

PEACHTREE CITY AIRPORT AUTHORITY  
(A Component Unit of the City of Peachtree City, Georgia)

FINANCIAL STATEMENTS

September 30, 2024 and 2023

(With Independent Auditor's Report Thereon)

PEACHTREE CITY AIRPORT AUTHORITY

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## **INDEPENDENT AUDITOR’S REPORT**

To the Board of Directors  
Peachtree City Airport Authority  
Peachtree City, GA

### **Report on the Audit of Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of the Peachtree City Airport Authority (“Authority”), a component unit of the City of Peachtree City, Georgia, as of and for the years ended September 30, 2024 and 2023 and the related notes to the financial statements which collectively comprise the Authority’s basic financial statements listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net position of Peachtree City Airport Authority, as of September 30, 2024 and 2023 and the changes in its net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Emphasis of a Matter***

As discussed in Note 16, the Authority made corrections for its leasing activity. Our opinion is not modified with respect to that matter.

#### ***Basis for Opinion***

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

#### ***Auditor’s Responsibilities for the Audit of Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve

collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 5, 2025, on our consideration of the Peachtree City Airport Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Peachtree City Airport Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Peachtree City Airport Authority's internal control over financial reporting and compliance.

*Fulker & Corley LLC*

Morrow, Georgia  
February 5, 2025

**PEACHTREE CITY AIRPORT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Our discussion and analysis of the Peachtree City Airport Authority's (the "Authority") financial performance provides an overview of the Authority's financial activities for the year ended September 30, 2024. Please read it in conjunction with the Authority's financial statements which begin on page 8.

**Financial Highlights**

- The Authority's total current assets decreased by \$487,592.
- The Authority's capital assets, net of accumulated depreciation, increased by \$1,962,586.
- The Authority's total liabilities increased by \$1,436,121.
- The Authority's operating revenues increased by \$146,737.
- The Authority's operating expenses before depreciation increased by \$104,670.
- The Authority's net position as of September 30, 2024 is \$24,760,501.

**USING THIS ANNUAL REPORT**

The Authority's financial statements are prepared on the accrual basis in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). The Authority is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when they are paid. Capital assets are capitalized and are depreciated (except land and construction in progress) over their estimated useful lives.

This annual report consists of management's discussion and analysis and the financial statements. The financial statements include the statements of net position; the statements of revenues, expenses, and changes in net position; and the statements of cash flows. In addition, the notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. These notes begin on page 12.

**FINANCIAL ANALYSIS**

Table 1  
Financial position as of September 30

ASSETS	<u>2024</u>	<u>2023</u>
Current assets	\$ 2,095,509	\$ 2,583,101
Restricted assets	1,755,422	112,429
Long-term receivables	1,393,528	1,751,353
Capital assets, net of accumulated depreciation	<u>22,995,741</u>	<u>21,033,155</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>28,240,200</u></b>	<b>\$ <u>25,480,038</u></b>
LIABILITIES		
Total liabilities	\$ 1,761,496	\$ 325,375
DEFERRED INFLOWS OF RESOURCES	\$ 1,718,203	\$ 2,094,544
NET POSITION		
Invested in capital assets, net of related debt	\$ 22,995,741	\$ 20,999,652
Restricted	1,755,422	112,429
Unrestricted	<u>9,338</u>	<u>1,948,038</u>
<b>TOTAL NET POSITION</b>	<b>\$ <u>24,760,501</u></b>	<b>\$ <u>23,060,119</u></b>

PEACHTREE CITY AIRPORT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Table 2 provides a summary of the Authority's Changes in Net Position for 2024 compared to 2023:

Table 2  
Changes in Net Position for Years Ended September 30

	<u>2024</u>	<u>2023</u>
Operating revenues		
Sales	\$ 4,122,564	\$ 4,158,962
Rental income	1,008,747	854,424
Interest	99,344	92,893
Rental car commissions	1,555	1,598
Miscellaneous revenue	<u>60,335</u>	<u>37,931</u>
Total operating revenues	5,292,545	5,145,808
Operating expenses		
Purchases	2,427,055	2,807,342
Salaries and benefits	1,225,122	928,664
Utilities and telephone	134,911	136,196
Insurance	90,911	64,550
Terminal and grounds upkeep	173,504	160,782
Bank fees and credit card processing fees	116,280	119,235
Professional fees	206,437	60,762
Other	<u>175,935</u>	<u>167,954</u>
Total operating expenses before depreciation	<u>4,550,155</u>	<u>4,445,485</u>
Operating income before depreciation	742,390	700,323
Depreciation expense	(1,035,021)	(941,301)
Summarized nonoperating revenues (expenses)	<u>45,290</u>	<u>37,750</u>
Operating loss before capital contributions	(247,341)	(203,228)
Capital contributions – federal and state	<u>1,947,723</u>	<u>295,290</u>
Net change in net position	1,700,382	92,062
Net position, beginning of year	<u>23,060,119</u>	<u>22,968,057</u>
Net position, end of year	<u>\$ 24,760,501</u>	<u>\$ 23,060,119</u>

**ANALYSIS OF OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS**

The Authority experienced a continued widening of its operating loss before capital contributions in the amount of \$44,113 in 2024 compared to the previous year. The primary drivers were the increase in salaries and benefits as well as professional fees. However, the Free Cash Flow is deemed by the Authority as a more appropriate measure of the financial performance of Operations of the Airport.

PEACHTREE CITY AIRPORT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Free Cash Flow is critical to the Authority since that is the funding source used to finance capital improvements and all major repairs not immediately funded by Federal or State Grants. Free Cash Flow is defined as Net Operating Income before Depreciation and Amortization Expense decreased by any debt service incurred by the Authority.

Table 3  
Free Cash Flow for the years ended September 30

	<u>2024</u>	<u>2023</u>
Operating income before depreciation	\$ 742,390	\$ 700,323
Less: Current year debt service	<u>(34,381)</u>	<u>(42,458)</u>
Free Cash Flow	<u>\$ 708,009</u>	<u>\$ 657,865</u>

The Free Cash Flow for 2024 increased compared to the results of 2023.

Table 4 provides a summary of the Authority's Capital Assets for 2024 compared to 2023:

Table 4  
Capital Assets as of September 30

	<u>2024</u>	<u>2023</u>
Land	\$ 7,799,418	\$ 7,767,083
Construction in progress	2,867,494	1,316,232
Land improvements	25,066,081	23,795,077
Building and improvements	8,426,501	8,310,594
Furniture, equipment and vehicles	<u>1,126,404</u>	<u>1,099,305</u>
Total	45,285,898	42,288,291
Less accumulated depreciation	<u>(22,290,157)</u>	<u>(21,255,136)</u>
Capital assets, net of accumulated depreciation	<u>\$ 22,995,741</u>	<u>\$ 21,033,155</u>

**CURRENT STATUS**

Peachtree City Airport Authority operates an active and growing state classified Level III general aviation airport serving business and charter jet traffic in the south Atlanta metro area. The Airport serves business communities in Peachtree City and the surrounding region, as well as many recreational aviation enthusiasts. The 5,768 foot runway can accommodate aircrafts up to 60,000 pounds and is capable of handling large corporate aircraft. The Authority also serves as the fixed base operator (FBO) providing numerous customer service amenities and is considered one of the premier airports in the Southeast. Atlanta Regional Airport - Falcon Field is located at 7 Falcon Drive in Peachtree City's Industrial Park.

PEACHTREE CITY AIRPORT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2024

**CURRENT STATUS - Continued**

Mission Statement:

“To be the premier regional airport serving the metro Atlanta area providing superior services and facilities with competitive pricing.”

Management Objectives:

1. Operate the airport in a professional and safe manner through sound business practices that assure financial strength;
2. Sustain an acceptable mix of general and corporate aviation with outstanding facilities, premier services, and competitive prices; and
3. Create an attractive gateway to Peachtree City, Fayette County, and the region to promote tourism and sustained economic development.

The airport is “film friendly” and continues to be a location for a number of productions as well as supporting the film industry as a gateway to numerous local studios. Fayette County, although frequently recognized for its many niceties, has recently risen to the top of the charts for its association with major motion pictures and television shows. Labeled as the “Hollywood of the South,” Fayette County has a growing roster of film-friendly locations.

PEACHTREE CITY AIRPORT AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Atlanta Regional Airport-Falcon Field offers reasonable daily rates, can accommodate a variety of staging needs, and is also located just 15 minutes from Trilith Studios, one of the world's largest sound stages and production studios.

Construction Projects:

The Airport has developed and is implementing a five (5) year capital improvement program, which is submitted to the FAA and Georgia Department of Transportation. Future improvements include, but are not limited to, Crack Seal and Remark the Runway and Taxiway Foxtrot, Runway and Taxiway Safety Area Improvements, Acquiring Easements for Approaches, Rehabilitating and Expanding the Terminal Apron, Terminal Building and Auto Parking Expansion, and Construction of an Air Traffic Control Tower.

The Authority continues to secure funding through the Federal Aviation Administration (FAA) and the Georgia Department of Transportation (GDOT) for aviation-related capital improvement projects. These capital improvements are depicted on the Airport Layout Plan (ALP), which was updated and approved by the FAA in 2022. The ALP depicts Areas A, B, and C and other defined parcels that show new hangar development and other capital improvements.

Corporate and private hangar development, with expansion of commercial aeronautical services, will provide the Authority with additional and future revenue enhancement opportunities as well as additional ad valorem (property) taxes to Fayette County for hangars and aircraft.

**Contacting the Peachtree City Airport Authority**

This report is to provide a general overview of the Authority's finances and to show the Authority's accountability for the funding it receives for those with interest in this information. Questions concerning any of the information found in this report or requests for additional information should be directed to the Chairman of the Peachtree City Airport Authority, 7 Falcon Drive, Peachtree City, GA 30269 or by calling (770) 487-2225 during normal office hours Monday through Friday.

PEACHTREE CITY AIRPORT AUTHORITY  
STATEMENTS OF NET POSITION  
AS OF SEPTEMBER 30, 2024 AND 2023

ASSETS

	2024	2023
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,498,210	\$ 2,057,620
Trade accounts receivable	59,286	44,532
Rent receivable	357,825	350,690
Inventories	112,145	72,286
Prepaid expenses	68,043	57,973
<b>TOTAL CURRENT ASSETS</b>	<b>2,095,509</b>	<b>2,583,101</b>
 <b>RESTRICTED ASSETS</b>		
Cash and cash equivalents	720,987	10,689
Receivables from governmental units	1,034,435	101,740
<b>TOTAL RESTRICTED ASSETS</b>	<b>1,755,422</b>	<b>112,429</b>
 <b>LONG TERM ASSETS</b>		
Receivables – leases, net of current portion	1,393,528	1,751,353
Capital assets, net	22,995,741	21,033,155
<b>TOTAL ASSETS</b>	<b>\$ 28,240,200</b>	<b>\$ 25,480,038</b>

LIABILITIES AND NET POSITION

<b>CURRENT LIABILITIES</b>		
Accounts payable - operations	\$ 137,779	\$ 142,683
Accounts payable - construction	1,436,492	-
Accrued liabilities	111,345	87,806
Accrued interest payable - note	-	112
Current portion of note payable	-	33,503
Unearned revenue	32,491	15,289
Miscellaneous current liabilities	9,689	9,824
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,727,796</b>	<b>289,217</b>
 <b>LONG-TERM LIABILITIES</b>		
Deposits	33,700	36,158
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>33,700</b>	<b>36,158</b>
 <b>TOTAL LIABILITIES</b>	<b>\$ 1,761,496</b>	<b>\$ 325,375</b>

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

PEACHTREE CITY AIRPORT AUTHORITY  
 STATEMENTS OF NET POSITION - Continued  
 AS OF SEPTEMBER 30, 2024 AND 2023

	2024	2023
DEFERRED INFLOWS OF RESOURCES		
Leases	\$ <u>1,718,203</u>	\$ <u>2,094,544</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,718,203</u>	<u>2,094,544</u>
NET POSITION		
Invested in capital assets, net of related debt	22,995,741	20,999,652
Restricted	1,755,422	112,429
Unrestricted	<u>9,338</u>	<u>1,948,038</u>
TOTAL NET POSITION	<u>\$ 24,760,501</u>	<u>\$ 23,060,119</u>

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

PEACHTREE CITY AIRPORT AUTHORITY  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	2024	2023
OPERATING REVENUES		
Sales - fuel	\$ 4,118,331	\$ 4,157,317
Sales - other	4,233	1,645
Rental income	1,008,747	854,424
Interest	99,344	92,893
Rental car commissions	1,555	1,598
Miscellaneous revenue	60,335	37,931
TOTAL OPERATING REVENUES	5,292,545	5,145,808
OPERATING EXPENSES		
Purchases	2,427,055	2,807,342
Salaries and benefits	1,225,122	928,664
Airport promotions	11,109	9,894
Bank fees and credit card processing fees	116,280	119,235
Fuel truck rental	42,100	39,600
Insurance	90,911	64,550
Miscellaneous	80,462	65,758
Office expenses	19,525	32,714
Professional fees	206,437	60,762
Terminal and grounds upkeep	173,504	160,782
Utilities and telephone	134,911	136,196
Vehicle expense	22,739	19,988
TOTAL OPERATING EXPENSES BEFORE DEPRECIATION	4,550,155	4,445,485
OPERATING INCOME BEFORE DEPRECIATION	742,390	700,323
Depreciation	(1,035,021)	(941,301)
OPERATING LOSS	(292,631)	(240,978)
NONOPERATING REVENUES (EXPENSES)		
Economic support for development	-	12,750
Interest income	46,056	13,391
Interest expense	(766)	(2,275)
Gain on disposal of capital assets	-	13,884
TOTAL NONOPERATING REVENUES (EXPENSES)	45,290	37,750
LOSS BEFORE CAPITAL CONTRIBUTIONS	(247,341)	(203,228)

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

PEACHTREE CITY AIRPORT AUTHORITY  
 STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
 FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
FEDERAL AND STATE CAPITAL CONTRIBUTIONS	<u>1,947,723</u>	<u>295,290</u>
NET CHANGE IN NET POSITION	1,700,382	92,062
NET POSITION– Beginning of year	<u>23,060,119</u>	<u>22,968,057</u>
NET POSITION – End of year	<u>\$ 24,760,501</u>	<u>\$ 23,060,119</u>

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

PEACHTREE CITY AIRPORT AUTHORITY  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING REVENUES:		
Cash received from customers and tenants	\$ 6,235,695	\$ 6,083,584
Cash received from special events	60,335	37,931
Cash paid to suppliers	(4,415,994)	(4,486,262)
Cash paid to employees for services	<u>(1,200,611)</u>	<u>(906,994)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	679,425	728,259
 CASH FLOWS FROM NON CAPITAL AND RELATED FINANCING ACTIVITES:		
Cash received from interest earned	51,931	7,516
Cash received from economic support for development	<u>-</u>	<u>12,750</u>
NET CASH PROVIDED BY NON-CAPITAL AND RELATED INVESTING ACTIVITES	<u>51,931</u>	<u>20,266</u>
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITES:		
Principal paid on capital and operating debt	(33,503)	(40,050)
Interest paid on capital and operating debt	(878)	(2,408)
Proceeds from sale of capital assets	-	13,884
Payments for capital assets	(1,561,115)	(1,136,251)
Capital contributions received	<u>1,015,028</u>	<u>647,181</u>
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITES	<u>(580,468)</u>	<u>(517,644)</u>
 NET CHANGE IN CASH AND CASH EQUIVALENTS	150,888	230,881
 CASH AND CASH EQUIVALENTS – Beginning of year	<u>2,068,309</u>	<u>1,837,428</u>
 CASH AND CASH EQUIVALENTS – End of year	\$ <u>2,219,197</u>	\$ <u>2,068,309</u>
 UNRESTRICTED CASH AND CASH EQUIVALENTS	\$ 1,498,210	\$ 2,057,620
RESTRICTED CASH AND CASH EQUIVALENTS	<u>720,987</u>	<u>10,689</u>
	\$ <u>2,219,197</u>	\$ <u>2,068,309</u>

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

PEACHTREE CITY AIRPORT AUTHORITY  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	2024	2023
Reconciliation of operating loss to net cash provided by operating activities		
Operating loss	\$ (292,631)	\$ (240,978)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	1,035,021	941,301
(Increase) Decrease in net assets:		
Trade accounts receivable	(20,629)	15,021
Lase accounts receivable	350,690	366,944
Inventories	(39,859)	52,817
Prepaid expenses	(10,070)	(9,512)
Increase (Decrease) in net liabilities and deferred inflows:		
Accounts payable and accrued liabilities	18,500	(49,775)
Unearned revenue	17,202	7,326
Deposits	(2,458)	19,558
Leases	(376,341)	(374,443)
Net cash provided by operating activities	\$ 679,425	\$ 728,259

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

PEACHTREE CITY AIRPORT AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS  
SEPTEMBER 30, 2024 AND 2023

**1. ORGANIZATION AND PURPOSE**

The Peachtree City Airport Authority (the "Authority") was created by the General Assembly of the State of Georgia on March 26, 1984, as a public body, corporate and politic. The purpose of the Authority is to acquire, construct, equip, maintain, operate, own, lease, protect and improve the existing Atlanta Regional Airport, Falcon Field in Peachtree City, Georgia, and to promote trade, commerce, industry and employment opportunities. On September 20, 1988, the Authority became the owner of Falcon Field Airport in Peachtree City, Georgia. The Authority is necessary and essential to ensure the welfare, safety and convenience of citizens of the State of Georgia and City of Peachtree City, and to ensure the proper economic development of said State and City.

**2. REPORTING ENTITY**

The accompanying financial statements report on the financial activities of the Peachtree City Airport Authority. The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described in Note 3 below:

The City appoints all board members of the Authority and is able to impose its will upon the Authority. Therefore, the Authority is considered a component unit of the City of Peachtree City. The Authority and the City of Peachtree City in the past have entered into agreements whereby the City makes periodic payments to the Authority to operate and maintain its airport facilities. That agreement expired in December 2022.

There are no entities that are considered to be component units of the Authority.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of accounting

The Authority's financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting whereby revenues are recognized when they are earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted as they are needed.

Basis of presentation

The Authority applies all Governmental Accounting Standards Board (GASB) pronouncements. Under these standards, the Authority follows the reporting requirements for special purpose governments involved in business-type activities, which provide an entity-wide perspective in the financial statement presentation. These standards require presentation of management's discussion and analysis as required supplementary information and presentation of statements of net position; revenues, expenses, and changes in net position using a specified format, which distinguishes between operating and non-operating revenues and expenses; and cash flows using the direct method.

Operating revenues generally result from the sale of fuel, car rentals, and leasing hangar space. Operating expenses include costs of maintaining and promoting the airport facilities, including administrative expenses and depreciation. All revenues and expenses that do not meet this definition are reported as non-operating revenues and expenses or capital contributions.

PEACHTREE CITY AIRPORT AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS – (CONTINUED)

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

Cash and cash equivalents

The Authority defines cash and cash equivalents as all cash in checking and savings accounts, money on-hand, and all highly liquid short-term debt instruments purchased with a maturity of 90 days or less.

Accounts receivable

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Amounts due from customers are considered past due after 10 days. A 10% late fee is charged on the 11<sup>th</sup> day and recognized as income on balances past due. The Authority uses the allowance method to determine uncollectible accounts receivable. The allowance is based on management's analysis of specific accounts. No allowance was considered necessary as of September 30, 2024 and 2023.

Inventories

Inventories are valued at the weighted average cost using the first-in, first-out method and consist primarily of Jet-A and AvGas fuel.

Capital Assets

Capital assets purchased by the Authority are stated at historical cost. Assets acquired by gift are recorded at their fair market value on the date of transfer. Depreciation is computed over the estimated useful lives using the straight-line method of depreciation. Maintenance and repairs are charged to expense as incurred, whereas major renewals and betterments are capitalized. When items of property or equipment are sold, retired, or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts, and any gain or loss is included in net income. The Authority capitalizes all land purchases and capital purchases in excess of \$5,000.

The estimated lives by general classification are as follows:

Land improvements	15 - 40 years
Buildings and improvements	15 - 30 years
Furniture, equipment, and vehicles	3 - 20 years

Deferred inflows of resources

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority reports unavailable revenues from one source leases in this category. These amounts are long-term leases entered into by the Authority in which the Authority is the lessor. These amounts are amortized and recognized as revenues over the term of the lease agreements using the same effective interest rate as the associated lease receivables.

PEACHTREE CITY AIRPORT AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS – (CONTINUED)

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

Net Position

The Authority recognizes the difference between its assets and liabilities as net position. Net position categories for the Authority include the following:

Invested in capital assets, net of related debt - comprised of the Authority's capital assets less any related outstanding debt used to acquire those assets.

Restricted - the remaining balance of unspent grant revenues and receivables from grants. These funds are restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors, or laws and regulations of other governments.

Unrestricted - the remaining balance of net position.

Impairment of Long-Lived Assets

The Authority reviews its property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recovered. If the fair value is less than the carrying amount of the asset, an impairment loss is recognized for the difference. No impairment loss has been recognized during the years ended September 30, 2024 and 2023.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Leases

Leasor – The Authority is a lessor for noncancelable lease of certain airport facilities primarily hangars. The Authority recognizes a lease receivable and a deferred inflow of resources in the financial statements.

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

PEACHTREE CITY AIRPORT AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS – (CONTINUED)

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

Leases - continued

Key estimates and judgements include how the Authority determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease terms, and (3) lease receipts.

- The Authority uses its estimated incremental borrowing rate as the discount rate for leases
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the leases.

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

**4. CASH AND CUSTODIAL CREDIT RISK**

Cash consists of cash on hand and on deposit in a checking account with a local commercial bank. At September 30, 2024, the carrying amount of the Authority's cash was \$2,219,197 and the bank balance was \$2,231,284. Grant funds received by the Authority from State or Local Authorities are held in a federally insured Bank that is a participant in the State of Georgia Secure Deposits Program until those are disbursed for their intended purpose. Cash deemed in excess of that needed to meet near term working capital needs are deposited in FDIC or SIPC insured institutions in Certificates of Deposit or short term money market funds that invest in debt securities backed by the full faith and credit of the U.S. Government. The Authority has adopted a cash management policy that encompasses the above features, together which are intended to address cash and custodial credit risks.

**5. INVENTORIES**

The components of inventories are as follows as of September 30:

	2024	2023
Jet-A fuel	\$ 42,320	\$ 29,676
AvGas fuel	66,773	41,721
Aircraft oil	1,038	563
Pilot supplies and charts	2,014	326
	\$ 112,145	\$ 72,286

PEACHTREE CITY AIRPORT AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS – (CONTINUED)

**6. CAPITAL ASSETS**

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

	Beginning Balance	Increase	Decrease	Ending Balance
Non-depreciable assets:				
Land	\$ 7,767,083	\$ 32,335	\$ -	\$ 7,799,418
Construction in progress	<u>1,316,232</u>	<u>2,783,665</u>	<u>(1,232,403)</u>	<u>2,867,494</u>
Total non-depreciable assets	<u>9,083,315</u>	<u>2,816,000</u>	<u>(1,232,403)</u>	<u>10,666,912</u>
Other capital assets:				
Land improvements	23,795,077	1,271,004	-	25,066,081
Buildings and improvements	8,310,594	115,907	-	8,426,501
Furniture, equipment, vehicles	<u>1,099,305</u>	<u>27,099</u>	<u>-</u>	<u>1,126,404</u>
Total other capital assets	<u>33,204,976</u>	<u>1,414,010</u>	<u>-</u>	<u>34,618,986</u>
Less accumulated depreciation for:				
Land improvements	(14,803,862)	(607,432)	-	(15,411,294)
Buildings and improvements	(5,915,946)	(337,220)	-	(6,253,166)
Furniture, equipment, vehicles	<u>(535,328)</u>	<u>(90,369)</u>	<u>-</u>	<u>(625,697)</u>
Total accumulated depreciation	<u>(21,255,136)</u>	<u>(1,035,021)</u>	<u>-</u>	<u>(22,290,157)</u>
Other capital assets, net	<u>11,949,840</u>	<u>378,989</u>	<u>-</u>	<u>12,328,829</u>
Capital assets, net	<u>\$ 21,033,155</u>	<u>\$ 3,194,989</u>	<u>\$ (1,232,403)</u>	<u>\$ 22,995,741</u>

A summary of changes in capital assets for the year ended September 30, 2023, is as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Non-depreciable assets:				
Land	\$ 7,767,083	\$ -	\$ -	\$ 7,767,083
Construction in progress	<u>1,068,221</u>	<u>248,011</u>	<u>-</u>	<u>1,316,232</u>
Total non-depreciable assets	<u>8,835,304</u>	<u>248,011</u>	<u>-</u>	<u>9,083,315</u>
Others capital assets:				
Land improvements	23,783,213	35,864	(24,000)	23,795,077
Buildings and improvements	8,161,878	203,698	(54,982)	8,310,594
Furniture, equipment, vehicles	<u>1,067,705</u>	<u>68,580</u>	<u>(36,980)</u>	<u>1,099,305</u>
Total other capital assets	<u>33,012,796</u>	<u>308,142</u>	<u>(115,962)</u>	<u>33,204,976</u>
Less accumulated depreciation for:				
Land improvements	(14,315,180)	(512,682)	24,000	(14,803,862)
Buildings and improvements	(5,629,986)	(340,942)	54,982	(5,915,946)
Furniture, equipment, vehicles	<u>(484,631)</u>	<u>(87,677)</u>	<u>36,980</u>	<u>(535,328)</u>
Total accumulated depreciation	<u>(20,429,797)</u>	<u>(941,301)</u>	<u>115,962</u>	<u>(21,255,136)</u>
Other capital assets, net	<u>12,582,999</u>	<u>(633,159)</u>	<u>-</u>	<u>11,949,840</u>
Capital assets, net	<u>\$ 21,418,303</u>	<u>\$ (385,148)</u>	<u>\$ -</u>	<u>\$ 21,033,155</u>

PEACHTREE CITY AIRPORT AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS – (CONTINUED)

**6. CAPITAL ASSETS - Continued**

Depreciation expense charged to operations was \$1,035,021 and \$941,301, respectively for the years ended September 30, 2024 and 2023. As of September 30, 2024, there was one current outstanding contract for construction.

**7. NOTE PAYABLE**

Note payable consist of the following at September 30, 2024 and 2023:

	2024	2023
Bank of North Georgia:		
\$472,688 note dated July 10, 2009, with interest at 4%. Payments are \$3,512 per month, and the maturity date is 07/15/2024.		
This note is unsecured.	\$ -	\$ 33,503
Less current maturities	-	(33,503)
	\$ -	\$ -

The note was satisfied with regular payments as scheduled in July 2024.

	Beginning Balance	Additions	Reductions	Ending Balance
Notes payable	\$ 33,503	\$ -	\$ (33,503)	\$ -
Total debt	\$ 33,503	\$ -	\$ (33,503)	\$ -

**8. LEASES**

The Authority has long-term operating lease agreements with lessees to occupy private hangar space. Some of the hangers are built and owned by tenants, who are only leasing the land. There are also several "Through the Fence" agreements, which lease access to the airport areas. All T-Hangar (except area C), Port-a-Port, Tie Downs, Shade Ports and FBO hangar rentals are on 1 year or less rental agreements, and are not included below.

The Authority recognized 1,008,747 and \$854,424 in lease revenue and \$99,344 and \$92,893 in interest revenue, respective for the years ended September 30, 2024 and 2023 related to leases. As of September 30, 2024, the Authority's current portion of lease payments receivable was \$357,825 and \$1,393,528 was considered non-current. The deferred inflows of resources associated with these leases will be recognized over time. As of September 30, 2024, the balance of the deferred inflows of resources was \$1,718,203.

**9. RETIREMENT PLAN CONTRIBUTIONS**

In fiscal year 2023, the Authority switched to a Governmental Profits Sharing Plan. Whereby the Authority matches 50% up to 4% of the employee's earnings. The Authority does not contribute unless the employee participates. The Authority contributed \$18,347 and \$7,883, respectively for the years ended September 30, 2024 and 2023

PEACHTREE CITY AIRPORT AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS – (CONTINUED)

**10. GRANTS, COMMITMENTS AND CONTINGENCIES**

Revenue by grant for the years ended September 30, 2024 and 2023, is as follows:

	2024 Federal Revenue	2024 State Revenue	2024 Totals	2023 Totals
State Grant No. 33	\$ -	\$ -	\$ -	\$ 5,059
State Grant No. 34	-	-	-	290,231
State Grant No. 35	<u>112,401</u>	<u>1,835,322</u>	<u>1,947,723</u>	<u>-</u>
Totals	<u>\$ 112,401</u>	<u>\$ 1,835,322</u>	<u>\$ 1,947,723</u>	<u>\$ 295,290</u>

State Grant No. 33:

In 2022, a grant was awarded to the Authority to remove obstruction at the Atlanta Regional Airport Falcon Field. The project contains \$469,835 of federal funds, \$19,777 of state funds with a local share of the costs being \$19,777

State Grant No. 34:

In 2022, a grant was awarded to the Authority to repair cracks, seal and re mark the runway and taxiway and update the DBE plan at the Atlanta Regional Airport Falcon Field. The project contains \$295,768 of federal funds, \$14,917 of state funds with a local share of the costs being \$16,470.

State Grant No. 35:

In 2024, a grant was awarded to the Authority to expand the terminal apron; perform a runway safety area improvement analysis; and update the FY24-26 DBE plan at the Atlanta Regional Airport Falcon Field. The project contains \$150,000 of federal funds, \$2,449,242 of state funds with a local share of the costs being \$827,291.

**11. RISK MANAGEMENT**

The PTCAA is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The PTCAA has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency (GIRMA) for property and liability insurance and the Workers' Compensation Self-Insurance Fund (WCSIF), public entity risk pools currently operating as common risk management and insurance programs for member local governments. The Georgia Municipal Association (GMA) administers both risk pools.

As part of these risk pools, the PTCAA is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The PTCAA is also to allow the pools' agent and attorneys to represent the PTCAA in investigation, settlement discussions and all levels of litigation arising out of any claim made against the PTCAA within the scope of loss protection furnished by the funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member governments' contracts and in accordance with the workers' compensation laws of Georgia. The funds are to pay all costs against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

PEACHTREE CITY AIRPORT AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS – (CONTINUED)

**11. RISK MANAGEMENT - Continued**

Settled claims in the past three years have not exceeded the coverages.

**12. CONCENTRATION OF CREDIT RISK**

The Authority received approximately 98% of its total revenue from fuel sales and hangar rentals to customers and pilots during the year ended September 30, 2024. The Authority received approximately 98% of its total revenue from fuel sales and hangar rentals to customers and pilots during the year ended September 30, 2024. A downturn in the economy could adversely affect fuel sales and hangar rentals used for its basic operations. The Authority is not economically dependent upon federal or state grants to fund its operational needs. The Authority does rely on Federal or State Grants to fund the majority of its aviation related Capital Improvements Projects, typically with the Authority funding local cost shares that vary between 0% and 25%.

**13. SIGNIFICANT VENDORS**

A significant vendor is defined as one from whom at least 10% of purchases is derived. For the year ended September 30, 2024, the Authority made purchases from a vendor in the amount of \$2,482,364 which comprised approximately 42% of the total purchases for the year then ended. As of September 30, 2024, the balances due to the vendors was \$18,824, and is included in accounts payable - operations on the accompanying statements of net assets.

For the year ended September 30, 2023, the Authority made purchases from a vendor in the amount of \$2,723,021 which comprised approximately 49% of the total purchases for the year then ended. As of September 30, 2023, the balances due to this vendor was \$104,504, and is included in accounts payable - operations on the accompanying statements of net assets.

All purchases were related to fuel.

**14. INTERGOVERNMENTAL AND RELATED PARTY TRANSACTIONS**

On December 13, 2012, the Authority entered into an agreement with the City of Peachtree City. In accordance with the agreement, the City of Peachtree City will provide economic support to the Authority in connection with its operation of the airport, thereby assisting the Authority in its efforts to provide economic development and in the operation of the airport. The agreement provides for the Authority to receive a flat monthly rate as described in the table below:

The agreement remained in effect for a period of 10 years expiring in December 2022. The Authority recorded revenue from this agreement of \$0 and \$12,750, respectively, for the years ended September 30, 2024 and 2023.

**15. CLAIMS AND JUDGMENTS**

The Authority is the recipient of Federal, State, and Local grants. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with the grant program regulations, the Authority may be required to reimburse the grantor government.

PEACHTREE CITY AIRPORT AUTHORITY  
NOTES TO THE FINANCIAL STATEMENTS – (CONTINUED)

**16. CORRECTION OF ERROR**

During the current fiscal year, an error was identified in the previously issued financial statements for the fiscal year ended September 30, 2023. The error pertained to the incorrect treatment of certain leases that should have been recorded as receivables (both short-term and long-term), deferred inflows of resources, rental income and interest. GASB 87 - *Leases* had not been properly applied to the leases. The following financial statement line items were corrected.

	09/30/2023 <u>As reported</u>	<u>Adjustment</u>	09/30/2023 <u>Corrected</u>
Rent receivable	\$ 0	\$ 350,690	\$ 350,690
Receivables – leases, net of current portion	\$ 0	\$ 1,751,353	\$ 1,751,353
Deferred inflows of resources – Leases	\$ 0	\$ 2,094,544	\$ 2,094,544
Net position – Unrestricted	\$ 1,940,539	\$ 7,499	\$ 1,948,038
Total net position	\$ 23,052,620	\$ 7,499	\$ 23,060,119
Rental income	\$ 939,818	\$ (85,394)	\$ 854,424
Interest	\$ 0	\$ 92,893	\$ 92,893

**17. SUBSEQUENT EVENTS**

Management evaluated subsequent events through February 5, 2025, when these financial statements were available to be issued. Management is not aware of any significant events that occurred subsequent to September 30, 2024, but prior to the filing of this report, that would have a material impact on the audited financial statements.

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

To the Board of Directors  
Peachtree City Airport Authority  
Peachtree City, GA

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Peachtree City Airport Authority, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Peachtree City Airport Authority's basic financial statements, and have issued our report thereon dated February 5, 2025.

**Report on Internal Control over Financial Reporting**

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

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

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

**Report on Compliance and Other Matters**

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

**Purpose of this Report**

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

A handwritten signature in blue ink, appearing to read "Julian S. [unclear] LLC".

Morrow, Georgia  
February 5, 2025