

# 2024

Gainesville-Alachua County Regional  
Airport Authority

Financial Statements and  
Independent Auditor's Report

September 30, 2024 and 2023

**PURVIS GRAY**  
CERTIFIED PUBLIC ACCOUNTANTS

**FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORT**

**GAINESVILLE-ALACHUA COUNTY REGIONAL  
AIRPORT AUTHORITY  
GAINESVILLE, FLORIDA**

**SEPTEMBER 30, 2024 AND 2023**

**TABLE OF CONTENTS**

|   |       |
|---|-------|
| <b>Independent Auditor's Report</b> .....   | 1-3   |
| <b>Management's Discussion and Analysis</b> .....   | 4-13  |
| <b>Financial Statements</b>   |       |
| Statements of Net Position.....   | 14    |
| Statements of Revenues, Expenses, and Changes in Net Position.....  | 15    |
| Statements of Cash Flows.....   | 16-17 |
| Notes to Financial Statements.....  | 18-28 |
| <b>Other Supplementary Information</b>  |       |
| Revenue Comparison - Budget vs. Actual.....   | 29-30 |
| Expense Comparison - Budget vs. Actual .....  | 31    |
| Schedule of Expenditures of Federal Awards and State Financial Assistance.....  | 32-34 |
| <b>Other Information</b>  |       |
| 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 <i>Government Auditing Standards</i> .....           | 35-36 |
| Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.550, <i>Rules of the Auditor General</i> ..... | 37-39 |
| Schedule of Findings and Questioned Costs - Federal Programs and State Projects.....  | 40-41 |
| Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes.....   | 42    |
| Management Letter.....  | 43-45 |

## INDEPENDENT AUDITOR'S REPORT

To the Governing Board  
Gainesville-Alachua County Regional  
Airport Authority  
Gainesville, Florida

### **Report on the Audit of Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of the Gainesville-Alachua County Regional Airport Authority (the Airport Authority) as of and for the years ended September 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Airport 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 financial position of the Airport Authority, as of September 30, 2024 and 2023, and the 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 Airport 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.

#### ***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.

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To the Governing Board  
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Gainesville, Florida

## INDEPENDENT AUDITOR'S REPORT

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 Airport 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards 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 Airport 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 Airport Authority's ability to continue as a going concern for a reasonable period of time.

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

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, 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

To the Governing Board  
Gainesville-Alachua County Regional  
Airport Authority  
Gainesville, Florida

## INDEPENDENT AUDITOR'S REPORT

financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information 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 Airport Authority's basic financial statements. The accompanying Revenue Comparison - Budget vs. Actual, Expense Comparison - Budget vs. Actual, and Schedule of Expenditures of Federal Awards and State Financial Assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550, *Rules of the Auditor General*, are presented for purposes of additional analysis 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Revenue Comparison - Budget vs. Actual, Expense Comparison - Budget vs Actual, and the Schedule of Expenditures of Federal Awards and State Financial Assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 22, 2025, on our consideration of the Airport 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 Airport 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 Airport Authority's internal control over financial reporting and compliance.

*Purvis Gray*

May 22, 2025  
Gainesville, Florida

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis (MD&A) of the Gainesville-Alachua County Regional Airport Authority (GACRAA) activities and financial performance serves as an introduction and overview of the audited financial statements of GACRAA for the fiscal years ended September 30, 2024 and September 30, 2023. Governmental Accounting Standards Board Pronouncement Number 34 (GASB No. 34) requires an MD&A section to enhance the understandability and usefulness of the financial reports. The information contained in the MD&A has been prepared by management and should be considered in conjunction with the financial statements and the notes thereto, which follow this section.

GACRAA engages in business-type activities, that is, activities that are financed either in whole or in part by charges to entities that are external to the operation of GACRAA and for which charges are for goods and services rendered. As a result, GACRAA's basic financial statements include the statements of net position, revenues, expenses, changes in net position, cash flows, and notes to the financial statements. These basic financial statements are designed to provide the readers with a broad overview of GACRAA's finances in a manner like that of the private sector.

### GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY

GACRAA is an independent special district of the State of Florida operating under Chapter 2006-363, Laws of Florida, *Special Acts of 2006*. This Act amends and replaces earlier Acts dating back to 1986. Prior to 1986, the Airport was considered a dependent special district of the City of Gainesville. GACRAA is overseen by a governing board of nine members, comprised of five members appointed by the City of Gainesville, three members appointed by the State of Florida and one member appointed by Alachua County. As outlined in the bylaws for the GACRAA, the purpose of GACRAA is to develop, maintain, and operate the Gainesville Regional Airport.

GACRAA operates on a fiscal year basis of October 1 through September 30. GACRAA was created to operate as a self-sustaining entity, using aircraft landing fees, fees from terminal and other rentals, and revenues from concessions to fund operating expenses. Operating expenses of GACRAA are not taxpayer funded. Capital improvements are funded by federal and state grants, Passenger Facility Charges (PFCs), Customer Facility Charges (CFCs), and GACRAA revenues.

The initial construction of the Airport was done by the Work Progress Administration early in 1941. At that time, and upon conclusion of the construction by the U.S. Engineer Department, the field was known as the Alachua Army Airfield and was used by the Army Air Corp and the Army Air Forces. On March 2, 1942, the City Council, by City Ordinance No. 295, established the name of the airfield as the "John R. Alison Airport". The Airport was deeded to the City of Gainesville in 1948. At that time, the field was known as the John R. Alison Airport and known as the Gainesville Municipal Airport. The City operated, maintained, and improved the Airport over the years as the Gainesville Municipal Airport until control transferred to GACRAA. In order to recognize the role the Airport carries in meeting the regional demands for aviation services, the Airport was renamed the Gainesville Regional Airport in October 1977.

The main terminal area was dedicated to "John R. Alison" in 1979. It had approximately 59,000 square feet of interior space. In 2005, it was expanded to include three passenger boarding bridges. In 2007, construction began on renovating the main passenger areas and administrative offices of the terminal building. Most of this work was completed by October 2008. Subsequently, early in 2022 the terminal expansion project was completed adding approximately 15,000 square footage onto the main terminal area including two more boarding bridges.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The airport is situated on approximately 2,000 acres in the northeast section of Gainesville in Alachua County. It is classified as a commercial non-hub airport by the Federal Aviation Administration (FAA). The airport has two grooved asphalt-surfaced runways, 7/25 and 11/29 that form a closed "V" configuration.

Runway 7/25 is primarily used by general aviation aircraft. It is 4,148 feet long and 100 feet wide. Runway 11/29 is the main carrier runway used by commercial jets and other aircraft. It is 7,504 feet long and 150 feet wide. Runway 7/25, last resurfaced in 1984, was resurfaced again in 2015. Runway 11/29 was resurfaced in September 2004.

GACRAA's Board annually approves an Operating and Capital Outlay budget. GACRAA's Board relies on the advice and recommendation of GACRAA's Finance, Operations, and Audit Committee, which consists of four (4) members of the full Board.

As of September 30, 2024, the Gainesville Regional Airport was served by three (3) passenger carriers and seven (7) rental car brands operated by three (3) companies.

### Passenger Airlines

Delta Airlines  
American Airlines  
Silver Airways

### Rental Car Companies

Avis and Budget  
Enterprise, National & Alamo  
Hertz and Dollar

## HISTORICAL ENPLANEMENT DATA

The summary of enplaned passengers of the Gainesville Regional Airport is depicted below for fiscal years 2018 through 2024.

| <u>Fiscal Year, Ended</u><br><u>September 30</u> | <u>Enplanements</u> |
|--|---------------------|
| 2024   | 292,800             |
| 2023   | 268,788             |
| 2022   | 267,748             |
| 2021   | 171,639             |
| 2020   | 171,745             |
| 2019   | 268,032             |
| 2018   | 236,019             |

## FINANCIAL RESULTS

The following is a summary of financial results for the year ended September 30, 2024.

Operating revenues increased by \$592,074 from \$8,626,093 in fiscal year 2023 to \$9,218,167 in fiscal year 2024. The revenues are greater in fiscal year 2024 than in fiscal year 2023 mainly from the following sources: 1) Parking revenue by \$162.8k, 2) Air carrier landing fees by \$69.2k, 3) Rental car revenue from excess of minimum annual guarantee (MAG) by \$235.4k, 4) Fuel flowage fees by \$54.9k and 5) Food concession rent by \$48.6k. The remaining net increase of approximately \$21.2k came from various sources.

Operating expenses increased by \$349,874, from \$10,357,449 in fiscal year 2023 to \$10,707,323 in fiscal year 2024. Operating expenses, excluding depreciation expense, increased by \$354,612; some of this is due to continued inflation. One of the primary examples of this was payroll and the related benefits that

## MANAGEMENT'S DISCUSSION AND ANALYSIS

increased by \$173.1k for Airport staff over the prior year to keep pace with inflation and job market rates. However, this is down from 2023, when the related increase was \$290.7k over 2022, which supports that inflation has slowed. A couple of other noteworthy operating expense increases are as follows:

Insurance by \$70.4k, mainly due to property value increases per an appraisal; while Advertising was up by \$66.6k to support a more aggressive campaign. The remaining net increase of operating expenses of \$44.5k was spread over various accounts. Depreciation decreased slightly by \$4.7k, which is a non-cash expense.

The operating loss before non-operating revenues and expenses decreased by \$242,200 from a \$1,731,356 loss in fiscal year 2023 to a \$1,489,156 loss in fiscal year 2024. Since operating revenues increased by \$592,074 in 2024, while operating expenses only increased by \$349,874, the result is a favorable increase of \$242,200 to the operating loss before non-operating revenues and expenses when compared to the prior fiscal year. The highlights contributing to this favorable increase are discussed in the previous two paragraphs.

Non-operating revenues and expenses changed negatively by \$151,996, from a net revenue of \$819,151 in fiscal year 2023 to a net revenue of \$667,155 in fiscal year 2024. The main reason for the decrease is the proceeds from the City-Industrial Park Land Sales in 2023 was \$213,726 and there was \$0 in 2024. This was offset by an increase in interest revenue of \$148,929 in 2024 over 2023. Other factors include: the payment to the City for prior years fire services of \$50.3k, a decrease in interest income-leases by \$36k and a decrease of miscellaneous income by \$.9k.

Capital contributions received in the form of grants from Federal and State governments, CFCs, and PFCs increased by \$12,887,782 from \$10,827,021 in fiscal year 2023 to \$23,714,803 in fiscal year 2024. This increase is primarily driven by an increase in Federal and State grant income of \$12,202,037 that funded capital projects. The amounts to fund these capital projects can vary substantially from one year to the next. Further, this is predicated upon the projects undertaken and their order in the capital improvement program. Also, PFC's (passenger facility charges) increased by \$81,105 and net CFC's increased by \$74,698. In addition, there was a combined increase of PFC and CFC interest income of \$47,926 in 2024 over 2023. Lastly, there was a capital contribution from Ed and Nate Hangar, LLC of \$482,016 for a hangar that will be completed in fiscal year 2025.

### FINANCIAL STATEMENTS

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

The statements of net position present information on all GACRAA's assets, deferred outflows and inflows of resources, and liabilities, with the net amount reported as net position. Over time, increases or decreases in GACRAA's net position may serve as a useful indication of whether the financial position of GACRAA is improving or deteriorating. Also to be considered are non-financial factors when evaluating

## MANAGEMENT'S DISCUSSION AND ANALYSIS

GACRAA's financial position such as passenger activity, Federal Aviation Administration (FAA) Tower operations, fuel storage and usage amounts, and property vacancy rates. The statements of revenues, expenses, and changes in net position present information on how GACRAA's net position changed during the year.

### SUMMARY OF OPERATIONS AND CHANGE IN NET POSITION

See the chart below for changes in operating revenues, operating expenses, non-operating revenues and expenses, and changes in net position. The changes in net position are primarily the result of capital contributions exceeding the net operating loss.

|   | Fiscal Year<br><u>2024</u>  | Fiscal Year<br><u>2023</u> | Fiscal Year<br><u>2022</u> |
|---|-----------------------------|----------------------------|----------------------------|
| Operating Revenues                              | \$ 9,218,167                | \$ 8,626,093               | \$ 7,939,969               |
| Operating Expenses                              | <u>(10,707,323)</u>         | <u>(10,357,449)</u>        | <u>(9,677,142)</u>         |
| Loss Before Non-Operating Revenues and Expenses | (1,489,156)                 | (1,731,356)                | (1,737,173)                |
| Non-Operating Revenues and Expenses, Net        | <u>667,155</u>              | <u>819,151</u>             | <u>4,001,444</u>           |
| Income (Loss) Before Capital Contributions      | (822,001)                   | (912,205)                  | 2,264,271                  |
| Capital Contributions                           | <u>23,714,803</u>           | <u>10,827,021</u>          | <u>3,083,477</u>           |
| <b>Increase in Net Position</b>                 | <u><u>\$ 22,892,802</u></u> | <u><u>\$ 9,914,816</u></u> | <u><u>\$ 5,347,748</u></u> |

### SUMMARY OF ASSETS, LIABILITIES, AND NET POSITION

Current and restricted assets increased \$3,533,266 from \$25,201,321 in fiscal year 2023 to \$28,734,587 in fiscal year 2024. This increase breaks down as follows: grants receivable increased by \$8,457,271 and hangar construction contributions receivable increased by \$409,400; this was offset by a decrease of unrestricted cash by \$4,229,283 and a decrease of restricted cash by \$72,414. Also, unrestricted receivables decreased by \$18,788 and restricted receivables increased by \$3,209. Other current assets (not related to leases) increased by \$15,772. The current lease receivable was \$102,519 for fiscal year 2024 compared to \$1,134,420 in fiscal year 2023 or a \$1,031,901 decrease. In addition, the long-term lease receivable decreased by \$102,518 from \$560,435 in fiscal year 2023 to \$457,917 in fiscal year 2024. Capital assets (net of accumulated depreciation) increased by \$24,968,913 from \$73,210,154 in fiscal year 2023 to \$98,179,067 in fiscal year 2024.

Current liabilities increased by \$6,556,185 from \$1,636,167 in fiscal 2023 to \$8,192,352 in fiscal year 2024. This increase is primarily driven by the increases in the capital accounts payable by \$5,498,229 and the retainage accounts by \$1,082,091. Operating accounts payable (including accrued) decreased by \$55,531; the remaining increase of \$31.4k was spread over various current liability accounts. Non-current liabilities (or advanced lease payments) decreased by \$10.8k from \$275,798 in fiscal year 2023 to \$264,965 in fiscal year 2024.

Net position may, over time, serve as a useful indicator of GACRAA's financial position. The GACRAA's net position is \$118,252,385 at September 30, 2024, which is a \$22,892,802 increase over the \$95,359,583 September 30, 2023 balance.

The chart below compares and summarizes assets, deferred inflows of resources, liabilities, and net position:

## MANAGEMENT'S DISCUSSION AND ANALYSIS

|                                      | <u>Fiscal Year<br/>2024</u> | <u>Fiscal Year<br/>2023</u> | <u>Fiscal Year<br/>2022</u> |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>ASSETS</b>                        |                             |                             |                             |
| Current and Restricted Assets        | \$ 28,734,587               | \$ 25,201,321               | \$ 21,439,758               |
| Long-Term Lease Receivable           | 457,917                     | 560,435                     | 1,566,937                   |
| Capital Assets, Net                  | <u>98,179,067</u>           | <u>73,210,154</u>           | <u>66,302,735</u>           |
| Total Assets                         | <u>127,371,571</u>          | <u>98,971,910</u>           | <u>89,309,430</u>           |
| <b>LIABILITIES</b>                   |                             |                             |                             |
| Current Liabilities                  | 8,192,352                   | 1,636,167                   | 972,067                     |
| Non-Current Liabilities              | <u>264,965</u>              | <u>275,798</u>              | <u>286,632</u>              |
| Total Liabilities                    | <u>8,457,317</u>            | <u>1,911,965</u>            | <u>1,258,699</u>            |
| <b>DEFERRED INFLOWS OF RESOURCES</b> | <u>661,869</u>              | <u>1,700,362</u>            | <u>2,605,964</u>            |
| <b>NET POSITION</b>                  |                             |                             |                             |
| Net Investment in Capital Assets     | 90,961,600                  | 72,573,006                  | 66,210,481                  |
| Restricted                           | 4,792,101                   | 4,861,306                   | 3,913,386                   |
| Unrestricted                         | <u>22,498,684</u>           | <u>17,925,271</u>           | <u>15,320,900</u>           |
| Total Net Position                   | <u>\$ 118,252,385</u>       | <u>\$ 95,359,583</u>        | <u>\$ 85,444,767</u>        |

The largest portion of GACRAA's net position each year represents its investment in capital assets (e.g., land, buildings, improvements, and equipment). GACRAA uses these capital assets to provide services to the airlines, concessionaires, passengers, and visitors to the Airport; consequently, these assets are not available for future spending.

An additional portion of GACRAA's net position represents PFCs that are restricted by Federal regulations and CFCs that are restricted for capital improvements and expenditures directly related to the rental car companies. The remaining portion is the unrestricted net position which may be used to meet any of GACRAA's ongoing obligations.

### REVENUES AND CAPITAL CONTRIBUTIONS

A summary of revenues and capital contributions for the years ended September 30, 2024, 2023, and 2022, is as follows:

|                                      | <u>Fiscal Year<br/>2024</u> | <u>Fiscal Year<br/>2023</u> | <u>Fiscal Year<br/>2022</u> |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Operating Revenues</b>            |                             |                             |                             |
| Parking Revenues                     | \$ 2,715,122                | \$ 2,552,351                | \$ 2,332,678                |
| Commercial Terminal                  | 2,758,556                   | 2,631,840                   | 2,301,290                   |
| Rental Car Companies (Including QTF) | 2,075,161                   | 1,841,017                   | 1,793,888                   |
| General Aviation                     | 1,283,474                   | 1,267,271                   | 1,189,500                   |
| Fuel Flowage and Storage Fees        | <u>385,854</u>              | <u>333,614</u>              | <u>322,613</u>              |
| Total Operating Revenues             | <u>9,218,167</u>            | <u>8,626,093</u>            | <u>7,939,969</u>            |

## MANAGEMENT'S DISCUSSION AND ANALYSIS

|   | Fiscal Year<br>2024  | Fiscal Year<br>2023  | Fiscal Year<br>2022  |
|---|----------------------|----------------------|----------------------|
| <b>Capital Contributions and Non-Operating Revenues</b>       |                      |                      |                      |
| Passenger Facilities Fees                                     | \$ 1,149,427         | \$ 1,068,322         | \$ 1,080,126         |
| Customer Facility Charge (Net)                                | 115,274              | 40,576               | 20,008               |
| Federal and State Grants                                      | 21,816,716           | 9,614,679            | 5,521,251            |
| Hangar Construction Contribution                              | 482,016              | -                    | -                    |
| CFC – Interest Revenue  | 38,345               | 31,088               | 4,044                |
| PFC – Interest Revenue  | 113,025              | 72,356               | 5,737                |
| Interest Income   | 692,066              | 579,112              | 131,602              |
| Proceeds from the City – Industrial Park Land Sale            | -                    | 213,726              | 311,650              |
| Other   | 25,449               | 26,313               | 17,112               |
| <b>Total Capital Contributions and Non-Operating Revenues</b> | <b>24,432,318</b>    | <b>11,646,172</b>    | <b>7,091,530</b>     |
| <b>Total</b>  | <b>\$ 33,650,485</b> | <b>\$ 20,272,265</b> | <b>\$ 15,031,499</b> |

As previously mentioned, operating revenues increased by \$592k in fiscal year 2024 over 2023. Parking revenue alone is up nearly \$162.8k or 27.5% of the total operating revenue increase. In addition, air carrier landing fees increased by \$69.2k; as did, food concession rent (excluding the GASB 87 adjustment) by \$48.6k, these highlight the increase from terminal revenues. The increase from rental car companies was mainly due to an increase of income from excess of MAG by \$235.3k compared to last year or 39.7% of the total operating revenue increase. General aviation was up by \$68.4k or a 4.3% increase over the prior year. Fuel flowage fees increased by \$54.9k over the prior year, while fuel storage fees decreased minimally by \$2.7k. Further, there was an increase in capital and non-capital contributions of \$12,202,037 for fiscal year 2024 that came from Federal and State Grants (see above). Federal and State grant income will vary year to year based on the type and timing of the active projects. In addition, PFC's and the related interest revenue (combined) increased by \$121,774; as did CFC's (net) and related interest revenue increased by \$81,955 from the prior fiscal year 2023. A hangar construction contribution of \$482,016 was made by Ed & Nate Hangar, LLC for the construction of a hangar to be completed in fiscal year 2025. Operating interest income is up \$112,954 in fiscal year 2024 over 2023. The proceeds from City Land sales in fiscal year 2024 is zero or \$213,726 less than 2023 and other income was down by \$864 compared to last year.

### AIRPORT USE AND LEASE AGREEMENTS

GACRAA has entered into Airport Use and Lease Agreements with the following signatory airlines:

- Delta
- American Airlines
- Silver Airways

The airline agreements establish procedures for the periodic adjustment of signatory airline terminal rates and aircraft landing fees collected for the use and occupancy of terminal and airfield facilities.

The signatory airlines are granted the non-exclusive use of the airport for the purpose of operating an air transportation system for the carriage of persons, property, cargo and mail, according to the rules and regulations of GACRAA and the agreements with GACRAA.

Each of the signatory airlines leases space in the terminal for its exclusive use with the right to make certain leasehold improvements. Each of the airlines pays monthly: (1) rentals for exclusive and non-exclusive terminal space; and (2) landing fees. Rental and landing fees may be adjusted by GACRAA, as

## MANAGEMENT'S DISCUSSION AND ANALYSIS

outlined in the agreements. Rental rates for space occupied and used by the Airlines were adjusted as of December 1, 2016. Silver Airways is exempt from paying landing and boarding bridge fees related to the Ft. Lauderdale service for the first two years beginning August 21, 2023. This exemption is a common practice offered to airlines for the commencement of a new route service at an airport and part of the standard incentive package approved by the Board.

### LANDING FEES

All charges for the use of the field and runway area are combined in a monthly landing fee based upon the signatory airline's aircraft arrivals at the airport during the month. The landing fee is computed by multiplying the maximum gross certified landing weight of the aircraft arrival by a landing fee rate expressed in terms of thousand-pound units of maximum certified landing weight.

### AIRPORT LEASE AND CONCESSION AGREEMENTS

GACRAA has entered into lease and concession agreements with the following rental car companies:

- Avis and Budget
- Hertz and Dollar
- National and Alamo
- Enterprise Leasing

The current contract began October 1, 2019 and expires September 30, 2024. Each contract year, the rental car companies pay rentals for exclusive terminal space, ready car return lot, and overflow lot space. Rentals are adjusted each contract year based on increases outlined in the rental agreement. In addition to rentals, the rental car companies also pay a concession fee equal to 10% of their gross revenues or a MAG, outlined in the agreement, whichever is greater.

### EXPENSES

A summary of expenses for the years ended September 30, 2024, 2023, and 2022, is as follows:

|                                     | Fiscal Year<br>2024  | Fiscal Year<br>2023  | Fiscal Year<br>2022 |
|-------------------------------------|----------------------|----------------------|---------------------|
| <b>Operating Expenses</b>           |                      |                      |                     |
| Administration and General          | \$ 1,783,139         | \$ 1,569,539         | \$ 1,438,509        |
| Operations and Security             | 2,158,171            | 1,966,002            | 1,687,636           |
| Facilities and Maintenance          | 2,076,454            | 2,144,908            | 1,905,805           |
| Fuel Farm                           | 29,154               | 44,742               | 37,264              |
| General Aviation                    | 57,595               | 65,278               | 73,323              |
| Parking Lot                         | 277,725              | 209,575              | 185,203             |
| Quick Turn-Around Facility          | 401,206              | 428,788              | 442,958             |
| Depreciation                        | 3,923,879            | 3,928,617            | 3,906,444           |
| <b>Total Operating Expenses</b>     | <b>10,707,323</b>    | <b>10,357,449</b>    | <b>9,677,142</b>    |
| <b>Non-Operating Expenses</b>       |                      |                      |                     |
| Prior Years City Fire Services      | 50,360               | -                    | -                   |
| Loss on NAV - Investment            | -                    | -                    | 6,609               |
| <b>Total Non-Operating Expenses</b> | <b>50,360</b>        | <b>-</b>             | <b>6,609</b>        |
| <b>Total Expenses</b>               | <b>\$ 10,757,683</b> | <b>\$ 10,357,449</b> | <b>\$ 9,683,751</b> |

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### SUMMARY OF CASH FLOW ACTIVITIES

Cash decreased by \$4,301,697 in fiscal year 2024 and increased by \$3,560,337 in fiscal year 2023. This decrease was primarily due to the change in cash flow used in capital financing activities. The summary of cash flows for the years ended September 30, 2024, 2023, and 2022 are as follows:

|  | Fiscal Year<br>2024   | Fiscal Year<br>2023 | Fiscal Year<br>2022 |
|--|-----------------------|---------------------|---------------------|
| Net Cash Provided by Operating Activities                        | \$ 2,445,429          | \$ 2,654,027        | \$ 2,225,279        |
| Cash Flows from Non-Capital Financing Activities                 | -                     | -                   | 3,251,921           |
| Cash Flows Provided by (Used in) Capital Financing<br>Activities | (7,593,471)           | 221,113             | 1,082,232           |
| Cash Flows from Investing Activities                             | 846,345               | 685,197             | 137,341             |
| <b>Increase (Decrease) in Cash</b>                               | <b>\$ (4,301,697)</b> | <b>\$ 3,560,337</b> | <b>\$ 6,696,773</b> |

### CAPITAL ACQUISITIONS AND CONSTRUCTION ACTIVITIES

During fiscal year 2024, a \$47,810 capitalized item was moved from construction in progress to a depreciable capital asset. This item was solely for airfield markings.

Construction in progress at September 30, 2024, is over \$42.3 million. The major items in progress as of FYE 2024 are as follows: 1) Taxiway A at nearly \$16 million, 2) GA Apron/rehab about \$9.6 million, 3) Multimodal approximately \$6 million and 4) ATO, BHS/Canopy at \$6.3 million. In addition, the ARFF vehicle and the Ed & Nate hangar were at about a million each in progress at September 30, 2024. The remaining balance of approximately \$2.4 million is for various projects in progress. The cost of construction projects is largely paid for by Federal and State grants, as well as PFCs and CFCs. Please note that the parking garage portion of the Intermodal Project is not eligible for federal funds and is split approximately 50/50 with the FDOT.

### PASSENGER FACILITY CHARGE

PFCs are available to airports to finance AIP-eligible projects approved by the FAA that preserve or enhance capacity, safety, or security of the National Air Transportation System, reduce noise resulting from airport activity, or furnish opportunities to enhance competition among air carriers. As of September 30, 2024, GACRAA has two active Passenger Facility applications, PFC #4 and #5. Approved by the FAA, PFC applications allow GACRAA to impose a PFC at the \$4.50 level. Air carriers are required to collect the PFC's and remit \$4.39 per enplaned passenger to GACRAA monthly. PFC funds are used for specific improvements to Airport facilities, which are approved by the FAA and air carriers. The authorization to impose the PFC is contingent upon continued compliance with the terms of FAA regulations.

PFC#4 – On January 20, 2016, PFC application #4 was approved in the amount of \$6,277,987. Collections on PFC#4 began on March 1, 2016. Subsequently, on January 14, 2019, PFC#4 was amended to decrease the amount of collection by \$98,340, due to rescheduling one of the capital projects approved in the PFC#4 application. This project, the Rehabilitation and Reconfiguration of Taxiway "A" was included in the PFC#5 application. On August 18, 2022, PFC#4 was amended to increase collections by \$1,342,675 for application to the Terminal Expansion Project. On November 30, 2023, the total approved collection allowance on PFC#4 was achieved, with the excess of funds rolling over into PFC#5. Funds remaining in the PFC#4 balance are approved for application to the terminal expansion project until 100% expended.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

PFC#5 – On October 27, 2023, PFC application #5 was approved in the amount of \$1,956,090. Collection of PFC#5 revenue began December 1, 2023. On February 19, 2025 Amendment 1 to PFC#5 was approved by the FAA and increased collection by \$136,470 for application to the Taxiway A project.

### CUSTOMER FACILITY CHARGE

On August 1, 2005, GACRAA instituted a CFC. The CFC is a \$3.00 charge per rental car per day. Rental car companies collect CFCs and remit them to the airport for use on projects which enhance the operation of rental car companies. CFCs were used to expand the rental car ready return parking lot, construct a quick turn-around service facility and pay for its maintenance, while upgrading the terminal area occupied by the rental car companies, as agreed upon. On July 1, 2014, CFC collections were reduced to \$1.00 per rental car, per day. As of September 30, 2024, \$6,088,665 in CFCs have been collected and \$113,640 interest has been received, while \$4,819,019 had been spent.

### LINE OF CREDIT

The last fiscal year that GACRAA had a line of credit was 2022. GACRAA did not renew the line of credit that expired in August 2022 due to its favorable cash position. As of and during the years ended September 30, 2024 and 2023, the Airport Authority borrowed \$0.

### CURRENT OPERATION FINANCIAL SITUATION

Commercial passenger volume increased by 8.9% or 47,654 passengers from fiscal 2023 to 2024, demonstrating that passenger activity has surpassed pre-COVID levels. However, the overall airline load factor decreased by 1.2% to 83.8% compared to last year; this was mainly due to a low load factor from Silver Airways (see below), if Silver is excluded, the overall load factor would be 85.2% or .2% greater than 2023. The annual regional carrier passenger increase distributed as follows: Delta (Atlanta) up by 9,393 (3%), American (Miami) down by 2,149 (-6.1%), American (Charlotte) up by 20,592 (14.9%) and American (Dallas) up by 4,206 (8.7%). Silver Airways began service August 21, 2023, and had activity of 2,734 passengers as of September 30, 2023 compared to an activity of 18,346 in 2024 or a 15,612 increase. Annual load factors compared to the prior year by carrier are as follows: Delta up by 2.1% to 87.5%, American (Charlotte) down by 3.2% to 85.7%, American (Dallas) down by 2% to 84.7%, and (Miami) down by 3.4% to 66.5%. Silver Airways had a 55.9% load factor as of September 30, 2024. Specifically, commercial enplanements increased by 8.93% or 24,002 passengers from fiscal 2023 to 2024 and the related load factor decreased by 1.2% to 84.3%. It should be noted that these swings in activity and load factors stem from the impact of the airlines dealing with change in demand, pilot shortages and fleet availability.

General aviation operations decreased modestly by 2.97% comparing fiscal year 2024 to 2023. In addition, total fuel flowage decreased similarly by 3% when compared to the prior fiscal year.

### SUBSEQUENT EVENTS

As of March 31, 2025, YTD passenger activity is 2.58% lower than that as of March 31, 2024. This is mainly due to Silver Airways ceasing service during October 2024, the first month of fiscal year 2025. During fiscal year 2024, Silver Airways accounted for about 3.1% of the Airport's total passenger activity. Further,

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

YTD passenger activity at March 31, 2025, is 6.9% more than that of YTD March 31, 2019, the last pre-COVID fiscal year. Thus, current travel activity has definitively surpassed the pre-COVID levels. However, an inflation-ridden economy, pilot shortages and new aircraft delivery delays combine to create uncertainty as to future growth.

### **REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the GACRAA's finances for all those interested. Questions concerning any of the information provided in this report, or request for additional information should be addressed to the Gainesville Regional Airport, Attn: Communications Director, 3880 NE 39<sup>th</sup> Avenue, Suite A, Gainesville, Florida 32609 or by emailing [info@flygainesville.com](mailto:info@flygainesville.com).

## **FINANCIAL STATEMENTS**

**STATEMENTS OF NET POSITION**  
**SEPTEMBER 30, 2024 AND 2023**  
**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**  
**GAINESVILLE, FLORIDA**

|   | <b>2024</b>    | <b>2023</b>   |
|---|----------------|---------------|
| <b>Assets</b>   |                |               |
| <b>Current Assets</b>   |                |               |
| Cash and Cash Equivalents   | \$ 13,115,808  | \$ 17,345,091 |
| Accounts Receivable (Net of Allowance for Uncollectible<br>Accounts of \$17,445 and \$17,445, Respectively) | 470,955        | 489,743       |
| Current Lease Receivable  | 102,519        | 1,134,420     |
| Grants Receivable   | 9,689,707      | 1,232,436     |
| Hangar Construction Contribution Receivable   | 409,400        | -             |
| Prepaid Expenses  | 128,408        | 122,514       |
| Inventories   | 25,689         | 15,811        |
| <b>Total Current Assets</b>   | 23,942,486     | 20,340,015    |
| <b>Restricted Assets</b>  |                |               |
| Accounts Receivable   | 221,407        | 218,198       |
| Cash - Passenger Facility Charge  | 3,187,408      | 3,373,560     |
| Cash - Customer Facility Charge   | 1,383,286      | 1,269,548     |
| <b>Total Restricted Assets</b>  | 4,792,101      | 4,861,306     |
| <b>Long-Term Lease Receivable</b>   | 457,917        | 560,435       |
| <b>Property, Plant and Equipment</b>  |                |               |
| Land  | 2,956,264      | 2,956,264     |
| Buildings   | 49,394,182     | 49,394,182    |
| Improvements Other Than Buildings   | 82,592,944     | 82,493,813    |
| Fuel Farm Land and Improvements   | 681,440        | 681,440       |
| Vehicles and Equipment  | 4,435,104      | 4,305,157     |
| Leasehold Acquisitions  | 450,000        | 450,000       |
| Construction Work in Progress   | 42,314,282     | 13,650,568    |
|   | 182,824,216    | 153,931,424   |
| (Accumulated Depreciation)  | (84,645,149)   | (80,721,270)  |
| <b>Total Property, Plant and Equipment - Cost Less Depreciation</b>   | 98,179,067     | 73,210,154    |
| <b>Total Assets</b>   | 127,371,571    | 98,971,910    |
| <b>Liabilities</b>  |                |               |
| <b>Current Liabilities</b>  |                |               |
| Accounts Payable and Accrued Liabilities  | 6,641,172      | 1,167,078     |
| Contract Retainage Payable  | 1,531,159      | 449,068       |
| Current Portion of Advanced Lease Payments  | 20,021         | 20,021        |
| <b>Total Current Liabilities</b>  | 8,192,352      | 1,636,167     |
| <b>Long-Term Liabilities</b>  |                |               |
| Advanced Lease Payments   | 264,965        | 275,798       |
| <b>Total Long-Term Liabilities</b>  | 264,965        | 275,798       |
| <b>Total Liabilities</b>  | 8,457,317      | 1,911,965     |
| <b>Deferred Inflows of Resources</b>  |                |               |
| Deferred Inflow - Leases  | 661,869        | 1,700,362     |
| <b>Total Deferred Inflows of Resources</b>  | 661,869        | 1,700,362     |
| <b>Net Position</b>   |                |               |
| Net Investment in Capital Assets  | 90,961,600     | 72,573,006    |
| Restricted  | 4,792,101      | 4,861,306     |
| Unrestricted  | 22,498,684     | 17,925,271    |
| <b>Total Net Position</b>   | 118,252,385    | 95,359,583    |
| <b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>                                    | \$ 127,371,571 | \$ 98,971,910 |

See accompanying notes.

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**  
**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**  
**GAINESVILLE, FLORIDA**

|  | <b>2024</b>           | <b>2023</b>          |
|--|-----------------------|----------------------|
| <b>Operating Revenues</b>  |                       |                      |
| Sales and Service Charges  | \$ 9,218,167          | \$ 8,626,093         |
| <b>Operating Expenses</b>  |                       |                      |
| Administration and General   | 1,783,139             | 1,569,539            |
| Operations and Security  | 2,158,171             | 1,966,002            |
| Facilities and Maintenance   | 2,076,454             | 2,144,908            |
| Fuel Farm  | 29,154                | 44,742               |
| General Aviation   | 57,595                | 65,278               |
| Parking Lot  | 277,725               | 209,575              |
| Quick Turn-Around Facility (QTF)   | 401,206               | 428,788              |
| Depreciation and Amortization  | 3,923,879             | 3,928,617            |
| <b>(Total Operating Expenses)</b>  | <b>(10,707,323)</b>   | <b>(10,357,449)</b>  |
| <b>Operating (Loss)</b>  | <b>(1,489,156)</b>    | <b>(1,731,356)</b>   |
| <b>Non-Operating Revenues (Expenses)</b>   |                       |                      |
| Interest Revenue   | 656,766               | 507,837              |
| Interest Income - Leases   | 35,300                | 71,275               |
| Miscellaneous  | 25,449                | 26,313               |
| Prior Years City Fire Services   | (50,360)              | -                    |
| Proceeds from the City-Industrial Park Land Sale   | -                     | 213,726              |
| <b>Total Non-Operating Revenues (Expenses)</b>   | <b>667,155</b>        | <b>819,151</b>       |
| <b>Gain (Loss) Before Capital Contributions</b>  | <b>(822,001)</b>      | <b>(912,205)</b>     |
| <b>Capital Contributions</b>   |                       |                      |
| Hangar Construction Contribution   | 482,016               | -                    |
| Passenger Facility Charge Revenue  | 1,149,427             | 1,068,322            |
| Interest Revenue - PFC   | 113,025               | 72,356               |
| CFC Revenue (Net of \$164,239 and \$168,295<br>in 2024 and 2023, respectively, for QTF Expenses) | 115,274               | 40,576               |
| Interest Revenue - CFC   | 38,345                | 31,088               |
| Federal and State Grants Income  | 21,816,716            | 9,614,679            |
| <b>Total Capital Contributions</b>   | <b>23,714,803</b>     | <b>10,827,021</b>    |
| <b>Increase in Net Position</b>  | <b>22,892,802</b>     | <b>9,914,816</b>     |
| <b>Total Net Position, Beginning of Year</b>   | <b>95,359,583</b>     | <b>85,444,767</b>    |
| <b>Total Net Position, End of Year</b>   | <b>\$ 118,252,385</b> | <b>\$ 95,359,583</b> |

See accompanying notes.

**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**  
**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**  
**GAINESVILLE, FLORIDA**

|   | <u>2024</u>          | <u>2023</u>          |
|---|----------------------|----------------------|
| <b>Cash Flows from Operating Activities</b>                                 |                      |                      |
| Cash Received from Customers  | \$ 9,319,140         | \$ 8,849,199         |
| Cash Paid to Employees  | (2,842,463)          | (2,687,760)          |
| Cash Paid to Suppliers  | (3,980,888)          | (3,507,412)          |
| Cash Paid to the City for Prior Year Fire Services                          | (50,360)             | -                    |
| <b>Net Cash Provided by Operating Activities</b>                            | <u>2,445,429</u>     | <u>2,654,027</u>     |
| <b>Cash Flows from Capital and Related Financing Activities</b>             |                      |                      |
| Proceeds from Federal Grants  | 10,707,754           | 8,760,252            |
| Proceeds from State Grants  | 2,651,691            | 503,497              |
| Passenger Facility Charge Revenue   | 1,152,461            | 1,057,694            |
| Customer Facility Charge  | 109,030              | 36,495               |
| Hangar Construction Contribution  | 72,616               | -                    |
| Miscellaneous   | 25,449               | 45,376               |
| Proceeds from the City - Industrial Park Land Sale                          | -                    | 213,726              |
| Acquisition and Construction of Fixed Assets                                | (22,312,472)         | (10,395,927)         |
| <b>Net Cash Provided (Used) by Capital and Related Financing Activities</b> | <u>(7,593,471)</u>   | <u>221,113</u>       |
| <b>Cash Flows from Investing Activities</b>                                 |                      |                      |
| Interest Income - Leases  | 38,209               | 73,916               |
| Interest Received   | 808,136              | 611,281              |
| <b>Net Cash Provided by Investing Activities</b>                            | <u>846,345</u>       | <u>685,197</u>       |
| <b>Increase (Decrease) in Cash</b>  | (4,301,697)          | 3,560,337            |
| <b>Cash, Beginning of Year</b>  | <u>21,988,199</u>    | <u>18,427,862</u>    |
| <b>Cash, End of Year</b>  | <u>\$ 17,686,502</u> | <u>\$ 21,988,199</u> |

See accompanying notes.

**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023**  
**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**  
**GAINESVILLE, FLORIDA**

|  | <b>2024</b>          | <b>2023</b>          |
|--|----------------------|----------------------|
| <b><u>Presented in Accompanying Financial Statements as</u></b>  |                      |                      |
| <b>Current Assets</b>  |                      |                      |
| Cash and Cash Equivalents  | \$ 13,115,808        | \$ 17,345,091        |
| <b>Restricted Assets</b>   |                      |                      |
| Cash - Passenger Facility Charge   | 3,187,408            | 3,373,560            |
| Cash - Customer Facility Charge  | 1,383,286            | 1,269,548            |
| <b>Total Cash, End of Year (Above)</b>   | <b>\$ 17,686,502</b> | <b>\$ 21,988,199</b> |
| <b><u>Reconciliation of Operating Income (Loss) to Net</u></b>   |                      |                      |
| <b><u>Cash Provided by (Used in) Operating Activities</u></b>  |                      |                      |
| Operating (Loss)   | \$ (1,489,156)       | \$ (1,731,356)       |
| Adjustments to Reconcile Operating Income (Loss)<br>to Net Cash Provided by (Used in) Operating<br>Activities: |                      |                      |
| Decrease (Increase) in Lease Receivables   | 1,134,419            | 979,434              |
| Decrease (Increase) in Deferred Inflow - Leases  | (1,038,493)          | (905,602)            |
| Depreciation and Amortization  | 3,923,879            | 3,928,617            |
| Prior Years City Fire Services   | (50,360)             | -                    |
| Decrease (Increase) in Receivables   | 15,880               | 160,138              |
| Decrease (Increase) in Inventories and<br>Prepaid Expenses   | (15,772)             | 9,641                |
| Increase (Decrease) in Accounts Payable<br>and Accrued Liabilities   | (24,135)             | 223,989              |
| Increase (Decrease) in Advanced Lease Payments   | (10,833)             | (10,834)             |
| <b>Net Cash Provided by Operating Activities</b>   | <b>\$ 2,445,429</b>  | <b>\$ 2,654,027</b>  |

See accompanying notes.

**NOTES TO FINANCIAL STATEMENTS**  
**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**  
**GAINESVILLE, FLORIDA**

**Note 1 - Summary of Significant Accounting Policies**

**Reporting Entity**

The Gainesville-Alachua County Regional Airport Authority (the Airport Authority) is an independent special district created for the purpose of providing airport services and facilities for the citizens of Alachua County, Florida, and surrounding areas. The accompanying financial statements of the Airport Authority have been prepared in conformity with generally accepted accounting principles in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. As a result of applying the reporting entity criteria under GASB, no other component units exist in which the Airport Authority has any financial accountability, which would require inclusion in the Airport Authority's financial statements.

**Accounting Estimates**

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

**Basis of Presentation**

The Airport Authority's financial statements are presented in the form of a single enterprise fund, which encompasses all financial activity relative to owning, operating, and improving the airport facilities.

Governmental proprietary operations (enterprise funds) are accounted for using a flow of economic resources measurement focus on the accrual basis of accounting. Revenues are recognized in the period in which they are earned and expenses are recognized in the period incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Airport Authority are revenues from airlines, concessions, rental cars, and parking. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The accounting and reporting policies of the Airport Authority conform to the accounting rules prescribed by GASB.

The difference between assets and deferred outflows of resources, less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components as follows:

- Net Investment in Capital Assets—Capital assets, net of accumulated depreciation/amortization and reduced by outstanding principal balances of debt, if any, and capital-related payables and retainage attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.

**NOTES TO FINANCIAL STATEMENTS**  
**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**  
**GAINESVILLE, FLORIDA**

- Restricted—Restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provisions or enabling legislation.
- Unrestricted—Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Board of Directors.

**Cash and Cash Equivalents**

For purposes of the statements of cash flows, cash and cash equivalents include cash on hand, demand deposits, and short-term, highly liquid investments that are both readily convertible to known amounts of cash and have an original maturity of three months or less.

**Accounts and Grants Receivable**

Accounts receivable represent amounts due from various vendors who use airport facilities. Grants receivable represent amounts due from other government entities and are recorded when the Airport Authority has incurred qualified expenditures in accordance with various grant agreements. Receivables are recorded at net realizable value. The allowance for uncollectible receivables was \$17,445 for the years ended September 30, 2024 and 2023.

**Leases**

The Airport Authority is a lessor for several non-cancellable leases. The Airport Authority recognizes a lease receivable and a deferred inflow of resources in the financial statements.

At the commencement of a lease, the Airport Authority initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of the 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 Airport Authority determines: (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

**Inventories**

Inventories are recorded at the lower of cost or market and are valued using the specific identification method.

**Property, Plant and Equipment**

Property, plant and equipment purchased or constructed are recorded at cost. Repairs and maintenance are charged to expense as incurred. Donated assets are recorded at acquisition cost at the date of contribution. Assets acquired or constructed are depreciated using the straight-line method over their estimated useful lives as follows:

**NOTES TO FINANCIAL STATEMENTS**  
**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**  
**GAINESVILLE, FLORIDA**

|                                   |             |
|-----------------------------------|-------------|
| Buildings                         | 10-40 Years |
| Improvements Other Than Buildings | 20-30 Years |
| Vehicles and Equipment            | 3-15 Years  |
| Leasehold Acquisitions            | 20 Years    |

**Budgets**

Estimates of revenues and expenses are adopted prior to October 1 of each year. There were no budget amendments made during fiscal years 2024 or 2023.

**Capital Contributions**

Contributions and grants are funds granted by various governmental agencies and collected from tenants for specific improvements to the airport facilities (improvements). In the normal course of business, the Airport Authority applies for and receives grant funds primarily from the Federal Aviation Administration (FAA) and the Florida Department of Transportation (FDOT). Costs incurred under these agreements are subject to review and approval by the FAA and FDOT. Contributions and grants for improvements are reported in the statements of revenues, expenses, and changes in net position after non-operating revenues and expenses as capital contributions.

**Passenger Facility Charges (PFC)**

The Airport Authority currently has two active Passenger Facility applications, PFC 16-04-C-00-GNV and PFC 5, 24-05-C-00-GNV. Approved by the FAA, PFC applications allow the Authority to impose a PFC at the \$4.50 level. Air carriers are required to collect the PFCs and remit \$4.39 per enplaned passenger to the Airport Authority on a monthly basis. PFC funds are used for specific improvements to Airport facilities, which are approved by the FAA and the air carriers. The authorization to impose the PFC is contingent on continued compliance with the terms of FAA regulations.

PFC #4

On January 20, 2016, PFC application #4 was approved in the amount of \$6,277,987. Collections on PFC #4 began March 1, 2016. Subsequently, on January 14, 2019, PFC#4 was amended to decrease the amount of collection by \$98,340, due to rescheduling one of the capital projects approved in the PFC #4 application. This project, the Rehabilitation and Reconfiguration of Taxiway "A" was included in the PFC #5 application. On August 18, 2022, PFC#4 was amended to increase collections by \$1,342,675 for application to the Terminal Expansion Project. On November 30, 2023, the total approved collection allowance on PFC #4 was achieved, with the excess of funds rolling over into PFC #5. Funds remaining in the PFC #4 balance are approved for application to the terminal expansion project until 100% expended.

PFC #5

On October 27, 2023, PFC application #5 was approved in the amount of \$1,956,090. Collection of PFC #5 revenue began December 1, 2023. On February 19, 2025 Amendment 1 to PFC #5 was approved by the FAA and increased collection by \$136,470 for application to the Taxiway A project.

**Customer Facility Charges**

On June 23, 2005, the Airport Authority passed Resolution 05-025 authorizing the implementation of a \$3.00 Customer Facility Charge (CFC), for use on rental car-related projects. The CFC has been collected by the rental car companies at the rate of \$3.00 per rented car per day and is remitted to the Airport

**NOTES TO FINANCIAL STATEMENTS**  
**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**  
**GAINESVILLE, FLORIDA**

Authority monthly. As a result of completing the Quick Turn-Around Facility in fiscal year 2012, as well as other rental car-related projects it was determined that the CFC rate would be reduced from \$3 to \$1 as of July 1, 2014.

**Terminal Rents and Concessions**

Rental and concession fees are generated from airlines, parking lots, food and beverage, rental cars, advertising, and other commercial tenants.

**Compensated Absences**

Accumulated unpaid vacation pay is recorded as accrued.

**Restricted Assets**

Certain resources are restricted for future use by enabling legislation. These resources are classified as restricted because their use is limited. When both restricted and unrestricted resources are available for use, the Airport Authority's practice is to use the restricted resources first, then unrestricted resources as they are needed.

**Note 2 - Cash and Investments**

The carrying amount of the Airport Authority's deposits and investments as of September 30 is summarized below:

|  | <u>2024</u>          | <u>2023</u>          |
|--|----------------------|----------------------|
| Cash and Cash Equivalents:             |                      |                      |
| Cash on Hand                           | \$ 1,893             | \$ 1,034             |
| Deposits in Financial Institutions:    |                      |                      |
| Insured or Fully Collateralized        |                      |                      |
| Bank Deposits                          | 16,566,487           | 20,928,802           |
| Investments                            | <u>1,118,122</u>     | <u>1,058,363</u>     |
| <b>Total Cash and Cash Equivalents</b> | <u>\$ 17,686,502</u> | <u>\$ 21,988,199</u> |

**Deposits**

All of the Airport Authority's public deposits are held in qualified public depositories pursuant to Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act* (the Act). Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository's collateral pledged level. The pledging level may range from 50% to 125% depending upon the depository's financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

*Custodial Credit Risk*

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Airport Authority's cash deposits may not be returned to the Airport Authority. The Airport Authority's deposits are considered to be fully insured.



**NOTES TO FINANCIAL STATEMENTS**  
**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**  
**GAINESVILLE, FLORIDA**

- **Level 2**—inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- **Level 3**—inputs are unobservable inputs that reflect the Airport Authority’s own assumptions about factors that market participants would use in pricing the asset or liability (including assumptions about risk).

For investments in certain entities that calculate net asset value (NAV) that do not have a readily determinable fair value, the Airport Authority is permitted to report fair value on the NAV per share as a practical expedient, where certain conditions are met. Such measurements are included within the disclosure, but should not be classified as Level 1, Level 2, or Level 3 within the hierarchy.

The Airport Authority’s investment in FL-FIT Cash Pool are measured at NAV. There are no unfunded commitments, and the FL-FIT Cash Pool offers next day liquidity.

**Note 3 - Commitments**

The Airport Authority is currently conducting various improvement projects that are eligible for federal, state, and local reimbursements. Commitments outstanding are approximately \$12,752,692 and \$27,141,162 at September 30, 2024 and 2023, respectively. The current commitments are \$6,428,508 for the State and \$6,324,184 for Federal.

**Note 4 - Pension Plans**

During 2024 and 2023, the Airport Authority had approximately 38 employees; hired and supervised directly by the Airport Authority. The employees who worked for the Airport Authority participated in a defined contribution pension plan administered by the Airport Authority.

**Defined Contribution Pension Plan**

The Plan is open to all Airport Authority personnel. The Plan is qualified under the provisions of Section 401(a) of the Internal Revenue Code. Under the provisions of the Plan, the Airport Authority contributes an amount equal to 10% of the employees’ gross pay. Covered employees are required to contribute 5% of gross pay. Employees are vested in the Plan when they begin employment.

Employer contributions are submitted to Mission Square Retirement, which invests the assets on behalf of the employees and reports the results of the investment activity on a quarterly basis. Employees may withdraw these contributions and any interest earned thereon upon separation from service. Withdrawals prior to the age of 55 are subject to a 10% penalty.

Total pension expense under this plan was \$204,738 and \$192,690 for the years ended September 30, 2024 and 2023, respectively.

**NOTES TO FINANCIAL STATEMENTS  
GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY  
GAINESVILLE, FLORIDA**

**Note 5 - Services Provided by the City of Gainesville, Florida**

During the years ended September 30, 2024 and 2023, the Airport Authority paid the City of Gainesville, Florida, for services as follows:

|                 | <b>2024</b>         | <b>2023</b>         |
|-----------------|---------------------|---------------------|
| Fire Protection | \$ 665,716          | \$ 639,497          |
| Security        | 496,900             | 439,919             |
| Indirect Costs  | 66,115              | 24,542              |
| Utilities       | 571,336             | 620,679             |
| <b>Total</b>    | <b>\$ 1,800,067</b> | <b>\$ 1,724,637</b> |

**Note 6 - Risk Management**

The Airport Authority is exposed to various risks of loss related to torts; theft or damage to and destruction of assets; errors and omissions; and natural disasters for which the Airport Authority carries commercial insurance. Insurance against losses are provided for the following types of risk:

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>■ Workers' Compensation</li> <li>■ Business Auto</li> <li>■ Real and Personal Property Damage</li> <li>■ Cyber Liability</li> </ul> | <ul style="list-style-type: none"> <li>■ Directors and Officers Liability</li> <li>■ Airport Liability</li> <li>■ Fiduciary Liability</li> <li>■ Crime</li> </ul> |
|--|---|

Settlements have not exceeded coverage during the past three years.

**Note 7 - Interlocal Agreement**

Pursuant to an interlocal agreement, the City of Gainesville, Florida, has agreed to pay the Airport Authority fair market value for the sale of certain parcels of City-owned land in the Airport Industrial Park. If the City sells the land below fair market value, then the City will reimburse the Airport Authority 50% of the amount of ad valorem taxes attributable to the property over a period not to exceed ten years or the difference between the sales price and the fair market value has been paid, whichever occurs first. All proceeds must be used for capital projects at the airport or operations. The ad valorem tax proceeds and land sales proceeds that were shared with the Airport Authority were \$0 and \$213,726 for the years ended September 30, 2024 and 2023, respectively. Such amounts are recorded as revenues when they become due from the City of Gainesville, Florida.

**Note 8 - Capital Assets**

A summary of changes in capital assets for the years ended September 30, 2024 and 2023, is as follows:

**NOTES TO FINANCIAL STATEMENTS**  
**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**  
**GAINESVILLE, FLORIDA**

|   | Beginning<br>Balance<br>October 1,<br>2023 | Increases            | Decreases        | Ending<br>Balance<br>September 30,<br>2024 |
|---|--|----------------------|------------------|--|
| <b>Capital Assets Not Being Depreciated</b>   |  |                      |                  |  |
| Land  | \$ 2,956,264                               | \$ -                 | \$ -             | \$ 2,956,264                               |
| <b>Capital Assets Being Depreciated</b>       |  |                      |                  |  |
| Buildings                                     | 49,394,182                                 | -                    | -                | 49,394,182                                 |
| Improvements Other Than Buildings             | 82,493,813                                 | 99,131               | -                | 82,592,944                                 |
| Fuel Farm Land and Improvements               | 681,440                                    | -                    | -                | 681,440                                    |
| Vehicles and Equipment                        | 4,305,157                                  | 129,947              | -                | 4,435,104                                  |
| Leasehold Acquisitions                        | 450,000                                    | -                    | -                | 450,000                                    |
| <b>Total Capital Assets Being Depreciated</b> | <u>137,324,592</u>                         | <u>229,078</u>       | <u>-</u>         | <u>137,553,670</u>                         |
| <b>Less Accumulated Depreciation for</b>      |  |                      |                  |  |
| Buildings                                     | 18,900,900                                 | 1,078,142            | -                | 19,979,042                                 |
| Improvements Other Than Buildings             | 57,424,553                                 | 2,646,242            | -                | 60,070,795                                 |
| Fuel Farm Land and Improvements               | 569,485                                    | 12,149               | -                | 581,634                                    |
| Vehicles and Equipment                        | 3,376,332                                  | 187,346              | -                | 3,563,678                                  |
| Leasehold Acquisitions                        | 450,000                                    | -                    | -                | 450,000                                    |
| <b>Total Accumulated Depreciation</b>         | <u>80,721,270</u>                          | <u>3,923,879</u>     | <u>-</u>         | <u>84,645,149</u>                          |
| <b>Total Being Depreciated, Net</b>           | 56,603,322                                 | (3,694,801)          | -                | 52,908,521                                 |
| <b>Construction Work in Progress</b>          | <u>13,650,568</u>                          | <u>28,711,524</u>    | <u>47,810</u>    | <u>42,314,282</u>                          |
| <b>Capital Assets, Net</b>                    | <u>\$ 73,210,154</u>                       | <u>\$ 25,016,723</u> | <u>\$ 47,810</u> | <u>\$ 98,179,067</u>                       |

|   | Beginning<br>Balance<br>October 1,<br>2022 | Increases           | Decreases         | Ending<br>Balance<br>September 30,<br>2023 |
|---|--|---------------------|-------------------|--|
| <b>Capital Assets Not Being Depreciated</b>   |  |                     |                   |  |
| Land  | \$ 2,956,264                               | \$ -                | \$ -              | \$ 2,956,264                               |
| <b>Capital Assets Being Depreciated</b>       |  |                     |                   |  |
| Buildings                                     | 49,394,182                                 | -                   | -                 | 49,394,182                                 |
| Improvements Other Than Buildings             | 82,353,189                                 | 140,624             | -                 | 82,493,813                                 |
| Fuel Farm Land and Improvements               | 681,440                                    | -                   | -                 | 681,440                                    |
| Vehicles and Equipment                        | 3,968,959                                  | 367,695             | 31,497            | 4,305,157                                  |
| Leasehold Acquisitions                        | 450,000                                    | -                   | -                 | 450,000                                    |
| <b>Total Capital Assets Being Depreciated</b> | <u>136,847,770</u>                         | <u>508,319</u>      | <u>31,497</u>     | <u>137,324,592</u>                         |
| <b>Less Accumulated Depreciation for</b>      |  |                     |                   |  |
| Buildings                                     | 17,822,757                                 | 1,078,143           | -                 | 18,900,900                                 |
| Improvements Other Than Buildings             | 54,754,183                                 | 2,670,370           | -                 | 57,424,553                                 |
| Fuel Farm Land and Improvements               | 557,336                                    | 12,149              | -                 | 569,485                                    |
| Vehicles and Equipment                        | 3,239,873                                  | 167,956             | 31,497            | 3,376,332                                  |
| Leasehold Acquisitions                        | 450,000                                    | -                   | -                 | 450,000                                    |
| <b>Total Accumulated Depreciation</b>         | <u>76,824,149</u>                          | <u>3,928,618</u>    | <u>31,497</u>     | <u>80,721,270</u>                          |
| <b>Total Being Depreciated, Net</b>           | 60,023,621                                 | (3,420,299)         | -                 | 56,603,322                                 |
| <b>Construction Work in Progress</b>          | <u>3,322,850</u>                           | <u>10,591,721</u>   | <u>264,003</u>    | <u>13,650,568</u>                          |
| <b>Capital Assets, Net</b>                    | <u>\$ 66,302,735</u>                       | <u>\$ 7,171,422</u> | <u>\$ 264,003</u> | <u>\$ 73,210,154</u>                       |

**NOTES TO FINANCIAL STATEMENTS  
GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY  
GAINESVILLE, FLORIDA**

**Note 9 - Hangar Construction Costs Receivable**

Ed and Nate Hangar, LLC (the Company) agreed to jointly fund along with the Airport Authority the construction of an aircraft hangar, office space, parking facilities and other improvements on airport land (the Project). The Airport Authority has agreed to fund the Project in the amount of \$450,000 and the Company will reimburse the Airport Authority the remaining balance of the Project costs. The Project and all permanent improvements, whether jointly funded or individually funded, immediately become property of the Airport Authority and are leased back to the Company. During the year ended September 30, 2024, the Airport Authority recognized \$482,016 of hangar construction contributions of which \$409,400 were receivable as of September 30, 2024.

**Note 10 - Contingencies**

The Airport Authority would be contingently liable with respect to any claims incidental to its ordinary course of business. The Airport Authority is insured and, to the best of the Airport Authority management’s knowledge, there are no outstanding claims existing and any prior year’s claims were settled without any adverse financial impact to the Airport Authority.

**Note 11 - Restricted Net Position**

Certain net position is considered restricted for future use by enabling legislation or from other restricted sources. A summary of the Airport Authority’s restricted net position at September 30, 2024 and 2023, is as follows:

|                                      | <b>2024</b>         | <b>2023</b>         |
|--------------------------------------|---------------------|---------------------|
| Customer Facility Charge             | \$ 1,407,755        | \$ 1,287,773        |
| Passenger Facility Charge            | 3,384,346           | 3,573,533           |
| <b>Total Restricted Net Position</b> | <b>\$ 4,792,101</b> | <b>\$ 4,861,306</b> |

**Note 12 - Lessor Leases**

The Airport Authority leases terminal space, aircraft maintenance and overhaul facilities, cargo facilities, hangars and other building facilities, and ancillary land facilities to air carriers and other third-party tenants under various cancelable and non-cancelable agreements. The Airport has grouped non-regulated leases into three categories: Rental Car Leases, Concession Leases, and Other Property Leases. Rental Car Leases are for rental car agencies located at the Airport. Concession leases are leases for retail and food and beverage tenants at the Airport. Other Property Leases contain various leases for property and space located around the Airport. The agreements, as summarized below, provide for fixed and/or variable rental payments.

A summary of lease activity for the year ended September 30, 2024 is as follows:

**NOTES TO FINANCIAL STATEMENTS**  
**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**  
**GAINESVILLE, FLORIDA**

|                       | Beginning           |             | Receivable          | Receivable        | Ending              |                      | Total Inflows of |  |
|-----------------------|---------------------|-------------|---------------------|-------------------|---------------------|----------------------|------------------|--|
|                       | Lease               | Receivable  |                     |                   | Lease               | Resources from Lease |                  |  |
|                       | Receivable          | Additions   |                     |                   | Receivable          | Annual Lease         | Interest         |  |
| Rental Car Leases     | \$ 1,017,547        | \$ -        | \$ 1,017,547        | \$ -              | \$ 952,000          | \$ 15,094            |                  |  |
| Concession Leases     | 539,474             | -           | 103,608             | 435,866           | 71,500              | 15,923               |                  |  |
| Other Property Leases | 137,834             | -           | 13,264              | 124,570           | 14,993              | 4,283                |                  |  |
|                       | <u>\$ 1,694,855</u> | <u>\$ -</u> | <u>\$ 1,134,419</u> | <u>\$ 560,436</u> | <u>\$ 1,038,493</u> | <u>\$ 35,300</u>     |                  |  |

A summary of lease activity for the year ended September 30, 2023 is as follows:

|                       | Beginning           |                   | Receivable          | Receivable          | Ending              |                      | Total Inflows of |  |
|-----------------------|---------------------|-------------------|---------------------|---------------------|---------------------|----------------------|------------------|--|
|                       | Lease               | Receivable        |                     |                     | Lease               | Resources from Lease |                  |  |
|                       | Receivable          | Additions         |                     |                     | Receivable          | Annual Lease         | Interest         |  |
| Rental Car Leases     | \$ 1,992,817        | \$ -              | \$ 975,270          | \$ 1,017,547        | \$ 949,398          | \$ 47,739            |                  |  |
| Concession Leases     | 660,514             | -                 | 121,040             | 539,474             | 73,476              | 19,586               |                  |  |
| Other Property Leases | 20,958              | 127,014           | 10,138              | 137,834             | 10,645              | 3,950                |                  |  |
|                       | <u>\$ 2,674,289</u> | <u>\$ 127,014</u> | <u>\$ 1,106,448</u> | <u>\$ 1,694,855</u> | <u>\$ 1,033,519</u> | <u>\$ 71,275</u>     |                  |  |

**Rental Car Leases**

The Airport Authority entered into five-year agreements with four rental car agencies through September 30, 2024. Each agreement includes the rental of counter and office space, quick turnaround space, and parking space. Each contract has a minimum annual guarantee (MAG) and a variable component, in addition to the space rentals. The tenant pays the higher amount of the MAG or 10% of gross revenues. The lease receivable is calculated using the contractual amounts for the space rental and minimum payments due for percentage rent each year over the course of the contract and discounted to the net present value using the Airport Authority's estimated incremental borrowing rate of 3.25%. The variable component is not used to calculate the lease receivable. The agreement expired on September 30, 2024, so there were no future minimum lease payments.

**Concession Leases**

The Airport Authority has entered into a concession agreement with an operator to provide food and beverage services. The lease term is for 10 years and includes options to extend that are not deemed to be reasonably certain to be exercised by the Airport Authority based on all available information and past experience. The contract has a MAG and a variable component (percentage of gross revenues). The tenant pays the higher amount of the MAG or variable amount. The MAG was set in the contract and is 85% of the prior year's MAG. Based on these terms, the minimum payment will always be the MAG. The lease receivable is calculated using minimum payments due each year over the course of contract. The variable component is not used to calculate the lease receivable.

**Other Property Leases**

The Airport has entered into an agreement with an operator to provide advertising sales and management services. The lease term is for 10 years and includes options to extend that are not deemed to be reasonably certain to be exercised by the Airport Authority based on all available information and past experience. The contract has a MAG and a variable component (percentage of gross revenues). The

**NOTES TO FINANCIAL STATEMENTS**  
**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**  
**GAINESVILLE, FLORIDA**

tenant pays the higher amount of the MAG or variable amount. The MAG was set in the contract and is fixed throughout the duration of the 10 years. Based on these terms, the minimum payment will always be the MAG. The lease receivable is calculated using minimum payments due each year over the course of contract. The variable component is not used to calculate the lease receivable.

The expected future lease payments included in the measurement of the lease receivable as of September 30, 2024, are as follows:

| <u>Years Ending<br/>September 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|---------------------------------------|------------------|-----------------|--------------|
| 2025                                  | \$ 102,517       | \$ 16,632       | \$ 119,149   |
| 2026                                  | 90,421           | 13,489          | 103,910      |
| 2027                                  | 80,246           | 10,709          | 90,955       |
| 2028                                  | 71,710           | 8,234           | 79,944       |
| 2029                                  | 64,571           | 6,015           | 70,586       |
| 2030-2033                             | 150,971          | 6,777           | 157,748      |

**Regulated Leases**

In accordance with GASB Statement No. 87, the Airport Authority does not recognize a lease receivable and a deferred inflow of resources for regulated leases. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings, e.g., the U.S. Department of Transportation and the FAA, that regulate aviation leases between airports and air carriers and other aeronautical users. The Authority recognized \$1,442,492 and \$1,751,742 of lease revenue from these agreements for the year ended September 30, 2024 and 2023, respectively.

Future minimum lease payments are as follows:

| <u>September 30,</u> | <u>Amount</u> |
|----------------------|---------------|
| 2025                 | \$ 1,158,124  |
| 2026                 | 1,552,712     |
| 2027                 | 1,503,352     |
| 2028                 | 1,534,160     |
| 2029                 | 668,956       |
| 2030-2034            | 2,794,854     |
| 2035-2039            | 3,105,382     |
| 2040-2044            | 1,449,416     |
| 2045-2049            | 295,271       |
| 2050-2054            | 135,287       |
| 2055-2057            | 29,521        |

**OTHER SUPPLEMENTARY INFORMATION**

**REVENUE COMPARISON - BUDGET VS. ACTUAL**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2024**  
**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**  
**GAINESVILLE, FLORIDA**

|  | Fiscal Year<br>2023-2024<br>Total Budget | Fiscal Year<br>2023-2024<br>Actual Revenues | Over (Under)<br>Budget |
|--|--|---|------------------------|
| <b>Operating Revenues</b>                    |  |   |                        |
| Commercial Terminals:                        |  |   |                        |
| Airport Terminal Parking                     | \$ 2,300,000                             | \$ 2,715,122                                | \$ 415,122             |
| Air Carriers Rent - Exclusive Space          | 582,305                                  | 591,567                                     | 9,262                  |
| Other Exclusive Rent                         | 1,997                                    | 1,997                                       | -                      |
| Air Carriers Rent - Non-Exclusive Space      | 702,225                                  | 702,225                                     | -                      |
| Air Carriers - Landing Fees                  | 570,000                                  | 647,663                                     | 77,663                 |
| Passenger Boarding Bridge Fees               | 77,600                                   | 70,952                                      | (6,648)                |
| Charter Landing Fees                         | 20,000                                   | 21,532                                      | 1,532                  |
| TSA LEO Reimbursement                        | 50,000                                   | 69,677                                      | 19,677                 |
| TSA Office Rent                              | 43,235                                   | 43,235                                      | -                      |
| TSA Screening Checkpoint Reimbursement       | 4,086                                    | 5,563                                       | 1,477                  |
| Airways Facility Rent                        | 45,552                                   | 45,646                                      | 94                     |
| Industrial Park Rent                         | 7,200                                    | 11,338                                      | 4,138                  |
| Rental Car Company Rent - Exclusive Space    | 94,937                                   | 95,063                                      | 126                    |
| Rental Car Company Rent - GASB 87 Adjustment | -  | (9,629)                                     | (9,629)                |
| Rental Car Company Concession Fees - MAG     | 943,517                                  | 943,517                                     | -                      |
| Rental Car Company MAG - GASB 87 Adjustment  | -  | (73,919)                                    | (73,919)               |
| Rental Car Company Over MAG                  | 335,000                                  | 612,798                                     | 277,798                |
| QTF  | 545,023                                  | 507,331                                     | (37,692)               |
| Food Concessionaire                          | 200,000                                  | 270,147                                     | 70,147                 |
| Food Concessionaire Rent (GASB 87)           | -  | (48,402)                                    | (48,402)               |
| Advertising Fees                             | 42,000                                   | 62,988                                      | 20,988                 |
| Advertising Revenue MAG (GASB 87)            | -  | (2,184)                                     | (2,184)                |
| Ground Transportation Fees                   | 112,000                                  | 138,088                                     | 26,088                 |
| Automated Teller Machine Revenue             | 578                                      | -   | (578)                  |
| Cell Phone Tower Rent                        | 19,044                                   | 21,901                                      | 2,857                  |
| Solar Revenue                                | 80,000                                   | 73,760                                      | (6,240)                |
| Miscellaneous Revenue                        | 16,500                                   | 30,863                                      | 14,363                 |
| <b>Total Commercial Terminals</b>            | <u>6,792,799</u>                         | <u>7,548,839</u>                            | <u>756,040</u>         |
| General Aviation:                            |  |   |                        |
| Fuel Flowage Fees                            | 89,000                                   | 144,709                                     | 55,709                 |
| Fixed Base Operators' (FBO) Rent             | 260,817                                  | 254,343                                     | (6,474)                |
| FBO/GA Landing Fees                          | 17,000                                   | 30,834                                      | 13,834                 |
| FBO Specialty Airport Services Rent          | 149,609                                  | 135,338                                     | (14,271)               |
| Corporate Aviation Rent                      | 61,050                                   | 51,062                                      | (9,988)                |
| T-Hangar Rent (FBO/GA)                       | 250,000                                  | 290,211                                     | 40,211                 |
| Sunshade Rent (FBO/GA)                       | 3,318                                    | 6,685                                       | 3,367                  |
| Bulk Hangar Rent                             | 53,038                                   | 54,361                                      | 1,323                  |
| Tie Downs (FBO/GA)                           | 3,497                                    | 3,231                                       | (266)                  |
| Storage Fees (GA)                            | 4,000                                    | 4,040                                       | 40                     |
| Port-O-Port Rent (FBO/GA)                    | 12,289                                   | 12,836                                      | 547                    |
| FBO Charter Passenger Fee                    | -  | 216   | 216                    |
| FBO Ramp Parking Fees                        | 2,000                                    | 2,670                                       | 670                    |
| GA Grounds Support Equipment Rental          | 3,500                                    | 1,905                                       | (1,595)                |
| Fuel Farm Facilities Storage Fees            | 245,000                                  | 241,145                                     | (3,855)                |
| Consortia Hangar Rents                       | 208,784                                  | 339,514                                     | 130,730                |
| Driving Pad Lease                            | 65,604                                   | 96,228                                      | 30,624                 |
| <b>Total General Aviation</b>                | <u>1,428,506</u>                         | <u>1,669,328</u>                            | <u>240,822</u>         |
| <b>Total Operating Revenues</b>              | <u>8,221,305</u>                         | <u>9,218,167</u>                            | <u>996,862</u>         |

**REVENUE COMPARISON - BUDGET VS. ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2024  
GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY  
GAINESVILLE, FLORIDA**

|  | <b>Fiscal Year<br/>2023-2024<br/>Total Budget</b> | <b>Fiscal Year<br/>2023-2024<br/>Actual Revenues</b> | <b>Over (Under)<br/>Budget</b> |
|--|---|--|--------------------------------|
| <b>Non-Operating Revenues</b>                      |   |  |                                |
| Passenger Facility Charge (PFC) Revenue            | \$ -  | \$ 1,149,427   | \$ 1,149,427                   |
| PFC - Interest Revenue                             | -   | 113,025  | 113,025                        |
| Capital Facility Charge (CFC) Revenue              | -   | 115,274  | 115,274                        |
| CFC - Interest Revenue                             | -   | 38,345   | 38,345                         |
| Federal and State Grants                           | -   | 21,816,716   | 21,816,716                     |
| Miscellaneous                                      | -   | 25,449   | 25,449                         |
| Proceeds from the City - Industrial Park Land Sale | 240,000   | -  | (240,000)                      |
| Interest Revenue                                   | 350,000   | 656,766  | 306,766                        |
| Interest Income - Leases                           | -   | 35,300   | 35,300                         |
| Hangar Construction Contribution                   | -   | 482,016  | 482,016                        |
| <b>Total Non-Operating Revenues</b>                | <u>590,000</u>                                    | <u>24,432,318</u>                                    | <u>23,842,318</u>              |
| <b>Total Revenues</b>                              | <u>\$ 8,811,305</u>                               | <u>\$ 33,650,485</u>                                 | <u>\$ 24,839,180</u>           |

**EXPENSE COMPARISON - BUDGET VS. ACTUAL  
FOR THE YEAR ENDED SEPTEMBER 30, 2024  
GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY  
GAINESVILLE, FLORIDA**

|  | <b>Fiscal Year<br/>2023-2024<br/>Total<br/>Budget</b> | <b>Fiscal Year<br/>2023-2024<br/>Actual<br/>Expenses</b> | <b>(Over)<br/>Under<br/>Budget</b> |
|--|---|--|------------------------------------|
| <b>Expenses from Operations</b>          |   |  |                                    |
| Airport Administration:                  |   |  |                                    |
| Personnel Services                       | \$ 997,886  | \$ 961,587   | \$ 36,299                          |
| Operating Expenses                       | 882,187   | 821,552  | 60,635                             |
| Total Airport Administration             | <u>1,880,073</u>                                      | <u>1,783,139</u>   | <u>96,934</u>                      |
| Airport Operations and Maintenance:      |   |  |                                    |
| Personnel Services                       | 2,142,343   | 1,899,292  | 243,051                            |
| Operating Expenses                       | 2,646,236   | 2,613,058  | 33,178                             |
| Total Airport Operations and Maintenance | <u>4,788,579</u>                                      | <u>4,512,350</u>   | <u>276,229</u>                     |
| General Aviation Operations:             |   |  |                                    |
| Operating Expenses                       | 64,106  | 47,821   | 16,285                             |
| Cost of Sales                            | 8,562   | 9,774  | (1,212)                            |
| Total General Aviation Operations        | <u>72,668</u>   | <u>57,595</u>  | <u>15,073</u>                      |
| Fuel Farm:                               |   |  |                                    |
| Operating Expenses                       | 49,869  | 29,154   | 20,715                             |
| Total Fuel Farm                          | <u>49,869</u>   | <u>29,154</u>  | <u>20,715</u>                      |
| Quick Turn-Around Facility:              |   |  |                                    |
| Operating Expenses                       | 443,835   | 401,206  | 42,629                             |
| Total Quick Turn-Around Facility         | <u>443,835</u>  | <u>401,206</u>   | <u>42,629</u>                      |
| Depreciation Expense                     | -   | 3,923,879  | (3,923,879)                        |
| <b>Total Expenses from Operations</b>    | <u>7,235,024</u>                                      | <u>10,707,323</u>  | <u>(3,472,299)</u>                 |
| <b>Non-Operating Expenses</b>            |   |  |                                    |
| Prior Years City Fire Services           | 50,360  | 50,360   | -                                  |
| <b>Total Non-Operating Expenses</b>      | <u>50,360</u>   | <u>50,360</u>  | <u>-</u>                           |
| <b>(Total Expenses)</b>                  | <u>\$ 7,285,384</u>                                   | <u>\$ 10,757,683</u>                                     | <u>\$ (3,472,299)</u>              |

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED SEPTEMBER 30, 2024  
GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY  
GAINESVILLE, FLORIDA**

| <b>Grantor/Program Title</b>   | <b>Assistance<br/>Listing (AL)<br/>Number</b> | <b>Receivable<br/>(Payable)<br/>Balance<br/>10/1/2023</b> | <b>(Receipts)</b>      | <b>Eligible<br/>Expenditures</b> | <b>Receivable<br/>(Payable)<br/>Balance<br/>9/30/2024</b> |
|--|---|---|------------------------|----------------------------------|---|
| <b>U.S. Department of Transportation, Federal<br/>Aviation Administration:</b> |   |   |                        |                                  |   |
| <b>Airport Improvement Program (AIP):</b>                                      |   |   |                        |                                  |   |
| Taxiway A and GA Apron Phase 1 (AIP51/52)                                      | 20.106  | \$ 551,715  | \$ (8,332,976)         | \$ 9,922,974                     | \$ 2,141,713  |
| Transit Center (AIP53)   | 20.106  | 974   | (46,176)               | 103,914                          | 58,712  |
| ARFF Vehicle and GA Apron Phase 2 (AIP54)                                      | 20.106  | 27,373  | (1,866,520)            | 4,208,262                        | 2,369,115   |
| Central Energy Plant (AIP55)   | 20.106  | 88,000  | (462,082)              | 1,956,908                        | 1,582,826   |
| Master Plan & SWMP (AIP56)   | 20.106  | -   | -                      | 8,082                            | 8,082   |
| <b>Subtotal Expenditures - AL No. 20.106</b>                                   |   | <u>668,062</u>  | <u>(10,707,754)</u>    | <u>16,200,140</u>                | <u>6,160,448</u>  |
| <b>Total Federal Financial Assistance</b>                                      |   | <u>\$ 668,062</u>   | <u>\$ (10,707,754)</u> | <u>\$ 16,200,140</u>             | <u>\$ 6,160,448</u>                                       |

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED SEPTEMBER 30, 2024  
GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY  
GAINESVILLE, FLORIDA**

| <b>Grantor/Program Title</b>   | <b>CSFA<br/>Contract<br/>Number</b> | <b>FIN<br/>Number</b> | <b>Receivable<br/>(Payable)<br/>Balance<br/>10/1/2023</b> | <b>(Receipts)</b>      | <b>Eligible<br/>Expenditures</b> | <b>Receivable<br/>(Payable)<br/>Balance<br/>9/30/2024</b> |
|--|-------------------------------------|-----------------------|---|------------------------|----------------------------------|---|
| <b>Florida Department of Transportation</b>                                    |                                     |                       |   |                        |                                  |   |
| <b>Aviation Grant Program:</b>   |                                     |                       |   |                        |                                  |   |
| Terminal and Parking Improvements  | 55.004                              | 43873919416           | \$ 96,412   | \$ (61,806)            | \$ 761,358                       | \$ 795,964  |
| GA Facility Rehab and Bulk Hangar  | 55.004                              | 43492119419           | 46,351  | (77,895)               | 416,602                          | 385,058   |
| Intermodal   | 55.004                              | 44513419419           | 354,604   | (1,932,018)            | 2,451,206                        | 873,792   |
| Taxiway A Construction   | 55.004                              | 440065-19421          | -   | (222,031)              | 415,049                          | 193,018   |
| Design GA Terminal   | 55.004                              | 438739-3-94-24        | -   | -                      | 175                              | 175   |
| GA Apron Rehab Phase 1   | 55.004                              | 44440819401           | 1,636   | (136,980)              | 136,980                          | 1,636   |
| Airfield Markings  | 55.004                              | 44379919421           | -   | (18,040)               | 18,040                           | -   |
| Design Construct Fuel Farm   | 55.004                              | 428830-1              | 7,510   | (34,514)               | 38,960                           | 11,956  |
| Terminal Phase 4 Baggage   | 55.004                              | 44204619421           | 57,861  | (168,407)              | 1,378,206                        | 1,267,660   |
| <b>Subtotal Expenditures - CSFA No. 55.004</b>                                 |                                     |                       | <u>564,374</u>  | <u>(2,651,691)</u>     | <u>5,616,576</u>                 | <u>3,529,259</u>  |
| <b>Total State Financial Assistance</b>  |                                     |                       | <u>564,374</u>  | <u>(2,651,691)</u>     | <u>5,616,576</u>                 | <u>3,529,259</u>  |
| <b>Total Expenditures of Federal Awards and<br/>State Financial Assistance</b> |                                     |                       | <u>\$ 1,232,436</u>                                       | <u>\$ (13,359,445)</u> | <u>\$ 21,816,716</u>             | <u>\$ 9,689,707</u>                                       |

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE  
FOR THE YEAR ENDED SEPTEMBER 30, 2024  
GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY  
GAINESVILLE, FLORIDA**

**Note to Schedule of Federal Awards and State Financial Assistance**

**Basis of Presentation**

The accompanying schedule of expenditures of federal awards and state financial assistance is presented on the accrual basis of accounting.

The Airport Authority did not elect to use the 10% de minimis indirect cost rate as covered in Section 200.414, Indirect (F&A) Costs, of the Uniform Guidance.

## **OTHER INFORMATION**

**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***

To the Governing Board  
Gainesville-Alachua County Regional  
Airport Authority  
Gainesville, Florida

We have audited, in accordance with the 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 Gainesville-Alachua County Regional Airport Authority (the Airport Authority) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Airport Authority's financial statements, and have issued our report thereon dated May 22, 2025.

**Report on Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity'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 the 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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To the Governing Board  
Gainesville-Alachua County Regional  
Airport Authority  
Gainesville, 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 Airport 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 Airport 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 Airport Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Purvis Gray*

May 22, 2025  
Gainesville, Florida

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE  
AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

To the Governing Board  
Gainesville-Alachua County Regional  
Airport Authority  
Gainesville, Florida

**Report on Compliance for Each Major Federal Program and State Project**

***Opinion on Each Major Federal Program and State Project***

We have audited the Gainesville-Alachua County Regional Airport Authority's (the Airport Authority) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the Department of Financial Services' State Projects *Compliance Supplement* that could have a direct and material effect on the Airport Authority's major federal program and state project for the year ended September 30, 2024. The Airport Authority's major federal program and state project are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Airport Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program and state project for the year ended September 30, 2024.

***Basis for Opinion on Each Major Federal Program and State Project***

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; 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* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*. Our responsibilities under those standards and the Uniform Guidance and Chapter 10.550 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Airport Authority and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the Airport Authority's compliance with the compliance requirements referred to above.

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To the Governing Board  
Gainesville-Alachua County Regional  
Airport Authority  
Gainesville, Florida

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE  
AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Airport Authority's federal programs and state projects.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Airport Authority's compliance based on our audit. 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, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, will always detect material non-compliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Airport Authority's compliance with the requirements of each major federal program or state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material non-compliance, 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 Airport Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Airport Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of the Airport Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

To the Governing Board  
Gainesville-Alachua County Regional  
Airport Authority  
Gainesville, Florida

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR  
EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE  
AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

**Report on 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, non-compliance with a type of compliance requirement of a federal program or state project 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 non-compliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

*Purvis Gray*

May 22, 2025  
Gainesville, Florida

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FEDERAL PROGRAMS AND STATE PROJECTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2024  
 GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY  
 GAINESVILLE, FLORIDA**

**I. SUMMARY OF AUDITOR’S RESULTS**

**Financial Statements**

1. The independent auditor’s report expresses an unmodified opinion on the financial statements of the Gainesville-Alachua County Regional Airport Authority (the Airport Authority).
2. The audit disclosed no material weaknesses or significant deficiencies in internal control over financial reporting.
3. No instances of non-compliance material to the financial statements of the Airport Authority were disclosed during the audit.

**Federal Awards and State Financial Assistance**

4. No significant deficiencies and/or material weaknesses relating to internal control over compliance with major federal programs and state projects were disclosed.
5. The report on compliance for major federal programs and state projects expresses an unmodified opinion.
6. The audit disclosed no findings relative to the major federal programs and state projects.
7. The programs tested as major programs included the following:

|                               |                                      |
|-------------------------------|--------------------------------------|
| <u><b>Federal Program</b></u> | <u><b>Assistance Listing No.</b></u> |
| Airport Improvement Program   | 20.106                               |
| <u><b>State Project</b></u>   | <u><b>Assistance Listing No.</b></u> |
| Aviation Grant Program        | 55.004                               |

8. The threshold for distinguishing Type A and B programs was \$750,000 for major federal award programs and \$750,000 for major state projects.
9. The Airport Authority did qualify as a low-risk auditee pursuant to the Uniform Guidance.

**II. FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED UNDER GENERALLY ACCEPTED GOVERNMENT AUDITING STANDARDS (GAGAS)**

The audit disclosed no findings that are required to be reported under GAGAS.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FEDERAL PROGRAMS AND STATE PROJECTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2024  
GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY  
GAINESVILLE, FLORIDA**

**III. FINDINGS AND QUESTIONED COSTS FOR MAJOR FEDERAL AWARD PROGRAMS AND STATE PROJECTS**

There were no findings or questioned costs for the year ended September 30, 2024.

**IV. OTHER ISSUES**

No summary schedule of prior audit findings is required because there were no prior year audit findings related to federal programs or state projects.

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

To the Governing Board  
Gainesville-Alachua County Regional  
Airport Authority  
Gainesville, Florida

We have examined the Gainesville-Alachua County Regional Airport Authority's (the Airport Authority) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2024. Management is responsible for the Airport Authority's compliance with those requirements. Our responsibility is to express an opinion on the Airport Authority's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Airport Authority complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Airport 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 this engagement.

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

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

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the Airport Authority and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Purvis Gray*

May 22, 2025  
Gainesville, Florida

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## MANAGEMENT LETTER

To the Governing Board  
Gainesville-Alachua County Regional  
Airport Authority  
Gainesville, Florida

### Report on the Financial Statements

We have audited the financial statements of the Gainesville-Alachua County Regional Airport Authority (the Airport Authority), as of and for the year ended September 30, 2024, and have issued our report thereon dated May 22, 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; 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* (Uniform Guidance); and Chapter 10.550, *Rules of the Florida 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 the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with 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 May 22, 2025, should be considered in conjunction with this management letter.

### 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. There were no findings or recommendations 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 Airport Authority was established by Chapters 86-469 and 89-433, Laws of Florida, as amended by Chapter 95-457 in 1996 and Chapter 2006-363 in 2006. There were no component units related to the Airport Authority.

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To the Governing Board  
Gainesville-Alachua County Regional  
Airport Authority  
Gainesville, 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 Airport Authority has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the Airport 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 Airport Authority. It is management's responsibility to monitor the Airport 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 Airport Authority is required to include a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the Airport Authority's geographical boundaries during the fiscal year under audit. The Airport Authority has not authorized the operation of a PACE program, and management is not aware of the operation of any such program, within its geographical boundaries.

### **Special District Component Unit**

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, *Rules of the Auditor General*, the Airport Authority reported:

- a. The total number of Airport Authority employees compensated in the last pay period of the Airport Authority's fiscal year as 36.
- b. The total number of independent contractors to whom non-employee compensation was paid in the last month of the Airport Authority's fiscal year as 17.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$2,878,690.

To the Governing Board  
Gainesville-Alachua County Regional  
Airport Authority  
Gainesville, Florida

### MANAGEMENT LETTER

- d. All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency as \$25,188,148.
- e. Each construction project with a total cost of at least \$65,000 approved by the Airport Authority that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:
  - Project # AIP 3-12-0028-057-2024 In-Line Baggage Phase 2 Design - \$334,998
  - Project # FDOT 438739-3 GA Terminal Design FAA - \$488,417
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Airport Authority amends a final adopted budget under Section 189.016(6), Florida Statutes. No budget amendments (see pages 28-30 of the financial statements).

#### **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 note 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 Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Airport Authority, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Purvis Gray*

May 22, 2025  
Gainesville, Florida

# PURVIS GRAY

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