

**Board Members)**

Lydia Ball (Chair)  
James Sly (Vice Chair  
Whitney Benzian  
Daniel Kuperschmid  
Monica Montgomery Steppe  
Rafael Perez  
Esther C. Sanchez  
Steve Vaus  
Marni von Wilpert

## Special Board Meeting Agenda

**Thursday, May 14, 2026**  
**9:00 AM**

San Diego County Regional Airport Authority  
Administration Building  
First Floor – Board Room  
2417 McCain Road  
San Diego, California 92101

**Ex-Officio Board Members**

Ann Fox  
Col. R. Eric Herrmann  
Michele Perrault

**President/CEO**

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This Agenda contains a brief general description of each item to be considered. The indication of a recommended action does not indicate what action (if any) may be taken. **Please note that Agenda Items may be taken out of order.** If comments are made to the Board without prior notice or are not listed on the Agenda, no specific answers or responses should be expected at this Meeting pursuant to State law.

Staff Reports and documentation relating to each item of business on the Agenda are on file in Board Services and are available for public inspection.

**NOTE:** Pursuant to Authority Code Section 2.15, all Lobbyists shall register as an Authority Lobbyist with the Authority Clerk within ten (10) days of qualifying as a lobbyist. A qualifying lobbyist is any individual who receives \$100 or more in any calendar month to lobby any Board Member or employee of the Authority for the purpose of influencing any action of the Authority. To obtain Lobbyist Registration Statement Forms, contact the Board Services/Authority Clerk Department.

PLEASE COMPLETE A SPEAKER SLIP PRIOR TO THE COMMENCEMENT OF THE MEETING AND SUBMIT IT TO THE AUTHORITY CLERK. **PLEASE REVIEW THE POLICY FOR PUBLIC PARTICIPATION IN BOARD AND BOARD COMMITTEE MEETINGS (PUBLIC COMMENT) LOCATED AT THE END OF THE AGENDA.**

*The Authority has identified a local company to provide oral interpreter and translation services for public meetings. If you require oral interpreter or translation services, please telephone the Board Services /Authority Clerk Department with your request at (619) 400-2400 at least three (3) working days prior to the meeting.*

# Special Board Meeting Agenda

Thursday, May 14, 2026

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## CALL TO ORDER:

## PLEDGE OF ALLEGIANCE:

## ROLL CALL:

## BUDGET WORKSHOP:

- 1. DISCUSSION REGARDING THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY FISCAL YEAR 2027 PROPOSED BUDGET AND FISCAL YEAR 2028 PROPOSED CONCEPTUAL BUDGET:**  
RECOMMENDATION: Discuss the Fiscal Year 2027 Proposed Budget and Fiscal Year 2028 Proposed Conceptual Budget.  
**(Scott Brickner, Vice President/Chief Financial Officer and Maya Dayan, Director, Finance & Airline Relations)**

## CLOSED SESSION:

## REPORT ON CLOSED SESSION:

## BOARD COMMENT:

## ADJOURNMENT:

Thursday, May 14, 2026

## Policy for Public Participation in Board, Airport Land Use Commission (ALUC), and Committee Meetings (Public Comment)

- 1) Persons wishing to address the Board, ALUC, and Committees shall submit a speaker slip to the Clerk prior to the initiation of the portion of the agenda containing the item to be addressed (e.g., Public Comment and General Items). Failure to submit a speaker slip shall not preclude testimony, if permission to address the Board is granted by the Chair.
- 2) The Public Comment Section at the beginning of the agenda is reserved for persons wishing to address the Board, ALUC, and Committees on any matter for which another opportunity to speak is not provided on the Agenda, and on matters that are within the jurisdiction of the Board.
- 3) Persons wishing to speak on specific items listed on the agenda will be afforded an opportunity to speak during the presentation of individual items. Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board, ALUC and Committees.
- 4) If many persons have indicated a desire to address the Board, ALUC and Committees on the same issue, then the Chair may suggest that these persons consolidate their respective testimonies. Testimony by members of the public on any item shall be limited to **three (3) minutes per individual speaker and five (5) minutes for applicants, groups and referring jurisdictions.**
- 5) Pursuant to Authority Policy 1.33 (8), recognized groups must register with the Authority Clerk prior to the Meeting.

After a public hearing or the public comment portion of the Meeting has been closed, no person shall address the Board, ALUC, and Committees without first obtaining permission to do so.

## Additional Meeting Information

**NOTE:** This information is available in alternative formats upon request. To request an Agenda in an alternative format, or to request a sign language or oral interpreter, or an Assistive Listening Device (ALD) for the Meeting, please telephone the Authority Clerk's Office at (619) 400-2550 at least three (3) working days prior to the Meeting to ensure availability.

For your convenience, the agenda is also available to you on our website at [www.san.org](http://www.san.org).

**For those planning to attend the Board Meeting, parking is available in the Airport Administration Building Parking Lot (entrance on the east side of McCain Road). Visitors can park in the lot from 8:00 a.m. to 5:00 p.m.**

You may also reach the SDCRAA Building by using public transit via the San Diego MTS System, Route 923. For route and fare information, please call the San Diego MTS at (619) 233-3004 or 511.



Item 1

# San Diego County Regional Airport Authority FY 2027 Proposed Budget & FY 2028 Proposed Conceptual Budget

Budget Workshop  
May 14, 2026



# Agenda



1. Strategic Plan
2. Economic, Industry, and Credit Overview
3. Budget Process
4. Budget Overview
  - Revenue
  - Expenses
5. Budget Summary
6. Capital Program Budget
7. Financial Metrics
8. Conclusion



# Strategic Plan



# Focus Areas



## Efficiency

Focuses on improving systems, processes, infrastructure, and technology to maximize effectiveness and reduce friction.

## Customer Experience

Encompasses the end-to-end traveler journey, including facilities, digital experiences, and amenities.

## Resiliency

Addresses the Authority's ability to anticipate, withstand, and recover from environmental, financial, operational, and reputational challenges.

## People

Includes workforce development, engagement, leadership, and culture.

## Data-Driven Decision Making

Emphasizes the use of data, analytics, and forecasting to inform planning, prioritization, and decisions across the Authority.



# Economic Update and Airports Outlook



# Economic Projections (YoY Change)



	Actuals (gray)		Projections			
	2024	2025	As of 4/30/2026*	2026*	2027*	2028*
Real GDP	2.80%	2.10%	2.00%	2.20%	2.00%	2.10%
CPI	3.00%	2.70%	3.30%	3.30%	2.50%	2.20%
Crude Oil (WTI)	\$72	\$57	\$106	\$93	\$76	\$71
Median Federal Funds Rate	4.30%	3.60%	3.64%	3.60%	3.10%	3.10%
10-year US Treasury Note	4.57%	4.17%	4.39%	4.17%	4.12%	4.12%

\* Projections

Sources: Bloomberg, Federal Reserve, Congressional Budget Office

# Rating Agencies: U.S. Airport Outlook



**Moody's – Stable**  
**Fitch - Neutral**

## Key Drivers:

- Passenger traffic will see modest growth in 2026. Uneven demand expected with higher-income travelers supporting growth
- Geopolitical friction and political instability risk enplanement growth
- Construction costs set to increase leverage, though interest rate cuts and airline cost-recovery will soften impact
- Sustained higher fuel prices could pressure activity levels and ratings of U.S. airports

### SDCRAA Credits

#### **Fitch:**

AA- Senior and A+ Subordinate ratings with a Stable outlook

#### **Moody's:**

Aa3 Senior and A1 Subordinate ratings with a Stable outlook; and,

A3 rating for CFC special facility bonds with a Stable outlook



# Budget Process



# Budget Process



## Expense Budget

- Review current expenses
- Discuss future needs
- Consider alternative methods and solutions
- Identify risks and opportunities



## Revenue Budget

- Review current non-airline revenue trends
- Forecast future enplanements and landed weight growth
- Meet with internal business partners to evaluate future trends
- Review expense budget, amortization, and debt service allocations to calculate airlines rates, fees, and charges



## Capital Budget

- Annual validation of current Capital Improvement Program (CIP)
- Planning for future needs (new CIP projects)
- Project cost estimation and evaluation of funding sources
- Business Case analysis



## Financial Metrics Review

- Cost per Enplaned Passenger (CPE)
- Debt Service Coverage
- Debt per Enplaned Passenger
- Net Debt/Cash Flow Available for Debt Service (CFADS)
- Days Cash on Hand (DCOH)



# Revenue Budget Overview

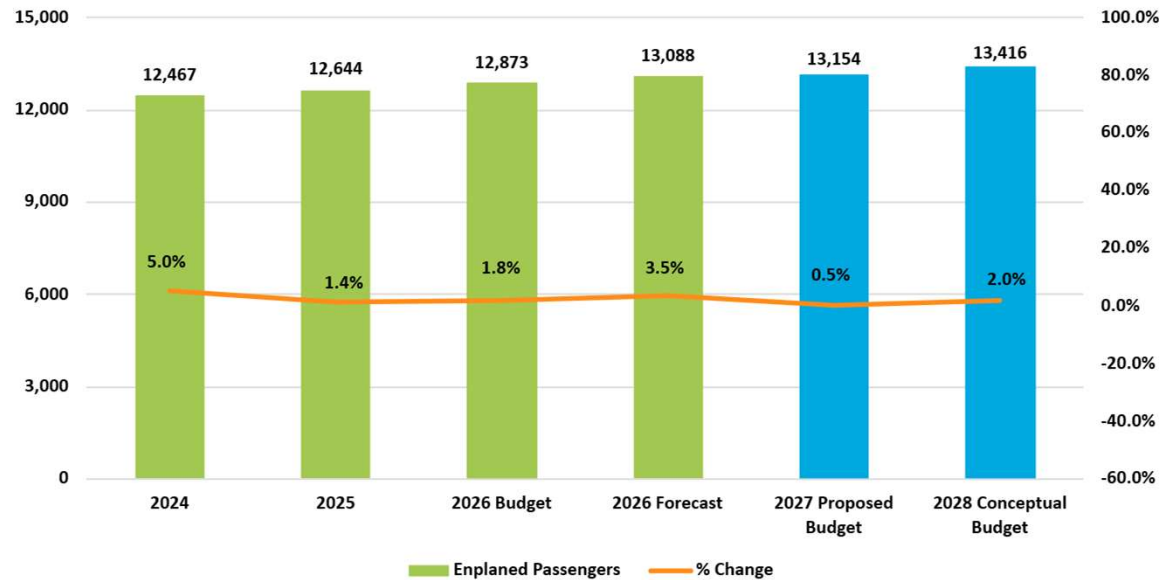




# Annual Enplaned Passenger Traffic

- FY2026 Forecast is 1.7% higher than FY26 budget of 12.8M and 3.5% higher than FY25
- FY 2027 Proposed Budget of 13.2M, 0.5% increase vs. FY 2026 Forecast of 13.1M and 2.2 % increase vs. FY 26 Budget of 12.9M
- FY 2028 Proposed Conceptual Budget of 13.4M, 2.0% increase vs. FY 2027 Budget of 13.2M

(in thousands)

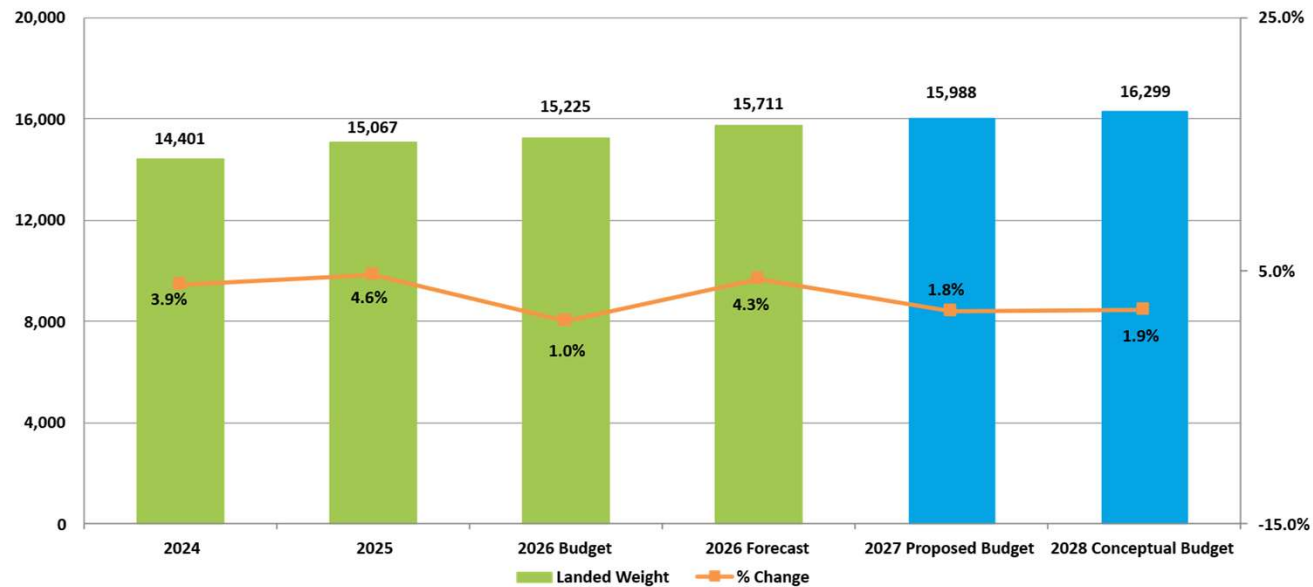


# Landed Weight



- FY26 Forecast is 3.3% higher than FY26 budget of 15.2M and 4.3% higher than FY25
- FY 2027 Proposed Budget of 16.0M, 1.8% increase vs. FY 2026 Forecast of 15.7M and 5.0% increase vs. FY 26 budget of 15.2M
- FY 2028 Proposed Conceptual Budget of 16.3M, 1.9% increase vs. FY 2027 Budget of 16.0M

(in thousands)

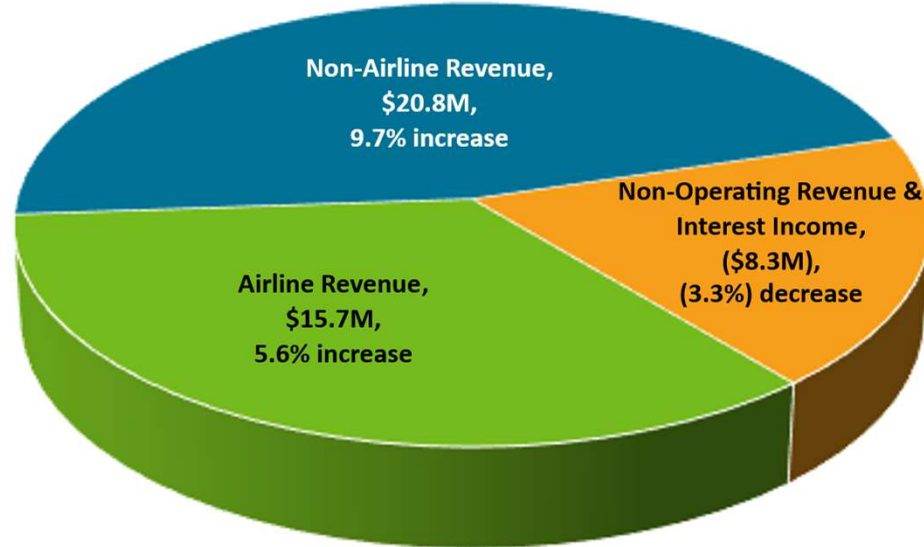


# FY 2027 – FY 2028 Proposed Revenue Budget Summary



<i>(in thousands)</i>	FY2024 Actuals	FY2025 Actuals	FY2026 Budget	FY2027 Proposed Budget	Inc / (Dec) FY27 Proposed vs FY26 Budget	% Change	FY2028 Conceptual Budget	Inc / (Dec) FY28 Conceptual vs FY27 Budget	% Change
<b>Operating Revenue</b>									
<b>Airline Revenue</b>									
Landing Fees	\$ 53,873	\$ 59,046	\$ 59,429	\$ 62,489	\$ 3,060	5.1%	\$ 69,473	\$ 6,984	11.2%
Aircraft Parking Fees	13,612	15,533	14,857	15,622	765	5.1%	17,368	1,746	11.2%
Building Rentals	145,169	154,537	190,137	200,295	10,158	5.3%	237,845	37,550	18.7%
Common Use Fees	10,094	10,271	16,920	18,237	1,317	7.8%	21,361	3,124	17.1%
Other Aviation Revenue	(1,528)	(260)	(2,248)	(1,863)	385	-17.1%	212	2,075	-111.4%
<b>Total Airline Revenue</b>	<b>221,220</b>	<b>239,126</b>	<b>279,095</b>	<b>294,780</b>	<b>15,686</b>	<b>5.6%</b>	<b>346,259</b>	<b>51,479</b>	<b>17.5%</b>
<b>Non-Airline Revenue</b>									
Terminal Rent Non-Airline	2,730	3,815	3,031	4,412	1,381	45.6%	4,435	23	0.5%
Terminal Concessions	34,616	36,634	40,977	44,380	3,403	8.3%	47,907	3,527	7.9%
Rental Car License Fees	41,640	40,265	41,352	38,846	(2,506)	-6.1%	39,866	1,020	2.6%
License Fees - Other	9,818	11,001	10,853	13,312	2,459	22.7%	13,574	262	2.0%
Parking Revenue	50,797	57,981	62,658	73,256	10,597	16.9%	75,453	2,198	3.0%
Ground Transportation Permits and Citations	21,687	23,588	25,549	30,904	5,356	21.0%	32,890	1,986	6.4%
Ground Rentals	26,408	27,108	27,686	28,112	427	1.5%	28,504	391	1.4%
Other Operating Revenue	2,969	2,971	2,179	1,889	(289)	-13.3%	1,907	18	0.9%
<b>Total Non-Airline Revenue</b>	<b>190,918</b>	<b>203,362</b>	<b>214,284</b>	<b>235,112</b>	<b>20,828</b>	<b>9.7%</b>	<b>244,535</b>	<b>9,423</b>	<b>4.0%</b>
<b>Total Operating Revenue</b>	<b>412,138</b>	<b>442,488</b>	<b>493,379</b>	<b>529,892</b>	<b>36,513</b>	<b>7.4%</b>	<b>590,795</b>	<b>60,902</b>	<b>11.5%</b>
<b>Interest Income</b>	<b>66,647</b>	<b>103,107</b>	<b>92,749</b>	<b>85,093</b>	<b>(7,657)</b>	<b>-8.3%</b>	<b>61,142</b>	<b>(23,951)</b>	<b>-28.1%</b>
<b>Non-Operating Revenue</b>									
Passenger Facility Charges	49,200	49,255	50,959	51,973	1,014	2.0%	53,008	1,036	2.0%
Customer Facility Charges	35,913	36,479	36,693	48,189	11,497	31.3%	49,139	950	2.0%
Quieter Home Program	19,520	15,683	14,400	14,400	-	0.0%	12,000	(2,400)	-16.7%
Capital Grant Contributions	128,361	2,543	54,756	41,609	(13,148)	-24.0%	32,351	(9,258)	-22.2%
Other Non Operating Revenue	54,179	8,297	-	-	-	0.0%	-	-	0.0%
<b>Total Non-Operating Revenue</b>	<b>287,171</b>	<b>215,365</b>	<b>156,808</b>	<b>156,171</b>	<b>(637)</b>	<b>-0.4%</b>	<b>146,499</b>	<b>(9,672)</b>	<b>-6.2%</b>
<b>Total Revenue</b>	<b>\$ 765,957</b>	<b>\$ 760,960</b>	<b>\$ 742,936</b>	<b>\$ 771,156</b>	<b>\$ 28,220</b>	<b>3.8%</b>	<b>\$ 798,435</b>	<b>\$ 27,280</b>	<b>3.5%</b>

# FY 2027 Budget Revenue Increase vs FY 2026 Budget \$28.2M; 3.8%



**Total FY 2027 Budget is \$771.2M**

# FY 2027 Airline Revenue Increase



<i>(in thousands)</i>	FY2026 Budget	FY2027 Proposed Budget	Inc / (Dec) FY27 Proposed vs FY26 Budget	% Change
<b>Operating Revenue</b>				
<b>Airline Revenue</b>				
Landing Fees	59,429	62,489	3,060	5.1%
Aircraft Parking Fees	14,857	15,622	765	5.1%
Building Rentals	190,137	200,295	10,158	5.3%
Common Use Fees	16,920	18,237	1,317	7.8%
Other Aviation Revenue	(2,248)	(1,863)	385	-17.1%
<b>Total Airline Revenue</b>	<b>279,095</b>	<b>294,780</b>	<b>15,686</b>	<b>5.6%</b>

- **Landing Fees:** Increase in airfield-related O&M expenses and higher debt service
- **Aircraft Parking Fees:** Increase in airfield-related O&M expenses
- **Building Rentals:** Increase due to higher O&M expenses and higher debt service
- **Common Use Fees:** Increase due to full year of NT1 common use ticket counters
- **Other Aviation Revenue:** Fewer flights eligible for incentives

# FY 2027 Non-Airline Revenue Increase



<i>(in thousands)</i>	FY2026 Budget	FY2027 Proposed Budget	Inc / (Dec) FY27 Proposed vs FY26 Budget	% Change
<b>Non-Airline Revenue</b>				
Terminal Rent Non-Airline	3,031	4,412	1,381	45.6%
Terminal Concessions	40,977	44,380	3,403	8.3%
Rental Car License Fees	41,352	38,846	(2,506)	-6.1%
License Fees - Other	10,853	13,312	2,459	22.7%
Parking Revenue	62,658	73,256	10,597	16.9%
Ground Transportation Permits and Citations	25,549	30,904	5,356	21.0%
Ground Rentals	27,686	28,112	427	1.5%
Other Operating Revenue	2,179	1,889	(289)	-13.3%
<b>Total Non-Airline Revenue</b>	<b>214,284</b>	<b>235,112</b>	<b>20,828</b>	<b>9.7%</b>

- **Terminal Rent Non-Airline:** Increase due to rate adjustment not captured in FY26 Budget, and CPI
- **Terminal Concessions:** Driven by enplanement growth, full year of NT1 concessions, and increase in Sales per Enplaned Passenger (SEP)
- **Rental Car License Fees:** Decrease reflecting current industry trends
- **License Fees – Other:** Increase driven by enplanements and ground operations growth
- **Parking:** Driven by drive-up rate increases, marketing strategy, and enplanements growth
- **Ground Transportation Permits and Citations:** Increase due to higher rates for all vehicle modes and addition of drop-off fees for non-TNC's
- **Ground Rentals:** Increase driven primarily by CPI
- **Other Operating Revenue:** Decrease due to lower shared tenant services revenue

# FY 2027 Parking Rates



	FY26	FY27
Short-term Rate	\$2.50	\$3.00
Long-term Rate	\$38	\$40
Valet	\$60	\$60

- Short-term parking is currently charged in 15-minute increments, with a \$38 maximum per 24-hour period
- Long-term parking is currently \$38 per 24-hour period

# Ground Transportation Rate Increases



## Pick-up and Drop-off Fees <sup>(3)</sup>

	FY 2025	FY 2026	FY 2027	FY 2028
<b>TNC</b>	\$4.25 <sup>(1)(2)</sup>	\$4.50 <sup>(1)(2)</sup>	\$5.00	\$5.25
<b>Charter</b>	NA*	NA*		
<b>Taxi</b>	\$3.97 (Base) <sup>(1)</sup> \$2.98 (AFV) <sup>(1)</sup> \$7.94 (Non-AFV) <sup>(1)</sup>	\$4.75 (Base) <sup>(1)</sup> \$3.56 (AFV) <sup>(1)</sup> \$9.50 (Non-AFV) <sup>(1)</sup>	\$5.00 (Base) \$3.75 (AFV) \$10.00 (Non-AFV)	\$5.25 (Base) \$3.94 (AFV) \$10.50 (Non-AFV)
<b>Vehicle For Hire</b>	\$3.16 (Base) <sup>(1)</sup> \$2.37 (AFV) <sup>(1)</sup> \$6.32 (Non-AFV) <sup>(1)</sup>			
<b>Courtesy &amp; Off-Airport Parking Shuttle</b>	\$1.94 (Base) <sup>(1)</sup> \$1.46 (AFV) <sup>(1)</sup> \$3.88 (Non-AFV) <sup>(1)</sup>			
<b>Off-Airport Rental Car Shuttle</b>	NA*			

(1) Includes Pick-Up Fees

(2) Includes Drop-Off Fees

(3) Current MTS regulations may not allow drop-off fees to be passed through to the customer for taxis, so drop-off fees will be postponed to provide time to consult with MTS and the taxi industry.

\* NA does not include trip fees; only permit and application fees

# Ground Transportation Fees are a Fraction of Infrastructure Investments



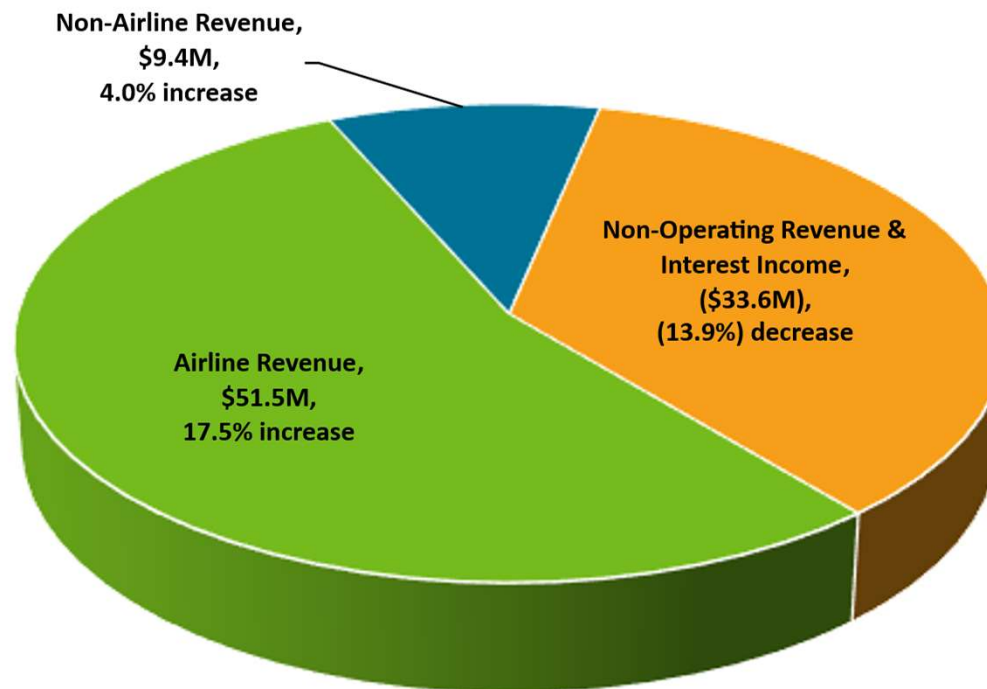
- Recovery period exceeds 25+ years
- Investment costs do not include maintenance, operating or lifecycle costs

# FY 2027 Interest Income & Non-Operating Revenue Decrease

<i>(in thousands)</i>	FY2026 Budget	FY2027 Proposed Budget	Inc / (Dec) FY27 Proposed vs FY26 Budget	% Change
<b>Interest Income</b>	92,749	85,093	(7,657)	-8.3%
<b>Non-Operating Revenue</b>				
Passenger Facility Charges	50,959	51,973	1,014	2.0%
Customer Facility Charges	36,693	48,189	11,497	31.3%
Quieter Home Program	14,400	14,400	-	0.0%
Capital Grant Contributions	54,756	41,609	(13,148)	-24.0%
Other Non Operating Revenue	-	-	-	0.0%
<b>Total Non-Operating Revenue</b>	<b>156,808</b>	<b>156,171</b>	<b>(637)</b>	<b>-0.4%</b>

- **Interest Income:** Decrease driven by lower balances in the Bond funds due to use of construction funds for NT1
- **Passenger Facility Charges (PFC) :** increase driven by enplanement growth
- **Customer Facility Charges (CFC) :** increase driven by increase in fees
- **Quieter Home Program (QHP):** consistent with expected grant funding levels
- **Capital Grant Contributions:** decrease due to NT1 Airside, NT1 Terminal, and timing across other capital projects funded by grants

# FY 2028 Budget Revenue Increase vs. FY 2027 Budget \$27.3M; 3.5%



**Total FY 2028 Budget is \$798.4M**

# FY 2028 Airline Revenue Increase



*(in thousands)*

	FY2027 Proposed Budget	FY2028 Conceptual Budget	Inc / (Dec) FY28 Conceptual vs FY27 Budget	% Change
<b>Operating Revenue</b>				
<b>Airline Revenue</b>				
Landing Fees	62,489	69,473	6,984	11.2%
Aircraft Parking Fees	15,622	17,368	1,746	11.2%
Building Rentals	200,295	237,845	37,550	18.7%
Common Use Fees	18,237	21,361	3,124	17.1%
Other Aviation Revenue	(1,863)	212	2,075	-111.4%
<b>Total Airline Revenue</b>	<b>294,780</b>	<b>346,259</b>	<b>51,479</b>	<b>17.5%</b>

- **Landing Fees:** Debt service driving majority of increase; some of the increase due to increased airfield expense
- **Aircraft Parking Fees:** Increase due to increased airfield expense
- **Building Rentals:** Increase due to higher terminal O&M expenses and increased square footage due to opening of Phase 1B
- **Common Use Fees:** Increase due to higher expense and amortization of cash funded projects
- **Other Aviation Revenue:** No anticipation of eligible flights for incentives

# FY 2028 Non-Airline Revenue Increase



<i>(in thousands)</i>	FY2027 Proposed Budget	FY2028 Conceptual Budget	Inc / (Dec) FY28 Conceptual vs FY27 Budget	% Change
<b>Non-Airline Revenue</b>				
Terminal Rent Non-Airline	4,412	4,435	23	0.5%
Terminal Concessions	44,380	47,907	3,527	7.9%
Rental Car License Fees	38,846	39,866	1,020	2.6%
License Fees - Other	13,312	13,574	262	2.0%
Parking Revenue	73,256	75,453	2,198	3.0%
Ground Transportation Permits and Citations	30,904	32,890	1,986	6.4%
Ground Rentals	28,112	28,504	391	1.4%
Other Operating Revenue	1,889	1,907	18	0.9%
<b>Total Non-Airline Revenue</b>	<b>235,112</b>	<b>244,535</b>	<b>9,423</b>	<b>4.0%</b>

- **Terminal Rent Non-Airline:** Increase driven primarily by CPI growth
- **Terminal Concessions:** Increase reflects higher enplanements, opening of NT1 phase 1B, and Sales Per Enplaned Passenger growth
- **Rental Car License Fees:** Increase due to higher enplanements and higher cost recovery
- **License Fees – Other:** Increase driven by enplanements and operations growth
- **Parking:** Increase due to enplanements growth
- **Ground Transportation Permits and Citations:** Increase driven by increased rates and enplanements
- **Ground Rentals:** Increase driven primarily by CPI growth

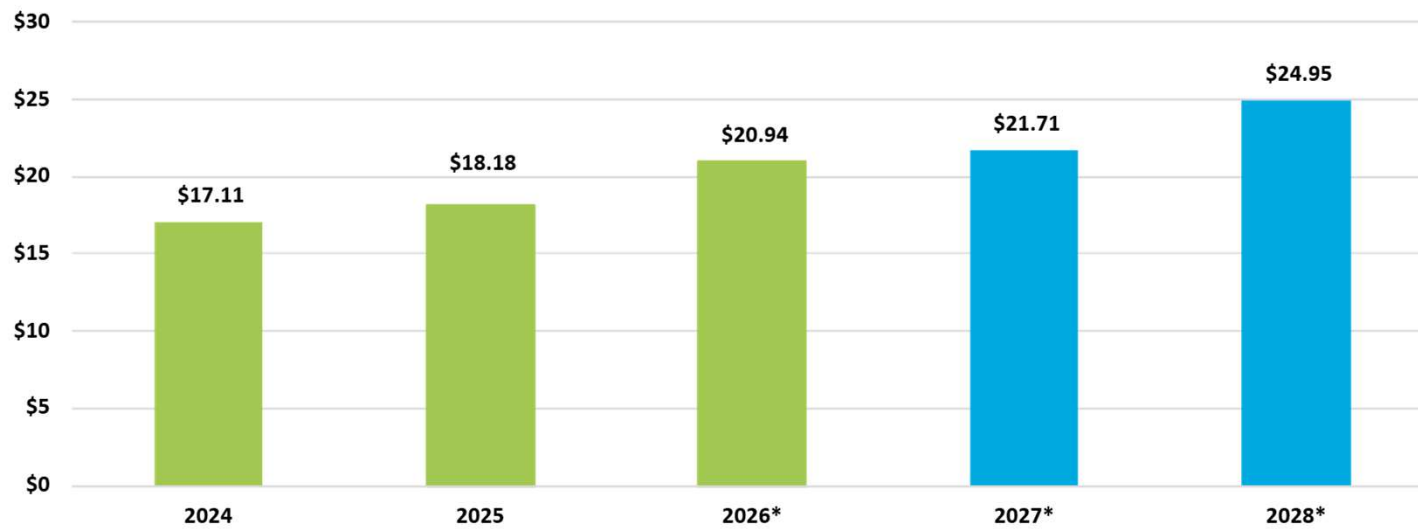
# FY 2028 Interest Income & Non-Operating Revenue Decrease



<i>(in thousands)</i>	FY2027 Proposed Budget	FY2028 Conceptual Budget	Inc / (Dec) FY28 Conceptual vs FY27 Budget	% Change
<b>Interest Income</b>	85,093	61,142	(23,951)	-28.1%
<b>Non-Operating Revenue</b>				
Passenger Facility Charges	51,973	53,008	1,036	2.0%
Customer Facility Charges	48,189	49,139	950	2.0%
Quieter Home Program	14,400	12,000	(2,400)	-16.7%
Capital Grant Contributions	41,609	32,351	(9,258)	-22.2%
Other Non Operating Revenue	-	-	-	0.0%
<b>Total Non-Operating Revenue</b>	<b>156,171</b>	<b>146,499</b>	<b>(9,672)</b>	<b>-6.2%</b>

- **Interest Income:** decrease due to Bond funds draw down
- **Passenger Facility Charges (PFCs):** increase driven by enplanement growth
- **Customer Facility Charges (CFCs):** increase driven by enplanement growth
- **Quieter Home Program (QHP):** decrease due to expected grant funding levels
- **Capital Grant Contributions:** decrease due to NT1 Airside, offset by timing for T2E Connector project

# Airline Cost Per Enplaned Passenger



\* Budgeted FY 2026 - FY 2028

<sup>1</sup> Enplaned Passengers in thousands

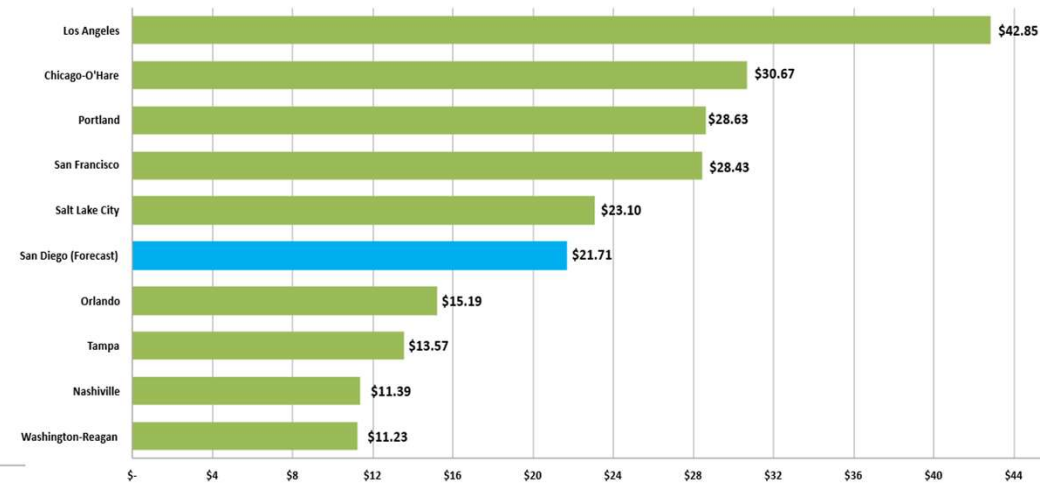
# Airline Cost Per Enplaned Passenger

## By Select Airports



**FY 2026\***

**FY 2027\***

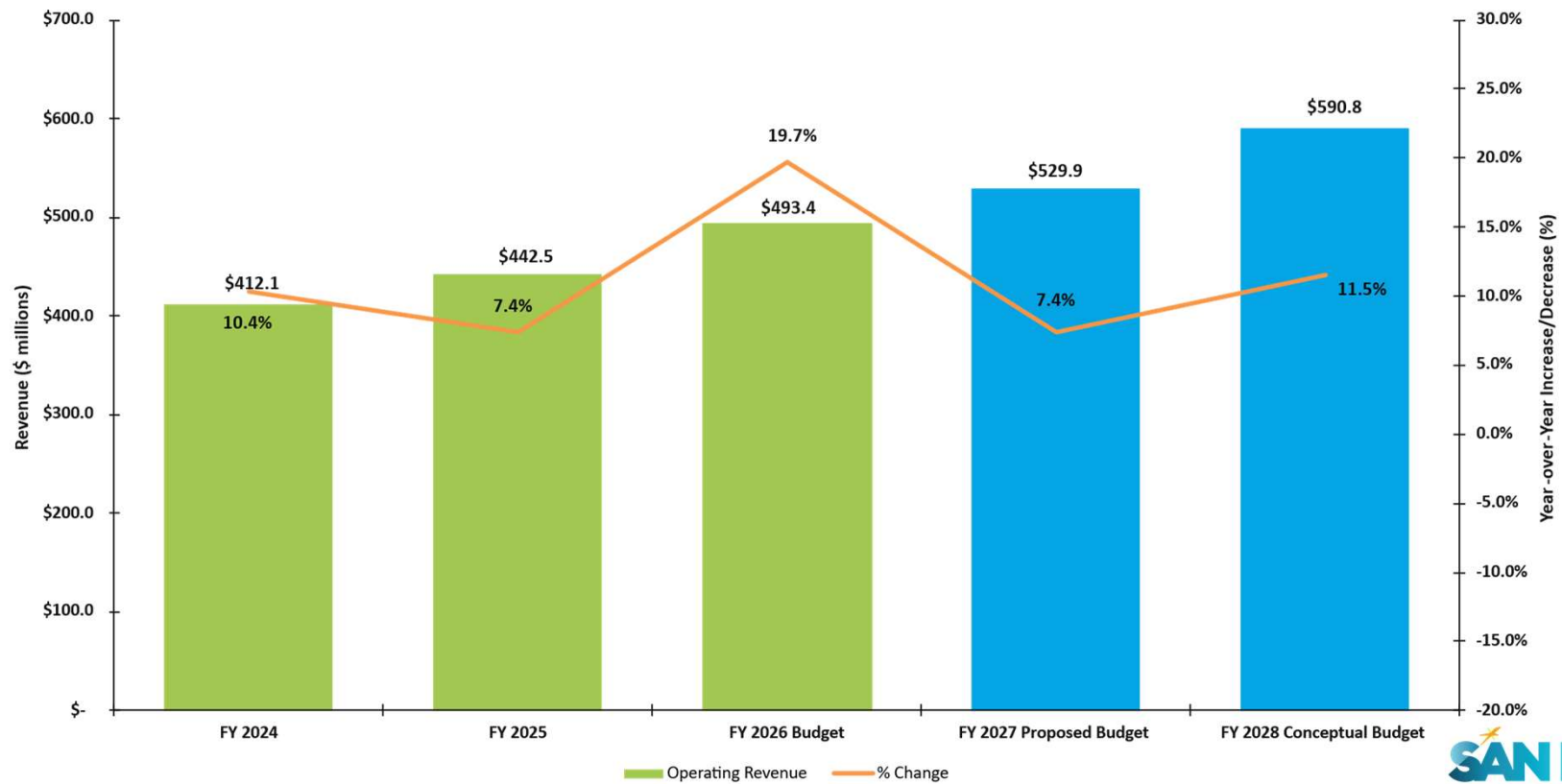


\* FY 2026 and FY 2027 projected

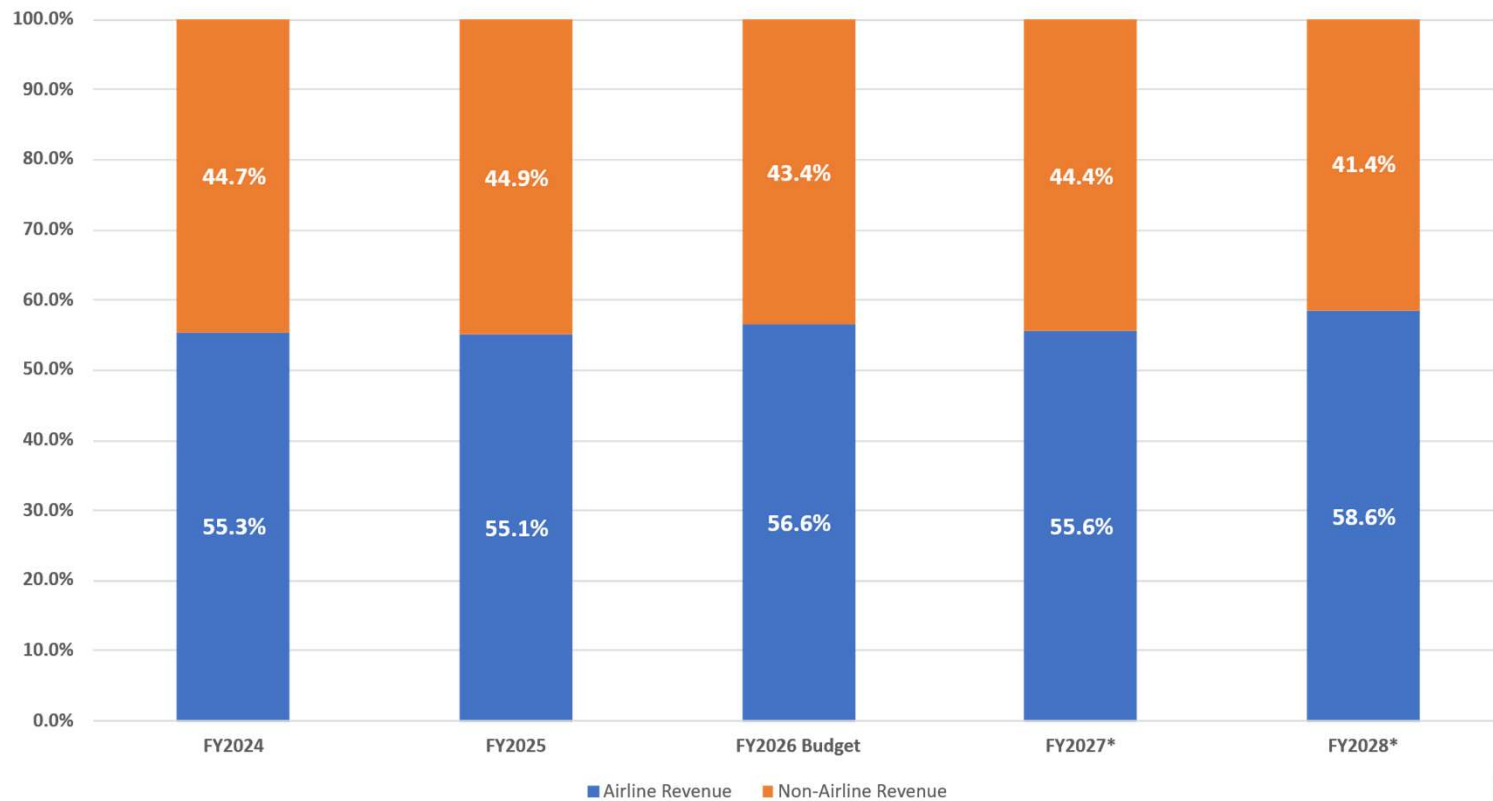
Sources: Bond Official Statements and Airport Financial Statements  
Internal SAN Forecast



# Operating Revenue FY 2024 – FY 2028



# Revenue – Airline vs Non-Airline



\* Budgeted FY 2027 & FY 2028



# Expense Budget Overview



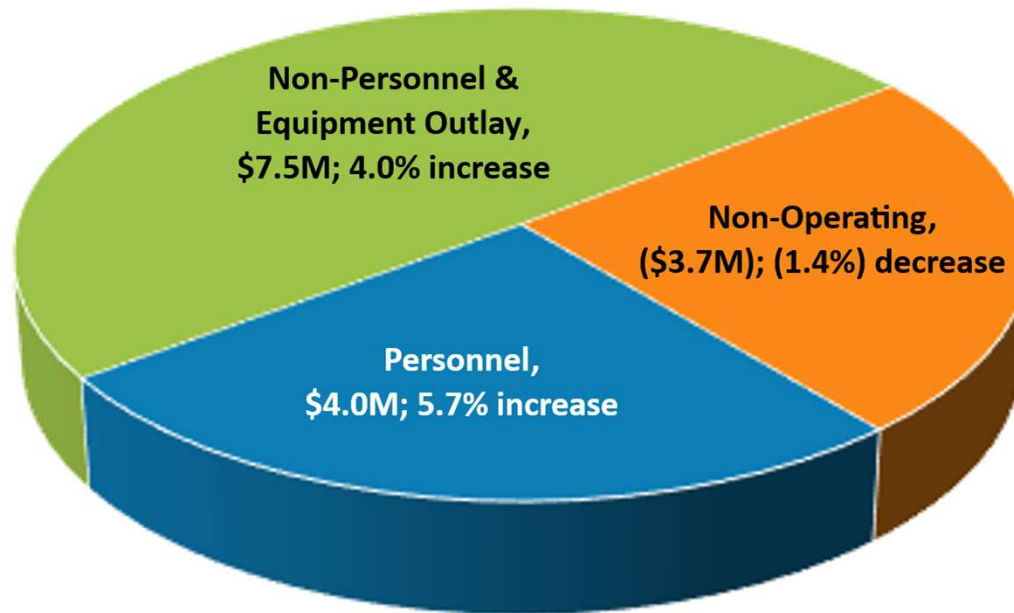
# FY 2027 - FY 2028 Proposed Budget Expense Summary



<i>(In Thousands)</i>	FY2025 Actuals	FY2026 Budget	FY2027 Proposed Budget	Inc / (Dec) FY27 Proposed vs FY26 Budget	% Change	FY2028 Conceptual Budget	Inc / (Dec) FY28 Conceptual vs FY27 Budget	% Change
<b>Operating Expenses</b>								
Salaries	\$ 47,695	\$ 52,167	\$ 58,422	\$ 6,255	12.0%	\$ 61,161	\$ 2,739	4.7%
Benefits	20,414	24,591	22,561	(2,030)	-8.3%	27,215	4,654	20.6%
<b>Subtotal</b>	<b>68,109</b>	<b>76,759</b>	<b>80,983</b>	<b>4,225</b>	<b>5.5%</b>	<b>88,376</b>	<b>7,393</b>	<b>9.1%</b>
Less: Capitalized Labor Recharge	(5,485)	(7,234)	(7,430)	(196)	2.7%	(8,031)	(601)	8.1%
Less: QHP Labor Recharge	(593)	(530)	(606)	(76)	14.4%	(669)	(63)	10.4%
<b>Total</b>	<b>62,030</b>	<b>68,995</b>	<b>72,947</b>	<b>3,952</b>	<b>5.7%</b>	<b>79,675</b>	<b>6,728</b>	<b>9.2%</b>
Contractual Services	54,886	66,694	67,877	1,183	1.8%	68,225	348	0.5%
Safety and Security	39,541	45,761	50,756	4,995	10.9%	53,914	3,157	6.2%
Space Rental	11,080	11,073	11,084	11	0.1%	11,093	9	0.1%
Utilities	20,497	24,536	27,711	3,175	12.9%	31,241	3,529	12.7%
Maintenance	16,575	18,805	18,336	(469)	-2.5%	20,397	2,061	11.2%
Operating Equipment & Systems	325	1,023	1,033	9	0.9%	1,015	(18)	-1.7%
Operating Supplies	652	1,200	1,067	(133)	-11.1%	1,184	117	11.0%
Insurance	2,579	3,183	3,567	384	12.1%	3,718	151	4.2%
Employee Development	910	1,199	1,254	55	4.6%	1,248	(6)	-0.5%
Business Development	3,129	5,214	5,265	51	1.0%	5,542	277	5.3%
Equipment Rentals and Repairs	4,388	5,975	6,000	25	0.4%	6,442	442	7.4%
Tenant Improvements	1,167	1,186	1,292	107	9.0%	1,344	52	4.0%
<b>Total Non-Personnel Costs</b>	<b>155,729</b>	<b>185,850</b>	<b>195,244</b>	<b>9,394</b>	<b>5.1%</b>	<b>205,363</b>	<b>10,119</b>	<b>5.2%</b>
<b>Total Operating Expenses</b>	<b>217,759</b>	<b>254,845</b>	<b>268,191</b>	<b>13,346</b>	<b>5.2%</b>	<b>285,038</b>	<b>16,847</b>	<b>6.3%</b>
Joint Studies / Sound Attenuation	17,560	18,000	18,000	-	0.0%	15,000	(3,000)	-16.7%
Debt Service	214,337	254,578	250,886	(3,692)	-1.5%	272,529	21,643	8.6%
Legal Settlement Expense	621	250	250	-	0.0%	250	-	0.0%
Other Non-Operating Expenses	4	-	-	-	0.0%	-	-	0.0%
<b>Total Non-Operating Expenses</b>	<b>232,522</b>	<b>272,828</b>	<b>269,136</b>	<b>(3,692)</b>	<b>-1.4%</b>	<b>287,779</b>	<b>18,643</b>	<b>6.9%</b>
<b>Total Expenses</b>	<b>450,282</b>	<b>527,673</b>	<b>537,327</b>	<b>9,654</b>	<b>1.8%</b>	<b>572,817</b>	<b>35,490</b>	<b>6.6%</b>
Equipment Outlay Expenditures	1,329	2,775	885	(1,890)	-68.1%	1,140	255	28.8%
<b>Total Authority Expenses Incl Equip Outlay</b>	<b>\$ 451,610</b>	<b>\$ 530,448</b>	<b>\$ 538,212</b>	<b>\$ 7,764</b>	<b>1.5%</b>	<b>\$ 573,957</b>	<b>\$ 35,745</b>	<b>6.6%</b>

# FY 2027 Budget Expense Increase vs. FY 2026 Budget

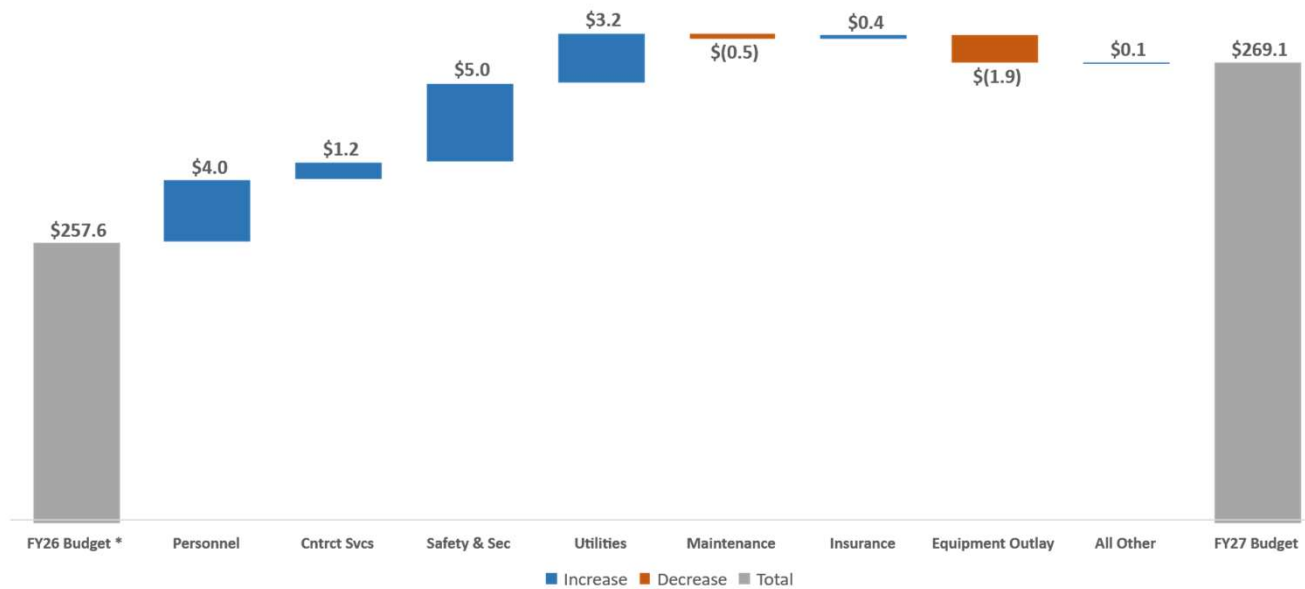
\$7.8M; 1.5%



Total FY 2027 Budget is \$538.2M

# Major Drivers of FY27 Budget vs FY26 Budget

## Operating Expense incl. Equipment Outlay +\$11.5M (4.4%)

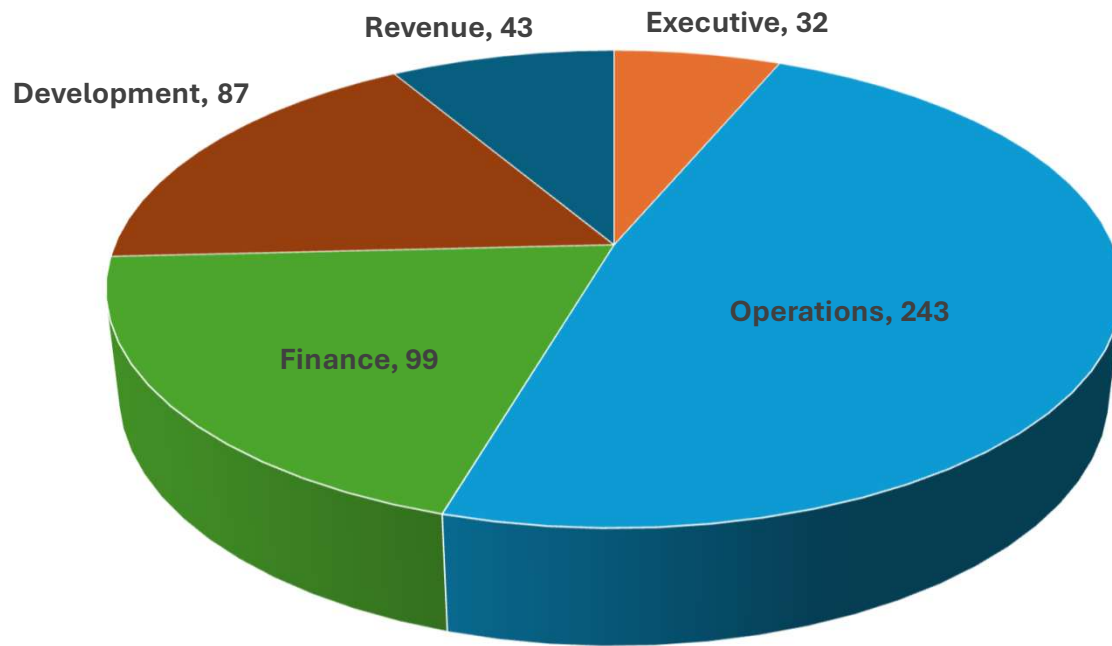


(in Millions)

\* Budget starting point not indicative of scale; includes operating expenses and equipment outlay.

- Personnel: net 4 new positions and benefits renewal; partially offset by removal of 1% retirement catch up
- Contractual Services: increased costs for SP+ Parking Operations and ACE Shuttles
- Utilities: driven by anticipated 10% electric rate increase and increased usage with full year of NT1
- Equipment outlay: decrease driven by one-time security equipment purchase in FY26

# FY 2027 Proposed Budget New Headcount



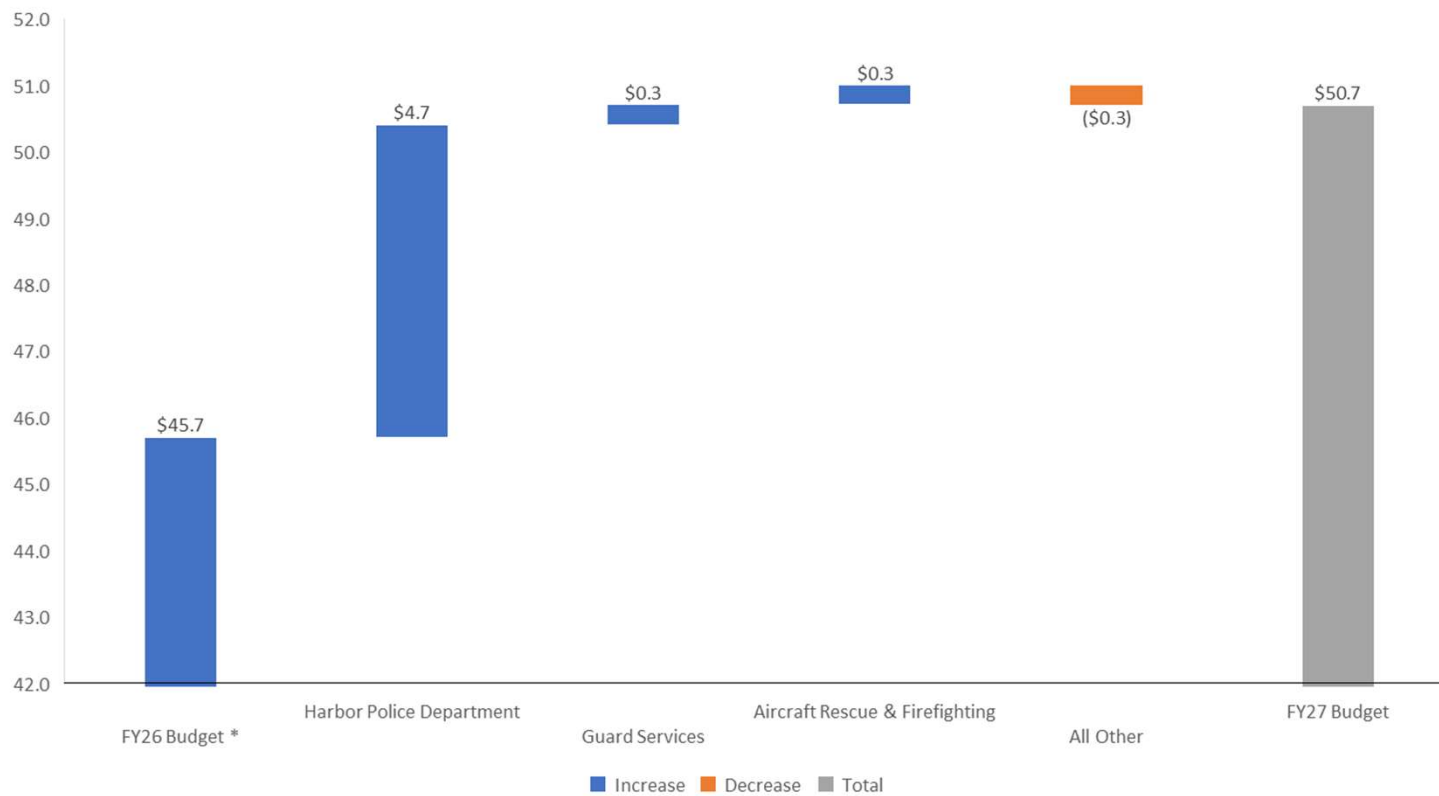
Total FY 2027 Proposed Headcount, 504

## FY 2027 New/Eliminated Positions by Division

Operations	5
Finance	3
Revenue*	(4)
<b>Total</b>	<b>4</b>

\*Removed roles were for Lost & Found

# Major Drivers of FY27 Budget vs FY26 Budget Safety & Security – Increase \$5.0M (10.9%)



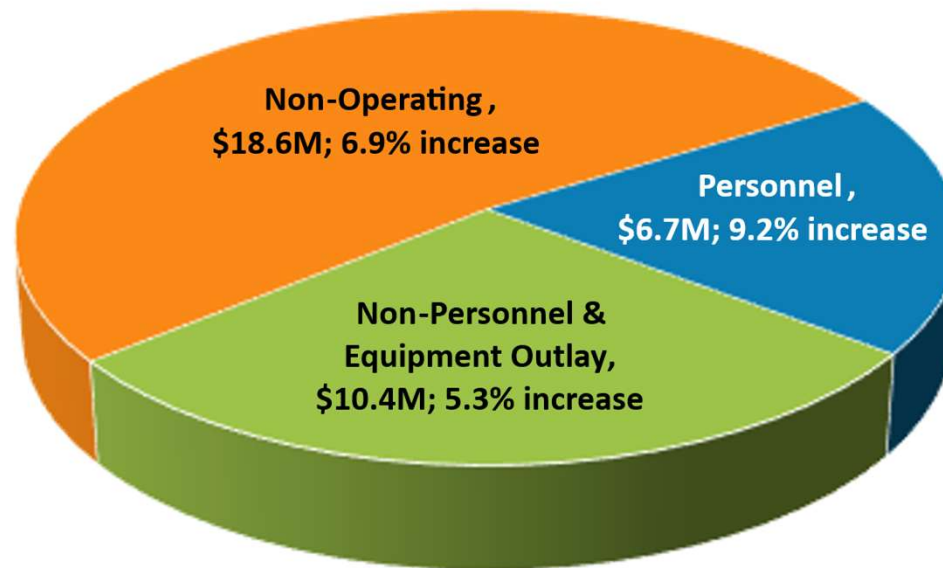
(in Millions)

\* Budget starting point not indicative of scale



# FY 2028 Budget Expense Increase vs. FY 2027 Budget

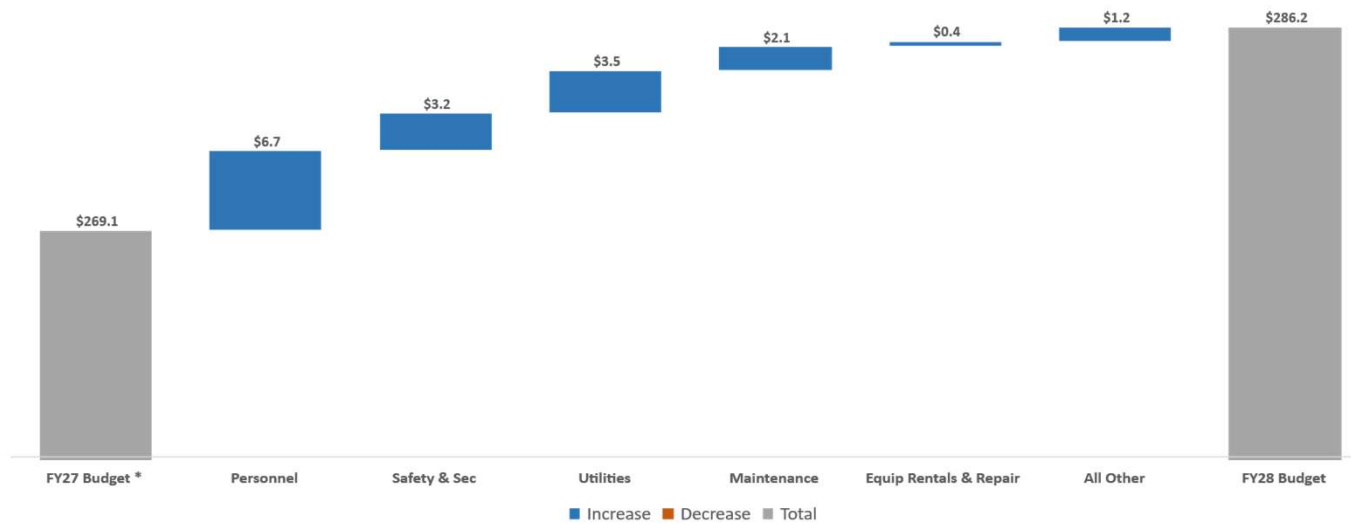
**\$35.7M; 6.6%**



**Total FY 2028 Budget is \$573.9M**

# Major Drivers of FY28 Budget vs FY27 Budget

## Operating Expense incl. Equipment Outlay +\$17.1M (6.4%)

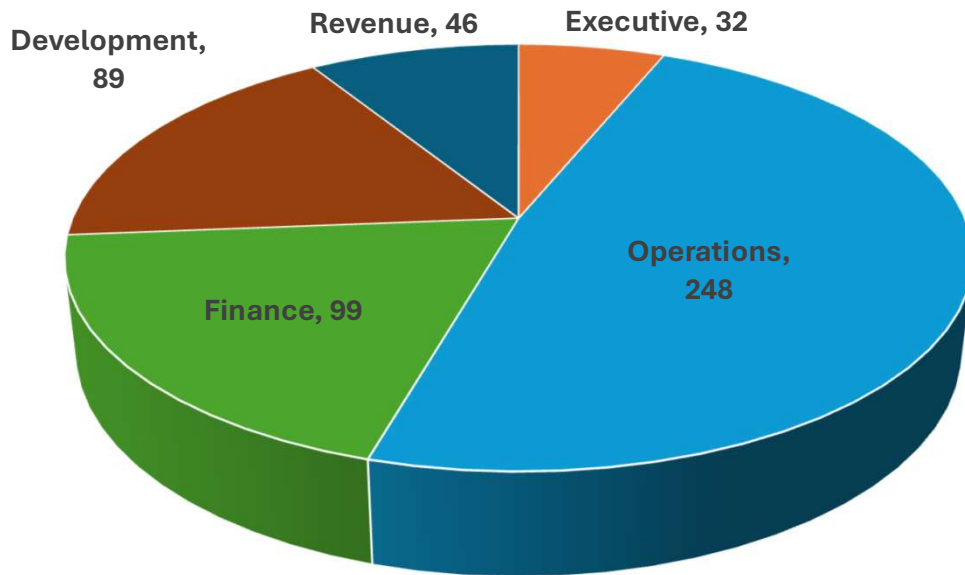


(in Millions)

\* Budget starting point not indicative of scale; includes operating expenses and equipment outlay.

- Expense increases largely driven by NT1 Phase 1B
- Personnel: 10 new positions, benefits renewal and reinstating the 1% retirement catch up
- Safety & security: increase in HPD and guard services driven by NT1 Phase 1B and rate increases
- Utilities: increased rates and usage with NT1 phase 1B
- Maintenance: increase driven by green oval painting

# FY 2028 Proposed Budget New Headcount



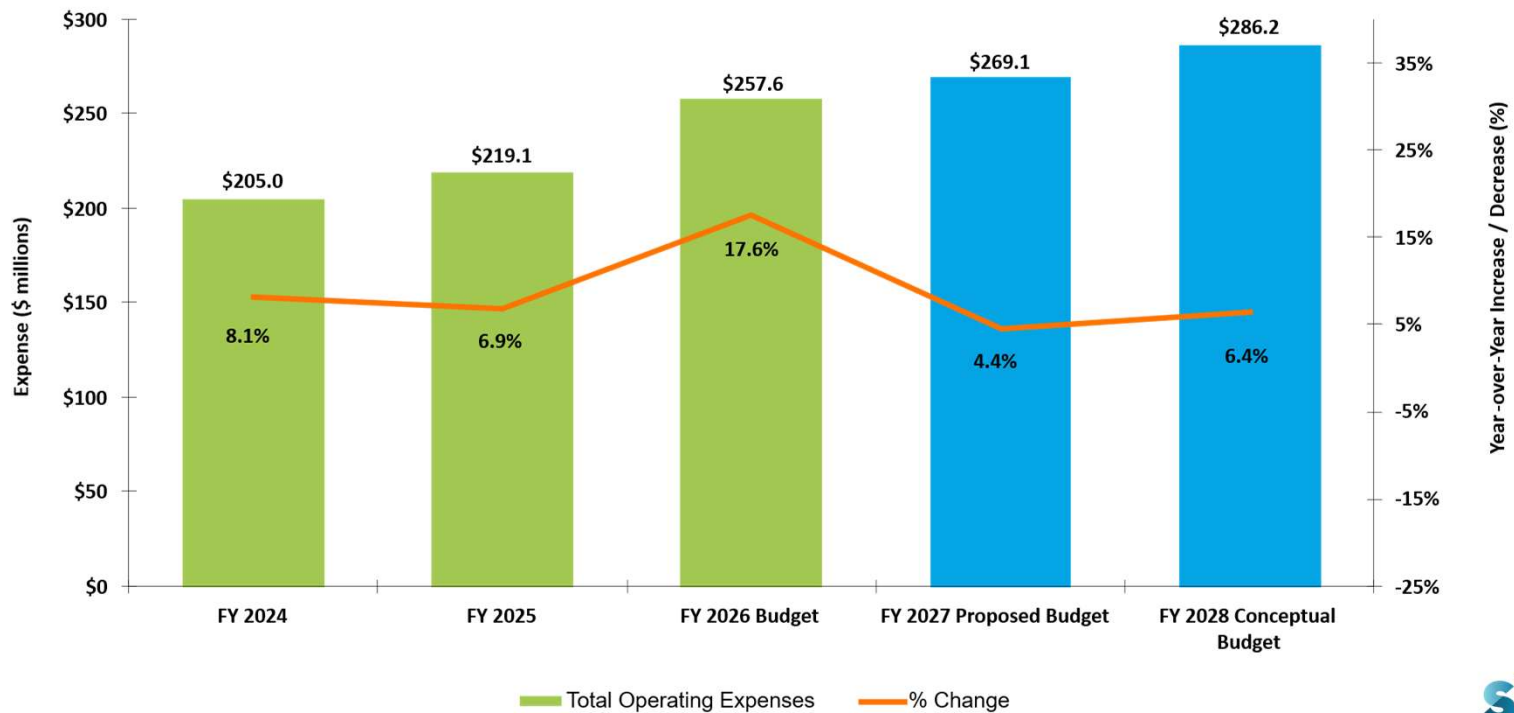
Total FY 2028 Proposed Headcount, 514

FY 2028 New/Eliminated Positions by Division

Operations	5
Development	2
Revenue	3
<b>Total</b>	<b>10</b>

# Total Operating Expenses incl Equipment Outlay

## FY 2024 – FY 2028





# Budget Summary



# Budget Summary

## Statement of Activity



(In Thousands)

	FY 2026 Budget	FY 2026 Forecast	Inc / (Dec) FY26 Forecast vs FY26 Budget	% Change	FY 2027 Proposed Budget	Inc / (Dec) FY27 Budget vs FY26 Forecast	% Change	FY 2028 Conceptual Budget	Inc / (Dec) FY28 Conc vs FY27	% Change
<b>Operating Revenue</b>										
Airline Revenue	\$ 279,095	\$ 269,290	\$ (9,804)	-3.5%	\$ 294,780	\$ 25,490	9.5%	\$ 346,259	\$ 51,479	17.5%
Non-Airline Revenue	214,284	224,345	10,061	4.7%	235,112	10,766	4.8%	244,535	9,423	4.0%
<b>Total Operating Revenue</b>	<b>493,379</b>	<b>493,636</b>	<b>257</b>	<b>0.1%</b>	<b>529,892</b>	<b>36,257</b>	<b>7.3%</b>	<b>590,795</b>	<b>60,902</b>	<b>11.5%</b>
<b>Total Operating Expenses</b>	<b>254,845</b>	<b>247,363</b>	<b>7,481</b>	<b>2.9%</b>	<b>268,190</b>	<b>20,827</b>	<b>8.4%</b>	<b>285,038</b>	<b>16,848</b>	<b>6.3%</b>
Depreciation & Amortization	183,300	177,871	(5,429)	-3.0%	195,564	17,693	9.9%	214,197	18,633	9.5%
Operating Income/ (Loss)	55,234	68,401	13,167	23.8%	66,138	(2,263)	-3.3%	91,559	25,421	38.4%
Total Non-Operating Revenue/(Expenses), Net	(35,207)	(14,510)	20,697	-58.8%	(24,437)	(9,927)	68.4%	(42,836)	(18,399)	75.3%
Income/ (Loss) before Capital Grant Contributions	20,027	53,892	33,864	169.1%	41,702	(12,190)	-22.6%	48,724	7,022	16.8%
Capital Grant Contributions	54,756	27,846	(26,911)	-49.1%	41,609	13,763	49.4%	32,351	(9,258)	-22.2%
<b>Net Income/ (Loss) *</b>	<b>\$ 74,784</b>	<b>\$ 81,737</b>	<b>\$ 6,953</b>	<b>9.3%</b>	<b>\$ 83,310</b>	<b>\$ 1,573</b>	<b>1.9%</b>	<b>\$ 81,075</b>	<b>\$ (2,236)</b>	<b>-2.7%</b>

\* Excludes principal payments on debt and capital outlay



# Capital Program Budget Fiscal Years 2027-2031



# Capital Program Overview



- 5 Year Program
- Reviewed by the Capital Improvement Program Oversight Committee (CIPOC)
- Approved by the Board annually
- Managed by the Executive Leadership Team - CEO & Vice Presidents
- **Current FY 2026 - FY 2030 Total Capital Program - 78 projects - \$4.52 Billion**
  - Capital Improvement Program (CIP) - \$688.55 Million
  - New T1 - \$3.83 Billion

# Proposed New FY 2027 - 2031 CIP Projects



*(in thousands)*

Description	Expected Construction Start Date	Estimated Budget
Taxiway Alpha Extension	July 2029	\$ 65,000
Terminal 2 West Escalator & Elevator Replacements	July 2027	\$ 10,000
Fire Alarm System Upgrade	July 2027	\$ 4,200
Southside Taxi/TNC Hold Lot Access Control	January 2028	\$ 2,000
<b>Total</b>		<b>\$ 81,200</b>

# Proposed FY 2027 - 2031 Capital Program Budget Summary



(in thousands)

	New T1	CIP	Total
<b>FY 2026 - 2030 Capital Program Budget</b>	<b>\$3,834,300</b>	<b>\$688,547</b>	<b>\$4,522,847</b>
Closeouts and Adjustments	-	(20,572)	(20,572)
New Projects	-	81,200	81,200
<b>Proposed FY 2027 - 2031 Capital Program Budget *</b>	<b>\$3,834,300</b>	<b>\$749,175</b>	<b>\$4,583,475</b>

\*Pending Board approval

# Proposed FY 2027 - 2031 Capital Program Projects Locations



*(In thousands)*

Location	New T1	CIP	Total
Terminal	\$2,892,780	\$342,435	<b>\$3,235,215</b>
Landside	481,091	110,314	<b>591,404</b>
Airside	353,631	173,369	<b>527,000</b>
Administrative	106,798	123,057	<b>229,856</b>
<b>Total</b>	<b>\$3,834,300</b>	<b>\$749,175</b>	<b>\$4,583,475</b>

# Proposed FY 2027 - 2031 Capital Program Sources of Funds



*(In thousands)*

<b>Funding Source</b>	<b>New T1</b>	<b>CIP</b>	<b>Total</b>
Airport Revenue Bonds	\$3,201,288	\$278,846	<b>\$3,480,133</b>
Airport Cash	317,795	317,452	<b>635,247</b>
Federal Grants	301,726	51,843	<b>353,569</b>
Major Maintenance Fund	-	59,719	<b>59,719</b>
Customer Facility Charges	-	37,630	<b>37,630</b>
Other*	13,491	3,500	<b>16,991</b>
Passenger Facility Charges	-	185	<b>185</b>
<b>Total</b>	<b>\$3,834,300</b>	<b>\$749,175</b>	<b>\$4,583,475</b>

\*Airlines and Fuel Consortium funding



# Financial Metrics



# General Airport Revenue Bonds Outstanding



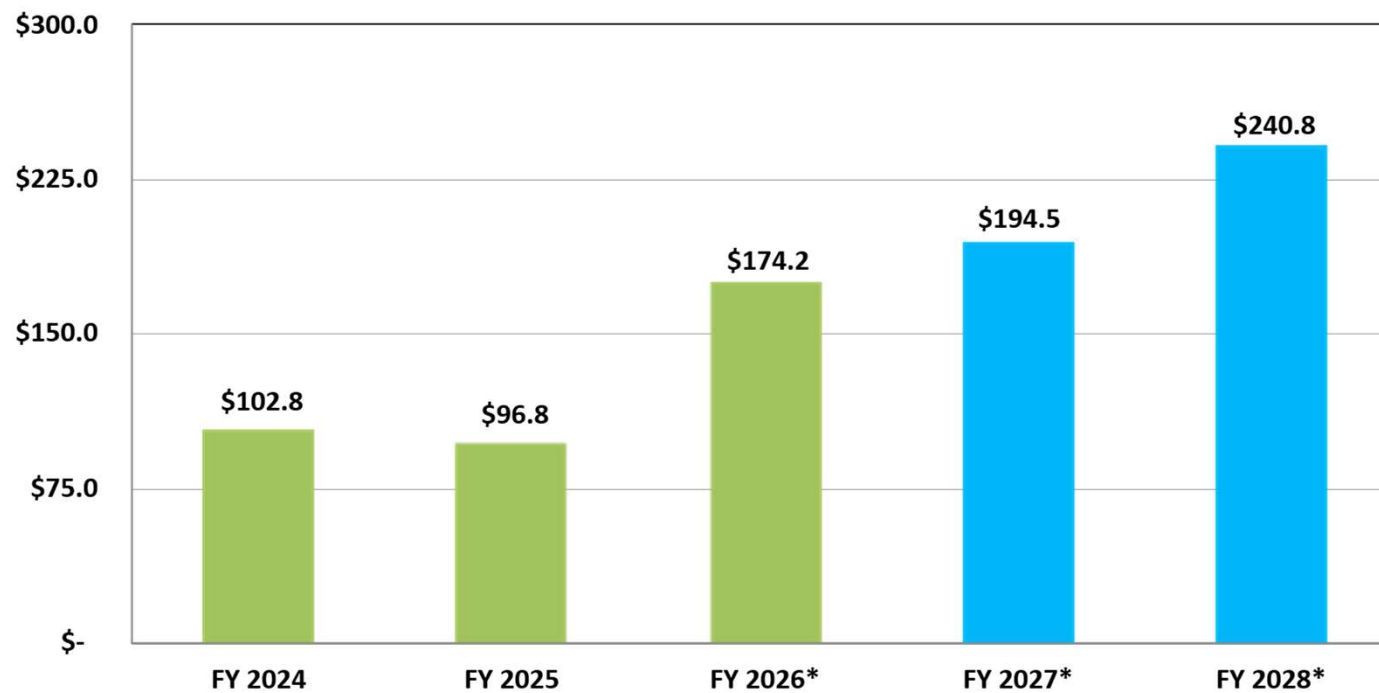
Series	Lien	Principal Outstanding (Millions) <sup>1</sup>	Maturity	Major Funded Projects
2017 Bonds	Subordinate	\$249.0	2026 - 2047	T2W Parking Plaza and T2W FIS
2019 Bonds	Subordinate	\$436.5	2026-2049	Refunded 2010 bonds (Greenbuild) and New Money projects
2020 Bonds	Subordinate	\$170.0	2026-2049	Refunded remaining 2010 bonds (Greenbuild)
2021 Bonds	Subordinate	\$1,849.9	2026-2056	New T1 refunding of 2013 Bonds (Greenbuild)
2023 Bonds	Senior	\$1,056.9	2028-2058	New T1 Program
2025 Bonds	Senior	\$784.5	2029-2056	New T1 Program
<b>Total Current Debt</b>		<b>\$4,546.8</b>		

<sup>1</sup> Total debt excludes balance sheet amounts relating to premium and discount received or paid during debt issuance. These amounts are amortized over the life of the bonds.

# General Airport Revenue Bond (GARB) Debt Service



(in millions)



\*Projected FY 2026 – FY 2028

# Special Facilities Bond

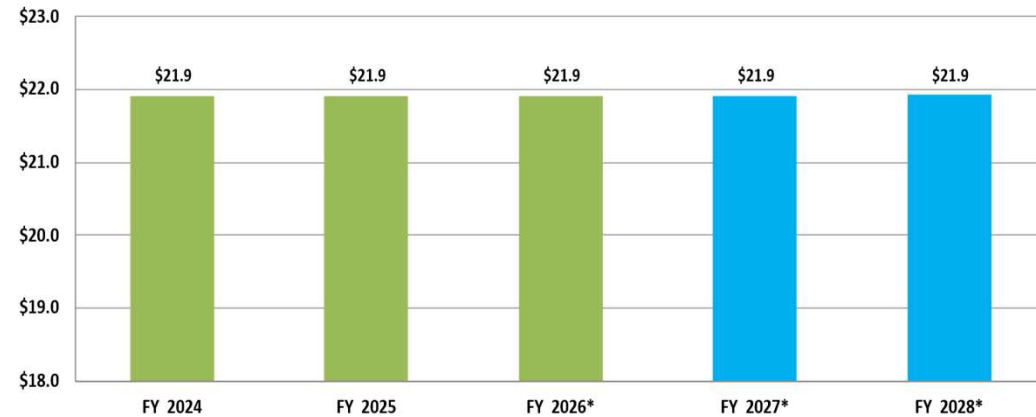


Series	Lien	Principal Outstanding (Millions) <sup>1</sup>	Maturity	Major Funded Projects
2014 Bonds	Senior	\$254.1	2026 - 2043	Rental Car Center (RCC)
<b>Total</b>		<b>\$254.1</b>		

**Coverage**



**Debt Service**

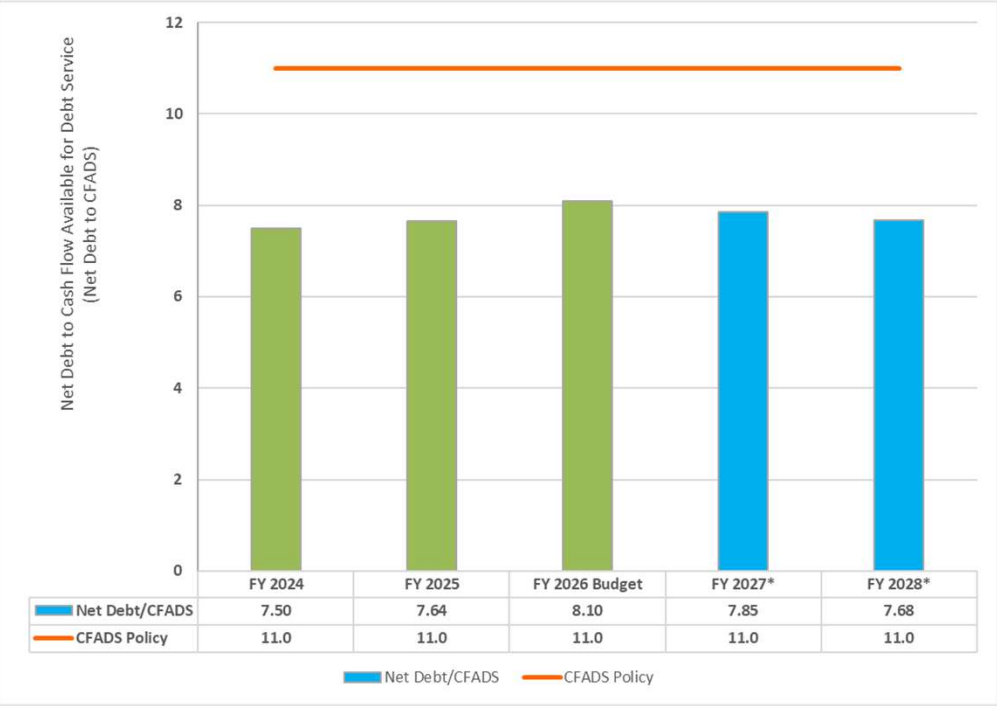


\*Projected FY 2026 – FY 2027

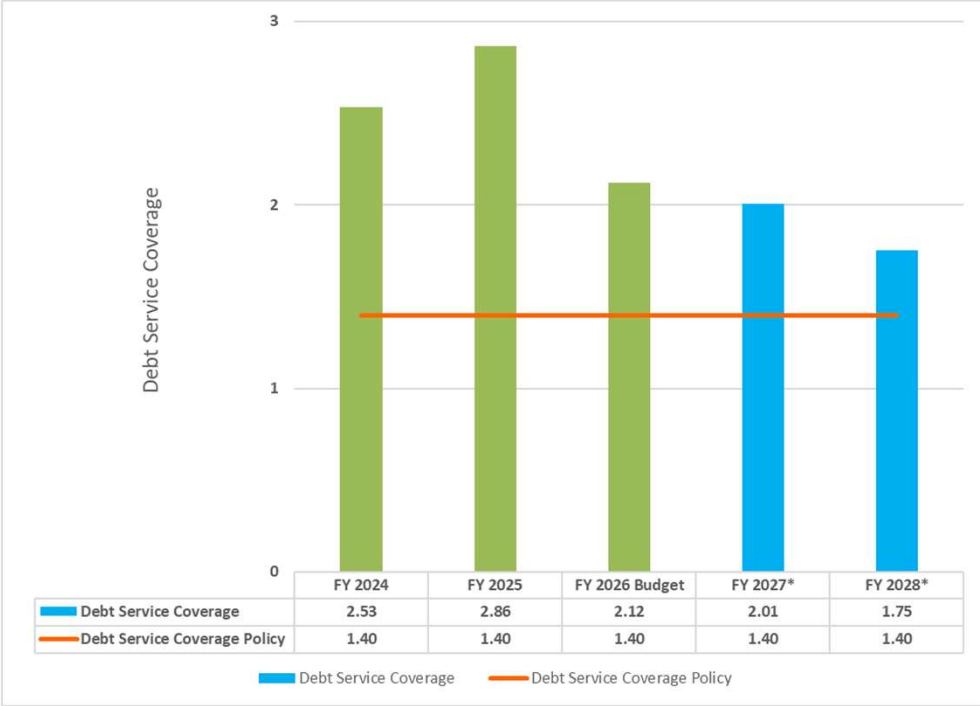
# Debt Service Metrics



### Net Debt/CFADS



### Debt Service Coverage



\*Projected FY 2027-28



# Conclusion



# Conclusion



- Provides resources for:
  - Full year operation of the New T1 Phase 1A
  - The construction and opening of the New T1 Phase 1B
- Follows the Authority's legislative and regulatory mandates
- Reflects collaboration with business and community stakeholders
- Demonstrates the discipline necessary to remain a sustainable enterprise
- Advances the five-year Capital Plan
- Allocates funding to execute technology and business intelligence initiatives
- Invests in customer experience and revenue initiatives

# Questions?



**Thank You!**

