



Metropolitan Airports Commission

TO: Operations, Finance and Administration Committee

FROM: Kathy Fisher, Manager - Budget (612-726-8158)

SUBJECT: **Budget Variance Report – November 2025**

DATE: December 31, 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 November 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 - November 2025
Operating Revenue

	2024		2025			Total	
	Year to Date		Year To Date		Dollar	%	
	Actual	Actual	Budget	Variance	Variance		2025
OPERATING REVENUE							
Airline Rates & Charges							
Airline Agreement							
Landing Fees	\$ 91,395,135	\$ 97,049,885	\$ 99,393,886	\$ (2,344,001)	-2.4%	\$ 108,272,140	
Ramp Fees	8,863,694	8,922,719	8,922,683	36	0.0%	9,733,875	
Terminal 1 R & R	5,297,519	5,368,343	5,368,321	22	0.0%	5,856,374	
Terminal 1 Building Rent	53,008,585	57,968,375	57,312,223	656,152	1.1%	62,522,676	
Terminal 1 Other Rentals	9,164,198	9,448,441	10,028,079	(579,638)	-5.8%	10,784,459	
Concessions Rebate	-	-	-	-	-	(22,739,743)	
Total Airline Agreement	167,729,131	178,757,763	181,025,192	(2,267,429)	-1.3%	174,429,781	
Terminal 2 Gate Fees	14,599,627	16,342,442	15,179,284	1,163,158	7.7%	16,481,307	
Terminal 2 Other/Passenger Fees	5,698,318	5,837,794	5,781,648	56,146	1.0%	6,572,257	
Total Airline Rates & Charges	\$ 188,027,076	\$ 200,937,999	\$ 201,986,124	\$ (1,048,125)	-0.5%	\$ 197,483,345	
Concessions							
Terminal/Other							
Food & Beverage	\$ 28,159,354	\$ 27,607,324	\$ 29,589,889	\$ (1,982,565)	-6.7%	\$ 33,102,188	
News	4,949,484	4,882,652	5,155,242	(272,590)	-5.3%	5,839,845	
Retail	4,685,870	4,783,485	4,758,286	25,199	0.5%	5,262,291	
Passenger Services	8,623,885	9,130,084	8,885,652	244,432	2.8%	9,982,386	
Total Terminal/Other	\$ 46,418,593	\$ 46,403,545	\$ 48,389,069	\$ (1,985,524)	-4.1%	\$ 54,186,710	
Parking/Ground Transportation							
Parking	\$ 121,195,730	\$ 129,936,000	\$ 131,328,939	\$ (1,392,939)	-1.1%	\$ 141,435,909	
Ground Transportation Fees	14,527,516	15,603,974	15,748,692	(144,718)	-0.9%	18,157,271	
Auto Rental-On Airport	23,942,095	23,688,090	24,378,847	(690,757)	-2.8%	24,703,988	
Total Parking/Ground Transportation	159,665,341	169,228,064	171,456,478	(2,228,414)	-1.3%	184,297,168	
Other Concessions	2,855,174	2,851,766	2,977,898	(126,132)	-4.2%	3,286,667	
Total Concessions	\$ 208,939,108	\$ 218,483,375	\$ 222,823,445	\$ (4,340,070)	-1.9%	\$ 241,770,544	
Rentals/Fees							
Buildings & Facilities							
Building Auto - CFCs	\$ 16,173,906	\$ 17,030,176	\$ 17,732,792	\$ (702,616)	-4.0%	\$ 19,418,206	
Ground Rentals	17,749,348	17,782,281	18,066,978	(284,697)	-1.6%	21,008,114	
Reliever Airports	15,785,624	15,420,533	16,088,025	(667,492)	-4.1%	17,550,575	
Total Rentals/Fees	10,852,276	11,133,874	10,057,905	1,075,969	10.7%	11,604,312	
Total Utilities and Other Revenue	\$ 60,561,154	\$ 61,366,864	\$ 61,945,700	\$ (578,836)	-0.9%	\$ 69,581,207	
Utilities and Other Revenue							
Utilities	\$ 5,975,810	6,694,816	6,176,600	\$ 518,216	8.4%	\$ 7,206,814	
GA/Airside Fees	6,554,610	7,310,553	6,555,410	755,143	11.5%	7,871,887	
MCD Fees	4,140,292	4,350,485	4,657,093	(306,608)	-6.6%	5,480,240	
Other Revenues	2,789,543	2,386,403	2,672,474	(286,071)	-10.7%	3,015,426	
Reimbursed Expense	4,859,170	4,618,190	3,400,694	1,217,496	35.8%	3,900,886	
Total Utilities and Other Revenue	\$ 24,319,425	\$ 25,360,447	\$ 23,462,271	\$ 1,898,176	8.1%	\$ 27,475,253	
Total Operating Revenue	\$ 481,846,763	\$ 506,148,685	\$ 510,217,540	\$ (4,068,855)	-0.8%	\$ 536,310,349	

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

Budget Variance Report - November 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	\$ 481,846,763	\$ 506,148,685	\$ 510,217,540	\$ (4,068,855)	-0.8%	\$ 536,310,349	
OPERATING EXPENSE							
Personnel	\$ 110,659,876	\$ 115,565,061	\$ 114,100,980	\$ (1,464,081)	-1.3%	\$ 129,701,496	
Administrative Expenses	1,603,494	2,017,922	2,089,852	71,930	3.4%	2,575,143	
Professional Services	8,602,116	8,494,464	10,582,630	2,088,166	19.7%	14,593,024	
Utilities	16,862,105	18,633,848	21,619,597	2,985,749	13.8%	27,351,442	
Operating Services/Expenses	30,857,657	35,528,206	37,453,993	1,925,787	5.1%	45,021,903	
Maintenance	51,355,478	54,408,920	56,203,710	1,794,790	3.2%	70,615,977	
Other	5,900,090	5,711,260	6,405,523	694,263	10.8%	12,238,854	
Total Operating Expense	\$ 225,840,816	\$ 240,359,681	\$ 248,456,285	\$ 8,096,604	3.3%	\$ 302,097,839	

(excludes depreciation and noise amortization)

Net Operating Revenue	\$ 256,005,947	\$ 265,789,004	\$ 261,761,255	\$ 4,027,749	1.5%	\$ 234,212,510
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NON-OPERATING REVENUE (EXPENSE)

	2024		2025			Total	
	Year to Date		Year To Date		Dollar	%	2025
	Actual	Actual	Budget	Variance	Variance		Budget
Other Non-Operating Revenue							
Interest Income	\$ 9,513,986	\$ 9,753,070	\$ 9,077,006	\$ 676,064	7.4%	\$ 9,940,160	
Unrealized Gain/Loss-Investments	3,057,801	4,606,399	-	4,606,399	-	-	
Self-Liquidating Income	695,537	1,276,493	1,828,474	(551,981)	-30.2%	2,012,362	
	\$ 13,267,324	\$ 15,635,962	\$ 10,905,480	\$ 4,730,482	43.4%	\$ 11,952,522	
Debt Service							
Short Term Financing	\$ (5,538,074)	\$ (3,010,027)	\$ (3,010,027)	\$ -	0.0%	\$ (4,000,000)	
Equipment Financing Principal & Interest	(6,455,944)	(7,034,301)	(7,034,301)	-	0.0%	(7,986,132)	
Bond Principal and Interest Requirement	(28,242,615)	(30,580,068)	(30,580,068)	-	0.0%	(138,478,519)	
	\$ (40,236,633)	\$ (40,624,396)	\$ (40,624,396)	\$ -	0.0%	\$ (150,464,651)	
Equipment							
Capital Expenditures	\$ (1,603,643)	\$ (2,026,402)	\$ (2,026,402)	\$ -	0.0%	\$ (2,281,687)	
Equipment Purchases	(14,573,451)	(24,006,322)	(24,006,322)	-	0.0%	(30,084,110)	
Equipment Financing	16,654,000	11,235,500	11,235,500	-	0.0%	15,000,000	
	\$ 476,906	\$ (14,797,224)	\$ (14,797,224)	\$ -	0.0%	\$ (17,365,797)	
Other							
Six Month Reserve Transfer	\$ (21,754,094)	\$ (8,427,819)	\$ (8,427,819)	\$ -	0.0%	\$ (10,698,620)	
Gain (Loss) on Equipment & Other	(2,997,267)	553,600	160,000	393,600	246%	192,000	
	\$ (24,751,361)	\$ (7,874,219)	\$ (8,267,819)	\$ 393,600	-4.8%	\$ (10,506,620)	
Total Non-Operating Revenue (Expense)	\$ (51,243,764)	\$ (47,659,877)	\$ (52,783,959)	\$ 5,124,082	-9.7%	\$ (166,384,546)	
Net Revenue Available for Designation	\$ 204,762,183	\$ 218,129,127	\$ 208,977,296	\$ 9,151,831	4.4%	\$ 67,827,964	

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

OPERATING REVENUE

Total Operating Revenue for November year-to-date is below budget \$4,068,855 or 0.8%. Passengers were less than projected through November, which affected passenger-driven revenues.

Airline Rates & Charges

The Airline Rates & Charges revenue category is lower than budget \$1,048,125 or 0.5%. Landing fees and Terminal 1 Other Rentals, mainly international arrival fees, were lower than projected by \$2,344,001 and \$579,638, respectively from the decrease in passengers. However, revenue generated in Terminal 1 for building rent from an increase in rentable square footage exceeded the budget by \$656,152. In addition, revenue from T2 gate use was greater than projected by \$1,163,158.

Concessions

Concessions revenue is strongly influenced by the level of passengers passing through the terminals, and with fewer passengers than expected, total concessions revenue is \$4,340,070 or 1.9% lower than budget.

Rentals/Fees

The Rentals/Fees category is \$578,836 or 0.9% below budget. Revenue from Reliever Airports exceeded the budget by \$1,075,969 from commercial revenue and fuel flowage fees through November. Buildings & Facilities revenue and Ground Rentals are both under budget by \$702,616 and \$667,492, respectively. This is due to new leases being initiated later than expected. Also, auto rental CFCs are slightly below budget by \$284,697 as a result of fewer passengers than projected.

Utilities and Other Revenue

The Utilities and Other Revenue category is over budget \$1,898,176 or 8.1% based on the following:

- Utility revenue has exceeded the budget by \$518,216 from greater water and ground power consumption than was anticipated.
- General Aviation/Airside Fees were \$755,143 greater than projected through November from commercial service licensure fees and general aviation fuel sales.
- Reimbursed Expenses exceeded the budget by \$1,217,496 mainly from a sales and use tax refund received.
- The revenue gain was offset by reductions in MCD Fees and Other Revenue which are strongly influenced by passenger levels, which have decreased.

OPERATING EXPENSE

Total Operating Expense for November year-to-date is lower than budget \$8,096,604 or 3.3%. The larger variances are explained below.

Personnel

Personnel is over budget \$1,464,081 or 1.3% as employee medical insurance is higher than budget \$2,582,632 from greater medical claims than expected. However, reducing this over budget variance are wages and pension costs that were lower than budget \$1,064,969 from open positions and the time it takes to fill open positions.

Professional Services

Professional Services are below budget \$2,088,166 or 19.7% as listed below:

- Computer software consulting is under budget \$760,929 due to the timing of projects and actual costs.
- Engineering fees are lower than budget \$397,487 as environmental and airside services were less than expected.
- Miscellaneous costs were under budget \$963,869 generally due to delayed delivery of sustainability purchases.

Utilities

Utility costs are below budget \$2,985,749 or 13.8% as the amount of electricity used throughout the airport campus was less than projected. However, water and sewer exceeded the budget by \$247,355 from higher consumption.

Operating Services/Expenses

Operating Services/Expenses are lower than budget \$1,925,787 or 5.1% mainly due to the following:

- Service agreement costs for computer-related and other equipment were less than expected by \$589,154.
- Strategic Plan expenses were below budget \$792,783 as various project costs were lower than expected.
- Safety and security costs were below budget \$529,601 as passengers were less than predicted.

Maintenance

Maintenance is below budget \$1,794,790 or 3.2% as detailed below:

- Field maintenance costs were over budget \$308,058 from snow removal materials purchased and snow removal equipment rented to eliminate the snow and ice on the runways during winter weather events.
- Cleaning costs were below budget \$914,753 as the budget projection for cleaning terrazzo flooring and special projects did not reach actual estimated costs and window cleaning is based on areas cleaned and varies depending on need.
- Equipment and petroleum purchases were \$684,195 lower than expected.

Other

The Other expense category is \$694,263 or 10.8% lower than budget as property and auto insurance costs were less than projected.

NON-OPERATING REVENUE (EXPENSE)

Total Non-Operating Expense for November year-to-date is lower than budget \$5,124,082 or 9.7%. This variance is mainly 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 \$4,606,399 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.