Resolution No. 2026-3498

A Resolution of the City of Sanford, Florida, approving the Sanford Airport Authority Fiscal Year 2027 (FY27) Operating and Capital Budget; Authorizing the transfer of budgeted funds between departments provided any such transfer has a net-zero impact on the total approved budget; permitting net-zero impact budget amendments transferring funds between Categories without City approval; incorporating the attached supporting documents; providing for conflicts; providing for severability and providing for an effective date.

Whereas, the Sanford Airport Authority ("Authority") is the operator of the Orlando Sanford International Airport (the "Airport"); and

Whereas, The Authority's enabling legislation provides that the City of Sanford will approve the budget for the Authority; and

Whereas, Staff has conducted a detailed review of the proposed FY27 Operating and Capital Budget comprised of a FY27 Budget Summary, FY27 Operating Revenues & Expenses Schedules, FY27 Capital Project Budget Detail (CIP), FY27 Departmental "CapEx" Budget Detail, Employee Count, and FY27 Departmental Expense Schedule (Appendix "A"), attached hereto as Exhibit "A" ("FY27 Operating and Capital Budget"); and

Whereas, the purpose of the FY27 Operating and Capital Budget is to allocate amounts in the operating and capital budgets across the Authority's line-item categories, including (i) Salaries & Benefits, (ii) Office & Administration, (iii) Professional & Contractual Services, (iv) Marketing & Advertising, (v) Fuel, Tools, & Supplies, (vi) Repairs & Maintenance, (vii) Utilities and (viii) Insurance (individually, "Category" and collectively, the "Categories"), and each Category divides the expenditure of the funds within Categories among the various departments (collectively, the "Departments") incident to the Authority's purpose of performing such acts as shall be necessary for the sound planning for, development, and maintenance of an airport; and

Whereas, the proposed FY27 Operating and Capital Budget presumes that the Authority generally will, to the best of its ability, manage the budget internally between

Categories, maintain its expenditures within its allocated budgeted level, and exercise prudence in expending funds during the Authority's fiscal year; and

Whereas, the proposed FY27 Operating and Capital Budget reflects the fiscal effect summarized in this Resolution and is attached hereto and incorporated by reference;

Now, therefore, be it adopted and resolved by the City Commission of the City of Sanford, Florida as follows:

Section 1. Recitals. The above recitals are true and accurate and are hereby incorporated as part of this Resolution.

Section 2. Incorporation of Attachments. The following documents are set forth in Exhibit "A" and are hereby approved and incorporated herein by reference as the FY27 Operating and Capital Budget: (i) FY27 Budget Summary, (ii) FY27 Operating Revenues & Expenses Schedules, (iii) FY27 Capital Project Budget Detail (CIP), (iv) FY27 Departmental "CapEx" Budget Detail, (v) Employee Count, (vi) FY27 Departmental Expense Schedule (Appendix "A"), and (vii) SAA Resolution No. 2026-11 approving the budget passed by the Authority Board of Directors.

Section 3. Findings. The City finds it to be in the best interest of the Authority and the public to adopt the FY27 Operating and Capital Budget, which generally reflects FY27 operating and capital budgets as follows:

Category	Amount
Operating Revenue	$43,496,880
Operating Expenses	$39,212,127
Investment Income	$661,408
Grant Revenue (Federal and State)	$6,901,850
Capital Expenditures ($7,115,806 unrestricted SAA cash)	$14,017,656
Passenger Facility Charge Revenue	$5,800,286
Passenger Facility Charge Debt Service	$3,504,615

Section 4. Approval of FY27 Operating and Capital Budget. The City hereby approves the Authority's FY27 Operating and Capital Budget as set forth in the attached Exhibit "A" as of the Effective Date.

Section 5. Authority to Transfer Funds between Departments – Net-Zero Impact. Notwithstanding the FY27 Operating and Capital Budget approved herein, the City recognizes that the Authority may move and transfer budgeted funds between Departments during FY27, provided that any such transfer results in a net-zero impact on the total for each Category in the budget. Transfers made under this Section that maintain a net-zero impact shall not require a budget amendment, and Staff shall maintain records of such transfers consistent with the Authority's financial policies and past practices.

Section 6. Authority for Authority Board to Transfer Funds between Categories – Net-Zero Impact. Notwithstanding the FY27 Operating and Capital Budget approved herein, the City authorizes the Authority to move and transfer budgeted funds between Categories during FY27, provided that any such transfer is (i) approved by the Authority's Board of Directors and (ii) results in a net-zero impact on the total Expenses set forth in the FY27 Operating and Capital Budget. Transfers made under this Section that maintain a net-zero impact on the overall expenses of the approved Authority budget shall not require an approval of the budget amendment by the City, provided the Authority Board of Directors approves the transfer. The Authority shall maintain records of such transfers consistent with the Authority's financial policies.

Section 7. Conflicts. All resolutions or parts of resolutions in conflict with this Resolution are hereby repealed.

Section 8. Severability. If any section, sentence, phrase, word, or portion of this Resolution is determined to be invalid, unlawful or unconstitutional, said determination shall not be held to invalidate or impair the validity, force or effect of any other section, sentence, phrase, word, or portion of this Resolution not otherwise determined to be invalid, unlawful, or unconstitutional.

Section 9. Effective Date. This Resolution shall take effect immediately upon its adoption. The FY27 Operating and Capital Budget approved by this Resolution shall be effective for, and shall govern, the Authority's Fiscal Year 2027 beginning October 1, 2026, and ending September 30, 2027.

PASSED AND ADOPTED by the CITY this 10th day of August 2026.

CITY COMMISSION OF THE CITY OF SANFORD

(SEAL)

Art Woodruff, Mayor

Attest:

On Behalf of

Attested: Traci Houchin, MMC FCRM
City Clerk

Shanna Posey
Deputy City Clerk

CITY OF SANFORD, FLORIDA
EST. 1877

For use and reliance of the Sanford City Commission only.
Approve as to form and legality.

Lindsay N. Greene
City Attorney

July 8, 2026 Via: https://mysanfordherald.column.us/place

The Sanford Herald
P.O. Box 1664
Sanford, FL 32772-1664

Please publish the following Public Notice one (1) time in the **(July 15, 2026)** **edition of the Sanford Herald Classifieds.** Please confirm receipt of this advertisement by email to lhunt@osaa.net

PUBLIC NOTICE

SANFORD AIRPORT AUTHORITY

Notice is hereby given that the Sanford Airport Authority will hold the regular August meeting on **Tuesday August 4, 2026**, at 8:30 a.m., at the Sanford Airport Authority Executive Offices Boardroom, 1200 Red Cleveland Blvd. Sanford, Florida. Information may be obtained by contacting the executive offices during normal business hours at (407) 585-4042.

The Sanford Airport Authority will meet jointly with the City of Sanford in Commission Chambers, Sanford City Hall, 300 N. Park Avenue, is scheduled for **Monday August 10, 2026**, at 4:00 p.m. for presentation of the Sanford Airport Authority's Budget for FY 2026-2027 and any other business that may come before the Board.

Please take notice that if any person decides to appeal any decision made by the Sanford Airport Authority with respect to any matter considered at the meeting or hearing scheduled herein, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is based, per Section 286.0105, Florida Statutes. Persons with disabilities needing assistance to participate in any of these proceedings should contact the executive offices 48 hours in advance of the meeting at (407) 585-4042.

Nicole Martz
President & CEO

Certified proof of publication and invoice should be sent to:

Attn: Lori Hunt
Sanford Airport Authority
1200 Red Cleveland Boulevard
Sanford, FL 32773

Please do not hesitate to call me at (407) 585-4042 if you have any questions.

Sincerely,

Lori Hunt
Executive Assistant

CITY OF
SANFORD
FLORIDA

☑ APPROVED

WS X RM __
Item No. WS-1

CITY COMMISSION MEMORANDUM
AUGUST 10, 2026 AGENDA

TO: Honorable Mayor and Members of the City Commission
PREPARED BY: Nicholas Guido, Sanford Airport Authority Chief Financial Officer
SUBMITTED BY: Norton N. Bonaparte, Jr., ICMA-CM, City Manager
SUBJECT: Adoption of City Resolution No. 2026-3498, approving the Sanford Airport Authority's Fiscal Year 2027 (FY27) Operating and Capital Budget

SYNOPSIS:

This item requests City Commission adoption of City Resolution No. 2026-3498, approving the FY27 (October 1, 2026 – September 30, 2027) Operating and Capital Budget for the Sanford Airport Authority. The proposed FY27 Operating and Capital Budget reflects the following:

Category	Amount
Operating Revenue	$43,496,880
Operating Expenses	$39,212,127
Investment Income	$661,408
Grant Revenue (Federal and State)	$6,901,850
Capital Expenditures ($7,115,806 unrestricted SAA cash)	$14,017,656
Passenger Facility Charge Revenue	$5,800,286
Passenger Facility Charge Debt Service	$3,504,615

The Sanford Airport Authority has adopted its Resolution 2026-11, which approved the proposed Budget. Pursuant to the Sanford Airport Authority Enabling Legislation, the budget is now subject to approval by the City of Sanford.

FISCAL/STAFFING STATEMENT:

THERE IS NO FISCAL OR STAFFING IMPACT TO THE CITY OF SANFORD.

BACKGROUND:

The Fiscal Year 2027 (FY27) Budget covers the period beginning October 1, 2026, and represents the organization's third full year of operations since the transition from the prior contracted management company. The budget maintains a balanced approach by preserving strong financial performance, leveraging available grant funding, and continuing to address significant deferred maintenance inherited from the previous terminal management contractor.

Budget Highlights

Operating Environment

- Projects approximately 3.0 million passengers, consistent with FY 2026, and reflecting a conservative response to current market conditions.
- Continues refinement of budget categories following the transition of terminal operation to Airport staff to improve financial transparency and reporting.

Operating Budget

- Operating Revenues: $43.5 million
- Operating Expenses: $39.2 million
- Operating Surplus: $4.28 million before investment income.
- Net Surplus: Approximately $4.79 million, after investment income and debt service and prior to capital expenditures.

Capital Improvement Program

- Total Capital Program: $14 million.
- Includes approximately $6.9 million in state and federal grant funding.
- Locally funded share supported through operating surplus and unrestricted reserves.
- Major projects include:
    - Wildlife Hazard Mitigation – Phase II
    - Runway 18/36 Rehabilitation Design
    - Obstruction Removal
    - Multimodal Facility Design
    - Vehicle Movement Area Transponders
    - Rental Car Facility Design
    - Terminal Connector Corridor

Deferred Maintenance

- Continues implementation of an ongoing effort to address $44 million in deferred terminal maintenance ($55 million actual impact) identified following the transition from the previous terminal management contractor.
- FY 2027 includes $2.6 million dedicated to these critical infrastructure improvements.

Revenue Drivers

- Growth in terminal revenues driven by parking, concession, advertising, tenant rents, rental cars, and bonded fuel sales.
- Continued growth in lease revenues.
- Diversification of non-aeronautical revenue sources remains a strategic priority.

Operating Expense Highlights

- Includes a 3% Cost of Living Adjustment for employees.
- Addresses increased retirement and healthcare costs.
- Provides funding for maintenance, technology, fuel and operational support while benefiting from reduced insurance premiums through favorable renewal negotiations.

Strategic Considerations

The proposed budget reflects the Authority's continued focus on:

- Maintaining long-term financial stability.
- Investing in critical infrastructure.
- Correcting inherited deferred maintenance.
- Leveraging external grant funding.
- Diversifying revenue sources.
- Positioning Orlando Sanford International Airport for future growth while maintaining high levels of customer service and operational excellence.

Improving Operational Efficiency

In addition to approval of the FY 27 budget, City Resolution No. 2026-3498 includes provisions for administration of budgeted funds as follows:

A. Transfer of Funds – Net-Zero Impact.

Consistent with the past practice of the Authority, it sometimes becomes necessary to provide staff with limited flexibility to move and transfer budgeted funds between Departments but within each of the Categories during the fiscal year, where such reallocation would not have an impact on the total approved Category budget spend. For instance, the total projected budget for FY27 for Fuel, Tools, & Supplies is $3,047,446. This amount is comprised of sums across the fourteen Departments of the Authority to reach this amalgamated total budget for the Category. As it is left to staff to determine which Department budget is being used for that particular charge or purchase, it has been the past practice of the Authority to pull from one Department's budgeted sub amount and use it for a different Department, if necessary, as long as the total Category budget total for each Category is not exceeded. This interpretation is consistent with the restriction in the Enabling Legislation of the Authority that provides "It is unlawful for the authority to expend or contract for expenditures in any fiscal year more than the amount budgeted for each item, and in no case shall the total appropriation be exceeded." The Authority memorialized this past practice and interpretation of the Enabling Legislation of the Authority within its Resolution No. 2026-11 adopting the FY 2027 Budget and has proposed similar language in the City's Resolution No. 2026-3498.

B. Transfer of Funds – Net-Zero Impact across Categories with Authority Budget Amendment Approval.

This year, the SAA Board also requests that with the City's approval of the budget, the City provide the SAA Board some limited flexibility to manage the budget internally between Categories due to operational issues inherent in running an aviation terminal. As an example, fuel costs have been difficult to account for due to high market fluctuations and additional international carriers that have announced service from SFB. While the SAA ultimately recaptures these expenses through increased offsetting revenue which is also unbudgeted, the Enabling Legislation of the SAA does not account for such situations. As a result, previously, whenever a budget category was on track to be exceeded, a Budget Amendment required approval by both the SAA Board and the City, even where the Authority's total spending was unchanged because savings in one category offset an increase in another.

The SAA Board requested that the City authorize the SAA Board to approve these net-zero internal budget revisions on its own, without separate City approval, as long as the change only moves funds between Categories and does not change the Authority's total budgeted expenditures. For example, of the FY27 Operating Expenses total of $39,212,127, $21,823,857 is budgeted for Salaries; if the Authority is unable to fill open positions and must rely on temporary contract staff, funds may need to shift from Salaries to Professional & Contractual Services. This type of move does not change total Operating Expenses — it only shifts funds between Categories to meet the same overall need. Any change to the overall Operating Expenses total would still require City approval.

Legal Review:

Counsel has reviewed the Resolution and has provided any comments which were incorporated into the Resolution.

Recommendation:

Staff recommend the City Commission adopt Resolution No. 2026-3498, approving the Sanford Airport Authority's FY27 Operating and Capital Budget; approving that net-zero impact budget transfers between Departments that do not affect the Authority's total Operating Expenses will not require a budget amendment; and approving that net-zero impact budget amendments transferring funds between budget Categories that do not affect the Authority's total Operating Expenses will not require City approval.

Suggested Motion:

I move to approve Resolution No. 2026-3498.

Attachments: City Resolution No. 2026-3498 and its associated exhibits.