



MEMORANDUM

TO: Airport Advisory Commissioners
 FROM: Rajeev Thomas, Deputy Chief - Finance, Aviation Department
 DATE: September 13, 2023
 SUBJECT: Austin-Bergstrom International Airport (AUS) Update

July 2023 Financial Results

Total passenger traffic totaled 2,040,981 in July 2023, an increase of 3.7% compared to July 2022. Average daily departures have increased from 260 in July 2022 to 273 in July 2023, an increase of 13 daily departures or 5.0%. July 2023 was the busiest month in AUS history in terms of total passenger traffic.

Table #1	FY 2023 July	FY 2022 July	Variance Fav (Unfav)	FY 2023 YTD	FY 2022 YTD	YTD Variance Fav (Unfav)
Enplanements	1,010,768	984,932	2.6%	9,211,343	8,378,131	9.9%
Landing Weights	1,216,773,511	1,149,069,534	5.9%	11,349,334,923	10,373,005,548	9.4%
Cargo Tonnage	9,927	12,684	(21.7%)	120,239	128,064	(6.1%)
Operating Revenue	\$25,449,068	\$23,188,928	\$2,260,140	\$229,376,435	\$203,301,882	\$26,074,553
Airport OPEX	\$10,980,565	\$8,589,150	(\$2,391,415)	\$99,445,482	\$79,979,344	(\$19,466,137)
Total Requirements	\$17,441,843	\$14,100,831	(\$3,341,012)	\$159,927,107	\$133,879,922	(\$26,047,185)
Net Income Before Federal Relief	\$8,007,225	\$9,088,097	(\$1,080,872)	\$69,449,328	\$69,421,961	\$27,367
Federal Relief Reimbursement	\$1,947,342	\$1,666,493	\$280,849	\$39,173,376	\$35,091,124	\$4,082,252
Net Income After Federal Relief	\$9,954,567	\$10,754,590	(\$800,023)	\$108,622,704	\$104,513,085	\$4,109,620

Table #1 illustrates July 2023’s enplanements totaled 1,010,768, 2.6% higher than July 2022, serving 25,836 more enplaned passengers. Landing weights totaled 1.2 billion pounds in July 2023 representing an increase of 5.9% compared to July 2022. Cargo volume totaled 9,927 tons in July 2023 representing a decrease of 21.7% compared to July 2022. The decline in cargo volume is the result of year over year declines in tonnage carried from major cargo carriers.

Monthly operating revenues increased 9.7% or \$2.3M compared to July 2022. Totaling \$25.4M, July 2023 operating revenue is composed of 41.0% airline revenue, 56.3% non-airline revenue, and 2.7% interest income.

Airport operating expenses totaled \$11.0M for the month, an increase of 27.8% or \$2.4M compared to July 2022. The increased operating expenses are the result of higher personnel costs resulting from increased headcount and annual pay adjustments (4% across the board pay increase and increase in the living wage to \$20 per hour), and increased contractual costs including parking services, consulting contracts, and the baggage handling system maintenance contract. AUS reported an \$8.0M surplus (before federal relief funding) in July 2023 compared to a surplus of \$9.1M in July 2022.

Fiscal Year 2023 Financial Results

Through the tenth month of Fiscal Year 2023 (FY2023), AUS delivered strong financial performance when compared to the same period in Fiscal Year 2022 (FY2022). FY2023 Year to Date (YTD) Operating Revenue totals \$229.4M compared to \$203.3M in FY2022, a 12.8% increase. Airport Operating Expenses totaled \$99.4M YTD in FY2023 compared to \$80.0M in FY2022, a 24.3% increase. Net income before federal relief funding totals \$69.4M YTD in FY2023, which aligns with \$69.4M net income before federal relief funding in FY2022.

Table #2	FY 2023	FY 2023	FY 2023	Budget vs. YTD	Budget vs. YTD	CYE vs. YTD	CYE vs. YTD
	Approved Budget - Seasonalized	CYE - Seasonalized	YTD	Variance \$ Fav (Unfav)	Variance % Fav (Unfav)	Variance \$ Fav (Unfav)	Variance \$ Fav (Unfav)
Operating Revenue	\$194,326,286	\$219,628,446	\$229,376,435	\$35,050,149	18.0%	\$9,747,989	4.4%
Airport OPEX	\$107,547,003	\$101,348,379	\$99,445,482	\$8,101,522	7.5%	\$1,902,897	1.9%
Total Requirements	\$168,160,272	\$161,830,004	\$159,927,107	\$8,233,165	4.9%	\$1,902,897	1.2%
Net Income Before Debt Service	\$73,217,209	\$104,849,637	\$116,500,522	\$43,283,314	59.1%	\$11,650,886	11.1%
Net Income Before Federal Relief	\$26,166,014	\$57,798,442	\$69,449,328	\$43,283,314	165.4%	\$11,650,886	20.2%
Federal Relief Reimbursement	\$25,000,000	\$36,359,045	\$39,173,376	\$14,173,376	56.7%	\$2,814,331	7.7%
Net Income After Federal Relief	\$51,166,014	\$94,157,488	\$108,622,704	\$57,456,690	112.3%	\$14,465,217	15.4%

Through July 2023, AUS delivered favorable YTD financial performance compared to FY2023 budget and current year estimate (CYE) on a seasonalized basis due to increased revenue and operating expense savings. As presented in Table #2, FY2023 revenues exceed budgeted revenues by 18.0% or \$35.1M and exceed CYE by 4.4% or \$9.7M. Airport operating expenses are 7.5% or \$8.1M below budgeted expenses and 1.9% or \$1.9M below CYE due primarily to higher than budgeted personnel vacancy rates. Before federal relief funding application, AUS reports net income of \$69.4M, which exceeds the seasonalized budget estimate by \$43.3M and seasonalized CYE by \$11.7M.

Attachments: July 2023 - AAC Financial Report