



## 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 2023**  
DATE: March 1, 2023

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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 2023 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 - January 2023  
 Operating Revenue**

	2022		2023			Total 2023 Budget
	Year to Date		Year To Date	Dollar	%	
	Actual	Actual	Budget	Variance	Variance	
<b>OPERATING REVENUE</b>						
<b>Airline Rates &amp; Charges</b>						
Airline Agreement						
Landing Fees	\$ 5,407,243	\$ 6,526,966	\$ 6,363,364	\$ 163,602	2.6%	\$ 87,169,369
Ramp Fees	536,522	657,746	677,155	(19,409)	-2.9%	8,158,495
Airline R & R	449,469	470,901	469,316	1,585	0.3%	5,631,789
Terminal 1 Rentals	3,727,639	4,242,218	4,244,866	(2,648)	-0.1%	51,142,958
Terminal 1 Other Rentals	339,233	272,668	301,146	(28,478)	-9.5%	9,069,729
Concessions Rebate	-	-	-	-		(21,400,021)
Total Airline Agreement	10,460,106	12,170,499	12,055,847	114,652	1.0%	139,772,319
Terminal 2 Lobby Fees	-	-	-	-	0.0%	13,616,808
Terminal 2 Other/Passenger Fees	93,255	112,498	112,963	(465)	-0.4%	4,865,900
<b>Total Airline Rates &amp; Charges</b>	<b>\$ 10,553,361</b>	<b>\$ 12,282,997</b>	<b>\$ 12,168,810</b>	<b>\$ 114,187</b>	<b>0.9%</b>	<b>\$ 158,255,027</b>
<b>Concessions</b>						
Terminal/Other						
Food & Beverage	\$ 1,431,975	\$ 2,055,649	\$ 1,630,709	\$ 424,940	26.1%	\$ 31,136,821
News	213,609	213,609	213,609	-	0.0%	5,942,691
Retail	345,835	364,857	345,835	19,022	5.5%	4,823,857
Passenger Services	1,085,290	1,103,288	1,094,878	8,410	0.8%	7,963,998
Total Terminal/Other	\$ 3,076,709	\$ 3,737,403	\$ 3,285,031	\$ 452,372	13.8%	\$ 49,867,367
Parking/Ground Transportation						
Parking	6,981,688	\$ 10,313,065	\$ 8,149,636	\$ 2,163,429	26.5%	\$ 117,108,713
Ground Transportation Fees	216,092	246,510	257,056	(10,546)	-4.1%	14,382,993
Auto Rental-On Airport	1,607,678	1,607,678	1,607,678	-	0.0%	22,945,180
Total Parking/Ground Transportation	8,805,458	12,167,253	10,014,370	2,152,883	21.5%	154,436,886
Other Concessions	178,407	187,768	206,408	(18,640)	-9.0%	2,788,043
<b>Total Concessions</b>	<b>\$ 12,060,574</b>	<b>\$ 16,092,424</b>	<b>\$ 13,505,809</b>	<b>\$ 2,586,615</b>	<b>19.2%</b>	<b>\$ 207,092,296</b>
<b>Rentals/Fees</b>						
Buildings & Facilities	\$ 1,268,343	\$ 1,354,085	\$ 1,351,908	\$ 2,177	0.2%	\$ 17,356,162
Building Auto - CFCs	-	-	-	-	0.0%	19,072,359
Ground Rentals	1,029,721	1,043,414	1,070,625	(27,211)	-2.5%	12,847,500
Reliever Airports	694,133	711,864	688,506	23,358	3.4%	10,199,595
<b>Total Rentals/Fees</b>	<b>\$ 2,992,197</b>	<b>\$ 3,109,363</b>	<b>\$ 3,111,039</b>	<b>\$ (1,676)</b>	<b>-0.1%</b>	<b>\$ 59,475,616</b>
<b>Utilities and Other Revenue</b>						
Utilities	\$ 217,936	\$ 548,050	\$ 531,820	\$ 16,230	3.1%	\$ 5,714,048
GA/Airside Fees	67,944	194,569	186,332	8,237	4.4%	6,731,425
MCD Fees	14,083	-	-	-	0.0%	4,487,527
Other Revenues	221,841	244,212	236,719	7,493	3.2%	2,360,628
Reimbursed Expense	156,293	536,634	529,083	7,551	1.4%	3,169,000
<b>Total Utilities and Other Revenue</b>	<b>\$ 678,097</b>	<b>\$ 1,523,465</b>	<b>\$ 1,483,954</b>	<b>\$ 39,511</b>	<b>2.7%</b>	<b>\$ 22,462,628</b>
<b>Total Operating Revenue</b>	<b>\$ 26,284,229</b>	<b>\$ 33,008,249</b>	<b>\$ 30,269,612</b>	<b>\$ 2,738,637</b>	<b>9.0%</b>	<b>\$ 447,285,567</b>

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

**Budget Variance Report - January 2023**  
**Operating Expense**  
**Non-Operating Revenue & Expense**

	2022		2023				Total 2023 Budget
	Year to Date	Year To Date		Dollar	%		
	Actual	Actual	Budget	Variance	Variance		
<i>Total Operating Revenue</i>	\$ 26,284,229	\$ 33,008,249	\$ 30,269,612	\$ 2,738,637	9.0%	\$ 447,285,567	
<b>OPERATING EXPENSE</b>							
<b>Personnel</b>	\$ 7,644,341	\$ 7,810,925	\$ 7,089,399	\$ (721,526)	-10.2%	\$ 111,438,418	
<b>Administrative Expenses</b>	83,237	66,138	68,934	2,796	4.1%	1,880,235	
<b>Professional Services</b>	37,618	88,504	97,297	8,793	9.0%	9,574,715	
<b>Utilities</b>	1,127,985	23,839	28,627	4,788	16.7%	23,119,430	
<b>Operating Services/Expenses</b>	2,543,365	1,529,485	1,553,090	23,605	1.5%	36,434,963	
<b>Maintenance</b>	1,129,455	3,383,446	2,262,465	(1,120,981)	-49.5%	51,506,164	
<b>Other</b>	172,623	1,915,738	1,872,491	(43,247)	-2.3%	7,685,088	
<b>Total Operating Expense</b>	<b>\$ 12,738,624</b>	<b>\$ 14,818,075</b>	<b>\$ 12,972,303</b>	<b>\$ (1,845,772)</b>	<b>-14.2%</b>	<b>\$ 241,639,013</b>	
<i>(excludes depreciation and noise amortization)</i>							

<b>Net Operating Revenue</b>	<b>\$ 13,545,605</b>	<b>\$ 18,190,174</b>	<b>\$ 17,297,309</b>	<b>\$ 892,865</b>	<b>5.2%</b>	<b>\$ 205,646,554</b>
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**NON-OPERATING REVENUE (EXPENSE)**

	2022		2023				Total 2023 Budget
	Year to Date	Year To Date		Dollar	%		
	Actual	Actual	Budget	Variance	Variance		
<b>Other Non-Operating Revenue</b>							
Interest Income	\$ 429,076	\$ 540,554	\$ 462,000	\$ 78,554	17.0%	\$ 5,544,000	
Self-Liquidating Income	291,114	48,973	48,973	-	0.0%	587,681	
	\$ 720,190	\$ 589,527	\$ 510,973	\$ 78,554	15.4%	\$ 6,131,681	
<b>Debt Service</b>							
Short Term Financing	\$ (35,620)	\$ (210,009)	\$ (210,009)	\$ -	0.0%	\$ (2,639,500)	
Bond Principal & Interest	-	-	-	-	0.0%	(121,163,358)	
Equipment Financing Principal & Interest	(28,934)	(28,934)	(28,934)	-	0.0%	(4,223,458)	
	\$ (64,554)	\$ (238,943)	\$ (238,943)	\$ -	0.0%	\$ (128,026,316)	
<b>Equipment</b>							
Capital Expenditures	\$ (96,384)	\$ (108,827)	\$ (101,583)	\$ (7,244)	7.1%	\$ (1,219,000)	
Equipment Purchases	-	(98,023)	(98,023)	-	0.0%	(13,275,000)	
Equipment Financing	-	-	-	-	0.0%	4,400,000	
	\$ (96,384)	\$ (206,850)	\$ (199,606)	\$ (7,244)	3.6%	\$ (10,094,000)	
<b>Other</b>							
Six Month Reserve Transfer	\$ (1,234,909)	\$ (12,837,637)	\$ (12,837,637)	\$ -	0.0%	\$ (12,837,637)	
Grant Reimbursements	-	-	-	-	0.0%	6,900,000	
Gain (Loss) on Equipment & Other	-	(831)	8,000	(8,831)	-110.4%	96,000	
	\$ (1,234,909)	\$ (12,838,468)	\$ (12,829,637)	\$ (8,831)	0.1%	\$ (5,841,637)	
<b>Total Non-Operating Revenue (Expense)</b>	<b>\$ (675,657)</b>	<b>\$ (12,694,734)</b>	<b>\$ (12,757,213)</b>	<b>\$ 62,479</b>	<b>-0.5%</b>	<b>\$ (137,830,272)</b>	

<b>Net Revenue Available for Designation</b>	<b>\$ 12,869,948</b>	<b>\$ 5,495,440</b>	<b>\$ 4,540,096</b>	<b>\$ 955,344</b>	<b>21.0%</b>	<b>\$ 67,816,282</b>
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Brackets ( ) Represent Revenue Items under Budget and Expense Items over Budget

## **OPERATING REVENUE**

Total operating revenue for January year-to-date is over budget \$2,738,637 or 9.0%. Revenue from Concessions is the main source of this positive variance.

### **Concessions**

Concessions revenue is \$2,586,615 or 19.2% higher than budget. Terminal concessions are slightly higher than budget \$452,372 and Parking is greater than budget \$2,163,429. 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 over budget \$1,845,772 or 14.2%. Personnel and Maintenance costs have produced this budget variance.

### **Personnel**

Personnel expense is higher than budget \$721,526 or 10.2%. An abundance of ice and snow has fallen during January. Multiple winter weather events and long hours for crews to clean the runways, public roads and parking lots to keep customers and employees safe has caused overtime to exceed the budget by \$713,896.

### **Maintenance**

Maintenance costs are \$1,120,981 or 49.5% greater than budget. Because of the ice and snow from winter storms, extra snow and ice melting materials were needed to make the runway and other surfaces safe.

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

Non-Operating Expense is greater than budget \$62,479 or 0.5% as interest income earned is \$78,544 higher than projected.