ST. JOHNS COUNTY AIRPORT AUTHORITY

FINANCIAL STATEMENTS AND
COMPLIANCE REPORTS

As of and for the Years Ended September 30, 2025 and 2024

And Reports of Independent Auditor

Cherry Bekaert LLP
Your Guide Forward

ST. JOHNS COUNTY AIRPORT AUTHORITY
TABLE OF CONTENTS

Cherry Bekaert LLP
Your Guide Forward

Report of Independent Auditor

To the Board of Directors
St. Johns County Airport Authority
St. Augustine, Florida

Report on the Audit of the Financial Statements

Opinion
We have audited the accompanying financial statements of St. Johns County Airport Authority (the "Authority") as of and for the years ended September 30, 2025 and 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of September 30, 2025 and 2024, and the changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe 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.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 audits, significant audit findings, and certain internal control related matters that we identified during the audits.

OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of proportionate share of the net pension liability, and schedule of employer contributions 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits 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 audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying schedule of expenditures of state financial assistance, as required by Chapter 10.550, Rules of the Florida Auditor General, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is 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 June 26, 2026, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Orlando, Florida
June 26, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Discussion and Analysis of the St. Johns County Airport Authority's (the "Authority") financial performance provides an overview and cursory look at the financial activities of the Authority for fiscal years ended September 30, 2025 and 2024. The reader is encouraged to read this section in conjunction with the Authority's financial statements contained elsewhere in this document.

Highlights of the fiscal 2025 and 2024 financial statements, with references to 2023 financial statements for comparative purposes, include:

- Total net position decreased by $2,160,208 for the year ended September 30, 2025, as compared to a decrease of $82,940 for the year ended September 30, 2024. There was a decrease in total net position of $1,835,039 for the year ended September 30, 2023.

- Operating income before depreciation expense was $944,061 for the year ended September 30, 2025, as compared to $1,182,187 for the year ended September 30, 2024. Operating income before depreciation expense was $966,666 for the year ended September 30, 2023.

- Operating expense, excluding depreciation, was $4,807,758 for the year ended September 30, 2025, as compared to $4,602,081 for the year ended September 30, 2024. Operating expense, excluding depreciation, was $4,638,852 for the year ended September 30, 2023.

- Capital contribution revenue was $1,796,853 for the year ended September 30, 2025, as compared to $3,625,949 for the year ended September 30, 2024. Capital contribution revenue was $2,005,785 for the year ended September 30, 2023.

- Capital contribution revenue was $3,327,829 less than depreciation expense for fiscal year 2025 and $1,526,391 for fiscal year 2024. Capital contribution revenue was $3,053,089 less than depreciation expense for fiscal year 2023.

Overview of the Basic Financial Statements

Statements of Net Position
This financial statement includes all of the Authority's assets, liabilities, and deferred inflows/outflows of resources. This information is developed and presented using the accrual basis of accounting. Accrual accounting is similar to that used in most private sector businesses wherein all current-year revenues and expenses are recorded without regard to when cash is received or paid. The difference between assets plus deferred outflows and liabilities plus deferred inflows results in net position which can be used to measure the Authority's financial position.

Statements of Revenue, Expenses, and Changes in Net Position
The second financial statement, which again uses an accrual accounting basis, reflects the increases and decreases in net position for the period. Over significant periods of time, this information (increases and decreases) can be useful in assessing the overall financial health of the Authority.

Statements of Cash Flows
The last financial statement reflects changes in the cash position of the Authority. Management continually monitors the status of cash-on-hand. The Authority's ability to minimize the need to borrow capital development funds continues to have significant, positive implications with regard to long-term cash flow and overall debt obligations.

Statements of Net Position

	2025	2024	2023
ASSETS			
Current assets	$ 7,222,594	$ 6,791,427	$ 6,307,400
Noncurrent assets	76,688,377	79,013,010	80,046,956
Total Assets	83,910,971	85,804,437	86,354,356
Deferred outflows of resources	164,799	154,378	303,195
LIABILITIES			
Current liabilities	919,841	214,627	439,319
Long-term liabilities	515,170	554,473	1,238,323
Total Liabilities	1,435,011	769,100	1,677,642
Deferred inflows of resources	1,162,557	1,551,305	1,258,559
NET POSITION			
Net investment in capital assets	75,613,726	78,144,259	78,991,886
Unrestricted	5,864,476	5,494,151	4,729,464
Total Net Position	$ 81,478,202	$ 83,638,410	$ 83,721,350

Statements of Revenue, Expenses, and Changes in Net Position

	2025	2024	2023
Revenues:			
Operating revenue	$ 5,751,819	$ 5,784,268	$ 5,605,518
Nonoperating revenue and capital contributions	2,020,413	3,887,213	2,257,169
Total Revenues	7,772,232	9,671,481	7,862,687
Expenses:			
Operating expenses	9,932,440	9,754,421	9,697,726
Change in net position	(2,160,208)	(82,940)	(1,835,039)
Net position, beginning of year	83,638,410	83,721,350	85,556,389
Net position, end of year	$ 81,478,202	$ 83,638,410	$ 83,721,350

Overall Financial Position and Results of Operations

The Authority started several large renovation projects during fiscal year 2019, which were ongoing throughout fiscal year 2025. In fiscal year 2025, additions to capital projects in process exceeded completions of capital projects. These projects are largely funded by capital grant proceeds. As portrayed in the financial statements, the Authority has total net position of $81,478,202, of which $5,864,476 is unrestricted as of September 30, 2025, as compared to $83,638,410 total net position, of which $5,494,151 was unrestricted, as of September 30, 2024.

The total net position decreased by $2,160,208 during fiscal year 2025, primarily due to a decrease in capital contributions and increases in salaries and fringe benefits. Total net position decreased $82,940 during fiscal year 2024, primarily due to increases in general and administrative expenses, and depreciation expense, which was partially offset by fuel sales, flowage fees, and surcharges. Lease revenue makes up most of operating revenues, which was $4,169,743 in fiscal year 2025, as compared to $4,134,821 in fiscal year 2024. Fuel sales, flowage fees, and surcharges decreased from the prior year by $157,124 as a result of decrease in the self fuel revenues. Operating expenses, excluding depreciation, were $4,807,758 in fiscal year 2025, as compared to $4,602,081 in 2024.

The total net position decreased by $82,940 during fiscal year 2024, primarily due to increases in general and administrative expenses, and depreciation expense, which was partially offset by fuel sales, flowage fees, and surcharges. Total net position decreased $1,835,039 during fiscal year 2023, primarily as a result of capital grant activity. Lease revenue makes up most of operating revenues, which was $4,134,821 in fiscal year 2024, as compared to $4,055,765 in fiscal year 2023. Fuel sales, flowage fees, and surcharges increased from the prior year by $112,605 as a result of increase in the cost of fuel. Operating expenses, excluding depreciation, were $4,602,081 in fiscal year 2024, as compared to $4,638,852 in 2023.

Capital Assets and Debt Administration

Capital Assets – Additions to the Authority's capital assets were less than the prior year due to the completion of projects in the prior year, as well as a large land purchase made in fiscal 2024. More details regarding the asset and depreciation position of the Authority is provided in Note 5 to the financial statements. The composition of capital assets as of June 30, is as follows:

	2025	2024	2023
Land	$ 21,890,990	$ 21,890,990	$ 19,375,641
Construction in progress	3,629,115	674,440	1,603,401
Furniture and equipment	4,907,113	4,811,487	4,811,487
Buildings	58,151,385	58,151,385	58,114,382
Airport improvements	73,942,673	73,942,674	71,282,927
Total capital assets	162,521,276	159,470,976	155,187,838
Less accumulated depreciation	86,441,808	81,317,128	76,164,787
Total capital assets, net	$ 76,079,468	$ 78,153,848	$ 79,023,051

Debt Administration – The Authority has no long-term debt. Pension and compensated absence liabilities are summarized in Note 6 to the financial statements.

Significant Economic Factors or Conditions

The Authority's operations consist primarily of lease revenue and the expenses necessary to operate and maintain the facilities. There were no commercial flight operations at the Authority during fiscal year 2025. From November 2021 through June 2022, Elite Airways offered commercial flights at the Authority. At the current time, no commercial activity is planned at the Authority. We are not currently aware of any other conditions that are expected to have a significant effect on the Authority's financial position or results of operations.

Contacting the Authority's Financial Management

This financial report is designed to provide a general overview of the Authority's finances. If you have any questions about this report or need additional information please contact the Finance Manager at 4796 U.S. 1 North, St. Augustine, Florida 32095.

FINANCIAL STATEMENTS

ST. JOHNS COUNTY AIRPORT AUTHORITY
STATEMENTS OF NET POSITION

SEPTEMBER 30, 2025 AND 2024

	2025	2024
ASSETS		
Current Assets:		
Cash	$ 955,000	$ 2,351,753
Investments	4,055,420	3,879,485
Lease receivable	88,393	164,743
Accounts receivable	41,120	22,559
Grants receivable	337,541	-
Environmental credit	1,467,000	146,700
Prepaid items	164,348	87,556
Fuel Inventory	113,772	138,631
Total Current Assets	7,222,594	6,791,427
Noncurrent Assets:		
Lease receivable	608,909	859,162
Capital Assets:		
Nondepreciable	25,520,105	22,565,430
Depreciable, net	50,559,363	55,588,418
Total Noncurrent Assets	76,688,377	79,013,010
Total Assets	83,910,971	85,804,437
Deferred Outflows of Resources:		
Deferred outflows - pension related	164,799	154,378
LIABILITIES		
Current Liabilities:		
Accounts payable	757,850	57,380
Accrued liabilities	77,751	57,725
Tenant deposits	27,356	77,273
Unearned revenue	38,579	14,644
Current portion of compensated absences	18,305	7,605
Total Current Liabilities	919,841	214,627
Long-Term Liabilities:		
Net pension liability	472,458	536,729
Compensated absences	42,712	17,744
Total Long-Term Liabilities	515,170	554,473
Total Liabilities	1,435,011	769,100
Deferred Inflows of Resources:		
Deferred inflows - lease related	697,302	1,023,905
Deferred inflows - pension related	465,255	527,400
Total Deferred Inflows of Resources	1,162,557	1,551,305
NET POSITION		
Net investment in capital assets	75,613,726	78,144,259
Unrestricted	5,864,476	5,494,151
Total Net Position	$ 81,478,202	$ 83,638,410

The accompanying notes to the financial statements are an integral part of these statements.

ST. JOHNS COUNTY AIRPORT AUTHORITY
STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION

YEARS ENDED SEPTEMBER 30, 2025 AND 2024

	2025	2024
Operating Revenue:		
Lease revenue	$ 4,169,743	$ 4,134,821
Fuel sales, flowage fees, and surcharges	1,169,955	1,327,079
Parking, rental cars, and concession fees	412,121	322,368
Total Operating Revenue	5,751,819	5,784,268
Operating Expenses:		
General and administrative	2,189,706	2,174,448
Salaries and fringe benefits	1,562,567	1,222,100
Cost of fuel sold	667,102	851,802
Maintenance and other	388,383	353,731
Total Operating Expenses, Excluding Depreciation	4,807,758	4,602,081
Operating Income Before Depreciation Expense	944,061	1,182,187
Depreciation expense	5,124,682	5,152,340
Operating Loss	(4,180,621)	(3,970,153)
Nonoperating Revenue:		
Investment gains	174,671	229,225
Interest income	2,330	2,432
Other nonoperating revenue	46,559	29,607
Total Nonoperating Revenue, Net	223,560	261,264
Loss Before Capital Contributions	(3,957,061)	(3,708,889)
Capital Contributions:		
Capital grants	1,796,853	3,625,949
Change in net position	(2,160,208)	(82,940)
Net position, beginning of year	83,638,410	83,721,350
Net position, end of year	$ 81,478,202	$ 83,638,410

The accompanying notes to the financial statements are an integral part of these statements.

ST. JOHNS COUNTY AIRPORT AUTHORITY
STATEMENTS OF CASH FLOWS

SEPTEMBER 30, 2025 AND 2024

	2025	2024
Cash flows from operating activities:		
Cash received from tenants	$ 4,125,200	$ 3,966,764
Cash received from fuel sales	1,169,955	1,327,079
Cash received from airport operations	412,121	322,368
Cash paid for fuel	(642,243)	(865,836)
Cash paid for personnel services	(1,656,619)	(1,318,666)
Cash paid for maintenance	(388,383)	(353,731)
Cash paid for administrative and other services	(2,009,272)	(2,233,514)
Net cash flows from operating activities	1,010,759	844,464
Cash flows from noncapital financing activities:		
Other nonoperating revenue	46,559	29,607
Cash flows from capital and related financing activities:		
Capital expenditures	(3,914,449)	(4,451,413)
Capital grants received	1,459,312	3,665,595
Net cash flows from capital and related financing activities	(2,455,137)	(785,818)
Cash flows from investing activities:		
Interest income received	2,330	2,432
Purchase of investments	(32,297)	(516,776)
Proceeds from sale of investments	31,033	515,322
Net cash flows from investing activities	1,066	978
Net change in cash	(1,396,753)	89,231
Cash, beginning of year	2,351,753	2,262,522
Cash, end of year	$ 955,000	$ 2,351,753
Reconciliation of operating loss to net cash flows from by operating activities:		
Operating loss	$ (4,180,621)	$ (3,970,153)
Depreciation	5,124,682	5,152,340
Changes in assets, deferred outflows, liabilities, and deferred inflows of resources:		
Other current assets	(70,494)	(55,316)
Lease receivable	326,603	162,996
Deferred outflows of resources	(10,421)	148,817
Accounts payable	244,317	(32,003)
Accrued liabilities	20,026	2,693
Net pension liability	(64,271)	(680,003)
Deferred inflows of resources	(388,748)	292,746
Compensated absences	35,668	(5,496)
Tenant deposits	(49,917)	(175,526)
Unearned revenue	23,935	3,369
Net cash flows from operating activities	$ 1,010,759	$ 844,464
Noncash capital and investing activities:		
Capital assets in accounts payable	$ 465,742	$ 9,589
Unrealized gain on investments	$ 174,671	$ 229,225

Note 1—Reporting entity

The St. Johns County Airport Authority (the "Authority") is an independent district which was created by Chapter 63-1853*,* laws of Florida, in June 1963 for the purpose of owning and operating airport facilities in St. Johns County, Florida. The Authority is governed by an independent body consisting of five members (the "Board"), all of which are elected by the citizens of St. Johns County, Florida.

Note 2—Summary of significant accounting policies

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Basis of Presentation – The transactions of the Authority are reported as an enterprise fund. Enterprise funds, a proprietary fund type, are used to account for activities in a manner similar to private-sector business enterprises. The Authority's operating revenues result from exchange transactions. Exchange transactions are those in which each party receives and gives up essentially equal value. Nonoperating revenues, such as grants and investment earnings, result from non-exchange transactions or ancillary activities.

Measurement Focus – The Authority uses the economic resources measurement focus.

Basis of Accounting – The financial statements have been prepared on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when liabilities are incurred, regardless of the timing of the related cash flows.

Cash – Cash consists of demand deposits.

Investments – The Authority invests temporarily idle resources pursuant to the provisions of Section 218.415, Florida statutes, which limits the investment choices to only certain identified investments as defined in that statute. As of September 30, 2025 and 2024, the Authority's investments consisted of amounts in the Florida Safe Investment Pool ("Florida SAFE") and in the local Government Surplus Funds Trust Fund ("Florida PRIME").

Capital Assets – Capital assets are stated at cost if purchased and at acquisition value if contributed. The Authority uses a capitalization threshold of $10,000 for all classes of capital assets. Upon sale or retirement of depreciable assets, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in nonoperating revenue (expense). Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which are summarized as follows:

Airport improvements	10-40 years
Buildings	5-50 years
Furniture and equipment	5-25 years

Lease Receivables – The Authority's lease receivables are measured at the present value of lease payments expected to be received during the lease term.

Allowance for Doubtful Accounts – The Authority did not have an allowance for doubtful accounts at September 30, 2025 or 2024.

Environmental Credit Purchase Options – The Authority entered into an option contract on May 17, 2024, which gives the Authority the right to purchase $1,467,000 in environmental credits needed for proposed development of Authority property. This option was exercised during the 2025 fiscal year.

Note 2—Summary of significant accounting policies (continued)

Fuel Inventory and Prepaid Items – Fuel inventory is stated on the first-in, first-out basis. Prepaid items consist principally of insurance prepayments.

Tenant Deposits – Tenant deposits represent deposits in advance of leasehold improvements to be provided by the tenant. To the extent deposits exceed amounts required for leasehold improvements, the excess will be credited against rent for the tenant beginning September 30, 2025.

Pensions – 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 and Health Insurance Subsidy Program, and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the 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.

Deferred Outflows/Inflows of Resources – A deferred outflow of resources is a consumption of net assets that are applicable to a future reporting period. A deferred inflow of resources is an acquisition of net assets that are applicable to a future reporting period. The Authority has deferred outflows of resources and deferred inflows of resources related to pensions, which are discussed in a subsequent note.

A deferred inflow of resources is recorded for the leases. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized into revenue on the straight-line bases.

Net Position – The Authority classifies its net position into the following three categories:

Net Investment in Capital Assets – This represents the Authority's total investment in capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

Restricted – The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported. The Authority did not report any restricted net position as of September 30, 2025 or 2024.

Unrestricted – The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the Authority's policy is to first apply the expense towards restricted resources and then towards unrestricted resources.

Risk Management – The Authority maintains insurance coverage on all types of insurable risks. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years.

Use of Estimates – The preparation of financial statements in conformity with U.S. GAAP requires management to make various estimates. Actual results could differ from those estimates.

Note 3—Cash deposits and investments

The Authority's deposits are held in financial institutions that qualify as public depositories and, accordingly, are entirely insured or collateralized under Chapter 280 of the Florida Statutes.

The Authority's investments consist of:

	2025	2024
Florida SAFE - Stable NAV Fund	$ 3,913,818	$ 3,742,780
Florida SAFE - Variable NAV Fund	84,000	80,368
Florida PRIME	57,602	56,337
	$ 4,055,420	$ 3,879,485

The Authority does not have a formal investment policy but adheres to the statutory investment policy provisions of Section 218.415, Florida Statutes, which specifies allowable investments and limits risk exposure. Investments held adhere to credit risk ratings and are diversified to the extent practicable to control the risk of loss resulting from overconcentration of assets in a specific maturity, issuer, instrument, dealer, or bank through which financial instruments are bought and sold.

Custodial Credit Risk – This is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority's cash deposits are held by banks that qualify as a public depository under the Florida Security for Community Deposits Act as required by Chapter 280, Florida Statutes. The Authority's cash deposits are fully insured by the Public Deposits Trust Fund.

Interest Rate Risk – Interest rate risk is the risk of changes in market interest rates adversely affecting the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The Authority does not have a policy that addresses its exposure to interest rate risk.

Credit Risk – Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. This risk is generally measured by the assignment of a rating by a nationally recognized statistical rating organization. The Authority does not have a policy that addresses its exposure to credit risk.

Concentration of Credit Risk – Concentration of credit risk is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Authority does not have a policy that addresses its exposure to concentration of credit risk.

Florida Surplus Asset Trust Fund (Florida SAFE)

Florida SAFE is organized pursuant to Florida Statute 163.01. Florida SAFE is overseen by a Board of Trustees comprised of Florida local government officials, who are themselves participants in Florida SAFE. Florida SAFE is uninsured and has two investment pools in which the Authority participates: a Stable NAV Fund and a Variable NAV Fund.

Note 3—Cash deposits and investments (continued)

The Stable NAV Fund is an external investment pool that seeks but does not guarantee to maintain a constant net asset value at $1 per share and meets all of the necessary criteria to elect to measure all of the investments at amortized cost. Therefore, the Authority's investment in Florida SAFE's Stable NAV Fund is reported at amortized cost. The Stable NAV Fund is rated by Standard & Poor's and has a rating of AAAm at September 30, 2025 and 2024. The weighted average maturity ("WAM") for Florida SAFE's Stable NAV Fund was 47 days at September 30, 2025, and 30.2 days at September 30, 2024. The weighted average life ("WAL") was 73 days at September 30, 2025, and 50.63 days at September 30, 2024.

The Variable NAV Fund is an external investment pool where the net asset value of the fund will fluctuate as the value of securities held by the fund fluctuates. Therefore, the Authority's investment in Florida SAFEs Variable NAV Fund is reported at net asset value per share. The Variable NAV Fund is rated by Standard & Poor's and had a rating of AAAf/S1 at September 30, 2025 and 2024. The Variable NAV Fund does not have an established WAM or WAL, but targets an average maturity of about one year.

The Stable NAV Fund has no redemption fees or maximum transaction amounts. The Variable NAV Fund requires a minimum participant investment balance of $250,000 but has no minimum transaction amount, so long as withdrawals do not cause the investment balance to fall below the minimum. All withdrawals from the Variable NAV Fund may only be made on the third Wednesday of each month upon at least two weeks advance written notice to the Trust. The Indenture of Trust for both Funds provides for limited situations in which a participant's access to 100% of the account value is restricted. The Trustees have the authority to resume participant access to the Fund when the situation causing the restriction has been resolved.

Investment in State Pool (Florida PRIME)

The Authority also invests surplus funds in the State Board of Administration's Local Government Surplus Funds Trust Fund. The Florida PRIME is administered by the Florida State Board of Administration ("SBA"), which provides regulatory oversight. The powers and duties of the SBA are defined in Florida Statute 218.409. In addition, Chapter 19-7 of the Florida Administrative Code identifies the rules and regulations governing the administration of the Florida PRIME. These rules provide guidance and establish the general operating procedures for the administration of the pool.

The Florida PRIME is an external investment pool that meets all the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Therefore, the Authority's investment in the Florida PRIME is reported at amortized cost. The fair value of the position in the pool is equal to the value of the pool shares. The Florida PRIME is rated by Standard & Poor's and had a rating of AAAm at September 30, 2025 and 2024. The WAM of the Florida PRIME was 38 days at September 30, 2025, and 39 days at September 30, 2024. The WAL for Florida PRIME was 69 days at September 30, 2025 and 74 days at September 30, 2024.

The Florida Prime does not impose redemption fees or maximum transaction amounts. Florida statutes do provide for situations in which a participant's access to 100% of the account value is limited. The maximum amount of time provided to limit access is 15 days.

Note 4—Lease receivable

A significant portion of the Authority's buildings and related land are leased to tenants under leases subject to Federal Aviation Administration regulations and other non-regulated leases. These leases are generally for a term of 10 years and allow the lessees to renew for varying periods. The leases generally provide for annual rent increases that are based on changes in the consumer price index.

Note 4—Lease receivable (continued)

The Authority recognized $103,998 and $171,005 of lease revenue and $4,710 and $7,911 of interest revenue related to non-regulated leases for the years ended September 30, 2025 and 2024, respectively. The amounts presented in the financial statements for lease receivables and lease related deferred inflows relate to non-regulated leases.

The principal and interest requirements to maturity for the non-regulated lease receivables at September 30, 2025 are as follows:

Year Ending September 30,	Principal	Interest	Total
2026	$ 88,393	$ 4,308	$ 92,701
2027	90,374	3,898	94,272
2028	66,761	3,482	70,243
2029	59,533	3,057	62,590
2030	60,633	2,625	63,258
2031-2035	188,708	8,479	197,187
2036-2040	142,900	1,916	144,816
	$ 697,302	$ 27,765	$ 725,067

Regulated Leases

The Authority has leasing agreements for aeronautical use of the Authority's airfield, terminal, and other facilities, as defined by the Federal Aviation Administration, which qualify to be treated as regulated, without recording corresponding lease receivables and deferred inflows of resources, in accordance with the requirements of U.S. GAAP. The Authority leases land and buildings to third parties under these agreements.

As of September 30, 2025, the remaining amount of expected future minimum payments receivable under regulated lease agreements are as follows:

Years Ending September 30,	Principal
2026	$ 2,799,499
2027	642,835
2028	511,687
2029	511,687
2030	371,666
2031-2035	1,581,015
2036-2040	418,559
2041-2045	164,591
2046-2050	27,797
	$ 7,029,336

These regulated leases for land and buildings provide respective tenants with exclusive use of the leased asset. The Authority recognized $4,065,745 and $3,963,816 of regulated lease revenue related to these leases for the years ended September 30, 2025 and 2024, respectively.

Note 5—Capital assets and depreciation

Capital asset activity for the year ended September 30, 2025 are as follows:

	Balance 2024	Increases	Decreases	Balance 2025
Capital assets not being depreciated:				
Land	$ 21,890,990	$ -	$ -	$ 21,890,990
Construction in progress	674,440	2,954,675	-	3,629,115
Total capital assets not being depreciated	22,565,430	2,954,675	-	25,520,105
Capital assets being depreciated:				
Furniture and equipment	4,811,487	95,626	-	4,907,113
Buildings	58,151,385	-	-	58,151,385
Airport improvements	73,942,673	-	-	73,942,673
Total capital assets being depreciated	136,905,545	95,626	-	137,001,171
Less accumulated depreciation for:				
Furniture and equipment	3,996,404	201,973	-	4,198,377
Buildings	30,442,007	1,531,231	-	31,973,238
Airport improvements	46,878,716	3,391,477	-	50,270,193
Total accumulated depreciation	81,317,127	5,124,681	-	86,441,808
Total capital assets being depreciated, net	55,588,418	(5,029,055)	-	50,559,363
Net capital assets	$ 78,153,848	$ (2,074,380)	$ -	$ 76,079,468

Capital asset activity for the year ended September 30, 2024 are as follows:

	Balance 2023	Increases	Decreases	Balance 2024
Capital assets not being depreciated:				
Land	$ 19,375,641	$ 2,515,349	$ -	$ 21,890,990
Construction in progress	1,603,401	2,143,954	3,072,915	674,440
Total capital assets not being depreciated	20,979,042	4,659,303	3,072,915	22,565,430
Capital assets being depreciated:				
Furniture and equipment	4,811,487	-	-	4,811,487
Buildings	58,114,382	37,003	-	58,151,385
Airport improvements	71,282,927	2,659,746	-	73,942,673
Total capital assets being depreciated	134,208,796	2,696,749	-	136,905,545
Less accumulated depreciation for:				
Furniture and equipment	3,699,363	297,041	-	3,996,404
Buildings	28,911,769	1,530,238	-	30,442,007
Airport improvements	43,553,655	3,325,061	-	46,878,716
Total accumulated depreciation	76,164,787	5,152,340	-	81,317,127
Total capital assets being depreciated, net	58,044,009	(2,455,591)	-	55,588,418
Net capital assets	$ 79,023,051	$ 2,203,712	$ 3,072,915	78,153,848

Note 6—Long-term liabilities

Long-term liabilities activity for the year ended September 30, 2025 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Net pension liability	$ 536,729	$ -	$ 64,271	$ 472,458	$ -
Compensated absences	25,349	35,668	-	61,017	18,305
Total long-term liabilities	$ 562,078	$ 35,668	$ 64,271	$ 533,475	$ 18,305

Long-term liabilities activity for the year ended September 30, 2024 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Net pension liability	$ 1,216,732	$ -	$ 680,003	$ 536,729	$ -
Compensated absences	30,845	46,558	52,054	25,349	7,605
Total long-term liabilities	$ 1,247,577	$ 46,558	$ 732,057	$ 562,078	$ 7,605

Note 7—State of Florida pension plans

Defined Benefit Plans

The Authority participates in two defined benefit pension plans that are administered by the state of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability, or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida legislature. The state of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

The Florida Retirement System ("FRS") Pension Plan is a cost-sharing, multiple-employer, defined benefit pension plan with a Deferred Retirement Option Program ("DROP") available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools, and metropolitan planning organizations is optional.

The Retiree Health Insurance Subsidy ("HIS") Program is a cost-sharing, multiple-employer, defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees and surviving beneficiaries of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree, under a state administered retirement system, must provide proof of eligible health insurance coverage, which can include Medicare.

Note 7—State of Florida pension plans (continued)

Benefits Provided

Benefits under the FRS pension 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 plan and/or class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by $7.50. The minimum payment is $45 and the maximum payment is $225 per month, pursuant to Section 112.363, Florida Statutes.

Contributions

The contribution requirements of plan members and the employer are established and may be amended by the Florida legislature. Employees are required to contribute 3.00% of their salary to the FRS pension Plan. The employer's contribution rates as of September 30 were as follows:

	2025		2024	
	FRS	HIS	FRS	HIS
Regular class	12.03%	2.00%	11.63%	2.00%
Special risk class	33.19%	2.00%	30.79%	2.00%
Senior management service class	31.24%	2.00%	32.52%	2.00%
City, county, special district elected officers	52.57%	2.00%	56.68%	2.00%
DROP	20.02%	2.00%	19.13%	2.00%

The employer's contributions for the year ended September 30, 2025 were $77,421 to the FRS pension plan and $17,741 to the HIS program. Contributions for the year ended September 30, 2024 were $36,038 to the FRS pension plan and $10,476 to the HIS program.

Pension Liabilities and Pension Expense

In the financial statements for the year ended September 30, 2025, the Authority reported a liability for its proportionate share of the net pension liability of the FRS pension plan and its proportionate share of the net pension liability of the HIS program. The net pension liabilities were measured as of June 30, 2025. The Authority's proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS
Net pension liability - 2025	$ 293,683	$ 178,775
Net pension liability - 2024	$ 323,376	$ 213,353
Proportion at:		
Current measurement date	0.000946290%	0.001394782%
Prior measurement date	0.000835926%	0.001422258%
Pension expense - 2025	$ (80,702)	$ 3,154
Pension expense - 2024	$ (21,339)	$ (7,589)

Note 7—State of Florida pension plans (continued)

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 31,368	$ -	$ 1,067	$ 283
Changes of assumptions	34,104	-	1,582	43,241
Net difference between projected and actual earnings on pension plan investments	-	49,033	-	149
Changes in proportion and differences between employer contributions and proportionate share of contributions	37,505	279,162	24,813	93,387
Employer contributions subsequent to the measurement date	27,439	-	6,921	-
	$ 130,416	$ 328,195	$ 34,383	$ 137,060

At September 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 32,670	$ -	$ 2,060	$ 410
Changes of assumptions	44,322	-	3,776	25,258
Net difference between projected and actual earnings on pension plan investments	-	21,493	-	77
Changes in proportion and differences between employer contributions and proportionate share of contributions	28,580	366,818	34,808	113,344
Employer contributions subsequent to the measurement date	6,516	-	1,646	-
	$ 112,088	$ 388,311	$ 42,290	$ 139,089

Note 7—State of Florida pension plans (continued)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year-end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2026. Other pension related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Years Ending September 30,	FRS	HIS
2026	$ (22,098)	$ (21,650)
2027	(86,680)	(25,717)
2028	(87,318)	(24,682)
2029	(29,122)	(26,255)
2030	-	(11,294)
	$ (225,218)	$ (109,598)

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2025 and determined by actuarial valuations dated July 1, 2025 for the FRS plan and July 1, 2024 for the HIS plan. The individual entry age normal actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary increase	3.50%	3.50%
Investment rate of return	6.70%	5.20%

Mortality assumptions for the FRS pension plan were based on PUB-2010 base tables varies by member category and sex, projected generationally with Scale MP-2021. Mortality assumptions for the HIS program were based on Generational PUB2010 with Projection Scale MP-2021.

For both plans, the actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023.

Note 7—State of Florida pension plans (continued)

The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. For the FRS Pension Plan, the table below summarizes the consulting actuary's assumptions based on the long-term target asset allocation:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return
Cash	1.0%	3.2%	3.2%
Fixed income	29.0%	5.5%	5.4%
Global equity	45.0%	8.5%	6.9%
Real estate	12.0%	8.4%	7.1%
Private equity	11.0%	12.4%	8.8%
Strategic investments	2.0%	6.5%	6.1%
	100%		

Discount Rate

The discount rate used to measure the total pension liability for the FRS pension plan was 6.70% for both July 1, 2025 and 2024 actuarial valuations. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS program is essentially funded on a pay-as-you-go basis, municipal bond rates of 5.20% and 3.93% were used the July 1, 2025 and 2024 actuarial valuations, respectively, to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

Note 7—State of Florida pension plans (continued)

Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer's proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate:

	FRS			HIS		
	1.00% Decrease (5.70%)	Current Discount Rate (6.70%)	1.00% Increase (7.70%)	1.00% Decrease (4.20%)	Current Discount Rate (5.20%)	1.00% Increase (6.20%)
Authority's proportionate share of the net pension liability at September 30, 2025	$ 576,348	$ 293,683	$ 56,700	$ 201,598	$ 178,775	$ 159,634

	1.00% Decrease (5.70%)	Current Discount Rate (6.70%)	1.00% Increase (7.70%)	1.00% Decrease (2.93%)	Current Discount Rate (3.93%)	1.00% Increase (4.93%)
Authority's proportionate share of the net pension liability at September 30, 2024	$ 568,806	$ 323,376	$ 117,775	$ 242,875	$ 213,353	$ 188,845

Pension Plans' Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the State's separately issued financial reports.

Defined Contribution Plan

Pursuant to Chapter 121, Florida Statutes, the Florida legislature created the Florida Retirement Investment Plan ("FRS Investment Plan"), a defined contribution pension plan qualified under Section 401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the Florida Retirement System in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class. Required employer contributions made to the plan were $10,007 and $30,864 for the years ended September 30, 2025 and 2024, respectively.

Note 8—Commitments

The following is a summary of the major construction contract commitments remaining at fiscal year-end.

Project	Contract Amount	Completed to Date	Balance Committed
Design New T-Hangars	$ 4,669,101	$ 2,914,273	$ 1,754,828
Hawkeye View Ln Realign	3,012,500	2,117,557	894,943
Taxiway F Extension	1,250,000	36,730	1,213,270
Self Service Fuel Farm Improvements	562,500	9,000	553,500
Access Rd US1 to Conference Center (Casa Cola)	1,156,250	192,611	963,639
Eastside Infrastructure	4,892,795	3,520	4,889,275
	$ 15,543,146	$ 5,273,691	$ 10,269,455

Note 9—Risk management

The Authority purchases commercial insurance to cover risk of loss for general liability, property and casualty, comprehensive crime, and flood and fire.

The Authority is exposed to various risks and losses related to alleged torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority manages the exposure to these risks through the purchase of commercial insurance.

In the past three years, there have been no claims that have exceeded the Authority's insurance coverage.

REQUIRED SUPPLEMENTARY INFORMATION

ST. JOHNS COUNTY AIRPORT AUTHORITY
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST 10 FISCAL YEARS

YEAR ENDED SEPTEMBER 30, 2025

Florida Retirement System	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Employer's proportion of the net pension liability	0.0021%	0.0021%	0.0020%	0.0019%	0.0020%	0.0023%	0.0023%	0.0022%	0.0008%	0.0009%
Employer's proportionate share of the net pension liability	$ 556,867	$611,344	$ 595,101	$ 658,923	$ 886,280	$ 173,483	$ 837,658	$ 871,254	$ 323,376	$ 293,683
Employer's covered payroll	$ 696,831	$ 631,369	$ 593,891	$ 519,011	$ 585,496	$ 688,638	$ 676,565	$ 672,227	$ 359,372	$ 466,976
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	79.91%	96.83%	100.20%	126.96%	25.19%	25.19%	123.81%	129.61%	89.98%	62.89%
Plan fiduciary net position as a percentage of the total pension liability	84.88%	83.89%	84.26%	82.61%	78.84%	96.40%	82.89%	82.38%	83.70%	87.26%

Health Insurance Subsidy Program	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Employer's proportion of the net pension liability	0.0023%	0.0020%	0.0018%	0.0017%	0.0017%	0.0019%	0.0019%	0.0022%	0.0014%	0.0014%
Employer's proportionate share of the net pension liability	$ 263,074	$211,794	$ 192,448	$ 189,753	$ 210,319	$ 238,605	$ 196,633	$ 345,478	$ 213,353	$ 178,775
Employer's covered payroll	$ 696,831	$ 631,369	$ 593,891	$ 519,011	$ 688,638	$ 688,638	$ 676,565	$ 672,227	$ 359,372	$ 466,976
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	37.75%	33.55%	32.40%	36.56%	34.65%	34.65%	29.06%	51.39%	59.37%	38.28%
Plan fiduciary net position as a percentage of the total pension liability	0.97%	1.64%	2.15%	2.63%	3.00%	3.56%	4.81%	4.12%	4.80%	6.36%

ST. JOHNS COUNTY AIRPORT AUTHORITY
SCHEDULE OF EMPLOYER CONTRIBUTIONS
LAST 10 FISCAL YEARS

YEAR ENDED SEPTEMBER 30, 2025

Florida Retirement System	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Contractually retired contribution	$ 55,584	$ 52,846	$ 56,681	$ 61,027	$ 73,768	$ 86,800	$ 97,358	$ 99,401	$ 36,038	$ 77,421
Contributions in relation to the contractually required contribution	55,584	52,846	56,681	61,027	73,768	86,800	97,358	99,401	36,038	77,421
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$691,528	$615,500	$ 580,058	$ 506,497	$ 618,277	$ 673,800	$ 680,144	$ 618,120	$296,411	$692,805
Contributions as a percentage of covered payroll	8.04%	8.59%	9.77%	12.05%	11.93%	12.88%	14.31%	16.08%	12.16%	11.18%

Health Insurance Subsidy Program	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Contractually retired contribution	$ 11,482	$ 10,220	$ 9,585	$ 9,549	$ 10,265	$ 11,188	$ 11,292	$ 14,813	$ 10,476	$ 17,741
Contributions in relation to the contractually required contribution	11,482	10,220	9,585	9,549	10,265	11,188	11,292	14,813	10,476	17,741
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$691,528	$615,500	$ 580,058	$ 506,497	$ 618,277	$ 673,800	$ 680,144	$ 618,120	$296,411	$692,805
Contributions as a percentage of covered payroll	1.66%	1.66%	1.65%	1.89%	1.66%	1.66%	1.66%	2.40%	3.53%	2.56%

COMPLIANCE AND SINGLE AUDIT

Cherry Bekaert LLP
Your Guide Forward

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

To the Board of Directors
St. Johns County Airport Authority
St. Augustine, 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 St. Johns County Airport Authority (the "Authority"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated June 26, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Cherry Bekaert LLP

Orlando, Florida
June 26, 2026

Report of Independent Auditor on Compliance for the Major State Financial Assistance Project and on Internal Control over Compliance Required by Chapter 10.550, Rules of the Auditor General

To the Board of Directors
St. Johns County Airport Authority
St. Augustine, Florida

Report on Compliance for the Major State Financial Assistance Project

Opinion on the Major State Financial Assistance Project

We have audited the St. Johns County Airport Authority's (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the State of Florida Department of Financial Services' State Projects Compliance Supplement, that could have a direct and material effect on the Authority's major state financial assistance project for the year ended September 30, 2025. The Authority's major state financial assistance project is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on the State Financial Assistance Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Chapter 10.550, Rules of the Auditor General ("Chapter 10.550"). Our responsibilities under those standards and Chapter 10.550 are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major state financial assistance project. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibility 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 state financial assistance project.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Chapter 10.550 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of the major state financial assistance project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Chapter 10.550, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

Cherry Bekaert LLP

Orlando, Florida
June 26, 2026

ST. JOHNS COUNTY AIRPORT AUTHORITY
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

YEAR ENDED SEPTEMBER 30, 2025

State Agency, State Project, Project Name	Catalog of State Financial Assistance Number	Contract Number	Expenditures*
State Financial Assistance			
Florida Department of Transportation:			
Aviation Grant Program:			
Design New T-Hangars	55.004	G2F06	$ 798,875
Self Serve Fuel Farm	55.004	G2T25	7,200
Taxiway F Extention	55.004	G3A71	2,938
Access Road US 1 to Conference Center	55.004	G3A74	66,384
Eastside Infrastructure - Jobs Growth Grant	55.004	G0143	3,520
Total Expenditures of State Financial Assistance			$ 878,917

* The Authority did not provide awards to subrecipients.

Note 1—Basis of presentation

Reporting Entity – The accompanying Schedule of Expenditures of State Financial Assistance (the “Schedule”) includes the state award activity of the St. Johns County Airport Authority (the “Authority”) for the year ended September 30, 2025 in accordance with Chapter 10.550, *Rules of the Auditor General*. Since the Schedule presents only a select portion of the operations of the Authority, it is not intended to, and does not, present the financial position, changes in net position, or cash flows of the Authority.

Note 2—Summary of significant accounting policies

Expenditures reported in the Schedule are reported on the accrual basis of accounting.

Note 3—Indirect cost rate

The Authority has not elected to use the 15% de minimis indirect cost rate allowed under the Uniform Guidance.

Part I – Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued on whether the financial statements were prepared in accordance with generally accepted accounting principles	Unmodified			
Internal control over financial reporting:				
Material weakness(es) identified?		yes	x	no
Significant deficiency(ies) identified?		yes	x	none reported
Noncompliance material to financial statements noted?		yes	x	no

State Projects Section

Internal control over major projects:				
Material weakness(es) identified?		yes	x	no
Significant deficiency(ies) identified?		yes	x	none reported
Type of auditor's report on compliance for the major state project:	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550?		yes	x	no

Identification of the major state project:

State Projects:

Name of Project	Assistance Listing Number
Florida Department of Transportation Aviation Grant Program	55.004

Dollar threshold used to determine Type A programs:	
State	$ 300,000

Part II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements that are required to be reported in accordance with *Government Auditing Standards.*

There were no findings required to be reported in

Part III – State Financial Assistance Projects Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of major state projects, as required to be reported by Chapter 10.550.

Summary of Prior Audit Findings:

2024-001 Equipment and real property management

Condition: Our testing of the expenditures of Airport Improvement Program funds identified $192,000 of equipment purchased as part of the rehabilitation of the air traffic control tower. This equipment was recorded in the St. Johns Counthy Airport Authority's property records. However, the property records did not contain the required data elements for equipment purchased with federal funds.

Status - This conditions was not observed in the current year.

2024-002 Internal Control Over Financial Reporting

Condition: During the course of our audit, we noted that evidence of management's review and approval of the grant progress reports were not maintained. No errors on the progress reports were noted, however, the St. Johns County Airport Authority's policy did not require the executive director's review and approval to be documented.

Status - This conditions was not observed in the current year.

OTHER REPORTS

Independent Auditor's Management Letter

To the Board of Directors
St. Johns County Airport Authority
St. Augustine, Florida

Report on the Financial Statements

We have audited the financial statements of the St. Johns County Airport Authority (the "Authority") as of and for the fiscal years ended September 30, 2025 and 2024, and have issued our report thereon dated June 26, 2026.

Auditors' Responsibility

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards;* Independent Auditor's Report of on Compliance for the Major State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with 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 June 26, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. Corrective actions have been taken to address findings and 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. Such information is disclosed Note 1 to the financial statements.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply 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 met. In connection with our audit, we determined the Authority did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Authority. It is management's responsibility to monitor the Authority's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same. Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Property Assessed Clean Energy ("PACE") Programs

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

As required by Section 10.554(1)(i)6.b., Rules of the Auditor General, if a PACE program was operating within the geographical areas of the Authority, a list of all program administrators and third party administrators that administered the program. As noted above, the Authority did not operate a PACE program within its geographical area.

As required by Section 10.554(1)(i)6.c., Rules of the Auditor General, if a PACE program was operating within the geographical areas of the Authority, the full names and contact information of each such program administrator and third party administrator. As noted above, the Authority did not operate a PACE program within its geographical area.

Specific Information

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

a. The total number of Authority employees compensated in the last pay period of the Authority's fiscal year was 16.

b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Authority's fiscal year was zero.

c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $1,226,664.

d. All compensation earned or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as zero.

e. Each construction project with a total cost of at least $65,000 approved by the Authority that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as described below:

Project	Approved Amount	Completed to Date
Taxiway F Extension	$1,250,000	$36,730
Self Serve Fuel Farm Improvements	$562,500	$9,000
Access Rd US1 to Conference Center	$1,156,250	$192,611
Eastside Infrastructure	$4,892,795	$3,520

f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Authority amends a final adopted budget under Section 159.016(6), Florida Statutes, as zero. There were no budget amendments during the fiscal year.

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 fraud, waste, or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

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

Cherry Bekaert LLP

Orlando, Florida
June 26, 2026

Cherry Bekaert LLP
Your Guide Forward

Report of Independent Accountant on Compliance with Local Government Investment Policies

To the Board of Directors
St. Johns County Airport Authority
St. Augustine, Florida

We have examined the St. Johns County Airport Authority's (the "Authority") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes (the "specified requirements"), during the year ended September 30, 2025. Management is responsible for the Authority's compliance with the specified requirements. Our responsibility is to express an opinion on the Authority's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Authority complied, in all material respects, with the specified 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 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 legal determination on the Authority's compliance with specified requirements.

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

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

Cherry Bekaert LLP

Orlando, Florida
June 26, 2026