Agenda Item #: 4A-1

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: **September 17, 2024** [ ] **Consent** [ ] **Regular** [ ] **Ordinance** [X] **Public Hearing**

Department: **Office of Financial Management & Budget**

I. Executive Brief

Motion and Title: Staff recommends motion to:

A) **CONDUCT A TAX EQUITY & FISCAL RESPONSIBILITY ACT (TEFRA) PUBLIC HEARING AFTER PROPER NOTICE IN THE PALM BEACH POST, AS REQUIRED UNDER SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE"CODE") CONCERNING THE ISSUANCE OF COUNTY AIRPORT SYSTEM REVENUE BONDS IN TWO SERIES IN A PRINCIPAL AMOUNT NOT EXCEEDING $110,000,000; AND**

B) **ADOPT A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA SUPPLEMENTING PALM BEACH COUNTY AIRPORT SYSTEM REVENUE BOND RESOLUTION NO. R-84-427 ADOPTED APRIL 3, 1984, AS AMENDED IN FULL BY PALM BEACH COUNTY AIRPORT SYSTEM REVENUE BOND RESOLUTION NO. R-84-1659 ADOPTED NOVEMBER 1, 1984, AS AMENDED AND SUPPLEMENTED, AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $110,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF PALM BEACH COUNTY, FLORIDA AIRPORT SYSTEM REVENUE IMPROVEMENT BONDS, SERIES 2024A (NON-AMT) AND PALM BEACH COUNTY, FLORIDA AIRPORT SYSTEM REVENUE IMPROVEMENT BONDS, SERIES 2024B (AMT) (COLLECTIVELY, THE "SERIES 2024 BONDS") FOR THE PURPOSE OF FINANCING A PORTION OF CERTAIN CAPITAL PROJECTS DESCRIBED HEREIN AND PAYING ALL COSTS NECESSARY OR INCIDENTAL TO THE FOREGOING, AS MORE FULLY PROVIDED FOR HEREIN; PROVIDING FOR CERTAIN DETAILS OF SUCH SERIES 2024 BONDS; AUTHORIZING THE FORM OF SUCH SERIES 2024 BONDS AND THE EXECUTION AND DELIVERY OF SUCH SERIES 2024 BONDS; PROVIDING FOR THE APPLICATION OF THE PROCEEDS OF SUCH SERIES 2024 BONDS; DELEGATING AUTHORITY TO APPROPRIATE OFFICIALS OF PALM BEACH COUNTY, IN CONSULTATION WITH PALM BEACH COUNTY'S FINANCIAL ADVISOR, TO DETERMINE WHETHER TO SECURE SUCH SERIES 2024 BONDS, ALL OR IN PART, BY A MUNICIPAL BOND INSURANCE POLICY; AUTHORIZE SECURING THE SERIES 2024 BONDS BY A DEBT SERVICE RESERVE ACCOUNT INSURANCE POLICY FOR ALL OF SUCH SERIES 2024 BONDS OR IN LIEU THEREOF, TO CASH FUND THE SERIES 2024 DEBT SERVICE RESERVE SUBACCOUNTWITH A PORTIONOF THE NET PROCEEDS OF THE SERIES 2024 BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF AGREEMENTS IN CONNECTION WITH ANY MUNICIPAL BOND INSURANCE POLICY AND THE DEBT SERVICE RESERVE ACCOUNT INSURANCE POLICY AND THE PAYMENT OF THE RELATED PREMIUMS; APPROVING THE FORM OF A BOND PURCHASE AGREEMENT AND DELEGATING AUTHORITY TO APPROPRIATE OFFICIALS OF PALM BEACH COUNTY TO DETERMINE CERTAIN DETAILS OF SUCH SERIES 2024 BONDS AND TO EXECUTE AND DELIVER THE BOND PURCHASE AGREEMENT TO EFFECT THE NEGOTIATED SALE OF THE SERIES 2024 BONDS, ALL SUBJECT TO THE PARAMETERS SET FORTH IN THIS RESOLUTION; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERING AND SALE OF THE SERIES 2024 BONDS AND AUTHORIZING THE EXECUTION AND DELIVERY BY APPROPRIATE OFFICIALS OF PALM BEACH COUNTY OF A FINAL OFFICIAL STATEMENT; APPOINTING THE TRUSTEE, REGISTRAR AND PAYING AGENT FOR SUCH SERIES 2024 BONDS; APPROVING CERTAIN TAX COVENANTS RELATING TO SUCH SERIES 2024 BONDS; PROVIDING FOR THE UNDERTAKING BY PALM BEACH COUNTY REQUIRED BY RULE 15C2-12 OF THE SECURITIES AND EXCHANGE COMMISSION; AUTHORIZING OTHER REQUIRED ACTIONS; PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.**

Summary: Continued on Page 3

Background and Policy Issues: Continued on Page 3

Attachments:
1. Sixteenth Supplemental Bond Resolution
2. Text of the TEFRA Public Notice

Recommended by: Sherry Brown 8/21/2024
Department Director **Date**

Approved by: V Baker 8/29/24
County Administrator **Date**

I. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2025	2026	2027	2028	2029
Capital Expenditures					
Operating Costs					
Debt Service Costs					
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT					
POSITIONS (Cumulative)					

Is item included in Current Budget? Yes ☐ No ☒
Is this item using Federal Funds? Yes ☐ No ☒
Is this item using State Funds? Yes ☐ No ☒

Budget Account No.: Fund __ Department ___ Unit ___ Object ___

B. Recommended Sources of Funds/Summary of Fiscal Impact:

The Resolution authorizes the sale of Bonds. The debt service payments are secured by airport operating revenues. As a result of issuing the Series 2024 Airport Revenue Bonds, debt service payments will increase in future years; however, the amounts are not known until the bonds are sold.

C. Departmental Fiscal Review:

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III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

8/21/2024
OFMB 8/21
MS 8/21 CB 8/21

8/26/24
Contract Dev. and Control
8/26/24

B. Legal Sufficiency:

8/28/24
Assistant County Attorney

C. Other Department Review:

____
Department Director

THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.

Summary: As presented at the April 16, 2024 Board Workshop, the County's Department of Airports has identified the need for the replacing the Airport Rescue and Fire Fighting Building, replacing the Revenue Control Building, and making capital improvements to Concourse B. On July 18, 2024, the County Financing Committee (CFC) met to discuss the financing needs and financing alternatives and recommended that the County should proceed with the Series 2024 Airport Revenue Bond financing. The Series 2024 Airport System Revenue Improvement Bonds will be sold on a tax-exempt basis through a negotiated sale. The CFC selected J.P. Morgan Securities LLC (Senior Managing Underwriter), RBC Capital Markets, and Raymond James & Associates (Co-Managing Underwriters) through a request for proposal (RFP) process. The Airport System Revenue Improvement Bonds Series 2024B (AMT) are Alternative Minimum Tax bonds. Alternative Minimum Tax (AMT) bonds are tax-exempt bonds allowed to be issued under the Code to finance projects which have non-governmental use. The interest rate on these type of bonds is typically higher than bonds that are not subject to the AMT. The alternative minimum tax may apply to certain high income individuals. The amount of bonds authorized to be issued is not to exceed $110,000,000. **Countywide (DB)**

Background and Policy Issues: At the April 16, 2024 Board Workshop, the Department of Airports presented their 5 Year Capital Plan which included issuing bonds as a funding source. The CFC issued an RFP to the County's pool of underwriters for negotiated bond sales.

NOTICE OF PUBLIC HEARING BY PALM BEACH COUNTY, FLORIDA REGARDING THE ISSUANCE BY PALM BEACH, COUNTY, FLORIDA OF ITS NOT TO EXCEED $110,000,000 AIRPORT SYSTEM REVENUE IMPROVEMENT BONDS, SERIES 2024 IN MORE THAN ONE SERIES.

NOTICE IS HEREBY GIVEN, that the Board of County Commissioners of Palm Beach County, Florida (the "Board"), the governing body of Palm Beach County, Florida (the "County"), will conduct a public hearing at 9:30 A.M., or as soon thereafter as the same may be heard, on September 17, 2024, concerning the proposed issuance by the County of up to $110,000,000 of its Airport System Revenue Improvement Bonds, Series 2024 to be issued in more than one series (herein, the "Bonds"). The net proceeds of the Bonds will be used primarily to finance in part the replacement of the Aircraft Rescue and Fire Fighting (ARFF) Building, Station 81, the replacement of the Revenue Control Building and certain capital improvements to Concourse B, including the expansion of the security checkpoint relating thereto and other improvements relating to circulation and access (collectively, the "2024 Projects"). The Bonds are to be issued as exempt facility bonds for an airport as identified in section 142 of the Internal Revenue Code of 1986, as amended (the "Code"). The ARFF Building – Station 81 project and the Concourse B project will be located at the Palm Beach International Airport (the "Airport"), located at 1000 James L Turnage Blvd, West Palm Beach, FL 33415, and the Revenue Control Building will be located on Airport property at 1250 Perimeter Road, in both cases, within the boundary of N. Military Trail to the west, Belvedere Road to the north, Australian Avenue to the east and Perimeter Road to the south. All components of the 2024 Projects will be owned by the County.

The Bonds will be special limited obligations of the County payable solely from available net airport revenues pledged by the County on parity with the County's Airport System Revenue Refunding Bonds, Series 2016. The Bonds may also be secured by a bond insurance policy and a stand-alone reserve policy.

The public hearing will be held at the following time and location:

9:30 A.M., or as soon thereafter on September 17 , 2024
Palm Beach County Government Center
301 North Olive Avenue, West Palm Beach, Florida 33401
Jane Thompson Memorial Chambers - Sixth Floor

The Bonds will not constitute an indebtedness of the County, the State of Florida (the "State") or any other political subdivision of the State within the meaning of any constitutional or statutory debt limitation or restriction. The Bonds shall not constitute a moral obligation of the County or a charge against its general credit. The owners of the Bonds will never have the right to compel the exercise of the ad valorem taxing power of the County for the payment of the Bonds. No property of the County, the State or any other political subdivision thereof will be pledged for the payment of the Bonds.

All interested persons are invited to attend the public hearing, which will be the only public hearing concerning the issuance of the Bonds. At such meeting, persons will be given an opportunity to express their views, both orally and through written statements which are submitted to the County Administrator, 11th Floor, 301 North Olive Avenue, West Palm Beach, Florida 33401, on or before the public hearing. For further information regarding the proposed issuance of the Bonds, contact David Behar, Esquire, Assistant County Attorney at (561) 355-2734. For further information regarding the 2024 Projects, contact Laura Beebe, Director of Airports at (561) 471-7403. Should any person decide to appeal any decision made by the County, he or she will need a record of the proceedings and may need to ensure that a verbatim record of the proceedings is made, which record must include testimony and evidence upon which the appeals may be based.

In accordance with the Americans with Disabilities Act, persons with disabilities requiring accommodations to participate in this proceeding should contact Reginald Duren, ADA Coordinator, at (561) 355-3838 or by email at (rduren@pbc.gov) no later than five (5) days prior to the hearing. If you are deaf, hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services.

This Notice is published on the County's website pursuant to the requirements of Section 147(f) of the Code of 1986 and Treasury Regulations Section 1.147(f)-1.

PALM BEACH COUNTY, FLORIDA

Publication Date: September __, 2024

700624414v8

R-2024-_____

PALM BEACH COUNTY, FLORIDA

AIRPORT SYSTEM REVENUE IMPROVEMENT BONDS,

SERIES 2024A (NON-AMT) AND SERIES 2024B (AMT)

SIXTEENTH SUPPLEMENTAL PALM BEACH COUNTY AIRPORT SYSTEM REVENUE BOND RESOLUTION

Adopted September 17, 2024

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EXHIBITS

SIXTEENTH SUPPLEMENTAL RESOLUTION

R-2024-____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA SUPPLEMENTING PALM BEACH COUNTY AIRPORT SYSTEM REVENUE BOND RESOLUTION NO. R-84-427 ADOPTED APRIL 3, 1984, AS AMENDED IN FULL BY PALM BEACH COUNTY AIRPORT SYSTEM REVENUE BOND RESOLUTION NO. R-84-1659 ADOPTED NOVEMBER 1, 1984, AS AMENDED AND SUPPLEMENTED, AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $110,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF PALM BEACH COUNTY, FLORIDA AIRPORT SYSTEM REVENUE IMPROVEMENT BONDS, SERIES 2024A (NON-AMT) AND PALM BEACH COUNTY, FLORIDA AIRPORT SYSTEM REVENUE IMPROVEMENT BONDS, SERIES 2024B (AMT) (COLLECTIVELY, THE "SERIES 2024 BONDS") FOR THE PURPOSE OF FINANCING A PORTION OF CERTAIN CAPITAL PROJECTS DESCRIBED HEREIN AND PAYING ALL COSTS NECESSARY OR INCIDENTAL TO THE FOREGOING, AS MORE FULLY PROVIDED FOR HEREIN; PROVIDING FOR CERTAIN DETAILS OF SUCH SERIES 2024 BONDS; AUTHORIZING THE FORM OF SUCH SERIES 2024 BONDS AND THE EXECUTION AND DELIVERY OF SUCH SERIES 2024 BONDS; PROVIDING FOR THE APPLICATION OF THE PROCEEDS OF SUCH SERIES 2024 BONDS; DELEGATING AUTHORITY TO APPROPRIATE OFFICIALS OF PALM BEACH COUNTY, IN CONSULTATION WITH PALM BEACH COUNTY'S FINANCIAL ADVISOR, TO DETERMINE WHETHER TO SECURE SUCH SERIES 2024 BONDS, ALL OR IN PART, BY A MUNICIPAL BOND INSURANCE POLICY; AUTHORIZE SECURING THE SERIES 2024 BONDS BY A DEBT SERVICE RESERVE ACCOUNT INSURANCE POLICY FOR ALL OF SUCH SERIES 2024 BONDS OR IN LIEU THEREOF, TO CASH FUND THE SERIES 2024 DEBT SERVICE RESERVE SUBACCOUNT WITH A PORTION OF THE NET PROCEEDS OF THE SERIES 2024 BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF AGREEMENTS IN CONNECTION WITH ANY MUNICIPAL BOND INSURANCE POLICY AND THE DEBT SERVICE RESERVE ACCOUNT INSURANCE POLICY AND THE PAYMENT OF THE RELATED PREMIUMS; APPROVING THE FORM OF A BOND PURCHASE AGREEMENT AND DELEGATING AUTHORITY TO APPROPRIATE OFFICIALS OF PALM BEACH COUNTY TO DETERMINE CERTAIN DETAILS OF SUCH SERIES 2024 BONDS AND TO EXECUTE AND DELIVER THE BOND PURCHASE AGREEMENT TO EFFECT THE NEGOTIATED SALE OF THE SERIES 2024 BONDS, ALL SUBJECT TO THE PARAMETERS SET FORTH IN THIS RESOLUTION; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERING AND SALE OF THE SERIES 2024

BONDS AND AUTHORIZING THE EXECUTION AND DELIVERY BY APPROPRIATE OFFICIALS OF PALM BEACH COUNTY OF A FINAL OFFICIAL STATEMENT; APPOINTING THE TRUSTEE, REGISTRAR AND PAYING AGENT FOR SUCH SERIES 2024 BONDS; APPROVING CERTAIN TAX COVENANTS RELATING TO SUCH SERIES 2024 BONDS; PROVIDING FOR THE UNDERTAKING BY PALM BEACH COUNTY REQUIRED BY RULE 15C2-12 OF THE SECURITIES AND EXCHANGE COMMISSION; AUTHORIZING OTHER REQUIRED ACTIONS; PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AS FOLLOWS:

ARTICLE I
AUTHORITY, DEFINITIONS AND FINDINGS

Section 101 **Sixteenth Supplemental Resolution**. This Sixteenth Supplemental Palm Beach County Airport System Revenue Bond Resolution (this "Sixteenth Supplemental Resolution") is supplemental to Palm Beach County Airport System Revenue Bond Resolution No. R-84-427 adopted by the Board of County Commissioners (the "Board") of Palm Beach County, Florida (the "County") on April 3, 1984, as amended in full by Palm Beach County Airport System Revenue Bond Resolution No. R-84-1659 adopted by the Board on November 1, 1984, as amended and supplemented from time to time, including specifically by Palm Beach County Airport System Revenue Bond Resolution No. R-89-971 adopted on June 4, 1989, Palm Beach County Airport System Revenue Bond Resolution No. R-2006-0727 adopted on April 18, 2006, the Fourteenth Supplemental Palm Beach County Airport System Revenue Bond Resolution No. 2016-0760 adopted on June 21, 2016 (the "Fourteenth Supplemental Resolution") (said resolutions, and all resolutions amendatory and supplemental thereto, adopted prior to adoption of this Sixteenth Supplemental Resolution, and including this Sixteenth Supplemental Bond Resolution, being referred to herein, collectively, as the "Bond Resolution").

Section 102 **Authority for this Sixteenth Supplemental Resolution**. This Sixteenth Supplemental Resolution is adopted pursuant to and in accordance with (i) the Constitution and laws of the State of Florida, including particularly Chapters 125 and 166, Florida Statutes, and the County Charter, and other applicable provisions of law; and (ii) the Bond Resolution, including Article II and Article X of the Bond Resolution.

Section 103 **Definitions**. Except as otherwise expressly provided herein, all references to specifically enumerated Articles and Sections of the Bond Resolution refer to Articles and Sections of the Palm Beach County Airport System Revenue Bond Resolution No. R-84-1659 adopted by the Board on November 1, 1984, as amended, and not to Articles or Sections of any Supplemental Resolution. Except as otherwise expressly provided herein, all terms which are defined in Section 101 of the Bond Resolution shall have the same meanings when used in this Sixteenth Supplemental Resolution as given to such terms in Section 101 of the Bond Resolution.

Section 104 Findings. It is hereby found and determined by the County as of the date of adoption of this Sixteenth Supplemental Resolution that:

(a) The Board has heretofore adopted the Bond Resolution (other than this Sixteenth Supplemental Resolution).

(b) The County is authorized by the Constitution and laws of the State of Florida, including particularly Chapters 125 and 166, Florida Statutes, and the County Charter, and other applicable provisions of law, and the Bond Resolution, to issue Bonds for any of the purposes stated in the Bond Resolution including, without limitation, Bonds issued for the purpose of financing certain Additional Projects including the herein defined 2024 Projects.

(c) The County has issued and has Outstanding under the Bond Resolution its Airport System Revenue Refunding Bonds, Series 2016 (the "Series 2016 Bonds"). There are currently no Bonds Outstanding under the Bond Resolution other than the Series 2016 Bonds and there is no Subordinated Indebtedness Outstanding under the Bond Resolution.

(d) The Debt Service Reserve Requirement for the Series 2016 Bonds is currently satisfied by the deposit to the Debt Service Reserve Account established under the Bond Resolution of a Debt Service Reserve Account Insurance Policy which, by its terms, is applicable to the Series 2016 Bonds (the "2016 Reserve Policy") issued by MBIA Insurance Corporation and assumed as of March 18, 2009 by National Public Finance Guarantee Corporation (the "2016 Credit Facility Provider"). In connection with the 2016 Reserve Policy, the County and the 2016 Credit Facility Provider entered into an Insurance Agreement (the "Insurance Agreement") and a Financial Guaranty Agreement (the "2016 Reserve Policy Agreement"), each dated as of May 17, 2006, which currently relates solely to the Series 2016 Bonds. The 2024 Debt Service Reserve Subaccount herein created for the Series 2024 Bonds is not secured by the Debt Service Reserve Account, the 2016 Reserve Policy or subject to the Insurance Agreement or the 2016 Reserve Policy Agreement.

(e) Pursuant to the Fourteenth Supplemental Resolution, the County amended the Bond Resolution to (i) permit more than one Series of Outstanding Bonds to be secured by the Debt Service Reserve Account on a common basis and to establish the reserve requirement therefor in the Bond Resolution; (ii) permit a particular Series of Bonds to be secured by a segregated Subaccount in the Debt Service Reserve Account securing only that Series of Bonds and to provide for the reserve requirement to be established therefor by the related Supplemental Resolution; (iii) permit a Series of Bonds to be issued without being secured by the Debt Service Reserve Account or a Subaccount therein and without a corresponding reserve requirement; and (iv) make additional amendments to the Bond Resolution to facilitate the foregoing amendments, all as more fully set forth in Article II of the Fourteenth Supplemental Resolution. The Board hereby determines to utilize a separate 2024 Debt Service Reserve Subaccount herein established with respect to the Series 2024 Bonds and the 2024 Debt Service Reserve Account Requirement for the Series 2024 Bonds shall be satisfied and be in the amount all as set forth in subparagraph (h) under this Section 104.

(f) Pursuant to this Sixteenth Supplemental Resolution, the County is authorizing a series of Additional Bonds in the principal amount of not exceeding $110,000,000 to finance a portion of the Costs of capital improvements to Concourse B, including the expansion of the security checkpoint relating thereto and other improvements relating to security circulation and access, the replacement of the Aircraft Rescue and Fire Fighting Building, Station 81 and the replacement of the Revenue Control Building (collectively, the "2024 Projects").

(g) Proceeds of the Series 2024 Bonds will also be applied to pay all costs necessary or incidental to the issuance thereof, including the premium for a municipal bond insurance policy (a "Bond Insurance Policy") and a Debt Service Reserve Account Insurance Policy (the "2024 Reserve Policy"), if it is determined necessary as provided for herein to obtain such Bond Insurance Policy in connection with obtaining the 2024 Reserve Policy if such 2024 Reserve Policy will be obtained for all of the Series 2024 Bonds. Notwithstanding the foregoing, the County is authorized to obtain a Bond Insurance Policy for all or a portion of the Series 2024 Bonds, independently of how the Series 2024 Debt Service Reserve Subaccount will be funded.

(h) As more fully provided for herein, the County Administrator of the County (the "County Administrator") and the County's Debt Manager (the "Debt Manager"), in consultation with the County's Financial Advisor (the "Financial Advisor"), will determine on or before pricing of the Series 2024 Bonds, whether to obtain the 2024 Reserve Policy and a Bond Insurance Policy in connection with obtaining the 2024 Reserve Policy. In lieu of obtaining the 2024 Reserve Policy, the County is authorized to fund the Series 2024 Debt Service Reserve Subaccount with a portion of the net proceeds of the Series 2024 Bonds. Whether the Series 2024 Debt Service Reserve Subaccount is credited with the 2024 Reserve Policy or by way of cash funding such subaccount, the Series 2024 Debt Service Reserve Requirement shall be equal to the maximum annual debt service on the Series 2024 Bonds or ten percent (10%) of the stated principal amount of the Series 2024 Bonds or the issue price if original issue discount exceeds two percent (2%) of the redemption price of the Series 2024 Bonds at maturity or one hundred twenty-five percent (125%) of average annual debt service on the Series 2024 Bonds, whichever is the least as determined by the County's Bond Counsel.

(i) The Financial Advisor has recommended that the Series 2024 Bonds be sold by a negotiated sale and the Board hereby determines that it is in its best interests to ratify the selection of the Underwriters (as defined below) and approve the negotiated sale of the Series 2024 Bonds, subject to the terms and conditions hereof, including the findings set forth in Section 401 hereof. Attached hereto as <u>Exhibit B</u> is a proposed form of a Bond Purchase Agreement (the "Purchase Agreement") with respect to the purchase and sale of the Series 2024 Bonds submitted by J.P. Morgan Securities LLC, as the representative (the "Representative") of the underwriters named therein (collectively with the Representative, the "Underwriters"). The Representative and the other Underwriters were selected after a competitive proposal process conducted by the County among its existing pool of eligible underwriters.

(j) Subject to the provisions of Section 401 hereof, the Board desires to delegate to the County Administrator and the Debt Manager the authority to determine the final details of the Series 2024 Bonds, and to delegate to the Mayor (or in the absence of the Mayor, the Vice Mayor, or in her absence, any member of the Board), the authority to award the Series 2024 Bonds to the Underwriters pursuant to a negotiated sale by executing and delivering the Purchase Agreement setting forth the details of the Series 2024 Bonds, among other matters.

(k) Pursuant to Section 218.385, Florida Statutes, an authorized officer of the Representative will deliver to the County a disclosure statement and truth-in-bonding statement on behalf of the Underwriters in the form attached to or incorporated in the Purchase Agreement as a condition to the execution of the Purchase Agreement by the County.

(l) Subject to the provisions of Section 402 hereof, the Board desires to approve a form of a Preliminary Official Statement (as hereinafter defined) relating to the Series 2024 Bonds, substantially in the form attached hereto as Exhibit C, to delegate to either of the County Administrator or the Debt Manager the authority to deem the Preliminary Official Statement "final" within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 and to authorize the preparation and distribution of a final Official Statement (as hereinafter defined).

(m) On September 17, 2024, the County, pursuant to published notice, conducted a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable U.S. Treasury Regulations, with respect to the issuance of the Series 2024 Bonds.

(n) The Bond Resolution contemplates that Bonds shall be authorized by a resolution or resolutions supplemental thereto adopted by the Board and it is now appropriate to authorize the Series 2024 Bonds and provide for certain other matters related thereto. Except as otherwise provided herein, all of the provisions, covenants, pledges and conditions in the Bond Resolution shall be applicable to the Series 2024 Bonds herein authorized.

(o) The County is not in default in performing any of its covenants and obligations under the Bond Resolution and all payments required thereunder have been made to the full extent required. To the extent necessary to effectuate the terms and conditions hereof, the Bond Resolution is hereby incorporated herein by this reference. The estimated Revenues to be derived in each Fiscal Year will be sufficient at all times to pay all Operation and Maintenance Expenses, the principal of and interest on the Bonds and any Subordinated Indebtedness, as the same becomes due and payable, and all sinking fund, reserve and other payments provided for in the Bond Resolution and to comply fully with the covenants contained in the Bond Resolution.

(p) The Series 2024 Bonds do not constitute an indebtedness of the County, the State of Florida or any other political subdivision thereof and are payable solely from the Net Revenues Available for Debt Service and the amounts on deposit in the Funds and Accounts established by the Bond Resolution and pledged to the Series 2024 Bonds, on a parity with any Series 2016 Bonds, together with any Bonds hereafter issued and Outstanding under the Bond Resolution on a parity therewith. The County is not obligated to pay the Series 2024 Bonds except from such sources. The Series 2024 Bonds shall not have a lien or claim on the Debt Service Reserve Account or the 2016 Reserve Policy. The issuance of the Series 2024 Bonds does not directly or indirectly or contingently obligate the County, the State of Florida or any other political subdivision thereof to levy or pledge any taxes whatsoever therefor or to make any appropriation for their payment except from the sources pledged therefor under the terms and conditions of the Bond Resolution.

Section 105 **Resolution to Constitute Contract**. In consideration of the purchase and acceptance of the Series 2024 Bonds by the Holders from time to time thereof, the provisions of the Bond Resolution shall be deemed to be and shall constitute a contract between the County and the Holders from time to time of the Series 2024 Bonds; and the pledge made in the Bond Resolution and the covenants and agreements therein set forth to be performed by or on behalf of the County shall be for the equal benefit, protection and security of the Holders of any and all of the Series 2024 Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Series 2024 Bonds over any other thereof, except as expressly provided in or pursuant to the Bond Resolution.

ARTICLE II
AUTHORIZATION AND ISSUANCE OF SERIES 2024 BONDS

Section 201 **Authorization of Series 2024 Bonds**. Subject and pursuant to the provisions of this Sixteenth Supplemental Resolution, including Section 401 hereof, the Board hereby authorizes the issuance of the Series 2024 Bonds in the aggregate principal amount not exceeding One Hundred Ten Million Dollars ($110,000,000) to be known as "Palm Beach County, Florida Airport System Revenue Improvement Bonds, Series 2024A (Non-AMT)" (herein, the "Series 2024A Bonds") and "Palm Beach County, Florida Airport System Revenue Improvement Bonds, Series 2024B (AMT)" (herein, the "Series 2024B Bonds" and, together with the Series 2024A Bonds, the "Series 2024 Bonds"). Certain components of the 2024 Projects will be financed with a portion of the proceeds of the Series 2024A Bonds with the balance of the 2024 Projects being financed with a portion of the proceeds of the Series 2024B Bonds. The Series 2024 Bonds shall be issued as "Additional Bonds" within the meaning of the Bond Resolution to finance an "Additional Project" namely, the 2024 Projects and all provisions, covenants, pledges and conditions of the Bond Resolution shall be applicable thereto, except as expressly provided herein. Prior to the issuance and delivery of the Series 2024 Bonds, the documents, opinions and certificates required by Article II of the Bond Resolution shall be filed with the County and the Trustee. The Series 2024 Bonds shall be issued on a parity with any Series 2016 Bonds, together with any Bonds hereafter issued and Outstanding under the Bond Resolution on a parity therewith. The Series 2024 Bonds shall not have a lien or claim on the Debt Service Reserve Account or the 2016 Reserve Policy.

Section 202 **Purpose**. Subject to the provisions of Section 201 and Section 401 hereof, the net proceeds of the Series 2024 Bonds shall be deposited in the Construction Fund and applied to finance a portion of the Costs of the 2024 Projects. Net proceeds of the Series 2024 Bonds will also be applied to pay all costs necessary or incidental to the issuance thereof, including paying the cost of issuance of the Series 2024 Bonds, which may include the premiums for a Bond Insurance Policy if so obtained, and shall include the premium for the 2024 Reserve Policy if so obtained or in lieu of obtaining the 2024 Reserve Policy, to fund the Series 2024 Debt Service Reserve Subaccount with a portion of the net proceeds of the Series 2024 Bonds, in either case, equal to the Series 2024 Debt Service Reserve Requirement.

Section 203 **Execution and Transfer**. The text of the Series 2024 Bonds shall be substantially in the form set forth in Exhibit A hereto. The Mayor of the County (the "Mayor") or, in her absence, the Vice Mayor of the County (the "Vice Mayor") or, in her absence, any other member of the Board, is hereby authorized and directed to execute, and the Clerk of the Board or any Deputy Clerk is hereby authorized to attest, the Series 2024 Bonds, substantially in the form set forth in Exhibit A with such modifications, insertions and deletions as may be approved, in consultation with the Director of Airports (the "Director"), the County Administrator, the Debt Manager and the Financial Advisor, and to deliver the Series 2024 Bonds pursuant to the Purchase Agreement. Execution of the Series 2024 Bonds as aforesaid shall constitute conclusive evidence of the County's approval and acceptance of any changes to the form of the Series 2024 Bonds from the form thereof attached hereto. In the event that any transfer or exchange of Series 2024 Bonds is permitted under the Bond Resolution, such transfer or exchange shall be accomplished upon receipt by the County from the registered owner thereof of the Series 2024 Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of the Bond Resolution.

Section 204 **Dates, Maturities, Interest Rates, Denominations, Numbers and Letters**. The Series 2024 Bonds shall be dated their date of delivery as specified in the final Official Statement and shall bear interest from such date payable commencing on such date as specified in the final Official Statement, and semiannually thereafter on April 1 and October 1 of each year (each, an "Interest Payment Date"). Subject to the provisions of Section 401 hereof, the Purchase Agreement shall specify the aggregate principal amount of the Series 2024 Bonds, whether the Series 2024 Bonds shall be issued as Serial Bonds or Term Bonds or a combination of both, the maturity dates of the Series 2024 Bonds (which shall not exceed the maximum date permitted by law and as otherwise provided in Section 401 hereof) and the interest rates on the Series 2024 Bonds (which shall not exceed the maximum interest rate permitted by law and as otherwise provided in Section 401 hereof). The Series 2024 Bonds shall be issued in the form of fully registered Series 2024 Bonds, shall be lettered and numbered in such manner as may be prescribed by the Bond Registrar, and shall be in denominations of $5,000 or any integral multiple thereof.

Section 205 **Book-Entry System**. The Series 2024 Bonds shall initially be issued in book-entry-only form. The Blanket Issuer Letter of Representations dated December 21, 2021 (the "Book-Entry Agreement"), to evidence a book-entry-only system of registration (the "Book- Entry System") with respect to certain of the County's bonds previously filed with The Depository Trust Company ("DTC") shall be applicable to the Series 2024 Bonds. As long as any Series 2024 Bonds are registered under the Book-Entry System, the following provisions shall apply to such Series:

Upon initial issuance, the ownership of the Series 2024 Bonds shall be registered in the registration books of the County kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC. The Bond Registrar, Paying Agent and the County shall treat DTC (or its nominee) as the sole and exclusive owner of the Series 2024 Bonds registered in its name for the purposes of payment of the principal or Redemption Price of or interest on the Series 2024 Bonds, selecting the Series 2024 Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under the Bond Resolution, registering the transfer of Series 2024 Bonds, obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever; and neither the Bond Registrar and Paying Agent nor the County shall be affected by any notice to the contrary.

Neither the Bond Registrar and Paying Agent nor the County shall have any responsibility or obligation to any DTC participants (the "DTC Participants") or other institutions who clear through or maintain a custodial relationship with DTC Participants (the "Indirect Participants" and, together with the DTC Participants, the "Participants"), any person claiming a beneficial ownership interest in the Series 2024 Bonds under or through DTC or any Participant, or any other person which is not shown on the registration books of the Bond Registrar as being a Bondholder with respect to the accuracy of any records maintained by DTC or any Participant; with respect to the payment by DTC or any Participant of any amount in respect of the principal or Redemption Price of or interest on the Series 2024 Bonds, with respect to any notice which is permitted or required to be given to Bondholders hereunder or under the Bond Resolution, with respect to the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Series 2024 Bonds, or with respect to any consent given or other action taken by DTC as Bondholder. The Paying Agent shall pay all principal of and premium, if any, and interest on the Series 2024 Bonds only to Cede & Co. in accordance with the Book- Entry Agreement, and all such payment shall be valid and effective to fully satisfy and discharge the County's obligations with respect to the principal of and premium, if any, and interest on the Series 2024 Bonds to the extent of the sum or sums so paid.

No person other than DTC shall receive authenticated Series 2024 Bonds and each separate stated maturity evidencing the obligation of the County to make payments of principal of and premium, if any, and interest pursuant to the Bond Resolution. Upon delivery by DTC to the Bond Registrar and Paying Agent of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the Series 2024 Bonds will be transferable to such new nominee in accordance with the provisions set forth in this section.

In the event the County determines that it is in the best interest of the individual purchasers of the Series 2024 Bonds (the "Beneficial Owners") that they be able to obtain Series 2024 Bond certificates, the County may notify DTC and the Bond Registrar and Paying Agent, whereupon DTC will notify the Participants, of the availability through DTC of Series 2024 Bond certificates, in all cases subject to DTC's policies and procedures. In such event, the Series 2024 Bonds will be transferable in accordance with the provisions of the last full paragraph of this section. DTC may determine to discontinue providing its services with respect to the Series 2024 Bonds at any time by giving notice to the County and the Bond Registrar and Paying Agent and discharging its responsibilities with respect thereto under applicable law. In such event the Series 2024 Bonds will be transferable in accordance with the provisions of this section. Whenever DTC requests the County and the Bond Registrar and Paying Agent to do so, the Bond Registrar and Paying Agent and the County will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of certificates evidencing the Series 2024 Bonds. In such event the Series 2024 Bonds will be transferable to such securities depository in accordance with the provisions of this section.

Notwithstanding any other provision of the Bond Resolution to the contrary, so long as any Series 2024 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of and premium, if any, and interest on such Series 2024 Bond and all notices with respect to such Series 2024 Bond shall be made and given, respectively, to DTC as provided in the Book-Entry Agreement.

In connection with any notice or other communication to be provided to Bondholders pursuant to the Bond Resolution by the County or the Bond Registrar and Paying Agent with respect to any consent or other action to be taken by Bondholders, the County or the Bond Registrar and Paying Agent, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than 15 calendar days in advance of such record date to the extent possible. Notice to DTC shall be given only when DTC is the sole Bondholder.

In the event that any transfer or exchange of Series 2024 Bonds is permitted hereunder, such transfer or exchange shall be accomplished upon receipt by the Bond Registrar and Paying Agent from the registered owner thereof of the Series 2024 Bonds to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of the Bond Resolution. In the event Series 2024 Bond certificates are issued to holders other than Cede & Co., its successor as nominee for DTC as holder of all the Series 2024 Bonds, or another securities depository as holder of all the Series 2024 Bonds, the provisions of the Bond Resolution shall also apply to, among other things, the printing of such certificates and the method of payment of principal of and interest on such certificates. Prior to any transfer of the Series 2024 Bonds outside of the Book-Entry System (including, but not limited to, the initial transfer outside of the Book-Entry System) the transferor shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045, as amended. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Section 206 **Payment of Series 2024 Bonds**. The principal or Redemption Price, if applicable, of the Series 2024 Bonds shall be payable to the registered owners of such Series 2024 Bonds upon presentation and surrender of such Series 2024 Bonds as they become due at the designated corporate trust office of the Bond Registrar, as Paying Agent. The principal of, and Redemption Price, if any, of the Series 2024 Bonds shall also be payable at any other place which may be provided for such payment by the appointment of any other Paying Agent or Paying Agents as permitted by the Bond Resolution. The interest on the Series 2024 Bonds on any Interest Payment Date shall be payable by check, draft or wire of any Paying Agent, mailed on such Interest Payment Date to the registered owners thereof, as the case may be, as of the close of business on the fifteenth day (whether or not a business day) of the month next preceding an Interest Payment Date (the "Record Date") at the address of such registered owners as they shall appear on the registration books maintained pursuant to Section 304 of the Bond Resolution, notwithstanding the cancellation of any such Series 2024 Bonds upon any exchange or transfer thereof subsequent to the Record Date and prior to such Interest Payment Date, except that if and to the extent that there shall be a default in the payment of the interest due on such Interest Payment Date, such defaulted interest shall be paid to the owners in whose name any such Series 2024 Bonds (or any such Series 2024 Bonds issued upon transfer of exchange thereof) are registered at the close of business on the fifth business day next preceding the date of payment of such defaulted interest. Payment as aforesaid shall be made in such coin or currency of the United States of America as, at the respective times of payment shall be legal tender for the payment of public and private debts.

Section 207 **Application of Proceeds**. The net proceeds of the Series 2024 Bonds shall be deposited as set forth below. The specific amounts to be deposited to each of the Funds and Accounts created under the Bond Resolution shall be set forth in a deposit certificate executed by the Mayor (or in her absence the Vice Mayor or any other member of the Board) and delivered at the time of issuance of the Series 2024 Bonds.

(a) There shall be deposited in the Construction Fund held by Trustee an amount of the net proceeds of the Series 2024 Bonds which, together with any other available funds provided by the County, shall be applied to finance the Costs of the 2024 Projects. The County shall create two subaccounts within the Construction Fund, namely the "Non-AMT Subaccount" and the "AMT Subaccount." The amounts to be deposited in each subaccount shall be set forth in such deposit certificate.

(b) There shall be deposited with the Trustee in a 2024 Cost of Issuance Fund hereby established an amount sufficient to pay cost of issuance of the Series 2024 Bonds; provided, however that any premiums for the Bond Insurance Policy, if any, and for the 2024 Reserve Policy, if any, may be wired directly to the applicable provider of said Bond Insurance Policy and/or 2024 Reserve Policy. The Trustee shall disburse moneys in the 2024 Cost of Issuance Fund upon receipt of a written direction of an Authorized Representative of the County, which states (i) that such amount is to be paid to the person identified therein, and (ii) that such amount is properly payable as a cost of issuance of the Series 2024 Bonds hereunder. Upon the earlier of six months from the date of issuance of the Series 2024 Bonds or the Trustee's receipt of a written direction of the County, amounts remaining in the 2024 Cost of Issuance Fund shall be transferred to the Revenue Fund. The amounts deposited into the 2024 Cost of Issuance Fund shall be derived from both the Series 2024A Bonds and the Series 2024B Bonds, as determined by Bond Counsel. Upon disbursement of all funds in the 2024 Cost of Issuance Fund, the Trustee is authorized to close such fund.

(c) There is hereby created a Series 2024 Debt Service Reserve Subaccount within the Debt Service Reserve Account. If the 2024 Reserve Policy is obtained, such policy shall be credited to the Series 2024 Debt Service Reserve Subaccount in the amount of the Series 2024 Debt Service Reserve Requirement and will only be available to pay Debt Service on the Series 2024 Bonds, as provided in the Bond Resolution. If the 2024 Reserve Policy is not obtained, the Series 2024 Debt Service Reserve Subaccount shall be funded from a portion of the net proceeds of the Series 2024A Bonds and Series 2024B Bonds in the amounts set forth in the deposit certificate which shall not exceed in the aggregate the Series 2024 Debt Service Reserve Requirement and such deposit shall only be available as provided in the Bond Resolution to pay Debt Service on the Series 2024 Bonds.

ARTICLE III
REDEMPTION PROVISIONS

Section 301 **Redemption Prices and Terms**. Subject to the provisions of Section 401 hereof, the Series 2024 Bonds may be subject to optional redemption and may be subject to mandatory redemption at the option of the County, on such dates, in such amounts and at such Redemption Prices as shall be set forth in the Purchase Agreement. Upon any purchase of a particular maturity of any Series 2024 Bonds by the County pursuant to Section 408(2) of the Bond Resolution and the cancellation of such maturity, there shall be credited toward the Sinking Fund Installments, if any, for the applicable Series 2024 Bonds, the principal amount of the Series 2024 Bonds so purchased. Such credit shall be applied to such Sinking Fund Installments in the order becoming due, or otherwise as the County may direct by written notice to the Trustee given prior to the date of surrender for cancellation of such maturity of the Series 2024 Bonds so purchased.

Section 302 Selection of Series 2024 Bonds to be Redeemed. A redemption of any of the Series 2024 Bonds shall be a redemption of the whole or of any part of such Series from any funds available for that purpose in accordance with the provisions of the Bond Resolution; provided there shall be no partial redemption of less than $5,000 principal amount of such Series. If less than all of the Series 2024 Bonds of a like maturity shall be called for redemption, the particular Series 2024 Bonds of such maturity or portion thereof to be redeemed shall be selected by the Bond Registrar, in such manner as the Bond Registrar in its discretion may deem fair and appropriate, in the principal amount designated to the Bond Registrar by the County or otherwise as required by the Bond Resolution; provided, further that the portion of any Series 2024 Bonds to be redeemed in part shall be in the principal amount of $5,000 or some integral multiple thereof and that, in selecting the Series 2024 Bonds for redemption, the Bond Registrar shall treat each such Series 2024 Bonds as representing that number of the Series 2024 Bonds which is obtained by dividing the principal amount of such Series 2024 Bonds by $5,000 (such amount being hereinafter referred to as the "unit of principal amount"). If it is determined that one or more, but not all, of the units of principal amount represented by any such Series 2024 Bonds is to be called for redemption, then, upon notice of intention to redeem such one or more units of principal amount, the registered owner of such Series 2024 Bonds, upon surrender of such Series 2024 Bonds to the Paying Agent for payment to such registered owner of the Redemption Price of the unit or units of principal amount called for redemption, shall be entitled to receive a new Bond or Bonds of such Series in the aggregate principal amount of such Bonds. New Series 2024 Bonds, representing the unredeemed balance of the principal amount of such Series 2024 Bonds shall be issued to the registered owner thereof without charge therefor. If the registered owner of any such Series 2024 Bonds of a denomination greater that the unit or units of principal amount called for redemption shall fail to present such Series 2024 Bonds to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the unit or units of principal amount called for redemption (and to that extent only). The surrender provisions of any Series 2024 Bonds, as described in this Section 302 shall not be applicable if the Series 2024 Bonds are registered pursuant to the Book-Entry System.

Section 303 Procedure For Redemption of Series 2024 Bonds.

(a) The County shall give written notice to the Trustee and Bond Registrar of its election or direction to redeem Series 2024 Bonds not less than thirty-five (35) days prior to the date fixed for redemption, as provided in Section 502 of the Bond Resolution.

(b) In the event any of the Series 2024 Bonds are called for redemption, the Bond Registrar shall give notice, in the name of the County, of the redemption of such Series or portion thereof, which notice shall (i) specify the title of the Series 2024 Bonds and their date of issue and the principal amounts, CUSIP numbers, maturity dates and interest rates of the Series 2024 Bonds to be redeemed, the date of publication, if any, of the redemption notice, the date fixed for redemption, the Redemption Price, and the name and address of the designated corporate trust office of the Paying Agent at which the amounts due upon redemption will be payable, and, unless all of the Series 2024 Bonds are to be redeemed as a whole, the Series 2024 Bond number and any other letters, numbers or distinguishing marks and the amount of principal of each Series 2024 Bonds to be redeemed, (ii) state any condition to such redemption, and (iii) state that on the date fixed for redemption, and upon the satisfaction of any such condition, the Series 2024 Bonds or portions thereof to be redeemed shall cease to bear interest. Such notice may set forth any additional information relating to such redemption.

(c) Notice of redemption of any Series 2024 Bonds shall be mailed, postage prepaid, by the Bond Registrar not less than thirty (30) days before the date fixed for redemption to the registered owners of the Series 2024 Bonds or portion thereof which are to be redeemed, at their last addresses, if any, as they appear on registration books of the County kept by the Bond Registrar. Failure of the registered owners of any Series 2024 Bonds which are to be redeemed to receive any such notice shall not affect the validity of the proceedings for the redemption of such Series 2024 Bonds, or the validity of the redemption of any Series 2024 Bonds for which proper notice has been given.

(d) Any Series 2024 Bonds which have been duly selected for redemption or which are deemed to be paid in accordance with Section 1201 of the Bond Resolution shall cease to bear interest on the date fixed for redemption, and on such date shall cease to be entitled to any lien, benefit or security under the Bond Resolution and shall cease to be considered as Bonds under the Bond Resolution or as Outstanding for any purpose.

Section 304 **Payment of Redemption Price**. For the redemption of any of the Series 2024B Bonds, the County shall cause to be deposited in the Debt Service Account in the Debt Service Fund or an escrow fund an amount sufficient to pay the principal of and interest to the redemption date on such Series 2024 Bonds or portions thereof to be redeemed. Any amount in the Debt Service Account in the Debt Service Fund available on such redemption date for payment of such principal of and accrued interest on such Series 2024 Bonds to be redeemed shall, at the option of the County, be credited against any amount required to be caused to be so deposited in the Debt Service Account in the Debt Service Fund.

ARTICLE IV
SALE OF THE SERIES 2024 BONDS; CREDIT ENHANCEMENT

Section 401 **Sale of the Series 2024 Bonds**. The Board hereby finds that, based on present market conditions, the volatility of interest rates and the recommendation of the Financial Advisor, it would be in the best interest of the County that the Series 2024 Bonds be sold on a negotiated basis. The Series 2024 Bonds shall be sold to the Underwriters upon the terms and conditions set forth in the Purchase Agreement. The Purchase Agreement, substantially in the form attached hereto as Exhibit B, is hereby approved, with such insertions, deletions, modifications and changes as may be approved by the County Administrator and Debt Manager, upon the advice of the Financial Advisor, and upon such approval, the Mayor (or in her absence, the Vice Mayor or in her absence, any other member of the Board) is hereby authorized and directed to execute, and the Clerk or a Deputy Clerk is hereby authorized and directed to attest, the Purchase Agreement and accept the Disclosure and Truth-in-Bonding Statements to be provided by the Underwriters pursuant to Section 218.385, Florida Statutes; provided, however, such Purchase Agreement shall provide that: (i) the aggregate principal amount of the Series 2024 Bonds shall not exceed One Hundred Ten Million Dollars ($110,000,000); (ii) the final maturity of the Series 2024 Bonds shall not be later than October 1, 2044 (the final maturity date of the Series 2024 Bonds); (iii) the per annum true interest rate on the Series 2024 Bonds shall not exceed five and one-half percent (5.50%); (iv) the Series 2024 Bonds issued as Term Bonds, if any, shall be subject to mandatory sinking fund redemption at the times and in the amounts set forth in the Purchase Agreement; and (v) the Series 2024 Bonds may be subject to optional redemption, which optional redemption period may commence at any time, but no later than ten and one-half (10.5) years from the date of issuance of the Series 2024 Bonds, at a Redemption Price no greater than the par amount of the Series 2024 Bonds to be redeemed, with the first optional redemption date for such Series 2024 Bonds being the date set forth in the Purchase Agreement that is determined to be in the best interests of the County by the County Administrator and Debt Manager, in consultation with the Financial Advisor. The Purchase Agreement shall also set forth the information regarding the Series 2024 Bonds specified elsewhere in this Sixteenth Supplemental Resolution. The execution and delivery of the Purchase Agreement shall constitute conclusive evidence of the approval thereof by the County. The County shall confirm that the parameters set forth in this Section 401 have been met with respect to the Series 2024 Bonds by a certificate of the County to be executed and delivered by the Mayor (or in her absence the Vice Mayor or in her absence, any other member of the Board) at the closing of the Series 2024 Bonds, which certificate shall be conclusive as to such matter. Any information regarding the Series 2024 Bonds not set forth in the Purchase Agreement shall be set forth in such certificate.

Section 402 **Preliminary Official Statement and Final Official Statement**. The Preliminary Official Statement relating to the Series 2024 Bonds, in substantially the form submitted at this meeting and attached hereto as Exhibit C (the "Preliminary Official Statement"), is hereby approved with respect to the information therein contained. The printing, distribution and use of the Preliminary Official Statement in connection with the public offering for sale of the Series 2024 Bonds is hereby authorized. Either of the County Administrator or Debt Manager is hereby authorized to execute a certificate deeming the Preliminary Official Statement final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended.

The County Administrator or Debt Manager is hereby authorized to cause a final Official Statement to be prepared (the "Official Statement"). The final Official Statement shall be substantially in the form of the Preliminary Official Statement, with such changes as necessary to conform the details of the Series 2024 Bonds and the requirements of the Purchase Agreement and such other insertions, modifications and changes as may be approved by the County Administrator or Debt Manager, upon the advice of the Financial Advisor, Bond Counsel and the County's Disclosure Counsel. The Mayor (or in her absence, the Vice Mayor or in her absence, any other member of the Board) is hereby authorized to execute a final Official Statement to be dated the date of execution of the Purchase Agreement, and, upon such execution, to deliver the same to the Underwriters for use by them in connection with the sale and distribution of the Series 2024 Bonds. The execution and delivery of the final Official Statement by the Mayor (or in her absence, the Vice Mayor or in her absence, any other member of the Board) shall constitute conclusive evidence of the approval thereof. The Board hereby authorizes the final Official Statement and the information contained therein to be used in connection with the offering and sale of the Series 2024 Bonds.

Section 403 **Matters Relating to Ratings and Credit Enhancement.**

(a) The Board hereby authorizes the County Administrator and Debt Manager, in consultation with the Financial Advisor, to obtain one or more ratings on the Series 2024 Bonds, as determined necessary and appropriate in connection with the marketing of the Series 2024

Bonds. The Board further authorizes the County Administrator and Debt Manager to obtain a Bond Insurance Policy securing the Series 2024 Bonds or any portion thereof, in the event the Financial Advisor advises the County Administrator and Debt Manager that it is in the best interests of the County to obtain such Bond Insurance Policy. The payment of the applicable premium is hereby authorized. The decision whether or not to obtain a Bond Insurance Policy and the 2024 Reserve Policy shall be evidenced in the Purchase Agreement. To the extent necessary to evidence the requirements of the provider of any Bond Insurance Policy (an "Insurer"), the Mayor (or in her absence, the Vice Mayor or in her absence, any other member of the Board), in consultation with the Financial Advisor and Bond Counsel, is hereby authorized and directed to execute an agreement with such Insurer setting forth such requirements. The Clerk or any Deputy Clerk is authorized and directed to attest such agreement. The execution and delivery of any such agreement by the Mayor (or in her absence the Vice Mayor or in her absence any other member of the Board) shall constitute conclusive evidence of the approval thereof. Notwithstanding anything to the contrary set forth in the Bond Resolution, such agreement with an Insurer may provide that the Insurer has the right to consent in lieu of Holders of the insured Series 2024 Bonds to any matters in the Bond Resolution requiring the consent of the Holders of the Series 2024 Bonds.

(b) With respect to any Debt Service Reserve Account Insurance Policy on deposit to the credit of the Series 2024 Debt Service Reserve Subaccount, including the 2024 Reserve Policy, the issuer providing such Debt Service Reserve Account Insurance Policy shall be an insurer (herein the "2024 Reserve Account Provider") whose credit is such that, on the date such insurer issues a commitment to provide such 2024 Reserve Policy, all municipal securities insured or guaranteed by it are then rated, because of such insurance or guarantee, in at least one of the three highest rating categories (without regard to gradations, such as "plus" or "minus" of such categories) by at least one of the following: Moody's Investor Service, Inc., S&P Global Ratings and/or Fitch Ratings, Inc. and such 2024 Reserve Policy shall be payable (upon the giving of notice as required thereunder) on an interest or principal payment date on which a deficiency exists in the Series 2024 Debt Service Reserve Subaccount. Following the initial deposit of the 2024 Reserve Policy, to the credit of the Series 2024 Debt Service Reserve Subaccount, the County shall not be required to replace such 2024 Reserve Policy by depositing cash or another qualifying Debt Service Reserve Insurance Policy to the Series 2024 Debt Service Reserve Subaccount for any reason, including, without limitation, if there is an adverse change in the rating of all municipal securities insured or guaranteed by the 2024 Reserve Policy Provider of such 2024 Reserve Policy or if other circumstances occur that adversely impact the value of such 2024 Reserve Policy or the ability of the County to obtain payment as a result of claims thereon.

ARTICLE V
MISCELLANEOUS

Section 501 **<u>Appointment of Trustee, Paying Agent and Bond Registrar; Compensation, Expenses and Advances</u>**. The Bank of New York Mellon Trust Company, N.A. is hereby appointed as Trustee, Paying Agent and Registrar with respect to the Series 2024 Bonds. By the acceptance of such appointment, the Trustee, Paying Agent and Bond Registrar agrees to comply with the terms of the Bond Resolution, and any agreement relating to any Bond Insurance Policy and the 2024 Reserve Policy between the County and the Insurer, if applicable, and the 2024 Reserve Policy Provider, as applicable (and any other agreement to which the County is a party relating to any other Debt Service Reserve Account Insurance Policy on deposit in the Series

2024 Debt Service Reserve Subaccount). The Trustee, Paying Agent and Bond Registrar agrees to provide to the Insurer, if any, copies of all notices and reports relating to the County or the Series 2024 Bonds received by it or which is required to be sent to the County or the registered owners of the Series 2024 Bonds. The Trustee, Paying Agent and the Bond Registrar, pursuant to the terms of the Bond Resolution, shall be entitled to reasonable compensation for its services rendered under the Bond Resolution and to reimbursement for its actual out-of-pocket expenses (including reasonable counsel fees, costs and expenses) reasonably incurred in connection therewith except as a result of its negligence or willful misconduct.

The County agrees that broker confirmations of investments made in connection with the Series 2024 Bonds are not required to be issued by the Trustee, Paying Agent, Bond Registrar for each month in which a monthly statement is rendered by the Trustee, Paying Agent Bond Registrar.

The Trustee, Paying Agent and Bond Registrar shall have the right to accept and act upon directions or instructions given in connection with the Series 2024 Bonds and delivered using Electronic Means (defined below); provided, however, that the County shall provide to the Trustee, Paying Agent and Bond Registrar an incumbency certificate listing Authorized Officers of the County and other officers of the County with the authority to provide such directions or instructions (each, an "Authorized Officer") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the County elects to give the Trustee, Paying Agent and Bond Registrar directions or instructions using Electronic Means and the Trustee, Paying Agent and Bond Registrar in its discretion elects to act upon such directions or instructions, the Trustee, Paying Agent and Bond Registrar's understanding of such directions or instructions shall be deemed controlling. The County understands and agrees that the Trustee, Paying Agent and Bond Registrar cannot determine the identity of the actual sender of such directions or instructions and that the Trustee, Paying Agent and Bond Registrar shall conclusively presume that directions or instructions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee, Paying Agent and Bond Registrar have been sent by such Authorized Officer. The County shall be responsible for ensuring that only Authorized Officers transmit such directions or instructions to the Trustee, Paying Agent and Bond Registrar and that all Authorized Officers treat applicable user and authorization codes, passwords and/or authentication keys as confidential and with extreme care. The Trustee, Paying Agent and Bond Registrar shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee, Paying Agent and Bond Registrar's reliance upon and compliance with such directions or instructions notwithstanding such directions or instructions conflict or are inconsistent with a subsequent written direction or written instruction. The County agrees: (i) to assume all risks arising out of the use of Electronic Means to submit directions or instructions to the Trustee, Paying Agent and Bond Registrar, including without limitation the risk of the Trustee, Paying Agent and Bond Registrar acting on unauthorized directions or instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting directions or instructions to the Trustee, Paying Agent and Bond Registrar and that there may be more secure methods of transmitting directions or instructions; (iii) that the security procedures (if any) to be followed in connection with its transmission of directions or instructions provide to it a commercially reasonable degree of protection. in light of its particular needs and circumstances and (iv) to notify the Trustee, Paying Agent and Bond Registrar immediately upon learning of any compromise or unauthorized use of the security procedures. "Electronic Means" shall mean the following communications methods: e-mail, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys, or another method or system specified by the Trustee, Paying Agent and Bond Registrar as available for use in connection with its services hereunder.

Section 502 **Tax Covenants**. It is the intention of the County and all parties under its control that the interest on the Series 2024 Bonds be and remain excluded from gross income for federal income tax purposes and to this end the County hereby represents to and covenants with each of the Holders of the Series 2024 Bonds that it will comply with the requirements applicable to it contained in Section 103 and Part IV of Subchapter B of Chapter 1 of the Internal Revenue Code of 1986, as amended (the "Code") to the extent necessary to preserve the exclusion of interest on the Series 2024 Bonds from gross income for federal income tax purposes. Specifically, without limiting the generality of the foregoing, the County covenants and agrees that:

(a) it will make or cause to be made all necessary determinations and calculations of the Rebate Amount (as hereinafter defined) and required payments of the Rebate Amount;

(b) it will set aside sufficient moneys from legally available funds of the County, to timely pay the Rebate Amount to the United States of America;

(c) it will pay the Rebate Amount to the United States of America from legally available funds, at the times and to the extent required pursuant to Section 148(f) of the Code;

(d) it will maintain and retain all records pertaining to the Rebate Amount with respect to the Series 2024 Bonds and required payments of the Rebate Amount with respect to the Series 2024 Bonds for at least six years after the final maturity of the Series 2024 Bonds or such other period as shall be necessary to comply with the Code;

(e) it shall refrain from using proceeds from the Series 2024 Bonds in a manner that would cause the Series 2024 Bonds not to be classified as exempt facility bonds under Section 142 of the Code and will take remedial action under Section 1.142-2 of the Treasury Regulations if necessary to correct any failure to comply with this requirement;

(f) it will refrain from taking any action that would cause the Series 2024 Bonds to become arbitrage bonds under Section 148 of the Code.

The County understands that the foregoing covenants impose continuing obligations on the County that will exist as long as the requirements of Section 103 and Part IV of Subchapter B of Chapter 1 of the Code are applicable to the Series 2024 Bonds.

Notwithstanding any other provision of the Bond Resolution, the obligation of the County to pay the Rebate Amount to the United States of America and to comply with the other requirements of this Section shall survive the defeasance or payment in full of the Series 2024 Bonds.

As used herein, the term "Rebate Amount" means the amounts required to be paid to the United States under Section 148 of the Code with respect to the Series 2024 Bonds.

Section 503 **Rule 15c2-12 Undertaking**. In order to assist the Underwriters of the Series 2024 Bonds with respect to compliance with Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "Rule"), the County undertakes and agrees to provide the information described below to the persons so indicated. The County's undertaking and agreement set forth in this Section 503 (the "Undertaking") shall be for the benefit of the Underwriters, the registered owners and the Beneficial Owners of the Series 2024 Bonds.

(a) The County undertakes and agrees to provide to MSRB (as defined below), through EMMA (as defined below) and to the State of Florida information depository (herein, the "SID") if and when such a SID is created, within 180 days following the end of each Fiscal Year of the County, commencing with the Fiscal Year ending September 30, 2024 (i) the Department's annual financial statements for the Fiscal Year then ended, generally consistent with the financial statements presented in an appendix to the final Official Statement relating to the Series 2024 Bonds, and (ii) an update for the Fiscal Year then ended, in substantially the form set forth in the final Official Statement, of the annual financial information and operating data set forth in the tables in the final Official Statement under the headings "THE AIRPORT SYSTEM - Certain Operating Statistics," "THE AIRPORT SYSTEM - Airline Market Share and Passenger Information," "THE AIRPORT SYSTEM – Passenger Facilities Changes," "THE AIRPORT SYSTEM - Grants" and "SELECTED FINANCIAL INFORMATION AND MANAGEMENT ANALYSIS" (any of which may be set forth in the Department's annual financial statements). If audited financial statements are not available at the time of required filings as set forth above, unaudited financial information shall be filed pending the availability of audited financial statements. (The information required to be disclosed in this subsection (a) shall be referred to herein as the "Annual Information").

The County reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the County; provided that the County agrees that any such modification will be done in a manner consistent with the Rule.

(b) The Annual Information described in subparagraph (a) above in audited form is expected to be available on or before March 31 of each year for the Fiscal Year ending on the preceding September 30, commencing March 31, 2025 for the Fiscal Year ending on the preceding September 30, 2024. The annual financial statements comprising a portion of the Annual Information referred to in subparagraph (a) above shall be filed in unaudited form (if the audited financial statements are not available or will not be available on or before March 31 for the Fiscal Year ending on the preceding September 30. The County agrees to provide to MSRB, through EMMA and the SID, if any, timely notice of its failure to provide the Annual Information or any portion thereof. Such notice shall also indicate the reason for such failure and when the County reasonably expects such Annual Information or any portion thereof will be available. Timely notice shall be given within ten (10) Business Days of the date of such failure. All filings with EMMA shall be in EMMA Compliant Format (as defined below).

(c) The Annual Information referred to in subparagraph (a) above and presented in the final Official Statement will be prepared in accordance with governmental accounting standards promulgated by the Government Accounting Standards Board, as in effect from time to time, as such principles are modified by generally accepted accounting principles, promulgated by the Financial Accounting Standards Board, as in effect from time to time, and such other State mandated accounting principles as in effect from time to time.

(d) If, as authorized by subparagraph (f) below, the County's Undertaking with respect to subparagraph (a) above requires amending, the County undertakes and agrees that the Annual Information described in subparagraph (b) above for the Fiscal Year in which the amendment is made will, to the extent possible, present a comparison between the Annual Information prepared on the basis of the new accounting principles and the Annual Information prepared on the basis of the accounting principles described in subparagraph (b) above. The County agrees that such a comparison will, to the extent possible, include a qualitative discussion of the differences in the accounting principles and the impact of the change on the presentation of the Annual Information.

(e) The County undertakes and agrees to provide to MSRB, through EMMA, and to the SID, if any, within ten (10) Business Days of the occurrence of the events listed below, notice of the occurrence of any of the following events with respect to the Series 2024 Bonds:

(i) principal and interest payment delinquencies;

(ii) non-payment related defaults, if material;

(iii) unscheduled draws on any debt service reserve account or subaccount reflecting financial difficulties;

(iv) unscheduled draws on credit enhancements reflecting financial difficulties;*

(v) substitution of credit or liquidity providers, or their failure to perform;*

(vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Series 2024 Bonds, or other material events affecting the tax status of the Series 2024 Bonds;

(vii) modifications to rights of Bondholders, if material;

(viii) Series 2024 Bond calls, if material, and tender offers;

(ix) defeasances of the Series 2024 Bonds;

(x) release, substitution, or sale of property securing repayment of the Series 2024 Bonds, if material;

* If applicable to the Series 2024 Bonds.

(xi) rating changes;

(xii) any failure on the part of the County to comply with its Undertaking;

(xiii) bankruptcy, insolvency, receivership or similar event of the County or any other obligated person (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the County or any other obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County or any other obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County or any other obligated person);

(xiv) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xv) appointment of a successor or additional Trustee or the change of name of a Trustee, if material;

(xvi) incurrence of a Financial Obligation (as defined below) of the County or any other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the County or any other obligated person, which affect security holders, if material;

(xvii) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the Financial Obligation of the County or any other obligated person, which reflect financial difficulties; and

(xviii) any amendment to the accounting principles to be followed by the County in preparing its financial statements, as required by this Section 503 of Article V.

(f) Notwithstanding any other provision of this Sixteenth Supplemental Resolution to the contrary regarding amendments or supplements, the County undertakes and agrees to amend and/or supplement this Section 503 (including the amendments referred to in such paragraph (a) above) only if:

(i) The amendment or supplement is made only in connection with a change in circumstances existing at the time the Series 2024 Bonds were originally issued that arises from (i) a change in law, (ii) SEC pronouncements or interpretations, (iii) a judicial decision affecting the Rule or (iv) a change in the nature of the County's operations or the activities that generate Revenues;

(ii) The County's Undertaking, as amended, would have complied with the requirements of the Rule at the time the Series 2024 Bonds were originally issued after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(iii) The amendment or supplement does not materially impair the interests of the registered owners and Beneficial Owners of the Series 2024 Bonds as determined by Bond Counsel or by a majority of the registered owners of the Series 2024 Bonds.

In the event of an amendment or supplement under this Section 503, the County shall describe the same in the next report of Annual Information and shall include, as applicable, a narrative explanation of the reason for the amendment or supplement and its impact, if any, on the financial information and operating data being presented in the Annual Information.

(g) The County's Undertaking as set forth in this Section 503 shall terminate if and when the Series 2024 Bonds are paid or deemed paid within the meaning of Section 1201 of Article XII of the Bond Resolution.

(h) The County acknowledges that its Undertaking pursuant to the Rule set forth in this Section 503 is intended to be for the benefit of the registered holders and Beneficial Owners of the Series 2024 Bonds and shall be enforceable by such holders and Beneficial Owners; provided that, the holder's and Beneficial Owners' right to enforce the provisions of this Undertaking shall be limited to a right to obtain specific enforcement of the County's obligations hereunder, and any failure by the County to comply with the provisions of this Undertaking shall not be or constitute a covenant or monetary default with respect to the Series 2024 Bonds under this Sixteenth Supplemental Resolution.

(i) The County reserves the right to satisfy its obligations under this Section 503 through agents; and the County may appoint such agents without the necessity of amending this Sixteenth Supplemental Resolution. The County may also appoint one or more employees of the County to monitor and be responsible for the County's Undertaking hereunder.

(j) The term "EMMA" shall mean the Municipal Securities Rulemaking Board's ("MSRB") Electronic Municipal Market Access System (http://www.emma.msrb.org). The term "EMMA Compliant Format" shall mean a format for any document provided the MSRB which is in electronic format and is accompanied by identifying information, all as prescribed by the MSRB.

(k) The term "Financial Obligations" shall mean (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of either (a) or (b). The term Financial Obligation does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

Section 504 **<u>TEFRA Approval</u>**. The issuance of the Series 2024 Bonds is hereby approved for purposes of Section 147(f) of the Code.

Section 505 **General Authority**. The Mayor of the Board, any other member of the Board, the Clerk or any Deputy Clerk, the County Administrator, the Director and the Debt Manager, and any other authorized official of the County, be, and each of them is hereby, authorized and directed to execute and deliver any and all documents and instruments, and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the Bond Resolution. For purposes hereof, references to the "Chairman" in the Bond Resolution shall be deemed to be references to the Mayor of the County or his or her designee.

Section 506 **Severability and Invalid Provisions**. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, but not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way effect the validity of the other provisions hereof or of the Series 2016 Bonds or any other Outstanding Bonds.

Section 507 **Bond Resolution to Continue in Force**. Except as herein expressly provided, the Bond Resolution and all the terms and provisions thereof, are and shall remain in full force and effect.

Section 508 **Effective Date**. This Resolution shall take effect upon its passage in the manner provided by law.

The foregoing resolution was offered by Commissioner ______________ who moved its adoption. The motion was seconded by Commissioner ______________, and upon being put to a vote, the motion passed as follows:

Commissioner Maria Sachs, Mayor
Commissioner Maria G. Marino, Vice Mayor
Commissioner Greg K. Weiss
Commissioner Michael A. Barnett
Commissioner Marci Woodward
Commissioner Sara Baxter
Commissioner Mack Bernard

The Mayor/Vice Mayor thereupon declared the resolution duly passed and adopted this 17th day of September, 2024.

PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF COUNTY COMMISSIONERS

JOSEPH ABRUZZO, CLERK & COMPTROLLER

By: ______________________________
Title: ______________________________

Approved as to form and legal sufficiency

By: ______________________________
County Attorney/Assistant County Attorney

EXHIBIT A

FORM OF SERIES 2024 BONDS

No. R-__ **$_________**

UNITED STATES OF AMERICA
STATE OF FLORIDA
PALM BEACH COUNTY, FLORIDA
AIRPORT SYSTEM REVENUE IMPROVEMENT BOND
SERIES 2024A (NON-AMT) AND SERIES 2024B (AMT)

Interest Rate	Maturity Date	Date of Original Issuance	CUSIP
		_________, 2024	

Registered Owner:-------------------------------Cede & Co.---

Principal Amount: ________________ MILLION DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that Palm Beach County, Florida, a political subdivision created and existing under and by virtue of the laws of the State of Florida (the "County"), for value received, hereby promises to pay, solely from the Net Revenues Available for Debt Service (hereinafter defined) to the Registered Owner named above or registered assigns on the Maturity Date specified above (or earlier redemption date as herein provided), upon the presentation and surrender hereof at the designated corporate trust office of The Bank of New York Mellon Trust Company, N.A., as paying agent (The Bank of New York Mellon Trust Company, N.A. and/or any bank or trust company becoming successor paying agent being herein called the "Paying Agent"), the Principal Amount stated hereon with interest thereon at the Interest Rate per annum specified above, payable on April 1, 2025 and semiannually thereafter on October 1 and April 1 (each an "Interest Payment Date") until the County's obligation with respect to the payment of such Principal Amount shall be discharged, in any coin or currency of the United States of America, which at the time of payment is legal tender for the payment of public and private debts.

Interest on this Bond shall be paid when due by check or draft drawn on the Paying Agent and mailed by the Paying Agent to the registered owner at the address shown on the registration books of the County held by The Bank of New York Mellon Trust Company, N.A., as Bond Registrar (The Bank of New York Mellon Trust Company, N.A. and/or any bank or trust company becoming successor paying agent being herein called the "Bond Registrar"), at the close of business on the fifteenth day (whether or not a business day) of the calendar month next preceding the month in which the interest payment is due, except that if and to the extent that there shall be a default in the payment of the interest due on such Interest Payment Date, such defaulted interest shall be paid to the owner in whose name this obligation is registered at the close of business on the fifth business day next preceding the date of payment of such defaulted interest. The interest due hereunder shall be computed based on a 360 day year of twelve (12) thirty (30) day months.

All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Bond Resolution (hereinafter defined). Promptly following the payment of the principal of this obligation, the registered owner shall provide the County with evidence of the cancellation hereof.

This Bond is one of a duly authorized issue of Bonds of the County designated "Airport System Revenue Improvement Bonds, Series 2024A (Non-AMT)" and "Airport System Revenue Improvement Bonds, Series 2024B (AMT)" (collectively, the "Series 2024 Bonds"), in the aggregate principal amount of $______________ and $____________ issued under the authority of and pursuant to the Constitution and laws of the State of Florida, including particularly, Chapters 125 and 166, Florida Statutes and the County Charter, and other applicable provisions of law and Palm Beach County Airport System Revenue Bond Resolution No. R-84-427 adopted by the Board of County Commissioners (the "Board") of the County on April 3, 1984, as amended in full by Palm Beach County Airport System Revenue Bond Resolution No. R-84-1659 adopted by the Board on November 1, 1984, as amended and supplemented from time to time including specifically by Palm Beach County Airport System Revenue Bond Resolution No. R-89-971 adopted on June 4, 1989, Palm Beach County Airport System Revenue Bond Resolution No. R-2006-0727 adopted on April 18, 2016, and Resolution No. R-2024-____ adopted on September 17, 2024 (said resolutions, and all resolutions amendatory and supplemental thereto, being referred to herein collectively, as the "Bond Resolution") and is subject to all the terms and conditions of the Bond Resolution.

This Bond is payable from and secured by a first lien on and pledge of the Net Revenues Available for Debt Service of the Airport System owned and operated by the County and the monies on deposit in the Funds and Accounts held or set aside under the Bond Resolution and pledged to the Series 2024 Bonds [which include only the Series 2024 Debt Service Reserve Subaccount and no other funds in the Debt Service Reserve Account or any other Subaccount therein].

The Series 2024 Bonds are issued on a parity with the County's Airport System Revenue Refunding Bonds, Series 2016 in the manner and to the extent set forth in the Bond Resolution and any Bonds that may hereafter be issued and Outstanding under the Bond Resolution on a parity therewith.

THE FULL FAITH AND CREDIT OF THE COUNTY IS NOT PLEDGED FOR THE PAYMENT OF THIS BOND AND THIS BOND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR OTHER PROVISION OR LIMITATION, AND IT IS EXPRESSLY AGREED BY THE OWNER OF THIS BOND THAT SUCH OWNER SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE COUNTY OR TAXATION IN ANY FORM OF ANY REAL PROPERTY THEREIN FOR THE PAYMENT OF THE PRINCIPAL OF, PREMIUM, IF ANY, OR THE INTEREST ON THIS BOND OR THE MAKING OF ANY SINKING FUND [OR RESERVE PAYMENTS) PROVIDED FOR IN THE BOND RESOLUTION.

[REDEMPTION PROVISIONS]

Sinking Fund Redemption

The Series 2024 Bonds maturing on or prior to October 1, 203X are not subject to optional redemption. The Series 2024 Bonds maturing on or after October 1, 203X are subject to redemption prior to maturity, at the option of the County, in whole or in part on any date on or after October 1, 203X, and if in part, in such order of maturities and in such amounts as the County shall select and by lot within a maturity, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, and without premium.

Notice of redemption shall be given by deposit in the U.S. mail, postage prepaid, at least thirty (30) days before the redemption date to all registered owners of the Series 2024 Bonds or portions of the Series 2024 Bonds to be redeemed at their addresses as they appear on the registration books to be maintained in accordance with the provisions of the Bond Resolution. Failure to mail any such notice to a registered owner of a Series 2024 Bond, or any defect therein, shall not affect the validity of the proceedings for redemption of any Series 2024 Bond or portion thereof with respect to which no failure or defect occurred. The foregoing notwithstanding, if it is determined that the giving of notice by U.S. mail is not feasible, any other industry-accepted means of giving notice, including, but not limited to, facsimile or electronic transmission, may be utilized for the giving of notice, provided that it can be established that the notice was in fact given by such other means.

The County has covenanted in the Bond Resolution to fix, charge and collect rates, fees, rentals and charges for the use of the Airport System, and to revise the same as often as may be necessary or appropriate to produce Revenues in each Fiscal Year at least equal to the sum of (I) Operation and Maintenance Expenses, including reserves therefore provided for in the Annual Budget, plus (II) the greater of (A) an amount equal to the sum of 1.25 times the Aggregate Debt Service for such Fiscal Year, or (B) the sum of (i) the amount to be paid during such Fiscal Year into the Debt Service Account, plus (ii) the amount, if any, to be paid during the Fiscal Year into the Debt Service Reserve Account and any Debt Service Reserve Subaccount therein (including amounts payable to the issuer of any Debt Service Reserve Account Facility and excluding amounts required to be paid into such Account or Subaccount out of the proceeds of Bonds), plus (iii) the amount, if any, to be paid into the Renewal and Replacement Fund as provided in the Annual Budget, plus (iv) all other charges and liens whatsoever payable out of Revenues during such Fiscal Year, plus (v) to the extent not otherwise provided for, all amounts payable on Subordinated Indebtedness.

The original registered owner and each successive registered over of this Bond shall be conclusively deemed to have agreed and consented to the terms and conditions of the Bond Resolution and this Bond, including the following:

(1) The Bond Registrar shall maintain the books of the County for the registration of Series 2024 Bonds and for the registration of transfers of Series 2024 Bonds as provided in the Bond Resolution. Series 2024 Bonds shall be transferable by the registered owner thereof in person or by such owner's attorney duly authorized in writing only upon the books of the County kept by the Bond Registrar and only upon surrender

thereof together with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or such owner's duly authorized attorney. Upon the transfer of any such Series 2024 Bond, the County shall cause to be issued in the name of the transferee a new Series 2024 Bond or Bonds of the same aggregate principal amount and maturity as the surrendered Series 2024 Bond.

(2) The County, the Paying Agent and the Bond Registrar, shall deem and treat the person in whose name any Series 2024 Bonds shall be registered upon the books kept by the Bond Registrar as the absolute owner of such Series 2024 Bonds, whether such Series 2024 Bonds shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Series 2024 Bonds as the same becomes due, and for all other purposes. All such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Series 2024 Bonds to the extent of the sum or sums so paid, and the County, the Paying Agent and the Bond Registrar shall not be affected by any notice to the contrary.

(3) At the option of the registered owner thereof and upon surrender thereof at the designated corporate trust office of the Bond Registrar with a written instrument of transfer satisfactory to the Bond Registrar duly executed by the registered owner or such owner's duly authorized attorney and upon payment by such registered owner of any charges which the Bond Registrar or the County may make as provided in the Bond Resolution, the Series 2024 Bonds may be exchanged for an equal aggregate principal amount of Series 2024 Bonds of the same maturity of any other authorized denominations.

(4) In all cases in which the privilege of exchanging Series 2024 Bonds or transferring Series 2024 Bonds is exercised, the County shall execute and the Bond Registrar shall authenticate and deliver Series 2024 Bonds in accordance with the provisions of the Bond Resolution. For every exchange or transfer of Series 2024 Bonds, the County or the Bond Registrar may make a charge sufficient to reimburse it for any tax, governmental fee or other governmental charge required to be paid with respect to such exchange or transfer. Neither the County nor the Bond Registrar shall be required (a) to transfer or exchange Series 2024 Bonds for a period of 20 days next preceding an interest payment date on such Series 2024 Bonds or next preceding any selection of Series 2024 Bonds to be redeemed or thereafter until after the mailing of any notice of redemption, or (b) to transfer or exchange any Series 2024 Bonds called for redemption.

(5) The registered owner hereof shall have no right to institute any suit, action or proceeding at law or in equity for the enforcement of a provision of the Bond Resolution, except as provided in the Bond Resolution.

By purchase and acceptance of a Bond, the beneficial owner agrees that the County shall have no responsibility or liability for the action or inaction of The Depository Trust Company or any of its participants, nominees or successors as depository in connection with the Series 2024 Bonds.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen, and to the performed, precedent to and in the issuance of this obligation exist, have happened and have been performed in regular and due form and time required by the laws and Constitution of the State of Florida applicable thereto, and that the issuance of this obligation is in full compliance with all constitutional or statutory limitations or provisions.

[Signatures on next page]

IN WITNESS WHEREOF, Palm Beach County, Florida, has caused this Bond to be executed in its name and on its behalf by the manual signature of the Mayor (Vice Mayor) of the Board of County Commissioners of Palm Beach County, Florida, and the official seal of the County to be affixed hereto or imprinted or reproduced hereon, and attested by the manual signature of the Clerk of the Circuit Court of Palm Beach County, Florida, ex-officio Clerk of the Board of County Commissioners or a Deputy Clerk, all as of the ___ day of ____________, 2024.

PALM BEACH COUNTY, FLORIDA

____
Mayor [Vice Mayor] of the Board of County Commissioners

ATTEST:

____
Clerk of the Circuit Court of
Palm Beach County, Florida,
Ex-Officio Clerk of the Board of
County Commissioners of
Palm Beach County, Florida/Deputy Clerk

BOND REGISTRAR'S CERTIFICATE

This Bond is one of the Series 2024 Bonds executed and delivered pursuant to the within mentioned Resolution.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Bond Registrar

(S E A L)

By: ______________________________

Authorized Officer

Date of Authentication: ________________

[STATEMENT OF INSURANCE]
(if applicable)

[To Follow]

EXHIBIT B

FORM OF PURCHASE AGREEMENT

PALM BEACH COUNTY, FLORIDA

<table>
<tr>
<td align="center">$[PAR A]
AIRPORT SYSTEM REVENUE
IMPROVEMENT BONDS,
SERIES 2024A
(NON-AMT)</td>
<td align="center">$[PAR B]
AIRPORT SYSTEM REVENUE
IMPROVEMENT BONDS,
SERIES 2024B
(AMT)</td>
</tr>
</table>

<u>Bond Purchase Agreement</u>

[Pricing Date]

Palm Beach County, Florida
Board of County Commissioners
301 North Olive Avenue
West Palm Beach, Florida 33401
Attn: Mark Braun, Debt Manager

Ladies and Gentlemen:

J.P. Morgan Securities LLC (the "<u>Representative</u>"), RBC Capital Markets, LLC and Raymond James & Associates, Inc. (collectively with the Representative, the "<u>Underwriters</u>"), hereby offer to enter into this Bond Purchase Agreement (the "<u>Purchase Agreement</u>") with Palm Beach County, Florida (the "<u>Issuer</u>") for the purchase by the Underwriters and the sale by the Issuer of the Issuer's Series 2024 Bonds (as defined below). This offer is made subject to acceptance hereof by the Issuer prior to 5:00 P.M., prevailing time in New York, New York, on the date hereof, and, upon such acceptance, evidenced by the signature of a duly authorized officer of the Issuer in the space provided below, this Purchase Agreement shall be in full force and effect in accordance with its terms and shall be binding upon the Issuer and the Underwriters. Capitalized terms not defined herein shall have the meanings ascribed to them in the Preliminary Official Statement (as hereinafter defined).

A. <u>Purchase Price.</u> Upon the terms and conditions and upon the basis of the representations and warranties herein set forth, the Underwriters hereby, jointly and severally, agree to purchase from the Issuer, and the Issuer hereby agrees to sell to the Underwriters all (but not less than all) of the Issuer's (i) Airport System Revenue Improvement Bonds, Series 2024A (Non-AMT) in the original aggregate principal amount of $[PAR A].00 (the "<u>Series 2024A Bonds</u>"), at an aggregate purchase price of $__________ (representing the principal amount of the Series 2024A Bonds, less Underwriters' discount of $__________ [plus/less net original issue premium/discount] of $__________), and (ii) Airport System Revenue Improvement Bonds, Series 2024B (AMT) in the original aggregate principal amount of $[PAR B].00 (the "<u>Series 2024B Bonds</u>" and, together with the Series 2024A Bonds, the "<u>Series 2024 Bonds</u>"), at an aggregate purchase price of $__________ (representing the principal amount of the Series 2024B Bonds, less Underwriters' discount of $__________ [plus/less net original issue premium/discount] of $__________). The Series 2024 Bonds shall be dated [Closing Date] (the "<u>Dated Date</u>") shall mature on the dates and in the amounts, shall be subject to prior redemption and shall bear interest (from the Dated Date) at the rates, all as set forth in <u>Exhibit A</u> hereto, and shall be payable at the times and in the manner, and shall otherwise have the terms and provisions, set forth in the Resolution (hereinafter defined) and Preliminary Official Statement and to be set forth in the Official Statement.

B. <u>"Good Faith" Deposit.</u> The Representative, on behalf of the Underwriters, has delivered to the Issuer a good faith deposit in the amount of $__________ by wire transfer (the "Good Faith Deposit"), as security for the performance by the Underwriters of their obligation to accept and pay for the Series 2024

Bonds on the Closing Date (as hereinafter defined) in accordance with the provisions of this Purchase Agreement. The Good Faith Deposit will be deposited by the Issuer and any investment earnings on the Good Faith Deposit through the Closing Date may be retained by the Issuer. In the event the Issuer does not accept this offer, such Good Faith Deposit shall be immediately returned to the Representative. If this offer is accepted, the Issuer agrees to hold the Good Faith Deposit until the Closing as security for the performance by the Underwriters of their obligation to accept and pay for the Series 2024 Bonds at the Closing, and, in the event of their compliance with such obligation, such Good Faith Deposit (other than any earnings thereon) shall be credited against the purchase price for the Series 2024 Bonds set out in Section A hereof. In the event of the Issuer's failure to deliver the Series 2024 Bonds on the Closing Date, or if the Issuer shall be unable to satisfy the conditions precedent to the obligation of the Underwriters to purchase the Series 2024 Bonds as set forth in this Purchase Agreement, or if the obligation of the Underwriters with respect to the purchase of the Series 2024 Bonds shall be terminated for any reason permitted by this Purchase Agreement, the Issuer shall return such Good Faith Deposit immediately to the Representative and such return shall constitute a full release and discharge of all claims by the Underwriters against the Issuer arising out of the transactions contemplated hereby. In the event the Underwriters fail (other than for a reason permitted hereunder) to accept and pay for the Series 2024 Bonds as herein provided, said Good Faith Deposit shall be retained by the Issuer as full liquidated damages for such failure and for any and all defaults hereunder on the part of the Underwriters, and thereupon all of the Issuer's claims and rights hereunder against the Underwriters shall be fully released and discharged. The Underwriters and the Issuer understand that in such event the Issuer's actual damages may be greater or may be less than such sum. Accordingly, the Underwriters hereby waive any right to claim that the Issuer's actual damages are less than such sum, and the Issuer's acceptance of this offer shall constitute a waiver of any right the Issuer may have to claim additional damages from the Underwriters.

C. <u>Delivery of and Payment for the Series 2024 Bonds</u>.

1. At or about 11:00 a.m., prevailing time in New York, New York, on [Closing Date] (the "<u>Closing Date</u>"), or at such other time or date as shall have been mutually agreed upon by the Issuer and the Representative, the Issuer will deliver or cause to be delivered to the order of the Underwriters the Series 2024 Bonds, in definitive form, duly executed and authenticated by the Bond Registrar, together with the other documents hereinafter mentioned; and, subject to the conditions contained herein, the Underwriters will accept such delivery and pay the purchase price of the Series 2024 Bonds taking into account the County's prior receipt of the Good Faith Deposit, by wire transfer, payable to the order of the Issuer.

2. The Issuer and the Underwriters agree that there shall be a preliminary closing held at the offices of the County in West Palm Beach, Florida, commencing at least 24 hours prior to the Closing Date, or at such other time or place as the Issuer and the Representative shall agree.

3. Delivery of the definitive Series 2024 Bonds as aforesaid shall be made through the "<u>FAST</u>" procedures of The Depository Trust Company ("<u>DTC</u>"). Payment for the Series 2024 Bonds shall be made as set forth in Section B hereof and delivery of the other documents shall be made at the offices of the County. Such payment and the related delivery is herein called the "<u>Closing</u>." The Series 2024 Bonds will be delivered as fully-registered bonds, bearing proper CUSIP numbers, and registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Series 2024 Bonds.

4. After execution by the Issuer and authentication by the Bond Registrar, the Series 2024 Bonds shall be held in safe custody by the Bond Registrar. The Bond Registrar (including in its capacity as Trustee) shall release or authorize the release of the Series 2024 Bonds to or upon the direction of the Underwriters from safe custody at the closing upon receipt of payment for the Series 2024 Bonds as aforesaid.

D. Official Statement.

1. The Issuer hereby consents to and confirms the prior use by the Underwriters of the Preliminary Official Statement (in printed or electronic form) dated [POS Date] (the "Preliminary Official Statement"), in connection with the public offering of the Series 2024 Bonds by the Underwriters, and further confirms the authority of the Underwriters to use, and consents to the use of, a final Official Statement (in printed or electronic form) with respect to the Series 2024 Bonds, to be dated the date thereof, and any amendments or supplements thereto that shall be approved by the Issuer (as so amended and supplemented, the "Official Statement") in connection with the public offering, and sale of the Series 2024 Bonds. The Issuer hereby represents and warrants that the Preliminary Official Statement previously furnished to the Underwriters was "deemed final" by the Issuer as of its date for purposes of Rule 15c2-12 ("Rule 15c2-12") promulgated by the Securities and Exchange Commission of the United States (the "SEC") under the Securities Exchange Act of 1934, as amended (the "Exchange Act") except for the omission of such information ("Permitted Omissions") as is permitted by Rule 15c2-12(b)(1).

2. The Issuer shall provide, or cause to be provided, at its expense, to the Underwriters at the time of the Issuer's acceptance of this Purchase Agreement or as soon as practicable thereafter (but, in any event, not later than seven business days after the Issuer's acceptance of this Purchase Agreement and in sufficient time to accompany any confirmation that requests payment from any customer) copies of the final printed Official Statement, complete as of its date of delivery, and in form reasonably satisfactory to the Representative in sufficient quantity to comply with the requirements of Rule 15c2-12 and the applicable rules of the Municipal Securities Rulemaking Board ("MSRB").

3. The Issuer authorizes the Underwriters to use copies of the Official Statement, any amendments or supplements thereto, and the information contained therein, and copies of the Resolution in connection with the public offering and sale of the Series 2024 Bonds. The Issuer agrees not to supplement or amend, or cause to be supplemented or amended, the Official Statement or the Resolution at any time prior to the Closing Date without the prior written consent of the Representative. The Issuer ratifies and approves the use and distribution by the Underwriters of the Preliminary Official Statement in connection with the public offering of the Series 2024 Bonds until the Official Statement is delivered by the Issuer to the Underwriters.

4. The Issuer hereby authorizes the Underwriters to file the Official Statement with the MSRB's Electronic Municipal Market Access (EMMA) system.

E. Amendments to Official Statement. The Issuer covenants to promptly notify the Representative if, during the Update Period (as hereinafter defined), any event shall occur, or information come to the attention of the Issuer that is reasonably likely to contain, or would cause the Official Statement (whether or not previously supplemented or amended) to contain, any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and if in the opinion of the Representative or the Issuer such event requires the preparation and distribution of a supplement or amendment to the Official Statement, to prepare and furnish to the Underwriters, at Issuer's expense (unless such amendment or supplement is necessary as a result of the material inaccuracy or incompleteness of information which was provided by the Underwriters for inclusion in the Official Statement, or the failure of the Underwriters to provide information necessary in order to make information that was provided by the Underwriters accurate and complete in all material respects, then at the expense of the Underwriters) such number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the Issuer and approved by the Representative, as the Underwriters may reasonably request and if such notification shall be given subsequent to the Closing Date, such additional legal opinions, certificates, instruments, and other documents as the Underwriters may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement. [The Issuer shall not be responsible to notify the Representative of any material changes to the information provided by the Insurer (as herein defined) unless the Issuer has actual knowledge of such material changes.]

F. Public Offering.

1. The Underwriters agree to make an initial public offering of all the Series 2024 Bonds at a price or prices described in Exhibit A hereto; provided, however, that the Underwriters reserve the right to change such initial public offering prices as the Underwriters deem necessary or desirable, in their sole discretion, in connection with the marketing of the Series 2024 Bonds (but in all cases subject to the requirements of this Section F, and may offer and sell the Series 2024 Bonds to certain dealers, unit investment trusts and money market funds, certain of which may be sponsored or managed by one or more of the Underwriters at prices lower than the public offering prices or yields greater than the yields set forth therein (but in all cases subject to the requirements of this Section F).

a) The Representative, on behalf of the Underwriters, agrees to assist the Issuer in establishing the issue price of the Series 2024 Bonds and shall execute and deliver to the Issuer at Closing an "issue price" or similar certificate, together with reasonable supporting documentation for such certification, such as the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, the Issuer and Bond Counsel, to accurately reflect, as applicable, the initial offering price or prices to the public and the actual sales price or prices of the Series 2024 Bonds.

b) The Issuer will treat the first price at which 10% of each maturity of each Series of the Series 2024 Bonds (the "10% Test") is sold to the public as the issue price of that maturity. If, as of the date hereof, the 10% Test has not been satisfied as to any maturity of any Series of the Series 2024 Bonds for which the Issuer has elected to utilize the 10% Test, the Representative agrees to promptly report to the Issuer the prices at which Series 2024 Bonds of that maturity or maturities have been sold by the Underwriters to the public. That reporting obligation shall continue until the earlier of the date upon which the 10% Test has been satisfied as to each Series of the Series 2024 Bonds of that maturity or maturities or the Closing Date.

c) The Representative confirms that the Underwriters have offered the Series 2024 Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule A to Exhibit B attached hereto, except as otherwise set forth therein. Schedule A to Exhibit B also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Series 2024 Bonds for which the 10% Test has not been satisfied and for which the Issuer, on behalf of the Underwriters, agrees that the restrictions set forth in the next sentence shall apply (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of any Series of the Series 2024 Bonds, the Underwriters will neither offer nor sell unsold Series 2024 Bonds of that maturity and Series to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the sale date; or

(2) the date on which the Underwriters have sold at least 10% of that maturity and Series of the Series 2024 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Representative shall promptly advise the Issuer when it has sold 10% of that maturity and Series of the Series 2024 Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

2. The Representative confirms that:

a) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the Representative is a party) relating to the initial sale of the Series 2024 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(1) (i) to report the prices at which it sells to the public the unsold Series 2024 Bonds of each maturity and Series allocated to it until it is notified by the Representative that either the 10% Test has been satisfied as to the Series 2024 Bonds of that maturity and Series or all Series 2024 Bonds of that maturity and Series have been sold to the public and (ii) to comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative and as set forth in the related pricing wires,

(2) to promptly notify the Representative of any sales of Series 2024 Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Series 2024 Bonds to the public (each such term being used as defined below), and

(3) to acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Representative shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the public.

b) any agreement among underwriters relating to the initial sale of the Series 2024 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2024 Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2024 Bonds of each maturity and Series allocated to it until it is notified by the Representative or the Underwriter that either the 10% Test has been satisfied as to the Series 2024 Bonds of that maturity or all Series 2024 Bonds of that maturity and Series have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Representative or the Underwriter and as set forth in the related pricing wires.

The Issuer acknowledges that, in making the representations set forth in this section, the Representative will rely on (i) the agreement of each Underwriter to comply with the requirements for establishing issue price of the Series 2024 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2024 Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2024 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Series 2024 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to any Series of the Series 2024 Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Series 2024 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Series 2024 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement to comply with its agreement regarding the requirements for establishing issue price of the Series 2024 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to any Series of the Series 2024 Bonds, and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Series 2024 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to any Series of the Series 2024 Bonds

c) The Underwriters acknowledge that sales of any Series 2024 Bonds to any person that is a related party to the Underwriters shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(1) "public" means any person other than an underwriter or a related party;

(2) "underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2024 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2024 Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2024 Bonds to the public);

(3) a purchaser of any of the Series 2024 Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(4) "sale date" means the date of execution of this Purchase Agreement by all parties.

G. End of Underwriting Period. For purposes of this Agreement, the "End of the Underwriting Period" shall mean the earlier of the Closing Date, unless the Issuer has been notified to the contrary by the Representative on or prior to the Closing Date, or the date on which the "end of the underwriting period" for the Series 2024 Bonds has occurred under Rule 15c2-12.

H. Representations and Warranties of the Issuer.

1. The Issuer hereby agrees with, and makes the following representations and warranties to the Underwriters, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

2. The Series 2024 Bonds are being issued pursuant to the authority of and in full compliance with the Constitution and laws of the State of Florida, including particularly Chapters 125 and 166, Florida Statutes, and the County Charter, and other applicable provisions of law (collectively the "Act") and Resolution No. R-84-1659, adopted November 1, 1984, as amended and supplemented, and particularly as supplemented by Resolution No. R-2024-____, adopted September 17, 2024 (the "Resolution").

3. The proceeds of the Series 2024 Bonds will be used, together with certain other available moneys of the Issuer to (i) finance a portion of the Costs of capital improvements to Concourse B, including the expansion of the security checkpoint relating thereto and other improvements relating to circulation and access, the replacement of the Aircraft Rescue and Fire Fighting Building, Station 81 and the replacement of the Revenue Control Building (the "2024 Projects"); (ii) fund the Series 2024 Debt Service Reserve Subaccount in an amount equal to the Series 2024 Debt Service Reserve Requirement and (iii) pay certain costs of issuing the Series 2024 Bonds[, including paying the premiums for a municipal bond insurance policy (the "Bond Insurance Policy") and a Debt Service Reserve Account Insurance Policy (the "2024 Reserve Policy")].

4. The Series 2024 Bonds will be limited obligations of the Issuer payable solely from the Net Revenues Available for Debt Service and the amounts on deposit in certain Funds and Accounts established by the Resolution. The Series 2024 Bonds shall not be general obligations of the Issuer within the meaning of Article VII, Section 12 of the Florida Constitution.

5. The Issuer hereby authorizes the use by the Underwriters of (a) the Resolution, (b) the Preliminary Official Statement and the Official Statement (including any supplements or amendments thereto) and (c) any other documents related to the transactions contemplated in the Official Statement in connection with the public offering, sale and distribution of the Series 2024 Bonds.

6. The Issuer is a political subdivision of the State of Florida duly created and existing under the constitution and laws of the State of Florida, and has, and at the Closing Date will have, full legal right, power, and authority pursuant to the Resolution to enter into this Purchase Agreement, [,the Agreement Regarding Bond Insurance between ______________ (the "Insurer") and the Issuer (the "Bond Insurance Agreement"), the Reserve Account Insurance Agreement between the Insurer and the Issuer relating to the Debt Service Reserve Requirement for the Series 2024 Bonds (the "Reserve Insurance Agreement")] (collectively with the Resolution, the "Bond Documents") and to issue, sell, and deliver the Series 2024 Bonds as provided herein, to execute and deliver the Bond Documents, as applicable, and to carry out and to consummate the transactions contemplated by the aforesaid documents;

7. The Preliminary Official Statement, excluding Permitted Omissions, as of its date did not, and as of the date hereof does not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

8. As of the date hereof and, unless an event of the nature described in Section I.3 hereof subsequently occurs, at all times during the period from the date hereof to and including the date which is twenty-five (25) days following the End of the Underwriting Period (the "Update Period"), the information in the Official Statement will be true, correct, and complete, and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading;

9. The Issuer has complied, and will at the Closing be in compliance, in all material respects, with the Act;

10. By official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized and approved the distribution of the Preliminary Official Statement and the execution, delivery, and distribution of the Official Statement, and has duly authorized and approved the issuance and sale of the Series 2024 Bonds upon the terms set forth herein and in the Resolution and the Official Statement, and the execution and delivery of, and the performance by the Issuer of the obligations on its part contained in, the Series 2024 Bonds and the Bond Documents;

11. The Issuer is not in breach of or in default under the Act, or any applicable law or administrative regulation of the State of Florida or the United States or any applicable judgment or decree or any loan agreement, note, resolution, agreement, or other instrument to which the Issuer is a party or is otherwise subject; or by which it or its properties may be bound, and the issuance and sale of the Series 2024 Bonds upon the terms set forth herein and in the Resolution and the Official Statement, and the execution and delivery by the Issuer of the Series 2024 Bonds and this Purchase Agreement, and its compliance with the provisions of each thereof, will not conflict with or constitute a breach of or default under the Act, or any law, administrative regulation, judgment, decree, indenture, loan agreement, note, resolution, agreement, or other instrument to which the Issuer is a party or is otherwise subject;

12. All approvals, consents, and orders of any governmental authority, board, agency, or commission having jurisdiction that would constitute a condition precedent to the performance by the Issuer of its obligations hereunder, the issuance of the Series 2024 Bonds, and the execution and delivery and performance by the Issuer of, this Purchase Agreement, have been obtained or will be obtained prior to the Closing, provided; however, that no representation is made by the Issuer concerning compliance with the registration requirements of the federal securities laws or the securities or Blue Sky laws of the various states;

13. The Series 2024 Bonds, when issued, authenticated, and sold and delivered to the Underwriters as provided herein, will be the legal, valid, and binding limited obligations of the Issuer enforceable in accordance with their terms, except as the same may be limited by bankruptcy, insolvency, reorganization, and other laws affecting creditors' rights generally from time to time in effect, and rights of acceleration, indemnity, and contribution, and the availability of equitable remedies may be limited by equitable principles, and will have been issued in conformity with and entitled to the benefit and security of the Resolution;

14. The terms and provisions of the Resolution comply in all respects with the requirements of the Act and, when executed and delivered by the parties thereto, the Bond Documents will constitute the legal, valid, and binding obligations of the Issuer enforceable in accordance with their terms except as the same may be limited by bankruptcy, insolvency, reorganization, and other laws affecting creditors' rights generally from time to time in effect, and rights of acceleration, indemnity, and contribution, and the availability of equitable remedies may be limited by equitable principles;

15. Except as contemplated by the Preliminary Official Statement, since September 30, 2023, the Issuer and the Department of Airports (the "Department") have not and will not have incurred any material liabilities, direct or contingent, or entered into any transaction which is material to the potential holders of the Series 2024 Bonds, in each case other than in the ordinary course of their business, and there has not and shall not have been any material adverse change in the condition, financial or otherwise, of the Issuer or the Department or their properties or other assets;

16. No authorization, approval, consent, license or other action of any court or public or governmental or regulatory authority having jurisdiction over the Issuer that has not been obtained is or will be required for the adoption of the Resolution, the issuance and sale of the Series 2024 Bonds or the valid and lawful authorization, execution and delivery, or consummation by the Issuer, of the transactions contemplated by the Bond Documents and the Preliminary Official Statement and to be contemplated in the Official Statement;

17. No action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government authority or public board or body, is pending against or, to the best knowledge of the Issuer, threatened against the Issuer or the Department, affecting the legal existence of the Issuer or the titles of its officers to their respective offices or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2024 Bonds, or the collection of the Net Revenues Available for Debt Service pledged to the Series 2024 Bonds, or in any way contesting or affecting the validity or enforceability of the Series 2024 Bonds or the Bond Documents or contesting the tax-exempt status of the interest on the Series 2024 Bonds as described in the Preliminary Official Statement or to be described in the Official Statement, or contesting in any way the completeness or accuracy of the Preliminary Official Statement (excluding Permitted Omissions) or in the Official Statement (when available), or any supplement or amendment thereto, or contesting the powers of the Issuer or any authority or proceedings for the issuance, sale and delivery of the Series 2024 Bonds, the adoption of the Resolution, or the execution and delivery of the Bond Documents, nor to the best of the Issuer's knowledge, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Series 2024 Bonds or the Bond Documents;

18. Any certificate signed by an authorized officer of the Issuer and delivered to the Underwriters shall be deemed a representation and warranty of the Issuer to the Underwriters as to the statements made therein;

19. The Resolution includes a continuing disclosure undertaking of the Issuer (the "Continuing Disclosure Undertaking"), in accordance with Rule 15c2-12, for the benefit of Bondholders. The Continuing Disclosure Undertaking is accurately described in the Preliminary Official Statement and will be accurately described in the Official Statement; and

20. Except as disclosed in the Preliminary Official Statement and the Official Statement, within the last five (5) years, the Issuer has not failed to comply in all material respects with any continuing disclosure undertaking made by it pursuant to the Rule in connection with outstanding bond issues for which the Issuer has agreed to undertake continuing disclosure obligations.

I. Covenants of the Issuer. The Issuer hereby covenants with the Underwriters that:

1. The Issuer shall not supplement or amend the Preliminary Official Statement or the Official Statement or cause the Preliminary Official Statement or Official Statement to be supplemented or amended without the prior written consent of the Representative, which consent shall not be unreasonably withheld.

2. The Issuer shall not amend, terminate, or rescind, and will not agree to any amendment, termination, or rescission of the Resolution or this Purchase Agreement without the prior written consent of the Representative prior to the Closing Date, which consent shall not be unreasonably withheld.

3. The Issuer shall promptly advise the Representative, by written notice, of any matter known to the Issuer arising or discovered after the date of this Purchase Agreement and prior to the Closing Date that if existing or known at the date hereof would render any of the representations or warranties set forth herein to be untrue or misleading or might adversely affect the accuracy or completeness of any statement of material fact regarding the Issuer contained in the Official Statement; or any developments that affect the accuracy and completeness of the key representations (within the meaning of Rule 15c2-12) regarding the Issuer contained in the Official Statement that may occur during the Update Period.

4. Prior to the Closing Date, the Issuer shall not create, assume, or guarantee any indebtedness payable from, or pledge or otherwise encumber, the revenues, assets, properties, funds, or interests that are pledged pursuant to the Resolution, except to the extent so pledged as of the date of this Purchase Agreement.

5. The Issuer shall not voluntarily undertake any course of action inconsistent with satisfaction of the requirements applicable to the Issuer as set forth in this Purchase Agreement and the Resolution.

6. The Issuer shall cooperate with the Underwriters in the qualification of the Series 2024 Bonds for offering and sale and the determination of their eligibility for investment under the laws of such jurisdictions as the Representative may designate, but the Issuer is not required to consent to the service of process, to qualify to transact business or to register as a broker/dealer in any jurisdiction or to expend any funds in connection with the foregoing.

7. The Issuer will undertake, pursuant to the Continuing Disclosure Undertaking, to provide annual reports and notices of certain listed events in compliance with Rule 15c2-12. A description of this undertaking is set forth in Resolution which is described in the Preliminary Official Statement and which will also be set forth in the final Official Statement.

8. The Issuer shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2024 Bonds.

J. Certain Conditions to Underwriters' Obligations. The Underwriters have entered into this Purchase Agreement in reliance upon the representations, warranties, and agreements of the Issuer contained herein and upon the accuracy of the statements to be contained in the documents and instruments to be delivered at the Closing. Accordingly, the Underwriters' obligations under this Purchase Agreement to purchase, accept delivery of, and pay for the Series 2024 Bonds are subject to the performance by the Issuer of its obligations hereunder required to be performed at or prior to the Closing Date, and to the following additional conditions precedent (unless waived in writing by the Representative):

1. On the Closing Date, the representations and warranties of the Issuer contained herein shall be true, complete, and correct as if made on and as of the Closing Date and any representations and warranties with respect to the Preliminary Official Statement shall also be applicable to the Official Statement. The Official Statement shall have been executed and delivered by the Issuer and shall not have been amended, modified, or supplemented, except as may have been agreed to in writing by the Representative; and the proceeds of the sale of the Series 2024 Bonds shall have been deposited for use substantially as described in the Official Statement.

2. The Representative shall have the right to cancel the Underwriters' obligation to purchase the Series 2024 Bonds if between the date hereof and the Closing:

a) legislation shall have been enacted or introduced by the Congress of the United States or the legislature of the State of Florida or shall have been reported out of committee of either body or be pending in committee of either body, or a decision shall have been rendered by a court of the United States or the State of Florida or the Tax Court of the United States, or a ruling, resolution, regulation, or temporary regulation, release, or announcement shall have been made or shall have been proposed to be made by the Treasury Department of the United States or the Internal Revenue Service, or other federal or state authority, with respect to federal or state taxation upon revenues or other income of the general character of that to be derived by the Issuer from its operations, or upon interest received on obligations of the general character of the Series 2024 Bonds that, in the Representative's reasonable judgment, materially adversely affects the market for the Series 2024 Bonds, or the market price generally of obligations of the general character of the Series 2024 Bonds, or the ability of the Underwriters to enforce contracts for the sale of the Series 2024 Bonds; or

b) there shall exist any event or circumstance that in the Representative's judgment either makes untrue or incorrect in any material respect any statement or information in the Preliminary Official Statement and the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make any statement of material fact therein not misleading in any material respect and, in either such event, the Issuer refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Series 2024 Bonds or the ability of the Underwriters to enforce contracts for the sale of the Series 2024 Bonds; or

c) there shall have occurred (1) an outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war occurs; or (2) the occurrence or escalation of any other calamity or crisis or any change in the financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clause (1) or (2), in the reasonable judgment of the Representative, makes it impracticable or inadvisable to proceed with the offering or the delivery of the Series 2024 Bonds on the terms and in the manner contemplated in the Preliminary Official Statement or the Official Statement; or

d) there shall be in force a general suspension of trading on the New York Stock Exchange, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange, whether by virtue of determination by the New York Stock Exchange or by order of the SEC or any other governmental authority having jurisdiction that, in the Representative's reasonable judgment, makes it impracticable for the Representative to market the Series 2024 Bonds or enforce contracts for the sale of the Series 2024 Bonds; or

e) a general banking moratorium shall have been declared by federal or state authorities having jurisdiction and be in force that, in the Representative's reasonable judgment, makes it impracticable for the Underwriters to market the Series 2024 Bonds or enforce contracts for the sale of the Series 2024 Bonds; or

f) legislation shall be enacted or be proposed or actively considered for enactment, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation, or statement by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that the Series 2024 Bonds or any comparable securities of the Issuer, any obligations of the general character of the Series 2024 Bonds are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended and as then in effect (the "Securities Act") or of the Trust Indenture Act of 1939, as amended and as then in effect, or otherwise, or would be in violation of any provision of the federal securities laws; or

g) there shall have been any material adverse change in the affairs of the Issuer that in the Representative's reasonable judgment will materially adversely affect the market for the Series 2024 Bonds or the ability of the Underwriters to enforce contracts for the sale of the Series 2024 Bonds; or

h) there shall be established any new restriction on transactions in securities materially affecting the market for securities (including the imposition of any limitation on interest rates) or the extension of credit by, or a change to the net capital requirements of, underwriters established by the New York Stock Exchange, the SEC, any other federal or State of Florida agency or the Congress of the United States, or by Executive Order; or

i) a stop order, release, regulation, or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made to the effect that the issuance, offering, or sale of the Series 2024 Bonds, including all the underlying obligations as contemplated hereby or by the Official Statement, or any document relating to the issuance, offering or sale of the Series 2024 Bonds is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Exchange Act, and the Trust Indenture Act of 1939, as amended; or

j) there shall have occurred, after the signing hereof, either a financial crisis or a default with respect to the debt obligations of the Issuer or proceedings under the bankruptcy laws of the United States or of such state shall have been instituted by the Issuer, in either case the effect of which, in the reasonable judgment of the Representative, is such as to materially and adversely affect the market price or the marketability of the Series 2024 Bonds or the ability of the Underwriters to enforce contracts of the sale of the Series 2024 Bonds; or

k) there is a withdrawal or downgrading of any of the ratings (including outlooks) of any of the Issuer's debt obligations issued pursuant to and secured under the Resolution, or any notice shall have been given by any agency maintaining a rating of such debt obligations of any intended downgrading, suspension, withdrawal or other negative change in status; or

l) any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance, sale or delivery of the Series 2024 Bonds or in any way contesting or affecting any authority for or the validity of the Series 2024 Bonds, any of the proceedings of the Issuer taken with respect to the issuance or sale thereof, the pledge or application of any moneys or securities provided for the payment of the Series 2024 Bonds or the existence or power of the Issuer; or

m) [the Insurer (the "Bond Insurer") shall inform the Issuer or the Underwriters that it will not deliver the Bond Insurance Policy or the 2024 Reserve Policy at Closing.]

3. At or prior to the closing, the Underwriters shall receive the following:

a) the unqualified approving opinions of Bond Counsel, addressed to (including by virtue of a "reliance" letter) the Underwriters and the Issuer, dated the Closing Date and covering the matters set forth in Appendix E to the Preliminary Official Statement, with only such changes thereto as are satisfactory to the Underwriters;

b) a supplementary opinion of Bond Counsel, dated the Closing Date, addressed to the Underwriters and the Issuer, to the effect that: the information in the Preliminary Official Statement and Official Statement under the captions "DESCRIPTION OF THE SERIES 2024 BONDS," "REDEMPTION PROVISIONS," "SECURITY FOR THE SERIES 2024 BONDS" [excluding any information relating to the Bond Insurer, the Bond Insurance Agreement, the Reserve Account Insurance Agreement and any description of the Airline Agreements (as such terms are defined in the Preliminary Official Statement and the Official Statement)] and "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION," insofar as such information purports to summarize certain provisions of the Resolution or the Series 2024 Bonds, are accurate and fair summaries of the matters set forth therein; the information in the Preliminary Official Statement and the Official Statement under the caption "TAX MATTERS," insofar as such statements purport to summarize certain provisions of the Code and the federal income tax treatment afforded the Series 2024 Bonds, present a fair and accurate summary of such provisions and tax treatment; and the Series 2024 Bonds are exempt from registration pursuant to the Securities Act, and the Resolution is exempt from qualification as an indenture pursuant to the Trust Indenture Act of 1939, as amended;

c) the opinion of the County Attorney or an Assistant County Attorney to the Issuer, addressed to the Underwriters, Bond Counsel, Disclosure Counsel and the Issuer, dated the Closing Date, and in form and substance substantially as set forth as <u>Exhibit D</u> to this Purchase Agreement;

d) the opinion of Squire Patton Boggs (US) LLP, counsel to the Underwriters, dated the Closing Date, in form and substance satisfactory to the Representative;

e) the opinion of Disclosure Counsel to the Issuer, addressed to (including by virtue of a "reliance" letter) the Underwriters and the Issuer, dated the Closing Date, in form and substance satisfactory to the Representative;

f) a certificate dated the Closing Date by a duly authorized officer of the County, and in form and substance satisfactory to the Representative and Bond Counsel to the effect that the representations, warranties and covenants of the Issuer contained herein are true and correct as of the date of this Purchase Agreement and as of the Closing Date, and are complied with as of the Closing Date, and the Series 2024 Bonds, as executed and delivered are substantially the form set forth in the Resolution and as evidenced in such certificate that the County is authorized to issue the Series 2024 Bonds as Additional Bonds (as defined in the Resolution).

g) the Arbitrage Certificate with respect to the Series 2024 Bonds, dated as of the Closing Date, executed by a duly authorized officer of the Issuer in form and substance satisfactory to the Representative and Bond Counsel, setting forth, among other things, arbitrage and other matters relative to the tax status of the Series 2024 Bonds under Section 148 of the Internal Revenue Code of 1986, as amended;

h) letters from S&P Global Ratings, Inc., Moody's Investors Service, and Fitch Ratings, assigning long-term municipal bond ratings of ["____" (stable outlook), "____" (stable outlook) and "___" (stable outlook)] respectively, to the Series 2024 Bonds, which ratings remain in effect on the Closing Date[, and a letter from ____ addressed to the Issuer, to the effect that the Insured Series 2024 Bonds have been assigned a rating of "____" (stable outlook) based upon the issuance of the Bond Insurance Policy];

i) a fully executed counterpart of this Purchase Agreement and a copy of the Resolution certified by the Clerk or Deputy Clerk of the Issuer, and specimens of the Series 2024 Bonds;

j) the Official Statement, executed on behalf of the Issuer by duly authorized officers thereof;

k) the Internal Revenue Service Forms 8038 and 8038-G with respect to the Series 2024 Bonds in a form satisfactory to Bond Counsel for filing, executed by a duly authorized officer of the Issuer;

l) [an opinion, dated the date of the Closing and addressed to the Issuer and the Underwriters, of counsel for the Insurer] and/or a certificate or certificates of the Insurer, in forms and substance satisfactory to the Representative;]

m) [true and correct copies of the Bond Insurance Policy and the 2024 Reserve Policy;]

n) a letter of Ricondo & Associates, Inc. (the "Airport Consultant") addressed to the Issuer and the Underwriters, dated the Closing Date, in form and substance substantially as set forth as <u>Exhibit E</u> to this Purchase Agreement and the certificate of the Airport Consultant required by the Resolution;

o) one or more certificates from The Bank of New York Mellon Company, N.A., as Trustee, Paying Agent and Registrar in form acceptable to the Representative and Bond Counsel;

p) the certificate of the Consulting Engineer required by the Resolution; and

q) such additional legal opinions, certificates, documents and instruments as the Representative may reasonably request in form and substance satisfactory to the Representative and counsel to the Underwriters.

If the Issuer shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Purchase Agreement, or if the obligations of the Underwriters shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the Underwriters nor the Issuer shall have any further obligations hereunder, except as provided in Sections B and K (if applicable) hereof. However, the Representative may in its discretion waive in writing on behalf of the Underwriters any one or more of the conditions imposed by this Purchase Agreement for the protection of the Underwriters and proceed with the Closing.

K. Payment of Expenses.

a) The Underwriters shall be under no obligation to pay, and the Issuer shall pay from available funds, certain expenses set forth in this Section that are incidental to the performance of the Issuer's obligations hereunder, including but not limited to: all expenses in connection with the printing of the Preliminary Official Statement, the Official Statement, and any amendment or supplement to either thereof (unless such amendment or supplement is necessary as a result of the inaccuracy or incompleteness of information previously provided by the Underwriters for inclusion in the Preliminary Official Statement or the Official Statement); all expenses in connection with the printing, issuance, and delivery of the Series 2024 Bonds; the fees and disbursement of Bond Counsel, Issuer's counsel, if any, Disclosure Counsel, the Consulting Engineer, and the Issuer's financial advisor; the fees and disbursements of the Bond Registrar, any disclosure dissemination agent and the Airport Consultant; all expenses in connection with obtaining a rating or ratings for the Series 2024 Bonds; all expenses of the Issuer in connection with the preparation, execution and delivery of this Purchase Agreement, and any financing statement or notice with respect thereto; and all other expenses and costs of the Issuer incident to its obligations in connection with the authorization, issuance, sale, and distribution of the Series 2024 Bonds.

b) The Underwriters shall pay the costs of qualifying the Series 2024 Bonds for sale in various states chosen by the Underwriters, all advertising expenses incurred by the Underwriters in connection with the public offering of the Series 2024 Bonds, and all other expenses incurred by it in connection with the public offering and distribution of the Series 2024 Bonds, including the fee and disbursements of the counsel to the Underwriters.

L. Blue Sky Qualification. The Issuer agrees to cooperate with the Underwriters and their counsel in any endeavor to qualify the Series 2024 Bonds for offering and sale under the securities or blue sky laws of such jurisdictions of the United States as the Underwriters may request; provided that the Issuer shall not be required to qualify to transact business in, or submit to the general jurisdiction of, any other state or expend its own funds in connection therewith. The Issuer consents to the use of the Preliminary Official Statement and the Official Statement by the Underwriters in obtaining such qualification.

M. No Fiduciary Duty. The Issuer acknowledges and agrees that: (i) the Underwriters are not acting as a municipal advisor within the meaning of Section 15B of the Securities Exchange Act, as amended, (ii) the primary role of the Underwriters, as underwriters, is to purchase securities, for resale to investors, in an arm's-length commercial transaction between the Issuer and the Underwriters and the Underwriters have financial and other interests that differ from those of the Issuer; (iii) the Underwriters are acting solely as principals and are not acting as municipal advisors, financial advisors or fiduciaries to the Issuer and have not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Issuer on other matters); (iv) the only obligations the Underwriters have to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement; and (v) the Issuer has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it has deemed appropriate.

N. Notices. All notices provided for in this Purchase Agreement shall be made in writing either by actual delivery of the notice into the hands of the parties entitled thereto or by sending the notice by overnight common courier or United States mail to the address as stated below (or at such other address as may have been designated by written notice) of the party entitled thereto. Notices shall be effective upon receipt.

All communications hereunder, except as herein otherwise specifically provided, shall be in writing and mailed or delivered to the Issuer at the address set forth above (Attention: Mark Braun, Debt Manager) and to the Representative at the following address:

J.P. Morgan Securities LLC
1450 Brickell Avenue, 15th Floor
Miami, Florida 33131
Attention: T.J. Whitehouse, Execute Director

O. Governing Law; Venue. This Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Florida and venue shall be in Palm Beach County, Florida.

P. Miscellaneous. This Purchase Agreement is made solely for the benefit of the signatories hereto (including the successors or assigns of the Underwriters) and no other person shall acquire or have any right hereunder or by virtue hereof. The term "successor" shall not include any holder of any Series 2024 Bonds merely by virtue of such holding. All representations, warranties and agreements contained in this Purchase Agreement shall remain operative and in full force and effect, regardless of delivery of and payment for the Series 2024 Bonds, and any termination of this Purchase Agreement.

Q. Disclosure and Truth-in-Bonding Statement. In conformance with Section 218.385, Florida Statutes, as amended, the Underwriters hereby deliver the Disclosure and Truth-in-Bonding Statement attached hereto as Exhibit C.

R. Entire Agreement. This Purchase Agreement constitutes the entire agreement between the parties hereto with respect to the matters covered hereby, and supersedes all prior agreements and understandings between the parties. This Purchase Agreement shall only be amended, supplemented or modified in a writing signed by both of the parties hereto.

[Signature Page to Follow]

S. Counterparts. This Purchase Agreement may be executed in counterparts with the same force and effect as if all signatures appeared on a single instrument.

J.P. MORGAN SECURITIES LLC
RBC CAPITAL MARKETS, LLC
RAYMOND JAMES & ASSOCIATES, INC.

By: J.P. MORGAN SECURITIES LLC

By: ___________________________________
Name: T.J. Whitehouse
Title: Executive Director

ACCEPTED AS OF _____ [AM/PM] on [Pricing Date]

PALM BEACH COUNTY, FLORIDA

By:_____________________________
Name: ___________________________
Title: ___________________________

Attest: Clerk & Comptroller of Palm Beach County

By:_____________________________
Name: ___________________________
Title: ___________________________

Approved as to Legal Sufficiency:

By:_____________________________
Name: David Behar
Title: Assistant County Attorney

EXHIBIT A

TERMS OF SERIES 2024 BONDS

PALM BEACH COUNTY, FLORIDA

$[PAR A]
AIRPORT SYSTEM REVENUE
IMPROVEMENT BONDS,
SERIES 2024A
(NON-AMT)

$[PAR B]
AIRPORT SYSTEM REVENUE
IMPROVEMENT BONDS,
SERIES 2024B
(AMT)

Series 2024A Bonds

$__________ Serial Series 2024A Bonds

Maturity (October 1)	Principal Amount	Interest Rate	Yield*	Price
	$	%	%	

$________ ____% Term Series 2024A Bond Due October 1, 20__; Yield ____%*; Price ______
$________ ____% Term Series 2024A Bond Due October 1, 20__; Yield ____%*; Price ______
$________ ____% Term Series 2024A Bond Due October 1, 20__; Yield ____%*; Price ______

*[Yield to first optional call date of October 1, 20__.]

Series 2024B Bonds

$__________ Serial Series 2024B Bonds

Maturity (October 1)	Principal Amount	Interest Rate	Yield*	Price
	$	%	%	

$________ ____% Term Series 2024B Bond Due October 1, 20__; Yield ____%*; Price ______
$________ ____% Term Series 2024B Bond Due October 1, 20__; Yield ____%*; Price ______
$________ ____% Term Series 2024B Bond Due October 1, 20__; Yield ____%*; Price ______

*[Yield to first optional call date of October 1, 20__.]

Reserve Fund

[As contemplated by the Issuer's Resolution No. R-2024-____, the Series 2024 Bonds will be secured by a separate Series 2024 Debt Service Reserve Subaccount and the Series 2024 Debt Service Reserve Account Requirement for the Series 2024 Bonds shall be initially satisfied by the 2024 Reserve Policy.]

Optional Redemption

The Series 2024 Bonds maturing on or prior to October 1, 20__ are not subject to optional redemption. The Series 2024 Bonds maturing on or after October 1, 20__ are subject to redemption prior maturity, at the option of the County, in whole or in part on any date on or after October 1, 20__, and if in part, in such order of maturities and in such amounts as the County shall select and by lot within a maturity, at a redemption price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption, and without premium.

Mandatory Redemption

Series 2024A Bonds. The Series 2024A Bonds maturing on October 1, 20___ are subject to mandatory redemption in part prior to maturity, by lot, at a redemption price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption, on October 1 in the following year and in the following amounts:

Year	Principal Amount

*Final Maturity.

Series 2024B Bonds. The Series 2024B Bonds maturing on October 1, 20___ are subject to mandatory redemption in part prior to maturity, by lot, at a redemption price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption, on October 1 in the following year and in the following amounts:

Year	Principal Amount

*Final Maturity.

Notice of redemption shall be given by deposit in the U.S. mail, postage prepaid, at least thirty (30) days before the redemption date to all registered owners of the Series 2024 Bonds or portions of the Series 2024 Bonds to be redeemed at their addresses as they appear on the registration books to be maintained in accordance with the provisions of the Resolution. Failure to mail any such notice to a registered owner of a Series 2024 Bond, or any defect therein, shall not affect the validity of the proceedings for redemption of any Series 2024 Bond or portion thereof with respect to which no failure or defect occurred. The foregoing notwithstanding, if it is determined that the giving of notice by U.S. mail is not feasible, any other industry-accepted means of giving notice, including, but not limited to, facsimile or electronic transmission, may be utilized for the giving of notice, provided that it can be established that the notice was in fact given by such other means.

EXHIBIT B

ISSUE PRICE CERTIFICATE

PALM BEACH COUNTY, FLORIDA

$[PAR A]
AIRPORT SYSTEM REVENUE IMPROVEMENT BONDS, SERIES 2024A (NON-AMT)

$[PAR B]
AIRPORT SYSTEM REVENUE IMPROVEMENT BONDS, SERIES 2024B (AMT)

The undersigned, on behalf of J.P. Morgan Securities LLC ("the "Representative"), on behalf of itself, RBC Capital Markets, LLC and Raymond James & Associates, Inc. (collectively with the Representative, the "Underwriters"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds").

1. [Alternative 1 – All Maturities Use General Rule: ***Sale of the Bonds***. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.]

2. [Alternative 2 – Select Maturities Use General Rule: ***Sale of the General Rule Maturities***. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.]

3. ***Initial Offering Price of the [Bonds][Hold-the-Offering-Price Maturities]***.

(a) [Alternative 1 – All Maturities Use Hold-the-Offering-Price Rule: The Underwriters offered the Bonds to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.]

(b) [Alternative 2 – Select Maturities Use Hold-the-Offering-Price Rule: The Underwriters offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.]

(c) [Alternative 1 – All Maturities use Hold-the-Offering-Price Rule: As set forth in the Purchase Contract dated ____________, the Underwriters have agreed in writing that, (i) for each Maturity of the Bonds, they would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period. [Alternative 2 - Select Maturities Use Hold-the-Offering-Price Rule: As set forth in the Bond Purchase Agreement, the Underwriters have agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, they would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.] [NOTE: TO THE EXTENT THE HTOP IS USED, SEPARATE REPRESENTATIONS WILL BE NEEDED FROM EACH UNDERWRITER SINCE THE REPRESENTATIVE CAN ONLY REP FOR IT'S DISTRIBUTION PARTNERS AS TO WHETHER THEY HELD THE PRICE.]

4. ***Defined Terms.***

[(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."]

[(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."]

[(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (__________), or (ii) the date on which the Underwriters have sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

(d) *Issuer* means __________________________.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is ___________.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing inthis certificate represents the Representative's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be reliedupon by the Issuer with respect to certain of the representations set forth in the Arbitrage and Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Greenberg Traurig, P.A. in connection with rendering its opinion that the interest on the Bonds is excluded from gross incomefor federal income tax purposes, the preparation of the Internal Revenue Service Forms 8038 and 8038-G and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

Dated: [Pricing Date]

J.P. MORGAN SECURITIES LLC, as Representative

By:________________________________
Name:______________________________
Title:_______________________________

Schedule A

SALE PRICES OF THE GENERAL RULE MATURITIES

SERIES 2024A BONDS

Maturity Date	Principal Amount ($)	Interest Rate (%)	Initial Yield (%)	Price (%)

SERIES 2024B BONDS

Maturity Date	Principal Amount ($)	Interest Rate (%)	Initial Yield (%)	Price (%)

(1) Yield calculated based on the assumption that such Bonds will be redeemed on the first optional call date for such Bonds, which is _______________.

INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

Schedule B

PRICING WIRE OR EQUIVALENT COMMUNICATION

(attached)

EXHIBIT C

DISCLOSURE AND TRUTH-IN-BONDING STATEMENT

PALM BEACH COUNTY, FLORIDA

$[PAR A] **AIRPORT SYSTEM REVENUE** **IMPROVEMENT BONDS,** **SERIES 2024A** **(NON-AMT)**	**$[PAR B]** **AIRPORT SYSTEM REVENUE** **IMPROVEMENT BONDS,** **SERIES 2024B** **(AMT)**

In connection with the proposed execution and delivery by Palm Beach County, Florida (the "Issuer") of its $[PAR A] Airport System Revenue Improvement Bonds, Series 2024A (Non-AMT) and $[PAR B] Airport System Revenue Improvement Bonds, Series 2024B (AMT) (collectively, the "Series 2024 Bonds"), J.P. Morgan Securities LLC (the "Representative"), RBC Capital Markets, LLC and Raymond James & Associates, Inc. (collectively with the Representative, the "Underwriters"), have agreed to serve as underwriters on the public offering of the Series 2024 Bonds. Arrangements for underwriting the Series 2024 Bonds will include a Bond Purchase Agreement between the Issuer and the Underwriters which will embody the negotiations in respect thereof (the "Purchase Agreement").

The purpose of this letter is to furnish, pursuant to the provisions of Section 218.385, Florida Statutes, as amended, certain information in respect of the arrangements contemplated for the underwriting of the Series 2024 Bonds as follows:

(a) The nature and estimated amounts of expenses to be incurred by the Underwriters in connection with the issuance of the Series 2024 Bonds are set forth in Schedule A-1 attached hereto.

(b) No person has entered into an understanding with the Underwriters or, to the knowledge of the Underwriters, with the Issuer for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the Issuer and the Underwriters or to exercise or attempt to exercise any influence to effect any transaction in connection with the purchase of the Series 2024 Bonds by the Underwriters.

(c) The total underwriting spread is $__________ ($______ /$1,000 of Series 2024 Bonds).

(d) The Management Fee is $0 ($0/$1,000 of Bonds).

(e) The Underwriters' Expenses are $__________ ($______ /$1,000 of Series 2024 Bonds).

(f) No other fee, bonus or other compensation has been or will be paid by the Underwriters in connection with the issuance of the Series 2024 Bonds to any person not regularly employed or retained by the Underwriters, except Underwriters' Counsel, Squire Patton Boggs (US) LLP, as shown on Schedule A-1 hereto, including any "finder" as defined in Section 218.386(1)(a), Florida Statutes, as amended.

(g) The names and addresses of the Underwriters are:

J.P. Morgan Securities LLC
1450 Brickell Avenue, 15th Floor
Miami, Florida 33131
Attn: T.J. Whitehouse, Execute Director

RBC Capital Markets, LLC

____
____
Attn: __________

Raymond James & Associates, Inc.

____
____
Attn: __________

The Issuer is proposing to issue $[PAR] principal amount of the Series 2024 Bonds, as described on Exhibit B attached to the Purchase Agreement to which this Exhibit is a part relating to the Series 2024 Bonds. These obligations are expected to be repaid over a period of approximately __ years. At a true interest cost rate of ______%, total interest paid over the life of the Series 2024 Bonds will be $__________. Proceeds of the Series 2024 Bonds will provide funds to (i) finance a portion of the 2024 Projects (as defined in the Purchase Agreement); (ii)[fund the Series 2024 Debt Service Reserve Subaccount in an amount equal to the Series 2024 Debt Service Reserve Requirement]; and (iii) pay certain costs of issuing the Series 2024 Bonds[, including paying the premiums for a municipal bond insurance policy (the "Bond Insurance Policy") and a Debt Service Reserve Account Insurance Policy (the "2024 Reserve Policy")].

(h) The anticipated source of repayment or security for the Series 2024 Bonds is the Net Revenues Available for Debt Service (as defined in the Resolution, which in turn is defined in the Purchase Agreement). Authorizing these obligations will result in an average annual amount of approximately $__________ (average annual debt service) of the aforementioned funds not being available each year to finance the other Airport System improvements of the Issuer over a period of approximately __ years, with respect to the Series 2024 Bonds.

SCHEDULE "A-1"

Listing Of Estimated Expenses	$/1000	AMOUNT
Underwriters' Counsel	$	$
DTC		
CUSIP		
Ipreo		
Dayloan		
Misc		
TOTAL EXPENSES	$	$

EXHIBIT D

FORM OF COUNTY ATTORNEY OPINION

[COUNTY ATTORNEY LETTERHEAD]

[Closing Date]

To: Board of County Commissioners, Palm Beach County, Florida
Greenberg Traurig, P.A.
Locke Lord LLP
J.P. Morgan Securities LLC
RBC Capital Markets, LLC
Raymond James & Associates, Inc.
The Bank of New York Mellon Trust Company, N.A.

Re: $[PAR A] Palm Beach County, Florida Airport System Revenue Improvement Bonds, Series 2024A (Non-AMT) and $[PAR B] Palm Beach County, Florida Airport System Revenue Improvement Bonds, Series 2024B (AMT)

Ladies and Gentlemen:

The undersigned, as Assistant County Attorney for Palm Beach County, Florida (the "County"), has acted as counsel to the County in connection with the issuance of the County's $[PAR A] Palm Beach County, Florida Airport System Revenue Improvement Bonds, Series 2024A (Non-AMT) and $[PAR B] Palm Beach County, Florida Airport System Revenue Improvement Bonds, Series 2024B (AMT) (collectively, the "Series 2024 Bonds") issued pursuant to the Palm Beach County Airport System Revenue Bond Resolution No. R-84-427 adopted by the Board of County Commissioners (the "Board") of Palm Beach County, Florida (the "County") on April 3, 1984, as amended in full by Palm Beach County Airport System Revenue Bond Resolution No. R-84-1659 adopted by the Board on November 1, 1984, as amended and supplemented from time to time, including specifically by Palm Beach County Airport System Revenue Bond Resolution No. R-89-971 adopted on June 4, 1989, Palm Beach County Airport System Revenue Bond Resolution No. R-2006-0727 adopted on April 18, 2006, the Fourteenth Supplemental Palm Beach County Airport System Revenue Bond Resolution No. 2016-0760 adopted on June 21, 2016, Resolution No. R-2024-_____ adopted on September 17, 2024 (the "Sixteenth Supplemental Bond Resolution") (said resolutions, and all resolutions amendatory and supplemental thereto, and including the Sixteenth Supplemental Bond Resolution, being referred to herein, collectively, as the "Bond Resolution").

All terms used herein in capitalized form and not otherwise defined herein shall have the same meaning as ascribed to such terms under the Bond Resolution. I have examined all proceedings of the County in connection with the authorization, issuance and sale of the Series 2024 Bonds. I have also made such investigations and have examined such ordinances, resolutions, certificates, and documents, in each case, as I have deemed relevant and necessary in connection with the opinions expressed below.

In rendering the opinions set forth below, I have assumed that that the Bond Purchase Agreement dated [Pricing Date] (the "BPA"), among the County, J.P. Morgan Securities LLC, RBC Capital Markets, LLC and Raymond James & Associates, Inc. (the "Underwriters") is a valid and binding obligation of the party(ies) thereto other than the County.

I am of the opinion that:

1. The County is a political subdivision of the State of Florida duly created and validly existing under the laws of the State of Florida.

2. The Bond Resolution has been lawfully adopted by the County and is in full force and effect on the date hereof. No event has occurred that constitutes or would, with the passage of time or the giving of notice constitute, a breach of the covenants of the County contained in the Bond Resolution or a default or inability of the County to perform thereunder.

3. The BPA has been duly authorized, executed and delivered by the County.

4. The Bond Resolution, the BPA, [,the Agreement Regarding Bond Insurance between ____ and the Issuer (the "Bond Insurance Agreement"), the Reserve Account Insurance Agreement between ____ and the Issuer relating to the Debt Service Reserve Requirement for the Series 2024 Bonds (the "Reserve Insurance Agreement")] and the certificates of the County delivered on this date to which the County is a party (collectively, the "Bond Documents"), are in full force and effect and constitute valid and legally binding obligations of the County, enforceable in accordance with their respective terms. The Bond Documents are each in full force and effect and have not been modified or amended, except as disclosed in the Official Statement.

5. The Series 2024 Bonds are the legal, valid and binding limited obligations of the County, enforceable in accordance with their terms and the terms of the Bond Resolution and are entitled to the benefits of the Bond Resolution and the Act. The County has duly authorized the issuance of the Series 2024 Bonds and all conditions precedent to the delivery of the Series 2024 Bonds have been fulfilled.

6. The representations of the County provided in the Bond Resolution are true and correct and there are no existing ordinances or resolutions of the County that would adversely affect its covenants and agreements set forth therein or in the certificates or other instruments delivered at the time of the delivery of the Series 2024 Bonds, or that would adversely affect its ability to perform its obligations thereunder.

7. No authorization, approval, consent, license or other action of any court or public or governmental or regulatory authority having jurisdiction over the County that has not been obtained is or will be required for adoption of the Bond Resolution, issuance and sale of the Series 2024 Bonds or the valid and lawful authorization, execution and delivery, or consummation by the County, of the other transactions contemplated by the Bond Documents.

8. The adoption, authorization, execution, delivery, receipt and performance, as applicable, of the Bond Documents do not and will not (i) violate any applicable judgment or order of any court and do not conflict with or result in a breach or violation of any of the terms and provisions of, or constitute a default under, any agreement to which the County is a party or by which it is bound or (ii) violate any applicable law.

9. There is no suit, inquiry, investigation or proceeding pending or, to the best of my knowledge threatened, in any court or before or by any government agency, public board or body, against or affecting the County, nor to the best of my knowledge is there any basis for any such suit, inquiry, investigation or proceeding, in which an unfavorable decision, ruling or finding would restrain or enjoin the adoption, authorization, execution, delivery, receipt and performance, as applicable, of, or adversely affect the validity of, the Series 2024 Bonds or the Bond Documents, or which would adversely affect the transactions contemplated by the Series 2024 Bonds or the Bond Documents.

10. Without having undertaken to determine independently the factual accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement (excluding "permitted omissions" as permitted by Rule 15c2-12 promulgated by the Securities and Exchange Commission) for the Series 2024 Bonds dated ________, 2024 (the "Preliminary Official Statement") and the Official Statement for the Series 2024 Bonds dated [Pricing Date] (the "Official Statement" and, together with the Preliminary Official Statement, the "Offering Documents"), nothing has come to my attention that would cause me to believe that the Offering Documents (except for the financial and statistical data contained therein, the information provided by The Depository Trust Company ("DTC"), [information regarding the Bond Insurance and 2024 Debt Service Reserve Subaccount Policy] and the information under the caption "SECURITY FOR THE SERIES 2024 BONDS – The Existing Reserve Policy," as to which I express no opinion), as of its date or as of the date hereof contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to be stated therein in order to make the statements made therein, in light of the circumstances under which they were and are made, not misleading. Except with respect to permitted omissions regarding the Preliminary Official Statement, the information in the Offering Documents as to legal matters relating to the County, the Act, the Series 2024 Bonds and the Bond Resolution does not contain any untrue statement of a material fact or omit to state a material fact necessary to be stated therein in order to make the statements made therein, in light of the circumstances under which they were and are made, not misleading.

11. The Official Statement has been duly authorized, executed and delivered by the County, and the County has consented to the use and distribution thereof and of the Preliminary Official Statement, by the Underwriters.

12. To the best of my knowledge, the use of the Airport System complied in all material respects with all applicable federal, State and local laws or ordinances (including rules and regulations) relating to zoning, building, the environment and safety. All material permits, licenses, certifications or other requirements which are necessary for the operation of the Airport System have been obtained.

Notwithstanding the foregoing, I do not pass upon, or express any opinion regarding, the applicability of any approvals, consents and orders as may be required under the "Blue Sky" or securities laws or legal investment laws of any state in connection with the offering and sale of the Series 2024 Bonds or in connection with the registration of the Series 2024 Bonds under the Federal securities laws.

Sincerely yours,

David Behar
Assistant County Attorney

EXHIBIT E

FORM OF CONSENT LETTER OF AIRPORT CONSULTANT

[Closing Date]

To: Board of County Commissioners, Palm Beach County, Florida
J.P. Morgan Securities LLC
RBC Capital Markets, LLC
Raymond James & Associates, Inc.

Re: $[PAR A] Palm Beach County, Florida Airport System Revenue Improvement Bonds, Series 2024A (Non-AMT) and $[PAR B] Palm Beach County, Florida Airport System Revenue Improvement Bonds, Series 2024B (AMT)

Ladies and Gentlemen:

We consent to the inclusion in the Preliminary Official Statement for the Series 2024 Bonds dated _______, 2024 (the "Preliminary Official Statement") and the Official Statement for the Series 2024 Bonds dated [Pricing Date] (the "Official Statement" and, together with the Preliminary Official Statement, the "Offering Documents") relating to the issuance by Palm Beach County, Florida (the "Issuer") of the above captioned Series 2024 Bonds, of the Report of the Airport Consultant, dated __________, 2024 (the "Report") which appears in Appendix B of the Offering Documents and to references to us and to the Report contained in the Offering Documents. Further, we hereby state that to the best of our knowledge: (i) the statements made and the information presented in the Report, and elsewhere in the Offering Documents, which are attributed to us, are, in light of the circumstances under which they were made, accurate and complete in all material respects and correctly reflect items which are within the scope of our professional relationship with the Issuer; and (ii) no facts came to our attention that caused us to believe that the statements made and the information presented in the Report attached to the Offering Documents as Appendix B and in the Offering Documents under the caption "AIRPORT CONSULTANT" contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements made and the information presented therein, in light of the circumstances under which they were made, not misleading.

RICONDO & ASSOCIATES, INC.

By:_______________________________
Name:_____________________________
Title:_____________________________

EXHIBIT C

FORM OF PRELIMINARY OFFICIAL STATEMENT

700624398v13

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER __, 2024

NEW ISSUE – BOOK-ENTRY ONLY **RATINGS: See "Ratings" herein**

In the opinion of Bond Counsel to the County to be delivered upon the issuance of the Series 2024 Bonds (as herein defined), under existing law and assuming continuing compliance by the County with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be met subsequent to the issuance of the Series 2024 Bonds, with which the County has certified, represented and covenanted its compliance, (i) interest on the Series 2024 Bonds is excludable from gross income for federal income tax purposes, except for interest on any Series 2024B Bonds (as herein defined) for any period during which such Series 2024B Bonds are held by a person who is a "substantial user" of the facilities financed with a portion of the proceeds of the Series 2024B Bonds or a "related person," as those terms are used in Section 147(a) of the Code; (ii) interest on the Series 2024A Bonds (as herein defined) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; (iii) interest on the Series 2024B Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; (iv) in the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on applicable corporations (as defined in Section 59(k) of the Code), interest on the Series 2024 Bonds is not excluded from the determination of adjusted financial statement income; and (v) the Series 2024 Bonds and the income thereon will not be subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in said Chapter 220. See "TAX MATTERS" for a description of certain other tax consequences to the Series 2024 Bonds.

$_______________*
PALM BEACH COUNTY, FLORIDA
Airport System Revenue Improvement Bonds, Series 2024A (Non-AMT)

$_______________*
PALM BEACH COUNTY, FLORIDA
Airport System Revenue Improvement Bonds, Series 2024B (AMT)

Dated: Date of Delivery **Due: October 1, as shown on the inside covers**

The Palm Beach County, Florida $_______________* Airport System Revenue Improvement Bonds, Series 2024A (Non-AMT) (the "Series 2024A Bonds") and $_______________* Airport System Revenue Improvement Bonds, Series 2024B (AMT) (the "Series 2024B Bonds," which together with the Series 2024A Bonds are collectively referred to herein as the "Series 2024 Bonds") are being issued as fully registered bonds and will be initially issued to and registered only in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository for the Series 2024 Bonds. The Series 2024 Bonds will be available to purchasers in principal denominations of $5,000 and integral multiples thereof under the book-entry system maintained by DTC through brokers and dealers who are or act through, DTC Participants (as defined herein). Purchasers will not receive physical delivery of the Series 2024 Bonds. For so long as any purchaser is the Beneficial Owner (as defined herein) of a Series 2024 Bond, such purchaser must maintain an account with a broker or dealer who is, or acts through, a DTC Participant in order to receive payment of the principal of and interest on such Series 2024 Bond. See the caption "BOOK-ENTRY ONLY SYSTEM," herein. All capitalized terms not otherwise defined herein have the meanings ascribed thereto in the Bond Resolution referenced below.

Interest on the Series 2024 Bonds is payable April 1, 2025 and on each April 1 and October 1 thereafter until maturity. Certain of the Series 2024 Bonds are subject to redemption prior to their stated dates of maturity. See "REDEMPTION PROVISIONS," herein.

The Series 2024 Bonds are being issued by Palm Beach County, Florida (the "County" or the "Issuer") pursuant to the Palm Beach County Airport System Revenue Bond Resolution No. R-84-1659 (the "Original Bond Resolution") adopted by the Board of County Commissioners of Palm Beach County, Florida (the "Board") on November 1, 1984, as amended and supplemented from time to time and in particular as supplemented by Resolution No. R-2024-_____ adopted by the Board on September 17, 2024 (the "Sixteenth Supplemental Bond

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* Preliminary, subject to change.

Resolution" and, together with the Original Bond Resolution, as amended and supplemented, the "Bond Resolution") for the purpose of providing the moneys which, together with other funds legally available therefor, as will be sufficient (a) to pay the cost of the Series 2024 Projects (as defined herein), (b) to fund the Series 2024 Debt Service Subaccount in an amount equal to the Series 2024 Debt Service Reserve Requirement (as herein defined) through the deposit of a Debt Service Reserve Account Insurance Policy or proceeds of the Series 2024 Bonds, and (c) to pay certain costs of issuance of the Series 2024 Bonds including, without limitation, if applicable, the premium on any municipal bond insurance policy with respect to all or a portion of the Series 2024 Bonds and the premium for the Series 2024 Debt Service Reserve Account Insurance Policy, if so obtained. The Series 2024 Bonds will be secured on a parity with the County's outstanding Airport System Revenue Refunding Bonds, Series 2016 (AMT) to the extent provided in the Bond Resolution and any Additional Bonds and Refunding Bonds issued and Outstanding pursuant to the Bond Resolution (collectively, the "Bonds"); provided, however, the Series 2024 Bonds shall not have a lien or claim on the 2016 Reserve Policy (as defined herein) or any fund or Subaccount in the Debt Service Reserve Account other than the Series 2024 Debt Service Reserve Subaccount. See "SECURITY FOR THE SERIES 2024 BONDS – Debt Service Reserve Account" herein.

The County may insure all, a portion or none of the Series 2024 Bonds. The County will make the determination whether to purchase a municipal bond insurance policy at the time the Series 2024 Bonds are priced. See "SECURITY FOR THE SERIES 2024 BONDS – Bond Insurance Policy Option" herein.

The principal of and interest on the Bonds (as defined herein) are payable from and secured by a pledge of all Net Revenues Available for Debt Service (as defined herein), and all Funds and Accounts established by the Bond Resolution, as provided in the Bond Resolution, except to the extent a Debt Service Reserve Subaccount secures only a specific Series of Bonds as permitted by the Bond Resolution, or, in the case a specific Series of Bonds is not secured by the Debt Service Reserve Account or a Subaccount therein. See "SECURITY FOR THE SERIES 2024 BONDS" herein.

THE FULL FAITH AND CREDIT OF THE COUNTY IS NOT PLEDGED FOR THE PAYMENT OF THE SERIES 2024 BONDS AND THE SERIES 2024 BONDS DO NOT CONSTITUTE INDEBTEDNESS OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR OTHER PROVISION OR LIMITATION; NO SERIES 2024 BONDHOLDER SHALL EVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE COUNTY OR TAXATION IN ANY FORM OF ANY REAL PROPERTY THEREIN FOR THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE SERIES 2024 BONDS OR THE MAKING OF ANY SINKING FUND OR RESERVE PAYMENTS PROVIDED FOR IN THE BOND RESOLUTION.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THE ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

SEE THE INSIDE COVER PAGES FOR MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES, YIELDS AND INITIAL CUSIP NUMBERS.

The Series 2024 Bonds are offered when, as and if issued and received by the Underwriters, subject to the opinion as to the validity of the Series 2024 Bonds by Greenberg Traurig, P.A., West Palm Beach, Florida, Bond Counsel. Locke Lord LLP, West Palm Beach, Florida, is Disclosure Counsel to the County with respect to the Series 2024 Bonds. The County is represented by the Office of the County Attorney. The Underwriters are represented by Squire Patton Boggs (US) LLP. The Series 2024 Bonds are expected to be delivered through the facilities of DTC on or about November 1, 2024.

Dated: October __, 2024

J.P. MORGAN

RBC CAPITAL MARKETS **RAYMOND JAMES**

[Red Herring Language]

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. The Series 2024 Bonds may not be sold nor may offers to buy the Series 2024 Bonds be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy the Series 2024 Bonds in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. The County has deemed this Preliminary Official Statement "final," except for certain permitted omissions within the contemplation of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

$______________*

PALM BEACH COUNTY, FLORIDA
Airport System Revenue Improvement Bonds, Series 2024A (Non-AMT)

$______________ **Serial Series 2024A Bonds**

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS, PRICES AND INITIAL CUSIP NUMBERS

Maturity (October 1)	Principal Amount	Interest Rate	Yield	Price	Initial CUSIP Number[1]

_____ Term Series 2024A Bond Due October 1, 20___ at ___% Interest Rate; ______% Price; ___% Yield; Initial CUSIP Number

* Preliminary, subject to change.

[1] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standards & Poor's Financial Services LLC on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers are included herein solely for the convenience of the purchasers of the Series 2024 Bonds. Neither the County nor the Underwriters shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.

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$_______________*

PALM BEACH COUNTY, FLORIDA
Airport System Revenue Improvement Bonds, Series 2024B (AMT)

$_______________ Serial Series 2024B Bonds

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS, PRICES AND INITIAL CUSIP NUMBERS

Maturity (October 1)	Principal Amount	Interest Rate	Yield	Price	Initial CUSIP Number[2]

____ Term Series 2024A Bond Due October 1, 20___ at ___% Interest Rate; _____% Price; ___% Yield; Initial CUSIP Number

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* Preliminary, subject to change.

[2] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standards & Poor's Financial Services LLC on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers are included herein solely for the convenience of the purchasers of the Series 2024 Bonds. Neither the County nor the Underwriters shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.

PALM BEACH COUNTY, FLORIDA
301 N. Olive Avenue
West Palm Beach, FL 33401
(561) 355-2030

BOARD OF COUNTY COMMISSIONERS
MARIA SACHS, Mayor
MARIA G. MARINO, Vice Mayor

MACK BERNARD, Commissioner
GREGG K. WEISS, Commissioner
MICHAEL A. BARNETT, Commissioner
MARCI WOODWARD, Commissioner
SARA BAXTER, Commissioner

County Administrator
VERDENIA C. BAKER

County Attorney
DENISE COFFMAN, ESQ.

Clerk & Comptroller
JOSEPH ABRUZZO

Debt Manager
MARK BRAUN

Department of Airports Director
LAURA BEEBE

Financial Advisor
PFM FINANCIAL ADVISORS LLC

Bond Counsel
GREENBERG TRAURIG, P.A.

Disclosure Counsel
LOCKE LORD LLP

Airport Consultant
RICONDO & ASSOCIATES, INC.

No dealer, broker, salesman or any other person has been authorized to give any information or to make any representations, other than those contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been authorized by the County or the Underwriters (as herein defined). This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any of the Series 2024 Bonds, nor shall there be any sale of the Series 2024 Bonds by any persons in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. Except as otherwise indicated, the information contained in this Official Statement, including the inside front cover, pages and appendices, has been obtained from the County, the Financial Advisor (as defined herein), DTC, the Airport Consultant (as defined herein) and from public documents, records and other sources considered reliable, but is not guaranteed as to accuracy or completeness. Certain information relative to the pricing of the Series 2024 Bonds and under the heading "UNDERWRITING" has been provided by the Underwriters. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County since the date hereof.

THE UNDERWRITERS HAVE PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT. THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, THEIR RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

The order and placement of materials in this Official Statement, including the Appendices, are not to be deemed a determination of relevance, materially or importance, and this Official Statement, including the Appendices, must be considered in its entirety. The captions and headings in this Official Statement are for convenience only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provisions or sections in this Official Statement. The offering of the Series 2024 Bonds is made only by means of this entire Official Statement.

References to website addresses presented in this Official Statement are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements generally are identifiable by the terminology used, such as "plan," "expect," "estimate," "project," "forecast," "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The County does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur.

THE SERIES 2024 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, NOR HAS THE BOND RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SERIES 2024 BONDS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THE UNDERWRITERS MAY OFFER AND SELL THE SERIES 2024 BONDS TO CERTAIN DEALERS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGES OF THIS OFFICIAL STATEMENT, AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

THIS OFFICIAL STATEMENT SHALL NOT CONSTITUTE A CONTRACT BETWEEN THE COUNTY OR THE UNDERWRITERS AND ANY ONE OR MORE HOLDERS OF THE SERIES 2024 BONDS.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITES: WWW.MUNIOS.COM OR WWW.EMMA.MSRB.ORG. THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR IF IT IS PRINTED IN FULL DIRECTLY FROM SUCH WEBSITE.

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OFFICIAL STATEMENT

**$________________*
PALM BEACH COUNTY, FLORIDA
Airport System Revenue Improvement Bonds, Series 2024A (Non-AMT)**

**$________________*
PALM BEACH COUNTY, FLORIDA
Airport System Revenue Improvement Bonds, Series 2024B (AMT)**

INTRODUCTION

The purpose of this Official Statement, including the cover page and Appendices, is to set forth certain information relating to Palm Beach County, Florida (the "County" or the "Issuer") and the issuance by the County of its $__________________* Airport System Revenue Improvement Bonds, Series 2024A (Non-AMT) (the "Series 2024A Bonds") and $__________________* Airport System Revenue Improvement Bonds, Series 2024B (AMT) (the "Series 2024B Bonds," which together with the Series 2024A Bonds are collectively referred to herein as the "Series 2024 Bonds"). The Series 2024 Bonds are being issued pursuant to the Constitution and laws of the State of Florida, including particularly Chapters 125 and 166, Florida Statutes, the County Charter and other applicable provisions of law (collectively the "Act"), and pursuant to the Palm Beach County Airport System Revenue Bond Resolution No. R-84-1659 (the "Original Bond Resolution") adopted by the Board of County Commissioners of Palm Beach County, Florida (the "Board") on November 1, 1984, as amended and supplemented from time to time and in particular as supplemented by Resolution No. R-2024-_____ adopted by the Board on September 17, 2024 (the "Sixteenth Supplemental Bond Resolution" and, together with the Original Bond Resolution, as amended and supplemented, the "Bond Resolution").

Capitalized terms not otherwise defined in this Official Statement shall have the same meanings assigned to such terms in the Bond Resolution. (See APPENDIX A -- "SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION - Selected Definitions.") This Official Statement also includes information about the County and certain reports and other statistical data. The summaries and references to all documents, statutes, reports and other instruments referred to herein do not purport to be complete, comprehensive or definitive. Each summary and reference is qualified in its entirety by reference to each such document, statute, report or instrument.

PURPOSE OF THE SERIES 2024 BONDS

The Series 2024 Bonds are being issued by the County for the purpose of providing the moneys which, together with other funds legally available therefor, as will be sufficient to (a) finance the design, acquisition, construction, installation and/or equipping of certain facilities and improvements relating to the Airport System (as described below) (the "Series 2024 Projects") at Palm Beach International Airport ("PBI" or "Airport"), (b) to fund the Series 2024

* Preliminary, subject to change.

Debt Service Subaccount in an amount equal to the Series 2024 Debt Service Reserve Requirement (as herein defined) through the deposit of a Debt Service Reserve Account Insurance Policy or proceeds of the Series 2024 Bonds, and (c) to pay certain costs of issuance of the Series 2024 Bonds including, without limitation, if applicable, the premium on any municipal bond insurance policy with respect to all or a portion of the Series 2024 Bonds and the premium for the Series 2024 Debt Service Reserve Account Insurance Policy, if so obtained. Certain components of the 2024 Projects will be financed with a portion of the proceeds of the Series 2024A Bonds with the balance of the 2024 Projects being financed with a portion of the proceeds of the Series 2024B Bonds, together in both cases, with other available sources of funding. The Series 2024 Bonds will be secured on a parity by a pledge of all Net Revenues Available for Debt Service, as provided in the Bond Resolution, with the County's outstanding Airport System Revenue Refunding Bonds, Series 2016 (AMT) (the "Series 2016 Bonds") to the extent provided in the Bond Resolution, and any Additional Bonds and Refunding Bonds issued pursuant to the Bond Resolution (collectively with the Series 2024 Bonds, the "Bonds"). See "SECURITY FOR THE SERIES 2024 BONDS," herein.

SERIES 2024 PROJECTS

The Series 2024 Projects shall consist of the design, acquisition, construction, installation and/or equipping of certain facilities and improvements relating to the Airport System, consisting of the following, all of which are located at PBI in the City of West Palm Beach, Florida: (i) improvements to PBI Concourse B, (ii) the replacement of the Aircraft Rescue and Fire Fighting facility – Station 81 and (iii) replacement of a revenue control building that supports PBI's public parking facilities and facilities functionally related and subordinate thereto. See "CAPITAL IMPROVEMENT PROGRAM" herein and the REPORT OF THE AIRPORT CONSULTANT attached hereto as Appendix B for a further description of the County's Airport System, the capital improvement program and the various capital improvements therein comprising the Series 2024 Projects.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

ESTIMATED SOURCES AND USES OF FUNDS

	Series 2024A	Series 2024B	Total
Sources of Funds:			
Par Amount	$	$	$
[Plus/Less] Original Issue [Premium/Discount]			
Other Legally Available Moneys			
Total Sources	$	$	$
Use of Funds:			
Deposit to the Construction Fund (Non-AMT Subaccount)	$	$	$
Deposit to the Construction Fund (AMT Subaccount)			
[Deposit to Series 2024 Debt Service Reserve Subaccount]			
Cost of Issuance(1)			
Total Uses	$	$	$

(1) Includes legal fees, financial advisor fees, Underwriters' discount, printing costs, ratings fees and other costs of issuance, including, if applicable, premiums for the Series 2024 Debt Service Reserve Account Policy (in lieu of deposit of cash to the Series 2024 Debt Service Reserve Subaccount) and any municipal bond insurance policy with respect to the Series 2024 Bonds, if so obtained.

DESCRIPTION OF THE SERIES 2024 BONDS

General Description

The Series 2024 Bonds will be issued as fully registered bonds and will be initially registered to Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository for the Series 2024 Bonds. Individual purchases of the Series 2024 Bonds will be made in book-entry form only, and the purchasers will not receive physical delivery of the Series 2024 Bonds or any certificate representing their beneficial ownership interest in the Series 2024 Bonds. See "BOOK-ENTRY ONLY SYSTEM" herein. The Bank of New York Mellon Trust Company, N.A. is Trustee, Bond Registrar and Paying Agent for the Series 2024 Bonds.

The Series 2024 Bonds shall be dated their date of delivery, and shall bear interest from that date at the rates (calculated based upon a year of 360 days consisting of twelve (12) thirty (30) day months) and shall mature on the dates and in the amounts set forth on the inside cover pages of this Official Statement. The Series 2024 Bonds are current interest bonds and shall be available to the purchasers thereof in denominations of $5,000 or any integral multiple thereof.

Interest on the Series 2024 Bonds will be payable semi-annually on April 1 and October 1 of each year, commencing on April 1, 2025.

Principal of the Series 2024 Bonds shall be payable to the registered owners of the Series 2024 Bonds upon presentation and surrender of the Series 2024 Bonds as they become due at the designated corporate trust office of the Paying Agent. Except as otherwise described under the heading "BOOK-ENTRY ONLY SYSTEM" and as otherwise set forth in the Bond Resolution with respect to defaulted interest, interest on the Series 2024 Bonds on any Interest Payment Date shall be payable by check, draft or wire of the Paying Agent, mailed on such Interest Payment Date to the registered owners thereof, as the case may be, as of the close of business on the fifteenth day (whether or not a business day) of the month next preceding an Interest Payment Date (the "Record Date") at the address of such registered owners as they shall appear on the registration books of the County maintained by the Bond Registrar pursuant to the Bond Resolution, except that if and to the extent that there shall be a default in the payment of the interest due on such Interest Payment Date, such defaulted interest shall be paid to the owners in whose name any such Series 2024 Bonds (or any such Series 2024 Bonds issued upon transfer of exchange thereof) are registered at the close of business on the fifth business day next preceding the date of payment of such defaulted interest. Payment as aforesaid is required to be made in such coin or currency of the United States of America as, at the respective times of payment, shall be legal tender for the payment of public and private debts.

REDEMPTION PROVISIONS

Optional Redemption

The Series 2024 Bonds maturing on and prior to October 1, 20__, are not redeemable prior to their stated dates of maturity. The Series 2024 Bonds or portions thereof maturing on October 1, 20__, and thereafter, are redeemable prior to their stated dates of maturity, at the option of the County, in whole or in part on October 1, 20__, and on any date thereafter, at a price equal to the par amount thereof, together with accrued interest to the redemption date.

Mandatory Redemption

The Series 2024A Bonds maturing on October 1, 20___ are subject to mandatory redemption in part prior to maturity, by lot, at a redemption price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption, on October 1 in the following year and in the following amounts:

Year	Principal Amount

*Final Maturity.

The Series 2024B Bonds maturing on October 1, 20___ are subject to mandatory redemption in part prior to maturity, by lot, at a redemption price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the date of redemption, on October 1 in the following year and in the following amounts:

Year	Principal Amount

*Final Maturity.

Selection of Series 2024 Bonds to be Redeemed

A redemption of any Series of the Series 2024 Bonds shall be a redemption of the whole or of any part of such Series from any funds available for that purpose in accordance with the provisions of the Bond Resolution; provided there shall be no partial redemption of less than $5,000 principal amount of such Series. If less than all of the Series 2024 Bonds of a like maturity and Series shall be called for redemption, the particular Series 2024 Bonds of such maturity and Series or portion thereof to be redeemed shall be selected by the Bond Registrar, in such manner as the Bond Registrar in its discretion may deem fair and appropriate, in the principal amount designated to the Bond Registrar by the County or otherwise as required by the Bond Resolution; provided, further that the portion of any Series 2024 Bonds to be redeemed in part shall be in the principal amount of $5,000 or some integral multiple thereof and that, in selecting the Series 2024 Bonds for redemption, the Bond Registrar shall treat each such Series of a Series 2024 Bond as representing that number of the Series 2024 Bonds which is obtained by dividing the principal amount of such Series 2024 Bonds by $5,000 (such amount being hereinafter referred to as the "unit of principal amount"). If it is determined that one or more, but not all, of the units of principal amount represented by any such Series 2024 Bonds is to be called for redemption, then, upon notice of intention to redeem such one or more units of principal amount, the registered owner of such Series 2024 Bonds, upon surrender of such Series 2024 Bonds to the Paying Agent for payment to such registered owner of the Redemption Price of the unit or units of principal amount called for redemption, shall be entitled to receive a new Series 2024 Bond or Series 2024 Bonds of such Series in the aggregate principal amount of such Bonds. New Series 2024 Bonds, representing the unredeemed balance of the principal amount of such Series 2024 Bonds shall be issued to the registered owner thereof without charge therefor. If the registered owner of any such Series 2024 Bonds of a denomination greater that the unit or units of principal amount called for redemption shall fail to present such Series 2024 Bonds to the Paying Agent for payment and exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the unit or units of principal amount called for redemption (and to that extent only). The aforementioned transfer provisions shall not be applicable when the Series 2024 Bonds are registered pursuant to the herein described Book-Entry Only System.

Procedure for Redemption of Series 2024 Bonds

The County shall give written notice to the Trustee and Bond Registrar of its election or direction to redeem Series 2024 Bonds not less than thirty-five (35) days prior to the date fixed for redemption, as provided in the Bond Resolution.

In the event any of the Series 2024 Bonds are called for redemption, the Bond Registrar shall give notice, in the name of the County, of the redemption of such Series or portion thereof, which notice shall (i) specify the title of the Series 2024 Bonds and their date of issue and the principal amounts, CUSIP numbers, maturity dates and interest rates of the Series 2024 Bonds to be redeemed, the date of publication, if any, of the redemption notice, the date fixed for redemption, the redemption price, and the name and address of the designated corporate trust office of the Paying Agent at which the amounts due upon redemption will be payable, and, unless all of the Series 2024 Bonds are to be redeemed as a whole, the Series 2024 Bond number and any other letters, numbers or distinguishing marks and the amount of principal of each Series 2024 Bond to be redeemed, (ii) state any condition to such redemption, and (iii) state that on the date fixed for redemption, and upon the satisfaction of any such condition, the Series 2024 Bonds or portions thereof to be redeemed shall cease to bear interest. Such notice may set forth any additional information relating to such redemption.

Notice of redemption of any Series 2024 Bonds shall be mailed, postage prepaid, by the Bond Registrar not less than thirty (30) days before the date fixed for redemption to the registered owners of the Bonds of such Series or portion thereof which are to be redeemed, at their last addresses, if any, as they appear on registration books kept by the Bond Registrar. Failure of the registered owners of any Series 2024 Bonds which are to be redeemed to receive any such notice shall not affect the validity of the proceedings for the redemption of such Series 2024 Bonds, or the validity of the redemption of any Series 2024 Bonds for which proper notice has been given.

Any Series 2024 Bonds which have been duly selected for redemption and which are deemed to be paid in accordance with the Bond Resolution shall cease to bear interest on the date fixed for redemption, and on such date shall cease to be entitled to any lien, benefit or security under the Bond Resolution and shall cease to be considered as Bonds under the Bond Resolution or as Outstanding for any purpose.

Payment of Redemption Price

For the redemption of any of the Series 2024 Bonds, the County shall cause to be deposited in the Debt Service Account in the Debt Service Fund or an escrow fund an amount sufficient to pay the principal of and interest to the redemption date on such Series 2024 Bonds or portions thereof to be redeemed. Any amount in the Debt Service Account in the Debt Service Fund available on such redemption date for payment of such principal of and accrued interest on such Series 2024 Bonds to be redeemed shall, at the option of the County, be credited against any amount required to be caused to be so deposited in the Debt Service Account in the Debt Service Fund.

BOOK-ENTRY ONLY SYSTEM

THE FOLLOWING INFORMATION CONCERNING THE DEPOSITORY TRUST COMPANY ("DTC") AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE COUNTY BELIEVES TO BE RELIABLE. THE COUNTY, THE UNDERWRITERS AND THE TRUSTEE DO NOT TAKE ANY RESPONSIBILITY FOR THE ACCURACY THEREOF.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2024 BONDS, AS NOMINEE OF DTC, CERTAIN REFERENCES IN THIS OFFICIAL STATEMENT TO THE SERIES 2024 BONDHOLDERS OR REGISTERED OWNERS OF THE SERIES 2024 BONDS SHALL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS OF (AS HEREIN DEFINED) THE SERIES 2024 BONDS. THE DESCRIPTION WHICH FOLLOWS OF THE PROCEDURES AND RECORD KEEPING WITH RESPECT TO BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2024 BONDS, PAYMENT OF INTEREST AND PRINCIPAL ON THE SERIES 2024 BONDS TO DIRECT PARTICIPANTS (AS HEREINAFTER DEFINED) OR BENEFICIAL OWNERS OF THE SERIES 2024 BONDS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2024 BONDS, AND OTHER RELATED TRANSACTIONS BY AND BETWEEN DTC, THE DIRECT PARTICIPANTS (AS HEREIN DEFINED) AND THE INDIRECT PARTICIPANTS (AS HEREIN DEFINED) AND BENEFICIAL OWNERS OF THE SERIES 2024 BONDS IS BASED SOLELY ON INFORMATION FURNISHED BY DTC. ACCORDINGLY, THE COUNTY, THE TRUSTEE AND THE UNDERWRITERS DOES NOT MAKE AND CANNOT MAKE ANY REPRESENTATIONS CONCERNING THESE MATTERS.

DTC will act as securities depository for the Series 2024 Bonds. The Series 2024 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2024 Bond certificate will be issued for each maturity of each Series of the Series 2024 Bonds as set forth on the inside cover pages of this Official Statement in the aggregate principal amount thereof, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Direct Participants and the Indirect Participants are collectively referred to herein as the "DTC Participants." DTC has an S&P Global Ratings ("S&P") rating of AA+. The DTC Rules applicable to its DTC Participants are on file with the Securities and Exchange Commission (the "SEC"). More information about DTC can be found at www.dtcc.com.

Purchases of Series 2024 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2024 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2024 Bondholder ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2024 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2024 Bonds, except in the event that use of the book-entry system for the Series 2024 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2024 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2024 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2024 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2024 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2024 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2024 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Series 2024 Bonds may wish to ascertain that the nominee holding the Series 2024 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2024 Bonds within a maturity of a series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2024 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2024 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Series 2024 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Paying Agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by DTC Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such DTC Participant and not of DTC, the Paying Agent, or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and distributions to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County and/or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2024 Bonds at any time by giving reasonable notice to the County or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, the Series 2024 Bond certificates are required to be printed and delivered.

The County may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository) pursuant to the procedures of DTC. In that event, Series 2024 Bond certificates will be printed and delivered to DTC.

SECURITY FOR THE SERIES 2024 BONDS

Special Obligations

THE FULL FAITH AND CREDIT OF THE COUNTY IS NOT PLEDGED FOR THE PAYMENT OF THE SERIES 2024 BONDS AND THE SERIES 2024 BONDS DO NOT CONSTITUTE INDEBTEDNESS OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR OTHER PROVISION OR LIMITATION; NO BONDHOLDER SHALL EVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE COUNTY OR TAXATION IN ANY FORM OF ANY REAL PROPERTY THEREIN FOR THE

PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE SERIES 2024 BONDS OR THE MAKING OF ANY SINKING FUND OR RESERVE PAYMENTS PROVIDED FOR IN THE BOND RESOLUTION.

Source of Payment

Pursuant to the Bond Resolution, the County irrevocably pledges to the payment of the principal of and interest on the Bonds, all Net Revenues Available for Debt Service, and all Funds and Accounts established by the Bond Resolution, except a Subaccount has been established in the Debt Service Reserve Account that only secures the Series 2024 Bonds. In addition, a Series of Bonds may be issued without being secured by the Debt Service Reserve Account or a Subaccount therein. The Series 2016 Bonds are secured by the Debt Service Reserve Account and the 2016 Reserve Policy (as herein defined) on deposit therein and such 2016 Reserve Policy does not secure the Series 2024 Bonds. In addition, if the County obtains the 2024 Reserve Policy (as herein defined) or cash funds the Series 2024 Debt Service Reserve Subaccount, such policy or cash shall only secure the Series 2024 Bonds. (See "Debt Service Reserve Account," below). The facilities comprising the Airport System have not been pledged to secure payment of the Bonds. As of the date of issuance of the Series 2024 Bonds, the Bonds will consist of the Series 2016 Bonds, currently outstanding in the aggregate principal amount of $46,330,000, and the Series 2024 Bonds.

The County may, at any time after the date of issuance of the Series 2024 Bonds, issue Additional Bonds and Refunding Bonds on a parity with the Outstanding Series 2024 Bonds, upon compliance with the terms of the Bond Resolution. See "Additional Bonds" below.

Net Revenues Available for Debt Service

"Net Revenues Available for Debt Service" under the Bond Resolution means, for any Fiscal Year or period of 12 calendar months, the Revenues during such Fiscal Year or period less Operation and Maintenance Expenses during such Fiscal Year or period.

The Bond Resolution defines "Revenues" as Operating Revenues plus Non-operating Revenues. "Operating Revenues" means all income and revenue from all sources, due and payable to the County in connection with the operation of the Airport System, including without limitation, except as expressly provided in the Bond Resolution, all rentals, charges, landing fees, use charges and concession revenue derived on behalf of the County in its capacity as the operator of the Airport System (as herein defined), or any part thereof. The term "Operating Revenues" excludes revenue relating to Special Purpose Facilities (as such term is defined in the Bond Resolution) and may include, at the option of the County, the proceeds from passenger facilities fees/charges, the proceeds of any noise related surcharges, or the proceeds of any ad valorem tax levied by the County to pay Operating Expenses pursuant to the Act, if any. The County has not elected to include its Passenger Facilities Charges as a part of Operating Revenues to date. See "THE AIRPORT SYSTEM – Passenger Facilities Charges" herein.

Pursuant to the Bond Resolution, "Non-operating Revenues" means any income of the Airport System which is not derived from the basic operation of the Airport System, not restricted in application to a special purpose and otherwise lawfully available to be applied pursuant to the Bond Resolution and includes without limiting the generality of the foregoing, all monies deposited into the Revenue Fund from any Fund or Account established and maintained pursuant to the Bond Resolution, and interest earned on investments and gains on sales of land. Grants received by the County in connection with the Airport System are treated as Non-Operating Revenues.

Pursuant to the Bond Resolution, "Operation and Maintenance Expenses" means Operating Expenses plus Non-operating Expenses, but only to the extent that such charges are made in conformity with Generally Accepted Accounting Principles, including amounts required by the Bond Resolution to be retained in the Revenue Fund for Operating and Maintenance Expenses the payment of which is not then immediately required. "Operation and Maintenance Expenses" shall not include expenses relating to Special Purpose Facilities or depreciation or obsolescence charges or reserves therefor, amortization of intangibles or other bookkeeping entries of a similar nature, interest charges and charges for the payment of principal, or amortization, of bonded or other indebtedness of the County relating to the Airport System, including the Bonds, costs or charges made therefor, for capital additions, replacements, betterments, extensions or improvements to the Airport System which under Generally Accepted Accounting Principles are properly chargeable to the capital account or the reserve for depreciation, and do not include losses from the sale, abandonment, reclassification, revaluation, or other disposition of any properties of the Airport System nor such property items which are capitalized pursuant to the then existing accounting practice of the County, all to the extent properly attributable to the Airport System.

Pursuant to the Bond Resolution, "Operating Expenses" means the County's costs for operation, maintenance and repairs of the Airport System and shall include without limiting the generality of the foregoing, salaries and employees benefits, utility costs, ordinary maintenance, administrative and general expenses and security.

Pursuant to the Bond Resolution, "Non-operating Expenses" means the expenses incurred in the performance of activities not directly related to the ordinary operations of the Airport System and shall include the expenses and compensation of the Fiduciaries (as such term is defined in the Bond Resolution) and consultants required to be paid under the Bond Resolution, all to the extent properly attributable to the Airport System, interest expense and any charges relating to the payment of principal, and shall also include, with respect to the Bonds, the fees, expenses, and other amounts payable to any bank or other institution issuing a letter or credit, a standby-purchase agreement or any other credit or liquidity facility the proceeds of which will be available to be applied to pay the principal of and interest on any Series of Bonds, as well as any indexing agent, depository, or remarketing agent or any other person whose services are required with respect to the issuance of any Variable Interest Rate Bonds or Option Bonds.

Debt Service Reserve Account

General. The Bond Resolution provides for a Debt Service Reserve Account and, at the option of the County, to create and establish one or more Debt Service Reserve Subaccounts therein for the security of certain Bonds; however, pursuant to the terms of the Bond Resolution, the County may elect that neither the Debt Service Reserve Account nor any Debt Service Reserve Subaccount therein will secure any Series of Bonds. The Bond Resolution defines the

Debt Service Reserve Requirement for Bonds secured on a common basis by the Debt Service Reserve Account to mean, as of any date of calculation, (a) an amount of money, securities and/or Debt Service Reserve Account Insurance Policy or Debt Service Reserve Account Policies equal to the Debt Service Reserve Account Requirement for all Outstanding Bonds to be secured on a common basis by the Debt Service Reserve Account (expressly excluding Bonds for which a segregated Debt Service Reserve Subaccount has been established or which are issued without being secured by the Debt Service Reserve Account or a Subaccount therein), subject to any applicable requirements of the Code; provided that for purposes of the foregoing, the interest rate on each Series of Variable Interest Rate Bonds shall be deemed to be a rate equal to The Bond Buyer "Revenue Bond Index" as of the date of issuance of such Series. The Debt Service Reserve Requirement for a Series of Bonds secured by a Debt Service Reserve Subaccount will be determined by the Supplemental Resolution authorizing such Series of Bonds. Any Debt Service Reserve Subaccount shall secure and be available to pay only the Series of Bonds for which it is established, and such Series of Bonds, including the Series 2024 Bonds, shall have no claim on the Debt Service Reserve Account or the 2016 Reserve Policy.

The County has determined that the Series 2024 Bonds will be secured by the Series 2024 Debt Service Reserve Subaccount and neither the 2016 Reserve Policy nor any other funds in the Debt Service Reserve Account or any Subaccount therein (other than the Series 2024 Debt Service Reserve Subaccount) are pledged to the Series 2024 Bonds. The Debt Service Requirement for the Series 2024 Bonds (herein, the "Series 2024 Debt Service Reserve Requirement") shall be equal to the maximum annual debt service on the Series 2024 Bonds or ten percent (10%) of the stated principal amount of the Series 2024 Bonds or the issue price if original issue discount exceeds two percent (2%) of the redemption price of the Series 2024 Bonds at maturity or one hundred twenty-five percent (125%) of average annual debt service on the Series 2024 Bonds, whichever is the least. The Series 2024 Debt Service Reserve Requirement is ______________.

THE SERIES 2024 BONDS SHALL NOT HAVE A LIEN OR CLAIM ON THE 2016 RESERVE POLICY OR THE DEBT SERVICE RESERVE ACCOUNT OTHER THAN THE SERIES 2024 DEBT SERVICE RESERVE SUBACCOUNT.

The Series 2016 Bonds are secured by the Debt Service Reserve Account established under the Bond Resolution. As described below, the 2016 Reserve Policy is currently on deposit to the credit of the Debt Service Reserve Account. The Bond Resolution provides that the issuer of any Debt Service Reserve Account Insurance Policy hereafter deposited to the Debt Service Reserve Account (rather than a Debt Service Reserve Subaccount therein), shall be an insurer whose credit is such that, on the date such insurer issues a commitment to provide such policy, all municipal securities insured or guaranteed by it are then rated, because of such insurance or guarantee, in at least one of the two highest rating categories (without regard to gradations, such as "plus" or "minus" of such categories) by at least one of the following: Moody's Investors Service, Inc., S&P Global Ratings, a division of S&P Global Inc. and/or Fitch Ratings, Inc., and such policy shall be payable (upon the giving of notice as required thereunder) on an interest or principal payment date on which a deficiency exists in the Debt Service Account with respect to any Series of Bonds secured on a common basis by a Debt Service Reserve Account Insurance Policy in the Debt Service Reserve Account.

The Bond Resolution provides that the criteria for the provider of a Debt Service Reserve Account Policy with respect to a segregated Debt Service Reserve Subaccount will be established by the related Supplemental Resolution.

The definition of "Debt Service Reserve Account Insurance Policy" in the Bond Resolution only establishes criteria to be met by the provider thereof on the date of deposit to the Debt Service Reserve Account of the applicable Debt Service Reserve Account Insurance Policy and there are no provisions in the Bond Resolution providing for the replacement thereof following such initial deposit for any reason, including if there is an adverse change in the rating of all municipal securities insured or guaranteed by the provider of the 2016 Reserve Policy, the 2024 Reserve Policy, if so obtained, and/or other Debt Service Reserve Account Insurance Policy deposited to the credit of the Debt Service Reserve Account or Subaccount therein if other circumstances occur that adversely impact the value of such 2016 Reserve Policy and/or other Debt Service Reserve Account Insurance Policy or the ability of the County to obtain payment as a result of claims thereon.

2016 Reserve Policy. On May 17, 2006, MBIA Insurance Corporation ("MBIA Corp.") issued its debt service reserve fund surety bond numbered 479392, referred to herein as the "2016 Reserve Policy," in connection with the County's Airport System Revenue Bonds, Series 2006A Bonds (the "Series 2006A Bonds") and Airport System Taxable Revenue Refunding Bonds, Series 2006B Bonds (the "Series 2006B Bonds"), which 2016 Reserve Policy remains in full force and effect. The 2016 Reserve Policy secures the "Obligations" (as defined therein), which currently consist of the Series 2016 Bonds and any Bonds issued on a parity therewith to the extent the related Supplemental Resolution provides for such Bonds to secured by the common Debt Service Reserve Account (excluding any Subaccounts therein), subject to the maximum limit of the 2016 Reserve Policy ($17,632,517.76), through the stated maturity date of the Existing Reserve Policy, October 1, 2036. On March 1, 2009, the Obligations of MBIA Insurance Corporation under the 2016 Reserve Policy were assumed by Public National Finance Corporation. The 2016 Reserve Policy does not secure the Series 2024 Bonds.

THE SERIES 2024 BONDS SHALL NOT HAVE A LIEN OR CLAIM ON THE 2016 RESERVE POLICY. THE SERIES 2024 BONDS WILL BE SECURED BY 2024 RESERVE POLICY ON DEPOSIT IN THE SERIES 2024 DEBT SERVICE RESERVE SUBACCOUNT AS DESCRIBED BELOW.

2024 Reserve Policy. Pursuant to the Sixteenth Supplemental Bond Resolution, with respect to any Debt Service Reserve Account Insurance Policy on deposit to the credit of the Series 2024 Debt Service Reserve Subaccount, including the 2024 Reserve Policy, the issuer providing such Debt Service Reserve Account Insurance Policy shall be an insurer (herein the "2024 Reserve Account Provider") whose credit is such that, on the date such insurer issues a commitment to provide such 2024 Reserve Policy, all municipal securities insured or guaranteed by it are then rated, because of such insurance or guarantee, in at least one of the three highest rating categories (without regard to gradations, such as "plus" or "minus" of such categories) by at least one of the following: Moody's Investor Service, Inc., S&P Global Ratings and/or Fitch Ratings, and such 2024 Reserve Policy shall be payable (upon the giving of notice as required thereunder) on an interest or principal payment date on which a deficiency exists in the Series 2024 Debt Service Reserve Subaccount. Following the initial deposit of the 2024 Reserve Policy, to the credit of the Series 2024 Debt Service Reserve Subaccount, the County shall not be required to replace such 2024 Reserve Policy by depositing cash or another qualifying Debt Service Reserve Insurance Policy to the Series 2024 Debt Service Reserve Subaccount for any reason, including, without limitation, if there is an adverse change in the rating of all municipal securities insured or guaranteed by the 2024 Reserve Policy Provider of such 2024 Reserve Policy or if other circumstances occur that adversely impact the value of such 2024 Reserve Policy or the ability of the County to obtain payment as a result of claims thereon.

[Application has been made to the _______________ ("Insurer" or "_____________") for a commitment to issue a surety bond (the "2024 Reserve Policy"). The 2024 Reserve Policy will provide that upon notice from the Paying Agent to the Insurer to the effect that insufficient amounts are on deposit in the Series 2024 Debt Service Reserve Subaccount to pay the principal of (at maturity or pursuant to mandatory redemption requirements) and interest on the Series 2024 Bonds the Insurer will promptly deposit with the Paying Agent an amount sufficient to pay the principal of and interest on the Series 2024 Bonds or the available amount of the 2024 Reserve Policy, whichever is less. Upon the later of: (i) three (3) days after receipt by the Insurer of a Demand for Payment in the form attached to the 2024 Reserve Policy, duly executed by the Paying Agent; or (ii) the payment date of the Series 2024 Bonds as specified \in the Demand for Payment (as defined in the 2024 Reserve Policy) presented by the Paying Agent to the Insurer, the Insurer will make a deposit of funds in an account with _____________ or its successor, sufficient for the payment to the Paying Agent, of amounts which are then due to the Paying Agent (as specified in the Demand for Payment) subject to the Surety Bond Coverage (as defined in the 2024 Reserve Policy).

The available amount of the 2024 Reserve Policy, if so obtained, is equal to the Series 2024 Debt Service Reserve Requirement, less the amount of any previous deposits by the Insurer with the Paying Agent which have not been reimbursed by the County. The County and the Insurer will enter into a [Financial Guaranty Agreement] prior to the issuance of the Series 2024 Bonds (the "Guaranty Agreement"). Pursuant to the Guaranty Agreement, the deposit made by the Insurer with the Paying Agent under the 2024 Reserve Policy [sets forth the reimbursement obligation of the County]. Such reimbursement shall be made only after all required deposits for Operation and Maintenance Expenses, including required reserves and to the Debt Service Account have been made as required by the Bond Resolution.

Under the terms of the Guaranty Agreement, the [County upon notice from the Paying Agent] is required to reimburse the Insurer, with interest, until the face amount of the 2024 Reserve Policy is reinstated. No optional redemption of Series 2024 Bonds may be made until the Insurer's 2024 Reserve Policy is reinstated. The 2024 Reserve Policy will be held by the Paying Agent in the Series 2024 Debt Service Subaccount and is provided as an alternative to the County depositing funds equal to the Debt Service Reserve Requirement for the Series 2024 Bonds. The premium for the 2024 Reserve Policy will be fully paid by the County at the time of delivery of the Series 2024 Bonds.]

See "Application and Use of Revenues" and "APPENDIX A -- SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION" for additional information relating to the Debt Service Reserve Account.

Rate Maintenance Covenant

Pursuant to the Bond Resolution, the County covenants that it will fix, charge and collect rates, fees, rentals, and charges for the use of the Airport System, and shall revise such rates, fees, rentals and charges as often as may be necessary or appropriate to produce Revenues in each Fiscal Year at least equal to the sum of (x) Operation and Maintenance Expenses, including reserves therefor provided for in the Annual Budget, plus (y) the greater of (A) an amount equal to the sum of 1.25 times the Aggregate Debt Service for such Fiscal Year, or (B) the sum of (i) the amount to be paid during such Fiscal Year into the Debt Service Account, plus (ii) the amount, if any, to be paid during such Fiscal Year into the Debt Service Reserve Account and any Debt Service Reserve Subaccount therein (including amounts payable to the issuer of any Debt Service Reserve Account Insurance Policy and excluding amounts required to be paid into such account out of the proceeds of Bonds), plus (iii) the amount, if any, to be paid into the Renewal and Replacement Fund as provided in the Annual Budget; plus (iv) all other charges and liens whatsoever payable out of Revenues during such Fiscal Year, plus (v) to the extent not otherwise provided for, all amounts payable on Subordinated Indebtedness (herein, the "Rate Maintenance Covenant").

The County is in compliance with the foregoing covenant. Debt service coverage in Fiscal Year 2023 was 9.6 times Aggregate Debt Service. Taking into account the Series 2024 Bonds, Debt service Coverage will ___ times Aggregate Debt Service.

If, in any such Fiscal Year, Revenues are less than the amount specified above, the County shall take action to revise its rates, fees, rentals and charges, or alter its methods of operation or take other action in such manner as is calculated to produce the amount so required in such period.

If the audit report required under the Bond Resolution for any Fiscal Year should indicate that the County has not satisfied its obligations under the Rate Maintenance Covenant described in the second preceding paragraph, then within 15 days of the receipt of the audit report for such Fiscal Year, the Airport Consultant (as herein defined) shall review and analyze the financial status and the administration and operations of the Airport System, shall inspect the properties constituting the Airport System, and shall submit to the Board and the County Clerk, within 60 days thereafter, a written report on the same, including the action taken by the County with respect to the revisions of its rates, fees, rentals and charges, which report may contain recommendations of further revisions of the rates, fees, rentals, charges, and methods of operation of the Airport System that will result in producing the amount so required in the following twelve-month period commencing October 1 and ending on the next succeeding September 30. Promptly upon its receipt of such recommendations the County shall transmit copies thereof to each Bondholder who shall have requested the same and shall take such further action to revise its rates, fees, rentals and charges, or alter its method of operation or take other action in such manner as is calculated to produce the amount so required in such period.

In the event the County shall fail to take action as specified above, the Holders of not less than 25% in principal amount of all Bonds Outstanding may institute and prosecute an action or proceeding in any court or before any board or commission having jurisdiction to compel the County to comply with such requirements.

Budget Procedures

The Bond Resolution requires the County to prepare for each Fiscal Year an Annual Budget with respect to the Airport System for the ensuing Fiscal Year. Such Annual Budget shall set forth in reasonable detail: the estimated Revenues and Operation and Maintenance Expenses for the Airport System for such Fiscal Year; the estimated amounts to be deposited during such Fiscal Year in each of the Funds and Accounts established under the Bond Resolution and the estimated expenditures for the replacement of capital assets or any unusual or extraordinary maintenance or repairs, for the building and constructing of permanent improvements, alterations, buildings and other structures, including runways, taxi strips and aprons of the Airport System. The County may at any time adopt an amended Annual Budget for the remainder of the then current Fiscal Year.

Airline Agreements

The County has entered into the Signatory Airline Agreements (collectively, the "Airline Agreements") with Delta Air Lines, American Airlines, United Airlines, JetBlue Airways, Southwest Airlines, BahamasAir, Frontier Airlines, Federal Express and United Parcel Service (the "Signatory Airlines."). See "THE AIRPORT SYSTEM - Airline Agreements" for a more complete description. The Airline Agreements became effective on or after October 1, 2019, and expires on September 30, 2026, unless sooner terminated. Independent of the expiration or termination of the Airline Agreements, the County's obligation to meet the Rate Maintenance Covenant described above remains so long as any Bonds are Outstanding.

The Airline Agreements define the terms for use of PBI and its facilities; procedures for calculating and establishing airline rates and charges; approval of certain capital expenditures; and maintenance and operation of PBI.

Under the current Airline Agreements, airfield revenues are credited towards the Signatory Airline's net requirement (i.e., residual rate setting methodology). The terminal cost center expenditure requirements are wholly payable by airline rents (i.e., compensatory rate setting methodology). The County has the ability under the Airline Agreements to adjust airline rates and charges at any time throughout the year if the County determines a rate adjustment is required resulting in an increase of 10% or more, or in order to ensure that the County meets the Rate Maintenance Covenant requirements under the Bond Resolution. The rates, fees, rentals, and charges are reviewed at least annually and adjusted as necessary.

The Airline Agreements have not been, and will not be, assigned or pledged as security for the Bonds. Upon expiration of the Airline Agreements, the County will be required to establish rates and charges in amounts necessary to pay Debt Service on the Bonds and to meet the County's obligations under the Bond Resolution, including, without limitation, the Rate Maintenance Covenant described herein.

Application and Use of Revenues

The Bond Resolution creates six funds designated the Construction Fund, the Revenue Fund, the Debt Service Fund (consisting of a Debt Service Account and the Debt Service Reserve Account, and any Debt Service Reserve Subaccount), the Renewal and Replacement

Fund, the Subordinated Bond Fund and the Improvement and Development Fund. The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") holds the Debt Service Fund, the Construction Fund and the Subordinated Bond Fund. The County holds all of the other Funds.

The Bond Resolution provides that a Supplemental Resolution may establish a Debt Service Reserve Subaccount within the Debt Service Reserve Account that shall secure only the particular Series of Bonds for which it is established, and such Debt Service Reserve Subaccount shall not be included within the meaning of "Funds and Accounts" pledged to or otherwise available for payment of any other Series of Bonds, and provides further that a Series of Bonds may be issued without being secured by the Debt Service Reserve Account or a Subaccount therein, in which case neither the Debt Service Reserve Account nor any Subaccount therein shall be included within the meaning of "Funds and Accounts" pledged to such Series of Bonds. Any Series of Bonds issued under the Bond Resolution which is not secured by the Debt Service Reserve Account or a Debt Service Reserve Subaccount therein shall have no claim on any monies and/or any Debt Service Reserve Account Insurance Policy in the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein, including, without limitation, the Existing Reserve Policy.

All Revenues of the Airport System are deposited as received in the Revenue Fund and applied in the following manner:

(a) From time to time, to the payment of Operation and Maintenance Expenses.

(b) From time to time, to the maintenance of an operation and maintenance reserve in an amount that is equal to 1/6th of the amount appropriated in the Annual Budget for Operation and Maintenance Expenses for the then current Fiscal Year (unless reduced by Supplemental Resolution, provided that the reserve shall never be less than 1/20th of the amount appropriated in the Annual Budget for Operation and Maintenance Expenses in the current Fiscal Year). Amounts in such reserve are to be used to make up deficiencies in the Debt Service Account, the Debt Service Reserve Account in the Debt Service Fund and in any Debt Service Reserve Subaccount therein (provided, however, if there are insufficient amounts to fully restore the Debt Service Reserve Account and any Debt Service Reserve Subaccount to the applicable Debt Service Reserve Requirement, the amount available to be applied shall be allocated pro rata among the Debt Service Reserve Account and any Debt Service Reserve Subaccount in which a deficiency exists based upon the amounts withdrawn from the Debt Service Reserve Account and each such Debt Service Reserve Subaccount), the Renewal and Replacement Fund and the Subordinated Bond Fund. Any balance not so used is to be deposited in the Improvement and Development Fund.

(c) Monthly, to the Debt Service Fund: (i) for credit to the Debt Service Account, the amount, if any, required so that the balance in said Account shall be equal to the Accrued Aggregate Debt Service as of the last day of the then current calendar month or, if interest and/or principal are required to be paid to holders of Bonds during the next succeeding calendar month or a day other than the first day of such calendar month, Accrued Aggregate Debt Service as of the day through and including which such interest and/or principal is required to be paid; provided that, for the purposes of computing the amount to be deposited in said Account, there shall be excluded from the calculation of the balance in said Account the amount, if any, set aside in the Debt Service Account from the proceeds of Bonds for the payment of interest on Bonds, less the amount of such Proceeds to be applied in accordance with the Bond Resolution to the payment of interest accrued and unpaid and to accrue on Bonds through the last day of the then current calendar month or, if interest is required to be paid to holders of Bonds during the next succeeding calendar month on the day other than the first day of such calendar month less that amount of such proceeds to be applied in accordance with the Bond Resolution of the payment of interest accrued and unpaid and to accrue on such Bonds to the day through and including which such interest is required to be paid and (ii) if the Debt Service Reserve Account or a Debt Service Reserve Subaccount therein has not been funded to the applicable Debt Service Reserve Requirement upon the issuance of a Series of Bonds secured thereby, for credit to the Debt Service Reserve Account or such Debt Service Reserve Subaccount therein, an amount not less than 1/60th of the difference between the balance in the Debt Service Reserve Account or Subaccount (including the amount of any Debt Service Reserve Account Insurance Policy) on the date of issuance of such Series of Bonds and the applicable Debt Service Reserve Requirement until the amount on deposit therein equals the applicable Debt Service Reserve Requirement, provided, however, no such deposits need to be made to the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein to the extent earnings thereon equal at least the amount to be so deposited, and provided, that the Bond Resolution provides that a Series of Bonds may not be secured by the Debt Service Reserve Account or any Debt Service Reserve Subaccount, and (iii) if the amount in the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein (including the amount of any Debt Service Reserve Account Insurance Policy) is reduced below the amount of the applicable Debt Service Reserve Requirement as a result of any transfer to the Debt Service Account, an amount not less than 1/60th of the amount of such transfer until the amount on deposit in the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein (including the amount of any Debt Service Reserve Account Insurance Policy) is again equal to the applicable Debt Service Reserve Requirement. Moneys deposited in the Debt Service Fund are to be applied to the payment of principal of and premium, if any, and interest on the Bonds.

If after making any required transfers under the Bond Resolution, the amount on deposit in the Debt Service Reserve Account or any Debt Service Reserve Subaccount exceeds the applicable Debt Service Reserve Requirement, such excess shall be reduced in either of the following manners at the option of the County: (a) if there is on deposit in the Debt Service Reserve Account or Debt Service Reserve Subaccount a Debt Service Reserve Account Insurance Policy, the principal amount thereof may be reduced by the amount of such excess, or (b) if there is on deposit in the Debt Service Reserve Account or Debt Service Reserve Subaccount money or securities, an amount equal to such excess may be withdrawn from the Debt Service Reserve Account or Debt Service Reserve Subaccount and deposited in the Revenue Fund or in any combination of (a) and (b) above; provided, however, that any amount withdrawn from the Debt Service Reserve Account or Debt Service Reserve Subaccount pursuant to clause (b) above shall not be used for any purpose or in any manner that would adversely affect the exclusion from gross income for federal income tax purposes of interest on any of the Bonds or Subordinate Indebtedness (other than Taxable Obligations).

(d) Monthly, to the Renewal and Replacement Fund, the amount budgeted for deposit to the Renewal and Replacement Fund in the current Annual Budget. Amounts in the Renewal and Replacement Fund shall be applied to the payment of the costs of equipment, major repairs and capital renewals, replacements, additions, betterments, improvements and disposals with respect to the Airport System necessary, after consultation with the Consulting Engineers, to keep the same in good operating condition or to prevent a loss of Revenues therefrom. Amounts in the Renewal and Replacement Fund shall also be applied to the payment of Operation and Maintenance Expenses to the extent that amounts on deposit in the Revenue Fund are insufficient, and to the payment of extraordinary operation and maintenance expenses, and contingencies, including the prevention or correction of any unusual loss or damage, in connection with the Airport System, all to the extent not provided for in the then current Annual Budget or by moneys on deposit in the Revenue Fund as an operation and maintenance reserve. On the last day of any month, if the amount in the Debt Service Account or the Debt Service Reserve Account (or any Debt Service Reserve Subaccount therein) in the Debt Service Fund shall be less than the requirement of the Debt Service Account or the Debt Service Reserve Account (or any Debt Service Reserve Subaccount therein), respectively, and there shall not be on deposit in the Subordinated Bond Fund or the Improvement and Development Fund moneys sufficient and available for transfer to the deficient Account or Subaccount in the Debt Service Account to cure such deficiency, then the County shall transfer from the Renewal and Replacement Fund for deposit in the Debt Service Account or the Debt Service Reserve Account (or any Debt Service Reserve Subaccount therein) in the Debt Service Fund, as the case may be, the amount necessary to make up such deficiency; provided, however, if there are insufficient amounts to fully restore the Debt Service Reserve Account and any Debt Service Reserve Subaccount to the applicable Debt Service Reserve Requirement, the amount available to be applied shall be allocated pro rata among the Debt Service Reserve Account and any Debt Service Reserve Subaccount in which a deficiency exists based upon the amounts withdrawn from the Debt Service Reserve Account and each such Debt Service Reserve Subaccount. On the last day of any month, the County may also transfer from the Renewal and Replacement Fund to the Improvement and Development Fund such amounts as are determined by the County to be in excess of the amount necessary to be on deposit in the Renewal and Replacement Fund.

(e) Monthly, to the Subordinated Bond Fund, such amounts, if any, as shall be required to pay debt service on each issue of Subordinated Indebtedness and reserves therefor, as required by the Bond Resolution and the Supplemental Resolution authorizing such Subordinated Indebtedness. Such amounts shall be used to pay debt service and fund required reserves for Subordinated Indebtedness. If at any time the amount in the Debt Service Account or the Debt Service Reserve Account (or any Debt Service Reserve Subaccount therein) in the Debt Service Fund shall be less than the requirements of such Account (or any Debt Service Reserve Subaccount therein), respectively, and there shall not be on deposit in the Improvement and Development Fund available moneys sufficient to cure such deficiency, then the Trustee shall withdraw from the Subordinated Bond Fund and deposit in the Debt Service Account or the Debt Service Reserve Account (or any Debt Service Reserve Subaccount therein), as the case may be, the amount necessary (or all the moneys in the Subordinated Bond Fund, if less than the amount necessary) to make up such deficiency; provided, however, if there are insufficient amounts to fully restore the Debt Service Reserve Account and any Debt Service Reserve Subaccount to the applicable Debt Service Reserve Requirement, the amount available to be applied shall be allocated pro rata among the Debt Service Reserve Account and any Debt Service Reserve Subaccount in which a deficiency exists based upon the amounts withdrawn from the Debt Service Reserve Account and each such Debt Service Reserve Subaccount. There is currently no Subordinated Indebtedness outstanding under the Bond Resolution.

(f) Monthly, to the Improvement and Development Fund, to the extent moneys are available therefor in the Revenue Fund after making the above transfers and deposits. The County shall withdraw from the Improvement and Development Fund and apply moneys in the following amounts and in the following order of priority: (i) for deposit in the Debt Service Account and the Debt Service Reserve Account (or any Debt Service Reserve Subaccount therein) in the Debt Service Fund the amount necessary (or all the moneys in the Improvement and Development Fund if less than the amount necessary) to make up any deficiency in payments to the Debt Service Account and the Debt Service Reserve Account (or any Debt Service Reserve Subaccount therein) required by the Bond Resolution; provided, however, if there are insufficient amounts to fully restore the Debt Service Reserve Account and any Debt Service Reserve Subaccount to the applicable Debt Service Reserve Requirement, the amount available to be applied shall be allocated pro rata among the Debt Service Reserve Account and any Debt Service Reserve Subaccount in which a deficiency exists based upon the amounts withdrawn from the Debt Service Reserve Account and each such Debt Service Reserve Subaccount, and (ii) for deposit in the Renewal and Replacement Fund, the amount necessary (or all the moneys in the Improvement and Development Fund if less than the amount necessary) to make up any deficiency in the Renewal and Replacement Fund after making the deposits required by the Bond Resolution. Amounts in the Improvement and Development Fund not required to meet a deficiency or for transfer as required in the preceding sentence or for payment of Subordinated Indebtedness shall, upon determination of the County, be applied to or set aside for any lawful purpose of the County related to the Airport System.

Additional Bonds

New Projects. The County may issue Additional Bonds for the purpose of paying the costs of any Additional Project upon the delivery of, among other things, certificates of the County stating that (i) for any period of 12 consecutive months out of the 18 calendar months next preceding the authentication and delivery of such Additional Bonds or the last completed Fiscal Year for which audited financial statements are available, the Net Revenues Available for Debt Service for such 12-month period equaled at least 1.25 times the Aggregate Debt Service for such 12-month period (provided that for the purposes of determining the Aggregate Debt Service for the purpose of this clause, the interest rate on Variable Interest Rate Bonds then Outstanding, if any, shall be the greater of (a) the average Variable Interest Rate on the Variable Interest Rate Bonds over the preceding twelve month period, (b) the Variable Interest Rate on the Variable Interest Rate Bonds on the date of calculation, and (c) ten percent (10%) per annum); and (ii) the estimated Net Revenues Available for Debt Service, as set forth in a certificate of the Airport Consultant, for each of the three Fiscal Years following the Fiscal Year in which it is estimated that the Additional Project will be completed are at least equal to 1.25 times the Aggregate Debt Service for the outstanding Bonds and such Additional Bonds for the corresponding Fiscal Years (provided, that for the purposes of the foregoing, the interest rate on Variable Interest Rate Bonds then outstanding, if any, shall be the greater of (a) the average Variable Interest Rate on the Variable Interest Rate Bonds over the preceding twelve month period, (b) the Variable Interest Rate on the Variable Interest Rate Bonds on the date of calculation, and (c) ten percent (10%) per annum; and the interest rate on additional Variable

Interest Rate Bonds to be issued, if any, shall be fifteen percent (15%) per annum). The County has not issued any Variable Interest Rate Bonds.

In addition to the requirements described above, the County must comply with certain other conditions set forth in the Bond Resolution in order to issue Additional Bonds. See "APPENDIX A -- SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION - Additional Bonds and Other Obligations."

The Series 2024 Bonds are being issued as Additional Bonds under the Bond Resolution.

Refunding Bonds. One or more Series of Refunding Bonds may be authenticated and delivered to refund (i) all Outstanding Bonds of one or more Series or one or more maturities or part of any one or more maturities within a Series, or (ii) any Subordinated Indebtedness. Refunding Bonds may only be issued if the County provides a certificate setting forth either (1) the Aggregate Debt Service for the then current and each future Fiscal Year to and including the Fiscal Year next preceding the date of the latest maturity of any Bonds of any Series then Outstanding (A) with respect to the Bonds of all Series Outstanding immediately prior to the authentication and delivery of the Refunding Bonds and (B) with respect to the Bonds of all Series to be Outstanding immediately thereafter, that the Aggregate Debt Service set forth for each Fiscal Year pursuant to (B) is no greater than that set forth for such Fiscal Year pursuant to (A) above or (2) that the Refunding Bonds are being issued to prevent the occurrence of an Event of Default or to cure an existing Event of Default under the Bond Resolution.

Priority. All Series of such Additional Bonds and Refunding Bonds will be payable from the same sources and will be secured on a parity with the Series 2024 Bonds to the extent described in the Bond Resolution and herein.

In addition to the requirements described above, the County must comply with certain other conditions set forth in the Bond Resolution in order to issue Refunding Bonds. See "APPENDIX A -- SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION - Additional Bonds and Other Obligations."

Subordinated Indebtedness

The County may issue Subordinated Indebtedness payable from, and secured by a pledge of, amounts in the Subordinated Bond Fund and/or the Improvement and Development Fund as may from time to time be available for the purpose of payment thereof as provided in the Bond Resolution; provided, however, that (i) such Subordinated Indebtedness shall be issued only to provide proceeds to be used for any lawful purpose of the County related to the Airport System, and (ii) such pledge shall be subordinate in all respects to the pledge of the Net Revenues Available for Debt Service, and all Funds, Accounts and Subaccounts created by the Bond Resolution as security for the Bonds. The County has no such Subordinated Indebtedness outstanding at this time.

Special Purpose Facilities

The County may construct capital improvements and facilities and acquire equipment ("Special Purpose Facilities") with funds other than Revenues or obligations payable from other than Revenues. The County is authorized to finance Special Purpose Facilities from the proceeds of obligations issued by the County without regard to any requirements of the Bond Resolution with respect to the issuance of Additional Bonds; provided, among other requirements, that such obligations are payable solely from rentals or other charges derived by the County under a lease, sale or other agreement entered into between the County and the person, firm or corporation which will be utilizing the Special Purpose Facilities to be financed. Such Special Purpose Facilities shall not be part of the Airport System; provided, however, after all obligations issued by the County to finance such Special Purpose Facilities have been paid in full, or provision for their payment has been made, the County may include any such Special Purpose Facility in the Airport System if it receives a certificate from the Airport Consultant to the effect that the inclusion in the Airport System of such Special Purpose Facility will not adversely affect Revenues or the rights, security and remedies of Bondholders under the Bond Resolution.

Bond Insurance Policy Option

The County may insure all, a portion or none of the Series 2024 Bonds. The County will make the determination whether to purchase a municipal bond insurance policy at the time the Series 2024 Bonds are priced. If the County determines to purchase a municipal bond insurance policy or otherwise insure all or a portion of the Series 2024 Bonds, a summary of the terms of the municipal bond, insurance policy and information regarding the insurer (including its ratings) will be included in the final Official Statement and a copy of the policy will be attached thereto.

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THE AIRPORT SYSTEM

Palm Beach International Airport

Physical Description. Palm Beach International Airport ("PBI") is situated on approximately 1,375 acres of land and is located in Palm Beach County, three miles southwest of the City of West Palm, Beach, Florida. PBI, together with other airport assets, which includes land located outside the boundaries of PBI owned by the County and managed by its Department of Airports ("Department"), are referred to herein as the "Airport System." See also "Other County Airports" below.

In 1984, the County began to implement a long-term development plan designed to alleviate problems associated with the inadequacy of airport facilities to meet then current and anticipated future demand. In November, 1984, the County issued its $188,400,000 Airport System Revenue Bonds, Series 1984 to provide for the financing of Airport System improvements consisting of a new terminal, including parking and landside, airside and access roads. The terminal, completed in October 1988, is a centralized, three-level terminal with an additional four-level rooftop parking garage, currently encompassing over 657,000 square feet. Two pedestrian walkways connect the terminal building with public parking areas. The terminal has two second level concourses accommodating 28 aircraft parking gates and a ground-level commuter concourse accommodating 4 aircraft parking gates. The ticketing facilities are located on the third level, concession and gates are on the second level, and baggage claim/baggage makeup facilities are located on the lower level. The terminal is accessed by vertically separated arrival/departure roadways and access from the parking garages. Parking areas are comprised of multi-story parking garages in both short and long term lots, plus ground level lots, which provide close to 10,000 spaces for parking.

In addition, furnishings, fixtures and equipment and other aircraft support systems are provided by the County for use by air carriers and their service providers. By providing equipment and furnishings, rather than having air carriers own the furnishings and equipment, the County is able to better maintain control over airport facilities.

The airfield consists of three runways and associated taxiways. Major air carriers utilize the main 10,001 lineal foot long and 150 foot wide east/west runway and the 6,931 lineal foot long and 150 foot wide crosswind runway. A third 3,214 lineal foot general aviation runway runs east/west. The main runway was lengthened from 8,000 feet to 10,001 feet in the summer of 2000 to increase safety, reduce noise impacts and accommodate longer haul aircraft. Other airfield facilities include an Aircraft Rescue Fire Fighting building and Federal Aviation Administration (FAA) air traffic control tower.

In 2000, the County completed a project known as the Runway 9L-27R Improvement Program. Following completion of this project, Runway 9L-27R was re-designated Runway 10L-28R. The project included the extension of the existing runway to 10,001 feet, along with the extension of the parallel taxiways on each end, which provided for an 811 foot extension on the east end and a 1,200 foot extension on the west end. This project also included the overlay of the existing runway, installation of a centerline lighting system and related improvements, including the modification of the approach lights to accommodate the runway extension. The total project cost was approximately $8,600,000, funded through Florida Department of Transportation (FDOT) grants and Revenues.

An expansion of the security checkpoint areas was completed in 2006, at a total cost of $26.85 million. The project added additional floor space to allow for additional lanes of security screening, necessary to accommodate requirements of the Transportation Security Administration in the changing security environment subsequent to the September 11, 2001 terrorist attacks. This project was funded by Passenger Facility Charges and federal and state grants.

Construction of an additional long term parking garage was completed in 2008, at a total cost of $72.88 million, to meet parking demand. Immediately adjacent to the existing long term parking structure, this garage added approximately 3,500 spaces for a total inventory of 10,000 parking spaces at PBI. The project included bridging the two garages together for ease of traffic flow, and air-conditioned passenger bridges connecting the parking structure to the terminal. This project was funded by the issuance of the Series 2006A Bonds plus available Revenues.

An expansion of Concourse C was completed in 2009, at a total cost of $23.9 million, to provide sufficient facilities to meet passenger and airline demand. This project added three passenger loading bridges and holdrooms to give PBI a total of 32 gates. The project also added concession space for both retail and food, additional restrooms, and additional passenger flow area. The project was funded primarily by Passenger Facility Charges, with federal and state grants and Revenues supplementing the total funding.

In 2016, an expansion of the baggage handling system (BHS) was completed at a total cost of more than $41.3 million. This project included the installation and integration of an in-line screening system, as well as the renovations to the 3rd Level Terminal Check-In Area to facilitate improved passenger processing and baggage handling capabilities, as well as new inbound bag claim devices on Level 1 of the Terminal. The fully in-line system included the installation of conveyors, screening equipment, bag makeup units and all necessary ancillary areas for checked baggage inspection and control of the system. This project was funded with Passenger Facility Charges, federal and state grants, and Airport Revenues.

Operations. As of July 2024, 12 passenger air carriers serve PBI on a year-round basis, which includes 11 U.S. carriers (Delta Air Lines, JetBlue Airways, American Airlines, United Air Lines, Allegiant Air, Breeze Airways, Frontier Airlines, Avelo Airlines, Southwest Airlines, Spirit Airlines and Silver Airways) and one foreign flag carrier (Bahamasair). PBI also has two passenger air carriers providing service on a seasonal basis (November – April), which includes one U.S. carrier (Sun Country) and one foreign flag carrier (Air Canada). One additional foreign flag carrier (Porter Airlines) will also be commencing operations November 2024. In addition to passenger carriers, two all-cargo carriers lease facilities and operate at PBI on a year-round basis.

Airport System Management

The Department, which currently has an employee complement of 174 positions, is a department of the County, and is governed by the Board of County Commissioners (the "Board"). The Director of Airports is appointed with the consent of the Board and reports to the County Administrator and ultimately to the Board.

Laura Beebe, Director of Airports, has been with the Department since April 2007 and has served as the Director of Airports since January 2019. Ms. Beebe has more than 25 years' experience in aviation management and law. Ms. Beebe served as the Deputy Director of Airports Business Affairs for the Department prior to her promotion to Director of Airports. Prior to joining the Department, Ms. Beebe served as an Assistant County Attorney for Palm Beach County, representing the Department in all aviation legal matters. Ms. Beebe received her undergraduate degree from the University of Florida's College of Journalism and Communications and her Juris Doctorate from the University of Florida's College of Law. Ms. Beebe is a Certified Member of American Association of Airport Executives and is an active member of the Florida Bar.

Gary M. Sypek, Senior Deputy Director of Airports, has been with the Department since January 2005 and has served as the Senior Deputy Director since August 2021. Prior to his role as Senior Deputy Director, Mr. Sypek also served as the Director of Airport Planning and the Deputy Director of Planning and Development during his nearly 20-year tenure with the Department. Mr. Sypek holds a Bachelor of Science Degree in Airway Science Management from the Florida Institute of Technology in Melbourne, Florida. Prior to coming to the Department, Mr. Sypek served as the Airport Planning Manager with the Broward County Aviation Department and worked for two aviation-related consulting firms in the Washington, DC metro area.

Debbie Duncanson, Deputy Director of Finance and Administration, has been with the Department since February 2011 and served as the Deputy Director of Finance and Administration since August 2019. Ms. Duncanson holds a Bachelor of Science Degree in Accounting from Wilmington College, a Masters of Accounting from Nova Southeastern University, and is a Certified Public Accountant. Prior to coming to the Department, Ms. Duncanson served as a Staff Accountant at the Clerk and Comptroller of Palm Beach County from August 2007 to February 2011 and an Accounting Manager of United Cerebral Palsy Association of Miami from September 2020 to August 2007.

Tom (T.K.) Stewart, Deputy Director of Airports, Operations and Maintenance, has been with the Department since October 2003, serving as General Aviation Manager from 2003 to 2005, Director of Properties from 2005 to 2007, and Director of Operations and Maintenance from 2007 to present. Mr. Stewart retired from Delta Air Lines as a senior station manager in 2003 after 39 years of service in various capacities with the airline, including several international assignments.

Cynthia Portnoy, Deputy Director of Airports, Planning and Development, has been with the Department since October 2006. Since January 2022, Ms. Portnoy has managed the Airport System planning, design, construction, and governmental affairs efforts. Ms. Portnoy holds a Bachelor of Science Degree in Civil Engineering from The University of Miami and is a licensed civil engineer. Prior to joining to the Department, Ms. Portnoy served as a consultant with 23 years' experience in civil engineering emphasizing public sector infrastructure projects primarily on aviation projects.

Andrew Gamboa, Air Service Development Manager, has been with the Department since January of 2020 and has served as the Air Service Development Manager since November of

2023. Mr. Gamboa has over 5 years of professional aviation experience and is a Certified Member of the American Association of Airport Executives. Prior to coming to the Department, Mr. Gamboa worked in the administration team with the Broward County Aviation Department at the Fort Lauderdale-Hollywood International Airport.

Air Trade Area

PBI is located in Palm Beach County and predominantly serves a four-county service area that includes Palm Beach County and three counties directly north: Martin, St. Lucie, and Indian River ("Air Trade Area"). Miami International Airport (MIA) and Fort Lauderdale-Hollywood International Airport (FLL), are located south of PBI's Air Trade Area. PBI, MIA and FLL each serve as the primary commercial service airport for their constituent counties. The closest commercial service airport to the north of PBI's Air Trade Area is Vero Beach Regional Airport (VRB), which has limited passenger service focused on the Vero Beach market due to its distance from the urban core cities in the region. MIA is located 62 miles south of PBI in Miami-Dade County. Among the three South Florida airports, MIA is the primary international hub for the region. FLL is located 42 miles south of PBI in Broward County. FLL serves as a secondary international airport for the region.

Although MIA and FLL are large airline operating bases with significant international passenger volumes, PBI's Air Trade Area is affluent with a population of about 2.2 million and is supported by an increased diversification of its employment sector. PBI's passenger enplanement recovery has been strong, exceeding national trends and pre-pandemic levels and is supported by solid population growth trends. In Fiscal Year (FY) 2023, enplanements reached an all-time high of 3.8 million, or 112% of 2019 levels. In addition, FY 2024 year-to-date enplanements indicate passenger enplanements are likely to exceed 4 million.

PBI also has a diverse mix of passenger air carriers with well-distributed market shares and benefits from the number of low cost carriers in the market, including Southwest Airlines, Frontier Airlines, Allegiant Air, Spirit Airlines, Avelo Airlines, Sun Country Airlines and Breeze Airways. PBI's historic focus has been on domestic traffic with international service primarily to the Bahamas and Canada.

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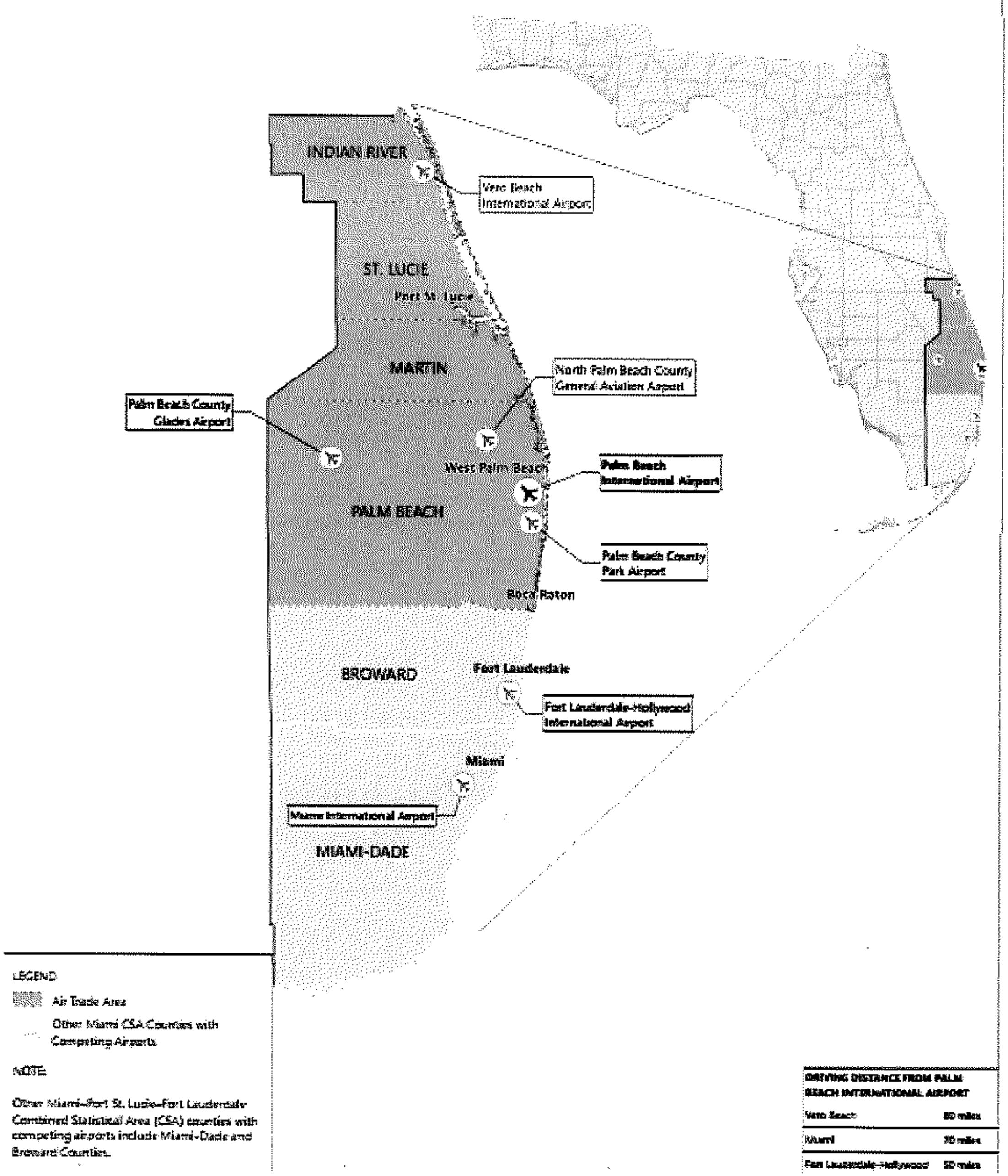
Southeast Florida Airports



Sources: Esri, 2023 (airports, cities); US Census Bureau, 2022 (counties, state)

Certain Operating Statistics

The following table shows a summary of certain operational statistics for PBI for the prior five fiscal years ended September 30:

Fiscal Year	Enplanements	Landed Weight (1000 lbs.)	Air Carrier Operations	Total Cargo/Mails (Tons)	Parking Transactions
FY23	3,768,705	4,278,075	56,916	30,328	731,687
FY22	3,262,870	3,835,445	51,620	30,559	614,493
FY21	2,137,960	3,032,890	41,312	31,155	374,455
FY20	2,105,505	3,022,573	40,580	29,469	422,672
FY19	3,352,828	3,913,451	53,918	29,046	737,104

Source: Palm Beach County Department of Airports

A comparison of enplanements for the six months ended March 31, 2023 and March 31, 2024 is set forth below:

Airline	2024[1]	2023[2]	Percentage Change
Air Canada	25,236	23,696	6.5%
Allegiant Air, LLC	29,020	33,389	-13.1%
American Airlines	416,937	369,358	12.9%
Avelo Airlines, Inc.	34,645	31,850	8.8%
Bahamasair Holdings Limited, Inc.	4,545	4,597	-1.1%
Breeze Airways	12,103	15,666	-22.7%
Delta Air Lines	530,241	446,475	18.8%
Frontier Airlines, Inc.	109,893	88,028	24.8%
JetBlue Airways Corporation	553,559	582,235	-10.1%
Silver Airways Corporation	1,459	0	1,459%
Southwest Airlines Co.	165,451	137,162	20.6%
Spirit Airlines	46,046	13,300	246.2%
Sun Country Airlines	9,690	8,867	9.3%
United Air Lines, Inc.	280,832	237,334	18.3%
Totals:	2,219,657	1,991,957	11.4%

Source: Palm Beach County Department of Airports
(1) Through March 31, 2024
(2) Through March 31, 2023

The following table shows additional key metrics for PBI for the fiscal years ended September 30. In this table, landing fees and terminal rates are shown net of revenue sharing distributions for FY 2021 – FY 2023. FY 2024 is net of 95% of the estimated revenue sharing distributions.

	2024 Projected	**2023**	**2022**	**2021**
Signatory Landing fee (per 1,000 lbs MGLW)	$0.99	$0.66	$0.45	$1.19
Signatory Airline Annual terminal rate (per square foot)	$37.57	$32.70	$23.02	$41.93
Revenue from airline (in thousands)	25,778	28,363	23,413	14,981
Enplanements (in thousands)	3,777	3,768	3,262	2,137
Airline cost per enplanement (passenger airlines)	3.92	3.75	3.06	7.01
Landed weight of commercial aircraft	4,282	4,278	3,835	3,033
Signatory airline terminal leasehold area (sq. ft.)	171,746	171,014	165,245	167,447

Source: Palm Beach County Department of Airports

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Airline Market Share and Passenger Information

Airline total passengers and market share at PBI is shown below for FY 2019 through FY 2023:

	2023 Passengers	2023 Market Share	2022 Passengers	2022 Market Share	2021 Passengers	2021 Market Share	2020 Passengers	2020 Market Share	2019 Passengers	2019 Market Share
Air Canada	57,421	0.8%	27,552	0.4%	853	0.0%	85,926	2.0%	93,572	1.4%
Allegiant Air, LLC	117,794	1.6%	121,993	1.9%	89,916	2.1%	72,293	1.7%	-	0.0%
American Airlines, Inc.	1,412,261	18.8%	1,319,816	20.2%	1,052,491	24.7%	922,706	22.0%	1,287,279	19.2%
Avelo Airlines, Inc.	133,511	1.8%	57,363	0.9%	-	0.0%	-	0.0%	-	0.0%
Bahamasair Holdings Limited, Inc.	21,443	0.3%	14,349	0.2%	6,945	0.2%	3,555	0.1%	23,922	0.4%
Breeze Aviation Group, Inc. dba Breeze Airways	42,893	0.6%	8,444	0.1%	-	0.0%	-	0.0%	-	0.0%
Delta Air Lines, Inc.	1,905,895	25.3%	1,660,185	25.4%	952,709	22.3%	905,766	21.6%	1,726,027	25.7%
Frontier Airlines, Inc.	263,572	3.5%	324,335	5.0%	112,513	2.6%	191,067	4.6%	291,905	4.3%
JetBlue Airways Corporation	2,093,258	27.8%	1,745,104	26.8%	1,025,037	24.0%	1,124,983	26.8%	1,936,607	28.9%
MN Airlines, LLC d/b/a Sun Country Airlines	-	0.0%	-	0.0%	-	0.0%	2,363	0.1%	3,351	0.0%
Silver Airways LLC	-	0.0%	-	0.0%	-	0.0%	-	0.0%	10,561	0.2%
Southwest Airlines Co.	551,512	7.3%	402,096	6.2%	370,662	8.7%	353,511	8.4%	594,225	8.9%
Spirit Airlines, Inc.	70,708	0.9%	52,007	0.8%	75,901	1.8%	89,564	2.1%	126,870	1.9%
Sun Country, Inc., a Minnesota Corporation	22,043	0.3%	20,917	0.3%	3,131	0.1%	-	0.0%	-	0.0%
Swift Air LLC	-	0.0%	552	0.0%	788	0.0%	1,042	0.0%	1,882	0.0%
United Air Lines, Inc	824,671	11.0%	771,133	11.8%	573,091	13.4%	445,598	10.6%	614,297	9.2%
Total	7,516,982	100%	6,525,846	100%	4,264,037	100%	4,198,374	100%	6,710,498	100%

Source: Palm Beach County Department of Airports

At PBI, FY 2023 total passenger traffic was up 15.2% compared to FY 2022. FY 2022 total passenger traffic was also up over FY 2021 by 53.0%. Total passenger traffic for the first six months of FY 2024 has also shown growth over the same period in FY 2023, increasing by 11.4% through March 2024. For the most recent twelve-month period ended June 2024, total passenger traffic was up 10.4%. PBI has experienced passenger growth for the past 34 straight months.

Growth at PBI has been a function of airline capacity and economic conditions. Airline seat capacity serving PBI for FY 2023 increased by 11.3% over FY 2022. In FY 2022, seat capacity increased 28.0% as the aviation industry continued to rebound from the COVID-19 Pandemic. Continued increases in employment and general economic conditions will serve the travel industry well in the near future. Management does not anticipate any significant changes in traffic during FY 2024 and is projecting an increase for passenger traffic in the range of 7% to 9%.

FY 2023 saw several announcements of new PBI flights, including the addition of flights to Denver with Frontier Airlines, seasonal flights to Philadelphia and Providence with Southwest, and seasonal flights to Wilmington, Delaware, Wilmington, North Carolina, and Raleigh-Durham with Avelo Airlines. Carriers have also increased aircraft size to handle more passenger traffic, as evidenced by the 11.3% seat capacity increase. This is also evidenced by comparing FY 2023 landed weight increases (up 11.5%) to commercial aircraft operations (up 10.3%). For the month of September 2023, PBI's two largest carriers experienced increases in passenger traffic: Delta's passenger count increased by 13.3%, and JetBlue's increased by 3.3%.

FY 2024 has also already seen increased flight activity. In June, Breeze Airways began new year round flights to Raleigh-Durham, North Carolina, and American Airlines announced new seasonal flights to New York-La Guardia, scheduled to commence in November. JetBlue has also announced new nonstop destinations to Islip, New York and new seasonal flights to Buffalo, New York to commence in the Fall. Similarly, Southwest Airlines will also commence seasonal flights to Buffalo, New York, as well as returning flights to Providence, Rhode Island and Nashville, Tennessee. United Airlines will be bringing back daily seasonal flights to Denver, Colorado, operating from December 2024 to March 2025. In July, Allegiant announced new year round flights to Grand Rapids, Michigan, commencing November. Porter Airlines will also be adding new seasonal flights between PBI and Toronto, Canada, commencing November.

Airline Agreements

The Department and certain signatory air carriers (the "Signatory Airlines") operate under negotiated Signatory Airline Agreements (the "Airline Agreements"), which establish how the Signatory Airlines are assessed rates and charges for the use of PBI. The Airline Agreements serve as the basis for calculating landing fees, terminal rental rates, baggage and gate equipment charges, and apron fees, taking into account costs associated with the operation, maintenance and debt service of the airfield and terminal. Landed weight and rentable square footage serve as the units for landing fees and terminal rents, respectively. Under the current Airline Agreements, airfield revenues are credited towards the Signatory Airline's net requirement (i.e., residual rate setting methodology). The terminal cost center expenditure requirements are wholly payable by airline rents (i.e., compensatory rate setting methodology). The Department also has the ability under the Airline Agreements to adjust airline rates and charges at any time throughout the year if the Department determines a rate adjustment is required resulting in an increase of 10% or more, or in order to ensure that the Department meets the Rate Maintenance Covenant requirements under the Bond Resolution.

The current Airline Agreements terminate September 30, 2026. All Signatory Airlines under PBI's prior agreements, which terminated September 30, 2019, signed on to the current Airline Agreements. Rights and obligations of the current Airline Agreements did not change materially from the prior agreements; however, commercial airline rates and charges did have material changes in the method of calculation, application, and amount of those fees. Because the Department's debt service decreased significantly effective FY 2015 as a result of the retirement of prior County Airport System debt, certain charges decreased and as a result, some individual rates were eliminated, such as commercial airline apron fees and loading bridge charges. The Department has achieved a significantly lower Cost Per Enplanement ("CPE") metric going forward. The existing Airline Agreements contain revenue sharing with the Signatory Airlines, which provides that 95% of the estimated revenue share is included in the budgeted rates and charges with the remaining 5% distributed by a direct payout at settlement.

Under the Airline Agreements, each Signatory Airline is entitled to the use of, in common with others so authorized, PBI and all facilities, equipment, improvements and services provided or which may be provided at PBI for common use.

Each Signatory Airline leases from the County designated space in the terminal building for its preferential use, and in the case of certain adjoining premises, joint use. Preferential use premises include ticket counters, offices, VIP rooms, holdrooms, loading bridges and centralized support systems. Joint use premises include bag claim and baggage make up areas.

Each Signatory Airline is required to pay the County monthly rentals, payable in advance, for the use of the premises leased to such Signatory Airline, and fees and charges for the equipment and other rights, licenses, and privileges granted thereunder. Under the Airline Agreements the aggregate of rentals, fees and charges payable by all Signatory Airlines are required to be sufficient to pay the sum of (i) the "Airfield Net Requirement," (ii) the "Baggage Handling System (BHS) Net Requirement" and (iii) the percentage of the "Terminal Rentals Net Requirement" relating to premises leased by all Signatory Airlines in the terminal, which costs include the satisfaction of the County's obligations to make deposits and payments under the Bond Resolution that are properly attributable to such areas; provided, that no Signatory Airline is obligated to pay terminal rentals properly charged to any other Signatory Airline and not paid by such other Signatory Airline.

The Airfield Net Requirement for any period is equal to the sum (a) total Operating Expenses (determined in accordance with the Bond Resolution) allocable to the airside cost center of PBI for such period, (b) aggregate debt service on Bonds, Subordinated Indebtedness and other debt allocable to such cost center for such period, (c) an amount equal to the coverage requirement set forth in the Bond Resolution with respect to such debt service, (d) the portion of the Debt Service Reserve Requirement allocable to such cost center, (e) operation and maintenance reserve equal to one-sixth of budgeted Operating Expenses for such period allocable to such cost center, and (f) amortization charges for capital expenditures in such cost center for such period made from available County funds, less the sum of 100% of general aviation landing fees, airfield service revenues, aviation fueling revenues, and prior year debt service coverage.

The Terminal Rentals Net Requirement is calculated in the same manner with respect to the terminal cost center, less the sum of per use gate and ticket counter charges, federal inspection station (FIS) facility fees and the prior period debt service coverage.

The BHS Net Requirement is calculated in the same manner with respect to the airfield and terminal cost centers, less the prior period debt service coverage.

Rates for rentals, fees and charges under the Airline Agreements are reviewed and adjusted annually, and whenever total rentals, fees and charges are projected to deviate from the requirements described above by 10% or more.

The Airline Agreements contain a majority in interest ("MII") approval provisions regarding certain capital improvement projects. Pursuant to the Airline Agreement, a capital improvement project means a capital expenditure that is, or is estimated to be, funded with more than $3,000,000 in Revenues and will result in costs being allocated to the Airfield, Baggage Handling System or Terminal Cost Centers. The MII provision provides that the Signatory Airlines may defer a capital improvement project for a period of 12 months for a capital improvement project anticipated to be funded with $10,000,000 or less in Revenues and a period of 24 months for capital improvement projects anticipated to be funded with more than $10,000,000 in Revenues, subject to certain exclusions. Under the Airline Agreements, the MII provision requires the County to obtain the concurrence of at least 50% in number of the Signatory Airlines who together had at least sixty-six percent 66% of the total passengers for capital improvements affecting the Terminal Cost Center or Baggage Handling System Cost Center and at least fifty percent (50%) in number of the Signatory Airlines who together had at least sixty-six percent (66%) of the total landed weight for capital improvements impacting the Airfield Cost Center, which includes cargo air carriers.

The County is also required to provide each Signatory Airline advance written notice of any amendments or supplements to the Bond Resolution which may materially change the terms of the Airline Agreements.

Under each Airline Agreement, if substantial damage to or total destruction of any part of the leased premises occurs, the rental obligation of the affected Signatory Airline is abated until the premises are reconstructed and available for use by such Signatory Airline. The County has no obligation to repair or reconstruct any of such premises.

In its Airline Agreement, each Signatory Airline agrees to indemnify and save the County harmless from and against all liabilities, claims, suits, judgments, damages, fines or demands, including costs, fees and expenses in connection therewith, for death or injury to third parties or for damage to any property arising out of or incident to the negligence of the Signatory Airline. Each Signatory Airline also agrees to carry and keep in force aircraft liability insurance of not less than $100,000,000 for public liability, property damage and bodily injury, and comprehensive automobile liability insurance covering automotive vehicles operated only on

PBI's roadways with combined single limits of not less than $1,000,000 and Airline liability/Commercial General liability at limits of not less than $50,000,000 in the event Signatory Airline operates aircraft with fifty (50) seats or less or $100,000,000 in the event the Signatory Airline operates aircraft with more than fifty (50) seats

A Signatory Airline may not assign its interest in its Airline Agreement or assign or sublet any portion of the space exclusively or jointly leased by the Signatory Airline without the prior consent in writing of the County (which consent shall not be unreasonably withheld); provided, however, that without such consent the Signatory Airline may assign its interest in its Airline Agreement to any corporation with which it may merge or consolidate or which may succeed to its business.

The County may, to the extent allowed by law, cancel an Airline Agreement upon 30 days' written notice following the occurrence of certain events of bankruptcy of a Signatory Airline, the voluntary discontinuance by a Signatory Airline of operations at PBI for a period of 30 days without the prior approval of the Department, and the failure by a Signatory Airline to perform under the Airline Agreement and continuance thereof for 30 days after notice from the County. The County may terminate any Airline Agreement immediately if payment thereunder is not made in full within 15 days of written notice.

A Signatory Airline not in default of its Airline Agreement may terminate such Airline Agreement by giving the County sixty days advance written notice, upon any one of the following events:

A. The issuance by any court of competent jurisdiction of an injunction in any way preventing the use of PBI for airport purposes or a substantial part of the Airline Premises (as defined in the Airline Agreement), which injunction remains in full force for a period of at least ninety days.

B. The default by the County in the performance of any material covenant or material agreement required in the Airline Agreement to be performed by the County and the failure of County to remedy such default for a period of thirty days after receipt from the Signatory Airline of written notice; provided, however, that no notice of cancellation shall be of any force or effect if the County shall have remedied the default prior to receipt of the notice of cancellation; or in the event the same cannot be cured within such thirty day period and the County has commenced such cure.

C. The lawful assumption by the United States Government or any authorized agency thereof, of the operation, control, or use of the Airport and facilities, or any substantial part or parts thereof, in a manner which substantially restricts the operation of the Signatory Airline, for a period of at least ninety days.

Non-Signatory Airlines

Non-signatory airlines at PBI operate under short term contracts that can be cancelled upon 60 days' prior written notice; however, most non-signatory airlines have operated at PBI for a number of years. PBI also offers pricing options, such as per-use ticket counter and gate charges, to allow for lower cost and flexibility of airlines to operate at PBI, to promote competition among carriers and provide more options to travelers. Most non-signatory airlines provide year-round service at PBI, but desire to keep flexibility in their operations and avoid long term agreements. Non-signatory carriers pay the same terminal rate and landing fee rate as Signatory Airlines but do not receive any revenue sharing payments at year end. Current non-signatory carriers include: Allegiant Air, Spirit Airlines, Air Canada, Silver Airways, Avelo Airlines, Sun Country Airlines and Breeze Airways. Porter Airlines also announced service commencing in November 2024.

Other Airport Revenues

Parking Revenues. The County contracts with a parking management company, currently SP Plus Corporation, to operate the public parking facilities at PBI. Parking revenues are collected by the contractor and deposited directly into the County's bank accounts. The management company receives a management fee and reimbursement of actual expenses incurred in the operation of the parking facilities. Shuttle operations are also operated by the management company, paid by the County at an hourly rate established by bid. FY 2023 parking revenues amounted to $20,987,731 approximately 16% of Operating Revenues. Increased parking revenue (15% over FY 2022) is due to a combination of increased traffic and increased parking dwell time. Parking rates have remained unchanged since 2009, with the current daily maximum rates as follows: short term $17, long term $13, economy $7, and premium $30. PBI has no material off-airport parking competition at this time. The Department anticipates rate increases in FY 2025.

Rental Car Arrangements. The County has entered into agreements, each of which is substantially similar, with Alamo, Avis, Budget, Dollar, Thrifty, Hertz, National, SIXT, Fox and Enterprise to provide rental cars to the public at PBI until September 30, 2027 with one two-year renewal option. Each rental car company pays the greater of 10% of gross receipts or a minimum annual guarantee. In addition, each company pays rent for ticket counter space, and some companies pay rent for ground leases to operate service facilities. Off airport car rental companies enter a permit arrangement whereby they pay 8% of airport related gross revenues. In FY 2023, rental car revenues totaled $15,552,871, approximately 11% of Operating Revenues.

Food and Beverage Concession Agreement. The County entered into an agreement with HMS Host International Inc. ("Host") to provide food and beverage concessions at PBI (the "Food Concession Agreement"). The contract expires in April 2026. At PBI, Host provides food offerings with name brand recognition on a national basis (including Starbucks and Chili's Too) and regional/local name brands (including Sam Sneed's Tour Tavern, Rooney's Pub, and Nick's Tomato Pie). The Food Concession Agreement provides for the payment of 10% to 15% of gross sales with a minimum annual payment, whichever is greater. Percentage payments vary by items sold. Menus offer comparable street level pricing to customers to further enhance the public's airport experience. The County designed the Food Concession Agreement to promote food quality, food value, and comfortable dining facilities; part of the equation was lower percentage revenues to the County and percentages specifically tailored to the particular food service concept. In FY 2023, food and beverage revenues to the County totaled approximately $2,844,850. The County recently issued a Request for Proposals for the replacement of all food and concessions and news and gift concessions, which provides for the award of concession agreements to two master concessionaires. It is anticipated that the County will enter into new concession agreement in early 2025 and will begin the transition to new concessions over a period of approximately two years.

News and Gift Concession Agreement. The County has entered into an agreement (the "Retail Concession Agreement") with Paradies-Palm Beach LLC to provide general merchandise, news and gifts for sale at PBI for a contract term expiring in April 2026. The Retail Concession Agreement provides for the payment of 10% to 22% of gross sales with a minimum annual payment, whichever is greater. News and gift concession revenues to the County in FY 2023 totaled approximately $4,230,850. The County recently issued a Request for Proposals for the replacement of all food and concessions and news and gift concessions, which provides for the award of concession agreements to two master concessionaires. It is anticipated that the County will enter into new concession agreement in early 2025 and will begin the transition to new concessions over a period of approximately two years.

Other Rental Revenues. PBI has a significant amount of general aviation activity in additional to commercial passenger service, resulting in additional revenues to the County in the form of fuel flowage fees, ground and improvement rentals and general aviation landing fees. The Department has also developed a successful non-aviation real estate program for the development of non-aviation parcels of land managed by the Department as a part of the County's Airport System, creating an additional revenue stream that is not dependent on air carrier activity. Other rental revenues collected for FY 2023 were $18,244,789, which is a 39% increase over 2019.

Passenger Facilities Charges

The Aviation Safety and Capacity Expansion Act of 1990, as amended (the "PFC Act"), as implemented by the FAA pursuant to published regulations (the "PFC Regulations"), permits a public agency that controls a commercial service airport to charge each paying passenger enplaning at such airport a Passenger Facilities Charge ("PFC") of $1.00, $2.00, $3.00, $4.00 or $4.50, subject to certain limitations. The proceeds from the PFCs are to be used to finance approved eligible airport-related projects that (a) preserve or enhance capacity, safety or security of the national air transportation system, (b) reduce noise from an airport that is part of the system, or (c) provide an opportunity for enhanced competition between or among air carriers or foreign air carriers. "Eligible airport-related projects" include airport development or planning, terminal development, airport noise compatibility measures and planning and construction of gates and related areas (other than restaurants, rental car facilities, automobile parking or other concessions) for the movement of passengers and baggage. The PFC Act is subject to amendment and to repeal by the United States Congress. See "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS - Recent FAA Reauthorization and Federal Grant Funding" herein. The FAA may also amend the PFC Regulations. The public agency must obtain the FAA's approval before imposing PFCs and before using the proceeds of PFCs.

Collection of Passenger Facilities Charges. PFCs are collected on behalf of airports by air carriers, certain foreign air carriers and their agents ("Collecting Carriers"). The Collecting Carriers are authorized to withhold (a) a collection fee of $0.11 per enplaning passenger from whom a Passenger Facility Charge is collected and (b) any investment income earned on the amount collected prior to the due date of the remittance. The PFC Regulations require each

Collecting Carrier to remit PFC collections (net of the collection fees and any investment earnings) to the public agency not later than the last day of the calendar month following the month in which the PFC collections are recorded in such Collecting Carrier's accounting system. The PFC Act was amended in 1996 to provide that PFCs that are held by a Collecting Carrier constitute a trust fund that is held for the beneficial interest of the public agency imposing the fee and that the Collecting Carrier holds neither legal nor equitable interest in the PFCs, except for any handling fee or retention of interest collected on unremitted proceeds.

Passenger Facilities Charges at PBI. In 1994, the County received approval from the FAA to impose a Passenger Facilities Charge at the Airport. The County currently imposes a Passenger Facilities Charge of $4.50 per enplaned passenger, except for passengers of exempt aircraft operators, under the terms of thirteen PFC applications and the respective FAA approvals (each, a "PFC Authority"). **Although the Bond Resolution permits the County at its option to include PFCs as "Revenues" under the Bond Resolution, the County has not elected to do so, and the PFCs are not pledged to secure the Bonds. However, PFCs remain an important funding source for Airport System improvements.** The Department's current authorization, through the PFC application process, is to collect $406,581,036 PFC revenue and interest thereon. The Department is authorized to continue imposing PFCs until such time as this total has been collected, which is estimated to be March 1, 2027. The Department is likely to increase the total application amount prior to that date through the PFC application process as additional projects are identified, thereby extending the charge expiration date and avoiding any lapse in PFC collections. As of September 30, 2023, the Department has collected $319,189,302 in PFC revenues, including interest on PFC cash balances, since the inception of the program on April 1, 1994. The Department annually collects approximately $12 million per year. Projects, as discussed above, that are funded by PFC revenues included taxiways, airfield infrastructure, and various terminal improvements.

Below is a chart setting forth the Department's history of collecting PFCs during FY 2019 through FY 2023.

	PFC Collections
2019	13,800,795.00
2020	7,979,592.00
2021	9,049,850.00
2022	12,130,428.00
2023	14,928,638.00
Total	57,889,303.00

Source: Palm Beach County Department of Airports

Grants

The County receives grants for approved capital construction projects from the FAA and the Florida Department of Transportation. Grants are on a reimbursable basis and typically pay for a portion of necessary infrastructure. The County's history of grant reimbursements for the prior five years is shown below.

	Grants ($ in Millions)			
	Federal	COVID	State	Total
2019	$0.40	$0.00	$4.60	$5.00
2020	2.50	10.90	4.70	18.10
2021	2.20	9.70	4.30	16.20
2022	1.45	12.80	4.64	18.89
2023	2.24	11.50	5.46	19.20
Total	$ 8.79	$ 44.90	$ 23.70	$ 77.39

Source: Palm Beach County Department of Airports

Other County Airports

Palm Beach County Park Airport (LNA) is located two miles west of the City of Lantana and seven miles south of PBI. LNA serves the general aviation and recreational aviation public, with minor charter and some light cargo operations. A single fixed base operation provides general maintenance, management and servicing at this facility. This fixed base operation has hangar and terminal facilities available with paved tie-down space for approximately 200 aircraft.

Palm Beach County Glades Airport (PHK) serves the general aviation needs of the western part of the County. It is located near the City of Pahokee on the rim of Lake Okeechobee. It consists of a single fixed base operation providing minor maintenance, fueling, hangar and apron tie-down facilities. PHK serves a mix of executive, pleasure, and commercial (crop dusting) operations located in the rural community of the County.

North Palm Beach County General Aviation Airport (F45) is located in Palm Beach Gardens, southwest of PGA National and serves as a general aviation reliever to PBI. Constructed in 1994, F45 comprises approximately 1,800 acres and possesses a 4,300 foot main runway, a 4,300 foot crosswind runway, and a 2,000 foot grass (turf) landing strip. Facilities include a terminal building, large executive hangars, individual t-hangars and corporate hangars, and fueling facilities on site. The airport has approximately 286 based aircraft and experiences approximate 100,000 annual aircraft operations.

Other Airport Information

Employee Relations. Of the approximately 174 employees of the Department, almost all of the 82 maintenance employees are unionized. The Department characterizes its employee relations as good. Unionized employees are covered by the Communication Workers of America (CWA) Labor Management Agreement with the County.

Pension Plan. The Department participates in the contributory Florida Retirement System Pension Plan (the "Plan"), which covers substantially all of its employees. See "APPENDIX D -- Financial Statements of the Department of Airports" for certain additional information regarding the Plan.

Other Post-Employment Benefits. Pursuant to Section 112.0801, Florida Statutes, the County is mandated to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. Retirees pay 100% of the blended (active and retiree combined) equivalent premium rates. The blended rates provide an implicit subsidy for retirees because on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. See "APPENDIX D -- Financial Statements of the Department of Airports" for additional information regarding such post-employment benefit payment and liabilities.

Other Services. Fire-rescue and police-security services for the Airport System are provided by the County's fire-rescue department and the County Sheriff's Office, respectively, under arrangements providing for coordination of activities and of costs. Other County agencies and departments provide assistance or services on a reimbursable basis.

CAPITAL IMPROVEMENT PROGRAM

Recent Capital Acquisitions and Construction Activities

During FY 2023, the Department expended $40.1 million on capital activities. Completed projects during FY 2023 totaling $54.2 million were transferred from construction-in-progress to their respective capital accounts. The major projects completed FY 2023, are as follows:

PBI ARFF Facility Improvement	$1.9 million
PBI Terminal Condensation & Duct Cleaning	4.9 million
PBI Public Address System	5.6 million
PBI Misc Taxiway Rehab F, G, H, M	7.1 million
PBI Taxiway C	12.8 million
PBI N. Terminal Remote Apron Rehab	14.3 million

During FY 2022, the Department expended $24.9 million on capital activities. Completed projects during FY 2022 totaling $1.1 million were transferred from construction-in-progress to their respective capital accounts. The major projects completed FY 2022, are as follows:

West Common Properties	$735 thousand
Long Term Garage	223 thousand
Airport Systems	183 thousand
Domestic Water Valve Replacement	95 thousand
Vehicle Service Road	53 thousand

Planned 6-Year Capital Acquisitions and Construction Activities

The Department's Capital Improvement Program ("CIP") for FY 2025 through FY 2030 totals $662.3 million in projects for the Airport System. The CIP consists of projects to be initiated in FY 2025 through FY 2030 for which funding sources have been identified and the County believes can be expected to be secured. Additional projects are likely to be initiated as funding sources are identified. Projects will be funded through a combination of federal, state and local sources, including FAA Airport Improvement Program ("AIP") entitlement and discretionary grants, supplemented by state ("FDOT") grants, Passenger Facility Charges and Airport Revenues. Grants, including the Infrastructure Investment and Jobs Act (IIJA) and PFC funding are estimated to comprise 57% of the funding of these projects, with Revenues and Series 2024 Bonds funding the remainder at 27% and 15%, respectively.

Projects are initiated as a result of an identified capacity need or as identified by the Department's annual facility inspection program. The annual facility inspection program has been established pursuant to requirements of the Bond Resolution to identify areas where future action is required to keep facilities in optimal working condition to serve the needs of all airport users, especially in the airfield and terminal facilities. Ongoing maintenance, rehabilitation and replacement of airfield and terminal facilities make up the bulk of the Airport System's CIP.

PBI Projects

Approximately eighty-three percent (83%), or $548.2 million, of the CIP is represented by PBI-located projects, including a variety of airside, landside and terminal projects. Major projects to be initiated in the next six years include:

- Series 2024 Projects, $137.5 million: Series 2024 Projects include Aircraft Rescue & Fire-Fighting (ARFF) Building Replacement, Revenue Control Building Replacement, and Concourse B Improvements. Funding will be a combination of the certain net proceeds of the Series 2024 Bonds, airport revenues, PFCs and grants.

- PBI Landside Improvements, $26.7 million: Pavement rehabilitation, signage and landscaping improvements, and toll booth replacement. Funding will be primarily airport revenues, PFCs and grants.

- PBI Airfield Projects, $141.6 million: general maintenance and repair of runways, taxiways and aprons, electrical improvements and replacement of the Airport's rotating beacon; funding will be primarily PFCs and grant funds.

- PBI Terminal Improvements, $230.3 million: passenger boarding bridge replacements, terminal and concourse modernization projects, Federal Inspection Services improvements, and other terminal improvements; funding will be PFC, grants, and airport revenues.

Other County Airport Projects

Other projects and capital expenditures included in the six year CIP are for the Department's general aviation facilities located at Palm Beach County Park Airport (LNA), Palm Beach County Glades Airport (PHK), and North Palm Beach County General Aviation Airport (F45). These remaining projects are estimated to total $114.2 million and include additional hangars, runway and taxiway pavement rehabilitation, and security fencing replacements. Major projects to be initiated in the next six years include:

- Palm Beach County Park Airport, $37.3 million: CIP projects include pavement maintenance/rehabilitation, south side redevelopment, and allocated consultant services. Funding will be airport revenues and grants.

- Palm Beach County Glades Airport, $6.6 million: CIP projects include T-hangar construction, fence improvements, parking lot and roadway rehabilitation, taxiway pavement maintenance, and allocated consultant services. Funding will be airport revenues and grants.

- North Palm Beach County GA Airport, $70.3 million: CIP projects include an air traffic control tower, pavement maintenance/rehabilitation, runway rehabilitation and expansion, and allocated consultant services. Funding will be airport revenues and grants.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT ANALYSIS

Operating Revenues and Expenses

The Airport System is self-supporting and does not rely on local tax dollars to fund its operations. Operating Revenues must therefore be generated from aviation users, automobile parking, property rental, concessions, investment income and other non-operating revenues in order to (1) cover the Airport System's operating expenses, debt service payments, certain capital outlays and other requirements, and (2) comply with the Rate Maintenance Covenant provided in the Bond Resolution.

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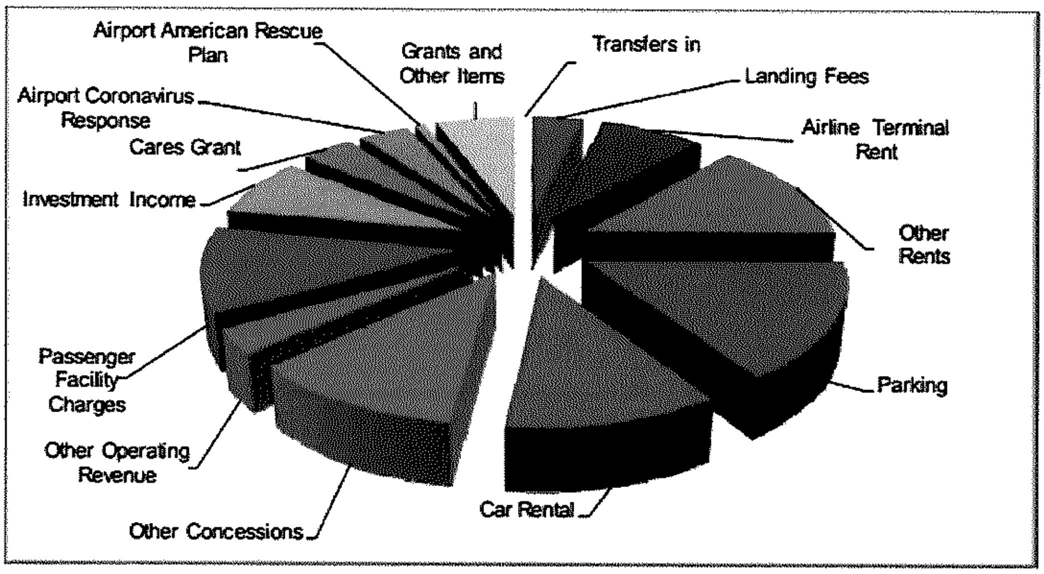
The following charts provide breakdowns of the Airport System's Operating Revenues, Concession Revenues and Operating Expenses.

Fiscal Year 2023 Revenues

The following chart and table summarize revenues for the fiscal year ending September 30, 2023.



		2023	Percent of Total		Change From 2022	% Change From 2022
Operating revenues:						
Landing fees	$	5,167,736	4%	$	1,164,753	29%
Airline terminal rent		10,619,734	8%		2,884,025	37%
Other rental revenue		18,244,789	13%		3,185,968	21%
Parking		20,987,731	16%		2,771,716	15%
Car rental concessions		15,552,871	11%		186,870	1%
Other concessions		15,588,639	11%		1,326,306	9%
Other operating revenue		4,474,391	3%		26,343	1%
Total operating revenues		90,635,891	66%		11,545,981	15%
Other sources:						
Passenger facility charges		14,928,638	11%		2,798,210	23%
Investment income		10,650,036	8%		8,837,426	488%
Cares Grant		5,277,367	4%		(5,304,636)	(50)%
Airport Coronavirus Response		5,103,734	4%		4,327,834	100%
Airport American Rescue Plan		1,119,424	1%		(315,199)	100%
Grants and other items		8,059,007	6%		1,496,188	23%
Transfers in		30,004	0%		30,004	0%
Total other sources		45,168,210	34%		11,869,827	36%
Total revenues	$	135,804,101	100%	$	23,415,808	21%

Landing fees totaling $5.1 million increased by 29% and airline terminal rent totaling $10.6 million increased by 37% due to increased cost to the airlines. Other rental revenue totaling $18.2 million increased by 21%. Concession revenue from parking, car rental and other concessions totaling $52.1 million increased by 9% because of increased passenger traffic.

Source: Palm Beach County Department of Airports, Financial Report, September 2023

Non-Airline Revenues by Source, Fiscal Years 2019-2023

Non-Airline Revenue Breakout	2019	2020	2021	2022	2023
Parking	$ 18,367,273	$ 10,452,989	$ 10,203,143	$ 18,216,015	$ 20,987,731
Car Rental	11,707,688	9,356,696	11,627,371	15,366,001	15,552,871
Other Rental Revenue	13,168,807	14,976,713	13,996,833	15,058,821	18,244,789
Terminal Retail/Food	5,655,293	3,141,931	3,484,797	5,951,094	7,098,128
Fuel Flowage Fees	3,271,826	3,106,848	4,568,457	5,551,040	5,342,959
Advertising	475,141	555,576	494,340	1,030,674	1,111,074
Ground Transportation	1,177,969	756,082	703,841	1,295,690	1,494,143
Other concessions	376,180	251,392	255,901	433,835	542,335
Total	54,200,177	42,598,227	45,334,683	62,903,170	70,374,030

Source: Palm Beach County Department of Airports

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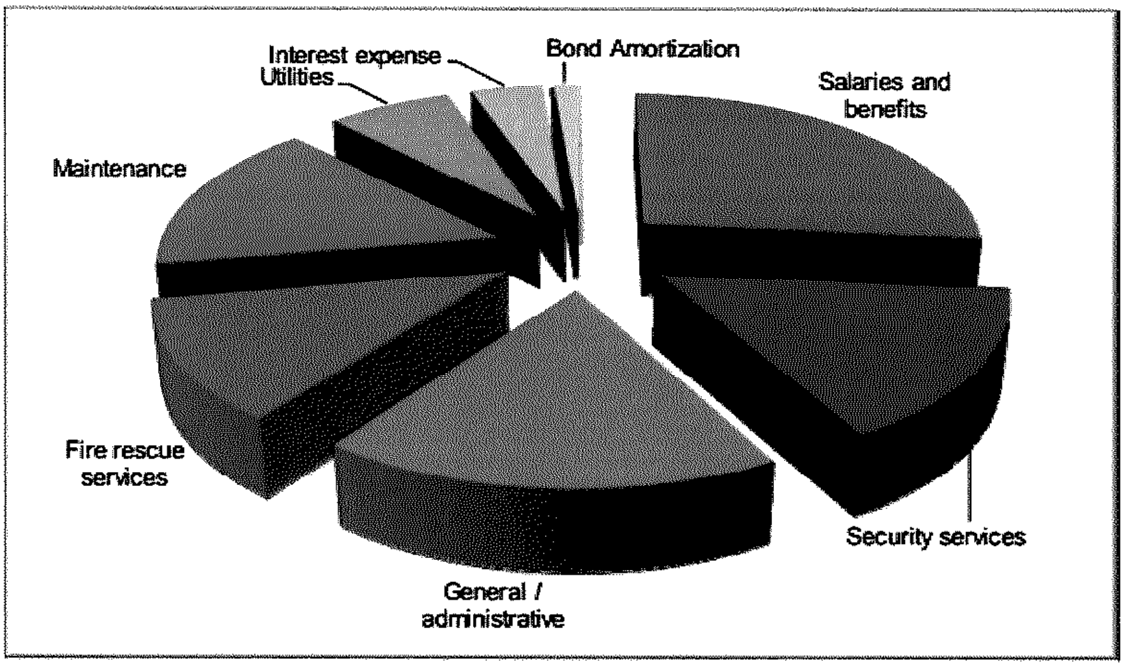
Fiscal Year 2023 Expenses

The following chart and table summarize expenses for the fiscal year ending September 30, 2023.



	2023	Percent of Total	Change From 2022	% Change From 2022
Operating expenses:				
Salaries and benefits	$ 17,234,898	19%	$ 2,159,560	14%
Security services	10,098,689	11%	583,560	6%
General/administrative	11,799,565	13%	3,064,464	35%
Fire rescue services	7,927,589	9%	423,040	6%
Maintenance	10,135,436	12%	1,666,556	20%
Utilities	4,471,975	5%	232,357	5%
Total operating expenses	61,668,152	69%	8,129,537	15%
Depreciation and amortization	25,505,671	29%	2,009,722	9%
Nonoperating expenses:				
Interest expense	2,587,500	3%	(126,000)	(5)%
Bond amortization and other expenses	(830,765)	-1%	40,455	5%
Transfers to other county funds	53,100	0%	-	0%
Total nonoperating expenses	1,809,835	2%	(85,545)	(5)%
Total expenses	$ 88,983,858	100%	$ 10,053,714	13%

Compared to the prior year, operating expenses increased 15% or $8.1 million. Contracted Security costs increased by 6% for a total cost of $10 million. Contracted Fire Rescue Services cost increased by 6% for a total cost of $7.9 million.

Source: Palm Beach County, Department of Airports, Financial Report, September 2023

Airport System Financial Information

The following table shows, for the periods indicated, Revenues, Operation and Maintenance Expenses and Net Revenues Available for Debt Service (each computed in accordance with the Bond Resolution).

Net Revenues Available for Debt Service and Debt Service Coverage
Fiscal Years 2019--2023

	2019	2020	(As Restated) 2021	2022	2023
Operating Revenues					
Rentals	$ 24,223,088	$ 27,396,618	$ 23,733,862	$ 22,794,530	$ 28,864,523
Concessions	41,031,370	27,621,514	31,337,850	47,844,349	52,129,241
Landing fees	4,821,814	4,734,160	6,675,809	4,002,983	5,167,736
Other	1,671,625	2,140,036	4,446,397	4,448,048	4,474,391
Total Operating Revenues	$ 71,747,897	$ 61,892,328	$ 66,193,918	$ 79,089,910	$ 90,635,891
Nonoperating Revenues					
Investment income (loss)	$ 4,689,500	$ 2,587,419	$ 1,441,890	$ 1,812,610	$ 10,650,036
Other	90,020	111,939	776,641	469,836	390,760
Total Non-Operating Revenues	$ 4,779,520	$ 2,699,358	$ 2,218,531	$ 2,282,446	$ 11,040,796
Total Revenues	$ 76,527,417	$ 64,591,686	$ 68,412,449	$ 81,372,356	$ 101,676,687
Operating Expenses					
Employee compensation and benefits	$ 14,138,077	$ 15,053,353	$ 12,907,067	$ 15,075,338	$ 17,234,898
General and administrative	8,403,214	8,273,412	7,811,845	8,735,101	11,799,565
Maintenance	9,271,123	8,738,571	8,680,790	8,468,880	10,135,436
Contracted security services	8,807,640	9,304,376	9,398,685	9,515,129	10,098,689
Contracted fire-rescue services	6,134,261	6,341,352	7,231,917	7,504,549	7,927,589
Utilities	3,524,583	3,585,076	3,529,061	4,239,618	4,471,975
Total Operating Expenses	$ 50,278,898	$ 51,296,140	$ 49,559,365	$ 53,538,615	$ 61,668,152
Nonoperating Expenses	-	-	-	-	-
Total Expenses	$ 50,278,898	$ 51,296,140	$ 49,559,365	$ 53,538,615	$ 61,668,152
Plus: Transfers					
Less: O&M Coverage	404,872	169,540	(289,463)	663,208	1,354,923
Less: Noise Fees	131,936	79,580	69,470	121,314	112,866
Less: PFC Interest	1,496,282	655,211	152,355	184,142	2,669,767
Net Revenues Available for Debt Service	$ 24,215,429	$ 12,391,215	$ 18,920,722	$ 26,865,077	$ 35,870,979
Debt Service					
Interest Expense	$ 3,211,745	$ 3,027,936	$ 2,833,500	$ 2,713,500	$ 2,587,500
Principal Payment	3,145,000	3,325,000	2,400,000	2,520,000	2,645,000
Total Debt Service	$ 6,356,745	$ 6,352,936	$ 5,233,500	$ 5,233,500	$ 5,232,500
Debt Service Coverage	3.81	1.95	3.62	5.13	6.86

Source: Palm Beach County Department of Airports, Financial Reports FY2019-2023

Management's Discussion of Results of Operations

Financial impacts are highlighted as follows:

Changes Between 2023 and 2022:

- Compared to the prior year, operating revenues increased to $90.6 million (an increase of $11.5 million). Revenue increases were primarily driven by increased passenger growth in the areas of parking, other concessions, Airline terminal rent, and car rental concessions. Cumulatively, ground transportation revenues accounted for $38 million of revenue.

- Investment earnings increased by $8,837,426 (488% increase) for a total of $10.65 million. Investments are managed by the Clerk of the Circuit Courts under County approved guidelines.

- Compared to the prior year, operating expenses increased 15% or $8.1 million. Contracted Security costs increased by 6% for a total cost of $10 million. Contracted Fire Rescue Services cost increased by 6% for a total cost of $7.9 million.

Changes Between 2022 and 2021:

- Compared to the prior year, operating revenues increased to $79 million (an increase of $12.8 million). Revenue increases were primarily driven by increased passenger growth in the areas of parking, other concessions, Airline terminal rent, and car rental concessions. Cumulatively, ground transportation revenues accounted for $34.8 million of revenue.

- Investment earnings increased by $370,720 (26% increase) for a total of $1.81 million. Investments are managed by the Clerk of the Circuit Courts under County approved guidelines.

- Compared to the prior year, operating expenses increased 8% or $3.9 million. Contracted Security costs increased by 1% for a total cost of $9.5 million. Contracted Fire Rescue Services cost increased by 4% for a total cost of $7.5 million.

- The County was awarded approximately $23.77 million in FAA ARPA funding. Under the FAA ARP funding, an airport owner/sponsor may use these funds for cost related to operating and maintenance cost to combat the spread of pathogens at the airport, and debt service payments. Providing rent and minimum annual guarantee (MAG) relief for Concessions at Primary airports.

Changes Between 2021 and 2020:

- Compared to the prior year, operating revenues increased to $66.1 million (an increase of $4.3 million). Revenue increases were primarily driven by increased passenger growth in the areas of car rental concessions, and other concessions. Cumulatively, ground transportation revenues accounted for $22 million of revenue.

- Investment earnings decreased by $1,145,529 (55% decrease) for a total of $1.44 million. Investments are managed by the Clerk of the Circuit Courts under County approved guidelines.

- Compared to the prior year, operating expenses decreased 3% or $1.7 million. Contracted Security costs increased by 1% for a total cost of $9.4 million. Contracted Fire Rescue Services cost increased by 14% for a total cost of $7.2 million.

- The Coronavirus Response and Relief Supplemental (CRRSAA) Act (Public Law 116-260) was signed into law on December 27, 2020, to provide economic relief to eligible U.S. airports and eligible concessions to prevent, prepare for, and respond to the COVID-19 pandemic. The Federal Aviation Administration (FAA) has established the Airport Coronavirus Response Grant program (ACRGP) to distribute these funds in the form of grants to all airports that are part of the national airport system.

- The County was awarded approximately $7.7 million in FAA ACRGP funding which was used by the Department to reimburse eligible costs, including, but not limited, operational expenses for the operation and maintenance of PBI and debt service payments. Additionally, the County was awarded $23.5 million in FAA American Rescue Plan Act funding which was used by the Department to reimburse eligible costs, including, but not limited, operational expenses for the operation and maintenance of PBI and debt service payments.

Economic Factors and Fiscal Year 2024 Budgets and Rates

Department management offers the following additional information regarding the Airport System FY 2024 budget and rates:

- More than 2.2 million people live in the PBI Air Trade Area, which includes Palm Beach, Martin, St. Lucie, and Indian River counties. Population growth in this area is expected to grow 1.3% by 2030.

- PBI has seen strong growth in passenger traffic as well as available airline seats. For the 12 months ending June 2024, PBI had more than 8 million total passengers, which was a 10.4% increase over June 2023, with an increase in available seats of 17.7% during that same period.

- The PBI Air Trade Area enjoys a comparably high per capita personal income, estimated at $85,812, among the highest in Florida and the U.S. with approximately 23.9% of households making $100,000 or more in annual income.

- Palm Beach County tourism statistics have shown strong returns. In 2023, the County was visited by 9.5 million tourists, which is a 3% increase over 2022. The County expects tourism visitation to increase going forward, with hotel occupancy and revenue statistics to show significant increases as well. Palm Beach County statistics have generally exceeded the Florida and national averages in past years. More than 430 new hotel rooms are expected to open in 2024 with an additional 358 new hotel rooms expected in 2025. Negotiations are also underway for the development of a second convention center hotel, which is expected to boost convention traffic to the area once completed.

- The Department's FY 2024 operating expense budget totaled $71.9 million, not including Interfund transfers and reserves, which represents an increase of 11% from the prior year budget. Pursuant to County requirements, contracts must be fully budgeted even though actual expenses are likely to be less; therefore, the Department expects actual expenditures for FY 2024 to be approximately $65 million. Operating revenues are budgeted at $94.3 for FY 2024.

- The budgeted FY 2024 terminal rate for Signatory Airlines is $37.57 per square foot and landing fees are $0.99 per 1,000 lbs. of landed weight. The actual FY 2023 signatory terminal rate was $35.49 per square foot and landing fees were $0.72 per 1,000 lbs. of landed weight. Average airline Cost Per Enplanement (CPE) for Signatory Airlines for FY 2024 is expected be approximately $3.92, compared to $3.75 for FY 2023. Terminal rates and landing fees are shown include estimated revenue sharing of 95%.

THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS

The under this heading describes certain investment considerations affecting the payment of and security for Bonds outstanding under the Bond Resolution, including the Series 2024 Bonds. The following discussion is not meant to be an exhaustive list of the risks associated with the purchase of the Series 2024 Bonds, and does not necessarily reflect the relative importance of the various risks. Potential investors are advised to consider the following specific factors along with all other information described elsewhere or incorporated by reference in this Official Statement in evaluating the Series 2024 Bonds. See also the description of litigation under the caption "LITIGATION" in this Official Statement.

Airline Reports

Certain of the airlines serving PBI (or their respective parent corporations) are subject to the information requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and in accordance therewith file reports and other information with the Securities and Exchange Commission ("SEC"). Only companies with securities listed on a national securities exchange, with securities traded over the counter which are registered under the Exchange Act, or which are required to file with the SEC pursuant to the information-reporting requirements will have information on file. Certain information, including financial information, as of particular dates, concerning each such airline is disclosed in certain reports and statements filed with the SEC. Such reports and statements can be inspected and copies obtained at prescribed rates at the SEC's principal offices at 100 F Street, N.E., Washington, D.C. 20549, and should be available for inspection and copying at the SEC's regional offices located at 233 Broadway, New York, New York 10279, and 500 W. Madison Street, Suite 1400, Chicago, Illinois 60661. The public may obtain information on the hours of operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site (www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. Some of the airlines are required to file periodic reports of financial and operating statistics with the United States Department of Transportation (the "DOT"). Such reports can be inspected at the Office of Aviation Information Management, Data Requirements and Public Reports Division, Research and Special Programs Administration, DOT, 400 Seventh Street, S.W., Washington, D.C. 20590, and copies of such reports can be obtained from the DOT at prescribed rates. THE COUNTY HAS NO RESPONSIBILITY FOR THE COMPLETENESS OR ACCURACY OF INFORMATION AVAILABLE FROM THE ABOVE-MENTIONED SOURCES.

Airlines owned by foreign governments or foreign corporations operating airlines (unless such foreign airlines have American Depository Receipts registered on a national exchange) are not required to file information with the SEC. Airlines owned by foreign governments or foreign corporations file limited information only with the DOT.

Global Events and Uncertainties of the Airline Industry

Since the economic deregulation of the airline industry in 1978, the industry has undergone significant changes, including a number of airline mergers, acquisitions, bankruptcies and dissolutions. In addition, the financial results of the airline industry have been subject to substantial volatility since deregulation. Various events have had a significant, negative impact on airline industry profitability. Numerous airlines have filed for bankruptcy protection, and overall, the airline industry has continued to struggle with higher costs.

The County's ability to derive Revenues depends upon numerous factors, many of which are not subject to the control of the County. Revenues may be affected by the ability of the Signatory Airlines, individually and collectively, to meet their respective obligations under the Airline Agreements. The continued presence of the airlines serving PBI, and the levels at which that service will be provided, are a function of a variety of factors. Future airline traffic of PBI will be affected by, among other things, (i) the growth in the population and the economy of the Air Trade Area served by PBI, (ii) national and international economic conditions, (iii) federal and state regulatory actions, (iv) airline service and routes, (v) air fare levels, (vi) aviation fuel prices, (vii) the capacity of facilities at PBI, (viii) operation and capacity of the air traffic control system, (ix) national and international disasters and hostilities, mergers, technological changes, environmental risks and regulations, (x) noise abatement concerns and regulation, (xi) federal and state bankruptcy and insolvency laws, (xii) acts of terrorism and world health concerns, (xiii) cost competition, (xiv) cost and availability of capital, (xv) labor relations within the airline industry, and (xvi) epidemics and health concerns (such as avian flu, SARS, COVID-19 and the Zika virus). It is reasonable to assume that any significant financial or operational difficulties incurred by any of the Signatory Airlines may, whether directly or indirectly, have an adverse impact on Revenues or PBI operations, the effect of which may be material. Although the County has developed contingency plans that make assumptions as to various factors described above and suggest a prudent response to such events, the County may anticipate but can never predict the occurrence of any particular event or trend that could adversely impact airline activity and/or Revenues. Accordingly, no assurance can be given as to the levels of aviation activity that will be achieved at PBI.

It is possible that passenger or all-cargo air carriers, including one or more of the Signatory Airlines, will file for protection under federal bankruptcy laws. This Official Statement does not contain financial information about any airline or construction contractor or about any other entity other than the Airport System and the County. As a result, in making an investment decision with respect to the Series 2024 Bonds, a potential purchaser can have no assurance, based upon the information contained herein, that any entity will be capable of meeting its responsibilities or will perform as expected. For further information regarding the financial condition and effect on operations of the airlines, potential investors should refer to the statements and reports filed periodically by the airlines with the SEC. See "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS - Airline Reports " herein for information on how to obtain such reports and "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS - General Financial Condition of Certain Airlines Serving the Airport" and "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS - Effect of Bankruptcy on Airline Agreements" herein for additional information relating to current and future Signatory Airline bankruptcies.

Regulations and Other Restrictions Affecting PBI

The operation of PBI and its ability to generate revenues are affected by a variety of legislative, legal, contractual, statutory, regulatory and practical restrictions, including restrictions in the FAA Reauthorization Act (as defined below), provisions of the Airline Agreements, PFC legislation, and extensive federal legislation and regulations applicable to all airports. It is not possible to predict whether future restrictions or limitations on PBI's operation will be imposed, whether future legislation or regulation will affect anticipated federal funding or PFC collection, whether additional requirements will be funded by the federal government or require funding by the County, or whether such restrictions, legislation or regulations would adversely affect Revenues.

Climate change concerns have led, and may continue to lead, to new laws and regulations at the federal and state levels that could have a material adverse effect on the operations of PBI and on the airlines operating at PBI. The United States Environmental Protection Agency (the "EPA") has taken steps towards regulation of greenhouse gas ("GHG") emissions under existing federal law. Those steps may in turn lead to further regulation of aircraft GHG emissions. On July 5, 2011, the United States District Court for the District of Columbia issued an order concluding that the EPA has a mandatory obligation under the Clean Air Act to consider whether the GHG and black carbon emissions of aircraft engines endanger public health and welfare. On June 10, 2015, the EPA proposed to find that GHG emissions from certain aircraft cause and contribute to pollution that endangers public health and welfare. This proposed endangerment finding will be subject to public comment and then, if finalized as proposed, the EPA has stated its intent to propose GHG emission standards for covered aircraft that will be at least as stringent as emission standards under development by the International Civil Aviation Organization. The

County cannot predict what the EPA's emission standards will be or what effects those standards may have on PBI or on air traffic at PBI.

Capacity of National Air Traffic Control and Airport Systems

Demands on the national air traffic control system continue to cause aircraft delays and restrictions, both on the number of aircraft movements in certain air traffic routes and on the number of landings and takeoffs at certain airports. These restrictions affect airline schedules and passenger traffic nationwide. The FAA is gradually automating and enhancing the computer, radar, and communications equipment of air traffic control systems and assisting in the development of additional airfield capacity through the construction of new runways and the more effective use of existing runways. However, increasing demands on the national air traffic control and airport systems could cause increased delays and restriction in the future.

General Financial Condition of Certain Airlines Serving the Airport

Historically, the financial performance of the air transportation industry has correlated with the state of the national economy. Future increases in passenger traffic will depend largely on the ability of the U.S. to sustain growth in economic output and income. The financial results of the airline industry are subject to substantial volatility and, at times, many carriers have had overlapping, extended periods of unprofitability. In recent years the industry has undergone significant changes, including mergers, acquisitions, major restructurings, bankruptcies and closures. The COVID pandemic and its resultant economic impact severely and negatively impacted demand for air travel and the airline industry. See "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS—Public Health Risk" herein for a discussion of the COVID's impact on PBI and PBI's recovery from the pandemic

The airline industry is cyclical and subject to intense competition and variable demand and is highly sensitive to a variety of factors, including (i) the cost and availability of labor, fuel, aircraft and insurance, (ii) general economic conditions, (iii) international trade, (iv) currency values, (v) competitive considerations, including the effects of airline ticket pricing, (vi) traffic and airport capacity constraints, (vii) governmental regulation, including security regulations and taxes and fees imposed upon airlines and passengers, (viii) increases in maintenance and environmental requirements and costs, (ix) passenger demand for air travel, (x) disruptions caused by airline accidents, natural disasters, health crises, criminal incidents and acts of war or terrorism, (xi) strikes and other union activities and (xii) political risk, including regulatory issues and federal funding and/or staffing shortfalls resulting from actions, or inaction, of Congress.

The price of fuel is a significant factor impacting the passenger and cargo airline industry and continues to be an important and uncertain determinant of an air carrier's operating economics. Historically, aviation fuel prices have been particularly sensitive to worldwide political instability. Continued or new hostilities in petroleum-producing regions or affecting key shipping lanes could dramatically impact the price and availability of aviation fuel. Economic expansion in emerging markets also contributes to higher aviation fuel prices. Natural disasters affecting refineries may also result in higher aviation fuel prices. Although some airlines hedge fluctuations in fuel prices through the purchase of futures contracts and although fuel prices have declined significantly in the past several years, a substantial increase in fuel prices can have a material effect on profitability and airline aircraft and route decisions at PBI. Future fuel price increases or sustained higher prices and volatility in supply have affected and likely will continue to affect the financial condition of airlines, their capacity and route decisions and the level of service the airlines provide at PBI.

Labor shortages and staffing challenges recently have impacted, and may continue to impact, the airline industry and the PBI. Several major airlines have announced reduced schedules and cancelling flights as a result of reported labor shortages and staffing challenges. Labor shortages have been attributed to growing travel demand after thousands of workers in the airline industry opted for buyouts or otherwise terminated their employment during the COVID-19 pandemic. In addition to the impact of labor shortages and staffing challenges on the airlines, the PBI and its concessionaires also may have their operations and finances impacted adversely by labor shortages and staffing challenges.

The Airport System derives a substantial portion of its Operating Revenues from concessions and landing and facility rental fees. The financial strength and stability of the airlines using PBI, together with numerous other factors, influence the level of aviation activity at PBI and Revenues. Over the past 20 years, substantially all airlines have been downgraded by the rating agencies, several have restructured through Chapter 11 bankruptcy, some are currently restructuring in Chapter 11, and some have ceased service altogether.

Certain of the airlines (or their respective parent corporations) are subject to the information reporting requirements of the Exchange Act and in accordance therewith file reports and other information with the SEC. See "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS - Airline Reports" herein for information on how to obtain such reports.

U.S. Department of Justice Investigation of Certain Airlines

It has been reported that the United States Justice Department has initiated a civil anti-trust investigation and has requested airlines to provide documents and information from the past two years that are related to seating capacity. By limiting the number of flights offered, allegedly airlines could restrain competition and raise fares. A Justice Department spokeswoman stated that the Justice Department is investigating potential unlawful coordination among some airlines. The Justice Department inquiry appears to be in its early stages and what effect, if any, this investigation will have on airlines and the industry as whole is not currently determinable.

Effect of Bankruptcy on Airline Agreements

When a Signatory Airline seeks protection under the bankruptcy laws, such airline or its bankruptcy trustee must determine whether to assume or reject its agreements with the County (1) within 120 days or later, if ordered by the court, with respect to its Airline Agreement or other leases of real property, or (2) prior to the confirmation of a plan or reorganization with respect to any other agreement. In the event of assumption, the Signatory Airline would be required to cure any prior defaults and to provide adequate assurance of future performance under the applicable Airline Agreement or other agreements. Rejection of an Airline Agreement or other agreement or executory contract would give rise to an unsecured claim of the County for damages, the amount of which in the case of an Airline Agreement or other agreement is limited by the Bankruptcy Code generally to the amounts unpaid prior to bankruptcy plus the greater of (a) one year of rent, or (b) 15% of the total remaining lease payments, not to exceed three years. However, the amount ultimately received in the event of a rejection of an Airline Agreement or other agreement could be considerably less than the maximum amounts allowed under the Bankruptcy Code. The amounts unpaid as a result of a rejection of an Airline Agreement by a Signatory Airline in bankruptcy would be passed on to the remaining Signatory Airlines under their Airline Agreements in the form of a rate increase. There is no assurance that the remaining Signatory Airlines would be financially able to absorb the additional costs resulting from the bankruptcy of any other Signatory Airline. In addition, pre-petition payments made by an airline in bankruptcy within 90 days of filing a bankruptcy case could be deemed to be an "avoidable preference" under the United States Bankruptcy Code and thus subject to recapture by the debtor or its trustee in bankruptcy.

Additionally, during the pendency of a bankruptcy proceeding, a debtor airline may not, absent a court order, make any payments to the County on account of goods and services provided prior to the bankruptcy. Thus, the County's stream of payments from a debtor airline would be interrupted to the extent of pre-petition goods and services, including accrued rent and landing fees. Although there can be no guarantee as to what an airline entity in bankruptcy will or will not do, given the origin and destination nature of the traffic at PBI, it is expected that any adverse interruption would be of a relatively short duration. See "THE AIRLINE INDUSTRY AND OTHER INVESTMENT CONSIDERATIONS - General Financial Condition of Certain Airlines Serving the Airport" herein.

In the case of bankruptcies involving airlines serving PBI, the County cannot predict the duration nor extent of reductions and disruptions in air travel or the extent of any adverse impact on Revenues, collection of Passenger Facilities Charges, passenger enplanements, operations or the financial condition of the Airport System. The County is not able to accurately predict whether any airline under bankruptcy protection will continue operating at PBI or whether any of these airlines will liquidate or substantially restructure their operations. Further, the County cannot predict nor can it give any assurance that any airlines in bankruptcy serving PBI will continue to pay or to make timely payment of their obligations under the Airline Agreements.

Dependence on Concession Revenues

As can be seen in the chart entitled "Net Revenues Available for Debt Service and Debt Service Coverage, Fiscal Years 2019-2023" under the heading "SELECTED FINANCIAL INFORMATION AND MANAGEMENT ANALYSIS," above, a large portion of the Airport System's Operating Revenues is currently derived from concession revenues, particularly those associated with rental cars and parking. Historically, these revenues have been very dependent on the state of the national economy. In addition, although PBI currently has no substantial offsite parking competition to parking provided on-site, there can be no assurance that this will continue to be the case.

Continued Federal Grant Funding

The Federal Aviation Administration ("FAA") Reauthorization Act of 2018 (the "FAA Reauthorization Act") was signed into law on October 5, 2018. This bi-partisan, multi-year authorization of the FAA was the first significant reauthorization since the FAA Modernization and Reform Act of 2018, and the first five-year reauthorization since 1982. The signing of this bill provided for a reliable and predictable source of funding for FAA to invest in critical needs at the country's airports. The bill included major legislative changes aimed at expediting the financing and development of airport capital projects, addressing airport noise, and streamlining of the certification process for U.S. aircraft, along with a focus on Unmanned Aerial System (UAS) integration into the National Airspace System (NAS).

On May 16, 2024, the FAA Reauthorization Act of 2024 was signed into law, thereby reauthorizing the FAA and providing funding for the FAA and its programs until September 30, 2028. This bill was focused on the U.S aviation system's safety, efficiency, infrastructure and workforce. Several additional key components of the bill included improvements for general aviation (GA) operations, as well as Advanced Air Mobility (AAM) and UAS operations and the modernization of the NAS. Most importantly, the bill provides additional funding for critical infrastructure projects at the nation's airports.

The FAA's Airport Improvement Program (the "AIP") provides federal capital grants to support airport infrastructure, including entitlement grants (determined by formulas based on passenger, cargo, and general aviation activity levels) and discretionary grants (allocated on the basis of specific set-asides and the national priority ranking system). Past budget proposals have included reduction or elimination of the AIP. In addition, the AIP could be affected by the automatic across-the-board spending cuts, known as sequestration, described below. The County is unable to predict the level of available AIP funding it may receive. Historically, the County has depended on federal and state grants to fund improvements to the Airport System. See "THE AIRPORT SYSTEM – Grants," herein. If there is a reduction in the amount of AIP grants awarded to the County, such reduction could (i) increase by a corresponding amount the capital expenditures that the County would need to fund from other sources (including operating revenues and Additional Bonds), (ii) result in adjustments to the capital improvement plan or (iii) extend the timing for completion of certain projects.

Passenger Facilities Charges

The County's authority to impose and use PFCs is subject to certain terms and conditions provided in the PFC Act, the PFC Regulations and each PFC Authority. As further described in the last paragraph under this heading, if the County fails to comply with these requirements, the FAA may take action to terminate or to reduce the County's authority to impose or to use PFCs. Some of the events that could cause the County to violate these provisions are not within the County's control. In addition, failure to comply with the provisions of the Noise Act may lead to termination of the County's authority to impose PFCs. There is no assurance that the PFC Act will not be repealed or amended or that the PFC Regulations or any PFC Authority will not be amended in a manner that would adversely affect the County's ability to collect and use PFCs. See "THE AIRPORT SYSTEM - Passenger Facilities Charges" herein. PFCs are not currently pledged to secure any of the outstanding Bonds including the Series 2024 Bonds.

The ability of the County to collect sufficient Passenger Facilities Charges depends upon a number of factors, including the operation of PBI by the County, the use of PBI by Collecting Carriers, the number of enplanements at PBI and the efficiency and ability of the Collecting Carriers to collect and remit Passenger Facilities Charges to the County. The County relies upon the Collecting Carriers' collection and remittance of Passenger Facilities Charges, and both the County and the FAA rely upon the airlines' reports of enplanements and collection statistics.

The amount of PFC revenue collected for PBI in past years has varied, and in future years will vary, based upon the actual number of passenger enplanements at PBI. No assurance can be given that any level of enplanements will be realized. The adverse impact of decreased enplanements could be direct or indirect. For example, PFC shortfalls could result in increases in terminal rentals or other rates and charges at PBI, thereby negatively impacting the airlines' desire to operate at PBI. Furthermore, under the terms of the PFC Act, the FAA may terminate the County's authority to impose the PFCs. **PFCs are an important element of the County's funding for its Airport System capital improvement program. See "CAPITAL IMPROVEMENT PROGRAM" herein.**

In 2003, the Vision 100 – Century of Aviation Reauthorization Act ("Vision 100") became effective. Vision 100 requires an airline that files for bankruptcy protection, or that has an involuntary bankruptcy proceeding commenced against it, to segregate passenger facility revenue in a separate account for the benefit of the eligible agencies entitled to such revenue. Prior to the amendments made by Vision 100 to allow PFCs collected by airlines to constitute a trust fund, at least one bankruptcy court indicated that the PFC revenues held by an airline in bankruptcy would not be treated as a trust fund and would instead be subject to the general claims of the unsecured creditors of such airline.

The County cannot predict whether an airline that files for bankruptcy protection would have properly accounted for PFCs or whether the bankruptcy estate would have sufficient moneys to pay the County in full for the PFCs owed by such airline. PFCs are not pledged to the repayment of the Series 2024 Bonds.

The FAA may terminate the County's authority to impose PFCs, subject to informal and formal procedural safeguards, if the FAA determines that (1) the County is in violation of certain provisions of the Airport Noise and Capacity Act of 1990 (the "Noise Act") relating to airport noise and access restrictions, (2) PFC collections and investment income thereon are not being used for approved projects in accordance with the FAA's approvals or with the PFC Act and the PFC Regulations, (3) implementation of the approved projects does not commence within the time periods specified in the PFC Act and PFC Regulations, or (4) the County is otherwise in violation of the PFC Act, the PFC Regulations or any PFC Authority. Formal termination proceedings are authorized if the FAA determines that efforts to achieve an informal resolution are not successful.

Aviation Safety and Security Concerns

Concerns about the safety of air travel and the effectiveness of security precautions, particularly in the context of international hostilities and domestic and foreign terrorist attacks and threats and other airline incidents may influence passenger travel behavior and air travel demand. These concerns intensified in the aftermath of the events of September 11, 2001. Travel behavior may be affected by anxieties about the safety of flying and by the inconveniences and delays associated with more stringent security screening procedures, which may give rise to the avoidance of air travel generally and the switching from air to surface travel modes. Public health and safety concerns have also affected air travel demand from time to time.

Safety concerns in the aftermath of the terrorist attacks on September 11, 2001, were largely responsible for the steep decline in airline travel nationwide in 2002. Since 2001, government agencies, airlines, and airport operators have enhanced security measures to guard against possible terrorist incidents and maintain confidence in the safety of airline travel. These measures include strengthened aircraft cockpit doors, changed flight crew procedures, increased presence of armed sky marshals, federalization of airport security functions under the TSA, more effective dissemination of information about threats, more intensive screening of passengers, baggage, and cargo, and deployment of new screening technologies.

The airlines and the federal government were primarily responsible for, and bore most of the capital costs associated with, implementing security measures after September 11, 2001. PBI is currently in compliance with all federally mandated security requirements.

The County cannot predict the effect of any future government-required security measures on passenger activity at PBI. Nor can the County predict how the government will staff security screening functions or the effect on passenger activity of government decisions regarding its staffing levels.

Enplanements at PBI, collections of PFCs and the receipt of Revenues were negatively affected by security restrictions on the Airport System and the financial condition of the air transportation industry following the terrorist attacks of September 11, 2001. The County, like many airport operators, experienced increased operating costs due to compliance with federally mandated and other security and operating changes. The County cannot predict the likelihood of future incidents similar to the terrorist attacks of September 11, 2001, the possibility of increased security restrictions, the likelihood of future air transportation disruptions or the impact on the Airport System or the airlines from such incidents or disruptions.

General Economic and Geopolitical Considerations

Historically, the financial performance of the air transportation industry has correlated with the state of the national and global economies. Past recessions in the U.S. economy have negatively impacted airline travel demand. With the globalization of business and the increased importance of international trade and tourism, the national economy has become more closely tied to worldwide economic, political, and social conditions. As a result, international economics, trade balances, currency exchange rates, political relationships, and hostilities all influence passenger traffic at major United States airports. Concerns about hostilities and other perceived security and public health risks also affect travel demand to particular international destinations. Sustained future increases in passenger traffic at PBI will depend on stable international conditions as well as national and global economic growth. Traffic at PBI is also sensitive to growth in the population and fluctuations in the local economy of the area served by PBI. For more information concerning the local and national economy, see APPENDIX B – "REPORT OF THE AIRPORT CONSULTANT."

Cybersecurity

The transportation sector is a growing target for cyberattacks given its critical role in the global economy and reliance on digital infrastructure. The number of cyberattacks on airports has been relatively low, when compared with the number of cyberattacks on airlines. Critical systems that manage logistics, flights or control aircraft are operated by the airlines, decreasing airports' control over cyber risk. Airlines directly manage systems related to reservations, scheduling of aircraft and crew and maintenance of aircraft. Many functions related to airport security, including management of security checkpoints, are managed by the U.S. Transportation Security Administration (TSA). While airports do not control these systems, cyberattacks that cause flight delays or cancellations may result in airports generating lower revenue or incurring higher operating expenses.

PBI is owned by the County and operated and managed by the Department, which is a department of the County. The County's Department of Information System Services (ISS) maintains an Enterprise IT Security Division, which provides oversight activities that govern all IT security initiatives to ensures all IT service areas work towards the common goal of protecting County assets from cyberattacks. The County's ISS has adopted policies and procedures regarding cybersecurity that are applicable to all departments of the County, including the Department. Employees participate in mandatory cybersecurity training and are trained on measures to identify potential cybersecurity threats. The County also maintains a cybersecurity insurance policy; however, the County cannot guarantee that coverage will be sufficient or that insurers will pay claims in a timely manner.

In addition, the TSA issued a new cybersecurity amendment on March 7, 2023, to the security programs of specific TSA-regulated airport and aircraft operators. According to the TSA, this step was part of the U.S. Department of Homeland Security's broader efforts to increase the cybersecurity resilience of U.S. critical infrastructure, but also in response to persistent cybersecurity threats against critical infrastructure, including the aviation sector.

PBI is a TSA-regulated airport managed and operated by the Department. The Department submitted a CIP and received approval from TSA on June 28, 2024. The Department is coordinating with the County's ISS for the implementation of the approved CIP, which is anticipated to be completed by December 2024.

While cybersecurity and operational safeguards are in place to protect against these threats, no assurance can be given by the Department that such measures will fully ensure against cybersecurity threats and attacks. Cybersecurity breaches could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to airport systems for the purposes of misappropriating assets or information or causing operational disruption and damage. Such breaches could damage PBI's computing and other digital networks and systems and cause material disruption to PBI's operations. The costs of remedying any such damages or protecting against future attacks could be substantial. Further, cybersecurity breaches could expose PBI to material litigation and other legal risks, which could cause PBI to incur material costs related to such legal claims and proceedings.

Cost of Aviation Fuel

Airline earnings are significantly affected by changes in the price of aviation fuel. According to Airlines for America (an airline trade association, formerly known as Air Transport Association of America), fuel, along with labor costs, is one of the largest cost components of airline operations, and continues to be an important and uncertain determinate of an air carrier's operating economics. There has been no shortage of aviation fuel since the "fuel crisis" of 1974, but any increase in fuel prices causes an increase in airline operating costs. Fuel prices continue to be susceptible to, among other factors, political unrest in various parts of the world (particularly in the oil-producing nations in the Middle East and North Africa), Organization of Petroleum Exporting Countries policy, the rapid growth of economies such as China and India, the levels of inventory carried by industries, the amounts of reserves maintained by governments, disruptions to production and refining facilities and weather. In recent years, the cost of aviation fuel has fluctuated in response to changes in demand for and supply of oil worldwide. Significant fluctuations and prolonged increases in the cost of aviation fuel have had an adverse impact on air transportation industry profitability, causing airlines to reduce capacity, fleet and personnel as well as to increase airfares and institute fuel, checked baggage and other extra surcharges, all of which may decrease demand for air travel.

Public Health Risks

Public health concerns also have affected air travel demand from time to time. In 2003, concerns about the spread of severe acute respiratory syndrome ("SARS") led public health agencies to issue advisories against nonessential travel to certain regions of the world. In 2009, concerns about the spread of influenza caused by the H1N1 virus reduced certain international travel, particularly to and from Mexico and Asia. More recently, following an outbreak of the Ebola virus in West Africa in 2014, concerns about the spread of the virus have adversely affected travel to and from certain regions of Africa.

In January 2016, the Centers for Disease Control and Prevention issued a travel alert warning pregnant women to avoid travel to areas where the Zika virus, which has been linked to a type of birth defect called microcephaly, is spreading, a list that currently includes 22 countries and territories.

The outbreak and spread of the COVID-19 pandemic severely curbed global aviation demand. The impact to air travel began in East Asia in December 2019 and accelerated to other regions of the world in the first quarter of 2020. Airlines responded by reducing capacity across their networks due to decreased demand, travel restrictions, and border closures. May 2020 represented the low point in terms of passenger airline seat capacity. In June 2020, seat capacity began to recover, with the initial recovery focused primarily on areas with outdoor leisure activities, including Palm Beach, where people could visit.

PBI, similar to most other airports across the country, experienced steep declines in passenger volumes as a result of the COVID-19 pandemic. Total enplaned passengers decreased by approximately 63 percent between FY 2019 and FY 2020 and increased by approximately 161.4 percent between 2020 and 2021. By 2023, total enplaned passengers increased 23.8 percent over 2019.

As a direct result of COVID-19, several bills were adopted by the U.S. Congress that provided, or continued to provide, financial aid to airports around the country, the airlines and other concessionaries. The Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"), the Coronavirus Response and Relief Supplemental Appropriations Act ("CRRSA") and the American Rescue Plan Act ("ARPA" and together with the CARES Act and the CRRSAA, the "COVID Relief Grants") each provide direct aid to airports. The County received $67,829,780.00 for PBI in federal relief pursuant to the COVID Relief Grants. ARPA funding has not been fully exhausted; however, the remaining amounts will be exhausted by the grant expiration date in January 2026.

Although travel demand recovery at PBI was relatively robust, with enplaned revenue passengers relative to FY 2019 outpacing the US throughout the recovery period, future outbreaks or pandemics or a resurgence of COVID-19, alone or in combination with other events or circumstances, may lead to a decrease in air traffic at the Airport, which in turn could cause a decrease in passenger activity at the Airport and a corresponding decline in Airport Revenues.

Travel behavior may be affected by anxieties about the safety of flying, the inconveniences and delays associated with more stringent security screening procedures, the potential exposure to severe illnesses and natural disasters (such as volcano eruptions, earthquakes and tsunamis), all of which could lead to the avoidance of airline travel or the use of alternate modes of transportation.

Environmental Risk

Climate Change

Numerous scientific studies on global climate change show that, among other effects on the global ecosystem, sea levels will rise, extreme temperatures will become more common and extreme weather events will become more frequent as a result of increasing global temperatures attributable to atmospheric pollution. Over the coming decades, such extreme events and conditions are expected to increasingly disrupt and damage critical infrastructure and property as well as regional economies and industries that depend on natural resources and favorable climate conditions. Disruptions may include more frequent and longer-lasting power outages, fuel shortages and service disruptions. Coastal public infrastructure may be threatened by the continued increase in the frequency and extent of high-tide flooding due to sea level rise, and inland infrastructure, including access to roads, the viability of bridges and the safety of pipelines, may be affected by increases in the severity and frequency of heavy precipitation events. Near-coastal areas like South Florida (which contains areas of land that are at or near sea level) may be at risk of substantial flood damage over time, affecting private development and public infrastructure. As a result, many residents, businesses, and governmental operations within the area could be negatively impacted. In addition, local public agencies and governmental entities, including the County, could be required to mitigate these climate change effects at a potentially material cost.

Climate change concerns have led, and may continue to lead, to new laws and regulations at the federal and state levels that could have an adverse effect on airport operations and on the airlines operating at PBI.

Environmental Issues

Airport operations involve the storage and use of a number of substances that are regulated under various federal, state and local regulations. In the event such storage and handling of regulated substances causes environmental damage, the costs resulting from such damage and the remediation of such damage may be significant. These regulated substances at PBI are predominantly used by tenants.

PBI was the former Palm Beach Air Force (PBAFB) Base. In 1947, the County opened PBI for civilian use. Congress established the Defense Environmental Restoration Program - Formerly Used Defense Site (DERP-FUDS) program in the mid-1980's for conducting environmental restoration at former Department of Defense (DOD) facilities owned or used by the military services.

A number of environmental investigations have been conducted by the U.S. Army Corp of Engineers (USACE) and Florida Department of Environmental Protection (FDEP) at PBAFB and there are existing FUDs sites on PBI. In addition, the County's Fire Department has used aqueous film-forming foam ("AFFF") known to contain per-and polyfluoroalkyl substances ("PFAS") at PBI, in accordance with FAA requirements for fire suppression. AFFF is effective in smothering fuel fires and FAA standards historically contained PFAS in AFFF. Sampling conducted in 2023 and 2024 identified PFAS impacts to groundwater, soil, surface water and sediment in certain areas within the boundaries of PBI. Impacts from PFAS to soil appear localized to within the vicinity of the current fire station. Impacts to ground water, surface water and sediment occur at locations that could be impacted from either the current fire station or the historical FUDS investigation sites.

PFAS are a group of more than 3,000 synthetic chemicals that have been in use since the 1940s. PFAS are found in many products such as dental floss, food packaging materials, stain-resistant materials, non-stick products, water repellant textiles, and fire-fighting foams. On May 8, 2023, the FAA published an Aircraft Firefighting Foam Transition Plan to ensure the orderly transition from current PFAS-containing AFFF to replacement fluorine-free foam ("F3") products as they are developed and manufactured. On September 13, 2023, the first FAA-approved F3 became available for purchase. Currently, under federal regulations airports may, but are not required to, transition to using F3 in their aircraft rescue and firefighting vehicles.

The EPA found evidence that continued exposure to certain PFAS above specified levels may lead to adverse health effects. Currently, the key PFAS compounds of concern are perfluorooctanesulfonate ("PFOS") and perfluorooctanoic acid ("PFOA"). The EPA released a statement in November 2016 summarizing available peer-reviewed studies on laboratory animals and epidemiological evidence in human populations as indicating that exposure to PFOA and PFOS over certain levels may result in adverse health effects. In February 2019, the EPA issued a PFAS Action Plan. The PFAS Action Plan outlines EPA's strategy to better understand the health risks associated with PFAS and to develop tools for characterizing PFAS in the environment, cleanup approaches, and enforcement mechanisms.

On September 6, 2022, the EPA published a proposed rule designating PFOS and PFOA as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"). On April 19, 2024, the EPA released a pre-publication version of the final rule designating PFOS and PFAS as hazardous substances under CERCLA. The final rule was published in the Federal Register May 8, 2024 and took effect 60 July 8, 2024. However, the EPA's designation of PFOS and PFAS as hazardous substances under CERCLA is currently being challenged by the U.S. Chamber of Commerce, Associated General Contractors of America and the National Waste and Recycling Association in D.C. Circuit Court.

In April 2024, the EPA announced the first-ever national standards for PFAS in drinking water under the Safe Drinking Water Act. This rule sets health safeguards that require public water systems to monitor and reduce the levels of PFAS in drinking water, and notify the public of any exceedances of those levels. The rule sets drinking water limits for five individual PFAS, including PFOA and PFOS, as well as setting a limit for any combination of four PFAS, including what are known as "GenX Chemicals."

While the EPA has established these standards relating to drinking water, there are currently no regulatory standards relating to ground water, surface water, sediment or soil. No potable public water supply wells have been identified within a ½-mile radius hydraulically downgradient of the PBI boundary, and there is no evidence that any activities at PBI have resulted in any impacts to potable public water supply wells. At this time, there is no remediation requirement for PBI; however, if the County has to bear the costs of remediation for PFAS or third party liability in the future, it is possible such costs could be significant.

Airline Concentration; Effect of Airline Industry Consolidation

The airline industry continues to evolve as a result of competition and changing demand patterns and it is possible the airlines serving PBI could further consolidate operations through acquisition, merger, alliances and code share sales strategies. Examples of airlines mergers occurring over the last several years include: (i) in 2008, Delta acquired Northwest and its affiliated air carriers, Mesaba, Pinnacle (now known as Endeavor) and Compass; (ii) on October 1, 2010, United Airlines and Continental Airlines merged and United Airlines and Continental Airlines began operating as a single airline (under the United brand) in March 2012; (iii) on May 2, 2011, Southwest acquired Air Tran, and Southwest and Air Tran began operating as a single airline (under the Southwest brand) in March 2012; and (iv) in December 2013, AMR Corporation, along with its subsidiaries American Airlines and American Eagle, merged with US Airways Group, Inc. As of the date of this Official Statement, none of these mergers have had any material impact on airline service or enplanements at PBI. While these prior mergers have not had any material impact on airline service and enplanements at PBI or on Revenues, future mergers or alliances among airlines operating at PBI may result in fewer flights or decreases in gate utilization by one or more airlines. Such decreases could result in reduced Revenues, reduced PFC collections and/or increased costs for the other airlines serving PBI.

Structural Changes in the Travel Market

Many factors have combined to alter consumer travel patterns. The threat of terrorism against the United States remains high. As a result, the federal government has mandated various security measures that have resulted in new security taxes and fees and longer passenger processing and wait times at airports. Both add to the costs of air travel and make air travel less attractive to consumers relative to ground transportation, especially to short-haul destinations. Additionally, consumers have become more price-sensitive. Moreover, the availability of fully transparent price information on the Internet now allows quick and easy comparison shopping, which has changed consumer purchasing habits. Consumers have shifted from purchasing paper tickets from travel agencies or airline ticketing offices to purchasing electronic tickets over the Internet. This has made pricing and marketing even more competitive in the U.S. airline industry. Finally, smaller corporate travel budgets, combined with the higher time costs of travel, have made business customers more amenable to communications substitutes such as tele- and video-conferencing.

Technological Innovations and Ground Transportation

New technologies are currently being developed and are likely to continue to be developed in the future. The impact of these new technologies on current operations and practices at PBI are not all known and may have an effect on airlines and operations at PBI. However, these new technologies may increase the risk of cyber-attacks on such systems.

New technologies (such as autonomous vehicles and connected vehicles) and innovative business strategies in established markets such as commercial ground transportation and car rental may continue to occur and may result in further changes in PBI passengers' choice of ground transportation mode. While the County makes every effort to anticipate demand shifts, there may be times when the County's expectations differ from actual outcomes. In such event, revenue from one or more ground transportation modes may be lower than expected. The County cannot predict with certainty what impact these innovations in ground transportation will have over time on revenues from parking, other ground transportation services or rental cars. The County also cannot predict with certainty whether or to what extent it will collect non-airline revenues in connection with such new technologies or innovative business strategies.

Growth of Low Cost Carriers

Low cost carriers ("LCCs") are carriers that take advantage of an operating cost structure that is significantly lower than the cost structure of the network carriers. These advantages can include lower labor costs, greater labor flexibility, a streamlined aircraft fleet (i.e., fewer different types of aircraft in a given airline's fleet) and a generally more efficient operation.

These low costs suggest that the LCCs can offer a lower fare structure to the traveling public than network carriers while still maintaining profitability. In calendar year 2014, LCCs provided approximately 28% of the airline seat capacity in the U.S. market.

As the larger U.S. carriers consolidated and became more focused on capacity discipline, fare increases took hold. LCCs began to emerge in larger markets where passenger levels were high enough for the LCCs to overcome certain barriers to entry caused by the larger carriers, such as control of the majority of airport gates and slots. The cost structure of LCCs allows for lower fares, which has stimulated traffic and driven LCCs into more and larger markets. One result of the consolidation of carriers and their capacity discipline and the associated fare increases is that certain price-sensitive travelers are flying less. Recently, these budget conscious flyers have emerged as an underserved segment which has helped to expand the LCC market to include the ultra-low cost carriers, such as Allegiant Airways and Spirit Airlines. See "THE AIRPORT SYSTEM – Airline Market Share and Passenger Information" and the related charts regarding historical airline market shares and enplanements for more information about airline service, activity and market shares at PBI.

Other Southeast Florida Airports

PBI is one of three commercial airports serving southeast Florida. In addition to PBI, Miami International Airport ("MIA") and Fort Lauderdale-Hollywood International Airport ("FLL") also serve the southeast Florida region. Airlines at PBI currently serve 34 domestic destinations that are also served from both airports, and all four of the Airport's international destinations also receive service from MIA and FLL. No airports are currently served solely from PBI. Additionally, MIA and FLL receive service to 39 domestic destinations and 36 international destinations currently unserved from PBI. In both FY 2019 and FY 2023, PBI accommodated approximately 15 percent of South Florida's domestic O&D market. During the COVID pandemic period, market changes in the South Florida region caused PBI's share of this market to decrease. A minimum 12 percent share was observed in FY 2021, as MIA benefited from several domestic airlines commencing service, including JetBlue, Southwest, and Spirit. As recovery progressed, the share of domestic O&D passengers represented by PBI returned to pre-pandemic levels, with the PBI representing 15 percent of domestic O&D passengers in the region in FY 2023. See "APPENDIX B—REPORT OF THE AIRPORT CONSULTANT."

The County also may continue to experience increases in its operating costs due to compliance with federally mandated and other security and operating changes that are unique to PBI. Although PBI has maintained the lowest cost per enplaned passenger of the airports serving southeast Florida for a number of years, increased operating costs may increase the cost per enplaned passenger to the airlines, which could result in PBI being put at a competitive disadvantage relative to other airports and transportation modes.

Availability of Various Sources of Funding

The funding plan for the Airport System's CIP as described herein assumes and states that various federal and state grants will be received in amounts and at times necessary to pay a portion of the costs of the CIP, including a portion of the 2024 Projects. In addition, the funding plan assumes certain amounts of PFCs will be available to pay a portion of the costs of the CIP. No assurance can be given that these sources of funding will actually be available in the amounts or on the schedule assumed. See "CAPITAL IMPROVEMENT PROGRAM" herein.

Costs of Capital Improvement Program and Schedule

The estimated costs of, and the projected schedule for, the CIP are subject to a number of uncertainties. The ability of the County to complete the CIP may be adversely affected by various factors, including: (i) estimating errors, (ii) design and engineering errors, (iii) changes to the scope of the capital improvements, (iv) delays in contract awards, (v) material and/or labor shortages, (vi) unforeseen site conditions, (vii) inflation, (viii) adverse weather conditions, (ix) contractor defaults, (x) labor disputes, (xi) unanticipated levels of inflation, (xii) litigation, (xiii) delays in permitting and (xiv) environmental issues. No assurance can be given that the CIP will not cost more than is currently estimated. Any schedule delays or cost increases could result in the need to issue additional indebtedness and may result in increased costs per enplaned passenger to the airlines utilizing PBI. As noted above, the Airline Agreements require majority in interest approval of the Signatory Airlines for the issuance of additional debt, the debt service on which would be included in the airline rate base. There can be no assurance that the County would be able to obtain any additional required approvals in the event the CIP costs more than currently anticipated.

Supply Chain Issues

The County has encountered adverse impacts resulting from the current supply chain crises. Specifically, the County has incurred increased costs with certain equipment, materials and project deliverables, increased shipping costs and delivery delays. Steps taken by the County to mitigate supply chain issues, including phasing projects, purchasing materials and/or equipment in advance of projects. It is possible that there will be additional effects in the future. Therefore, for new projects that have not yet started, the County is taking these supply chain issues into account in the revised budgets and schedules.

Future Airline Agreement

The financial projections included in the Report of the Airport Consultant have assumed the continuation of the rate-setting methodology set forth in the Airline Agreement for the entirety of the projection period. The Report of the Airport Consultant also assumes that the current airlines will continue to be Signatory Airlines and will remain Signatory Airlines though the duration of the projection period .

As noted herein, the current Airline Agreement expires on September 30, 2026. Although the County anticipates the current Signatory Airlines are likely to enter into new Airline Agreements with the County and does not anticipate significant changes to the terms and conditions of the Airline Agreement, including the rate-setting model, there are no guarantees that all the current Signatory Airlines will enter into new Airline Agreements. In addition, any future changes in the rate setting model used by the County could materially impact both the PBI's Revenues and operations.

2024 Reserve Policy Replacement

As described under the heading "SECURITY FOR THE SERIES 2024 BONDS – Debt Service Reserve Account--2024 Reserve Policy," the Bond Resolution does not require replacement of the 2024 Reserve Policy, if such 2024 Reserve Policy is obtained upon a ratings downgrade of the 2024 Reserve Account Provider, or should any circumstances occur impacting the value of said 2024 Reserve Policy or the ability of the County to access claims thereunder, or for other reasons. As such, the security for the Series 2024 Bonds afforded by the Series 2024

Debt Service Reserve Subaccount is limited to the 2024 Reserve Policy, if such 2024 Reserve Policy is obtained, and as a result is dependent solely on the financial strength of 2024 Reserve Account Provider.

FUTURE FINANCING

The County may issue Additional Bonds for the purpose of paying the costs of any Additional Project, subject to compliance with applicable debt service coverage requirements of the Bond Resolution. Although, as indicated under the heading "CAPITAL IMPROVEMENT PROGRAM," herein, the County does not expect to issue any Additional Bonds during the next six years to fund its CIP, a change in financial circumstances could alter that expectation. The timing of the issuance of any Additional Bonds is contingent upon the passenger demand for the Airport System's facilities and will be affected by the volume of commercial aircraft servicing PBI and the financial feasibility of such projects. Additionally, the current volatility in the airline industry and uncertain economic conditions will affect the timing and scope of the required projects. Accordingly, the timing and costs of projects requiring the issuance of Additional Bonds cannot be stated with a great degree of accuracy.

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DEBT SERVICE REQUIREMENTS

The following represents the estimated debt service on all Outstanding Bonds after the issuance of the Series 2024 Bonds.

Year Ended October 1	Series 2024 Bonds Principal	Series 2024 Bonds Interest	Series 2016 Bonds	Total
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
2043				
2044				
Total				

LITIGATION

There is no litigation of any nature now pending or, to the best of the County's knowledge, threatened which seeks to restrain or enjoin the sale, execution, issuance or delivery of the Series 2024 Bonds or in any way contests the validity of the Series 2024 Bonds or any proceedings of the County taken with respect to the authorization, sale, or issuance of the Series 2024 Bonds, or the pledge or application of any moneys provided for the payment of or security for the Series 2024 Bonds or the construction of the 2024 Projects.

The County is involved in various lawsuits arising in the ordinary course of operations. Although the outcome of these matters is not presently determinable, it is the opinion of management of the County based upon consultation with legal counsel, that the outcome of these matters will not materially affect the financial position of the County or the County's ability to pay debt service on the Series 2024 Bonds.

The County has a number of defenses to plaintiff's claims and intends to vigorously assert the same, and to assess the likelihood of success or potential outcome.

TAX MATTERS

General

The following discussion is a summary of the opinions of Bond Counsel to the County that are to be rendered regarding the tax status of interest on the Series 2024 Bonds and with respect to certain other federal income tax considerations that may be relevant to prospective purchasers of the Series 2024 Bonds. This summary is based on existing law, including current provisions of the Internal Revenue Code of 1986, as amended (the "Code"), existing and proposed regulations under the Code, and current administrative rulings and court decisions, all of which are subject to change. The Code includes requirements that the County must continue to meet after the issuance of the Series 2024 Bonds in order that the interest on the Series 2024 Bonds be and remain excludable from gross income for federal income tax purposes. The County's failure to meet these requirements may cause the interest on the Series 2024 Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2024 Bonds. The County has covenanted in the Bond Resolution to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2024 Bonds.

Upon issuance of the Series 2024 Bonds, Bond Counsel to the County will provide their opinions, expected to be in the proposed form set forth in APPENDIX E, to the effect that, under existing law, as currently enacted and construed, and subject to the assumptions described under "Additional Tax Matters" below: (i) interest on the Series 2024 Bonds is excludable from gross income for federal income tax purposes, except for interest on any Series 2024B Bonds for any period during which such Series 2024B Bonds are held by a person who is a "substantial user" of the facilities financed with a portion of the proceeds of the Series 2024B Bonds or a "related person," as those terms are used in Section 147(a) of the Code; (ii) interest on the Series 2024A Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; (iii) interest on the Series 2024B Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; (iv) in the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on applicable corporations (as defined in Section 59(k) of the Code), interest on the Series 2024 Bonds is not excluded from the determination of adjusted financial statement income; and (v) the Series 2024 Bonds and the income thereon will not be subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in said Chapter 220. Bond Counsel will express no opinion as to any other tax consequences regarding the Series 2024 Bonds. Prospective purchasers of the Series 2024 Bonds should consult their own tax advisors as to the status of interest on the Series 2024 Bonds under the tax laws of any state other than the State.

Additional Tax Matters

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the receipt or accrual of the interest on the Series 2024

Bonds, or the ownership or disposition of the Series 2024 Bonds. Prospective purchasers of the Series 2024 Bonds should be aware that the ownership of the Series 2024 Bonds may result in other collateral federal tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2024 Bonds, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by the applicable statutory percentage of certain items, including the interest on the Series 2024 Bonds, (iii) the inclusion of the interest on the Series 2024 Bonds in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of the interest on the Series 2024 Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year, (v) the inclusion of interest on the Series 2024 Bonds in the determination of the taxability of certain Social Security and Railroad Retirement benefits to certain recipients of such benefits, (vi) net gain realized upon the sale or other disposition of property such as the Series 2024 Bonds generally must be taken into account when computing the Medicare tax with respect to net investment income or undistributed net investment income, as applicable, imposed on certain high income individuals and specified trusts and estates and (vii) receipt of certain investment income, including interest on the Series 2024 Bonds, is considered when determining qualification limits for obtaining the earned income credit provided by Section 32(a) of the Code. The nature and extent of the other tax consequences described above will depend on the particular tax status and situation of each owner of the Series 2024 Bonds. Prospective purchasers of the Series 2024 Bonds should consult their own tax advisors as to the impact of these and any other tax consequences.

Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on factual representations made to Bond Counsel as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of a particular result and are not binding on the Internal Revenue Service or the courts; rather, such opinions represent Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

Original Issue Premium and Discount

Certain of the Series 2024 Bonds ("Premium Bonds") may be offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity (or earlier for certain Premium Bonds callable prior to maturity). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually (or over a shorter permitted compounding interval selected by the owner). No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity), or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond.

Certain of the Series 2024 Bonds ("Discount Bonds") may be offered and sold to the public at an original issue discount ("OID"). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Bond determined under Code Section 1273 or 1274 (i.e., for obligations issued for money in a public offering, the initial offering price to the public (other than to bond houses and brokers) at which a substantial amount of the obligation of the same maturity is sold pursuant to that offering). For federal income tax purposes, OID accrues to the owner of a Discount Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Bond (i) is interest excludable from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Series 2024 Bonds, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale or other disposition of that Discount Bond.

Owners of Discount and Premium Bonds should consult their own tax advisors as to the determination for federal income tax purposes of the amount of OID or bond premium properly accruable in any period with respect to the Discount or Premium Bonds and as to other federal tax consequences, and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals suggested, debated, introduced or pending in Congress or in the State legislature that, if enacted into law, could alter or amend one or more of the federal tax matters, or state tax matters, respectively, described above including, without limitation, the excludability from gross income of interest on the Series 2024 Bonds, adversely affect the market price or marketability of the Series 2024 Bonds, or otherwise prevent the holders from realizing the full current benefit of the status of the interest thereon. It cannot be predicted whether or in what form any such proposal may be enacted, or whether, if enacted, any such proposal would affect the Series 2024 Bonds. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2024 Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2024 Bonds or the market value thereof would be impacted thereby. Purchasers of the Series 2024 Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2024 Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

Information Reporting and Backup Withholding

Interest paid on tax-exempt bonds such as the Series 2024 Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Series 2024 Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of the Series 2024 Bonds, under certain circumstances, to "backup withholding" at the rates set forth in the Code, with respect to payments on the Series 2024 Bonds and proceeds from the sale thereof. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of the Series 2024 Bonds. This withholding generally applies if the owner of Series 2024 Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2024 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

LEGALITY

Certain legal matters incident to the authorization, issuance and sale of the Series 2024 Bonds by the County and with regard to the tax-exempt status thereof are subject to the approving opinion of Greenberg Traurig, P.A., West Palm Beach, Florida, Bond Counsel, whose approving opinion will be available at the time of delivery of the Series 2024 Bonds. Locke Lord LLP, West Palm Beach, Florida, is Disclosure Counsel to the County with respect to the Series 2024 Bonds. The County is represented by the Office of the County Attorney. The Underwriters are represented by Squire Patton Boggs (US) LLP.

The proposed text of the approving opinion of Bond Counsel to be delivered concurrently with the delivery of the Series 2024 Bonds is set forth as APPENDIX E to this Official Statement. The actual legal opinion to be delivered may vary from the text of APPENDIX E, if necessary, to reflect facts and law on the date of delivery of the Series 2024 Bonds.

The legal opinions to be delivered by Bond Counsel, Disclosure Counsel and the Office of the County Attorney concurrently with the delivery of the Series 2024 Bonds are based on existing law, which is subject to change. Such legal opinions are further based on factual representations made as of the date thereof. The law firms rendering legal opinions concurrently with the delivery of the Series 2024 Bonds assume no duty to update or supplement their respective opinions to reflect any facts or circumstances, including changes in law that may thereafter occur or become effective. In addition, such legal opinions express the professional judgment of the attorneys rendering the opinions regarding the legal issues expressly addressed in such opinions. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment, of the transaction on which the opinion is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

The fees of Bond Counsel and Disclosure Counsel and payment of the Underwriters' discount, which includes the fees of counsel to the Underwriters, are contingent upon the issuance of the Series 2024 Bonds.

FINANCIAL ADVISOR

The Financial Advisor has advised the County in matters relating to planning, structuring and issuance of the Series 2024 Bonds. PFM Financial Advisors LLC is an independent advisory firm and is not engaged in the business of underwriting, trading and distributing municipal or other public securities. Certain of the fees of the Financial Advisor are contingent upon the issuance of the Series 2024 Bonds.

AIRPORT CONSULTANT

The report of the Airport Consultant, included in APPENDIX B to this Official Statement, was prepared by Ricondo & Associates, Inc., Cincinnati, Ohio. Such report has been included in this Official Statement in reliance on the authority of such firm as experts in airport matters and financial projections relating to airports such at PBI.

FINANCIAL STATEMENTS

Included in APPENDIX D are the audited financial statements of the Department as of September 30, 2023 for the year then ended. Such financial statements, including the auditors' report, have been included in this Official Statement as public documents, and consent from the auditor was not requested. The auditor has not performed any services relating to, and is therefore not associated with, the issuance of the Series 2024 Bonds.

UNDERWRITING

The Series 2024 Bonds are being purchased by J.P. Morgan Securities LLC on behalf of itself and the other underwriters listed on the cover page of this Official Statement (collectively, the "Underwriters"). The Underwriters have agreed to purchase the Series 2024 Bonds at a price of $_______________ (representing the original principal amount of $_____________, less Underwriters' discount of $_____________ and plus [minus] original issue premium [discount] of $____________), subject to certain terms and conditions set forth in the Purchase Agreement for the Series 2024 Bonds, dated October __, 2024 which includes the approval of certain legal matters by counsel and certain other conditions. The initial public offering prices may be changed, from time to time, by the Underwriters.

The Underwriters may offer and sell the Series 2024 Bonds to certain dealers (including dealers depositing Series 2024 Bonds into unit investment trusts, certain of which may be sponsored or managed by the Underwriters) and others at prices lower than the public offering prices stated on the cover page hereof.

The Underwriters and their affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. In the various course of its various business activities, the Underwriters and their affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively traded securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the issuer (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the issuer. The Underwriters and their affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that it should acquire, long and/or short positions in such assets, securities and instruments.

In the ordinary course of their various business activities, the Underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the County.

J.P. Morgan Securities LLC ("JPMS"), one of the Underwriters of the 2024 Bonds, has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of Charles Schwab & Co., Inc. ("CS&Co.") and LPL Financial LLC ("LPL") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that such firm sells.

There can be no assurance that there will be a secondary market for purchase or sale of the Series 2024 Bonds. Depending upon prevailing market conditions, including the financial condition or market positions of firms which may make the secondary market, evaluation of the Issuer's capabilities and the financial condition and results of its operations, there may not be a secondary market for the Series 2024 Bonds from time to time, and investors in the Series 2024 Bonds may be unable to divest themselves of their interests therein.

CONTINUING DISCLOSURE

The County has covenanted in the Resolution for the benefit of the Holders and Beneficial Owners of Series 2024 Bonds to provide certain financial information and operating data relating to the Airport System and the Series 2024 Bonds in each year, and to provide notices of the occurrence of certain enumerated material events. The County has agreed to file annual financial information and operating data and the audited financial statements with each entity authorized and approved by the SEC to act as a repository (each a "Repository") for purposes of complying with Rule 15c2-12 adopted by the SEC (the "Rule") acting through its Electronic Municipal Market Access System ("EMMA"). Effective July 1, 2009, the sole

Repository is the Municipal Securities Rulemaking Board acting through EMMA. The County has agreed to file notices of certain enumerated events, when and if they occur, with the Repository.

The specific nature of the financial information, operating data, and of the type of events which trigger a disclosure obligation, and other details of the undertaking are described in "CONTINUING DISCLOSURE UNDERTAKING — Appendix G" attached hereto. These covenants have been made in order to assist the Underwriters in complying with the continuing disclosure requirements of the Rule.

With respect to the Series 2024 Bonds, no party other than the County is obligated to provide, nor is expected to provide, any continuing disclosure information with respect to the Rule. Except as described below, in the past five years, the County has complied in all material respects with all prior undertakings to provide continuing disclosure information pursuant to the Rule.

However, in order to demonstrate its continued commitment to continuing disclosure best practices, the County has included disclosure of various non-material instances of late filings in this Official Statement in the interest of being transparent. With respect to the defeasance of the County's Taxable Public Improvement Revenue Bonds (Convention Center Hotel Project), Series 2013 on November 26, 2019, the County did not timely file the notice of defeasance on EMMA. The County fully anticipates satisfying all future disclosure obligations required pursuant to the Rule. In February 2013, the County engaged Digital Assurance Certification LLC as its dissemination agent for all the County's outstanding obligations and to enhance its future compliance with undertakings made pursuant to the Rule.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Pursuant to Section 517.051, Florida Statutes, as amended, no person may directly or indirectly offer or sell securities of the County except by an offering circular containing full and fair disclosure of all defaults as to principal or interest on its obligations since December 31, 1975, as provided by rule of the Office of Financial Regulation within the Florida Financial Services Commission (the "FFSC"). Pursuant to administrative rulemaking, the FFSC has required the disclosure of the amounts and types of defaults, any legal proceedings resulting from such defaults, whether a trustee or receiver has been appointed over the assets of the County, and certain additional financial information, unless the County believes in good faith that such information would not be considered material by a reasonable investor. The County is not and has not been in default on any bond issued since December 31, 1975 that would be considered material by a reasonable investor.

The County has not undertaken an independent review or investigation of securities for which it has served as conduit issuer. The County does not believe that any information about any default on such securities is appropriate and would be considered material by a reasonable investor in the Series 2024 Bonds because the County would not have been obligated to pay the debt service on any such securities except from payments made to it by the private companies on whose behalf such securities were issued and no funds of the County would have been pledged or used to pay such securities or the interest thereon.

BOND RATINGS

Moody's Investors Service, Inc. and S&P Global Ratings, a division of S&P Global Inc. have assigned ratings of "___" (_____ outlook) and "____" (______ outlook), respectively, to the Series 2024 Bonds. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, New York, New York 10007; Fitch Ratings, One State Street Plaza, New York, New York 10004; S&P Global Ratings, 55 Water Street, New York, New York 10041.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies if, in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2024 Bonds.

MISCELLANEOUS

All forecasts, estimates and other statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not intended to be construed as a contract or agreement between the County and the purchasers or holders of any of the Series 2024 Bonds. The information contained in this Official Statement is presented for the guidance of prospective purchasers of the Series 2024 Bonds described therein. The information has been compiled from official sources and, while not guaranteed by the County, is believed to be correct.

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CERTIFICATE CONCERNING THE OFFICIAL STATEMENT

This Official Statement has been authorized by the County. Concurrently with the delivery of the Series 2024 Bonds, the undersigned will furnish their certificate to the effect that to the best of their knowledge nothing has come to their attention which would lead them to believe that the information provided by the County and the Department in the Official Statement as of its date and as of the date of the delivery of the Series 2024 Bonds contains an untrue statement of a material fact or omits to state a material fact which should be included therein for the purpose for which the Official Statement is intended to be used, or which is necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

The execution and delivery of this Official Statement by its Mayor and County Administrator have been duly authorized by the Board of County Commissioners.

PALM BEACH COUNTY

By:________________________________
Mayor
Board of County Commissioners

By:________________________________
County Administrator

137982678v.8

APPENDIX A

SUMMARY OF CERTAIN PROVISIONS OF THE BOND RESOLUTION

The following is a brief summary of certain provisions of the Bond Resolution pertaining to the Bonds. Such summary does not purport to be complete and reference is made to the Bond Resolution for full and complete terms and provisions thereof. Defined terms used herein and not defined shall have the meanings ascribed to them in the Bond Resolution.

Selected Definitions

The capitalized terms herein shall have the following respective meanings:

"Accrued Aggregate Debt Service" means, as of any date of calculation, an amount of equal to the sum of (i) interest on the Bonds of all Series accrued and to accrue to the end of the then current calendar month, and (ii) Principal Installments due and unpaid and that portion of the Principal Installments for all Series next due which would have accrued (if deemed to accrue in the manner set forth in the definition of Debt Service) to the end of such calendar month.

"Aggregate Debt Service" means, as of any particular date of computation and with respect to any period, to sum of the amounts of Debt Service for such period with respect to all Series of Bonds; provided, however, that in computing Aggregate Debt Service, any particular Variable Interest Rate Bonds shall be deemed to bear at all times to the maturity thereof the Estimated Average Interest Rate applicable thereto; and provided, further, that for purposes of estimating Aggregate Debt Service for any future period, any Option Bonds Outstanding during such period shall be assumed to mature on the stated maturity thereof.

"Airport Consultant" means the airport consultant or airport consulting firm or corporation at the time retained by the County to perform the acts and carry out the duties provided for such Airport Consultant in the Bond Resolution.

"Airport System" means all airports, buildings, hangars, lands, warehouses, shops, hotels, motels, or other aviation facilities or facilities related or appurtenant thereto of any kind or nature, now or hereafter owned, leased or operated by the County at Palm Beach International Airport, Palm Beach County Park Airport (known as Lantana Airport) and Palm Beach County Glades Airport (known as Pahokee Airport) in said County, the additions and improvements to be constructed and acquired at Palm Beach International Airport pursuant to the Bond Resolution, and any other airports and aviation facilities or facilities hereafter at any time constructed or acquired or leased by the County, together with all fixtures, equipment and property, real or personal, tangible or intangible owned and used in connection with such airports and other aviation facilities. Notwithstanding the foregoing, "Airport System" shall not include, unless otherwise provided in accordance with the Bond Resolution, (i) Special Purpose Facilities hereafter acquired or constructed by the County, or (ii) the real property specifically identified in the Bond Resolution as not constituting part of the Airport System and any airport or aviation facility hereafter acquired or constructed by the County thereon.

"Authorized Newspaper" means a newspaper customarily published at least once a day for at least five days (other than legal holidays) in each calendar week, printed in the English language, devoted to financial information and in general circulation in The City of New York, New York.

"Authorized Officer of the County" means the Mayor or Vice Mayor, or the Clerk or the Director of the Department or any other officer or employee of the County authorized by resolution of the Board or order of the Clerk to perform specific acts or duties related to the subject matter of the authorization.

"Board" means the Board of County Commissioners of the County, the governing body of the County.

"Bondholder" or "Holder of Bonds" or any similar term means any person who shall be the registered owner of any Bond or Bonds.

"Consulting Engineers" means the engineer or engineering firm or corporation at the time retained by the County to perform the acts and carry out the duties provided for such Consulting Engineers in the Bond Resolution.

"Counsel's Opinion" means an opinion signed by an attorney or a firm of attorneys (who may be counsel or of counsel to the County) selected by the County.

"Debt Service" for any period means, as of any date of calculation and with respect to any Series of Bonds, an amount equal to the sum of (i) current interest accruing during such period on Bonds of such Series, except to the extent that such interest is to be paid from deposits (including investment income thereon) in any Fund or Account made from Bond proceeds or other amounts available therein, and (ii) that portion of each Principal Installment for such Series of Bonds, which would accrue during such period if such Principal Installment were deemed to accrue daily in equal amounts from the next preceding Principal Installment due date for such Series (or, if there shall be no such preceding Principal Installment due date, from a date one year preceding the due date of such Principal Installment or from the date of issuance of such Series, as determined by the County in accordance with Generally Accepted Accounting Principles), and (iii) any fees associated with the servicing or insuring of any Variable Interest Rate Bonds; provided however, that such interest and Principal Installments for such Series shall be calculated on the assumption that (x) no Bonds (except for Option Bonds actually tendered for payment prior to the stated maturity thereof) of such Series Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment of each Principal Installment on the due date thereof and (y) the principal amount of Option Bonds tendered for payment before the stated maturity thereof shall be deemed to accrue on the date required to be paid pursuant to such tender.

"Debt Service Reserve Account Insurance Policy" means the insurance policy or surety bond deposited in the Debt Service Reserve Account or a Debt Service Reserve Subaccount in lieu of or in partial substitution for cash on deposit therein. With respect to a Debt Service Reserve Account Insurance Policy deposited to the Debt Service Reserve Account (rather than a Debt Service Reserve Subaccount therein), the issuer providing such Debt Service Reserve Account Insurance Policy shall be an insurer whose credit is such that, on the date such insurer issues a commitment to provide such Policy, all municipal securities insured or guaranteed by it are then rated, because of such insurance or guarantee, in at least one of the two highest rating categories (without regard to gradations, such as "plus" or "minus" of such categories) by at least one of the following: Moody's Investor Service, Standard & Poor's Corporation and/or Fitch Ratings, and such Policy shall be payable (upon the giving of notice as required thereunder) on an interest or principal payment date on which a deficiency exists in the Debt Service Account with respect to any Series of Bonds secured on a common basis by a Debt Service Reserve Account Insurance Policy in the Debt Service Reserve Account. With respect to a Debt Service Reserve Account Insurance Policy to be deposited to a Debt Service Reserve Subaccount, the applicable requirements, including with respect to the credit ratings of the provider, shall be as set forth in the Supplemental Resolution authorizing the Series of Bonds to be secured by the Debt Service Reserve Subaccount.

"Debt Service Reserve Requirement" means, as of any date of calculation, (a) an amount of money, securities and/or Debt Service Reserve Account Insurance Policy or Debt Service Reserve Account Policies equal to the maximum annual Debt Service for all Outstanding Bonds to be secured on a common basis by the Debt Service Reserve Account (expressly excluding Bonds for which a segregated Debt Service Reserve Subaccount has been established or which are issued without being secured by the Debt Service Reserve Account or a Subaccount therein), subject to any applicable requirements of the Code; provided that for purposes of the foregoing, the interest rate on each Series of Variable Interest Rate Bonds shall be deemed to be a rate equal to The Bond Buyer "Revenue Bond Index" as of the date of issuance of such Series; and (b) with respect to Bonds for which a segregated Debt Service Reserve Subaccount has been established, the amount provided in the applicable Supplemental Resolution authorizing such Series. Nothing in the Bond Resolution shall require any Series of Bonds to be secured by the Debt Service Reserve Account or a Debt Service Reserve Subaccount therein or for a corresponding Debt Service Reserve Requirement to be established unless expressly so provided in the Supplemental Resolution authorizing such Series. Any Series of Bonds issued under the Bond Resolution which is not secured by the Debt Service Reserve Account or a Debt Service Reserve Subaccount therein shall have no claim on any monies and/or any Debt Service Reserve Account Insurance Policy in the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein, including, without limitation, Surety Bond No. 479392 issued by MBIA Insurance Corporation.

"Estimated Average Interest Rate" means, as to any Variable Interest Rate Bonds, (a) to the extent any Variable Interest Rate Bonds are outstanding, the higher of the average rate of interest payable on those Bonds over the last 12 months that any such Bonds have been outstanding or the most current actual interest rate; and (b) if no Variable Interest Rate Bonds are outstanding, the true interest cost for such Bonds, as estimated by the County on the date of authorization of such Bonds.

"Fiduciary" means the Trustee, the Bond Registrar and any Depository.

"Fiscal Year" means that period commencing on October 1 and continuing to and including the next succeeding September 30, or any such other annual period as may be prescribed by law.

"Funds and Accounts" means the Funds and Accounts established pursuant to the Bond Resolution or as hereafter redesignated by the County; provided, however, that a Supplemental Resolution may establish a Debt Service Reserve Subaccount within the Debt Service Reserve Account that shall secure only the particular Series of Bonds for which it is established and such Debt Service Reserve Subaccount shall not be included within the meaning of "Funds and Accounts" pledged to or otherwise available for payment of any other Series of Bonds, and provided further a Series of Bonds may be issued without being secured by the Debt Service Reserve Account or a Subaccount therein, in which case neither the Debt Service Reserve Account nor any Subaccount therein shall be included within the meaning of "Funds and Accounts" pledged to such Series of Bonds.

"Net Proceeds" means the amount received by the County from the sale and issuance of the Bonds less (i) the amount, if any, deposited in the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein and (ii) the amount applied to pay legal, accounting, financial, advertising, recording and printing expenses and all other expenses incurred in connection with the issuance of the Bonds. Net proceeds shall include investment earnings on proceeds of the Bonds earned prior to the completion of construction of the Project.

"Net Revenues Available for Debt Service" for any Fiscal Year or period of 12 calendar months, means the Revenues during such Fiscal Year or period less Operation and Maintenance Expenses during such Fiscal Year or period.

"Non-operating Expenses" means the expenses incurred in the performance of activities not directly related to the ordinary operations of the Airport System and shall include the expenses and compensation of the Fiduciaries and consultants required to be paid under the Bond Resolution, all to the extent properly attributable to the Airport System, interest expense and any charges relating to the payment of principal, and shall also include, with respect to the Bonds, the fees, expenses, and other amounts payable to any bank or other institution issuing a letter of credit, a standby-purchase agreement or any other credit or liquidity facility the proceeds of which will be available to be applied to pay the principal of and interest on any Series of Bonds, as well as any indexing agent, depository, remarketing agent or any other person whose services are required with respect to the issuance of any Variable Interest Rate Bonds or Option Bonds.

"Non-operating Revenues" means any income of the Airport System which is not derived from the basic operation of the Airport System, not restricted in application to a special purpose and otherwise lawfully available to be applied pursuant to the Bond Resolution and shall include, without limiting the generality of the foregoing, all moneys deposited into the Revenue Fund from any Fund or Account established and maintained pursuant to the Bond Resolution and interest earned on investments and gains on sales of land.

"Operating Expenses" means the County's costs for operation, maintenance and repairs of the Airport System and shall include, without limiting the generality of the foregoing, salaries and employee benefits, utility costs, ordinary maintenance, administrative and general expenses and security.

"Operating Revenues" means all income and revenue from all sources, due and payable to the County in connection with the operation of the Airport System, including, without limitation, except as in the Bond Resolution expressly provided, all rentals, charges, landing fees, use charges and concession revenue derived on behalf of the County in its capacity as the operator of the Airport System, or any part thereof, as more fully defined in the Bond Resolution.

"Operation and Maintenance Expenses" means Operating Expenses plus Non-operating Expenses, but only to the extent that such charges are made in conformity with Generally Accepted Accounting Principles, including amounts required by the Bond Resolution to be retained in the Revenue Fund for Operation and Maintenance Expenses the payment of which is not then immediately required. "Operation and Maintenance Expenses" shall not include expenses relating to Special Purpose Facilities or depreciation or obsolescence charge or reserves therefor, amortization of intangibles or other bookkeeping entries of a similar nature, interest charges and charges for the payment of principal, or amortization, of bonded or other indebtedness of the County relating to the Airport System, including the Bonds, costs, or charges made therefor, for capital additions, replacements, betterments, extensions or improvements to the Airport System which under Generally Accepted Accounting Principles are properly chargeable to the capital account or the reserve for depreciation, and do not include losses from the sale, abandonment, reclassification, revaluation or other disposition of any properties of the Airport System nor such property items which are capitalized pursuant to the then existing accounting practice of the County all to the extent properly attributable to the Airport System.

"Option Bonds" shall mean Bonds which by their terms may be tendered by and at the option of the holders thereof for payment by the County prior to the stated maturity thereof, or the maturities of which may be extended by and at the option of the holder thereof.

"Outstanding" or "outstanding" when used with reference to Bonds, means as of a particular date, all Bonds theretofore and thereupon being authenticated and delivered under the Bond Resolution except (a) any Bond cancelled at or before said date, (b) any Bond (or portion of Bonds) for the payment or redemption of which moneys equal to the principal amount or redemption price thereof, as the case may be, with interest to the date of maturity or redemption date, shall have theretofore been deposited with one or more of the Fiduciaries in trust (whether upon or prior to maturity or the redemption date of such Bond) and, except in the case of a Bond to be paid at maturity, of which notice of redemption shall have been given or provided for in accordance with the Bond Resolution or provision shall have been made for the giving of such notice, (c) any Bond in lieu of or in substitution for which another Bond shall have been authenticated and delivered pursuant to the Bond Resolution and (d) any Bond deemed to have been paid as provided in the Bond Resolution.

"Principal Installment" means, as of any date of calculation, with respect to any Series of Bonds (including the principal amount of any Option Bonds tendered for payment prior to the stated maturity thereof), (i) the principal amount of Bonds of such Series due (or tendered for payment) on such future date, or (ii) the unsatisfied balance (determined as provided in the Bond Resolution) of any Sinking Fund Installments due on such future date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds on such future date in a principal amount equal to said unsatisfied balance of such Sinking Fund Installments, or (iii) if such future dates coincide as to different Bonds of such Series, the sum of such principal amount of Bonds and of such unsatisfied balance of Sinking Fund Installments due on such future date plus such applicable redemption premiums, if any.

"Project" means the acquisition and/or construction of any additional aviation facilities for the Airport System or any additions, extensions, improvements and betterments to and reconstruction of the Airport System to be financed, in whole or in part, from the proceeds of any Additional Bonds.

"Redemption Price" means with respect to any Bond, the principal amount of such Bond plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond and any Supplemental Resolution.

"Revenues" means Operating Revenues plus Non-operating Revenues.

"Series" means all Bonds, including Additional Bonds, authenticated and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to the Bond Resolution, regardless of variations in maturity, interest rate, Sinking Fund Installments, or other provisions.

"Variable Interest Rate Bonds" means bands which bear a Variable Interest Rate (as defined in the Bond Resolution).

Debt Service Fund - Debt Service Account

The Trustee shall pay out of the Debt Service Account to the Bond Registrar (i) on or before each Interest Payment Date for any of the Bonds, the interest payable on such date; (ii) on or before each Principal Installment due date, the Principal Installment payable on such due date; and (iii) on or before any redemption date for the Bonds, the interest on the Bonds then to be redeemed. The Trustee shall also pay out of the Debt Service Account the accrued interest included in the purchase price of any Bonds purchased for retirement.

Amounts accumulated in the Debt Service Account with respect to any Sinking Fund Installment (together with amounts accumulated therein with respect to interest on the Bonds for which such Sinking Fund Installment was established) may and, if so directed by the County, shall be applied by the Trustee, on or prior to the 60th day preceding the due date of such Sinking Fund Installment, to (i) the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established, or (ii) the redemption at the applicable sinking fund Redemption Price of such Bonds, if then redeemable by their terms. The County may also make such purchases pursuant to this paragraph from any other legally available moneys, and such purchases shall likewise operate to retire Sinking Fund Installments as if such purchases were made from moneys on deposit in the Debt Service Account. All purchases of any Bonds pursuant to this paragraph shall be made at prices not exceeding the applicable sinking fund Redemption Price of such Bonds plus accrued interest, and such purchases shall be made by the Trustee as directed by the County. The applicable sinking fund Redemption Price (or principal amount of maturing Bonds) of any Bonds so purchased or redeemed shall be deemed to constitute part of the Debt Service Account until such Sinking Fund Installment date, for the purpose of calculating the amount of the Debt Service Account. As soon as practicable after the 60th day preceding the due date of any such sinking fund installment, the Trustee shall proceed to call for redemption on such due date, Bonds of the Series and maturity for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Trustee shall pay out of the Debt Service Account to the Bond Registrar on such redemption date (or maturity date), the amount required for the redemption of the Bonds so called for redemption (or for the payment of such Bonds then maturing). All expenses in connection with the purchase or redemption of Bonds shall be paid by the County from the Revenue Fund or the Improvement and Development Fund.

The amount, if any, deposited in the Debt Service Account from the proceeds of each Series of Bonds shall be set aside in the Debt Service Account and applied to the payment of interest on Bonds as provided in the Bond Resolution and the Supplemental Resolution relating to the issuance of such Series of Bonds.

In the event of the refunding of one or more Series of Bonds or one or more maturities within a Series of Bonds, the Trustee shall, upon the direction of the County, withdraw from the Debt Service Account in the Debt Service Fund amounts accumulated therein with respect to Debt Service on the Bonds being refunded and deposit such amounts in a separate account, in trust, for the payment of the principal or Redemption Price, if applicable, and interest on the Series or maturities within a Series of Bonds being refunded; provided that such withdrawal shall not be made unless (a) immediately thereafter the Series or maturities within a Series of Bonds being refunded shall be deemed to have been paid pursuant to the Bond Resolution, and (b) the amount remaining in the Debt Service Account in the Debt Service Fund after such withdrawal shall not be less than the requirement of such Account pursuant to the Bond Resolution.

Debt Service Fund - Debt Service Reserve Account

If on the last business day prior to any date that principal or interest on the Bonds secured by the Debt Service Reserve Account or any Debt Service Reserve Subaccount is due and payable the amount in the Debt Service Account with respect thereto shall be less than the amount required to be in such account pursuant to the Bond Resolution, the Trustee shall transfer amounts from the Debt Service Reserve Account (or Debt Service Reserve Subaccount therein), to the extent of the deficiency, to the Debt Service Account for the benefit of the applicable Series of such Bonds; provided, however, the amounts so transferred shall be available only for the payment of the Series of Bonds secured by the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein, as applicable, and the Trustee is authorized to establish subaccounts in the Debt Service Account for such purpose.

If, after making any transfer required by the preceding paragraph, the amount on deposit in the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein exceeds the applicable Debt Service Reserve Requirement, such excess shall be reduced in either of the following manners at the option of the County: (a) if there is on deposit in the Debt Service Reserve Account or such Debt Service Reserve Subaccount therein a Debt Service Reserve Account Insurance Policy, the principal amount thereof may be reduced by the amount of such excess or (b) if there is on deposit in the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein moneys or securities, an amount equal to such excess may be withdrawn from the Debt Service Reserve Account or such Debt Service Reserve Subaccount, as applicable, and deposited in the Revenue Fund (provided such use does not adversely affect the exclusion from gross income of interest on any Bonds or Subordinated Indebtedness that is intended to be so excludable), or (c) any combination of (a) and (b) above; provided, however, that any amount withdrawn from the Debt Service Reserve Account or Debt Service Reserve Subaccount pursuant to clause (b) above shall not be used for any purpose or in any manner that would adversely affect the exclusion from gross income for federal income tax purposes of interest on any of the Bonds or Subordinate Indebtedness (other than Taxable Obligations).

Whenever the amount in the Debt Service Reserve Account, together with the amount in the Debt Service Account, is sufficient to pay in full all Outstanding Bonds in accordance with their terms (including principal or applicable Sinking Fund Installments, Redemption Price and interest thereon), the funds on deposit in the Debt Service Reserve Account shall be transferred by the Trustee to the Debt Service Account, subject to the provisions described above.

In the event of the refunding of one or more Series of Bonds, the Trustee shall, upon the direction of the County, withdraw from the Debt Service Reserve Account in the Debt Service Fund or a Debt Service Reserve Subaccount established therein for such Series of Bonds amounts accumulated therein with respect to the Bonds being refunded and deposit such amounts in escrow to be held for the payment of the principal or Redemption Price, if applicable, of and interest on the Series or maturities within a Series of Bonds being refunded; provided that such withdrawal shall not be made unless (a) immediately thereafter the Series or maturities within a Series of Bonds being refunded shall be deemed to have been paid pursuant to the Bond Resolution, and (b) the amount remaining in the Debt Service Reserve Account or Debt Service Reserve Subaccount therein, as applicable, in the Debt Service Fund after such withdrawal shall not be less than the applicable Debt Service Reserve Requirement.

Investment of Certain Funds

Moneys in the Revenue Fund, the Construction Fund the Renewal and Replacement Fund, the Improvement and Development Fund and the Subordinated Bond Fund may be invested in the following "Investment Securities":

(i) any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by, the United States of America, including obligations of any Federal Agency to the extent such obligations are unconditionally guaranteed by the United States of America, including obligations of any Federal Agency to the extent such obligations are unconditionally guaranteed by the United States of America, any certificates or any other evidences of an ownership interest in obligations or in specified portions thereof (which may consist of specified portions of the interest thereon) of the character described in this clause (i);

(ii) obligations of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Banks, Federal Banks for Cooperatives, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Association;

(iii) New Housing Authority Bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an Annual Contributions Contract or Contracts with the United States of America; or Project Notes issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America;

(iv) interest bearing time deposits issued by any bank or trust company organized under the laws of any state of the United States of any national, banking association (including any Depository), provided that such certificate of deposit must be either (a) continuously and fully insured by the Federal Deposit Insurance Corporation, or (b) continuously and fully secured by such securities as are described in clauses (i) through (iii), inclusive, above which have a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such certificates of deposit and are lodged with any Federal Reserve Bank, as custodian, by the bank, trust company or national bank association issuing such certificate of deposit. Additionally, the bank, trust company or national banking association issuing each such certificate of deposit required to be so secured must furnish the County with an undertaking satisfactory to the County that the aggregate market value of all such obligations securing each such certificate of deposit will at all times be an amount equal to the principal amount of each such certificate of deposit;

(v) any repurchase agreement relating to or investment agreements secured by or providing for the acquisition of and, if applicable, resale of the securities described in clauses (i), (ii) or (iii) above;

(vi) obligations permitted by the applicable laws of the State of Florida, continuously secured in the manner provided by the laws of the State of Florida, or fully secured by any one or more of the securities described in clauses (i), (ii) or (iii) above; and

(vii) investment agreements with a bank or trust company or savings and loan association which is rated an either of the two highest rating, categories by two nationally recognized bond rating agencies or are further secured as to the performance of such bank or trust company or savings and loan association by a letter of credit or surety bond of an insurance company which is rated in either of the two highest rating categories by two nationally recognized bond rating agencies, to the extent permitted by the applicable laws of the State of Florida.

Moneys held in the Debt Service Fund shall be invested and reinvested by the Trustee to the fullest extent practicable in Investment Securities described in clauses (i), (ii), (iii) and (iv) of the preceding paragraph, which in the case of the Debt Service Account, mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Account, and in the case of the Debt Service Reserve Account or a Debt Service Reserve Subaccount therein which mature no later than 10 years (unless such securities shall be redeemable at the option of the holder thereof with no penalty, in which event such securities may mature at a date no later than the final maturity of the Bonds secured by the Debt Service

Reserve Account or a Debt Service Reserve Subaccount therein, as applicable). The Trustee shall make such investment in accordance with any instructions received from an Authorized Officer of the County.

Interest (net of that which represents a return of accrued interest paid in connection with the purchase of any investment) earned on any moneys or investments in any such Accounts or Funds, other than the Construction Fund and the Debt Service Reserve Account (or any Debt Service Reserve Subaccount therein) until it first reaches the applicable Debt Service Reserve Requirement, shall (i) prior to the date of completion of construction of a Project, be paid into the Construction Fund, and (ii) after the date of completion of the construction of a Project, be paid into the Revenue Fund. Interest (net of that which represents a return of accrued interest paid in connection with the purchase of any investment) earned on any moneys or investments in a separate account in the Construction Fund shall be held in such separate account for the purposes thereof; except that, upon the filing of a certificate by the Consulting Engineers stating that, the principal amount in such separate account is sufficient to pay the remaining Cost of the Project to be funded from such separate account, such interest shall thereafter (i) be deposited in the Debt Service Account and applied to the retirement of the Series of Bonds from which such investment income was derived by purchase or redemption at the earliest date permissible under the terms of the Bond Resolution and applicable Supplemental Resolution without the payment of a call premium or penalty; and (ii) be invested at a yield not in excess of the yield on such Series of Bonds; provided, however, amounts so deposited in the Debt Service Account may, at the request of an Authorized Officer of the County, be used to pay interest on such Series of Bonds provided and to the extent that the amount of the net proceeds of such Series of Bonds expended to pay Exempt Costs (as defined in the Bond Resolution) exceeds 90% of the net proceeds of such Series of Bonds actually expended. Notwithstanding the foregoing, the County may apply such interest earned on moneys in the Construction Fund to any lawful purpose of the County related to the Airport System if the County receives an opinion from Bond Counsel (as defined in the Bond Resolution) to the effect that such application will not affect the Federal income tax exemption applicable to the interest on the Bonds. Interest (net of that which represents a refund of accrued interest paid in connection with the purchase of any investment) earned on any moneys or investments in the Debt Service Reserve Account or any Debt Service Reserve Subaccount therein shall be held in such Account or Subaccount until it reaches the applicable Debt Service Reserve Requirement.

Additional Bonds and Other Obligations

One or more Series of Additional Bonds may be authenticated and delivered upon original issuance at any time, for the purpose of providing additional funds to complete the cost of any Additional Project, in each case in a principal amount that will provide the County with funds equal, as nearly as practicable, to the completion requirement for such Additional Project as set forth in a certificate of the Consulting Engineers which shall be delivered to the County prior to the authentication and delivery of such Additional Bonds. Such completion requirement shall be an amount which, together with all other amounts of the County available or estimated to be available for such completion (as stated in a certificate of an Authorized Officer of the County), is necessary and sufficient, in the opinion of the Consulting Engineers, to complete the payment of the cost of such Additional Project; provided, however, that the County may by supplemental resolution restrict the amount of Additional Bonds that may be issued to complete the cost of any Additional Project.

One or more Series of Additional Bonds may be authorized and delivered upon original issuance for the purpose of paying the cost of any Additional Project. The Bonds of any such Series shall be authenticated and delivered by the Bond Registrar only upon receipt by it and the Trustee from the County (in addition to certain documents required by the Bond Resolution) of:

(1) A certificate of an Authorized Officer of the County setting forth (i) for any period of 12 consecutive calendar months out of the 18 calendar months next preceding the authentication and delivery of such Series or the last completed Fiscal Year for which audited financials are available, the Net Revenues Available for Debt Service for such 12-month period, and (ii) the Aggregate Debt Service for such 12-month period, and demonstrating that for such 12-month period Net Revenues Available for Debt Service equaled at least 1.25 times such Aggregate Debt Service; provided that for the purposes of determining the Aggregate Debt Service for the purpose of this paragraph (1), the interest rate on Variable Interest Rate Bonds then outstanding, if any, shall be the greater of (a) the average Variable Interest Rate on the Variable Interest Rate Bonds over the preceding twelve month period, (b) the Variable Interest Rate on the Variable Interest Rate Bonds on the date of calculation, and (c) ten percent (10%) per annum;

(2) A certificate of the Consulting Engineers setting forth (i) the estimated date of completion for the Additional Project for which such Series of Additional Bonds is being issued, and (ii) an estimate of the cost of such Additional Project;

(3) A certificate of the Airport Consultant setting forth, for each of the three Fiscal Years following the Fiscal Year in which the Consulting Engineers estimate such Additional Project will be completed, estimates of Net Revenues Available for Debt Service;

(4) A certificate of an Authorized Officer of the County setting forth (i) the estimates of Net Revenues Available for Debt Service, as set forth in the certificate of the Airport Consultant pursuant to paragraph (3) above, for each of the three Fiscal Years following the Fiscal Year in which it is estimated that the Additional Project will be completed, (ii) the Aggregate Debt Service for the Outstanding Bonds and the Additional Bonds to be issued, for each of the three Fiscal Years following the Fiscal Year in which the Additional Project is estimated by the Consulting Engineers to be completed, and demonstrating that the estimated Net Revenues Available for Debt Service in each of the Fiscal Years set forth in (i) above are at least equal to 1.25 times the Aggregate Debt Service for the corresponding Fiscal Year as set forth in (ii) above. For the purposes of this paragraph, the interest rate on Variable Interest Rate Bonds then outstanding, if any, shall be the greater of (a) the average Variable Interest Rate on the Variable Interest Rate Bonds over the preceding twelve month period, (b) the Variable Interest Rate on the Variable Interest Rate Bonds on the date of calculation, and (c) ten percent (10%) per annum; and the interest rate on additional Variable Interest Rate Bonds to be

issued, if any, shall be fifteen percent (15%) per annum. For the purposes of this paragraph, Aggregate Debt Service (a) shall exclude, for any Fiscal Year after the then current Fiscal Year, Debt Service on any Series of Bonds (i) for which in excess of 25% of the originally issued principal amount for such Series becomes due in such Fiscal Year and (ii) which the County intends to refund by the issuance of Refunding Bonds or Subordinated Indebtedness prior to the maturity thereof and (b) shall include, for each subsequent Fiscal Year, the estimated Debt Service on any such refunding Bonds for (i) and (ii) above calculated on the basis that such Debt Service shall be as nearly equal as practicable in each Fiscal Year, that such Series of Bonds shall bear interest calculated at the average rate of interest payable on the last Series of Bonds authenticated and delivered (using the true interest cost method of calculation) or such other rate as shall be deemed appropriate by the County and that the term and rate thereof shall be deemed appropriate by the County and shall have the approval of the County's financial advisor for the Airport System. Such intended plan of refunding shall be evidenced by formal resolution of the County and a certificate of the County; and

(5) An opinion of Bond Counsel that the issuance of such Series of Additional Bonds will not impair the exemption from federal income tax of interest paid on any Series of Bonds then Outstanding.

One of more Series of Refunding Bonds may be authenticated and delivered upon original issuance to refund (a) all Outstanding Bonds of one or more Series or one or more maturities within a Series, or (b) any Subordinated Indebtedness. Refunding Bonds shall be issued in a principal amount sufficient, together with other moneys to become available therefor, if any, to accomplish such refunding and to make the deposits in the Funds and Accounts under the Bond Resolution required by the provisions of the Supplemental Resolution authorizing such Bonds or determining the terms and details thereof. Such Refunding Bonds may be issued only upon compliance with the provisions of the Bond Resolution, including receipt by the Bond Registrar and Trustee of either of the following: (i) a certificate of an Authorized Officer of the County setting forth (1) the Aggregate Debt Service for the then current and each future Fiscal Year to and including the Fiscal Year next preceding the date of the latest maturity of any Bonds of any Series then outstanding (A) with respect to the Bonds of all Series Outstanding immediately prior to the date of authentication and delivery of such Refunding Bonds, and (B) with respect to the Bonds of all Series to be Outstanding immediately thereafter, and (2) that the Aggregate Debt Service set forth for each Fiscal Year pursuant to (B) above is no greater than that set forth for such Fiscal Year pursuant to (A) above; or (ii) a certificate of an Authorized Officer of the County that such Refunding Bonds are being issued to prevent the occurrence of an Event of Default or to cure an existing Event of Default under the Bond Resolution.

The County may, at any time, or from time to time, issue Subordinated Indebtedness payable out of, and which may be secured by a pledge of, such amounts in the Subordinated Bond Fund or the Improvement and Development Fund as may from time to time be available for the purpose of payment thereof as provided in the Bond Resolution; provided, however, that (i) such Subordinated Indebtedness shall be issued only for any one or more of the purposes set forth in the Bond Resolution and the proceeds of such Subordinated Indebtedness shall be applied only for such purpose or purposes, and (ii) such pledge shall be, and shall be expressed to be, subordinate in all respects to the pledge of the Net Revenues Available for Debt Service, moneys, securities and Funds, Accounts and Subaccounts created by the Bond Resolution as security for the Bonds.

Particular Covenants by the County

Powers as to the Airport System and Collection of Fees and Rentals. The County has, and will have so long as any Bonds are Outstanding, good right and lawful authority to acquire, construct, develop, operate, maintain, repair, improve, reconstruct, enlarge, and extend the Airport System and to fix rates, fees, rentals and other charges in connection therewith, all as provided in the Act.

The County shall not issue any Bonds or other evidence of indebtedness, except as provided in the Bond Resolution, payable out of or secured by a pledge of the Net Revenues Available for Debt Service or the moneys, securities or funds held or set aside by the County or by the Fiduciaries under the Bond Resolution and shall not create or cause to be created any lien or charge on the Net Revenues Available for Debt Service or such moneys, securities or funds; provided, however, that nothing contained in the Bond Resolution shall prevent the County from issuing (i) evidences of indebtedness payable out of moneys in the Construction Fund as part of the cost of any Project, or payable out of, or secured by the pledge of, Net Revenues Available for Debt Service derived after the date the pledge of Net Revenues Available for Debt Service provided in the Bond Resolution shall be discharged and satisfied as provided in the Bond Resolution, or (ii) Subordinated Indebtedness as provided in the Bond Resolution.

Sale, Lease or Encumbrance of Property. Except as provided in this paragraph, no part of the Airport System shall be sold, or otherwise disposed of or encumbered. The County may sell, for fair and reasonable value, at any time and from time to time any property constituting part of the Airport System which the County determines by resolution not necessary, useful or profitable, in the operation thereof. The County may lease or make contracts or grant licenses for the operation of, or grant easements or other rights with respect to, any part of the Airport System if such lease, contract, license, easement or right does not impede or restrict the operation by the County of the Airport System.

Operation, Maintenance and Reconstruction. The County shall at all times operate, or cause to be operated, the Airport System properly and in a sound, efficient and economical manner and shall maintain, preserve, and keep the same or cause the same to be maintained, preserved, and kept, with the appurtenances and every part and parcel thereof, in good repair, working order and condition, and shall from time to time make, or cause to be made, all ordinary, necessary and proper repairs, replacements and renewals so that at all times the operation of the Airport System may be properly and advantageously conducted; provided, however, that nothing in the Bond Resolution shall require the County to operate, maintain, preserve, repair, replace, renew or reconstruct any part of the Airport System from sources other than Revenues.

Rates and Charges. The County shall fix, charge and collect rates, fees, rentals, and charges for the use of the Airport System and shall revise such rates, fees, rentals and charges as often as may be necessary or appropriate to produce Revenues in each Fiscal Year at least equal to the sum of (i) Operation and Maintenance Expenses, including reserves therefore provided for in the Annual Budget, plus the greater of (A) an amount equal to the sum of 1.25 times the Aggregate Debt Service for such Fiscal Year, or (B) the sum of (i) the amount to be paid during such Fiscal Year into the Debt Service Account, plus (ii) the amount, if any, to be paid during such Fiscal Year into the Debt Service Reserve Account (including amounts payable to the issuer of any Debt Service Reserve Account Insurance Policy and excluding amounts required to be paid into such account out of the proceeds of Bonds), plus (iii) the amount, if any, to be paid into the Renewal and Replacement Fund as provided in the Annual Budget, plus (iv) all other charges and liens whatsoever payable out of Revenues during such Fiscal Year, plus (v) to the extent not otherwise provided for, all amounts payable on Subordinated Indebtedness.

If, in any such Fiscal Year, Revenues are less than the amount required under the preceding paragraph, the County shall take action to revise its rates, fees, rentals and charges, or alter its methods of operation or take other action in such manner as is calculated to produce the amount so required in such period.

Insurance. So long as any Bonds are Outstanding, the County shall at all times maintain a practical insurance program, with reasonable terms, conditions, provisions and costs, which will afford adequate protection against loss caused by damage to or destruction of the Airport System and also comprehensive public liability insurance on such properties for bodily injury and property damage. The County, to the extent authorized by the laws of Florida and with the prior written approval of the Consulting Engineers, may self-insure or purchase such insurance as provided in the Bond Resolution.

Covenants With Respect to Airports and Aviation Facilities. Nothing contained in the Bond Resolution shall prohibit the County from acquiring or constructing an airport or an aviation facility and financing the same from moneys other than the proceeds of Bonds or Revenues. The County covenants by the Bond Resolution that it will not acquire or construct any such airport or aviation facility as aforesaid unless a certificate is received from the Airport Consultant and filed with the Clerk to the effect that such airport or aviation facility will not materially adversely affect Net Revenues Available for Debt Service or the rights, security and remedies of Bondholders under the Bond Resolution.

Accounts and Reports. The County shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) of the County on which complete and correct entries shall be made of its transactions relating to the Revenues and each Fund and Account established under the Bond Resolution. The County shall annually, within 120 days after the close of each Fiscal Year, cause an audit to be completed of its books and accounts relating to the Airport System for such Fiscal Year by an independent and recognized certified public accountant not in the regular employ of the County.

Covenants with Respect to Tax Matters. The County covenants and agrees that it will not take or authorize or permit any action to be taken and has not taken nor authorized or permitted any action to be taken which results in the interest paid on any Bonds (except Taxable Obligations) being includable in gross income for purposes of federal income taxation (except with respect to a holder of Bonds that is a "substantial user" of the facilities or a "related person" within the meaning of Section 103(b)(13) of the Code).

Special Purpose Facilities

The County shall be authorized to finance certain "Special Purpose Facilities" (as defined in the Bond Resolution) from the proceeds of obligations issued by the County without regard to any requirements of the Bond Resolution with respect to the issuance of Additional Bonds, under certain conditions set forth in the Bond Resolution. Such Special Purpose Facilities shall not be part of the Airport System, except as otherwise provided in the Bond Resolution.

Supplemental Resolutions

Supplemental Resolutions Without Consent of the Bondholders. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the County may be adopted, without the consent of any of the Bondholders: (1) to close the Bond Resolution against, or provide limitations and restrictions contained in the Bond Resolution on, the authentication and delivery of Bonds or the issuance of other evidences of indebtedness; (2) to add to the covenants and agreements of the County in the Bond Resolution, other covenants and agreements to be observed by the County which are not contrary to or inconsistent with the Bond Resolution as theretofore in effect; (3) to add to the limitations and restrictions in the Bond Resolution, other limitations and restrictions to be observed by the County which are not contrary to or inconsistent with the Bond Resolution as theretofore in effect; (4) to authorize Bonds of a Series or to determine the terms and details thereof and, in connection therewith, specify and determine the matters and things referred to in the Bond Resolution, and also any other matters and things relative to such Bonds which are not contrary to or inconsistent with the Bond Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first authentication and delivery of such Bonds; (5) to confirm, as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by, the Bond Resolution, of the Revenues or any other moneys, securities or funds; (6) to modify any of the provisions of the Bond Resolution in any respect whatever, provided that (i) such modification shall be, and be expressed to be, effective only after all Bonds of any Series Outstanding at the date of the adoption of such Supplemental Resolution shall cease to be Outstanding, and (ii) such Supplemental Resolution shall be specifically referred to in the text of all Bonds of any Series authenticated, and delivered after the date of the adoption of such Supplemental Resolution and of Bonds issued exchange therefor or in place thereof; (7) to modify the term of the Bond Resolution, to the extent necessary, to provide for the delivery of the Bonds in coupon or such other form to the extent permitted by law; (8) to authorize Subordinated Indebtedness pursuant to the Bond Resolution; (9) to make any modification necessary to carry out any succession as provided in the Bond Resolution; (10) to cure any ambiguity, supply an omission, or cure or correct any defect or inconsistent provision in the Bond Resolution; or (11) to insert such provisions clarifying matters or questions arising under the Bond Resolution as are necessary or desirable and are not contrary to or inconsistent with the Bond Resolution as theretofore in effect.

No Supplemental Resolution shall change or modify any rights or obligations of any Fiduciary without its written assent thereto.

Amendments

Powers of Amendment. Any modification or amendment of the Bond Resolution and of the rights and obligations of the County and of the holders of the Bonds, in any particular, may be made by a Supplemental Resolution, with the written consent given as provided in the Bond Resolution (i) of the holders of at least fifty-one percent (51%) in principal amount of the Bonds outstanding at the time such consent is given, and (ii) in case less than all of the several Series of Bonds then outstanding are affected by the modification or amendment, of the holders of at least fifty-one percent (51%) in principal amount of the Bonds of each Series so affected and outstanding at the time such consent is given, and (iii) in case the modification or amendment changes the terms of any Sinking Fund Installment, of the holders of at least fifty-one percent (51%) in principal amount of the Bonds of the particular Series and maturity entitled to such Sinking Fund Installment and Outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified like Series and maturity remain Outstanding, the consent of the holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this paragraph. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any Outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon without the consent of the holder of such Bond, or shall reduce the percentages or otherwise affect the classes of Bonds the consent of the holders of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of any Fiduciary without its written assent thereto. A Series shall be deemed to be affected by a modification or amendment of the Bond Resolution if the same adversely affects or diminishes the rights of the holders of Bonds of such Series.

Consent of Bondholders. The County may at any time adopt a Supplemental Resolution making a modification or amendment permitted by the provisions of the Bond Resolution. A copy of such Supplemental Resolution (or brief summary thereof or reference thereto), together with a request to Bondholders for their consent thereto, shall be mailed by the County to Bondholders. Such Supplemental Resolution shall not be effective unless and until (i) there shall have been filed with the Clerk (a) the written consents of holders of the percentages of outstanding Bonds specified in the Bond Resolution and (b) a counsel's opinion stating that such Supplemental Resolution has been duly and lawfully adopted and filed by the County in accordance with the provisions of the Bond Resolution, is authorized or permitted by the Bond Resolution, and is valid and binding upon the County and enforceable in accordance with its terms, and (ii) a notice shall have been given as in the Bond Resolution provided. Each such consent shall be effective only if accompanied by proof of the holding, at the date of such consent, of the Bonds with respect to which such consent is given. A certificate or certificates prepared by the County that it has examined such proof and that such proof is sufficient in accordance with the Bond Resolution shall be conclusive that the consents have been given by the holders of the Bonds described in such certificate or certificates of the County. Any such consent shall be binding upon the holder of such Bonds giving such consent and, anything in the Bond Resolution to the contrary notwithstanding, upon any subsequent holder of such Bonds and of any Bonds issued in exchange therefor (whether or not such subsequent holder thereof has notice thereof) unless such consent is revoked in writing by the holder of such Bonds giving such consent or a subsequent holder thereof by filing with the County, prior to the time when the written statement of the County in the Bond Resolution provided for is filed, such revocation and, if such Bonds are transferable by delivery, proof that such Bonds are held by the signer of such revocation in the manner permitted by the Bond Resolution. The fact that a consent has not been revoked may likewise be proved by a certificate prepared by the County to the effect that no revocation thereof is on file with the County. At any time after the holders of the required percentages of Bonds shall have filed their consents to the Supplemental Resolution, the Clerk shall make and maintain on file a written statement that the holders of such required percentages of Bonds have filed such consents. Such written statement shall be conclusive that such consents have been so filed. At any time thereafter notice, stating in substance that the supplemental resolution (which may be referred to as a Supplemental Resolution adopted by the County on a stated date) has been consented to by the holders of the required percentages of Bonds and will be effective as provided in the Bond Resolution, may be given to Bondholders by the County by mailing such notice to Bondholders (but failure to mail such notice shall not prevent such supplemental resolution from becoming effective and binding as in the Bond Resolution provided) not more than ninety (90) days after the last of the holders of the required percentages of Bonds shall have filed their consents to the Supplemental Resolution and the written statement of the Clerk provided for in the Bond Resolution is made. Proof of the mailing of such notice and, if the same shall have been mailed to Bondholders, of the mailing thereof, shall be maintained by the Clerk. A record consisting of the papers required or permitted by the Bond Resolution to be filed with the Clerk, shall be proof of the matters therein stated. Such supplemental resolution making such amendment or modification shall be deemed conclusively binding upon the County, the Fiduciaries and the holders of all Bonds at the expiration of forty (40) days after the filing with the Clerk of the proof of the mailing of such last mentioned notice, except in the event of a final decree of a court of competent jurisdiction setting aside such Supplemental Resolution in a legal action or equitable proceeding for such purpose commenced within such forty (40) day period; provided, however, that any Fiduciary and the County during such forty (40) day period and any such further period during which any such action or proceeding may be pending shall be entitled in their absolute discretion to take such action, or to refrain from taking such action, with respect to such Supplemental Resolution as they may deem expedient.

Modifications by Unanimous Consent. The terms and provisions of the Bond Resolution and the rights and obligations of the County and the holders of the Bonds thereunder may be modified or amended in any respect upon the adoption and filing by the County of a supplemental resolution and the consent of the holders of all the Bonds then outstanding, such consent to be given as provided in the Bond Resolution except that no notice of Bondholders by mailing shall be required; provided, however, that no such modification or amendment shall change or modify any of the rights or obligations of any Fiduciary without receiving the written assent thereto of such Fiduciary in addition to the consent of the Bondholders.

Default and Remedies

Events of Default under the Bond Resolution include: (i) if default shall be made in the due and punctual payment of the principal of or Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity or by call for redemption, or otherwise, or in the due and punctual payment of any installment of interest on any Bond or the unsatisfied balance of any Sinking Fund Installment therefor when and as such interest installment or Sinking Fund Installment shall become due and payable; (ii) if default shall be made by the County in the performance or observance of the rates and charges covenants, agreements and conditions on its part as provided in the Bond Resolution; provided, however, that a failure to comply with such covenants shall not constitute an event of default unless the County shall fail in the succeeding Fiscal Year to comply with such covenants or to restore any deficiencies which occurred in any funds in the preceding Fiscal Year; (iii) if default shall be made by the County in the performance or observance of any other of the covenants, agreements or conditions on its part contained in the Bond Resolution or in the Bonds and such default shall continue for a period of ninety (90) days after written notice thereof to the County by the holders of not less than twenty-five percent (25%) in principal amount of the Bonds outstanding; (iv) if the County shall file a petition seeking a composition of indebtedness under the federal bankruptcy laws, or under any other applicable law or statute of the United States of America or of the State of Florida; (v) if judgment for the payment of money shall be rendered against the County as the result of the construction, improvement, ownership, control of operation of the Airport System, and any such judgment shall not be discharged within twenty-four (24) months after the entry thereof or an appeal shall not be taken therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, in such manner as to set aside or stay the execution of or levy under such judgment, or order, decree or process or the enforcement thereof; or (vi) if an order or decree shall be entered, with the consent or acquiescence of the County, appointing a receiver or receivers of the Airport System or any part thereof, or other revenues therefrom, or if such order or decree having been entered without the consent or acquiescence of the County, shall not be vacated or discharged, stayed or appealed within ninety (90) days after the entry thereof.

Enforcement of Remedies. If any event of default shall happen and shall not have been remedied, then and in every such case, the Trustee, by its agents and attorneys, may proceed, upon written request of the holders of not less than twenty-five percent (25%) in principal amount of the Bonds outstanding, to protect and enforce its rights and the rights of the holders of the Bonds under the Bond Resolution forthwith by a suit or suits in equity or at law, whether for the specific performance of any covenant therein contained, or in aid of the execution of any power therein granted, or for an accounting against the County as if the County were the trustee of an express trust, or in the enforcement of any other legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under the Bond Resolution.

The Holders of not less than a majority in principal amount of the Bonds at the time outstanding may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, provided that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action or proceeding so directed may not lawfully be taken, or if the Trustee in good faith shall determine that the action or proceeding so directed would involve the Trustee in personal liability or be unjustly prejudicial to the Bondholders not party to such direction.

Restriction on Bondholder's Action. No holder of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of the Bond Resolution or the execution of any trust under the Bond Resolution or for any remedy under the Bond Resolution, unless such holder shall have previously given to the Trustee written notice of the happening of an event of default, as provided in the Bond Resolution, and the holders of at least twenty-five percent (25%) in principal amount of the Bonds then Outstanding shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity, either to exercise the powers granted in the Bond Resolution or by the Act or by the laws of Florida or to institute such action, suit or proceeding in its own name, and unless such holders shall have offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused to comply with such request for a period of thirty (30) days after receipt by it of such notice, request and offer of indemnity.

Defeasance

If the County shall pay or cause to be paid, or there shall otherwise be paid, to the holders of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Bond Resolution, then the pledge of any Revenues, and other moneys and securities pledged under the Bond Resolution and all covenants, agreements and other obligations of the County to the Bondholders, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the County to be prepared and filed with the County and, upon the request of the County, shall execute and deliver to the County all such instruments as may be desirable to evidence such discharge and satisfaction, and the Fiduciaries shall pay over or deliver to the County all moneys or securities held by them pursuant to the Bond Resolution which are not required for the payment of principal or Redemption Price, if applicable, on Bonds not theretofore surrendered for such payment or redemption. If the County shall pay or cause to be paid, or there shall otherwise be paid, to the holders of all outstanding Bonds of a particular Series the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Bond Resolution, such Bonds shall cease to be entitled to any lien, benefit or security under the Bond Resolution, and all covenants, agreements and obligations of the County to the holders of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

Any Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Trustee (through deposit by the County of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in the preceding paragraph. All outstanding Bonds of any Series shall, prior to the maturity or redemption date thereof, be deemed to have been paid within the meaning and with the effect expressed in the preceding paragraph if (a) in case any of said Bonds are to be redeemed on any date prior to their maturity, the County shall have given to the Bond Registrar irrevocable instructions to cause to be mailed, as provided in the Bond Resolution, notice of redemption of such Bonds on said date, (b) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Investment Securities (including any Investment Securities issued or held in book-entry form on the books of the Department of Treasury of the United States) the principal of and the interest on which, when due, will provide money which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient to pay, when due, the principal or redemption price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (c) in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days, the County shall have given the Bond Registrar irrevocable instructions to mail, postage prepaid, to each registered owner of Bonds then Outstanding at his address, if any, appearing upon the registry books kept by the Bond Registrar, a notice to the Holders of such Bonds that the deposit required by (b) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with the Bond Resolution and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, if applicable, on said Bonds. Neither Investment Securities nor moneys deposited with the Trustee pursuant to the Bond Resolution nor principal or interest payments on any such Investment Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or redemption price, if applicable, and interest on said Bonds; provided that any cash received from such principal or interest payments on such Investment Securities deposited with the Trustee, (A) to the extent such cash will not be required at any time for such purpose, shall be paid over to the County as received by the Trustee, free and clear of any trust, lien, pledge or assignment securing said Bonds or otherwise existing under the Bond Resolution, and (B) to the extent such cash will be required for such purpose at a later date, shall, to the extent practicable and legally permissible, be reinvested in Investment Securities maturing at times and in amounts sufficient to pay when due the principal or redemption price, if applicable, and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the County, as received by the Trustee, free and clear of any trust, lien or pledge securing said Bonds or otherwise existing under the Bond Resolution. For the purposes of this defeasance provision, Investment Securities shall mean and include any bonds or other obligations which as to principal and interest constitute direct obligations of, or are unconditionally guaranteed by the United States of America and any certificates or any other evidences of an ownership interest in obligations or in specified portions thereof (which may consist of specified portions of the interest thereon) of the character described in this sentence.

For purposes of determining whether Variable Interest Rate Bonds shall be deemed to have been paid prior to the maturity or redemption date thereof, as the case may be, by the deposit of moneys, or Investment Securities and moneys, if any, in accordance with the second sentence of the above paragraph, the interest to come due on such Variable Interest Rate Bonds on or prior to the maturity date or redemption date thereof, as the case may be, shall be calculated at the maximum rate permitted by the terms thereof; provided, however, that if on any date, as a result of such Variable Interest Rate Bonds having borne interest at less than such maximum rate for any period, the total amount of moneys and Investment Securities on deposit with the Trustee for the payment of interest on such Variable Interest Rate Bonds is in excess of the total amount which would have been required to be deposited with the Trustee on such date in respect of such Variable Interest Rate Bonds in order to satisfy the second sentence of the above paragraph, the Trustee shall, if requested by the County, pay the amount of such excess to the County free and clear of any trust, lien, pledge or assignment securing the Bonds or otherwise existing under the Bond Resolution.

Option Bonds shall be deemed to have been paid in accordance with the second sentence of the second preceding paragraph only if, in addition to satisfying the requirements of clauses (a) and (c) of such sentence, there shall have been deposited with the Trustee moneys in an amount which shall be sufficient to pay when due the maximum amount of principal of and premium, if any, and interest on such Bonds which could become payable to the holders of such Bonds upon the exercise of any options provided to the holders of such Bonds; provided, however, that if, at the time a deposit is made with the Trustee as described above, the options originally exercisable by the holder of an Option Bond are no longer exercisable, such Bond shall not be considered an Option Bond for purposes of this paragraph. If any portion of the moneys deposited with the Trustee for the payment of the principal of and premium, if any, and interest on Option Bonds is not required for such purpose the Trustee shall, if requested by the County, pay the amount of such excess to the County free and clear of any trust, lien, pledge or assignment securing said Bonds or otherwise existing under the Bond Resolution.

Anything in the Bond Resolution to the contrary notwithstanding, any moneys held by the Fiduciary in trust for the payment and discharge of any of the Bonds which remain unclaimed for six (6) years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Fiduciary at such date, or for six (6) years after the date of deposit of such moneys if deposited with the Fiduciary after the said date when such bonds become due and payable, shall, unless otherwise provided by law, at the written request of the County, be repaid by the Fiduciary to the County, as its absolute property and free from trust, and the Fiduciary shall thereupon be released and discharged with respect thereto and the Bondholders shall look only to the County for the payment of such Bonds; provided, however, that before being required to make any such payment to the County, the Fiduciary shall, at the expense of the County, cause to be published at least three times at intervals of not less than seven (7) days between publications, in Authorized Newspapers, a notice that said moneys remain unclaimed and that, after a date named in said notice, which date shall be not less than forty-five (45) days after the date of the first publication of such notice, the balance of such moneys then unclaimed will be returned to the County.

Trustee; Compensation

The Bond Resolution provides that the County may remove the Trustee and appoint a successor trustee, and under certain other circumstances a successor trustee may be appointed in place of the Trustee. The successor trustee must be a bank or trust company or national banking association, having capital stock and surplus aggregating at least $25,000,000 if there is such a successor willing and able to accept appointment.

The County has agreed to pay to each Fiduciary from time to time reasonable compensation for all services rendered under the Bond Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under the Bond Resolution and each Fiduciary shall have a lien therefor on any and all funds at any time held by it under the Bond Resolution. Subject to the provisions of the Bond Resolution, the County will indemnify and save each Fiduciary harmless against any liabilities which it may incur in the exercise and performance of its powers and duties thereunder, and which are not due to its negligence, misconduct or default.

APPENDIX B

REPORT OF THE AIRPORT CONSULTANT

RICONDO®

August 28, 2024 | DRAFT

APPENDIX B

Report of the Airport Consultant

Palm Beach County, Florida

Airport System Revenue Improvement Bonds, Series 2024A (Non-AMT) and Series 2024B (AMT)

Prepared for:

Palm Beach County

Prepared by:

RICONDO

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Appendix A Financial Projection Tables

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SUMMARY OF FINDINGS

Palm Beach County, Florida (the County) commissioned Ricondo & Associates, Inc., (Ricondo) to prepare this Report of the Airport Consultant (Report) to demonstrate the County's compliance with the Airport System Revenue Bond Resolution adopted on November 1, 1984 (the Original Resolution), as amended and supplemented (collectively, the Bond Resolution), in relationship to the issuance of the Palm Beach County, Florida Airport System Improvement Revenue Bonds, Series 2024A (Non-AMT) and Series 2024B (AMT) (collectively, the Series 2024 Bonds).

This Report demonstrates the County's ability to generate Net Revenues (Gross Revenues less Operating Expenses) sufficient to meet its obligations under the Bond Resolution, including the Rate Covenants, on a pro forma basis for Fiscal Year (FY) 2025 through FY 2030 (the Projection Period).[1]

In developing its analysis, Ricondo reviewed the terms of the Bond Resolution and related documents that govern Palm Beach International Airport's (PBI's or the Airport's) debt; the expected terms of the Series 2024 Bonds as provided by the County's financial advisor; the Airport's outstanding financial obligations; the capacity of the Airport's existing and planned facilities to accommodate current and anticipated demand; certain projects included in the Airport's Capital Program, as well as the Signatory Airline Agreement (Airline Agreement) effective October 1, 2019, and proposed funding sources.

To develop the pro forma analysis of the Airport's financial performance, Ricondo reviewed key provisions of the agreements that establish the business arrangements between the County and its various tenants including, but not limited to, the commercial airlines serving the Airport. The Airport generates most of its operating revenues from commercial airlines and private aircraft operators through airfield usage fees and various rentals for terminal and other spaces pursuant to its Airline Agreement; fees and rents assessed for concessionaires providing various goods and services to passengers and other users of airport facilities; fees and rents assessed rental car operators serving the Airport; building and ground rental fees, and fees for public parking and commercial vehicle access to airport facilities. These revenues are, in large measure, driven by passenger demand for air service from the Airport, which is a function of national and local economic conditions, and the ability and willingness of the commercial airlines to supply service at a level commensurate with this demand. Thus, Ricondo reviewed the historical relationships between economic activity and demand for air service, the airlines' provision of air service, and the financial performance of the Airport. Based on this historical review, Ricondo developed assumptions regarding these factors and relationships through the Projection Period which provide the basis for the forecasts of passenger activity and projections of financial performance presented in this Report. The following sections summarize Ricondo's assumptions, projections and findings that are detailed in the body of the Report, which should be read in its entirety.

THE SERIES 2024 BONDS

The County is issuing the Series 2024 Bonds to fund, in part, the 2024 Projects (defined herein and described in detail in Section 3 of this Report), which comprise the Airport Rescue and Fire Fighting (ARFF) Building – Station 81 replacement, Revenue Control Building replacement, and Concourse B and Related Improvements. Proceeds from the Series 2024 Bonds will also be used to fund the Debt Service Reserve Subaccount, and pay certain costs of issuance incurred in connection with the issuance of the Series 2024 Bonds.

[1] Fiscal Year ending September 30.

Unless otherwise defined herein, all capitalized terms in this Report are used as defined in the Preliminary and final Official Statement for the Series 2024 Bonds and the Bond Resolution.

Table S-1 reflects the Series 2024 Bonds funding plan for the 2024 Projects:

TABLE S-1 SERIES 2024 BONDS FUNDING PLAN

PROJECTS TO BE FUNDED	ESTIMATED SERIES 2024 BONDS PROJECT FUNDING AMOUNT
Airport Rescue and Fire Fighting Building – Station 81 Replacement	$15,000,000
Revenue Control Building Replacement	$10,000,000
Concourse B and Related Improvements	$75,000,000
Total	**$100,000,000**

SOURCE: Palm Beach County Department of Airports, July 2024.

AIRPORT SYSTEM AND AIRPORT CAPITAL PROGRAM

The Airport System consists of the PBI, Lantana Airport (LNA), Pahokee Airport (PHK), and North County Airport (F45), which are owned by the County and operated by the Palm Beach County Department of Airports (the Department). PBI is the largest airport in the Airport System and classified as a medium hub by the Federal Aviation Administration (FAA).

Chapter 2 reviews the existing PBI facilities and Chapter 3 summarizes the Capital Program, anticipated Capital Program funding sources, and project details for the Series 2024 Projects.

The current master plan for the Airport was completed in 2018 (the Master Plan). The Master Plan established the needs for future capital development at the Airport and identified preferred alternatives for airfield, terminal, ground transportation, and other facilities. The 2024 Projects are included in the County's overall Capital Program for the Airport System.

Capital Program projects are anticipated to be funded from proceeds from the Series 2024 Bonds, Passenger Facility Charge (PFC) revenues, Federal Aviation Administration (FAA) Airport Improvement Program (AIP) grant funds, Florida Department of Transportation (FDOT) grant funds, grant funds from the Infrastructure Investment and Jobs Act of 2021 (IIJA), and local/Airport funds. In addition to Series 2024 Projects, the County's overall Capital Program includes other projects to repair, maintain, and improve airfield, terminal, and ground transportation facilities for all four airports in the Airport System.

The Department's Capital Program anticipated through the Projection Period of this Report totals approximately $664.2 million, comprising approximately $137.5 million of the 2024 Projects (to be funded with $100.0 million in Series 2024 Bonds proceeds and other funding sources), $412.6 million of other PBI projects, and $114.1 million for other Airport System airports, as summarized in **Table S-2**.

TABLE S-2 CAPITAL PROGRAM SUMMARY, FY 2025 – FY 2030

(in millions)

CAPITAL PROJECTS	TOTAL COST	LOCAL FUNDS	AIP GRANTS	FDOT GRANTS	PFC REVENUE	IIJA	SERIES 2024 BONDS
Series 2024 Projects	$137.5	$7.3	$0.0	$8.8	$21.5	$0.0	$100.0
Other PBI Projects	$412.6	$150.9	$61.0	$84.3	$89.3	$27.1	$0.0
Total PBI Projects	**$550.1**	**$158.2**	**$61.0**	**$93.0**	**$110.8**	**$27.1**	**$100.0**
Other Airports	$114.1	$25.1	$30.7	$45.3	$0.0	$13.0	$0.0
Total Capital Program	**$664.2**	**$183.3**	**$91.7**	**$138.3**	**$110.8**	**$40.1**	**$100.0**

NOTE:
AIP – Airport Improvement Program
FDOT – Florida Department of Transportation
PFC – Passenger Facility Charge
IIJA – Infrastructure Investment and Jobs Act of 2021
Totals may not add due to rounding.
SOURCE: Palm Beach County Department of Airports, August 2024.

Airport Capital Program funding assumptions reflected in the financial analysis in this Report are described in Section 3.4, and the resulting financial impacts are discussed in Chapter 6.

DEMOGRAPHIC AND ECONOMIC ANALYSIS

Chapter 4 presents the demographic and economic analysis of the Airport's air trade area (Air Trade Area). The demand for air transportation at an airport is, to a large degree, dependent upon the demographic and economic characteristics of the geographical area surrounding the airport's air trade area. This relationship is particularly true for origin and destination (O&D) passenger traffic, meaning passengers that either begin or end their trips at an airport, rather than connecting through an airport to other destinations. O&D passenger traffic has historically been the largest component of demand at the Airport. Therefore, the major portion of demand for air travel at the Airport is influenced more by the local socioeconomic characteristics of the area served than by individual air carrier decisions regarding service patterns in support of connecting activity.

Chapter 4 presents data indicating the Airport's Air Trade Area, defined in this Report to consist of Indian River County, Martin County, Palm Beach County, and St. Lucie County, has an economic base capable of supporting increased demand for air travel during the Projection Period.

Table S-3 summarizes the demographic and economic data described in Chapter 4, while key findings include the following:

- The Airport primarily serves the four-county Air Trade Area, which had a total population of approximately 2.2 million residents in CY 2022. Population growth in the Air Trade Area between CY 2002 and CY 2022 was faster than the population growth experienced by Florida and the United States (a compound annual growth rate of 1.5 percent versus 1.4 percent and 0.7 percent, respectively), and this trend is expected to continue throughout the Projection Period. Typically, a positive correlation exists between population growth in a local area and air travel demand.
- According to the US Bureau of Labor Statistics, the Air Trade Area's unemployment rates between CY 2014 and CY 2020 for the Air Trade Area remained within plus or minus 0.3 percent of unemployment rates for Florida and the United States. From CY 2021 to CY 2023, the annual unemployment rates for both the Air Trade Area

and Florida continued to trend downwards and did so at a greater rate than the annual unemployment rate for the United States. In July 2024, the Air Trade Area's seasonally adjusted unemployment rate was approximately 2.9 percent, which was less than the unemployment rate experienced in Florida statewide and below the national unemployment rate during this same period (3.3 percent and 4.3 percent, respectively).

- Approximately 23 private or public entities with 1,000 or more employees are in the County. The largest employer in the area is Palm Beach County School District, with 22,426 employees; Palm Beach County Government (5,753 employees); Tenet Coastal Division Palm Beach County (5,734 employees); NextEra Energy, Inc. (parent company of Florida Power & Light, 5,330 employees); and Florida Atlantic University (5,059 employees). While once significantly reliant on tourism, agriculture, and construction, Palm Beach County's economy is now relatively diverse. The County has had success in attracting employers in the healthcare/life sciences, retail, and finance.[2]
- As discussed in Chapter 4, the Air Trade Area is projected to outperform the United States over the Projection Period on a variety of demographic and economic indicators shown to have a correlation with air travel demand.

TABLE S-3 SUMMARY OF DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS

	HISTORICAL CY 2012	HISTORICAL CY 2022[1]	PROJECTED CY 2030	CAGR CY 2012 – CY 2022	CAGR CY 2022 – CY 2030
Population					
Air Trade Area	1,922,900	2,208,007	2,447,873	1.4%	1.3%
United States	314,371,456	333,271,411	350,794,062	0.6%	0.6%
Per Capita Personal Income[2]					
Air Trade Area	$61,844	$85,812	$95,878	3.3%	1.4%
United States	$46,791	$56,421	$64,732	1.9%	1.7%
GDP/GRP[3]					
Air Trade Area	$84,134	$125,029	$162,201	4.0%	3.3%
United States	$17,074,008	$21,788,014	$25,999,436	2.5%	2.2%
	HISTORICAL CY 2013	HISTORICAL CY 2023	JULY 2024[4]		
Unemployment Rates					
Air Trade Area	8.0%	3.1%	2.9%		
United States	7.4%	3.6%	4.3%		
Variance	*0.6%*	*-0.5%*	*-1.4%*		

NOTES:
CAGR – Compound Annual Growth Rate
CY – Calendar Year
1 CY 2022 is the last year of historical data in the Woods & Poole Economics, Inc. (Woods & Poole) database and is the basis for Woods & Poole's projections. Therefore, it is the last year of historical data included in this table. More recent data may be available from other sources.
2 Figures displayed in 2017 dollars.
3 Figures displayed in millions of 2017 dollars.
4 Monthly unemployment data in this table were seasonally adjusted.
SOURCES: Woods & Poole Economics, Inc., *2024 Complete Economic and Demographic Data Source (CEDDS)*, July 2024 (population, income, gross domestic product / gross regional product); US Department of Labor, Bureau of Labor Statistics, August 2024 (unemployment).

[2] Business Development Board of Palm Beach County (BDB), "Palm Beach County's New Driving Industries Summary," November 2023. https://www.bdb.org/clientuploads/marketing/JERRY_PARRISH_REPORT/Palm_Beach_County_Top_Industries_-_November_2023.pdf (accessed July 12, 2024).

PASSENGER DEMAND AND AIR SERVICE ANALYSIS

As presented in Chapter 5 of this Report, the Airport has had the benefit of a growing passenger base. The Airport is served primarily by scheduled US passenger airlines, with foreign flag airlines also providing service to Canada and the Bahamas. US passenger airlines include legacy airlines, which provide service to hub airports, and low-cost and ultra-low-cost carriers providing point-to-point service to operating bases and other airports in the eastern US. As of July 2024, 14 airlines provide, or are scheduled to provide, scheduled passenger service at the Airport in FY 2024, including two foreign flag airlines. In FY 2025, one additional airline is scheduled to begin service at the Airport. Also, six all-cargo airlines have provided cargo service at the Airport since FY 2024. The FAA classifies PBI as a medium-hub airport based on its percentage of nationwide enplaned passengers; the Airport served approximately 3.8 million passengers in FY 2023. Other key points regarding historical and forecast aviation activity at the Airport include the following:

- Between FY 2014 and FY 2023, the Airport experienced a 2.9 percent compound annual growth rate (CAGR) in enplaned passengers, compared to a 2.2 percent CAGR at airports in the United States.
- The Airport's enplaned passenger volume recovery from the effects of the COVID-19 pandemic and subsequent decrease in passenger travel demand has outpaced the national average. Enplaned revenue passengers in FY 2023 represented 109.6 percent of FY 2019 enplaned revenue passengers, whereas FY 2023 total United States enplaned revenue passengers represented 99.3 percent of FY 2019 enplaned passengers.
- As of July 2024, the airlines serving the Airport are scheduled to operate an average of approximately 14,100 daily departing seats and 85 daily departures in FY 2024. Nonstop service is provided to 46 destinations, including 42 in the United States and 4 international destinations located in Canada and the Bahamas.
- JetBlue Airways is the largest airline serving the Airport based on enplaned passenger volumes and landed weight. Four airlines represent at least a 10 percent share of enplaned passenger volumes and landed weight. During the period from FY 2014 to FY 2023, eight airlines consistently provided seasonal or year-round service.

Forecasts of activity were developed considering the local and national socioeconomic and demographic factors discussed in Chapter 4 of this Report, historical domestic and international O&D passenger demand segments for the Airport and other airports in the Miami–Port St. Lucie–Fort Lauderdale Combined Statistical Area (CSA) with scheduled passenger airline service, short-term published airline schedules and industry demand trends, and the role of the Airport within the route networks of the airlines serving the Airport. Total enplaned passengers at the Airport are forecast to increase from 3.8 million in FY 2023 to 4.8 million in FY 2030, a 3.6 percent CAGR.

Table S-4 summarizes the historical and forecast enplaned passengers at the Airport through the Projection Period.

TABLE S-4 ENPLANED PASSENGER FORECAST

(Fiscal Years Ended September 30)

FISCAL YEAR	DOMESTIC ENPLANED PASSENGERS	INTERNATIONAL ENPLANED PASSENGERS	TOTAL ENPLANED PASSENGERS	ANNUAL GROWTH
Historical				
2014	2,844,655	69,163	2,913,818	3.0%
2015	3,026,468	63,863	3,090,331	6.1%
2016	3,095,888	75,806	3,171,694	2.6%
2017	3,041,594	85,816	3,127,410	-1.4%
2018	3,186,634	81,141	3,267,775	4.5%
2019	3,282,770	70,058	3,352,828	2.6%
2020	2,061,959	43,546	2,105,505	-37.2%
2021	2,132,714	5,246	2,137,960	1.5%
2022	3,232,539	30,331	3,262,870	52.6%
2023	3,729,273	39,432	3,768,705	15.5%
Forecast				
2024	4,133,432	47,073	4,180,504	10.9%
2025	4,255,351	75,529	4,330,880	3.6%
2026	4,350,578	77,755	4,428,333	2.3%
2027	4,447,554	80,025	4,527,579	2.2%
2028	4,542,216	82,200	4,624,416	2.1%
2029	4,641,230	84,506	4,725,736	2.2%
2030	4,741,498	86,841	4,828,339	2.2%
Compound Annual Growth Rate				
2014 – 2019	2.9%	0.3%	2.8%	
2014 – 2023	3.1%	-6.1%	2.9%	
2023 – 2030	3.5%	11.9%	3.6%	

SOURCES: Palm Beach County Department of Airports, July 2024 (historical data); Ricondo & Associates, Inc., August 2024 (forecast).

FINANCIAL ANALYSIS

Debt service, debt service coverage, and amortization of County funds expended on capital projects associated with the funding of the Series 2024 Projects and other FY 2025 through FY 2030 CIP Projects, along with incremental Operating and Maintenance (O&M) Expenses and Revenues resulting from the completion of those projects, are reflected in the financial analysis included in this Report and discussed in Chapter 6.

The current Airline Agreement is in effect through September 30, 2026. In developing the financial projections presented herein, a continuation of the rate-setting methodology set forth in the Airline Agreement was assumed for the entirety of the Projection Period. It is also assumed, in this Report, that the current airlines that have signed the agreement will continue to be signatory under the Airline Agreement and the airlines that have not signed the agreement will remain non-signatory through the Projection Period. However, both signatory and non-signatory revenues are included in the Report.

Based on the analysis in this Report and the financial projections presented in Chapter 6, Ricondo is of the opinion that the projected Net Revenues will be sufficient to satisfy the rate covenant set forth in the Bond Resolution in each year of the Projection Period.

Ricondo is also of the opinion that the Airport's airline cost per enplaned passenger (CPE) will remain reasonable based on the expectation that underlying airline costs, to the extent passed along to customers through ticket prices and fees, will not deter demand for air traffic at the Airport as airlines continue to deploy capacity to airports based on available resources. The resilient demand for air traffic, and therefore reasonableness of the projected CPE, is based on:

- the strong and resilient economic base of the Air Trade Area,
- the well-established air service market served by a diversity of carriers, and
- a projected growth in the factors that drive future air traffic demand.

Results of the financial analysis presented in this Report can be summarized as follows:

- O&M Expenses are projected to increase based on the type of expense, incremental increases associated with the completion of capital projects, and expectations of future inflation rates, with total O&M Expenses projected to increase from approximately $73.3 million in FY 2025 to approximately $93.2 million in FY 2030, reflecting a CAGR of 4.9 percent.
- The County's total annual debt service relating to the Airport System (including projected debt service on the Series 2024 Bonds to be paid from Net Revenues is projected to be approximately $7.3 million in FY 2025 then increase to $13.2 million in FY 2026 through the remainder of the Projection Period.
- Nonairline Revenues, including all revenues generated for the Airport except for those revenues generated from the Airline Agreement, are projected to increase from approximately $83.9 million in FY 2025 to approximately $98.2 million in FY 2030, reflecting a CAGR of 3.2 percent.
- Airline revenues calculated based on the terms of the Airline Agreement are projected to increase from approximately $30.0 million in FY 2025 to approximately $45.0 million in FY 2030. The increase in airline revenues is primarily attributed to debt service payable on estimated Series 2024 Bonds, expense and revenue impacts associated with certain Capital Program projects, as well as inflationary increases in O&M Expenses included in the airline rate requirements.
- The Airport's estimated average airline cost per enplaned passenger resulting from the airline revenues calculated based on the terms of the Airline Agreement is projected to increase from $4.37 in FY 2025 to $7.73 in FY 2030.
- Calculated pursuant to the Bond Resolution, total debt service coverage is projected to exceed the 1.25x debt service coverage requirement established in the Bond Resolution in each year of the Projection Period, ranging between 3.62x and 3.83x.

1. THE 2024 BONDS

1.1 PLAN OF FINANCE

Palm Beach County (County) is issuing the Palm Beach County, Florida Airport System Revenue Improvement Bonds, Series 2024A (Non-AMT) and Series 2024B (AMT) (collectively, the Series 2024 Bonds) to fund, in part, certain capital projects at Palm Beach International Airport (PBI or the Airport), including the Aircraft Rescue and Fire Fighting (ARFF) Building – Station 81 replacement, Revenue Control Building replacement, and Concourse B and Related Improvements. These projects, described in detail in Section 3 of this Report, are collectively referred to herein as the Series 2024 Projects.

Additionally, proceeds from the Series 2024 Bonds will be used to fund a deposit in the Debt Service Reserve Account and pay certain costs of issuance incurred in connection with the issuance of the Series 2024 Bonds.

Unless otherwise defined herein, all capitalized terms in this Report are used as defined in the Official Statement for the Series 2024 Bonds or the Bond Resolution.

Table 1-1 reflects the Series 2024 Bonds funding plan.

TABLE 1-1 SERIES 2024 BONDS FUNDING PLAN

PROJECTS TO BE FUNDED	ESTIMATED SERIES 2024 BONDS PROJECT FUNDING AMOUNT
Airport Rescue and Fire Fighting Building Replacement	$15,000,000
Revenue Control Building Replacement	$10,000,000
Concourse B and Related Improvements	$75,000,000
Total	**$100,000,000**

SOURCE: Palm Beach County Department of Airports, June 2024.

The remainder of this chapter describes the Series 2024 Bonds and key provisions of the Bond Resolution.

1.1.1 THE 2024 BONDS

Table 1-2 presents the estimated sources and uses for the Series 2024 Bonds.

The Series 2024 Bonds are being issued pursuant to the Airport System Revenue Bond Resolution R-84-427, adopted April 3, 1984 and amended in full by Airport System Revenue Bond Resolution R-84-1659 adopted on November 1, 1984, as amended and supplemented thereafter (Original Bond Resolution) including the Sixteenth Supplemental Resolution No. R-2024-XXXX adopted on September 17, 2024, and collectively with the Original Bond Resolution, as amended and supplemented, the "Bond Resolution," authorizing the issuance of the 2024 Bonds in a principal amount of not exceeding $110,000,000 .

For purposes of the financial analysis in this Report, the County's Financial Advisor has made certain assumptions for the Series 2024 Bonds, including interest rates based on market rates as of [June 30], 2024, plus an additional [50] basis point cushion, as shown in **Table 1-3**.

TABLE 1-2 SERIES 2024 BONDS SOURCES AND USES

	SERIES 2024 BONDS (AMT)
Sources	
Par Amount of Bonds	$101,000,000
Original Issue Premium	$-
Total Sources of Funds at Closing	**$101,000,000**
Uses	
Construction Fund Deposit	$100,000,000
Debt Service Reserve Fund Deposit	$-
Underwriter's Discount	$500,000
Cost of Issuance	$500,000
Total Uses of Funds at Closing	**$101,000,000**

NOTE:
Totals may not add due to rounding.
SOURCE: PFM Financial Advisors, LLC, July 2024.

TABLE 1-3 SERIES 2024 BONDS ASSUMPTIONS

	SERIES 2024 BONDS
First Maturity Date	April 1, 2025
Last Maturity Date	October 1, 2044
Average Life	12.038 years
True Interest Cost	5.12%

SOURCE: PFM Financial Advisors, LLC, July 2024.

1.1.2 ORIGINAL BOND RESOLUTION

The Original Bond Resolution authorizes the County to issue Additional Bonds or other financing obligations to fund Airport projects including additions, extensions, and improvements to the Airport System. The requirements of the Original Bond Resolution were used in the preparation of this Report. Several key provisions of the Original Bond Resolution are described in the following subsections:

1.1.2.1 REVENUES

Revenues means Operating Revenues plus Non-Operating Revenues.

Operating Revenues means all income and revenue from all sources, due and payable to the County in connection with the operation of the Airport System, including, without limitation, except as in the Bond Resolution expressly provided, all rentals, charges, landing fees, use charges and concession revenue derived on behalf of the County in its capacity as the operator of the Airport System, or any part thereof. The term "Operating Revenues" shall exclude revenues relating to Special Purpose Facilities and may include, at the option of the County, the proceeds from passenger facilities fees/charges, the proceeds of any noise related surcharges, or the proceeds of any ad valorem tax levied by the County to pay Operating Expenses pursuant to the Act, if any.

Non-Operating Revenues means any income of the Airport System which is not derived from the basic operation of the Airport System, not restricted in application to a special purpose and otherwise lawfully available to be applied pursuant to the Bond Resolution and shall include, without limiting the generality of the foregoing, all moneys deposited into the Revenue Fund from any fund or account established and maintained pursuant to the Original Bond Resolution and interest earned on investments and gains on sales of land. Grants received by the County in connection with the Airport System are treated as Non-Operating Revenues

1.1.2.2 OPERATING AND MAINTENANCE EXPENSES

Operating and Maintenance Expenses means Operating Expenses plus Non-Operating Expenses, but only to the extent that such charges are made in conformity with generally accepted accounting principles, including amounts required by the Original Bond Resolution to be retained in the Revenue Fund for Operation and Maintenance Expenses the payment of which is not then immediately required.

Operating Expenses means the County's costs for operation, maintenance and repairs of the Airport System and shall include, without limiting the generality of the foregoing, salaries and employee benefits, utility costs, ordinary maintenance, administrative and general expense and security.

Non-Operating Expenses means the expenses incurred in the performance of activities not directly related to the ordinary operations of the Airport System and shall include the expenses and compensation of the fiduciaries and consultants required to be paid under the Bond Resolution, all to the extent properly attributable to the Airport System, interest expense and any charge relating to the payment of principal, and shall also include, with respect to the Bonds, the fees, expenses, and other amounts payable to any issuer of a letter of credit, a standby purchase agreement or any other credit or liquidity facility, the proceeds of which will be applied to pay the principal of and interest on any Series of Bonds, as well as any indexing agent, depository, remarketing agent or any other person whose services are required with respect to the issuance of any Variable Interest Rate Bonds or Option Bonds.

1.1.2.3 AGGREGATE DEBT SERVICE

Aggregate Debt Service means, as of any particular date of computation and with respect to any period, the sum of the amounts of debt service for each period with respect to all series of bonds, except as provided in the Bond Resolution with respect to variable rate interest bonds and option bonds.

1.1.2.4 ADDITIONAL BONDS

One or more series of additional bonds may be authenticated and delivered upon original issuance at any time, for the purpose of providing additional funds to complete payment of the cost of the initial project or to complete the cost of any additional project, in each case in a principal amount that will provide the County with funds equal, nearly as practicable, to the completion requirement for the initial project or any additional project as set forth in a certificate of the Consulting Engineers which shall be delivered to the County prior to the authentication and delivery of such additional bonds.

The County may issue additional bonds for the purpose of paying the costs of any additional project upon the delivery of, among other things, certificates of the County stating that:

> (i) for any 12 consecutive calendar months out of the 18 calendar months next preceding the authentication and delivery of such additional bonds or the last completed fiscal year for which audited financial statements are available, the Net Revenue available for debt service for such 12-month period equaled at least 1.25 times the Aggregate Debt Service for such 12-month period and

(ii) the estimated Net Revenues available for debt service in each of the three fiscal years following the fiscal year in which it is estimated that the additional project will be competed (based on a certificate of the Airport Consultant) are at least equal to 1.25 times the Aggregate Debt Service for the outstanding bonds and the additional bonds for the corresponding fiscal years.

All series of such additional bonds will be payable from the same sources and will be secured on parity with the Series 2024 Bonds.

1.1.2.5 RATE COVENANT

Pursuant to the Original Bond Resolution, the County covenants that it will fix, charge and collect rates, fees, rentals and charges for the use of the Airport System, and shall revise such rates, fees, rentals and charges as often as may be necessary or appropriate to produce Revenues in each Fiscal Year at least equal to the sum of Operation and Maintenance Expenses, including reserves therefore provided for in the Annual Budget, plus the greater of:

(A) an amount equal to the sum of 1.25 times the Aggregate Debt Service for such Fiscal Year, or

(B) the sum of (i) the amount to be paid during such Fiscal Year into the Debt Service Account, plus (ii) the amount, if any, to be paid during the Fiscal Year into the Debt Service Reserve Account (including amounts payable to the issuer of any Debt Service Reserve Account Insurance Policy and excluding amounts required to be paid into such account out of the proceeds of Bonds), plus (iii) the amount, if any, to be paid into the Renewal and Replacement Fund as provided in the Annual Budget, plus (iv) all other charges and liens whatsoever payable out of Revenues during such fiscal year, plus (v) to the extent not otherwise provided for, all amounts payable on Subordinated Indebtedness.

If, in any such Fiscal Year, Revenues are less than the amount specified above, the County shall take action to revise its rates, fees, rentals, and charges, or alter its methods of operation or take other action in such manner as is calculated to produce the amount so required in such period.

1.1.2.6 APPLICATION OF REVENUES

The Original Bond Resolution creates certain funds and accounts and establishes the principal functions and uses of each fund and account. The requirements of the Bond Resolution and the rate-making methodology adhered to by the County were used to develop the estimated application of Revenues included in the financial analyses included in this Report. **Exhibit 1-1** presents the flow of funds based on the application of Revenues as specified in the Original Bond Resolution.

EXHIBIT 1-1 FLOW OF FUNDS

2. THE AIRPORT

2.1 PALM BEACH COUNTY AIRPORT SYSTEM

The Palm Beach County Department of Airports (Department) owns and operates Palm Beach International (PBI or Airport), North Palm Beach County General Aviation Airport (F45), Palm Beach County Park Airport (LNA), and Palm Beach County Glades (PHK) airports. Collectively, the four airports are referred to as the Airport System (**Exhibit 2-1**). Each airport within the Airport System has a unique and necessary aviation role in the County.

- PBI is the largest airport in the Airport System and is the only commercial service airport, serving both air carriers and general aviation aircraft. The Airport is classified in the FAA National Plan of Integrated Airport Systems as a medium hub Commercial Service – Primary Airport. PBI also has three fixed-base operators that provide various services for general aviation traffic.
- F45 is located approximately 17 miles northwest of PBI and provides easy access to the Florida Research Park, Jupiter, and Palm Beach Gardens. F45 is a designated reliever for PBI and serves both reciprocating engine and jet aircraft.
- LNA is located 5 miles south of PBI and is primarily operated by general aviation aircraft with reciprocating and turbine-driven engines. The development of jet operations at LNA is strongly anticipated in the planning forecast. Also serving as a reliever to PBI, LNA also has several flight schools for both fixed-wing and helicopter training. Due to the surrounding residential communities, LNA is considered a noise-sensitive airport with noise abatement procedures in effect during later hours.
- PHK is the County's designated general aviation recreational airport. PHK is located approximately 35 miles northwest of PBI and is adjacent to Lake Okeechobee. As the recreational airport, PHK supports the Airport System by locating recreational and parachute operations to a less congested airport.

2.1.1 MANAGEMENT

The Department, which currently has an employee complement of 174 full-time positions, is governed by the Board of County Commissioners (BOCC). The BOCC is the legislative and governing body of the County. The Director of Airports is appointed with the consent of the BOCC and reports to the County Administrator and ultimately to the BOCC.

2.2 PALM BEACH INTERNATIONAL AIRPORT

The Airport is situated on approximately 1,375 acres of land and is located three miles southwest of the City of West Palm Beach. The Airport is bound by Belvedere Road, Australian Avenue, Southern Boulevard (State Road 80), Military Trail (State Road 809). The Airport can be accessed from Interstate 95 via James L. Turnage Boulevard or the local arterial street system. Arterial streets all connect to Jame L. Turnage Boulevard, which is a loop road that provides access to the Main Terminal and parking garages. Public transportation to the Airport is provided by Palm Tran, the County's public bus transportation service, Tri-Rail, which provides rail service between West Palm Beach and Miami, and Amtrak. The Tri-Rail and Amtrak stations are located on South Tamarind Avenue, approximately four miles away from the Airport. There are complimentary rideshares and shuttles that provide access to the Airport from these stations. A Brightline station is located on Quadrille Plaza Drive in West Palm Beach, approximately four miles from the Airport.

EXHIBIT 2-1 PALM BEACH COUNTY AIRPORT SYSTEM

SOURCE: Esri, 2023 (airports, cities); US Census Bureau, 2022 (counties, state). Ricondo & Associates, Inc., July 2024.

The Airport maintains the airfield infrastructure and supporting facilities needed to accommodate commercial air service operations and passengers, general aviation activities, and cargo operations. The Department maintains an ongoing capital improvement program (CIP) for the Airport that focuses on proactive infrastructure and facility development that provide capacity improvements, as well as operational efficiency and passenger convenience while preserving financial stability and a competitive rate structure for the Airport's tenants, users, and operators. A brief overview of the existing facilities at the Airport is presented in the following sections.

2.3 EXISTING AIRPORT FACILITIES

This section describes the existing Airport facilities, including airfield, passenger terminal area, automobile parking, rental car, air cargo, and general aviation facilities. **Exhibit 2-2** presents an aerial view of the Airport and identifies key Airport facilities.

2.3.1 AIRFIELD

The airfield facilities of the Airport consist of the runways, taxiways, apron areas, and navigational aids.

2.3.1.1 RUNWAYS AND NAVIGATIONAL AIDS

The airfield at PBI consists of three runways, associated taxiways, and aprons. Runways 10L-28R and 10R-28L are the two parallel prevailing wind runways and Runway 14-32 is the designated crosswind runway.

- Runway 10L-28R is the longest runway at the airport, measuring 10,001 feet in length and a width of 150 feet and oriented in an east-west direction. The runway is equipped with high-intensity edge lighting, centerline lighting, and an approach lighting system on the approach end of Runway 10L. Runway 10L is the only runway equipped with an Instrument Landing System (ILS), allowing continuous operations during all weather conditions. Runway 28R is the noise-preferred runway used during noise abatement procedures.
- Runway 10R-28L is a parallel runway at 3,214 feet long and 75 feet wide and oriented in an east-west direction. The runway does not have instrument approach procedures, meaning operations are only allowed during visual meteorological conditions. Runway 10R-28L is equipped with medium-intensity edge lighting and runway end identifier lights. Operations on this runway mainly consist of small general aviation aircraft and has a Runway Design Code[3] (RDC) of B-I, able to accommodate aircraft with wingspans up to 49 feet.
- Runway 14-32 is the preferred runway during prevailing wind conditions, measuring 6,926 feet in length and a width of 150 feet, it also intersects Runway 10L-28R at its midpoint. The runway is equipped with medium-intensity edge lighting, runway end identifier lights, and an Engineered Materials Arresting System[4] (EMAS) on the departure end of Runway 14. Both Runways 10L-28R and 14-32 have an RDC of D-IV, able to accommodate aircraft with wingspans up to 171 feet.

Air traffic operations are served by radar approach control and departure facilities, including airport surveillance radar located at the Airport, all operated by the FAA.

[3] Runway Design Code determines the standards that apply to a specific runway and parallel taxiway allowing optimal safe operations by the critical aircraft under desired meteorological conditions, FAA Advisory Circular 150/5300-13B *Airport Design*, March 2022.

[4] Engineered Materials Arresting System uses a crushable material placed at the end of a runway to help stop an aircraft that overruns the runway.

EXHIBIT 2-2 EXISTING AIRPORT FACILITIES

2.3.1.2 TAXIWAYS

Each runway has a full-length parallel taxiway; Taxiways C and L for Runway 10L-28R, Taxiways L and R for Taxiway 10R-28L, and Taxiway F for Runway 14-32. Taxiway B is also a partial-length parallel taxiway, north of Runway 14-32, and provides a relatively short taxi distance from the terminal to the runway. Most taxiway widths at the Airport vary from 50 to 75 feet.

2.3.1.3 APRONS

The primary aircraft aprons at the Airport include the passenger terminal apron, the air cargo apron west of the passenger terminal, and two general aviation aprons south of the parallel runways. The apron west of the departure end of Runway 14 is also used for general aviation.

2.3.2 PASSENGER TERMINAL FACILITIES

The Airport passenger terminal building, built in 1988, is located north of the runways and is defined as a central terminal with associated pier concourses, which provide about 600,000 square feet of space and 28 aircraft gates. The passenger terminal building, also referred to as the Main Terminal, is a three-level structure that includes the ticketing hall, departures/arrivals levels, baggage claim, passenger and baggage security screening functions, and concessions.

2.3.2.1 CONCOURSE A

Concourse A is a single-level structure supporting commuter and short-haul international flights. The Concourse consists of one common-use passenger holdroom, four walkout aircraft gates, a concession area, and restrooms. At Concourse A, two separate corridors differentiating domestic and international operations that connect from the Main Terminal. Arriving international passengers arrive through a sterile corridor and proceed to the Customs and Border Protection (CPB) area for additional processing. Arriving domestic passengers enter the gates and proceed down the corridor towards the Main Terminal Departures Level via vertical circulation.

2.3.2.2 CONCOURSE B

Concourse B is a two-level structure supporting both domestic and international operations with 13 contact gates. The first level is a non-public area used for airline support such as storage and office space, as well as mechanical/ electrical equipment. The second level consists of common-use passenger holdrooms and limited concessions including retail stores, a coffee shop, and a restaurant/ bar.

Gate B2 supports international passengers through a sterile corridor that connects with the Federal Inspection Services (FIS) facilities on the first level of the Main Terminal.

2.3.2.3 CONCOURSE C

Concourse C is a two-level structure supporting domestic operations with 15 contact gates. Similar to Concourse B, the first level is a non-public area used for concessions storage areas, airline support, and mechanical/ electrical equipment. The second level consists of concessions, an airline lounge, and common-use passenger holdrooms.

2.3.3 GROUND ACCESS AND PARKING

Primary access to the Airport is provided from the east via Interstate 95. Access to the passenger terminals is provided by James L Turnage Boulevard via Belvedere Road. Access to other Airport landside facilities such as the southeast/ southwest and northeast GA aprons are provided by Morrison Field Road and Perimeter Road via Belvedere Road and Southern Boulevard.

2.3.3.1 TERMINAL CURBSIDES

The existing departures curb is an upper-level roadway that provides direct access to curbside check-in desks, the ticketing hall, and security checkpoints located at the north side of the Main Terminal. The inner curb accommodates private vehicles with four lanes. The outer curb accommodates taxicabs, shared-ride vans, limousines, and courtesy hotel/ motel vehicles with four lanes. Transportation network companies (TNCs) operate exclusively from the third level outer curb for departures and arrivals.

The existing arrivals curb is a lower-level roadway that provides direct access to the baggage claim facilities, passenger pickup areas, and rental car counters. The inner curb accommodates private vehicles and limousines with four lanes. The outer curb accommodates Palm Tran buses and rental cars, hotels, and economy parking shuttles with four levels. Taxicab staging is conducted in lots located west of the Main Terminal.

2.3.3.2 EXISTING PARKING FACILITIES

Public parking is provided by three parking garages and four surface lots. There are two parking garages located across from the Main Terminal that provide for 5,083 parking spaces. The west parking garage has four levels, and the adjacent east parking garage extends up to seven levels. Both parking garages connect on the fourth level, are used for long-term parking and are connected by elevated walkways. The third parking garage, used for short-term parking, consists of 909 parking spaces and is located above the departures level roadway and is attached to the Main Terminal building.

There are surface lots located on the east and west sides of the long-term garages, consisting of 382 spaces, that are used for long-term public parking. Premium parking is located in a surface lot, consisting of 184 spaces, which is located between the Main Terminal Building and the long-term parking garages. Economy parking, consisting of 3,415 parking spaces, is provided in a surface parking lot located east of Concourse C. Airport/tenant employee parking is accommodated in a surface parking lot east of the Main Terminal, providing for 927 parking spaces. Complimentary shuttle service is provided by the Airport between the east surface parking lots and the Main Terminal. There is also additional surface parking at a cellphone waiting lot/ area located northeast of the Main Terminal building between Belvedere Road and Perimeter Road.

2.3.3.3 RENTAL CAR FACILITIES

Rental car facilities, comprising 11 rental car brands (Alamo, Avis, Budget, Dollar, Enterprise, Fox Europcar, Hertz, National, Payless, Sixt, and Thrifty) operate pursuant to concession agreements with the County with access provided by complimentary shuttle bus services. Rental car counters can be found across from the baggage claim on the arrivals level. Avis, Budget, Dollar, Enterprise, and Thrifty lease from the County all or a portion of the sites where their facilities are located. The Airport also provides overflow surface parking for rental cars east of the air cargo building and at the airport maintenance area.

2.3.3.4 SHUTTLE BUS OPERATIONS

Although a significant portion of the Economy Parking Lot is walkable to the Main Terminal, the Airport provides shuttle bus service from the Economy Parking Lot to the Main Terminal through a third-party contractor. Rental car operators provide shuttle bus services to each of their facilities.

2.3.3.5 COMMERCIAL VEHICLE FACILITIES

The Airport provides one staging area located west of the Main Terminal for taxicabs awaiting dispatch to the terminal area. The staging area west of the Main Terminal is striped to accommodate 36 vehicles and has restroom facilities. TNCs and private vehicles are strictly prohibited from using this lot.

2.3.3.6 PUBLIC TRANSIT SERVICES

Public transit service to the Airport is provided by bus, taxi, limousine services, TNCs, and hotel courtesy shuttles. Palm Tran, the County's public bus service, offers direct transportation to the Airport via a conveniently located bus stop on the outer curb of the arrival and departure levels. Tri-Rail, South Florida's commuter rail service between West Palm Beach and Miami, provides transportation to PBI by accessing the West Palm Beach Tri-Rail station. Amtrak provides long and short-distance rail services throughout the country and can be another considerable option for airport users. Transportation to the Airport by Amtrak users is accessible from the West Palm Beach Amtrak station. A Palm Tran shuttle is available to carry passengers to/ from the Tri-Rail and Amtrak stations directly to PBI.

2.3.4 AIR CARGO FACILITIES

Air cargo facilities are located on the north and east sides of the Airport and include several facilities used by passenger and cargo airline operators. Passenger airlines maintain cargo operations at the Air Freight Building between Belvedere Road and Perimeter Road. The building is approximately 32,000 square feet and consists of 13 leasable spaces used by belly cargo processors, freight forwarders, and other ground support tenants.

The Air Cargo Building, located east of the economy parking lot, is a 41,000 square foot building with 17 truck docks. This building is maintained and operated by all-cargo carriers, primarily UPS and FedEx. The apron adjacent to the building accommodates two aircraft parking positions as well as an additional parking position to the west. The total apron area for cargo operations is approximately 230,000 square feet.

2.3.5 GENERAL AVIATION FACILITIES

Currently, there are three fixed base operators (FBOs) at PBI. Each FBO operates from a main terminal building that consists of meeting rooms, waiting areas, pilot briefing rooms, and restrooms. The combined FBO sites have a cumulative terminal space of approximately 48,000 square feet with their own apron space used for staging and aircraft parking. The FBOs at the Airport provide a complete range of general aviation services, including fueling, onsite rental car, customs, ground handling, hangar storage, lounge and office space, and other amenities. Atlantic Aviation, Signature Flight Support, and Jet Aviation are located in the south GA areas as shown in **Exhibit 2-2**. In the northwest GA area, Signature Flight Support sub-leases the facility to NetJets which provides private aviation services through fractional ownership, aircraft lease, and jet cards.

The Gulfstream Aerospace Service Center, located south of the Net Jets FBO, provides aircraft maintenance, and servicing to all Gulfstream aircraft. Services include airframe inspections and maintenance, avionics troubleshooting and modifications, and inspections and coordination of overhauls. The facility is a 157,500-square-foot building and has approximately 322,000 square feet of apron space used for aircraft parking.

2.3.6 AIRPORT SUPPORT FACILITIES

Airport support facilities located at PBI include the following:

- **Airport Rescue and Fire Fighting (ARFF)** – The exiting ARFF station is approximately 22,6000 square feet and was constructed in 1979. The ARFF station provides for office space, dorms, storage, and ARFF equipment bays. The ARFF station is located on the Terminal ramp between Concourses B and C.
- **In-flight catering** – Gate Gourmet provides in-flight catering services to the passenger airlines serving the Airport from an off-Airport location.
- **Department Office Building** – The Department Office Building is approximately 15,000 square feet and built in 2008. The Department occupies office space including administrative facilities, executive offices, and other administrative spaces adjacent to Concourse A. The facilities accommodate the Department's Finance and Administration, Development, Real Estate and Concessions and Marketing Divisions.
- **Aircraft Fuel Storage** – The fuel farm used by commercial airlines and cargo operators is situated on approximately 3.5 acres, located northeast of the passenger terminal and consists of 14 above-ground Jet-A fuel tanks and one diesel fuel tank. The fuel farm is owned and operated by Aircraft Service International, Inc. d/b/a Menzies Aviation. Fuel is transported by tanker trucks from the fuel farm for distribution to aircraft. FBOs also own and operate fuel farms that are filled with Jet-A and AvGas.
- **Airport Storage and Maintenance** – The Maintenance Division of the Department is responsible for all Airport maintenance activities. The offices and facilities for the storage of Airport maintenance equipment are located west of the passenger terminal complex, south of Belvedere Road situated on a 22-acre site.
- **Airport Traffic Control Tower (ATCT)** –The FAA operates an ATCT, which is located west of the passenger terminal complex, south of Belvedere Road. The existing ATCT has been operational since 2011.

3. THE CAPITAL PROGRAM, SERIES 2024 PROJECTS, AND FUNDING SOURCES

This chapter summarizes the County's Airport System Capital Program; the 2024 Projects; Capital Program funding sources; and Capital Program funding assumptions included in the financial analysis in this Report.

3.1 THE AIRPORT MASTER PLAN

The current 2018 Master Plan Update for the Airport (Master Plan) summarizes the 20-year vision for future development of PBI. The Master Plan addresses essential components of the Airport per FAA and FDOT guidelines. This update of the Master Plan includes the following focus areas:

- **Commercial Passenger Terminal.** The Master Plan identifies key terminal improvements that accommodate anticipated demand and maximize the passenger experience.
- **Airside Design.** Specific elements evaluated in the Master Plan include the need and timing of a new runway and the configuration of the existing taxiway system.
- **General Aviation Infrastructure.** With the proposed new runway set to impact existing general aviation facilities, a development and implementation plan that efficiently transitions existing and future facilities to new areas of the Airport is a key component of the Master Plan.
- **Land Use Opportunities.** The Master Plan explores land use opportunities that can improve the Airport's revenue sources and maximize the efficiency of aviation-related activities.
- **Environment and Sustainability.** The Master Plan evaluates existing facilities and the proposed development plan against known environmental issues.

The Master Plan serves as a guide for designing and implementing significant capital projects at the Airport over short-, medium- and long-term. Development projects recommended in the Master Plan form the basis for implementation planning to ensure that critical projects can be funded and constructed when needed.

3.2 THE SERIES 2024 PROJECTS

Proceeds from the Series 2024 Bonds will be used to fund, in part, the ARFF Building – Station 81 replacement, Revenue Control Building replacement, and Concourse B and Related Improvements (collectively, the Series 2024 Projects). The estimated cost of the Series 2024 Projects totals approximately $137.5 million, of which $100.0 million is anticipated to be funded with proceeds from the Series 2024 Bonds.

The need for and timing of the Series 2024 Projects can be traced back to the assessment of future facility needs and implementation planning, as evaluated in the Master Plan. The ARFF Building – Station 81 Replacement and Concourse B and Related Improvements projects are listed in the Master Plan for long-term implementation at or after 2030. The issuance of bond proceeds to fund these projects through the Series 2024 Bonds allows the County to advance the implementation of these critical projects and minimize cost escalation, while freeing up funding sources for other key Master Plan projects.

The following is a description of the Series 2024 Projects:

Aircraft Rescue and Fire Fighting Building – Station 81 Replacement ($27.5 million)

This project involves replacement of the ARFF facility at PBI. The new ARFF facility will be designed and constructed based on current FAA ARFF Index Level C requirements and FAA space and room standards. The station is tied to the PBI command center and all response calls originate from that facility. The new project is an approximately 24,850 square-foot concrete and steel structure with an additional 1,947 square feet of covered area for a total footprint of 26,797 square feet. The structure of the new ARFF facility will be constructed out of structural steel frame with exterior 12-inch concrete masonry walls or concrete tilt-up walls as exterior skin/cladding. All exterior windows and storefront systems would be insulated, laminated impact-resistant glazing within extruded aluminum framing. The building will be provided with a digital control, building automation system (BAS) that can be interfaced with the Airport's main BAS system. The building will be fully-sprinklered with a wet-pipe sprinkler system designed in accordance with 2016 National Fire Protection Association (NFPA) 13, 7th Edition Florida Fire Prevention Code (FFPC), and 2020 Florida Building Code (FBC). Quick response sprinklers will be provided and centered in ceiling tiles. A fire alarm system with horns and strobes will be provided in accordance with 2016 NFPA 72, FFPC, and FBC. An emergency/standby power generator will support emergency, required standby, and optional standby loads. Upon detection of loss of power in any of the transfer switches, the generator set will start, and the transfer switch will automatically transfer its load from utility power to emergency generator power.

The new ARFF Building is a single-story concrete masonry and steel building with both Assembly and Business occupancies. The building consists of six vehicle bays with a support wing consisting of Gear Storage, Gear Washing and Drying, Mechanic's Workshop with storage, Complementary Agent Storage, Foam Agent Recharge and Hose Drying. The main wing of the building consists of a variety of offices, training rooms, Captain and Shift Officer dorms, each with a private Bathroom, nine individual dorms with four shared bathrooms, a dining hall, kitchen, pantry, dayroom, exterior patio and multiple support rooms, storage rooms and an exercise room with patio.

This project preserves safety at PBI. The existing ARFF facility is outdated and unable to support efficient operations. As per the FAA AIP Handbook, the minimum useful life criterion for buildings is 40 years. The existing ARFF station was constructed in 1979, therefore, exceeding the FAA's useful life criteria. The exterior window system does not comply with current energy codes nor hurricane hardening requirements. There is minimal vapor barrier protection remaining and the roof membrane has failed due to age. The existing facility also has areas where minimum Americans with Disabilities Act (ADA) clearances are not met. Additionally, the current facility does not meet the FAA standards for these facilities. The existing ARFF facility is exhibiting significant serviceability issues, such as roof and building envelope leaks, that impede its usefulness without significant maintenance and improvements. The Department plans to replace the existing ARFF facility with a modern facility that meets FAA/ADA standards and to accommodate projected future needs and better response time.

The estimated construction schedule for the project is January 2025 to January 2027 at an estimated cost of $27.5 million. Estimated funding sources include bond proceeds, PFC revenues, and FDOT grants.

Revenue Control Building Replacement ($11.0 million)

The overall project has already been designed and has a complete set of construction documents ready for submittal to the building department. The project was designed under the 2017 Florida Building code. The new project involves demolition of the existing building and construction of a new Revenue Control Building. The new building will be an approximately 3,925 square foot concrete and steel structure with an additional 623 square feet of covered area for a total footprint of 4,548 square feet.

The new Revenue Control Building will be a single-story concrete masonry and steel building with both assembly and business occupancies. The roof systems consist of both standing seam metal roof and modified bitumen roofs.

The building will consist of bookkeeping, a counting room, a training room, a conference room, four offices, and a manager's office, along with restrooms with showers.

This project consists of the construction of a new Revenue Control Building in the vicinity of the existing facility in the northeast corner of terminal building. The existing facility is nearing the end of its useful life.

Concourse B and Related Improvements ($99.0 million)

Concourse B, which was built in 1987, is a two-level structure supporting both domestic and international operations via 13 contact gates. The first level, or apron level, is a non-public area accommodating airline operations space such as storage rooms, offices, and mechanical/electrical equipment. The second level includes holdrooms, restrooms, concession areas, and public circulation. The Concourse B and Related Improvements project includes expansion of the concourse, as well as related security, circulation, and access improvements. The Concourse B and Related Improvements project is estimated to be completed by April 2028, at an estimated cost of $99.0 million.

The expansion component of the project provides for an additional 46,000 square feet to the existing concourse, with approximately 14,000 additional square feet on the first level and 32,000 square feet on the second level. Along with modernizing the entire concourse, the expansion will provide two additional aircraft gates; increased restroom, concession, and holdroom space; additional passenger seating; apron improvements; and a sensory room. The initial phase of the expansion is currently under construction and includes approximately 3,000 additional square feet of new concession space between Gates B5 and B7, restroom improvements, and apron level improvements. A subsequent phase is also currently under construction, including installation of new terrazzo flooring in the main circulation corridor, renovation of flooring in hold rooms, extension of chilled waterlines, removal of existing wallpaper, painting of gypsum walls and ceilings, and installation of a new underground water main to support the expanded concourse. A final phase will complete the remainder of the concourse expansion, including an additional 29,000 square feet in the second level "hammerhead" area and two additional aircraft gates. The expanded "hammerhead" area will provide additional space for concourse circulation, passenger holdroom seating, overflow seating, a sensory room, concessions areas, office space, and building support infrastructure.

The project also includes other concourse improvements, including a connector between Concourses A and B with additional concession offerings and passenger amenities. The current concourse level configuration will be modified to create pre-security and post-security areas within the existing terminal connector between the concourses. This includes modification to the existing interior space for the public circulation, seating, concession, and art installation areas. Other components of the project include the replacement of the existing deteriorated skylight in the connector with a clerestory, modifications and expansion to the existing security screening checkpoints, concourse exit improvements, restroom modernization, and interior finish modernization. The interior finish modernization will include improvements to flooring, wall and column covering, ceiling, lighting, architectural millwork, seating and furnishings, a flight information display system, and interior landscaping (Biophilia). The project will be delivered in a deliberately phased manner to minimize impacts to Airport operations and prioritize components to maximize use of available funds.

3.3 CAPITAL PROGRAM

The County undertakes annual renovations, improvements, and expansions of its facilities to enhance the passenger experience and address the needs of the Airport System. The County maintains and updates its Capital Improvement Plan (CIP) for the Airport System annually. The current CIP identifies projects and funding sources through FY 2035. For purposes of this Report, the Capital Program comprises the County's CIP from FY 2025 through FY 2030, the Projection Period.

The CIP includes Series 2024 Projects, all of which are estimated to be completed within the Projection Period of this Report. In addition to the Series 2024 Projects, other capital projects are included in the County's CIP through FY 2030 and will be funded through a combination of funding sources described later in this chapter. Projects included in the County's CIP, representing the Capital Program included in the financial analysis presented in this Report, are summarized below by project type/location.

- **Series 2024 Projects ($137.5 million).** Series 2024 Projects include ARFF Building – Station 81 Replacement, Revenue Control Building Replacement, and Concourse B and Related Improvements.
- **Administration Projects ($0.25 million).** General administration projects include updating the Airport Layout Plan and associated narrative report.
- **Airfield Projects ($141.6 million).** Airfield projects include general maintenance and repairs, pavement rehabilitation, electrical improvements, replacement of the Airport's rotating beacon, and allocated consultant services.
- **Cargo Projects ($4.5 million).** Cargo projects include building and pavement repairs and allocated consultant services.
- **Fire and Rescue Projects ($0.66 million).** Through FY 2030, this category includes allocated consultant services.
- **Ground Transportation Projects ($27.7 million).** These projects include pavement rehabilitation, signage and landscaping improvements, park and ride booth replacements, and allocated consultant services.
- **Maintenance Projects ($3.6 million).** Maintenance projects include bird netting and piping replacement, perimeter fiber loop, and allocated consultant services.
- **Non-Aviation Projects ($3.1 million).** This category includes re-roofing of a building and allocated consultant services.
- **Terminal Projects ($231.3 million).** Terminal projects include passenger boarding bridge replacements, terminal and concourse modernization projects, Federal Inspection Services improvements, other terminal improvements, and allocated consultant services.
- **Lantana Airport ($37.3** million). CIP projects at Lantana Airport include pavement maintenance/rehabilitation, southside redevelopment, and allocated consultant services.
- **Pahokee Airport ($6.6 million).** CIP projects at Pahokee Airport include T-hangar construction, fence improvements, parking lot and roadway rehabilitation, taxiway pavement maintenance, and allocated consultant services.
- **North County Airport ($70.3 million).** CIP projects at North County Airport include an air traffic control tower, pavement maintenance/rehabilitation, runway rehabilitation and expansion, and allocated consultant services.

3.4 CAPITAL PROGRAM FUNDING SOURCES

The County intends to use a combination of funding sources to fund the Capital Program, including Local Funds, FAA Airport Improvement Program (AIP) and FDOT grants, PFC revenues, IIJA funds, and proceeds from the Series 2024 Bonds. **Table 3-1** presents a summary of the Capital Program projects anticipated to be undertaken during the Projection Period, and also identifies the funding sources anticipated to be used to fund those projects. As presented, the estimated cost of the Capital Program totals approximately $664.2 million.

TABLE 3-1 AIRPORT CAPITAL PROGRAM AND ANTICIPATED FUNDING SOURCES

	ESTIMATED COST	LOCAL FUNDS	AIP GRANTS	FDOT GRANTS	PFC REVENUE	IIJA[1]	SERIES 2024 BONDS
Series 2024 Projects							
ARFF Building – Station 81 Replacement	$27,500,000	$6,250,000	$0	$6,250,000	$0	$0	$15,000,000
Revenue Control Building Replacement	$11,000,000	$1,000,000	$0	$0	$0	$0	$10,000,000
Concourse B and Related Improvements	$99,000,000	$0	$0	$2,500,000	$21,500,000	$0	$75,000,000
Total Series 2024 Projects	**$137,500,000**	**$7,250,000**	**$0**	**$8,750,000**	**$21,500,000**	**$0**	**$100,000,000**
OTHER PBI PROJECTS							
Administration	$250,000	$250,000	$0	$0	$0	$0	$0
Airfield	$141,576,667	$39,476,667	$55,950,000	$20,000,000	$26,150,000	$0	$0
Cargo	$4,454,381	$2,454,381	$0	$2,000,000	$0	$0	$0
Fire and Rescue	$657,657	$657,657	$0	$0	$0	$0	$0
Ground Transportation	$27,700,442	$22,700,442	$0	$5,000,000	$0	$0	$0
Maintenance	$3,583,702	$3,583,702	$0	$0	$0	$0	$0
Non-Aviation	$3,071,744	$3,071,744	$0	$0	$0	$0	$0
Terminal	$231,283,953	$78,731,273	$5,000,000	$57,250,000	$63,177,680	$27,125,000	$0
Total Other PBI Projects	**$412,578,546**	**$150,925,866**	**$60,950,000**	**$84,250,000**	**$89,327,680**	**$27,125,000**	**$0**
Total PBI Projects	**$550,078,546**	**$158,175,866**	**$60,950,000**	**$93,000,000**	**$110,827,680**	**$27,125,000**	**$100,000,000**
OTHER AIRPORTS							
Lantana Airport (LNA)	$37,275,723	$6,705,723	$9,000,000	$21,300,000	$0	$270,000	$0
Pahokee Airport (PHK)	$6,553,055	$1,383,055	$0	$4,720,000	$0	$450,000	$0
North County Airport (F45)	$70,292,102	$16,997,102	$21,700,000	$19,325,000	$0	$12,270,000	$0
Total Other Airports	**$114,120,880**	**$25,085,880**	**$30,700,000**	**$45,345,000**	**$0**	**$12,990,000**	**$0**
TOTAL CAPITAL PROGRAM INCLUDED IN FINANCIAL ANALYSIS	**$664,199,426**	**$183,261,746**	**$91,650,000**	**$138,345,000**	**$110,827,680**	**$40,115,000**	**$100,000,000**

NOTES:
AIP – Airport Improvement Program
CIP – Capital Improvement Plan
FDOT – Florida Department of Transportation
PBI – Palm Beach International Airport
PFC – Passenger Facility Charge
IIJA – Infrastructure Investment and Jobs Act
1 IIJA funds include Bipartisan Infrastructure Law (BIL) entitlement grants for PBI terminal projects and FAA Contract Tower Competitive (FCTC) grants for a new air traffic control tower at North County Airport.
SOURCE: Palm Beach County Department of Airports, August 2024.

3.4.1 LOCAL FUNDS

The County anticipates using approximately $183.3 million of its unencumbered available cash to fund a portion of the Capital Program.

3.4.2 AIRPORT IMPROVEMENT PROGRAM GRANTS

For those projects anticipated to be eligible for FAA AIP funding, up to 75 percent of estimated project costs may be funded from that source. Before federal approval of any AIP grant applications can be given, eligible airport sponsors must provide written assurances that they will comply with a variety of statutorily specified conditions. One such assurance is the so-called "airport generated revenues" assurance which provides that all airport-generated revenues will be expended for the capital or operating costs of the airport, the local airport system, or other local facilities owned or operated by the applicant that are directly and substantially related to air transportation of passengers or property. The remainder of AIP-eligible project costs is assumed to be funded from other sources such as PFCs and Department funds.

The Capital Program assumes a total of approximately $91.7 million of project costs will be funded with AIP grants through the Projection Period. To the extent that such AIP grants are assumed to be discretionary rather than entitlement funds, should discretionary AIP funds not become available, the County will determine if the projects can be delayed or will utilize other sources of funds to undertake those projects.

3.4.3 FDOT GRANTS

FDOT grants are funded from the State Transportation Trust Fund, which consists, in part, of funds collected through the State's aviation fuel tax. FDOT grants supplement the AIP, providing a portion of the County's matching share when federal funding is available and up to 80 percent of the overall project cost when it is not. The Airport has historically received funds from FDOT and anticipates receiving approximately $138.3 million in grants through the Projection Period.

3.4.4 PASSENGER FACILITY CHARGE REVENUE

Imposition of a PFC by an airport operator is authorized through the Aviation Safety and Capacity Expansion Act of 1990 (PFC Act), as implemented by FAA regulations. The PFC Act permits a public agency that controls an airport to charge each eligible paying passenger enplaning at an airport (subject to certain limited exceptions) a PFC of up to $4.50 upon FAA approval. Pursuant to the PFC Act and the County's current approvals from the FAA, the County may, with certain exceptions, charge each paying passenger who enplanes at the Airport a PFC of $4.50. The PFC Act requires air carriers and their agents to collect a PFC and remit to the County on a monthly basis the proceeds of such collections, less a $ 0.11 handling fee and without interest earned prior to such remittance.

PFC revenue is used to fund projects that preserve or enhance capacity, safety or security of the national air transportation system, reduce noise from the airport that is part of the system or provide an opportunity for enhanced competition between or among air carriers or foreign air carriers.

The County has submitted and received approval from the FAA to impose and/or use PFC revenues for capital projects, including financing costs, totaling approximately $332.1 million, in 19 separate PFC applications since 1993. The current PFC collection level is $4.50. In FY 2023, the County received $15.2 million in PFC collections and interest. Through March 31, 2024, the County has received a total of $326.3 million in PFC collections and interest since January 1993. Through the Projection Period, the County anticipates using approximately $110.8 million in PFC revenues to fund eligible projects in the Capital Program. For purposes of the financial analysis herein, the current $4.50 collection level is assumed through the Projection Period. At this time, no PFC revenues are pledged to pay debt service on the Series 2024 Bonds.

3.4.5 IIJA FUNDING

The IIJA was signed into law in November 2021 and includes funding for infrastructure, including $15 billion for airport-related projects. IIJA funding is currently authorized for allocation by the FAA from federal fiscal year (FFY) 2022 through FFY 2026 and is distributed through a combination of formula-based funding (Airport Infrastructure Grants [AIG]) and discretionary grants (Airport Terminal Program [ATP] Grants). The County anticipates using approximately $28.1 million in AIG funds for the Capital Program. In addition, the County anticipates applying for a competitive discretionary grant through the IIJA's FAA Contract Tower Competitive Grant Program to fund a new air traffic control tower at North County Airport. IIJA funding can be used for airport-related projects as defined under the existing AIP and PFC criteria, and include projects like runways, taxiways, safety and sustainability projects, terminals, airport-transit connections, and roadway projects.

The County receives an allocation of approximately $8.7 million in AIG grants each year for PBI. In FY 2024, the County was awarded an ATP grant for Phase 2 of the Concourse B and Related Improvements project at PBI for $7.0 million.

3.4.6 GENERAL AIRPORT REVENUE BONDS

The plan of finance for the Capital Program anticipates a total of approximately $100.0 million of project costs to be funded using proceeds from the Series 2024 Bonds. The debt service associated with the Series 2024 Bonds is included within this analysis. Beyond the Series 2024 Bonds, no additional Airport System Revenue Bonds are anticipated to be issued to fund a portion of the Capital Program through the Projection Period.

4. DEMOGRAPHIC AND ECONOMIC ANALYSIS

The demand for air transportation is, to a large degree, dependent upon the demographic and economic characteristics of the geographical area served by the airport. This relationship is particularly true for origin and destination (O&D) passenger traffic, which has historically made up nearly all demand at the Airport.[5] Therefore, the major portion of demand for air travel at the Airport is influenced more by the local socioeconomic characteristics of the area served than by individual air carrier decisions regarding service patterns in support of connecting activity. This chapter presents data indicating the Airport's Air Trade Area (as defined in Section 4.1) has an economic base capable of supporting increased demand for air travel during the Projection Period.

4.1 AIR TRADE AREA

The geographical area served by an airport is commonly known as the airport's "air trade area." The borders of an airport's air trade area are influenced by the location of other metropolitan areas and their associated airport facilities. For purposes of this Report, the Airport's Air Trade Area comprises four counties: Palm Beach, St. Lucie, Martin, and Indian River. **Exhibit 4-1** presents the geographical location of the Air Trade Area as well as the Airport's proximity to alternative facilities.

This Report utilizes Woods & Poole Economics, Inc.'s (Woods & Poole's) historical data and projections published in June 2024, with calendar year (CY) 2022 as a baseline year and CY 2023 to CY 2030 as the Projection Period. Woods & Poole is an independent firm specializing in long-term county economic data and demographic data projections.

4.2 DEMOGRAPHIC ANALYSIS

4.2.1 POPULATION

There is typically a positive correlation between population growth in a local area and air travel demand. **Table 4-1** presents historical population data for the Air Trade Area, Florida, and the United States. As shown, the population in the Air Trade Area increased from approximately 1.6 million in CY 2002 to approximately 1.9 million in CY 2012 and to approximately 2.2 million in CY 2022. As also shown, population growth in the Air Trade Area between CY 2002 and CY 2022 (1.5 percent compound annual growth rate [CAGR]) was greater than that of Florida and the United States (1.4 percent and 0.7 percent CAGR, respectively) during this period.

[5] O&D passengers accounted for approximately 99.8 percent of passengers at the Airport in CY 2023.

EXHIBIT 4-1 AIR TRADE AREA AND ALTERNATE FACILITIES

TABLE 4-1 HISTORICAL AND PROJECTED POPULATION

AREA	HISTORICAL			PROJECTED	COMPOUND ANNUAL GROWTH RATE			
					HISTORICAL			PROJECTED
	CY 2002	CY 2012	CY 2022[1]	CY 2030	CY 2002 – CY 2012	CY 2012 – CY 2022	CY 2002 – CY 2022	CY 2022 – CY 2030
Indian River County	118,144	140,060	167,267	184,124	1.7%	1.8%	1.8%	1.2%
Martin County	132,945	148,351	161,987	175,927	1.1%	0.9%	1.0%	1.0%
Palm Beach County	1,191,340	1,352,488	1,519,867	1,670,899	1.3%	1.2%	1.2%	1.2%
St. Lucie County	205,796	282,001	358,886	416,923	3.2%	2.4%	2.8%	1.9%
Air Trade Area	1,648,225	1,922,900	2,208,007	2,447,873	1.6%	1.4%	1.5%	1.3%
Florida	16,689,370	19,274,146	22,245,521	24,457,873	1.5%	1.4%	1.4%	1.2%
United States	287,625,148	314,371,456	333,271,411	350,794,062	0.9%	0.6%	0.7%	0.6%

NOTES:
CY – Calendar Year
1 CY 2022 is the last year of historical data in the Woods & Poole database and is the basis for Woods & Poole's future projections. Therefore, it is the last year of historical data displayed in this table. More recent data may be available from other sources.
SOURCE: Woods & Poole Economics, Inc., 2024 Complete Economic and Demographic Data Source, July 2024.

Table 4-1 also presents population projections from Woods & Poole for the Air Trade Area, Florida, and the United States for CY 2030. Population in the Air Trade Area is expected to increase at a CAGR of 1.3 percent between CY 2022 and CY 2030, from approximately 2.2 million in CY 2022 to approximately 2.4 million in CY 2030. The projected population growth for the Air Trade Area is expected to be greater than the growth experienced by Florida and the United States (1.2 percent CAGR and 0.6 percent CAGR, respectively) during this period. Between CY 2022 and CY 2030, the Air Trade Area population is expected to grow most rapidly in St. Lucie County (1.9 percent annually). The anticipated growth will be a continuance of high population growth as St. Lucie County ranked among the top 5 fastest growing metropolitan areas in the United States between July 1, 2022 and July 1, 2023.[6] City leaders attribute the population growth to St. Lucie's affordable home prices and safety.[7] In fact, compared to the population growth of all Metropolitan Statistical Areas (MSAs) in the nation, of which there are 385 in total, the Port St. Lucie MSA[8] ranked 14th in terms of CAGR CY 2019 – CY 2022 and is projected by Woods & Poole to have the 12th highest population growth CAGR between CY 2022 and CY 2030.

4.2.2 PER CAPITA PERSONAL INCOME AND HOUSEHOLD INCOME

One measure of the relative income of an area is personal income, defined as the sum of wages and salaries, other labor income, proprietors' income, rental income of persons, dividend income, personal interest income, and transfer payments less personal contributions for social insurance. Personal income is a composite measurement of market potential, and it indicates the general level of affluence of residents, which typically correlates with an area's propensity to utilize air travel, as well as an area's attractiveness to business and leisure travelers.

6 Wilder, Kristie and Paul Mackun, "Sunshine State Home to Metro Areas Among Top 10 U.S. Population Gainers From 2022 to 2023," US Census Bureau, https://www.census.gov/library/stories/2024/03/florida-and-fast-growing-metros.html (accessed July 19, 2024).

7 Pefley, Al, "Census: Port St. Lucie's population is booming right now," MSN, ttps://www.msn.com/en-us/news/us/census-port-st-lucie-is-second-fastest-growing-city-in-u-s/ar BB1jUwW0#:~:text=City%20leaders%20attribute%20the%20population%20growth%20to%20affordable,home%20prices%20and%20safety%20in%20Port%20St.%20Lucie (accessed July 19, 2024).

8 The Port St. Lucie MSA comprises St. Lucie County and Martin County, two of the four counties that make up the Air Trade Area.

Table 4-2 presents historical per capita personal income for the Air Trade Area, Florida, and the United States between CY 2012 and CY 2022, as expressed in 2017 dollars. As shown, per capita personal income for the Air Trade Area was greater than equivalent measures for both Florida and the United States each year between CY 2012 and CY 2022. As also shown, per capita personal income for the Air Trade Area increased at a CAGR of 3.3 percent between CY 2012 and CY 2022, which was higher than the 2.5 percent CAGR for Florida and the 1.9 percent CAGR for the United States over this same period.

TABLE 4-2 PER CAPITA PERSONAL INCOME

YEAR	AIR TRADE AREA	FLORIDA	UNITED STATES
Historical			
CY 2012	$61,844	$43,581	$46,791
CY 2013	$59,255	$42,521	$46,352
CY 2014	$62,734	$44,130	$47,656
CY 2015	$66,214	$46,187	$49,391
CY 2016	$67,046	$46,513	$49,825
CY 2017	$71,324	$48,437	$51,005
CY 2018	$74,261	$49,985	$52,243
CY 2019	$77,300	$51,820	$53,664
CY 2020	$81,225	$54,051	$56,530
CY 2021	$86,891	$57,863	$59,107
CY 2022[1]	$85,812	$55,845	$56,421
Projected			
CY 2030	$95,878	$63,833	$64,732
Compound Annual Growth Rate			
CY 2012 - CY2022	3.3%	2.5%	1.9%
CY2022 - CY2030	1.4%	1.7%	1.7%
	PERCENTAGE OF HOUSEHOLDS IN INCOME CATEGORIES (CY 2022)		
INCOME CATEGORY (IN 2017 DOLLARS)	AIR TRADE AREA	FLORIDA	UNITED STATES
Less than $29,999	25.2%	27.7%	26.3%
$30,000 to $59,999	25.4%	27.9%	25.5%
$60,000 to $74,999	12.0%	12.0%	11.2%
$75,000 to $99,999	13.6%	13.2%	13.8%
$100,000 or More	23.9%	19.1%	23.1%

NOTES:
Per capita personal income and income bracket are in 2017 dollars.
Percentages may not sum due to rounding.
CY – Calendar Year
1 CY 2022 is the last year of historical data in the Woods & Poole database and is the basis for Woods & Poole's future projections. Therefore, it is the last year of historical data displayed in this table. More recent data may be available from other sources.
SOURCE: Woods & Poole Economics, Inc., 2024 Complete Economic and Demographic Data Source, July 2024.

Table 4-2 also presents projections of per capita personal income for CY 2030. According to projections from Woods & Poole, per capita personal income for the Air Trade Area is projected to increase from $85,812 in CY 2022 to $95,878 in CY 2030. This increase represents a CAGR of 1.4 percent during this period, which is lower than the historical growth the Air Trade Area experienced between CY 2012 and CY 2022 (3.3 percent CAGR) and lower than the 1.7 percent growth rate projected for both Florida and the United States.

An additional indicator of the market potential for air transportation demand is the percentage of households in the higher income categories. An examination of this indicator is important; as income increases, air transportation becomes more affordable and, therefore, is used more frequently. Table 4-2 also presents percentages of households in selected per capita personal income categories for CY 2022 (income brackets in 2017 dollars). As presented, over 37 percent of households in the Air Trade Area had personal income of $75,000 or more in 2022, which was greater than the percentage of households in these income categories for Florida (approximately 32 percent) and equal to that of the United States (approximately 37.0 percent).

4.3 ECONOMIC ANALYSIS

4.3.1 GROSS REGIONAL/DOMESTIC PRODUCT

Gross domestic product (GDP; United States-level data) and per capita gross regional project (GRP; state- and county-level data) are measures of the market value of all final goods and services produced within a particular area for a specific period. These indicators are one of the broadest measures of the economic health of a particular area and, consequently, the area's potential air travel demand.

Table 4-3 presents historical GRP and GDP for the Air Trade Area, Florida, and the United States between CY 2012 and CY 2022, as expressed in 2017 dollars. As shown, the Air Trade Area's GRP increased from approximately $84.1 billion in CY 2012 to approximately $125.0 billion in CY 2022, a CAGR of 4.0 percent. In comparison, the GRP for Florida and the United States increased at a CAGR of 3.9 percent and 2.5 percent, respectively, between CY 2012 and CY 2022.

TABLE 4-3 GROSS REGIONAL PRODUCT / GROSS DOMESTIC PRODUCT

	GROSS REGIONAL PRODUCT (GRP) OR GROSS DOMESTIC PRODUCT (GDP)		
YEAR	AIR TRADE AREA (GRP)	FLORIDA (GRP)	UNITED STATES (GDP)
Historical			
CY 2012	$84,134	$823,561	$17,074,008
CY 2013	$87,195	$847,508	$17,466,806
CY 2014	$90,201	$876,939	$17,953,808
CY 2015	$97,065	$933,740	$18,596,359
CY 2016	$100,892	$969,998	$18,910,750
CY 2017	$104,416	$1,003,144	$19,368,509
CY 2018	$107,829	$1,036,048	$19,999,274
CY 2019	$111,210	$1,073,674	$20,529,773
CY 2020	$112,256	$1,067,259	$19,998,314
CY 2021	$121,516	$1,151,878	$21,264,626
CY 2022[1]	$125,029	$1,204,749	$21,788,014
Projected			
CY 2030	$162,201	$1,493,964	$25,999,436
Compound Annual Growth Rate			
CY 2012 – CY 2022	4.0%	3.9%	2.5%
CY 2022 – CY 2030	3.3%	2.7%	2.2%

NOTES:
In millions of 2017 dollars.
CY – Calendar Year
1 CY 2022 is the last year of historical data in the Woods & Poole database and is the basis for Woods & Poole's future projections. Therefore, it is the last year of historical data displayed in this table. More recent data may be available from other sources.
SOURCE: Woods & Poole Economics, Inc., 2024 Complete Economic and Demographic Data Source, July 2024.

Table 4-3 also presents projections of GRP/GDP for CY 2022 to CY 2030. According to data from Woods & Poole, GRP for the Air Trade Area is projected to increase from approximately $125.0 billion in CY 2022 to approximately $162.2 billion in CY 2030. This increase represents a projected CAGR of 3.3 percent for the Air Trade Area during this period, compared to 2.7 percent for Florida and 2.2 percent for the United States.

4.3.2 EMPLOYMENT TRENDS

Table 4-4 presents recent employment trends for the Air Trade Area, Florida, and the United States. As shown, the Air Trade Area's civilian labor force[9] increased from approximately 928,000 workers in CY 2013 to approximately 1.1 million workers in CY 2023. This increase represents a CAGR of 1.6 percent in the Air Trade Area's civilian labor force during this period, compared to a 1.6 percent increase for Florida and a 0.7 percent increase for the United States.

As also shown in Table 4-4, between CY 2014 and CY 2020 average annual unemployment rates (non-seasonally adjusted) for the Air Trade Area was within plus or minus 0.3 percent of the average annual unemployment rates for Florida and the United States. From CY 2021 to CY 2023, the annual unemployment rates for both the Air Trade Area and Florida continued to trend downwards and did so at a greater rate than the annual unemployment rate for the United States. As of July 2024, the seasonally adjusted unemployment rates[10] for the Air Trade Area, Florida, and the United States were 2.9 percent, 3.3 percent, and 4.3 percent, respectively.

Table 4-5 presents an analysis of nonagricultural employment trends by major industry sector; the Air Trade Area's employment trends are compared to those for the United States in CY 2013 and CY 2023. As shown, nonagricultural employment in the Air Trade Area increased from 711,800 workers in CY 2013 to approximately 920,600 workers in CY 2023. The increase represents a CAGR of 2.6 percent during this period (CY 2013 to CY 2023), compared to a 1.4 percent CAGR nationwide.

Each of the major industry groups in the Air Trade Area experienced positive employment growth between CY 2013 and CY 2023, with the highest growth occurring in the transportation/utilities sector. Along with the transportation/utilities sector, the construction, professional and business services and manufacturing sectors led employment growth in the Air Trade Area. All sectors but government had greater growth than what was experienced in the United States between CY 2013 and CY 2023. As shown in the bar chart in Table 4-5, employment in the Air Trade Area in CY 2023 is significantly more concentrated in the professional and business services, trade, leisure and hospitality, and construction sectors than it is in the nation. Contrarily, employment in the government, manufacturing, and transportation/utilities sectors is significantly less concentrated in the Air Trade Area than it is in the United States.

[9] The civilian labor force is defined as all persons in the civilian noninstitutional population classified as either employed or unemployed.

[10] Seasonally adjusted, monthly BLS employment data is limited to the granularity of MSAs; thus, the monthly unemployment rate for the Air Trade Area includes Palm Beach, Broward, and Miami-Dade Counties.

TABLE 4-4 CIVILIAN LABOR FORCE AND UNEMPLOYMENT RATES

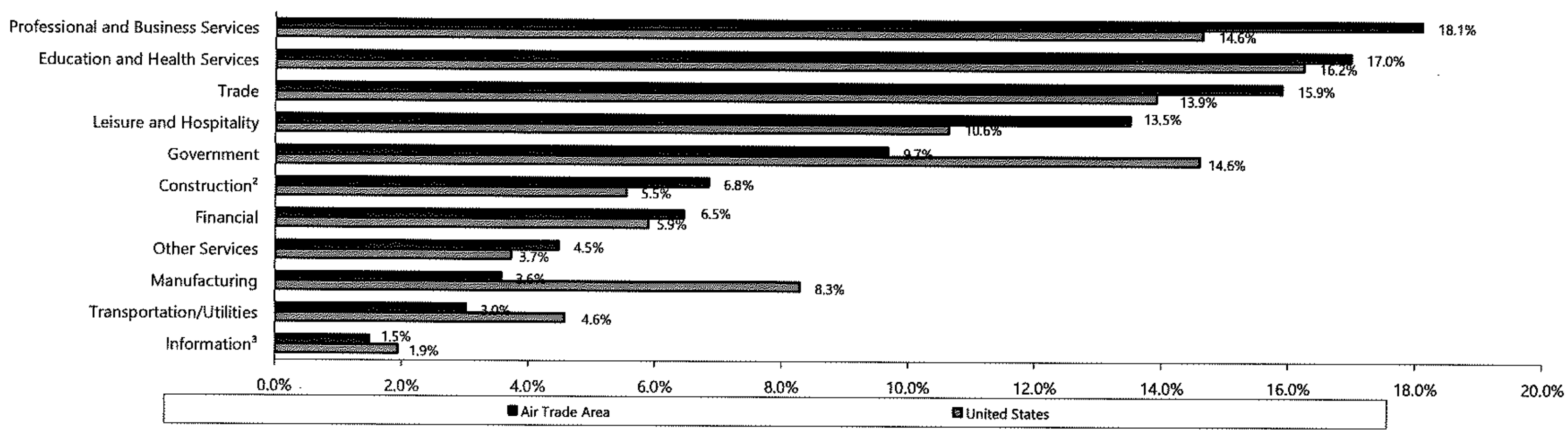
YEAR	CIVILIAN LABOR FORCE		
	AIR TRADE AREA	FLORIDA	UNITED STATES
CY 2013	928	9,415	155,389
CY 2014	944	9,546	155,922
CY 2015	957	9,640	157,130
CY 2016	981	9,841	159,187
CY 2017	990	9,973	160,320
CY 2018	1,001	10,118	162,075
CY 2019	1,012	10,256	163,539
CY 2020	996	10,077	160,742
CY 2021	1,023	10,320	161,204
CY 2022	1,055	10,692	164,287
CY 2023	1,086	10,989	167,116
Compound Annual Growth Rate			
CY 2013 – CY 2023	1.6%	1.6%	0.7%
YEAR	**UNEMPLOYMENT RATES**		
	AIR TRADE AREA	**FLORIDA**	**UNITED STATES**
CY 2013	8.0%	7.5%	7.4%
CY 2014	6.5%	6.4%	6.2%
CY 2015	5.5%	5.5%	5.3%
CY 2016	5.0%	4.9%	4.9%
CY 2017	4.4%	4.3%	4.4%
CY 2018	3.8%	3.6%	3.9%
CY 2019	3.5%	3.3%	3.7%
CY 2020	8.0%	8.1%	8.1%
CY 2021	4.5%	4.7%	5.3%
CY 2022	3.1%	3.0%	3.6%
CY 2023	3.1%	2.9%	3.6%
July 2024	2.9%	3.3%	4.3%

NOTES:
CY – Calendar Year
The civilian labor force is in thousands.
Annual data is not seasonally adjusted.
Monthly data is seasonally adjusted.
Monthly data for Air Trade Area is based on metropolitan statistical area (MSA) (not county) level data and includes the Miami-Fort Lauderdale-West Palm Beach MSA (Palm Beach, Miami-Dade, and Broward Counties).
SOURCE: US Department of Labor, Bureau of Labor Statistics, August 2024.

TABLE 4-5 EMPLOYMENT TRENDS BY MAJOR INDUSTRY SECTOR (EMPLOYMENT IN THOUSANDS)

SECTOR	AIR TRADE AREA NONAGRICULTURAL EMPLOYMENT[1]			UNITED STATES NONAGRICULTURAL EMPLOYMENT		
	CY 2013	CY 2023	COMPOUND ANNUAL GROWTH RATE CY 2013 - CY 2023	CY 2013	CY 2023	COMPOUND ANNUAL GROWTH RATE CY 2013 - CY 2023
Professional and Business Services	115.7	166.6	3.7%	18,623.0	22,840.0	2.1%
Education and Health Services	116.1	156.3	3.0%	21,086.0	25,342.0	1.9%
Trade	126.6	146.3	1.5%	20,697.3	21,706.2	0.5%
Leisure and Hospitality	98.6	124.2	2.3%	14,254.0	16,593.0	1.5%
Government	85.7	89.1	0.4%	21,853.0	22,782.0	0.4%
Construction[2]	36.4	63.0	5.6%	6,719.0	8,658.0	2.6%
Financial	45.5	59.4	2.7%	7,886.0	9,197.0	1.5%
Other Services	38.1	41.3	0.8%	5,483.0	5,826.0	0.6%
Manufacturing	23.0	32.9	3.6%	12,020.0	12,940.0	0.7%
Transportation/Utilities	14.2	27.8	6.9%	5,037.9	7,140.7	3.5%
Information[3]	11.9	13.7	1.4%	2,706.0	3,027.0	1.1%
Total	**711.8**	**920.6**	**2.6%**	**136,365.0**	**156,052.0**	**1.4%**

Percent of CY 2023 Nonagricultural Employment



NOTES:
CY – Calendar Year
1 Compiled by aggregating county data for the Air Trade Area.
2 Includes mining and logging employment.
3 The information sector includes communications, publishing, motion picture and sound recording, and online services.
SOURCE: US Department of Labor, Bureau of Labor Statistics, June 2024.

Changes in the Air Trade Area's nonagricultural employment sector makeup differ from the national trends that occurred between CY 2013 and CY 2023. In the Air Trade Area during that period, it was primarily government and trade employment that lost part of their share of employment to the transportation/utilities, construction and professional and business services sectors, as employment in the latter increased at faster CAGRs than the former. Information, other services, and leisure and hospitality employment as a percent of total employment decreased minimally (by less than 1 percent) for each industry in the Air Trade Area, and manufacturing, financial, and education and health services employment increased minimally (by less than 1 percent) for each industry. In the United States, the changes in employment by sector were not as significant as in the Air Trade Area, with only the government and trade sectors decreasing by more than a percentage point of total employment for each industry between CY 2013 and CY 2023 and no sectors increasing by more than 1 percent within the same period.

4.3.3 BUSINESS CLIMATE

The business climate in the Air Trade Area offers advantages to new, expanding, and relocating companies. These advantages include support for small businesses; a state "right-to-work" law; competitive local/state tax and incentive structures; and no state personal income tax. Florida ranked fourth in the Tax Foundation's 2024 State Business Tax Climate Index,[11] an indicator of which states' tax systems are the most hospitable to business and economic growth.[12] Florida has the fourth largest state GDP[13] and the third largest state workforce size[14], which can support business operations. According to the Milken Institute, the West Palm Beach-Boca Raton-Delray Beach metropolitan division[15] ranked 11th out of 200 large US metropolitan areas based on wage growth between 2017 and 2022 (the most recent, historical 5-year period available at time of publication).[16]

The city of West Palm Beach has been named by Travel+Leisure and their panel of real estate experts as one of the best places to live in Florida.[17] Palm Beach and West Palm Beach is the third-fastest growing city in the nation for millionaires with a growth rate of 93 percent between 2013 and 2023.[18] Travel+Leisure also, based on a readers' poll, ranked the Airport third in a list of the Top 10 Domestic Airports in 2024.[19]

Palm Beach County, for a variety of reasons, has competitive advantages for attracting and retaining business investment. It is the third most populated county in Florida and, in terms of area, is larger than two states, Rhode Island and Delaware. The County hosts over 200 hotels with 17,000+ rooms, and over 1 million square feet of

[11] The 2024 ranking is based on an evaluation of state tax systems as of July 1, 2023 (the beginning of Fiscal Year 2024).

[12] Tax Foundation, "2024 State Business Tax Climate Index," https://taxfoundation.org/wp-content/uploads/2023/10/2024-State-Business-Tax-Climate-Index-1.pdf (accessed July 12, 2024).

[13] U.S. Bureau of Economic Analysis, "SAGDP1 State annual gross domestic product (GDP) summary" https://www.bea.gov/data/gdp/gdp-state (accessed June 19, 2024).

[14] U.S. Bureau of Labor Statistics, "Civilian labor force and unemployment by state and selected area, seasonally adjusted," June 19, 2024. https://www.bls.gov/news.release/laus.t01.htm (accessed July 12, 2024).

[15] The West Palm Beach-Boca Raton-Delray Beach metropolitan division is Palm Beach County.

[16] Milken Institute, "Best-Performing Cities 2024: Focus on Sustainable Growth and Resilience," https://milkeninstitute.org/report/best-performing-cities-2024-sustainable-growth (accessed May 6, 2024).

[17] Skye, Sherman, Travel + Leisure, "9 Best Places to Live in Florida, According to Real Estate Experts," December 21, 2022, https://www.travelandleisure.com/best-places-to-live-in-florida-6931257 (accessed July 15, 2024).

[18] Henley & Partners, "USA Wealth Report 2024," March 27, 2024. https://www.henleyglobal.com/publications/usa-wealth-report-2024/americas-fastest-growing-millionaire-hubs (accessed July 12, 2024).

[19] Waldek, Stefanie. Travel + Leisure, "These Are the Best U.S. Airports in 2024, According to T+L Readers," July 9, 2024. https://www.travelandleisure.com/wba-2024-united-states-airports-8659765 (accessed August 6, 2024).

meeting space. Not only does Palm Beach County lead the entire state in terms of agriculture output, but it also is home to approximately 465 corporate headquarters.[20] Applicable businesses interested in relocating or expanding in Palm Beach County can apply to the County's Job Growth incentive Grant Program and apply for up to 10-years of exemption from the County Ad Valorem Tax.[21] In addition, the County also provides other incentives to businesses such as an Employed Worker Training Grant, expedited permitting services for expanded or new company facilities, an Incumbent Worker Training Grant, a Quick Response Training Grant, and discounted electric rates for new and expanding commercial and industrial businesses.[22]

Table 4-6 presents the major employers in Palm Beach County, as measured by the number of employees. As shown, there are 23 private or public entities in Palm Beach County with 1,000 or more employees. The largest employer in the County is Palm Beach County School District, with 22,426 employees, followed by Palm Beach County Government (5,753 employees); Tenet Coastal Division Palm Beach County (5,734 employees); NextEra Energy, Inc. (parent company of Florida Power & Light, 5,330 employees); and Florida Atlantic University (5,059 employees). Notably, and in addition, Florida Crystals Corporation, Office Depot, G4S Secure Solutions (USA), TBC Corporation, NCCI, ADT Security Services (not shown on Table 4-6), Carrier Global (not shown on Table-4-6) and Newell Brands-Appliances and Cookware Division (not shown on Table 4-6) all have their corporate headquarters located in Palm Beach County. NextEra, Carrier Global, and ODP (Office Depot/OfficeMax) are also Fortune 500 companies.[23]

4.3.4 EMPLOYMENT BY MAJOR INDUSTRIAL SECTOR

While once significantly reliant on tourism, agriculture, and construction, the Air Trade Area's economy is now relatively diverse. Palm Beach County, in particular, has had success in attracting employers in the healthcare/life sciences, retail, and finance.[24] Sources of economic diversity in the region are discussed in this section by focusing on the following nonagricultural employment sectors, listed in order of their contribution to Palm Beach County's employment base (see Table 4-5): professional and business services, education and health services, trade, leisure and hospitality, government, construction, financial, other services, manufacturing, transportation/utilities, and information.[25]

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[20] Business Development Board of Palm Beach County, https://www.bdb.org/index.php (accessed June 21, 2024).

[21] Business Development Board of Palm Beach County, "Why Palm Beach County," https://publuu.com/flip-book/75659/214890/page/100 (accessed June 28, 2024).

[22] Ibid.

[23] Jacksonville Florida Times-Union, Alexandria Mansfield, "What Fortune 500 companies call Florida home?," October 10, 2023. https://www.jacksonville.com/story/business/2023/10/10/fortune-500-companies-base-headquarters-in-florida/71047010007/

[24] Business Development Board of Palm Beach County (BDB), "Palm Beach County's New Driving Industries Summary," November 2023. https://www.bdb.org/clientuploads/_____marketing/JERRY_PARRISH_REPORT/Palm_Beach_County_Top_Industries_-_November_2023.pdf (accessed July 12, 2024).

[25] The 11 industry sectors discussed in this section and displayed in Table 4-5 correspond to the 11 "supersectors" defined by the US Bureau of Labor Statistics' grouping by North American Industry Classification System code, with two exceptions. Due to low employment in the mining and logging supersector, it is included in the construction sector in this Report and the supersector "Trade, Transportation, and Utilities" is treated as two industry sectors in this Report, Trade and Transportation/Utilities, respectively.

TABLE 4-6 MAJOR EMPLOYERS IN THE AIR TRADE AREA

EMPLOYER[1]	DESCRIPTION	# OF EMPLOYEES	LOCATION
Palm Beach County School District	Education	22,426	County Wide
Palm Beach County Government	County Government	5,753	West Palm Beach
Tenet Coastal Division Palm Beach County	Healthcare	5,734	County Wide
NextEra Energy, Inc. (Hdqtrs), the parent company of FP&L	Utilities	5,330	Juno Beach
Florida Atlantic University	Higher Education	5,059	Boca Raton
Boca Raton Regional Hospital	Health Care	3,135	Boca Raton
Veterans Health Administration	Health Care	2,600	West Palm Beach
HCA Florida Healthcare	Health Care	2,419	County Wide
The Breakers	Hotel	2,300	Palm Beach
Baptist Health South Florida	Health Care	2,282	Boynton beach
Florida Crystals Corporation (Hdqtrs)	Agriculture	2,000	West Palm Beach
Office Depot (Hdqtrs)	Office Supplies	2,000	Boca Raton
Jupiter Medical Center	Health Care	1,880	Jupiter
City of Boca Raton	City Government	1,810	Boca Raton
City of West Palm Beach	City Government	1,725	West Palm Beach
Pratt & Whitney (A United Technologies Company)	Aerospace Engineering	1,600	West Palm Beach
G4S Secure Solutions (USA) (Hdqtrs)	Security Services	1,451	Jupiter
South Florida Water Mgmt District	Regional Government	1,371	County Wide
U.S. Sugar[1]	Agriculture	1,250	Belle Glade
Wellington Regional Medical Center	Health Care	1,194	Wellington
Palm Beach State College	Higher Education	1,066	Lake Worth
Cheney Brothers[1]	Food Distribution	1,050	Riviera Beach
Bank of America	Banking	1,000	County Wide
Wells Fargo Company[1]	Financial Services	945	County Wide
TBC Corporation (Hdqtrs)[1]	Tire Distribution	870	Palm Beach Gardens

NOTES:
Includes employers and employees in Palm Beach County only; data for Air Trade Area as a whole is unavailable.
1 Last reported figure prior to 2022.
SOURCE: Data compiled and edited by the Business Development Board of Palm Beach County. All data is current as of 2022, unless noted otherwise.

4.3.4.1 PROFESSIONAL AND BUSINESS SERVICES

Professional and business services employment in the Air Trade Area increased at a CAGR of 3.7 percent between CY 2013 and CY 2023, compared to a 2.1 percent increase for the United States over the same period. In CY 2023, this sector accounted for approximately 166,600 employees in the Air Trade Area, which accounted for 18.1 percent of total nonagricultural employment and is the largest share of nonagricultural employment among all industries.

Professional services providers, while large in number, primarily employ smaller numbers of employees per firm. However, a notable example of a larger professional services provider in the Air Trade Area is the National Council on Compensation Insurance (NCCI) which is headquartered in Palm Beach County and has 800 employees.

4.3.4.2 EDUCATION AND HEALTH SERVICES

In CY 2023, this sector accounted for approximately 156,300 employees in the Air Trade Area, which accounted for 17.0 percent of total nonagricultural employment. Education and health services employment in the Air Trade Area increased at a CAGR of 3.0 percent between CY 2013 and CY 2023, compared to a 1.9 percent CAGR increase for the United States over the same period.

Tenet Coastal Division Palm Beach County is the largest education and health services employer in Palm Beach, with more than 5,730 employees, and it is the third-largest employer overall in Palm Beach County. It consists of six total hospitals: Delray Medical Center, Good Samaritan Medical Center, Palm Beach Children's Hospital, Palm Beach Gardens Medical Center, St. Mary's Medical Center, and West Boca Medical Center. In total, there are over 1,800 beds at the six hospitals.[26] Other large healthcare employers in the County include Boca Raton Regional Hospital with 3,135 employees, Veterans Health Administration with 2,600 employees, HCA Florida Healthcare with 2,419 employees, and Jupiter Medical Center with 1,880 employees.

There are two relatively large, higher-education employers in Palm Beach County— Florida Atlantic University and Palm Beach State College. Florida Atlantic University (FAU) is a public research university, a member of the State University System of Florida, with its main campus in Boca Raton. FAU is the fifth-largest overall employer in Palm Beach County with approximately 5,060 employees. FAU has approximately 30,000 enrolled students throughout its six campuses located in southern Florida, two of which are in Palm Beach County.[27] Florida Palm Beach State College (PBSC) employees approximately 1,070 people and has approximately 36,000 enrolled students. PBSC has five campuses throughout Palm Beach County and is the fifth-largest Florida College System college.[28]

4.3.4.3 TRADE

In CY 2023, the trade sector accounted for approximately 146,300 employees in the Air Trade Area; 77 percent of trade employment in the Air Trade Area was in retail trade, with the remaining 23 percent being in wholesale trade. In contrast, 72 percent of trade employment in the United States was in retail trade, with the remaining 28 percent in wholesale trade. It is the higher levels of retail trade employment that makes the trade sector play a relatively larger role in the Air Trade Area's employment base than the trade sector does in the nation. The trade sector accounted for 15.9 percent of total nonagricultural employment in CY 2023 in the Air Trade Area, compared to 13.9 percent in the nation. Trade employment in the Air Trade Area increased at a CAGR of 1.5 percent between CY 2013 and CY 2023, compared to a 0.5 percent increase for the United States over the same period.

Major retailers are well represented in Palm Beach County, with several different malls, shopping districts, outlets, and town centers.[29] Gardens Mall, Boynton Beach Mall, Mizner Park, The Square, and Tanger Outlets Palm Beach among others, provide major retailers, such as Saks Fifth Avenue, Ralph Lauren, Nordstrom, and Louis Vuitton, residency within Palm County. One notable employer in the retail industry in Palm Beach County is Office Depot which is headquartered in Boca Raton and employees 2,000 individuals.

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[26] Number of beds compiled from information provided by the individual hospital websites. Accessed June 18, 2024.

[27] Florida Atlantic University, https://www.fau.edu/about/#:~:text=Today%2C%20the%20University%20serves%20more,U.S.%20News%20and%20World%20Report (accessed June 18, 2024).

[28] Palm Beach State College, https://www.palmbeachstate.edu/ (accessed June 18, 2024).

[29] The Palm Beach Post, "Shop local for the holidays at the best malls, outdoor shopping areas in Palm Beach County," November 30, 2023. https://www.palmbeachpost.com/story/news/local/2023/11/20/best-malls-shopping-areas-outlets-in-palm-beach-county/71573538007/ (accessed July 12, 2024).

4.3.4.4 LEISURE AND HOSPITALITY

In CY 2023, the leisure and hospitality sector accounted for approximately 124,200 employees in the Air Trade Area. Unsurprisingly, employment in the leisure and hospitality sector plays a more significant role in the Air Trade Area than in the nation. The leisure and hospitality sector accounted for 13.5 percent of total nonagricultural employment in CY 2023 in the Air Trade Area, compared to 10.6 percent in the nation. Leisure and hospitality employment in the Air Trade Area increased at a CAGR of 2.3 percent between CY 2013 and CY 2023, compared to a 1.5 percent increase for the United States over the same period.

According to Palm Beach County Tourist Development Council, approximately 9.5 million tourists visited Palm Beach County and generated approximately $84.2 million in Bed Tax revenue collections in 2023.[30] According to Visit Florida, tourism in the state was down overall in 2023 compared to 2022.[31] Visit Florida attributed this dip to increased competition in 2023 from other states and countries which were later than Florida in easing their pandemic restrictions. Despite the trend in the state, in Palm Beach County, compared to 2022, visitation and Bed Tax revenue collections were up in 2023 by 2.7 percent and 8.2 percent, respectively.[32]

The Air Trade Area includes cities closely associated with travel and leisure, including West Palm Beach, Boynton Beach, Boca Raton, Delray Beach, Ft. Pierce, Port St. Lucie, Sebastian, and Vero Beach. These cities include diverse arts communities with several theatres, outdoors activities such as fishing, scenic beaches, historic attractions, museums, galleries, and festivals.

Palm Beach County features several tourist attractions including historical sites such as the Jupiter Inlet Lighthouse and Museum and the African-American History Trail, 47 miles of beach along the Atlantic coast with more than 24 beach parks, the Palm Beach Zoo, the South Florida Science Center and Aquarium, wildlife refuges and sanctuaries, water park and activity centers such as Adventure Water Sports and The Scuba Club, golf clubs, numerous gardens, theaters, and museums, several resorts and spas, a wide range of dining and drinking options and festivals such as ArtiGras, SunFest, and the Winter Equestrian Festival.[33,34] Palm Beach County is also host to some notable sporting events such as the Cheribundi Boca Raton Bowl and the Cognizant Classic (PGA) and is the spring training home to four Major League Baseball (MLB) teams. The Breakers, a luxury resort that is over 130 years old, is the ninth-largest employer in Palm Beach County with 2,300 employees.

4.3.4.5 GOVERNMENT

In CY 2023, the government sector accounted for approximately 89,100 employees in the Air Trade Area, which accounted for 9.7 percent of total nonagricultural employment. Government employment in the Air Trade Area is significantly less concentrated than it is in the nation. Government employment in the Air Trade Area increased at a

[30] Palm Beach County Tourist Development Council, "FY23 Annual Report," https://issuu.com/touristdevelopmentcouncilpbc/docs/palm_beach_county_tourist_development_council_fy23?fr=xKAE9_zU1NQ (accessed June 12, 2024).

[31] Fox 35 Orlando, "Florida Tourism sees dip in 2023," https://www.fox35orlando.com/news/florida-tourism-sees-dip-in-2023 (accessed May 21, 2024).

[32] Fox 35 Orlando, "Florida Tourism sees dip in 2023," https://www.fox35orlando.com/news/florida-tourism-sees-dip-in-2023 (accessed May 21, 2024).

[33] Passport Media Group, "Official Visitors Guide 2020-2021," March 18, 2020. https://issuu.com/passportpublications/docs/ovg_2020 (accessed July 12, 2024).

[34] Tourist Development Council PBC, "2023 Palm Beach County Visitors Guide," June 5, 2023. https://issuu.com/touristdevelopmentcouncilpbc/docs/2023_official_visitors_guide (accessed July 12, 2024).

CAGR of 0.4 percent between CY 2013 and CY 2023 which was the same for the United States during the same period.

As shown in Table 4-6, numerous governmental organizations (school districts and local and regional governments) are among the major employers in Palm Beach County. The largest employer in Palm Beach County is the Palm Beach County (PBC) School District with 22,426 employees. PBC School District is the tenth-largest district in the nation, operates and oversees a total of 180 schools that educate over 171,260 students a year.[35] The second-largest employer in Palm Beach County is the Palm Beach County Government with 5,753 employees. Other significant government employers in Palm Beach County include the City of Boca Raton, the City of West Palm Beach, and the South Florida Water Management District, with 1,810 employees, 1,725 employees, and 1,371 employees, respectively.

4.3.4.6 CONSTRUCTION

In CY 2023, the construction sector accounted for approximately 63,000 employees in the Air Trade Area, which accounted for 6.8 percent of total nonagricultural employment. Employment in the construction sector is more concentrated in the Air Trade Area; construction sector employment in the nation accounted for 5.5 percent of total nonagricultural employment. Construction employment in the Air Trade Area increased at a CAGR of 5.6 percent between CY 2013 and CY 2023, compared to an increase of 2.6 percent for the nation over the same period.

Notable planned or ongoing construction projects in Palm Beach County include a double-warehouse project in Boynton Beach totaling 457,396 square feet expected to be completed in spring 2025[36], a two-office tower project at The Square in West Palm Beach which was approved for development in early 2024 and is expected to open in 2026 with over 744,000 square feet of office space, 63,000 square feet of retail space, and a parking garage,[37] the NYU Langone Health medical office tower in West Palm Beach expected to open in 2026,[38] and the Clear Lake trail project in West Palm Beach, which will connect neighborhoods and create a bike and walking trail along the shoreline of the Clear Lake, is currently in design.[39] Furthermore, as a result of growing demand by businesses for office space in the area, the City of West Palm Beach currently has over 600,000 square feet of new office space in development.[40]

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[35] The School District of Palm Beach County, https://www.palmbeachschools.org/domain/213 (accessed June 18, 2024).

[36] Business Development Board of Palm Beach County (BDB), "Palm Beach County warehouses break ground with $52 million loan from bank," June 1, 2024. https://www.bdb.org/news/2024/06/11/economic-development-news/palm-beach-county-warehouses-break-ground-with-52-million-loan-from-bank/ (accessed July 12, 2024).

[37] WPTV West Palm Beach, "West Palm Beach City Commission approves twin towers at The Square," January 22, 2024. https://www.wptv.com/money/real-estate-news/west-palm-beach-approves-twin-towers-at-the-square (accessed July 12, 2024).

[38] Business Development Board of Palm Beach County (BDB), "NYU Langone Receives $75 Million Gift for New West Palm Beach Medical Tower," February 1, 2024. https://www.bdb.org/news/2024/02/21/economic-development-news/nyu-langone-receives-75-million-gift-for-new-west-palm-beach-medical-tower/ (accessed July 12, 2024).

[39] West Palm Beach, https://www.wpb.org/government/engineering/clear-lake-trail-project (accessed July 12, 2024).

[40] Avison Young, "West Palm Beach Office Market Snapshot Q1 2024," https://www.avisonyoung.us/documents/d/west-palm-beach/west-palm-beach-office-market-report-q1-2024?_gl=1*1erz6zc*_up*MQ..*_ga*MjAzOTMwNzI5LjE3MTU3MTgxMDI.*_ga_NB1T86YXFD*MTcxNTcxODEwMi4xLjAuMTcxNTcxODEwMi4wLjAuMA (accessed June 25, 2024).

Both building permits and housing sales and prices are indirect indicators of employment in the construction sector. As shown in **Table 4-7**, Air Trade Area residential building permits and valuation[41] experienced less of an increase than what was experienced by Florida and the United States over the CY 2013 to CY 2023 period. The Air Trade Area's residential building permit units grew by 3.0 percent on average from CY 2013 through CY 2023 (compared to 8.4 percent for Florida and 4.3 percent for the United States). Residential building valuation for the new units increased at a CAGR of 8.4 percent; comparing favorably to a lesser increase of 7.5 percent for the United States while not as high as Florida's CAGR of 10.8 percent.

TABLE 4-7 RESIDENTIAL BUILDING PERMITS AND VALUATION

YEAR	AIR TRADE AREA[1]		FLORIDA		UNITED STATES	
	UNITS	VALUATION	UNITS	VALUATION	UNITS	VALUATION
CY 2013	21,589	$3,721,719	86,752	$18,161,486	990,822	$177,655,915
CY 2014	17,360	$4,105,087	84,084	$19,550,711	1,052,124	$194,349,701
CY 2015	25,924	$5,218,798	109,924	$23,439,129	1,182,582	$223,611,322
CY 2016	21,697	$5,098,645	116,240	$25,863,502	1,206,642	$237,101,605
CY 2017	23,131	$5,492,967	122,719	$28,095,289	1,281,977	$258,505,419
CY 2018	24,895	$5,679,166	144,427	$31,543,714	1,328,827	$271,119,544
CY 2019	26,424	$6,598,747	154,302	$33,210,471	1,386,048	$280,534,195
CY 2020	28,158	$6,413,461	164,074	$36,884,176	1,471,141	$307,209,904
CY 2021	35,308	$9,120,029	213,494	$49,325,935	1,736,982	$380,036,187
CY 2022	28,708	$8,294,119	209,961	$51,250,406	1,680,368	$384,447,171
CY 2023	29,113	$8,314,647	193,788	$50,736,444	1,511,102	$365,373,043
Compound Annual Growth Rate						
CY 2013 – CY 2023	3.0%	8.4%	8.4%	10.8%	4.3%	7.5%

NOTES:
Dollar amounts in thousands.
CY – Calendar Year
1 Permit and valuation data not available at the county-level; data shown for Air Trade Area is for the Miami–Fort Lauderdale–West Palm Beach MSA (of which Palm Beach County is a part).
SOURCE: US Department of Commerce, Bureau of the Census, May 2024.

Air Trade Area home sales,[42] including single-family homes and townhouse and condos, declined by 16.3 percent in CY 2023 with 90,020 closed sales during the year.[43] Home sales in the state for the same time period were also down from the year prior— a decline of 12.0 percent. The median sale price for homes including single-family, townhouse, and condo variants for the Air Trade Area in 2023 was $444,148 which was up by 7.3 percent compared to CY 2022. The median sale price for the same period for the state of Florida was $384,597 which was up 3.0 percent compared to CY 2022.

[41] Residential building permit and valuation data identified as Air Trade Area is for the Miami–Fort Lauderdale–West Palm Beach MSA, of which Palm Beach County is a part. Data not available at the county-level to calculate true Air Trade Area permits and valuations.

[42] Segmented Industry data is not available at the county-level; thus, the Air Trade Area described here is the aggregate of the Miami–Fort Lauderdale–West Palm Beach MSA, Port St. Lucie MSA, and Sebastian-Vero Beach MSA. Palm Beach is part of the Miami–Fort Lauderdale–West Palm Beach MSA, which includes areas not considered part of the Air Trade Area.

[43] Florida Realtors, https://www.floridarealtors.org/tools-research/reports/florida-market-reports (accessed May 20, 2024).

4.3.4.7 FINANCIAL

Financial, insurance, and real estate services comprise the financial sector. In CY 2023, the financial sector accounted for approximately 59,400 employees in the Air Trade Area, which accounted for 6.5 percent of total nonagricultural employment. Financial employment in the Air Trade Area increased at a CAGR of 2.7 percent between CY 2013 and CY 2023, compared to an increase of 1.5 percent for the United States over the same period.

Palm Beach County, according to analysis of tax return information from 2020-2021 by economists at the Economic Information Group, reported the largest gain in individual income in the United States since the start of the pandemic as firms, particularly in the finance sector, opened or expanded offices in West Palm Beach.[44] According to the Business Development Board of Palm Beach County President and CEO Kelly Smallridge, this inflow of wealth is a result of the Business Development Board of Palm Beach County's marketing program, started in 2006, targeting wealthy individuals with second homes convincing some to relocate their companies to Palm Beach. In 2021, three notable financial sector companies opened offices in West Palm Beach— Goldman Sachs, Millennium Management, and Point 72 Asset Management;[45] and, more recently, Revere Payments, a global payment technology company, relocated from Las Vegas to Palm Beach Gardens in 2023.[46] Over 300 hedge funds, private equity, and financial service firms are located in Palm Beach County, including 50 banks with over 390 branch banking offices.[47],[48]

The financial sector plays a slightly greater role in the Air Trade Area's employment base than in the United States overall. Two notable financial sector employers in Palm Beach County are Bank of America and Wells Fargo Company with 1,000 and 945 employees, respectively, in Palm Beach County.

Table 4-8 presents total bank deposits for the Air Trade Area, Florida, and the United States between the year ending June 30, 2013, and the year ending June 30, 2023. Total bank deposits are an indication of the economic activity of the financial sector. As shown, total bank deposits in the Air Trade Area increased from approximately $49.7 billion in 2013 to approximately $88.0 billion in 2023. This increase represents a CAGR of 5.9 percent during this period, which was lower than that for Florida and the nation (CAGRs of 6.6 and 6.2 percent, respectively) during this same period. There was a surge in bank deposits in the first few months of the pandemic, which can be seen in a significant increase in bank deposits between 2019 and 2020 in Table 4-8. Numerous factors contributed to the surge, including the billions of dollars the government provided to small businesses via Paycheck Protection Program loans and individuals via stimulus checks and unemployment benefits; the Federal Reserve's efforts to support financial markets, including an unlimited bond-buying program; and the uncertainty that prompted everyone from households to large corporations to hoard cash.[49] The across-the-board decline in bank deposits in

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44 Business Development Board of Palm Beach County, "Palm Beach County Led Nation on a Scale Ranking Income Gain Since Start of Pandemic" https://www.bdb.org/news/2024/01/15/economic-development-news/palm-beach-couty-led-nation-on-a-scale-ranking-income-gain-since-start-of-pandemic/#:~:text=Based%20on%20tax%20return%20information,place%20Collier%20County's%20%244%20billion. (accessed June 23, 2024).

45 Ibid.

46 Business Development Board of Palm Beach County, "Revere Payments is relocating to Palm Beach Gardens, FL," August 14, 2023. https://www.bdb.org/news/2023/08/14/press-release/revere-payments-is-relocating-to-palm-beach-gardens-fl/

47 Business Development Board of Palm Beach County, https://www.bdb.org/index.php?src=pages&ref=financialservices (accessed July 15, 2024).

48 Business Development Board of Palm Beach County, 2024 Palm Beach County Snapshot, https://www.bdb.org/clientuploads/Research/0_2023_Data/PBC_Snapshot_2024.pdf (accessed July 15, 2024).

49 Son, Hugh, "U.S. banks are 'swimming in money' as deposits increase by $2 trillion amid the coronavirus," *CNBC*, June 21, 2020.

2023 may indicate the previously described trend of cash-hoarding is over.

TABLE 4-8 TOTAL BANK DEPOSITS

YEAR (ENDING JUNE 30)	TOTAL BANK DEPOSITS		
	AIR TRADE AREA	FLORIDA	UNITED STATES
Historical			
2013	$49,670	$441,108	$9,433,522
2014	$51,392	$462,364	$10,112,724
2015	$56,578	$502,930	$10,657,721
2016	$61,640	$541,660	$11,280,518
2017	$63,848	$563,793	$11,859,860
2018	$66,304	$585,832	$12,307,880
2019	$67,895	$603,555	$12,813,120
2020	$77,404	$710,549	$15,590,139
2021	$86,806	$808,085	$17,235,467
2022	$94,929	$876,440	$18,141,022
2023	$87,964	$833,568	$17,269,424
Compound Annual Growth Rate			
2013-2019	5.3%	5.4%	5.2%
2019-2023	6.7%	8.4%	7.7%
2013-2023	5.9%	6.6%	6.2%

NOTE:
Year ending June 30; dollar amounts in millions.
SOURCE: Federal Deposit Insurance Corporation, *Summary of Deposits Report*, June 2024.

4.3.4.8 OTHER SERVICES

In CY 2023, the other services sector accounted for approximately 41,300 employees in the Air Trade Area, which accounted for 4.5 percent of total nonagricultural employment. Other services employment in the Air Trade Area increased at a CAGR of 0.8 percent between CY 2013 and CY 2023, compared to an increase of 0.6 percent for the United States over the same period.

Other services employment includes personal services (e.g., assisting the elderly with activities of daily living); dry cleaning and laundry services; repair and maintenance services; religion, grant making, civic, professional, and similar organizations; and private household employment. Because the demand for these services is on an individual or household level, trends in other services employment do not independently drive economic growth, but rather tend to reflect growth in other industry sectors, which results in an increased demand for other services by individuals and households.

4.3.4.9 MANUFACTURING

In CY 2023, the manufacturing sector accounted for approximately 32,900 employees in the Air Trade Area, representing 3.6 percent of total nonagricultural employment. Manufacturing employment in the Air Trade Area is significantly less concentrated than that in the nation, where it represents 3.6 percent of total nonagricultural employment compared to a share of 8.3 percent in the nation. Manufacturing employment in the Air Trade Area increased at a CAGR of 3.6 percent between CY 2013 and CY 2023 compared to an increase of 0.7 percent for the nation over the same period. This increase in manufacturing employment in the Air Trade Area may be the result of local governments in the area actively incentivizing investment by manufacturers as well as the Florida Chamber of Commerce's efforts to attain its goal of making Florida a top five state for manufacturing jobs by 2030.[50,51]

Manufacturers in the Air Trade Area include Pratt & Whitney (an aircraft engine and parts engineer and manufacturer), Lockheed Martin and Sikorsky (an aerospace and defense manufacturer), and Johnson Controls (a fire, HVAC and security equipment manufacturer).

4.3.4.10 TRANSPORTATION AND UTILITIES

In CY 2023, the transportation and utilities sector accounted for approximately 27,800 employees in the Air Trade Area, which accounted for 3.0 percent of total nonagricultural employment. The transportation and utilities sector plays a relatively smaller role in the Air Trade Area's employment base than in the nation overall. Transportation and utilities employment in the Air Trade Area increased at a CAGR of 6.9 percent between CY 2013 and CY 2023, compared to an increase of 3.5 percent for the nation over the same period. Recent higher growth in this sector nationwide is because the transportation sector includes warehousing and due to the preexisting and acceleration of growth during the pandemic of consumers changing from local retail centers purchases to online acquisition of goods, there were warehouse, distribution centers, and fulfillment center jobs substituting for retail jobs at brick-and-mortar stores.[52,53]

Air transportation demand in the Air Trade Area is primarily serviced by the Airport. Also providing commercial service in the Air Trade Area is Vero Beach Regional Airport (VBR). Nearby, but outside the boundaries of the Air Trade Area, are Miami International Airport (MIA) and Fort Lauderdale-Hollywood International Airport (FLL).

Both high-speed rail and commuter rail lines service Palm Beach County. The Brightline, a high-speed rail line, has a stop in West Palm Beach and Boca Raton and connects passengers to Orlando, Fort Lauderdale, Aventura, and Miami. The Tri-Rail commuter rail system connects passengers throughout Palm Beach, Broward, and Miami-Dade Counties. For bus service, Palm Tran providers bus lines with regularly scheduled service in Palm Beach County; other public bus service providers in the Air Trade Area include Martin County Public Transit, GoLine (Indian River County), and Area Regional Transit (St. Lucie County).

Freight rail moves through the Air Trade Area via CSX Transportation and Florida East Coast Railway. Florida's rail corridor connects the state to 20 others domestically and to Canada. Not limited to moving cargo by rail, the Air Trade Area benefits from two major seaports— Port of Fort Pierce and Port of Palm Beach and an additional two

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[50] Gulfshore Business, "Southwest Florida manufacturing industry grows," March 1, 2024, https://www.gulfshorebusiness.com/southwest-florida-manufacturing-industry-grows/ (accessed June 20, 2024).

[51] Business Development Board of Palm Beach County (BDB), "Manufacturing," https://www.bdb.org/manufacturing/manufacturing/ (accessed June 21, 2024).

[52] SVN Commercial Advisory Group, "E-Commerce and its Impact on Florida's Commercial Real Estate Market," August 4, 2023, https://suncoastsvn.com/e-commerce-impact/ (accessed June 20, 2024).

[53] ALM Globest, "'There's Just Not Enough Warehouse Space': Florida Enjoying Industrial Sector Boom," June 18, 2021, https://www.globest.com/2021/06/08/theres-just-not-enough-warehouse-space-florida-enjoying-industrial-sector-boom-296-228181/?slreturn=2024062095902

ports which are just south of the Air Trade Area in Fort Lauderdale and Miami. The Port of Palm Beach is the fourth-busiest container port in Florida and offers cruise ship services to the Bahamas.[54]

Palm Beach County, as well as other parts of the Air Trade Area, is connected to multiple major highways. These highways include U.S. Highway One, Interstate 95, Florida's Turnpike, Military Trail, Beeline Highway, and Florida State Road 7.

Notable transportation and utility employers in Palm Beach include NextEra Energy, Inc. (parent company of Florida Power & Light), which makes its headquarters in Juno Beach and is the fourth-largest employer in Palm Beach County with approximately 5,330 employees, and the South Florida Water Management District, which employees approximately 1,370 people and is located throughout the Air Trade Area.

4.3.4.11 INFORMATION

The information sector combines telecommunications service providers, traditional publishing, motion picture and sound recording, broadcasting, software, online services, and data processing. In CY 2023, the information sector accounted for approximately 13,700 employees in the Air Trade Area, which accounted for 1.5 percent of total nonagricultural employment. The information sector plays a smaller role in the Air Trade Area's employment base than in the nation overall. Information employment in the Air Trade Area grew at a CAGR of 1.4 percent between CY 2013 and CY 2023, compared to a rate of 1.1 percent for the nation over the same period.

Notable information sector employers in Palm Beach County include Phoenix Tower International, a wireless tower and infrastructure operator headquartered in Boca Raton; Material Bank, a search engine and provider of architectural, construction, and design materials also headquartered in Boca Raton; and PlanHub, a company which provides a project management application to preconstruction-stage users and is headquartered in West Palm Beach.

4.3.4.12 AGRICULTURE AND FOOD

In addition to the 11 nonagricultural industry sectors described above, agriculture and food also play an important role in the Air Trade Area. The Air Trade Area includes Palm Beach County where there are large expanses of agricultural production; 36 percent of the county's land mass, a total of 456,001 acres, is utilized for agriculture.[55] Palm Beach County produces a variety of crops including rice, lettuce, radishes, Chinese vegetables, specialty leaf, and celery.[56] Over 550 agriculture-related companies generate nearly 12,440 jobs in Palm Beach County.[57]

Sugarcane is the row crop most extensively grown in Florida and most of it is grown in Palm Beach County.[58] Approximately 50 percent of all cane sugar produced and 20 percent of all sugar consumed in the nation comes from Palm Beach County and other Florida counties in the southern half of Lake Okeechobee area.[59] Palm Beach County is also a state leader, along with Hendry County (outside the Air Trade Area), in rice production.[60]

[54] Florida Ports Council, "Port of Palm Beach," https://flaports.org/ports/port-of-palm-beach/ (accessed June 21, 2024).

[55] Business Development Board of Palm Beach County, https://bdb.org/index.php?src=pages&ref=agribusiness (accessed July 15, 2024).

[56] Ibid.

[57] Ibid.

[58] Palm Beach County Government, https://discover.pbcgov.org/coextension/agriculture/pages/sugarcane.aspx (accessed July 15, 2024).

[59] Ibid.

[60] Ibid.

Notable employers in agriculture and food in Palm Beach County include Florida Crystals Corporation, which is headquartered in the County, grows the only organic raw cane sugar in the nation, and has 2,000 employees; U.S. Sugar, which is the largest sugarcane producer in the nation by volume and has 1,250 employees; and Cheney Brothers, which is a food distribution company with 1,050 employees in Palm Beach County.

4.4 ECONOMIC OUTLOOK

4.4.1 SHORT-TERM ECONOMIC OUTLOOK

The Congressional Budget Office (CBO) economic outlook released in June 2024 projects a 2.6 percent year-over-year increase in real GDP for 2024, which is similar to the real GDP growth in 2023 (2.5 percent). The real GDP growth rate is projected by the CBO to decrease to 2.1 percent in 2025, and then fall to 1.8 percent by 2026].[61] Real GDP growth projected by CBO is similar to that projected by the International Monetary Fund (IMF). The IMF economic outlook released in July 2024 projects a 2.6 percent year-over-year increase in real US GDP for 2024. 2025 is then projected to see slower year-over-year US GDP growth of 1.9 percent.[62] The CBO projects the national unemployment rate to rise to 4.2 percent by the end of CY 2026.[63]

The University of Central Florida's Institute for Economic Forecasting projects Florida's economy (i.e., real gross state product) will grow from 2024 through 2027 by 2.5 percent annually on average, ramping down from 3.3 percent in 2024 to 2.1 percent in 2027.[64] The Institute for Economic Forecasting expects Florida's unemployment rate to increase from a projected 3.1 percent in 2024 to 3.8 percent in 2027.[65]

4.4.2 LONG-TERM ECONOMIC ASSUMPTIONS INCORPORATED IN PASSENGER DEMAND FORECASTS

As described in more detail in Chapter 5, the methodologies used in developing forecasts of enplaned passengers at the Airport included (among other methodologies) statistical linear regression modeling, with local and national socioeconomics and demographics as independent variables and O&D passengers as the dependent variable. Independent variables considered for this analysis included population, employment, earnings (total and net), personal income (per capita and total), and GRP/GDP (per capita and total) for the Miami-Port St. Lucie-Fort Lauderdale Combined Statistical Area (CSA), of which the Air Trade Area is part, and the United States.

For each socioeconomic and demographic variable, regression modeling produced a coefficient that was applied to the corresponding variable projection developed by Woods & Poole to provide a forecast of enplaned passengers. **Table 4-9** presents the CY 2022 and CY 2030 figures used in the modeling, as well as the CAGR for each independent variable in CY 2022 and CY 2030. As previously stated, the demand for air transportation at an airport is, to a large degree, dependent upon the demographic and economic characteristics of an airport's air trade area. The projected growth during the Projection Period in the economic indicators in Table 4-9 supports the underlying assumptions that drive the airline activity forecasts discussed in Chapter 5.

[61] Congressional Budget Office, *The Budget and Economic Outlook: 2024 to 2034*, June 2024.

[62] International Monetary Fund, *World Economic Outlook Update: The Global Economy in a Sticky Spot*, July 2024.

[63] Congressional Budget Office, *The Budget and Economic Outlook: 2024 to 2034*, June 2024.

[64] University of Central Florida, Institute for Economic Forecasting, Florida & Metro Forecast 2023-2027, Winter 2024.

[65] Ibid.

TABLE 4-9 PROJECTION OF ECONOMIC VARIABLES USED IN PASSENGER DEMAND FORECASTS

VARIABLE[1,2]	CY 2022[5]	CY 2030	CAGR CY 2022 - CY 2030
Miami CSA Gross Regional Product (GRP)[3]	$436,549	$552,251	3.0%
United States Gross Domestic Product (GDP)[3]	$21,788,014	$25,999,436	2.2%
Miami CSA Net Earnings[3]	$232,205	$293,666	3.0%
United States Net Earnings[3]	$11,644,967	$13,966,625	2.3%
Miami CSA Total Earnings[3]	$261,334	$328,820	2.9%
United States Total Earnings[3]	$13,105,445	$15,661,853	2.3%
Miami CSA Total Employment	5,091,788	5,779,704	1.6%
United States Total Employment	212,442,016	235,602,516	1.3%
Miami CSA Total Personal Income[3]	$467,816	$577,292	2.7%
United States Total Personal Income[3]	$18,803,588	$22,707,644	2.4%
Miami CSA Per Capita Personal Income[4]	$67,312	$76,753	1.7%
United States Per Capita Personal Income[4]	$56,421	$64,732	1.7%
Miami CSA Population	6,949,943	7,521,472	1.0%
United States Population	333,271,406	350,794,063	0.6%

NOTES:
CY – Calendar Year
CAGR – Compound Annual Growth Rate
Miami CSA – Miami-Port St. Lucie-Fort Lauderdale Combined Statistical Area
1 Employment data include wage and salary workers, proprietors, private household employees, and miscellaneous workers. Establishment data from the U.S. Department of Commerce, Bureau of Economic Analysis is used in this table, which differs from employment data in Table 4-4 due to differing sources, definitions, and methodologies.
2 Some variables presented in this table are exclusive to the aviation forecast and are not included in the demographic and economic analysis discussed in this chapter.
3 Figures displayed in millions of 2017 dollars.
4 Figures in 2017 dollars.
5 CY 2022 is the last year of historical data in the Woods & Poole database and is the basis for Woods & Poole's future projections. Therefore, it is the last year of historical data displayed in this table. More recent data may be available from other sources.
SOURCE: Woods & Poole Economics, Inc., 2024 Complete Economic and Demographic Data Source, July 2024.

4.4.3 CONCLUSIONS

The Air Trade Area population was 2.2 million in CY 2022, and it is projected by Woods & Poole to increase to 2.4 million by CY 2030. This represents a 1.3 percent CAGR for the Air Trade Area, which is greater than that of Florida and the United States during the same period (1.2 percent and 0.6 percent, respectively).

Per capita personal income was greater in the Air Trade Area than in Florida and the United States between CY 2012 and CY 2022. The Air Trade Area's per capita personal income in CY 2022 ($85,812) was 52 percent greater than per capita personal income in the United States ($56,421) and 54 percent greater than personal income in Florida ($55,845). Per capita personal income in the Air Trade Area is projected by Woods & Poole to increase at a CAGR of 1.4 percent between CY 2022 and CY 2030, which is lower than the projected CAGR of 1.7 percent for both the United States and Florida.[66]

[66] Amounts are in 2017 dollars.

Between CY 2012 and CY 2022, the Air Trade Area's GRP grew at a CAGR of approximately 4.0 percent, which is greater than that of Florida and the United States during the same period, 3.9 percent and 2.5 percent, respectively. GRP in the Air Trade Area is projected by Woods & Poole to increase at a CAGR of 3.3 percent between CY 2022 and CY 2030; Florida GRP and US GDP are projected to increase less rapidly by comparison, with CAGRs of 2.7 percent and 2.2 percent, respectively.

Between CY 2013 and CY 2023, the Air Trade Area's labor force grew at a CAGR of approximately 1.6 percent, which is the same as that of Florida and greater than that of the United States during the same period (0.7 percent).

In terms of percentages of industry sector shares, CY 2023 employment in the following industry sectors in the Air Trade Area exceeded employment in the United States: professional and business services, education and health services, trade, leisure and hospitality, construction, financial, and other services.

The data cited in this chapter supports the conclusion that the Air Trade Area has a large and diverse economy with projected growth that is anticipated to increase the demand for airline travel at the Airport through the Projection Period (ending FY 2030).

5. PASSENGER DEMAND AND AIR SERVICE ANALYSIS

This chapter describes historical and forecast aviation activity at Palm Beach International Airport (PBI or the Airport) and discusses key factors affecting these trends.

5.1 AIRLINES SERVING THE AIRPORT

As of July 2024, a total of 14 airlines provided scheduled passenger service at the Airport during fiscal year (FY) 2024, which included 12 United States (US) airlines and 2 foreign flag airlines that operate from the Airport. Among these airlines, Silver Airways (Silver) currently operates both domestic and international service, though Silver service at the Airport is scheduled to cease in October 2024. Two new airlines are scheduled to begin service in FY 2025, with Porter Airlines (Porter) commencing service to Toronto Pearson International Airport (YYZ) in November 2024 and Tradewind Aviation (Tradewind) beginning service to two destinations in the Bahamas in December 2024.[67] United States Department of Transportation (USDOT) T-100 data for all-cargo airlines operating at the Airport during the FY was available through March 2024; 6 all-cargo airlines served the Airport during this period. Regular cargo service was provided by FedEx Express (FedEx) and United Parcel Service (UPS). **Table 5-1** lists those airlines providing service to the Airport during FY 2024.

TABLE 5-1 AIRLINES SERVING THE AIRPORT (FISCAL YEAR 2024)

US AIRLINES [1]	FOREIGN-FLAG AIRLINES	ALL-CARGO SERVICE
Allegiant Air	Air Canada	Ameristar Air Cargo
American Airlines	Bahamasair	FedEx Express
Avelo Airlines		LATAM
Breeze Airways		Lynden Air Cargo
Delta Air Lines		Tampa Cargo
Frontier Airlines		United Parcel Service
JetBlue Airways		
Silver Airways[2]		
Southwest Airlines		
Spirit Airlines		
Sun Country Airlines		
United Airlines		

NOTES:
Scheduled passenger airlines are included based on published airline schedules for FY 2024, while all-cargo service is provided through the most recent month with available historical data, March 2024. As of July 2024, Porter Airlines and Tradewind Aviation are scheduled to begin service in FY 2025.
1 Includes regional affiliates, where applicable.
2 Silver Airways is scheduled to cease service to Palm Beach International Airport in October 2024 (fiscal year 2025).
SOURCES: Palm Beach County Department of Airports, June 2024 (aviation activity data); Cirium Diio, June 2024 (published airline schedules; US Department of Transportation, T-100 data).

[67] Based on information available as of August 2024, Tradewind Aviation (Tradewind) will operate from the Atlantic Aviation Fixed Base Operator (FBO) facility. Tradewind flight schedules are published in Cirium Diio and are available for public purchase with flights commencinging in December 2024.

The Airport has the benefit of a stable scheduled passenger airline base providing service. Of the airlines serving the Airport in FY 2024, 8 have provided service to the Airport throughout the historical period from FY 2014 to FY 2024. In FY 2024, 14 airlines provided passenger airline service at the Airport, the maximum observed during the historical period. **Table 5-2** presents the years that scheduled passenger airlines have provided service at the Airport.

5.2 AIR SERVICE ANALYSIS

5.2.1 HISTORICAL AIRLINE ACTIVITY

The Airport is classified by the Federal Aviation Administration (FAA) as a medium-hub facility based on its percentage of nationwide passenger activity.[68] The Airport is one of 3 airports classified as a medium-hub facility in the state of Florida, which also includes Jacksonville International (JAX) and Southwest Florida International (RSW; Ft. Myers). Florida also has 4 airports that were classified as large-hub airports during the period. The Airport primarily serves origin and destination (O&D) passengers, with O&D passengers accounting for more than 99 percent of passengers at the Airport in FY 2023. Connecting passenger activity that occurs is largely incidental.

Table 5-3 presents historical domestic and international passenger activity at the Airport between FY 2014 and FY 2023. Domestic passenger activity represented the majority of passenger activity at the Airport throughout the period. Total passenger activity at the Airport grew in the period prior to the onset of the COVID-19 pandemic. Between FY 2014 and FY 2019, total enplaned passengers grew at a compound annual growth rate (CAGR) of 2.8 percent, while domestic and international enplaned passengers grew 2.9 percent and 0.3 percent CAGRs, respectively. Domestic and total enplaned passengers recovered to pre-pandemic levels in FY 2023, with growth between FY 2014 and FY 2023 representing 3.1 percent and 2.9 percent CAGRs, respectively. International enplaned passenger activity recovery continued in FY 2023, with 39,432 passengers recorded during the year, an increase from pandemic-era minimums observed in FY 2021. Additional detail regarding the COVID-19 demand recovery at the Airport is presented in Section 5.3.1.

Notable details regarding passenger activity at the Airport between FY 2014 and FY 2023 are as follows:

- **FY 2014 to FY 2019**: Several new airlines began providing service to the Airport in the pre-pandemic period, including Allegiant Air (Allegiant) and Sun Country Airlines (Sun Country), which have served the Airport intermittently during the entirety of the period from FY 2014 to FY 2023 and currently provide service to the Airport as of July 2024. During the period, American Airlines (American) inaugurated service to Los Angeles International Airport (LAX), which represented the first transcontinental service operating from the Airport, operating in FY 2014 and FY 2015. As of July 2024, service to LAX is currently operated by JetBlue Airways (JetBlue), which began serving the route in FY 2021 and currently provides service using premium-configured Airbus A321 aircraft. Several new destinations received service from the Airport during the period, including Asheville Regional (AVL), Denver International (DEN), Minneapolis–St. Paul International (MSP), Lynden Pindling International (NAS), Raleigh-Durham International (RDU), and St. Louis Lambert International (STL), which currently receive service from PBI as of August 2024. Increases in average seats per departure contributed to departing seat capacity growth during the period, with the broader trend of upgauging aircraft, where airlines utilize larger or more densely configured aircraft, also occurring at PBI.

[68] As defined by the FAA, a medium-hub airport enplanes between 0.25 percent and 1.0 percent of nationwide revenue enplaned passengers. This was equal to between 1.64 million and 6.56 million revenue enplaned passengers in calendar year 2021.

TABLE 5-2 HISTORICAL SCHEDULED PASSENGER AIRLINE BASE

(Fiscal Year Ended September 30)

AIRLINE [1]	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Delta Air Lines	•	•	•	•	•	•	•	•	•	•	•
JetBlue Airways	•	•	•	•	•	•	•	•	•	•	•
American Airlines	•	•	•	•	•	•	•	•	•	•	•
United Airlines	•	•	•	•	•	•	•	•	•	•	•
Southwest Airlines	•	•	•	•	•	•	•	•	•	•	•
Spirit Airlines	•	•	•	•	•	•	•	•	•	•	•
Air Canada	•	•	•	•	•	•	•	•	•	•	•
Bahamasair	•	•	•	•	•	•	•	•	•	•	•
Allegiant Air	•	•	•				•	•	•	•	•
Silver Airways[2]	•	•	•	•	•	•					•
Frontier Airlines		•	•	•	•	•	•	•	•	•	•
Sun Country Airlines				•	•				•	•	•
Avelo Airlines									•	•	•
Breeze Airways									•	•	•
WestJet Airlines			•	•							
OneJet					•						
Southern Airways Express						•	•	•			

NOTE:
Porter Airlines is scheduled to begin service in November 2024; Tradewind Aviation is scheduled to begin service in December 2024.
1 Where applicable, includes affiliated, regional, and merged airlines.
2 Silver Airways is scheduled to cease service to Palm Beach International Airport in October 2024 (fiscal year 2025).
SOURCES: Palm Beach County Department of Airports, June 2024 (aviation activity data); Cirium Diio, June 2024 (published airline schedules).

TABLE 5-3 HISTORICAL ENPLANED PASSENGERS

(Fiscal Years Ended September 30)

FISCAL YEAR	DOMESTIC ENPLANED PASSENGERS	INTERNATIONAL ENPLANED PASSENGERS	TOTAL ENPLANED PASSENGERS	ENPLANED PASSENGER GROWTH
2014	2,844,655	69,163	2,913,818	3.0%
2015	3,026,468	63,863	3,090,331	6.1%
2016	3,095,888	75,806	3,171,694	2.6%
2017	3,041,594	85,816	3,127,410	-1.4%
2018	3,186,634	81,141	3,267,775	4.5%
2019	3,282,770	70,058	3,352,828	2.6%
2020	2,061,959	43,546	2,105,505	-37.2%
2021	2,132,714	5,246	2,137,960	1.5%
2022	3,232,539	30,331	3,262,870	52.6%
2023	3,729,273	39,432	3,768,705	15.5%
Compound Annual Growth Rate				
2014 – 2019	2.9%	0.3%	2.8%	
2014 – 2023	3.1%	-6.1%	2.9%	

SOURCE: Palm Beach County Department of Airports, June 2024.

- **FY 2020 to FY 2022**: Enplaned passenger volumes and departing seat capacity decreased sharply due to the industry's response to the COVID-19 pandemic and associated changes in consumer demand. All airlines operating at the Airport substantially reduced capacity FY 2020, with several, including foreign flag carriers Air Canada and Bahamasair, suspending service altogether for several months. New U.S. domestic entrants Avelo Airlines (Avelo) and Breeze Airways (Breeze) began serving the Airport in FY 2022, with the former providing service to Tweed New Haven Airport (HVN) and the latter commencing service to 6 destinations, including its base at Charleston International Airport (CHS). Additional detail on the COVID-19 pandemic recovery period and the new entrant airlines serving the Airport is provided in Sections 5.3.1 and 5.3.3, respectively. Among other new destinations served during the period, Allegiant continues to provide service to Cincinnati/Northern Kentucky International Airport (CVG).
- **FY 2023 to FY 2025**: Total and domestic enplaned passenger volumes recovered to pre-pandemic levels during FY 2023. Among airlines serving the Airport in FY 2019, 5 airlines, including JetBlue, Delta, American, United Airlines (United), and Sun Country, had recovered to pre-pandemic levels by FY 2023. As of August 2024, two new airlines, Porter and Tradewind, are scheduled to begin service during FY 2025.[69,70,71] Porter has published schedules for service to YYZ, which is currently served from PBI by Air Canada. Flights are scheduled to begin in November 2024 and operate four times per week using Embraer E195-E2 aircraft during the peak winter and

[69] AeroRoutes, "Tradewind Aviation Adds West Palm Beach – Bahamas Routes from Late-Dec 2024," https://www.aeroroutes.com/eng/240618-tjdec24pbi (accessed June 27, 2024).

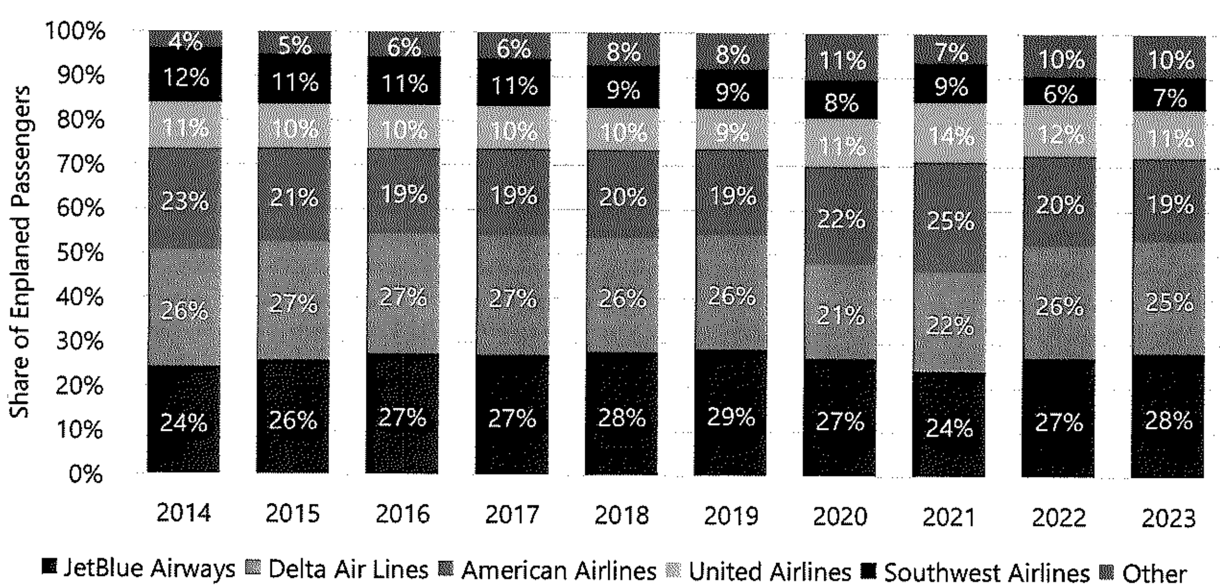
[70] AeroRoutes, "Porter Airlines NW24 Florida Network Expansion," https://www.aeroroutes.com/eng/240627-pdnw24fl (accessed June 27, 2024).

[71] Based on information available as of August 2024, Tradewind Aviation (Tradewind) will operate from the Atlantic Aviation Fixed Base Operator (FBO) facility. Tradewind flight schedules are published in Cirium Diio and are available for public purchase with flights commencing in December 2024.

spring months. Tradewind is scheduled to commence service in December 2024, providing service to North Eleuthera Airport (ELH) and Marsh Harbour Airport (MHH) in the Bahamas using Pilatus PC12 aircraft. ELH has not been served from the Airport on a nonstop basis since FY 2014. Additionally, JetBlue, the largest airline at the Airport by share of total passengers, is scheduled to begin service to Buffalo Niagara International (BUF) and Long Island MacArthur (ISP) airports in FY 2025. These changes are part of the airline's strategic pivot to concentrate flying in its core markets, particularly flights from the Northeast and Mid-Atlantic regions to Florida. BUF represents a new market for the Airport, while JetBlue joins Frontier Airlines (Frontier) and Southwest in serving ISP from PBI. In August 2023, Southwest announced seasonal service to BUF as well as T. F. Green International (PVD; Providence), competing with JetBlue on both routes, while also adding daily nonstop service to its base at Nashville International Airport (BNA); all routes are scheduled to begin in FY 2025.

Exhibit 5-1 and **Table 5-4** present the historical share of enplaned passengers by airline. Exhibit 5-1 presents these data for the historical period from FY 2014 to FY 2023; Table 5-4 presents these data between FY 2019 and FY 2023. No airline represents a majority of enplaned passengers at the Airport, with three airlines (JetBlue, Delta, and American) consistently representing between 19 percent and 29 percent of enplaned passengers, respectively. These airlines have been the largest three airlines when measured by enplaned passengers throughout the historical period, with JetBlue representing the largest share of enplaned passengers since FY 2016, with the exception of FY 2021, when American was the largest airline by share of enplaned passengers. All three airlines recovered to pre-pandemic enplaned passenger levels in FY 2023, though each airline's share of enplaned passengers has decreased slightly during the period due to growth by other airlines and new entrants serving PBI. Among airlines not serving the Airport in FY 2019, Avelo represented the largest share of enplaned passengers in FY 2023, 1.8 percent, the seventh largest airline at PBI by share of enplaned passengers, while other new and resumed entrant airlines Allegiant and Breeze represented 1.5 percent and 0.6 percent of enplaned passenger volumes, respectively.

EXHIBIT 5-1 HISTORICAL TOTAL ENPLANED PASSENGERS BY AIRLINE



NOTES:
Includes regional/commuter affiliates and airlines included in mergers.
Consists of airlines no longer serving the Airport, unaffiliated airlines, and/or charter airlines.
SOURCES: Palm Beach County Department of Airports, June 2024 (aviation activity data); Cirium Diio, June 2024 (published airline schedules).

TABLE 5-4 HISTORICAL TOTAL ENPLANED PASSENGERS BY AIRLINE

(Fiscal Years Ended September 30)

AIRLINE [1]	2019		2020		2021		2022		2023	
	ENPLANED PASSENGERS	SHARE	ENPLANED PASSENGERS	SHARE	ENPLANED PASSENGERS	SHARE	ENPLANED PASSENGERS	SHARE	ENPLANED PASSENGERS	SHARE
JetBlue Airways	958,247	28.6%	558,785	26.5%	510,725	23.9%	872,698	26.7%	1,052,700	27.9%
Delta Air Lines	863,777	25.8%	448,102	21.3%	477,173	22.3%	832,189	25.5%	952,459	25.3%
American Airlines	648,153	19.3%	463,616	22.0%	529,117	24.7%	658,931	20.2%	708,624	18.8%
United Airlines	309,283	9.2%	231,980	11.0%	290,281	13.6%	384,711	11.8%	413,562	11.0%
Southwest Airlines	295,712	8.8%	178,198	8.5%	185,965	8.7%	200,262	6.1%	277,592	7.4%
Frontier Airlines	146,703	4.4%	95,991	4.6%	55,317	2.6%	162,023	5.0%	131,937	3.5%
Avelo Airlines	0	0.0%	0	0.0%	0	0.0%	28,946	0.9%	66,141	1.8%
Allegiant Air	0	0.0%	36,486	1.7%	44,816	2.1%	60,757	1.9%	58,234	1.5%
Spirit Airlines	64,279	1.9%	45,237	2.1%	38,654	1.8%	26,557	0.8%	35,849	1.0%
Air Canada	46,738	1.4%	43,299	2.1%	210	0.0%	13,642	0.4%	28,483	0.8%
Breeze Airways	0	0.0%	0	0.0%	0	0.0%	4,099	0.1%	21,318	0.6%
Sun Country Airlines	1,648	0.0%	1,271	0.1%	1,576	0.1%	10,308	0.3%	10,956	0.3%
Bahamasair	12,451	0.4%	2,012	0.1%	3,679	0.2%	7,413	0.2%	10,850	0.3%
All Others [2]	5,837	0.2%	528	0.0%	447	0.0%	334	0.0%	0	0.0%
Airport Total	**3,352,828**	**100.0%**	**2,105,505**	**100.0%**	**2,137,960**	**100.0%**	**3,262,870**	**100.0%**	**3,768,705**	**100.0%**

NOTES:
1 Includes regional/commuter affiliates and airlines included in mergers.
2 Consists of airlines no longer serving the Airport, unaffiliated airlines, and/or charter airlines.
SOURCES: Palm Beach County Department of Airports, June 2024 (aviation activity data); Cirium Diio, June 2024 (published airline schedules).

5.2.2 MARKET CHARACTERISTICS

As of July 2024, the airlines serving the Airport operated an average of approximately 14,100 daily departing seats and 85 daily departures during FY 2024. Nonstop service[72] was provided or is scheduled to be provided to 42 domestic destinations and 4 international destinations, as shown on **Exhibit 5-2**. Destinations served in FY 2024 include 14 destinations not served in 2019.

The distribution of O&D markets is an important characteristic of passenger demand at an Airport. This is particularly true for the Airport, as it primarily serves O&D passengers, with these passengers predominantly being domestic passengers. **Table 5-5** presents the Airport's top 20 domestic O&D markets during FY 2023 and the airlines that operated nonstop service in the market during the year. The Airport's top 20 O&D markets represented over 80 percent of domestic O&D demand, and the top three markets represented over half of domestic O&D demand. The Airport's top domestic O&D market, New York, represented 35.7 percent of domestic O&D passenger demand, with 5 airports in the New York area receiving nonstop service. The top markets were served by a broad base of airlines, with 10 airlines providing nonstop service in at least one of the top 20 markets. Of the top 20 markets, all were served on a nonstop basis by at least one airline and 7 were served by multiple airlines, including the top six markets (New York, Boston, Washington, Philadelphia, Atlanta, and Chicago) and Minneapolis-St. Paul.

Table 5-6 presents the top 10 international O&D markets during FY 2023. In FY 2023, these markets accounted for approximately half of international O&D demand, and the top market, Toronto, represented 17.5 percent of international O&D demand. During the year, 3 of the top 10 international destinations received nonstop service from the Airport, and these destinations represented approximately one-third international O&D demand. Other international O&D passengers using the Airport were accommodated through a combination of nonstop international flights from the Airport as connections through other US gateway airports.

Table 5-7 depicts 10 years of historical O&D and connecting passenger volumes. O&D passengers increased at a 3.0 percent CAGR between FY 2014 and FY 2023, while connecting passengers decreased during the same period. Several other alternative commercial service airports are also located in the Air Trade Area or broader Miami–Port St. Lucie–Fort Lauderdale Combined Statistical Area (CSA) and serve O&D passenger demand in the region. These airports include Miami International (MIA), Fort Lauderdale–Hollywood International (FLL), and Vero Beach Regional (VRB) airports. Among these airports, MIA and FLL have sizable connecting hub operations, as well as a diverse portfolio of nonstop international service. Additional detail regarding these airports is discussed in Section 5.3.6.

5.2.3 AIRCRAFT OPERATIONS

Table 5-8 presents historical operations (takeoffs and landings) at the Airport between FY 2014 and FY 2023. Total operations recovered to pre-pandemic activity in FY 2021, with additional growth in FY 2022 and FY 2023 yielding 22.3 percent more operations in FY 2023 than FY 2019, and growth during the period representing a 2.6 percent CAGR. Passenger airline aircraft operations recovered to FY 2019 levels in FY 2023, and growth during the entirety of the period represented a 0.9 percent CAGR. Cargo aircraft operations peaked FY 2021, reflecting increased demand for air cargo globally during the pandemic period. Cargo operations growth during the period represented a 4.1 percent CAGR despite decreased cargo operations in FY 2022 and FY 2023. General aviation (GA) activity was robust throughout the pandemic, experiencing a relatively small reduction during FY 2020 before recovering in FY 2021. GA and other air taxi operations during the period grew at a 3.5 percent CAGR.

[72] Includes destinations served seasonally.

EXHIBIT 5-2 DESTINATIONS SERVED

TABLE 5-5 TOP 20 DOMESTIC ORIGIN AND DESTINATION MARKETS (FISCAL YEAR 2023)

(Passengers Per Day, Each Way)

RANK	MARKET	O&D PASSENGERS (PDEW)	PERCENTAGE OF O&D PASSENGERS	AIRLINES PROVIDING NONSTOP SERVICE [1]
1	New York[2]	3,477	35.7%	American Airlines, Delta Air Lines, Frontier Airlines, JetBlue Airways, Southwest Airlines, United Airlines
2	Boston[3]	881	9.0%	Delta Air Lines, JetBlue Airways, Southwest Airlines
3	Washington[4]	767	7.9%	American Airlines, JetBlue Airways, Southwest Airlines, United Airlines
4	Philadelphia[5]	588	6.0%	American Airlines, Avelo Airlines, Frontier Airlines, Southwest Airlines
5	Atlanta	455	4.7%	Delta Air Lines, Frontier Airlines, Southwest Airlines
6	Chicago[6]	214	2.2%	American Airlines, Southwest Airlines, United Airlines
7	Hartford	208	2.1%	JetBlue Airways
8	Dallas[7]	161	1.6%	American Airlines
9	New Haven	136	1.4%	Avelo Airlines
10	Charlotte	129	1.3%	American Airlines
11	Detroit	126	1.3%	Delta Air Lines
12	Los Angeles[8]	111	1.1%	JetBlue Airways
13	Atlantic City	97	1.0%	Spirit Airlines
14	Pittsburgh	95	1.0%	Allegiant Air
15	Minneapolis-St. Paul	90	0.9%	Delta Air Lines, Allegiant Air, Sun Country Airlines
16	Denver	87	0.9%	Frontier Airlines
17	Cincinnati	70	0.7%	Allegiant Air
18	Houston[9]	68	0.7%	United Airlines
19	Raleigh-Durham	68	0.7%	Avelo Airlines
20	Asheville	61	0.6%	Allegiant Air
Other O&D Markets		**1,862**	**19.1%**	
Total Domestic O&D Passengers		**9,750**	**100.0%**	

NOTES:
O&D – Origin and Destination
PDEW – Passengers Daily Each Way
Figures may not sum due to rounding.
1 Scheduled service operated during fiscal year 2023.
2 Includes John F. Kennedy International (JFK), Newark Liberty International (EWR), Long Island MacArthur (ISP), LaGuardia (LGA), White Plains (HPN) Airports.
3 Includes Boston Logan International (BOS), Manchester-Boston Regional (MHT), Worcester Regional (ORH), and T. F. Green International (PVD) Airports.
4 Includes Ronald Reagan Washington National (DCA), Washington Dulles International (IAD), and Baltimore/Washington International Thurgood Marshall (BWI) Airports.
5 Includes Philadelphia International (PHL), Trenton–Mercer (TTN), and Wilmington International (ILG) Airports.
6 Includes O'Hare (ORD) and Midway (MDW) International Airports.
7 Includes Dallas Fort Worth International Airport (DFW) and Dallas Love Field (DAL).
8 Includes Los Angeles International (LAX), Ontario International (ONT), Hollywood Burbank (BUR), Long Beach (LGB), and John Wayne (SNA) Airports.
9 Includes George Bush Intercontinental Airport/Houston (IAH) and William P. Hobby (HOU) Airports.
SOURCES: Sabre Market Intelligence, June 2024 (passenger bookings data); Cirium Diio, June 2024 (published airline schedules).

TABLE 5-6 TOP 10 INTERNATIONAL ORIGIN AND DESTINATION MARKETS (FISCAL YEAR 2023)

RANK	MARKET	O&D PASSENGERS (PDEW)	PERCENTAGE OF O&D PASSENGERS	AIRLINES PROVIDING NONSTOP SERVICE [1]
1	Toronto, Canada[1]	59	17.5%	Air Canada
2	Marsh Harbour, Bahamas	28	8.4%	Bahamasair
3	Montreal, Canada	26	7.8%	Air Canada
4	London, United Kingdom[2]	18	5.5%	NA
5	Rome, Italy	10	2.9%	NA
6	Amsterdam, Netherlands	9	2.6%	NA
7	Dublin, Ireland	8	2.4%	NA
8	Paris, France[3]	7	2.1%	NA
9	San Jose Cabo, Mexico	6	1.8%	NA
10	Vancouver, Canada[4]	6	1.6%	NA
Other O&D Markets		**160**	**47.4%**	
Total International O&D Passengers		**336**	**100.0%**	

NOTES:
O&D – Origin and Destination
PDEW – Passengers Daily Each Way
Figures may not sum due to rounding.
1 Scheduled service operated during fiscal year 2023.
2 Includes Toronto Pearson International (YYZ) and Billy Bishop Toronto City (YTZ) Airports.
3 Includes Heathrow (LHR), Gatwick (LGW), and London City (LCY) Airports.
4 Includes Charles de Gaulle (CDG), Paris–Le Bourget (LBG), and Orly (ORY) Airports.
5 Includes Vancouver (YVR) and Abbotsford (YXX) International Airports.
SOURCES: Sabre Market Intelligence, June 2024 (passenger bookings data); Cirium Diio, June 2024 (published airline schedules).

TABLE 5-7 HISTORICAL ORIGIN AND DESTINATION PASSENGERS

(Fiscal Years Ended September 30)

FISCAL YEAR	TOTAL ENPLANED PASSENGERS	O&D ENPLANED PASSENGERS	PERCENTAGE OF O&D PASSENGERS	CONNECTING ENPLANED PASSENGERS	PERCENTAGE OF CONNECTING PASSENGERS
2014	2,913,818	2,879,239	98.8%	34,579	1.2%
2015	3,090,331	3,050,858	98.7%	39,473	1.3%
2016	3,171,694	3,157,843	99.6%	13,851	0.4%
2017	3,127,410	3,111,124	99.5%	16,286	0.5%
2018	3,267,775	3,251,723	99.5%	16,052	0.5%
2019	3,352,828	3,338,378	99.6%	14,450	0.4%
2020	2,105,505	2,097,532	99.6%	7,973	0.4%
2021	2,137,960	2,134,001	99.8%	3,959	0.2%
2022	3,262,870	3,257,281	99.8%	5,589	0.2%
2023	3,768,705	3,761,843	99.8%	6,862	0.2%
Compound Annual Growth Rate					
2014 – 2019	2.8%	3.0%		-16.0%	
2014 – 2023	2.9%	3.0%		-16.4%	

NOTE:
O&D – Origin and Destination
SOURCES: Palm Beach County Department of Airports, June 2024 (aviation activity data); Cirium Diio, June 2024 (published airline schedules).

TABLE 5-8 HISTORICAL AIRCRAFT OPERATIONS

(Fiscal Year Ended September 30)

FISCAL YEAR	PASSENGER AIRLINE	ALL-CARGO	GENERAL AVIATION / OTHER AIR TAXI	MILITARY	TOTAL	ANNUAL GROWTH
2014	50,700	1,230	84,857	1,198	137,985	2.5%
2015	52,396	1,264	88,730	1,683	144,073	4.4%
2016	53,426	1,332	88,162	1,214	144,134	0.0%
2017	54,234	1,644	86,426	1,229	143,533	-0.4%
2018	54,206	1,754	81,651	1,205	138,816	-3.3%
2019	51,934	1,984	87,044	1,127	142,089	2.4%
2020	38,520	2,060	75,265	989	116,834	-17.8%
2021	39,176	2,136	105,012	665	146,989	25.8%
2022	49,596	2,024	120,716	621	172,957	17.7%
2023	55,156	1,760	116,035	876	173,827	0.5%
Compound Annual Growth Rate						
2014 – 2019	0.5%	10.0%	0.5%	-1.2%	0.6%	
2014 – 2023	0.9%	4.1%	3.5%	-3.4%	2.6%	

SOURCES: Palm Beach County Department of Airports, June 2024 (commercial and total operations data); US Department of Transportation, Federal Aviation Administration, Operations Network, June 2024 (military operations data).

5.2.4 LANDED WEIGHT

Table 5-9 presents the share of landed weight by passenger and all-cargo airlines at the Airport between FY 2019 and FY 2023. In FY 2023, no airline represented more than 30 percent of annual landed weight, and four airlines represented more than 10 percent of landed weight in FY 2023. JetBlue represented the largest share of landed weight in all years except FY 2022, when Delta represented the largest share. Passenger airlines have generally represented the residual top five airlines by landed weight throughout the period, particularly American, United, and Southwest. UPS represented the fifth largest share of landed weight in FY 2022. UPS has been the larger of the two cargo airlines by landed weight throughout the period, and the share of landed weight represented by the airline peaked at 7.2 percent in FY 2021 due to broader cargo and passenger trends during the pandemic noted in Section 5.2.3.

TABLE 5-9 HISTORICAL TOTAL LANDED WEIGHT BY AIRLINE

(Fiscal Years Ended September 30, in 1,000-Pound Units)

AIRLINE [1]	2019		2020		2021		2022		2023	
	LANDED WEIGHT	SHARE	LANDED WEIGHT	SHARE	LANDED WEIGHT	SHARE	LANDED WEIGHT	SHARE	LANDED WEIGHT	SHARE
JetBlue Airways	1,076,577	27.5%	728,376	24.1%	621,789	20.5%	931,688	24.3%	1,105,613	25.8%
Delta Air Lines	890,397	22.8%	557,158	18.4%	687,751	22.7%	882,355	23.0%	1,019,565	23.8%
American Airlines	726,434	18.6%	639,544	21.2%	661,866	21.8%	708,536	18.5%	773,571	18.1%
United Airlines	344,983	8.8%	286,840	9.5%	337,522	11.1%	431,098	11.2%	444,565	10.4%
Southwest Airlines	317,557	8.1%	258,208	8.5%	237,262	7.8%	218,941	5.7%	300,651	7.0%
United Parcel Service	190,908	4.9%	198,375	6.6%	218,505	7.2%	223,450	5.8%	176,653	4.1%
Frontier Airlines	132,878	3.4%	105,889	3.5%	60,888	2.0%	178,097	4.6%	124,603	2.9%
FedEx Express	86,977	2.2%	85,286	2.8%	85,160	2.8%	87,002	2.3%	85,482	2.0%
Avelo Airlines	0	0.0%	0	0.0%	0	0.0%	29,056	0.8%	69,845	1.6%
Allegiant Air	0	0.0%	53,539	1.8%	61,929	2.0%	68,719	1.8%	56,326	1.3%
Spirit Airlines	66,388	1.7%	48,458	1.6%	48,275	1.6%	26,863	0.7%	40,313	0.9%
Air Canada	54,307	1.4%	54,593	1.8%	1,508	0.0%	21,963	0.6%	34,441	0.8%
Breeze Airways	0	0.0%	0	0.0%	0	0.0%	6,693	0.2%	23,895	0.6%
Sun Country Airlines	4,057	0.1%	2,453	0.1%	4,174	0.1%	13,460	0.4%	13,313	0.3%
Bahamasair	13,220	0.3%	2,640	0.1%	5,280	0.2%	6,920	0.2%	9,240	0.2%
All Others [2]	8,769	0.2%	1,214	0.0%	980	0.0%	605	0.0%	0	0.0%
Airport Total	**3,913,451**	**100.0%**	**3,022,573**	**100.0%**	**3,032,890**	**100.0%**	**3,835,445**	**100.0%**	**4,278,075**	**100.0%**

NOTES:
Totals may not sum due to rounding.
1 Includes regional/commuter affiliates and airlines included in mergers.
2 Consists of airlines no longer serving the Airport, unaffiliated airlines, and/or charter airlines.
SOURCES: Palm Beach County Department of Airports, June 2024.

5.3 FACTORS AFFECTING AVIATION DEMAND AT THE AIRPORT

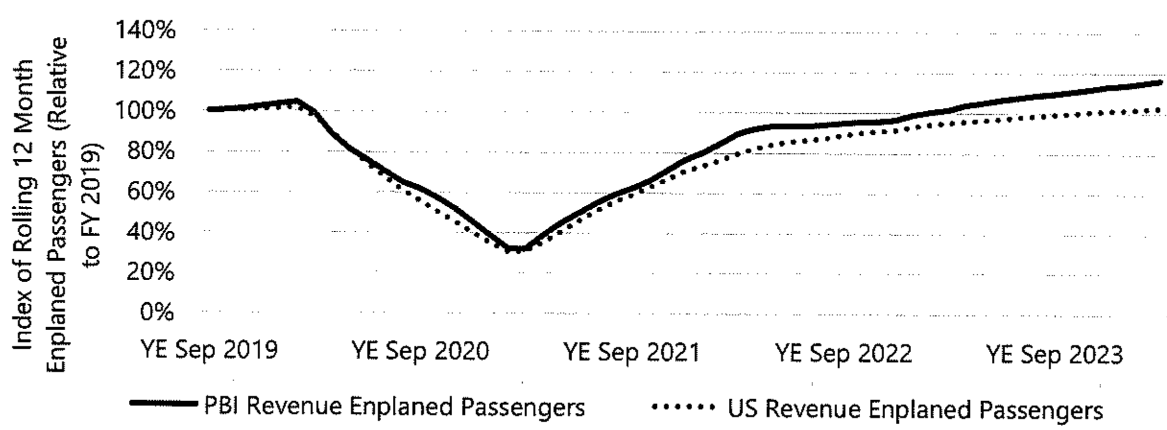
This section discusses the qualitative factors that may influence future aviation activity at the Airport. These factors were considered, either directly or indirectly, in developing the aviation activity forecasts for the Airport.

5.3.1 IMPACT OF THE COVID-19 PANDEMIC

The outbreak and spread of the COVID-19 pandemic severely curbed global aviation demand. The impact to air travel began in East Asia in December 2019 and accelerated to other regions of the world in the first quarter of 2020. Airlines responded by reducing capacity across their networks due to decreased demand, travel restrictions, and border closures. May 2020 represented the low point in terms of passenger airline seat capacity. In June 2020, seat capacity began to recover, with the initial recovery focused primarily on areas with outdoor leisure activities, including Palm Beach, where people could visit while also remaining socially distanced.

The minimum enplaned revenue passenger volume for a rolling 12-month basis recorded relative to FY 2019 at the Airport was 31.9 percent, recorded in the year ending March 2021. The minimum recorded for the US was 30.4 percent, which occurred in year ending February 2021. Travel demand recovery at PBI was relatively robust, with enplaned revenue passengers relative to FY 2019 outpacing the US throughout the recovery period. Two stages of recovery were observed at the Airport, with a high rate of growth from the year ending in March 2021 to the year ending in March 2022 followed by a slower rate of growth as airline networks adjusted to restoring capacity in other markets that were slower to recover. Enplaned revenue passenger volumes at PBI exceeded FY 2019 levels in the year ending February 2023, with recovery to FY 2019 levels for the US occurring in the year ending October 2023. The rate of growth at the Airport following recovery to pre-pandemic volumes has exceeded that of the US through the year ending March 2024, the most recent month with available data. Rolling annual enplaned passenger volumes at PBI represent 116.2 percent of FY 2019 volumes. **Exhibit 5-3** depicts PBI's revenue enplaned passenger volume recovery relative to the United States on a rolling 12-month basis.

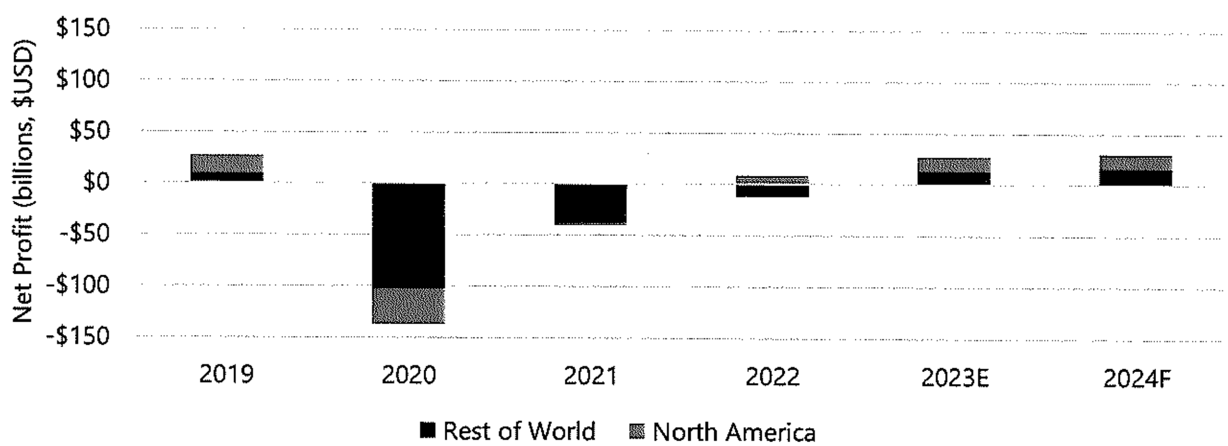
EXHIBIT 5-3 ENPLANED REVENUE PASSENGER RECOVERY – PBI AND THE UNITED STATES



NOTES:
PBI – Palm Beach International Airport; US – United States; YE Sep – Year Ending September
Enplaned passengers indexed to FY 2019 total.
SOURCE: Cirium Diio, June 2024 (US Department of Transportation, T-100 data).

Globally, airlines experienced an operating loss of $137.7 billion in 2020, which lessened to a $40.4 billion operating loss in 2021. In 2022, North American airlines returned to profitability, while airlines throughout the rest of the world are estimated to have returned to profitability in 2023. In 2024, operating profits are forecast to remain unchanged for North American airlines, while profit for airlines in other regions is forecast to increase approximately 24.6 percent.[73] **Exhibit 5-4** shows the airline profitability for North America and for the rest of the world from 2019 to 2024 (as currently forecast).

EXHIBIT 5-4 NET PROFIT OF COMMERCIAL AIRLINES WORLDWIDE



NOTES:
2023E – Estimated; 2024F – Forecast
SOURCE: International Air Transport Association, *Global Outlook for Air Transport – Deep Change – June 2024 – Data Tables*, June 2024.

5.3.2 NATIONAL ECONOMY

Historically, trends in airline travel have been closely correlated with national economic trends, most notably changes in gross domestic product (GDP). Chapter 4 of this Report presents an analysis of the general economic trends, both national and local, that may influence demand for air service over time. National GDP is expected to increase approximately 2.0 percent annually through the Projection Period, which should support generally increasing demand for air service over the Projection Period. Actual economic activity may differ from this forecast, especially on a year-to-year basis. Demand for air service may be impacted by changes in economic performance.

5.3.3 MERGERS, ACQUISITIONS, AND NEW ENTRANT AIRLINES

US airlines have merged or acquired competitors to achieve operational and commercial synergies and to improve their financial performance. A wave of consolidation began in 2005 when America West Airlines merged with US Airways, retaining the US Airways brand for the consolidated airline. In 2009, Delta acquired Northwest Airlines. In 2010, United acquired Continental Airlines. In 2011, Southwest acquired AirTran Airways. In 2013, US Airways and American merged, with the consolidated airline retaining the American brand. The most recent consolidation occurred in 2016 when Alaska acquired Virgin America. The two airlines completed their integration in 2018. In December 2023 Alaska announced its intention to acquire Hawaiian Airlines, subject to regulatory approval. Consolidation across the industry has resulted in the realignment of several airline route networks as airlines have

[73] International Air Transport Association, *Global Outlook for Air Transport – Deep Change – June 2024 – Data Tables*, https://www.iata.org/en/iata-repository/publications/economic-reports/global-outlook-for-air-transport-june-2024-report/#:~:text=Global%20air%20cargo%20traffic%20is,grow%20by%205%25%20in%202024.&text=traffic%2C%20the%20industry's%20revenue%20should,also%20from%20higher%20passenger%20yields. (accessed June 28, 2024).

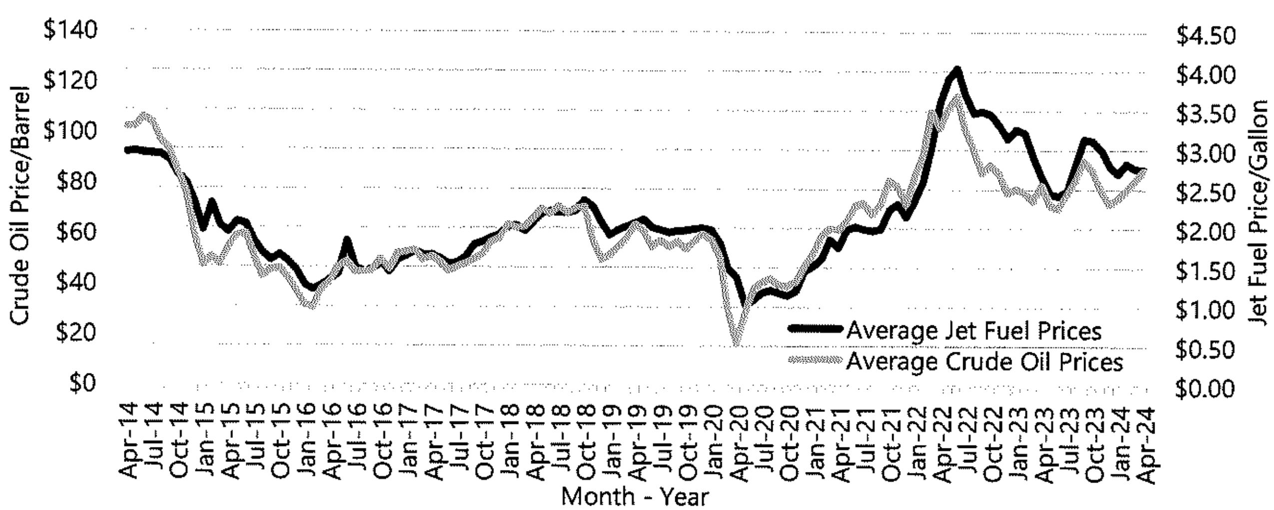
sought to improve network efficiency. Further consolidation of the US airline industry could affect the amount of capacity offered at the Airport and could alter the competitive landscape.

Two new airlines, Avelo and Breeze, have commenced operations in the US domestic passenger airline industry during the pandemic recovery period. Both airlines commenced service to PBI in FY 2022, and the airlines represented 1.8 percent and 0.6 percent of enplaned passengers at the Airport in FY 2023, respectively. According to published airline schedules as of July 2024, Breeze is scheduled to provide service to two airports in FY 2025 (CHS and RDU), while Avelo is scheduled to provide service to HVN. PBI is the twelfth-largest airport by departing seat capacity in the Avelo network and the fortieth-largest airport by departing seat capacity in the Breeze network in FY 2024.

5.3.4 COST OF AVIATION FUEL

As of the second quarter of calendar year (CY) 2024, jet fuel accounted for 21.5 percent of total airline operating costs, second only to labor, according to Airlines for America.[74] The average price of jet fuel peaked in June 2022 at $4.04 per gallon, having grown steadily since April 2020, which represented the lowest price observed during the historical period. Jet fuel prices have generally decreased since June 2022, with an average $2.75 jet fuel price per gallon recorded in April 2024. Fluctuating fuel costs affect airline profitability, which could lead to air service changes as airlines adjust capacity and pricing to address changes in the cost of fuel. **Exhibit 5-5** shows the monthly averages for jet fuel and crude oil prices from April 2014 through April 2024.

EXHIBIT 5-5 HISTORICAL MONTHLY AVERAGES OF JET FUEL AND CRUDE OIL PRICES



SOURCES: US Bureau of Transportation Statistics, June 2024; US Energy Information Administration, June 2024.

5.3.5 INDUSTRY SUPPLY-SIDE CONSTRAINTS

The aviation industry is currently affected by several notable supply-side constraints, including aircraft and capital constraints as well as shortages of pilots affecting hiring cadence and the operation of assets. At present, constrained supply chains and delays in certification of new aircraft types and variants are limiting new aircraft available to enter

[74] Airlines for America, *Passenger Airline Cost Index (PACI)*, http://airlines.org/dataset/a4a-quarterly-passenger-airline-cost-index-u-s-passenger-airlines/ (accessed June 28, 2024).

airline fleets, while preventative maintenance, particularly of engines, is reducing the number of active aircraft in fleets able to operate service. Due to the variety and complexity of airline operation, these factors affect individual airlines with different magnitudes, though all are generally interrelated.

Of note, skilled pilot and air traffic controller labor is currently undersupplied, particularly in the US aviation industry, both of which are limited by the cost, time, complexity, and lack of access to training programs or facilities necessary to become certified. Accordingly, pilot hiring has been muted during recent years, while airspace, particularly in Florida and New York, has had capacity constraints implemented.[75] It is expected that the effects of these factors, while acutely resonant, will lessen throughout the Projection Period.

5.3.6 THREAT OF TERRORISM AND GEOPOLITICAL ISSUES

Since September 11, 2001, the recurrence of terrorism incidents against either domestic or world aviation has remained a risk to achieving forecast levels of activity. Tighter security measures have restored the public's confidence in the integrity of the US and global aviation security systems. However, any terrorist incident targeting aviation could have an immediate and significant impact on the demand for air travel.

Additionally, geopolitical issues may affect aviation activity during the Projection Period. Potential governmental or regional instability in certain countries or locations may affect access to, or demand for, aviation service in these places. At the time of this report, the Russian invasion of Ukraine, which began in February 2022, is still ongoing. Additionally, an escalation of conflict between Israel and Hamas, which began in October 2023, remains an evolving situation. Further developments in these conflicts could exacerbate geopolitical and economic uncertainty and potentially impact demand for travel to certain regions.

5.3.7 OTHER AIRPORTS IN THE REGION

Activity at the Airport can be affected by the availability and quality of air service at nearby airports. A variety of factors influence consumer behavior when selecting air service, including the nonstop destinations and level of service offered, the price of air fares for the itinerary, and the ease or affordability of accessing and using an airport. Passenger leakage to competing airports in South Florida occurs when passengers in the ATA choose to use an alternative airport instead of PBI. Similar leakage can occur with cargo and GA activity.

Exhibit 5-6 displays other airports in the South Florida region, along with their distance from PBI. Regional airports identified as alternatives to the Airport for O&D passenger activity are all located in the Miami CSA and include MIA in Miami and FLL in Fort Lauderdale. Additionally, VRB is also presented on the exhibit due to its location in the Air Trade Area, however passenger service at VRB is currently limited and focused on the smaller Vero Beach market due to its distance from the urban core cities in the region, Miami, Fort Lauderdale, and Palm Beach. Along with PBI, the key alternative airports, MIA and FLL, each serve as the primary commercial airport for one of the CSA's constituent counties. These airports have a stronger market presence in their region of the Miami CSA, drawing from the immediate counties and cities nearby, with PBI representing the primary airport for the counties in the ATA. However, catchment areas for individual airports do overlap in the region, based on available air service and price sensitivity. In addition to PBI, the Palm Beach County Department of Airports also operates three GA airports, which are also presented on Exhibit 5-5. These airports include Palm Beach County Park Airport (LNA), Palm Beach County Glades Airport (PHK), and North Palm Beach County General Aviation Airport (F45).

[75] WUSF, *How the Ongoing Air Traffic Controller Shortage is Affecting Florida's Airspace, and How to Fix It*, https://www.wusf.org/transportation/2024-03-19/how-ongoing-air-traffic-controller-shortage-affecting-florida-airspace-how-to-fix-it (accessed August 6, 2024).

EXHIBIT 5-6 ALTERNATIVE AIRPORTS

Table 5-10 presents a comparison of seat capacity, number of domestic and international destinations served, average daily departures, the share of originating O&D passengers, average domestic fare, average domestic fares on nonstop service offered at PBI and the alternative airport, and distance from PBI for the Airport and other airports within the Miami CSA.

MIA is located 62 miles south of the Airport in Miami-Dade County. Among alternative airports, MIA is the primary international hub for the region. American operates a hub at MIA, which primarily connects the US to Latin America and the Caribbean. Many foreign flag airlines, primarily based in Latin America, the Caribbean, and Europe, also provide service to the airport. In FY 2024, 55 airlines provided service to the airport, including 10 US domestic airlines and 45 foreign-flag airlines. On average, these airlines provided approximately 511 daily departures to 87 domestic and 107 international destinations. MIA receives nonstop service to 13 domestic and 67 international airports that are unserved by other airports in the region. One domestic destination is currently only served from MIA and PBI.

FLL is located 42 miles south of the Airport in Broward County. FLL serves as a secondary international airport for the region, with low-cost carriers (LCC) and ultra-low-cost carriers (ULCC) Spirit Airlines (Spirit) and JetBlue operating bases connecting the US and short-haul international destinations, while Allegiant provides nonstop service to many secondary and tertiary US destinations. In FY 2024, 24 airlines served the airport. Among passenger airlines, 12 were US domestic airlines and 12 were foreign-flag airlines. These airlines provided an average of 343 daily departures to 95 domestic and 52 international destinations. FLL receives nonstop service to 27 total destinations and 15 domestic US destinations served solely from FLL, and 7 domestic destinations are served only from FLL and PBI.

Airlines at PBI currently serve 34 domestic destinations that are also served from both alternative airports, and all 4 of the Airport's international destinations also receive service from MIA and FLL. No airports are currently served solely from PBI. Additionally, MIA and FLL receive service to 39 domestic destinations and 36 international destinations currently unserved from PBI. In both FY 2019 and FY 2023, PBI accommodated approximately 15 percent of South Florida's domestic O&D market. During the pandemic period, market changes in the South Florida region caused PBI's share of this market to decrease. A minimum 12 percent share was observed in FY 2021, as MIA benefited from several domestic airlines commencing service, including JetBlue, Southwest, and Spirit. As recovery progressed, the share of domestic O&D passengers represented by PBI returned to pre-pandemic levels, with the Airport representing 15 percent of domestic O&D passengers in the region in FY 2023.

Exhibit 5-7 presents the domestic O&D revenue enplaned passengers from PBI, FLL, and MIA from FY 2019 through FY 2023; passenger volumes at VRB are limited. Domestic O&D passengers represent an integral metric for comparison to other regional airports, given the primary role of the Airport is domestic O&D passengers, whereas a key characteristic of air service at MIA and FLL are large airline operating bases that accommodate connecting passengers traveling between the US and destinations in Latin America and the Caribbean. Accordingly, FLL and MIA both have larger international passenger volumes than the Airport, and international passengers make up a larger share of enplaned passengers relative to PBI, with similar patterns applicable to connecting passenger volumes.

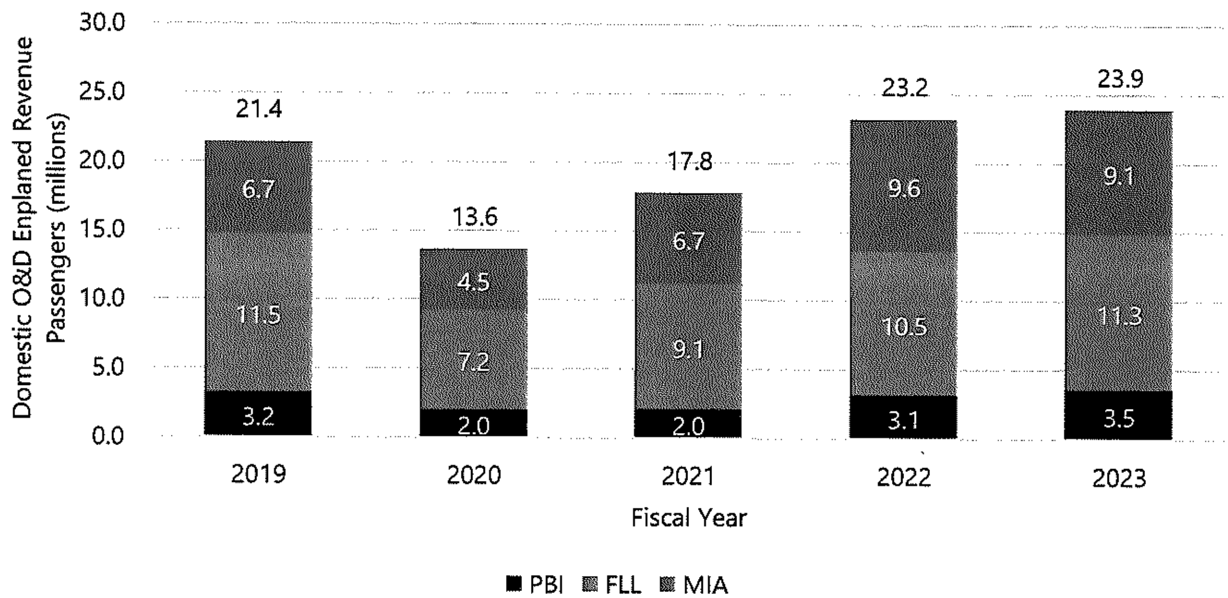
Total domestic O&D passenger volumes in South Florida recovered quickly relative to the rest of the US domestic market as domestic leisure travel focused on outdoor and sun markets with less stringent travel restrictions, including South Florida, experienced a relatively robust recovery. Total domestic O&D enplaned passengers in the region exceeded pre-pandemic volumes in FY 2022 and increased to 23.9 million enplaned passengers in FY 2023.

TABLE 5-10 ALTERNATIVE AIRPORTS SUMMARY

AIRPORT	SCHEDULED SEATS[1]	LARGEST AIRLINE AND SHARE OF TOTAL SEATS	NUMBER OF MARKETS SERVED			AVERAGE DAILY DEPARTURES[4]	PERCENTAGE OF ORIGINATING O&D PASSENGERS[5]	AVERAGE DOMESTIC FARE[6]	AVERAGE DOMESTIC FARE FOR DESTINATIONS SERVED NONSTOP FROM PBI[6]	DISTANCE FROM PALM BEACH (MILES)
			DOMESTIC[2]	INTERNATIONAL[3]	TOTAL					
Palm Beach International Airport (PBI)	14,048	Delta Air Lines (24.7%)	42	4	46	85	39.7%	$191	$177	-
Alternative Airports										
Miami International Airport (MIA)	88,194	American Airlines (59.5%)	86	106	192	510	37.7%	$192	$176	62
Fort Lauderdale-Hollywood International Airport (FLL)	59,946	Spirit Airlines (31.8%)	95	52	147	342	39.2%	$147	$139	42
Vero Beach Regional Airport (VRB)	309	Breeze Airways (100.0%)	4	0	4	2	37.7%	$95	$96	70

NOTES:
O&D – Origin and Destination
1 Average daily seat capacity as scheduled in fiscal year (FY) 2024.
2 Regularly scheduled nonstop service to airports within the United States during FY 2024.
3 Regularly scheduled nonstop service to airports outside the United States during FY 2024.
4 Average daily departures as scheduled in FY 2024.
5 Originating O&D passenger percentages as of the 12-month period ending September 30, 2023 (FY 2023).
6 Average domestic fare as of the 12-month period ending September 30, 2023 (FY 2023). Excludes ancillary fees and charges.
SOURCE: Cirium Diio, August 2024 (published airline schedules; US Department of Transportation, DB1B data).

EXHIBIT 5-7 HISTORICAL DOMESTIC ORIGIN AND DESTINATION ENPLANED REVENUE PASSENGERS FROM SOUTH FLORIDA AIRPORTS



NOTES:
FY – Fiscal Year; FLL – Fort Lauderdale–Hollywood International Airport; MIA – Miami International Airport; PBI – Palm Beach International Airport
O&D passengers include revenue passengers only and will not tie to enplaned O&D passengers presented in Table 5-7.
SOURCE: Cirium Diio, June 2024 (US Department of Transportation, O&D Survey).

5.4 FORECAST OF PASSENGER DEMAND AND AIRLINE OPERATIONS

5.4.1 ACTIVITY FORECAST METHODOLOGY

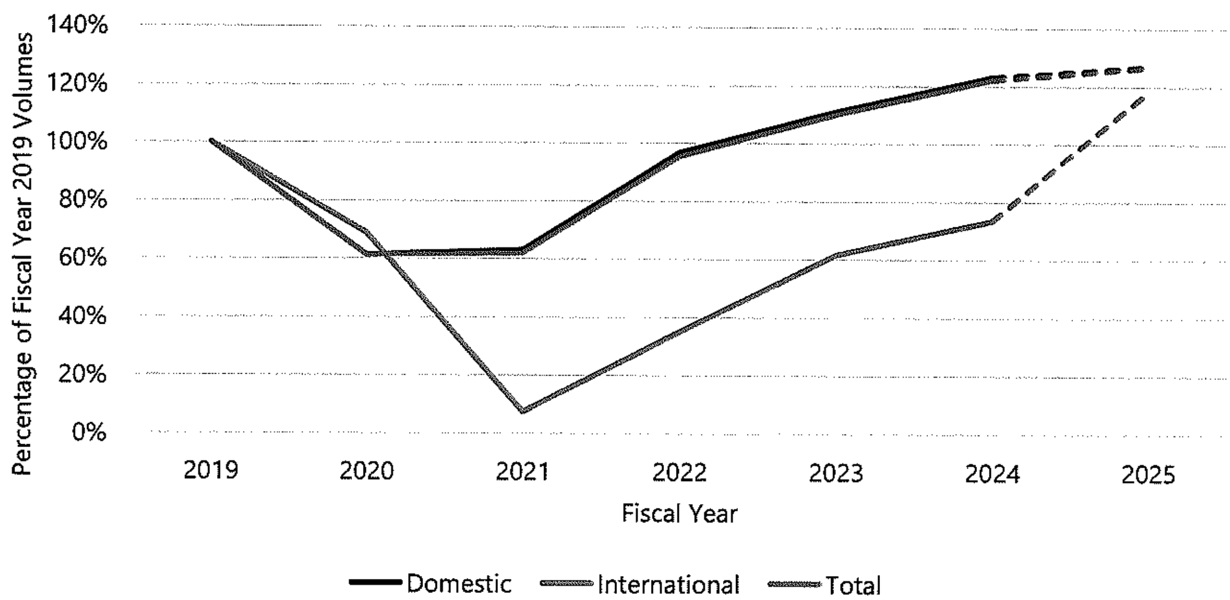
Forecasts of Airport activity were developed for FY 2024 through FY 2030. The assumptions, techniques, and results of the forecast process are described in the following subsections.

5.4.1.1 SHORT TERM PASSENGER ACTVITY FORECAST METHODOLOGY

The short-term passenger forecast analyzed qualitative and quantitative factors, including published airline schedules, historical data, and assumptions based on industry trends, to forecast passenger activity for FY 2024 and FY 2025. Actual reported activity data was available for the period from October 2023 to March 2024, with published airline schedules used to estimate the period from April 2024 to September 2024. Airline and region-level estimates of performance were developed based on trends of load factors and completion rates. These were identified through analysis of actual data furnished by the Airport and US DOT enplaned passenger and O&D data available through the end of FY 2023. As of July 2024, published airline schedules are generally considered reliable for a six-month period into the future, i.e., through the period ending December 2024. Estimates of load factors were applied to scheduled seat capacity and operations to derive enplaned passenger and operations forecasts for the remainder of FY 2024 and October 2024 through December 2024 in FY 2025. The remainder of FY 2025 was forecast by applying estimates of load factors, seats per departure, and daily departures derived from trend analysis of historical and published schedule data and announced changes in air service at the Airport.

This approach, which models the forecast from a bottom-up, flight segment level of detail, was used for both domestic and international passenger activity. **Exhibit 5-8** depicts the forecast recovery for domestic, international, and total enplaned revenue passengers to FY 2019 volumes. Among these segments of aviation activity, domestic and total enplaned passenger volumes recovered to pre-pandemic activity levels by FY 2023. International enplaned passenger volumes represent a relatively small share of enplaned passenger volumes at the Airport; this segment of activity is forecast to return to pre-pandemic levels in FY 2025 due in part to new airlines providing service from the Airport to Canada and the Bahamas as well as additional departing seat capacity and increased load factors on existing international air service.

EXHIBIT 5-8 ENPLANED REVENUE PASSENGER RECOVERY AND FISCAL YEARS 2024 AND 2025 FORECAST



SOURCES: Cirium Diio, July 2024 (US Department of Transportation, T-100 data); Ricondo & Associates, Inc., July 2024 (analysis).

5.4.1.2 LONG-TERM PASSENGER ACTIVITY FORECAST METHODOLOGY

Longer-term O&D passenger activity was forecast using socioeconomic regression analysis techniques that identified predictive statistical relationships between historical O&D passenger volumes and several independent socioeconomic variables sourced from Woods & Poole Economic, Inc. As detailed in Section 5.3.7, the Airport is one of several airports with commercial service in the Air Trade Area and broader Miami CSA which compete for passenger airline activity. Historical O&D passenger volumes for airports in the Miami CSA were incorporated into the regression analysis model; socioeconomic variables in the model include population, employment, total and net earnings, total and per capita personal income, and gross regional and domestic product for the Miami CSA and the US.

Regression analysis was performed for the 20-year period between 2000 and 2019. Activity occurring in the period from 2020 to 2023 was not included in the regression analysis as it was influenced by pandemic-related factors that are not representative of typical factors driving aviation demand that are expected to influence future activity levels.

Similarly, regressions were performed on a calendar year (CY) basis, aligning with the annual period for socioeconomic projections, with the forecast growth rates assumed to apply to a FY baseline in the long-term forecast methodology. Regression models were based on data prior to the onset of the COVID-19 pandemic. The traditional relationships between socioeconomic variables and passenger volume were disrupted during the pandemic; these relationships have normalized as passenger demand has recovered, and the historical regression relationship has been used to forecast future demand at the Airport. Passenger recovery for domestic and total passenger activity at the Airport occurred in FY 2023, the base year for the Projection Period.

The resulting regression equations were then populated with independent projections of the relevant socioeconomic variables sourced from Woods & Poole, yielding a range of potential O&D passenger growth. Relationships with positive correlation coefficients (R values) and coefficients of determination (R-squared values) greater than 0.70 were selected for use in this forecast; **Table 5-11** shows relationships between socioeconomic variables and O&D passengers, their R-squared values, and their 8-year CAGRs during the Projection Period. Relationships meeting the minimum R-squared threshold are presented in the table. Passenger growth was forecast using these relationships beginning with FY 2025, with the overall growth rate developed from the average of all selected relationships excluding the highest and lowest implied CAGR for domestic and international O&D passengers, respectively, in order to limit the effect of potential outliers on forecast passenger volumes. Excluded outliers include the regressions between domestic O&D passengers and Miami CSA total employment or net earnings as well as international O&D passengers and US total population or Miami CSA new earnings.

During FY 2024 and FY 2025, domestic and international O&D passenger volume forecasts are derived from the short-term enplaned passenger forecasts. During the short-term period, it is assumed that the share of passengers at the Airport represented by connecting passengers will remain constant. For the period from FY 2026 to FY 2030, it is assumed that the domestic and international O&D passenger share of total Miami CSA domestic and international O&D passenger volumes, including FLL, MIA, PBI, and VRB, represented by PBI will remain constant. This is in line with pre-pandemic trends, wherein PBI consistently represented between 14.5 percent and 17.0 percent of domestic O&D passengers in the region as well as 1.5 percent to 1.9 percent of international O&D passengers in the region. During the pandemic period, the share of domestic and international O&D passengers represented by PBI decreased, with PBI representing a minimum of 11.5 percent of domestic O&D and 1.0 percent of international O&D in the Miami CSA, however, the share represented by each had recovered to 14.8 percent and 1.6 percent of Miami CSA domestic and international O&D passengers in FY 2023, within the pre-pandemic ranges.

Between FY 2014 and FY 2023, connecting passengers represented a maximum of 1.3 percent of enplaned passengers at the Airport, with a maximum of 0.5 percent recorded since FY 2015. Connecting passengers represented 0.2 percent of enplaned passengers from FY 2021 to FY 2023. Due to the Airport's role as a spoke serving US legacy airline hubs and point-to-point routes to LCC and ULCC operating bases, it is not expected that connecting passengers will compose a significant portion of passenger traffic during the Projection Period. Connections that do occur are assumed to continue to be incidental in nature, rather than the result of specific efforts by airlines to connect traffic through the Airport. As a result, the forecast assumes that connecting passengers as a percentage of total passengers will remain constant throughout the Projection Period at the FY 2021 to FY 2023 level of 0.2 percent of total enplaned passengers.

TABLE 5-11 SOCIOECONOMIC REGRESSION ANALYSIS OUTPUTS – DOMESTIC AND INTERNATIONAL O&D PASSENGER VOLUMES

SOCIOECONOMIC VARIABLE	GEOGRAPHY	R^2 VALUE	IMPLIED FY 2023 – FY 2030 CAGR
Domestic O&D			
Total Employment	Miami CSA	0.87	1.5%
Total Earnings	Miami CSA	0.96	2.7%
Total Personal Income	Miami CSA	0.91	2.2%
Net Earnings	Miami CSA	0.96	2.7%
Total Personal Income Per Capita	Miami CSA	0.93	1.8%
Gross Regional Product	Miami CSA	0.92	2.6%
Total Employment	United States	0.84	1.9%
Total Earnings	United States	0.86	2.3%
Total Personal Income	United States	0.77	2.0%
Net Earnings	United States	0.85	2.3%
Total Personal Income Per Capita	United States	0.83	2.0%
Gross Domestic Product	United States	0.80	2.0%
Average			**2.2%**
International O&D			
Total Population	Miami CSA	0.87	2.5%
Total Employment	Miami CSA	0.92	2.1%
Total Earnings	Miami CSA	0.76	3.4%
Total Personal Income	Miami CSA	0.88	3.0%
Net Earnings	Miami CSA	0.76	3.4%
Total Personal Income Per Capita	Miami CSA	0.75	2.3%
Gross Regional Product	Miami CSA	0.74	3.4%
Total Population	United States	0.84	2.1%
Total Employment	United States	0.92	2.8%
Total Earnings	United States	0.93	3.2%
Total Personal Income	United States	0.93	3.0%
Net Earnings	United States	0.94	3.3%
Total Personal Income Per Capita	United States	0.93	2.9%
Gross Domestic Product	United States	0.89	2.9%
Average			**2.9%**

NOTES:
CAGR – Compound Annual Growth Rate; FY – Fiscal Year; CSA – Combined Statistical Area
SOURCES: Woods & Poole Economics, Inc., July 2024 (socioeconomic projections); Ricondo & Associates, Inc., July 2024 (analysis).

5.4.1.3 OTHER ASSUMPTIONS INCORPORATED INTO ACTIVITY FORECASTS

The following assumptions were also incorporated into the forecasts:

- Airlines will continue their trend of upgauging to larger average aircraft sizes that can accommodate more passengers per operation at the Airport, resulting in operations growing at a slower rate than enplaned passengers.
- International O&D passenger demand growth will be primarily accommodated through passengers utilizing domestic flight segments to access other major international gateways in the US (such as Miami (MIA) or Hartsfield-Jackson Atlanta (ATL) international airports).
- It is assumed that ongoing constraints resulting from fleet availability and labor shortages will ease over time, with lessening impact in the longer term portion of the Projection Period.
- For these analyses, and as with the FAA's assumptions for its nationwide forecasts, it is assumed neither terrorist incidents that materially impact US air traffic demand during the Projection Period will occur, nor will variants of COVID-19 emerge that would result in a similar reduction in air service as experienced at the onset of the pandemic.

5.4.2 PASSENGER VOLUME FORECAST

Table 5-12 presents the forecast of passenger activity at the Airport based upon the methodology described previously. Total annual enplaned passengers are forecast to grow from 3.8 million in FY 2023 to 4.8 million in FY 2030, representing a 3.6 percent CAGR. The growth rate during the Projection Period is above that of the pre-pandemic period and the historical period. The higher CAGR is due primarily to the passengers forecast in FY 2024, which represents 10.9 percent higher total enplaned passengers than FY 2023. During the period with available USDOT data in FY 2024, October 2023 to March 2024, enplaned revenue passengers increased 11.4 percent relative to the same period in FY 2023. International enplaned passengers are forecast to grow at a higher rate than domestic enplaned passengers during the forecast period, representing 11.9 percent and 3.5 percent CAGRs, respectively. International passengers had yet to recover to pre-pandemic levels in FY 2023, and this is forecast to occur in FY 2025 due in part to new entrant airlines that have announced service in FY 2024 and FY 2025. International enplaned passenger volumes forecast in FY 2030 are 1.2 percent greater than the maximum international enplaned passenger volume recorded in the historical period (85,816 passengers in FY 2015). Forecast growth in domestic enplaned passengers is greater than the growth rate recorded during the historical period.

5.4.3 PASSENGER AIRCRAFT OPERATIONS FORECAST

Passenger volume growth at the Airport is expected to be accommodated through a combination of larger aircraft, new flights, and increasing load factors. Passenger aircraft operations were forecast based on the enplaned passenger forecast and historical data, trends, assumptions related to airline load factors at the Airport, and projected fleet mix based on announced aircraft orders as well as announced and assumed retirements; **Table 5-13** presents the forecast of passenger aircraft operations, average seats per departure, average load factor, and total seats and passenger volumes for the Projection Period.

TABLE 5-12 ENPLANED PASSENGER FORECAST

(Fiscal Years Ended September 30)

FISCAL YEAR	DOMESTIC ENPLANED PASSENGERS	INTERNATIONAL ENPLANED PASSENGERS	TOTAL ENPLANED PASSENGERS	ANNUAL GROWTH
Historical				
2014	2,844,655	69,163	2,913,818	3.0%
2015	3,026,468	63,863	3,090,331	6.1%
2016	3,095,888	75,806	3,171,694	2.6%
2017	3,041,594	85,816	3,127,410	-1.4%
2018	3,186,634	81,141	3,267,775	4.5%
2019	3,282,770	70,058	3,352,828	2.6%
2020	2,061,959	43,546	2,105,505	-37.2%
2021	2,132,714	5,246	2,137,960	1.5%
2022	3,232,539	30,331	3,262,870	52.6%
2023	3,729,273	39,432	3,768,705	15.5%
Forecast				
2024	4,133,432	47,073	4,180,504	10.9%
2025	4,255,351	75,529	4,330,880	3.6%
2026	4,350,578	77,755	4,428,333	2.3%
2027	4,447,554	80,025	4,527,579	2.2%
2028	4,542,216	82,200	4,624,416	2.1%
2029	4,641,230	84,506	4,725,736	2.2%
2030	4,741,498	86,841	4,828,339	2.2%
Compound Annual Growth Rate				
2014 – 2019	2.9%	0.3%	2.8%	
2014 – 2023	3.1%	-6.1%	2.9%	
2023 – 2030	3.5%	11.9%	3.6%	

SOURCES: Palm Beach County Department of Airports, July 2024 (historical data); Ricondo & Associates, Inc., July 2024 (forecast).

TABLE 5-13 PASSENGER AIRCRAFT OPERATIONS FORECAST

(Fiscal Years Ended September 30)

FISCAL YEAR	PASSENGER AIRCRAFT OPERATIONS	AVERAGE SEATS PER DEPARTURE	AVERAGE LOAD FACTOR	TOTAL PASSENGERS	TOTAL SEATS
Historical					
2014	50,700	134.0	85.8%	5,827,636	6,795,024
2015	52,396	139.8	84.4%	6,180,662	7,322,658
2016	53,426	140.4	84.6%	6,343,388	7,499,504
2017	54,234	140.4	82.2%	6,254,820	7,613,242
2018	54,206	147.0	82.0%	6,535,550	7,969,402
2019	51,934	154.5	83.6%	6,705,656	8,024,866
2020	38,520	158.6	68.9%	4,211,010	6,107,346
2021	39,176	156.0	70.0%	4,275,920	6,111,248
2022	49,596	157.6	83.5%	6,525,740	7,813,952
2023	55,156	160.9	84.9%	7,537,410	8,873,982
Forecast					
2024	63,346	162.4	81.3%	8,361,009	10,286,131
2025	67,615	156.5	81.9%	8,661,759	10,578,656
2026	68,956	156.3	82.2%	8,856,666	10,777,209
2027	70,262	156.3	82.5%	9,055,158	10,978,666
2028	71,516	156.2	82.8%	9,248,831	11,172,841
2029	72,652	156.6	83.1%	9,451,473	11,376,409
2030	73,684	157.2	83.4%	9,656,679	11,581,587
Compound Annual Growth Rate					
2014 – 2019	0.5%	2.9%		2.8%	3.4%
2014 – 2023	0.9%	2.1%		2.9%	3.0%
2023 – 2030	4.2%	-0.3%		3.6%	3.9%

SOURCES: Palm Beach County Department of Airports, July 2024 (historical passenger data); Cirium Diio, July 2024 (published airline schedules and US Department of Transportation T-100 data); Ricondo & Associates, Inc., July 2024 (forecast).

The average seats per departure at the Airport increased from 134.0 seats per departure to 160.9 seats per departure during the historical period, representing a 2.1 percent CAGR. This trend was influenced by aircraft upgauging across the US domestic airline industry and was exemplified by Delta's retirement of McDonnell Douglas MD-88 and MD-90 aircraft, which had seat capacities ranging between 149 passengers and 158 passengers. These aircraft operated the majority or plurality of Delta's flights at the Airport between FY 2014 and FY 2018 and were replaced with larger Boeing 737-900ER and Airbus A321 aircraft, which have seat capacities ranging between 173 passengers and 191 passengers. During the historical period, ULCCs also grew at the Airport, including Allegiant, Spirit, and Frontier, which operate Airbus A320 family aircraft with a dense, all-economy configuration. Based on the analysis of future airline aircraft orders and fleet plans, most airlines are expected to continue to upgauge their aircraft. However, average seats per departure are expected to decrease from 160.9 seats per departure in FY 2023 to 156.5 seats per departure in FY 2025 due to new entrant airlines with announced service at the Airport, including Porter and Tradewind, all of which exclusively operate smaller aircraft than the current average seats per departure. Tradewind operates particularly small aircraft, using Pilatus PC-12 aircraft equipped with 8 seats. In the longer-term, average seats per departure is forecast to resume growth relative to FY 2025, with an average of 157.2 seats per departure forecast in FY 2030. Excluding new entrants and JetBlue, which is currently taking delivery premium-heavy, low-density Airbus A321neo and small Airbus A220 aircraft, the average seats per departure for incumbent airlines is forecast to remain constant or increase during the period, with CAGRs ranging between 0.0 percent and 1.5 percent by airline. Load factors were assumed to decrease in the short-term forecast methodology in response to reflect recent capacity trends in actual reported activity at the Airport before increasing in the long-term.

5.4.4 CARGO VOLUME AND OPERATIONS FORECASTS

Historical cargo activity at the Airport was examined to develop forecasts of cargo carried by dedicated freighter aircraft and cargo carried by passenger aircraft in belly compartments. Most cargo tonnage is carried by dedicated freighter aircraft, accounting for 94 percent or more of total cargo tonnage. The PBI cargo volume forecast utilized regression analysis to identify predictive relationships between historical dedicated freighter cargo tonnage at the Airport and socioeconomic variables for the period between CY 2009 and CY 2023. Data for the period from 2020 through 2023 yielded acceptable regression results due to the continuity of trade and cargo fulfillment during the pandemic period and were included in model development.

Cargo volumes were forecast using socioeconomic regression analysis techniques that identified predictive statistical relationships between historical cargo volumes and several independent socioeconomic variables sourced from Woods & Poole Economic, Inc. Historical cargo volumes the Airport were incorporated into the regression analysis model; socioeconomic variables in the model include population, employment, total and net earnings, total and per capita personal income, and gross regional and domestic product for the Miami CSA and the US. Socioeconomic variables were projected on a CY basis, and growth rates of the resulting regressions are assumed to apply to dedicated freighter volumes on a FY basis at the Airport. The resulting regression equations were then populated with independent projections of the relevant socioeconomic variables sourced from Woods & Poole, yielding a range of potential cargo volume growth. Relationships with positive correlation coefficients (R values) and coefficients of determination (R^2 values) greater than 0.70 were selected for use in this forecast; **Table 5-14** shows the relationships meeting the R^2 threshold, their R^2 values, and their 8-year CAGRs during the Projection Period. The overall growth rate for was developed from the average of all selected relationships except for the highest and lowest implied CAGR for cargo volumes, which were excluded to limit the influence of outliers on forecast results. Excluded relationships include the relation between cargo volume and US total population as well as cargo volume and Miami CSA total personal income per capita.

Dedicated freighter cargo operations were forecast based on historical trends in cargo operations as well as the forecast of dedicated freighter cargo volumes. Dedicated freighter aircraft have carried an average cargo volume ranging between 9.3 tons per operation and 18.8 tons per operation; all-cargo airlines carried an average of 16.2 tons per operation in FY 2023. The share of operations operated by widebody aircraft increased during the historical period. It is assumed that this trend will continue during the Projection Period, with slight growth in tonnage per operation assumed due to the gauge of aircraft operating all-cargo airline operations. Similarly, it is assumed that this increase can be accommodated on existing flights, similar to load factor assumptions made for passenger aircraft operations. Historically, passenger airlines have carried between 0.4 pounds and 0.2 pounds of belly cargo per seat. This includes both freight and mail volumes. Passenger belly cargo volumes were forecast based on the cargo volume per seat rate, which was assumed to remain constant over the Projection Period.

TABLE 5-14 SOCIOECONOMIC REGRESSION ANALYSIS OUTPUTS – DEDICATED FREIGHTER AIRCRAFT CARGO VOLUME

SOCIOECONOMIC VARIABLE	GEOGRAPHY	R^2 VALUE	IMPLIED FY 2023 – FY 2030 CAGR
Total Employment	Miami CSA	0.71	1.6%
Total Earnings	Miami CSA	0.74	2.4%
Total Personal Income	Miami CSA	0.81	2.2%
Net Earnings	Miami CSA	0.75	2.4%
Total Personal Income Per Capita	Miami CSA	0.82	1.5%
Total Population	United States	0.71	2.7%
Total Earnings	United States	0.75	2.6%
Total Personal Income	United States	0.81	2.5%
Net Earnings	United States	0.76	2.6%
Total Personal Income Per Capita	United States	0.82	2.1%
Gross Domestic Product	United States	0.72	2.5%
Average			**2.3%**

NOTES:
CAGR – Compound Annual Growth Rate
FY – Fiscal Year
SOURCES: Woods & Poole Economics, Inc., July 2024 (socioeconomic projections); Ricondo & Associates, Inc., July 2024 (analysis).

Table 5-15 presents historical and forecast passenger belly and all-cargo airline cargo volumes, along with all-cargo airline freighter operations. Passenger belly cargo, dedicated all-cargo freighter, and total cargo tonnage are forecast to grow at 3.9 percent, 2.3 percent, and 2.4 percent CAGRs. Passenger belly cargo is derived from the passenger seat capacity forecast, resulting in a higher rate than dedicated freighter cargo tonnage. Passenger belly cargo volumes forecast in FY 2030 represent a decrease from the historical maximum volume observed in FY 2014. Dedicated freighter cargo tonnage is forecast to grow at a slightly higher rate than dedicated freighter operations (2.3 percent and 1.5 percent) due to an assumed increase in cargo tonnage per operation as described previously.

5.4.5 GENERAL AVIATION, OTHER AIR TAXI, AND MILITARY AIRCRAFT OPERATIONS FORECASTS

General aviation and other air taxi operations at the Airport were modeled to grow at the same rate as forecast by the FAA in its *FAA Aerospace Forecast FY 2024–2044* (Aerospace Forecast); military operations were modeled to grow at the same rate forecast by the FAA in its *2023 Terminal Area Forecast* (TAF). As a result, general aviation and other air taxi operations are forecast to grow from 116,035 in FY 2023 to 126,933 in FY 2030, a 1.3 percent CAGR. Military aircraft operations represent a small component of traffic at the Airport and are highly dependent on the needs of the Department of Defense. Accordingly, it is assumed that military operations will remain constant throughout the Projection Period at 876 operations. **Table 5-16** presents historical and forecast general aviation and other air taxi operations as well as military aircraft operations.

TABLE 5-15 CARGO VOLUME AND OPERATIONS FORECASTS

FISCAL YEAR	CARGO TONNAGE			TONS PER ALL-CARGO OPERATION	ALL-CARGO OPERATIONS
	PASSENGER BELLY	ALL-CARGO	TOTAL		
Historical					
2014	1,362	23,090	24,452	18.8	1,230
2015	1,328	23,453	24,781	18.6	1,264
2016	1,163	21,376	22,539	16.0	1,332
2017	1,020	23,650	24,670	14.4	1,644
2018	906	24,098	25,004	13.7	1,754
2019	854	27,924	28,778	14.1	1,984
2020	839	28,244	29,083	13.7	2,060
2021	797	19,959	20,756	9.3	2,136
2022	736	22,375	23,111	11.1	2,024
2023	725	28,487	29,212	16.2	1,760
Forecast					
2024	840	29,161	30,001	16.3	1,787
2025	864	29,868	30,732	16.4	1,816
2026	880	30,567	31,447	16.6	1,844
2027	897	31,281	32,178	16.7	1,872
2028	913	31,972	32,885	16.8	1,899
2029	929	32,702	33,632	17.0	1,927
2030	946	33,442	34,389	17.1	1,956
Compound Annual Growth Rate					
2014 – 2019	-8.9%	3.9%	3.3%	-5.6%	10.0%
2014 – 2023	-6.8%	2.4%	2.0%	-1.6%	4.1%
2023 – 2030	3.9%	2.3%	2.4%	0.8%	1.5%

SOURCES: Palm Beach County Department of Airports, July 2024 (historical cargo volume and operations data); Ricondo & Associates, Inc., July 2024 (forecast).

TABLE 5-16 GENERAL AVIATION, OTHER AIR TAXI, AND MILITARY AIRCRAFT OPERATIONS FORECASTS

FISCAL YEAR	GENERAL AVIATION AND OTHER AIR TAXI	MILITARY
Historical		
2014	84,857	1,198
2015	88,730	1,683
2016	88,162	1,214
2017	86,426	1,229
2018	81,651	1,205
2019	87,044	1,127
2020	75,265	989
2021	105,012	665
2022	120,716	621
2023	116,035	876
Forecast		
2024	120,513	876
2025	123,411	876
2026	125,013	876
2027	125,778	876
2028	126,161	876
2029	126,546	876
2030	126,933	876
Compound Annual Growth Rate		
2014 – 2019	0.5%	-1.2%
2014 – 2023	3.5%	-3.4%
2023 – 2030	1.3%	0.0%

SOURCES: US Department of Transportation, Federal Aviation Administration, Operations Network, July 2024 (historical general aviation and military operations data); US Department of Transportation, Federal Aviation Administration, *Federal Aviation Administration Aerospace Forecast FY 2024–2044*, July 2024 (general aviation operations forecast); US Department of Transportation, Federal Aviation Administration, *2023 Terminal Area Forecast*, July 2024 (military operations forecast).

5.4.6 TOTAL AIRCRAFT OPERATIONS FORECAST SUMMARY

Table 5-17 presents historical and forecast aircraft operations at the Airport through FY 2030. Passenger aircraft operations are forecast to grow from 55,156 operations in FY 2023 to 73,684 operations in FY 2030, representing a 4.2 percent CAGR. Overall, total Airport operations are forecast to increase from 173,827 operations in FY 2023 to 203,449 operations in FY 2030, representing a 2.3 percent CAGR.

TABLE 5-17 AIRCRAFT OPERATIONS FORECASTS

FISCAL YEAR	PASSENGER AIRCRAFT	ALL-CARGO AIRCRAFT	GENERAL AVIATION AND OTHER AIR TAXI	MILITARY	TOTAL
Historical					
2014	50,700	1,230	84,857	1,198	137,985
2015	52,396	1,264	88,730	1,683	144,073
2016	53,426	1,332	88,162	1,214	144,134
2017	54,234	1,644	86,426	1,229	143,533
2018	54,206	1,754	81,651	1,205	138,816
2019	51,934	1,984	87,044	1,127	142,089
2020	38,520	2,060	75,265	989	116,834
2021	39,176	2,136	105,012	665	146,989
2022	49,596	2,024	120,716	621	172,957
2023	55,156	1,760	116,035	876	173,827
Forecast					
2024	63,346	1,787	120,513	876	186,522
2025	67,615	1,816	123,411	876	193,719
2026	68,956	1,844	125,013	876	196,689
2027	70,262	1,872	125,778	876	198,788
2028	71,516	1,899	126,161	876	200,452
2029	72,652	1,927	126,546	876	202,000
2030	73,684	1,956	126,933	876	203,449
Compound Annual Growth Rate					
2014 – 2019	0.5%	10.0%	0.5%	-1.2%	0.6%
2014 – 2023	0.9%	4.1%	3.5%	-3.4%	2.6%
2023 – 2030	4.2%	1.5%	1.3%	0.0%	2.3%

SOURCES: Palm Beach County Department of Airports, July 2024 (historical passenger and all-cargo aircraft operations data); US Department of Transportation, Federal Aviation Administration, Operations Network, July 2024 (historical general aviation and military operations data); US Department of Transportation, Federal Aviation Administration, *Federal Aviation Administration Aerospace Forecast FY 2024–2044*, July 2024 (general aviation operations forecast); US Department of Transportation, Federal Aviation Administration, *2023 Terminal Area Forecast*, July 2024 (military operations forecast); Ricondo & Associates, Inc., July 2024 (passenger and all-cargo operations forecast).

5.4.7 LANDED WEIGHT FORECASTS

Table 5-18 presents historical and forecast landed weight at the Airport. Landed weight was forecast for passenger and all-cargo airlines using the seat capacity forecast in the passenger airline operations forecast and the cargo operations forecast in the cargo activity forecast, respectively. During the forecast period, the landed weight per seat operated by passenger airlines is forecast to increase slightly. This increase is forecast based on historical trends, which have yielded increasing landed weight per seat as the industry recovered from the effects of the pandemic. Similar methods were used to forecast the landed weight per all-cargo airline operation, which has steadily increased during the historical period; this increase is forecast to continue through the Projection Period. As shown, total landed weight is forecast to increase to 5.7 million thousand-pound units by FY 2030, representing a 4.3 percent CAGR from FY 2023. Fleet mix analysis developed in conjunction with the forecast reflects anticipated increases in average aircraft size at the Airport as mainline passenger airlines increase their use of larger, higher capacity aircraft. While UPS and FedEx continue to operate flights using larger widebody aircraft.

TABLE 5-18 LANDED WEIGHT FORECASTS

(Fiscal Years Ended September 30, in 1,000-Pound Units)

FISCAL YEAR	PASSENGER AIRLINES	ALL-CARGO AIRLINES	TOTAL
Historical			
2014	3,238,114	159,668	3,397,782
2015	3,448,901	174,143	3,623,045
2016	3,505,112	174,247	3,679,359
2017	3,535,586	225,116	3,760,702
2018	3,654,679	243,632	3,898,311
2019	3,635,566	277,885	3,913,451
2020	2,738,912	283,661	3,022,573
2021	2,729,225	303,666	3,032,890
2022	3,524,993	310,452	3,835,445
2023	4,015,940	262,135	4,278,075
Forecast			
2024	4,675,058	272,672	4,947,730
2025	4,828,104	283,124	5,111,228
2026	4,939,194	293,618	5,232,812
2027	5,052,374	304,372	5,356,746
2028	5,162,955	315,018	5,477,973
2029	5,278,631	326,160	5,604,791
2030	5,395,831	337,517	5,733,349
Compound Annual Growth Rate			
2014 – 2019	2.3%	11.7%	2.9%
2014 – 2023	2.4%	5.7%	2.6%
2023 – 2030	4.3%	3.7%	4.3%

SOURCES: Palm Beach County Department of Airports, July 2024 (historical); Ricondo & Associates, Inc., July 2024 (forecast).

6. FINANCIAL ANALYSIS

6.1 FINANCIAL FRAMEWORK

This chapter presents the financial structure of the Department and further provides historical (FY 2019 – FY 2023), FY 2024 Budget, and projected (FY 2025 Budget – FY 2030) financial information. The analysis supporting this chapter incorporates estimated impacts of the Capital Program, including the Series 2024 Projects, on projected O&M Expenses; airline and nonairline revenues; and debt service requirements, including the issuance of the Series 2024 Bonds. The resulting airline cost per enplaned passenger and projected application of Revenues are discussed, and debt service coverage throughout the Projection Period is calculated pursuant to the Bond Resolution. **Appendix A** of this Report includes the financial analysis performed by Ricondo including financial information through the Projection Period.

6.1.1 DEPARTMENT ACCOUNTING

The Airport is owned and operated by the County through the Department. The County and the Department are governed by the BOCC. The Department, in coordination with the County and The Clerk of the Circuit Court and Comptroller maintains the financial records and accounts of the Airport in accordance with generally accepted accounting principles, and as required by the provisions of the Department's Bond Resolution. Neither the County nor State of Florida tax revenues are pledged to the payment of Net Debt Service or to fund the cost of operations at the Airport. The Department's FY ends September 30th.

The Department prepares an annual budget, submitted to the BOCC for approval, which is incorporated into the overall County budget. The County Budget is inclusive of full contract values and contingencies as required by procurement rules. The Department's Airlines Rates and Charges Budget is subsequently developed from the County Budget with certain adjustments to predict actual revenues and expenses for the Fiscal Year and may not equal the County Budget. The Department's FY 2025 Airlines Rates and Charges Budget is the basis for the financial projections used in the Report. Expenses and revenues of the Department are categorized into Cost and Revenue Centers. Cost and Revenue Centers include those areas or functional activities of the Airport System used for the purposes of accounting for Revenues and O&M Expenses.

Direct Cost and Revenue Centers under the Airline Use and Lease agreement include, but are not necessarily limited to, the following:

- **Airfield.** Those portions of the Airport provided for the landing, taking off, and taxiing of aircraft, including runways, taxiways, approach and runway protection zones, safety areas, infield areas, landing and navigational aids, Aircraft Parking Apron and land areas required by or related to aeronautical use of the Airport.
- **Terminal.** The commercial airline facilities at the Airport, including the Terminal and associated land, facilities, equipment, whether owned, operated or maintained by County. This Cost Center includes the inbound baggage handling system used to deliver checked baggage to arriving passengers, which includes baggage claim areas, systems, equipment and carousels, but excludes the Baggage Handling System.
- **Baggage Handling System.** The outbound baggage handling system used to deliver checked baggage to departing aircraft, which includes the baggage makeup areas, systems, equipment and carousels at the Airport, exclusive of the TSA inspection equipment.

- **Ground Transportation.** Areas designated for employee and public automobile parking and rental car operations (excluding rental car ticket counters in the Terminal), and all Airport access roadways.
- **Non-Aviation.** Areas designated for commercial or industrial use.
- **Aviation.** Areas designated for fixed base operator or other aviation uses, including general aviation aprons at the Airport.
- **General Aviation FIS Facility.** The FIS building located on the south side of Palm Beach International Airport used for FIS required entry of general aviation traffic.
- **Lantana Airport (LNA).** All properties and areas associated with the Palm Beach County Park Airport (Lantana Airport).
- **Pahokee Airport (PHK).** All properties and areas associated with the Palm Beach County Glades Airport (Pahokee Airport).
- **North County Airport (F45).** All properties and areas associated with the North Palm Beach County General Aviation Airport (North County Airport).

Indirect Cost and Revenue Centers under the Airline Use and Lease agreement include, but are not necessarily limited to, the following:

- **Administration.** Functions and activities associated with the general Airport Systems administration, planning, finance, properties management, and Senior Airport Operations staff.
- **Maintenance.** Functions and activities associated with the general maintenance and repair of Airport properties.
- **Fire and Rescue.** Emergency medical services and functions associated with crash, fire and rescue operations at the Airport; also presented as ARFF (Aircraft Rescue and Fire Fighting).

6.1.2 AIRLINE AGREEMENT AND AIRLINE RATE METHDOLOGY

The Department and Signatory airlines operate under a negotiated Signatory Airline Agreement (Airline Agreement) which establishes how the signatory airlines will be assessed rates and charges for the use of the Airport. The Airline Agreement serves as the basis for calculating landing fees, terminal rental rates, baggage and other fees considering costs associated with the operation, maintenance and debt service of the airfield and terminal. Landed weight and rentable square footage serve as the chargeable units for landing fees and terminal rents, respectively. Under the Airline Agreement, airfield revenues are credited towards the airline's net requirement (residual rate setting methodology.) The terminal cost center expenditure requirements are wholly payable by airline rents (compensatory rate setting methodology.) The Department also has the ability under the Airline Agreement to adjust airline rates and charges at any time throughout the year if the Department determines a rate adjustment is required resulting in an increase of 10 percent or greater. This ensures the Department is in a position to meet all financial requirements of the Rate Covenant regarding debt service coverage requirements.

Other key provisions of the Airline Agreement include the following:

- **Rolling Debt Service Coverage.** This provision offsets the current year's debt service coverage requirement for airline cost centers with the prior year's coverage.
- **Review of Capital Expenditures.** The County must notify the signatory airlines of any capital expenditure in one or more of the airline cost centers that is anticipated to be funded with $3 million or more in County funds (net of PFCs, grants, or insurance proceeds). The County may proceed with such a capital expenditure unless a

Majority In Interest (MII) of the signatory airlines opposes the project. Opposed net capital expenditures less than $10 million must be deferred by one year, while opposed net capital expenditures greater than $10 million must be deferred by two years.

- **Non-Signatory Airlines.** Airlines not signing the Airline Agreement are assigned space on a month-to-month basis, pay a premium on rentals and fees, and have no right to vote on capital projects. The premium is a function of non-signatory airlines not participating in revenue sharing.
- **Year-end Settlement.** Rates and charges are recalculated annually based on audited financial data, with any overpayment refunded or any shortage invoiced to the signatory airlines.
- **Revenue Sharing.** At the end of each FY, in conjunction with the settlement, the County shares with the signatory airlines 35 percent of net remaining revenues, which is equal to total revenues less O&M Expenses, capital requirements, and debt service. Each airline's portion of the revenue sharing is calculated by using the airline's proportionate share of total signatory airlines' enplaned passengers and landed weight.

6.2 COVID-19 RELIEF FUNDS

Three federal grants have been issued to airports to offset the effects of the COVID-19 pandemic and the resulting decrease in passenger activity. These grants are the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and American Rescue Plan Act of 2021 (ARPA), together referred to as the COVID-19 relief funding. The Department applied COVID-19 relief funds to offset O&M Expenses and debt service from FY 2020 through FY 2023 in the amount of $43.5 million and is budgeted to apply another $12.7 million in FY 2024 and $12.1 million in FY 2025.

Table 6-1 presents the application of the Airport's COVID-19 relief funds used as an offset of O&M Expenses and debt service.

TABLE 6-1 COVID-19 RELIEF FUNDS

(Fiscal Years Ending September 30)

COVID-19 RELIEF FUNDS	USE OF FUNDS	ACTUAL FY 2020	ACTUAL FY 2021	ACTUAL FY 2022	ACTUAL FY 2023	BUDGET FY 2024	BUDGET FY 2025	TOTAL
COVID 19 Relief Funds	O&M / Debt Service Offset	$10,522	$9,679	$11,786	$11,501	$12,737	$12,069	$68,294

NOTES:
FY – Fiscal Year
O&M – Operating and Maintenance
Dollars in thousands for Fiscal Years ended September 30.
SOURCE: Palm Beach County Department of Airports, July 2024.

6.3 OPERATING AND MAINTENANCE EXPENSES

6.3.1 HISTORICAL OPERATING AND MAINTENANCE EXPENSES

Historical O&M Expenses and the resulting O&M Expenses per enplaned passenger are presented in **Table 6-2**. For the purposes of the discussion of O&M expenses in Table 6-2, O&M expenses are shown before application of COVID-19 relief funding.

TABLE 6-2 HISTORICAL OPERATING AND MAINTENANCE EXPENSES – FY 2019 THROUGH FY 2023

(Fiscal Years Ending September 30)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	COMPOUND ANNUAL GROWTH RATE
Total O&M Expenses (thousands)	$50,279	$51,296	$49,559	$53,539	$61,668	5.2%
O&M Expenses Growth Rate		2.0%	-3.4%	8.0%	15.2%	
Enplaned Passengers (thousands)	3,353	2,105	2,138	3,263	3,769	3.0%
Enplaned Passengers Growth Rate		-37.2%	1.6%	52.6%	15.5%	
Total O&M Expenses per Enplaned Passenger	$15.00	$24.37	$23.18	$16.41	$16.36	2.2%

NOTES:
FY – Fiscal Year
O&M – Operating and Maintenance
O&M Expenses are shown before the application of COVID-19 relief funds.
SOURCE: Palm Beach County Department of Airports, July 2024, based on audited County financial statements.

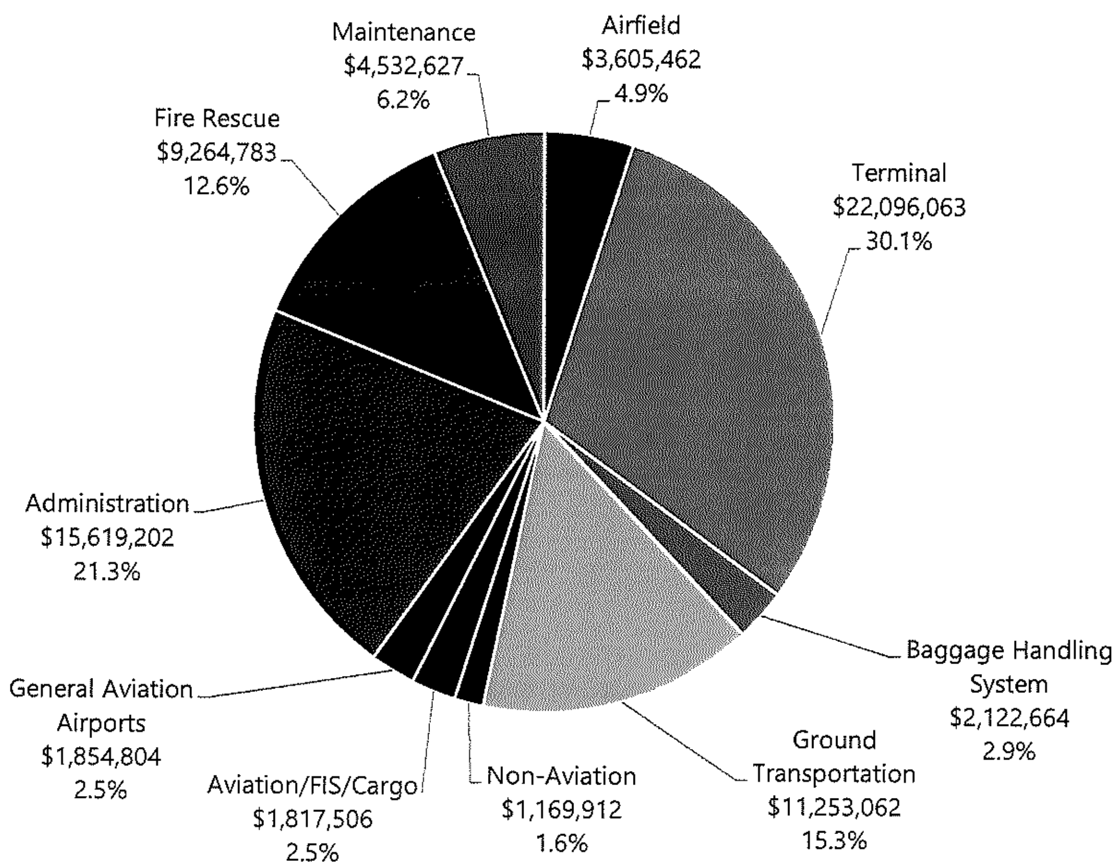
The Department's O&M Expenses increased from approximately $49.8 million in FY 2019 to approximately $61.7 million in FY 2023, reflecting a CAGR of 5.5 percent over that period. Increases in O&M Expenditures since FY 2019 have been primarily attributable to growth in personnel expenses to hire and retain employees; additional cost increases are attributable to growth in contract services expenditures. O&M Expenditures per enplaned passenger have increased at a CAGR of 2.5 percent from FY 2019 through FY 2023, which includes the reduction in enplaned passengers associated with the COVID-19 pandemic in FY 2020 and FY 2021.

6.3.2 BUDGETED AND PROJECTED OPERATING AND MAINTENANCE EXPENSES

The Department sets a budget for airline rates and charges annually using the rate-setting methodology set forth in the Airline Agreement. As presented in Table A-1 of Appendix A of this Report, FY 2025 budgeted O&M Expenses total approximately $73.3 million, representing an increase of $9.7 million, or 15.2 percent, over budgeted FY 2024 O&M Expenditures. The increase from FY 2024 to FY 2025 is due to previously tight budgetary restrictions in the prior periods imposed by the Department during years impacted by COVID-19. **Exhibit 6-1** presents the FY 2025 budgeted O&M Expenses by cost center.

The County's airline rates and charges FY 2025 budget serves as the basis from which O&M Expenses are projected in this Report. O&M Expenses are presented in this section before application of COVID-19 relief funds and before allocation of Indirect Costs to Direct Cost Centers. The completion of certain projects included in the Department's Capital Program is expected to result in incremental increases in O&M Expenses. For the purposes of this analysis, O&M Expenses are assumed to increase in consideration of historical results, inflation (assumed to be 3.0 percent), and certain capital projects resulting in changes in Airport square footage. O&M Expenses are projected by individual Direct and Indirect Cost Centers.

EXHIBIT 6-1 FY 2025 BUDGETED OPERATING AND MAINTENANCE EXPENSES BY COST CENTER



SOURCE: Palm Beach County Department of Airports, July 2024.

6.3.2.1 DIRECT O&M EXPENSES

Terminal

Terminal O&M Expenses include all direct costs to operate and maintain the terminal facility and accounts for 30.1 percent of total O&M Expenses budgeted in FY 2025. Direct Terminal expenses are budgeted separately for Terminal Operations and Terminal Maintenance. Terminal Operations expenses include salaries/benefits, security services, insurance, and communications equipment. Terminal Maintenance expenses include salaries/benefits, contract janitorial services, contract maintenance services, utilities, equipment, and supplies. The budgeted cost for Terminal Operations and Terminal Maintenance in FY 2025 is $8.4 and $13.7 million, respectively, for a total of $22.1 million. The annual cost increase assumptions used in this Report for Terminal Operations and Terminal Maintenance expenses are 4.3 percent and 4.0 percent, respectively.

In FY 2029 the cost increase assumptions for Terminal Operations and Terminal Maintenance are 9.6 percent and 10.3 percent, respectively due to completion of the Concourse B and Related Improvements project which will add additional cost to the operation and maintenance of the Terminal over the baseline assumption. The Concourse B and Related Improvements project will expand and modernize the entire concourse and is projected to be complete in FY 2028 with the first full year of impacts being FY 2029. The expansion provides for an additional 46,000 square feet to the existing Concourse B, with approximately 14,000 additional square feet on the first level and 32,000 square feet on the second level. Along with modernizing the entire concourse, the expansion will provide two additional aircraft gates; increased restroom, concession, and holdroom space; additional passenger seating; apron improvements; and a sensory room. Increased direct O&M Expenses for the Terminal are projected to impact O&M Expenses in FY 2029 relative to the percentage increase in square footage related to the Concourse B and Related Improvements project. Growth in Terminal O&M Expenses result from increased staffing, insurance, maintenance costs, utilities, and janitorial services. Overall, Terminal O&M Expenses are projected to increase at a CAGR of 5.3 percent through FY 2030.

Airfield

Airfield O&M Expenses include all direct costs to operate and maintain the airfield, and accounts for 4.9 percent of total O&M Expenses budgeted in FY 2025. Budgeted Airfield expenses include Airfield Operations and Airfield Maintenance expenses. Airfield Operations expenses include allocated salaries/benefits, security services, insurance, and communications equipment. Airfield Maintenance expenses include allocated salaries/benefits, contract maintenance services, utilities, equipment, and supplies. The annual cost increase assumptions used in this Report for Airfield Operations and Airfield Maintenance expenses are 4.0 percent and 5.0 percent, respectively. Airfield O&M Expenses are projected to increase at a CAGR of 4.4 percent through FY 2030.

Baggage Handling System

The Baggage Handling System (BHS) includes all direct expenses to maintain the outbound BHS used to deliver checked baggage to departing aircraft, which includes the baggage makeup areas, systems, equipment and carousels at the Airport, exclusive of Transportation Security Administration (TSA) screening equipment. These costs are typically for contract maintenance and repair. BHS expenses account for 2.9 percent of total O&M Expenses budgeted in FY 2025 and are projected to increase at a CAGR of 4.5 percent through FY 2030, attributable to increased baggage throughput and maintenance costs.

Ground Transportation

Ground Transportation O&M Expenses include Ground Transportation Operations and Ground Transportation Maintenance expenses. Ground Transportation Operations expenses include salaries/benefits, contracted parking operations, security services, insurance, and communications equipment. Ground Transportation Maintenance expenses include contract janitorial services, contract maintenance services, utilities, equipment, and supplies. The budgeted cost for Ground Transportation Operations and Maintenance in FY 2025 is $11.2 million. The annual cost increase assumptions used in this Report for Ground Transportation Operations and Ground Transportation Maintenance expenses are 4.5 percent and 5.0 percent, respectively. Expenditures include all direct costs to operate and maintain public parking and shuttle operations, maintenance of areas surrounding car rental leaseholds, roadway access to the terminal, access points for taxi and TNC operations. Ground Transportation expenses account for 15.3 percent of total O&M Expenses budgeted in FY 2025 and are projected to increase at a CAGR of 4.6 percent through FY 2030. Assumed growth is attributable to increased parking operations and general inflationary O&M costs of security, operations, maintenance, and insurance.

Other Direct Cost Center Expenses

Remaining Direct Cost Center expenses account for approximately 6.6 percent of total O&M Expenses budgeted in FY 2025 and are projected to increase at a CAGR of 3.3 percent through FY 2030. These costs include the following:

- **Non-Aviation.** Areas designated for commercial or industrial use, leased by the Department to tenants, not related to aeronautical uses are operated and maintained primarily by tenants. The Department may be responsible for certain infrastructure or limited maintenance depending on the nature of the contract with the tenant. Other costs relate to allocated costs of security and insurance.
- **Aviation.** Areas designated for FBOs or other aviation uses, including general aviation aprons at the Airport. These aeronautical uses are operated and maintained primarily by tenants. The Department may be responsible for certain infrastructure or limited maintenance depending on the nature of the contract with the tenant. Other costs relate to allocated costs of security and insurance.
- **Federal Inspection Services (FIS) Facilities.** The Department has two FIS facilities: the terminal FIS facility and the general aviation FIS facility. The terminal FIS facility processes commercial passengers using the main terminal. The general aviation FIS building is located on the south side of the Airport. The Department is responsible for certain infrastructure improvements or limited maintenance depending on the nature of the contract with the tenant. Other costs relate to allocated costs of security and insurance.
- **Air Cargo.** The Department operates air cargo facilities with airside and landside access used primarily by UPS and FedEx cargo carriers.
- **Auxiliary General Aviation Airports.** The operation and general maintenance of the County's three general aviation airports are the responsibility of FBOs working under management agreements. The Department may be responsible for certain infrastructure improvements or certain maintenance requirements depending on the nature of the contract with the tenant. Other costs relate to allocated costs of security and insurance.

6.3.2.2 INDIRECT O&M EXPENSES

Indirect O&M Expenses are categorized in the following cost centers: Administration, Maintenance, and Fire Rescue. Cost center descriptions and allocation methodology to the Direct Cost Centers is discussed below:

- **Administration.** Administration divisions include Administration, Planning, Properties, Finance, Information Technology (IT), Noise Abatement, Air Service Development, Senior Operations staff, and Marketing. Administration expenses are allocated to Direct Cost Centers on the basis of each Direct Cost Center's share of total O&M Expenses for all Direct Cost Centers. The annual cost increase assumptions used in this Report for the various Administration divisions resulted in a composite annual growth rate of 5.2 percent. Administration expenses account for 21.3 percent of total O&M Expenses budgeted in FY 2025 and are projected to increase at a CAGR of 5.2 percent through FY 2030. Assumed growth is attributable to personnel costs, marketing, and IT cost growth.
- **Maintenance.** General maintenance expenses include any maintenance required outside of the terminal facility. Areas include airfield, GA airports, air cargo areas, parking, roadway systems, and all surrounding greenspaces. Maintenance expenses generally include personnel costs, maintenance contracts, supplies, and materials. Indirect Maintenance expenses are allocated to Direct Cost Centers on the basis of estimated labor costs based on historical data for activity associated with each Direct Cost Center. The annual cost increase assumption used in this Report for Maintenance expenses is 3.5 percent. Maintenance expenses account for 6.2 percent of total O&M Expenses budgeted in FY 2025 and are projected to increase at a CAGR of 3.5 percent through FY 2030. Assumed growth is attributable to personnel costs and contract maintenance agreements.
- **Fire Rescue.** Expenses for Fire Rescue include contract services from the County's Fire Rescue Department to staff the ARFF station pursuant to Federal requirements. Fire Rescue expenses are allocated to Direct Cost Centers according to the following percentages as set forth in the Airline Agreement: Airfield (70.0 percent),

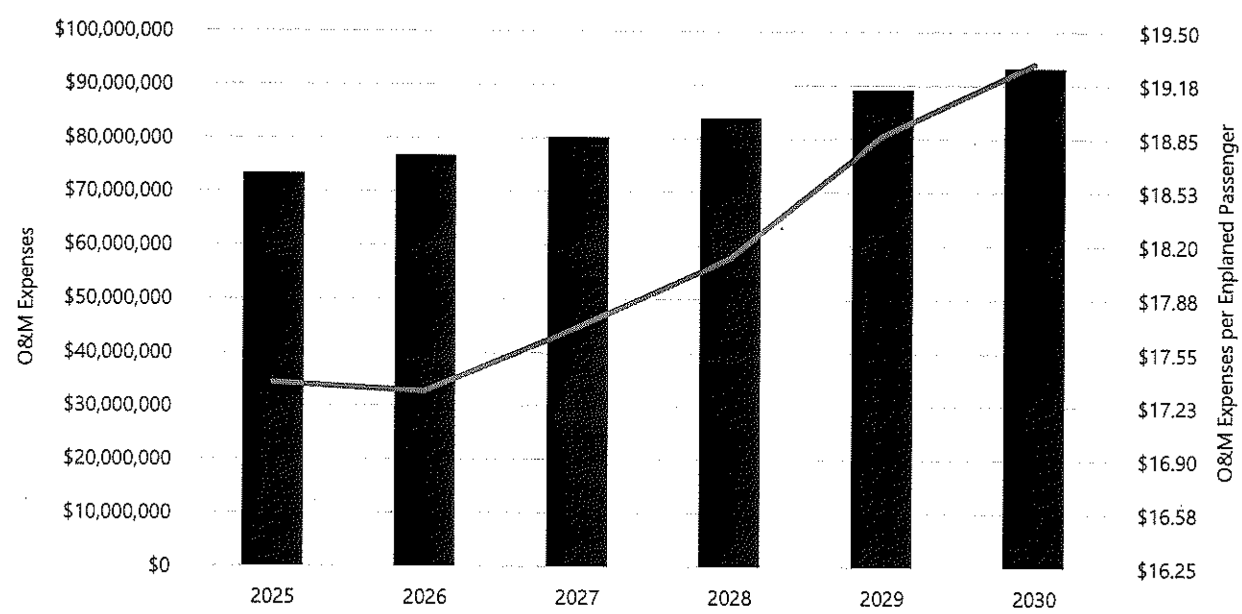
Terminal (4.0 percent), Ground Transportation (3.0 percent), Aviation (12.0 percent), Non-Aviation (4.0 percent), Lantana Airport (3.0 percent), Pahokee Airport (1.0 percent), and North County Airport (3.0 percent). Fire Rescue expenses account for 12.6 percent of total O&M Expenses budgeted in FY 2025 and are projected to increase at a CAGR of 5.5 percent through FY 2030. Assumed growth is attributable to contract Fire Rescue services contracted from the County.

- **Palm Beach County Sheriff's Office (PBSO).** The PBSO is not a defined cost center in the Airline Agreement, however, the PBSO is a major cost component for the operation of the Department's facilities. PBSO is the primary provider for security and law enforcement at the Airport with a substation of Law Enforcement Officers (LEO) dedicated to patrolling the PBI campus. Expenses for PBSO are primarily personnel costs but also include support equipment. Actual cost in FY 2023 for the PBSO was $9.5 million. PBSO expenses are budgeted to be $10.3 million in FY 2025. Costs are allocated to various direct cost centers based on PBSO work activity.

6.3.2.3 OPERATING AND MAINTENANCE EXPENSES PROJECTIONS

Exhibit 6-2 presents the projected O&M Expenses, shown here without application of COVID-19 relief funds in FY 2025. Total O&M Expenses are projected to increase from $73.3 million in FY 2025 to approximately $93.2 million in FY 2030, reflecting a CAGR of 4.9 percent. See Table A-1 in Appendix A of this Report for additional information regarding projected O&M Expenses, including calculated net O&M Expenses for FY 2025 related to the application of COVIS-19 relief funds and allocation of Indirect Cost Centers to Direct Cost Centers. O&M Expenses per enplaned passenger are projected to increase at a CAGR of 2.1 percent from FY 2025 through FY 2030.

EXHIBIT 6-2 PROJECTED OPERATING AND MAINTENANCE EXPENSES



NOTE:
Fiscal Years ending September 30
SOURCES: Palm Beach County Department of Airports, July 2024; Ricondo & Associates, Inc., August 2024.

6.4 NONAIRLINE REVENUES

Nonairline revenues include all revenues generated for the Airport System except for those revenues generated from airline operations.

6.4.1 HISTORICAL NONAIRLINE REVENUES

Table 6-3 presents historical Non-Airline Revenues, enplaned passengers, and calculated Nonairline revenues per enplaned passenger from FY 2019 through FY 2023, excluding interest on investments. As shown, Nonairline revenues were approximately $56.9 million in FY 2019 and increased to approximately $73.6 million in FY 2023.

As shown in Table 6-3, total Nonairline revenues per enplaned passenger have increased at a CAGR of 3.6 percent from $16.98 per enplaned passenger in FY 2019 to $19.53 per enplaned passenger in FY 2023.

TABLE 6-3 HISTORICAL NONAIRLINE REVENUES (EXCLUDING INTEREST INCOME) FISCAL YEAR 2019 THROUGH FISCAL YEAR 2023

(Fiscal Years Ending September 30)

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	COMPOUND ANNUAL GROWTH RATE
Total Non-Airline Revenues (thousands)	$ 56,930	$46,497	$50,654	$67,847	$73,608	6.6%
Non-Airline Revenues Growth Rate		-18.3%	8.9%	33.9%	8.5%	
Enplaned Passengers (thousands)	3,353	2,105	2,138	3,236	3,769	3.0%
Enplaned Passengers Growth Rate		-37.2%	1.6%	52.6%	15.5%	
Total Non-Airline Revenues per Enplaned Passenger	$16.98	$22.09	$23.69	$20.97	$19.53	3.6%

NOTES:
FY – Fiscal Year
Excludes passenger airline revenues and interest income.
SOURCE: Palm Beach County Department of Airports, July 2024.

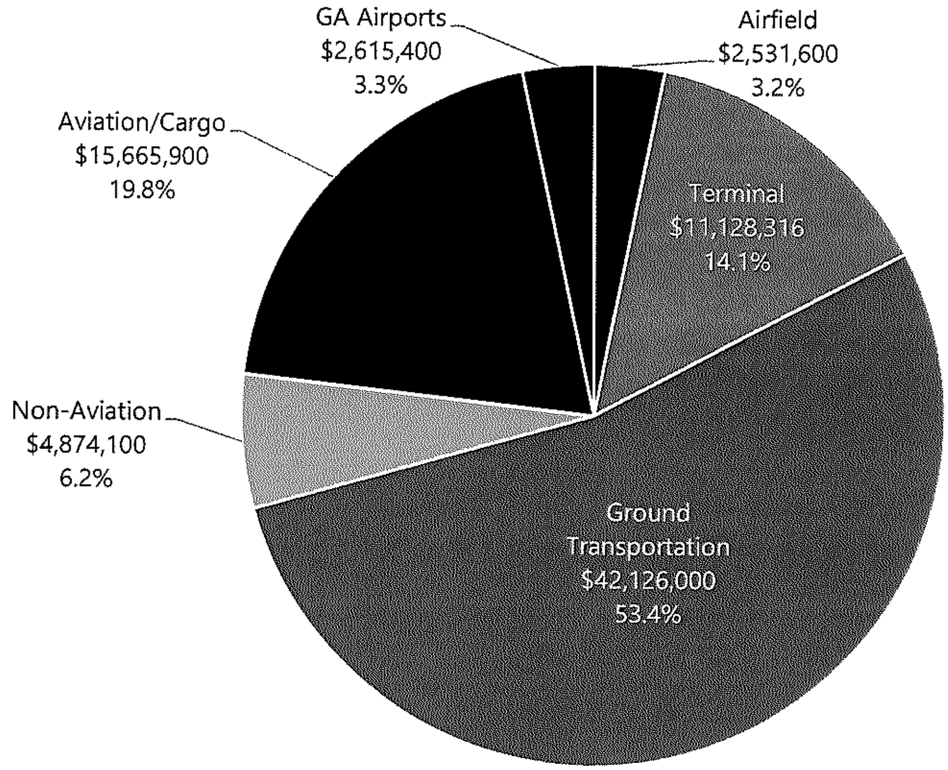
6.4.2 NONAIRLINE REVENUE IMPACTS FROM CAPITAL PROGRAM

The Capital Program is designed to enable additional capacity at the Airport, with certain projections of nonairline revenue based on growth of enplaned passengers realized in part due to the projects completed. For example, the Concourse B Expansion project will enable additional terminal space at the Airport and potentially support increases in nonairline revenues, such as concessions, on a per enplaned passenger basis throughout the Projection Period due to expanded offerings. Any additional incremental increases to nonairline revenues beyond the growth described herein are not included in this analysis; however, any such incremental increases, if they materialize, would only serve to improve the County's financial position, increasing nonairline revenues and debt service coverage.

6.4.3 BUDGETED AND PROJECTED NONAIRLINE REVENUES

Exhibit 6-3 presents the breakdown of budgeted FY 2025 nonairline revenues by cost center, totaling approximately $78.9 million, not including earnings from investments. The FY 2025 Airlines Rates and Charges budget for the Airport serves as the base from which nonairline revenues are projected. Annual increases in nonairline revenues are based on considerations such as forecast enplaned passengers, inflation, and tenant lease terms.

EXHIBIT 6-3 FISCAL YEAR 2025 BUDGETED NONAIRLINE REVENUES BY COST CENTER



SOURCE: Palm Beach County Department of Airports, July 2024.

Nonairline revenues by cost center are discussed in the following subsections.

6.4.3.1 AIRFIELD

Airfield nonairline revenues include GA landing fees and airfield service concession fees and are budgeted to be approximately $2.5 million in FY 2025, representing 3.2 percent of nonairline revenues. The annual revenue increase assumptions used in this Report for the airfield are 3.9 percent for GA landing fees and 1.0 percent for other airfield revenues. Total Airfield Non-Airline Revenues are projected to increase at a CAGR of 3.6 percent during the Projection Period.

6.4.3.2 TERMINAL

Nonairline terminal revenues include car rental company and nonairline space rentals, general merchandise and food and beverage concessions, and in-terminal advertising. The annual revenue increase assumption used in this report for the Terminal concessions (Food/Merchandise/Advertising) is 3.9 percent based on projected passenger increases and revenue inflation. Nonairline miscellaneous sources arecomprised of non-airline rents (such as TSA) which are assumed to escalate with non-signatory terminal rental rates and various fees and reimbursements; the overall CAGR for Nonairline Miscellaneous sources is 4.7 percent. Car rental terminal rentals are generally assumed to escalate with non-signatory terminal rental rates resulting in a CAGR of 9.2 percent; see section 6.7.2 for more information on the projected Terminal Rental Rate. Total nonairline terminal revenues are budgeted to be $11.1

million in FY 2025, representing 14.1 percent of nonairline revenues and is projected to increase at a CAGR of 4.3 percent percent through the Projection Period.

6.4.3.3 AVIATION

Aviation-related nonairline revenues include general aviation revenues from PBI such as FBO fees, apron fees, fuel flowage fees, hangar rentals, and building rentals. These revenues are assumed to increase 3.8 percent annually for the purposes of this Report. Aviation revenues are budgeted to be $14.9 million in FY 2025, representing 18.9 percent of Non-Airline Revenues, and are projected to increase at a CAGR of 3.8 percent through the Projection Period.

6.4.3.4 GROUND TRANSPORTATION

Ground Transportation Revenues include car rental ground/building lease and concession revenues, parking revenue (public and employee), and taxi/TNC revenue. Annual growth assumptions used in this report are 3.9 percent for car rental revenue and Taxi/Limo/TNC Revenues and 3.0 percent for parking and miscellaneous revenue. Total Ground Transportation revenue is budgeted to be approximately $42.1 million in FY 2025, representing 53.4 percent of nonairline revenues, and are projected to increase at an overall CAGR of 3.4 percent through the Projection Period.

6.4.3.5 CARGO

Cargo revenues, which include revenues from the Cargo Complex and Cargo Ramp, are budgeted to be approximately $738,000 in FY 2025, representing 0.9 percent of nonairline revenues. Cargo revenues are projected to increase at a CAGR of 3.5 percent during the Projection Period.

6.4.3.6 GENERAL AVIATION AIRPORTS

The Department's three GA airports generate revenue primarily through FBO leases and fuel flowage fees. Annual growth assumptions used in this Report are 3.8 percent for each of the three airports. GA airport revenues are budgeted in FY 2025 to be approximately $2.6 million, representing 3.3 percent of nonairline revenues, and are projected to increase at a CAGR of 3.8 percent during the Projection Period.

6.4.3.7 NON-AVIATION

Non-aviation revenues primarily consist of ground and building leases and are budgeted to be $4.9 million in FY 2025, representing 6.2 percent of nonairline revenues, and are projected to increase at a CAGR of 3.4 percent during the Projection Period. Annual growth assumptions used in this Report are 2.9 percent for building rentals, 3.5 percent for ground rentals, and 3.0 percent for miscellaneous revenue. Tenant leases are generally long-term with rent provisions that include periodic (every third year) rental adjustments; some contracts contain additional concession revenues to the Department based on the tenant's sales volumes. Significant lessees include the following tenants/businesses:

- Airport Logistics Park, LLC-warehouse
- CareerSource Palm Beach County-office building
- CVH PBIA, LLC (Home2 Suites)-hotel
- Drive Shack Palm Beach LLC-restaurant/golf
- MSP Partners Realty, LLC (Airport Hilton)-hotel
- Palm Auto Plaza, LLC-auto sales/service

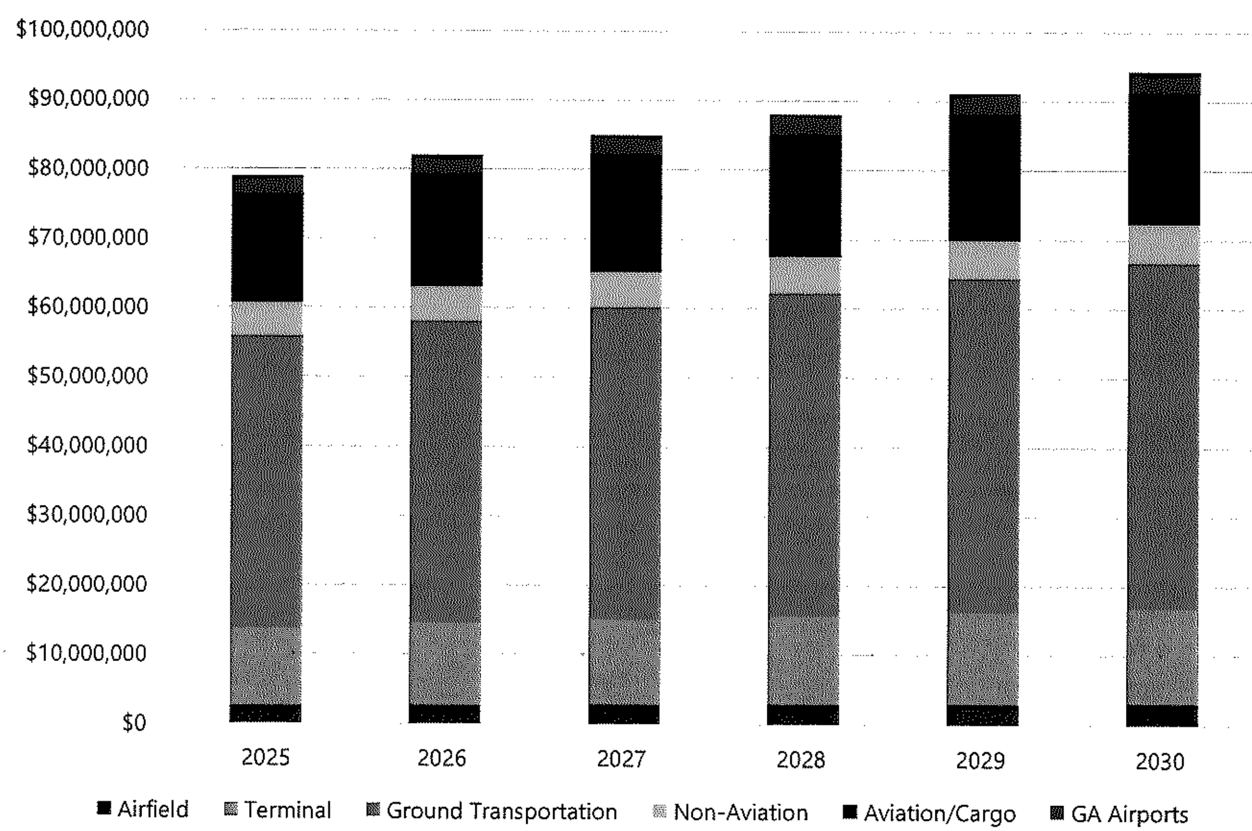
- Popstroke West Palm Beach, LLC-restaurant/golf
- Trump International Golf Club, LC-golf facility
- West Palm Beach Plaza, LLC-travel plaza

6.4.4 PROJECTED NONAIRLINE REVENUES

Exhibit 6-4 presents the projected nonairline revenues through the Projection Period. Nonairline revenues, excluding interest income, are projected to increase from approximately $78.9 million in FY 2025 to approximately $94.4 million in FY 2030, reflecting a CAGR of 3.6 percent. Growth in nonairline revenues results from projected increases in passenger activity for parking and concession categories plus inflationary impacts on concession sales and real estate value increases from triannual reappraisal of Department properties. While no specific rate increase projections are included for certain Department controlled rates (parking, fuel flowage, GA landing fees, etc.), it is reasonable to assume some increased rates will be implemented during the Projection Period.

Additional information regarding nonairline revenues projected for FY 2025 through FY 2030, by cost center, is presented in Table A-2 of Appendix A in this Report.

EXHIBIT 6-4 PROJECTED NONAIRLINE REVENUES



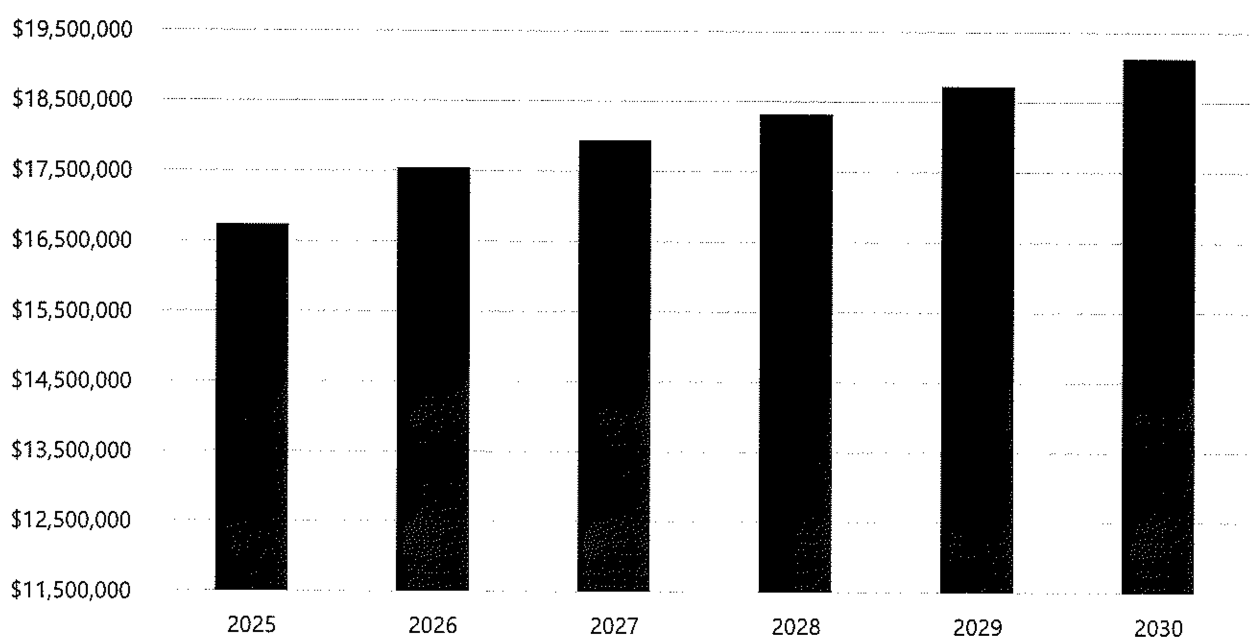
NOTES:
GA – General Aviation
Fiscal Years ending September 30
SOURCES: Palm Beach County Department of Airports, July 2024; Ricondo & Associates, Inc., August 2024.

6.5 PASSENGER FACILITY CHARGE (PFC) REVENUE

The Department charges a PFC of $4.50 per enplaned passenger at the Airport. The monies collected under this program must be used for capital-related improvements to the Airport facilities and all expenditures of these funds must be preapproved by the FAA. Total collection authority for the Department is $328.8 million. Cumulative PFC expenditures through the end of FY 2023 total $264.5 million. The Department reported a FY 2024 beginning balance of $63.0 million in available PFC funds and is projected to collect an average of $18.1 million (plus interest) per year through the Projection Period. Spending $120.7 million in pay-as-you-go capital projects between FY 2024 and FY 2030, the Department is projected to have approximately $73.9 in available PFC balance by the end of FY 2030.

Exhibit 6-5 presents projected PFC revenue through the Projection Period. Table A-3 in Appendix A of this Report provides additional detail, including annual PFC collections, uses, and fund balance.

EXHIBIT 6-5 PROJECTED PASSENGER FACILITY CHARGE REVENUE



NOTE:
Fiscal Years ending September 30
SOURCES: Palm Beach County Department of Airports, July 2024; Ricondo & Associates, Inc., August 2024.

6.6 DEBT SERVICE

Table A-4 in Appendix A presents the details of the Department's outstanding debt service as well as the debt service on the Series 2024 Bonds.

6.6.1.1 EXISTING DEBT SERVICE

Debt service on existing Series 2016 Bonds totals approximately $5.2 million in FY 2025 and will remain at that approximate level until maturity in FY 2036. In FY 2024 and FY 2025, the Department anticipates paying this existing debt service with COVID-19 relief funds.

6.6.1.2 DEBT SERVICE ON THE SERIES 2024 BONDS

Proceeds from the Series 2024 Bonds will be used to fund the Series 2024 Projects, as described in Chapter 3 of this Report. The Series 2024 Projects total approximately $137.5 million, of which $100 million will be funded with proceeds from the Series 2024 Bonds.

The Series 2024 Bonds are assumed to have a term of 20 years. For purposes of this Report, interest on the Series 2024 Bonds is assumed at 5.12 percent true interest cost.

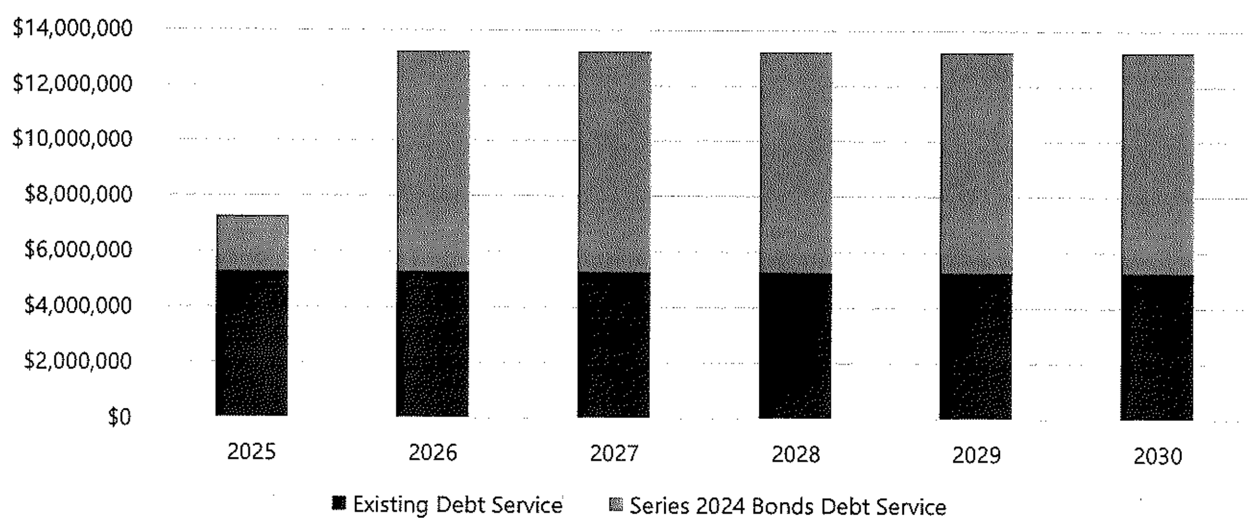
Debt service on the Series 2024 Bonds is anticipated to become payable in FY2025. Annual debt service on the Series 2024 Bonds is estimated to be approximately $2 million in FY 2025 and approximately $8.0 million in FY 2026, continuing at approximately $8.0 million through the Projection Period. Debt service allocated to Terminal and Airfield Cost Centers will be recovered from the airlines through the airline rates and charges each year.

6.6.1.3 PROJECTED DEBT SERVICE

The Department's total debt service (including debt service on existing Series 2016 Bonds and estimated debt service on the Series 2024 Bonds is projected to be approximately $7.3 million in FY 2025 and $13.2 million in FY 2026 and is projected to remain at that level through the Projection Period. No additional bond issuances are contemplated through the Projection Period. Beginning in FY2025, annual debt service is expected to be paid with Department revenues.

Exhibit 6-6 presents the Projected Debt Service at the Airport during the Projection Period.

EXHIBIT 6-6 PROJECTED DEBT SERVICE



NOTE:
Fiscal Years ending September 30
SOURCES: Palm Beach County Department of Airports, July 2024; PFM Financial Advisors, LLC, July 2024.

6.7 AIRLINE REVENUES

Pursuant to the Airline Agreement, rates will be calculated for the following: Landing Fees, Terminal Rental Rates, and Baggage Handling System fees. Such rates are charged to signatory and non-signatory airlines. Landing Fees and Terminal Rental Rates are developed with a differential between signatory and non-signatory airlines, generated by a revenue sharing component that reduces the rate to signatory airlines.

Items included in the Total Requirement for these rates are as follows:

- **O&M Expenses.** This includes the O&M Expenses (direct and allocated indirect) attributable to the specific rate-setting area.
- **O&M Reserve Requirement.** This includes amounts needed to maintain the Bond Covenant O&M Reserve Requirement within the specific rate-setting area.
- **Debt Service.** This includes the portion of debt service allocated to the specific rate-setting area, including the Annual Coverage Requirement.
- **Non-Amortized Capital Expenditures.** This includes capital expenditures of assets or capital projects under $300,000 in Airport Revenue funding attributable to the specific rate-setting area. The amount of each asset or project is charged 100 percent in the relevant period and not amortized over multiple years.
- **Amortized Capital Expenditures.** This includes capital expenditures of assets or capital projects valued at $300,000 or more in Airport Revenue funding attributable to the specific rate-setting area. The annual amortization is calculated using a recovery period equivalent to the reasonably estimated useful life of the improvement or acquisition and a 3% assumed cost of capital.

The following subsections present the details for each specific rate calculation.

6.7.1 AIRFIELD LANDING FEES

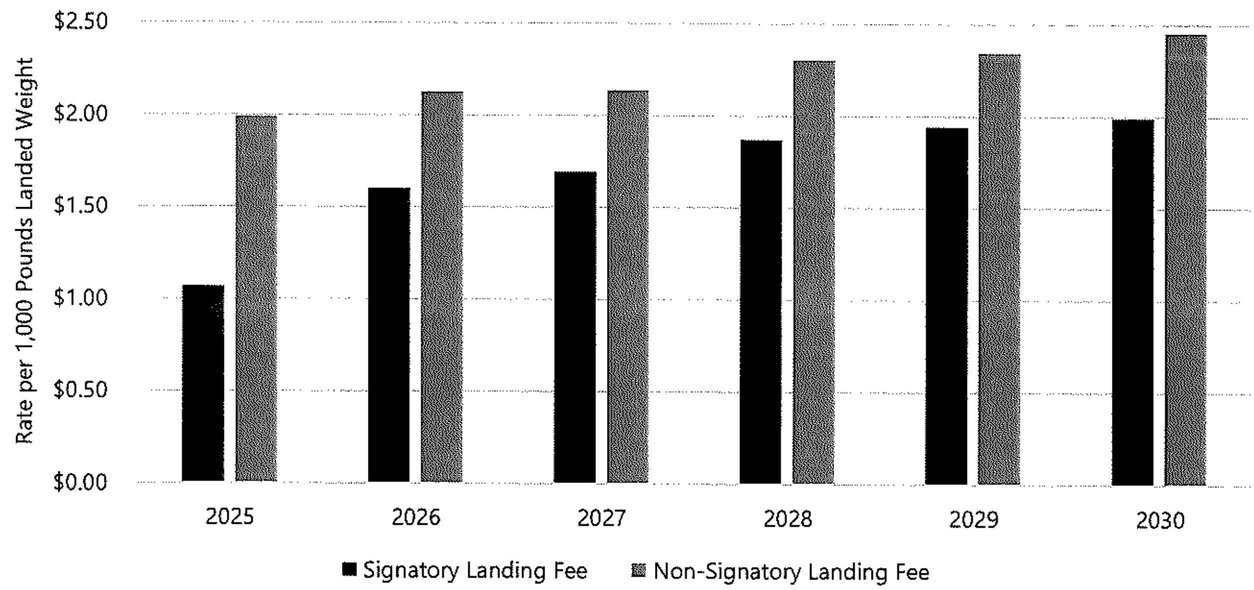
A residual landing fee calculation is presented in Table A-5 in Appendix A. The landing fee is calculated pursuant to the Airline Agreement by combining the items previously described for the Total Requirement for the Airfield Cost Center to determine the Total Airfield Requirement. The Total Requirement is reduced by fuel flowage fees, general aviation landing fees, airfield service fees, and prior year debt service coverage to calculate the Airfield Net Requirement. Dividing the Airfield Net Requirement by total landed weight produces the non-signatory landing fee. The signatory landing fee is produced by crediting Airfield Revenue Sharing against the Airfield Net Requirement which is then divided by signatory landed weight.

As presented in Table A-5, the signatory landing fee is projected to increase from $1.06 per thousand pounds landed weight in FY 2025 Budget[76] to $1.99 per thousand pounds of landed weight in FY 2030. The increase is primarily due to the expiration of COVID-19 relief funding after FY 2025 and incremental debt service associated with the Series 2024 Bonds, as well as inflationary impacts of O&M Expenses. The Series 2024 Bonds include funding of a new ARFF facility costing $27.5 million of which $15.0 million is to be funded from bond proceeds, $6.25 million in local revenue, and $6.25 million in grant funding. Debt service and amortized local revenue expenditures from this project are assumed to be charged to the Airfield cost center.

Exhibit 6-7 presents the projected landing fees at the Airport during the Projection Period.

[76] The FY 2025 landing fee includes the impact of debt service from the Series 2024 Bonds. Such debt service was not included in the landing fee rate calculations reported in the County's FY 2025 Budget schedule of rates and charges.

EXHIBIT 6-7 PROJECTED LANDING FEES



NOTE:
Fiscal Years ending September 30
SOURCES: Palm Beach County Department of Airports, July 2024; Ricondo & Associates, Inc., August 2024.

6.7.2 TERMINAL RENTAL RATE

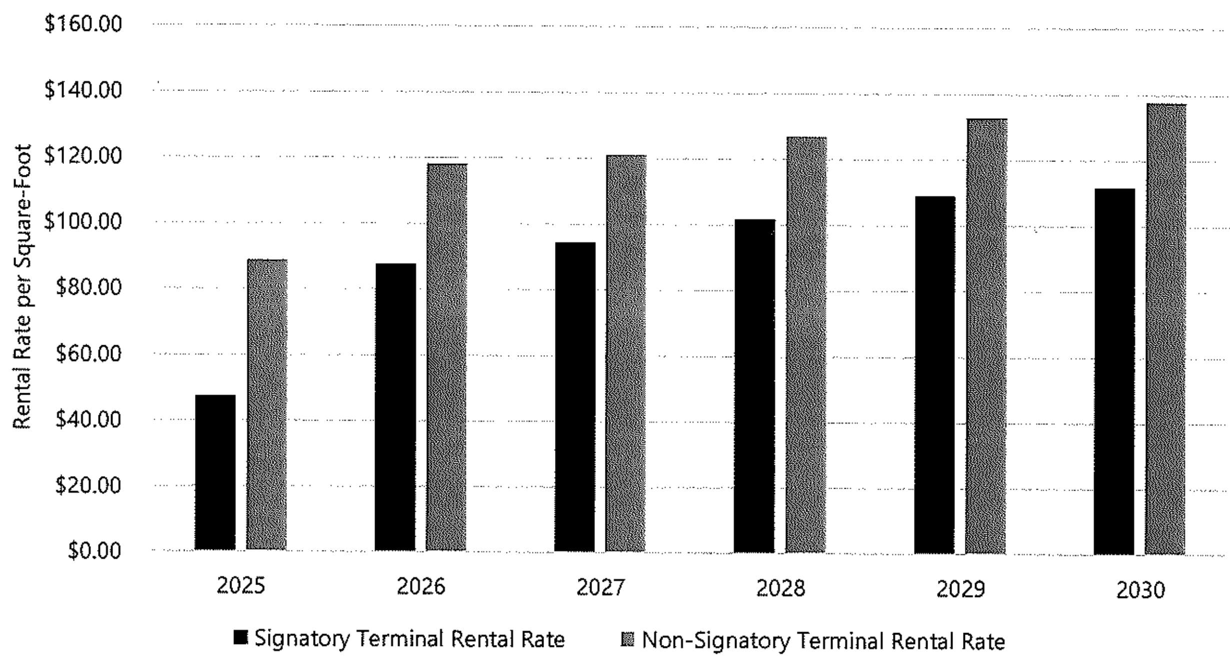
A compensatory rental rate calculation for terminal rental rates is presented in Table A-6 in Appendix A. The terminal rental rate is calculated pursuant to the Airline Agreement by combining the items previously described for the Total Requirement for the Terminal Cost Center to determine the Total Terminal Requirement. The Total Requirement is reduced by per-use gate/ticket counter revenue, Air Carrier FIS revenue, and prior year debt service coverage to calculate the Terminal Net Requirement. Dividing the Terminal Net Requirement by total rentable terminal space produces the non-signatory terminal rental rate. The signatory terminal rental rate is produced by crediting Terminal Revenue Sharing against the Terminal Net Requirement which is then divided by signatory airline rented space.

As presented in Table A-6, the Signatory Terminal Building Rental Rate is projected to increase from $47.44 in FY 2025 Budget[77] to $111.67 in FY 2030. The increase is primarily due to the expiration of COVID-19 relief funding subsequent to FY 2025 and incremental O&M Expenses and debt service associated with the Series 2024 Projects, as well as inflationary impacts of O&M Expenses. The Concourse B and Related Improvements project is projected to cost $99.0 million (including contingency), of which $75.0 million will be funded with Series 2024 Bond proceeds. The remainder with PFC/grant funding. Debt service from this project is assumed to be charged to the Terminal Cost Center for projection purposes.

Exhibit 6-8 presents the projected terminal rental rates during the Projection Period.

[77] The FY 2025 terminal rental rate includes the impact of debt service from the Series 2024 Bonds. Such debt service was not included in the terminal rental rate calculations reported in the County's FY 2025 Budget schedule of rates and charges.

EXHIBIT 6-8 PROJECTED TERMINAL RENTAL RATE



NOTE:
Fiscal Years ending September 30
SOURCES: Palm Beach County Department of Airports, July 2024; Ricondo & Associates, Inc., August 2024.

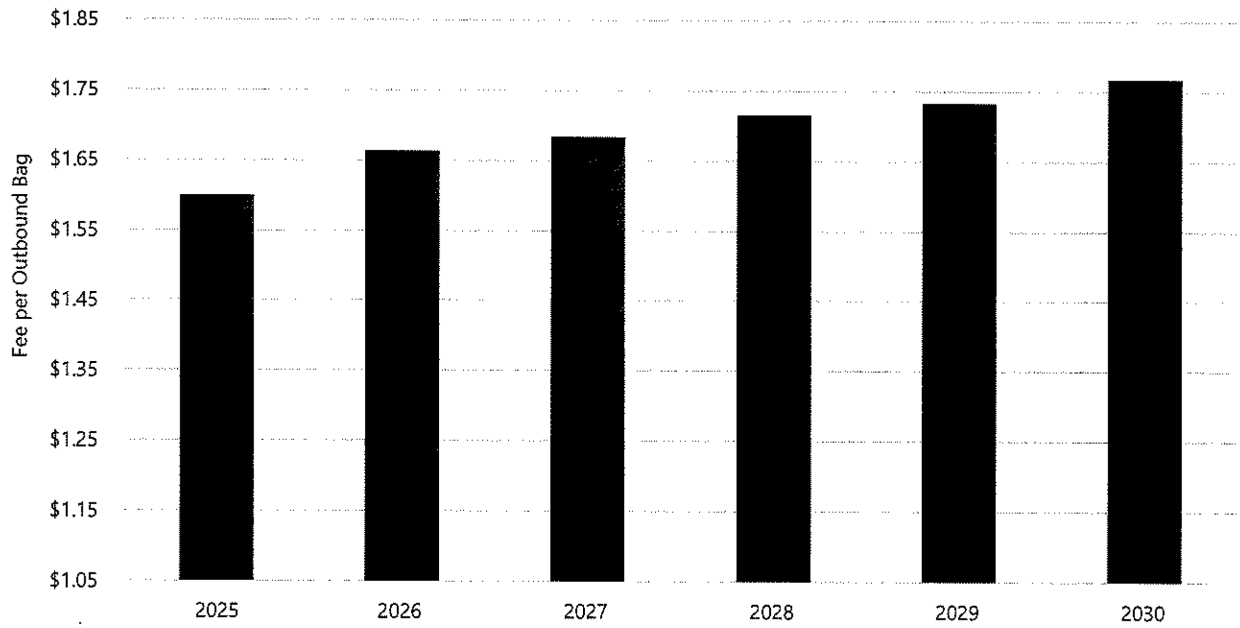
6.7.3 BAGGAGE HANDLING SYSTEM FEE

The Total Requirement for the BHS is equal to the sum of the previously described Total Requirement components for the Baggage Handling System Cost Center. A full cost recovery methodology is applied to the BHS requirement by calculating a net fee that is equal to the total BHS requirement divided by the number of annual checked outbound bags. No signatory/non-signatory rate differential is in place for the BHS Fee.

As presented in Table A-7, the Baggage Handling System Fee is projected to increase from $1.60 in FY 2025 Budget to $1.77 in FY 2030. The increase is primarily due to the expiration of COVID-19 relief funding subsequent to FY 2025, ongoing repair and maintenance cost increases, and inflationary impacts of O&M Expenses.

Exhibit 6-9 presents the projected BHS Fee during the Projection Period.

EXHIBIT 6-9 PROJECTED BAGGAGE HANDLING FEE



NOTE:
Fiscal Years ending September 30
SOURCES: Palm Beach County Department of Airports, July 2024; Ricondo & Associates, Inc., August 2024.

6.7.4 OTHER AIRLINE REVENUES

Other airline revenues include aircraft parking fees, various per-use terminal revenue (gate, Common Use Passenger Processing System, and ticket counter), commuter concourse revenue, FIS revenues, and utility reimbursements. Other airline revenue is projected to increase from $2.6 million in FY 2025 to $4.2 million in FY 2030 representing a CAGR of 9.6 percent Increased revenue from these sources are assumed to escalate with per use fees of gate facilities which are derived from terminal rental rates, plus increased usage of facilities from passengers and airline operations.

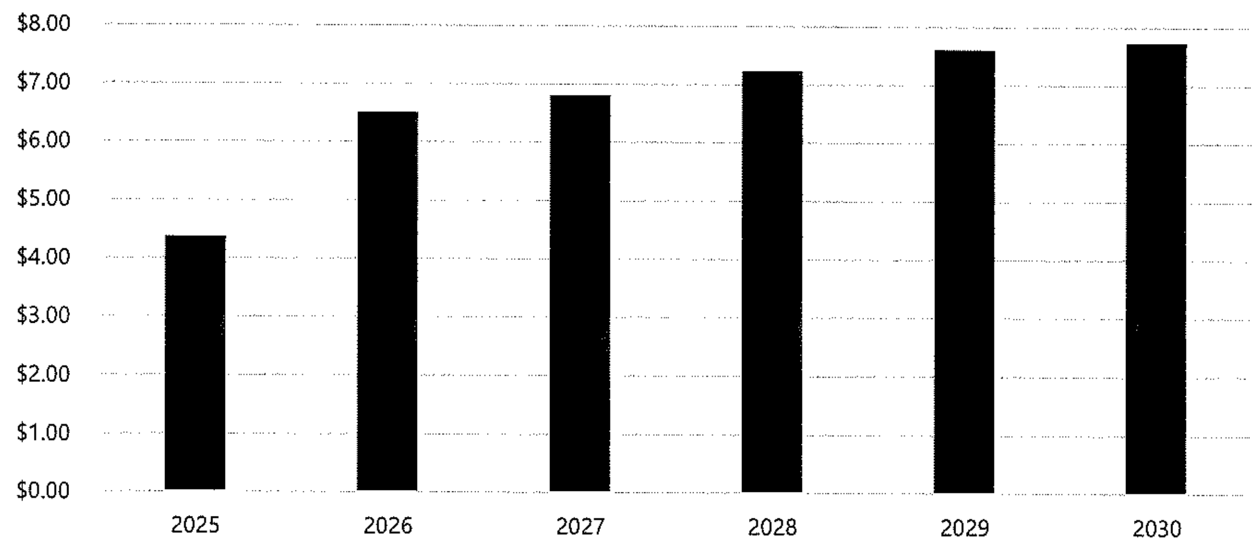
6.7.5 AIRLINE COST PER ENPLANED PASSENGER

Table A-8 in Appendix A presents the calculation of airline cost per enplaned passenger from the passenger airline revenues projected for FY 2025 through FY 2030.

The cost per enplaned passenger is projected to increase from $4.37in FY 2025 Budget to $7.73 in FY 2030. The increase is primarily due to the expiration of COVID-19 relief funding after FY 2025, incremental O&M Expenses and debt service associated with the Series 2024 Bonds, as well as inflationary impacts of O&M Expenses.

Exhibit 6-10 presents the projected airline cost per enplaned passenger through FY 2030. This exhibit includes COVID-19 relief funding which decreases the Department's net O&M Expenses and debt service in FY 2025. For reference purposes, FY 2025 airline cost per enplaned passenger without COVID-19 relief funding is estimated at$5.74.

EXHIBIT 6-10 PROJECTED AIRLINE COST PER ENPLANED PASSENGER



NOTE:
Fiscal Years ending September 30
SOURCES: Palm Beach County Department of Airports, July 2024; Ricondo & Associates, Inc., August 2024.

The projected airport user fees that generate revenue that comprises the projected annual airline cost per enplaned passenger in this analysis are deemed to be reasonable based on the following combination of factors:

- the strong and resilient economic base of the Air Trade Area,
- the well-established air service market served by a diversity of carriers,
- the ability for the Department to increase nonairline revenues through periodic rate increases, including parking, general aviation landing fees, and building/ground lease rates, and
- a projected growth in the factors that drive future air traffic demand.

Additionally, capital projects contemplated by the Department enable growth. Airport user fees during the Projection Period are calculated to recover debt service and operating costs partially attributable to significant capital projects designed to provide capacity at the Airport which supports the ability for airlines to increase service. Although the funding of these projects is anticipated to result in increased Airport user fees, these projects support long-term growth at the Airport.

In summary, airline cost per enplaned passenger, although increasing over the Projection Period, is one of many factors that are considered by airlines when evaluating air service. Airport rates and fees were approximately 6.7 percent of system-wide total airline operating costs according to the airline industry group Airlines for America[78] and are one of many factors airlines consider when allocating capacity resources. Projected growth of population and economic base, along with the geographical location, support the reasonableness of projected Airport user fees.

[78] According to data collected by Airlines for America in October 2023, 2.0 percent of passenger airline operating expenses went to landing fees and 4.7 percent went to non-aircraft rents and ownership.

6.8 PROJECTION OF FINANCIAL PERFORMANCE AND DEBT SERVICE COVERAGE

Table A-8 in **Appendix A** presents cash flow for the Airport for FY 2025 through FY 2030. Included in this cash flow are Airline Revenues, Non-Airline Revenues, O&M Expenditures and Reserve Requirement and Debt Service. Also presented in this table are the Debt Service Coverage ratios as required by the Bond Resolution. A significant portion of the 2025 Debt Service is budgeted to be paid with COVID 19 relief funding resulting in debt service coverage of 24.12x. From FY 2026 to FY 2030, debt service coverage is projected to range between3.62x and 3.83x.

Pursuant to the Bond Resolution, the County covenants that it will fix, charge and collect rates, fees, rentals and charges for the use of the Airport System, and shall revise such rates, fees, rentals and charges as often as may be necessary or appropriate to produce Revenues in each Fiscal Year at least equal to the sum of Operation and Maintenance Expenses, including reserves therefore provided for in the Annual Budget, plus the greater of:

(A) an amount equal to the sum of 1.25 times the Aggregate Debt Service for such fiscal year, or

(B) the sum of

(i) the amount to be paid during such Fiscal Year into the Debt Service Account, plus

(ii) the amount, if any, to be paid during the fiscal year into the Debt Service Reserve Account or Subaccount (including amounts payable to the issuer of any Debt Service Reserve Account Facility and excluding amounts required to be paid into such account out of the proceeds of Bonds), plus

(iii) the amount, if any, to be paid into the Renewal and Replacement Fund as provided in the Annual Budget, plus

(iv) all other charges and liens whatsoever payable out of Revenues during such fiscal year, plus

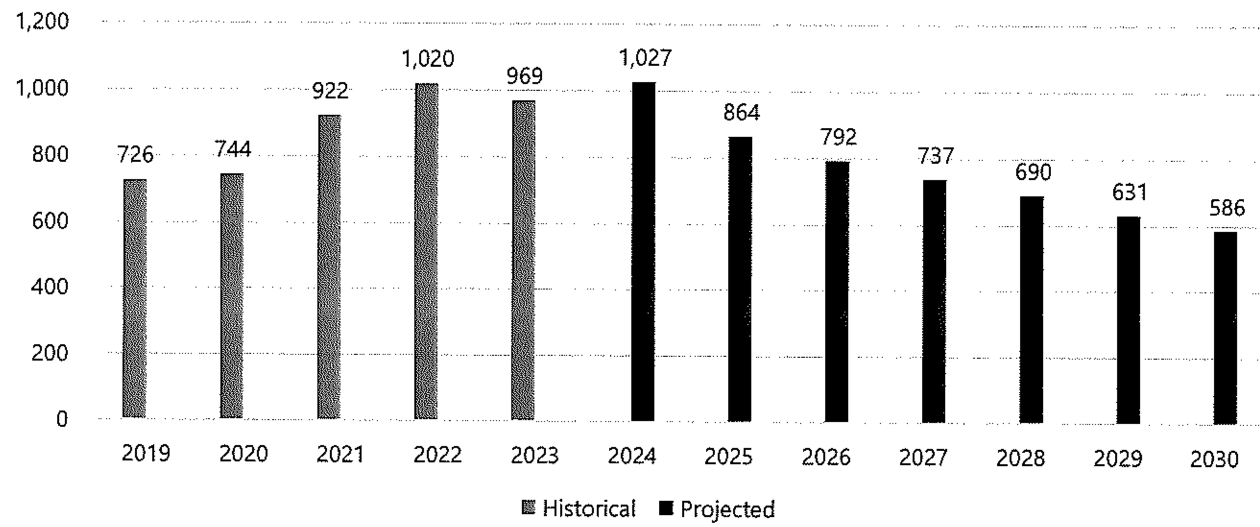
(v) to the extent not otherwise provided for, all amounts payable on Subordinated Indebtedness.

If, in any such Fiscal Year, Revenues are less than the amount specified above, the County shall take action to revise its rates, fees, rentals, and charges, or alter its methods of operation or take other action in such manner as is calculated to produce the amount so required in such period.

The Additional Bond Test required by the Original Bond Resolution requires the following: A certificate of an Authorized Officer of the County that the Net Revenues Available for Debt Service for such 12-month period, and the Aggregate Debt Service for such 12-month period and demonstrating that for such 12-month period Net Revenues Available for Debt Service equaled at least 1.25 times such Aggregate Debt Service. Net Revenues Available for Debt Service are defined by the Original Bond Resolution: for any Fiscal Year or period of 12 calendar months, means the Revenues during such Fiscal Year or period less Operation and Maintenance Expenses during such Fiscal Year or period.

Table A-9 in **Appendix A** presents the Application of Revenues for FY 2024 through FY 2030 and includes the projected balance of the Revenue Fund, Debt Service Fund, Renewal and Replacement Fund, PFC Fund, and Improvement and Development Fund through the Projection Period. Projected days cash on hand is also presented. **Exhibit 6-11** presents historical and projected days cash on hand.

EXHIBIT 6-11 DAYS CASH ON HAND



NOTES:
Fiscal Years ending September 30
Days cash on hand calculated from unrestricted cash at the end of each Fiscal Year. which is based on historical and projected fund balances and may not include certain pending cash transactions unknown to Ricondo at the time of calculation.
SOURCES: Palm Beach County Department of Airports, August 2024; Ricondo & Associates, Inc., August 2024.

APPENDIX C

SUPPLEMENTAL INFORMATION - PALM BEACH COUNTY

THE FOLLOWING INFORMATION CONCERNING PALM BEACH COUNTY, FLORIDA IS INCLUDED ONLY FOR THE PURPOSE OF PROVIDING GENERAL BACKGROUND INFORMATION.

THE FULL FAITH AND CREDIT OF THE COUNTY IS NOT PLEDGED FOR THE PAYMENT OF THE SERIES 2024 BONDS AND THE SERIES 2024 BONDS DO NOT CONSTITUTE INDEBTEDNESS OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL, STATUTORY OR OTHER PROVISION OR LIMITATION; NO BONDHOLDER SHALL EVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF THE AD VALOREM TAXING POWER OF THE COUNTY OR TAXATION IN ANY FORM OF ANY REAL PROPERTY THEREIN FOR THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE SERIES 2024 BONDS OR THE MAKING OF ANY SINKING FUND OR RESERVE PAYMENTS PROVIDED FOR IN THE BOND RESOLUTION.

General Information

Palm Beach County, Florida (the "County") was founded in 1909 and encompasses an area of 2,385 square miles. It is located on the lower east coast of the Florida peninsula with 47 miles of Atlantic Ocean frontage and 25 miles of frontage on Lake Okeechobee. The County has a semi-tropical climate with an average temperature of 75 degrees and an average rainfall of 62 inches per year. These and other natural amenities, including 87 local, State of Florida (the "State") and Federal recreational areas of more than 10 acres and 163 golf courses, have enabled the County to develop a year-round tourism industry.

There are 39 municipalities within the County, twelve of which have a population in excess of 25,000. West Palm Beach is the County seat and is the largest city in the County, with a 2023 estimated population of 122,157.

County Government

A charter form of government was established when the County's Home Rule Charter became effective in 1985. The County's Home Rule Charter gives the Board of County Commissioners the ability to create, through a local public ordinance procedure, local laws that are not in conflict with or specifically prohibited by State general law or the State Constitution. This process is done without going to the Florida Legislature to request special legislation to create these laws.

A seven-member Board of County Commissioners is the legislative governing body of the County. Each Commissioner is elected to a four-year term by the voters in the district in which he or she resides. Each year, Commission members elect a mayor to preside over Commission meetings and to serve as ceremonial head of the County. A vice mayor is also selected to assume these duties in the absence of the mayor.

Culture and Recreation

The County's Parks and Recreation Department operates 87 developed parks that encompass over 8,500 acres and include a wide variety of amenities, including two water parks, six swimming pools, five golf facilities, four equestrian facilities, three outdoor amphitheaters, 145 athletic fields, and much more. In addition, the department manages 3.51 miles of beachfront property allowing County residents and visitors to safely enjoy the County's fourteen guarded beach parks.

The County is the home of the Professional Golfers Association (PGA), located in the City of Palm Beach Gardens, often referred to as "The Golf Capital of the World." There are in excess of 160 golf courses located in the County.

The County is the Spring Training home of baseball's Florida Marlins, St. Louis Cardinals, Houston Astros and Washington Nationals. The County also fields four Class A Florida State League baseball teams.

The Village of Wellington is the site of one of the finest equestrian centers in the country, providing a venue for polo, Grand Prix jumping events and the National Horse Show.

Cultural amenities include the Florida Ballet, Opera Societies, the Royal Poinciana Playhouse, Watson B. Duncan Theater, Henry Morrison Flagler Museum, Norton Gallery of Art, the Kravis Center for the Performing Arts, and the Morikami Museum and Japanese Gardens, among others.

Education

The Palm Beach County School District is the fifth largest in Florida and the 10th largest nationwide with more than 189,000 students enrolled in more than 192 K-12 schools.

Higher education is offered at five Palm Beach State College campus sites, two Florida Atlantic University sites (State University System), Palm Beach Atlantic University, Lynn University and Barry University.

The Palm Beach County Public Library System (the "Library System") provides library services for residences in the unincorporated areas of the County and 24 cities through a main library, 16 branch libraries, and a logistical support center. Storytimes, the Summer Reading Program, and special events are provided to build children's confidence, reading skills, and a sense of community. Outreach services include a Bookmobile, Talking Books, Books-by-Mail, Adult Literacy Tutoring, and Outreach to Daycare programs. The Library System promotes economic vitality and individual achievement by offering access and training on the internet, adult programs on literature and other topics, and by providing additional services to migrant workers and adult non-readers.

Utilities

Public water supply and public sewer service is provided to most of the populated unincorporated areas of the County by the County's Water Utilities Department and the Seacoast Utilities Authority. The incorporated areas are generally served by municipally owned water and/or sewer systems.

Electricity is provided by FPL, except for residents of the City of Lake Worth who receive power from a city owned plant. Local telephone service is provided by a number of providers.

Solid Waste

The Solid Waste Authority (SWA) is the governmental agency responsible for providing an economical and environmentally conscious integrated solid waste management system for the County. The SWA provides solid waste and recycling collection services for the residents and businesses in both the incorporated and unincorporated areas of the County. Unincorporated areas of the County are serviced by private haulers under exclusive franchise agreements with the SWA. In incorporated areas of the County, collection is provided by either private haulers or municipally operated haulers. The Recovered Materials Processing Facility receives, sorts, processes and prepares for market, materials collected through SWA's recycling program. The nearly 138,000 square feet, $40 million facility can process up to 750 tons of recyclable material per day. The SWA owns and operates six transfer stations with the capacity to accept and haul nearly 10,100 tons of solid waste and recyclables per day. The Renewable Energy Facility #1 is a refuse-derived fuel waste-to-energy facility that processes over 850,000 tons of solid waste into refuse-derived fuel per year. This fuel is burned to produce electricity that is sold to FPL. The SWA landfill consists of over 50 million cubic yards of airspace with a footprint of approximately 330 acres. The landfill opened in 1989 and, together with the SWA's new mass burn waste-to-energy facility, Renewable Energy Facility #2 came online in 2015, is currently expected to provide disposal capacity until nearly 2053.

Transportation

Surface transportation is provided in the County by the Florida East Coast and CSX railroads. A network of Federal, State and local highways, including the Florida Turnpike and Interstate 95, traverse the County. The County operates a bus system (Palm-Tran) and shares in the operation of the Tri-County Commuter Rail System, which serves Miami-Dade and Broward Counties, as well as the County. A 60,000 sq. ft. train system – Brightline, operates in the County and travels through Miami, Aventura, Fort Lauderdale, Boca Raton, West Palm Beach and Orlando.

The Port of Palm Beach operates ship terminal facilities on approximately 165 acres of land located in Riviera Beach and fronting on Lake Worth. A 33-foot deep and 300-foot wide channel to the Lake Worth Inlet provides access to the port facilities. The Port of Palm Beach is the fourth busiest container port in Florida and the eighteenth busiest in the continental United States. Imports consist primarily of bulk cement and Bunker-C petroleum while exports include diesel fuel, molasses, liquid asphalt, and other bulk commodities bound for the Caribbean. A foreign trade zone has been designated near the Port.

Commercial air service is provided at Palm Beach International Airport ("PBI") by twelve major and commuter airlines. For the twelve months ended February 2024, passenger traffic at PBI was 7,891,396, up 14.3% over the previous twelve month period; aircraft operations at PBI for this period totaled 6,906,007, up 18.3% from the prior twelve month period. PBI also serves general aviation traffic, and there are four general aviation airports in the County.

Population

In 2020, the County was the third largest county in the State in terms of population. Its population increased 65.3% in the 1970-80 decade, 49.7% in the 1980-1990 decade, 31% in the period 1990-2000, 16.7% from 2000-2010, and 12.9% from 2011-2020.

Population Growth
2014-2023

Year	Palm Beach County		Florida		United States	
	Population	Change	Population	Change	Population	Change
2014	1,398,518	1.6%	19,888,741	1.6%	318,386,421	0.7%
2015	1,422,789	1.7	20,244,914	1.8	320,742,673	0.7
2016	1,443,810	1.5	20,612,439	1.8	323,071,342	0.7
2017	1,471,150	1.9	20,984,400	1.8	325,147,121	0.6
2018	1,485,941	1.0	21,299,325	1.5	327,167,434	0.6
2019	1,496,770	1.0	21,477,737	1.0	328,239,523	1.0
2020	1,510,660	0.9	21,733,312	1.2	329,484,123	0.4
2021	1,502,495	1.0	21,898,945	1.0	332,031,554	0.2
2022	1,518,152	1.0	22,276,132	1.0	333,287,557	0.4
2023	1,532,718	1.0	22,610,726	1.5	334,914,895	0.5

Source: Population Division, U.S. Census Bureau.
University of Florida, Bureau of Economic and Business Research.

Employment

Education and healthcare are the leading sources of employment. Agriculture, manufacturing of electronics, aircraft engines, and other high technology products, business and financial services, tourism and construction also play an important role in the County's economy.

The data on County unemployment in the following table represents annual averages.

Palm Beach County
Annual Average Labor Force and Unemployment Estimates Year

	Palm Beach County	Unemployment Rates		
	Civilian Labor Force	Palm Beach County	Florida	United States
2014	683,721	6.0%	6.4%	6.2%
2015	693,582	5.2	5.5	5.3
2016	711,609	4.7	4.9	4.9
2017	716,528	4.3	4.3	4.4
2018	721,422	3.7	3.7	3.9
2019	728,819	3.4	3.2	3.7
2020	715,415	8.3	8.3	8.1
2021	734,056	4.3	4.6	5.4
2022	762,722	2.7	2.9	3.6
2023	780,272	2.9	2.9	3.6

Sources: Florida Legislature, Office of Economic and Demographic Research Florida Department of Economic Opportunity, Labor Market Statistics Center, Local Area Unemployment Statistics Program, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Largest Employers (Excludes Agricultural)

The following table shows employment at the ten largest employers in the County as of September 30, 2023.

Company	Product/Service	Employees
Palm Beach County School District	Education	22,218
Palm Beach County Government	County Government	12,719
Tenant Healthcare Group Coastal Division(2)	Healthcare	5,734
NextEra Energy (Florida Power & Light)	Utilities	5,598
Florida Atlantic University(2)	Higher Education	5,059
Boca Raton Regional Hospital(2)	Healthcare	3,135
Veterans Health Administration	Healthcare	2,948
Jupiter Medical Center	Healthcare	2,540
Hospital Corporation of America (HCA)(1)	Healthcare	2,612
The Breakers(2)	Hotel	2,300

Source: Business Development Board of Palm Beach County except for Palm Beach County Government, where the source is the Office of Financial Management and Budget

(1) Formerly Columbia Palm Beach Health Care System, Inc.
(2) 2023 updated figures unavailable at the time of publication

Tourism

Visitors to the Palm Beaches have a significant economic impact on the County. According to the Florida Department of Business and Professional Regulation, there are over 200 licensed hotels and motels in the County, having a total of approximately 20,000 rooms and significant non-hotel (Airbnb/VRBO) offerings. Fiscal Year 2023 bed tax collections in Palm Beach County reached $84 million, an 8% increase over $78 million in bed tax collections for Fiscal Year 2022 and a substantial 55% surge compared to Fiscal Year 2019. The Tourism

Development Council of Palm Beach County estimates that over 9.5 million people visited the County in 2023 generating a significant economic impact to the County. Continued growth in hotel room occupancy coupled with growth in average daily room rates for the County provides continuing increases in revenue per available room, attracting increased investment in the County's hospitality industry hotels and cultural attractions.

Agriculture

Agriculture, together with the related service industries, is a core component of the County's economy. The "Glades" region of the County is one of the nation's most productive agricultural areas. The County leads the State, and all counties east of the Mississippi River, in agricultural proceeds. It ranks third in Florida in nursery production with an estimated $375 million per year in economic activity. The County is the largest agricultural county in Florida, with annual sales in excess of $1.4 billion.

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Building Permit Activity

The following table shows building activity in the unincorporated area of the County for calendar years 2017 through and including 2023.

Palm Beach County, Florida
(Unincorporated)
Total Building Activity

Fiscal Year Ended September 30	Single Family Dwelling Units	Single Family Value	Multi Family Dwelling Units	Multi Family Value	Net Commercial and Industrial Value	Public Construction Value	Other Value	Total All Permits Value
2017	1,626	$545,787,743	262	$ 61,768,705	$185,231,574	$ 29,278,919	$ 436,375,010	$1,258,441,951
2018	1,671	604,651,397	145	31,330,589	102,389,269	53,859,035	602,927,465	1,395,157,755
2019	1,725	668,012,180	758	104,879,489	151,259,561	63,948,302	636,624,350	1,624,723,812
2020	2,349	838,784,701	1,721	279,552,658	183,836,751	38,875,867	726,602,428	2,076,652,404
2021	2,614	973,635,925	1,011	144,081,593	220,490,822	90,669,884	965,057,165	2,393,935,389
2022	1,600	609,977,441	1,003	137,862,331	132,918,368	122,382,956	1,247,299,783	2,250,440,879
2023	1,886	757,981,755	409	79,767,715	339,013,874	93,965,212	1,190,596,609	2,461,325,165

Source: Palm Beach County, Florida Department of Planning, Zoning and Building.

The following table sets forth the property tax levies and collections during the last ten fiscal years for Palm Beach County, Florida.

Palm Beach County, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended September 30	Taxes Levied	Collections of Current Year Levy[(a)] Amount	% of Levy	Collections of Prior Years[(b)]	Total Tax Collections Amount	% of Levy
2014	$ 890,681,695	$ 854,253,131	95.9%	$2,505,879	$ 856,759,010	96.2%
2015	953,172,213	915,225,779	96.0	2,076,210	917,301,989	96.2
2016	1,033,361,252	994,096,012	96.2	8,536,343	1,002,632,355	97.0
2017	1,114,419,601	1,072,320,835	96.2	3,515,311	1,075,836,146	96.5
2018	1,189,703,230	1,145,216,320	96.3	294,425	1,145,510,745	96.3
2019	1,260,693,733	1,213,956,175	96.3	1,773,100	1,215,729,275	96.4
2020	1,327,361,618	1,277,378,814	96.2	2,024,450	1,279,403,264	96.4
2021	1,393,773,595	1,342,066,014	96.3	1,908,619	1,343,974,633	96.4
2022	1,472,468,222	1,417,059,380	96.2	1,158,680	1,418,218,060	96.3
2023	1,671,881,624	1,608,209,502	96.2	2,271,355	1,610,480,857	96.3

Notes: (a) Section 197.162, Florida Statutes, provides a 1% up to 4% discount for payments received between November and February. Taxes collected after April 1st are categorized as delinquent.
(b) All delinquent tax collections received during the year are applied to "Collections for Prior Years", regardless of the year in which the taxes were originally levied.

Source: Palm Beach County Tax Collector's Office

The following table lists the ten (10) largest property taxpayers in Palm Beach County.

Palm Beach County, Florida
Principal Property Taxpayers
Fiscal Year Ended September 30, 2023

Taxpayer	Total Tax
Florida Power & Light	$133,632,115
Town Center at Boca Raton Trust	11,793,719
Boca Owners LLC	8,052,388
Breakers Palm Beach Inc.	7,956,160
Gardens Venture LLC	6,865,928
Minto PBLH LLC	6,132,618
Publix Super Markets Inc	5,802,323
U.S. Sugar Corporation	5,601,205
777 South Flagler Associates LLC	5,465,667
JFK Medical Center Limited Partnership	4,973,467
Total	$196,275,590

Source: Annual Comprehensive Financial Report, Palm Beach County, Florida, Fiscal Year Ended September 30, 2023.

The following table sets forth the direct and overlapping property tax rates for Palm Beach County.

Palm Beach County, Florida
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Per $1,000 of Assessed Value)

	Direct Rates			Overlapping Rates						
Fiscal Year Ended September 30	General Government	Debt Service Fund	Total Direct Rates	Palm Beach County School Board	South Florida Water Management District	Florida Inland Navigation District	Children's Services Council	Health Care District	Total Overlapping Rates	Total Countywide
2014	4.7815	0.2037	4.9852	7.5860	0.4110	0.0345	0.7025	1.0800	9.8140	14.7992
2015	4.7815	0.1914	4.9729	7.5940	0.3842	0.0345	0.6745	1.0800	9.7672	14.7401
2016	4.7815	0.1462	4.9277	7.5120	0.3551	0.0320	0.6677	1.0426	9.6094	14.5371
2017	4.7815	0.1327	4.9142	7.0700	0.3307	0.0320	0.6833	0.8993	9.0153	13.9295
2018	4.7815	0.1208	4.9023	6.7690	0.3100	0.0320	0.6590	0.7808	8.5508	13.4531
2019	4.7815	0.1165	4.8980	6.5720	0.2936	0.0320	0.6403	0.7261	8.2640	13.1620
2020	4.7815	0.0765	4.8580	7.1640	0.2795	0.0320	0.6497	0.7261	8.8513	13.7093
2021	4.7815	0.0309	4.8124	7.0100	0.2675	0.0320	0.6497	0.7261	8.6853	13.4977
2022	4.7815	0.0334	4.8149	6.8750	0.2572	0.0320	0.6233	0.7261	8.5136	13.3285
2023	4.7150	0.0289	4.7439	6.5190	0.2301	0.0320	0.5508	0.7261	8.0580	12.8019

Source: Annual Comprehensive Financial Report, Palm Beach County, Florida, Fiscal Year Ended September 30, 2023.

APPENDIX D

FINANCIAL STATEMENTS OF THE DEPARTMENT OF AIRPORTS

APPENDIX E

FORM OF BOND COUNSEL OPINION

Upon delivery of the Series 2024 Bonds (as defined below) in definitive form, Greenberg Traurig, P.A., as Bond Counsel, proposes to render its final approving opinion with respect to such Series 2024 Bonds in substantially the following form:

___________, 2024

Board of County Commissioners of
Palm Beach County, Florida
West Palm Beach, Florida

\$__________ **Palm Beach County, Florida** **Airport System Revenue** **Improvement Bonds** **Series 2024A (Non-AMT)**	**\$__________** **Palm Beach County, Florida** **Airport System Revenue** **Improvement Bonds** **Series 2024B (AMT)**

Ladies and Gentlemen:

We have served as Bond Counsel in connection with the issuance by Palm Beach County, Florida (the "County") of its \$__________ Airport System Revenue Improvement Bonds, Series 2024A (Non-AMT) (the "Series 2024A Bonds") and its \$__________ Airport System Revenue Improvement Bonds, Series 2024B (AMT) (the "Series 2024B Bonds" and, together with the Series 2024A Bonds, the "Series 2024 Bonds") dated of even date herewith. The Series 2024 Bonds are being issued pursuant to the authority of the Constitution and laws of the State of Florida, including particularly Chapters 125 and 166, Florida Statutes, as amended, and the Charter of Palm Beach County, Florida, as amended (collectively, the "Act"), the Palm Beach County Airport System Revenue Bond Resolution No. R-84-1659 adopted by the Board of County Commissioners of Palm Beach County, Florida (the "Board") on November 1, 1984 (the "Original Bond Resolution"), as amended and supplemented from time to time and in particular by Resolution No. R-2024-_____ adopted by the Board on September 17, 2024 (the "Sixteenth Supplemental Bond Resolution" and, together with the Original Bond Resolution, the "Bond Resolution"). Any capitalized terms used herein and not otherwise defined shall have the meaning ascribed to such term in the Bond Resolution.

The Series 2024 Bonds are being issued to provide funds, together with other legally available funds of the County's Department of Airports, for the purposes of (i) financing a portion of the 2024 Projects, (ii) funding of the Series 2024 Debt Service Reserve Subaccount, and (iii) paying the costs of issuing the Series 2024 Bonds.

The description of the Series 2024 Bonds in this opinion and other statements concerning the terms and conditions of the issuance of the Series 2024 Bonds do not purport to set forth all of the terms and conditions of the Series 2024 Bonds or of any other document relating to the issuance of the Series 2024 Bonds but are intended only to identify the Series 2024 Bonds and to describe briefly certain features thereof. This opinion shall not be deemed or treated as an offering circular, prospectus or official statement, and is not intended in any way to be a disclosure document used in connection with the sale or delivery of the Series 2024 Bonds.

In rendering this opinion we have examined the transcript of the proceedings (the "Transcript") relating to the issuance of the Series 2024 Bonds, which include the Original Bond Resolution and the Sixteenth Supplemental Bond Resolution and certain other documentation, facsimiles of the executed Series 2024 Bonds and such other documents as we have deemed necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon representations of the County furnished to us, without undertaking to verify such representations by independent investigation.

In connection with the execution and delivery of the Series 2024 Bonds, in our capacity as Bond Counsel, we have been requested to render the opinions contained in this letter. The opinions set forth below are expressly limited to, and we opine only with respect to, the laws of the State of Florida and the federal income tax laws of the United States of America.

Based on the foregoing, we are of the opinion that, under existing law:

1. The County is a validly existing political subdivision of the State of Florida under the Constitution and laws of the State of Florida, with the power to issue the Series 2024 Bonds.

2. All conditions precedent in the Bond Resolution to the delivery of the Series 2024 Bonds have been duly fulfilled and the Sixteenth Supplemental Bond Resolution has been duly adopted by the Board and constitutes a valid and legally binding obligation of the County enforceable in accordance with its terms.

3. The issuance and sale of the Series 2024 Bonds have been duly authorized by the Board and the Series 2024 Bonds constitute valid and legally binding limited obligations of the County, payable solely from the Net Revenues (as defined in the Original Bond Resolution) in the manner and to the extent specified in the Bond Resolution. The Series 2024 Bonds are issued on parity with the Series 2016 Bonds to the extent described in the Sixteenth Supplemental Bond Resolution.

4. The issuance of the Series 2024 Bonds shall not directly or indirectly or contingently obligate the State of Florida, the County or any agency or other political subdivision thereof to levy or to pledge any form of taxation whatsoever nor shall the Series 2024 Bonds constitute a charge, lien or encumbrance, legal or equitable, upon any property of the County other than the Net Revenues (in the manner and to the extent specified in the Bond Resolution and the Series 2024 Resolution), and the owners of the Series 2024 Bonds shall have no recourse to the taxing power of the County, the State of Florida or any agency or other political subdivision thereof.

5. The Internal Revenue Code of 1986, as amended (the "Code"), includes requirements which the County must continue to meet after the issuance of the Series 2024 Bonds in order that interest on the Series 2024 Bonds not be included in gross income for federal

income tax purposes. The failure by the County to meet these requirements may cause interest on the Series 2024 Bonds to be included in gross income for federal income tax purposes retroactive to their date of issuance. The County has covenanted in the Sixteenth Supplemental Bond Resolution to comply with the requirements of the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2024 Bonds. Assuming continuing compliance by the County with the tax covenant described above, under existing statutes, regulations, rulings and court decisions, (i) interest on the Series 2024 Bonds is excludable from gross income for federal income tax purposes, except for interest on any Series 2024B Bonds for any period during which such Series 2024B Bonds are held by a person who is a "substantial user" of the facilities financed in part with the proceeds of the Series 2024B Bonds or a "related person," as those terms are used in Section 147(a) of the Code; (ii) interest on the Series 2024A Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; (iii) interest on the Series 2024B Bonds is an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; and (iv) in the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on applicable corporations (as defined in Section 59(k) of the Code), interest on the Series 2024 Bonds is not excluded from the determination of adjusted financial statement income.

6. The Series 2024 Bonds and the income thereon will not be subject to taxation under the laws of the State, except estate taxes and taxes under Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations owned by corporations as defined therein.

Except as stated in paragraphs number 5 and 6 above, we express no opinion as to any tax consequences resulting from the ownership, receipt or accrual of interest on, or disposition of the Series 2024 Bonds.

This opinion is qualified to the extent that the enforceability of the Series 2024 Bonds and the Bond Resolution, respectively, may be limited by general principles of equity which may permit the exercise of judicial discretion, and by bankruptcy, insolvency, moratorium, reorganization or similar laws relating to the enforcement of creditors' rights generally, now or hereafter in effect.

In rendering the foregoing opinions we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We have also assumed the genuineness of the signatures appearing upon such public records, certifications, documents and proceedings.

We have not been engaged nor have we undertaken to review or verify and therefore express no opinion as to the accuracy, adequacy, fairness or completeness of any official statement or other offering materials relating to the Series 2024 Bonds, except as may be otherwise set forth in our supplemental opinion delivered to the initial purchasers of the Series 2024 Bonds. In addition, other than as expressly set forth herein, we have not passed upon and therefore express no opinion as to the compliance by the County or any other party involved in this financing, or the necessity of such parties complying, with any federal or state registration requirements or securities statutes, regulations or rulings with respect to the offer and sale of the Series 2024 Bonds.

We express no opinion with respect to any other document or agreement entered into by the County or by any other person in connection with the Series 2024 Bonds, other than as expressed herein.

Our opinions expressed herein are predicated upon present laws, facts and circumstances, and we assume no affirmative obligation to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof.

Respectfully submitted,

APPENDIX F

FORM OF THE 2024 RESERVE POLICY

APPENDIX G

CONTINUING DISCLOSURE UNDERTAKING
(Section 503 of Resolution R-2024-__ adopted September 17, 2024)

Rule 15c2-12 Undertaking. In order to assist the Underwriters of the Series 2024 Bonds with respect to compliance with Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "Rule"), the County undertakes and agrees to provide the information described below to the persons so indicated. The County's undertaking and agreement set forth in Section 503 of the Sixteenth Supplemental Bond Resolution (the "Undertaking") shall be for the benefit of the Underwriters, the registered owners and the Beneficial Owners of the Series 2024 Bonds.

(a) The County undertakes and agrees to provide to MSRB (as defined below), through EMMA (as defined below) and to the State of Florida information depository (herein, the "SID") if and when such a SID is created, within 180 days following the end of each Fiscal Year of the County, commencing with the Fiscal Year ending September 30, 2024 (i) the Department's annual financial statements for the Fiscal Year then ended, generally consistent with the financial statements presented in an appendix to the final Official Statement relating to the Series 2024 Bonds, and (ii) an update for the Fiscal Year then ended, in substantially the form set forth in the final Official Statement, of the annual financial information and operating data set forth in the tables in the final Official Statement under the headings "THE AIRPORT SYSTEM - Certain Operating Statistics," "THE AIRPORT SYSTEM - Airline Market Share and Passenger Information," "THE AIRPORT SYSTEM – Passenger Facilities Charges," "THE AIRPORT SYSTEM - Grants" and "SELECTED FINANCIAL INFORMATION AND MANAGEMENT ANALYSIS" (any of which may be set forth in the Department's annual financial statements). If audited financial statements are not available at the time of required filings as set forth above, unaudited financial information shall be filed pending the availability of audited financial statements. (The information required to be disclosed in this subsection (a) shall be referred to herein as the "Annual Information").

The County reserves the right to modify from time to time the specific types of information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the County; provided that the County agrees that any such modification will be done in a manner consistent with the Rule.

(b) The Annual Information described in subparagraph (a) above in audited form is expected to be available on or before March 31 of each year for the Fiscal Year ending on the preceding September 30, commencing March 31, 2025 for the Fiscal Year ending on the preceding September 30, 2024. The annual financial statements comprising a portion of the Annual Information referred to in subparagraph (a) above shall be filed in unaudited form if the audited financial statements are not available or will not be available on or before March 31 for the Fiscal Year ending on the preceding September 30. The County agrees to provide to MSRB, through EMMA and the SID, if any, timely notice of its failure to provide the Annual Information or any portion thereof. Such notice shall also indicate the reason for such failure and when the County reasonably expects such Annual Information or any portion thereof will be available. Timely notice shall be given within ten (10) Business Days of the date of such failure. All filings with EMMA shall be in EMMA Compliant Format (as defined below).

(c) The Annual Information referred to in subparagraph (a) above and presented in the final Official Statement will be prepared in accordance with governmental accounting standards promulgated by the Government Accounting Standards Board, as in effect from time to time, as such principles are modified by generally accepted accounting principles, promulgated by the Financial Accounting Standards Board, as in effect from time to time, and such other State mandated accounting principles as in effect from time to time.

(d) If, as authorized by subparagraph (f) below, the County's Undertaking with respect to subparagraph (a) above requires amending, the County undertakes and agrees that the Annual Information described in subparagraph (b) above for the Fiscal Year in which the amendment is made will, to the extent possible, present a comparison between the Annual Information prepared on the basis of the new accounting principles and the Annual Information prepared on the basis of the accounting principles described in subparagraph (b) above. The County agrees that such a comparison will, to the extent possible, include a qualitative discussion of the differences in the accounting principles and the impact of the change on the presentation of the Annual Information.

(e) The County undertakes and agrees to provide to MSRB, through EMMA, and to the SID, if any, within ten (10) Business Days of the occurrence of the events listed below, notice of the occurrence of any of the following events with respect to the Series 2024 Bonds:

(i) principal and interest payment delinquencies;

(ii) non-payment related defaults, if material;

(iii) unscheduled draws on any debt service reserve account or subaccount reflecting financial difficulties;

(iv) unscheduled draws on credit enhancements reflecting financial difficulties;*

(v) substitution of credit or liquidity providers, or their failure to perform;*

(vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Series 2024 Bonds, or other material events affecting the tax status of the Series 2024 Bonds;

(vii) modifications to rights of Bondholders, if material;

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* If applicable to the Series 2024 Bonds.

(viii) Series 2024 Bond calls, if material, and tender offers;

(ix) defeasances of the Series 2024 Bonds;

(x) release, substitution, or sale of property securing repayment of the Series 2024 Bonds, if material;

(xi) rating changes;

(xii) any failure on the part of the County to comply with its Undertaking;

(xiii) bankruptcy, insolvency, receivership or similar event of the County or any other obligated person (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the County or any other obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the County or any other obligated person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the County or any other obligated person);

(xiv) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xv) appointment of a successor or additional Trustee or the change of name of a Trustee, if material;

(xvi) incurrence of a Financial Obligation (as defined below) of the County or any other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the County or any other obligated person, which affect security holders, if material;

(xvii) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the Financial Obligation of the County or any other obligated person, which reflect financial difficulties; and

(xviii) any amendment to the accounting principles to be followed by the County in preparing its financial statements, as required by this Section 503 of the Sixteenth Supplemental Bond Resolution.

(f) Notwithstanding any other provision of this Sixteenth Supplemental Resolution to the contrary regarding amendments or supplements, the County undertakes and agrees to amend and/or supplement Section 503 of Sixteenth Supplemental Bond Resolution (including the amendments referred to in such paragraph (a) above) only if:

(i) The amendment or supplement is made only in connection with a change in circumstances existing at the time the Series 2024 Bonds were originally issued that arises from (i) a change in law, (ii) SEC pronouncements or interpretations, (iii) a judicial decision affecting the Rule or (iv) a change in the nature of the County's operations or the activities that generate Revenues;

(ii) The County's Undertaking, as amended, would have complied with the requirements of the Rule at the time the Series 2024 Bonds were originally issued after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(iii) The amendment or supplement does not materially impair the interests of the registered owners and Beneficial Owners of the Series 2024 Bonds as determined by Bond Counsel or by a majority of the registered owners of the Series 2024 Bonds.

In the event of an amendment or supplement under Section 503 of Sixteenth Supplemental Bond Resolution, the County shall describe the same in the next report of Annual Information and shall include, as applicable, a narrative explanation of the reason for the amendment or supplement and its impact, if any, on the financial information and operating data being presented in the Annual Information.

(g) The County's Undertaking as set forth in Section 503 of Sixteenth Supplemental Bond Resolution shall terminate if and when the Series 2024 Bonds are paid or deemed paid within the meaning of Section 1201 of Article XII of the Bond Resolution.

(h) The County acknowledges that its Undertaking pursuant to the Rule set forth in Section 503 of Sixteenth Supplemental Bond Resolution is intended to be for the benefit of the registered holders and Beneficial Owners of the Series 2024 Bonds and shall be enforceable by such holders and Beneficial Owners; provided that, the holder's and Beneficial Owners' right to enforce the provisions of this Undertaking shall be limited to a right to obtain specific enforcement of the County's obligations hereunder, and any failure by the County to comply with the provisions of this Undertaking shall not be or constitute a covenant or monetary default with respect to the Series 2024 Bonds under this Sixteenth Supplemental Resolution.

(i) The County reserves the right to satisfy its obligations under Section 503 of Sixteenth Supplemental Bond Resolution through agents; and the County may appoint such agents without the necessity of amending this Resolution. The County may also appoint one or more employees of the County to monitor and be responsible for the County's Undertaking hereunder.

(j) The term "EMMA" shall mean the Municipal Securities Rulemaking Board's ("MSRB") Electronic Municipal Market Access System (http://www.emma.msrb.org).

The term "EMMA Compliant Format" shall mean a format for any document provided the MSRB which is in electronic format and is accompanied by identifying information, all as prescribed by the MSRB.

(k) The term "Financial Obligations" shall mean (a) a debt obligation, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) a guarantee of either (a) or (b). The term Financial Obligation does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

NOTICE OF PUBLIC HEARING BY PALM BEACH COUNTY, FLORIDA REGARDING THE ISSUANCE BY PALM BEACH, COUNTY, FLORIDA OF ITS NOT TO EXCEED $110,000,000 AIRPORT SYSTEM REVENUE IMPROVEMENT BONDS, SERIES 2024 IN MORE THAN ONE SERIES. THIS NOTICE SUPERSEDES AND REPLACES THE NOTICE PUBLISHED BY THE PALM BEACH POST ON SEPTEMBER 6, 2024.

NOTICE IS HEREBY GIVEN, that the Board of County Commissioners of Palm Beach County, Florida (the "Board"), the governing body of Palm Beach County, Florida (the "County"), will conduct a public hearing at 9:30 A.M., or as soon thereafter as the same may be heard, on September 17, 2024, concerning the proposed issuance by the County of up to $110,000,000 of its Airport System Revenue Improvement Bonds, Series 2024 to be issued in more than one series (herein, the "Bonds"). The net proceeds of the Bonds will be used primarily to finance in part the replacement of the Aircraft Rescue and Fire Fighting (ARFF) Building, Station 81, the replacement of the Revenue Control Building and certain capital improvements to Concourse B, including the expansion of the security checkpoint relating thereto and other improvements relating to circulation and access (collectively, the "2024 Projects"). The Bonds are to be issued as exempt facility bonds for an airport as identified in section 142 of the Internal Revenue Code of 1986, as amended (the "Code"). The ARFF Building – Station 81 project and the Concourse B project will be located at the Palm Beach International Airport (the "Airport"), located at 1000 James L Turnage Blvd, West Palm Beach, FL 33415, and the Revenue Control Building will be located on Airport property at 1250 Perimeter Road, in both cases, within the boundary of N. Military Trail to the west, Belvedere Road to the north, Australian Avenue to the east and Perimeter Road to the south. All components of the 2024 Projects will be owned by the County.

The Bonds will be special limited obligations of the County payable solely from available net airport revenues pledged by the County on parity with the County's Airport System Revenue Refunding Bonds, Series 2016. The Bonds may also be secured by a bond insurance policy and a stand-alone reserve policy.

The public hearing will be held at the following time and location:

9:30 A.M., or as soon thereafter on September 17 , 2024
Palm Beach County Government Center
301 North Olive Avenue, West Palm Beach, Florida 33401
Jane Thompson Memorial Chambers - Sixth Floor

The Bonds will not constitute an indebtedness of the County, the State of Florida (the "State") or any other political subdivision of the State within the meaning of any constitutional or statutory debt limitation or restriction. The Bonds shall not constitute a moral obligation of the County or a charge against its general credit. The owners of the Bonds will never have the right to compel the exercise of the ad valorem taxing power of the County for the payment of the Bonds. No property of the County, the State or any other political subdivision thereof will be pledged for the payment of the Bonds.

All interested persons are invited to attend the public hearing, which will be the only public hearing concerning the issuance of the Bonds. At such meeting, persons will be given an opportunity to express their views, both orally and through written statements which are submitted to the County Administrator, 11th Floor, 301 North Olive Avenue, West Palm Beach, Florida 33401, on or before the public hearing. For further information regarding the proposed issuance of the Bonds, contact David Behar, Esquire, Assistant County Attorney at (561) 355-2734. For further information regarding the 2024 Projects, contact Laura Beebe, Director of Airports at (561) 471-7403. Should any person decide to appeal any decision made by the County, he or she will need a record of the proceedings and may need to ensure that a verbatim record of the proceedings is made, which record must include testimony and evidence upon which the appeals may be based.

In accordance with the Americans with Disabilities Act, persons with disabilities requiring accommodations to participate in this proceeding should contact Reginald Duren, ADA Coordinator, at (561) 355-3838 or by email at (rduren@pbc.gov) no later than five (5) days prior to the hearing. If you are deaf, hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services.

This Notice is published on the County's website pursuant to the requirements of Section 147(f) of the Code of 1986 and Treasury Regulations Section 1.147(f)-1.

PALM BEACH COUNTY, FLORIDA

Publication Date: September __, 2024

700624414v9

SUN-SENTINEL

Sold To:
Stephen Sanford - CU80185362
17114 SE Kerry Curt
Tequesta,FL 33469

Bill To:
Stephen Sanford - CU80185362
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Tequesta,FL 33469

Published Daily
Fort Lauderdale, Broward County, Florida
Boca Raton, Palm Beach County, Florida
Miami, Miami-Dade County, Florida

State Of Florida
County Of Orange

Before the undersigned authority personally appeared
Rose Williams, who on oath says that he or she is a duly authorized representative of the SUN- SENTINEL, a DAILY newspaper published in BROWARD/PALM BEACH/MIAMI-DADE County, Florida; that the attached copy of advertisement, being a Legal Notice in:

The matter of 11720-Notice of Public Meeting ,
Was published in said newspaper by print in the issues of, and by publication on the newspaper's website, if authorized on Sep 10, 2024
Self Service Multi-Product Purchase
Affiant further says that the newspaper complies with all legal requirements for publication in Chapter 50, Florida Statutes.

Rose Williams

Signature of Affiant

Sworn to and subscribed before me this: September 11, 2024.

LeAnne Rollins

Signature of Notary Public

Notary Public State of Florida
Leanne Rollins
My Commission HH 500022
Expires 4/27/2028

Name of Notary, Typed, Printed, or Stamped
Personally Known (X) or Produced Identification ( )

Affidavit Delivery Method: E-Mail
Affidavit Email Address: sanfords@gtlaw.com
7694360

NOTICE OF PUBLIC HEARING BY PALM BEACH COUNTY, FLORIDA REGARDING THE ISSUANCE BY PALM BEACH, COUNTY, FLORIDA OF ITS NOT TO EXCEED $110,000,000 AIRPORT SYSTEM REVENUE IMPROVEMENT BONDS, SERIES 2024 IN MORE THAN ONE SERIES. THIS NOTICE SUPERSEDES AND REPLACES THE LEGAL NOTICE PUBLISHED IN THE PALM BEACH POST ON SEPTEMBER 6, 2024.

NOTICE IS HEREBY GIVEN, that the Board of County Commissioners of Palm Beach County, Florida (the "Board"), the governing body of Palm Beach County, Florida (the "County"), will conduct a public hearing at 9:30 A.M., or as soon thereafter as the same may be heard, on September 17, 2024, concerning the proposed issuance by the County of up to $110,000,000 of its Airport System Revenue Improvement Bonds, Series 2024 to be issued in more than one series (herein, the "Bonds"). The net proceeds of the Bonds will be used primarily to finance in part the replacement of the Aircraft Rescue and Fire Fighting (ARFF) Building, Station 81, the replacement of the Revenue Control Building and certain capital improvements to Concourse B, including the expansion of the security checkpoint relating thereto and other improvements relating to circulation and access (collectively, the "2024 Projects"). The Bonds are to be issued as exempt facility bonds for an airport as identified in section 142 of the Internal Revenue Code of 1986, as amended (the "Code"). The ARFF Building – Station 81 project and the Concourse B project will be located at the Palm Beach International Airport (the "Airport"), located at 1000 James L Turnage Blvd, West Palm Beach, FL 33415, and the Revenue Control Building will be located on Airport property at 1250 Perimeter Road, in both cases, within the boundary of N. Military Trail to the west, Belvedere Road to the north, Australian Avenue to the east and Perimeter Road to the south. All components of the 2024 Projects will be owned by the County.

The Bonds will be special limited obligations of the County payable solely from available net airport revenues pledged by the County on parity with the County's Airport System Revenue Refunding Bonds, Series 2016. The Bonds may also be secured by a bond insurance policy and a stand-alone reserve policy.

The public hearing will be held at the following time and location:

9:30 A.M., or as soon thereafter on September 17 , 2024
Palm Beach County Government Center
301 North Olive Avenue, West Palm Beach, Florida 33401
Jane Thompson Memorial Chambers - Sixth Floor

The Bonds will not constitute an indebtedness of the County, the State of Florida (the "State") or any other political subdivision of the State within the meaning of any constitutional or statutory debt limitation or restriction. The Bonds shall not constitute a moral obligation of the County or a charge against its general credit. The owners of the Bonds will never have the right to compel the exercise of the ad valorem taxing power of the County for the payment of the Bonds. No property of the County, the State or any other political subdivision thereof will be pledged for the payment of the Bonds.

All interested persons are invited to attend the public hearing, which will be the only public hearing concerning the issuance of the Bonds. At such meeting, persons will be given an opportunity to express their views, both orally and through written statements which are submitted to the County Administrator, 11th Floor, 301 North Olive Avenue, West Palm Beach, Florida 33401, on or before the public hearing. For further information regarding the proposed issuance of the Bonds, contact David Behar, Esquire, Assistant County Attorney at (561) 355 2734. For further information regarding the 2024 Projects, contact Laura Beebe, Director of Airports at (561) 471-7403.

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This Notice is published on the County's website pursuant to the requirements of Section 147(f) of the Code of 1986 and Treasury Regulations Section 1.147(f)-1.

PALM BEACH COUNTY, FLORIDA

Publication Date: September 10, 2024

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