the amounts of $0 and $0 at September 30, 2021 and 2020, respectively. Bad debt expense for the years ended September 30, 2021 and 2020 was $0 and $0, respectively.

NOTE D - GRANT RECEIVABLES

Grant receivables consist of the following at September 30:

	2021	2020
Federal Awards		
U.S. Department of Transportation		
15-33 & Wetland Mitigation (AIP 37)	$ 371,253	$ 1,480,701
Construction New GA Apron (AIP 39)	463,409	47,434
4-22 Runway Rehabilitation (AIP 38)	-	32,493
CARES Act Airport (AIP 40, AIP 41 & AIP42)	4,254,356	2,017,957
4-22 Runway Rehabilitation (AIP 43)	37,045	-
TSA OTA Online Checked Baggage System	15,368	-
U.S. Department of Homeland Security		
Leo Award Program	14,982	24,165
State Awards		
Department of Transportation (FDOT)		
Taxiway E. Extension & GA Ramp (G1P20)	177,140	6,731
Runway 15-33 Rehab & Extension (G0Z65)	277,067	450,121
New GA Terminal Facility (GOZ64)	542,292	12,240
Runway 4-22 RPZ Fencing (G1H 56)	-	24,190
	$ 6,152,912	$ 4,096,032

NOTE E - CAPITAL ASSET ACTIVITY

The following is a summary of changes in capital asset activity for the year ended September 30, 2021:

	Balance October 1 2020	Additions	Deletions	Adjustments/ Reclasses	Balance September 30 2021
Capital Assets Not Being Depreciated:					
Land	$ 5,533,331	$ -	$ -	$ 560,989	$ 6,094,320
Construction in Progress	17,335,891	11,731,749	-	(13,037,682)	16,029,958
Total Capital Assets Not Being Depreciated	22,869,222	11,731,749	-	(12,476,693)	22,124,278
Capital Assets Being Depreciated:					
Buildings	53,113,985	-	-	-	53,113,985
Airport Master Plan	1,727,490	-	-	-	1,727,490
Capital Improvements	42,726,818	179,309	-	12,476,693	55,382,820
Furniture, Fixtures and Equipment	6,165,660	315,413	-	-	6,481,073
Donated Surplus Equip.	67,300	-	(20,000)	-	47,300
Total Capital Assets Being Depreciated	103,801,253	494,722	(20,000)	12,476,693	116,752,668
Less Accumulated Depreciation:					
Buildings	(19,469,666)	(1,656,445)	-	-	(21,126,111)
Airport Master Plan	(558,055)	(305,070)	-	-	(863,125)
Capital Improvements	(27,480,621)	(1,887,322)	-	-	(29,367,943)
Furniture, Fixtures and Equipment	(3,259,579)	(566,344)	-	-	(3,825,923)
Donated Surplus Equip.	(30,520)	(4,730)	20,000	-	(15,250)
Total Accum. Depreciation	(50,798,441)	(4,419,911)	20,000	-	(55,198,352)
Capital Assets, Net	$75,872,034	$ 7,806,560	$ -	$ -	83,678,594
		Related Long Term Debt			(1,453,485)
		Net Investment in Capital Assets			$ 82,225,109

NOTE E - CAPITAL ASSET ACTIVITY, CONTINUED

The depreciation expense for the years ended September 30, 2021 and 2020, was $4,419,911 and $3,743,983, respectively.

At September 30, 2021 and 2020, the Authority leased to various tenants buildings with a cost $24,118,539 and $24,118,539 which had accumulated depreciation of $15,430,663 and $14,531,572 and depreciation expense of $899,091 and $899,091, respectively, which are included in the totals above.

NOTE F - LONG-TERM LIABILITIES

The following is a summary of the Authority's long-term liabilities for the years ended September 30:

	SIB Loan 2012	SIB Loan 2020	Accrued Compensated Absences	Net OPEB Liability	Net Pension Liability	Total
Balance - Sept. 30, 2019	$ 2,658,992	$ -	$ 116,004	$ 24,783	$ 3,191,880	$ 5,991,659
Borrowings/Increase (net)	-	-	11,600	9,769	469,644	491,013
Principal retired (net)	(594,578)	-	-	-	-	(594,578)
Balance - Sept. 30, 2020	2,064,414	-	127,604	34,552	3,661,524	5,888,094
Borrowings/Increase (net)	-	3,088,084	34,853	(11,810)	-	3,111,127
Principal retired/decrease (net)	(610,929)	(1,006,824)	-	-	(2,209,053)	(3,826,806)
Balance - Sept. 30, 2021	1,453,485	2,081,260	162,457	22,742	1,452,471	5,172,415
Principal due within one (1) year	(627,729)	(213,100)	-	-	-	(840,829)
Long Term Portion	$ 825,756	$ 1,868,160	$ 162,457	$ 22,742	$ 1,452,471	$ 4,331,586

NOTE F - LONG-TERM LIABILITIES, CONTINUED

Long-term debt is comprised of the following at September 30:

	2021	2020
Non-current portion of compensated absences. Employees of the Authority are entitled to paid scheduled (vacation) leave based on length of service and job classification.	$ 162,457	$ 127,604
Net OPEB liability - GASB No. 75 actuarially determined	22,742	34,552
Net pension obligation - FRS pension plan. This amount is actuarially determined through calculation based upon the audited financial statements of the Florida FRS Plan.	422,621	2,649,591
Net pension obligation - HIS plan. This amount is actuarially determined through calculation based upon the audited financial statements of the Florida FRS Plan.	1,029,850	1,011,933
The Authority was approved for a State Infrastructure Bank Loan (SIB) during the year ended September 30, 2012 in the amount of $5,800,000 (CFDA 20.205) to finance improvements and expansion of the airport terminal area (AIP 32 and 33). This loan was made available as of July 1, 2012 and is collateralized by the revenues of the Authority. The first draw was received in October 2013. Interest accrues at 2.75%. The loan requires ten (10) annual principal plus accrued interest payments beginning on October 1 following the completion of the project. Loan payments began on October 1, 2015 and continue until 2024.	1,453,485	2,064,414
The Authority was approved for a State Infrastructure Bank Loan (SIB) during the year ended September 30, 2021 in the amount of $9,185,238 (CFDA 20.205) to finance improvements and expansion of the airport terminal area (AIP 32 and 33). This loan was made available as of October 1, 2020 and is collateralized by the revenues of the Authority. The first draw was received in July 2021. Interest accrues at 2%. The loan requires ten (10) annual principal plus accrued interest payments beginning on October 1 following the completion of the project. Loan payments began on September 30, 2021 and continue until 2030. The Authority subsequently made a second draw of $6,097,153 on October 1, 2021.	2,081,260	-
Total	5,172,415	5,888,094
Less: current portion	(840,829)	(610,929)
Long-term portion	$ 4,331,586	$ 5,277,165

NOTE F - LONG-TERM LIABILITIES, CONTINUED

The annual debt service requirements at September 30, 2021, were as follows:

Years Ending September 30	SIB Loan 2012 (1)	SIB Loan 2020 (2)	Total Principal
2022	$ 627,729	$ 213,100	$ 840,829
2023	644,992	217,517	862,509
2024	180,764	221,908	402,672
2025	-	226,387	226,387
2026	-	230,956	230,956
2027-2030	-	971,392	971,392
	$ 1,453,485	$ 2,081,260	3,534,745
	Accrued compensated absences		162,457
	Net OPEB liability		22,742
	Net pension liability		1,452,471
	Total Long-Term Debt		$ 5,172,415

Interest costs of $72,508 were expensed during the year ended September 30, 2021. Interest costs of $73,122 were expensed during the year ended September 30, 2020 were expensed.

Other post employment benefits

The Authority provides post retirement health care benefits to eligible employees. Upon retirement from the Authority and becoming a recipient of monies from the State of Florida Retirement Trust Fund (FRS), eligible retired employees are qualified for continued health insurance benefits. Eligible retired employees have their medical insurance premiums paid by the Authority, but are required to reimburse the Authority a portion of the premiums paid by the Authority on their behalf. For further details of these benefits, reference the OPEB Note.

NOTE G - RETIREMENT PLANS - DEFINED BENEFIT PENSION PLAN

General Information about the Florida Retirement System

The Florida Retirement System ("FRS") was created in Chapter 121, Florida Statutes. The FRS was created to provide a defined benefit pension plan ("Pension Plan") for participating public employees. Substantially, all Authority employees are participants in the Statewide Florida Retirement System (FRS) under authority of Article X, Section 14 of the State Constitution and Florida Statutes, Chapters 112 and 121. The FRS was amended in 1998 to add the Deferred Retirement Option Program ("DROP") under the defined benefit plan and amended in 2000 to provide an integrated defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a separate cost-sharing multiple-employer defined benefit pension plan to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the Authority are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer defined benefit plans (Pension and HIS Plans) and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information dated June 30, 2021, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

The Authority's total pension expense was $162,855, $799,428 and $822,541 for the years ended September 30, 2021, 2020 and 2019, respectively. The Authority's actual total contributions to the Plan was $328,931 for the year ended September 30, 2021. The Authority contributed 100% of the required contributions.

NOTE G - RETIREMENT PLANS - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan

Plan Description. The FRS Pension Plan ("Plan") is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

Regular Class - Members of the FRS who do not qualify for membership in the other classes.

Senior Management Service Class (SMSC) - Members in senior management level positions.

Special Risk Class - Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Elected Officials - Members who are elected by the voters within the Authority boundaries.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for those members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Members of both Plans (Pension and HIS) may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost of living adjustments to eligible participants.

NOTE G - RETIREMENT PLANS - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age, and/or years of service, average final compensation, and credit service. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for the members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on retirement plan and/or the class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value of each year of service credit earned:

Class, Initial Enrollment, and Retirement Age/Years of Service	%Value
Regular Class and elected members initially enrolled before July 1, 2011	
Retirement up to age 62, or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
Regular Class and elected members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
Special Risk Regular	
Service from December 1, 1970 through September 30, 1974	2.00
Service on or after October 1, 1974	3.00
Senior Management Service Class	2.00
Elected Officers' Class	3.00

NOTE G - RETIREMENT PLANS - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011 and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011 and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011 will not have a cost-of-living adjustment after retirement.

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the year ended September 30, 2021 were as follows:

	Percent of Gross Salary*		
Class	Employee	Employer (1)	Employer (3)
Florida Retirement System, Regular	3.00	10.00	10.82
Florida Retirement System, Senior Management Service	3.00	27.29	29.01
Florida Retirement System, Special Risk	3.00	24.45	25.89
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes	0.00	16.98	18.34
Florida Retirement System, Reemployed Retiree	(2)	N/A	N/A
Florida Retirement System, Elected Official	3.00	49.18	51.42

Notes:

(1) Employer rates include 1.66 percent for the post employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs for the Investment Plan. Rates for 7/1/20 - 6/30/21.

(2) Contribution rates are dependent upon retirement class in which reemployed.

(3) Employer rates include 1.66 percent for the post employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs for the Investment Plan. Rates for 7/1/21 - 6/30/22.

* As defined by the Plan.

NOTE G - RETIREMENT PLANS - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Pension Plan. At September 30, 2021, the Authority reported an FRS pension liability of $422,621 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The Authority's proportionate share of the net pension liability was based on the Authority's 2020-21 fiscal year contributions relative to the total 2020-21 fiscal year contributions of all participating members. At September 30, 2021, the Authority's proportionate share was .005594763 percent, which was a decrease of .000518530 percent from its proportionate share measure as of September 30, 2020.

For the year ended September 30, 2021, the Authority recognized FRS pension expense of $138,427. In addition, the Authority reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 72,438	$ -
Change of assumptions	289,178	-
Net difference between projected and actual earnings on pension plan investments	-	1,474,418
Changes in proportion and differences between Authority contributions and proportionate share of contributions	88,666	220,165
Authority contributions subsequent to the measurement date	67,795	-
Total	$ 518,077	$ 1,694,583

NOTE G - RETIREMENT PLANS - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

The deferred outflows of resources related to the FRS pension, totaling $67,795 resulting from Authority contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension will be recognized in pension expense over the remaining service period of 5.7 years as follows:

Fiscal Years Ending September 30	Amount
2022	$ (319,645)
2023	(319,645)
2024	(319,645)
2025	(319,643)
2026	48,960
Thereafter	(14,683)
Total	$ (1,244,301)

Actuarial Assumptions. The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	July 1, 2020
Measurement date	June 30, 2021
Inflation	2.40 percent
Real payroll growth	0.85 percent
Salary increases	3.25 percent, average, including inflation
Investment rate of return	6.80 percent, net of pension plan investment expense, including inflation
Actuarial cost method	Individual entry date

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018.

The actuarial assumptions used in the July 1, 2020, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

NOTE G - RETIREMENT PLANS - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	2.1%	2.1%	1.1%
Fixed income	20.00%	3.8%	3.7%	3.3%
Global equity	54.20%	8.2%	6.7%	17.8%
Real estate (property)	10.30%	7.1%	6.2%	13.8%
Private equity	10.80%	11.7%	8.5%	26.4%
Strategic investments	3.70%	5.7%	5.4%	8.4%
Total	100.00%			
Assumed inflation - Mean		2.40%		1.20%

(1) As outlined in the Plan's investment policy.

Money-Weighted Rate of Return. The annual money-weighted rate of return on the FRS Pension Plan investements for the Plan year ended June 30, 2021 was 30.41%.

Discount Rate. The discount rate used to measure the total pension liability was 6.80 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

NOTE G - RETIREMENT PLANS - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

Sensitivity of the Authority's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 6.80 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.80 percent) or 1-percentage-point higher (7.80 percent) than the current rate:

	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
Authority's proportionate share of the net pension liability	$ 1,889,988	$ 422,621	$ (803,934)

Pension Plan Fiduciary Net Position. Detailed information about pension plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report ("FRS CAFR") dated June 30, 2021.

The FRS CAFR and actuarial reports may also be obtained by contacting the Division of Retirement at:

Department of Management Services
Division of Retirement
Bureau of Research and Member Communications
P.O. Box 9000
Tallahassee, FL 32315-9000

850-488-5706 or toll free at 877-377-1737

http://www.dms.myflorida.com/workforce_operations/retirement/publications

Payables to the Pension Plan. At September 30, 2021, the Authority reported a payable of $3,753 for the outstanding amount of contributions in the pension plan required for the year ended September 30, 2021.

NOTE G - RETIREMENT PLANS - DEFINED BENEFIT PENSION PLAN, CONTINUED

Health Insurance Subsidy Plan

Plan Description. The Health Insurance Subsidy Plan ("HIS Plan") is a cost-sharing multiple-employer defined benefit pension plan established under section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services.

Benefits Provided. For the year ended September 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by $5. The payments are at least $30 but not more than $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the year ended September 30, 2021, the contribution rate ranged between 1.66 percent and 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. The Authority contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to the HIS Plan. At September 30, 2021, the Authority reported a HIS liability of $1,029,850 for its proportionate share of the net HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability was used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The Authority's proportionate share of the net HIS liability was based on the Authority's 2020-21 fiscal year contributions relative to the total 2020-21 fiscal

NOTE G - RETIREMENT PLANS - DEFINED BENEFIT PENSION PLAN, CONTINUED

HIS Plan, continued

year contributions of all participating members. At September 30, 2021, the Authority's proportionate share was .008395630 percent, which was an increase of .000107784 percent from its proportionate share measured as of September 30, 2020.

For the fiscal year ended September 30, 2021, the Authority recognized HIS expense of $24,428. In addition, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 34,461	$ 431
Change of assumptions	80,923	42,432
Net difference between projected and actual earnings on HIS pension plan investments	1,074	-
Changes in proportion and differences between Authority HIS contributions and proportionate share of HIS contributions	115,763	31,741
Authority contributions subsequent to the measurement date	14,066	-
Total	$ 246,287	$ 74,604

The deferred outflows of resources related to HIS, totaling $14,066, resulting from Authority contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense over the remaining service period of 6.4 years as follows:

Fiscal Years Ending September 30	Amount
2022	$ 29,259
2023	29,259
2024	29,259
2025	29,257
2026	28,990
Thereafter	11,593
Total	$ 157,617

NOTE G - RETIREMENT PLANS - DEFINED BENEFIT PENSION PLAN, CONTINUED

HIS Plan, continued

Actuarial Assumptions. The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Real payroll growth	0.85 percent
Salary Increases	3.25 percent, average, including inflation
Municipal Bond Rate	2.16 percent
Actuarial Cost Method	Individual entry date

Mortality rates were based on the Generational PUB-2010 with Projected Scale MP-2018.

Because the HIS program is funded on a pay-as-you-go basis, no experience study has been completed for the program.

Discount Rate. The discount rate used to measure the total HIS liability was 2.16 percent. In general, the discount rate for calculating the total HIS liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Authority's Proportionate Share of the Net HIS Liability to Changes in the Discount Rate. The following presents the Authority's proportionate share of the net HIS liability calculated using the discount rate of 2.16 percent, as well as what the Authority's proportionate share of the net HIS liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current rate:

	1% Decrease (1.16%)	Current Discount Rate (2.16%)	1% Increase (3.16%)
Authority's proportionate share of the net HIS liability	$ 1,190,607	$ 1,029,850	$ 898,146

NOTE G - RETIREMENT PLANS - DEFINED BENEFIT PENSION PLAN, CONTINUED

HIS Plan, continued

Pension Plan Fiduciary Net Position. Detailed information about the HIS plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Comprehensive Annual Financial Report ("FRS CAFR") dated June 30, 2021.

The FRS CAFR and actuarial reports may also be obtained by contacting the Division of Retirement at:

Department of Management Services
Division of Retirement
Bureau of Research and Member Communications
P.O. Box 9000
Tallahassee, FL 32315-9000

850-488-5706 or toll free at 877-377-1737

http://www.dms.myflorida.com/workforce_operations/retirement/publications

Payables to the Pension Plan. At September 30, 2021, the Authority reported a payable of $662 for the outstanding amount of contributions to the HIS plan required for the fiscal year ended September 30, 2021.

FRS - Defined Contribution Pension Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Authority employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions

NOTE G - RETIREMENT PLANS - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS - Defined Contribution Pension Plan, continued

are directed to individual member accounts and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2020-21 fiscal year were as follows:

	Percent of Gross Salary*		
Class	Employee	Employer (1)	Employer (3)
Florida Retirement System, Regular	3.00	10.00	10.82
Florida Retirement System, Senior Management Service	3.00	27.29	29.01
Florida Retirement System, Special Risk	3.00	24.45	25.89
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes	0.00	16.98	18.34
Florida Retirement System, Reemployed Retiree	(2)	N/A	N/A
Florida Retirement System, Elected Official	3.00	49.18	51.42

Notes:

(1) Employer rates include 1.66 percent for the post employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs for the Investment Plan. Rates for 7/1/20 - 6/30/21.

(2) Contribution rates are dependent upon retirement class in which reemployed.

(3) Employer rates include 1.66 percent for the post employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs for the Investment Plan. Rates for 7/1/21 - 6/30/22.

* As defined by the Plan.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5 year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2021, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Authority.

NOTE G - RETIREMENT PLANS - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS - Defined Contribution Pension Plan, continued

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The Authority's Investment Plan pension expense which is included in FRS pension expense totaled $151,984 for the fiscal year ended September 30, 2021.

Payables to the Investment Plan. At September 30, 2021, the Authority reported a payable of $0 for the outstanding amount of contributions to the Plan required for the fiscal year ended September 30, 2021.

NOTE H - PENSION PLAN - 457 DEFERRED COMPENSATION

Effective October 1, 2011, the Authority approved an employee benefit plan (ICMA) whereby, the Authority contributed to the Section 457 Plan on behalf of all Authority employees. The Authority's required Section 457 contribution for each employee is equal to the difference between the Authority's FRS contribution rate at June 30, 2011 less the combination of the Authority's FRS contribution rate at July 1, 2011 plus the employee's required FRS three (3) percent contribution rate for each respective employee. For the years ended September 30, 2021 and 2020, the Authority contributed $107,232 and $105,059, respectively.

NOTE I - INSURANCE/RISK MANAGEMENT

The Authority directly obtained third party commercial insurance coverage for property, automobile, general liability, airport liability, directors and officers' and fuel storage tank insurance and workers' compensation. The Authority paid $429,821 and $403,875 for these coverages (not including claims expense) for the years ended September 30, 2021 and 2020, respectively.

NOTE I - INSURANCE/RISK MANAGEMENT, CONTINUED

The Authority also retained third party coverage as a group, for health, accidental death and disability, EAP, vision, and life through Charlotte County. For the years ended September 30, 2021 and 2020, the Authority paid $895,825 and $841,315, respectively.

The Authority retains the risk of loss up to a deductible amount with the risk of loss in excess of this amount transferred to the insurance carrier with limits of liability per occurrence and in aggregate.

NOTE J - CONTINGENCIES

Litigation

The Authority, from time to time, is involved as a defendant or a plaintiff in certain litigation and claims arising in the ordinary course of operations. In the opinion of legal counsel, the range of potential recoveries or liabilities will not materially affect the financial position of the Authority. At September 30, 2021 and 2020, no liability had been accrued for such losses, if any. The Authority intends to vigorously pursue all potential claims.

State and federal grants

Grant monies received by the Authority are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the Authority does not believe that such disallowances, if any, would have a material effect on the financial position of the Authority.

The operations of the Authority are dependent upon the condition of the Authority's facilities. These facilities are currently being rehabilitated and improved substantially through the receipt of federal and state funding. Loss or reduction of such funding may have a material effect on the operations of the Authority.

NOTE K - CONSTRUCTION-RELATED COMMITMENTS

The following is a summary of construction projects contracted by the Authority and not yet completed at September 30, 2021:

	Contract Price	Amounts Paid Through September 30, 2021
Wetland Mitigation Phase 1 & 2	$ 384,655	$ 322,035
Airport Roadway Network Improvements	78,990	76,990
Terminal Curbside	34,600	26,100
Construct Replacement Hanger for Bldg 207	221,040	130,072
Long Term Parking Expansion	3,666,981	3,635,270
GA Terminal Design-Construct	16,685,084	6,602,344
600 Series T-Hangars	6,209,759	101,241
Runway 4-22 Rehabilitation	17,012,844	490,400
FBO Hangar	129,780	21,909
Rehabilitate Taxiway D	628,684	-
In-line Checked Baggage System	825,303	41,250
Runway 4-22 RPZ Fencing	166,560	152,813
	$ 46,044,280	$ 11,600,424

NOTE L - UNRESTRICTED NET ASSETS

Unrestricted net assets consist of the following at September 30:

	2021	2020
Designated for losses, storm, fire and vandalism	$ 32,862	$ 32,862
Designated for insurance escrow	271,183	221,183
Designated for building	2,859,816	2,359,816
Designated for contaminants and pollutant assessments	107,500	107,500
Parking lot reserve	1,855,192	1,343,733
T-Hanger reserve	278,868	135,552
Air Traffic/ Navigation/ Safety	208,038	208,038
Rental Car Improvement	46,522	46,522
Total Designated	5,659,981	4,455,206
Undesignated	27,313,309	13,935,485
Total Unrestricted Net Assets	$ 32,973,290	$ 18,390,691

NOTE M - MINIMUM FUTURE RENTALS

The Authority leases certain facilities (aviation and non-aviation) to vendors and tenants at Punta Gorda Airport. Such agreements are short-term in nature and are accounted for as operating leases. The Authority also has entered into lease agreements with rental car companies that contain contingent rentals. Contingent rental revenues arise from a percentage of the lessees' gross revenue.

At September 30, 2021, minimum future rentals of operating leases were as follows:

Years Ending September 30	Amount
2022	$ 1,163,219
2023	1,205,849
2024	1,223,474
2025	1,228,355
2026	1,087,491
2027-2031	3,685,247
2032-2036	3,650,093
2037-2040	2,804,296
Total minimum future revenue	$ 16,048,024

Substantially all of the Authority's property is used for leasing activities to either airlines or other tenants/vendors.

NOTE N - POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB)

In accordance with Section 112.0801, Florida Statutes, the Authority provides medical health plans to employees of the Authority and their eligible dependents, the Authority is required to provide retirees the opportunity to participate in the group employee medical health plan. As such, the Authority elected to participate in the Charlotte County (the "County") group health, life, vision and dental plan. The Authority, therefore, must offer such coverage to its retirees. The Charlotte County plan is a defined benefit cost sharing multi-employer plan which is administered by the County. The Authority is a participant in the Plan. Although not required by Florida Law, the Authority has opted to pay a portion of the cost of such participation for retired Authority employees through a single employer defined benefit plan (the "Plan").

NOTE N - POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB), CONTINUED

Plan description

The year ended September 30, 2018, was the Authority's required transition year. As such, the Authority recorded its net OPEB liability of $38,122 at September 30, 2018 due to implementation of GASB No. 75.

Employees of the Authority who retire after 30 years of service, or after attainment of age 55, with six years of credited service with the Authority and who were participants in the existing medical plan at the time of retirement, are entitled to participate in the Plan. Currently, for retired employees who have completed 20 years of service with the Authority and who are collecting FRS monthly retirement benefit plans, the medical health benefit under the Plan provides for the Authority to contribute a per month supplement. The monthly supplement for eligible retirees retired before October 1, 2008, is $5 per year of service up to $150 per month. The monthly supplement paid by the Authority for eligible retirees retiring on or after October 1, 2008, is $10 per year of service up to $300 per month. The monthly supplement is applied to medical health premium costs paid by the Authority. All supplements cease when the retiree becomes eligible for Medicare. Dependent coverage is available for purchase by the retiree at full premium cost.

All retirees and dependents may elect coverage in the dental and/or vision plans offered by the Plan. However, they must contribute 100% of the active premium rates.

Membership

As of October 1, 2020 (measurement date), the Authority's membership consisted of:

	Amount
Active Employees, including the Board	34
Inactives	-
	34

NOTE N - POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB), CONTINUED

Funding policy

Funding for the Plan is on a pay-as-you-go basis from the Authority's assets when due. There is no separate trust through which benefits for retirees are funded. No assets are currently accumulated or earmarked for this purpose.

The County had an actuarial valuation performed as of October 1, 2020 using an October 1, 2020 measurement date, to determine the other postemployment benefits (OPEB) annual required contribution (ARC) and Plan obligations for the fiscal year ended September 30, 2021.

The Authority subsidizes the premium rates paid by retirees by allowing them to participate at blended premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, retiree claims are expected to result in higher costs to the plan on average than those of active employees.

Actuarial Methods and Assumptions

At September 30, 2021, the Authority's net OPEB liability of $22,742 was measured as of October 1, 2020, and was determined by an actuarial valuation as of October 1, 2020. The following actuarial assumptions and other inputs were applied to all periods included in the measurement:

Salary Increases	3.40% - 8.20%
Discount Rate	2.43% (2021) 2.74% (2020) 3.83% (2019) 3.50% (2018)

Annual healthcare cost trend using the Society of Actuaries Long-Run Medical Cost Trend Getzen Model baseline assumptions with an initial rate of 6.5% per year trending to 3.80% by 2041

The discount rate was based on the 20 Year Municipal Bond Rate with AA or higher.

Individual entry age level percent of pay actuarial cost method was used.

The FRS salary scale was used as of July 1, 2020.

Mortality rates were based on the Generational Healthy mortality Table Pub-2010.

The actuarial assumptions used in the September 30, 2021 valuation were based on results of an actuarial experience study performed for the FRS Retirement Plan for July 1, 2020.

Price inflation rate of 2.40%

The rationales for selecting each of the assumptions used in the financial accounting valuation and for the assumptions changes summarized above are to best reflect the current market conditions and recent plan experience.

NOTE N - POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB), CONTINUED

Demographic Assumptions

Rates of participation used: 65% of participants retiring before age 65 who are eligible for OPEB supplement and 25% for those not eligible. 5% of all participants are assumed to elect post age 65 coverage.

Changes in the Total OPEB Liability	Amount
Balance at September 30, 2020	$ 34,552
Changes for the year:	
Service Cost	6,872
Interest	1,127
Benefit Changes	-
Difference Between Expected and Actual Experience	(2,826)
Changes in Assumptions	(16,403)
Contributions from Employer	(580)
Net Changes	(11,810)
Balance at September 30, 2021	$ 22,742

The following presents the total OPEB liability of the District as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percent higher or 1 percent lower than the current discount rate.

	1% Decrease 1.43%	Current Rate 2.43%	1% Increase 3.43%
OPEB Liability	$ 24,453	$ 22,742	$ 21,042

The following presents the total OPEB liability of the District as well as what the District's total OPEB liability would be if it were calculated using healthcare trend rates that are 1 percent higher or 1 percent lower than the current healthcare trend rate.

	1% Decrease 5.5-2.8%	Trend Rate 6.5-3.8%	1% Increase 7.5-4.8%
OPEB Liability	$ 19,370	$ 22,742	$ 26,969

NOTE N - POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB), CONTINUED

Changes in the Total OPEB Liability, continued

For the year ended September 30, 2021, the District recognized OPEB expense of $5,045. At September 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ -	$ 14,255
Changes in Assumptions	5,100	15,377
Net difference between projected and actual earnings	-	-
Employer contribution subsequent to measurement date	-	-
Total	$ 5,100	$ 29,632

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending September 30:	Amount
2022	$ (2,954)
2023	(2,954)
2024	(2,954)
2025	(2,954)
2023	(2,954)
Total Thereafter	(9,762)
	$ (24,532)

NOTE O - PASSENGER FACILITY CHARGES (PFC)

During the year ended September 30, 2017, the Authority was approved by the FAA to implement a Passenger Facility Charge (PFC) on commercial airline passengers using the Authority's facilities at a rate of $2.00 per passenger until such time that the Authority collects $5,225,793. The PFC application 17-01-C-01-PGD was implemented in August 2017. On November 1, 2018 the FAA approved Amendment No. 17-01-C-01-PGD to increase the collection level from $2.00 to $4.50 per passenger, with total overall collection increasing to $5,298,817 effective

NOTE O - PASSENGER FACILITY CHARGES (PFC), CONTINUED

January 1, 2019 through July 31, 2020. Collections prior to January 1, 2019 continued at the previously approved level of $2.00.

The Authority was approved for Application 19-02-C-00-PGD for a level of PFC of $4.50 per passenger effective August 1, 2020 based upon the estimated charge expiration date for the previously collections in application 17-01-C-00-PGD, as amended. The total approved revenue to be collected for this application is $6,804,381 and the total amount approved for use of PFC revenue in this application is $9,554,381. On June 17th, 2021 the CCAA approved Amendment #19-02-C-01-PGD. The PFC approved impose and use authority for application #2 was increased by $1,533,000. The total impose authority increased from $6,804,381 to $8,337,381 and the total use authority increased from $9,554,381 to $11,087,381. The approval of this application brings the total approved PFC collection and use amount to $13,636,198. This application is anticipated to expire on June 1, 2023.

The Authority submitted Application 21-03-C-00-PGD for approval on June 17, 2021. This application seeks to impose PFC collections at the $4.50 collection level. This application is set to begin June 1st, 2023 and to expire January 1st, 2026.

NOTE P - 401(a) RETIREMENT PLAN

Plan 3 - Plan description and Provisions - 401(a)

The Board of Commissioners established the 401(a) Retirement Plan for the general executive level employees. The Plan was effective on November 17, 2016. At September 30, 2021, the Plan had two (2) active participants.

The Authority's total contributions to the Plan for the years ended September 30, 2021 and 2020, were $70,824 and $38,211, respectively.

NOTE Q - SUBSEQUENT EVENTS

On October 1, 2021, the Authority made the final draw on State Infrastructure Bank (SIB) Loan in the amount of $6,097,153. The loan proceeds are intended to be used toward the cost of building the new general aviation (GA) facilities. The loan requires interest payments of 2%.

NOTE R - COVID 19

In early March 2020, the World Health Organization classified the coronavirus outbreak "COVID-19" as a global pandemic, and it, unfortunately, continues to spread. Business continuity, including supply chains and consumer demand across a broad range of industries and countries, have been severely impacted, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. On April 1, 2020, Florida Governor, Ron DeSantis ordered all Floridians to stay home, to lock down the State against the Coronavirus. Most commercial airline flights were cancelled and/or severely limited.

The Authority has adapted its operations to accommodate the current environment. However, the full impact of the COVID-19 outbreak continues to evolve as of the date of this report. This pandemic has adversely affected global economic activity and greatly contributed to instability in financial markets. Management is actively monitoring the local situation on its financial condition, liquidity, operations, donors, industry, and workforce. Given the daily evolution of COVID-19 and the global and local responses to curb its spread, the Authority is not able to estimate the future effects of COVID-19 on its results of operation, financial condition, or liquidity for fiscal year 2021-22.

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A

CHARLOTTE COUNTY AIRPORT AUTHORITY
SCHEDULE OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL WITH RECONCILIATION TO GAAP BASIS
Year ended September 30, 2021

	Original Budget	Final Budget	Actual	Variance
OPERATING REVENUES				
Fuel and oil sales	$ 2,755,691	$ 3,533,173	$ 3,533,173	$ -
Industrial and commercial park rentals	1,436,538	1,405,376	1,405,436	60
Hangar rentals and tie downs	773,584	850,581	850,581	-
General-aviation-related concession, vending and fees	19,440	27,702	27,702	-
Airline-related revenues:				-
Car rentals	4,460,107	5,642,327	5,642,327	-
Parking	2,534,630	2,841,439	2,841,439	-
Other, including LEO and concessions	1,031,512	1,153,868	1,150,664	(3,204)
Other operating revenues	-	110,017	110,017	-
TOTAL OPERATING REVENUES	13,011,502	15,564,483	15,561,339	(3,144)
OPERATING EXPENSES				
Salaries and wages	3,295,563	3,374,274	3,374,274	-
Payroll taxes and retirement	762,693	761,001	594,925	166,076
Personnel expenses	992,048	973,754	973,754	-
Cost of fuel and oil sales	1,527,111	1,795,000	1,795,000	-
Advertising	600	15,008	15,008	-
Marketing and promotional	156,000	143,226	143,226	-
Bank charges and credit card fees	42,000	61,118	61,118	-
Dues and subscriptions	60,000	63,787	63,787	-
Insurance	425,000	523,554	523,554	-
Legal and professional	201,100	301,299	301,299	-
Licenses and permits	5,400	5,135	5,135	-
Mowing	23,000	18,377	18,377	-
Postage	5,500	1,101	1,101	-
Repairs and maintenance and equipment fuel	650,790	745,778	745,778	-
Computer maintenance and expense	174,000	184,420	184,420	-
Supplies (including vending purchases)	275,445	249,585	249,585	-
Telephone and communications	46,930	50,871	50,871	-
Travel and auto allowance	53,950	27,093	26,098	995
Utilities	412,020	429,778	429,778	-
Airline expenses	1,687,758	1,637,363	1,638,358	(995)
Security	32,500	34,222	34,222	-
TOTAL OPERATING EXPENSES BEFORE DEPRECIATION	10,829,408	11,395,744	11,229,668	166,076
NET OPERATING INCOME (LOSS) BEFORE DEPRECIATION	2,182,094	4,168,739	4,331,671	162,932
Less: Depreciation	(3,748,896)	(3,796,076)	(4,419,911)	(623,835)
OPERATING REVENUE (LOSS)	$ (1,566,802)	$ 372,663	$ (88,240)	$ (460,903)

The accompanying notes are an integral part of this statement.

CHARLOTTE COUNTY DEVELOPMENT AUTHORITY
SCHEDULE OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL WITH RECONCILIATION TO GAAP BASIS - CONTINUED
Year ended September 30, 2021

	Original Budget	Final Budget	Actual	Variance
OPERATING REVENUE (LOSS), BROUGHT FORWARD	$ (1,566,802)	$ 372,663	$ (88,240)	$ (460,903)
NON-OPERATING REVENUES (EXPENSES)				
PFC's	3,149,503	3,421,121	3,421,121	-
CFC's	1,562,544	1,260,549	1,260,549	-
Other financial assistance- CARES	9,313,291	12,771,958	13,405,335	633,377
Grant receipts (contributed capital)	17,082,867	4,573,935	5,186,746	612,811
SIB loan proceeds	-	-	3,088,084	3,088,084
Interest on investments	198,000	99,009	99,009	-
Construction in progress	(32,195,410)	(11,864,297)	(11,731,749)	132,548
Miscellaneous revenue (expense)	-	(26,819)	(199,325)	(172,506)
Interest expense	(56,771)	(72,508)	(72,508)	-
Gain (loss) on disposition of capital assets	-	-	-	-
Insurance premium refund	-	-	-	-
Reserves	(1,145,307)	(1,204,775)	-	1,204,775
Net assets carryforward	4,491,863	(7,178,644)	-	7,178,644
Capital expenditures	(209,500)	(521,083)	(494,722)	26,361
SIB loan principal retirement	(610,929)	(1,617,753)	(1,617,753)	-
Post retirement benefit accrual	(6,449)	(5,222)	(4,465)	757
Bank fees	(6,900)	(8,134)	(8,134)	-
Bad debt expense	-	-	-	-
NET NON-OPERATING REVENUE (EXPENSES)	1,566,802	(372,663)	12,332,188	12,704,851
NET INCOME (LOSS)	$ -	$ -	$ 12,243,948	$12,243,948

Reconciliation:

Net income (loss) (Non-GAAP Budgetary Basis)		$ 12,243,948
Add:	Capital outlay (expenditures)	494,722
	Construction in progress	11,731,749
	SIB Loan principal retirement	1,617,753
Less:	SIB loan proceeds	(3,088,084)
Increase in Net Position (GAAP Basis)		23,000,088
	Net Position - beginning of the year	92,198,311
	Net Position - end of the year	$115,198,399

The accompanying notes are an integral part of this statement.

CHARLOTTE COUNTY AIRPORT AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
Year ended September 30, 2021

Federal Agency/Pass Through State Agency/Program Title	CFDA# CSFA #	Grantor's Contract Number	Grant AIP/Financial Project Number
FEDERAL AWARDS			
U.S. Department of Transportation - Federal Aviation Administration			
MAJOR (TYPE A) - FEDERAL AWARDS			
Wetland Mitigation/ Rehab Runway 15/33	20.106	AIP37 (GOZ65)	3-12-0067-037-2019
Runway 4-22 Rehabilitation	20.106	AIP 38	3-12-0067-038-2020
Construct New GA Aviation Apron	20.106	AIP 39 (GOZ64/G1P20))	3-12-0067-039-2020
CARES Act Airport Grant - OPS	20.106	AIP40	3-12-0067-040-2020
ACRGP - Operations	20.106	AIP41	3-12-0067-041-2021
ACRGP - Concession Relief	20.106	AIP42	3-12-0067-042-2021
Rehab Runway 4-22 and Rehab Lighting	20.106	AIP43	3-12-0067-043-2021
NON-MAJOR (TYPE A) - FEDERAL AWARDS			
Passed through State of Florida Department of Transportation			
SIB Loan	20.205		G1L26
NON-MAJOR (TYPE B) - FEDERAL AWARDS			
Passed through State of Florida Department of Transportation			
SIB Loan	20.205	N/A	FM #431903-1
TOTAL FEDERAL FINANCIAL AWARDS			
STATE AWARDS			
State of Florida Department of Transportation			
MAJOR (TYPE A) - STATE AWARDS			
Runway 15-33 Rehab & Extension	55.004	GOZ 65	441867-1-94-01
Punta Gorda Airport GA Terminal	55.004	GOZ 64	444091-1-94-01
Runway 4-22 RPZ Fencing	55.004	G1H 56	446976-1-94-01
NON-MAJOR (TYPE B) - STATE AWARDS			
Punta Gorda Airport Taxiway E Ext & GA Ramp	55.039	G1P 20	447298-1-94-01
TOTAL STATE FINANCIAL AWARDS			

Note: See Note D for related receivables

(1) Outstanding SIB loan balance at 9/30/21 was $1,453,485. Principal was repaid in the amount of $610,929 during the year ended 9/30/21.

(2) Outstanding SIB loan balance at 9/30/21 was $2,081,260. Principal was repaid in the amount of $1,006,824 during the year ended 9/30/21.

(C) Capital Grant (L) Loan Proceeds (O) Operating Grant

Program/ Award Amount	Receipts/ Revenue Recognized		Disbursements/ Expenditures	Pass Through to Subrecipients
$ 6,354,839	$ -	(C)	$ -	$ -
424,175	391,682	(C)	391,682	-
5,997,000	3,187,802	(C)	3,187,802	-
23,846,735	12,771,958	(O)	12,771,958	-
4,077,120	457,421	(O)	457,421	-
175,956	175,956	(O)	175,956	172,506
14,761,954	37,045	(C)	37,045	-
55,637,779	17,021,864		17,021,864	172,506
9,185,238	3,088,084	(2) (L)	3,088,084	-
5,800,000	-	(1) (L)	-	-
14,985,238	3,088,084		3,088,084	
$ 70,623,017	$ 20,109,948		$ 20,109,948	$ 172,506
$ 2,488,062	$ 53,593	(C)	$ 53,593	-
1,200,000	804,616	(C)	804,616	-
100,000	68,319	(C)	68,319	-
3,788,062	926,528		926,528	-
1,200,000	628,321	(C)	628,321	-
$ 4,988,062	$ 1,554,849		$ 1,554,849	$ -

Reconciliation of SEFA revenue to Statement of Revenues, Expenses and Changes in Net Position:

	Revenue
Federal Awards	$ 20,109,948
Federal - Operating grants	(13,405,335)
SIB Loan proceeds	(3,088,084)
State Financial Assistance	1,554,849
TSA Capital OTA	15,368
Capital Grants and Contributions	$ 5,186,746

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
Year ended September 30, 2021

NOTE A - BASIS OF PRESENTATION

The Schedule of Expenditures of Federal Awards and State Financial Assistance has been prepared on an accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America and is in accordance with the provisions of OMB Uniform Guidance , "Audits of States, Local Governments and Non-Profit Organizations", the Florida Single Audit Act (FS 215.97) and the State of Florida, Rules of the Auditor General 10.550.

Expenditures reported on the Schedule of Expenditures of Federal Awards and State Financial Assistance include cash disbursements, whether capitalized or expensed, during the fiscal year as well as grant related amounts recorded as payable at year end. Revenues reported on the Schedule of Expenditures of Federal Awards and State Financial Assistance include cash receipts, whether recognized or deferred, as well as grant receivables recorded at year end.

NOTE B - INDIRECT COSTS

The Authority did not routinely allocate costs to Federal Awards and State Financial Assistance programs. Costs charged to such programs were direct costs unless specifically incurred for the program and allowed and indicated as such.

The Authority has elected not to use the 10% de minimus indirect cost rate allowed under OMB Uniform Guidance.

NOTE C - MATCH/PARTICIPATION REQUIREMENTS

The Authority received financial assistance under several grants and contracts requiring local match/participation in the form of cash. A maximum match/participation amount is established at the time the financial assistance is awarded. However, revenue is earned on the reimbursement basis and can only be recognized to the extent of applicable, eligible, and allowable disbursement. The match/participation requirement is therefore based on a contracted portion of allowable disbursements.

For the year ended September 30, 2021, the Authority had met its match/participation requirements.

CHARLOTTE COUNTY AIRPORT AUTHORITY
SCHEDULE OF AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - FLORIDA RETIREMENT SYSTEM (FRS) PENSION PLAN (1)

	2021	2020	2019	2018
Authority's proportion of the net pension liability	0.005594763%	0.006113293%	0.006469338%	0.005815680%
Authority's proportionate share of the net pension liability	$ 422,621	$ 2,649,591	$ 2,227,950	$ 1,751,713
Authority's covered-employee payroll	$ 3,374,274	$ 3,313,848	$ 3,224,665	$ 2,980,168
Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll	12.52%	79.96%	69.09%	58.78%
Plan fiduciary net position as a percentage of the total pension liability	96.40%	78.85%	82.61%	84.26%

Notes: (1) The amounts presented for each fiscal year were determined as of September 30.

SCHEDULE OF AUTHORITY CONTRIBUTIONS - FLORIDA RETIREMENT SYSTEM (FRS) PENSION PLAN (1)

	2021	2020	2019	2018
Contractually required contribution	$ 279,591	$ 249,081	$ 228,069	$ 215,433
Contributions in relation to the contractually required contribution	279,591	249,081	228,069	215,433
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Authority's covered-employee payroll	$ 3,374,274	$ 3,313,848	$ 3,224,665	$ 2,980,168
Contributions as a percentage of covered-employee payroll	8.29%	7.52%	7.07%	7.23%

Notes: (1) The amounts presented for each fiscal year were determined as of September 30.

GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, governments should present information for only those years for which information is available.

2017	2016	2015	2014
0.005315291%	0.005782606%	0.005315291%	0.004310256%
$ 1,837,767	$ 1,460,113	$ 686,541	$ 262,989
$ 2,665,302	$ 2,292,120	$ 1,743,026	$ 1,493,081
68.95%	63.70%	39.39%	17.61%
83.89%	84.88%	92.00%	96.09%

2017	2016	2015	2014
$ 173,651	$ 177,006	$ 128,840	$ 120,539
173,651	177,006	128,840	120,539
$ -	$ -	$ -	$ -
$ 2,665,302	$ 2,292,120	$ 1,743,026	$ 1,493,081
6.52%	7.72%	7.39%	8.07%

CHARLOTTE COUNTY AIRPORT AUTHORITY
SCHEDULE OF AUTHORITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - HEALTH INSURANCE SUBSIDY (HIS) PENSION PLAN (1)

	2021	2020	2019	2018
Authority's proportion of the net pension liability	0.008395630%	0.008287846%	0.008614980%	0.007866159%
Authority's proportionate share of the net pension liability	$ 1,029,850	$ 1,011,933	$ 963,930	$ 832,563
Authority's covered-employee payroll	$ 3,374,274	$ 3,313,848	$ 3,224,665	$ 2,980,168
Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll	30.52%	30.54%	29.89%	27.94%
Plan fiduciary net position as a percentage of the total pension liability	3.56%	3.00%	2.63%	2.15%

Notes: (1) The amounts presented for each fiscal year were determined as of September 30.

SCHEDULE OF AUTHORITY CONTRIBUTIONS - HEALTH INSURANCE SUBSIDY (HIS) PENSION PLAN (1)

	2021	2020	2019	2018
Contractually required contribution	$ 49,340	$ 51,017	$ 57,017	$ 53,858
Contributions in relation to the contractually required contribution	49,340	51,017	57,017	53,858
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Authority's covered-employee payroll	$ 3,374,274	$ 3,313,848	$ 3,224,665	$ 2,980,168
Contributions as a percentage of covered-employee payroll	1.46%	1.54%	1.77%	1.81%

Notes: (1) The amounts presented for each fiscal year were determined as of September 30.

GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, governments should present information for only those years for which information is available.

2017	2016	2015	2014
0.008010789%	0.006683273%	0.005513890%	0.004675696%
$ 856,551	$ 778,908	$ 562,330	$ 437,189
$ 2,665,302	$ 2,292,170	$ 1,743,069	$ 1,493,081
32.14%	33.98%	32.26%	29.28%
1.64%	0.97%	0.50%	0.99%

2017	2016	2015	2014
$ 46,161	$ 50,129	$ 59,064	$ 27,119
46,161	50,129	59,064	27,119
$ -	$ -	$ -	$ -
$ 2,665,302	$ 2,292,170	$ 1,743,069	$ 1,493,081
1.73%	2.19%	3.39%	1.82%

Changes of Assumptions

Actuarial assumptions for both cost-sharing defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was for the period July 1, 2013, through June 30, 2018. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both plans is assumed at 2.4%. Payroll growth, including inflation, for both plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments remained unchanged at 6.80%. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 2.16% reduced from 2.21% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for both plans were based on the Generational PUB-2010 with Projection Scale MP-2018.

Florida Retirement System Pension Plan

There were changes in actuarial assumptions. As of June 30, 2021, the inflation rate assumption remained at 2.4 percent, the real payroll growth assumption remained at .85 percent, and the overall payroll growth rate assumption remained at 3.25 percent. The long-term expected rate of return remained unchanged at 6.80 percent.

Health Insurance Subsidy Pension Plan

The municipal rate used to determine total pension liability decreased from 2.21 percent to 2.16 percent.

Pension Expense and Deferred Outflows/Inflows of Resources

In accordance with GASB 68, paragraphs 54 and 71, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current reporting period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors - amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)

- Changes of assumptions or other inputs - amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)

- Changes in proportion and differences between contributions and proportionate share of contributions - amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)

- Differences between expected and actual earnings on pension plan investments - amortized over five years

Employer contributions to the pension plans from employers are not included in collective pension expense. However, employee contributions are used to reduce pension expense.

The average expected remaining service life of all employees provided with pensions through the pension plans at June 30, 2021, was 5.7 years for FRS (5.9 years in FY 20) and 6.4 years (7.2 for FY 20) for HIS.

CHARLOTTE COUNTY AIRPORT AUTHORITY
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS GASB 75
September 30, 2021

Changes in Employer's Net OPEB Liability and Related Ratios as of September 30:

Net OPEB Liability	2021	2020	2019
Service Cost	$ 6,872	$ 5,813	$ 5,265
Interest Cost	1,127	1,168	1,398
Changes in Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(2,826)	-	(16,928)
Changes in Assumptions	(16,403)	3,012	3,847
Benefit Payments	(580)	(224)	(6,921)
Net Change in total OPEB Liability	(11,810)	9,769	(13,339)
Net OPEB Liability - Beginning of Year	34,552	24,783	38,122
Net OPEB Liability - End of Year	$ 22,742	$ 34,552	$ 24,783

NOTE: Information for FY 2017 and earlier is not available.

Plan Fiduciary Net Position as of September 30:

	2021	2020	2019
Contributions - Employer	$ -	$ -	$ -
Net Investment Income	-	-	-
Benefit Payments	-	-	-
Administrative Expense	-	-	-
Net Change in Fiduciary Net Position	-	-	-
Fiduciary Net Position - Beginning of Year	-	-	-
Fiduciary Net Position - End of Year	$ -	$ -	$ -
Net OPEB Liability	$ 22,742	$ 34,552	$ 24,783
Fiduciary Net Position as a % of Total OPEB Liability	0.00%	0.00%	0.00%
Covered-Employee Payroll	$ 2,249,021	$ 1,864,910	$ 1,778,338
Net OPEB Liability as a % of Payroll	1.01%	1.85%	1.39%
Expected Average Remaining Service Years of All Participants	10.7	10.6	9.7

NOTE: Information for FY 2017 and earlier is not available.

Notes to the Schedule:

Benefit Changes	None
Changes of Assumptions	The discount rate was changed as follows:
9/30/17	4.00%
9/30/18	3.50%
9/30/19	3.83%
9/30/20	2.74%
9/30/21	2.43%

Population covered by Plan: 34 active 0 inactive

Plan has no specific trust established and no assets were assigned for OPEB by the Authority.
Decrease in interest cost from 2.74% to 2.43%. Change in post 65 participation rate, mortality table to PUB-2010, assumed health care trend, removed excise tax load and updated rates to July 1, 2020 FRS actuarial valuation.

2018
$ 5,300
1,258
-
-
(879)
(5,651)
28
38,094
$ 38,122

2018
$ -
-
-
-
-
-
$ -

$ 38,122
0.00%
$ 1,634,957
2.33%
9.5

ADDITIONAL REPORTS

TUSCAN
& Company, PA
Certified Public Accountants & Consultants

Affiliations
Florida Institute of Certified Public Accountants
American Institute of Certified Public Accountants
Private Companies Practice Section
Tax Division

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners
Charlotte County Airport Authority
28000 A-1 Airport Road
Punta Gorda, Florida 33982

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America, the basic financial statements of the business-type activities of Charlotte County Airport Authority (the "Authority") which comprise the statement of net position as of September 30, 2021, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended and the related notes to the financial statements and have issued our report thereon dated January 24, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Charlotte County Airport Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Charlotte County Airport Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Charlotte County Airport Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the basic financial statements will not be prevented or detected and

corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined previously. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Charlotte County Airport Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no noncompliance that is required to be reported under Government Auditing Standards.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Tuscan & Company, P.A.

TUSCAN & COMPANY, P.A.
Fort Myers, Florida
January 24, 2022

TUSCAN
& Company, PA
Certified Public Accountants & Consultants

Affiliations
Florida Institute of Certified Public Accountants
American Institute of Certified Public Accountants
Private Companies Practice Section
Tax Division

Independent Auditor's Report on Compliance on Each Major Federal Program and Each Major State Project and on Internal Control Over Compliance in Accordance with the Uniform Guidance and the Florida Single Audit Act (Florida Statute 215.97)

Board of Commissioners
Charlotte County Airport Authority
28000 A-1 Airport Road
Punta Gorda, Florida 33982

Report on Compliance For Each Major Federal Program and Each Major State Project
We have audited Charlotte County Airport Authority's compliance with the types of compliance requirements described in the OMB Compliance Supplement and the Florida Department of Financial Services "State Projects Compliance Supplement" that could have a direct and material effect on each of Charlotte County Airport Authority's major federal programs and major state projects for the year ended September 30, 2021. Charlotte County Airport Authority's major federal programs and major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility
Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal programs and its major state projects.

Auditor's Responsibility
Our responsibility is to express an opinion on compliance for each of Charlotte County Airport Authority's major federal programs and its major state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America; and audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" ("Uniform Guidance") and the Florida Single Audit Act (Florida Statute 215.97) and the Auditor General Rule 10.550. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program and/or major state project occurred. An audit includes examining, on a

test basis, evidence about Charlotte County Airport Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and/or major state project occurred. However, our audit does not provide a legal determination of Charlotte County Airport Authority's compliance with those requirements.

Opinion on Each Major Federal Program and Each Major State Project
In our opinion, Charlotte County Airport Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and its major state projects for the year ended September 30, 2021.

Report on Internal Control Over Compliance
Management of Charlotte County Airport Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Charlotte County Airport Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and each major state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and each major state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and the Florida Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Charlotte County Airport Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program and/or state project on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program and/or state project will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program and/or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of the Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Uniform Guidance the Florida Single Audit Act (Florida Statute 215.97) and the State of Florida, Rules of the Auditor General 10.550. Accordingly, this report is not suitable for any other purpose.

Tuscan & Company, P.A.

TUSCAN & COMPANY, P.A.
Fort Myers, Florida
January 24, 2022

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified			
Internal control over financial reporting:				
Control deficiency(ies) identified?		Yes	X	No
Significant deficiency(ies) identified?		Yes	X	No
Material weakness(es) identified?		Yes	X	None reported
Noncompliance material to financial statements noted?		Yes	X	No

Federal Awards

Internal control over major programs:				
Control deficiency(ies) identified?		Yes	X	No
Significant deficiency(ies) identified?		Yes	X	No
Material weakness(es) identified?		Yes	X	None reported
Type of auditors report issued on compliance for major programs	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with 2 CFR, Section 200.516(a)?		Yes	X	No

Identification of major federal programs (Type A):

CFDA Number(s)	Name of Federal Program or Cluster
	U.S. Department of Transportation
20.106	Federal Aviation Administration - AIP 43
20.106	Federal Aviation Administration - AIP 42
20.106	Federal Aviation Administration - AIP 41
20.106	Federal Aviation Administration - AIP 40
20.106	Federal Aviation Administration - AIP 39
20.106	Federal Aviation Administration - AIP 38
20.106	Federal Aviation Administration - AIP 37

Dollar threshold used to distinguish between Type A and Type B programs	Threshold used was $750,000.			
Auditee qualified as low-risk auditee?	X	Yes		No

Listing of Subrecipients and matching amounts passed-through:

None - not applicable

Section II- Financial Statement Findings

There were no deficiencies, material weaknesses, or instances of noncompliance related to the financial statements.

Section III- Federal Award Findings and Questioned Costs

There were no audit findings related to Federal Awards required to be reported by 2 CFR, Section 200.516(a).

Section IV- Status of Federal Prior Year Findings

There were no prior year findings.

State Financial Assistance

Section I – Summary of Auditor's Results

Internal control over major projects:				
Control deficiency(ies) identified?		Yes	X	No
Significant deficiency(ies) identified?		Yes	X	No
Material weakness(es) identified?		Yes	X	None Reported
Type of auditors report issued on compliance for major projects	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with Rules of the Auditor General 10.557		Yes	X	No

Identification of major state projects:

CSFA Number(s)	Name of State Project
55.004	Runway 15-33 Rehab & Extension
55.004	Punta Gorda Airport GA Terminal
55.004	Runway 4-22 RPZ Fencing

Dollar threshold used to distinguish between Type A and Type B projects: Threshold used was $466,455

Listing of Subrecipients and matching amounts passed-through:
None - not applicable

Section II- Financial Statement Findings

There were no deficiencies, material weaknesses, or instances of noncompliance related to the financial statements.

Section III- State Financial Assistance Findings and Questioned Costs - Rule 10.554(1)(i)4

There were no current year findings related to State Financial Assistance noted.

Section IV - Status of State Financial Assistance Prior Year Findings

There were no prior year findings.

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& Company, PA
Certified Public Accountants & Consultants

Affiliations
Florida Institute of Certified Public Accountants
American Institute of Certified Public Accountants
Private Companies Practice Section
Tax Division

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

Board of Commissioners
Charlotte County Airport Authority
28000 A-1 Airport Road
Punta Gorda, Florida 33982

We have examined Charlotte County Airport Authority's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2021. Management is responsible for Charlotte County Airport Authority's compliance with those requirements. Our responsibility is to express an opinion on Charlotte County Airport Authority's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Charlotte County Airport Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Charlotte County Airport Authority's compliance with specified requirements.

In our opinion, Charlotte County Airport Authority complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2021.

This report is intended solely for the information and use of the Charlotte County Airport Authority and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

Tuscan & Company, P.A.

TUSCAN & COMPANY, P.A.
Fort Myers, Florida
January 24, 2022

TUSCAN
& Company, PA
Certified Public Accountants & Consultants

Affiliations
Florida Institute of Certified Public Accountants
American Institute of Certified Public Accountants
Private Companies Practice Section
Tax Division

INDEPENDENT AUDITOR'S REPORT TO MANAGEMENT

Board of Commissioners
Charlotte County Airport Authority
28000 A-1 Airport Road
Punta Gorda, Florida 33982

We have audited the accompanying basic financial statements of Charlotte County Airport Authority (the "Authority") as of and for the year ended September 30, 2021 and have issued our report thereon dated January 24, 2022.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America and Chapter 10.550, Rules of the Florida Auditor General. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in that report, which is dated January 24, 2022, should be considered in conjunction with this report to management.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter included the following information, which is not included in the aforementioned auditor's report:

- Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no financially significant prior year comments.

- Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. No such recommendations were noted to improve financial management.

- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.

- Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The Authority discloses this information in the notes to the financial statements.

- Section 10.554(1)(i)5.a., Rules of the Auditor General, requires a statement be included as to whether or not the local government entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the Authority did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

- Pursuant to Sections 10.554(1)(i)5.b. and 10.556(7), Rules of the Auditor General, we have applied financial condition assessment procedures pursuant to Rule 10.556(8). It is management's responsibility to monitor the Authority's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same. In connection with our audit, we determined that the Authority did not meet any of the criteria of a deteriorating financial condition described in Auditor General Rule Section 10.554(1)(i)(6).c.

- Pursuant to Section 10.554(1)(i)5.b.2, Rules of the Auditor General, if a deteriorating financial condition(s) is noted then a statement is so required along with the conditions causing the auditor to make such a conclusion. No such conditions were noted.

- Pursuant to Section 10.554(1)(i)5.c., Rules of the Auditor General, requires a statement indicating a failure, if any, of a component unit special district to provide financial information necessary to a proper reporting of the component unit within the audited financial statements of this entity (F.S. Section 218.39(3)(b)). There are no known component special districts required to report within these financial statements.

- Pursuant to Section 10.554(1)(i)6, Rules of the Auditor General, requires disclosure of certain unaudited data. See Exhibit 2.

- Pursuant to Section 10.554(1)(i)7, Rules of the Auditor General, requires an independent special district that imposes ad valorem taxes to disclose certain related unaudited data. See Exhibit 2.

- Pursuant to Section 10.554(1)8, Rules of the Auditor General, requires an independent special district that imposes a non-ad valorem special assessment to disclose certain unaudited data. See Exhibit 2.

- Section 10.556(10)(a), Rules of the Auditor General, requires that the scope of our audit to determine the entity's compliance with the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the Authority complied with Section 218.415, Florida Statutes as reported in our Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes dated January 24, 2022, included herein.

PRIOR YEAR COMMENT:

There were no financially significant prior year comments noted.

CURRENT YEAR COMMENTS:

There were no financially significant current year comments noted.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of the Board of Commissioners, management, the Auditor General of the State of Florida and other Federal and State agencies. This report is not intended to be and should not be used by anyone other than these specified parties.

Tuscan & Company, P.A.

TUSCAN & COMPANY, P.A.
Fort Myers, Florida
January 24, 2022

EXHIBIT 1

DocuSign Envelope ID: 621870DF-6747-4ABE-9E9F-FD8955EE6C88

28000 A-1 Airport Road
Punta Gorda, Florida 33982
www.flypgd.com

FLYPGD.COM
Charlotte County Airport Authority

(941) 639-1101
(941) 639-4792 Fax
airport@flypgd.com

March 30, 2022

Jeff Tuscan
Tuscan & Company, PA
12621 World Plaza Lane, Bldg. 55
Fort Myers, FL 33907

Dear Mr. Tuscan,

This letter is in response to the Management Letter provided to James W. Parish, Chief Executive Officer of the Charlotte County Airport Authority (CCAA), for the 2020/2021 fiscal year.

We would like to thank you and your team for a great job well done. As always, your team has been a tremendous help in assisting our administration in improving and enhancing the fiscal management of the Charlotte County Airport Authority.

Sincerely,

DocuSigned by:
James Parish
FCD2EEAA75074BC...

James W. Parish
Chief Executive Officer

EXHIBIT 2

UNAUDITED
COMPLIANCE WITH REPORTING REQUIRED BY:

Auditor General Rule 10.554(1)(i)6
For a dependent special district or an independent special district, or a local government entity that includes the information of a dependent special district as provided in Section 218.39(3)(a), Florida Statutes, the following specific information provided by management (with explanatory verbiage that the auditor provides no assurance on the information:

a. The total number of district employees compensated in the last pay period of the district's fiscal year being reported (see information required in Section 218.32(1)(e)2.a., Florida Statutes). 82.

b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year being reported (see information required in Section 218.32(1)(e)2.b., Florida Statutes). 0.

c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency (see information required in Section 218.32(1)(e)2.c., Florida Statutes). (Total wage compensation for the fiscal year being audited) $3,374,274.

d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency (see information required in Section 218.32(1)(e)2.d., Florida Statutes). (Amounts paid that would be reported on a Form 1099 for FYE) 0

e. Each construction project with a total cost of at least $65,000 approved by the district that was scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project (see information required in Section 218.32(1)(e)2.e., Florida Statutes). See Note K.

f. A budget variance report based on the budget adopted under section 189.016(4), Florida Statutes, before the beginning of the fiscal year reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes (see information required in Section 218.32(1)(e)3., Florida Statutes). If there were amendments then include budget variance (original budget vs. actual at FYE). See attached pages 3 - 4.

Auditor General Rule 10.554(1)(i)7
For an independent special district that imposes ad valorem taxes, the following specific information provided by management (with explanatory verbiage that the auditor provides no assurance on the information): (see information required in Section 218.32(1)(e)4., Florida Statutes).

a. The millage rate or rates imposed by the district. N/A. The Authority levies no ad valorem taxes.

b. The current year gross amount of ad valorem taxes collected by or on behalf of the district. N/A.

c. The total amount of outstanding bonds issued by the district and terms of such bonds. N/A.

Auditor General Rule 10.554(1)(i)8
For an independent special district that imposes non-ad valorem special assessments, the following specific information provided by management (with explanatory verbiage that the auditor provides no assurance on the information): (see information required in Section 218.32(1)(e)5., Florida Statutes).

a. The rate or rated of such assessment imposed by the district. N/A. The Authority levies no special assessments.

b. The total amount of special assessments collected by or on behalf of the district. N/A

c. The total amount of outstanding bonds issued by the district and the terms of such bonds. N/A

CHARLOTTE COUNTY AIRPORT AUTHORITY
ORIGINAL BUDGET (NON-GAAP) vs. ACTUAL WITH RECONCILIATION
TO GAAP BASIS COMPARISON REPORT - UNAUDITED -
Year ended September 30, 2021

	Original Budget	Actual	Variance
OPERATING REVENUES			
Fuel and oil sales	$ 2,755,691	$ 3,533,173	$ 777,482
Industrial and commercial park rentals	1,436,538	1,405,436	(31,102)
Hangar rentals and tie downs	773,584	850,581	76,997
General-aviation-related concession, vending and fees	19,440	27,702	8,262
Airline-related revenues:			-
Car rentals	4,460,107	5,642,327	1,182,220
Parking	2,534,630	2,841,439	306,809
Other, including LEO and concessions	1,031,512	1,150,664	119,152
Other operating revenues	-	110,017	110,017
TOTAL OPERATING REVENUES	13,011,502	15,561,339	2,549,837
OPERATING EXPENSES			
Salaries and wages	3,295,563	3,374,274	78,711
Payroll taxes and retirement	762,693	594,925	(167,768)
Personnel expenses	992,048	973,754	(18,294)
Cost of fuel and oil sales	1,527,111	1,795,000	267,889
Advertising	600	15,008	14,408
Marketing and promotional	156,000	143,226	(12,774)
Bank charges and credit card fees	42,000	61,118	19,118
Dues and subscriptions	60,000	63,787	3,787
Insurance	425,000	523,554	98,554
Legal and professional	201,100	301,299	100,199
Licenses and permits	5,400	5,135	(265)
Mowing	23,000	18,377	(4,623)
Postage	5,500	1,101	(4,399)
Repairs and maintenance and equipment fuel	650,790	745,778	94,988
Computer maintenance and expense	174,000	184,420	10,420
Supplies (including vending purchases)	275,445	249,585	(25,860)
Telephone and communications	46,930	50,871	3,941
Travel and auto allowance	53,950	26,098	(27,852)
Utilities	412,020	429,778	17,758
Airline expenses	1,687,758	1,638,358	(49,400)
Security	32,500	34,222	1,722
TOTAL OPERATING EXPENSES BEFORE DEPRECIATION	10,829,408	11,229,668	400,260
NET OPERATING INCOME (LOSS) BEFORE DEPRECIATION	2,182,094	4,331,671	2,149,577
Less: Depreciation	(3,748,896)	(4,419,911)	(671,015)
OPERATING REVENUE (LOSS)	$ (1,566,802)	$ (88,240)	1,478,562

The accompanying notes are an integral part of this statement.

CHARLOTTE COUNTY DEVELOPMENT AUTHORITY
ORIGINAL BUDGET (NON-GAAP) vs. ACTUAL WITH RECONCILIATION
TO GAAP BASIS COMPARISON REPORT - UNAUDITED - CONTINUED
Year ended September 30, 2021

	Original Budget	Actual	Variance
OPERATING REVENUE (LOSS), BROUGHT FORWARD	$ (1,566,802)	$ (88,240)	1,478,562
NON-OPERATING REVENUES (EXPENSES)			
PFC's	3,149,503	3,421,121	271,618
CFC's	1,562,544	1,260,549	(301,995)
Other financial assistance- CARES	9,313,291	13,405,335	4,092,044
Grant receipts (contributed capital)	17,082,867	5,186,746	(11,896,121)
SIB loan proceeds	-	3,088,084	3,088,084
Interest on investments	198,000	99,009	(98,991)
Construction in progress	(32,195,410)	(11,731,749)	20,463,661
Miscellaneous revenue (expense)	-	(199,325)	(199,325)
Interest expense	(56,771)	(72,508)	(15,737)
Gain (loss) on disposition of capital assets	-	-	-
Insurance premium refund	-	-	-
Reserves	(1,145,307)	-	1,145,307
Net assets carryforward	4,491,863	-	(4,491,863)
Capital expenditures	(209,500)	(494,722)	(285,222)
SIB loan principal retirement	(610,929)	(1,617,753)	(1,006,824)
Post retirement benefit accrual	(6,449)	(4,465)	1,984
Bank fees	(6,900)	(8,134)	(1,234)
Bad debt expense	-	-	-
NET NON-OPERATING REVENUE (EXPENSES)	1,566,802	12,332,188	10,765,386
NET INCOME (LOSS)	$ -	$ 12,243,948	12,243,948

Reconciliation:

Net income (loss) (Non-GAAP Budgetary Basis)		$ 12,243,948
Add:	Capital outlay (expenditures)	494,722
	Construction in progress	11,731,749
	SIB Loan principal retirement	1,617,753
Less:	SIB loan proceeds	(3,088,084)
Increase in Net Position (GAAP Basis)		23,000,088
	Net Position - beginning of the year	92,198,311
	Net Position - end of the year	$ 115,198,399

The accompanying notes are an integral part of this statement.

CHARLOTTE COUNTY AIRPORT AUTHORITY

SCHEDULE OF PASSENGER FACILITY CHARGES COLLECTED AND EXPENDED TOGETHER WITH ADDITIONAL REPORTS

YEAR ENDED SEPTEMBER 30, 2021

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Private Companies Practice Section
Tax Division

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE PASSENGER FACILITY CHARGE PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE PASSENGER FACILITY CHARGE AUDIT GUIDE INCLUDING THE INDEPENDENT AUDITOR'S REPORT ON THE SCHEDULE OF PASSENGER FACILITY CHARGES COLLECTED AND EXPENDED

Board of Commissioners
Charlotte County Airport Authority
28000 A-1 Airport Road
Punta Gorda, Florida 33982

Report on Compliance for the Passenger Facility Charge Program

We have audited Charlotte County Airport Authority's (the "Authority") compliance with the types of compliance requirements described in the Passenger Facility Charge Audit Guide for Public Agencies (the "Guide"), issued by the Federal Aviation Administration that could have a direct and material effect on the Authority's passenger facility charge program for the year ended September 30, 2021.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to the passenger facility charge program.

Auditors' Responsibility

Our responsibility is to express an opinion on the Authority's compliance based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the Guide. Those standards and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on

the passenger facility charge program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance with the passenger facility charge program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on Passenger Facility Charge Program
In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its passenger facility charge program for the year ended September 30, 2021.

Report on Internal Control Over Compliance
Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on the passenger facility charge program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the passenger facility charge program and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the passenger facility charge program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of the passenger facility charge program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of the passenger facility charge program that is less

severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Schedule of Passenger Facility Charges Collected and Expended

We have audited the financial statements of the business-type activities of the Charlotte County Airport Authority as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Charlotte County Airport Authority's basic financial statements. We issued our report thereon dated January 24, 2022, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of passenger facility charges collected and expended for the year ended September 30, 2021 (cash basis) is presented for purposes of additional analysis as required by the Federal Aviation Administration, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of passenger facility charges collected and expended (cash basis) reported is fairly stated in all material respects in relation to the basic financial statements as a whole.

Matter of Emphasis
The accompanying schedule of passenger facility charges collected and expended is presented using the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Purpose of this Report
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose.

Tuscan & Company, P.A.

TUSCAN & COMPANY, P.A.
Fort Myers, Florida
January 24, 2022

CHARLOTTE COUNTY AIRPORT AUTHORITY
SCHEDULE OF PASSENGER FACILITY CHARGES (PFC) COLLECTED AND EXPENDED (AS REPORTED TO FAA) - CASH BASIS
Year ended September 30, 2021

Collections	Quarter Ended December 31, 2020	Quarter Ended March 31, 2021	Quarter Ended June 30, 2021	Quarter Ended September 30, 2021
PFCs Collected	$ 655,690	$ 647,334	$ 1,031,917	$ 916,844
Interest Earned	767	897	1,547	1,081
Total Collection	$ 656,457	$ 648,231	$ 1,033,464	$ 917,925
Expenditures on Approved PFC Projects Included in				
Application No. 1				
17-01-C-00-PGD	$ -	$ -	$ -	$ -
17-01-C-01-PGD	-	-	-	-
Application No. 2				
19-02-C-00-PGD	642,226	49,884	1,321,067	240,196
19-02-C-01-PGD	106,408	63,232	181,208	339,309
Application No. 3				
21-03-C-00-PGD	-	-	-	-
	$ 748,634	$ 113,116	$ 1,502,275	$ 579,505

Notes to the Schedule of Passengers Facility Charges Collected and Expended are an integral part of this schedule.

Totals for the Year Ended September 30, 2021	Cumulative Totals for the Year Ended September 30, 2020	Cumulative Totals for the Year Ended September 30, 2021
$ 3,251,785	$ 7,262,167	$ 10,513,952
4,292	19,807	24,099
$ 3,256,077	$ 7,281,974	$ 10,538,051
$ -	$ 2,475,793	$ 2,475,793
-	73,024	73,024
2,253,373	4,139,687	6,393,060
690,157	-	690,157
-	-	-
$ 2,943,530	$ 6,688,504	$ 9,632,034

Notes to the Schedule of Passengers Facility Charges Collected and Expended are an integral part of this schedule.

CHARLOTTE COUNTY AIRPORT AUTHORITY
NOTES TO THE SCHEDULE OF PASSENGER FACILITY CHARGES (PFC) COLLECTED AND EXPENDED (AS REPORTED TO FAA) - CASH BASIS
Year ended September 30, 2021

General

The accompanying schedule of passenger facility charges (PFC) collected and expended presents the activity of all passenger facility charges of Charlotte County Airport Authority pursuant to application 17-01-C-00-PGD. The Charlotte County Airport Authority is approved for a level of PFC of $2.00 per passenger to a total revenue of $5,225,793 beginning August 1, 2017, and approved for use of $2,475,793. On November 1, 2018 the FAA approved Amendment No. 17-01-C-01-PGD to increase the collection level from $2.00 to $4.50 per passenger, with an overall increase in collections and use of $73,024 with total approved collection increasing to $5,298,817 effective January 1, 2019. Expiration date of this amendment is August 1, 2020. Collections prior to January 1, 2019 continued at the previously approved level of $2.00 per passenger.

The Authority was approved for Application 19-02-C-00-PGD for a level of PFC of $4.50 per passenger effective August 1, 2020 based upon the estimated charge expiration date for the previously collections in application 17-01-C-00-PGD, as amended. The total approved revenue to be collected for this application is $6,804,381 and the total amount approved for use of PFC revenue in this application is $9,554,381. On June 17th, 2021 the CCAA approved Amendment #19-02-C-01-PGD. The PFC approved impose and use authority for application #2 was increased by $1,533,000. The total impose authority increased from $6,804,381 to $8,337,381 and the total use authority increased from $9,554,381 to $11,087,381. The approval of this application brings the total approved PFC collection and use amount to $13,636,198. This application is anticipated to expire on June 1, 2023.

The Authority submitted Application 21-03-C-00-PGD for approval on June 17, 2021. This application seeks to impose PFC collections at the $4.50 collection level. This application is set to begin June 1st, 2023 and to expire January 1st, 2026 once approved.

Basis of Accounting

The accompanying schedule of passenger facility charges collected and expended is presented using the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

CHARLOTTE COUNTY AIRPORT AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
PASSENGER FACILITY CHARGE PROGRAM
Year ended September 30, 2021

Section I – Summary of Auditor's Results

Financial Statements				
Type of auditor's report issued	Unmodified			
Internal control over financial reporting:				
Significant deficiency(ies) identified?	_____	Yes	X	No
Material weakness(es) identified?	_____	Yes	X	None reported
Noncompliance material to financial statements noted?	_____	Yes	X	No

Passenger Facility Charge Program Section				
Internal control over program:				
Significant deficiency(ies) identified?	_____	Yes	X	No
Material weakness(es) identified?	_____	Yes	X	None reported
Type of auditors report issued on compliance for the passenger facility charge program?	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with the Passenger Facility Charge Audit Guide for Public Agencies?	_____	Yes	X	No

This Schedule encompasses the Charlotte County Airport Authority only, and is provided as required by the Passenger Facility Charge Program.

Section II- Financial Statement Findings

There were no deficiencies, material weaknesses, or instances of noncompliance related to the financial statements.

Section III- Findings and Questioned Costs - Passenger Facility Charge Program

There were no such findings required to be reported related to the audit of the Passenger Facility Charge Program.

Section IV- Status of Prior Year Findings

There were no prior year findings.