

CITY OF NAPLES AIRPORT AUTHORITY

# **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

For the Fiscal Years Ended September 30, 2025 and 2024



Naples Airport  
Naples, Florida

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**CITY OF NAPLES AIRPORT AUTHORITY  
NAPLES, FLORIDA**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

**AS OF AND FOR THE YEARS ENDED  
SEPTEMBER 30, 2025 AND 2024**

Prepared by the City of Naples Airport Authority Finance Department

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**CITY OF NAPLES AIRPORT AUTHORITY**  
Annual Comprehensive Financial Report  
As of and for the Years Ended  
September 30, 2025 and 2024

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March 20, 2026

To the Board of Commissioners of  
the City of Naples Airport Authority  
and the Citizens of the City of Naples  
Naples, Florida

We are pleased to present the accompanying Annual Comprehensive Financial Report of the City of Naples Airport Authority (the Authority) for the fiscal years ended September 30, 2025 and 2024. The purpose of the report is to present fairly and to disclose fully the Authority's financial position and the results of its operations. This report consists of four sections: Introductory, Financial, Statistical and Compliance.

This report consists of management's representation concerning the finances of the Authority. Consequently, management assumes full responsibility for the accuracy of the data and the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, Authority management has established a comprehensive internal control framework that is designed both to protect its assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Authority's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the Authority's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Florida Statutes require that all local government entities publish a complete set of financial statements presented in conformity with GAAP and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. An audit of the Authority's financial statements for the fiscal year ended September 30, 2025 was completed by the Authority's independent auditors, Forvis Mazars, LLP. Their report is included herein.

The goal of the independent audit was to provide reasonable assurance that the financial statements of the Authority for the fiscal years ended September 30, 2025 and 2024 are free of material misstatements. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Authority's financial statements for the fiscal years ended September 30, 2025 and 2024 are fairly presented in conformity with GAAP. The independent auditor's report is the first component of the Financial Section of this report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the financial statements in the form of a Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found in the financial section, immediately following the report of the independent auditors.

## **The Airport**

The Naples Airport was originally constructed in 1943 as the “Naples Airdrome” and served as an Army Air Corps base for training gunners, bomber crews and fighter pilots for combat during World War II. After the war, the city and county jointly operated the airport until the county sold its interest to the city in 1958.

The Naples Airport is located in western Collier County, approximately one mile from the City of Naples business district and approximately one and a half miles inland of the Gulf of America. The airport, which is owned by the City of Naples, is leased to the City of Naples Airport Authority under a 99-year lease that expires in 2068. While there has been some scheduled airline service throughout much of the airport’s history, there is currently no commercial service and the Naples Airport currently supports a variety of general aviation activity.

In fiscal year 2025, there were 125,926 aircraft operations (an operation is one landing or one takeoff). Use of the airport is restricted to aircraft less than 75,000 pounds maximum gross landing weight supported by dual landing gear, except for aircraft operated by the federal government.

## **The Authority**

The City of Naples Airport Authority (NAA) was created by State Enabling Legislation and City of Naples action in 1969. The City of Naples, recognizing the benefits of an authority type management concept, established the Authority to enhance service to users, improve the community gateway image and eliminate financial subsidies paid by city taxpayers. The Authority is an independent reporting entity as defined by the Governmental Accounting Standards Board (GASB).

The Authority’s Board of Commissioners is comprised of five members appointed by the Naples City Council. Commissioners are appointed for a term of four years. The Board of Commissioners retains the Executive Director, who is the chief operating and chief administrative officer, secretary and treasurer of the Authority. The Executive Director hires all other Authority employees. The Board of Commissioners also selects the general counsel and the outside auditors.

The Authority financially supports itself directly from aviation fuel sales and airport user fees. No local, state or federal general taxes, such as property, utility, sales, intangible or income taxes directly support the Authority. The Authority receives, for certain capital projects, state and federal financial grants from transportation trust funds. The Authority pays the City of Naples for utility, police and firefighting services and also built, equips and maintains Aircraft Rescue and Fire Station #3, as well as all of its’ own stormwater facilities. The Authority builds and maintains internal roadways and utilities and has constructed many of the external roadway improvements, including horticultural beautification and bicycle paths.

The Authority’s budget and amendments, if any, are adopted by resolution of the Board of Commissioners, as required by Florida Statutes. The adopted budget regulates the total expenditures of the Authority for the fiscal year.



The Authority has a September 30 fiscal year ending date and, accordingly, the budget must be adopted by the Board of Commissioners before October 1, the beginning date of the new fiscal year.

### **Financial Condition of the Authority**

The information presented in the Financial Section of this report is best understood when it is considered from the broader perspective of the specific environment within which the Authority operates. The Authority's economic condition is a composite of its financial health and its ability to meet its financial obligations and service commitments.

The Authority continues to have a strong balance sheet with over \$89 million in current assets and long-term investments and \$8 million in current liabilities. The Authority has no debt.

The financial condition of the Authority is primarily dependent upon aviation fuel sales. The Authority maintains the exclusive right to sell retail fuel at the Naples Airport. Aviation fuel sales, in turn, are usually dependent upon several factors, including the economic conditions in the United States and locally.

Naples and the surrounding community area are undergoing a significant redevelopment cycle since Hurricane Ian, in part because Naples ranks nationally as one of the best places to live. Residential properties valued at over \$5 million in the City of Naples have doubled in the last five years. There are numerous ultra luxury multifamily properties that have recently opened or are currently under construction that have the potential to increase private air travel.

For fiscal year 2025, net fuel sales made up 68% of Authority net operating revenues. The Authority's selling price of aviation fuel is based on a cost-plus formula in accordance with the published rates and charges set by the Executive Director. A more detailed discussion of the Authority's financial results is contained in the MD&A found in the Financial Section of this report.

### **Relevant Financial Policies**

The Authority has developed published rates and charges in order to recover operating expenses, maintenance and capital development costs. These rates and charges, as a package, maintain and enhance the healthy financial condition of the Authority. It should be noted that there are significant regulatory guidelines that must be considered when developing airport rates and charges. At a minimum, the Authority's rates and charges are updated annually.

As part of the Authority's planning process, a five-year Capital Improvement Plan is also updated at least annually. These projections assist the Authority in determining the potential impact of capital projects on future budgets and future revenue requirements, enabling the Authority to develop successful long-term plans. The Authority also maintains a five-year financial projection that includes a cash flow analysis.

For fiscal year 2026, the Authority maintains 6 months of operating expenses as a reserve for emergency operating contingencies. The remaining reserves are for future capital projects.

## **Current and Long-Term Capital Initiatives**

The two sources of outside funding for the Authority's Capital Improvement Plan are the Federal Aviation Administration (FAA) and the Florida Department of Transportation (FDOT). As a general aviation airport, Naples Airport Authority is eligible for \$150,000 per year in FAA entitlement funding and may compete each year for FAA discretionary funding. The Authority, as a publicly owned Florida airport, is also eligible for state funding. FDOT provides up to one-half of the local share of project costs when FAA funding is received, and when no federal funding is available, FDOT can provide up to 80% of eligible project costs for general aviation airports.

Capital improvement projects slated for FY 2026 are budgeted at \$30.6 million, of which \$1.0 million is anticipated to come from the FAA and \$1.8 million from the FDOT. Authority funds of \$27.8 million are budgeted for capital projects and equipment.

## **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Naples Airport Authority for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2024. This was the 20<sup>th</sup> consecutive year that the Authority has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report which satisfies both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

## **Acknowledgments**

The preparation of this report could not have been accomplished without the dedicated service of the Finance Department. We would like to express our appreciation to the Authority's Audit Committee and the Board of Commissioners for their expertise and guidance in setting policies pertaining to the financial operations of the Authority in a responsible and progressive manner. In addition, we wish to express our appreciation to our audit firm, Forvis Mazars LLP. for their examination of our accounts.



Christopher A. Rozansky  
Executive Director



Ken Warriner  
Senior Director of Finance & Administration



Rita Cuddihy  
Chair



Terrence Cavanaugh  
Vice Chair



Kerry C. Dustin  
Commissioner



John Crees  
Commissioner



Robert Patten Burns  
Commissioner



Christopher A. Rozansky  
Executive Director

City of Naples Airport Board of Commissioners and Executive Director as of September 30, 2025.



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Naples Airport Authority  
Florida**

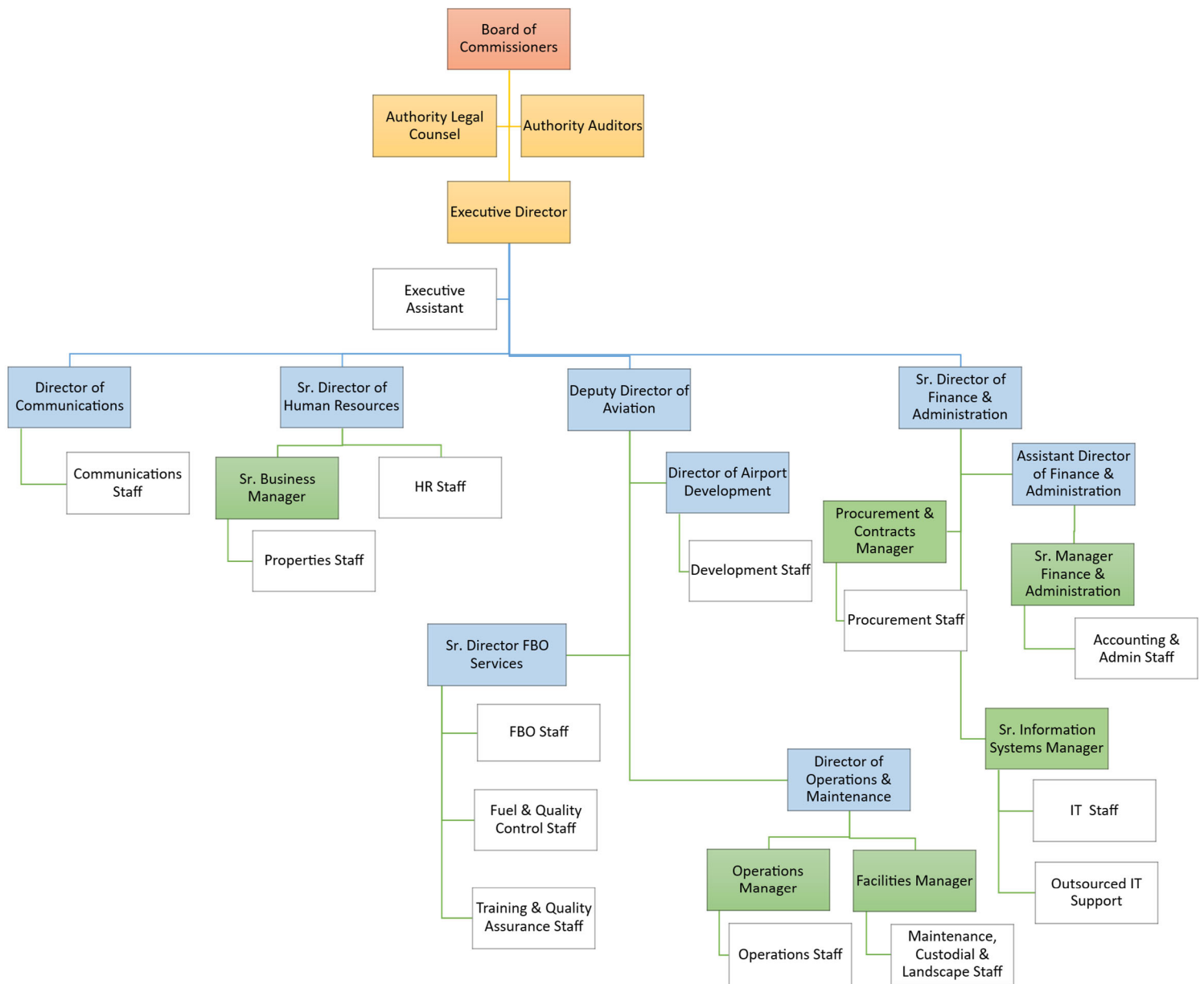
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

September 30, 2024

*Christopher P. Morill*

Executive Director/CEO

# City of Naples Airport Authority Organizational Chart



City of Naples Airport Organization Chart as of September 30, 2025.

## Independent Auditor's Report

Board of Commissioners  
City of Naples Airport Authority  
Naples, Florida

### Report on the Audit of the Financial Statements

#### ***Opinion***

We have audited the financial statements of the City of Naples Airport Authority (the Authority), which comprise the statement of financial position as of September 30, 2025, and the related statement of net position, statement of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority, as of September 30, 2025, and the respective changes in financial position, and 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 (*Government Auditing Standards*). 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.

#### ***Prior-Period Financial Statements***

The financial statements of the Authority as of September 30, 2024, were audited by other auditors whose report dated January 9, 2025, expressed an unmodified opinion on those statements.

#### ***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.

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 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 who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory section and the statistical section, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do 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 the other information otherwise appears to be materially misstated. If based on the work performed, we conclude that uncorrected misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2026, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Authority's internal control over financial reporting and compliance.

**Forvis Mazars, LLP**

Tampa, Florida  
March 20, 2026



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CITY OF NAPLES AIRPORT AUTHORITY  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
September 30, 2025 and 2024

The following Management Discussion and Analysis (MD&A) of the City of Naples Airport Authority’s activities and financial performance provides the reader with an introduction and overview to the financial statements of the City of Naples Airport Authority (the Authority) for the fiscal years ended September 30, 2025 and 2024, with selected comparative information for the fiscal year ended September 30, 2023. The information presented in this MD&A should be considered in conjunction with the accompanying financial statements and notes found in this report. This information, taken collectively, is designed to provide readers with an understanding of the Authority’s financial condition.

**Airport Activities and Highlights**

The Authority operates the Naples Airport which provides general aviation services to the public. Major measures of activities of the Naples Airport are as follows:

|                                       | 2025       | 2024       | 2023       |
|---------------------------------------|------------|------------|------------|
| Aviation fuel gallons sold            | 11,757,645 | 11,750,153 | 11,058,323 |
| % increase (decrease) from prior year | 0.1%       | 6.3%       | 16.2%      |
| Aircraft operations                   | 125,926    | 123,171    | 119,075    |
| % increase (decrease) from prior year | 2.2%       | 3.4%       | 8.1%       |

In fiscal year 2025, jet operations accounted for 39.6% of the total aircraft operations, while jet fuel sales accounted for 97.1% of the aviation gallons sold. This is due to the average gallons of fuel purchased for a jet is 500 gallons, while the average for a piston aircraft is 25 gallons.

CITY OF NAPLES AIRPORT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
September 30, 2025 and 2024

**Financial Highlights and Summary**

The following is a condensed summary of the Authority's revenues, expenses and changes in net position at September 30:

|                                     | 2025                  | 2024                  | 2023                  |
|-------------------------------------|-----------------------|-----------------------|-----------------------|
| Total operating revenues, net       | \$ 41,127,803         | \$ 38,825,141         | \$ 32,646,264         |
| Total non-operating revenues, net   | 12,403,954            | 5,322,788             | 6,581,145             |
| Total revenues                      | 53,531,757            | 44,147,929            | 39,227,409            |
| Total operating expenses            | 37,141,893            | 36,195,143            | 31,092,321            |
| Income before capital contributions | 16,389,864            | 7,952,786             | 8,135,088             |
| Capital contributions (grants)      | 2,970,810             | 7,188,248             | 2,870,822             |
| Increase in net position            | 19,360,674            | 15,141,034            | 11,005,910            |
| Beginning net position              | 150,305,786           | 135,164,752           | 124,158,842           |
| Ending net position                 | <u>\$ 169,666,460</u> | <u>\$ 150,305,786</u> | <u>\$ 135,164,752</u> |

Operating revenues for 2025 increased \$2,302,662, or 5.9%, over the prior year primarily due to an increase in fuel gallons sold, seasonal pricing and increased hangar rental rates. Operating revenues for 2024 increased \$6,178,877, or 18.9% over the prior year due to higher fuel sales, seasonal pricing and increased hangar rental rates.

In 2025, non-operating revenues were up by \$7,081,166 or 130.0%. This was due to insurance proceeds from Hurricane Ian; this was partially offset by lower investment income because of lower interest rates.

In 2024, non-operating revenues were down by \$1,258,357 or 19.1%. This was due to higher interest income which was offset by no insurance proceeds in 2024.

In 2023, non-operating revenues were up by \$8,257,902. This was due to insurance proceeds of \$4,000,000 from our Hurricane Ian insurance claim and the change in fair value of investments.

Operating expenses for 2025 rose \$946,750, a 2.6% increase over the prior year. This was a modest increase due to inflation and an effort to keep operating expenses flat.

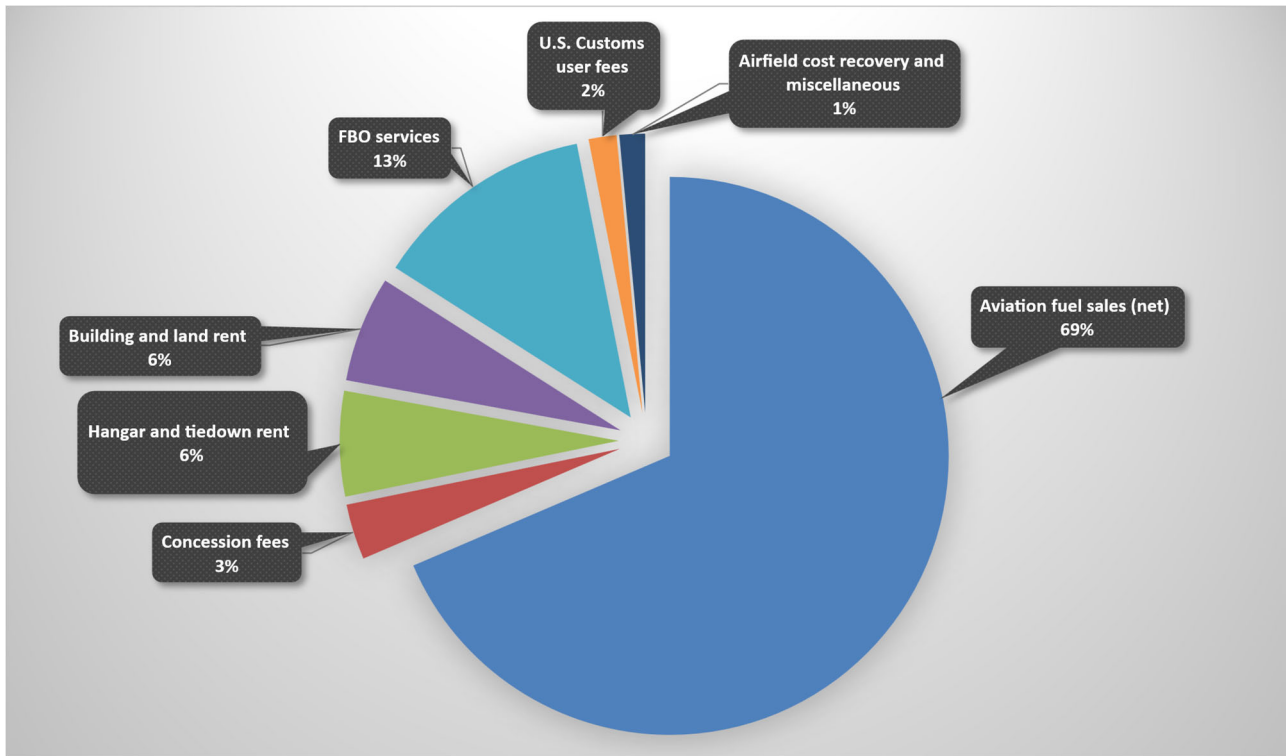
In 2024, total operating expenses rose \$5,102,822, a 16.4% increase over the prior year. Personnel costs increased \$3,112,869 or 21.3% due to additional personnel, cost of living increases and higher benefits costs. Professional fees increased \$443,789 or 15.2% primarily due to the Airport Relocation Study.

In 2023, total operating expenses rose \$5,047,183, a 19.7% increase over the prior year. Personnel costs increased \$2,277,872 or 18.5% due to additional personnel, cost of living increases and higher benefits costs. Professional fees increased \$404,130 or 16.1% primarily due to an airport noise study.

CITY OF NAPLES AIRPORT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
September 30, 2025 and 2024

In fiscal 2025, 2024 and 2023, capital contributions, in the form of federal and state grants, were \$2,970,810, \$7,188,248, and \$2,870,822, respectively.

The following chart shows the major sources of operating revenues as a percentage of total operating revenues for the year ended September 30, 2025:

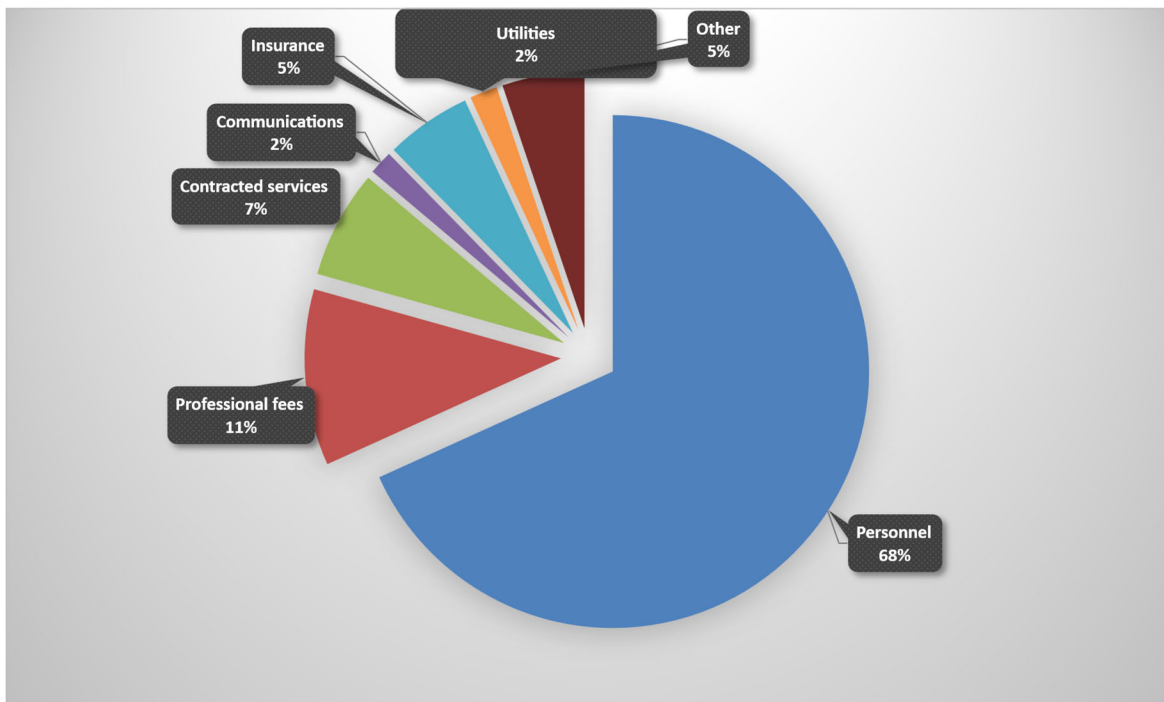


**CITY OF NAPLES AIRPORT AUTHORITY**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS**  
September 30, 2025 and 2024

The following is a summary of the Authority’s operating revenues for the year ended September 30:

|                                          | 2025                 | 2024                 | 2023                 |
|------------------------------------------|----------------------|----------------------|----------------------|
| Operating revenues:                      |                      |                      |                      |
| Aviation fuel sales (net)                | \$ 28,200,853        | \$ 26,760,051        | \$ 21,956,231        |
| Concession fees                          | 1,324,172            | 1,306,999            | 1,326,207            |
| Hangar and tiedown rent                  | 2,504,725            | 2,249,714            | 2,189,140            |
| Building and land rent                   | 2,525,641            | 2,472,909            | 2,084,615            |
| FBO services                             | 5,297,736            | 4,997,758            | 4,038,526            |
| U.S. Customs user fees                   | 665,375              | 616,575              | 588,025              |
| Airfield cost recovery and miscellaneous | 609,301              | 421,135              | 463,520              |
| Net operating revenues                   | <u>\$ 41,127,803</u> | <u>\$ 38,825,141</u> | <u>\$ 32,646,264</u> |

The following chart shows the major sources of operating expenses as a percentage of total operating expenses before depreciation for the year ended September 30, 2025:



CITY OF NAPLES AIRPORT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
September 30, 2025 and 2024

The following is a condensed summary of the Authority's net position at September 30:

|                                     | 2025                  | 2024                  | 2023                  |
|-------------------------------------|-----------------------|-----------------------|-----------------------|
| Current assets                      | \$ 62,226,753         | \$ 46,931,459         | \$ 42,641,804         |
| Long-term investments               | 26,916,239            | 32,736,529            | 27,765,828            |
| Capital assets (after depreciation) | 105,641,151           | 96,075,550            | 87,377,103            |
| Total assets                        | <u>194,784,143</u>    | <u>175,743,538</u>    | <u>157,784,735</u>    |
| Current liabilities                 | 8,399,878             | 8,628,499             | 5,973,825             |
| Non-current liabilities             | 16,717,805            | 16,809,253            | 16,646,158            |
| Total liabilities                   | <u>25,117,683</u>     | <u>25,437,752</u>     | <u>22,619,983</u>     |
| Net Position                        |                       |                       |                       |
| Investment in capital assets        | 104,090,845           | 93,335,553            | 85,374,981            |
| Restricted                          | 3,456,581             | 3,214,831             | 2,958,866             |
| Unrestricted                        | 62,119,034            | 53,755,402            | 46,830,905            |
| Net position                        | <u>\$ 169,666,460</u> | <u>\$ 150,305,786</u> | <u>\$ 135,164,752</u> |

The following is a summary of the Authority's non-operating revenues (expenses) for the years ended September 30:

|                                           | 2025                 | 2024                | 2023                |
|-------------------------------------------|----------------------|---------------------|---------------------|
| Non-operating revenues (expenses):        |                      |                     |                     |
| Customer facility charges                 | \$ 241,750           | \$ 255,965          | \$ 257,828          |
| Investment income                         | 3,233,154            | 4,911,487           | 2,203,778           |
| Claims and insurance settlements          | 8,934,440            | -                   | 4,087,898           |
| Gain (loss) on disposal of capital assets | (5,390)              | 155,336             | 31,641              |
| Net non-operating revenues (expenses)     | <u>\$ 12,403,954</u> | <u>\$ 5,322,788</u> | <u>\$ 6,581,145</u> |

The following is a summary of the Authority's operating expenses for the years ended September 30:

|                               | 2025                 | 2024                 | 2023                 |
|-------------------------------|----------------------|----------------------|----------------------|
| Operating expenses:           |                      |                      |                      |
| Personnel                     | \$ 18,480,723        | \$ 17,715,413        | \$ 14,602,544        |
| Professional fees             | 3,010,387            | 3,357,751            | 2,913,962            |
| Contracted services           | 1,842,991            | 1,697,243            | 1,798,119            |
| Communications                | 407,616              | 522,624              | 442,172              |
| Insurance                     | 1,466,538            | 1,174,393            | 966,150              |
| Utilities                     | 472,126              | 479,005              | 460,637              |
| Maintenance and repairs       | 2,692,738            | 2,832,795            | 2,363,014            |
| Depreciation and amortization | 7,365,594            | 6,998,813            | 6,317,432            |
| Other                         | 1,403,180            | 1,417,106            | 1,228,291            |
| Total operating expenses      | <u>\$ 37,141,893</u> | <u>\$ 36,195,143</u> | <u>\$ 31,092,321</u> |

CITY OF NAPLES AIRPORT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
September 30, 2025 and 2024

In 2025, total assets increased by \$19.0 million, or 10.8%. The majority of this increase, \$9.6 million, is from capital project additions and \$8.7 million increase in accounts receivable due to the final Hurricane Ian insurance settlement. Total liabilities were basically flat.

In 2024, total assets increased by \$18.0 million, or 11.4%. The majority of this increase, \$8.6 million, is from assets from large capital projects and a \$5.0 million increase in investments due to the market value change in the Authority's investment portfolio. Total liabilities increased by \$2.8 million or 12.5%. The majority of this increase is due to increases in accounts payable for capital projects and other liabilities from the Authority's accrued salaries and benefits.

The Authority's total assets exceeded liabilities by \$169.7 million in 2025 and \$150.3 million in 2024. A large portion of the Authority's net position each year (61.4% of total net position for 2025) represents its investment in capital assets (e.g. land, infrastructure, buildings, improvements, intangible assets and equipment). Restricted net position of \$3.5 million (2.0% of total net position for 2025) consists of the accumulated balance of Customer Facility Charges collected by car rental companies. This money is available only for car rental facility improvements. The remaining \$62.1 million of net position (36.6% of total net position for 2025) may be used to meet any of the Authority's ongoing obligations, including over \$200 million of planned capital improvements in the next 20 years as shown in the Authority's most recent airport master plan.

A comparison of the Authority's current assets to current liabilities (current ratio) is a way to analyze the Authority's ability to satisfy short-term obligations as they become due. A low ratio may indicate an inability to meet its short-term debts in an emergency. A higher ratio is considered favorable to creditors. In 2025 and 2024, the Authority's current ratio was 7.4 and 5.4 respectively. In 2023, the current ratio was 7.1.

The following is a summary of the major sources and uses of cash and cash equivalents for the past three years. Cash equivalents are considered cash-on-hand, bank deposits and highly liquid investments with a maturity of three months or less when purchased.

|                                           | 2025                 | 2024                 | 2023                 |
|-------------------------------------------|----------------------|----------------------|----------------------|
| Cash flows from :                         |                      |                      |                      |
| Operating activities                      | \$ 12,942,674        | \$ 11,599,620        | \$ 7,625,945         |
| Capital related financing activities      | (13,439,449)         | (9,622,943)          | (2,108,931)          |
| Investing activities                      | 8,692,455            | 2,005,130            | 234,379              |
| Net increase in cash and cash equivalents | <u>8,195,680</u>     | <u>3,981,807</u>     | <u>5,751,393</u>     |
| Cash and cash equivalents:                |                      |                      |                      |
| Beginning of year                         | 33,941,123           | 29,959,316           | 24,207,923           |
| End of year                               | <u>\$ 42,136,803</u> | <u>\$ 33,941,123</u> | <u>\$ 29,959,316</u> |

The Authority's available cash and cash equivalents were \$42.1 million and \$33.9 million at the end of 2025 and 2024, respectively. This increase of \$8.2 million or 24.2% is due to the Authority investing excess cash and investments primarily in the FLCLASS investment fund and U.S. Treasuries during 2025 per the Authority's investment policy.

CITY OF NAPLES AIRPORT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
September 30, 2025 and 2024

In October 2019, the Authority's Board of Commissioners approved an investment policy in accordance with Florida Statute 218.415. The policy was revised in August 2021. As of September 30, 2025 and 2024, the authority's investment balance was \$36.0 million and \$41.4 million, respectively. The decrease is due to \$7.2 million of the investment portfolio being in cash at September 30, 2025.

### Capital Acquisitions and Construction Activities

At the end of 2025, the Authority had \$105.6 million, net of accumulated depreciation, invested in a broad range of capital assets, including its terminal and office buildings; aircraft hangars; fuel facilities and equipment; runways and taxiways; and buildings and equipment for fire/rescue, air traffic control and U.S. Customs. This amount represents a net increase of \$9.6 million or 10% over the prior year.

During 2025, completed projects and capital purchases totaling \$7.3 million were closed from construction-in-progress to their respective capital asset accounts. The major completed projects were:

|                                      |                     |
|--------------------------------------|---------------------|
| Taxiway A&B safety improvements      | \$ 2,339,256        |
| GAT interior & exterior improvements | 1,727,735           |
| Airport Pulling Road landscape       | 1,696,620           |
| 5-23 interior perimeter road         | 1,203,856           |
| GAT ramp lighting                    | 569,856             |
| Taxiway A-3 relocation design        | 1,469,530           |
| West quad pond fill                  | 205,604             |
|                                      | <u>\$ 9,212,457</u> |

At the end of 2025, major projects within construction-in-progress consisted of the following:

|                                          |                      |
|------------------------------------------|----------------------|
| Fuel farm improvements                   | \$ 4,512,680         |
| North Road terminal remodel              | 3,831,950            |
| Facilities building                      | 3,155,354            |
| Master drainage plan                     | 1,992,876            |
| Airfield lighting replacement            | 948,939              |
| 465 Citation Point hangar roof           | 920,406              |
| T-Hangar door replacements               | 858,781              |
| North quad site prep                     | 793,121              |
| North Road terminal apron rehabilitation | 788,160              |
| South quad hangar development            | 670,385              |
| Security & access control upgrades       | 176,207              |
| Other projects                           | 697,287              |
|                                          | <u>\$ 19,346,146</u> |

Capital asset acquisitions and improvements are funded through capital reserves and occasionally supplemented with federal and state grants. Additional information on the Authority's capital assets and commitments can be found in the Notes to Financial Statements, Notes 3 and 12, respectively.



CITY OF NAPLES AIRPORT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
September 30, 2025 and 2024

**Debt**

The Authority had no debt in fiscal years 2025, 2024, and 2023.

**Economic Factors and Future Impacts**

The Authority financially operates on revenue from fuel sales as well as from airport user fees such as land and hangar rents. No local, state or federal general taxes, such as property, utility, sales, intangible property or income taxes directly support the Authority. Because of this, the Authority's goal is to maintain \$25,000,000 in capital reserves for future capital projects and emergency operating reserves of six months of operating expenses. The Authority may also receive state and federal grants from transportation trust funds for certain capital projects.

**Contacting the Authority's Financial Management**

This financial report is designed to provide a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report or require additional financial information, please contact the Authority's Senior Director of Finance and Administration. The office is located at 160 Aviation Drive North, Naples, Florida, 34104 and the Authority's phone number is 239-643-0733. <https://www.flynaples.com/>

CITY OF NAPLES AIRPORT AUTHORITY  
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
For the Years Ended September 30, 2025 and 2024

**ASSETS**

|                                                 | 2025               | 2024               |
|-------------------------------------------------|--------------------|--------------------|
| <b>CURRENT ASSETS</b>                           |                    |                    |
| Cash and cash equivalents                       | \$ 38,680,222      | \$ 30,726,292      |
| Restricted cash                                 | 3,456,581          | 3,214,831          |
| Investments                                     | 9,053,657          | 8,692,668          |
| Interest receivable                             | 235,926            | 206,790            |
| Accounts receivable (net)                       | 9,223,875          | 506,013            |
| Inventories                                     | 349,240            | 650,965            |
| Due from governmental agencies                  | 870,746            | 2,345,013          |
| Prepaid expenses                                | 356,506            | 588,887            |
| <b>Total current assets</b>                     | <u>62,226,753</u>  | <u>46,931,459</u>  |
| <b>NONCURRENT ASSETS</b>                        |                    |                    |
| Investments                                     | 26,916,239         | 32,736,529         |
| Capital assets, not being depreciated           | 22,319,934         | 15,770,476         |
| Capital assets, net of accumulated depreciation | 83,321,217         | 80,305,074         |
| <b>Total noncurrent assets</b>                  | <u>132,557,390</u> | <u>128,812,079</u> |
| <b>Total assets</b>                             | <u>194,784,143</u> | <u>175,743,538</u> |

**LIABILITIES**

|                                                |                   |                   |
|------------------------------------------------|-------------------|-------------------|
| <b>CURRENT LIABILITIES</b>                     |                   |                   |
| Accounts payable                               | 3,577,661         | 2,863,144         |
| Accounts payable - capital improvements        | 1,550,306         | 2,739,997         |
| Unearned revenue                               | 237,633           | 265,283           |
| Unearned revenue - lease term buy-back program | 184,975           | 33,639            |
| Compensated absences                           | 224,201           | 170,498           |
| Accrued expenses and other liabilities         | 2,625,102         | 2,555,938         |
| <b>Total current liabilities</b>               | <u>8,399,878</u>  | <u>8,628,499</u>  |
| <b>NONCURRENT LIABILITIES</b>                  |                   |                   |
| Compensated absences                           | 1,183,494         | 938,631           |
| Unearned revenue - lease term buy-back program | 15,534,311        | 15,870,622        |
| <b>Total noncurrent liabilities</b>            | <u>16,717,805</u> | <u>16,809,253</u> |
| <b>Total liabilities</b>                       | <u>25,117,683</u> | <u>25,437,752</u> |

**NET POSITION**

|                                                 |                       |                       |
|-------------------------------------------------|-----------------------|-----------------------|
| Investment in capital assets                    | 104,090,845           | 93,335,553            |
| Restricted for rental car facility improvements | 3,456,581             | 3,214,831             |
| Unrestricted                                    | 62,119,034            | 53,755,402            |
| <b>Total net position</b>                       | <u>\$ 169,666,460</u> | <u>\$ 150,305,786</u> |

The notes to the financial statements are an integral part of this statement.

CITY OF NAPLES AIRPORT AUTHORITY  
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
For the Years Ended September 30, 2025 and 2024

|                                                | 2025                  | 2024                  |
|------------------------------------------------|-----------------------|-----------------------|
| <b>OPERATING REVENUES</b>                      |                       |                       |
| Aviation fuel sales (net)                      | \$ 28,200,853         | \$ 26,760,051         |
| Concession fees                                | 1,324,172             | 1,306,999             |
| Hangar and tiedown rent                        | 2,504,725             | 2,249,714             |
| Building and land rent                         | 2,525,641             | 2,472,909             |
| FBO Services                                   | 5,297,736             | 4,997,758             |
| U.S. Customs user fees                         | 665,375               | 616,575               |
| Airfield cost recovery and miscellaneous       | 609,301               | 421,135               |
| <b>Net operating revenues</b>                  | <b>41,127,803</b>     | <b>38,825,141</b>     |
| <b>OPERATING EXPENSES</b>                      |                       |                       |
| Personnel                                      | 18,480,723            | 17,715,413            |
| Professional fees                              | 3,010,387             | 3,357,751             |
| Contracted services                            | 1,842,991             | 1,697,243             |
| Maintenance and repair                         | 2,692,738             | 2,832,795             |
| Insurance                                      | 1,466,538             | 1,174,393             |
| Credit card fees                               | 617,761               | 610,254               |
| Utilities                                      | 472,126               | 479,005               |
| Communications                                 | 407,616               | 522,624               |
| Pilot services                                 | 219,286               | 271,186               |
| Operating supplies                             | 406,913               | 397,514               |
| Dues and subscriptions                         | 159,220               | 138,152               |
| Depreciation and amortization                  | 7,365,594             | 6,998,813             |
| <b>Total operating expenses</b>                | <b>37,141,893</b>     | <b>36,195,143</b>     |
| <b>Operating income</b>                        | <b>3,985,910</b>      | <b>2,629,998</b>      |
| <b>NON-OPERATING REVENUES (EXPENSES)</b>       |                       |                       |
| Customer facility charges                      | 241,750               | 255,965               |
| Investment income                              | 3,233,154             | 4,911,487             |
| Claims and insurance settlements               | 8,934,440             | -                     |
| Gain (loss) on disposal of capital assets      | (5,390)               | 155,336               |
| <b>Total non-operating revenues (expenses)</b> | <b>12,403,954</b>     | <b>5,322,788</b>      |
| <b>Income before capital contributions</b>     | <b>16,389,864</b>     | <b>7,952,786</b>      |
| Capital contributions                          | 2,970,810             | 7,188,248             |
| <b>Change in net position</b>                  | <b>19,360,674</b>     | <b>15,141,034</b>     |
| <b>Total net position - beginning</b>          | <b>150,305,786</b>    | <b>135,164,752</b>    |
| <b>Total net position - ending</b>             | <b>\$ 169,666,460</b> | <b>\$ 150,305,786</b> |

The notes to the financial statements are an integral part of this statement.

CITY OF NAPLES AIRPORT AUTHORITY  
STATEMENTS OF CASH FLOWS  
For the Years Ended September 30, 2025 and 2024

|                                                                                     | <u>2025</u>                 | <u>2024</u>                 |
|-------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                         |                             |                             |
| Cash received from customers                                                        | \$ 69,001,943               | \$ 75,785,286               |
| Cash payments to suppliers for goods and services                                   | (38,660,793)                | (48,623,851)                |
| Cash payments for personnel services                                                | (17,398,476)                | (15,561,815)                |
| Net cash provided by operating activities                                           | <u>12,942,674</u>           | <u>11,599,620</u>           |
| <b>CASH FLOWS FROM CAPITAL AND<br/>RELATED FINANCING ACTIVITIES</b>                 |                             |                             |
| Customer facility charges                                                           | 241,750                     | 255,965                     |
| Acquisition and construction of capital assets                                      | (18,126,276)                | (14,959,385)                |
| Capital contributed                                                                 | 4,445,077                   | 4,925,141                   |
| Proceeds from sale of capital assets                                                | -                           | 155,336                     |
| Net cash used in capital and related financing activities                           | <u>(13,439,449)</u>         | <u>(9,622,943)</u>          |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                         |                             |                             |
| Investment purchases                                                                | (8,060,560)                 | (3,330,059)                 |
| Investment sales                                                                    | 13,096,159                  | -                           |
| Interest and dividends on investments                                               | <u>3,656,856</u>            | <u>5,335,189</u>            |
| Net cash provided by investing activities                                           | <u>8,692,455</u>            | <u>2,005,130</u>            |
| Net increase in cash and cash equivalents                                           | 8,195,680                   | 3,981,807                   |
| <b>CASH AND CASH EQUIVALENTS, beginning of year</b>                                 | <u>\$ 33,941,123</u>        | <u>\$ 29,959,316</u>        |
| <b>CASH AND CASH EQUIVALENTS, end of year</b>                                       | <u><u>\$ 42,136,803</u></u> | <u><u>\$ 33,941,123</u></u> |
| <b>RECONCILIATION OF CASH AND CASH<br/>EQUIVALENTS TO STATEMENT OF NET POSITION</b> |                             |                             |
| Restricted cash                                                                     | \$ 3,456,581                | \$ 3,214,831                |
| Unrestricted cash and cash equivalents                                              | 38,680,222                  | 30,726,292                  |
|                                                                                     | <u><u>\$ 42,136,803</u></u> | <u><u>\$ 33,941,123</u></u> |

The notes to the financial statements are an integral part of this statement.

CITY OF NAPLES AIRPORT AUTHORITY  
STATEMENTS OF CASH FLOWS  
For the Years Ended September 30, 2025 and 2024

|                                                                                         | <u>2025</u>                | <u>2024</u>                 |
|-----------------------------------------------------------------------------------------|----------------------------|-----------------------------|
| <b>RECONCILIATION OF OPERATING INCOME TO</b>                                            |                            |                             |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>                                        |                            |                             |
| Operating income                                                                        | <u>\$ 3,985,910</u>        | <u>\$ 2,629,998</u>         |
| Adjustments to reconcile operating income to net cash provided by operating activities: |                            |                             |
| Depreciation and amortization                                                           | 7,365,594                  | 6,998,813                   |
| Changes in assets and liabilities                                                       |                            |                             |
| Decrease (increase) in investment receivable                                            | (29,136)                   | (14,449)                    |
| Decrease (increase) in accounts receivable                                              | 216,578                    | 1,024                       |
| Decrease (increase) in inventories                                                      | 301,725                    | 51,678                      |
| Decrease (increase) in prepaid expenses                                                 | 232,381                    | (147,338)                   |
| Increase (decrease) in accounts payable                                                 | 714,517                    | 1,449,868                   |
| Increase (decrease) in compensated absences                                             | 298,566                    | 203,118                     |
| Increase in accrued expenses and other current liabilities                              | 69,164                     | 500,612                     |
| Increase in unearned revenue - lease term buy-back program                              | (184,975)                  | (33,639)                    |
| Increase (decrease) in unearned revenue                                                 | <u>(27,650)</u>            | <u>(40,065)</u>             |
| Total adjustments                                                                       | <u>8,956,764</u>           | <u>8,969,622</u>            |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>                                        | <u><u>\$12,942,674</u></u> | <u><u>\$ 11,599,620</u></u> |
| <b>NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES</b>                             |                            |                             |
| Capital improvements included in accounts payable                                       | \$ 1,550,306               | \$ 2,739,997                |
| Capital contributions - decrease (increase) in due from government agencies             | \$ 1,474,267               | \$ (2,263,107)              |
| Claims and insurance settlements - decrease (increase) in accounts receivable           | \$ (8,934,440)             | \$ -                        |

The notes to the financial statements are an integral part of this statement.

CITY OF NAPLES AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2025 and 2024

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

**A. Reporting entity**

The City of Naples Airport Authority (the “Authority”) was created under Laws of Florida 69-1326, as amended, as an independent authority responsible for the operation of the airport located in Naples, Florida, or any other airport in Collier County, Florida, which the Authority may contract to operate. The City of Naples, recognizing the benefits of an authority-type management concept, established the Authority in 1969 for the purpose of enhancing service to users, improving the community gateway image and eliminating financial subsidies by City taxpayers. Commissioners of the Authority are appointed by the Naples City Council. (Also see Note 10 - Related Party Transactions).

Governmental accounting standards require the financial statements of the Authority (the primary government) to include its component units, if any. A component unit is a legally separate organization for which the officials of the primary government are financially accountable. Based on the criteria established in generally accepted accounting principles, there are no component units required to be included in the Authority’s financial statements.

**B. Basis of presentation**

The Authority uses enterprise fund accounting to report its activities. An enterprise fund is a proprietary fund used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

**C. Measurement focus**

The Authority is accounted for on an “economic resources” measurement focus. Accordingly, all assets and liabilities are included on the Statements of Net Position, and the reported Net Position (total reported assets less total reported liabilities) provides an indication of the economic net worth of the Authority. The Statements of Revenues, Expenses and Changes in Net Position reports increases (revenues) and decreases (expenses) in total economic net worth.

**D. Basis of accounting**

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The Authority uses the accrual basis of accounting. Under this method, revenues are recognized when they are earned; expenses are recognized when they are incurred.

CITY OF NAPLES AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2025 and 2024

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

**E. Budgetary process**

The budget is adopted by Resolution of the Board of Commissioners and amendments, if any, are also approved by the Board of Commissioners. The budget is adopted consistent with generally accepted accounting principles (GAAP). Except that, in order to clarify the Authority's intent to present total expenses and expenditures, capital projects are included as expenditures. Expenditures cannot legally exceed the total amount of budgeted expenditures. Appropriations lapse at the end of the fiscal year.

**F. Use of estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may differ from actual results.

**G. Assets, liabilities and net position**

**Cash, cash equivalents, and investments**

For purposes of the statements of cash flows, the Authority considers all highly liquid investments (including restricted cash assets) with a maturity of three months or less when purchased to be cash equivalents.

When both restricted and unrestricted resources are available, restricted resources will be used first for eligible incurred expenses, and then unrestricted as needed.

The Authority's investments are managed by the Executive Director and the Senior Director of Finance and Administration in conjunction with the Authority's investment advisor. Investments in U.S. Treasury securities are recorded at fair value, as determined by quoted market prices. All investment income of the Authority, including changes in the fair value of investments, is reported as investment income in the Statements of Revenues, Expenses and Changes in Net Position.

**Accounts receivable**

The Authority's accounts receivable are recorded net of allowance for doubtful accounts. At September 30, 2025 and 2024, the allowances were \$12,754 and \$10,000, respectively.

CITY OF NAPLES AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2025 and 2024

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

**G. Assets, liabilities and net position (Continued)**

**Inventories**

Inventories, consisting of aviation fuel and other petroleum products held for sale, are stated at the lower of cost (first-in, first-out method) or market.

**Capital assets**

Capital assets include property, plant, equipment, infrastructure and intangible assets. Infrastructure assets are defined as public domain capital assets such as roads, drainage systems, lighting systems, runways, and similar assets that are immovable and of value only to the government unit. Intangible assets are without physical substance that provide economic benefits through the rights and privileges associated with their possession. Intangible assets may be classified as identifiable or unidentifiable and externally acquired or internally developed. The threshold for capitalization is \$2,000. Capital assets purchased for use in the operations of the Authority are recorded at cost. Contributed or donated assets are recorded at acquisition value. Expenditures for maintenance, repairs are expensed as incurred. The cost of assets retired or sold, together with the related accumulated depreciation, is removed from the accounts, and any gain or loss on disposition is credited or charged to earnings.

Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets. The estimated useful lives are determined based upon the Authority's experience with similar assets and its planned use of those assets.

The ranges of the estimated useful lives are as follows:

| <u>Assets</u>                     | <u>Years</u> |
|-----------------------------------|--------------|
| Infrastructure                    | 10 – 40      |
| Buildings                         | 15 – 40      |
| Equipment                         | 3 – 30       |
| Improvements other than buildings | 5 – 15       |
| Vehicles                          | 5 – 10       |
| Intangible                        | 3 – 7        |
| Furniture and office equipment    | 3 – 5        |
| Software                          | 3 – 5        |



CITY OF NAPLES AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2025 and 2024

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

**G. Assets, liabilities and net position (Continued)**

**Compensated absences**

In accordance with GASB Statement No. 101, *Compensated Absences*, (GASB 101) the Authority determines the liability for compensated absences, as well as certain other salary related costs associated with the payment of compensated absences that are reported herein. Full-time employees accrue vacation time based on their length of service. The Authority allows employees to carry over into subsequent fiscal years up to 340 hours of vacation time. Upon leaving the employment of the Authority, employees are paid 100% of their accrued vacation time. Full-time employees also accrue 10 sick days per year. The Authority allows employees to carry over into subsequent fiscal years up to 600 hours of sick time. Employees exceeding 600 hours of sick time will be paid for 50% of the sick hours exceeding the 600 hours annually. Upon leaving the employment of the Authority, employees with at least seven years of service will be paid for 50% of their available sick hours. As required under GASB 101, the Authority performed a “more likely than not” usage analysis using historical usage patterns to estimate the portion of leave expected to be used rather than forfeited.

**Unearned revenue**

The Authority offers “Lease-Term Buy-Back” programs at various times, the proceeds of which are recorded as unearned revenue. Revenues are earned over the term of the lease extension.

**Net position**

Net position is categorized as investment in capital assets, restricted and unrestricted. Restriction of net position indicates amounts that are limited for a specific purpose.

**H. Revenues and expenses**

**Operating revenues and expenses**

Operating revenues and expenses for enterprise funds are those that result from providing goods and services.

**Non-operating revenues and expenses**

Non-operating revenues and expenses represent revenue and expense items that are not incurred from the normal user activity of the Authority. This classification includes revenue received from customer facility charges, interest earned on bank and investment accounts, realized/unrealized gain (loss) on investments, finance charge revenue, claims and insurance settlements and the gain or loss on the sale or disposal of Authority property.

CITY OF NAPLES AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2025 and 2024

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

**I. Capital contributions**

Capital contributions consist primarily of grants and contributions from Federal and State governmental agencies. Capital contributions are recognized as earned as related project costs are incurred.

**J. Reclassifications**

Certain prior year amounts have been reclassified to conform with the current year financial reporting and to facilitate comparison of financial data.

**NOTE 2 - CASH, CASH EQUIVALENTS, AND INVESTMENTS**

**Deposits**

The Authority's cash and cash equivalents balances include amounts deposited with commercial banks in interest bearing demand deposit accounts. Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. In accordance with its policy, all Authority depositories are banks designated by the Florida State Chief Financial Officer (CFO) as qualified public depositories. Chapter 280 of the Florida Statutes "Florida Security for Public Deposits Act" provides procedures for public depositories to ensure public monies in banks and saving and loans are collateralized with the CFO as agent for the public entities. Chapter 280 defines deposits as demand deposit accounts, time deposit accounts and non-negotiable certificates of deposit.

Financial institutions qualifying as public depositories shall deposit with the CFO eligible collateral having a market value equal to or in excess of the average daily balance of public deposits times the depository collateral pledging level required pursuant to Chapter 280 as computed and reported monthly or 125 percent of the average monthly balance, whichever is greater. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof, and therefore, the Authority is not exposed to custodial credit risk.

CITY OF NAPLES AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2025 and 2024

**NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**Investments**

Investments are reported at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants and the measurement date. Fair value determinations are made based upon a hierarchy that prioritizes the inputs to valuation techniques. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurements).

- **Level 1** – Investments reflect unadjusted quoted prices in active markets for identical assets.
- **Level 2** – Investments reflect prices that are based on inputs that are either directly or indirectly observable for an asset (including quoted prices for similar assets), which may include inputs in markets that are not considered to be active.
- **Level 3** – Investments reflect prices based upon unobservable inputs for an asset.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

Debt securities classified as Level 2 are evaluated prices from the custodian bank's external pricing vendor. The pricing methodology involves the use of evaluation models, such as matrix pricing, which is based on the securities' relationship to benchmark quoted prices.

As of September 30, 2025, the Authority has the following investments and maturities:

|                                 | <b>2025 Fair<br/>Value</b>      | <b>Weighted<br/>Average<br/>Maturity<br/>(Years)</b> | <b>Hierarchy<br/>Level</b> |
|---------------------------------|---------------------------------|------------------------------------------------------|----------------------------|
| Investment by fair value level  |                                 |                                                      |                            |
| <b>Debt securities</b>          |                                 |                                                      |                            |
| U.S. Treasury Notes             | \$ 30,875,005                   | 4.0                                                  | 2                          |
| U.S. Treasury Bond              | 1,052,340                       | 3.4                                                  | 2                          |
| U.S. Agency Bonds               | 1,178,022                       | 3.8                                                  | 2                          |
| Municipal Bonds                 | 718,716                         | 2                                                    | 2                          |
| U.S. Treasury Bills (ST)        | 2,145,813                       | <1                                                   |                            |
| Total Investments by fair value | <u>35,969,896</u>               |                                                      |                            |
|                                 | <b>2025 Net Asset<br/>Value</b> |                                                      |                            |
| Investment by net asset value   |                                 |                                                      |                            |
| FL Class Investment Pool        | \$ 21,987,139                   |                                                      |                            |

CITY OF NAPLES AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2025 and 2024

**NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**Investments (Continued)**

As of September 30, 2024, the Authority has the following investments and maturities:

|                                 | <u>2024 Fair<br/>Value</u>      | <u>Weighted<br/>Average<br/>Maturity<br/>(Years)</u> | <u>Hierarchy<br/>Level</u> |
|---------------------------------|---------------------------------|------------------------------------------------------|----------------------------|
| Investment by fair value level  |                                 |                                                      |                            |
| <b>Debt securities</b>          |                                 |                                                      |                            |
| U.S. Treasury Notes             | \$ 39,302,032                   | 3.84                                                 | 2                          |
| U.S. Agency Bonds               | 1,160,917                       | 4.81                                                 | 2                          |
| Municipal Bonds                 | 966,248                         | 2.37                                                 | 2                          |
| Total Investments by fair value | <u>41,429,197</u>               |                                                      |                            |
|                                 | <u>2024 Net Asset<br/>Value</u> |                                                      |                            |
| Investment by net asset value   |                                 |                                                      |                            |
| FL Class Investment Pool        | \$ 21,021,891                   |                                                      |                            |

The FLCLASS investment pool is included in the Authority's cash and cash equivalents as the funds in this pool offer same-day liquidity of assets. FLCLASS is rated by S&P Global ratings. The current rating is 'AAAm'. The dollar weighted average days to maturity at September 30, 2025 and 2024, was 42 and 30 days, respectively.

Investments of the Authority conform to the Authority's investment policy adopted pursuant to Florida Statutes, Section 218.415.

*Interest Rate Risk* – As means of limiting its exposure to fair value losses arising from rising interest rates, the Authority's investment policy limits its risk by maintaining an investment portfolio with limited volatility. Accordingly, the maximum length to maturity of any direct investment in the U.S. Government Securities is 10 years from the date of settlement.

*Credit Risk* – Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. All of the Authority's investments were in U.S. Treasury notes and therefore do not carry credit risk.

*Custodial Credit Risk* – For an investment, custodial credit risk is the risk than in the event of failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority's investments are held in trust under the Authority's name by an independent third-party custodian.

CITY OF NAPLES AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2025 and 2024

**NOTE 2 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)**

**Investments (Continued)**

*Concentration of Credit Risk* – The Authority’s investment policy established limitations of portfolio composition in order to control concentration of credit risk. The policy allows 100% of the portfolio to be invested in U.S. Treasury notes.

**NOTE 3 - CAPITAL ASSETS**

A summary of changes in capital assets for the year ended September 30, 2025 is as follows:

| Fiscal Year 2025                            | Beginning<br>Balance | Increases     | Decreases/<br>Reclasses | Ending Balance |
|---------------------------------------------|----------------------|---------------|-------------------------|----------------|
| Capital assets not being depreciated:       |                      |               |                         |                |
| Land                                        | \$ 2,973,788         | \$ -          | \$ -                    | \$ 2,973,788   |
| Construction in progress                    | 12,796,688           | 16,291,814    | 9,742,356               | 19,346,146     |
| Total capital assets not being depreciated  | 15,770,476           | 16,291,814    | 9,742,356               | 22,319,934     |
| Capital assets being depreciated:           |                      |               |                         |                |
| Infrastructure                              | 84,356,770           | 5,634,758     | -                       | 89,991,528     |
| Buildings                                   | 45,735,505           | 1,800,345     | -                       | 47,535,850     |
| Equipment                                   | 11,240,555           | 631,719       | 472,222                 | 11,400,052     |
| Improvements other than building            | 7,497,173            | 1,946,098     | -                       | 9,443,271      |
| Vehicles                                    | 2,608,791            | 219,219       | 72,227                  | 2,755,783      |
| Intangible                                  | 1,558,629            | -             | -                       | 1,558,629      |
| Software                                    | 170,263              | -             | -                       | 170,263        |
| Furniture and office equipment              | 2,583,869            | 196,002       | 409,769                 | 2,370,102      |
| Total capital assets being depreciated      | 155,751,555          | 10,428,141    | 954,218                 | 165,225,478    |
| Less accumulated depreciation for:          |                      |               |                         |                |
| Infrastructure                              | 41,865,130           | 3,306,139     | -                       | 45,171,269     |
| Buildings                                   | 18,146,950           | 1,841,750     | -                       | 19,988,700     |
| Equipment                                   | 8,021,507            | 900,718       | 469,175                 | 8,453,050      |
| Improvements other than building            | 3,041,056            | 518,698       | -                       | 3,559,754      |
| Vehicles                                    | 1,739,702            | 326,239       | 32,128                  | 2,033,813      |
| Intangible                                  | 798,494              | 133,357       | -                       | 931,851        |
| Software                                    | 50,879               | 42,295        | -                       | 93,174         |
| Furniture and office equipment              | 1,782,763            | 296,398       | 406,511                 | 1,672,650      |
| Total accumulated depreciation              | 75,446,481           | 7,365,594     | 907,814                 | 81,904,261     |
| Total capital assets being depreciated, net | 80,305,074           | 3,062,547     | 46,404                  | 83,321,217     |
| Total capital assets, net                   | \$ 96,075,550        | \$ 19,354,361 | \$ 9,788,760            | \$ 105,641,151 |

In 2025, reported depreciation expense totaled \$7,365,594.

CITY OF NAPLES AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2025 and 2024

**NOTE 3 - CAPITAL ASSETS (Continued)**

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

| Fiscal Year 2024                            | Beginning<br>Balance | Increases            | Decreases           | Ending Balance       |
|---------------------------------------------|----------------------|----------------------|---------------------|----------------------|
| Capital assets not being depreciated:       |                      |                      |                     |                      |
| Land                                        | \$ 2,973,788         | \$ -                 | \$ -                | \$ 2,973,788         |
| Construction in progress                    | 7,466,157            | 14,222,699           | 8,892,168           | 12,796,688           |
| Total capital assets not being depreciated  | <u>10,439,945</u>    | <u>14,222,699</u>    | <u>8,892,168</u>    | <u>15,770,476</u>    |
| Capital assets being depreciated:           |                      |                      |                     |                      |
| Infrastructure                              | 77,219,063           | 7,137,707            | -                   | 84,356,770           |
| Buildings                                   | 45,127,136           | 608,369              | -                   | 45,735,505           |
| Equipment                                   | 11,320,045           | 976,742              | 1,056,232           | 11,240,555           |
| Improvements other than building            | 6,233,769            | 1,263,404            | -                   | 7,497,173            |
| Vehicles                                    | 2,304,842            | 303,949              | -                   | 2,608,791            |
| Intangible                                  | 1,558,629            | -                    | -                   | 1,558,629            |
| Software                                    | 108,440              | 61,823               | -                   | 170,263              |
| Furniture and office equipment              | 2,473,211            | 110,658              | -                   | 2,583,869            |
| Total capital assets being depreciated      | <u>146,345,135</u>   | <u>10,462,652</u>    | <u>1,056,232</u>    | <u>155,751,555</u>   |
| Less accumulated depreciation for:          |                      |                      |                     |                      |
| Infrastructure                              | 38,714,111           | 3,151,019            | -                   | 41,865,130           |
| Buildings                                   | 16,338,216           | 1,808,734            | -                   | 18,146,950           |
| Equipment                                   | 8,116,024            | 865,792              | 960,309             | 8,021,507            |
| Improvements other than building            | 2,678,458            | 362,598              | -                   | 3,041,056            |
| Vehicles                                    | 1,413,827            | 325,875              | -                   | 1,739,702            |
| Intangible                                  | 665,137              | 133,357              | -                   | 798,494              |
| Software                                    | 11,223               | 39,656               | -                   | 50,879               |
| Furniture and office equipment              | 1,470,981            | 311,782              | -                   | 1,782,763            |
| Total accumulated depreciation              | <u>69,407,977</u>    | <u>6,998,813</u>     | <u>960,309</u>      | <u>75,446,481</u>    |
| Total capital assets being depreciated, net | <u>76,937,158</u>    | <u>3,463,839</u>     | <u>95,923</u>       | <u>80,305,074</u>    |
| Total capital assets, net                   | <u>\$ 87,377,103</u> | <u>\$ 17,686,538</u> | <u>\$ 8,988,091</u> | <u>\$ 96,075,550</u> |

In 2024, reported depreciation expense totaled \$6,998,813.

**NOTE 4 - UNEARNED REVENUE – LEASE-TERM BUY-BACK PROGRAM PAYMENTS**

At various times, the Authority offered a lease-term buy-back program to all existing aviation land lease tenants. This program benefited the leaseholders in that they could more readily secure financing or find a potential buyer of the property under lease due to an extended lease period. The tenant could enter into a new land lease for an extended period for an amount based on current values. The amount was paid upfront and is accounted for as a long-term liability (unearned revenue) and will be earned over the years beyond the term of the initial lease.

CITY OF NAPLES AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2025 and 2024

**NOTE 5 - CHANGES IN NONCURRENT LIABILITIES**

A summary of changes in noncurrent liabilities for the years ended September 30 were as follows:

| <u>Fiscal Year 2025</u>      | <u>Beginning<br/>Balance</u> | <u>Increases</u>  | <u>Decreases</u>  | <u>Ending Balance</u> | <u>Current<br/>Portion</u> |
|------------------------------|------------------------------|-------------------|-------------------|-----------------------|----------------------------|
| Compensated absences         | \$ 1,109,129                 | \$ 298,566        | \$ -              | \$ 1,407,695          | \$ 224,201                 |
| Lease-term buy-back program  | 15,904,261                   | -                 | 184,975           | 15,719,286            | 184,975                    |
| Total noncurrent liabilities | <u>\$ 17,013,390</u>         | <u>\$ 298,566</u> | <u>\$ 184,975</u> | <u>\$ 17,126,981</u>  | <u>\$ 409,176</u>          |

| <u>Fiscal Year 2024</u>      | <u>Ending<br/>Balance</u> | <u>Increases</u>  | <u>Decreases</u>  | <u>Ending Balance</u> | <u>Current<br/>Portion</u> |
|------------------------------|---------------------------|-------------------|-------------------|-----------------------|----------------------------|
| Compensated absences         | \$ 906,011                | \$ 540,210        | \$ 337,092        | \$ 1,109,129          | \$ 170,498                 |
| Lease-term buy-back program  | 15,937,900                | -                 | 33,639            | 15,904,261            | 33,639                     |
| Total noncurrent liabilities | <u>\$ 16,843,911</u>      | <u>\$ 540,210</u> | <u>\$ 370,731</u> | <u>\$ 17,013,390</u>  | <u>\$ 204,137</u>          |

**NOTE 6 - REGULATED LEASES**

The Authority subleases land and leases certain buildings to various tenants with lease terms extending out to 2054. There are no variable lease payments associated with regulated leases. GASB 87 requires revenue from regulated leases to be recorded in the period received. Total revenue from regulated leases for the years ended September 30, 2025, and 2024 were \$1,267,518 and \$1,813,536, respectively. Following is a schedule of future minimum leases payments on regulated leases.

CITY OF NAPLES AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2025 and 2024

**NOTE 6 - REGULATED LEASES (Continued)**

| <u>Year Ending September 30,</u> | <u>Amount</u>        |
|----------------------------------|----------------------|
| 2026                             | \$ 1,423,696         |
| 2027                             | 1,452,023            |
| 2028                             | 1,481,063            |
| 2029                             | 1,510,685            |
| 2030                             | 1,503,259            |
| 2031-2035                        | 7,267,435            |
| 2036-2040                        | 6,610,156            |
| 2041-2045                        | 5,841,607            |
| 2046-2050                        | 2,602,343            |
| 2051-2055                        | 490,373              |
| Total                            | <u>\$ 30,182,640</u> |

**NOTE 7 - RETIREMENT PLAN**

The City of Naples Airport Authority MissionSquare Retirement Governmental Money Purchase Plan is a defined contribution retirement plan for the benefit of its employees. The plan is for full-time employees and has eligibility provisions with required retirement funding percentages applied to the salaries of those participating. Retirement contribution expense for the years ended September 30, 2025 and 2024 was \$1,486,384 and \$1,345,982, respectively. The Authority has reserved the right to establish and amend all plan provisions. The contribution requirements of plan members and the Authority are established and may be amended by the Authority. The Authority's total salaries and wages on September 30, 2025 and 2024 was \$13,402,722 and \$12,786,518, and its covered payroll was \$13,122,154 and \$12,516,668, respectively.

The plan is exempt from the Employee Retirement Income Security Act (ERISA). Therefore, the plan does not issue a separate audited financial report. The post-employment retirement benefit plan is administered by MissionSquare Retirement. On October 1, 2024, the Authority changed to Lincoln Financial as the administrator of the Authority's retirement plans.

**NOTE 8 - RISK MANAGEMENT**

The Authority is exposed to various risks of loss related to torts; theft, damage, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Insurance coverage for such losses is purchased from commercial insurance companies.



CITY OF NAPLES AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2025 and 2024

**NOTE 8 - RISK MANAGEMENT (Continued)**

The financial impact of the Authority's risk management activities are reported in the accompanying financial statements. For the years ended September 30, 2025 and 2024, the Authority paid \$1,466,538 and \$1,174,393, respectively, in premiums for policies to insure for these risks. No accrual has been provided for claims and incidents not reported to insurers. All known claims have been reported to the insurers. Claims made have not exceeded the insurance coverage.

**NOTE 9 - CUSTOMER FACILITY CHARGES**

A \$2.50 per day customer facility charge (CFC) is charged for all car rentals at the airport. Per the airport's agreements with the rental car companies, the amounts are restricted to be used for rental car facilities at the airport. For the years ended September 30, 2025 and 2024, the Authority collected \$241,750 and \$255,965, respectively. The restricted balance at September 30, 2025 and 2024 was \$3,456,581 and \$3,214,831, respectively. This amount is also recorded in restricted cash.

**NOTE 10 - RELATED PARTY TRANSACTIONS**

The Airport is located on an area of approximately 732 acres of which 640 acres is leased land. The Authority holds a ninety-nine-year lease from the City of Naples, which allows the Authority to use and sublet the land. The lease requires annual payments of one dollar. The lease expires in 2068. The Authority prepaid this lease in January 1997.

The City provides certain services to the Authority including firefighting personnel, fire truck maintenance, police services and utilities. Total expense incurred by the Authority during the years ended September 30, 2025 and 2024 for these services were \$1,370,044 and \$1,122,822, respectively.

**NOTE 11 - CAPITAL CONTRIBUTIONS**

Since its inception, the Authority has received capital contributions through Federal and State grants and from the City of Naples, Collier County and other parties as follows:

|                | Fiscal Year         | Inception-to-        |
|----------------|---------------------|----------------------|
|                | 2025                | date                 |
| Federal        | \$ 2,213,934        | \$ 56,741,149        |
| State          | 756,876             | 23,492,713           |
| City of Naples | -                   | 201,763              |
| Collier County | -                   | 162,976              |
| Other          | -                   | 5,487,808            |
| Total          | <u>\$ 2,970,810</u> | <u>\$ 86,086,409</u> |

CITY OF NAPLES AIRPORT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2025 and 2024

**NOTE 12 - COMMITMENTS AND CONTINGENCIES**

At September 30, 2025, the Authority had in process various construction, consulting and engineering contracts totaling \$32,426,416. Expenditures on these contracts were \$20,438,146, leaving commitments of up to \$11,988,270.

The Authority is currently receiving, and has received in the past, grants which are subject to special compliance audits by the grantor agency, which may result in disallowed expense amounts. These amounts would constitute a contingent liability of the Authority. The Authority does not believe any contingent liabilities to be material.

On September 28, 2022, Hurricane Ian hit Southwest Florida causing widespread flooding in the coastal areas, including over four feet of storm surge to parts of the airfield. The Authority had significant damage to the airfield lighting system and signs. Temporary repairs were made in the weeks following the hurricane to keep the airport operational. It was determined that due to the saltwater intrusion into the electrical systems of the airfield lighting and signs, the entire system will need to be replaced. The cost of this project is expected to be approximately \$20.4M.

The Authority filed a claim in fiscal year 2023 with its property insurance carrier. The Authority received a claim determination letter from its property insurance carrier for \$13M as well as an advance payment of \$4M toward the airfield lighting system. In December 2025, the adjuster approved the final settlement, and the carrier made final payments totaling \$8,678,553 in January of 2026. This amount is recorded in accounts receivable at September 30, 2025.

## STATISTICAL SECTION

This part of the City of Naples Airport Authority's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Authority's overall financial health.

| <b><u>Contents</u></b>                                                                                                                                                                                                                                                    | <b><u>Page</u></b> |
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| Financial Trends<br><i>These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.</i>                                                                                       | 38                 |
| Revenue Capacity<br><i>These schedules contain information to help the reader to assess the Authority's most significant revenue source, aviation fuel sales.</i>                                                                                                         | 40                 |
| Debt Capacity<br><i>These schedules present information to help the reader assess the affordability of the Authority's current levels of outstanding debt and the Authority's ability to issue additional debt in the future.</i>                                         | 42                 |
| Demographic and Economic Information<br><i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.</i>                                                      | 42                 |
| Operating Information<br><i>These schedules contain information about the Authority's operations and resources to help the reader understand how the Authority's financial information relates to the services the Authority provides and the activities it performs.</i> | 44                 |
| Miscellaneous Information<br><i>This schedule provides the reader with information on the sources of the Authority's contributed capital.</i>                                                                                                                             | 46                 |

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

CITY OF NAPLES AIRPORT AUTHORITY  
NET POSITION BY COMPONENT, LAST TEN FISCAL YEARS

NET POSITION BY COMPONENT, LAST TEN FISCAL YEARS

|                              | 2016                 | 2017                 | 2018                 | 2019                 | 2020                 | 2021                  | 2022                  | 2023                  | 2024                  | 2025                  |
|------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Investment in Capital Assets | \$ 60,738,000        | \$ 61,937,000        | \$ 62,770,767        | \$ 65,145,384        | \$ 67,683,601        | \$ 67,683,601         | \$ 82,417,199         | \$ 85,374,981         | \$ 93,335,553         | \$ 104,090,845        |
| Restricted                   | 1,381,000            | 1,587,000            | 1,804,601            | 2,016,021            | 2,232,216            | 2,232,216             | 2,701,038             | 2,958,866             | 3,214,831             | 3,456,581             |
| Unrestricted                 | 19,071,000           | 21,899,000           | 26,156,608           | 30,520,200           | 35,054,150           | 35,054,150            | 39,040,605            | 46,830,905            | 53,755,402            | 62,119,034            |
| <b>Total net position</b>    | <u>\$ 67,776,000</u> | <u>\$ 74,014,000</u> | <u>\$ 78,730,000</u> | <u>\$ 81,190,000</u> | <u>\$ 85,423,000</u> | <u>\$ 104,969,967</u> | <u>\$ 124,158,842</u> | <u>\$ 135,164,752</u> | <u>\$ 150,305,786</u> | <u>\$ 169,666,460</u> |

Note: Prior to Fiscal Year 2018, amounts are rounded to nearest thousand.

**CITY OF NAPLES AIRPORT AUTHORITY**  
**CHANGES IN NET POSITION, LAST TEN FISCAL YEARS**

**CHANGES IN NET POSITION, LAST TEN FISCAL YEARS**

|                                                   | 2016                | 2017                | 2018                | 2019                | 2020                | 2021                 | 2022                | 2023                 | 2024                 | 2025                 |
|---------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|---------------------|----------------------|----------------------|----------------------|
| <b>OPERATING REVENUES</b>                         |                     |                     |                     |                     |                     |                      |                     |                      |                      |                      |
| Fuel sales (net)                                  | \$ 8,786,000        | \$ 9,334,000        | \$ 10,519,749       | \$ 12,731,215       | \$ 14,091,971       | \$ 20,889,892        | \$ 22,934,029       | \$ 21,956,231        | \$ 26,760,051        | \$ 28,200,853        |
| Concession fees                                   | 716,000             | 682,000             | 737,196             | 752,856             | 927,197             | 1,104,414            | 1,343,510           | 1,326,207            | 1,306,999            | 1,324,172            |
| Hangar/T-shelter/tiedown                          | 2,413,000           | 2,515,000           | 2,596,552           | 2,565,188           | 3,084,585           | 3,772,690            | 3,916,892           | 2,189,140            | 2,249,714            | 2,504,725            |
| Building and land rent                            | 1,327,000           | 1,388,000           | 1,384,597           | 1,341,961           | 1,570,082           | 1,690,009            | 1,803,117           | 2,084,615            | 2,472,909            | 2,525,641            |
| FBO services                                      | 698,000             | 731,000             | 771,255             | 856,594             | 1,096,214           | 1,681,145            | 1,743,391           | 4,038,526            | 4,997,758            | 5,297,736            |
| U.S. Customs user fees                            | 311,000             | 357,000             | 442,355             | 440,080             | 322,415             | 613,275              | 779,595             | 588,025              | 616,575              | 665,375              |
| Airfield cost recovery and miscellaneous          | 28,000              | 19,000              | 101,173             | 43,409              | 133,459             | 195,162              | 351,577             | 463,520              | 421,135              | 609,301              |
| <b>Net operating revenues</b>                     | <u>14,279,000</u>   | <u>15,026,000</u>   | <u>16,552,877</u>   | <u>18,731,303</u>   | <u>21,225,923</u>   | <u>29,946,587</u>    | <u>32,872,111</u>   | <u>32,646,264</u>    | <u>38,825,141</u>    | <u>41,127,803</u>    |
| <b>OPERATING EXPENSES</b>                         |                     |                     |                     |                     |                     |                      |                     |                      |                      |                      |
| Personnel                                         | 5,385,000           | 5,828,000           | 5,916,133           | 6,810,799           | 7,403,329           | 8,777,415            | 12,324,672          | 14,602,544           | 17,715,413           | 18,480,723           |
| Professional fees                                 | 1,793,000           | 1,754,000           | 2,244,120           | 2,182,919           | 2,522,005           | 2,971,679            | 3,967,718           | 4,712,081            | 5,054,994            | 4,853,378            |
| Communications                                    | 199,000             | 151,000             | 128,904             | 187,630             | 201,655             | 231,373              | 343,673             | 442,172              | 522,624              | 407,616              |
| Insurance                                         | 461,000             | 449,000             | 445,628             | 531,657             | 616,790             | 754,922              | 746,328             | 966,150              | 1,174,393            | 1,466,538            |
| Utilities                                         | 265,000             | 274,000             | 366,675             | 316,273             | 338,153             | 336,750              | 404,790             | 460,637              | 479,005              | 472,126              |
| Office/postage/printing                           | 116,000             | 83,000              | 107,959             | 90,053              | 74,097              | 72,623               | 210,608             | 308,747              | 397,514              | 406,913              |
| Dues/subscriptions/fees                           | 43,000              | 89,000              | 60,513              | 54,227              | 45,335              | 60,718               | 88,436              | 120,615              | 138,152              | 159,220              |
| Auto gas and diesel fuel                          | 48,000              | 50,000              | 61,392              | 64,068              | 43,947              | 55,694               | -                   | -                    | -                    | -                    |
| Pilot services                                    | 64,000              | 112,000             | 125,607             | 106,553             | 88,744              | 124,897              | 229,593             | 276,294              | 271,186              | 219,286              |
| Maintenance and repair                            | 1,097,000           | 646,000             | 915,323             | 1,122,471           | 1,299,867           | 1,199,056            | 1,807,765           | 2,363,014            | 2,832,795            | 2,692,738            |
| Credit card fees                                  | -                   | -                   | -                   | 239,443             | 279,095             | 369,891              | 548,211             | 517,155              | 610,254              | 617,761              |
| Depreciation and amortization                     | 3,791,000           | 3,703,000           | 3,714,010           | 3,911,422           | 4,151,963           | 4,352,224            | 5,351,514           | 5,351,514            | 6,998,813            | 7,365,594            |
| Miscellaneous                                     | -                   | -                   | -                   | -                   | 64,173              | -                    | 21,827              | 5,480                | -                    | -                    |
| <b>Total operating expenses</b>                   | <u>13,262,000</u>   | <u>13,139,000</u>   | <u>14,086,264</u>   | <u>15,617,515</u>   | <u>17,129,153</u>   | <u>19,307,242</u>    | <u>26,045,135</u>   | <u>30,126,403</u>    | <u>36,195,143</u>    | <u>37,141,893</u>    |
| <b>Operating income (loss)</b>                    | <u>1,017,000</u>    | <u>1,887,000</u>    | <u>2,466,613</u>    | <u>3,113,788</u>    | <u>4,096,770</u>    | <u>10,639,345</u>    | <u>6,826,976</u>    | <u>2,519,861</u>     | <u>2,629,998</u>     | <u>3,985,910</u>     |
| <b>NON-OPERATING REVENUES (EXPENSES)</b>          |                     |                     |                     |                     |                     |                      |                     |                      |                      |                      |
| Customer facility charges                         | 204,000             | 212,000             | 213,765             | 211,420             | 216,195             | 230,427              | 238,395             | 257,828              | 255,965              | 241,750              |
| Interest revenue                                  | 109,000             | 228,000             | 228,000             | 920,765             | 510,943             | 180,410              | (1,718,837)         | 2,203,778            | 4,911,487            | 3,233,154            |
| Realized/unrealized gain (loss) on investments    | -                   | -                   | 511,927             | -                   | -                   | -                    | -                   | -                    | -                    | -                    |
| Claims and insurance settlements                  | 6,000               | (43,000)            | 507,000             | 1,000,000           | 74,029              | 27,377               | -                   | 4,087,898            | -                    | 8,934,440            |
| Hurricane recovery/repair                         | -                   | -                   | -                   | (906,459)           | -                   | -                    | (250,000)           | -                    | -                    | -                    |
| Gain (Loss) on disposal of capital assets         | (16,000)            | 12,000              | -                   | 15,484              | (100,770)           | 16,504               | 53,685              | 31,641               | 155,336              | (5,390)              |
| <b>Total non-operating revenues (expenses)</b>    | <u>303,000</u>      | <u>409,000</u>      | <u>1,460,692</u>    | <u>1,241,210</u>    | <u>700,397</u>      | <u>454,718</u>       | <u>(1,676,757)</u>  | <u>6,581,145</u>     | <u>5,322,788</u>     | <u>12,403,954</u>    |
| <b>Income (loss) before capital contributions</b> | <u>1,320,000</u>    | <u>2,296,000</u>    | <u>3,927,305</u>    | <u>4,354,998</u>    | <u>4,797,167</u>    | <u>11,094,063</u>    | <u>5,150,219</u>    | <u>9,101,006</u>     | <u>7,952,786</u>     | <u>16,389,864</u>    |
| Capital contributions                             | <u>1,140,000</u>    | <u>1,937,000</u>    | <u>1,925,957</u>    | <u>2,595,629</u>    | <u>2,491,195</u>    | <u>894,973</u>       | <u>2,049,620</u>    | <u>2,049,620</u>     | <u>7,188,248</u>     | <u>2,970,810</u>     |
| <b>Change in net position</b>                     | <u>\$ 2,460,000</u> | <u>\$ 4,233,000</u> | <u>\$ 5,853,262</u> | <u>\$ 6,950,627</u> | <u>\$ 7,288,362</u> | <u>\$ 11,989,036</u> | <u>\$ 7,199,839</u> | <u>\$ 11,150,626</u> | <u>\$ 15,141,034</u> | <u>\$ 19,360,674</u> |

Note: Prior to Fiscal Year 2018, amounts are rounded to the nearest thousand.

# CITY OF NAPLES AIRPORT AUTHORITY FUEL SALES, LAST TEN FISCAL YEARS

## AVERAGE AVIATION FUEL MARGINS (PER GALLON)

| Fiscal Year | Jet A   |              |                      |                |             | 100 Low Lead |                      |                     |             |                | UL 94       |
|-------------|---------|--------------|----------------------|----------------|-------------|--------------|----------------------|---------------------|-------------|----------------|-------------|
|             | Flowage | Full Service | Prepaid Full Service | Contract Fuel* | Tenant Fuel | Full Service | Prepaid Full Service | Public Self Fueling | Tenant Fuel | Volume Program | Tenant Fuel |
| 2016        | \$ 0.30 | \$ 1.93      | \$ 1.23              | \$ 1.00        | \$ -        | \$ 0.81      | \$ 0.50              | \$ 0.59             | \$ -        | \$ -           | n/a         |
| 2017        | 0.30    | 1.99         | 1.24                 | 0.99           | -           | 0.90         | 0.51                 | 0.74                | -           | -              | n/a         |
| 2018        | 0.30    | 2.00         | 1.23                 | 0.98           | -           | 0.90         | 0.46                 | 0.82                | -           | -              | n/a         |
| 2019        | 0.30    | 2.07         | 1.47                 | 1.07           | 1.29        | 0.81         | 0.75                 | 0.49                | -           | -              | n/a         |
| 2020        | 0.35    | 2.31         | -                    | 1.66           | 1.37        | 1.55         | 1.10                 | 0.65                | 1.08        | 0.97           | n/a         |
| 2021        | 0.40    | 2.66         | -                    | 1.49           | 1.31        | 2.17         | -                    | 0.62                | 1.18        | 1.12           | n/a         |
| 2022        | 0.40    | 2.42         | -                    | 1.67           | 1.34        | 2.31         | -                    | 0.70                | 1.04        | -              | n/a         |
| 2023        | 0.54    | 2.89         | -                    | 1.89           | 1.77        | 1.98         | -                    | 0.74                | 1.04        | -              | n/a         |
| 2024        | 0.55    | 2.73         | -                    | 2.23           | 2.00        | 2.67         | -                    | 1.00                | 1.50        | -              | (2.27)      |
| 2025        | \$ 0.67 | \$ 2.90      | \$ -                 | \$ 2.33        | \$ 2.20     | \$ 2.72      | \$ -                 | \$ 1.00             | \$ 1.52     | \$ -           | \$ (1.88)   |

## AVIATION FUEL SALES (GALLONS)

| Fiscal Year | Jet A   |              |                      |                |             |            | 100 Low Lead |                      |                     |             |                |         | UL 94       |
|-------------|---------|--------------|----------------------|----------------|-------------|------------|--------------|----------------------|---------------------|-------------|----------------|---------|-------------|
|             | Flowage | Full Service | Prepaid Full Service | Contract Fuel* | Tenant Fuel | Total      | Full Service | Prepaid Full Service | Public Self Fueling | Tenant Fuel | Volume Program | Total   | Tenant Fuel |
| 2016        | 252,568 | 2,458,314    | 1,535,659            | 2,124,000      | -           | 6,370,541  | 158,993      | 106,487              | 115,206             | -           | -              | 380,686 | n/a         |
| 2017        | 250,014 | 2,496,936    | 1,623,734            | 2,355,956      | -           | 6,726,640  | 176,266      | 111,583              | 101,192             | -           | -              | 389,040 | n/a         |
| 2018        | 229,921 | 2,584,903    | 2,124,407            | 2,492,618      | -           | 7,431,849  | 185,775      | 142,249              | 76,800              | -           | -              | 404,824 | n/a         |
| 2019        | 273,623 | 3,315,215    | 1,438,968            | 2,668,965      | 242,527     | 7,939,298  | 165,495      | 100,411              | 83,962              | 19,369      | 29,205         | 398,442 | n/a         |
| 2020        | 240,536 | 1,450,521    | -                    | 5,216,300      | 1,220,131   | 8,127,488  | 92,609       | -                    | 89,602              | 109,637     | 23,331         | 315,179 | n/a         |
| 2021        | 385,394 | 1,639,099    | -                    | 7,815,153      | 1,565,271   | 11,404,917 | 86,379       | -                    | 72,516              | 145,463     | -              | 304,358 | n/a         |
| 2022        | 521,826 | 2,013,197    | -                    | 9,696,568      | 1,121,185   | 13,352,776 | 75,168       | -                    | 103,582             | 145,254     | -              | 324,004 | n/a         |
| 2023        | 483,246 | 1,999,040    | -                    | 7,697,036      | 1,021,102   | 11,200,424 | 88,915       | -                    | 90,725              | 141,230     | -              | 320,870 | n/a         |
| 2024        | 481,955 | 2,250,368    | -                    | 8,239,470      | 936,099     | 11,907,892 | 89,123       | -                    | 96,724              | 77,962      | -              | 263,809 | 60,407      |
| 2025        | 517,637 | 2,053,071    | -                    | 8,569,044      | 789,553     | 11,929,305 | 86,181       | -                    | 99,058              | 84,832      | -              | 270,071 | 75,906      |

## AVIATION FUEL SALES (NET REVENUE)

| Fiscal Year | Jet A      |              |                      |                |              |               | 100 Low Lead |                      |                     |             |                |            | UL 94        |
|-------------|------------|--------------|----------------------|----------------|--------------|---------------|--------------|----------------------|---------------------|-------------|----------------|------------|--------------|
|             | Flowage    | Full Service | Prepaid Full Service | Contract Fuel* | Tenant Fuel  | Total         | Full Service | Prepaid Full Service | Public Self Fueling | Tenant Fuel | Volume Program | Total      | Tenant Fuel  |
| 2016        | \$ 75,770  | \$ 4,752,120 | \$ 1,885,624         | \$ 2,098,651   | \$ -         | \$ 8,812,165  | \$ 142,936   | \$ 53,979            | \$ 84,967           | \$ -        | \$ -           | \$ 281,882 | n/a          |
| 2017        | 75,004     | 4,978,267    | 2,007,046            | 2,320,378      | -            | 9,380,695     | 158,927      | 50,956               | 83,048              | -           | -              | \$ 292,931 | n/a          |
| 2018        | 69,352     | 5,158,618    | 2,609,597            | 2,432,460      | -            | 10,270,027    | 150,352      | 106,750              | 37,980              | -           | -              | \$ 295,082 | n/a          |
| 2019        | 82,087     | 6,875,377    | 2,109,712            | 2,865,106      | 313,363      | 12,245,645    | 255,719      | 110,322              | 54,610              | 20,849      | 28,390         | \$ 469,890 | n/a          |
| 2020        | 72,161     | 3,356,082    | -                    | 8,655,856      | 1,667,285    | 13,751,384    | 274,678      | -                    | 262,768             | 320,629     | 75,369         | \$ 933,444 | n/a          |
| 2021        | 154,158    | 4,358,768    | -                    | 14,206,013     | 2,089,115    | 20,808,054    | 191,842      | -                    | 48,645              | 154,868     | -              | \$ 395,355 | n/a          |
| 2022        | 208,730    | 4,872,869    | -                    | 16,233,946     | 1,507,833    | 22,823,378    | 140,872      | -                    | 37,158              | 136,528     | -              | \$ 314,558 | n/a          |
| 2023        | 261,050    | 5,780,416    | -                    | 14,546,170     | 1,806,627    | 22,394,263    | 175,681      | -                    | 67,136              | 146,966     | -              | \$ 389,783 | n/a          |
| 2024        | 265,075    | 6,140,148    | -                    | 18,435,328     | 1,870,119    | 26,710,670    | 238,384      | -                    | 96,724              | 116,632     | -              | \$ 451,740 | (137,284)    |
| 2025        | \$ 347,442 | \$ 5,678,337 | \$ -                 | \$ 20,459,923  | \$ 1,742,761 | \$ 28,228,463 | \$ 234,797   | \$ -                 | \$ 99,039           | \$ 128,557  | \$ -           | \$ 462,393 | \$ (142,561) |

Source: Authority's Finance Department records

Notes: The Executive Director is authorized to adjust fuel charges at any time, with or without notice.  
The Authority's fuel charges to customers are based on a cost plus formula.  
The Authority offers various fuel programs to meet Airport customers' needs.  
Aviation fuel sales (net revenue) does not include aviation oil sales, non-aviation fuel sales, fuel truck rental and credit card fees.  
These are included in Fuel sales (net) as show on the Statement of Revenues, Expenses and Changes in Net Position.  
\* Formerly titled "Volume Discount (contract)" in prior years ACFR.

# CITY OF NAPLES AIRPORT AUTHORITY PRINCIPAL CUSTOMERS

## PRINCIPAL CUSTOMERS - BY GROSS SALES For the Years Ended September 30,

| Company                                   | 2025                 |                                 | 2016                 |                                 |
|-------------------------------------------|----------------------|---------------------------------|----------------------|---------------------------------|
|                                           | Gross Sales          | % of Total Authority Fuel Sales | Gross Sales          | % of Total Authority Fuel Sales |
| 1 Net Jets/EJM                            | \$ 9,159,962         | 16.3%                           | \$ 4,016,670         | 28.1%                           |
| 2 Flexjet, LLC                            | 5,884,498            | 10.5%                           | 1,358,406            | 9.5%                            |
| 3 Wheels Up Private Jets                  | 1,742,677            | 3.1%                            |                      |                                 |
| 4 Fly Exclusive Jets LLC                  | 1,369,978            | 2.4%                            |                      |                                 |
| 5 Elite Jets Charter, LLC                 | 1,166,083            | 2.1%                            |                      |                                 |
| 6 Delux Public Charter, LLC (DBA JSX AIR) | 706,473              | 1.3%                            |                      |                                 |
| 7 Fly Alliance                            | 650,646              | 1.2%                            |                      |                                 |
| 8 Jet Linx                                | 480,358              | 0.9%                            |                      |                                 |
| 9 QTPOD                                   | 474,103              | 0.8%                            |                      |                                 |
| 10 Vista America                          | 465,596              | 0.8%                            |                      |                                 |
| Naples Jet Center/Eagle Creek             |                      |                                 | 2,767,026            | 19.4%                           |
| Hertz Corporation                         |                      |                                 | 992,144              | 6.9%                            |
| Cable Vision                              |                      |                                 | 805,111              | 6.9%                            |
| Travel Management Company                 |                      |                                 | 503,605              | 3.5%                            |
| Delta Private Jets                        |                      |                                 | 439,237              | 3.1%                            |
| Sweet Aviation                            |                      |                                 | 329,030              | 2.3%                            |
| Transjet                                  |                      |                                 | 314,913              | 2.2%                            |
| Avis Rent-a-car                           |                      |                                 | 238,420              | 1.7%                            |
|                                           | <u>\$ 22,100,374</u> | <u>39.4%</u>                    | <u>\$ 11,764,562</u> | <u>83.6%</u>                    |

Source: Authority's accounting records

## PRINCIPAL CUSTOMERS - BY AVIATION FUEL GALLONS For the Years Ended September 30,

| Company                                   | 2025             |                              | 2016             |                              |
|-------------------------------------------|------------------|------------------------------|------------------|------------------------------|
|                                           | Gallons          | % of Total Authority Gallons | Gallons          | % of Total Authority Gallons |
| 1 Net Jets/EJM                            | 2,757,225        | 23.5%                        | 1,371,127        | 20.4%                        |
| 2 Flexjet, LLC                            | 1,240,249        | 10.5%                        | 457,814          | 6.8%                         |
| 3 Wheels Up Private Jets                  | 324,222          | 2.8%                         |                  |                              |
| 4 Fly Exclusive Jets LLC                  | 256,822          | 2.2%                         |                  |                              |
| 5 Elite Jets Charter, LLC                 | 246,977          | 2.1%                         |                  |                              |
| 6 Delux Public Charter, LLC (DBA JSX AIR) | 155,022          | 1.3%                         |                  |                              |
| 7 Fly Alliance                            | 121,816          | 1.0%                         |                  |                              |
| 8 Jet Linx                                | 89,579           | 0.8%                         |                  |                              |
| 9 QTPOD                                   | 99,058           | 0.8%                         |                  |                              |
| 10 Vista America                          | 88,940           | 0.8%                         |                  |                              |
| Naples Jet Center/Eagle Creek             |                  |                              | 329,343          | 4.9%                         |
| Travel Management Company                 |                  |                              | 151,869          | 2.3%                         |
| Delta Private Jets                        |                  |                              | 136,994          | 2.0%                         |
| Whitesell Corporation                     |                  |                              | 67,162           | 1.0%                         |
| XOJET                                     |                  |                              | 61,996           | 0.9%                         |
| Wheels up /Gamma Aviation                 |                  |                              | 56,955           | 0.8%                         |
| Olympus Campus                            |                  |                              | 52,210           | 0.8%                         |
| Naples Air Inc                            |                  |                              | 48,498           | 0.7%                         |
|                                           | <u>5,379,910</u> | <u>45.8%</u>                 | <u>2,733,968</u> | <u>40.6%</u>                 |

Source: Authority's accounting records

**CITY OF NAPLES AIRPORT AUTHORITY  
DEBT LIMITATIONS AND DEMOGRAPHIC AND ECONOMIC INDICATORS,  
LAST TEN FISCAL YEARS**

**DEBT LIMITATIONS**

| Fiscal Year | Debt Limit    | Total Outstanding Debt | Ratio of Debt to Debt Limit |
|-------------|---------------|------------------------|-----------------------------|
| 2016        | \$ 15,000,000 | -                      | 0.0%                        |
| 2017        | 15,000,000    | -                      | 0.0%                        |
| 2018        | 15,000,000    | -                      | 0.0%                        |
| 2019        | 15,000,000    | -                      | 0.0%                        |
| 2020        | 15,000,000    | -                      | 0.0%                        |
| 2021        | 15,000,000    | -                      | 0.0%                        |
| 2022        | 15,000,000    | -                      | 0.0%                        |
| 2023        | 15,000,000    | -                      | 0.0%                        |
| 2024        | 15,000,000    | -                      | 0.0%                        |
| 2025        | 15,000,000    | -                      | 0.0%                        |

Source: Authority's enabling legislation and financial statements

Note: The Authority's debt limit is set by the Legislature of the State of Florida.

**DEMOGRAPHIC AND ECONOMIC INDICATORS**

| Year | City of Naples |                                           |                            | Collier County |                                           |                            | Metropolitan Statistical Area |
|------|----------------|-------------------------------------------|----------------------------|----------------|-------------------------------------------|----------------------------|-------------------------------|
|      | Population     | Personal Income<br>(thousands of dollars) | Per Capita Personal Income | Population     | Personal Income<br>(thousands of dollars) | Per Capita Personal Income | Unemployment Rate             |
| 2015 | 20,968         | \$ 1,776,430                              | \$ 84,721                  | 343,802        | \$ 27,082,008                             | \$ 78,772                  | 5.2%                          |
| 2016 | 21,898         | 1,940,338                                 | 88,608                     | 350,202        | 29,889,525                                | 85,349                     | 4.9%                          |
| 2017 | 22,041         | 1,980,648                                 | 89,862                     | 357,470        | 31,512,180                                | 88,153                     | 3.6%                          |
| 2018 | 22,214         | 2,210,493                                 | 99,509                     | 367,347        | 33,958,713                                | 92,443                     | 3.3%                          |
| 2019 | 22,039         | 2,210,688                                 | 100,308                    | 376,706        | 38,058,323                                | 101,029                    | 3.2%                          |
| 2020 | 19,115         | 2,110,736                                 | 110,423                    | 375,752        | 41,014,314                                | 109,153                    | 5.7%                          |
| 2021 | 19,186         | 2,193,689                                 | 114,338                    | 382,680        | 42,413,331                                | 110,832                    | 3.6%                          |
| 2022 | 19,372         | 2,459,101                                 | 126,941                    | 390,912        | 45,539,558                                | 116,496                    | 2.8%                          |
| 2023 | 19,618         | 2,770,944                                 | 141,245                    | 399,480        | 52,200,912                                | 130,672                    | 3.3%                          |
| 2024 | 19,704         | 2,986,417                                 | 151,564                    | 408,381        | 54,390,465                                | 133,186                    | 3.7%                          |

Sources: Population, personal income and per capita personal income for City of Naples provided by City of Naples, Florida, Annual Comprehensive Financial Report, 2024, Schedule 14, page 179

Population, personal income and per capita personal income for Collier County provided by Collier County, Florida, Annual Comprehensive Financial Report, 2024, page 176

Unemployment information provided by the U.S. Department of Labor, Bureau of Labor Statistics.

Note: Data on Demographic and Economic for 2025 not yet available.



# CITY OF NAPLES AIRPORT AUTHORITY PRINCIPAL EMPLOYERS

## PRINCIPAL EMPLOYERS

| Employer                                 | 2024 |                     |                                    | 2015 |                     |                                    |
|------------------------------------------|------|---------------------|------------------------------------|------|---------------------|------------------------------------|
|                                          | Rank | Number of Employees | Percent of Total County Employment | Rank | Number of Employees | Percent of Total County Employment |
| Collier County Public Schools            | 1    | 5,987               | 3.50%                              | 1    | 5,280               | 4.29%                              |
| NCH Healthcare System                    | 2    | 4,385               | 2.56%                              | 2    | 4,000               | 3.25%                              |
| Arthrex, Inc                             | 3    | 4,274               | 2.49%                              | 5    | 1,709               | 1.39%                              |
| Publix Supermarkets                      | 4    | 3,406               | 1.99%                              | 3    | 2,805               | 2.28%                              |
| Collier County Government (Excl Sheriff) | 5    | 2,692               | 1.57%                              | 4    | 2,137               | 1.74%                              |
| Collier County Sheriff's Office          | 6    | 1,503               | 0.88%                              | 6    | 1,397               | 1.13%                              |
| JW Marriott - Marco Island               | 7    | 1,130               | 0.66%                              |      |                     |                                    |
| Ritz Carlton Hotel                       | 8    | 1,100               | 0.64%                              | 7    | 1,100               | 0.89%                              |
| Seminole Casino- Immokalee               | 9    | 900                 | 0.52%                              | 9    | 875                 | 0.70%                              |
| City of Naples                           | 10   | 529                 | 0.31%                              |      |                     |                                    |
| Country Club of Naples                   |      |                     |                                    | 8    | 1,050               | 0.85%                              |
| Mariott Corporation                      |      |                     |                                    | 10   | 775                 | 0.63%                              |
| Other employers                          |      | 145,418             | 84.88%                             |      | 102,054             | 82.85%                             |
| Totals                                   |      | 171,324             | 100.00%                            |      | 123,182             | 100.00%                            |

Source: Collier County, Florida, Annual Comprehensive Financial Report, 2024 page 177.

Note: Data on Principal Employers for 2025 not yet available.

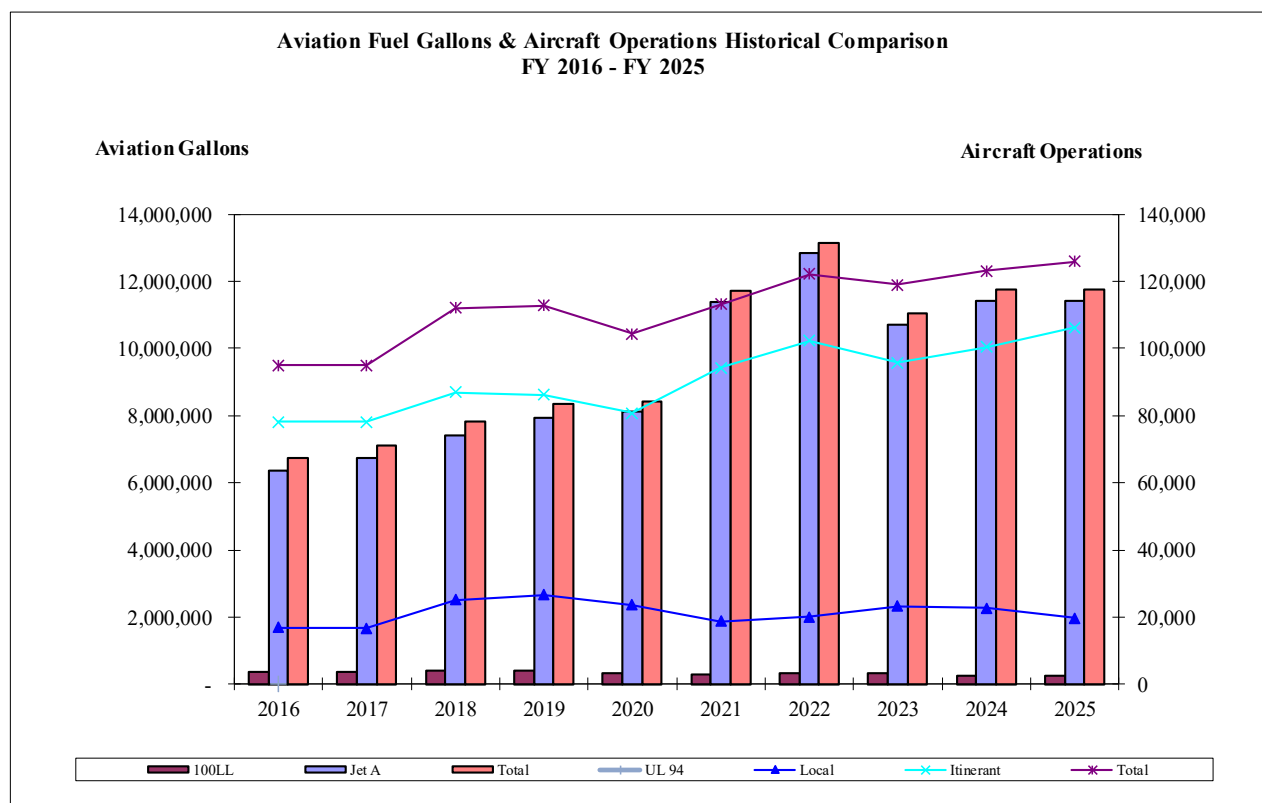
# CITY OF NAPLES AIRPORT AUTHORITY

## AVIATION FUEL AND AIRCRAFT OPERATIONS STATISTICS, LAST TEN FISCAL YEARS

### AVIATION FUEL AND AIRCRAFT OPERATIONS STATISTICS

| Fiscal<br>Year | Aviation Fuel Gallons |            |        |            | Aircraft Operations |           |         |
|----------------|-----------------------|------------|--------|------------|---------------------|-----------|---------|
|                | 100LL                 | Jet A      | UL 94  | Total      | Local               | Itinerant | Total   |
| 2016           | 380,686               | 6,370,541  | -      | 6,751,227  | 16,864              | 78,186    | 95,050  |
| 2017           | 387,750               | 6,726,640  | -      | 7,114,390  | 16,798              | 78,220    | 95,018  |
| 2018           | 404,823               | 7,431,849  | -      | 7,836,672  | 25,157              | 86,983    | 112,140 |
| 2019           | 398,442               | 7,939,298  | -      | 8,337,740  | 26,572              | 86,228    | 112,800 |
| 2020           | 315,179               | 8,127,488  | -      | 8,442,667  | 23,623              | 80,856    | 104,479 |
| 2021           | 304,358               | 11,404,917 | -      | 11,709,275 | 18,817              | 94,320    | 113,137 |
| 2022           | 324,004               | 12,830,950 | -      | 13,154,954 | 20,006              | 102,275   | 122,281 |
| 2023           | 321,164               | 10,726,969 | 10,190 | 11,058,323 | 23,227              | 95,848    | 119,075 |
| 2024           | 263,953               | 11,425,792 | 60,408 | 11,750,153 | 22,688              | 100,483   | 123,171 |
| 2025           | 270,071               | 11,411,668 | 75,906 | 11,757,645 | 19,739              | 106,187   | 125,926 |

Source: Authority's Operations and Finance Department records



CITY OF NAPLES AIRPORT AUTHORITY  
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION,  
LAST TEN FISCAL YEARS

**FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION**  
**Last Ten Fiscal Years**

|                        | 2016        | 2017        | 2018        | 2019        | 2020        | 2021        | 2022         | 2023         | 2024         | 2025         |
|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|
| Customer Service       | 39.4        | 37.0        | 36.0        | 37.0        | 44.0        | 51.0        | 73.0         | 75.0         | 76.0         | 72.0         |
| Operations             | 2.0         | 2.0         | 2.0         | 2.0         | 4.0         | 4.0         | 9.0          | 9.0          | 9.0          | 10.0         |
| Airport Development    | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         | 2.0         | 2.0          | 3.0          | 4.0          | 4.0          |
| Facilities & Custodial | 18.1        | 16.0        | 19.0        | 19.0        | 19.0        | 19.0        | 20.0         | 20.0         | 23.0         | 22.0         |
| Security               | 2.1         | 2.0         | 2.0         | 2.0         | 3.0         | 4.0         | 2.0          | 3.0          | 2.0          | 3.0          |
| Administration         | 7.3         | 7.0         | 4.0         | 8.0         | 7.0         | 11.0        | 14.0         | 19.0         | 20.0         | 19.0         |
| HR                     | 1.0         | 1.0         | 1.0         | 2.0         | 2.0         | 3.0         | 3.0          | 3.0          | 3.0          | 3.0          |
| Executive              | 3.0         | 4.0         | 6.0         | 7.0         | 4.0         | 4.0         | 4.0          | 3.0          | 3.0          | 4.0          |
| <b>TOTAL EMPLOYEES</b> | <b>74.9</b> | <b>71.0</b> | <b>72.0</b> | <b>79.0</b> | <b>85.0</b> | <b>98.0</b> | <b>127.0</b> | <b>135.0</b> | <b>140.0</b> | <b>137.0</b> |

Source: Authority's payroll records

**CITY OF NAPLES AIRPORT AUTHORITY  
CAPITAL CONTRIBUTIONS,  
LAST TEN FISCAL YEARS**

**CAPITAL CONTRIBUTIONS**

| Fiscal<br>Year | FAA<br>Grants        | FDOT<br>Grants       | Collier County<br>Contributions | City of Naples<br>Contributions | Other<br>Contributions | Cumulative<br>Total  |
|----------------|----------------------|----------------------|---------------------------------|---------------------------------|------------------------|----------------------|
| Prior to 2015  | \$ 39,781,767        | \$ 15,463,986        | \$ 162,976                      | \$ 201,763                      | \$ 4,411,943           | \$ 60,022,435        |
| 2016           | 112,000              | -                    | -                               | -                               | 1,028,000              | 61,162,435           |
| 2017           | 1,434,756            | 454,099              | -                               | -                               | 47,865                 | 63,099,155           |
| 2018           | 596,913              | 1,329,044            | -                               | -                               | -                      | 65,025,112           |
| 2019           | 191,450              | 2,404,179            | -                               | -                               | -                      | 67,620,741           |
| 2020           | 339,107              | 2,152,088            | -                               | -                               | -                      | 70,111,936           |
| 2021           | 862,574              | 32,399               | -                               | -                               | -                      | 71,006,909           |
| 2022           | 2,019,620            | 30,000               | -                               | -                               | -                      | 73,056,529           |
| 2023           | 2,742,134            | 128,688              | -                               | -                               | -                      | 75,927,351           |
| 2024           | 6,446,894            | 741,354              | -                               | -                               | -                      | 83,115,599           |
| 2025           | 2,213,934            | 756,876              | -                               | -                               | -                      | 86,086,409           |
|                | <u>\$ 56,741,149</u> | <u>\$ 23,492,713</u> | <u>\$ 162,976</u>               | <u>\$ 201,763</u>               | <u>\$ 5,487,808</u>    | <u>\$ 86,086,409</u> |

Source: Authority's financial statements and accounting records

**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**

Board of Commissioners  
City of Naples Airport Authority  
Naples, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of The City of Naples Airport Authority (the "Authority"), which comprise the Authority's statement of financial position as of September 30, 2025, and the related statements of net position, revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 20, 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on 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*.

### ***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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**Forvis Mazars, LLP**

**Tampa, Florida  
March 20, 2026**

## **Report on Compliance for the Major Federal Program and Report on Internal Control Over Compliance**

### **Independent Auditor's Report**

Board of Commissioners  
City of Naples Airport Authority  
Naples, Florida

#### **Report on Compliance for the Major Federal Program**

##### ***Opinion on the Major Federal Program***

We have audited the City of Naples Airport Authority (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the Authority's major federal program for the year ended September 30, 2025. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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 for the year ended September 30, 2025.

##### ***Basis for Opinion on the Major Federal 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 (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance 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. Our audit does not provide a legal determination of 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

### ***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*, and the Uniform Guidance 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 the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, 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, 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 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 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 that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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



**Report on Internal Control Over Compliance (Cont.)**

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. Accordingly, this report is not suitable for any other purpose.

**Forvis Mazars, LLP**

**Tampa, Florida  
March 20, 2026**

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CITY OF NAPLES AIRPORT AUTHORITY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended September 30, 2025

| <u>Federal Agency/Program Title</u>            | <u>Assistance<br/>Listing<br/>Number</u> | <u>Federal<br/>Grant Number</u> | <u>Expenditures</u> |
|------------------------------------------------|------------------------------------------|---------------------------------|---------------------|
| <b>U.S. Department of Transportation</b>       |                                          |                                 |                     |
| Federal Aviation Administration                |                                          |                                 |                     |
| Airport Improvement Program Grant              | 20.106                                   |                                 |                     |
| Safety Improvements                            |                                          | 3-12-0053-042-2023              | 705,783             |
| Reconstruct Main Terminal Apron - Design Phase |                                          | 3-12-0053-043-2024              | 583,615             |
| Total Expenditures of Federal Awards           |                                          |                                 | <u>\$ 1,289,398</u> |

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CITY OF NAPLES AIRPORT AUTHORITY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended September 30, 2025

**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of City of Naples Airport Authority (the “Authority”) under programs of the federal government for the year ended September 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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.

**2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**3. Indirect Cost Rate**

The Authority has not elected to not use the de minimis cost rate allowed under the Uniform Guidance.

**4. Subrecipients**

The Authority provided no federal awards to subrecipients.

**City of Naples Airport Authority  
Schedule of Findings and Questioned Costs  
Year Ended September 30, 2025**

**Section I – Summary of Auditor’s Results**

***Financial Statements***

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

☒ Unmodified    ☐ Qualified    ☐ Adverse    ☐ Disclaimer

2. Internal control over financial reporting:

Material weakness(es) identified?                      ☐ Yes    ☒ No

Significant deficiency(ies) identified?  
reported                                                              ☐ Yes    ☒ None

Noncompliance material to the financial statements noted?                      ☐ Yes    ☒ No

***Federal Awards***

3. Internal control over major federal program:

Material weakness(es) identified?                      ☐ Yes    ☒ No

Significant deficiency(ies) identified?  
reported                                                              ☐ Yes    ☒ None

4. Type of auditor’s report issued on compliance for major federal program:

☒ Unmodified    ☐ Qualified    ☐ Adverse    ☐ Disclaimer

5. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) of the Uniform Guidance?                      ☐ Yes    ☒ No

6. Identification of major federal programs:

**Assistance Listing Numbers**

20.106

**Name of Federal Program or Cluster**

Airport Improvement Program

7. Dollar threshold used to distinguish between Type A and Type B programs:  
\$1,000,000

8. Auditee qualified as a low-risk auditee?                      ☒ Yes    ☐ No

**City of Naples Airport Authority  
Schedule of Findings and Questioned Costs (Continued)  
Year Ended September 30, 2025**

**Section II – Financial Statement Findings**

| <b>Reference<br/>Number</b> | <b>Finding</b>             |
|-----------------------------|----------------------------|
|                             | No Matters are reportable. |

**Section III – Federal Award Findings and Questioned Costs**

| <b>Reference<br/>Number</b> | <b>Finding</b>             |
|-----------------------------|----------------------------|
|                             | No Matters are reportable. |

**City of Naples Airport Authority  
Summary Schedule of Prior Audit Findings  
Year Ended September 30, 2025**

| <b>Reference<br/>Number</b> | <b>Finding</b>                                                                                                 |
|-----------------------------|----------------------------------------------------------------------------------------------------------------|
| 2024-001                    | Significant Deficiency – Schedule of Expenditures of Federal Awards (SEFA) Reporting, ALN 20.106, is resolved. |

## Management Letter

Board of Commissioners  
City of Naples Airport Authority  
Naples, Florida

We have audited the basic financial statements of the City of Naples Airport Authority (the "Authority") as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 20, 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

### ***Other Reporting Requirements***

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards; Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings of Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 20, 2026, should be considered in conjunction with this management letter.

### ***Prior Audit Findings***

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. In connection with the preceding audit, all findings were fully resolved.

### ***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 legal authority is disclosed in the notes to the financial statements.

### ***Financial Condition and Management***

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



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

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

### ***Special District Component Units***

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

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the Authority reported:

- The total number of Authority employees compensated in the last pay period of the authority's fiscal year as 138 FTEs.
- The total number of independent contractors to whom nonemployee compensation was paid in the last month of the authority's fiscal year as 0.
- All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$13,402,722.
- All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$0.
- 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:
  - AOB Improvements \$ 60,879
  - Security and Access Control – Phase 2 \$ 5,426
- 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, as \$0.

### ***Additional Matters***

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 which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

### ***Purpose of this Letter***

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

**Forvis Mazars, LLP**

Tampa, Florida  
March 20, 2026

## Independent Accountant's Report

Board of Commissioners  
City of Naples Airport Authority  
Naples, Florida

We have examined the City of Naples Airport Authority (the "Authority") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2025. The Authority's management is responsible for the Authority's compliance with those requirements. Our responsibility is to express an opinion on the Authority's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Authority complied with the aforementioned requirements in all material respects. An examination involves performing procedures to obtain evidence about the Authority's compliance with those requirements, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Authority's compliance with those requirements, 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 ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement. Our examination does not provide a legal determination on the Authority's compliance with the specified requirements.

In our opinion, the Authority complied with the aforementioned requirements for the fiscal year ended September 30, 2025, in all material respects.

**Forvis Mazars, LLP**

**Tampa, Florida  
March 20, 2026**