

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS**

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
AND SPECIAL-PURPOSE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2025

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Honorable Mayor and Members of the
Board of County Commissioners of
Miami-Dade County, Florida

Report on the Audit of the Special-Purpose Financial Statements

Opinions

We have audited the accompanying special-purpose statements of assets and liabilities and special-purpose statements of revenues and expenses of the Miami-Dade Aviation Department – Miami International Airport Facilities’ Management and Operating Agreements for Public Parking, Hotel, Fuel Farm, and Shuttle Services (the “Facilities”) as of and for the year ended September 30, 2025, and the related notes to the special-purpose financial statements, which collectively comprise the Facilities’ special-purpose financial statements as listed in the table of contents.

The accompanying special-purpose financial statements have been prepared for the purpose of complying with the Management and Operating Agreements between Miami-Dade County, Florida, and the Management Companies of the Miami International Airport Facilities as described in Note 2 to the special-purpose financial statements and are not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2, these special-purpose financial statements are intended to present the assets and liabilities, revenues and expenses of only the portion of Miami-Dade Aviation Department that are attributable to the transactions of the Facilities. They do not purport to, and do not, present fairly the financial position of Miami-Dade Aviation Department, as of September 30, 2025 and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the assets and liabilities of the Facilities, as of September 30, 2025, and the respective revenues and expenses for the year then ended, on the basis of accounting described in Note 2.

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Basis for Opinions

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

Responsibilities of Management for the Special-Purpose Financial Statements

Management is responsible for the preparation and fair presentation of the special-purpose financial statements in accordance with provisions of the Facilities' Management and Operating Agreements and 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 special-purpose financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Special-Purpose Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the special-purpose 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 Facilities' 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 special-purpose financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Facilities' 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the special-purpose financial statements that collectively comprise the Facilities' basic financial statements.

The accompanying 2025 supplemental special-purpose statements of assets and liabilities and special-purpose statements of revenue and expenses on pages 15 through 22, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying 2024 supplemental special-purpose statements of assets and liabilities and special-purpose statements of revenue and expenses are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Totals (Memorandum Only) column in the special-purpose financial statements on pages 5 and 6 and the accompanying 2024 supplemental special-purpose statements of assets and liabilities and special-purpose statements of revenue and expenses on pages 15 through 22 are presented for purpose of additional analysis and are not a required part of the special-purpose financial statements. This information is the responsibility of management and has not been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 13, 2026, on our consideration of the Facilities' 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 Facilities' 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 Facilities' internal control over financial reporting and compliance.

Restriction of Use

This report was prepared solely for the information and use of the Honorable Mayor and Members of the Board of County Commissioners of Miami-Dade County, Florida and the management of the Miami International Airport Facilities and is not intended to be and should not be used by anyone other than these specified parties.



North Miami, Florida
January 13, 2026

MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
SPECIAL-PURPOSE STATEMENTS OF ASSETS AND LIABILITIES
SEPTEMBER 30, 2025

	<u>Public Parking Facilities</u>	<u>Hotel Facilities</u>	<u>Fuel Farm Facilities</u>	<u>Shuttle Services Facilities</u>	<u>Unaudited Totals (Memorandum Only)</u>
ASSETS					
Cash	\$ -	\$ 229,120	\$ 1,153,622	\$ -	\$ 1,382,742
Accounts receivable, net	660,069	8,715	3,458,081	-	4,126,865
Inventory	-	-	59,790	375,373	435,163
Due from Aviation Department	296,952	103,966	-	676,448	1,077,366
Other assets	<u>112,414</u>	<u>122,635</u>	<u>507,522</u>	<u>-</u>	<u>742,571</u>
Total Assets	<u>\$ 1,069,435</u>	<u>\$ 464,436</u>	<u>\$ 5,179,015</u>	<u>\$ 1,051,821</u>	<u>\$ 7,764,707</u>
LIABILITIES					
Accounts payable and accrued expenses	\$ 244,284	\$ 432,282	\$ 1,425,490	\$ 782,908	\$ 2,884,964
Due to Management Company and Related Parties	825,151	32,154	57,675	145,341	1,060,321
Due to Aviation Department	<u>-</u>	<u>-</u>	<u>3,695,850</u>	<u>123,572</u>	<u>3,819,422</u>
Total Liabilities	<u>\$ 1,069,435</u>	<u>\$ 464,436</u>	<u>\$ 5,179,015</u>	<u>\$ 1,051,821</u>	<u>\$ 7,764,707</u>

See accompanying notes to the special-purpose financial statements.

MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
SPECIAL-PURPOSE STATEMENTS OF REVENUES AND EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	<u>Public Parking Facilities</u>	<u>Hotel Facilities</u>	<u>Fuel Farm Facilities</u>	<u>Shuttle Services Facilities</u>	<u>Unaudited Totals (Memorandum Only)</u>
Revenues					
Sales	\$ 63,370,031	\$ 15,700,524	\$ 23,380,126	\$ -	\$ 102,450,681
Less: cost of sales	-	-	3,138,717	-	3,138,717
Sales tax	<u>4,077,339</u>	-	-	-	<u>4,077,339</u>
Gross margin/net sales	<u>59,292,692</u>	<u>15,700,524</u>	<u>20,241,409</u>	-	<u>95,234,625</u>
Total revenues	<u>59,292,692</u>	<u>15,700,524</u>	<u>20,241,409</u>	-	<u>95,234,625</u>
Expenses					
Payroll and fringe benefits	4,182,148	4,788,403	4,825,775	5,748,843	19,545,169
Selling, general and administrative expenses	2,221,910	2,704,044	9,534,623	3,930,323	18,390,900
Management fees	<u>77,557</u>	<u>550,046</u>	<u>512,204</u>	<u>596,422</u>	<u>1,736,229</u>
Total expenses	<u>6,481,615</u>	<u>8,042,493</u>	<u>14,872,602</u>	<u>10,275,588</u>	<u>39,672,298</u>
Excess of revenues over/(under) expenses	<u>\$ 52,811,077</u>	<u>\$ 7,658,031</u>	<u>\$ 5,368,807</u>	<u>\$ (10,275,588)</u>	<u>\$ 55,562,327</u>

See accompanying notes to the special-purpose financial statements.

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
NOTES TO THE SPECIAL-PURPOSE STATEMENTS
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Note 1 - General

Miami-Dade County, Florida (the "County") entered into Management and Operating Agreements (the "Agreements") with third parties (the "Management Companies") to operate, maintain and manage certain facilities (the "Facilities") at Miami International Airport (the "Airport") on behalf of the County. These Agreements provide for a fixed management fee and/or fees based on percentages of revenue and/or operating profits of the Facilities. While the County generally looks toward the Management Companies for recommendations relative to operation of the Facilities, the County does exercise complete budgetary control and establishes guidelines and goals for growth and performance. Such actions are taken within the rights reserved by the County under the Agreements to control all aspects of the businesses. These actions include such matters as pricing, staffing, employee benefits, operating hours, maintenance requirements, service levels, merchandise selections, personnel policies and marketing strategies. In the event the Management Companies do not perform in accordance with the standards established by the County, the County has the right to cancel such Agreements. The Management Companies do not act as general agents on behalf of the County and, therefore, cannot obligate or commit the County beyond the scope of what is required to run the day-to-day operations of the managed facilities, as established by the budgets approved by the County.

Each of the Facilities performs a distinct function for the County, which generates revenue, where applicable, to offset the cost of operations and supplement the County's budget:

- Public Parking Facilities – Provides public parking at a nominal fee, available to the general public and taxis at the airport.
- Hotel Facilities – Provides lodging rentals to the general public at a fee.
- Fuel Farm Facilities – Provides jet fuel storage and pumping services to airlines and fuel wholesalers. Also provides diesel and unleaded fuel for various airline and Airport vehicles.
- Shuttle Services Facilities – Provides shuttle transportation services, primarily to Airport and County employees, but also to members of the general public between the Airport terminal and certain parking areas.

The Management Companies for each of the Facilities are as follows:

<u>Facilities</u>	<u>Management Companies</u>
Public Parking	Airport Parking Associates ("APA")
Hotel	Driftwood Hospitality Management II, LLC ("Driftwood")
Fuel Farm	Allied Aviation Fueling of Miami, Inc. ("Allied")
Shuttle	SP+ Transportation (SP+) (a Metropolis Company)

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
NOTES TO THE SPECIAL-PURPOSE STATEMENTS
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Note 1 - General (cont'd)

The County amended certain agreements to extend terms and modify compensation to the Management Companies. See Note 3 for more details on the Agreements' termination dates and management fees effective as of September 30, 2025.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The special-purpose financial statements of the Facilities conform to accounting principles generally accepted in the United States of America, except for the exclusion of certain assets, liabilities and expenses. The special-purpose statements of assets and liabilities include only those assets and liabilities which are recorded in the books of the Facilities, as maintained by the Management Companies for the County pursuant to the Agreements. Assets not reflected therein include, but are not limited to, cash in revenue depository bank accounts, net assets, and capital assets. Liabilities not reflected therein relate primarily to other operating expenses paid directly by the County, debt, and certain accrued compensated absences. The special-purpose statements of revenue and expenses include only those expenses, which are incurred by the Facilities under the terms of the Agreements. Expenses not reflected therein include charges for certain depreciation and amortization in connection with capital assets located within the Facilities and interest expense, if any. The Facilities and their operations are included as part of the assets, liabilities and operations of Miami-Dade Aviation Department ("Aviation Department").

The accompanying special-purpose financial statements of the Facilities have been prepared on the full accrual basis of accounting, as prescribed by GASB, except where otherwise noted.

In accordance with provisions of the Agreements, the Facilities deposit, on a daily basis, gross receipts, as defined in the Agreements, into County-owned revenue depository bank accounts.

The Management Companies pay the operating expenses of the Facilities. The County reimburses the Management Companies for all approved reimbursable operating expenses, as defined in the Agreements.

Basis of Presentation

The accompanying special-purpose financial statements were prepared for the purpose of complying with the Agreements. Statements of cash flows are not required under the Agreements and have not been presented.

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
NOTES TO THE SPECIAL-PURPOSE STATEMENTS
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Note 2 - Summary of Significant Accounting Policies (cont'd)

The amounts reflected in the total columns of the accompanying special-purpose financial statements are not comparable to a consolidation and are captioned "memorandum only" as they do not present the financial position or results of operations in conformity with accounting principles generally accepted in the United States of America, or the basis of accounting described above.

Cash

At September 30, 2025, cash represented amounts on hand and amounts held in demand deposit accounts with certain financial institutions that were in the name of the Facilities/Management Companies and/or the Aviation Department. At year-end and throughout the year, certain of the Facilities' cash bank balances were on deposit with one financial institution which, at times, exceeded the federally insured limits. Management of the Facilities believes such cash is not exposed to any significant credit risk of loss.

Accounts Receivable, Net

Accounts receivable, net are stated at the customers' outstanding balances, less any allowance for uncollectable accounts. Interest is not accrued on overdue accounts receivable. Sales on credit card and other third-party accounts unsettled at September 30, 2025 are also included in accounts receivable, net in the accompanying special-purpose statements of assets and liabilities of the Parking Facilities.

Allowance for Uncollectible Accounts

Allowance for uncollectible accounts is estimated by account collection history. Accounts receivable, net are presented in the accompanying special-purpose financial statements net of allowance for uncollectible accounts, as follows:

Public Parking Facilities	\$ 69,409
Hotel Facilities	\$ 58,897
Fuel Farm Facilities	\$ 16,851
Shuttle Services Facilities	\$ -

Inventory

Inventories are stated at the lower of cost or market. Cost is determined using the weighted-average method for the Fuel Farm Facilities and Shuttle Services Facilities.

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
NOTES TO THE SPECIAL-PURPOSE STATEMENTS
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Note 2 - Summary of Significant Accounting Policies (cont'd)

Other Assets

Other assets are stated at amortized cost and are primarily comprised of advance payments made to the applicable Management Company for insurance coverage.

Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses represent amounts due to vendors and service providers for unpaid goods and services provided for the operations of the Facilities. Estimated accrued payroll expenses are also included. Accrued compensated absences are not included, except for the Fuel Farm Facilities.

Due To Management Company and Related Parties

Public Parking Facilities – this amount represents an advance from Standard Parking Systems – formerly Central Parking System of FL, Inc. (“CPS”), an affiliate of APA, for expenses paid by the parent company on behalf of the Facilities, which are reimbursable by the County, and accrued management fees due the Management Company. This advance is utilized by Public Parking to fund certain operating expenses prior to reimbursement of these amounts by the County. This amount is expected to be repaid to the Management Company at the end of the contract term.

Hotel, Fuel Farm and Shuttle Services Facilities – this amount represents expenses paid by the management companies’ parent company on behalf of the Facilities, which are reimbursable by the County and accrued management fees due to the Management Companies.

Due To/From Aviation Department

Amounts due to the Aviation Department represent the cumulative excess/deficit of revenue over expenses and net receipts and disbursements between the Management Companies and the Aviation Department since inception of the Agreements.

Revenue Recognition

Revenue is recognized when earned and realizable. Most revenue transactions represent services rendered or sales of inventory and are recognized when the service or good is provided. Revenue recorded is presented net of taxes collected in escrow on behalf of governmental authorities and remitted by the Management Companies or Aviation Department.

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
NOTES TO THE SPECIAL-PURPOSE STATEMENTS
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Note 2 - Summary of Significant Accounting Policies (cont'd)

Cost of Sales

Cost of sales are recognized when incurred at the time of sale and are comprised of the cost of products used in providing services to customers or the cost of products for resale and includes diesel and unleaded fuel offered for resale at the Fuel Farm.

Payroll and Fringe Benefits

Payroll and fringe benefits are recognized when incurred and include costs of salaries, wages, healthcare and retirement benefits, workers compensation and payroll taxes incurred as compensation to employees of the Facilities. This amount does not include accrued compensated absences due to employees, except for the Fuel Farm Facilities.

Selling, General, and Administrative Expenses

Selling, general, and administrative expenses (SG&A) are recognized when incurred and are primarily comprised of costs incurred for third-party service providers, professional fees, selling expenses, credit card fees, advertising and administrative costs, repairs and maintenance for the Facilities, certain capital asset purchases, and other miscellaneous operating expenses.

Management Fees

Management fees are recognized when incurred and represent costs incurred as compensation to the Management Companies for operating the Facilities. See Note 3. These are related party transactions.

Property, Plant, and Equipment and Related Costs

Pursuant to the Agreements, upon budget approval by the County, the Management Companies purchase equipment and vehicles needed by the Facilities. Such assets are the property of the County and are not recorded in the accompanying special-purpose statements of assets and liabilities of the Facilities. The Management Companies are reimbursed or advanced the cost of such assets by the County. These amounts are included in selling, general and administrative expense in the accompanying special-purpose statements of revenue and expenses.

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
NOTES TO THE SPECIAL-PURPOSE STATEMENTS
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Note 2 - Summary of Significant Accounting Policies (cont'd)

Property, Plant, and Equipment and Related Costs (cont'd)

The Management Companies also occasionally oversee capital improvements to the Facilities directed by the County. Such capital improvements are the property of the County and are not recorded in the accompanying special-purpose statements of assets and liabilities of the Facilities. The Management Companies are reimbursed or advanced the cost of such capital improvements by the County. When advanced, funds are included in cash in the accompanying special-purpose statements of assets and liabilities for the Facilities. The related depreciation and amortization are not included in the accompanying special-purpose statements of revenue and expenses.

Income Taxes

The special-purpose statements of revenue and expenses are intended to show the results of operations for the Facilities managed under the Agreements on behalf of the County; accordingly, no provision has been made for income taxes as the County is a tax-exempt organization.

Use of Estimates

The preparation of the special-purpose financial statements in conformity with the basis of accounting described above requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the special-purpose financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Note 3 - Management and Operating Agreements

Pursuant to the Agreements, a management fee is payable to the Management Companies monthly. The monthly management fees in effect for the fiscal year ended September 30, 2025, as defined in the Agreements, are as follows:

<u>Management Companies</u>	<u>Monthly Management Fee</u>
APA	\$6,602
Driftwood	\$15,000 or 3.5% of Revenue, whichever is greater
Allied	\$41,500 (\$48,602 for October and November 2024)
SP+	\$50,312 (\$48,847 through February 2025)

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
NOTES TO THE SPECIAL-PURPOSE STATEMENTS
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Note 3 - Management And Operating Agreements (cont'd)

Terms of Agreements

The Agreements cover periods below, with the County reserving the right to extend the Agreements for specific periods at the end of each contract year. Ordinance 95-138, Section 2-286a(9) extends any concession or management agreement related to the retail activities on a month-to-month basis for so long as may be needed to avoid disruption of concession services to passengers. Unless otherwise terminated by either party upon advanced written notice, the Agreements' expiration dates are as follows:

Management Companies	Expiration Date
APA	January 31, 2026
Driftwood	May 31, 2026
Allied Aviation	December 31, 2031
SP+	March 1, 2024 (optional continuance of a 5-year additional term, which were exercised to extend to February 28, 2029)

Note 4 - Related Party Transactions

In addition to management fees incurred by the Facilities and paid to the Management Companies (Note 3), the Facilities entered into the following related party transactions during the year ended September 30, 2025:

Certain expenses included in the accompanying special-purpose statements of revenue and expenses of the Fuel Farm Facilities are paid to and are based upon amounts charged by the Management Company's parent company, Allied, for workers compensation, company-sponsored retirement, group health, life, general and other liability insurance. Insurance expense represents allocations from the Management Company's parent during fiscal year 2025 and was approximately \$408,000.

Included in the accompanying special-purpose statements of revenue and expenses of the Fuel Farm Facilities were fuel sales to itself in the amount of approximately \$39,000. Additionally, Fuel Farm Facilities' benefits disbursements to employees are made by the management company's parent company and reimbursed by the County as a reimbursable operating expense.

**MIAMI-DADE AVIATION DEPARTMENT
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MANAGEMENT AND OPERATING AGREEMENTS
NOTES TO THE SPECIAL-PURPOSE STATEMENTS
AS OF AND FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Note 4 - Related Party Transactions (cont'd)

The Parking and Shuttle Services Facilities operating and payroll disbursements are made by their respective management company's parent companies and reimbursed by the County as a reimbursable operating expense.

Note 5 - Commitments and Contingencies

The Facilities from time to time are involved in litigation incidental to the conduct of their business, and such matters can involve current and former Facilities' employees and contractors. In the opinion of management, the expected liability, from these claims, in excess of insurance coverage, if any, would not be material to the Facilities' financial position or results of operations.

Note 6 - Economic Dependency

The Fuel Farm Facilities receives approximately 56% of total revenues from two customers. One of the two customers represent approximately 33% of total revenues. Management of the Fuel Farm believes that the loss of any one or more of these customers would not have a material impact on its financial position or results of operations due to other customers fulfilling the fuel needs of the Airport.

Note 7 - Risk Management

The Facilities are 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. As a result, the Facilities obtained general and property liabilities and worker's compensation coverage.

Note 8 - Subsequent Events

Management has evaluated subsequent events through January 13, 2026, which is the date these special-purpose financial statements were available to be issued.

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS**

SUPPLEMENTAL STATEMENTS

SEPTEMBER 30, 2025 AND 2024

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT PUBLIC PARKING FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
SUPPLEMENTAL SPECIAL-PURPOSE STATEMENTS OF ASSETS AND LIABILITIES
SEPTEMBER 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
ASSETS		
Accounts receivable, net	\$ 660,069	\$ 278,864
Due from Aviation Department	296,952	629,867
Other assets	<u>112,414</u>	<u>62,022</u>
Total Assets	<u>\$ 1,069,435</u>	<u>\$ 970,753</u>
 LIABILITIES		
Accounts payable and accrued expenses	\$ 244,284	\$ 246,014
Due to Management Company and Related Parties	825,151	724,739
Due to Aviation Department	<u>-</u>	<u>-</u>
Total Liabilities	<u>\$ 1,069,435</u>	<u>\$ 970,753</u>

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT PUBLIC PARKING FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
SUPPLEMENTAL SPECIAL-PURPOSE STATEMENTS OF REVENUES AND EXPENSES
FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
Revenues		
Sales	\$ 63,370,031	\$ 66,448,990
Less: sales tax	<u>4,077,339</u>	<u>4,272,401</u>
Total revenues	<u>59,292,692</u>	<u>62,176,589</u>
 Expenses		
Payroll and fringe benefits	4,182,148	3,735,605
Selling, general and administrative expenses	2,221,910	2,646,389
Management fees	<u>77,557</u>	<u>79,027</u>
Total expenses	<u>6,481,615</u>	<u>6,461,021</u>
Excess of revenues over expenses	<u>\$ 52,811,077</u>	<u>\$ 55,715,568</u>

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT HOTEL FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
SUPPLEMENTAL SPECIAL-PURPOSE STATEMENTS OF ASSETS AND LIABILITIES
SEPTEMBER 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash	\$ 229,120	\$ 239,171
Accounts receivable, net	8,715	-
Due from Aviation Department	103,966	272,907
Other assets	<u>122,635</u>	<u>53,367</u>
Total Assets	<u>\$ 464,436</u>	<u>\$ 565,445</u>
 LIABILITIES		
Accounts payable and accrued expenses	\$ 432,282	\$ 533,290
Due to Management Company and Related Parties	<u>32,154</u>	<u>32,155</u>
Total Liabilities	<u>\$ 464,436</u>	<u>\$ 565,445</u>

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT HOTEL FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
SUPPLEMENTAL SPECIAL-PURPOSE STATEMENTS OF REVENUES AND EXPENSES
FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
Revenues		
Sales	\$ <u>15,700,524</u>	\$ <u>15,376,092</u>
Total revenues	<u>15,700,524</u>	<u>15,376,092</u>
 Expenses		
Payroll and fringe benefits	4,788,403	4,770,023
Selling, general and administrative expenses	2,704,044	4,238,032
Management fees	<u>550,046</u>	<u>538,150</u>
Total expenses	<u>8,042,493</u>	<u>9,546,205</u>
Excess of revenues over expenses	<u>\$ 7,658,031</u>	<u>\$ 5,829,887</u>

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FUEL FARM FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
SUPPLEMENTAL SPECIAL-PURPOSE STATEMENTS OF ASSETS AND LIABILITIES
SEPTEMBER 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash	\$ 1,153,622	\$ 198,944
Accounts receivable, net	3,458,081	3,168,223
Inventory	59,790	86,620
Other assets	<u>507,522</u>	<u>412,939</u>
Total Assets	<u>\$ 5,179,015</u>	<u>\$ 3,866,726</u>
 LIABILITIES		
Accounts payable and accrued expenses	\$ 1,425,490	\$ 494,565
Due to Management Company and Related Parties	57,675	16,175
Due to Aviation Department	<u>3,695,850</u>	<u>3,355,986</u>
Total Liabilities	<u>\$ 5,179,015</u>	<u>\$ 3,866,726</u>

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FUEL FARM FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
SUPPLEMENTAL SPECIAL-PURPOSE STATEMENTS OF REVENUES AND EXPENSES
FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
Revenues		
Net sales	\$ 23,380,126	\$ 22,363,355
Less: cost of sales	<u>3,138,717</u>	<u>3,181,604</u>
Gross margin	<u>20,241,409</u>	<u>19,181,751</u>
Net revenues	<u>20,241,409</u>	<u>19,181,751</u>
 Expenses		
Payroll and fringe benefits	4,825,775	4,360,076
Selling, general and administrative expenses	9,534,623	5,255,972
Management fees	<u>512,204</u>	<u>580,907</u>
Total expenses	<u>14,872,602</u>	<u>10,196,955</u>
Excess of revenues over expenses	<u>\$ 5,368,807</u>	<u>\$ 8,984,796</u>

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT SHUTTLE SERVICES FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
SUPPLEMENTAL SPECIAL-PURPOSE STATEMENTS OF ASSETS AND LIABILITIES
SEPTEMBER 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
ASSETS		
Inventory	\$ 375,373	\$ 360,345
Due from Aviation Department	<u>676,448</u>	<u>378,985</u>
Total Assets	<u>\$ 1,051,821</u>	<u>\$ 739,330</u>
 LIABILITIES		
Accounts payable and accrued expenses	\$ 782,908	\$ 301,703
Due to Management Company and Related Parties	145,341	311,633
Due to Aviation Department	<u>123,572</u>	<u>125,994</u>
Total Liabilities	<u>\$ 1,051,821</u>	<u>\$ 739,330</u>

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT SHUTTLE SERVICES FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
SUPPLEMENTAL SPECIAL-PURPOSE STATEMENTS OF REVENUES AND EXPENSES
FOR THE YEARS ENDED SEPTEMBER 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
Revenues	\$ _____ -	\$ _____ -
Expenses		
Payroll and fringe benefits	5,748,843	5,010,432
Selling, general and administrative expenses	<u>3,930,323</u>	1,871,838
Management fees	<u>596,422</u>	<u>579,051</u>
Total expenses	<u>10,275,588</u>	<u>7,461,321</u>
Excess of revenues over/(under) expenses	<u>\$ (10,275,588)</u>	<u>\$ (7,461,321)</u>

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF SPECIAL-PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
*GOVERNMENT AUDITING STANDARDS***

FOR THE YEAR ENDED SEPTEMBER 30, 2025



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
SPECIAL-PURPOSE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor and Members of the
Board of County Commissioners of
Miami-Dade County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special-purpose statements of assets and liabilities and special-purpose statements of revenues and expenses of the Miami-Dade Aviation Department-Miami International Airport Facilities' Management and Operating Agreements for Public Parking, Hotel, Fuel Farm, and Shuttle Services Facilities (the "Facilities") as of and for the year ended September 30, 2025, and the related notes to the special-purpose financial statements, which collectively comprise the Facilities' special-purpose financial statements, and have issued our report thereon dated January 13, 2026.

Internal Control over Financial Reporting

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Facilities' special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of special-purpose 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 an instance of noncompliance of the agreement that is required to be reported under *Government Auditing Standard* and described in item **2025-01** for the Airport Hotel, **2024-01** for the Airport Parking Facility.

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.



North Miami, Florida
January 13, 2026

MANAGEMENT LETTER
FOR THE YEAR ENDED SEPTEMBER 30, 2025



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

To the Honorable Mayor and Members of the
Board of County Commissioners of
Miami-Dade County, Florida

In planning and performing our audits of the special-purpose financial statements of Miami-Dade Aviation Department - Miami International Airport Facilities' Management and Operating Agreements for Public Parking, Hotel, Fuel Farm, and Shuttle Services Facilities (the "Facilities") as of September 30, 2025, and the related special-purpose statements of revenues and expenses for the year then ended in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered the Facilities' internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the special-purpose financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Facilities' internal control. Accordingly, we do not express an opinion on the effectiveness of the Facilities' internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as discussed in the following schedule, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

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. We did not identify any deficiencies in internal control that we consider to be material weaknesses

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. We consider the following deficiencies in internal control to be significant deficiencies, refer to listings for Fuel Farm (2019-2), Shuttle Services (2025-01, 2025-02, and 2025-03) and Airport Parking (2024-02 and 2024-03).

This report was prepared solely for the information and use of the Honorable Mayor and Members of the Board of County Commissioners of Miami-Dade County, Florida and the management of the Facilities, and is not intended to be and should not be used by anyone other than these specified parties.

North Miami, Florida
January 13, 2026

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**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
FISCAL YEAR 2025 MANAGEMENT LETTER RECOMMENDATIONS**

The following is a summary of current year recommendations for each of the Facilities and the status of prior year recommendations that were repeated in the current year, were not implemented, or were only partially implemented by the Facilities' during the current year. All prior year recommendations that have been fully implemented were not repeated in this section.

One of the basic elements of internal accounting control involves segregation of duties in such a manner in which the work of one employee is checked by others, and the responsibilities for custody of assets is not placed in the same employees that maintains the accounting records. Due to the Facilities' limited number of personnel, the segregation of duties is not always possible. However, management feels the risk of misstatement due to error or fraud is mitigated by the review of individual transactions and the monthly financial statements by MDAD personnel charged with oversight.

Fuel Farm Facilities

Current Year Recommendation: None.

Status of Prior Year Recommendation: 2019-2 Accounts Receivable Credit Balances

Condition: The Fuel Farm has unapplied credit balances in the account receivables trial balance of approximately \$40,000, some of which date back to 2004.

Criteria: Accounts receivable credit balances should be investigated and corrected by Allied Aviation in coordination with Miami-Dade Aviation Department.

Cause: Customer account balances were not reviewed, analyzed and adjusted annually by Miami-Dade Aviation Department and Allied Aviation.

Effect: There is a risk these credit balances are not properly applied to the respective customer invoices.

Recommendation: Allied Aviation in coordination with Miami-Dade Aviation Department should consider investigating and taking corrective action for these credit balances.

Facility's Response: We will keep reminding MDAD-Finance to review this matter in order to find a solution and to guide us in the process of getting it resolved.

MDAD's Response: We will continue to work on resolving the issue with the unapplied credit balance in the account receivables trial balance; in the amount of \$40,000; and monitor the situation going forward.

Current Status: Allied Aviation continues to have unapplied credits and will continue to evaluate, with the assistance of MDAD, in order to resolve the unapplied credit balances. MDAD plans on devising a resolution during the upcoming fiscal year to clear these unapplied balance.

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
AIRPORT SHUTTLE SERVICES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Current Year Findings

2025-01 Inventory – Obsolete Items

Condition: Airport Shuttle Services has a total inventory value of approximately \$375,000. Per the management agreement, section 3.05 an Inventory process is to be put in place to accurately record and track inventory movement and balances. During the physical inventory observation items were questioned as to the useful life of items when compared to current fleet.

Criteria: Management is to ensure that inventory is properly recorded, tracked and valued.

Cause: Annual review of physical inventory should include assessment of slow moving and obsolete items.

Effect: The Management company may have improper inventory values.

Recommendation: Shuttle Services should perform an assessment of inventory items compared to current fleet and usage to ensure that the inventory value is accurate and/or requirement for inventory reserves.

Facility's Response: We agree with the recommendation and will perform an assessment for MDAD to review. Currently, SP Plus utilizes a perpetual inventory system (RTA) to track the \$375,000 asset and ensures procurement integrity through mandatory system-generated POs and VMRS coding. We will work with MDAD to ensure any subsequent inventory adjustments or reserves are recorded.

MDAD's Response: We have discussed this recommendation with SP Plus and will review the assessment once completed and will ensure any necessary inventory adjustments or reserves are recorded.

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
AIRPORT SHUTTLE SERVICES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Current Year Findings

2025-02 Inventory Observation

Condition: Airport Shuttle Services has a total inventory value of approximately \$375,000. Per the management agreement, section 3.05 an Inventory process is to be put in place to accurately record and track inventory movement and balances. During the physical inventory observation it was observed that SOP procedures for inventory maintenance and counts were not being adhered to. Shuttle had an inventory location without tags, items on the shop floor but not on the inventory log, items on the log but should have been removed and excluded procedures to be performed as the inventory was not held on the year-end date.

Criteria: Management is to ensure that inventory is properly recorded, tracked and valued.

Cause: Management did not ensure inventory procedures were performed properly.

Effect: The Management company may have improper inventory values and or counts.

Recommendation: Shuttle Services should ensure that managers are aware and updated of the inventory procedures, including possible cut-off procedures.

Facility's Response: We agree with the recommendation and have already taken steps to ensure stringent management of the inventory process. Specifically, the previous Maintenance Manager has been replaced with new leadership mandated to enforce SOP compliance, including cut-off procedures. All inventory locations are now properly tagged, and "shop floor" items have been reconciled and recorded in the logs to reflect 100% of on-hand stock.

MDAD's Response: We have observed that the new leadership and all team members have been following the inventory procedures. This has been evidenced by no discrepancies in the end of month inventory count.

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
AIRPORT SHUTTLE SERVICES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Current Year Findings

2025-03 Inventory Observation

Condition: Airport Shuttle Services has a total inventory value of approximately \$375,000. Concluded in the 2019 audit a listing of contributed inventory was created to track separately has management was not able to value these items. During the price testing of the current year 4 out of 40 items noted no support for the value. Management noted that they should have been included in the contributed inventory balance due to the historical information however it was improperly excluded.

Criteria: Management is to ensure that inventory is properly recorded, tracked and valued.

Cause: Management did not ensure inventory procedures were performed properly.

Effect: The Management company may have improper inventory values and or counts.

Recommendation: Shuttle Services should ensure that the contributed inventory is accurate and updated with any items used and obsolete.

Facility's Response: SP Plus acknowledges the lack of valuation support for the identified items but notes this is a direct result of an inherited "Contributed Inventory" process established by MDAD and the prior vendor (First Transit) seven years ago. This is strictly a documentation gap due to the absence of legacy invoices and does not affect physical count accuracy, as all items are accurately tracked within the RTA Perpetual Inventory system. Additionally, maintaining a separate "Contributed Inventory" category is resource-intensive and creates artificial discrepancies in average pricing. Despite being tracked separately, these items are part of the same physical stock and support the same fleet. Nonetheless, we will take action consistent with the recommendation to ensure accuracy of the overall inventory value.

MDAD's Response: We have discussed this recommendation with SP Plus and will ensure action is taken that is consistent with the recommendation to ensure accuracy of the overall inventory value.

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
AIRPORT HOTEL FACILITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Current Year Findings

2025-01 Contract Compliance – Monthly Financial Reports

Condition: Driftwood Hospitality Management II, LLC (Airport Hotel) has a non-exclusive management agreement that details mandatory operational, compliance, and reporting requirements, including Section 4.04, which mandates that monthly comparative financial statements should be submitted to the Miami-Dade Aviation Department (Department) no later than fifteen (15) days following the close of each month. We tested all months for compliance with Section 4.04 of the agreement and noted 3 instances where the requisite financial reports were submitted to the Department between 2 and 15 days late.

Criteria: Monthly Financial Statements are to be provided by the management company as soon as practical, but no later than fifteen (15) days following the close of each monthly period.

Cause: Compliance control procedures were not operating effectively.

Effect: The Management company is out of compliance with the operating agreement and in jeopardy of adverse consequences, including possible agreement termination.

Recommendation: Airport Hotel should ensure that monthly reconciliations and financial closing procedures are completed timely so that monthly financial reports are submitted within the timeframe specified in the agreement.

Facility's Response: We agree with the recommendation and have already implemented corrective measures to ensure adherence to the 15-day reporting requirement as stipulated in Section 4.04 of the agreement. This current year Management had key finance employee turnover and an Accounting System Change from their Corporate office which were the underline causes for the delays. As these were unique situations, we do not foresee this being an issue in the forthcoming periods.

MDAD's Response: We have discussed this recommendation and will ensure action is taken that is consistent with the recommendation to ensure timeliness with reporting requirements.

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
AIRPORT PARKING ASSOCIATES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Prior Year Findings

2024-01 Contract Compliance – Monthly Financial Reports

Condition: Airport Parking Associates (Airport Parking) has a non-exclusive management agreement that details mandatory operational, compliance, and reporting requirements, including Section 4.04, which mandates that monthly comparative financial statements should be submitted to the Miami-Dade Aviation Department (Department) no later than fifteen (15) days following the close of each month. We tested six months for compliance with Section 4.04 of the agreement and noted 4 instances where the requisite financial reports were submitted to the Department between 16 and 60 days late.

Criteria: Monthly Financial Statements are to be provided by the management company as soon as practical, but no later than fifteen (15) days following the close of each monthly period.

Cause: Compliance control procedures were not operating effectively.

Effect: The Management company is out of compliance with the operating agreement and in jeopardy of adverse consequences, including possible agreement termination.

Recommendation: Airport Parking should ensure that monthly reconciliations and financial closing procedures are completed timely so that monthly financial reports are submitted within the timeframe specified in the agreement.

Facility's Response: We agree with the recommendation and have already implemented corrective measures to ensure adherence to the 15-day reporting requirement as stipulated in Section 4.04 of the agreement.

MDAD's Response: The Department concurs with these findings. Airport Parking Associates experienced significant employee turnover, which included key personnel during the previous fiscal year. Specifically in accounting and in the financial section, staff met, discussed and addressed the shortfall, with APA and its parent company Metropolis/SPPlus.

Current Year Status: Based on audit procedures this finding is still unresolved for the current period.

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
AIRPORT PARKING ASSOCIATES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Prior Year Findings (cont'd)

2024-02 Internal Controls – Cash Receipts

Condition: Airport Parking processed approximately \$66 million in gross revenue during the fiscal year ended September 30, 2024. However, evidence of internal controls over the cash receipts processed did not appear to be operating effectively, as PARC reports and other documentation supporting revenue recorded were missing for 15 of 40 selections tested.

Criteria: Cash receipts (revenue) transactions are to be reconciled daily to the AS 400 ledger system, using the PARC, towing, taxi, prepaid parking, and other applicable system generated reports. On a monthly basis, the reconciliations should be timely reviewed by the Revenue Manager and subsequently approved by the General Manager.

Cause: Internal controls procedures for the cash receipts process was not operating effectively.

Effect: There is a risk that misstatements of the special-purpose financial statements may not be detected and corrected timely.

Recommendation: Management should ensure that all employees are aware of the daily and monthly reconciliation procedures, and a detailed review of all account reconciliations should be performed by an appropriate level of management to ensure that controls are effective, and errors are timely detected and corrected.

Facility's Response: We agree with the recommendation and have already completed the retraining for all applicable employees.

MDAD's Response: The Department concur with this finding. The parking operator is required to reconcile all revenue sources by utilizing the PARC System, AS 400 and Pay by Phone generated reports. These are done monthly in the Financial Reporting, Section IX, by Operations.

Current Year Status: Based on audit procedures this finding is still unresolved for the current period.

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
AIRPORT PARKING ASSOCIATES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Prior Year Findings (cont'd)

2024-03 Internal Controls – Payroll Process

Condition: The hours worked per the payroll register did not agree to the timecards for twelve (12) of forty (40) employee timecards tested and management was unable to reconcile the differences. Also, in one instance the timesheet could not be located and in another instance the employee information was excluded from the payroll register that was provided by management. Evidence of internal controls over the payroll process did not appear to be operating effectively.

Criteria: Payroll activity should be properly recorded, reviewed, and approved to ensure accurate recording of the expenses and ensure employees are eligible to work based on the management agreement.

Cause: Internal control procedures of the payroll process were not operating effectively.

Effect: There is a risk that misstatements of the special-purpose financial statements may not be detected and corrected timely.

Recommendation: Management should ensure that all employees are aware of the processing procedures for payroll and that proper documentation is retained to support hours paid and expenses recorded. More importantly, the payroll must be reconciled, reviewed and approved monthly to ensure errors are timely detected and corrected.

Facility's Response: We agree with the recommendation and have already completed the retraining for all applicable employees. However, the findings are affected by the timekeeping system conversion during the fiscal year and manual adjustments that were required, including holiday and retro pay.

MDAD's Response: The Department concurs with the findings.

Current Year Status: Based on audit procedures this finding is still unresolved for the current period.

**MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT FACILITIES'
MANAGEMENT AND OPERATING AGREEMENTS
AIRPORT PARKING ASSOCIATES
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Prior Year Findings (cont'd)

2024-04 Closing the Books

Condition: During fiscal year 2024, Airport Parking reported revenue and expenditures totaling approximately \$66 million and \$6.5 million, respectively. The contract between Miami-Dade County and the Management company requires that the books are closed no later than fifteen (15) days following the close of the month. This includes reconciliation of all major accounts. However, audit adjustments totaling approximately \$358,000 were needed to properly reflect account balances, and a post-period audit adjustment of approximately \$336,000 for fiscal year 2023 was not posted to final trial balance.

Criteria: Account reconciliations for significant account balances or classes of transactions should be prepared, reviewed and approved in a timely manner.

Cause: Year-end procedures were not fully executed to include reconciliation for all accounts and transaction classes including posting correct adjustments.

Effect: There is a risk that misstatements of the special-purpose financial statements may not be detected and corrected in a timely manner.

Recommendation: Management should continue to reconcile and analyze significant account balances and transaction classes on a regular basis, with variances being corrected timely. The reconciliations should be reviewed and approved by the appropriate level of management. In addition, there should be a final reconciliation of the trial balance with the special-purpose audited financial statements.

Facility's Response: We agree with the audit recommendation. We have implemented corrective actions to ensure compliance with the 15-day reporting requirement as outlined in Section 4.04 of the agreement. Moving forward, we will enhance our reconciliation, analysis, and review of significant account balances and transaction classes, with a particular focus on the final trial balance used for the audit. For clarification, the \$358,000 and \$336,000 adjustments were non-cash journal entries that did not affect any payments between MDAD and any other entities (including individuals), including APA.

MDAD's Response: The Department concurs with the findings.

Current Year Status: Based on audit procedures this finding has been remediated.