

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

ADOPTED FY 2025/2026

BUDGET AND BUDGET OVERVIEW

DATE: JUNE 2, 2025



**Hollywood
Burbank
Airport**

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
ADOPTED FY 2025/2026 ("FY 2026") BUDGET
SUMMARY

SOURCES OF FUNDS: SUMMARY

	Adopted Budget FY 2026	Adopted Budget FY 2025	\$ Change	% Change
Rentals	\$ 18,800,000	\$ 18,350,000	\$ 450,000	2.45%
Parking	33,450,000	32,430,000	1,020,000	3.15%
Concessions	14,300,000	14,000,000	300,000	2.14%
Landing Fees	4,500,000	4,400,000	100,000	2.27%
Investment Income	7,995,000	7,910,000	85,000	1.07%
Ground Transportation	3,865,000	3,715,000	150,000	4.04%
Other Revenues	1,950,000	1,745,000	205,000	11.75%
Total Operating Revenues	84,860,000	82,550,000	2,310,000	2.80%
1) PFC Revenues / Reserves - Non-RPT	9,699,350	6,848,699	2,850,651	41.62%
1) Airport Improvement Program Grants - Non-RPT	2,820,650	2,073,301	747,349	36.05%
CFC Reserves	-	775,000	(775,000)	-100.00%
CFC Fees: 2012 Bond Issue	5,300,000	5,000,000	300,000	6.00%
Facility Rent - RAC	1,030,962	1,030,962	-	0.00%
Total Nonoperating Revenues	18,850,962	15,727,962	3,123,000	19.86%
Total Operating & Nonoperating Revenues	103,710,962	98,277,962	5,433,000	5.53%
2a) RPT Plan of Finance	586,392,795	503,838,000	82,554,795	16.39%
Total	\$ 690,103,757	\$ 602,115,962	\$ 87,987,795	14.61%

USES OF FUNDS: SUMMARY

	Adopted Budget FY 2026	Adopted Budget FY 2025	\$ Change	% Change
Bond P & I (2012 Issue)	\$ 5,832,439	\$ 5,833,134	\$ (695)	-0.01%
3) Bond P & I (2024 Issue)	-	-	-	N/A
Subtotal Debt Service	5,832,439	5,833,134	(695)	-0.01%
Operations and Maintenance	68,925,650	64,404,500	4,521,150	7.02%
Total Operating Expenses	74,758,089	70,237,634	4,520,455	6.44%
Facility Improvement Program				
Noise Mitigation	1,000,000	1,500,000	(500,000)	-33.33%
Other Improvements	11,225,000	11,357,000	(132,000)	-1.16%
2b) Development	595,956,795	507,848,000	88,108,795	17.35%
Total Facility Improvement Program	608,181,795	520,705,000	87,476,795	16.80%
Parking Tax	3,583,929	3,474,643	109,286	3.15%
Total Operating & Nonoperating Expenses	686,523,813	594,417,277	92,106,536	15.50%
Additional O & M Reserve Requirement	1,130,288	817,044	313,244	38.34%
4) Surplus Transfers to Reserves	2,449,656	6,881,641	(4,431,985)	-64.40%
Total	\$ 690,103,757	\$ 602,115,962	\$ 87,987,795	14.61%

Notes:

- 1) Represents Passenger Facility Charge (PFC) utilization and Airport Improvement (AIP) grants for projects other than the Replacement Passenger Terminal (RPT).
- 2a) Sources as identified in the RPT Plan of Finance to provide funding as applicable for estimated FY 2026 project expenditures.
- 2b) Includes FY 2026 estimated RPT expenditures, subject to modification as the fiscal year progresses.
- 3) The Series 2024 bonds were issued in May 2024 to support the financing of the RPT project. Bond interest will be capitalized through six months after project completion (October 2026), therefore full debt service is anticipated to not commence until the last quarter of FY 2027. RPT project completion bonds scheduled to be issued in FY 2026 with no debt service impacts for the fiscal year.
- 4) Surplus transfers to reserves are comprised of the following: (1) Facility Rent Reserve (\$498,523) restricted for allowed uses under the terms and conditions of the Non-Exclusive Concession and Lease agreement with the Rent-A-Car Companies; (2) Facility Development Reserve (\$1,951,133) unrestricted for future use.

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
ADOPTED FY 2025/2026 ("FY 2026") BUDGET
OPERATIONS & MAINTENANCE ("O & M") EXPENSES

ACCT #	DESCRIPTION	ADOPTED BUDGET FY 2026	ADOPTED BUDGET FY 2025	\$ AMOUNT CHANGE	% CHANGE
8000	Regular Wages	\$ 4,452,000	\$ 4,117,000	\$ 335,000	8.14%
8012	Overtime Wages	425,000	400,000	25,000	6.25%
8100	Sick Leave	332,000	313,500	18,500	5.90%
8102	Vacation	325,000	310,000	15,000	4.84%
8103	Payroll Taxes	465,100	429,000	36,100	8.41%
8104	Workers' Compensation Insurance	680,000	600,000	80,000	13.33%
8105	Group Insurance	710,000	601,500	108,500	18.04%
8107	Retiree Medical Trust	52,800	52,000	800	1.54%
8109	Holiday	288,500	272,500	16,000	5.87%
8110	Employee Retirement Plan	808,500	701,500	107,000	15.25%
8111	Employee Medical Opt Out	34,200	36,000	(1,800)	-5.00%
8115	FSA Admin.	900	900	-	0.00%
8120	Certification Pay	522,500	436,000	86,500	19.84%
8125	Training Pay	13,300	13,000	300	2.31%
8200	Office Supplies	105,000	95,000	10,000	10.53%
8202	Periodicals, Maps and Pamphlets	4,500	5,600	(1,100)	-19.64%
8204	Printing and Binding	16,500	15,400	1,100	7.14%
8206	Special Office / Other Supplies	127,800	131,500	(3,700)	-2.81%
8208	Postage	17,500	18,400	(900)	-4.89%
8210	Office / Noise Equipment Service	159,600	157,500	2,100	1.33%
8212	Copy Machine Lease	46,100	30,000	16,100	53.67%
8214	Office Equipment Rent	-	700	(700)	-100.00%
8216	Photographic Expense	-	400	(400)	-100.00%
8252	Recruitment Expense	60,000	30,000	30,000	100.00%
8254	Membership Dues	148,000	143,000	5,000	3.50%
8256	Uniform Expense	244,650	181,800	62,850	34.57%
8258	Commission Meeting	175,000	175,000	-	0.00%
8260	Conference Meeting	195,000	192,700	2,300	1.19%
8261	Training Expense	459,500	419,950	39,550	9.42%
8302	Fuel, Oil and Lubricants	350,000	525,000	(175,000)	-33.33%
8303	Low Value Communications Equipment	7,100	5,500	1,600	29.09%
8304	Low Value Machinery / Equipment	17,000	18,750	(1,750)	-9.33%
8305	Low Value Furniture / Fixtures	47,500	56,800	(9,300)	-16.37%
8306	Vehicle Repair / Maintenance Supplies	59,300	59,300	-	0.00%
8308	General Repair / Maintenance	166,300	170,000	(3,700)	-2.18%
8316	Shop Supplies	67,000	75,800	(8,800)	-11.61%
8318	Electrical Supplies	196,000	195,550	450	0.23%
8320	Plumbing, Heating and Air Conditioning	194,000	190,000	4,000	2.11%
8322	Building / Construction Supplies	105,250	85,250	20,000	23.46%
8324	Telephone Expense	585,000	425,000	160,000	37.65%
8326	Communications Maintenance	76,200	82,600	(6,400)	-7.75%
8332	Industrial Chemical Supplies	32,000	112,000	(80,000)	-71.43%

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
ADOPTED FY 2025/2026 ("FY 2026") BUDGET
OPERATIONS & MAINTENANCE ("O & M") EXPENSES

ACCT #	DESCRIPTION	ADOPTED BUDGET FY 2026	ADOPTED BUDGET FY 2025	\$ AMOUNT CHANGE	% CHANGE
8334	Operating / Maintenance Equipment Lease	\$ 75,300	\$ 67,650	\$ 7,650	11.31%
8335	Other Leases / Rentals	28,500	25,000	3,500	14.00%
8336	Utility – Gas	105,000	90,000	15,000	16.67%
8338	Utility – Electric	2,180,000	1,944,000	236,000	12.14%
8340	Utility – Water	560,000	539,000	21,000	3.90%
8341	Sign Repair and Maintenance	145,100	125,100	20,000	15.99%
8342	Landscaping Expense	370,000	285,000	85,000	29.82%
8344	Paint Expense	167,500	167,500	-	0.00%
8604	ARFF Services	4,875,000	4,474,000	401,000	8.96%
8606	Tenant Janitorial Services	1,066,000	1,111,750	(45,750)	-4.12%
8607	Janitorial Services	1,584,000	1,535,250	48,750	3.18%
8608	Refuse Collection	240,000	185,000	55,000	29.73%
8610	Contractual Building	242,000	262,000	(20,000)	-7.63%
8612	Contractual Systems	2,018,000	1,682,000	336,000	19.98%
8620	Contractual Vehicle Maintenance	470,000	465,000	5,000	1.08%
8622	Other Contracted O & M Costs	1,695,200	1,662,550	32,650	1.96%
8625	Contractual Parking Ops. (Self-Park / Valet)	5,655,000	5,500,000	155,000	2.82%
8626	Contractual Transportation Services	2,445,000	2,550,000	(105,000)	-4.12%
8702	Noise Consultants	101,000	97,000	4,000	4.12%
8704	Legal Services	1,000,000	1,000,000	-	0.00%
8706	Audit Services	310,000	200,000	110,000	55.00%
8708	Professional Management Services	20,850,000	18,700,000	2,150,000	11.50%
8709	Engineering Services	300,000	270,000	30,000	11.11%
8710	Financial Services	1,423,000	1,380,000	43,000	3.12%
8711	Other Professional Services	3,649,100	3,216,600	432,500	13.45%
8715	Environmental Services	435,000	235,000	200,000	85.11%
8804	Bad Debt Expense	-	4,000	(4,000)	-100.00%
8816	Insurance	2,035,000	2,085,000	(50,000)	-2.40%
8818	Public Relations / Advertising	138,250	129,000	9,250	7.17%
8819	Air Service Retention and Development	1,030,000	942,000	88,000	9.34%
8822	Licenses, Permits and Fees	361,100	353,700	7,400	2.09%
8825	Uninsured Loss	10,000	10,000	-	0.00%

TOTAL O & M EXPENDITURES	\$ 68,335,650	\$ 63,174,500	\$ 5,161,150	8.17%
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O & M EQUIPMENT AND PROJECTS

9010	Vehicles / Equipment	\$ 375,000	\$ 975,000	\$ (600,000)	-61.54%
9022	Other Machinery / Equipment	115,000	170,000	(55,000)	-32.35%
9026	Office Equipment / Systems	100,000	85,000	15,000	17.65%

TOTAL O & M EQUIPMENT / PROJECTS	\$ 590,000	\$ 1,230,000	\$ (640,000)	-52.03%
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TOTAL OPERATIONS AND MAINTENANCE	\$ 68,925,650	\$ 64,404,500	\$ 4,521,150	7.02%
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BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
ADOPTED FY 2025/2026 ("FY 2026") BUDGET
FACILITY IMPROVEMENT (CAPITAL) PROGRAM

PROJECT DESCRIPTION	COST	FUNDED BY			
		NON-RPT PFC REVENUES	NON-RPT AIP GRANTS	RPT: PLAN OF FINANCE	AIRPORT SHARE
BUILDING IMPROVEMENTS					
1) Minor Building Improvements	\$ 375,000	\$ -	\$ -	\$ -	\$ 375,000
TOTAL BUILDING IMPROVEMENTS	\$ 375,000	\$ -	\$ -	\$ -	\$ 375,000
IT / COMMUNICATIONS / SECURITY					
2) DVSS / Network Equipment	\$ 300,000	\$ -	\$ -	\$ -	\$ 300,000
TOTAL IT / COMMUNICATIONS / SECURITY	\$ 300,000	\$ -	\$ -	\$ -	\$ 300,000
EQUIPMENT					
3) Generator - Emergency Operations Center (EOC)	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
TOTAL EQUIPMENT	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
RUNWAY / TAXIWAY / ROADWAY PROJECTS					
4) Taxiway A/C Extensions: Design (multi-year)	\$ 2,500,000	\$ 485,250	\$ 2,014,750	\$ -	\$ -
5) Airport Pavement Management System	1,200,000	1,200,000	-	-	-
6) Runway / Taxiway Shoulder Rehabilitation (completion)	5,500,000	5,450,000	-	-	50,000
7) Airport Layout Plan Update	750,000	750,000	-	-	-
8) Pavement Rehabilitation	500,000	-	-	-	500,000
TOTAL RUNWAY / TAXIWAY / ROADWAY PROJECTS	\$ 10,450,000	\$ 7,885,250	\$ 2,014,750	\$ -	\$ 550,000
NOISE MITIGATION					
9) Part 150 Update (multi-year)	\$ 1,000,000	\$ 194,100	\$ 805,900	\$ -	\$ -
TOTAL NOISE MITIGATION	\$ 1,000,000	\$ 194,100	\$ 805,900	\$ -	\$ -
SUBTOTAL	\$ 12,225,000	\$ 8,079,350	\$ 2,820,650	\$ -	\$ 1,325,000
DEVELOPMENT					
10) Replacement Passenger Terminal Project (multi-year)	\$ 590,756,795	\$ -	\$ -	\$ 586,392,795	\$ 4,364,000
11) SEQ Reconfiguration: Design (continued)	2,700,000	1,620,000	-	-	1,080,000
12) SEQ RPS Reconfiguration: Construction (multi-year)	2,500,000	-	-	-	2,500,000
TOTAL DEVELOPMENT	\$ 595,956,795	\$ 1,620,000	\$ -	\$ 586,392,795	\$ 7,944,000
TOTAL FACILITY IMPROVEMENT PROGRAM	\$ 608,181,795	\$ 9,699,350	\$ 2,820,650	\$ 586,392,795	\$ 9,269,000

Notes:

- 1) Appropriations in the amount of \$375K have been included to address small projects.
- 2) Digital Video Surveillance System (DVSS) / Network Equipment: Installation of new and replacement equipment.
- 3) Emergency backup generator for the Airport Emergency Operations Center (EOC).
- 4) Design services for the Taxiway A and C extensions.
- 5) For reoccurring Airfield pavement analysis and reporting per FAA requirement.
- 6) Provides for the completion of the project in FY 2026.
- 7) To identify changes to the Airport as required (FAA).
- 8) To address critical Airport pavement infrastructure.
- 9) Continuation of multi-year program.
- 10) Replacement Passenger Terminal Project (multi-year):

		Forecasted Expenditures FY 2026	
Funded by RPT: Plan of Finance (see note below)			
Program Manager (Jacobs)	\$	12,219,732	
Design DB (HPTJV)		8,712,000	
Construction Work DB (HPTJV)		526,051,000	
Substation Aid in Construction (AIC)		39,410,063	
			\$ 586,392,795
Funded by Airport Share			
Support Services (Financial, Technical, Legal, Other)		2,864,000	
Commercial Paper Program Fees		1,500,000	
			4,364,000
Forecasted FY 2026 Project Expenditures			\$ 590,756,795

Note: RPT funding sources include AIP, PFC, BIL, GARBs, and Authority Reserves.

- 11) SEQ Reconfiguration Design: Continued design efforts for the southeast quadrant of the Airport.
- 12) SEQ RPS Reconfiguration Construction: Repurposing of the valet parking structure for public use.

Budget Overview: Fiscal Year 2025/2026 (“FY 2026”)



INTRODUCTION:

Fiscal year 2025/2026 (“FY 2026”) represents a pivotal, challenging time for the Airport as the Replacement Passenger Terminal (“RPT”) construction efforts for this important safety project continue to be on schedule towards completion and opening in October 2026. The Temporary Certificate of Occupancy (“TCO”) of the replacement facility is anticipated in May 2026.

FY 2026 will require significant transitional preparations and phasing from existing terminal operations to the RPT. The FY 2026 Operations and Maintenance (“O & M”) budget includes appropriations for key initiatives, including personnel staffing, to ensure both readiness for successful operations in the replacement terminal facility and continued safe, secure and compliant Airport-wide operations.

In addition, RPT completion bonds are scheduled to be issued during FY 2026, providing funding through the opening of the RPT. As this multi-year project is scheduled for opening in October 2026 (FY 2027), the adopted FY 2026 budget includes significant appropriations to continue with construction efforts to be funded through sources as identified in the project Plan of Finance, which primarily includes the 2024 and yet to be issued General Airport Revenue Bonds (“GARBS”), federal grant funding, Passenger Facility Charge fees and an already established Commercial Paper program.

The FY 2026 budget has been developed under growing uncertainties relating to the impacts of multiple changes / mandates from the new federal administration that may impact availability of future federal aviation funding, tax exempt / private activity municipal bond status, fluctuations in bond yields, pricing of goods and materials due to recently imposed tariffs, financial market instability and potential risk of an economic recession. Additionally, recent area wildfires have created competition for skilled labor and supplies. Airlines are already reporting reduced performance targets and expressing serious concerns with the industry’s outlook as decreased consumer confidence may dampen travel demand.

FY 2025 passenger activity is on track to exceed historical levels, primarily driven by the first six months (July through December). However, the uncertainty of future impacts on passenger demand / airline operations as many federal, economic and global issues evolve, creates caution as forecasts are generated. Therefore, assumptions utilized for the development of the FY 2026 budget remain conservative, premised on an activity reduction from FY 2025 levels.

Despite current uncertainties and challenges, the Airport remains geographically well positioned for long-term success as a strong O&D facility serving Southern California’s large population.

BUDGET OVERVIEW:

- **Highlights and Noteworthy Items:**

- Due to economic uncertainties and unknown impacts to future passenger demand, a conservative approach has been utilized to establish the FY 2026 passenger activity assumption upon which the budget is based. The FY 2026 budget has been premised at a 6,200,000 total passenger level reflecting a reduction from current estimated FY 2025 levels. This aligns closely with actual FY 2024 passenger activity (6,217,454) and is approximately 6.0% below estimated actual FY 2025 activity.
- Activity based operating revenues (parking, concessions, ground transportation, etc.) have been projected utilizing the 6,200,000 passenger activity assumption and include the favorable impacts of a full-year of parking rate increases implemented in FY 2025. Rental revenues have been programmed in accordance with existing tenant hangar leases and other space agreements which continue to reflect strong demand for occupancy. Investment income is programmed essentially flat to current levels as the portfolio balances are anticipated to remain stable with the Authority's planned contribution of \$100,000,000 to the RPT project to not occur until FY 2027.
- Operations and Maintenance ("O & M") expenses include appropriations in preparation of transferring terminal facility operations from the current location to the new RPT scheduled to open in October 2026. In addition, the focus remains on including appropriations to address the existing terminal facility as well as Airport-wide safety, security, compliance and operational requirements. Expense line items, where applicable, have been developed utilizing a zero-based budget approach.
- Recommended staffing additions have been carefully evaluated and address required tactical changes in Aircraft Rescue and Firefighting ("ARFF") procedures, law enforcement security requirements including transition to the replacement terminal facility, existing and future HVAC maintenance, as well as organizational modifications for future staffing sustainability.
- All existing debt service obligations are funded. The 2015 Revenue Bonds are fully defeased. Full debt service will not commence for the newly issued 2024 Series Revenue Bonds until FY 2027 as interest will be capitalized during construction of the RPT. The issuance of completion bonds in FY 2026 will not create any debt service obligation for the fiscal year.
- The FY 2026 budget includes estimated expenditures of \$590,756,795 to continue development of the multi-year RPT project scheduled for completion in October 2026 (FY 2027). The funding for the RPT will be from those sources as identified in the project Plan of Finance. Additional details are provided in Section III of this document.

BUDGET OVERVIEW – continued

- The FY 2026 adopted budget is presented as a balanced budget, which includes an estimated surplus to be transferred to reserves, with initially no change to the existing airline rental rates or landing fees. The signatory landing fee rate will remain at \$0.97 per 1,000 pounds landed weight and the non-signatory landing fee rate is programmed to remain at \$1.56 per 1,000 pounds landed weight. These rates are subject to change during the second half of the fiscal year.
- Due primarily to the defeasance of the 2015 Revenue Bonds and delay of debt service for the RPT Revenue Bonds, there is a resulting FY 2026 estimated operating surplus of \$2,449,656. Any operating surplus transferred to the Facility Development Reserve fund can be utilized for future use.
- Actual activity and financial performance will be closely monitored as FY 2026 progresses, which may result in recommendations for modifications to the budget program.

FY 2026 BUDGET: OVERVIEW BY CATEGORY

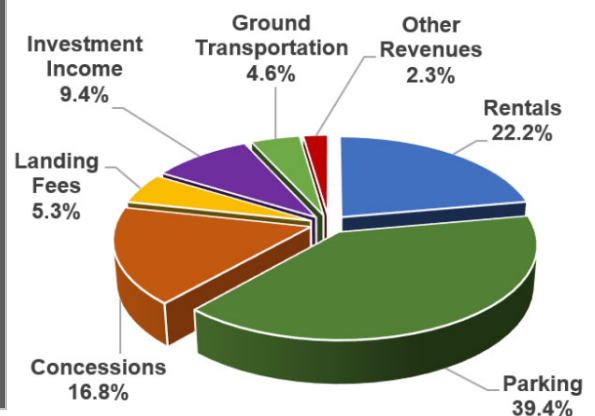
I. FY 2026 OPERATING REVENUES

FY 2026 operating revenues are programmed at \$84,860,000, a 2.8% (\$2,310,000) increase over FY 2025 budget levels but less than estimated actual FY 2025 amounts reflecting caution in activity-based revenue forecasts as the impacts of federal, economic, and global issues on passenger demand are unknown.

Below is a summary and highlights of projected operating revenues:

FY 2026 Operating Revenues: Summary

Rentals	\$ 18,800,000
Parking	33,450,000
Concessions	14,300,000
Landing Fees	4,500,000
Investment Income	7,995,000
Ground Transportation	3,865,000
Other Revenues	1,950,000
Total Operating Revenues	\$84,860,000



I. FY 2026 OPERATING REVENUES – continued

Rentals: \$18,800,000

Rental revenues are programmed \$450,000 above the prior year budget primarily due to favorable CPI increases as per existing lease contract terms. The adopted budget is slightly below the FY 2025 estimated actual amount due to the inclusion of a tenant improvement rent credit.

Parking: \$33,450,000

FY 2026 Parking revenues, forecasted at \$33,450,000, are \$1,020,000 greater than the FY 2025 budget. The increase is primarily attributed to the inclusion of a full year of parking rate increases implemented in FY 2025. Activity levels are based on 6,200,000 total passengers (approximately flat to FY 2024 levels).

Parking revenue is subject to the City of Burbank's 12% Parking Tax requirement, therefore, appropriations in the amount of \$3,583,929 are included in the adopted budget.

Concessions: \$14,300,000

This category includes revenues generated from rental car companies, food / beverage, gift / news, advertising and other ancillary concessionaires. The adopted FY 2026 budget is programmed at \$300,000 greater than the prior fiscal year budget and below estimated actual FY 2025 activity, reflecting the conservative reduction in forecasted passenger level activity and related consumer spending behavior.

Landing Fees: \$4,500,000

The FY 2026 budgeted increase of \$100,000 is based slightly below estimated actual FY 2025 revenues, reflecting a modest reduction from current activity due to unknown impacts to flight schedules resulting from economic and other issues.

Investment Income: \$7,995,000

Investment income has been forecasted essentially flat to the FY 2025 budget and slightly below estimated actual FY 2025 amounts reflecting a forecasted stable investment portfolio balance with a slightly reduced forecasted reinvestment yield on maturing portfolio funds.

The programmed utilization of \$100,000,000 in Airport Reserves to support the RPT project financing is not anticipated until FY 2027.

All reinvestments must follow the Authority's Investment Policy guidelines, which are based on capital preservation and conservative investments.

I. **FY 2026 OPERATING REVENUES – continued**

Ground Transportation: \$3,865,000

Ground Transportation reflects the Transportation Network Companies (“TNC”), also known as “rideshare”, passenger drop-off and pick-up fees. Also, included in this category are taxi and off-airport parking fees. The largest component of this revenue category results from the TNC fees of \$3.50 for each drop-off and each pick-up.

The forecast is based on the passenger activity level assumption of 6,200,000.

Other Revenues: \$1,950,000

This category is programmed at \$205,000 above FY 2025 budget levels. This category includes revenues derived from ground handling fees, aircraft remote parking fees, fuel flowage and security badging fingerprint fees.





II. **FY 2026 OPERATIONS AND MAINTENANCE (O & M) EXPENSES**

The Operations and Maintenance (“O & M”) Budget totals \$68,925,650, an increase of 7.02% (\$4,521,150) from the adopted FY 2025 budget. The adopted O & M Budget includes funding to address several key initiatives in readiness for successful operations in the RPT and remains focused to include appropriations which address the existing terminal facility and Airport-wide safety, security, compliance and operational requirements. All line items, where applicable, have been developed utilizing a zero-based budget approach. See Section III for line-item detail.

FY 2026 staffing levels are included as follows:

Staffing	Previous FTE Headcount	FTE Additions	Funded FY 2026 FTE Total	Account Numbers	Additional Details
Airport Police	35	4	39	8000 - 8125	Pg. 6
Aircraft Rescue and Firefighting	20	3	23	8604	Pg. 7
TBI Airport Management	131	6*	137	8708	Pg. 9
Total	186	13	199		

* Includes one (1) FTE for a previously authorized but unfunded position.

Additional staffing provided through other contracted services is not included in the above.

Noteworthy line items in the O & M budget are as follows:

➤ **Wages and Benefits: Accounts #8000 - #8125**

These appropriations, amounting to \$9,109,800, provide for the salaries and benefits associated with the Airport Authority’s police / public safety personnel. The budget was developed in accordance with the terms of the current Memorandum of Understanding (“MOU”), which went into effect February 1, 2023. The MOU is in effect through June 30, 2026.

The Workers’ Compensation insurance (Account #8104) is based on the renewal premium estimate received from the Authority’s insurance broker (policy renewal date is August 2025).

The Police Department appropriations cover 39 full-time equivalent (“FTE”) positions including an addition of four (4) FTE officer positions effective mid-fiscal year (January 2026). The four (4) additional positions are necessary to address current airport-wide law enforcement and public safety requirements as well as the transition into a larger replacement terminal facility. Appropriations also include the terms for both the Chief and Deputy Chief employment agreements.

II. FY 2026 OPERATIONS AND MAINTENANCE (O & M) EXPENSES – continued

➤ Aircraft Rescue and Firefighting (“ARFF”) Services: Account #8604

This account provides for the costs associated with the contracted TBI ARFF personnel. This line item reflects the direct personnel wages, benefits and reimbursement for actual out-of-pocket expenses including related insurance costs and management fee.

Appropriations (\$4,875,000) have been included in accordance with the Collective Bargaining Agreement (“CBA”) that went into effect July 1, 2023 (FY 2024). The CBA is in effect through June 30, 2026. The budget includes the addition of three firefighter positions to address tactical changes in ARFF procedures due to the mandatory transition to F3 firefighting foam. With the inclusion of the three additional positions, the total ARFF staffing level will be 23 FTE positions, which includes two (2) Command Staff personnel.

➤ Uniform Expense: Account #8256

The adopted budget of \$244,650 is increased \$62,850 over the FY 2025 budget primarily due to the inclusion of appropriations for the outfitting of four (4) police and three (3) firefighter FTE personnel additions.

➤ Fuel: Account #8302

The adopted \$350,000 budget is reduced primarily due to the transition of 50% of the parking shuttle fleet to full electric which commenced in May 2025.

➤ Telephone Expense: Account #8324

The \$585,000 adopted budget reflects an increase from FY 2025 budget levels primarily due to the addition of cellular phone assignments to public safety personnel and other required services to support recently upgraded communications systems.

➤ Industrial Chemical Supplies: Account #8332

Due to the acquisition and completion of the mandatory transition in firefighting agent to F3 foam in the current fiscal year, this line is reduced to \$32,000 for FY 2026.

➤ Utilities: Accounts #8336, #8338, #8340

These accounts, with a total adopted budget of \$2,845,000, cover expenditures associated with gas, electricity, and water use. Increases in these accounts factors in anticipated rate changes, primarily from Burbank Water & Power for water, sewer and electricity charges.

➤ Landscaping Expense: Account #8342

The adopted budget of \$370,000 includes increases as per the terms of the new contract with Parkwood awarded by the Commission, effective February 1, 2025.

II. FY 2026 OPERATIONS AND MAINTENANCE (O & M) EXPENSES – continued

➤ Contractual Systems: Account #8612

The adopted budget of \$2,018,000 reflects the inclusion of \$300,000 in appropriations to commence the establishment of an Airport-wide asset management system. The asset management implementation is anticipated to be completed in FY 2027, closely aligning with the Operational Readiness and Transfer (“ORAT”) program for the opening of the RPT.

➤ Contracted Parking Services (Self-Park / Valet): Account #8625

This line item, with appropriations of \$5,655,000, represents costs associated with the contracted services agreement effective October 2023 with ACE Parking (“ACE”) management for the Authority’s self-park and valet parking lot operations. The \$155,000 increase is primarily due to union wage adjustments.

➤ Contracted Transportation Services (Shuttle Services): Account #8626

This line item, with appropriations of \$2,445,000, represents costs associated with the contracted services agreement with ACE to provide turn-key parking shuttle bus services. The shuttle services were combined with parking management requirements in a rebid process which concluded with a contract award to ACE, effective October 1, 2023, resulting in a favorable cost structure.

FY 2026 appropriations include an additional \$120,000 per the ACE parking contract terms for the transition of four shuttles to full electric effective May 2025.



II. **FY 2026 OPERATIONS AND MAINTENANCE (O & M) EXPENSES – continued**

➤ **Professional Management Services (TBI Contract): Account #8708**

This line item represents the estimated FY 2026 costs associated with the Restated and Amended TBI Airport Management, Inc. contract. ARFF services expenses are not included as they are programmed separately in Account #8604.

The zero-based estimated FY 2026 costs (\$20,850,000) represent a \$2,150,000 increase from the current budget and include:

- 3% structural merit allowance adjustment for non-represented employees
- Collective Bargaining Agreement (“CBA”) increases for represented employees
- A retention allowance (flat to FY 2025 level)
- 10% allowance to accommodate any medical/dental benefit increases
- Appropriations for one currently unfunded vacant position (Director, Business and Properties)
- The promotion / title modification of the current Airport Senior Planner to Principal Planner
- Five (5) additional positions:
 - Principal Construction Inspector
 - Asset Management Administrator
 - Communications Center Dispatcher
 - Two (2) HVAC Technicians

Below are the adopted FY 2026 components of this account:

Components of FY 2026			
Account # 8708 : Professional Management Services (TBI)			
	Salaried	Hourly	Total
Wages	\$ 9,127,684	\$ 5,589,412	\$ 14,717,096
Healthcare	1,306,700	1,218,469	2,525,169
Retirement	523,233	286,715	809,948
Other Fringe	888,209	643,258	1,531,467
Subtotal	\$ 11,845,826	\$ 7,737,854	\$ 19,583,680
Merit Allowance	237,762	23,512	261,274
Maintenance CBA	—	157,226	157,226
Subtotal	\$ 12,083,588	\$ 7,918,592	\$ 20,002,180
Less costs charged to Projects			(253,274)
Retention Allowance			100,000
Management Fee			1,001,094
Total Account # 8708			<u>\$ 20,850,000</u>
Number of funded positions	71	66	137

II. **FY 2026 OPERATIONS AND MAINTENANCE (O & M) EXPENSES – continued**

➤ **Other Professional Services: Account #8711**

The adopted budget for this line item is \$3,649,100. The increase of \$432,500 is primarily due to the inclusion of \$250,000 to commence preparations to establish virtual ramp control services for the RPT, appropriations for EOC training (\$70,000), a CPI adjustment allowance pertaining to the Allied Universal security services for traffic and SIDA control and required Airport Worker Screening. Also, it includes appropriations to utilize temporary outside services to assist with necessary updates to all Airport manuals and other transitional requirements prior to operations beginning in the RPT.

➤ **Insurance: Account #8816**

The Authority's insurance policies renew on July 1, 2025; therefore, this line item reflects the anticipated policy premiums (covering airport liability, property, earthquake, auto, and public officials) the Authority's insurance broker has estimated for FY 2026 in the amount of \$2,035,000.

➤ **Air Service Retention / Development: Account #8819**

Reflects continued efforts to promote Hollywood Burbank Airport in preparation for the future opening of the replacement terminal facility and major future events to be held in the regional area (i.e. 2026 World Cup, 2028 Olympics). The adopted FY 2026 budget of \$1,030,000 is \$88,000 above the FY 2025 budget, which includes \$50,000 to initiate a pilot program with the Pasadena Tournament of Roses Committee and other potential venues to maximize promotional opportunities.

➤ **Vehicles / Equipment: Account #9010**

The adopted budget of \$375,000 includes appropriations for the acquisition of five vehicles to support Airport facility operations as follows: one (1) Maintenance Department replacement truck; two (2) Operations Department replacement vehicles; one (1) Administration vehicle and one (1) van. The van is to be shared by the ARFF and Operations department for airfield needs. Every effort will be made to procure the most environmentally sustainable vehicle that meets the department operational requirements.

➤ **Other Machinery / Equipment: Account #9022**

Appropriations in the amount of \$115,000 provide Access Control and required Airport Worker Screening equipment.



III. **FY 2026 FACILITY IMPROVEMENT (CAPITAL) BUDGET**

The total adopted FY 2026 Facility Improvement (“Capital”) Budget of \$608,181,795 consists of the following amounts by category:

Category	Adopted FY 2026 Budget
Building Improvements	\$ 375,000
IT / Communications / Security	300,000
Equipment	100,000
Runway / Taxiway / Roadway Projects	10,450,000
Noise Mitigation	1,000,000
Subtotal	\$ 12,225,000
RPT Project / Other Development	\$ 595,956,795
Total Adopted FY 2026 Improvement Budget	\$ 608,181,795

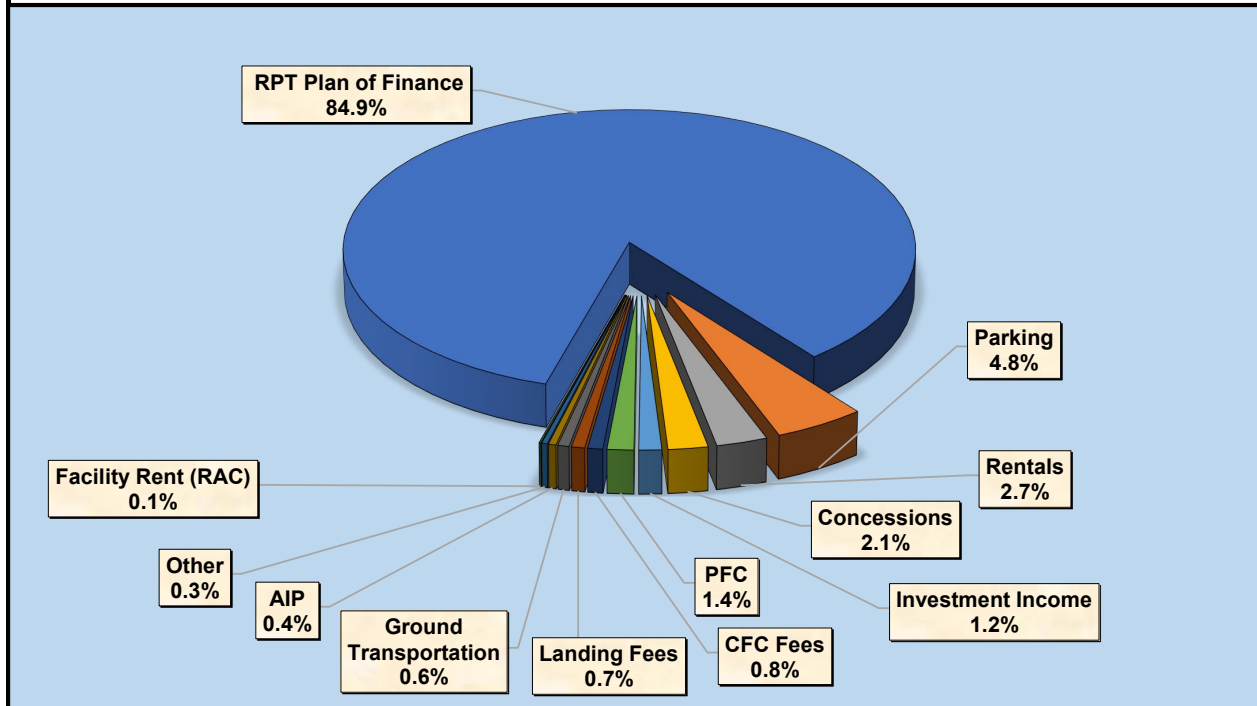
Highlights of the FY 2026 Capital projects include:

- Replacement Passenger Terminal Project (*multi-year*): \$ 590,756,795
- Runway / Taxiway Shoulder Rehabilitation (*completion*): \$ 5,500,000
- Southeast Quadrant – Repurposing of Area (*multi-year*): \$ 5,200,000
- Taxiway A / C Extensions (*design*): \$ 2,500,000
- Airfield Pavement Management System: \$ 1,200,000
- Part 150 Update (*multi-year*): \$ 1,000,000

FY 2026 appropriations for the multi-year RPT project include estimates for services provided by the Program Manager, the Design-Build Joint Venture team, technical, support and financial consultants. The Guaranteed Maximum Price (“GMP”) was approved in May 2024.



Adopted FY 2026 Budget
Total Sources of Funds: \$690,103,757



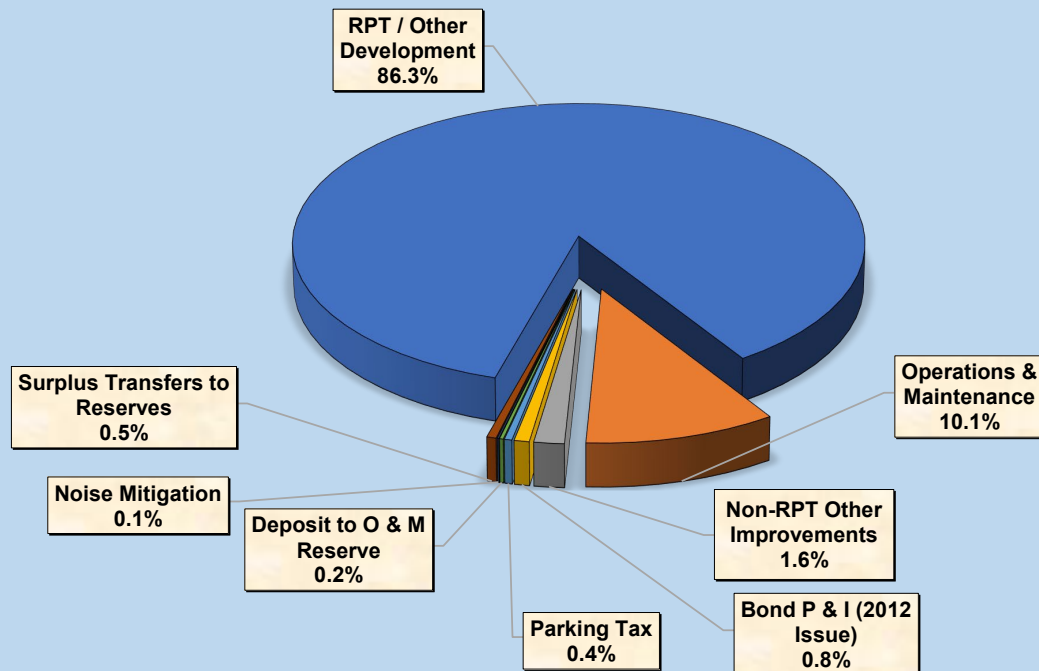
Sources of Funds: Summary

Parking	\$	33,450,000	
Rentals		18,800,000	
Concessions		14,300,000	
Investment Income		7,995,000	
Landing Fees		4,500,000	
Ground Transportation		3,865,000	
Other Revenues		1,950,000	
Total Operating Revenues			\$ 84,860,000
PFC Revenues / Reserves - Non-RPT (1)	\$	9,699,350	
CFC Fees: 2012 Bond Issue		5,300,000	
Airport Improvement Program Grants - Non-RPT (1)		2,820,650	
Facility Rent - RAC		1,030,962	
Total Nonoperating Revenues			\$ 18,850,962
RPT Plan of Finance (2)			\$ 586,392,795
Total Adopted FY 2026 Sources of Funds:			\$ 690,103,757

Notes:

- (1) Represents Passenger Facility Charge (PFC) utilization and Airport Improvement (AIP) grants for projects other than the Replacement Passenger Terminal (RPT).
- (2) Sources as identified in the RPT Plan of Finance to provide funding as applicable for estimated FY 2026 project expenditures.

Adopted FY 2026 Budget
Total Uses of Funds: \$690,103,757



Uses of Funds: Summary

Operations & Maintenance	\$	68,925,650	
Bond Principal & Interest (2012 Issue)		5,832,439	
Bond Principal & Interest (2024 Issue) (1)		-	
Sub-Total			\$ 74,758,089
Facility Improvement Program			
Development (2)	\$	595,956,795	
Other Improvements		11,225,000	
Noise Mitigation		1,000,000	
Sub-Total			\$ 608,181,795
Additional O & M Reserve Requirement			\$ 1,130,288
Parking Tax			\$ 3,583,929
Surplus Transfers to Reserves (3)			\$ 2,449,656
Total Adopted FY 2026 Uses of Funds:			\$ <u>690,103,757</u>

Notes:

- (1) The Series 2024 bonds were issued in May 2024 to support the financing of the RPT project. Bond interest will be capitalized through six months after project completion (October 2026), therefore full debt service is anticipated to not commence until the last quarter of FY 2027. RPT project completion bonds scheduled to be issued in FY 2026 with no debt service impacts for the fiscal year.
- (2) Includes FY 2026 estimated RPT expenditures, subject to modification as the fiscal year progresses.
- (3) Surplus transfers to reserves are comprised of the following: (1) Facility Rent Reserve (\$498,523) restricted for allowed uses under the terms and conditions of the Non-Exclusive Concession and Lease agreement with the Rent-A-Car Companies; (2) Facility Development Reserve (\$1,951,133) unrestricted for future use.