

Airport Proposed Budget

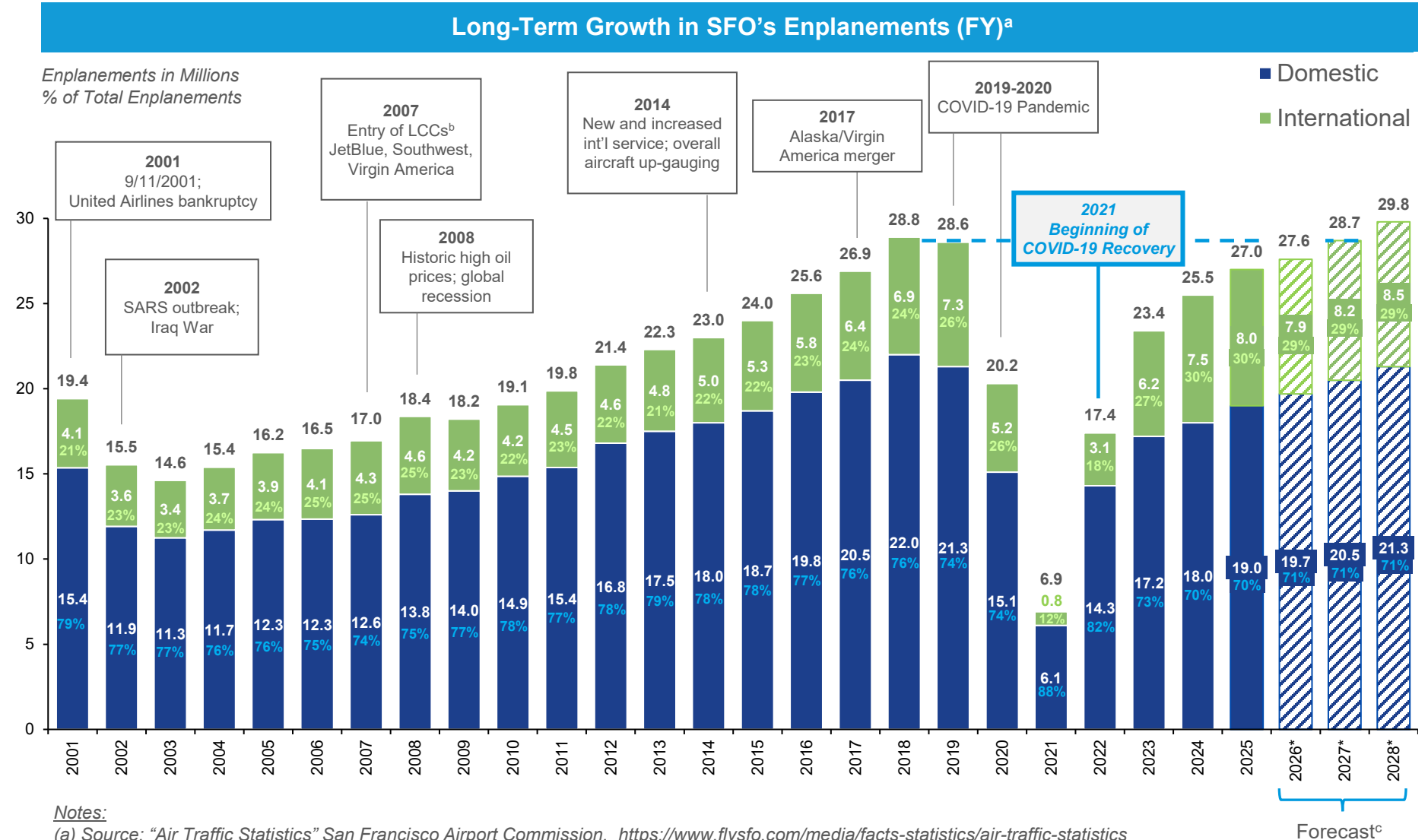
FY 2026-27 & FY 2027-28

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Airport Director

Resilience through Economic Cycles

While SFO's long-term fundamentals endure; near-term recovery demands disciplined focus

- **Recovery underway, but this climb is different than in the past**
 - FY26 Q1 forecast at **98% of pre-pandemic**
 - **Slower** to recover than peer U.S. airports
 - Investments needed to meet **long-term demands** and growth
- **External pressures**
 - i.e. Geopolitical volatility, fuel, regulatory environment, **inflationary pressures**, traveler spending
- **Local dynamics**
 - **Labor** cost growth
 - **Limited bid** competition
 - Rising **cost of doing business**
 - **Time to hire**



Total Economic Impact on City & County of San Francisco

SFO's on-airport and visitor spending activities drive jobs, wages, and business revenue across the City

\$598M

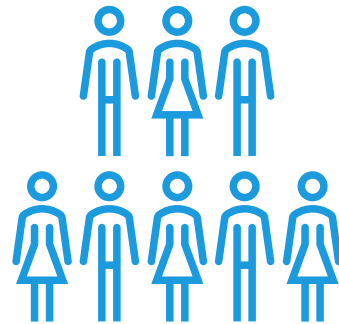
Tax Revenue

*\$319M on-airport +
\$279M visitor spend*



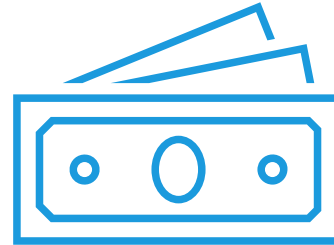
60K

Jobs



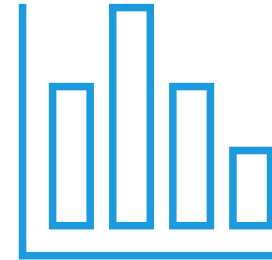
\$5.4B

Labor Income



\$9.0B

Business Revenue

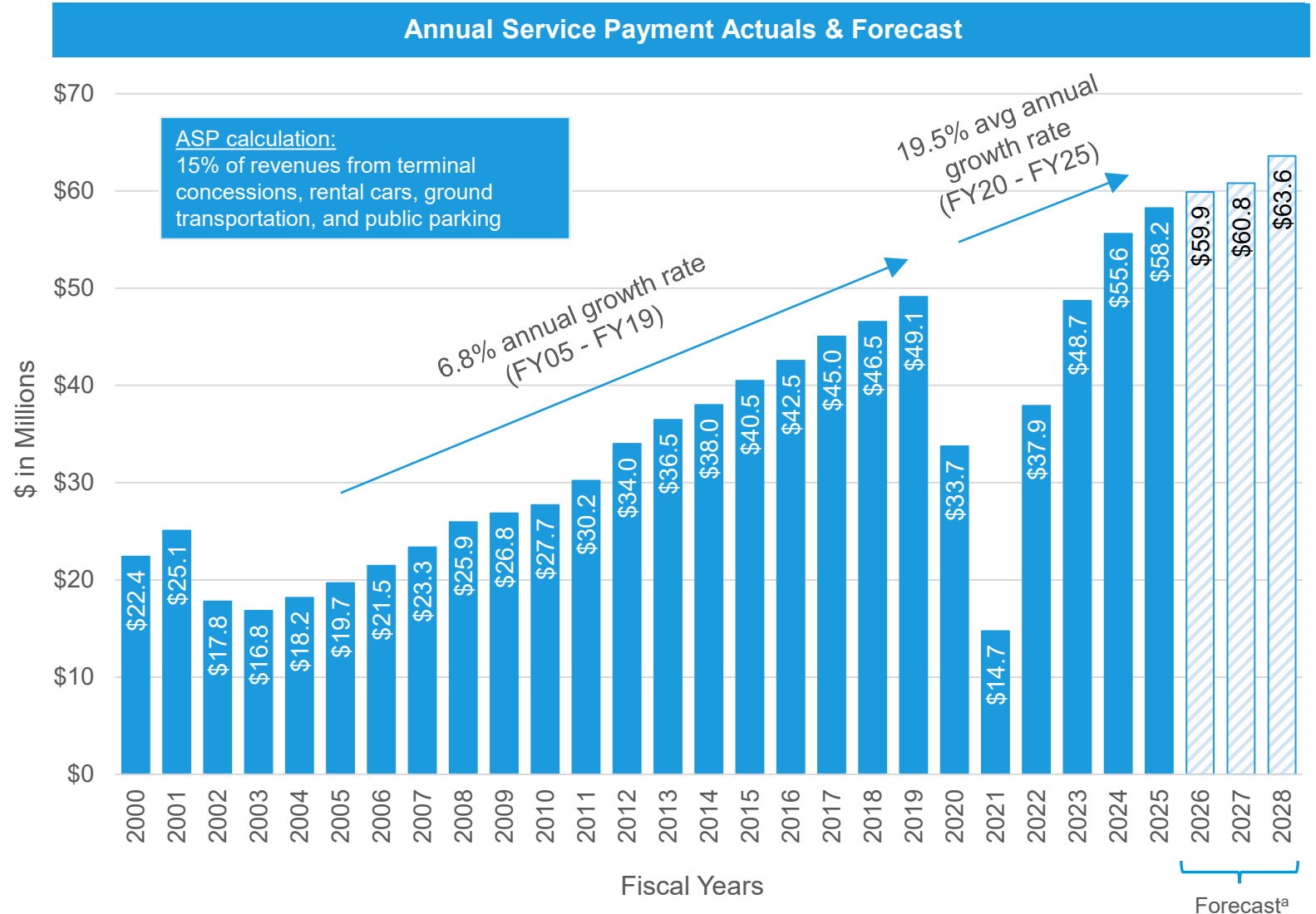


Source: SFO FY24 Economic Impact Study

SFO's Annual Service Payment (ASP) to General Fund

Driven by passenger spending contributing to concession revenues

- Drive non-airline revenue growth through disciplined use of **existing resources efficiently**
- Maintain **high service levels** for passengers, airlines, tenants
- **Strengthen existing & develop new revenue streams**
- Underscores steady investments roadmap needed to grow non-airline revenues to support **contribution to the City**



Source: (a) FY 2026-27 and FY 2027-28 Proposed Budget

Proposed Operating Budget Details

Other Operating Budget growth is 3-4%; Debt Service growth is based on scheduled capital projects coming online

Proposed FY 2026-27 & FY 2027-28 Operating Budget^a (\$ in Millions)

Operating Budget	FY 2025-26 Adopted	FY 2026-27 Proposed	Change vs FY26 (\$)	Change vs FY26 (%)	FY 2027-28 Proposed	Change vs FY27 (\$)	Change vs FY27 (%)	
Personnel	\$ 363.6	\$ 381.6	\$ 18.0	5%	\$ 401.8	\$ 20.2	5%	} Other Operating: FY27 Δ 4% FY28 Δ 3%
Non-Personnel Services	302.8	315.1	\$ 12.3	4%	310.3	(4.8)	-2%	
Materials & Supplies	22.5	26.2	\$ 3.7	17%	26.0	(0.2)	-1%	
Equipment/Vehicles ^b	5.3	7.9	\$ 2.5	48%	5.0	(2.9)	-37%	
City Services	240.9	245.7	\$ 4.7	2%	260.3	14.6	6%	
Annual Service Payment ^c	61.3	60.8	\$ (0.5)	-1%	63.6	2.8	5%	
Other ^d	21.8	21.9	\$ 0.1	1%	22.1	0.2	1%	
Debt Service	719.3	\$ 730.9	\$ 11.6	2%	\$ 859.0	\$ 128.1	18%	
Total	\$ 1,737.4	\$ 1,790.0	\$ 52.6	3%	\$ 1,948.0	\$ 158.0	9%	

Notes: (a) Excludes Operating Reserve and Capital Improvement Fund (ORCIF) transfers

(b) Equipment/Vehicles reflect one-time investments and budgeted across both fiscal years

(c) FY26 ASP forecasted below budget by 1% due to airline schedule adjustments driven by softer demand and ongoing aircraft delivery delays

(d) Other budget items include Facilities Maintenance, Small Capital Outlay, Other Post Employment Benefits and Surety Bond

FY 2026-27 & FY 2027-28 Operating & Capital Positions

No new FTEs – focus on recruitments of over 200 vacant positions required to support operations & capital projects delivery

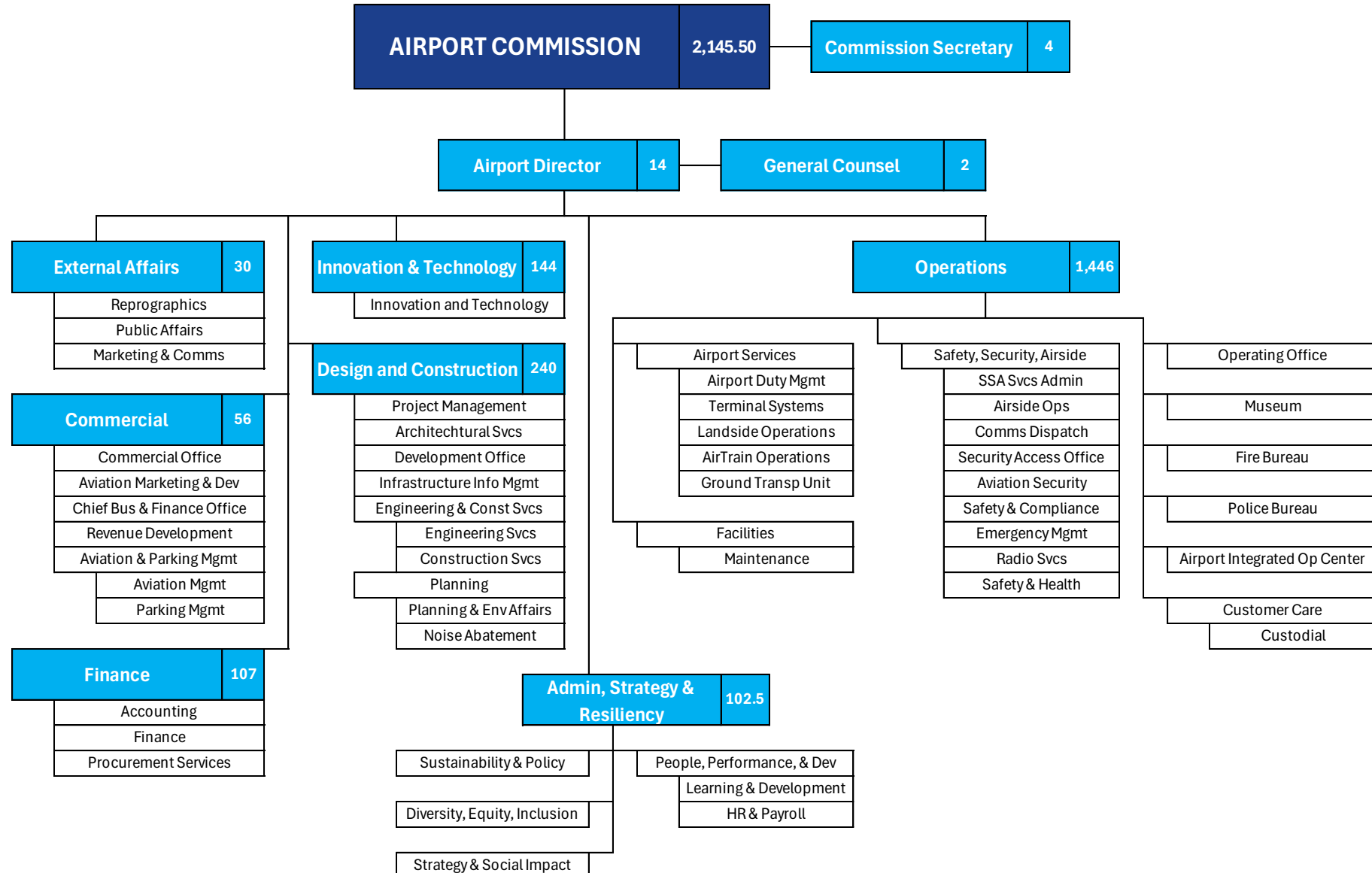
No Position Changes

FTE Overview	FY 2025-26 Adopted	FY 2026-27 Proposed	FY 2027-28 Proposed
Operating FTEs	1,868	1,867	1,867
Capital Funded FTEs	278	279	279
Total FTEs	2,146	2,146	2,146
Vacancy Rate (Apr 2025)	10.6%		
Vacant Positions	227		

- The Airport **invested in Talent Acquisition staffing** & implements **continuous improvement** in hiring to ensure staffing levels necessary to support Airport growth
- Hiring timelines are **subject to citywide review and approval processes**
- The Airport has **227 positions vacant** as of mid-April 2026.
- The Airport is **actively working to align staffing** with service & growth demands

FY 2026-27 & FY 2027-28 Organizational Chart

No new FTEs, structure is aligned to strategic priorities



Position Details by Division

Critical to focus on areas with higher vacancy rates that have experienced this since the pandemic

Division	Filled (%)	Vacancy (%)	Management (%)	Authorized Perm FTEs
AIR Airport Director	85.9%	14.1%	21.4%	14.00
AIR Commercial	62.1%	37.9%	18.2%	55.00
AIR Commission Secretary	97.6%	2.4%	25.0%	4.00
AIR Design & Construction	69.2%	30.8%	1.9%	207.00
AIR External Affairs	98.8%	1.2%	38.7%	31.00
AIR Finance	77.6%	22.4%	17.8%	107.00
AIR Innovation & Technology	82.2%	17.8%	7.6%	145.00
AIR Office of General Counsel	100.0%	0.0%	0.0%	2.00
AIR Operations	94.7%	5.3%	5.6%	1,540.00
AIR Resilience & Sustainability	97.3%	2.7%	14.8%	40.50
Grand Total	89.4%	10.6%	7.1%	2,145.50

- Fiscal Year 2025-26's **attrition rate is 10.6%**
- Management representation is **7.1%**
- Requested details for each position, classification, appointment type, and hiring plans for vacant positions provided offline

Notes: (a) Data as of pay period ending April 10, 2026

(b) Vacancy rate calculation based on Controller's formula of Total Filled FTEs as compared to Total Net Funded FTEs

(c) Attrition and Temp FTEs included

FY 2026-27 & FY 2027-28 Capital Operating Budget Changes

Varying revenue sources driven by the Lease & Use Agreement, federal grants and customer facility charges

Item (\$ in Millions)	FY 2025-26 Adopted	FY 2026-27 Proposed ^a	FY 2027-28 Proposed ^a	FY 2026-27 & FY 2027-28 Total
Operating Revenue & Capital Improvement Fund (ORCIF) ^b	\$ 90	\$ 80	\$ 71	\$ 151
Federal Grants	82	25	30	55
Customer Facility Charges (CFCs)	13	20	17	37
Total	\$ 185	\$ 125	\$ 118	\$ 243

Notes: (a) Figures are rounded and subject to change. Excludes Facilities Maintenance and Small Capital Outlay which are reflected in the Proposed FY 2026-27 & FY 2027-28 Operating Budget Table, "Other" Category

(b) ORCIF is an annual deposit set forth by the 2023 Lease & Use Agreement with Airlines for any lawful purpose for which Airport Revenues may be used

FY 2026-27 & FY 2027-28 Capital Re-Appropriation

The Terminal 1 Program is now complete – re-aligning appropriation to meet anticipated Terminal 3 Program needs

Cost Center (\$ in Millions)	FY 2026-27 Proposed	FY 2027-28 Proposed
Airfield Improvements	\$ 0	\$ 0
Airport Support Improvements	0	0
Groundside Improvements	0	0
Terminal Improvements	0	0
Terminal 1 Program	-82	0
Terminal 3 Program	82	0
Utilities Improvements	0	0
Total	\$ 0	\$ 0

Thank You