



March 19, 2026

CALL AND NOTICE OF A SPECIAL MEETING OF THE
FINANCE AND ADMINISTRATION COMMITTEE
OF THE
BURBANK GLENDALE-PASADENA AIRPORT AUTHORITY

NOTICE is hereby given that a special meeting of the Finance and Administration Committee will be held on Monday, March 23, 2026, at 12:00 p.m., in the Airport Skyroom of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, California 91505.

In addition to attending the meeting in person, members of the public may observe the meeting telephonically and may offer comment in real time through the following number:

Dial in: (978) 990-5000

Access Code: 880737#

Terri Williams, Board Secretary
Burbank-Glendale-Pasadena Airport Authority

SPECIAL MEETING
OF THE
FINANCE AND ADMINISTRATION COMMITTEE

Airport Skyroom
Monday, March 23, 2026
12:00 p.m.

The public comment period is the opportunity for members of the public to address the Committee on agenda items and on Airport-related non-agenda matters that are within the Committee's subject matter jurisdiction. At the discretion of the presiding officer, public comment on an agenda item may be presented when that item is reached.

When in-person attendance or participation at meetings of the Committee is allowed, members of the public are requested to observe the following rules of decorum:

- *Turn off cellular telephones and pagers.*
- *Refrain from disorderly or boisterous conduct, including loud, threatening, profane, or abusive language, clapping, whistling, stamping, or other acts that disrupt or otherwise render unfeasible the orderly conduct of the meeting.*
- *If you desire to address the Committee during the public comment period, fill out a speaker request card and present it to the Board Secretary.*
- *Confine remarks to agenda items or to airport-related non-agenda matters that are within the Committee's subject matter jurisdiction.*
- *Limit comments to three minutes or to such other period of time as may be specified by the presiding officer.*



The following activities are prohibited:

- *Allocation of speaker time to another person.*
- *Video presentations requiring use of Authority equipment.*



Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the Authority to the Committee less than 72 hours prior to that meeting are available for public inspection at Hollywood Burbank Airport (2627 N. Hollywood Way, Burbank) in the administrative office during normal business hours.



In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the Board Secretary at (818) 840-8840 at least 48 hours prior to the meeting.

AGENDA

Monday, March 23, 2026

1. Roll Call
2. Approval of Agenda
3. Public Comment
4. Items for Discussion
 - a. FY 2027 Budget Development

No staff report attached. Staff will review with the Committee highlights of noteworthy issues, financial program goals/objectives and other potential challenges for FY 2027. In addition, the proposed FY 2027 staffing program will be discussed.

5. Adjournment



FY 2026/2027 (“FY 2027”) Budget Development Highlights of Noteworthy Issues, Financial Program Goals & Objectives Including Potential Challenges

Presented to
Finance and Administration Committee
March 23, 2026

Presented by
Kathy David
Senior Deputy Executive Director

FY 2027 Budget Development: Significant Issues/Proposed Budget Development - Goals & Objectives

- The development of the FY 2027 budget presents additional challenges and complexities as the Airport journeys through the final months of construction of the Replacement Passenger Terminal with operations required to be transferred for opening in October 2026. Temporary Certificate of Occupancy (TCO) of the replacement facility is anticipated in summer 2026.
- In the current year (FY 2026) significant transitional preparations are underway. The ORAT team is functioning at full capacity as all components, systems and operational elements must be optimally installed and functional prior to opening day. Additionally, all processes and procedures must be fully defined and staff proficient with prior to opening day to ensure a successful transition.
- Every department at the Airport continues with a role and focus to assist in achieving the above objectives while maintaining current facility operations.

FY 2027 Budget Development: Significant Issues/Proposed Budget Development - Goals & Objectives

- In addition to the development of the FY 2027 budget, major objectives to be achieved during the remainder of FY 2026 include:
 - The second issuance of RPT bonds scheduled for May 2026. Associated required documents, rating agency and investor presentations currently being prepared and finalized.
 - Continued monitoring over the RPT project budget performance and funding sources.
 - Maintaining safe, secure, operational compliant and convenient facilities.
 - Preparation of transition to new facilities which includes a thoughtful evaluation of potential staffing requirements. Staffing recommendations scheduled to be discussed at the March 23rd Special Finance Committee meeting.
 - Requests for Commission approval of certain contract extensions and new agreements related to the RPT operations.
 - Renegotiation of the TBI ARFF CBA labor agreement. The current agreement expires June 30, 2026.

FY 2027 Budget Development: Significant Issues/Proposed Budget Development - Goals & Objectives

- Significant goals and objectives to be accomplished during the new budget year (FY 2027) include:
 - Maintaining operations at the current facility while preparing for the cutover to the RPT in October.
 - Preparations for the cutover include continued staff training and familiarization of the new facility (includes airlines, concessions, TSA, vendors, etc.), public events / grand opening ceremony, media outreach to promote the new terminal and educate passengers.
 - Successful cutover to the RPT facility.
 - Decommissioning of old terminal facility and prepare for future demolition.

FY 2027 Budget Development: Significant Issues/Proposed Budget Development - Goals & Objectives

- The FY 2027 budget development requires the zero basing and compilation of estimated revenues/expenditures derived from four distinct operational phases as follows:
 - Current terminal operations to RPT opening day (July 1 through October 12).
 - Preparatory efforts and transition/start up expenditures (July 1 through October 12).
 - New operations with the opening of the RPT (October 13 through June 30).
 - Old terminal close out and decommissioning costs pending takeover by contractor for demolition (est. October 13 through December 1).
- Establishment of FY 2027 airline rates/charges to be calculated as a blended rate as RTP bond debt service commences in April 2027. A blended rate will ease the airline transition to the impacts of the new debt service.

FY 2027 Budget Development: Significant Issues/Proposed Budget Development - Goals & Objectives

- The FY 2027 budget is being developed with growing significant uncertainties including the following:
 - Multiple changes/mandates being generated by the Administration that is impacting availability of future aviation federal funding and continued implementation of tariffs affecting pricing of goods/materials.
 - Instability in the geo-political landscape.
 - Impacts of geo-political issues on financial markets and aviation industry (fuel costs).
 - Impacts of DHS government shutdown.
 - Potential for inflation.
- As the impacts of the above are unknown, these uncertainties create a cautionary approach with the development of FY 2027 budget assumptions.

FY 2027 Budget Development

- FY 2026 budget was based on a passenger activity assumptions which was an approximate 6% reduction from estimated FY 2025 levels.
- Per the Authority's Financial Feasibility consultant, estimated actual FY 2026 passenger levels are forecasted to reflect an approximate 8% passenger activity reduction from FY 2025.
- Actual passenger activity FYTD January reflects a 9.16% reduction from the prior year. Breeze and Allegiant commenced air service at BUR in February.
- Although the FYTD January is unfavorable to the budget assumption, overall operating revenues are performing favorably ahead of budget expectations. Operating expenses remain favorably within adopted budget appropriations.
- The final recommended FY 2027 passenger forecast will be presented to the Committee at the April 20, 2026 meeting as staff continues to closely monitor and evaluate information resources and actual passenger activity.

FYTD 2026 vs FYTD 2025 BUR Activity Levels

Revenue Passengers

Fiscal Year	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	FYTD Dec.	Jan.	FYTD Total
2025	638,833	582,654	543,678	600,617	566,300	602,827	3,534,909	409,153	3,944,062
2026	548,964	558,913	523,677	549,824	492,588	505,603	3,179,569	403,020	3,582,589
# Change	-89,869	-23,741	-20,001	-50,793	-73,712	-97,224	-355,340	-6,133	-361,473
% Change	-14.07%	-4.07%	-3.68%	-8.46%	-13.02%	-16.13%	-10.05%	-1.50%	-9.16%

	FYTD JAN. 2026				FYTD JAN. 2025 Actual	FYTD JAN. 2026 Actual v. FYTD JAN. 2025 Actual	
	Actual (Unaudited)	Budget	Actual v. Budget			\$ Change	% Change
			\$ Change	% Change			
Total Operating Revenues	\$52,339,417	\$50,086,247	\$2,253,170	4.5%	\$51,809,180	\$530,237	1.0%

FY 2027 Budget Development

Noteworthy Issues/Assumptions: Uses of Funds

- Activity based operating revenues will be developed in alignment with passenger level assumptions.
- FY 2027 rental revenue projections will be based upon current leases. Airport Improvement Program (AIP) grants and Passenger Facility Charge (PFC) fees will be included as eligible to offset non-RPT expenditures.
- Proceeds from the May 2024 bond issuance and the anticipated May 2026 bond issuance will provide the major funding for the RPT project. Efforts will continue with the FAA for additional eligible grant funding.

FY 2027 Budget Development

Noteworthy Issues/Assumptions: Uses of Funds

- All debt service requirements will be addressed and funded.
- Operating expenses, utilizing the standard practice of zero-based development, will be programmed into the budget prioritizing safety, security and Part 139 operational requirements.
- Several key staffing additions, the inclusion of a merit and retention allowance are being proposed.
- The budget will include union approved increases in accordance with contract requirements.
- Estimated FY 2027 RPT expenditures and other potential capital projects, including funding sources, to be discussed with the Committee at the April 6, 2026 meeting.

Status of Labor Agreements

- Police Memorandum of Understanding (MOU):
Current agreement effective February 1, 2023 through June 30, 2026.
The replacement agreement has been ratified by the Police Officers Association and the Commission. The term of the replacement MOU agreement is July 1, 2026 through June 30, 2029.
- TBI ARFF Collective Bargaining Agreement (CBA):
Current agreement effective July 1, 2023 through June 30, 2026.
Replacement agreement negotiations are scheduled to begin shortly.
- Operations and Maintenance CBA:
Current agreement effective July 1, 2024 through June 30, 2027.

FY 2027 Budget Development Recap

- Significant effort is anticipated to be expended during the first few months of the fiscal year toward the preparation, transition and operational cutover to the RPT.
- Due to the uncertainties in the economy, with potential impacts to the airline industry and passenger demand, a cautionary approach is recommended for the development of the FY 2027 budget.
- The final recommended FY 2027 passenger forecast assumption will be presented at the April 20, 2026 Finance Committee meeting as staff continues to closely monitor and evaluate information resources to strengthen financial forecasts.
- Activity based operating revenues will be developed in alignment with passenger level assumptions.

FY 2027 Budget Development Recap

- All debt service requirements will be addressed and funded.
- Operating expenses, utilizing the standard practice of zero-based development, will be programmed into the budget.
- Several key staffing additions, the inclusion of a merit and retention allowance are being proposed.
- Union approved increases will be included in accordance with contract requirements.
- Estimated FY 2027 RPT expenditures and other potential capital projects, including funding sources, scheduled for discussion at the April 6, 2026 Finance Committee meeting.



**FY 2026/2027 (“FY 2027”) Budget Development
Proposed Personnel Staffing and Compensation Program, Including
Additional Position Recommendations**

Presented to
Finance and Administration Committee
March 23, 2026

Presented by
Kathy David, Senior Deputy Executive Director

Proposed FY 2027 Staffing Program

Introduction and Highlights

- ❑ FY 2027 continues to be a pivotal, challenging time for the Airport as the Replacement Passenger Terminal (RPT) construction efforts continue to be on schedule towards full completion, with preparations to transfer operations underway for an opening in October 2026. Temporary Certificate of Occupancy (TCO) of the replacement facility is anticipated in early summer.
- ❑ In the current fiscal year (FY 2026) significant transitional preparations, working in conjunction with the ORAT team, have been accomplished and will continue to gain momentum and increase in intensity during the final months through opening.
- ❑ Staffing recommendations are included for FY 2027, not only to address transition to the new terminal, but to provide sustainability throughout the entirety of Airport operations. A moderate approach to initially engage staffing for the new facility will be utilized as once the new facilities are operational any further staffing needs can be more clearly defined.
- ❑ The utilization of outside services where appropriate will continue to be engaged to assist in bridging the surge transition period between current operations and the RPT.

Proposed FY 2027 Staffing Program

Introduction and Highlights

- ❑ The FY 2027 budget process continues the Authority's practice to carefully review and evaluate all costs and staffing levels to meet safety, security and operational / regulatory requirements. As such, all staffing recommendations have been carefully vetted.
- ❑ Also, certain FY 2027 staffing recommendations represent organizational modifications to prepare for future staffing sustainability and succession.
- ❑ Departmental leadership personnel are in attendance to discuss with the Committee each of these FY 2027 recommendations.
- ❑ Summary data and historical headcount charts are included to assist in providing a framework. The Airport has historically operated on lean staffing levels.

Proposed FY 2027 Staffing Program

Introduction and Highlights

- ❑ In addition, recommendations include a 3% structural merit allowance for non-represented employees; a retention allowance (flat to last year: \$100K) and Authority support to subsidize increases in medical/dental benefits cost of all employees.
- ❑ Represented employee wages and benefits will be included as per the terms of the respective agreements. Below is the status of Airport union contracts:

Police Memorandum of Understanding (MOU):

Replacement agreement effective July 1, 2026 through June 30, 2029

ARFF Collective Bargaining Agreement (CBA):

Current agreement effective July 1, 2023 through June 30, 2026

Negotiations for a replacement CBA to begin shortly.

Operations and Maintenance CBA:

Current agreement effective July 1, 2024 through June 30, 2027

Proposed FY 2027 Staffing Program

Current Authorized Funded FTE Total as of March 2026

	<u>Command Staff</u>	<u>FTE Positions</u>	<u>FTE Total</u>
APD	4	35	39
TBI/ARFF	2	21	23
TBI (see below)	-	<u>137</u>	<u>137</u>
Total:	<u>6</u>	<u>193</u>	<u>199</u>

TBI Breakdown:

Administration (*)	63
ICT	6
Operations	27
Maintenance	<u>41</u>
Total:	<u>137</u>

(*) Includes Accounting, Air Service/Communication, Business/Properties, Gov't Affairs, Ground Access, HR, Noise/Environmental, Procurement, Security, Safety Management System, Planning & Engineering, Executive and other Administrative Staff.

Proposed FY 2027 Staffing Program – Current TBI Personnel

Authorized Funded Headcount - as of March 2026

	<u># of Employees</u>	<u>% of Total</u>
<u>Represented</u>		
Operations and Maintenance	55	
ARFF Department	<u>21</u>	
<i>Total Represented:</i>	76	46%
<u>Non-Represented</u>		
TBI - Employees	82	
ARFF Department - Command Staff	<u>2</u>	
<i>Total Non-Represented:</i>	<u>84</u>	<u>54%</u>
Total TBI Personnel:	<u>160</u>	<u>100%</u>

Proposed FY 2027 Staffing Program – Current TBI Personnel

- Current TBI non-ARFF Personnel: Total number of authorized positions is 138 (one unfunded) with 55 represented under Operations and Maintenance CBA.
- 12-year staffing additions below:

TBI Personnel Positions (without ARFF)		
FY	Total Authorized Positions	Added Positions
2015	104	-
2016	106	2
2017	109	3
2018	112	3
2019	113	1
2020	116	3
2021	116	-
2022	117	1
2023	121	4
2024	125	4
2025	133	8
2026	138	5

Total 12-year added positions: 34

Included in these 34 staffing additions are:

- The establishment of an SMS department: 3
- Operations Specialist positions (gate operations) 4
- Additional ICT support (cybersecurity, etc.) 3

Proposed FY 2027 Staffing Program

Proposed FY 2027 FTE Funded Positions

	<u>Current FTE Total</u>	<u>Proposed FTE FY 2027</u>	<u>Proposed Funded FTE Total</u>
APD	39	-	39
ARFF	23	-	23
TBI	137	5	142
Total:	<u>199</u>	<u>5</u>	<u>204</u>

Proposed FY 2027 Staffing Program

Summary of Recommended FY 2027 Staffing Additions

<u>Department</u>	<u>Additional FTE Positions</u>	<u>Justification</u>
Information, Communication, Technology (ICT)		These positions address a growing number of specialized, complex systems being integrated into the ICT network across the Airport. The personnel additions reinforce the department's internal capabilities and reduces reliance on external services.
Senior Network Engineer	1	
Systems Analyst	<u>1</u>	
Subtotal	2	
Environmental and Noise		The department currently consists of a Director, Manager and a Noise/Environmental Analyst. Due to increases in enforcement of SB 1383 and revisions underway to the Waste Management Plan, the currently combined Noise/Environmental Analyst functions will be separated into two positions; one dedicated to environmental issues and one for continued noise analysis and reporting
Noise Analyst	<u>1</u>	
Subtotal	1	
Business and Properties		The RPT will have a significant increase in concession operations and locations. Compliance with respective agreements require full time oversight. Concessions include food service, retail, advertising, wireless internet and rental cars.
Manager, Concessions	<u>1</u>	
Subtotal	1	
Maintenance		Current staffing consists of two plumbers to support the entire Airport. A third position will provide staffing coverage to include response and oversight associated with the increase in plumbing fixtures, pumps and drains installed at the RPT.
Plumber	<u>1</u>	
Subtotal	1	
Total Recommended FY 2027 Staffing Additions	<u>5</u>	

Proposed FY 2027 Staffing Program

- Position Modifications: These three requested modifications do not add additional positions. They are recommended to strengthen the overall organization by developing a structure to support the existing environment and promote long-term sustainability and succession.
 - Sr. Manager, Procurement to Director, Procurement:
(Reports to Deputy Executive Director, Business and Development)
 - This modification is an internal promotion and reflects the increased level of work and responsibility the role has as well as recognizing the achievements accomplished for the last two years by the Senior Manager.
 - Sr. Manager, Maintenance to Director, Maintenance
(Reports to Deputy Executive Director, Planning and Development)
 - This recommendation is also an internal promotion. The role, depth and complexity of issues to be addressed by the Airport Maintenance Department has grown significantly and will continue to expand with the commencement of operations in the RPT. Maintenance is the largest Airport department and must operate on a 24/7 basis to address facility wide issues.
 - Administrative Analyst, Air Service and Communications to Manager, Guest Experience
(Reports to Director, Communications and Air Service)
 - This modification upgrades a currently vacant administrative position to a front-line manager in support of producing a higher level of guest experience at the Airport. The new duties include outreach to the community as well as coordination with airlines, tenants, TSA and other service providers to develop programs for enhanced quality and experience at the Airport.

Summary of Proposed FY 2027 Staffing Program

Proposed FY 2027 Staffing Program Recommendations:

- Position additions: (5)
 - ICT: 2
 - Maintenance: 1
 - Noise and Environmental: 1
 - Business and Properties: 1
- Position modifications: (3)
 - Promotion of Sr. Manager, Procurement to Director, Procurement
 - Promotion of Sr. Manager, Maintenance to Director, Maintenance
 - Upgrade vacant Communications Administrative Coordinator to Manager, Guest Experience
- 3% structural merit allowance adjustment for non-represented employees.
- Include a retention allowance in the TBI personnel cost schedule to address succession planning objectives and market conditions / job duty modifications that may warrant wage adjustments (flat to last year - \$100K).

Summary of Proposed FY 2027 Staffing Program – *(continued)*

- Recommendation for Authority support to subsidize increases in medical / dental benefits cost for all employees.
- Represented employees budgeted to receive wage and benefit increases as per their respective contract agreements.

As the fiscal year and RPT project develop, staffing requirements and succession planning will be continually monitored and reported to the Committee as appropriate to evaluate any additional further recommendations.