

SANFORD AIRPORT AUTHORITY



MONTHLY Interim Financial Results

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

by Don E. Poore, PMP
Chief Financial Officer

Executive Summary

This report covers the 10th monthly period of our fiscal year which ended on July 31, 2016. Operational revenues (10.01%) and expenditures (1.95%) continue to exhibit expected growth. To date, operations have resulted in \$2,943,329 net income. Terminal expansion continues with 60% design completed. Total passenger counts for the month (305,686) surpassed the previous record (2004) by 9.75%. Domestic passenger counts (265,975) exceeding the 2015 record by 11.98 % (49 consecutive record setting months). International passenger counts (39,711) are continuing their month on month climb.

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Operations Activities

Summary

Assets

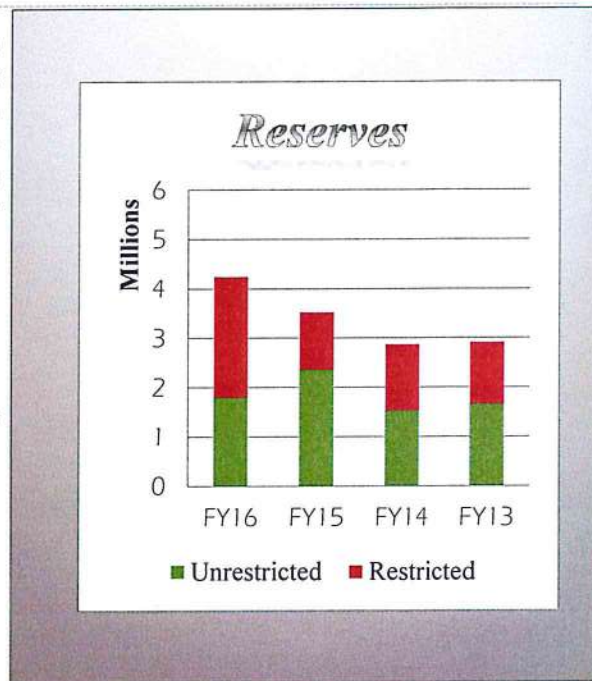
Investment Funds & Reserves: A total of 12 banking accounts are maintained with 7 at CNL Bank, 4 at Local Government Investment Pool (LGIP) and 1 at Bank of America. Four accounts are dedicated to the day-to-day operations of the Authority or loan servicing. The remaining accounts (8) make up the reserves. Total reserves (\$4,256,742) 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 \$1,807,641.

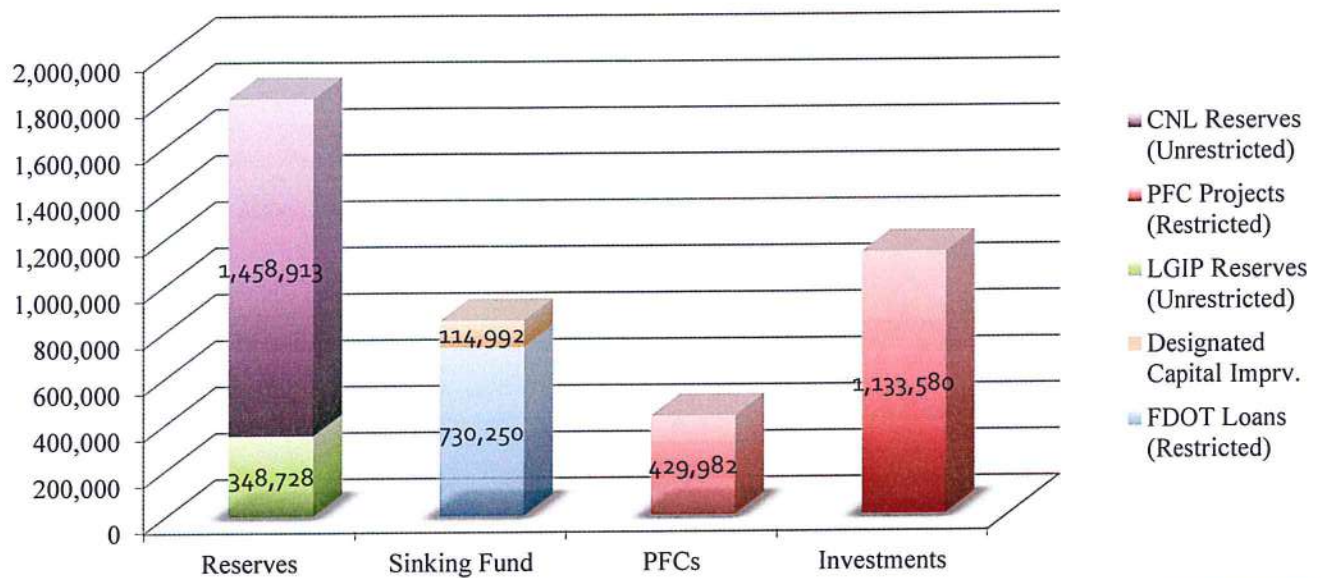
Reserves also include restricted funds (\$2,449,101). This restriction designation is management imposed and relates to the intended use of the funds. Restricted Funds are comprised of 3 CNL Bank accounts (Investments, PFCs and Memorial Committee) and 3 LGIP Accounts (Sinking Fund, Mortgages Held & Memorial Committee). The two Memorial Committee accounts (\$27,061) 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 \$1,563,562. A single account at LGIP (\$13,237) 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 \$845,242) 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 \$1.624 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 \$1,832,436 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 10th PERIOD ENDING JULY 31, 2016:

OPERATIONS

REVENUES:

	Budgeted	Actual
Actual YTD - end of the 10 th Period's revenues	\$ 8,931,491	\$ 9,825,289

▲ EXCEEDS YTD BUDGET BY \$893,798 OR 10.01%

EXPENSES:

Actual YTD – end of the 10 th Period's expenditures	<u>\$ 7,019,052</u>	<u>\$ 6,881,896</u>
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▲ FALLS SHORT OF BUDGET BY \$137,156 OR (1.95)%

NET EFFECT OF OPERATIONS:

GAIN / (LOSS)	<u>\$ 1,912,439</u>	<u>\$ 2,943,393</u>
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▲ Exceeds budget by \$1,030,954 OR 53.91%

GRANTS & CAPITAL PROJECTS

FAA GRANT REVENUES	\$ 9,571,791
FDOT GRANT REVENUES	\$ 1,669,955
GRANT RELATED PROJECT EXPENSES	<u>\$ (12,905,104)</u>
SURPLUS / (DEFICIT)	\$ (1,663,358)

PFC REVENUES & EXPENSES

PFC's & PFC INTEREST REVENUES	\$ 3,921,591
PFC PROJECT EXPENSES	<u>\$ (3,657,483)</u>
SURPLUS / (DEFICIT)	\$ 264,108

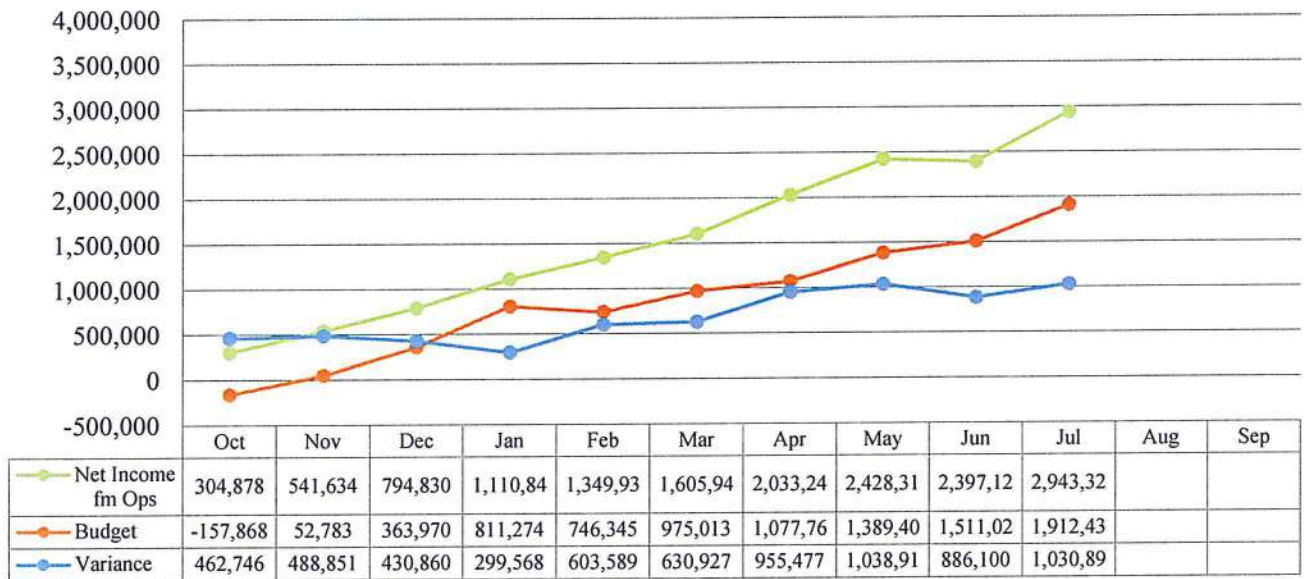
NON-OPERATING REVENUES & EXPENSES

SANFORD AIRPORT MEMORIAL COMMITTEE - Revenue & (Expenses)	\$ (4,118)
SAA NON-GRANT CAPITAL EXPENSES	\$ (421,516)
OTHER NON-OPERATING ADJUSTMENTS	\$ 457
SURPLUS / (DEFICIT)	\$ (425,177)
NON-OPERATING TOTAL	<u>\$ (1,824,427)</u>

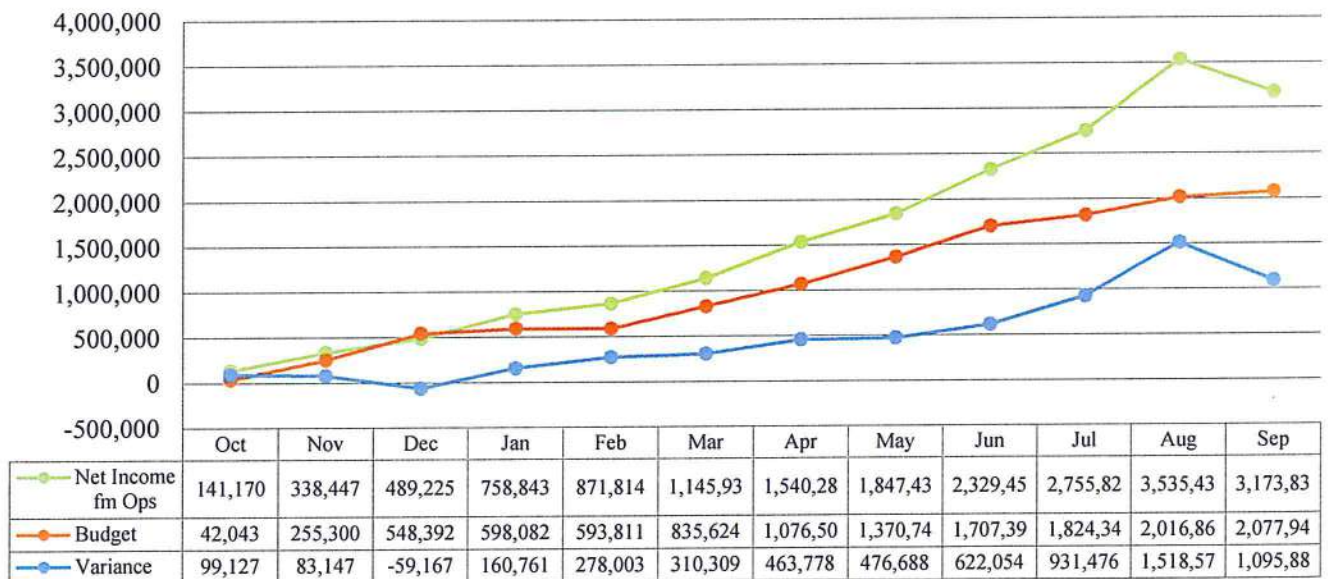
▼ END OF 10TH PERIOD - NET GAIN / (LOSS) ALL SOURCES:

\$2,943,393 - \$(1,824,427) = \$1,118,902

FY16 Net Income Vs. Budget Report

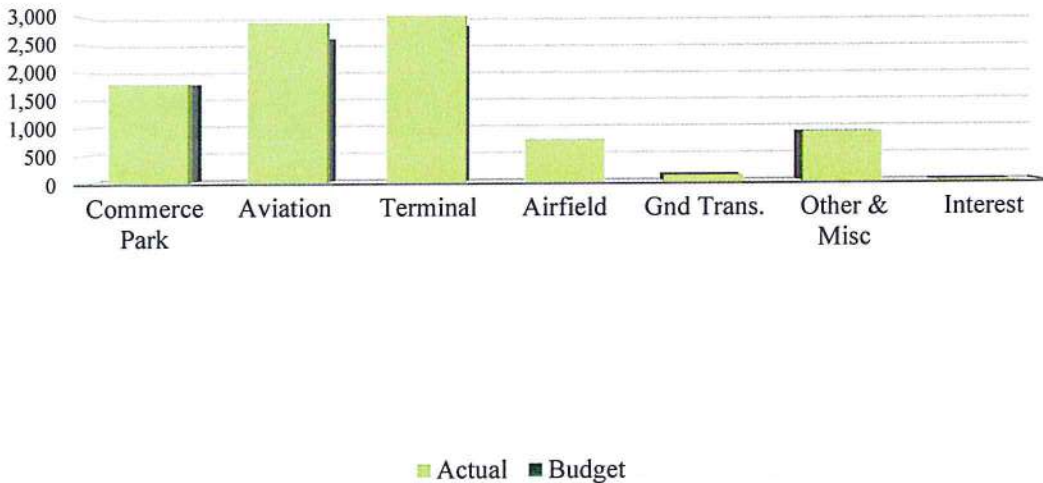


FY15 Net Income Vs. Budget Report



Above the Line Analysis (Operating Results)

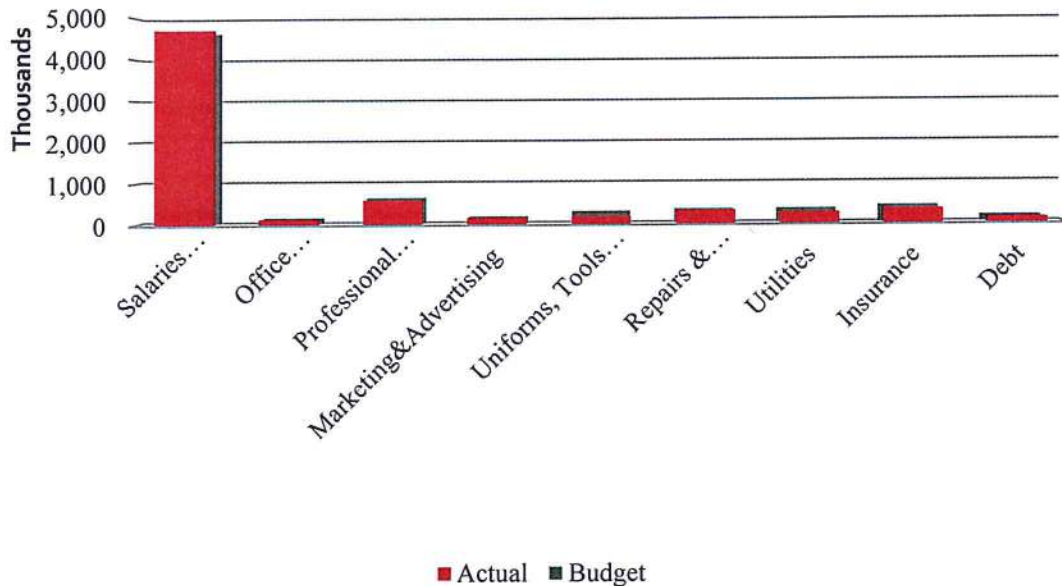
Revenue Actual vs. Budget



Revenue Variances

- ▲ **COMMERCE PARK REVENUES: EXCEEDS BUDGET BY \$1,914 (0.11%)**
- ▲ **AVIATION REVENUES: EXCEEDS BUDGET BY \$264,765 (10.12%)**
THIS POSITIVE VARIANCE IS DUE TO INCREASED FUEL CONSUMPTION AND ADDITIONAL AVIATION TENANTS.
- ▲ **TERMINAL REVENUES: EXCEEDS BUDGET BY \$513,535 (18.04 %)**
THIS VARIANCE REFLECTS CFC REVENUES WITHOUT CORRESPONDING PROJECT EXPENSES AND BETTER THAN EXPECTED PARKING AND RENTAL CAR ACTIVITY.
- ▲ **AIRFIELD REVENUES: EXCEEDS BUDGET BY \$99,691 (14.98%)**
CONTINUED INCREASES IN FLIGHT SCHEDULES AND THE MATURING OF NEW DESTINATIONS ARE GENERATING HIGHER THAN BUDGETED REVENUES FOR DOMESTIC VENUES
- ▲ **GROUND TRANSPORTATION: EXCEEDS BUDGET BY \$2,198 (1.89%)**
- ▲ **OTHER LEASES & MISC REVENUE: EXCEEDS BUDGET BY \$8,757 (.098%)**
AS PASS THROUGH ITEMS ARE NETTED AND MOST ITEMS ARE PROPERLY CATEGORIZED THIS CATEGORY IS TRULY REFLECTING THE BUDGETARY PROJECTIONS THAT STAFF ENVISIONED.
- ▲ **INTEREST REVENUE: EXCEEDS BUDGET BY \$2,938 (26.34%)**
EARLY DEBT RETIREMENT AND BETTER THAN EXPECTED RATES ARE PROVIDING THIS POSITIVE VARIANCE.

Expenses Actual vs. Budget



Expense Variances

- ▼ **SALARIES & BENEFITS: EXCEEDS BUDGET BY \$59,408 (1.28%)**
A RECENT BUDGET AMENDMENT TO THIS CATEGORY WILL START TO PROVIDE A POSITIVE RESULT IN THE FOLLOWING MONTHS.
- ▼ **OFFICE & ADMINISTRATIVE EXPENSES: EXCEEDS BUDGET BY \$11,728 (-9.58%)**
THE VARIANCE IS DUE ALMOST ENTIRELY TO CHANGES IN EXPENSE TIMING.
- ▲ **PROFESSIONAL & CONTRACT SERVICES: FALLS SHORT OF BUDGET BY \$20,975 (3.39%)**
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 CITY.
- ▼ **PROPERTIES, MARKETING & ADVERTISING: EXCEEDS BUDGET BY \$8,327 (-5.52%)**
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 \$97,075 (35.36%)**
REDUCED GAS EXPENDITURES AND JUDICIOUS SPENDING ARE PROVIDING A FAVORABLE VARIANCE.
- ▼ **REPAIRS & MAINTENANCE EXPENSES: EXCEEDS BUDGET BY \$10,059 (-3.10%)**
CAPITALIZATION OF NUMEROUS EXPENSES (A PROCESS USUALLY UNDERTAKEN AFTER YEAR END) IS STARTING TO REDUCE THIS VARIANCE.
- ▲ **UTILITIES EXPENSES: FALLS SHORT OF BUDGET BY \$52,045 (15.61%)**
- ▲ **INSURANCE EXPENSE: FALLS SHORT OF BUDGET BY \$42,990 (10.59%)**
THIS IS REFLECTING THE FAVORABLE RATES AND REDUCTIONS THAT WE ENJOY FROM OUR CURRENT CARRIERS/AGENT.
- ▲ **DEBT SERVICE EXPENSES: FALLS SHORT OF BUDGET BY \$13,529 (8.60%)**
THE ACCELERATED PAYOFF OF LOAN 4019 CAUSED THIS VARIATION.

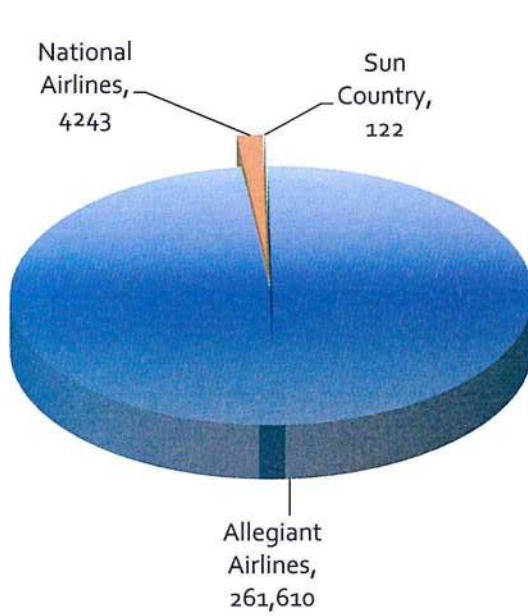
Below the Line Analysis (Grants & Capital Results)

GRANT REVENUE/EXPENSES	REVENUES	EXPENSES	BUDGET	VARIATION
➤ FDOT GRANT 437713	576,062	(1,711,552)	(855,776)	(279,714)
TERMINAL EXPANSION DESIGN – 60% COMPLETE ONGOING				
➤ FAA GRANT 74/ FDOT GRANT 431600	5,409,919	(6,608,218)	(867,888)	(0)
SW RAMP REHAB BID PKG 3 – FINAL PHASE (4) IS COMPLETING. ALL DEMOLITION IS COMPLETE AND POURING CONCRETE				
➤ FAA GRANT 75/ FDOT GRANT 431600	1,117,204	(1,176,004)	(0)	(0)
SW RAMP REHAB BID PKG 3B –COMPLETE				
➤ FDOT GRANT 414453	(0)	(0)	(0)	(0)
WORK IS IN PROGRESS BUT NO INVOICES RECEIVED TO DATE.				

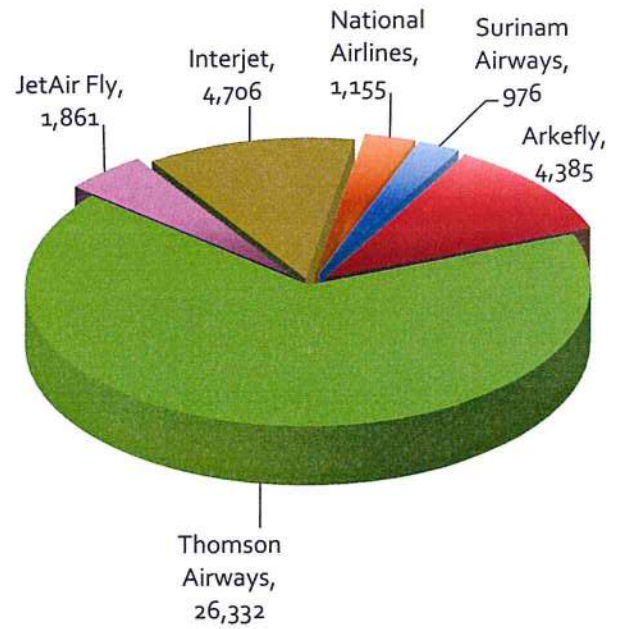
AUTHORITY CAPITAL EXPENDITURES (RELATED TO OPERATIONS)

	ACTUAL	ANNUAL BUDGET	VARIANCE
MACHINERY CAPITAL EXPENDITURES_____	80,355	83,500	3,145
VEHICLES EXPENDITURES _____	90,946	117,000	26,054
SMALL EQUIPMENT EXPENDITURES_____	24,419	76,400	51,981
COMPUTERS & OFFICE EQUIPMENT_____	28,693	20,900	(7,793)
COMMUNICATIONS & NETWORKS_____	19,807	30,000	10,193
ACCESS CONTROL_____	16,605	30,000	13,395
VIDEO RECORDING SYSTEM_____	2,248	32,000	29,752
BUILDING & IMPROVEMENTS_____	139,263	195,000	55,737
LAND & STORMWATER_____	19,180	10,000	(9,180)

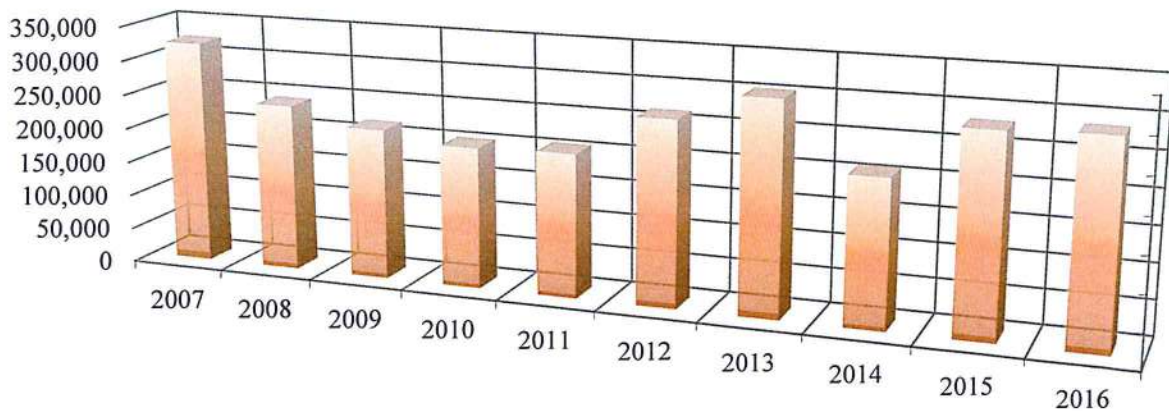
Domestic Carriers



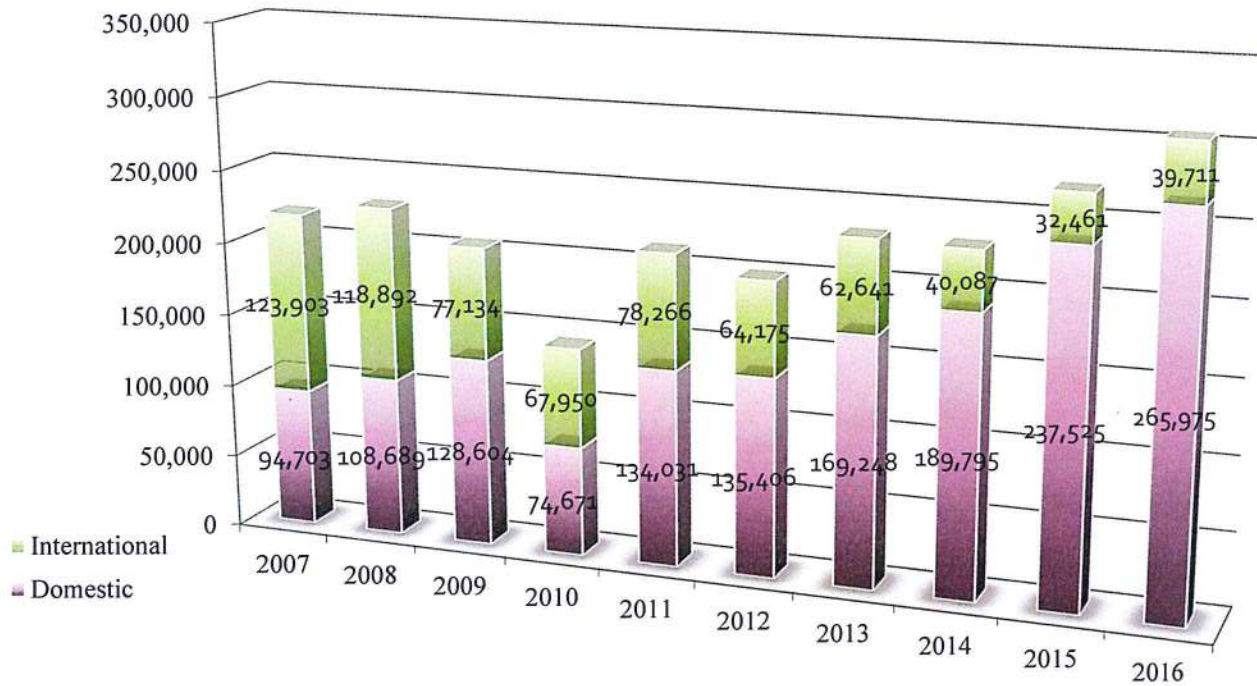
International Carriers



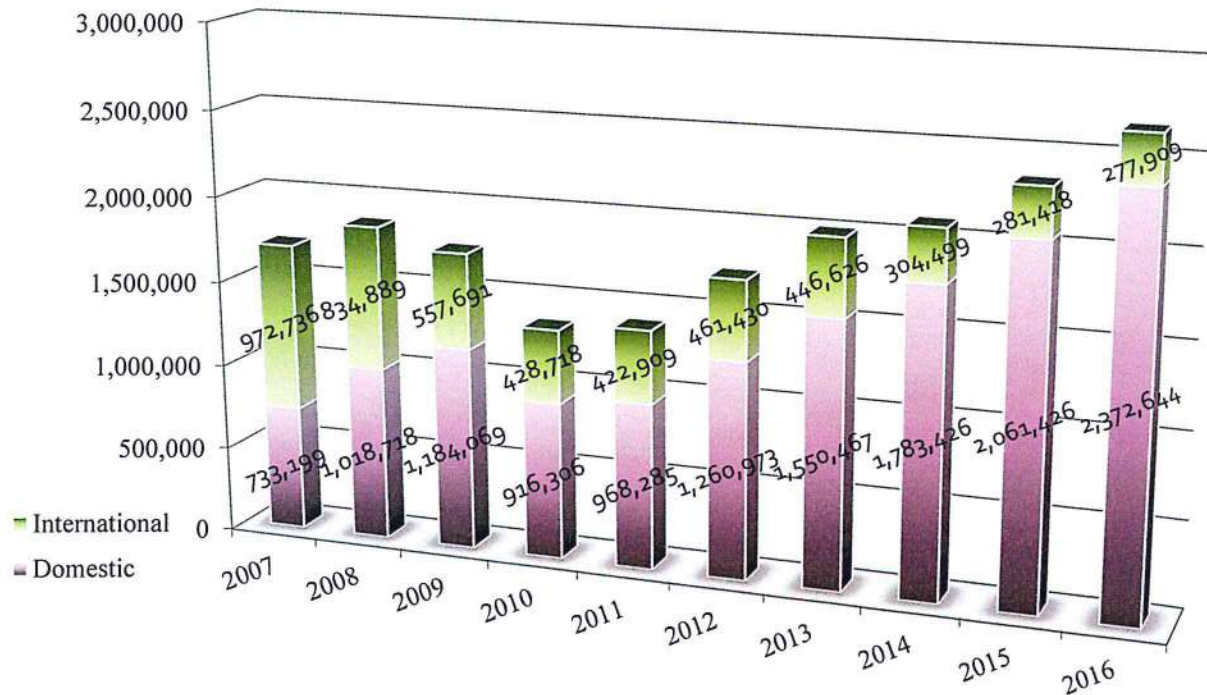
ANNUAL OPERATIONS COUNTS (LAST 12 MONTHS) JULY 2016



PASSENGER COUNTS MONTH OF JULY



PASSENGER COUNTS ROLLING 12 MONTHS (Aug - July)



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. In September 2015, SAA received \$7,374,048 in discretionary funds to complete the reconstruction of the Southwest Ramp with Bid Pkg#3B.

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.	\$43,679,206 (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. 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. FY2014-2015 saw \$532,093 of fees in addition to the minimum fees(total \$782,093). FY 2015 – 2016 to date total is \$567,842 and should reach nearly \$800,000. 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.

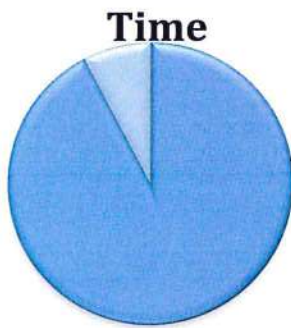
Several "build-outs" have recently been constructed on behalf of tenants. These improvements are amortized over a specific term of the lease yielding a 6 % interest rate and are initially considered unearned revenues which is reduced and are earned as revenue incrementally with each monthly payment.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

**GRANT AND PFC FUNDED PROJECTS
(CURRENT THROUGH 9/9/2016)**

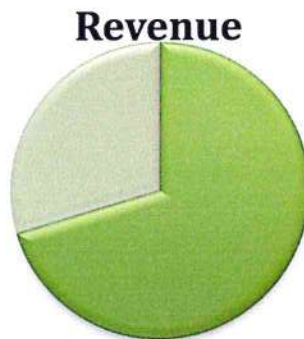
Grant 7416 - 431600 Southwest Ramp Reconstruction BP3



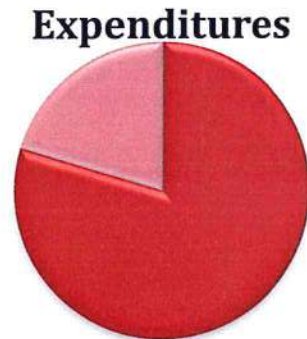
These grants award \$7,466,692 from the FAA and \$414,816 from FDOT for the third and final phase of the rehabilitation of the Southwest Ramp.



■ Elapsed ■ Remaining



■ Actual ■ Reserve

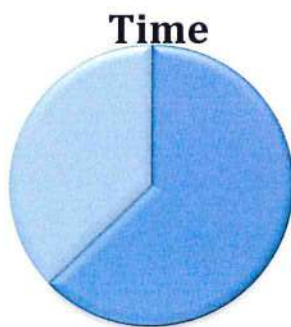


■ Actual ■ Reserve

Final phase is in progress. Demolition is complete and concrete pouring is proceeding normally.

Grant 437713 - Terminal Expansion Design

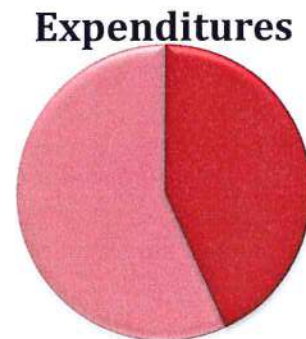
Abstract: This grant (a FDOT 50/50 grant) awarded \$499,743 on 8 June 2015 (total project cost of \$999,486) to design a terminal expansion. This design will be used to support PFC application #004. This grant was recently amended to increase the award to \$3,361,000 (total project cost \$6,722,000).



■ Elapsed ■ Remaining



■ Actual ■ Reserves



■ Actual ■ Budget

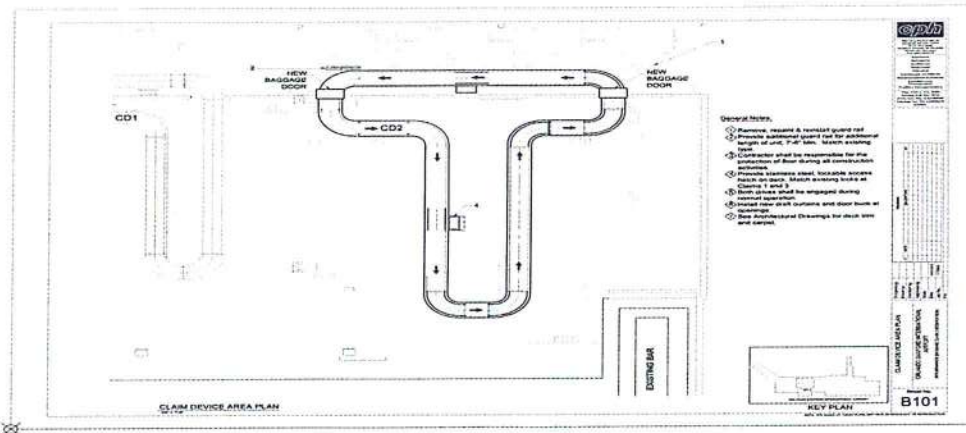
Revenues: \$576,602

Expenditures: \$1,711,552

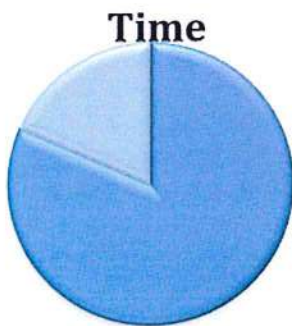
Commence: 6/8/15

Expected Completion: 6/8/17

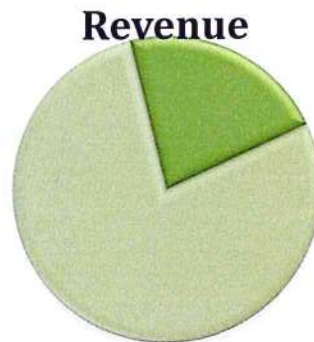
PFC – Baggage System Replacements



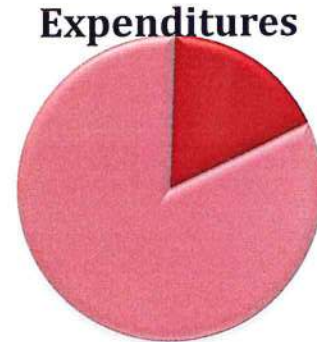
Abstract: PFC application was approved on 12 July 2012. Most of the inbound system was replaced during FY13. This will complete the inbound system. Subsequent work will replace outbound systems. The project cost is estimated at \$10,340,944. Work on inbound baggage is complete. An amendment to PFC application #003 has been approved by the FAA. The project was put out to bid on July 27 and will open on August 27th.



■ Elapsed ■ Remaining



■ Budget ■ Actual



■ Budget ■ Actual



■ Available ■ InUse

Revenue: \$2,897,557 from PFCs
Expenditures: \$2,308,766
Reserves: \$1,133,580
Debt: \$0

FINANCIAL STATEMENTS & REPORTS

New Balance Sheet
As of 7/31/2016

Sanford Airport Authority (SAA)

Assets

Current Assets

0100-00-000	Savings: BoA: Operating Account	38,988	
0100-00-005	Checking: CNL: Operating Account	53,156	
0100-00-006	MM:CNL: Reserves	1,458,913	
0100-00-015	Checking: CNL: Spec Projects Acct	561,489	
0100-00-020	Savings: CNL: Investments	1,133,580	
0100-00-050	Savings: LGIP: Reserves Fund A	348,728	
0100-00-052	Savings:LGIP: Sinking Fund	845,242	
0100-00-053	Savings:LGIP:SAA Mortgages Held	13,237	
0100-00-071	Savings: CNL: PFCs	429,982	
0100-00-091	Savings: CNL: Security Deposits	384,324	
0100-00-092	Savings:Law Enforcement	4,207	
0100-00-099	Cash:Vending Cash Box	1	
0100-00-100	Cash: Accounts Receivable Cash Box	2,744	
0100-00-110	Petty Cash	300	
0100-00-130	Account Receivable:FDOT	1,909,594	
0100-00-140	Account Receivable:Tenants	457,364	
0100-00-150	Account Receivable:T-Hangars	714	
0100-00-160	Account Receivable:Telephones	9,562	
0100-00-176	Note Receivable:Tenants	162,822	
0100-00-177	Mortgage Receivable	33,394	
0100-00-200	Prepaid Sales Tax	16,341	
0100-00-220	Prepaid Services	13,419	
0100-00-230	Fuel Inventory	8,705	
0100-00-240	Vending Inventory	4,876	
0100-00-300	Deferred Outflow of Resources	201,878	
0100-80-060	Savings: LGIP: Memorial Comm Fund A	23,828	
0100-80-080	Checking: CNL: Memorial Fund	3,233	
Total Current Assets:			8,120,621

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	24,784,139	
0200-00-500	Pensions: Deferred Outflow of Resources	624,536	
Total Long Term Assets:			199,389,013
Total Assets:			207,509,634

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 7/31/2016

Sanford Airport Authority (SAA)

Liabilities

Current Liabilities

0300-00-000	Accounts Payable	2,925,288	
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	1,619	
0300-00-060	Accounts Payable:Retainage	828,931	
0300-00-100	FICA	6,193	
0300-00-110	Federal Withholding	(5,423)	
0300-00-120	Insurance: Hospital Indemnity	(2,836)	
0300-00-121	Insurance: Cancer	(144)	
0300-00-122	Insurance: Life	(841)	
0300-00-123	Insurance: Health	(3,720)	
0300-00-130	Insurance: Dental	(1,847)	
0300-00-132	Insurance: Vision	17	
0300-00-133	Insurance: Accident	2,192	
0300-00-134	Accounts Payable:Third Party Loans	1	
0300-00-135	Insurance: Disability	736	
0300-00-136	Insurance: Critical Illness	83	
0300-00-140	Child Support	189	
0300-00-160	ICMA Retirement Fund	5,278	
0300-00-161	Roth IRA Retirement Contribution	2,027	
0300-00-165	FRS Employee Contribution	15,965	
0300-00-190	Garnishment of Wages	333	
0300-00-200	All Security Deposits Held	402,546	
0300-00-500	Net Pension Liability	3,521,530	
Total Current Liabilities:			8,143,905

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	1,623,810	
0400-00-302	Loan:CNL: #3677 North Ramp Hangar	1,832,436	
0400-00-400	Unearned Revenues	399,247	
0400-00-500	Pensions: Deferred Inflow of Resources	860,783	
Total Long Term Liabilities:			6,130,005
Total Liabilities:			14,273,910

Equity

0500-00-200	Retained Earnings:Last Audit	192,116,822	
0500-00-200	Retained Earnings-Current Year	1,118,902	
Total Equity:			193,235,724
Total Liabilities & Equity:			207,509,634

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YTD Income Statement vs Budget YTD
For The 10 Periods Ended 7/31/2016

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	1,412,625	1,397,543	15,082	1.08 %
1000-00-010	R:Commerce Park Land Leases	372,713	385,881	(13,168)	(3.41)%
Total Commerce Park Revenues:		1,785,338	1,783,424	1,914	0.11 %
Other Leases & Misc. Revenues					
1100-00-000	R:Lake Golden Leases	3,800	3,869	(69)	(1.78)%
1100-00-010	R:Residential Leases	114,707	108,205	6,502	6.01 %
1100-00-020	R:Security ID Fees	145,046	95,714	49,332	51.54 %
1100-00-030	R:Miscellaneous Revenue & Fees	149,513	135,552	13,961	10.30 %
1100-00-040	R:Late Fees & NSF Fees	20,156	13,333	6,823	51.17 %
1100-00-050	R:Security Fines	100	124	(24)	(19.35)%
1100-00-070	R:Communications Revenue	273,382	270,979	2,403	0.89 %
1100-00-080	R: TSA Law Enforcement Revenues	107,326	110,416	(3,090)	(2.80)%
1100-00-090	R: FAA Force Account Revenue	84,792	155,432	(70,640)	(45.45)%
1100-00-100	R:Vending Revenues	3,559	0	3,559	0.00 %
Total Other Leases & Misc. Revenues:		902,381	893,624	8,757	0.98 %
Aviation Revenues					
1200-00-000	R:Aviation Building Leases	1,651,153	1,509,923	141,230	9.35 %
1200-00-010	R:Aviation Land Leases	427,291	454,655	(27,364)	(6.02)%
1200-00-020	R:Aviation Ramp Leases	101,778	80,688	21,090	26.14 %
1200-00-030	R:T-Hangar Leases	167,467	170,548	(3,081)	(1.81)%
1200-00-100	R:Fuel Flowage Fees	521,343	388,553	132,790	34.18 %
1200-00-110	R:Fuel Storage Fees	2,500	2,525	(25)	(0.99)%
1200-00-120	R:FTZ Fuel Permits	7,025	7,000	25	0.36 %
1200-00-200	R:Aircraft Brokerage Fees	1,500	1,400	100	7.14 %
Total Aviation Revenues:		2,880,057	2,615,292	264,765	10.12 %
Domestic Terminal Revenues					
1300-00-000	R:Authority Share of Domestic Terminal Revenues	547,009	592,158	(45,149)	(7.62)%
1300-00-100	R:OSD Parking Revenue	1,045,051	863,440	181,611	21.03 %
1300-00-200	R:Customer Facility Charges	1,541,000	1,401,919	139,081	9.92 %
1300-00-205	R:CFC Remittance to OSD	(128,700)	(333,333)	204,633	61.39 %
Total Domestic Terminal Revenues:		3,004,360	2,524,184	480,176	19.02 %
International Terminal Revenues					
1400-00-000	R:International Land Leases	352,862	321,653	31,209	9.70 %
1400-00-100	R:SAA Maintenance Fees	2,508	358	2,150	600.56 %
Total International Terminal Revenues:		355,370	322,011	33,359	10.36 %
Airfield Revenues					
1500-00-000	R:Domestic Landing Fees - OSD	490,083	383,954	106,129	27.64 %
1500-00-100	R:Innt'l Landing Fees-OSI	131,491	155,535	(24,044)	(15.46)%
1500-00-200	R:Public Safety Fee	143,597	125,991	17,606	13.97 %
Total Airfield Revenues:		765,171	665,480	99,691	14.98 %
Ground Transportation Revenues					
1600-00-000	R:GT Permit Fees	69,758	72,146	(2,388)	(3.31)%
1600-00-100	R:GT Access Fees	41,452	38,048	3,404	8.95 %
1600-00-200	R:Off Airport Rental Car Comm.	7,311	6,129	1,182	19.29 %
Total Ground Transportation Revenues:		118,521	116,323	2,198	1.89 %
Non-Restricted Interest Earned					
1700-00-000	R:Interest Earned:Unrestricted	14,091	11,153	2,938	26.34 %
Total Non-Restricted Interest Earned:		14,091	11,153	2,938	26.34 %

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YTD Income Statement vs Budget YTD
For The 10 Periods Ended 7/31/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Total Operating Revenue		9,825,289	8,931,491	893,798	10.01 %
Gross Profit:		9,825,289	8,931,491	893,798	10.01 %
Operating Expenses					
Salaries & Benefits					
2000-10-000	E:Full Time Salaries:Finance	208,140	190,676	(17,464)	(9.16)%
2000-10-005	R:Salary Reimb:FAA-Finance	(320)	0	320	0.00 %
2000-12-000	E:Full Time Salaries:IT	220,814	214,580	(6,234)	(2.91)%
2000-20-000	E:Full Time Salaries:Admin	242,003	270,301	28,298	10.47 %
2000-30-000	E:Full Time Salaries:Maint	669,565	721,829	52,264	7.24 %
2000-40-000	E:Full Time Salaries:Exec	360,711	314,646	(46,065)	(14.64)%
2000-40-005	R:Salary Reimburse FAA-Exec	(4,055)	0	4,055	0.00 %
2000-50-000	E:Full Time Salaries:Ops	431,699	389,099	(42,600)	(10.95)%
2000-60-000	E:Full Time Salaries:ARFF	364,545	344,918	(19,627)	(5.69)%
2000-70-000	E:Full Time Salaries:Police	500,798	449,458	(51,340)	(11.42)%
2000-71-000	E:Full Time Salaries:Control	206,590	203,142	(3,448)	(1.70)%
2010-50-000	E:Part Time Wages:Ops	85,947	84,003	(1,944)	(2.31)%
2010-60-000	E:Part Time Wages:ARFF	31,213	39,868	8,655	21.71 %
2020-10-000	E:Overtime:Finance	1,966	1,222	(744)	(60.88)%
2020-12-000	E:Overtime:IT	426	407	(19)	(4.67)%
2020-20-000	E:Overtime:Admin	2,199	831	(1,368)	(164.62)%
2020-30-000	E:Overtime:Maint	2,874	5,704	2,830	49.61 %
2020-50-000	E:Overtime:Ops	31,817	24,444	(7,373)	(30.16)%
2020-60-000	E:Overtime:ARFF	67,315	65,185	(2,130)	(3.27)%
2020-70-000	E:Overtime:Police	8,085	58,953	50,868	86.29 %
2020-71-000	E:Overtime:Control	6,105	24,444	18,339	75.02 %
2040-50-000	E:Unemployment Comp:Ops	175	0	(175)	0.00 %
2040-71-000	E:Unemployment Comp:Control	429	11,652	11,223	96.32 %
2050-10-000	E:FICA:Finance	15,841	14,587	(1,254)	(8.60)%
2050-12-000	E:FICA:IT	16,706	16,415	(291)	(1.77)%
2050-20-000	E:FICA:Admin	17,967	20,678	2,711	13.11 %
2050-30-000	E:FICA:Maint	51,022	55,220	4,198	7.60 %
2050-40-000	E:FICA:Exec	17,202	19,174	1,972	10.28 %
2050-50-000	E:FICA:Ops	40,750	36,192	(4,558)	(12.59)%
2050-60-000	E:FICA:ARFF	35,645	29,436	(6,209)	(21.09)%
2050-70-000	E:FICA:Police	38,246	34,384	(3,862)	(11.23)%
2050-71-000	E:FICA:Control	16,013	15,540	(473)	(3.04)%
2060-10-000	E:Employee Pension:Finance	46,792	49,843	3,051	6.12 %
2060-12-000	E:Employee Pension:IT	15,697	15,578	(119)	(0.76)%
2060-20-000	E:Employee Pension:Admin	15,418	34,101	18,683	54.79 %
2060-30-000	E:Employee Pension:Maint	51,550	52,405	855	1.63 %
2060-40-000	E:Employee Pension:Exec	45,198	42,928	(2,270)	(5.29)%
2060-50-000	E:Employee Pension:Ops	53,511	48,825	(4,686)	(9.60)%
2060-60-000	E:Employee Pension:ARFF	96,703	84,807	(11,896)	(14.03)%
2060-70-000	E:Employee Pension:Police	99,939	90,123	(9,816)	(10.89)%
2060-71-000	E:Employee Pension:Control	14,868	14,748	(120)	(0.81)%
2070-10-000	E:Life & Health Ins:Finance	14,481	10,082	(4,399)	(43.63)%
2070-12-000	E:Life & Health Ins:IT	19,466	18,522	(944)	(5.10)%
2070-20-000	E:Life & Health Ins:Admin	28,033	32,114	4,081	12.71 %
2070-30-000	E:Life & Health Ins:Maint	118,256	113,991	(4,265)	(3.74)%
2070-40-000	E:Life & Health Ins:Exec	12,412	9,672	(2,740)	(28.33)%
2070-50-000	E:Life & Health Ins:Ops	69,656	86,429	16,773	19.41 %
2070-60-000	E:Life & Health Ins:ARFF	44,435	45,857	1,422	3.10 %
2070-70-000	E:Life & Health Ins:Police	52,701	50,536	(2,165)	(4.28)%
2070-71-000	E:Life & Health Ins:Control	31,885	31,921	36	0.11 %
2080-10-000	E:Workers Compensation:Finance	3,469	3,021	(448)	(14.83)%
2080-12-000	E:Workers Compensation:IT	16,022	13,175	(2,847)	(21.61)%
2080-20-000	E:Workers Compensation:Admin	8,182	6,719	(1,463)	(21.77)%
2080-30-000	E:Workers Compensation:Maint	52,045	42,151	(9,894)	(23.47)%
2080-40-000	E:Workers Compensation:Exec	15,225	12,489	(2,736)	(21.91)%

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YTD Income Statement vs Budget YTD
For The 10 Periods Ended 7/31/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Salaries & Benefits					
(Continued)					
2080-50-000	E:Workers Compensation:Ops	32,052	26,334	(5,718)	(21.71)%
2080-60-000	E:Workers Compensation:ARFF	20,972	17,231	(3,741)	(21.71)%
2080-70-000	E:Workers Compensation:Police	22,612	20,127	(2,485)	(12.35)%
2080-71-000	E:Workers Compensation:Control	651	539	(112)	(20.78)%
Total Salaries & Benefits:		4,690,664	4,631,256	(59,408)	(1.28)%
Office & Administrative Expenses					
2100-40-000	E:Travel:Board Members	15,184	5,455	(9,729)	(178.35)%
2110-10-000	E:Travel:Staff:Finance	1,405	838	(567)	(67.66)%
2110-12-000	E:Travel:Staff:IT	1,640	3,221	1,581	49.08 %
2110-20-000	E:Travel:Staff:Admin	67	3,071	3,004	97.82 %
2110-30-000	E:Travel:Staff:Maint	254	177	(77)	(43.50)%
2110-40-000	E:Travel:Staff:Exec	2,578	2,798	220	7.86 %
2110-50-000	E:Travel:Staff:Ops	2,350	1,839	(511)	(27.79)%
2110-60-000	E:Travel:Staff:ARFF	5,937	2,242	(3,695)	(164.81)%
2110-70-000	E:Travel:Staff:Police	140	384	244	63.54 %
2110-71-000	E:Travel:Staff:Control	87	600	513	85.50 %
2120-10-000	E:Training:Staff:Finance	0	2,527	2,527	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	452	(90)	(19.91)%
2120-40-000	E:Training:Staff:Exec	0	500	500	100.00 %
2120-50-000	E:Training:Staff:Ops	1,455	3,265	1,810	55.44 %
2120-60-000	E:Training:Staff:ARFF	4,066	4,128	62	1.50 %
2120-70-000	E:Training:Staff:Police	816	1,284	468	36.45 %
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	3,056	2,262	(794)	(35.10)%
2130-12-000	E:Postage & Shipping:IT	183	406	223	54.93 %
2130-20-000	E:Postage & Shipping:Admin	1,606	2,773	1,167	42.08 %
2130-30-000	E:Postage & Shipping:Maint	29	69	40	57.97 %
2130-40-000	E:Postage & Shipping:Exec	86	200	114	57.00 %
2130-50-000	E:Postage & Shipping:Ops	85	584	499	85.45 %
2130-60-000	E:Postage & Shipping:ARFF	35	96	61	63.54 %
2130-70-000	E:Postage & Shipping:Police	12	65	53	81.54 %
2130-71-000	E:Postage & Shipping:Control	0	25	25	100.00 %
2140-10-000	E:Dues & Publications:Finance	1,458	1,520	62	4.08 %
2140-20-000	E:Dues & Publications:Admin	4,488	2,627	(1,861)	(70.84)%
2140-30-000	E:Dues & Publications:Maint	0	1,950	1,950	100.00 %
2140-40-000	E:Dues & Publications:Exec	37,963	27,799	(10,164)	(36.56)%
2140-50-000	E:Dues & Publications:Ops	320	289	(31)	(10.73)%
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	3,549	414	(3,135)	(757.25)%
2150-12-000	E:License&Registration:IT	8,214	14,075	5,861	41.64 %
2150-20-000	E:License&Registration:Admin	656	1,001	345	34.47 %
2150-30-000	E:License&Registration:Maint	120	184	64	34.78 %
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	208	(262)	(125.96)%
2160-10-000	E:Charges&Obligations:Finance	23,282	14,498	(8,784)	(60.59)%
2160-20-000	E:Charges&Obligations:Admin	0	500	500	100.00 %
2160-70-000	E:Charges&Obligations:Police	142	239	97	40.59 %
Total Office & Administrative Expenses:		134,204	122,476	(11,728)	(9.58)%
Professional & Contract Services					
2200-10-000	E:Professional Services:Finance	3,836	10,234	6,398	62.52 %

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YTD Income Statement vs Budget YTD
For The 10 Periods Ended 7/31/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Professional & Contract Services					
(Continued)					
2200-12-000	E:Professional Services:IT	13,730	34,799	21,069	60.54 %
2200-20-000	E:Professional Services:Admin	5,816	14,540	8,724	60.00 %
2200-30-000	E:Professional Services:Maint	163	586	423	72.18 %
2200-40-000	E:Professional Service:Exec	34,245	60,571	26,326	43.46 %
2200-50-000	E:Professional Services:Ops	8,391	3,118	(5,273)	(169.11)%
2200-60-000	E:Professional Services:ARFF	12,094	8,185	(3,909)	(47.76)%
2200-70-000	E:Professional Services:Police	610	1,298	688	53.00 %
2200-71-000	E:Professional Services:Control	144	0	(144)	0.00 %
2220-40-000	E:Legal Services:Exec	170,339	148,902	(21,437)	(14.40)%
2230-10-000	E:Accounting&Auditing:Finance	19,500	24,559	5,059	20.60 %
2235-50-000	E:Security Services:Ops	72,759	66,907	(5,852)	(8.75)%
2237-50-000	E:Security & Safety Awards:Ops	175	56	(119)	(212.50)%
2240-10-000	E:Contractual Services:Finance	28,653	38,752	10,099	26.06 %
2240-12-000	E:Contractual Services:IT	64,667	97,643	32,976	33.77 %
2240-20-000	E:Contractual Services:Admin	59,176	19,869	(39,307)	(197.83)%
2240-30-000	E:Contractual Services:Maint	28,468	31,450	2,982	9.48 %
2240-40-000	E:Contractual Services:Exec	0	8,001	8,001	100.00 %
2240-50-000	E:Contractual Services:Ops	8,404	20,044	11,640	58.07 %
2240-60-000	E:Contractual Services:ARFF	2,336	4,087	1,751	42.84 %
2240-70-000	E:Contractual Services:Police	3,278	1,883	(1,395)	(74.08)%
2240-71-000	E:Contractual Services:Control	28,637	22,976	(5,661)	(24.64)%
2250-10-000	Special Events:Expenses	32,064	0	(32,064)	0.00 %
Total Professional & Contract Services:		597,485	618,460	20,975	3.39 %
Properties,Marketing,&Advertising					
2300-20-000	E:Airport Marketing:Admin	35,575	31,415	(4,160)	(13.24)%
2300-40-000	E:Airport Marketing:Exec	15,125	14,863	(262)	(1.76)%
2305-40-000	E:Airline Origination Marketing	80,000	80,000	0	0.00 %
2310-20-000	E:Community Relations:Admin	11,525	9,048	(2,477)	(27.38)%
2310-40-000	E:Community Relation:EXEC	300	0	(300)	0.00 %
2315-10-000	E:Employee Relations:Finance	228	360	132	36.67 %
2315-12-000	E:Employee Relations:IT	105	227	122	53.74 %
2315-20-000	E:Employee Relations:Admin	1,716	4,689	2,973	63.40 %
2315-30-000	E:Employee Relations:Maint	0	116	116	100.00 %
2315-40-000	E:Employee Relations:Exec	826	712	(114)	(16.01)%
2315-50-000	E:Employee Relations:Ops	195	136	(59)	(43.38)%
2315-60-000	E:Employee Relations:ARFF	621	116	(505)	(435.34)%
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	10,604	7,220	(3,384)	(46.87)%
2340-70-000	E:Advertising&Printing:Police	0	100	100	100.00 %
Total Properties,Marketing,&Advertising:		159,097	150,770	(8,327)	(5.52)%
Uniforms,Tools, & Supplies					
2400-10-000	E:Office Supplies:Finance	3,337	11,749	8,412	71.60 %
2400-12-000	E:Office Supplies:IT	674	790	116	14.68 %
2400-20-000	E:Office Supplies:Admin	6,243	5,486	(757)	(13.80)%
2400-30-000	E:Office Supplies:Maint	890	1,254	364	29.03 %
2400-40-000	E:Office Supplies:Exec	190	271	81	29.89 %
2400-50-000	E:Office Supplies:Ops	4,655	1,618	(3,037)	(187.70)%
2400-60-000	E:Office Supplies:ARFF	2,721	1,745	(976)	(55.93)%
2400-70-000	E:Office Supplies:Police	484	867	383	44.18 %
2400-71-000	E:Office Supplies:Control	406	201	(205)	(101.99)%
2410-12-000	E:Operating Supplies:IT	1,295	1,648	353	21.42 %
2410-30-000	E:Operating Supplies:Maint	11,224	13,450	2,226	16.55 %
2410-50-000	E:Operating Supplies:Ops	4,253	5,516	1,263	22.90 %
2410-60-000	E:Operating Supplies:ARFF	15,247	23,840	8,593	36.04 %
2410-70-000	E:Operating Supplies:Police	1,320	7,980	6,660	83.46 %

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YTD Income Statement vs Budget YTD
For The 10 Periods Ended 7/31/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Uniforms,Tools, & Supplies					
(Continued)					
2410-70-010	E:Operating Supplies:K-9 only	8,517	9,836	1,319	13.41 %
2415-10-000	E:Small Tools:Finance	405	1,407	1,002	71.22 %
2415-12-000	E:Small Tools:IT	559	1,533	974	63.54 %
2415-20-000	E:Small Tools:Admin	239	200	(39)	(19.50)%
2415-30-000	E:Small Tools:Maint	3,112	5,761	2,649	45.98 %
2415-40-000	E:Small Tools:Exec	0	279	279	100.00 %
2415-50-000	E:Small Tools:Ops	257	284	27	9.51 %
2415-60-000	E:Small Tools:ARFF	1,213	922	(291)	(31.56)%
2415-70-000	E:Small Tools:Police	3,102	4,088	986	24.12 %
2415-71-000	E:Small Tools:Control	0	423	423	100.00 %
2420-30-000	E:Janitorial Supplies:Maint	4,350	4,272	(78)	(1.83)%
2420-60-000	E:Janitorial Supplies:ARFF	2,775	1,780	(995)	(55.90)%
2430-30-000	E:Chemicals & Defoliants:Maint	3,567	6,341	2,774	43.75 %
2440-12-000	E:Uniforms:IT	517	500	(17)	(3.40)%
2440-20-000	E:Uniforms:Admin	484	0	(484)	0.00 %
2440-30-000	E:Uniforms:Maint	3,644	2,293	(1,351)	(58.92)%
2440-40-000	E:Uniforms:Exec	229	138	(91)	(65.94)%
2440-50-000	E:Uniforms:Ops	730	1,418	688	48.52 %
2440-60-000	E:Uniforms:ARFF	2,403	4,013	1,610	40.12 %
2440-70-000	E:Uniforms:Police	3,406	4,829	1,423	29.47 %
2450-10-000	E:Gas & Oil:Finance	0	876	876	100.00 %
2450-12-000	E:Gas & Oil:IT	2,176	3,876	1,700	43.86 %
2450-20-000	E:Gas & Oil:Admin	70	2,379	2,309	97.06 %
2450-30-000	E:Gas & Oil:Maint	39,814	67,582	27,768	41.09 %
2450-40-000	E:Gas & Oil:Exec	4,379	11,352	6,973	61.43 %
2450-50-000	E:Gas & Oil:Ops	10,521	19,640	9,119	46.43 %
2450-60-000	E:Gas & Oil:ARFF	7,544	12,888	5,344	41.46 %
2450-70-000	E:Gas & Oil:Police	17,620	25,314	7,694	30.39 %
2460-10-000	E:Coffee&DrinkSupplies:Finance	2,519	2,499	(20)	(0.80)%
2460-30-000	E:Coffee&Drink Supplies:Maint	322	1,129	807	71.48 %
2460-50-000	E:Coffee&Drink Supplies:Ops	49	70	21	30.00 %
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:		177,462	274,537	97,075	35.36 %
Repairs & Maintenance Expenses					
2500-30-000	E:Maintenance:Streets	2,402	3,000	598	19.93 %
2510-30-000	E:Maintenance:Parking Lots	0	585	585	100.00 %
2520-30-000	E:Maintenance:Drainage Systems	750	1,910	1,160	60.73 %
2530-30-000	E:Maintenance:Grounds	13,460	4,213	(9,247)	(219.49)%
2540-30-000	E:Maintenance:Fences	376	2,597	2,221	85.52 %
2550-30-000	E:Maintenance:AOA:Maint	107,357	96,339	(11,018)	(11.44)%
2570-50-000	E:Wildlife Management:Ops	162	8,566	8,404	98.11 %
2580-30-000	E:Maintenance:Signs & Industrial Lighting	3,671	4,448	777	17.47 %
2590-40-000	E:Haz-Mat Disposal:Exec	0	2,580	2,580	100.00 %
2600-30-000	E:Land Clearing&Demo:Maint	0	1,000	1,000	100.00 %
2610-10-000	E:Maintenance:Buildings:Finance	5,327	4,606	(721)	(15.65)%
2610-12-000	E:Maintenance:Buildings:IT	0	2,557	2,557	100.00 %
2610-20-000	E:Maintenance:Buildi:ADMIN-002	1,100	0	(1,100)	0.00 %
2610-30-000	E:Maintenance:Buildings:Maint	56,725	48,799	(7,926)	(16.24)%
2610-60-000	E:Maintenance:Buildings:ARFF	2,795	5,693	2,898	50.90 %
2610-70-000	E:Maintenance:Buildi:Police	22	0	(22)	0.00 %
2615-30-000	E:Maintenance:Keys&Locks:Maint	12,123	3,897	(8,226)	(211.09)%
2620-10-000	E:Maintenance:Equip:Finance	0	500	500	100.00 %
2620-12-000	E:Maintenance:Equip:IT	1,077	1,306	229	17.53 %
2620-20-000	E:Maintenance:Equip:Admin	0	137	137	100.00 %
2620-30-000	E:Maintenance:Equip:Maint	29,166	44,143	14,977	33.93 %
2620-50-000	E:Maintenance:Equip:Ops	396	1,360	964	70.88 %
2620-60-000	E:Maintenance:Equip:ARFF	2,575	4,743	2,168	45.71 %
2620-70-000	E:Maintenance:Equip:Police	630	1,225	595	48.57 %

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YTD Income Statement vs Budget YTD
For The 10 Periods Ended 7/31/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Repairs & Maintenance Expenses					
(Continued)					
2620-71-000	E:Maintenance:Equip:Control	0	100	100	100.00 %
2630-10-000	E:Maintenance:Vehicles:Finance	29	0	(29)	0.00 %
2630-12-000	E:Maintenance:Vehicles:IT	1,530	1,121	(409)	(36.49)%
2630-20-000	E:Maintenance:Vehicles:Admin	55	396	341	86.11 %
2630-30-000	E:Maintenance:Vehicles:Maint	15,332	14,939	(393)	(2.63)%
2630-40-000	E:Maintenance:Vehicles:Exec	3,850	1,136	(2,714)	(238.91)%
2630-50-000	E:Maintenance:Vehicles:Ops	5,218	4,323	(895)	(20.70)%
2630-60-000	E:Maintenance:Vehicles:ARFF	62,739	47,706	(15,033)	(31.51)%
2630-70-000	E:Maintenance:Vehicles:Police	6,167	11,050	4,883	44.19 %
Total Repairs & Maintenance Expenses:		335,034	324,975	(10,059)	(3.10)%
Utilities Expenses					
2700-10-000	E:Utilities:Telephones:Finance	2,113	4,978	2,865	57.55 %
2700-12-000	E:Utilities:Telephones:IT	100,049	137,783	37,734	27.39 %
2700-20-000	E:Utilities:Telephones:Admin	1,164	1,020	(144)	(14.12)%
2700-30-000	E:Utilities:Telephones:Maint	3,322	3,349	27	0.81 %
2700-40-000	E:Utilities:Telephones:Exec	1,567	721	(846)	(117.34)%
2700-50-000	E:Utilities:Telephones:Ops	5,566	4,980	(586)	(11.77)%
2700-60-000	E:Utilities:Telephones:ARFF	2,330	2,636	306	11.61 %
2700-70-000	E:Utilities:Telephones:Police	12,049	11,890	(159)	(1.34)%
2700-71-000	E:Utilities:Telephones:Control	600	633	33	5.21 %
2710-10-000	E:Utilities:Electric:Finance	10,301	5,327	(4,974)	(93.37)%
2710-12-000	E:Utilities:Electric:IT	3,004	3,306	302	9.13 %
2710-20-000	E:Utilities:Electric:Admin	21,307	17,553	(3,754)	(21.39)%
2710-30-000	E:Utilities:Electric:Maint	37,985	39,834	1,849	4.64 %
2710-50-000	E:Utilities:Electric:Ops	34,955	37,366	2,411	6.45 %
2710-60-000	E:Utilities:Electric:ARFF	10,318	13,697	3,379	24.67 %
2710-70-000	E:Utilities:Electric:Police	6,926	7,865	939	11.94 %
2720-20-000	E:Utilities:Water:Admin	10,162	6,411	(3,751)	(58.51)%
2720-30-000	E:Utilities:Water:Maint	1,813	4,787	2,974	62.13 %
2720-50-000	E:Utilities:Water:Ops	574	0	(574)	0.00 %
2720-60-000	E:Utilities:Water:ARFF	339	547	208	38.03 %
2720-70-000	E:Utilities:Water:Police	94	105	11	10.48 %
2730-20-000	E:Utilities:Garbage:Admin	8,032	21,214	13,182	62.14 %
2730-30-000	E:Utilities:Garbage:Maint	4,719	5,266	547	10.39 %
2730-60-000	E:Utilities:Garbage:ARFF	1,769	1,786	17	0.95 %
2730-70-000	E:Utilities:Garbage:Police	274	323	49	15.17 %
Total Utilities Expenses:		281,332	333,377	52,045	15.61 %
Insurance Expenses					
2800-12-000	E:Insurance:Auto:IT	2,157	2,429	272	11.20 %
2800-20-000	E:Insurance:Auto:Admin	598	691	93	13.46 %
2800-30-000	E:Insurance:Auto:Maint	10,469	12,334	1,865	15.12 %
2800-40-000	E:Insurance:Auto:Exec	1,202	1,356	154	11.36 %
2800-50-000	E:Insurance:Auto:Ops	3,713	4,631	918	19.82 %
2800-60-000	E:Insurance:Auto:ARFF	7,725	8,774	1,049	11.96 %
2800-70-000	E:Insurance:Auto:Police	8,653	9,755	1,102	11.30 %
2820-10-000	E:Insurance:Property	220,158	238,491	18,333	7.69 %
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:		362,971	405,961	42,990	10.59 %
Debt Service Expenses					
2900-10-000	E:Debt Service - Interest:Fin	143,711	157,240	13,529	8.60 %
Total Debt Service Expenses:		143,711	157,240	13,529	8.60 %

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YTD Income Statement vs Budget YTD
For The 10 Periods Ended 7/31/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Total Operating Expens		6,881,960	7,019,052	137,092	1.95 %
Net Income from Operations:		2,943,329	1,912,439	1,030,890	53.90 %
Other Income and Expense					
FAA Grant Funds					
5000-00-000	FAA:Closed Projects Account	192,283	0	192,283	0.00 %
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	5,253,681	6,654,196	(1,400,515)	(21.05)%
5000-00-567	FAA:7516:SW Ramp Rehab BP3B	1,072,600	0	1,072,600	0.00 %
Total FAA Grant Funds:		9,571,791	8,454,196	1,117,595	13.22 %
FDOT Grant Funds					
5500-00-592	FDOT:431600:Southwest Ramp Rehab Construction	156,238	479,417	(323,179)	(67.41)%
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	22,450	(22,450)	(100.00)%
5500-00-604	FDOT:437713:Terminal B Expansion 2015	576,062	499,742	76,320	15.27 %
Total FDOT Grant Funds:		1,669,955	2,211,939	(541,984)	(24.50)%
Other Non-Operating Revenues					
5600-00-010	R:Other Contributions	18,000	0	18,000	0.00 %
5700-80-000	R:Memorial Fund Contributions	482	0	482	0.00 %
5800-00-000	R:Misc Settlements	5,614	0	5,614	0.00 %
5900-00-000	R:PFC Revenue	3,919,417	2,706,421	1,212,996	44.82 %
5910-00-000	R:PFC Interest:Restricted	2,174	0	2,174	0.00 %
Total Other Non-Operating Revenues:		3,945,687	2,706,421	1,239,266	45.79 %
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	(6,608,218)	(7,393,551)	785,333	10.62 %
6000-00-606	CP:437713:Terminal B Expansion 2015	(1,452,846)	(999,485)	(453,361)	(45.36)%
6000-00-607	CP:414453:T-Hangar Building (412) Reconstruction	0	(44,900)	44,900	100.00 %
6000-00-608	CP:7616-439534:T&W R Reconstruction Design	(1,000)	0	(1,000)	0.00 %
6000-00-609	CP:7616-439534:Terminal Apron Expan. Design	(1,000)	0	(1,000)	0.00 %
6000-00-610	CP:7716-439535:RIM & Hot Spot Mitigation Design	(2,000)	0	(2,000)	0.00 %
6000-00-613	CP:75-431600:SW Ramp Rehab BP3B	(1,176,004)	0	(1,176,004)	0.00 %
Total AIP Grant Capital Project Expenses:		(12,905,104)	(11,648,266)	(1,256,838)	(10.79)%
PFC Capital Project Expenses					
6200-00-001	CP:PFC 3: PLB Replacements	(3,225,820)	(2,450,000)	(775,820)	(31.67)%
6200-00-002	CP:PFC 3: In-Line Baggage System	(431,663)	(833,333)	401,670	48.20 %
Total PFC Capital Project Expenses:		(3,657,483)	(3,283,333)	(374,150)	(11.40)%
Memorial Fund Capital Expenses					
6500-80-000	CP:Memorial Fund Expenses	(4,600)	0	(4,600)	0.00 %
Total Memorial Fund Capital Expenses:		(4,600)	0	(4,600)	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 %

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YTD Income Statement vs Budget YTD
For The 10 Periods Ended 7/31/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Non-Grant Capital Expenses					
(Continued)					
7200-10-000	C:Small Equipment:Finance	(55)	0	(55)	0.00 %
7200-12-000	C:Small Equipment:IT	(1,427)	(4,000)	2,573	64.33 %
7200-20-000	C:Small Equipment:Admin	(217)	0	(217)	0.00 %
7200-30-000	C:Small Equipment:Maint	(985)	(66,500)	65,515	98.52 %
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	(6,122)	(4,900)	(1,222)	(24.94) %
7300-10-000	C:Computer/Office Equip:Fin	(7,921)	0	(7,921)	0.00 %
7300-12-000	C:Computer/Office Equip:IT	(9,127)	(10,000)	873	8.73 %
7300-20-000	C:Computer/Office Equip:Admin	(2,093)	(1,000)	(1,093)	(109.30) %
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	(6,674)	(4,900)	(1,774)	(36.20) %
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	(19,807)	(25,000)	5,193	20.77 %
7700-12-010	C:Improvements:Access Control	(16,605)	(25,000)	8,395	33.58 %
7700-12-020	C:Improvements:Video Recording System	(2,248)	(26,667)	24,419	91.57 %
7700-20-000	C:Buildings & Improvements	(139,263)	(151,667)	12,404	8.18 %
7700-40-000	C:Improvements:Land&Stormwater	(19,180)	(10,000)	(9,180)	(91.80) %
Total Non-Grant Capital Expenses:		(421,516)	(534,134)	112,618	21.08 %
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	(891)	0	(891)	0.00 %
9000-00-030	E:G/L Adjustment Account	1,263	0	1,263	0.00 %
9000-00-040	E:Govt to Non-Govt Clearing	(8,583)	0	(8,583)	0.00 %
9800-00-000	PO Clearing:	(26,846)	0	(26,846)	0.00 %
Total Other Non-Operating Expenses:		(23,157)	0	(23,157)	0.00 %
Total Other Income and		(1,824,427)	(2,093,177)	268,750	12.84 %
EARNINGS BEFORE INCOME TAX:		1,118,902	(180,738)	1,299,640	719.07 %
Net Income (Loss):		1,118,902	(180,738)	1,299,640	719.07 %

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.