



## 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 – April 2024**

DATE: May 29, 2024

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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 April 2024 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 - April 2024  
Operating Revenue**

	2023	2024			Total 2024 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	\$ 26,857,673	\$ 30,726,630	\$ 31,630,758	\$ (904,128)	-2.9%	\$ 105,085,577
Ramp Fees	2,630,985	3,223,162	3,223,136	26	0.0%	9,669,451
Airline R & R	1,883,605	1,924,077	1,933,572	(9,495)	-0.5%	5,800,743
Terminal 1 Rentals	16,968,874	19,255,660	19,217,892	37,768	0.2%	57,653,908
Terminal 1 Other Rentals	2,920,969	3,292,563	2,895,678	396,885	13.7%	9,936,241
Concessions Rebate	-	-	-	-		(23,154,590)
Total Airline Agreement	51,262,106	58,422,092	58,901,036	(478,944)	-0.8%	164,991,330
Terminal 2 Lobby Fees	5,210,751	6,432,744	5,510,678	922,066	16.7%	15,180,930
Terminal 2 Other/Passenger Fees	2,044,100	2,606,146	2,298,217	307,929	13.4%	5,414,860
<b>Total Airline Rates &amp; Charges</b>	<b>\$ 58,516,957</b>	<b>\$ 67,460,982</b>	<b>\$ 66,709,931</b>	<b>\$ 751,051</b>	<b>1.1%</b>	<b>\$ 185,587,120</b>
<b>Concessions</b>						
Terminal/Other						
Food & Beverage	\$ 8,408,904	\$ 8,731,228	\$ 8,540,900	\$ 190,328	2.2%	\$ 33,431,918
News	1,403,511	1,428,911	1,495,336	(66,425)	-4.4%	5,930,482
Retail	1,433,746	1,479,818	1,503,736	(23,918)	-1.6%	5,420,964
Passenger Services	3,088,063	3,436,861	3,169,204	267,657	8.4%	8,847,529
Total Terminal/Other	\$ 14,334,224	\$ 15,076,818	\$ 14,709,176	\$ 367,642	2.5%	\$ 53,630,893
Parking/Ground Transportation						
Parking	\$ 46,498,183	\$ 49,079,065	\$ 50,233,048	\$ (1,153,983)	-2.3%	\$ 131,481,962
Ground Transportation Fees	3,534,481	3,909,786	3,653,981	255,805	7.0%	16,720,497
Auto Rental-On Airport	6,495,838	6,492,744	6,540,306	(47,562)	-0.7%	25,382,062
Total Parking/Ground Transportation	56,528,502	59,481,595	60,427,335	(945,740)	-1.6%	173,584,521
Other Concessions	869,676	931,385	895,269	36,116	4.0%	2,989,302
<b>Total Concessions</b>	<b>\$ 71,732,402</b>	<b>\$ 75,489,798</b>	<b>\$ 76,031,780</b>	<b>\$ (541,982)</b>	<b>-0.7%</b>	<b>\$ 230,204,716</b>
<b>Rentals/Fees</b>						
Buildings & Facilities	\$ 5,506,864	\$ 5,809,014	\$ 5,870,463	\$ (61,449)	-1.0%	\$ 17,863,813
Building Auto - CFCs	3,101,713	3,442,727	3,247,141	195,586	6.0%	21,085,326
Ground Rentals	4,706,144	5,730,338	5,684,992	45,346	0.8%	17,065,602
Reliever Airports	3,012,089	3,187,627	2,960,188	227,439	7.7%	10,519,812
<b>Total Rentals/Fees</b>	<b>\$ 16,326,810</b>	<b>\$ 18,169,706</b>	<b>\$ 17,762,784</b>	<b>\$ 406,922</b>	<b>2.3%</b>	<b>\$ 66,534,553</b>
<b>Utilities and Other Revenue</b>						
Utilities	\$ 1,296,679	\$ 1,438,621	\$ 1,433,369	\$ 5,252	0.4%	\$ 6,913,292
GA/Airside Fees	2,075,555	2,044,598	2,005,545	39,053	1.9%	7,402,399
MCD Fees	1,061,333	1,132,135	1,141,517	(9,382)	-0.8%	4,942,698
Other Revenues	688,159	1,025,861	939,940	85,921	9.1%	2,426,819
Reimbursed Expense	939,838	1,142,608	1,212,302	(69,694)	-5.7%	3,786,940
<b>Total Utilities and Other Revenue</b>	<b>\$ 6,061,564</b>	<b>\$ 6,783,823</b>	<b>\$ 6,732,673</b>	<b>\$ 51,150</b>	<b>0.8%</b>	<b>\$ 25,472,148</b>
<b>Total Operating Revenue</b>	<b>\$ 152,637,733</b>	<b>\$ 167,904,309</b>	<b>\$ 167,237,168</b>	<b>\$ 667,141</b>	<b>0.4%</b>	<b>\$ 507,798,537</b>

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

**Budget Variance Report - April 2024**  
**Operating Expense**  
**Non-Operating Revenue & Expense**

	2023		2024			Total 2024 Budget
	Year To Date	Year To Date		Dollar	%	
	Actual	Actual	Budget	Variance	Variance	
<i>Total Operating Revenue</i>	\$ 152,637,733	\$ 167,904,309	\$ 167,237,168	\$ 667,141	0.4%	\$ 507,798,537
<b>OPERATING EXPENSE</b>						
<b>Personnel</b>	\$ 38,459,548	\$ 41,223,008	\$ 41,777,993	\$ 554,985	1.3%	\$ 123,531,811
<b>Administrative Expenses</b>	423,190	738,444	755,300	16,856	2.2%	2,276,841
<b>Professional Services</b>	2,084,554	2,600,268	2,772,402	172,134	6.2%	14,638,437
<b>Utilities</b>	5,705,570	5,067,378	5,253,213	185,835	3.5%	24,939,663
<b>Operating Services/Expenses</b>	11,537,462	12,555,426	12,711,389	155,963	1.2%	40,290,401
<b>Maintenance</b>	17,747,955	17,314,903	16,917,447	(397,456)	-2.3%	67,035,005
<b>Other</b>	2,084,277	2,828,794	2,919,018	90,224	3.1%	12,435,044
<b>Total Operating Expense</b>	<b>\$ 78,042,556</b>	<b>\$ 82,328,221</b>	<b>\$ 83,106,762</b>	<b>\$ 778,541</b>	<b>0.9%</b>	<b>\$ 285,147,202</b>

*(excludes depreciation and noise amortization)*

<b>Net Operating Revenue</b>	<b>\$ 74,595,177</b>	<b>\$ 85,576,088</b>	<b>\$ 84,130,406</b>	<b>\$ 1,445,682</b>	<b>1.7%</b>	<b>\$ 222,651,335</b>
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**NON-OPERATING REVENUE (EXPENSE)**

	2023		2024			Total 2024 Budget
	Year To Date	Year To Date		Dollar	%	
	Actual	Actual	Budget	Variance	Variance	
<b>Other Non-Operating Revenue</b>						
Interest Income	\$ 2,646,006	\$ 4,012,904	\$ 3,072,848	\$ 940,056	30.6%	\$ 9,218,000
Unrealized Gain/Loss-Investments	1,227,118	(12,038)	-	(12,038)	-	-
Self-Liquidating Income	195,894	207,219	207,219	-	0.0%	621,658
	\$ 4,069,018	\$ 4,208,085	\$ 3,280,067	\$ 928,018	28.3%	\$ 9,839,658
<b>Debt Service</b>						
Short Term Financing	\$ (569,180)	\$ (1,346,591)	\$ (1,346,591)	\$ -	0.0%	\$ (4,811,757)
Bond Principal & Interest		-	-	-	0.0%	(129,519,339)
Equipment Financing Principal & Interest	(2,109,368)	(2,741,310)	(2,741,310)	-	0.0%	(7,813,877)
	\$ (2,678,548)	\$ (4,087,901)	\$ (4,087,901)	\$ -	0.0%	\$ (142,144,973)
<b>Equipment</b>						
Capital Expenditures	\$ (421,670)	\$ (519,124)	\$ (567,536)	\$ 48,412	-8.5%	\$ (1,702,609)
Equipment Purchases	(2,358,655)	(4,055,712)	(4,055,712)	-	0.0%	(34,450,053)
Equipment Financing	-	-	-	-	0.0%	19,000,000
	\$ (2,780,325)	\$ (4,574,836)	\$ (4,623,248)	\$ 48,412	-1.0%	\$ (17,152,662)
<b>Other</b>						
Six Month Reserve Transfer	\$ (13,332,917)	\$ (21,754,094)	\$ (21,754,094)	\$ -	0.0%	\$ (21,649,164)
Grant Reimbursements	-	-	-	-	-	45,000,000
Gain (Loss) on Equipment & Other	135,485	67,141	56,250	10,891	19.4%	(4,275,350)
	\$ (13,197,432)	\$ (21,686,953)	\$ (21,697,844)	\$ 10,891	-0.1%	\$ 19,075,486
<b>Total Non-Operating Revenue (Expense)</b>	<b>\$ (14,587,287)</b>	<b>\$ (26,141,605)</b>	<b>\$ (27,128,926)</b>	<b>\$ 987,321</b>	<b>-3.6%</b>	<b>\$ (130,382,491)</b>

<b>Net Revenue Available for Designation</b>	<b>\$ 60,007,890</b>	<b>\$ 59,434,483</b>	<b>\$ 57,001,480</b>	<b>\$ 2,433,003</b>	<b>4.3%</b>	<b>\$ 92,268,844</b>
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*Brackets ( ) Represent Revenue Items under Budget and Expense Items over Budget*

## **OPERATING REVENUE**

Total Operating Revenue for April year-to-date is over budget \$667,141 or 0.4%. The larger variances are explained within Airline Rates & Charges and Concessions categories.

### **Airline Rates & Charges**

Airline Rates & Charges are \$751,051 or 1.1% lower than budget. Although landing Fees are \$904,128 lower than projected in the budget from less landed weight through April, Terminal 2 Lobby fees are over budget \$922,066 as airlines had more flights than predicted. Also exceeding the budget are international flights that were greater than expected at both terminals.

### **Concessions**

Concessions revenue is slightly under budget by \$541,982 or 0.7%. Parking revenue is 2.3% lower than budget at \$1,153,983 as the number of parking transactions was less than projected. However, fees from Transportation Network Companies and employee parking exceeded projections by \$318,447 and \$102,393, respectively.

## **OPERATING EXPENSE**

Total operating expense for April year-to-date is under budget \$778,541 or 0.9%. The major components of this variance are in Personnel and Maintenance expense categories.

### **Personnel**

Personnel is under budget \$554,985 or 1.3% from open positions and the time it took to fill open positions.

### **Maintenance**

Maintenance costs are over budget \$397,456 or 2.3%. Snow removal materials were purchased for the upcoming winter season and cost more than expected.