



Metropolitan Airports Commission

TO: Operations, Finance and Administration Committee
FROM: Kathy Fisher, Manager - Budget (612-726-8158)
SUBJECT: **Budget Variance Report – 1st Quarter 2025**
DATE: April 30, 2025

FOR ACTION

Summary

The Metropolitan Airports Commission Bylaws and Rules of Procedure indicate that staff would provide monthly Variance Reports to the Operations, Finance and Administration Committee for review/ratification.

Action Requested

Recommend that the full Commission accept the Budget Variance Report and authorize expenditures in these categories up to the budgeted or forecasted budget amounts.

Report

The 1st Quarter 2025 Budget Variance Report is attached, which summarizes year-to-date operating and non-operating revenue and expenses and variances from budgeted amounts.

Metropolitan Airports Commission
Budget Variance Report - 1st Quarter 2025
Operating Revenue

	2024	2025				Total
	Year to Date	Year To Date		Dollar	%	2025
	Actual	Actual	Budget	Variance	Variance	Budget
OPERATING REVENUE						
Airline Rates & Charges						
Airline Agreement						
Landing Fees	\$ 22,497,847	\$ 24,868,255	\$ 24,474,348	\$ 393,907	1.6%	\$ 108,272,140
Ramp Fees	2,417,371	2,433,469	2,433,459	10	0.0%	9,733,875
Terminal 1 R & R	1,443,058	1,464,094	1,464,087	7	0.0%	5,856,374
Terminal 1 Building Rent	14,441,745	15,809,557	15,630,606	178,951	1.1%	62,522,676
Terminal 1 Other Rentals	2,171,719	2,262,632	2,352,595	(89,963)	-3.8%	10,784,459
Concessions Rebate	-	-	-	-		(22,739,743)
Total Airline Agreement	42,971,740	46,838,007	46,355,095	482,912	1.0%	174,429,781
Terminal 2 Gate Fees	4,378,006	4,213,832	4,581,803	(367,971)	-8.0%	16,481,307
Terminal 2 Other/Passenger Fees	1,716,292	1,705,213	1,840,315	(135,102)	-7.3%	6,572,257
Total Airline Rates & Charges	\$ 49,066,038	\$ 52,757,052	\$ 52,777,213	\$ (20,161)	0.0%	\$ 197,483,345
Concessions						
Terminal/Other						
Food & Beverage	\$ 5,927,337	\$ 5,973,518	\$ 6,239,456	\$ (265,938)	-4.3%	\$ 33,102,188
News	970,454	962,203	985,355	(23,152)	-2.3%	5,839,845
Retail	1,074,144	1,077,657	1,092,196	(14,539)	-1.3%	5,262,291
Passenger Services	2,641,655	2,760,498	2,688,582	71,916	2.7%	9,982,386
Total Terminal/Other	\$ 10,613,590	\$ 10,773,876	\$ 11,005,589	\$ (231,713)	-2.1%	\$ 54,186,710
Parking/Ground Transportation						
Parking	\$ 37,441,394	\$ 39,726,397	\$ 39,716,271	\$ 10,126	0.0%	\$ 141,435,909
Ground Transportation Fees	2,621,716	2,745,926	2,734,180	11,746	0.4%	18,157,271
Auto Rental-On Airport	4,865,715	4,853,458	4,855,487	(2,029)	0.0%	24,703,988
Total Parking/Ground Transportation	44,928,825	47,325,781	47,305,938	19,843	0.0%	184,297,168
Other Concessions	673,507	676,411	723,235	(46,824)	-6.5%	3,286,667
Total Concessions	\$ 56,215,922	\$ 58,776,068	\$ 59,034,762	\$ (258,694)	-0.4%	\$ 241,770,544
Rentals/Fees						
Buildings & Facilities	\$ 4,323,820	\$ 4,614,977	\$ 4,726,422	\$ (111,445)	-2.4%	\$ 19,418,206
Building Auto - CFCs	2,220,849	2,239,711	2,310,892	(71,181)	-3.1%	21,008,114
Ground Rentals	4,272,302	4,309,005	4,384,921	(75,916)	-1.7%	17,550,575
Reliever Airports	2,236,727	2,701,148	2,451,826	249,322	10.2%	11,604,312
Total Rentals/Fees	\$ 13,053,698	\$ 13,864,841	\$ 13,874,061	\$ (9,220)	-0.1%	\$ 69,581,207
Utilities and Other Revenue						
Utilities	\$ 1,063,712	\$ 1,167,756	\$ 1,157,255	\$ 10,501	0.9%	\$ 7,206,814
GA/Airside Fees	1,412,794	1,590,451	1,420,678	169,773	12.0%	7,871,887
MCD Fees	716,656	790,421	806,150	(15,729)	-2.0%	5,480,240
Other Revenues	819,322	775,863	669,092	106,771	16.0%	3,015,426
Reimbursed Expense	698,865	650,736	585,000	65,736	11.2%	3,900,886
Total Utilities and Other Revenue	\$ 4,711,349	\$ 4,975,227	\$ 4,638,175	\$ 337,052	7.3%	\$ 27,475,253
Total Operating Revenue	\$ 123,047,007	\$ 130,373,188	\$ 130,324,211	\$ 48,977	0.0%	\$ 536,310,349

Brackets () Represent Revenue Items under Budget and Expense Items over Budget

Budget Variance Report - 1st Quarter 2025

Operating Expense

Non-Operating Revenue & Expense

	2024	2025				Total
	Year to Date	Year To Date		Dollar	%	2025
	Actual	Actual	Budget	Variance	Variance	Budget
Total Operating Revenue	\$ 123,047,007	\$ 130,373,188	\$ 130,324,211	\$ 48,977	0.0%	\$ 536,310,349
OPERATING EXPENSE						
Personnel	\$ 32,197,286	\$ 33,390,795	\$ 33,980,809	\$ 590,014	1.7%	\$ 129,701,496
Administrative Expenses	537,739	649,044	674,064	25,020	3.7%	2,556,543
Professional Services	1,445,032	1,255,692	1,474,030	218,338	14.8%	15,642,624
Utilities	2,184,551	3,870,635	3,971,136	100,501	2.5%	27,351,442
Operating Services/Expenses	9,088,682	10,925,628	11,267,563	341,935	3.0%	43,950,903
Maintenance	10,690,251	17,459,604	16,252,579	(1,207,025)	-7.4%	70,615,977
Other	2,743,646	2,360,014	2,529,401	169,387	6.7%	12,238,854

Total Operating Expense	\$ 58,887,187	\$ 69,911,412	\$ 70,149,582	\$ 238,170	0.3%	\$ 302,057,839
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(excludes depreciation and noise amortization)

Net Operating Revenue	\$ 64,159,820	\$ 60,461,776	\$ 60,174,629	\$ 287,147	0.5%	\$ 234,252,510
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NON-OPERATING REVENUE (EXPENSE)

	2024	2025				Total
	Year to Date	Year To Date		Dollar	%	2024
	Actual	Actual	Budget	Variance	Variance	Budget
Other Non-Operating Revenue						
Interest Income	\$ 2,855,847	\$ 2,317,432	\$ 1,650,365	\$ 667,067	40.4%	\$ 9,940,160
Unrealized Gain/Loss-Investments	(12,038)	1,893,303	-	1,893,303	-	-
Self-Liquidating Income	155,415	357,550	357,550	-	-	2,012,362
	\$ 2,999,224	\$ 4,568,285	\$ 2,007,915	\$ 2,560,370	127.5%	\$ 11,952,522
Debt Service						
Short Term Financing	\$ (994,296)	\$ (928,305)	\$ (928,305)	\$ -	-	\$ (4,000,000)
Equipment Financing Principal & Interest	(2,502,742)	(3,352,860)	(3,352,860)	-	-	(7,986,132)
Bond Principal and Interest Requirement	-	-	-	-	-	(138,478,519)
	\$ (3,497,038)	\$ (4,281,165)	\$ (4,281,165)	-	-	\$ (150,464,651)
Equipment						
Capital Expenditures	\$ (386,078)	\$ (451,192)	\$ (570,422)	\$ 119,230	-20.9%	\$ (2,281,687)
Equipment Purchases	(2,759,795)	(4,400,516)	(4,400,516)	-	-	(30,084,110)
Equipment Financing	-	-	-	-	-	15,000,000
	\$ (3,145,873)	\$ (4,851,708)	\$ (4,970,938)	\$ 119,230	-2.4%	\$ (17,365,797)
Other						
Six Month Reserve Transfer	\$ (21,754,094)	\$ (8,427,819)	\$ (8,427,819)	\$ -	-	\$ (10,698,620)
Grant Reimbursements		-	-	-	-	-
Gain (Loss) on Equipment & Other	39,134	-	48,000	(48,000)	-	192,000
	\$ (21,714,960)	\$ (8,427,819)	\$ (8,379,819)	\$ (48,000)	0.6%	\$ (10,506,620)

Total Non-Operating Revenue (Expense)	\$ (25,358,647)	\$ (12,992,407)	\$ (15,624,007)	\$ 2,631,600	-16.8%	\$ (166,384,546)
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Net Revenue Available for Designation	\$ 38,801,173	\$ 47,469,369	\$ 44,550,622	\$ 2,918,747	6.6%	\$ 67,867,964
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Brackets () Represent Revenue Items under Budget and Expense Items over Budget

OPERATING REVENUE

Total Operating Revenue for 1st Quarter year-to-date is slightly over budget \$48,977 or 0.0%. Passengers were less than projected through March, which affected passenger-driven revenues. Thus, Concessions are below budget \$258,694. However, the Utilities and Other Revenue category is over budget \$337,052, mainly from sponsorship revenue that the MAC received in the amount of \$207,000 and General Aviation/Airside Fees that were \$169,773 greater than expected.

OPERATING EXPENSE

Total Operating Expense for 1st Quarter year-to-date is under budget \$238,170 or 0.3%. Maintenance is higher than budget \$1,207,025 from snow removal materials purchased to eliminate the snow and ice on the runways during the 1st quarter. However, Personnel, Professional Services and Operating Services are slightly below budget through March, which offset the maintenance variance.

NON-OPERATING REVENUE (EXPENSE)

Total Non-Operating Expense is under budget \$2,631,600 or 16.8%. This variance is caused by the MAC's requirement to report investments at market value. As the value increases or decreases, an unrealized gain or loss on investments is recorded. Since the beginning of the year, the market value of existing investments has increased \$1,893,303 from a decrease in market interest rates relative to the interest rates on investments in our portfolio. Since the MAC holds investments to maturity, these fluctuations in value are temporary unless the investment is sold. The stated coupon rate is still received. In addition, interest income in the amount of \$667,067 is also higher than projected in the budget.