

SEDONA AIRPORT

2026 ANNUAL REPORT



Table of Contents

Letter from the General Manager.....	3
Meet Our Team	4
Capital Improvement Projects.....	7
Safety and Security	10
Development	12
Special Events	14
Emergency Services Support	15
Marketing and Business Development.....	17
Our Partners.....	20
Financial Management	22
Key Performance Indicators	26



Letter from the General Manager

September 14, 2026

To the Board of Directors,

The Sedona-Oak Creek Airport Authority continues its outstanding stewardship of the Sedona Airport on behalf of Yavapai County. Any airport can measure success by its contributions to the community. Sedona Airport is no different. Be it helping the Sedona Food Bank during Wings and Wheels, Sedona Car Club scholarship program, Trail Keeper's Program, or packing the bus for the annual Toys for Tots Campaign, the Authority is involved. Management continues its involvement with the Sedona Chamber of Commerce and Tourism Bureau as a Board member and a member of its executive committee and with the Sedona Arts Center as a Board member. The airport continues to support a myriad of operations from law enforcement to fire suppression, to air ambulance services, search and rescue actions, military activity, charter operations, and General Aviation users.

Administration continued the rewrite of core operating documents. The Authority adopted new Minimum Operating Standards and accompanying Commercial Operator Application. This follows the Rates and Charges Study performed last year. Next core documents to be addressed are a leasing policy, to demystify the leasing process. The airport's Rules and Regulations will be rewritten as well. Times change and the Rules and Regs should be compliant with FAA standards and reflect current conditions.

Engagement continues with the Arizona Airports Association with myself and our Deputy General Manager serving as board members. Engagement also continues with the Rural Transportation Advocacy Council, State Transportation Board, and various elected officials. We sincerely appreciate the partnership cultivated with Yavapai County.

Sincerely,

Ed Rose
General Manager
Sedona-Oak Creek Airport Authority

Serving Yavapai County • Sedona Airport (KSEZ)



Meet Our Team

The Airport directly creates 24 jobs. When we consider all the businesses on the Mesa that are licensed or permitted by the Airport, we collectively generate approximately 176 jobs. This number coincidentally matches the size of the City of Sedona's municipal government. We take pride in being a job engine for the community.

Administration



Ed
General Manager



Cameron
Deputy General Manager

Business Office



Shannon
Chief Financial Officer



Patresa
Business Manager



Marlene
Assistant Business Manager

Airport Operations & Maintenance



Tim
*Ops and Maintenance
Supervisor*



Ben E.
Line Technician



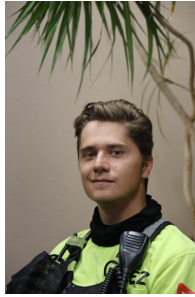
Tanner
Line Technician



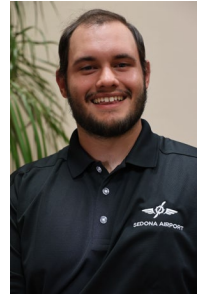
Doug
Line Technician



Keelin
Line Technician



Erik
Line Technician



Connor
Line Technician



Mike
Line Technician



Chuck
Line Technician



Brad
Line Technician



Vacant
Maintenance Technician



Mark
Special Projects Coordinator

Airport Overlook



Ben K.
Overlook Supervisor



Astara
Booth Attendant



Gloria
Booth Attendant



Jim
Booth Attendant



FBO – Red Rock Aviation



Jill
Sr. Flight Service Concierge



Mary L.
Flight Service Concierge

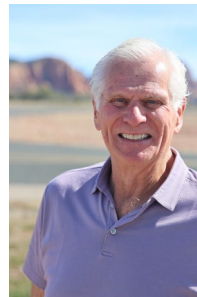


Mary V.
Flight Service Concierge

Sedona-Oak Creek Airport Authority Board of Directors



Pam Fazinni
President



Scott Brewster
Vice-President



Mike Schroeder
Treasurer



Tim Miller
Director



Jack Ross
Director



Ed Kettler
Director



Capital Improvement Projects

The year has been full of planning and executing projects critical to facility safety and financial sustainability for the organization. Key projects currently underway in 2026 include the expansion of fire suppression water project, rehabilitating infield drainage reconstruction of the helicopter six-pack, new taxiway design, hangar rehabilitation design, and new hangar development in partnership with private enterprise. This is an exciting period for the Authority.

It is important to remember that all revenues in excess of operational expenses are allocated to maintain, replace, and enhance vital infrastructure. This is an imperative for longevity, safety, and security reasons which are all part of the airport's core mission. A full detail of the airport's 5-Year Capital Plan is available in a companion document bearing that title. The intent of this section is to provide an overview of projects in progress or completed in the reporting period.

2026 Capital Projects In Progress

Project Name	FAA Grant Funding	ADOT Grant Funding	Airport Funding	Project Status
Fire Suppression Water System	\$0	\$0	\$1,657,716	Construction
Infield Drainage	\$2,726,355	\$71,746	\$71,746	Contract Awarded
Helicopter Six-Pack Rehab	\$568,779	\$14,967	\$14,967	Contract Awarded
Hangar Rehab	\$0	\$0	\$183,732	In Design
Taxilane for Airside Development	\$124,314	\$3,271	\$3,271	In Design

Fire Suppression Water System

The Authority was successful in securing WIFA (Water Infrastructure Finance Authority) funding of our fire suppression water project. This project is the first phase toward total completion. The completion of the construction phase of this project creates availability of airport parcels for development. Fire suppression water capacity will grow from 90k gallons to over 350k gallons. This quantity is sufficient to support future growth of revenue producing properties. This vital asset will service both existing and future development as well as local firefighting efforts.



FSWS Tank Erection

Infield Drainage

The airport currently lacks a functional stormwater drainage system, which has led to heavy erosion, particularly in the infield in between the Runway and Taxiway A. The resulting ditch is up to 5 feet deep and presents a serious hazard for aircraft and does not meet FAA runway safety area standards to support aircraft in the event of a runway excursion. The airport has secured grant funding from the FAA and ADOT through Yavapai County as the airport sponsor to install a new stormwater drainage system for the airfield portion of the mesa. This project will bring the currently non-compliant drainage feature into compliance, eliminating a serious safety concern in the runway safety area.



Infield Ditch Erosion



Helicopter Six-Pack

The helicopter six-pack reconstruction replaces failing pavements. The six-pack accommodates all types of rotorcraft; from valley visitors and aerial tours, to law enforcement, to search and rescue actions, military operations, APS power line inspections, medical transport, and firefighting operations. The integrity of the six-pack is paramount in support of operations.



The Helicopter Six-Pack

Hangar Rehabilitation – Design Phase

This project examines existing conditions in Authority operated aircraft hangars. Units have displayed normal wear and tear, but have aged. The rehabilitation project intent is to make the units safe and add longevity. This is expected to lead into a 2027 construction phase.



Hangar Interior Wall Buckling



Safety and Security

Sedona Airport continued to prioritize the safety and security of pilots, passengers, and the surrounding community through a series of targeted infrastructure and operational initiatives this year. A key advancement was the integration of Virtower's Remote ID drone detection system, which strengthens airspace awareness by identifying and tracking unmanned aircraft operating in the vicinity of the airfield. This technology gives airport staff real-time visibility into drone activity, helping to mitigate potential conflicts with manned aircraft and reinforcing the airport's commitment to a secure operating environment as drone usage in the region continues to grow.



A Pilatus PC-12 Landing on Runway 03

Airfield safety remains an ongoing focus, and the airport has grant funding for the upcoming Infield Drainage project and bids have been awarded to the contractor, bringing this project to completion in the near term. This initiative is designed to improve stormwater management across the airfield, reducing the risk of ponding and erosion in the runway infield. The existing system is non-functional leading to deep ditches being eroded during monsoon season, creating a hazard for aircraft in the event of a runway excursion. By addressing drainage deficiencies proactively, the airport is investing in the long-term durability and safety of its infrastructure while minimizing weather-related operational disruptions.



A Cessna 421 In the Infield After a Runway Excursion in March 2026

In addition, the airport's operations vehicles have been marked in compliance with FAA guidance to improve visibility on the airfield, and are currently in the process of receiving ADS-B out transmitters, which will enhance situational awareness for pilots and air traffic control by broadcasting the vehicles' position in real time.



Truck "OPS-01" Wearing Its New Markings

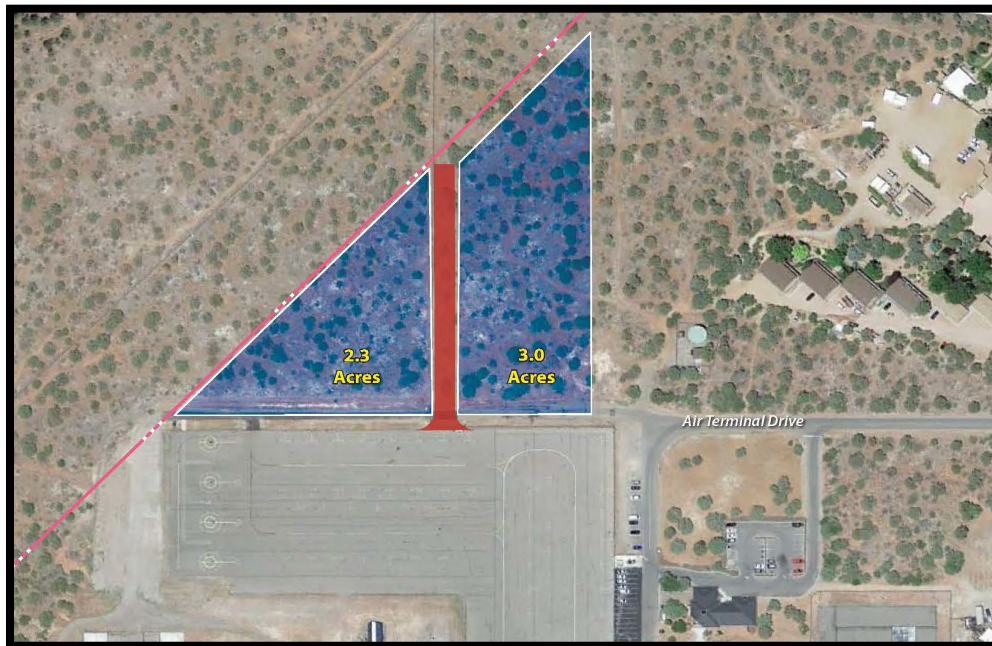
Emergency preparedness saw significant progress with the drafting and implementation of a new Airport Emergency Plan (AEP). This comprehensive plan establishes clear protocols and coordinated response procedures for a range of potential emergency scenarios. To ensure the plan's effectiveness, the airport partnered with the Sedona Fire District and Sedona Police Department to conduct tabletop exercises, allowing all parties to walk through response scenarios, identify gaps, and refine communication and coordination procedures. These exercises strengthen the airport's readiness and reinforce the strong working relationships between the airport and its local emergency response partners.



Finally, the airport made meaningful strides in fire safety infrastructure through the Fire Suppression Water Project. This initiative improves access to firefighting water resources on the mesa, addressing the unique challenges posed by the airport's elevated location in the event of a structure fire, aircraft incident, or wildland fire. By enhancing water availability and accessibility for emergency responders, this project significantly bolsters the airport's ability to protect people, aircraft, and facilities in the event of a fire emergency.

Development

The Sedona Airport made significant progress on several major land development initiatives this year, with much of the activity centered on the parcels adjacent to the west apron. The airport issued two separate Requests for Proposals (RFPs) for these parcels, aimed at bringing in qualified developers to construct connected executive box hangars on the sites. An RFP for Parcel 2 was released in the spring, and the airport is now in active negotiations with the leading proposer as that process moves toward completion. A second RFP, for Parcel 1, was released more recently and closes on September 18th. The airport anticipates strong interest in this opportunity as well, given the demand for hangar space in the region.



West Apron Development Parcels

The development of these parcels represents an important step for the airport's long-term capacity. Once complete, the new executive box hangars will allow the airport to accommodate larger jets and turboprop aircraft that it currently lacks the infrastructure to house. This expanded capacity is expected to attract a broader range of based aircraft and visiting operators, positioning the airport to better serve current and future clients with more sophisticated aircraft needs.



Elsewhere on the field, the airport capitalized on an opportunity created when Guidance Aviation reduced its tour operations, freeing up one of the airport's modular buildings. The airport issued an RFP for the space over the summer, and following that process, Sedona Airways has since moved in as the new tenant. This transition reflects the airport's ongoing effort to keep its facilities fully utilized and responsive to shifts in tenant needs across the field.

Additionally, the airport successfully negotiated the transfer of the Masonic Lodge lease from Cloth & Flame to Sky Ranch Lodge. This transfer marks an important milestone for the parcel, and the airport is eager to see development move forward there, as well as on the adjacent 4.6-acre Expansion Parcel, once the necessary zoning approvals are secured.

The airport is actively engaged in the development of a Long-Range Strategic Business Plan that will guide the future of the airport. With a particular focus on development. As the airport moves closer to full-build out, the use of available space, opportunities for land acquisition, and infill or redevelopment opportunities will play a larger role. This plan will ensure that the airport remains forward-thinking and focused on long-term objectives. The plan is estimated to be completed in the first quarter of 2027.

Together, these development efforts reflect the airport's broader strategy of strengthening its revenue base to support ongoing infrastructure investment on the mesa. As the airport continues to grow, these new revenue streams will play a critical role in funding the projects and improvements needed to maintain a safe, modern, and efficient facility. Just as importantly, this development work ensures the airport is well positioned to meet the needs of its expanding client base, from based aircraft owners to transient operators, now and in the years ahead.



Special Events

As we approach the Fall season, Wings & Wheels on Saturday, October 10th looms large as our signature event. Last year's event was unfortunately cancelled due to inclement weather, but many of our sponsors enthusiastically rolled over their financial commitments to this year. We go forward with greater sponsorship than ever before. Additionally, we have a nice stable of aircraft and aerial events including several parachute jumps, a planned military F-35 flyover, a firefighting waterdrop demonstration, and our typical array of interesting static display aircraft anchored by the world's only PB-4Y in flyable condition!

On the other side of the calendar, we hosted our third annual 'Great Sedona Fly-In' which offered five sessions of FAA WINGS Seminars the first weekend in May. We had the most pilots per session in our short history, offered a substantial AVGAS discount, and featured giveaways of a warbird flight, aircraft detailing, and various Red Rock Aviation merchandise items to those who attended. We hope to develop and expand this event to be even greater in following years.



Great Sedona Fly-In Event Poster



Wings & Wheels 2026 Event Poster



Emergency Services Support

Sedona Airport continues to play a vital role in supporting emergency response efforts throughout the region. In 2026, the airport's value as a critical emergency-response asset was demonstrated during the Pocket Fire, which began north of Sedona in June and ultimately grew into a major wildfire incident requiring extensive aerial firefighting resources.

For more than a month, Sedona Airport served as a U.S. Forest Service helitack base supporting firefighting operations on the Pocket Fire and throughout the surrounding region. At the height of the response, the airport supported as many as 12 helicopters, providing a strategic staging location for aircraft, crews, fuel, and logistical support. With much of the fire burning in steep and difficult terrain, helicopters played an essential role in transporting firefighters and equipment and conducting aerial suppression operations. The airport's location, infrastructure, and aviation services allowed these resources to remain close to the incident and respond efficiently as conditions changed.



Helitack Base Operations during the Pocket Fire

The Pocket Fire response highlighted the airport's ability to rapidly transition from a general aviation facility into a large-scale emergency aviation hub. It also demonstrated the importance of maintaining aviation infrastructure capable of supporting federal, state, and local emergency agencies when the community and surrounding forests are under threat.

Beyond wildfire response, Sedona Airport continues to serve as an important link in the region's emergency medical transportation network. Medical helicopters routinely utilize the airport for refueling, staging, and patient transfers, providing an efficient connection between ground-



based emergency services and regional medical facilities. These operations are particularly important in a community where difficult terrain, tourism, and the distance to higher-level medical care can make rapid air transportation critical.

The airport also continues to support Arizona Department of Public Safety Air Rescue operations. In 2026, DPS Ranger 3, a Bell 429 rescue helicopter, was temporarily based at Sedona Airport, providing an additional regional resource for search and rescue, law enforcement, and emergency medical missions. The aircraft has supported complex rescues in the rugged terrain surrounding Sedona, including operations requiring specialized short-haul capabilities.



DPS's "Ranger 3" Bell 429 Helicopter

These activities represent an important but sometimes overlooked role of Sedona Airport. Beyond serving residents, visitors, businesses, and general aviation users, the airport provides infrastructure that emergency agencies can depend on when seconds and minutes matter. Through continued cooperation with the U.S. Forest Service, Arizona Department of Public Safety, air medical providers, local fire and rescue agencies, and other emergency-response partners, Sedona Airport remains an essential component of the region's emergency-response system.



Marketing and Business Development

In 2026, Sedona Airport refreshed its brand identity to better reflect the character of its scenic location and the direction of the airport's future growth. The refreshed brand brings the airport's visual identity into closer alignment with the red rock landscape that surrounds it while also reflecting the growing importance of business aviation to the airport. The updated logo and overall brand image provide a more modern identity that better represents Sedona Airport and its position as a destination for private and corporate aviation.



New Airport Logo

The airport continued to expand its marketing and business development efforts throughout the year. These efforts focused on increasing awareness of the airport among aviation users, promoting the Airport Mesa as a destination, and building stronger relationships with businesses and organizations throughout the community.

The airport launched a refreshed digital advertising campaign through its MultiView partnership, targeting business aviation users and promoting Sedona Airport as a convenient destination for corporate and general aviation travelers. The airport also maintained its annual presence at the National Business Aviation Association Schedulers & Dispatchers Conference. The conference provides an opportunity to meet directly with flight departments, schedulers, dispatchers, operators, and other aviation professionals who influence business aircraft travel.



MutiView Campaign Ad

The airport also made several improvements to its digital presence. A minor refresh to the airport website brought the site into alignment with the new branding while preparing for a larger website redevelopment. The upcoming website project will provide a more modern and accessible online experience and will be designed to meet the federal Title II requirements of the Americans with Disabilities Act.

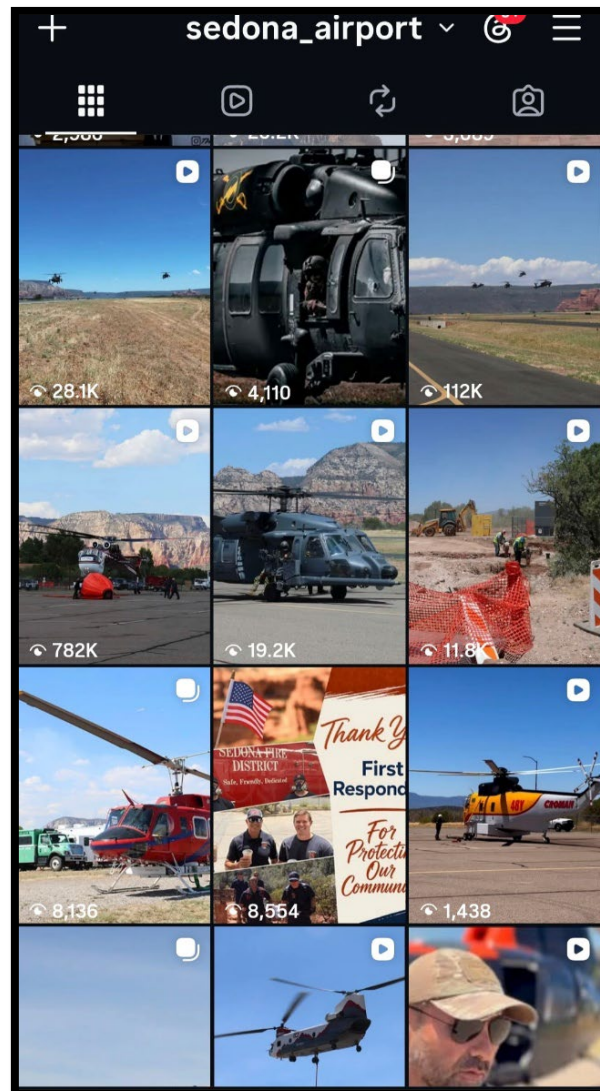


Airport Website Home Page



Social media continued to be an important part of the airport's marketing strategy. During the past year, the airport significantly increased its social media following and expanded its reach through consistent organic content featuring aviation, the Sedona destination, airport businesses, and activities on the Airport Mesa. Airport social media content reached more than 4 million people organically during the year, providing significant exposure to Sedona Airport and the businesses and attractions located on the Airport Mesa.

One of the year's most significant business development initiatives was the creation of the Airport Marketing Consortium. The consortium brings airport tenants together to coordinate marketing efforts and promote the Airport Mesa as a destination. This represents a new approach to airport marketing by encouraging tenants to work together rather than promoting their businesses independently. The goal is to build a stronger identity for the Airport Mesa and increase awareness of the unique aviation, tourism, hospitality, and recreational opportunities available at the airport.



Airport Instagram Page

The Airport Marketing Consortium also creates opportunities for greater cooperation with local tourism organizations and other destination marketing partners. By connecting the airport's aviation audience with Sedona's established tourism brand, these partnerships can help attract new visitors while highlighting the airport's role as a gateway to the region.

Together, these efforts are helping establish a stronger and more consistent identity for Sedona Airport and the Airport Mesa. Through targeted business aviation marketing, industry outreach, digital communications, tenant collaboration, and partnerships with tourism organizations, the airport is continuing to develop the Airport Mesa as a unique destination for pilots, aviation enthusiasts, visitors, and the local community.



Our Partners

Sedona Airport values the collaborative relationships with the tenants, service providers, agencies, and community partners that support airport operations and the broader Sedona community. We are pleased to welcome three new organizations: Sedona Airways, which offers private air charter flights and scenic airplane tours; Bluebird Air Tours, providing scenic airplane tours; and McCluff Aviation, specializing in aircraft repair, maintenance services, and avionics sales. We are also pleased to announce that Sky Ranch Lodge plans a multi-million dollar expansion of its event venue and hospitality offerings.

Airport Businesses & Commercial Partners

 APEX AIR	 SEDONA AIRWAYS THE DESERT'S AIRLINE	 GUIDANCE AIR	 McCluff Aviation
 UNTETHERED AVIATION	 MESA GRILL AT THE SEDONA AIRPORT	 SKY RANCH LODGE	 BLUEBIRD air tours sedona
 SEDONA CAR RENTALS	 enterprise	 Heartline Catering	 Red Rock BALLOON ADVENTURES SEDONA, ARIZONA 800-258-3754 • redrockballoons.com
 Oak Creek Arts & Crafts Show	 LUXAIR DETAIL	 AVFUEL	



Government Partners

			
---	---	--	---

Non-Profit Associations



Financial Management

In comparing the first six months of 2026 to the same period in 2025, SOCAA's Operating Revenue increased by 30%, while Net Revenue rose by 52%. This growth enabled us to reinvest \$765,000 back into our mission. By the end of the second quarter, we achieved a significant milestone in our accumulated surpluses designated for future operations. Our Cumulative Lifetime Net Assets reached \$14.7 million, reflecting a 6% increase compared to the previous year. These results, along with the analysis of performance indicators, demonstrate that our organization continues to maintain strong and stable financial health.



Gulfstream G650 Taxiing to Red Rock Aviation



Statement of Financial Position

	Six Months Ended		Percent Change
	June 30, 2026	June 30, 2025	
CURRENT ASSETS			
Cash	\$ 2,208,316	\$ 816,837	
Marketable securities	2,635,329	3,461,031	
AR	123,229	86,162	
Inventory	173,274	104,829	
Prepaid expenses	56,178	35,917	
Total	5,196,326	4,504,776	15%
NONCURRENT ASSETS			
Property, plant, and equipment	20,795,588	19,973,322	
Less: accumulated depreciation	(7,331,224)	(6,462,247)	
Net book value	13,464,364	13,511,075	
TOTAL	\$ 18,660,690	\$ 18,015,851	4%
CURRENT LIABILITIES	585,748	531,643	
LONG-TERM LIABILITIES †	3,349,823	3,622,270	
TOTAL	3,935,571	4,153,913	-5%
NET ASSETS	14,725,118	13,861,939	
TOTAL LIABILITIES & NET ASSETS	\$ 18,660,690	\$ 18,015,851	
LIQUIDITY & SOLVENCY INDICATORS			
Working capital	\$ 4,610,577	\$ 3,973,134	16%
Current ratio (times)	8.9	8.5	
Acid test ratio (times)	8.5	8.2	
LEVERAGE & CAPITALIZATION INDICATORS			
Debt-to-equity ratio †	0.23	0.26	

† \$566K Deferred Revenue must be recorded here, but it is not debt.

Deferred Revenue is excluded from Debt-to-equity ratio.



Statement of Operations

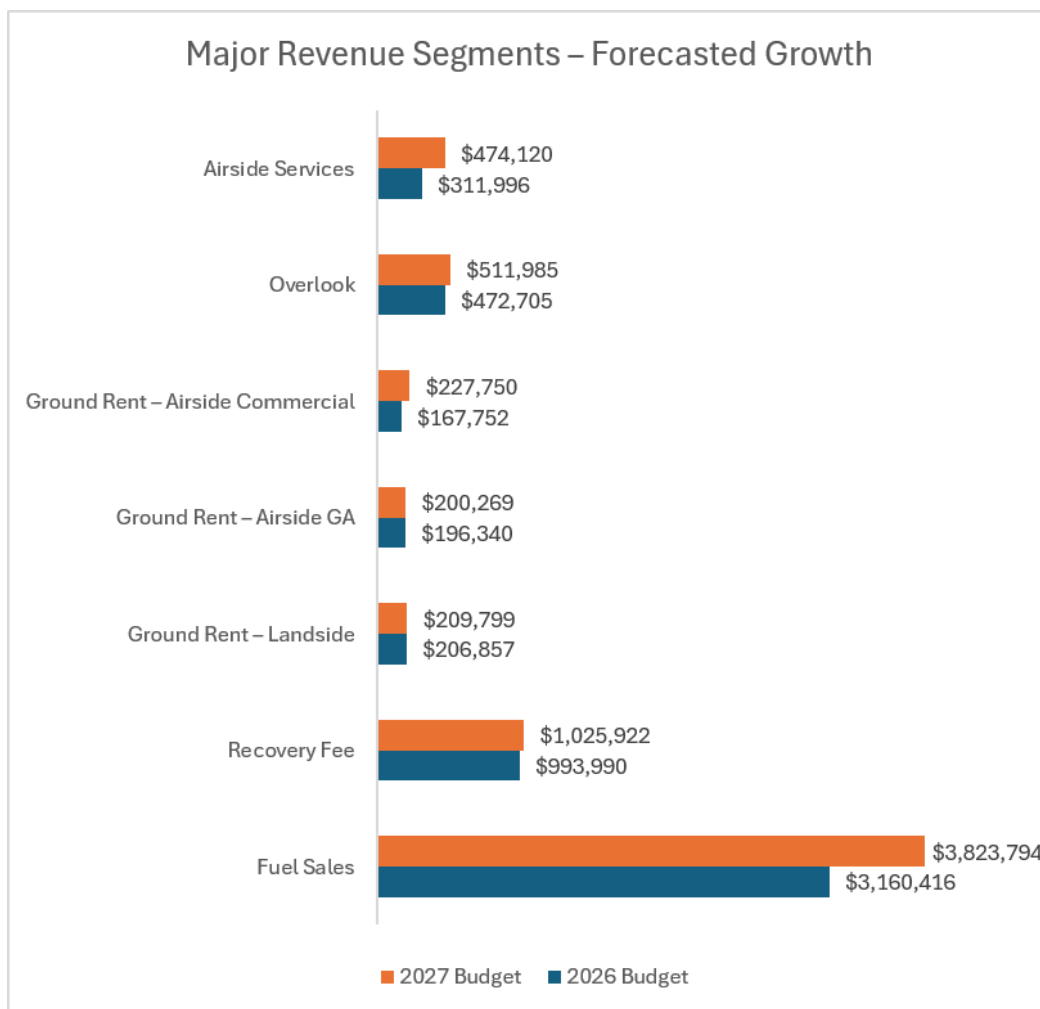
	Six Months Ended		
	June 30, 2026	June 30, 2025	Percent Change
SALES			
Fuel/Oil	\$ 2,190,137	\$ 1,536,459	
Airside services	264,775	177,283	
Ground rents	335,778	308,553	
Recovery fees	556,144	524,561	
Overlook parking/vendors	267,402	232,446	
Retail/donations	27,699	21,860	
Total	3,641,935	2,801,161	30%
COST OF SALES	1,275,081	830,844	53%
GROSS OPERATING REVENUE	2,366,854	1,970,316	
GENERAL & ADMINSTRATIVE COSTS			
Payroll	729,479	596,759	
Benefits	151,600	124,713	
Non-cash (e.g. depreciation)	266,972	266,972	
Administrative expenses	167,124	167,267	
Professional/contractors	140,164	147,024	
Other	152,050	166,683	
Total	1,607,388	1,469,418	9%
NET OPERATING REVENUE	759,466	500,899	52%
NON-OPERATING REVENUE	65,852	(33,011)	
NON-OPERATING EXPENSE	59,827	63,532	
NET REVENUE	<u>\$ 765,491</u>	<u>\$ 404,355</u>	89%
CUMULATIVE, LIFETIME NET ASSETS			
Net Assets, Start	13,958,866	13,457,597	
Revenue Exceeding Expenses	765,491	404,355	
Net Assets, End	<u>\$ 14,725,118</u>	<u>\$ 13,861,952</u>	6%
PROFITABILITY INDICATORS			
Gross Margin	65.0%	70.3%	
Net Margin	21.0%	14.4%	
LEVERAGE AND CAPITALIZATION INDICATORS			
Debt Service Coverage Ratio	2.72	2.04	



Looking Forward

As we conclude this year and prepare to enter the next, we are benefiting from several recently implemented cost control initiatives. Annually, we are saving between 20% and 35% on various expenses, including bottled water, landline phone service, wireless phone service, inland marine insurance, directors and officers' insurance, employment practices liability insurance, and legal consulting.

Next year, we anticipate continued growth across all major revenue segments, as illustrated in the chart below. This growth can be attributed to several factors: an increase in aircraft operations leading to higher fuel sales, innovations in micro-adjusting fuel margins, the success of emerging airside businesses, the expansion of one of our established landside business's product line, advancements in integrated marketing strategies, standard index-linked inflation adjustments for ground rents, and Sedona's strong tourism demand as a key regional destination and gateway.





Key Performance Indicators

The Sedona Aiport uses business metrics to inform decision-making and evaluate whether the organization is gaining or losing ground over time. The performance trends observed indicate strong sales growth and disciplined financial management.

Metric	2026 (projected)	2025	2024	2023	4-Year CAGR
Operational:					
Total Aircraft Operations	34,951	35,226	31,716	28,808	7%
Business Jet Operations	2,530	2,286	2,297	1,974	9%
Fuel Sales (gallons)	545,547	491,597	516,739	440,931	7%
Enplanements ¹	9,800	6,934	62	65	432%
Financial:					
Operating Revenue	\$6,383,884	\$5,533,494	\$5,540,167	\$4,907,405	10%
Cumulative Net Assets	\$14.7M	\$13.9M	\$12.2M	\$10.4M	12%
Working Capital	\$4,610,577	\$4,074,561	\$3,586,420	\$2,175,702	28%
Debt Service Coverage Ratio	2.7	1.3	2.2	1.7	na

¹ FAA Reported Enplanements. *Note: Staff engaged with tenants to encourage voluntary reporting in 2025*