

# **BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**

FINANCIAL STATEMENTS

and

AUDITOR'S REPORTS

SEPTEMBER 30, 2024 and 2023

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**

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**Bartow Municipal Airport Development Authority**

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## **FINANCIAL SECTION**

## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
Bartow Municipal Airport Development Authority  
Bartow, Florida

### Report on the Audit of the Financial Statements

#### ***Opinion***

We have audited the accompanying financial statements of the Bartow Municipal Airport Development Authority (the Authority) of the City of Bartow, Florida (the City) as of and for the years ended September 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of September 30, 2024 and 2023, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

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

#### ***Emphasis of Matters***

##### Incomplete Presentation

As discussed in Note 1, the financial statements referred to above present only the Authority and do not purport to, and do not present fairly, the financial position of the City as of September 30, 2024 and 2023, the changes in its financial position or, where applicable, its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

## CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

Board of Commissioners  
Bartow Municipal Airport Development Authority  
Bartow, Florida

## INDEPENDENT AUDITOR'S REPORT

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedule of Changes in the Total Other Postemployment Benefits Liability and Related Ratios and Notes to the Schedule (the required supplementary information) as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Supplemental Schedule of Revenue, Expenses and Changes in Net Position by Classification (the Schedule) and the Data Elements required by Section 218.32(1)(e), Florida Statutes (Data Elements), are presented for purposes of additional analysis and are not required parts of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The Schedule and Data Elements 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 the Schedule or Data Elements.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2025, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and 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 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 Authority's internal control over financial reporting and compliance.

*Purvis Gray*

February 27, 2025  
Sarasota, Florida

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
for the year ended September 30, 2024

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As management of the **Bartow Municipal Airport Development Authority** (The "Authority"), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended September 30, 2024. The Authority is an enterprise fund of the City of Bartow, Florida (The "City") and since certain corporate powers were retained by the City in the creation of the Authority, the Authority is not considered legally separate from the City for financial reporting purposes. The accompanying management's discussion and analysis present only information of the Authority and not those of the City or any of the City's other funds or component units.

**Financial Highlights:**

- The assets and deferred outflows of resources of the Authority exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$23,027,936 (net position). The unrestricted net position, which represents the amounts available to meet the Authority's ongoing obligations to citizens and creditors, was \$4,990,504 on September 30, 2024 compared to \$5,259,600 at the end of the prior year.
- The Authority's total net position increased \$1,221,069 for the year ended September 30, 2024 compared to an increase of \$1,951,346 in the prior year.

**Overview of the Financial Statements**

The discussion and analysis provided here are intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements consists of the following: (1) statement of net position, (2) statement of revenues, expenses and changes in net position, (3) statement of cash flows and (4) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

The statement of net position presents financial information on all of the Authority's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The statement of revenues, expenses and changes in net position presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods.

The statement of cash flows is crucial for assessing the entity's ability to generate cash to meet its obligations, invest in assets, and fund its operations and provides a summary of the cash inflows and outflows over a specific period. It complements other financial statements, providing a comprehensive view of the entity's financial performance and liquidity.

The notes to the financial statements provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the Authority's progress in funding its obligations to provide Other Postemployment Benefits (OPEB) to its employees as well as this management's discussion and analysis.

The supplemental schedule of revenue, expenses and changes in net position by classification is presented immediately following the required supplementary information on OPEB.

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
for the year ended September 30, 2024

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The basic financial statement components and supplementary information can be found by referencing the table of contents of this report.

**Government-wide Overall Financial Analysis**

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the Authority, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$23,027,936, at the close of the most recent fiscal year.

**Bartow Municipal Airport Development Authority's Net Position**

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Assets			
Current and other assets	\$ 21,585,227	\$ 17,869,303	\$ 17,301,868
Capital assets	<u>18,260,261</u>	<u>17,131,857</u>	<u>17,325,417</u>
Total assets	<u>39,845,488</u>	<u>35,001,160</u>	<u>34,627,285</u>
Total deferred outflows of resources	<u>44,832</u>	<u>43,876</u>	<u>38,097</u>
Liabilities			
Long-term liabilities	1,189,990	1,155,019	1,716,061
Other liabilities	<u>771,319</u>	<u>1,106,324</u>	<u>309,674</u>
Total liabilities	<u>1,961,309</u>	<u>2,261,343</u>	<u>2,025,735</u>
Total deferred inflows of resources	<u>14,901,075</u>	<u>10,976,826</u>	<u>12,784,126</u>
Net Position:			
Net investment in capital assets	18,037,432	16,547,267	17,297,094
Unrestricted	<u>4,990,504</u>	<u>5,259,600</u>	<u>2,558,427</u>
Total net position	<u>\$ 23,027,936</u>	<u>\$ 21,806,867</u>	<u>\$ 19,855,521</u>

By far, the largest portion of the Authority's net position, \$18,037,432, reflects its investment in capital assets (e.g., land, construction in process, buildings and improvements, airfield improvements, and equipment), net of accumulated depreciation and less any related outstanding liabilities that were used to acquire those assets. The Authority uses these capital assets to provide a variety of services. Accordingly, these assets are not available for future spending.

As of the end of the current year, the Authority's unrestricted net position was \$4,990,504 or 67% of current year expenses. As of the end of the prior year the Authority's unrestricted net position was \$5,259,600 or 83% of prior year expenses. As of September 30, 2022, the Authority's unrestricted net position was \$2,558,427 or 43% of that year's expenses.

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
for the year ended September 30, 2024

**Bartow Municipal Airport Development Authority's Changes in Net Position**

	2024	2023	2022
Revenues:			
Program Revenues:			
Charges for services	\$ 5,938,593	\$ 5,715,235	\$ 5,325,557
Capital grants and contributions	2,102,379	1,655,114	834,369
General Revenues:			
Interest income	655,229	478,272	309,289
Insurance recoveries	-	467,013	-
Other	-	-	59,000
Total revenues	8,696,201	8,315,634	6,528,215
Expenses:			
Airport	7,475,132	6,364,288	6,011,924
Total Expenses	7,475,132	6,364,288	6,011,924
Increase (decrease) in Net Position	1,221,069	1,951,346	516,291
Net Position - Beginning	21,806,867	19,855,521	19,339,230
Net Position - Ending	\$ 23,027,936	\$ 21,806,867	\$ 19,855,521

The Authority's overall net position increased \$1,221,069 during 2024 compared to \$1,951,346 in the prior year. The reasons for the changes are discussed below:

Total revenues increased by \$380,567 (5%) due to the following significant items:

- Charges for services increased by \$223,358 or 4% due mainly to a \$186,670 (7%) increase in rental revenue, a \$64,493 (26%) increase in other tenant charges and a \$61,971 (3%) increase in fuel sales. The increase in rental revenue is mainly due to annual cost level increases on existing leases plus the revenue associated with new lease agreements. Other tenant charges increased due to higher costs for insurance and property taxes on Authority leased buildings that are passed-through as a component of lease revenue to tenants.
- Capital grants and contributions increased by \$447,265 or 27% due to increased activity related to grant-funded projects.
- Interest income increased by \$176,957 or 37% mainly due to increased interest rates on Authority deposits as well as more surplus funds placed in interest bearing deposit accounts as compared to the prior year.
- Insurance recoveries totaled \$467,013 for the fiscal year ended September 30, 2023, compared to zero in 2024. The prior year insurance recovery revenue is related to Hurricane Ian which made landfall in Florida on September 28, 2022.

Total expenses increased by \$1,110,844 or 17%, which was caused mainly by a \$777,118 (72%) increase in personnel services and a \$986,238 increase in other operating expenses partially offset by a \$725,557 loss on disposal of capital assets reported in the prior year that did not recur in the current year.

- Other operating expenses increased mainly due to noncapital renovation and repair and maintenance expenses that increased in 2024 by approximately \$750,000 when compared to the prior year. This is due to a major building renovation project during FY2024.

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
for the year ended September 30, 2024

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- Personnel services increased mainly due to an increase in the Authority's OPEB liability which increased OPEB expense by approximately \$633,974 when compared to the OPEB expense in the prior year. The increase in the OPEB expense was mainly caused by significant *decrease* in the previous year's OPEB expense due to a change in the discount rate used to calculate the OPEB liability from 2.43% (FY 2022) to 4.77% (FY 2023). The change in the discount rate is due to changes in municipal bond interest rates. The discount rate used for the current year was 4.87%.

During the fiscal year ending September 30, 2023, revenues increased by \$1,787,419 or 27% from the prior year (2022) and expenses increased by \$352,364 or 6%.

- Charges for services increased by \$389,678 or 7% due mainly to a \$174,271 (7%) increase in rental revenue and \$172,425 (30%) increase in other airport revenues. The increase in rental revenue is mainly due to annual cost level increases on existing leases plus the revenue associated with new lease agreements. Increases in other airport revenues is due to increased short-term rentals of Authority aircraft.
- Capital grants and contributions increased by \$820,745 or 98% due to increased activity related to grant-funded projects.
- Interest income increased by \$168,983 or 55% mainly due to increased interest rates on Authority deposits as well as more surplus funds placed in interest bearing deposit accounts as compared to the prior year.
- Insurance recoveries totaled \$467,013 for the fiscal year ended September 30, 2023, compared to zero in 2022. The current year insurance recovery revenue is related to Hurricane Ian which made landfall in Florida on September 28, 2022,
- Total expenses increased by \$352,364 or 6% caused by a \$725,557 write-off of capitalized construction in process and increased other operating expenses which was partially offset by changes in personnel service expenses which declined by \$571,752 or 35% when compared to the prior year (2022). The construction in process write-off was due to a partially completed project that had been idle for several years which was considered abandoned in 2023. The decline in other operating expenses was caused by a myriad of changes in a diverse set of expense accounts and personnel services declined due to the recording of the decrease in the Authority's OPEB liability which reduced insurance expense by approximately \$587,900. The decrease in the OPEB liability was mainly caused by an increase in the discount rate used to calculate the OPEB liability from 2.43% (FY 2022) to 4.77% (FY 2023) due to changes in municipal bond interest rates.

**Fund Information** – The Authority is reported as an enterprise fund in the City's basic financial statements and therefore the financial statements represented in this report are those of an enterprise fund. The activity reported in these financial statements provides the same type of information found in government-wide financial statements, but in more detail. Summarized government-wide financial information and the major changes can be found in the Government-wide Overall Financial Analysis section of this management's discussion and analysis.

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
for the year ended September 30, 2024

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**Capital Assets and Debt Administration**

*Capital assets* - The Authority's investment in capital assets for its business-type activities as of September 30, 2024, amounts to \$18,260,261 (net of accumulated depreciation). The total increase in capital assets for the current fiscal year was 7%. Capital assets increased by 1% from 2022 to 2023.

**Authority's Capital Assets (net of accumulated depreciation)**

	2024	2023	2022
Land	\$ 703,763	\$ 703,763	\$ 703,763
Construction in process	3,871,622	1,581,271	1,258,720
Buildings and improvements	7,208,854	7,607,106	8,090,625
Airfield improvements	5,738,841	6,358,844	6,269,845
Equipment	737,181	880,873	1,002,464
Total	<u>\$18,260,261</u>	<u>\$17,131,857</u>	<u>17,325,417</u>

*Long-term Debt* - At the end of the current fiscal year and the prior two years, the Authority had no long-term debt outstanding.

**Economic Factors and Next Year's Budgets and Rates**

The Authority has several capital projects planned for 2025 and has budgeted capital outlay expenditures for these projects totaling approximately \$5,500,000 much of which is grant funded resulting in budgeted 2025 grant revenue of approximately \$3,900,000.

**Requests for Information**

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 5993 Airport Blvd, Bartow, FL 33830.

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**STATEMENTS OF NET POSITION**  
as of September 30, 2024 and 2023

	2024	2023
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 5,048,436	\$ 5,319,363
Accounts receivable, net	86,843	128,983
Lease receivable, current	2,004,588	1,583,595
Due from other governments	557,939	794,787
Prepaid expense	126,484	-
Inventory	91,424	173,224
Deposits	28,100	7,000
Total current assets	<u>7,943,814</u>	<u>8,006,952</u>
Noncurrent assets:		
Lease receivable, noncurrent	13,641,413	9,862,351
Capital assets:		
Non-depreciable	4,575,385	2,285,034
Depreciable, net	<u>13,684,876</u>	<u>14,846,823</u>
Total noncurrent assets	<u>31,901,674</u>	<u>26,994,208</u>
<b>Total Assets</b>	<u><b>39,845,488</b></u>	<u><b>35,001,160</b></u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows - other post employment benefits	<u>44,832</u>	<u>43,876</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	88,549	131,417
Accrued payroll	28,766	24,869
Construction costs payable	222,829	584,590
Customer prepayments	<u>124,254</u>	<u>174,005</u>
Total current liabilities	<u>464,398</u>	<u>914,881</u>
Noncurrent liabilities:		
Customer deposits	306,921	191,443
Other post employment benefits	1,032,965	986,911
Compensated absences	<u>157,025</u>	<u>168,108</u>
Total noncurrent liabilities	<u>1,496,911</u>	<u>1,346,462</u>
<b>Total Liabilities</b>	<u><b>1,961,309</b></u>	<u><b>2,261,343</b></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows - lease related	<u>14,901,075</u>	<u>10,976,826</u>
<b>NET POSITION</b>		
Net investment in capital assets	18,037,432	16,547,267
Unrestricted	<u>4,990,504</u>	<u>5,259,600</u>
<b>Total Net Position</b>	<u><b>\$ 23,027,936</b></u>	<u><b>\$ 21,806,867</b></u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN FUND NET POSITION**  
for the year ended September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>OPERATING REVENUES:</b>		
Rental revenue	\$ 2,933,489	\$ 2,746,819
Other tenant charges	314,395	249,902
Aviation fuel sales	2,039,744	1,977,773
Other airport revenues	<u>650,965</u>	<u>740,741</u>
Total operating revenues	<u>5,938,593</u>	<u>5,715,235</u>
<b>OPERATING EXPENSES:</b>		
Personnel services	1,853,600	1,076,482
Fuel expense	1,571,503	1,568,070
Other operating expenses	2,718,144	1,731,906
Depreciation	<u>1,331,885</u>	<u>1,262,273</u>
Total operating expenses	<u>7,475,132</u>	<u>5,638,731</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(1,536,539)</u>	<u>76,504</u>
<b>NONOPERATING REVENUE (EXPENSE):</b>		
Interest income	655,229	478,272
Insurance recoveries	-	467,013
Loss on disposal of capital assets	-	<u>(725,557)</u>
Total nonoperating revenues (expenses)	<u>655,229</u>	<u>219,728</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS</b>	<u>(881,310)</u>	<u>296,232</u>
Capital contributions from grants	<u>2,102,379</u>	<u>1,655,114</u>
Total capital contributions	<u>2,102,379</u>	<u>1,655,114</u>
<b>CHANGE IN NET POSITION</b>	1,221,069	1,951,346
<b>NET POSITION, beginning of year</b>	<u>21,806,867</u>	<u>19,855,521</u>
<b>NET POSITION, end of year</b>	<u>\$23,027,936</u>	<u>\$21,806,867</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**STATEMENTS OF CASH FLOWS**  
for the year ended September 30, 2024 and 2023

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received from customers	\$ 5,655,176	\$ 5,419,864
Cash payments for salaries and benefits	(1,815,688)	(1,639,772)
Cash payments to suppliers for materials, supplies and fuel	(4,377,199)	(3,302,673)
Net cash flows from operating activities	<u>(537,711)</u>	<u>477,419</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Increase in customer deposits	115,478	113,412
Insurance recoveries	-	467,013
Net cash flows from noncapital financing activities	<u>115,478</u>	<u>580,425</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition of capital assets, net of change in related payables and deposits	(2,843,150)	(1,245,003)
Capital grants received, net of change in related receivables	2,339,227	944,867
Net cash flows from capital and related financing activities	<u>(503,923)</u>	<u>(300,136)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	655,229	478,272
Net cash flows from investing activities	<u>655,229</u>	<u>478,272</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(270,927)	1,235,980
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<u>5,319,363</u>	<u>4,083,383</u>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<u>\$ 5,048,436</u>	<u>\$ 5,319,363</u>
<b>Classification on the statement of net position</b>		
Cash and cash equivalents	\$ 5,048,436	\$ 5,319,363
<b>Cash and cash equivalents, end of year</b>	<u>\$ 5,048,436</u>	<u>\$ 5,319,363</u>
<b>Noncash financing and investing activities</b>		
Disposal of capital assets	<u>\$ -</u>	<u>\$ 725,557</u>

Continued...

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**STATEMENTS OF CASH FLOWS - concluded**  
for the year ended September 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>Reconciliation of operating loss to net cash provided by operating activities</b>		
Operating income (loss)	\$ (1,536,539)	\$ 76,504
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	1,331,885	1,262,273
(Increase) decrease in inventory	81,800	(42,595)
(Increase) decrease in accounts receivable	42,140	(48,689)
(Increase) decrease in leases receivable	(4,200,055)	1,477,076
(Increase) decrease in prepaid insurance	(126,484)	-
(Increase) decrease in OPEB related deferred outflows	(956)	(5,779)
Increase (decrease) in accrued payroll/compensated absences	(7,186)	24,630
Increase (decrease) in the total OPEB liability	46,054	(582,141)
Increase (decrease) in accounts payable	(42,868)	39,898
Increase (decrease) in customer prepayments and other	(49,751)	83,542
Increase (decrease) in lease related deferred inflows of resources	<u>3,924,249</u>	<u>(1,807,300)</u>
<b>Total adjustments</b>	<u>998,828</u>	<u>400,915</u>
Net cash flows from operating activities	<u>\$ (537,711)</u>	<u>\$ 477,419</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**ORGANIZATION** - The **Bartow Municipal Airport Development Authority** (The "Authority") was established by Ordinance 776-A of the City of Bartow, Florida (the "City") pursuant to a special act of the Florida Legislature in June 1967. The Authority manages and operates an airport and industrial park on land owned and leased to the Authority by the City of Bartow for \$1 per year. The Authority's Board of Commissioners are also the City Commissioners of the City of Bartow.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies.

**REPORTING ENTITY** - Certain corporate powers were retained by the City in the creation of the Authority. As such, the Authority is not considered legally separate from the City for financial reporting purposes. The accompanying financial statements present only the balances and transactions of the Authority and not those of the City of Bartow or any of its other funds or component units. The Authority's transactions are also reported as a business-type activity in the City's financial statements.

**BASIS OF ACCOUNTING** - Basis of accounting refers to when revenues or expenses are recognized in the accounts and reported in the financial statements.

The Authority uses the accrual basis of accounting wherein revenues are recognized when earned and expenses are recognized when incurred.

The Authority distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Authority's principal ongoing operations. The principal operating revenues of the Authority are industrial park rentals, hangar rentals, aircraft rentals and aviation fuel sales. Operating expenses include the cost of maintaining the industrial park, the cost of aviation fuel, personnel services, administrative expenses and depreciation on capital assets. Nonoperating revenues and expenses consist of interest income, interest expense and other gains or losses.

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

**FUND ACCOUNTING** - The authority operates as a single major enterprise fund under the fund accounting framework of governmental accounting. Within this framework, an enterprise fund accounts for operations in a manner similar to private business enterprises where the intent of the governing body is that costs (expenses, including depreciation) of providing goods and services to the fund's customers on a continuing basis be financed or recovered primarily through user charges.

**CASH AND CASH EQUIVALENTS** - The financial statement caption "cash and cash equivalents" includes all deposits with banks and financial institutions including certificates of deposit.

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2024 and 2023

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (cont...)

**ACCOUNTS RECEIVABLE AND DUE FROM OTHER GOVERNMENTS** - Receivables are recorded at their net realizable value, reduced by an allowance for doubtful accounts when management determines that collectability is doubtful. The allowance for doubtful accounts was zero as of September 30, 2024 and 2023.

**INVENTORY** - Inventory consists of aircraft fuel and supplies for resale and is presented at the lower of cost or market on a first in, first out basis and is expensed as used.

**INTEREST COSTS** - Interest costs incurred before the end of a construction period are financing activities separate from the related capital asset and interest costs incurred before the end of the construction period, which are recognized as expenses in the period in which the costs are incurred. These interest costs are not capitalized as part of the historical cost of the capital asset.

**CAPITAL ASSETS** - Property and equipment purchased or acquired and having an original cost of \$5,000 or more is capitalized and carried at historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are also capitalized if the individual cost exceeds \$10,000. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation is provided on the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and airport improvements	20-40
Airfield improvements	10-23
Machinery and equipment	3-20

Contributions of funds from federal, state, or local sources for the purpose of purchasing or constructing capital assets and capital assets donated to the Authority are recorded as capital contributions after "income (loss) before contributions" on the Statement of Revenues, Expenses and Changes in Fund Net Position. Donated capital assets are recorded at estimated acquisition value.

**ACCUMULATED UNUSED COMPENSATED ABSENCES** - The authority records accumulated unused compensated absences at each year-end equal to each employee's vested accumulated unused sick and vacation hours at their current rate of pay plus payroll taxes and retirement costs. Unless the maturities are determinable, this liability is recorded as a noncurrent liability on the Statement of Net Position.

Employees are credited monthly for vacation time earned ranging from two to four weeks annually depending on length of employment up to a maximum of 320 hours.

Employees are credited monthly for sick leave earned at the rate of one work day for each month worked. There is no limit on the number of hours that may be accumulated; however, employees retiring or voluntarily terminating with a minimum of seven years of continuous employment and a minimum of twenty days accrued sick leave will be compensated at a percentage of the accrual ranging from 30% to 50% for employees with over twenty years of service.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (cont...)

**EQUITY CLASSIFICATIONS** - Equity is reported as “net position” and is displayed in three components:

- a) Net Investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings and capital construction costs payable that are attributable to the acquisition, construction or improvement of those assets.
- b) Restricted net position - Consists of resources with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. There was no restricted net position as of September 30, 2024 or 2023.
- c) Unrestricted net position - All other resources that do not meet the definition of “restricted” or “net investment in capital assets.”

**REVENUE RECOGNITION** - Revenues are recognized when earned and measurable. Rental income is recognized over the term of the related lease.

**LEASES** – The Authority is a lessor for noncancellable leases of buildings within the industrial park. The Authority recognizes a lease receivable and a deferred inflow of resources on the statement of net position.

At the commencement of a lease, the Authority initially measures the lease receivable at present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Authority determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term and (3) lease receipts.

- The Authority’s lease agreements do not contain an explicit interest component that is charged to the lessees and has decided to discount the lease receipts using the S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices as a proxy for interest that could be earned on surplus funds by the Authority.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The Authority monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the leases receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**ESTIMATES** - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2024 and 2023

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (concluded)

**BUDGETARY LAW AND PRACTICE** - On or before the second Monday of July each year, the executive director submits to the Bartow Municipal Airport Development Authority (the Board), a proposed budget for the ensuing fiscal year. The budget is passed by resolution of the Authority no later than September 30th of each year. Amendments to the budget are approved by resolution of the Authority.

**NEW GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) PRONOUNCEMENTS** – GASB Statement No. 101, *Compensated Absences* was issued in June 2022 and updates and aligns the recognition and measurement guidance under a unified model for compensated absences. This Statement also amends certain previously required disclosures for compensated absences. The Authority will implement this statement for the fiscal period ending September 30, 2025, and is evaluating the impact this will have on its financial reporting.

GASB Statement No. 102, *Certain Risk Disclosures* was issued in December 2023 and improves financial reporting by providing users of financial statements with essential information that currently is not often provided regarding concentrations or constraints and related events that have occurred or have begun to occur that make the organization vulnerable to a substantial impact.

GASB Statement No. 103, *Financial Reporting Model Improvements* was issued in April 2024 and improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The Authority will implement this statement for the fiscal period ending September 30, 2026, and is evaluating the impact this will have on its financial reporting.

**NOTE 2 - CASH AND INVESTMENTS**

**DEPOSITS IN FINANCIAL INSTITUTIONS** - Local governmental entities in Florida are required by State Statute Chapter 280 "Security for Public Deposits Act", to deposit operating funds only with financial institutions who are members of the State of Florida collateral pool ("qualified public depositories"). The State of Florida collateral pool is a multiple financial institution collateral pool with the ability to make additional assessments to satisfy the claims of governmental entities if any member financial institution fails. This ability provides protection which is similar to depository insurance. All of the Authority's cash and cash equivalents, which includes certificates of deposit, were with qualified public depositories.

**INVESTMENTS** - The Authority has not adopted an investment policy and so, by statute, follows the State's guidance set forth in Section 218.415, Florida Statutes. That section requires local governments without written investment policies, including Cities and their component units, to follow the State policy in Section 218.415(17), Florida Statutes which authorizes investments in: The Local Government Surplus Funds Trust Fund under the management of the State Board of Administration; Securities and Exchange Commission registered money market funds with the highest credit rating from a nationally recognized rating agency; interest-bearing time deposits or savings accounts in qualified public depositories; and direct obligations of the U.S. Treasury. The Authority does not have policies that address credit risk, custodial risk, or interest rate risk. The Authority had no investments on September 30, 2024 or 2023, or during the years then ended.

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2024 and 2023

**NOTE 3 – CAPITAL ASSETS**

The following is a summary of changes in capital assets during the year ended September 30, 2024:

	Balance October 1, 2023	Transfers	Additions	Deletions	Balance September 30, 2024
<b>Capital assets not being depreciated:</b>					
Land	\$ 703,763	\$ -	\$ -	\$ -	\$ 703,763
Construction in process	1,581,271	-	2,290,351	-	3,871,622
Total assets not being depreciated	<u>2,285,034</u>	<u>-</u>	<u>2,290,351</u>	<u>-</u>	<u>4,575,385</u>
<b>Capital assets being depreciated:</b>					
Buildings and improvements	18,141,306	-	89,895	-	18,231,201
Airfield improvements	17,820,147	-	-	-	17,820,147
Equipment	2,206,938	-	80,043	-	2,286,981
Total assets being depreciated	<u>38,168,391</u>	<u>-</u>	<u>169,938</u>	<u>-</u>	<u>38,338,329</u>
Less accumulated depreciation for:					
Buildings and improvements	(10,534,200)	-	(488,147)	-	(11,022,347)
Airfield improvements	(11,461,303)	-	(620,003)	-	(12,081,306)
Equipment	(1,326,065)	-	(223,735)	-	(1,549,800)
Total accumulated depreciation	<u>(23,321,568)</u>	<u>-</u>	<u>(1,331,885)</u>	<u>-</u>	<u>(24,653,453)</u>
Depreciable capital assets, net	<u>\$ 14,846,823</u>	<u>\$ -</u>	<u>\$ (1,161,947)</u>	<u>\$ -</u>	<u>\$ 13,684,876</u>
Total capital assets, net	<u>\$ 17,131,857</u>	<u>\$ -</u>	<u>\$ 1,128,404</u>	<u>\$ -</u>	<u>\$ 18,260,261</u>

The following is a summary of changes in capital assets during the year ended September 30, 2023:

	Balance October 1, 2022	Transfers	Additions	Deletions	Balance September 30, 2023
<b>Capital assets not being depreciated:</b>					
Land	\$ 703,763	\$ -	\$ -	\$ -	\$ 703,763
Construction in process	1,258,720	(661,326)	1,709,434	(725,557)	1,581,271
Total assets not being depreciated	<u>1,962,483</u>	<u>(661,326)</u>	<u>1,709,434</u>	<u>(725,557)</u>	<u>2,285,034</u>
<b>Capital assets being depreciated:</b>					
Buildings and improvements	18,141,306	-	-	-	18,141,306
Airfield improvements	17,158,821	661,326	-	-	17,820,147
Equipment	2,126,302	-	84,836	(4,200)	2,206,938
Total assets being depreciated	<u>37,426,429</u>	<u>661,326</u>	<u>84,836</u>	<u>(4,200)</u>	<u>38,168,391</u>
Less accumulated depreciation for:					
Buildings and improvements	(10,050,681)	-	(483,519)	-	(10,534,200)
Airfield improvements	(10,888,976)	-	(572,327)	-	(11,461,303)
Equipment	(1,123,838)	-	(206,427)	4,200	(1,326,065)
Total accumulated depreciation	<u>(22,063,495)</u>	<u>-</u>	<u>(1,262,273)</u>	<u>4,200</u>	<u>(23,321,568)</u>
Depreciable capital assets, net	<u>\$ 15,362,934</u>	<u>\$ 661,326</u>	<u>\$ (1,177,437)</u>	<u>\$ -</u>	<u>\$ 14,846,823</u>
Total capital assets, net	<u>\$ 17,325,417</u>	<u>\$ -</u>	<u>\$ 531,997</u>	<u>\$ (725,557)</u>	<u>\$ 17,131,857</u>

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 4 – LONG-TERM OBLIGATIONS**

The following is a summary of changes in long-term obligations for the year ended September 30, 2024:

	Balance October 1 2023	Additions	Reductions	Balance September 30, 2024	Amounts Due within One Year
<b>Other Liabilities:</b>					
Other post employment liability	986,911	46,054	-	1,032,965	-
Compensated absences	168,108	103,122	(114,205)	157,025	-
Total other liabilities	<u>1,155,019</u>	<u>149,176</u>	<u>(114,205)</u>	<u>1,189,990</u>	<u>-</u>
Total long-term obligations	<u>\$ 1,155,019</u>	<u>\$ 149,176</u>	<u>\$ (114,205)</u>	1,189,990	<u>\$ -</u>
Less amount due in one year				-	
Total noncurrent obligations due in more than one year				<u>\$ 1,189,990</u>	

The following is a summary of changes in long-term obligations for the year ended September 30, 2023:

	Balance October 1, 2022	Additions	Reductions	Balance September 30, 2023	Amounts Due within One Year
<b>Other Liabilities:</b>					
Other post employment liability	1,569,052	-	(582,141)	986,911	-
Compensated absences	147,009	84,435	(63,336)	168,108	-
Total other liabilities	<u>1,716,061</u>	<u>84,435</u>	<u>(645,477)</u>	<u>1,155,019</u>	<u>-</u>
Total long-term obligations	<u>\$ 1,716,061</u>	<u>\$ 84,435</u>	<u>\$ (645,477)</u>	1,155,019	<u>\$ -</u>
Less amount due in one year				-	
Total noncurrent obligations due in more than one year				<u>\$ 1,155,019</u>	

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2024 and 2023

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**NOTE 5 – NONREGULATED LEASE REVENUE**

A significant revenue source to the Authority are the leases of its industrial park commercial buildings and airplane hangars to third parties. Future lease payments on noncancelable leases of the industrial park buildings that are included in the measurement of the lease receivable from September 30, 2024, are as follows:

Ending September 30,	Principal	Interest	Total
2025	\$ 2,004,588	\$ 476,208	\$ 2,480,796
2026	1,582,983	415,620	1,998,603
2027	1,410,947	363,765	1,774,712
2028	1,134,332	318,784	1,453,116
2029	1,005,291	285,460	1,290,751
2030-2034	4,353,130	968,751	5,321,881
2035-2039	1,636,348	484,423	2,120,771
2040-2044	803,892	248,286	1,052,178
2045-2049	223,435	193,964	417,399
2050-2054	90,772	174,004	264,776
2055-2059	47,483	167,356	214,839
2060-2064	53,611	161,228	214,839
2065-2069	60,529	154,310	214,839
2070-2074	68,340	146,499	214,839
2075-2079	77,160	137,679	214,839
2080-2084	87,117	127,722	214,839
2085-2089	98,360	116,479	214,839
2090-2094	111,053	103,786	214,839
2095-2099	125,385	89,454	214,839
2100-2104	141,566	73,273	214,839
2105-2109	159,835	55,004	214,839
2110-2114	180,461	34,378	214,839
2115-2119	189,383	11,132	200,515
	<u>\$ 15,646,001</u>	<u>\$ 5,307,565</u>	<u>\$ 20,953,566</u>

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2024 and 2023

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**NOTE 5 – NONREGULATED LEASE REVENUE** (concluded)

Future lease payments on noncancelable leases of the industrial park buildings that are included in the measurement of the lease receivable from September 30, 2023, are as follows:

Fiscal year Ending September 30,	Principal	Interest	Total
2024	\$ 1,583,595	\$ 263,220	\$ 1,846,815
2025	1,455,786	225,092	1,680,878
2026	945,885	194,263	1,140,148
2027	743,513	172,830	916,343
2028	675,945	155,810	831,755
2029-2033	2,761,221	557,878	3,319,099
2034-2038	1,053,416	313,740	1,367,156
2039-2043	445,783	242,071	687,854
2044-2048	253,514	199,703	453,217
2049-2053	118,181	176,605	294,786
2054-2058	46,344	168,495	214,839
2059-2063	52,325	162,514	214,839
2064-2068	59,077	155,762	214,839
2069-2073	66,701	148,138	214,839
2074-2078	75,309	139,530	214,839
2079-2083	85,028	129,811	214,839
2084-2088	96,001	118,838	214,839
2089-2093	108,390	106,449	214,839
2094-2098	122,377	92,462	214,839
2099-2103	138,170	76,669	214,839
2104-2108	156,001	58,838	214,839
2109-2113	176,133	38,706	214,839
2114-2118	198,864	15,975	214,839
2119-2123	28,387	259	28,646
	<u>\$ 11,445,946</u>	<u>\$ 3,913,658</u>	<u>\$ 15,359,604</u>

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2024 and 2023

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**NOTE 6 – REGULATED LEASE REVENUE**

The Authority is a party to certain regulated lease agreements as lessor of industrial park commercial buildings. These leases are to tenants in the aviation industry and are regulated by the Federal Aviation Administration (FAA). Such leases of 5 years or longer require FAA approval and the FAA requires similar lease rates for similarly situated aviation related leases and prohibits unfair discrimination against certain aviation types. The Authority recognized \$135,740 of lease revenue from these agreements for the year ended September 30, 2024. A schedule of expected future minimum payments under these agreements are as follows:

Fiscal year Ending September 30,		
2025	\$	147,740
2026		121,296
2027		106,863
2028		106,863
2029		106,863
2030-2034		273,217
2035-2039		187,741
2040-2044		26,862
	<u>\$</u>	<u>1,077,445</u>

The Authority recognized \$132,602 of lease revenue from these agreements for the year ended September 30, 2023. A schedule of expected future minimum payments under these agreements are as follows:

Fiscal year Ending September 30,		
2024	\$	99,741
2025		99,741
2026		73,297
2027		58,863
2028		58,863
2029-2033		271,940
2034-2038		217,957
2039-2043		44,770
	<u>\$</u>	<u>925,172</u>

**NOTE 7 – DEFERRED COMPENSATION PLAN**

The Authority sponsors a deferred compensation plan created pursuant to Internal Revenue Code Section 457 (the Plan). The Plan was established by and can be amended by the Board of Commissioners. The Plan is available to all Authority employees after completing six-months of continuous service and permits them to defer a portion of their salary until future years. Participation in the Plan is optional. The Authority matches employee contributions to the Plan up to 10% of base pay. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The Authority’s contributions to this Plan, which also represents that Authority’s total Plan expense, was \$58,941 for the year ended September 30, 2024 and \$58,152 for the year ended September 30, 2023. There is no liability to the Plan on September 30, 2024 or 2023 for unpaid employer contributions.

**NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS**

*Plan Description:* The Authority administers a single-employer defined benefit other postemployment benefits (OPEB) program, namely a postemployment health care plan that covers retired employees of the Authority (the “Plan”). Under the provisions of the Plan, which was established by practice, employees who retire and meet retirement eligibility requirements under the Authority’s retirement plan and have at least 10 years of continuous service are eligible to receive subsidized health insurance beginning at age 65. To be eligible for the subsidy beginning at age 65, retirees must continue to be on the Authority’s insurance prior to age 65 and pay 100% of the active premium. At age 65, depending on which health plan the retiree chooses, the Authority will pay the retiree premium up to the cap set each year. For fiscal year ended September 30, 2023, the cap was \$692 per month and for the fiscal year ended September 30, 2024, the cap was decreased to \$349 per month. The retiree is responsible for the remaining amount not covered by the Authority, if any. In addition, retirees must pay the full cost of coverage for spouses and dependents. The Authority also provides \$1,000 life insurance benefit to each retiree, regardless of whether the retiree elects other postemployment benefit coverage. The Authority obtains an actuarial valuation of the Plan every other year. The last actuarial valuation was performed as of September 30, 2022. The Plan does not issue a stand-alone report.

Participant data as of the most recent actuarial valuation date is shown below:

	<u>September 30, 2022</u>
Inactive plan members, or beneficiaries currently receiving benefits	5
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>19</u>
Total	<u><u>24</u></u>

*Funding Policy and Contributions:* The Authority currently pays for postemployment health care benefits in a pay-as-you-go basis. The contribution requirements of the Authority and plan members are established and may be amended by the Authority’s Board of Commissioners. These contributions are neither guaranteed nor mandatory. The Authority has retained the right to unilaterally modify its payments towards retiree health care benefits.

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2024 and 2023

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**NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS** (cont...)

*Total OPEB Liability:*

- The Authority’s total OPEB liability as of the September 30, 2024 reporting date was determined by an actuary using the alternative measurement method as of September 30, 2022, updated to the measurement date of September 30, 2023.
- The Authority’s total OPEB liability as of the September 30, 2023 reporting date was determined by an actuary using the alternative measurement method as of September 30, 2022 updated to the measurement date.

*Actuarial Assumptions:*

Reporting date	September 30, 2024
Inflation	2.50%
Salary inflation	2.50%
Discount rate	4.87%
Healthcare cost trend rates	7.00% for 2024, grading down to the ultimate trend rate of 4.00% in 2075.
Reporting date	September 30, 2023
Inflation	2.50%
Salary inflation	2.50%
Discount rate	4.77%
Healthcare cost trend rates	7.25% for 2023, grading down to the ultimate trend rate of 4.00% in 2075.

Mortality rates for the September 30, 2024 and 2023 reporting dates, using the alternative measurement method, were based on The Society of Actuaries’ Retirement Plan Experience Committee (RPEC) Pub-2010 Public Retirement Plans Mortality Tables Reports using projection scale MP-2019.

The discount rate used was based on the S&P Municipal Bond 20 Year High Grade Rate Index (a high-quality municipal bond rate) as published by S&P Dow Jones Indices. The S&P Municipal 20 Year High-Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years. Eligible bonds must be rated at least AA by Standard and Poor’s Ratings Services, Aa2 by Moody’s or AA by Fitch. If there are multiple ratings, the lowest rating is used. All future benefits were discounted using the above discount rates.

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2024 and 2023

**NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS (cont...)**

*Changes in the Total OPEB Liability:*

	<b>Total OPEB Liability</b>	
	Reporting period ending September 30,	
	2024	2023
<b>Beginning of Year</b>	\$ 986,911	\$ 1,569,052
<b>Changes for the year:</b>		
Service cost	51,464	117,512
Interest	48,570	40,536
Changes of assumptions	(13,204)	(469,173)
Differences between expected and actual experience	-	(233,919)
Benefit payments	(40,776)	(37,097)
<b>Net changes for the year</b>	<u>46,054</u>	<u>(582,141)</u>
<b>End of Year</b>	<u>\$ 1,032,965</u>	<u>\$ 986,911</u>

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

<u>Reporting period ending</u>	<u>Discount Rate</u>	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
September 30, 2024	4.87%	\$ 1,178,917	\$ 1,032,965	\$ 914,904
September 30, 2023	4.77%	\$ 1,128,038	\$ 986,911	\$ 873,233

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.* The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

<u>Reporting period ending</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
	September 30, 2024	7.00% to 4%	\$ 884,832	\$ 1,032,965
September 30, 2023	7.25% to 4%	\$ 855,052	\$ 986,911	\$ 1,102,184

*OPEB Expense and Deferred Outflows of Resources Related to OPEB:* For the year ended September 30, 2024, the Authority recognized OPEB expense of \$89,930 and for the year ended September 30, 2023, the Authority recognized negative OPEB expense of \$-544,044.

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2024 and 2023

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**NOTE 8 – OTHER POSTEMPLOYMENT BENEFITS** (cont...)

On September 30, 2024 and 2023, the Authority reported deferred outflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	
	<u>2024</u>	<u>2023</u>
Contributions subsequent to the measurement date	\$ 44,832	\$ 43,876

Amounts reported as deferred outflows of resources for contributions made subsequent to the measurement date will be reported as a reduction in the total OPEB liability in the following year.

**NOTE 9 – CUSTOMER CONCENTRATIONS**

The Authority is heavily dependent on rental income from its industrial park leases which in turn is dependent on the vitality of the economy in general and, to a lesser extent, the economic health of the industries in which its major tenants operate. Industrial park lease income amounts to 49% and 48% of operating revenue for the years ended September 30, 2024 and 2023, respectively. One individual customer accounted for 10% of total industrial park lease income for the year ended September 30, 2024 and no individual customer accounted for more than 10% of industrial park lease income for the year ended September 30, 2023.

**NOTE 10 – COMMITMENTS AND CONTINGENCIES**

**UNEMPLOYMENT CLAIMS** – The Authority has elected to reimburse the State directly for its unemployment claims rather than participate in the State insurance fund for this purpose. As a result, the cost for unemployment claims is deducted when paid. Such costs have been insignificant in the past and no provisions for potential claims have been made in the financial statements.

**LITIGATION** - The Authority is occasionally a party to claims and assessments arising from its actions in the course of carrying out its public services. To limit the exposure to these losses the Authority carries general liability insurance coverage.

**RISK MANAGEMENT** - Commercial insurance protection is in place to limit the Authority’s exposure to losses arising from major risks, including workers’ compensation, liability, property and casualty, and theft. There have been no significant reductions in insurance coverages during the past year. All of the policies contain normal deductibles except the building and contents policy which has a deductible of \$5,000 for all perils except damage from “named storms” for which the deductible is the greater of 5% of the insured value or \$25,000. The Authority’s workers compensation coverage is provided through a local government pooled trust which can make further assessments of its member governments should the assets of the trust be insufficient to pay claims.

**NOTE 11 – GRANTS**

The Authority has constructed airport improvements that were partially or entirely funded with federal and/or state grants. These costs may be subject to future audits by the grantor agencies. In management’s opinion, there are no material instances of noncompliance relating to these grants.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF CHANGES IN THE TOTAL OTHER POST EMPLOYMENT BENEFITS LIABILITY**  
**AND RELATED RATIOS**

	2024	2023	2022	2021
<b>Total OPEB Liability</b>				
Service cost	\$ 51,464	\$ 117,512	\$ 121,898	\$ 88,004
Interest	48,570	40,536	34,604	43,548
Changes of assumptions and differences between expected and actual experience	(13,204)	(703,092)	(65,134)	268,742
Benefit payments	(40,776)	(37,097)	(34,670)	(32,402)
<b>Net change in total OPEB Liability</b>	46,054	(582,141)	56,698	367,892
<b>Total OPEB Liability - beginning</b>	986,911	1,569,052	1,512,354	1,445,416
Restatement	-	-	-	(300,954)
<b>Total OPEB Liability - ending</b>	<u>\$ 1,032,965</u>	<u>\$ 986,911</u>	<u>\$ 1,569,052</u>	<u>\$ 1,512,354</u>
<b>Covered-employee payroll</b>	\$ 1,015,044	\$ 990,287	\$ 988,392	\$ 964,285
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	102%	100%	159%	157%
	2020	2019	2018	2017
<b>Total OPEB Liability</b>				
Service cost	\$ 61,886	\$ 84,776	\$ 91,418	\$ 75,754
Interest	53,642	48,743	42,157	41,848
Changes of assumptions and differences between expected and actual experience	103,482	(183,751)	(142,171)	135,842
Contributions	32,846	36,846	38,143	31,331
Benefit payments	(32,846)	(36,846)	(38,143)	(31,331)
<b>Net change in total OPEB Liability</b>	219,010	(50,232)	(8,596)	253,444
<b>Total OPEB Liability - beginning</b>	1,226,406	1,276,638	1,285,234	1,031,790
<b>Total OPEB Liability - ending</b>	<u>\$ 1,445,416</u>	<u>\$ 1,226,406</u>	<u>\$ 1,276,638</u>	<u>\$ 1,285,234</u>
<b>Covered-employee payroll</b>	\$ 1,119,558	\$ 1,066,246	\$ 1,015,473	\$ 726,274
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	129%	115%	126%	177%

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**NOTES TO THE SCHEDULE OF CHANGES IN THE TOTAL OTHER POST EMPLOYMENT**  
**BENEFITS LIABILITY AND RELATED RATIOS**

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Notes to Schedule of Changes in the Total Other Post Employment Benefits Liability and Related Ratios:

No assets are being accumulated in a trust to pay for plan benefits.

Additional information will be provided annually until ten years of data is presented.

*Difference Between Expected and Actual Experience:*

- The difference between expected and actual experience reflects the impact of various changes to the census data from the prior valuation.

*Changes in Assumptions:*

Discount rate changes - The following are the discount rates used in each period:

<u>Fiscal year ending September 30,</u>	<u>Discount Rate</u>
2024	4.87%
2023	4.77%
2022	2.43%
2021	2.14%
2020	3.58%
2019	4.18%
2018	3.64%
2017	3.06%
2016	3.71%

For the reporting year ending September 30, 2019:

- Updated health care costs and premiums;
- Updated health care cost trend rates;
- Updated mortality rates; and
- Updated salary increase assumption, retirement rates and termination rates.

*Restatement:* For the reporting year ending September 30, 2021: The Authority engaged an actuary to determine the Authority's total OPEB liability independent from the City as has been performed in the past. The restatement reflects this change as well as the effect of moving from an actuarial valuation to the alternative measurement method which requires changes in the total OPEB liability to be recognized immediately and not reported as deferred flows of resources.

## **SUPPLEMENTARY INFORMATION**

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**SUPPLEMENTARY INFORMATION (UNAUDITED)**  
**SUPPLEMENTAL SCHEDULE OF REVENUE, EXPENSES AND CHANGES IN NET POSITION BY CLASSIFICATION**  
For the year ended September 30, 2024

	Airside	Landside	Bartow Flying School	Total
<b>OPERATING REVENUES:</b>				
Industrial park rentals	\$ 764,362	\$2,169,127	\$ -	\$2,933,489
Other tenant charges	23,018	291,377	-	314,395
Aviation fuel sales	434,812	-	1,604,932	2,039,744
Other airport revenues	-	62,320	588,645	650,965
Total operating revenues	<u>1,222,192</u>	<u>2,522,824</u>	<u>2,193,577</u>	<u>5,938,593</u>
<b>OPERATING EXPENSES:</b>				
Personnel services	364,018	1,022,661	466,921	1,853,600
Fuel expense	391,645	-	1,179,858	1,571,503
Other operating expenses	610,671	1,532,018	575,455	2,718,144
Depreciation	844,594	289,282	198,009	1,331,885
Total operating expenses	<u>2,210,928</u>	<u>2,843,961</u>	<u>2,420,243</u>	<u>7,475,132</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(988,736)</u>	<u>(321,137)</u>	<u>(226,666)</u>	<u>(1,536,539)</u>
<b>NONOPERATING REVENUE (EXPENSE):</b>				
Interest income	-	655,229	-	655,229
Total nonoperating revenues (expenses)	<u>-</u>	<u>655,229</u>	<u>-</u>	<u>655,229</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS</b>	<u>(988,736)</u>	<u>334,092</u>	<u>(226,666)</u>	<u>(881,310)</u>
Capital contributions from grants	1,533,157	569,222	-	2,102,379
Total capital contributions	<u>1,533,157</u>	<u>569,222</u>	<u>-</u>	<u>2,102,379</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ 544,421</u>	<u>\$ 903,314</u>	<u>\$ (226,666)</u>	<u>\$1,221,069</u>

**BARTOW MUNICIPAL AIRPORT DEVELOPMENT AUTHORITY**  
**SUPPLEMENTARY INFORMATION (UNAUDITED)**  
 Data Elements required by Section 218.32(1)(e), *Florida Statutes*  
 as of and for the year ended September 30, 2024

<b>Data Element</b>	<b>Reference</b>	<b>Comment</b>		
The total number of Authority employees compensated in the last pay period of the district's fiscal year being reported	Section 218.32(1)(e)(2)(a)	25		
The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Authority's fiscal year being reported.	Section 218.32(1)(e)(2)(b)	16		
All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency.	Section 218.32(1)(e)(2)(c)	\$1,282,727 for the fiscal year ended September 30, 2024		
All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency.	Section 218.32(1)(e)(2)(d)	\$1,091,359 for the fiscal year ended September 30, 2024		
The annual financial report of a dependent special district or an independent special district amending a final adopted budget under s. 189.016(6) must include a budget variance report based on the budget adopted under s. 189.016(4) before the beginning of the fiscal year being reported.	Section 218.32(1)(e)(3)	The budget for the fiscal year ended September 30, 2024 was not amended so this is not applicable.		
Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project.	Section 218.32(1)(e)(2)(e)	<u>Project</u>	<u>Estimated Total Cost</u>	<u>Expenses incurred through September 30, 2024</u>
		T-Hangars		
		Taxilanes	\$2,446,619	\$224,556
		T-Hangars	\$2,448,466	\$79,531
		Tower Rehabilitation	\$251,127	\$231,037

**GOVERNMENT AUDIT SECTION**

**INDEPENDENT AUDITOR'S 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***

Board of Commissioners  
Bartow Municipal Airport Development Authority  
Bartow, Florida

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 the Bartow Municipal Airport Development Authority (the Authority) of the City of Bartow, Florida (the City) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated February 27, 2025.

**Report on 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 entity's financial statements will not be prevented, or detected and corrected, on 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 or significant deficiencies may exist that were not identified.

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Bartow Municipal Airport Development Authority  
Bartow, Florida

**INDEPENDENT AUDITOR'S 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**

**Report on 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, non-compliance 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 non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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

*Purvis Gray*

February 27, 2025  
Sarasota, Florida

## INDEPENDENT ACCOUNTANT’S REPORT ON COMPLIANCE WITH FLORIDA STATUTES, SECTION 218.415 – INVESTMENTS OF PUBLIC FUNDS

Board of Commissioners  
Bartow Municipal Airport Development Authority  
Bartow, Florida

We have examined the Bartow Municipal Airport Development Authority (the Authority) of the City of Bartow, Florida’s (the City) compliance with Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2024. Management is responsible for the Authority’s compliance with those requirements. Our responsibility is to express an opinion on the Authority’s compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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 requirements 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 non-compliance, 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

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

In our opinion, the Authority complied, in all material respects, with the aforementioned requirements during the fiscal year ended September 30, 2024.

This report is intended solely for the information and use of the Florida Auditor General, and the Authority’s Board of Commissioners and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Purvis Gray*

February 27, 2025  
Sarasota, Florida

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## MANAGEMENT LETTER

Board of Commissioners  
Bartow Municipal Airport Development Authority  
Bartow, Florida

### Report on the Financial Statements

We have audited the financial statements of the Bartow Municipal Airport Development Authority (the Authority) of the City of Bartow, Florida (the City) as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 27, 2025.

### 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 Chapter 10.550, *Rules of the Auditor General*.

### 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 Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with the American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated February 27, 2025, should be considered in conjunction with this management letter.

### Prior Audit Findings

Section 10.554(1)(i)l., *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. There were no findings or recommendations in the preceding financial audit report.

### Official Title and Legal Authority

Section 10.554(l)(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 was created by an inter-local agreement dated February 26, 1982. There are no component units.

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Board of Commissioners  
Bartow Municipal Airport Development Authority  
Bartow, Florida

## MANAGEMENT LETTER

### **Financial Condition and Management**

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the Authority. 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 same.

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.

### **Property Assessed Clean Energy (PACE) Programs**

As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, the Authority must state whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the Authority's geographical boundaries during the fiscal year under audit.

A PACE program did not operate within the Authority's geographical boundaries during the fiscal year under audit.

### **Specific Information - Special Districts**

For information required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, *Rules of the Auditor General*, please see the supplementary information on page 29 provided by management that is unaudited and, accordingly, we do not express an opinion or provide any assurance on the information.

### **Additional Matters**

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate non-compliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

### **Purpose of this Letter**

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Authority, its management, and the City, and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

*Purvis Gray*

February 27, 2025  
Sarasota, Florida