

**Sebring Airport Authority
Board Meeting Agenda
April 18, 2024**

1:30 p.m.

**Hendricks Field
Sebring Airside Center**

1. OPENING ITEMS

- a) **Call to Order**
- b) **Pledge of Allegiance and Invocation**
- c) **Roll Call**
- d) **Announcements**

Upcoming Meetings & Events

<u>Date</u>	<u>Time</u>	<u>Meeting/Event</u>	<u>Location</u>
05/16/2024	1:30pm	SAA/CRA Board Meeting	Hendricks Field Center

2. CONSENT AGENDA

- a) Approve March 2024 Minutes and Invoices

3. MISCELLANEOUS

4. ACTION ITEMS

- a) Bobby Ore Motorsports Lease
- b) Stormwater Drainage Improvements Project (EDA Grant) – Construction Phase Services Contract
- c) Sebring Raceway Garages, LLC – Discuss Unconditional Approval Rights for Development Restrictions of the Property (Presentation)
- d) Resolution 24-03 Approving Budget Amendment S24-03

CONTINGENT ACTION ITEMS

- Rexair Lease – Apron Area
 - Hancor/Advanced Drainage Systems – 9th Amendment to Lease
- ALL ITEMS TABLED

5. EXECUTIVE DIRECTORS' REPORT

- FBO Report – Andrew Bennett

6. BOARD OF DIRECTORS' BUSINESS

- Julie Fowler presentation 2022-2023 Audited SAA Financial Report
- Nominations SAA Board Seats
- Form 1 (due by July 1st)
- Form 9
- Florida Association of Special Districts (FASD) Ethics Training

7. CONCERNS OF THE PUBLIC

8. ADJOURNMENT

If a person decides to appeal any decision made by the Board at any meeting or hearing, he will need a verbatim record of the proceedings. The record must include the testimony and evidence upon which the appeal is to be based. Sebring Airport Authority also gives notice that the Chairman is authorized to cancel or postpone any scheduled meeting or hearing by directing the Executive Director to so inform all Board members and any other interested parties and the press. Sebring Airport Authority does not discriminate upon the basis of any individual's disability status. This non-discriminatory policy involves every aspect of the Board's functions, including one's access to, participation in, employment of, or treatment in its programs or activities. Anyone requiring reasonable accommodations as provided for in the Americans with Disabilities Act should contact Jami Olive, Sebring Airport Authority at 863-314-1317.

Note: Additional staff items may be considered if they come in after the agenda deadline.

**SEBRING AIRPORT AUTHORITY
BOARD MEETING
March 21, 2024**

The Sebring Airport Authority Board of Directors held a scheduled Board Meeting on March 21, 2024, at 1:30 p.m. in person and by telephone-technology conference call. A quorum was met with the following in attendance:

Mark Andrews	-	Chairman
Pete McDevitt	-	Vice Chairman
Stanley Wells	-	Secretary
D. Craig Johnson	-	Assistant Secretary
Carl Cool	-	Board Member

Also

Mike Willingham	-	Executive Director
Andrew Bennett	-	Deputy Director
Jami Olive	-	Executive Assistant
Colleen Plonsky	-	Director of Finance
Bob Swaine	-	Swaine and Harris
Jack Thompson	-	Avcon, Inc.
Tim Shea	-	Avcon, Inc.
Keith West	-	Rexair
Jared Beck	-	Stantec
Kevin McCauley	-	AtkinsRéalís
Heather Meyer	-	AtkinsRéalís
Eric Menger	-	Hanson Professional Services Inc.
Joann Gaskins	-	Career Source Highlands

1. OPENING ITEMS

- A.** Meeting was called to order at 1:30 p.m.
- B.** Bob Swaine led the Invocation and led the Pledge.
- C. Roll Call**
Mark Andrews, Carl Cool, D, Craig Johnson Pete McDevitt and Stanley Wells were present for the meeting. Brent Ferns and Terrill Morris were absent.
- D. Announcements**
Mark Andrews announced that the offices will be closed from March 29th through April 1st for the Easter holiday. The next board meeting will be held Thursday, April 18th at 1:30pm.

2. **CONSENT AGENDA**

Approve the Consent Agenda:

There was a motion by Pete McDevitt to approve the Consent Agenda with a second by Craig Johnson. The motion was passed with aye votes by Andrews, Cool, Johnson, McDevitt and Wells.

Approve the Joint Board Meeting Minutes:

There was a motion by Craig Johnson to approve the Joint Board Meeting minutes between Sebring Airport Authority, Spring Lake Improvement District and Highlands County Tax Collector with a second by Carl Cool. The motion was passed with aye votes by Andrews, Cool, Johnson, McDevitt and Wells.

3. **MISCELLANEOUS**

4. **ACTION ITEMS**

A. Inventory Item Removal

This item was presented by Colleen Plonsky. There was a motion by Pete McDevitt to approve the item with a second by Carl Cool. The motion was passed with aye votes by Andrews, Cool, Johnson, McDevitt and Wells.

B. Airport Perimeter Canal Maintenance Clearing Segment 1 – Contract and Award – Texas Aquatic Harvesting, Inc.

This item was presented by Andrew Bennett. There was a motion by Pete McDevitt to approve the item with a second by Carl Cool. The motion was passed with aye votes by Andrews, Cool, Johnson, McDevitt and Wells.

C. #23-06 Terminal Apron Rehabilitation, Phase II – Change Order 1

This item was presented by Andrew Bennett. There was a motion by Pete McDevitt to approve the item with a second by Craig Johnson. The motion was passed with aye votes by Andrews, Cool, Johnson, McDevitt and Wells.

D. Resolution 24-02 Approving Budget Amendments S24-02

This item was presented by Colleen Plonsky. There was a motion by Craig Johnson to approve the item with a second by Peter McDevitt. The motion was passed with aye votes by Andrews, Cool, Johnson, McDevitt and Wells.

5. **DIRECTOR REPORT**

Deputy Director Andrew Bennett updated the Board on FBO, 12 Hours of Sebring Race week and Range activities.


Keith West with Rexair Aviation gave a brief update on the flight school that will be taken place at the Sebring Airport Authority.

6. **DIRECTOR'S BUSINESS**

7. CONCERNS OF THE PUBLIC

8. ADJOURNMENT

Chairman adjourned meeting at 2:23pm.



Mike Willingham, Executive Director

4.18.24

Approved by Board

Invoices Paid in March 2024 Presented in April 2024 Board Meeting

Date	SAA/FBO - Paid Invoices	Amount	Description
3/4/2024	Ascent Aviation Group	\$34,384.53	FBO: 100LL AvGas at Sebring
3/5/2024	Alan Jay Automotive	\$2,630.00	SAA: 2017 Explorer STAR Light System, Equipment Only
3/5/2024	Armando J. de Solo III	\$160.00	SAA/FBO: Logo- Embroidered on Shirts
3/5/2024	Bella Villa 31	\$2,384.00	SAA/FBO: February 2024 Cleaning of Terminal Bldg.
3/5/2024	Bugs Bee-Ware Ext., Inc.	\$1,460.00	SAA: Bi-Monthly Lawn Care; Quarterly Exterminating
3/5/2024	Cintas	\$311.99	SAA/FBO: Weekly Svc-Aircare, Mats, Soap, Germ-X, FBO Uniforms
3/5/2024	Cintas Corporation No. 2 dba	\$372.40	FBO: First Aid Cabinet Replenishment
3/5/2024	Copy Life Inc	\$267.59	SAA/FBO: February 2024 Copies
3/5/2024	Dark Hammock Legacy Ranch	\$1,000.00	SAA: Race Week Lodging for Life Safety Personnel
3/5/2024	Federal Express Corporation	\$37.25	SAA: Express Shipping
3/5/2024	Jack's Lawn Service	\$180.00	SAA: Removal of Debris from Landscape Clearing
3/5/2024	Lockwood Aviation, Inc.	\$24.75	SAA: Repairs to Exhaust on Golf Cart
3/5/2024	Rapid Systems	\$638.95	SAA/FBO: February 2024 Monthly Internet Service
3/5/2024	RelaDyne Florida LLC	\$356.65	FBO: Bulk Oil for Resale
3/5/2024	Swift Fuels, LLC	\$10,230.09	FBO: UL94 AvGas at Sebring
3/5/2024	TechHouse:Intergrated	\$77.50	SAA: General IT Support; Teams/Audio Conferencing
3/5/2024	The News Sun	\$438.80	SAA: Notice of Special Mtg - Public Notice (SLID) Conflict Assessment Meeting
3/6/2024	Ascent Aviation Group	\$27,392.37	FBO: Jet-A Fuel at Sebring
3/7/2024	Ascent Aviation Group	\$42.13	FBO: WingPoints Issued through 2.16.24
3/7/2024	SWK Technologies, Inc.	\$475.00	SAA: Monthly Fee for Sage 100 Secure Cloud Accounting Software
3/8/2024	Dustin Dennis	\$450.00	SAA/FBO: Detailing of Airport Vehicles
3/11/2024	Ascent Aviation Group	\$30,145.33	FBO: Jet-A Fuel at Sebring; Lease of Jet-A Truck
3/12/2024	Aaron's Carts Plus Inc.	\$310.00	FBO: Repairs to GolfCart Labor & Service
3/12/2024	Cintas	\$454.65	SAA/FBO: Weekly Svc-Aircare, Mats, Soap, Germ-X, FBO Uniforms
3/12/2024	CliftonLarsonAllen	\$335.42	SAA: Monthly Lease and SBITA Software Fees; Lease Software & Maintenance Fees
3/12/2024	Endsley, Jeremy	\$200.00	SAA: Return of Security Deposit - T-Hangar Tenant
3/12/2024	Fred Mullins	\$200.00	SAA: Return of Security Deposit - T-Hangar Tenant
3/12/2024	George E. Cline dba ATC Tower Pros	\$14,000.00	SAA: 2024 Air Traffic Controllers for Twelve Hours of Sebring Race
3/12/2024	Leaf Capital Funding, LLC	\$457.26	SAA/FBO: Lease of Copy Machines
3/12/2024	Long's Air Conditioning, Inc.	\$285.00	SAA: February Monthly Service - Checked all filters and drains.
3/12/2024	Weisenberger, Mike	\$200.00	SAA: Return of Security Deposit - T-Hangar Tenant
3/15/2024	Ascent Aviation Group	\$26,106.88	FBO: Jet-A Fuel at Sebring

Invoices Paid in March 2024 Presented in April 2024 Board Meeting

Date	SAA/FBO - Paid Invoices	Amount	Description
3/19/2024	Luis A. Pratts	\$643.20	FBO: Travel Reimbursement for Mileage APBR
3/19/2024	TechHouse:Intergrated	\$111.25	SAA: General IT Support - Files to USB, Spam Quarantine Emails
3/19/2024	The Howard E Nyhart Company In	\$500.00	SAA: 50% Final for 09.30.23 GASB 75 Report
3/20/2024	Curren Electric Co., Inc.	\$1,980.00	SAA: Repairs - Removed Old AWOS Antenna, Modified Bracket & Installed New Antenna
3/22/2024	Luis Pizarro	\$315.91	FBO: Temp Employee - 2024 Race Week Line Tech Support
3/22/2024	Shawn O'Neill	\$656.48	FBO: Employee Work - 2024 Race Week Line Tech Support
3/27/2024	Artistic Towing & Repair Inc.	\$1,540.00	FBO: Towing of Fuel Truck 2024 Race Week
3/27/2024	Atkins North America, Inc.	\$50,531.42	SAA: Dec/Jan 2024 Apron Rehab Phase II - Grant Reimbursed
3/27/2024	Atkins North America, Inc.	\$77,415.00	SAA: Nov/Dec 2023 Apron Rehab Phase II - Grant Reimbursed
3/27/2024	Avcon, Inc.	\$6,851.07	SAA: January 2024 SEF High Mast Lighting - Grant Reimbursed
3/27/2024	Avcon, Inc.	\$3,630.00	SAA: January 2024 General On-Call Services
3/27/2024	BEVO Security Solutions	\$10,061.00	SAA: Installation of New Digital Watchdog Recording Device; Furnish & Install Gate Parts, Screens
3/27/2024	Big Messages LLC	\$169.32	SAA/FBO: After Hours Telephone Answering March 2024
3/27/2024	BOS of Florida, Inc.	\$1,868.64	SAA: 50% Deposit for purchase of 12 Chairs Admin/Accounting Area
3/27/2024	Bryant Miller Olive P.A.	\$27,705.18	SAA: February 2024 Legal Svcs. RE: SLID Stormwater/Drainage
3/27/2024	C & C Plumbing, Inc.	\$262.50	SAA: Repairs, Cleared Blockage in Hangar
3/27/2024	Carl F Weaver	\$5,500.00	SAA: LifeSafety Plans, Evaluations, and Inspections for SIR 12 hours of Sebring/Race Week 2024
3/27/2024	Federal Express Corporation	\$38.85	SAA: Express Shipping
3/27/2024	John K. McClure, P.A.	\$600.00	SAA: February 2024 Legal Svcs. Re: SLID Stormwater/Drainage
3/27/2024	Pitney Bowes Global Financial	\$192.75	SAA: Quarterly Lease of Postage Machine
3/27/2024	Southwood Garage Doors	\$200.00	SAA: Repairs to Door on Bldg. 22 - Reset Cables on Drums
3/27/2024	TechHouse:Intergrated	\$1,733.50	SAA/FBO: Monthly Recurring Software Fees; General IT Support - Microsoft Updates, Teams, OneDrive, Display/Monitors
3/29/2024	Heartland National Bank, N.A.	\$30.00	SAA: March 2024 Desktop Teller Fee
Total:		\$348,544.61	

March 2024 P-Cards

Purchase Date	Vendor Name	Amount	Description
2/29/2024	APEX OFFICE PRODUCTS INC	\$106.42	SAA: Custodian Stamp (Certifies Copy)
3/4/2024	SEVEN SEBRING RACEWAY HOT	\$207.38	SAA: Hotel Room -Terminal Apron Rehab Phase 2 - Resident Project Representative(RPR)
3/4/2024	AMZN Mktp US RZ5L64R12	\$94.72	FBO: Purchased Rope to Make Tie Downs
3/4/2024	WM SUPERCENTER #666	\$123.66	FBO: Purchased Water & Gatorade for Customers and Staff
3/5/2024	WAWA 5373	\$53.36	SAA: Fuel in Operations Vehicle
3/6/2024	MYPILOTSTORE.COM	\$269.95	FBO: Purchased ICOM Handheld IC-A16 Transceiver/Radio
3/6/2024	OFFICE DEPOT #1165	\$423.98	SAA: Logo Envelopes (6x9, 9x12)
3/6/2024	OFFICE DEPOT #2362	\$101.24	SAA/FBO: Paper Rolls for Jet Truck Use, Key Tags, Bankers Boxes
3/7/2024	DISH NETWORK-ONE TIME	\$288.16	FBO: Monthly Satellite Service for February and March
3/7/2024	AMZN Mktp US RZ4244WC1	\$143.20	SAA/FBO: Purchase of Coffee Station Supplies, Mints for Customers
3/7/2024	PUBLIX #1517	\$122.53	SAA/FBO: Lunch for Staff/Volunteers During Race Week
3/7/2024	CIRCLE K 07515	\$78.00	SAA: Fuel for Maintenance Truck
3/7/2024	BATTERIES+BULBS #0058	\$44.65	FBO: Battery for Automated Weather Observing System (AWOS)
3/7/2024	FLAGSEXPRES	(\$481.60)	FBO: Refund for 4 Windsocks Returned
3/8/2024	AMZN Mktp US RN4CM7441	\$69.86	FBO: Purchased Reflective Safety Vest, Corded Reusable Earplugs
3/8/2024	SP PACIFIC COAST AVI	\$796.00	FBO: Purchased Portable AirBand VHF Transceiver Radio
3/8/2024	RUSSELL CELLULAR WILDWOOD	\$26.74	SAA: Purchased Cell Phone Charger
3/8/2024	CFX VES WEBSITE	\$6.24	SAA: Out of Town Toll Paid
3/8/2024	MID FLORIDA PORTABLE T	\$286.50	SAA: Port-A-Potty for Control Tower During Race Week
3/8/2024	AMZN MKTP US RN1DQ75U2	\$388.39	SAA: Condensate Pump for Terminal AC and Door Closers for Terminal
3/8/2024	AMZN Mktp US RN2UK2B72	\$490.99	SAA: 2X4 Flat Panel LED Lights for Terminal Building
3/9/2024	ADOBE INC.	\$215.91	SAA: Monthly Subscriptions
3/9/2024	PANERA BREAD #601259 O	\$64.55	SAA: Lunch for Executive Director/Deputy Director with Prospect Tenant
3/9/2024	AMZN MKTP US R63SL6080	\$368.95	SAA/FBO: Purchased Fiberglass Sound-Proof Panels for Office, Radio Holsters for Line Techs
3/10/2024	WAWA 5373	\$52.59	SAA: Fuel in Operations Vehicle
3/10/2024	AMZN Mktp US RN00R1UM2	\$24.98	SAA: Purchased Polo Tops for Staff (Logo)
3/11/2024	IN EBRIDGE, INC	\$175.00	SAA: Monthly Fee for Record Retention
3/11/2024	PUBLIX #1517	\$196.70	SAA/FBO: Lunch for Staff/Volunteers During Race Week

March 2024 P-Cards

Purchase Date	Vendor Name	Amount	Description
3/11/2024	SQ ZACK'S PIZZA & BBQ	\$198.88	SAA/FBO: Lunch for Staff/Volunteers During Race Week
3/11/2024	WALMART.COM	\$213.12	SAA/FBO: Drinks, Snacks, Supplies for Race Week
3/11/2024	CIRCLE K 07515	\$33.08	FBO: Fuel Purchased for Courtesy Vehicle
3/11/2024	CIRCLE K 07515	\$40.72	FBO: Fuel Purchased for Courtesy Vehicle
3/11/2024	CIRCLE K 07515	\$50.00	FBO: Fuel Purchased for Courtesy Vehicle
3/12/2024	AMZN Mktp US R64JA2KK0	\$39.98	FBO: Restocked Mints for FBO Guests
3/13/2024	TRTAX&ACTGPROFESSIONAL	\$294.00	SAA: Monthly Subscription Fixed Asset Software
3/13/2024	AMZN Mktp US RN7Q27KL1	\$43.84	SAA/FBO: Purchased Polo Tops for Staff (Logo); Wireless Keyboard
3/13/2024	Amazon.com RN5FG02S1	\$137.07	SAA/FBO: Purchased Trash Bags/Can Liners
3/13/2024	IN ICL CALIBRATION LABOR	\$360.00	FBO: Annual Hydrometer Recalibration Performed
3/13/2024	LA HACIENDA SUPERMARKET O	\$14.53	SAA/FBO: Lunch for Staff/Volunteers During Race Week
3/13/2024	TAQUERIA MERLO	\$134.08	SAA/FBO: Lunch for Staff/Volunteers During Race Week
3/14/2024	SP SRQCOFFEE.COM	\$98.40	SAA/FBO: Purchase of Coffee Station Supplies
3/14/2024	EAST COAST SIGNS & SHIRTS	\$807.60	FBO: Purchased Shirts for Re-Sell (Inventory) with KSEF Logo/Information
3/14/2024	CHEVRON 0380275	\$75.00	SAA: Fuel for Maintenance Truck
3/15/2024	AMAZON RET 113-454336	\$56.39	SAA/FBO: Purchased Trash Bags/Can Liners
3/17/2024	WAWA 5373	\$53.24	SAA: Fuel in Operations Vehicle
3/17/2024	TRACTOR-SUPPLY-CO #0510	\$19.47	SAA: Bee Traps for Terminal Building
3/18/2024	NATIONAL CARTS	\$645.00	SAA/FBO: Rental of Golf Cart for Race Week
3/18/2024	APEX OFFICE PRODUCTS INC	\$31.98	SAA: New SAA Seal Stamp
3/18/2024	AMZN Mktp US R66P52XS1	\$29.89	SAA/FBO: Purchase of Coffee Station Supplies
3/18/2024	CHEVRON 0380275	\$66.00	SAA: Fuel for Maintenance Truck
3/18/2024	NAPA AUTO PARTS SEBRING	\$322.92	SAA: Fuel Filters for X-Generators and Air Filter for Terminal Generator
3/19/2024	SUNPASS ACC122820104	\$9.46	SAA: Out-of-Town Toll Paid
3/19/2024	WAWA 5370	\$38.55	FBO: Fuel Purchased for Courtesy Vehicle
3/19/2024	Amazon.com RH04V5T72	\$217.65	SAA/FBO: Purchased Paper Goods for Restroom; Printer Ink
3/19/2024	AMZN Mktp US RH3M71E12	\$160.90	SAA/FBO: Purchased Coffee Station Supplies, CSR Uniform Polo Shirts
3/20/2024	VERIZONWRLSS RTCCR VB	\$1,174.78	SAA/FBO: Monthly Mobile Service - March 2024
3/20/2024	NATIONAL CARTS	\$645.00	SAA/FBO: Rental of Golf Cart for Race Week (6 Seater)

March 2024 P-Cards

Purchase Date	Vendor Name	Amount	Description
3/20/2024	FLORIDA STATE UNIV	\$711.00	SAA: 4-Hour Ethics Course for Special Districts 2024 for Board Members and Executive Staff
3/20/2024	BIG LOTS STORES - #0550	\$63.22	SAA/FBO: Purchased Paper Towels and Water for Customers & Staff
3/20/2024	TRIANGLE HARDWARE	\$39.61	SAA: Materials for AWOS Antenna Install
3/21/2024	AMZN Mktp US R65UV6RX1	\$215.55	FBO: Purchase of Uniform Tops for CSR's
3/22/2024	LOOPNET INC	\$128.50	SAA: Online SAA Realty Listing Company
3/22/2024	AMAZON.COM RH98Q4S42	\$172.92	SAA/FBO: Purchased Coffee Station Supplies
3/22/2024	AVIATION LABORATORIES IN	\$153.86	FBO: Container of Prist (Fuel system Icing Inhibitor) for Fuel Truck at Bombing Range
3/22/2024	CIRCLE K 07515	\$73.95	FBO: Fuel Purchased for Courtesy Vehicle
3/25/2024	AMZN Mktp US RA75V2D70	\$56.59	SAA/FBO: Purchased Desktop Organizers and Lens Cleaner
3/25/2024	DOLLAR GENERAL #6676	\$4.30	FBO: Purchased Command Strips for Front Desk
3/26/2024	WAWA 5373	\$50.19	SAA: Fuel in Operations Vehicle
3/26/2024	AMZN Mktp US RH1330631	\$66.96	FBO: Purchased Computer Speakers, Display Stands, Shirt Displays
3/26/2024	AMZN Mktp US RH6VK4SD1	\$74.13	FBO: Purchased Monitor Riser, Handset Cord Detangler, Cord Protector
3/27/2024	ALAN JAY FORD LINCOLN	\$98.05	SAA: Maintenance Service for Operations Vehicle
3/27/2024	AMZN Mktp US RA7PM3MX2	\$9.99	SAA: Purchased iPad Protective Case
3/27/2024	WAWA 5370	\$55.00	FBO: Fuel Purchased for Courtesy Vehicle
3/27/2024	OFFICE DEPOT #2362	\$83.97	SAA: Disposal of Computer Equipment
3/27/2024	MARATHON PETRO242701CITGO	\$60.00	FBO: Fuel Purchased for Courtesy Vehicle
3/27/2024	CIRCLE K 07515	\$82.00	SAA: Fuel for Maintenance Truck
3/28/2024	WALMART.COM 8009666546	\$30.16	SAA: Purchased Drinks for Board Room
3/29/2024	SEBRING AIRPORT AUTHORITY	\$0.05	FBO: Test Credit Card System @ Fuel Farm
4/2/2024	SP SRQCOFFEE.COM	\$147.60	SAA/FBO: Purchase of Coffee Station Supplies
4/3/2024	GOOGLE YouTube TV	\$71.52	SAA: Monthly Subscription for Terminal Bldg. Waiting Area

Total Due: \$13,199.70

Accounts Payable Aged Invoice Report
Open Invoices - Aged by Invoice Date - As of 4/11/2024
Sebring Airport Authority (SAA)

Vendor No./ Invoice No.	Invoice Date	Due Date	Invoice Balance	Current	30 Days	60 Days	90 Days	120 Days	
ALLIED Universal Protection Service, LLC									
15552000 MARCH 2024	3/31/2024	4/30/2024	16,828.59	16,828.59	0.00	0.00	0.00	0.00	SAA: March 2024 Security Service - Includes 12 Hours of Sebring Race
Vendor ALLIED Totals:			<u>16,828.59</u>	<u>16,828.59</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	
ATKINS Atkins North America, Inc.									
2015148	3/31/2024	4/30/2024	14,300.00	14,300.00	0.00	0.00	0.00	0.00	SAA: March 2024 General On-Call Services
2015148-ADI	3/31/2024	4/30/2024	5,487.50	5,487.50	0.00	0.00	0.00	0.00	SAA: March 2024 Airfield Drainage Improvements; Grant Reimbursed
Vendor AVCON Totals:			<u>19,787.50</u>	<u>19,787.50</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	
AVCON Avcon, Inc.									
127064	2/29/2024	3/30/2024	1,508.00	0.00	1,508.00	0.00	0.00	0.00	SAA: February 2024 General On-Call Services
127239	3/31/2024	4/30/2024	4,220.00	4,220.00	0.00	0.00	0.00	0.00	SAA: March 2024 General On-Call Services
Vendor AVCON Totals:			<u>5,728.00</u>	<u>4,220.00</u>	<u>1,508.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	
BRYANT Bryant Miller Olive P.A.									
83200	3/31/2024	4/30/2024	19,672.76	19,672.76	0.00	0.00	0.00	0.00	SAA: March 2024 Legal Services RE:SLID Stormwater/Drainage
Vendor BRYANT Totals:			<u>19,672.76</u>	<u>19,672.76</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	
CINTAS Cintas									
4187666864	3/27/2024	4/26/2024	271.92	271.92	0.00	0.00	0.00	0.00	SAA/FBO: Weekly Svc; Mats, Air Fresheners, Soap/GermX
4188387647	4/3/2024	5/3/2024	271.92	271.92	0.00	0.00	0.00	0.00	SAA/FBO: Weekly Svc; Mats, Air Fresheners, Soap/GermX
4189125901	4/10/2024	5/10/2024	436.07	436.07	0.00	0.00	0.00	0.00	SAA/FBO: Bi-Weekly Svc; Mats, Air Fresheners, Soap/GermX
Vendor CINTAS Totals:			<u>979.91</u>	<u>979.91</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	

Accounts Payable Aged Invoice Report
Open Invoices - Aged by Invoice Date - As of 4/11/2024
Sebring Airport Authority (SAA)

Vendor No./ Invoice No.	Invoice Date	Due Date	Invoice Balance	Current	30 Days	60 Days	90 Days	120 Days	
CLIFTON CliftonLarsonAllen									
L241193225	4/4/2024	4/30/2024	15,822.92	15,822.92	0.00	0.00	0.00	0.00	SAA/CRA: Audit Services Lease/SBITA Software for Fiscal Year 2022-2023
L241194299	4/4/2024	4/30/2024	1,575.00	1,575.00	0.00	0.00	0.00	0.00	SAA: Audit Services for SAA FY 2022-2023
Vendor CLIFTON Totals:			<u>17,397.92</u>	<u>17,397.92</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	
JACKS Jack's Lawn Service									
2369 APRIL 2024	4/1/2024	4/30/2024	8,325.00	8,325.00	0.00	0.00	0.00	0.00	SAA: April 2024 Lawn & Landscape Care
2370	3/31/2024	4/30/2024	140.00	140.00	0.00	0.00	0.00	0.00	SAA: Replace Flowers at Flagpole - Race week
Vendor JACKS Totals:			<u>8,465.00</u>	<u>8,465.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	
RWSUM RW Summers Railroad Contr.,Inc									
23226	3/31/2024	4/30/2024	502.70	502.70	0.00	0.00	0.00	0.00	SAA: Repair Call; Repairs to Switch; Worked Performed on 3.29.24
Vendor RWSUM Totals:			<u>502.70</u>	<u>502.70</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	
SHUTTS Shutts & Bowen, LLP									
1880743	3/31/2024	4/30/2024	1,050.00	1,050.00	0.00	0.00	0.00	0.00	SAA: March 2024 Legal Services; E-Stone Creditors Rights
Vendor SHUTTS Totals:			<u>1,050.00</u>	<u>1,050.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	
SWAINE Swaine, Harris & Wohl, P.A.									
13642	3/31/2024	4/30/2024	2,286.91	2,286.91	0.00	0.00	0.00	0.00	SAA: March 2024 General On-Call Services
13643	3/31/2024	4/30/2024	5,966.72	5,966.72	0.00	0.00	0.00	0.00	SAA: March 2024 Legal Services - SLID Dispute
Vendor SWAINE Totals:			<u>8,253.63</u>	<u>8,253.63</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	
Report Totals:			<u><u>98,666.01</u></u>	<u><u>97,158.01</u></u>	<u><u>1,508.00</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>	

Accounts Payable Aged Invoice Report
Open Invoices - Aged by Invoice Date - As of 4/10/2024
Sebring Airport Authority (FBO)

Vendor No./ Invoice No.	Invoice Date	Due Date	Invoice Balance	Current	30 Days	60 Days	90 Days	120 Days	
ASCENT Ascent Aviation Group									
1004709	2/27/2024	4/12/2024	26,179.97	0.00	26,179.97	0.00	0.00	0.00	FBO: Jet-A Fuel at APBR
1002791	2/29/2024	4/14/2024	26,183.26	0.00	26,183.26	0.00	0.00	0.00	FBO: Jet-A Fuel at APBR
1002792	2/29/2024	4/14/2024	25,505.69	0.00	25,505.69	0.00	0.00	0.00	FBO: Jet-A Fuel at APBR
1002793	3/2/2024	4/16/2024	26,098.38	0.00	26,098.38	0.00	0.00	0.00	FBO: Jet-A Fuel at APBR
1002794	3/3/2024	4/17/2024	25,719.70	0.00	25,719.70	0.00	0.00	0.00	FBO: Jet-A Fuel at APBR
1002796	3/5/2024	4/19/2024	25,212.24	0.00	25,212.24	0.00	0.00	0.00	FBO: Jet-A Fuel at APBR
1002797	3/6/2024	4/20/2024	25,244.89	0.00	25,244.89	0.00	0.00	0.00	FBO: Jet-A Fuel at APBR
1007033	3/16/2024	4/30/2024	24,624.66	24,624.66	0.00	0.00	0.00	0.00	FBO: Jet-A Fuel at APBR
1007489	3/18/2024	5/2/2024	25,105.52	25,105.52	0.00	0.00	0.00	0.00	FBO: Jet-A Fuel at APBR
1007820	3/19/2024	4/18/2024	24,904.99	24,904.99	0.00	0.00	0.00	0.00	FBO: Jet-A Fuel at APBR
1007821	3/20/2024	5/4/2024	26,178.78	26,178.78	0.00	0.00	0.00	0.00	FBO: Jet-A Fuel at APBR
1007824	3/24/2024	5/8/2024	26,158.97	26,158.97	0.00	0.00	0.00	0.00	FBO: Jet-A Fuel at APBR
1007826	3/26/2024	5/10/2024	26,259.56	26,259.56	0.00	0.00	0.00	0.00	FBO: Jet-A Fuel at APBR
1007827	3/27/2024	5/11/2024	26,180.23	26,180.23	0.00	0.00	0.00	0.00	FBO: Jet-A Fuel at APBR
1009089	3/25/2024	4/14/2024	26,186.34	26,186.34	0.00	0.00	0.00	0.00	FBO: Jet-A Fuel at KSEF
1009480	3/26/2024	4/15/2024	970.00	970.00	0.00	0.00	0.00	0.00	FBO: Drum Container of Jet-A Fuel Additive
M305545	4/1/2024	4/11/2024	2,846.00	2,846.00	0.00	0.00	0.00	0.00	FBO: Lease - 5000 Gallon Jet-A Refueler
S047343	4/1/2024	4/21/2024	297.50	297.50	0.00	0.00	0.00	0.00	FBO: TFBO Software for 5 Users
Vendor ASCENT Totals:			<u>363,676.71</u>	<u>209,712.55</u>	<u>153,964.16</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	
Report Totals:			<u><u>389,856.68</u></u>	<u><u>209,712.55</u></u>	<u><u>180,144.13</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>0.00</u></u>	

Sebring Airport Authority Agenda Item Summary

Meeting Date: April 18, 2024

Presenter: Andrew Bennett

Agenda Item: Bobby Ore Motorsports, LLC - Lease

Background: Bobby Ore Motorsports, LLC to lease a portion of closed runway 22 and certain associated closed taxiways at Sebring Regional Airport and Industrial Park. The Premises are to be used for the purpose of a driving school for motion picture stunt driving, defensive driving (self protection), anti-terrorist driving, drift driving, motor cross driving and dignitary protection.

The following is the breakdown of the agreed proposed lease:

Term: 1 year

Rent: \$3,000/month (exclusive of taxes and fees) **Previous rate*
\$2,717.50/month

Renewal Options: One additional 1-year term
Additional 1-year term – \$250/month Increase

Requested Motion: Move to approve and authorize the Chairman or Vice Chairman and Secretary or Assistant Secretary to execute lease agreement.

Board Action:

Approved X
Denied
Tabled

**SEBRING AIRPORT AUTHORITY
COMMERCIAL LEASE
BOBBY ORE MOTORSPORTS, LLC**

April THIS LEASE AGREEMENT is made and entered into this 18th day of April, 2024, by and between the **SEBRING AIRPORT AUTHORITY**, a body politic and corporate of the State of Florida (herein called "LANDLORD") and **BOBBY ORE MOTORSPORTS, LLC**, a Florida limited liability company (herein called "TENANT").

WITNESSETH:

WHEREAS, LANDLORD is the owner of certain real property located at Sebring Regional Airport and Industrial Park in the County of Highlands, State of Florida; and,

WHEREAS, LANDLORD has agreed to lease a portion of the property to TENANT, subject to certain terms and conditions; and,

WHEREAS, TENANT wishes to lease said property from LANDLORD,

NOW THEREFORE, in consideration of the premises and the covenants, terms and conditions to be performed as set forth hereinafter, the parties agree as follows:

1. **TERM**. The term of this Lease Agreement shall be for one (1) year commencing on May 1, 2024, and ending on April 30, 2025, unless extended or sooner terminated as herein provided.
2. **PROPERTY**. The property subject to this Agreement is a portion of closed runway 22 and certain associated closed taxiways at Sebring Regional Airport and Industrial Park as shown on Exhibit "A" attached hereto (herein called the "Premises"), subject to the common use of the hatch marked area depicted on Exhibit "A" together with Hancor, Inc. TENANT is permitted to use Carroll Shelby Road for vehicular and pedestrian ingress and egress to the Premises, however, TENANT agrees that Carroll Shelby Road will only be maintained in a passable condition and will not be paved or otherwise improved by LANDLORD. TENANT shall be provided with a separate lock and key to the gate on Carroll Shelby Road.
3. **USE**. The Premises are to be used by TENANT for the purpose of a driving school for motion picture stunt driving, defensive driving (self protection), anti-terrorist driving, drift driving, motor cross driving and dignitary protection. TENANT will make no unlawful, improper, or offensive use of the Premises.
4. **RENT**. TENANT hereby agrees to pay rent to LANDLORD of \$3,000.00 per month, together with any sales or use taxes thereon, in advance, on or before the 1st day of each month during the initial term of the Lease. TENANT has paid to LANDLORD a security deposit in the amount of \$2,000.00 upon the execution of this lease, which deposit shall not bear interest but shall be returned to TENANT upon termination of this Lease so long as there is no rent left unpaid and no damage to the Premises.

5. **LATE PAYMENTS.** Rental payments remaining due and unpaid for a period of ten (10) days after the date due shall accrue a service charge equal to 1.5% of the amount of the delinquent payment, or \$100.00, whichever is greater, per month, from the date due until paid.

6. **WORTHLESS PAYMENTS.** Any rental payments returned as worthless or as insufficient funds shall accrue a service charge equal to 5% of the amount of the returned payment, or \$35.00, whichever is greater.

7. **EMERGENCY CONTACT.** TENANT shall provide LANDLORD with the name and telephone number of a contact person who shall be on call at all times to respond in case of any emergency.

8. **OPTION TO RENEW.** LANDLORD hereby grants to TENANT an option to renew this Lease for an additional one (1) year term with a rent increase to \$3,250.00 per month upon renewal. Said option can only be exercised by TENANT's delivery of notice thereof to LANDLORD, in writing, not less than three (3) months prior to the end of each preceding term, and shall be effective only if TENANT is not in default under this Lease.

9. **RELOCATION.** LANDLORD shall have the right to relocate TENANT, at LANDLORD'S expense, to a mutually agreeable location within Sebring Regional Airport and Industrial Park if the Premises are needed by LANDLORD.

LANDLORD shall give TENANT at least three (3) months notice of a proposed relocation, unless the parties agree in writing to a shorter term. Said relocation shall be evidenced by a written addendum to this Lease Agreement, executed by the parties. Should the parties not be able to agree on a new location, LANDLORD may terminate this lease thereafter upon three (3) months notice.

10. **HOLD HARMLESS.** TENANT agrees to hold LANDLORD harmless against all claims for bodily injury, sickness, disease, death or personal injury or damage to property or loss of use resulting therefrom, arising out of this contract unless such claims are a result of the LANDLORD's sole negligence. TENANT agrees to pay on behalf of LANDLORD, and to pay the cost of LANDLORD's legal defense, as may be selected by LANDLORD, for all claims described in this paragraph. Such payment on behalf of LANDLORD shall be in addition to any and all other legal remedies available to LANDLORD and shall not be considered to be LANDLORD's exclusive remedy.

11. **INSURANCE AND INDEMNITY.** TENANT, at each authorized location, will at its own expense and at all times during the term of this Agreement, provide and maintain in effect those insurance policies and minimum limits of coverage as designed below, with companies licensed to do business in the state or country in which the Agreement is to be performed. Insurance will be written with carrier/carriers with a minimum rating of "A-, X" by A.M. Best Rating agency or equivalent agency. These minimum insurance requirements shall not be interpreted to in any way limit TENANT's defense and indemnity obligations:

- A. Specifically recognize and insure the contractual liability assumed by TENANT under this Agreement;
- B. Provide that TENANT's insurance shall be primary to and non-contributory with any and all insurance maintained by or afforded to LANDLORD and its

- affiliated and subsidiary companies, and their respective officers, directors, shareholders, employees and agents;
- C. Provide that no cancellation or non-renewal will become effective except upon thirty (30) days prior written notice to LANDLORD except for non-payment of premium;
 - D. Specifically waive insurers' rights of subrogation against LANDLORD; and
 - E. Should TENANT's policies provide a limit of liability in excess of such Amounts, LANDLORD shall have the right of the benefit to the full extent of the coverage available.

LIABILITY INSURANCE. TENANT shall, at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the operations conducted on the leased Premises with the premiums thereon fully paid on or before due date, issued by and binding upon some insurance company approved by LANDLORD, such insurance to afford minimum protection of not less than \$1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. LANDLORD shall be listed as an additional insured on TENANT's policy or policies of commercial general liability insurance and TENANT shall provide LANDLORD with current Certificates of Insurance evidencing TENANT's compliance with this paragraph.

CERTIFICATE OF INSURANCE. Upon execution of this Agreement, TENANT must furnish a Certificate of Insurance to LANDLORD evidencing the insurance required herein, written or translated in English. From thereon, TENANT will furnish a valid Certificate of Insurance to LANDLORD annually at the address in the "Notices" clause of this Agreement.

TENANT'S LIABILITY NOT LIMITED. NOTWITHSTANDING THE PROVISIONS HEREIN, FOR PURPOSES OF THIS LEASE, TENANT ACKNOWLEDGES THAT ITS POTENTIAL LIABILITY IS NOT LIMITED TO THE AMOUNT OF LIABILITY INSURANCE COVERAGE IT MAINTAINS NOR TO THE LIMITS REQUIRED HEREIN.

INVALIDATION OR CONFLICT WITH EXISTING INSURANCE POLICIES: TENANT shall not do, permit or suffer to be done any act, matter, thing or failure to act in respect to the Premises that will a) invalidate or be in conflict with any insurance policies covering the Premises or any part thereof; or b) increase the rate of insurance on the Premises or any property located therein. If by reason of the failure of TENANT to comply with the provisions of this Lease, the insurance rate shall at any time be higher than it otherwise would be, then TENANT shall reimburse LANDLORD and any other tenants, on demand, for that part of all premiums for any insurance coverage that shall have been charged because of such actions by TENANT.

TENANT'S NEGLIGENCE. If the leased Premises or any other part of the building is damaged by fire or other casualty resulting from any act or negligence of TENANT or any of TENANT's agents, employees or invitees, rent shall not be diminished or abated while such damages are under repair, and TENANT shall be responsible for the costs of repair not covered by insurance.

INDEMNIFICATION. TENANT shall indemnify LANDLORD and hold LANDLORD harmless for any and all liability, claims, damages, expenses (including attorney's fees

and costs for trial or appeal), proceedings and causes of action of every kind and nature arising out of or connected with the use, maintenance, operation or control of the Premises by TENANT, except as may arise out of conditions occurring or present prior to the commencement of this lease or caused by the misconduct or gross negligence of LANDLORD.

ADDITIONAL INSURANCE. If checked below, LANDLORD requires the following additional types of insurance.

Aircraft Liability Coverage. Aircraft liability coverage, including Bodily Injury and Property Damage with liability limits of \$1,000,000 per occurrence and a \$100,000 per passenger sublimit.

Pollution/Environmental Impairment Liability Coverage. Pollution/environmental impairment liability insurance is to be purchased to cover pollution and/or environmental impairment which may arise from this agreement or contract.

Business Auto Liability Coverage. Business Auto Liability coverage is to include bodily injury and property damage arising out of ownership, maintenance or use of any auto, including owned, non-owned and hired automobiles. Limit: \$1,000,000 combined single limit for Bodily Injury and Property Damage.

12. ASSIGNMENT. TENANT shall not assign this lease or sublet the Premises, directly or indirectly, without the written consent of LANDLORD, which consent will not be unreasonably withheld.

13. REMOVAL OF PERSONAL PROPERTY UPON TERMINATION. Upon termination of this Agreement, provided all monies due LANDLORD have been paid, TENANT shall have the right and responsibility to remove all of its personal property, including machinery and equipment, which it has installed or placed on the Premises, which removal shall be accomplished no later than the termination date. Electrical and plumbing facilities, air conditioners and other permanently installed fixtures shall not be considered personal property. TENANT agrees to repair any damage occasioned by reason of such removal or damage caused by TENANT's occupancy. In the event TENANT fails to remove its personal property or to repair any damage done to the Premises by the termination date, LANDLORD reserves the right to remove and store all such personal property left, at the risk and expense of TENANT, and to make repairs necessary to restore the Premises, with the cost of such repairs to be paid by TENANT.

14. ABANDONMENT OF PREMISES BY TENANT. In case TENANT shall abandon said Premises, or any part thereof, during the term of this Agreement, LANDLORD may, at its option, without notice, relet said Premises, or any part thereof, on such terms and for such rent as it may deem expedient or proper. Such reletting shall not operate as a waiver of any right whatsoever which LANDLORD would otherwise have to hold TENANT responsible for the rent. In case said Premises, or any part thereof, shall be relet, LANDLORD shall collect that rent and, after paying the expense of such reletting and collections, apply the remainder toward the rent due or to become due from TENANT.

15. ALTERATIONS. TENANT shall make no material additions or alterations in or to the Premises without the written consent of LANDLORD. TENANT shall be responsible for the cost of any additions or alterations made by TENANT and shall protect and

reimburse LANDLORD against possible mechanics', laborers' and materialmen's liens upon the Premises.

16. NO LIENS CREATED. TENANT has no power to incur any indebtedness giving a right to a lien of any kind or character upon the Premises. No third person shall be entitled to any lien against the Premises or any structure thereon, derived through or under TENANT. All persons contracting with TENANT, or furnishing materials or labor to TENANT, shall be bound by this provision. Should any such lien be filed, TENANT shall have the same discharged within sixty (60) days thereafter by paying the same or by filing a bond, or otherwise as permitted by law. TENANT is not the agent of LANDLORD and cannot confer upon a laborer upon the Premises, or upon a materialman who furnishes material incorporated in the construction of improvements upon the Premises, a construction lien upon LANDLORD's property under the provision of Chapter 713, Florida Statutes, or any subsequent revisions of that law.

17. INTENTIONALLY BLANK.

18. SUBORDINATION. This Lease Agreement shall be subordinate to the provisions of any existing or future agreement between LANDLORD and the United States of America relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal funds for development of Sebring Regional Airport. This lease and all provisions hereof are also subject and subordinate to the terms and conditions of the instruments and documents under which the LANDLORD acquired the subject property from the City of Sebring and shall be given only such effect as will not conflict or be inconsistent with the term and conditions contained in the lease of said lands from the LANDLORD, and any existing or subsequent amendments thereto, and are subject to any rules or regulations which have been, or may hereafter be adopted by the LANDLORD pertaining to the Sebring Regional Airport. Except to the extent required for the performance of the obligations of TENANT in this Lease Agreement, nothing contained in this Lease Agreement shall grant TENANT any rights whatsoever in the airspace above the Premises, other than those rights which are subject to Federal Aviation Administration orders, regulations or advisory circulars currently or subsequently effective.

19. NON-DISCRIMINATION. TENANT for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree that:

A. No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities;

B. That in the construction of any improvements on, over or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination;

C. That Tenant shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act

of 1968, and as said Regulations may be amended.

That in the event of a breach of any of the above nondiscrimination covenants, LANDLORD shall have the right to terminate the lease. This provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed, including exercise or expiration of appeal rights.

20. MAINTENANCE AND REPAIRS. TENANT will be responsible for the maintenance, repair, and upkeep of the Premises and shall keep the Premises, including the landscaping, in good order and repair. Reasonable repairs shall be made in a timely manner and if TENANT refuses or neglects to make any repairs, to the reasonable satisfaction of LANDLORD within a reasonable period of time after receipt of written notice of need for such repair from LANDLORD, LANDLORD may make such repairs without liability to TENANT for any loss or damage that may occur to TENANT'S property or business and TENANT shall pay LANDLORD'S costs for making such repairs, including LANDLORD'S reasonable administrative costs. Such costs for repairs shall bear interest at the rate of 18% per annum from the tenth day after billing therefor until paid and shall constitute additional rent. LANDLORD reserves the right to enter on the Premises at all reasonable times to make such repairs.

21. COMMON AREA MAINTENANCE. There is currently no common area maintenance charge imposed by LANDLORD. Should LANDLORD subsequently impose a uniform charge to maintain the common areas of the Airport, TENANT shall pay those charges attributable to the Premises.

22. EXCLUSIVE USE. This Agreement shall in no way convey the exclusive use of any part of the Airport, except the Premises, and shall not be construed as providing any special privilege for any public portion of the Airport. LANDLORD reserves the right to lease to other parties any other portion of the Airport property for any purpose deemed suitable for the Airport by LANDLORD. LANDLORD agrees that it will not grant a future party an exclusive right to provide the services described in this Lease Agreement.

23. FUTURE AGREEMENTS OF THE AIRPORT. The terms and conditions hereof shall not be construed to prevent LANDLORD from making commitments to the Federal Government or to the State of Florida to qualify for the expenditure of State or Federal funds upon the Airport.

24. NOTICES. Whenever any notice is required or permitted by this Agreement to be given, such notice shall be by certified mail, overnight delivery or facsimile addressed to:

Bobby Ore, Managing Member
Bobby Ore Motorsports, LLC
3774 Enchanted Oaks Lane
Sebring, FL 33875

Executive Director
Sebring Airport Authority
128 Authority Lane
Sebring, FL 33870

Notice shall be considered given when deposited with the U.S. Postal Service or commercial carrier, postage prepaid, or when received by the other party if by facsimile. Each party will be responsible for notifying the other of any change in their address.

25. WAIVER OF BREACH. The waiver by LANDLORD or TENANT of any breach of

the terms, covenants, or conditions herein contained shall not be deemed a waiver of any subsequent breach.

26. SEVERABILITY. It is the intention of both of the parties hereto that the provisions of this Lease Agreement shall be severable in respect to a declaration of invalidity of any provisions hereof.

27. ASSIGNS AND SUCCESSORS. Except as otherwise provided, the covenants and conditions herein shall be binding upon and inure to the benefit of the assigns and successors of the parties hereto.

28. LEASE RESTRICTIONS. TENANT hereby agrees to abide by all elements of the Sebring Airport Authority Code of Regulations, the Revised Code for Industrial Wastes and the Minimum Standards for Fixed-Base Operators as the same may be reasonably amended from time to time. Copies of these documents are posted on LANDLORD's website and the full text of each document shall be considered as a part of this lease as if fully stated herein and/or attached hereto.

29. CLEANLINESS AND SAFETY. TENANT agrees to keep the Premises in a clean, safe and sanitary condition, and to abide by all reasonable safety and fire regulations prescribed by LANDLORD, which are communicated to TENANT in writing. TENANT shall at all times keep and maintain an adequate number of operating charged fire extinguishers in or on the Premises. TENANT will contract with a franchised solid waste hauler to dispose of solid waste, if notified to do so by LANDLORD.

30. DANGEROUS ACTIVITIES PROHIBITED. TENANT agrees not to do or allow anything to be done on the Premises which may injure or endanger persons on or about or adjacent to the Premises. TENANT hereby indemnifies and holds LANDLORD harmless from any claims because of injury to life, person or property by reason or anything done or permitted by TENANT, its agents, employees, guests, or invitees on or about or adjacent to the Premises.

31. AIRPORT FACILITIES. The parties understand and agree that the LANDLORD shall continue to maintain, develop, improve, and control all of the areas and facilities of the Airport and Industrial Park as may be from time to time determined by the LANDLORD in its sole discretion. TENANT agrees not to use the Premises in any manner which may interfere with, or become a hazard to aircraft operations. TENANT agrees not to use and to prohibit its employees, guests and invitees from using the Airport aprons, ramps, taxiways, runways or related structures for any non-aviation purpose, including pedestrian and vehicular traffic, without LANDLORD's written instructions.

32. AIRPORT PRIORITY. This lease is subject and subordinate to the present and future restrictions and regulations imposed by any governmental body or agency applicable to the Sebring Regional Airport, and further subordinate to existing or future agreements between the LANDLORD and any branch or agency of the Government of the United States of America, or the State of Florida relative to development, operation, and maintenance of the Sebring Regional Airport or Industrial Park, (including Federal Aviation grant requirements).

33. RACES AND EVENTS. Airplane and motor vehicle competitions and events, and the training, practice and preparation therefor, and the testing of trucks, automobiles and all related items comprise a significant and growing industry at the Sebring International Raceway located at the Sebring Regional Airport and Commerce Park. This industry has in the past and will in the future result in occasional denial to the TENANT and others of unrestricted access to certain portions of the Sebring Regional Airport and Commerce Park, and may therefore inconvenience TENANT. LANDLORD will render its best efforts to limit adverse impacts on the TENANT from these activities. Such inconveniences shall not be a default under this Lease. TENANT also acknowledges that the tests, races, events, preparation, clean-up and other track use will produce significant noise which will not be a default under this Lease. LANDLORD reserves the right to designate the access road or roads to be used by TENANT during these events.

34. AIRPORT PROTECTION. The following shall be conditions of this lease:

A. LANDLORD reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Property, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, and for use of said airspace for landing or taking off from or operating on the airport.

B. TENANT expressly agrees for itself, its successors and assigns, to restrict the height of objects or natural growth and other obstructions on the Property to such a height so as to comply with Federal Aviation Regulations, Part 77.

C. TENANT expressly agrees for itself, its successor and assigns, to prevent any use of the Premises which would interfere with or adversely affect the operation or maintenance of the airport, or otherwise constitute an airport hazard.

35. STATE AND FEDERAL GOVERNMENT. The parties specifically understand and agree that some of the improvements within the Sebring Regional Airport are funded in whole or in part by grants from the USDA Rural Development, and other agencies of the State and Federal Government. TENANT agrees to comply with all state and federal laws and rules upon which the grants are conditioned, particularly those pertaining to employment.

36. ENVIRONMENTAL MATTERS. TENANT covenants and agrees to discharge only domestic waste into LANDLORD's sewer system. TENANT will not allow any hazardous substances including without limitation, any and all pollutants, wastes, flammables, explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances and all other materials defined by or regulated under any Environmental Law, including those defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. § 9604 (14), pollutants or contaminants as defined in CERCLA, 42 U.S.C. § 9604 (A) (2), or hazardous waste as defined in the Resources Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6903 (5), or other similar applicable Federal or State Laws or regulations, to be generated, released, stored, or deposited over, beneath, or on the Premises or on any structures located on the Premises from any source whatsoever. TENANT further covenants to hold the LANDLORD harmless from all claims, demands, damages, fines, costs, cleanup, attorney's fees, and court costs arising from TENANT'S discharge (either intentional or

accidental) of such matters to the soil, air, water, or waste water treatment facility. LANDLORD hereby agrees to hold TENANT harmless from all claims, demands, damages, fines, costs, cleanup, attorney's fees, and court costs arising from any discharge of such matters occurring prior to the term of this Lease.

37. RADON GAS. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit. Pursuant to §404.056(8), Florida Statutes.

38. STORM WATER POLLUTION PREVENTION PLAN. Tenant hereby agrees to abide by all rules and regulations established by Landlord or any state, county, or federal agency in regard to storm water pollution prevention. The stormwater pollution prevention plan is a major mechanism to comply with the National Pollution Discharge Elimination System (NPDES) Multi-Sector Generic Permit (MSGP) for stormwater discharge associated with industrial activities. The NPDES MSGP is administered by Florida Department of Environmental Protection (FDEP) and is defined in rule 62-621.100 *et seq.*, F.A.C.

39. DEFAULT. The occurrence of one or more of the following shall be an event of default by TENANT:

A. Failure of TENANT to make any payment required by this Lease when due, and the failure continues for three (3) days after written Notice of Default from LANDLORD to TENANT;

B. An initial failure of TENANT to comply with any obligation imposed upon TENANT by this Lease, other than the obligation to pay money, within thirty (30) days after written Notice of Default from LANDLORD to TENANT. Should the obligation be such that it cannot reasonably be corrected within thirty (30) days, TENANT shall not be in default so long as TENANT is diligently proceeding to comply and the noncompliance does not continue for over ninety (90) days after Notice of Default. A subsequent failure of TENANT to comply with the same obligation shall be a default without any grace period;

C. Proceedings under the Bankruptcy Act for bankruptcy filed by or against TENANT or any guarantor of TENANT's performance hereunder and not dismissed within thirty (30) days after the filing;

D. An assignment of TENANT's property for the benefit of creditors;

E. A receiver, conservator, or similar officer is appointed by a court of competent jurisdiction to take charge of all or a substantial part of TENANT's or any guarantor's property, and the officer is not discharged and possession of the property is not restored within thirty (30) days;

F. TENANT's interest in the Premises or under this Lease is the subject of a taking or levy under execution, attachment, or other process of law and the action is not canceled or discharged within thirty (30) days after its occurrence;

G. TENANT defaults under any other lease or agreement with LANDLORD.

40. LANDLORD'S REMEDIES. If any event of default occurs and has not been cured within the time period provided in this Lease, LANDLORD may immediately or at any time

thereafter do one or more of the following:

A. Remove any of TENANT's personal property from the Premises and store the same elsewhere at TENANT's expense without relieving TENANT from any liability or obligation;

B. Make the Premises available to another party without liability to TENANT and without relieving TENANT from any liability or obligation to LANDLORD;

C. Bring an action then or thereafter against TENANT to recover the amount of any payment owing by TENANT to LANDLORD as the same is due, becomes due, or accumulates;

D. Accelerate the rental to be paid over the entire term of this Lease and bring then or thereafter an action for said rental and all other amounts due and owing by TENANT to LANDLORD;

E. Terminate this Lease by giving TENANT written notice thereof, without relieving TENANT from any obligation or liability for payments theretofore or thereafter becoming due or any other present or prospective damages or sums due or provided by law or this Lease and resulting from TENANT's default;

F. Terminate this Lease, relieving TENANT of any liability or obligation for any payments then or thereafter becoming due;

G. Exercise any combination of the above or any other remedy provided by law.

41. ATTORNEYS' FEES AND COSTS. In any action brought by either party for the interpretation or enforcement of the obligations of the other party including LANDLORD's right to indemnification, the prevailing party shall be entitled to recover from the losing party all reasonable attorney's fees, paralegal fees, court and other costs, whether incurred before or during litigation, on appeal, in bankruptcy or in post judgment collections.

42. AMENDMENT. No amendment, modification, or alteration of the terms hereof shall be binding unless the same is in writing, dated subsequent to the date hereof, and duly executed by each party.

43. TAXES. Any taxes (including, without limitation, Highlands County ad valorem real property taxes and Florida sales or use taxes) on this Lease, the lease payments or the Premises shall be the obligation of TENANT. TENANT shall make monthly deposits with LANDLORD, in a non-interest bearing account, of a sum equal to one-twelfth of the annual taxes and assessments which may be levied against the leased Premises. The amount of such taxes, when unknown, shall be estimated by LANDLORD. Such deposits shall be used by LANDLORD to pay such taxes when due. Any insufficiency of such account to pay such charges when due shall be paid by TENANT to LANDLORD on demand. Should said taxes not be paid by TENANT, they shall be considered unpaid additional rent and failure to pay said taxes shall be considered a default hereunder.

44. UTILITIES AND SERVICES. LANDLORD will not be obligated to pay any charges for any telephone service, gas, electricity, water, or other utility service or commodity procured or consumed by TENANT. TENANT shall be solely responsible for such charges and, if LANDLORD shall pay those on behalf of TENANT, the amount of such charges shall be considered additional rent hereunder.

45. SUITABILITY OF PREMISES. TENANT acknowledges having examined the Premises thoroughly before entering into this Lease and acknowledges the suitability of the Premises for TENANT's proposed use. TENANT does not rely upon any representations by the LANDLORD as to the Premises' suitability for the TENANT's purposes.

46. SIGNAGE. All signage on the property must be approved by LANDLORD as to style, location, content and construction before installation, which approval will not be unreasonably withheld. In the event that LANDLORD installs a master sign showing the location of LANDLORD's tenants, TENANT will pay TENANT's prorata share of the cost of construction and maintenance of that sign, based on TENANT's leased area at the Airport and Industrial Park.

47. PROVISIONS OF LAW DEEMED INSERTED. Each and every provision of law and clause required by law to be inserted in this document shall be deemed to be inserted herein and the lease shall be read and enforced as though it were included, and if, through mistake or otherwise, any such provision is not inserted, or is not correctly inserted, then upon application of either party, the lease shall forthwith be physically amended to make such insertion or correction.

48. GOVERNING LAW. This agreement will be governed by and construed in accordance with the laws of the State of Florida and the parties agree to submit to the jurisdiction of the Tenth Judicial Circuit, in and for Highlands County, Florida.

49. TIME. Time is of the essence of this agreement.

50. MULTIPLE ORIGINALS. This agreement is executed in multiple copies, each copy of which shall be deemed an original. Recording is strictly prohibited and shall be an event of default.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals.

WITNESSES:

Jami Olive
Printed Name: Jami Olive

Celken Monks
Printed Name: Celken Monks

**LANDLORD: SEBRING AIRPORT
AUTHORITY**, a body politic and corporate of
the State of Florida

By: [Signature]
 Mark Andrews, as its Chairman or
 Peter H. McDevitt, as its Vice Chairman

Attest: [Signature]
 Stanley Wells, as its Secretary or
 D. Craig Johnson, as its Asst. Secretary



WITNESSES:

[Signature]
Printed Name: Heather J. Leon

[Signature]
Printed Name: Isabel Marquez

**TENANT: BOBBY ORE MOTORSPORTS,
LLC**, a Florida limited liability company

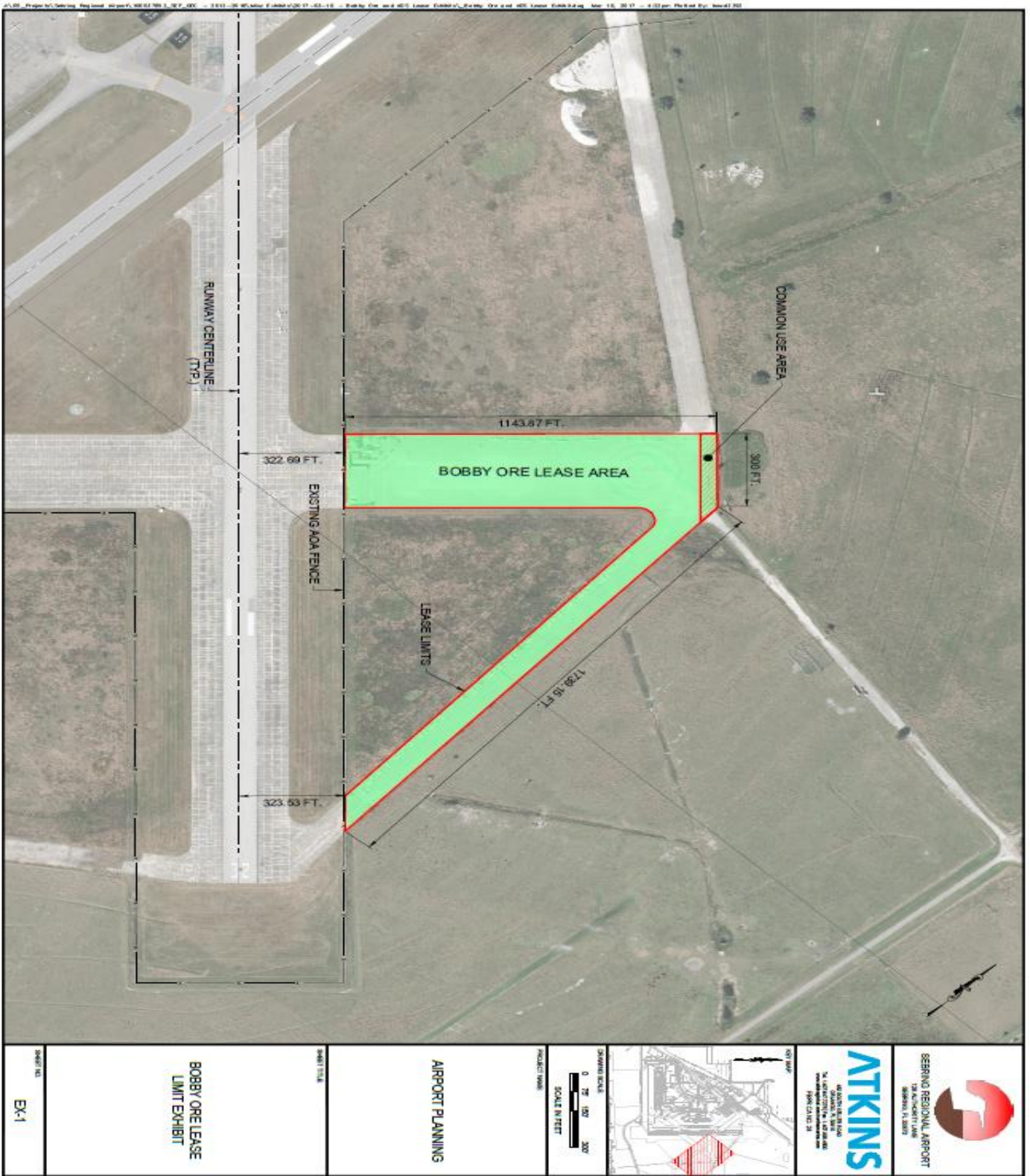
By: [Signature]
Bobby Ore, as its Managing Member

[Signature]
(Corporate Seal)

Exhibits Attached:

- A. Map/Premises Description
- B. Common Use Area

Exhibit "A"



SEBRING AIRPORT AUTHORITY

AGENDA ITEM SUMMARY

Meeting Date: April 18, 2024

Presenter: Andrew Bennett

Agenda Item: Stormwater Drainage Improvement Project –
AtkinsRealis Contract for Construction Phase Services

Background: Staff advertised RFP #23-09 for the Stormwater Drainage Improvements Project, five (5) proposals were received and evaluated by AtkinsRealis. All proposals conformed to the RFP requirements. A construction contract with Quality Enterprises USA, Inc was approved by the Board on February 15, 2024.

Requested Motion: Move to approve contract as presented and authorize the Chairman or Vice Chairman and Secretary or Assistant Secretary to execute contract in the amount of Two Hundred Seventy-Nine Thousand Six Hundred Twenty Dollars and Zero Cents (\$279,620.00).

Board Action:

Approved

Denied

Tabled

**CONTRACT FOR CONSTRUCTION PHASE SERVICES
FOR THE STORMWATER DRAINAGE IMPROVEMENTS PROJECT AT THE SEBRING
REGIONAL AIRPORT
(ATKINSREALIS)
DATED April 18, 2024**

This Contract is between the **SEBRING AIRPORT AUTHORITY**, a body politic and corporate of the State of Florida (herein referred to as the "AUTHORITY") and **ATKINSREALIS**, a foreign profit corporation (herein referred to as the "CONSULTANT").

PREMISE. AUTHORITY solicited bids for its STORMWATER DRAINAGE IMPROVEMENTS project pursuant to ITB #23-09. AUTHORITY has entered into a contract with Quality Enterprises USA, Inc. to perform that construction and AUTHORITY would like CONSULTANT to provide professional services and technical support during construction including providing resident project representative (RPR) services, attendance at meetings, review of submittals, responses to requests for information, and the preparation of record drawings. Construction is scheduled to start in May 2024.

The AUTHORITY and CONSULTANT entered into a Continuing Contract pursuant to the Consultants' Competitive Negotiation Act on May 21, 2020. Pursuant to that agreement, CONSULTANT would like to perform the work described herein. The services are more particularly described in Attachment A and shall hereafter be referred to as "Services." CONSULTANT represents that it has examined the Project site thoroughly before entering this agreement and is knowledgeable of all site conditions and issues relevant to the performance of the Services. CONSULTANT shall not be entitled to an increase in price or time by virtue of any site condition requirement.

ARTICLE 1 – PRICE

The AUTHORITY shall pay to CONSULTANT a lump sum amount for all fees and expenses of Two Hundred Seventy-Nine Thousand Six Hundred Twenty Dollars and Zero Cents (\$279,620.00) as the total price for the Services, including CONSULTANT's direct expenses and expenses of subconsultants and subcontractors. The price is based on the assumptions included on Attachment B. On or about the first day of each month, CONSULTANT shall make application for payment based upon percentages of completion of the Services completed up to the last day of the previous month, less the aggregate of previous payments. AUTHORITY's Executive Director and engineer must approve each payment request. Each payment application shall also:

- A. detail an explanation of Services completed by CONSULTANT and its subconsultants and subcontractors requesting payment; and
- B. include a certification that the amount of the invoice is accurate in relation to the Services performed under any subcontractor contract.

ARTICLE 2 – COMMENCEMENT AND COMPLETION DATES

CONSULTANT hereby agrees to commence work under this contract when the Contractor begins work and to continue work until the Project is complete.

ARTICLE 3 – PAYMENT OF INVOICES

Prior to payment, invoices received from the CONSULTANT pursuant to his Contract will be reviewed and approved by the initiating department, indicating that services have been rendered in conformity with the contract. The Authority shall pay CONSULTANT on a monthly invoiced basis for the

percentage of the work completed in each monthly reporting period. Upon CONSULTANT's application for payment, the Executive Director, or his designee, will make inspection and if he finds the Services are acceptable under the contract, he will submit the payment request to the Finance Director for payment.

ARTICLE 4 – TRUTH-IN-NEGOTIATION CERTIFICATE

The signing of this Contract by the CONSULTANT shall act as the execution of a truth-in-negotiation certificate certifying that the wage rates and costs used to determine the compensation provided for in this Contract is accurate, complete and current as of the date of this Contract.

The said rates and costs shall be adjusted to exclude any significant sums should the AUTHORITY determine that the rates and costs were increased due to the inaccurate, incomplete or noncurrent wage rates or due to inaccurate representations of fees paid to outside consultants. The AUTHORITY shall exercise its rights under this provision within one year following final payment.

ARTICLE 5 – TERMINATION

This Contract may be terminated by the CONSULTANT upon 30 days prior written notice to the AUTHORITY in the event of substantial failure by the AUTHORITY to perform in accordance with the terms of this Contract through no fault of the CONSULTANT. It may also be terminated by the AUTHORITY with or without cause upon 30 days written notice to the CONSULTANT. Unless the CONSULTANT is in breach of this Contract, the CONSULTANT shall be paid for services rendered to the AUTHORITY through the date of termination. After receipt of a Termination Notice and except as otherwise directed by the AUTHORITY, the CONSULTANT shall:

- A. Stop work on the date and to the extent specified.
- B. Terminate and settle all orders and subcontracts relating to the performance of terminated work.
- C. Transfer all work in process, completed work, and other material related to the terminated work to the AUTHORITY.
- D. Continue and complete all parts of the work that have not been terminated.

ARTICLE 6 - PERSONNEL

The CONSULTANT represents that it has, or will secure at its own expense, all necessary personnel required to perform the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the AUTHORITY.

All of the services required hereunder shall be performed by the CONSULTANT or under its supervision, and all personnel engaged in performing the services shall be fully qualified and, if required, authorized or permitted under state and local law to perform such services.

Any changes or substitutions in the CONSULTANT's key personnel must be made known to the AUTHORITY's representative and written approval granted by the AUTHORITY before said change or substitution can become effective.

ARTICLE 7 – KEY PERSONNEL ASSIGNMENT

The CONSULTANT and the AUTHORITY agree to assign the following key personnel required to perform the services necessary under this Contract:

ARTICLE 8 - SUBCONTRACTING

CONSULTANT reserves the right to select any subcontractors that may be necessary.

The AUTHORITY reserves the right to accept the use of a subcontractor or to reject the selection of a particular subcontractor and to inspect all facilities of any subcontractors in order to make a determination as to the capability of the subcontractor to perform properly under this Contract. The CONSULTANT is encouraged to seek minority and women business enterprises for participation in subcontracting opportunities.

If a subcontractor fails to perform or make progress, as required by this Contract, and it is necessary to replace the subcontractor to complete the work in a timely fashion, the CONSULTANT shall promptly do so, subject to acceptance of the new subcontractor by the AUTHORITY.

The Price includes all costs and fees of all subcontractors.

ARTICLE 9 – FEDERAL AND STATE TAX

The AUTHORITY is exempt from Federal Tax and State Tax for Tangible Personal Property. The AUTHORITY will sign an exemption certificate submitted by the CONSULTANT. The CONSULTANT shall not be exempted from paying sales tax to its suppliers for materials to fulfill contractual obligations with the AUTHORITY, nor shall the CONSULTANT be authorized to use the AUTHORITY's Tax Exemption Number in obtaining such materials.

The CONSULTANT shall be responsible for payment of its own taxes.

ARTICLE 10 – AVAILABILITY OF FUNDS

The obligations of the AUTHORITY under this Contract are subject to the availability of funds lawfully appropriated for its purpose by the Board of the Sebring Airport Authority and the federal government.

ARTICLE 11 – INSURANCE

- A. The CONSULTANT shall not commence work under this Agreement until it has obtained all insurance required under this paragraph and that insurance has been approved by the AUTHORITY.
- B. All insurance policies shall be issued by companies authorized or approved to do business under the laws of the State of Florida. The CONSULTANT shall furnish Certificates of Insurance to the AUTHORITY prior to the commencement of work under this Contract. The Certificates shall clearly indicate that the CONSULTANT has obtained insurance of the type, amount, and classifications required for strict compliance with this Article. Compliance with the foregoing requirements shall not relieve the CONSULTANT of its liability and obligations under this Contract.

- C. The CONSULTANT shall purchase and maintain professional liability or malpractice or errors or omissions insurance with minimum limits of \$2,000,000 per occurrence. If a claims made form of coverage is provided, the retroactive date of coverage shall be no later than the inception date of claims made coverage, unless the prior policy was extended indefinitely to cover prior acts. Coverage shall be extended beyond the policy year either by a supplemental extended reporting period (ERP) of as great duration as available, and with no less coverage and with reinstated aggregate limits, or by requiring that any new policy provide a retroactive date no later than the inception date of claims made coverage.
- D. The CONSULTANT shall maintain, during the life of this Contract, comprehensive general liability insurance in the amount of \$1,000,000 per occurrence to protect the CONSULTANT from claims of damages which may arise from any operations under this Contract whether such operations be by the CONSULTANT or by anyone directly employed by or contracting with the CONSULTANT. Coverage A shall include bodily injury and property damage liability for premises, operations, independent contractors, contractual liability covering this agreement, broad form property damage, and property damage resulting from explosion, collapse or underground (x,c,u) exposures. Coverage B shall include personal injury. The CONSULTANT is required to continue to purchase products and completed operations coverage, at least to satisfy this agreement for a minimum of two years beyond AUTHORITY's acceptance of renovation or construction projects.
- E. The CONSULTANT shall maintain, during the life of this Contract, comprehensive automobile liability insurance in the amounts of \$500,000 combined single limit for bodily injury and property damage to protect the CONSULTANT from claims for damages for bodily injury, including wrongful death, as well as from claims from property damage, which may arise from the ownership, use, or maintenance of owned and non-owned automobiles, including rented automobiles whether such operations be by the CONSULTANT or by anyone directly or indirectly employed by the CONSULTANT.
- F. The CONSULTANT shall maintain, during the life of this Contract, adequate Workman's Compensation Insurance and Employer's Liability Insurance in at least such amounts as are required by law for all of its employees performing work for the AUTHORITY pursuant to this Contract.
- G. All insurance, other than Professional Liability and Workman's Compensation, to be maintained by the CONSULTANT shall specifically include the AUTHORITY as an "Additional Insured."

ARTICLE 12 - WARRANTY

The CONSULTANT warrants that all services shall be performed by skilled and competent personnel to generally accepted professional standards.

ARTICLE 13 – INDEMNIFICATION

Subject to limitations of Florida law, the CONSULTANT shall indemnify and hold harmless the AUTHORITY, and its officers and employees, from liabilities, damages, losses, and costs, including, but not limited to, reasonable attorneys' fees, to the extent caused by the negligence, recklessness,

or intentionally wrongful conduct of the CONSULTANT and other persons employed or utilized by the CONSULTANT in the performance of the contract. CONSULTANT's liability for indemnification shall be limited to \$2,000,000.00.

ARTICLE 14 – SUCCESSORS AND ASSIGNS

The AUTHORITY and the CONSULTANT each binds itself and its partners, successors, executors, administrators and assigns to the other party of this Contract and to the partners, successors, executors, administrators and assigns of such other party, in respect to all covenants of this Contract. Neither the AUTHORITY nor the CONSULTANT shall assign, convey or transfer its interest in the Contract without the written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of the AUTHORITY which may be a party hereto, nor shall it be construed as giving any rights or benefits hereunder to anyone other than the AUTHORITY and the CONSULTANT.

ARTICLE 15 – REMEDIES

This Contract shall be governed by the laws of the State of Florida. Any and all legal action necessary to enforce the Contract will be held in Highlands County, Florida, and the Contract will be interpreted according to the laws of the State of Florida. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

ARTICLE 16 – CONFLICT OF INTEREST

The CONSULTANT represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance of services required hereunder, consistent with the intent and declaration of policy stated in Section 112.311, Florida Statutes. The CONSULTANT further represents that no person having any interest shall be employed for said performance.

The CONSULTANT shall promptly notify the AUTHORITY in writing of potential conflicts of interest for any prospective business associations, interest or other circumstances which may influence or appear to influence the CONSULTANT's judgment or quality of services being provided under a specific Consultant Services Agreement. Such written notification shall identify the prospective business association, interest or circumstance, the nature of work that the CONSULTANT may undertake and request an opinion of the AUTHORITY as to whether the association, interest or circumstance would, in the opinion of the AUTHORITY, constitute a conflict of interest if entered into by the CONSULTANT. The AUTHORITY agrees to notify the CONSULTANT of its opinion by certified mail within 30 days of receipt of notification by the CONSULTANT. If, in the opinion of the AUTHORITY, the prospective business association, interest or circumstance would not constitute a conflict of interest by the CONSULTANT, the AUTHORITY shall so state in the notification, and it shall be deemed not to be a conflict of interest with respect to services provided to the AUTHORITY by the CONSULTANT under the terms of this Contract.

ARTICLE 17 – EXCUSABLE DELAYS

The CONSULTANT shall not be considered in default by reason of any failure in performance if such failure arises out of causes reasonably beyond the CONSULTANT's control and without its fault or

negligence. Such causes may include, but are not limited to: acts of God, the AUTHORITY's omissive and commissive failures; natural or public health emergencies; labor disputes; freight embargoes; and severe weather conditions. The CONSULTANT shall be responsible for the timely completion of subcontractor's work.

Upon the CONSULTANT's request, the AUTHORITY shall consider the facts and extent of any failure to perform the work and, if the CONSULTANT's failure to perform was due to causes reasonably beyond the CONSULTANT's control and without its fault or negligence, the Contract Schedule and/or other affected provision of this Contract shall be revised accordingly, subject to the AUTHORITY's rights to change, terminate, or stop any or all of the work at any time.

ARTICLE 18 – ARREARS

The CONSULTANT shall not pledge the AUTHORITY's credit or make the AUTHORITY a guarantor of payment or surety for any contract, debt, obligation, judgment, lien or any form of indebtedness. The CONSULTANT further warrants and represents that it has no obligation or indebtedness that would impair its ability to fulfill the terms of this Contract.

ARTICLE 19 –DISCLOSURE AND OWNERSHIP OF DOCUMENTS

The CONSULTANT shall deliver to the AUTHORITY, if requested, reproducibles and computer files of all final documents and materials prepared by and for the AUTHORITY under this Contract.

Submission or distribution of documents to meet official regulatory requirements or for similar purposes in connection with the Project or tasks assigned the CONSULTANT is not to be construed as publication in derogation of any right therein reserved by the CONSULTANT.

If, however, the AUTHORITY uses for any other purpose the CONSULTANT's documents, drawings, and specifications, or reuses them without written verification or adaptation by the CONSULTANT for the specific purpose intended, it will be at the AUTHORITY's sole risk and without liability or legal exposure to the CONSULTANT or to the CONSULTANT's independent professional associates or consultants. Any such verification or adaptation will entitle the CONSULTANT to further compensation at rates to be agreed upon by the AUTHORITY and the CONSULTANT.

The CONSULTANT shall have the right to include representations of the design of the project(s) including photographs of the exterior and interior, among the CONSULTANT's promotional and professional material. The CONSULTANT's materials shall not include the AUTHORITY's confidential or proprietary information if the AUTHORITY advises the CONSULTANT of the specific information considered to be confidential or proprietary.

ARTICLE 20 – INDEPENDENT CONSULTANT RELATIONSHIP

The CONSULTANT is, and shall be, in the performance of all work, services, and activities under this Contract an independent contractor, and not an employee, agent, or servant of the AUTHORITY. All persons engaged in any of the work or services performed pursuant to this Contract shall at all times, and in all places, be subject to the CONSULTANT's sole direction, supervision, and control. The CONSULTANT shall exercise control over the means and manner in which it and its employees perform the work, and in all respects the CONSULTANT's relationship and the relationship of its employees to the AUTHORITY shall be that of an independent contractor and not as employees or agents of the AUTHORITY.

The CONSULTANT does not have the power or authority to bind the AUTHORITY in any promise, agreement or representation other than specifically provided for in this Contract or amendment thereto.

ARTICLE 21 – CONTINGENT FEES

The CONSULTANT warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the CONSULTANT, to solicit or secure this Contract and that it has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for the CONSULTANT, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the award or making of this Contract.

ARTICLE 22 – ACCESS AND AUDITS

The CONSULTANT shall maintain adequate records to justify all charges, expenses, and costs incurred in performing work pursuant to this Contract for at least three (3) years after completion of this Contract. The AUTHORITY shall have access to such books, records, and documents as required in this section for the purpose of inspection or audit during normal business hours, at the AUTHORITY's cost, upon five (5) days written notice. Consultant shall also permit review of all records pertaining to this project that fall within the purview of Florida Statute 119.07.

ARTICLE 23 – NONDISCRIMINATION

The CONSULTANT shall not discriminate against any employee employed in the performance of this contract, or against any applicant for employment because of age, race, sex, creed, color, handicap, national origin, or marital status.

ARTICLE 24 – HARASSMENT-FREE WORKPLACE

The CONSULTANT shall provide a harassment-free workplace, with any allegation of harassment given priority attention and action by management. The CONSULTANT shall insert a provision in accordance with this Article in all subcontracts for services in relation to this contract.

ARTICLE 25 – PUBLIC ENTITY CRIMES

A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in s. [287.017](#) for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list.

ARTICLE 26 – DRUG-FREE WORKPLACE

CONSULTANT acknowledges that The Authority is a drug-free work place. CONSULTANT covenants that all employees of CONSULTANT working upon The Authority property shall be subject to implementation of all possible provisions to maintain a drug-free environment and that CONSULTANT will adhere to the provisions of Florida Statute 287.087.

ARTICLE 27 – COMPLIANCE WITH DAVIS-BACON ACT REQUIREMENTS

The CONSULTANT hereby agrees, where required on Federal Grant assisted projects, to comply with applicable portions of the Davis-Bacon and related acts which regulate employee wages and benefits. The CONSULTANT further acknowledges the possible necessity for amending the Contract in order to comply with Federal guidelines applicable to Grant Assisted projects which may be undertaken by the AUTHORITY.

ARTICLE 28 – SURVIVAL

All covenants, agreements, representations and warranties made herein, or otherwise made in writing by any party pursuant hereto, including but not limited to any representations made herein relating to disclosure or ownership or documents, shall survive the execution and delivery of this Contract and consummation of the transactions contemplated hereby.

ARTICLE 29 – ENTIRETY OF CONTRACTUAL AGREEMENT

The AUTHORITY and the CONSULTANT agree that this Contract sets forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Contract may be added to, modified, superseded or otherwise altered, except by written instrument executed by the parties hereto.

ARTICLE 30 – ENFORCEMENT COSTS

In any action brought by either party for the interpretation or enforcement of the obligations of the other party, including the establishment of a right to indemnification, the prevailing party shall be entitled to recover from the losing party all reasonable attorney's fees, paralegal fees, court and other costs, even if not taxable as court costs, whether incurred before or at trial, on appeal, in bankruptcy or in post judgment collections.

ARTICLE 31 – AUTHORITY TO PRACTICE

The CONSULTANT hereby represents and warrants that it has and will continue to maintain all licenses and approvals required to conduct its business, that it will at all times conduct its business activities in a reputable manner, and that it will maintain for duration of this Contract a current certificate of registration required under Chapter 471, Florida Statutes.

ARTICLE 32 - SEVERABILITY

If any term or provision of this Contract, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Contract, or the application of such term or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Contract shall be deemed valid and enforceable to the extent permitted by law.

ARTICLE 33 – AMENDMENTS AND MODIFICATION

No amendments and/or modifications of this Contract shall be valid unless in writing and signed by each of the parties.

The AUTHORITY reserves the right to make changes in the scope of work, including alterations, reductions therein or additions thereto. Upon receipt by the CONSULTANT of the AUTHORITY's notification of a contemplated change, the CONSULTANT shall, if requested by AUTHORITY: (1) provide an estimate for the increase or decrease in cost due to the contemplated change, (2) notify the AUTHORITY of any estimated change in the completion date, and (3) advise the AUTHORITY in writing if the contemplated change shall effect the CONSULTANT's ability to meet the completion dates or schedules of this Contract.

If the AUTHORITY so instructs in writing, the CONSULTANT shall suspend work on the portion of the work affected by a contemplated change, pending the AUTHORITY's decision to proceed with the change.

If the AUTHORITY elects to make the change, the AUTHORITY shall issue a Contract Amendment or Change Order and the CONSULTANT shall not commence work on any such change until such written amendment or change order has been issued and signed by each of the parties.

ARTICLE 34 – AUTHORITY'S RESPONSIBILITIES

Provided such information is reasonably required by the CONSULTANT to perform its services under this Contract, the AUTHORITY shall:

1. Provide full information regarding requirements for the projects and tasks.
2. Designate a representative authorized to act on the AUTHORITY's behalf with respect to the projects or tasks. The AUTHORITY or that authorized representative shall render decisions in a timely manner pertaining to documents submitted by the CONSULTANT in order to avoid unreasonable delay in the orderly and sequential progress of the CONSULTANT's services.
3. Furnish to the extent in its possession, surveys describing available information on utility locations, written legal descriptions of the sites, easements, encroachments, zoning, deed restrictions, and other available information to assist the CONSULTANT in developing proper scopes of service and fulfilling project or task objectives.
4. Assist in gaining access to and make all provisions for access required for the CONSULTANT to enter upon public and private property as required for the CONSULTANT to perform services under this Contract.
5. Examine all studies, reports, sketches, drawings, specifications, proposals and other documents presented by the CONSULTANT and render decisions and comments regarding them within a reasonable time so as not to delay the services of the CONSULTANT.

ARTICLE 35 – NOTICE

All notices required in this Contract shall be sent certified mail, return receipt requested, and shall be mailed to:

AUTHORITY:
Executive Director

CONSULTANT:
Darin R. Larson

Sebring Airport Authority
128 Authority Lane
Sebring, FL 33870

AtkinsRealis Construction (USA), INC.
1514 Broadway, Suite 202
Fort Myers, FL 33901

ARTICLE 36 – LAWS AND REGULATIONS

CONSULTANT shall comply with all laws, ordinances, rules, orders and regulations relating to performance of the Services and the protection of persons and property.

ARTICLE 37 –CHANGE ORDERS

No changes in the Services covered by this contract shall be made without prior written approval of the Authority. Charges or credits for Services on the approved changes shall be as mutually determined by the parties. Without invalidating this contract, the AUTHORITY may order extra Services or make changes by altering, adding to or deducting from the Services with the contract price being adjusted accordingly. All extra Services shall be paid for at the price agreed to between the parties and no claims for any extras shall be allowed unless order in writing by the AUTHORITY with the price stated in such order.

ARTICLE 38 – ASSIGNMENT

CONSULTANT shall not assign this contract, in whole or in part, or any monies due or to become due hereunder, without the written consent of The Authority.

ARTICLE 39 – PROVISIONS REQUIRED BY LAW DEEMED INSERTED

In addition to the notices, requirements and certifications included in the attached “Legal Provisions” document, each and every term of “Legal Provisions” is incorporated herein by reference as if fully included herein. Each and every other provision of law and clause required by law to be inserted in this document shall be deemed to be inserted herein and the contract shall be read and enforced as though it were included, and if, through mistake or otherwise, any such provision is not inserted, or is not correctly inserted, then upon application of either party, the contract shall forthwith be physically amended to make such insertion or correction.

ARTICLE 40 – PUBLIC RECORDS

CONSULTANT is required to keep and maintain public records that ordinarily and necessarily would be required by SAA in order to perform the service sought herein. CONSULTANT is required to provide the public with access to public records on the same terms and conditions that SAA would provide the records and at a cost that does not exceed the cost provided in Ch. 119.07 *et seq.*, *Fla. Stat.* or as otherwise provided by law. CONSULTANT must ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law and must meet all requirements for retaining public records and transfer, at no cost, to SAA all public records in possession of the contractor upon termination of the contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to SAA in a format that is compatible with the information technology systems of the public agency. **IF CONSULTANT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA**

STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT BEVERLY K. GLARNER, THE CUSTODIAN OF PUBLIC RECORDS at 863-314-1301, bev@sebring-airport.com or 128 AUTHORITY LANE, SEBRING, FL 33870.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals effective the date first written above.

WITNESSES:

Jami Olive
Printed Name: Jami Olive

Gileen Honsky
Printed Name: Gileen Honsky

SEBRING AIRPORT AUTHORITY, a body politic and corporate of the State of Florida

By: [Signature]
 Mark Andrews, as its Chair or
 Pete McDevitt, as its Vice Chair

Attest: [Signature]
 Stanley Wells, as its Secretary
 Criag Johnson, as its Asst. Secretary

(Corporate Seal)



WITNESSES:

Heather Meyer
Printed Name: Heather Meyer

[Signature]
Printed Name: KEVIN MCCARTHY

CONSULTANT: ATKINSREALIS CONSTRUCTION (USA), INC., a foreign profit corporation

By: [Signature]
Darin R. Larson, as its Vice President

ATTACHMENT A

SCOPE OF WORK

CONSTRUCTION PHASE SERVICES FOR STORMWATER DRAINAGE IMPROVEMENTS – AIRFIELD STORM SEWER REHABILITATION AT SEBRING REGIONAL AIRPORT SEBRING, FLORIDA MARCH 2024

The ***lump sum*** fees to be paid to the ENGINEER under this contract (Attachment C) are based upon the Scope of Work detailed herein and the list of Basic Assumptions stipulated in Attachment B.

I. GENERAL DESCRIPTION OF PROJECT SCOPE

The Sebring Airport Authority (OWNER) selected ATKINS as the Construction Manager (CM) for the Project. This will consist of providing professional services and technical support during construction including providing resident project representative (RPR) services, attendance at meetings, review of submittals, responses to requests for information, and the preparation of record drawings. The overriding objective of the CM is to provide assistance to the OWNER to attempt to keep the project on schedule, under budget, and fully coordinated with all parties and to assist in producing a quality constructed product. Construction is scheduled to start in May 2024.

This work will consist of providing professional services for the construction administration and technical support during construction and assist in the preparation of closeout documents and record drawings. The contract documents allow 115 calendar days from the notice to proceed to substantial completion of construction plus an additional 30 calendar days for project closeout.

OWNER	Sebring Airport Authority (SAA)
CM	ATKINS
FDOT	Florida Department of Transportation (District 1)
EDA	Economic Development Administration

II. SCOPE

For the purposes of scope definition and CM fee development, the work has been divided into the following tasks. Any modifications and/or revisions to these tasks will constitute a change in the project scope and may require a revision to the compensation to be paid to the CM. These tasks will begin once the OWNER provides the CM with a written Notice to Proceed.

Each of these services shall be provided by the CM, working in concert with the OWNER and Contractor(s).

Task 1: Project Administration and Coordination

This task involves the internal management of the contract including project bookkeeping, billing, and coordination with project stakeholders. The Project Manager (PM) will be readily available to the OWNER to oversee necessary project related elements. The PM will keep the OWNER advised of the work progress, schedule, and anticipated review dates and coordinate necessary revisions.

The PM will be the CM's main point of contact and will be responsible for ensuring that the project's goals and objectives are met within the agreed upon schedule.

Task 2: Preparation of Conformed Documents

The CM will prepare a set of "Conformed Documents" for use during construction of this project. Conformed Documents result from the integration of items modified and/or revised via addendum during the Bidding Phase into the Bid Set Documents (plans and specifications), resulting in an "official" set of Conformed Documents to be used for Construction. The CM will prepare three (3) half size drawings and specifications for OWNER use; and five (5) half size and two (2) full size drawing sets and specifications to selected Contractor.

If the Contractor requests electronic AutoCAD files of the drawings, the CM will provide them under the following stipulations. Electronic data files are provided to the Contractor solely as a convenience and in an "as is" condition. Electronic data files are not considered part of the Contract Documents. The information contained in these electronic data files is for informational purposes only and cannot be modified without the knowledge and written consent of the Engineer and the Owner. Differences may exist between the electronic files delivered and the printed hard copy Contract Documents. In the event that such a conflict is found, the hard copy documents, which are signed and sealed with the Design Professional's registration stamp, shall be controlling and take precedence over the electronic version. These discrepancies shall not be the basis for a claim by the Contractor. The use of the information contained in electronic files is at the Contractor's sole risk without liability or legal exposure to the Engineer or the Owner.

Task 3: Preconstruction Conference

The CM shall prepare for and lead a preconstruction conference at the Airport before the Contractor is provided with a Notice to Proceed. The purpose of this meeting will be to review general administrative procedures of the contract, establish communication protocols, review technical requirements, begin the submittal process, and other items as defined in the Contract Documents.

Task 4: Job Coordination Meetings

As required by the Contract Documents, there will be regular construction progress meetings held with the Airport, the Contractor, and the CM. The purpose of the progress meeting will be to review completed Work, discuss upcoming Work, coordinate outstanding tasks, etc. The CM will attend these progress meetings to provide interpretations of and review progress related to the Construction Documents. The CM will prepare minutes of each meeting and distribute to attendees.

Based on the project schedule, the CM has budgeted for **18 job coordination meetings** held throughout the duration of the project. This assumes there will be 16 weekly meetings during the 115 days of construction between NTP and substantial completion, and two (2) additional meetings during the closeout period. If additional meetings are necessary, it may be justification for additional compensation.

Task 5: Site Visits and Inspections

The CM's PM and/or appropriate technical leads will make visits to the site during construction. Such visits are not intended to be exhaustive in examining the Contractor's work in progress, but rather to provide a general observation of the work based on the Engineer's professional judgment. The CM will review the Contractor's work as observed for general conformance with the Contract Documents. The CM will not visit the site to direct or supervise the Contractor's work. Note that site visits may be coordinated to happen concurrently with regular project meetings or they may be held at other times. Therefore, the design professional will not necessarily be represented at each of the weekly project meetings. The CM's PM and/or appropriate technical leads will attend the

Substantial Completion and Final Inspections.

For the purpose of scope definition, the following number of visits is anticipated from each discipline (inclusive of Partial Acceptance Inspections, Substantial Completion Inspection, and Final Inspection):

- Project Manager - 8
- Civil/Site Engineer - 12

Task 6: Shop Drawing Review

This task will include the CM's review of shop drawings submitted by the Contractor as stipulated in the Contract Documents. The CM will be responsible for collecting, logging shop drawings, reviewing the shop drawings, and returning them to the contractor with a review stamp/transmittal and necessary comments.

The CM's review of shop drawings will be limited to general design concepts and general compliance with the Contract Documents. Reviews by the CM will not relieve the Contractor of the responsibility of compliance with the Contract Documents. The CM shall act as initial interpreter of the requirements of the Contract Documents and judge of the acceptability of the work. The CM shall have the authority to make decisions related to the interpretation of the requirements of the Contract Documents pertaining to the execution and progress of the work.

The CM will review and comment on each shop drawing or technical submittal a maximum of three (3) times. Additional reviews shall be eligible for additional compensation.

Task 7: Responses to Contractor Requests for Information (RFI's)

Under this task, the CM will prepare technical responses to the questions submitted by the Contractor in the format of a Request for Information (RFI). The CM will collect and log from the contractor and return the RFI responses to the Contractor.

The CM shall act as initial interpreter of the requirements of the Contract Documents and judge of the acceptability of the work. The CM shall have the authority to make decisions related to the interpretation of the requirements of the Contract Documents pertaining to the execution and progress of the work.

The CM shall also provide technical support and clarifications related to the construction documents and shall provide required revisions or supplemental information related to the contract documents that may be required during construction.

Task 8: Preparation of Field Sketches and Supplemental Information Revisions

The CM shall prepare field sketches and supplemental information revisions as required to resolve actual field conditions encountered or provide clarification of the contract documents to the contractor.

Task 9: Contractor Applications for Payment

Based on the CM's on-site observations as an experienced and qualified design professional, on information provided by the RPR, and on review of applications for payment and accompanying data and schedules, the CM shall approve the amounts owed to the Contractor(s) based on the Contractor's monthly pay request.

Task 10: Preparation of Record Documents and Closeout

Under this task, the CM will take the Contractor's red lined and surveyed as-built information and incorporate them into the Construction Drawings for the Airport's record purposes. The CM will provide the Airport with a PDF copy of the final record documents. Also, under this task, the CM will prepare the technical documents related project closeout documentation in accordance with FAA and FDOT requirements.

Task 11: Resident Project Representative (RPR) Services

Under this task, the CM will provide on-site Resident Project Representative (RPR) services for the Project. The RPR shall serve as the liaison between the OWNER and the CONTRACTOR throughout the project. The foremost duty of the RPR is to observe construction for general conformance with the Contract Documents. The RPR will be responsible for reporting to the Project Manager, Engineer, and/or Airport when observing work that is unsatisfactory, faulty, or defective. The duties of the RPR will include:

- coordinate the Contractor's mobilization to the site
- inspect and monitor Contractor activities
- maintain a daily construction log
- attend weekly or progress meetings
- review Contractor's pay requests
- take project progress photographs
- monitor Contractor's Quality Control Plan
- organize, prepare for, and lead inspections
- create the Contractor's punch list of unfinished items
- verify the Contractor's completion of the punch list
- collect the Contractor's as-built information
- certify the completion of the project to general conformance with the Contract Documents
- complete Davis Bacon Wage Rates interviews

The Resident Project Representative shall have limited authority on site as follows:

- Shall not authorize any deviation from the construction Contract Documents or substitution of materials or equipment.
- Shall not exceed limitations of Owner or design professional as set forth in the construction Contract Documents.
- Shall not undertake any of the responsibilities of the Contractors, subcontractors, or Contractor's superintendents.

-
- Shall not advise on, issue directions relative to or assume control over any aspect of the means, methods, techniques, sequences or procedures of construction unless such advice or directions are specifically required by the construction Contract Documents.
 - Shall not advise on, issue directions regarding or assume control over safety precautions and programs in connection with the Contractor's work.
 - Shall not accept shop drawings or sample submittals from anyone other than the Contractor.
 - Shall not authorize the Owner to occupy the Project in whole or in part.
 - Shall not participate in specialized field or laboratory tests or inspections conducted by others except as specifically authorized.

The Project duration as established by the Contract Documents shall be 115 calendar days from notice to proceed (NTP) to substantial completion with an additional 30 calendar days allotted for final completion, acceptance, and close-out.

For purposes of CM fee derivation, it is assumed that one (1) RPR will be assigned to the project. It is assumed that the RPR will provide part time support to project during the pre-construction phase to assist with project start-up (4-weeks). During the construction period it is assumed the RPR will work an average 9 hours/day and 5 days/week for the 16-week period. During the closeout period it is assumed that the RPR will provide part-time support to project approximately 20 hours/week for 4 weeks.

The CM may need rotate personnel to provide full coverage. Actual time onsite may vary from week to week based on the Contractor's work schedule. Therefore, the CM has also budgeted for 40 hours of an additional second RPR if necessary, for critical work periods.

END ATTACHMENT A

ATTACHMENT B**BASIC ASSUMPTIONS****CONSTRUCTION PHASE SERVICES
FOR
STORMWATER DRAINAGE IMPROVEMENTS – AIRFIELD STORM SEWER
REHABILITATION
AT
SEBRING REGIONAL AIRPORT
SEBRING, FLORIDA
MARCH 2024**

The following is a list of assumptions that are made with respect to the work efforts required for this Project and on which the fee proposal is based. These assumptions shall be considered general conditions to this Contract. Any change is considered a change in scope and would be justification for consideration of a revision to the fee.

The following is a list of assumptions forming the basis of the CM's cost proposal included herein, as Attachment B, for providing the services detailed in the Scope of Services for this project. Any modification and/or revision to these basic assumptions will constitute a change in the project scope and may result in a revision to the CM's cost proposal.

1. The fees for the provision of construction phase services are based a construction duration of twenty (20) weeks and an assumed level of staff effort as described herein. In the event the construction duration or level of effort required of the CM is greater than estimated and specified herein, the CM shall be entitled to additional compensation and the terms of this agreement shall be re-negotiated and amended as needed.
2. CM shall consult with and advise SAA and act as the Airport's representative and advisor as provided for in the Contract Documents. The extent and limitations of the duties, responsibilities and authority of the CM as assigned in the Contract Documents shall not be modified except as CM may otherwise agree in writing.
3. CM shall not be responsible for the acts or omissions of any Contractor, subcontractor, or supplier at the site or otherwise furnishing or performing any of the Contractor's work.
4. CM shall have authority, as the Airport's representative, to require special inspection or testing of the work, and shall receive and review certificates of inspections, testing and approvals required by laws, rules, regulations, ordinances, codes, orders or the Contract Documents (but only to determine generally that their content complies with the requirements of, and the results certified indicate compliance with, the Contract Documents).
5. Documents will be created in the CM's standard format.
6. All drawings will be created in black and white AutoCAD format using English units.
7. No additional environmental wetlands permitting (federal and/or local) or mitigation will be required for construction of this project.

8. It will be the responsibility of the Contractor to obtain any permits necessary for construction. The CM will not be applying for or obtaining any construction related permits.
9. The CM shall have no responsibility for the discovery, presence, handling, removal or disposal of or exposure of persons to hazardous materials or toxic substances in any form at the project site.
10. This scope of services does not include preparation for or testimony during any mediation or litigation which might arise from disputes between the Owner and Contractor. Such preparation for or testimony during litigation or mediation, should it be necessary, shall be considered outside the scope of this contract.
11. The OWNER will pay all costs required for permitting directly. The CM shall not be responsible for payment of any permitting fees.
12. No additional FDOT reviews are anticipated for this scope of work.
13. CM shall have the authority to issue a stop work order to the Contractor when witnessing efforts that do not conform to the construction contract or that may in the judgment of the CM jeopardize safety. This shall not relieve the Contractor of their responsibility to meet these requirements.
14. When recommending payment, CM is only representing that the RPR has made visual checks on items installed in field. The CM will only check the quality or quantity of Contractor's work as stipulated to the design professional or RPR in the Contract Documents.
15. CM's review of Contractor's work for the purposes of recommending payments shall not impose on CM responsibility to supervise, direct or control such work or for the means, methods, techniques, sequences, or procedures of construction or safety precautions or programs incident thereto or contractor(s) compliance with laws, rules, regulations, ordinances, codes or orders applicable to their furnishing and performing the work.
16. CM'S review of Contractor's work for the purposes of recommending payments shall not impose responsibility on CM to make any examination to ascertain how or for what purposes any contractor has used the moneys paid on account of the Contract Price; or to determine that title to any of the work, materials or equipment has passed to OWNER free and clear of any lien, claims, security interests or encumbrances; or that there may not be other matters at issue between OWNER and CONTRACTOR that might affect the amount that should be paid.
17. The CM shall have authority, as the OWNER'S representative, to require special inspection or testing of the work, and shall receive and review certificates of inspections, testing and approvals required by laws, rules, regulations, ordinances, codes, orders or the Contract Documents (but only to determine generally that their content complies with the requirements of, and the results certified indicate compliance with, the Contract Documents).
18. The following items are excluded from the Project scope of services but can be added for additional fee if desired:

- a. Photometric testing
 - b. Subsurface utility exploration and locations removal or disposal of or exposure of persons to hazardous materials or toxic substances in any form at the project site.
 - c. Boundary survey
 - d. Landscaping Design
 - e. Site Lighting
 - f. Building related design services
 - g. LEED Sustainable Design or Certification
 - h. Modeling and evaluation of the existing utility systems
 - i. Traffic studies
 - j. Offsite utility extensions (water mains, sewer mains, etc.)
 - k. FDOT Connection Permits
 - l. Water quality monitoring
 - m. Noise modeling
 - n. Special environmental studies
 - o. Environmental resource permitting
 - p. ALP Update
19. Any other service not specifically delineated within this scope is not included and would only be performed at Client's request and approved fee.

END OF ATTACHMENT B

Sebring Airport Authority Agenda Item Summary

Meeting Date: April 18, 2024

Presenter: Mike Willingham

Agenda Item: Sebring Raceway Garages, LLC – Unconditional Approval Rights for Development Restrictions

Background: Sebring Raceway Garages LLC (Garages) is under contract to sell the property recently purchased from The Authority. At our last meeting, Garages requested the Board consider a less restrictive architectural and landscape approval process. The Board suggested they come back to us with a plan that the Board could consider and approve in advance in lieu of altering our existing agreement. Garages has provided a plan that looks to be suitable.

Staff would recommend approval of the Garages plan subject to an agreement between the parties that would consider the multitude of possibilities should the project presented not be constructed by the buyer or the buyer sells the property to another party (which is what is happening in this case). A subsequent buyer would have to come back to the Authority for approval if they wished to change the plan.

Requested Motion: Move to approve and authorize the Chairman or Vice Chairman and Secretary or Assistant Secretary to approve the Master Site Plan.

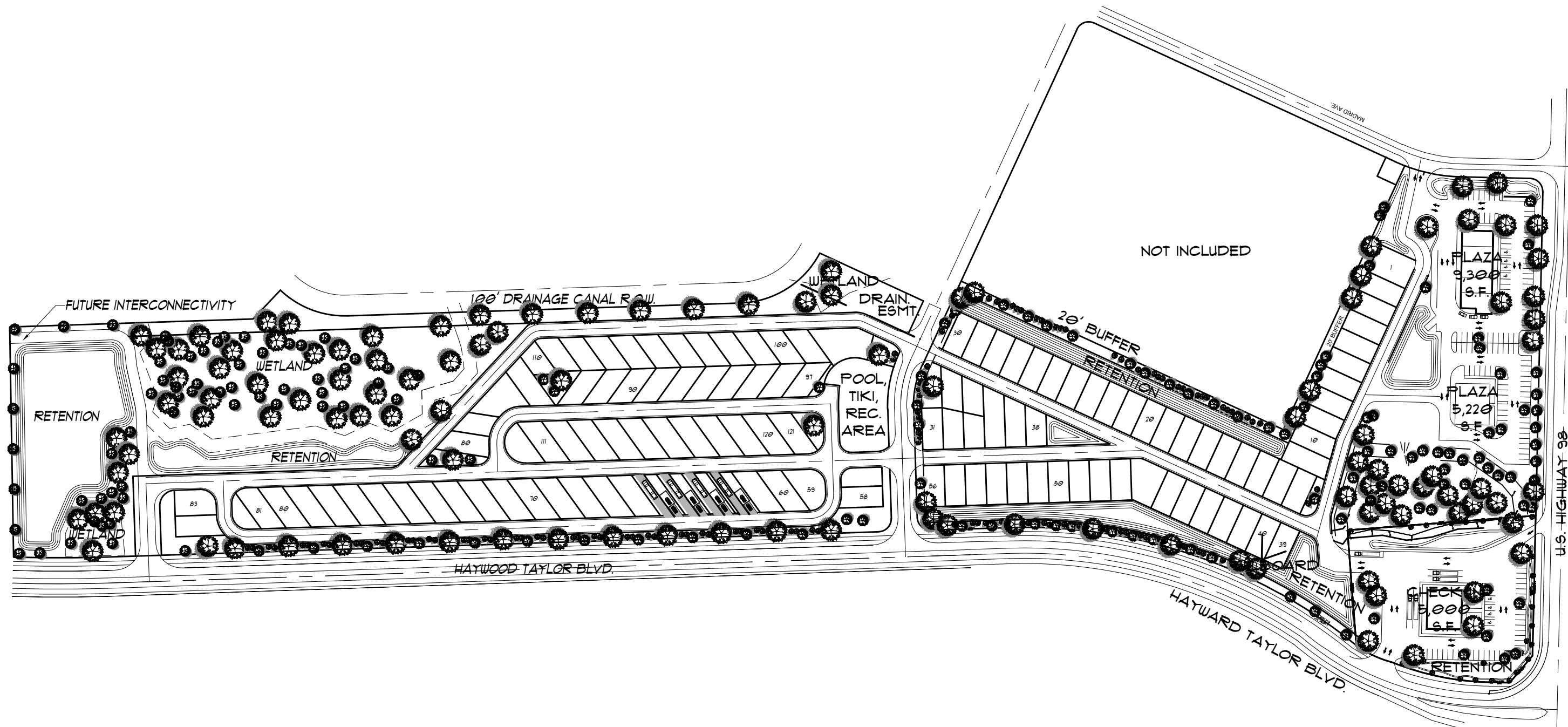
Board Action:

Approved X

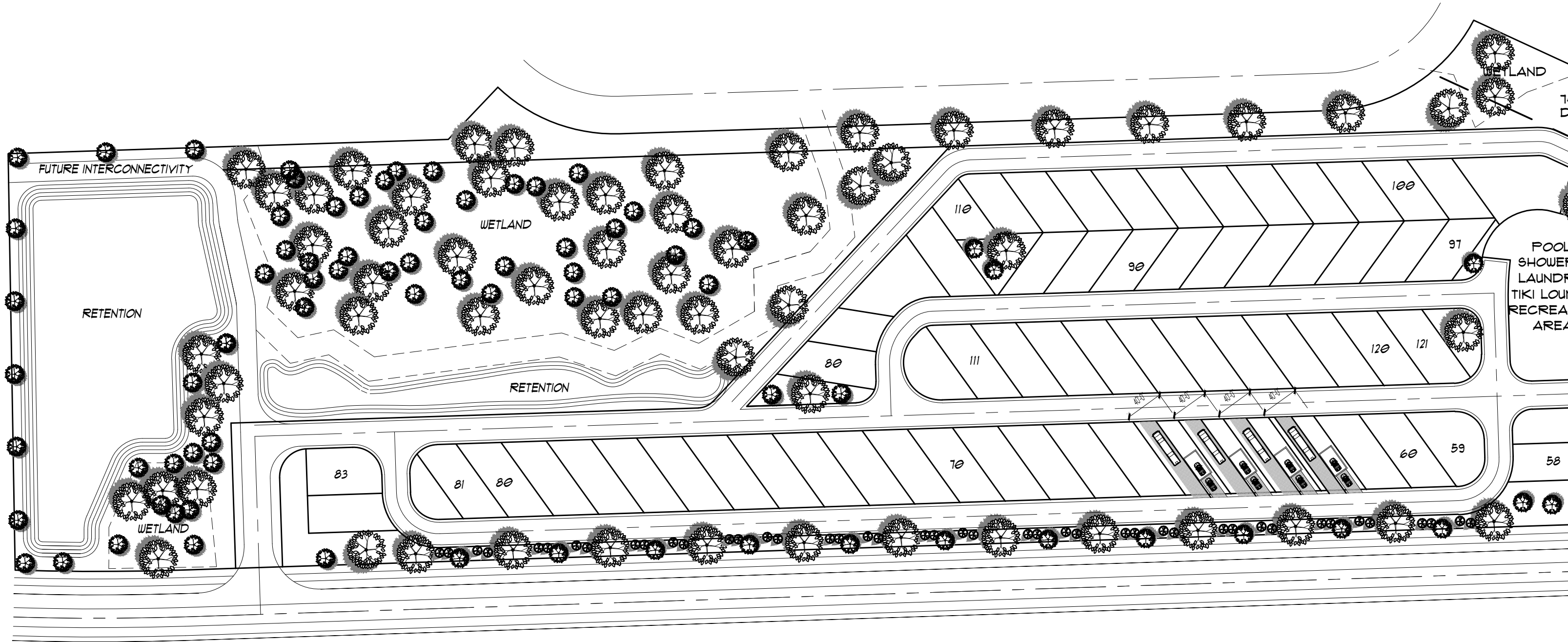
Denied

Tabled

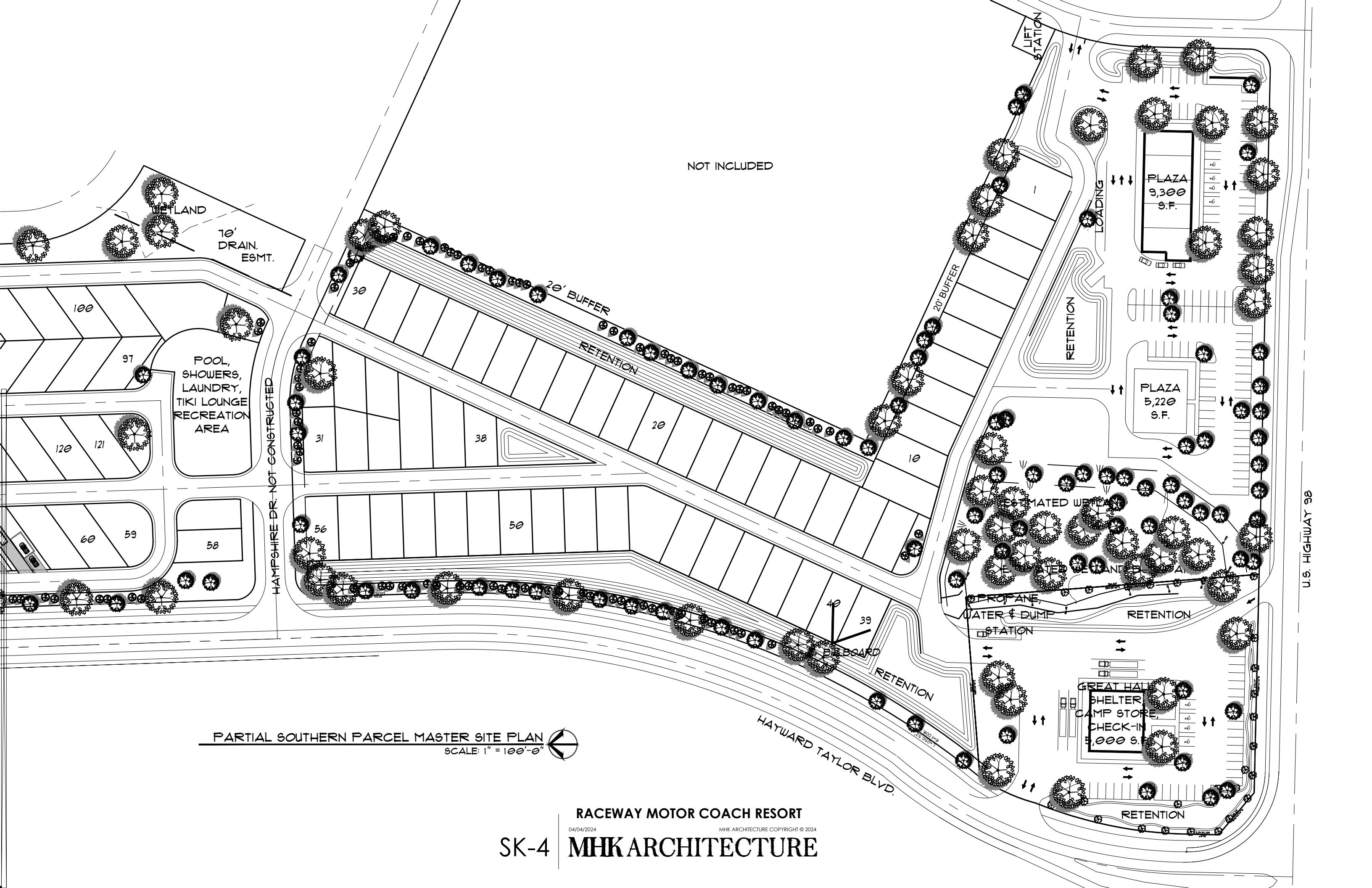
MHK ARCHITECTURE



OVERALL MASTER SITE PLAN
 SCALE: 1" = 200'-0"



PARTIAL NORTHERN PARCEL MASTER SITE PLAN
 SCALE: 1" = 100'-0" 



NOT INCLUDED

POOL,
SHOWERS,
LAUNDRY,
TIKI LOUNGE
RECREATION
AREA

PLAZA
9,300
S.F.

PLAZA
5,220
S.F.

GREAT HALL
SHELTER
CAMP STORE
CHECK-IN
5,000 S.F.

PARTIAL SOUTHERN PARCEL MASTER SITE PLAN
SCALE: 1" = 100'-0"



RACEWAY MOTOR COACH RESORT

04/04/2024 MHK ARCHITECTURE COPYRIGHT © 2024

SK-4 MHK ARCHITECTURE

U.S. HIGHWAY 98

HAYWARD TAYLOR BLVD.

HAMPSHIRE DR. NOT CONSTRUCTED

PROANE,
WATER & DUMP
STATION

BILLBOARD

RETENTION

RETENTION

RETENTION

RETENTION

20' BUFFER

20' BUFFER

10' DRAIN.
ESMT.

LOADING

LIFT STATION

100

97

120

121

60

59

58

31

38

20

10

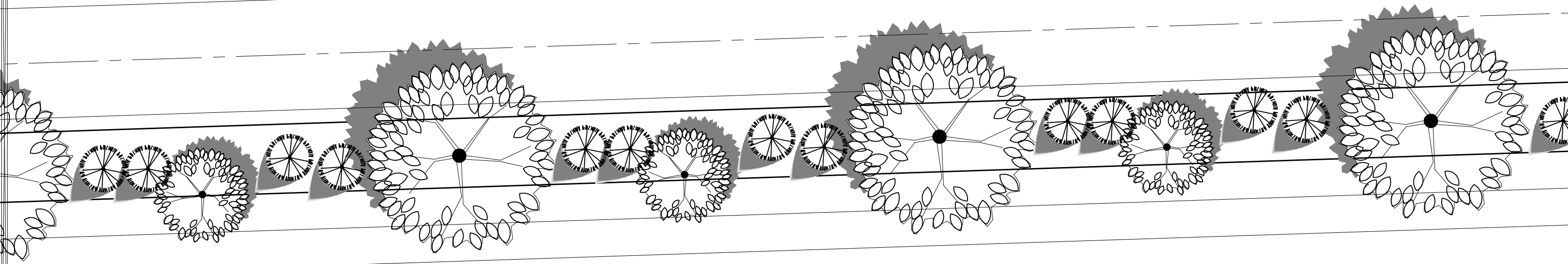
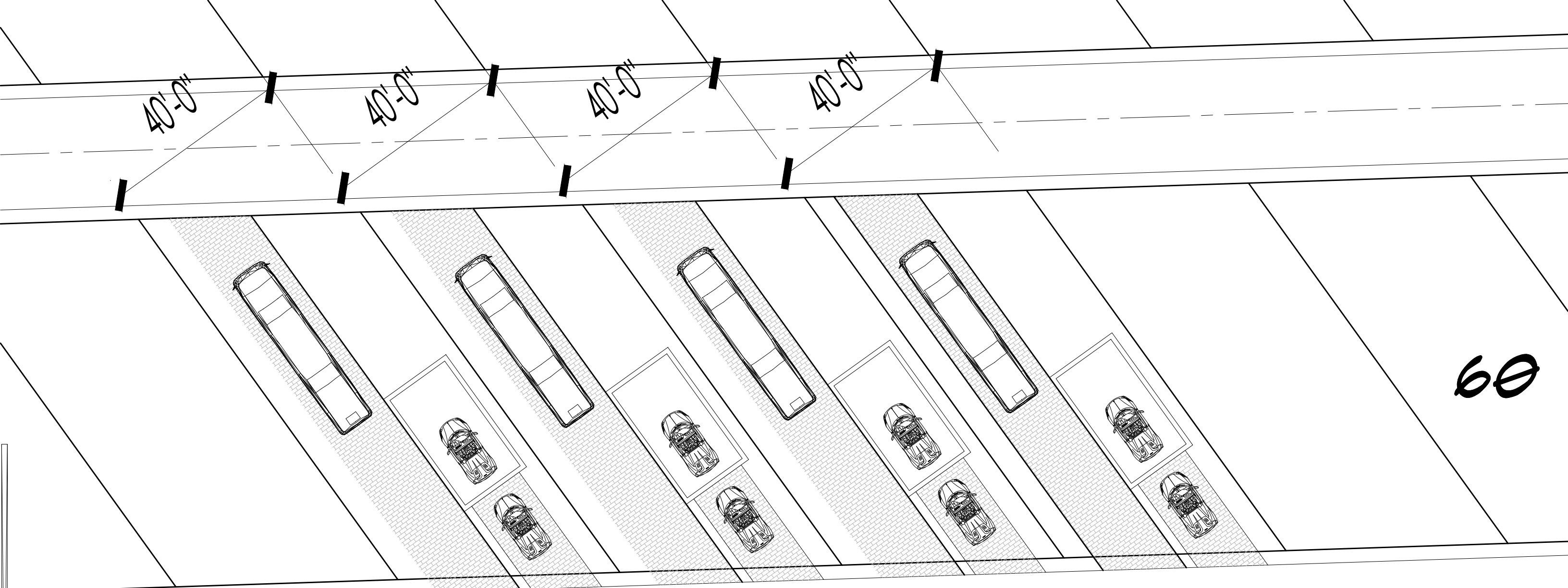
56

50

40

39

300 Feet
1:25,000



LOT CONCEPT PLAN
 SCALE: 1" = 20'-0"









RESOLUTION SAA 24-03

**A RESOLUTION OF THE SEBRING AIRPORT
AUTHORITY TO APPROVE AMENDMENT S24-03 TO
THE 2023-2024 BUDGET.**

WHEREAS, The Sebring Airport Authority is required to have an operating budget; and

WHEREAS, said budget is to be used as a tool to project revenues, expenses, and reserves; and

WHEREAS, said budget is to be used as a control of costs and expenditures; and

WHEREAS, said budget can be amended from time to time by action of the Sebring Airport Authority Board of Directors.

**NOW, THEREFORE, BE IT RESOLVED BY A MAJORITY OF THE MEMBERS
OF THE SEBRING AIRPORT AUTHORITY AS FOLLOWS:**

SECTION 1. The Sebring Airport Authority hereby approves the 2023-2024 Budget Amendment S24-03 as presented.

SECTION 2. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 18th day of April 2024.



SEBRING AIRPORT AUTHORITY

By: _____

Mike Willingham, Ex. Director

**SEBRING AIRPORT AUTHORITY
BUDGET AMENDMENT# S24-03
EFFECTIVE ACCOUNTING PERIOD: FEBRUARY 2024**


4/18/2024

SUBMITTED BY: Colleen Plonsky
SIGNED BY: 

REVENUE CENTER	ACCOUNT	ACCOUNT NAME	PRIOR BUDGET AS	INCREASE	DECREASE	REVISED	Reason:
FBO	344-019-FBO	GPU USAGE FEES	\$ 1,000.00	\$ 3,000.00		\$ 4,000.00	BUDGET UNDERSTATED
FBO	369-200-FBO	FBO FUEL TAX REFUND	\$ 25,000.00	\$ 85,000.00		\$ 110,000.00	BUDGET UNDERSTATED
Total Revenue Increase/Decrease			\$ 25,000.00	\$ 88,000.00	\$ -	\$ 114,000.00	
COST CENTER (expenses)							
SAA	512-033-SAA	SAA LEGAL SERVICES	\$ 72,000.00	\$ 168,000.00	\$ -	\$ 240,000.00	BUDGET UNDERSTATED
SAA	512-035-SAA	SAA ENGINEERING SERVICES	\$ 300,000.00	\$ 200,000.00	\$ -	\$ 500,000.00	BUDGET UNDERSTATED
Total Expenses Increase/Decrease			\$ 300,000.00	\$ 368,000.00	\$ -	\$ 500,000.00	
			Prior Month Budgeted Operating Reserve	Current Month Revenue - Inc/(Dec)	Current Month Expense - Inc/(Dec)	Revised Budgeted Operating Reserve	
			\$421,341.25	\$ 88,000.00	\$ 368,000.00	\$141,341.25	

REQUEST #: S24-03

TRANSFER TYPE:
 ITEM TO ITEM
 OPERATING RESERVE
 BY RESOLUTION # SAA 24-03

BOARD APPROVAL:
 Executive Director 

Executive Director's REPORT

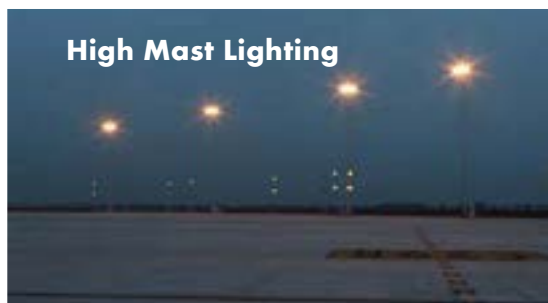


INSIDE

- Sebring Airport Updates
- Sebring International Raceway News
- Sun 'n Fun is this week!



Airfield Drainage



High Mast Lighting



Airfield Drainage Project

The EDA Airfield Drainage Improvements Project is anticipated to begin construction in June of 2024, with a construction duration of seven (7) months. This project will reconstruct the failing drainage infrastructure directly adjacent to the main terminal apron and has a construction value of just under \$2.2M.

Hurricane Ian Repairs

There was a slight delay for the Tannery building due to moving around chemicals, but repairs have started on the building. The project is on schedule to be completed for buildings 727 and 735 in the next two weeks.

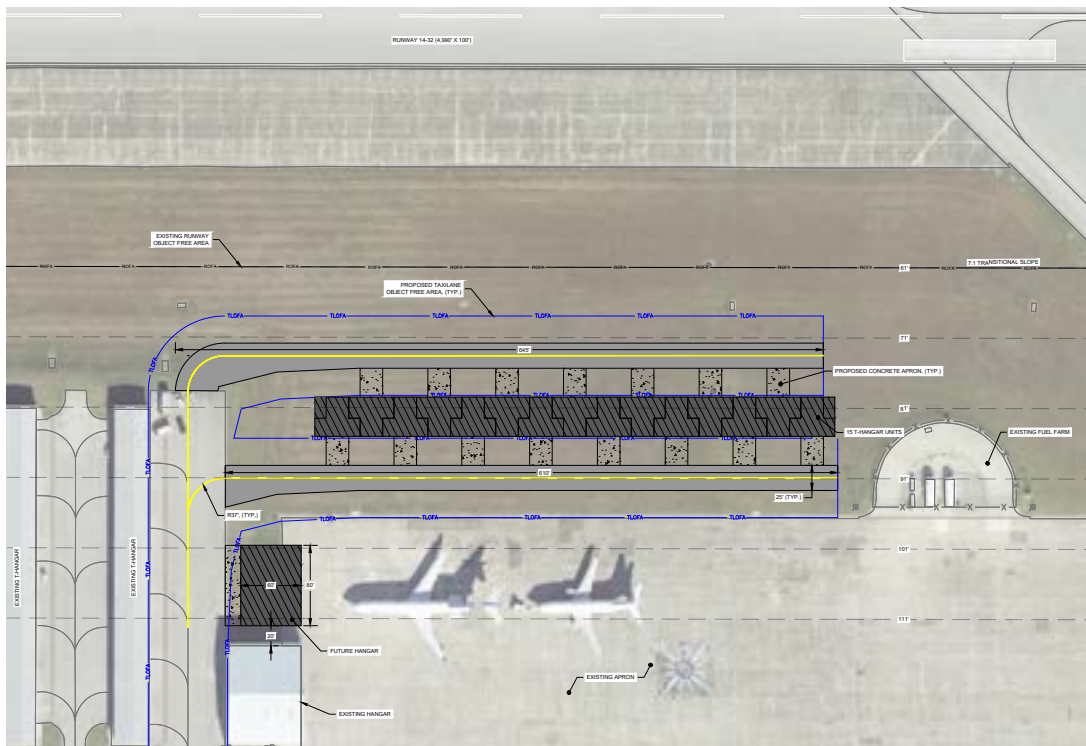
High Mast Lighting

Proceeding with 100% plans and specifications to include comments from the 60% design review meeting. Final plan review

meeting will be scheduled in May, and bidding will be conducted in June so that we can request FDOT funding in July (FDOT FY2025).

Apron Reconstruction

The apron rehabilitation projected Phase 2 has reached final completion and been closed out. Phase 3 of the apron rehabilitation project is anticipated to be constructed in 2027.



SEF Conceptual Development Plan

A 15-unit T-Hangar building will be discussed including preliminary cost estimates.

Reporting from Wayne Estes

The 72nd Mobil 1 Twelve Hours of Sebring Presented by Cadillac broke attendance records while introducing the Sebring Officers Club to Raceway guests.

The Sebring Officers Club, utilizing a renovated Hendricks Field structure, the last surviving WW II building on track property, provides a new hospitality option with a 1940s Army Airfield theme, inside and out.

Baseball Hall of Famer Fred McGriff served as Grand Marshal for a week of activities that included a concert performance by classic rock icons, Jefferson Starship.

The track's traditionally busy first quarter broke rental records through March.

Sebring International Raceway's next major event on the schedule is the SRO Fanatec GT World Challenge, May 3-5, a new date that moves from the fall.





As a major milestone along the march of aviation's year, central Florida's Sun 'n Fun Aerospace Expo in Lakeland, Florida, gives cold-weary northerners a much-needed boost from the leftover winter.

It's not that we can't fly during the short, colder days. It's just not worth the bother in the frozen states. Bundling up for the trek to the hangar, arranging for some engine heat, wondering if the battery is up to the start, chipping leftover snowplow detritus from the rollout path—naw, too much trouble, wait for a better day.

Floridians, meanwhile, fire up in their shirt-sleeves and fly right on through winter. It was 50 years ago that folks in some enterprising EAA chapters thought up the idea of inviting their pale, pasty northern friends down to the lake country in Florida for an end-of-winter get-together. Quickly dubbed Sun'n Fun, the fly-in/airshow took off like, well, spring break with airplanes. This

year's event runs Tuesday, April 9, through Sunday, April 14.

The site at Lakeland Linder International Airport (KLAL) couldn't be a better choice. Nicely situated between the airspaces of the tourist mecca of Orlando and the Gulf Coast's Tampa-St. Petersburg area, the venerable World War II facility, then called Drane Field, has adequate space and easy highway access from Interstate Highway 4's corridor.

Sebring Regional Airport
 128 Authority Lane
 Sebring, Florida 33870
www.sebring-airport.com
 863.655.6444

With strategic access to major markets by land, sea and air—Sebring Regional Airport and Commerce Park offers a wide range of business advantages and incentives to support your company’s future. In the heart of Central Florida, the 2,000-acre park is conveniently situated within a 150-mile radius of 85 percent of the state’s population. Already home to Sebring International Raceway, a premier sports car racing facility, the park is uniquely positioned to accelerate your business.

SITE MAP

- Future Development
- Catalyst Site
- Future Commerce Park
- Existing Industrial Park
- Airport
- Sebring International Raceway



ACCELERATE YOUR BUSINESS'S POTENTIAL

**SEBRING AIRPORT AUTHORITY
FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2023**



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**SEBRING AIRPORT AUTHORITY
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Sebring Airport Authority
Sebring, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Sebring Airport Authority (the Authority), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements, as listed in the table of contents.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 auditors' 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, information on other postemployment benefits, and information on defined benefit pensions 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 revenues, expenses, and changes in net position – CRA fund and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of revenues, expenses, and changes in net position – CRA fund and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2024, on our consideration of the Authority’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority’s internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Sebring, Florida
March 19, 2024

**SEBRING AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

As management of the Sebring Airport Authority (the Authority), we offer the readers of the Authority's basic financial statements this narrative overview and analysis of the financial activities of the Authority for the year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements.

Financial Highlights

- The assets plus deferred outflows of resources of the Authority exceeded its liabilities plus deferred inflows of resources as of September 30, 2023 by \$44,972,890 (net position).
- The Authority's total assets net of depreciation as of September 30, 2023 were \$54,969,635.
- The Authority's total operating revenue was \$5,720,312 primarily consisting of industrial and test track rentals of \$2,670,364 and Fixed Base Operations sales in the amount of \$2,264,383.
- The Authority's total operating expenses came to \$5,356,899. General operating expense (including insurance, supplies, utilities, repairs and maintenance, taxes) came to \$2,826,795. Other primary expenses consisted of \$1,534,480 in personnel costs, \$331,143 in contractual services, \$644,481 in professional services, and \$2,679,938 in depreciation. The net operating loss was \$2,316,525.
- Total nonoperating revenue, (expenses), and capital grants were \$3,343,714 resulting in an increase in net position of \$1,027,189.

Overview of Financial Statements

The financial statements included in the annual report are those of a special-purpose government engaged in a business-type activity. The following statements are included:

- Statement of Net Position — reports the Authority's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at the end of the fiscal year and provides information about the nature and amounts of investment of resources and obligations to creditors.
- Statement of Revenue, Expenses, and Changes in Net Position — reports the results of activity over the course of the fiscal year. It details the costs associated with operating the Authority and how those costs were funded. It also provides an explanation of the change in net position from the previous fiscal year-end to the current fiscal year-end.
- Statement of Cash Flows — reports the Authority's cash flows in and out from operating activities, noncapital financing activities, capital and related financing activities, and investing activities. It details the sources of the Authority's cash, what it was used for, and the change in cash over the course of the fiscal year.
- The basic financial statements also include notes that provide required disclosures and other information necessary to gather the full meaning of the material presented in the statements.

**SEBRING AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

Overview of Financial Statements (Continued)

The analysis of net position, revenue, and expenses are detailed and provide a comprehensive portrayal of financial conditions and related trends. The analysis includes all assets and liabilities using the accrual basis of accounting.

Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenue and expenses when earned regardless of when cash is received or paid.

Our analysis presents the Authority's net position, which can be thought of as the difference between what the Authority owns (assets) and what the Authority owes (liabilities). The net position analysis will allow the reader to measure the health or financial position of the Authority.

Over time, significant changes in the Authority's net position are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any Authority, the reader must also consider other nonfinancial factors such as fluctuations in the local economy, fluctuations in fuel prices, and the physical condition of the Authority's capital assets.

At September 30, 2023, total assets were \$54,969,635. Total current assets were \$4,474,894. Total noncurrent assets were \$50,494,741.

In addition, total liabilities at September 30, 2023 were \$5,879,003. Total current liabilities were \$2,576,095 and liabilities payable from restricted assets (tenant deposits) and total long-term (noncurrent) liabilities were \$3,302,908.

Net Position

The difference between an organization's assets and deferred outflows of resources and its liabilities and deferred inflows of resources equals its net position. The Authority's net position is classified as follows:

Net investment in capital assets — Capital assets, net of accumulated depreciation and reduced by debt attributable to the acquisition of those assets.

Restricted — Net position that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

Unrestricted — Net position that is not invested in capital assets or subject to restrictions.

**SEBRING AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

Condensed Financial Information

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position:

	<u>2023</u>	<u>2022</u>
ASSETS		
Current Assets - Unrestricted	\$ 4,025,187	\$ 3,695,773
Current Assets - Restricted	449,707	438,786
Net Capital Assets	46,443,012	44,642,889
Other Noncurrent Assets	4,051,729	4,050,508
Total Assets	<u>54,969,635</u>	<u>52,827,956</u>
DEFERRED OUTFLOWS OF RESOURCES	390,527	481,203
LIABILITIES		
Current Liabilities	2,576,095	935,092
Noncurrent Liabilities	3,302,908	4,431,646
Total Liabilities	<u>5,879,003</u>	<u>5,366,738</u>
DEFERRED INFLOWS OF RESOURCES	<u>4,508,269</u>	<u>5,054,158</u>
NET POSITION		
Net Investment in Capital Assets	42,834,126	41,296,202
Restricted	590,982	1,583,743
Unrestricted	1,547,782	1,065,756
Total Net Position	<u>\$ 44,972,890</u>	<u>\$ 43,945,701</u>

Current assets increased \$340,335 from the prior fiscal year. Noncurrent assets increased \$1,801,344 primarily due to the Taxiway A4 Realignment project in progress. Of the total increase in current assets, restricted cash increased \$10,921 due to the increase in customer deposits.

Current liabilities increased \$1,641,003 from the prior year primarily due to an increase in payables related to projects in process at year end and more notes payable becoming due in next fiscal year .

At September 30, 2023, the Authority had \$3,136,383 in long-term debt related to capital assets. That debt finances the purchases of equipment as well as construction and improvement projects. The Authority also records \$1,178,087 in net pension liability related to the Authority's participation in the Florida Retirement System.

There was an increase in net position of \$1,027,189 mainly due to capital grants after a net operating loss of \$2,316,525. Nonoperating revenue includes capital grants and contributions of \$2,748,561. The net operating loss was largely due to depreciation expense of \$2,679,938.

**SEBRING AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

Condensed Financial Information (Continued)

Revenues, Expenses, and Changes in Net Position

	<u>2023</u>	<u>2022</u>
OPERATING REVENUE		
Industrial and Test Track Rental Revenue	\$ 2,670,364	\$ 2,579,278
Fixed Based Operations	2,264,383	2,820,320
Other Revenue	<u>785,565</u>	<u>739,540</u>
Total Operating Revenue	5,720,312	6,139,138
OPERATING EXPENSES		
Personnel Services	1,534,480	1,297,887
Contractual Services	331,143	329,532
Professional Services	664,481	628,938
General Operating Expenses	2,826,795	3,279,638
Depreciation Expense	<u>2,679,938</u>	<u>2,557,599</u>
Total Operating Expenses	<u>8,036,837</u>	<u>8,093,594</u>
NET OPERATING LOSS	(2,316,525)	(1,954,456)
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue (Expense), Net	271,339	334,041
Capital Grants and Contributions	2,748,561	1,965,557
Other Nonoperating Revenue	<u>323,814</u>	<u>25,215</u>
Total Nonoperating Revenues (Expenses)	<u>3,343,714</u>	<u>2,324,813</u>
CHANGE IN NET POSITION	1,027,189	370,357
Net Position - Beginning of Year	<u>43,945,701</u>	<u>43,575,344</u>
NET POSITION - END OF YEAR	<u>\$ 44,972,890</u>	<u>\$ 43,945,701</u>

Overall operating revenue decreased by \$418,826. Industrial and test track rental revenue increased \$91,086 for the current year. Revenue from fixed based operations decreased \$555,937 for the current year due to decreased activity at the airport for military and general aviation activity.

Operating expenses before depreciation decreased by \$56,757. The decrease was due largely to decreases in the cost of fuel related to decreased fuel sales noted above.

In fiscal year 2023, total operating revenue was \$5,720,312, while total operating expenses, including depreciation, was \$8,036,837. This resulted in a \$2,316,525 operating loss. Net nonoperating revenues, including capital grants, were \$3,343,714 resulting in a positive change in net position of \$1,027,189.

**SEBRING AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

Capital Assets

The Authority's investment in capital assets as of September 30, 2023 amounted to \$46,443,012 (net of accumulated depreciation) compared to \$44,642,889 for the prior year. This investment in capital assets includes land, buildings, infrastructure, vehicles, machinery and equipment, furniture and fixtures, and construction in progress. Major capital asset events during the fiscal year include the following:

- Haywood Taylor Resurfacing Phase II
- Taxiway A4 Realignment

Capital Assets (Net of Depreciation):

	2023	2022
Total Capital Assets Not Being Depreciated	\$ 5,679,044	\$ 3,557,304
Total Capital Assets Being Depreciated and Amortized	80,208,603	77,886,421
Accumulated Depreciation and Amortization	(39,444,635)	(36,800,836)
Total Capital Assets, Net	\$ 46,443,012	\$ 44,642,889

Additions information on the Authority's capital assets can be found in Note 3 to the financial statements.

Long-Term Debt

At September 30, 2023, the Authority had total debt outstanding of \$3,136,383 compared to \$3,226,796 in the prior year. The decrease in total outstanding debt is attributable to payments on existing debt.

Long-Term Debt:

	2023	2022
Notes Payable - Direct Borrowing and Leases	\$ 3,136,383	\$ 3,226,796

Please refer to Notes 8 and 9 of the financial statements for a complete presentation of all long-term debt and line of credit liabilities. The above table does not present information for compensated absences, net pension liability, or other post-employment benefit liabilities.

**SEBRING AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

Economic Factors and Next Year's Budgets and Rates

The Sebring Airport Authority 2024 Annual Budget was approved by Resolution 23-10 on September 21, 2023. The Sebring Regional Airport and Industrial Park Community Redevelopment Agency (CRA) is reported as a blended component unit of Sebring Airport Authority. Its Annual Budget was approved by Resolution 23-10 on September 21, 2023. The detailed budgets are available for review upon request.

Projects that are in the pipeline are as follows:

- Apron Reconstruction Project Phase II will be complete by the end of March. This project was funded by the FAA and FDOT in the amount of \$4,400,000. We have \$7,500,000 programed in the FDOT Work Program for FY/26/27 for the third and final phase.
- Haywood Taylor repaving and drainage work is complete.
- Webster Turn full depth reconstruction is designed and permitted. The Interlocal Agreement with the County has been fully executed (necessary as the County is the recipient of FDOT funding). The most recent engineers estimate of project costs far exceed original projections of cost. We are working with Highlands County, FDOT and others to secure necessary funding.
- Taxiway Alpha 4 Realignment Construction is complete.
- Building 22 roof replacement and resilience enhancements are complete. Building has been brought up to Florida's high velocity wind code.
- Master drainage infrastructure is WWII vintage. In concert with Highlands County, we have applied and received an Economic Development Administration (EDA) grant of approximately \$2,300,000. We have completed plans and specifications, project procurement and have executed a contract with the low bidder.
- Plans for updating our Fuel Farm are progressing with the addition of a 12,000-gallon tank to accommodate a sustainable replacement for 100 octane aviation fuel. This project will be funded by the FAA through the Bipartisan Infrastructure Law (BIL).
- Application has been submitted to the FAA for the design of Taxiway Delta and will be funded by the FAA through the Bipartisan Infrastructure Law (BIL).
- We continue to collaborate with our tenant partners on their projects. They are briefly outlined as follows:
 - Hendricks Aviation is contemplating the construction of a common hangar for aircraft storage.
 - DUC Propellers is planning a new facility on Airport to manufacture helicopter rotor blades and propellers for vertical takeoff and landing aircraft. We just met with the CEO of DUC and we may improve their current leasehold as a first step.

**SEBRING AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

Economic Factors and Next Year's Budgets and Rates (Continued)

- Sebring International Raceway: The World Endurance Championship (WEC) will not participate in this year's Mobil 1 Twelve Hours of Sebring, Presented by Cadillac. A new car will be competing in the GTP class that the cooperative agreement between IMSA and the WEC created. Lamborghini makes its GTP North American debut at the Mobil 1 Twelve Hours of Sebring, Presented by Cadillac. Porsche, Cadillac, BMW, Acura, and Lamborghini all will have GTP entries competing for overall victory at Sebring in March. Eight races will feature five different IMSA series at this year's event. The entertainment line-up will include classic rock legends, Jefferson Starship. 2023 Baseball Hall of Fame inductee Fred McGriff will serve as Grand Marshal.

Significant economic factors affecting the Authority are as follows:

1. As in the past, we continue to feel bullish toward military fuel sales. We are moving forward planning upgrades and additional fuel storage capacity to take advantage of wider use of Bombing Range by branches of military. Our 5,000-gallon refueler has been completely refurbished and is dedicated to the Range. We are in the process of leasing another 5,000-gallon refueler in order to maintain service levels at the Range and Airport.
2. SAA staff are working to bring all our leases up to the current market as they come due. An example is new T-hangar and Commercial Hangar lease rates.

As noted previously, air mobility is progressing along both manned and unmanned directions. By 2035 there will be twice as many vertical take-off and landing vehicles (VTOL) that will be electric powered as there are legacy aircraft. These vehicles will operate out of vertiports and will not necessarily need airports. The Authority is deeply involved in this evolving aviation sector in terms of economic development. We are in discussions with a major player in the eVTOL space concerning research and development at the Airport.

Requests for Information

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed as follows:

Colleen Plonsky
Director of Finance
Sebring Airport Authority
128 Authority Lane
Sebring, FL 33870

**SEBRING AIRPORT AUTHORITY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

ASSETS

Current Assets:

Cash and Cash Equivalents - Unrestricted	\$ 1,993,294
Cash and Cash Equivalents - Restricted	449,707
Accounts Receivable - Trade	98,156
Grants Receivable	1,263,900
Leases Receivable	613,544
Prepaid Items	580
Inventory	55,713
Total Current Assets	4,474,894

Noncurrent Assets:

Leases Receivable	4,051,729
Capital Assets Not Being Depreciated	5,679,044
Capital Assets - Net of Depreciation and Amortization	40,763,968
Total Noncurrent Assets	50,494,741

Total Assets 54,969,635

DEFERRED OUTFLOWS OF RESOURCES

Pension Related Items 390,527

LIABILITIES

Current Liabilities:

Accounts Payable	800,544
Accrued Expenses	105,594
Notes, Loans, and Leases Payable - Current	1,633,597
Unearned Revenue	36,360
Total Current Liabilities	2,576,095

Noncurrent Liabilities:

Notes, Loans, and Leases Payable - Noncurrent	1,502,786
Compensated Absences	119,200
Net Pension Liability	1,178,087
Total OPEB Liability	53,128
Rent Deposits	449,707
Total Noncurrent Liabilities	3,302,908

Total Liabilities 5,879,003

DEFERRED INFLOWS OF RESOURCES

Lease Related Items	4,422,765
Pension Related Items	85,504
Total Deferred Inflows of Resources	4,508,269

NET POSITION

Net Investment in Capital Assets	42,834,126
Restricted for Community Redevelopment	590,982
Unrestricted	1,547,782
Total Net Position	\$ 44,972,890

See accompanying Notes to Financial Statements.

SEBRING AIRPORT AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED SEPTEMBER 30, 2023

OPERATING REVENUE	
Industrial Rentals	\$ 2,237,710
Test Track Rentals	432,654
Fixed Base Operations	2,264,383
Fire Protection Fees	107,651
CRA Incremental Tax Revenue	413,799
Miscellaneous Revenue	264,115
Total Operating Revenue	<u>5,720,312</u>
OPERATING EXPENSES	
Personal Services	1,534,480
Contractual Services	331,143
Professional Services	664,481
General Operating	2,826,795
Total Operating Expenses	<u>5,356,899</u>
OPERATING INCOME BEFORE DEPRECIATION	363,413
Depreciation	<u>(2,679,938)</u>
NET OPERATING LOSS	(2,316,525)
NONOPERATING REVENUE (EXPENSE)	
Interest Income	436,129
Operating Grants	25,344
Interest Expense	(164,790)
Miscellaneous Revenue	26,257
Insurance Recoveries	31,490
Gain on Sale of Capital Assets	240,723
Total Nonoperating Revenue	<u>595,153</u>
LOSS BEFORE CAPITAL GRANTS AND CONTRIBUTIONS	(1,721,372)
Capital Grants and Contributions	<u>2,748,561</u>
CHANGE IN NET POSITION	1,027,189
Net Position - Beginning of Year	<u>43,945,701</u>
NET POSITION - END OF YEAR	<u><u>\$ 44,972,890</u></u>

See accompanying Notes to Financial Statements.

**SEBRING AIRPORT AUTHORITY
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from Customers	\$ 3,366,848
CRA Incremental Tax Receipts	413,799
Other Receipts	264,115
Payments to Suppliers	(3,663,993)
Payments to Employees	(1,285,835)
Net Cash Used by Operating Activities	<u>(905,066)</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Operating Grants	25,344
Miscellaneous	26,257
Net Cash Provided by Noncapital Financing Activities	<u>51,601</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Acquisition and Construction of Capital Assets	(3,800,048)
Proceeds from Sale of Capital Assets	325,000
Principal Payments on Borrowings	(202,059)
Principal Payments on Leases	(11,172)
Interest Payments on Borrowings	(164,650)
Receipts from Leasing Activities	1,574,835
Capital Grants Received	1,209,764
Receipts from Insurance Recoveries	31,490
Net Cash Used by Capital and Related Financing Activities	<u>(1,036,840)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Investment Income	<u>436,129</u>
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NET DECREASE IN CASH AND CASH EQUIVALENTS (1,454,176)

Cash and Cash Equivalents - Beginning of Year	<u>3,897,177</u>
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CASH AND CASH EQUIVALENTS - END OF YEAR \$ 2,443,001

See accompanying Notes to Financial Statements.

**SEBRING AIRPORT AUTHORITY
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

**RECONCILIATION OF NET OPERATING LOSS TO CASH
USED BY OPERATING ACTIVITIES**

Net Operating Loss	\$ (2,316,525)
Adjustments to Reconcile Net Operating Loss to Net Cash Used by Operating Activities	
Depreciation	2,679,938
(Increase) Decrease in Assets and Deferred Outflows of Resources:	
Accounts Receivable - Trade	(1,452)
Inventory	59,282
Deferred Outflows Related to Pensions	90,676
Increase (Decrease) in Liabilities and Deferred Inflows of Resources:	
Accounts Payable	96,405
Accrued Expenses	4,552
Compensated Absences	11,557
Rent Deposits	35,482
Unearned Revenue	477
Net Pension Liability	107,148
Deferred Inflows Related to Leases	(1,710,057)
Deferred Inflows Related to Pensions	32,006
Total OPEB Liability	<u>5,445</u>
 Net Cash Used by Operating Activities	 <u><u>\$ (905,066)</u></u>

**RECONCILIATION OF CASH AND CASH EQUIVALENTS TO
STATEMENT OF NET POSITION**

Unrestricted Cash and Cash Equivalents	\$ 1,993,294
Restricted Cash and Cash Equivalents	<u>449,707</u>
 Total Cash and Cash Equivalents	 <u><u>\$ 2,443,001</u></u>

**SUPPLEMENTAL DISCLOSURE OF
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES**

Capital Related Accounts Payable	\$ <u>487,424</u>
Capital Assets Acquired with Notes Payable	<u>\$ 122,818</u>
Gain on Disposal of Capital Assets	<u>\$ (120,416)</u>

See accompanying Notes to Financial Statements.

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Sebring Airport Authority (Authority) was created by the legislature of the state of Florida by Chapter 67-2070 (1967), for the purpose of planning, developing, and maintaining a comprehensive airport and industrial complex, and constitutes a public instrumentality. The Authority is governed by a board of seven members, and its operations consist of leasing industrial properties and airport operations.

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units and present only the financial position of Sebring Airport Authority, a dependent special district of the City of Sebring, Florida (City), and not of the City as a whole. The Authority has been classified as a dependent special district of the City of Sebring, Florida, as determined by the Florida Department of Community Affairs effective October 1, 1990, for annual financial reporting purposes of Section 218.32, Florida Statutes.

As defined by accounting principles generally accepted in the United States of America established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as all component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

1. Appointment of a voting majority of the component unit's board, and either a) the ability to impose the will of the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
2. Fiscal dependency on the primary government.

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Authority Board and (1) there is a financial benefit or burden relationship between the primary government and the component unit, or (2) management of the primary government has operational responsibility for the component unit. A blended component unit provides services entirely, or almost entirely, to the primary government. The component units' funds are blended into those of the primary government by appropriate activity type to compose the primary government presentation.

The Sebring Regional Airport and Industrial Park Community Redevelopment Agency (CRA), established by County ordinance on December 17, 1996 is a legally separate entity, however, since the Authority's Board of Directors also serves as the CRA's Board, there is a financial benefit relationship and operational responsibility, and the CRA provides services entirely to the Authority, it is reported as a blended component unit.

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

The U.S. Sport Aviation Institute, Inc. (Institute), established by the Sebring Airport Authority on June 20, 2016, is a legally separate entity; however, since the Authority's Board of Directors also serves as the Institutes' Board, there is a financial benefit relationship and operational responsibility, and the Institute provides services entirely to the Authority, it is reported as a blended component unit. During the year all Institute funds were used, and responsibility for the corporation was transitioned to a group separate from the Authority.

Fund Accounting and Measurement Focus

The Authority operates as a single enterprise fund under the fund accounting framework of governmental accounting. Within this framework, an enterprise fund accounts for operations in a manner similar to private business enterprises where the intent of the governing body is that costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges. The enterprise fund is accounted for on a cost of services or "capital maintenance" measurement focus. This means all assets and liabilities (whether current or noncurrent) associated with its activity are included on its statement of net position. Reported fund equity (total net position) is segregated into unrestricted, restricted, and net investment in capital assets components. The statement of revenues, expenses, and changes in net position presents increases and decreases in net position.

Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. The Authority, an enterprise fund, is maintained on an accrual basis with revenues being recognized when earned and expenses recognized when incurred. Operating revenues are those revenues that are generated from the primary operations of the Authority. All other revenues are reported as nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations of the Authority. All other expenses are reported as nonoperating expenses.

Cash and Cash Equivalents

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

Restricted Assets

Certain assets are classified as restricted assets in the accompanying statement of net position when constraints are placed on their use by external parties or by law. Assets classified as restricted include cash and cash equivalents that represent customer deposits. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventory

Inventory consists mainly of aviation fuel and is valued at the lower of cost or market determined on a first-in-first-out basis.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Authority has deferred outflows for expected versus actual experience, changes in assumptions, projected versus actual earnings, changes in the proportion and differences between the Authority's contributions and proportionate share of contributions, and the Authority's contributions subsequent to the measurement date, relating to the Florida Retirement System Pension Plan and the Retiree Health Insurance Subsidy Program. Those amounts will be recognized as increases in pension expense in future years.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has multiple items that qualify for reporting in this category, including leases and differences between expected and actual experience, changes in assumptions, projected versus actual earnings, and changes in proportion and differences between the Authority's contributions and proportionate share of contributions, relating to the Florida Retirement System Pension Plan and the Retiree Health Insurance Subsidy Program. Those amounts will be recognized as reductions in pension expense in future years.

Capital Assets

Capital assets are defined by the Authority as having a minimum established cost of \$1,000 and an estimated useful life in excess of one year. Property and equipment purchased or acquired is carried at historical cost. Donated or contributed assets are recorded at estimated acquisition value. Additions, improvements, and capital outlays that significantly extend the useful life of an asset, and public domain (infrastructure) fixed assets consisting of roads and curbs, runways and wastewater systems are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	40 Years
Infrastructure	25 to 40 Years
Improvements	15 to 30 Years
Vehicles	5 to 15 Years
Equipment	3 to 10 Years

Grants

Grants which finance current operations and capital expenditures are recorded as nonoperating revenue and capital contributions, respectively, when earned.

Unearned Revenue

Unearned revenue has been recorded for rent received from tenants in advance.

Compensated Absences

On the employee's anniversary date, a maximum of 45 Paid-Time-Off (PTO) days may be carried over to the following 12 months; PTO days in excess of 45 days will be paid to the employee. Upon retirement or resignation with two weeks' notice, employees will receive payment for unused PTO. The amount of earned but unused PTO days estimated to be payable is accrued as a liability at year-end.

Other Postemployment Benefits (OPEB)

In the statement of net position, liabilities are recognized for the Authority's total OPEB liability as determined by an actuarial review of the healthcare coverage purchased by retirees to continue participation in the Authority's health plan. OPEB expense is recognized immediately for changes in the OPEB liability resulting from current year service cost, interest on the total OPEB liability, and changes of benefit terms or actuarial assumptions.

Pensions

In the statement of net position, liabilities are recognized for the Authority's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System Pension Plan (FRS) and the Health Insurance Subsidy (HIS) and additions to/deductions from FRS's and HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and HIS plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Adoption of New Accounting Standards

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA.

The Authority adopted the requirements of the guidance effective October 1, 2022 and has applied the provisions of this standard to the beginning of the period of adoption. Implementation of this standard did not have an impact on the Authority's financial statements.

NOTE 2 DEPOSITS AND INVESTMENTS

Cash and cash equivalents consist of unrestricted and restricted funds. Restricted funds represent: (1) funds received at the end of the year to cover payables related to various grant projects; and (2) lease deposits. Cash and cash equivalents as of September 30, 2023 was as follows:

Unrestricted Cash	\$ 1,993,294
Restricted Cash: Lease Deposits	449,707
Total Cash and Cash Equivalents	\$ 2,443,001

Classified as:

Petty Cash and Demand Deposits	\$ 2,411,788
Local Government Surplus Trust Funds	31,213
Total	\$ 2,443,001

Custodial Credit Risk is the risk that in the event of a bank failure the government's deposits may not be returned to it. Bank balances of the Authority's deposits at September 30, 2023 were \$2,564,055. The Authority's monies must be deposited in banks designated as qualified public depositories by the chief financial officer, Florida Department of Financial Services. Therefore, the Authority's total deposits are insured by the Federal Depository Insurance Corporation and collateralized by the Bureau of Collateral Management, Division of Treasury, Florida Department of Financial Services. The law requires the chief financial officer to ensure that funds are entirely collateralized throughout the fiscal year. Other than the preceding, the Authority has no policy on custodial credit risk.

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Collateral is provided for demand deposits through the Florida Security for Public Deposits Act. This law establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under this law, the qualified public depository must pledge at least 25% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance.

Additional collateral, up to a maximum of 150%, may be required if deemed necessary under the conditions set forth in this law. Eligible collateral consists of obligations of the United States and its agencies and obligations of states and their local political subdivisions and unaffiliated corporations.

Obligations pledged to secure deposits must be delivered to the Department of Financial Services or, with the approval of the chief financial officer, to a bank, savings association or trust company provided a power of attorney is delivered to the chief financial officer.

On a monthly basis, the chief financial officer determines that the collateral has a market value adequate to cover the deposits under the provisions of this law.

The Authority invests funds throughout the year with Florida PRIME, an investment pool administered by the State Board of Administration, under the regulatory oversight of the state of Florida. Investments in Florida PRIME are made pursuant to Chapter 125.31, Florida Statutes. The investments are not categorized because they are not evidenced by securities that exist in physical or book entry form.

Throughout the year and as of September 30, 2023, Florida PRIME contained certain floating and adjustable rate securities which were indexed based on the prime rate and/or one and three-month London Interbank Offered Rate (LIBOR) rates. These investments represented 31.4% of Florida PRIME's portfolio at September 30, 2023.

Florida PRIME meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost, as a cash equivalent.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The dollar weighted average days to maturity (WAM) of Florida PRIME as of September 30, 2023 was 35 days. Next interest rate reset dates for floating securities are used in the calculation of the WAM. The weighted average life (WAL) of the Florida PRIME at September 30, 2023 was 75 days.

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investments in Florida PRIME must carry an “AAAm” rating from Standard and Poor’s.

On September 30, 2023, Standard and Poor’s Ratings Services assigned the Florida PRIME an “AAAm” principal stability funding rating.

With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that “The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the executive director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, and the Investment Advisory Council.

The trustees shall convene an emergency meeting as soon as practicable from the time the executive director has instituted such measures and review the necessity of those measures. If the trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the executive director until the trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the trustees shall vote to continue the measures for up to an additional 15 days. The trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days.”

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2023, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant’s daily access to 100% of their account value.

SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 3 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2023 is summarized as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated:				
Land, Buildings, and Infrastructure	\$ 980,024	\$ -	\$ (83,733)	\$ 896,291
Construction in Progress	2,577,280	3,963,600	(1,758,127)	4,782,753
Total Capital Assets, Not Being Depreciated	3,557,304	3,963,600	(1,841,860)	5,679,044
Capital Assets Being Depreciated:				
Buildings and Infrastructure	73,973,644	1,785,175	-	75,758,819
Vehicles and Tractors	512,289	422,819	-	935,108
Machinery and Equipment	1,081,624	147,304	(7,293)	1,221,635
Office Furniture, Fixtures, and Equipment	358,155	3,567	-	361,722
Race Track Improvements	1,906,879	-	-	1,906,879
Total Capital Assets, Being Depreciated	77,832,591	2,358,865	(7,293)	80,184,163
Less: Accumulated Depreciation				
Buildings and Infrastructure	(33,262,251)	(2,550,326)	-	(35,812,577)
Vehicles and Tractors	(481,293)	(42,927)	-	(524,220)
Machinery and Equipment	(790,242)	(66,077)	6,749	(849,570)
Office Furniture, Fixtures, and Equipment	(331,796)	(9,330)	-	(341,126)
Race Track Improvements	(1,906,879)	-	-	(1,906,879)
Total Accumulated Depreciation	(36,772,461)	(2,668,660)	6,749	(39,434,372)
Total Capital Assets Being Depreciated, Net	41,060,130	(309,795)	(544)	40,749,791
Right-to-Use Lease Assets:				
Equipment	53,830	-	(29,390)	24,440
Total Right-to-Use Lease Assets	53,830	-	(29,390)	24,440
Less: Accumulated Amortization	(28,375)	(11,278)	29,390	(10,263)
Total Right-to-Use Lease Assets, Net	25,455	(11,278)	-	14,177
Total Capital Assets, Net	<u>\$ 44,642,889</u>	<u>\$ 3,642,527</u>	<u>\$ (1,842,404)</u>	<u>\$ 46,443,012</u>

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 3 CAPITAL ASSETS (CONTINUED)

The Authority has the following commitments for design, construction, or other services as of September 30, 2023:

<u>Project</u>	<u>Authorization</u>	<u>Commitment</u>	<u>Expended</u>
Construct Taxiway A4 Realignment	\$ 2,198,380	\$ 2,160,921	\$ 2,149,566
Reconstruct Terminal Apron Rehab Phase 2	4,400,000	-	-
Stormwater Drainage Improvements	2,287,759	-	-
Terminal Apron High Mast Lighting	300,000	78,298	21,140
Wildlife Hazard Assess & Management Plan	36,000	35,598	-
Hurricane Ian Multiple Building Repairs	830,000	830,000	-
Total	<u>\$ 10,052,139</u>	<u>\$ 3,104,817</u>	<u>\$ 2,170,706</u>

NOTE 4 LEASES RECEIVABLES

The Authority, acting as lessor, leases industrial buildings and land under long-term, noncancelable lease agreements. The leases expire at various dates through 2057 and provide for renewal options ranging from one year to twenty years. During the year ended September 30, 2023, the Entity recognized \$1,262,490 and \$421,310 in lease revenue and interest revenue, respectively, pursuant to these contracts.

Certain leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases.

Future principal and interest payments to be received under lease agreements are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 613,544	\$ 377,214	\$ 990,758
2025	609,772	323,333	933,105
2026	601,687	269,089	870,776
2027	531,192	219,126	750,318
2028	335,377	181,672	517,049
2029 - 2033	977,374	597,938	1,575,312
2034 - 2038	461,185	312,420	773,605
2039 - 2043	265,411	161,214	426,625
2044 - 2048	91,054	90,552	181,606
2049 - 2053	138,196	45,070	183,266
2054 - 2058	40,481	1,134	41,615
Total Minimum Lease Payments	<u>\$ 4,665,273</u>	<u>\$ 2,578,762</u>	<u>\$ 7,244,035</u>

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 5 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description

The Authority is obligated to make available to qualified retired employees the option to maintain coverage with the group health, life, and dental insurance plans. The Sebring Airport Authority Plan (the Plan) is a single-employer defined benefit OPEB plan. The Plan is currently being funded on a pay as you go basis. No trust fund has been established for the Plan, and there are no assets accumulated in trust for payment of benefits.

Benefits Provided

The Plan provides lifetime healthcare insurance for eligible employees and their spouses through the Authority's group insurance plan which covers both active and retired members. Benefit provisions are established and may be amended by the Authority's Board of Directors. The Plan provides for the retirees to contribute 100% of the cost of health insurance premiums for retirees and their spouses.

Employees Covered by Benefit Terms

At September 30, 2023, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently	
Receiving Benefits	2
Active Plan Members	13
Total	<u>15</u>

Total OPEB Liability

The Authority's Total OPEB liability was measured as of September 30, 2023 and was determined by an actuarial valuation as of September 30, 2022 projected to September 30, 2023. The following table shows the Authority's changes in total OPEB liability for the year ended September 30, 2023.

	Total OPEB Liability
Balances - October 1, 2022	<u>\$ 47,683</u>
Changes for the Year:	
Service Cost	14,514
Interest	2,967
Changes in Assumptions	(278)
Differences Between Expected and Actual Experience	<u>(11,758)</u>
Net Changes	5,445
Balances - September 30, 2023	<u>\$ 53,128</u>

Discount Rate Sensitivity

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

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 5 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Discount Rate Sensitivity (Continued)

Description	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
OPEB Plan Discount Rate	3.87 %	4.87 %	5.87 %
Total OPEB Liability	\$ 56,028	\$ 53,128	\$ 50,502

Healthcare Trend Rate Sensitivity

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

Description	1% Decrease in Healthcare Cost Trend Rate	Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
OPEB Plan Healthcare Cost Rate	6.00 %	7.00 %	8.00 %
Total OPEB Liability	\$ 49,167	\$ 53,128	\$ 57,796

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2023, the Authority recognized OPEB expense of \$5,445. At September 30, 2023, the Authority reported no deferred outflows of resources and no deferred inflows of resources related to OPEB.

Actuarial Assumptions

The total OPEB liability in the September 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.60%
Salary Increases	3.25%, Average, Including Inflation
Healthcare Cost Trend Rates	7.00% for 2023, Decreasing to an Ultimate Rate of 4.50% for 2029 and Later Years

The actuarial cost method used was the Entry Age Normal Level Percent of Salary method.

Mortality rates were based on the SOA Pub-2010 General Headcount Weighted Mortality Table, fully generational, using Scale MP-2021 for general employees and retirees.

The discount rate used to measure the total OPEB liability was 4.87%, based on yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

Since the most recent valuation, the following change was made:

- The discount rate was updated to 4.87% as of September 30, 2023. An increase from 0.10% as of September 30, 2022.

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 6 DEFINED BENEFIT PENSION PLANS

Background

The Florida Retirement System (FRS) was created by Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the Authority are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost sharing, multiemployer defined benefit plans and other nonintegrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 6 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan

Plan Description

The Florida Retirement System (FRS) Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- Regular Class — Members of the FRS who do not qualify for membership in the other classes.
- Elected Officers Class — Members who hold specified elective offices in local government.
- Senior Management Service Class (SMSC) — Members in senior management level positions.
- Special Risk Class — Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62, or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 if vested, or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 55, if vested, or at any age after 25 years of service. Employees enrolled in the FRS Plan may include up to four years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 8 years after electing to participate, except that certain instructional personnel may participate for up to 10 years. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 6 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

<u>Class, Initial Enrollment, and Retirement Age/Years of Service:</u>	<u>% Value</u>
Regular Class Members Initially Enrolled before July 1, 2011	
Retirement Up to Age 62 or Up to 30 Years of Service	1.60
Retirement Up to Age 63 or Up to 31 Years of Service	1.63
Retirement Up to Age 64 or Up to 32 Years of Service	1.65
Retirement Up to Age 65 or Up to 33 Years of Service	1.68
Regular Class Members Initially Enrolled on or After July 1, 2011	
Retirement Up to Age 65 or Up to 33 Years of Service	1.60
Retirement Up to Age 66 or Up to 34 Years of Service	1.63
Retirement Up to Age 67 or Up to 35 Years of Service	1.65
Retirement Up to Age 68 or Up to 36 Years of Service	1.68
Elected County Officers	3.00
Senior Management Service Class	2.00
Special Risk Regular	
Service from December 1, 1970, Through September 30, 1974	2.00
Service on and after October 1, 1974	3.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 6 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Contributions

The Florida Legislature establishes contribution rates for participating employers and employees. Effective July 1, 2011, all FRS Plan members (except those in DROP) are required to make 3% employee contributions on a pretax basis. The contribution rates attributable to the Authority, effective July 1, 2022, were applied to employee salaries as follows: regular employees 10.19%, senior management 29.85%, and DROP participants 16.88%. The Authority's contributions to the FRS Plan were \$99,713 for the year ended September 30, 2023.

Pension Costs

At September 30, 2023, the Authority reported a liability of \$832,245 for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The Authority's proportion of the net pension liability was based on the Authority's contributions received by FRS during the measurement period for employer payroll paid dates from July 1, 2022 through June 30, 2023, relative to the total employer contributions received from all of FRS's participating employers. At June 30, 2023, the Authority's proportion was 0.002088612%, which was a decrease of 0.000190412% from its proportion measured as of June 30, 2022.

For the year ended September 30, 2023, the Authority recognized pension expense of \$196,498 or its proportionate share of FRS's pension expense. In addition, the Authority reported its proportionate share of FRS's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 78,141	\$ -
Changes of Actuarial Assumptions	54,253	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	34,757	-
Changes in Proportion and Differences Between Authority Contributions and Proportionate Share of Contributions	106,271	(47,089)
Authority Contributions Subsequent to the Measurement Date	26,752	-
Total	<u>\$ 300,174</u>	<u>\$ (47,089)</u>

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 6 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Pension Costs (Continued)

\$26,752 reported as deferred outflows of resources related to pensions resulting from Authority contributions to the FRS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2024	\$ 46,835
2025	11,571
2026	154,340
2027	12,931
2028	656
Thereafter	-

Actuarial Assumptions

The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40% Per Year
Salary Increases	3.25%, Average, Including Inflation
Investment Rate of Return	6.70%

Mortality rates were based on the PUB-2010 base table, varies by member category and sex, projected generationally with Scale MP-2018. The actuarial assumptions used in the July 1, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

The long-term expected rate of return assumption of 6.70% consists of two building block components: 1) an inferred real (in excess of inflation) return of 4.20 percent, which is consistent with the 4.48 percent real return from the capital market outlook model developed by the FRS consulting actuary, Milliman; and 2) a long-term average annual inflation assumption of 2.40 percent as adopted in October 2023 by the FRS Actuarial Assumption Conference. In the opinion of the FRS consulting actuary both components and the overall 6.70% return assumption were determined to be reasonable and appropriate per Actuarial Standards of Practice. The 6.70% reported investment return assumption is the same as the investment return assumption chosen by the 2022 FRS Actuarial Assumption Conference for funding policy purposes.

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 6 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Actuarial Assumptions (Continued)

For reference, the table below contains a summary of Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0 %	2.9 %	2.9 %	1.1 %
Fixed Income	19.8	4.5	4.4	3.4
Global Equity	54.0	8.7	7.1	18.1
Real Estate	10.3	7.6	6.6	14.8
Private Equity	11.1	11.9	8.8	26.3
Strategic Investments	3.8	6.3	6.1	7.7
Totals	<u>100.0 %</u>			
Assumed Inflation - Mean			2.4 %	1.4 %

Discount Rate

The discount rate used to measure the total pension liability was 6.7% for the FRS Plan. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension Liability Sensitivity

The following presents the Authority's proportionate share of the net pension liability for the FRS Plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease	Current Discount Rate	1% Increase in Discount Rate
FRS Plan Discount Rate	5.70 %	6.70 %	7.70 %
Authority's Proportionate Share of the FRS Plan Net Pension Liability	\$ 1,421,645	\$ 832,245	\$ 339,143

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 6 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the FRS Plan's fiduciary net position is available in a separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report. That report may be obtained through the Florida Department of Management Services website at <http://www.dms.myflorida.com>.

Retiree Health Insurance Subsidy Program

Plan Description

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

Benefits Provided

Eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. The contribution rate was 2% of payroll pursuant to section 112.363, Florida Statutes. The Authority contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The Authority's contributions to the HIS Plan were \$14,739 for the year ended September 30, 2023.

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 6 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Pension Costs

At September 30, 2023, the Authority reported a liability of \$345,842 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. The Authority's proportion of the net pension liability was based on the Authority's contributions received during the measurement period for employer payroll paid dates from July 1, 2022, through June 30, 2023, relative to the total employer contributions received from all participating employers. At June 30, 2023, the Authority's proportion was 0.002177661%, which was an increase of 0.000072607% from its proportion measured as of June 30, 2022.

For the year ended September 30, 2023, the Authority recognized pension expense of \$147,786 for its proportionate share of HIS's pension expense. In addition, the Authority reported its proportionate share of HIS's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual		
Economic Experience	\$ 5,063	\$ (812)
Changes in Actuarial Assumptions	9,092	(29,968)
Net Difference Between Projected and Actual Earnings on HIS Program Investments	179	-
Changes in Proportion and Differences Between Authority Contributions and Proportionate Share of Contributions	71,913	(7,635)
Authority Contributions Subsequent to the Measurement Date	4,106	-
Total	<u>\$ 90,353</u>	<u>\$ (38,415)</u>

\$4,106 reported as deferred outflows of resources related to pensions resulting from Authority contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2024	\$ 15,539
2025	13,594
2026	11,145
2027	5,916
2028	1,480
Thereafter	158

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 6 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Actuarial Assumptions

The total pension liability in the July 1, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40% Per Year
Salary Increases	3.25%, Average, Including Inflation
Municipal Bond Rate	3.65%

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018. The actuarial assumptions used in the July 1, 2022 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Discount Rate

The discount rate used to measure the total pension liability was 3.65% in the current year and 3.54% in the prior year for the HIS Plan. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan Sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Pension Liability Sensitivity

The following presents the Authority's proportionate share of the net pension liability for the HIS Plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

Description	1% Decrease	Current Discount Rate	1% Increase in Discount Rate
HIS Plan Discount Rate	2.65 %	3.65 %	4.65 %
Authority's Proportionate Share of the HIS Plan Net Pension Liability	\$ 394,551	\$ 345,842	\$ 305,465

Pension Plan Fiduciary Net Position

Detailed information about the HIS Plan's fiduciary net position is available in a separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report. That report may be obtained through the Florida Department of Management Services website at <http://www.dms.myflorida.com>.

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 6 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Summary

The aggregate amount of net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense for the Authority's defined benefit pension plans are summarized below. These liabilities are typically liquidated by the individual activity in which the employee's costs are associated.

<u>Description</u>	<u>FRS Plan</u>	<u>HIS Plan</u>	<u>Total</u>
Net Pension Liability	\$ 832,245	\$ 345,842	\$ 1,178,087
Deferred Outflows of Resources Related to Pensions	300,174	90,353	390,527
Deferred Inflows of Resources Related to Pensions	47,089	38,415	85,504
Pension Expense	196,498	147,786	344,284

NOTE 7 DEFINED CONTRIBUTION PENSION PLAN

FRS Investment Plan

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Sebring Airport Authority employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members.

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 7 DEFINED CONTRIBUTION PENSION PLAN (CONTINUED)

FRS Investment Plan (Continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2023, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Sebring Airport Authority.

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

The Authority's Investment Plan pension expense totaled \$126,526 for the year ended September 30, 2023. Employee contributions to the Investment Plan totaled \$18,335 for the year ended September 30, 2023.

NOTE 8 LONG-TERM DEBT

The summary of changes in long-term debt for the fiscal year ended September 30, 2023 is as follows:

	Balance October 1, 2022	Additions	Reductions	Balance September 30, 2023	Due Within One Year
Direct Borrowing -					
Notes Payable	\$ 3,200,735	\$ 122,818	\$ (202,059)	\$ 3,121,494	\$ 1,628,331
Leases Payable	26,061	-	(11,172)	14,889	5,266
Total	<u>\$ 3,226,796</u>	<u>\$ 122,818</u>	<u>\$ (213,231)</u>	<u>\$ 3,136,383</u>	<u>\$ 1,633,597</u>

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 8 LONG-TERM DEBT (CONTINUED)

Notes payable at September 30, 2023 consisted of the following:

<u>Description</u>	<u>Amount</u>
<p>Direct borrowing from a financial institution for improvements to an industrial building, collateralized by assignment of rent revenues, due July 2028. Outstanding balance as of July 21, 2023 paid in monthly payments of \$4,892, including interest at 8.45%. If any event of default shall occur, all indebtedness will become immediately due and payable to the lender.</p>	<p>\$ 231,481</p>
<p>Direct borrowing from a financial institution for improvements to an industrial building, collateralized by assignment of rent revenues, with 12 months of interest only payments, followed by monthly payments of \$11,780 including interest at 4%, final payment due April 2035. If any event of default shall occur, all indebtedness will become immediately due and payable to the lender.</p>	<p>1,304,612</p>
<p>Direct borrowing from a financial institution for improvements to industrial buildings with a maximum draw down of \$3,000,000 available, collateralized by assignment of rent revenues, with 12 months of interest only payments at 5.5% interest, followed by 48 monthly payments of principal and interest, beginning August 18, 2020 calculated on a 20-year amortization of the outstanding principal balance as of July 18, 2020 with an interest rate of 5.5% per annum. Beginning August 18, 2024, 60 monthly payments of principal and interest calculated on a 15-year amortization of the outstanding principal balance as of July 18, 2024 with interest based on the monthly average of the 5-year United States Treasury Bill index for July 18, 2024 plus 3.5%. Beginning August 18, 2029, 60 monthly payments of principal and interest calculated on a 10 year amortization of the outstanding principal balance as of July 18, 2029 with interest based on the monthly average of the 5-year United States Treasury Bill index for July 18, 2029 plus 3.5%.</p>	

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 8 LONG-TERM DEBT (CONTINUED)

<u>Description (Continued)</u>	<u>Amount</u>
Beginning August 18, 2034, 60 monthly payments of principal and interest calculated on a five-year amortization of the outstanding principal balance as of July 18, 2034 with interest based on the 5-year United States Treasury Bill index for July 18, 2034 plus 3.5%. Upon default, the interest rate on this direct borrowing shall be increased to 18% per annum, and the entire unpaid balance and all accrued interest will be declared due to the lender.	\$ 1,467,317
Direct borrowing from a financial institution for purchase of a vehicle, with monthly payments of \$822, including interest at 5.92%, with a final payment due in August 2024.	8,716
Direct borrowing from a financial institution for purchase of a vehicle, with monthly payments of \$839, including interest at 7.24%, with a final payment due in January 2028.	36,757
Direct borrowing from a financial institution for purchase of a vehicle, with monthly payments of \$908, including interest at 7.24%, with a final payment due in February 2028.	40,455
Direct borrowing from a financial institution for purchase of a vehicle, with monthly payments of \$699, including interest at 7.24%, with a final payment due in April 2028.	<u>32,156</u>
Total	3,121,494
Less: Current Portion	<u>(1,628,331)</u>
Long-Term Portion	<u><u>\$ 1,493,163</u></u>

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 8 LONG-TERM DEBT (CONTINUED)

Annual debt service requirements as of September 30, 2023 for notes payable are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 1,628,331	\$ 137,287
2025	161,514	62,204
2026	171,152	54,402
2027	182,264	46,092
2028	162,769	37,374
2029 - 2033	599,123	107,704
2034 - 2038	216,341	7,380
Total	<u>\$ 3,121,494</u>	<u>\$ 452,443</u>

Lessee Arrangement

The Entity leases equipment for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2027.

Future principal and interest payments under lease agreements are as follows:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 5,266	\$ 689	\$ 5,955
2025	5,575	382	5,957
2026	3,838	83	3,921
2027	210	2	212
Total Minimum Lease Payments	<u>\$ 14,889</u>	<u>\$ 1,156</u>	<u>\$ 16,045</u>

NOTE 9 LINES OF CREDIT

The Authority has a \$500,000 line of credit, unsecured, for operating capital needs with a commercial bank at Prime as published by the Wall Street Journal, with a minimum rate of 5%. The Authority also has a \$1,000,000 line of credit to finance grant expenditures with a commercial bank at Prime, as published by the Wall Street Journal, with a minimum rate of 4.5%, secured by grant revenues.

Changes in the lines of credit for the fiscal year ended September 30, 2023 were as follows:

	<u>October 1, 2022</u>	<u>Additions</u>	<u>Reductions</u>	<u>September 30, 2023</u>
Line of Credit - Secured	\$ -	\$ 377,494	\$ (377,494)	\$ -

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 10 CONDENSED COMBINING FINANCIAL INFORMATION

The following condensed financial information is presented to provide additional information on the Sebring Regional Airport and Industrial Park Community Redevelopment Agency (CRA), and the U.S. Sport Aviation Institute, Inc. (Institute), blended component units of the Authority.

Condensed Combining Statement of Net Position

	Sebring Airport Authority	CRA	U.S. Sport Aviation Institute	Total
ASSETS				
Current Assets	\$ 3,883,912	\$ 590,982	\$ -	\$ 4,474,894
Net Capital Assets	46,443,012	-	-	46,443,012
Other Noncurrent Assets	4,051,729	-	-	4,051,729
Total Assets	<u>54,378,653</u>	<u>590,982</u>	<u>-</u>	<u>54,969,635</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Items	390,527	-	-	390,527
LIABILITIES				
Current Liabilities	2,576,095	-	-	2,576,095
Noncurrent Liabilities	3,302,908	-	-	3,302,908
Total Liabilities	<u>5,879,003</u>	<u>-</u>	<u>-</u>	<u>5,879,003</u>
DEFERRED INFLOWS OF RESOURCES				
Lease Related Items	4,422,765	-	-	4,422,765
Pension Related Items	85,504	-	-	85,504
Total Deferred Inflows of Resources	<u>4,508,269</u>	<u>-</u>	<u>-</u>	<u>4,508,269</u>
NET POSITION				
Net Investment in Capital Assets	42,834,126	-	-	42,834,126
Restricted	-	590,982	-	590,982
Unrestricted	1,547,782	-	-	1,547,782
Total Net Position	<u>\$ 44,381,908</u>	<u>\$ 590,982</u>	<u>\$ -</u>	<u>\$ 44,972,890</u>

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 10 CONDENSED COMBINING FINANCIAL INFORMATION (CONTINUED)

Condensed Combining Statement of Revenues, Expense, and Changes in Net Position

	Sebring Airport Authority	CRA	U.S. Sport Aviation Institute	Total
OPERATING REVENUE				
Industrial Rentals	\$ 2,237,710	\$ -	\$ -	\$ 2,237,710
Test Track Rentals	432,654	-	-	432,654
Fixed Base Operations	2,264,383	-	-	2,264,383
Fire Protection Fees	107,651	-	-	107,651
CRA Incremental Tax Revenue	-	413,799	-	413,799
Miscellaneous Revenue	256,615	-	7,500	264,115
Total Operating Revenue	<u>5,299,013</u>	<u>413,799</u>	<u>7,500</u>	<u>5,720,312</u>
OPERATING EXPENSES				
Personal Services	1,534,480	-	-	1,534,480
Contractual Services	331,143	-	-	331,143
Professional Services	631,832	4,694	27,955	664,481
General Operating	2,824,850	1,945	-	2,826,795
Total Operating Expenses	<u>5,322,305</u>	<u>6,639</u>	<u>27,955</u>	<u>5,356,899</u>
OPERATING INCOME BEFORE DEPRECIATION	(23,292)	407,160	(20,455)	363,413
Depreciation	<u>(2,679,938)</u>	<u>-</u>	<u>-</u>	<u>(2,679,938)</u>
NET OPERATING INCOME (LOSS)	(2,703,230)	407,160	(20,455)	(2,316,525)
NONOPERATING REVENUE (EXPENSE)				
Interest Income	422,469	13,660	-	436,129
Operating Grants	25,344	-	-	25,344
Interest Expense	(164,790)	-	-	(164,790)
Miscellaneous Revenue	26,257	-	-	26,257
Insurance Recoveries	31,490	-	-	31,490
Gain on Sale of Capital Assets	240,723	-	-	240,723
Total Nonoperating Revenue (Expense)	<u>581,493</u>	<u>13,660</u>	<u>-</u>	<u>595,153</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(2,121,737)	420,820	(20,455)	(1,721,372)
Transfers In	1,393,126	-	-	1,393,126
Transfers Out	-	(1,393,126)	-	(1,393,126)
Capital Grants and Contributions	<u>2,748,561</u>	<u>-</u>	<u>-</u>	<u>2,748,561</u>
CHANGE IN NET POSITION	2,019,950	(972,306)	(20,455)	1,027,189
Net Position - Beginning of Year	<u>42,361,958</u>	<u>1,563,288</u>	<u>20,455</u>	<u>43,945,701</u>
NET POSITION - END OF YEAR	<u>\$ 44,381,908</u>	<u>\$ 590,982</u>	<u>\$ -</u>	<u>\$ 44,972,890</u>

**SEBRING AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 10 CONDENSED COMBINING FINANCIAL INFORMATION (CONTINUED)

Condensed Combining Statement of Cash Flows

	Sebring Airport Authority	CRA	U.S. Sport Aviation Institute	Total
Net Cash Provided (Used) by Operating Activities	\$ (1,317,856)	\$ 433,245	\$ (20,455)	\$ (905,066)
Net Cash Provided by Noncapital Financing Activities	51,601	-	-	51,601
Net Cash Provided (Used) by Capital and Related Financing Activities	356,286	(1,393,126)	-	(1,036,840)
Net Cash Provided by Investing Activities	422,469	13,660	-	436,129
Net Increase (Decrease) in Cash and Cash Equivalents	(487,500)	(946,221)	(20,455)	(1,454,176)
Cash and Cash Equivalents - Beginning of Year	2,339,519	1,537,203	20,455	3,897,177
Cash and Cash Equivalents - End of Year	<u>\$ 1,852,019</u>	<u>\$ 590,982</u>	<u>\$ -</u>	<u>\$ 2,443,001</u>

NOTE 11 RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To protect against this risk the Authority has engaged Public Risk Insurance Agency, a governmental insurance carrier, as its agent. This agency administers insurance activities relating to property, general liability, public official's and employment practices liability, automobile crime, and worker compensation. The Authority is liable for deductibles on certain coverage. Insurance settlements have not exceeded insurance coverage in any of the three prior fiscal years.

NOTE 12 RELATED PARTY TRANSACTIONS

A member of the Authority's Board of Directors is also a member of Heartland National Bank's Board of Directors. The Authority has deposits, a line of credit, and debt held by Heartland National Bank in the amount of \$3,853,945 as of September 30, 2023.

NOTE 13 COMMITMENTS, CONTINGENCIES, AND SUBSEQUENT EVENTS

The Authority is party in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of legal counsel for the Authority, the resolution of these matters will not have a materially adverse effect on the financial condition of the Authority.

**SEBRING AIRPORT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY-
FLORIDA RETIREMENT SYSTEM PENSION PLAN ¹
LAST TEN MEASUREMENT PERIODS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Authority's Proportion of the Net Pension Liability	0.002088612%	0.002279024%	0.001872208%	0.001675476%	0.001714629%	0.001616574%	0.001457265%	0.001724597%	0.001768396%
Authority's Proportionate Share of the Net	\$ 832,245	\$ 847,980	\$ 141,424	\$ 726,176	\$ 590,494	\$ 486,920	\$ 431,049	\$ 435,462	\$ 228,412
Authority's Covered Payroll	\$ 875,837	\$ 767,053	\$ 591,616	\$ 429,551	\$ 472,524	\$ 419,435	\$ 367,444	\$ 346,048	\$ 350,588
Authority's Proportionate Share of the Net (Asset) as a Percentage of its Covered Payroll	95.02 %	110.55 %	23.90 %	169.05 %	124.97 %	116.09 %	117.31 %	125.84 %	65.15 %
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	82.38 %	82.89 %	94.40 %	78.85 %	82.61 %	84.26 %	83.89 %	84.88 %	92.00 %

*The amounts presented for each fiscal year were determined as of June 30.

¹ Note: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for only those years for which information is available.

**SEBRING AIRPORT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS-
FLORIDA RETIREMENT SYSTEM PENSION PLAN ¹
LAST TEN FISCAL YEARS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 99,713	\$ 97,504	\$ 76,590	\$ 61,399	\$ 53,479	\$ 73,499	\$ 13,838	\$ 44,618	\$ 39,240
Contributions in Relation to the Contractually Required Contribution	(99,713)	97,504	(76,590)	(61,399)	(53,479)	(73,499)	(13,838)	(44,618)	(39,240)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's Covered Payroll	\$ 858,764	\$ 793,459	\$ 624,058	\$ 477,962	\$ 458,655	\$ 445,306	\$ 392,244	\$ 344,392	\$ 330,241
Contributions as a Percentage of Covered Payroll	11.61 %	12.29 %	12.27 %	12.85 %	11.66 %	16.51 %	3.53 %	12.96 %	11.88 %

*The amounts presented for each fiscal year were determined as of September 30.

¹ Note: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for only those years for which information is available.

**SEBRING AIRPORT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY-
HEALTH INSURANCE SUBSIDY PLAN ¹
LAST TEN MEASUREMENT PERIODS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Authority's Proportion of the Net Pension Liability	0.002177661%	0.002105054%	0.001657490%	0.001253851%	0.001412823%	0.001369415%	0.001088064%	0.001120965%	0.001155592%
Liability	\$ 345,842	\$ 222,959	\$ 203,316	\$ 153,093	\$ 158,082	\$ 144,941	\$ 116,341	\$ 130,643	\$ 117,852
Authority's Covered Payroll	\$ 875,837	\$ 767,053	\$ 591,616	\$ 429,551	\$ 472,524	\$ 419,435	\$ 367,444	\$ 346,048	\$ 350,588
Liability (Asset) as a Percentage of its Covered Payroll	39.49 %	29.07 %	34.37 %	35.64 %	33.45 %	34.56 %	31.66 %	37.75 %	33.62 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	4.12 %	4.81 %	3.56 %	3.00 %	2.63 %	2.15 %	1.64 %	0.97 %	0.50 %

*The amounts presented for each fiscal year were determined as of June 30.

¹ Note: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for only those years for which information is available.

**SEBRING AIRPORT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE AUTHORITY'S CONTRIBUTIONS –
HEALTH INSURANCE SUBSIDY PLAN ¹
LAST TEN FISCAL YEARS**

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 14,740	\$ 13,175	\$ 10,282	\$ 7,931	\$ 7,596	\$ 7,393	\$ 6,632	\$ 5,719	\$ 4,508
Contributions in Relation to the Contractually Required Contribution	(14,740)	(13,175)	(10,282)	(7,931)	(7,596)	(7,393)	(6,632)	(5,719)	(4,508)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Authority's Covered Payroll	\$ 858,764	\$ 793,459	\$ 624,058	\$ 477,962	\$ 458,655	\$ 445,306	\$ 392,244	\$ 344,392	\$ 330,241
Contributions as a Percentage of Covered Payroll	1.72 %	1.66 %	1.65 %	1.66 %	1.66 %	1.66 %	1.69 %	1.66 %	1.37 %

*The amounts presented for each fiscal year were determined as of September 30.

¹ Note: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for only those years for which information is available.

**SEBRING AIRPORT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE AUTHORITY'S
TOTAL OPEB LIABILITY AND RELATED RATIOS ¹
LAST TEN MEASUREMENT PERIODS**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability						
Service Cost	\$ 14,514	\$ 5,947	\$ 5,900	\$ 3,641	\$ 2,778	\$ 3,814
Interest	2,967	655	568	685	504	1,288
Changes of Benefit Terms		-	-	-	-	-
Difference Between Expected and Actual Experience	(278)	23,659	(3,104)	(2,739)	2,429	(25,286)
Changes of Assumptions	(11,758)	(3,580)	(18)	570	416	190
Benefit Payments	-	-	-	-	-	(4,548)
Net Change in Total OPEB Liability	<u>5,445</u>	<u>26,681</u>	<u>3,346</u>	<u>2,157</u>	<u>6,127</u>	<u>(24,542)</u>
Total OPEB Liability - Beginning	<u>47,683</u>	<u>21,002</u>	<u>17,656</u>	<u>15,499</u>	<u>9,372</u>	<u>33,914</u>
Total OPEB Liability - Ending	<u>\$ 53,128</u>	<u>\$ 47,683</u>	<u>\$ 21,002</u>	<u>\$ 17,656</u>	<u>\$ 15,499</u>	<u>\$ 9,372</u>
Covered Employee Payroll	\$ 809,057	\$ 740,242	\$ 562,365	\$ 512,432	\$ 410,334	\$ 397,418
Total OPEB Liability as a Percentage of the Covered Employee Payroll	6.57 %	6.44 %	3.73 %	3.45 %	3.78 %	2.36 %

¹ Note: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the Authority will present information for only those years for which information is available.

**SEBRING AIRPORT AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE AUTHORITY'S
TOTAL OPEB LIABILITY AND RELATED RATIOS ¹ (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

Notes to Schedule

Benefit changes:

There have been no substantive plan provision changes since the last full valuation.

Changes of assumptions:

For the measurement date September 30, 2023, the following were updated:

- Discount rate as of the measurement date was updated to 4.87%.

For the measurement date September 30, 2022, the following were updated:

- Discount rate as of the measurement date was updated to 4.77%.
- Mortality table was updated from using improvement Scale MP-2020 to Scale MP-2021.
- Health care trend rates have been reset to an initial rate of 7.5%, decreasing by 0.5% annually to an ultimate trend of 4.5%.
- Salary increase scales have been updated to match the FRS actuarial valuation as of July 1, 2021.

For the measurement date September 30, 2021, the following were updated:

- Discount rate as of the measurement date was updated to 2.43%.

For the measurement date September 30, 2020, the following were updated:

- Discount rate as of the measurement date was updated to 2.41%.
- Mortality table was updated from SOA RPH-2017 Total Dataset Mortality Table fully generational using Scale MP-2017 to SOA PUB -201 General Headcount Weighted Mortality Table fully generational using Scale MP-2020.
- Turnover assumptions were updated to match the FRS actuarial valuation as of July 1, 2019.
- Health care trend rates have been reset to an initial rate of 8.0%, decreasing by 0.5% annually to an ultimate trend of 4.5%.
- Salary increase scales have been updated to match the FRS actuarial valuation as of July 1, 2019.

For the measurement date September 30, 2019, the following were updated:

- Discount rate as of the measurement date was updated to 3.58%.
- Actuarial cost method was updated from Projected Unit Credit with linear proration to decrement to Entry Age Normal Level Percentage of Salary.
- The salary assumption was updated from 3.0% per year to match that of the FRS actuarial valuation as of July 1, 2017.

Community Redevelopment Agency

Following is a schedule of deposits and withdrawals as required by Section 163.387(8), Florida Statutes. This schedule provides a source for all deposits and a purpose for all withdrawals for the fiscal year ended September 30, 2023.

**SEBRING AIRPORT AUTHORITY
SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION – CRA FUND
YEAR ENDED SEPTEMBER 30, 2023**

	CRA
REVENUES	
CRA Incremental Tax Revenue	\$ 413,799
Interest Income	13,660
Total Revenues	427,459
EXPENSES	
Professional Services	4,694
General Operating and Project Assistance	1,395,071
Total Expenses	1,399,765
NET CHANGE IN NET POSITION	(972,306)
Net Position - Beginning of Year	1,563,288
NET POSITION - END OF YEAR	\$ 590,982

**SEBRING AIRPORT AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2023**

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
FEDERAL AWARDS				
Federal Aviation Administration				
Airport Improvement Program	20.106		\$ -	\$ 1,934,609
Total Federal Aviation Administration Direct Programs			-	1,934,609
Federal Emergency Management Agency				
Passed Through Florida Division of Emergency Management				
Hurricane Ian Cat G	97.036	Z3444	-	3,000
Hurricane Ian Cat E	97.036	Z3444	-	13,135
Hurricane Ian Cat B	97.036	Z3444	-	6,520
Total Federal Emergency Management Agency Direct Programs			-	22,655
Total Expenditures of Federal Awards			\$ -	\$ 1,957,264

See accompanying Notes to Schedule of Expenditures of State Financial Assistance.

**SEBRING AIRPORT AUTHORITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2023**

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Sebring Airport Authority (the Authority) under programs of the federal government for the year ended September 30, 2023. The information in this Schedule is presented in accordance with the requirements of 2 CFR 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 assets, or cash flows of the Authority.

NOTE 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.

NOTE 3 INDIRECT COST RATE

The Authority has not elected to use the 10% de minimis indirect cost rate.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Sebring Airport Authority
Sebring, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Sebring Airport Authority (Authority), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated March 19, 2024.

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.

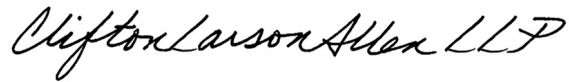
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 Authority’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Sebring, Florida
March 19, 2024



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
Sebring Airport Authority
Sebring, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Authority's 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 each of the Authority's major federal programs for the year ended September 30, 2023. The Authority's major federal programs are identified in the summary of auditors' 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 each of its major federal programs for the year ended September 30, 2023.

Basis for Opinion on Each 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; 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 Auditors' 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 each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' 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 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 Authority's compliance with the requirements of each 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 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 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

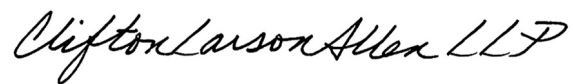
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement 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.

Board of Directors
Sebring Airport Authority

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Sebring, Florida
March 19, 2024

**SEBRING AIRPORT AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2023**

Section I – Summary of Auditors’ Results

Financial Statements

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? _____ yes x none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
1. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes x no

Identification of Major Federal Programs

Assistance Listing Number(s)	Name of Federal Program or Cluster
20.106	Airport Improvement Program
Dollar threshold used to distinguish between Type A and Type B programs:	\$ <u> 750,000 </u>
Auditee qualified as low-risk auditee?	_____ Yes <u> X </u> No

**SEBRING AIRPORT AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

Section II – Financial Statement Findings

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards*.

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).



MANAGEMENT LETTER

Board of Directors
Sebring Airport Authority
Sebring, Florida

Report on the Financial Statements

We have audited the financial statements of the Sebring Airport Authority (Authority), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 19, 2024.

Auditors' 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 Auditors' 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 on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 19, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no recommendations made in the preceding financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Information regarding the specific legal authority for the entity and each component unit is contained in Note 1 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 has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions(s) met. In connection with our audit, we determined that the Authority did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

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.

Special District Specific Information

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:

- a. The total number of district employees compensated in the last pay period of the Authority's fiscal year as: 13.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Authority's fiscal year as 1.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as: \$870,322.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$8,675.
- e. Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:
 - Construct Taxiway A4 Realignment- \$2,149,566

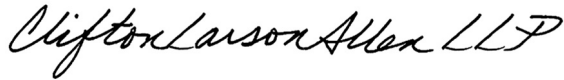
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as: \$1,818,257
- Beginning Budgeted Reserves - \$517,038 Final Budget Expenses \$2,335,295

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 note any such findings.

Purpose of this Letter

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



CliftonLarsonAllen LLP

Sebring, Florida
March 19, 2024



INDEPENDENT ACCOUNTANTS' REPORT

Sebring Airport Authority
and the Florida Auditor General
Sebring, Florida

We have examined the Sebring Airport Authority's (Authority) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023. Management of the Authority is responsible for the Authority's compliance with the specified requirements. Our responsibility is to express an opinion on the Authority's compliance with the specified requirements based on our examination.

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

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

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

In our opinion, the Authority complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds; during the year ended September 30, 2023.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
March 19, 2024

STANLEY H. WELLS

BORN - IN AVON PARK, FLORIDA 1948

PARENTS - RAY AND JANE WELLS

WIFE - TERRI 28 YEARS

CHILDREN – 2- DAUGHTERS – 39 & 42.

3 GRAND SONS - 9, 10 & 12

EDUCATION - AVON PARK HIGH SCHOOL - GRADUATED 1966
NASHVILLE AUTO DIESEL COLLEGE - 1967
CHRYSLER DEALERS SCHOOL- DETROIT – 1968

CHURCH – FIRST BAPTIST CHURCH OF AVON PARK

EMPLOYMENT – WELLS MOTOR CO. - AVON PARK
VARIOUS POSITIONS 1967 - 1978
GENERAL MANAGER 1978 - 1993
PRESIDENT 1993 - PRESENT

AVON PARK AIRPORT ADVISORY COMMITTEE JAN. 79 - OCT. 2000

MEMBER AVON PARK NOON ROTARY CLUB SINCE JUNE 16, 1976

AVON PARK NOON ROTARY CLUB PRESIDENT 2003-2004

ROTARY PERFECT ATTENDANCE 1993 TILL PRESENT

ROTARY PAUL HARRIS FELLOW

ROTARIAN OF THE YEAR FOR YEAR 2000-2001

PAST CHAIRMAN AVON PARK CHRISTMAS PARADE FOR OVER 20 YEARS

WALKER MEMORIAL HOSPITAL – CIVIC ADVISORY BOARD 1980 - 1987

PRESIDENT AND TREASURER AVON PARK BAND PARENTS ASSN. 6-YRS

DIRECTOR- 1ST HOME FEDERAL SAVINGS & LOAN ASSN. 1989 - 1990.

DIRECTOR- HUNTINGTON BANK 1990 – 1994.

DIRECTOR- HEARTLAND NATIONAL BANK - MARCH 2001 TO PRESENT

DIRECTOR – SEBRING AIRPORT AUTHORITY 2016 TO PRESENT

CHAIRMAN BUDGET COMMITTEE 1ST BAPTIST CHURCH 1992 TO PRESENT.

FLORIDA DODGE DEALERS ADVISORY BOARD 1982 THRU 2009.

SOUTH EAST CHRYSLER DEALER ADVISORY BOARD 2004 – 2009.
DIRECTORS 2000 - 2002 AND 2004 - 2011.

CHRYSLER – JEEP DEALER ADVERTISING ASSOCIATION BOARD OF
CHRYSLER – JEEP DEALER ADVERTISING ASSOCIATION – TREASURER
2006 - 2011

DIRECTOR FLORIDA AUTOMOBILE DEALERS ASSN. 1989 – 1993.

AVON PARK CHAMBER OF COMMERCE DIRECTOR - VARIOUS YEARS

AVON PARK CHAMBER – CITIZEN OF THE YEAR 1992 & 2006

SEBRING CHAMBER OF COMMERCE DIRECTOR 2002 – 2006

DIRECTOR - RIDGE AREA ASSN FOR RETARDED CITIZENS 1999 –2003

DIRECTOR - RIDGE AREA FOUNDATION BOARD JAN. 2001 – MAY 2011

ORANGE BLOSSOM BAPTIST ASSN. BUDGET COMMITTEE 2006-2007

COMMERCIAL, INSTRUMENT RATED, MULTI ENGINE PILOT 1969 – 1998
NO LONGER FLY SINCE 1998

GARY GERMAINE

GERMAINE SURVEYING, INC.

3803 Kenilworth Boulevard • Sebring, FL 33870 • Phone: (863) 385-6856 • info@germainesurveying.com

TOTAL YEARS EXPERIENCE:

51 YEARS

As founder and President of Germaine Surveying, Inc., Gary L. Germaine continues his 51-year career in providing accurate, cost efficient and timely survey projects. His portfolio ranges from large commercial and land development projects to smaller residential projects.

EDUCATION: Attended Polk Community College, Fort Pierce Community College, Continued Educational Seminars

REGISTRATION: Registered Florida Professional Land Surveyor and Mapper since 1982, license #3945

AFFILIATIONS: National Society of Professional Surveyors; Florida Society of Surveyors and Mappers; Highlands County Fair Association; Sebring Fireman Association; Sebring Historical Society; Elks Club

PROJECT EXPERIENCE:

SEBRING REGIONAL AIRPORT RUNWAY 1836 PROJECT, SEBRING FLORIDA: Registered Surveyor for the surveying and topographical survey, construction staking, grading and preparing final asbuilt survey.

SEBRING REGIONAL AIRPORT TERMINAL PROJECT, SEBRING, FLORIDA: Registered Surveyor for surveying and topographical survey, construction staking, grading and preparing final asbuilt survey.

SOUTH FLORIDA COMMUNITY COLLEGE, AVON PARK, FLORIDA: Registered Surveyor for Internal staking, grading and calculations for layout of upper supports and seating layouts for new auditorium.

SEBRING REGIONAL AIRPORT CATALYST PROJECT, SEBRING, FLORIDA: Registered Surveyor for all surveying, topographical and location of existing ponds, drains, roads for design of 25 miles of roadway and parcels.

HIGHLANDS HAMMOCK STATE PARK, SEBRING, FLORIDA: Registered Surveyor for staking and grading buildings, wetlands and parking for new campground area.

WAUCHULA AIRPORT EXPANSION PROJECT, WAUCHULA, FLORIDA: Registered surveyor for Boundary and Location of improvements for expansion.

Jason Dunkel, M.Div, MBA

4150 Lakeshore Dr | Sebring, FL. 33780

423-432-9094 | jasondunkel@hotmail.com

EXECUTIVE SUMMARY

- Dedicated healthcare professional with proven track record of consistently meeting and exceeding established goals
- Excellent written, oral and interpersonal communication skills
- Unique background in theology and business
- Accomplished healthcare entrepreneur
- Exceptional physician experience in hospitals and clinics
- Advanced leadership and management skills
- Successful operator and strategic planner
- Diverse background in medical retail and outpatient services
- Mission Driven

EDUCATION

Master of Business, Healthcare Administration Southern Adventist University Collegedale, TN	2013
Master of Divinity Andrews University Berrien Springs, MI	2002
Bachelor of Arts, Theology Southern Adventist University Collegedale, TN	1999

EXPERIENCE AND RESPONSIBILITIES

Advent Health --- Sebring, Lake Placid, Wauchula | Sebring, FL Aug 2022 – present
President/CEO

- Stabilized workforce (1800 team members) in 2023 with 13% total turnover; 23% in 2021-2022
- Successfully recruited 3 new executives in 2023/2024 to join the AdventHealth Sebring, Lake Placid, Wauchula
- Achieved financial budget goals for both 2022 and 2023
- Employee engagement (Glint) improvement 2022-2024 from 72 to 77 (at benchmark)
- Cardiology service line growth of 15% from 2022-2023
- 4% ER growth at AdventHealth Sebring from 2023 to 2024
- Successfully recruited specialists in the following areas: orthopedics, cardiology, interventional cardiology, general surgery, primary care, internal medicine
- 24% growth in employed physician group from 2022-2024

Advent Health --- North Pinellas | Tarpon Springs, FL June 2018 – July 2022
President/CEO

- Attained highest achievements in clinical quality -- CMS 5 Star Rating (2020-current); Leapfrog A Grade for last 18 semesters (longest running A graded hospital in Tampa Bay market)
- Directed significant upgrades to ICU, cardiology, orthopedics, spine programs through new clinical structures, technology and operational changes that improved quality, outcomes and volumes
- Visioned and executed cultural enhancements that made AHNP the top Glint score hospital in Advent Health from 2018—2022
- Demonstrated enormous success in total turnover reduction in Q4 2019 -- AHNP had the lowest total turnover at 18% and led the West Florida Division

- Secured \$50M of capital to better compete in market and modernize hospital through major facilities upgrades, new ER and lobby
- Successfully built physician network of 20 physicians and provided oversight in recruiting physicians in primary care (7), internal medicine (1), general surgery (1), vascular surgery (1), gastroenterology (1), bariatrics (1), cardiology (1), interventional cardiology (2), orthopedics (1), podiatry (1)
- Achieved prolonged success with Physician Engagement Survey (Willingness to Recommend): 2019 – **91%**; 2020 – **85%**; 2021 – **84%** compared to benchmark of **75%**.
- Met EBITA budget 2018/2019 (prior to COVID) and grew net revenue from 116M – 150M (2018-2022 projected)
- Completed 2 successful Joint Commission surveys (2018/2022)
- Established and reached ER Foundation fundraising goal of \$5M; raised \$1.5M for new lobby
- Built strong relationships with local and state politicians: Tarpon Springs Mayor, Chris Alahouzos; Congressman, Gus Bilirakis; Florida Speaker of House, Chris Sprowls

Florida Hospital --- North Pinellas | Tarpon Springs, FL
VP Operations and Business Development

June 2015 - 2018

- Led all growth activities for FHNP including growth strategies, marketing & community relations and daily operations for cardiology, imaging, pharmacy and lab (124 employees)
- Provided executive leadership for contracted services: PT Solutions (7 outpatient clinics); Innovative Wound Care (2 outpatient clinics); Advent Health Physician Group (11 primary care physicians/5 specialists)
- Executive Project Manager for 24 bed Palm Harbor ER: \$18-million-dollar off-site ER completed Dec. 2016; oversaw growth responsibilities: EBDITA performance of 36% YTD (5M EBITA 2022)
- Responsible for physician recruitment activities including searches for 5 PCPs, 3 OB/GYNs, 1 Neurologist
- Recruited new aligned colorectal surgeon and provided strategy and operations for this service line which led to general/colorectal surgical growth of 30% 2018 Q1 YTD
- Successfully implemented new electrophysiology mapping system and developed EP strategy that yielded 40% increase in total procedures 2018 Q1 YTD
- Expanded medical office footprint in PSA to include multi-specialty office in Palm Harbor, FL and primary care office in Trinity, FL
- Developed cultural enhancement programs (Just Because, Corn Roast, Aspire, Creation Health Committee) that encouraged wholistic behaviors, improved culture, and furthered mission to our employees
- Strong involvement in local Tarpon Springs community; executive lead for Shepherd Center, Rotary, Chamber, City of Tarpon Springs, BEST Program, St. Pete College

Centura Health—Littleton Adventist Hospital | Littleton, CO
Director, Business Development

June 2013 – June 2015

- Strategically organized and advanced Littleton Adventist Hospital marketing department to all-time high levels of success as measured by SEM (1.4 million impressions), Facebook (3700 Followers) and CRM campaigns (3:1 ROI)
- Directed physician services at LAH and established physician outreach plans that led to service line growth in neurology, oncology and primary care
- Successfully recruited 19 physicians in the specialties of neurology, gynecologic oncology and primary care
- Spearheaded search for gynecologic oncology candidate for LAH/South Denver Operating Group and developed contractual framework and relationship that aided getting candidate under contract
- Chair Growth Council and led business development activities at LAH that resulted in EBITA for FY14 of \$42 million, FY15 of \$47 million, along with considerable gains in LAH market share
- Represented South Denver Operating Group on Strategic Marketing Executive Council and coordinate for group-related marketing functions and outreach
- Developed idea with Claire Davis Family and helped raise money (\$400,000) for Clarity Commons project (high school shooting tragedy)

Adventist Health System—Jellico Community Hospital | Jellico, TN
Executive Director, Business Development/Marketing

January 2010 – May 2013

- Developed and implemented strategies for surgery, home health, radiology, wound care, obstetrics and EMS
- Project manager for the emergency department renovation, including coordination and oversight of the \$3.6 million project
- Oversaw EMS operations and led them from major annual losses of \$200,000 to breaking even
- Strengthened business relationships with area physicians which led to increase in general/vascular surgical volumes
- Increased OB volumes by 20 percent in three years through “Baby Perks” program
- Helped bring cardiology services into JCH outpatient facility by partnering with large group in Oakridge, TN
- Partnered with human resources to increase employee participation in Press Ganey by 25 percent
- Oversaw community health needs assessment and wrote the 2013 Community Health Needs Assessment Plan
- Served as the foundation director, leading to more than \$660,000 in donations for obstetrics renovation, new digital mammography and ultrasound machines
- Responsible for determining operational and staffing models for Care Plus After-Hours clinic in Williamsburg, KY

PM Pediatrics, LLC | Chattanooga, TN
Founder and President

May 2006 – December 2010

- Founded company
- Defined vision and organized the business structure and plan
- Met with potential investors and procured sufficient capital from banks
- Kept the company solvent through the 2008 recession
- Executed comprehensive marketing plan
- Recruited providers, including physicians, physician assistants, and nurse practitioners
- Led the company to accretive bottom line
- Company is still thriving in 2022

Board and Community Positions

2023 - Current Board Member Sebring Chamber of Commerce

2023 – Current Elder Avon Park SDA Church

2022 - Current Board Member AdventHealth Davenport and Lake Wales

2019 - Board Member, Salvation Army Clearwater

2018 - Board Member, Advent Health Tampa

2017 - 2020: Head Elder New Port Richey, SDA Church

2016 - 2018: Board Member, Leepa Ratter Museum of Art

Michael R. Ewing is a 45 year veteran of the Broadcast industry. Currently is the managing partner with Highlands Radio Group in Sebring, Florida.

He was the President of Network Asia, the national sales organization of multicultural Broadcasting, the nation's largest Radio and Television Company serving the Asian community. He was previously President of Winstar Radio Networks and Winstar Interactive Media sales, the national sales organization for branded web sites such as Bloomberg.com, MensHealth.com, Zagat.com and BetterHomesandGardens.com.

Prior to Winstar, he served as Vice President, General Manager of KRLD and the Texas State Network. KRLD is the leading News/Talk/Sports station in Dallas, Texas and home to the Dallas Cowboys, Texas Rangers and University of Texas Sports. He negotiated multi-million dollar rights with Jerry Jones, owner of the Dallas Cowboys and George Bush, co-owner of the Texas Rangers. While at KRLD and TSN established record revenues and achieved highest profit levels.

Ewing also worked for CBS for fifteen (15) years. He held various sales and marketing positions in Los Angeles, Boston, St. Louis and New York. Positions included Vice President and General Manager of Radio Spot Sales and Vice President and General Manager of the CBS Radio Network where he negotiated radio rights for Major League Baseball, the NFL, The Masters and the NCAA. He was involved in talent contract negotiations with Jim Nantz, Brent Musburger and Charles Osgood, amongst others. During his tenure the Network achieved record sales and profits.

Form 9

QUARTERLY GIFT DISCLOSURE (GIFTS OVER \$100)

LAST NAME -- FIRST NAME -- MIDDLE NAME:			NAME OF AGENCY:	
MAILING ADDRESS:			OFFICE OR POSITION HELD:	
CITY:	ZIP:	COUNTY:	FOR QUARTER ENDING (CHECK ONE):	YEAR
			<input type="checkbox"/> MARCH <input type="checkbox"/> JUNE <input type="checkbox"/> SEPTEMBER <input type="checkbox"/> DECEMBER	20__

PART A — STATEMENT OF GIFTS

Please list below each gift, the value of which you believe to exceed \$100, accepted by you during the calendar quarter for which this statement is being filed. You are required to describe the gift and state the monetary value of the gift, the name and address of the person making the gift, and the date(s) the gift was received. If any of these facts, other than the gift description, are unknown or not applicable, you should so state on the form. As explained more fully in the instructions on the reverse side of the form, you are not required to disclose gifts from relatives or certain other gifts. **You are not required to file this statement for any calendar quarter during which you did not receive a reportable gift.**

DATE RECEIVED	DESCRIPTION OF GIFT	MONETARY VALUE	NAME OF PERSON MAKING THE GIFT	ADDRESS OF PERSON MAKING THE GIFT

CHECK HERE IF CONTINUED ON SEPARATE SHEET

PART B — RECEIPT PROVIDED BY PERSON MAKING THE GIFT

If any receipt for a gift listed above was provided to you by the person making the gift, you are required to attach a copy of that receipt to this form. You may attach an explanation of any differences between the information disclosed on this form and the information on the receipt.

CHECK HERE IF A RECEIPT IS ATTACHED TO THIS FORM

PART C — OATH

I, the person whose name appears at the beginning of this form, do depose on oath or affirmation and say that the information disclosed herein and on any attachments made by me constitutes a true accurate, and total listing of all gifts required to be reported by Section 112.3148, Florida Statutes.

SIGNATURE OF REPORTING OFFICIAL

STATE OF FLORIDA
COUNTY OF _____
Sworn to (or affirmed) and subscribed before me by means of
 physical presence or online notarization, this
_____ day of _____, 20____
by _____

(Signature of Notary Public-State of Florida)

(Print, Type, or Stamp Commissioned Name of Notary Public)
Personally Known _____ OR Produced Identification
Type of Identification Produced _____

PART D — FILING INSTRUCTIONS

This form, when duly signed and notarized, must be filed with the Commission on Ethics, P.O. Drawer 15709, Tallahassee, Florida 32317-5709; physical address: 325 John Knox Road, Building E, Suite 200, Tallahassee, Florida 32303. The form must be filed no later than the last day of the calendar quarter that follows the calendar quarter for which this form is filed (For example, if a gift is received in March, it should be disclosed by June 30.)

PART E — INSTRUCTIONS

WHO MUST FILE THIS FORM?

- Any individual, including a candidate upon qualifying, who is required by law to file full and public disclosure of his financial interests on Commission on Ethics Form 6, except Judges. (See Form 6 for a list of persons required to file that form.)
- Any individual, including a candidate upon qualifying, who is required by law to file a statement of financial interests on Commission on Ethics Form 1. (See Form 1 for a list of persons required to file that form.)
- Any procurement employee of the executive branch or judicial branch of state government. This includes any employee of an officer, department, board, commission, council, or agency of the executive branch or judicial branch of state government who has participated in the preceding 12 months through decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, or auditing or in any other advisory capacity in the procurement of contractual services or commodities as defined in s. 287.012, F.S., if the cost of such services or commodities exceeds or is expected to exceed \$10,000 in any fiscal year.

NOTE: Gifts that formerly were allowed under Section 112.3148, F.S., now may be prohibited under Sections 11.045, 112.3215, and 112.31485, F.S.

WHAT GIFTS ARE REPORTABLE?

- Any gift (as defined below) you received which you believe to be in excess of \$100 in value, **EXCEPT**:
 - 1) Gifts from the following RELATIVES: father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister, grandparent, great grandparent, grandchild, great grandchild, step grandparent, step great grandparent, step grandchild, step great grandchild, a person who is engaged to be married to you or who otherwise holds himself or herself out as or is generally known as the person whom you intend to marry or with whom you intend to form a household, or any other natural person having the same legal residence as you.
 - 2) Gifts which you are prohibited from accepting by Sections 112.313(4) and 112.3148(4), Florida Statutes. These include any gift which you know or, with the exercise of reasonable care, should know was given to influence a vote or other action in which you are expected to participate in your official capacity; it also includes a gift worth over \$100 from a political committee or committee of continuous existence under the elections law, from a lobbyist who lobbies your agency or who lobbied your agency within the past 12 months, or from a partner, firm, employer, or principal of such a lobbyist.
 - 3) Gifts worth over \$100 for which there is a public purpose, given to you by an entity of the legislative or judicial branch, a department or commission of the executive branch, a water management district created pursuant to s. 373.069, South Florida Regional Transportation Authority, the Technological Research and Development Authority, a county, a municipality, an airport authority, or a school board; or a gift worth over \$100 given to you by a direct-support organization specifically authorized by law to support the governmental agency of which you are an officer or employee. These gifts must be disclosed on Form 10.
- A "gift" is defined to mean that which is accepted by you or by another in your behalf, or that which is paid or given to another for or on behalf of you, directly, indirectly, or in trust for your benefit or by any other means, for which equal or greater consideration is not given within 90 days after receipt of the gift. A "gift" includes real property; the use of real property; tangible or intangible personal property; the use of tangible or intangible personal property; a preferential rate or terms on a debt, loan, goods, or services, which rate is below the customary rate and is not either a government rate available to all other similarly situated government employees or officials or a rate which is available to similarly situated members of the public by virtue of occupation, affiliation, age, religion, sex, or national origin; forgiveness of an indebtedness; transportation (unless provided to you by an agency in relation to officially approved governmental business), lodging, or parking; food or beverage; membership dues;

entrance fees, admission fees or tickets to events, performances, or facilities; plants, flowers, or floral arrangements; services provided by persons pursuant to a professional license or certificate; other personal services for which a fee is normally charged by the person providing the services; and any other similar service or thing having an attributable value and not already described.

- The following are **NOT** reportable as gifts on this form: salary, benefits, services, fees, commissions, gifts, or expenses associated primarily with your employment, business, or service as an officer or director of a corporation or organization, and unrelated to your public position; contributions or expenditures reported pursuant to the election laws, campaign-related personal services provided without compensation by individuals volunteering their time, or any other contribution or expenditure by a political party; an honorarium or an expense related to an honorarium event paid to you or your spouse; an award, plaque, certificate, or similar personalized item given in recognition of your public, civic, charitable, or professional service; an honorary membership in a service or fraternal organization presented merely as a courtesy by such organization; the use of a governmental agency's public facility or public property for a public purpose. Also exempted are some gifts from state, regional, and national organizations that promote the exchange of ideas between, or the professional development of, governmental officials or employees.

HOW DO I DETERMINE THE VALUE OF A GIFT?

- The value of a gift provided to you is determined using the actual cost to the donor, and, with respect to personal services provided by the donor, the reasonable and customary charge regularly charged for such service in the community in which the service is provided. Taxes and gratuities are not included in valuing a gift. If additional expenses are required as a condition precedent to the donor's eligibility to purchase or provide a gift and the expenses are primarily for the benefit of the donor or are of a charitable nature, the expenses are not included in determining the value of the gift.
- Compensation provided by you to the donor within 90 days of receiving the gift shall be deducted from the value of the gift in determining the value of the gift.
- If the actual gift value attributable to individual participants at an event cannot be determined, the total costs should be prorated among all invited persons. A gift given to several persons may be attributed among all of them on a pro rata basis. Food, beverages, entertainment, etc., provided at a function for more than ten people should be valued by dividing the total costs by the number of persons invited, unless the items are purchased on a per-person basis, in which case the per-person cost should be used.
- Transportation should be valued on a round-trip basis unless only one-way transportation is provided. Round-trip transportation expenses should be considered a single gift. Transportation provided in a private conveyance should be given the same value as transportation provided in a comparable commercial conveyance.
- Lodging provided on consecutive days should be considered a single gift. Lodging in a private residence should be valued at \$44 per night.
- Food and beverages consumed at a single sitting or event are a single gift valued for that sitting or meal. Other food and beverages provided on a calendar day are considered a single gift, with the total value of all food and beverages provided on that date being the value of the gift.
- Membership dues paid to the same organization during any 12-month period are considered a single gift.
- Entrance fees, admission fees, or tickets are valued on the face value of the ticket or fee, or on a daily or per event basis, whichever is greater. If an admission ticket is given by a charitable organization, its value does not include the portion of the cost that represents a contribution to that charity.
- Except as otherwise provided, a gift should be valued on a per occurrence basis.

FOR MORE INFORMATION

The gift disclosures made on this form are required by Sec. 112.3148, Florida Statutes. Questions may be addressed to the Commission on Ethics, P.O. Drawer 15709, Tallahassee, Florida 32317-5709 or by calling (850) 488-7864; information is provided at: www.ethics.state.fl.us.