CITY OF NAPLES AIRPORT AUTHORITY (NAA)
Board of Commissioners
Notice of Regular Meeting

Naples
AIRPORT AUTHORITY
Celebrating 50 YEARS | 1969-2019

FINAL AGENDA
City Hall Council Chambers
735 Eighth Street South
Naples, FL 34102

Thursday, October 17, 2019
8:30 a.m.

Commissioner Donna M. Messer – Chair and NCC Liaison
Commissioner Michael Lenhard – Vice Chair and Consultant Selection Committee Chair
Commissioner James Rideoutte – Audit Committee Chair, Consultant Selection Committee Member
Commissioner Ted Brousseau – Legal Liaison
Commissioner Kerry C. Dustin, Audit Committee Member
Executive Director: Christopher A. Rozansky
Authority Attorney: William L. Owens, Esq. of Bond, Schoeneck & King, PLLC

Welcome. If you wish to address the Board of Commissioners regarding an item listed on the Agenda, please complete a Speaker Registration form (available at the rear of the room) and hand it to the Executive Assistant prior to consideration of that item. We ask that speakers limit comments to 5 minutes and that large groups name a spokesperson whenever possible. All written, audio-visual, and other materials distributed to the Board or staff during this meeting will become the property of NAA and will be a public record. Thank you for your interest and participation.

NOTICE

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Any person who decides to appeal a decision of this Board with respect to any matter considered at this meeting (or hearing) will need a record of the proceeding and may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be heard.

Any person with a disability requiring auxiliary aids or services in order to participate in this proceeding for meetings at the City Council Chamber may call the City Clerk’s Office at 213-1015, or for meetings at the Airport Office Building, the NAA Executive Assistant’s Office at 643-0733, with requests at least two business days before the meeting.

Information on Action Items and other items which has been provided in advance of this meeting may be inspected at the office of the Executive Assistant, General Aviation Terminal Building, 2nd Floor, 160 Aviation Drive North. Minutes of this meeting will be prepared for Board approval, usually at the next Regular Meeting.
Notice of Regular Board Meeting – Final Agenda
October 17, 2019
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A. ROLL CALL

B. PLEDGE OF ALLEGIANCE

C. AGENDA (Add, delete or re-sequence items)

D. MINUTES
   1. September 19, 2019 Regular Meeting

E. PRESENTATIONS AND TIME CERTAIN ITEMS
   1. EAA Presentation

F. PUBLIC COMMENTS ON GENERAL TOPICS NOT ON THE CURRENT AGENDA

G. ACTION ITEMS (Public comments accepted for each item; 5 minute limit)
   1. Task Order with Environmental Science Associates for Part 150 Noise Study – Phase I in an Amount Not to Exceed $700,758
   2. Resolution 2019-4, adopting an investment policy; authorizing certain investments; and providing an effective date

H. NEW BUSINESS

I. OLD BUSINESS
   1. Noise Compatibility Committee Update

J. LEADERSHIP TEAM REPORT
   1. Leadership Team Report

K. FINANCIAL REPORTS
   1. Financial Summary
L. COUNSEL’S REPORT
   1. Counsel’s Report
M. PUBLIC COMMENTS (5 minute limit)
N. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS
O. ADJOURN
Corrected Minutes
September 19, 2019
Regular Meeting

A. ROLL CALL

Meeting was called to order by Chair Messer at 8:30 a.m. in the Council Chambers at City Hall.

Also present were Vice Chair Lenhard, Commissioner Brousseau, Commissioner Dustin and Commissioner Rideoutte.

Staff and Authority Counsel present were Mr. Rozansky, Mr. Owens, Ms. Terrill, Mr. Frost, Mr. Keith, Mr. Warriner, Mr. Jefferson, Ms. LeDuc and Ms. Menard.

B. PLEDGE OF ALLEGIANCE

Chair Messer led the Pledge of Allegiance.

C. AGENDA

There were no changes to the agenda.

D. MINUTES

1. August 15, 2019 Regular Meeting

Chair Messer noted a typographical error in the first sentence under Item 7 on page 5. She said that there was an extra “that” in the sentence and the word should be removed.

Commissioner Rideoutte moved approval of the August 15, 2019, Regular Meeting minutes as corrected by Chair Messer. Commissioner Dustin seconded. Motion passed unanimously 5-0.

E. PRESENTATIONS AND TIME CERTAIN ITEMS

F. PUBLIC COMMENTS

Mr. Ken Boynton, 8284 Laurel Lakes Boulevard, Naples, expressed concern with the proposed increases on tenant leases. He added that it will be difficult to see these folks sell their planes due to the rising rates and requested the Board to think carefully about this decision.

Mr. Carlos F. Claudio, 5483 Rattlesnake Hammock, B-101, Naples, expressed concern with the proposed rental increases. He stated that general aviation is getting more and more expensive for working class people and harder for themselves and future generations to enjoy.

Mr. David A. MacGregor, Jr., 640 21st Street Southwest, Naples, objected to the pending rent increases. He said his biggest contention was the 14% increase all at once and was uncertain how the appraisal firm arrived at that amount. He said that he is retired, living on a fixed income and a 14% increase would hurt anyone’s wallet.

Mr. M. Richard Mellon, 116 Edgemere Way South, Naples, representing the Naples Pelican Bay Rotary Club, a civic and charitable organization, provided a brief summary of the Club’s mission to help people in Collier County. In preparation for next year’s event, he requested the Board’s consideration to hold
their “Autoberfest” fundraiser at the airport in October, 2020 on the grassy area and concrete parking area at the Commercial Air Terminal.

Mr. Bruce Buchanon, 852 Belville, Naples, expressed concern regarding the proposed 10% rent increase on his hangar rental this year and potentially a 10% increase for each of the next three years. He commented on the Authority’s cash reserves that have been earned over a period of time without substantial rent increases occurring and cited several high-end airport projects underway that do not benefit the small general aviation user. Mr. Buchanon stated that he will need to re-evaluate whether he can continue to own an aircraft because he is on a fixed income. He added that he has had a leaky hangar for 12 years. Mr. Buchanon requested Board reconsideration of the rent increases and where expenses are directed.

In response to the public comments, there was lengthy Board and staff discussion regarding the Authority’s obligation to charge fair market value rates as recommended by Slack, Johnston & Magenheimer, the consultants who conducted the analysis to determine whether the rents currently charged for t-hangars, shade hangars and storage units were reasonable.

Chair Messer addressed the comments regarding the Authority’s cash reserves and explained that the airport is a capital intense business and funds can dwindle very quickly. She added that in the past federal and state governments provided much more grant funding than what they are able to do this year and in the future. She encouraged the audience to stay for the FY 2020 budget presentation for a better understanding of the financial challenges.

Mr. Rozansky said he spoke directly to everyone who made public comments with the exception of Mr. Boynton. Mr. Rozansky disagreed with some of the comments and added that general aviation is not dying in Naples. He said that the wait list consists of nearly 90 customers and noted that half of the aircraft on the t-hangar wait list includes owners of high performance aircraft. He explained that there is a fundamental real estate issue of supply and demand and that rents were determined to be far below the market. He echoed Chair Messer’s comments regarding the cash reserves and stated that over the next 5-10 years, a substantial amount of capital will be required. He said this is about the highest and best use of the available real estate for the public’s benefit. Mr. Rozansky stated that over the past 10 years, rent increases totaled cumulatively 11%, with no increases in four of those years. He said that does not compare in any way to what is happening in the broader real estate market where real estate values in Southwest Florida and Naples have increased 40-50% in that time. Mr. Rozansky commented that the improvements at the airport do benefit the general aviation community. He noted that t-hangar door replacements were being upgraded to provide the highest and most current wind load requirements for protection against hurricanes at a cost of about $25,000 per door. In FY 2020 he said that a t-hangar apron rehabilitation project is planned, without any available grant funds, at an estimated cost of $2-3 million. He noted several other airport improvements that will take place including the Air Traffic Control Tower and Aircraft Rescue Fire Fighting projects as well as the plan to construct new t-hangars to help meet the demand. Mr. Rozansky said that should there be a change in the economy, staff would review the schedule of increases and make a business decision about whether or not those continued increases are appropriate.

Commissioner Dustin requested information on the t-hangar tenants’ utilization of aviation services. Mr. Rozansky reported that 15% of the current t-hangar tenants have bought no fuel and have had no flight activity in the past nine months.
Commissioner Broussard expressed his dissatisfaction that none of the Southwest Florida airports were used as a comparable for the appraisal and stated that he supported 99% of the public comments today. There was discussion regarding the appraisal process in comparing airports based on similar-sized communities, operations and socioeconomic characteristics. Mr. Rozansky added that Marco Island Executive Airport rents were 20% higher than the Naples Airport.

Commissioner Dustin expressed his concern regarding the 15% of tenants who are using the airport as storage and requested that attention be given to the matter.

Regarding the public comment concerning the leaky hangar, Commissioner Dustin asked if the Authority is responsible for fixing it. Mr. Rozansky stated that when work orders are received, staff does respond to them, and he agreed with Commissioner Dustin that this is something a tenant shouldn’t have to deal with.

Chair Messer thanked everyone for bringing their concerns forward and said that it was important to hear from our customers. She said that change is difficult, but the Board wouldn’t be doing their jobs if they weren’t paying attention to the fact that the market is changing. She said that the Board has an obligation to run this business in a manner that is financially prudent and to prepare for the future.

G. **ACTION ITEMS (Public comments accepted for each item; 5-minute limit)**

1. **Resolution 2019-3, Adoption of Fiscal Year 2020 Operating and Capital Budget**

Mr. Warriner requested Board authorization for the Chair to execute Resolution 2019-3, adopting the FY 2020 Operating and Capital Budget. He stated that the Draft Budget was originally presented in June, an update was provided in August, a presentation was made to the Naples City Council in early September and that the Final Draft was being presented today. He reviewed changes from the August Draft, presented the final budget.

A question and answer period followed.

Commissioner Rideoutte moved Board approval of Resolution 2019-3, adopting the FY 2020 Operating and Capital Budget. Commissioner Dustin seconded. The motion passed unanimously 5-0.

2. **Renew Certain Insurance Policies in an Amount Not to Exceed $121,000**

Mr. Warriner requested Board authorization for the Executive Director to bind certain insurance policies in an amount not to exceed $121,000.

Mr. Warriner stated the policies were competitively bid out to the insurance marketplace by our broker, Public Risk Insurance Agency. He noted a 16 percent or $16,296 increase in premiums, mostly due to an increase in insured equipment and property values.

Vice Chair Lenhard moved Board approval for the Executive Director to bind certain insurance policies for coverages listed above as presented by Mr. Warriner. Commissioner Dustin seconded. Motion passed unanimously 5-0.
3. Professional Services Agreement with Crawford Landscaping for Annual Horticultural Services in the Amount Not to Exceed $105,105

Mr. Keith requested Board authorization for the Executive Director to execute a Professional Services Agreement with Crawford Landscaping for annual horticultural services in areas outside the secure area of the airport in an amount not to exceed $105,105. Mr. Keith provided a brief summary of the Request for Proposal process that began on August 11th. He said that two bids were received. Crawford Landscaping, the lowest bidder, at $105,105 and Big Tree at $159,270. Mr. Keith said that by hiring an outside firm, it will alleviate some of the difficulties experienced in hiring full time landscapers and the contract would be offset by a reduction of two vacant landscape positions. Mr. Keith stated that this Agreement is an annual, one-year contract with three possible renewal periods. He added that there is an allowance for potential increases based on the Consumer Price Index (CPI) at each renewal period.

Commissioner Dustin moved approval for the Executive Director to execute a Professional Services Agreement with Crawford Landscaping for annual horticultural services as presented by Mr. Keith in an amount not to exceed $105,105. Vice Chair Lenhard seconded. Motion passed unanimously 5-0.

4. Assignment, Assumption and Amendment of Leasehold Agreement between Eller Aviation, LLC, Northern Jet Management, Inc. and the Authority

Ms. LeDuc stated that Eller Aviation, LLC is the current leaseholder of a 30-year land lease in the South Quadrant of the airport and the lease holder has entered into an agreement to sell their leasehold interest to Northern Jet Management. In anticipation of that purchase, Northern Jet Management submitted a request to the Authority to assume and amend the Eller Aviation lease to permit them to conduct charter operations on the leased premises. Ms. LeDuc said that staff sent a letter to the neighboring tenants on July 16th to advise them of the proposed change and solicited comments for consideration by the Authority. She reported that no comments were received. Ms. LeDuc requested Board authorization for the Executive Director to execute an Assignment, Assumption and Amendment of City of Naples Airport Authority Leasehold Agreement between Eller Aviation, LLC, Northern Jet Management, Inc. and the Authority. She noted that the Amendment was updated to include lease language as provided for in our current standard agreement.

A question and answer period followed.

Commissioner Dustin moved approval for the Executive Director to execute the Assignment, Assumption and Amendment of Leasehold Agreement between Eller Aviation, LLC, Northern Jet Management, Inc., and the Authority as presented by Ms. LeDuc. Commissioner Rideoutte seconded. Motion passed unanimously 5-0.

5. Grant Agreement with the Federal Aviation Administration to Conduct a Noise Study Update in Amount of $300,000

Following the Board’s approval in June for staff to submit a grant application to the Federal Aviation Administration (FAA) to conduct a Noise Study Update, Mr. Rozansky reported that the FAA notified us during the Board’s summer break that we received a grant award in the amount of $300,000 for FY 2019 and FY 2020 to conduct this Study. He added that organizing an emergency meeting to approve the Grant Agreement was not possible since three out of the five Board members were out of town. Mr. Rozansky said that he executed the grant in accordance with the Delegation of Powers and was
requesting Board ratification of his action so that the Noise Study Update can commence beginning in calendar year, 2020.

Mr. Rozansky noted that he expected the FAA to provide an additional $300,000 for FY 2021 and FY 2022.

Commissioner Rideoutte moved Board ratification of the Executive Director’s execution of a Grant Agreement with FAA for AIP Project No. 3-12-0053-037-2019 in an amount of $300,000 to conduct a Part 150 Noise Compatibility Study. Vice Chair Lenhard seconded. Motion passed unanimously 5-0.

6. Interlocal Agreement Between Collier County and City of Naples Airport Authority - Airport Hazard and Incompatible Land Use Zoning

Mr. Rozansky provided an overview of the Interlocal Agreement between Collier County and the Authority. He said the Agreement was dictated by a change in Florida Statutes about 3½ years ago where municipalities were required to update their zoning ordinances for compatible land use around the airport. He reported that staff and Authority legal counsel worked closely with Collier County and are satisfied with the Agreement and the process laid out in the Agreement. Mr. Rozansky said that this Agreement will ensure that we will receive adequate notice and a period to comment on any proposals for potential obstructions in the approaches to the runways of the airport.

Mr. Rozansky requested Board approval for the Chair to execute the Interlocal Agreement before County staff brings the Agreement to the Board of County Commissioners in October.

A question and answer period followed.

Vice Chair Lenhard moved approval for the Chair to execute an Interlocal Agreement between Collier County and City of Naples Airport Authority – Airport Hazard and Incompatible Land Use Zoning. Commissioner Rideoutte seconded. The motion passed unanimously 5-0.

H. NEW BUSINESS

1. Investment Policy

Mr. Warriner stated that staff, Authority legal counsel and Mr. John Grady, outside investment advisor and Managing Director of Public Trust Advisors, have been working to create an Investment Policy for the Authority in accordance with Florida Statutes. He said that while we currently earn 2.5% interest on cash reserves in bank money market accounts, the Authority would like to have the future ability to diversify and invest in different areas. He said that the team reviewed the City of Naples policy which was developed about two years ago and the Florida statutes on investment policies to draft a policy that would fit the Authority’s needs.

Chair Messer congratulated staff for preparing this comprehensive document.

Commissioner Dustin commented that parts of the policy are too broad and it permits investments in corporate notes, which he was not comfortable with. He said that the policy needs to be studied further and pared back because it gives too much authority to the management team and to the investment advisor to make investments that may not be prudent.
In response to Commissioner Dustin’s concerns, Mr. Owens clarified that it was the Board’s decision and fiduciary responsibility to determine what types or classes of investments should be included in the menu of investment options. He added that staff was looking for comments and consensus today to move forward with some type of policy and was not asking the Board to vote on it today.

Mr. Rozansky suggested that the Board could have a discussion here today, set up a Workshop Meeting to review the policy or defer the review to the Audit Committee.

Vice Chair Lenhard suggested that in Section IX, Item (f), the words, “in good standing”, be added after “Member of the Financial Industry Regulatory Authority, Inc. (FINRA).”

After discussion, there was consensus for staff to move forward with reviewing and revising the draft Investment Policy to be more restrictive. Mr. Rozansky added that staff would schedule an internal meeting and request individual Board feedback beforehand.

Mr. Owens provided the statutory reference, Section 218.415, Subsection 16, that lists authorized investments under the Statutes as well as the section that authorizes the Board of Commissioners as a governing authority of the Naples Airport Authority to offer and authorize additional types of investments. He said the policy does provide additional investments beyond what the statute specifies and that the Board may choose investments within the statute, limit the specific options or expand the options. He said that staff would like each Board member to provide feedback individually.

I. OLD BUSINESS

1. Noise Compatibility Committee (NCC) Update

Chair Messer announced that the next Regular Meeting of the NCC is scheduled for Thursday, October 31st, at City Chambers, at 8:30 a.m., and that a Joint Workshop Meeting with the Authority Board and NCC would be held immediately following the NCC Meeting to discuss the Master Plan Update. She encouraged the public to attend.

J. LEADERSHIP TEAM REPORT

1. Leadership Team Report

As noted in the last paragraph on page 4, Eagle Scout prospect, Joshua Lewis, completed the repairs to the Observation Deck exercise area. Chair Messer congratulated him for a job well done.

Regarding the online surplus equipment auction held on August 27th, as noted in the second to the last paragraph on page 4, Commissioner Dustin asked how much money was raised from the event. Mr. Rozansky stated that $17,000 was raised.

Regarding the Fuel Farm Expansion topic referenced on page 4, Mr. Rideoutte asked if the two 40,000 gallon Jet A fuel tanks were received. Mr. Rozansky said that they were.

Chair Messer requested an explanation for increased curfew operations as reported in the noise report for last month. Mr. Rozansky stated that staff noticed an uptick in curfew operations and tracked down
one flight school on the East Coast of Florida that was contributing a significant amount of activity during the nighttime curfew. After exchanging several calls with them about our concern, he reported that the school found that Naples was listed as a destination for student, cross-country flights at night. Mr. Frost was recently notified that the school has removed Naples from their list of nighttime cross-country flights and that we expect to see a reduction in curfew operations going forward. Chair Messer expressed her thanks to Mr. Frost for investigating this and effecting that change. She said that we are a good neighbor and want to continue to be a good neighbor.

In response to Commissioner Rideoutte’s concern regarding the increased turnover rate over the last four years, as reported in the Human Resources Metrics Report, Mr. Rozansky stated that some of it is attributed to his coming on board initially and making some changes, other folks have chosen to retire, and more recently the trend is specific to the economy.

Commissioner Dustin made a comment regarding August flight operations being down 10%. Mr. Rozansky stated that the reduction is in flight training. He explained that jet operations fly IFR (Instrument Flight Rules) and those operations are up 6.3%. He said VFR (Visual Flight Rules) operations are down and are an indicator of flight training activity.

K. **FINANCIAL REPORTS**

   1. **Financial Summary**

   Mr. Warriner provided a review of the financials and reported favorably on actuals against budget for the month of August and for the fiscal year to date.

   Commissioner Dustin and Vice Chair Lenhard commented on the miscellaneous expense of $24,000 in the August period. Mr. Warriner said that it was attributed to bad debts that have accumulated over an extended period of time, and one of the accounts has a balance of $7,000. Commissioner Dustin suggested that more detail be provided as to why we are not collecting it. Mr. Rozansky stated that more detail can be provided. For clarification, he added that in accordance with the Delegation of Powers, the Executive Director must report any uncollectible account receivable in an amount in excess of $10,000 to the Board for consideration. To date, no individual account has exceed that threshold.

   Commissioner Dustin moved acceptance of the August Financial Summary. Vice Chair Lenhard seconded. Motion passed unanimously 5-0.

L. **COUNSEL’S REPORT**

   1. **Counsel’s Report**

   Mr. Owens reported that there were no pending legal matters or material issues to discuss.

   **PUBLIC COMMENTS (5-minute limit)**

   There were no public comments.
M. **CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS**

N. **ADJOURN**

With no further business, the meeting adjourned at 10:11 a.m.

[Signature]
Christopher A. Rozansky
Secretary

**NOTE:** Printed copies of all visual presentations and handouts are on file in the Executive Assistant’s Office.
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Board of Commissioners
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   2. Renew Certain Insurance Policies in an Amount Not to Exceed $121,000
   3. Professional Services Agreement with Crawford Landscaping for Annual Horticultural Services in the Amount Not to Exceed $105,105
   4. Assignment, Assumption and Amendment of Leasehold Agreement between Eller Aviation, LLC, Northern Jet Management, Inc. and the Authority
   5. Grant Agreement with the Federal Aviation Administration to Conduct a Noise Study Update in Amount of $300,000
   6. Interlocal Agreement Between the Collier County and City of Naples Airport Authority – Airport Hazard and Incompatible Land Use Zoning

H. NEW BUSINESS
   1. Investment Policy

I. OLD BUSINESS
   1. Noise Compatibility Committee Update

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   1. Leadership Team Report
K. FINANCIAL REPORTS
   1. Financial Summary
L. COUNSEL’S REPORT
   1. Counsel’s Report
M. PUBLIC COMMENTS (5 minute limit)
N. CORRESPONDENCE/COMMISSIONER COMMENTS & REQUESTS/MEETINGS
O. ADJOURN
To: Honorable Chair and Commissioners  
From: Christopher A. Rozansky, Executive Director  
By: Diane Terrill, Deputy Executive Director  
Meeting Date: October 17, 2019  
Re: ACTION ITEM

1. Task Order with Environmental Science Associates for Part 150 Noise Study – Phase I in an Amount Not to Exceed $700,758

**SUMMARY:** Authorize the Executive Director to execute a Task Order with Environmental Science Associates (ESA) for Phase I of the Part 150 Noise and Land Compatibility Study in an amount not to exceed $700,758, conditional upon receipt and acceptance of a Public Transportation Grant Agreement (PTGA) from FDOT.

**BACKGROUND:** The NAA entered into a Professional Services Agreement with ESA on March 21, 2019 for Noise Consulting Services, including conducting the Part 150 Noise and Land Compatibility Study. The scope, fee and draft schedule are attached.

Phase I of the Study is for the preparation of Noise Exposure Maps (NEMS). The fee for this first phase of the study is $700,758.

Staff has submitted a request for funding from FDOT. Authorization for the Executive Director to execute the Task Order for Phase I is conditional upon acceptance of the grant by the Board of Commissioners. It is anticipated that a Resolution for acceptance of the PTGA will be presented at the November Regular Board Meeting.

**COMMUNICATIONS PLAN:** A press release will be distributed to the media regarding the upcoming noise study. A dedicated page for the study is being created for the airport’s website.

**FINANCIAL IMPACT:** Phase I of the Part 150 Noise and Land Compatibility Study has been anticipated in the FY 2020 and 2021 budgets. A grant agreement was entered into with the FAA for $300,000.
SCOPE OF SERVICES – PART 150 STUDY PHASE I
Naples Airport

Background
The Naples Airport Authority (NAA) is undertaking a 14 CFR Part 150 Noise and Land Use Compatibility Update to evaluate opportunities to improve the compatibility of Naples Airport (APF) with the surrounding communities in consideration of the current operational environment. This study will represent the third comprehensive Part 150 conducted at APF and the first comprehensive study in 20 years. In its simplest form, 14 CFR Part 150 is a process that includes the development of Noise Exposure Maps (NEMs), preparation of a Noise Compatibility Program (NCP), and extensive public involvement. NAA’s goals include receiving FAA acceptance of the NEMs and approval of the NCP noise mitigation and abatement measures that address community concerns, while preserving safety and the operational capabilities of the airport, and to conduct a public outreach process that not only meets 14 CFR Part 150 requirements, but achieves the NAA’s objective of conducting an open and transparent study process. Because the City of Naples has adopted the DNL 60 dB contour for land use controls relative to aircraft noise, the Part 150 Study will consider measures that may reduce the amount of non-compatible land uses within that contour. The project scope is broken into two phases. The Phase I project scope includes project initiation and development of the NEMs while Phase II involves the development of the NCP. The Phase I scope outlined herein.

Task 1: Project Team, Sponsor and Agency Coordination

Task 1.1: APF Part 150 Study Project Kick-off Meeting
Description: ESA will initiate the project and organize and lead a project team kick-off meeting involving key members of NAA staff, the FAA, and the Consultant Team. At the kick-off meeting, key project goals will be reviewed, and a task level MS Project schedule will be discussed. Communication protocols will also be discussed. Members of the project’s core team will be identified for participation in ongoing coordination meetings. ESA will prepare meeting notes documenting the agreed upon project goals, communication protocols, and core team members. Coincident with the external kickoff meeting, ESA will conduct an internal kickoff meeting during which the project management plan and key issues related to project implementation will be outlined and reviewed.

Meetings/ESA Team Participants:
• 1 external (NAA/FAA Consulting Team) half day kickoff meeting with 5 members of ESA Team (assumes 4 hour meeting, 40 hours of prep)
• 1 internal (Consulting Team) kickoff meeting with 5 members of ESA Team in person and an additional 8 via phone (assumes 3 hour meeting/no prep)

Deliverable(s): Kick-off meeting agenda, meeting handouts, and summarized meeting notes.

Assumptions/NAA Responsibilities:
• NAA to assist in meeting coordination, scheduling and material review.
• Assumes the external kick-off meeting will take place in NAA Offices.
• Assumes overnight travel for 5 staff.

Task 1.2: Develop Community Engagement and Communication Plan & Protocols
ESA will coordinate with NAA to develop a community engagement and communication plan document to assist in implementing the Part 150 Study. The plan will clarify roles and responsibilities of those involved in the study, outline communications protocols and define how community outreach will be implemented for the initial phase of the study. Upon completion of the first phase of outreach, the plan will be refined to outline a tailored outreach approach through the completion of the study. The plan is intended for the internal use of the ESA Team and the NAA. A preliminary draft and subsequent draft version of the plan will be circulated in MS Word format to NAA. A final PDF version of the plan will be developed incorporating comments on draft versions as appropriate. The document will include, but not be limited to:

1. Roles and responsibilities of stakeholders including but not limited to the NAA, FAA Lines of Business, and Technical Advisory Committee (TAC)
2. Formation of TAC along with membership criteria
3. Details about public participation process and conflict resolution

Following the initial set of workshops, the community engagement plan will be revised to define further potential public workshops throughout the course of the project consistent with the concerns and needs of the community.

Upon completion of the draft plan, this task includes developing the TAC contact database, sending formal invites to all TAC members, development of TAC participation agreements and documentation.


Assumptions/NAA Responsibilities:
• NAA to provide input and timely review.
• Assumes that the TAC will consist of approximately 15 primary representatives and up to 10 alternates.

Task 1.3: Project Team/Client Working Meetings
Description: To ensure that the NAA Part 150 Update moves forward smoothly and on schedule, the ESA Team will schedule and participate in on-site working group meetings with key NAA staff. The working
group meetings will be conducted according to the schedule set in Task 1.1. During the meetings, the working group will identify and resolve potential issues. It is anticipated that four (4) meetings will be required during Phase I of the project.

Meetings/ESA Team Participants: 4 meetings/ 3 members of ESA Team

Deliverable(s): Working group meeting agendas, meeting handouts, and summarized meeting notes.

Assumptions/NAA Responsibilities:
- NAA to assist in meeting coordination and scheduling and material review.
- Assumes these meeting will take place in NAA offices.
- Assumes 4 hour meetings and 12 hours of prep per meeting.
- Assumes 6 overnights.
- Assumes that all staff are coming from different locations
- NAA to provide appropriate staff participation for successful meetings.

Task 1.4: Bi-Weekly Client/Consultant Coordination Calls

Description: The ESA Team will schedule and participate in bi-weekly coordination calls with key NAA staff. The coordination calls will be conducted according to the schedule set in Task 1.1. During the meetings, milestones and action items will be reviewed and project progress will be monitored. Thirty (30) conference calls will be held with key APF staff to monitor project progress and address issues that may arise during Phase I.

Meetings/ESA Team Participants: 30 calls/2 members of ESA Team

Deliverable(s): Coordination meeting agendas, meeting handouts, and action item summaries.

Assumptions/NAA Responsibilities:
- NAA to assist in meeting coordination and scheduling.
- Assumes calls will last up to one (1) hour. Meeting notes will not be prepared for these meetings.
- Assumes one (1) hour prep/follow-up per meeting.

Task 1.5: FAA Coordination Calls

The ESA Team will schedule and participate in regular coordination calls with key FAA staff. The working group meetings will be conducted according to the schedule set in Task 1.1. During the meetings, milestones and action items will be reviewed and project progress will be monitored. Fifteen (15) conference calls will be held with key FAA staff to monitor project progress and address issues that may arise during Phase I.

Meetings/ESA Team Participants: 15 calls/2 members of ESA Team

Deliverable(s): Coordination meeting agendas, meeting handouts, action item summary.
Assumptions/NAA Responsibilities:
- NAA to assist in meeting coordination and scheduling.
- Assumes bi-weekly calls will transition to monthly calls periodically throughout the project.
- Assumes calls will last one (1) hour. Meeting notes will not be prepared for these meetings.
- Assumes one (1) hour prep/follow-up per meeting.

Task 1.6: Coordination Meetings with FAA
Description: This task includes a series of meetings throughout the project with various FAA representatives to collect data, ensure accuracy and timely availability of information, and address any issues or questions that may arise throughout the course of the project. Two (2) meetings will be conducted with the Orlando ADO and three (3) additional meetings will be conducted with FAA ATC or TRACON personnel during Phase I. Follow-up phone calls will take place throughout the project as required to obtain needed information and guidance.

Meetings/ESA Team Participants:
- 2 meetings at Orlando ADO/ 3 members of ESA Team
- 3 meetings with APF or RSW ATC/ 3 members of ESA Team

Deliverable(s): PowerPoint slideshows, meeting agendas, meeting handouts, action item summaries and summarized meeting notes.

Assumptions/NAA Responsibilities:
- NAA to assist in meeting coordination and scheduling and material review.
- Assumes these meetings will take place at NAA offices, FAA ATC/TRACON Offices or FAA Orlando ADO Offices.
- Assumes 3 hours per meeting and 12 hours prep time for each meeting.
- Assumes 50 percent of travel expenses are covered in other tasks.

Task 1.7: NAA Board/NCC/City of Naples/Collier County Briefings
Description: ESA will conduct five (5) briefing meetings with NAA and/or Noise Compatibility Committee (NCC)/City of Naples/Collier County during Phase I. These meetings will be used to discuss the process and progress on the project.

Meetings/ESA Team Participants: 5 meetings/ 2 members of ESA Team

Deliverable(s): Meeting agendas and meeting handouts.

Assumptions/NAA Responsibilities:
- NAA to assist in meeting coordination and scheduling and material review.
- Assumes 2 hours per meeting and 10 hours of prep time for each meeting. It is assumed that the briefing presentations will largely rely on materials prepared for the TAC meetings.
• Assumes that all staff are coming from different locations, but that 50 percent of the travel costs are already included in other tasks.
• Assumes 4 overnights due to early morning meeting schedule.

**Task 1.8: Other Agency Coordination**
The ESA Team will schedule and participate in meetings with key local agencies as directed by NAA. The meetings, which may include agencies such as local land use planning departments (City and County) and the MPO, will be conducted according to the schedule set in Task 1.1. The meetings will include project briefings and collection/verification of key project data. Two (2) meetings will be held with key agency representatives. Includes 10 hours of meeting prep.

**Meetings/ESA Team Participants:** 2 meetings/ 2 members of ESA Team

**Deliverable(s):** Meeting coordination and scheduling. Coordination meeting agendas, meeting handouts, and summarized meeting notes.

**Assumptions/NAA Responsibilities:**
• NAA to assist in meeting coordination and scheduling and material review.
• Assumes these meeting will either take place at NAA offices or the agencies’ offices.
• Assumes 2 hours per meeting and 10 hours of prep time and follow-up for each meeting.

**Task 2: Community Outreach Program**

**Task 2.1: Kickoff Public Workshop**

**Description:** One initial set of informal two-hour open house style workshops will be held. The three (3) meetings will take place over a consecutive evening/morning/evening at an appropriate time and location in association with the initiation of the study. These workshops, held at three (3) different locations throughout the community, will provide the opportunity for information sharing and input during the Part 150 project. At each workshop, the ESA project team will discuss (on a one-on-one basis) with those in attendance the APF Part 150 Study Update process and noise information available for review. ESA will provide up to 30 30x40 inch presentation board mounted exhibits describing the Part 150 process, noise modeling, land use compatibility, the role of the FAA in the Part 150 process and other information as appropriate. In addition, the ESA Team will provide handouts, sign-in sheets, and comment forms for the workshops. Eight (8) members of the ESA Team will be available for each public workshop.

The ESA Team will support the NAA in the selection of the locations for the workshop sites and will prepare draft public workshop advertisements to be placed within the local newspaper(s) of greatest circulation in the Airport area or those with specific targeted audiences. ESA will translate the advertisement into one alternate language and coordinate with the local news outlets to run one set of advertisements 30 days before the workshops and a second set of advertisements closer to the workshops (four (4) total advertisements, two (2) in English and two (2) in an alternate language). Workshop handouts (up to 5 pages) will be translated into
one alternate language. Boards will not be translated, but the titles of each board will be translated and included in the handout.

Meetings/ESA Team Participants: 3 workshops during a consecutive evening/morning/evening 8 members of ESA Team

Deliverables: Preparation of exhibits/boards, handouts, sign-in sheets, comment forms, and preparation of advertisements. Translation of advertisement, handout and provision of one translator at each workshop. ESA will also provide signage, easels, and set up and break down breakdown of the workshop boards along with staff to man the workshop and the sign-in table.

Assumptions/NAA Responsibilities:
- Includes translation of advertisement and workshop handout into one alternate language by ESA Team.
- Includes one on-site translator to be provided by the ESA Team during each workshop.
- Assumes workshop meetings will be held on consecutive nights
- Assumes a court reporter will not be required.
- Assumes venues can be secured at no cost.
- Assumes public workshops will be 2 hours in length, with an additional 2.5 hours for setup and breakdown for each workshop.
- Assumes 100 hours of planning and preparation time.

Task 2.2: Small Community Meetings
Description: ESA will conduct three (3) small community meetings (groups of 10 or -) for the purposes of conducting targeted community outreach during Phase I. These meetings will be used to discuss the process and progress on the project and solicit feedback. It is assumed that these coordination meetings will be no more than 2 hours in length.

Meetings/ESA Team Participants: 3 meetings/3 members of ESA Team

Deliverables: Meeting coordination and scheduling, meeting agendas, and meeting handouts.

Assumptions/NAA Responsibilities:
- NAA to assist in meeting coordination and scheduling and material review.
- Assumes meetings will be no longer than 2 hours in length and scheduled to allow multiple meetings to be accomplished during the same trip.
- Assumes 8 hours for materials preparation/customization per meeting.

Task 2.3: Community Retail Style Outreach
Description: ESA will attend two (2) retail style community events (farmers market, festival, etc.) for the purposes of conducting targeted community outreach and soliciting input and feedback relative to the relationship/compatibility of the airport and the surrounding community during Phase I. These community
events will be used to discuss the process and progress on the project and to also receive feedback and insights into the community perceptions related to the airport. The intent of these meetings is to make the broader community aware of the project and help inform those that may not realize that they could be affected by project recommendations. It is assumed that these events will consist of an 8 hour day when including setup, staffing and breakdown. Results of and feedback related to each event will be tabulated and summarized.

Meetings/ESA Team Participants: 2 event days/ 2 members of ESA Team

Deliverable(s): Event coordination and materials for soliciting input.

Assumptions/NAA Responsibilities:
- NAA to assist in meeting coordination and scheduling and material review.
- Assumes events will be no longer than 6 hours in length without setup and breakdown time.
- Assumes 8 hours for materials preparation/customization per event.
- Does not include the cost of event registration.
- Assumes equipment rental will not be required.

Task 2.4: NEM Public Workshop

Description: Two informal two-hour open house style workshops will be held upon completion of the Draft NEMs. The initial meeting will be held at the downtown library location while the second to be held in the NAA commercial terminal the following morning. These workshops will provide the opportunity for the public to review the NEMs and provide comments. At the workshop, the ESA project team will discuss (on a one-on-one basis) with those in attendance the APF Part 150 Study Update process, the process undertaken to develop the NEM’s and the next steps of the project. ESA will provide up to 30 30x40 inch presentation board mounted exhibits describing the Part 150 process, NEM development, land use compatibility, next steps and other information as appropriate. In addition, the ESA Team will provide handouts, sign-in sheets, and comment forms for the workshop. Eight (8) members of the ESA Team will be available for the public workshops.

ESA will translate the advertisement into one alternate language and coordinate with the local news outlets to run one set of advertisements 30 days before the workshop and a second set of advertisements closer to the workshop (four (4) total advertisements, two (2) in English and two (2) in an alternate language). Workshop handouts (up to 5 pages) will be translated into one alternate language. Boards will not be translated, but the titles of each board will be translated and included in the handout. The notice and materials to be presented at the NEM Public Workshops will be coordinated in advance with the FAA.

Meetings/ESA Team Participants: 2 workshops (night/night)/ 8 members of ESA Team

Deliverable(s): Preparation of exhibits/boards, handouts, sign-in sheets, comment forms, and preparation of advertisements. Translation of advertisement, handout and provision of one translator at the workshop. ESA
will also provide signage, easels, and set up and break down breakdown of the workshop boards along with staff to man the workshop and the sign-in table.

Assumptions/NAA Responsibilities:
- Includes translation of advertisement and workshop handout into one alternate language by ESA Team.
- Includes one on-site translator to be provided by the ESA Team.
- Assumes that meetings will be held on an evening and following morning.
- Assumes that meeting space will be available at no cost.
- Assumes public workshops will be 2 hours in length, with an additional 2.5 hours for setup and breakdown for each workshop.
- Assumes 100 hours of planning and preparation time.

Task 2.5: NEM Public Comment Management and Responses

Description: ESA will compile the public comments provided during the NEM phase of the project and will catalogue them by topic into a comment matrix. Responses will be prepared for each topic and will be keyed back to the comment matrix. Individual responses will not be prepared for each individual letter; rather, the comments will be addressed broadly by topic. Responses will only be prepared for comments related to the noise study or noise related issues. The public comments, summary matrix and responses will be coordinated with the FAA and included in the final draft NEM report.

Deliverable(s): Compilation of comments provided throughout the project and preparation of a comment matrix and responses by topic for inclusion in a report appendix. Overall statistics on comments received by community will be summarized.

Assumptions/NAA Responsibilities:
- The level of effort for this task assumes processing of no more than 100 comment letters containing no more than 4 distinct comments each (400 comments total). It also assumes that all comments can be addressed with no more than 20 topic or category type responses. Comments received in excess of these limits may require additional budget depending on the nature and volume of comments received.
- NAA to review and provide input on comment responses.
- NAA to route comments to ESA to ensure they are included in database.

Task 2.6: NCP Public Workshop – See Phase II

Task 2.7: Part 150 Technical Advisory Committee Meetings

Description: ESA will conduct four (4) Technical Advisory Committee (TAC) meetings throughout Phase I. Members will include those whose input is key to the technical quality of the study as well as certain interested parties. Participants may consist of experts in land use, airport and aircraft operations, air traffic control, and community relations and may include the FAA, community representatives, airport tenants, appointees by elected officials and others. Representatives are expected to provide informed technical
feedback as well as communicate technical information discussed during the meetings back to their constituents. ESA will provide a TAC participation agreement along with materials outlining the responsibilities of TAC meeting schedule and details will be defined in Tasks 1.1 and 1.2. Each meeting will include development and presentation of materials and graphics to maximize information exchange. Assumes 40 hours of preparation time per meeting.

Meetings/ESA Team Participants: 4 meetings/ 6 members of ESA Team

Deliverable(s): Meeting coordination and scheduling, TAC participation materials, PowerPoint slideshows, meeting space, meeting agendas, meeting handouts, and summarized meeting notes.

Assumptions/NAA Responsibilities:
- NAA to assist in meeting coordination and scheduling and material review.
- Assumes meetings will be scheduled to allow multiple meetings to be accomplished during the same trip.
- Assumes meeting will be 2 hours in length with 2 hours for setup and breakdown.
- Assumes 40 hours of preparation time per meeting.
- Assumes meeting space will be available at no cost.
- Assumes approximately 20 TAC members.

Task 2.8: Noise History Educational PowerPoint

Description: To help communicate the history of the airport and the steps the NAA has taken to minimize potential noise concerns, ESA will develop a slideshow to summarize the measures that have been implemented in the past by the NAA. The PowerPoint will also include an overview of how noise is measured and regulated as well as detail the responsibilities of the various stakeholders.

Deliverable(s): One stand-alone PowerPoint slideshows that can be used in public meetings and/or posted on the NAA website for download by the public.

Assumptions/NAA Responsibilities:
- NAA to assist in data collection and slideshow review.

Task 2.9: Public Information Materials & Media Information Materials

Description: ESA will prepare four (4) periodic newsletters to be distributed in electronic format, to community representatives and elected officials during Phase I. The newsletter will provide project status, supporting text and visuals (charts, diagrams and other pictorial presentations) to convey technical information and data in the most compelling and easily understandable fashion. The ESA Team will also provide the NAA with background material and suggested responses or “talking points” as needed. This task does not include the development of custom graphics or analysis solely for the purposes of media relations, but will rely on materials developed for other meetings and tasks. ESA will participate in phone interviews as requested by the NAA. ESA will also participate in face to face interviews conducted concurrently with the Public Workshop or Public Hearing.
Deliverable(s): Preparation of four (4) electronic newsletters and compilation of existing information for media briefings throughout the course of the project.

Assumptions/NAA Responsibilities:
- NAA will review materials prior to distribution to the public or media.
- Separate analysis will not be developed to address media questions, but will be provided from materials already produced.
- Assumes no separate trips are required to conduct interviews.

Task 2.10: Part 150 Public Website Materials
Description: ESA will provide materials for a publicly accessible website for the APF Part 150 Study Update. Materials will include the project schedule, FAQ's, a listing of the Study elements, identification of public workshop locations/dates/times, and documents approved by the NAA and the FAA for public release including PowerPoints and Study newsletters. Additionally, the website will allow the public to register their contact information in order to receive future notifications and information about upcoming meetings and workshops.

Deliverable(s): Materials to support a publicly accessible website for the APF Part 150 Study Update.

Assumptions/NAA Responsibilities:
- NAA to post materials on project website on flynapes.com
- Assumes materials on website will be in English or previously translated for other purposes.

Task 2.11: Part 150 Public Hearing/Workshop – See Phase II

Task 2.12: NCP Public Comment Management and Responses – See Phase II

Task 3: Develop a Comprehensive Database of Current Conditions

Task 3.1: Study Area Base Mapping
Description: Base mapping associated with the Part 150 Study Update will be developed for several different geographical areas and will employ several different scales. One base map will be of a size to allow review of the DNL contour limits. Information to be displayed on this base map will include the airport boundary, limits of political jurisdictions, and existing major roadways, rail corridors and significant water features.

A second base map will be developed showing a larger area of coverage. This base map will be used to graphically display flight corridors for the baseline condition and future alternatives. The map scale will not be less than 1"=2,000' as required by 14 CFR Part 150. Map extents will allow for flight tracks to be shown at least 30,000 feet from each runway end. This base map will also include the APF property limits, major roadways, and other identifiable physical features (streams, coastline, rivers, major drainage canals) in order
to relate flight tracks to known ground locations. Both base map graphics will be prepared utilizing the available GIS information from Collier County. This task does not include flying new aerial photogrammetry, but does assume the availability of the information being developed as a part of the APF master plan Airports Geographical Information System (GIS) effort.

Deliverable(s): Two (2) (one detailed and one expanded) appropriately scaled base maps of the study area for use in the report.

Assumptions/NAA Responsibilities:
- NAA to assist with data gathering.
- Assumes information available in digital format.
- Assumes no new aerial photogrammetry.

Task 3.2: Coordinate Forecast for Use in Part 150

Description: Both the FAA approved Master Plan Forecast and the most recent FAA Terminal Area Forecast (TAF) will be reviewed to inform an approach for the forecast to be used in the Part 150. Because of the recent increase in activity beyond levels projected in the Master Plan Forecast, up to two alternative forecasts (trend and/or market share) will be developed. The forecast approach will be documented in a technical memo to the FAA.

Deliverable(s): Technical Memo for submission to the FAA outlining the approach and forecast proposed for use in the Part 150 study.

Assumptions/NAA Responsibilities:
- It is assumed that a detailed forecast effort including regression type forecast analysis will not be required.

Task 3.3: Existing and Future Airfield Facilities

Description: Existing (baseline) and planned physical facilities will be identified based on the latest APF Master Plan and/or Airport Layout Plan (ALP) and information available from other studies or the latest Joint Airport Capital Improvement Program (JACIP) as identified by the NAA. This will include a description of the existing facilities and near-term proposed projects associated with improvements to the airfield, airside development, cargo and maintenance facilities, commuter and air carrier terminal development, etc. Those projects that may have an influence on runway use, engine run-up locations, or may in some way have the potential to alter the noise exposure in future years will be identified. It is noted that additional runways and/or changes in threshold locations are not currently anticipated as part of the master plan.

Deliverable(s): Summary text and figures for inclusion in the draft report.

Assumptions/NAA Responsibilities:
- NAA to provide digital ALP and any pertinent planning studies.
**Task 3.4: Land Use Planning and Zoning Inventory/Identification of Noise Sensitive Sites**

**Description:** Consistent with 14 CFR Part 150 requirements, existing comprehensive plans, land use plans, zoning ordinances, subdivision regulations, building codes, easement terminology, overlay zoning and other documentation pertaining to land use planning and development in the vicinity of the Airport as readily available will be obtained and reviewed. This review will concentrate on identification of the mechanisms that are presently in place to enhance land use compatibility in the APF environs. Provisions in ordinances, land development codes, and future land use plans that relate to future noise/land use compatibility will also be identified and discussed. ESA will identify the general land use type (residential, commercial, industrial, institutional), approximate density, and location of current land uses for existing and future land development (as determined from approved future off-Airport land use plans or zoning). The existing sound insulation program will also be included in this analysis.

Verification of recent changes to existing land uses that have occurred will be performed using the most current aerial photography available and supplemented with two (2) days of field verification. Identified changes will be incorporated into the GIS databases. Noise sensitive sites including schools, churches, hospitals, parks, recreation areas, and historic sites within the approximate 55 DNL contour will be verified through the most current aerial photography and supplemented during the field verification effort. The resulting field data will be input into the database and depicted on the study area base mapping.

Data necessary for use in the impact analyses of the baseline and future land use conditions will be collected through the review of existing data layers contained in Collier County GIS files. This will include existing land use data, property appraiser parcel data, future land use data (as available), and existing zoning designations available in digital form from the NAA or neighboring jurisdictions planning departments.

The following information will be collected for the coverage needed to document the Part 150 Study:

- Roadway Base Map
- Political Jurisdictions and boundaries
- Existing Land Use
- Future Land Use (as available)
- Current Zoning
- Noise Sensitive and Non Compatible Land Uses (Schools, places of worship, hospitals, etc.)
- Parcel Maps/Property Ownership

Future land use will be derived based on the most current future land use planning documentation available for each jurisdiction within the study area. Where future land use plans are in progress (being revised, developed, etc.) at the time of data collection, ESA will, to the extent possible, identify potential options to address the uncertainty created by the pending nature of available data and discuss these with the NAA PM to define a recommendation for addressing the necessary information. In cooperation with the NAA PM and other relevant technical experts, ESA will coordinate with the specific jurisdiction(s), where a definitive
source of future land use issue has arisen, to develop a future land use concept for the five-year future condition consistent with the jurisdiction’s expectations.

Deliverable(s): Summary text for inclusion in the draft report. Base map overlays of the study area for existing land use, existing zoning, future land use plans, and noise sensitive site locations.

Assumptions/NAA Responsibilities:
- NAA to assist with data gathering and details related to existing sound insulation program.
- Assumes two (2) days of field verification is sufficient to validate data.
- Assumes existing and future land use data, parcel data, zoning, comprehensive plans, etc., are available digitally.

**Task 3.5: Population/Socioeconomic Data**

*Description:* Baseline population data will either utilize the most recent census data forecasts available from third party vendors or apply average population densities to detailed residential unit parcel data from the property appraiser database. The mapping and tabular information evaluation within the base map coverage area will include the distribution of dwelling units, population, minority population, and low-income population based on census data to the extent it is available. The Future Counts and/or Metro Forecasting Models, LLC., recent population density documentation will be reviewed to determine if it provides an additional level of resolution for the future anticipated population in proximity of to the airport. The methodology proposed for use in the Part 150 Study will be reviewed with the FAA.

Deliverable(s): Summary text for inclusion in the draft report. Population data in GIS format.

Assumptions/NAA Responsibilities:
- Population data collected will be limited to areas within the approximate 55 DNL contour.
- Assumes parcel data is readily available in GIS format.
- Assumes population forecast information is available within the limits of the budgeted expense.

**Task 3.6: Existing Land Use and Operational Measures**

*Description:* The recommendations of the previous Part 150 Study will be reviewed and the status of implementation of elements of the approved noise abatement program will be identified. These will be separated into recommendations that have been implemented, those in the process of being implemented and those not currently proposed for implementation (and why they were not included in the implementation program).

Implemented noise mitigation measures, which are proposed to continue, will be listed and consideration of any changes or additions will be reviewed as alternative noise mitigation measures during the NCP phase of the study.

Deliverable(s): Summary text for inclusion in the draft report.
Assumptions/NAA Responsibilities:
- Assumes previous measures are well documented and status can be readily determined.

**Task 3.7: Review of Noise Complaint Data**

**Description:** This task will review InFlight and PlaneNoise noise complaint information maintained by the NAA during the past five years. A statistical analysis of noise complaints will be prepared and key observations will be summarized. Relationships between noise complaint locations, aircraft flight corridors, and the implementation of past noise abatement procedures will be discussed. If adequate information is available in digital format, noise complaint information will be mapped to show its distribution throughout the Airport environs and coded to allow evaluation of complaint intensity. This assumes data from NAA’s existing comment tracking system is readily available in GIS format.

**Deliverable(s):** Summary text and supporting graphics, if appropriate, for inclusion in the draft report.

Assumptions/NAA Responsibilities:
- NAA to provide noise data in excel format suitable for processing, analyzing and mapping.
- Assumes information is readily available for import into GIS.

**Task 3.8: Airspace/Air Traffic Control Data as Available**

**Description:** Airport terminal area airspace and air traffic control procedures will be reviewed with Airport personnel and FAA management at the APF Tower. Existing airspace sectoring and operational procedures, including air traffic related noise abatement procedures will be reviewed and discussed with Air Traffic Control management.

**Deliverable(s):** Summary text and supporting graphics, if appropriate, for inclusion in the draft report.

**Assumptions/NAA Responsibilities:**
- NAA to provide a link and login to PlaneNoise, Vector, and InFlight throughout the course of the project to allow efficient data download and analysis.

**Task 4: Noise Contour Development & Impact Analysis**

**Task 4.1: Operations and Fleet Mix Analysis (Derivatives)**

**Description:** The Master Plan Forecast will be used as the basis for determining the operational levels anticipated at the airport in the initial year, 2020, and future year, 2025. A detailed fleet mix evaluation will be conducted which will involve processing 12 consecutive months of actual operational data during 2018/2019. This analysis will include determination of the daytime/nighttime activity split by aircraft and engine type and operational stage lengths. ESA will then use the detailed data along with projected fleet transitions outlined in both the Master Plan Forecast as well as those related to the ADS-B mandate deadline to develop an estimated future fleet mix for 2020 and 2025 including daytime/nighttime activity split by aircraft and engine type and operational stage lengths.
Each aircraft/engine type will be assigned a specific aircraft type specific to the FAA’s noise model (Aviation Environmental Design Tool or AEDT). However, the database does not include all aircraft that are in operation today. For certain aircraft types, the FAA has identified pre-approved substitute aircraft for use in the model. For aircraft that are not in the AEDT or its pre-approved substitution database, an appropriate similar aircraft will be selected. It should be noted that the use of any non-standard inputs requires written approval from the FAA. For these aircraft an appropriate substitute aircraft will be identified and documented in correspondence sent to the FAA’s Project Manager for distribution to the appropriate FAA departments for review and approval.

**Deliverable(s):** Summary text for inclusion in draft report and modeling substitution documentation to be sent to the FAA for approval.

**Assumptions/NAA Responsibilities:**
- NAA to provide a link and login to the PlaneNoise, Vector, and InFlight throughout the course of the project to allow efficient data download and analysis.
- NAA to assist in resolving any data gaps.

**Task 4.2: Runway Use and Flight Track Analysis**

**Description:** ESA will use 12 consecutive months of data to prepare a series of baseline condition flight tracks for use in modeling aircraft activities. Flight track locations will be developed for both east and west flows and will include fixed wing and helicopter arrivals, departures, and traffic pattern operations, as appropriate. Flight track and runway use by aircraft category/type and time of day will be developed through analysis of radar track data and verified through consultation with the ATCT and TRACON.

Flight track and runway use for the Existing Condition (year 2020) is anticipated to be similar to the existing condition. However, changes that are reasonably anticipated to be in place in 2025 will be identified through consultation with FAA and reflected in usage and track assumptions for those years.

The actual climb or descent profiles utilized at the airport may differ from the AEDT standard profiles. For example, an analysis of radar data may show that aircraft are climbing at a slower or faster rate, or that arriving aircraft are leveling-off during approach. Within the AEDT, the “procedure steps” defining the standard profile may be modified to better match aircraft altitudes and speeds shown in radar data. For departures, the user must define the altitude, climb rate, and speed along the profile. For arrivals, the user must define the altitude and speed along the profile.

Data will be collected from the NAA that identifies aircraft departure and arrival profiles for a selection of aircraft operating at the airport. These data will be reviewed and modifications to certain AEDT standard profiles for specific aircraft may be identified, as necessary.

**Deliverable(s):** Summary text for inclusion in the draft report.

**Assumptions/NAA Responsibilities:**
- NAA to provide a link and login to the PlaneNoise, Vector, and InFlight system throughout the course of the project to allow efficient data download and analysis.
- NAA to assist in resolving any data gaps.
- Assumes that coordination of user defined profiles with FAA will not be required.

**Task 4.3: Existing Noise Exposure Levels (anticipated to be 2020 base year)**

**Description:** Using the baseline operations and fleet mix data developed in a previous task, the latest version of FAA's Aviation Environmental Design Tool (currently AEDT 2d) will be used to determine current aircraft noise exposure levels in the APF environs. Contours of equal exposure of the 55, 60, 65, 70 and 75 dB DNL will be calculated and overlaid on both large scale and small scale base mapping. DNL contours, when depicted on a land use base map, form the NEM. An NEM is a scaled, geographic depiction of an airport, its noise contours, and existing land uses in surrounding areas that comply with map scale and data requirements as specified in paragraphs A150.101, A150.103, A150.105, and 150.21 of 14 CFR Part 150. The official NEM will depict the 60, 65, 70, and 75 dB DNL contours. Narrative discussion of assumptions, input data, and the characteristics of the existing noise exposure pattern will also be prepared and presented in written form. The resulting contours will be provided by ESA for certification by NAA.

**Deliverable(s):** Summary text and graphics for inclusion in the draft report.

**Assumptions/NAA Responsibilities:**
- Assumes no airspace or operational changes or changes to model input assumptions once modeling effort has been initiated.

**Task 4.4: Future Noise Exposure Levels (anticipated to be 2025 five-year horizon)**

**Description:** Future year (currently anticipated to be 2025) DNL contours will be prepared based on the projected conditions, operations and fleet mix identified under a previous task. Contours of equal exposure of 55, 60, 65, 70 and 75 dB DNL will be calculated and overlaid on both large scale and small scale base mapping. The official NEM will depict the 60, 65, 70 and 75 dB DNL contours. Narrative discussion of assumptions, input data, and the characteristics of the existing noise exposure pattern will also be prepared and presented in written form. The resulting contours will be provided by ESA for certification by NAA.

**Deliverable(s):** Summary text and graphics for inclusion in the draft report.

**Assumptions/NAA Responsibilities:**
- Assumes no airspace or operational changes or changes to model input assumptions once modeling effort has been initiated.
Task 4.5: Quantify Impacted Dwelling Units and Noise Sensitive Institutional Uses Inside 55 DNL Contour

Dwelling units and noise sensitive land uses will be tabulated within each 5 dB contour range for 55 dB DNL and above contours. The results will establish the baseline conditions against which future alternative airport operating and land use alternatives will be compared.

Deliverable(s): Summary text and graphics for inclusion in the draft report.

Assumptions/NAA Responsibilities:
- Assumes that noise sensitive use information was available in GIS format.

Task 4.6: Quantify Impacted Population by 5 DNL Contour Interval 55 DNL and Above

Impacts in terms of population will be calculated for 2020 and 2025 identifying the number of people situated within each 5 dB contour interval from 55 dB DNL to 75 dB DNL. This evaluation will be based on the 2020 and 2025 contours using geographic information system (GIS) software. The resulting impact totals will establish the baseline conditions against which future alternative airport operating and land use alternatives will be compared.

Deliverable(s): Summary text and graphics for inclusion in the draft report.

Assumptions/NAA Responsibilities:
- Assumes that population information was available in GIS format.

Task 4.7: Develop Supplemental Noise Contours

Description: To help communicate noise exposure and help inform the NCP process, up to four sets of supplemental contours will be developed. These contours will not be included in the main body of the report but may be included in an appendix noting that they are provided for information purposes and are not a part of the formal NEM documentation. Supplemental contours may include alternative metrics (single event, time above, number of events above, etc.), arrival only contours, departure only contours, etc. Dwelling units, noise sensitive uses and population within each set of contours will be quantified subject to available budget. The use of supplemental metrics and development of supplemental contours will be coordinated with the FAA.

Narrative discussion of assumptions, input data, and the characteristics of the noise exposure will also be prepared in written form.

Deliverable(s): Summary text and graphics for inclusion in the draft report.

Assumptions/NAA Responsibilities:
- Assumes no airspace or operational changes or changes to model input assumptions once modeling effort has been initiated.
• Analysis is limited to the available budget. More complex analyses may reduce the number of contour set modeled and the detail level of the related analyses.

Task 5: Prepare and Submit NEM Report

Task 5.1: Pre-Draft NEM Report
Description: Interim documentation, which will become the basis for chapters of the Draft NEM Report, will be developed at strategic points throughout the Study. As described above, the documentation will be refined and incorporated into a complete Pre-Draft NEM Report and along with supporting graphics and additional documentation required to meet the requirements of Part 150. A digital copy of the pre-draft APF NEM Report will be prepared for review by NAA.

Deliverable(s): One electronic copy of the Pre-Draft APF NEM Report.

Assumptions/NAA Responsibilities:
• NAA to provide consolidated review comments in track changes format.
• Assumes document produced in English only.
• Only digital versions of this document will be submitted.

Task 5.2: Preliminary Draft NEM Report
Description: Following the review and comment of the Pre-Draft by NAA, up to twelve (12) copies of a revised Preliminary Draft APF NEM Report will be prepared and reviewed by NAA and FAA.

Deliverable(s): One electronic copy, and up to twelve (12) printed copies of the Preliminary Draft APF NEM Report. Full-size NEM drawings will only be provided in the appendix for four (4) report copies. All other full-size NEM drawings will be provided on a thumb drive inserted in the appendix.

Assumptions/NAA Responsibilities:
• NAA and FAA to provide consolidated review comments in track changes format.
• Assumes document produced in English only.

Task 5.3: Draft NEM Report
Description: Upon completion of the review of the Preliminary Draft, changes will be incorporated and twenty (20) copies of the Draft NEM Report will be prepared for public and agency review. This includes preparation of the FAA NEM checklist and inclusion in the document appendix.

Deliverable(s): One electronic copy, and up to twenty (20) printed copies of the Draft APF NEM Report (seven full copies of the main report and appendices and thirteen copies of the main report with appendices on thumb drives). Full-size NEM drawings will only be provided in the appendix for up to seven (7) report copies. All other full-size NEM drawings will be provided on a thumb drive inserted in the appendix.
Assumptions/NAA Responsibilities:
- Assumes document produced in English only.

Task 5.4:  Respond to Sponsor, Committee and Agency Review Comments
Description: Comments received on the Draft NEM Report from the public, NAA, TAC, and other agencies will be consolidated and incorporated into a final draft or responded to as appropriate. Conflicting comments will be discussed with NAA and the FAA as required to ensure resolution.

Deliverable(s): One master digital track changes version of the NEM Report that incorporates changes.

Assumptions/NAA Responsibilities:
- NAA to assist in ensuring comments are provided in timely manner.

Task 5.5:  Final Draft NEM Report
Description: Upon completion of review of the Draft NEM Report and incorporation of review comments, ten (10) copies of the Final NEM Report will be provided to the NAA for its use and for submittal to the FAA.

Deliverable(s): One electronic PDF file, all word files and up to eight (8) printed copies of the Final Draft NEM report will be prepared. Full-size NEM drawings will only be provided in the appendix for up to three (3) report copies. All other full-size NEM drawings will be provided on a thumb drive inserted in the appendix.

Assumptions/NAA Responsibilities:
- NAA to provide consolidated review comments in track changes format.
- Assumes document produced in English only.

Task 5.6:  Final NEM Report
Description: Upon completion of review of the Final Draft NEM Report by the FAA and incorporation of review comments, up to twenty (20) copies of the Final NEM Report will be provided to the NAA for its use and for submittal to the FAA. Upon FAA acceptance, the Final NEM report will be posted on the Project’s public website.

Deliverable(s): One electronic PDF file and up to twenty (20) printed copies of the Final APF NEM report (includes 5 copies for the FAA) will be prepared (seven full copies of the main report and appendices and thirteen copies of the main report with appendices on thumb drives). Full-size NEM drawings will only be provided in the appendix for up to three (3) report copies. All other full-size NEM drawings will be provided on a thumb drive inserted in the appendix.

Assumptions/NAA Responsibilities:
- Assumes document produced in English only.
Task 5.7: NEM Notice of Availability
Description: Upon FAA acceptance of the NEM’s, ESA will prepare a notice of availability to be published in a local newspaper by NAA three (3) times periodically during the subsequent months. The notice will be published in both English and one alternative language for a total of six (6) advertisements.

Deliverable(s): One electronic document for use in publishing the notice of availability of the NEM’s.

Assumptions/NAA Responsibilities:
- NAA to provide consolidated review comments in track changes format.

NOTE: Tasks 6-9 are included in Phase II

Task 10: Project Management/Coordination

Task 10.1: Project Management
Description: The Part 150 Study will be actively managed to ensure the project stays on track. These efforts may include, but are not limited to tracking project milestones and updating the project schedule, preparing quarterly status reports for the FAA, and preparing monthly invoices and progress reports.

Deliverable(s): Schedule, status reports and milestone tracking.

Assumptions/NAA Responsibilities:
- NAA will assist in timely completion of the project by providing responsive information and feedback throughout the course of the project.

Task 10.2: Project Team Meetings
Description: To ensure that the Part 150 Study progresses on schedule, the ESA Team will conduct internal team meetings and working group meetings. These meetings will be conducted on a recurring basis throughout the duration of the project. During the meetings, the team members will review current deliverables and deadlines and identify potential challenges.

Meetings/ESA Team Participants: 2 meetings/ 5 members of ESA Team
15 calls/ 5 members of ESA Team

Deliverable(s):

Assumptions/NAA Responsibilities:
- N/A

Task 10.3: Quality Assurance and Control
Description: The Part 150 Study is a complex project with many moving parts. ESA’s Quality Assurance/Quality Control (QA/QC) process will be implemented for work products; making sure documents,
data, and coordination between team members adhere to ESA’s rigorous standards. This includes review of project elements by staff not connected to the project to ensure that the work products are straightforward and easy to understand by the general public.

Deliverables: Editorial and technical review of each element of the Part 150 Study.

Assumptions/NAA Responsibilities:
- NAA to comment as appropriate throughout the course of the Part 150 Study. Assist in resolving potential conflicts or issues identified during the QA/QC review process.

Task 10.4: APF Part 150 Project Close Out – SEE PHASE II
# Summary of Meetings – Phase I

<table>
<thead>
<tr>
<th>Task</th>
<th>Task Description</th>
<th>Meetings</th>
<th>Calls</th>
<th>ESA Team Participants</th>
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<td>NCP Public Workshop – See Phase II</td>
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<td>Part 150 Technical Advisory Committee Meetings</td>
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<td>Part 150 Public Hearing – See Phase II</td>
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</table>
To: Honorable Chair and Commissioners

From: Christopher A. Rozansky, Executive Director

By: Ken Warriner, Director of Finance and Administration

Meeting Date: October 17, 2019

Re: ACTION ITEM

2. Resolution 2019-4, adopting an investment policy; authorizing certain investments; and providing an effective date

SUMMARY: Authorize the Chair to execute Resolution 2019-4 to adopt the City of Naples Airport Authority’s Investment Policy as a framework for future investment decisions.

BACKGROUND: The Authority currently maintains cash reserves in bank money market accounts with competitive interest rates. In order to potentially earn higher rates of return, the Authority needs to establish an investment policy in accordance with Florida Statute 218.415.

The Investment Policy draft was discussed during the regular meeting on September 19th. There was brief discussion and several comments from the Commissioners regarding limiting the investment choices to more conservative options. These comments and additional Commissioners’ feedback received by the Authority after the meeting were reviewed and incorporated into the policy. A redlined and clean draft have been provided for review.

If the policy is approved, we will do a Request for Proposal for investment advisor services. We will also conduct an internal analysis on the cash flow needs of the Authority in order to determine the investment strategy.

COMMUNICATIONS PLAN: Not applicable to this item.

FINANCIAL IMPACT: Not applicable to this item
RESOLUTION 2019-4

A RESOLUTION ADOPTING AN INVESTMENT POLICY; AUTHORIZING CERTAIN INVESTMENTS; INDEMNIFYING THE EXECUTIVE DIRECTOR AND THE DIRECTOR OF FINANCE AND ADMINISTRATION (AND THEIR RESPECTIVE DESIGNEES) FOR ACTIONS RELATED TO THEIR DUTIES UNDER THE INVESTMENT POLICY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Naples Airport Authority (the "Authority"), created by the City of Naples Airport Authority Act, Laws of Fla. Ch. 69-1326, as amended (the "Enabling Act"), is governed by a Board of Commissioners; and

WHEREAS, Sec. 4. [Powers.] (m) of the Enabling Act authorizes the Authority to do all acts and things necessary or convenient to carry out the powers granted by the Enabling Act; and

WHEREAS, the introductory paragraph of Section 218.415, Florida Statutes, requires that a "unit of local government shall have an investment policy for any public funds in excess of the amounts needed to meet current expenses... or shall meet the alternative investment guidelines contained in subsection (17)" of the statute; and

WHEREAS, Subsection (16)(i) of Section 218.415, Florida Statutes, provides that "units of local government electing to adopt a written investment policy... may by resolution invest and reinvest any surplus public funds in their control or possession in... other investments authorized by law or by resolution for... a special district;" and

WHEREAS, the Board of Commissioners of the Authority has determined that it is in the best interest of the Authority to adopt the "City of Naples Airport Authority Investment Policy" in the form attached hereto and made a part of this Resolution (the "Investment Policy"); and

WHEREAS, the Board of Commissioners of the Authority desires to specifically authorize all of the investments set forth in Article XII of the Investment Policy; and

WHEREAS, the Board of Commissioners of the Authority wishes to indemnify the Executive Director and the Director of Finance and Administration (including their respective designees) for actions related to their duties under the Investment Policy; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE AUTHORITY THAT:

Section 1. The Investment Policy is hereby approved and adopted; and

Section 2. All of the investments set forth in Article XII of the Investment Policy are hereby authorized; and

Section 3. The Executive Director and the Director of Finance and Administration of the Authority shall be accorded the resources and authority appropriate to discharge and delegate their responsibilities under the Investment Policy at the expense of the Authority; and

Section 4. The Authority shall indemnify the Executive Director and the Director of Finance and Administration (including their respective designees) for any loss, expense or
other damage, including reasonable attorneys’ fees and costs, suffered by the Executive Director and the Director of Finance and Administration (including their respective designees) resulting from or incurred with respect to the performance of their duties under the Investment Policy. The indemnification provided for hereunder shall include, but not be limited to: (a) any action taken or not taken by the Executive Director and the Director of Finance and Administration (including their respective designees) at the direction or request of the Board of Commissioners of the Authority or in good faith reliance upon the recommendation or opinion of any investment advisors, investment advisor representatives, counsel and consultants for the Investment Policy; and (b) all costs and expenses incurred by the Executive Director and the Director of Finance and Administration (including their respective designees) in enforcing the indemnification provisions hereof, including reasonable attorneys’ fees and costs. Notwithstanding anything herein to the contrary, the indemnification hereunder shall not apply to the extent that any loss, expense or damage with respect to which the Executive Director or the Director of Finance and Administration (including their respective designees) shall seek indemnification is held by a court of competent jurisdiction, in a final judgment from which no appeal can be taken, to have resulted either from the gross negligence or willful misconduct of the Executive Director or the Director of Finance and Administration (including their respective designees);

Section 5. This indemnification shall apply to the successor of the Executive Director and the Director of Finance and Administration (including their respective designees), as job titles and responsibilities may change.

Section 6. This Resolution shall become effective immediately upon adoption.


Attest:

Christopher A. Rozansky
Executive Director

CITY OF NAPLES AIRPORT AUTHORITY

By: Donna M. Messer
Chair

Approved as to form and legal sufficiency by:

William L. Owens
Authority Counsel
City of Naples Airport Authority

Investment Policy

Adopted October 17, 2019
I. PURPOSE

The purpose of this Investment Policy (hereinafter this "Policy") is to set forth the investment objectives and parameters for the management of public funds of the City of Naples Airport Authority (hereinafter the "NAA"). This Policy is designed to safeguard the NAA’s funds, assure the availability of operating and capital funds when needed and provide an investment return competitive with comparable funds and financial market indices. Unless otherwise defined herein, all Capitalized Terms used in this Policy shall have the meanings set forth in Exhibit A attached hereto and made a part hereof.

II. SCOPE

In accordance with Section 218.415, Florida Statues, this Policy applies to all cash, investments and other funds held or controlled by the NAA in excess of those required to meet current expenses. This Policy shall not apply to the NAA’s funds related to the issuance of debt where there are other existing policies or indentures in effect for such funds. Additionally, this Policy does not apply to funds not under investment control of the NAA, such as employee’s retirement funds, including the NAA’s deferred compensation and defined contribution plans. The aggregate cash, investment and other fund balances of the NAA in excess of the amounts needed to meet current expenses are hereinafter referred to under this Policy as "Available Funds." The Available Funds are accounted for in the NAA’s Comprehensive Annual Financial Report.

III. INVESTMENT OBJECTIVES

This Policy is structured to place the highest priority on the safety of principal and liquidity of funds, and the optimization of investment returns shall be secondary to the requirements for safety and liquidity. As such, the primary objectives, in order priority, of the NAA’s investment activities shall be:

Safety of Principal

The foremost objective of the NAA’s investment activities is the safety of the principal of those funds within the portfolios. Investment transactions shall seek to keep capital losses at a minimum, whether they are from securities defaults or erosion of market value. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

Maintenance of Liquidity

The portfolios shall be managed in such a manner that funds are available to meet reasonably anticipated cash flow requirements in an orderly manner. Periodical cash flow analyses will be completed in order to ensure that the portfolios are positioned to provide sufficient liquidity for budgeted operating and capital needs. Current cash flow needs should be kept in interest bearing accounts meeting the qualified public depository...
requirements under Chapter 280, Florida Statutes, or a Local Government Investment Pool, that provide daily liquidity.

Return on Investment

Investment portfolios shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Given these stated objectives, from time to time, a trade may result in a recognized loss to achieve a perceived relative value based on its potential to enhance the total return of the portfolio.

IV. DELEGATION OF AUTHORITY

The responsibility for providing oversight in regards to the management of the overall investment program under this Policy resides with the NAA Board of Commissioners. The management responsibility for all NAA funds in the Investment Program and all investment transactions associated therewith is delegated to the Executive Director or designee who shall make decisions on investments and allocations based on advice from one or more investment advisors selected by the NAA Board of Commissioners (collectively the “Investment Advisor”). The NAA’s Executive Director or designee is delegated responsibility for the transferring of appropriate Available Funds to affect investment transactions as recommended by the NAA’s Investment Advisor for the Long-Term Core Investment Program. The Executive Director or designee is delegated responsibility for the investment of all operating funds and operating reserves funds. In employing an Investment Advisor to advise on the Investment Program’s portfolio, the Investment Advisor must be registered under the Investment Advisors Act of 1940 and meet all other qualifications required from time to time by law or the NAA.

V. STANDARDS OF PRUDENCE

The standard of prudence to be followed by the NAA Board of Commissioners and all other NAA employees delegated authority under this Policy in carrying out investment activities and the overall investment program shall be the "Prudent Person Rule" (as hereinafter defined). The NAA Board of Commissioners and all other NAA employees delegated authority under this Policy who act in accordance with this Policy and the Prudent Person Rule shall be relieved of personal responsibility and liability for an individual security’s credit risk or market price changes, provided deviations from expectation are reported to the NAA Board of Commissioners in a timely fashion and the overall investment program is carried out in accordance with the terms of this Policy. As used in this Policy, the "Prudent Person Rule" means the following:

Investments should be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their
own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment.

While the standard of prudence to be followed by the NAA Board of Commissioners and all other NAA employees delegated authority under this Policy is the Prudent Person Rule, any Investment Advisor or other person or firm hired or retained to invest, monitor or advise concerning any cash, investments or other funds held or controlled by the NAA shall be held to the higher standard of "Prudent Expert Rule" which means investments should be made and managed with the judgment, care, skill, prudence, and diligence, under the circumstances then prevailing, which persons of prudence, discretion, and intelligence acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, by diversifying the investments so as to minimize the risk of losses in accordance with this Policy.

VI. ETHICAL STANDARDS AND CONFLICTS OF INTEREST

The NAA Board of Commissioners and all other NAA employees delegated authority under this Policy or otherwise involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the overall investment program or which could impair their ability to make impartial investment decisions. In addition to all other ethics and conflicts of interest requirements under applicable law, the NAA Board of Commissioners and all other NAA employees delegated authority under this Policy or otherwise involved in the investment process shall disclose in writing to the NAA Executive Director or designee (a) any material financial interests in the Investment Advisor or other person or firm hired or retained to invest, monitor or advise concerning any cash, investments or other funds held or controlled by the NAA and (b) any material personal financial/investment positions that could be related to the performance of the NAA’s overall investment program.

VII. INTERNAL CONTROLS AND OPERATIONAL PROCEDURES

The Executive Director or designee shall establish a system of internal controls and operational procedures that are in writing and made a part of the NAA’s procedures. The internal controls should be designed to prevent losses of funds which might arise from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees. The internal controls shall be reviewed by independent auditors as part of any financial audit periodically required of the NAA. The written internal controls should address, at a minimum, (a) transfers of all funds, (b) recordkeeping, (c) custodial safekeeping, (d) delegation of authority and supervisory control of employee actions, (e) written confirmation of telephone transactions, (f) repurchase agreements, (g) separation of transaction authority from accounting and recordkeeping, (h) wire transfer agreements, (i) banking service contracts, (j) collateral/depository agreements and (k) "delivery-vs-payment" procedures. No person may engage in an investment transaction except as authorized under the terms of this Policy.
VIII. CONTINUING EDUCATION

The Executive Director or designee and any other NAA employees responsible for making investment decisions shall annually complete a minimum of eight (8) hours of continuing education in subjects or courses of study related to investment practices and products.

IX. AUTHORIZED INVESTMENT INSTITUTIONS AND DEALERS

Except as otherwise authorized or provided in this Policy, the Executive Director or designee and/or the NAA’s Investment Advisor shall only purchase securities from, and enter into repurchase agreements with financial institutions and brokers/dealers that meet the requirements of a Qualified Institution (as hereinafter defined). The Executive Director or designee and/or the NAA’s Investment Advisor shall maintain a list of financial institutions and broker/dealers that are approved for investment purposes under this Policy and only financial institutions and broker/dealers meeting the following minimum requirements (each a “Qualified Institution”) will be eligible to serve the NAA:

(a) Designated as a “primary dealer” by the Federal Reserve Bank of New York;
(b) Qualified as a regional dealer under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule);
(c) Capital of no less than $10,000,000;
(d) Registered as a dealer under the Securities Exchange Act of 1934;
(e) Member of the National Association of Dealers (NASD);
(f) Member of the Financial Industry Regulatory Authority, Inc. (FINRA);
(g) Registered to sell securities in Florida;
(h) Engaged in the business of effecting transactions in U.S. government and agency obligations for at least five (5) consecutive years; and
(i) In good standing with FINRA and the Securities and Exchange Commission.

All financial institutions and broker/dealers approved to be a Qualified Institution hereunder shall be provided with current copy of this Policy.

X. MAXIMUM MATURITY AND LIQUIDITY

The investment portfolio shall be structured in such manner as to provide sufficient liquidity to pay obligations as they come due. To the extent possible, an attempt will be made to match investment maturities with known cash needs and anticipated cash flow requirements.

Except for Local Government Investment Pools and Registered Investment Companies (Money Market Mutual Funds), securities purchased by or on behalf of the NAA shall have a final maturity of five (5) years or less from the date of purchase. The overall weighted average duration of principal return for the entire portfolio shall be less than three (3) years. The maturities of the underlying securities of a repurchase agreement will follow the requirements of the NAA’s Master Repurchase Agreement.
XI. COMPETITIVE SELECTION OF INVESTMENT INSTRUMENTS

After the Executive Director or designee and/or the NAA’s Investment Advisor has determined the approximate maturity date based on cash flow needs and market conditions and has analyzed and selected one or more optimal types of investment, a minimum of three (3) financial institutions and/or broker/dealers approved to be a Qualified Institution hereunder must be contacted and asked to provide bids/offers on securities that meet the investment criteria and objective unless multiple bids are not feasible or appropriate based on market conditions. Except as otherwise required by law or provided in this Policy, bids will be held in confidence until the bid deemed to best meet the investment criteria and objectives is determined and selected by the NAA. Notwithstanding anything herein to the contrary, if obtaining bids/offers are not feasible and appropriate or are otherwise not required under applicable law, then securities may be purchased/sold utilizing the comparison to current market price method on an exception basis. Acceptable current market price providers include, but are not limited to:

A. Telerate Information System;
B. Bloomberg Information Systems;
C. Wall Street Journal or a comparable nationally recognized financial publication providing daily market pricing; and
D. Daily market pricing provided by the NAA’s custodian or their correspondent institutions.

Examples of when the comparison to current market price method may be used include:

A. When time constraints due to unusual circumstances preclude the use of the competitive bidding process;
B. When no active market exists for the issue being traded due to the age or depth of the issue;
C. When a security is unique to a single dealer, for example, a private placement; and
D. When the transaction involves new issues or issues in the "when issued" market.

XII. AUTHORIZED INVESTMENTS AND PORTFOLIO COMPOSITION

Investments should be made subject to the cash flow needs and such cash flows are subject to revisions as market conditions and the NAA’s needs change. However, when the invested funds are needed in whole or in part for the purpose originally intended or for more optimal investments, the Executive Director or designee and/or the NAA’s Investment Advisor may sell the investment at the then-prevailing market price and the proceeds will be settled into the proper account at the NAA’s custodian.
Table of Investments Authorized:

<table>
<thead>
<tr>
<th>Authorized Investment – Sector Type</th>
<th>Minimum Rating Requirement</th>
<th>Maturity Limits</th>
<th>Maximum Allocation</th>
<th>Individual Issuer Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>N/A</td>
<td>N/A</td>
<td>100%</td>
<td>N/A</td>
</tr>
<tr>
<td>Local Government Surplus Funds Trust Fund (Florida PRIME)</td>
<td>AAAm</td>
<td>N/A</td>
<td>50%</td>
<td>N/A</td>
</tr>
<tr>
<td>United States Government Securities</td>
<td>N/A</td>
<td>5 years</td>
<td>100%</td>
<td>N/A</td>
</tr>
<tr>
<td>Federal Instrumentalities (United States Government Sponsored Enterprises)</td>
<td>N/A</td>
<td>5 years</td>
<td>25%</td>
<td>30%</td>
</tr>
<tr>
<td>Interest Bearing Time Deposit, Certificates of Deposit or Savings Accounts – Qualified Public Depositories Only</td>
<td>N/A</td>
<td>1 year</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>State and/or Local Government Taxable and/or Tax-Exempt Debt</td>
<td>Aaa and AAA</td>
<td>5 years</td>
<td>25%</td>
<td>10%</td>
</tr>
<tr>
<td>Registered Investment Companies (Money Market Mutual Funds)</td>
<td>AAAm</td>
<td>N/A</td>
<td>25%</td>
<td>10%</td>
</tr>
<tr>
<td>Intergovernmental Investment Pools</td>
<td>AAAm</td>
<td>N/A</td>
<td>40%</td>
<td>N/A</td>
</tr>
</tbody>
</table>

This list is a summary of the exact requirements in the list A-H below. Please refer to the exact language for requirements.

The following are the investment requirements and allocation limits on security types, issuers, and maturities established by the NAA (collectively “Investment Requirements”). Investments held should be 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. Diversification strategies within the established guidelines shall be reviewed and revised periodically, as deemed necessary by the Executive Director. The NAA shall have the option to further restrict investment percentages within the Investment Requirements from time to time based on market conditions, risk and diversification investment strategies. The percentage allocations within the Investment Requirements for investment types and issuers are calculated based on the original cost of each investment. All Investment Requirements are determined at the time of purchase. If a security held in the NAA’s investment portfolio does not meet the Investment Requirements of this Policy subsequent to the purchase date, the NAA’s Investment Advisor shall make the recommendation to hold or sell such security to the NAA, and the NAA’s Executive Director or designee will make the final decision. In this circumstance, the NAA’s overall investment program will remain in compliance with this Policy with written documentation of the Investment Advisor recommendations and decisions by the NAA’s Executive Director or designee. Investments not listed in this Policy and not made in compliance with the Investments Requirements are prohibited. The Investment Requirements do not apply to funds derived from the sale of debt.
The Investment Requirements applicable to the NAA are as follows:

A. CASH OR CASH EQUIVALENTS

1. Purchase Authorization
   Cash or cash equivalent accounts provided that such deposits are secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes

2. Portfolio Composition
   A maximum of 100% of Available Funds may be deposited in cash or cash equivalent accounts meeting the qualified public depository requirements under Chapter 280, Florida Statutes

B. LOCAL GOVERNMENT SURPLUS FUNDS TRUST FUND
   ("Florida PRIME")

1. Purchase Authorization
   Local Government Surplus Funds Trust Fund ("Florida PRIME") authorized under Chapter 218, Florida Statutes

2. Portfolio Composition
   A maximum of 50% of Available Funds may be invested in the Local Government Surplus Funds Trust Fund ("Florida PRIME")

C. UNITED STATES GOVERNMENT SECURITIES

1. Purchase Authorization
   Negotiable direct obligations, or obligations the principal and interest of which are unconditionally guaranteed by the United States Government. Such securities will include, but not be limited to the following:
   
   Cash Management Bills
   Treasury Securities - State and Local Government Series ("SLGS")
   Treasury Bills
   Treasury Notes
   Treasury Bonds
   Treasury Strips

2. Portfolio Composition
   A maximum of 100% of Available Funds may be invested in the United States Government Securities with the exception of Treasury Strips are limited to 10% of Available Funds

3. Maturity Limitations
   The maximum length to maturity of any direct investment in the United States Government Securities is five (5) years from the date of purchase
D. FEDERAL INSTRUMENTALITIES (UNITED STATES SPONSORED AGENCIES)

1. Purchase Authorization
   Bonds, debentures, notes or callables issued or guaranteed by United States Government sponsored agencies (Federal Instrumentalities), which are non-full faith and credit agencies. This includes adjustable and fixed rate mortgage-backed securities. The adjustable interest rate securities are to only adjust to the US treasury indices. These are limited to the following:

   Federal Farm Credit Bank (FFCB)
   Federal Home Loan Bank or its NAA banks (FHLB)
   Federal National Mortgage Association (FNMA)
   Federal Home Loan Mortgage Corporation (Freddie-Macs)
   including Federal Home Loan Mortgage Corporation participation certificates

2. Portfolio Composition
   A maximum of 25% of Available Funds may be invested in Federal Instrumentalities

3. Limits on Individual Issuers
   A maximum of 30% of Available Funds may be invested in any one issuer

4. Maturity Limitations
   The maximum length to maturity for an investment in any Federal Instrumentality security is five (5) years from the date of purchase. Mortgage backed securities will have average duration not greater than five (5) years

E. INTEREST BEARING TIME DEPOSIT OR SAVING ACCOUNTS

1. Purchase Authorization
   Non-negotiable interest bearing time certificates of deposit or savings accounts in banks organized under the laws of this state and/or in national banks organized under the laws of the United States and doing business and situated in the State of Florida, provided that any such deposits are secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes. Additionally, the bank shall not be listed with any recognized credit watch information service

2. Portfolio Composition
   A maximum of 10% of Available Funds may be invested in non-negotiable interest bearing time certificates of deposit

3. Limits on Individual Issuers
A maximum of 10% of Available Funds may be deposited with any one issuer.

4. Limits on Maturities
The maximum maturity on any certificate shall be no greater than one (1) year from the date of purchase.

F. STATE AND/OR LOCAL GOVERNMENT TAXABLE AND/OR TAX EXEMPT DEBT

1. Purchase Authorization
State and/or local government taxable and/or tax-exempt debt, general obligation and/or revenue bonds, rated at least "Aaa" by Moody's and "AAA" by Standard & Poor's for long-term debt, or rated at least "MIG-2" by Moody's and "SP-2" by Standard & Poor's for short-term debt.

2. Portfolio Composition
A maximum of 25% of Available Funds may be invested in taxable and tax-exempt General Obligation bonds. A maximum of 10% of Available Funds may be invested in taxable and tax-exempt Revenue and Excise tax bonds of the various municipalities of the State of Florida, provided none of such securities have been in default within five (5) years prior to the date of purchase.

3. Maturity Limitations
A maximum length to maturity for an investment in any state or local government debt security is five (5) years from the date of purchase.

G. REGISTERED INVESTMENT COMPANIES (MONEY MARKET MUTUAL FUNDS)

1. Investment Authorization
Shares in open-end, no-load provided such funds are registered under the Federal Investment Company Act of 1940 and operate in accordance with 17 C.F.R. § 270.2a-7, which stipulates that money market funds must have an average weighted maturity of 90 days or less. In addition, the share value of the money market funds must equal to $1.00.

2. Portfolio Composition
A maximum of 25% of Available Funds may be invested in money market funds.

3. Limits of Individual Issuers
A maximum of 10% of Available Funds may be invested with any one money market fund.
4. Rating Requirements
The money market funds shall be rated "AAAa" or "AAAa-G" or better by Standard & Poor’s, or the equivalent by another rating agency

5. Due Diligence Requirements
A thorough review of any money market fund is required prior to investing, and on a continual basis. There shall be a questionnaire developed by the Executive Director or designee and/or the NAA’s Investment Advisor that will contain a list of questions that covers the major aspects of any investment pool/fund

H. INTERGOVERNMENTAL INVESTMENT POOL

1. Investment Authorization
Intergovernmental investment pools that are authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01, Florida Statutes and provided that said funds contain no derivatives

2. Portfolio Composition
A maximum of 50% of Available Funds may be invested in intergovernmental investment pools

3. Due Diligence Requirements
A thorough review of any investment pool/fund is required prior to investing, and on a continual basis. There shall be a questionnaire developed by the Executive Director or designee and/or the NAA’s Investment Advisor that will contain a list of questions that covers the major aspects of any investment pool/fund

4. Rating Requirements
The investment pool shall be rated “AAAa” by Standard & Poor’s or the equivalent by another rating agency

XIII. MASTER REPURCHASE AGREEMENT, DERIVATIVES AND REVERSE REPURCHASE AGREEMENTS

All approved financial institutions and broker/dealers transacting repurchase agreements shall be required to execute and perform as stated in the NAA’s Master Repurchase Agreement. All repurchase agreement transactions shall adhere to the requirements of the NAA’s Master Repurchase Agreement.

The NAA may not invest in investment products that include the use of derivatives. A "derivative" is defined as a financial instrument the value of which depends on, or is derived from, the value of one or more underlying assets or indices or asset values. Reverse repurchase agreements are not permitted by this Policy.
XIV. PERFORMANCE MEASUREMENTS

To assist in the evaluation of the portfolios' performance, the NAA will use performance measures or benchmarks for short-term and long-term portfolios that are appropriate for the nature and size of the funds within the custody of the NAA. The use of benchmarks will allow the NAA to measure its returns against other investors in the same markets.

A. For the short-term portfolio (less than 12 months maturity), the S&P Rated GIP Index will be used as a benchmark as compared to the portfolios’ net book value rate of return for current operating funds.

B. Investment performance of funds designated as core funds and other non-operating funds that have a long-term (greater than 12 months maturity) investment horizon will be compared to an index comprised of U.S. Treasury or Government securities. The appropriate index will have a duration and asset mix that approximates the portfolios and will be utilized as a benchmark to be compared to the portfolio’s total rate of return. Examples of an appropriate index are as follows: The Merrill Lynch 1-3 Year U.S. Treasury Index and/or the Merrill Lynch 1-5 Year U.S. Treasury Index.

C. The Investment Advisor will report performance on both book value basis and a total rate of return basis for actively managed portfolios and compare results to the above-stated benchmarks based on the investment strategy of each portfolio. The Investment Advisor will report performance on a book value basis for passively managed portfolios and compare the yield on the portfolio to the yield of a U.S. Treasury or Government Sponsored Enterprise security with a similar maturity.

XV. REPORTING

A. The NAA’s Investment Advisor shall provide ongoing internet or web-based investment reports on the investment activities and shall have online access to investment holdings at all times. At a minimum, monthly reports should include the following:

1. A listing of individual securities held at the end of the reporting period;
2. Percentage of Available Funds represented by each investment type;
3. Coupon, discount or earning rate;
4. Average life or duration and final maturity of all investments; and
5. Par value and market value.

B. The NAA’s Director of Finance and Administration or designee should provide regular investment reports, but no less than on a quarterly basis, to the NAA Board of Commissioners as part of the financial reporting process.
C. On at least an annual basis, the NAA’s Director of Finance and Administration or designee and/or Investment Advisor shall prepare a report for submission to the NAA Board of Commissioners on the overall investment program which shall include, without limitation, securities in the portfolio by class or type, book value, income earned, and market value as of the report date. Such reports shall be available to the public. All investments shall be reported at fair value per GASB standards.

XVI. SAFEKEEPING AND CUSTODY REQUIREMENTS

Securities, with the exception of certificates of deposits, shall be held with a third party custodian; and all securities purchased by, and all collateral obtained by, the NAA shall be properly designated as an asset of the NAA. The securities must be held in an account separate and apart from the assets of the financial institution. A third party custodian shall be a third party custodian bank or other third party custodial institution with certified fiduciary powers, chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida as defined in Section 658.12, Florida Statutes, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in the State of Florida. Certificates of deposits will be placed in the provider's safekeeping department for the term of the deposit.

The custodian shall accept transaction instructions only from those persons who have been duly authorized by the Executive Director and which authorization has been provided, in writing, to the custodian. No withdrawal of securities, in whole or in part, shall be made from safekeeping except by an authorized NAA employee delegated authority under this Policy.

Monthly, the custodian shall provide the Executive Director or designee and/or the NAA's Investment Advisor with detail information on the securities held by the custodian. Securities transactions between a broker/dealer and the custodian involving the purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. Only after receiving written authorization from the NAA’s Director of Finance and Administration or designee or the NAA’s Investment Advisor, shall authorized securities be delivered "free." Securities held as collateral shall be held free and clear of any liens.

XVII. COLLATERALIZATION FOR DEPOSITS

Florida Statutes, Chapter 280 requires the NAA to place its deposits only in a "qualified public depository", as defined in the Florida Statutes, unless exempted by law. Any deposit placed in a qualified public depository is deemed to be adequately collateralized. In addition, collateralization must be required on any repurchase agreement.
XVIII. RESERVATION OF AUTHORITY

This Policy shall be adopted by resolution of the NAA Board of Commissioners. This Policy shall be reviewed annually by the Executive Director or designee and any recommended modifications must be approved by the NAA Board of Commissioners.

This Policy was duly adopted this 17th day of October, 2019, by the NAA Board of Commissioners.

ATTEST:

Christopher A. Rozansky
Executive Director

CITY OF NAPLES AIRPORT AUTHORITY

By:
Donna M. Messer, Chair

Approved as to form and legal sufficiency:

NAA Counsel
**Exhibit A**

**Defined Terms**

**Agency** - A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of federal agency is the Government National Mortgage Association (GNMA). An example of a FSA is the Federal National Mortgage Association (FNMA).

**Average Life** - The average length of time that an issue of serial bonds and/or term bonds, with a mandatory sinking fund feature, is expected to be outstanding. Bankers' Acceptance (BA) - A draft, bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

**Book Value** - The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

**Broker** - A broker brings buyer and sellers together for a commission.

**Certificate of Deposit (CD)** - A time deposit with a specific maturity evidenced by a certificate. Large-denomination CDs are typically negotiable.

**Collateralization** - Process by which a borrower pledges securities, property or other deposits for securing the repayment of a loan and/or security.

**Dealer** - A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**Delivery Versus Payment (DVP)** - A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or his/her custodian.

**Derivatives** - For hedging purposes, common derivatives are options, futures, swaps and swap options. All Collateralized Mortgage Obligations ("CMOs") are derivatives: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities.

**Diversification** - A process of investing assets among a range of security types by sector, maturity, and quality rating.

**Duration** - A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: Term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.
**Government Securities** - An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, Bonds, and SLGS."

**Internal Controls** - An internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. Internal controls should address the following points:

1. Control of collusion - Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
2. Separation of transaction authority from accounting and record keeping – By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
3. Custodial safekeeping - Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.
4. Avoidance of physical delivery securities - Book-entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
5. Clear delegation of authority to subordinate staff members - Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
6. Written confirmation of transactions for investments and wire transfers – Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and if the safekeeping institution has a list of authorized signatures.
7. Development of a wire transfer agreement with the lead bank and third-party custodian - The designated official should ensure that an agreement will be entered into and will address the following points: Controls, security provisions, and responsibilities of each party making and receiving wire transfers.

**Investment Company Act of 1940** - Federal legislation that sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

**Liquidity** - An asset that can be converted easily and quickly into cash.

**Local Government Investment Pool (LGIP)** - An investment by local governments in which their money is pooled as a method for managing local funds, (i.e., the Local Government Surplus Funds Trust Fund ("Florida PRIME")) authorized under Chapter 218, Florida Statutes, or intergovernmental investment pools authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01, Florida Statutes).
**Long-Term Core Investment Program** — An investment program using funds that are not needed within a one year period.

**Market Value** - Current market price of a security.

**Master Repurchase Agreement** - A written contract covering all future transactions between parties to a repurchase agreement that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

**Maturity** - The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See "Weighted Average Maturity."

**Money Market** - The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

**Money Market Mutual Fund** - Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

**Par** - Face value or principal value of a bond, typically $1,000 per bond.

**Portfolio** - Collection of securities held by an investor.

**Principal** - The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

**Qualified Public Depository** – as defined by Chapter 280, Florida Statutes.

**Rate of Return** - For fixed income securities (bonds and preferred stock), current yield that is, the coupon or contractual dividend rate divided by the purchase price. For common stock, dividend yield, which is the annual dividend divided by the purchase price.

**Repurchase Agreement (Repo or RP)** - An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

**Reverse Repurchase Agreement (Reverse Repo)** - An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified date.

**Safekeeping** - Holding of assets (e.g., securities) by a financial institution.

**Total Return** - The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any
realized dividends or capital gains. This is calculated by taking the following components during a certain time period. (Price Appreciation) + (Dividends paid) + (Capital gains) = Total Return

**Treasury Bills** - Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of $10,000. Auctions of three- and six-month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

**Treasury Notes** - Intermediate U.S. government debt securities with maturities of one to 10 years and issued in denominations ranging from $1,000 to $1 million or more.

**Treasury Bonds** - Long-term U.S. government debt securities with maturities of 10 years or longer and issued in minimum denominations of $1,000. Currently, the longest outstanding maturity for such securities is 30 years.

**Weighted Average Maturity (WAM)** - The average maturity of all the securities that comprise a portfolio. According to SEC rule 2a-7, the WAM for SEC registered money market mutual funds may not exceed 90 days and no one security may have a maturity that exceeds 397 days.

**Yield** - The current rate of return on an investment security generally expressed as a percentage of the security's current price.
City of Naples Airport Authority

Investment Policy

Adopted September 19, October 17XX, 2019
I. PURPOSE

The purpose of this Investment Policy (hereinafter this "Policy") is to set forth the investment objectives and parameters for the management of public funds of the City of Naples Airport Authority (hereinafter the "NAA"). This Policy is designed to safeguard the NAA’s funds, assure the availability of operating and capital funds when needed and provide an investment return competitive with comparable funds and financial market indices. Unless otherwise defined herein, all Capitalized Terms used in this Policy shall have the meanings set forth in Exhibit A attached hereto and made a part hereof.

II. SCOPE

In accordance with Section 218.415, Florida Statues, this Policy applies to all cash, investments and other funds held or controlled by the NAA in excess of those required to meet current expenses. This Policy shall not apply to the NAA’s funds related to the issuance of debt where there are other existing policies or indentures in effect for such funds. Additionally, this Policy does not apply to funds not under investment control of the NAA, such as employee’s retirement funds, including the NAA’s deferred compensation and defined contribution plans. The aggregate cash, investment and other fund balances of the NAA in excess of the amounts needed to meet current expenses are hereinafter referred to under this Policy as "Available Funds." The Available Funds are accounted for in the NAA’s Comprehensive Annual Financial Report.

III. INVESTMENT OBJECTIVES

This Policy is structured to place the highest priority on the safety of principal and liquidity of funds, and the optimization of investment returns shall be secondary to the requirements for safety and liquidity. As such, the primary objectives, in order priority, of the NAA’s investment activities shall be:

Safety of Principal

The foremost objective of the NAA’s investment activities is the safety of the principal of those funds within the portfolios. Investment transactions shall seek to keep capital losses at a minimum, whether they are from securities defaults or erosion of market value. To attain this objective, diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

Maintenance of Liquidity

The portfolios shall be managed in such a manner that funds are available to meet reasonably anticipated cash flow requirements in an orderly manner. Periodical cash flow analyses will be completed in order to ensure that the portfolios are positioned to provide sufficient liquidity for budgeted operating and capital needs. Current cash flow needs should be kept in interest bearing accounts meeting the qualified public depository...
requirements under Chapter 280, Florida Statutes, or a Local Government Investment Pool, that provide daily liquidity.

Return on Investment

Investment portfolios shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Given these stated objectives, from time to time, a trade may result in a recognized loss to achieve a perceived relative value based on its potential to enhance the total return of the portfolio.

IV. DELEGATION OF AUTHORITY

The responsibility for providing oversight in regards to the management of the overall investment program under this Policy resides with the NAA Board of Commissioners. The management responsibility for all NAA funds in the Investment Program and all investment transactions associated therewith is delegated to the Executive Director or designee who shall make decisions on investments and allocations based on advice from one or more investment advisors selected by the NAA Board of Commissioners (collectively the “Investment Advisor”). The NAA’s Executive Director or designee is delegated responsibility for the transferring of appropriate Available Funds to affect investment transactions as recommended by the NAA’s Investment Advisor for the Long-Term Core Investment Program. The Executive Director or designee is delegated responsibility for the investment of all operating funds and operating reserves funds. In employing an Investment Advisor to advise on the Investment Program’s portfolio, the Investment Advisor must be registered under the Investment Advisors Act of 1940 and meet all other qualifications required from time to time by law or the NAA.

V. STANDARDS OF PRUDENCE

The standard of prudence to be followed by the NAA Board of Commissioners and all other NAA employees delegated authority under this Policy in carrying out investment activities and the overall investment program shall be the "Prudent Person Rule" (as hereinafter defined). The NAA Board of Commissioners and all other NAA employees delegated authority under this Policy who act in accordance with this Policy and the Prudent Person Rule shall be relieved of personal responsibility and liability for an individual security's credit risk or market price changes, provided deviations from expectation are reported to the NAA Board of Commissioners in a timely fashion and the overall investment program is carried out in accordance with the terms of this Policy. As used in this Policy, the "Prudent Person Rule" means the following:

Investments should be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their
own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment.

While the standard of prudence to be followed by the NAA Board of Commissioners and all other NAA employees delegated authority under this Policy is the Prudent Person Rule, any Investment Advisor or other person or firm hired or retained to invest, monitor or advise concerning any cash, investments or other funds held or controlled by the NAA shall be held to the higher standard of "Prudent Expert Rule" which means investments should be made and managed with the judgment, care, skill, prudence, and diligence, under the circumstances then prevailing, which persons of prudence, discretion, and intelligence acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims, by diversifying the investments so as to minimize the risk of losses in accordance with this Policy.

VI. ETHICAL STANDARDS AND CONFLICTS OF INTEREST

The NAA Board of Commissioners and all other NAA employees delegated authority under this Policy or otherwise involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the overall investment program or which could impair their ability to make impartial investment decisions. In addition to all other ethics and conflicts of interest requirements under applicable law, the NAA Board of Commissioners and all other NAA employees delegated authority under this Policy or otherwise involved in the investment process shall disclose in writing to the NAA Executive Director or designee (a) any material financial interests in the Investment Advisor or other person or firm hired or retained to invest, monitor or advise concerning any cash, investments or other funds held or controlled by the NAA and (b) any material personal financial/investment positions that could be related to the performance of the NAA’s overall investment program.

VII. INTERNAL CONTROLS AND OPERATIONAL PROCEDURES

The Executive Director or designee shall establish a system of internal controls and operational procedures that are in writing and made a part of the NAA’s procedures. The internal controls should be designed to prevent losses of funds which might arise from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees. The internal controls shall be reviewed by independent auditors as part of any financial audit periodically required of the NAA. The written internal controls should address, at a minimum, (a) transfers of all funds, (b) recordkeeping, (c) custodial safekeeping, (d) delegation of authority and supervisory control of employee actions, (e) written confirmation of telephone transactions, (f) repurchase agreements, (g) separation of transaction authority from accounting and recordkeeping, (h) wire transfer agreements, (i) banking service contracts, (j) collateral/depository agreements and (k) "delivery-vs-payment" procedures. No person may engage in an investment transaction except as authorized under the terms of this Policy.
VIII. CONTINUING EDUCATION

The Executive Director or designee and any other NAA employees responsible for making investment decisions shall annually complete a minimum of eight (8) hours of continuing education in subjects or courses of study related to investment practices and products.

IX. AUTHORIZED INVESTMENT INSTITUTIONS AND DEALERS

Except as otherwise authorized or provided in this Policy, the Executive Director or designee and/or the NAA’s Investment Advisor shall only purchase securities from, and enter into repurchase agreements with financial institutions and brokers/dealers that meet the requirements of a Qualified Institution (as hereinafter defined). The Executive Director or designee and/or the NAA’s Investment Advisor shall maintain a list of financial institutions and broker/dealers that are approved for investment purposes under this Policy and only financial institutions and broker/dealers meeting the following minimum requirements (each a “Qualified Institution”) will be eligible to serve the NAA:

(a) Designated as a “primary dealer” by the Federal Reserve Bank of New York;
(b) Qualified as a regional dealer under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule);
(c) Capital of no less than $10,000,000;
(d) Registered as a dealer under the Securities Exchange Act of 1934;
(e) Member of the National Association of Dealers (NASD);
(f) Member of the Financial Industry Regulatory Authority, Inc. (FINRA);
(g) Registered to sell securities in Florida; and
(h) Engaged in the business of effecting transactions in U.S. government and agency obligations for at least five (5) consecutive years; and

(i) Investment and Institutions and Dealers must be in good standing with FINRA and the Securities and Exchange Commission.

All financial institutions and broker/dealers approved to be a Qualified Institution hereunder shall be provided with current copy of this Policy.

X. MAXIMUM MATURITY AND LIQUIDITY

The investment portfolio shall be structured in such manner as to provide sufficient liquidity to pay obligations as they come due. To the extent possible, an attempt will be made to match investment maturities with known cash needs and anticipated cash flow requirements.

Except for Local Government Investment Pools and Registered Investment Companies (Money Market Mutual Funds), securities purchased by or on behalf of the NAA shall have a final maturity of five (5) years or less from the date of purchase. The overall weighted average duration of principal return for the entire portfolio shall be less than three (3) years. The maturities of the
underlying securities of a repurchase agreement will follow the requirements of the NAA’s Master Repurchase Agreement.

XI. COMPETITIVE SELECTION OF INVESTMENT INSTRUMENTS

After the Executive Director or designee and/or the NAA’s Investment Advisor has determined the approximate maturity date based on cash flow needs and market conditions and has analyzed and selected one or more optimal types of investment, a minimum of three (3) financial institutions and/or broker/dealers approved to be a Qualified Institution hereunder must be contacted and asked to provide bids/offers on securities that meet the investment criteria and objective unless multiple bids are not feasible or appropriate based on market conditions. Except as otherwise required by law or provided in this Policy, bids will be held in confidence until the bid deemed to best meet the investment criteria and objectives is determined and selected by the NAA. Notwithstanding anything herein to the contrary, if obtaining bids/offers are not feasible and appropriate or are otherwise not required under applicable law, then securities may be purchased/sold utilizing the comparison to current market price method on an exception basis. Acceptable current market price providers include, but are not limited to:

A. Telerate Information System;
B. Bloomberg Information Systems;
C. Wall Street Journal or a comparable nationally recognized financial publication providing daily market pricing; and
D. Daily market pricing provided by the NAA’s custodian or their correspondent institutions.

Examples of when the comparison to current market price method may be used include:

A. When time constraints due to unusual circumstances preclude the use of the competitive bidding process;
B. When no active market exists for the issue being traded due to the age or depth of the issue;
C. When a security is unique to a single dealer, for example, a private placement; and
D. When the transaction involves new issues or issues in the "when issued" market.

XII. AUTHORIZED INVESTMENTS AND PORTFOLIO COMPOSITION

Investments should be made subject to the cash flow needs and such cash flows are subject to revisions as market conditions and the NAA’s needs change. However, when the invested funds are needed in whole or in part for the purpose originally intended or for more optimal investments, the Executive Director or designee and/or the NAA’s Investment Advisor may sell the investment at the then-prevailing market price and the proceeds will be settled into the proper account at the NAA’s custodian.

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### Table of Investments Authorized:

<table>
<thead>
<tr>
<th>Authorized Investment – Sector Type</th>
<th>Minimum Rating Requirement</th>
<th>Maturity Limits</th>
<th>Maximum Allocation</th>
<th>Individual Issuer Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>N/A</td>
<td>N/A</td>
<td>100%</td>
<td>N/A</td>
</tr>
<tr>
<td>Local Government Surplus Funds Trust Fund (Florida PRIME)</td>
<td>AAAm</td>
<td>N/A</td>
<td>100%</td>
<td>N/A</td>
</tr>
<tr>
<td>United States Government Securities</td>
<td>N/A</td>
<td>5 years</td>
<td>50%</td>
<td>10%</td>
</tr>
<tr>
<td>United States Government Agencies</td>
<td>AAA</td>
<td>5 years</td>
<td>50%</td>
<td>10%</td>
</tr>
<tr>
<td>Federal Instrumentalities (United States Government Sponsored Enterprises)</td>
<td>N/A</td>
<td>5 years</td>
<td>25%</td>
<td>30%</td>
</tr>
<tr>
<td>Interest Bearing Time Deposit, Certificates of Deposit or Savings Accounts – Qualified Public Depositories Only</td>
<td>N/A</td>
<td>1 year</td>
<td>10%</td>
<td>10%</td>
</tr>
<tr>
<td>Repurchase Agreements</td>
<td>N/A</td>
<td>90 days</td>
<td>10%</td>
<td>40%</td>
</tr>
<tr>
<td>Commercial Paper&lt;sup&gt;≤&lt;/sup&gt;</td>
<td>Prime-1 and A-1</td>
<td>270 days</td>
<td>25%</td>
<td>10%</td>
</tr>
<tr>
<td>Bankers’ Acceptances</td>
<td>P-1 and A-1</td>
<td>180 days</td>
<td>25%</td>
<td>5%</td>
</tr>
<tr>
<td>State and/or Local Government Taxable and/or Tax-Exempt Debt</td>
<td>Aaa and AAA</td>
<td>5 years</td>
<td>25%</td>
<td>10%</td>
</tr>
<tr>
<td>Registered Investment Companies (Money Market Mutual Funds)</td>
<td>AAAm</td>
<td>N/A</td>
<td>50%</td>
<td>10%</td>
</tr>
<tr>
<td>Intergovernmental Investment Pools</td>
<td>AAAm</td>
<td>N/A</td>
<td>50%</td>
<td>N/A</td>
</tr>
<tr>
<td>Corporate Notes&lt;sup&gt;≤&lt;/sup&gt;</td>
<td>Aa and AA</td>
<td>3 years</td>
<td>25%</td>
<td>10%</td>
</tr>
</tbody>
</table>

<sup>≤</sup>The combination of Section (H) Commercial Paper and Section (M) Corporate Notes shall not exceed 35%.

This list is a summary of the exact requirements in the list A-L-H below. Please refer to the exact language for requirements.

The following are the investment requirements and allocation limits on security types, issuers, and maturities established by the NAA (collectively “Investment Requirements”). Investments held should be 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. Diversification strategies within the established guidelines shall be reviewed and revised periodically, as deemed necessary by the Executive Director. The NAA shall have the option to further restrict investment percentages within the Investment Requirements from time to time based on market conditions, risk and diversification investment strategies. The percentage allocations within the Investment Requirements for investment types and issuers are calculated based on the original cost of each investment. All
Investment Requirements are determined at the time of purchase. If a security held in the NAA’s investment portfolio does not meet the Investment Requirements of this Policy subsequent to the purchase date, the NAA’s Investment Advisor shall make the recommendation to hold or sell such security to the NAA, and the NAA’s Executive Director or designee will make the final decision. In this circumstance, the NAA’s overall investment program will remain in compliance with this Policy with written documentation of the Investment Advisor recommendations and decisions by the NAA’s Executive Director or designee. Investments not listed in this Policy and not made in compliance with the Investments Requirements are prohibited. The Investment Requirements do not apply to funds derived from the sale of debt.

The Investment Requirements applicable to the NAA are as follows:

A. CASH OR CASH EQUIVALENTS

1. Purchase Authorization
   Cash or cash equivalent accounts provided that such deposits are secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes

2. Portfolio Composition
   A maximum of 100% of Available Funds may be deposited in cash or cash equivalent accounts meeting the qualified public depository requirements under Chapter 280, Florida Statutes

B. LOCAL GOVERNMENT SURPLUS FUNDS TRUST FUND
   ("Florida PRIME")

1. Purchase Authorization
   Local Government Surplus Funds Trust Fund
   ("Florida PRIME") authorized under Chapter 218, Florida Statutes

2. Portfolio Composition
   A maximum of 50% of Available Funds may be invested in the Local Government Surplus Funds Trust Fund ("Florida PRIME")

C. UNITED STATES GOVERNMENT SECURITIES

1. Purchase Authorization
   Negotiable direct obligations, or obligations the principal and interest of which are unconditionally guaranteed by the United States Government. Such securities will include, but not be limited to the following:

   Cash Management Bills
   Treasury Securities - State and Local Government Series ("SLGS")
   Treasury Bills
   Treasury Notes
   Treasury Bonds
   Treasury Strips
2. Portfolio Composition
A maximum of 100% of Available Funds may be invested in the United States Government Securities with the exception of Treasury Strips are limited to 10% of Available Funds

3. Maturity Limitations
The maximum length to maturity of any direct investment in the United States Government Securities is five (5) years from the date of purchase

D. UNITED STATES GOVERNMENT AGENCIES

1. Purchase Authorization
Bonds, debentures, notes or callables issued or guaranteed by the United States Governments agencies, provided such obligations are backed by the full faith and credit of the United States Government

This includes adjustable and fixed rate mortgage backed securities. The adjustable interest rate securities are to only adjust to the US treasury indices. Such securities will include, but not be limited to the following:

United States Export-Import Bank
- Direct obligations or fully guaranteed certificates of beneficial ownership
Farmer Home Administration
- Certificates of beneficial ownership
Federal Financing Bank
- Discount notes, notes and bonds
Federal Housing Administration Debentures
Government National Mortgage Association (GNMA)
- GNMA guaranteed mortgage backed bonds
- GNMA guaranteed pass through obligations
General Services Administration
United States Maritime Administration Guaranteed
- Title XI Financing
New Communities Debentures
- United States Government guaranteed debentures
United States Public Housing Notes and Bonds
- United States Government guaranteed public housing notes and bonds
United States Department of Housing and Urban Development
- Project notes and local authority bonds

2. Portfolio Composition
A maximum of 50% of Available Funds may be invested in United States Government agencies
3. Limits on Individual Issuers
   A maximum of 10% of Available Funds may be invested in individual United States Government agencies

4. Maturity Limitations
   The maximum length to maturity for an investment in any United States Government agency security is five (5) years from the date of purchase

**Federal Instrumentalities (United States Sponsored Agencies)**

1. Purchase Authorization
   Bonds, debentures, notes or callables issued or guaranteed by United States Government sponsored agencies (Federal Instrumentalities), which are non-full faith and credit agencies. This includes adjustable and fixed rate mortgage-backed securities. The adjustable interest rate securities are to only adjust to the US treasury indices. These are limited to the following:

   - Federal Farm Credit Bank (FFCB)
   - Federal Home Loan Bank or its NAA banks (FHLB)
   - Federal National Mortgage Association (FNMA)
   - Federal Home Loan Mortgage Corporation (Freddie-Macs)
   - Including Federal Home Loan Mortgage Corporation participation certificates

2. Portfolio Composition
   A maximum of 25% of Available Funds may be invested in Federal Instrumentalities

3. Limits on Individual Issuers
   A maximum of 30% of Available Funds may be invested in any one issuer

4. Maturity Limitations
   The maximum length to maturity for an investment in any Federal Instrumentality security is five (5) years from the date of purchase. Mortgage backed securities will have average duration not greater than five (5) years

**Interest Bearing Time Deposit or Saving Accounts**

1. Purchase Authorization
   Non-negotiable interest bearing time certificates of deposit or savings accounts in banks organized under the laws of this state and/or in national...
banks organized under the laws of the United States and doing business and situated in the State of Florida, provided that any such deposits are secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes. Additionally, the bank shall not be listed with any recognized credit watch information service.

2. Portfolio Composition
   A maximum of 10% of Available Funds may be invested in non-negotiable interest bearing time certificates of deposit.

3. Limits on Individual Issuers
   A maximum of 10% of Available Funds may be deposited with any one issuer.

4. Limits on Maturities
   The maximum maturity on any certificate shall be no greater than one (1) year from the date of purchase.

G. REPURCHASE AGREEMENTS

1. Purchase Authorization
a. Repurchase agreements composed of only those investments authorized in Sections C, D, and F of this Article XII. All firms are required to sign the NAA’s Master Repurchase Agreement prior to the execution of a repurchase agreement transaction.

b. A third-party custodian with whom the NAA has a current custodial agreement shall hold the collateral for all repurchase agreements with a term longer than one (1) business day. A clearly marked receipt that shows evidence of ownership must be supplied to the Executive Director or designee and retained.

e. Securities authorized for collateral must have maturities under five (5) years and with market value for the principal and accrued interest of 102 percent of the value and for the term of the repurchase agreement. Immaterial short-term deviations from 102 percent requirement are permissible only upon the approval of the Executive Director or designee and/or the NAA’s Investment Advisor.

d. The overnight sweep arrangement shall adhere to the agreement between the NAA and the NAA’s depository bank.

2. Portfolio Composition
   A maximum of 20% of Available Funds may be invested in repurchase agreements excluding one (1) business day agreements and overnight sweep agreements.
3. Limits on Individual Issuers
   A maximum of 10% of Available Funds may be invested with any one institution excluding one (1) business day agreements and overnight sweep agreements.

4. Limits on Maturities
   The maximum length to maturity of any repurchase agreement is 90 days from the date of purchase.

H. COMMERCIAL PAPER

1. Purchase Authorization
   Commercial paper of any United States company that is rated, at the time of purchase, "Prime-1" by Moody's and "A-1" by Standard & Poor's (prime commercial paper). If the commercial paper is backed by a letter of credit ("LOC"), the long-term debt of the LOC provider must be rated "A" or better by at least two nationally recognized rating agencies.

2. Portfolio Composition
   A maximum of 25% of Available Funds may be directly invested in prime commercial paper. The maximum portfolio composition of the total of commercial paper and corporate notes shall not exceed 35%.

3. Limits on Individual Issuers
   A maximum of 10% of Available Funds may be invested with any one issuer.

4. Maturity Limitations
   The maximum length to maturity for prime commercial paper shall be 270 days from the date of purchase.

I. BANKERS' ACCEPTANCES

1. Purchase Authorization
   Bankers' acceptances issued by a domestic bank or a federally-chartered domestic office of a foreign bank, which are eligible for purchase by the Federal Reserve System, at the time of purchase, the short-term paper is rated, at a minimum, "P-1" by Moody's Investors Services and "A-1" Standard & Poor's.

2. Portfolio Composition
   A maximum of 25% of Available Funds may be directly invested in Bankers' acceptances.

3. Limits on Individual Issuers
A maximum of 5% of Available Funds may be invested with any one issuer.

**4. Maturity Limitations**

The maximum length to maturity for Bankers' acceptances shall be 180 days from the date of purchase.

**JE. STATE AND/OR LOCAL GOVERNMENT TAXABLE AND/OR TAX EXEMPT DEBT**

1. Purchase Authorization
   State and/or local government taxable and/or tax-exempt debt, general obligation and/or revenue bonds, rated at least "Aaa" by Moody's and "AAA" by Standard & Poor's for long-term debt, or rated at least "MIG-2" by Moody's and "SP-2" by Standard & Poor's for short-term debt.

2. Portfolio Composition
   A maximum of 25% of Available Funds may be invested in taxable and tax-exempt General Obligation bonds. A maximum of 10% of Available Funds may be invested in taxable and tax-exempt Revenue and Excise tax bonds of the various municipalities of the State of Florida, provided none of such securities have been in default within five (5) years prior to the date of purchase.

3. Maturity Limitations
   A maximum length to maturity for an investment in any state or local government debt security is five (5) years from the date of purchase.

**KG. REGISTERED INVESTMENT COMPANIES (MONEY MARKET MUTUAL FUNDS)**

1. Investment Authorization
   Shares in open-end, no-load provided such funds are registered under the Federal Investment Company Act of 1940 and operate in accordance with 17 C.F.R. § 270.2a-7, which stipulates that money market funds must have an average weighted maturity of 90 days or less. In addition, the share value of the money market funds must equal to $1.00.

2. Portfolio Composition
   A maximum of 20% of Available Funds may be invested in money market funds.

3. Limits of Individual Issuers
   A maximum of 10% of Available Funds may be invested with any one money market fund.

4. Rating Requirements
The money market funds shall be rated "AAAm" or "AAAm-G" or better by Standard & Poor's, or the equivalent by another rating agency.

5. Due Diligence Requirements
A thorough review of any money market fund is required prior to investing, and on a continual basis. There shall be a questionnaire developed by the Executive Director or designee and/or the NAA's Investment Advisor that will contain a list of questions that covers the major aspects of any investment pool/fund.

I-H. INTERGOVERNMENTAL INVESTMENT POOL

1. Investment Authorization
Intergovernmental investment pools that are authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01, Florida Statutes and provided that said funds contain no derivatives.

2. Portfolio Composition
A maximum of 540% of Available Funds may be invested in intergovernmental investment pools.

3. Due Diligence Requirements
A thorough review of any investment pool/fund is required prior to investing, and on a continual basis. There shall be a questionnaire developed by the Executive Director or designee and/or the NAA's Investment Advisor that will contain a list of questions that covers the major aspects of any investment pool/fund.

4. Rating Requirements
The investment pool shall be rated "AAAm" by Standard & Poor's or the equivalent by another rating agency.

M. CORPORATE NOTES

1. Purchase Authorization
Corporate notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a long-term debt rating, at the time of purchase, at a minimum "Aa" by Moody's and a minimum long-term debt rating of "AA" by Standard & Poor's.

2. Portfolio Composition
A maximum of 25% of Available Funds may be directly invested in corporate notes. The maximum portfolio composition of the total of commercial paper and corporate notes shall not exceed 35%.
3. Limits on Individual Issuers
   A maximum of 10% of Available Funds may be invested with any one issuer

4. Maturity Limitations
   The maximum length to maturity for corporate notes shall be (3) three years from the date of purchase

XIII. MASTER REPURCHASE AGREEMENT, DERIVATIVES AND REVERSE REPURCHASE AGREEMENTS

All approved financial institutions and broker/dealers transacting repurchase agreements shall be required to execute and perform as stated in the NAA’s Master Repurchase Agreement. All repurchase agreement transactions shall adhere to the requirements of the NAA’s Master Repurchase Agreement.

The NAA may not invest in investment products that include the use of derivatives. A "derivative" is defined as a financial instrument the value of which depends on, or is derived from, the value of one or more underlying assets or indices or asset values. Reverse repurchase agreements are not permitted by this Policy.

XIV. PERFORMANCE MEASUREMENTS

To assist in the evaluation of the portfolios' performance, the NAA will use performance measures or benchmarks for short-term and long-term portfolios that are appropriate for the nature and size of the funds within the custody of the NAA. The use of benchmarks will allow the NAA to measure its returns against other investors in the same markets.

A. For the short-term portfolio (less than 12 months maturity), the S&P Rated GIP Index will be used as a benchmark as compared to the portfolios’ net book value rate of return for current operating funds.

B. Investment performance of funds designated as core funds and other non-operating funds that have a long-term (greater than 12 months maturity) investment horizon will be compared to an index comprised of U. S. Treasury or Government securities. The appropriate index will have a duration and asset mix that approximates the portfolios and will be utilized as a benchmark to be compared to the portfolio’s total rate of return. Examples of an appropriate index are as follows: The Merrill Lynch 1-3 Year U.S. Treasury Index and/or the Merrill Lynch 1-5 Year U.S. Treasury Index.

C. The Investment Advisor will report performance on both book value basis and a total rate of return basis for actively managed portfolios and compare results to the above-stated benchmarks based on the investment strategy of each portfolio. The Investment Advisor will report performance on a book value basis for passively managed portfolios and compare the yield on the portfolio to the yield of a U.S. Treasury or Government Sponsored Enterprise security with a similar maturity.
XV. REPORTING

A. The NAA’s Investment Advisor shall provide ongoing internet or web-based investment reports on the investment activities and shall have online access to investment holdings at all times. At a minimum, monthly reports should include the following:

1. A listing of individual securities held at the end of the reporting period;
2. Percentage of Available Funds represented by each investment type;
3. Coupon, discount or earning rate;
4. Average life or duration and final maturity of all investments; and
5. Par value and market value.

B. The NAA’s Director of Finance and Administration or designee should provide regular investment reports, but no less than on a quarterly basis, to the NAA Board of Commissioners as part of the financial reporting process.

C. On at least an annual basis, the NAA’s Director of Finance and Administration or designee and/or Investment Advisor shall prepare a report for submission to the NAA Board of Commissioners on the overall investment program which shall include, without limitation, securities in the portfolio by class or type, book value, income earned, and market value as of the report date. Such reports shall be available to the public. All investments shall be reported at fair value per GASB standards.

XVI. SAFEKEEPING AND CUSTODY REQUIREMENTS

Securities, with the exception of certificates of deposits, shall be held with a third party custodian; and all securities purchased by, and all collateral obtained by, the NAA shall be properly designated as an asset of the NAA. The securities must be held in an account separate and apart from the assets of the financial institution. A third party custodian shall be a third party custodian bank or other third party custodial institution with certified fiduciary powers, chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida as defined in Section 658.12, Florida Statutes, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in the State of Florida. Certificates of deposits will be placed in the provider's safekeeping department for the term of the deposit.

The custodian shall accept transaction instructions only from those persons who have been duly authorized by the Executive Director and which authorization has been provided, in writing, to the custodian. No withdrawal of securities, in whole or in part, shall be made from safekeeping except by an authorized NAA employee delegated authority under this Policy.
Monthly, the custodian shall provide the Executive Director or designee and/or the NAA’s Investment Advisor with detail information on the securities held by the custodian. Securities transactions between a broker/dealer and the custodian involving the purchase or sale of securities by transfer of money or securities must be made on a "delivery vs. payment" basis, if applicable, to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. Only after receiving written authorization from the NAA’s Director of Finance and Administration or designee or the NAA’s Investment Advisor, shall authorized securities be delivered "free." Securities held as collateral shall be held free and clear of any liens.

XVII. COLLATERALIZATION FOR DEPOSITS

Florida Statutes, Chapter 280 requires the NAA to place its deposits only in a "qualified public depository", as defined in the Florida Statutes, unless exempted by law. Any deposit placed in a qualified public depository is deemed to be adequately collateralized. In addition, collateralization must be required on any repurchase agreement.

XVIII. RESERVATION OF AUTHORITY

This Policy shall be adopted by resolution of the NAA Board of Commissioners. This Policy shall be reviewed annually by the Executive Director or designee and any recommended modifications must be approved by the NAA Board of Commissioners.

This Policy was duly adopted this 17th day of October, September, 2019, by the NAA Board of Commissioners.

CITY OF NAPLES AIRPORT AUTHORITY

ATTEST:

____________________________
Christopher A. Rozansky
Executive Director

By: __________________________
Donna M. Messer, Chair
Exhibit A
Defined Terms

Agency - A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of federal agency is the Government National Mortgage Association (GNMA). An example of a FSA is the Federal National Mortgage Association (FNMA).

Average Life - The average length of time that an issue of serial bonds and/or term bonds, with a mandatory sinking fund feature, is expected to be outstanding. Bankers' Acceptance (BA) - A draft, bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

Book Value - The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

Broker - A broker brings buyer and sellers together for a commission.

Certificate of Deposit (CD) - A time deposit with a specific maturity evidenced by a certificate. Large-denomination CDs are typically negotiable.

Collateralization - Process by which a borrower pledges securities, property or other deposits for securing the repayment of a loan and/or security.

Commercial Paper - An unsecured short-term promissory note issued by corporations, with maturities ranging from 2 to 270 days.

Dealer - A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

Delivery Versus Payment (DVP) - A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or his/her custodian.

Derivatives - For hedging purposes, common derivatives are options, futures, swaps and swap options. All Collateralized Mortgage Obligations ("CMOs") are derivatives. (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities.

Derivative Security - Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

Diversification - A process of investing assets among a range of security types by sector, maturity, and quality rating.
**Duration** - A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: Term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.

**Government Securities** - An obligation of the U.S. government, backed by the full faith and credit of the government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, Bonds, and SLGS."

**Internal Controls** - An internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that 1) the cost of a control should not exceed the benefits likely to be derived and 2) the valuation of costs and benefits requires estimates and judgments by management. Internal controls should address the following points:

1. Control of collusion - Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
2. Separation of transaction authority from accounting and record keeping – By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
3. Custodial safekeeping - Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party for custodial safekeeping.
4. Avoidance of physical delivery securities - Book-entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
5. Clear delegation of authority to subordinate staff members - Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
6. Written confirmation of transactions for investments and wire transfers – Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and if the safekeeping institution has a list of authorized signatures.
7. Development of a wire transfer agreement with the lead bank and third-party custodian - The designated official should ensure that an agreement will be entered into and will address the following points: Controls, security provisions, and responsibilities of each party making and receiving wire transfers.

**Investment Company Act of 1940** - Federal legislation that sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

**Liquidity** - An asset that can be converted easily and quickly into cash.
Local Government Investment Pool (LGIP) - An investment by local governments in which their money is pooled as a method for managing local funds, (i.e., the Local Government Surplus Funds Trust Fund ("Florida PRIME") authorized under Chapter 218, Florida Statutes, or intergovernmental investment pools authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01, Florida Statutes).

Long-Term Core Investment Program — An investment program using funds that are not needed within a one year period.

Market Value - Current market price of a security.

Master Repurchase Agreement - A written contract covering all future transactions between parties to a repurchase agreement that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

Maturity - The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See "Weighted Average Maturity."

Money Market - The market in which short-term debt instruments (bills, commercial paper, bankers' acceptance, etc.) are issued and traded.

Money Market Mutual Fund - Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos and federal funds).

Par - Face value or principal value of a bond, typically $1,000 per bond.

Portfolio - Collection of securities held by an investor.

Principal - The face value or par value of a debt instrument. Also may refer to the amount of capital invested in a given security.

Qualified Public Depository – as defined by Chapter 280, Florida Statutes.

Rate of Return - For fixed income securities (bonds and preferred stock), current yield that is, the coupon or contractual dividend rate divided by the purchase price. For common stock, dividend yield, which is the annual dividend divided by the purchase price.

Repurchase Agreement (Repo or RP) - An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

Reverse Repurchase Agreement (Reverse Repo) - An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified date.
**Safekeeping** - Holding of assets (e.g., securities) by a financial institution.

**Total Return** - The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period. (Price Appreciation) + (Dividends paid) + (Capital gains) = Total Return

**Treasury Bills** - Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of $10,000. Auctions of three- and six-month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

**Treasury Notes** - Intermediate U.S. government debt securities with maturities of one to 10 years and issued in denominations ranging from $1,000 to $1 million or more.

**Treasury Bonds** - Long-term U.S. government debt securities with maturities of 10 years or longer and issued in minimum denominations of $1,000. Currently, the longest outstanding maturity for such securities is 30 years.

**Weighted Average Maturity (WAM)** - The average maturity of all the securities that comprise a portfolio. According to SEC rule 2a-7, the WAM for SEC registered money market mutual funds may not exceed 90 days and no one security may have a maturity that exceeds 397 days.

**Yield** - The current rate of return on an investment security generally expressed as a percentage of the security's current price.
To: Honorable Chair and Commissioners

From: Christopher A. Rozansky, Executive Director

By: Heather LeDuc, Business Manager

Meeting Date: October 17, 2019

Re: OLD BUSINESS

2. Updated Development Concept by Naples Jet Center for North Quadrant Parcel 1

SUMMARY: Board consensus for the Executive Director to continue land lease negotiations with Naples Jet Center based on their updated development concept.

BACKGROUND: On December 20, 2018, Naples Jet Center was selected as the top-ranked respondent to a Request for Proposals (RFP) for the development of land parcel 1 in the north quadrant of the airport and the Board authorized the Executive Director to enter into lease negotiations.

Naples Jet Center is now proposing a revised development concept to better meet the needs of their customers and will provide a presentation to review it with the Board.

COMMUNICATIONS PLAN: Not applicable to this item.

FINANCIAL IMPACT: Not applicable to this item.
LEADERSHIP TEAM REPORT

September 2019 – October 2019

FOSTER A VALUED, ENGAGED AND EMPowered WORKFORCE

Leadership Development

The annual employee performance reviews have been completed through the ADP Workforce Now system. This year’s annual review included employee self-reviews which enhanced employee engagement and participation in the annual review process.

Human Resources revised the monthly HR Report to represent national voluntary turnover rates as reported by the Bureau of Labor Statistics. This addition to the report will allow a comparison of NAA voluntary turnover as compared to national local governments, excluding education.

The Executive Director attended the F. Russell Hoyt National Airports Conference (NAC) held on October 6th – 8th in San Antonio, Texas. This year’s conference focused on a discussion of timely topics such as the expected and the unexpected impact of unmanned aircraft systems (UAS) at airports as well as airport planning and design – staying ahead of the curve.

Two Landscape staff members attended the Florida Landscape Nursery Association seminar and trade show in Orlando.

On October 7th the NAA held an active shooter training class hosted by the Naples Police Department (NPD). We provide this training not only as a refresher course for our staff but for new hires at our organization. Due to violent events that have occurred worldwide, NPD has supported the public and local businesses by providing tips on what to do in the unlikely event we find ourselves in an active shooter situation.

Accident/Incident Investigation Training was held over two periods for supervisors and duty officers. The training was conducted by Human Resources in partnership with attorneys from Bond, Schoeneck and King. This training will aid in more complete and accurate recording of all incidents and accidents on the facilities and with analysis of the reports in order to assess programs and procedures.

Thirty (30) Operations and Facilities staff members attended and successfully completed the annual required FAR Part 139 Training. Three (3) separate training dates (September 10th, 17th & 27th) were necessary due to the number of staff members that attended this training.

On September 26th the FBO Manager was recognized as a recipient of the 40 Under 40 Award from Gulfshore Business Magazine.

The Director of Finance and Administration attended an investment seminar for public entities and earned the required eight hours of continuing education as required by the proposed City of Naples Airport Authority Investment Policy.
The FAA Part 139 triennial Full-Scale Emergency Exercise is scheduled for October 16th. This required exercise is done to test the emergency response agencies, local hospitals and the airport to ensure that all are prepared in the event of an actual mass casualty incident.

**Provide Service Excellence Every Day**

**Alerts**

There was one (1) alert for the month of September 2019.

<table>
<thead>
<tr>
<th>DATE</th>
<th>ALERT</th>
<th>TYPE A/C</th>
<th>PROBLEM</th>
<th>RESULT</th>
</tr>
</thead>
<tbody>
<tr>
<td>9/17/2019</td>
<td>3</td>
<td>C-152</td>
<td>Hard Landing on RWY5, resulting in aircraft bouncing causing it to</td>
<td>ARFF responded, as well as EMS, to check the pilot for injuries; there were none. Aircraft was trailered and removed from the RWY.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>nose-dive into the ground. The aircraft sustained excessive damage.</td>
<td></td>
</tr>
</tbody>
</table>

**AvTrip Program**

```
AVTRIP Program - Points Awarded by Jet A Fuel Program
Fiscal Year-to-Date September 2019

<table>
<thead>
<tr>
<th></th>
<th>Full Retail</th>
<th>Volume</th>
<th>Prepaid</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Points Awarded *</td>
<td>1,384,326</td>
<td>175,526</td>
<td>799,564</td>
<td>6,545,882</td>
</tr>
<tr>
<td>% by Program</td>
<td>21.1%</td>
<td>2.7%</td>
<td>12.2%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Points Awarded</td>
<td>1,384,326</td>
<td>175,526</td>
<td>799,564</td>
<td>6,545,882</td>
</tr>
<tr>
<td></td>
<td>21.1%</td>
<td>2.7%</td>
<td>12.2%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

* two points are earned per gallon of fuel purchased
```

**ARFF Services Building Design** – Foundation footings are in place, and underground utility installation is in progress. The concrete slab placement is anticipated by the end of October.

**Irma Recovery** – A final walk-through was conducted on October 2nd, resulting in a minor punch list which should be complete within the next two weeks.

**Fuel Farm Expansion** – The tanks are in place with piping complete. The restroom/equipment room was delivered October 1st. Final electrical connections are being installed with an anticipated final inspection of October 10th. The canopy delivery has been delayed until October 15th. Final completion is anticipated by October 31st.

**Runway 5/23 Drainage Improvement Project** – Project modeling for pipe size and geometry is complete. A meeting will be scheduled with American Infrastructure Development to review and confirm the design prior to a predesign meeting with the FAA later in October. Construction specifications and Modifications to Standards have also been prepared for the FAA meeting.
Middle North Road Berm Landscape Planting – This project was completed on time and on budget.

Master Plan Update – Staff has been reviewing the Capital Improvement Program, cost estimates, and the Airport Layout Plan, along with continued review of Working Paper #3. The next round of joint meetings and public outreach starts at the end of October.

North Self Fueler Rehabilitation – The North Self Fueler was pressure washed, painted and re-decaled. The contractor finished the work earlier than anticipated, and the unit was only out of service for one week.

All point of sale meters were volumetrically proven for accuracy. This is an annual requirement for all trucks and dispensers.

Annual fire extinguisher inspections were completed this month. There are over 350 located throughout the airport.

The entire exterior of the General Aviation Terminal was pressure washed and the windows cleaned in preparation for season. The 1200 and 1300 shade hangars were pressure washed as well.

Human Resources and Operations selected a new vendor for providing background checks prior to new hires receiving an offer of employment. The new provider offers more services, including all notifications required by the Fair Credit Reporting Act (FCRA) eliminating the need for this administrative function to be performed by both departments. Operations is also considering this vendor for all tenant and visitor background checks required for security access.

The Airport Office Building conference room is being updated with new paint and furnishings.

The 2019-2021 ID badge renewal process has begun. All NAA staff ID’s were renewed first, and now tenants are in the process of getting their ID’s renewed. The consolidated Badging and Leasing Office has streamlined the process and improved customer service.

**COMMITTED TO SUSTAINABILITY**

Outreach

The Naples Police Department used the Commercial Terminal ramp the week of September 9th for driver training.

Tours

Five tours were conducted during the month of September for a total of 78 individuals. This brings our FY19 total tours up to 37 for 841 individuals!
The following is a high-level summary for September 2019, plus information on upcoming events:

**September 2019 compared to September 2018:**

- Total Aircraft operations are up 3.6%
- IFR (Instrument Flight Rules) operations are up 6.5%
- VFR (Visual Flight Rules) operations are up 2.4%
- Voluntary curfew (10pm – 7am) operations are down 25.8%
- 69.9% of the operations occurred during the “shoulder hours” in September 2019 as compared to 70.9% during September 2018.
- Voluntary curfew compliance rate is 98.6% in September 2019, as compared to 97.9% in September 2018.

**FY 2019 compared to FY 2018 (October – September):**

- Total Aircraft operations are up .5%
- IFR (Instrument Flight Rules) operations are up 2.7%
- VFR (Visual Flight Rules) operations are down 1%
- Voluntary curfew (10pm – 7am) operations are down .3%
- Voluntary YTD curfew compliance rate is 98.1% for FY 2019 and 98.0% for FY 2018.

The next **Noise Compatibility Committee Regular Meeting** is scheduled for Thursday, October 31st, 2019, at 8:30 a.m., in Council Chambers at Naples City Hall located at 8th Street South. The public is encouraged to attend.


NCC and NAA Annual Reports are posted on the Authority’s website at: [http://www.flynapes.com/naples-airport-authority](http://www.flynapes.com/naples-airport-authority).
Naples Airport - Operations Summary
Prepared by the Naples Airport Authority
September 2019

Day and Night Operations Annual & Current Month

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Operations</td>
<td>120,291</td>
<td>163,434</td>
<td>86,187</td>
<td>95,018</td>
<td>112,262</td>
<td>6,957</td>
<td>7,207</td>
</tr>
<tr>
<td>Night Operations</td>
<td>3,282</td>
<td>3,130</td>
<td>1,973</td>
<td>2,758</td>
<td>2,880</td>
<td>213</td>
<td>158</td>
</tr>
<tr>
<td>Day Operations</td>
<td>117,009</td>
<td>160,304</td>
<td>84,214</td>
<td>92,260</td>
<td>109,382</td>
<td>6,744</td>
<td>7,049</td>
</tr>
</tbody>
</table>

% Night Operations: 2.7% 1.9% 2.3% 2.9% 2.6% 3.1% 2.2%

Voluntary Curfew (10 pm to 7 am) enacted May 1996

Night Operations by Hour - Current Month

<table>
<thead>
<tr>
<th>Time</th>
<th>NOT EXEMPT</th>
<th>EXEMPT</th>
</tr>
</thead>
<tbody>
<tr>
<td>10PM - 11PM</td>
<td>40</td>
<td>20</td>
</tr>
<tr>
<td>11PM - 12AM</td>
<td>42</td>
<td>18</td>
</tr>
<tr>
<td>12AM - 1AM</td>
<td>18</td>
<td>10</td>
</tr>
<tr>
<td>1AM - 2AM</td>
<td>12</td>
<td>4</td>
</tr>
<tr>
<td>2AM - 3AM</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>3AM - 4AM</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>4AM - 5AM</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>5AM - 6AM</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>6AM - 7AM</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Public Service /Exempt Operations include air ambulance, Mosquito Control, EMS, Sheriff, Coast Guard and military

69.9% of night operations took place during the hours of 10 pm - midnight and 6 a.m. - 7 a.m.

Voluntary Curfew Activity by Aircraft Category, Current Month

<table>
<thead>
<tr>
<th>Category</th>
<th>Arrivals</th>
<th>Departures</th>
<th>Total</th>
<th>% of Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jets</td>
<td>17</td>
<td>8</td>
<td>25</td>
<td>16%</td>
</tr>
<tr>
<td>Turboprops</td>
<td>5</td>
<td>7</td>
<td>12</td>
<td>8%</td>
</tr>
<tr>
<td>Piston</td>
<td>38</td>
<td>29</td>
<td>67</td>
<td>42%</td>
</tr>
<tr>
<td>Helo</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Public Service</td>
<td>37</td>
<td>17</td>
<td>54</td>
<td>34%</td>
</tr>
</tbody>
</table>

Total: 97 Arrivals, 61 Departures, 158 Total Operations

% of Activity: 61% Arrivals, 39% Departures

US Customs and Border Protection Aircraft Clearings

<table>
<thead>
<tr>
<th>Year</th>
<th>Cleared and Stayed</th>
<th>Cleared and Departed</th>
<th>Total Cleared</th>
<th>Cleared and Stayed</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2011*</td>
<td>304</td>
<td>6</td>
<td>310</td>
<td>98.1%</td>
</tr>
<tr>
<td>FY 2012</td>
<td>492</td>
<td>16</td>
<td>508</td>
<td>96.9%</td>
</tr>
<tr>
<td>FY 2013</td>
<td>549</td>
<td>12</td>
<td>561</td>
<td>97.9%</td>
</tr>
<tr>
<td>FY 2014</td>
<td>762</td>
<td>26</td>
<td>788</td>
<td>96.7%</td>
</tr>
<tr>
<td>FY 2015</td>
<td>874</td>
<td>32</td>
<td>906</td>
<td>96.5%</td>
</tr>
<tr>
<td>FY 2016</td>
<td>1025</td>
<td>47</td>
<td>1072</td>
<td>95.6%</td>
</tr>
<tr>
<td>FY 2017</td>
<td>1204</td>
<td>22</td>
<td>1226</td>
<td>98.2%</td>
</tr>
<tr>
<td>FY 2018</td>
<td>1334</td>
<td>28</td>
<td>1362</td>
<td>97.9%</td>
</tr>
<tr>
<td>FY 2019</td>
<td>1345</td>
<td>20</td>
<td>1365</td>
<td>98.5%</td>
</tr>
</tbody>
</table>

* Facility opened December 30, 2010
Aviation Fuel Gallons & Aircraft Operations Historical Comparison
36 Months

Aviation Gallons

Aircraft Operations

**NOTE:** Jet Operations figures are provided by FlightAware and are subject to change due to their reporting methods. ****
### CITY OF NAPLES AIRPORT AUTHORITY
### U.S. CUSTOMS GENERAL AVIATION ACTIVITY
### PERIOD ENDING 30 SEPTEMBER 2019

<table>
<thead>
<tr>
<th>MONTH</th>
<th>TOTAL AIRCRAFT CLEARED</th>
<th>AIRCRAFT CLEARED/STAYED IN NAPLES</th>
<th>CLEARED/DEPARTED FOR DESTINATION</th>
<th>PERSONS CLEARED</th>
</tr>
</thead>
<tbody>
<tr>
<td>OCTOBER</td>
<td>55</td>
<td>63</td>
<td>14.5</td>
<td>55</td>
</tr>
<tr>
<td>NOVEMBER</td>
<td>126</td>
<td>143</td>
<td>13.5</td>
<td>123</td>
</tr>
<tr>
<td>DECEMBER</td>
<td>156</td>
<td>137</td>
<td>-12.2</td>
<td>155</td>
</tr>
<tr>
<td>JANUARY</td>
<td>162</td>
<td>138</td>
<td>-14.8</td>
<td>158</td>
</tr>
<tr>
<td>FEBRUARY</td>
<td>185</td>
<td>173</td>
<td>-6.5</td>
<td>183</td>
</tr>
<tr>
<td>MARCH</td>
<td>202</td>
<td>211</td>
<td>4.5</td>
<td>197</td>
</tr>
<tr>
<td>APRIL</td>
<td>142</td>
<td>166</td>
<td>16.9</td>
<td>138</td>
</tr>
<tr>
<td>MAY</td>
<td>86</td>
<td>98</td>
<td>14.0</td>
<td>84</td>
</tr>
<tr>
<td>JUNE</td>
<td>87</td>
<td>88</td>
<td>1.1</td>
<td>87</td>
</tr>
<tr>
<td>JULY</td>
<td>64</td>
<td>57</td>
<td>-10.9</td>
<td>60</td>
</tr>
<tr>
<td>AUGUST</td>
<td>61</td>
<td>41</td>
<td>-32.8</td>
<td>60</td>
</tr>
<tr>
<td>SEPTEMBER</td>
<td>36</td>
<td>50</td>
<td>38.9</td>
<td>34</td>
</tr>
<tr>
<td><strong>YTD TOTALS</strong></td>
<td><strong>1362</strong></td>
<td><strong>1365</strong></td>
<td><strong>0.2</strong></td>
<td><strong>1334</strong></td>
</tr>
</tbody>
</table>
# CITY OF NAPLES AIRPORT AUTHORITY
## ACTIVITY REPORT
### PERIOD ENDING 30 SEPTEMBER 2019

<table>
<thead>
<tr>
<th>OPERATIONS</th>
<th>Current Month</th>
<th>Year to Date</th>
<th>Variance %</th>
<th>Current Month</th>
<th>Year to Date</th>
<th>Variance %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 18</td>
<td>FY 19</td>
<td>Variance %</td>
<td>FY 18</td>
<td>FY 19</td>
<td>Variance %</td>
</tr>
<tr>
<td><strong>OPERATIONS - Itinerant</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Air Carrier</td>
<td>0</td>
<td>0</td>
<td>NMF</td>
<td>1</td>
<td>1</td>
<td>0.0</td>
</tr>
<tr>
<td>Commercial</td>
<td>519</td>
<td>543</td>
<td>4.6</td>
<td>14,631</td>
<td>15,162</td>
<td>3.6</td>
</tr>
<tr>
<td>General Aviation</td>
<td>4,253</td>
<td>4,455</td>
<td>4.7</td>
<td>69,364</td>
<td>70,859</td>
<td>2.2</td>
</tr>
<tr>
<td>Military</td>
<td>19</td>
<td>10</td>
<td>(47.4)</td>
<td>229</td>
<td>206</td>
<td>(10.0)</td>
</tr>
<tr>
<td>TOTAL ITINERANT OPERATIONS</td>
<td>4,791</td>
<td>5,008</td>
<td>4.5</td>
<td>84,225</td>
<td>86,228</td>
<td>2.4</td>
</tr>
<tr>
<td><strong>OPERATIONS - Local</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial</td>
<td>0</td>
<td>0</td>
<td>NMF</td>
<td>0</td>
<td>0</td>
<td>NMF</td>
</tr>
<tr>
<td>General Aviation</td>
<td>1,953</td>
<td>2,035</td>
<td>4.2</td>
<td>25,065</td>
<td>23,680</td>
<td>(5.5)</td>
</tr>
<tr>
<td>Military</td>
<td>0</td>
<td>6</td>
<td>NMF</td>
<td>92</td>
<td>22</td>
<td>(76.1)</td>
</tr>
<tr>
<td>TOTAL LOCAL OPERATIONS</td>
<td>1,953</td>
<td>2,041</td>
<td>4.5</td>
<td>25,157</td>
<td>23,702</td>
<td>(5.8)</td>
</tr>
<tr>
<td><strong>TOTAL NIGHT OPERATIONS</strong></td>
<td>213</td>
<td>158</td>
<td>(25.8)</td>
<td>2,880</td>
<td>2,870</td>
<td>(0.3)</td>
</tr>
<tr>
<td>**TOTAL IFR - Operations *</td>
<td>1,990</td>
<td>2,120</td>
<td>6.5</td>
<td>44,567</td>
<td>45,768</td>
<td>2.7</td>
</tr>
<tr>
<td><strong>TOTAL VFR - Operations</strong></td>
<td>4,967</td>
<td>5,087</td>
<td>2.4</td>
<td>67,695</td>
<td>67,032</td>
<td>(1.0)</td>
</tr>
<tr>
<td><strong>TOTAL OPERATIONS</strong></td>
<td>6,957</td>
<td>7,207</td>
<td>3.6</td>
<td>112,262</td>
<td>112,800</td>
<td>0.5</td>
</tr>
</tbody>
</table>

*As reported by ATCT
NMF = No Meaningful Figure

Beginning 16/4/19, the nighttime operations were combined as one entry.
**City of Naples Airport Authority**

30-Sep-19

**HUMAN RESOURCES METRICS**

### Voluntary Turnover

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAA Voluntary Turnover History (Annual)</td>
<td>5.9%</td>
<td>4.1%</td>
<td>8.1%</td>
<td>10.0%</td>
<td>12.79%</td>
</tr>
<tr>
<td>National Average</td>
<td>19.6%</td>
<td>20.7%</td>
<td>26.3%</td>
<td>30.5%</td>
<td>35.0%</td>
</tr>
</tbody>
</table>

#### Employment

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budgeted Positions (Non Seasonal)</td>
<td>72.5</td>
<td>73.6</td>
<td>74.8</td>
<td>76.0</td>
<td>86.0</td>
</tr>
<tr>
<td>Budgeted Positions (Seasonal)</td>
<td>2.5</td>
<td>2.5</td>
<td>2.5</td>
<td>2.5</td>
<td>3.8</td>
</tr>
<tr>
<td>Actual Positions (Non Seasonal)</td>
<td>68.7</td>
<td>72.2</td>
<td>73.9</td>
<td>72.0</td>
<td>79.0</td>
</tr>
<tr>
<td>Actual Positions (Seasonal)</td>
<td>3.0</td>
<td>2.8</td>
<td>2.6</td>
<td>2.0</td>
<td>3.6</td>
</tr>
</tbody>
</table>

#### Budgeted vs Actual Full Time: FY 2019

- **BUDGETED**
- **ACTUAL**

<table>
<thead>
<tr>
<th>Years of Service with the Authority</th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>YTD FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>3+ years</td>
<td>72.1%</td>
<td>65.8%</td>
<td>66.7%</td>
<td>64.9%</td>
<td>63.8%</td>
</tr>
<tr>
<td>5+ years</td>
<td>63.2%</td>
<td>58.9%</td>
<td>56.9%</td>
<td>55.4%</td>
<td>48.8%</td>
</tr>
</tbody>
</table>

#### Work Injuries

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Days Away from Work</td>
<td>-</td>
<td>1</td>
<td>5</td>
<td>49</td>
<td>65</td>
</tr>
</tbody>
</table>

#### Damage Incidents

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>FY 19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per actual positions (FTE)</td>
<td>0.13</td>
<td>0.09</td>
<td>0.05</td>
<td>0.01</td>
<td>0</td>
</tr>
</tbody>
</table>

---

1. Voluntary Turnover National Average based on BLS data for Local Government-Non Educational. 2019 is current estimated.
2. Effective January 2016 a change in the report reflects annual budgeted positions and actual positions year to date. Prior years reflect fiscal year adjusted FTE’s.
3. 50 of the missed days is a single incident in the previous fiscal year that resulted in 2 surgeries. Employee returned to work 10/31/2018. Then additional missed days for 2nd surgery included 22 additional days missed.
4. Report does not reflect Hurricane Irma damage.
To: Honorable Chair and Commissioners

From: Christopher A. Rozansky, Executive Director

By: Ken Warriner, Director of Finance and Administration

Date: October 9, 2019

Re: September 2019 Financials

1. Financial Summary

For the month of September 2019, operating revenue (net of cost of goods sold) was $827,745 compared to the budget of $658,619. This was favorable to budget by $169,126 or 26%. Operating expenses were unfavorable to budget by $261,544 or 23%. Loss from operations was ($576,267) or $92,418 unfavorable to the budget. The net loss was favorable to budget by $9,715. The Authority’s net loss for the month was budgeted at ($803,376) and the actual loss was ($793,661).

YTD Budget-to-Actual Comparisons

<table>
<thead>
<tr>
<th></th>
<th>FY 2019 Budget</th>
<th>FY 2019 Actual</th>
<th>Variance</th>
<th>Percent Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jet A Net Fuel Revenue</td>
<td>$ 9,903,471</td>
<td>$ 12,245,646</td>
<td>$ 2,342,175</td>
<td>23.7%</td>
</tr>
<tr>
<td>Jet A Fuel Gallons Sold</td>
<td>6,974,583</td>
<td>7,539,298</td>
<td>564,715</td>
<td>13.8%</td>
</tr>
<tr>
<td>Jet A Fuel Gallons Pumped</td>
<td>7,078,949</td>
<td>7,665,675</td>
<td>586,726</td>
<td>14.3%</td>
</tr>
<tr>
<td>Ramp Fee Revenue</td>
<td>$ 575,320</td>
<td>$ 651,895</td>
<td>$ 76,575</td>
<td>13.3%</td>
</tr>
</tbody>
</table>

YTD Prior Year to Current Year Comparisons

<table>
<thead>
<tr>
<th></th>
<th>FY 2018 Actual</th>
<th>FY 2019 Actual</th>
<th>Variance</th>
<th>Percent Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aircraft Fuelings</td>
<td>27,020</td>
<td>28,065</td>
<td>1,045</td>
<td>3.9%</td>
</tr>
<tr>
<td>Jet A Fuelings</td>
<td>14,879</td>
<td>15,287</td>
<td>408</td>
<td>2.7%</td>
</tr>
<tr>
<td>Jet A Fuel Gallons Pumped</td>
<td>7,201,928</td>
<td>7,665,675</td>
<td>463,747</td>
<td>6.4%</td>
</tr>
<tr>
<td>Ramp Fee Transactions</td>
<td>2,414</td>
<td>2,310</td>
<td>(104)</td>
<td>-4.3%</td>
</tr>
</tbody>
</table>

As of the end of August, the Authority was still at capacity for aircraft storage rentals with a waiting list of 93 for various size rental spaces. Of these, 39% are current tenants and 61% are prospective tenants.
City of Naples Airport Authority  
Financial Reports  
For the Period Ending September 30, 2019  

INDEX  

<table>
<thead>
<tr>
<th>Management Reports</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statement of Fuel Sales - Month</td>
<td>2</td>
</tr>
<tr>
<td>Statement of Fuel Sales - Fiscal Year-to-Date</td>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial Statements</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Statement - Month</td>
<td>4</td>
</tr>
<tr>
<td>Income Statement - Fiscal Year-to-Date</td>
<td>5</td>
</tr>
<tr>
<td>Operating Expenses by Department - Month</td>
<td>6</td>
</tr>
<tr>
<td>Operating Expenses by Department - Fiscal Year-to-Date</td>
<td>7</td>
</tr>
<tr>
<td>Statement of Cash Flows</td>
<td>8</td>
</tr>
<tr>
<td>Balance Sheet</td>
<td>9</td>
</tr>
<tr>
<td>Major Capital Projects</td>
<td>10</td>
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</tbody>
</table>
## Fuel Sales Revenue

<table>
<thead>
<tr>
<th></th>
<th>FY 2019 Budget</th>
<th>Current Month</th>
<th>FY 2019 Actual</th>
<th>Variance Favorable (Unfavorable)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Gallons</td>
<td>Dollars</td>
<td>Gallons</td>
<td>Dollars</td>
</tr>
<tr>
<td><strong>Jet A</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full Service</td>
<td>93,730</td>
<td>$376,700</td>
<td>41,536</td>
<td>$180,712</td>
</tr>
<tr>
<td>Contract Fuel</td>
<td>-</td>
<td>-</td>
<td>161,400</td>
<td>611,618</td>
</tr>
<tr>
<td>Jet A Prepaid</td>
<td>75,449</td>
<td>248,887</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Tenant</td>
<td>-</td>
<td>-</td>
<td>60,991</td>
<td>225,456</td>
</tr>
<tr>
<td>Volume Discount</td>
<td>90,949</td>
<td>171,651</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Flowage Fees</td>
<td>24,384</td>
<td>7,232</td>
<td>20,696</td>
<td>6,209</td>
</tr>
<tr>
<td><strong>Total Jet A</strong></td>
<td>284,512</td>
<td>$804,470</td>
<td>284,623</td>
<td>$1,023,995</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>100LL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full Service</td>
<td>9,384</td>
<td>$38,183</td>
<td>7,161</td>
<td>$30,245</td>
</tr>
<tr>
<td>Prepaid Fuel</td>
<td>7,956</td>
<td>31,108</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Tenant</td>
<td>-</td>
<td>-</td>
<td>5,648</td>
<td>24,560</td>
</tr>
<tr>
<td>Self Fueler</td>
<td>7,038</td>
<td>25,802</td>
<td>5,907</td>
<td>22,841</td>
</tr>
<tr>
<td>Volume Fuel</td>
<td>-</td>
<td>-</td>
<td>6,991</td>
<td>29,881</td>
</tr>
<tr>
<td><strong>Total 100LL</strong></td>
<td>24,378</td>
<td>$95,093</td>
<td>25,707</td>
<td>$113,527</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Car Wash Facility</strong></td>
<td>2,782</td>
<td>$6,400</td>
<td>2,745</td>
<td>$7,270</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Oil</strong></td>
<td>23</td>
<td>$400</td>
<td>36</td>
<td>$640</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Fuel Sales</strong></td>
<td>311,695</td>
<td>$906,363</td>
<td>313,111</td>
<td>$1,145,432</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$1,416</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$239,069</td>
</tr>
</tbody>
</table>

## Fuel Cost of Sales

<table>
<thead>
<tr>
<th></th>
<th>FY 2019 Budget</th>
<th>Current Month</th>
<th>FY 2019 Actual</th>
<th>Variance Favorable (Unfavorable)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Gallons</td>
<td>Dollars</td>
<td>Gallons</td>
<td>Dollars</td>
</tr>
<tr>
<td><strong>Total Jet A Cost</strong></td>
<td>284,512</td>
<td>$528,010</td>
<td>284,623</td>
<td>$597,272</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>100LL Cost</strong></td>
<td>24,378</td>
<td>$78,010</td>
<td>25,707</td>
<td>$83,068</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Car Wash Facility</strong></td>
<td>2,782</td>
<td>$5,800</td>
<td>2,745</td>
<td>$7,304</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Aviation Oil</strong></td>
<td>23</td>
<td>$300</td>
<td>36</td>
<td>$436</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Credit Card Fees</strong></td>
<td></td>
<td>$10,600</td>
<td></td>
<td>$8,837</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Cost of Sales</strong></td>
<td>311,695</td>
<td>$622,720</td>
<td>313,111</td>
<td>$696,917</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(1,416)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>($74,197)</td>
</tr>
</tbody>
</table>

## Total Net Fuel Revenue

<table>
<thead>
<tr>
<th></th>
<th>FY 2019 Budget</th>
<th>Current Month</th>
<th>FY 2019 Actual</th>
<th>Variance Favorable (Unfavorable)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Gallons</td>
<td>Dollars</td>
<td>Gallons</td>
<td>Dollars</td>
</tr>
<tr>
<td><strong>Total Net Fuel Revenue</strong></td>
<td>$283,643</td>
<td>$448,515</td>
<td></td>
<td>$164,872</td>
</tr>
</tbody>
</table>
### City of Naples Airport Authority

#### Statement of Fuel Sales

For Period Ending September 30, 2019

<table>
<thead>
<tr>
<th>Fuel Sales Revenue</th>
<th>Current Year-to-Date</th>
<th>FY 2019 Budget</th>
<th>FY 2019 Actual</th>
<th>Variance Favorable (Unfavorable)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Gallons</td>
<td>Dollars</td>
<td>Gallons</td>
<td>Dollars</td>
</tr>
<tr>
<td>Jet A</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Full Service</td>
<td>2,577,669</td>
<td>$10,491,997</td>
<td>1,604,192</td>
<td>$7,082,827</td>
</tr>
<tr>
<td>Contract Fuel</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Jet A Prepaid</td>
<td>1,675,348</td>
<td>5,523,352</td>
<td>1,428,686</td>
<td>5,627,508</td>
</tr>
<tr>
<td>Tenant</td>
<td>-</td>
<td>-</td>
<td>242,527</td>
<td>856,020</td>
</tr>
<tr>
<td>Volume Discount</td>
<td>2,455,932</td>
<td>7,193,659</td>
<td>258,378</td>
<td>995,666</td>
</tr>
<tr>
<td>Flowage Fees</td>
<td>265,634</td>
<td>79,374</td>
<td>273,623</td>
<td>82,087</td>
</tr>
<tr>
<td>Total Jet A</td>
<td>6,974,583</td>
<td>$23,288,380</td>
<td>7,939,298</td>
<td>$30,606,538</td>
</tr>
<tr>
<td>100LL</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Full Service</td>
<td>178,398</td>
<td>$724,950</td>
<td>165,495</td>
<td>$804,142</td>
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<tr>
<td>Prepaid Fuel</td>
<td>111,678</td>
<td>431,250</td>
<td>100,411</td>
<td>434,654</td>
</tr>
<tr>
<td>Tenant</td>
<td>-</td>
<td>-</td>
<td>19,369</td>
<td>80,435</td>
</tr>
<tr>
<td>Self Fueler</td>
<td>102,204</td>
<td>379,330</td>
<td>83,962</td>
<td>315,157</td>
</tr>
<tr>
<td>Volume Fuel</td>
<td>-</td>
<td>-</td>
<td>29,255</td>
<td>114,578</td>
</tr>
<tr>
<td>Total 100LL</td>
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<td>$1,555,630</td>
<td>398,442</td>
<td>$1,748,966</td>
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<tr>
<td>Car Wash Facility</td>
<td>61,513</td>
<td>$95,681</td>
<td>55,283</td>
<td>$146,566</td>
</tr>
<tr>
<td>Aviation Oil</td>
<td>-</td>
<td>$6,335</td>
<td>-</td>
<td>$10,038</td>
</tr>
<tr>
<td>Total Fuel Sales</td>
<td>7,428,376</td>
<td>$24,926,026</td>
<td>8,393,023</td>
<td>$32,512,108</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fuel Cost of Sales</th>
<th>FY 2019 Budget</th>
<th>FY 2019 Actual</th>
<th>Variance Favorable (Unfavorable)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Gallons</td>
<td>Dollars</td>
<td>Gallons</td>
</tr>
<tr>
<td>Full Service</td>
<td>2,577,669</td>
<td>$5,110,969</td>
<td>1,604,192</td>
</tr>
<tr>
<td>Contract Fuel</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Jet A Prepaid</td>
<td>1,675,348</td>
<td>3,809,798</td>
<td>1,428,686</td>
</tr>
<tr>
<td>Tenant</td>
<td>-</td>
<td>-</td>
<td>242,527</td>
</tr>
<tr>
<td>Self Fueler</td>
<td>102,204</td>
<td>446,143</td>
<td>258,378</td>
</tr>
<tr>
<td>Volume Fuel</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Jet A Cost</td>
<td>6,708,949</td>
<td>$13,384,910</td>
<td>7,665,675</td>
</tr>
<tr>
<td>100LL</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Full Service</td>
<td>178,398</td>
<td>$570,875</td>
<td>165,495</td>
</tr>
<tr>
<td>Prepaid Fuel</td>
<td>111,678</td>
<td>344,830</td>
<td>100,411</td>
</tr>
<tr>
<td>Tenant</td>
<td>-</td>
<td>-</td>
<td>19,369</td>
</tr>
<tr>
<td>Self Fueler</td>
<td>102,204</td>
<td>305,187</td>
<td>83,962</td>
</tr>
<tr>
<td>Volume Fuel</td>
<td>-</td>
<td>-</td>
<td>29,255</td>
</tr>
<tr>
<td>Total 100LL Cost</td>
<td>392,280</td>
<td>$1,220,899</td>
<td>398,442</td>
</tr>
<tr>
<td>Car Wash Facility</td>
<td>61,513</td>
<td>$81,934</td>
<td>55,283</td>
</tr>
<tr>
<td>Aviation Oil</td>
<td>-</td>
<td>$4,800</td>
<td>-</td>
</tr>
<tr>
<td>Credit Card Fees</td>
<td>-</td>
<td>238,700</td>
<td>-</td>
</tr>
<tr>
<td>Total Cost of Sales</td>
<td>7,162,742</td>
<td>$14,931,235</td>
<td>8,119,400</td>
</tr>
</tbody>
</table>

| Total Net Fuel Revenue | | |
|------------------------|------------------|
|                        | $9,994,791       | $12,491,772    | $2,496,981    |
City of Naples Airport Authority  
Income Statement  
(Budget-to-Actual Comparison)  
For the Month Ending September 30, 2019

<table>
<thead>
<tr>
<th>Current Period</th>
<th>FY 2019 Budget</th>
<th>FY 2019 Actual</th>
<th>Favorable/Unfavorable</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel Sales</td>
<td>$906,363</td>
<td>$1,145,432</td>
<td>$239,069</td>
<td>26%</td>
</tr>
<tr>
<td>Cost of fuel sales</td>
<td>(622,720)</td>
<td>(696,917)</td>
<td>(74,197)</td>
<td>12%</td>
</tr>
<tr>
<td>Net fuel sales</td>
<td>$283,643</td>
<td>$448,516</td>
<td>$164,873</td>
<td>58%</td>
</tr>
<tr>
<td>Concession Fees</td>
<td>28,000</td>
<td>43,043</td>
<td>15,043</td>
<td>54%</td>
</tr>
<tr>
<td>Hangar/T-Shelter/Tiedowns</td>
<td>136,363</td>
<td>163,395</td>
<td>27,032</td>
<td>20%</td>
</tr>
<tr>
<td>Building &amp; Land Rent</td>
<td>110,990</td>
<td>136,308</td>
<td>25,318</td>
<td>23%</td>
</tr>
<tr>
<td>Line Services</td>
<td>62,963</td>
<td>25,530</td>
<td>(37,433)</td>
<td>(59)%</td>
</tr>
<tr>
<td>U.S. Customs User Fees</td>
<td>34,950</td>
<td>9,630</td>
<td>(25,320)</td>
<td>(72)%</td>
</tr>
<tr>
<td>Miscellaneous Revenue</td>
<td>1,710</td>
<td>1,324</td>
<td>(386)</td>
<td>(23)%</td>
</tr>
<tr>
<td><strong>Total Operating Revenue</strong></td>
<td>$658,619</td>
<td>$827,745</td>
<td>$169,126</td>
<td>26%</td>
</tr>
</tbody>
</table>

| **Operating Expenses** | | | | |
| Personnel Expense | 519,674 | 773,622 | (253,948) | (49)% |
| Professional Fees | 177,602 | 177,572 | 30 | 0% |
| Legal Fees | 41,269 | 22,398 | 18,871 | 46% |
| Communications Expense | 65,140 | 19,866 | 45,275 | 70% |
| Insurance Expense | 69,423 | 46,722 | 22,701 | 33% |
| Health, Life and Long Term Ins. | 74,436 | 80,629 | (6,193) | (8)% |
| Employee Recognition Affairs | 4,545 | 1,969 | 2,576 | 57% |
| Uniforms | 1,263 | 7,448 | (6,185) | (90)% |
| Training & Education / Webinars | 12,077 | 7,510 | 4,566 | 38% |
| Professional Development | 2,137 | - | 2,137 | 100% |
| Conferences | 11,052 | 2,758 | 8,294 | 75% |
| Travel / Mileage / Meals / Lodging | 6,408 | 20,298 | (13,890) | (217)% |
| Utilities & Environmental Expense | 39,386 | 25,341 | 14,045 | 36% |
| Office/Supplies/Postage/Printing Expense | 17,908 | 3,263 | 14,645 | 82% |
| Dues/Subscriptions/Fees Expense | 5,995 | 12,674 | (6,679) | (111)% |
| Auto Gas & Diesel Fuel Expense | 7,087 | (424) | 7,511 | 106% |
| Pilot Services | 13,337 | 7,979 | 5,358 | 40% |
| Building Maintenance | 20,654 | 53,035 | (32,381) | (157)% |
| Airfield Maintenance | 5,298 | 12,790 | (7,492) | (141)% |
| Grounds Maintenance | 12,537 | 22,928 | (10,391) | (83)% |
| Vehicle Maintenance | 6,258 | 39,245 | (32,987) | (527)% |
| Equipment Maintenance | 21,720 | 37,635 | (15,914) | (73)% |
| Small Tools, Equipment and Supplies | 7,262 | 43,876 | (36,614) | (509)% |
| Miscellaneous Expense | - | (15,122) | 15,122 | |
| **Total Operating Expenses** | $1,142,468 | $1,404,012 | (261,544) | (23)% |
| Income/(Loss) from Operations | $(483,849) | $(576,267) | $(92,418) | 19% |

| **Other Income/(Expense)** | | | | |
| Customer Facility Charges | 18,088 | 11,913 | (6,176) | (34)% |
| Depreciation Exp-Operations | (179,577) | (329,327) | (149,750) | 83% |
| Depreciation Exp-Contributions | (121,967) | - | 121,967 | (100)% |
| Interest Revenue | 35,675 | 84,536 | 48,861 | 137% |
| Other Revenue (Expense) | 851,440 | - | (851,440) | - |
| Hurricane Irma Expense | (923,186) | - | 923,186 | - |
| Gain (Loss) on Disposal of Assets | - | 15,484 | 15,484 | |
| **Total Other Income (Expense)** | $(319,527) | $(217,394) | $102,133 | 32% |
| **Net Income (Loss)** | $(803,376) | $(793,661) | $9,715 | 1% |
City of Naples Airport Authority  
Income Statement  
(Budget-to-Actual Comparison)  
For the Fiscal Year-to-Date Period Ending September 30, 2019

<table>
<thead>
<tr>
<th>Year-to-Date</th>
<th>FY 2019 Budget</th>
<th>FY 2019 Actual</th>
<th>Favorable/Unfavorable</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel Sales</td>
<td>$24,926,026</td>
<td>$32,512,108</td>
<td>$7,586,082 (Unfavorable)</td>
<td>30 %</td>
</tr>
<tr>
<td>Cost of fuel sales</td>
<td>(14,931,235)</td>
<td>(20,020,336)</td>
<td>(5,089,101)</td>
<td>34 %</td>
</tr>
<tr>
<td>Net fuel sales</td>
<td>$9,994,791</td>
<td>$12,491,772</td>
<td>$2,496,981</td>
<td>25 %</td>
</tr>
<tr>
<td>Concession Fees</td>
<td>$687,500</td>
<td>$752,856</td>
<td>$65,357 (Unfavorable)</td>
<td>10 %</td>
</tr>
<tr>
<td>Hangar/T-Shell/Tiedowns</td>
<td>2,558,991</td>
<td>2,700,078</td>
<td>141,087 (Unfavorable)</td>
<td>6 %</td>
</tr>
<tr>
<td>Building &amp; Land Rent</td>
<td>1,339,871</td>
<td>1,465,199</td>
<td>125,328 (Unfavorable)</td>
<td>9 %</td>
</tr>
<tr>
<td>Line Services</td>
<td>775,163</td>
<td>856,594</td>
<td>81,431 (Unfavorable)</td>
<td>11 %</td>
</tr>
<tr>
<td>U.S. Customs User Fees</td>
<td>411,730</td>
<td>440,080</td>
<td>28,350 (Unfavorable)</td>
<td>7 %</td>
</tr>
<tr>
<td>Miscellaneous Revenue</td>
<td>20,700</td>
<td>43,409</td>
<td>22,709 (Unfavorable)</td>
<td>110 %</td>
</tr>
<tr>
<td><strong>Total Operating Revenue</strong></td>
<td>$15,788,745</td>
<td>$18,749,988</td>
<td>$2,961,243 (Unfavorable)</td>
<td>19 %</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating Expenses</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Expense</td>
<td>$5,995,377</td>
<td>$5,628,290</td>
<td>$367,087 (Unfavorable)</td>
<td>6 %</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>2,100,070</td>
<td>1,886,165</td>
<td>213,904 (Unfavorable)</td>
<td>10 %</td>
</tr>
<tr>
<td>Legal Fees</td>
<td>325,000</td>
<td>276,236</td>
<td>48,764 (Unfavorable)</td>
<td>15 %</td>
</tr>
<tr>
<td>Communications Expense</td>
<td>202,600</td>
<td>187,630</td>
<td>14,970 (Unfavorable)</td>
<td>7 %</td>
</tr>
<tr>
<td>Insurance Expense</td>
<td>557,900</td>
<td>531,658</td>
<td>26,242 (Unfavorable)</td>
<td>5 %</td>
</tr>
<tr>
<td>Health, Life and Long Term Dis. Ins.</td>
<td>861,173</td>
<td>910,301</td>
<td>(49,128) (Unfavorable)</td>
<td>6 %</td>
</tr>
<tr>
<td>Employee Recognition Affairs</td>
<td>33,100</td>
<td>29,407</td>
<td>3,693 (Unfavorable)</td>
<td>11 %</td>
</tr>
</tbody>
</table>
| Uniforms         | 56,410    | 93,539         | (37,129) (Unfavorable) | (66)%
| Training & Education / Webinars | 140,590 | 35,847 | 104,744 (Unfavorable) | 75 % |
| Professional Development | 30,600 | -              | 30,600 (Unfavorable) | 100 % |
| Conferences      | 120,000   | 37,979         | 82,021 (Unfavorable)  | 68 % |
| Travel / Mileage / Meals / Lodging | 61,800 | 76,564 | (14,764) (Unfavorable) | (24) |
| Utilities & Environmental Expense | 472,200 | 335,274 | 136,926 (Unfavorable) | 29 % |
| Office/Supplies/Postage/Printing Expense | 214,350 | 89,953 | 124,397 (Unfavorable) | 58 % |
| Dues/Subscription/Fees Expense | 67,719 | 54,113 | 13,606 (Unfavorable) | 20 % |
| Auto Gas & Diesel Fuel Expense | 85,000 | 64,069 | 20,931 (Unfavorable) | 25 % |
| Pilot Services | 160,000   | 106,553        | 53,447 (Unfavorable)  | 33 % |
| Building Maintenance | 247,700 | 225,268 | 22,432 (Unfavorable) | 9 % |
| Airfield Maintenance | 285,000 | 222,314 | 62,686 (Unfavorable) | 22 % |
| Grounds Maintenance | 150,000 | 163,542 | (13,542) (Unfavorable) | (9) % |
| Vehicle Maintenance | 75,000 | 73,807 | 1,193 (Unfavorable) | 2 % |
| Equipment Maintenance | 262,500 | 238,371 | 24,129 (Unfavorable) | 9 % |
| Small Tools, Equipment and Supplies | 87,000 | 171,760 | (84,760) (Unfavorable) | (97) % |
| Miscellaneous Expense | 20,700 | 20,769 | (69) (Unfavorable) | (100) % |
| **Total Operating Expenses** | $12,591,090 | $11,459,412 | $1,131,678 (Unfavorable) | 9 % |

| Income/(Loss) from Operations | $3,197,656 | $7,290,576 | $4,092,920 (Unfavorable) | 128 % |

| Other Income/(Expense) | $217,100 | $211,420 | $5,680 (Unfavorable) | 3 % |

| Depreciation Exp-Operations | (2,146,400) | (2,578,433) | (432,033) (Unfavorable) | 20 % |
| Depreciation Exp-Contributions | (1,479,200) | (1,332,989) | 146,211 (Unfavorable) | (10) % |
| Interest Revenue | 428,100 | 920,765 | 492,665 (Unfavorable) | 115 % |
| Other Revenue (Expense) | 851,440 | 1,000,000 | 148,560 (Unfavorable) | 17 % |
| Hurricane Irma Expense | (923,186) | (906,459) | 16,727 (Unfavorable) | (2) % |
| Gain (Loss) on Disposal of Assets | - | 15,484 | - | 15,484 |
| Interest Expense | 15,484 | - | - | 15,484 |
| **Total Other Income (Expense)** | $3,852,146 | $2,670,212 | $381,934 (Unfavorable) | (13) % |

| Net Income | $145,510 | $4,620,364 | $4,474,854 (Unfavorable) | 307 % |

More equip under capitalization threshold of $2K than anticipated.

Projects completed and placed into service.

Combined with above account.

Higher interest rates than budgeted.

Ins. proceeds more than budgeted.
## City of Naples Airport Authority
### Operating Expenses by Select Departments
#### For Month Ending September 30, 2019

<table>
<thead>
<tr>
<th>Operating Expenses</th>
<th>Air Traffic Control Tower</th>
<th>Airport Rescue Fire Fighting</th>
<th>IT</th>
<th>US Customs &amp; Border Protection</th>
<th>All Other Operating</th>
<th>Monthly Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Expense</td>
<td>$0</td>
<td>$0</td>
<td>$11,490</td>
<td>$0</td>
<td>$762,132</td>
<td>$773,622</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>3 (11,232)</td>
<td>68,517</td>
<td>21,848</td>
<td>98,436</td>
<td>177,572</td>
<td></td>
</tr>
<tr>
<td>Legal Fees</td>
<td>-</td>
<td>-</td>
<td>20,382</td>
<td>19,866</td>
<td>22,398</td>
<td></td>
</tr>
<tr>
<td>Communications</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>19,866</td>
<td>19,866</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>46,722</td>
<td>46,722</td>
<td></td>
</tr>
<tr>
<td>Health, Life and Long Term Dis. Ins</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>78,298</td>
<td>80,629</td>
<td></td>
</tr>
<tr>
<td>Employee Recognition Affairs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,969</td>
<td>1,969</td>
<td></td>
</tr>
<tr>
<td>Uniforms</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>7,448</td>
<td>7,448</td>
<td></td>
</tr>
<tr>
<td>Training &amp; Education / Webinars</td>
<td>-</td>
<td>3,315</td>
<td>-</td>
<td>4,195</td>
<td>7,510</td>
<td></td>
</tr>
<tr>
<td>Professional Development</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Conferences</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,758</td>
<td>2,758</td>
<td></td>
</tr>
<tr>
<td>Travel / Mileage / Meals / Lodging</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>20,298</td>
<td>20,298</td>
<td></td>
</tr>
<tr>
<td>Utilities &amp; Environmental</td>
<td>2,002</td>
<td>2,226</td>
<td>1,235</td>
<td>19,878</td>
<td>25,341</td>
<td></td>
</tr>
<tr>
<td>Office/Supplies/Postage/Printing</td>
<td>29 (156)</td>
<td>5,819</td>
<td>41</td>
<td>6,814</td>
<td>12,674</td>
<td></td>
</tr>
<tr>
<td>Dues/Subscriptions/Fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(424)</td>
<td>(424)</td>
<td></td>
</tr>
<tr>
<td>Auto Gas &amp; Diesel Fuel</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Pilot Services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>7,979</td>
<td>7,979</td>
<td></td>
</tr>
<tr>
<td>Building Maintenance</td>
<td>4,422</td>
<td>884</td>
<td>3,578</td>
<td>44,151</td>
<td>53,035</td>
<td></td>
</tr>
<tr>
<td>Airfield Maintenance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>12,790</td>
<td>12,790</td>
<td></td>
</tr>
<tr>
<td>Grounds Maintenance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>22,928</td>
<td>22,928</td>
<td></td>
</tr>
<tr>
<td>Vehicle Maintenance</td>
<td>-</td>
<td>15,513</td>
<td>-</td>
<td>23,675</td>
<td>39,245</td>
<td></td>
</tr>
<tr>
<td>Equipment Maintenance</td>
<td>56</td>
<td>-</td>
<td>407</td>
<td>37,171</td>
<td>37,635</td>
<td></td>
</tr>
<tr>
<td>Small Tools, Equip and Supplies</td>
<td>-</td>
<td>7,508</td>
<td>5,768</td>
<td>30,600</td>
<td>43,876</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(15,122)</td>
<td>(15,122)</td>
<td></td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>$6,513</strong></td>
<td><strong>$18,214</strong></td>
<td><strong>$95,785</strong></td>
<td><strong>$27,172</strong></td>
<td><strong>$1,256,329</strong></td>
<td><strong>$1,404,012</strong></td>
</tr>
<tr>
<td><strong>Budget</strong></td>
<td><strong>$5,179</strong></td>
<td><strong>$70,847</strong></td>
<td><strong>$34,550</strong></td>
<td><strong>$30,775</strong></td>
<td><strong>$1,001,117</strong></td>
<td><strong>$1,142,468</strong></td>
</tr>
<tr>
<td><strong>Favorable / (Unfavorable)</strong></td>
<td><strong>$1,334</strong></td>
<td><strong>$52,633</strong></td>
<td><strong>$61,235</strong></td>
<td><strong>$3,603</strong></td>
<td><strong>$255,212</strong></td>
<td><strong>$261,545</strong></td>
</tr>
</tbody>
</table>
City of Naples Airport Authority  
Operating Expenses by Select Departments  
For Fiscal Year-To-Date as of September 30, 2019

<table>
<thead>
<tr>
<th>Operating Expenses</th>
<th>Air Traffic Control Tower</th>
<th>Airport Rescue Fire Fighting</th>
<th>IT</th>
<th>US Customs &amp; Border Protection</th>
<th>All Other Operating</th>
<th>YTD Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Expense</td>
<td>$ -</td>
<td>$ -</td>
<td>$42,103</td>
<td>$ -</td>
<td>$5,586,188</td>
<td>$5,628,290</td>
</tr>
<tr>
<td>Professional Fees</td>
<td>161</td>
<td>749,494</td>
<td>284,891</td>
<td>296,102</td>
<td>555,517</td>
<td>1,886,165</td>
</tr>
<tr>
<td>Legal Fees</td>
<td>-</td>
<td>-</td>
<td>6,521</td>
<td>-</td>
<td>269,716</td>
<td>276,236</td>
</tr>
<tr>
<td>Communications</td>
<td>-</td>
<td>-</td>
<td>381</td>
<td>-</td>
<td>187,249</td>
<td>187,630</td>
</tr>
<tr>
<td>Insurance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>531,658</td>
<td>531,658</td>
</tr>
<tr>
<td>Health, Life and Long Term Dis. Ins</td>
<td>-</td>
<td>-</td>
<td>3,779</td>
<td>-</td>
<td>906,523</td>
<td>910,301</td>
</tr>
<tr>
<td>Employee Recognition Affairs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>29,407</td>
<td>29,407</td>
</tr>
<tr>
<td>Uniforms</td>
<td>-</td>
<td>-</td>
<td>75</td>
<td>-</td>
<td>93,464</td>
<td>93,539</td>
</tr>
<tr>
<td>Training &amp; Education / Webinars</td>
<td>-</td>
<td>10,866</td>
<td>(925)</td>
<td>-</td>
<td>25,906</td>
<td>35,847</td>
</tr>
<tr>
<td>Professional Development</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Conferences</td>
<td>585</td>
<td>-</td>
<td>1,160</td>
<td>-</td>
<td>36,234</td>
<td>37,979</td>
</tr>
<tr>
<td>Travel / Mileage / Meals / Lodging</td>
<td>548</td>
<td>222</td>
<td>1,139</td>
<td>18,499</td>
<td>74,655</td>
<td>76,564</td>
</tr>
<tr>
<td>Utilities &amp; Environmental</td>
<td>22,726</td>
<td>19,962</td>
<td>1,002</td>
<td>273,085</td>
<td>89,953</td>
<td>335,274</td>
</tr>
<tr>
<td>Office/Supplies/Postage/Printing</td>
<td>261</td>
<td>20</td>
<td>1,659</td>
<td>131</td>
<td>111,329</td>
<td>111,193</td>
</tr>
<tr>
<td>Dues/Subscriptions/Fees</td>
<td>397</td>
<td>-</td>
<td>8,816</td>
<td>41</td>
<td>54,113</td>
<td>54,113</td>
</tr>
<tr>
<td>Auto Gas &amp; Diesel Fuel</td>
<td>-</td>
<td>137</td>
<td>-</td>
<td>-</td>
<td>63,932</td>
<td>64,069</td>
</tr>
<tr>
<td>Pilot Services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>106,553</td>
<td>106,553</td>
</tr>
<tr>
<td>Building Maintenance</td>
<td>19,465</td>
<td>2,005</td>
<td>-</td>
<td>9,902</td>
<td>193,897</td>
<td>225,268</td>
</tr>
<tr>
<td>Airfield Maintenance</td>
<td>153</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>222,161</td>
<td>222,314</td>
</tr>
<tr>
<td>Grounds Maintenance</td>
<td>-</td>
<td>-</td>
<td>32,683</td>
<td>-</td>
<td>163,542</td>
<td>163,542</td>
</tr>
<tr>
<td>Vehicle Maintenance</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>57</td>
<td>41,067</td>
<td>73,807</td>
</tr>
<tr>
<td>Equipment Maintenance</td>
<td>2,605</td>
<td>2,250</td>
<td>-</td>
<td>2,507</td>
<td>231,099</td>
<td>238,371</td>
</tr>
<tr>
<td>Small Tools, Equip and Supplies</td>
<td>1,219</td>
<td>10,307</td>
<td>6,884</td>
<td>150,470</td>
<td>171,760</td>
<td>171,760</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>20,769</td>
<td>20,769</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td><strong>$48,120</strong></td>
<td><strong>$827,946</strong></td>
<td><strong>$357,485</strong></td>
<td><strong>$330,118</strong></td>
<td><strong>$9,895,743</strong></td>
<td><strong>$11,459,412</strong></td>
</tr>
</tbody>
</table>

Budget  
$62,000 $850,000 $414,495 $369,100 $10,895,495 $12,591,090

Favorable / (Unfavorable)  
$13,880 $22,054 $57,010 $38,982 $999,751 $1,131,678
City of Naples Airport Authority  
Statement of Cash Flows  
For the Periods Ending  
September 30, 2019

<table>
<thead>
<tr>
<th>Cash Flows from Operating Activities:</th>
<th>Month</th>
<th>Fiscal Year-to-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income (Loss)</td>
<td>$ (576,267)</td>
<td>$ 7,290,576</td>
</tr>
<tr>
<td>Changes in Working Capital:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase) Decrease in Accounts Receivable</td>
<td>(74,745)</td>
<td>(198,849)</td>
</tr>
<tr>
<td>(Increase) Decrease in Inventories</td>
<td>119,324</td>
<td>85,414</td>
</tr>
<tr>
<td>(Increase) Decrease in Prepaid Expenses and Other</td>
<td>83,875</td>
<td>(41,073)</td>
</tr>
<tr>
<td>Increase (Decrease) in Accounts Payable</td>
<td>267,424</td>
<td>(1,899,608)</td>
</tr>
<tr>
<td>Increase (Decrease) in Accrued Expenses and Other</td>
<td>237,706</td>
<td>1,000,602</td>
</tr>
<tr>
<td>Increase (Decrease) in Deferred Revenue</td>
<td>76,893</td>
<td>301,893</td>
</tr>
</tbody>
</table>

Net Cash Provided (Used) by Operating Activities $134,211 $6,538,954

Cash Flow from Investing Activities:  
Acquisition, Construction of Capital Assets $ (1,961,307) $ (6,670,383)  
Gain (loss on sale of assets) 15,484 15,484  
(Increase) Decrease in Due From Government (Grants) (309,630) 1,120,556  
Capital Contributions (Grants) 309,630 2,596,005  
Insurance Proceeds - 1,000,000  
Interest and Dividends on Investments 84,536 920,765  

Net Cash Provided (Used) in Investing Activities $ (1,861,287) $ (1,017,574)  

Customer Facility Charge Revenue 11,913 211,420  

Net Cash Provided (Used) by Financing Activities $ 11,913 $ 211,420  

Increase (Decrease) in Cash and Equivalents $ (1,715,164) $ 5,732,800  
Cash and Equivalents at Beginning of Period $ 41,102,890 $ 33,654,927  

Cash and Equivalents at End of Period $ 39,387,726 $ 39,387,727
City of Naples Airport Authority  
Balance Sheet  
As of September 30, 2019

<table>
<thead>
<tr>
<th>Assets</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$39,387,726</td>
<td></td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>625,497</td>
<td></td>
</tr>
<tr>
<td>Due From Government Agencies</td>
<td>305,630</td>
<td></td>
</tr>
<tr>
<td>Inventory</td>
<td>317,847</td>
<td></td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>197,949</td>
<td></td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>$40,838,650</strong></td>
<td></td>
</tr>
<tr>
<td>Land and Land Improvements</td>
<td>$9,024,341</td>
<td></td>
</tr>
<tr>
<td>Buildings and Building Improvements</td>
<td>26,126,517</td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td>8,982,125</td>
<td></td>
</tr>
<tr>
<td>Software</td>
<td>534,873</td>
<td></td>
</tr>
<tr>
<td>Vehicles</td>
<td>1,184,738</td>
<td></td>
</tr>
<tr>
<td>Furniture &amp; Fixtures</td>
<td>1,038,931</td>
<td></td>
</tr>
<tr>
<td>Intangible Assets</td>
<td>1,279,025</td>
<td></td>
</tr>
<tr>
<td>Construction in Progress</td>
<td>4,216,869</td>
<td></td>
</tr>
<tr>
<td>Infrastructure</td>
<td>64,513,746</td>
<td></td>
</tr>
<tr>
<td><strong>Accumulated amortization and depreciation</strong></td>
<td><strong>$116,901,165</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total Net Property, Plant &amp; Equipment</strong></td>
<td><strong>$64,971,612</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$105,810,262</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable</td>
<td>$1,326,454</td>
<td></td>
</tr>
<tr>
<td>Accrued Salaries &amp; Benefits</td>
<td>483,716</td>
<td></td>
</tr>
<tr>
<td>Accrued Liabilities - Other</td>
<td>726,015</td>
<td></td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td><strong>$2,536,185</strong></td>
<td></td>
</tr>
<tr>
<td>Long Term Liabilities</td>
<td>$5,326,730</td>
<td></td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$7,862,915</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Equity</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributed Capital</td>
<td>$38,207,588</td>
<td></td>
</tr>
<tr>
<td>Retained Earnings</td>
<td>55,119,395</td>
<td></td>
</tr>
<tr>
<td>Current Year Retained Earnings</td>
<td>4,620,364</td>
<td></td>
</tr>
<tr>
<td><strong>Total Equity</strong></td>
<td><strong>$97,947,347</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total Liabilities and Equity</strong></td>
<td><strong>$105,810,262</strong></td>
<td></td>
</tr>
</tbody>
</table>
## City of Naples Airport Authority
### Major Capital Projects
### As of September 30, 2019

<table>
<thead>
<tr>
<th>Project</th>
<th>Funding Source</th>
<th>Board Approved Project Amount</th>
<th>Approved Budget FY 2019</th>
<th>Approved Budget FY to Date</th>
<th>Amount Spent FY to Date</th>
<th>Prior Fiscal Years Amount Spent</th>
<th>Total Project spend</th>
<th>Project Amount Remaining</th>
<th>Grant/Insurance Funds Reimbursed</th>
<th>Cost % Complete</th>
<th>Project % Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxiway D - Realignment North Quad Design &amp; Construction</td>
<td>FDOT</td>
<td>$1,920,000</td>
<td>$1,350,000</td>
<td>$1,620,321</td>
<td>$299,679</td>
<td><strong>$1,920,000</strong></td>
<td><strong>$1,920,000</strong></td>
<td></td>
<td>$1,920,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>NAA</td>
<td>$2,362,840</td>
<td>$1,350,000</td>
<td>$854,183</td>
<td>$1,493,441</td>
<td><strong>$2,347,544</strong></td>
<td><strong>$15,296</strong></td>
<td></td>
<td>$2,347,544</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$4,282,840</strong></td>
<td><strong>$2,700,000</strong></td>
<td><strong>$2,474,424</strong></td>
<td><strong>$1,793,120</strong></td>
<td></td>
<td></td>
<td><strong>$4,267,544</strong></td>
<td></td>
<td>$4,267,544</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Project Status:** Project complete and under budget.

<table>
<thead>
<tr>
<th>Project</th>
<th>Funding Source</th>
<th>Board Approved Project Amount</th>
<th>Approved Budget FY 2019</th>
<th>Approved Budget FY to Date</th>
<th>Amount Spent FY to Date</th>
<th>Prior Fiscal Years Amount Spent</th>
<th>Total Project spend</th>
<th>Project Amount Remaining</th>
<th>Grant/Insurance Funds Reimbursed</th>
<th>Cost % Complete</th>
<th>Project % Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Airport Fire Station Replacement - Design &amp; Construction</strong></td>
<td>FDOT</td>
<td>$2,240,000</td>
<td>$2,800,000</td>
<td>$250,168</td>
<td>$271,993</td>
<td><strong>$522,161</strong></td>
<td><strong>$1,717,839</strong></td>
<td></td>
<td>$280,715</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>NAA</td>
<td>$3,345,351</td>
<td>$2,800,000</td>
<td>$323,691</td>
<td>$185,377</td>
<td><strong>$509,068</strong></td>
<td><strong>$2,836,283</strong></td>
<td></td>
<td>$18%</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$5,585,351</strong></td>
<td><strong>$5,600,000</strong></td>
<td><strong>$573,859</strong></td>
<td><strong>$457,370</strong></td>
<td></td>
<td></td>
<td><strong>$1,031,229</strong></td>
<td></td>
<td>$4,554,122</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Project Status:** Project on schedule and on budget. Foundation in progress. Construction estimated to finish in August 2020.

<table>
<thead>
<tr>
<th>Project</th>
<th>Funding Source</th>
<th>Board Approved Project Amount</th>
<th>Approved Budget FY 2019</th>
<th>Approved Budget FY to Date</th>
<th>Amount Spent FY to Date</th>
<th>Prior Fiscal Years Amount Spent</th>
<th>Total Project spend</th>
<th>Project Amount Remaining</th>
<th>Grant/Insurance Funds Reimbursed</th>
<th>Cost % Complete</th>
<th>Project % Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Master Plan Update</strong></td>
<td>FAA</td>
<td>$628,280</td>
<td>$340,000</td>
<td>$222,020</td>
<td>$433,518</td>
<td><strong>$655,538</strong></td>
<td><strong>$272,258</strong></td>
<td></td>
<td>$564,060</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>FDOT</td>
<td>$47,379</td>
<td>$34,000</td>
<td>$12,354</td>
<td>$24,084</td>
<td><strong>$36,439</strong></td>
<td><strong>$10,940</strong></td>
<td></td>
<td>$28,212</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>NAA</td>
<td>$520,746</td>
<td>$306,000</td>
<td>$202,955</td>
<td>$24,084</td>
<td><strong>$227,039</strong></td>
<td><strong>$293,707</strong></td>
<td></td>
<td>$293,707</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$1,196,405</strong></td>
<td><strong>$680,000</strong></td>
<td><strong>$437,329</strong></td>
<td><strong>$481,687</strong></td>
<td></td>
<td></td>
<td><strong>$919,016</strong></td>
<td></td>
<td>$277,389</td>
<td>77%</td>
<td>80%</td>
</tr>
</tbody>
</table>

**Project Status:** Project on time and on budget.

<table>
<thead>
<tr>
<th>Project</th>
<th>Funding Source</th>
<th>Board Approved Project Amount</th>
<th>Approved Budget FY 2019</th>
<th>Approved Budget FY to Date</th>
<th>Amount Spent FY to Date</th>
<th>Prior Fiscal Years Amount Spent</th>
<th>Total Project spend</th>
<th>Project Amount Remaining</th>
<th>Grant/Insurance Funds Reimbursed</th>
<th>Cost % Complete</th>
<th>Project % Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Runway 5-23 Drainage Improvements</strong></td>
<td>FAA</td>
<td>$-</td>
<td>$540,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>FDOT</td>
<td>$-</td>
<td>$30,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>NAA</td>
<td>$845,000</td>
<td>$30,000</td>
<td>$192,870</td>
<td>$192,870</td>
<td><strong>$192,870</strong></td>
<td><strong>$652,130</strong></td>
<td></td>
<td>$23%</td>
<td>25%</td>
<td></td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$845,000</strong></td>
<td><strong>$600,000</strong></td>
<td><strong>$192,870</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$192,870</strong></td>
<td></td>
<td>$652,130</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Project Status:** Project on time and on budget. Survey of existing conditions is being completed. Design expected to be completed by December 2019.

<table>
<thead>
<tr>
<th>Project</th>
<th>Funding Source</th>
<th>Board Approved Project Amount</th>
<th>Approved Budget FY 2019</th>
<th>Approved Budget FY to Date</th>
<th>Amount Spent FY to Date</th>
<th>Prior Fiscal Years Amount Spent</th>
<th>Total Project spend</th>
<th>Project Amount Remaining</th>
<th>Grant/Insurance Funds Reimbursed</th>
<th>Cost % Complete</th>
<th>Project % Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Hurricane Irma</strong></td>
<td>NAA</td>
<td>$1,032,000</td>
<td>$980,349</td>
<td>$518,932</td>
<td>$1,499,281</td>
<td><strong>$1,499,281</strong></td>
<td><strong>$1,500,000</strong></td>
<td></td>
<td></td>
<td>99%</td>
<td></td>
</tr>
</tbody>
</table>

**Project Status:** Project on time and on budget. Punchout in process, should be done in October. Claim is closed.
City of Naples Airport Authority  
Major Capital Projects  
As of September 30, 2019

<table>
<thead>
<tr>
<th>Project</th>
<th>Funding Source</th>
<th>Board Approved Project Amount</th>
<th>Approved Budget FY 2019</th>
<th>Approved Amount Spent FY to Date</th>
<th>Prior Fiscal Years Amount Spent</th>
<th>Total Project spend</th>
<th>Project Remaining Amount</th>
<th>Project Reimbursed</th>
<th>Grant/Insurance Funds</th>
<th>Cost % Complete</th>
<th>Project % Complete</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuel Farm Expansion</td>
<td>NAA</td>
<td>1,697,310</td>
<td>$ 1,070,000</td>
<td>399,800</td>
<td>8,289</td>
<td>$ 408,089</td>
<td>$ 1,289,221</td>
<td>24%</td>
<td>75%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>T-Hangar &amp; Box-Hangar Development</td>
<td>FAA</td>
<td>$ -</td>
<td>$ 675,000</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>0%</td>
<td>0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NAA</td>
<td>$ -</td>
<td>$ 75,000</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Totals</td>
<td>$ -</td>
<td>$ 750,000</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Project Status:** Project on time and on budget. Construction estimated to be completed by October 2019.

**Project Status:** Design moved to FY 21 and construction thereafter.

| Total Major Projects          | FAA Funding    | $ 1,555,000 | $ 222,020 | $ 433,518 | $ 655,538 | $ (27,258) | FDOT Funding | $ 4,214,000 | $ 1,882,843 | $ 595,756 | $ 2,478,600 | $ 1,728,779 | NAA Share $ 2,953,769 | $ 2,230,123 | $ 5,183,892 | $ 5,086,636 |
| Total Major Projects          | FAA Funding    | $ 6,663,000 | $ 5,058,632 | $ 3,259,398 | $ 8,318,030 | $ 6,788,157 | FDOT Funding | $ 4,214,000 | $ 1,882,843 | $ 595,756 | $ 2,478,600 | $ 1,728,779 | NAA Share $ 2,953,769 | $ 2,230,123 | $ 5,183,892 | $ 5,086,636 |
EAA Chapter 1067 Naples, Inc
TOTAL YOUNG EAGLE FLIGHTS

Year-to-Date: 199

Estimated for 2019: 240
Lorenzo Walker Scholarships
January 2019
Lorenzo Walker Flight Experience
International Learn to Fly Day

“Eagle Flights”

May 18th
Photos: Migrant children enjoy first flight through the Young Eagles program

Pilot Andy Strickland goes through a checklist with Alex Salazar, 13, before a flight on Saturday, July 13, 2019, at the Naples Airport. Every month, veteran aviators of the Experimental Aircraft Association give young children ages 8-17 a free introductory flight through the Young Eagles program.
Chapter 1067 in the News
Incorporated as a 501(c)3 in November 2018
Mission Statement

- The mission of the Naples Youth Aviation Project, Inc. is to provide a high quality educational opportunity for today’s youth thru the hands-on experience of building and flying an experimental aircraft, to expand and encourage their interest and knowledge of aviation, and to aid each in their individual pursuit of a future career in the aviation industry.
January 2019 – EAA & NYAP have a home!
Our 1st Sponsor!

Proud Sponsor

Naples Airport Authority
Mentor Training February 28-29
Ribbon Cutting & Open House March 1
The Builders!
Build • Fly • Learn • Lead

[Images of people working on a project and people in a small aircraft]
Build • Fly • Learn • Lead
Build • Fly • Learn • Lead
Build • Fly • Learn • Lead
Build • Fly • Learn • Lead
Build • Fly • Learn • Lead
Build • Fly • Learn • Lead
Naples Youth Aviation Project, Inc.

OUR FIRST SESSION –

21 STUDENTS BECOMING PILOTS
TECHNICIANS ENGINEERS ASTRONAUTS AVIATION BUSINESS OWNERS

AND MANY MORE TO COME!
ESTIMATED COST TO BUILD SLING 2 AIRCRAFT

Aircraft & Engine Kit $ 72,000
Negotiated 10% rebate from Mfg. (-$7,200)
Estimated Avionics/Instruments 25,000

ESTIMATED TOTAL COST TO BUILD $ 90,000

Current Sponsorships & Donations $ 45,000
Estimated Sale Price on Completion $120,000

PROCEEDS FROM SALE WILL BE USED TO PURCHASE THE NEXT KIT.

EXCESS MONIES WILL FUND SCHOLARSHIPS.
WE THANK YOU!

Proud Sponsor

Naples Airport Authority