City of Melbourne, Florida
City Council Agenda
Special Budget Hearing

City Hall Council Chamber
900 E. Strawbridge Avenue
Melbourne, FL 32901

September 9, 2026, 5:30 PM

In accordance with the provisions of Article II, Section 2.09 of the Charter of the City of Melbourne, Florida, the City Manager hereby calls a Special Meeting of the City Council, to be held in the Council Chambers at 900 East Strawbridge Avenue on Wednesday, September 9, 2026, at 5:30 p.m.

1. Pledge of Allegiance
2. Roll Call
3. Review and Discussion of the FY 2027 Proposed Budget (public hearing on the proposed budget and millage rate will follow introduction by staff and review by City Council).
4. Adoption of Proposed FY 2027 Millage Rates.
5. Adoption of the FY 2027 Proposed Budget with Revisions.

Council will convene as the Melbourne Downtown Community Redevelopment Agency for the following item:

6. Adoption of the Proposed FY 2027 Melbourne Downtown Community Redevelopment Fund Budget.

Council will convene as the Olde Eau Gallie Riverfront Community Redevelopment Agency for the following item:

7. Adoption of the Proposed FY 2027 Olde Eau Gallie Riverfront Community Redevelopment Fund Budget.

Council will reconvene for the remaining items.

8. Adjournment

Mayor Paul Alfrey and Council Members Mark LaRusso and David Neuman, as members of the Airport Authority Board, may discuss Airport Authority issues, which may subsequently be addressed by the Airport Authority.

Council Members Marcus Smith, Mark LaRusso, Mimi Hanley, Vice Mayor Julie Kennedy (alternate) and David Neuman (second alternate), as members of the Space Coast Transportation Planning Organization (SCTPO), may discuss SCTPO issues, which may subsequently be addressed by the SCTPO.

Pursuant to 286.0105, Florida Statutes, the City hereby advises the public that if a person decides to appeal any decision made by the City Council with respect to any matter considered at its meeting or hearing, he will need a record of the proceedings, and that for such purpose, affected persons may need to insure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for the introduction or admission into evidence of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law. In accordance with the Americans with Disabilities Act and Section 286.26, Florida Statutes, persons with disabilities needing special accommodation to participate in this meeting should contact the City Clerk’s Office (321-608-7220) at least 48 hours prior to the meeting.

Melbourne City Council
September 9, 2026
City Manager's Item Report

Department:	Financial Services
Presenter:	Ross McGinn
Council District:	N/A
Reading Number:	N/A
Quasi-judicial Item (Disclosure Required):	No
Public Hearing:	Yes
Item Number:	A.3.

Subject:
Review of the FY2027 Proposed Budget

Background/Consideration:
This is the first of two public hearings that are required in order to adopt a millage rate and budget. An overview of the budget will be presented at the meeting. At the conclusion of the budget presentation, City Council may discuss the proposed millage rate and budget and accept public comments prior to adoption of the millage rate and budget in the following agenda items.

The FY2027 proposed budget was prepared using an operating millage of 6.8781 per $1,000 of assessed property value, which is the rolled-back rate. At the July 29, 2026 Special Meeting, Council unanimously voted to eliminate pay increases for Council that were scheduled to take effect in November ($55,000) and to eliminate the grant for homeless outreach ($100,000) with funding reallocated to Summer Camps.

After discussion of the budget, City Council approved a higher proposed millage rate of 6.9473 to allow for additional flexibility in consideration of additional options, which included funding the General Fund contingency account, special events, grants-in-aid, lobbyist fees, and membership fees to local organizations. The millage rate of 6.9473 is 1.01% above the rolled-back rate and would generate approximately $603,005 above the rolled-back rate. If adopted, $500,374 would be appropriated to the General Fund operating budget, $41,728 to the Pavement Management Fund, $36,783 to the Machinery & Equipment Fund, and $24,120 to the CRAs for the City's tax increment payment. A 10-year history of adopted millage rates is provided in Attachment A.

The City Manager provided a budget update to City Council on September 1, 2026 outlining emerging concerns and providing answers to questions Council asked at the July 29 meeting. It is included in this package as Attachment B.

Airport: It is customary to add the Airport Fund budget to the City's budget at the first public hearing each year. The Airport Authority approved their proposed budget of $51,699,298 at their regular meeting on July 15, 2026. A copy of the Airport’s proposed budget, which was previously distributed to City Council, can be found in Item No. 5 - Attachment C.

Discussion:
City Council may discuss the proposed millage rate and budget, and accept public comments prior to

adoption of the millage rate and budget in the following agenda items. As a reminder, the tentative millage rate must be adopted prior to adoption of the tentative budget. As a reminder, adopting a millage rate higher than the rolled-back rate would require a 2/3rds (super-majority) vote.

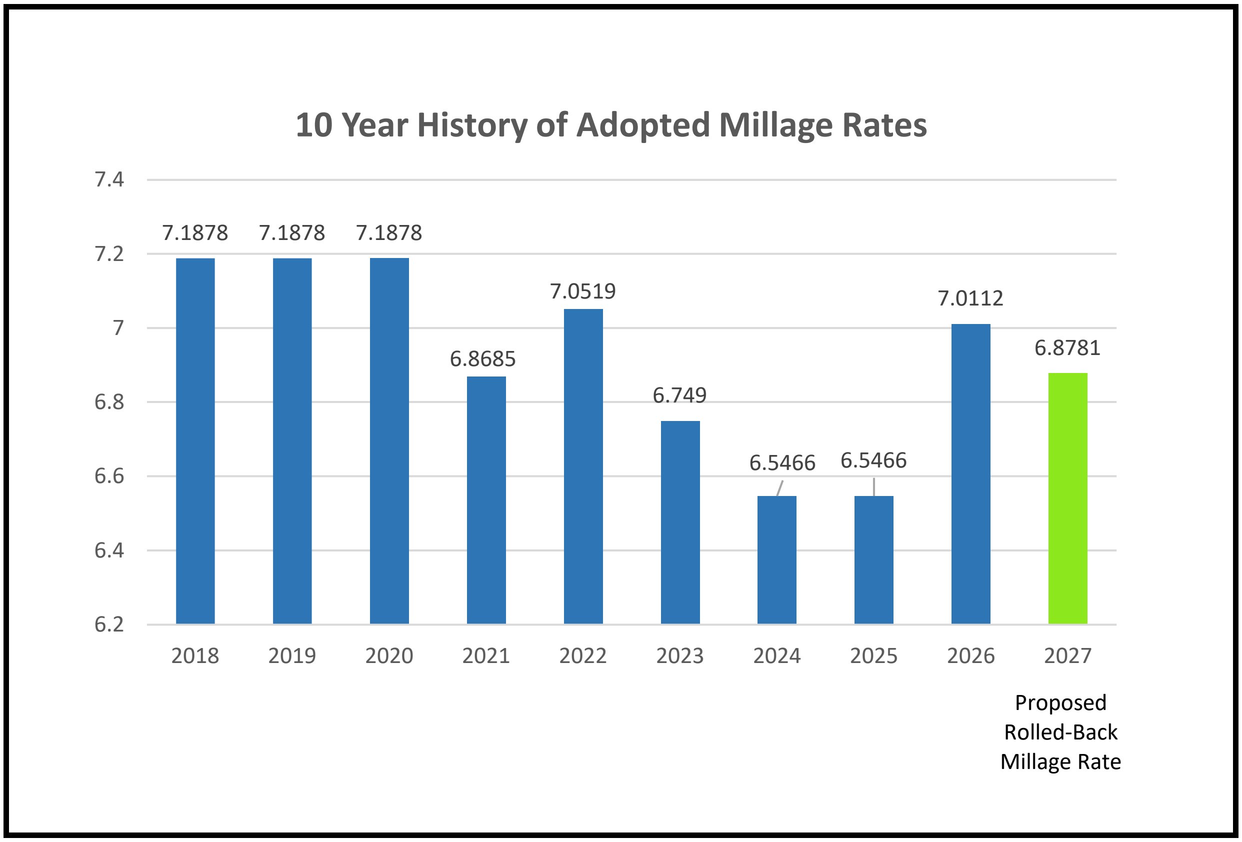
Fiscal/Budget Impact:

N/A

Requested Action:

This is a discussion item, no action is requested.

ATTACHMENT A



City of Melbourne The Harbor City

MEMORANDUM

To: Mayor and Council

Thru: Jenni Lamb, City Manager

Date: September 1, 2026

Subject: Update on FY 2027 Proposed Budget

The first statutory public hearing for the FY 2027 Budget will be held on Wednesday, September 9 at 5:30 p.m. This report is intended to provide City Council with an update on items of concern and answers to questions that were raised during the budget workshop. Additionally, staff recently identified two areas that have the potential to experience budget shortfalls.

Recap of Budget Workshop

On July 29, 2026, a Special Meeting was held by Council to discuss the FY 2027 Proposed Budget and to adopt a proposed millage rate for inclusion in the annual TRIM notices send to residents from the Property Appraiser's office.

The FY 2027 Proposed Budget as submitted to Council was balanced at the rolled-back rate of 6.8781. In order to balance the budget, the following items were eliminated from the budget:

- Summer Camps – $144,000
- Special Events – $36,500
- Chamber of Commerce – $4,000
- Economic Development Council (EDC) – $10,000
- Lobbyist Fees – $60,000
- Eau Gallie Arts District (EGAD) Grant – $85,000
- General Fund Contingency - $216,627

After initial discussion, Council unanimously voted to eliminate pay increases for Council that were scheduled to take effect in November ($55,000) and to eliminate the grant for homeless outreach ($100,000) and re-allocate the funding for Summer Camps.

After further discussion, Council voted to approve a proposed millage rate of 6.9473, which would generate an additional $500,000. Consensus was that Council would like to establish a General Fund contingency for unforeseen items, similar to the repairs required at the Joe Davis Community Center following the roof collapse this year, and potentially restore funding for EGAD, EDC, Chamber of Commerce, Lobbyist Fees and Special Events.

The following provides additional information related to questions raised by Council Members.

Summer Camps

Although City Council voted to rescind pay raises for Mayor and Council and eliminate the homeless initiative grant to restore funding for summer camps, discussion ensued regarding raising rates and possibly moving summer camp from Wickham Community Center to Eau Gallie Community Center in order to enable charging higher fees for non-residents. In addition, questions were asked regarding participation rates, how many families (siblings), and what amount Brevard County charged for summer camps that were similar to our own camps. The table below provides the information requested.

Wickham Park CC	Enrollment	Fee
#Participants - Residents	125	$160/week
#Siblings – Residents	varies weekly	$128/week
#Participants – Non-Residents	111	$160/week
#Siblings – Non-Residents	varies weekly	$128/week
# on Waiting List	20	

Notes: 1) $8,192 was given discounted for sibling enrollment.
2) The County rate for summer camps is $107/week plus activity expenses, which range from $7-$43/week.

Eddie L. Taylor CC	Enrollment	Fee
#Participants - Residents	57	$85/week
#Siblings – Residents	varies weekly	$68/week
#Participants – Non-Residents	27	$102/week
#Siblings – Non-Residents	varies weekly	$82/week
# on Waiting List	0	

Notes: 1) $5,236 was given discounted for sibling enrollment.
2) The County rate for summer camps is $107/week plus activity expenses, which range from $7-$43/week.

Since the budget workshop, staff conducted a full review and have determined that moving summer camp from Wickham Community Center to Eau Gallie Civic Center is not feasible at this time and could have a negative impact on the program in terms of reduced participation levels. In addition, a safe pick-up and drop-off zone could be a challenge should construction of the parking garage begin. However, staff will continue to explore avenues to bring summer camps into a self-sustaining program (such as increasing fees and reducing costs) prior to the FY 2027 summer camp season.

Due to Council action at the budget workshop, funding for summer camps will be provided by the elimination of Mayor Council raises ($55,000) and the elimination of the homeless outreach grant ($100,000). No change to the previously approved budget framework is recommended by staff.

Special Events

As a budget-balancing measure, special events were eliminated from the budget, including the associated position responsible for marketing and coordinating the events. At the budget workshop, Council expressed a desire to continue offering special events. In response, staff conducted an in-depth cost analysis of each event to identify opportunities to reduce costs and determine which events could continue without creating an additional financial burden on the General Fund.

Through this review, staff identified several cost-saving measures that would allow the City to continue hosting events that are either revenue-positive or can be operated on a break-even basis. However, there are several events for which the costs significantly exceed available revenue and would require continued General Fund support.

Continued Events:

Melbourne Auditorium:

- **Halloween Spooktacular –** Since this free event is mainly vendor driven with the various vendors providing treats to the participants, staff overtime and candy distribution by the City will be eliminated to reduce costs.
- **Holiday Market –** This event has been cost negative due to the snow fest and kid zone. Eliminating these items from the event will provide for full cost recovery from ticket sales.
- **Touch a Truck –** This event has been cost negative due to overtime costs of Police and Fire along with personnel and equipment hauling from Streets and Utilities Divisions representing the City. This event can only continue by the using local companies. Staff does not anticipate a negative impact to the event with these changes.
- **Rummage Sales –** This event has been revenue positive from ticket sales. No changes to the event are necessary.

Eau Gallie Civic Center:

- **Father/Daughter Dance –** This event can be held with full cost recovery from modest ticket price increases, elimination of overtime costs, re-purposing decorations, and reducing food and entertainment costs.
- **Adult Flashlight Pumpkin Hunt –** This event has full cost recovery from ticket sales.
- **Adult Flashlight Easter Egg Hunt –** This event has full cost recovery from ticket sales.
- **Rummage Sales –** This event has been revenue positive from ticket sales. No changes to the event are necessary.

Eddie L. Taylor Community Center:

- **Christmas in the Park –** This event has been cost negative due to staff overtime costs, food and beverage costs, bounce house rentals, and sound system costs. In order to continue this event, those items will have to be eliminated. However, staff will begin efforts to identify sponsors to allow us to re-incorporate those items.
- **Mother's Day Brunch –** This event has full cost recovery from ticket sales. No changes to the event are necessary.

Wickham Park Community Center:

- **Breakfast with Santa –** This event has been cost negative due to low admission fees and food costs. Increasing the admission fee and reducing the amount of food will provide for full cost recovery from ticket sales.
- **Rummage Sales –** This event has been revenue positive from ticket sales. No changes to the event are necessary.
- **Winter Break & Spring Break Camps -** This would be a new program with full cost recovery due to participation fees.

Discontinued Events:

Melbourne Auditorium:

- **Track & Field Day –** Cost recovery is not possible since it does not generate revenue and is cost prohibitive.

Eddie L. Taylor Community Center:

- **Halloween Fall Fest –** Expenses for this event far exceed revenue from ticket prices, with the main cost driver being food. Raising ticket prices to a cost-recovery level would significantly impact participation due to affordability.
- **MLK Day –** This event will not be possible due to the significant amount of resources required. This is a free event and does not generate revenue to offset costs - as do other special events. The support needed requires a significant amount of staff resources. Because it is a holiday, overtime costs are significantly higher due to collective bargaining agreements.
- **Easter Bash –** Expenses for this event far exceed revenue over admission revenue. Raising ticket prices to a cost-recovery level would significantly impact participation due to affordability.

Wickham Park Community Center:

- **Breakfast with Easter Bunny –** Expenses for this event far exceed revenue over admission prices, with the main cost driver being food. Raising ticket prices to a cost-recovery level would significantly impact participation due to affordability.
- **Teddy Bear Tea Party –** Expenses for this event far exceed revenue over admission prices, with the main cost driver being food. Raising ticket prices to a cost-recovery level would significantly impact participation due to affordability.

Staff recommends discontinuing the six events identified above to focus resources on events that can be supported through revenue generation and cost reductions.

Chamber of Commerce

Although the Chamber's Silver Level Investor of $4,000 was eliminated from the budget, Council requested that staff look at the different tiers of investor contribution. If the City were to reduce the investor level from silver to bronze, there is $1,500 of savings and the differences in benefits are two less locations listed in the directory; only one complimentary ticket for the breakfasts instead of two; and $600 less in allocation for initiatives/sponsorships/marketing. As a show of good faith, Anne Conroy-Baiter (Space Coast Chamber President and CEO) offered to maintain two tickets for the breakfast if the City continued to be an investor.

If Council approves the higher millage rate or identifies additional savings in the budget, staff would recommend only restoring this line item at $2,500.

Economic Development Commission (EDC)

After the $10,000 Board of Advisor Level Investor was eliminated from the budget, staff reviewed other levels of EDC investment. Staff also reviewed other cities' level of investments and found the other cities holding Board of Advisor, Corporate, or Chairman Level memberships.

Any reduction of level of investment will reduce the City from an Executive Committee/Board of Director member to only a Board of Director member. If the City were to reduce the investor level from Board of Advisor to Corporate, there is a $4,000 savings and to reduce from Board of Advisor to Chairman is a Chairman level is $7,000.

If Council approves the higher millage rate or identifies additional savings in the budget, staff would recommend only restoring this line item at $3,000.

Lobbyist

The City currently has a contract with Crisafulli Consulting, LLC with a compensation fee of $60,000 annually. At the budget workshop, Council expressed the desire to retain Mr. Crisafulli's lobbyist services. Additional questions were asked about the amount of appropriation funding the City has received since Mr. Crisafulli has been our lobbyist. In 2026, the City received $300,000 for the Pineapple Pier restoration and $300,000 for the fire station alerting system. In 2025, the City received $1,000,000 for the Downtown Melbourne Streetscaping project design and $500,000 for the Front Street Boat Ramp replacement.

Based on a pre-legislative session meeting held with Mr. Crisafulli, staff plans to focus the City's appropriation requests in the utilities and stormwater utility areas. With this year emphasis not being completely general fund, it may be appropriate to split the funding for the lobbyist into $30,000 utilities, $20,000 stormwater, and $10,000 general fund.

If Council approves the higher millage rate or identifies additional savings in the budget, staff recommends only restoring this line item at $10,000 general fund and the remaining to the utilities' enterprise funds.

Fireworks - MelBoom

At this time, the continuation of MelBoom will depend on securing additional revenue beyond citizen contributions. A significant cost driver for the event is its location at Front Street, which requires an extensive commitment of City staff and resources to manage the event. For context, this year's event required more than 70 employees and over 375 overtime hours at a cost exceeding $16,000. Overtime costs for FY 2027 are estimated to be approximately $22,000 if the event is held. As Council is aware, overtime budgets across departments have been adjusted to align with anticipated core service needs, making it difficult to absorb the additional overtime costs associated with the event without supplemental funding. If funding is not appropriated directly in the FY 2027 budget, staff will continue to explore cost-saving measures, reductions or modifications to event activities, alternative locations, and opportunities for volunteer fundraising and coordination support.

The following table provides a breakdown of the revenue and expenses related to the FY 2026 event.

FY2026 Post-Event Revenue/Cost Analysis	
Revenue	
Donations (901-366000)	**$58,801**
Event Expenses (310-548030)	
Fireworks	$30,000
Overtime	17,000
Projection Display on Bridge	5,500
Food	4,000
Barricades	3,778
Bus Transportation	3,300
Stage & Sound System	2,275

Entertainment	1,900
Decorations	1,265
Photo Booth	880
Face Painting	933
Event Photography	500
Stilt Walker	450
Food/Water	835
Miscellaneous Supplies	592
Port-O-Lets (Discounted Price)	300
Total Expenses	$73,508
Net Loss to City	**(14,707)**

It is also important to note that the Marketing Coordinator position was eliminated as part of the FY 2027 budget. The position was established with the intent that fundraising, sponsorships, and other revenue-generating efforts would offset the cost of the position and provide additional funding to support events such as MelBoom. While the position played a significant role in coordinating fundraising efforts, sponsorships, marketing, and event preparation, consistently generating sufficient outside revenue to fully offset the position's cost and provide the additional funding needed to support the event can be challenging. The elimination of this position may therefore affect the City's ability to generate outside funding for MelBoom and could ultimately impact the size and scope of the event.

No change to the proposed budget is recommended by staff at this time and MelBoom will continue to be unfunded. If a large-scale sponsor approaches the City about continuing MelBoom, an analysis will be done at that time.

Fire Assessment Fee
During the budget workshop, Council discussed exploring a feasibility study for a fire assessment fee to provide a dedicated funding source for fire operations. As Council had previously given the City Manager direction to proceed with a study, staff had already begun taking steps to procure a feasibility study. Current cost estimates range between $75,000 and $80,000. A request to establish and fund the project will appear on the third quarter budget review and will be brought to Council at the September 23 meeting. As noted previously, several cities in Florida are following the same path, so a timeframe of when the study would be completed is unknown at this time.

Energy Savings/Adjusting Thermostat at City Hall
During the budget workshop, Council Member Basset requested staff to determine whether there could be cost savings by making modifications to the temperature settings at City Hall, including adjusting temperatures during non-business hours.

Staff has begun discussions with Florida Power & Light regarding this initiative. The General Fund electric budget for FY 2027 is $909,500, which includes a 2.5% rate increase to account for anticipated increases from Florida Power & Light. If a 5% reduction in electricity costs were realized, the potential savings could be approximately $45,000 annually.

While the potential savings are significant, there are several factors that make it difficult to determine the actual savings that may be achieved through temperature adjustments. These factors include the age and size of City facilities, building insulation, fluctuations in outside temperatures, building occupancy, and the different types and ages of air-conditioning systems throughout the facilities. In addition, the new A/C chillers at City Hall have not yet been installed and placed into operation, which further limits staff's ability to establish a reliable baseline for comparison at this time.

Staff recommends implementing temperature adjustments where feasible and monitoring electricity usage and costs throughout FY 2027. Because the highest temperatures and typically the highest electricity costs occur toward the latter part of the fiscal year, staff anticipates that a more meaningful assessment of potential savings will be available toward the end of FY 2027. If measurable savings are realized, staff can recommend reallocating the available funding at that time.

Services Provided by the City of Melbourne Supporting Brevard School Board

In light of recent conversations with Council regarding Amendment 3, the constitutional amendment to appear on the November 3, 2026 ballot and providing for increased homestead exemption of non-school property taxes on homesteaded properties, questions arose regarding the City's contribution towards and subsidization of Brevard Public Schools (BPS) programs and services. Staff has gathered the following preliminary data for Council's awareness:

School Resource Officers. The City deploys six (6) SRO Officers plus one (1) Sergeant to area schools. The total annual cost, including wages, benefits, vehicle, equipment and uniforms is approximately $695,000. The City receives payment from the School Board in the amount of $462,000. This leaves the City absorbing the remaining $233,000.

Crossing Guards. The City deploys 24 Crossing Guards, which includes a Crossing Guard Coordinator. The total annual including wages, benefits, vehicle, equipment and uniforms is approximately $235,000. The City does not receive reimbursement from the School Board, leaving the entire cost borne by the City.

Parks & Recreational Activities.

The City's Parks & Recreation Department provides reduces rates to the School Board for use of certain City parks and facilities.

- Ballard Park – $10/annually for lease of land at the park for the storage of Melbourne High's rowing equipment
- Pools – The City has agreements with three BPS high schools for the use of City pools and facilities at a rate of $30/hour (instead of $42/hour) during the months of April to October and $42/hour (instead of $50/hour) from Nov to March.
- Eau Gallie Civic Center – Eau Gallie HS use of facility for prom at a rental rate of $635, instead of standard rental rate of $1380.
- Golf – BPS golf teams pay a fee of $50 (instead of $370) per player per season, which includes walking for matches, practices, and range balls during matches/practices.
    - Crane Creek Golf Course: At a discount of $320 per player ($370 - $50), multiplied by 12 players, multiplied by two (2) teams, equals a total discount $7,680.
    - Harbor City Golf Course: At a discount of $320 per player ($370 - $50), multiplied by 10 players, multiplied six (6) teams, equals a total discount of $19,200.

  The City subsidizes approximately $26,880 annually for BPS golf activities.

As Amendment 3 will not have a financial impact to the School Board but will have significant fiscal impacts to the City of Melbourne, staff is requesting that City Council reconsider the City's financial contributions to BPS and seek full cost recovery for services or termination of such financial contributions. Changes in Brevard County School Board contributions will take time to implement. If there are no objections from Council, staff will move forward with discussions with the School Board to seek additional funding or to have the School Board take over the responsibilities.

Newly Identified Budget Shortfalls

Since the budget workshop, staff has been monitoring all major cost drivers. Of particular concern at this time include fuel and retiree health insurance, described below in further detail.

Fuel: The Fiscal Year 2027 fuel budget is currently projected at $909,800. Due to ongoing geopolitical conditions and resulting volatility in global fuel markets, the City has experienced a significant increase in fuel costs, with fuel expenditures increasing by approximately 54% from the October through March period compared to April through July. If this trend continues throughout FY 2027, the City could experience a projected fuel budget shortfall of approximately $200,000. Staff will continue to monitor fuel prices and expenditures closely and evaluate potential budget adjustments or cost-containment measures as necessary to mitigate the financial impact.

Retiree Health Insurance: On September 9 meeting, renewal of the Group Medicare Advantage Plan with UnitedHealth will be presented to Council. The increase ranges from 30% to 38% over last year. In addition, besides retirees enrolled directly in the City's Medicare Advantage Plan offering, many retirees enroll in plans outside the City's plan, which the City is still responsible for 50% of the cost for those retirees with a hire date prior to July 1, 2011. Should those individual plans experience a similar increase as ours, we could be facing a combined shortfall of $300,000.

Summary

As previously stated, this report is intended to provide City Council additional information on questions/concerns raised during the budget workshop. Should Council approve a higher millage rate, it will be at Council's discretion on which items are added back into the budget. Additional shortfalls have been identified, with the retiree health insurance being a known cost. Adopting a millage rate higher than the rolled-back rate will require a super-majority.

Melbourne City Council
September 9, 2026
City Manager's Item Report

Department:	Financial Services
Presenter:	Ross McGinn
Council District:	N/A
Reading Number:	N/A
Quasi-judicial Item (Disclosure Required):	No
Public Hearing:	Yes
Item Number:	A.4.

Subject:
Adoption of Proposed FY2027 Operating Millage Rate and FY2027 Debt Service Millage Rate

Background/Consideration:
Pursuant to Section 200.065, Florida Statutes (F.S.), the City of Melbourne has prepared a proposed budget and computed a proposed millage rate at the rolled-back rate of 6.8781 per $1,000 of assessed property value.

City Council approved a higher proposed millage rate of 6.9473 to allow for additional flexibility in consideration of additional options, which included funding the General Fund contingency account, special events, grants-in-aid, lobbyist fees, and membership fees to local organizations. This is the rate that was advertised as a proposed tax increase in the Truth in Millage property tax notices, which were mailed to Melbourne property owners in mid-August. The millage rate of 6.9473 is 1.01% above the rolled-back rate and would generate approximately $603,005 above the rolled-back rate. If adopted, $500,374 would be appropriated to the General Fund operating budget, $41,728 to the Pavement Management Fund, $36,783 to the Machinery & Equipment Fund, and $24,120 to the CRAs for the City's tax increment payment.

In addition, FY2027 marks the fifth year of debt service on the 2022 General Obligation Bonds issued to fund the Joseph Pellicano Law Enforcement Center, as authorized by taxpayers via referendum in November 2018. The debt service millage rate required to raise revenues in compliance with the bond covenants is 0.2885.

In accordance with the TRIM requirements, the millage rate must be adopted prior to adoption of the proposed budget. This does not preclude discussion and consideration of the budgetary issues. However, at the September 9 and 23 meetings, the millage rate must be acted upon first.

Any millage rate above 6.8781 would require a 2/3rds (super-majority) vote of City Council in accordance with F.S. 200.065.

Fiscal/Budget Impact:
The proposed millage rate of 6.9473 will generate $60,538,402 in ad valorem tax revenue. The proposed debt service millage rate of 0.2885 will generate $2,528,278 in ad valorem tax revenue.

Requested Action:

Recommend adoption of a proposed operating millage rate of 6.8781 per $1,000 of assessed property value for Fiscal Year 2026, which is the rolled-back rate*, and adoption of a tentative debt service millage rate of 0.2885.

*Subject to Council discussion under Item 4.

Melbourne City Council
September 9, 2026
City Manager's Item Report

Department:	Financial Services
Presenter:	Ross McGinn
Council District:	N/A
Reading Number:	N/A
Quasi-judicial Item (Disclosure Required):	No
Public Hearing:	Yes
Item Number:	A.5.

Subject:
Adoption of the FY2027 Proposed Budget with Revisions.

Background/Consideration:
The following summarizes the changes proposed since the preliminary budget was presented to City Council at its July 29, 2026 meeting.

1. General Fund: Pending changes that City Council may approve at the September 9, 2026 Public Hearing, there are no additional changes to the budget at the Fund Level. At the department level, pay increases for Mayor and Council and the grant-in-aid for homeless outreach was eliminated to restore funding for summer camps.

2. Airport Fund: It is customary to add the Airport Fund budget to the City's budget at the first public hearing each year. The Airport Authority approved their proposed budget of $51,699,298 at their regular meeting on July 15, 2026. Attachment A to this item contains a summary and the Airport’s final budget.

The FY2027 Proposed Budget is being adopted at the fund level.

Fiscal/Budget Impact:
The FY2027 Proposed Budget, with revisions will be $421,067,792.*

*Subject to Council discussion under Item 4.

Requested Action:
Adoption of the FY2027 Proposed Budget, with revisions for a total of $421,067,792.*

*Subject to Council discussion under Item 4.

Attachment A

Airport Fund - FY 2027 Proposed Budget	
Total Expenditures	**$ 51,699,298**
Administration	$ 5,147,367
Airport Police	2,677,199
Marketing	1,823,523
Airfield	2,000,409
Terminal Building	3,260,590
Commercial Business Center	2,939,739
International	2,561,054
Parking	396,401
Ground Handling	4,008,740
Airport K9	219,080
Airport Fire Services	1,846,655
Non Departmental	3,535,208
Capital Improvements	21,283,333
Total Expenditures	**$ 51,699,298**

MELBOURNE ORLANDO INTERNATIONAL AIRPORT · MLB

One Air Terminal Parkway
Suite 220
Melbourne, FL 32901 USA
MLBair.com

RESOLUTION NO. 4-26

A RESOLUTION OF THE CITY OF MELBOURNE AIRPORT AUTHORITY, BREVARD COUNTY, FLORIDA, MAKING APPROPRIATIONS FOR THE PAYMENT OF OPERATING EXPENSES, AND CAPITAL OUTLAY OF THE AIRPORT FOR FISCAL YEAR 2027 WHICH BEGINS OCTOBER 1, 2026, AND ENDS SEPTEMBER 30, 2027

WHEREAS, under the provision of City of Melbourne Code of Ordinances, Section 6-101, the Airport Authority is required annually to prepare and adopt by Resolution a detailed Budget of the estimated income and expenditures for operation and maintenance of the Airport facilities and infrastructure during the succeeding fiscal year, and

WHEREAS, on July 15, 2026, at a Regular Meeting of the Airport Authority, the Executive Director presented his recommended Budget for review and consideration of the Authority.

BE IT RESOLVED BY THE CITY OF MELBOURNE AIRPORT AUTHORITY, MELBOURNE, BREVARD COUNTY, FLORIDA:

SECTION 1: The combined operating and capital projects budget for the fiscal year 2027 is $51,699,298.

SECTION 2: This resolution shall become effective immediately upon its adoption in accordance with the Charter of the City of Melbourne.

SECTION 3: This resolution was duly adopted at a regular meeting of the Melbourne Airport Authority on the 15th Day of July 2026.

Operating Fund Budget	
Revenues	
Operating Revenues	$ 25,630,642
Interest Income	1,626,559
Passenger Facility Charges	1,367,566
Customer Facility Charges	1,791,198
Appropriation From Prior Year Surplus	-
Total Revenues	**$30,415,965**
Expenses	
Personnel Expense	$ 7,428,518
Operating Expenses	17,224,762
City Allocations	2,817,477
Machinery and Equipment	410,000
Intra to Airport Capital Reserve	193,541
Intra to Airport CIP	2,341,667
Total Expenses	**$30,415,965**

Capital Projects Fund Budget

Revenues

FAA Grants	$ 7,050,000
State Grants	1,391,666
CFC Funds	10,500,000
Airport Funds (Intra-in from Fund 860)	2,341,667
Sub total	21,283,333
Capitalized Maintenance	-
Total Capital Projects Revenue	**$21,283,333**

Expenditures

Buildings	$ 19,133,333
Improvements Other than Buildings	$ 2,150,000
Total Capital Projects Expenditures	**$21,283,333**

Summary of Operating and Capital Project Budgets

Operating Fund Budget	$ 30,415,965
Capital Projects Fund Budget	$ 21,283,333
Total Budget	**$51,699,298**

SECTION 4: This Resolution, together with the Melbourne Orlando International Airport Budget, is in such form and contains such content that it substantially meets the requirements of the City Charter and is hereby submitted to the Melbourne Airport Authority for approval.

SECTION 5: The various revenues and expenditures are appropriated in accordance with the above schedule and subject to the approval of City Council in its final form.

SECTION 6: This Resolution was duly passed at a Regular Meeting of the City of Melbourne Airport Authority on the 15th day of July 2026.

BY:______________________________

William C. Potter, Chairman
Melbourne Airport Authority

ATTEST:

____

Greg Donovan, A.A.E.
Executive Director

Final Budget

Fiscal Year 2027

MELBOURNE ORLANDO INTERNATIONAL AIRPORT • MLB

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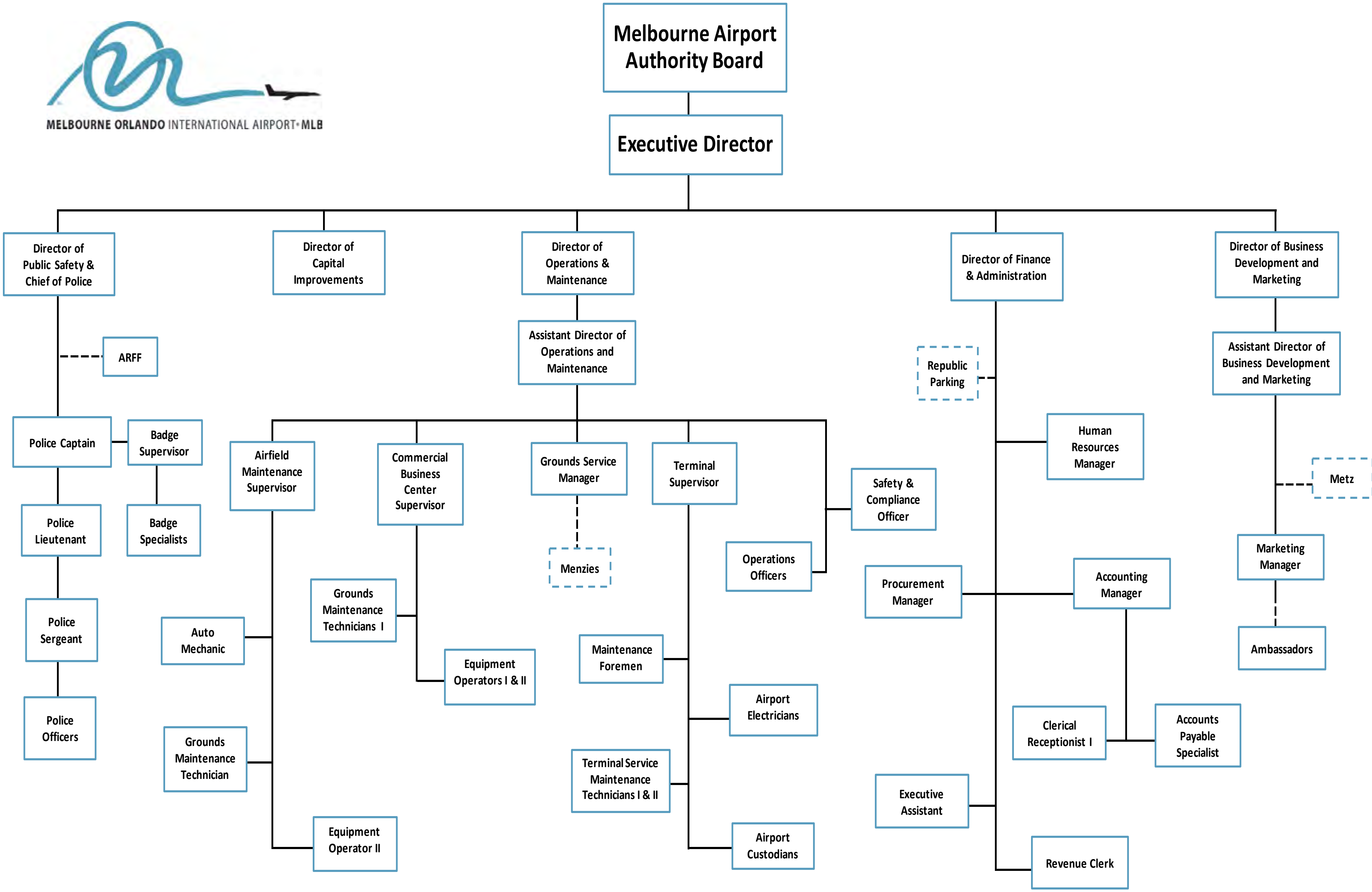
ORGANIZATIONAL CHART

MELBOURNE ORLANDO INTERNATIONAL AIRPORT•MLB



M E M O R A N D U M

DATE: May 27, 2026

TO: Chairman and Members of the Melbourne Airport Authority

FROM: Greg Donovan, A.A.E.
Executive Director
Melbourne Orlando International Airport

INTRODUCTION

We are pleased to present the budget book which contains the City of Melbourne Airport Authority's Proposed Operating and Capital Budget for Fiscal Year 2027 (October 1, 2026 through September 30, 2027). After the budget is approved by the Melbourne Airport Authority, it will then be submitted to the City of Melbourne (City) to be included in the City's budget for two public hearings which are tentatively planned on September 9, 2026, and September 23, 2026. The budget will be finalized and adopted by City Council on September 23, 2026.

Per Section 12-143, fiscal matters, the Airport is required to prepare a budget in the format required by the City.

The Airport Fund budget is consistent with the City of Melbourne's presentation of City Enterprise Funds such as the Water, Sewer, and Golf Course funds. The Airport has two funds: the Operating Fund and Capital Projects Fund. The Operating Fund Budget includes revenues and expenses needed for the day-to-day operation of the Airport plus the equipment budget. The Capital Projects Fund Budget includes the revenues and expenditures for projects that meet the criteria for capitalization.

The proposed operating budget includes projected revenues from tenants, passengers, and airlines, along with the anticipated costs of operating the Airport. Consistent with prior years, the Airport remains fully self-sustaining, funding its operations through user fees. The Airport team has developed this budget to maximize the use of grant programs and Customer Facility Charge (CFC) collections for capital projects, while minimizing reliance on Airport reserves. For the purposes of this budget document, references to MAA funds are used interchangeably with Airport reserves.

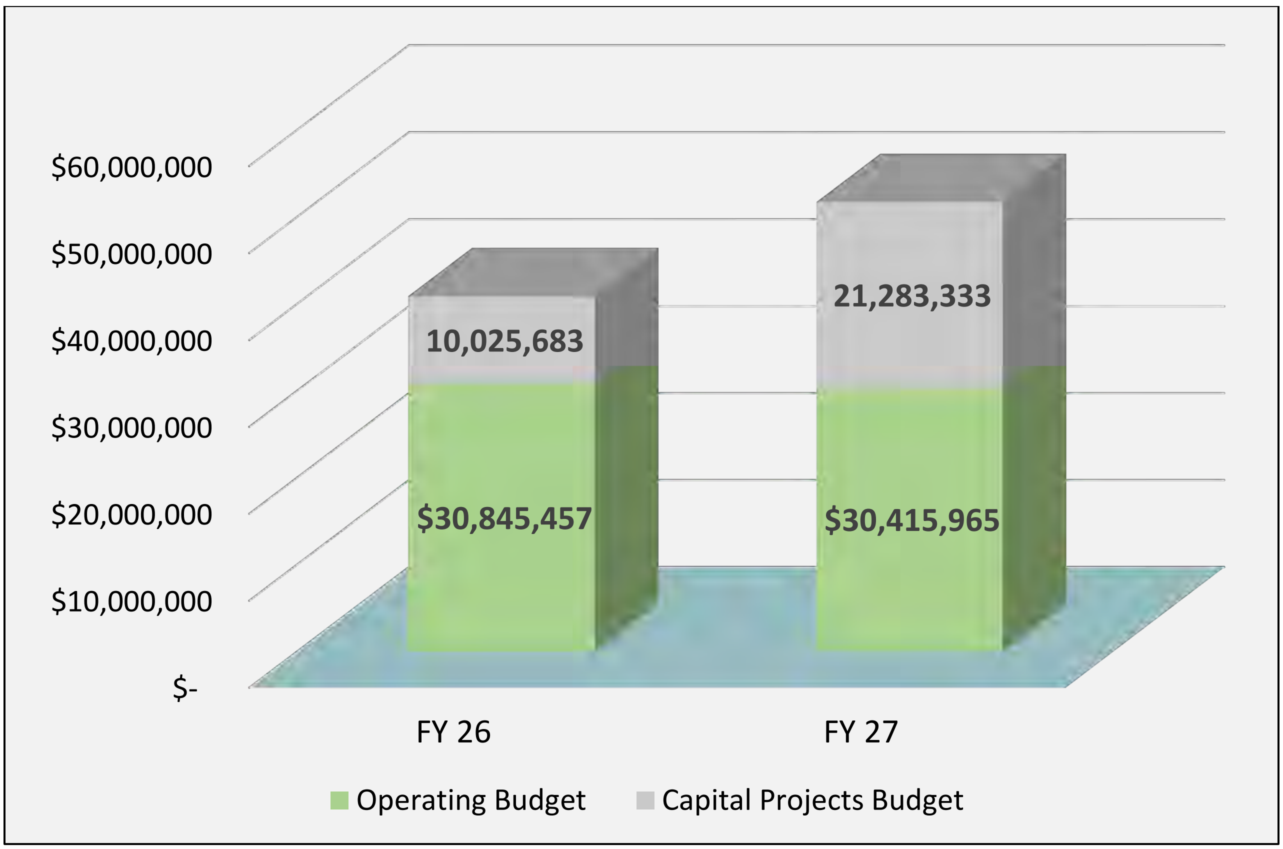
Proposed capital projects include the terminal mechanical and electrical renovations and the construction of the quick turnaround facility which will be funded primarily with FAA grants and CFC funds, respectively. These and other new projects have been included in the FY 27 budget request. The proposed equipment budget includes a portable PCAIR Unit for the terminal and several smaller items such as replacement equipment that has reached the end of its useful life. All equipment expenditures are funded with MAA funds.

The Fiscal Year 2027 budget is approximately $52 million and will enable the Airport to continue to expand and grow to accommodate new tenants, as well as passengers, as the Airport continues to serve as an economic engine of the region. Airport staff appreciates the support of the Board and the Council, and the information presented in this budget book outlines expected expenditures and corresponding funding sources.

Overview

The proposed Fiscal Year 2027 operating and capital projects budget request is $51,699,298, an increase of $10,828,158 over the prior year. The proposed capital project budget aligns the available funding with capital needs and includes a large project that will be funded with CFC revenue/reserves.

	Budget FY 26	Budget Request FY 27	Increase/ (Decrease) $	%
Operating Budget	$ 30,845,457	$ 30,415,965	$ (429,492)	-1%
Capital Projects Budget	10,025,683	21,283,333	11,257,650	112%
Total	$ 40,871,140	$ 51,699,298	$ 10,828,158	26%



The proposed FY 27 budget compared to prior year actual and current year budget for the Operating Fund is presented below:

	ACTUAL FY 25	BUDGET FY 26	BUDGET REQUEST FY 27
REVENUE:			
Operating	$ 23,576,722	$ 24,428,990	$ 25,630,642
Investment Income	2,550,056	2,374,409	1,626,559
Total Revenue	**$ 26,126,778**	**$ 26,803,399**	**$ 27,257,201**
EXPENSES:			
Maintenance and Operations Expense	$ 15,489,011	$ 16,693,745	$ 16,224,762
Personnel Cost	6,598,835	6,977,663	7,428,518
City Indirect Cost Allocations	2,206,748	2,695,515	2,817,477
Total Operating Expense	**$ 24,294,594**	**$ 26,366,923**	**$ 26,470,757**
Operating Income (Loss)	**$ 1,832,184**	**$ 436,476**	**$ 786,444**
Non-Operating Revenue (Expense)			
Gain on Sale of Capital Assets	$ 38,074,673	$ -	$ -
Passenger Facility Charge	1,320,752	1,340,751	1,367,566
Customer Facility Charge	1,540,320	1,756,076	1,791,198
Appropriations from Prior Year Surplus	-	945,231	-
Contingency	-	(1,250,000)	(1,000,000)
Total Non-Operating Revenue (Expense)	**$ 40,935,745**	**$ 2,792,058**	**$ 2,158,764**
Net Income (Loss) before Transfers and Equipment Purchases	42,767,929	3,228,534	2,945,208
Transfers/Equipment Purchases			
Intra to AP Reserve/CIP	$ 345,000	$ 2,292,534	$ 2,535,208
Machinery & Equip	798,793	936,000	410,000
Total Transfer/Equipment Purchases	**$ 1,143,793**	**$ 3,228,534**	**$ 2,945,208**
Total Expense	**$ 25,438,387**	**$ 30,845,457**	**$ 30,415,965**

The proposed budget includes a contingency of $1,000,000, which is lower than prior year due to trend analysis that indicated a reduction was warranted. The contingency is available cover costs that may arise due to new air service or new programs, such as the K9 program that began in FY 26 that was unplanned.

Revenue Summary

The historical and proposed operating revenue budget by accounting unit/org is as follows:

	Actual FY 25	Budget FY 26	Budget Request FY 27
Administration	$ 50,977	$ 40,234	$ 41,039
Police	150,058	118,303	216,898
Marketing	-	-	-
Airfield	831,744	766,299	850,869
Terminal	3,015,785	2,972,813	3,129,587
Commercial Business Center	13,310,856	14,620,288	15,469,890
Tropical Haven	685,965	-	-
International	603,983	580,163	697,882
Parking	2,075,698	2,579,624	2,354,624
Ground Handling	2,851,657	2,751,266	2,766,853
Airport K9	-	-	103,000
Airport Fire Service	-	-	-
Total	**$ 23,576,723**	**$ 24,428,990**	**$ 25,630,642**
Non-Departmental	$ 43,488,131	$ 6,416,467	$ 4,785,323
Total Revenues	**$ 67,064,854**	**$ 30,845,457**	**$ 30,415,965**

Expense Summary

The historical and proposed operating expense budget by accounting unit/cost center is as follows:

	Actual FY 25	Budget FY 26	Budget Request FY 27
Administration	$ 5,867,044	$ 4,989,129	$ 5,147,367
Police	2,656,122	2,860,729	2,677,199
Marketing	944,698	1,745,244	1,823,523
Airfield	1,849,654	2,494,733	2,000,409
Terminal	2,923,066	3,408,302	3,260,590
Commercial Business Center	2,210,813	3,006,071	2,939,739
International	2,314,525	2,578,851	2,561,054
Parking	362,394	384,864	396,401
Ground Handling	3,868,498	3,916,448	4,008,740
Airport K9	-	-	219,080
Airport Fire Service	1,775,269	1,918,552	1,846,655
Total	**$ 25,093,387**	**$ 27,302,923**	**$ 26,880,757**
Contingency	$ -	$ 1,250,000	$ 1,000,000
Intra to Airport Reserve/CIP	345,000	2,292,534	2,535,208
Total Non-Departmental	**$ 345,000**	**$ 3,542,534**	**$ 3,535,208**
Total Expenses	**$ 25,438,387**	**$ 30,845,457**	**$ 30,415,965**

Capital Projects Summary

The proposed budget for capital projects for Fiscal Year 2027 is $21,283,333, and is funded primarily by grants and CFC funds. The summary funding sources for these projects are identified below:

Funding Source	Budget FY 27
FAA Entitlement Grants	$ 7,050,000
State Grants	1,391,666
CFC	10,500,000
MAA Funds	2,341,667
	$ 21,283,333

The Airport increased the Customer Facility Charge (CFC) rate from $4.00 to $6.00 effective October 1, 2025, to build funding capacity for rental car capital projects. The proposed budget includes the use of CFC revenue to fund construction of a new rental car Quick Turnaround Facility (QTA) as design was included in FY 26 budget. The QTA will provide space for rental car companies to clean vehicles and perform light maintenance between rentals. FAA and FDOT grants will fund the terminal MEP/HVAC renovations as well as infrastructure development for the property acquired last year (176 acres). All other capital projects in the FY 27 budget will be funded through Airport reserves.

Equipment Summary

The proposed Machinery and Equipment budget for Fiscal Year 2027 is $410,000, a decrease of $526,000 from prior year. This includes requests for Administration, Police, K9, Airfield, Terminal, and Commercial Business Center equipment purchases. The proposed equipment budget is as follows:

	Budget Request FY 27
Administration	
Multifunction Copiers (2)	$ 16,000
Police	
Police Mobile Data Terminal Computers	10,000
Ballistic Shields (2)	14,000
Airfield	
A/C Vehicle Service Equipment	20,000
Computerized Maintenance Management System (CMMS)	100,000
Terminal	
Utility Vehicles/Gator (2)	30,000
PCAIR Unit-Portable	120,000
Commercial Business Center	
Light Pole Replacement	90,000
Airport K9	
K9 Mobile Data Terminal Computers	10,000
Capital Equipment Total	**$ 410,000**

REVENUES

	Budget FY 26	Budget Request FY 27	Increase/(Decrease) $	%
Administration	$ 40,234	$ 41,039	$ 805	2%
Police	118,303	216,898	98,595	83%
Marketing	-	-	-	N/A
Airfield	766,299	850,869	84,570	11%
Terminal	2,972,813	3,129,587	156,774	5%
Commercial Business Center	14,620,288	15,469,890	849,602	6%
Tropical Haven	-	-	-	N/A
International	580,163	697,882	117,719	20%
Parking	2,579,624	2,354,624	(225,000)	-9%
Ground Handling	2,751,266	2,766,853	15,587	1%
Airport K9	-	103,000	103,000	N/A
Airport Fire Service	-	-	-	N/A
Total	**$ 24,428,990**	**$ 25,630,642**	**$ 1,201,652**	**5%**
Non-Departmental	$ 6,416,467	$ 4,785,323	$ (1,631,144)	-25%
Total Revenues	**$ 30,845,457**	**$ 30,415,965**	**$ (429,492)**	**-1%**

Revenue Highlights

Police – Police revenue budget is expected to increase $98,595 primarily due to the expected reinstatement of the Law Enforcement Officer (LEO) Reimbursement program that is funded through the TSA. This program is estimated to generate about $5,500 a month in revenue.

Airfield – Airfield revenue is projected to increase $84,570 primarily due to proposed rate increases for landing fees. The proposed budget includes an increase in the landing fee rate for signatory carriers from $1.88 to $1.93 and non-signatory rates from $2.81 to $2.89. There were no increases to the landing fee rates in FY 26. The budget includes an increase to fuel truck permits to operate on the airfield from $600 to $900 annually.

Terminal – Terminal revenue budget is expected to increase by $156,774 in FY 27 due to a combination of rate increases and growth in activity such as car rental revenue. Proposed rate increases include based employee parking permits from $120 to $125 annually, ready return stalls from $25 to $30 per stall per month, and the trip fee rate for buses and larger vehicles from $10 to $15 which has not been increased since it was implemented in 2020.

Commercial Business Center – Commercial Business Center revenue is expected to increase by $849,602 primarily due to the expiration of rent abatement periods on several tenants, so now the Airport will start collecting full rent. Multiple tenant leases will be subject to CPI adjustments in FY 27 that will generate additional revenue. The increase includes options for undeveloped/unleased property; if these are exercised, additional revenue growth is expected.

International – International revenue is projected to increase by $117,719 in FY 27. This increase is based on actual FY 25 performance, which supported higher budget projections for revenue streams such as premium lounge access and duty-free concessions. International flights from TUI remain steady as they plan to continue to operate eight flights per week.

Parking – Although parking revenues are projected to exceed FY 25 actuals, the FY 27 budget is $225,000 lower than the FY 26 budgeted amount. This adjustment reflects actual performance trends, which indicate that, despite the recent parking rate increase, revenues are lower than initially projected in the parking master plan.

Airport K9 – In January 2026, the TSA entered into an Other Transaction Agreement (OTA) with the Airport to provide two K9 teams. While the current OTA does not include funding, TSA officials have indicated that funding may be reinstated in FY 27. If this occurs, the Airport expects to receive reimbursement of approximately $51,500 per K9 team.

Non-Departmental – Non-departmental revenue is projected to decrease by $1,631,144 primarily due to lower interest income resulting from reduced investable funds and lower interest rates compared to the prior year. In the previous budget, the Airport recognized interest earnings on an additional $28 million, which was subsequently used in September 2026 to acquire 178 acres of land adjacent to the Airport. While this acquisition positions the Airport to generate increased long-term revenue through land leases, it results in a short-term reduction in interest income.

Additionally, the FY 27 budget does not include an appropriation of prior year surplus (down from $945,231 in the prior year), which reflects the use of retained earnings, as the Airport expects to generate sufficient revenue from operations to cover costs, including contingency.

EXPENSES

	Budget FY 26	Budget Request FY 27	Increase/(Decrease) FY 27 vs FY 26 $	%
Administration	$ 4,989,129	$ 5,147,367	$ 158,238	3%
Police	2,860,729	2,677,199	(183,530)	-6%
Marketing	1,745,244	1,823,523	78,279	4%
Airfield	2,494,733	2,000,409	(494,324)	-20%
Terminal	3,408,302	3,260,590	(147,712)	-4%
Commercial Business Center	3,006,071	2,939,739	(66,332)	-2%
International	2,578,851	2,561,054	(17,797)	-1%
Parking	384,864	396,401	11,537	3%
Ground Handling	3,916,448	4,008,740	92,292	2%
Airport K9	-	219,080	219,080	N/A
Airport Fire Service	1,918,552	1,846,655	(71,897)	-4%
Total	**$ 27,302,923**	**$ 26,880,757**	**$ (422,166)**	**-2%**
Contingency	$ 1,250,000	$ 1,000,000	$ (250,000)	-20%
Intra to Airport Reserve/CIP	2,292,534	2,535,208	242,674	11%
Total Non-Departmental	**$ 3,542,534**	**$ 3,535,208**	**$ (7,326)**	**0%**
Total Expenses	**$ 30,845,457**	**$ 30,415,965**	**$ (429,492)**	**-1%**

Expense Highlights

Personnel – The proposed budget includes a 4% increase for personnel costs, which is expected to cover any cost-of-living adjustments plus any performance-based increases. City Code Section 12-144 states Employees of the Airport Authority shall be deemed employees of the City to the same extent as all other employees of the City, subject to the same rules and regulations and entitled to all the privileges and benefits thereof. Further, City of Melbourne Personnel Policies and Procedures, Rules and Regulations adopted by City Council February 2006 states for personnel issues, whenever the approval is required by the City Manager, the Airport Executive Director is to be substituted for all Airport jobs and all Airport employees. Additionally, Section 10.16 authorizes the Airport Executive Director to make pay adjustments as long as the adjustments do not exceed the maximum of the incumbent's pay grade. There are no new position requests proposed this year, however two FTE positions transferred to Airport K9 from Airport Police resulting from the new K9 program.

Operating Expenses – Department expenses are budgeted to decrease by $422,166 primarily due to a reduction in equipment requests compared to the prior year (down $526,000). Planned adjustments to indirect cost allocations from the City are also reflected; however, some of these costs are still being finalized, so estimates were used in developing the FY 27 budget.

Overall, a 3% increase has been applied to general operating expenses to account for inflation, unless specific information indicates a different adjustment is warranted. Utility expenses are budgeted with a 6% increase, consistent with prior years, to ensure sufficient funding is available.

The operating expense highlights for the various cost centers are presented below.

- *Administration* - The proposed FY 27 Administration expense budget is $5,147,367, a $158,238 increase from FY 26 budget. Significant expenses in this division include personnel, other contractual services, and risk management. The proposed budget for new equipment purchases includes $16,000 to replace the Finance and Administration copiers. Significant expenditures for the Administration division are listed below:

Significant Operating Expenses:	**Budget FY 26**	**Budget FY 27**	
Personnel	$ 2,539,267	$ 2,648,113	
Consulting Fees	306,874	370,087	Includes costs for land appraisals, land and environmental surveys, and various strategic advisors
Other Contract Services	232,417	239,390	Based on existing IT contract with more extensive coverage
Telephone Service	14,796	26,456	New contract in FY 25 for new phone lines
Merchant Charges	3,230	2,864	Decrease due to switching from Elavon to Square in FY 25
Risk Management - Svc Chg	721,051	735,472	Indirect cost allocation includes property insurance premiums
Misc Equipment & Furnishings	25,819	14,358	Decrease due to non-recurring exp budgeted in FY 26 for new phones
Interest Expense	239,891	185,972	Decrease due to capital lease interest ending in FY 26
Capital Equipment			
Machinery & Equipment	-	16,000	E-1 Multifunctional Copiers (2) - $16,000
Total	**$ 4,083,345**	**$ 4,238,712**	

- *Airport Police* – The proposed Airport Police expense budget is $2,677,199, a $183,530 decrease from FY 26 budget, primarily due to lower personnel costs in this cost center due to the transfer of two officer positions to the Airport K9 division. Overall, there is no net change in Police FTEs, however, two FTEs now are budgeted in the K9 Org. The proposed budget consists primarily of personnel costs, body camera software costs, and costs related to the security system. Significant expenditures in this division are listed below.

Significant Operating Expenses:	**Budget FY 26**	**Budget FY 27**	
Personnel	$2,078,464	$ 2,031,576	Decrease due to transfer of two K9 officer positions to org 811
Police Weapons & Tactical Gear	20,535	30,000	Includes $12K for Tasers and $12K for rifle suppressors
Security	284,061	230,000	Based on FY 25 actuals plus $40K for employee screening contract and $60K for security system maintenance
Capital Equipment			
Machinery & Equipment	115,000	24,000	E-2 Mobile Data Terminal-$10,000; E-3 Ballistic Shields - $14,000
Total	**$ 2,498,060**	**$ 2,315,576**	

- *Marketing* – The proposed marketing budget is $1,823,523, an increase of $78,279, primarily driven by costs associated with hosting five Space Coast Honor Flights and software costs required to ensure ADA compliance for the Airport's website.

  No changes are planned to marketing incentives under the Airport's current air service incentive program. The FY 27 budget includes $500,000 for incentives, which is projected to be sufficient for prospective new qualifying routes commencing in FY 27. Significant expenditures in this division are listed below:

Significant Operating Expenses:	Budget FY 26	Budget FY 27	
Personnel	$ 254,383	$ 263,599	
Consulting Fees	238,875	246,041	Includes air service consulting and associated expenses to support air service development
Contractual Employee	159,135	181,909	Additonal ambassadors for Honor Flights and special events
Advertising & Marketing	406,000	418,180	Includes marketing contract with Quotient for consulting services and purchase of advertising to promote Airport
Special Events Expense	41,200	60,500	Increase due to costs associated with Honor Flights
Computer Software	31,827	59,430	Based on FY 25 actuals plus additional $10K for ADA software
Total	**$ 1,131,420**	**$ 1,229,659**	

- *Airfield* – The proposed Airfield budget is $2,000,409, a decrease of $494,324 compared to the prior year, primarily due to fewer capital equipment requests. The FY 27 budget for new equipment includes $120,000 for the purchase of A/C vehicle service equipment and a Computerized Maintenance Management System (CMMS) software platform. The CMMS will centralize maintenance data, automate work order management, schedule preventive maintenance, and provide analytics to optimize maintenance operations and reduce equipment downtime. The budget is also lower due to a reduction in anticipated asphalt repair costs, as Taxiway A is in the second phase of its rehabilitation. Significant expenditures in this division are listed below:

Significant Operating Expenses:	Budget FY 26	Budget FY 27	
Personnel	$ 971,939	$ 1,021,194	
Repair & Maintenance - Building	13,009	93,399	Additional $80K for R&M on ATCT Exterior
Repair & Maintenance - Grounds	55,875	92,551	Includes $50K to clean ditches ($100K split between 803 & 805)
R&M - Runways/Taxiways	175,000	60,000	Decrease due to non-recurring exp budgeted in FY 26 for asphalt repair
Computer Software	63,762	6,499	Decrease due to a non-recurring expense $60K in FY 26 for Part 139 Inspection/Safety Management Software (SMS)
Capital Equipment			
Machinery & Equipment	548,000	120,000	E-4 A/C Vehicle Svc Equip $20,000; E-5 CMMS $100,000
Total	**$1,827,585**	**$ 1,393,643**	

- *Terminal* – The proposed budget for the Terminal cost center is $3,260,590, a decrease of $147,712 primarily due to fewer equipment requests (down $105,000 from prior year) and lower non-recurring costs budgeted in FY 26 for landscaping and curb repair costs. The proposed budget includes $150,000 for replacement equipment for utility vehicles and a PACAIR portable unit for the jet bridge. Significant expenditures in this division are listed below:

Significant Operating Expenses:	Budget FY 26	Budget FY 27	
Personnel	$ 682,286	$ 793,022	
Contractual Employee	825,412	750,398	Primary component is janitorial temp staffing; budget aligns with projected FY 27 cost
Electric	618,661	655,781	Terminal electricity costs expected to increase 6% for rate adjustments
Repair & Maintenance - A/C	139,005	177,834	New A/C contract with Strut that covers more units
Maintenance Contract	75,000	75,000	Jet bridge preventive maintenance contract executed in FY 26
Repair & Maintenance - Misc Equipment	88,180	42,950	Fewer repairs expected due to jet bridge maintenance contract
Repair & Maintenance - Grounds	25,000	1,555	FY 26 included a non-recurring expense of $25K to cut concrete curb under Terminal for equipment access
Computer Software	72,767	72,767	Annual cost for CUTE software
Misc Equipment & Furnishings	29,723	11,053	Decrease due to non-recurring exp budgeted in FY 26 for monitors for ticketing area
Capital Equipment:			
Machinery & Equipment	255,000	150,000	E-6 Utility Vehicles/Gators (2) $30,000; E-7 Portable PCAIR Unit $120,000
Total	**$ 2,811,034**	**$ 2,730,360**	

- *Commercial Business Center* – The proposed budget for this division is $2,939,739, a decrease of $66,332 compared to prior year budget, primarily due to a reduction to the R&M building budget line for some non-recurring expenses that occurred in FY 26 for gutter replacement and roof cleaning ($195,000 was budgeted for these items in FY 26). The proposed budget for new equipment purchases includes $90,000 for light pole replacements. Significant expenditures in this division are listed below:

Significant Operating Expenses:	Budget FY 26	Budget FY 27	
Personnel	$ 282,542	$ 292,655	
Landscaping & Irrigation	126,525	130,321	Budget based on executed landscaping contracts with Bob's Landscaping and Yardnique
Repair & Maintenance - Building	232,847	31,344	FY 26 higher as it included non-recurring expenses-$95K tenant roof cleaning and $100K for gutter replacement
Repair & Maintenance - A/C	59,323	93,448	New A/C contract with Strut that covers more units
Repair & Maintenance - Grounds	65,802	64,000	Includes $20K for land clearing homeless camps and $25K to clean/grade ditches
Advalorem Tax AERO	747,244	754,716	Pass through expense
Advalorem Tax NONAERO	1,226,627	1,238,893	Pass through expense
Capital Equipment:			
Machinery & Equipment	18,000	90,000	E-8 Light Pole Replacement $90,000
Total	**$ 2,758,910**	**$ 2,695,377**	

- *International* – The proposed budget for the International division is $2,561,054, which is a slight decrease of $17,797 compared to last year primarily due to lower international waste disposal fees based on the expected international flights from TUI that will be operated in FY 27. Significant expenditures in this division are listed below:

Significant Operating Expenses:	**Budget FY 26**	**Budget FY 27**	
Consulting Fees	$ 10,543	$ 901	FY 26 budget included non-recurring item; FY 27 budget based on expected consultant cost to maintain the CBP foreign-trade zone (FTZ)
Other Contract Services	1,952,255	2,010,823	Budget includes cost for Customs for 7 full-time staff plus overtime costs during TUI season
Solid Waste Disposal	133,700	96,706	International waste disposal expected to decrease
Operating Supplies	36,654	1,539	FY 26 budget included non-recurring item; FY 27 budget based on historical trend.
Total	**$ 2,133,152**	**$ 2,109,969**	

- *Parking* – The proposed budget for the Parking cost center is $396,401, an increase of $11,537 over prior year. There are no significant changes expected to the parking operation or management that have a significant impact on the cost of operating the facility. Significant expenditures in this division are listed below:

Significant Operating Expenses:	**Budget FY 26**	**Budget FY 27**	
Consulting Fees	$ 55,665	$ 57,335	Includes the management fee from parking operator
Other Contract Services	267,938	275,976	Reimbursable management contract paid to company to operate parking facility
Merchant Charges	56,547	58,243	Based on historical trends
Total	**$ 380,150**	**$ 391,554**	

- *Ground Handling* –The proposed Ground Handling budget is $4,008,740, an increase of $92,292 compared to the prior year. The rates paid to the ground handler were adjusted in FY 26 and are fully reflected in the FY 27 budget, with no additional rate changes anticipated. The proposed budget is designed to cover ground handling costs for scheduled service, along with a buffer for unscheduled operations. This division includes ground handling services provided by Menzies for both international and domestic flights. Significant expenditures in this division are listed below:

Significant Operating Expenses:	**Budget FY 26**	**Budget FY 27**	
Personnel	$ 121,304	$ 133,856	
Other Contract Services	3,703,444	3,777,513	Based on contracted per turn fees for expected activity and "Into Plane Fueling Costs" for TUI; includes Menzies FY 26 rate adjustments
Auto-Fuel & Oil	14,414	28,021	Based on FY 25 actuals plus increase in fuel costs
Total	**$ 3,839,162**	**$ 3,939,390**	

- *Airport K9* –This cost center was established in FY 26 to track the Airport's K9 program following an agreement with the TSA to provide two canines to be assigned to two Melbourne Airport Police officers. The proposed FY 27 budget for the program is $219,080, based on estimated costs for salaries and benefits for two officers, as well as vehicle maintenance and fuel, veterinary care, travel, and ongoing training. The proposed budget for new equipment purchases includes $10,000 for mobile data terminal computers for the K9 vehicles. Significant expenditures in this division are listed below:

Significant Operating Expenses:	**Budget FY 26**	**Budget FY 27**	
Personnel	$ -	$ 193,020	Two positions transferred from org 801 to 811
Operating Supplies	-	4,920	Annual vet care- $1,500/dog; annual food- $910/dog
Auto-Fuel & Oil	-	3,640	Estimated annual fuel costs for two vehicles
Capital Equipment			
Machinery & Equipment	-	10,000	E-9 K9 Mobile Data Terminal (2) $10,000
Total	**$ -**	**$ 211,580**	

- *Airport Fire Service* – The proposed ARFF budget is $1,846,655, a decrease of $71,897 compared to the FY 26 budget. This reduction is primarily due to the removal of non-recurring expenses included in FY 26, such as AFFF foam removal from fire trucks and gutter replacements.

  The Airport contracts with the City of Melbourne to provide ARFF services; therefore, a significant portion of the budget is driven by the salaries and benefits of personnel assigned to the ARFF station, who are City of Melbourne firefighters. There are no capital equipment purchases budgeted this year. Significant expenditures are listed below:

Significant Operating Expenses:	**Budget FY 26**	**Budget FY 27**	
Personnel	$ 47,478	$ 51,483	
Police & Fire Service	1,532,323	1,622,268	ARFF provided by City; increase due to union wage increase
Repair & Maintenance - Vehicle	178,848	36,318	FY 26 had non-recurring $160K for AFFF foam removal from trucks
Repair & Maintenance - Building	44,795	17,858	FY 26 had non-recurring $20K for gutter replacement
Total	**$ 1,803,444**	**$ 1,727,927**	

- *Non-Departmental* – The Non-Departmental expense budget of $3,535,208 is comprised of transfers to the Capital Fund/Airport Reserves ($2,535,208) and Contingency ($1,000,000). The transfer to the Capital Fund represents the amount of airport funds needed to complete the projects budgeted in Fiscal Year 2027.

- City Indirect Cost Allocations – The indirect costs are allocated from the City for services provided; the allocations for several functions for FY 27 are still being finalized so the budgeted amounts below in red are based on estimates. The City Indirect Cost Allocations budget for Fiscal Year 2027 is $2,817,477, an increase of $121,962 (5%), with the largest increase being the Police and Fire Service expense due to contract rate adjustments for Fire Service. Listed below are the City Indirect Cost Allocations by type (note that the amounts presented below for FY 26 budget are based on the prior year refinement/true-up of actual charges, not the budget book):

	Actual FY 25	Budget FY 26	Budget Request FY 27
Workers Comp Insurance	$ 68,176	$ 80,309	$ 84,477
Police & Fire Service	1,315,102	1,557,323	1,647,268
Services Provided by GF	194,756	160,345	170,221
IT Services	30,778	28,586	29,158
Risk Management - Svc Chg	597,936	868,952	886,353
Total City Indirect Cost Allocations	**$ 2,206,748**	**$ 2,695,515**	**$ 2,817,477**

UPDATE: The initial budget request included estimated amounts (shown in red) because those figures were still being finalized. In August 2026, the City and the Airport finalized the indirect cost allocations, which are reflected below. Although the finalized allocations result in a net increase of **$129,426** in total indirect costs, there is no change to the overall budget request. The increase will be fully offset by savings in other budget accounts.

	Budget Request FY 27	Final Allocation FY 27	Change
Workers Comp Insurance	$ 84,477	$ 91,960	$ 7,483
Police & Fire Service	1,647,268	1,647,268	-
Services Provided by GF	170,221	176,612	6,391
IT Services	29,158	29,158	-
Risk Management - Svc Chg	886,353	1,001,905	115,552
Total City Indirect Cost Allocations	**$ 2,817,477**	**$ 2,946,903**	**$ 129,426**

CITY OF MELBOURNE AIRPORT AUTHORITY OPERATING BUDGET 2027

800/980

ADMINISTRATION & NON-DEPARTMENTAL

REVENUE SUMMARY	**Actual FY 25**	**Budget FY 26**	**Budget Request FY 27**	**Budget FY 26 vs Budget Request FY 27**	**% Change**
Operating:	$ 50,977	$ 40,234	$ 41,039	$ 805	2%
Non-Operating:					
Passenger Facility Charges	1,320,752	1,340,751	1,367,566	26,815	2%
Customer Facility Charges	1,540,320	1,756,076	1,791,198	35,122	2%
Interest Income	2,531,666	2,374,409	1,626,559	(747,850)	-31%
Other Revenues	38,095,393	-	-	-	N/A
Appropriations from Prior Year Surplus	-	945,231	-	(945,231)	-100%
Total Revenue	$ 43,539,108	$ 6,456,701	$ 4,826,362	$ (1,630,339)	-25%

EXPENSE SUMMARY	**Actual FY 25**	**Budget FY 26**	**Budget Request FY 27**	**Budget FY 26 vs Budget Request FY 27**	**% Change**
Personnel	$ 2,591,240	$ 2,539,267	$ 2,648,113	$ 108,846	4%
Operating Expenses	1,438,824	1,537,930	1,562,414	24,484	2%
City Indirect Cost Allocation	705,240	911,932	936,840	24,908	3%
Total Operating Expenses	$ 4,735,304	$ 4,989,129	$ 5,147,367	$ 158,238	3%
Net Operating Income (Loss)	$ 38,803,804	$ 1,467,572	$ (321,005)	$ (1,788,577)	-122%
Contingency/Capital/Equipment Expenditures:					
Intra to AP Reserve	-	-	193,541		
Intra to Airport CIP	345,000	2,292,534	2,341,667		
Machinery & Equipment	130,208	-	16,000		
Contingency	-	1,250,000	1,000,000		
Total Contingency/Equipment/Transfers	475,208	3,542,534	3,551,208		
Total Expenses	$ 5,210,512	$ 8,531,663	$ 8,698,575		

POSITIONS EACH YEAR

POSITION	**Actual FY 25**	**Budget FY 26**	**Budget Request FY 27**
Full Time	15	16	16
Part Time	-	-	-
Full Time Equivalent	-	-	-
Total	15	16	16

BUDGET ANALYSIS

Significant Operating Expenses:	**Budget FY 26**	**Budget FY 27**	
Personnel	$ 2,539,267	$ 2,648,113	
Consulting Fees	306,874	370,087	Includes costs for land appraisals, land and environmental surveys, and various strategic advisors
Other Contract Services	232,417	239,390	Based on existing IT contract with more extensive coverage
Telephone Service	14,796	26,456	New contract in FY 25 for new phone lines
Merchant Charges	3,230	2,864	Decrease due to switching from Elavon to Square in FY 25
Risk Management - Svc Chg	721,051	735,472	Indirect cost allocation includes property insurance premiums
Misc Equipment & Furnishings	25,819	14,358	Decrease due to non-recurring exp budgeted in FY 26 for new phones
Interest Expense	239,891	185,972	Decrease due to capital lease interest ending in FY 26
Capital Equipment			
Machinery & Equipment	-	16,000	E-1 Multifunctional Copiers (2)-$16,000
Total	**$ 4,083,345**	**$ 4,238,712**	

CITY OF MELBOURNE AIRPORT AUTHORITY OPERATING BUDGET 2027

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Police

REVENUE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Operating	$ 150,058	$ 118,303	$ 216,898	$ 98,595	83%
Total Revenue	$ 150,058	$ 118,303	$ 216,898	$ 98,595	83%

EXPENSE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Personnel	$ 1,899,181	$ 2,078,464	$ 2,031,576	$ (46,888)	-2%
Operating Expenses	575,520	575,568	528,592	(46,976)	-8%
City Indirect Cost Allocation	72,645	91,697	93,031	1,334	1%
Total Operating Expenses	$ 2,547,346	$ 2,745,729	$ 2,653,199	$ (92,530)	-3%
Net Operating Income (Loss)	$ (2,397,288)	$ (2,627,426)	$ (2,436,301)	$ 191,125	-7%
Machinery & Equipment	108,776	115,000	24,000	(91,000)	-79%
Total M&O Expenses	$ 2,656,122	$ 2,860,729	$ 2,677,199	$ (183,530)	-6%

POSITIONS EACH YEAR

POSITION	Actual FY 25	Budget FY 26	Budget Request FY 27	
Full Time	18	18	16	Two K9 officers positions
Part Time	-	-	-	transferred to 811 in FY 26
Full Time Equivalent	-	-	-	
Total	18	18	16	

BUDGET ANALYSIS

Significant Operating Expenses:	Budget FY 26	Budget FY 27	
Personnel	$2,078,464	$ 2,031,576	Decrease due to transfer of two K9 officer positions to org 811
Police Weapons & Tactical Gear	20,535	30,000	Includes $12K for Tasers and $12K for rifle suppressors
Security	284,061	230,000	Based on FY 25 actuals plus $40K for employee screening contract and $60K for security system maintenance
Capital Equipment			
Machinery & Equipment	115,000	24,000	E-2 Mobile Data Terminal-$10,000; E-3 Ballistic Shields - $14,000
Total	**$ 2,498,060**	**$ 2,315,576**	

CITY OF MELBOURNE AIRPORT AUTHORITY OPERATING BUDGET 2027

802

MARKETING

REVENUE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Operating	$ -	$ -	$ -	$ -	N/A
Total Revenue	$ -	$ -	$ -	$ -	N/A

EXPENSE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Personnel	$ 56,857	$ 254,383	$ 263,599	$ 9,216	4%
Operating Expenses	884,535	1,486,516	1,555,492	68,976	5%
City Indirect Cost Allocation	3,306	4,345	4,432	87	2%
Total Operating Expenses	$ 944,698	$ 1,745,244	$ 1,823,523	$ 78,279	4%
Net Operating Income (Loss)	$ (944,698)	$ (1,745,244)	$ (1,823,523)	$ (78,279)	4%

POSITIONS EACH YEAR

POSITION	Actual FY 25	Budget FY 26	Budget Request FY 27
Full Time	3	3	3
Part Time	-	-	-
Full Time Equivalent	-	-	-
Total	3	3	3

BUDGET ANALYSIS

Significant Operating Expenses:	Budget FY 26	Budget FY 27	
Personnel	$ 254,383	$ 263,599	
Consulting Fees	238,875	246,041	Includes air service consulting and associated expenses to support air service development
Contractual Employee	159,135	181,909	Additonal ambassadors for Honor Flights and special events
Advertising & Marketing	406,000	418,180	Includes marketing contract with Quotient for consulting services and purchase of advertising to promote Airport
Special Events Expense	41,200	60,500	Increase due to costs associated with Honor Flights
Computer Software	31,827	59,430	Based on FY 25 actuals plus additional $10K for ADA software
Total	**$ 1,131,420**	**$ 1,229,659**	

CITY OF MELBOURNE AIRPORT AUTHORITY OPERATING BUDGET 2027

803

AIRFIELD

REVENUE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Operating	$ 831,744	$ 766,299	$ 850,869	$ 84,570	11%
Total Revenue	$ 831,744	$ 766,299	$ 850,869	$ 84,570	11%

EXPENSE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Personnel	$ 858,636	$ 971,939	$ 1,021,194	$ 49,255	5%
Operating Expenses	759,563	913,181	796,370	(116,811)	-13%
City Indirect Cost Allocation	44,462	61,613	62,845	1,232	2%
Total Operating Expenses	$ 1,662,661	$ 1,946,733	$ 1,880,409	$ (66,324)	-4%
Net Operating Income (Loss)	$ (830,917)	$ (1,180,434)	$ (1,029,540)	$ 150,894	-13%
Machinery & Equipment	186,993	548,000	120,000	(428,000)	-78%
Total M&O Expenses	$ 1,849,654	$ 2,494,733	$ 2,000,409	$ (494,324)	-20%

POSITION	POSITIONS EACH YEAR Actual FY 25	Budget FY 26	Budget Request FY 27
Full Time	12.5	13.5	13.5
Part Time	-	-	-
Full Time Equivalent	-	-	-
Total	12.5	13.5	13.5

BUDGET ANALYSIS

Significant Operating Expenses:	Budget FY 26	Budget FY 27	
Personnel	$ 971,939	$ 1,021,194	
Repair & Maintenance - Building	13,009	93,399	Additional $80K for R&M on ATCT Exterior
Repair & Maintenance - Grounds	55,875	92,551	Includes $50K to clean ditches ($100K split between 803 & 805)
R&M - Runways/Taxiways	175,000	60,000	Decrease due to non-recurring exp budgeted in FY 26 for asphalt repair
Computer Software	63,762	6,499	Decrease due to a non-recurring expense $60K in FY 26 for Part 139 Inspection/Safety Management Software (SMS)
Capital Equipment			
Machinery & Equipment	548,000	120,000	E-4 A/C Vehicle Svc Equip $20,000; E-5 CMMS $100,000
Total	**$1,827,585**	**$ 1,393,643**	

CITY OF MELBOURNE AIRPORT AUTHORITY OPERATING BUDGET 2027

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TERMINAL BUILDING

REVENUE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Operating	$ 3,015,785	$ 2,972,813	$ 3,129,587	$ 156,774	5%
Total Revenue	$ 3,015,785	$ 2,972,813	$ 3,129,587	$ 156,774	5%

EXPENSE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Personnel	$ 769,938	$ 682,286	$ 793,022	$ 110,736	16%
Operating Expenses	2,073,745	2,440,505	2,286,447	(154,058)	-6%
City Indirect Cost Allocation	28,116	30,511	31,121	610	2%
Total Operating Expenses	$ 2,871,799	$ 3,153,302	$ 3,110,590	$ (42,712)	-1%
Net Operating Income (Loss)	$ 143,986	$ (180,489)	$ 18,997	$ 199,486	-111%
Machinery & Equipment	51,267	255,000	150,000	(105,000)	-41%
Total M&O Expenses	$ 2,923,066	$ 3,408,302	$ 3,260,590	$ (147,712)	-4%

POSITIONS EACH YEAR

POSITION	Actual FY 25	Budget FY 26	Budget Request FY 27
Full Time	7	7	7
Part Time	-	-	-
Full Time Equivalent	-	-	-
Total	7	7	7

BUDGET ANALYSIS

Significant Operating Expenses:	Budget FY 26	Budget FY 27	
Personnel	$ 682,286	$ 793,022	
Contractual Employee	825,412	750,398	Primary component is janitorial temp staffing; budget aligns with projected FY 27 cost
Electric	618,661	655,781	Terminal electricity costs expected to increase 6% for rate adjustments
Repair & Maintenance - A/C	139,005	177,834	New A/C contract with Strut that covers more units
Maintenance Contract	75,000	75,000	Jet bridge preventive maintenance contract executed in FY 26
Repair & Maintenance - Misc Equipment	88,180	42,950	Fewer repairs expected due to jet bridge maintenance contract
Repair & Maintenance - Grounds	25,000	1,555	FY 26 included a non-recurring expense of $25K to cut concrete curb under Terminal for equipment access
Computer Software	72,767	72,767	Annual cost for CUTE software
Misc Equipment & Furnishings	29,723	11,053	Decrease due to non-recurring exp budgeted in FY 26 for monitors for ticketing area
Capital Equipment:			
Machinery & Equipment	255,000	150,000	E-6 Utility Vehicles/Gators (2) $30,000; E-7 Portable PCAIR Unit $120,000
Total	**$ 2,811,034**	**$ 2,730,360**	

CITY OF MELBOURNE AIRPORT AUTHORITY OPERATING BUDGET 2027

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COMMERCIAL BUSINESS CENTER

REVENUE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Operating	$ 13,310,856	$ 14,620,288	$ 15,469,890	$ 849,602	6%
Total Revenue	$ 13,310,856	$ 14,620,288	$ 15,469,890	$ 849,602	6%

EXPENSE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Personnel	$ 242,290	$ 282,542	$ 292,655	$ 10,113	4%
Operating Expenses	1,938,928	2,693,991	2,545,315	(148,676)	-6%
City Indirect Cost Allocation	12,068	11,538	11,769	231	2%
Total Operating Expenses	$ 2,193,286	$ 2,988,071	$ 2,849,739	$ (138,332)	-5%
Net Operating Income (Loss)	$ 11,117,570	$ 11,632,217	$ 12,620,151	$ 987,934	8%
Machinery & Equipment	17,527	18,000	90,000	72,000	400%
Total M&O Expenses	$ 2,210,813	$ 3,006,071	$ 2,939,739	$ (66,332)	-2%

POSITIONS EACH YEAR

POSITION	Actual FY 25	Budget FY 26	Budget Request FY 27
Full Time	3	3	3
Part Time	-	-	-
Full Time Equivalent	-	-	-
Total	3	3	3

BUDGET ANALYSIS

Significant Operating Expenses:	Budget FY 26	Budget FY 27	
Personnel	$ 282,542	$ 292,655	
Landscaping & Irrigation	126,525	130,321	Budget based on executed landscaping contracts with Bob's Landscaping and Yardnique
Repair & Maintenance - Building	232,847	31,344	FY 26 higher as it included non-recurring expenses-$95K tenant roof cleaning and $100K for gutter replacement
Repair & Maintenance - A/C	59,323	93,448	New A/C contract with Strut that covers more units
Repair & Maintenance - Grounds	65,802	64,000	Includes $20K for land clearing homeless camps and $25K to clean/grade ditches
Advalorem Tax AERO	747,244	754,716	Pass through expense
Advalorem Tax NONAERO	1,226,627	1,238,893	Pass through expense
Capital Equipment:			
Machinery & Equipment	18,000	90,000	E-8 Light Pole Replacement $90,000
Total	**$ 2,758,910**	**$ 2,695,377**	

CITY OF MELBOURNE AIRPORT AUTHORITY OPERATING BUDGET 2027

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TROPICAL HAVEN

REVENUE SUMMARY	**Actual FY 25**	**Budget FY 26**	**Budget Request FY 27**	**Budget FY 26 vs Budget Request FY 27**	**% Change**
Operating	$ 685,965	$ -	$ -	$ -	N/A
Total Revenue	$ 685,965	$ -	$ -	$ -	N/A

EXPENSE SUMMARY	**Actual FY 25**	**Budget FY 26**	**Budget Request FY 27**	**Budget FY 26 vs Budget Request FY 27**	**% Change**
Personnel	$ 1,833	$ -	$ -	$ -	N/A
Operating Expenses	319,181	-	-	-	N/A
City Indirect Cost Allocation	290	-	-	-	N/A
Total Operating Expenses	$ 321,304	$ -	$ -	$ -	N/A
Net Operating Income (Loss)	$ 364,661	$ -	$ -	$ -	N/A

POSITIONS EACH YEAR

POSITION	**Actual FY 25**	**Budget FY 26**	**Budget Request FY 27**	
Full Time	2	0	0	Tropical Haven sold January 2025; Positions transferred to 800 and 803
Part Time	-	-	-	
Full Time Equivalent	-	-	-	
Total	2	0	0	

CITY OF MELBOURNE AIRPORT AUTHORITY OPERATING BUDGET 2027
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INTERNATIONAL

REVENUE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Operating	$ 603,983	$ 580,163	$ 697,882	$ 117,719	20%
Total Revenue	$ 603,983	$ 580,163	$ 697,882	$ 117,719	20%

EXPENSE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Personnel	$ -	$ -	$ -	$ -	N/A
Operating Expenses	2,312,355	2,576,616	2,558,752	(17,864)	-1%
City Indirect Cost Allocation	2,170	2,235	2,302	67	3%
Total Operating Expenses	$ 2,314,525	$ 2,578,851	$ 2,561,054	$ (17,797)	-1%
Net Operating Income (Loss)	$ (1,710,542)	$ (1,998,688)	$ (1,863,172)	$ 135,516	-7%

BUDGET ANALYSIS

Significant Operating Expenses:	Budget FY 26	Budget FY 27	
Consulting Fees	$ 10,543	$ 901	FY 26 budget included non-recurring item; FY 27 budget based on expected consultant cost to maintain the CBP foreign-trade zone (FTZ)
Other Contract Services	1,952,255	2,010,823	Budget includes cost for Customs for 7 full-time staff plus overtime costs during TUI season
Solid Waste Disposal	133,700	96,706	International waste disposal expected to decrease
Operating Supplies	36,654	1,539	FY 26 budget included non-recurring item; FY 27 budget based on historical trend.
Total	**$ 2,133,152**	**$ 2,109,969**	

CITY OF MELBOURNE AIRPORT AUTHORITY OPERATING BUDGET 2027

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PARKING

REVENUE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Operating	$ 2,075,698	$ 2,579,624	$ 2,354,624	$ (225,000)	-9%
Total Revenue	$ 2,075,698	$ 2,579,624	$ 2,354,624	$ (225,000)	-9%

EXPENSE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Personnel	$ -	$ -	$ -	$ -	N/A
Operating Expenses	362,394	384,864	396,401	11,537	3%
City Indirect Cost Allocation	-	-	-	-	N/A
Total Operating Expenses	$ 362,394	$ 384,864	$ 396,401	$ 11,537	3%
Net Operating Income (Loss)	$ 1,713,304	$ 2,194,760	$ 1,958,223	$ (236,537)	-11%

BUDGET ANALYSIS

Significant Operating Expenses:	Budget FY 26	Budget FY 27	
Consulting Fees	$ 55,665	$ 57,335	Includes the management fee from parking operator
Other Contract Services	267,938	275,976	Reimbursable management contract paid to company to operate parking facility
Merchant Charges	56,547	58,243	Based on historical trends
Total	**$ 380,150**	**$ 391,554**	

CITY OF MELBOURNE AIRPORT AUTHORITY OPERATING BUDGET 2027

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GROUND HANDLING

REVENUE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Operating	$ 2,851,657	$ 2,751,266	$ 2,766,853	$ 15,587	1%
Total Revenue	$ 2,851,657	$ 2,751,266	$ 2,766,853	$ 15,587	1%

EXPENSE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Personnel	$ 132,165	$ 121,304	$ 133,856	$ 12,552	10%
Operating Expenses	3,733,460	3,789,775	3,869,305	79,530	2%
City Indirect Cost Allocation	2,873	5,369	5,579	210	4%
Total Operating Expenses	$ 3,868,498	$ 3,916,448	$ 4,008,740	$ 92,292	2%
Net Operating Income (Loss)	$ (1,016,841)	$ (1,165,182)	$ (1,241,887)	$ (76,705)	7%

	POSITION YEARS		
POSITION	**Actual FY 25**	**Budget FY 26**	**Budget Request FY 27**
Full Time	1	1	1
Part Time	-	-	-
Full Time Equivalent	-	-	-
Total	1	1	1

BUDGET ANALYSIS

Significant Operating Expenses:	Budget FY 26	Budget FY 27	
Personnel	$ 121,304	$ 133,856	
Other Contract Services	3,703,444	3,777,513	Based on contracted per turn fees for expected activity and "Into Plane Fueling Costs" for TUI; includes Menzies FY 26 rate adjustments
Auto-Fuel & Oil	14,414	28,021	Based on FY 25 actuals plus increase in fuel costs
Total	**$ 3,839,162**	**$ 3,939,390**	

CITY OF MELBOURNE AIRPORT AUTHORITY OPERATING BUDGET 2027

811

AIRPORT K9

REVENUE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Operating	$ -	$ -	$ 103,000	$ 103,000	N/A
Total Revenue	$ -	$ -	$ 103,000	$ 103,000	N/A

EXPENSE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Personnel	$ -	$ -	$ 193,020	$ 193,020	N/A
Operating Expenses	-	-	16,060	16,060	N/A
City Indirect Cost Allocation	-	-	-	-	N/A
Total Operating Expenses	$ -	$ -	$ 209,080	$ 209,080	100%
Net Operating Income (Loss)	$ -	$ -	$ (106,080)	$ (106,080)	N/A
Machinery & Equipment	-	-	10,000	10,000	N/A
Total M&O Expenses	$ -	$ -	$ 219,080	$ 219,080	N/A

POSITIONS EACH YEAR

POSITION	Actual FY 25	Budget FY 26	Budget Request FY 27	
Full Time	0	0	2	K9 officers transferred from
Part Time	-	-	-	801 in FY 26
Full Time Equivalent	-	-	-	
Total	0	0	2	

BUDGET ANALYSIS

Significant Operating Expenses:	Budget FY 26	Budget FY 27	
Personnel	$ -	$ 193,020	Two positions transferred from org 801 to 811
Operating Supplies	-	4,920	Annual vet care- $1,500/dog; annual food- $910/dog
Auto-Fuel & Oil	-	3,640	Estimated annual fuel costs for two vehicles
Capital Equipment			
Machinery & Equipment	-	10,000	E-9 K9 Mobile Data Terminal (2) $10,000
Total	**$ -**	**$ 211,580**	

CITY OF MELBOURNE AIRPORT AUTHORITY OPERATING BUDGET 2027

813

AIRPORT FIRE SERVICES

REVENUE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Operating	$ -	$ -	$ -	$ -	N/A
Total Revenue	$ -	$ -	$ -	$ -	N/A

EXPENSE SUMMARY	Actual FY 25	Budget FY 26	Budget Request FY 27	Budget FY 26 vs Budget Request FY 27	% Change
Personnel	$ 46,694	$ 47,478	$ 51,483	$ 4,005	8%
Operating Expenses	392,996	294,799	125,614	(169,185)	-57%
City Indirect Cost Allocation	1,335,579	1,576,275	1,669,558	93,283	6%
Total Operating Expenses	$ 1,775,269	$ 1,918,552	$ 1,846,655	$ (71,897)	-4%
Net Operating Income (Loss)	$ (1,775,269)	$ (1,918,552)	$ (1,846,655)	$ 71,897	-4%

POSITIONS EACH YEAR

POSITION	Actual FY 25	Budget FY 26	Budget Request FY 27
Full Time	0.5	0.5	0.5
Part Time	-	-	-
Full Time Equivalent	-	-	-
Total	0.5	0.5	0.5

BUDGET ANALYSIS

Significant Operating Expenses:	Budget FY 26	Budget FY 27	
Personnel	$ 47,478	$ 51,483	
Police & Fire Service	1,532,323	1,622,268	ARFF provided by City; increase due to union wage increase
Repair & Maintenance - Vehicle	178,848	36,318	FY 26 had non-recurring $160K for AFFF foam removal from trucks
Repair & Maintenance - Building	44,795	17,858	FY 26 had non-recurring $20K for gutter replacement
Total	**$ 1,803,444**	**$ 1,727,927**	

Capital Project Requests

MELBOURNE ORLANDO INTERNATIONAL AIRPORT• MLB

MELBOURNE ORLANDO INTERNATIONAL AIRPORT
FY 2027 CAPITAL PROJECT REQUEST SUMMARY

Project	Funding	Grant Source	x-ref	%	FY 2027-by Funding Source	FY 2027 Project Total
Terminal MEP/HVAC Renovations	Entitlements	FAA	**A-1**	90%	$ 7,050,000	
Terminal MEP/HVAC Renovations	State	FDOT		5%	$ 391,666	
Terminal MEP/HVAC Renovations	Cash Flow			5%	$ 391,667	$ 7,833,333
RAC-Quick Turnaround Facility	CFC/Debt		**A-2**	100%	$ 10,500,000	$ 10,500,000
Infrastructure Development-NW Acopian	Cash Flow		**A-3**	50%	$ 1,000,000	
Infrastructure Development-NW Acopian	State	FDOT		50%	$ 1,000,000	$ 2,000,000
Airport Fuel Facility Improvements	Cash Flow		**A-4**	100%	$ 75,000	$ 75,000
Landscape & Irrigation Improvements	Cash Flow		**A-5**	100%	$ 75,000	$ 75,000
Parking Lot Canopy Refurbishment	Cash Flow		**A-6**	100%	$ 800,000	$ 800,000
TOTALS					$ 21,283,333	$ 21,283,333

Funding Source	
Cash Flow	2,341,667
Entitlements	7,050,000
Discretionary	-
Debt	-
PFC	-
CFC	10,500,000
TBD	-
Reimbursement	-
State Grants	1,391,666
	21,283,333

Melbourne Orlando International Airport
FY 2027 Capital Budget Request

Updated Project

Capital Improvement Project Detail

Airport Capital - Terminal

Terminal MEP/HVAC Renovations

Location: A-1

Start Date	End Date	Dept. Ranking
10/1/2026	09/30/2027	

Funding Source:	FAA Grant	Category:	Remodel/Renovation
Amount to Approve:	Revenue:	$7,833,333.00	Expense: $7,833,333.00

Project Description
This is a multi-phase project that the Airport is completing as funding allows. Total project cost is estimated at $13,333,000, however, the Airport has $5,500,000 in its current approved capital budget. The scope of the project includes the replacement of Chillers, HVAC systems, and associated infrastructure. If funding is available, the next step of the project is to replace the sliding doors at the terminal building entrances.

Project Justification
The current mechanical and electrical (ME) systems in the old section of the terminal are the original equipment installed when the facility was constructed in 1989 and are well beyond their useful life. Additionally, the current system is not compliant with current life safety codes or energy efficiency goals. Repairs to the sytem are costly and difficult due to the age of the equipment. One of the chillers stopped functioning and the Airport had to secure a temporary chiller which is still in use. Due to the inefficiencies of the equipment, operating costs are higher and no controls are in place to maintain energy efficiency. Leaks within the chilled water lines create the potential for mold and fungus growth which affects indoor air quality.

The entry sliding glass doors to the terminal are the original from 1998 and parts are no longer available. When the doors are inoperable, they are manually opened and left open allowing outside air into the controlled environment. Replacement of the ME systems will improve energy efficiency and maintain customer comfort within the terminal.

Project Feasibility and Implications of Deferring Project
Current ME systems are failing regularly and placing a burden on the maintenance department to keep them operational. Deferring this work will increase operating and maintenance costs. More leaks within the piping could be an issue for indoor air quality.

Fiscal and Operating Impact
Replacement of the systems will create savings from a life cycle cost standpoint. The HVAC/Mechanical systems will be much more efficient in their operations and having controls to regulate conditioned air will save on both operating and maintenance costs. The current capital budget has $5,500,000 approved and the Airport has secured commitments for $7,000,000 with $5,000,000 requested in FY 27.

CAPITAL SUMMARY	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Project Total
Capital Revenues						
FAA Grant-389500	$7,050,000					$7,050,000
Operating Cash (860)) - 387014	$ 783,333					$ 783,333
Subtotal Revenues	$7,833,333	$0	$0	$0	$0	$7,833,333
Capital Costs						
Building Improvements - 562010	$7,000,000					$7,000,000
Building –Design 562020	$ 833,333					$ 833,333
Subtotal Costs	$7,833,333	$0	$0	$0	$0	$7,833,333

Melbourne Orlando International Airport

Updated Project

FY 2027 Capital Budget Request

Capital Improvement Project Detail

Airport Capital - Terminal

RAC-Quick Turnaround Facility

Start Date	End Date	Dept. Ranking
10/1/2026	9/30/2027	

Location: A-2

Funding Source: CFC		Category: New Development	
Amount to Approve:	Revenue:	$10,500,000.00	Expense: $10,500,000.00

Project Description

Continuation of the Quick Turnaround Facility (QTA) project with final design and construction of a new common use facility to replace the existing individual rental car QTA facilities located along NASA Blvd. The new facility will provide an updated, modern, more efficient common use QTA facility. This facility will allow the rental cars to be in close proximity to their future, respective ready/return spaces. The South T-hangars were demolished to make way for this new facility, which will be adjacent to the future rental car ready return lot.

Project Justification

It will improve the customer experience while creating a better use for commercial development opportunities along NASA, while also enhancing the aesthetics of the Airport's appearance.

Project Feasibility

The preliminary design work is being completed in FY 26 with final design and construction to occur in FY 27.

Implications of Deferring Project

N/A

Fiscal and Operating Impact

Project will be funded using available CFC's and possible issuance of debt.

CAPITAL SUMMARY	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Project Total
Capital Revenues						
CFC - 389405	$10,500,000					$10,500,000
Debt - 395000	$0					$0
Subtotal Revenues	$10,500,000	$0	$0	$0	$0	$10,500,000
Capital Costs						
Buildings - 562000	$10,500,000					$10,500,000
Subtotal Costs	$10,500,000	$0	$0	$0	$0	$10,500,000

Melbourne Orlando International Airport
FY 2027 Capital Budget Request

Updated Project

Capital Improvement Project Detail

Airport Capital - CBC

Infrastructure Development-NW Acopian

Start Date	End Date	Dept. Ranking
10/1/2026	9/30/2027	

Location: A-3

Funding Source:	FDOT Grant	Category: New Development		
Amount to Approve:	Revenue:	$2,000,000.00	Expense:	$2,000,000.00

Project Description
Continuation of existing Acopian project to provide two vehicular access roads from Wickham Road east to the 178 acre site recently purchased in September 2025. Roads will include deceleration lanes, turn lanes, and possible traffic light upgrades and additions.

Project Justification
These access roads are required as part of the purchase agreement of the 178 acres which requires this portion of the project to be completed within two years from the date of purchase.

Project Feasibility
These access roads are required for access to the 178 acres where a potential tenant has optioned to lease the property. Eventually, these access roads will require extension over the County's drainage canal and tie into an access road from the east that will connect Apollo Road with Wickham Road.

Implications of Deferring Project
These access roads are a condition of the purchase of the property. If they are not installed within the two year time frame, the Airport could default on the purchase.

Opportunity for Coordination
N/A

Fiscal and Operating Impact
This project is currently being funded from Airport reserves, however the Airport is seeking a 50% grant reimbursement from the State.

CAPITAL SUMMARY	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Project Total
Capital Revenues						
Operating Cash (860)-387014	$1,000,000					$1,000,000
FDOT Grant - 389600	$1,000,000					$1,000,000
Subtotal Revenues	$2,000,000	$0	$0	$0	$0	$2,000,000
Capital Costs						
IOTB-563000	$1,850,000					$1,850,000
IOTB Design-563010	$ 150,000					$ 150,000
Subtotal Costs	$2,000,000	$0	$0	$0	$0	$2,000,000

Melbourne Orlando International Airport
FY 2027 Capital Budget Request

New Project

Capital Improvement Project Detail

Airport Capital- Airfield

Airport Fuel Facility Improvements

Start Date	End Date	Dept. Ranking
10/1/2026	9/30/2027	

Location: A-4

Funding Source: Operating Cash		Category: Remodel/Renovation	
Amount to Approve:	Revenue: $75,000.00	Expense:	$75,000.00

Project Description
Improvements are needed at the Airport fuel facility to replace the existing water pump for the containment area, rehabilitate the roof and control room exterior that houses all the facility electrical panels, and replace the failing tank system pipes and valves.

Project Justification
The fuel facility is a mission critical asset for airline operations, general aviation, and flight training programs. Continued degradation threatens fueling availability and operational reliability. Failure of the water pump system compromises containment integrity, potentially delaying or stopping fuel handling during heavy rain events. Electrical control room issues increase the risk of unplanned outages, fueling shutdowns, and safety hazards. Replacing problematic valves and pipes will reduce unplanned downtime and ensure consistent fuel supply.

Project Feasibility
The costs associated with these improvements will greatly reduce the risk of allowing further degradation of this mission critical facility and decrease the Airport's environmental risk in the event of a fuel spill.

Implications of Deferring Project
Fueling system downtime due to unplanned failures and adverse environmental impacts.

Opportunity for Coordination
N/A

Fiscal and Operating Impact
Could impact airlines, tenants and traveling public.

CAPITAL SUMMARY	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Project Total
Capital Revenues						
Operating Cash (860)-387014	$75,000					$75,000
Subtotal Revenues	$75,000	$0	$0	$0	$0	$75,000
Capital Costs						
Building Improvements - 562010	$ 5,000					$ 5,000
Machinery/Equip-564000	$70,000					$70,000
Subtotal Costs	$75,000	$0	$0	$0	$0	$75,000

Melbourne Orlando International Airport
FY 2027 Capital Budget Request

New Project

Capital Improvement Project Detail

Airport Capital-Airfield

Landscape & Irrigation Improvements

Start Date	End Date	Dept. Ranking
10/1/2026	9/30/2027	

Location: A-5

Funding Source:	Operating Cash	Category:	Remodel/Renovation		
Amount to Approve:	Revenue:	$75,000.00	Expense:	$75,000.00	

Project Description
This project will upgrade and modernize the aging irrigation system and refresh the deteriorating landscaping along Air Terminal Parkway, the primary gateway for passengers arriving at the Airport. The planned improvements will enhance curb appeal, reduce maintenance inefficiencies, and support long term sustainability by ensuring healthy drought tolerant landscaping and a more efficient water delivery system.

Project Justification
The landscaping and irrigation systems along Air Terminal Parkway have significantly aged, resulting in increased maintenance needs and frequent irrigation repairs that strain both staffing and operational resources. These high visibility locations serve as the first impression for passengers, airline crews, and visitors arriving at the Airport. Their current condition diminishes the overall appearance of the terminal and does not reflect the standards of a modern, welcoming air travel environment.

Project Feasibility
N/A

Implications of Deferring Project
Continued degradation of the area and increased maintenance and repair costs to the irrigation system resulting in loss of plants and grass due to poor irrigation.

Opportunity for Coordination
N/A

Fiscal and Operating Impact
This capital project will be funded with MAA operating funds.

CAPITAL SUMMARY	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Project Total
Capital Revenues						
Operating Cash (860)-387014	$75,000					$75,000
Subtotal Revenues	$75,000	$0	$0	$0	$0	$75,000
Capital Costs						
IOTB-563000	$70,000					$70,000
IOTB Design-563010	$ 5,000					$ 5,000
Subtotal Costs	$75,000	$0	$0	$0	$0	$75,000

Melbourne Orlando International Airport

New Project

FY 2027 Capital Budget Request

Capital Improvement Project Detail

Airport Capital - Terminal

Parking Lot Canopy Refurbishment

Start Date	End Date	Dept. Ranking
10/1/2026	9/30/2027	

Location: A-6

Funding Source:	Operating Cash	Category: Major RM			
Amount to Approve:	Revenue:	$800,000.00	Expense:	$800,000.00	

Project Description
Rehab the covered walkways and canopies throughout the terminal parking, ride share lane, and passenger drop off/pick up areas.

Project Justification
This rehab project is warranted in order to extend the life of the covered walkways as they are rusting/deteriorating due to the humidity and weather.

Project Feasibility
Consultant services will be required to ensure correct process for the rehab and structural integrity are achieved.

Implications of Deferring Project
Increasing deterioration of the structures that will lead to more costly repairs and/or replacement if deferred.

Opportunity for Coordination
N/A

Fiscal and Operating Impact
Project will be funded with the Airport's reserves/operating cash.

CAPITAL SUMMARY	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Project Total
Capital Revenues						
Operating Cash (860)-387014	$800,000					$800,000
Subtotal Revenues	$800,000	$0	$0	$0	$0	$800,000
Capital Costs						
Buildings - 562000	$800,000					$800,000
Subtotal Costs	$800,000	$0	$0	$0	$0	$800,000

Equipment Requests

MELBOURNE ORLANDO INTERNATIONAL AIRPORT• MLB

MELBOURNE ORLANDO INTERNATIONAL AIRPORT
FY 2027 EQUIPMENT REQUEST SUMMARY

Project	X-ref	Funding Source	FY 2027
ADMINISTRATION EQUIP (800)			
Multifunction Copiers (2)	**E-1**	Cash Flow	16,000
POLICE EQUIP (801)			
Police Mobile Data Terminal Computers	**E-2**	Cash Flow	10,000
Ballistic Shields (2)	**E-3**	Cash Flow	14,000
AIRFIELD EQUIP (803)			
A/C Vehicle Service Equipment	**E-4**	Cash Flow	20,000
Computerized Maintenance Management System (CMMS)	**E-5**	Cash Flow	100,000
TERMINAL EQUIP (804)			
Utility Vehicles/Gator (2)	**E-6**	Cash Flow	30,000
PCAIR Unit-Portable	**E-7**	Cash Flow	120,000
COMMERCIAL BUSINESS CENTER EQUIP (805)			
Light Pole Replacement	**E-8**	Cash Flow	90,000
K9 EQUIP (811)			
K9 Mobile Data Terminal Computers	**E-9**	Cash Flow	10,000
Total Equipment Purchases			410,000

Funding Source	
Cash Flow	410,000
Entitlements	-
State	-
Discretionary	-
Total	410,000

Equipment Budget

800-Finance and Administration

Multifunction Copiers (2)

Start Date: 10/1/2026
End Date: 9/30/2027
Dept. Ranking:

Location: E-1

Funding Source:	Operating Cash (860)	Category: Equipment			
Amount to Approve:	Revenue:	$16,000.00	Expense:	$16,000.00	

Equipment Description:
Multifunction copiers located within the Administration offices.

Equipment Justification:
The existing copier models are approaching ten years of age. Current lease costs are paid and we own the present equipment. Several services calls suggest they are nearing the end of their lifecycle and proactive replacement is in order.

Is this a replacement or new equipment? If replacement, what piece of equipment are you surplusing?
Replacement of two multifunction copier units in Administration.

Implications of Deferring Equipment:
Current equipment may spontaneously degrade or fail causing interruption to administrative functions.

EQUIPMENT SUMMARY	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Project Total
Capital Revenues						
Operating Cash (860) - 387014	$16,000					$16,000
Subtotal Revenues	$16,000	$0	$0	$0	$0	$16,000
Capital Costs						
Capital Equipment - 564000	$16,000					$16,000
Subtotal Costs	$16,000	$0	$0	$0	$0	$16,000

Melbourne Orlando International Airport

New Equipment

FY 2027 Budget Request

Equipment Budget

801-Police

Police Mobile Data Terminal Computers

Start Date	End Date	Dept. Ranking
10/1/2026	9/30/2027	

Location: E-2

Funding Source:	Operating Cash (860)	Category: Equipment			
Amount to Approve:	Revenue:	$10,000.00	Expense:	$10,000.00	

Equipment Description:

Police Mobile Data Terminal Computers - 2 laptop computers for mounting onto stands in vehicles to support switch to the Melbourne Police Department (MPD) Tyler Enterprise Police reporting system.

Equipment Justification:

The Melbourne Airport Police Department (MAPD) is switching to the MPD Tyler Enterprise police reporting system to match the CAD system the MAPD is currently utilizing with the MPD Communications police dispatch service. This requires mobile data terminals for officers to utilize on the updated system, which is different than current police Tyler New World reporting system through the Brevard County Sheriff's Office. Officers will have direct access to the CAD system which will provide expanded capabilities of initiating activity involving logging patrol events and not-in-progress calls for service.

Is this a replacement or new equipment? If replacement, what piece of equipment are you surplusing?

New Equipment.

Implications of Deferring Equipment:

Increased costs to use loaner mobile data terminals from the City of Melbourne to connect to the MPD Tyler Enterprise system.

EQUIPMENT SUMMARY	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Project Total
Capital Revenues						
Operating Cash (860) - 387014	$10,000					$10,000
Subtotal Revenues	$10,000	$0	$0	$0	$0	$10,000
Capital Costs						
Capital Equipment - 564000	$10,000					$10,000
Subtotal Costs	$10,000	$0	$0	$0	$0	$10,000

Melbourne Orlando International Airport — New Equipment

FY 2027 Budget Request

Equipment Budget — 801-Police

Ballistic Shields (2)

Start Date	End Date	Dept. Ranking
10/1/2026	9/30/2027	

Location: E-3

Funding Source:	Operating Cash (860)	Category: Equipment			
Amount to Approve:	Revenue:	$14,000.00	Expense:	$14,000.00	

Equipment Description:

Two Police Ballistic Shields - soft lightweight ballistic 35" X 20" capable of deflecting rifle, shotgun, and pistol rounds to protect the officer.

Equipment Justification:

In the event of an active aggressor in the terminal, the responding officers require ballistic armor to protect them from gunfire and edged weapons. Shield specification requested is NIJ-0108.01 Level III Standard (ballistic projectile protection) and able to pass both the ASTM E3347-25 Standard for rifle and shotgun penetration protection and the HOSDB Publication 39/07/C Level KR2 for stab protection.

Is this a replacement or new equipment? If replacement, what piece of equipment are you surplusing?

New Equipment.

Implications of Deferring Equipment:

Officers would respond to an armed active aggressor with only body armor; no full shield for suspect engagement/takedown or victim rescue protection.

EQUIPMENT SUMMARY	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Project Total
Capital Revenues						
Operating Cash (860) - 387014	$14,000					$14,000
Subtotal Revenues	$14,000	$0	$0	$0	$0	$14,000
Capital Costs						
Capital Equipment - 564000	$14,000					$14,000
Subtotal Costs	$14,000	$0	$0	$0	$0	$14,000

Melbourne Orlando International Airport — New Equipment

FY 2027 Budget Request

Equipment Budget — 803 - Airfield

A/C Vehicle Service Equipment

Start Date	End Date	Dept. Ranking
10/1/2026	9/30/2027	

Location: E-4

Funding Source:	Operating Cash (860)	Category: Equipment		
Amount to Approve:	Revenue:	$20,000.00	Expense:	$20,000.00

Equipment Description:
A/C Evacuation and Recharge Machine

Equipment Justification:
Valuable time and cost savings. To improve our maintenance capabilities for the Airport vehicle fleet, maintenance staff would like to procure this equipment. Currently, all vehicles needing A/C service and tire replacements must be taken to a local dealership repair facility. This often leads to excessive downtime of the vehicles and increased costs.

Is this a replacement or new equipment? If replacement, what piece of equipment are you surplusing?
New

Implications of Deferring Equipment:
Continued downtime of fleet vehicles and increased costs that have to be serviced at a local dealership.

EQUIPMENT SUMMARY	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Project Total
Capital Revenues						
Operating Cash (860) - 387014	$20,000					$20,000
Subtotal Revenues	$20,000	$0	$0	$0	$0	$20,000
Capital Costs						
Capital Equipment - 564000	$20,000					$20,000
Subtotal Costs	$20,000	$0	$0	$0	$0	$20,000

Melbourne Orlando International Airport — New Equipment
FY 2027 Budget Request

Equipment Budget — 803-Airfield

Computerized Maintenance Management System	Start Date	End Date	Dept. Ranking
	10/1/2026	9/30/2027	

Location: E-5

Funding Source:	Operating Cash (860)	Category:	Equipment	
Amount to Approve:	Revenue:	$100,000	Expense:	$100,000

Equipment Description:
A Computerized Maintenance Management System (CMMS) is a software platform that organizes, schedules, and tracks maintenance activities for assets and equipment. CMMS tools typically automate work orders, manage preventive maintenance, track inventory, and provide analytics to reduce downtime and optimize operational efficiency.

Equipment Justification:
A CMMS will streamline airport equipment tracking, preventive maintenance scheduling, and regulatory documentation, reducing downtime and extending asset life. By centralizing work orders and maintenance data, the system enhances operational efficiency, improves safety, and ensures compliance with FAA requirements. This investment supports more reliable airport operations while lowering long term maintenance costs. Though a CMMS is essential to all current and future equipment and process tracking, implementation is highly important as the new in-line baggage system is commissioned and MEP equipment replacements occur.

Is this a replacement or new equipment? If replacement, what piece of equipment are you surplusing?
New. There will likely be ongoing software or subscription costs to consider beyond new implementation.

EQUIPMENT SUMMARY	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Project Total
Capital Revenues						
Operating Cash (860) - 387014	$100,000					$100,000
Subtotal Revenues	$100,000	$0	$0	$0	$0	$100,000
Capital Costs						
Capital Equipment - 564000	$100,000					$100,000
Subtotal Costs	$100,000	$0	$0	$0	$0	$100,000

Equipment Budget 804-Terminal

Utility Vehicles/Gator (2)

Start Date	End Date	Dept. Ranking
10/1/2026	9/30/2027	

Location: E-6

Funding Source:	Operating Cash (860)	Category: Equipment			
Amount to Approve:	Revenue:	$30,000.00	Expense:	$30,000.00	

Equipment Description:
Seeking 2 side-by-side utility vehicles to replace aging fleet equipment.

Equipment Justification:
Both vehicles are used by Terminal maintenance staff daily for work such as patroling the exterior areas around the Terminal for litter and debris pick up, and hauling away materials for small maintenance projects such as painting, wall and floor repairs.

Is this a replacement or new equipment? If replacement, what piece of equipment are you surplusing?
Golf Cart # 1146 (2014 Cushman) and #1124 (2016 John Deere Gator) are reaching the end of their useful service life and are in need of replacement.

Implications of Deferring Equipment:
Increased maintenance costs of existing equipment & maintenance down time.

EQUIPMENT SUMMARY	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Project Total
Capital Revenues						
Operating Cash (860) - 387014	$30,000					$30,000
Subtotal Revenues	$30,000	$0	$0	$0	$0	$30,000
Capital Costs						
Capital Equipment - 564000	$30,000					$30,000
Subtotal Costs	$30,000	$0	$0	$0	$0	$30,000

Equipment Budget

804 - Terminal

Pre-Conditioned Air Unit-Portable

Start Date	End Date	Dept. Ranking
10/1/2026	9/30/2027	

Location: E-7

Funding Source:	Operating Cash (860)	Category: Equipment		
Amount to Approve:	Revenue:	$120,000.00	Expense:	$120,000.00

Equipment Description:
Replacement of modular PCAIR or Pre Conditioned Air (PCA) equipment integrates with a passenger boarding bridge to deliver temperature controlled, filtered air directly into an aircraft while parked at the gate. PCA units are designed to provide efficient, point of use air delivery right where the aircraft docks, reducing long ducting runs and minimizing energy losses. They ensure cabin comfort for passengers and crew, as well as maintain galley and avionics temperature requirements.

Equipment Justification:
Replacing the failed system is essential to maintaining reliable gate operations, protecting the passenger experience, and preventing excessive heat buildup inside aircraft during boarding and deplaning.

Is this a replacement or new equipment? If replacement, what piece of equipment are you surplusing?
Replacement

Implications of Deferring Equipment:
This will adversely impact the passenger experience, lead to operational disruptions, and can lead to increased airline and ground services costs.

EQUIPMENT SUMMARY	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Project Total
Capital Revenues						
Operating Cash (860) - 387014	$120,000					$120,000
Subtotal Revenues	$120,000	$0	$0	$0	$0	$120,000
Capital Costs						
Capital Equipment - 564000	$120,000					$120,000
Subtotal Costs	$120,000	$0	$0	$0	$0	$120,000

Melbourne Orlando International Airport — Replacement Equipment

FY 2027 Budget Request

Equipment Budget

805 - CBC

Light Pole Replacements

Start Date	End Date	Dept. Ranking
10/1/2026	9/30/2027	

Location: E-8

Funding Source:	Operating Cash (860)	Category: Equipment			
Amount to Approve:	Revenue:	$90,000.00	Expense:	$90,000.00	

Equipment Description:

Street lights along Air Terminal Parkway are failing and need to be replaced.

Equipment Justification:

Multiple street lights along Air Terminal Parkway are visually showing signs of structural failure such as spalling, rust and exposed rebar. Replacement of up to 10 poles is necessary to prevent a hazardous failure.

Is this a replacement or new equipment? If replacement, what piece of equipment are you surplusing?

Replacing existing street light fixtures that are failing.

Implications of Deferring Equipment:

Structural failure of light poles could cause hazards such as a blocked roadway, damage to vehicles, and possible injury to people in the area.

EQUIPMENT SUMMARY	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Project Total
Capital Revenues						
Operating Cash (860) - 387014	$90,000					$90,000
Subtotal Revenues	$90,000	$0	$0	$0	$0	$90,000
Capital Costs						
Capital Equipment - 564000	$90,000					$90,000
Subtotal Costs	$90,000	$0	$0	$0	$0	$90,000

Melbourne Orlando International Airport

New Equipment

FY 2027 Budget Request

Equipment Budget

811-Airport K9

K9 Police Mobile Data Terminal Computers

Start Date	End Date	Dept. Ranking
10/1/2026	9/30/2027	

Location: E-9

Funding Source:	Operating Cash (860)	Category: Equipment			
Amount to Approve:	Revenue:	$10,000.00	Expense:	$10,000.00	

Equipment Description:

2 laptop computers for mounting onto stands in K9 vehicles to support switch to the Melbourne Police Department (MPD) Tyler Enterprise Police reporting system.

Equipment Justification:

The Airport K9 unit is switching to the MPD Tyler Enterprise police reporting system to match the CAD system currently being utilized with the MPD Communications police dispatch service. This requires mobile data terminals to utilize on the updated system, which is different than current Tyler New World reporting system through the Brevard County Sheriff's Office. K9 Officers will have direct access to the CAD system which will provide expanded capabilities of initiating activity involving logging patrol events and not-in-progress calls for service. K9 officers would also use the mobile data terminals to log into the TSA canine software program to make all required entries in the time frames specified in the OTA between the Airport Authority and the TSA.

Is this a replacement or new equipment? If replacement, what piece of equipment are you surplusing?

New Equipment.

Implications of Deferring Equipment:

Increased costs to use loaner mobile data terminals from the City of Melbourne to connect to the MPD Tyler Enterprise system.

EQUIPMENT SUMMARY	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	Project Total
Capital Revenues						
Operating Cash (860) - 387014	$10,000					$10,000
Subtotal Revenues	$10,000	$0	$0	$0	$0	$10,000
Capital Costs						
Capital Equipment - 564000	$10,000					$10,000
Subtotal Costs	$10,000	$0	$0	$0	$0	$10,000

FY 2027

Rates

Melbourne Orlando International Airport
Rate Schedule FY 27

Airlines/Airfield Fees

Description	Unit of Measure	Current Rate	Increase	New Rate
Ticket Counter Space	psf per year	$ 225.00	0%	$ 225.00
Office Space	psf per year	$ 30.00	0%	$ 30.00
Operations Space		$ 18.00	0%	$ 18.00
Landing Fees-Signatory	per 1,000 lbs	$ 1.88	2.7%	$ 1.93
Landing Fees-Non-Signatory	per 1,000 lbs	$ 2.81	2.7%	$ 2.89
Gate Use Per Turn Charge - Signatory		$ 277.00	0%	$ 277.00
Gate Use Per Turn Charge - Non-Signatory		$ 311.00	0%	$ 311.00
Passenger Service Agent Charge per Turn		$ 63.00	0%	$ 63.00
Passenger Service Agent Charge Non-Signatory		$ 69.00	0%	$ 69.00
Fuel Storage		$ 0.07	0%	$ 0.07
Fuel Flowage		$ 0.07	0%	$ 0.07
Ground Handling - PAF Main Line Domestic - Signatory		$ 407.00	0%	$ 407.00
Ground Handling - RON-Main Line Domestic - Signatory		$ 557.00	0%	$ 557.00
Ground Handling - PAF RJ Domestic - Signatory		$ 218.00	0%	$ 218.00
Ground Handling - RON RJ Domestic - Signatory		$ 364.00	0%	$ 364.00
Ground Handling - PAF- Non-Signatory		$ 537.00	0%	$ 537.00
Ground Handling - RON Non-Signatory		$ 696.00	0%	$ 696.00
Above Wing - RON RJ Domestic - Signatory		$ 139.00	0%	$ 139.00
Above Wing - PAF RJ Domestic - Signatory		$ 174.00	0%	$ 174.00
Above Wing - PAF - Non-Signatory		$ 219.00	0%	$ 219.00
Baggage Claim Use Fee - Non-Signatory		$ 1.15	0%	$ 1.15
Ice	per flight	$ 2.30	0%	$ 2.30
Jet Bridge Fee - Non-Signatory		$ 25.00	0%	$ 25.00
After hours International Arrival Fee		$ 400.00	0%	$ 400.00
Waste Disposal by Customs		$ 100.00	0%	$ 100.00
Waste Disposal by Airport		$ 894.00	0%	$ 894.00

Airfield Operations Fees

Description	Unit of Measure	Current Rate	Increase	New Rate
GRE User Fee	per use	$ 40.00	0%	$ 40.00
Jet Aircraft Parking Overnight	per day	$ 100.00	0%	$ 100.00
Commuter Parking Overnight	per day	$ 100.00	0%	$ 100.00
Ticket Counter Usage	per Operation	$ 322.50	0%	$ 322.50
Gate/Terminal Usage	per Operation	$ 250.00	0%	$ 250.00
Fuel Truck Permit	per year	$ 600.00	50%	$ 900.00
Ramp Fees - Remote Parking	per block	$ 50.00	0%	$ 50.00
Badge Fee-Initial Badge	Per badge	$ 80.00	6%	$ 85.00
Badge Fee-Renewal Badge	Per badge	$ 38.00	5%	$ 40.00

Parking/Ground Transportation Fees

Description	Unit of Measure	Current Rate	Increase	New Rate
Ready Return Space	per month	$ 25.00	20%	$ 30.00
Based Employee Parking Permit	per year	$ 120.00	4%	$ 125.00
Non-Based Employee Parking Permit	per year	$ 275.00	0%	$ 275.00
Commercial Ground Transportation Vehicle Permit	per year	$ 50.00	0%	$ 50.00
Ground Transp. One time Pick up		$ 10.00	0%	$ 10.00
Trip Fee (8 passengers vehicles or less)	per trip	$ 2.00	0%	$ 2.00
Trip Fee (large vehicles-more than 8 passengers)	per trip	$ 10.00	50%	$ 15.00
Uber/Lyft Trip Fee	per trip	$ 2.50	0%	$ 2.50
Parking Short Term	First 20 Min	$ 1.00	0%	$ 1.00
Parking Short Term	Each 30 Min	$ 1.00	0%	$ 1.00
Parking-Daily Max Rate	24 Hour Max	$ 16.00	0%	$ 16.00
Parking Rate until Max reached	Each 20 Minute	$ 1.00	0%	$ 1.00
Fee for coordinating/paying invoices on behalf of tenant	per invoice	20%	0%	20%

Melbourne Orlando International Airport
Per Turn Rate Schedule FY 27

Per Turn Rates

Type of Aircraft	SIGNATORY Non-RON	SIGNATORY RON		NON-SIGNATORY Non-RON	NON-SIGNATORY RON
717	$ 1,064.30	$ 1,214.30		$ 1,513.05	$ 1,672.05
A319/A320	$ 1,111.55	$ 1,261.55		$ 1,616.00	$ 1,775.00
A321XLR	$ 1,329.10	$ 1,479.10		$ 2,055.28	$ 2,214.28
737	$ 1,182.42	$ 1,332.42		$ 1,704.54	$ 1,863.54
787	$ 3,108.95	$ 3,258.95		$ 4,038.73	$ 4,197.73

Note 1: Rates do not include cargo handling, PFC, CFC, Fuel Fees, or Office/Storage Rent.

Note 2: RON stands for Remain Over Night.

Council will convene as the Melbourne Downtown Community Redevelopment Agency for the following item:

Melbourne City Council
September 9, 2026
City Manager's Item Report

Department:	Financial Services
Presenter:	Ross McGinn
Council District:	N/A
Reading Number:	N/A
Quasi-judicial Item (Disclosure Required):	No
Public Hearing:	Yes
Item Number:	A.6.

Subject:
Adoption of the FY2027 Proposed Budget for the Melbourne Downtown Community Redevelopment Fund

Background/Consideration:
In accordance with Chapter 200.065, Florida Statutes, community redevelopment agencies must adopt their respective proposed budgets for inclusion in the City's final adopted budget. The budget presented in the FY2027 Proposed Budget book for the Melbourne Downtown Redevelopment Fund is $3,203,264 and is adopted at the fund level.

The detailed budget can be found on pages 49 through 50 of the proposed budget book.

Fiscal/Budget Impact:
The total revised budget for the Melbourne Downtown CRA Fund will be $3,203,264.*

*Subject to Council discussion under Item 4.

Requested Action:
Adoption of the FY2027 proposed budget for the Melbourne Downtown Community Redevelopment Fund in the amount of $3,203,264.*

*Subject to Council discussion under Item 4.

Council will convene as the Olde Eau Gallie Riverfront Community Redevelopment Agency for the following item:

Melbourne City Council
September 9, 2026
City Manager's Item Report

Department:	Financial Services
Presenter:	Ross McGinn
Council District:	N/A
Reading Number:	N/A
Quasi-judicial Item (Disclosure Required):	No
Public Hearing:	Yes
Item Number:	A.7.

Subject:
Adoption of the Proposed FY2027 Olde Eau Gallie Riverfront Community Redevelopment Fund Budget.

Background/Consideration:
In accordance with Chapter 200.065, Florida Statutes, community redevelopment agencies must adopt their respective proposed budgets for inclusion in the City's final adopted budget. The budget presented in the FY2027 Proposed Budget book for the Olde Eau Gallie Riverfront Community Redevelopment Fund is $1,296,849 and is adopted at the fund level.

The detailed budget can be found on pages 52 through 53 of the proposed budget book.

Fiscal/Budget Impact:
The total revised budget for the Olde Eau Gallie Riverfront CRA Fund will be $1,296,849.*

*Subject to Council discussion under Item 4.

Requested Action:
Adoption of the FY2027 proposed budget for the Olde Eau Gallie Riverfront Community Redevelopment Fund in the amount of $1,296,849.*

*Subject to Council discussion under Item 4.

Council will reconvene for the remaining items.