

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

To the Members of the Board
Jacksonville Aviation Authority

We have examined Jacksonville Aviation Authority's (the "Authority") compliance with the local government investment policies required by Section 218.415, Florida Statutes, during the year ended September 30, 2025. The Authority's management is responsible for the Authority's compliance with the specified requirements. Our responsibility is to express an opinion on the Authority's compliance with the specified requirements based on our examination.

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

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

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

In our opinion, the Authority complied, in all material respects, with the local government investment policies required by Section 218.415, Florida Statutes, during the year ended September 30, 2025.

The purpose of this report is to comply with the audit requirements of Section 218.415, Florida Statutes, and *Rules of the Auditor General*, and it is not suitable for any other purpose.

Plante & Moreau, PLLC

February 27, 2026

February 27, 2026

To the Board of Directors and Management
Jacksonville Aviation Authority

We have audited the financial statements of the Jacksonville Aviation Authority (the "Authority") as of and for the year ended September 30, 2025 and have issued our report thereon dated February 27, 2026. Professional standards require that we provide you with the following information related to our audit, which is divided into the following sections:

Section I - Required Communications with Those Charged with Governance

Section II - Management Letter and State Reporting Requirements

Section I includes information that we are required to communicate to those individuals charged with governance of the Authority and communicates significant matters related to the audit that are, in or professional judgment, relevant to your responsibilities in overseeing the financial reporting process.

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

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

This report is intended solely for the use of the board members of the Jacksonville Aviation Authority and management and is not intended to be and should not be used by anyone other than these specified parties.

We welcome any questions you may have regarding the following communications, and we would be willing to discuss these or any other questions that you might have at your convenience.

Very truly yours,

Plante & Moran, PLLC

A handwritten signature in black ink that reads "Pamela L. Hill". The signature is written in a cursive style with a large initial "P" and "H".

Pamela L. Hill
Partner

Section I - Required Communications with Those Charged with Governance

Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated July 11, 2025, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.

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

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

Our audit of the Authority's financial statements has also been conducted in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. Under *Government Auditing Standards*, we are obligated to communicate certain matters that come to our attention related to our audit to those responsible for the governance of the Authority, including compliance with certain provisions of laws, regulations, contracts, and grant agreements; certain instances of error or fraud; illegal acts applicable to government agencies; and significant deficiencies in internal control that we identify during our audit. Toward this end, we issued a separate letter dated February 27, 2026 regarding our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on October 24, 2025.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

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

As described in Note 2, the Authority changed accounting policies related to GASB 101, *Compensated Absences*. Accordingly, the accounting change has been applied to year-end balances but not deemed to have a material impact to the financial statements.

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

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

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

- Net pension liability and related disclosures - Management's estimate of the net pension liability and related disclosures is based on actuarial valuations and other financial data.

Section I - Required Communications with Those Charged with Governance (Continued)

We have evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

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

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in performing and completing our audit.

Disagreements with Management

For the purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We did not detect any misstatements as a result of audit procedures.

Significant Findings or Issues

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

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 27, 2026.

Management Consultations with Other Independent Accountants

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

Other Information Included in Annual Reports

Our responsibility for other information included in annual reports does not extend beyond the financial statements, and we do not express an opinion or any form of assurance on the other information. However, we read the introductory and statistical sections of the Annual Comprehensive Financial Report, and nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially misstated or materially inconsistent with the information or manner of its presentation appearing in the financial statements.

Section II - Management Letter and State Reporting Requirements

Report on the Financial Statements

We have audited the financial statements of the Jacksonville Aviation Authority as of and for the fiscal year ended September 30, 2025 and have issued our report thereon dated February 27, 2026.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and, as it relates to the federal compliance audit, the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"), and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration.

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

Other Reporting Requirements

We have issued our independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of the financial statements performed in accordance with *Government Auditing Standards*; independent auditor's report on compliance for the major federal program required by the Uniform Guidance, State Financial Assistance Project, Chapter 10.550, *Rules of the Auditor General*, and the *Passenger Facility Charge Audit Guide for Public Agencies*; report on internal control over compliance; schedule of findings and questioned costs; and independent accountant's report on compliance with local government investment policies, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. This letter should be considered in conjunction with those reports and schedules, which are dated February 27, 2026.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. No recommendations were made in the preceding financial audit report. For any findings related to the single audit and passenger facility charge program, please see the Report on Compliance for the Major Federal Program, State Financial Assistance Project, and Passenger Facility Charge Program; Report on Internal Control Over Compliance Required by the Uniform Guidance, Chapter 10.550, *Rules of the Auditor General*; and *Passenger Facility Charge Audit Guide for Public Agencies* and 14 CFR 158.63 dated February 27, 2026. Note that there were no findings in the current or prior year.

Official Title and Legal Authority

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

Financial Condition and Management

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

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the Authority based on the audited financial statements as of and for the year ended September 30, 2025. It is management’s responsibility to monitor the Authority’s financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by the same.

Section 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.

Specific Information

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

- A. The total number of authority employees compensated in the last pay period of the Authority’s fiscal year as of September 30, 2025 - 303
- B. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Authority’s fiscal year as of September 30, 2025 - 56
- C. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as of September 30, 2025 - \$1,019,657
- D. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as of September 30, 2025 - \$6,020,471
- E. Each construction project with a total cost of at least \$65,000 approved by the 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 listed below:

Project Name	Total Expenditures
Public Safety & Security	218,667.00
PAPI Replacement	86,319.43
TWY F Rehab and Extension additional funds	564,484.90
FIS Carousel Rehabilitation and Layout Update	171,339.11
Admin Building AC & Variable Air Volume (VAV) Replacement	837,045.96
IT Infrastructure Refresh FY25	521,403.09
Video Surveillance Storage Replacement (Yr 1 of 2)	1,214,649.20
Three (3) ADA Shuttle Bus and Graphics (Parking Buses)	405,912.99
A/C Bypass Exit Breach Lane Control	397,200.00

- 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 Authority amends a final adopted budget under Section 189.016(6), Florida Statutes.

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

Operating Revenues

Category	Original	Revised	Variance	Variance %
Concessions	\$25,305,587	\$25,305,587	\$0	0.00%
Fees & Charges	\$26,906,993	\$26,906,993	\$0	0.00%
Space & Facility Rentals	\$54,575,478	\$54,575,478	\$0	0.00%
Parking	\$36,437,436	\$36,437,436	\$0	0.00%
Sale of Utilities	\$1,966,606	\$1,966,606	\$0	0.00%
Other Miscellaneous Operating Revenue	\$356,149	\$356,149	\$0	0.00%
TOTAL OPERATING REVENUES	\$145,548,249	\$145,548,249	\$0	0.00%

Operating Expenditures & Operating Income

Category	Original	Revised	Variance	Variance %
Salaries	\$26,569,562	\$26,569,562	\$0	0.00%
Benefits	\$11,748,827	\$11,748,827	\$0	0.00%
Services and Supplies	\$22,029,735	\$22,029,735	\$0	0.00%
Repairs & Maintenance	\$11,902,482	\$11,902,482	\$0	0.00%
Promotion, Advertising and Dues	\$1,088,228	\$1,088,228	\$0	0.00%
Registrations & Travel	\$748,025	\$748,025	\$0	0.00%
Insurance Expense	\$2,916,063	\$2,916,063	\$0	0.00%
Cost of Goods for Sale	\$989,000	\$989,000	\$0	0.00%
Utilities, Taxes & Gov't Fees	\$5,288,459	\$5,288,459	\$0	0.00%
Operating Contingency	\$3,000,000	\$3,000,000	\$0	0.00%
TOTAL OPERATING EXPENDITURES	\$86,280,381	\$86,280,381	\$0	0.00%
OPERATING INCOME	\$59,267,868	\$59,267,868	\$0	0.00%

Non-Operating Revenues

Category	Original	Revised	Variance	Variance %
PFC	\$15,753,076	\$15,753,076	\$0	0.00%

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

CFC	\$8,000,000	\$8,000,000	\$0	0.00%
Investment Income	\$8,799,349	\$8,799,349	\$0	0.00%
Other Revenues	\$210,360	\$4,210,360	\$4,000,000	1,901.50%
TOTAL NON-OPERATING REVENUES	\$32,762,785	\$36,762,785	\$4,000,000	12.21%

Non-Operating Expenditures

Category	Original	Revised	Variance	Variance %
Debt Service	\$34,019,927	\$34,019,927	\$0	0.00%
Other Expenditures	\$239,650	\$2,239,650	\$2,000,000	834.55%
TOTAL NON-OPERATING EXPENDITURES	\$34,259,577	\$36,259,577	\$2,000,000	5.84%

Summary & Headcount

Category	Original	Revised	Variance	Variance %
NET INCOME BEFORE	\$57,771,076	\$59,771,076	\$2,000,000	3.46%
Operating Capital Outlay	\$-17,187,000	\$-24,787,000	\$-7,600,000	44.22%
Retained Earnings	\$-40,584,076	\$-34,984,076	\$5,600,000	-13.80%
SURPLUS/(DEFICIT)	\$0	\$0	\$0	
TOTAL REVENUES	\$178,311,034	\$182,311,034	\$4,000,000	2.24%
TOTAL APPROPRIATIONS	\$178,311,034	\$182,311,034	\$4,000,000	2.24%
FULLTIME POSITIONS	\$315	\$315	\$0	0.00%
TEMPORARY EMPLOYEE HOURS	\$5,220	\$5,220	\$0	0.00%

Capital Program Totals (Large/Small CIP)

Category	Original	Revised	Variance	Variance %
Total Large Capital	\$31,997,000	\$69,997,000	\$38,000,000	118.76%
JAA Commitments	\$17,187,000	\$24,787,000	\$7,600,000	44.22%
PFC	\$14,000,000	\$14,000,000	\$0	0.00%
FAA Grants	\$810,000	\$0	\$-810,000	-100.00%
FDOT Grants	\$0	\$0	\$0	
OTHER	\$0	\$30,400,000	\$30,400,000	
TOTAL CIP Large CAP	\$31,997,000	\$69,997,000	\$38,000,000	118.76%
Total CIP Small CAP		\$787,616	\$787,616	
Total CIP		\$70,784,616	\$70,784,616	

Additional Matter

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements or abuse that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. We noted no instances of noncompliance during our audit. Please see the report on internal control over financial reporting dated February 27, 2026.

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

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, Section 163.082, Florida Statutes, the Authority did not have any jurisdiction over any PACE programs during the fiscal year under audit.

Purpose of This Section

Section II of this letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, and federal and other granting agencies and to communicate certain matters prescribed by Chapter 10.550, *Rules of the Auditor General*. Accordingly, this section is not suitable for any other purpose.

Jacksonville Aviation Authority

Annual Financial Report Fiscal Year 2025

Fiscal year Ended September 30, 2025
of the Jacksonville Aviation Authority
Jacksonville, Florida.



flyjacksonville.com



JAA
Jacksonville
Aviation
Authority



**JACKSONVILLE AVIATION AUTHORITY
JACKSONVILLE, FLORIDA**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
*FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025***

PREPARED BY:
FINANCE DIVISION

ROSS JONES
CHIEF FINANCIAL OFFICER

JOSE V. LOPEZ
DIRECTOR OF ACCOUNTING

www.flyjacksonville.com

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Introductory

Annual Financial Report
Fiscal Year Ended September 30, 2025



JAA
Jacksonville
Aviation
Authority



February 27, 2026

To the Board of Directors of the Jacksonville Aviation Authority:

We present the Annual Comprehensive Financial Report of the Jacksonville Aviation Authority (the Authority) for the fiscal year ended September 30, 2025. The Finance Department and Plante Moran prepared this report. Responsibility for both the accuracy of the presented data and completeness and fairness of the presentation, including all disclosures, rest with the Authority. To the best of our knowledge and belief, this report fairly presents and fully discloses the Authority's financial position, changes in financial position, and cash flows in accordance with accounting principles generally accepted in the United States of America. Please refer to the Management Discussion and Analysis (MD&A) for additional information of the financial position of the Authority.

Reporting Entity and Its Services

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

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

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

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

Economic Condition and Outlook

Situated in the corner of Northeast Florida, Jacksonville is considered the metropolitan market for over ten Florida and South Georgia counties. The City of Jacksonville is the hub of an array of services that include an international airport, three general aviation airports, a deep-water port, travel and tourism, recreational and sports activities, medical and health, higher education and cultural amenities. With a Metropolitan Statistical Area (MSA) population of over 1.7 million, Jacksonville is on the verge of being classified as a first-tier city. The Jacksonville MSA consists of Baker, Clay, Duval, Nassau, Putnam, and St. Johns Counties.

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

Long-Term Financial Planning

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

In regards to the Authority's long-term debt obligations, the Authority had bank debt of \$323.15 million outstanding as of September 30, 2025. The Authority's bond service coverage ratio was 6.46 for senior debt and 5.18 for both senior and junior debt, which exceeds the required covenants of 1.25 and 1.10, respectively.

Accounting Systems

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

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

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

Budgetary Control

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

Independent Audit

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

Acknowledgements

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

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ross Jones", written in a cursive style.

Ross Jones
Chief Financial Officer

Jacksonville, Florida

Board of Directors

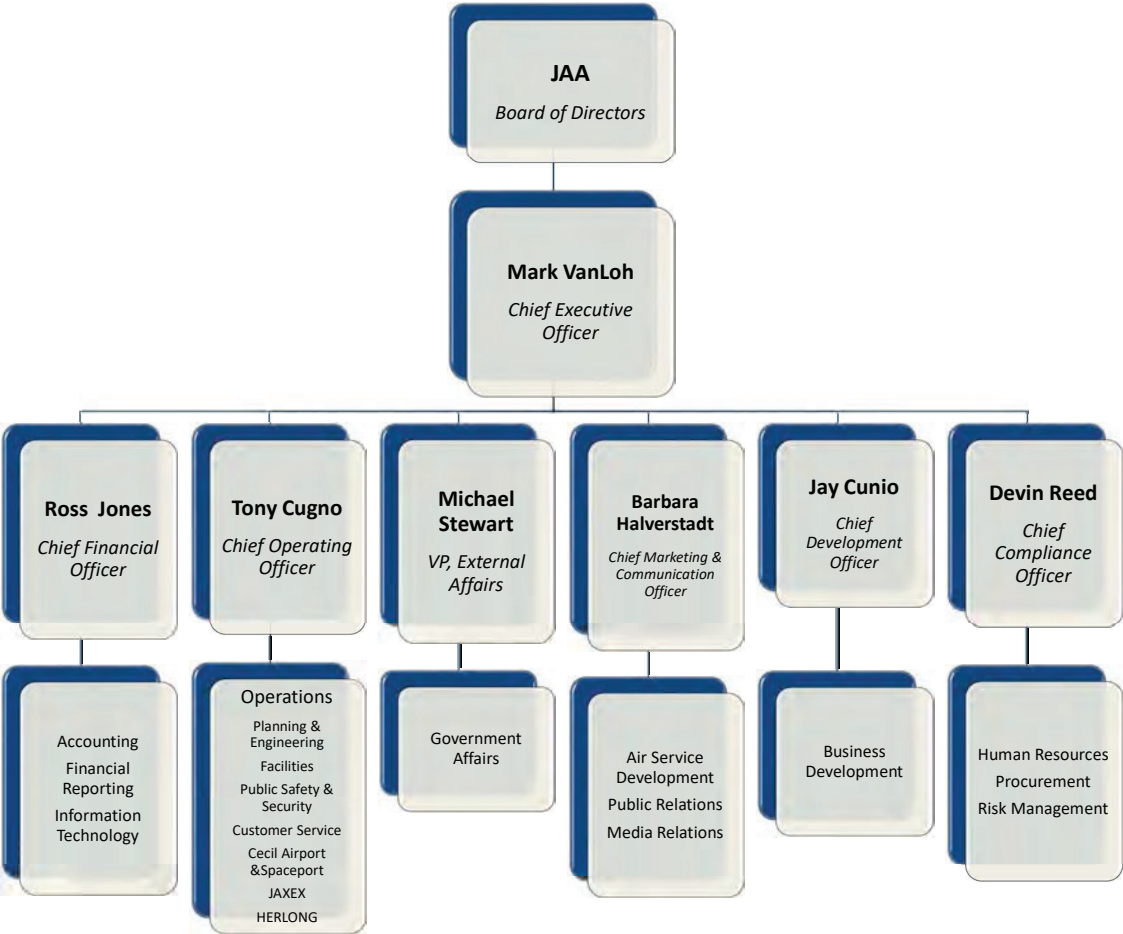
David Hodges.....Chairman
Fernando Acosta-Rua.....Vice Chairman
Dr. Solomon Brotmon.....Treasurer
William Gulliford.....Secretary
Michelle Barnett.....Member
Matt Connell.....Member
Andy Hofheimer.....Member

Senior Staff

Mark VanLoh.....Chief Executive Officer
Tony Cugno.....Chief Operating Officer
Ross Jones.....Chief Financial Officer
Devin Reed.....Chief Compliance Officer
Jay Cunio.....Chief Development Officer
Barbara Halverstadt.....Chief Marketing & Communications Officer

Jacksonville Aviation Authority

Organizational Chart



Independent Auditor's Report

To the Board of Directors
Jacksonville Aviation Authority

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Jacksonville Aviation Authority (the "Authority") as of and for the year ended September 30, 2025 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Jacksonville Aviation Authority as of September 30, 2025 and the changes in its financial position and, where applicable, its 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for 12 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 GAAS 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.

To the Board of Directors
Jacksonville Aviation Authority

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required 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.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

To the Board of Directors
Jacksonville Aviation Authority

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2026 on our consideration of the Jacksonville Aviation Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Jacksonville Aviation Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Jacksonville Aviation Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Plante & Moran, PLLC". The signature is written in a cursive, flowing style.

February 27, 2026

**Jacksonville Aviation Authority
Management's Discussion and Analysis (unaudited)**

Introduction

The following discussion and analysis of the financial performance and activity of the Jacksonville Aviation Authority (the "Authority") is meant to provide an introduction to and understanding of the Authority's basic financial statements for fiscal year ended September 30, 2025. The discussion has been prepared by management, is unaudited, and should be read in conjunction with the financial statements and associated notes thereto, which follow this section.

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

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

The Authority operates an airport system that consists of four airports: Jacksonville International Airport (JIA), Jacksonville Executive at Craig Airport (JAXEX), Herlong Recreational Airport and Cecil Airport. The organization consists of 302 full-time employees in a structure that includes administration, airport management and operations, and police.

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

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

Using the Financial Statements

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

The statement of net position presents the Authority's financial position as of one point in time, September 30, 2025, and includes all assets and deferred outflows of resources, liabilities, and deferred inflows of resources of the Authority. The statement of net position demonstrates that the Authority's assets and deferred outflows of resources equal liabilities and deferred inflows of resources plus net position. Net position represents the residual interest in the Authority's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted. Net position is displayed in three components: invested in capital assets, restricted, and unrestricted.

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

Using the Financial Statements (continued)

The statement of cash flows presents information about how the Authority's cash and cash equivalents position changed during the fiscal year. The statement of cash flows classifies cash receipts and cash payments as resulting from operating activities, financing activities, and investing activities.

Authority's Activity Highlights

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

Passenger enplanements at JIA for the fiscal year ended September 30, 2025 totaled 3.78 million, a decrease of 1.06% from the prior fiscal year. In fiscal year 2024, JIA had enplanements of 3.82 million, an increase of 4.68% from fiscal year 2023.

Landed weight totaled 4.73 million for fiscal year 2025, a decrease of 0.46% from the prior year. In fiscal year 2024, JIA had landed weight of 4.75 million, an increase of 3.96% from fiscal year 2023.

As in 2024, American Airlines and Delta Airlines dominated fiscal year 2025 in enplanements activity and landed weight. Southwest, JetBlue, United, and Breeze comprise the remainder of the signatory airlines providing passenger service at JIA and generated the majority of the enplanements.

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

	2025	2024
Total Passengers	7,573,168	7,647,916
% Increase (decrease)	(0.98)%	4.68%
Enplanements	3,775,113	3,815,726
% Increase (decrease)	(1.06)%	4.69%
Landed Weight	4,726,328	4,748,118
% Increase (decrease)	(0.46)%	3.96%

For fiscal year 2025, JIA's average daily air carrier departures were 88, compared to 86 in 2024.

Financial Highlights

The Authority's assets and deferred outflows exceeded liabilities and deferred inflows of resources for fiscal year 2025 by approximately \$877.10 million, compared to \$780.70 million in fiscal year 2024. Unrestricted net position as of the end of fiscal years 2025 and 2024 was approximately \$297.91 million and \$217.99 million, respectively. The Authority may use these funds for any lawful purpose.

The overall financial position of the Authority has increased as indicated by this fiscal year's increase in total net position. The improvement for fiscal year 2025 is primarily due increased hangar space and terminal rental revenue. Authority reimbursement from business interruption insurance related to the Hourly garage fire increased non-operating income by approximately \$1.3 million.

The Authority's total debt increased by \$76.34 million compared to fiscal year 2024. The increase was attributable to additional borrowings on JAA's line of credit related to construction of Concourse B. The increase was partially offset by a prepayment on JAA's 2024 note related to the construction of the third parking garage. Further details can be found on Note 11. The Authority made normal scheduled debt service payments during fiscal year 2025 and fiscal year 2024 of \$7.60 million and \$12.92 million, respectively.

Operating Revenues

In fiscal year 2025, operating revenues saw an increase of 3.68%. The increase is mainly attributable to an increase in hangar and terminal rentals, offset by the reduction in parking. In fiscal year 2024, operating revenues saw a significant increase of 21.32% over the previous year, driven by hangar space rentals, as well as increases in airline rates and charges.

Operating Expenses

In fiscal year 2025, operating expenses (before depreciation and amortization) increased by 5.32% compared to the previous year. The primary factors driving the rise in costs were wages and benefits and services and supplies. Cost increases were noted mainly due to wage inflation and inflationary pressure in contractual services.

Operating Margin

In fiscal year 2025, the operating margin was 41.77%, approximately 1% lower than fiscal year 2024. FY25 margin performance resulted from increases in hangar space rental income and concession revenue that outpaced increases in activity-based expenditures and inflationary impacts.

Non-operating Revenues

Non-operating revenues in fiscal year 2025 increased by 23.62% compared to 2024. The increase was primarily driven by an increase in CFC revenue of \$2.4 million partially offset by a reduction in payments received from federal and state agencies of \$1.4 million.

Non-operating Expenses

Non-operating expenses increased by 75.46% in fiscal year 2025 compared to 2024. The increase was primarily due to expenses from the Hourly garage fire and higher interest expenses associated with the line of credit for the preliminary financing of the new Concourse B.

Capital Contributions

Capital contributions decreased by 38.80% in fiscal year 2025 as compared to 2024. The main driver for the decrease in 2025 was the 2024 capital contribution from Boeing associated with the Boeing hangar at Cecil.

Summary Statement of Net Position

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

(Dollar amounts in thousands)

	2025	2024	Increase/ (Decrease) from 2024	% Increase/ (Decrease) from 2024
Assets				
Current	\$ 379,832	\$ 297,445	\$ 82,387	27.7%
Noncurrent (restricted/other)	213,257	245,576	(32,319)	(13.2)%
Capital assets, net	837,618	726,386	111,232	15.3%
Total assets	<u>1,430,707</u>	<u>1,269,407</u>	<u>161,300</u>	<u>12.7%</u>
Deferred outflow of resources	<u>5,858</u>	<u>6,872</u>	<u>(1,014)</u>	<u>(14.8)%</u>
Liabilities				
Current	186,753	59,502	127,251	213.9%
Long-term	218,706	268,393	(49,687)	(18.5)%
Total liabilities	<u>405,459</u>	<u>327,895</u>	<u>77,564</u>	<u>23.7%</u>
Deferred inflow of resources	<u>154,000</u>	<u>167,682</u>	<u>(13,682)</u>	<u>(8.2)%</u>
Net Position				
Net investment in capital assets	532,090	515,626	16,464	3.2%
Restricted	47,825	47,089	736	1.6%
Unrestricted	297,191	217,987	79,204	36.3%
Total net position	<u>\$ 877,106</u>	<u>\$ 780,702</u>	<u>\$ 96,404</u>	<u>12.3%</u>
Working Capital				
Current assets	\$ 379,832	\$ 297,445	\$ 82,387	27.7%
Current liabilities	(186,753)	(59,502)	(127,251)	213.9%
Working capital	<u>\$ 193,079</u>	<u>\$ 237,943</u>	<u>\$ (44,864)</u>	<u>(18.9)%</u>
Current ratio	2.03	5.00		

During 2025, total assets increased by 12.7%, deferred outflow of resources decreased by 14.8%, total liabilities increased by 23.7%, and total deferred inflow of resources decreased by 8.2%. Assets increased primarily due to asset construction and annual income. Liabilities increased due to additional line of credit draws, while changes in deferred balances were driven by FRS pension changes and GASB-87 (see Note 5 for more details). These changes resulted in an increase in net position of 12.3%.

Signatory Airline Rates and Charges

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

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

The Agreement with the signatory airlines is hybrid in nature, with a residual rate-making methodology for the airfield and terminal, and a compensatory model for all other cost centers. The Authority also has the ability under the Agreement to adjust airline rates and charges at any time throughout the year to ensure adherence to all financial covenants in its bond resolutions. No such adjustments were made during fiscal years 2025 and 2024.

The rates and charges for the signatory airlines at September 30, 2025 were as follows:

	2025	2024
Landing fees (per 1,000 lbs. MGLW)	\$ 3.58	\$ 3.77
Average terminal rental rate (per square foot)	203.58	180.94
Conditioned space (per square foot)	258.05	229.72
Unconditioned space (per square foot)	90.32	80.40

**Jacksonville Aviation Authority
Management's Discussion and Analysis (unaudited)**

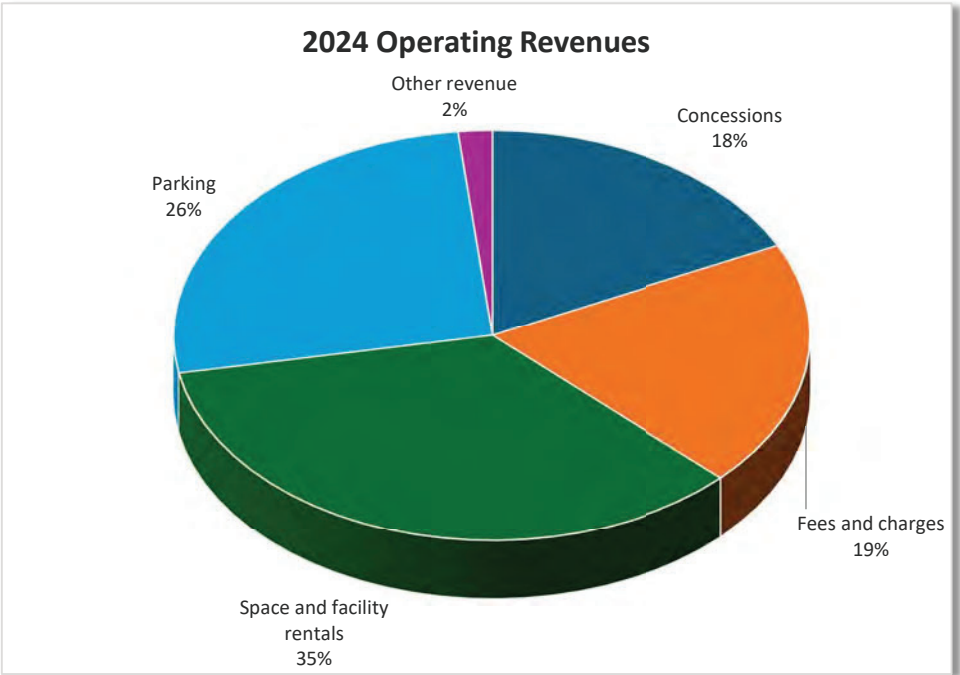
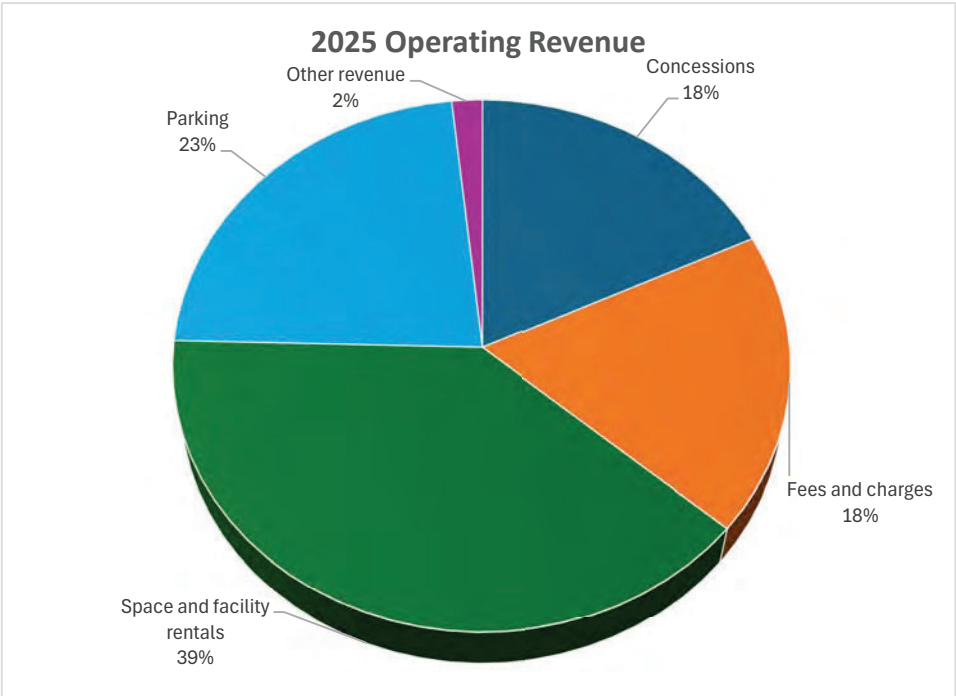
The following charts and tables show the major sources and the percentage of operating revenues and expenses for fiscal years 2025 and 2024:

(Dollar amounts in thousands)

	2025	2024
Operating revenues:		
Concessions	\$ 25,109	\$ 23,972
Fees and charges	25,555	26,170
Space and facility rentals	54,645	46,895
Parking	31,976	35,327
Other revenue	2,380	2,339
Total operating revenues	<u>139,665</u>	<u>134,703</u>
Operating expenses:		
Wage and benefits	37,096	35,050
Services and supplies	22,882	20,797
Repairs and maintenance	11,251	11,789
Promotions, advertising and dues	1,127	964
Registration and travel	591	454
Utilities and taxes	4,684	4,403
Other operating expenses	3,702	3,771
Depreciation and amortization	38,627	35,404
Total operating expenses	<u>119,961</u>	<u>112,632</u>
Operating profit (loss)	<u>19,704</u>	<u>22,071</u>
Nonoperating revenues:		
Passenger facility charges	15,033	15,100
Customer facility charges	9,645	7,196
Investment income (loss)	20,692	20,942
Payments from federal and state agencies	334	1,720
Total nonoperating revenues	<u>45,704</u>	<u>44,958</u>
Nonoperating expenses:		
Interest expense	9,255	7,301
Other expenses (revenues)	(7,125)	(650)
Total nonoperating expenses	<u>2,130</u>	<u>6,651</u>
Income before capital contributions	63,278	60,378
Capital contributions	<u>33,125</u>	<u>54,123</u>
Change in net position	96,404	114,501
Net position, beginning of year	<u>780,702</u>	<u>666,201</u>
Net position, end of year	<u>\$ 877,106</u>	<u>\$ 780,702</u>

Operating Revenues

The chart below breaks down operating revenue by category. Operating revenue increased by 3.68% in fiscal year 2025. Refer to the changes in the net position section of this MD&A for additional information related to operating revenues.

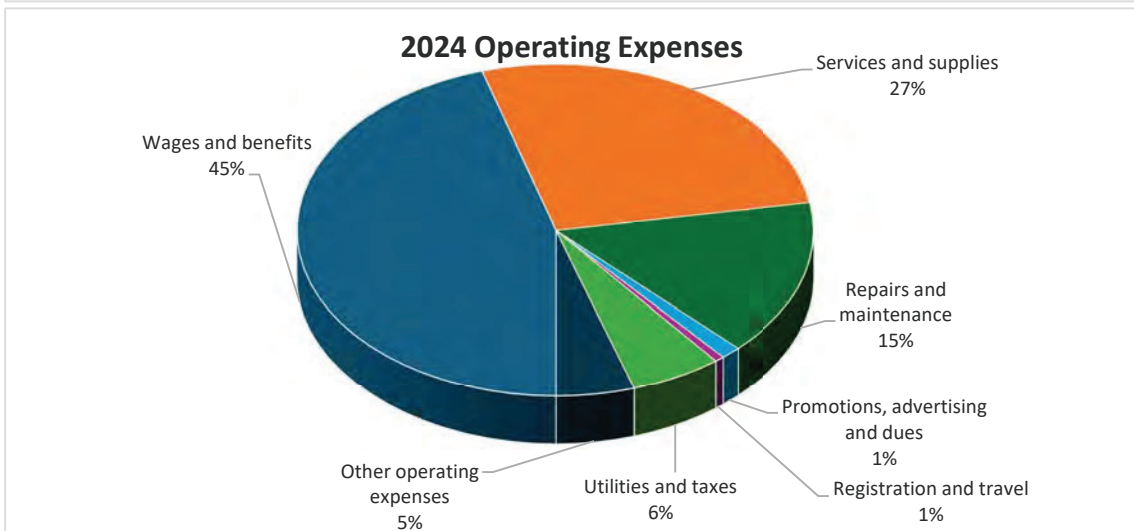
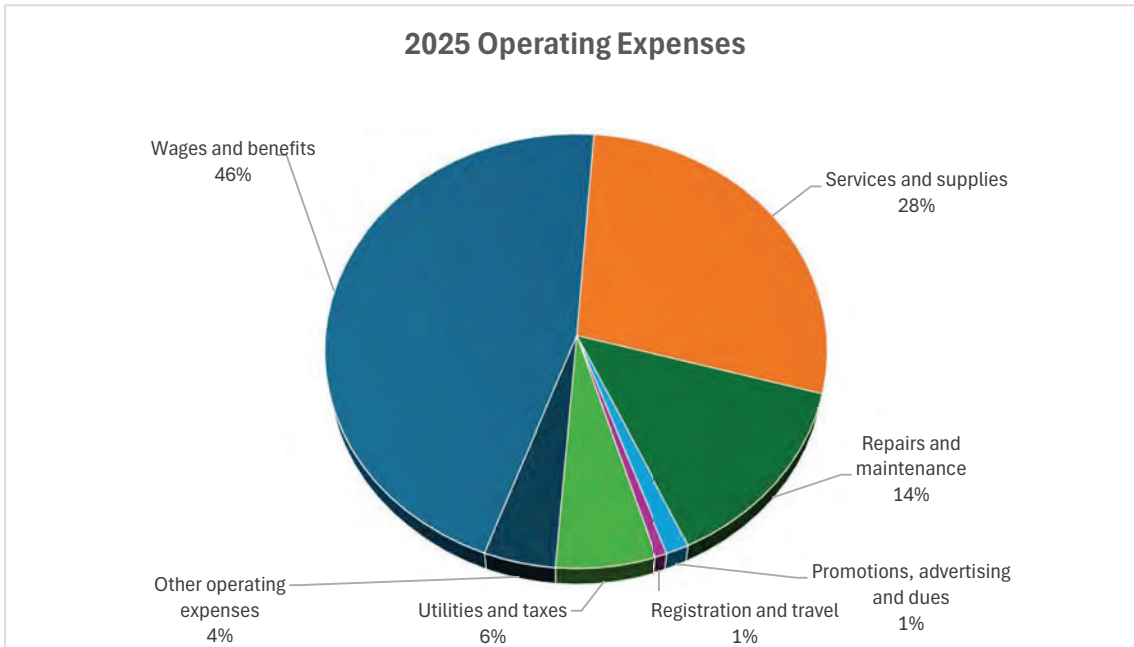


Operating Revenues by Major Classification

	<i>(Dollar amounts in thousands)</i>			
	2025	2024	Increase/ (Decrease) from 2024	% Increase/ (Decrease) from 2024
Concessions	\$ 25,109	\$ 23,972	\$ 1,137	4.74%
Fees and charges	25,555	26,170	(615)	(2.35)%
Space and facility rentals	54,645	46,895	7,750	16.53%
Parking	31,976	35,327	(3,351)	(9.49)%
Other revenue	2,380	2,339	41	1.75%
Total operating revenues	\$ 139,665	\$ 134,703	\$ 4,962	3.68%

Operating Expenses

The chart below breaks down operating expenses by category. Operating expenses, before depreciation and amortization, increased by 5.32% in fiscal year 2025. Refer to the changes in the net position section of this MD&A for additional information related to operating expenses.



Operating Expense by Major Classification

	<i>(Dollar amounts in thousands)</i>			
	2025	2024	Increase/ (Decrease) from 2024	% Increase/ (Decrease) from 2024
Wages and benefits	\$ 37,096	\$ 35,050	\$ 2,046	5.84%
Services and supplies	22,882	20,797	2,085	10.03%
Repairs and maintenance	11,251	11,789	(538)	(4.56)%
Promotions, advertising and dues	1,127	964	163	16.91%
Registration and travel	591	454	137	30.18%
Utilities and taxes	4,684	4,403	281	6.38%
Other operating expenses	3,702	3,771	(69)	(1.83)%
Total operating expenses	\$ 81,333	\$ 77,228	\$ 4,105	5.32%

Debt Activity

In fiscal year 2025, the Authority took additional draws on the Truist line of credit of \$95.0 million. The draws were used to pay for the ongoing construction costs of Concourse B. Additionally, in 2025, the Authority made prepayments of \$11.1 million to paydown the balance on its 2024 TD Bank Revenue note used to help finance the cost of the third parking garage. Normal scheduled debt service payments totaling \$7.6 million were also made during the fiscal year.

Refer to Note 11 for a more detailed explanation of long-term debt activity.

Cash and Investment Management

The Authority's cash and cash equivalents decreased by \$99.63 million in fiscal year 2025 compared to 2024. Unrestricted cash and cash equivalents decreased by \$78.80 million, due to a reclassification from cash to investment. In July of 2025, JAA utilized a money market option within its general banking products, requiring the reclassification. Restricted cash and cash equivalents decreased by \$20.84 million, primarily due to spending of parking garage financing funds and capital spending eligible for use of PFC funds.

Capital Construction

During 2025, the Authority expended approximately \$145.16 million on capital activities. Major projects in 2025 included the continuing construction of the new Concourse B project and the third parking garage at Jacksonville International Airport.

Average monthly capital construction spending was \$12.10 million for fiscal year 2025 and \$7.86 million for fiscal year 2024.

Refer to Note 7 for a more detailed discussion of capital activity.

Economic Factors, and Next Years' Budget

In fiscal year 2025, JIA's passenger traffic declined by 1.1% compared to 2024, following record volumes the previous year. This marks the first decrease since the COVID-19 era. For fiscal 2026 JIA anticipates continuing strength in passenger levels, however enplanements are expected to remain flat compared to fiscal 2025 levels. This projection reflects factors such as general economic strength as well as airline and aircraft capacity.

JIA continues to expand its infrastructure and capacity through construction of new facilities. Over the next twelve months, JIA will complete and open new Concourse B as well as a new parking garage. Concourse B is projected to cost \$340 million and will add six new gates, numerous retail and concessions spaces, and two new airline clubs. The third parking garage will include over 2,000 new general parking spaces and is estimated to cost \$108 million.

In May of 2025, JIA experienced a fire in the South end of its hourly parking garage. The fire caused significant damage and led to the closure of the South portion of the hourly garage. Current estimates indicate a cost of approximately \$38 million to repair and rebuild the damaged portion of the garage. JAA holds property insurance which will cover the majority of the repair cost, as well as replace lost parking revenue. The South hourly garage remains closed, with reopening expected in 2027.

Cecil Airport continues to expand its tenant base and capabilities. In June of 2025, JAA announced a new contract with Otto Aerospace. Otto Aerospace announced its plans to establish a new manufacturing plant and relocate its headquarters to Cecil. Otto plans to produce a line of advanced corporate jets, while investing over \$400 million in capital improvements, eventually creating up to 1,200 jobs by 2040.

JAA has enjoyed record or near record passenger levels over the last three years. Passenger levels and resulting revenue are largely driven by current strong national economics. Management is continuously monitoring the current state of the economy, consumer confidence, and regional and local market trends to properly assess the impact of aviation activity on leisure and business travel. For fiscal year 2026, the Authority expects passenger traffic to remain strong but expectations are flat as compared with fiscal 2025. Management will continue to apply conservative budgetary control measures while promoting growth and expansion.

Contacting the Authority's Financial Management

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

Jacksonville Aviation Authority

Statement of Net Position

September 30, 2025

(Dollar Amounts in Thousands)

Assets

Current assets:

Cash and cash equivalents	\$	119,461
Investments		212,963
Receivables:		
Accounts receivable - Net of allowance of \$173 in 2025		11,233
Interest receivable		1,321
Grants receivable		16,391
Lease receivable - GASB 87		14,818
Note receivable		293
Inventory and other assets		<u>3,352</u>
Total current assets		379,832

Noncurrent assets:

Restricted cash and cash equivalents (Note 6)		69,397
Restricted - PFC and CFC receivable (Note 6)		2,738
Lease receivable - GASB 87 - Net of current portion		139,759
Capital assets:		
Assets not subject to depreciation		248,958
Assets subject to depreciation - Net		588,660
Note receivable - Net of current portion		<u>1,363</u>
Total noncurrent assets		<u>1,050,875</u>

Total assets 1,430,707

Deferred Outflows of Resources - Pension

5,858

Total assets and deferred outflows of resources \$ 1,436,565

Jacksonville Aviation Authority

Statement of Net Position (Continued)

September 30, 2025

(Dollar Amounts in Thousands)

Liabilities

Current liabilities:

Accounts payable	\$ 22,624
Accrued expenses	6,145
Unearned revenue	5,835
Construction contracts and retainage payable	6,692
Other accrued liabilities	13,066
Accrued interest payable	3,524
Notes payable - Current portion	<u>128,867</u>

Total current liabilities 186,753

Long-term liabilities:

Net pension liability	23,887
Net OPEB liability	541
Notes payable - Net of current portion	<u>194,278</u>

Total long-term liabilities 218,706

Total liabilities 405,459

Deferred Inflows of Resources

Pension	5,633
Deferred lease revenue - GASB 87	<u>148,367</u>

Total deferred inflows of resources 154,000

Net Position

Net investment in capital assets 532,090

Restricted:

Capital acquisition and construction	37,053
O&M	7,801
PFC and CFC receivable	2,738
Other	233

Unrestricted 297,191

Total net position 877,106

Total liabilities, deferred inflows of resources, and net position \$ 1,436,565

Jacksonville Aviation Authority

Statement of Revenue, Expenses, and Changes in Net Position

Year Ended September 30, 2025

(Dollar Amounts in Thousands)

Operating Revenue	
Concessions	\$ 25,109
Fees and charges	25,555
Space and facility rentals	54,645
Parking	31,976
Other revenue	2,380
	<hr/>
Total operating revenue	139,665
Operating Expenses	
Wages and benefits	37,096
Services and supplies	22,882
Repairs and maintenance	11,251
Promotions, advertising, and dues	1,127
Registration and travel	591
Other operating expenses	3,702
Utilities and taxes	4,684
	<hr/>
Operating expenses	81,333
Operating Income - Before depreciation	58,332
Depreciation	<hr/>
	38,627
Operating Income	19,705
Nonoperating Revenue (Expense)	
Customer facility charge revenue	9,645
Investment income	15,941
Passenger facility charges	15,033
Federal and state agency grants	334
Interest revenue - GASB 87 (Note 5)	4,751
Interest expense	(9,255)
Nonoperating lease revenue	5,717
Other nonoperating revenue	104
Property insurance claims	4,859
Property damage expenses	(3,555)
	<hr/>
Total nonoperating revenue	43,574
Income - Before capital contributions	63,279
Capital Contributions	<hr/>
	33,125
Change in Net Position	96,404
Net Position - Beginning of year	<hr/>
	780,702
Net Position - End of year	<hr/> <hr/>
	\$ 877,106

Jacksonville Aviation Authority

Statement of Cash Flows

Year Ended September 30, 2025

(Dollar Amounts in Thousands)

Cash Flows from Operating Activities	
Receipts from customers and tenants	\$ 133,442
Payments to suppliers for goods and services	(39,007)
Payments to employees for services	(39,034)
	<hr/>
Net cash and cash equivalents provided by operating activities	55,401
Cash Flows Provided by Noncapital Financing Activities - Federal grants received	334
Cash Flows from Capital and Related Financing Activities	
Proceeds from draw on line of credit	95,000
Contributions in aid of construction	26,875
Passenger facility charges received	16,785
Proceeds from sale of equipment	42
Acquisition and construction of capital assets	(149,776)
Principal and interest paid on capital debt	(28,122)
Customer facility charges received	9,645
Nonoperating lease revenue	5,717
Property insurance claims	4,859
Property damage expenses	(3,555)
	<hr/>
Net cash and cash equivalents used in capital and related financing activities	(22,530)
Cash Flows from Investing Activities	
Interest on investments	20,434
Purchases of investment securities	(153,272)
	<hr/>
Net cash and cash equivalents used in investing activities	(132,838)
Net Decrease in Cash and Cash Equivalents	(99,633)
Cash and Cash Equivalents - Beginning of year	<hr/> 288,491
Cash and Cash Equivalents - End of year	<u><u>\$ 188,858</u></u>
Classification of Cash and Cash Equivalents	
Cash and cash equivalents	\$ 119,461
Restricted cash and cash equivalents	<hr/> 69,397
	<hr/>
Total cash and cash equivalents	<u><u>\$ 188,858</u></u>

Jacksonville Aviation Authority

Statement of Cash Flows (Continued)

Year Ended September 30, 2025

(Dollar Amounts in Thousands)

Reconciliation of Operating Income to Net Cash Provided by Operating Activities

Operating income	\$	19,705
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation expense		38,627
Changes in assets and liabilities:		
Increase in accounts receivable		(6,149)
Decrease in inventory and other assets		(421)
Increase in accrued expenses and other liabilities		664
Increase in accounts payable		5,593
Decrease in net pension liability		(4,718)
Decrease in deferred outflows related to pension		1,015
Increase in deferred inflows related to pension		1,201
Decrease in net OPEB liability		(42)
Decrease in unearned revenue		(74)
Total adjustments		<u>35,696</u>
Net cash and cash equivalents provided by operating activities	\$	<u><u>55,401</u></u>

Significant Noncash Transactions

Other capital contributions	\$	2,503
Capital assets acquired through contracts payable and accruals		6,692
Grants receivable		16,391
Change in fair value of investments		(978)

Notes to Financial Statements

Annual Financial Report
Fiscal Year Ended September 30, 2025

Notes



JAA
Jacksonville
Aviation
Authority

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 1 - Nature of Business

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

The Authority's board of directors consists of seven members, four appointed by the governor of the State of Florida and confirmed by the State Senate and three appointed by the mayor of the City of Jacksonville, Florida (the "City") and confirmed by the City Council. The Authority is not subject to federal, state, or local income or sales taxes.

Note 2 - Significant Accounting Policies

Accounting and Reporting Principles

The Authority follows accounting principles generally accepted in the United States of America (GAAP). Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board (GASB). The accompanying financial statements present the financial activities of the Authority only. The Authority does not have any component units and is not involved in any joint ventures. The following is a summary of the significant accounting policies used by the Authority:

Basis of Presentation

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. The Authority reports as a business-type activity, as defined by the GASB. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

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

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

Revenue from airlines, rental cars, parking, and concessions is reported as operating revenue. Capital and noncapital grants, financing, or investment-related transactions are reported as nonoperating revenue. All expenses related to operating the Authority are reported as operating expenses. Interest expense and financing costs are reported as nonoperating expenses.

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

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 2 - Significant Accounting Policies (Continued)

Revenue Recognition

Revenue recognition policies are as follows:

Airfield Landing Fee Charges

Landing fees are principally generated from scheduled airlines, cargo carriers, and nonscheduled commercial aviation and are based on the landed weight of the aircraft. Revenue is included within fees and charges on the statement of revenue, expenses, and net position. The estimated landing fee structure is determined annually based on the residual cost recovery method, pursuant to the Airline Use and Lease Agreement (the "Agreement") between the Authority and the signatory airlines based on the operating budget of the Authority, and it is adjusted at year end for the actual landed weight of all aircraft. Landing fees are recognized as a component of operating revenue when the related facilities are utilized. See separate note on the Airline Use and Lease Agreement for further details.

Terminal Rents, Concession, and Ground Transportation

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

Federal and State Grants

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

Other

All other types of operating revenue are recognized when earned.

Cash, Cash Equivalents, and Investments

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

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

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 2 - Significant Accounting Policies (Continued)

Accounts Receivable

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

Restricted Assets

Restricted assets consist of moneys and other resources that are legally restricted. Major classes of restricted assets are discussed below.

Restricted for capital acquisition and construction includes the remaining unspent bond proceeds reserved for the remaining construction costs of the Concourse B expansion and terminal garage.

The operations and maintenance (O&M) fund is an asset representing proceeds restricted for paying the next succeeding month of budgeted operations and maintenance expenses.

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

Customer facility charge (CFC) funds are assets representing collections imposed on rental car transactions at Jacksonville International Airport in accordance with authorized agreements and enabling legislation. These funds are restricted for designated rental car-related capital projects and for any debt incurred to finance the construction of those facilities, including consolidated rental car buildings, ready/return areas, and associated infrastructure. The Authority recognizes and reports CFCs as nonoperating revenue when all conditions have been met that entitle the Authority to retain the CFCs, including proper remittance by rental car companies and verification that the charges were assessed in accordance with the approved CFC program.

Capital Assets

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

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

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 2 - Significant Accounting Policies (Continued)

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

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

Inventory

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

Deferred Inflows and Outflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This section represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expenses) until that time. The Authority currently reports deferred outflows related to pensions in this category.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This section represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Authority currently reports deferred inflows related to pensions and GASB 87 lease revenue.

Debt Issuance Costs

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

Compensated Absences

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

Pension Plans

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

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 2 - Significant Accounting Policies (Continued)

Net Position

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

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

Budgeting Requirements

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

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

Leases

The Authority is a lessor for noncancelable leases of airport space and other property to airlines, concessionaires, advertisers, and other third parties. The Authority recognizes a lease receivable and a deferred inflow of resources in the financial statements.

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

Key estimates and judgments include how the Authority determines the lease term, lease receipts, and the discount rate used to discount the expected lease receipts to present value:

The Authority uses its incremental borrowing rate at lease inception as the discount rate for leases.

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 2 - Significant Accounting Policies (Continued)

The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

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

Lease activity is further described in Note 5.

Capital Contributions - Federal and State Grants

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

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

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

Passenger Facility Charges

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

PFC charges at the rate of \$3.00 per enplaned passenger have been levied by the Authority since April 1, 1994 under an FAA-approved application to impose \$12.26 million in PFC fees. Since this first record of decision, the Authority has submitted and received approval to collect \$389.57 million from inception through September 30, 2025. In February 2003, with an earliest charge effective date of May 1, 2003, the FAA approved an amendment to impose and use passenger facility charges at JIA at a new rate of \$4.50. This amendment also permits the Authority to finance certain projects with PFC revenue. Through September 30, 2025, the Authority has collected, including interest earnings, PFCs totaling approximately \$327.46 million. PFCs, along with related interest earnings, are recognized and recorded as nonoperating revenue in the year collected by the air carriers.

The Authority has expended approximately \$303.16 million of PFCs on projects funded on a pay-as-you-go and financing basis.

Customer Facility Charges

The Authority approved the collection of CFCs effective October 1, 2023. For fiscal year 2025, the Authority collected CFCs at the rate of \$4.00 a day for up to five days. CFC collections are used to pay for a portion of the costs and expenses related to the expansion of parking and ground transportation facilities.

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 2 - Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Upcoming Accounting Pronouncements

In April 2024, the Governmental Accounting Standards Board issued Statement No. 103, *Financial Reporting Model Improvements*, which establishes new accounting and financial reporting requirements or modifies existing requirements related to the following: management's discussion and analysis; unusual or infrequent items; presentation of the proprietary fund statement of revenue, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. The provisions of this statement are effective for the Authority's financial statements for the year ending September 30, 2026.

In September 2024, the Governmental Accounting Standards Board issued Statement No. 104, *Disclosure of Certain Capital Assets*, which requires certain types of capital assets, such as lease assets, intangible right-to-use assets, subscription assets, and other intangible assets, to be disclosed separately by major class of underlying asset in the capital assets note. This statement also requires additional disclosures for capital assets held for sale. The provisions of this statement are effective for the Authority's financial statements for the year ending September 30, 2026.

In December 2025, the Governmental Accounting Standards Board issued Statement No. 105, *Subsequent Events*, which establishes new accounting and financial reporting requirements and clarifies existing requirements related to the identification, evaluation, and disclosure of subsequent events occurring after the financial statement date but before the financial statements are available to be issued. The statement refines the definitions of recognized and nonrecognized subsequent events; aligns the subsequent event evaluation period more closely with other U.S. standard setters; and introduces a requirement to disclose the date through which subsequent events have been evaluated, regardless of whether any subsequent events are recognized or disclosed. The provisions of this statement are effective for the Authority's financial statements for the year ending September 30, 2027.

Adoption of New Accounting Pronouncement

During the current year, the Authority adopted GASB Statement No. 101, *Compensated Absences*. As a result, the liability for compensated absences in the statement of net position has been calculated to comply with this new pronouncement. The financial statements for the year ended September 30, 2024 have not been restated due to the insignificant and immaterial impact to both the statements of net position and revenue, expenses, and changes in net position.

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 3 - Deposits and Investments

Deposits and investments are reported in the financial statements as follows:

Cash and cash equivalents	\$ 119,461
Investments	212,963
Restricted cash and investments	<u>69,397</u>
Total deposits and investments	<u>\$ 401,821</u>

Investment balances are as follows:

	<u>Balance</u>	<u>% of Portfolio</u>
Equity	\$ 9,449	4.44 %
Fixed income	<u>203,514</u>	<u>95.56</u>
Total	<u>\$ 212,963</u>	<u>100.00 %</u>

Credit Risk

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

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

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

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 3 - Deposits and Investments (Continued)

The Authority’s fixed-income investments for the fiscal year ended September 30, 2025 are rated by Moody's as follows:

Investment Type	Fair Value	Rating
U.S. Treasury and government agency securities	\$ 167,451	AAA
Corporate bonds and notes	2,541	A
Corporate bonds and notes	3,451	A-
Corporate bonds and notes	2,027	A+
Corporate bonds and notes	2,117	AA-
Corporate bonds and notes	634	AA+
Corporate bonds and notes	12,395	AAA
Corporate bonds and notes	216	A2
Corporate bonds and notes	2,426	BBB
Corporate bonds and notes	2,076	BBB-*
Corporate bonds and notes	2,108	BBB+
Foreign corporate bonds and notes	1,132	A
Foreign corporate bonds and notes	1,070	A-
Foreign corporate bonds and notes	1,303	A+
Foreign corporate bonds and notes	1,759	AA-
Foreign corporate bonds and notes	233	BBB-*
Foreign corporate bonds and notes	230	BBB+
Municipal bonds	88	AA
Municipal bonds	76	AA-
Municipal bonds	90	AA+
Municipal bonds	44	AAA
Municipal bonds	47	AA2
Total	<u>\$ 203,514</u>	

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

Interest Rate Risk

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

At year end, the Authority had the following investments and maturities:

Type of Investment	Less Than 1 Year	1-5 Years	Total
U.S. Treasury and government agency securities	\$ 139,821	\$ 27,631	\$ 167,452
Corporate bonds and notes	1,645	28,346	29,991
Foreign corporate bonds and notes	-	5,726	5,726
Municipal bonds	-	345	345
Total	<u>\$ 141,466</u>	<u>\$ 62,048</u>	<u>\$ 203,514</u>

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 3 - Deposits and Investments (Continued)

Concentration of Credit Risk

JAA Primary Fund (Fixed Income)

Exclusive of restricted funds, the following are the Authority's investment percentage limits within the Primary Fund. The Authority's investment in U.S. Treasury, Government National Mortgage Association, and other U.S. government-guaranteed securities shall not exceed 100 percent of the total investment portfolio. Total investments in United States federal agency or government-sponsored enterprise securities shall each not exceed 75 percent of the total value of the investment portfolio. Maximum exposure to any interest-bearing time deposits, money markets, savings accounts, or intergovernmental pools shall be limited to 50 percent of the total investment portfolio. Investments in repurchase agreements shall not exceed 40 percent of the total investment portfolio. The Authority's investment in commercial paper and corporate bonds and notes shall not exceed 35 percent of the total investment portfolio. Authority investments in supranationals, where the United States is a shareholder and voting member, shall not exceed 25 percent of the total investment portfolio. Maximum exposure to mortgage-backed securities, state and/or local government taxable and/or tax-exempt debt, asset-backed securities, and Florida Local Government Surplus Funds Trust Funds shall not exceed 25 percent of the total investment portfolio. The Authority shall not exceed 20 percent of its portfolio value for fixed-income mutual funds and ETFs and 10 percent for bankers' acceptances.

As of September 30, 2025, all investment holdings of the Authority were in compliance with the JAA Primary Fund investment policy in place as of that date. Investments in any one issuer representing 5 percent or more of the Authority's Primary Fund investments as of September 30, 2025 were as follows: \$23.35 million (34.77 percent) invested in U.S. Treasury Notes and \$7.59 million (11.31 percent) invested in agency securities.

	Unrestricted	Restricted	Fair Value
U.S. Treasury and government agency securities	\$ 31,102	\$ -	\$ 31,102
Corporate bonds and notes	29,991	-	29,991
Foreign corporate bonds and notes	5,726	-	5,726
Municipal bonds	345	-	345
Total	<u>\$ 67,164</u>	<u>\$ -</u>	<u>\$ 67,164</u>

JAA Long-term Investment Portfolio Fund (Fixed Income and Equity)

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

As of September 30, 2025, all investment holdings of the Authority were in compliance with the JAA LTIP Fund investment policy in place as of that date. Investments in any one issuer representing 5 percent or more of the Authority's LTIP fund investments as of September 30, 2025 were as follows: \$0.66 million (6.98 percent) invested in Microsoft Corp common stock and \$0.53 million (5.58 percent) invested in NVIDIA CORP common stock.

	Unrestricted	Restricted	Total
Common stock total	<u>\$ 9,449</u>	<u>\$ -</u>	<u>\$ 9,449</u>

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 3 - Deposits and Investments (Continued)

Fair Value Measurements

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below. The Authority has no investments valued using Level 3 inputs.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Authority’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The Authority has the following recurring fair value measurements as of September 30, 2025:

- Domestic and foreign equity securities of \$9.45 million are valued using Level 1 inputs.
- U.S. Treasury and government agency securities of \$167.45 million are valued using Level 1 and Level 2 inputs.
- Corporate bonds, domestic and foreign, of \$35.72 million and municipal bonds of \$0.34 million are valued using a matrix pricing model (Level 2 inputs).

Note 4 - Receivables

Receivables as of September 30, 2025 for the Authority are recorded net of allowances for uncollectible accounts of \$173 thousand at September 30, 2025. Accounts receivable at year end are composed of the following:

Receivables from	Percent of Balance
Aviation - Other	48.14 %
Airlines	47.18
Concessionaires/Nonaviation	2.66
Parking customers	2.02
Total	100.00 %

The Authority entered into separate operating and lease agreements with various tenants where the following note receivable was issued: February 25, 2005 for \$4.63 million over 25 years at an interest rate ranging from 6 percent to 9 percent. The current rate of interest for 2025 is 9 percent.

	October 1, 2024	Increases	Decreases	September 30, 2025 Balance	Due within One Year
Note receivable	\$ 1,923	\$ -	\$ 267	\$ 1,656	\$ 293

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 5 - Lease Accounting (GASB 87)

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

The Authority leases certain land and buildings, including terminal, office, concession advertisement, and hangar space to various third parties. Lease payments received in exchange for the contracted use of these assets are based on a fixed rental amount paid in intervals outlined within the lease agreement, a variable payment directly related to the business performed with or without a minimal annual guarantee (MAG), or a combination of both fixed and variable payments. Fixed rental amounts, as well as minimum annual guarantee amounts, are reflected within the GASB 87 lease receivable calculation, while variable rental amounts are excluded from the calculation. Variable payments not included in the measurement of the GASB 87 lease receivable are based on a percentage of the lessee's revenue above the minimum annual guarantee.

During the year ended September 30, 2025, the Authority recognized the following related to its lessor agreements:

Lease revenue	\$	18,212
Interest income related to its leases		4,751
Revenue from variable payments not previously included in the measurement of the lease receivable		7,453

JAA's principal ongoing operations consist of leasing assets to other entities. Future principal and interest payment requirements related to the Authority's lease receivable at September 30, 2025 are as follows:

Years Ending	Principal	Interest	Total
2026	\$ 14,818	\$ 4,388	\$ 19,206
2027	15,766	4,015	19,781
2028	15,303	3,480	18,783
2029	14,967	3,036	18,003
2030	14,654	2,608	17,262
2031-2035	43,662	6,335	49,997
2036-2040	2,011	6,399	8,410
2041-2045	2,021	5,082	7,103
2046-2050	2,462	4,745	7,207
2051-Thereafter	28,913	13,670	42,583
Total	\$ 154,577	\$ 53,758	\$ 208,335

Regulated Leases

JAA has numerous leases that fall under the jurisdiction of the Federal Aviation Authority and are considered exempt from GASB 87 consideration. These leases include those with the major signatory airlines: American Airlines Corporation, Breeze Airways, Delta Air Lines Inc., JetBlue Airways Corporation, and Southwest Airlines. JAA leases assets considered to be leasehold improvements to these airlines, including bag makeup areas, baggage service offices, curbside space, hold rooms, operations and management offices, ticket offices, and counter and kiosk space.

JAA also has signatory leases with Federal Express Corporation and United Parcel Services, Inc. where they lease land, buildings, leasehold improvements, and ramp space for their operations.

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 5 - Lease Accounting (GASB 87) (Continued)

JAA also has many leases with companies that perform maintenance, repair, and operation (MRO) activities at its airports. JAA leases ground parcels and hangars, ramp space, and building space to these clients.

During the year ended September 30, 2025, the Authority recognized the following from regulated leases:

Lease revenue	\$ 49,221
Revenue from variable payments excluded from the schedule of expected future minimum payments	26,451

Future expected minimum payments related to the Authority’s regulated leases at September 30, 2025 are as follows:

Years Ending	Principal
2026	\$ 47,209
2027	47,347
2028	25,850
2029	25,190
2030	23,129
2031-2035	114,053
2036-2040	108,283
2041-2045	97,948
2046-2050	59,977
2051-Thereafter	737
Total	<u>\$ 549,723</u>

A significant portion of the total future minimum lease payments for regulated leases come from 10 lessees, broken down as follows:

	Total Future Minimum Lease Payments	Percent of Total
Boeing Company	\$ 349,865	64 %
Signatory Airlines (8 total)	56,735	10
FlightStar Aircraft Services, Inc. (MRO)	50,086	9
Total	<u>\$ 456,686</u>	<u>83 %</u>

Note 6 - Restricted Assets

At September 30, 2025, restricted assets are composed of the following:

Description	Amount
Federal forfeiture	\$ 217
Other	17
CFC Account	12,753
PFC Account	24,299
Restricted O&M Fund	7,801
Restricted PFC and CFC Receivable	2,738
Concourse B Construction Account	11,698
New Garage Construction	12,612
Total	<u>\$ 72,135</u>

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 7 - Capital Assets

Capital asset activity of the Authority was as follows:

	Balance October 1, 2024	Transfers	Additions	Disposals and Adjustments	Balance September 30, 2025
Capital assets not being depreciated:					
Land	\$ 71,143	\$ -	\$ -	\$ -	\$ 71,143
Construction in progress	88,054	(60,329)	145,161	4,929	177,815
Total capital assets not being depreciated	159,197	(60,329)	145,161	4,929	248,958
Capital assets being depreciated:					
Buildings and improvements	786,783	13,596	-	(120)	800,259
Machinery and equipment	43,997	411	-	(443)	43,965
Vehicles	7,823	981	-	(93)	8,711
Furniture and office equipment	3,323	-	-	(350)	2,973
Computer equipment	27,530	915	-	(1,075)	27,370
Land improvements	370,734	44,176	-	(732)	414,178
Intangible assets	3,640	250	-	(470)	3,420
Total capital assets being depreciated	1,243,830	60,329	-	(3,283)	1,300,876
Accumulated depreciation:					
Buildings and improvements	355,043	-	25,459	(79)	380,423
Machinery and equipment	25,643	-	1,988	(284)	27,347
Vehicles	6,159	-	431	(93)	6,497
Furniture and office equipment	3,068	-	59	(319)	2,808
Computer equipment	24,223	-	1,472	(1,075)	24,620
Land improvements	259,280	-	9,008	(732)	267,556
Intangible assets	3,225	-	210	(470)	2,965
Subtotal	676,641	-	38,627	(3,052)	712,216
Net capital assets being depreciated	567,189	60,329	(38,627)	(231)	588,660
Net capital assets	\$ 726,386	\$ -	\$ 106,534	\$ 4,698	\$ 837,618

Depreciation expense for the year ended September 30, 2025 was \$38.6 million.

Construction Commitments

As of September 30, 2025, the Authority has outstanding contractual commitments for completion of certain capital improvement projects totaling \$273.90 million, of which an estimated \$74.52 million is eligible for partial reimbursement from the FAA, State of Florida, and Transportation Security Administration. The remaining amount is expected to be funded from existing PFCs, debt instruments and/or future debt issuance, and authority funds.

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 8 - Pension Plans

Plan Description/Benefits Provided

Florida Retirement System

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

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

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

The FRS provides vesting of benefits after 6 years of creditable service. Members are eligible for normal retirement after they have met one of the following: (1) 6 years of service and age 62, or the age after age 62 that the member becomes vested, or 30 years of service regardless of age (may include 4 years of military), whichever comes first, or (2) 8 years of special risk service and age 55, or 25 total years of special risk services and age 52 (may include 4 years of wartime military service), or 25 total years special risk service, regardless of age, or 30 years of any creditable service, regardless of age (may include 4 years of wartime military service). Early retirement may be taken any time after completing 6 years of service; however, there is a 5 percent benefit reduction for each year prior to normal retirement age. Benefits are computed on the basis of age, average final compensation, and years of service. Average final compensation is the average of the 5 highest fiscal years of earnings. The FRS also provides death and disability benefits. Benefits are established by Florida Statutes.

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

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

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

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 8 - Pension Plans (Continued)

The Retiree Health Insurance Subsidy Program

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing, multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of the State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services, Division of Retirement.

For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement with a minimum HIS payment of \$45 and a maximum HIS benefit of \$225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Funding Policy

Florida Retirement System

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

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

	Special Risks Participants	Deferred Retirement Option Participants	Senior Management Participants	Regular Participants
7/1/2025 - 6/30/2026 - Employer	35.19 %	22.02 %	33.24 %	14.03 %
7/1/2025 - 6/30/2026 - Employee	3.00	-	3.00	3.00
Total	38.19	22.02	36.24	17.03
7/1/2024 - 6/30/2025 - Employer	32.79	21.13	34.52	13.63
7/1/2024 - 6/30/2025 - Employee	3.00	-	3.00	3.00
Total	35.79	21.13	37.52	16.63
7/1/2023 - 6/30/2024 - Employer	32.67	21.13	34.52	13.57
7/1/2023 - 6/30/2024 - Employee	3.00	-	3.00	3.00
Total	35.67 %	21.13 %	37.52 %	16.57 %

Contributions

For the year ended September 30, 2025, employer and employee contributions were \$4,682 and \$790 (thousand), respectively.

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 8 - Pension Plans (Continued)

The Retiree Health Insurance Subsidy Program

The HIS Plan is funded by required contributions from FRS participating employers, as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2025, the contribution rate was 2.00 percent of payroll pursuant to Section 112.363, Florida Statutes. The Authority contributed 100 percent of its statutorily required contributions for the current and preceding three years. The HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. The HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

Net Pension Liability

	Florida Retirement System Pension Plan	The Retiree Health Insurance Subsidy Program
Measurement date used for the Authority's net pension liability	June 30, 2025	June 30, 2025
Based on a comprehensive actuarial valuation as of	July 1, 2025	July 1, 2025

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

Florida Retirement System

At September 30, 2025, the Authority reported a liability of \$16.30 million for its proportionate share of the plan's net pension liability. This year's decrease in pension liability is mainly related to FRS pension investments. The FRS reported \$20.80 billion of investment income in fiscal year 2025, causing a decrease in the net pension liability for all participants. The net pension liability was measured as of July 1, 2025 using an actuarial valuation dated July 1, 2025.

The Authority's proportionate share of the net pension liability was based on the Authority's 2025 fiscal year contributions relative to the 2025 fiscal year contributions of all participating members. At June 30, 2025, the Authority's proportionate share was 0.052535990 percent, an increase of 0.000349544 percent from its proportionate share measured as of June 30, 2024.

For the fiscal year ended September 30, 2025, the Authority recognized pension expense of \$1.09 million related to the plan. In addition, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources summarized in the table below.

The Retiree Health Insurance Subsidy Program

At September 30, 2025, the Authority reported a net pension liability of \$7.58 million for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of July 1, 2025.

The Authority's proportionate share of the net pension liability was based on the Authority's 2025 fiscal year contributions relative to the total 2025 fiscal year contributions of all participating members. At June 30, 2025, the Authority's proportionate share was 0.059154643 percent, an increase of 0.003051234 percent from its proportionate share measured as of June 30, 2024.

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 8 - Pension Plans (Continued)

For the fiscal year ended September 30, 2025, the Authority recognized pension expense of \$1.16 thousand related to the HIS Plan. In addition, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources summarized in the table below.

	Florida Retirement System		The Retiree Health Insurance Subsidy Program	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,742	\$ -	\$ 45	\$ 12
Change of assumption	1,894	-	67	1,834
Net difference between projected and actual earnings on investments	-	2,722	-	6
Changes in proportion and differences between Authority's contributions and proportionate share of contributions	416	727	645	332
Authority's contributions subsequent to the measurement date	903	-	146	-
Total	\$ 4,955	\$ 3,449	\$ 903	\$ 2,184

Florida Retirement System

For the fiscal year ended September 30, 2025, deferred outflows of resources related to pensions totaled \$903 thousand, resulting from authority contributions to the plan subsequent to the measurement date, and will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows in the table below.

The Retiree Health Insurance Subsidy Program

For the fiscal year ended September 30, 2025, deferred outflows of resources related to pensions totaled \$146 thousand, resulting from authority contributions to the HIS Plan subsequent to the measurement date, and will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows in the table below.

Years Ending September 30	Florida Retirement System	The Retiree Health Insurance Subsidy Program
	Deferred (Inflows) Outflows - Net	Deferred Inflows - Net
2026	\$ 2,325	\$ (410)
2027	(409)	(379)
2028	(750)	(270)
2029	(563)	(233)
2030	-	(135)
Total	\$ 603	\$ (1,427)

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 8 - Pension Plans (Continued)

Actuarial Assumptions

Florida Retirement System

The total pension liability in the July 1, 2025 actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Mortality rates were based on the Pub-2010-based table, generational mortality using gender-specific MP-2021 mortality improvement projection scale.

The actuarial assumptions that determined the total pension liability as of June 30, 2025 were based on the results of an actuarial experience study for the period from July 1, 2018 through June 30, 2023.

The long-term expected rate of return on pension plan investments was based on assumptions developed by Milliman’s capital market assumptions team and by a capital market assumptions team from Aon Hewitt Investment Consulting, which consults to the Florida State Board of Administration. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. The allocation policy’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on forward-looking capital market economic model.

The Retiree Health Insurance Subsidy Program

The total pension liability in the July 1, 2025 valuation for the HIS Plan was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2021.

The actuarial assumptions used in the July 1, 2025 valuation for HIS was based on the results of the actuarial experience study for the period from July 1, 2018 through June 30, 2023.

	<u>Florida Retirement System Pension Plan</u>	<u>The Retiree Health Insurance Subsidy Program</u>
Inflation	2.40%	2.40%
Salary increases (including inflation)	3.50%	3.50%
Investment rate of return (net of investment expenses)	6.70%	5.20%
Mortality rates	Pub-2010 base table varies by member category and sex, projected generationally with Scale MP-2021	Pub-2010 base table varies by member category and sex, projected generationally with Scale MP-2021

Discount Rate

Florida Retirement System

The discount rate used to measure the total pension liability was 6.70 percent for 2025. The plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 8 - Pension Plans (Continued)

The FRS Actuarial Assumption Conference is responsible for setting the assumptions used in the valuations of the defined benefit pension plans pursuant to Section 216.136(10), Florida Statutes. The 6.70 percent rate of return assumption used in the June 30, 2025 calculations was determined by the plan’s consulting actuary to be reasonable and appropriate per Actuarial Standard of Practice No. 27 (ASOP 27) for accounting purposes, which differs from the rate used for funding purposes, which is used to establish the contribution rates for the plan.

The Retiree Health Insurance Subsidy Program

The discount rate used to measure the total pension liability relating to the HIS Plan was 5.20 percent for 2025. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

	Florida Retirement System Pension Plan	The Retiree Health Insurance Subsidy Program
Assumed investment rate of return	6.70%	5.20%
Are contributions expected to be sufficient to allow fiduciary net position to pay future benefits?	Yes	Yes
Discount rate used to measure total pension liability	6.70%	5.20%

The long-term expected rate of return on pension plan investments was based on assumptions developed by Milliman’s capital market assumptions team and by a capital market assumptions team from Aon Hewitt Investment Consulting, which consults to the Florida State Board of Administration. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. The allocation policy’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on forward-looking capital market economic model.

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 8 - Pension Plans (Continued)

Note that the table below represents the allocation for both the FRS and HIS plans as of July 1, 2025.

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00 %	3.20 %	3.20 %	1.10 %
Fixed income	29.00	5.50	5.40	4.00
Global equity	45.00	8.50	6.90	18.30
Real estate (property)	12.00	8.40	7.10	16.80
Private equity	11.00	12.40	8.80	28.40
Strategic investments	2.00	6.50	6.10	8.70
Total	100.00 %			

Assumed Inflation - Mean 2.4 percent (Compounded Annual) 1.5 percent (Standard Deviation)

As outlined in the FRS Pension Plan's investment policy.

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

Florida Retirement System

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 6.70 percent for 2025, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

The Retiree Health Insurance Subsidy Program

The following presents the Authority's proportionate share of the net pension liability for the HIS Plan, calculated using the 2025 discount rate of 5.20 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

Florida Retirement System Pension Plan			The Retiree Health Insurance Subsidy Program		
1 Percentage Point Decrease (5.70%)	Current Discount Rate (6.70%)	1 Percentage Point Increase (7.70%)	1 Percentage Point Decrease (4.20%)	Current Discount Rate (5.20%)	1 Percentage Point Increase (6.20%)

Authority's proportionate share of the net pension liability	\$ 31,997,552	\$ 16,304,613	\$ 3,147,880	\$ 8,550,053	\$ 7,582,113	\$ 6,770,319
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Florida Retirement System

Detailed information about the plan's fiduciary net position is available in the separately issued FRS Pension Plan and other state administered systems Annual Comprehensive Financial Report.

The Retiree Health Insurance Subsidy Program

Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and other state administered systems Annual Comprehensive Financial Report.

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 8 - Pension Plans (Continued)

FRS - Defined Contribution Pension Plan

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Authority employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. The costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of plan members.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2025, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Authority.

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

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 9 - Deferred Compensation Plans

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

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

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

Note 10 - Other Postemployment Benefit Plan

Plan Description

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

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

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

The Authority is required to value its postretirement health and other benefits biennially. The September 30, 2025 total OPEB liability was determined by an actuarial valuation date for the fiscal year ended September 30, 2024, which used update procedures to roll forward the estimated liability to the September 30, 2025 measurement date. The valuation incorporated 318 active and retired employees, reflecting the sum of 286 active employees and 32 retirees, currently receiving benefits. Due to the small amounts involved, vision benefits are not included in the valuation. Life insurance benefits are provided on a fully insured basis and are provided by unsubsidized retiree contributions. As such, life insurance benefits are not included in the valuation.

Funding Policy

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

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 10 - Other Postemployment Benefit Plan (Continued)

OPEB Expense

OPEB expense recognized by the Authority for the fiscal year ended September 30, 2025 was a credit to expense of \$42 thousand. This negative expense was driven by a change in actuarial assumption reducing the Authority’s OPEB liability.

The deferred outflows and inflows associated with the OPEB liability are not considered significant to the Authority. Accordingly, there are no recorded deferred outflows and inflows. The following table shows the changes in total OPEB liability by source as of September 30, 2025:

Changes in Net OPEB Liability	Increase (Decrease)	
	Total OPEB Liability	Plan Net Position
Balance at October 1, 2024	\$ 583	\$ -
Changes for the year:		
Service cost	17	-
Interest	25	-
Changes in assumptions	(16)	-
Benefit payments	(68)	-
Net changes	(42)	-
Balance at September 30, 2025	\$ 541	\$ -

Actuarial Assumptions

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

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

The September 30, 2025 costs and liabilities were determined using the following assumptions: (1) discount rate of 4.47 percent per annum, compounded annually, which was changed from the previous year discount rate of 3.97 percent per annum, compounded annually; (2) preretirement mortality rates and postretirement mortality rates were based on the Pub-2010 Healthy Male and Female tables with scale; (3) assumptions regarding withdrawal rates, retirement rates, disability, marriage assumptions, participation levels, and retiree claim costs can be found in the detailed actuarial valuation report; (4) assumed medical care cost trend rates of 7.50 percent for fiscal year 2025, and future years are estimated by adjusting the starting claim costs by an assumed ongoing cost trend grading down by 0.25 percent per year, resulting in an ultimate rate of 5.00 percent by fiscal year 2027; (5) as the plan is unfunded, no assumptions have been made regarding investment returns; (6) the plan is not related to salaries, and, therefore, no assumptions have been made regarding projected salary increases.

The selected discount rate of 4.47 percent is based on the prescribed discount interest rate methodology under GASB Nos. 74 and 75 based on an average of two 20-year bond indices (e.g., S&P Municipal Bond 20 Year High Grade Rate Index and Fidelity GA AA 20 Years) as of September 30, 2025 (most current quarter available) and rounded to the nearest 0.01 percent.

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 10 - Other Postemployment Benefit Plan (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Authority, calculated using the discount rate of 4.47 percent, as well as what the Authority's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (3.47%)	Current Discount Rate (4.47%)	1 Percentage Point Increase (5.47%)
Net OPEB liability of the OPEB	\$ 570	\$ 541	\$ 512

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

The following presents the net OPEB liability of the Authority, calculated using the health care cost trend rate of 7.50 percent, as well as what the Authority's net OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.50%)	Current Health Care Cost Trend Rate (7.50%)	1 Percentage Point Increase (8.50%)
Net OPEB liability of the OPEB	\$ 492	\$ 541	\$ 598

Note 11 - Long-term Debt

All authority bonds were issued under the Airport Improvement Revenue Bond Resolution adopted by the board of directors of the Authority on July 30, 1987, and a 10th Supplemental Resolution was adopted on September 27, 2021. The Authority currently has \$323 million in outstanding debt. The debt is made up of the following: a Series 2021 Revenue Refunding note, a privately place bond executed in 2021, a line of credit taken out in 2023, and a Series 2024 Revenue Bond.

All financing agreements for debt of the Authority issued under the Bond Resolution contain a provision that an event of default will be deemed to have occurred thereunder if an event of default under the Bond Resolution occurs and is continuing. Significant events of default under the Bond Resolution include: (1) failure to pay principal of, premium or any installment of interest on any bond or payment obligation when the same becomes due and payable; (2) the occurrence of any event of default under any supplement to the Bond Resolution; (3) the occurrence of certain bankruptcy or insolvency events; or (4) default in the due and punctual performance of any other of the covenants, conditions, agreements, and provisions contained in the Bond Resolution or in any of the bonds on the part of the Authority to be performed, and such default continues for 30 days after written notice specifying such default and requiring the same to be remedied has been given to the Authority by the registered owners of not less than 10 percent in aggregate principal amount of any series of bonds then outstanding.

Upon occurrence of an event of default, the Bond Resolution provides that owners of not less than 25 percent in aggregate principal amount of any series of bonds then outstanding may appoint a paying agent and, upon written request of such owners, the paying agent will be entitled to sue for, enforce payment of, and receive any and all amounts then due, or becoming due for the principal of, premium, if any, or interest on the bonds or otherwise becoming due under any provisions of the Bond Resolution, with interest on overdue payments, to the extent permitted by law. The Bond Resolution expressly provides that neither the paying agent nor any holder of any bonds have any right to acceleration.

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 11 - Long-term Debt (Continued)

Long-term debt activity for the year ended September 30, 2025 can be summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds payable - Direct borrowings and direct placements:					
2016 Revenue Refunding Note	\$ 210	\$ -	\$ (210)	\$ -	\$ -
2021 Revenue Refunding Note	19,061	-	(3,737)	15,324	3,774
2021 Revenue Note for Boeing Hangar construction at Cecil Airport	156,065	-	(3,655)	152,410	3,765
Concourse B line of credit	26,327	95,000	-	121,327	121,328
2024 Revenue Bond (Garage)	45,145	-	(11,061)	34,084	-
Total long-term debt	\$ 246,808	\$ 95,000	\$ (18,663)	\$ 323,145	\$ 128,867

2021 Revenue Refunding Note

On May 4, 2021, the Authority issued a revenue refunding bank note in the amount of \$27.2 million. The note was placed with Trustmark Bank and has a stated interest rate of 0.99 percent. The net proceeds of these bonds were used to immediately and fully refund \$27.1 million in an outstanding bank note, 2012 TD Bank. The refunded note had a stated interest rate of 1.87 percent. The refunding was undertaken to refinance a bullet maturity in the 2012 TD Bank note and to obtain interest rate savings over the seven-year life of the new note.

2021 Revenue Note for Boeing Hangar Construction at Cecil Airport

On October 20, 2021, the Authority closed on additional financing with JPMorgan in the amount of \$156.1 million. The funds were used to construct a large aircraft maintenance facility at Cecil Airport for one of the Authority's existing customers, Boeing. This financing was issued as JAA Revenue Bonds, Series 2021 and was privately placed by JPMorgan as the placement agent. The bonds have a 30-year term at a fixed interest rate of 2.96 percent.

Concourse B Line of Credit

On October 27, 2022, the Authority closed on new financing in the form of a two-year variable line of credit with Trust Bank in the amount of up to \$200 million. On June 7, 2024, the Authority extended maturity out 18 months to April 27, 2026. The funds were used for the initial construction costs of Concourse B at Jacksonville International Airport. This variable line of credit utilizes a rate of 79 percent of SOFR (Secured Overnight Financing Rate), plus 37 basis points. As of September 30, 2025, the Authority has drawn \$121.3 million on the line of credit.

2024 Revenue Bond (Garage)

On August 1, 2024, the Authority closed a \$45.15 million fixed-rate direct placement financing with TD Bank to fund the construction of a third parking garage at Jacksonville International Airport, connected to the existing Daily Garage. Issued as JAA Revenue Bonds, Series 2024, the financing features a two-year interest-only period during construction, with principal repayments structured for level annual debt service. The bond has a 15-year term and a fixed interest rate of 3.879 percent.

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 11 - Long-term Debt (Continued)

Debt Service Requirements to Maturity

Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

Years Ending September 30	Direct Borrowings and Direct Placements		Total
	Principal	Interest	
2026	\$ 128,867	\$ 6,396	\$ 135,263
2027	10,422	6,247	16,669
2028	10,680	5,721	16,401
2029	10,948	5,721	16,669
2030	7,295	5,466	12,761
Thereafter	154,933	56,471	211,404
Total	\$ 323,145	\$ 86,022	\$ 409,167

Unused Line of Credit

The Authority has an unused line of credit in the amount of \$79 million as of September 30, 2025.

Note 12 - Airline Use and Lease Agreements

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

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

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

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

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

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 12 - Airline Use and Lease Agreements (Continued)

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

Note 13 - Airport Tenant Agreements

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

The signatory airline agreements include an annual guaranteed revenue transfer of \$11.28 million. In addition, an airline rate base budget to actual true-up calculation occurs at the end of each year. Signatory airlines are entitled to a payout for a positive variance or required to make payment on a negative variance. The signatory airline agreements are renegotiated at the end of their term. The current agreement expires in two years on September 30, 2027.

Note 14 - Capital Contributions

The Authority receives, on a reimbursement basis, grants from the State of Florida and the U.S. government for certain capital construction projects through the Airport Improvement Program and Aviation Development Project. As a recipient of state and federal financial assistance, the Authority is responsible for maintaining an internal control structure that ensures compliance with all laws and regulations related to these programs. These programs are subject to federal and state audit. Total federal and state grant capital contributions were \$30.6 million for the year ended. Total other contributions were \$2.5 million for the year ended September 30, 2025. Other contributions were made up of a capital contribution from Boeing on their hangar at Cecil Airport.

The Authority received federal and state grants for the capital programs for the year ended September 30, 2025, as summarized in the table below:

State grants for construction	\$	18,296
Federal grants for construction		12,325
Other contributions for construction		2,504
Total	\$	33,125

The Authority receives federal and state grants in support of its capital construction program. The federal program provides funding for airport development, airport planning, and other eligible programs for the Airport and Airway Trust Funds in the form of entitlement and discretionary grants for eligible projects. The State also provided discretionary funds for capital programs. Funds approval and payment are contingent upon annual legislative appropriation. Other contributions relate to donations from Boeing for the construction of a Boeing Hangar on airport property and two donated capital assets, which reverted back to the airport when the tenants no longer occupied the space.

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

September 30, 2025

(Dollar Amounts in Thousands Unless Otherwise Noted)

Note 15 - Operating Grants

The Authority received TSA funds in addition to COVID-19 funding for operating programs for the year ended September 30, 2025, as summarized in the table below:

TSA K-9 and federal programs	\$	325
State government		<u>9</u>
Total	\$	<u><u>334</u></u>

The TSA K-9 program funds are awarded based on expenses for training, caring for, and working with explosive device detection dogs. The other federal operating funding relates to Federal Emergency Management Agency (FEMA) grant awards related to Hurricane Helene, Hurricane Milton, and Hurricane Idalia disaster recovery efforts.

Grants for operating programs for the year ended September 30, 2025 are reported in the statement of revenue, expenses, and changes in net position as nonoperating revenue.

Note 16 - Related Party Transactions

During fiscal year 2025, the Authority paid approximately \$7 million to the City for expenses relating to legal, insurance, firefighting, and miscellaneous services.

Note 17 - Risk Management

The Authority is exposed to various risks of loss related to property loss, torts, errors and omissions, employee injuries (workers' compensation), and natural disasters. The Authority participates in the City's experience-rated self-insurance plan, which provides for auto liability, comprehensive general liability, and workers' compensation coverage. The Authority's expense is the premium charge by the City's self-insurance plan. The City has excess coverage for individual workers' compensation claims above \$1.50 million.

Liability for claims incurred is the responsibility of, and is recorded in, the City's self-insurance plan. The premiums are calculated on a retrospective or prospective basis depending on the claims experience of the Authority and other participants in the City's self-insurance programs. The Authority's workers' compensation expense is the premium charged by the City's self-insurance plan. Premium expense in 2025 amounted to \$174 thousand.

The Authority's property insurance premium expenses amounted to \$1.83 million for the year ended September 30, 2025. The Authority is also a participant in the City's general liability insurance program. General liability insurance premium expense amounted to \$131 thousand for the year ended September 30, 2025.

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

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

Required Supplementary Information

Jacksonville Aviation Authority

Required Supplementary Information
Schedule of Changes in the Authority's Total OPEB Liability

Last Eight Fiscal Years
(Dollar Amounts in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	\$ 17	\$ 18	\$ 23	\$ 23	\$ 15	\$ 15	\$ 75	\$ 59
Interest	25	29	37	54	29	31	95	91
Changes in assumptions	(16)	(140)	(9)	(346)	(2)	(1,856)	715	(37)
Benefit payments, including refunds	(68)	(92)	(115)	(149)	(144)	(145)	(38)	-
Net Change in Total OPEB Liability	(42)	(185)	(64)	(418)	(102)	(1,955)	847	113
Total OPEB Liability - Beginning of year	583	768	832	1,250	1,352	3,307	2,460	2,347
Total OPEB Liability - End of year	<u>\$ 541</u>	<u>\$ 583</u>	<u>\$ 768</u>	<u>\$ 832</u>	<u>\$ 1,250</u>	<u>\$ 1,352</u>	<u>\$ 3,307</u>	<u>\$ 2,460</u>
Covered-employee Payroll	\$ 22,658	\$ 22,658	\$ 19,109	\$ 20,000	\$ 19,317	\$ 19,433	\$ 21,285	\$ 18,001
Total OPEB Liability as a Percentage of Covered-employee Payroll	2.39 %	2.57 %	4.02 %	4.16 %	6.47 %	6.96 %	15.54 %	13.67 %

*The amounts presented were determined as of September 30. The schedule is presented to illustrate the requirements of GASB 75. Currently, only data for fiscal years ended September 30, 2018-2025 is available.

Jacksonville Aviation Authority

Required Supplementary Information
 Schedule of the Authority's Proportionate Share of the Net Pension Liability
 Florida Retirement System Pension Plan

Last Ten Plan Years
For the Plan Years Ended June 30
(Dollar Amounts in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Authority's proportion of the FRS net pension liability	0.05254 %	0.05219 %	0.05347 %	0.05315 %	0.04929 %	0.06162 %	0.06296 %	0.05922 %	0.06045 %	0.05597 %
Authority's proportionate share of the FRS net pension liability	\$ 16,305	\$ 20,188	\$ 21,304	\$ 19,774	\$ 3,723	\$ 26,709	\$ 21,684	\$ 17,839	\$ 17,880	\$ 14,132
Authority's covered payroll	\$ 17,158	\$ 16,760	\$ 16,127	\$ 16,226	\$ 13,989	\$ 16,542	\$ 16,412	\$ 15,287	\$ 14,753	\$ 13,614
Authority's proportionate share of the FRS net pension liability as a percentage of its covered payroll	95.03 %	120.45 %	132.10 %	121.87 %	26.61 %	161.46 %	132.12 %	116.69 %	121.20 %	103.80 %
FRS fiduciary net position as a percentage of total pension liability	87.00 %	81.00 %	82.00 %	83.00 %	96.00 %	79.00 %	83.00 %	84.00 %	83.00 %	84.00 %

Note: The amounts presented for each fiscal year were determined as of June 30. The schedule is presented to illustrate the requirements of GASB Statement No. 68.

Jacksonville Aviation Authority

Required Supplementary Information
Schedule of the Authority's Contributions
Florida Retirement System Pension Plan

Last Ten Plan Years
Years Ended June 30
(Dollar Amounts in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required FRS contribution	\$ 3,125	\$ 3,047	\$ 2,681	\$ 2,399	\$ 1,912	\$ 2,099	\$ 2,124	\$ 1,852	\$ 1,698	\$ 1,553
FRS contributions in relation to the contractually required contribution	3,125	3,047	2,681	2,399	1,912	2,099	2,124	1,852	1,698	1,553
FRS Contribution Excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's Covered Payroll	\$ 17,158	\$ 16,760	\$ 16,127	\$ 16,226	\$ 13,989	\$ 15,765	\$ 16,825	\$ 15,287	\$ 14,753	\$ 13,614
FRS Contributions as a Percentage of Covered Payroll	18.21 %	18.18 %	16.62 %	14.78 %	13.67 %	13.31 %	12.62 %	12.11 %	11.51 %	11.41 %

Note: The amounts presented for each fiscal year were determined as of September 30. The schedule is presented to illustrate the requirements of GASB Statement No. 68.

Jacksonville Aviation Authority

Required Supplementary Information
 Schedule of the Authority's Proportionate Share of the Net Pension Liability
 Health Insurance Subsidy Pension Plan

	Last Ten Plan Years									
	For the Plan Years Ended June 30									
	(Dollar Amounts in Thousands)									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Authority's proportion of the HIS net pension liability	0.05915 %	0.05610 %	0.05665 %	0.05561 %	0.51895 %	0.62761 %	0.06311 %	0.05944 %	0.06030 %	0.55437 %
Authority's proportionate share of the HIS net pension liability	\$ 7,582	\$ 8,416	\$ 8,997	\$ 5,890	\$ 6,366	\$ 7,663	\$ 7,061	\$ 6,291	\$ 6,448	\$ 6,460
Authority's covered payroll	\$ 26,966	\$ 24,500	\$ 22,642	\$ 21,842	\$ 18,543	\$ 21,778	\$ 21,114	\$ 19,600	\$ 18,807	\$ 17,578
Authority's proportionate share of the HIS net pension liability as a percentage of its covered payroll	28.12 %	34.35 %	39.74 %	26.97 %	34.33 %	35.19 %	33.44 %	32.10 %	34.29 %	36.75 %
HIS Plan fiduciary net position as a percentage of total pension liability	6.36 %	4.35 %	4.12 %	4.81 %	3.56 %	3.00 %	2.63 %	1.65 %	1.65 %	1.64 %

Note: The amounts presented for each fiscal year were determined as of June 30. The schedule is presented to illustrate the requirements of GASB Statement No. 68.

Jacksonville Aviation Authority

Required Supplementary Information
Schedule of the Authority's Contributions
Health Insurance Subsidy Pension Plan

Last Ten Fiscal Years
Years Ended June 30
(Dollar Amounts in Thousands)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required HIS contribution	\$ 1,557	\$ 1,202	\$ 909	\$ 699	\$ 305	\$ 439	\$ 444	\$ 387	\$ 355	\$ 325
HIS contributions in relation to the contractually required contribution	1,557	1,202	909	699	305	439	444	387	355	325
HIS Contribution Excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's Covered Payroll	\$ 26,966	\$ 24,500	\$ 22,642	\$ 21,842	\$ 18,543	\$ 20,853	\$ 21,517	\$ 18,807	\$ 18,807	\$ 12,692
HIS Contributions as a Percentage of Covered Payroll	5.77 %	4.91 %	4.01 %	3.20 %	1.64 %	2.11 %	2.06 %	2.06 %	1.89 %	2.56 %

Note: The amounts presented for each fiscal year were determined as of September 30. The schedule is presented to illustrate the requirements of GASB Statement No. 68.

Statistical

Annual Financial Report
Fiscal Year Ended September 30, 2025



Statistical



Jacksonville Aviation Authority

Objectives of the Statistical Section Information

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

Statistical information is presented in the following five categories:

1. Financial Trend Information

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

2. Revenue Capacity Information

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

3. Debt Capacity Information

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

4. Demographic and Economic Information

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

5. Operating Information

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

Jacksonville Aviation Authority

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

	2025	2024	2023	2022	2021
Cash flows from operating activities	\$ 55,403	\$ 58,995	\$ 34,745	\$ 39,124	\$ 26,089
Cash flows from non-capital financing activities	334	2,322	10,128	27,976	7,704
Cash flows from capital and related financing activities	(22,530)	(18,638)	(71,628)	61,417	(13,051)
Cash flows from investing activities	(132,840)	16,331	10,093	3,206	(4,551)
Net change in cash and cash equivalents	(99,633)	59,010	(16,662)	131,723	16,191
Cash and equivalents, beginning of year	288,491	229,481	246,142	114,418	98,227
Cash and equivalents, end of year	188,858	288,491	229,480	246,141	114,418
Noncash investing, capital and financing activities					
Change in fair value of investments	\$ (978)	\$ (2,723)	\$ 881	\$ (3,808)	\$ (612)
Capitalized Interest	\$ -	\$ -	\$ -	\$ -	\$ -
Capital assets acquired through contracts payable and accruals	\$ 6,692	\$ 9,113	\$ 6,230	\$ 2,230	\$ 844
Other capital contributions	\$ 2,503	\$ 7,825			
Grants receivable	\$ 16,391	\$ 12,645	\$ 1,888	\$ 2,431	\$ 3,165

Source: Jacksonville Aviation Authority financial statements

Jacksonville Aviation Authority

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

	2020	2019	2018	2017	2016
Cash flows from operating activities	\$ 6,380	\$ 40,124	\$ 28,720	\$ 34,177	\$ 26,018
Cash flows from non-capital financing activities	12,073	198	135	269	202
Cash flows from capital and related financing activities	(8,505)	(25,008)	(9,303)	(25,006)	(38,354)
Cash flows from investing activities	1,306	2,063	4,471	(12,296)	8,617
Net change in cash and cash equivalents	11,254	17,377	24,023	(2,856)	(3,517)
Cash and equivalents, beginning of year	86,973	69,596	45,573	48,429	51,945
Cash and equivalents, end of year	98,227	86,973	69,596	45,573	48,429
Noncash investing, capital and financing activities					
Change in fair value of investments	\$ 546	\$ 1,240	\$ (680)	\$ (282)	\$ 468
Capitalized Interest	\$ -	\$ -	\$ 165	\$ 164	\$ (763)
Capital assets acquired through contracts payable and accruals	\$ 578	\$ 1,058	\$ 1,491	\$ 420	\$ 2,250
Grants receivable	\$ 1,099	\$ 1,731	\$ 2,342	\$ 1,187	\$ 4,201

Source: Jacksonville Aviation Authority financial statements

Jacksonville Aviation Authority

Principal Operating Revenues, Airline Rates and Charges and Cost Per Enplaned Passenger Last Ten Fiscal Years (Unaudited) (Dollar amounts in thousands)

	2025	2024	2023	2022	2021
Concessions					
Rent-A-Car	\$ 14,392	\$ 13,941	\$ 14,300	\$ 13,777	\$ 10,544
Food & beverage	4,238	3,723	1,086	2,735	1,485
Retail	2,665	2,659	2,615	1,975	1,351
Fuel flowage fees	977	840	912	919	883
Other concessions	2,838	2,809	2,463	1,950	1,369
Total concessions	25,109	23,972	21,376	21,357	15,633
Fees and charges					
Landing fees – signatory	14,477	15,155	12,102	11,204	7,693
Landing fees – non-signatory	1,231	1,315	1,233	886	771
Passenger screening – signatory	-	-	-	-	-
Passenger screening – non-signatory	-	-	-	-	-
Security user fees	1,696	1,702	1,249	980	672
Other fees	8,150	7,998	7,026	6,527	5,585
Total fees and charges	25,554	26,170	21,610	19,597	14,721
Space and facility rentals					
Air cargo building	1,556	1,502	1,459	1,323	1,296
Ramp use – signatory	-	-	-	-	-
Ramp use – non-signatory	4,362	3,517	2,824	2,505	1,871
Hangar spaces	18,423	16,485	7,347	6,844	6,540
Terminal space rentals – signatory	18,716	15,531	11,535	11,382	8,561
Terminal space rentals – non-signatory	392	459	437	341	335
Other lease rentals	11,199	9,401	7,600	7,619	7,741
Total space and facility rentals	54,645	46,895	31,202	30,015	26,345
Parking economy lots 1, 2, and 3					
Economy lots 1, 2, and 3	7,217	6,861	6,308	4,043	1,382
Garages and daily surface lot	23,781	27,447	27,209	21,304	11,374
Other parking	979	1,019	902	525	244
Total parking	31,976	35,327	34,419	25,872	13,000
Other revenue					
Electric	497	540	608	582	467
Fuel sales	1,173	1,113	1,107	1,038	754
Other revenue	711	686	712	382	428
Total other revenues	2,381	2,339	2,427	2,002	1,649
Total operating revenues	\$ 139,665	\$ 134,703	\$ 111,034	\$ 98,843	\$ 71,348
Signatory airline rates and charges					
Gross landing fee (per 1,000 lbs)	\$ 3.58	\$ 3.77	\$ 3.23	\$ 3.38	\$ 3.15
Average annual terminal rent (per sq. ft.)	\$ 203.58	\$ 180.94	\$ 154.42	\$ 161.13	\$ 144.01
Enplaned passengers	3,775,113	3,815,726	3,644,693	3,198,391	2,082,911
Cost per enplaned passenger	\$ 9.39	\$ 8.55	\$ 7.72	\$ 7.72	\$ 8.22

Source: Jacksonville Aviation Authority audited financial statements

Jacksonville Aviation Authority

**Principal Operating Revenues, Airline Rates and
Charges and Cost Per Enplaned Passenger (Continued)
Last Ten Fiscal Years
(Unaudited)
(Dollar amounts in thousands)**

	2020	2019	2018	2017	2016
Concessions					
Rent-A-Car	\$ 8,340	\$ 12,128	\$ 11,438	\$ 10,171	\$ 10,620
Food & beverage	1,652	3,282	2,933	2,526	2,449
Retail	1,194	2,065	1,990	1,813	1,814
Fuel flowage fees	697	715	756	609	1,475
Other concessions	1,379	1,673	1,140	953	1,413
Total concessions	13,262	19,863	18,257	16,072	17,771
Fees and charges					
Landing fees – signatory	6,437	10,503	10,624	10,408	9,577
Landing fees – non-signatory	819	1,887	1,100	468	314
Passenger screening – signatory	-	-	-	-	-
Passenger screening – non-signatory	-	-	-	-	-
Security user fees	770	1,269	1,205	1,109	1,154
Other fees	4,841	5,661	4,878	4,043	3,623
Total fees and charges	12,868	19,320	17,807	16,028	14,668
Space and facility rentals					
Air cargo building	1,257	1,122	904	838	826
Ramp use – signatory	-	-	-	-	-
Ramp use – non-signatory	1,730	2,981	1,361	1,168	1,303
Hangar spaces	6,235	5,704	5,523	5,347	5,431
Terminal space rentals – signatory	12,854	10,291	7,721	12,969	9,931
Terminal space rentals – non-signatory	574	765	528	339	309
Other lease rentals	8,181	5,810	8,394	8,285	8,905
Total space and facility rentals	30,833	26,673	24,481	28,946	26,705
Parking economy lots 1, 2, and 3					
Economy lots 1, 2, and 3	2,299	4,907	3,619	3,129	3,130
Garages and daily surface lot	10,926	19,708	17,021	15,548	15,262
Other parking	559	920	895	614	601
Total parking	13,784	25,535	21,535	19,291	18,993
Other revenue					
Electric	483	554	554	542	750
Fuel sales	664	853	796	667	624
Other revenue	339	384	453	330	314
Total other revenues	1,486	1,791	1,803	1,539	1,688
Total operating revenues	\$ 72,233	\$ 93,182	\$ 83,883	\$ 81,876	\$ 79,825
Signatory airline rates and charges	<i>(amounts in full numbers)</i>				
Gross landing fee (per 1,000 lbs)	\$ 2.71	\$ 2.94	\$ 3.29	\$ 3.43	\$ 3.16
Average annual terminal rent (per sq. ft.)	\$ 174.54	\$ 152.14	\$ 138.03	\$ 166.77	\$ 146.19
Enplaned passengers	1,978,268	3,543,188	3,118,540	2,759,067	2,799,587
Cost per enplaned passenger	\$ 10.29	\$ 6.50	\$ 6.34	\$ 8.70	\$ 7.19

Source: Jacksonville Aviation Authority audited financial statements

Jacksonville Aviation Authority

**Total Revenues, Expenses and Changes in Net Position
Last Ten Fiscal Years
(Unaudited)
(Dollar amounts in thousands)**

	2025	2024	2023	2022	2021
Operating revenues:					
Concessions	\$ 25,109	\$ 23,972	\$ 21,376	\$ 21,356	\$ 15,633
Fees and charges	25,555	26,170	21,610	19,598	14,721
Space and facility rentals	54,645	46,895	31,202	30,015	26,345
Parking	31,976	35,327	34,419	25,871	13,000
Other revenue	2,380	2,339	2,427	2,002	1,649
Total operating revenues	<u>139,665</u>	<u>134,703</u>	<u>111,034</u>	<u>98,842</u>	<u>71,348</u>
Operating expenses:					
Wages and benefits	37,096	35,050	32,734	29,053	24,357
Services and supplies	22,882	20,797	18,972	17,110	14,058
Repairs and maintenance	11,251	11,789	8,665	8,817	7,824
Promotion, advertising & dues	1,127	964	798	710	579
Registration and travel	591	454	479	364	158
Utilities and taxes	4,684	4,403	4,692	4,791	3,868
Other operating expenses	3,702	3,771	3,101	2,537	2,271
Depreciation and amortization	38,627	35,404	31,385	34,125	38,113
Total operating expenses	<u>119,961</u>	<u>112,632</u>	<u>100,826</u>	<u>97,507</u>	<u>91,228</u>
Operating income(loss)	19,704	22,071	10,208	1,335	(19,879)
Nonoperating revenues:					
Passenger facility charges	15,033	15,100	14,354	12,871	8,729
Customer Facility Charge	9,645	7,196			
Investment income	20,692	20,942	13,264	(200)	593
Payment from federal and state agencies	334	1,720	9,968	17,084	7,704
Other revenues		-	-	-	-
Total nonoperating revenues	<u>45,703</u>	<u>44,958</u>	<u>37,586</u>	<u>29,755</u>	<u>17,027</u>
Nonoperating expenses:					
Interest expense	9,255	7,301	6,328	7,077	1,858
Other expenses	(7,125)	(650)	(98)	(284)	477
Total nonoperating expenses	<u>2,130</u>	<u>6,651</u>	<u>6,230</u>	<u>6,793</u>	<u>2,335</u>
Income (loss) before capital contributions	63,277	60,378	41,564	24,296	(5,187)
Capital contributions	33,125	54,123	5,546	9,264	14,859
Change in net position	<u>\$ 96,402</u>	<u>\$ 114,501</u>	<u>\$ 47,110</u>	<u>\$ 33,561</u>	<u>\$ 9,672</u>
Net investment in capital assets	\$532,090	\$ 515,626	\$ 445,536	\$ 482,536	\$ 452,222
Net position at end of year:					
Restricted	47,825	47,089	35,622	26,967	17,596
Unrestricted	297,191	217,987	185,043	113,925	109,183
Total net position	<u>\$877,106</u>	<u>\$ 780,702</u>	<u>\$ 666,201</u>	<u>\$ 623,428</u>	<u>\$ 578,974</u>

Source: Jacksonville Aviation Authority audited financial statements

Jacksonville Aviation Authority

Total Revenues, Expenses and Changes in Net Position (Continued)

Last Ten Fiscal Years

(Unaudited)

(Dollar amounts in thousands)

	2020	2019	2018	2017	2016
Operating revenues:					
Concessions	\$ 13,262	\$ 19,863	\$ 18,257	\$ 16,072	\$ 17,771
Fees and charges	12,868	19,320	17,807	16,028	14,668
Space and facility rentals	30,833	26,673	24,481	28,946	26,705
Parking	13,784	25,535	21,535	19,291	18,993
Other revenue	1,486	1,791	1,803	1,539	1,688
Total operating revenues	<u>72,233</u>	<u>93,182</u>	<u>83,883</u>	<u>81,876</u>	<u>79,825</u>
Operating expenses:					
Wages and benefits	33,338	34,614	29,273	27,945	25,328
Services and supplies	16,978	18,017	15,646	15,368	14,581
Repairs and maintenance	4,510	5,048	4,071	2,733	2,607
Promotion, advertising & dues	534	733	1,879	1,033	1,052
Registration and travel	272	554	505	345	386
Utilities and taxes	3,809	4,380	4,339	4,629	4,855
Other operating expenses	2,258	2,145	1,781	1,796	2,151
Depreciation and amortization	39,058	35,935	34,649	33,717	31,346
Total operating expenses	<u>100,757</u>	<u>101,426</u>	<u>92,143</u>	<u>87,566</u>	<u>82,306</u>
Operating loss	(28,524)	(8,244)	(8,260)	(5,690)	(2,481)
Nonoperating revenues:					
Passenger facility charges	7,516	14,053	12,538	10,881	10,983
Customer Facility Charge					
Investment income	2,765	3,946	1,422	817	1,451
Payment from federal and state agencies	11,878	325	374	383	318
Other revenues	-	-	-	980	1,387
Total nonoperating revenues	<u>22,159</u>	<u>18,324</u>	<u>14,334</u>	<u>13,061</u>	<u>14,139</u>
Nonoperating expenses:					
Interest expense	1,417	1,619	1,660	2,228	3,946
Other expenses	(33)	164	274	414	444
Total nonoperating expenses	<u>1,384</u>	<u>1,783</u>	<u>1,934</u>	<u>2,642</u>	<u>4,390</u>
Income (loss) before capital contributions	(7,749)	8,297	4,140	4,729	7,268
Capital contributions	15,389	19,638	12,594	5,917	21,762
Change in net position	<u>\$ 7,640</u>	<u>\$ 27,935</u>	<u>\$ 16,734</u>	<u>\$ 10,646</u>	<u>\$ 29,030</u>
Net investment in capital assets	\$ 459,276	\$ 467,866	\$ 446,304	\$ 449,755	\$ 441,000
Net position at end of year:					
Restricted	13,413	10,063	12,058	12,980	14,576
Unrestricted	96,614	83,734	75,365	54,258	49,654
Total net position	<u>\$ 569,303</u>	<u>\$ 561,663</u>	<u>\$ 533,727</u>	<u>\$ 516,993</u>	<u>\$ 505,230</u>

Source: Jacksonville Aviation Authority audited financial statements

Jacksonville Aviation Authority

**Principal Revenue Payers
Last Ten Fiscal Years
(Unaudited)
(Dollar amounts in thousands)**

	2025	% of Revenue	2024	% of Revenue	2023	% of Revenue	2022	% of Revenue
American Airlines	\$ 12,863	9.55%	\$ 14,295	10.61%	\$ 14,014	10.00%	\$13,745	13.91%
Delta Air Lines	12,533	9.30%	13,567	10.07%	13,568	9.68%	13,476	13.63%
Boeing Company	12,552	9.32%	11,324	8.41%	2,473	1.76%	-	-%
United Airlines	8,301	6.16%	8,003	5.94%	5,809	4.15%	7,621	7.71%
Southwest Airlines Co.	7,949	5.90%	8,109	6.02%	8,259	5.89%	8,150	8.25%
Enterprise Leasing Company	7,096	5.27%	6,831	5.07%	6,169	4.40%	5,833	5.90%
Hertz Corporation, The	5,457	4.05%	5,421	4.02%	5,731	4.09%	3,684	3.73%
Avis Budget Car Rental, LLC*	5,460	4.05%	5,368	3.99%	2,061	1.47%	3,124	3.00%
JetBlue	3,442	2.56%	3,610	2.68%	4,677	3.34%	5,357	5.42%
Host International Inc.	4,013	2.98%	3,832	2.84%	3,601	2.57%	2,974	3.00%
Flightstar Aircraft Services, Inc	3,318	2.46%	3,070	2.28%	3,717	2.65%	3,582	3.62%
U.S General Services Administration	2,323	1.72%	3,009	2.23%	2,442	1.74%	-	-%
Paradies Jacksonville, Inc	2,527	1.88%	2,506	-%	-	-%	-	-%
Federal Express Corporation	1,491	1.11%	1,892	1.40%	2,083	1.49%	-	-%
Breeze Airways	2,125	1.58%	-	-%	-	-%	-	-%
Sixt Rent A Car, LLC	1,607	1.19%	-	-%	3,682	2.63%	-	-%
Avis Rent A Car	-	-%	-	-%	3,682	2.63%	-	-%
Total Principal Revenue Payers	\$ 93,057	69.08%	\$ 90,837	65.57%	\$ 78,286	55.86%	\$67,546	68.17%
Total operating revenues	\$ 139,665		\$ 134,703		\$ 111,034		\$98,843	

Source: Jacksonville Aviation Authority Records

Note (*): Effective in FY23 Avis and Budget are billed under one company.

Jacksonville Aviation Authority

**Principal Revenue Payers (Continued)
Last Ten Fiscal Years
(Unaudited)
(Dollar amounts in thousands)**

	2021	% of Revenue	2020	% of Revenue	2019	% of Revenue
American Airlines	\$ 13,105	18.4%	\$ 10,303	14.3%	\$ 13,216	14.2%
Delta Air Lines	12,113	17.0%	9,707	13.4%	14,718	15.8%
Southwest Airlines Co.	8,885	12.5%	7,214	10.0%	9,770	10.5%
United Airlines	7,555	10.6%	5,152	7.1%	6,969	7.5%
Enterprise Leasing Company	4,941	6.9%	4,040	5.6%	5,867	6.3%
JetBlue	3,993	5.6%	3,012	4.2%	5,644	6.1%
Hertz Corporation, The	2,393	3.4%	1,965	2.7%	3,009	3.2%
Flightstar Aircraft Services, Inc	3,609	5.1%	3,724	5.2%	3,657	3.9%
Budget Rent a Car System, Inc	-	-%	-	- %	-	- %
Host International Inc.	-	-%	1,880	2.6%	3,567	3.8%
U.S General Services Administration	-	-%	2,552	3.5%	2,525	2.7%
Federal Express Corporation	2,581	3.6%	-	- %	-	- %
Avis Rent A Car	2,563	3.6%	-	- %	-	- %
US Airways Group, Inc.	-	-%	-	- %	-	- %
Total Principal Revenue Payers	\$ 61,738	70.5%	\$ 49,548	68.6%	\$ 68,942	74.0%
Total operating revenues	\$ 71,348		\$ 72,233		\$ 93,182	

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

**Principal Revenue Payers (Continued)
Last Ten Fiscal Years
(Unaudited)
(Dollar amounts in thousands)**

	2018	% of Revenue	2017	% of Revenue	2016	% of Revenue
American Airlines	\$ 8,222	9.8%	\$ 12,097	14.8%	\$11,933	14.9%
Delta Air Lines	9,033	10.8%	12,565	15.3%	12,092	15.1%
Southwest Airlines Co.	6,313	7.5%	8,032	9.8%	7,873	9.9%
United Airlines	4,553	5.4%	5,477	6.7%	5,197	6.5%
Enterprise Leasing Company	5,293	6.3%	4,956	6.1%	4,842	6.1%
JetBlue	3,683	4.4%	4,956	6.1%	4,707	5.9%
Hertz Corporation, The	2,701	3.2%	2,561	3.1%	2,628	3.3%
Flightstar Aircraft Services, Inc	3,016	3.6%	-	0.0%	-	0.0%
Budget Rent a Car System, Inc	2,197	2.6%	2,024	2.5%	2,037	2.6%
Host International Inc.	2,939	3.5%	2,820	3.4%	2,743	3.4%
U.S General Services Administration	-	- %	-	0.0%	-	0.0%
Federal Express Corporation	-	- %	-	0.0%	-	0.0%
Avis Rent A Car	2,077	2.5%	1,957	2.4%	2,053	2.6%
US Airways Group, Inc.	-	- %	-	0.0%	-	0.0%
Total Principal Revenue Payers	\$ 50,027	59.6%	\$ 57,445	70.0%	\$56,105	70.3%
Total operating revenues	\$ 83,883		\$ 81,876		\$79,825	

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

**Ratio of Annual Debt Service
to Total Expenses Excluding Depreciation
Last Ten Fiscal Years
(Unaudited)
(Dollar amounts in thousands)**

Fiscal Year	Principal	Interest	Total Debt Service	Total Expenses Other than Depreciation	Ratio of Debt Service to Expenditures
2025	\$ 7,602	\$ 5,867	\$ 13,469	\$ 81,334	16.56%
2024	5,700	7,065	12,765	77,227	16.53%
2023	-	6,110	6,110	69,441	8.80%
2022	20,717	5,946	26,663	63,382	42.07%
2021	5,638	1,758	7,396	53,116	13.92%
2020	6,135	1,417	7,552	61,669	12.25%
2019	18,835	1,619	20,454	65,491	31.23%
2018	10,090	1,660	11,750	57,494	20.44%
2017	15,650	2,228	17,878	53,849	33.20%
2016	12,020	3,946	15,966	50,960	31.33%

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Debt Service Coverage

Last Ten Fiscal Years

(Unaudited)

(Dollar amounts in thousands)

	2025	2024	2023	2022	2021
Revenues:					
Concessions	\$ 25,109	\$ 23,972	\$ 21,376	\$ 21,357	\$ 15,633
Fees and charges	25,555	26,170	21,610	19,597	14,721
Space and facility rentals	54,645	46,895	31,202	30,015	26,345
Parking	31,976	35,327	34,419	25,872	13,000
Other revenue	2,380	2,339	2,427	2,002	1,649
Interest income	20,692	20,942	11,587	(200)	593
Transfers-PFC Series 2016, 2012 (now 2021)	4,099	5,915	5,926	133	4,867
Total revenues and transfers	164,456	161,560	128,547	98,776	76,808
Less: Operating and maintenance expenses (excluding depreciation and expenses associated with payments from other governments)	81,334	77,228	73,778	63,382	53,116
Net Revenues and Transfers	83,122	84,332	54,770	35,394	23,692
Bond Service Charges for:					
Series 2021 note (Boeing)	8,166	4,620	4,620	4,620	-
Series 2021 note (PFC backed)	3,889	3,908	3,908	113	872
Series 2016 note (PFC backed)	210	2,007	2,018	20	1,985
Series 2013 note	-	-	-	-	-
Series 2012 note (PFC backed)	-	-	-	-	2,010
Series 2008 note	-	-	-	-	3,157
Series 2006 bonds (PFC backed)	-	-	-	-	-
Total Bond Service Charges (senior debt)	\$ 12,265	\$ 10,535	\$ 10,546	\$ 4,753	\$ 8,024
Bond Service Charges (senior debt)	6.77	8.00	5.19	7.45	2.95
Required bond service coverage	1.25	1.25	1.25	1.25	1.25
Net Revenues and Transfers	83,122	84,332	44,224	-	-
Service charges for junior debt:					
Trust line of credit (Concourse B)	2,763	2,231	1,301	-	-
Other Required Deposits	-	-	-	-	-
Total Bond Service Charges and Other Required Deposits	\$ 2,763	\$ 2,231	\$ 1,301	\$ -	\$ -
Bond Service Charge and Other Required Deposit coverage (senior and junior debt)	5.53	6.61	4.62	-	-
Required bond service coverage for junior debt	1.10	1.10	1.10	-	-
Total enplanements	3,775	3,816	3,645	3,198	2,083
Debt per enplanement	\$ 3.98	\$ 3.35	\$ 3.48	\$ 1.49	\$ 3.85

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

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

	2020	2019	2018	2017	2016
Revenues:					
Concessions	\$ 13,262	\$ 19,863	\$ 18,257	\$ 16,072	\$ 17,771
Fees and charges	12,868	19,320	17,807	16,028	14,668
Space and facility rentals	30,833	26,673	24,481	28,946	26,705
Parking	13,784	25,535	21,535	19,291	18,993
Other revenue	1,486	1,791	1,803	1,539	1,688
Interest income	2,765	3,946	1,422	817	1,451
Transfers-PFC Series 2016, 2012	4,056	13,834	10,336	5,639	8,091
Total revenues and transfers	79,054	110,962	95,641	88,332	89,367
Less: Operating and maintenance expenses (excluding depreciation and expenses associated with payments from other governments)	47,805	61,450	57,494	53,849	50,960
Net operating revenues	31,249	49,512	38,147	34,483	34,483
Revenue note service charges for:					
Series 2021 note	-	-	-	-	-
Series 2021 note (PFC backed)	-	-	-	-	-
Series 2016 note (PFC backed)	2,005	9,855	5,411	2,459	114
Series 2013 note	-	-	-	8,655	6,253
Series 2012 note (PFC backed)	2,023	7,049	3,193	3,215	3,258
Series 2008 note	3,269	3,283	3,319	3,286	3,302
Series 2006 bonds (PFC backed)	-	-	-	-	5,251
Total revenue note service charges	\$ 7,297	\$ 20,187	\$ 11,923	\$ 17,615	\$ 18,178
Revenue note service coverage	4.28	2.45	3.20	1.96	2.11
Required bond service coverage	1.25	1.25	1.25	1.25	1.25
Net operating revenue after covering junior debt:	-	-	-	-	-
Service charges for junior debt:					
Trust line of credit (Concourse B)	-	-	-	-	-
Total service charges for junior debt	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue note service coverage for senior and junior debt	-	-	-	-	-
Required bond service coverage for junior debt	-	-	-	-	-
Total enplanements	1,978	3,543	3,119	2,759	2,800
Debt per enplanement	\$ 3.69	\$ 5.70	\$ 3.82	\$ 6.38	\$ 6.49

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Debt Service Note Tables

Fiscal Years Ending September 30:

(Unaudited)

Note Year	Date	Fiscal Year	Series 2021 Revenue Refunding Note			
			Principal	Coupon	Interest	Debt Svs. Yr
2025	10/01/25	2026	3,774,400	0.990%	75,850	-
2026	04/01/26	2026	-		57,167	3,907,417
2026	10/01/26	2027	3,811,800	0.990%	57,167	-
2027	04/01/27	2027	-		38,299	3,907,266
2027	10/01/27	2028	3,849,500	0.990%	38,299	-
2028	04/01/28	2028	-		19,244	3,907,043
2028	10/01/28	2029	3,887,600	0.990%	19,244	3,906,844
			<u>\$ 15,323,300</u>		<u>\$ 305,270</u>	<u>\$ 15,628,570</u>

Call Feature

Purpose: Refund 2012 Note

Refunding Eligibility

Jacksonville Aviation Authority

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

Note Year	Date	Fiscal Year	2021 Revenue Note for Boeing Hangar Construction			
			Principal	Coupon	Interest	Debt Svs. Yr
2025	10/01/25	2026	3,765,000	2.960%	2,255,668	
2025	04/01/26	2026			2,199,946	8,220,614
2026	10/01/26	2027	3,875,000	2.960%	2,199,946	
2026	04/01/27	2027			2,142,596	8,217,542
2027	10/01/27	2028	3,990,000	2.960%	2,142,596	
2027	04/01/28	2028			2,083,544	8,216,140
2028	10/01/28	2029	4,110,000	2.960%	2,083,544	
2028	4/1/2029	2029			2,022,716	8,216,260
2029	10/1/2029	2030	4,230,000	2.960%	2,022,716	
2029	4/1/2030	2030			1,960,112	8,212,828
2030	10/1/2030	2031	4,355,000	2.960%	1,960,112	
2030	4/1/2031	2031			1,895,658	8,210,770
2031	10/1/2031	2032	4,485,000	2.960%	1,895,658	
2031	4/1/2032	2032			1,829,280	8,209,938
2032	10/1/2032	2033	4,620,000	2.960%	1,829,280	
2032	4/1/2033	2033			1,760,904	8,210,184
2033	10/1/2033	2034	4,755,000	2.960%	1,760,904	
2033	4/1/2034	2034			1,690,530	8,206,434
2034	10/1/2034	2035	4,895,000	2.960%	1,690,530	
2034	4/1/2035	2035			1,618,084	8,203,614
2035	10/1/2035	2036	5,040,000	2.960%	1,618,084	
2035	4/1/2036	2036			1,543,492	8,201,576
2036	10/1/2036	2037	5,190,000	2.960%	1,543,492	
2036	4/1/2037	2037			1,466,680	8,200,172
2037	10/1/2037	2038	5,345,000	2.960%	1,466,680	
2037	4/1/2038	2038			1,387,574	8,199,254
2038	10/1/2038	2039	5,500,000	2.960%	1,387,574	
2038	4/1/2039	2039			1,306,174	8,193,748
2039	10/1/2039	2040	5,665,000	2.960%	1,306,174	
2039	4/1/2040	2040			1,222,332	8,193,506
2040	10/1/2040	2041	5,830,000	2.960%	1,222,332	
2040	4/1/2041	2041			1,136,048	8,188,380
2041	10/1/2041	2042	6,005,000	2.960%	1,136,048	
2041	4/1/2042	2042			1,047,174	8,188,222
2042	10/1/2042	2043	6,180,000	2.960%	1,047,174	
2042	4/1/2043	2043			955,710	8,182,884
2043	10/1/2043	2044	6,365,000	2.960%	955,710	

Jacksonville Aviation Authority

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

Note Year	Date	Fiscal Year	2021 Revenue Note for Boeing Hangar Construction			
			Principal	Coupon	Interest	Debt Svs. Yr
2043	4/1/2044	2044			861,508	8,182,218
2044	10/1/2044	2045	6,555,000	2.960%	861,508	
2044	4/1/2045	2045			764,494	8,181,002
2045	10/1/2045	2046	6,750,000	2.960%	764,494	
2045	4/1/2046	2046			664,594	8,179,088
2046	10/1/2046	2047	6,950,000	2.960%	664,594	
2046	4/1/2047	2047			561,734	8,176,328
2047	10/1/2047	2048	7,155,000	2.960%	561,734	
2047	4/1/2048	2048			455,840	8,172,574
2048	10/1/2048	2049	7,365,000	2.960%	455,840	
2048	4/1/2049	2049			346,838	8,167,678
2049	10/1/2049	2050	7,585,000	2.960%	346,838	
2049	4/1/2050	2050			234,580	8,166,418
2050	10/1/2050	2051	7,810,000	2.960%	234,580	
2050	4/1/2051	2051			118,992	8,163,572
2051	10/1/2051	2052	8,040,000	2.960%	118,992	8,158,992
			\$ 152,410,000		\$ 68,809,936	\$ 221,219,936

Call Feature
 Purpose: Capital Financing

Jacksonville Aviation Authority

Debt Service Note Tables

Fiscal Years Ending September 30:

(Unaudited)

Note Year	Date	Fiscal Year	Variable Interest Line of Credit - Concourse B			
			Principal	Coupon	Interest	Debt Svs. Yr
2025	10/1/2025	2026		3.780%	2,763,308	\$ 2,763,308
2026	4/27/2026	2026	121,327,797	3.780%	382,145	121,709,942
Total			<u>\$ 121,327,797</u>		<u>\$ 3,145,453</u>	<u>\$ 124,473,250</u>

Call Feature

Purpose: Preliminary Financing of Concourse B

Line has a maturity date of 04/27/2026 and has option to extend an additional six months

Jacksonville Aviation Authority

Debt Service Note Tables

**Fiscal Years Ending September 30:
(Unaudited)**

Note Year	Date	Fiscal Year	2024 TD Bank Note - New Garage			
			Principal	Coupon	Interest	Debt Svs. Yr
2025	10/01/25	2026	-	-	661,239	
2026	04/01/26	2026	-	-	661,239	1,322,478
2026	10/01/26	2027	-	-	661,239	
2027	04/01/27	2027	-	-	661,239	1,322,478
2027	10/01/27	2028	2,735,000	3.880%	661,239	
2028	04/01/28	2028			608,180	4,004,419
2028	10/01/28	2029	2,840,000	3.880%	608,180	
2029	04/01/29	2029			553,084	4,001,264
2029	10/01/29	2030	2,950,000	3.880%	553,084	
2030	04/01/30	2030			495,854	3,998,938
2030	10/01/30	2031	3,065,000	3.880%	495,854	
2031	04/01/31	2031			436,393	3,997,247
2031	10/01/31	2032	3,185,000	3.880%	436,393	
2032	04/01/32	2032			374,604	3,995,997
2032	10/01/32	2033	3,305,000	3.880%	374,604	
2033	04/01/33	2033			310,487	3,990,091
2033	10/01/33	2034	3,435,000	3.880%	310,487	
2034	04/01/34	2034			243,848	3,989,335
2034	10/01/34	2035	3,570,000	3.880%	243,848	
2035	04/01/35	2035			174,590	3,988,438
2035	10/01/35	2036	3,710,000	3.880%	174,590	
2036	04/01/36	2036			102,616	3,987,206
2036	10/01/36	2037	3,850,000	3.880%	102,616	
2037	04/01/37	2037			27,926	3,980,542
2037	10/01/37	2038	1,439,475	3.880%	27,926	
2038	04/01/38	2038				1,467,401
TOTAL			\$ 34,084,475		\$ 9,961,359	\$ 44,045,834

Call Feature
Purpose: Capital Financing
Refunding Eligibility

Jacksonville Aviation Authority

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

Note Year	Date	Fiscal Year	Principal	Interest	Debt Svs. Yr
2025	10/01/25	2026	7,539,400	4,402,086	
2026	04/01/26	2026	121,327,797	3,431,615	136,700,898
2026	10/01/26	2027	7,686,800	3,132,926	
2027	04/01/27	2027		3,056,708	13,876,434
2027	10/01/27	2028	10,574,500	3,056,708	
2028	04/01/28	2028		2,925,542	16,556,750
2028	10/01/28	2029	10,837,600	2,925,542	
2029	4/1/2029	2029		2,790,374	16,553,516
2029	10/1/2029	2030	7,180,000	2,790,374	
2030	4/1/2030	2030		2,670,540	12,640,914
2030	10/1/2030	2031	7,420,000	2,670,540	
2031	4/1/2031	2031		2,546,625	12,637,165
2031	10/1/2031	2032	7,670,000	2,546,625	
2032	4/1/2032	2032		2,418,458	12,635,083
2032	10/1/2032	2033	7,925,000	2,418,458	
2033	4/1/2033	2033		2,285,965	12,629,423
2033	10/1/2033	2034	8,190,000	2,285,965	
2034	4/1/2034	2034		2,148,952	12,624,917
2034	10/1/2034	2035	8,465,000	2,148,952	
2035	4/1/2035	2035		2,007,248	12,621,200
2035	10/1/2035	2036	8,750,000	2,007,248	
2036	4/1/2036	2036		1,860,682	12,617,930
2036	10/1/2036	2037	9,040,000	1,860,682	
2037	4/1/2037	2037		1,709,180	12,609,862
2037	10/1/2037	2038	6,784,475	1,494,606	
2038	4/1/2038	2038		1,387,574	9,666,655
2038	10/1/2038	2039	5,500,000	1,387,574	
2039	4/1/2039	2039		1,306,174	8,193,748
2039	10/1/2039	2040	5,665,000	1,306,174	
2040	4/1/2040	2040		1,222,332	8,193,506
2040	10/1/2040	2041	5,830,000	1,222,332	
2041	4/1/2041	2041		1,136,048	8,188,380
2041	10/1/2041	2042	6,005,000	1,136,048	
2042	4/1/2042	2042		1,047,174	8,188,222
2042	10/1/2042	2043	6,180,000	1,047,174	
2043	4/1/2043	2043		955,710	8,182,884
2043	10/1/2043	2044	6,365,000	955,710	
2044	4/1/2044	2044		861,508	8,182,218
2044	10/1/2044	2045	6,555,000	861,508	

Jacksonville Aviation Authority

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

Note Year	Date	Fiscal Year	Principal	Interest	Debt Svs. Yr
2045	4/1/2045	2045	-	764,494	8,181,002
2045	10/1/2045	2046	6,750,000	764,494	
2046	4/1/2046	2046	-	664,594	8,179,088
2046	10/1/2046	2047	6,950,000	664,594	
2047	4/1/2047	2047	-	561,734	8,176,328
2047	10/1/2047	2048	7,155,000	561,734	
2048	4/1/2048	2048	-	455,840	8,172,574
2048	10/1/2048	2049	7,365,000	455,840	
2049	4/1/2049	2049	-	346,838	8,167,678
2049	10/1/2049	2050	7,585,000	346,838	
2050	4/1/2050	2050	-	234,580	8,166,418
2050	10/1/2050	2051	7,810,000	234,580	
2051	4/1/2051	2051	-	118,992	8,163,572
2051	10/1/2051	2052	8,040,000	118,992	8,158,992
			<u>\$ 323,145,572</u>	<u>\$ 85,719,785</u>	<u>\$ 408,865,357</u>

Jacksonville Aviation Authority

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

Fiscal Year	Revenue Bonds	Revenue Notes	Line of credit	Total
2025	\$ -	\$ 201,818	\$ 121,327	\$ 323,145
2024	-	220,481	26,327	246,808
2023	-	181,037	40,000	221,037
2022	-	181,036	-	181,036
2021	-	45,688	-	45,688
2020	-	52,030	-	52,030
2019	-	58,165	-	58,165
2018	-	77,000	-	77,000
2017	-	87,090	-	87,090
2016	-	102,740	-	102,740

Jacksonville Aviation Authority

Top 10 Employers of Jacksonville (Unaudited)

	2025	2024	2023	2022	2021
Naval Air Station Jacksonville	23,000	21,000	20,000	20,000	20,000
Duval County Public Schools	14,000	13,113	13,113	13,113	13,113
Baptist Health	13,105	12,000	12,000	12,000	12,000
Mayo Clinic Hospital	10,185			7,280	7,280
UF Health Jacksonville	8,500	4,767	4,767	4,200	4,200
Amazon	8,000	16,000			
Florida Blue	5,159	5,388	-	-	5,704
UPS	4,500				
Fleet Readiness Center Southeast	4,200	5,350	5,350	5,350	5,350
Brooks Rehabilitation	3,028	-	-	-	-
Deloitte LLP and Subsidiaries	-	-	4,315	4,315	-
Memorial Hospital Jacksonville	-	-	3,440	3,440	-
University of North Florida	-	-	3,048	3,048	3,048
CSX Corp.	-	-	2,525	2,525	-
Naval Station Mayport	-	-	-	-	-
City of Jacksonville	-	-	-	-	-
St. Vincent's HealthCare	-	-	-	-	-
St. Johns County School District	-	-	-	-	-
Clay County School Board	-	-	-	-	-
Citigroup Inc.	-	-	-	-	-
Gate Petroleum	-	-	-	3,000	3,000
Marcus & Millichap	-	-	-	3,000	-
Aerotek	-	-	-	-	-
One Call	-	-	-	-	-
Brooks Rehabilitation	-	-	-	-	-
FNF Group	-	-	-	-	-
Southeastern Grocers LLC	-	-	-	-	-
United States Postal Service	-	-	-	-	-
Publix Supermarkets	-	-	-	-	-
Total	93,677	77,618	68,558	81,271	73,695

Government employer information confirmed online and over the phone if possible. Each employer's percentage of total employment is also unavailable.

Sources: Jacksonville Business Journal - Book of Lists

Jacksonville Aviation Authority

**Top 10 Employers of Jacksonville (Continued)
(Unaudited)**

	2020	2019	2018	2017	2016
Naval Air Station Jacksonville	20,000	20,000	20,000	20,000	20,000
Duval County Public Schools	13,113	13,113	13,113	13,106	13,106
Baptist Health	10,651	10,651	10,651	10,748	10,615
Fleet Readiness Center Southeast	4,300	-	4,200	-	-
UF Health Jacksonville	4,200	7,136	-	6,000	6,000
Brooks Rehabilitation	-	2,237	-	-	-
Deloitte LLP and Subsidiaries	-	-	-	-	-
UF Health Jacksonville Cancer Center	-	-	-	-	-
Memorial Hospital Jacksonville	-	-	-	-	-
University of North Florida	-	-	2,280	-	-
CSX Corp.	-	-	2,925	2,400	-
Naval Station Mayport	10,032	9,000	-	-	9,000
City of Jacksonville	-	8,998	-	-	7,273
Mayo Clinic Hospital	6,400	6,400	-	6,100	-
St. Vincent's HealthCare	5,379	5,379	5,379	5,505	5,392
St. Johns County School District	-	5,298	-	-	4,388
Clay County School Board	-	4,616	-	-	4,616
Florida Blue	5,704	-	-	5,200	6,000
Citigroup Inc.	-	-	4,580	-	-
Gate Petroleum	-	-	-	-	-
Marcus & Millichap	-	-	-	-	-
Aerotek	-	2,486	-	-	-
One Call	-	2,277	-	-	-
FNF Group	-	-	3,200	-	-
Southeastern Grocers LLC	-	-	-	-	5,700
United States Postal Service	-	-	-	-	11,500
Publix Supermarkets	-	-	-	-	-
Total	79,779	97,591	66,328	69,059	103,590

Government employer information confirmed online and over the phone if possible. Each employer's percentage of total employment is also unavailable.

Sources: Jacksonville Business Journal - Book of Lists

Jacksonville Aviation Authority

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

	2025	Market Share 2025	2024	Market Share 2024
American Airlines Corporation	1,089,458	28.9%	1,123,826	29.5%
Delta Air Lines Inc	1,018,219	27.0%	1,000,614	26.2%
Southwest Airlines Co	562,094	14.9%	591,822	15.5%
United Airlines	545,445	14.4%	554,206	14.5%
Jetblue Airways Corporation	205,126	5.4%	219,944	5.8%
Frontier Airlines	87,242	2.3%	123,238	3.2%
Allegiant Air LLC	127,439	3.4%	97,488	2.6%
Breeze Airways	103,108	2.7%	85,330	2.2%
Sun Country Airlines	12,665	0.3%	12,109	0.3%
Air Ground Logistics Inc	762	0.0%	4,569	0.1%
Silver Airways Corp	-	0.0%	2,580	0.1%
Spirit Airlines Inc	-	0.0%	-	0.0%
Avelo	10,961	0.3%	-	0.0%
Air Canada	7,392	0.2%	-	0.0%
Ramp Pro/Ameriflight	5,202	0.1%	-	0.0%
Total Enplanements	<u>3,775,113</u>	<u>100.0%</u>	<u>3,815,726</u>	<u>100.0%</u>

Jacksonville Aviation Authority

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

	2023	2022	2021	2020
American Airlines Corporation	1,008,727	876,976	618,129	548,789
Delta Air Lines Inc	942,414	875,710	528,705	543,088
Southwest Airlines Co	545,706	499,860	397,573	363,253
United Airlines	511,709	429,076	290,837	216,707
Jetblue Airways Corporation	314,071	340,940	166,816	156,522
Breeze Airways	120,303	11,164	-	-
Allegiant Air LLC	94,729	80,960	46,206	52,914
Frontier Airlines	70,777	58,546	21,349	34,105
Silver Airways Corp	13,085	12,276	8,043	-
Air Ground Logistics Inc	4,329	4,625	4,978	4,727
Sun Country Airlines	18,843	8,258	-	-
Spirit Airlines Inc	-	-	275	58,163
Avelo	-	-	-	-
Air Canada	-	-	-	-
Ramp Pro/Ameriflight	-	-	-	-
Total Enplanements	<u>3,644,693</u>	<u>3,198,391</u>	<u>2,082,911</u>	<u>1,978,268</u>

Jacksonville Aviation Authority

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

	2019	2018	2017	2016
American Airlines Corporation	824,420	743,805	730,942	761,343
Delta Air Lines Inc	991,560	895,524	839,728	852,218
Southwest Airlines Co	616,933	548,368	486,684	501,395
United Airlines	388,297	349,214	275,952	258,055
Jetblue Airways Corporation	358,011	360,769	332,489	346,128
Breeze Airways	-	-	-	-
Allegiant Air LLC	72,926	85,324	68,026	60,914
Frontier Airlines	165,253	99,077	-	-
Silver Airways Corp	1,018	15,061	12,559	13,083
Air Ground Logistics Inc	6,235	7,199	5,223	4,177
Sun Country Airlines	-	-	-	-
Spirit Airlines Inc	110,808	-	-	-
Avelo	-	-	-	-
Air Canada	7,727	14,199	7,464	2,274
Ramp Pro/Ameriflight	-	-	-	-
Total Enplanements	<u>3,543,188</u>	<u>3,118,540</u>	<u>2,759,067</u>	<u>2,799,587</u>

Jacksonville Aviation Authority

Jacksonville, Florida

Landed Weights

(weights in 1000 lbs)

(Unaudited)

Year Ended September, 30:

	2025	Market Share 2025	2024	Market Share 2024
American Airlines Corporation	1,240,571	26.1%	1,261,779	26.6%
Delta Air Lines Inc	1,155,776	24.3%	1,100,995	23.2%
Southwest Airlines Co	662,446	14.0%	669,661	14.1%
United Airlines	614,530	12.9%	619,482	13.0%
Jetblue Airways Corporation	227,624	4.8%	257,247	5.4%
Frontier Airlines Inc.	88,677	1.9%	135,652	2.9%
Breeze Airways	139,281	2.9%	108,231	2.3%
Allegiant Air LLC	132,528	2.8%	97,850	2.1%
Air Ground Logistics Inc	6,513	0.1%	35,172	0.7%
Sun Country Airlines Inc	16,272	0.3%	16,416	0.3%
Silver Airways Corp	-	0.0%	2,965	0.1%
Spirit Airlines	-	0.0%	-	0.0%
Avelo Airlines	12,576	0.3%	-	0.0%
Air Canada	9,720	0.2%	-	0.0%
Ramp Pro/Ameriflight	28,769	0.6%	-	0.0%
TOTAL COMMERCIAL AIRLINES	4,335,283	91.7%	4,305,450	90.7%
AIR CARGO CARRIERS:				
United Parcel Service Company	291,980	6.1%	237,942	5.0%
Federal Express Corporation	98,993	2.1%	201,007	4.2%
Suburban Air Freight Inc	-	0.0%	3,655	0.1%
Ameriflight LLC	73	0.0%	26	0.0%
Mountain Air Cargo Inc	-	0.0%	37	0.0%
TOTAL CARGO AIRLINES	391,046	8.3%	442,667	9.3%
TOTAL LANDED WEIGHTS	4,726,328	100.0%	4,748,117	100.0%

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

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

	2023	2022	2021	2020
American Airlines Corporation	1,121,968	954,726	709,790	692,412
Breeze Airways	1,040,926	15,009	-	-
Delta Air Lines Inc	562,627	957,507	703,563	682,930
Southwest Airlines Co	568,171	514,042	467,641	518,336
United Airlines	352,588	478,615	354,392	265,724
Jetblue Airways Corporation	109,252	402,517	204,794	211,912
Allegiant Air LLC	99,157	81,434	53,450	65,810
Air Ground Logistics Inc	94,386	37,354	37,080	19,434
Frontier Airlines Inc.	40,449	56,534	22,227	34,899
Sun Country Airlines Inc	16,768	8,496	-	-
Silver Airways Corp	22,242	14,054	10,870	-
Spirit Airlines	142	142	1,195	72,943
Avelo	-	-	-	-
Air Canada	-	-	-	-
Ramp Pro/Ameriflight	-	-	-	-
TOTAL COMMERCIAL AIRLINES	4,028,676	3,520,430	2,565,002	2,564,400
AIR CARGO CARRIERS:				
United Parcel Service Company	289,728	305,990	329,577	317,257
Federal Express Corporation	244,509	289,614	272,811	253,493
Suburban Air Freight Inc	4,057	4,154	4,154	4,186
Ameriflight LLC	71	74	45	-
Mountain Air Cargo Inc	36	36	72	36
TOTAL CARGO AIRLINES	538,401	599,868	606,659	574,972
TOTAL LANDED WEIGHTS	4,567,077	4,120,298	3,171,661	3,139,372

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Jacksonville, Florida

Landed Weights (Continued)

(weights in 1000 lbs)

(Unaudited)

Year Ended September, 30:

	2019	2018	2017	2016
American Airlines Corporation	932,414	817,981	858,142	877,851
Breeze Airways	-	-	-	-
Delta Air Lines Inc	1,060,744	967,439	934,981	934,362
Southwest Airlines Co	731,556	647,620	556,721	565,804
United Airlines	421,460	376,984	298,650	266,612
Jetblue Airways Corporation	419,003	418,327	380,594	388,435
Allegiant Air LLC	71,128	87,144	72,299	62,676
Air Ground Logistics Inc	25,644	27,816	15,558	12,118
Frontier Airlines Inc.	159,498	97,234	-	-
Sun Country Airlines Inc	-	-	-	-
Silver Airways Corp	1,539	21,432	23,456	24,995
Spirit Airlines	135,203	-	-	-
Avelo	-	-	-	-
Air Canada	9,400	16,444	8,912	3,116
Ramp Pro/Ameriflight	-	-	-	-
TOTAL COMMERCIAL AIRLINES	3,967,589	3,478,421	3,149,313	3,135,969
AIR CARGO CARRIERS:				
United Parcel Service Company	254,761	220,442	195,324	198,386
Federal Express Corporation	295,501	228,445	211,014	206,557
Suburban Air Freight Inc	4,057	4,283	3,639	954
Ameriflight LLC	-	16	-	1,928
Mountain Air Cargo Inc	9	9	34	-
TOTAL CARGO AIRLINES	554,328	453,195	410,011	407,825
TOTAL LANDED WEIGHTS	4,521,917	3,931,616	3,559,324	3,543,794

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

**Number of Employees
Year Ended September 30,
(Unaudited)**

	2025		2024		2023		2022		2021	
	Employees		Employees		Employees		Employees		Employees	
	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT
Executive Director	3	-	3	-	4	-	4	-	3	-
Marketing	5	-	5	-	5	-	5	-	4	-
Information Technology	17	-	17	-	17	-	15	-	15	-
External Affairs	1	-	1	-	1	-	1	-	1	-
Human Resources	7	-	7	-	7	-	7	-	6	-
Procurement	16	-	16	-	13	-	14	-	12	-
Accounting and Finance	9	-	11	-	11	-	11	-	11	-
Planning and Engineering	13	-	13	-	12	-	11	-	10	-
Business Development	8	1	8	1	8	-	7	-	5	-
Cecil Airport	14	-	14	-	12	-	13	-	14	-
JaxEx at Craig Airport	4	-	4	-	4	-	4	-	3	-
Herlong Airport	9	-	9	-	9	-	9	-	8	-
SpacePort	1	-	1	-	1	-	1	-	1	-
Building Maintenance	27	-	25	-	24	-	25	-	22	-
Field Maintenance	35	-	33	-	30	-	29	-	26	-
HBS	12	-	11	-	10	-	9	-	7	-
Custodial	40	-	38	-	32	-	28	-	28	-
Police/Security	49	-	49	-	46	-	43	-	41	-
Airport Operations	32	-	32	-	28	-	29	-	27	-
DBE	-	-	-	-	-	-	-	-	-	-
Total	302	1	297	1	274	-	265	-	244	-

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

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

**Number of Employees
Year Ended September 30,
(Unaudited)**

	2020		2019		2018		2017		2016	
	Employees		Employees		Employees		Employees		Employees	
	FT	PT	FT	PT	FT	PT	FT	PT	FT	PT
Executive Director	3	-	3	-	3	-	3	-	3	-
Marketing	4	-	3	-	3	-	2	-	2	-
Information Technology	11	-	14	-	12	-	12	-	12	-
External Affairs	1	-	4	-	4	-	4	-	4	-
Human Resources	7	-	9	-	9	-	8	-	8	-
Procurement	13	-	9	-	14	-	14	-	13	1
Accounting and Finance	11	-	9	2	11	-	11	-	11	-
Planning and Engineering	10	-	12	-	12	-	12	-	12	-
Business Development	6	-	7	-	7	-	6	-	6	-
Cecil Airport	13	-	13	-	15	-	13	-	13	-
JaxEx at Craig Airport	4	-	4	-	3	-	4	-	4	-
Herlong Airport	8	-	9	-	8	-	9	-	9	-
SpacePort	1	-	-	-	-	-	-	-	-	-
Building Maintenance	20	-	33	-	28	-	27	-	27	-
Field Maintenance	25	-	31	-	29	-	28	-	27	1
HBS	9	-	10	-	10	-	10	-	10	-
Custodial	23	-	37	-	35	-	35	-	35	-
Police/Security	41	-	51	-	52	-	52	-	52	-
Airport Operations	27	-	28	-	29	-	26	-	26	-
DBE	-	-	-	-	-	-	-	-	-	-
Total	237	-	286	2	284	-	276	-	274	2

FT – Full-time employee working more than 35 hours

PT – Part-time employee working 35 hours or less

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

**Aircraft Operations
Year Ended September 30,
(Unaudited)**

	Air Carrier	Air Taxi	Gen Aviation	Military	Total Aircraft Operations
2025	68,013	14,662	16,453	7,426	106,554
2024	65,984	12,803	16,045	5,438	100,270
2023	64,503	13,357	14,770	6,662	99,292
2022	62,598	12,865	15,150	8,571	99,184
2021	47,360	10,551	13,368	9,894	81,173
2020	45,977	11,238	11,374	9,935	78,524
2019	68,124	16,466	13,707	9,661	107,958
2018	61,195	15,529	14,251	8,801	99,776
2017	57,957	11,919	14,245	11,060	95,181
2016	56,307	16,351	12,594	16,315	101,567

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Airlines Serving Jacksonville International Airport

Fiscal Years Ending September 30:

(Unaudited)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Signatory Airlines										
American Airlines	X	X	X	X	X	X	X	X	X	X
Breeze Airways	X	X	X	X	-	-	-	-	-	-
Delta Airlines	X	X	X	X	X	X	X	X	X	X
JetBlue	X	X	X	X	X	X	X	X	X	X
Southwest Airlines	X	X	X	X	X	X	X	X	X	X
United Airlines	X	X	X	X	X	X	X	X	X	X
US Airways	-	-	-	-	-	-	-	-	-	-
Total Signatory Airlines	6	6	6	6	5	5	5	5	5	5
Non-signatory Airlines										
Air Canada	X	-	-	-	-	-	X	X	X	X
AirTran	-	-	-	-	-	-	-	-	-	-
Air Wisconsin (American Air)	-	-	-	-	-	-	-	-	-	-
Allegiant	X	X	X	X	X	X	X	X	X	X
American Eagle	-	-	-	-	-	-	-	-	-	-
Avelo	X	-	-	-	-	-	-	-	-	-
Endeavor Airlines (formerly ASA)	-	-	-	-	-	-	-	-	-	-
Charters	-	-	-	-	-	-	-	-	-	-
Chautauqua	-	-	-	-	-	-	-	-	-	-
Comair	-	-	-	-	-	-	-	-	-	-
Compass Airline	-	-	-	-	-	-	-	-	-	-
Continental Airlines	-	-	-	-	-	-	-	-	-	-
Continental Express	-	-	-	-	-	-	-	-	-	-
Express Jet (United Air)	-	-	-	-	-	-	-	-	-	-
Freedom Airlines	-	-	-	-	-	-	-	-	-	-
Frontier	X	X	X	X	X	X	X	X	-	-
Go Jet (United)	-	-	-	-	-	-	-	-	-	-
Mesa (American Air)	-	-	-	-	-	-	-	-	-	-
Mesaba	-	-	-	-	-	-	-	-	-	-
Pinnacle	-	-	-	-	-	-	-	-	-	-
PSA Airlines	-	-	-	-	-	-	-	-	-	-
Republic (American Air)	-	-	-	-	-	-	-	-	-	-
Shuttle America (Delta)	-	-	-	-	-	-	-	-	-	-
Silver Airways	-	-	-	-	X	X	X	X	X	X
Spirit Airlines	-	-	-	-	X	X	X	-	-	-
Sun Country Airlines	X	X	X	X	-	-	-	-	-	-
Total Non-signatory Airlines	5	3	3	3	4	4	5	4	3	3
Total Signatory and Non-signatory Airlines	11	9	9	9	9	9	10	9	8	8
Cargo										
UPS	X	X	X	X	X	X	X	X	X	X
FedEx	X	X	X	X	X	X	X	X	X	X
Mountain Air Cargo	X	X	X	X	X	X	X	X	-	-
Suburban Air Freight	X	X	X	X	X	X	X	X	X	X
Ameriflight, LLC	X	X	X	X	-	-	-	X	X	X
ABX	-	-	-	-	-	-	-	-	-	-
Total Cargo Airlines	5	5	5	5	4	4	5	5	4	4

Starting in 2013 affiliates are reported under signatory airlines.

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

**Primary Origination and Destination Passenger Markets
Year Ended September 30, 2025
(Unaudited)**

Rank	Market	Code	Trip Length
1	Philadelphia	PHL	MH
2	New York - Kennedy	JFK	MH
3	Newark	EWR	MH
4	Boston	BOS	MH
5	Dallas/Ft. Worth	DFW	MH
6	Atlanta	ATL	SH
7	Washington, DC - National	DCA	MH
8	New York - LaGuardia	LGA	MH
9	Chicago - O'Hare	ORD	MH
10	Baltimore	BWI	MH
11	Denver	DEN	LH
12	Nashville	BNA	SH
13	Las Vegas	LAS	LH
14	Washington, DC - Dulles	IAD	MH
15	Detroit	DTW	MH
16	Miami	MIA	SH
17	Minneapolis	MSP	MH
18	Los Angeles	LAX	LH
19	Phoenix	PHX	LH
20	Houston - Intercontinental	IAH	MH
21	Norfolk	ORF	SH
22	Pittsburgh	PIT	MH
23	St. Louis	STL	MH
24	Ft. Lauderdale	FLL	SH
25	Hartford	BDL	MH

Source: Jacksonville Aviation Authority Records

Trip Length

SH (short haul) = 0 to 600 miles

MH (medium haul) = 601 to 1,800 miles

LH (long haul) = over 1,801 miles

Jacksonville Aviation Authority

**Airport Capital Asset Information
Year Ended September 30, 2025
(Unaudited)**

Jacksonville International Airport

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

General Aviation Airports:

Jacksonville Executive at Craig Airport

Location	9	Miles East of Downtown Jacksonville
Area	1,328	Acres
Runways	4,000	Feet
	4,000	Feet

Source: Jacksonville Aviation Authority Records

Jacksonville Aviation Authority

Airport Capital Asset Information (Continued)
Year Ended September 30, 2025
(Unaudited)

Herlong Airport

Location	9	Miles Southwest of Downtown Jacksonville
Area	1,449	Acres
Runways	4,000	Feet
	3,500	Feet

Cecil Airport

Location	13	Miles Southwest of Downtown Jacksonville
Area	6,098	Acres
Runways	12,500	Feet
	8,000	Feet
	8,000	Feet
	4,439	Feet
Aprons	672,953	Sq. Yrds.

Source: Jacksonville Aviation Authority Records



flyjacksonville.com

Jacksonville Aviation Authority

**Single Audit and Passenger Facility Charge Program Reports
September 30, 2025**

Independent Auditor's Reports

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

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

Report on Compliance for the Major Federal Program, State Financial Assistance Projects, and Passenger Facility Charge Program; Report on Internal Control Over Compliance Required by the Uniform Guidance, Chapter 10.550, *Rules of the Auditor General*, and *Passenger Facility Charge Audit Guide for Public Agencies* and 14 CFR 158.63 4-6

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

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

Independent Auditor's Report

To the Board of Directors
Jacksonville Aviation Authority

We have audited the financial statements of Jacksonville Aviation Authority (the "Authority") as of and for the year ended September 30, 2025 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated February 27, 2026, which contained an unmodified opinion on the financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to February 27, 2026.

The accompanying schedule of expenditures of federal awards and state financial assistance projects and schedule of passenger facility charges (PFC) collected and expended and available cash balances are presented for the purpose of additional analysis, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"); Chapter 10.550, *Rules of the Auditor General*; the *Passenger Facility Charge Audit Guide for Public Agencies*; and the requirements in 14 CFR 158.63 (collectively, the "Guide"), and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Plante & Moran, PLLC".

February 27, 2026

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

Independent Auditor's Report

To Management and the Board of Directors
Jacksonville Aviation Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of Jacksonville Aviation Authority (the "Authority") as of and for the year ended September 30, 2025 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated February 27, 2026.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

To Management and the Board of Directors
Jacksonville Aviation Authority

Purpose of this Report

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

Plante & Moran, PLLC

February 27, 2026

Report on Compliance for the Major Federal Program, State Financial Assistance Projects, and Passenger Facility Charge Program; Report on Internal Control Over Compliance Required by the Uniform Guidance, Chapter 10.550, *Rules of the Auditor General*, and *Passenger Facility Charge Audit Guide for Public Agencies* and 14 CFR 158.63

Independent Auditor's Report

To the Board of Directors
Jacksonville Aviation Authority

Report on Compliance for the Major Federal Program, State Financial Assistance Projects, and Passenger Facility Charge Program

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

We have audited Jacksonville Aviation Authority's (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* and the requirements described in the Florida Department of Financial Services State Projects *Compliance Supplement* that could have a direct and material effect on the Authority's major federal program and state financial assistance project for the year ended September 30, 2025. In addition, we audited compliance with the applicable requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and the requirements in 14 CFR 158.63 (collectively, the "Guide") for the year ended September 30, 2025. The Authority's major federal program and state financial assistance project are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. The passenger facility charge program is identified in the schedule of passenger facility charges (PFC) collected and expended and available cash balances.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program, state financial assistance project, and passenger facility charge program for the year ended September 30, 2025.

Basis for Opinion on the Major Federal Program, State Financial Assistance Projects, and Passenger Facility Charge Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); 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* (the "Uniform Guidance"); Chapter 10.550 of the *Rules of the Auditor General*; the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration; and the requirements in 14 CFR 158.63. Our responsibilities under those standards, the Uniform Guidance, and the Guide 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 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 the major federal program, state financial assistance project and passenger facility charge program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

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 Authority's federal program, state financial assistance project, and passenger facility charge program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the 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 GAAS, *Government Auditing Standards*, the Uniform Guidance, Chapter 10.550, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance 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. Noncompliance 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 Authority's compliance with the requirements of each major federal program, state financial assistance project, and/or passenger facility charge program, as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, Chapter 10.550, and the Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 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 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, Chapter 10.550, and the Guide, but not for the purpose of expressing an opinion on the effectiveness of the 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.

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, noncompliance with a type of compliance requirement of a federal program, state financial assistance project, and/or passenger facility charge program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program, state financial assistance project, and/or passenger facility charge program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program, state financial assistance project, and/or passenger facility charge program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

To the Board of Directors
Jacksonville Aviation Authority

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

A handwritten signature in black ink that reads "Plante & Moran, PLLC". The signature is written in a cursive, flowing style.

February 27, 2026

Jacksonville Aviation Authority

Schedule of Expenditures of Federal Awards and State Financial Assistance Projects

Year Ended September 30, 2025

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Total Amount Provided to Subrecipients	Federal Expenditures
U.S. Department of Transportation - Federal Aviation Administration - Direct program - Airport Improvement Program, Infrastructure Investment and Jobs Act Programs, and COVID-19 Airports Programs:				
3-12-0032-023-2021	20.106		\$ -	\$ 14,238
3-12-0033-029-2022	20.106		-	1,470
3-12-0033-030-2024	20.106		-	22,484
3-12-0034-023-2024	20.106		-	67,081
3-12-0034-024-2025	20.106		-	41,547
3-12-0034-025-2025	20.106		-	26,461
3-12-0035-067-2023	20.106		-	367,567
3-12-0035-068-2024	20.106		-	797,948
3-12-0035-070-2025	20.106		-	10,870,219
3-12-0033-031-2025	20.106		-	116,328
Total U.S. Department of Transportation			-	12,325,343
U.S. Department of Homeland Security - Passed through the State of Florida Disaster Grants - Public Assistance (Presidentially Declared Disasters):				
Z3954	97.036	DRAHXMKV2ZF4	-	2,514
Z4659	97.036	DRAHXMKV2ZF4	-	140,493
Z4662	97.036	DRAHXMKV2ZF4	-	39,596
Total U.S. Department of Homeland Security			-	182,603
U.S. Department of the Treasury - Direct program - Equitable Sharing Program	21.016		-	201,440
Total federal awards			\$ -	\$ 12,709,386
Florida Department of Transportation - Aviation Development Grants:				
G2D61	55.004		\$ -	\$ 2,891
G2D68	55.004		-	1,463,412
G2E14	55.004		-	15,381,134
G2V86	55.004		-	60,360
G2V87	55.004		-	378,476
G2Y76	55.004		-	47,524
Total Florida Department of Transportation			-	17,333,797
Space Florida - Spaceport Improvement Program - C21233	55.037		-	491,450
Total state awards			\$ -	\$ 17,825,247

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

Schedule of Findings and Questioned Costs

Schedule of Findings and Questioned Costs

Year Ended September 30, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported

Noncompliance material to financial statements noted? _____ Yes X None reported

Federal Awards and State Projects

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? _____ Yes X No

Identification of major federal programs and state projects:

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

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

Dollar threshold used to distinguish between type A and type B Federal programs: \$1,000,000

Dollar threshold used to distinguish between type A and type B State projects: \$750,000

Auditee qualified as low-risk auditee? _____ X Yes _____ No

Schedule of Findings and Questioned Costs

Year Ended September 30, 2025

Passenger Facility Charge Program

Internal control over passenger facility charge program

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? Yes None reported

Type of auditor's report issued: Unmodified

Any audit findings disclosed that are required to be reported in accordance with AU C 935? Yes No

Jacksonville Aviation Authority

Schedule of Findings and Questioned Costs (Continued)

Year Ended September 30, 2025

Section II - Financial Statement Audit Findings

Reference Number	Finding
Current Year	None

Section III - Federal Program and State Project Audit Findings

Reference Number	Finding	Questioned Costs
Current Year	None	

Section IV – Passenger Facility Charge Program Audit Findings

Reference Number	Finding	Questioned Costs
Current Year	None	

Jacksonville Aviation Authority

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

Year Ended September 30, 2025

Collections	Amount Approved For Use	Cumulative Total - September 30, 2024	Quarter 1 October - December	Quarter 2 January - March	Quarter 3 April - June	Quarter 4 July - September	Cumulative Total - September 30, 2025
Passenger facility charge collections		\$ 303,669,735	\$ 2,469,855	\$ 4,577,925	\$ 2,755,001	\$ 4,854,927	\$ 318,327,443
Interest earned		8,072,209	308,033	299,063	255,982	192,766	9,128,053
Total passenger facility charge collections received		\$ 311,741,944	\$ 2,777,888	\$ 4,876,988	\$ 3,010,983	\$ 5,047,693	\$ 327,455,496
APPLICATION NO. 93-01-C-00-JAX	\$ 3,271,655	\$ 3,271,655	\$ -	\$ -	\$ -	\$ -	\$ 3,271,655
APPLICATION NO. 96-02-C-00-JAX; AMENDMENT NO. 96-02-C-03-JAX	11,201,944	11,201,944	-	-	-	-	11,201,944
APPLICATION NO. 97-03-U-00-JAX; AMENDMENT NO. 97-03-U-01-JAX; AMENDMENT NO. 97-03-U-02-JAX	11,697,733	11,697,733	-	-	-	-	11,697,733
APPLICATION NO. 99-04-C-00-JAX; AMENDMENT NO. 99-04-C-01-JAX	4,342,861	4,342,861	-	-	-	-	4,342,861
APPLICATION NO. 00-05-C-00-JAX; AMENDMENT NO. 00-05-C-01-JAX	3,814,930	3,814,930	-	-	-	-	3,814,930
APPLICATION NO. 01-06-U-00-JAX	5,014,458	5,014,458	-	-	-	-	5,014,458
APPLICATION NO. 01-07-C-00-JAX	-	-	-	-	-	-	-
APPLICATION NO. 03-08-C-00-JAX	65,221,541	65,221,541	-	-	-	-	65,221,541
APPLICATION NO. 06-09-C-00-JAX; AMENDMENT NO. 06-09-C-01-JAX; AMENDMENT NO. 06-09-C-02-JAX	240,278,409	154,243,425	4,042,067	-	75,850	-	158,361,342
APPLICATION NO. 11-10-C-00-JAX; AMMENDMENT NO. 11-10-C-01-JAX	10,979,573	10,979,573	-	-	-	-	10,979,573
APPLICATION NO. 16-11-C-00-JAX; AMMENDMENT NO. 16-11-C-01-JAX	11,231,781	11,231,781	-	-	-	-	11,231,781
APPLICATION NO. 25-12-C-00-JAX	22,512,204	-	-	-	18,020,083	-	18,020,083
Total passenger facility charge collections expended	\$ 389,567,089	\$ 281,019,901	\$ 4,042,067	\$ -	\$ 18,095,933	\$ -	\$ 303,157,901

See notes to schedule of passenger facility charges (PFC) collected and expended and available cash balances.

**Notes to Schedules of Expenditures of Federal Awards and
State Financial Assistance Projects and Passenger Facility
Charges (PFC) Collected and Expended and Available Cash
Balances**

Year Ended September 30, 2025

Note 1 - Basis of Presentation

The schedule of expenditures of federal awards and state financial assistance projects (the "Schedule") is prepared on the accrual basis of accounting. Such expenditures are reported following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"), wherein certain types of expenditures are not allowable or are limited as to reimbursement. The accompanying Schedule includes the federal and state grant activity of Jacksonville Aviation Authority (the "Authority") under programs of the federal and state government for the year ended September 30, 2025. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, Audit Requirements for Federal Awards*; the Florida Single Audit Act; and Chapter 10.550 of the *Rules of the Auditor General*. Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

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

Note 2 - Subrecipients

The Authority did not make subawards of federal awards or state financial assistance during the year ended September 30, 2025.

Note 3 - Indirect Cost Recovery

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

Note 4 - General

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

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

**Notes to Schedules of Expenditures of Federal Awards and
State Financial Assistance Projects and Passenger Facility
Charges (PFC) Collected and Expended and Available Cash
Balances**

Year Ended September 30, 2025

Note 4 - General (Continued)

Since 1993, the Federal Aviation Administration (FAA) has approved 12 PFC applications and amendments submitted by Jacksonville Aviation Authority. The Authority is currently authorized to collect PFCs in the amount of \$4.50 per enplaned passenger up to a total for approved collections of approximately \$390 million. Project expenditures may include amounts for the payment of principal, interest, and other financing costs on bonds for which the proceeds are used to pay PFC-eligible costs on approved projects.

As of September 30, 2025, the Authority had received approximately \$318.3 million of PFC revenue and \$9.1 million of interest earnings. The Authority had expended approximately \$303.2 million on approved projects and debt repayments.