

SANFORD AIRPORT AUTHORITY



MONTHLY Interim Financial Results

Fiscal Year 2015-2016
for period ending May 31, 2016

by Don E. Poore, PMP
Chief Financial Officer

Executive Summary

This report covers the 8th monthly period of our fiscal year which ended on May 31, 2016. Operational revenues (14.75%) and expenditures (0.09%) continue to exhibit expected growth. To date, operations have resulted in \$2,428,317 net income. Installation of all the passenger loading bridges is complete and retainage payouts are in progress. Terminal expansion continues with 60% design completed. An amendment for the PFC application #003 (current application) has been submitted to the FAA. Total passenger counts for the month (233,516) surpassed the previous record (2015) by 10.83%. Domestic passenger counts (197,412) exceeding the 2015 record by 11.31% (47 consecutive record setting months). **International passenger counts (36,104) exceeded May 2015 figures by 8.28% as international passengers continue to climb.** An international level not seen in the last 18 months.

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Operations Activities

Summary

Assets

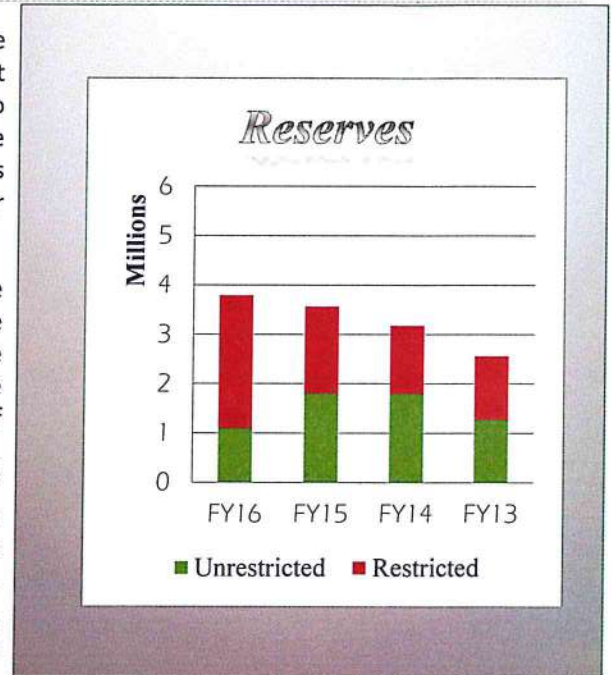
Investment Funds & Reserves: A total of 12 banking accounts are maintained with 7 at CNL Bank, 4 at Local Government Investment Pool (LGIP) and 1 at Bank of America. Four accounts are dedicated to the day-to-day operations of the Authority or loan servicing. The remaining accounts (8) make up the reserves. Total reserves (\$3,800,114) are comprised of four accounts at CNL Bank and four accounts at LGIP; and are designated as restricted or unrestricted.

Unrestricted reserve compositions (reference chart at right) have changed over time. In the past (through Sept 2013), reserves were totally unrestricted and included PFCs. PFC revenues were reimbursing the Authority for costs incurred in construction of the terminal. PFC application #3 allowed for the reimbursement of several past eligible projects and two upcoming projects. Reimbursement for past projects was essentially "money in the bank" once received. All this "past project" reimbursement has been received, all current and future PFC funds are dedicated to payment for "in-progress" currently approved PFC-funded projects only (i.e. Passenger Loading Bridge and Baggage System Replacement). Present unrestricted reserves are composed of two accounts named "Reserves" (one at CNL and one at LGIP) totaling \$1,095,415.

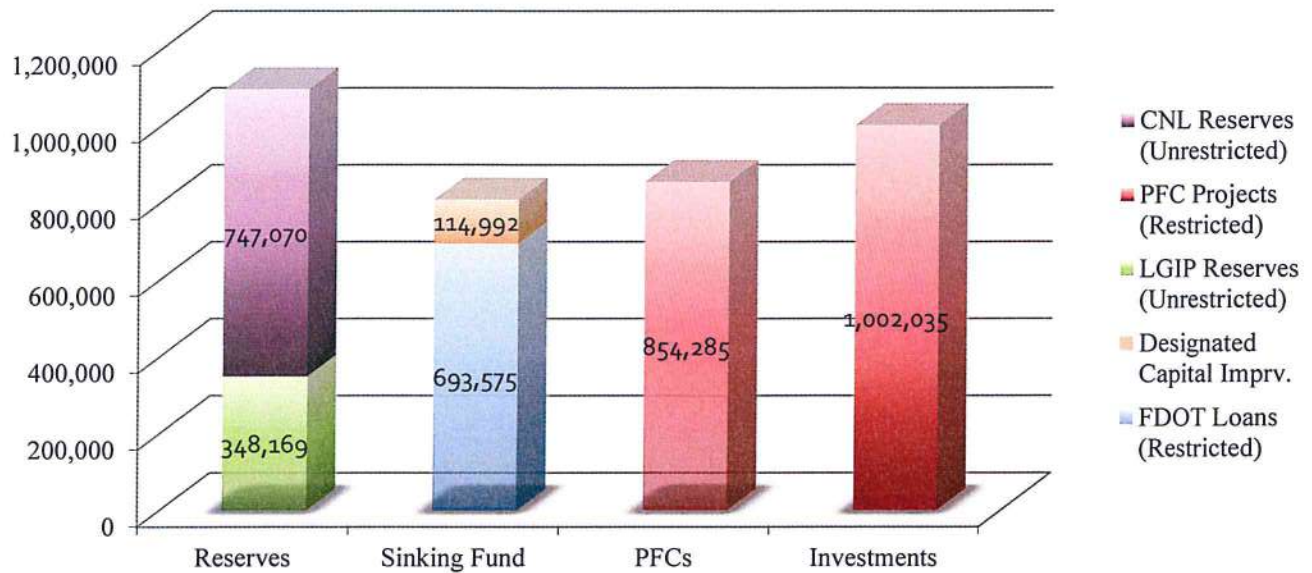
Reserves also include restricted funds (\$2,704,698). This restriction designation is management imposed and relates to the intended use of the funds. Restricted Funds are comprised of 3 CNL Bank accounts (Investments, PFCs and Memorial Committee) and 3 LGIP Accounts (Sinking Fund, Mortgages Held & Memorial Committee). The two Memorial Committee accounts (\$27,199) are for the use of the Sanford Airport Memorial Committee in their restoration efforts. Two additional accounts are currently dedicated to PFC projects only and have a combined balance of \$1,856,321. A single account at LGIP (\$12,611) is for a mortgage held by the Authority related to an eminent domain settlement.

In 2013 a single sinking fund was created to facilitate various obligations that will mature on various future dates. During 2011 & 2014 SAA acquired land using 2 FDOT grants (50%) and 2 FDOT loans (25% of purchase price at 0% - 10 years). SAA funded approximately \$1,000,000 from reserves and utilized the ten year interest free notes payable to FDOT for \$1,413,729. FY15 funding was prefunded during FY14. Contributions made during FY15 were not required to meet future obligations. These funds were set aside for unbudgeted FDOT grants and replacement of our accounting system. Funding is accomplished by a weekly ACH transfer of \$4,471.

A chart of this composition can be found on the next page.



Reserves Composition



Liabilities

Obligations:

The FDOT loan (427887) referred to above permitted the purchase of several land parcels on Beardall Ave and has a current balance of \$1,206,250. The 0% note has a ten year maturity and will be due in 2022. The associated project was completed in July 2012. A similar loan (420846) was obtained in June 2014 for purchase of property adjacent to R/W 18/36. The grant was closed in Feb 2015 after purchasing one property(Masai). The loan balance of \$207,479 will be due in 2024. A sinking fund (current balance \$808,567) was established at LGIP for retirement of these two loans and other designated capital endeavors.

A derivative-backed loan with Bank of America was utilized to construct three buildings. All three have been continuously occupied by components of the Seminole County government (Supervisor of Elections & County Sheriff). The original amount financed was \$3.50 million. Current balance is approximately \$1.672 million.

Two additional loans with CNL have been utilized. The first loan issued in Feb 2010 was for the construction of a large aircraft hangar. The hangar was constructed for tenant AVOCET and is financed with lease income from this tenant. Renegotiation of this loan in April 2014 reduced its rate(5.666% to 4.25%) and term (20 yr to 10 yr). The current balance is \$1,865,588 The second was issued in July 2012 for the acquisition for land held by ADESA Insurance Auto Auction. This land was needed in order to complete the extension of Runway 9L-27R to 11,000 feet. This interest-only loan was paid off in September 2014 when SAA received FAA grant 73. This loan although paid in full, remains intact and available (\$3,500,000) as a capital project funding facility if needed.

Unearned Revenue:

Unearned revenues are comprised of advanced payments from several sources. The first is the construction value of the AT&T cell tower which doubles as the platform for the Airport's rotating beacon. The construction cost/valuation of the antenna at completion was approx. \$190,000. The tower was then given to SAA by AT&T in lieu of rent payments (\$1500/mo.) for 120 months (\$180,000).

The second source is related to revenue that will be earned as a result of customer-specific build-outs. Several tenants have had capital improvements accomplished at SAA expense (Synergy Wood Products & Orange Air at present). The corresponding lease then details an expense repayment plan at a specified rate of return over a specified period. The total value of this repayment is then booked here and an offset is made to notes receivable with the balance of both being reduced as monthly payments are received. A third build-out was done by Freeman Holdings at the tenant's expense and is reflected as unearned revenue. The value of the build out is earned as their rent comes due and the value of that rent is offset against the value of the build-out.

SUMMARY FOR 8th PERIOD ENDING MAY 31, 2016:

OPERATIONS

REVENUES:

	Budgeted	Actual
Actual YTD - end of the 8 th Period's revenues	\$ 7,010,259	\$ 8,043,995

▲ EXCEEDS YTD BUDGET BY \$1,033,736 OR 14.75%

EXPENSES:

Actual YTD – end of the 8 th Period's expenditures	<u>\$ 5,620,857</u>	<u>\$ 5,615,678</u>
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▲ FALLS SHORT OF BUDGET BY \$5.179 OR (0.09)%

NET EFFECT OF OPERATIONS:

GAIN / (LOSS)	<u>\$ 1,389,402</u>	<u>\$ 2,428,317</u>
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▲ Exceeds budget by \$955,477 OR 88.65%

GRANTS & CAPITAL PROJECTS

FAA GRANT REVENUES	\$ 6,997,705
FDOT GRANT REVENUES	\$ 1,669,955
GRANT RELATED PROJECT EXPENSES	<u>\$ (9,749,188)</u>
SURPLUS / (DEFICIT)	\$ (1,081,528)

PFC REVENUES & EXPENSES

PFC's & PFC INTEREST REVENUES	\$ 3,014,340
PFC PROJECT EXPENSES	<u>\$ (3,493,001)</u>
SURPLUS / (DEFICIT)	\$ (478,661)

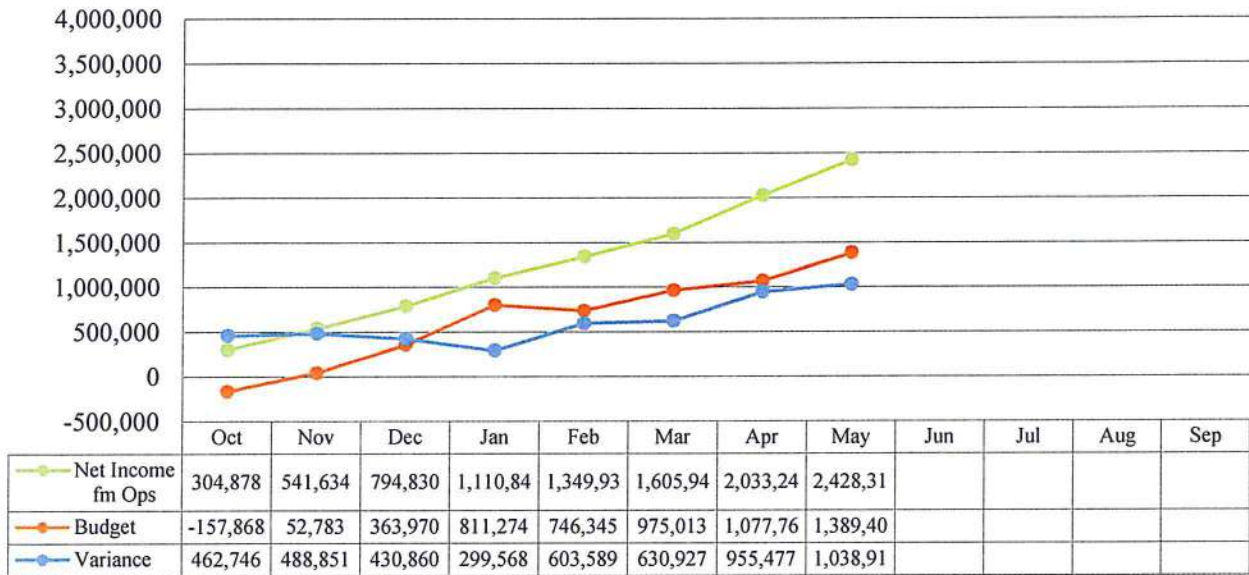
NON-OPERATING REVENUES & EXPENSES

SANFORD AIRPORT MEMORIAL COMMITTEE - Revenue & (Expenses)	\$ (4,327)
SAA NON-GRANT CAPITAL EXPENSES	\$ (305,284)
OTHER NON-OPERATING ADJUSTMENTS	<u>\$ (8,249)</u>
SURPLUS / (DEFICIT)	\$ (301,362)
NON-OPERATING TOTAL	<u>\$ (1,861,551)</u>

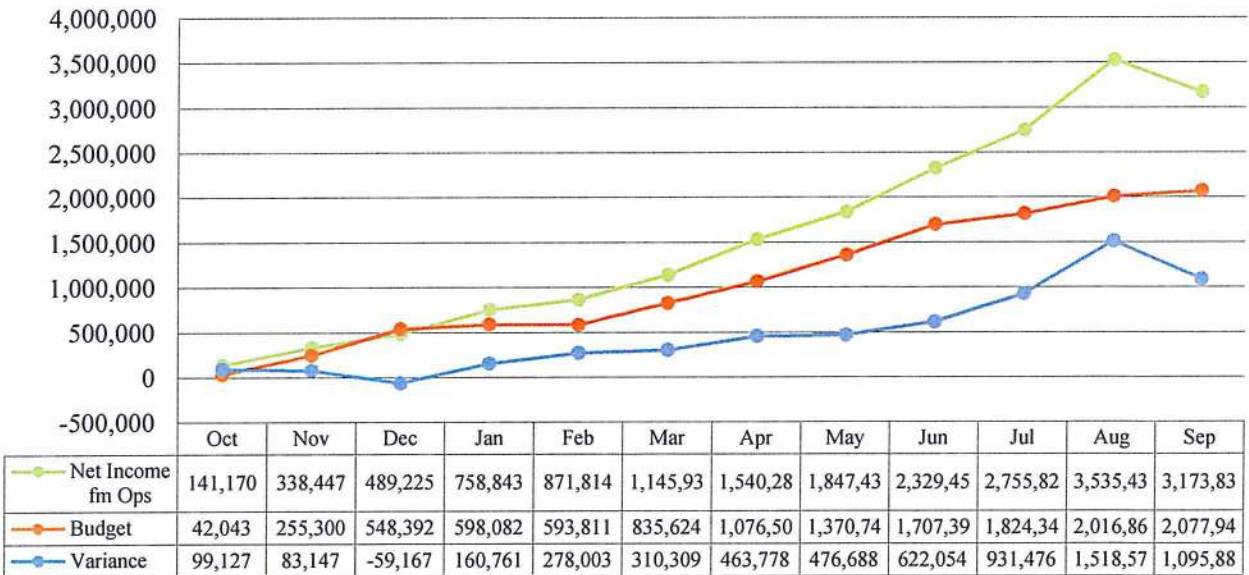
▼ END OF 8TH PERIOD - NET GAIN / (LOSS) ALL SOURCES:

\$2,428,317 - \$(1,861,551) = \$566,766

FY16 Net Income Vs. Budget Report

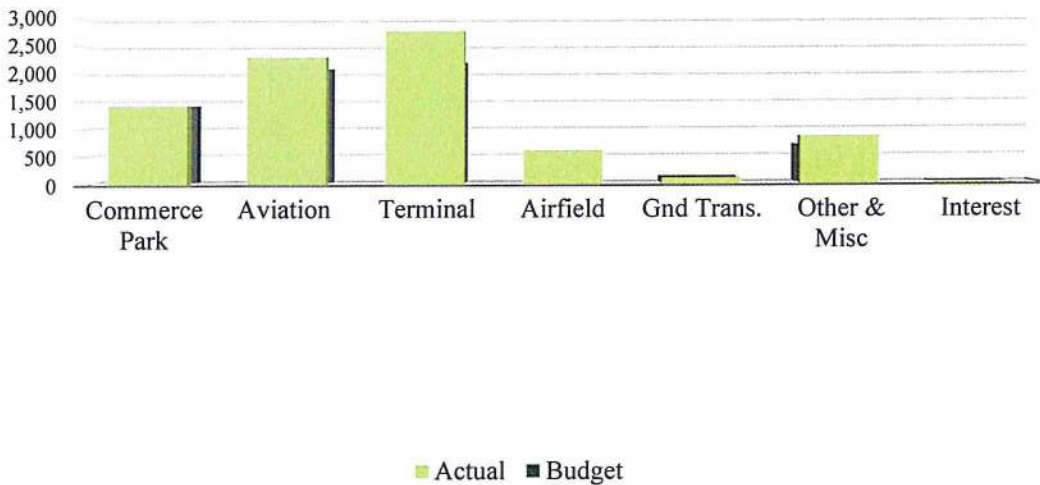


FY15 Net Income Vs. Budget Report



Above the Line Analysis (Operating Results)

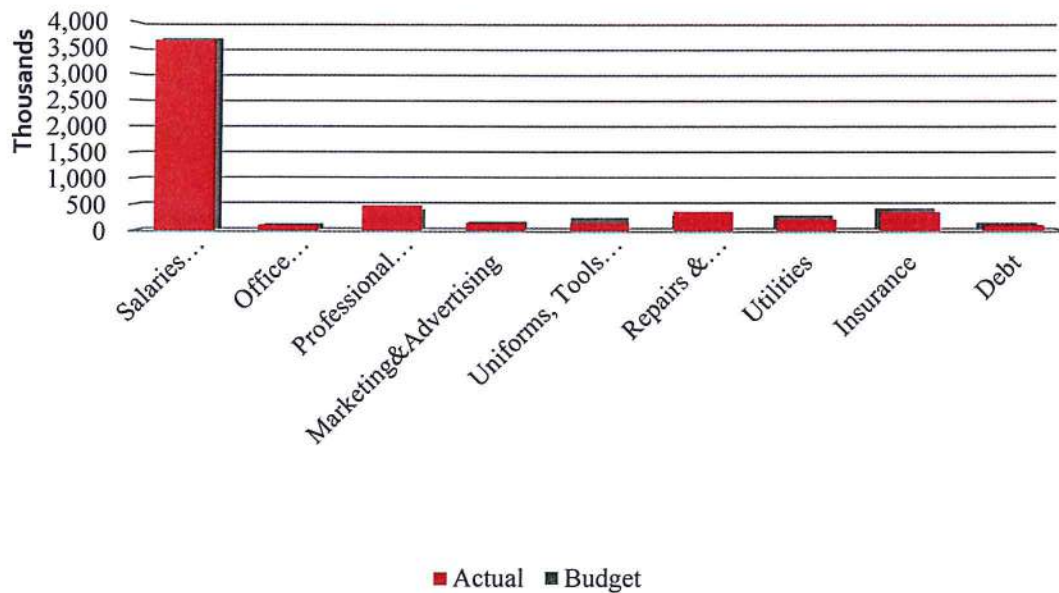
Revenue Actual vs. Budget



Revenue Variances

- ▲ **COMMERCE PARK REVENUES: EXCEEDS BUDGET BY \$4,619 (0.33%)**
- ▲ **AVIATION REVENUES: EXCEEDS BUDGET BY \$201,199 (9.62%)**
THIS POSITIVE VARIANCE IS DUE TO INCREASED FUEL CONSUMPTION AND ADDITIONAL AVIATION TENANTS.
- ▲ **TERMINAL REVENUES: EXCEEDS BUDGET BY \$548,186 (24.82 %)**
THIS VARIANCE REFLECTS CFC REVENUES WITHOUT CORRESPONDING PROJECT EXPENSES AND BETTER THAN EXPECTED PARKING AND RENTAL CAR ACTIVITY.
- ▲ **AIRFIELD REVENUES: EXCEEDS BUDGET BY \$101,267 (20.18%)**
CONTINUED INCREASES IN FLIGHT SCHEDULES AND THE MATURING OF NEW DESTINATIONS ARE GENERATING HIGHER THAN BUDGETED REVENUES FOR BOTH DOMESTIC AND INTERNATIONAL VENUES
- ▲ **GROUND TRANSPORTATION: EXCEEDS BUDGET BY \$3,699 (3.62%)**
- ▲ **OTHER LEASES & MISC REVENUE: EXCEEDS BUDGET BY \$172,456 (25.25%)**
THIS IS SOLELY RELATED TO AN FAA PAYMENT THAT HAS NOT YET BEEN PROPERLY CATEGORIZED.
- ▲ **INTEREST REVENUE: EXCEEDS BUDGET BY \$2,310 (26.96%)**
EARLY DEBT RETIREMENT IS RESULTING IN THIS SAVINGS.

Expenses Actual vs. Budget



Expense Variances

- ▲ **SALARIES & BENEFITS: FALLS SHORT OF BUDGET BY \$56,552 (1.52%)**
- ▼ **OFFICE & ADMINISTRATIVE EXPENSES: EXCEEDS BUDGET BY \$9680 (-9.50%)**
THE VARIANCE IS DUE ALMOST ENTIRELY TO CHANGES IN EXPENSE TIMING.
- ▼ **PROFESSIONAL & CONTRACT SERVICES: EXCEEDS BUDGET BY \$106,892 (-28.05%)**
SEVERAL LARGE VARIANCES RELATED LEGAL EXPENSES, HOTEL, LAND NEGOTIATIONS, APPRAISALS AND PROCUREMENT OF PROFESSIONAL SERVICES BEING NEEDED IN NUMEROUS DEPARTMENTS. A BUDGET AMENDMENT THAT INCLUDES THIS CATEGORY HAS BEEN APPROVED BY THE BOARD AND IS BEING PRESENTED TO THE CITY ON 11 JULY 2016.
- ▼ **PROPERTIES , MARKETING & ADVERTISING: EXCEEDS BUDGET BY \$8,473 (-5.97%)**
THIS VARIANCE IS RELATED TO SEVERAL UNBUDGETED ITEMS AS A WHOLE THIS CATEGORY SHOULD BEGIN TO REDUCE IN MAGNITUDE.
- ▲ **UNIFORMS TOOLS & SUPPLIES: FALLS SHORT OF BUDGET BY \$73,584 (33.35%)**
REDUCED GAS EXPENDITURES AND JUDICIAL SPENDING ARE PROVIDING A FAVORABLE VARIANCE .
- ▼ **REPAIRS & MAINTENANCE EXPENSES: EXCEEDS BUDGET BY \$101,053 (-37.66%)**
AOA EXPENSES IN ANTICIPATION OF THE FAA INSPECTION, UNEXPECTED PURCHASE OF A NEW WELL AND PREPARATION/REHABILITATION OF VACATED FACILITIES ALL CONTRIBUTE TO THIS VARIANCE.
- ▲ **UTILITIES EXPENSES: FALLS SHORT OF BUDGET BY \$43,923 (16.51%)**
- ▲ **INSURANCE EXPENSE: FALLS SHORT OF BUDGET BY \$41,911 (10.35%)**
THIS IS REFLECTING THE FAVORABLE RATES AND REDUCTIONS THAT WE ENJOY FROM OUR CURRENT CARRIERS/AGENT.
- ▲ **DEBT SERVICE EXPENSES: FALLS SHORT OF BUDGET BY \$15,307 (12.13%)**
THE ACCELERATED PAYOFF OF LOAN 4019 CAUSED THIS VARIATION.

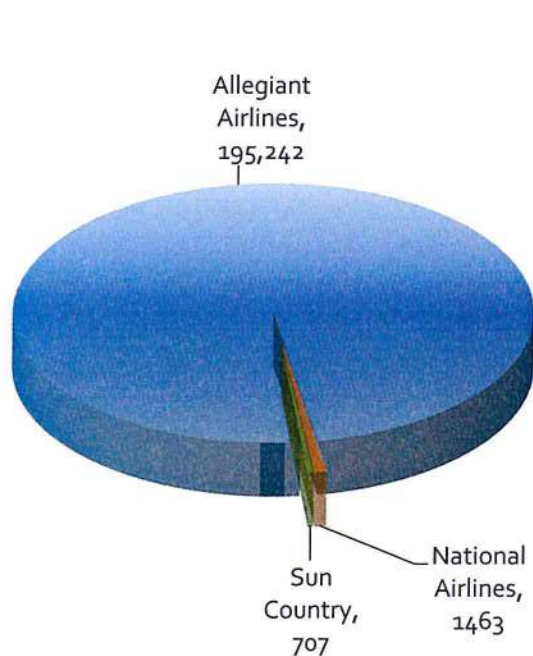
Below the Line Analysis (Grants & Capital Results)

GRANT REVENUE/EXPENSES	REVENUES	EXPENSES	BUDGET	VARIATION
➤ FDOT GRANT 437713	576,633	(1,540,007)	(576,062)	(193,371)
TERMINAL EXPANSION DESIGN – 60% COMPLETE ONGOING				
➤ FAA GRANT 74/ FDOT GRANT 431600	4,163,616	(5,432,969)	(271,648)	(997,705)
SW RAMP REHAB BID PKG 3 – PHASE 5 CONCRETE POURING IN PROGRESS				

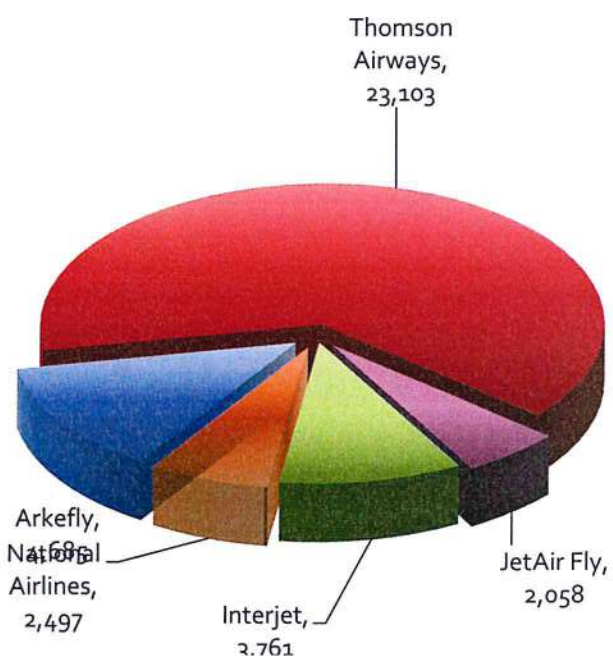
AUTHORITY CAPITAL EXPENDITURES (RELATED TO OPERATIONS)

	<u>ACTUAL</u>	<u>ANNUAL BUDGET</u>	<u>VARIANCE</u>
MACHINERY CAPITAL EXPENDITURES_____	80,355	83,500	3,145
VEHICLES EXPENDITURES _____	90,946	117,000	26,054
SMALL EQUIPMENT EXPENDITURES_____	21,350	76,400	55,050
COMPUTERS & OFFICE EQUIPMENT_____	28,529	20,900	(7,629)
COMMUNICATIONS & NETWORKS_____	18,352	30,000	11,648
ACCESS CONTROL_____	13,615	30,000	16,385
VIDEO RECORDING SYSTEM_____	1,203	32,000	30,797
BUILDING & IMPROVEMENTS_____	31,754	195,000	163,246
LAND & STORMWATER_____	19,180	10,000	(9,180)

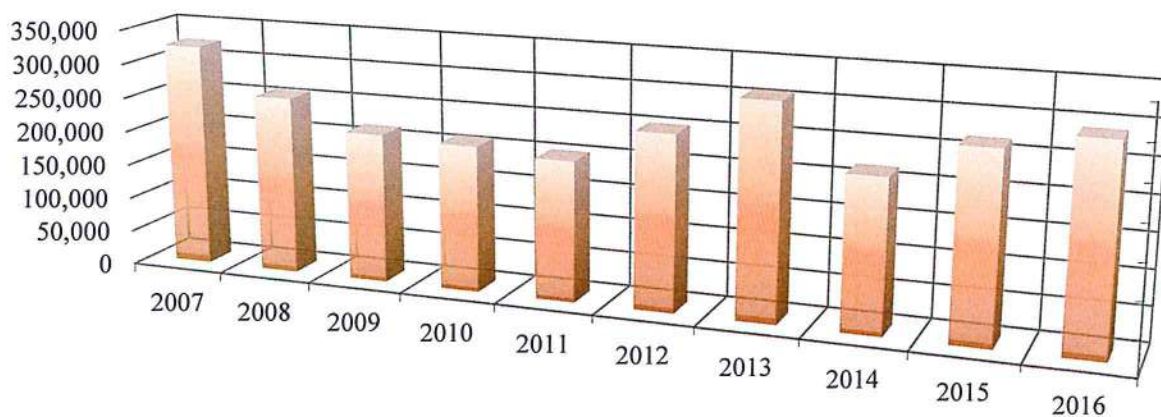
Domestic Carriers



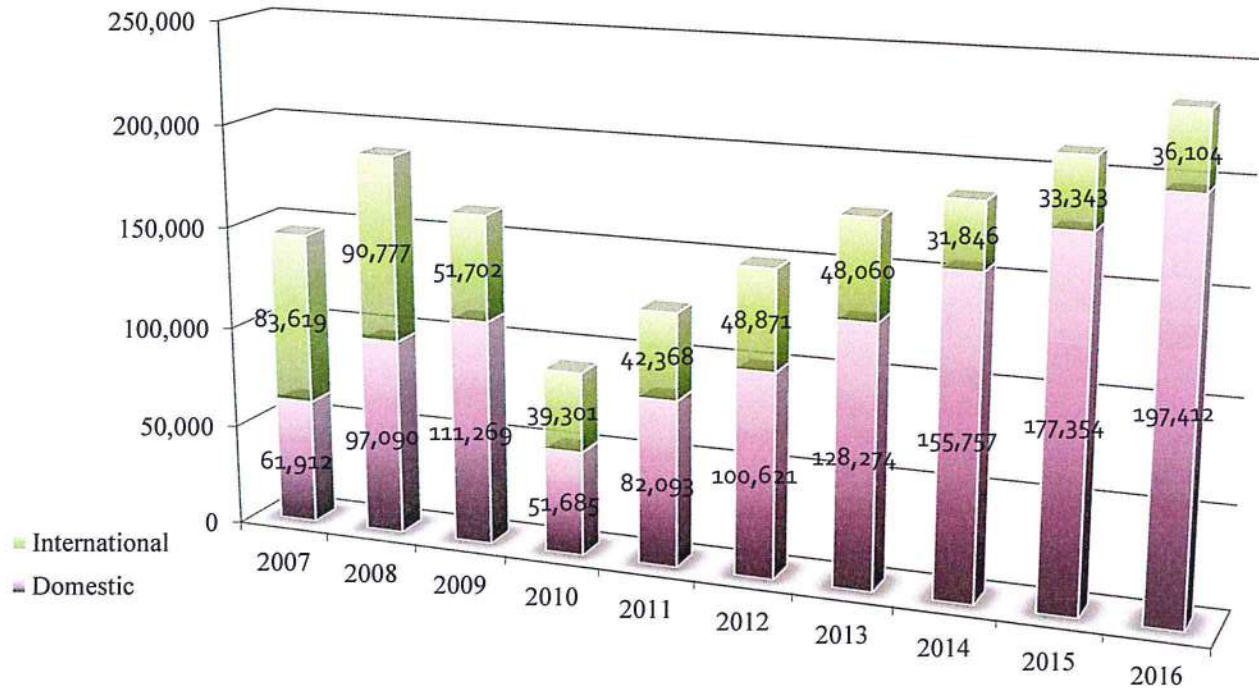
International Carriers



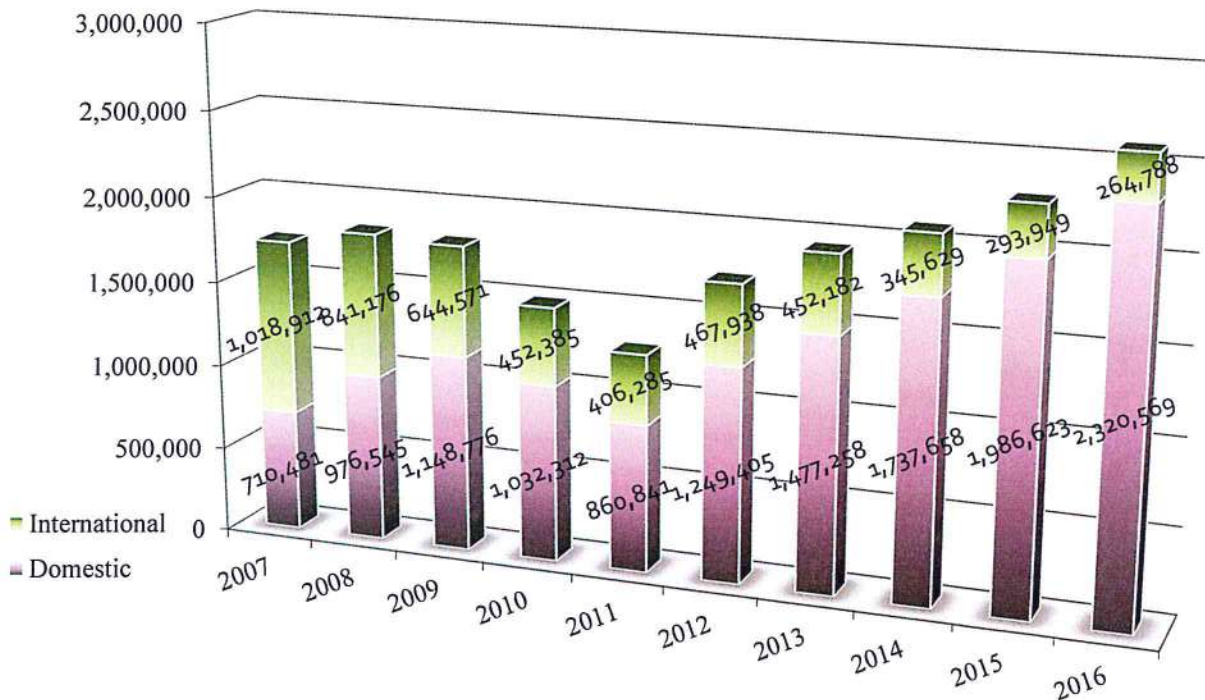
ANNUAL OPERATIONS COUNTS (LAST 12 MONTHS) MAY 2016



PASSENGER COUNTS MONTH OF MAY



PASSENGER COUNTS ROLLING 12 MONTHS (June - May)



Notes:

Numbers listed in **BOLD and underlined** are variables that change with each new set of monthly financial statements.

Specific events and financial notes in this document will be reviewed for relevancy two years after their inclusion. For example, comments concerning the payoff of a particular FDOT loan that occurred in December 2013 would be deemed irrelevant and removed after December 2015. Notes that are affected by this rule will be removed after October 1st of the new fiscal year.

Balance Sheet:

Assets: In an effort to aid the reader of the Airport's Financial Statements, Capital Projects are capitalized only at year end. This is done in order to provide a representation of project revenue and expenditure matching. At year end capital project expenditures are all moved to the Construction in Progress (CIP) account. If the project is completed or assets are wholly purchased then the capitalization is accomplished at fiscal year-end. If the project is multi-year and not yet completed the total to date amount to be capitalized resides in the CIP account.

Fixed Assets: Fixed Assets are capitalized once a year in conjunction with SAA's annual audit. These remain as expenses during the fiscal year, so that a comparison to budget can be made for interim reporting. Although depreciation expense is not utilized for tax purposes by the authority, it can be of assistance as a "yard stick" in establishing strategic needs such as budget priorities and task scheduling.

Long-term fixed assets, accumulated depreciation and construction-in-progress are each adjusted annually in concert with the annual audit process. The audit process begins in August of each fiscal year with testing of various expenses. The on-site work is usually scheduled for early November and the final report is presented to the SAA Board in either January or February. The auditors also present the audit results to the City of Sanford in March or April.

Checking Accounts: One checking account is maintained at Bank of America. The purpose of this account is to provide auto draft payments for one outstanding loan. This checking account is required by a loan covenant. The auto draft feature entitles SAA to a 25 basis points reduction of the interest rate on the associated note.

Loan covenants with CNL Bank require SAA to keep a total collective balance in liquid accounts at or above \$1 million. This requirement applies to all accounts not just those held at CNL bank.

Statement of Income:

Monthly Budget Variations:

Because of several large annual payouts that occur in the first month of the fiscal year (October), it is not unusual to incur a cash flow deficit from operations in this first month.

Passenger Facility Charge (PFC) funds are restricted until the end of each quarter. The funds become available on the first day of the new quarter. PFC application #3 authorizes SAA to reimburse themselves for \$1,963,878 in past completed project expenses and administrative costs. The threshold was met during April 2014, with subsequent PFC funds being applied only to the two eligible projects (replacement and expansion of the baggage handling system and replacement of all twelve (12) passenger boarding bridges).

Several of the budgeted amounts for the revenue and expense categories may be forecasted in terms of an annual amount, and then divided by 12 to obtain equal monthly budgeted amounts. While this works for some accounts when they are viewed at the end of the year, several accounts are cyclical in nature and interim period reporting can show unusual surpluses or shortages particularly in the 1st quarter. Accounts that may be affected by this attribute are:

Revenues- Landing Fees, Fuel Flowage Fees, Passenger Facility Charges, Public Safety Charges, Ground Transportation Fees, and Interest Earned.

Expenses – Insurance (prepaid with a 25% deposit in October of each year), Electric Utilities, and many of the maintenance accounts change with the busy summer season.

Grant Funding

Because most of the funding for SAA capital projects is grant related and few grants provide 100% of the required funding, it must be acknowledged that SAA will fund the remaining expenses of these projects with the excess funds from operations or from SAA cash reserves. It is expected that project capital expenditures will usually exceed the related grant revenues acquired during matching periods.

Grants from FDOT usually fund 50% of an eligible non-federally funded capital project or 50% of the non-federal share of the federally funded capital projects. Prior to October 1, 2003, FAA funding normally provided 90% of eligible costs. After this date FAA funding was increased to cover 95% of eligible costs. On some occasions, such as the September 11, 2001 aftermath and the 2004 hurricane impacts, FAA and FDOT provided 100% funding, but this is rare. **As of February 15, 2012, all FAA grants have been issued at the 90% federal share and FDOT grants continue to be issued at one half (1/2) of the non-federal share (currently 5%).**

The term "force account" work describes a condition where the SAA staff fills several roles in FAA funded capital construction projects usually filled by our consultants or the general contractors on such projects. The specific functions are Resident Project Representative (RPR), and the Project Coordinator. When SAA's maintenance personnel are utilized, they actually do much of the physical construction thereby recouping much of the grant costs (i.e. Runway Sterilization Project). SAA personnel can provide these functions at a lesser expense and we gain invaluable, intimate knowledge of the projects that we are required to maintain. We also earn force account revenue during land acquisition activities. The labors of several staff (President, VP Finance and Admin, Records Manager and Project Coordinator) are eligible for force account revenues during land acquisition efforts.

The Federal Aviation Administration (FAA) provides funds to the Airport for Capital Projects utilizing congressional legislation known as the Airport Improvement Program (AIP). These funds are allocated to airports based upon the number of passenger enplanements that occurred at the Airport approximately two years prior to the allocation.

The allocations that are based upon passenger enplanements are termed "entitlements" because the airport is entitled to the funds due to the established passenger traffic (entitlements). An airport can use their entitlements on the eligible projects that they choose to pursue. As long as the project is eligible the airport selects the project, not the FAA. SFB has received between \$3 million to \$4 million annually in FAA-AIP entitlement funds. The Authority can choose to build an entitlement project now and be reimbursed at a later date. SAA received \$3,729,619 in 2013 entitlements based on our 2011 calendar year passenger traffic. In September 2014, SAA received \$3,992,979 in FAA entitlements based upon our 2012 calendar year passenger traffic.

FAA-AIP "discretionary" funds are funds allocated by the FAA for projects that they (FAA) prioritize. All of an airport's entitlement funds must be spent BEFORE the airport is eligible to receive any discretionary funds. Only "preliminary expenses" can be reimbursed to an airport on a discretionary project, while the complete FAA entitlement project can be reimbursed after completion for the FAA federal share. These are usually design fees and those expenses required to prepare for the actual construction. In September 2013, SAA received \$7,440,446 in discretionary funds for the Southwest Ramp Rehab project Bid Pkg#1. In September 2014, SAA received \$5,615,072 in discretionary funds to continue the reconstruction of the Southwest Ramp with Bid Pkg#3.

Passenger Facility Charges

As part of the Safety and Capacity Expansion Act of 1990, the Authority received approval from the FAA to impose a Passenger Facility Charge (PFC) of \$1 per eligible enplaned passenger at Orlando Sanford International Airport and the Authority has imposed the PFC since December 2000. PFC's may be used either to pay for eligible capital improvements or to pay debt service on bonds issued to finance projects eligible for PFC funding. The applications authorize the Authority to collect a passenger facility charge (\$4) from each passenger utilizing our facility. This fee is collected by airlines and remitted to the authority the following month. The Authority must place the funds in an interest bearing account and cannot be released for use until the end of each quarter. Once the total authorized has been collected or the project is completed the authorization expires. No further PFCs can be collected until a subsequent application is applied for and approved by the FAA. The chart below provides details regarding those applications approved for SFB.

Application #	Date approved	Main Purpose	Amount Authorized	Date Completed
001	12/27/2000	Reimb for multiple projects	\$1,192,352	12/31/2003
002	12/01/2003	Terminal Construction	\$13,312,090	12/01/2012
003	21/1/2012	PBB Replacements & Baggage System Replacements	\$29,837,167	In Progress
004	TBD	Terminal Expansion Etc.	\$43,000,000 (est.)	N/A

Projects funded by PFC's can be past eligible projects (constructed after November 1991), current eligible projects, and / or future eligible projects. To be eligible for PFC funding, the project must be consulted with the airlines that serve SFB, the project must be included and approved by the FAA in an approved FAA PFC application, and the eligible project must improve or enhance facilities for an air carrier's passengers.

The level of PFC to be collected is submitted and approved by the FAA. Initially in 2000 the Authority collected PFCs at a rate of \$1.00 per enplaned eligible passenger. Current collections are at the rate of \$4.00 per enplaned eligible passenger. Although not authorized, considerable lobbying efforts are being expended to raise the maximum level of PFCs from \$4.50 to \$8.50 per enplaned eligible passenger.

Capital Planning and Financing

Typically, airports in the United States develop master plans that define the airports' ultimate configuration at full development during 20-year time spans, thereby establishing airport complex requirements. Master plans do not normally provide detailed information to determine funding strategies.

The plan's overriding objective is to place the Authority in a healthy financial position without overburdening the air carriers while maintaining competitive airline rates and charges. Funding strategies and recommendations will ensure airport facilities and improvements are brought on line when needed, based on established trigger points, funded in a manner that preserves the Authority's competitive cost structure, and maintains maximum flexibility under changing circumstances.

The Authority executed a task order, in the amount of \$998,156, with ATKINS (formerly PBS&J) in July 2009 to update the airport master plan. Master plan updates are multi-year projects normally taking 2-3 years to complete. This update reflects the many capital projects that have been completed and serves as a guideline for future projects and endeavors. The FAA accepted SFB's Updated Master Plan, as of May 2012.

Customer Facility Charges (CFCs)

Two significant revenue sources are slow in being reported for monthly and quarterly financial statements. Car rental Customer Facility Charges (CFC's) and parking revenues are not reported until after the twentieth of the month following the month of their collection. For example, March CFCs and parking revenues are not reported until after the 20th of April.

Customer Facility Charges (CFC's) are fees charged by the Authority on the car rental operations renting cars at SFB. Fees collected are used primarily to pay the costs and expenses of public safety, and as a secondary source for rental car facility improvements. The level of these fees is set by the SAA Board. The current authorized rate is \$2.00 per rental car transaction per day up to a maximum of five days or \$10 on any single car transaction. This rate was last set at the regularly scheduled meeting of the SAA Board of Directors on August 2011 (<http://www.osaa.net/documents/boardminutes/8-22-2011.pdf>). This revenue source generated \$1,507,962 in FY 2012-2013, \$1,529,545 in FY 2013-2014 and \$1,626,127 in FY 2014-2015. Since 2012 \$1,995,352 of capital improvements have been funded using CFCs.

Domestic Terminal Fees

In accordance with the Agreement for the Operations and Maintenance of the Domestic Terminal, during a FY, SAA receives a guaranteed \$250,000 from OSD. Once OSD domestic profits threshold is exceeded then SAA shares in profits made in the domestic terminal. It should be noted that in January 2013, OSD paid approximately \$191,000 (in addition to the minimum guarantee of \$250,000) to SAA in Privilege Fees. This is the first payment of its kind to SAA since the inception of the Domestic Terminal in 2001. In FY 2012-2013 \$268,292 had been paid to SAA in addition to the Minimum Guaranteed (total \$518,292). FY 2013 – 2014 continued this trend with a total of \$720,519 in profit sharing fees. FY 2014-2015 saw \$532,093 of fees in addition to the minimum fees (total \$782,093). This splitting of fees across SAA FYs is due to OSI/OSD being on a January-December fiscal year, as opposed to SAA's October-September fiscal year.

Tenant Funded Projects

Under FAA rules, the Sanford Airport Authority (SAA) cannot, except under rare circumstances, sell Airport property to tenants to build upon. When SAA tenants pay for the improvements on Airport owned land, the tenant pays only for the land lease for the term of the lease which is usually the standard depreciation period for the type of improvement. Upon the conclusion of the lease, ownership of the improvements reverts to SAA. Two such properties were turned back to SAA in 2012, namely the two truss manufacturing plants one on each end of Aileron Circle in the Airport's commerce park. The appraised collective market value of the improvements on the two properties is \$2,178,000. These two properties were added to the Authority's fixed assets in FY 2011-2012.

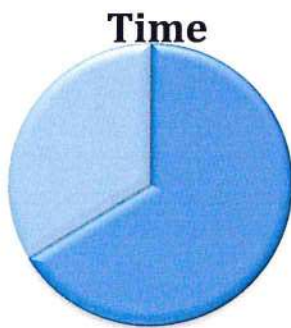
Several "build-outs" have recently been constructed on behalf of tenants. These improvements are amortized over a specific term of the lease yielding a 6 % interest rate and are initially considered unearned revenues which is reduced and are earned as revenue incrementally with each monthly payment. These "build-outs" range from building improvements, cellular towers to parking lots and demolition pad.

**GRANT AND PFC FUNDED PROJECTS
(CURRENT THROUGH 7/8/2016)**

Grant 7416 - 431600 Southwest Ramp Reconstruction BP3



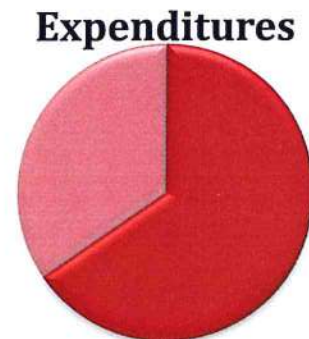
These grants award \$7,466,692 from the FAA and \$414,816 from FDOT for the third and final phase of the rehabilitation of the Southwest Ramp.



■ Elapsed ■ Remaining



■ Actual ■ Reserve

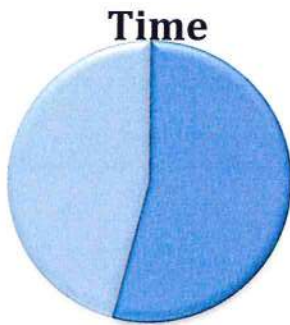


■ Actual ■ Reserve

Phase 5 is in progress, concrete is being poured.

Grant 437713 - Terminal Expansion Design

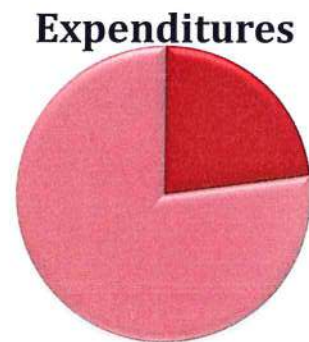
Abstract: This grant (a FDOT 50/50 grant) awarded \$499,743 on 8 June 2015 (total project cost of \$999,486) to design a terminal expansion. This design will be used to support PFC application #004. This grant was recently amended to increase the award to \$3,361,000 (total project cost \$6,722,000).



■ Elapsed ■ Remaining



■ Actual ■ Reserves



■ Actual ■ Budget

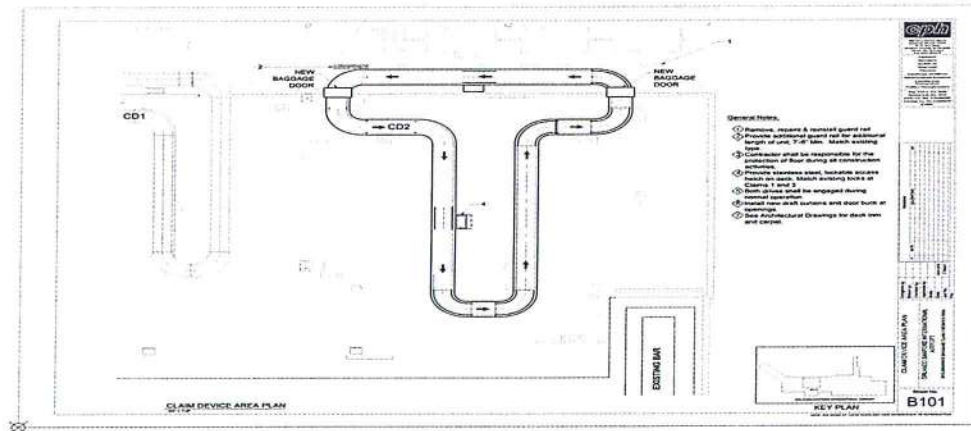
Revenues: \$576,602

Expenditures: \$1,152,124

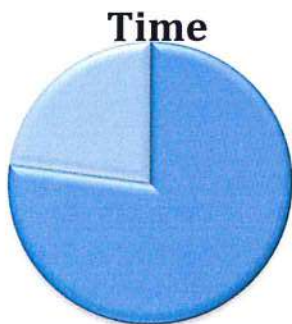
Commence: 6/8/15

Expected Completion: 6/8/17

PFC - Baggage System Replacements



Abstract: PFC application was approved on 12 July 2012. Most of the inbound system was replaced during FY13. This will complete the inbound system. Subsequent work will replace outbound systems. The project cost is estimated at \$10,340,944. Work on inbound baggage is complete. An amendment to PFC application #003 has been submitted to the FAA to add better synergy and efficiencies to the outbound baggage.



■ Elapsed ■ Remaining



■ Budget ■ Actual



■ Budget ■ Actual



■ Available ■ InUse

Revenue: \$2,303,624 from PFCs
Expenditures: \$2,204,913
Reserves: \$2,207,593
Debt: \$1,017,631

FINANCIAL STATEMENTS & REPORTS

New Balance Sheet
As of 5/31/2016

Sanford Airport Authority (SAA)

Assets

Current Assets

0100-00-000	Savings: BoA: Operating Account	37,909	
0100-00-005	Checking: CNL: Operating Account	164,749	
0100-00-006	MM:CNL: Reserves	747,070	
0100-00-015	Checking: CNL: Spec Projects Acct	1,217,215	
0100-00-020	Savings: CNL: Investments	1,002,035	
0100-00-050	Savings: LGIP: Reserves Fund A	348,346	
0100-00-052	Savings:LGIP: Sinking Fund	808,567	
0100-00-053	Savings:LGIP:SAA Mortgages Held	12,611	
0100-00-071	Savings: CNL: PFCs	854,285	
0100-00-091	Savings: CNL: Security Deposits	384,324	
0100-00-092	Savings:Law Enforcement	4,205	
0100-00-099	Cash:Vending Cash Box	1	
0100-00-100	Cash: Accounts Receivable Cash Box	3,619	
0100-00-110	Petty Cash	300	
0100-00-120	Account Receivable:FAA	585,173	
0100-00-130	Account Receivable:FDOT	483,429	
0100-00-140	Account Receivable:Tenants	539,149	
0100-00-150	Account Receivable:T-Hangars	2,396	
0100-00-160	Account Receivable:Telephones	12,160	
0100-00-161	Accounts Receivable:Ground Transportation	700	
0100-00-176	Note Receivable:Tenants	172,081	
0100-00-177	Mortgage Receivable	33,706	
0100-00-200	Prepaid Sales Tax	16,341	
0100-00-220	Prepaid Services	13,269	
0100-00-230	Fuel Inventory	4,811	
0100-00-240	Vending Inventory	3,906	
0100-00-300	Deferred Outflow of Resources	201,878	
0100-80-060	Savings: LGIP: Memorial Comm Fund A	23,802	
0100-80-080	Checking: CNL: Memorial Fund	3,397	
Total Current Assets:			7,681,434

Long Term Assets

0200-00-000	Fixed Asset:Land	53,533,530	
0200-00-005	Fixed Asset:Proj Infrastructur	108,436,241	
0200-00-010	Fixed Asset:Buildings	88,795,426	
0200-00-020	Fixed Asset:Misc. Equipment	3,915,810	
0200-00-030	Fixed Assets:Motor Equipment	10,099,985	
0200-00-040	Fixed Asset:Motor Vehicles	4,596,219	
0200-00-050	Fixed Asset:Office Equipment	1,146,272	
0200-00-060	Fixed Asset:Streets	9,672,202	
0200-00-070	Fixed Asset:Water&Sewer System	496,396	
0200-00-080	Fixed Asset:T-Hangars	1,444,167	
0200-00-090	Fixed Asset:Comm System&Fiber	5,889,840	
0200-00-100	Accumulated Depreciation	(114,045,750)	
0200-00-110	Construction:Work In Progress	24,779,930	
0200-00-500	Pensions: Deferred Outflow of Resources	624,536	
Total Long Term Assets:			199,384,804
Total Assets:			207,066,238

The Management Discussion & Analysis (MD&A) is a critical part of any SAA Financial Statements and the Financial Statements are incomplete without the MD&A.

New Balance Sheet
As of 5/31/2016

Sanford Airport Authority (SAA)

Liabilities

Current Liabilities

0300-00-000	Accounts Payable	2,187,883	
0300-00-010	Discounts Earned:Payables	576	
0300-00-020	Accrued Wages Payable	13	
0300-00-021	Accrued Pension Payable	1	
0300-00-022	Net OPEB Liability	32,958	
0300-00-023	Derivative Instrument- Interest Rate Swap	201,878	
0300-00-030	Accrued Vacation Leave	163,922	
0300-00-035	Accrued Taxes Payable	1	
0300-00-040	Accrued Sick Leave	46,439	
0300-00-050	Sales Tax Payable	31,950	
0300-00-060	Accounts Payable:Retainage	537,797	
0300-00-100	FICA	5,659	
0300-00-110	Federal Withholding	(6,131)	
0300-00-120	Insurance: Hospital Indemnity	(2,828)	
0300-00-121	Insurance: Cancer	(155)	
0300-00-122	Insurance: Life	(951)	
0300-00-123	Insurance: Health	(3,241)	
0300-00-130	Insurance: Dental	(1,916)	
0300-00-132	Insurance: Vision	30	
0300-00-133	Insurance: Accident	2,251	
0300-00-135	Insurance: Disability	736	
0300-00-136	Insurance: Critical Illness	83	
0300-00-140	Child Support	95	
0300-00-160	ICMA Retirement Fund	(3,067)	
0300-00-161	Roth IRA Retirement Contribution	902	
0300-00-165	FRS Employee Contribution	8,272	
0300-00-190	Garnishment of Wages	182	
0300-00-200	All Security Deposits Held	409,271	
0300-00-500	Net Pension Liability	3,521,530	
Total Current Liabilities:			7,134,140

Long Term Liabilities

0400-00-035	Loan:FDOT:427887:Airfield Expansion Land Acq	1,206,250	
0400-00-036	Loan:FDOT: 420846 Land Acq R/W 18/36	207,479	
0400-00-200	Loan:B of A: #331 Construction	1,671,739	
0400-00-302	Loan:CNL: #3677 North Ramp Hangar	1,865,588	
0400-00-303	Loan:CNL: #4520 Line of Credit	1,017,631	
0400-00-400	Unearned Revenues	419,046	
0400-00-500	Pensions: Deferred Inflow of Resources	860,783	
Total Long Term Liabilities:			7,248,516
Total Liabilities:			14,382,656

Equity

0500-00-200	Retained Earnings:Last Audit	192,116,816	
0500-00-200	Retained Earnings-Current Year	566,766	
Total Equity:			192,683,582
Total Liabilities & Equity:			207,066,238

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YTD Income Statement vs Budget YTD
For The 8 Periods Ended 5/31/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Operating Revenues					
Commerce Park Revenues					
1000-00-000	R:Commerce Park Bldg Leases	1,121,643	1,105,932	15,711	1.42 %
1000-00-010	R:Commerce Park Land Leases	297,480	308,572	(11,092)	(3.59)%
Total Commerce Park Revenues:		1,419,123	1,414,504	4,619	0.33 %
Other Leases & Misc. Revenues					
1100-00-000	R:Lake Golden Leases	3,000	3,750	(750)	(20.00)%
1100-00-010	R:Residential Leases	91,497	85,701	5,796	6.76 %
1100-00-020	R:Security ID Fees	104,585	72,456	32,129	44.34 %
1100-00-030	R:Miscellaneous Revenue & Fees	267,686	88,110	179,576	203.81 %
1100-00-040	R:Late Fees & NSF Fees	18,302	10,195	8,107	79.52 %
1100-00-050	R:Security Fines	0	89	(89)	(100.00)%
1100-00-070	R:Communications Revenue	217,751	216,961	790	0.36 %
1100-00-080	R: TSA Law Enforcement Revenues	82,082	84,839	(2,757)	(3.25)%
1100-00-090	R: FAA Force Account Revenue	68,063	120,891	(52,828)	(43.70)%
1100-00-100	R:Vending Revenues	2,482	0	2,482	0.00 %
Total Other Leases & Misc. Revenues:		855,448	682,992	172,456	25.25 %
Aviation Revenues					
1200-00-000	R:Aviation Building Leases	1,312,155	1,205,954	106,201	8.81 %
1200-00-010	R:Aviation Land Leases	341,847	367,471	(25,624)	(6.97)%
1200-00-020	R:Aviation Ramp Leases	82,322	64,506	17,816	27.62 %
1200-00-030	R:T-Hangar Leases	134,510	136,977	(2,467)	(1.80)%
1200-00-100	R:Fuel Flowage Fees	412,022	306,779	105,243	34.31 %
1200-00-110	R:Fuel Storage Fees	2,000	2,020	(20)	(0.99)%
1200-00-120	R:FTZ Fuel Permits	7,025	7,000	25	0.36 %
1200-00-200	R:Aircraft Brokerage Fees	1,200	1,175	25	2.13 %
Total Aviation Revenues:		2,293,081	2,091,882	201,199	9.62 %
Domestic Terminal Revenues					
1300-00-000	R:Authority Share of Domestic Terminal Revenues	505,342	533,917	(28,575)	(5.35)%
1300-00-100	R:OSD Parking Revenue	779,314	631,408	147,906	23.42 %
1300-00-200	R:Customer Facility Charges	1,190,336	1,052,088	138,248	13.14 %
1300-00-205	R:CFC Remittance to OSD	0	(266,667)	266,667	100.00 %
Total Domestic Terminal Revenues:		2,474,992	1,950,746	524,246	26.87 %
International Terminal Revenues					
1400-00-000	R:International Land Leases	279,614	257,322	22,292	8.66 %
1400-00-100	R:SAA Maintenance Fees	1,913	265	1,648	621.89 %
Total International Terminal Revenues:		281,527	257,587	23,940	9.29 %
Airfield Revenues					
1500-00-000	R:Domestic Landing Fees - OSD	379,139	298,644	80,495	26.95 %
1500-00-100	R:Intr'l Landing Fees-OSI	109,801	108,041	1,760	1.63 %
1500-00-200	R:Public Safety Fee	114,138	95,126	19,012	19.99 %
Total Airfield Revenues:		603,078	501,811	101,267	20.18 %
Ground Transportation Revenues					
1600-00-000	R:GT Permit Fees	66,533	67,477	(944)	(1.40)%
1600-00-100	R:GT Access Fees	33,296	30,036	3,260	10.85 %
1600-00-200	R:Off Airport Rental Car Comm.	6,038	4,655	1,383	29.71 %
Total Ground Transportation Revenues:		105,867	102,168	3,699	3.62 %
Non-Restricted Interest Earned					
1700-00-000	R:Interest Earned:Unrestricted	10,879	8,569	2,310	26.96 %
Total Non-Restricted Interest Earned:		10,879	8,569	2,310	26.96 %

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YTD Income Statement vs Budget YTD
For The 8 Periods Ended 5/31/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Total Operating Revenue		8,043,995	7,010,259	1,033,736	14.75 %
Gross Profit:		8,043,995	7,010,259	1,033,736	14.75 %
Operating Expenses					
Salaries & Benefits					
2000-10-000	E:Full Time Salaries:Finance	160,991	156,008	(4,983)	(3.19)%
2000-10-005	R:Salary Reimb:FAA-Finance	(291)	0	291	0.00 %
2000-12-000	E:Full Time Salaries:IT	170,007	175,565	5,558	3.17 %
2000-20-000	E:Full Time Salaries:Admin	188,120	221,155	33,035	14.94 %
2000-30-000	E:Full Time Salaries:Maint	519,489	590,587	71,098	12.04 %
2000-40-000	E:Full Time Salaries:Exec	307,199	205,074	(102,125)	(49.80)%
2000-40-005	R:Salary Reimburse FAA-Exec	(3,213)	0	3,213	0.00 %
2000-50-000	E:Full Time Salaries:Ops	339,310	318,353	(20,957)	(6.58)%
2000-60-000	E:Full Time Salaries:ARFF	275,527	282,205	6,678	2.37 %
2000-70-000	E:Full Time Salaries:Police	382,077	367,738	(14,339)	(3.90)%
2000-71-000	E:Full Time Salaries:Control	159,994	166,207	6,213	3.74 %
2010-50-000	E:Part Time Wages:Ops	63,421	68,729	5,308	7.72 %
2010-60-000	E:Part Time Wages:ARFF	25,089	32,619	7,530	23.08 %
2020-10-000	E:Overtime:Finance	1,725	1,000	(725)	(72.50)%
2020-12-000	E:Overtime:IT	304	333	29	8.71 %
2020-20-000	E:Overtime:Admin	1,386	680	(706)	(103.82)%
2020-30-000	E:Overtime:Maint	2,460	4,667	2,207	47.29 %
2020-50-000	E:Overtime:Ops	25,444	20,000	(5,444)	(27.22)%
2020-60-000	E:Overtime:ARFF	53,847	53,333	(514)	(0.96)%
2020-70-000	E:Overtime:Police	7,150	48,234	41,084	85.18 %
2020-71-000	E:Overtime:Control	5,492	20,000	14,508	72.54 %
2040-71-000	E:Unemployment Comp:Control	429	9,533	9,104	95.50 %
2050-10-000	E:FICA:Finance	12,256	11,935	(321)	(2.69)%
2050-12-000	E:FICA:IT	12,859	13,431	572	4.26 %
2050-20-000	E:FICA:Admin	13,898	16,919	3,021	17.86 %
2050-30-000	E:FICA:Maint	39,617	45,180	5,563	12.31 %
2050-40-000	E:FICA:Exec	13,221	15,688	2,467	15.73 %
2050-50-000	E:FICA:Ops	31,555	29,612	(1,943)	(6.56)%
2050-60-000	E:FICA:ARFF	27,299	24,084	(3,215)	(13.35)%
2050-70-000	E:FICA:Police	29,304	28,132	(1,172)	(4.17)%
2050-71-000	E:FICA:Control	12,534	12,715	181	1.42 %
2060-10-000	E:Employee Pension:Finance	38,142	11,326	(26,816)	(236.76)%
2060-12-000	E:Employee Pension:IT	10,482	12,746	2,264	17.76 %
2060-20-000	E:Employee Pension:Admin	10,322	27,901	17,579	63.00 %
2060-30-000	E:Employee Pension:Maint	34,326	42,877	8,551	19.94 %
2060-40-000	E:Employee Pension:Exec	32,631	35,123	2,492	7.10 %
2060-50-000	E:Employee Pension:Ops	35,698	39,947	4,249	10.64 %
2060-60-000	E:Employee Pension:ARFF	66,086	69,387	3,301	4.76 %
2060-70-000	E:Employee Pension:Police	66,015	73,737	7,722	10.47 %
2060-71-000	E:Employee Pension:Control	10,053	12,067	2,014	16.69 %
2070-10-000	E:Life & Health Ins:Finance	11,369	8,249	(3,120)	(37.82)%
2070-12-000	E:Life & Health Ins:IT	15,659	15,155	(504)	(3.33)%
2070-20-000	E:Life & Health Ins:Admin	23,290	26,275	2,985	11.36 %
2070-30-000	E:Life & Health Ins:Maint	94,711	93,265	(1,446)	(1.55)%
2070-40-000	E:Life & Health Ins:Exec	9,932	7,913	(2,019)	(25.51)%
2070-50-000	E:Life & Health Ins:Ops	55,858	70,715	14,857	21.01 %
2070-60-000	E:Life & Health Ins:ARFF	35,379	37,519	2,140	5.70 %
2070-70-000	E:Life & Health Ins:Police	41,819	41,347	(472)	(1.14)%
2070-71-000	E:Life & Health Ins:Control	25,648	26,117	469	1.80 %
2080-10-000	E:Workers Compensation:Finance	3,200	2,519	(681)	(27.03)%
2080-12-000	E:Workers Compensation:IT	14,703	10,988	(3,715)	(33.81)%
2080-20-000	E:Workers Compensation:Admin	7,509	5,604	(1,905)	(33.99)%
2080-30-000	E:Workers Compensation:Maint	47,762	35,154	(12,608)	(35.87)%
2080-40-000	E:Workers Compensation:Exec	13,975	10,416	(3,559)	(34.17)%
2080-50-000	E:Workers Compensation:Ops	29,417	21,963	(7,454)	(33.94)%

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YTD Income Statement vs Budget YTD
For The 8 Periods Ended 5/31/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Salaries & Benefits					
(Continued)					
2080-60-000	E:Workers Compensation:ARFF	19,247	14,371	(4,876)	(33.93)%
2080-70-000	E:Workers Compensation:Police	20,751	16,786	(3,965)	(23.62)%
2080-71-000	E:Workers Compensation:Control	597	450	(147)	(32.67)%
Total Salaries & Benefits:		3,653,081	3,709,633	56,552	1.52 %
Office & Administrative Expenses					
2100-40-000	E:Travel:Board Members	5,294	1,509	(3,785)	(250.83)%
2110-10-000	E:Travel:Staff:Finance	425	573	148	25.83 %
2110-12-000	E:Travel:Staff:IT	1,615	1,590	(25)	(1.57)%
2110-20-000	E:Travel:Staff:Admin	46	2,127	2,081	97.84 %
2110-30-000	E:Travel:Staff:Maint	203	141	(62)	(43.97)%
2110-40-000	E:Travel:Staff:Exec	1,138	2,028	890	43.89 %
2110-50-000	E:Travel:Staff:Ops	999	1,208	209	17.30 %
2110-60-000	E:Travel:Staff:ARFF	5,936	1,955	(3,981)	(203.63)%
2110-70-000	E:Travel:Staff:Police	140	232	92	39.66 %
2110-71-000	E:Travel:Staff:Control	87	361	274	75.90 %
2120-10-000	E:Training:Staff:Finance	0	2,154	2,154	100.00 %
2120-12-000	E:Training:Staff:IT	259	5,000	4,741	94.82 %
2120-20-000	E:Training:Staff:Admin	0	264	264	100.00 %
2120-30-000	E:Training:Staff:Maint	542	439	(103)	(23.46)%
2120-40-000	E:Training:Staff:Exec	0	500	500	100.00 %
2120-50-000	E:Training:Staff:Ops	1,455	2,359	904	38.32 %
2120-60-000	E:Training:Staff:ARFF	4,066	1,605	(2,461)	(153.33)%
2120-70-000	E:Training:Staff:Police	816	920	104	11.30 %
2120-71-000	E:Training:Staff:Control	4,000	3,626	(374)	(10.31)%
2125-60-000	E:Airport Safety Training:ARFF	1,342	1,883	541	28.73 %
2130-10-000	E:Postage & Shipping:Finance	2,826	1,885	(941)	(49.92)%
2130-12-000	E:Postage & Shipping:IT	129	289	160	55.36 %
2130-20-000	E:Postage & Shipping:Admin	1,401	2,140	739	34.53 %
2130-30-000	E:Postage & Shipping:Maint	29	42	13	30.95 %
2130-40-000	E:Postage & Shipping:Exec	86	197	111	56.35 %
2130-50-000	E:Postage & Shipping:Ops	85	436	351	80.50 %
2130-60-000	E:Postage & Shipping:ARFF	8	90	82	91.11 %
2130-70-000	E:Postage & Shipping:Police	12	47	35	74.47 %
2130-71-000	E:Postage & Shipping:Control	0	8	8	100.00 %
2140-10-000	E:Dues & Publications:Finance	1,073	1,226	153	12.48 %
2140-20-000	E:Dues & Publications:Admin	4,488	2,580	(1,908)	(73.95)%
2140-30-000	E:Dues & Publications:Maint	0	1,950	1,950	100.00 %
2140-40-000	E:Dues & Publications:Exec	35,213	27,534	(7,679)	(27.89)%
2140-50-000	E:Dues & Publications:Ops	45	115	70	60.87 %
2140-60-000	E:Dues & Publications:ARFF	2,527	2,231	(296)	(13.27)%
2140-70-000	E:Dues & Publications:Police	1,076	968	(108)	(11.16)%
2140-71-000	E:Dues & Publication:Control	0	350	350	100.00 %
2150-10-000	E:License&Registration:Finance	3,474	302	(3,172)	(1,050.33)%
2150-12-000	E:License&Registration:IT	8,202	11,743	3,541	30.15 %
2150-20-000	E:License&Registration:Admin	650	1,001	351	35.06 %
2150-30-000	E:License&Registration:Maint	120	85	(35)	(41.18)%
2150-40-000	E:License&Registration:Exec	314	380	66	17.37 %
2150-50-000	E:License&Registration:Ops	175	718	543	75.63 %
2150-60-000	E:License&Registration:ARFF	2,236	2,491	255	10.24 %
2150-70-000	E:License&Registration:Police	470	117	(353)	(301.71)%
2160-10-000	E:Charges&Obligations:Finance	18,413	12,154	(6,259)	(51.50)%
2160-20-000	E:Charges&Obligations:Admin	0	85	85	100.00 %
2160-70-000	E:Charges&Obligations:Police	142	239	97	40.59 %
Total Office & Administrative Expenses:		111,557	101,877	(9,680)	(9.50)%
Professional & Contract Services					
2200-10-000	E:Professional Services:Finance	3,836	7,974	4,138	51.89 %
2200-12-000	E:Professional Services:IT	11,995	25,621	13,626	53.18 %

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YTD Income Statement vs Budget YTD
For The 8 Periods Ended 5/31/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Professional & Contract Services					
(Continued)					
2200-20-000	E:Professional Services:Admin	3,954	13,699	9,745	71.14 %
2200-30-000	E:Professional Services:Maint	38	352	314	89.20 %
2200-40-000	E:Professional Service:Exec	34,245	899	(33,346)	(3,709.23)%
2200-50-000	E:Professional Services:Ops	2,110	2,147	37	1.72 %
2200-60-000	E:Professional Services:ARFF	7,954	4,014	(3,940)	(98.16) %
2200-70-000	E:Professional Services:Police	610	1,267	657	51.85 %
2200-71-000	E:Professional Services:Control	72	0	(72)	0.00 %
2220-40-000	E:Legal Services:Exec	129,743	32,233	(97,510)	(302.52)%
2230-10-000	E:Accounting&Auditing:Finance	19,500	24,559	5,059	20.60 %
2235-50-000	E:Security Services:Ops	63,019	50,906	(12,113)	(23.79)%
2237-50-000	E:Security & Safety Awards:Ops	50	36	(14)	(38.89)%
2240-10-000	E:Contractual Services:Finance	22,648	32,526	9,878	30.37 %
2240-12-000	E:Contractual Services:IT	52,461	89,337	36,876	41.28 %
2240-20-000	E:Contractual Services:Admin	54,792	17,575	(37,217)	(211.76)%
2240-30-000	E:Contractual Services:Maint	24,475	28,384	3,909	13.77 %
2240-40-000	E:Contractual Services:Exec	0	6,397	6,397	100.00 %
2240-50-000	E:Contractual Services:Ops	7,277	18,435	11,158	60.53 %
2240-60-000	E:Contractual Services:ARFF	1,979	3,570	1,591	44.57 %
2240-70-000	E:Contractual Services:Police	2,538	1,428	(1,110)	(77.73)%
2240-71-000	E:Contractual Services:Control	12,665	19,774	7,109	35.95 %
2250-10-000	Special Events:Expenses	32,064	0	(32,064)	0.00 %
Total Professional & Contract Services:		488,025	381,133	(106,892)	(28.05)%
Properties,Marketing,&Advertising					
2300-20-000	E:Airport Marketing:Admin	33,073	29,138	(3,935)	(13.50)%
2300-40-000	E:Airport Marketing:Exec	12,125	12,662	537	4.24 %
2305-40-000	E:Airline Origination Marketing	80,000	80,000	0	0.00 %
2310-20-000	E:Community Relations:Admin	9,525	7,524	(2,001)	(26.59)%
2310-40-000	E:Community Relation:EXEC	300	0	(300)	0.00 %
2315-10-000	E:Employee Relations:Finance	197	265	68	25.66 %
2315-12-000	E:Employee Relations:IT	105	171	66	38.60 %
2315-20-000	E:Employee Relations:Admin	1,141	4,460	3,319	74.42 %
2315-30-000	E:Employee Relations:Maint.	0	87	87	100.00 %
2315-40-000	E:Employee Relations:Exec	577	633	56	8.85 %
2315-50-000	E:Employee Relations:Ops	195	100	(95)	(95.00)%
2315-60-000	E:Employee Relations:ARFF	518	66	(452)	(684.85)%
2315-70-000	E:Employee Relations:Police	100	149	49	32.89 %
2315-71-000	E:Employee Relations:Control	97	100	3	3.00 %
2340-10-000	E:Advertising&Printing:Finance	2,080	1,519	(561)	(36.93)%
2340-20-000	E:Advertising&Printing:Admin	10,435	5,021	(5,414)	(107.83)%
2340-70-000	E:Advertising&Printing:Police	0	100	100	100.00 %
Total Properties,Marketing,&Advertising:		150,468	141,995	(8,473)	(5.97)%
Uniforms,Tools, & Supplies					
2400-10-000	E:Office Supplies:Finance	2,967	10,262	7,295	71.09 %
2400-12-000	E:Office Supplies:IT	668	616	(52)	(8.44)%
2400-20-000	E:Office Supplies:Admin	5,473	4,634	(839)	(18.11)%
2400-30-000	E:Office Supplies:Maint	890	1,084	194	17.90 %
2400-40-000	E:Office Supplies:Exec	190	184	(6)	(3.26)%
2400-50-000	E:Office Supplies:Ops	4,252	1,380	(2,872)	(208.12)%
2400-60-000	E:Office Supplies:ARFF	2,112	1,313	(799)	(60.85)%
2400-70-000	E:Office Supplies:Police	484	805	321	39.88 %
2400-71-000	E:Office Supplies:Control	406	98	(308)	(314.29)%
2410-12-000	E:Operating Supplies:IT	624	1,144	520	45.45 %
2410-30-000	E:Operating Supplies:Maint	8,514	9,984	1,470	14.72 %
2410-50-000	E:Operating Supplies:Ops	3,294	4,643	1,349	29.05 %
2410-60-000	E:Operating Supplies:ARFF	14,530	19,501	4,971	25.49 %
2410-70-000	E:Operating Supplies:Police	1,276	7,257	5,981	82.42 %
2410-70-010	E:Operating Supplies:K-9 only	6,326	8,011	1,685	21.03 %

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YTD Income Statement vs Budget YTD
For The 8 Periods Ended 5/31/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Uniforms, Tools, & Supplies		(Continued)			
2415-10-000	E:Small Tools:Finance	405	1,399	994	71.05 %
2415-12-000	E:Small Tools:IT	438	1,325	887	66.94 %
2415-20-000	E:Small Tools:Admin	239	165	(74)	(44.85)%
2415-30-000	E:Small Tools:Maint	2,705	4,573	1,868	40.85 %
2415-40-000	E:Small Tools:Exec	0	275	275	100.00 %
2415-50-000	E:Small Tools:Ops	257	279	22	7.89 %
2415-60-000	E:Small Tools:ARFF	1,162	688	(474)	(68.90)%
2415-70-000	E:Small Tools:Police	2,924	3,964	1,040	26.24 %
2415-71-000	E:Small Tools:Control	0	243	243	100.00 %
2420-30-000	E:Janitorial Supplies:Maint	3,754	3,447	(307)	(8.91)%
2420-60-000	E:Janitorial Supplies:ARFF	1,980	1,562	(418)	(26.76)%
2430-30-000	E:Chemicals & Defoliants:Maint	3,567	5,858	2,291	39.11 %
2440-12-000	E:Uniforms:IT	517	406	(111)	(27.34)%
2440-20-000	E:Uniforms:Admin	96	0	(96)	0.00 %
2440-30-000	E:Uniforms:Maint	2,771	1,396	(1,375)	(98.50)%
2440-40-000	E:Uniforms:Exec	229	132	(97)	(73.48)%
2440-50-000	E:Uniforms:Ops	677	1,278	601	47.03 %
2440-60-000	E:Uniforms:ARFF	2,403	2,318	(85)	(3.67)%
2440-70-000	E:Uniforms:Police	2,904	3,963	1,059	26.72 %
2450-10-000	E:Gas & Oil:Finance	0	709	709	100.00 %
2450-12-000	E:Gas & Oil:IT	1,640	2,950	1,310	44.41 %
2450-20-000	E:Gas & Oil:Admin	70	1,901	1,831	96.32 %
2450-30-000	E:Gas & Oil:Maint	31,297	51,910	20,613	39.71 %
2450-40-000	E:Gas & Oil:Exec	3,282	9,468	6,186	65.34 %
2450-50-000	E:Gas & Oil:Ops	9,920	15,719	5,799	36.89 %
2450-60-000	E:Gas & Oil:ARFF	6,261	10,568	4,307	40.76 %
2450-70-000	E:Gas & Oil:Police	13,501	20,160	6,659	33.03 %
2460-10-000	E:Coffee&DrinkSupplies:Finance	1,885	2,034	149	7.33 %
2460-30-000	E:Coffee&Drink Supplies:Maint	187	798	611	76.57 %
2460-50-000	E:Coffee&Drink Supplies:Ops	0	57	57	100.00 %
2460-70-000	E:Coffee&Drink Supplies:Police	0	100	100	100.00 %
2460-71-000	E:Coffee&DrinkSuppli:CONTROL	0	100	100	100.00 %
Total Uniforms, Tools, & Supplies:		147,077	220,661	73,584	33.35 %
Repairs & Maintenance Expenses					
2500-30-000	E:Maintenance:Streets	17,152	3,000	(14,152)	(471.73)%
2510-30-000	E:Maintenance:Parking Lots	0	585	585	100.00 %
2520-30-000	E:Maintenance:Drainage Systems	600	1,153	553	47.96 %
2530-30-000	E:Maintenance:Grounds	23,725	3,661	(20,064)	(548.05)%
2540-30-000	E:Maintenance:Fences	6,148	2,312	(3,836)	(165.92)%
2550-30-000	E:Maintenance:AOA:Maint	143,647	86,653	(56,994)	(65.77)%
2550-50-000	E:Maintenance:Navoids:Ops	5,000	0	(5,000)	0.00 %
2570-50-000	E:Wildlife Management:Ops	692	7,879	7,187	91.22 %
2580-30-000	E:Maintenance:Signs & Industrial Lighting	3,635	3,343	(292)	(8.73)%
2590-40-000	E:Haz-Mat Disposal:Exec	0	2,157	2,157	100.00 %
2600-30-000	E:Land Clearing&Demo:Maint	0	1,000	1,000	100.00 %
2610-10-000	E:Maintenance:Buildings:Finance	5,313	3,601	(1,712)	(47.54)%
2610-12-000	E:Maintenance:Buildings:IT	0	2,279	2,279	100.00 %
2610-30-000	E:Maintenance:Buildings:Maint	44,776	39,762	(5,014)	(12.61)%
2610-60-000	E:Maintenance:Buildings:ARFF	3,242	5,061	1,819	35.94 %
2615-30-000	E:Maintenance:Keys&Locks:Maint	6,025	3,837	(2,188)	(57.02)%
2620-10-000	E:Maintenance:Equip:Finance	0	187	187	100.00 %
2620-12-000	E:Maintenance:Equip:IT	1,077	280	(797)	(284.64)%
2620-20-000	E:Maintenance:Equip:Admin	0	137	137	100.00 %
2620-30-000	E:Maintenance:Equip:Maint	22,102	33,680	11,578	34.38 %
2620-50-000	E:Maintenance:Equip:Ops	396	1,142	746	65.32 %
2620-60-000	E:Maintenance:Equip:ARFF	1,710	4,427	2,717	61.37 %
2620-70-000	E:Maintenance:Equip:Police	630	1,225	595	48.57 %
2620-71-000	E:Maintenance:Equip:Control	0	55	55	100.00 %
2630-10-000	E:Maintenance:Vehicles:Finance	29	0	(29)	0.00 %

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YTD Income Statement vs Budget YTD
For The 8 Periods Ended 5/31/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Repairs & Maintenance Expenses					
(Continued)					
2630-12-000	E:Maintenance:Vehicles:IT	1,420	898	(522)	(58.13)%
2630-20-000	E:Maintenance:Vehicles:Admin	55	377	322	85.41 %
2630-30-000	E:Maintenance:Vehicles:Maint	12,571	12,555	(16)	(0.13)%
2630-40-000	E:Maintenance:Vehicles:Exec	3,572	804	(2,768)	(344.28)%
2630-50-000	E:Maintenance:Vehicles:Ops	4,777	3,497	(1,280)	(36.60)%
2630-60-000	E:Maintenance:Vehicles:ARFF	55,907	32,821	(23,086)	(70.34)%
2630-70-000	E:Maintenance:Vehicles:Police	5,172	9,952	4,780	48.03 %
Total Repairs & Maintenance Expenses:		369,373	268,320	(101,053)	(37.66)%
Utilities Expenses					
2700-10-000	E:Utilities:Telephones:Finance	1,827	4,058	2,231	54.98 %
2700-12-000	E:Utilities:Telephones:IT	74,960	110,282	35,322	32.03 %
2700-20-000	E:Utilities:Telephones:Admin	942	809	(133)	(16.44)%
2700-30-000	E:Utilities:Telephones:Maint	2,652	2,632	(20)	(0.76)%
2700-40-000	E:Utilities:Telephones:Exec	1,166	580	(586)	(101.03)%
2700-50-000	E:Utilities:Telephones:Ops	4,692	3,972	(720)	(18.13)%
2700-60-000	E:Utilities:Telephones:ARFF	1,906	2,144	238	11.10 %
2700-70-000	E:Utilities:Telephones:Police	9,731	9,433	(298)	(3.16)%
2700-71-000	E:Utilities:Telephones:Control	480	524	44	8.40 %
2710-10-000	E:Utilities:Electric:Finance	8,994	4,187	(4,807)	(114.81)%
2710-12-000	E:Utilities:Electric:IT	2,430	2,515	85	3.38 %
2710-20-000	E:Utilities:Electric:Admin	17,751	13,196	(4,555)	(34.52)%
2710-30-000	E:Utilities:Electric:Maint	30,656	31,687	1,031	3.25 %
2710-50-000	E:Utilities:Electric:Ops	28,578	29,789	1,211	4.07 %
2710-60-000	E:Utilities:Electric:ARFF	7,931	10,760	2,829	26.29 %
2710-70-000	E:Utilities:Electric:Police	5,437	6,297	860	13.66 %
2720-20-000	E:Utilities:Water:Admin	7,931	5,084	(2,847)	(56.00)%
2720-30-000	E:Utilities:Water:Maint	1,407	3,902	2,495	63.94 %
2720-50-000	E:Utilities:Water:Ops	406	0	(406)	0.00 %
2720-60-000	E:Utilities:Water:ARFF	270	440	170	38.64 %
2720-70-000	E:Utilities:Water:Police	85	92	7	7.61 %
2730-20-000	E:Utilities:Garbage:Admin	5,887	18,196	12,309	67.65 %
2730-30-000	E:Utilities:Garbage:Maint	4,275	3,699	(576)	(15.57)%
2730-60-000	E:Utilities:Garbage:ARFF	1,415	1,430	15	1.05 %
2730-70-000	E:Utilities:Garbage:Police	244	268	24	8.96 %
Total Utilities Expenses:		222,053	265,976	43,923	16.51 %
Insurance Expenses					
2800-10-000	E:Insurance:Auto:Finance	8,629	0	(8,629)	0.00 %
2800-12-000	E:Insurance:Auto:IT	1,617	2,429	812	33.43 %
2800-20-000	E:Insurance:Auto:Admin	449	691	242	35.02 %
2800-30-000	E:Insurance:Auto:Maint	7,852	12,334	4,482	36.34 %
2800-40-000	E:Insurance:Auto:Exec	901	1,356	455	33.55 %
2800-50-000	E:Insurance:Auto:Ops	2,785	4,631	1,846	39.86 %
2800-60-000	E:Insurance:Auto:ARFF	5,794	8,774	2,980	33.96 %
2800-70-000	E:Insurance:Auto:Police	6,490	9,755	3,265	33.47 %
2820-10-000	E:Insurance:Property	220,318	237,572	17,254	7.26 %
2830-10-000	E:Insurance:Airport Liability	60,914	70,000	9,086	12.98 %
2830-70-000	E:Insurance:Police Liability	9,801	17,000	7,199	42.35 %
2840-10-000	E:Insurance:Pollution (Tanks)	3,783	3,500	(283)	(8.09)%
2860-10-000	E:Insurance:D & O Liability	33,798	37,000	3,202	8.65 %
Total Insurance Expenses:		363,131	405,042	41,911	10.35 %
Debt Service Expenses					
2900-10-000	E:Debt Service - Interest:Fin	110,913	126,220	15,307	12.13 %
Total Debt Service Expenses:		110,913	126,220	15,307	12.13 %
Total Operating Expenses		5,615,678	5,620,857	5,179	0.09 %

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YTD Income Statement vs Budget YTD
For The 8 Periods Ended 5/31/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Net Income from Operations:		2,428,317	1,389,402	1,038,915	74.77 %
Other Income and Expense					
FAA Grant Funds					
5000-00-560	FAA:7214:SW Ramp Rehab Construction BP2	2,937,214	1,800,000	1,137,214	63.18 %
5000-00-561	FAA:7415:Airfield Marking Improvements	116,013	0	116,013	0.00 %
5000-00-562	FAA:7415:SW Ramp Rehab Construction BP3	3,944,478	4,752,997	(808,519)	(17.01)%
Total FAA Grant Funds:		6,997,705	6,552,997	444,708	6.79 %
FDOT Grant Funds					
5500-00-592	FDOT:431600:Southwest Ramp Rehab Construction	156,238	383,533	(227,295)	(59.26)%
5500-00-599	FDOT:437173:Replace Airfield Signage	47,914	0	47,914	0.00 %
5500-00-600	FDOT:437393: Design of Surface Parking Lot	889,741	1,210,330	(320,589)	(26.49)%
5500-00-601	FDOT:414453:T-Hangar Building (412) Reconstruction	0	18,708	(18,708)	(100.00)%
5500-00-604	FDOT:437713:Terminal B Expansion 2015	576,062	444,215	131,847	29.68 %
Total FDOT Grant Funds:		1,669,955	2,056,786	(386,831)	(18.81)%
Other Non-Operating Revenues					
5600-00-010	R:Other Contributions	2,000	0	2,000	0.00 %
5700-80-000	R:Memorial Fund Contributions	101	0	101	0.00 %
5800-00-000	R:Misc Settlements	5,614	0	5,614	0.00 %
5900-00-000	R:PFC Revenue	3,012,505	1,959,225	1,053,280	53.76 %
5910-00-000	R:PFC Interest:Restricted	1,835	0	1,835	0.00 %
Total Other Non-Operating Revenues:		3,022,055	1,959,225	1,062,830	54.25 %
AIP Grant Capital Project Expenses					
6000-00-599	CP:72-431600:SW Ramp Rehab Construction BP2	(2,624,078)	(2,000,000)	(624,078)	(31.20)%
6000-00-602	CP:437173:Replace Airfield Signage	(85,674)	0	(85,674)	0.00 %
6000-00-603	CP:437393: Design of Surface Parking Lot	(864,639)	(1,210,330)	345,691	28.56 %
6000-00-604	CP:7415:Airfield Marking Improvements	(89,645)	0	(89,645)	0.00 %
6000-00-605	CP:74-431600:SW Ramp Rehab Construction BP3	(4,818,944)	(5,281,108)	462,164	8.75 %
6000-00-606	CP:437713:Terminal B Expansion 2015	(1,266,208)	(888,431)	(377,777)	(42.52)%
6000-00-607	CP:414453:T-Hangar Building (412) Reconstruction	0	(37,417)	37,417	100.00 %
Total AIP Grant Capital Project Expenses:		(9,749,188)	(9,417,286)	(331,902)	(3.52)%
PFC Capital Project Expenses					
6200-00-001	CP:PFC 3: PLB Replacements	(3,174,838)	(2,450,000)	(724,838)	(29.59)%
6200-00-002	CP:PFC 3: In-Line Baggage System	(318,163)	(666,667)	348,504	52.28 %
Total PFC Capital Project Expenses:		(3,493,001)	(3,116,667)	(376,334)	(12.07)%
Memorial Fund Capital Expenses					
6500-80-000	CP:Memorial Fund Expenses	(4,428)	0	(4,428)	0.00 %
Total Memorial Fund Capital Expenses:		(4,428)	0	(4,428)	0.00 %
Non-Grant Capital Expenses					
7000-30-000	C:Machinery & Equipment:Maint	(72,135)	(75,000)	2,865	3.82 %
7000-60-000	C:Machinery & Equipment:ARFF	(8,220)	(8,500)	280	3.29 %
7100-30-000	C:Purchase Vehicles:Maint	(10,500)	0	(10,500)	0.00 %
7100-40-000	C:Purchase Vehicles:Exec	0	(35,000)	35,000	100.00 %
7100-70-000	C:Purchase Vehicles:Police	(80,446)	(82,000)	1,554	1.90 %
7200-10-000	C:Small Equipment:Finance	(55)	0	(55)	0.00 %
7200-12-000	C:Small Equipment:IT	(398)	(3,000)	2,602	86.73 %
7200-20-000	C:Small Equipment:Admin	(217)	0	(217)	0.00 %
7200-30-000	C:Small Equipment:Maint	0	(66,500)	66,500	100.00 %
7200-40-000	C:Small Equipment:Exec	(15,594)	0	(15,594)	0.00 %
7200-50-000	C:Small Equipment:Ops	(19)	0	(19)	0.00 %
7200-60-000	C:Small Equipment:ARFF	(5,067)	(4,900)	(167)	(3.41)%
7300-10-000	C:Computer/Office Equip:Fin	(7,921)	0	(7,921)	0.00 %

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For The 8 Periods Ended 5/31/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Non-Grant Capital Expenses					
(Continued)					
7300-12-000	C:Computer/Office Equip:IT	(9,127)	(8,000)	(1,127)	(14.09)%
7300-20-000	C:Computer/Office Equip:Admin	(2,050)	(1,000)	(1,050)	(105.00)%
7300-30-000	C:Computer/Office Equip:Maint	0	(3,000)	3,000	100.00 %
7300-40-000	C:Computer/Office Equip:Exec	(1,185)	(1,000)	(185)	(18.50)%
7300-50-000	C:Computer/Office Equip:Ops	(6,553)	(4,900)	(1,653)	(33.73)%
7300-70-000	C:Computer/Office Equip:Police	(35)	0	(35)	0.00 %
7300-71-000	C:Computer/Office Equip:Control	(1,658)	0	(1,658)	0.00 %
7700-12-000	C:Improvements: Communications/Networks	(18,352)	(20,000)	1,648	8.24 %
7700-12-010	C:Improvements:Access Control	(13,615)	(20,000)	6,385	31.93 %
7700-12-020	C:Improvements:Video Recording System	(1,203)	(21,333)	20,130	94.36 %
7700-20-000	C:Buildings & Improvements	(31,754)	(108,333)	76,579	70.69 %
7700-40-000	C:Improvements:Land&Stormwater	(19,180)	0	(19,180)	0.00 %
Total Non-Grant Capital Expenses:		(305,284)	(462,466)	157,182	33.99 %
Other Non-Operating Expenses					
9000-00-010	E:Loss on Disposal of Assets	11,900	0	11,900	0.00 %
9000-00-020	E:Bad Debts	(1,831)	0	(1,831)	0.00 %
9000-00-030	E:G/L Adjustment Account	1,316	0	1,316	0.00 %
9000-00-040	E:Govt to Non-Govt Clearing	(10,751)	0	(10,751)	0.00 %
9800-00-000	PO Clearing:	1	0	1	0.00 %
Total Other Non-Operating Expenses:		635	0	635	0.00 %
Total Other Income and		(1,861,551)	(2,427,411)	565,860	23.31 %
EARNINGS BEFORE INCOME TAX:		566,766	(1,038,009)	1,604,775	154.60 %
Net Income (Loss):		566,766	(1,038,009)	1,604,775	154.60 %

The Management Discussion & Analysis (MD&A) is a critical part of any SAA Financial Statements and the Financial Statements are incomplete without the MD&A.