



## Metropolitan Airports Commission

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TO: Operations, Finance and Administration Committee

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

SUBJECT: **Budget Variance Report – January 2022**

DATE: March 2, 2022

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### **FOR ACTION**

#### **Summary**

The Metropolitan Airports Commission (MAC) 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 January 2022 Operating Budget Variance Report is attached which summarizes year-to-date revenue and expenses and variances from budgeted amounts.

**Metropolitan Airports Commission**  
**Budget Variance Report - January 2022**  
**Operating Revenue**

	2021	2022				Total 2022 Budget
	Year to Date Actual	Year To Date Actual	Budget	Dollar Variance	% Variance	
<b>OPERATING REVENUE</b>						
<b>Airline Rates &amp; Charges</b>						
Airline Agreement						
Landing Fees	\$ 3,920,486	\$ 5,407,243	\$ 5,281,010	\$ 126,233	2.4%	\$ 72,841,520
Ramp Fees	536,522	536,522	554,349	(17,827)	-3.2%	6,654,847
Airline R & R	439,442	449,469	455,464	(5,995)	-1.3%	5,467,757
Terminal 1 Rentals	1,988,596	3,727,639	3,685,314	42,325	1.1%	40,386,342
Terminal 1 Other Rentals	336,932	339,233	338,363	870	0.3%	9,040,732
Concessions Rebate	-	-	-	-		(16,255,417)
<b>Total Airline Agreement</b>	<b>7,221,978</b>	<b>10,460,106</b>	<b>10,314,500</b>	<b>145,606</b>	<b>1.4%</b>	<b>118,135,781</b>
Terminal 2 Lobby Fees	-	-	-	-		10,601,014
Terminal 2 Other/Passenger Fees	83,557	93,255	84,966	8,289	9.8%	3,323,285
<b>Total Airline Rates &amp; Charges</b>	<b>\$ 7,305,535</b>	<b>\$ 10,553,361</b>	<b>\$ 10,399,466</b>	<b>\$ 153,895</b>	<b>1.5%</b>	<b>\$ 132,060,080</b>
<b>Concessions</b>						
Terminal/Other						
Food & Beverage	\$ 1,349,497	\$ 1,431,975	\$ 1,374,752	\$ 57,223	4.2%	\$ 21,398,705
News	214,500	213,609	213,524	85	0.0%	4,039,040
Retail	391,389	345,835	345,835	-	0.0%	4,528,962
Passenger Services	1,078,272	1,085,290	1,055,874	29,416	2.8%	6,659,970
<b>Total Terminal/Other</b>	<b>\$ 3,033,658</b>	<b>\$ 3,076,709</b>	<b>\$ 2,989,985</b>	<b>\$ 86,724</b>	<b>2.9%</b>	<b>\$ 36,626,677</b>
Parking/Ground Transportation						
Parking	\$ 3,357,216	\$ 6,981,688	\$ 6,427,897	\$ 553,791	8.6%	\$ 86,797,790
Ground Transportation Fees	160,173	216,092	187,705	28,387	15.1%	10,284,819
Auto Rental-On Airport	1,607,678	1,607,678	1,607,035	643	0.0%	19,292,134
<b>Total Parking/Ground Transportation</b>	<b>5,125,067</b>	<b>8,805,458</b>	<b>8,222,637</b>	<b>582,821</b>	<b>7.1%</b>	<b>116,374,743</b>
Other Concessions	169,073	178,407	198,698	(20,291)	-10.2%	2,506,057
<b>Total Concessions</b>	<b>\$ 8,327,798</b>	<b>\$ 12,060,574</b>	<b>\$ 11,411,320</b>	<b>\$ 649,254</b>	<b>5.7%</b>	<b>\$ 155,507,477</b>
<b>Rentals/Fees</b>						
Buildings & Facilities	\$ 1,048,367	\$ 1,268,343	\$ 1,220,050	\$ 48,293	4.0%	\$ 15,181,278
Building Auto - CFC's	151,406	-	-	-		15,973,559
Ground Rentals	915,741	1,029,721	1,068,597	(38,876)	-3.6%	13,291,963
Reliever Airports	666,015	694,133	673,412	20,721	3.1%	9,017,580
<b>Total Rentals/Fees</b>	<b>\$ 2,781,529</b>	<b>\$ 2,992,197</b>	<b>\$ 2,962,059</b>	<b>\$ 30,138</b>	<b>1.0%</b>	<b>\$ 53,464,380</b>
<b>Utilities and Other Revenue</b>						
Utilities	\$ 185,954	\$ 217,936	\$ 227,570	\$ (9,634)	-4.2%	\$ 5,196,430
GA/Airside Fees	67,944	67,944	62,307	5,637	9.0%	6,039,405
Maintenance, Cleaning, Distribution Fees	14,083	14,083	14,000	83	0.6%	3,272,410
Other Revenues	512,187	221,841	212,995	8,846	4.2%	1,975,913
Reimbursed Expense	43,552	156,293	161,782	(5,489)	-3.4%	3,154,000
<b>Total Utilities and Other Revenue</b>	<b>\$ 823,720</b>	<b>\$ 678,097</b>	<b>\$ 678,654</b>	<b>\$ (557)</b>	<b>-0.1%</b>	<b>\$ 19,638,158</b>
<b>Total Operating Revenue</b>	<b>\$ 19,238,582</b>	<b>\$ 26,284,229</b>	<b>\$ 25,451,499</b>	<b>\$ 832,730</b>	<b>3.3%</b>	<b>\$ 360,670,095</b>

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

**Budget Variance Report - January 2022**

**Operating Expense**

**Non-Operating Revenue & Expense**

	2021		2022			Total 2022 Budget
	Year to Date	Year To Date		Dollar	%	
	Actual	Actual	Budget	Variance	Variance	
<i>Total Operating Revenue</i>	\$ 19,238,582	\$ 26,284,229	\$ 25,451,499	\$ 832,730	3.3%	
<b>OPERATING EXPENSE</b>						
<b>Personnel</b>	\$ 8,092,659	\$ 7,644,341	\$ 7,599,865	\$ (44,476)	-0.6%	\$ 100,679,525
<b>Administrative Expenses</b>	90,995	83,237	85,528	2,291	2.7%	1,464,985
<b>Professional Services</b>	5,565	37,618	41,539	3,921	9.4%	7,392,117
<b>Utilities</b>	29,150	1,127,985	1,136,189	8,204	0.7%	21,518,919
<b>Operating Services/Expenses</b>	1,006,514	2,543,365	2,568,781	25,416	1.0%	32,004,333
<b>Maintenance</b>	901,999	1,129,455	1,201,953	72,498	6.0%	45,767,349
<b>Other</b>	1,028,992	172,623	176,713	4,090	2.3%	6,145,952
<b>Total Operating Expense</b>	<b>\$ 11,155,874</b>	<b>\$ 12,738,624</b>	<b>\$ 12,810,568</b>	<b>\$ 71,944</b>	<b>0.6%</b>	<b>\$ 214,973,180</b>
<i>(excludes depreciation and noise amortization)</i>						
<b>Net Operating Revenue</b>	<b>\$ 8,082,708</b>	<b>\$ 13,545,605</b>	<b>\$ 12,640,931</b>	<b>\$ 904,674</b>	<b>7.2%</b>	<b>\$ 145,696,915</b>
<b>NON-OPERATING REVENUE (EXPENSE)</b>						
	2021		2022			Total 2022 Budget
	Year to Date	Year To Date		Dollar	%	
	Actual	Actual	Budget	Variance	Variance	
<b>Other Non-Operating Revenue</b>						
Interest Income	\$ 249,000	\$ (350,385)	\$ -	\$ (350,385)		\$ 5,107,000
Self-Liquidating Income	277,000	291,114	291,114	-	0.0%	2,079,000
	\$ 526,000	\$ (59,271)	\$ 291,114	\$ (350,385)	-120.4%	7,186,000
<b>Debt Service</b>						
Short Term Financing	\$ (52,000)	\$ (35,620)	\$ (35,620)	\$ -	0.0%	\$ (7,896,000)
Equip Financing Principal/Interest Payments	(29,000)	(28,934)	(28,934)	-	0.0%	(4,415,000)
Bond Principal/Interest Payments	-	-	-	-		(100,882,500)
	\$ (81,000)	\$ (64,554)	\$ (64,554)	\$ -	0.0%	\$ (113,193,500)
<b>Equipment</b>						
Capital Expenditures	\$ (90,000)	\$ (96,384)	\$ (96,384)	\$ -	0.0%	\$ (1,150,000)
Equipment Purchases	(1,212,000)	-	-	-		(13,003,050)
Equipment Financing	-	-	-	-		2,850,000
	\$ (1,302,000)	\$ (96,384)	\$ (96,384)	\$ -	0.0%	\$ (11,303,050)
<b>Other</b>						
Six Month Reserve Transfer	\$ -	\$ (1,234,909)	\$ (1,234,909)	\$ -		\$ (1,234,909)
Grant Reimbursements	-	-	-	-		11,014,428
Gain (Loss) on Equipment & Other	8,000	-	-	-		180,000
	\$ 8,000	\$ (1,234,909)	\$ (1,234,909)	\$ -		\$ 9,959,519
<b>Total Non-Operating Revenue (Expense)</b>	<b>\$ (849,000)</b>	<b>\$ (1,455,118)</b>	<b>\$ (1,104,733)</b>	<b>\$ (350,385)</b>	<b>31.7%</b>	<b>\$ (107,351,031)</b>
<b>Net Revenue Available for Designation</b>	<b>\$ 7,233,708</b>	<b>\$ 12,090,487</b>	<b>\$ 11,536,198</b>	<b>\$ 554,289</b>	<b>4.8%</b>	<b>\$ 38,345,884</b>

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

## **OPERATING REVENUE**

Total operating revenue for January year-to-date is over budget \$832,730 or 3.3%. Revenue from Concessions is the main source of this positive variance.

### **Concessions**

Concessions revenue is \$649,254 or 5.7% higher than budget. Terminal concessions are slightly higher than budget \$86,724 or 2.9% and Ground Transportation, mainly Parking, is greater than budget \$582,821 or 7.1%. These above budget variances are due to the continued recovery from the pandemic and increased passengers.

## **OPERATING EXPENSES**

Total operating expenses for January year-to-date are under budget \$71,944 or 0.6%. There are no major variances in any of the expense categories for January.

## **NON-OPERATING REVENUE (EXPENSE)**

Non-Operating Expense is higher than budget \$350,385 or 31.7%. The below budget Interest Income is due to a decrease in the market value of existing investments from the current rising interest rate environment. The decrease in market value exceeded interest income earned during the period. Since the MAC typically holds investments to maturity, these fluctuations in value are temporary unless the investment is sold. The stated coupon rate is still received.