



Metropolitan Airports Commission

TO: Operations, Finance and Administration Committee
FROM: Kathy Fisher, Manager - Budget (612-726-8158)
SUBJECT: **Budget Variance Report – October 2025**
DATE: November 26, 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 October 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 - October 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 | \$ 83,626,615 | \$ 89,028,615 | \$ 90,619,049 | \$ (1,590,434) | -1.8% | \$ 108,272,140 |
| Ramp Fees | 8,057,904 | 8,111,563 | 8,111,530 | 33 | 0.0% | 9,733,875 |
| Terminal 1 R & R | 4,815,752 | 4,880,312 | 4,880,292 | 20 | 0.0% | 5,856,374 |
| Terminal 1 Building Rent | 48,187,711 | 52,698,523 | 52,102,021 | 596,502 | 1.1% | 62,522,676 |
| Terminal 1 Other Rentals | 8,435,718 | 8,748,100 | 9,223,294 | (475,194) | -5.2% | 10,784,459 |
| Concessions Rebate | - | - | - | - | - | (22,739,743) |
| Total Airline Agreement | 153,123,700 | 163,467,113 | 164,936,186 | (1,469,073) | -0.9% | 174,429,781 |
| Terminal 2 Gate Fees | 13,655,108 | 15,219,364 | 14,173,924 | 1,045,440 | 7.4% | 16,481,307 |
| Terminal 2 Other/Passenger Fees | 5,238,325 | 5,420,057 | 5,387,383 | 32,674 | 0.6% | 6,572,257 |
| Total Airline Rates & Charges | \$ 172,017,133 | \$ 184,106,534 | \$ 184,497,493 | \$ (390,959) | -0.2% | \$ 197,483,345 |
| Concessions | | | | | | |
| Terminal/Other | | | | | | |
| Food & Beverage | \$ 25,437,260 | \$ 24,896,502 | \$ 26,630,166 | \$ (1,733,664) | -6.5% | \$ 33,102,188 |
| News | 4,469,277 | 4,418,243 | 4,651,052 | (232,809) | -5.0% | 5,839,845 |
| Retail | 4,216,115 | 4,291,530 | 4,285,026 | 6,504 | 0.2% | 5,262,291 |
| Passenger Services | 7,890,267 | 8,315,255 | 8,126,875 | 188,380 | 2.3% | 9,982,386 |
| Total Terminal/Other | \$ 42,012,919 | \$ 41,921,530 | \$ 43,693,119 | \$ (1,771,589) | -4.1% | \$ 54,186,710 |
| Parking/Ground Transportation | | | | | | |
| Parking | \$ 111,662,077 | \$ 119,736,648 | \$ 120,813,494 | \$ (1,076,846) | -0.9% | \$ 141,435,909 |
| Ground Transportation Fees | 13,067,832 | 14,016,657 | 14,139,826 | (123,169) | -0.9% | 18,157,271 |
| Auto Rental-On Airport | 21,824,638 | 21,588,345 | 22,197,520 | (609,175) | -2.7% | 24,703,988 |
| Total Parking/Ground Transportation | 146,554,547 | 155,341,650 | 157,150,840 | (1,809,190) | -1.2% | 184,297,168 |
| Other Concessions | 2,600,969 | 2,604,913 | 2,705,488 | (100,575) | -3.7% | 3,286,667 |
| Total Concessions | \$ 191,168,435 | \$ 199,868,093 | \$ 203,549,447 | \$ (3,681,354) | -1.8% | \$ 241,770,544 |
| Rentals/Fees | | | | | | |
| Buildings & Facilities | \$ 14,708,340 | \$ 15,478,959 | \$ 16,115,003 | \$ (636,044) | -3.9% | \$ 19,418,206 |
| Building Auto - CFCs | 15,785,928 | 15,794,512 | 16,092,216 | (297,704) | -1.8% | 21,008,114 |
| Ground Rentals | 14,355,254 | 14,105,293 | 14,616,395 | (511,102) | -3.5% | 17,550,575 |
| Reliever Airports | 9,668,509 | 9,870,708 | 8,951,113 | 919,595 | 10.3% | 11,604,312 |
| Total Rentals/Fees | \$ 54,518,031 | \$ 55,249,472 | \$ 55,774,727 | \$ (525,255) | -0.9% | \$ 69,581,207 |
| Utilities and Other Revenue | | | | | | |
| Utilities | \$ 4,886,281 | \$ 5,412,565 | \$ 5,117,102 | \$ 295,463 | 5.8% | \$ 7,206,814 |
| GA/Airside Fees | 5,851,010 | 6,639,602 | 5,879,115 | 760,487 | 12.9% | 7,871,887 |
| MCD Fees | 3,731,630 | 3,909,272 | 4,200,661 | (291,389) | -6.9% | 5,480,240 |
| Other Revenues | 2,582,487 | 2,138,479 | 2,429,831 | (291,352) | -12.0% | 3,015,426 |
| Reimbursed Expense | 4,481,848 | 3,283,348 | 3,250,724 | 32,624 | 1.0% | 3,900,886 |
| Total Utilities and Other Revenue | \$ 21,533,256 | \$ 21,383,266 | \$ 20,877,433 | \$ 505,833 | 2.4% | \$ 27,475,253 |
| Total Operating Revenue | \$ 439,236,855 | \$ 460,607,365 | \$ 464,699,100 | \$ (4,091,735) | -0.9% | \$ 536,310,349 |

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

Budget Variance Report - October 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 | \$ 439,236,855 | \$ 460,607,365 | \$ 464,699,100 | \$ (4,091,735) | -0.9% | \$ 536,310,349 |

OPERATING EXPENSE

| | | | | | | |
|-----------------------------|----------------|----------------|----------------|----------------|-------|----------------|
| Personnel | \$ 101,827,906 | \$ 105,361,398 | \$ 104,282,525 | \$ (1,078,873) | -1.0% | \$ 129,701,496 |
| Administrative Expenses | 1,483,643 | 1,869,880 | 1,958,518 | 88,638 | 4.5% | 2,575,143 |
| Professional Services | 7,783,072 | 7,731,352 | 8,314,906 | 583,554 | 7.0% | 14,593,024 |
| Utilities | 16,010,119 | 17,427,838 | 19,576,724 | 2,148,886 | 11.0% | 27,351,442 |
| Operating Services/Expenses | 29,126,162 | 32,943,020 | 33,520,338 | 577,318 | 1.7% | 45,021,903 |
| Maintenance | 47,785,865 | 49,490,866 | 51,248,180 | 1,757,314 | 3.4% | 70,615,977 |
| Other | 5,421,991 | 5,267,049 | 6,181,757 | 914,708 | 14.8% | 12,238,854 |

| | | | | | | |
|--------------------------------|-----------------------|-----------------------|-----------------------|---------------------|-------------|-----------------------|
| Total Operating Expense | \$ 209,438,758 | \$ 220,091,403 | \$ 225,082,948 | \$ 4,991,545 | 2.2% | \$ 302,097,839 |
|--------------------------------|-----------------------|-----------------------|-----------------------|---------------------|-------------|-----------------------|

(excludes depreciation and noise amortization)

| | | | | | | |
|------------------------------|-----------------------|-----------------------|-----------------------|-------------------|-------------|-----------------------|
| Net Operating Revenue | \$ 229,798,097 | \$ 240,515,962 | \$ 239,616,152 | \$ 899,810 | 0.4% | \$ 234,212,510 |
|------------------------------|-----------------------|-----------------------|-----------------------|-------------------|-------------|-----------------------|

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 | \$ 8,548,162 | \$ 8,723,642 | \$ 8,251,824 | \$ 471,818 | 5.7% | \$ 9,940,160 |
| Unrealized Gain/Loss-Investments | 2,907,059 | 4,156,122 | - | 4,156,122 | - | - |
| Self-Liquidating Income | 580,890 | 1,162,241 | 1,662,249 | (500,008) | -30.1% | 2,012,362 |
| | \$ 12,036,111 | \$ 14,042,005 | \$ 9,914,073 | \$ 4,127,932 | 41.6% | \$ 11,952,522 |

Debt Service

| | | | | | | |
|--|-----------------|-----------------|-----------------|------|---|------------------|
| Short Term Financing | \$ (3,366,390) | \$ (2,901,499) | \$ (2,901,499) | \$ - | - | \$ (4,000,000) |
| Equipment Financing Principal & Interest | (6,427,011) | (7,005,367) | (7,005,367) | - | - | (7,986,132) |
| Bond Principal and Interest Requirement | (28,242,615) | (30,580,068) | (30,580,068) | - | - | (138,478,519) |
| | \$ (38,036,016) | \$ (40,486,934) | \$ (40,486,934) | \$ - | - | \$ (150,464,651) |

Equipment

| | | | | | | |
|----------------------|----------------|-----------------|-----------------|-----------|-------|-----------------|
| Capital Expenditures | \$ (1,398,785) | \$ (1,845,439) | \$ (1,901,406) | \$ 55,967 | -2.9% | \$ (2,281,687) |
| Equipment Purchases | (12,734,648) | (22,581,934) | (22,581,934) | - | - | (30,084,110) |
| Equipment Financing | 16,654,000 | - | - | - | - | 15,000,000 |
| | \$ 2,520,567 | \$ (24,427,373) | \$ (24,483,340) | \$ 55,967 | -0.2% | \$ (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 | (2,997,267) | 198,600 | 160,000 | 38,600 | 24% | 192,000 |
| | \$ (24,751,361) | \$ (8,229,219) | \$ (8,267,819) | \$ 38,600 | -0.5% | \$ (10,506,620) |

| | | | | | | |
|--|------------------------|------------------------|------------------------|---------------------|--------------|-------------------------|
| Total Non-Operating Revenue (Expense) | \$ (48,230,699) | \$ (59,101,521) | \$ (63,324,020) | \$ 4,222,499 | -6.7% | \$ (166,384,546) |
|--|------------------------|------------------------|------------------------|---------------------|--------------|-------------------------|

| | | | | | | |
|--|-----------------------|-----------------------|-----------------------|---------------------|-------------|----------------------|
| Net Revenue Available for Designation | \$ 181,567,398 | \$ 181,414,441 | \$ 176,292,132 | \$ 5,122,309 | 2.9% | \$ 67,827,964 |
|--|-----------------------|-----------------------|-----------------------|---------------------|-------------|----------------------|

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

OPERATING REVENUE

Total Operating Revenue for October year-to-date is below budget \$4,244,960 or 0.9%. Passengers were less than projected through October, which affected passenger-driven revenues.

Airline Rates & Charges

The Airline Rates & Charges revenue category is lower than budget \$224,574 or 0.1%. Landing fees and Terminal 1 Other Rentals, mainly international arrival fees, were lower than projected by \$1,081,746 and \$817,497, respectively from the decrease in passengers. However, \$596,502 of revenue above budget was generated in Terminal 1 Building Rent from an increase in rentable square footage, and another \$1,045,440 of revenue from greater than budgeted T2 gate use.

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 \$3,303,493 or 1.6% lower than budget.

Rentals/Fees

The Rentals/Fees category is \$1,318,593 or 2.3% lower than budget. Revenue from Reliever Airports exceeded the budget by \$126,257 from commercial revenue and fuel flowage fees through October. Buildings & Facilities revenue and Ground Rentals are both under budget primarily from new leases being initiated later than budgeted. Also, auto rental CFCs are slightly below budget by \$297,704 as a result of fewer passengers than expected.

Utilities and Other Revenue

The Utilities and Other Revenue category is over budget \$601,700 or 2.9%. General Aviation/Airside Fees were \$856,354 greater than projected through October from commercial service licensure fees and general aviation fuel sales. This 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 October year-to-date is lower than budget \$4,991,545 or 2.2%. The larger variances are explained below.

Personnel

Personnel is over budget \$1,078,873 or 1.0% as employee medical insurance is higher than budget \$2,637,078 from greater medical claims than expected. Reducing this over budget variance are wages that were lower than budget \$484,491 from open positions and the time it takes to fill open positions. Related pension costs were also under budget \$431,491 from open positions.

Utilities

Utility costs are below budget \$2,148,886 or 11.0% as the amount of electricity used throughout the airport campus was less than projected.

Maintenance

Maintenance is below budget \$1,757,314 or 3.4%. Field maintenance costs are over budget \$332,156 from snow removal materials purchased and snow removal equipment rented to eliminate the snow and ice on the runways during the 1st Quarter winter season. However, cleaning costs are below budget \$929,841 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. Also, equipment and petroleum purchases were \$675,754 lower than expected.

Other

The Other expense category is \$914,708 or 14.8% lower than budget as property insurance costs were less than expected.

NON-OPERATING REVENUE (EXPENSE)

Total Non-Operating Expense for October year-to-date is lower than budget \$4,222,499 or 6.7%. 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 \$4,156,122 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.