



Metropolitan Airports Commission

TO: Operations, Finance and Administration Committee

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

SUBJECT: **Budget Variance Report – May 2024**

DATE: June 26, 2024

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 May 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 - May 2024
Operating Revenue**

	2023	2024				Total
	Year to Date Actual	Year To Date Actual	Budget	Dollar Variance	% Variance	2024 Budget
OPERATING REVENUE						
Airline Rates & Charges						
Airline Agreement						
Landing Fees	\$ 33,893,630	\$ 39,084,906	\$ 40,247,775	\$ (1,162,869)	-2.9%	\$ 105,085,577
Ramp Fees	3,288,731	4,028,952	4,028,921	31	0.0%	9,669,451
Airline R & R	2,354,506	2,405,096	2,416,965	(11,869)	-0.5%	5,800,743
Terminal 1 Rentals	21,211,092	24,069,575	24,022,365	47,210	0.2%	57,653,908
Terminal 1 Other Rentals	3,814,057	4,250,116	3,773,696	476,420	12.6%	9,936,241
Concessions Rebate	-	-	-	-		(23,154,590)
Total Airline Agreement	64,562,016	73,838,645	74,489,722	(651,077)	-0.9%	164,991,330
Terminal 2 Lobby Fees	6,387,184	7,916,529	6,801,057	1,115,472	16.4%	15,180,930
Terminal 2 Other/Passenger Fees	2,540,073	3,249,066	2,877,621	371,445	12.9%	5,414,860
Total Airline Rates & Charges	\$ 73,489,273	\$ 85,004,240	\$ 84,168,400	\$ 835,840	1.0%	\$ 185,587,120
Concessions						
Terminal/Other						
Food & Beverage	\$ 10,808,991	\$ 11,341,632	\$ 11,336,992	\$ 4,640	0.0%	\$ 33,431,918
News	1,820,999	1,861,455	1,958,242	(96,787)	-4.9%	5,930,482
Retail	1,864,138	1,902,313	1,938,209	(35,896)	-1.9%	5,420,964
Passenger Services	3,712,265	4,157,108	3,793,078	364,030	9.6%	8,847,529
Total Terminal/Other	\$ 18,206,393	\$ 19,262,508	\$ 19,026,521	\$ 235,987	1.2%	\$ 53,630,893
Parking/Ground Transportation						
Parking	\$ 58,207,814	\$ 59,969,320	\$ 61,400,591	\$ (1,431,271)	-2.3%	\$ 131,481,962
Ground Transportation Fees	4,743,935	5,327,280	4,917,600	409,680	8.3%	16,720,497
Auto Rental-On Airport	8,142,378	8,143,240	8,208,876	(65,636)	-0.8%	25,382,062
Total Parking/Ground Transportation	71,094,127	73,439,840	74,527,067	(1,087,227)	-1.5%	173,584,521
Other Concessions	1,138,236	1,171,135	1,152,105	19,030	1.7%	2,989,302
Total Concessions	\$ 90,438,756	\$ 93,873,483	\$ 94,705,693	\$ (832,210)	-0.9%	\$ 230,204,716
Rentals/Fees						
Buildings & Facilities	\$ 6,895,650	\$ 7,307,701	\$ 7,360,970	\$ (53,269)	-0.7%	\$ 17,863,813
Building Auto - CFCs	4,348,235	4,765,011	4,533,346	231,665	5.1%	21,085,326
Ground Rentals	6,522,255	7,179,200	7,106,242	72,958	1.0%	17,065,602
Reliever Airports	4,003,034	4,244,291	4,156,130	88,161	2.1%	10,519,812
Total Rentals/Fees	\$ 21,769,174	\$ 23,496,203	\$ 23,156,688	\$ 339,515	1.5%	\$ 66,534,553
Utilities and Other Revenue						
Utilities	\$ 1,870,725	\$ 2,095,715	\$ 2,111,068	\$ (15,353)	-0.7%	\$ 6,913,292
GA/Airside Fees	2,637,261	2,661,865	2,591,875	69,990	2.7%	7,402,399
MCD Fees	1,428,437	1,519,256	1,534,780	(15,524)	-1.0%	4,942,698
Other Revenues	869,660	1,182,582	1,013,782	168,800	16.7%	2,426,819
Reimbursed Expense	1,524,313	1,434,565	1,577,878	(143,313)	-9.1%	3,786,940
Total Utilities and Other Revenue	\$ 8,330,396	\$ 8,893,983	\$ 8,829,383	\$ 64,600	0.7%	\$ 25,472,148
Total Operating Revenue	\$ 194,027,599	\$ 211,267,909	\$ 210,860,164	\$ 407,745	0.2%	\$ 507,798,537

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

Budget Variance Report - May 2024
Operating Expense
Non-Operating Revenue & Expense

	2023		2024			Total 2024 Budget
	Year To Date	Year To Date		Dollar	%	
	Actual	Actual	Budget	Variance	Variance	
Total Operating Revenue	\$ 194,027,599	\$ 211,267,909	\$ 210,860,164	\$ 407,745	0.2%	\$ 507,798,537
OPERATING EXPENSE						
Personnel	\$ 46,333,481	\$ 49,889,755	\$ 50,708,848	\$ 819,093	1.6%	\$ 123,531,811
Administrative Expenses	557,260	873,197	907,335	34,138	3.8%	2,276,841
Professional Services	3,096,878	3,724,939	3,903,959	179,020	4.6%	14,638,437
Utilities	7,952,204	6,803,837	7,020,395	216,558	3.1%	24,939,663
Operating Services/Expenses	14,116,578	15,233,491	15,378,575	145,084	0.9%	40,290,401
Maintenance	23,168,551	20,434,831	20,183,089	(251,742)	-1.2%	67,035,005
Other	2,198,624	2,910,842	3,097,803	186,961	6.0%	12,435,044
Total Operating Expense	\$ 97,423,576	\$ 99,870,892	\$101,200,004	\$ 1,329,112	1.3%	\$ 285,147,202
<i>(excludes depreciation and noise amortization)</i>						
Net Operating Revenue	\$ 96,604,023	\$ 111,397,017	\$109,660,160	\$ 1,736,857	1.6%	\$ 222,651,335
NON-OPERATING REVENUE (EXPENSE)						
	2023		2024			Total 2024 Budget
	Year To Date	Year To Date		Dollar	%	
	Actual	Actual	Budget	Variance	Variance	
Other Non-Operating Revenue						
Interest Income	\$ 3,331,759	\$ 4,734,942	\$ 3,841,060	\$ 893,882	23.3%	\$ 9,218,000
Unrealized Gain/Loss-Investments	915,896	27,217	-	27,217	-	-
Self-Liquidating Income	244,867	259,024	259,024	-	0.0%	621,658
	\$ 4,492,522	\$ 5,021,183	\$ 4,100,084	\$ 921,099	22.5%	\$ 9,839,658
Debt Service						
Short Term Financing	\$ (697,043)	\$ (1,711,510)	\$ (1,711,510)	\$ -	0.0%	\$ (4,811,757)
Bond Principal & Interest			-	-	0.0%	(129,519,339)
Equipment Financing Principal & Interest	(2,138,302)	(2,770,243)	(2,770,243)	-	0.0%	(7,813,877)
	\$ (2,835,345)	\$ (4,481,753)	\$ (4,481,753)	\$ -	0.0%	\$ (142,144,973)
Equipment						
Capital Expenditures	\$ (525,308)	\$ (736,858)	\$ (709,420)	\$ (27,438)	3.9%	\$ (1,702,609)
Equipment Purchases	(3,486,630)	(5,066,471)	(5,066,471)	-	0.0%	(34,450,053)
Equipment Financing	-	-	-	-	0.0%	19,000,000
	\$ (4,011,938)	\$ (5,803,329)	\$ (5,775,891)	\$ (27,438)	0.5%	\$ (17,152,662)
Other						
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	395,176	14,329	93,750	(79,421)	-84.7%	(4,275,350)
	\$ (12,937,741)	\$ (21,739,765)	\$ (21,660,344)	\$ (79,421)	0.4%	\$ 19,075,486
Total Non-Operating Revenue (Expense)	\$ (15,292,502)	\$ (27,003,664)	\$ (27,817,904)	\$ 814,240	-2.9%	\$ (130,382,491)
Net Revenue Available for Designation	\$ 81,311,521	\$ 84,393,353	\$ 81,842,256	\$ 2,551,097	3.1%	\$ 92,268,844

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

OPERATING REVENUE

Total Operating Revenue for May year-to-date is over budget \$407,745 or 0.2%. The larger variances are explained within Airline Rates & Charges and Concessions categories.

Airline Rates & Charges

Airline Rates & Charges are \$835,840 or 1.0% higher than budget. Although landing Fees are \$1,162,869 lower than projected in the budget from less landed weight through May, Terminal 2 Lobby fees are over budget \$1,115,472 as airlines had more flights than predicted. Also exceeding the budget are international flights at both terminals that were \$722,182 greater than expected.

Concessions

Concessions revenue is under budget by \$832,210 or 0.9%. Parking revenue is lower than budget at \$1,431,271 as the number of parking transactions was less than projected. However, fees from ground transportation, particularly Transportation Network Companies, exceeded projections by \$409,680.

OPERATING EXPENSE

Total operating expense for May year-to-date is under budget \$1,329,112 or 1.3%. The greatest variance in Operating Expenses is Personnel, which is under budget \$819,093 or 1.6% from open positions and the time it took to fill open positions.

NON-OPERATING REVENUE (EXPENSE)

Non-Operating Expense for May year-to-date is lower than budget \$814,240 or 2.9% as interest income is greater than projected from rising interest rates.