

SANFORD AIRPORT AUTHORITY



MONTHLY

Interim Financial Results

Fiscal Year 2015-2016
for period ending February 28, 2016

by Don E. Poore, PMP
Chief Financial Officer

Executive Summary

This report covers the 5th monthly period of our fiscal year which ended on February 29, 2016. Operational revenues (17.23%) and expenditures (6.37%) continue to exhibit expected growth. To date, operations have resulted in \$1,349,934 net income. Installation of the final two bridges is complete. Terminal expansion 60% design is expected in April. All airlines have been notified of the upcoming airline consultation meeting regarding the new PFC application. Total passenger counts for the month (200,949) surpassed the previous record (Feb 2015) by 20.10%. Domestic passenger counts (191,062) exceeding the the 2015 record by 18.46% (44 consecutive record setting months). **International passenger counts (9,887) exceeded Feb 2015 figures by 64.24% as a favorable trend is starting to emerge.**

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Operations Activities

Summary

Assets

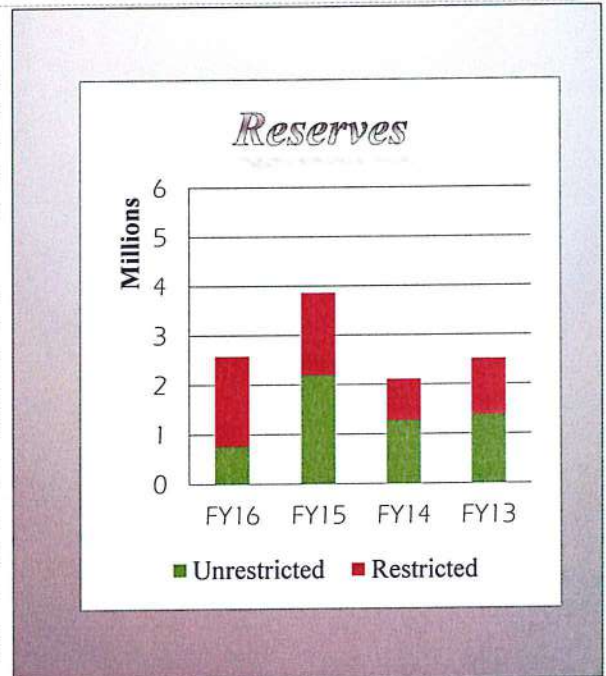
Investment Funds & Reserves: A total of 12 banking accounts are maintained with 7 at CNL Bank, 4 at Local Government Investment Pool (LGIP) and 1 at Bank of America. Four accounts are dedicated to the day-to-day operations of the Authority or loan servicing. The remaining accounts (8) make up the reserves. Total reserves (\$2,585,058) 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 \$761,600.

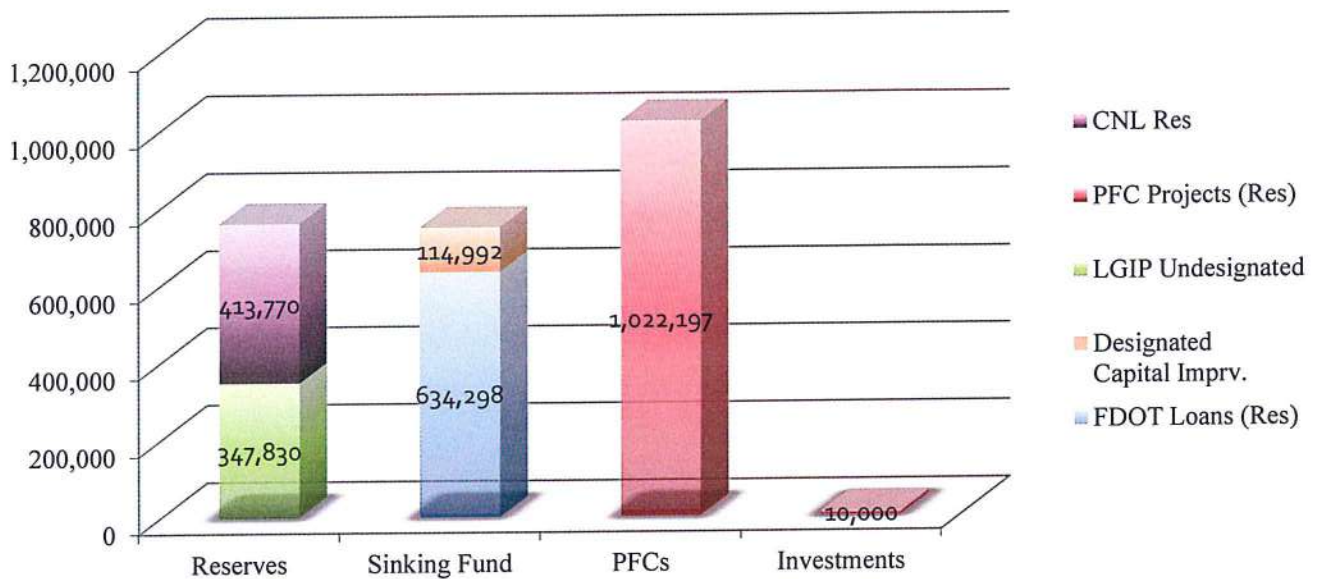
Reserves also include restricted funds (\$1,823,458). This restriction designation is management imposed and relates to the intended use of the funds. Restricted Funds are comprised of 3 CNL Bank accounts (Investments, PFCs and Memorial Committee) and 3 LGIP Accounts (Sinking Fund, Mortgages Held & Memorial Committee). The two Memorial Committee accounts (\$30,296) 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 \$1,032,197. A single account at LGIP (\$11,675) 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.

This sinking fund is comprised of funds to service several future obligations. 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 \$708,444) 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 \$1.735 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 \$1,914,884 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 5th PERIOD ENDING FEBRUARY 29, 2016:

OPERATIONS

REVENUES:

	Budgeted	Actual
Actual YTD - end of the 5 th Period's revenues	\$ 4,345,636	\$ 5,094,519

▲ EXCEEDS YTD BUDGET BY \$748,833 OR 17.23%

EXPENSES:

Actual YTD – end of the 5 th Period's expenditures	<u>\$ 3,599,291</u>	<u>\$ 3,744,585</u>
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▼ EXCEEDS BUDGET BY \$145,294 OR (4.04)%

NET EFFECT OF OPERATIONS:

GAIN / (LOSS)	<u>\$ 746,345</u>	<u>\$ 1,349,934</u>
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▲ EXCEEDS BUDGET BY \$603,589 OR 80.87%

GRANTS & CAPITAL PROJECTS

FAA GRANT REVENUES	\$ 4,342,231
FDOT GRANT REVENUES	\$ 1,054,100
GRANT RELATED PROJECT EXPENSES	<u>\$ (5,784,560)</u>
SURPLUS / (DEFICIT)	\$ (388,229)

PFC REVENUES & EXPENSES

PFC's & PFC INTEREST REVENUES	\$ 1,809,828
PFC PROJECT EXPENSES	<u>\$ (3,186,852)</u>
SURPLUS / (DEFICIT)	\$ (1,377,024)

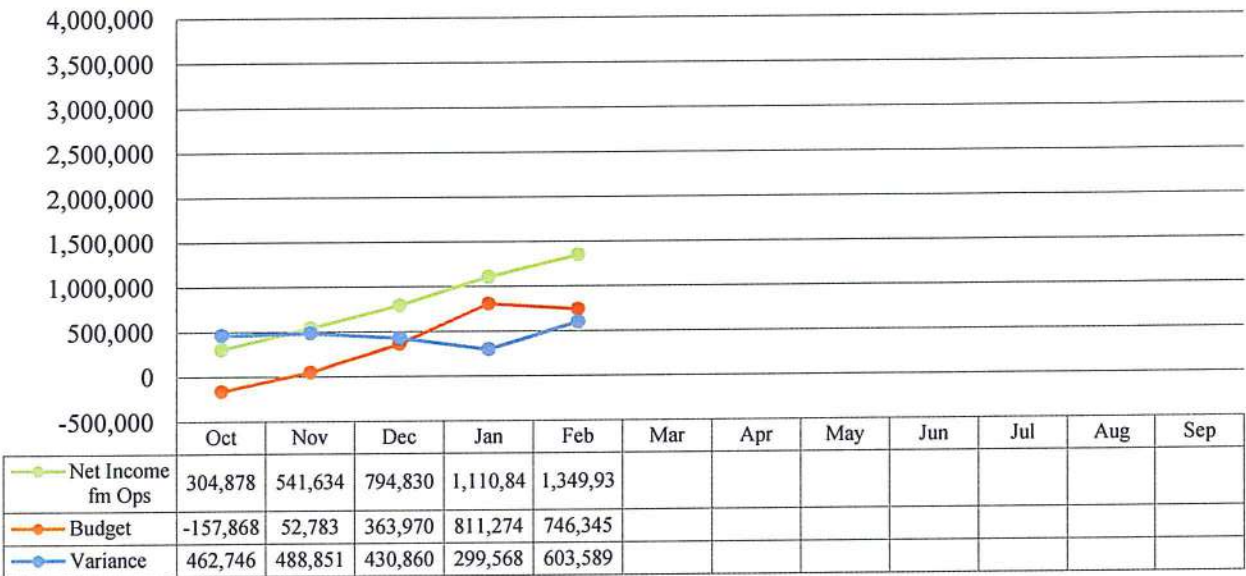
NON-OPERATING REVENUES & EXPENSES

SANFORD AIRPORT MEMORIAL COMMITTEE - Revenue & (Expenses)	\$ (950)
SAA NON-GRANT CAPITAL EXPENSES	\$ (161,563)
OTHER NON-OPERATING ADJUSTMENTS	<u>\$ 275,597</u>
SURPLUS / (DEFICIT)	\$ (113,084)
NON-OPERATING TOTAL	<u>\$ (1,653,169)</u>

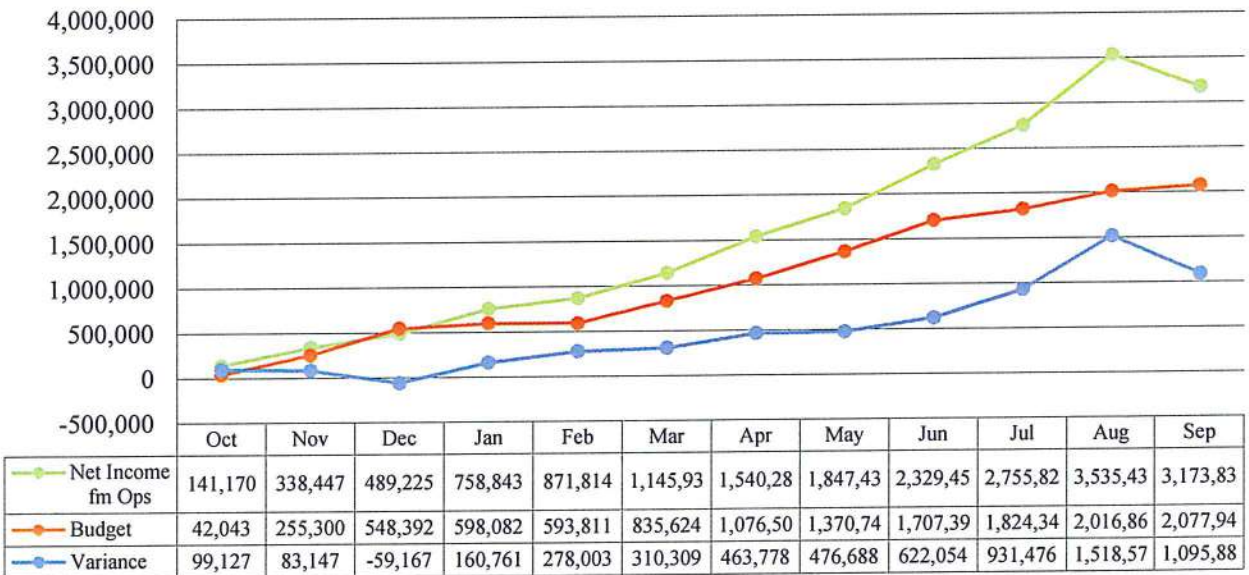
▼ END OF 5TH PERIOD - NET GAIN / (LOSS) ALL SOURCES:

\$1,349,934 - \$(1,653,169) = \$(303,235)

FY16 Net Income Vs. Budget Report

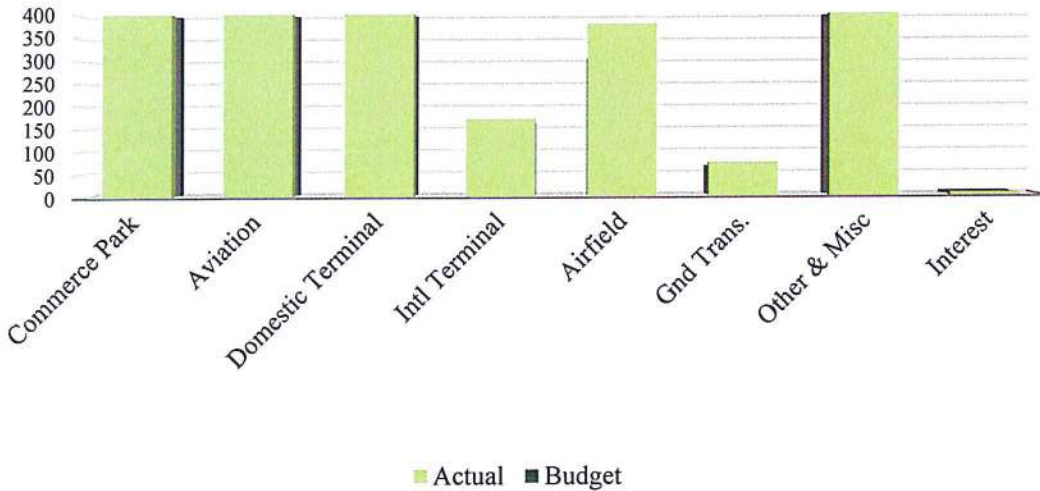


FY15 Net Income Vs. Budget Report



Above the Line Analysis (Operating Results)

Revenue Actual vs. Budget

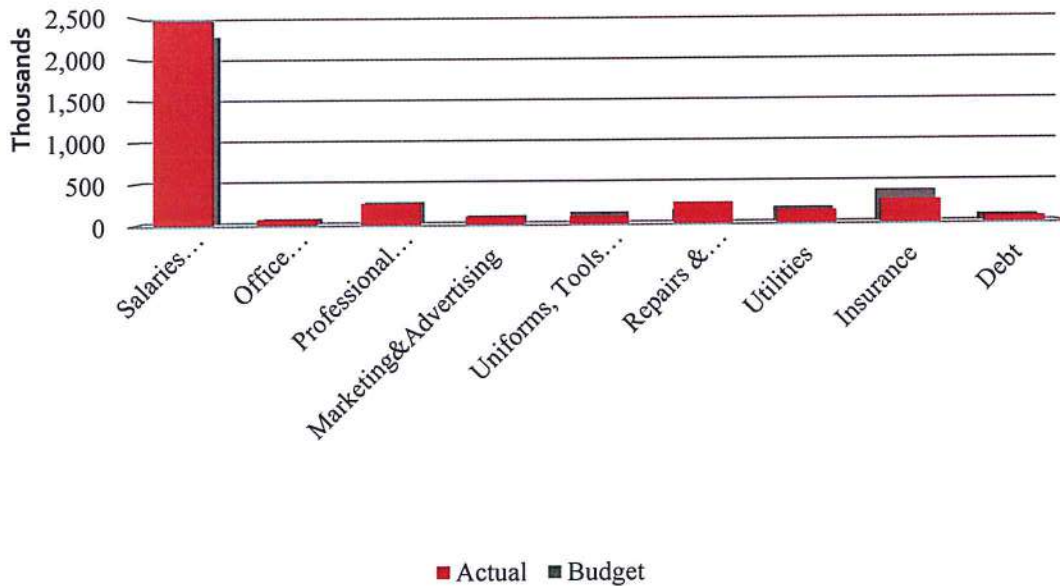


Revenue Variances

- ▲ **COMMERCE PARK REVENUES: EXCEEDS BUDGET BY \$6,652 (0.76%)**
- ▲ **AVIATION REVENUES: EXCEEDS BUDGET BY \$121,378 (9.48%)**
THIS POSITIVE VARIANCE IS DUE TO INCREASED FUEL CONSUMPTION AND ADDITIONAL AVIATION TENANTS.
- ▲ **TERMINAL REVENUES: EXCEEDS BUDGET BY \$405,518 (38.34 %)**
THIS VARIANCE REFLECTS CFC REVENUES WITHOUT CORRESPONDING PROJECT EXPENSES AND BETTER THAN EXPECTED PARKING REVENUES.
- ▲ **AIRFIELD REVENUES: EXCEEDS BUDGET BY \$74,083 (24.34%)**
CONTINUED DOMESTIC INCREASES IN FLIGHT SCHEDULES ARE GENERATING HIGHER THAN BUDGETED CHARGES/ REVENUES
- ▲ **GROUND TRANSPORTATION: EXCEEDS BUDGET BY \$9,834 (15.51%)**
THIS POSITIVE VARIANCE IS NORMAL FOR THIS TIME OF THE FY (ANNUAL RENEWALS OCCUR IN JAN).
- ▲ **OTHER LEASES & MISC REVENUE: EXCEEDS BUDGET BY \$131,180 (30.63%)**
THIS IS SOLELY RELATED TO AN FAA PAYMENT THAT HAS NOT YET BEEN PROPERLY CATEGORIZED.
- ▲ **INTEREST REVENUE: EXCEEDS BUDGET BY \$238 (3.82%)**
DEBT RETIREMENT IS RESULTING IN THIS SAVINGS.

EARLY

Expenses Actual vs. Budget



Expense Variances

- ▼ **SALARIES & BENEFITS: EXCEEDS BUDGET BY \$175,234 (-7.69%)**
THIS VARIANCE REFLECTS 1. EXECUTIVE SALARY IS HIGH DUE TO THE FINAL PAYCHECK OF THE PREVIOUS CEO. 2. A CATCH-UP PAYMENT THAT NEEDED TO BE MADE TO OUR PENSION PLAN.
- ▼ **OFFICE & ADMINISTRATIVE EXPENSES: EXCEEDS BUDGET BY \$11,822 (-19.10%)**
THE VARIANCE IS DUE ALMOST ENTIRELY TO CHANGES IN EXPENSE TIMING.
- ▼ **PROFESSIONAL & CONTRACT SERVICES: EXCEEDS BUDGET BY \$1,636 (-0.63%)**
SEVERAL LARGE VARIANCES RELATED TO HOTEL, LAND NEGOTIATIONS, APPRAISALS AND PROCUREMENT OF PROFESSIONAL STAFF ARE BEING OFFSET BY THE LACK OF NEED IN NUMEROUS DEPARTMENTS.
- ▼ **PROPERTIES, MARKETING & ADVERTISING: EXCEEDS BUDGET BY \$9,599 (-10.76%)**
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 \$32,205 (25.65%)**
REDUCED GAS EXPENDITURES AND JUDICIAL SPENDING ARE PROVIDING A FAVORABLE VARIANCE.
- ▼ **REPAIRS & MAINTENANCE EXPENSES: EXCEEDS BUDGET BY \$104,934 (-72.57%)**
AOA EXPENSES IN ANTICIPATION OF THE UPCOMING FAA INSPECTION, UNEXPECTED PURCHASE OF A NEW WELL AND READYING OF NEW FACILITIES ALL CONTRIBUTE TO THIS VARIANCE.
- ▲ **UTILITIES EXPENSES: FALLS SHORT OF BUDGET BY \$20,439 (11.56%)**
- ▲ **INSURANCE EXPENSE: FALLS SHORT OF BUDGET BY \$102,177 (26.73%)**
THIS IS REFLECTING THE FAVORABLE RATES AND REDUCTIONS THAT WE ENJOY FROM OUR CURRENT CARRIERS/AGENT.
- ▲ **DEBT SERVICE EXPENSES: FALLS SHORT OF BUDGET BY \$5,110 (6.37%)**
THE ACCELERATED PAYOFF OF LOAN 4019 CAUSED THIS VARIATION BUT BY MID YEAR THIS WILL BE RESOLVED.

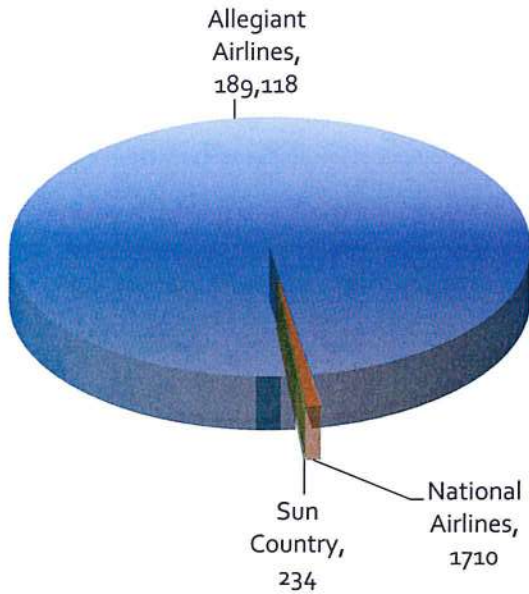
Below the Line Analysis (Grants & Capital Results)

<u>GRANT REVENUE/EXPENSES</u>	<u>REVENUES</u>	<u>EXPENSES</u>	<u>BUDGET</u>	<u>VARIATION</u>
➤ FDOT GRANT 437713	92,633	(703,404)	(351,702)	(351,702)
TERMINAL EXPANSION DESIGN – 30% COMPLETE				
➤ FAA GRANT 74/ FDOT GRANT 431600	1,421,316	(1,597,806)	(74,806)	(101,684)
SW RAMP REHAB BID PKG 3 –				

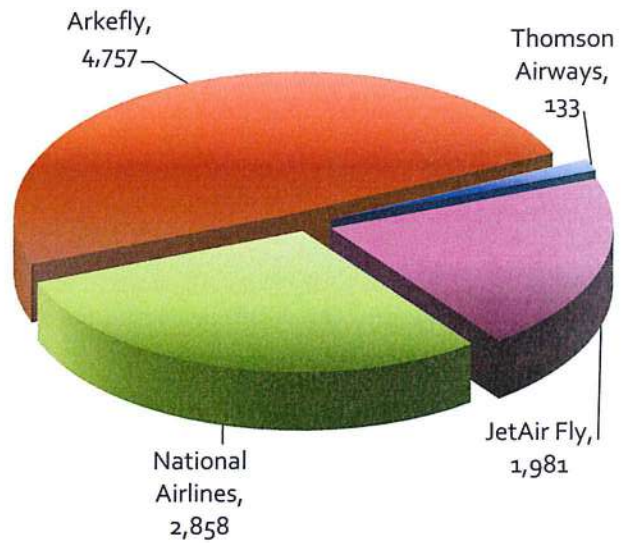
AUTHORITY CAPITAL EXPENDITURES (RELATED TO OPERATIONS)

	<u>ACTUAL</u>	<u>ANNUAL BUDGET</u>	<u>VARIANCE</u>
MACHINERY CAPITAL EXPENDITURES _____	32,199	83,500	51,301
VEHICLES EXPENDITURES _____	51,631	117,000	65,369
SMALL EQUIPMENT EXPENDITURES _____	5,703	76,400	70,697
COMPUTERS & OFFICE EQUIPMENT _____	28,429	20,900	(7,529)
COMMUNICATIONS & NETWORKS _____	3,912	30,000	26,088
ACCESS CONTROL _____	12,773	30,000	17,227
VIDEO RECORDING SYSTEM _____	229	32,000	31,771
BUILDING & IMPROVEMENTS _____	31,754	195,000	163,246
LAND & STORMWATER _____	0	10,000	10,000

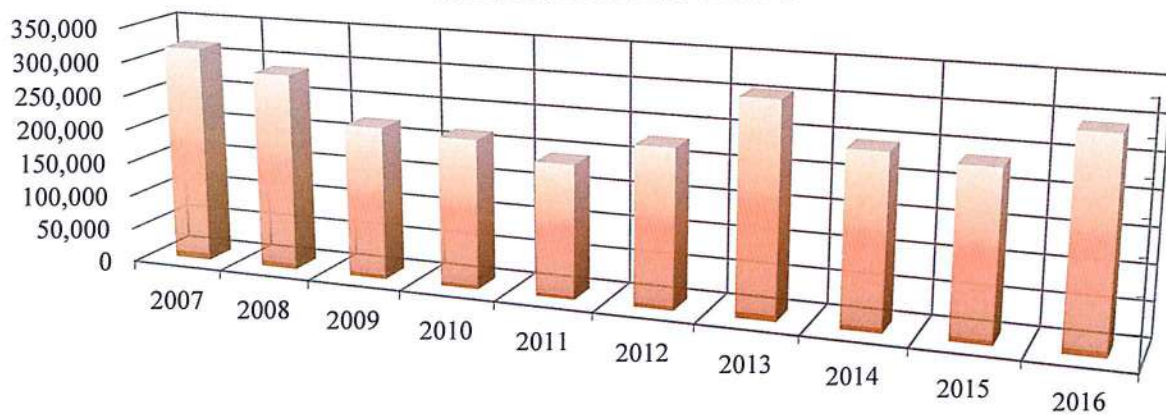
Domestic Carriers



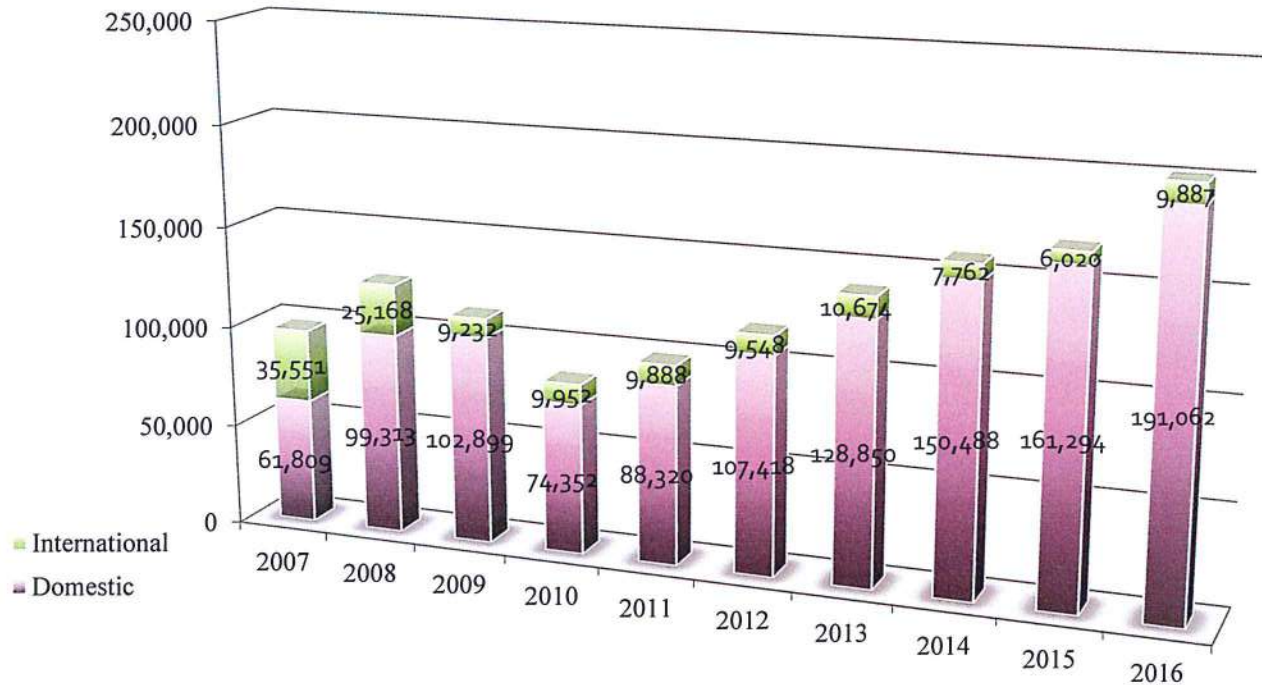
International Carriers



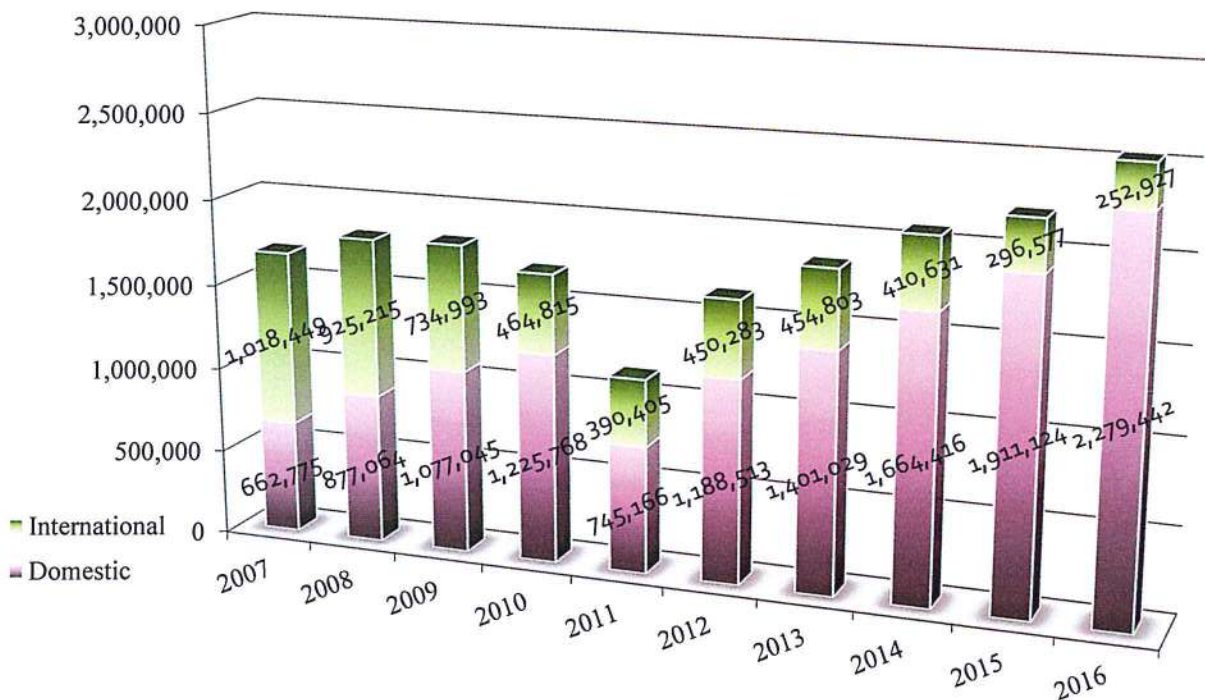
ANNUAL OPERATIONS COUNTS (LAST 12 MONTHS) FEBRUARY 2016



PASSENGER COUNTS MONTH OF JANUARY



PASSENGER COUNTS ROLLING 12 MONTHS (Mar-Feb)



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.	\$35,918,464 (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 to pay the costs and expenses of public safety, design, construction, and relocation of rental car related facilities. 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. 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.

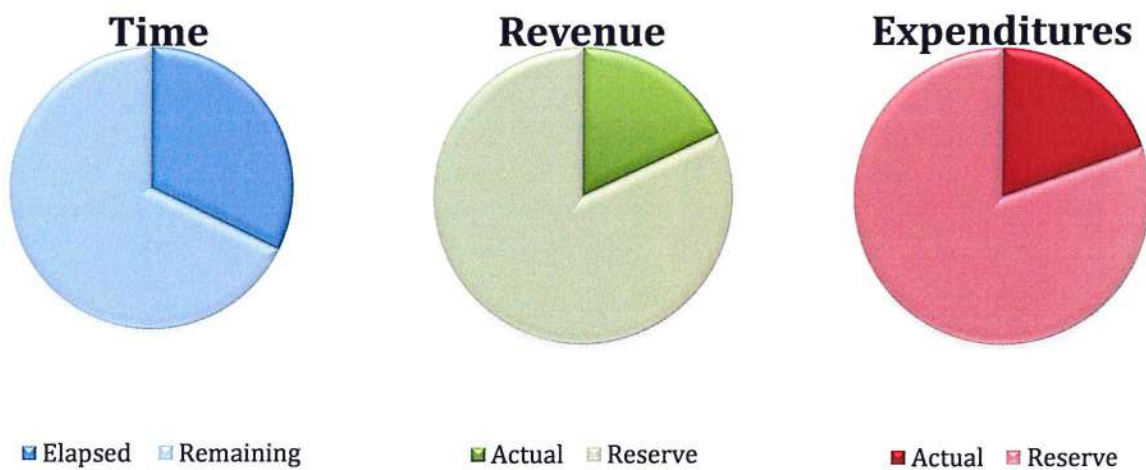
Several "build-outs" have recently been constructed on behalf of tenants. These improvements are amortized over a specific term of the lease yielding a 6 % interest rate and are initially considered unearned revenues which is reduced and are earned as revenue incrementally with each monthly payment.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

**GRANT AND PFC FUNDED PROJECTS
(CURRENT THROUGH 3/29/2016)**

Grant 7416 – 431600 Southwest Ramp Reconstruction BP3



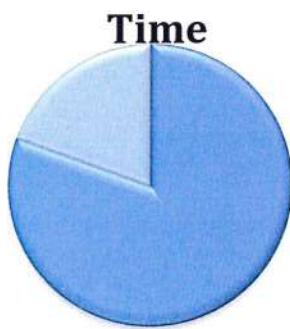
These grants award \$7,466,692 from the FAA and \$414,816 from FDOT for the third and final phase of the rehabilitation of the Southwest Ramp.



Phase 2 is in progress, demolition is complete, testing is complete, concrete pouring is in progress. Two of seven lanes are complete.

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 \$1,361,000 (total project cost \$2,722,000).



■ Elapsed ■ Remaining



■ Actual ■ Reserves



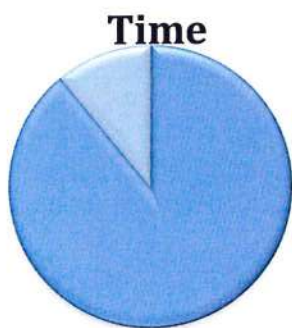
■ Actual ■ Budget

Revenues: \$185,266
Expenditures: \$703,404
Commence: 6/8/15
Expected Completion: 6/15/16

PFC – PASSENGER BOARDING BRIDGES REPLACEMENTS (12)



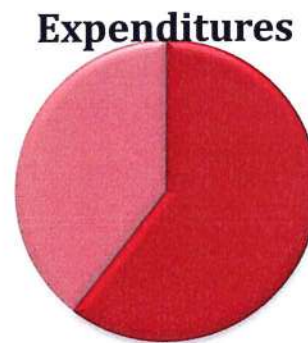
Abstract: PFC application was approved on 12 July 2012. The replacement of 12 passenger loading bridges is one of two approved projects to be accomplished on PFC application #3. Work began in Mar 2012 and completed in Mar 2016. The installation of all bridges has been completed. The only component remaining is the resolution of some final issues. The project cost was estimated at \$17,532,345 and spans approx. 35 months.



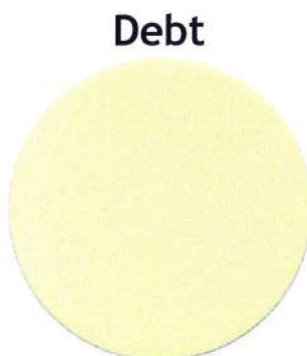
■ Elapsed ■ Remaining



■ Budget ■ Actual



■ Budget ■ Actual



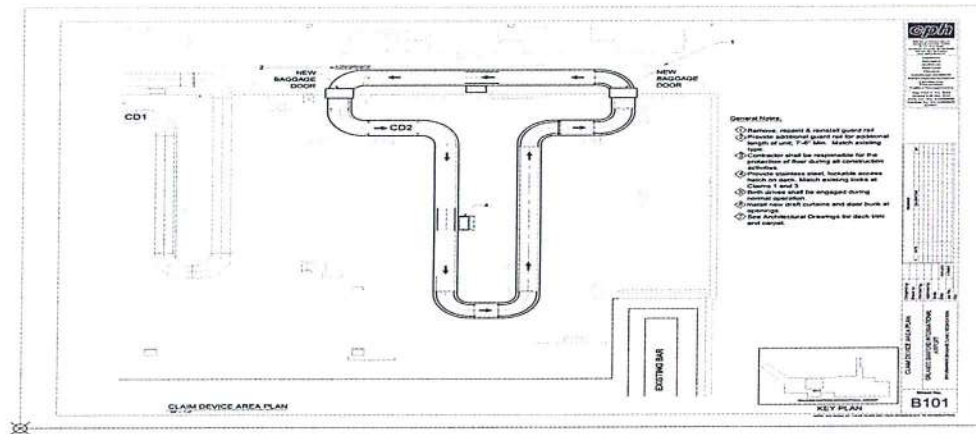
Revenue: \$11,470,473 from PFC

Expenditures: \$11,470,473

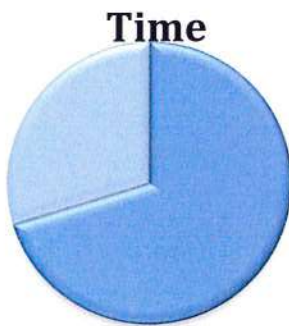
Reserves: \$645,608

Debt: \$0

PFC - Baggage System Replacements



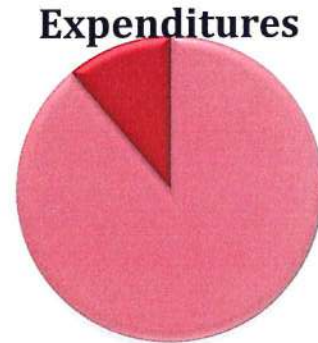
Abstract: PFC application was approved on 12 July 2012. Most of the inbound system was replaced during FY13. This will complete the inbound system. Subsequent work will replace outbound systems. The project cost is estimated at \$17,532,345. Work on outbound baggage is complete. An amendment to PFC application #003 is being submitted to add better synergy and efficiencies to the final product.



■ Elapsed ■ Remaining



■ Budget ■ Actual



■ Budget ■ Actual



■ Available ■ InUse

Revenue: \$2,178,238 from PFCs
Expenditures: \$2,191,578
Reserves: \$0
Debt: \$0

FINANCIAL STATEMENTS & REPORTS

Assets

Current Assets

0100-00-000	Savings: BoA: Operating Account	36,454	
0100-00-005	Checking: CNL: Operating Account	131,875	
0100-00-006	MM:CNL: Reserves	413,770	
0100-00-015	Checking: CNL: Spec Projects Acct	668,594	
0100-00-020	Savings: CNL: Investments	10,000	
0100-00-050	Savings: LGIP: Reserves Fund A	347,830	
0100-00-052	Savings:LGIP: Sinking Fund	749,290	
0100-00-053	Savings:LGIP:SAA Mortgages Held	11,675	
0100-00-071	Savings: CNL: PFCs	1,022,197	
0100-00-091	Savings: CNL: Security Deposits	387,312	
0100-00-092	Savings:Law Enforcement	2,501	
0100-00-110	Petty Cash	300	
0100-00-120	Account Receivable:FAA	925,079	
0100-00-130	Account Receivable:FDOT	229,757	
0100-00-140	Account Receivable:Tenants	1,007,971	
0100-00-150	Account Receivable:T-Hangars	55	
0100-00-160	Account Receivable:Telephones	11,752	
0100-00-161	Accounts Receivable:Ground Transportation	50	
0100-00-176	Note Receivable:Tenants	185,968	
0100-00-177	Mortgage Receivable	34,174	
0100-00-200	Prepaid Sales Tax	16,341	
0100-00-220	Prepaid Services	13,572	
0100-00-230	Fuel Inventory	3,863	
0100-00-240	Vending Inventory	2,713	
0100-00-300	Deferred Outflow of Resources	201,879	
0100-80-060	Savings: LGIP: Memorial Comm Fund A	28,766	
0100-80-080	Checking: CNL: Memorial Fund	1,530	
Total Current Assets:			6,445,268

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	24,772,161	
Total Long Term Assets:			198,752,499
Total Assets:			205,197,767

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 2/29/2016

Sanford Airport Authority (SAA)

Liabilities

Current Liabilities

0300-00-000	Accounts Payable	2,727,314	
0300-00-010	Discounts Earned:Payables	576	
0300-00-022	Net OPEB Liability	32,958	
0300-00-023	Derivative Instrument- Interest Rate Swap	201,879	
0300-00-030	Accrued Vacation Leave	163,922	
0300-00-040	Accrued Sick Leave	46,439	
0300-00-050	Sales Tax Payable	1,827	
0300-00-060	Accounts Payable:Retainage	289,531	
0300-00-100	FICA	5,659	
0300-00-110	Federal Withholding	(6,025)	
0300-00-120	Insurance: Hospital Indemnity	(2,928)	
0300-00-121	Insurance: Cancer	(155)	
0300-00-122	Insurance: Life	(919)	
0300-00-123	Insurance: Health	(3,716)	
0300-00-130	Insurance: Dental	(2,040)	
0300-00-132	Insurance: Vision	49	
0300-00-133	Insurance: Accident	2,375	
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	59	
0300-00-190	Garnishment of Wages	182	
0300-00-200	All Security Deposits Held	407,099	
0300-00-304	Loan: CNL #3680 Line of Credit	282,752	
Total Current Liabilities:			4,145,587

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	1,703,450	
0400-00-302	Loan:CNL: #3677 North Ramp Hangar	1,914,884	
0400-00-400	Unearned Revenues	448,744	
Total Long Term Liabilities:			5,480,807
Total Liabilities:			9,626,394

Equity

0500-00-200	Retained Earnings:Last Audit	195,874,608	
0500-00-200	Retained Earnings-Current Year	(303,235)	
Total Equity:			195,571,373
Total Liabilities & Equity:			205,197,767

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YTD Income Statement vs Budget YTD
For The 5 Periods Ended 2/29/2016

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	699,238	683,938	15,300	2.24 %
1000-00-010	R:Commerce Park Land Leases	186,264	194,912	(8,648)	(4.44)%
Total Commerce Park Revenues:		885,502	878,850	6,652	0.76 %
Other Leases & Misc. Revenues					
1100-00-000	R:Lake Golden Leases	1,000	1,875	(875)	(46.67)%
1100-00-010	R:Residential Leases	57,500	52,475	5,025	9.58 %
1100-00-020	R:Security ID Fees	58,927	41,168	17,759	43.14 %
1100-00-030	R:Miscellaneous Revenue & Fees	249,761	68,707	181,054	263.52 %
1100-00-040	R:Late Fees & NSF Fees	12,295	6,673	5,622	84.25 %
1100-00-050	R:Security Fines	0	35	(35)	(100.00)%
1100-00-070	R:Communications Revenue	136,303	136,417	(114)	(0.08)%
1100-00-080	R: TSA Law Enforcement Revenues	36,697	51,892	(15,195)	(29.28)%
1100-00-090	R: FAA Force Account Revenue	5,070	69,081	(64,011)	(92.66)%
1100-00-100	R:Vending Revenues	1,950	0	1,950	0.00 %
Total Other Leases & Misc. Revenues:		559,503	428,323	131,180	30.63 %
Aviation Revenues					
1200-00-000	R:Aviation Building Leases	808,070	747,297	60,773	8.13 %
1200-00-010	R:Aviation Land Leases	213,680	231,354	(17,674)	(7.64)%
1200-00-020	R:Aviation Ramp Leases	53,389	39,581	13,808	34.89 %
1200-00-030	R:T-Hangar Leases	87,883	84,353	3,530	4.18 %
1200-00-100	R:Fuel Flowage Fees	229,489	168,686	60,803	36.05 %
1200-00-110	R:Fuel Storage Fees	1,250	1,262	(12)	(0.95)%
1200-00-120	R:FTZ Fuel Permits	7,025	7,000	25	0.36 %
1200-00-200	R:Aircraft Brokerage Fees	750	625	125	20.00 %
Total Aviation Revenues:		1,401,536	1,280,158	121,378	9.48 %
Domestic Terminal Revenues					
1300-00-000	R:Authority Share of Domestic Terminal Revenue	442,842	446,555	(3,713)	(0.83)%
1300-00-100	R:OSD Parking Revenue	497,495	391,689	105,806	27.01 %
1300-00-200	R:Customer Facility Charges	678,978	551,848	127,130	23.04 %
1300-00-205	R:CFC Remittance to OSD	0	(166,667)	166,667	100.00 %
Total Domestic Terminal Revenues:		1,619,315	1,223,425	395,890	32.36 %
International Terminal Revenues					
1400-00-000	R:International Land Leases	169,743	160,826	8,917	5.54 %
1400-00-100	R:SAA Maintenance Fees	783	72	711	987.50 %
Total International Terminal Revenues:		170,526	160,898	9,628	5.98 %
Airfield Revenues					
1500-00-000	R:Domestic Landing Fees - OSD	222,240	175,163	47,077	26.88 %
1500-00-100	R:Intr'l Landing Fees-OSI	84,591	74,124	10,467	14.12 %
1500-00-200	R:Public Safety Fee	71,596	55,057	16,539	30.04 %
Total Airfield Revenues:		378,427	304,344	74,083	24.34 %
Ground Transportation Revenues					
1600-00-000	R:GT Permit Fees	49,781	43,023	6,758	15.71 %
1600-00-100	R:GT Access Fees	19,592	17,417	2,175	12.49 %
1600-00-200	R:Off Airport Rental Car Comm.	3,874	2,973	901	30.31 %
Total Ground Transportation Revenues:		73,247	63,413	9,834	15.51 %
Non-Restricted Interest Earned					
1700-00-000	R:Interest Earned:Unrestricted	6,463	6,225	238	3.82 %
Total Non-Restricted Interest Earned:		6,463	6,225	238	3.82 %

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.

YTD Income Statement vs Budget YTD
For The 5 Periods Ended 2/29/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Total Operating Revenue		5,094,519	4,345,636	748,883	17.23 %
Gross Profit:		5,094,519	4,345,636	748,883	17.23 %
Operating Expenses					
Salaries & Benefits					
2000-10-000	E:Full Time Salaries:Finance	104,413	95,338	(9,075)	(9.52)%
2000-10-005	R:Salary Reimb:FAA-Finance	(102)	0	102	0.00 %
2000-12-000	E:Full Time Salaries:IT	109,223	107,290	(1,933)	(1.80)%
2000-20-000	E:Full Time Salaries:Admin	120,317	135,150	14,833	10.98 %
2000-30-000	E:Full Time Salaries:Maint	340,532	360,914	20,382	5.65 %
2000-40-000	E:Full Time Salaries:Exec	242,948	125,323	(117,625)	(93.86)%
2000-40-005	R:Salary Reimb:FAA-Exec	(28)	0	28	0.00 %
2000-50-000	E:Full Time Salaries:Ops	225,484	194,549	(30,935)	(15.90)%
2000-60-000	E:Full Time Salaries:ARFF	180,696	172,459	(8,237)	(4.78)%
2000-70-000	E:Full Time Salaries:Police	243,145	224,729	(18,416)	(8.19)%
2000-71-000	E:Full Time Salaries:Control	101,606	101,571	(35)	(0.03)%
2010-50-000	E:Part Time Wages:Ops	41,233	42,001	768	1.83 %
2010-60-000	E:Part Time Wages:ARFF	17,359	19,934	2,575	12.92 %
2020-10-000	E:Overtime:Finance	1,489	611	(878)	(143.70)%
2020-12-000	E:Overtime:IT	201	204	3	1.47 %
2020-20-000	E:Overtime:Admin	895	416	(479)	(115.14)%
2020-30-000	E:Overtime:Maint	2,008	2,852	844	29.59 %
2020-50-000	E:Overtime:Ops	15,476	12,222	(3,254)	(26.62)%
2020-60-000	E:Overtime:ARFF	34,689	32,593	(2,096)	(6.43)%
2020-70-000	E:Overtime:Police	5,747	29,476	23,729	80.50 %
2020-71-000	E:Overtime:Control	5,424	12,222	6,798	55.62 %
2040-71-000	E:Unemployment Comp:Control	429	5,826	5,397	92.64 %
2050-10-000	E:FICA:Finance	7,970	7,293	(677)	(9.28)%
2050-12-000	E:FICA:IT	8,263	8,208	(55)	(0.67)%
2050-20-000	E:FICA:Admin	8,861	10,339	1,478	14.30 %
2050-30-000	E:FICA:Maint	26,024	27,610	1,586	5.74 %
2050-40-000	E:FICA:Exec	8,486	9,587	1,101	11.48 %
2050-50-000	E:FICA:Ops	20,467	18,096	(2,371)	(13.10)%
2050-60-000	E:FICA:ARFF	17,887	14,718	(3,169)	(21.53)%
2050-70-000	E:FICA:Police	18,539	17,192	(1,347)	(7.84)%
2050-71-000	E:FICA:Control	8,020	7,770	(250)	(3.22)%
2060-10-000	E:Employee Pension:Finance	33,233	6,921	(26,312)	(380.18)%
2060-12-000	E:Employee Pension:IT	7,538	7,789	251	3.22 %
2060-20-000	E:Employee Pension:Admin	7,207	17,050	9,843	57.73 %
2060-30-000	E:Employee Pension:Maint	24,469	26,202	1,733	6.61 %
2060-40-000	E:Employee Pension:Exec	25,488	21,464	(4,024)	(18.75)%
2060-50-000	E:Employee Pension:Ops	25,809	24,412	(1,397)	(5.72)%
2060-60-000	E:Employee Pension:ARFF	48,034	42,403	(5,631)	(13.28)%
2060-70-000	E:Employee Pension:Police	47,010	45,061	(1,949)	(4.33)%
2060-71-000	E:Employee Pension:Control	7,112	7,374	262	3.55 %
2070-10-000	E:Life & Health Ins:Finance	6,702	5,041	(1,661)	(32.95)%
2070-12-000	E:Life & Health Ins:IT	9,781	9,261	(520)	(5.61)%
2070-20-000	E:Life & Health Ins:Admin	15,051	16,057	1,006	6.27 %
2070-30-000	E:Life & Health Ins:Maint	59,394	56,995	(2,399)	(4.21)%
2070-40-000	E:Life & Health Ins:Exec	6,212	4,836	(1,376)	(28.45)%
2070-50-000	E:Life & Health Ins:Ops	35,447	43,215	7,768	17.98 %
2070-60-000	E:Life & Health Ins:ARFF	22,035	22,928	893	3.89 %
2070-70-000	E:Life & Health Ins:Police	25,917	25,268	(649)	(2.57)%
2070-71-000	E:Life & Health Ins:Control	16,021	15,961	(60)	(0.38)%
2080-10-000	E:Workers Compensation:Finance	2,350	1,767	(583)	(32.99)%
2080-12-000	E:Workers Compensation:IT	10,549	7,707	(2,842)	(36.88)%
2080-20-000	E:Workers Compensation:Admin	5,386	3,931	(1,455)	(37.01)%
2080-30-000	E:Workers Compensation:Maint	34,262	24,658	(9,604)	(38.95)%
2080-40-000	E:Workers Compensation:Exec	10,000	7,306	(2,694)	(36.87)%
2080-50-000	E:Workers Compensation:Ops	21,085	15,405	(5,680)	(36.87)%

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YTD Income Statement vs Budget YTD
For The 5 Periods Ended 2/29/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Salaries & Benefits		(Continued)			
2080-60-000	E:Workers Compensation:ARFF	13,797	10,080	(3,717)	(36.88)%
2080-70-000	E:Workers Compensation:Police	14,890	11,774	(3,116)	(26.47)%
2080-71-000	E:Workers Compensation:Control	428	315	(113)	(35.87)%
Total Salaries & Benefits:		2,452,908	2,277,674	(175,234)	(7.69)%
Office & Administrative Expenses					
2100-40-000	E:Travel:Board Members	2,949	53	(2,896)	(5,464.15)%
2110-10-000	E:Travel:Staff:Finance	0	290	290	100.00 %
2110-12-000	E:Travel:Staff:IT	1,608	173	(1,435)	(829.48)%
2110-20-000	E:Travel:Staff:Admin	37	986	949	96.25 %
2110-30-000	E:Travel:Staff:Maint	108	51	(57)	(111.76)%
2110-40-000	E:Travel:Staff:Exec	441	625	184	29.44 %
2110-50-000	E:Travel:Staff:Ops	333	559	226	40.43 %
2110-60-000	E:Travel:Staff:ARFF	4,155	1,222	(2,933)	(240.02)%
2110-70-000	E:Travel:Staff:Police	140	175	35	20.00 %
2110-71-000	E:Travel:Staff:Control	0	266	266	100.00 %
2120-10-000	E:Training:Staff:Finance	0	1,113	1,113	100.00 %
2120-12-000	E:Training:Staff:IT	235	460	225	48.91 %
2120-20-000	E:Training:Staff:Admin	330	82	(248)	(302.44)%
2120-30-000	E:Training:Staff:Maint	395	198	(197)	(99.49)%
2120-50-000	E:Training:Staff:Ops	0	1	1	100.00 %
2120-60-000	E:Training:Staff:ARFF	2,198	958	(1,240)	(129.44)%
2120-70-000	E:Training:Staff:Police	516	844	328	38.86 %
2120-71-000	E:Training:Staff:Control	4,000	3,212	(788)	(24.53)%
2125-60-000	E:Airport Safety Training:ARFF	1,296	1,578	282	17.87 %
2130-10-000	E:Postage & Shipping:Finance	336	1,239	903	72.88 %
2130-12-000	E:Postage & Shipping:IT	62	186	124	66.67 %
2130-20-000	E:Postage & Shipping:Admin	737	1,382	645	46.67 %
2130-30-000	E:Postage & Shipping:Maint	29	32	3	9.38 %
2130-40-000	E:Postage & Shipping:Exec	34	110	76	69.09 %
2130-50-000	E:Postage & Shipping:Ops	55	308	253	82.14 %
2130-60-000	E:Postage & Shipping:ARFF	8	52	44	84.62 %
2130-70-000	E:Postage & Shipping:Police	4	21	17	80.95 %
2130-71-000	E:Postage & Shipping:Control	0	8	8	100.00 %
2140-10-000	E:Dues & Publications:Finance	435	851	416	48.88 %
2140-20-000	E:Dues & Publications:Admin	2,448	2,340	(108)	(4.62)%
2140-30-000	E:Dues & Publications:Maint	0	1,950	1,950	100.00 %
2140-40-000	E:Dues & Publications:Exec	24,668	14,784	(9,884)	(66.86)%
2140-50-000	E:Dues & Publications:Ops	0	102	102	100.00 %
2140-60-000	E:Dues & Publications:ARFF	1,785	1,997	212	10.62 %
2140-70-000	E:Dues & Publications:Police	941	812	(129)	(15.89)%
2140-71-000	E:Dues & Publication:Control	0	292	292	100.00 %
2150-10-000	E:License&Registration:Finance	3,344	256	(3,088)	(1,206.25)%
2150-12-000	E:License&Registration:IT	5,207	9,714	4,507	46.40 %
2150-20-000	E:License&Registration:Admin	650	785	135	17.20 %
2150-30-000	E:License&Registration:Maint	120	85	(35)	(41.18)%
2150-40-000	E:License&Registration:Exec	200	380	180	47.37 %
2150-50-000	E:License&Registration:Ops	0	367	367	100.00 %
2150-60-000	E:License&Registration:ARFF	2,236	2,319	83	3.58 %
2150-70-000	E:License&Registration:Police	154	103	(51)	(49.51)%
2160-10-000	E:Charges&Obligations:Finance	11,366	8,474	(2,892)	(34.13)%
2160-20-000	E:Charges&Obligations:Admin	0	85	85	100.00 %
2160-70-000	E:Charges&Obligations:Police	142	0	(142)	0.00 %
Total Office & Administrative Expenses:		73,702	61,880	(11,822)	(19.10)%
Professional & Contract Services					
2200-10-000	E:Professional Services:Finance	1,820	6,503	4,683	72.01 %
2200-12-000	E:Professional Services:IT	7,735	15,216	7,481	49.17 %
2200-20-000	E:Professional Services:Admin	1,938	10,810	8,872	82.07 %

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YTD Income Statement vs Budget YTD
For The 5 Periods Ended 2/29/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Professional & Contract Services					
(Continued)					
2200-30-000	E:Professional Services:Maint	38	217	179	82.49 %
2200-40-000	E:Professional Service:Exec	24,445	4	(24,441)	(611,025.00)%
2200-50-000	E:Professional Services:Ops	1,408	1,363	(45)	(3.30)%
2200-60-000	E:Professional Services:ARFF	1,527	1,249	(278)	(22.26)%
2200-70-000	E:Professional Services:Police	610	960	350	36.46 %
2200-71-000	E:Professional Services:Control	72	0	(72)	0.00 %
2220-40-000	E:Legal Services:Exec	70,741	22,684	(48,057)	(211.85)%
2230-10-000	E:Accounting&Auditing:Finance	14,000	24,559	10,559	42.99 %
2235-50-000	E:Security Services:Ops	26,322	30,567	4,245	13.89 %
2237-50-000	E:Security & Safety Awards:Ops	50	28	(22)	(78.57)%
2240-10-000	E:Contractual Services:Finance	16,085	18,959	2,874	15.16 %
2240-12-000	E:Contractual Services:IT	26,158	71,172	45,014	63.25 %
2240-20-000	E:Contractual Services:Admin	23,498	10,447	(13,051)	(124.93)%
2240-30-000	E:Contractual Services:Maint	12,856	15,470	2,614	16.90 %
2240-40-000	E:Contractual Services:Exec	0	3,998	3,998	100.00 %
2240-50-000	E:Contractual Services:Ops	3,803	10,133	6,330	62.47 %
2240-60-000	E:Contractual Services:ARFF	521	2,633	2,112	80.21 %
2240-70-000	E:Contractual Services:Police	2,808	840	(1,968)	(234.29)%
2240-71-000	E:Contractual Services:Control	11,399	10,450	(949)	(9.08)%
2250-10-000	Special Events:Expenses	12,064	0	(12,064)	0.00 %
Total Professional & Contract Services:		259,898	258,262	(1,636)	(0.63)%
Properties,Marketing,&Advertising					
2300-20-000	E:Airport Marketing:Admin	12,873	16,148	3,275	20.28 %
2300-40-000	E:Airport Marketing:Exec	34,468	5,797	(28,671)	(494.58)%
2305-40-000	E:Airline Origination Marketing	41,642	55,000	13,358	24.29 %
2310-20-000	E:Community Relations:Admin	3,543	3,688	145	3.93 %
2310-40-000	E:Community Relation:EXEC	300	0	(300)	0.00 %
2315-10-000	E:Employee Relations:Finance	68	235	167	71.06 %
2315-12-000	E:Employee Relations:IT	105	88	(17)	(19.32)%
2315-20-000	E:Employee Relations:Admin	878	3,432	2,554	74.42 %
2315-30-000	E:Employee Relations:Maint.	0	33	33	100.00 %
2315-40-000	E:Employee Relations:Exec	107	464	357	76.94 %
2315-50-000	E:Employee Relations:Ops	14	57	43	75.44 %
2315-60-000	E:Employee Relations:ARFF	499	34	(465)	(1,367.65)%
2315-70-000	E:Employee Relations:Police	61	63	2	3.17 %
2315-71-000	E:Employee Relations:Control	0	52	52	100.00 %
2340-10-000	E:Advertising&Printing:Finance	2,080	1,519	(561)	(36.93)%
2340-20-000	E:Advertising&Printing:Admin	2,195	2,524	329	13.03 %
2340-70-000	E:Advertising&Printing:Police	0	100	100	100.00 %
Total Properties,Marketing,&Advertising:		98,833	89,234	(9,599)	(10.76)%
Uniforms,Tools, & Supplies					
2400-10-000	E:Office Supplies:Finance	2,621	6,381	3,760	58.92 %
2400-12-000	E:Office Supplies:IT	514	184	(330)	(179.35)%
2400-20-000	E:Office Supplies:Admin	2,212	2,896	684	23.62 %
2400-30-000	E:Office Supplies:Maint	659	881	222	25.20 %
2400-40-000	E:Office Supplies:Exec	703	156	(547)	(350.64)%
2400-50-000	E:Office Supplies:Ops	3,337	913	(2,424)	(265.50)%
2400-60-000	E:Office Supplies:ARFF	1,643	751	(892)	(118.77)%
2400-70-000	E:Office Supplies:Police	213	561	348	62.03 %
2400-71-000	E:Office Supplies:Control	79	66	(13)	(19.70)%
2410-12-000	E:Operating Supplies:IT	522	689	167	24.24 %
2410-20-000	E:Operating Supplies:ADMIN	542	0	(542)	0.00 %
2410-30-000	E:Operating Supplies:Maint	6,112	5,945	(167)	(2.81)%
2410-50-000	E:Operating Supplies:Ops	1,998	1,975	(23)	(1.16)%
2410-60-000	E:Operating Supplies:ARFF	12,754	6,678	(6,076)	(90.99)%
2410-70-000	E:Operating Supplies:Police	1,015	3,111	2,096	67.37 %
2410-70-010	E:Operating Supplies:K-9 only	4,172	3,113	(1,059)	(34.02)%

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YTD Income Statement vs Budget YTD
For The 5 Periods Ended 2/29/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Uniforms, Tools, & Supplies					
(Continued)					
2415-10-000	E:Small Tools:Finance	300	1,011	711	70.33 %
2415-12-000	E:Small Tools:IT	423	746	323	43.30 %
2415-20-000	E:Small Tools:Admin	75	161	86	53.42 %
2415-30-000	E:Small Tools:Maint	1,448	3,311	1,863	56.27 %
2415-40-000	E:Small Tools:Exec	0	182	182	100.00 %
2415-50-000	E:Small Tools:Ops	0	276	276	100.00 %
2415-60-000	E:Small Tools:ARFF	307	375	68	18.13 %
2415-70-000	E:Small Tools:Police	222	2,986	2,764	92.57 %
2415-71-000	E:Small Tools:Control	0	148	148	100.00 %
2420-30-000	E:Janitorial Supplies:Maint	2,217	2,404	187	7.78 %
2420-60-000	E:Janitorial Supplies:ARFF	1,502	852	(650)	(76.29)%
2430-30-000	E:Chemicals & Defoliants:Maint	721	3,541	2,820	79.64 %
2440-12-000	E:Uniforms:IT	517	277	(240)	(86.64)%
2440-30-000	E:Uniforms:Maint	110	841	731	86.92 %
2440-40-000	E:Uniforms:Exec	85	91	6	6.59 %
2440-50-000	E:Uniforms:Ops	291	880	589	66.93 %
2440-60-000	E:Uniforms:ARFF	2,234	944	(1,290)	(136.65)%
2440-70-000	E:Uniforms:Police	1,805	2,538	733	28.88 %
2450-10-000	E:Gas & Oil:Finance	0	460	460	100.00 %
2450-12-000	E:Gas & Oil:IT	1,022	1,832	810	44.21 %
2450-20-000	E:Gas & Oil:Admin	70	1,184	1,114	94.09 %
2450-30-000	E:Gas & Oil:Maint	18,403	30,346	11,943	39.36 %
2450-40-000	E:Gas & Oil:Exec	1,966	5,707	3,741	65.55 %
2450-50-000	E:Gas & Oil:Ops	7,332	10,220	2,888	28.26 %
2450-60-000	E:Gas & Oil:ARFF	4,026	6,346	2,320	36.56 %
2450-70-000	E:Gas & Oil:Police	7,700	11,776	4,076	34.61 %
2460-10-000	E:Coffee&DrinkSupplies:Finance	1,273	1,070	(203)	(18.97)%
2460-30-000	E:Coffee&Drink Supplies:Maint	187	555	368	66.31 %
2460-50-000	E:Coffee&Drink Supplies:Ops	0	55	55	100.00 %
2460-70-000	E:Coffee&Drink Supplies:Police	0	22	22	100.00 %
2460-71-000	E:Coffee&DrinkSuppli:CONTROL	0	100	100	100.00 %
Total Uniforms, Tools, & Supplies:		93,332	125,537	32,205	25.65 %
Repairs & Maintenance Expenses					
2500-30-000	E:Maintenance:Streets	16,364	2,133	(14,231)	(667.18)%
2510-30-000	E:Maintenance:Parking Lots	0	594	594	100.00 %
2520-30-000	E:Maintenance:Drainage Systems	450	821	371	45.19 %
2530-30-000	E:Maintenance:Grounds	16,519	350	(16,169)	(4,619.71)%
2540-30-000	E:Maintenance:Fences	2,340	1,589	(751)	(47.26)%
2550-30-000	E:Maintenance:AOA:Maint	83,332	39,138	(44,194)	(112.92)%
2550-50-000	E:Maintenance:Navajids:Ops	2,500	0	(2,500)	0.00 %
2570-50-000	E:Wildlife Management:Ops	58	5,289	5,231	98.90 %
2580-30-000	E:Maintenance:Signs & Industrial Lighting	1,831	2,148	317	14.76 %
2590-40-000	E:Haz-Mat Disposal:Exec	15,594	1,983	(13,611)	(686.38)%
2600-30-000	E:Land Clearing&Demo:Maint	0	1,000	1,000	100.00 %
2610-10-000	E:Maintenance:Buildings:Finance	2,229	2,774	545	19.65 %
2610-12-000	E:Maintenance:Buildings:IT	0	1,402	1,402	100.00 %
2610-30-000	E:Maintenance:Buildings:Maint	40,411	24,436	(15,975)	(65.37)%
2610-60-000	E:Maintenance:Buildings:ARFF	2,864	2,125	(739)	(34.78)%
2615-30-000	E:Maintenance:Keys&Locks:Maint	6,025	2,228	(3,797)	(170.42)%
2620-10-000	E:Maintenance:Equip:Finance	0	187	187	100.00 %
2620-12-000	E:Maintenance:Equip:IT	493	280	(213)	(76.07)%
2620-20-000	E:Maintenance:Equip:Admin	394	120	(274)	(228.33)%
2620-30-000	E:Maintenance:Equip:Maint	14,833	19,875	5,042	25.37 %
2620-50-000	E:Maintenance:Equip:Ops	308	969	661	68.21 %
2620-60-000	E:Maintenance:Equip:ARFF	1,437	1,424	(13)	(0.91)%
2620-70-000	E:Maintenance:Equip:Police	630	942	312	33.12 %
2620-71-000	E:Maintenance:Equip:Control	0	55	55	100.00 %
2630-10-000	E:Maintenance:Vehicles:Finance	29	0	(29)	0.00 %
2630-12-000	E:Maintenance:Vehicles:IT	1,390	547	(843)	(154.11)%

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YTD Income Statement vs Budget YTD
For The 5 Periods Ended 2/29/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Repairs & Maintenance Expenses					
(Continued)					
2630-20-000	E:Maintenance:Vehicles:Admin	55	145	90	62.07 %
2630-30-000	E:Maintenance:Vehicles:Maint	6,947	9,943	2,996	30.13 %
2630-40-000	E:Maintenance:Vehicles:Exec	3,548	518	(3,030)	(584.94)%
2630-50-000	E:Maintenance:Vehicles:Ops	2,007	2,191	184	8.40 %
2630-60-000	E:Maintenance:Vehicles:ARFF	29,459	14,173	(15,286)	(107.85)%
2630-70-000	E:Maintenance:Vehicles:Police	2,236	7,970	5,734	71.94 %
Total Repairs & Maintenance Expenses:		254,283	147,349	(106,934)	(72.57)%
Utilities Expenses					
2700-10-000	E:Utilities:Telephones:Finance	1,162	2,710	1,548	57.12 %
2700-12-000	E:Utilities:Telephones:IT	62,497	69,404	6,907	9.95 %
2700-20-000	E:Utilities:Telephones:Admin	609	605	(4)	(0.66)%
2700-30-000	E:Utilities:Telephones:Maint	1,648	1,680	32	1.90 %
2700-40-000	E:Utilities:Telephones:Exec	746	366	(380)	(103.83)%
2700-50-000	E:Utilities:Telephones:Ops	2,827	2,546	(281)	(11.04)%
2700-60-000	E:Utilities:Telephones:ARFF	1,271	1,456	185	12.71 %
2700-70-000	E:Utilities:Telephones:Police	6,255	6,100	(155)	(2.54)%
2700-71-000	E:Utilities:Telephones:Control	300	269	(31)	(11.52)%
2710-10-000	E:Utilities:Electric:Finance	5,458	2,482	(2,976)	(119.90)%
2710-12-000	E:Utilities:Electric:IT	1,356	1,673	317	18.95 %
2710-20-000	E:Utilities:Electric:Admin	11,419	9,316	(2,103)	(22.57)%
2710-30-000	E:Utilities:Electric:Maint	19,656	20,236	580	2.87 %
2710-50-000	E:Utilities:Electric:Ops	18,444	19,233	789	4.10 %
2710-60-000	E:Utilities:Electric:ARFF	5,092	7,235	2,143	29.62 %
2710-70-000	E:Utilities:Electric:Police	3,821	3,779	(42)	(1.11)%
2720-20-000	E:Utilities:Water:Admin	5,270	2,856	(2,414)	(84.52)%
2720-30-000	E:Utilities:Water:Maint	1,024	2,387	1,363	57.10 %
2720-50-000	E:Utilities:Water:Ops	226	0	(226)	0.00 %
2720-60-000	E:Utilities:Water:ARFF	169	265	96	36.23 %
2720-70-000	E:Utilities:Water:Police	51	58	7	12.07 %
2730-20-000	E:Utilities:Garbage:Admin	3,858	18,559	14,701	79.21 %
2730-30-000	E:Utilities:Garbage:Maint	2,234	2,593	359	13.84 %
2730-60-000	E:Utilities:Garbage:ARFF	885	895	10	1.12 %
2730-70-000	E:Utilities:Garbage:Police	152	166	14	8.43 %
Total Utilities Expenses:		156,430	176,869	20,439	11.56 %
Insurance Expenses					
2800-12-000	E:Insurance:Auto:IT	1,617	2,307	690	29.91 %
2800-20-000	E:Insurance:Auto:Admin	449	627	178	28.39 %
2800-30-000	E:Insurance:Auto:Maint	7,852	11,555	3,703	32.05 %
2800-40-000	E:Insurance:Auto:Exec	901	1,280	379	29.61 %
2800-50-000	E:Insurance:Auto:Ops	2,785	4,324	1,539	35.59 %
2800-60-000	E:Insurance:Auto:ARFF	5,794	8,156	2,362	28.96 %
2800-70-000	E:Insurance:Auto:Police	6,490	9,182	2,692	29.32 %
2820-10-000	E:Insurance:Property	162,590	223,765	61,175	27.34 %
2830-10-000	E:Insurance:Airport Liability	55,136	68,200	13,064	19.16 %
2830-70-000	E:Insurance:Police Liability	7,351	15,903	8,552	53.78 %
2840-10-000	E:Insurance:Pollution (Tanks)	3,783	2,604	(1,179)	(45.28)%
2860-10-000	E:Insurance:D & O Liability	25,349	34,371	9,022	26.25 %
Total Insurance Expenses:		280,097	382,274	102,177	26.73 %
Debt Service Expenses					
2900-10-000	E:Debt Service - Interest:Fin	75,102	80,212	5,110	6.37 %
Total Debt Service Expenses:		75,102	80,212	5,110	6.37 %
Total Operating Expens		3,744,585	3,599,291	(145,294)	(4.04)%
Net Income from Operations:		1,349,934	746,345	603,589	80.87 %

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YTD Income Statement vs Budget YTD
For The 5 Periods Ended 2/29/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Other Income and Expense					
FAA Grant Funds					
5000-00-560	FAA:7214:SW Ramp Rehab Construction BP2	2,876,724	1,800,000	1,076,724	59.82 %
5000-00-561	FAA:7415:Airfield Marking Improvements	118,997	0	118,997	0.00 %
5000-00-562	FAA:7415:SW Ramp Rehab Construction BP3	1,346,510	1,901,199	(554,689)	(29.18)%
Total FAA Grant Funds:		4,342,231	3,701,199	641,032	17.32 %
FDOT Grant Funds					
5500-00-592	FDOT:431600:Southwest Ramp Rehab Construc	23,812	239,708	(215,896)	(90.07)%
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) Reconstr	0	7,483	(7,483)	(100.00)%
5500-00-604	FDOT:437713:Terminal B Expansion 2015	92,633	277,634	(185,001)	(66.63)%
Total FDOT Grant Funds:		1,054,100	1,735,155	(681,055)	(39.25)%
Other Non-Operating Revenues					
5600-00-000	R: Contributed Capital	287,656	0	287,656	0.00 %
5600-00-010	R:Other Contributions	2,000	0	2,000	0.00 %
5700-80-000	R:Memorial Fund Contributions	65	0	65	0.00 %
5900-00-000	R:PFC Revenue	1,808,730	1,071,094	737,636	68.87 %
5910-00-000	R:PFC Interest:Restricted	1,098	0	1,098	0.00 %
Total Other Non-Operating Revenues:		2,099,549	1,071,094	1,028,455	96.02 %
AIP Grant Capital Project Expenses					
6000-00-599	CP:72-431600:SW Ramp Rehab Construction BF	(2,624,078)	(2,000,000)	(624,078)	(31.20)%
6000-00-602	CP:437173:Replace Airfield Signage	(77,496)	0	(77,496)	0.00 %
6000-00-603	CP:437393: Design of Surface Parking Lot	(780,292)	(1,210,330)	430,038	35.53 %
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 BF	(1,597,806)	(2,112,443)	514,637	24.36 %
6000-00-606	CP:437713:Terminal B Expansion 2015	(616,243)	(555,269)	(60,974)	(10.98)%
6000-00-607	CP:414453:T-Hangar Building (412) Reconstructi	0	(14,967)	14,967	100.00 %
Total AIP Grant Capital Project Expenses:		(5,785,560)	(5,893,009)	107,449	1.82 %
PFC Capital Project Expenses					
6200-00-001	CP:PFC 3: PLB Replacements	(2,872,024)	(2,450,000)	(422,024)	(17.23)%
6200-00-002	CP:PFC 3: In-Line Baggage System	(314,828)	(416,667)	101,839	24.44 %
Total PFC Capital Project Expenses:		(3,186,852)	(2,866,667)	(320,185)	(11.17)%
Memorial Fund Capital Expenses					
6500-80-000	CP:Memorial Fund Expenses	(1,015)	0	(1,015)	0.00 %
Total Memorial Fund Capital Expenses:		(1,015)	0	(1,015)	0.00 %
Non-Grant Capital Expenses					
7000-30-000	C:Machinery & Equipment:Maint	(23,979)	(75,000)	51,021	68.03 %
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	(41,131)	(82,000)	40,869	49.84 %
7200-10-000	C:Small Equipment:Finance	(55)	0	(55)	0.00 %
7200-12-000	C:Small Equipment:IT	(379)	(2,000)	1,621	81.05 %
7200-20-000	C:Small Equipment:Admin	(183)	0	(183)	0.00 %
7200-30-000	C:Small Equipment:Maint	0	(55,417)	55,417	100.00 %
7200-50-000	C:Small Equipment:Ops	(19)	0	(19)	0.00 %
7200-60-000	C:Small Equipment:ARFF	(5,067)	0	(5,067)	0.00 %
7300-10-000	C:Computer/Office Equip:Fin	(7,284)	0	(7,284)	0.00 %
7300-12-000	C:Computer/Office Equip:IT	(7,557)	(5,000)	(2,557)	(51.14)%
7300-20-000	C:Computer/Office Equip:Admin	(1,723)	(1,000)	(723)	(72.30)%
7300-30-000	C:Computer/Office Equip:Maint	0	(3,000)	3,000	100.00 %

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YTD Income Statement vs Budget YTD
For The 5 Periods Ended 2/29/2016

Sanford Airport Authority (SAA)

		Year to Date	ORIGINAL YTD Budget	Variance	Variance %
Non-Grant Capital Expenses					
(Continued)					
7300-40-000	C:Computer/Office Equip:Exec	(1,135)	(1,000)	(135)	(13.50)%
7300-50-000	C:Computer/Office Equip:Ops	(3,970)	(4,900)	930	18.98 %
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	(3,912)	(12,500)	8,588	68.70 %
7700-12-010	C:Improvements:Access Control	(12,773)	(12,500)	(273)	(2.18)%
7700-12-020	C:Improvements:Video Recording System	(229)	(13,333)	13,104	98.28 %
7700-20-000	C:Buildings & Improvements	(31,754)	(43,333)	11,579	26.72 %
Total Non-Grant Capital Expenses:		(161,563)	(354,483)	192,920	54.42 %
Other Non-Operating Expenses					
9000-00-030	E:G/L Adjustment Account	(122)	0	(122)	0.00 %
9000-00-040	E:Govt to Non-Govt Clearing	(13,938)	0	(13,938)	0.00 %
9800-00-000	PO Clearing:	1	0	1	0.00 %
Total Other Non-Operating Expenses:		(14,059)	0	(14,059)	0.00 %
Total Other Income and		(1,653,169)	(2,606,711)	953,542	36.58 %
EARNINGS BEFORE INCOME TAX:		(303,235)	(1,860,366)	1,557,131	83.70 %
Net Income (Loss):		(303,235)	(1,860,366)	1,557,131	83.70 %

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.