CHARLOTTE COUNTY AIRPORT AUTHORITY

BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
TOGETHER WITH ADDITIONAL REPORTS

YEARS ENDED
SEPTEMBER 30, 2023 AND 2022

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& Company, PA
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

INDEPENDENT AUDITOR'S REPORT

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

Opinion
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, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

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, 2023 and 2022, 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.

Matters of Emphasis
During the year ended September 30, 2023, the Authority implemented GASB Statement No. 94 "Public-Private and Public Public Partnerships and Availability Payment Arrangements (PPP's)" as described in Notes A and G. The net position was not required to be restated as of October 1, 2022.

During the year ended September 30, 2023, the Authority implemented GASB Statement No. 96 "Subscription-based Information Technology Arrangements (SBITA's)" as further in Notes A and U. The net position was not required to be restated as of October 1, 2022.

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, 2023 and 2022, 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.

Basis for Opinion
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

We did not audit the financial statements of Florida Retirement Systems Pension Plan (FRS) or Health Insurance Subsidy Pension Plan (HIS) as of and for the years ended June 30, 2023 or June 30, 2022. The Authority is required to record its proportionate share of the FRS and HIS liability in the Authority's financial statements as of September 30, 2023, and September 30, 2022, and for the years then ended. Those financial

statements 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 financial statements, is based on the report of the other auditors.

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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

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 - xxvi, 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, 2023, 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, 2023, 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-Unaudited 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 June 10, 2024, 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 June 10, 2024, 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.

HSC/Tuscan & Company, P.A.

HSC/TUSCAN & COMPANY, P.A.
Fort Myers, Florida
June 10, 2024

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, 2023. 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.

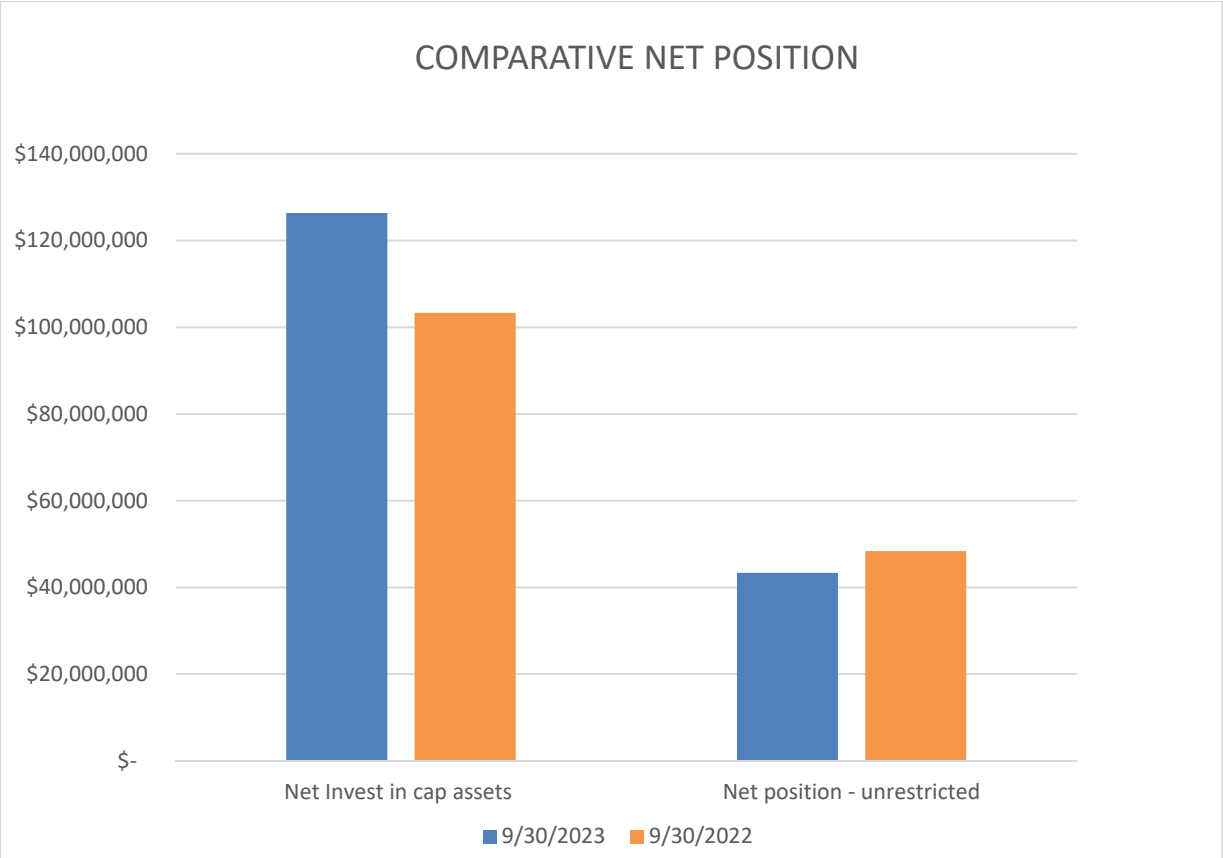
The GASB 34 model includes new features, such as government-wide financial reporting, narrative overview, analysis (management's discussion and analysis - MD&A) and infrastructure reporting.

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.

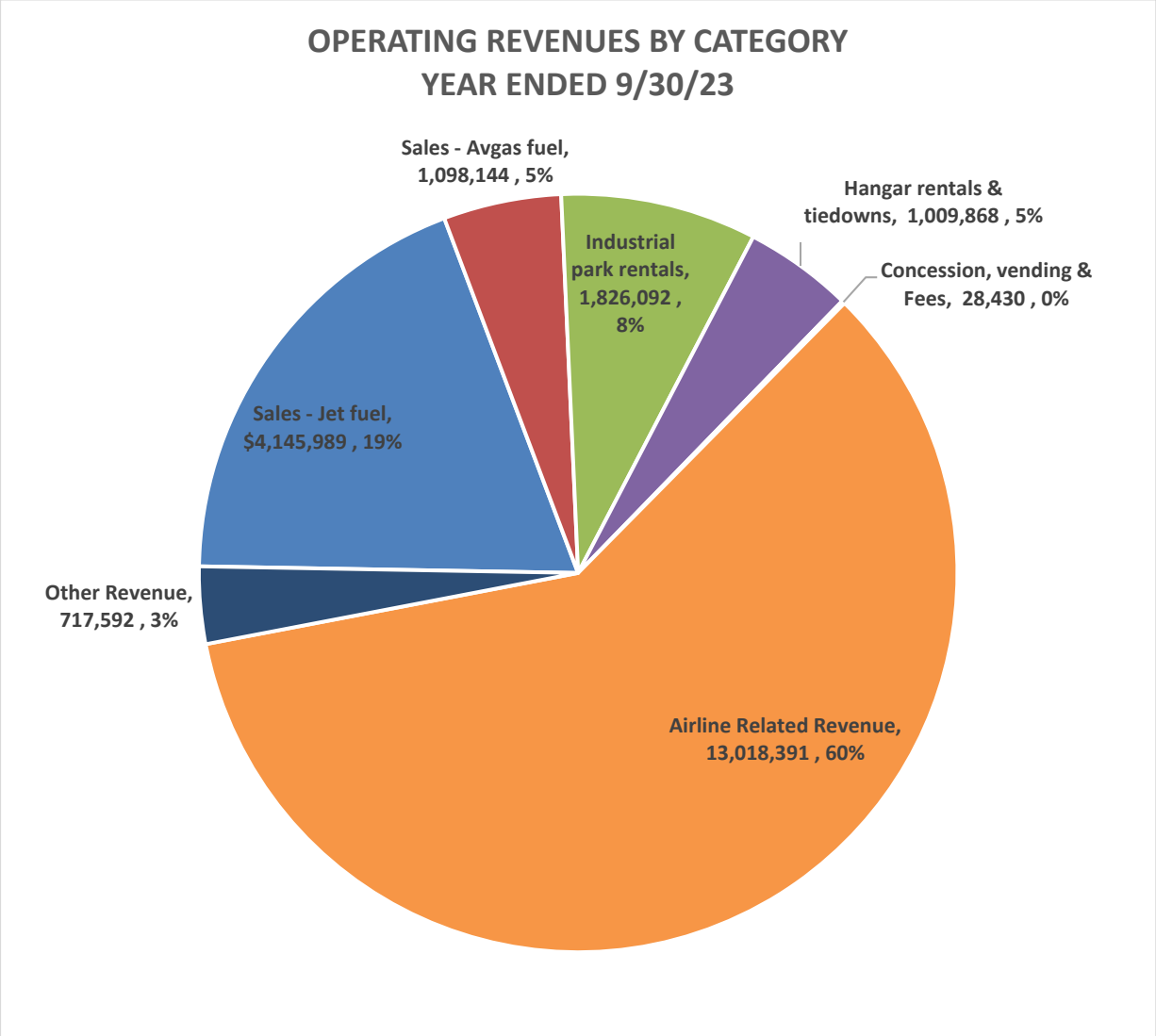
The Statement of Net Position presents information on all the Airport's assets, deferred outflows/inflows, and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the Airport's financial position.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



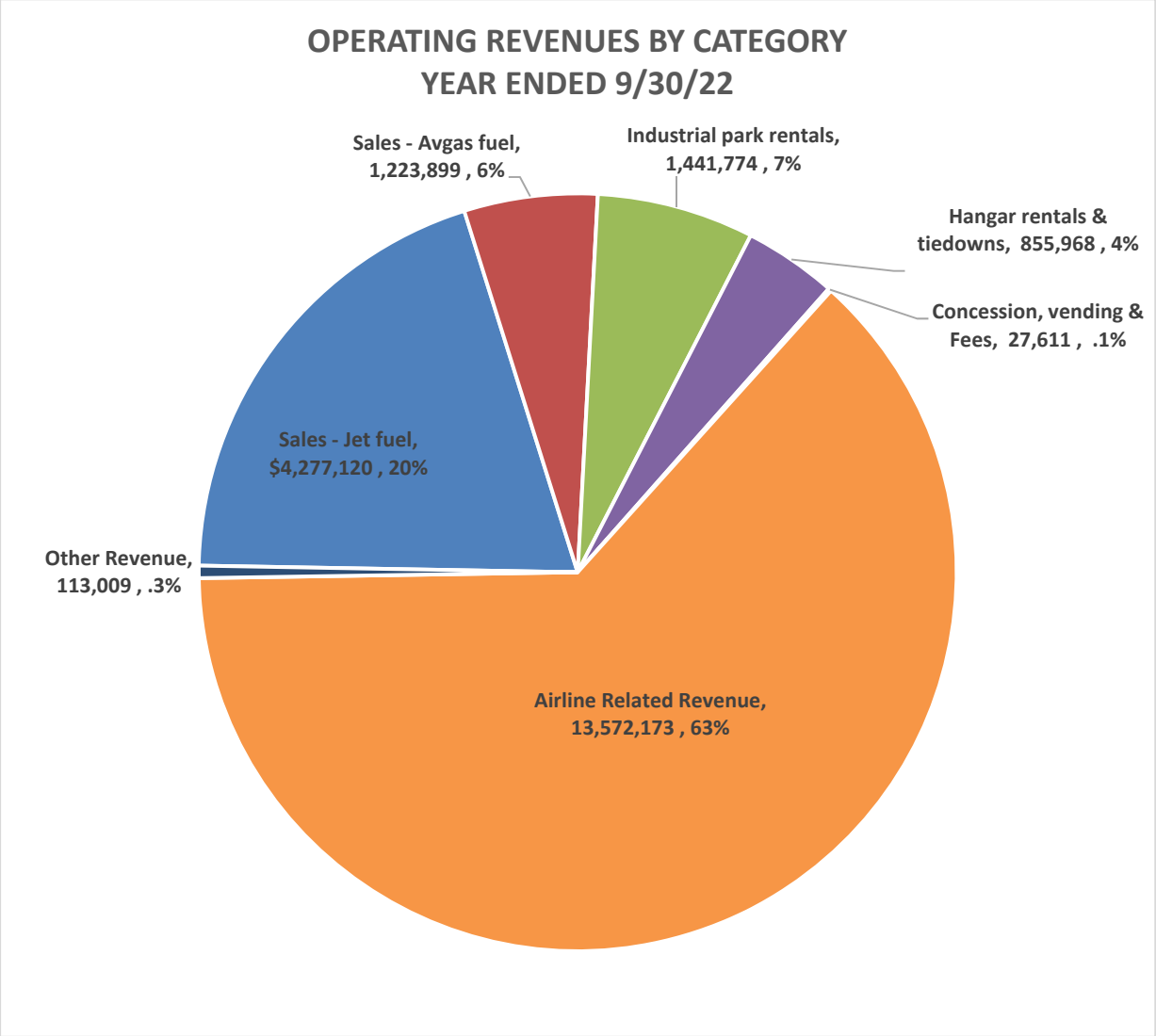
NET POSITION	9/30/2023	9/30/2022	Increase (Decrease)	% Inc (Dec)
Net Invest in cap assets	$ 126,352,089	$ 103,328,309	$ 23,023,780	22.0%
Net position - unrestricted	$ 43,358,596	$ 48,359,385	$ (5,000,789)	<10>
Total Net position	$ 169,710,685	$ 151,687,694	$ 18,022,991	12.0%

Operating Revenues

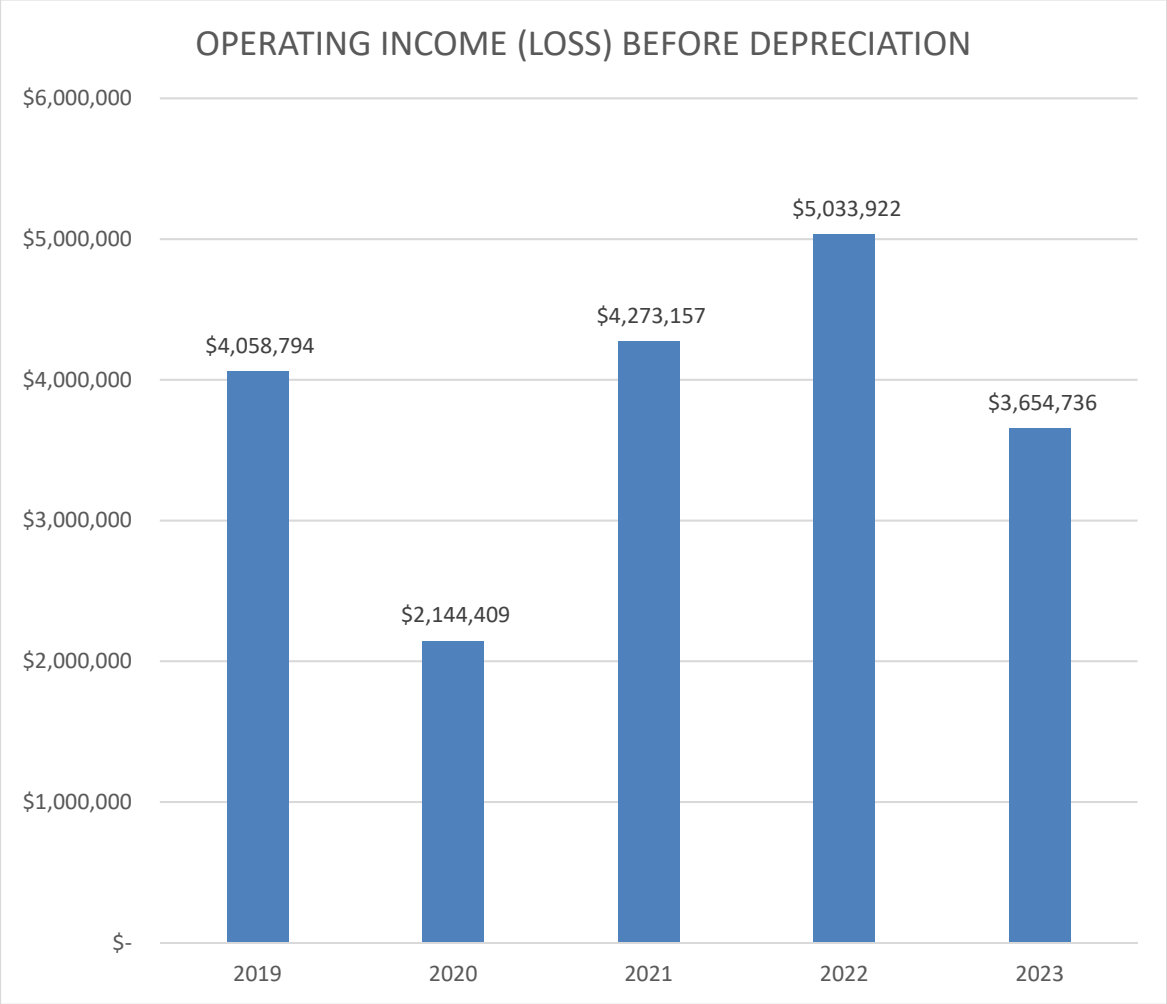
The following chart shows major operating revenue sources and the percentage of operating revenue for the fiscal year ending September 30, 2023.



In comparison with the previous fiscal year ending September 30, 2022:



The following schedule shows net operating income (loss) before Depreciation for the past five fiscal years ending September 30, 2023:



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, 2023

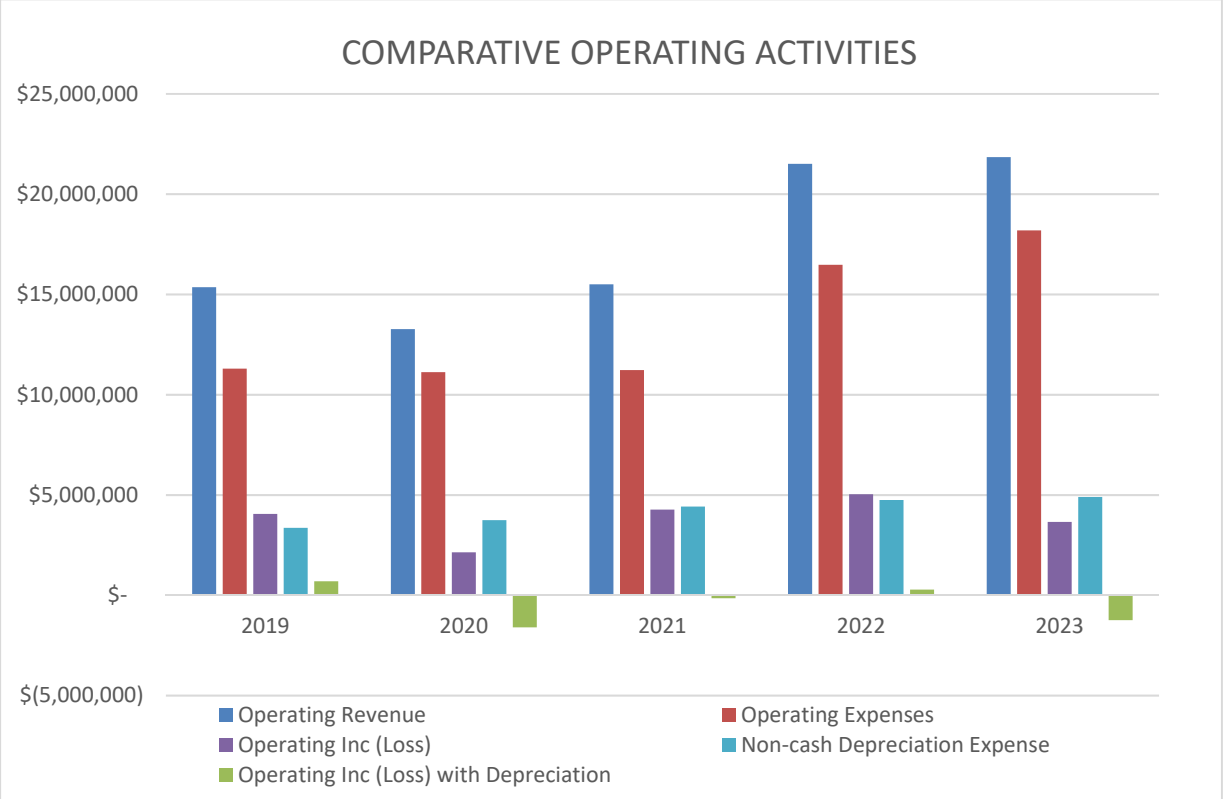
For the years ended September 30, 2023 and 2022, the Airport completed its required audit in a timely manner.

Original Budget to Actual Variance

Total operating revenues were $21,844,506, a variance of $421,875 over the original budgeted amount of $21,422,631. This is largely due to an increase in other revenue in FY2023 as a result of receipt of insurance proceeds from Hurricane Ian. The Airport was conservative in forecasting revenues due to the uncertainty of the airline industry coming back from the pandemic. As a result of Hurricane Ian, airline revenues were down slightly versus the original budget.

Total operating expenses were $18,189,770, a variance of $862,924 over the original budgeted amount of $17,326,846. The variance was significant due to the accrual of retirement costs.

CHARLOTTE COUNTY AIRPORT AUTHORITY
GRAPH - COMPARATIVE SUMMARY OF OPERATIONS
Years Ended September 30, 2019- 2023

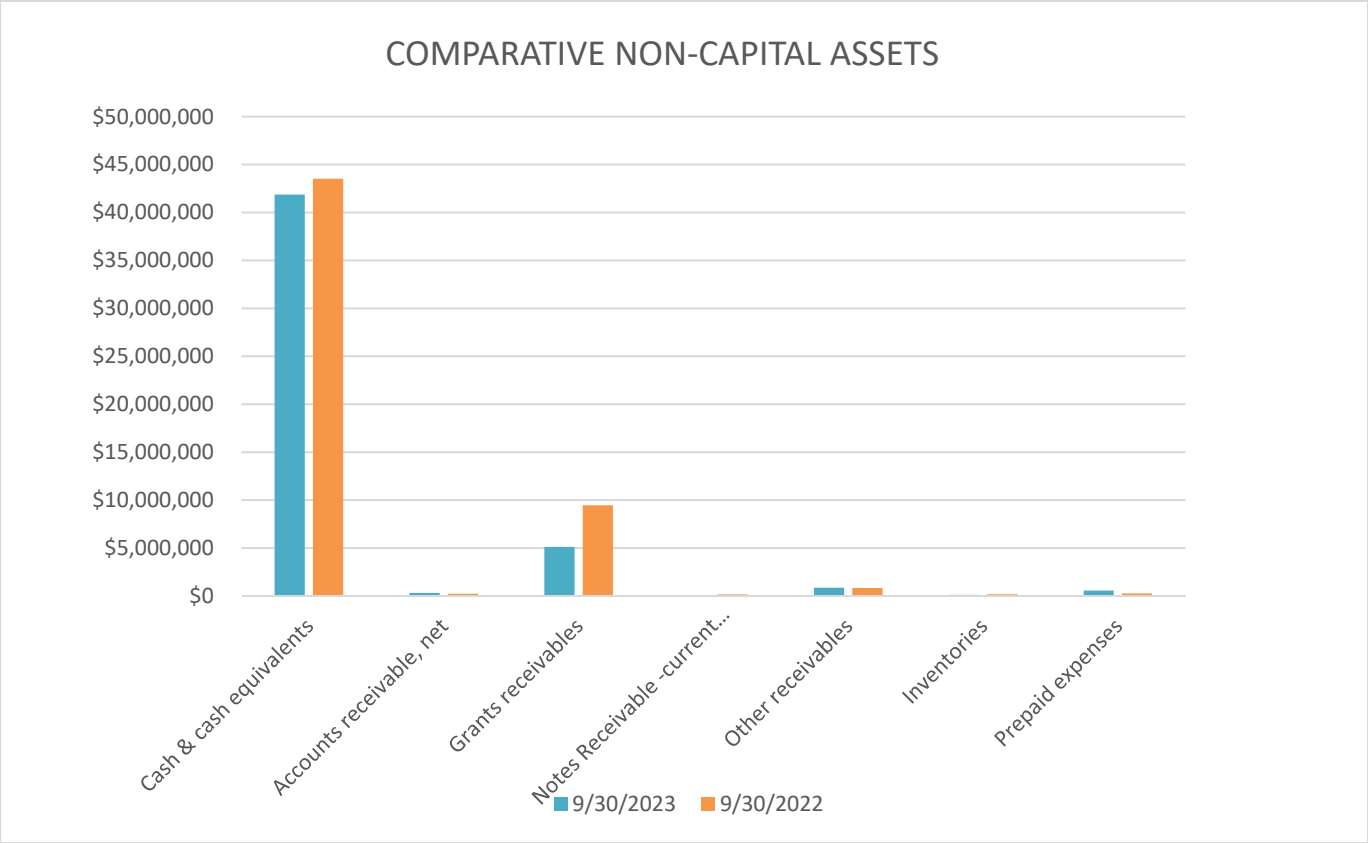


	Operating Revenue	Operating Expenses	Operating Inc (Loss)	Non-cash Depreciation Expense	Operating Inc (Loss) with Depreciation
Fiscal Year					
2019	$ 15,358,981	$ 11,300,187	$ 4,058,794	$ 3,364,989	$ 693,805
2020	$ 13,271,015	$ 11,126,606	$ 2,144,409	$ 3,743,983	$ (1,599,574)
2021	$ 15,502,825	$ 11,229,668	$ 4,273,157	$ 4,419,911	$ (146,754)
2022	$ 21,511,554	$ 16,477,632	$ 5,033,922	$ 4,750,728	$ 283,194
2023	$ 21,844,506	$ 18,189,770	$ 3,654,736	$ 4,898,359	$ (1,243,623)

Non-Capital Assets

The Airport's current assets as of September 30, 2022, and 2023 amounted to $54,604,476 and $53,584,119 respectively. This change is largely due to a decrease in Cash and Cash Equivalents of $1,646,448.

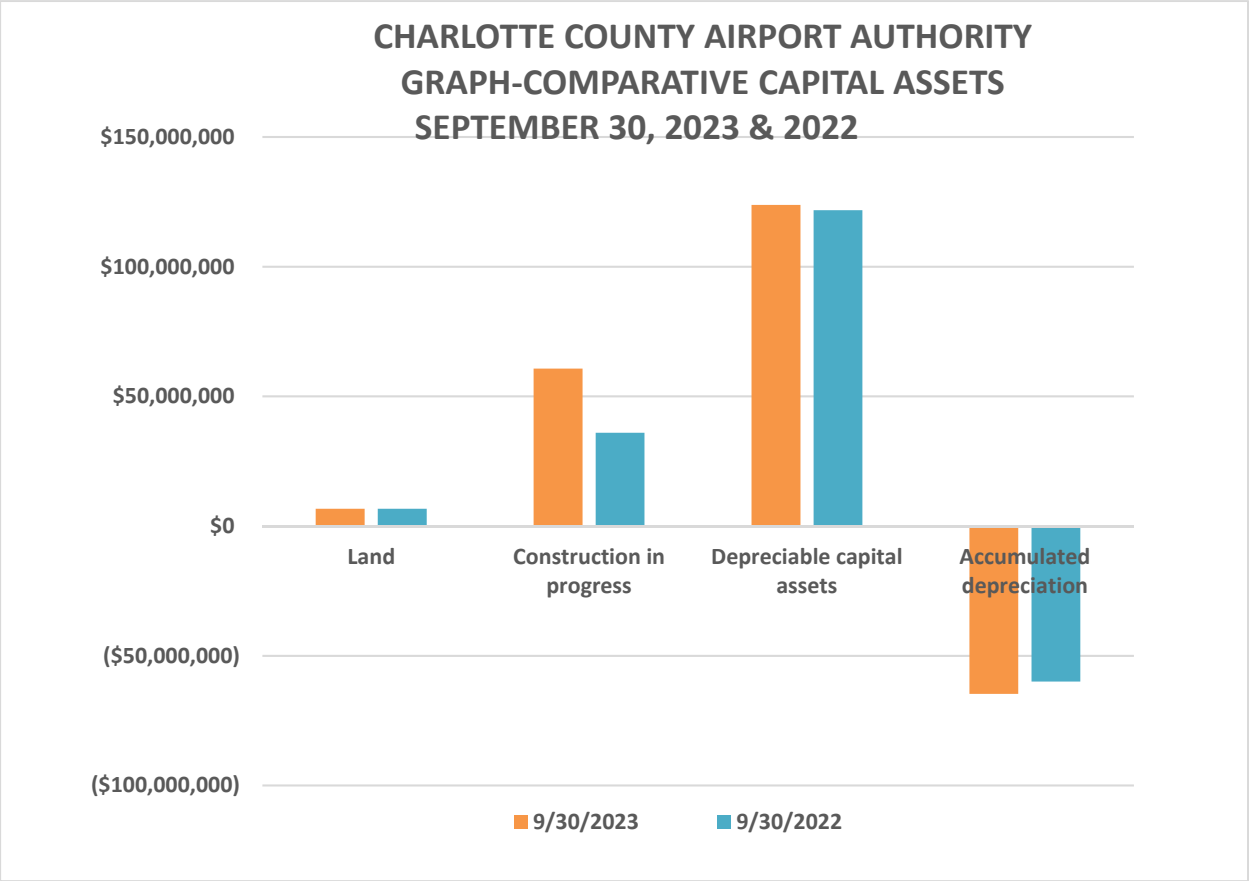
CHARLOTTE COUNTY AIRPORT AUTHORITY
GRAPH - COMPARATIVE SUMMARY OF CURRENT ASSETS
September 30, 2023 & 2022



	9/30/2023	9/30/2022	Inc(Dec)	% Inc(Dec)
Cash & cash equivalents	$ 41,861,739	$ 43,508,187	$ (1,646,448)	4%
Accounts receivable, net	$ 302,036	$ 230,660	$ 71,376	31%
Grants receivables	$ 5,112,056	$ 9,447,381	$ (4,335,325)	46%
Notes Receivable -current portion	$ 150,000	$ 150,000		
Other receivables	$ 864,258	$ 831,589	$ (32,669)	-4%
Inventories	$ 114,386	$ 181,748	$ (67,362)	37%
Prepaid expenses	**$ 565,528**	**$ 254,911**	**$ (310,617)**	**-122%**
Total Non-Capital Assets	$ 53,584,119	$ 54,956,116	$ 1,371,997	2%

The Airport's net capital assets as of September 30, 2022, and 2023 amounted to $104,428,634 and $126,451,859 respectively. This increase of $22,023,225 primarily comes from a $24,786,958 increase in construction in progress. The Airport has a number of capital improvement projects currently in the works. Additional information on the Airport's capital asset activity can be found in Note G of the Financial Statements.

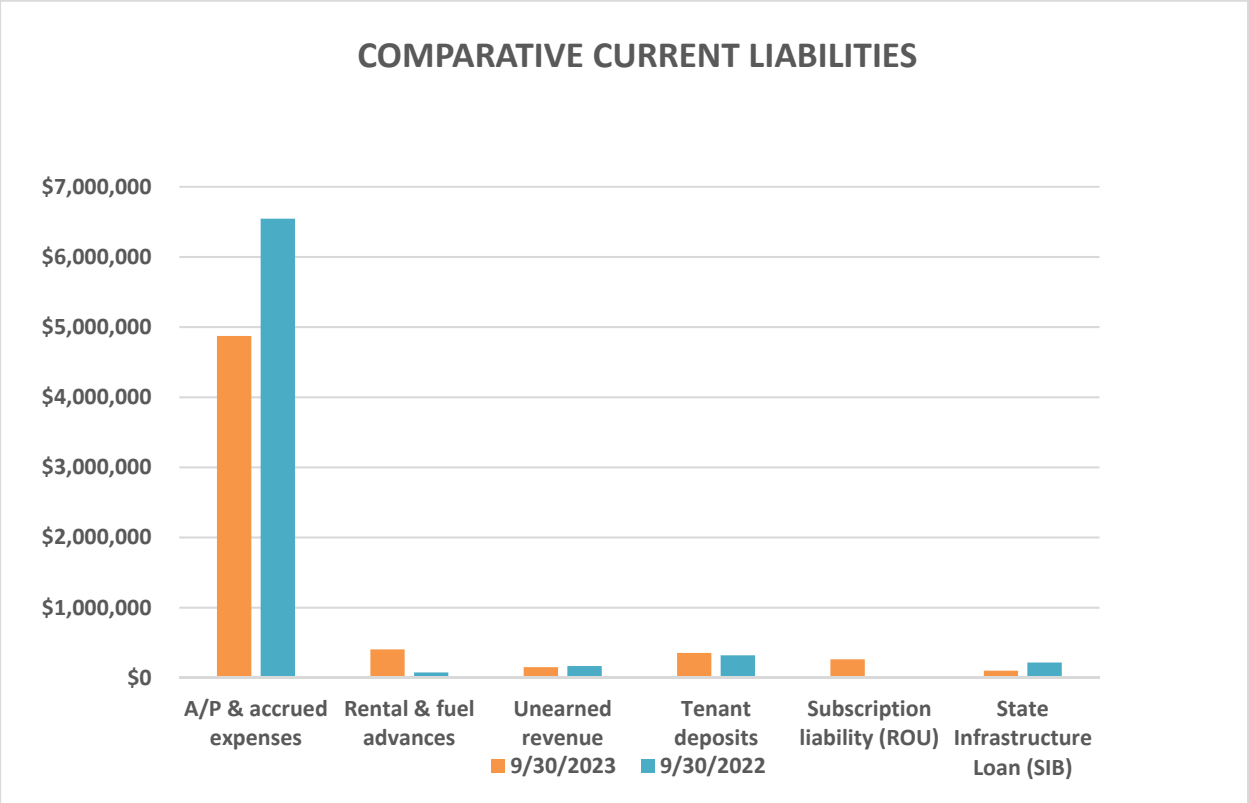
The Airport primarily acquires its capital assets with proceeds from federal and state grants along with Airport matching funds and more recently with the assistance of PFC's. Below is the comparative chart of capital assets as of September 30, 2023 and 2022:



	9/30/2023	9/30/2022	Increase (Decrease)	% Inc (Dec)
Land	$ 6,649,911	$ 6,649,911	$ -	0.0%
Construction in progress	$ 60,716,398	$ 35,929,440	$ 24,786,958	59.2%
Depreciable capital assets	$ 123,764,671	$ 121,785,659	$ 1,979,012	1.6%
Accumulated depreciation	$ (64,679,121)	$ (59,936,376)	$ (4,742,745)	7.3%
Total Capital Assets - Net	**$126,451,859**	**$104,428,634**	**$ 22,023,225**	17.4%

Current Liabilities

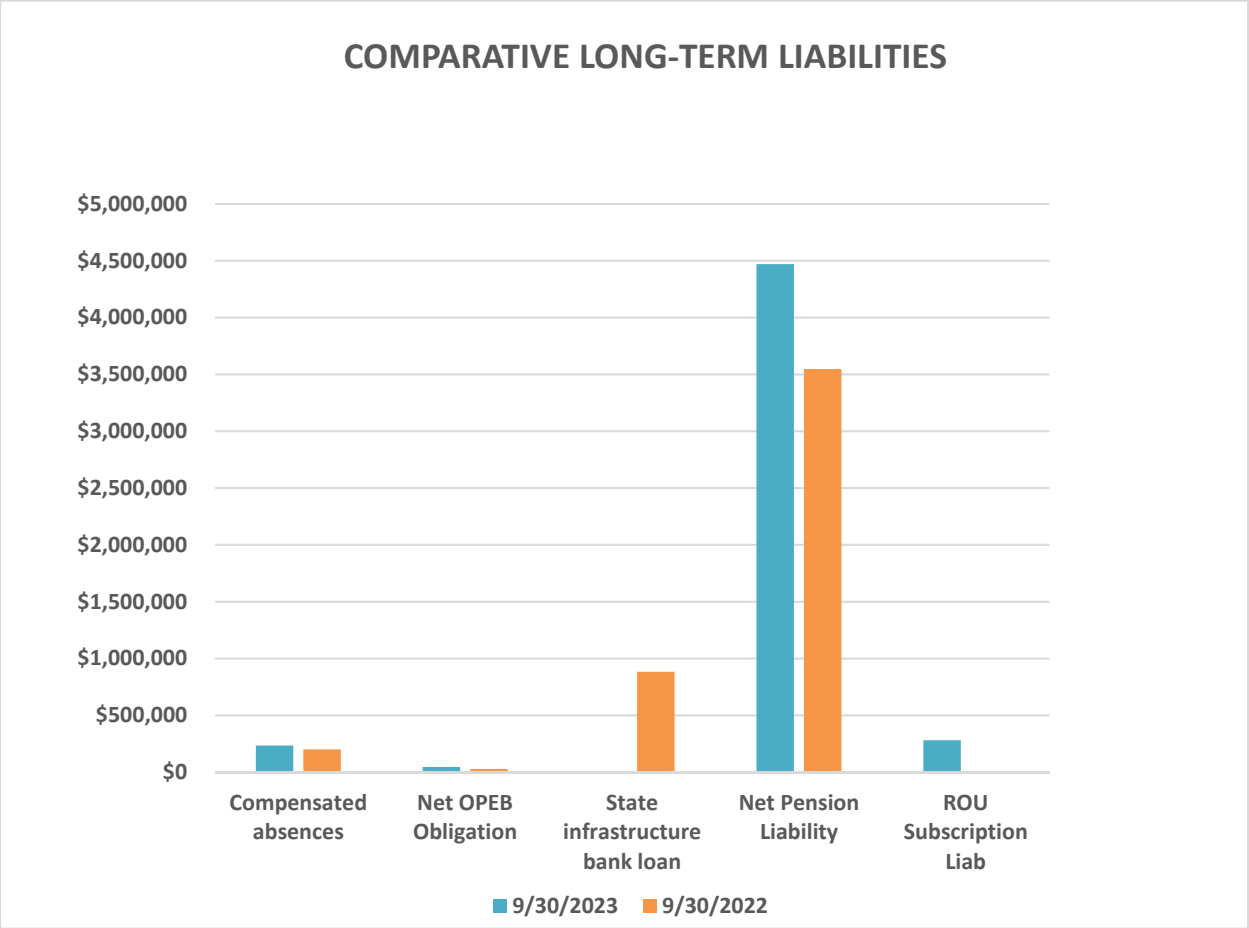
As of September 30, 2023, the Airport's current liabilities totaled $6,145,548 compared to $7,323,783 in the previous fiscal year. A decrease of $1,178,235 in accrued expenses was due to a smaller number of open accounts payable and year end accrued expenses.



CURRENT LIABILITIES	9/30/2023	9/30/2022	INC(DEC)	% INC(DEC)
A/P & accrued expenses	$ 4,873,471	$ 6,545,223	$ (1,671,752)	-34%
Rental & fuel advances	$ 405,116	$ 75,488	$ 329,628	437%
Unearned revenue	$ 149,733	$ 166,598	$ (16,865)	-10%
Tenant deposits	$ 353,725	$ 318,957	$ 34,768	11%
Subscription liability (ROU)	$ 263,733		$ 263,733	
State Infrastructure Loan (SIB)	$ 99,770	$ 217,517	$ (117,747)	-54%
Total	**$ 6,145,548**	**$ 7,323,783**	**$ (1,178,235)**	**-19%**

Long-Term Liabilities

As of September 30, 2023, the Airport's long-term liabilities totaled $5,029,616 compared to $4,657,419 the previous fiscal year. Significant differences include a 100% decrease in the SIB loan balance and a 26% increase in Net Pension Liability.



LONG-TERM LIABILITIES	9/30/2023	9/30/2022	INC(DEC)	% INC(DEC)
Compensated absences	$ 234,100	$ 199,410	$ 34,690	17%
Net OPEB Obligation	$ 45,112	$ 27,964	$ 17,148	61%
State infrastructure bank loan	$ -	$ 882,808	$ (882,808)	-100%
Net Pension Liability	$ 4,469,706	$ 3,547,237	$ 922,469	26%
ROU Subscription Liab	$ 280,698	$ -	$ 280,698	100%
Subtotal	**$ 5,029,616**	**$ 4,657,419**	**$ 372,197**	**8%**

Financial Highlights

- In FY 2023, net position increased by $18,022,991, substantially due to an increase in capital grants.

- Total operating revenues in FY 2023 were $21,844,506, compared to $21,511,554 in FY 2022. The majority of this increase comes from Hurricane Ian related insurance proceeds.

- Total operating expenses in FY 2023 were $18,189,770. The increase of $1,712,138 in comparison to FY 2022 is mostly comprised of an increase in personnel costs to maintain a competitive position in the job market, as well as increased retirement and other employee costs.



The Year 2023 in Review

The Punta Gorda Airport team closed out FY2023 with a strong performance, and we're setting the stage for new opportunities in 2024. The Airport ended FY2023 with a record-breaking year of annual operations surpassing 103K, and over 1.8 million total passengers. Aside from planning for the Bailey Terminal Expansion, we were busy with development across airport property with the construction and opening of 24 new T-hangars and 19 new box hangars in FY2023. Other Capital Improvement Projects completed in FY2023 included Rehab/Reconstruction of Runway 4-22, Bailey Terminal Seating, Wetland Mitigation Phase 2, Taxiway D Rehab, Runway 9-27 Rehab, Roadway Network Improvements, and Self-Serve Fueling Station at the Air Center.

In FY2023, there was a slight decrease in revenues and increase in expenses due to Hurricane Ian impacts. However, The Airport still had success in maintaining an operating gain. In FY2023, The Airport saw an increase in operations including air carrier, air taxi, general aviation, and military. In September 2022, Southwest Florida was hit by Hurricane Ian. After the storm, PGD worked tirelessly to repair and recover. The Airport has recouped $1.3 million in insurance reimbursements and $143,000 from FEMA. While 5 facilities were beyond repair, we have made significant progress with 22 facilities.



FY2023 Completed CIP Projects

- Rehab and Reconstruction of Runway 4-22
- Bailey Terminal Seating Replacement
- Wetland Mitigation Phase 2
- Taxiway D Rehabilitation
- Building 615 Hangars (10) 60'x60'
- Self-serve fueling station relocation to Air Center

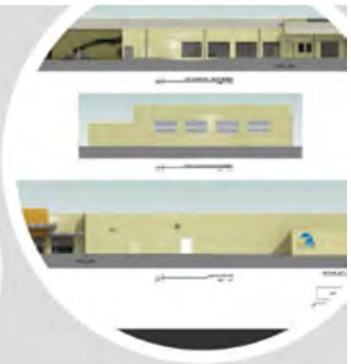




FY2024 Carryover Projects

- Row of T-Hangars with 42' doors
- Nine 50'x50' Box Hangars
- Taxiway G Construction
- Self-Serve Fueling North Ramp
- Airfield Lighting Control Monitoring System Replacement
- Maintenance and Operations Facility
- Terminal In-line Baggage
- Rosati's buildout at Air Center





Hurricane Ian Progress

- Recouped $1.3 million in insurance reimbursements and $143,000 from FEMA
- Worked closely with tenants to accommodate repairs as well as temporary relocations and long-term rebuilding efforts
- While five structures were beyond repair, made significant progress on 22 facilities

TENANT UPDATES



MotoBros motorcross bike racing

PGD added three new aviation tenants, including Starship Maintenance LLC, and two land-leases Disciples Worldwide and Harborside Aviation. PGD also signed leases for two new helicopter tour operators, Blue Sky Helicopters and Str8 Up Aviation. Both will start operating out of the PGD Air Center in 2024.

PGD also added two new long-term non-aviation tenants including Allegiant Operations and MotoBros motorcross bike racing.

Rosati's Pizza franchise owner entered the final permitting phase with Charlotte County.

HURRICANE IAN RECOVERY

In September 2022, Southwest Florida was hit by Hurricane Ian. After the storm, PGD worked tirelessly to repair and recover.

- Recouped $1.3 million in insurance reimbursements and $143,000 from FEMA.
- Worked closely with tenants to accommodate repairs, as well as temporary relocations and long-term rebuilding efforts.
- Added short-term tenants FEMA and Regional Enterprises for storage of mobile homes and RVs for victims.
- 22 facilities made significant progress in repairs, five facilities beyond repair.







Air Service

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 continued to provide multiple weekly flights seasonally to Minneapolis. In FY2023, Allegiant announced new routes to Bangor, Maine and Washington, D.C. Additionally, Allegiant unveiled their special "Together We Fly" livery dedicated to its employees.

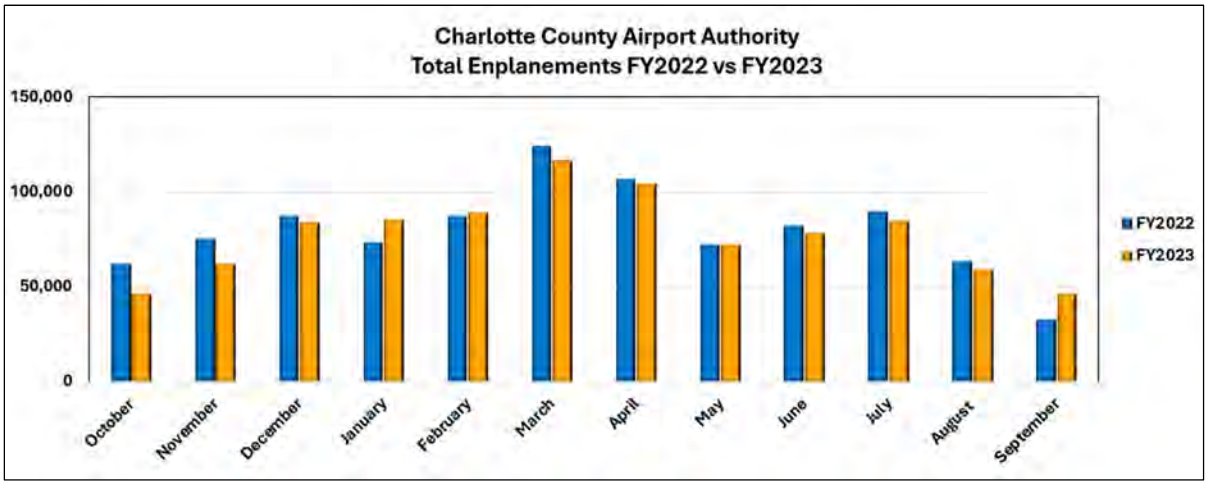

St. Cloud
Minneapolis
Sioux Falls
Appleton
Traverse City
Grand Rapids
Flint
Rochester
Syracuse
Plattsburgh
Bangor
Portsmouth
Albany
Providence
Newburgh
Niagara Falls
Cedar Rapids
Rockford
Chicago
Moline
South Bend
Fort Wayne
Toledo
Canton/Akron
Pittsburgh
Harrisburg
Allentown
Omaha
Des Moines
Peoria
Springfield
Indianapolis
Dayton
Columbus
Cincinnati
Washington D.C.
Richmond
Kansas City
Belleville
Louisville
Lexington
Springfield/Branson
Nashville
Knoxville
Asheville
Concord/Charlotte
allegiant
suncountry airlines
PUNTA GORDA


50+ Nonstop, Low-Cost Destinations
FLYPGD
Punta Gorda Airport



Passenger Comparisons for Fiscal Years 2022 & 2023

Fiscal year 2023 PGD had a total passenger count of 1,854,444 versus the previous fiscal year of 1,910,228 passengers, a decrease of 2.9%. The decrease can be attributed to effects from Hurricane Ian. However, The Authority is optimistic that growth will continue as our community continues to grow.



FY2022	Enplaned Total	Deplaned Total	**Airline Totals**
October	62,048	69,331	131,379
November	74,792	75,554	150,346
December	87,149	94,622	181,771
January	73,503	76,206	149,709
February	86,957	93,917	180,874
March	123,752	125,695	249,447
April	106,045	92,056	198,101
May	72,167	66,508	138,675
June	81,999	81,607	163,606
July	89,196	88,519	177,715
August	63,405	60,532	123,937
September	32,650	32,018	64,668
TOTALS	**953,663**	**956,565**	**1,910,228**

FY2023	Enplaned Total	Deplaned Total	**Airline Totals**
October	46,465	52,627	99,092
November	62,226	62,492	124,718
December	84,029	91,526	175,555
January	85,021	88,890	173,911
February	88,898	93,931	182,829
March	116,310	118,205	234,515
April	103,970	87,003	190,973
May	72,105	66,084	138,189
June	78,062	78,164	156,226
July	84,740	83,990	168,730
August	58,876	56,243	115,119
September	46,565	48,022	94,587
TOTALS	**927,267**	**927,177**	**1,854,444**

Passenger Amenities

- New seating with charging capabilities
- New shuttle buses
- Hidden Disabilities Sunflower program
- Professional audio announcements
- *Dunkin Express & Veteran-themed shuttle bus planned for 2024*



















Events & Milestones

- Honor Flights in May & October
- Curtiss the Hawk Mascot launch
- Triennial Drill Response Exercise
- Florida International Air Show
- Inaugural flight to Bangor, ME


Promotions & Marketing
• Air Center Digital ads targeted to NBAA members in Midwest
• 50+ Destinations, Arrive Early targeted to southwest Florida
• Launched new website in May
• PGD BUZZ sent to 47K recipients
INTRODUCING
new service from
allegiant
to Bangor, Maine
TIME FLIES
Air Center
Fly into
Punta Gorda, Florida

Employee Highlights

Current Staffing:

- 61 Full Time
- 33 Part Time
- 12 Seasonal
- **106 Total CCAA Employees**







- "Aviation Gives Back" to benefit United Way of Charlotte County
- James Parish received Florida Airports Council "Aviation Leadership Award"
- Cory Elijah named top "40 Under 40" in Airport Business magazine
- Hosted various employee appreciation events

Aviation Gives Back
To United Way of Charlotte County

PGD TURNING POINTS

Sunseeker Resort Charlotte Harbor officially opened

The Sunseeker Resort Charlotte Harbor welcomed its first guests in December. PGD officials attended the ribbon-cutting ceremony.





Triennial Drill Response Exercise

Airport stakeholders and emergency responders participated in a full-scale training exercise at PGD. The exercise simulated an emergency response to a model airport accident.







Development Updates

- **Dunkin' Express** will be providing passengers a new food option in baggage claim in 2024.
- Restaurant build out progress continued inside the Air Center.

Kudos

Cory Elijah was recognized by Airport Business as a **Top 40 Under 40.**

James Parish received Florida Airports Council's ***Aviation Leadership Award.***



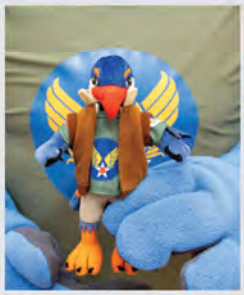


CURTISS THE HAWK

PGD introduced Curtiss the Hawk, the airport's official mascot. Curtiss pays homage to veterans stationed at the Punta Gorda Army Airfield during WWII. Curtiss will make appearances at local community events and passengers can purchase their very own Curtiss plush toy at the airport.







FLORIDA INTERNATIONAL AIR SHOW

PGD hosted the Florida International Air Show in November. The air show is a multi-day event showcasing nationally known performers and exciting static displays of aircraft and vehicles.



Economic Factors and Next Year's Budget

Although The Airport had a slight decrease in revenues and increase in expenses due to Hurricane Ian impacts, we are excited for the growth of our airport and surrounding community. In FY2023, Charlotte County visitor spending increased by 1.7%, and total visitors increased by 1.4% over FY2022. Additionally, ECAP (4,300-acre Enterprise Charlotte Airport Park) growth continues to increase with nearly 4 million square feet of industrial space surrounding PGD being available by 2026. FY2024 projects in design include the Commercial Terminal Expansion and CTC Aviation Tech Facility. The Fiscal Year 2023 Budget was based on operating revenues and expenses the Airport will collect and incur.

Future Outlook

The Airport ended 2023 with a record-breaking year of annual operations surpassing 103K, and over 1.8 million total passengers. The Airport also recouped more than $1.3 million in insurance reimbursements and $143,000 from FEMA for Hurricane Ian expenses. The Airport made significant progress in Hurricane Ian repairs on 22 facilities.

In 2023, the Airport completed rehab and reconstruction of runway 4-22. Runway 4-22 is the preferred runway for commercial airlines as it is the longest runway at 7,193 feet. Runway 4 is also best oriented for prevailing winds and instrument approach procedures. The new Bailey Terminal Seating Replacement was completed, providing passengers with more comfortable and sturdy seats accompanied by additional power outlets. Roadway network improvements included a new turn lane from Piper Road into the main entrance, paved the short-term parking lot, added traffic-calming raised crosswalks and repainted existing crosswalks to improve visibility. The Airport got two new branded 15-passenger shuttle vans offering improved passenger transportation to and from airport parking lots. Professional audio announcements were also installed in the Bailey Terminal. Finally, we launched the Hidden Disabilities Sunflower Program to help airport workers identify and accommodate passengers with hidden disabilities.

To support funding for Capital Improvement Projects, The Airport was awarded approximately $10.9 million in federal grants and approximately $2.8 million in state grants in FY2023.

The Airport has so much to look forward to in FY2024. Carryover projects include additional T-Hangars and Box Hangars, Taxiway G construction, Self-Serve Fueling on the North Ramp, Airfield Lighting Control Monitoring System replacement, a new Maintenance and Operations Facility, Terminal In-Line Baggage, and Rosati's buildout at the Air Center. Taxiway G is essential

to connecting Taxiway E to meet Taxiway A, providing a new connection to Runway 4-22 that did not previously exist. It provides an immense improvement to the user experience, removing all the complexities of the runway crossings. The Terminal In-Line Baggage system will make behind-the-scenes baggage handling and screening quicker and more efficient. Rosati's Pizza restaurant is slated to open at the PGD Air Center and will offer delicious food options with runway views.

Alongside passenger amenities and general aviation initiatives, The Airport continued its future planning with the following CIP projects in design:

- Commercial Terminal Expansion
- Air Center Hangar for transient aircraft
- Northside Infrastructure Development
- CTC Aviation Tech Facility
- Taxiway A/C Reconstruction and Taxiway C/D Intersection Improvements
- Golf Course Blvd./Challenger Road Improvements
- Fuel Farm Access Road and Security Improvement

The Commercial Terminal Expansion is anticipated to provide at least 50,000 additional square feet, and renovate more than 20,000 square feet of the existing Bailey Terminal. After the expansion is complete, passengers will have more curbside space for drop-off and pickup, additional food/beverage options, more improved restrooms, a new departures concourse, and additional space for overall public circulation. As part of the Hurricane Ian recovery projects, a new Rental Car Facility will be constructed and connected to the terminal expansion. The Airport is partnering with Charlotte Technical College to build the new CTC Aviation Tech Facility. The larger facility is necessary to meet the aviation industry demand for aircraft mechanics and CTC's growing student enrollment. This project aims to diversify economic development opportunities in the region, create new and high-quality job candidates, and support a burgeoning aviation industry in Florida. Additional passenger amenities to look forward to include a Dunkin Donuts Express and a Veteran-themed shuttle bus.

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 thousands of employees.

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, 2023 and 2022

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 41,861,739	$ 43,508,187
Accounts receivable, net	302,036	230,660
Grant receivables	5,112,056	9,447,381
Other receivables	864,258	831,589
Notes receivables, current portion	150,000	150,000
Inventories	114,386	181,748
Prepaid expenses	565,528	254,911
Public-private partnership receivable, current portion	3,851,841	-
Leases receivable (ROU), current portion	762,275	351,640
TOTAL CURRENT ASSETS	53,584,119	54,956,116
RESTRICTED ASSETS		
Cash and cash equivalents - tenant deposits	353,725	318,957
Cash and cash equivalents - PFC's	2,950,589	2,593,711
TOTAL RESTRICTED ASSETS	3,304,314	2,912,668
NONCURRENT ASSETS		
Notes receivables**,** non current portion	412,500	562,500
Public-private partnership receivable, net of current portion	4,099,601	-
Leases receivable (ROU), net of current portion	2,964,420	2,722,119
TOTAL NONCURRENT ASSETS	7,476,521	3,284,619
CAPITAL ASSETS		
Capital assets not being depreciated:		
Land	6,649,911	6,649,911
Construction in progress	60,716,398	35,929,440
Capital assets being depreciated:		
Buildings	53,886,516	53,623,457
Airport master plan	1,727,490	1,727,490
Capital improvements	59,954,600	59,283,573
Furniture, fixtures and equipment	8,148,765	7,103,839
Donated surplus equipment	47,300	47,300
Less: accumulated depreciation	(64,679,121)	(59,936,376)
CAPITAL ASSETS, NET	126,451,859	104,428,634
TOTAL ASSETS	190,816,813	165,582,037
DEFERRED OUTFLOWS OF RESOURCES	1,168,593	1,306,072

The accompanying notes are an integral part of this statement.

	2023	2022
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	$ 4,873,471	$ 6,545,223
Rental and fuel advances	405,116	75,488
Unearned revenue	149,733	166,598
Tenant deposits	353,725	318,957
Subscription liability (ROU), current portion	263,733	-
State Infrastructure Bank (SIB) loan, current portion	99,770	217,517
TOTAL CURRENT LIABILITIES	6,145,548	7,323,783
LONG-TERM LIABILITIES		
State Infrastructure Bank (SIB) loan, net of current portion	-	882,808
Estimated liability for compensated absences	234,100	199,410
Subscription liability (ROU), net of current portion	280,698	-
Net OPEB liability	45,112	27,964
Net pension liability	4,469,706	3,547,237
TOTAL LONG-TERM LIABILITIES	5,029,616	4,657,419
TOTAL LIABILITIES	11,175,164	11,981,202
DEFERRED INFLOWS OF RESOURCES	11,099,557	3,219,213
NET POSITION		
Net investment in capital assets	126,352,089	103,328,309
Unrestricted	43,358,596	48,359,385
TOTAL NET POSITION	$ 169,710,685	$ 151,687,694

CHARLOTTE COUNTY AIRPORT AUTHORITY
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Years ended September 30, 2023 and 2022

	2023	2022
OPERATING REVENUES		
Fuel and oil sales	$ 5,244,133	$ 5,501,019
Industrial and commercial park rentals	1,826,092	1,378,461
Hangar rentals and tie downs	1,009,868	919,281
General-aviation-related concession, vending and fees	28,430	27,611
Airline-related revenues:		
Car rentals	6,521,844	7,622,647
Parking	4,588,920	4,230,076
Other, including LEO and concessions	1,907,627	1,719,450
Other operating revenues	717,592	113,009
TOTAL OPERATING REVENUES	21,844,506	21,511,554
OPERATING EXPENSES		
Salaries and wages	5,050,148	4,373,146
Payroll taxes and retirement	2,120,059	1,121,370
Personnel expenses	1,379,956	1,151,673
Cost of fuel and oil sales	2,990,560	3,309,050
Advertising	5,618	1,907
Marketing and promotional	227,198	205,209
Bank charges and credit card fees	105,498	84,940
Dues and subscriptions	62,839	64,354
Insurance	777,758	489,583
Legal and professional	532,792	420,036
Licenses and permits	4,316	5,839
Mowing	12,072	16,689
Postage	5,266	4,415
Repairs and maintenance and equipment fuel	1,191,149	1,704,559
Computer maintenance and expense	451,020	390,760
Supplies (including vending purchases)	444,170	424,989
Telephone and communications	65,397	104,518
Travel and auto allowance	75,695	68,185
Utilities	620,633	548,376
Airline expenses	2,014,241	1,953,192
Security	53,385	34,842
TOTAL OPERATING EXPENSES BEFORE DEPRECIATION	18,189,770	16,477,632
NET OPERATING INCOME BEFORE DEPRECIATION	3,654,736	5,033,922
Less: Depreciation	(4,898,356)	(4,750,728)
OPERATING REVENUE (LOSS)	$ (1,243,620)	$ 283,194

The accompanying notes are an integral part of this statement.

	2023	2022
OPERATING REVENUE (LOSS) from previous page	$ (1,243,620)	$ 283,194
NON-OPERATING REVENUES (EXPENSES)		
PFC's	4,145,333	4,398,424
CFC's	1,388,208	1,576,089
Other financial assistance- Covid related	771,854	14,545,739
Interest on investments	1,164,872	116,736
Interest on lease receivables	85,815	73,559
Miscellaneous revenue (expense)	254,221	(419,981)
Hurricane expenses	(2,604,895)	-
Interest expense - SIB	(22,006)	(58,051)
Gain (loss) on disposition of capital assets	18,142	(9,565)
Post retirement benefit accrual (expense)	(6)	(5,222)
Bank fees	(869)	(2,386)
NET NON-OPERATING REVENUES (EXPENSES)	5,200,669	20,215,342
GAIN (LOSS) BEFORE CAPITAL CONTRIBUTIONS	3,957,049	20,498,536
CAPITAL CONTRIBUTIONS		
Capital grants and contributions	14,065,942	15,759,057
TOTAL CAPITAL CONTRIBUTIONS	14,065,942	15,759,057
INCREASE (DECREASE) IN NET POSITION	18,022,991	36,257,593
NET POSITION - Beginning of the year	151,687,694	115,430,101
NET POSITION - End of the year	$ 169,710,685	$ 151,687,694

The accompanying notes are an integral part of this statement.

CHARLOTTE COUNTY AIRPORT AUTHORITY
STATEMENTS OF CASH FLOWS
Years ended September 30, 2023 and 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$ 22,274,522	$ 21,958,073
Cash received from customer deposits	34,768	52,579
Other income received	5,353,484	5,925,785
Cash payments for goods and services	(16,428,167)	(7,840,789)
Cash payments to employees	(5,050,148)	(4,098,324)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	6,184,459	15,997,324
CASH FLOWS FROM NONCAPITAL FINANCING		
Proceeds from covid related funding	-	15,994,891
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Contributions from government agencies	19,172,736	10,644,183
Acquisition and construction of capital assets	(26,921,581)	(25,511,884)
Principal payments (SIB)	(1,000,555)	(2,434,420)
Interest expense on debt (SIB)	(22,006)	(58,051)
Bank fees	(869)	(2,386)
Proceeds from disposition of capital assets	18,142	1,551
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	(8,754,133)	(17,361,007)
CASH FLOWS FROM INVESTING ACTIVITIES		
Issuance of note receivable	-	(750,000)
Principal payments received on note receivable	150,000	37,500
Interest earned on investments	1,164,872	116,736
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	1,314,872	(595,764)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,254,802)	14,035,444
CASH AND CASH EQUIVALENTS - BEGINNING	46,420,855	32,385,411
CASH AND CASH EQUIVALENTS - ENDING	$ 45,166,053	$ 46,420,855

The accompanying notes are an integral part of this statement.

	2023	2022
RECONCILIATION OF OPERATING REVENUE (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
OPERATING REVENUE (LOSS)	$ (1,243,620)	$ 283,194
Adjustments to reconcile operating revenue (loss) to net cash provided by (used in) operating activities:		
Depreciation	4,898,356	4,750,728
Bad debt expense	-	-
(Gain) loss on disposition of capital assets	(18,142)	9,565
Miscellaneous non-operating net revenue	3,273,898	5,974,311
(Increase) decrease in accounts receivable	(71,376)	(61,622)
(Increase) decrease in other receivables	(32,669)	58,812
(Increase) decrease in inventories	67,362	(74,706)
(Increase) decrease in prepaid expenses	(310,617)	71,463
Increase (decrease) in accounts payable and accrued expenses	(1,671,752)	4,729,321
Increase (decrease) in rental and fuel advances	329,628	14,698
Increase (decrease) in unearned revenue	(16,865)	65
Increase (decrease) in tenant deposits	34,768	52,579
Increase (decrease) in estimated liability for compensated absences - non cash	34,690	36,953
Net increase (decrease) in pension expense - non cash	910,792	146,741
Net increase (decrease) in OPEB expense - non cash	6	5,222
TOTAL ADJUSTMENTS	7,428,079	15,714,130
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	$ 6,184,459	$ 15,997,324

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

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, on July 1, 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.

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).

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

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

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.

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.

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

Government-wide financial statements, continued

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.

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.

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

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.

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.

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

Budgetary process, continued

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, 2023. The budget amendments decreased total budgeted revenues (operating and non-operating) by $23,592,466 and decreased total budgeted expenses (operating and non-operating) by $23,592,466.

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.

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.

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

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.

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

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

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.

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.

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

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: certain leases are long-term and noncancellable and therefore require application of GASB Statement No. 87 (see Notes F and A below) and certain leases are cancellable and substantially, monthly renewable. Therefore, those 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.

Accounting Pronouncement GASB Statement 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

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

Accounting Pronouncement GASB Statement No. 42, continued

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, 2023 or 2022.

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.

Accounting Pronouncement GASB Statement No. 87

During the year ended September 30, 2022, the Authority implemented the guidance in GASB Statement No. 87, Leases, and recognized the value of leasing agreements for various land and building leases on the premises. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use (ROU), an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and lessor is required to recognize a lease receivable and a deferred inflow of resources.

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

Accounting Pronouncement GASB Statement No. 87, continued

The provisions of this Statement are required to be applied retroactively and leases should be recognized and measured using the facts and circumstances that existed at the beginning of the period of implementation. As a result, the Authority measured its lease receivables based upon the leases in place as of October 1, 2020, the beginning of the earliest date presented, and based upon the remaining lease terms as of that date, as opposed to determination of the lease receivables based upon the origination date of each lease agreement.

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.

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

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. A deferred amount on the ROU lease receivables results from the difference in the present value of lease revenue. This amount is deferred and amortized over the life of the lease term.

New Accounting Guidance

GASB 94: *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

In March 2020, the GASB issued Statement No. 94 (*Public-Private and Public-Public Partnerships and Availability Arrangements)* to bring a uniform guidance on how to report public-private and public-public partnership arrangements, will recognize receivables for installment payments, deferred inflows of resources, and, when applicable, capital assets. Operators will recognize liabilities for installment payments and intangible right-to-use assets, and when applicable, deferred outflows of resources and liabilities for assets being transferred.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangement in which a government compensates an operator for

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

New Accounting Guidance, Continued

services such as designing, constructing, financing, maintaining, or operating an underlying asset for a period of time in an exchange or exchange-like transaction. The provisions of this Statement are effective for the Authority's financial statements for the year ended September 30, 2023. The Authority had multiple arrangements that met this Statement's reporting criteria and the related arrangement costs were considered immaterial. For further discussion see Note G.

GASB 96: *Subscription-Based Information Technology Arrangements (SBITAs)*

In May 2020, the GASB issued Statement No. 96 (*Subscription-Based Information Technology Arrangements (SBITAs)),* which defined the SBITAs and provides accounting and financial reporting for SBITAs by governments. This Statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for the SBITAs. The provisions of this Statement are effective for the Authority's financial statements for the year ended September 30, 2023. The Authority had arrangements that met this Statement's reporting criteria and have reported them as subscription right of use asset and liability, respectively, on the Government-Wide financial statements. For further discussion see Note U.

Subsequent events

Subsequent events have been evaluated through June 10, 2024, which is the date the basic financial statements were available to be issued.

NOTE B - CASH AND INVESTMENTS

At September 30, 2023 and 2022, cash and cash equivalents were $45,166,053 and $46,420,855, including cash on hand of $28,178 and $27,207, respectively. The carrying amount of $45,166,053 at September 30, 2023, was comprised of unrestricted cash of $41,874,489 and restricted cash of $3,291,564. At September 30, 2022, the carrying amount of $46,420,855 was comprised of unrestricted cash of $43,508,187 and restricted cash of $2,912,668.

NOTE B - CASH AND INVESTMENTS, CONTINUED

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, 2023 and 2022, 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, 2023	Bank Balance	Carrying Amount
Unrestricted		
Depository accounts	$ 42,077,012	$ 41,833,561
Restricted		
Depository account - tenant deposits	353,725	353,725
Depository account - PFC's	2,950,589	2,950,589
	$ 45,381,326	$ 45,137,875
September 30, 2022		
Unrestricted		
Depository accounts	$ 43,457,719	$ 43,480,980
Restricted		
Depository account - tenant deposits	318,957	318,957
Depository account - PFC's	2,593,711	2,593,711
	$ 46,370,387	$ 46,393,648

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, 2023 or 2022, or at the respective year ends.

NOTE C - ACCOUNTS RECEIVABLE, NET

Accounts receivable consists of the following at September 30:

	2023	2022
Accounts receivable	$ 302,036	$ 230,660
Less: allowance for doubtful accounts	-	-
Accounts receivable, net	$ 302,036	$ 230,660

An allowance for doubtful accounts is recorded in the amounts of $0 and $0 at September 30, 2023 and 2022, respectively. Bad debt expense for the years ended September 30, 2023 and 2022, was $0 and $0, respectively.

NOTE D - GRANT RECEIVABLES

Grant receivables consist of the following at September 30:

Federal Awards	2023	2022
U.S. Department of Transportation		
4-22 Runway Rehabilitation (AIP 43)	$ 427,207	$ 4,669,198
ARPA Airport (AIP 44) Covid Related	771,854	2,805,204
Rehab Taxiway D (AIP 46)	2,450,975	463,061
Rehab Taxiway G (AIP 47)	581,659	-
State of Florida Division of Emergency Management		
Dr 4673 - Hurricane Ian	146,307	-
TSA OTA Online Checked Baggage System*	160,349	379,501
Florida Department of Economic Opportunity		
CTC Facility	235,236	-
U.S. Department of Homeland Security*		
Leo Award Program	59,745	57,561
State Awards		
Department of Transportation (FDOT)		
PGD ARPT Taxiway D Rehab and Intersections (G2B20)	134,820	-
Taxiway G-Taxiway EXT Ramp to TW A (G2H7A)	10,251	-
Runway 15-33 Rehab & Extension (G0Z65)	-	771,481
New GA Terminal Facility (GOZ64)	133,653	135,484
Roadway Network Improvements (G2540)	-	165,891
	$ 5,112,056	$ 9,447,381

* Not subject to Federal Single Audit

Grant related bad debt expense for the years ended September 30, 2023 and 2022, was $0 and $0, respectively. Management believes state and federal grants are fully collectible, however, during the year ended September 30, 2022, the Authority did write off a prior year AIP-37 grant receivable in the amount of $371,253 as the amount was determined uncollectible.

NOTE E - NOTES RECEIVABLE

The Authority entered into a agreement on May 1, 2022, with one of the Authority's concessionaires to pay for a lease improvement for one of the concessions. The Authority agreed to loan $750,000 to the respective concessionaire for the leasehold improvement that will be paid back in monthly installments of $12,500 at 1.5% interest for 60 months. The payments started on July 1, 2022. The five year minimum payment schedule is a follows:

Years Ending September 30	Principal	Interest	Total
2024	$ 150,000	$ 5,789	$ 155,789
2025	150,000	5,789	155,789
2026	150,000	5,789	155,789
2027	112,500	4,342	116,842
	$ 562,500	$ 21,709	$ 584,209

The Authority collected interest income of $5,789 and $1,447 during the years ended September 30, 2023 and 2022, respectfully.

NOTE F - LEASES RECEIVABLE

The Authority has entered into agreements to lease certain building and land on the airport premises. The lease agreements qualify as other than short-term leases under GASB Statement No. 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The leases receivable are measured at a discount rate of 2.75%, which was the Authority's incremental borrowing rate.

The future minimum lease rental income as of September 30, 2023, is as follows:

Years Ending September 30	Lease Income	Interest	Total
2024	$ 762,275	$ 90,953	$ 853,228
2025	742,147	70,181	812,328
2026	569,037	50,596	619,633
2027	321,089	39,463	360,552
2028	327,197	30,583	357,780
2029-2033	737,380	60,629	798,009
2034-2036	148,306	5,852	154,158
	$ 3,607,431	$ 348,257	$ 3,955,688

Lease income recognized during the year ended September 30, 2023 and 2022, was $494,345 and $322,435, respectively.

Amortization of the ROU asset was $772,126 and $326,435 for the year ended September 30, 2023 and 2022, including interest income of $85,815 and $73,559, respectively.

NOTE F - LEASES RECEIVABLE, CONTINUED

The unamortized lease deferred inflow balance was $3,607,431 and $2,831,811 at September 30, 2023 and 2022, respectively.

NOTE G - PUBLIC-PRIVATE PARTNERSHIP RECEIVABLE

The District entered into multiple public-private partnerships (PPPs) for concessions, advertising, and providing rental car services. The agreements have various terms and minimum amount guarantees (MAGs) used to calculate payments. The District aggregated the PPPs for reporting purposes. The District used a discount rate of 6.25% (incremental borrowing rate) to record the present value of the future minimum payments as of the date of implementation.

The District is capitalizing the arrangements over a 3 year term consistent with its fixed asset capitalization policy.

The future minimum PPP payments as of September 30, 2023 is as follows:

Years Ending September 30	Amount
2024	$ 4,239,708
2025	4,239,708
	8,479,416
Impact of present value discount	(527,974)
Present value	$ 7,951,442

The amortization of the PPP liability for the year ended September 30, 2023, was $560,386.

At September 30, 2023, the right of use PPP asset and right of use PPP liability balances are as follows:

	Amount
Public-private partnership receivable (ROU), current portion	$ 3,851,841
Public-private partnership receivable (ROU), net of current portion	4,099,601
	$ 7,951,442
Public-private partnership liability (ROU), current portion	$ 3,851,841
Public-private partnership liability (ROU), net of current portion	4,099,601
Deferred Inflow	$ 7,951,442

NOTE H - CAPITAL ASSET ACTIVITY

The following is a summary of changes in capital asset activity for the year ended September 30, 2023:

	Balance October 1, 2022	Additions	Deletions	Adjustments/ Reclasses	Balance September 30, 2023
Capital Assets Not Being Depreciated:					
Land	$ 6,649,911	$ -	$ -	$ -	$ 6,649,911
Construction in Progress	35,929,440	25,402,194	-	(615,236)	60,716,398
Total Capital Assets Not Being Depreciated	42,579,351	25,402,194	-	(615,236)	67,366,309
Capital Assets Being Depreciated:					
Buildings	53,623,457	263,059	-	-	53,886,516
Airport Master Plan	1,727,490	-	-	-	1,727,490
Capital Improvements	59,283,573	55,791	-	615,236	59,954,600
Furniture, Fixtures and Equipment	7,103,839	1,200,537	(155,611)	-	8,148,765
Donated Surplus Equip.	47,300	-	-	-	47,300
Total Capital Assets Being Depreciated	121,785,659	1,519,387	(155,611)	615,236	123,764,671
Less Accumulated Depreciation:					
Buildings	(22,824,854)	(1,695,640)	-	-	(24,520,494)
Airport Master Plan	(1,168,195)	(305,070)	-	-	(1,473,265)
Capital Improvements	(31,539,460)	(2,234,930)	-	-	(33,774,390)
Furniture, Fixtures and Equipment	(4,384,085)	(657,986)	155,611	-	(4,886,460)
Donated Surplus Equip.	(19,782)	(4,730)	-	-	(24,512)
Total Accum. Depreciation	(59,936,376)	(4,898,356)	155,611	-	(64,679,121)
Capital Assets, Net	$ 104,428,634	$ 22,023,225	$ -	$ -	126,451,859
		Related Long Term Debt			(99,770)
		Net Investment in Capital Assets			$ 126,352,089

NOTE H - CAPITAL ASSET ACTIVITY, CONTINUED

The depreciation expense for the years ended September 30, 2023 and 2022, was $4,898,356 and $4,750,728, respectively.

At September 30, 2023 and 2022, the Authority leased to various tenants buildings with a cost $30,826,062 and $30,563,003 which had accumulated depreciation of $17,281,478 and $16,358,387 and depreciation expense of $923,091 and $931,578, respectively, which are included in the depreciation expense totals above.

NOTE I - 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, 2021	$ 1,453,485	$ 2,081,260	$ 162,457	$ 22,742	$ 1,452,471	$ 5,172,415
Borrowings/Increase (net)	-	-	36,953	5,222	2,094,766	2,136,941
Principal retired (net)	(1,453,485)	(980,935)	-	-	-	(2,434,420)
Balance - Sept. 30, 2022	-	1,100,325	199,410	27,964	3,547,237	4,874,936
Borrowings/Increase (net)	-	-	34,690	17,148	922,469	974,307
Principal retired/decrease (net)	-	(1,000,555)	-	-	-	(1,000,555)
Balance - Sept. 30, 2023	-	99,770	234,100	45,112	4,469,706	4,848,688
Principal due within one (1) year	-	(99,770)	-	-	-	(99,770)
Long Term Portion	$ -	$ -	$ 234,100	$ 45,112	$ 4,469,706	$ 4,748,918

NOTE I - LONG-TERM LIABILITIES, CONTINUED

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

	2023	2022
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.	$ 234,100	$ 199,410
Net OPEB liability - GASB No. 75 actuarially determined	45,112	27,964
Net pension obligation - FRS pension plan. This amount is actuarially determined through calculation based upon the audited financial statements of the Florida FRS Plan.	2,701,939	2,493,623
Net pension obligation - HIS plan. This amount is actuarially determined through calculation based upon the audited financial statements of the Florida FRS Plan.	1,767,767	1,053,614
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. The Authority made an early payment to satisfy the loan in full during on Janauary 2022.	-	-
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 are scheduled until 2024.	99,770	1,100,325
Total	4,848,688	4,874,936
Less: current portion	(99,770)	(840,829)
Long-term portion	$ 4,748,918	$ 4,034,107

NOTE I - LONG-TERM LIABILITIES, CONTINUED

The annual debt service requirements at September 30, 2023, were as follows:

Years Ending September 30	SIB Loan 2020	Total Principal
2024	$ 99,770	$ 99,770
2025	-	-
2026	-	-
2027	-	-
2028	-	-
2029-2034	-	-
	$ 99,770	99,770
Accrued compensated absences		234,100
Net OPEB liability		45,112
Net pension liability		4,469,706
Total Long-Term Debt		$ 4,848,688

Interest costs of $22,006 were expensed during the year ended September 30, 2023. Interest costs of $58,051 were expensed during the year ended September 30, 2022.

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 J - 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, 2023, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

The Authority's total pension expense was $1,486,546, $591,846 and $162,855 for the years ended September 30, 2023, 2022 and 2021, respectively. The Authority's actual total contributions to the Plan were $575,754 and $445,105 for the years ended September 30, 2023 and 2022, respectively. The Authority contributed 100% of the required contributions.

NOTE J - 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 and 6 years of service 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 with 8 years of service or at any age after 30 years of service. However, effective July 1, 2023, for special risk who enrolled on or after July 1, 2011, normal retirement date changed to the earlier of 25 years of creditable service or age 55. 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.

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 elect to participate in DROP at any time after reaching normal retirement date for a period not to exceed 60 months after electing to participate. Effective July 1, 2023, an

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

FRS Pension Plan, continued

employee may participate in DROP for a period not to exceed 96 months (8 years) after electing to participate except for certain instructional personnel who can participate for 120 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. Interest accrues at 4% on DROP accumulation held on or after July 1, 2023, and at 1.3% prior. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits. 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. The restricted 12 month election window was removed. Participants may elect to enter DROP at anytime after becoming fully vested and reaching normal retirement age.

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

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

FRS Pension Plan, continued

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

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, 2023, were as follows:

	Percent of Gross Salary*		
Class	Employee	Employer (1)	Employer (3)
Florida Retirement System, Regular	3.00	11.91	13.57
Florida Retirement System, Senior Management Service	3.00	31.57	34.52
Florida Retirement System, Special Risk	3.00	27.83	32.67
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes	0.00	18.60	21.13
Florida Retirement System, Reemployed Retiree	(2)	N/A	N/A
Florida Retirement System, Elected Official	3.00	57.00	58.68

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 7/1/22 - 6/30/23.

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

(3) Employer rates include 2.0 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 7/1/23 - 6/30/24.

* As defined by the Plan.

NOTE J - 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, 2023 (measurement date), the Authority reported an FRS pension liability of $2,701,939 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The Authority's proportionate share of the net pension liability was based on the Authority's 2022-23 fiscal year contributions relative to the total 2022-23 fiscal year contributions of all participating members. At September 30, 2023, the Authority's proportionate share was .006780812 percent, which was an increase of .000078972 percent from its proportionate share measure as of September 30, 2022.

For the year ended September 30, 2023, the Authority recognized FRS pension expense of $1,263,564. 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	$ 253,689	$ -
Change of assumptions	176,136	-
Net difference between projected and actual earnings on pension plan investments	112,840	-
Changes in proportion and differences between Authority contributions and proportionate share of contributions	240,348	110,410
Authority contributions subsequent to the measurement date	92,630	-
Total	$ 875,643	$ 110,410

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

FRS Pension Plan, continued

The deferred outflows of resources related to the FRS pension, totaling $92,630 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, 2024. 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 5.3 years as follows:

Fiscal Years Ending September 30	Amount
2024	$ 158,387
2025	158,387
2026	158,387
2027	158,387
2028	130,177
Thereafter	(91,122)
Total	$ 672,603

Actuarial Assumptions. The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	July 1, 2023
Measurement date	June 30, 2023
Inflation	2.40 percent
Real payroll growth	0.85 percent
Salary increases	3.25 percent, average, including inflation
Investment rate of return	6.70 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, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

NOTE J - 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%	2.9%	2.9%	1.1%
Fixed income	19.80%	4.5%	4.4%	3.4%
Global equity	54.00%	8.7%	7.1%	18.1%
Real estate (property)	10.30%	7.6%	6.6%	14.8%
Private equity	11.10%	11.9%	8.8%	26.3%
Strategic investments	3.80%	6.3%	6.1%	7.7%
Total	100.00%			
Assumed inflation - Mean		2.40%		1.40%

(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 investments for the Plan year ended June 30, 2023, was 7.58%.

Discount Rate. The discount rate used to measure the total pension liability was 6.70 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 J - 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 6.70 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 (5.70 percent) or 1-percentage-point higher (7.70 percent) than the current rate:

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
Authority's proportionate share of the net pension liability	$ 4,615,462	$ 2,701,939	$1,101,048

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 Annual Comprehensive Financial Report ("FRS ACFR") dated June 30, 2023.

The FRS ACFR 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, 2023, the Authority reported a payable of $6,204 for the outstanding amount of contributions in the pension plan required for the year ended September 30, 2023.

NOTE J - 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. Prior to July 1, 2023, 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. Subsequent to July 1, 2023, eligible retirees and beneficiaries receive $7.50 for each year of service monthly. Maximum benefit is $225 or $2,700 annually. 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, 2023, the contribution rate was 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. Subsequent to July 1, 2023, the rate was 2%. 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, 2023, the Authority reported a HIS liability of $1,767,767 for its proportionate share of the net HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The Authority's proportionate share of the net HIS liability was based on the Authority's 2022-23 fiscal year contributions relative to the total 2022-23 fiscal year contributions of all participating members. At September 30, 2023, the Authority's proportionate share was .011131101 percent, which was an increase of .001183459 percent from its proportionate share measured as of September 30, 2022.

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

HIS Plan, continued

For the fiscal year ended September 30, 2023, the Authority recognized HIS expense of $222,982. 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	$ 25,879	$ 4,149
Change of assumptions	46,475	153,183
Net difference between projected and actual earnings on HIS pension plan investments	913	-
Changes in proportion and differences between Authority HIS contributions and proportionate share of HIS contributions	268,092	17,968
Authority contributions subsequent to the measurement date	23,587	-
Total	$ 364,946	$ 175,300

The deferred outflows of resources related to HIS, totaling $23,587, 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, 2024. 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 6.3 years as follows:

Fiscal Years Ending September 30	Amount
2024	$ 31,388
2025	31,388
2026	31,388
2027	31,389
2028	31,160
Thereafter	9,346
Total	$ 166,059

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

HIS Plan, continued

Actuarial Assumptions. The total pension liability in the July 1, 2023, 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	3.65 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 increased from 3.54 percent to 3.65 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 3.65 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 (2.65 percent) or 1-percentage-point higher (4.65 percent) than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65)
Authority's proportionate share of the net HIS liability	$ 2,016,747	$ 1,767,767	$ 1,561,380

NOTE J - 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 Annual Comprehensive Financial Report ("FRS ACFR") dated June 30, 2023.

The FRS ACFR 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, 2023, the Authority reported a payable of $1,095 for the outstanding amount of contributions to the HIS plan required for the fiscal year ended September 30, 2023.

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 J - 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 2022-23 fiscal year were as follows:

	Percent of Gross Salary*		
Class	Employee	Employer (1)	Employer (3)
Florida Retirement System, Regular	3.00	6.3	8.3
Florida Retirement System, Senior Management Service	3.00	7.67	9.67
Florida Retirement System, Special Risk	3.00	14.10	16.00
Florida Retirement System, Reemployed Retiree	(2)	N/A	N/A
Florida Retirement System, Elected Official	3.00	11.34	13.34

Notes:
(1) Contribution rates are dependent upon retirement class in which reemployed. employer rates, other than for DROP participants, include .06 percent for administrative costs for the Investment Plan. Rates for 7/1/22 - 6/30/23.
(2) Contribution rates are dependent upon retirement class in which reemployed.
(3) Employer rates include 2.0 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 7/1/23 - 6/30/24.

* As defined by the Plan.
Effective July 1, 2023, Employer contribution rates increased by 2% in all membership classes.

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, 2023, 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 J - 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 $263,589 for the fiscal year ended September 30, 2023.

Payables to the Investment Plan. At September 30, 2023, the Authority reported a payable of $0 for the outstanding amount of contributions to the Plan required for the fiscal year ended September 30, 2023.

NOTE K - 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, 2023 and 2022, the Authority contributed $166,278 and $117,186, respectively.

NOTE L - 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 $777,758 and $489,583 for these coverages (not including claims expense) for the years ended September 30, 2023 and 2022, respectively.

NOTE L - 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, 2023 and 2022, the Authority paid $1,259,209 and $1,053,828, 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 M - 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, 2023 and 2022, 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 N - CONSTRUCTION-RELATED COMMITMENTS

The following is a summary of construction projects contracted by the Authority and not yet completed at September 30, 2023:

	Contract Price	Amounts Paid Through September 30, 2023
Construct Replacement Hangaer for Building 207	$ 6,302,466	$ 4,393,684
In-Line Baggage	22,122,538	29,327
Taxiway D Rehab	10,389,523	9,698,052
Golf Course Blvd. / Challenger Blvd	349,100	157,652
Maintenance & Operations Facility	7,874,306	389,970
Taxiway G	7,303,519	825,507
Perimeter Road South	353,026	230,050
	$ 54,694,478	$ 15,724,242

NOTE O - UNRESTRICTED NET ASSETS

Unrestricted net assets consist of the following at September 30:

	2023	2022
Designated for losses, storm, fire and vandalism	$ 42,862	$ 37,862
Designated for insurance escrow	367,017	321,183
Designated for building	3,568,150	3,359,816
Designated for contaminants and pollutant assessments	107,500	107,500
Parking lot reserve	3,442,069	2,616,606
T-Hanger reserve	595,118	432,830
Air Traffic/ Navigation/ Safety	208,038	208,038
Rental Car Improvement	46,522	46,522
Total Designated	8,377,276	7,130,357
Undesignated	34,981,320	41,229,028
Total Unrestricted Net Assets	$ 43,358,596	$ 48,359,385

NOTE P - 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/or regulated by the FAA and are not accounted for as operating leases under GASB Statement No. 87. 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. The contingent rental agreements are not accounted for as operating leases under GASB Statement No. 87.

At September 30, 2023, minimum future rentals of operating leases were as follows:

Years Ending September 30	Amount
2024	$ 853,228
2025	812,328
2026	619,633
2027	360,552
2028	357,780
2029-2033	798,009
2034-2038	154,158
2039-2041	-
Total minimum future revenue	$ 3,955,688

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

NOTE Q - 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 Q - 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, 2022 (measurement date), the Authority's membership consisted of:

	Amount
Active Employees, including the Board	54
Inactives	-
	54

NOTE Q - 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, 2022, using an October 1, 2022, measurement date, to determine the other postemployment benefits (OPEB) annual required contribution (ARC) and Plan obligations for the fiscal year ended September 30, 2023.

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, 2023, the Authority's net OPEB liability of $45,112 was measured as of October 1, 2022, and was determined by an actuarial valuation as of October 1, 2022. The following actuarial assumptions and other inputs were applied to all periods included in the measurement:

Salary Increases:	3.40% - 8.20%
Discount Rate:	4.4% (2023) 2.43% (2022) 2.43% (2021) 2.74% (2020) 3.83% (2019)

Annual healthcare cost trend using the Society of Actuaries Long-Run Medical Cost Trend Getzen Model baseline assumptions with an initial rate of 5.9% 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, 2021.

Mortality rates were based on the Generational Healthy mortality Table PUB-2010 using MP-2018.

The actuarial assumptions used in the October 1, 2022, valuation were based on results of an actuarial experience study performed for the FRS Retirement Plan for July 1, 2019.

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 Q - 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, 2022	$ 27,964
Changes for the year:	
Service Cost	5,663
Interest	731
Benefit Changes	-
Difference Between Expected and Actual Experience	20,206
Changes in Assumptions	(8,954)
Contributions from Employer	(498)
Net Changes	17,148
Balance at September 30, 2023	$ 45,112

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 3.40%	Current Rate 4.40%	1% Increase 5.40%
OPEB Liability	$ 49,023	$ 45,112	$ 41,484

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 4.9-2.8%	Trend Rate 5.9-3.8%	1% Increase 6.9-4.8%
OPEB Liability	$ 39,197	$ 45,112	$ 52,529

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

Changes in the Total OPEB Liability, continued

For the year ended September 30, 2023, the District recognized OPEB expense of $3,749. At September 30, 2023, 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	$ 18,576	$ 10,237
Changes in Assumptions	4,154	20,357
Net difference between projected and actual earnings	-	-
Employer contribution subsequent to measurement date	474	-
Total	$ 23,204	$ 30,594

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
2024	$ (2,006)
2025	(2,006)
2026	(2,006)
2027	(1,955)
2028	(1,514)
Total Thereafter	1,623
	$ (7,864)

NOTE R - 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.

NOTE R - PASSENGER FACILITY CHARGES (PFC), CONTINUED

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 previous 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 applications # 19-02-C-1-PGD total impose authority increased from $6,804,381 to $8,337,381 then decreased by amendment to $6,980,221 and the total use authority increased from $9,554,381 to $11,087,381 then was decreased to $9,730,221. The approval of this application brings the total approved PFC collection and use amount to $12,279,038.

The Authority was approved for Application 21-03-C-00-PGD for a level of PFC of $4.50 per passenger effective August 1, 2021 based upon the estimated charge expiration date for the previously collections in application 19-02-C-01-PGD, as amended. The total approved revenue to be collected for this application is $5,195,000 and the total amount approved for use of PFC revenue in this application is $5,195,000. This application is anticipated to expire on January 1, 2026.

NOTE S - 401(a) RETIREMENT PLAN

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

The Board of Commissioners established the 401(a) Retirement Plan (ICMA) for the general executive level employees. The Plan was effective on November 17, 2016. At September 30, 2023 and 2022, the Plan had three (3) and two (2) active participants, respectively.

The Authority's total contributions to the Plan for the years ended September 30, 2023 and 2022, were $76,230 and $77,258, respectively.

NOTE T - SUBSEQUENT EVENT

Subsequent to September 30, 2023, the Authority entered a contract for planning and construction of a passenger terminal expansion for approximately $3,200,000.

NOTE U - SUBSCRIPTION LIABILITY

The District entered into multiple subscription-based information technology arrangements for various software. The software have 1-year terms and have fixed payments. The District aggregated the subscriptions for reporting purposes. The District used a discount rate of 6.25% (prime rate) to record the present value of the future minimum payments as of the date of implementation.

The District is capitalizing the arrangements over a 3-year term consistent with its fixed asset capitalization policy.

The future minimum subscription payments as of September 30, 2023, is as follows:

Years Ending September 30	Amount
2024	$ 290,292
2025	290,292
	580,584
Impact of present value discount	(36,153)
Present value	$ 544,431

The amortization of the subscription liability for the year ended September 30, 2023, was $38,370.

At September 30, 2023, the right of use subscription asset and right of use subscription liability balances are as follows:

	Amount
Right of use subscription asset, current	$ 263,733
Right of use subscription asset, noncurrent	280,698
	$ 544,431
Right of use subscription liability, current	$ 263,733
Right of use subscription liability, noncurrent	280,698
Deferred outflow	$ 544,431

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, 2023

	Original Budget	Final Budget	Actual	Variance
OPERATING REVENUES				
Fuel and oil sales	$ 5,499,909	$ 5,251,587	$ 5,244,133	$ (7,454)
Industrial and commercial park rentals	1,516,970	1,891,147	1,826,092	(65,055)
Hangar rentals and tie downs	1,123,000	1,009,867	1,009,868	1
General-aviation-related concession, vending and fees	27,859	28,430	28,430	-
Airline-related revenues:				
Car rentals	7,423,543	6,342,649	6,521,844	179,195
Parking	4,159,977	4,588,920	4,588,920	-
Other, including LEO and concessions	1,671,373	1,907,627	1,907,627	-
Other operating revenues	-	203,106	717,592	514,486
TOTAL OPERATING REVENUES	21,422,631	21,223,333	21,844,506	621,173
OPERATING EXPENSES				
Salaries and wages	5,123,645	5,129,027	5,050,148	78,879
Payroll taxes and retirement	1,214,873	1,214,483	2,120,059	(905,576)
Personnel expenses	1,570,647	1,379,955	1,379,956	(1)
Cost of fuel and oil sales	3,225,543	2,990,561	2,990,560	1
Advertising	1,700	5,618	5,618	-
Marketing and promotional	215,000	227,198	227,198	-
Bank charges and credit card fees	98,099	105,498	105,498	-
Dues and subscriptions	68,000	62,839	62,839	-
Insurance	560,000	773,408	777,758	(4,350)
Legal and professional	310,800	530,035	532,792	(2,757)
Licenses and permits	6,000	4,316	4,316	-
Mowing	23,000	12,072	12,072	-
Postage	3,000	5,266	5,266	-
Repairs and maintenance and equipment fuel	1,126,204	1,184,532	1,191,149	(6,617)
Computer maintenance and expense	480,644	451,020	451,020	-
Supplies (including vending purchases)	407,850	437,091	444,170	(7,079)
Telephone and communications	117,110	65,397	65,397	-
Travel and auto allowance	124,150	75,888	75,695	193
Utilities	605,601	620,368	620,633	(265)
Airline expenses	2,007,480	2,007,494	2,014,241	(6,747)
Security	37,500	53,385	53,385	-
TOTAL OPERATING EXPENSES BEFORE DEPRECIATION	17,326,846	17,335,451	18,189,770	(854,319)
NET OPERATING INCOME (LOSS) BEFORE DEPRECIATION	4,095,785	3,887,882	3,654,736	(233,146)
Less: Depreciation	(4,800,000)	(4,748,535)	(4,898,356)	(149,821)
OPERATING REVENUE (LOSS)	$ (704,215)	$ (860,653)	$ (1,243,620)	$ (382,967)

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, 2023

	Original Budget	Final Budget	Actual	Variance
OPERATING REVENUE (LOSS), BROUGHT FORWARD	$ (704,215)	$ (860,653)	$ (1,243,620)	$ (382,967)
NON-OPERATING REVENUES (EXPENSES)				
PFC's	4,165,023	4,145,333	4,145,333	-
CFC's	2,066,368	1,388,208	1,388,208	-
Other financial assistance- Covid related	-	771,854	771,854	-
Grant receipts (contributed capital)	37,975,699	13,348,861	14,065,942	717,081
Interest on investments	138,000	1,164,872	1,164,872	-
Interest on lease receivables	-	-	85,815	85,815
Construction in progress	(51,130,921)	(24,240,509)	(25,402,194)	(1,161,685)
Miscellaneous revenue (expense)	-	(1,938,758)	254,221	2,192,979
Interest expense	(98,579)	(22,006)	(22,006)	-
Gain (loss) on disposition of capital assets	-	10,124	18,142	8,018
Reserves	(1,493,120)	(1,863,935)	-	1,863,935
Net assets carryforward	11,621,006	11,743,676	-	(11,743,676)
Hurricane expenses	-	-	(2,599,679)	2,599,679
Capital expenditures	(1,523,858)	(2,540,651)	(1,526,898)	1,013,753
SIB loan principal retirement	(1,000,554)	(1,100,325)	(1,000,555)	99,770
Post retirement benefit accrual	(6,449)	(5,222)	(5,222)	-
Bank fees	(8,400)	(869)	(869)	-
NET NON-OPERATING REVENUE (EXPENSES)	704,215	860,653	(8,663,036)	(4,324,331)
NET INCOME (LOSS)	$ -	$ -	$ (9,906,656)	$ (9,906,656)

Reconciliation:

Net income (loss) (Non-GAAP Budgetary Basis)		$ (9,906,656)
Add: Capital outlay (expenditures)		1,526,898
Construction in progress		25,402,194
SIB Loan principal retirement		1,000,555
Increase in Net Position (GAAP Basis)		18,022,991
Net Position - beginning of the year		151,687,694
Net Position - end of the year		$ 169,710,685

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, 2023

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			
ARPA - Operations Covid Related	20.106	AIP44	3-12-0067-044-2022
Rehab Runway 4-22 and Rehab Lighting	20.106	AIP43	3-12-0067-043-2021
Rehab Taxiway "D"	20.106	AIP46	3-12-0067-046-2022
Rehab Taxiway "G"	20.106	AIP47	3-12-0067-047-2023
ARPA Operations	20.106	AIP45	3-12-0067-045-2022
NON-MAJOR (TYPE B) - FEDERAL AWARDS			
U.S. Department of Homeland Security - FEMA			
Passed through State of Florida Division of Emergency Management			
Disaster Grant - DR 4673 - Hurriance Ian	97.036	Z3162	
TOTAL FEDERAL FINANCIAL AWARDS			
STATE AWARDS			
State of Florida Department of Transportation			
MAJOR (TYPE A) - STATE AWARDS			
Punta Gorda Airport GA Terminal	55.004	G0Z64	441091-1-94-01
Runway Network Improvements	55.004	G2540	449864-1-94-01
PGD ARPT Taxiway D Rehab and Intersections	55.004	G2B20	441849-1-94-01
Taxiway G-Taxiway EXT Ramp to TW A	55.004	G2H74	452721-1-94-01
TOTAL STATE FINANCIAL AWARDS			

Note: See Note D for related receivables.

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

Program/ Award Amount	Receipts/ Revenue Recognized		Disbursements/ Expenditures	Pass Through to Subrecipients
$ 7,847,204	$ 771,854	(O)	$ 771,854	$ -
14,761,954	2,744,596	(C)	2,744,596	-
9,441,888	7,624,527	(C)	7,624,527	-
6,647,110	581,659	(C)	581,659	-
703,825	-	(C)	-	-
39,401,981	11,722,636		11,722,636	-
146,307	146,307	(O)	146,307	-
146,307	146,307		146,307	
$ 39,548,288	$ 11,868,943		$ 11,868,943	$ -
$ 3,473,721	$ 2,187,043	(C)	$ 2,187,043	$ -
401,000	203,400	(C)	203,400	-
482,092	412,359	(C)	412,359	-
350,000	10,251	(C)	10,251	-
4,706,813	2,813,053		2,813,053	-
$ 4,706,813	$ 2,813,053		$ 2,813,053	$ -

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

	Revenue
Federal Awards-SEFA	$ 11,868,943
Federal - Operating Grants-COVID	(771,854)
State Financial Assistance-SEFA	2,813,053
TSA Capital OTA	155,800
Capital Grants and Contributions	$ 14,065,942

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Year ended September 30, 2023

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, 2023, 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)

	2023	2022	2021	2020
Authority's proportion of the net pension liability	0.006780812%	0.006701840%	0.005594763%	0.006113293%
Authority's proportionate share of the net pension liability	$ 2,701,939	$ 2,493,623	$ 422,621	$ 2,649,591
Authority's covered-employee payroll	$ 5,050,148	$ 3,831,730	$ 3,374,274	$ 3,313,848
Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll	53.50%	65.08%	12.52%	79.96%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%	78.85%

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)

	2023	2022	2021	2020
Contractually required contribution	$ 489,391	$ 382,790	$ 279,591	$ 249,081
Contributions in relation to the contractually required contribution	489,391	382,790	279,591	249,081
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Authority's covered-employee payroll	$ 5,050,148	$ 3,831,730	$ 3,374,274	$ 3,313,848
Contributions as a percentage of covered-employee payroll	9.69%	9.99%	8.29%	7.52%

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.

2019	2018	2017	2016	2015	2014
0.006469338%	0.005815680%	0.005315291%	0.005782606%	0.005315291%	0.004310256%
$ 2,227,950	$ 1,751,713	$ 1,837,767	$ 1,460,113	$ 686,541	$ 262,989
$ 3,224,665	$ 2,980,168	$ 2,665,302	$ 2,292,120	$ 1,743,026	$ 1,493,081
69.09%	58.78%	68.95%	63.70%	39.39%	17.61%
82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

2019	2018	2017	2016	2015	2014
$ 228,069	$ 215,433	$ 173,651	$ 177,006	$ 128,840	$ 120,539
228,069	215,433	173,651	177,006	128,840	120,539
$ -	$ -	$ -	$ -	$ -	$ -
$ 3,224,665	$ 2,980,168	$ 2,665,302	$ 2,292,120	$ 1,743,026	$ 1,493,081
7.07%	7.23%	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)

	2023	2022	2021	2020
Authority's proportion of the net pension liability	0.011131101%	0.009947642%	0.008395630%	0.008287846%
Authority's proportionate share of the net pension liability	$ 1,767,767	$ 1,053,614	$ 1,029,850	$ 1,011,933
Authority's covered-employee payroll	$ 5,050,148	$ 3,831,730	$ 3,374,274	$ 3,313,848
Authority's proportionate share of the net pension liability as a percentage of its covered-employee payroll	35.00%	27.50%	30.52%	30.54%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%

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)

	2023	2022	2021	2020
Contractually required contribution	$ 86,383	$ 62,315	$ 49,340	$ 51,017
Contributions in relation to the contractually required contribution	86,383	62,315	49,340	51,017
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Authority's covered-employee payroll	$ 5,050,148	$ 3,831,730	$ 3,374,274	$ 3,313,848
Contributions as a percentage of covered-employee payroll	1.71%	1.63%	1.46%	1.54%

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.

2019	2018	2017	2016	2015	2014
0.008614980%	0.007866159%	0.008010789%	0.006683273%	0.005513890%	0.004675696%
$ 963,930	$ 832,563	$ 856,551	$ 778,908	$ 562,330	$ 437,189
$ 3,224,665	$ 2,980,168	$ 2,665,302	$ 2,292,170	$ 1,743,069	$ 1,493,081
29.89%	27.94%	32.14%	33.98%	32.26%	29.28%
2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

2019	2018	2017	2016	2015	2014
$ 57,017	$ 53,858	$ 46,161	$ 50,129	$ 59,064	$ 27,119
57,017	53,858	46,161	50,129	59,064	27,119
$ -	$ -	$ -	$ -	$ -	$ -
$ 3,224,665	$ 2,980,168	$ 2,665,302	$ 2,292,170	$ 1,743,069	$ 1,493,081
1.77%	1.81%	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 constant at 6.70%. 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 3.54% was increased to 3.65% and 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, 2023, 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 was constant at 6.70 percent.

Health Insurance Subsidy Pension Plan
The municipal rate used to determine total pension liability increased from 3.54 percent to 3.65 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, 2023, was 5.3 years for FY 23, 5.5 years for FY 22, 5.7 years for FY 21 for FRS (5.9 years in FY 20) and 6.3 years for FY 23, 6.4 years for FY 22 and FY 21 (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, 2023

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

Net OPEB Liability	2023	2022	2021
Service Cost	$ 5,663	$ 5,222	$ 6,872
Interest Cost	731	-	1,127
Changes in Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	20,206	-	(2,826)
Changes in Assumptions	(8,954)	-	(16,403)
Benefit Payments	(498)	-	(580)
Net Change in total OPEB Liability	17,148	5,222	(11,810)
Net OPEB Liability - Beginning of Year	27,964	22,742	34,552
Net OPEB Liability - End of Year	$ 45,112	$ 27,964	$ 22,742

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

Plan Fiduciary Net Position as of September 30:

	2023	2022	2021
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	$ 45,112	$ 27,964	$ 22,742
Fiduciary Net Position as a % of Total OPEB Liability	0.00%	0.00%	0.00%
Covered-Employee Payroll	$ 3,142,878	$ 3,831,730	$ 2,249,021
Net OPEB Liability as a % of Payroll	1.44%	0.73%	1.01%
Expected Average Remaining Service Years of All Participants	11.4	10.7	10.7

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%
9/30/22	2.43%
9/30/23	4.40%

Population covered by Plan: 54 active 0 inactive

Plan has no specific trust established and no assets were assigned for OPEB by the Authority.

2020	2019	2018
$ 5,813	$ 5,265	$ 5,300
1,168	1,398	1,258
-	-	-
-	(16,928)	-
3,012	3,847	(879)
(224)	(6,921)	(5,651)
9,769	(13,339)	28
24,783	38,122	38,094
$ 34,552	$ 24,783	$ 38,122

2020	2019	2018
$ -	$ -	$ -
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
$ -	$ -	$ -
$ 34,552	$ 24,783	$ 38,122
0.00%	0.00%	0.00%
$ 1,864,910	$ 1,778,338	$ 1,634,957
1.85%	1.39%	2.33%
10.6	9.7	9.5

ADDITIONAL REPORTS

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, 2023, 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 June 10, 2024.

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.

We did, however, note certain other matters that we have reported in our Independent Auditor's Report to Management dated June 10, 2024.

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 a noncompliance that is required to be reported under Government Auditing Standards.

See matters noted in our Independent Auditor's Report to Management dated June 10, 2024.

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.

HSC/Tuscan & Company, P.A.

HSC/TUSCAN & COMPANY, P.A.
Fort Myers, Florida
June 10, 2024.

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, 2023. 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.

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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, 2023.

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.

HSC/Tuscan & Company, P.A.

HSC/TUSCAN & COMPANY, P.A.
Fort Myers, Florida
June 10, 2024

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 47
20.106	Federal Aviation Administration - AIP 46
20.106	Federal Aviation Administration - AIP 44
20.106	Federal Aviation Administration - AIP 43

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	Punta Gorda Airport GA Terminal

Dollar threshold used to distinguish between Type A and Type B projects: Threshold used was $750,000.

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.

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, 2023. 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, 2023.

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.

HSC/Tuscan & Company, P.A.

HSC/TUSCAN & COMPANY, P.A.
Fort Myers, Florida
June 10, 2024

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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, 2023, and have issued our report thereon dated June 10, 2024.

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 June 10, 2024, 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. One prior year comment continues to apply in the current year, two prior year comments were resolved.

- 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)(5).a.

- 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 June 10, 2024, included herein.

PRIOR YEAR COMMENT:

2022-1 **Review and Approval of Journal Entries**

After commencement of fieldwork, it was noted eleven (11) journal entries were posted for the year ending September 30, 2022, without approval of the Finance Manager. We also noted other instances in which journal entries were not reviewed and approved by the Finance Manager. This resulted in retesting of Statement of Net Position and other financial statements after the initial balances were tested. We recommend all year end journal entries to be posted before commencement of audit fieldwork and that the Finance Manager review and approve all journal entries before being posted.

FY 2023 Addendum

During the audit, we noted that the ability to post journal entries was restricted in prior periods and the period under audit by the Finance Manager, and all year end journal entries were posted prior to the commencement of the audit. This comment is resolved.

2022-2 **Capital Assets Should be Permanently Identified and Marked**

During the audit, we noted two (2) out of twenty-five (25) capital assets tested for compliance with Florida Administrative Code 69I-73 did not appear to have an assigned identification number permanently marked on the capital asset. Per Florida Administrative Code 69I-73, capital assets must be permanently marked with an identification number matching the fixed asset software report. Although the capital assets tested appeared to be well maintained and in good condition, we recommend all capital assets contain permanently marked identification numbers per Florida Administrative Code 69I-73.

FY 2023 Addendum

During the audit, we noted three (3) out of the twenty-five (25) capital assets tested for compliance with Florida Administrative Code 69I-73 did not appear to have an assigned identification number permanently marked on the capital asset. Per Florida Administrative Code 69I-73, capital assets must be permanently marked with an identification number matching the fixed asset software report. Although the capital assets tested appeared to be well maintained and in good condition, we recommend all capital assets contain permanently marked identification numbers per Florida Administrative Code 69I-73.

2022-3 **Budget Should be Reviewed Before Final Approval**

During the audit, it was noted that there was a scrivener's error on the final budget that was approved for the year ending September 30, 2022. This error did not result in the budget being out of compliance, however, it did result in a $10,687,785 difference in the carryforward. We recommend that management reviews the budget for any errors in formulas or calculations prior to Board approval.

FY 2023 Addendum

This comment is resolved.

CURRENT YEAR COMMENTS:

2023-1 **Federal and State Grant Revenues Should be Reconciled Periodically**

During the audit, it was noted that multiple adjustments had to be proposed to Federal and State grant revenues.

We recommend these revenues be reconciled frequently to ensure proper recording and revenue recognition. The related expenditures should also be reconciled to capital outlay.

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.

HSC/ Tuscan & Company, P.A.

HSC/TUSCAN & COMPANY, P.A.
Fort Myers, Florida
June 10, 2024

EXHIBIT 1

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

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6/18/24

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 2022/2023 fiscal year.

Management has reviewed your comments and plan to take the following actions into account.

The Airport continues to refine the fixed asset procedure to ensure that all asset tags remain affixed to capital asset items. Department managers will continue to be provided with a list of fixed assets for their department to verify quarterly and ensure asset id tags are affixed to the asset. The department managers will be responsible for making sure all asset tags are permanently affixed and in good condition.

Regarding Comment 2023-1, the Airport Finance Manager or designee will reconcile the monthly grant revenues with the Grantor's revenue reporting systems. Additionally, it will be verified that the related expenditures are reconciled to capital outlay.

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,

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). 154.

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) $5,050,148

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 P.

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 rates 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, 2023

	Original Budget	Actual	Variance
OPERATING REVENUES			
Fuel and oil sales	$ 5,499,909	$ 5,244,133	$ (255,776)
Industrial and commercial park rentals	1,516,970	1,826,092	309,122
Hangar rentals and tie downs	1,123,000	1,009,868	(113,132)
General-aviation-related concession, vending and fees	27,859	28,430	571
Airline-related revenues:			
Car rentals	7,423,543	6,521,844	(901,699)
Parking	4,159,977	4,588,920	428,943
Other, including LEO and concessions	1,671,373	1,907,627	236,254
Other operating revenues	-	717,592	717,592
TOTAL OPERATING REVENUES	21,422,631	21,844,506	421,875
OPERATING EXPENSES			
Salaries and wages	5,123,645	5,050,148	73,497
Payroll taxes and retirement	1,214,873	2,120,059	(905,186)
Personnel expenses	1,570,647	1,379,956	190,691
Cost of fuel and oil sales	3,225,543	2,990,560	234,983
Advertising	1,700	5,618	(3,918)
Marketing and promotional	215,000	227,198	(12,198)
Bank charges and credit card fees	98,099	105,498	(7,399)
Dues and subscriptions	68,000	62,839	5,161
Insurance	560,000	777,758	(217,758)
Legal and professional	310,800	532,792	(221,992)
Licenses and permits	6,000	4,316	1,684
Mowing	23,000	12,072	10,928
Postage	3,000	5,266	(2,266)
Repairs and maintenance and equipment fuel	1,126,204	1,191,149	(64,945)
Computer maintenance and expense	480,644	451,020	29,624
Supplies (including vending purchases)	407,850	444,170	(36,320)
Telephone and communications	117,110	65,397	51,713
Travel and auto allowance	124,150	75,695	48,455
Utilities	605,601	620,633	(15,032)
Airline expenses	2,007,480	2,014,241	(6,761)
Security	37,500	53,385	(15,885)
TOTAL OPERATING EXPENSES BEFORE DEPRECIATION	17,326,846	18,189,770	(862,924)
NET OPERATING INCOME (LOSS) BEFORE DEPRECIATION	4,095,785	3,654,736	(441,049)
Less: Depreciation	(4,800,000)	(4,898,356)	(98,356)
OPERATING REVENUE (LOSS)	$ (704,215)	$ (1,243,620)	$ (539,405)

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, 2023

	Original Budget	Actual	Variance
OPERATING REVENUE (LOSS), BROUGHT FORWARD	$ (704,215)	$ (1,243,620)	$ (539,405)
NON-OPERATING REVENUES (EXPENSES)			
PFC's	4,165,023	4,145,333	(19,690)
CFC's	2,066,368	1,388,208	(678,160)
Other financial assistance- covid related	-	771,854	771,854
Grant receipts (contributed capital)	37,975,699	14,065,942	(23,909,757)
Interest on investments	138,000	1,164,872	1,026,872
Interest on lease receivables	-	85,815	85,815
Construction in progress	(51,130,921)	(25,402,194)	25,728,727
Miscellaneous revenue (expense)	-	254,221	254,221
Interest expense	(98,579)	(22,006)	76,573
Gain (loss) on disposition of capital assets	-	18,142	18,142
Reserves	(1,493,120)	-	1,493,120
Net assets carryforward	11,621,006	-	(11,621,006)
Hurricane expenses	-	(2,599,679)	(2,599,679)
Capital expenditures	(1,523,858)	(1,526,898)	(3,040)
SIB loan principal retirement	(1,000,554)	(1,000,555)	(1)
Post retirement benefit accrual	(6,449)	(5,222)	1,227
Bank fees	(8,400)	(869)	7,531
NET NON-OPERATING REVENUE (EXPENSES)	704,215	(8,663,036)	(9,367,251)
NET INCOME (LOSS)	$ -	$ (9,906,656)	$ (9,906,656)

Reconciliation:

Net income (loss) (Non-GAAP Budgetary Basis)	$ (9,906,656)
Add: Capital outlay (expenditures)	1,526,898
Construction in progress	25,402,194
SIB Loan principal retirement	1,000,555
Increase in Net Position (GAAP Basis)	18,022,991
Net Position - beginning of the year	151,687,694
Net Position - end of the year	$ 169,710,685

The accompanying notes are an integral part of this statement.