JACKSONVILLE AVIATION AUTHORITY
JACKSONVILLE, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2021 AND SEPTEMBER 30, 2020

PREPARED BY:
FINANCE DIVISION

ROSS JONES
CHIEF FINANCIAL OFFICER

www.flyjacksonville.com

JAA
Jacksonville
Aviation
Authority

TABLE OF CONTENTS

INTRODUCTORY SECTION (UNAUDITED)

Letter of Transmittal	i-iii
Board of Directors and Senior Staff	iv
Organizational Chart	v

FINANCIAL SECTION

Report of Independent Certified Public Accountant	1-2
Management's Discussion and Analysis (unaudited)	3-14
Financial Statements:	
Statements of Net Position	15-16
Statements of Revenues, Expenses and Changes in Net Position	17
Statements of Cash Flows	18-19
Notes to Financial Statements	21-56

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

Schedule of Changes in the Authority's Total OPEB Liability	57
Schedule of the Authority's Proportionate Share of the Net Pension Liability Florida Retirement System Pension Plan	58
Schedule of the Authority's Contributions Florida Retirement System Pension Plan	59
Schedule of the Authority's Proportionate Share of the Net Pension Liability Health Insurance Subsidy Pension Plan	60
Schedule of the Authority's Contributions – Health Insurance Subsidy Pension Plan	61

STATISTICAL SECTION (UNAUDITED)

Objectives of the Statistical Section	63

STATISTICAL - FINANCIAL TRENDS INFORMATION

Changes in Cash and Cash Equivalents	64-65
Principal Operating Revenues, Airline Rates and Charges and Cost Per Enplaned Passenger	66-67

JAA
Jacksonville
Aviation
Authority

TABLE OF CONTENTS (CONTINUED)

STATISTICAL - REVENUE CAPACITY INFORMATION

Total Revenues, Expenses and Changed in Net Position	68-69
Principal Revenue Payers	70-72

STATISTICAL - DEBT CAPACITY INFORMATION

Ratio of Annual Bond Debt Service to Total Expenses Excluding Depreciation	73
Debt Service Coverage	74-75
Debt Service Note Tables	76-79
Total Debt Service	80
Outstanding Debt by Type	81

STATISTICAL - DEMOGRAPHIC AND ECONOMIC INFORMATION

Top 10 Employers of Jacksonville	82-83
Demographic and Economic Statistics	84

STATISTICAL - OPERATING INFORMATION

Enplanements	85-87
Landed Weights	88-90
Number of Employees	91-92
Aircraft Operations	93
Airlines Serving Jacksonville International Airport	94
Primary Origination and Destination Passenger Markets	95
Airport Capital Asset Information	96-97

This page intentionally left blank

March 8, 2022

To the Board of Directors of the Jacksonville Aviation Authority:

We present the Annual Comprehensive Financial Report of the Jacksonville Aviation Authority (the Authority) for the fiscal year ended September 30, 2021. The Finance Department prepared this report. Responsibility for both the accuracy of the presented data and completeness and fairness of the presentation, including all disclosures, rest with the Authority. To the best of our knowledge and belief, this report fairly presents and fully discloses the Authority's financial position, changes in financial position, and cash flows in accordance with accounting principles generally accepted in the United States of America. Please refer to the Management Discussion and Analysis (MD&A) for additional information of the financial position of the Authority.

Reporting Entity and Its Services

The Authority, a public body corporate and politic, was established by the State of Florida on June 5, 2001, to own and operate aviation facilities in Duval County, Florida.

A seven member Board of Directors presently governs the Authority. The Board of Directors establishes Authority policy and appoints a Chief Executive Officer to implement it. The Board of Directors annually elects a Chairman, Vice-Chairman, Secretary, and Treasurer. Directors serve a four year term. Directors may serve a maximum of two successive terms. Directors serve as volunteers and do not receive a salary or any other compensation for their services. The Board of Directors appoints the Chief Executive Officer who serves at its pleasure.

Mark VanLoh, Chief Executive Officer (CEO) of the Authority, plans and directs all the programs and activities of the Authority, focusing on the future and the development of long-term business strategies.

The Authority airport system consists of Jacksonville International Airport, Jacksonville Executive at Craig Airport, Herlong Recreational Airport, and Cecil Airport.

Economic Condition and Outlook

Situated in the corner of Northeast Florida, Jacksonville is considered the metropolitan market for over ten Florida and South Georgia counties. The City of Jacksonville is the hub of an array of services that include an international airport, three general aviation airports, a deep-water port, travel and tourism, recreational and sports activities, medical and health, higher education and cultural amenities. With a Metropolitan Statistical Area (MSA) population of over one million, Jacksonville is on the verge of being classified as a first-tier city. The Jacksonville MSA consists of Baker, Clay, Duval, Nassau, Putnam, and St. Johns Counties.

The strength of Jacksonville's economy lies in its uniquely diversified structure, not heavily dependent on any one major employer or employment sector. The community enjoys a natural location for distribution and warehousing activities. Quality lifestyle, labor force, and cultural/educational/medical facilities are considered key resources in the market's ability to sustain future growth.

Long-Term Financial Planning

The Authority is maintaining, at a minimum, nine months of operating cash on hand to guard against significant economic uncertainties. Prudent levels of cash also afford the Authority the ability to maintain long term capital plans, as well as the flexibility to take advantage of market opportunities as they arise. Our current capital plan uses a five year horizon. In an effort to provide revenue diversification the Authority is currently pursuing various options in real estate development and sources of non-aviation revenue.

In regards to the Authority's long-term debt obligations, the Authority had bank debt of $45.69 million outstanding as of September 30, 2021. The Authority's bond service coverage ratio was 2.66 which exceeds the required 1.25.

Accounting Systems

The management of the Authority is responsible for establishing and maintaining internal control designed to ensure that the assets of the Authority are safeguarded. In addition, as a recipient of federal financial assistance, the Authority is responsible for ensuring that adequate internal control is in place to ensure compliance with laws and regulations related to the Airport Improvement Program (AIP) and the Aviation Safety and Capacity Expansion Act.

The objectives of internal control are to provide management with reasonable assurance that the resources are safeguarded against waste, loss and misuse, and reliable data is recorded, maintained and fairly disclosed in reports. The current internal controls provide the Authority with a solid base of reliable financial records from which financial statements are prepared. These accounting controls provide reasonable assurance that accounting data is reliable and available to facilitate the preparation of financial statements on a timely basis. Inherent limitations should be recognized in considering the potential effectiveness of any system of internal control. The concept of reasonable assurance is based on the recognition that the cost of a system of internal control should not exceed the benefits derived and that the evaluation of those factors requires judgment by management.

The Authority's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America, using the accrual basis of accounting. The Authority is a local government proprietary fund, and therefore the activities are reported in conformity with governmental accounting and financial reporting principles issued by the Governmental Accounting Standards Board (GASB).

Budgetary Control

The Authority's annual budget is a financial planning tool outlining the estimated revenues and expenses for the Authority. Prior to July 1 of each year, the Authority prepares and submits its budget to the City Council of the City of Jacksonville for the ensuing fiscal year. Budgetary control and evaluation are affected by comparing actual interim and annual results with budget. The Authority conducts periodic reviews to ensure compliance with the provisions of the annual operating budget approved by the Board of Directors and the City Council of the City of Jacksonville. Certain assumptions are made in determining the annual budget and accordingly subsequent results could differ substantially from those projected. In keeping with the requirements of a proprietary fund, budgetary comparisons have not been included in the financial section of this report; however, a narrative on the budget is included in the Notes to the Financial Statements.

Independent Audit

A firm of independent certified public accountants is retained each year to conduct an audit of the financial statements of the Authority in accordance with auditing standards generally accepted in the United States and to meet the requirements of the Uniform Guidance and the Florida Single Audit Act. The Authority selected the firm of Plante Moran to perform these services. Their opinion is presented with this report. The reports required under the Single Audit Act are presented under separate cover. Each year, the independent certified public accountants meet with the Audit and Finance Committee of the Board of Directors to review the results of the audit.

Acknowledgements

The publication of this annual financial report is the culmination of a year of hard work by the Authority's Finance Department. I appreciate the commitment, effort, and perseverance of the Finance Department staff in the preparation of this report and for our annual accomplishments.

I also thank the Chief Executive Officer, Senior Management, and the Board of Directors for their leadership and support in planning and conducting the financial operations of the Authority in a responsible and progressive manner.

Respectfully submitted,

Ross Jones
Chief Financial Officer

Jacksonville, Florida

Board of Directors

Ray Alfred.....Chairman

Jay Demetree.....Vice Chairman

Giselle Carson…….....Secretary

Michelle Barnett…….....Treasurer

Matt Connnell…….....Member

Fernando Acosta-Rua.....Member

William Gulliford…….....Member

Senior Staff

Mark VanLoh.....Chief Executive Officer

Tony Cugno.....Chief Operating Officer

Ross Jones…….....Chief Financial Officer

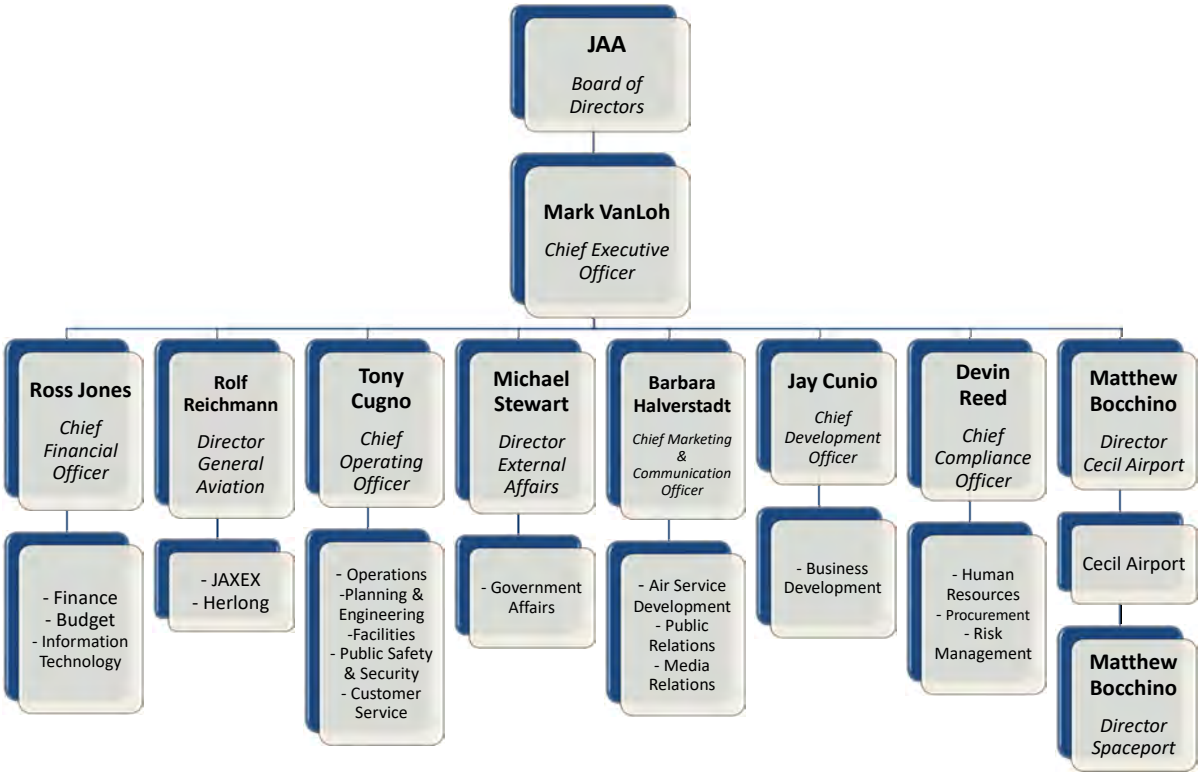
Devin Reed.....Chief Compliance Officer

Jay Cunio.....Chief Development Officer

Barbara Halverstadt.....Chief Marketing & Communications Officer

Jacksonville Aviation Authority

Organizational Chart



JAA
Jacksonville Aviation Authority

plante moran

Plante & Moran, PLLC
Suite 360
4444 W. Bristol Road
Flint, MI 48507
Tel: 810.767.5350
Fax: 810.767.8150
plantemoran.com

Independent Auditor's Report

To the Members of the Board of Directors
Jacksonville Aviation Authority

Report on the Financial Statements

We have audited the accompanying financial statements of the Jacksonville Aviation Authority (the "Authority") as of and for the year ended September 30, 2021 and the related notes to the financial statements, which collectively comprise the Jacksonville Aviation Authority's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Jacksonville Aviation Authority as of September 30, 2021 and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Report on Prior Year Financial Statements

The basic financial statements of the Jacksonville Aviation Authority as of and for the year ended September 30, 2020 were audited by a predecessor auditor, which expressed an unmodified opinion. The predecessor auditor's report was dated March 5, 2021.

PRAXITY™
Empowering Business Globally

To the Members of the Board of Directors
Jacksonville Aviation Authority

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplemental information, as identified 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, which 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 supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 introductory and statistical sections are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The introductory and statistical sections have 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 them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 4, 2022 on our consideration of the Jacksonville Aviation Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Jacksonville Aviation Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Jacksonville Aviation Authority's internal control over financial reporting and compliance.

Plante & Moran, PLLC

March 4, 2022

Jacksonville Aviation Authority

Management's Discussion and Analysis (unaudited)

Introduction

The following discussion and analysis of the financial performance and activity of the Jacksonville Aviation Authority "the Authority" is meant to provide an introduction to and understanding of the Authority's basic financial statements for fiscal years ended September 30, 2021 and 2020.The discussion has been prepared by management and is unaudited and should be read in conjunction with the financial statements and associated notes thereto, which follow this section.

The Authority is a body corporate and politic, established by the state of Florida on June 5, 2001, pursuant to the provisions of Chapter 2001-319 of the Laws of Florida, to own and operate aviation facilities in Duval County, Florida. Prior to October 1, 2001, the Authority operated as a division of the Jacksonville Port Authority. Pursuant to the provisions of Chapter 2005-328 of the Laws of Florida, the Authority changed its name from Jacksonville Airport Authority to Jacksonville Aviation Authority effective June 10, 2005.

The Authority consists of a seven member board, four members appointed by the Governor of the State of Florida and confirmed by the State Senate, and three members appointed by the Mayor of the City of Jacksonville and confirmed by the City Council of the City of Jacksonville.

The Authority operates an airport system that consists of four airports: Jacksonville International Airport (JIA), Jacksonville Executive at Craig Airport, Herlong Recreational Airport and Cecil Airport. The organization consists of 244 full-time employees in a structure that includes administration, airport management and operations, and police.

The Authority is self-supporting, using aircraft landing fees, fees from terminal and other rentals, and revenues from concessions to fund operating expenses. The Authority is not taxpayer funded. The capital construction program is funded by debt issued by the Authority, federal and state grants, passenger facility charges (PFCs) and Authority revenues.

The accompanying financial statements present the financial position of the Authority only. The Authority does not have any component units and is not involved in any joint ventures.

Using the Financial Statements

The Authority's financial report includes three financial statements: the statements of net position, the statements of revenues, expenses and changes in net position and the statements of cash flows. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Government Accounting Standards Board (GASB). The Authority is structured as a single enterprise fund with revenues recognized when earned and expenses recognized when incurred. Capital asset related costs are capitalized and are depreciated (except land and construction in progress) over their estimated useful lives. Certain components of net position are restricted for debt service and, where applicable, for construction activities.

The statements of net position each present the Authority's financial position as of one point in time, September 30, 2021 and 2020, and include all assets and deferred outflows of resources, liabilities and deferred inflows of resources of the Authority. The statements of net position demonstrate that the Authority's assets and deferred outflows of resources equal liabilities and deferred inflows of resources plus net position. Net position represents the residual interest in the Authority's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted. Net position is displayed in three components: invested in capital assets, restricted, and unrestricted.

The statements of revenues, expenses, and changes in net position report total operating revenues, operating expenses, non-operating revenues and expenses, and other changes in net position. Revenues and expenses are categorized as either operating or non-operating based upon management's policy as established and disclosed in the notes to the financial statements. Significant recurring sources of the Authority's revenues, including PFC's, investment income and federal, state and local grants, are reported as non-operating revenues. The Authority's interest expense is reported as non-operating expense.

The statements of cash flows present information about how the Authority's cash and cash equivalents position changed during the fiscal years. The statements of cash flows classify cash receipts and cash payments as resulting from operating activities, financing activities and investing activities.

Authority's Activity Highlights

The demand for air transportation is, to a large degree, dependent upon the demographic and economic characteristics of an airport's air trade area (i.e., the geographical area served by an airport). This relationship is particularly true for origin-destination (O&D) passenger traffic, which has been the primary component of demand at JIA. The major portion of demand for air travel at the JIA is largely influenced more by the local characteristics of the area served than by individual air carrier decisions regarding hub and service patterns in support of connecting activity. JIA is classified by the Federal Aviation Administration (FAA) as a medium hub facility based on its percentage of nationwide enplanements.

Passenger enplanements at JIA for the fiscal year ended September 30, 2021 totaled 2.08 million, an increase of 5.29% from the prior fiscal year. The increase reflects a modest recovery from the historic lows caused by COVID-19 pandemic. In fiscal year 2020, JIA had enplanements of 1.98 million, an increase of 44.17% from fiscal year 2019.

Landed weight totaled 3.17 million for fiscal year 2021, an increase of 1.03% from the prior year. In fiscal year 2020, JIA had landed weight of 3.14 million, an increase of 30.57% from fiscal year 2019.

As in 2020, Delta Airlines and American Airlines dominated fiscal year 2021 in enplanements activity and landed weight. Southwest, JetBlue, United, comprise the remainder of the signatory airlines providing passenger service at JIA and generated the majority of the enplanements.

Passengers, enplanements and landed weights for the fiscal years ending September 30, were as follows:

	2021	2020	2019
Total Passengers	4,162,825	3,960,498	7,073,228
% Increase (decrease)	5.11%	(44.01%)	13.68%
Enplanements	2,082,911	1,978,268	3,543,188
% Increase (decrease)	5.29%	(44.17%)	13.62%
Landed Weight	3,171,661	3,139,372	4,521,917
% Increase (decrease)	1.03%	(30.57%)	15.01%

For fiscal year 2021, the Jacksonville International Airport average daily air carrier departures were 69 compared to 63 and 97 departures in 2020 and 2019, respectively.

Financial Highlights

The Authority's assets and deferred outflows exceeded liabilities and deferred inflows of resources for fiscal year 2021 by approximately $578.97 million compared to $569.3 million and $561.66 million in fiscal years 2020 and 2019, respectively. Unrestricted net position as of the end of fiscal years 2021, 2020, and 2019 was approximately $109.18 million, $95.88 million, and $83.73 million, respectively. The Authority may use these funds for any lawful purpose.

The overall financial position of the Authority has increased as indicated by this fiscal year's increase in total net position. The improvement for fiscal year 2021 is primarily due to the CARES Act reimbursement and cost cutting necessitated by the steep downturn in passenger activity. Improvement in 2020 was also mainly driven by CARES Act funding and cost cutting.

The Authority's total debt decreased by $6.34 million and $6.14 million in fiscal years 2021 and 2020, respectively. During fiscal year 2021, the Authority made normal scheduled debt service payments of $6.27 million. During fiscal year 2020, the Authority made normal scheduled debt service payments of $6.14 million.

Operating Revenues

In fiscal year 2021 operating revenues decreased by 1.23%. The decrease was driven by the full year impact of the COVID-19 pandemic as compared to six months in the prior year.

In fiscal year 2020 operating revenues decreased by 22.48% from 2019. The decrease was driven by the material impact of the COVID-19 pandemic on passenger travel.

Operating Expenses

In fiscal year 2021 operating expenses before depreciation and amortization decreased by 13.91% over 2020. Wages and benefits decreased by 26.94% in FY21 due to the full year impact of headcount reductions resulting from FY20's early separation and severance agreement.

In fiscal year 2020 operating expenses before depreciation and amortization decreased by 5.79% over 2019. Wages and benefits decreased by 10.66% in FY20 due to COVID related headcount reductions.

Operating Margin

In fiscal year 2021 the operating margin increased 10.98% in 2020 to 25.56%. The primary reason for the increase is lower wage expense driven by a full year of lower headcount after the early separation package in 2020. In fiscal year 2020 the operating margin decreased 15.14% from 29.72% in 2019 to 14.58%.

Non-operating Revenues

Non-operating revenues in fiscal year 2021 decreased 23.16% from 2020. This was the result of lower CARES Act reimbursements as compared to 2020.

Non-operating revenues in fiscal year 2020 increased 20.93% from 2019. This was the result of CARES Act reimbursements in 2020.

Non-operating Expenses

Non-operating expenses increased by 68.71% and decreased by 22.38% in fiscal years 2021 and 2020, respectively. This was primarily a result of fluctuations in interest income and interest expense.

Capital Contributions

Capital contributions decreased by 3.44% in fiscal year 2021 and decreased by 21.64% in fiscal year 2020. These fluctuations are influenced by factors such as grant availability and project timing.

Summary Statement of Net Position

The summary statement of net position presents the financial position of the Authority at the end of each fiscal year. The summary statement of net position includes all assets and deferred outflows of resources, liabilities and deferred inflow of resources, and net position of the Authority. Financial position is the difference between total assets and deferred outflows of resources and liabilities and deferred inflows of resources and are an indicator of the current fiscal health of the Authority.

	(Dollar amounts in thousands)			
	2021	2020	Increase/ (Decrease) from 2020	% Increase/ (Decrease) from 2020
Assets				
Current	$ 167,023	$ 144,773	$ 22,250	15.4%
Noncurrent (restricted/other)	19,960	16,739	3,221	19.2%
Capital assets, net	498,104	510,989	(12,885)	(2.5)%
Total assets	685,087	672,501	12,586	1.9%
Deferred outflow of resources	7,029	12,837	(5,808)	(45.2)%
Liabilities				
Current	43,008	32,212	10,796	33.5%
Long-term	51,901	82,374	(30,473)	(37.0)%
Total liabilities	94,909	114,586	(19,677)	(17.2)%
Deferred inflow of resources	18,233	1,449	16,784	1158.3%
Net Position				
Net investment in capital assets	452,222	459,276	(7,054)	(1.5)%
Restricted	17,569	14,143	3,426	24.2%
Unrestricted	109,183	95,884	13,299	13.9%
Total net position	$ 578,974	$ 569,303	$ 9,671	1.7%
Working Capital				
Current assets	$ 167,023	$ 145,503	$ 21,520	14.8%
Current liabilities	(43,008)	(32,212)	(10,796)	33.5%
Working capital	$ 124,015	$ 113,291	$ 10,724	9.5%
Current ratio	3.88	4.52		

During 2021 total assets increased by 1.87%, deferred outflow of resources decreased by 45.24%, total liabilities decreased by 17.17%, and total deferred inflow of resources increased by 1,158.32%. The main driver for changes in deferred balances is pension expense. These changes resulted in an increase in net position of 1.7%.

	(Dollar amounts in thousands)			
	2020	2019	Increase/ (Decrease) from 2019	% Increase/ (Decrease) from 2020
Assets				
Current	$ 144,773	$ 136,993	$ 8,510	6.2%
Noncurrent (restricted/other)	16,739	12,846	3,163	24.6%
Capital assets, net	510,989	525,949	(14,960)	(2.8)%
Total assets	672,501	675,788	(3,287)	(0.5)%
Deferred outflow of resources	12,837	12,965	(128)	(1.0)%
Liabilities				
Current	32,212	39,499	(7,287)	(18.4)%
Long-term	82,374	84,955	(2,581)	(3.0)%
Total liabilities	114,586	124,454	(9,868)	(7.9)%
Deferred inflow of resources	1,449	2,636	(1,187)	(45.0)%
Net Position				
Net investment in capital assets	459,276	467,866	(8,590)	(1.8)%
Restricted	14,143	10,063	3,350	33.3%
Unrestricted	95,884	83,734	12,880	15.4%
Total net position	$ 569,303	$ 561,663	$ 7,640	1.4%
Working Capital				
Current assets	$ 145,503	$ 136,993	$ 8,510	6.2%
Current liabilities	(32,212)	(39,499)	7,287	(18.4)%
Working capital	$ 113,291	$ 97,494	$ 15,797	16.2%
Current ratio	4.52	3.47		

During 2020 total assets decreased by 0.5%, deferred outflow of resources decreased by 1%, total liabilities decreased by 7.9%, and total deferred inflow of resources decreased by 45.0%. The main driver for changes in deferred balances is pension expense. These changes resulted in an increase in net position of 1.4%.

Signatory Airline Rates and Charges

The Authority amended the Airline Use and Lease agreement ("Agreement") effective October 1, 2018 extending the expiration date to September 30, 2027. Airlines that enter into the Agreement are considered signatory airlines. Signatory airlines are responsible for their affiliates. The affiliates claimed by the signatory airlines receive the signatory rate. All other airlines are assessed rates and charges at 125% of the signatory rates.

Under the Agreement the Airlines agree to pay the cost of running the terminal and airfield that are not allocated to other airport users or covered by nonairline sources of revenue. The cost less the revenue associated with the terminal is divided by the airline terminal leased square footage to determine the average rental rate. The Residual Method guarantees the Authority will break even on the airfield and terminal cost centers.

The Agreement with the signatory airlines is hybrid in nature, with a residual rate-making methodology for the airfield and terminal and a compensatory model for all other cost centers. The Authority also had the ability under the Agreement to adjust airline rates and charges at any time throughout the year to ensure adherence to all financial covenants in its bond resolutions. No such adjustments were made during fiscal years 2021, 2020, and 2019.

The rates and charges for the signatory airlines at September 30, were as follows:

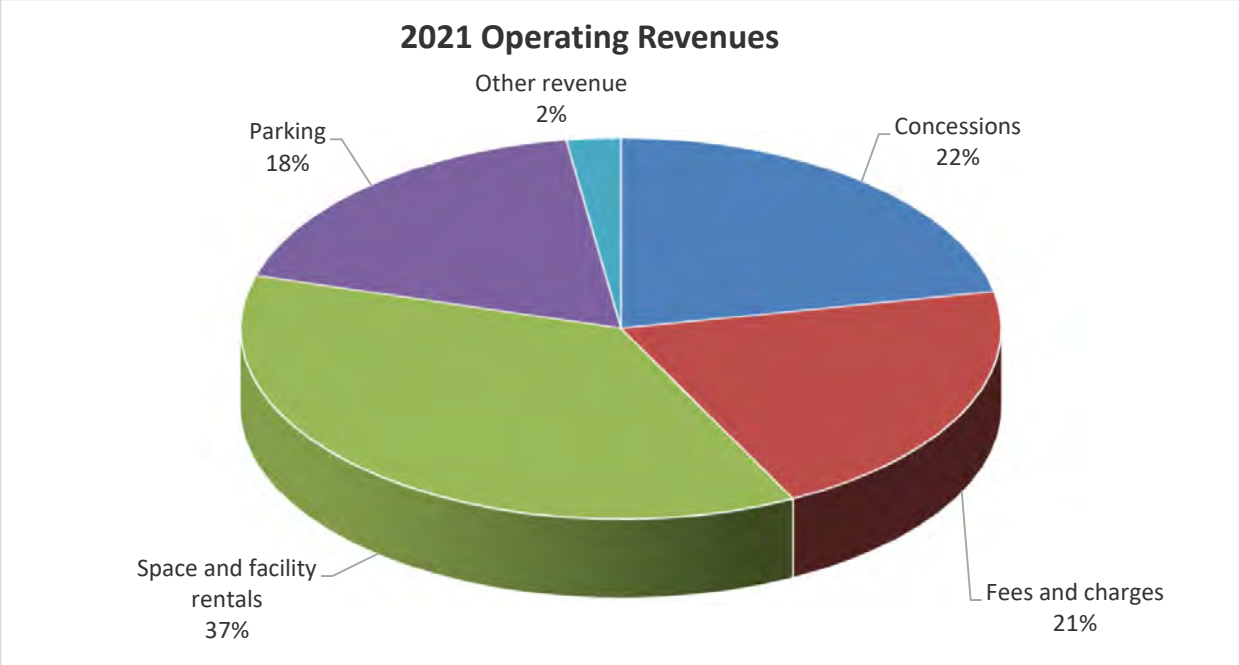
	2021	2020	2019
Landing fees (per 1,000 lbs. MGLW)	$ 3.15	$ 2.71	$ 2.94
Average terminal rental rate (per square foot)	144.01	174.54	152.14
Conditioned space (per square foot)	178.79	216.82	188.45
Unconditioned space (per square foot)	62.58	75.89	65.96

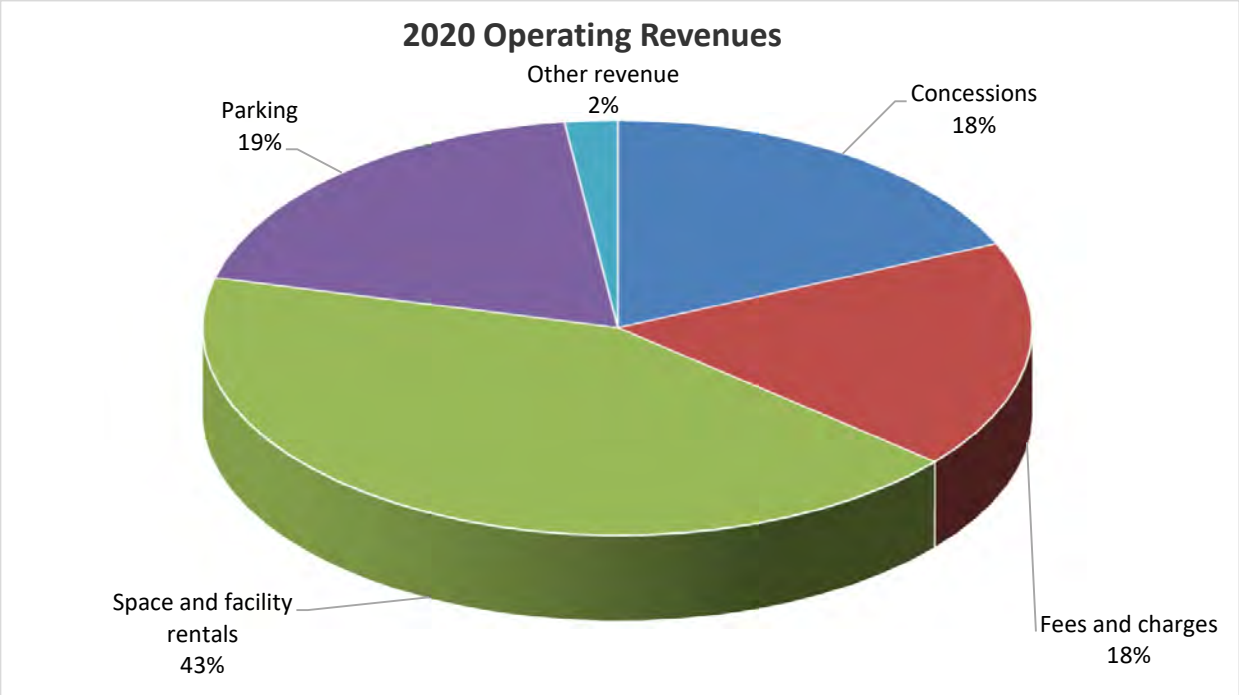
The following charts and tables show the major sources and the percentage of operating revenues and expenses for fiscal years 2021, 2020, and 2019.

	(Dollar amounts in thousands)		
	2021	2020	2019
Operating revenues:			
Concessions	$ 15,633	$ 13,262	$ 19,863
Fees and charges	14,721	12,868	19,320
Space and facility rentals	26,345	30,833	26,673
Parking	13,000	13,784	25,535
Other revenue	1,649	1,486	1,791
Total operating revenues	71,348	72,233	93,182
Operating expenses:			
Wage and benefits	24,357	33,338	34,614
Services and supplies	14,058	16,978	18,017
Repairs and maintenance	7,824	4,510	5,048
Promotions, advertising and dues	579	534	733
Registration and travel	158	272	554
Utilities and taxes	3,868	3,809	4,380
Other operating expenses	2,271	2,258	2,144
Depreciation and amortization	38,113	39,058	35,935
Total operating expenses	91,228	100,757	101,425
Operating loss	(19,879)	(28,524)	(8,243)
Nonoperating revenues:			
Passenger facility charges	8,729	7,516	14,053
Investment income	593	2,765	3,946
Payments from federal and state agencies	7,704	11,878	325
Total nonoperating revenues	17,026	22,159	18,324
Nonoperating expenses:			
Interest expense	1,858	1,417	1,619
Other expenses	477	(33)	164
Total nonoperating expenses	2,335	1,384	1,783
Income before capital contributions	(5,187)	(7,749)	8,298
Capital contributions	14,859	15,389	19,638
Change in net position	9,672	7,640	27,936
Net position, beginning of year	569,303	561,663	533,727
Net position, end of year	$ 578,974	$ 569,303	$ 561,663

Operating Revenues

Operating revenue decreased by 1.2% and 22.48% in fiscal years 2021 and 2020 respectively. Refer to the changes in net position section of this MD&A for additional information related to operating revenues.



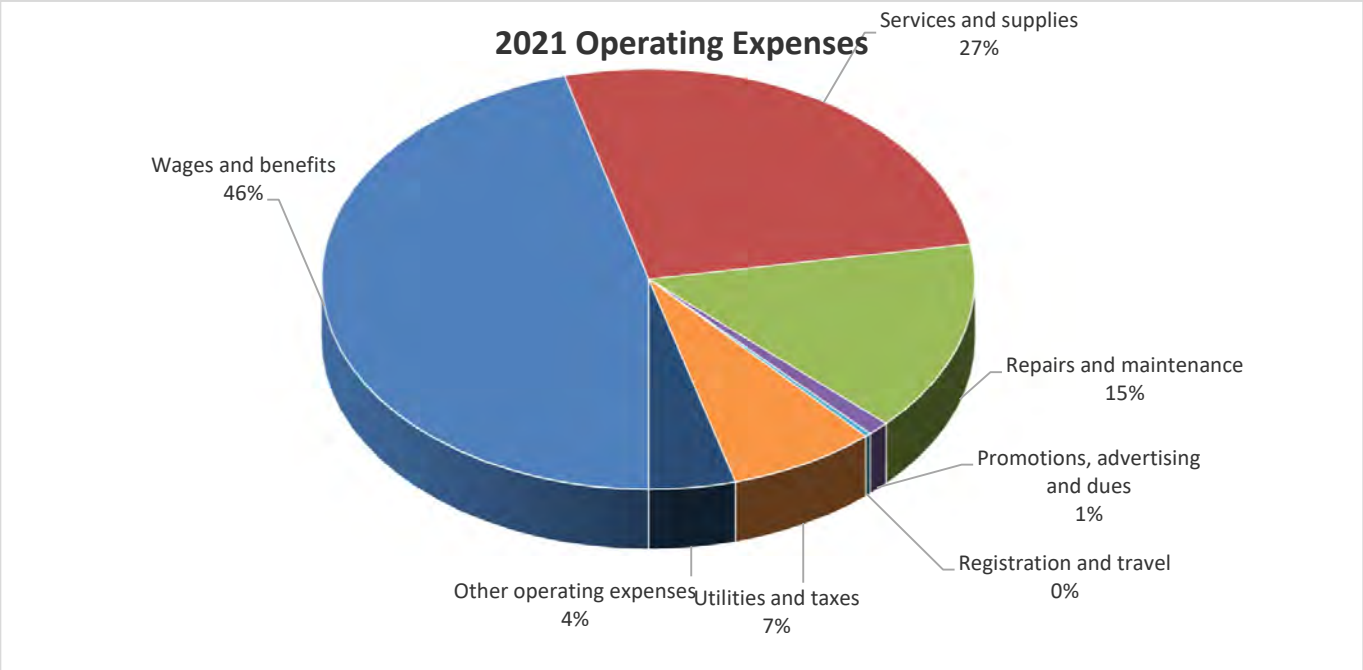


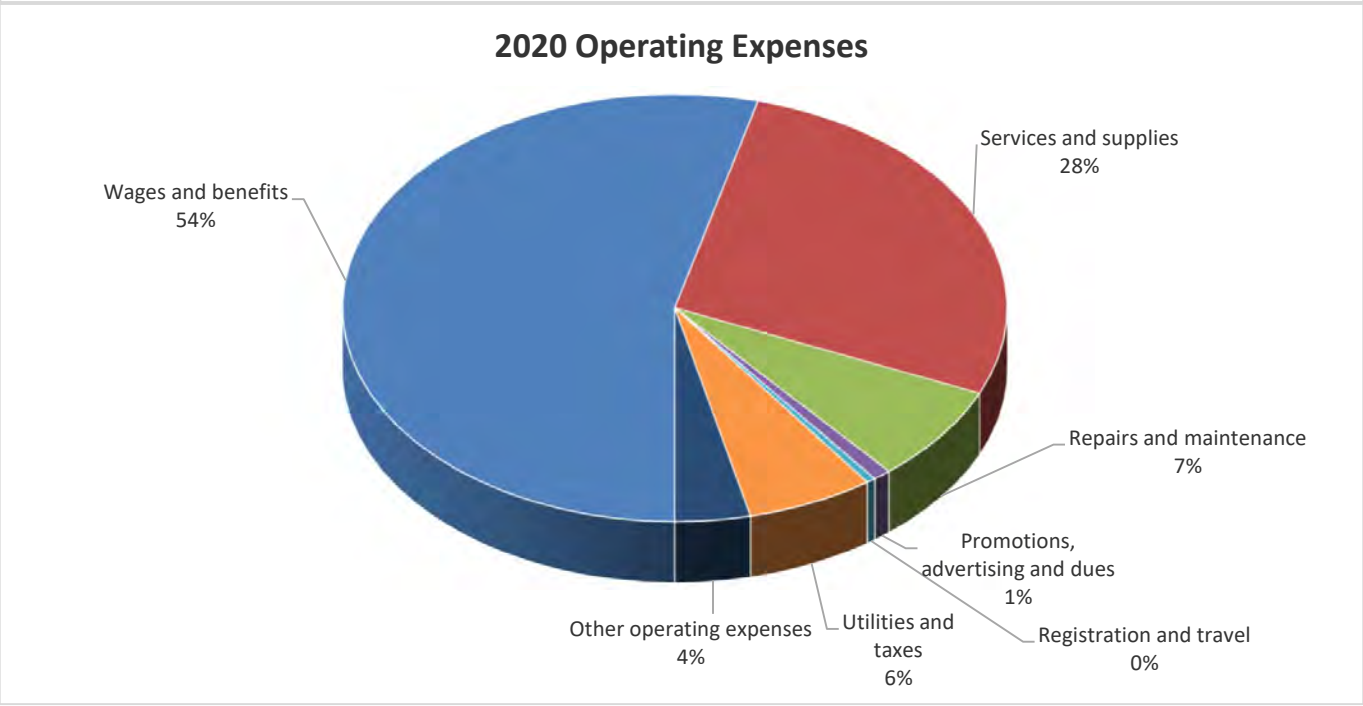
	(Dollar amounts in thousands)			
	2021	2020	Increase/ (Decrease) from 2020	% Increase/ (Decrease) from 2020
Concessions	$ 15,633	$ 13,262	$ 2,371	17.88%
Fees and charges	14,721	12,868	1,853	14.40%
Space and facility rentals	26,345	30,833	(4,488)	-14.56%
Parking	13,000	13,784	(784)	-5.69%
Other revenue	1,649	1,486	163	10.97%
Total operating revenues	$ 71,348	$ 72,233	$ (885)	-1.23%

	(Dollar amounts in thousands)			
	2020	2019	Increase/ (Decrease) from 2019	% Increase/ (Decrease) from 2019
Concessions	$ 13,262	$ 19,863	$ (6,601)	-33.23%
Fees and charges	12,868	19,320	(6,452)	-33.40%
Space and facility rentals	30,833	26,673	4,160	15.60%
Parking	13,784	25,535	(11,751)	-46.02%
Other revenue	1,486	1,791	(305)	-17.03%
Total operating revenues	$ 72,233	$ 93,182	$ (20,949)	-22.48%

Operating Expenses

Operating expenses, before depreciation and amortization, decreased by 13.9% and 5.8% in fiscal years 2021 and 2020 respectively. Refer to the changes in net position section of this MD&A for additional information related to operating expenses.





Operating Expense by Major Classification

	(Dollar amounts in thousands)			
	2021	2020	Increase/ (Decrease) from 2020	% Increase/ (Decrease) from 2020
Wages and benefits	$ 24,357	$ 33,338	$ (8,981)	-26.94%
Services and supplies	14,058	16,978	(2,920)	-17.20%
Repairs and maintenance	7,824	4,510	3,314	73.48%
Promotions, advertising and dues	579	534	45	8.43%
Registration and travel	158	272	(114)	-41.91%
Utilities and taxes	3,868	3,809	59	1.55%
Other operating expenses	2,271	2,258	13	0.58%
Total operating expenses	$ 53,115	$ 61,699	$ (8,584)	-13.91%

	(Dollar amounts in thousands)			
	2020	2019	Increase/ (Decrease) from 2019	% Increase/ (Decrease) from 2019
Wages and benefits	$ 33,338	$ 34,614	$ (1,276)	-3.69%
Services and supplies	16,978	18,017	(1,039)	-5.77%
Repairs and maintenance	4,510	5,048	(538)	-10.66%
Promotions, advertising and dues	534	733	(199)	-27.15%
Registration and travel	272	554	(282)	-50.90%
Utilities and taxes	3,809	4,380	(571)	-13.04%
Other operating expenses	2,258	2,144	114	5.32%
Total operating expenses	$ 61,699	$ 65,490	$ (3,791)	-5.79%

Debt Activity

In fiscal 2021, the Authority refinanced its 2012 TD Bank note with the issuance of a new $27M Trustmark Bank note. In 2021, normal debt service payments reduced the overall debt by $6.27 million. No additional debt payments were made. In 2020, debt service payments reduced the overall debt by $6.14 million

Refer to Note 10 for a more detailed explanation of long-term debt activity.

Cash and Investment Management

The Authority's cash and cash equivalents increased $16.19 million for fiscal year 2021 over 2020. Cash and cash equivalents, restricted, increased by $2.5 million and unrestricted cash and cash equivalents increased by $13.69 million.

The Authority's cash and cash equivalents increased $11.25 million for fiscal year 2020 over 2019. Cash and cash equivalents, restricted, increased by $3.35 million and unrestricted cash and cash equivalents increased by $7.90 million.

Capital Construction

During 2021, the Authority expended approximately $25.4 million on capital activities. Major projects in 2021 include Cecil Air Traffic Control Tower, Boeing hangar at Cecil, and Moving Walkway at JIA.

During 2020, the Authority expended approximately $26.1 million on capital activities. Major projects in 2020 include Runway 18L/36R Concrete Rehab, Cecil Air Traffic Control Tower, and Garage Structure/Joint Rehab.

Average monthly capital construction spending was $2.1M, $2.1M, and $2.9M for fiscal years 2021, 2020, 2019, respectively.

Refer to Note 6 for a more detailed discussion of capital activity.

Economic Factors, COVID, and Next Years' Budget

The COVID-19 pandemic has had a material impact on the commercial aviation industry. The last two years have proven to be historically challenging for both airlines and airports. The Coronavirus Aid, Relief, and Economic Security Act ("CARES") and following similar legislation contained several relief measures for the specific benefit of both airports and airlines. Through the CARES Act, the federal government provided direct aid to JAA in the amount of $28.4 million. The Authority used $14.6 million and $13.8 million in fiscal years 2020 and 2021, respectively.

In December of 2020, the federal government passed the Coronavirus Response and Relief Supplemental Appropriations ("CRSSA") Act. JAA was awarded $8.7 million in direct aid as part of CRSSA. The Authority used $0.7 million and $8.0 million in fiscal years 2020 and 2021, respectively.

In March of 2021, the federal government passed the American Rescue Plan ("ARPA") Act. JAA was awarded $24.5 million as part of ARPA. The Authority has not used any ARPA funds to date. The award will be used within the four-year time frame as specified in the act. The federal support provided as part of the CARES, CRSSA, and ARPA Acts has allowed the Authority to absorb revenue losses and remain financially stable.

While fiscal 2021 domestic and international travel activity remained at diminished levels, we are encouraged by increasing passenger levels noted during the latter half of 2021. Current signs point to increasing passenger confidence in 2022. We expect that aviation activity in fiscal year 2022 will continue on an improving trendline with moderate increases over fiscal 2021.

Contacting the Authority's Financial Management

The financial report is designed to provide the Authority's board of directors, management, investors, creditors and customers with a general view of the Authority's finances and to demonstrate the Authority's accountability for the funds it receives and expends. For additional information about this report, or if you need additional financial information, please contact Chief Financial Officer, 14201 Pecan Park Road, Jacksonville, Florida 32218.

Jacksonville Aviation Authority

Statement of Net Position
Years Ended September 30, 2021 and 2020
(Dollar amounts in thousands)

	2021	2020
Assets:		
Current assets:		
Cash and cash equivalents	**$ 98,508**	$ 84,814
Investments	**56,039**	50,646
Accounts receivable, net of allowance of $191 in 2021 and $191 in 2020	**6,991**	5,695
Grants receivable	**3,165**	1,099
Interest receivable	**130**	191
Notes receivable	**204**	187
Inventory and other assets	**1,986**	2,141
Total current assets	**167,023**	144,773
Noncurrent assets:		
Restricted cash and cash equivalents	**15,910**	13,413
Restricted - PFC receivable	**1,659**	730
Notes receivable	**2,392**	2,596
Total noncurrent assets	**19,961**	16,739
Capital assets:		
Land	**71,143**	71,143
Construction in progress	**29,323**	15,598
Property, plant and equipment	**977,328**	975,238
Less accumulated depreciation	**(580,462)**	(551,089)
Other capital assets, net of amortization	**771**	99
Total capital assets	**498,103**	510,989
Total noncurrent and capital assets	**518,064**	527,728
Total assets	**685,087**	672,501
Deferred outflows of resources:		
Derivative instrument – swap	**511**	885
Loss on refunding	**1,059**	1,412
Pension	**5,459**	10,540
Total deferred outflow of resources	**7,029**	12,837
Total assets and deferred outflows of resources	**$ 692,116**	$ 685,338

See notes to financial statements.

Jacksonville Aviation Authority

Statement of Net Position (Continued)
Years Ended September 30, 2021 and 2020
(Dollar amounts in thousands)

	2021	2020
Liabilities		
Current liabilities:		
Accounts payable	**$ 7,389**	$ 5,262
Accrued expenses	**3,903**	3,174
Unearned Revenue	**3,068**	2,190
Other Accrued Liabilities	**22,004**	14,429
Notes payable – current portion	**5,638**	6,265
Accrued interest payable	**162**	314
Construction contracts and retainage payable	**844**	578
Total current liabilities	**43,008**	32,212
Long-term liabilities:		
OPEB liability	**1,250**	1,352
Notes payable	**40,051**	45,765
Derivative instrument – swap	**511**	885
Net pension liability	**10,089**	34,372
Total long-term liabilities	**51,901**	82,374
Total liabilities	**94,909**	114,586
Deferred inflow of resources:		
Gain on refunding	**408**	515
Pension	**17,825**	934
Total deferred inflow of resources	**18,233**	1,449
Net position		
Net investment in capital assets	**452,222**	459,276
Restricted for capital acquisition and construction	**10,607**	7,571
Restricted for O & M	**5,153**	5,766
Restricted - PFC receivable	**1,658**	730
Restricted - other	**151**	76
Unrestricted	**109,183**	95,884
Total net position	**578,974**	569,303
Total liabilities, deferred inflows and net position	**$ 692,116**	$ 685,338

Jacksonville Aviation Authority

Statement of Revenues, Expenses, and Changes in Net Position
Years Ended September 30, 2021 and 2020
(Dollar amounts in thousands)

	2021	2020
Operating revenues:		
Concessions	**$ 15,633**	$ 13,262
Fees and charges	**14,721**	12,868
Space and facility rentals	**26,345**	30,833
Parking	**13,000**	13,784
Other revenue	**1,649**	1,486
Total operating revenues	**71,348**	72,233
Operating expenses:		
Wages and benefits	**24,357**	33,338
Services and supplies	**14,058**	16,978
Repairs and maintenance	**7,824**	4,510
Promotions, advertising and dues	**579**	534
Registration and travel	**158**	272
Utilities and taxes	**3,868**	3,809
Other operating expenses	**2,271**	2,258
Operating expenses before depreciation and amortization	**53,114**	61,699
Operating income before depreciation and amortization	**18,234**	10,534
Depreciation and amortization	**38,113**	39,058
Operating loss	**(19,879)**	(28,524)
Nonoperating revenues:		
Passenger facility charges	**8,729**	7,516
Investment income	**593**	2,765
Federal and State agency grants	**7,704**	11,878
Total nonoperating revenues	**17,027**	22,159
Nonoperating expenses:		
Interest expense	**1,858**	1,417
Other expenses	**477**	(33)
Total nonoperating expenses	**2,335**	1,384
(Loss) income before capital contributions	**(5,187)**	(7,749)
Capital contributions	**14,859**	15,389
Change in net position	**9,672**	7,640
Net position, beginning of year	**569,303**	561,663
Net Position, end of year	**$ 578,974**	$ 569,303

See notes to financial statements.

Jacksonville Aviation Authority

Statement of Cash Flows
Years Ended September 30, 2021 and 2020
(Dollar amounts in thousands)

	2021	2020
Cash flows from operating activities:		
Receipts from customers and tenants	**$ 77,607**	$ 72,723
Payments to suppliers for goods and services	**(25,456)**	(34,660)
Payments to employees for services	**(26,162)**	(31,750)
Other (expense) revenue	**100**	67
Net cash flows provided by operating activities	**26,089**	6,380
Cash flows non-capital and related financing activities:		
Federal grants received	**7,704**	12,073
Net cash flows provided by non-capital financing activities	**7,704**	12,073
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	**(25,644)**	(24,860)
Proceeds from issuance of new debt	**27,188**	-
Principal paid on capital debt	**(33,530)**	(6,135)
Interest paid on capital debt	**(1,765)**	(1,211)
Proceeds from sale of equipment	**104**	54
Contributions-in-aid of construction	**12,795**	16,131
Passenger facility charges received	**7,801**	7,516
Net cash used in capital and related financing activities	**(13,051)**	(8,505)
Cash flows from investing activities:		
Collections on notes receivable	**187**	178
Interest on investments	**1,266**	2,425
Purchase of investment securities	**(32,669)**	(30,262)
Proceeds from sale and maturities of investment securities	**26,664**	28,965
Net cash provided by investing activities	**(4,552)**	1,306
Net change in cash and cash equivalents	**16,191**	11,254
Cash and cash equivalents:		
Beginning of year	**98,227**	86,973
End of year	**$ 114,418**	$ 98,227

(Continued)

Jacksonville Aviation Authority

Statements of Cash Flows (Continued)
Years Ended September 30, 2021 and 2020
(Dollar amounts in thousands)

	2021	2020
Reconciliation of operating (loss) to net cash provided by		
Operating activities:		
Operating loss	**$ (19,879)**	$ (28,524)
Adjustment to reconcile operating loss to net cash provided by		
Operating activities:		
Depreciation and amortization expense	**38,113**	39,058
Decrease (increase) in accounts receivable	**(1,296)**	489
Increase (decrease) in inventory and other assets	**155**	(192)
Increase (decrease) in accounts payable	**2,127**	(3,517)
Increase (increase) in pension deferred outflow	**5,081**	(213)
Decrease (increase) in accrued expenses	**(23,655)**	290
Increase in other accrued liabilities	**7,573**	
Increase in unearned revenue	**879**	
Increase (decrease) in pension deferred inflow	**16,891**	(1,078)
Other operating activities	**100**	67
Net cash flows provided by operating activities	**$ 26,089**	$ 6,380
Supplemental schedule of noncash investing, capital and financing activities:		
Change in fair value of investments	**$ (612)**	$ 546
Capital assets acquired through contracts payable and accruals	**$ 844**	$ 578
Capital contributions receivable	**$ 3,165**	$ 1,099

See notes to financial statements.

This page intentionally left blank

1. Organization and Reporting Entity

Organization

The Jacksonville Aviation Authority (the Authority), a body corporate and politic, was established by the State of Florida (State) on June 5, 2001, pursuant to the provisions of Chapter 2001-319 which was amended on June 17, 2004 by Chapter 2004-464, of the Laws of Florida to own and operate aviation facilities in Duval County, Florida. The Authority is independent, distinct from, and not an agent of the State or any other of the State's political subdivisions, including the County of Duval (County). Prior to October 1, 2001, the Authority operated as a division of the Jacksonville Port Authority. Pursuant to the provisions of Chapter 2005-328 of the Laws of Florida, the Authority changed its name from Jacksonville Airport Authority to Jacksonville Aviation Authority effective June 10, 2005.

The Authority's Board of Directors consists of seven members, four appointed by the Governor of the State of Florida and confirmed by the State Senate and three appointed by the Mayor of the City of Jacksonville (City) and confirmed by the City Council. The Authority is not subject to Federal, State or local income or sales taxes.

Reporting Entity

The Authority follows the criteria set forth in accounting principles generally accepted in the United States of America (GAAP) as promulgated by the Government Accounting Standards Board (GASB). The accompanying financial statements present the financial activities of the Authority only. The Authority does not have any component units and is not involved in any joint ventures.

2. Summary of Significant Accounting Policies

New Accounting Guidance

GASB 87: Leases

This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statement were originally effective for reporting periods beginning after December 15, 2019. This pronouncement has been given an 18 month extension and will be effective for reporting periods beginning after June 15, 2021. This statement will have a material impact on the financial statements of the Authority.

GASB 91: Conduit Debt Obligations

The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with: (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. The standard is not expected to impact the Authority's financial statements.

2. Summary of Significant Accounting Policies (Continued)

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 Payment Arrangements, to bring a uniform guidance on how to report public-private and public-public partnership arrangements. As a result, transferors in public-private or public-public 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 arrangements, in which a government compensates an operator for 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 ending September 30, 2023.

GASB 96: Subscription-Based Information Technology Arrangements

The primary objectives of this Statement are to recognize subscription services as a right-to-use asset and treat the use of the assets similar to qualifying leases under GASB 87.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2022. The Authority is currently evaluating the potential impact on the Authority's financial statements.

GASB 97: Certain Component Unit Criteria

In June 2020, the Governmental Accounting Standards Board issued Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans. While this standard had certain aspects impacting defined contribution pension and OPEB plans and other employee benefit plans that were effective immediately, it also clarifies when a 457 should be considered a pension plan or another employee benefit plan to assist in the application of GASB Statement No. 84 to these types of plans.

JAA is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement related to 457 plans are effective for the Authority's financial statements for the year ending September 30, 2022.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis. The Authority reports as a business type activity, as defined by the GASB. Business type activities are those that are financed in whole or in part by fees charges to external parties for goods or services.

The Authority's activities are accounted for similarly to those often found in the private sector using the flow of economic resources measurement focus and the accrual basis of accounting. All assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses are accounted for through a single enterprise fund with revenues recorded when earned and expenses recorded at the time liabilities are incurred.

Current assets include cash and amounts convertible to cash during the next normal operating cycle or one year. Current liabilities include those obligations to be liquidated with current assets.

Revenues from airlines, rental cars, parking and concessions are reported as operating revenues. Capital and non-capital grants, financing or investment related transactions are reported as non-operating revenues. All expenses related to operating the Authority are reported as operating expenses. Interest expense and financing costs are reported as non-operating expenses.

2. Summary of Significant Accounting Policies (Continued)

The Authority's bond resolutions specify the flow of funds from revenues and specify the requirements for the use of certain restricted and unrestricted assets.

Net Position

Net position represents the residual interest in the Authority's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted and consists of three components: net investment in capital assets, restricted, and unrestricted. Net investment in capital assets includes capital asset, net of accumulated depreciation, reduced by outstanding debt net of debt service reserves. Net position is reported as restricted when constraints are imposed by third parties or enabling legislation. The Authority's restricted net position is expendable.

In certain cases, the Authority may fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts reported as restricted net position and unrestricted net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted net position to have been depleted before unrestricted net position.

Proprietary Accounting and Financial Reporting

The accompanying financial statements have been prepared in conformity with GAAP as applied to governmental units. The GASB is the accepted standard-setting body establishing governmental accounting and financial reporting principles.

Budgeting Requirements

The Authority's annual budgeting process is a financial planning tool used to establish the estimated revenues and expenditures for the Authority. The annual budget is developed after reviewing revenue forecasts, the impact of funding increases on landing fees, rental rates and other rates and charges, prior year actual, current program levels, new operating requirements, and the overall economic climate of the region and airline industry. The budget to actual results are periodically reviewed throughout the year to ensure compliance with the provisions of the Authority's entity-wide annual operating budget, which is approved by the Board of Directors and the City Council of the City.

Prior to July 1 of each year, the Authority prepares and submits its budget to the City Council for the ensuing fiscal year. The City Council may increase or decrease the appropriation requested by the Authority on a total basis or a line-by-line basis. The Authority's Chief Executive Officer has been delegated the authority to approve budgetary changes to the budget within all categories, subject to the following limitations: once adopted, the total budget may only be increased through action of the City Council; operating budget item transfers may be made with the approval of the Chief Executive Officer or his designee, line-to-line capital budget transfers may be made with the approval of the Chief Executive Officer or his designee if it is cumulatively less than or equal to $250,000. In keeping with the requirements of a proprietary fund budget, budget comparisons have not been included in the financial section of this report.

Revenue Recognition

Airfield Landing Fee Charges – Landing fees are principally generated from scheduled airlines, cargo carriers and non-scheduled commercial aviation and are based on the landed weight of the aircraft. The estimated landing fee structure is determined annually based on the residual cost recovery method, pursuant to the Agreement between the Authority and the signatory airlines based on the operating budget of the Authority, and it is adjusted at year-end for the actual landed weight of all aircraft. Landing fees are recognized as a component of operating revenue when the related facilities are utilized. See separate note on Airline Lease and Use Agreement for further details.

2. Summary of Significant Accounting Policies (Continued)

Terminal Rents, Concession and Ground Transportation – Rentals and concession fees are generated from airlines, parking structures and lots, rental cars, fixed based operators, food and beverage, retail, advertising and other commercial tenants. Leases with the airlines are based on residual cost recovery method, through rates and charges pursuant to the Agreement. Leases are typically for terms from one or more years and generally require rentals based on the volume of business, with specific minimum annual rental payments required. Rental revenue is recognized on a straight-line basis over the life of the respective leases and concession revenue is recognized based on reported concession revenue and typically based on a minimum rental guarantee. Rental revenue and concession revenue are recognized as operating revenue on the Statements of Revenues, Expenses, and Changes in Net Position.

Federal and State Grants - Outlays for airport capital improvements and, from time to time, certain airport operating expenses are subject to reimbursement from federal grant programs. Funds are also received for airport development from the State of Florida. Funding provided from government grants is considered earned when all eligibility criteria is met in accordance with GASB 33. Revenue is recognized as the related approved capital outlays or expenses are incurred and is recorded as a component of capital contributions and grants. Costs claimed for reimbursement are subject to audit and acceptance by the granting agency.

Other – All other types of operating revenue are recognized when earned.

Cash, Cash Equivalents and Investments

The deposit and investment of Authority monies is governed by provisions of its enabling legislation and by an investment policy adopted by the Authority. The Governing Body has authorized the Authority to establish bank accounts with a qualified depository pursuant to Chapter 280 of the Florida Statutes. Accordingly, all of the Authority's deposits are considered fully collateralized.

For purposes of reporting cash flows, the Authority considers all highly liquid investments (including restricted assets) with original maturities of three months or less to be cash equivalents. Cash equivalents, which are stated at amortized cost, consist of money market funds and cash investment pools payable on demand. The Governing Body has authorized the Authority to invest in obligations of the U.S. Government and certain of its agencies, repurchase agreements, investment grade commercial paper, money market funds, corporate bonds, time deposits, bankers' acceptances, state and/or local debt, common stock and the Florida State Board of Administration Investment Pool. Restricted bond proceeds are invested in accordance with the bond indenture agreements.

Receivables

Receivables are reported at their gross value when earned and are reduced by the estimated portion that is expected to be uncollectible. The allowance for uncollectible accounts is based on collection history, aviation industry trends and current information regarding the credit worthiness of the tenants and others doing business with the Authority. When continued collection activity results in receipt of amounts previously written off, revenue is recognized for the amount collected.

Inventory

Inventory consists of supplies, parts, and fuel and is stated at cost using the weighted average and FIFO methods, respectively.

Restricted Assets

Restricted assets consist of monies and other resources, which are legally restricted. Major classes of restricted assets are discussed below.

2. Summary of Significant Accounting Policies (Continued)

Operations and maintenance (O&M) fund is an asset representing proceeds restricted to pay the next succeeding month of budgeted operations and maintenance expenses.

Passenger facility charges (PFC) funds are assets representing PFC collections based on an approved Federal Aviation Administration (FAA) application to "impose" such charges on enplaned passengers at Jacksonville International Airport (JIA). These funds are restricted for designated capital projects and any debt incurred to finance the construction of those projects. The Authority recognizes and reports PFCs as non-operating revenue when all conditions have been met that entitle the Authority to retain the PFCs.

Capital Assets

Capital assets are stated at historical cost, net of accumulated depreciation. The Authority's capitalization threshold is $5,000. Tenants have funded some construction and improvements of airport facilities from their own working capital. Under agreements with the Authority, the property reverts to the Authority upon termination or expiration of the agreement. These assets, when obtained by the Authority, are recorded at acquisition value as of the date of transfer. Major improvements and replacements of property are capitalized. Maintenance, repairs and minor improvements and replacements are expensed as incurred.

When properties are disposed of, the related costs and accumulated depreciation are removed from the respective accounts and any gain or loss on disposition is reflected in current operations.

Depreciation of capital assets is computed using the straight-line method at various rates considered adequate to allocate costs over the estimated useful lives of such assets. The estimated lives by general classification are as follows:

	Life in Years
Buildings	5-50
Other improvements	3-50
Equipment	3-20
Intangibles	5-10

Debt Issuance Costs

Debt issuance costs represent costs incurred in the process of issuing bonds or notes and are expensed in the year of issuance.

Compensated Absences

Employees accrue annual leave in varying amounts based on length of service combined with position level, up to a maximum of 320 hours. Hours accrued over 320 will be rolled into a sick bank at December 31. Sick bank hours may be paid out at employee termination at 25% of total. The liability for compensated absences earned through year-end, but not yet taken, is accrued by charging the expense for the change in the liability from the prior year. This liability is reported in the accrued expenses line in the Statement of Net Position.

2. Summary of Significant Accounting Policies (Continued)

Pension Plan

For purposes of measuring the net pension liability, deferred outflows of resource and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) and Health Insurance Subsidy (HIS) defined benefit plans (Plans), additions to/deductions from both Plans fiduciary net position have been determined on the same basis as they are reported by the Plans and are recorded in the Authority's financial statements.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. This separate financial statement section, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expenses) until that time. The Authority currently reports an accumulated decrease in fair value of a derivative swap (see Note 10), the net deferred loss on refunding of debt, as well as deferred outflows related to pensions in this category.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. This separate financial statement section, 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 Authority currently reports deferred inflows related to the net deferred gain on refunding of debt, as well as deferred inflows related to pensions in this category.

Capital Contributions: Federal and State Grants

The Authority receives federal and state grants in support of its capital construction program. The federal program provides funding for airport development, airport planning and noise compatibility programs from the Airport and Airways Trust Funds in the form of both entitlement and discretionary grants for eligible projects. The State of Florida and individual tenants also provide funds for capital programs.

Certain expenditures for airport capital improvements are funded through the airport improvement program (AIP) of the FAA, with certain matching funds provided by the State of Florida's Department of Transportation and the Authority, or from various state allocations or grant programs. Capital funding provided under government grants is considered earned as the allowable expenditures are incurred.

Grants for capital asset acquisition, facility development and rehabilitation and eligible long-term planning studies are reported in the statement of revenues, expenses and changes in net position, after non-operating revenues and expenses, as capital contributions.

Passenger Facility Charges

In 1990, Congress approved the Aviation Safety and Capacity Expansion Act which authorized domestic airports to impose a PFC on enplaning passengers. In May 1991, the FAA issued the regulations for the use and reporting of PFCs. PFCs may be used for airport projects that meet as least one of the following criteria: preserve or enhance safety, security, or capacity of the national air transportation system, reduce noise or mitigate noise impacts resulting from an airport, or furnish opportunities for enhanced competition between or among carriers.

2. Summary of Significant Accounting Policies (Continued)

PFC charges at the rate of $3.00 per enplaned passenger have been levied by the Authority since April 1, 1994, under an FAA approved application to impose $12.26 million in PFC fees. Since this first record of decision the Authority has submitted and received approval to collect $363.46 million since inception through November 1, 2024. In February 2003, with an earliest charge effective date of May 1, 2003, the FAA approved an amendment to impose and use passenger facility charges, at JIA at a new rate of $4.50. This amendment also permits the Authority to finance certain projects with PFC revenues. Through September 30, 2021, the Authority has collected, including interest earnings, PFCs totaling approximately $267.32 million. PFCs, along with related interest earnings are recognized and recorded as non-operating revenue in the year collected by the air carriers.

The Authority has expended approximately $252.96 million of PFCs on projects funded on a pay-as-you-go and financing basis.

Management Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, through subsequent events, actual results could differ from those estimated.

Reclassifications

Certain 2020 amounts have been reclassified to conform to the 2021 presentation, with no effect on 2020 net income.

3. Investments

Credit Risk

The primary objectives of the Authority's investment policy are the safety of capital, the liquidity of the portfolio, and the yield of the investments. Bond proceeds may be invested in securities as permitted in the bond indentures. Otherwise, assets of the Authority may be invested in: (a) the Florida Local Government Surplus Funds Trust Fund (Florida PRIME); (b) United States government securities; (c) United States government agencies, federal instruments; (d)federal instrumentalities; (e) interest bearing time deposit or savings accounts, provided that any such deposits are secured by the Security for Public Deposits Act, Chapter 280, Florida Statues; (f) repurchase agreements; (g) commercial paper that has an S&P-equivalent rating at the time of purchase, at a minimum "A-1"; (h) corporate notes that have a long-term debt S&P-equivalent rating at the time of purchase, at a minimum "A-"; (i) bankers' acceptances that have an S&P-equivalent rating at the time of purchase, at a minimum "A-1"; (j) state and/or local government debt that has a long-term debt S&P-equivalent rating at the time of purchase, at a minimum "A-", or a short-term debt S&P-equivalent rating at the time of purchase, at a minimum "SP-1"; (k) supranational debt that has a long-term debt S&P-equivalent rating at the time of purchase, at a minimum "AAA-", or a short-term debt S&P-equivalent rating at the time of purchase, at a minimum "A-1"; (l) registered investment companies (money market mutual funds) registered under the Investment Company Act of 1940 that have an S&P-equivalent rating of "AAAm"; (m) mortgage-backed securities; (n) asset-backed securities that have a long-term debt S&P-equivalent rating at the time of purchase, at a minimum "AAA", or short-term debt S&P-equivalent rating at the time of purchase, at a minimum "A-1"; (o) domestic common stock; (p) equity funds.

Consistent with the Authority's investment policy bond resolutions: 1) all of the U.S. government agency securities held in the portfolio are issued or guaranteed by agencies created pursuant to an Act of Congress as an agency of the United States of America and at the time of their purchase were rated AA+ by S&P; 2) the Local Government Surplus Funds Trust Fund is rated AAA by S&P; it is administered by the State Board of Administration, under the regulatory oversight of the State of Florida, Chapter 19-7 of the Florida Administrative Code. The value of the Authority's investment is the same as the value of the pool shares; 3) the money market mutual funds are each rated AAA by S&P. The investments in the Local Government Surplus Funds Trust Fund and the money market mutual funds are classified as cash equivalents on the accompanying statements of net position.

In March 2021, JAA's Board of Directors approved a modification of our existing investment policy. The modification permitted several changes to existing investment policy including 1) establishment of two separately managed portfolios with separate investment policies 2) investment in domestic common stock and equity funds 3) increased the allowable maximum percentage in Corporate Bonds 4) lowered the minimum S&P equivalent rating on Corporate Bonds from A- to BBB.

Domestic common stock balances are as follows:

	(Dollar amounts in thousands)			
Year Ending	2021		2020	
	Balance	% of	Balance	% of Portfolio
Equity	$ 2,806	5.01%	$ -	0.00%
Fixed Income	53,232	94.99%	50,646	100.00%
Total	$ 56,039		$ 50,646	

3. Investments (Continued)

The Authority's fixed income investments are rated as follows:

September 30, 2021 Investment Type	Rating	*(Dollar amounts in thousands)* Fair Value
US Treasury and government agency securities	AAA	$ 17,626
US Treasury and government agency securities	AA+	12,760
Corporate Bonds and Notes	AAA	6,224
Corporate Bonds and Notes	AA+	288
Corporate Bonds and Notes	AA	550
Corporate Bonds and Notes	AA-	986
Corporate Bonds and Notes	A+	1,749
Corporate Bonds and Notes	A	1,226
Corporate Bonds and Notes	A-	2,449
Corporate Bonds and Notes	A3	105
Corporate Bonds and Notes	BBB+	1,886
Corporate Bonds and Notes	BBB	169
Corporate Bonds and Notes*	BBB-	998
Corporate Bonds and Notes*	BB+	213
Corporate Bonds and Notes*	BB	104
Corporate Bonds and Notes*	BB-	163
Foreign Corporate Bonds and Notes	A	274
Foreign Corporate Bonds and Notes	A-	656
Foreign Corporate Bonds and Notes	BBB+	54
Foreign Corporate Bonds and Notes	BBB	104
Foreign Corporate Bonds and Notes*	BBB-	105
Supranationals	AAA	2,807
Municipal Bonds	AAA	362
Municipal Bonds	AA+	475
Municipal Bonds	AA	211
Municipal Bonds	AA2	456
Municipal Bonds	A+	141
Municipal Bonds	A	91
Total		$ 53,232

*Note: These bonds were rated BBB or better as required by policy at the time of purchase. The bonds were downgraded after the purchase date.

3. Investments (Continued)

September 30, 2020 Investment Type	Rating	*(Dollar amounts in thousands)* Fair Value
US Treasury and government agency securities	AAA	$ 13,635
US Treasury and government agency securities	AA+	15,089
Corporate Bonds and Notes	AAA	6,521
Corporate Bonds and Notes	AA+	290
Corporate Bonds and Notes	AA	891
Corporate Bonds and Notes	AA-	582
Corporate Bonds and Notes	A+	2,455
Corporate Bonds and Notes	A	2,160
Corporate Bonds and Notes	A-	2,608
Corporate Bonds and Notes	A3	215
Corporate Bonds and Notes*	BBB+	940
Corporate Bonds and Notes*	BBB-	193
Foreign Corporate Bonds and Notes	A+	205
Foreign Corporate Bonds and Notes	A3	210
Foreign Corporate Bonds and Notes*	BBB+	212
Foreign Corporate Bonds and Notes*	BBB	201
Supranationals	AAA	2,150
Municipal Bonds	AAA	628
Municipal Bonds	AA+	745
Municipal Bonds	AA	417
Municipal Bonds	A+	253
Municipal Bonds	A	46
Total		$ 50,646

*Note: These bonds were rated A- or better at the time or purchase, as required by policy. The bonds were downgraded after the purchase date.

Interest Rate Risk

Section 218.415(17), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they come due. As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority's investment policy requires the investment portfolio to be structured in such a manner as to provide sufficient liquidity to pay obligations as they come due. To the extent possible, investment maturities are matched with known cash needs and anticipated cash flow requirements. Additionally, maturity limitations for investments related to the issuance of debt are outlined in the bond resolution relating to those bond issues. The Authority's investment policy also limits investments in commercial paper to maturities not to exceed 270 days.

3. Investments (Continued)

Fixed Income Maturity Distribution

Type of Investments	*(Dollar amounts in thousands)* Less Than One Year from 09/30/2021	One to Five Years	Total
US Treasury and government agency securities	$ 855	$ 29,531	$ 30,386
Corporate Bonds and Notes	1,418	15,691	17,109
Supranationals	-	2,807	2,807
Municipal Bonds	497	1,240	1,737
Foreign Corporate Bonds and Notes	-	1,194	1,194
	$ 2,770	$ 50,463	$ 53,232

Type of Investments	*(Dollar amounts in thousands)* Less Than One Year from 09/30/2020	One to Five Years	Total
US Treasury and government agency securities	$ 222	$ 28,502	$ 28,724
Corporate Bonds and Notes	3,184	13,671	16,855
Supranationals	-	2,150	2,150
Municipal Bonds	-	2,089	2,089
Foreign Corporate Bonds and Notes	201	627	828
	$ 3,607	$ 47,039	$ 50,646

Credit Risk

All securities purchased by, and all collateral obtained by, the Authority under its investment policy shall be properly designated as assets of the Authority and may be held in safekeeping by a third-party custodial bank or other third-party custodial institution. As of September 30, 2021 and 2020 all investment securities of the Authority are held with an appropriate custodian or trustee or are held in accounts in the name of, and belonging to, the Authority.

Concentration of Credit Risk

JAA Primary Fund (Fixed Income)

Exclusive of restricted funds, the following are the Authority's investment percentages limits within the Primary Fund. The Authority's investment in US Treasury, Government National Mortgage Association and other US government guaranteed securities shall not exceed 100% of the total investment portfolio. Total investments in United States Federal Agency or Government-Sponsored Enterprise securities shall each not exceed 75% of the total value of the investment portfolio. Maximum exposure to any Interest Bearing Time Deposits, Money Markets, Savings Accounts or Intergovernmental Pools shall be limited to 50% of the total investment portfolio. Investments in Repurchase Agreements shall not exceed 40% of the total investment portfolio. The Authority's investment in Commercial Paper and Corporate Bonds and Notes shall not exceed 35% of the total investment portfolio. Authority investments in Supranationals, where the United States is a shareholder and voting member shall not exceed 25%. Maximum exposure to Mortgage-Backed Securities, State and/or Local Government Taxable and /or Tax-Exempt Debt, Asset-Backed Securities and Florida Local Government Surplus Funds Trust Funds shall not exceed 25% of the total investment portfolio. The Authority shall not exceed 20% of its portfolio value for Fixed Income mutual funds and ETFs and 10% for Bankers Acceptances.

3. Investments (Continued)

As of September 30, 2021, all investment holdings of the Authority were in compliance with the JAA Primary Fund investment policy in place as of that date. Investments in any one issuer representing 5% or more of the Authority's Primary Fund investments as of September 30, 2021 were as follows: $16.72 million 33.19% invested in US Treasury Notes, $3.67 million 7.29% invested in Federal Home Loan medium term notes, $2.91 million 5.78% invested in Federal Home Loan Banks.

	(Dollar amounts in thousands)		
	September 30, 2021		
	Unrestricted	Restricted	Fair Value
Investments:			
US Treasury and government agency securities	$ 29,987	$ -	$ 29,987
Corporate Bonds and Notes	15,088	-	15,088
Supranationals	2,807	-	2,807
Municipal Bonds	1,605	-	1,605
Foreign Corporate Bonds and Notes	875	-	875
Total Investments	$ 50,362	$ -	$ 50,362

JAA Long Term Investment Portfolio Fund (Fixed Income & Equity)

The Authority's Long Term Investment Portfolio Fund ("LTIP") was created to optimize returns on Authority assets over a longer time horizon. In order to provide investment flexibility among potentially rapid market shifts, the LTIP policy establishes acceptable asset allocation ranges among the asset classes Domestic Equity, Fixed Income, and Cash Equivalents. Investments in domestic equities shall fall within 20%-60% of the total LTIP portfolio. Acceptable ranges for fixed income securities are between 25%-75% of the total LTIP portfolio. Cash equivalents should be no more than 10% of total LTIP portfolio.

As of September 30, 2021, all investment holdings of the Authority were in compliance with the JAA LTIP Fund investment policy in place as of that date. Investments in any one issuer representing 5% or more of the Authority's LTIP fund investments as of September 30, 2021 were as follows: $0.40 million 7.03% invested in US Treasury Notes.

	(Dollar amounts in thousands)		
	September 30, 2021		
	Unrestricted	Restricted	Fair Value
Investments:			
US Treasury and government agency securities	$ 399	$ -	$ 399
Corporate Bonds and Notes	2,021	-	2,021
Municipal Bonds	132	-	132
Foreign Corporate Bonds and Notes	319	-	319
Common Stock	2,806	-	2,806
Total Investments	$ 5,677	$ -	$ 5,677

3. Investments (Continued)

(Dollar amounts in thousands)

	September 30, 2020		
	Unrestricted	Restricted	Fair Value
Investments:			
US Treasury and government agency	$ 28,724	$ -	$ 28,724
Corporate Bonds and Notes	16,855	-	16,855
Supranationals	2,150	-	2,150
Municipal Bonds	2,089	-	2,089
Foreign Corporate Bonds and Notes	828	-	828
Total investments	$ 50,646	$ -	$ 50,646

The Authority follows GASB No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, which requires the adjustment of the carrying value of investments to fair value to be represented as a component of investment income. Investments are presented at fair value, which is based on available or equivalent market values.

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are observable, either directly or indirectly, such as quoted prices for similar assets, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the same term of the asset; Level 3 inputs are significant unobservable inputs. The authority has no investments valued using Level 3 inputs.

The Authority has the following recurring fair value measurements as of September 30, 2021:

* Domestic common stock securities of $2.81 million are valued using level 1 inputs.

* U.S. Treasury and government agency securities of $30.39 million are valued using level 1 and level 2 inputs.

* Corporate bonds, domestic and foreign, of $18.30 million, asset backed securities of $2.81 million and municipal bonds of $1.74 million are valued using a matrix pricing model (Level 2 inputs).

The Authority had the following recurring fair value measurements as of September 30, 2020:

* U.S. Treasury and government agency securities of $28.72 million are valued using level 1 and level 2 inputs.

* Corporate bonds of $10.33 million, asset backed securities of $6.52 million, municipal bonds of $2.09 million, and foreign bonds of $2.98 million are valued using a matrix pricing model (Level 2 inputs).

3. Investments (Continued)

The following shows a reconciliation of the investment categories to the statements of net position for cash equivalents and investments for the fiscal years September 30, 2021 and 2020.

	Cash and Investments as of, September 30, 2021			
	Cash	Investment Securities	Total Investments	Total Cash and
Current assets:				
Cash and cash equivalents	$ 98,508	$ -	$ -	$ 98,508
Investments	-	56,039	56,039	56,039
Noncurrent assets:				
Restricted cash and cash equivalents	15,910	-	-	15,910
	$ 114,418	$ 56,039	$ 56,039	$ 170,457

	Cash and Investments as of, September 30, 2020			
	Cash	Investment Securities	Total Investments	Total Cash and
Current assets:				
Cash and cash equivalents	$ 84,814	$ -	$ -	$ 84,814
Investments	-	50,646	50,646	50,646
Noncurrent assets:				
Restricted cash and cash equivalents	13,413	-	-	13,413
	$ 98,227	$ 50,646	$ 50,646	$ 148,873

4. Receivables

Accounts receivable are recorded net of allowances for uncollectible accounts of $191 thousand and $191 thousand at September 30, 2021 and 2020, respectively. Accounts receivable at year-end are comprised of the following:

	Percent of Balance	
	2021	2020
Receivables from:		
Airlines	84.06%	74.36%
Concessionaires/non-aviation	8.04%	10.28%
Aviation, Other	5.81%	14.41%
Parking customers	2.09%	0.95%

The authority entered into separate operating and lease agreements with various tenants where the following note receivables were issued: February 25, 2005 for $4.63 million over 25 years at an interest rate ranging from 6% to 9%. The current rate of interest for 2021 is 9%.

4. Receivables (Continued)

(Dollar amounts in thousands)

October 1, 2020 Balance	Increases	Decreases	September 30, 2021 Balance	Amounts Due Within One Year
$ 2,783	$ -	$ (187)	$ 2,596	$ 204

(Dollar amounts in thousands)

October 1, 2019 Balance	Increases	Decreases	September 30, 2020 Balance	Amounts Due Within One Year
$ 2,962	$ -	$ (179)	$ 2,783	$ 187

5. Restricted Assets

Restricted assets, as of September 30, are as follows:

	(Dollar amounts in thousands)	
	2021	2020
Noncurrent restricted cash, cash equivalents and receivables		
Federal forfeiture	$ 128	$ 47
Other	22	29
PFC Account (TD Bank)	10,607	7,571
Restricted O&M Fund	5,153	5,766
Restricted PFC Receivable	1,658	730
Total noncurrent restricted cash and cash equivalents	$ 17,568	$ 14,143

6. Capital Assets

Capital assets activity for the years ended September 30, 2021 and 2020:

	(Dollar amounts in thousands)			
	Beginning Balance October 1, 2020	Transfers and Additions	Transfers and Disposals	Ending Balance September 30, 2021
Capital assets not being depreciated:				
Land	$ 71,143	$ -	$ -	$ 71,143
Construction in progress	15,598	25,364	(11,639)	29,323
Total capital assets not being depreciated	86,741	25,364	(11,639)	100,466
Other capital assets:				
Buildings	171,240	1,769	-	173,009
Other improvements	726,526	5,405	(3,285)	728,644
Equipment	77,472	4,243	(6,039)	75,676
Total other capital assets	975,238	11,417	(9,324)	977,329
Intangible capital assets	8,146	796	-	8,942
Less amortization	(8,047)	(125)	-	(8,171)
Total intangible assets	99	671	-	771
Total assets being depreciated	975,337	12,088	(9,324)	978,100
Total capital assets	1,062,078	37,452	(20,963)	1,078,566
Less: Accumulated depreciation				
Buildings	88,035	4,516	-	92,551
Other improvements	416,505	24,929	(3,261)	438,173
Equipment	46,549	8,544	(5,355)	49,738
Total accumulated depreciation	551,089	37,989	(8,616)	580,462
	$ 510,989	$ (537)	$ (12,347)	$ 498,104

Depreciation expense for the years ended September 30, 2021 and 2020 was $38.11 million and $39.06 million, respectively. For fiscal year end September 30, 2020, the Authority elected to early adopt GASB 89 and therefore did not capitalize any interest in fiscal 2020 or 2021.

6. Capital Assets (Continued)

	(Dollar amounts in thousands)			
	Beginning Balance October 1, 2019	Transfers and Additions	Transfers and Disposals	Ending Balance September 30, 2020
Capital assets not being depreciated:				
Land	$ 71,143	$ -	$ -	$ 71,143
Construction in progress	24,341	26,131	(34,874)	15,598
Total capital assets not being depreciated	95,484	26,131	(34,874)	86,741
Other capital assets:				
Buildings and structures	157,597	13,737	(94)	171,240
Other improvements	713,653	13,698	(825)	726,526
Equipment	72,231	5,689	(448)	77,472
Total other capital assets	943,481	33,124	(1,367)	975,238
Intangible capital assets	8,146	-	-	8,146
Less amortization	(7,948)	(99)	-	(8,047)
Total intangible assets	198	(99)	-	99
Total assets being depreciated	943,679	33,025	(1,367)	975,337
Total capital assets	1,039,163	59,156	(36,241)	1,062,078
Less accumulated depreciation buildings	83,607	4,521	(93)	88,035
Other improvements	391,533	25,526	(554)	416,505
Equipment	38,074	8,913	(438)	46,549
Total accumulated depreciation	513,214	38,960	(1,085)	551,089
	$ 525,949	$ 20,196	$ (35,156)	$ 510,989

7. Pension Plans

Plan Description

Florida Retirement System

All the full-time employees of the Authority participate in the Florida Retirement System (the FRS), a cost sharing multiple-employer defined benefit plan. Benefit provisions are established under Chapter 121, Florida Statutes, which may be amended by the Florida Legislature. The FRS is administered by the State of Florida, Division of Retirement.

The Florida Legislature passed Senate Bill 2100 effective July 1, 2011. This bill changed eligibility requirements and created a mandatory employee contribution of 3%. Because of this bill, there are now two groups of employees participating in the FRS program. These groups are defined by their date of employment; those who began employment before July 1, 2011 and those who began on or after July 1, 2011.

7. Pension Plans (Continued)

For those employees who began employment before July 1, 2011 the following applies:

The FRS provides vesting of benefits after 6 years of creditable service. Members are eligible for normal retirement after they have met one of the following: (1) 6 years of service and age 62, or the age after age 62 that the member becomes vested, or 30 years of service regardless of age (may include four years military), whichever comes first; or (2) 6 years of special risk service and age 55, or 25 total years of special risk services and age 52 (may include four years' wartime military service), or 25 total years special risk service, regardless of age, or 30 years of any creditable service, regardless of age (may include four years' wartime military service). Early retirement may be taken any time after completing 6 years of service; however, there is a 5% benefit reduction for each year prior to normal retirement age. Benefits are computed on the basis of age, average final compensation and years of service. Average final compensation is the average of the 5 highest fiscal years of earnings. The FRS also provides death and disability benefits. Benefits are established by Florida Statutes.

For those employees who began employment on or after July 1, 2011 the following applies:

The FRS provides vesting of benefits after 8 years of creditable service. Members are eligible for normal retirement after they have met one of the following: (1) 8 years of service and age 65, or the age after age 65 that the member becomes vested, or 33 years of service regardless of age (may include four years military), whichever comes first; or (2) eight years of special risk service and age 60, or 30 total years of special risk services and age 57 (may include four years' wartime military service), or 30 total years special risk service, regardless of age, or 30 years of any creditable service, regardless of age (may include 4 years' wartime military service). Early retirement may be taken any time after completing 8 years of service; however, there is a 5% benefit reduction for each year prior to normal retirement age. Benefits are computed on the basis of age, average final compensation, and years of service. Average final compensation is the average of the 8 highest fiscal years of earnings. The FRS also provides death and disability benefits. Benefits are established by Florida Statutes.

The FRS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by writing to the Florida State Retirement System, Division of Retirement, P.O. Box 9000, Tallahassee, Florida, 32315-9000, attention Research and Education; or by contacting Public Records by email at PublicRecords@sbafla.com, or by phone at (850) 488-5706.

Funding Policy

Florida Retirement System

The Authority is required by Florida Statute to contribute monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll are adequate to accumulate sufficient assets to pay benefits when due. Level-percentage-of-payroll employer contribution rates, established by state law, are determined using the entry-age actuarial funding method. If an unfunded actuarial liability reemerges, as a result of future plan benefit changes, assumption changes, or methodology changes it is assumed any unfunded actuarial liability would be amortized over 30 years, using level dollar amounts. Except for gains reserved for rate stabilization, it is anticipated future actuarial gains and losses are amortized on a rolling 10% basis, as a level dollar amount. The Senate Bill 2100 enacted in July 2011 created a 3% mandatory pre-tax employee contribution, as well as, a reduction in contribution rates for the employer.

7. Pension Plans (Continued)

The following table shows the required contributions for the different classes of employee participants:

Year		Special Risks Participants	Deferred Retirement Option Participant	Senior Management Participants	Regular Participants
07/01/2021-06/30/2022	Employer	25.89%	18.34%	29.01%	10.82%
	Employee	3.00%	0.00%	3.00%	3.00%
	Total	28.89%	18.34%	32.01%	13.82%
07/01/2020-06/30/2021	Employer	24.45%	16.98%	27.29%	10.00%
	Employee	3.00%	0.00%	3.00%	3.00%
	Total	27.45%	16.98%	30.29%	13.00%
07/01/2019-06/30/2020	Employer	25.48%	14.60%	25.41%	8.47%
	Employee	3.00%	0.00%	3.00%	3.00%
	Total	28.48%	14.60%	28.41%	11.47%

For the year ended September 30, contributions are as follows:

	(Dollar amounts in thousands)	
	2021	2020
Employer	$ 2,434	$ 2,538
Employee	542	607
Total	$ 2,976	$ 3,145

Pension Plan

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

At September 30, 2021 and 2020, the Authority reported a liability of $3.72 million and $26.71 million for its proportionate share of the Plan's net pension liability. This year's material decrease in pension liability is mainly related to FRS pension investment gains. The FRS reported a $36 billion one year gain in fiscal 2021 which has greatly reduced the net pension liability for all participants. The net pension liability was measured as of July 1, 2021 and 2020 using an actuarial valuation dated July 1, 2021 and July 1, 2020, respectively.

The Authority's proportionate share of the net pension liability was based on the Authority's 2021 and 2020 fiscal year contributions relative to the 2021 and 2020 fiscal year contributions of all participating members. At June 30, 2021 and 2020 the Authority's proportionate share was 0.04929252% and 0.06162384% which was a decrease of 0.01233138% from its proportionate share measured as of June 30, 2020 and an decrease of 0.01367211% from its proportionate share measured as of June 30, 2019.

For the fiscal years ended September 30, 2021 and 2020, the Authority recognized pension (recovery) expense of $(0.463) million and $5.82 million related to the Plan. In addition, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

7. Pension Plans (Continued)

	(Dollar amounts in thousands)			
	2021		2020	
Description	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 638	$ -	$ 1,022	$ -
Change of assumptions	2,548	-	4,835	-
Net difference between projected and actual earnings	-	-	-	-
on FRS pension plan investments	-	(12,990)	1,590	-
Changes in proportion and differences between	-	-	-	-
Authority's FRS contributions and proportionate	-	-	-	-
share of contributions	571	(3,486)	860	(400)
Authority's contributions subsequent to the	-	-	-	-
measurement date	495	-	424	-
Total	$ 4,252	$(16,476)	$ 8,731	$ (400)

For fiscal years ended September 30, 2021 and 2020 deferred outflow of resources related to pensions, totaled $494.89 and $424.46 thousand, resulting from Authority contributions to the Plan subsequent to the measurement date, and will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2022 and 2021 respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	(Dollar amounts in thousands)
Fiscal Years Ending September 30:	2021 Deferred Outflows/(Inflows) Net
2022	$ (2,250)
2023	(2,621)
2024	(3,297)
2025	(4,099)
2026	(452)
	$ (12,719)

Actuarial Assumptions

The total pension liability in the July 1, 2021 and 2020 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

	2021	2020
Inflation	2.40%	2.40%
Salary increases – average including inflation	3.25%	3.25%
Investment rate of return – net of pension plan investment expense including inflation	6.80%	6.80%

Mortality rates were based on the Pub – 2010 based table, generational mortality using gender specific MP-2018 mortality improvement projection scale.

7. Pension Plans (Continued)

The actuarial assumptions used in the July 1, 2021 and 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

The long-term expected rate of return on pension plan investments was based on assumptions developed by Milliman's capital market assumptions team and by a capital market assumptions team from Aon Hewitt Investment Consulting, which consults to the Florida State Board of Administration. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. 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. These assumptions are not based on historical returns, but instead are based on forward-looking capital market economic model.

July 1, 2021
Actuarial Assumptions

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	2.10%	2.10%	1.10%
Fixed Income	20.00%	3.80%	3.70%	3.30%
Global equity	54.20%	8.20%	6.70%	17.80%
Real estate (property)	10.30%	7.10%	6.20%	13.80%
Private Equity	10.80%	11.70%	8.50%	26.40%
Strategic investments	3.70%	5.70%	5.40%	8.40%
Total	100.00%			
Assumed Inflation – Mean			2.40%	1.20%

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

July 1, 2020
Actuarial Assumptions

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	2.20%	2.20%	1.20%
Fixed Income	19.00%	3.00%	2.90%	3.50%
Global equity	54.20%	8.00%	6.70%	17.10%
Real estate (property)	10.30%	6.40%	5.80%	11.70%
Private Equity	11.10%	10.80%	8.10%	25.70%
Strategic investments	4.40%	5.50%	5.30%	6.90%
Total	100.00%			
Assumed Inflation – Mean			2.40%	1.70%

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

7. Pension Plans (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.80% for 2021 and 6.80% for 2020. 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.

The FRS Actuarial Assumption Conference is responsible for setting the assumptions used in the valuations of the defined benefit pension plans pursuant to Section 216.136(10), Florida Statutes. The 6.80% rate of return assumption used in the June 30, 2021 calculations was determined by the Plan's consulting actuary to be reasonable and appropriate per Actuarial Standard of Practice No. 27 (ASOP 27) for accounting purposes which differs from the rate used for funding purposes which is used to establish the contribution rates for the Plan.

Sensitivity of the Authority's Proportionate Share of the Net Position Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 6.80% and 6.80% for 2021 and 2020, 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% point lower or 1% point higher than the current rate.

(Dollar amounts in thousands)

	2021			2020		
	1% Decrease 5.80%	Current Discount 6.80%	1% Increase 7.80%	1% 5.80%	Current Discount Rate 6.80%	1% Increase 7.80%
Authority's proportionate share of the net pension liability	$ 16,652	$ 3,723	$ (7,083)	$ 42,649	$ 26,709	$ 13,395

Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report.

The Retiree Health Insurance Subsidy Program (HIS)

Plan Description

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under section 112.363, Florida Statutes and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of the 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, Division of Retirement.

Benefits Provided

For the fiscal years ended September 30, 2021 and 2020 eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement with a minimum HIS payment of $30 and a maximum HIS benefit of $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

7. Pension Plans (Continued)

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 fiscal years ended June 30, 2022 and 2021, the contribution rate was 1.66% and 1.66% of payroll pursuant to section 112.363, Florida Statues. The Authority contributed 100% of its statutorily required contributions for the current and preceding three years. The HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. The 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 canceled.

Pension Liabilities, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2021 and 2020 the Authority reported a net pension liability of $6.37 and $7.66 million for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2021 and 2020, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of July 1, 2020.

The Authority's proportionate share of the net pension liability was based on the Authority's 2021 and 2020 fiscal year contributions relative to the total 2021 and 2020 fiscal year contributions of all participating members. At June 30, 2021 and 2020, the Authority's proportionate share was 0.05189498% and 0.06276085%, which was a decrease of 0.00010866% from its proportionate share measured as of June 30, 2020 and decrease of .00011212% from its proportionate share measured as of June 30, 2019.

For the fiscal year ended September 30, 2021 and 2020, the Authority recognized pension expense of $644 and $973 thousand related to the HIS Plan. In addition, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	(Dollar amounts in thousands)			
	2021		2020	
Description	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 213	$ (3)	$ 313	$ (6)
Change of assumptions	500	(262)	824	(446)
Net difference between projected and actual earnings	-	-	-	-
on FRS HIS investments	6	-	8	-
Changes in proportion and differences between	$ -	-	-	-
Authority's FRS contributions and proportionate	-	-	-	-
share of contributions	416	(1,084)	595	(82)
Authority's contributions subsequent to the measurement	-	-	-	-
date	$ 72	-	69	-
Total	$ 1,207	$ (1,349)	$ 1,809	$ (534)

7. Pension Plans (Continued)

For fiscal years ended September 30, 2022 and 2021 deferred outflows of resources related to pensions, totaling $72 and $69 thousand, resulting from Authority contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2022 and 2021 . Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	(Dollar amounts in thousands)
Fiscal Years Ending September 30:	2021 Deferred Outflows/(Inflows) Net
2022	$ 79
2023	(39)
2024	(57)
2025	(34)
2026	(101)
Thereafter	(60)
	$ (212)

Actuarial Assumptions

The total pension liability in the July 1, 2020 valuation for the HIS Plan was determined using the following actuarial assumptions, applied to all periods include in the measurement:

	2021	2020
Inflation	2.40%	2.40%
Salary increases	3.25%	3.25%
Investment rate of return	2.16%	2.21%

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

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

Discount Rate

The discount rate used to measure the total pension liability relating to the HIS Plan were 2.16% and 2.21% for 2021 and 2020. In general, the discount rate for calculating the total pension 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 HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index as adopted as the applicable municipal bond index.

7. Pension Plans (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, for the HIS Plan, calculated using the discount rate of 2.16% and 2.21% for 2021 and 2020, 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% point lower or 1% point higher than the current rate.

(Dollar amounts in thousands)

	2021			2020		
	1%	Current Discount	1% Increase	1%	Current Discount Rate	1% Increase
	1.16%	2.16%	3.16%	1.21%	2.21%	3.21%
Authority's proportionate share of the net pension liability	$ 7,359	$ 6,366	$ 5,552	$ 8,858	$ 7,663	$ 6,685

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 Systems Annual Comprehensive Financial Report.

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 Annual Comprehensive 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 are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. The costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04% of payroll and by forfeited benefits of plan members.

For all membership classes, employees are immediately vested in their own contributions and are vested after one 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 five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2021, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Authority.

7. Pension Plans (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 (recovery) expense totaled $(644) thousand for the fiscal year ended September 30, 2021 and $514 thousand for the fiscal year ended September 30, 2020.

8. Deferred Compensation Plans

The Authority offers its employees a deferred compensation plan (the 457 Plan) created in accordance with IRS Code Section 457. The 457 Plan, which is available to all full-time employees, permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Investments are managed by the 457 Plan's trustee under one of several investment options, or a combination thereof. The choice of the investment option(s) is made by the participant.

All 457 Plan assets are held by trustees for the exclusive benefits of participants and beneficiaries. Thus, the assets and liabilities relating to the 457 Plan are not reflected on the Authority's statements of net position.

The Authority also offers its employees a deferred compensation plan (the 401(a) Plan), created in accordance with the IRS Code Section 401(a). The Authority contributes a specified amount for each dollar the employee defers to the 401(a) Plan. All 401(a) Plan assets are held by trustees for the exclusive benefit of participants and beneficiaries. Thus, the assets and liabilities of the 401(a) Plan are not reflected on the Authority's Statement of Net Position.

9. Postretirement Health and Other Benefits

Plan Description

The Authority provides medical, dental, vision and life insurance benefits for eligible retirees and their dependents under a single-employer defined benefit healthcare plan administered by the Authority. An employee is eligible to receive benefits from the plan upon retirement under FRS plan provisions. To be eligible for retiree benefits, the employee must be covered under the medical plan as an active participant immediately prior to retirement. Participants who are not eligible for retirement at the time of their termination are not eligible for immediate or future benefits from the plan.

Retirees opting to participate are asked to pay a premium amount that is equal to the cost to provide insurance coverage to retirees. The premium amount retirees pay is a blended rate for covering both active and retired Plan members. The fact that the blended rate retirees pay is less than the cost of covering retired members and their beneficiaries results in an "implicit rate subsidy" by the Authority, which gives rise to the benefit.

Retiree and spousal coverage is provided for the lifetime of the participants. However, benefits are valued as payable only until age 65, as the option of enrolling in Medicare is a much more attractive option at a lower cost.

The Authority is required to value their postretirement health and other benefits biennially. The most recent actuarial valuation date was fiscal year ended September 30, 2020. The valuation incorporated 321 active and retired employees, reflecting the sum of 250 active employees and 71 retirees currently receiving benefits. Due to the small amounts involved, vision benefits are not included in the valuation. Life insurance benefits are provided on a fully insured basis and are provided by unsubsidized retiree contributions. As such, life insurance benefits are not included in the valuation.

9. Postretirement Health and Other Benefits (Continued)

Funding Policy

The contribution requirements of plan members and the Authority are established by the Authority. The required contribution is based on a projected pay-as-you-go financing requirement. The Authority has not established an OPEB trust fund to accumulate assets to fund Plan obligations and has no statutory or contractual obligation to fund the Plan. Plan members are required to pay 100% of the premium for the plans selected. Monthly premium amounts vary depending on the plans selected and choice of coverage for employee only or employee plus spouse.

OPEB Expense

OPEB expense recognized by the authority for the fiscal year ended September 30, 2021 was a credit to expense of $1,954,859. This negative expense was driven by a change in actuarial assumption reducing JAA's OPEB liability.

OPEB Outflows and Inflows

The deferred outflows and inflows associated with the OPEB liability are not considered significant to the Authority. Accordingly, we have not recorded deferred outflows and inflows.

The following table shows the changes in total OPEB liability by source as of September 30, 2021 and 2020.

	2021	2020
Balance, beginning of year	$ 1,352,071	$ 3,306,930
Service cost	15,077	14,569
Interest cost	29,317	31,161
Change in Assumption	(2,422)	(1,855,667)
Benefit payments	(143,672)	(144,922)
Balance, end of year	$ 1,250,371	$ 1,352,071

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and included the types of benefits provided at the time of valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and actuarial value of assets, consistent with long-term perspective of the calculations.

9. Postretirement Health and Other Benefits (Continued)

	September 30, 2021	September 30, 2020
Measurement Date	09/30/2021	09/30/2020
Actuarial Valuation Date	9/30/2020	9/30/2020
Salary and Wage Increase	3.5%	3.5%
Healthcare Cost Trend Rate:		
Pre-65 years old	7.0%	7.0%
65 years and older	7.0%	7.0%
Discount Rate	2.3%	2.3%
Mortality Tables Used	PUB-2010 Healthy Male and Female Tables with Scale MP-2019	PUB-2010 Healthy Male and Female Tables with Scale MP-2019
Date of experience study on which significant assumptions were based	10/1/2019	10/1/2017

In addition to the actuarial method used, actuarial cost estimates depend to an important degree on the assumptions made relative to various occurrences, such as rate of expected investment earnings by the fund, rates of mortality among active and retired employees, rates of termination from employment, and retirement rates. The Authority used demographic assumptions provided by a third-party actuary.

The September 30, 2021 costs and liabilities were determined using the following assumptions: (1) discount rate of 2.3% per annum, compounded annually; (2) pre-retirement mortality rates and post-retirement mortality rates were based on the PUB 2010 Healthy Male and Female tables with Scale; (3) assumptions regarding withdrawal rates, retirement rates, disability, marriage assumptions, participation levels and retiree claim costs can be found in the detailed actuarial valuation report; (4) assumed medical care cost trend rates of 7.00% for fiscal year 2021. Future years are estimated by adjusting the starting claim costs by an assumed ongoing cost trend grading down by 0.5% per year, resulting in an ultimate rate of 5.00% by fiscal year 2027; (5) as the plan is unfunded, no assumptions have been made regarding investment returns; (6) the plan is not related to salaries, therefore no assumptions have been made regarding projected salary increases.

The selected discount rate of 2.3% is based on the prescribed discount interest rate methodology under GASB No. 75 based on an average of three 20-year bond indices (e.g., Bond Buyer-20 Bond GO, S&P Municipal Bond 20 Year High Grade Rate Index, Fidelity GA AA 20 Years) as of September 30, 2021 (most current quarter available) and rounded to the nearest 0.01%

Health Care Cost and Discount Rate Sensitivity

The following presents the total OPEB liability of the Authority, as well as what the Authority total OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	Health Care Cost Trend Sensitivity			
	Rate	1% Decrease	Current Rate	1% Increase
As of September 2021	7.0%	$ 1,172,813	$ 1,250,371	$ 1,337,255
As of September 2020	7.0%	$ 1,277,287	$ 1,352,071	$ 1,435,424

9. Postretirement Health and Other Benefits (Continued)

The following presents the total OPEB liability of the Authority, as well as what the Authority total OPEB liability would be if it were calculated using discount trend rates that are one percentage point lower or one percentage point higher than the current rates:

		Discount Rate Sensitivity		
	Rate	1% Decrease	Current Rate	1% Increase
As of September 2021	2.3%	$ 1,322,607	$ 1,250,371	$ 1,187,377
As of September 2020	2.3%	$ 1,436,260	$ 1,352,071	$ 1,278,664

10. Long-Term Indebtedness

All Authority bonds were issued under the Airport Improvement Revenue Bond Resolution adopted by the Board of Directors of the Authority on July 30th, 1987, and a tenth Supplemental Resolution adopted September 27, 2021. The Authority currently has $45.69 million in outstanding debt. The debt is made up of three bank notes; Series 2008, Series 2016, and Series 2021. All of the Authority's debt consists of direct borrowing.

	(Dollar amounts in thousands)				
	October 1, 2020 Balance	Increases	Decreases	2021 Balance	Due Within One Year
Revenue refunding notes	$52,030	$27,188	$33,530	$45,688	$5,638
Less amounts due within one year	(6,265)			(5,638)	
Total long-term portion	45,765	27,188	33,530	40,051	
Total revenue notes payable	$45,765	$27,188	$33,530	$40,051	

	(Dollar amounts in thousands)				
	October 1, 2019 Balance	Increases	Decreases	2020 Balance	Due Within One Year
Revenue refunding notes	$58,165	$ -	$6,135	$52,030	$6,265
Less amounts due within one year	(6,135)			(6,265)	
Total long-term portion	52,030	-	6,135	45,765	
Total revenue notes payable	$52,030	-	$6,135	$45,765	

2008 Revenue Note

On April 1, 2008 a note was issued from Compass Bank (Compass) in the amount of $41.49 million. The purpose of the note was to refund the 2005 airport revenue refunding bonds, pay a portion of the 2005 swap termination fee and pay issue costs. The note has a variable interest rate of 65% of 1-month LIBOR plus 64.35 basis points (0.6435%). The annual interest rate at September 30, 2021 was 0.745%. Note that in 2021 Compass Bank was purchased by PNC Bank.

10. Long-Term Indebtedness (Continued)

Payments of the long-term outstanding note will require the following principal and interest payments based on the amounts outstanding at September 30, 2021, and the fixed interest rate of 3.412%:

	(Dollar amounts in thousands)		
Fiscal Years Ending September 30:	Principal	Interest	Total
2022	2,945	372	3,317
2023	3,045	271	3,316
2024	3,152	165	3,317
2025	3,256	56	3,312
Total	$12,398	$864	$13,262

2012 Revenue Refunding Note

On December 4, 2012 a revenue refunded note was issued from TD Bank, National Association in the amount of $48.47 million. The purpose of the note was a partial refunding of the 2006 bonds, series 2031, 2033 and 2036. The Authority refunded a portion of the bonds in order to take advantage of favorable interest rates and reduce interest expense. The note has a fixed interest rate of 1.73%. The Authority paid $167 thousand of issuance cost for the 2012 revenue refunding note.

Note: The 2012 TD Bank Note was refinanced and paid off in April 2021. The 2012 Note was replaced by the 2021 Trustmark Bank note.

2016 Revenue Refunding Note

On July 5, 2016 a revenue refunding note was issued from Bank United in the amount of $26.5 million. The purpose of the note was to refund the 2006 Revenue bonds. The note has a fixed rate of 1.807%. The net proceeds of $26.5 million, plus an additional $22.42 million, for a total of $48.92 million, were deposited in an irrevocable escrow account to provide for the full defeasance of the 2006 revenue bonds. The outstanding balances of September 30, 2016 for the 2006 revenue bonds were principal of $47.62 million and interest of $1.17 million. The Authority paid $176.47 thousand of issuance cost for the 2016 revenue refunding note.

Payments of the long-term outstanding note will require the following principal and interest payments based on the amounts outstanding at September 30, 2021.

	(Dollar amounts in thousands)		
Fiscal Years Ending September 30:	Principal	Interest	Total
2022	1,930	93	2,023
2023	1,960	58	2,018
2024	2,000	22	2,022
2025	210	2	212
Total	$6,100	$175	$6,275

10. Long-Term Indebtedness (Continued)

2021 Revenue Refunding Note

On May 4, 2021, the Authority issued a revenue refunding bank note in the amount of $27.2 million. The note was placed with Trustmark Bank and has a stated interest rate of 0.99%. The net proceeds of these bonds were used to immediately and fully refund $27.1 million in an outstanding bank note, 2012 TD Bank. The refunded note had a stated interest rate of 1.87%. The refunding was undertaken to refinance a bullet maturity in the 2012 TD Bank note as well as to obtain interest rate savings over the seven year life of the new note. Net interest savings of the new note results in an economic gain (present value) to the Authority of $169,344.

Payments of the long-term outstanding note will require the following principal and interest payments based on the amounts outstanding at September 30, 2021:

	(Dollar amounts in thousands)		
Fiscal Years Ending September 30:	Principal	Interest	Total
2022	$763	$241	$1,004
2023	3,665	243	3,908
2024	3,701	207	3,908
2025	3,737	170	3,907
2026	3,774	133	3,907
2027	3,812	95	3,907
2028	3,850	58	3,908
2029	3,888	19	3,907
Total	$27,190	$1,166	$28,356

Annual Requirements

Annual requirements to repay all outstanding long-term debt as of September 30, 2021, are as follows:

	(Dollar amounts in thousands)					
Fiscal Years Ending September 30:	2016 Revenue Refunding Note	2008 Note	2021 Revenue Refunding Note	Total Principal and Interest	Total Principal	Total Interest
2022	$2,023	$3,317	$1,004	$6,344	$5,638	$706
2023	2,018	3,316	3,908	9,242	8,670	572
2024	2,022	3,317	3,908	9,247	8,851	396
2025	212	3,314	3,907	7,433	7,205	228
2026	-	-	3,907	3,907	3,774	133
2027	-	-	3,907	3,907	3,812	95
2028	-	-	3,908	3,908	3,850	58
2029	-	-	3,907	3,907	3,888	19
Total	$6,275	$13,264	$28,356	$47,895	$45,688	$2,207

10. Long-Term Indebtedness (Continued)

Subsequent Debt

On October 20, 2021 JAA closed on a new financing with JP Morgan in the amount of $156.1 million. The funds will be used to construct a large aircraft maintenance facility at Cecil Airport for existing customer, Boeing. The financing was issued as JAA Revenue Bonds, Series 2021 and was privately placed by JP Morgan as the placement agent. The bonds have a 30 year term at a fixed interest rate of 2.96%. The first payment on the debt is due Oct. 1, 2022 in the amount of $4.4 million.

11. Airline Use and Lease Agreements

The Airline Use and Lease Agreement ("Agreement") provides for the lease to signatory airlines exclusive use of certain premises, non-exclusive use of certain public use premises in the terminal and in the ramp area and non-exclusive use of the landing area at JIA. This is a residual Agreement with a 5-year term ended on September 30, 2018. In December of 2018 all signatory airlines agreed to a 10-year extension of the Agreement. The amended Agreement will expire September 30, 2027.

For the purposes of accounting for costs, expenses and revenues and establishing signatory airline rentals, fees and charges, the Agreement provides for dividing the airport system into separate cost centers. Certain cost centers are designated direct cost centers and other are designated indirect cost centers. The indirect cost centers are used to accumulate indirect costs which are then allocated to the direct cost centers. Two direct cost centers, the terminal and the airfield, are included in the establishment of rentals, fees and charges for signatory airlines. The remaining cost centers (excluded cost centers) of the airport system are: ground transportation, non-aviation, aviation, JAX Executive at Craig Airport, Herlong Airport, and Cecil Airport. The signatory airlines have no responsibility under the Agreement for the payments of any costs incurred by the Authority and attributable to the excluded cost centers.

Under the residual method, the Airlines agree to pay the cost of running the terminal that are not allocated to other airport users or covered by nonairline sources of revenue. The cost less the revenue associated with the terminal is divided by the airline terminal leased square footage to determine the average rental rate. The residual method guarantees the Authority will break even on the terminal cost center.

The Agreement provides that the aggregate of rentals, fees and charges of all signatory airlines will be sufficient to pay for the net costs attributable to the airfield. The net costs attributable to the airfield are allocated among the signatory airlines on the basis of the landed weight of aircraft and are paid as landing fees.

Under the residual method the costs include the satisfaction of all the Authority's obligations to make deposits and payments under the bond resolution which are properly attributable to such areas.

The Agreement includes an annual guaranteed transfer to the signatory airlines of $11.28 million for each year of the Agreement. The guaranteed transfer reduces the cost per enplanement for the airlines. This transfer is distributed to the airlines based on individual airline's percentage of enplanements over total enplanements.

12. Airport Tenant Agreements

The Authority has entered into concession agreements with tenants for the use of certain airport facilities including, but not limited to, ready/return rental car parking areas, buildings, terminals, customer service areas, advertising, food and beverage, retail, and on-airport rental cars. Normally, the terms of the agreement include a fixed minimum annual guarantee (MAG) payment to the airport as well as additional contingent payments based on the tenants' annual sales volume of business. Some of the agreements provide for a periodic review and re-determination of the payment amounts.

12. Airport Tenant Agreements (Continued)

On April 1, 2020 JAA waived the MAG for airport tenants as an accommodation for the loss of business due to the COVID 19 pandemic. MAGs continued to be waived during fiscal 2021. On October 1, 2021 JAA reinstated MAGs for airport tenants.

Minimum future rental income for each of the next five years and thereafter, excluding contingent amounts on non-cancelable operating leases at September 30, 2021, as follows:

	(Dollar amounts in thousands)
Fiscal Years Ending September 30:	Total
2022	$ 43,274
2023	32,043
2024	25,409
2025	23,213
2026	22,729
2027-2031	46,730
2032-2036	23,754
2037-2041	21,088
2042-2046	15,532
2047-2051	4,613
2052-Thereafter	3,931
	$ 262,316

The signatory airline Agreements include an annual guaranteed revenue transfer of $11.28 million. In addition, an airline rate base budget to actual true up calculation occurs at the end of each year. Signatory airlines are entitled to a payout for a positive variance or required to make payment on a negative variance. Due to the economic uncertainty entering 2021 and the better than expected financial performance, fiscal 2021 has a large positive variance within the airline rate base. The rate base true up results in $10.6 million due to the airlines as of year end. Coupled with the $11.28 million annual revenue transfer the combined payout is $21.9 million is grouped under "Other Accrued Liabilities" on the Statement of Net Position. The signatory airline agreements are renegotiated at the end of their term. The current Agreement expires in six years on September 30, 2027.

13. Capital Contributions

The Authority receives, on a reimbursement basis, grants from the State of Florida and the U.S. Government for certain capital construction projects through the Airport Improvement Program and Aviation Development Project. As a recipient of state and federal financial assistance, the Authority is responsible for maintaining an internal control structure that ensures compliance with all laws and regulations related to these programs. These programs are subject to federal and state audit. Total federal and state grant capital contributions were 14.86 million and $15.39 million, respectively, for the years ended September 30, 2021 and 2020.

13. Capital Contributions (Continued)

The Authority received federal and state grants for the capital programs for the years ended September 30, 2021 and 2020, as summarized in the table below.

	2021	2020
Capital Programs:		
State grants for construction	$ 3,977	$ 6,688
Federal grants for construction	6,865	5,695
TSA grants for construction	2,253	3,006
Other contributions for construction	1,765	-
	$ 14,860	$ 15,389

The Authority receives federal and state grants in support of its capital construction program. The federal program provides funding for airport development, airport planning and other eligible programs for the airports and airways trust funds in the form of entitlement and discretionary grants for eligible projects. The State also provided discretionary funds for capital programs. Funds approval and payment are contingent upon annual legislative appropriation.

Grants for capital asset acquisition, facility development, rehabilitation of facilities and long-term planning are reported in the statements of revenues, expense and changes in net position as capital contributions.

14. Operating Grants

The Authority received TSA funds in addition to CARES Act funding for operating programs for years ended September 30, 2021 and 2020, as summarized in the tables below.

	2021	2020
Operating Programs:		
CARES Act funding	$ 6,536	$ 11,617
CRSSA Act funding	745	-
TSA K-9 & Federal programs	424	261
Total operating grants	$ 7,705	$ 11,878

The TSA K-9 program funds are awarded based on expenses of training, caring for and working with the explosive device detection dogs. In FY20, JAA received a CARES Act grant of $28.6 million. Approximately $14.4 million was expended in fiscal 2020, with $11.6 million booked to Federal operating grants. An additional $2.8 million of CARES Act funding was recorded as a capital contribution. In FY21, JAA expended $11.3 million, with $6.6 million booked to Federal operating grants and $4.7 million to capital contributions. The remainder of the CARES Act funding is expected to be used in fiscal 2022. In FY21 JAA received a CRSSA grant of $8.7 million. Approximately $0.75 million was expended and booked to Federal operating grants. The remainder of CRSSA is expected to be spent in FY22.

Grants for operating programs for the years ended September 30, 2021 and 2020, are reported in the statements of revenues, expenses and changes in net position as non-operating revenue.

15. Payments to City of Jacksonville

During fiscal years 2021 and 2020, the Authority paid approximately $5.04 million and $5.56 million to the City for expenses relating to legal, insurance, firefighting, and miscellaneous services.

16. Commitments and Contingencies Terminal and Capital Improvement Program

As of September 30, 2021 and 2020, the Authority has outstanding contractual commitments for completion of certain capital improvement projects, totaling $29.4 million and $15.1 million of which an estimated $6.1 million and $6.4 million are eligible for partial reimbursement, respectively, from the FAA, State of Florida and Transportation Security Administration. The remaining amount is expected to be funded from existing PFCs, debt instruments and/or future debt issuance, and Authority funds.

Concentration of Credit Risk

The Authority leases facilities to the airlines under certain leases and/or use agreements and to other businesses under agreements to operate concessions with the airport system. Amounts due from airlines represent approximately 84.06% and 74.36% of accounts receivable for 2021 and 2020, respectively. Airline operating revenues represent approximately 68% and 49% of total operating revenues for 2021 and 2020, respectively. Revenue received from five major airlines and a leasing company totaled 70.92% and 54.58% of total operating revenues for 2021 and 2020, respectively. This includes 18.37% from American Airlines, 16.98% from Delta Air Lines and 12.45% from Southwest Airlines Co. in 2021. For 2020 American Airlines was 14.26%, Delta Air Lines was 13.44% and Southwest was 9.99%.

Compliance Audits

The Authority participates in a number of programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government or agency. If expenditures are disallowed due to noncompliance with grant program regulations, the Authority may be required to reimburse the grantor government or agency. The amount, if any, of expenditures which may be disallowed by the granting government or agency is expected to be immaterial.

Litigation

The Authority is named as a defendant in lawsuits from time to time. Currently, the authority is not involved in any litigation or proceeding pending that would pose a threat to the authority's existence or materially affect it's financial statements.

17. Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; error and omissions; injuries to employees, and natural disasters. The Authority participates in the City’s experience rated self-insurance plan which provides for auto liability, comprehensive general liability, and workers’ compensation coverage. The Authority’s expense is the premium charge by the City’s self-insurance plan. The City has excess coverage for individual workers’ compensation claims above $1.50 million.

Liability for claims incurred is the responsibility of, and is recorded in, the City’s self-insurance plan. The premiums are calculated on a retrospective or prospective basis depending on the claims experience of the Authority and other participants in the City’s self-insurance programs. The Authority’s workers’ compensation expense is the premium charged by the City’s self-insurance plan. Premium expense in 2021 amounted to $263.44 thousand. In 2020 the premium was $306.26 thousand.

The Authority’s property insurance premium expenses amounted to $1.09 million and $896.28 thousand for the years ended September 30, 2021 and 2020, respectively. The Authority is also a participant in the City’s general liability insurance program. General liability insurance premium expense amounted to $1.00 thousand and $64.73 thousand for the years ended September 30, 2021 and 2020.

17. Risk Management (Continued)

As a part of the Authority's risk management program, certain commercial insurance policies are purchased to cover designated exposures and potential loss programs, such as airport, kidnap and pollution liability policies. During the last three years the amounts of settlements did not exceed the insurance coverage. In addition, all tenants and businesses accessing the airport system are required to have commercial insurance coverage naming the Authority as additional insured.

Jacksonville Aviation Authority

Required Supplementary Information
Schedule of the Changes in the Authority's Total OPEB Liability
Last Ten Years
(Unaudited)

	2021	2020	2019	2018
Total OPEB Liability				
Service cost	$ 15,077	$ 14,569	$ 74,897	$ 58,595
Interest cost	29,317	31,161	94,696	90,824
Change in Assumption	(2,422)	(1,855,667)	715,501	(36,089)
Benefit payments	(143,672)	(144,922)	(38,364)	-
Net change in total OPEB liability	(101,700)	(1,954,859)	846,730	113,330
Total OPEB Liability – beginning	1,352,071	3,306,930	2,460,200	2,346,870
Total OPEB Liability – ending	$ 1,250,371	$ 1,352,071	$ 3,306,930	$ 2,460,200
Covered Employee Payroll	19,317,958	19,433,729	21,285,124	18,000,793
Total OPEB Liability as a % of Covered Employee Payroll	6.47%	6.96%	15.54%	13.67%

**The amounts presented were determined as of September 30th. The schedule is presented to illustrate the requirements of GASB 75. Currently only data for fiscal years ending September 30, 2021, 2020, 2019, and 2018 are available.*

Jacksonville Aviation Authority

Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net Pension Liability
Florida Retirement System Pension Plan
Last Ten Years
(Unaudited)
(Dollar amounts in thousands)

	2021	2020	2019	2018	2017	2016	2015
Authority's proportion of the FRS net pension liability	0.04929252%	0.06162390%	0.06296462%	0.05922483%	0.06045064%	0.05596706%	0.05388330%
Authority's proportion share of the FRS net pension liability	$ 3,723	$ 26,709	$ 21,684	$ 17,839	$ 17,880	$ 14,132	$ 6,960
Authority's covered payroll	$ 13,989	$ 16,542	$ 16,412	$ 15,287	$ 14,753	$ 13,614	$ 12,692
Authority's proportionate share of the FRS net pension liability as a percentage of its covered payroll	27%	161%	129%	116%	121%	103%	54%
FRS Plan fiduciary net position as a percentage of the total pension liability	96%	79%	83%	84%	83%	84%	92%

Note: The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate the requirements of GASB Statement 68. Currently, only data for fiscal years ending June 30, 2014-2020 are available.

Jacksonville Aviation Authority

Required Supplementary Information
Schedule of the Authority's Contributions
Florida Retirement System Pension Plan
Last Ten Years
(Unaudited)
(Dollar amounts in thousands)

	2021	2020	2019	2018	2017	2016	2015
Contractually required FRS contribution	$ 1,912	$ 2,099	$ 2,124	$ 1,852	$ 1,698	$ 1,553	$ 1,314
FRS contributions in relation to the contractually required contribution	$ 1,912	2,099	2,124	1,852	1,698	1,553	1,314
FRS contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's covered payroll	$ 13,989	$ 15,765	$ 16,825	$ 15,287	$ 14,753	$ 13,614	$ 12,692
FRS contributions as a percentage of covered payroll	13.67%	13.31%	13.31%	12.11%	11.51%	11.41%	10.35%

Note: The amounts presented for each fiscal year were determined as of September 30th. The schedule is presented to illustrate the requirements of GASB Statement 68. Currently, only data for fiscal years ending June 30, 2014-21 are available.

Jacksonville Aviation Authority

Required Supplementary Information
Schedule of the Authority's Proportionate Share of the Net Pension Liability
Health Insurance Subsidy Pension Plan
September 30, 2021
(Unaudited)
(Dollar amounts in thousands)

	2021	2020	2019	2018	2017	2016	2015
Authority's proportion of the HIS net pension liability	0.05189498%	0.06276085%	0.06310743%	0.05943609%	0.06030194%	0.05543686%	0.05272815%
Authority's proportion share of the HIS net pension liability	$ 6,366	$ 7,663	$ 7,061	$ 6,291	$ 6,448	$ 6,460	$ 5,377
Authority's covered payroll	$ 18,543	$ 21,778	$ 21,114	$ 19,600	$ 18,807	$ 17,578	$ 15,243
Authority's proportionate share of the HIS net pension liability as a percentage of its covered payroll	34.33%	35.19%	33.44%	32.10%	34.29%	36.80%	35.28%
HIS Plan fiduciary net position as a percentage of the total pension liability	3.56%	3.00%	2.63%	1.65%	1.65%	1.64%	0.99%

Note: The amounts presented for each fiscal year were determined as of September 30th. The schedule is presented to illustrate the requirements of GASB Statement 68. Currently, only data for fiscal years ending June 30, 2014-21 are available.

Jacksonville Aviation Authority

Required Supplemental Information
Schedule of the Authority's Contributions
Health Insurance Subsidy Pension Plan
September 30, 2021
Last Ten Years
(Unaudited)
(Dollar amounts in thousands)

	2021	2020	2019	2018	2017	2016	2015
Contractually required HIS contribution	$ 305	$ 439	$ 444	$ 387	$ 355	$ 325	$ 202
HIS contributions in relation to the contractually required HIS contribution	305	439	444	387	355	325	202
HIS contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's covered payroll	$ 18,543	$ 20,853	$ 21,517	$ 18,807	$ 18,807	$ 12,692	$ 15,109
HIS contributions as a percentage of covered payroll	1.64%	2.11%	2.04%	2.06%	1.89%	2.56%	1.34%

Note: The amounts presented for each fiscal year were determined as of September 30th. The schedule is presented to illustrate the requirements of GASB Statement 68. Currently, only data for fiscal years ending June 30, 2014-21 are available

This page intentionally left blank

The objectives of the Statistical Section Information

The objectives of statistical section information are to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to financial statements, and required supplementary information to understand and assess the Authority's economic condition.

Statistical information is presented in the following five categories:

Financial Trend Information

Assists users in understanding and assessing how the Authority's financial position has changed over time.

Revenue Capacity Information

Assists users in understanding and assessing the factors affecting the Authority's ability to generate its own source revenue.

Debt Capacity Information

Assists users in understanding and assessing the Authority's debt burden and its ability to issue additional debt.

Demographic and Economic Information

Assists users in understanding and assessing the Authority's socioeconomic environment within which it operates and to provide information that facilitates comparisons of financial statement information over time among other airports.

Operating Information

Provides contextual information about the Authority's operations and resources to assist readers in using financial statement information to understand and assess the Authority's economic condition.

Jacksonville Aviation Authority

Changes in Cash and Cash Equivalents
Last Ten Fiscal Years
(Unaudited)
(Dollar amounts in thousands)

	2021	2020	2019
Cash flows from operating activities	$ 26,089	$ 6,380	$ 40,124
Cash flows from non-capital financing activities	7,704	12,073	198
Cash flows from capital and related financing activities	(13,051)	(8,505)	(25,008)
Cash flows from investing activities	(4,551)	1,306	2,063
Net change in cash and cash equivalents	16,191	11,254	17,377
Cash and equivalents, beginning of year	98,227	86,973	69,596
Cash and equivalents, end of year	114,418	98,227	86,973
Noncash investing, capital and financing activities			
Change in fair value of investments	$ (612)	$ 546	$ 1,240
Capitalized Interest	$ -	$ -	$ -
Capital assets acquired through contracts payable and accruals	$ 844	$ 578	$ 1,058
Grants receivable	$ 3,165	$ 1,099	$ 1,731

Source: Jacksonville Aviation Authority financial statements

Jacksonville Aviation Authority

Changes in Cash and Cash Equivalents (Continued)
Last Ten Fiscal Years
(Unaudited)
(Dollar amounts in thousands)

2018	2017	2016	2015	2014	2013	2012
$ 28,720	$ 34,177	$ 26,018	$ 29,433	$ 22,865	$ 30,980	$ 21,739
135	269	202	253	242	1,157	243
(9,303)	(25,006)	(38,354)	(26,828)	(15,350)	(39,864)	(29,295)
4,471	(12,296)	8,617	(493)	5,616	10,588	(1,786)
24,023	(2,856)	(3,517)	2,365	13,373	2,861	(9,099)
45,573	48,429	51,945	49,580	36,207	33,346	42,445
69,596	45,573	48,429	51,945	49,580	36,207	33,346
$ (680)	$ (282)	$ 468	$ 6	$ (201)	$ (404)	$ 156
$ 165	$ 164	$ (763)	-	-	-	-
$ 1,491	$ 420	$ 2,250	$ 39,787	$ 4,398	$ (816)	-
$ 2,342	$ 1,187	$ 4,201	$ -	$ -	$ -	$ -

Jacksonville Aviation Authority

Principal Operating Revenues, Airline Rates and Charges and Cost Per Enplaned Passenger
Fiscal Years Ending September 30:
(Unaudited)
(Dollar amounts in thousands)

	2021	2020	2019	2018	2017
Concessions					
Rent-A-Car	$ 10,544	$ 8,340	$ 12,128	$ 11,438	$ 10,171
Food & beverage	1,485	1,652	3,282	2,933	2,526
Retail	1,351	1,194	2,065	1,990	1,813
Fuel flowage fees	883	697	715	756	609
Other concessions	1,369	1,379	1,673	1,140	953
Total concessions	15,633	13,262	19,863	18,257	16,072
Fees and charges					
Landing fees – signatory	7,693	6,437	10,503	10,624	10,408
Landing fees – non-signatory	771	819	1,887	1,100	468
Passenger screening – signatory	-	-	-	-	-
Passenger screening – non-signatory	-	-	-	-	-
Security user fees	672	770	1,269	1,205	1,109
Other fees	5,585	4,841	5,661	4,878	4,043
Total fees and charges	14,721	12,868	19,320	17,807	16,028
Space and facility rentals					
Air cargo building	1,296	1,257	1,122	904	838
Ramp use – signatory	-	-	-	-	-
Ramp use – non-signatory	1,871	1,730	2,981	1,361	1,168
Hangar spaces	6,540	6,235	5,704	5,523	5,347
Terminal space rentals – signatory	8,561	12,854	10,291	7,721	12,969
Terminal space rentals – non-signatory	335	574	765	578	339
Other lease rentals	7,741	8,181	5,810	8,394	8,285
Total space and facility rentals	26,345	30,833	26,673	24,481	28,946
Parking economy lots 1, 2, and 3					
Economy lots 1, 2, and 3	1,382	2,299	4,907	3,619	3,129
Garages and daily surface lot	11,374	10,926	19,708	17,021	15,548
Other parking	244	559	920	895	614
Total parking	13,000	13,784	25,535	21,535	19,291
Other revenue					
Electric	467	483	554	554	542
Fuel sales	754	664	853	796	667
Other revenue	428	339	384	453	330
Total other revenues	1,649	1,486	1,791	1,803	1,539
Total operating revenues	$ 71,348	$ 72,233	$ 93,182	$ 83,883	$ 81,876
Signatory airline rates and charges	*(amounts in full numbers)*				
Gross landing fee (per 1,000 lbs)	$ 3.15	$ 2.71	$ 2.94	$ 3.29	$ 3.43
Average annual terminal rent (per sq. ft.)	$ 144.01	$ 174.54	$ 152.14	$ 138.03	$ 166.77
Enplaned passengers	2,082,911	1,978,268	3,543,188	3,118,540	2,759,067
Cost per enplaned passenger	$ 8.22	$ 6.25	$ 6.25	$ 6.34	$ 8.70

Source: Jacksonville Aviation Authority audited financial statements

Jacksonville Aviation Authority

Principal Operating Revenues, Airline Rates and Charges and Cost Per Enplaned Passenger (Continued)
Fiscal Years Ending September 30:
(Unaudited)
(Dollar amounts in thousands)

	2016	2015	2014	2013	2012
Concessions					
Rent-A-Car	$10,620	$10,521	$ 9,861	$ 8,929	$ 9,040
Food & beverage	2,449	2,338	2,139	1,973	1,808
Retail	1,814	1,790	1,715	1,679	1,771
Fuel flowage fees	1,475	1,035	525	547	704
Other concessions	1,413	1,249	1,263	1,233	1,158
Total concessions	17,771	16,933	15,503	14,361	14,481
Fees and charges					
Landing fees – signatory	9,577	8,788	8,237	8,835	6,028
Landing fees – non-signatory	314	304	75	25	1,553
Passenger screening – signatory	-	-	-	-	1,440
Passenger screening – non-signatory	-	-	-	1	429
Security user fees	1,154	1,156	1,092	1,078	1,005
Other fees	3,623	3,231	2,785	2,574	2,817
Total fees and charges	14,668	13,479	12,189	12,513	13,272
Space and facility rentals					
Air cargo building	826		881	872	855
Ramp use – signatory	-	851	-	3	874
Ramp use – non-signatory	1,303	1,892	1,218	927	198
Hangar spaces	5,431	5,136	4,120	3,423	2,805
Terminal space rentals – signatory	9,931	7,648	7,575	8,975	2,826
Terminal space rentals – non-signatory	309	592	453	564	696
Other lease rentals	8,905	8,489	7,503	6,714	5,925
Total space and facility rentals	26,705	24,608	21,750	21,478	14,179
Parking economy lots 1, 2, and 3					
Economy lots 1, 2, and 3	3,130	3,075	2,942	2,910	2,808
Garages and daily surface lot	15,262	14,512	13,719	13,097	13,016
Other parking	601	604	595	594	348
Total parking	18,993	18,191	17,256	16,601	16,172
Other revenue					
Electric	750	820	793	839	956
Fuel sales	624	679	688	798	843
Other revenue	314	296	303	282	514
Total other revenues	1,688	1,795	1,784	1,919	2,313
Total operating revenues	$79,825	$75,006	$68,482	$66,872	$60,417
Signatory airline rates and charges	*(amounts in full numbers)*				
Gross landing fee (per 1,000 lbs)	$ 3.16	$ 2.87	$ 2.80	$ 2.63	$ 2.37
Average annual terminal rent (per sq. ft.)	$ 146.19	$ 132.38	$ 133.62	$ 143.23	$ 46.52
Enplaned passengers	2,799,587	2,722,032	2,602,821	2,563,570	2,644,059
Cost per enplaned passenger	$ 7.19	$ 6.13	$ 6.27	$ 6.78	$ 7.46

Source: Jacksonville Aviation Authority audited financial statements

Jacksonville Aviation Authority

Total Revenues, Expenses and Changes in Net Position
Fiscal Years Ending September 30:
(Unaudited)
(Dollar amounts in thousands)

	2021	2020	2019	2018	2017
Operating revenues:					
Concessions	$ 15,633	$ 13,262	$ 19,863	$ 18,257	$ 16,072
Fees and charges	14,721	12,868	19,320	17,807	16,028
Space and facility rentals	26,345	30,833	26,673	24,481	28,946
Parking	13,000	13,784	25,535	21,535	19,291
Other revenue	1,649	1,486	1,791	1,803	1,539
Total operating revenues	71,348	72,233	93,182	83,883	81,876
Operating expenses:					
Wages and benefits	24,357	33,338	34,614	29,273	27,945
Services and supplies	14,058	16,978	18,017	15,646	15,368
Repairs and maintenance	7,824	4,510	5,048	4,071	2,733
Promotion, advertising & dues	579	534	733	1,879	1,033
Registration and travel	158	272	554	505	345
Utilities and taxes	3,868	3,809	4,380	4,339	4,629
Other operating expenses	2,271	2,258	2,145	1,781	1,796
Depreciation and amortization	38,113	39,058	35,935	34,649	33,717
Total operating expenses	91,228	100,757	101,426	92,143	87,566
Operating loss	(19,879)	(28,524)	(8,244)	(8,260)	(5,690)
Nonoperating revenues:					
Passenger facility charges	8,729	7,516	14,053	12,538	10,881
Investment income	593	2,765	3,946	1,422	817
Payments from primary government	-	-	-	-	-
Payment from federal and state agencies	7,704	11,878	325	374	383
Other revenues	-	-	-	-	980
Total nonoperating revenues	17,027	22,159	18,324	14,334	13,061
Nonoperating expenses:					
Interest expense	1,858	1,417	1,619	1,660	2,228
Other expenses	477	(33)	164	274	414
Total nonoperating expenses	2,335	1,384	1,783	1,934	2,642
Income (loss) before capital contributions	(5,187)	(7,749)	8,297	4,140	4,729
Capital contributions	14,859	15,389	19,638	12,594	5,917
Change in net position	$ 9,672	$ 7,640	$ 27,935	$ 16,734	$ 10,646
Net investment in capital assets	$452,222	$459,276	$467,866	$446,304	$449,755
Net position at end of year:					
Restricted	17,569	13,413	10,063	12,058	12,980
Unrestricted	109,183	96,614	83,734	75,365	54,258
Total net position	$578,974	$569,303	$561,663	$533,727	$516,993

Source: Jacksonville Aviation Authority audited financial statements

Jacksonville Aviation Authority

Total Revenues, Expenses and Changes in Net Position (Continued)
Fiscal Years Ending September 30:
(Unaudited)
(Dollar amounts in thousands)

	2016	2015	2014	2013	2012
Operating revenues:					
Concessions	$ 17,771	$ 16,933	$ 15,504	$ 14,361	$ 14,482
Fees and charges	14,668	13,479	12,189	12,513	13,272
Space and facility rentals	26,705	24,608	21,751	21,478	14,179
Parking	18,993	18,191	17,257	16,601	16,171
Other revenue	1,688	1,794	1,783	1,919	2,313
Total operating revenues	79,825	75,005	68,484	66,872	60,417
Operating expenses:					
Wages and benefits	25,328	21,579	19,612	20,139	19,014
Services and supplies	14,581	14,537	14,208	14,054	13,755
Repairs and maintenance	2,607	2,097	2,209	1,811	1,978
Promotion, advertising & dues	1,052	2,453	1,672	1,409	881
Registration and travel	386	313	289	248	275
Utilities and taxes	4,855	5,116	5,223	5,255	5,425
Other operating expenses	2,151	1,877	1,682	1,661	1,797
Depreciation and amortization	31,346	28,575	28,951	27,812	27,525
Total operating expenses	82,306	76,547	73,846	72,389	70,650
Operating loss	(2,481)	(1,542)	(5,362)	(5,517)	(10,233)
Nonoperating revenues:					
Passenger facility charges	10,983	10,955	10,554	10,310	10,743
Investment income	1,451	926	667	659	1,037
Payments from primary government	-	-	-	31	-
Payment from federal and state agencies	318	369	483	392	243
Other revenues	1,387	319	100	1,400	1,180
Total nonoperating revenues	14,139	12,569	11,804	12,792	13,203
Nonoperating expenses:					
Interest expense	3,946	4,775	5,071	7,273	8,874
Other expenses	444	204	1,582	238	144
Total nonoperating expenses	4,390	4,979	6,653	7,511	9,018
Income (loss) before capital contributions	7,268	6,048	(211)	(236)	(6,048)
Capital contributions	21,762	16,526	14,047	11,989	8,347
Change in net position	$ 29,030	$ 22,574	$ 13,836	$ 11,753	$ 2,299
Net investment in capital assets	$441,000	$404,670	$386,557	$381,529	$355,251
Net position at end of year:					
Restricted	14,576	30,468	30,437	27,413	39,093
Unrestricted	49,654	41,001	37,750	44,403	47,248
Total net position	$505,230	$476,139	$454,744	$453,345	$441,592

Source: Jacksonville Aviation Authority audited financial statements

Jacksonville Aviation Authority

Principal Revenue Payers
Fiscal Years Ending September 30:
(Unaudited)
(Dollar amounts in thousands)

	2021 Amount	% of Revenue	2020 Amount	% of Revenue	2019 Amount	% of Revenue
American Airlines	$13,105	18.37 %	$10,303	14.26 %	$13,216	14.18 %
Delta Air Lines	12,113	16.98 %	9,707	13.44 %	14,718	15.79 %
Southwest Airlines Co.	8,885	12.45 %	7,214	9.99 %	9,770	10.48 %
United Airlines	7,555	10.59 %	5,152	7.13 %	6,969	7.48 %
Enterprise Leasing Company	4,941	6.93 %	4,040	5.59 %	5,867	6.30 %
JetBlue	3,993	5.60 %	3,012	4.17 %	5,644	6.06 %
Flightstar Aircraft Services, Inc	3,609	5.06 %	3,724	5.16 %	3,657	3.92 %
U.S General Services Administration	2,581	3.62 %	2,552	3.53 %	2,525	0.0271
Federal Express Corporation	2,563	3.59 %	-	-%	-	-%
Hertz Corporation, The	2,393	3.35 %	1,965	2.72 %	3,009	3.23 %
Host International Inc.	-	-%	1,880	2.60 %	3,567	3.83 %
Budget Rent a Car System, Inc	-	- %	-	- %	-	- %
Avis Rent A Car	-	- %	-	- %	-	- %
US Airways Group, Inc.	-	- %	-	- %	-	- %
Total Principal Revenue Payers	$61,738	86.54 %	$49,548	68.59 %	$68,942	73.98 %
Total operating revenues	$71,348		$72,233		$93,182	

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Principal Revenue Payers (Continued)
Fiscal Years Ending September 30:
(Unaudited)
(Dollar amounts in thousands)

	2018 Amount	% of Revenue	2017 Amount	% of Revenue	2016 Amount	% of Revenue
American Airlines	$ 8,222	9.80 %	$ 12,097	14.77 %	$ 11,933	14.95 %
Delta Air Lines	9,033	10.77 %	12,565	15.35 %	12,092	15.15 %
Southwest Airlines Co.	6,313	7.53 %	8,032	9.81 %	7,873	9.86 %
United Airlines	4,553	5.43 %	5,477	6.69 %	5,197	6.51 %
Enterprise Leasing Company	5,293	6.31 %	4,956	6.05 %	4,842	6.07 %
JetBlue	3,683	4.39 %	4,956	6.05 %	4,707	5.90 %
Flightstar Aircraft Services, Inc	3,016	3.60 %	-	- %	-	- %
U.S General Services Administration	-	- %	-	- %	-	- %
Federal Express Corporation	-	-%	-	-%	-	-%
Hertz Corporation, The	2,701	3.22 %	2,561	3.13 %	2,628	3.29 %
Host International Inc.	2,939	3.50 %	2,820	3.44 %	2,743	3.44 %
Budget Rent a Car System, Inc	2,197	3%	2,024	2%	2,037	2.55 %
Avis Rent A Car	2,077	2%	1,957	2%	2,053	2.57 %
US Airways Group, Inc.	-	- %	-	- %	-	- %
Total Principal Revenue Payers	$ 50,027	59.64 %	$ 57,445	70.16 %	$ 56,105	70.28 %
Total operating revenues	$ 83,883		$ 81,876		$ 79,825	

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Principal Revenue Payers (Continued)
Fiscal Years Ending September 30:
(Unaudited)
(Dollar amounts in thousands)

	2015 Amount	% of Revenue	2014 Amount	% of Revenue	2013 Amount	% of Revenue	2012 Amount	% of Revenue
American Airlines	$ 9,480	12.64 %	$ 4,393	6.41 %	$ 4,113	6.15 %	$ 2,333	3.86 %
Delta Air Lines	13,017	17.35 %	12,042	17.58 %	11,451	17.12 %	8,044	13.31 %
Southwest Airlines Co.	8,489	11.32 %	9,235	13.48 %	9,358	13.99 %	6,491	10.74 %
United Airlines	5,162	6.88 %	4,980	7.27 %	-	- %	-	- %
Enterprise Leasing Company	4,681	6.24 %	3,995	5.83 %	-	- %	-	- %
JetBlue	4,595	6.13 %	3,150	4.60 %	2,864	4.28 %	2,026	3.35 %
Flightstar Aircraft Services, Inc	-	- %	-	- %	-	- %	-	- %
U.S General Services Administration	-	- %	2,304	3.36 %	-	- %	-	- %
Federal Express Corporation	-	-%	-	-%	-	-%	-	-%
Hertz Corporation, The	2,592	3.46 %	2,527	3.69 %	2,354	3.52 %	2,292	3.79 %
Host International Inc.	2,651	3.53 %	2,525	3.69 %	2,402	3.59 %	2,249	3.72 %
Budget Rent a Car System, Inc	2,112	3%	-	- %	-	- %	-	- %
Avis Rent A Car	2,076	3%	-	- %	1,910	3%	1,908	3%
US Airways Group, Inc.	3,430	5%	7,197	11%	6,323	9%	4,152	7%
Total Principal Revenue Payers	$ 58,285	77.71 %	$ 52,348	76.42 %	$ 40,775	60.97 %	$ 29,495	48.80 %
Total operating revenues	$ 75,005		$ 68,484		$ 66,872		$ 60,417	

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Ratio of Annual Debt Service
to Total Expenses Excluding Depreciation
Fiscal Years Ending September 30:
(Unaudited)
(Dollar amounts in thousands)

Fiscal Year	Principal	Interest	Total Debt Service	Total Expenses Other than Depreciation	Ratio of Debt Service to Expenditures
2021	$ 5,638	$ 1,758	$ 7,396	$ 53,116	13.92%
2020	6,135	1,417	7,552	61,669	12.25%
2019	18,835	1,619	20,454	65,491	31.23%
2018	10,090	1,660	11,750	57,494	20.44%
2017	15,650	2,228	17,878	53,849	33.20%
2016	12,020	3,946	15,966	50,960	31.33%
2015	11,765	4,775	16,540	47,972	34.48%
2014	6,390	5,071	11,461	45,547	25.16%
2013	10,220	7,273	17,493	44,576	39.24%
2012	9,775	8,733	18,508	43,124	42.92%

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Debt Service Coverage
Last Ten Fiscal Years
(Unaudited)
(Dollar amounts in thousands)

	2021	2020	2019	2018	2017
Revenues:					
Concessions	$ 15,633	$ 13,262	$ 19,863	$ 18,257	$ 16,072
Fees and charges	14,721	12,868	19,320	17,807	16,028
Space and facility rentals	26,345	30,833	26,673	24,481	28,946
Parking	13,000	13,784	25,535	21,535	19,291
Other revenue	1,649	1,486	1,791	1,803	1,539
Interest income	593	2,765	3,946	1,422	817
Transfers-signatory airline agreement	-	-	-	-	-
Transfers-PFC Series 2016, 2012 (now 2021)	4,867	4,056	13,834	10,336	5,639
Total revenues and transfers	76,808	79,054	110,962	95,641	88,332
Less: Operating and maintenance expenses (excluding depreciation and expenses associated with payments from other governments)	53,116	47,805	61,450	57,494	53,849
Net operating revenues	23,692	31,249	49,512	38,147	34,483
Revenue note service charges for:					
Series 2021 note (PFC backed)	872	-	-	-	-
Series 2016 note (PFC backed)	1,985	2,005	9,855	5,411	2,459
Series 2013 note	-	-	-	-	8,655
Series 2012 note (PFC backed)	2,010	2,023	7,049	3,193	3,215
Series 2008 note	3,157	3,269	3,283	3,319	3,286
Series 2006 bonds (PFC backed)	-	-	-	-	-
Series 2003A bonds	-	-	-	-	-
Total revenue note service charges	$ 8,024	$ 7,297	$ 20,187	$ 11,923	$ 17,615
Revenue note service coverage	2.95	4.28	2.45	3.20	1.96
Required bond service coverage	1.25	1.25	1.25	1.25	1.25
Total enplanements	2,083	1,978	3,543	3,119	2,759
Debt per enplanement	$ 3.85	$ 3.69	$ 5.70	$ 3.82	$ 6.38

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Debt Service Coverage (Continued)
Last Ten Fiscal Years
(Unaudited)
(Dollar amounts in thousands)

	2016	2015	2014	2013	2012
Revenues:					
Concessions	$ 17,771	$ 16,933	$ 15,504	$ 14,361	$ 14,482
Fees and charges	14,668	13,479	12,189	12,513	13,272
Space and facility rentals	26,705	24,608	21,751	21,478	14,179
Parking	18,993	18,191	17,257	16,601	16,171
Other revenue	1,688	1,794	1,783	1,919	2,313
Interest income	1,451	926	667	659	1,037
Transfers-signatory airline agreement	-	-	-	-	3,750
Transfers-PFC Series 2016, 2012	8,091	8,073	7,115	6,124	7,175
Total revenues and transfers	89,367	84,004	76,266	73,655	72,379
Less: Operating and maintenance expenses (excluding depreciation and expenses associated with payments from other governments)	50,960	47,972	44,895	44,577	43,125
Net operating revenues	38,407	36,032	31,371	29,078	29,254
Revenue note service charges for:					
Series 2021 note (PFC backed)	-	-	-	-	-
Series 2016 note (PFC backed)	114	-	-	-	-
Series 2013 note	6,253	5,306	170	38	-
Series 2012 note (PFC backed)	3,258	3,302	2,337	692	-
Series 2008 note	3,302	3,297	3,298	3,301	3,302
Series 2006 bonds (PFC backed)	5,251	5,221	5,243	5,843	7,673
Series 2003A bonds	-	-	-	7,156	7,174
Total revenue note service charges	$ 18,178	$ 17,126	$ 11,048	$ 17,030	$ 18,149
Revenue note service coverage	2.11	2.10	2.84	1.71	1.61
Required bond service coverage	1.25	1.25	1.25	1.25	1.25
Total enplanements	2,800	2,722	2,603	2,564	2,644
Debt per enplanement	$ 6.49	$ 6.29	$ 4.24	$ 6.64	$ 6.86

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Debt Service Note Tables
Fiscal Years Ending September 30:
(Unaudited)

			2008 Swap Variable Interest Income/Expense				2008 Swap Fixed Interest Expense			
Note Year	Date	Fiscal Year	Principal	Coupon	Interest	Debt Svs. Yr	Principal	Coupon	Interest	Debt Svs. Yr
2021	10/01/21	2022	2,945,000	0.772%	47,864	-	2,945,000	3.412%	211,544	-
2022	04/01/22	2022	-		36,496	3,029,360	-		161,302	3,317,846
2022	10/01/22	2023	3,045,000	0.772%	36,496	-	3,045,000	3.412%	161,302	-
2023	04/01/23	2023	-		24,743	3,106,239	-		109,355	3,315,657
2023	10/01/23	2024	3,152,000	0.772%	24,743	-	3,150,000	3.412%	109,355	-
2024	04/01/24	2024	-		12,584	3,187,327	-		55,616	3,314,971
2024	10/01/24	2025	3,258,000	0.772%	12,584	3,272,584	3,260,000	3.412%	55,616	3,315,616
	TOTAL		$ 12,400,000		$ 195,510	$ 12,595,510	$ 12,400,000		$ 864,090	##########

Call Feature
Purpose: 100% New Money
Refunding Eligibility

Jacksonville Aviation Authority

Debt Service Note Tables
Fiscal Years Ending September 30:
(Unaudited)

			Series 2012 Revenue Refunding Note			
Note Year	Date	Fiscal Year	Principal	Coupon	Interest	Debt Svs. Yr
2020	10/01/21	2022	-	1.730%	-	-
2021	04/01/22	2022	-		-	-
2021	10/01/21	2023	-		-	-
2022	04/01/22	2023	-		-	-
2022	10/01/22	2024	-		-	-
Total			$ -		$ -	$ -

Call Feature
Purpose: 2006 Bond Partial Refinance
Refunding Eligibility

Note refinanced and paid in full in April 2021.

Jacksonville Aviation Authority

Debt Service Note Tables
Fiscal Years Ending September 30:
(Unaudited)

			Series 2016 Revenue Refunding Note			
Note Year	Date	Fiscal Year	Principal	Coupon	Interest	Debt Svs. Yr
2021	10/01/21	2022	1,930,000	1.807%	55,114	-
2022	04/01/22	2022	-		37,676	2,022,790
2022	10/01/22	2023	1,960,000	1.807%	37,676	-
2023	04/01/23	2023	-		19,967	2,017,643
2023	10/01/23	2024	2,000,000	1.807%	19,967	-
2024	04/01/24	2024	-		1,897	2,021,864
2024	10/01/24	2025	210,000	1.807%	1,897	211,897
Total			$ 6,100,000		$ 174,194	$ 6,274,194

Call Feature
Purpose: Defease 2006 Bonds
Refunding Eligibility

Jacksonville Aviation Authority

Debt Service Note Tables
Fiscal Years Ending September 30:
(Unaudited)

			Series 2021 Revenue Refunding Note			
Note Year	Date	Fiscal Year	Principal	Coupon	Interest	Debt Svs. Yr
2021	10/01/21	2022	762,500	0.990%	109,909	-
2022	04/01/22	2022	-		130,808	1,003,217
2022	10/01/22	2023	3,664,500	0.990%	130,808	
2023	04/01/23	2023	-		112,669	3,907,977
2023	10/01/23	2024	3,700,700	0.990%	112,669	
2024	04/01/24	2024	-		94,350	3,907,719
2024	10/01/24	2025	3,737,400	0.990%	94,350	
2025	04/01/25	2025	-		75,850	3,907,600
2025	10/01/25	2026	3,774,400	0.990%	75,850	
2026	04/01/26	2026	-		57,167	3,907,417
2026	10/01/26	2027	3,811,800	0.990%	57,167	
2027	04/01/27	2027	-		38,299	3,907,266
2027	10/01/27	2028	3,849,500	0.990%	38,299	
2028	04/01/28	2028	-		19,244	3,907,043
2028	10/01/28	2029	3,887,600	0.990%	19,244	3,906,844
	TOTAL		$ 27,188,400		$ 1,166,683	$ 28,355,083

Call Feature
Purpose: Refund 2012 Note
Refunding Eligibility

Jacksonville Aviation Authority

Total Debt Service
Fiscal Years Ending September 30:
(Unaudited)

Note Year	Date	Fiscal Year	Principal	Interest	Debt Svs. Yr
2021	10/01/21	2022	5,637,500	376,567	-
2022	04/01/22	2022	-	329,786	6,343,853
2022	10/01/22	2023	8,669,500	329,786	-
2023	04/01/23	2023	-	241,991	9,241,277
2023	10/01/23	2024	8,852,700	241,991	-
2024	04/01/24	2024	-	151,863	9,246,554
2024	10/01/24	2025	7,205,400	151,863	-
2025	04/01/25	2025	-	75,850	7,433,113
2025	10/01/25	2026	3,774,400	75,850	-
2026	04/01/26	2026	-	57,167	3,907,417
2026	10/01/26	2027	3,811,800	57,167	-
2027	04/01/27	2027	-	38,299	3,907,266
2027	10/01/27	2028	3,849,500	38,299	-
2028	04/01/28	2028	-	19,244	3,907,043
2028	10/01/28	2029	3,887,600	19,244	3,906,844
Total			$ 45,688,400	$ 2,204,967	$ 47,893,367

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Outstanding Debt by Type
Fiscal Years Ending September 30:
Last Ten Fiscal Years
(Unaudited)
(Dollar amounts in thousands)

Fiscal Year	Revenue Bonds	Revenue Notes	Revenue Refunding Bonds	Total
2021	$ -	$ 45,688	$ -	$ 45,688
2020	-	52,030	-	52,030
2019	-	58,165	-	58,165
2018	-	77,000	-	77,000
2017	-	87,090	-	87,090
2016	-	102,740	-	102,740
2015	50,530	87,350	-	137,880
2014	53,265	97,380	-	150,645
2013	55,885	68,465	32,685	157,035
2012	111,950	34,855	37,055	183,860

Jacksonville Aviation Authority

Top 10 Employers of Jacksonville
(Unaudited)

	2020	2019	2018	2017	2016
Naval Air Station Jacksonville	20,000	20,000	20,000	20,000	20,000
Duval County Public Schools	13,113	13,113	13,113	13,106	13,106
Baptist Health	10,651	10,651	10,651	10,748	10,615
Naval Station Mayport	10,032	9,000	9,000	9,000	9,000
City of Jacksonville	8,998	8,998	7,273	7,273	7,273
Mayo Clinic Hospital	6,400	6,400	6,400	6,100	-
Florida Blue	5,704	-	-	5,200	6,000
St. Vincent's HealthCare	5,379	5,379	5,379	5,505	5,392
St. Johns County School District	5,298	5,298	4,388	4,388	4,388
Clay County School Board	4,616	4,616	4,616	4,616	4,616
UF Health Jacksonville	-	7,136	7,136	6,000	6,000
Fleet Readiness Center Southeast	-	-	4,200	-	-
CSX Corp.	-	-	2,925	-	-
Citigroup Inc.	-	-	-	4,580	4,317
Bank of America Merrill Lynch	-	-	-	-	-
J P Morgan Chase	-	-	-	-	-
Total	90,191	90,591	95,081	96,516	90,707

Government employer information confirmed online and over the phone if possible. Each employer's percentage of total employment is also unavailable. Information for 2021 is not currently available.

Source: 2020 Jacksonville Business Journal - Book of Lists 20-21, 2019 Jacksonville Business Journal – Book of Lists 19-20, 2018 Jacksonville Business Journal – Book of Lists 18-19, 2017 Jacksonville Business Journal – Book of Lists 17-18, 2016 Jacksonville Business Journal – Book of Lists 16-17, 2015 Jacksonville Business Journal – Book of Lists 15-16, 2014 Jacksonville Business Journal – Book of Lists 14-15, 2013 About.com Jacksonville, 2012 Jacksonville Economic Development and 2011 Jacksonville Cornerstone Regional Development Partnership.

Jacksonville Aviation Authority

Top 10 Employers of Jacksonville (Continued)
(Unaudited)

	2015	2014	2013	2012	2011
Naval Air Station Jacksonville	20,000	20,000	25,240	25,240	25,240
Duval County Public Schools	13,106	12,744	14,480	14,480	14,480
Baptist Health	10,615	9,159	8,270	8,270	8,270
Naval Station Mayport	9,000	9,000	9,000	9,000	12,670
City of Jacksonville	7,273	8,003	8,820	8,820	8,820
Mayo Clinic Hospital	-	5,211	4,970	4,970	4,970
Florida Blue	6,000	6,000	6,500	6,500	6,000
St. Vincent's HealthCare	-	5,156	-	-	-
St. Johns County School District	4,388	4,046	-	-	-
Clay County School Board	4,616	5,000	-	-	-
UF Health Jacksonville	6,000	3,214	-	-	-
Fleet Readiness Center Southeast	-	-	-	-	-
CSX Corp.	-	-	-	-	-
Citigroup Inc.	4,317	3,500	4,200	4,200	5,000
Bank of America Merrill Lynch	-	-	8,000	8,000	6,400
J P Morgan Chase	-	3,900	4,200	4,200	-
Total	85,315	94,933	93,680	93,680	91,850

Government employer information confirmed online and over the phone if possible. Each employer's percentage of total employment is also unavailable. Information for 2021 is not currently available.

Source: 2020 Jacksonville Business Journal - Book of Lists 20-21, 2019 Jacksonville Business Journal – Book of Lists 19-20, 2018 Jacksonville Business Journal – Book of Lists 18-19, 2017 Jacksonville Business Journal – Book of Lists 17-18, 2016 Jacksonville Business Journal – Book of Lists 16-17, 2015 Jacksonville Business Journal – Book of Lists 15-16, 2014 Jacksonville Business Journal – Book of Lists 14-15, 2013 About.com Jacksonville, 2012 Jacksonville Economic Development and 2011 Jacksonville Cornerstone Regional Development Partnership.

Jacksonville Aviation Authority

Demographic and Economic Statistics
Metropolitan Statistical Area of Jacksonville
(Unaudited)

Calendar Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate
2020	1,587,892	$ 87,532,441	$ 55,125	3.7%
2019	1,559,514	$ 80,191,700	$ 51,421	2.9%
2018	1,534,701	$ 76,357,000	$ 49,754	3.4%
2017	1,504,980	$ 71,707,300	$ 47,647	3.9%
2016	1,478,212	$ 67,211,625	$ 45,468	4.7%
2015	1,449,481	$ 64,094,915	$ 44,219	5.2%
2014	1,419,127	$ 61,608,676	$ 43,413	6.2%
2013	1,394,624	$ 60,175,990	$ 43,149	6.9%
2012	1,377,850	$ 57,731,463	$ 41,900	10.6%
2011	1,360,998	$ 55,394,044	$ 40,701	10.6%

Note: *Population for 2020 - 2011 is estimated*

Sources: *BEARFACTS Bureau of Economic Analysis: Regional Economic Accounts-Jacksonville, FL*
Bureau of Labor Statistics – Jacksonville, FL Metropolitan Statistical Area
Unemployment Rate from the US Department of Labor, Bureau of Labor Statistics

Jacksonville Aviation Authority

Jacksonville, Florida
Jacksonville International Airport
Enplanements
(Unaudited)
Year Ended September, 30:

	2021	Market Share 2021	2020	Market Share 2020
AMERICAN AIRLINES CORPORATION	618,129	29.68%	548,789	27.74%
DELTA AIR LINES INC	528,705	25.38%	543,088	27.45%
SOUTHWEST AIRLINES CO	397,573	19.09%	363,253	18.36%
UNITED AIRLINES	290,837	13.96%	216,707	10.95%
JETBLUE AIRWAYS CORPORATION	166,816	8.01%	156,522	7.91%
ALLEGIANT AIR LLC	46,206	2.22%	52,914	2.67%
FRONTIER AIRLINES	21,349	1.02%	34,105	1.72%
SILVER AIRWAYS CORP	8,043	0.39%	-	-
AIR GROUND LOGISTICS INC	4,978	0.24%	4,727	0.24%
SPIRIT AIRLINES INC	275	0.01%	58,163	2.94%
AIR CANADA	-	-	-	-
US AIRWAYS INC	-	-	-	-
AIRTRAN AIRLINES INC	-	-	-	-
REPUBLIC AIRLINES INC	-	-	-	-
AMERICAN EAGLE AIRLINES	-	-	-	-
CONTINENTAL EXPRESS	-	-	-	-
UNITED EXPRESS AIRLINES CO MESA AIRLINES	-	-	-	-
SHUTTLE AMERICA CORPORATION	-	-	-	-
PINNACLE AIRLINES	-	-	-	-
GOJET AIRLINES	-	-	-	-
COMPASS AIRLINES INC	-	-	-	-
UNITED EXPRESS	-	-	-	-
ATLANTIC SOUTHEAST AIRLINES	-	-	-	-
US AIRWAYS EXPRESS MESA	-	-	-	-
SHUTTLE AMERICA CORPORATION (UNITED)	-	-	-	-
COMAIR INC	-	-	-	-
CHAUTAUQUA AIRLINES INC	-	-	-	-
SHUTTLE AMERICA CORPORATION (CONTINENTAL)	-	-	-	-
CONTINENTAL AIRLINES	-	-	-	-
GOJET AIRLINES (DELTA AIRLINES)	-	-	-	-
EXPRESSJET AIRLINES INC (DELTA AIRLINES)	-	-	-	-
PSA AIRLINES INC	-	-	-	-
AIR WISCONSIN AIRLINES CORPORATION CO US AIRV	-	-	-	-
MESABA AIRLINES	-	-	-	-
TOTAL ENPLANEMENTS	2,082,911	100.00%	1,978,268	100.00%

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Jacksonville, Florida
Jacksonville International Airport
Enplanements (Continued)
(Unaudited)
Year Ended September, 30:

	2019	2018	2017	2016
AMERICAN AIRLINES CORPORATION	824,420	743,805	730,942	761,343
DELTA AIR LINES INC	991,560	895,524	839,728	852,218
SOUTHWEST AIRLINES CO	616,933	548,368	486,684	501,395
UNITED AIRLINES	388,297	349,214	275,952	258,055
JETBLUE AIRWAYS CORPORATION	358,011	360,769	332,489	346,128
ALLEGIANT AIR LLC	72,926	85,324	68,026	60,914
FRONTIER AIRLINES	165,253	99,077	-	-
SILVER AIRWAYS CORP	1,018	15,061	12,559	13,083
AIR GROUND LOGISTICS INC	6,235	7,199	5,223	4,177
SPIRIT AIRLINES INC	110,808	-	-	-
AIR CANADA	7,727	14,199	7,464	2,274
US AIRWAYS INC	-	-	-	-
AIRTRAN AIRLINES INC	-	-	-	-
REPUBLIC AIRLINES INC	-	-	-	-
AMERICAN EAGLE AIRLINES	-	-	-	-
CONTINENTAL EXPRESS	-	-	-	-
UNITED EXPRESS AIRLINES CO MESA AIRLINES	-	-	-	-
SHUTTLE AMERICA CORPORATION	-	-	-	-
PINNACLE AIRLINES	-	-	-	-
GOJET AIRLINES	-	-	-	-
COMPASS AIRLINES INC	-	-	-	-
UNITED EXPRESS	-	-	-	-
ATLANTIC SOUTHEAST AIRLINES	-	-	-	-
US AIRWAYS EXPRESS MESA	-	-	-	-
SHUTTLE AMERICA CORPORATION (UNITED)	-	-	-	-
COMAIR INC	-	-	-	-
CHAUTAUQUA AIRLINES INC	-	-	-	-
SHUTTLE AMERICA CORPORATION (CONTINENTAL)	-	-	-	-
CONTINENTAL AIRLINES	-	-	-	-
GOJET AIRLINES (DELTA AIRLINES)	-	-	-	-
EXPRESSJET AIRLINES INC (DELTA AIRLINES)	-	-	-	-
PSA AIRLINES INC	-	-	-	-
AIR WISCONSIN AIRLINES CORPORATION CO US AIRV	-	-	-	-
MESABA AIRLINES	-	-	-	-
TOTAL ENPLANEMENTS	3,543,188	3,118,540	2,759,067	2,799,587

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Jacksonville, Florida
Jacksonville International Airport
Enplanements (Continued)
(Unaudited)
Year Ended September, 30:

	2015	2014	2013	2012
AMERICAN AIRLINES CORPORATION	742,374	278,360	251,578	153,084
DELTA AIR LINES INC	858,787	818,900	766,754	626,376
SOUTHWEST AIRLINES CO	524,376	604,257	652,585	594,816
UNITED AIRLINES	234,496	222,320	249,782	33,872
JETBLUE AIRWAYS CORPORATION	299,555	200,309	186,118	187,189
ALLEGIANT AIR LLC	18,497	-	-	-
FRONTIER AIRLINES	-	-	-	-
SILVER AIRWAYS CORP	40,681	17,043	6,119	2,927
AIR GROUND LOGISTICS INC	3,266	1,833	2,054	4,416
SPIRIT AIRLINES INC	-	-	-	-
AIR CANADA	-	-	-	-
US AIRWAYS INC	-	459,799	448,580	291,616
AIRTRAN AIRLINES INC	-	-	-	127,231
REPUBLIC AIRLINES INC	-	-	-	116,842
AMERICAN EAGLE AIRLINES	-	-	-	103,958
CONTINENTAL EXPRESS	-	-	-	92,771
UNITED EXPRESS AIRLINES CO MESA AIRLINES	-	-	-	51,446
SHUTTLE AMERICA CORPORATION	-	-	-	35,691
PINNACLE AIRLINES	-	-	-	34,525
GOJET AIRLINES	-	-	-	32,552
COMPASS AIRLINES INC	-	-	-	30,232
UNITED EXPRESS	-	-	-	26,366
ATLANTIC SOUTHEAST AIRLINES	-	-	-	23,425
US AIRWAYS EXPRESS MESA	-	-	-	19,835
SHUTTLE AMERICA CORPORATION (UNITED)	-	-	-	13,033
COMAIR INC	-	-	-	11,532
CHAUTAUQUA AIRLINES INC	-	-	-	7,901
SHUTTLE AMERICA CORPORATION (CONTINENTAL)	-	-	-	6,217
CONTINENTAL AIRLINES	-	-	-	6,048
GOJET AIRLINES (DELTA AIRLINES)	-	-	-	4,035
EXPRESSJET AIRLINES INC (DELTA AIRLINES)	-	-	-	3,702
PSA AIRLINES INC	-	-	-	1,268
AIR WISCONSIN AIRLINES CORPORATION CO US AIRV	-	-	-	918
MESABA AIRLINES	-	-	-	235
TOTAL ENPLANEMENTS	2,722,032	2,602,821	2,563,570	2,644,059

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Jacksonville, Florida
Landed Weights
(weights in 1000 lbs)
(Unaudited)
Year Ended September, 30:

	2021	Market Share 2021	2020	Market Share 2020
AMERICAN AIRLINES CORPORATION	709,790	22%	692,412	22%
DELTA AIR LINES INC	703,563	22%	682,930	22%
SOUTHWEST AIRLINES CO	467,641	15%	518,336	17%
UNITED AIRLINES	354,392	11%	265,724	8%
JETBLUE AIRWAYS CORPORATION	204,794	6%	211,912	7%
ALLEGIANT AIR LLC	53,450	2%	65,810	2%
AIR GROUND LOGISTICS INC	37,080	1%	19,434	1%
FRONTIER AIRLINES INC.	22,227	1%	34,899	1%
SILVER AIRWAYS CORP	10,870	<1%	-	0%
SPIRIT AIRLINES	1,195	<1%	72,943	2%
AIR CANADA	-	0%	-	0%
US AIRWAYS INC	-	0%	-	0%
REPUBLIC AIRLINES INC	-	0%	-	0%
AIRTRAN AIRLINES INC	-	0%	-	0%
ENVOY AIR	-	0%	-	0%
COMPASS AIRLINES INC	-	0%	-	0%
UNITED EXPRESS AIRLINES CO MESA AIRLINES	-	0%	-	0%
PINNACLE AIRLINES	-	0%	-	0%
GOJET AIRLINES	-	0%	-	0%
GOJET AIRLINES (DELTA AIRLINES)	-	0%	-	0%
SHUTTLE AMERICA CORPORATION (UNITED)	-	0%	-	0%
US AIRWAYS EXPRESS MESA	-	0%	-	0%
EXPRESSJET AIRLINES INC (DELTA AIRLINES)	-	0%	-	0%
SHUTTLE AMERICA CORPORATION	-	0%	-	0%
AIR WISCONSIN AIRLINES CORPORATION CO US AIRWAYS	-	0%	-	0%
PSA AIRLINES INC	-	0%	-	0%
ATLANTIC SOUTHEAST AIRLINES	-	0%	-	0%
UNITED EXPRESS	-	0%	-	0%
COMAIR INC	-	0%	-	0%
SHUTTLE AMERICA CORPORATION (CONTINENTAL)	-	0%	-	0%
CONTINENTAL AIRLINES	-	0%	-	0%
CHAUTAUQUA AIRLINES INC	-	0%	-	0%
CONTINENTAL EXPRESS	-	0%	-	0%
MESABA AIRLINES	-	0%	-	0%
TOTAL COMMERCIAL AIRLINES	2,565,002	80.87%	2,564,400	81.70%
AIR CARGO CARRIERS:				
UNITED PARCEL SERVICE COMPANY	329,577	10%	317,257	10%
FEDERAL EXPRESS CORPORATION	272,811	9%	253,493	8%
SUBURBAN AIR FREIGHT INC	4,154	<1%	4,186	0%
AMERIFLIGHT LLC	45	<1%	-	0%
MOUNTAIN AIR CARGO INC	72	<1%	36	0%
TOTAL CARGO AIRLINES	606,659	19.13%	574,972	18.30%
TOTAL LANDED WEIGHTS	3,171,661	100.00%	3,139,372	100.00%

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Jacksonville, Florida
Landed Weights (Continued)
(weights in 1000 lbs)
(Unaudited)
Year Ended September, 30:

	2019	2018	2017	2016
AMERICAN AIRLINES CORPORATION	932,414	817,981	858,142	877,851
DELTA AIR LINES INC	1,060,744	967,439	934,981	934,362
SOUTHWEST AIRLINES CO	731,556	647,620	556,721	565,804
UNITED AIRLINES	421,460	376,984	298,650	266,612
JETBLUE AIRWAYS CORPORATION	419,003	418,327	380,594	388,435
ALLEGIANT AIR LLC	71,128	87,144	72,299	62,676
AIR GROUND LOGISTICS INC	25,644	27,816	15,558	12,118
FRONTIER AIRLINES INC.	159,498	97,234	-	-
SILVER AIRWAYS CORP	1,539	21,432	23,456	24,995
SPIRIT AIRLINES	135,203	-	-	-
AIR CANADA	9,400	16,444	8,912	3,116
US AIRWAYS INC	-	-	-	-
REPUBLIC AIRLINES INC	-	-	-	-
AIRTRAN AIRLINES INC	-	-	-	-
ENVOY AIR	-	-	-	-
COMPASS AIRLINES INC	-	-	-	-
UNITED EXPRESS AIRLINES CO MESA AIRLINES	-	-	-	-
PINNACLE AIRLINES	-	-	-	-
GOJET AIRLINES	-	-	-	-
GOJET AIRLINES (DELTA AIRLINES)	-	-	-	-
SHUTTLE AMERICA CORPORATION (UNITED)	-	-	-	-
US AIRWAYS EXPRESS MESA	-	-	-	-
EXPRESSJET AIRLINES INC (DELTA AIRLINES)	-	-	-	-
SHUTTLE AMERICA CORPORATION	-	-	-	-
AIR WISCONSIN AIRLINES CORPORATION CO US AIRWAYS	-	-	-	-
PSA AIRLINES INC	-	-	-	-
ATLANTIC SOUTHEAST AIRLINES	-	-	-	-
UNITED EXPRESS	-	-	-	-
COMAIR INC	-	-	-	-
SHUTTLE AMERICA CORPORATION (CONTINENTAL)	-	-	-	-
CONTINENTAL AIRLINES	-	-	-	-
CHAUTAUQUA AIRLINES INC	-	-	-	-
CONTINENTAL EXPRESS	-	-	-	-
MESABA AIRLINES	-	-	-	-
TOTAL COMMERCIAL AIRLINES	3,967,589	3,478,421	3,149,313	3,135,969
AIR CARGO CARRIERS:				
UNITED PARCEL SERVICE COMPANY	254,761	220,442	195,324	198,386
FEDERAL EXPRESS CORPORATION	295,501	228,445	211,014	206,557
SUBURBAN AIR FREIGHT INC	4,057	4,283	3,639	954
AMERIFLIGHT LLC	-	16	-	1,928
MOUNTAIN AIR CARGO INC	9	9	34	-
TOTAL CARGO AIRLINES	554,328	453,195	410,011	407,825
TOTAL LANDED WEIGHTS	4,521,917	3,931,616	3,559,324	3,543,794

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Jacksonville, Florida
Landed Weights (Continued)
(weights in 1000 lbs)
(Unaudited)
Year Ended September, 30:

	2015	2014	2013	2012
AMERICAN AIRLINES CORPORATION	904,261	304,435	284,020	166,346
DELTA AIR LINES INC	993,669	989,362	1,021,543	813,618
SOUTHWEST AIRLINES CO	593,027	781,392	859,114	805,030
UNITED AIRLINES	239,356	243,254	288,258	49,993
JETBLUE AIRWAYS CORPORATION	334,258	225,429	216,234	216,234
ALLEGIANT AIR LLC	18,514	-	-	-
AIR GROUND LOGISTICS INC	9,453	5,289	5,583	12,180
FRONTIER AIRLINES INC.	-	-	-	-
SILVER AIRWAYS CORP	57,827	23,057	8,265	3,933
SPIRIT AIRLINES	-	-	-	-
AIR CANADA	-	-	-	-
US AIRWAYS INC	-	530,093	521,417	359,066
REPUBLIC AIRLINES INC	-	-	-	145,784
AIRTRAN AIRLINES INC	-	-	-	152,232
ENVOY AIR	-	-	-	107,379
COMPASS AIRLINES INC	-	-	-	36,023
UNITED EXPRESS AIRLINES CO MESA AIRLINES	-	-	-	58,625
PINNACLE AIRLINES	-	-	-	41,596
GOJET AIRLINES	-	-	-	37,855
GOJET AIRLINES (DELTA AIRLINES)	-	-	-	5,963
SHUTTLE AMERICA CORPORATION (UNITED)	-	-	-	16,993
US AIRWAYS EXPRESS MESA	-	-	-	22,712
EXPRESSJET AIRLINES INC (DELTA AIRLINES)	-	-	-	4,256
SHUTTLE AMERICA CORPORATION	-	-	-	46,786
AIR WISCONSIN AIRLINES CORPORATION CO US AIRWAYS	-	-	-	1,598
PSA AIRLINES INC	-	-	-	1,730
ATLANTIC SOUTHEAST AIRLINES	-	-	-	27,651
UNITED EXPRESS	-	-	-	26,246
COMAIR INC	-	-	-	14,125
SHUTTLE AMERICA CORPORATION (CONTINENTAL)	-	-	-	10,051
CONTINENTAL AIRLINES	-	-	-	9,880
CHAUTAUQUA AIRLINES INC	-	-	-	7,341
CONTINENTAL EXPRESS	-	-	-	92,131
MESABA AIRLINES	-	-	-	368
TOTAL COMMERCIAL AIRLINES	3,150,365	3,102,311	3,204,434	3,293,725
AIR CARGO CARRIERS:				
UNITED PARCEL SERVICE COMPANY	188,094	186,616	186,859	186,599
FEDERAL EXPRESS CORPORATION	203,065	205,419	198,341	196,971
SUBURBAN AIR FREIGHT INC	-	2,479	3,272	3,203
AMERIFLIGHT LLC	3,166	748	14	-
MOUNTAIN AIR CARGO INC	43	-	-	72
TOTAL CARGO AIRLINES	394,368	395,262	388,486	386,845
TOTAL LANDED WEIGHTS	3,544,733	3,497,573	3,592,920	3,680,570

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Number of Employees
Fiscal Years Ending September 30:
(Unaudited)

	2021 Employees		2020 Employees		2019 Employees		2018 Employees		2017 Employees	
	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT
Executive Director	3	-	3	-	3	-	3	-	3	-
Marketing	4	-	4	-	3	-	3	-	2	-
Information Technology	15	-	11	-	14	-	12	-	12	-
External Affairs	1	-	1	-	4	-	4	-	4	-
Human Resources	6	-	7	-	9	-	9	-	8	-
Procurement	12	-	13	-	9	-	14	-	14	-
Accounting and Finance	11	-	11	-	9	2	11	-	11	-
Planning and Engineering	10	-	10	-	12	-	12	-	12	-
Business Development	5	-	6	-	7	-	7	-	6	-
Cecil Airport	14	-	13	-	13	-	15	-	13	-
JaxEx at Craig Airport	3	-	4	-	4	-	3	-	4	-
Herlong Airport	8	-	8	-	9	-	8	-	9	-
SpacePort	1	-	1	-	-	-	-	-	-	-
Building Maintenance	22	-	20	-	33	-	28	-	27	-
Field Maintenance	26	-	25	-	31	-	29	-	28	-
HBS	7	-	9	-	10	-	10	-	10	-
Custodial	28	-	23	-	37	-	35	-	35	-
Police/Security	41	-	41	-	51	-	52	-	52	-
Airport Operations	27	-	27	-	28	-	29	-	26	-
DBE	-	-	-	-	-	-	-	-	-	-
Total	244	-	237	-	286	2	284	-	276	-

FT – Full-time employee working more than 35 hours
PT – Part-time employee working 35 hours or less

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Number of Employees (Continued)
Fiscal Years Ending September 30:
(Unaudited)

	2016 Employees		2015 Employees		2014 Employees		2013 Employees		2012 Employees	
	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT
Executive Director	3	-	3	-	3	-	3	-	3	-
Marketing	2	-	3	-	3	-	3	-	2	-
Information Technology	12	-	9	-	8	-	8	-	7	-
External Affairs	4	-	4	-	4	-	4	-	4	-
Human Resources	8	-	6	-	5	-	7	-	8	-
Procurement	13	1	13	1	13	1	10	1	10	1
Accounting and Finance	11	-	10	-	10	-	9	-	9	-
Planning and Engineering	12	-	12	-	11	-	11	-	11	-
Business Development	6	-	7	-	7		8	-	7	-
Cecil Airport	13	-	12	1	10	1	11	-	7	5
JaxEx at Craig Airport	4	-	3	-	4	-	3	-	3	1
Herlong Airport	9	-	9	-	9	-	8	1	5	2
SpacePort	-	-	-	-	-	-	-	-	-	-
Building Maintenance	27	-	28	-	23	-	25	-	22	-
Field Maintenance	27	1	27	1	24	1	22	1	23	1
HBS	10	-	10	-	9	-	9	-	9	-
Custodial	35	-	34	-	31	-	32	-	32	-
Police/Security	52	-	50	-	50	-	52	-	52	-
Airport Operations	26	-	23	-	27	-	24	-	26	-
DBE	-	-	-	-	-	-	-	-	-	-
Total	274	2	263	3	251	3	249	3	240	10

FT – Full-time employee working more than 35 hours
PT – Part-time employee working 35 hours or less

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Aircraft Operations
Year Ended September 30, 2021
(Unaudited)

	Air Carrier	Air Taxi	Gen Aviation	Military	Total Aircraft Operations
2021	47,360	10,551	13,368	9,894	81,173
2020	45,977	11,238	11,374	9,935	78,524
2019	68,124	16,466	13,707	9,661	107,958
2018	61,195	15,529	14,251	8,801	99,776
2017	57,957	11,919	14,245	11,060	95,181
2016	56,307	16,351	12,594	16,315	101,567
2015	54,552	18,528	11,223	9,199	93,502
2014	49,457	20,168	11,544	6,460	87,629
2013	51,358	18,301	13,755	7,145	90,559
2012	55,101	15,594	12,519	5,926	89,140

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Airlines Serving Jacksonville International Airport
Fiscal Years Ending September 30:
(Unaudited)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Signatory Airlines										
American Airlines	X	X	X	X	X	X	X	X	X	X
Delta Airlines	X	X	X	X	X	X	X	X	X	X
JetBlue	X	X	X	X	X	X	X	X	X	X
Southwest Airlines	X	X	X	X	X	X	X	X	X	X
United Airlines	X	X	X	X	X	X	X	X	X	X
US Airways	-	-	-	-	-	-	X	X	X	X
Total Signatory Airlines	5	5	5	5	5	5	6	6	6	6
Non-signatory Airlines										
Air Canada	-	-	X	X	X	X	-	-	-	-
AirTran	-	-	-	-	-	-	-	-	X	X
Air Wisconsin (American Air)	-	-	-	-	-	-	-	-	X	X
Allegiant	X	X	X	X	X	X	X	-	-	-
American Eagle	-	-	-	-	-	-	-	-	X	X
Endeavor Airlines (formerly ASA)	-	-	-	-	-	-	-	-	X	X
Charters	-	-	-	-	-	-	-	-	X	X
Chautauqua	-	-	-	-	-	-	-	-	-	X
Comair	-	-	-	-	-	-	-	-	-	X
Compass Airline	-	-	-	-	-	-	-	-	X	X
Continental Airlines	-	-	-	-	-	-	-	-	-	X
Continental Express	-	-	-	-	-	-	-	-	-	X
Express Jet (United Air)	-	-	-	-	-	-	-	-	X	X
Freedom Airlines	-	-	-	-	-	-	-	-	-	-
Frontier	X	X	X	X	-	-	-	-	-	-
Go Jet (United)	-	-	-	-	-	-	-	-	X	X
Mesa (American Air)	-	-	-	-	-	-	-	-	X	X
Mesaba	-	-	-	-	-	-	-	-	-	X
Pinnacle	-	-	-	-	-	-	-	-	X	X
PSA Airlines	-	-	-	-	-	-	-	-	X	X
Republic (American Air)	-	-	-	-	-	-	-	-	X	X
Shuttle America (Delta)	-	-	-	-	-	-	-	-	X	X
Silver Airways	X	-	X	X	X	X	X	X	X	X
Spirit Airlines	X	X	X	-	-	-	-	-	-	-
Total Non-signatory Airlines	4	3	5	4	3	3	2	1	15	20
Total Signatory and Non-signatory	9	9	10	9	8	8	8	7	21	26
Cargo										
UPS	X	X	X	X	X	X	X	X	X	X
FedEx	X	X	X	X	X	X	X	X	X	X
Mountain Air Cargo	X	X	X	X	-	-	X	-	-	X
Suburban Air Freight	X	X	X	X	X	X	X	X	X	X
Ameriflight, LLC	-	-	-	X	X	X	X	X	X	-
ABX	-	-	-	-	-	-	-	-	-	-
Total Cargo Airlines	4	4	4	5	4	4	5	4	4	4

Starting in 2013 affiliates are reported under signatory airlines.
Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Primary Origination and Destination Passenger Markets
Year Ended September 30, 2021
(Unaudited)

Rank	Market	
1	Atlanta	SH
2	Charlotte	SH
3	Fort Lauderdale	SH
4	Chicago O'Hare	MH
5	New York – JFK	MH
6	Washington, DC – Reagan National	MH
7	Miami	SH
8	Boston	MH
9	Dallas-Ft. Worth	MH
10	Newark	MH
11	Baltimore	MH
12	Houston Intercontinental	MH
13	Philadelphia	MH
14	Washington, DC – Dulles	MH
15	New York - LaGuardia	MH
16	Nashville	SH
17	Denver	MH
18	Detroit	MH
19	Houston Hobby	MH
20	Chicago Midway	MH
21	Minneapolis-St. Paul	MH
22	Dallas Love Field	MH
23	Las Vegas	LH
24	Toronto	MH
25	Cincinnati	MH

Source: Jacksonville Aviation Authority Records

Trip Length
SH (short haul) = 0 to 600 miles
MH (medium haul) = 601 to 1,800 miles
LH (long haul) = over 1,801 miles

Jacksonville Aviation Authority

Airport Capital Asset Information
Year Ended September 30, 2021
(Unaudited)

Jacksonville International Airport		
Location	18	Miles North of Downtown Jacksonville
Area	8,292	Acres
Airport Code	-	JAX
Runways	10,000	Feet Runway 7/25 (Primary)
	7,700	Feet Runway 13/31
Taxiways	13	75 Foot Wide
	2	50 Foot Wide
	2	90 Foot Wide
	3	60 Foot Wide
	1	150 Foot Wide
Aprons	1,575,752	Sq. Yards
Terminal with 2 Concourses	736,138	Sq. Ft.
Aircraft Gates	14	Gates leased by Signatory Airlines
	6	Gates operated by JAA
	1	International/Charter Gate
Cargo	-	South of Terminal
	225,000	Sq. Ft. Consisting of 4 Buildings
	86,600	Sq. Yrds. Consisting of 3 Cargo Ramps
	39,785	Sq. Ft. Aircraft Maintenance Facility
Parking Spaces	833	Short-term Hourly Garage
	1,963	Daily Garage
	1,722	Daily Surface Lot
	4,411	Economy Lots
	8,929	
Hotel	200	Rooms - Jacksonville Airport Hotel
	153,000	Sq. Ft.
General Aviation Airports:		
Jacksonville Executive at Craig Airport		
Location	9	Miles East of Downtown Jacksonville
Area	1,328	Acres
Runways	4,000	Feet
	4,000	Feet

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Airport Capital Asset Information (Continued)
Year Ended September 30, 2021
(Unaudited)

Herlong Airport			
	Location	9	Miles Southwest of Downtown Jacksonville
	Area	1,449	Acres
	Runways	4,000	Feet
		3,500	Feet
Cecil Airport			
	Location	13	Miles Southwest of Downtown Jacksonville
	Area	6,098	Acres
	Runways	12,500	Feet
		8,000	Feet
		8,000	Feet
		4,439	Feet
	Aprons	672,953	Sq. Yrds.

Source: Jacksonville Aviation Authority Records

This page intentionally left blank

Jacksonville Aviation Authority

Single Audit and Passenger Facility Charge Program Reports
September 30, 2021

Jacksonville Aviation Authority

Contents

Independent Auditor's Reports

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Projects Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, and Report on Schedule of Passenger Facility Charges Collected and Expended and Available Cash Balances Required by the Guide 1

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 2-3

Report on Compliance for the Major Federal Awards Program, Major State Financial Assistance Project, and Passenger Facility Charge Program and Report on Internal Control Over Compliance Required by the Uniform Guidance, Chapter 10.550 of the *Rules of the Auditor General*, and the *Passenger Facility Charge Audit Guide for Public Agencies* 4-5

Schedule of Expenditures of Federal Awards and State Financial Assistance Projects 6

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance Projects 7

Schedule of Findings and Questioned Costs 8-10

Schedule of Passenger Facility Charges (PFC) Collected and Expended and Available Cash Balances 11

Notes to Schedule of Passenger Facility Charges (PFC) Collected and Expanded and Available Cash Balances 12

plante moran

Plante & Moran, PLLC
Suite 360
4444 W. Bristol Road
Flint, MI 48507
Tel: 810.767.5350
Fax: 810.767.8150
plantemoran.com

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Projects Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, and Report on Schedule of Passenger Facility Charges Collected and Expended and Available Cash Balances Required by the Guide

Independent Auditor's Report

To the Board of Directors
Jacksonville Aviation Authority

We have audited the financial statements of the Jacksonville Aviation Authority (the "Authority") as of and for the year ended September 30, 2021 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated March 4, 2022, which contained an unmodified opinion on the financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. We have not performed any procedures with respect to the audited financial statements subsequent to March 4, 2022.

The accompanying schedule of expenditures of federal awards and state financial assistance projects and schedule of passenger facility charges (PFC) collected and expended and available cash balances are presented for the purpose of additional analysis, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards* (the "Uniform Guidance"); Chapter 10.550, *Rules of the Auditor General*; and the *Passenger Facility Charge Audit Guide for Public Agencies*, and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Plante & Moran, PLLC

March 4, 2022

PRAXITY
Empowering Business Globally

plante moran

Plante & Moran, PLLC
Suite 360
4444 W. Bristol Road
Flint, MI 48507
Tel: 810.767.5350
Fax: 810.767.8150
plantemoran.com

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

To Management and the Board of Directors
Jacksonville Aviation Authority

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, the financial statements of Jacksonville Aviation Authority (the "Authority") as of and for the year ended September 30, 2021 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 4, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Authority's 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. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

PRAXITY
Empowering Business Globally

To Management and the Board of Directors
Jacksonville Aviation Authority

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.

Plante & Moran, PLLC

March 4, 2022

plante moran

Plante & Moran, PLLC
Suite 360
4444 W. Bristol Road
Flint, MI 48507
Tel: 810.767.5350
Fax: 810.767.8150
plantemoran.com

Report on Compliance for the Major Federal Awards Program, Major State Financial Assistance Project, and Passenger Facility Charge Program and Report on Internal Control Over Compliance Required by the Uniform Guidance, Chapter 10.550 of the *Rules of the Auditor General*, and the *Passenger Facility Charge Audit Guide for Public Agencies*

Independent Auditor's Report

To the Board of Directors
Jacksonville Aviation Authority

Report on Compliance for Each Major Federal Program, Major State Financial Assistance Project, and Passenger Facility Charge Program

We have audited Jacksonville Aviation Authority's (the "Authority") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement and the requirements described in the Florida Department of Financial Services State Projects Compliance Supplement that could have a direct and material effect on the Authority's major federal program and major state financial assistance projects, respectively, for the year ended September 30, 2021. In addition, we audited compliance with the applicable requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies* (the "Guide"), issued by the Federal Aviation Administration, for the year ended September 30, 2021. The Authority's major federal program and major state financial assistance project are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. The passenger facility charge program is identified in the schedule of passenger facility charges (PFC) collected and expended and available cash balances.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal program, state financial assistance project, and the passenger facility charge program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Authority's major federal programs, major state financial assistance projects, and passenger facility charge program based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards* (the "Uniform Guidance"); Chapter 10.550 of the *Rules of the Auditor General*; and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration. Those standards, the Uniform Guidance, Chapter 10.550, and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program, major state financial assistance project, or the passenger facility charge program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program, state financial assistance project, and passenger facility charge program. However, our audit does not provide a legal determination of the Authority's compliance.

PRAXITY
Empowering Business Globally

To the Board of Directors
Jacksonville Aviation Authority

Opinion on the Major Federal Program, Major State Financial Assistance Project, and Passenger Facility Charge Program

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the major federal program, major state financial assistance project, and passenger facility charge program for the year ended September 30, 2021.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program, state financial assistance project, and passenger facility charge program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program, major state financial assistance project, and passenger facility charge program and to test and report on internal control over compliance in accordance with the Uniform Guidance, Chapter 10.550, and the Guide, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a 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, state financial assistance project, or passenger facility charge program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program, state financial assistance project, or passenger facility charge program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention of 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 identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as Finding 2021-001, that we consider to be a material weakness.

The Authority's response to the internal control over compliance finding identified in our audit is described in the accompanying corrective action plan. The Authority's response was not subjected to the auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on it.

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 the Uniform Guidance, Chapter 10.550, and the Guide. Accordingly, this report is not suitable for any other purpose.

Plante & Moran, PLLC

March 4, 2022

Jacksonville Aviation Authority

Schedule of Expenditures of Federal Awards and State Financial Assistance Projects

Year Ended September 30, 2021

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
U.S. Department of Transportation, Federal Aviation Administration - Direct Program - Airport Improvement Program:				
3-12-0035-056-2018	20.106	N/A	$ -	$ 8,922
3-12-0032-021-2019	20.106	N/A	-	10,597
3-12-0035-057-2019	20.106	N/A	-	154,563
3-12-0035-059-2020	20.106	N/A	-	327,701
3-12-0033-024-2020	20.106	N/A	-	449,168
3-12-0035-060-2021	20.106	N/A	-	1,200,040
COVID-19 - 3-12-0035-058-2020	20.106	N/A	-	11,249,153
COVID-19 - 3-12-0035-062-2021	20.106	N/A	-	745,309
Total U.S. Department of Transportation			-	14,145,453
U.S. Department of the Treasury Equitable Sharing Program	21.106	N/A	-	3,077
Total federal awards			**$ -**	**$ 14,148,530**

Program Title/Project Number/Subrecipient Name	State CFSA Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	State Expenditures
Florida Department of Transportation - Aviation Development Grants:				
AR802	55.004	N/A	$ -	$ 2,413,858
G0S38	55.004	N/A	-	23,444
GOW53	55.004	N/A	-	350,500
GOZ53	55.004	N/A	-	1,904
GI597	55.004	N/A	-	11,872
G1A67	55.004	N/A	-	88,524
GIH83	55.004	N/A	-	381,289
G1K13	55.004	N/A	-	39,530
Total Aviation Development Grants			-	3,310,920
Intermodal Development Program - G0939	55.014	N/A	-	78,693
Spaceport Improvement Program - C20066	55.037	N/A	-	587,781
Total state awards			**$ -**	**$ 3,977,394**

See notes to schedule of expenditures of federal awards and state financial assistance projects.

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance Projects

Year Ended September 30, 2021

Note 1 - Basis of Presentation

The schedule of expenditures of federal awards and state financial assistance projects (the "Schedule") is prepared on the accrual basis of accounting. Such expenditures are reported following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"), wherein certain types of expenditures are not allowable or are limited as to reimbursement. The accompanying Schedule includes the federal and state grant activity of Jacksonville Aviation Authority (the "Authority") under programs of the federal and state government for the year ended September 30, 2021. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards*; the Florida Single Audit Act; and Chapter 10.550 of the *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

Note 2 - Subrecipients

The Authority did not make subawards of federal awards or state financial assistance during the year ended September 30, 2021.

Note 3 - Indirect Cost Recovery

The Authority did not recover its indirect costs using the 10 percent *de minimis* indirect cost rate provided under Section 200.414 of the Uniform Guidance.

Schedule of Findings and Questioned Costs

Schedule of Findings and Questioned Costs

Year Ended September 30, 2021

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
• Material weakness(es) identified?	_____ Yes	___X No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes	___X None reported
Noncompliance material to financial statements noted?	_____ Yes	___X None reported

Federal Awards and State Projects

Internal control over major programs:		
• Material weakness(es) identified?	___X___ Yes	_____ No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes	___X None reported
Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?	___X___ Yes	_____ No

Identification of major federal programs and state projects:

CFDA Number	Name of Federal Program/Cluster	Opinion
20.106	Federal program - Airport Improvement Program	Unmodified

CSFA Number	Name of State Project	Opinion
55.004	State project - Aviation Development Grants	Unmodified

Dollar threshold used to distinguish between type A and type B Federal programs:	$750,000	
Dollar threshold used to distinguish between type A and type B State projects:	$750,000	
Auditee qualified as low-risk auditee?	___X___ Yes	_____ No

Schedule of Findings and Questioned Costs (Continued)

Section II - Financial Statement Audit Findings

Reference Number	Finding
Current Year	None

Section III - Federal Program and State Project Audit Findings

Reference Number	Finding	Questioned Costs
2021-001	**CFDA Number, Federal Agency, and Program Name** - 20.106 Federal Aviation Administration - Airport Improvement Program; 21.016 U.S. Department of the Treasury – Equitable Sharing Program **Federal Award Identification Number and Year** - N/A **Pass-through Entity** - N/A **Finding Type** - Material weakness **Repeat Finding** - No **Criteria** - Per 2 CFR 200.508 (b), an auditee must properly prepare the schedule of expenditures of federal awards (SEFA). Per 2 CFR 200.510(b), the SEFA for the period covered by the auditee's financial statements must include the total federal awards expended as determined in accordance with 2 CFR 200.502, which describes the basis for determining federal awards expended **Condition** - The SEFA required adjustments related to expenditures that were both improperly excluded and included, resulting in revisions to correct the SEFA. **Questioned Costs** - None **Identification of How Questioned Costs Were Computed** - N/A **Context** - The adjustment made to the schedule of expenditures of federal awards did not impact major program determination. There were certain expenditures that were identified during testing that should have been both included on and excluded from the SEFA related to CFDA #20.106 (Airport Improvement Program) and expenditures that should have been included on the SEFA related to CFDA #21.016 (Federal Equitable Sharing Program). **Cause and Effect** - Internal control procedures relative to the identification of federal expenditures to be reported on the SEFA did not operate effectively. This resulted in the Authority's schedule of expenditures of federal awards provided to the auditors being inaccurate. **Recommendation** - Internal control procedures should be initiated and enforced to ensure the proper expenditures are reported on the schedule of expenditures of federal awards. **Views of Responsible Officials and Corrective Action Plan** - To strengthen controls in this area, a second level review and approval process will be initiated to ensure proper period reporting.	None

Schedule of Passenger Facility Charges (PFC) Collected and Expended and Available Cash Balances September 30, 2021

Collections	Amount Approved For Use	Cumulative Total - September 30 2020	Quarter 1 October - December	Quarter 2 January - March	Quarter 3 April - June	Quarter 4 July - September	Cumulative Total - September 30, 2021
Passenger facility charge collections		$ 253,290,891	$1,254,894	$ 1,222,308	$ 2,386,057	$ 2,937,388	$ 261,091,537
Interest earned		6,205,908	5,107	3,531	4,638	6,111	6,225,296
Total passenger facility charge collections received		**$ 259,496,799**	**$1,260,001**	**$ 1,225,839**	**$ 2,390,695**	**$ 2,943,498**	**$ 267,316,833**
APPLICATION NO. 93-01-C-00-JAX	$ 3,271,655	$ 3,271,655	-	-	-	-	$ 3,271,655
APPLICATION NO. 96-02-C-00-JAX; AMENDMENT NO. 96-02-C-03-JAX	11,201,944	11,201,944	-	-	-	-	11,201,944
APPLICATION NO. 97-03-U-00-JAX; AMENDMENT NO. 97-03-U-01-JAX; AMENDMENT NO. 97-03-U-02-JAX	11,697,733	11,697,733	-	-	-	-	11,697,733
APPLICATION NO. 99-04-C-00-JAX; AMENDMENT NO. 99-04-C-01-JAX	4,342,861	4,342,861	-	-	-	-	4,342,861
APPLICATION NO. 00-05-C-00-JAX; AMENDMENT NO. 00-05-C-01-JAX	3,814,930	3,814,930	-	-	-	-	3,814,930
APPLICATION NO. 01-06-U-00-JAX	5,014,458	5,014,458	-	-	-	-	5,014,458
APPLICATION NO. 01-07-C-00-JAX	-	-	-	-	-	-	-
APPLICATION NO. 03-08-C-00-JAX	65,221,541	65,221,541	-	-	-	-	65,221,541
APPLICATION NO. 06-09-C-00-JAX; AMENDMENT NO. 06-09-C-01-JAX; AMENDMENT NO. 06-09-C-02-JAX	234,003,597	126,001,651	3,687,685	27,557	1,069,137	612,577	131,398,606
APPLICATION NO. 11-10-C-00-JAX	11,352,575	9,920,081					9,920,081
APPLICATION NO. 16-11-C-00-JAX	13,540,882	11,439,987	-	(703,212)	-	90,611	10,827,386
Total passenger facility charge collections expended	**$ 363,462,177**	**$ 251,926,842**	**$3,687,685**	**$ (675,655)**	**$ 1,069,137**	**$ 703,188**	**$ 256,711,196**

See notes to Schedule of Passenger Facility Charges (PFC) Collected and Expended and Available Cash Balances.

Notes to Schedule of Passenger Facility Charges (PFC) Collected and Expended and Available Cash Balances

Year Ended September 30, 2021

Note 1 - General

The Aviation Safety and Capacity Expansion Act of 1990 (Public Law 101-508, Title II, Subtitle B) authorized domestic airports to impose a passenger facility charge (PFC) on enplaning passengers. PFCs may be used for airport projects that meet at least one of the following criteria:

- Preserve or enhance safety, security, or capacity of the national air transportation system.
- Reduce noise or mitigate noise impacts resulting from an airport.
- Furnish opportunities for enhanced competition between or among carriers.

Since 1993, the Federal Aviation Administration (FAA) has approved 11 PFC applications and amendments submitted by the Jacksonville Aviation Authority (the "Authority"). The Authority is currently authorized to collect PFCs in the amount of $4.50 per enplaned passenger up to a total for approved collections of approximately $363 million. Project expenditures may include amounts for the payment of principal, interest, and other financing costs on bonds for which the proceeds are used to pay PFC-eligible costs on approved projects.

As of September 30, 2021, the Authority had received approximately $261 million of PFC revenue and $6 million of interest earnings. The Authority had expended approximately $253 million on approved projects and debt repayments.

Note 2 - Basis of Presentation

The schedule of passenger facility charges (PFC) collected and expended and available cash balances is prepared on the cash basis of accounting; however, the Authority's financial statements are prepared on the accrual basis of accounting, and such transactions are recorded in the financial statements when revenue is earned or expenses are incurred. The information in this schedule is presented in accordance with the requirements of the *Passenger Facility Charge Audit Guide for Public Agencies* issued by the Federal Aviation Administration in September 2000. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. The PFC cash available is included in restricted cash in the Authority's financial statements.

plante moran

Plante & Moran, PLLC
Suite 360
4444 W. Bristol Road
Flint, MI 48507
Tel: 810.767.5350
Fax: 810.767.8150
plantemoran.com

March 4, 2022

To the Board of Directors and Management
Jacksonville Aviation Authority

We have audited the financial statements of the Jacksonville Aviation Authority (the "Authority") as of and for the year ended September 30, 2021 and have issued our report thereon dated March 4, 2022. Professional standards require that we provide you with the following information related to our audit, which is divided into the following sections:

Section I - Required Communications with Those Charged with Governance

Section II - Management Letter and State Reporting Requirements

Section III - Other Recommendations and Related Information

Section I includes information that current auditing standards require independent auditors to communicate to those individuals charged with governance. We will report this information annually to the board members of the Authority.

Section II includes comments and recommendations pursuant to Section 218.39(4), Florida Statutes, and Rule 10.557(3)(g), *Rules of the Auditor General*.

Section III includes other recommendations for the Authority's consideration.

We would like to take this opportunity to thank the Authority's staff for the cooperation and courtesy extended to us during our audit. Their assistance and professionalism are invaluable.

This report is intended solely for the use of the board members of the Jacksonville Aviation Authority and management and is not intended to be and should not be used by anyone other than these specified parties. We welcome any questions you may have regarding the following communications, and we would be willing to discuss these or any other questions that you might have at your convenience.

Very truly yours,

Plante & Moran, PLLC

Pamela L. Hill
Partner

Rumzei Abdallah
Senior Audit Manager

PRAXITY

Section I - Required Communications with Those Charged with Governance

Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated July 15, 2021, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

As part of our audit, we considered the internal control of the Authority. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Our audit of the Authority's financial statements has also been conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. Under *Government Auditing Standards*, we are obligated to communicate certain matters that come to our attention related to our audit to those responsible for the governance of the Authority, including compliance with certain provisions of laws, regulations, contracts, and grant agreements; certain instances of error or fraud; illegal acts applicable to government agencies; and significant deficiencies in internal control that we identify during our audit. Toward this end, we issued a separate letter dated March 4, 2022 regarding our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our letter about planning matters dated November 30, 2021.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Authority are described in Note 2 to the financial statements.

No new accounting policies were adopted, and the application of existing policies was not changed during fiscal year ended September 30, 2021.

We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus.

There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimate affecting the financial statements was the estimate of the net pension liability and related disclosures. Management's estimate of the net pension liability and related disclosures is based on actuarial valuations and other financial data provided by the State of Florida, Division of Retirement. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Disagreements with Management

For the purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report.

We are pleased to report that no such disagreements arose during the course of our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

We did not detect any misstatements as a result of audit procedures.

Significant Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the Authority, and business plans and strategies that may affect the risks of material misstatement, with management each year prior to our retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition of our retention.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 4, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a second opinion on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Section II - Management Letter and State Reporting Requirements

Report on the Financial Statements

We have audited the financial statements of the Jacksonville Aviation Authority as of and for the fiscal year ended September 30, 2021 and have issued our report thereon dated March 4, 2022.

Auditor's Responsibility

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; and, as it relates to the federal compliance audit, the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"), and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration.

During the audit, we also adhered to the requirements under Chapter 10.550, *Rules of the Auditor General*, which requires certain additional procedures and the reporting of certain items addressed in this letter.

Other Reporting Requirements

We have issued our independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of the financial statements performed in accordance with *Government Auditing Standards*; independent auditor's report on compliance for the major federal program as required by the Uniform Guidance, State Financial Assistance Project as required by Chapter 10.550, *Rules of Auditor General*, and *Passenger Facility Charge Audit Guide for Public Agencies*; report on internal control over compliance; schedule of findings and questioned costs; and independent accountant's report on compliance with local government investment policies, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. This letter should be considered in conjunction with those reports and schedules, which are dated March 4, 2022.

Prior Audit Findings

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 financial audit report. No recommendations were made in the preceding financial audit report.

Official Title and Legal Authority

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 this management letter, unless disclosed in the notes to the financial statements. The Authority has included such disclosures in Note 1 to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply procedures and communicate the results of our determination as to whether or not the Authority has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. Management of the Authority has determined that the Authority does not meet any of the conditions that are used in the determination of a financial emergency, as described in Section 218.503(1), Florida Statutes. In connection with our audit of the financial statements, the results of our tests did not indicate that the Authority has met any of the conditions in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the Authority based on the audited financial statements as of and for the year ended September 30, 2021. 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 review of financial information provided by the same.

Section II - Management Letter and State Reporting Requirements (Continued)

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements or abuse that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. Please see the report on internal control over financial reporting dated March 4, 2022.

Purpose of This Section

Section II of this letter is intended solely to communicate certain matters prescribed by Chapter 10.550, *Rules of the Auditor General*. Accordingly, this section is not suitable for any other purpose.

Section III - Other Recommendations and Related Information

Cybersecurity and Information Technology Controls

Cyberattacks are on the rise across the globe, and the cost of these attacks is ever increasing. Because of these attacks, governmental agencies and authorities stand to lose their reputation, the ability to operate efficiently, and proprietary information or assets. Authorities and agencies potentially can also be subject to financial and legal liabilities. Managing this issue is especially challenging because even a municipality with a highly mature cybersecurity risk management program still has a residual risk that a material cybersecurity breach could occur and not be detected in a timely manner. We understand that the Authority's technology department continues to monitor and evaluate this risk, which are critical best practices. Additionally, periodic assessments of the system in order to verify that the control environment is working as intended are key parts of measuring associated business risk. We encourage administration and those charged with governance to work with the technology team on this very important topic. If we can be of assistance in the process, we would be happy to do so.

plante moran

Plante & Moran, PLLC
Suite 360
4444 W. Bristol Road
Flint, MI 48507
Tel: 810.767.5350
Fax: 810.767.8150
plantemoran.com

Independent Accountant's Report on Compliance with Local Government Investment Policies

To the Members of the Board of Directors
Jacksonville Aviation Authority

We have examined the Jacksonville Aviation Authority's (the "Authority") compliance with the local government investment policies required by Section 218.415, Florida Statutes, during the year ended September 30, 2021. The Authority's management is responsible for the Authority's compliance with the specified requirements. Our responsibility is to express an opinion on the Authority's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Authority complied, in all material respects, with the specified criteria referenced above. An examination involves performing procedures to obtain evidence about whether the Authority complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Authority's compliance with the specified requirements.

In our opinion, the Authority complied, in all material respects, with the local government investment policies required by Section 218.415, Florida Statutes, during the year ended September 30, 2021.

The purpose of this report is to comply with the audit requirements of Section 218.415, Florida Statutes, and *Rules of the Auditor General*.

Plante & Moran, PLLC

March 4, 2022

PRAXITY