



# ***2014 OPERATING BUDGET***

**Minneapolis - St. Paul, Minnesota  
Metropolitan Airports Commission**



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## **Winning Artwork 2014 Budget Book Cover Contest**

### **2014 Budget Book Cover Process**

Children or relatives of employees are invited to participate in the Metropolitan Airports Commission annual Budget Book Cover Contest. All entries are reviewed and voted on by employees of the Finance & Administration Division. The winner for the 2014 Budget Book:

**Emilia Nowaczewski – Age 10**  
**Daughter of Matt Nowaczewski – MAC Airport Police**





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"We provide and promote safe, convenient, environmentally sound and cost competitive aviation services for our customers."

## Vision

"To give our customers the best airport experience in North America!"

## Values

- Integrity
- Fiscal Responsibility
- Innovation and Excellence
- Commitment to the Community and the Environment
- Teamwork
- Our Employees



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## Executive Summary

December 16, 2013

To The Public:

We are pleased to present the 2014 Metropolitan Airports Commission (Commission) Budget which was adopted by the Commission on December 16, 2013. Total Operating Revenue for 2014 is projected to be \$288,577,000 and Operating Expense is \$148,794,000 (excluding depreciation and noise amortization). Non-operating expenses (including non-operating revenue) are budgeted to be \$96,866,000. The approved 2014 budget results in \$42,916,000 of Net Revenues Available for Designation.

In May, 2013 the budget process commenced. Some of the key short term issues that the Commission was faced with in developing the overall targets for the 2014 Operating Budget were:

- Timing and changes in passenger forecasts throughout 2013 and 2014.
- Changes in the state of the economy and the airline industry in 2013.
- Uncertainty of continued TSA Federal Funding for various security duties currently being performed by the TSA.

Details on how each of these critical issues were addressed in our development of the budget are noted below in the Fund Overview.

Imbedded in this discussion is our Mission Statement and Vision Statement.

**Mission Statement:** "We provide and promote safe, convenient, environmentally sound and cost competitive aviation services for our customers."

**Vision Statement:** "To give our customers the best airport experience in North America!"

### **Budget Targets**

As a result of the key issues, the Commission identified four targets that were to be used in developing the 2014 Operating Budget. These targets and their respective budget results are indicated below.

**Target 1:** Senior Debt Service Coverage Ratio maintained at not less than 1.4x.  
**Result:** + 3.13 (Without Transfer).

**Target 2:** Maintain a Six Month Reserve in the Operating Fund.  
**Result:** A transfer of \$3.3 million will be made to the fund on 1/2/14.

**Target 3:** Airline Cost/Enplaned Passenger will be in the lower 1/3 of Large Hub Airports.  
**Result:** The Commission ranked 8th lowest out of 28 Large Hub Airports surveyed.

**Target 4:** The Commission will have a Balanced Budget.  
**Result:** The budget forecasts \$42.9 million in Net Revenues available for designation.

The remainder of this message will discuss:

- Budget Development/Fund Overview (Overall, Operating, Construction and Debt)
- Organizational Goals, Objectives & Measures
- Future Outlook (including the near term (2014-2015) and long term (2016 and beyond) issues that will be critical to the Commission in evaluating the future)
- GFOA Budget Award
- Acknowledgement
- Other Awards

### **Budget Development/Fund Overview**

The Commission is accounted for as an Enterprise Fund. For internal purposes, three funds are maintained

relating to three specific functions: Operating Fund (Budget - operations of the airport), Construction Fund (Budget – Capital Improvement Program) and Debt Service Fund (Debt). The Operating Fund reserve is set by the Commission. Based on current policy, that reserve amount needs to be equivalent to six months of operating expenses (excluding depreciation and noise amortization). Transfers from this Fund to the Debt Fund are made in June and December of each year to make debt service payments and ensure that the respective debt service reserve accounts are fully funded. At the end of the year, after all operating expenses and debt service have been funded, any balance not designated is, in most cases, transferred to the Construction Fund. The table below shows a consolidated schedule of revenue and expenses for all funds. Descriptions and key issues for each of the three funds follow the summary table.

**Summary Fund Table**

<b>Consolidated Enterprise Fund</b>	<b>2012</b>	<b>2013</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>\$ = 000</b>	<b>Actual</b>	<b>Estimated</b>	<b>Budget</b>	<b>Budget</b>	<b>Projection</b>	<b>Projection</b>
<b>Sources All Funds</b>						
Total Beginning All Fund Balances <sup>1</sup>	\$ 643,666	\$ 666,825	\$ 651,045	\$ 667,937	\$ 605,412	\$ 640,991
Operating Fund Revenues						
Airline Rates & Charges	98,437	105,690	103,267	109,311	111,575	115,500
Concessions	126,399	129,980	127,158	133,210	135,341	144,531
Other Operating Revenues	41,582	45,859	45,551	46,056	46,656	47,123
Interest Earnings	4,683	4,500	4,500	5,000	5,200	5,400
Other & Self-Liquidating Revenue	4,362	5,931	5,851	5,486	7,000	5,500
Transfers in Construction Fund	-	-	-	-	-	-
Transfers in Equipment Financing	2,184	6,400	8,550	4,138	4,000	4,000
Construction Fund Revenues						
PFC Funding	62,785	64,000	62,620	64,640	65,286	65,939
Federal Grants	21,054	4,909	36,249	8,829	28,815	1,500
State Grants	177	283	3,070	1,375	2,500	2,500
Interest Earnings	1,419	1,358	2,000	1,600	1,900	2,000
Bond Proceeds	39,770	-	-	-	-	-
Short-Term Funding Program	11,300	6,050	7,850	-	-	-
Other Receipts	-	-	-	-	-	-
Transfers In	43,300	42,880	40,664	44,653	42,916	45,000
Debt Fund Revenues	-	-	-	-	-	-
Interest Earnings	1,821	1,818	776	1,802	1,800	1,808
Bond Proceeds	52,730	0	-	-	-	-
Self-Liquidating Payments	2,916	2,880	2,871	0	-	-
Transfers In (PFCs and Garb Require.)	110,540	121,060	121,358	122,000	122,005	119,593
Total All Receipts	\$ 1,269,125	\$ 1,210,423	\$ 1,223,380	\$ 1,216,037	\$ 1,180,406	\$ 1,201,385
<b>Uses All Funds</b>						
Operating Fund Expenses						
Personnel	68,145	69,839	68,705	71,375	73,132	75,354
Administration	1,562	1,339	1,408	1,527	1,559	1,694
Professional Services	4,536	4,270	4,535	4,849	4,895	5,178
Utilities	16,288	17,600	17,804	18,564	19,454	22,372
Operating Services	17,379	18,768	19,264	19,405	20,742	21,309
Maintenance	26,052	29,548	28,548	29,971	31,095	35,386
Other/Insurance	2,631	2,784	2,752	3,103	3,079	3,001
Equipment & Other Capital Expenditures	8,789	11,066	13,216	8,867	9,481	9,500
Transfers Out - Debt	82,276	93,286	94,260	96,203	95,482	87,425
Transfers Out - Equipment Financing	2,758	3,060	2,350	3,840	4,200	4,000
Transfers Out - Construction	43,300	42,880	40,664	44,653	42,916	45,000
Working Capital/Other	-	-	-	-	-	-
Construction Fund Expenses						
Capital Project Costs	134,289	103,067	125,000	155,000	78,000	66,000
Debt Service Reserve	28,282	27,535	28,388	27,300	29,949	32,128
Debt Fund Expenses						
Bond Refundings	49,933	-	-	-	-	-
Bond Principal & Interest Payments	116,080	117,444	117,444	125,968	125,431	119,553
Total All Costs	602,300	\$ 542,486	\$ 564,338	\$ 610,625	\$ 539,415	\$ 527,900
Total Ending All Net Fund Balances	\$ 666,825	\$ 667,937	\$ 659,042	\$ 605,412	\$ 640,991	\$ 673,485

<sup>1</sup> Includes Operating Fund, Construction Fund and Debt Service Fund.



**Operating Budget**

As indicated above, the Commission, in developing targets/guidelines for the 2014 budget, discussed a number of critical issues that needed to be addressed in the short term. Key to this discussion was maintaining a firm grip on expenses, especially in light of mandated additional costs, contract increases, utility increases and the uncertainty in passenger forecasts and the stagnant economy. At the start of the budget process in May, staff was dealing with a slight increase in passenger activity based on year-to-date activity. The job market and the economy were still viewed to be flat at best. As a result, the budget was initially prepared very conservatively from both a revenue and expense view. As the process moved forward, both the economy and passenger projections showed slight improvement. This was especially true on the passenger side as we started to see a slight increase in activity which had been forecasted to occur earlier in the year. As a result, revenues were increased slightly while expenses were held to as close to no increase as possible.

The following table is a summary of 2012 Actual, 2013 Budget, 2013 Estimate and 2014 Budget Revenue and Expenses. This table includes both operating and non-operating items. (Explanations below are based on a comparison of estimated 2013 and budget 2014.)

<b>2014 OPERATING BUDGET SUMMARY</b>						<b>2013 Estimate vs 2014 Budget Comparison</b>	
<b>\$ = 000</b>						<b>Dollars</b>	<b>Percentage</b>
	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2013 Estimate</b>	<b>2014 Budget</b>			
<b>OPERATING REVENUE</b>							
Airline Rates and Charges	\$ 98,437	\$ 103,266	\$ 105,690	\$ 109,311	\$ 3,621		3.4%
Concessions	126,399	127,158	129,980	133,210	3,230		2.5%
Rentals/Fees	28,000	31,846	31,684	32,075	391		1.2%
Utilities & Other Revenues	13,582	13,705	14,175	13,981	(194)		-1.4%
<b>Total Operating Revenue</b>	<b>\$ 266,418</b>	<b>\$ 275,975</b>	<b>\$ 281,529</b>	<b>\$ 288,577</b>	<b>\$ 7,048</b>		<b>2.5%</b>
<b>OPERATING EXPENSE</b>							
Personnel	\$ (68,145)	\$ (68,705)	\$ (69,839)	\$ (71,375)	\$ (1,536)		2.2%
Administrative Expenses	(1,562)	(1,408)	(1,339)	(1,527)	(188)		14.0%
Professional Services	(4,536)	(4,535)	(4,270)	(4,849)	(579)		13.6%
Utilities	(16,288)	(17,804)	(17,600)	(18,565)	(965)		5.5%
Operating Services	(17,379)	(19,264)	(18,768)	(19,405)	(637)		3.4%
Maintenance	(26,052)	(28,548)	(29,548)	(29,971)	(423)		1.4%
Other	(2,631)	(2,752)	(2,784)	(3,102)	(318)		11.4%
<b>Total Operating Expenses (Excludes Depreciation)</b>	<b>\$ (136,593)</b>	<b>\$ (143,016)</b>	<b>\$ (144,148)</b>	<b>\$ (148,794)</b>	<b>\$ (4,646)</b>		<b>3.2%</b>
<b>Net Operating Revenues</b>	<b>\$ 129,825</b>	<b>\$ 132,959</b>	<b>\$ 137,381</b>	<b>\$ 139,783</b>	<b>\$ 2,402</b>		<b>1.7%</b>
<b>Non-Operating Revenues &amp; Expenses</b>							
Add: Other Non-operating Revenue	\$ 12,342	\$ 18,901	\$ 16,831	\$ 15,344	(1,487)		-8.8%
Less: Debt Service/Equipment/Other	(99,287)	(111,503)	(109,559)	(112,211)	(2,652)		2.4%
<b>Total Non-Operating Revenues/Expenses</b>	<b>\$ (86,945)</b>	<b>\$ (92,602)</b>	<b>\$ (92,728)</b>	<b>\$ (96,867)</b>	<b>\$ (4,139)</b>		<b>4.5%</b>
<b>Net Revenues</b>	<b>\$ 42,880</b>	<b>\$ 40,357</b>	<b>\$ 44,653</b>	<b>\$ 42,916</b>	<b>\$ (1,737)</b>		<b>-3.9%</b>

Airline rates and charges increased by 3.4% resulting primarily from increases in debt service as well as a new checked baggage fee to cover maintenance of the baggage system. The Commission budgets its snow removal costs on a historical average basis as 2013 was a above average winter. Debt service is the major component used in developing airline rates and charges. The following table summarizes the major airline rates.

<b>AIRLINE FEE TABLE</b>				
	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2013 Estimate</b>	<b>2014 Budget</b>
Landing Fee (Per 1,000 lbs.)	\$ 2.53	\$ 2.59	\$ 2.65	\$ 2.65
Terminal 1				
Ramp Fee (Per Lineal Ft.)	\$ 536.38	\$ 537.98	\$ 567.04	\$ 596.71
Space Rate (Per Square Ft.)	\$ 58.60	\$ 62.33	\$ 62.31	\$ 65.20
Terminal 2 Gate Fee	\$ 738,101	\$ 760,851	\$ 760,851	\$ 795,885

As previously stated, controlling expenses was a difficult challenge for staff. To offset the increase in personnel costs from benefits, wage adjustments and headcount, staff looked at all areas to minimize the impact of these added costs. Contracts were reviewed and, if possible, re-bid. Utilities were analyzed with an eye toward more aggression in the natural gas hedging area and implementing energy efficient technologies where appropriate. Field maintenance was decreased to account for average winters over a five year history. For details regarding changes in revenues and expenses year over year, see the Operating Budget Revenue section and Operating Budget Expense section of the budget.

Non-operating revenues/expenses increased because of the planned added debt service payments as a result of a new bond issue in 2012. We believe the debt portfolio has positioned the Commission well by not having any risk and having very low fixed interest (4.7%) at the end of a \$2.8 billion Capital Improvement Program.

### Capital Improvement Process

Each year the Commission approves a seven-year Capital Improvement Program which is divided into three areas. The first area is approval of projects that will be initiated in year one of the program. The second area identifies projects which may be reviewed in detail to determine cost and feasibility. The third area of the program is the identification of potential projects in years three through seven. At the same time the final Capital Improvement Program is presented for approval, a plan for funding the first three years of the program is provided. The following table summarizes the most recent past Program year (2013), the current three-year program (2014 – 2016) and funding summary.

<b>CAPITAL IMPROVEMENT PLAN (CIP) SUMMARY</b>				
<b>(\$=000)</b>				
	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<u>CIP</u>				
Minneapolis/St. Paul International Airport				
Field & Runway	\$ 3,750	\$ 5,250	\$ 9,150	\$ 4,250
Environment/Noise	1,300	2,300	1,000	2,200
Terminal/Landside	118,400	82,600	58,100	45,975
Total Minneapolis/St. Paul International	123,450	90,150	68,250	52,425
Reliever Airports	4,600	4,300	3,700	2,650
Total All Airports	\$ 128,050	\$ 94,450	\$ 71,950	\$ 55,075
<u>Funding</u>				
Passenger Facility Charges (PFCs)	\$ 15,400	\$ 1,000	\$ -	\$ -
Federal & State Aid	39,319	10,204	31,315	9,875
General Airport Revenue Bonds	21,700	450	-	-
Internal/Airline Funds	43,781	47,796	40,635	45,200
Other	7,850	-	-	-
Total Funding	\$ 128,050	\$ 59,450	\$ 71,950	\$ 55,075

Going into the future, the Commission is not planning on any new debt to fund the capital program until expansion is needed. As a result, approximately \$35 million of "Demand Driven" projects (those projects which will not move forward until there is sufficient activity and agreement from the airlines that will require expansion) are **not** included in the table above. The current focus is on maintaining our existing facilities.

## Debt Service

### Refundings

Throughout the past four years, the Commission has aggressively pursued the refunding options of its outstanding debt. The following table illustrates the results of this action.

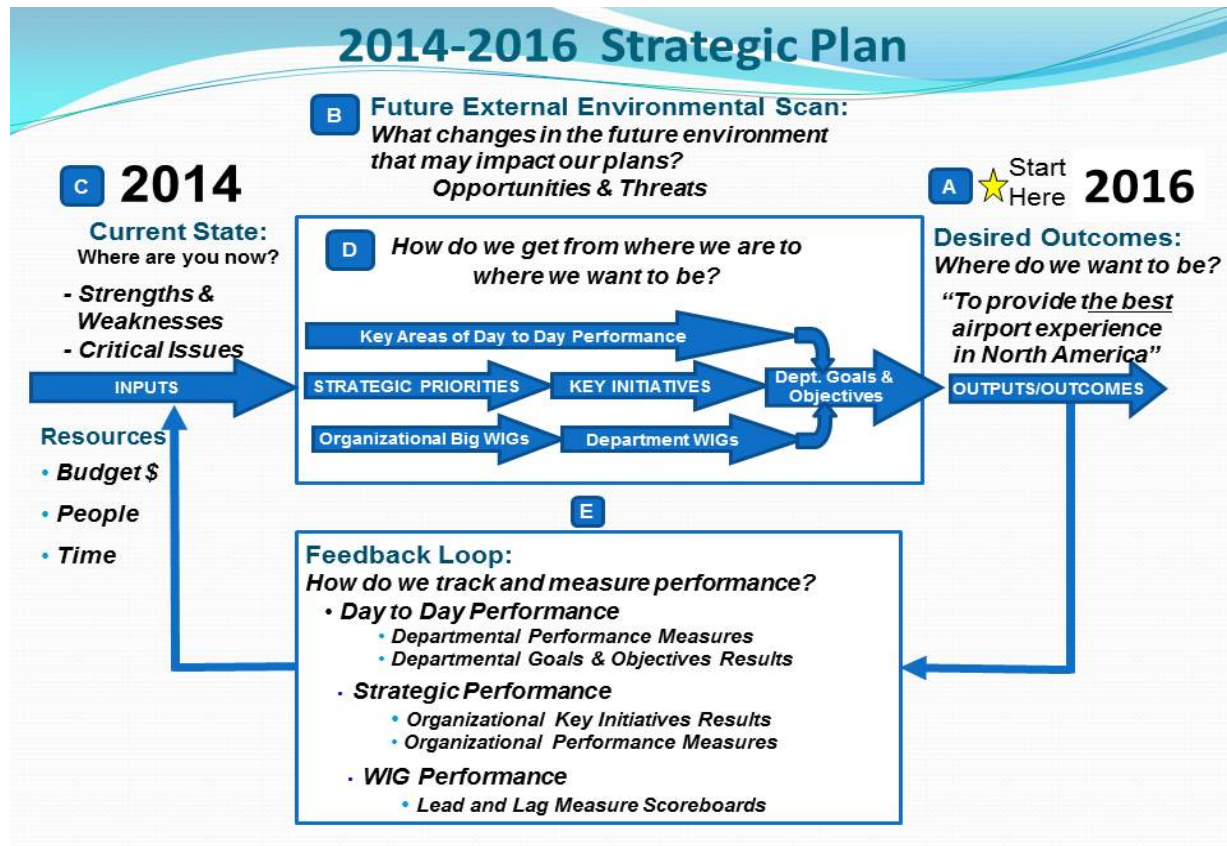
<b>DEBT SERVICE SUMMARY</b>				
<b>(\$=000)</b>				
<b>Series Refunded</b>	<b>Refunding Year</b>	<b>Total Savings</b>	<b>Annual Savings</b>	<b>Present Value % Savings</b>
Refund 1998A, 1999A, 2001A, & 2001C (1)	2007	\$ 33,050	\$ 2,330	5.19%
Refund 1998B (1)	2008	2,440	365	3.32%
Refund 1999B & 2000B (1)	2009	8,140	990	4.95%
Refund 2001B & 2001D (1)	2010	9,640	1,150	8.94%
Refund GO 13 (2)	2010	633	214	4.50%
Refund 2003A (1)	2011	3,318	369	6.10%
Refund 2003A (1)	2012	5,272	293	12.50%
		<u>\$ 62,493</u>	<u>\$ 5,711</u>	
Average Present Value Savings				6.50%
Total Average Interest Rate Prior to Refundings			5.25%	
Total Average Interest Rate After Refundings			4.74%	
(1) General Airport Revenue Bond (Garb) Refunding				
(2) General Obligation Revenue Bond (GO/Gorb) Refunding				

### Recent Debt

The Commission issued \$135 million in debt in 2010 and \$40 million in 2012. The 2010 financing focused on needed terminal building projects that were prioritized to take advantage of the low interest rates and the Federal Stimulus package. (Under the Stimulus Package, terminal building projects which normally carry a higher AMT (Alternative Minimum Tax) rate could be funded at the lower non-AMT rate.) The 2012 issue is a taxable issue related to the Auto Rental Industry request for expanded facilities at Terminal 2-Humphrey. In the near term (2014 – 2016) there are no plans to issue any new debt. The only possible deviation from this planned action is if there is an activity increase and a willingness by one or more carriers to solidify a lease to pay for desired facilities.

### Short Term Debt

In 2011, the Commission entered into a Short-Term Borrowing Program which replaced a Commercial Paper Program that was terminated in 2010. The Commission looked at many financing alternatives and selected a \$75 million revolving line of credit. In 2012, the Commission accessed \$11.3 million of this line of credit for various capital improvement projects at MSP. In 2013, the Commission issued \$6 million from this line of credit for certain improvements on the G concourse and miscellaneous Field and Runway projects. This Short-Term Borrowing Program also allows the Commission some flexibility in financing unanticipated or unforeseen capital improvements.

**Organizational Strategic Plan**

Our strategic planning process asks a series of questions:

- A – Desired Outcome: ***"Where do we want to be?"***
  - Our Vision is "To provide the best airport experience in North America"
- B – Future External Environmental Scan:  
***"What changes in the future external environment may impact our plans?"***
- C – Current State: ***"Where are we now?"***
  - What are our internal strengths and weaknesses?
  - What external opportunities and threats exist?
  - What resources do we have?
- D – ***"How do we move from where we are to where we want to be?"***
  - Day to Day Key Areas of Performance
    - Departmental Objectives related to Key Areas of Performance
  - Strategic Goals
    - 2014 Organizational Key Initiatives
    - Departmental Objectives related to Organization's Key Initiatives
- E – ***"How do we track and measure results?"***
  - Day to Day Results
    - Organizational Results Indicators
    - Departmental Results Indicators
    - Departmental Objectives Results
  - Strategic Results
    - Organization's Key Initiatives Results
    - Departmental Objectives Results



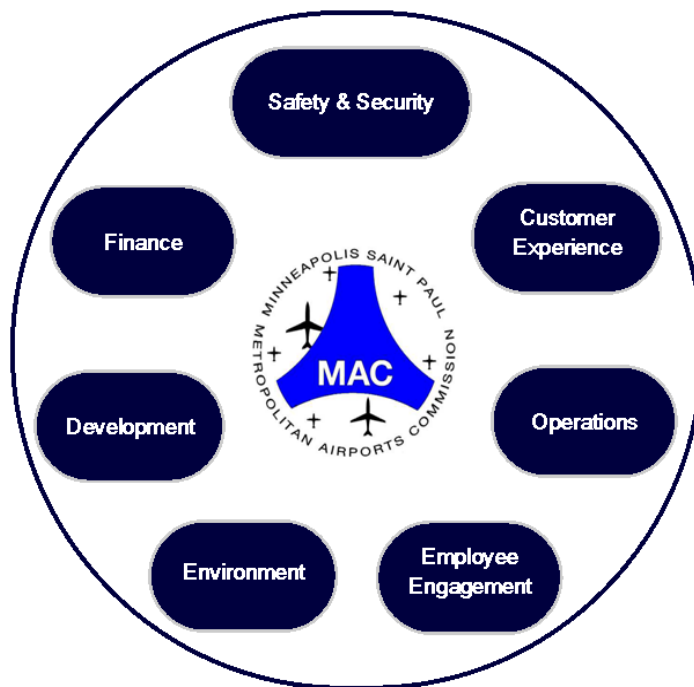
## 2014-2016 Organizational Strategic Goals

1. Assure Financial viability
2. Provide a Great Customer Experience
3. Match Employee Talent with Changing Business Needs
4. Leverage Resources and Technology
5. Strengthen Partnerships and Alliances
6. Enhance Air Service at MSP

### Our Key Areas of Performance

The Metropolitan Airports Commission has identified the following eight areas of day to day performance that are key to the organization fulfilling its mission. Each Key Area of Performance is measured using the results indicators on the following pages.

Departmental objectives impact these key areas of performance and may or may not be linked to Organizational Key Initiatives.



Results Indicators						
<b>Safety and Security</b>	2008	2009	2010	2011	2012	2013
Reportable Crimes	403	409	452	555	*704	*777
Security Breaches that Impact Passenger Traffic and/or Airport Operations	1	3	0	2	6	0
OSHA Recordable Injuries	24	23	20	30	35	19
MSP Runway Incursions	0	2	2	1	0	3
Reliever Runway Incursions (vehicle or pedestrian)	6 vehicles 1 pedestrian	6 vehicles 0 pedestrian	6 vehicles 1 pedestrian	1 vehicle 0 pedestrian	0 vehicles 0 pedestrian	5 vehicles 1 pedestrian
<b>Financial</b>	2008	2009	2010	2011	2012	2013
Debt Service Coverage Ratio	2.26X	2.26X	2.33X	2.38X	3.32X	3.21X
Airline Cost per Enplaned Passenger	\$5.56	\$6.04	\$6.03	\$6.32	\$6.42	\$6.76
Non-Airline Operating Revenue per Enplaned Passenger	\$6.71	\$7.05	\$7.16	\$7.44	\$7.89	TBD
Reliever Airports Net Operating Revenue (\$ = 000)**	\$233	\$235	\$292	(\$274)	\$135	N/A
General Aviation Net Operating Revenue (\$=000)	N/A	N/A	N/A	N/A	N/A	TBD
<b>Environment</b>	2008	2009	2010	2011	2012	2013
Environmental Stewardship Index	38.81	41.23	41.50	44.10	52.95	TBD
<b>Employee Engagement</b>	2008	2009	2010	2011	2012	2013
Employee Engagement Index	NA	NA	NA	3.79	3.74	TBD
Employee Turnover	4.96%	3.36%	3.38%	5.11%	5.27%	5.44%
<b>Customer Experience</b>	2008	2009	2010	2011	2012	2013
Airport Service Performance Rating (ACI Survey Scale 1-5)	4.17	4.18	4.19	4.21	4.24	4.28
Compliments to Complaints Ratio	0.29	0.34	0.52	0.62	0.37	0.52
<b>Development</b>	2008	2009	2010	2011	2012	2013
CIP*** Implementation	99.7%	97.5%	97.8%	95.9%	96.3%	98.3%
Pay-As-You-Go PFC**** Availability	6.5 Years	5 Years	4.4 Years	4.4 Years	4.4 Years	3.0 Years

The following Results Indicators are common benchmark measures. However, the MAC has very limited ability to directly impact these numbers.

<b>Results Indicators</b>						
<b>Operations</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Annual MSP Operations	450,044	432,395	436,625	436,509	425,332	431,328
Enplaned Passengers	16,384,000	15,551,000	15,714,000	15,972,000	16,020,000	16,932,461
Non-stop Domestic Destinations	123	113	114	118	114	118
Non-stop International Destination	21	21	21	20	20	20
Competitive Destinations	32	33	33	35	42	40
Annual Reliever Operations	424,901	389,843	382,088	386,383	358,956	338,024
Reliever Airport Tenants	804	802	814	802	832	836
Reliever Based Aircraft	1,637	1,531	1,531	1,452	1,525	1,370
*Reflects all Part I & Part II crimes. **This measure is no longer relevant due to changing from a reliever airport model to a general aviation model and will not be used in 2013 and beyond. The measure will be changed to General Aviation Net Operating Revenue going forward. ***Capital Improvement Program ****Passenger Facilities Charges						

## **Future Outlook**

We have identified in prior sections the current or near term issues facing the Commission in this budget year. Looking to the future, the following will be the areas where we will focus our resources. These include

- Assure Financial Viability
- Provide a Great Customer Experience
- Developing Employee Talent
- Leverage Resources and Technology
- Strengthen Partnerships and Alliances
- Enhance Air Service at MSP

### **Assure Financial Viability**

As one of our strategic goals, we will ensure that MAC has the financial resources necessary to operate our airport system, meet all debt service requirements in any scenario, and maintain our existing bond ratings. Items that we will be focusing on during 2014 include the following:

- Develop a financing plan for the 2014-2016 unfunded terminal improvements at MSP that includes evaluation of debt, passenger facility charges, and cost per enplaned passenger, rate structures and impacts on key financial metrics.
- Increase on-airport tenant investments at the reliever airports a minimum of \$1 million.
- Increase commercial real estate development at Flying Cloud and Anoka County-Blaine airports a minimum of \$1 million.

### **Provide a Great Customer Experience**

The Commission strives to ensure that all our customers – the traveling public, regional businesses, airport tenants, concessionaires, airline industry, general aviation and the citizens of the region have the best airport experience in North America. Items we are working on include:

- Increase the number of restroom remodeled at Terminal 1-Lindbergh from one set per year to four sets per year in 2014 and 2015.

- Reduce international passenger processing time through the Custom and Border Protection primary inspections in Terminal 1 by installing automated passport control kiosks.
- Develop a travelers' advisory committee in order to gain greater insight into the perceptions of the traveling public.

### **Developing Employee Talent**

As employees retire or leave the Commission, we want to make sure that the right people with the right skills and experience are in the right place to fulfill MAC's mission and achieve our vision. For 2014 the key initiatives are:

- Expand interest in aviation careers and develop future aviation leaders from diverse backgrounds by increasing the number of MAC internship opportunities by 20%.
- Design and implement an organizational talent review program to identify strengths, talent development needs and threats due to potential workforce turnover.

### **Leverage Resources and Technology**

We want to take full advantage of resources and technology to improve performance, increase productivity and deliver cost-effective services. For 2014, we will increase the use of existing technology internally at the MAC and externally with customers. Some specific items include:

- Improve operational efficiency by installing an airport-wide wireless computer network.
- Expand the use of Enterprise One for the following:
  - Property management
  - Work order management
  - Project management
- Maximize the MAC's investment in a new office productivity software suite by providing end-user e-learning and classroom training for all affected employees.

### **Strengthen Partnerships and Alliances**

We plan to expand effectiveness through internal teamwork and strengthening external relationships and partnerships with tenants, concessionaires, airlines, neighboring communities, regional businesses and governmental agencies. The key focus areas for 2014 will be the following:

- Maximize the use of technology to communicate the MAC's programs and other initiatives directly to citizens in the region, especially in areas immediately surrounding the MAC airports.
- Strengthen corporate and civic relationships by expanding outreach to neighboring communities.

### **Enhance Air Service at MSP**

We strive to provide airlines and the travelling public with expanded alternatives by enhancing domestic, regional and international service at MSP. In 2014, we plan to do the following:

- Support the sustained growth of existing carriers and provide capacity for new entrants.
- Identify international air service opportunities for MSP from both existing and new entrant carriers and the facility requirements needed to support increased service.

### **GFOA Budget Award**

The Government Finance Officers Association (GFOA) of the United States and Canada presented an award of Distinguished Budget Presentation to the Minneapolis-St. Paul Metropolitan Airports Commission for its annual budget for the fiscal year beginning January 1, 2013.

In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



**Acknowledgement**

The budget is the result of countless hours of work by the staff of the Finance Department and by Commissioners who served on the Finance and Administration Committee. A very special thanks goes out to all MAC staff who worked especially hard under the current circumstances to develop the final 2014 Budget. Through this hard work and effort, we hope that the MAC will continue to be one of the most safe, efficient and cost effective airport operators in the nation. It is significant to note that the Distinguished Budget Presentation Award has been presented to the Commission annually by GFOA since 1985.

**2013 Budget Award**

Respectfully submitted,

Jeffrey W. Hamiel  
Executive Director/CEO

Stephen L. Busch  
Vice President –  
Finance & Administration

Robert Schauer  
Director – Finance



**Other Awards**

<b>Metropolitan Airports Commission Awards</b>			
<b>Year</b>	<b>Source of Award</b>	<b>AWARD</b>	<b>Group Judged/Rated</b>
2014	American Council of Engineering Companies of MN	Honor Award – North Side Storm Sewer – MSP Airport	Category F – Waste and Storm Water
2013	State of MN Dept. of Transportation and Concrete Paving Assn. of MN	Merit Award – Pavement Construction T-2 North Apron Expansion – MSP Airport	Category 8 – Commercial Service and Military Airports
2013	Airport Revenue News	First Place – Best Airport Award for Large Airport Division – Airport with the Best Concessions Program Design	Large Hub Airports
2013	Airports Council Int'l – North America	First Place – Best Airport Award for Large Airport Division – Airport with the Best Food & Beverage Program Design	Large Hub Airports
2012	Airports Council Int'l – North America	1 <sup>st</sup> Place – Green Practice – Organics Recycling Program	Airport Concessions
2012	State of MN Dept. of Transportation and Concrete Paving Assn. of Minnesota (CPAM)	Merit Award – Pavement Reconstruction Concourse C at MSP International Airport	Commercial Service and Military Airports
2012	YWCA	Commitment to Lead Discussion on Racism	Various organizations
1985 through 2013	Government Finance Officers Association	Distinguished Budget Presentation Award	Various Government Organizations
1984 through 2012	Government Finance Officers Association	Certificate of Achievement for Excellence in Financial Reporting	Various Government Organizations
2011	Airports Council Int'l – North America	Excellence in Airport Concessions – 2nd Place – Concourse C Cart Program	Large Airports – Best Specialty Retail Program
2011	Airports Council Int'l – North America	Excellence in Airport Concessions – 1st Place – Surdyk's Flights	Large Airports – Best New Food & Beverage Specialty Retail Program
2011, 2010, 2009	American Heart Association	Fit-Friendly Company Award	Companies and governmental agencies with wellness activities/promotions available to employees
2011, 2010, 2009	Hennepin County	Wellness by Design – Silver Award Gold Award	Companies and governmental agencies with wellness activities/promotions available to employees
2011	Federal Aviation Administration	Airport Partnership for Excellence in Wildlife Management	FAA-Certified Airports
2011	American Concrete Paving Association	MSP Taxiway C Extension	Commercial Service and Military Airports
2011	American Council of Engineering – MN Chapter	Merit Award – MSP Airport Taxiway C-D Complex	ACEC – State of Minnesota Level Competition
2011	American Council of Engineering Companies – MN Chapter	Merit Award: MSP Airport Taxiway C-D Complex	State of Minnesota Level Competition
2010	International Parking Institute	Award of Merit for design of the Orange "Value Ramp" at Terminal 2	Commercial parking facilities
2010	Minnesota Society of Professional Engineers	Seven Wonders of Engineering Award for the Orange "Value Ramp" at Terminal 2	Engineering projects in Minnesota

<b>Metropolitan Airports Commission Awards</b>			
<b>Year</b>	<b>Source of Award</b>	<b>AWARD</b>	<b>Group Judged/Rated</b>
2010	Minnesota Society of Professional Engineers	Seven Wonders of Engineering Merit Award for the St. Paul Downtown Airport Flood Protection Improvements	Engineering projects in Minnesota
2010	Transportation Security Administration (TSA)	Seven Wonders of Engineering Award for the Orange "Value Ramp" at Terminal 2	Engineering projects in Minnesota
2010	American Council of Engineering Companies	Honor Award for the St. Paul Downtown Airport Floodwall Protection System	Civil engineering projects
2010	Minnesota Department of Transportation	Partnership Award – Outstanding Contributions	TSA Employee and Stakeholders
2010	Minnesota Council of Airports	Project of the Year Award for the Flying Cloud Airport expansion	Improvement projects at Minnesota airports
2010	Public Relations Society of America, Minnesota Chapter	Classics Award for the top video in the public service announcements category, for promotion of MSP Value Parking	Public service announcements in Minnesota
2010	J.D. Power and Associates	2 <sup>nd</sup> Best Large Airport in America (tie with Denver)	U.S. Airports with 30 million or more passengers per year
2010	<i>Minnesota Lawyer</i> Magazine	2010 Unsung Legal Heroes Award presented to Tammy Rader	Legal staff of various law firms
2010	Conde Nast digital travel publication <i>Jaunted</i>	Top 5 Airport for Traveling with Children	U.S. Airports
2010	U.S. Dept. of Homeland Security, TSA	Partnership Award – Outstanding Support of TSA Mission in Minnesota	TSA Stakeholders
2010	Zagat	Sixth highest airport quality rating among U.S. airports	30 U.S. Airports
2010	Travel + Leisure	3 <sup>rd</sup> Best Airport in America Overall #1 in U.S. for Food and Shopping 3 <sup>rd</sup> Best for Entertainment	U.S. Airports
Winters of 2000-2001, 1996-1997, 1991-1992, 1990-1991, 1985-1986, 1981-1982	International Aviation Snow Symposium-American Association of Airport Executives	Balchen-Post Award	Large hub U.S. Airports

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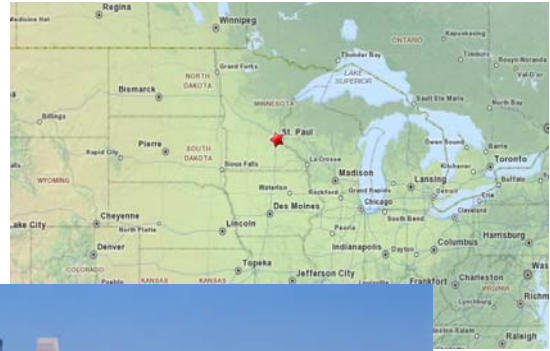




## The Organization



**Overlooking Downtown St Paul**



**Overlooking Downtown Minneapolis**

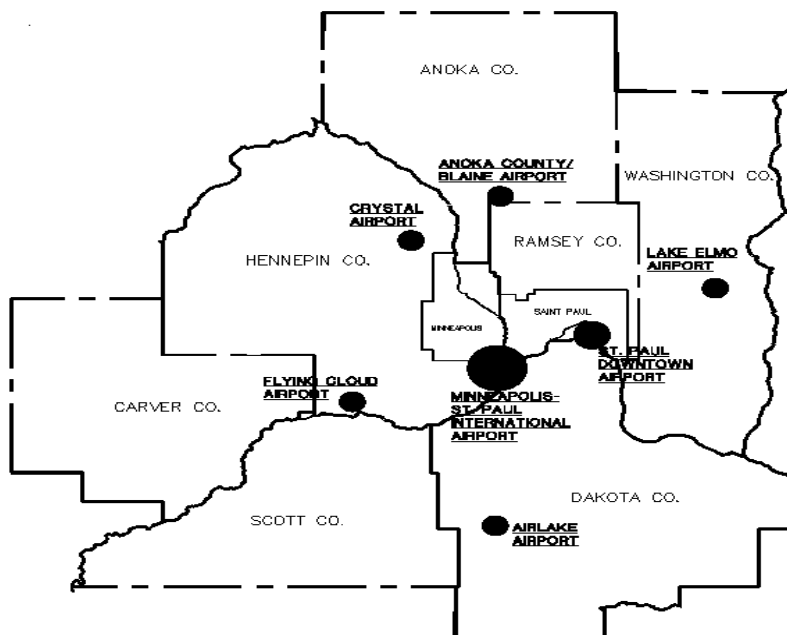
### The Commission

The Minneapolis-St. Paul Metropolitan Airports Commission was created by an act of the Minnesota State Legislature in 1943 as a public corporation of the State. The purpose of the Commission is to:

- Promote air navigation and transportation (international, national and local) in and through the State of Minnesota.
- Promote the efficient, safe and economic handling of air commerce and to assure the inclusion of the state in national and international programs of air transportation. To those ends, develop the full potentialities of the metropolitan area as an aviation center.
- Assure minimum environmental impact from air navigation and transportation for residents of the metropolitan area, promote the overall goals of the state's environmental policies and minimize the public's exposure to noise and safety hazards around airports.

### Commission Jurisdiction 35 Mile Radius

The area over which the Commission exercises its jurisdiction is the Minneapolis-St. Paul Metropolitan Area which includes Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties, and extends approximately 35 miles out in all directions from the Minneapolis and St. Paul City Halls. The Commission owns and operates seven airports within the Metropolitan Area including the Minneapolis-St. Paul International Airport, which serves the scheduled air carriers, and six Reliever Airports, serving business and general aviation.



The Chair and fourteen Commissioners govern the Metropolitan Airports Commission. The Governor of the State of Minnesota appoints the Chair and twelve Commissioners. Of these twelve commissioners, eight are from designated districts within the Metropolitan area and four are from outside of the metropolitan area. The Mayors of St. Paul and Minneapolis also have seats on the Commission with the option to appoint a surrogate to serve in their place. While the Commissioners' terms are four years, the Chair serves at the pleasure of the Governor.



Dan Boivin  
Commission Chair



Jeff Hamiel  
Executive Director/CEO



Dennis Probst  
Executive Vice President



Carl Crimmins  
District A



Rick King  
District B



Lisa Peilen  
District C



Steve Cramer  
District D



James Deal  
District E



Michael Madigan  
District F



James Hamilton  
District G



Tammy Mencil  
District H



Mayor Betsy Hodges  
City of Minneapolis  
(Commissioner  
to be Announced)



Pat Harris  
City of St Paul

Representing the Greater Minnesota Area



Timothy Geisler



Michael Landy



Donald Monaco



Paul Rehkamp

The Commission established three committees. Each of the committees (Planning, Development & Environment Committee, Finance & Administration Committee and Management & Operations Committee) meets on a monthly basis. The committees are responsible for all aspects of business which fall under their respective jurisdiction. Recommendations on all action items are made by the committees to the full Commission. The full Commission also meets monthly. All of the Committee meetings, as well as the Full Commission meeting, take place in Terminal 1 - Lindbergh.

Committee	Time of Meeting	Meeting Place
Finance and Administration (F&A)	Meetings are held on the first Monday of each month at 9:30 a.m.	Terminal 1 - Lindbergh
Planning, Development & Environment (PD&E)	Meetings are held on the first Monday of each month at 11:00 a.m.	Terminal 1 - Lindbergh
Management & Operations (M&O)	Meetings are held on the first Monday of each month at 1:00 p.m.	Terminal 1 - Lindbergh
Full Commission	Meetings are held on the third Monday of each month at 1:00 p.m.	Terminal 1 - Lindbergh

All financial information is reported to and acted upon at the Finance and Administration Committee (F&A) and reported to the Full Commission. The following information summarizes the general financial areas that the F&A Committee dealt with in 2013:

- Audits
  - Financial Audits
  - Tenant Audits
  - Internal Policy/Procedure Audits
  - Annual Internal Audit Plan
- Bonds/Debt/Capital Funding
  - Passenger Facility Charge application and amendments
  - Investment Policy development
- Operating Budget
  - Monthly Reports
  - Ratification of 2012 Expenditures
  - Distribution of 2012 Net Revenues/Unrestricted Cash
  - 2014 Budget Targets
  - 2014 Preliminary and Final Budgets
- Human Resources and Affirmative Action
  - Human Resource and Affirmative Action Policies and Procedures
  - Employee benefits
  - Labor Agreements ratifications

## Divisions

Under the direction of the Commission, MAC's organizational structure is made up of four divisions within the Operating Fund. The four divisions are: Executive; Finance & Administration; Planning, Development, & Environment; and Management & Operations. The Executive Division oversees all Metropolitan Airports Commission business and is directly responsible to the MAC's Board of Commissioners. The chart on the next page identifies the organizational structure by division and departmental level.

The following are the changes made in the organization in recent years to better reflect the service center responsibilities and reporting structure:

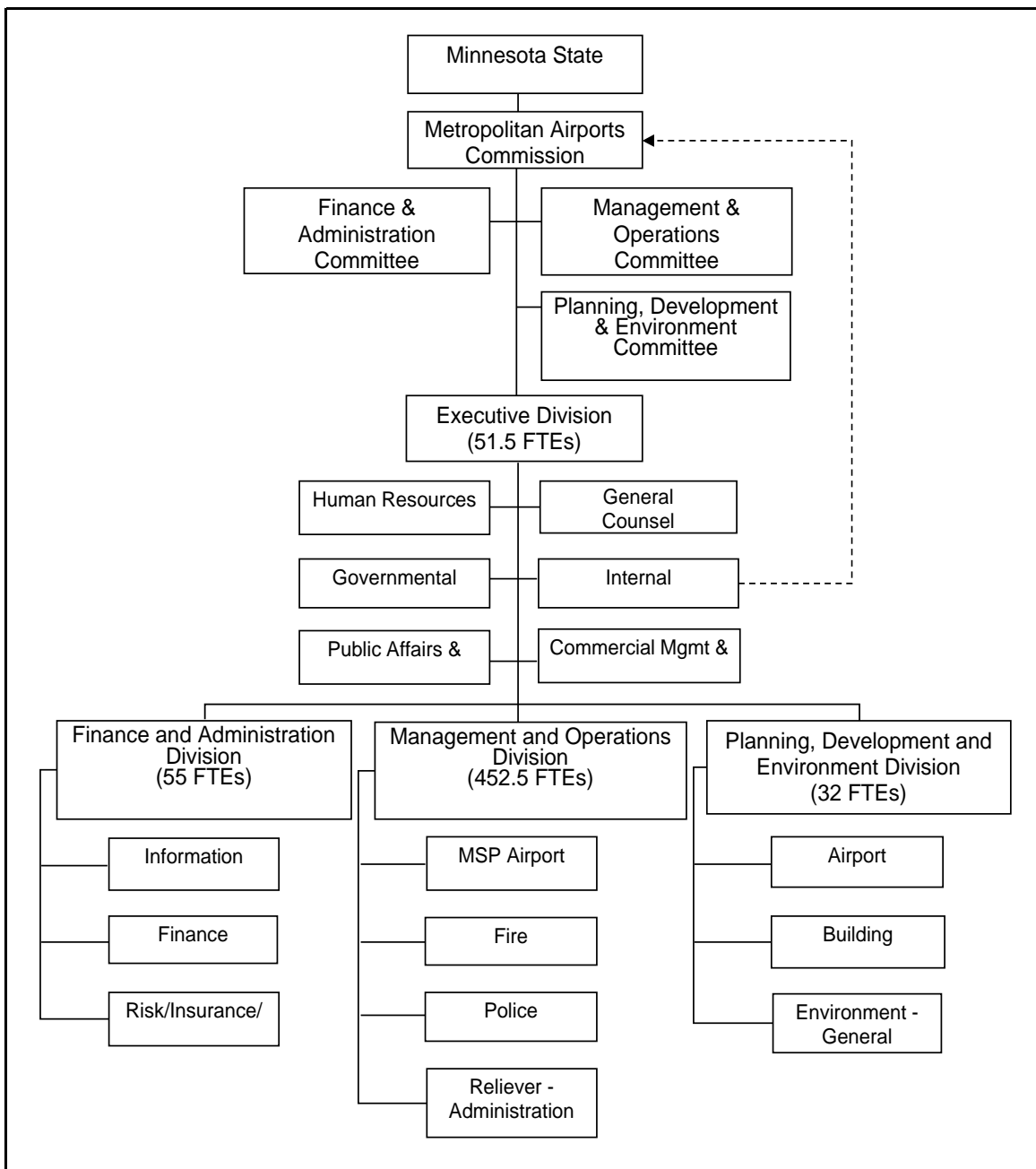
- In 2012, the Metropolitan Airports Commission began reorganizing the divisions and the seven divisions became four.

- In 2012, the Labor Relations manager merged into Human Resources.
- In 2013, the Call Center merged into the Public Affairs and Marketing Department.
- In 2014, Emergency Communications merged into the Police Department.

### Service Centers

Service centers are the lowest budget levels in the organization. A combination of service centers is sometimes referred to as a department. These service centers are responsible for specific functions that relate to one another. The department format provides department heads with an opportunity to review functions they manage as one. (Example: Finance includes Purchasing). The following page shows a list of service centers and the divisions in which they reside.

### Organizational Chart





**Organizational Structure by Division and Service Center**

Division		Service Center
	Number	Name
Executive	75100	Executive-Commissioner
	75000	Executive-General
	75700	Human Resources & Labor Relations
	76600	HRD & Strategic Planning
	80600	Diversity
	81500	Employee Relations
	80000	Commercial Management & Airline Affairs
	76100	Air Service Business Development
	80100	Concessions & Business Development
	82050	MSP Airport Conference Center
	76000	Public Affairs & Marketing
	78300	Internal Audit
	79500	Governmental Affairs
	81000	General Counsel
Finance & Administration	75600	Finance & Administration
	76800	Risk/Insurance/Safety
	76700	Wellness
	78000	Finance
	78100	MAC General
	78200	Purchasing
	79000	Information Services
Planning, Development, & Environment	75500	Planning, Development, & Environment
	77000	Airport Development
	77100	Building Official
	85000	Environment-General
	85100	Environmental Affairs
Management & Operations	85300	Aviation Noise Program
	75800	Operations
	82000	MSP Airport Operations
	83400	Landside-Administration
	85500	Facilities-Terminal 2
	86100	Facilities-Terminal 1
	86300	Facilities-Energy Management Center
	88400	Trades-Administration
	88000	Trades-Electricians
	88100	Trades-Painters
	88200	Trades-Carpenters
	88300	Trades-Plumbers
	89000	Field Maintenance
	82600	Airside Operations
	83600	Fire
	84200	Police
	90000	Relievers-Administration
	90200	Relievers-St. Paul
	90300	Relievers-Lake Elmo
	90400	Relievers-Airlake
	90500	Relievers-Flying Cloud
	90600	Relievers-Crystal
	90700	Relievers-Anoka

**Full Time Equivalent Positions (FTEs)**

The total overall 2014 budgeted FTEs are 591 and are allocated amongst the service centers based on needs of the organization. The additional FTE count in 2014 is necessary to meet legal mandates and regulatory requirements and to ensure a safe and secure airport system.

Back in 2010, FTEs were budgeted at 565.5 FTE positions. However, after a number of years of operating the airport with minimum staff, a mid-year adjustment in 2010 of 8.5 FTE positions was authorized for a total of 574.

The 2011 budget included another four new FTE positions for a total count of 578 as MAC determined the need for additional FTE positions to run the airport safely, effectively and efficiently.

In the 2012 budget, three new FTE positions were included. In addition, two trainees to replace upcoming retirements were added to increase the position count to 583.

As the airline industry stabilizes and the economy slowly recovers, two new positions were added in 2013 for a total count of 585 budgeted FTEs.

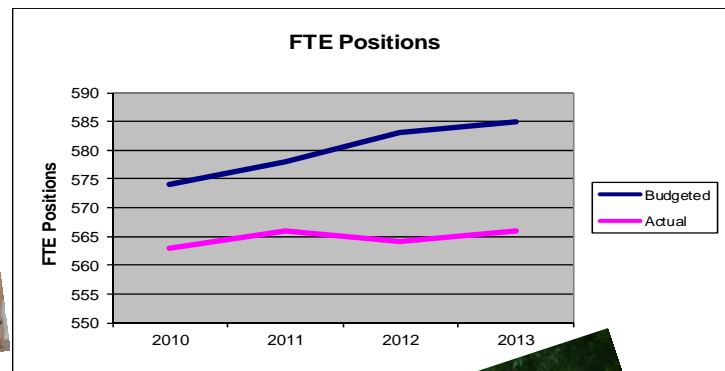
In 2014, six temporary operations staff at T-2 were made into regular status positions resulting in 591 budgeted FTEs. In addition, the actual salary amount for the budgeted positions is adjusted to reflect a limited vacancy factor to account for time to fill open positions.

The actual position counts are lower than budget each year because MAC re-evaluates each vacated position to determine if it is needed, if it should be changed or if the duties can be merged into another position. This process is necessary to keep costs down. Also, a number of retirements occur each year as many staff members are reaching retirement age.

The following table and graph compares budgeted and actual FTEs. Although budgeted FTEs are authorized to meet legal mandates and regulatory requirements, actual FTEs are less because of employee turnover and the amount of time it takes to fill the positions.

FTE Positions	2010	2011	2012	2013	2014
Budgeted	*574	578	583	585	591
Actual	563	566	564	566	TBD

\*In 2010, 8.5 additional FTE positions were added mid-year which brought the budgeted 565.5 FTEs to 574.



**MAC staff volunteered for the Fort Snelling clean up community event, the American Heart Association Heart Walk and American Cancer Society Relay for Life fundraisers**

**Regular Status Full Time Equivalent Position Count  
by Service Center within Division**

Service Center	2010 <u>Actual</u> As of 12/17/10	2011 <u>Actual</u> As of 12/19/11	2012 <u>Actual</u> As of 12/20/12	2013 <u>Actual</u> As of 12/27/13	2013 <u>Budget</u>	2014 <u>Budget</u>
<b>Executive</b>						
75000 Executive - General	2	2	3	3	3	3
75100 Executive - Commissioner	0.5	0.5	0.5	0.5	0.5	0.5
75700 Human Resources & Labor Relations	2	2	2	3	3	3
76000 Public Affairs & Marketing	4	5	5	7	7	7
76100 Air Service - Business Development	0.5	0.5	0	0	0	0
76600 HRD & Strategic Planning	3	3	3	3	3	3
78300 Internal Audit	4	4	4	4	4	4
79500 Governmental Affairs	3	3	1	1	2	2
80000 Commercial Mgmt & Airline Affairs	5	5	5	5	5	5
80100 Concessions & Business Development	4	3	4	4	4	4
80600 Diversity	2	2	2	2	2	2
81000 General Counsel	8	8	9	8.5	9	9
81500 Employee Relations	6	6	6	6	6	6
82050 MSP Airport Conference Center	2	3	3	2	3	3
<b>Total Executive</b>	<u>46</u>	<u>47</u>	<u>47.5</u>	<u>49</u>	<u>51.5</u>	<u>51.5</u>
<b>BUDGET</b>	<b>45.5</b>	<b>47</b>	<b>48</b>	<b>51.5</b>	<b>51.5</b>	<b>51.5</b>
<b>Finance &amp; Administration</b>						
75600 Finance & Administration	4	2	2	2	2	2
76800 Risk/Insurance/Safety	4.5	5	5	5	5	5
78000 Finance	16	16	15	15	16	15 <sup>(1)</sup>
78100 MAC General	0	0	0	0	4	0.5 <sup>(2,3)</sup>
78200 Purchasing	7.5	7.5	7.5	7.5	7.5	7.5
79000 Information Services	<u>22</u>	<u>22</u>	<u>23</u>	<u>23</u>	<u>24</u>	<u>25</u> <sup>(3)</sup>
<b>Total Finance &amp; Administration</b>	<u>54</u>	<u>52.5</u>	<u>52.5</u>	<u>52.5</u>	<u>58.5</u>	<u>55</u>
<b>BUDGET</b>	<b>52</b>	<b>61</b>	<b>61</b>	<b>58.5</b>	<b>58.5</b>	<b>55</b>
<b>Planning, Development &amp; Environment</b>						
75500 Planning, Development, & Environment	2	2	1	2	2.5	2 <sup>(3)</sup>
77000 Airport Development	15	15	15	12	15	16 <sup>(3)</sup>
77100 Building Official	2	2	2	2	2	2
85000 Environment - General	2	2	1	2	2	4 <sup>(4)</sup>
85100 Environmental Affairs	3	3	3	3	3	3
85300 Aviation Noise Program	<u>7</u>	<u>7</u>	<u>6</u>	<u>7</u>	<u>7</u>	<u>5</u> <sup>(4)</sup>
<b>Total P, D &amp; E</b>	<u>31</u>	<u>31</u>	<u>28</u>	<u>28</u>	<u>31.5</u>	<u>32</u>
<b>BUDGET</b>	<b>31</b>	<b>31</b>	<b>31</b>	<b>31.5</b>	<b>31.5</b>	<b>32</b>

**Regular Status Full Time Equivalent Position Count  
by Service Center within Division (continued)**

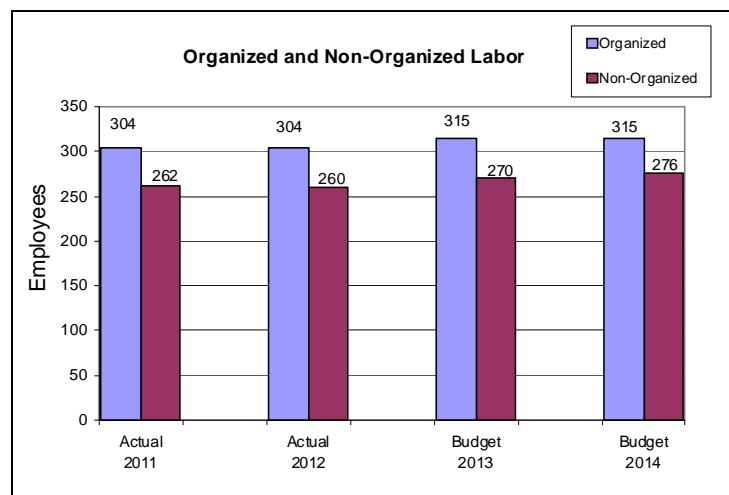
Service Center	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2013 Budget	2014 Budget
<b>Management &amp; Operations</b>	As of 12/17/10	As of 12/19/11	As of 12/20/12			
75800 Operations	2	3	4	4	4	4
82000 MSP Airport Operations	4	4	5	3	3	3
82060 Call Center	2	2	0	0	0	0
82600 Airside Operations	15	15	15	15	15	15
82700 Emergency Communications	15	15	13	17	17	0 <sup>(5)</sup>
83400 Landside - Administration	23.5	23.5	23	24.5	23.5	24.5 <sup>(1)</sup>
83600 Fire	48	48	49	48	49	49
84200 Police	113.5	114	113	113	117	135 <sup>(3,5)</sup>
85500 Facilities - Terminal 2	3	3	3	3	3	9 <sup>(6)</sup>
86100 Facilities - Terminal 1	10	10	10	8	9	10 <sup>(3)</sup>
86300 Facilities - Energy Management Center	18	16	20	21	21	21 <sup>(7)</sup>
88000 Trades - Electricians	17	18	18	18	18	18
88100 Trades - Painter	7	8	8	8	8	8
88200 Trades - Carpenter	9	9	9	9	9	9
88300 Trades - Plumber	8	8	8	7	8	8
88400 Trades - Administration	2	2	2	2	2	2
89000 Field Maintenance	110	111	110	111	111	111
90000 Reliever - Administration	8	8	8	7	8	8
90200 Reliever - St. Paul	7	7	7	7	7	7
90300 Reliever - Lake Elmo	0	1	1	1	1	1
90400 Reliever - Airlake	1	1	1	1	1	1
90500 Reliever - Flying Cloud	3	3	3	3	3	3
90600 Reliever - Crystal	3	3	3	3	3	3
90700 Reliever - Anoka	3	3	3	3	3	3
<b>Total Management &amp; Operations</b>	432	435.5	436	436.5	443.5	452.5
<b>BUDGET</b>	<b>437</b>	<b>439</b>	<b>443</b>	<b>443.5</b>	<b>443.5</b>	<b>452.5</b>
<b>TOTAL ACTUAL FTEs</b>	<b>563</b>	<b>566</b>	<b>564</b>	<b>566</b>	<b>566</b>	<b>TBD</b>
<b>TOTAL BUDGET FTEs <sup>(8)</sup></b>	<b>565.5</b>	<b>578</b>	<b>583</b>	<b>585</b>	<b>585</b>	<b>591</b>

**The following explains the difference in FTEs between the 2013 and 2014 budget:**

- (1) A retirement in Finance created an open position which transitioned to a 2-year temporary position in Landside Administration.
- (2) MAC General is a general service center for maintaining FTE count.
- (3) Three of the four open FTEs held in MAC General were filled in Emergency Communications, Information Services and Facilities T-1. .5 FTE was added to the .5 FTE in Planning, Environment and Development to create a Planner position in Airport Development.
- (4) Two FTEs were moved from Aviation Noise Program to Environment-General.
- (5) Emergency Communications merged into Police.
- (6) Six temporary operations staff positions were made into permanent positions.
- (7) Energy Management Center has two interns who will become permanent upon two upcoming retirements. The FTE count will then be 589.
- (8) In 2010, 8.5 additional FTEs were authorized mid-year which brought the total budgeted FTE count to 574.

<b>Regular Status Full Time Equivalent Position Count by Job Classification</b>				
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Budget</u></b>
<b>Organized</b>				
Local 70 Operating Engineers	13	17	17	17
49er's Equipment Maintenance	22	22	22	22
320's - MSP Int'l - Field	75	74	75	75
320's - MSP Int'l - Facilities	2	2	2	2
320's - Reliever Airports	18	17	18	18
Painters -386	8	8	8	8
Carpenters - CAR	9	9	9	9
Plumbers -034	8	8	8	8
Electricians - 292	18	18	18	18
Emergency Communications Specialists	11	9	15	15
Police Lieutenants/Sergeants - 307	18	19	19	19
Police Officers - 302	58	56	59	59
Firefighters - S6	35	36	36	36
Fire Captains - S6	9	9	9	9
<b>Total Organized</b>	<b>304</b>	<b>304</b>	<b>315</b>	<b>315</b>
<b>Non-Organized</b>				
Chairperson/Executive Director	1.5	1.5	1.5	1.5
Directors/Deputy Directors/Assistant Director	24	23	25	25
Managers/Assistant Managers/Supervisors	90	85	89.5	89.5
Police Chief/Fire Chief	2	2	2	2
Community Service Officers	13	14	13	13
Passenger Assistants	12.5	12	12.5	12.5
Fire Marshall/Training Coordinator	2	2	2	2
Police Commander/Deputy Chief/Training Coordinator	4	4	4	4
Administrative/Professional/Technical Support	113	114.5	119.5	125.5
Unassigned	0	2	1	1
<b>Total Non-Organized</b>	<b>262</b>	<b>260</b>	<b>270</b>	<b>276</b>
<b>Total MAC</b>	<b>566</b>	<b>564</b>	<b>585</b>	<b>591</b>

The above chart shows staff by job classification. Organized refers to those work areas or employees which are represented by a labor union contract. All unions represented have specific contracts which dictate wages, benefits and work rules. Currently, the MAC has fourteen represented labor groups. Non-organized refers to all other employees not in labor unions. The following graph compares the number of Organized and Non-Organized FTE positions.





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## Budget Process & Financial Policies

### Budget Process

MAC's Mission, Vision and Values drive the Strategic Plan process which is updated annually to establish organizational priorities. The budget process is the third step in MAC's annual planning process.

Input is received from the Commissioners, Senior Staff, and various levels of management through planning sessions that identify critical issues, strategic goals and organizational key initiatives.

The draft Strategic Plan is presented to the Commission in conjunction with the proposed annual budget targets.

The targets for the 2014 budget are presented in the Executive Summary section.

Following Commission approval, the Strategic Plan is communicated to the service centers along with guidelines and the budget targets. The service centers link their objectives to the Organizational Key Initiatives, where applicable.

The next step is to develop the budget requests for the resources to organizational priorities. Position requests are evaluated using the following criteria:

#### Full Time Equivalent (FTE) Requests

First priority	Necessity to meet legal mandates and regulatory requirements.
Second priority	Ability to maintain a safe and secure airport system.
Third priority	General business need.

#### Other Costs

First priority	Additional costs required to meet security requirements.
Second priority	Imbedded cost increases (i.e., scheduled increases in contracts, salary adjustments for organized labor, utility rate increases, etc.)
Third priority	Costs to maintain additional facilities completed in the past five years.

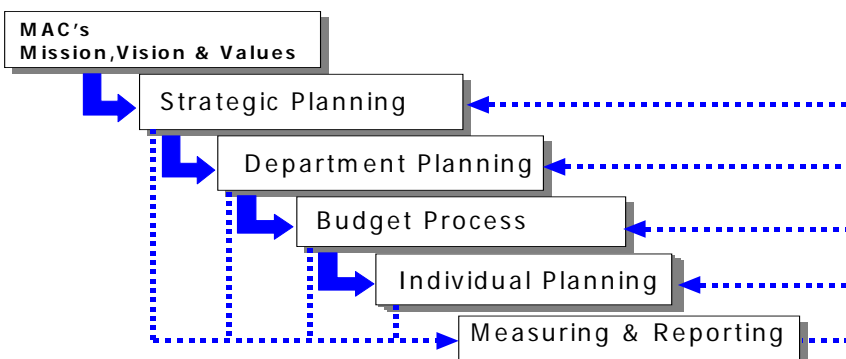
Preparation for the next year, beginning in January, (MAC's fiscal year is January through December) the budget process begins in March with programming changes as necessary made to the budget database program. Each department assigns a Budget Specialist to input the budget and coordinate budget information for their service center. The database includes a 3-year history and the prior year actual data to assist the budget specialist in completing their budget. In coordination with Human Resources, the necessary training is assessed for both the planning database and the budgeting database.

### Controllable Expenses

MAC prepares a line item budget for each service center. Controllable expenses allow a service center to budget for those line items for which they have direct responsibility and control. In addition to the account number, expenses are also budgeted using the appropriate subledger (which is part of the account code). Rates and charges revenue collected from the airlines are governed by the Airline Use Agreement and corresponding amendments. Other revenue collections are dictated by either lease or ordinance. Expenses of the organization are key factors in revenue calculations. Expenses are budgeted to the appropriate subledger through either allocation or direct cost. The summarized costs from the subledgers determine the calculation of various rates and charges. The subledger report is in the Operating Budget Expense section.

### Budget Schedule

In April, the Finance & Administration Committee provides direction to staff regarding growth and allocation of funds or budget targets. The direction provided by the Finance and Administration Committee is communicated to staff at various informational meetings and is included in their budget packages. The



Commission approves the targets in June after a 30-day public comment period.

The budget database is available for service centers in late May to input their data. All service centers have four weeks to complete their budget to include three-year budgeting. Finance reviews all packages and summarizes information.

The staffing matrix is the first item reviewed by Senior Staff. The Executive Director/CEO requests preliminary approval for additional positions, if any, from the Finance and Administration Committee. The interim approval permits the organization to plan accurate projections.

August is spent compiling summary reports and completing the revenue budget, with the exception of airline rates and charges. Senior Staff determines final budget revisions before presenting the draft to the Commission and revenue figures are compiled. Airline rates and charges are calculated. The expense budget must be complete in order to determine the rates and subsequent revenue. Once airline rates and charges are calculated and final revenue figures are available, total revenue and expense is completed. Non-operating revenue and expenses are also taken into consideration and become part of the budget documents.

Staff revisions are made as required to ensure the targets as established are met.

During September, presentations and supporting documents are prepared for the Finance and Administration Committee, Senior Staff and airlines. In addition, a draft budget is sent to the Minnesota State Legislature. The airlines receive a formal budget presentation in October. The month of October is reserved for presentations to the Finance and Administration Committee and revisions prior to requesting final approval.

The Finance and Administration Committee will receive updates from staff during October and November. The recommendation from the Finance and Administration Committee for final approval is requested at the December Commission meeting. Final approval of the 2014 Operating Budget was given at the December Commission meeting. Notifications of rate changes are sent at the beginning of December based upon assumed approval from the full Commission. (Changes, if necessary, are communicated upon final approval.)

### **Capital Improvement Plan – Schedule**

Initial discussions of the Capital Improvement Plan (CIP) begin in January. All requests for projects, along with data regarding the proposed projects, are submitted. Airport Development analyzes the project scope, costs and priorities with a preliminary draft developed in June and July.

In September, approval of the preliminary CIP plan is requested from the Planning, Development and Environment Committee for environmental review with mailings sent to the affected communities and municipalities. In October, a 30-day notice of public hearing is published. A public hearing is held in November.

Recommendation for approval of the CIP from the Planning, Development and Environment Committee is requested at the December Commission meeting.

Distribution of the approved CIP is made to MAC Departments, Metropolitan Council, State Historical Society and affected communities in December.

### **Calendar Summary**

The following calendar provides an overview of the budget cycle beginning in January, which is also the Metropolitan Airports Commission fiscal year.

#### **JANUARY**

<b>Task:</b>	<b>Responsibility:</b>
✈ Initial CIP discussion	Airport Development
✈ Initial Strategic Planning	Full Commission

#### **APRIL**

<b>Task:</b>	<b>Responsibility:</b>
✈ Provide direction to staff regarding growth and allocation of funds or budget targets.	F&A Committee
✈ Prepares Service Center historical information and updates data bases with programming changes as necessary.	Finance
✈ Approval of Strategic Plan	Full Commission

**MAY**

<b>Task:</b>	<b>Responsibility:</b>
✈ Adoption of budget targets after 30-day public comment period.	Finance
✈ Opens budget databases and strategic planning databases for input (late May and/or early June). Begin training of budget specialists.	Finance
✈ Recommends information regarding inflation factors, wage and contract adjustments to the Departments.	Finance
✈ Prepares preliminary budget.	Finance

**JUNE**

<b>Task:</b>	<b>Responsibility:</b>
✈ Presents preliminary budget to F&A Committee (required in compliance with State Statutes – Taxing Purposes)	Finance
✈ Develops draft Preliminary CIP.	Airport Development

**JULY**

<b>Task:</b>	<b>Responsibility:</b>
✈ Compiles positions and headcount requests summary.	Finance /Human Resources
✈ Compiles summary of capital assets requests.	Finance/MAC Staff
✈ Presents budget requests to Executive Director/CEO.	Finance

**AUGUST**

<b>Task:</b>	<b>Responsibility:</b>
✈ Approves preliminary position and headcount requests.	Senior Staff
✈ Approves preliminary summary of capital assets requests.	Executive Director/CEO
✈ Prepares summary of controllable expense requests and supporting schedules.	Finance
✈ Concurrently initiates budget revisions, as needed, for controllable expenses.	Finance
✈ Compiles revenue analysis and projections.	Finance
✈ Completes revenue forecast.	Finance

**SEPTEMBER**

<b>Task:</b>	<b>Responsibility:</b>
✈ Compiles budget presentation information.	Finance
✈ Distributes budget packages to airlines, State Legislature and the F&A Committee.	MAC Staff/Finance/Senior Staff
✈ Presents draft budget to F&A Committee and the airlines.	Finance
✈ Implements budget revisions, as needed, to projected expenses.	Finance
✈ Presents budget to MAC Staff.	Finance
✈ Presents preliminary CIP to PD&E Committee.	Airport Development
✈ Approves preliminary CIP for environmental purposes.	PD&E Committee
✈ Mails CIP to affected communities.	Airport Development

**OCTOBER**

<b>Task:</b>	<b>Responsibility:</b>
✈ Presents budget update to the F&A Committee.	Finance/Senior Staff
✈ Revise budget as required.	Finance
✈ Airline presentation.	Finance
✈ Publishes notice of CIP public hearing.	Airport Development

**NOVEMBER**

<b>Task:</b>	<b>Responsibility:</b>
✈ Presents budget update to F&A Committee.	Finance
✈ Revise budget as required.	Finance
✈ Holds public hearing regarding CIP.	Airport Development

**DECEMBER**

<b>Task:</b>	<b>Responsibility:</b>
✈ Presents preliminary notice of rate changes to all tenants.	Finance
✈ Approves budget for recommendation to full Commission.	F&A Committee
✈ Approves budget.	Full Commission
✈ Notice of any changes in rates from preliminary information to all tenants.	Finance

✈ Presents final CIP to PD&E.	Airport Development
✈ Approves final CIP.	PD&E Committee
✈ Distributes CIP to MAC Departments, Metropolitan Council, State Historical Society and affected communities.	Airport Development

**FEBRUARY**

Task:	Responsibility:
✈ Complete Budget Book.	Finance

**Amendment Process**

The process to amend the budget is set forth in the MAC Bylaws, Article IV, Section 8(a) and presented below:

"8(a) Establishment of the annual budget setting out anticipated expenditures by type of expenditure and/or upward or downward revision of that budget in the course of the corporation's fiscal year shall constitute prior approval of each type of expenditure. Authorization by vote of the Commission is required for transfer of budgeted amounts between or among line items or to appropriate additional funds for each line item. The Executive Director/Chief Executive Officer is directed to provide for the daily operation and management of the Commission within the expenditure guidelines of the annual budget. Commission approval of a contract shall constitute prior approval of the disbursements made pursuant to terms of the contract within the constraints of the budget for all contract payments, except final construction contract payments which shall require Commission approval.

The Executive Director/Chief Executive Officer shall have the responsibility of securing adequate quantities of office, janitorial, maintenance and repair materials and supplies, and the rent of sufficient equipment necessary for the smooth, continuous operation of the Commission's system of airports and all facilities associated with the system of airports. The Executive Director/Chief Executive Officer's authority to secure these items shall be subject to the Commission's purchasing procedures and be subject to the line-item budget constraints of the annual budget.

At any time during the fiscal year, the Executive Director/Chief Executive Officer may recommend to the full Commission that all or any unencumbered appropriation balances of individual line-items be transferred to those line-items that require additional budgeted funds. In addition, the Executive Director/Chief Executive Officer may recommend to the full Commission the appropriation of additional funds above and beyond those approved at the time of budget adoption."

The individual line-items will include the following:

**Personnel**

Salaries & Wages  
Benefits  
Total Personnel

**Administrative Expenses****Professional Services****Utilities****Operating Services**

Parking Management  
Shuttle Bus Services  
Service Agreements  
Storm Water Monitoring  
Other  
Total Operating Services

**Non Operating Expenses**

Debt Service  
Equipment Purchases  
Other  
Total Non Operating Expenses

**Maintenance**

Trades  
Building  
Field  
Equipment  
Cleaning  
Total Maintenance

**Other**

General Insurance  
Other  
Minor Equipment  
Total Other



**Approved Summary of Operating and Non-Operating Revenue and Expense**

The Commission approved the 2014 budget in December 2013. The following tables summarize revenue and expense, including non-operating revenue and expense, and compare the 2014 budget to the 2013 year-end estimate.

Metropolitan Airports Commission Operating & Non-Operating Summary 2014 Budget						
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget	2013 Estimate vs 2014 Budget Dollar Change	% Change
<b>OPERATING REVENUE</b>						
<b>Airline Rates &amp; Charges</b>						
Airline Agreement						
Landing Fees	\$ 51,870,131	\$ 53,847,343	\$ 55,500,000	\$ 56,222,487	\$ 722,487	1.3%
Ramp Fees	6,091,980	6,014,062	6,375,000	6,670,620	295,620	4.6%
Airline R&R	3,407,707	3,502,235	3,502,000	3,585,784	83,784	2.4%
Lindbergh Terminal - Rentals	33,713,501	35,667,471	35,655,750	36,982,559	1,326,809	3.7%
Lindbergh Terminal - Other	3,653,087	4,167,401	4,307,000	5,128,718	821,718	19.1%
Concessions Rebate	(9,597,452)	(9,576,831)	(9,700,000)	(9,840,000)	(140,000)	1.4%
Total Airline Agreement	89,138,954	93,621,681	95,639,750	98,750,168	3,110,418	3.3%
HHH Lobby Fees	7,773,636	8,116,485	8,500,000	9,010,064	510,064	6.0%
HHH Other / Passenger Fees	1,524,638	1,528,374	1,550,000	1,551,257	1,257	0.1%
<b>Total Airline Rates &amp; Charges</b>	<b>\$ 98,437,228</b>	<b>\$ 103,266,540</b>	<b>\$ 105,689,750</b>	<b>\$ 109,311,489</b>	<b>\$ 3,621,739</b>	<b>3.4%</b>
<b>Concessions</b>						
Terminal						
Food & Beverage	\$ 13,808,109	\$ 13,945,850	\$ 14,400,000	\$ 14,634,770	\$ 234,770	1.6%
News	3,487,149	3,450,420	3,600,000	3,739,271	139,271	3.9%
Retail Stores	5,119,905	4,816,936	5,000,000	4,728,133	(271,867)	-5.4%
Passenger Services	4,436,936	4,341,547	4,340,000	4,527,115	187,115	4.3%
Total Terminal/Other	26,852,099	26,554,753	27,340,000	27,629,289	289,289	1.1%
Parking/Grnd Transport						
Parking	72,620,733	74,416,509	76,000,000	77,925,785	1,925,785	2.5%
Ground Transportation	5,249,674	4,517,818	5,100,000	5,347,046	247,046	4.8%
MSP Employee Parking	2,929,150	2,882,620	2,500,000	2,628,779	128,779	5.2%
Auto Rental - On Airport	17,324,385	17,239,233	17,500,000	17,800,935	300,935	1.7%
Total Parking/Grnd Transport	98,123,942	99,056,180	101,100,000	103,702,545	2,602,545	2.6%
Other Concessions	1,423,037	1,546,800	1,540,000	1,877,726	337,726	21.9%
<b>Total All Concessions</b>	<b>\$ 126,399,078</b>	<b>\$ 127,157,733</b>	<b>\$ 129,980,000</b>	<b>\$ 133,209,560</b>	<b>\$ 3,229,560</b>	<b>2.5%</b>
<b>Rentals/Fees</b>						
Buildings & Facilities	\$ 7,129,448	\$ 7,104,333	\$ 7,020,000	\$ 7,228,358	\$ 208,358	3.0%
Auto Rental CFC	6,482,170	10,000,250	10,000,000	10,100,000	100,000	1.0%
Ground Rentals	8,751,929	8,877,341	8,800,000	8,592,701	(207,299)	-2.4%
Reliever Airports	5,635,909	5,864,100	5,864,000	6,153,839	289,839	4.9%
<b>Total Rentals/Fees</b>	<b>\$ 27,999,456</b>	<b>\$ 31,846,024</b>	<b>\$ 31,684,000</b>	<b>\$ 32,074,898</b>	<b>\$ 390,898</b>	<b>1.2%</b>
<b>Utilities &amp; Other Revenues</b>						
Utilities	\$ 4,284,021	\$ 4,581,911	\$ 4,475,000	\$ 4,404,663	\$ (70,337)	-1.6%
GA/Airside Fees	2,260,528	2,033,069	2,500,000	2,375,794	(124,206)	-5.0%
Consortium Fees	2,360,383	2,843,995	2,850,000	2,856,722	6,722	0.2%
Other Revenues	1,656,338	1,445,809	1,550,000	1,543,695	(6,305)	-0.4%
Reimbursed Expense	3,021,160	2,800,000	2,800,000	2,800,000	-	0.0%
<b>Total Utilities &amp; Other Revenue</b>	<b>\$ 13,582,430</b>	<b>\$ 13,704,784</b>	<b>\$ 14,175,000</b>	<b>\$ 13,980,874</b>	<b>\$ (194,126)</b>	<b>-1.4%</b>
<b>Total Operating Revenue</b>	<b>\$ 266,418,192</b>	<b>\$ 275,975,081</b>	<b>\$ 281,528,750</b>	<b>\$ 288,576,821</b>	<b>\$ 7,048,071</b>	<b>2.5%</b>

**Metropolitan Airports Commission  
Operating & Non-Operating Summary  
2014 Budget**

					<b>2013 Estimate vs 2014 Budget</b>	
	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2013 Estimate</b>	<b>2014 Budget</b>	<b>Dollar Change</b>	<b>% Change</b>
Total Operating Revenue	\$ 266,418,192	\$ 275,975,081	\$ 281,528,750	\$ 288,576,821	\$ 7,048,071	2.5%
<b>OPERATING EXPENSE</b>						
Personnel	\$ 68,145,293	\$ 68,705,121	\$ 69,839,000	\$ 71,374,779	\$ 1,535,779	2.2%
Administrative Expenses	1,561,496	1,407,882	1,338,625	1,526,974	188,349	14.1%
Professional Services	4,535,927	4,535,432	4,270,302	4,849,061	578,759	13.6%
Utilities	16,288,346	17,803,893	17,600,000	18,564,824	964,824	5.5%
Operating Services/Expenses	17,379,193	19,263,571	18,767,703	19,404,885	637,182	3.4%
Maintenance	26,051,586	28,548,470	29,548,000	29,971,170	423,170	1.4%
Other	2,630,976	2,752,191	2,784,000	3,102,648	318,648	11.4%
<b>Total Operating Expense</b>	<b>\$ 136,592,817</b>	<b>\$ 143,016,560</b>	<b>\$ 144,147,630</b>	<b>\$ 148,794,341</b>	<b>\$ 4,646,711</b>	<b>3.2%</b>
<i>(Excludes Depreciation and Noise Amortization)</i>						
<b>Net Operating Revenue</b>	<b>\$ 129,825,375</b>	<b>\$ 132,958,521</b>	<b>\$ 137,381,120</b>	<b>\$ 139,782,480</b>	<b>\$ 2,401,360</b>	<b>1.7%</b>
					<b>2013 Estimate vs 2014 Budget</b>	
	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2013 Estimate</b>	<b>2014 Budget</b>	<b>Dollar Change</b>	<b>% Change</b>
<b>NON-OPERATING REVENUE (EXPENSE)</b>						
<b>Other Non-Operating Revenue</b>						
Interest Income	\$ 4,683,000	\$ 4,500,000	\$ 4,500,000	\$ 5,000,000	\$ 500,000	11.1%
Self-Liquidating Income	4,362,000	5,131,000	5,131,000	5,486,000	355,000	6.9%
	\$ 9,045,000	\$ 9,631,000	\$ 9,631,000	\$ 10,486,000	\$ 855,000	8.9%
<b>Debt Service</b>						
Short Term Financing	\$ (243,000)	\$ (360,000)	\$ (360,000)	\$ (703,000)	\$ (343,000)	95.3%
Bond Principal/Int-Operating Fund Transfer	(82,276,000)	(93,900,000)	(93,286,000)	(96,203,000)	(2,917,000)	3.1%
Equip Financing Principal/Interest Payments	(2,515,000)	(2,350,000)	(2,700,000)	(3,137,000)	(437,000)	16.2%
	\$ (85,034,000)	\$ (96,610,000)	\$ (96,346,000)	\$ (100,043,000)	\$ (3,697,000)	3.8%
<b>Equipment</b>						
Capital Expenditures	\$ (1,022,000)	\$ (1,040,000)	\$ (890,000)	\$ (1,020,000)	\$ (130,000)	14.6%
Equipment Purchases	(6,631,000)	(12,175,663)	(10,176,000)	(7,847,000)	2,329,000	-22.9%
2012 Carryover Equipment Purchases	(1,136,000)	-	(470,000)	-	470,000	-100.0%
Equipment Financing	2,184,000	8,550,000	6,400,000	4,138,000	(2,262,000)	-35.3%
	\$ (6,605,000)	\$ (4,665,663)	\$ (5,136,000)	\$ (4,729,000)	\$ 407,000	-7.9%
<b>Other</b>						
2012 Six Month Reserve Transfer	\$ (2,464,000)	\$ (1,677,000)	\$ (1,677,000)	\$ (3,300,000)	(1,623,000)	96.8%
Interstate Settlement	(3,000,000)	-	-	-	-	-
Interstate Payments	630,000	720,000	720,000	720,000	-	0.0%
Grant Reimbursements	128,000	-	4,000	-	(4,000)	-
Easement Receipt	241,000	-	-	-	-	-
Gain (Loss) on Equipment & Other	114,000	-	76,000	-	(76,000)	-100.0%
	\$ (4,351,000)	\$ (957,000)	\$ (877,000)	\$ (2,580,000)	\$ (1,703,000)	194.2%
<b>Total Non-Operating Revenue (Expense)</b>	<b>\$ (86,945,000)</b>	<b>\$ (92,601,663)</b>	<b>\$ (92,728,000)</b>	<b>\$ (96,866,000)</b>	<b>\$ (4,138,000)</b>	<b>4.5%</b>
<b>Net Revenue Available for Designation</b>	<b>\$ 42,880,375</b>	<b>\$ 40,356,858</b>	<b>\$ 44,653,120</b>	<b>\$ 42,916,480</b>	<b>\$ (1,736,640)</b>	<b>-3.9%</b>

**Summary of Operating Revenue and Expense (GAAP)**

The following table is shown below for GAAP (General Accepted Accounting Principles) purposes. The financial statements are issued in conformance with GAAP. The "Basis of Budgeting" in this section explains the differences in the approved budget and the GAAP statement.

<b>Metropolitan Airports Commission</b> <b>Operating &amp; Non-Operating Summary</b> <b>GAAP Presentation Summary</b> <b>2014 Budget</b> <b>(\$ in 000)</b>						
					2013 Estimate vs 2014 Budget	
OPERATING REVENUE	2012 Actual	2013 Budget	2013 Estimate	2014 Budget	Dollar Change	% Change
Airline Rates & Charges	\$ 98,437	\$ 103,267	\$ 105,690	\$ 109,311	\$ 3,622	3.4%
Concessions	126,399	127,158	129,980	133,210	3,230	2.5%
Rentals/Fees	27,999	31,846	31,684	32,075	391	1.2%
Utilities & Other Revenues	13,582	13,705	14,175	13,981	(194)	-1.4%
<b>Total Operating Revenue</b>	<b>\$ 266,418</b>	<b>\$ 275,975</b>	<b>\$ 281,529</b>	<b>\$ 288,577</b>	<b>\$ 7,048</b>	<b>2.5%</b>
OPERATING EXPENSE						
Personnel	\$ 68,145	\$ 68,705	\$ 69,839	\$ 71,375	\$ 1,536	2.2%
Administrative Expenses	1,561	1,408	1,339	1,527	188	14.1%
Professional Services	4,536	4,535	4,270	4,849	579	13.6%
Utilities	16,288	17,804	17,600	18,565	965	5.5%
Operating Services/Expenses	17,379	19,264	18,768	19,405	637	3.4%
Maintenance	26,052	28,548	29,548	29,971	423	1.4%
Other	2,631	2,752	2,784	3,103	319	11.4%
Depreciation	120,201	129,100	115,500	134,500	19,000	16.5%
<b>Total Operating Expense</b>	<b>\$ 256,794</b>	<b>\$ 272,117</b>	<b>\$ 259,648</b>	<b>\$ 283,294</b>	<b>\$ 23,647</b>	<b>9.1%</b>
<b>Operating Gain (Loss)</b>	<b>\$ 9,624</b>	<b>\$ 3,859</b>	<b>\$ 21,881</b>	<b>\$ 5,282</b>	<b>\$ (16,599)</b>	<b>75.9%</b>
NON-OPERATING REVENUE (EXPENSE) & CONTRIBUTIONS						
Interest Income and Other	\$ 7,010	\$ 15,998	\$ 8,000	\$ 8,500	\$ 500	6.3%
Passenger Facility Charges (PFC's)	\$ 62,231	\$ 62,620	\$ 64,000	\$ 64,640	\$ 640	1.0%
Interest Expense	\$ (64,197)	\$ (72,800)	\$ (68,000)	\$ (70,000)	\$ (2,000)	2.9%
Capital Contributions & Grants	\$ 19,940	\$ 39,319	\$ 15,000	\$ 12,000	\$ (3,000)	-20.0%
<b>Total Non-Operating Revenue (Expense)</b>	<b>\$ 24,984</b>	<b>\$ 45,137</b>	<b>\$ 19,000</b>	<b>\$ 15,140</b>	<b>\$ (3,860)</b>	<b>-20.3%</b>
<b>Net Increase in Net Assets</b>	<b>\$ 34,608</b>	<b>\$ 48,996</b>	<b>\$ 40,881</b>	<b>\$ 20,422</b>	<b>\$ (20,459)</b>	<b>-50.0%</b>

**Financial Policies**

The following Metropolitan Airports Commission Financial Policies are addressed:

- Operating Budget
- Cash Management/Investment
- Capital Projects
- Purchasing
- Debt Service and Reserve Policies
- Compliance Statement

The Commission utilizes these policies to provide structure and to ensure the development of the budget meets the mission statement: "We provide and promote safe, convenient, environmentally sound and cost competitive aviation services for our customers."

## Financial Policies – Operating Budget

The Metropolitan Airports Commission uses the budget process to help plan for the future, ensure customer service and satisfaction and maintain effective cost management and overall performance. The following represent the basic Operating Budget Policies under which the operating budget was prepared:

### A. Operating Budget Policies

1. The Commission will pay all current expenditures from current revenues.
2. The Operating Budget will be submitted with operating and non-operating revenue to exceed operating and non-operating expenses with a sufficient margin to provide for replacement of property, plant and equipment.
3. The budget will provide for adequate funding of all retirement systems.
4. The Finance Department will assist Service Centers in reviewing monthly variance reports comparing actual versus budget revenue and expense on the financial software system.
5. The budget will provide summary information regarding the Operating Fund, Construction Fund and Debt Service Fund projected for the next three years.
6. Where possible, the Commission will integrate performance measurement and/or efficiency indicators in the budget.
7. Department heads will review monthly reports comparing actual revenues and expenses to budgeted amounts. Any variance in revenue (spending category or capital expenditures for their department as a whole projected to exceed \$100,000 by year-end) will be reported in writing to the Director of Finance and the Executive Director/Chief Executive Officer.

### B. Budget Targets

The Commission will adopt budget targets to provide direction to staff in the preparation of the annual Operating Budget for the upcoming year. Budget targets may be established in the areas of non-airline revenue, operating expense (less depreciation), total airline charges and debt service coverage ratios. Targets will be developed taking into account items such as the Capital Improvement Program, the rate of inflation, the state of the airline industry and existing labor and vendor contracts. To allow for public input into the Operating Budget, the following will occur:

1. Targets will be presented one month and final adoption will not occur until the following month, at the earliest. Targets will be presented no later than May of the preceding budget year.
2. A draft of the Operating Budget must be presented to the Commission and mailed to the appropriate legislative committees ninety days prior to anticipated budget approval.

### C. Operating Reserve

The Operating Reserve was established by the Finance and Administration Committee at six months of operating expenses. The Commission will maintain an operating reserve balance of approximately six months of operating expenses less depreciation. If the Commission deems it appropriate to reduce the operating reserve for the portion above the formula amount, such reductions shall not exceed 50% of the excess in any one year. In the event of a revenue shortfall in a current budget year, the Executive Director/Chief Executive Officer could freeze new hires, reduce temporary work force, defer cost of living wage increases, reduce discretionary spending, decrease capital and project expenditures and may recommend a transfer from the Commission's operating reserve.

### D. Revenue

The Commission monitors revenues on a monthly basis to ensure revenue from each source is at the maximum with deviations from budget identified.

1. *One-Time Revenues* include, but are not limited to, grants and rebates. Grants are accounted for as contributions while rebates are accounted for as Miscellaneous operating revenue. This revenue generated will become available to the Construction Fund, Capital Equipment purchases or other one-time expenditures as approved by the Commission.
2. *Revenue Diversification* - The Commission maintains a diversified revenue system which is consistently monitored to help protect from possible short-term fluctuations.

3. Although the Commission has the ability to levy ad valorem property taxes upon properties at the airport and, under certain circumstances, upon all taxable property within the Metropolitan Area, the Commission is not currently levying taxes for these purposes. Rentals, rates and charges and other fees will be sufficient to meet all operational and maintenance expenses.

### **Basis of Budgeting**

Each year the Finance Department, with the assistance of Airport Development, Landside-Parking, Reliever Airports, Concessions and Commercial Management departments, projects revenue for the upcoming budget year. The annual Operating Budget is prepared based on targets established by the Commission.

The Commission operates as an Enterprise Fund with three segregated areas: Operating Fund (used for day to day operations), Debt Service Fund (used to pay required debt principal and interest payments) and Construction Fund (used to pay capital costs associated with the Capital Improvement Program).

An Enterprise Fund may be used to “report any activity for which a fee is charged to external users for goods or services.” GASB-34 states that an Enterprise Fund *must* be used to account for an activity if any one of the following criteria is satisfied (GASB-34, par. 67):

- The activity is financed with debt that is secured *solely* by a pledge of the net revenues from fees and charges of the activity.
- Laws or regulations require that the activity’s costs of providing services, including capital costs (such as depreciation or capital debt service) be recovered with fees and charges, rather than with taxes or similar revenues.
- The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).

The basis of budgeting in the operating budget contains elements that are not expensed under GAAP such as debt service and reserve requirements. In addition, the budget excludes depreciation and noise amortization while these expenses are included on the financial statements.

### **Accrual Basis of Accounting**

The budgets for all three Segregated Funds identified above are prepared using the accrual basis of accounting in accordance with GAAP (Generally Accepted Accounting Principles) as this is the same method used for MAC accounting. The accrual basis of accounting attempts to record financial transactions in the period they occur rather than recording them in the period they are paid. In addition, the audited fund financial statements are also produced using the same accrual method of accounting. Strictly speaking, the accrual basis of accounting is described as follows:

Accrual accounting attempts to record the financial effects on an enterprise of transactions and other events and circumstances which have cash consequences for an enterprise in the periods in which those transactions, events and circumstances occur, rather than only in the periods in which cash is received or paid by the enterprise. Accrual accounting is concerned with the process by which cash expended on resources and activities is returned as more (or perhaps less) cash to the enterprise, not just with the beginning and end of that process.

### **Balanced Budget**

Minnesota Statute 473.661, subd. 1 refers to the general law regarding expenditure of public funds for public purposes. The appropriate Minnesota Legislative committee and the public provide input prior to the budget approval. The Commission will annually (by the end of December each year) adopt a balanced budget defined as all revenues and non-operating revenues exceeding expenses and non-operating expenditures in all funds. Year-end operating surpluses will be used in maintaining reserves and may be available to the Construction Fund for capital projects as approved by the Commission.

### **Use of Estimates**

The use of 2013 estimates in the reporting of the 2014 budget financial statements is based upon assumptions and estimates at the time of completion of the final budget draft. Actual results could differ from those estimates.



**Budget Monitoring**

Throughout the year the budget is monitored and compared to actual expenses. Various service centers utilize controls. For example, Purchasing verifies requisitions and budget amounts and Human Resources compares wages and hiring with the budgets along with managers responsible for their service center budgets. Reports are distributed monthly to the Commissioners.

**Financial Policies – Cash Management/Investment**

The Cash Management/Investment Policies are as follows:

**Investment/Cash Management Policies**

1. Cash Management
  - All securities are safekept at one institution.
  - All deposits must be insured or collateralized.
2. Investments
  - All investment purchases require bids to be taken from several different dealers.
  - Investments purchased will be diversified under legal requirements trying to maximize the Rate of Return.
  - The average Rate of Return will exceed the six-month Treasury bill.
  - All repurchase agreements are required to be collateralized. The maturity of any investment shall not exceed three years.
  - To the extent possible, the MAC will attempt to match its investments with anticipated cash flow requirements.
  - The addition of new accounts shall require the written authorization of the Director – Finance and Executive Director/Chief Executive Officer.
3. Collateral
  - Collateral must always be held by an independent third party with whom the MAC has a custodial agreement
  - A clear marked evidence of ownership (safekeeping) must be supplied to the entity and retained.
  - To the extent that funds deposited are in excess of the available Federal Deposit Insurance, the MAC shall require the financial institutions to furnish collateral, security or corporate surety bond executed by a company authorized to do business in the State.

**Financial Policies – Capital Projects**

Each year, the Commission reviews, revises and approves capital projects that will start within the next twelve months and adopts a Capital Improvement Program (“CIP”) which covers all projects to be started during the second calendar year. Commission approval authorizes staff to proceed with plans and specifications and to obtain bids for contract award by the Commission. In addition, a CIP that covers an additional five years is adopted. These serve as a basis for determining funding requirements and other operational planning decisions. The Commission’s policy is to include in the CIP those projects which enable the Commission to maximize federal aid and enhance safety, and those that are customer service oriented. Certain projects, which have a metropolitan significance, are also submitted to the Metropolitan Council for review and approval. The Metropolitan Council is a regional planning agency responsible for coordinating and planning certain governmental services for the metropolitan area.

**Projects**

Commission policies for Capital Projects are:

1. Safety and customer service oriented.
2. Maximize all federal aid.
3. Metropolitan Council approval required on Reliever Airport projects in excess of \$2 million and MSP International projects in excess of \$5 million if they are viewed as having a metropolitan significance.
4. Project priority categories in order of importance include:
  - Projects which the Commission has made a commitment to complete

- Projects that enhance or ensure continued safety at each of the airports in the airport system
- Projects that cannot be accomplished by Commission maintenance crews, but are essential for reasons of economics or continued operation
- Projects that are necessitated by regulatory requirements, such as FAA regulations and local, state or federal laws
- Projects which address various environmental issues ranging from asbestos abatement to wetland mitigation
- Projects constituting preventative maintenance
- Projects which improve customer service and/or convenience
- Projects which have been identified as improving various operational aspects of the airport system, whether applicable to aircraft, tenants, Commission staff or off-airport service providers
- Estimated useful life of a capital improvement project typically range from 5 to 40 years

### Capital Equipment

All equipment purchases for 2014 will be accounted for based on MAC's capital equipment guidelines:

1. The total cost of each piece of equipment is amortized over its useful life through depreciation charges.
2. Snow plowing equipment qualifies for state and federal aid. Total eligible aid is limited.
3. Aid for equipment purchases must compete with eligible construction projects.
4. All equipment purchases must follow MAC's purchasing policies.
5. All equipment or project costs must be greater than or equal to \$10,000.
6. Estimated useful life for capital equipment range from 3 to 15 years.

### Financial Policies – Purchasing

The Purchasing Department is responsible for the purchase, rental, sale, and disposal of equipment, supplies, minor construction, repair, or maintenance of real and/or personal property for MAC. Its primary responsibility is to provide purchases that ensure the following: 1) Availability; 2) Quality; and 3) Price consistency with the needs of MAC. The Purchasing objective is to provide a foundation for effective, consistent and complete consideration of all aspects of purchasing including:

1. Ensuring fair and equitable treatment of all suppliers and persons who deal with the procurement system of MAC.
2. Fostering public confidence in the procurement procedures followed by MAC.
3. Ensuring compliance with applicable state and federal laws.
4. Securing the advantages and economies derived from a centralized and standardized purchasing system.
5. Promoting the use of modern, professional and ethical business methods when using public funds to secure supplies, materials, equipment (or the rental thereof), or the minor construction, alteration, repair or maintenance of real or personal property.

### Financial Policies – Debt Service and Reserve Policies

The Debt Service and Reserve Policies are as follows:

#### A. Debt

1. Currently the Commission is able to issue General Obligation Revenue Bonds and General Airport Revenue Bonds, both fixed and variable rate.
2. Funds will be managed to avoid any property tax levy.
3. MAC will maintain the highest rating available from Fitch, Moodys and/or Standard and Poor's Rating Agencies.

4. Procedures/mechanisms will be developed and maintained to obtain the highest possible rating on the General Airport Revenue Bonds.
  5. All refundings of General Obligation Revenue Bonds or Airport Revenue bonds must show a minimum 3% Net Present Value (NPV) savings as specified in Minnesota Statute Section 475.67, Subd. 12.
  6. The current remaining authorized level of issuance for General Obligation Revenue Bonds is \$55 million.
  7. The MAC will endeavor to keep the total maturity length of General Obligation Bonds below 20 years and retire at least 50% of the principle within 10 years. In all cases, the maturity shall be shorter than the life of the related assets.
  8. Regarding Special Facility Bonds, staff will adhere to Administrative Policy 2701 dealing with Special Facility Financing.
  9. In December 2003, the Commission approved a policy to deal with derivative financing products. In July 2004, the Commission, along with its Financial Advisor and Bond Counsel, refined this policy further. The refinements include establishing separate savings criteria and efficiency criteria in dealing with derivative financing products. (The Commission currently does not have, nor has there ever been, any swap or derivative products.)
- B. **Reserve** - The Commission is required to have a restricted investment balance on October 10th each year for General Obligation Revenue Bonds in an amount sufficient to cover debt service to the end of the second following year. For General Airport Revenue Bonds, a one-year maximum annual debt service reserve is required.
- C. **Debt Limits** - Currently the Commission has three forms of indebtedness: Revolving Line of Credit, General Airport Revenue Bonds (GARBs) and General Obligation Revenue Bonds (GORBs). The GORB instrument has the most straightforward legal limit. That is, the Commission must receive Legislative approval to authorize and issue this type of debt. Currently the Commission is authorized to issue up to \$55 million of additional GORB debt. With regard to Revolving Line of Credit, the total authorized limit is currently \$75 million. The legal limit for GARBs is based on the Commission's ability to generate sufficient revenues to pass the Additional Bonds test required under the Master Bond Indenture. As long as there are adequate revenues to pass the test, additional debt can be issued.

### **Compliance Statement**

The Metropolitan Airports Commission is in compliance with all of the above stated policies.

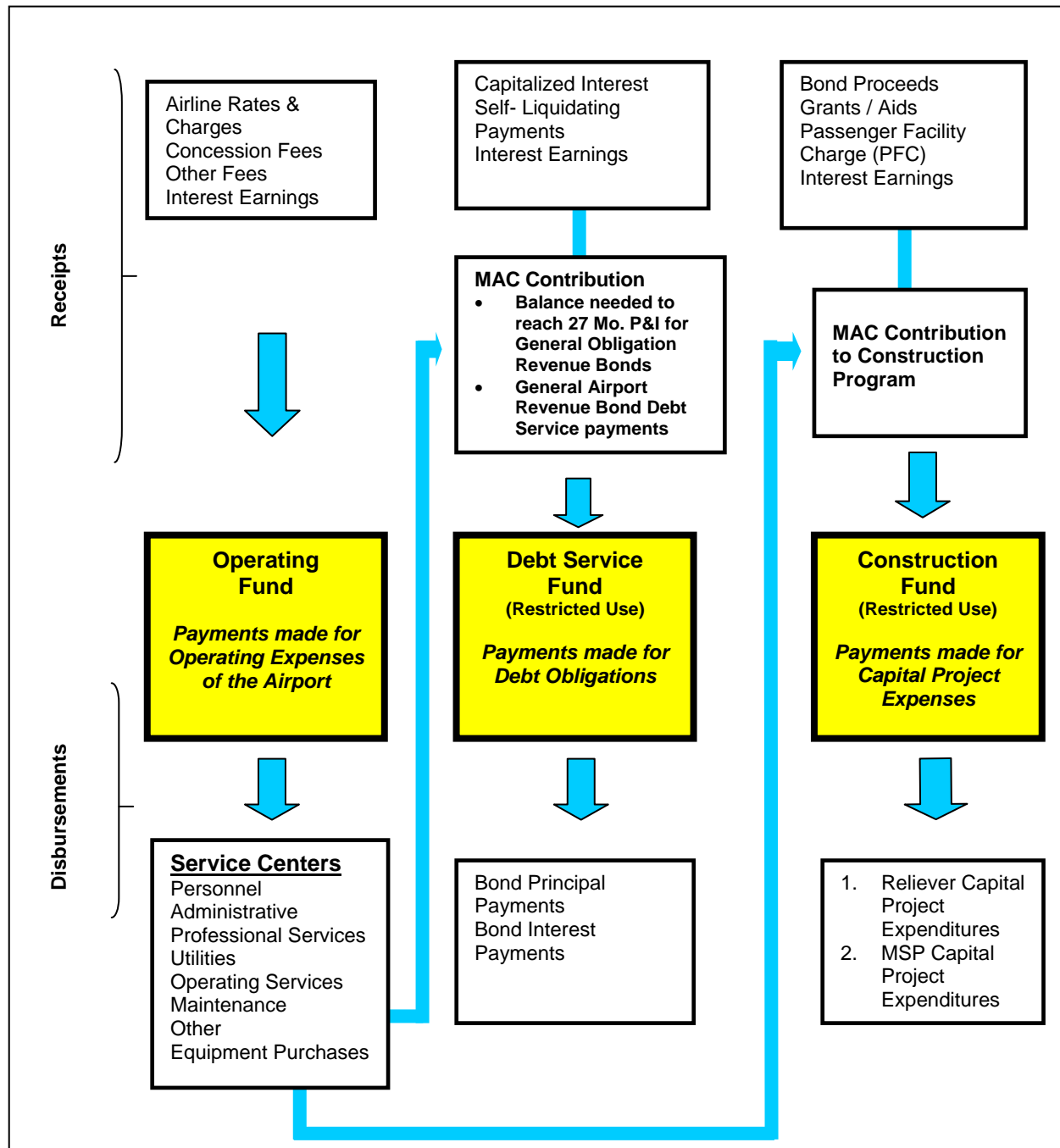
## Fund Structure

The MAC is accounted for as an Enterprise Fund. An Enterprise Fund accounts for all cost allocations including depreciation while its cost of services are recovered through user fees/charges. Amounts are restricted for construction and debt redemption. For internal purposes, MAC maintains three funds corresponding to three major functions: Operating Fund, Construction Fund and Debt Service Fund. The budgets for all three Segregated Funds identified above are prepared using the accrual basis of accounting in accordance with GAAP (Generally Accepted Accounting Principles) and is the same method used for MAC accounting.

The service center expenses are within the Operating Fund as shown in the below chart.

## Fund Relationship

The Flow of Funds chart below identifies the sources and uses of dollars within each fund and between funds.



**Fund Balance Summary**

The table below is presented to show the general overview of the flow of funds and the amount of dollars moving through each fund on an annual basis. The details for each fund are shown in their respective sections of the budget.

<b>FUND BALANCE SUMMARY - 2014 BUDGET</b>						
<b>(\$ = 000)</b>						
	<b>2012</b>	<b>2013</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Budget</b>	<b>Budget</b>	<b>Projection</b>	<b>Projection</b>
<b>OPERATING FUND</b>						
1/1 Balance	\$ 108,781	\$ 112,712	\$ 112,173	\$ 116,632	\$ 117,476	\$ 121,213
Total Sources of Funds	277,647	298,360	294,877	303,201	309,772	322,054
Total Uses of Funds	(273,716)	(294,440)	(293,506)	(302,357)	(306,035)	(310,219)
Transfers	-	-	-	-	-	-
Ending Balance	\$ 112,712	\$ 116,632	\$ 113,544	\$ 117,476	\$ 121,213	\$ 133,048
<b>CONSTRUCTION FUND</b>						
1/1 Balance	\$ 306,362	\$ 323,596	\$ 309,689	\$ 312,474	\$ 251,271	\$ 284,739
Total Sources of Funds	179,805	119,480	152,453	121,097	141,417	116,939
Total Uses of Funds	(162,571)	(130,602)	(153,388)	(182,300)	(107,949)	(98,128)
Ending Balance	\$ 323,596	\$ 312,474	\$ 308,754	\$ 251,271	\$ 284,739	\$ 303,550
<b>DEBT SERVICE FUNDS</b>						
1/1 Balance	\$ 228,523	\$ 230,517	\$ 229,183	\$ 238,831	\$ 236,665	\$ 235,039
Total Sources of Funds	168,007	125,758	125,005	123,802	123,805	121,401
Total Uses of Funds	(166,013)	(117,444)	(117,444)	(125,968)	(125,431)	(119,553)
Ending Balance	\$ 230,517	\$ 238,831	\$ 236,744	\$ 236,665	\$ 235,039	\$ 236,887
<b>TOTAL ALL FUNDS</b>						
1/1 Balance	\$ 643,666	\$ 666,825	\$ 651,045	\$ 667,937	\$ 605,412	\$ 640,991
Total Sources of Funds	625,459	543,598	572,335	548,100	574,994	560,394
Total Uses of Funds	(602,300)	(542,486)	(564,338)	(610,625)	(539,415)	(527,900)
Transfers	-	-	-	-	-	-
Ending Balance	\$ 666,825	\$ 667,937	\$ 659,042	\$ 605,412	\$ 640,991	\$ 673,485
Funds are described in detail and show all sources/uses of funds in their respective section of the document.						

The overall change in the total of all funds balance from estimated 2013 (\$668 million) to projected 2016 (\$673 million) is relatively flat due. However, from an operating fund perspective the balances are increasing due to the 2016 MAC takeover of Concourse G in Terminal 1. Prior to 2016, Delta was responsible for the maintenance of this concourse. With the additional expense associated with the G Concourse, MAC's required six-month operating reserves will be higher.

**Taxing Authority**

The Commission has the ability to levy ad valorem property taxes upon properties at the Airport and, under certain circumstances, upon all taxable property within the Metropolitan Area. Such taxing authority includes:

1. The power to levy property taxes on land leased at the Airport for police and fire protection, operation, and maintenance of roadway systems.
2. The power to levy property taxes not in excess of .00806 percent in each year upon the net tax capacity of all taxable property in the Metropolitan Area for Airport operation and maintenance costs of Airport facilities, provided revenues are not otherwise available.

Although the Commission may levy property taxes for operation and maintenance expenses, the Commission is not currently levying taxes for these purposes. The Commission has entered into agreements, in accordance with the Airport Law and the Resolution, whereby rental received by the Commission, together with other charges, rates, and fees imposed by the Commission, are sufficient to meet all expense of operation and maintenance of the Commission's property.

If the Commission were to have levied a tax based on the based on recent values, the maximum amount available for maintenance and operations of the Commission would have been approximately \$25.0 million.



**Sources and Uses of Funds**

In this section, revenues and expenses from operating the facilities are combined with non-operating revenues and expenses. The summary below illustrates how dollars are received and disbursed.

<b>OPERATING FUND (\$ = 000)</b>	<b>2012</b>	<b>2013</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Budget</b>	<b>Budget</b>	<b>Projection</b>	<b>Projection</b>
<b>Sources</b>						
1/1 Balance	\$ 108,781	\$ 112,712	\$ 112,173	\$ 116,632	\$ 117,476	\$ 121,213
Operating Revenues						
Airline Rates & Charges	98,437	105,690	103,267	109,311	111,575	115,500
Concessions	126,399	129,980	127,158	133,210	135,341	144,531
Other Operating Revenues	41,582	45,859	45,551	46,056	46,656	47,123
Subtotal Operating Revenues	\$ 266,418	\$ 281,529	\$ 275,976	\$ 288,577	\$ 293,572	\$ 307,154
Other/Non Operating Revenues						
Interest Earnings 1	4,683	4,500	4,500	5,000	5,200	5,400
Self-Liquidating Revenue	4,362	5,131	5,851	5,486	7,000	5,500
Transfer from Construction Fund	-	-	-	-	-	-
Gain (Loss) on Assets and Other	-	800	-	-	-	-
Subtotal Other/Non Operating Revenue	9,045	10,431	10,351	10,486	12,200	10,900
Total Sources	\$ 275,463	\$ 291,960	\$ 286,327	\$ 299,063	\$ 305,772	\$ 318,054
<b>Uses</b>						
Operating Expenses						
Personnel	\$ 68,145	\$ 69,839	\$ 68,705	\$ 71,375	\$ 73,132	\$ 75,354
Administration	1,562	1,339	1,408	1,527	1,559	1,694
Professional Services	4,536	4,270	4,535	4,849	4,895	5,178
Utilities	16,288	17,600	17,804	18,565	19,454	22,372
Operating Services	17,379	18,768	19,264	19,405	20,742	21,309
Maintenance	26,052	29,548	28,548	29,971	31,095	35,386
Other/Insurance	2,631	2,784	2,752	3,102	3,079	3,001
Subtotal Operating Expenses	136,593	144,148	143,016	148,794	153,956	164,294
Non Operating Expenses						
Equipment						
Equipment Purchases/Capital Expend	(8,789)	(11,066)	(13,216)	(8,867)	(9,481)	(9,500)
Equipment Financing	2,184	6,400	8,550	4,138	4,000	4,000
Principal/Interest-Equip. Financing	(2,758)	(3,060)	(2,350)	(3,840)	(4,200)	(4,800)
Subtotal Equipment	(9,363)	(7,726)	(7,016)	(8,569)	(9,681)	(10,300)
Debt Service						
Transfer Out - Debt Service	(82,276)	(93,286)	(94,260)	(96,203)	(95,482)	(87,425)
Subtotal Debt Service	(82,276)	(93,286)	(94,260)	(96,203)	(95,482)	(87,425)
Total Uses	\$ (228,232)	\$ (245,160)	\$ (244,292)	\$ (253,566)	\$ (259,119)	\$ (262,019)
Unrestricted Net Transfer Out-Constr.	(43,300)	(42,880)	(40,664)	(44,653)	(42,916)	(44,200)
Operating Fund Balance	\$ 112,712	\$ 116,632	\$ 113,544	\$ 117,476	\$ 121,213	\$ 133,048
1 Interest Rate Assumed 0.50% for 2014 - 2016						

**Sources of Funds**

Generally, there are three sources of revenues within the Operating Fund.

1. The 1/1 Balance reflects the Operating Reserve established by the Commission plus the amount to be transferred to the Construction account in the following year. In 2006 the Commission established a six month reserve of operating expenses. The operating reserve figure for 2014 is \$74.8 million.
2. Operating Revenues consist of Airline Rates and Charges, Concessions, Rentals/Fees and Utilities and Other Revenues. The changes in each of these areas are explained in detail in the Operating Budget Revenue Section. In general, Airline Rates and Charges increased from the 2013 estimate because of scheduled debt service increases, a new checked baggage fee and a new porter service. Snow removal costs which also have an impact in airline rates and charges fluctuate from year to year. Budgets for snow removal are prepared on historical averages. Airline Rates and Charges are calculated based on expenses. Concessions rose in almost all areas as a result of increased activity or new lease agreements.

Rentals/Fees, Utilities and other Revenues increases can be attributed to rent changes. Operating Revenues total \$288.6 million for 2014.

3. Other Non-Operating Revenues consist of Interest Earnings, Self-Liquidating Revenue and Gain/Loss on Disposal of Assets and Other. Interest Earning is assumed to be 0.5% for the period 2014-2016. Interest is earned on the balance in the Operating Fund which includes self-liquidating leases. Interest earnings are increasing slightly due to a small increase in interest rates. Self-liquidating leases are those facilities built by MAC and then leased to tenants. This area is up due to Delta's repayment of certain leasehold improvements on the G Concourse.



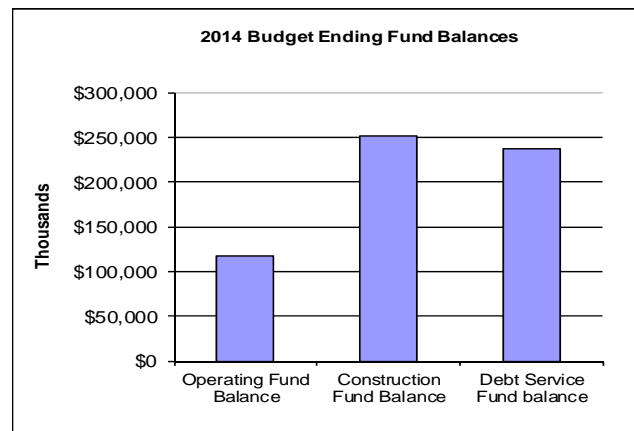
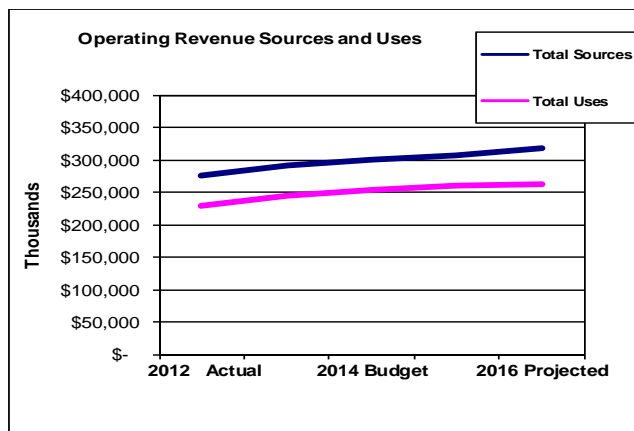
**T-1 Retail Shops**

### Uses of Funds

In general, there are four uses of operating revenues.

1. Operating expenses consist of Personnel, Administration, Professional Services, Utilities, Operating Services, Maintenance and Other/Insurance. Details of changes for each of these areas are identified in the Operating Budget Expense section. The total expense for 2014 is \$148.8 million.
2. Non-Operating Expenses is comprised of an Equipment section (A) and Debt Service section (B).
  - A. Equipment category includes capital equipment (cost greater than \$10,000) to be purchased based on Commission approval. The anticipated amount for 2014 is \$8.9 million and includes other capital expenditures. A portion of this equipment will be leased. The offset to the equipment is shown as Equipment Financing (\$4.1 million). Finally, the actual lease financing cost and miscellaneous other capital expenditures are shown.
  - B. Debt Service – This is the required transfers that are made to cover all debt service. On October 10<sup>th</sup> of each year, MAC must contribute from its Operating Fund to the Debt Service Fund an amount necessary to bring that fund balance up to the 27-month principal and interest level required by law (for General Obligation Bonds). (See Debt Service Budget for complete details.) In June and December, the Commission must then transfer the required amount for the GARB (General Airport Revenue Bond) reserve. This transfer in 2014 is expected to be \$96.2 million.
3. Unrestricted Net Transfer Out - Construction represents the amount of internally generated funds that are transferred to the Construction Fund after payment of all operating expenses have been made, all debt service requirements accounted for and the Operating Reserve is funded at six months of Operating Expenses. \$44.7 million is anticipated for 2014 based on 2013 estimates.

The graphs below illustrate the sources and uses of revenue and the three 2014 budgeted fund balances.

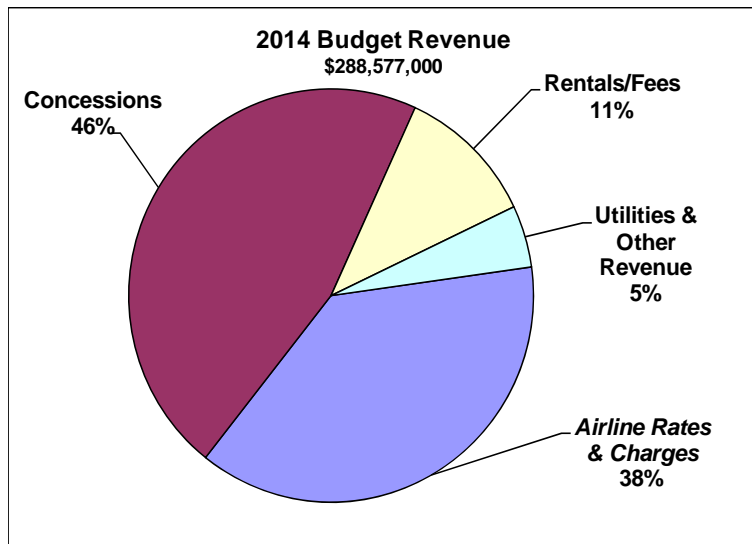


## Operating Budget Revenue

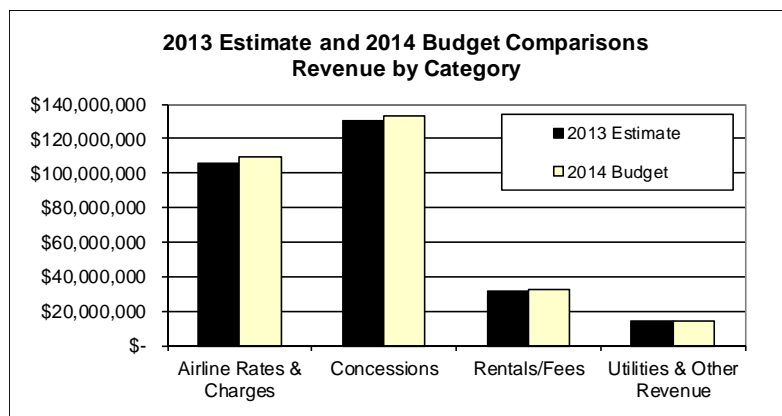
Total Operating Budget Revenue for 2014 is \$288.6 million, which is a \$7.1 million or 2.5% increase compared to 2013 estimates. The detailed explanations for Airline Rates & Charges, along with other major changes in revenue, are included in this section.

2014 Budget Revenue Summary (\$=000)					2013 Estimate vs 2014 Budget	
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget	Dollar Change	% Change
<b>REVENUE</b>						
Airline Rates & Charges	\$98,437	\$103,267	\$105,690	\$109,311	\$3,622	3.4%
Concessions	\$126,399	\$127,158	\$129,980	\$133,210	\$3,230	2.5%
Rentals/Fees	\$27,999	\$31,846	\$31,684	\$32,075	\$391	1.2%
Utilities & Other Revenue	\$13,582	\$13,705	\$14,175	\$13,981	(\$194)	-1.4%
<b>Total Operating Revenue</b>	<b>\$266,418</b>	<b>\$275,975</b>	<b>\$281,529</b>	<b>\$288,577</b>	<b>\$7,048</b>	<b>2.5%</b>

Operating budget revenue is divided into four categories: Airline Rates & Charges, Concessions, Rentals/Fees and Utilities & Other Revenue.



The following chart compares 2013 estimate and 2014 budget revenue by category:



## 2014 Budget Operating Revenue

					2013 Estimate vs 2014 Budget	
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget	Dollar Change	% Change
<b>Airline Rates &amp; Charges</b>						
Airline Agreement						
Landing Fees	\$51,870,131	53,847,343	55,500,000	56,222,487	722,487	1.3%
Ramp Fees	6,091,980	6,014,062	6,375,000	6,670,620	295,620	4.6%
Airline R&R	3,407,707	3,502,235	3,502,000	3,585,784	83,784	2.4%
Terminal 1 - Rentals	33,713,501	35,667,471	35,655,750	36,982,559	1,326,809	3.7%
Terminal 1 - Other	3,653,087	4,167,401	4,307,000	5,128,718	821,718	19.1%
Concessions Rebate	(9,597,452)	(9,576,831)	(9,700,000)	(9,840,000)	(140,000)	1.4%
Total Airline Agreement	89,138,953	93,621,681	95,639,750	98,750,168	3,110,418	3.3%
Terminal 2 Lobby Fees	7,773,636	8,116,485	8,500,000	9,010,064	510,064	6.0%
Terminal 2 Other / Passenger Fees	1,524,638	1,528,374	1,550,000	1,551,257	1,257	0.1%
<b>Total Airline Rates &amp; Charges</b>	<b>\$98,437,227</b>	<b>103,266,540</b>	<b>105,689,750</b>	<b>109,311,489</b>	<b>3,621,739</b>	<b>3.4%</b>
<b>Concessions</b>						
Terminal						
Food & Beverage	\$13,808,109	13,945,850	14,400,000	14,634,770	234,770	1.6%
News	3,487,149	3,450,420	3,600,000	3,739,271	139,271	3.9%
Retail Stores	5,119,905	4,816,936	5,000,000	4,728,133	(271,867)	-5.4%
Passenger Services	4,436,936	4,341,547	4,340,000	4,527,115	187,115	4.3%
Total Terminal/Other	26,852,100	26,554,753	27,340,000	27,629,289	289,289	1.1%
Parking/Grnd. Transport.						
Parking	72,620,733	74,416,509	76,000,000	77,925,785	1,925,785	2.5%
Ground Transportation	5,249,674	4,517,818	5,100,000	5,347,046	247,046	4.8%
MSP Employee Parking	2,929,150	2,882,620	2,500,000	2,628,779	128,779	5.2%
Auto Rental - On Airport	17,324,385	17,239,233	17,500,000	17,800,935	300,935	1.7%
Total Parking/Grnd. Transport.	98,123,942	99,056,180	101,100,000	103,702,545	2,602,545	2.6%
Other Concessions	1,423,037	1,546,800	1,540,000	1,877,726	337,726	21.9%
<b>Total All Concessions</b>	<b>\$126,399,079</b>	<b>127,157,733</b>	<b>129,980,000</b>	<b>133,209,560</b>	<b>3,229,560</b>	<b>2.5%</b>
<b>Rentals/Fees</b>						
Buildings & Facilities	\$7,129,448	7,104,333	7,020,000	7,228,358	208,358	3.0%
Auto Rental CFC	6,482,170	10,000,250	10,000,000	10,100,000	100,000	1.0%
Ground Rentals	8,751,929	8,877,341	8,800,000	8,592,701	(207,299)	-2.4%
Reliever Airports	5,635,909	5,864,100	5,864,000	6,153,839	289,839	4.9%
<b>Total Rentals/Fees</b>	<b>\$27,999,456</b>	<b>31,846,024</b>	<b>31,684,000</b>	<b>32,074,898</b>	<b>390,898</b>	<b>1.2%</b>
<b>Utilities &amp; Other Revenue</b>						
Utilities	\$4,284,021	4,581,911	4,475,000	4,404,663	(70,337)	-1.6%
GA/Airside Fees	2,260,528	2,033,069	2,500,000	2,375,794	(124,206)	-5.0%
Consortium Fees	2,360,383	2,843,995	2,850,000	2,856,722	6,722	0.2%
Other Revenues	1,656,338	1,445,809	1,550,000	1,543,695	(6,305)	-0.4%
Reimbursed Expense	3,021,160	2,800,000	2,800,000	2,800,000		0.0%
<b>Total Utilities &amp; Other Rev.</b>	<b>\$13,582,431</b>	<b>13,704,784</b>	<b>14,175,000</b>	<b>13,980,874</b>	<b>(194,126)</b>	<b>-1.4%</b>
<b>Total Operating Revenue</b>	<b><u>266,418,192</u></b>	<b><u>275,975,081</u></b>	<b><u>281,528,750</u></b>	<b><u>288,576,821</u></b>	<b><u>7,048,071</u></b>	<b>2.5%</b>

**Revenue Assumptions and Guidelines**

The revenue projections for 2014 are based on the following assumptions and guidelines:

- Revenue will be prepared on an accrual basis. This basis of accounting attempts to record financial transactions in the period they occur rather than recording them in the period they are received. The Commission uses this method for both accounting and budgeting.
- The revenue projections are based on estimates compiled from the following sources:
  - Lease agreements
  - Contracts
  - Projected enplaned passengers and operations activity provided by the airlines and other users of MAC facilities
  - Expense projections which determine rates and charges per the Airline Agreement
  - Historical trends
  - MAC Ordinances
- Airline Rates and Charges are based on the 2007 Third Amendment to the Airline Lease Agreement.

The explanations for revenue assumptions are based on a comparison of 2013 estimates versus 2014 budget figures.

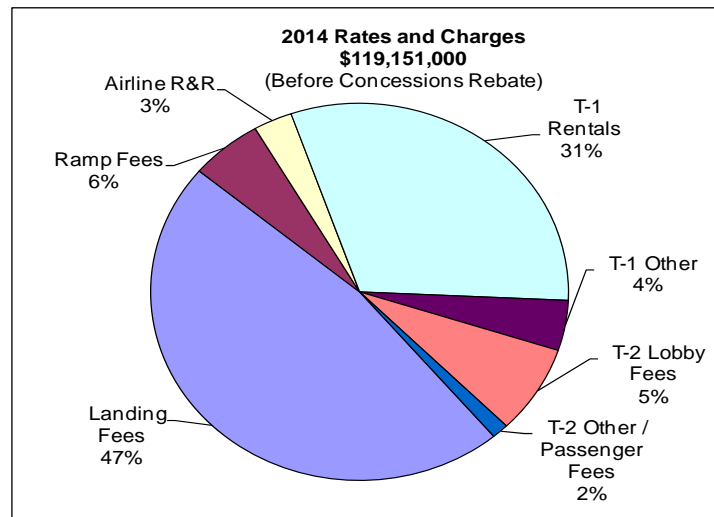
**Airline Rates and Charges**

The Airline Rates and Charges category, which is approximately \$109.0 million or 38% of MAC's \$289 million in revenues, is generated from rates charged to the airlines. This category is projected to increase \$3.6 million or 3.4% from the 2013 estimated levels. The formulas for the rates (landing fee, ramp fee, airline Terminal 1 rental rates and the Terminal 1 IAF-International Arrivals Facility Use Fees) are established in the Airline Use Agreement as amended in 2007. This amendment incorporates debt service in the calculation of rates and charges instead of depreciation and interest for the recovery of capital improvements. In accordance with this Agreement, expenses from Police, Fire, Maintenance Labor, Maintenance Equipment and Administration service centers are allocated to the Field & Runway, Ramp, Terminal Building and International Arrival Facility service centers (detailed in the Operating Budget Expense section). Total costs, plus allocations, are then used to determine Airline Rates and Charges. Fluctuations in allocated costs can cause a change in the airline rates. For 2014, rates for landing fees, ramp fees and airline Terminal 1 rental rates are calculated as per the Third Amendment to the Airline Use Agreement. Rates for Terminal 2 are set by ordinance, which is based on the recovery of budgeted operating and maintenance costs. The Concessions Rebate of \$9.8 million represents the revenue sharing found in the Third Amendment to the Airline Use Agreement.

<b>Airline Rates &amp; Charges</b> (\$=000)				<b>2013 Estimate vs 2014 Budget</b>	
	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2013 Estimate</b>	<b>2014 Budget</b>	<b>Dollar Change      % Change</b>
Airline Rates & Charges					
Landing Fees	\$51,870	53,847	55,500	56,222	722      1.3%
Ramp Fees	6,092	6,014	6,375	6,671	296      4.6%
Airline R&R	3,408	3,502	3,502	3,586	84      2.4%
Terminal 1 - Rentals	33,714	35,667	35,656	36,983	1,327      3.7%
Terminal 1 - Other	3,653	4,167	4,307	5,129	822      19.1%
Concessions Rebate	(9,597)	(9,577)	(9,700)	(9,840)	(140)      1.4%
Terminal 2 Lobby Fees	7,774	8,116	8,500	9,010	510      6.0%
Terminal 2 Other / Passenger Fees	1,525	1,528	1,550	1,551	1      0.1%
<b>Total Airline Rates &amp; Charges</b>	<b>\$98,437</b>	<b>103,267</b>	<b>105,690</b>	<b>109,311</b>	<b>3,622      3.4%</b>

The following pie chart indicates the percentage of each revenue source in Airline Rates & Charges and compares it to the total Airline Rates & Charges revenue, excluding the Concessions Rebate:





### Landing Fees

The landing fee is based upon total estimated expense in the Field & Runway service center. By dividing total field and runway expenses by the estimated landed weight (provided by the airlines and historical data), a budgeted landing fee is established for use during the year. This is a residual (breakeven) calculation. At year-end an adjustment will be made for any overage or shortage.

The landing fee is expected to remain flat in 2014 from 2013 estimates. In 2013, the Commission experienced an above average amount of winter precipitation which resulted in the 2013 estimate to be higher than the 2013 budget. In preparing for the 2014 budget, the Commission uses a 5-year average of winter precipitation. The reduction in expenses from budgeting for an average winter is offset primarily by increases in scheduled debt service costs on the Commission's outstanding debt along with slight increases in various other expenses.

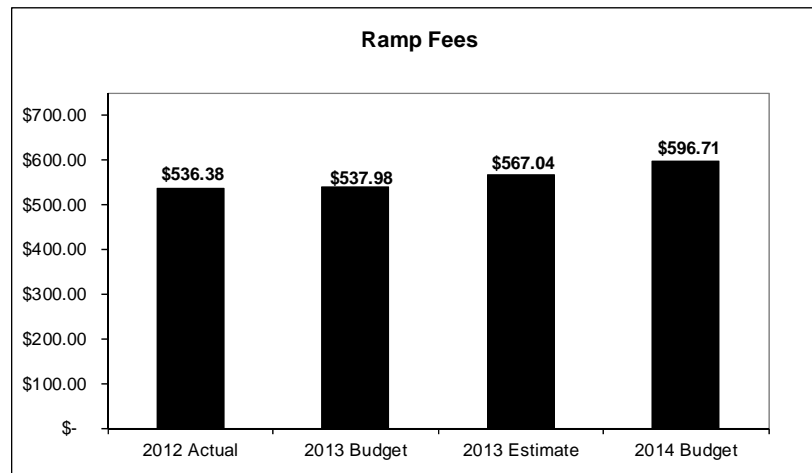
<u>Landing Fee</u>	<u>2012</u>	<u>2013</u>	<u>2013</u>	<u>2014</u>
	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Budget</u>
Landing Fee	\$2.53	\$2.59	\$2.65	\$2.65
Landed Weight (000)	20,502	20,790	20,943	21,216
Revenue (000)	\$51,870	\$53,847	\$55,500	\$56,222

### Ramp Fees

Aircraft parking ramp fees are calculated in the same manner as landing fees. Ramp fees are determined by dividing the total Terminal 1 ramp expenses by total lineal feet of ramp available. The ramp fee rate calculation is also residual (breakeven). At year-end an adjustment will be made for any overage or shortage.

The major increase in ramp fees from 2013 estimated (\$567.04) to 2014 budget (\$596.71) per lineal foot can be attributed to an increase in debt service costs on equipment as well as slight increases in various other expenses.

<u>Ramp Fee</u>	<u>2012</u>	<u>2013</u>	<u>2013</u>	<u>2014</u>
	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Budget</u>
Ramp Fee (Per Lineal Ft.)	\$536.38	\$537.98	\$567.04	\$596.71
Ramp Footage	11,176	11,179	11,179	11,179
Revenue (000)	\$6,092	\$6,014	\$6,375	\$6,671



### Airline Repair and Replacement Surcharge

As per the Airline Lease Amendment approved in 2007, there is an additional surcharge for the airlines at Terminal 1 (Lindbergh). This surcharge increases annually at a rate of 3%. The rate for 2014 is \$6.54 per square foot for carriers occupying Terminal 1.

### Terminal-1 Rentals

Airline building rates are calculated by allocating terminal building expense over the total rentable square footage in Terminal 1- Lindbergh. Airlines are charged for the space they occupy. Unlike landing fees and ramp fees, which are residual calculations, airline Terminal 1-Lindbergh building rates are a compensatory calculation. Under this calculation method, costs are recovered from the airlines in proportion to the rentable space they occupy in the terminal building. This building rate does not include a separate per square foot charge for the Airline Repair & Replacement (R&R) surcharge.

The Terminal 1-Lindbergh rate is increasing from \$62.31 to \$65.20 per square foot. The primary reasons for the increase in the Exclusive rates (\$2.89) between 2013 estimate and 2014 budget are as follows:



- Increase of \$1.88 in scheduled debt service payments.
- Increase of \$1.01 as a result of increased utility, people movers, moving walkways, escalator/elevators, boiler repairs and temperature control expenses.

***E Concourse at Terminal 1-Lindbergh***

<b><u>Terminal 1-Lindbergh Rates</u></b>				
	<b>2012 <u>Actual</u></b>	<b>2013 <u>Budget</u></b>	<b>2013 <u>Estimate</u></b>	<b>2014 <u>Budget</u></b>
Exclusive (Per Sq. Ft.)	\$58.60	\$62.33	\$62.31	\$65.20
Exclusive Janitored (Per Sq. Ft.)	\$65.16	\$69.14	\$69.10	\$72.00
Total Revenue (000)	\$33,714	\$35,667	\$35,656	\$36,983

**Terminal-1 Other**

Revenue from Terminal 1-Lindbergh-Other is expected to increase \$822,000 or 19.1%. The revenue source in this area is revenue generated from the International Arrival Facility (IAF), porter service fees, baggage claim maintenance fees, conveyors and carousels as well as rent from a portion of the G Concourse. The agreement for the IAF facility includes a fee calculation similar to the ramp and landing fees (residual). Users of the facility will be charged a passenger use fee based upon projected expenses. At year-end an adjustment will be made for any overage or shortage.

The table below shows the IAF fees for actual 2012, budgeted 2013, estimated 2013 and budgeted 2014:

<b>International Arrival Fee (000)</b>				
	<b>2012</b>	<b>2013</b>	<b>2013</b>	<b>2014</b>
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Estimate</u></b>	<b><u>Budget</u></b>
Total Cost	\$2,930	\$3,471	\$3,471	\$3,497
Passengers	606,625	650,000	650,000	652,425
Fee Per Passenger	\$4.83	\$5.34	\$5.34	\$5.36

The \$0.02 increase in the IAF fee is due to increases of Police, Fire, Administrative and Utility costs allocated to the IAF and a slight increase in passengers.

In late 2013, the Commission completed construction and installation of a Checked Baggage Inspection System which replaces each airline's outbound baggage systems. The Commission will be responsible for the maintenance of the baggage system and will charge the airlines (based on the number of bags processed) the full cost of maintaining the baggage system estimated at \$650,000.

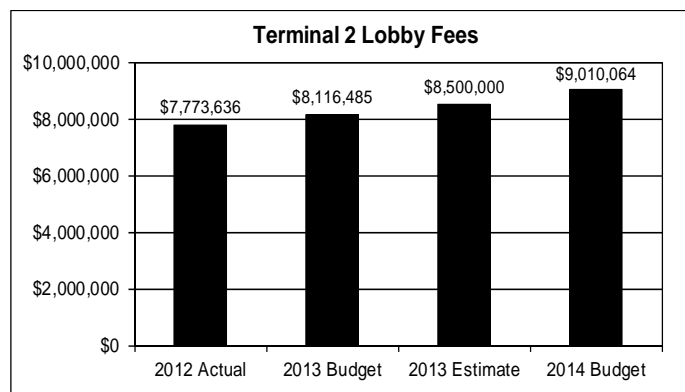
In 2013, the Commission started a porter service that assists passengers who may need assistance from the Terminal 1 baggage claim area to ground transportation. The fee for this service is based on the airline's share of enplaned passengers at Terminal 1. In 2014 the Commission will receive a full year's revenue from this program which resulted in an approximate \$140,000 increase over the 2013 estimates.

**Concessions Rebate**

As part of the Third Amendment to the Airline Use Agreement, a provision was added to rebate to the airlines a portion (25% up to \$44.75 million, 50% above the figure for 2014) of concessions revenue for Food & Beverage, News, Retail and Auto Rental – On Airport revenue. For the 2014 budget, this rebate is projected to be \$9.8 million and does not hit the 50% threshold. The increase of \$140,000 can be attributed to higher concessions revenue in the 2014 budget.

**Terminal-2 Lobby Fees**

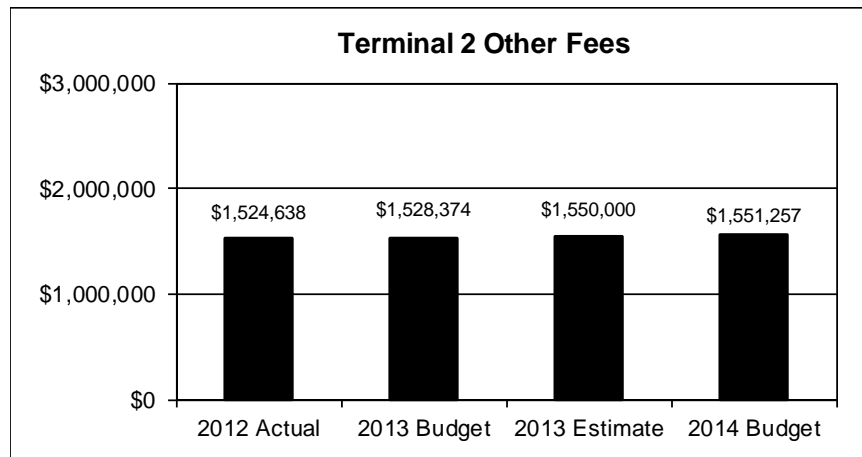
Terminal 2-Humphrey Lobby Fees are expected to increase \$510,000 or 6.0%. Lobby fees are set by MAC Ordinance in which rates are set on a budgetary basis with no true-up based on actual expenses or year-end operational activity. Each gate at Terminal 2 has a revenue cap (for 2014 the gate cap is \$795,885) by airline associated with it based upon the number of aircraft operations. MAC assumes that of the 10 gates at Terminal 2, nine of those gates will reach the revenue cap and one gate would not.



The MAC estimates the revenue derived in the non-capped gates based upon operational data obtained from historical data and from the airlines. For 2013, operational activity at Terminal 2 exceeded budgetary expectations resulting in higher than expected revenues in the non-capped revenue gates. From a budget to budget basis, the increase in lobby fees are a result of higher electrical, mechanical systems, temperature control, Police, Fire and Administration costs as well as increased operational activity.

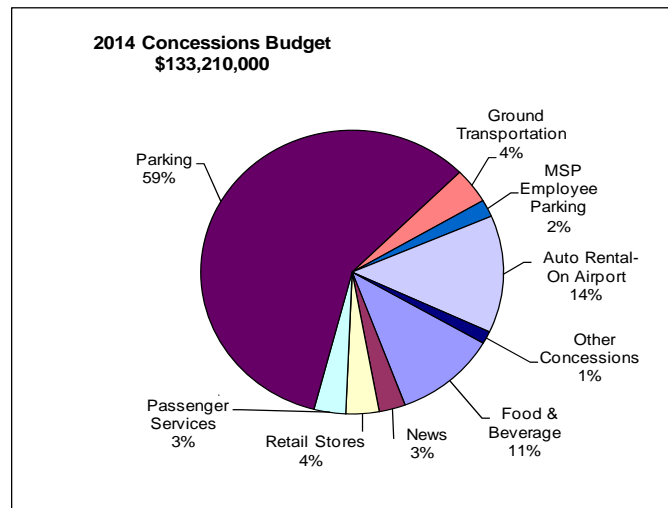
**Terminal-2 Other/Passenger Fees**

Terminal 2 Other/Passenger fee revenue is budgeted to increase \$1,300 or 0.1%. This category includes Federal Inspection Service charges for international passengers, Terminal 2 building rentals and non-signatory landing fees. As with Lobby Fees mentioned above, the rates are based on budgetary data with no year-end true up of actual expenses. For 2014 a slight increase in Terminal 2 building rates accounted for the increase over 2013 estimates.

**Concessions**

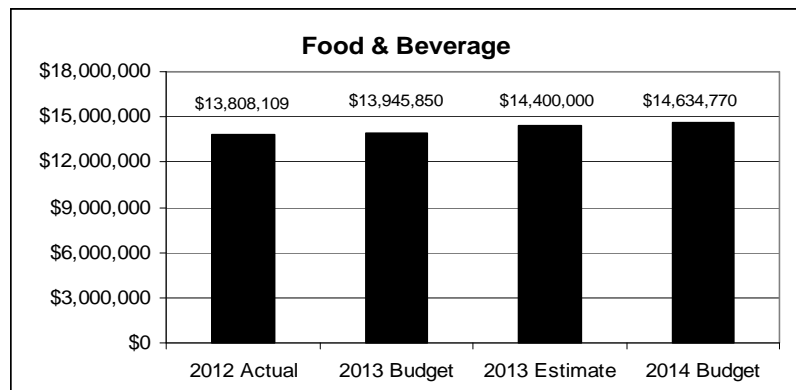
The Concessions category is \$133.2 million or 46% of total operating revenue for 2014. The rates charged for parking are approved by the Commission while ground transportation fees are authorized according to MAC Ordinances. The revenues from auto rental, food & beverage, news, retail and passenger services are based on various lease agreements, which allow the concessionaires to operate in MAC facilities. Concessions are projected to increase \$3.2 million or 2.5% from estimated 2013 levels and are based upon the following: 1) Passenger increase; 2) Increase in average spending per passenger; and 3) A full year's revenue for new concessions in Terminal 2.

Concessions Revenue (\$=000)					2013 Estimate vs 2014 Budget	
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget	Dollar Change	% Change
Concessions						
Food & Beverage	\$13,808	13,946	14,400	14,635	235	1.6%
News	3,487	3,450	3,600	3,739	139	3.9%
Retail Stores	5,120	4,817	5,000	4,728	(272)	-5.4%
Passenger Services	4,437	4,342	4,340	4,527	187	4.3%
Parking	72,621	74,417	76,000	77,926	1,926	2.5%
Ground Transportation	5,250	4,518	5,100	5,347	247	4.8%
MSP Employee Parking	2,929	2,883	2,500	2,629	129	5.2%
Auto Rental - On Airport	17,324	17,239	17,500	17,801	301	1.7%
Other Concessions	1,423	1,547	1,540	1,878	338	21.9%
<b>Total All Concessions</b>	<b>\$126,399</b>	<b>127,158</b>	<b>129,980</b>	<b>133,210</b>	<b>3,230</b>	<b>2.5%</b>



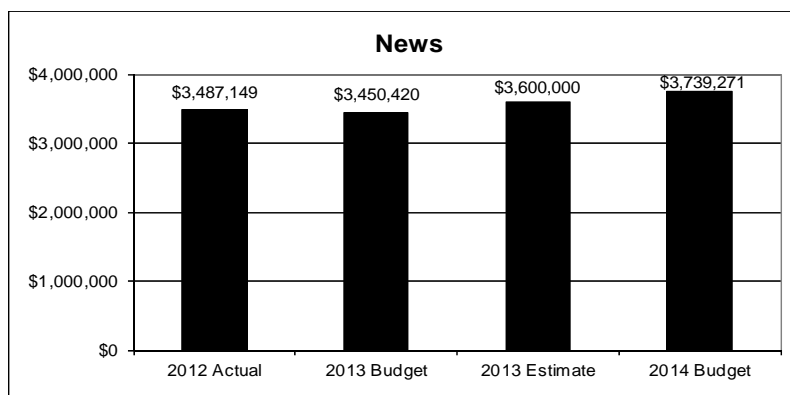
### Food & Beverage

Food & Beverage is projected to increase by \$235,000 or 1.6% from the 2013 estimate due to new concession units operating at T-2 and the reclassification of a T-1 retail space to food & beverage. 2014 is the first year these units will be operating under a direct food & beverage lease with MAC. These increases will be partially offset by the ending of pre-paid food & beverage rent amortization in 2013.



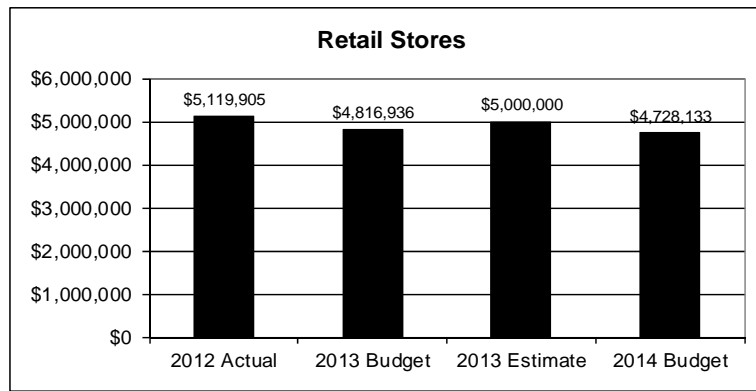
### News

News is projected to increase \$139,000 or 3.9% from the 2013 estimate and is based upon a full year's revenue from new concessions in Terminal 2 as well as the trends at the time the budget was completed.



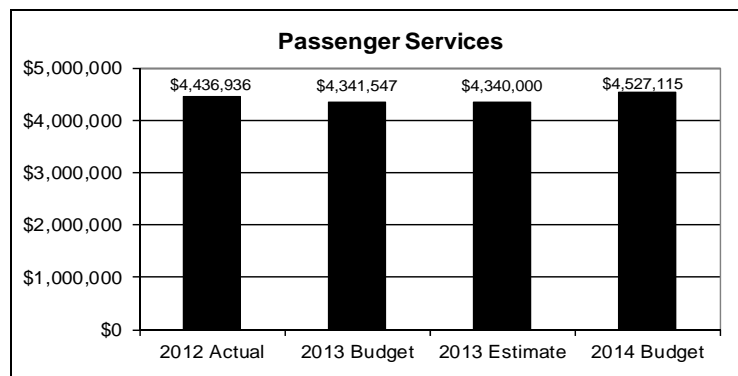
### Retail Stores

Retail is projected to decrease by \$272,000 or 5.4% from the 2013 estimate as a result of the reclassification of a T-1 retail space to food & beverage. 2014 is the first year this unit will be operating under a direct food & beverage lease with MAC.



### Passenger Services

Passenger Services are budgeted to increase \$187,000 or 4.3% from the 2013 estimate. An increase in indoor advertising revenues accounted for the majority of the increase.



### Parking

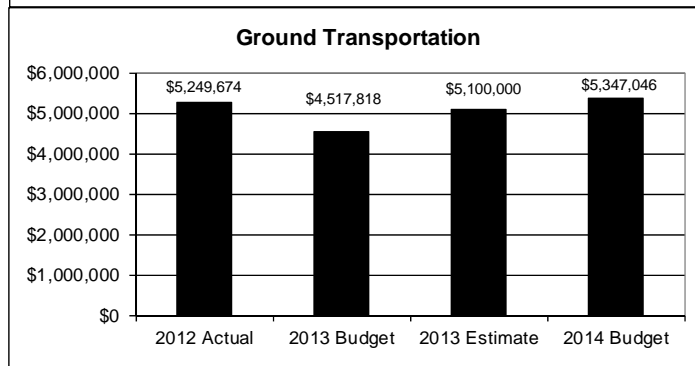
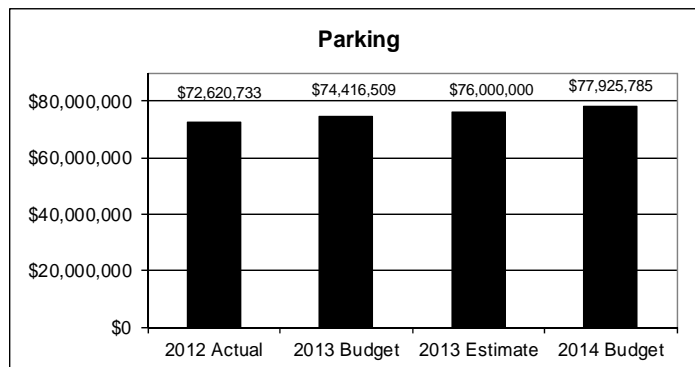
Parking is expected to increase from 2013 estimates by \$1.9 million or 2.5%. The increase in revenue is due to slightly higher passenger volumes and longer length of stays.



**Parking Facilities at T-2**

### Ground Transportation Fees

Ground Transportation fees are projected to increase \$247,000 or 4.8%. This is primarily a result of more and higher permits/trip fees expected to be issued during 2014 and higher miscellaneous revenues based on trends when the budget was completed. (These fees are set by Ordinance with an increase in individual category fees due to a combination of costs and industry utilization.)



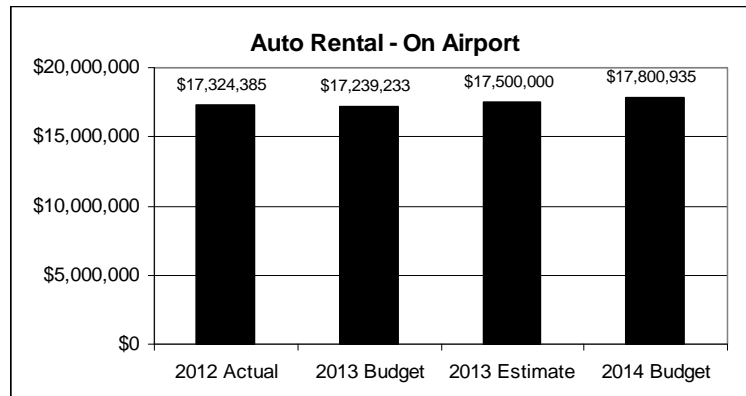


**MSP Employee Parking**

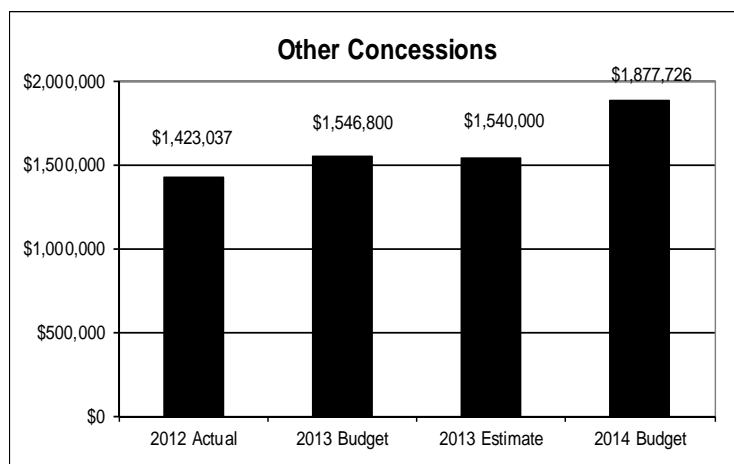
MSP Employee Parking is budgeted to increase \$129,000 or 5.2% based upon an increase in the number of parkers.

**Auto Rental – On Airport**

Auto rental fees are projected to increase 1.7% or \$301,000 from the 2013 estimates primarily due to a new lease agreement in 2013. Based on the current Auto Rental Concession Agreement, auto rental firms pay a minimum rental fee (which is a guarantee that the firm bids) plus a percentage of gross revenue above the minimum fee.

**Other Concessions**

The majority of revenue in the Other Concessions category consists of Outdoor Advertising (88% of the total or \$1.5 million). Other items in this category include In-Flite Catering, auto services, a pet boarding facility and miscellaneous concessions. Other Concessions are budgeted to increase \$338,000 from 2013 estimated levels. This is primarily due to increases in Outdoor Advertising revenues. Other revenue items in this category are expected to show minor changes from estimates.

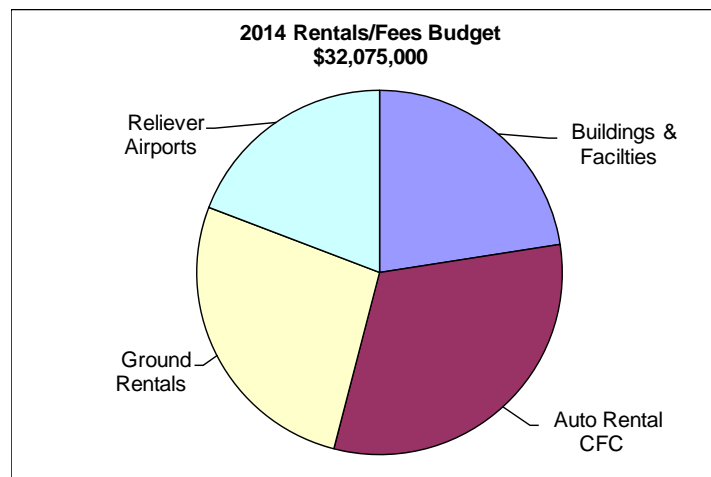
**Rentals/Fees**

Rentals/Fees are \$32.1 million or 11% of total operating revenue for 2014 and are projected to increase \$391,000 or 1.2% from 2013 estimated levels. This revenue section consists of Auto Rental-Customer Facility Charge (CFC), building rentals (non-airline), ground rental space and reliever airport fees. Ground rental

space revenues and a portion of reliever airport revenue are based on MAC Ordinances, while the remaining revenue items are based on leases and agreements. The following chart shows the revenue sources:

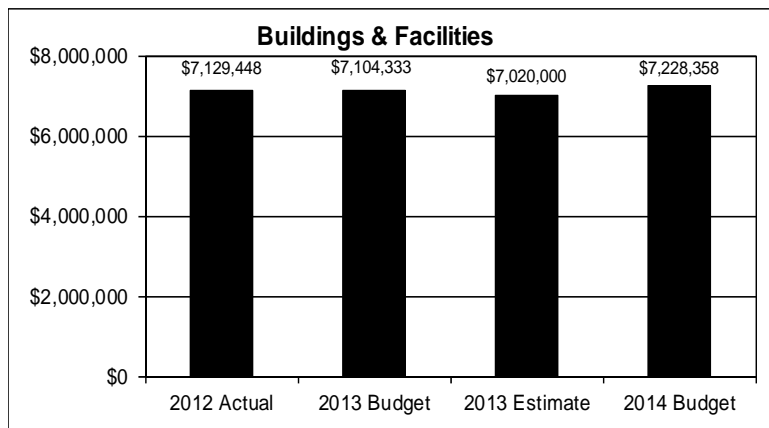
#### Rental/Fees Revenue (\$=000)

	2012 Actual	2013 Budget	2013 Estimate	2014 Budget	2013 Estimate vs 2014 Budget	
					Dollar Change	% Change
Rentals/Fees						
Buildings & Facilities	\$7,129	7,104	7,020	7,228	208	3.0%
Auto Rental CFC	6,482	10,000	10,000	10,100	100	1.0%
Ground Rentals	8,752	8,877	8,800	8,593	(207)	-2.4%
Reliever Airports	5,636	5,864	5,864	6,154	290	4.9%
<b>Total Rentals/Fees</b>	<b>\$27,999</b>	<b>31,846</b>	<b>31,684</b>	<b>32,075</b>	<b>391</b>	<b>1.2%</b>



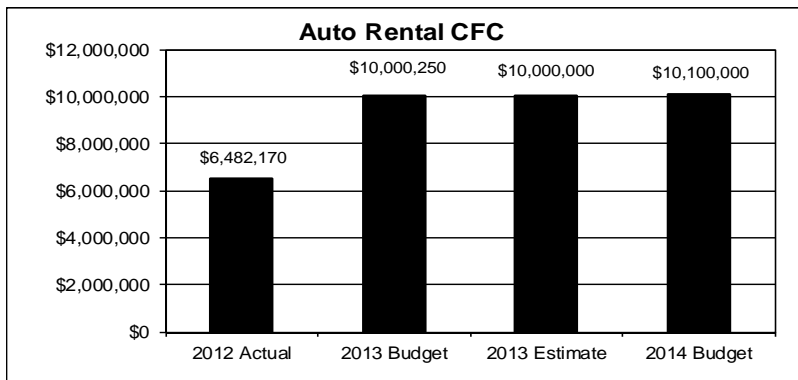
#### Building & Facilities

Building and facility rentals are projected to increase \$208,000 or 3.0% over 2013 estimates as a result of an increase in rental rates for non-airline tenants in the Lindbergh and Humphrey Terminals 1 & 2 as well as additional areas which are leased.



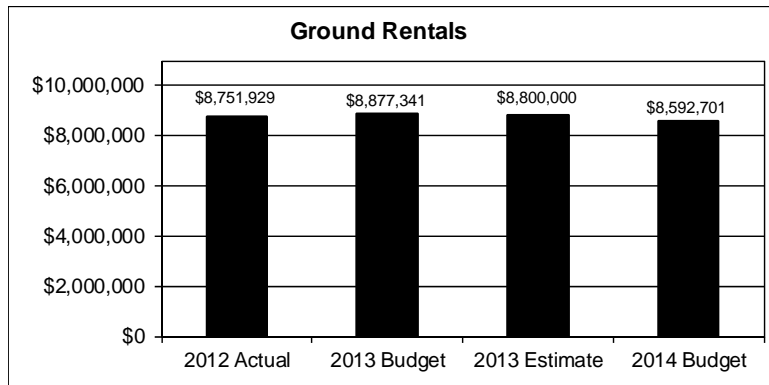
#### Auto Rental – Customer Facility Charge (CFC)

Auto Rental CFCs are budgeted to increase slightly from 2013 estimates. In 2012-2013, the Commission started construction of facilities for the Auto Rental industry at Terminal 2. The debt associated with these facilities will be recovered through an increase in the CFC charge. The current CFC charge is at \$3.25 per rental car transaction per day.



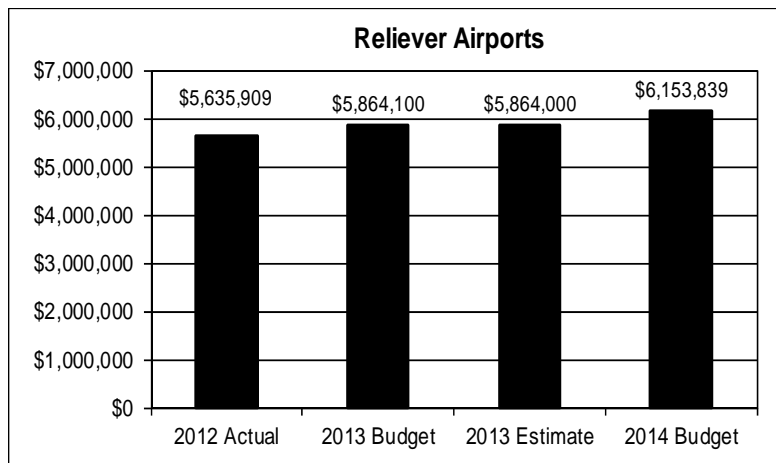
### Ground Rentals

Ground Rentals are budgeted to decrease by \$207,000 or 2.4% from 2013 estimated levels. This is a result of a lease not being renewed as well as less ground rent due to the construction of a quick turn around facility for the auto rental companies at Terminal 2.



### Reliever Airports

Reliever Airports are expected to increase \$290,000 from 2013 estimated levels based upon activity and trends at the time of the budget completion.

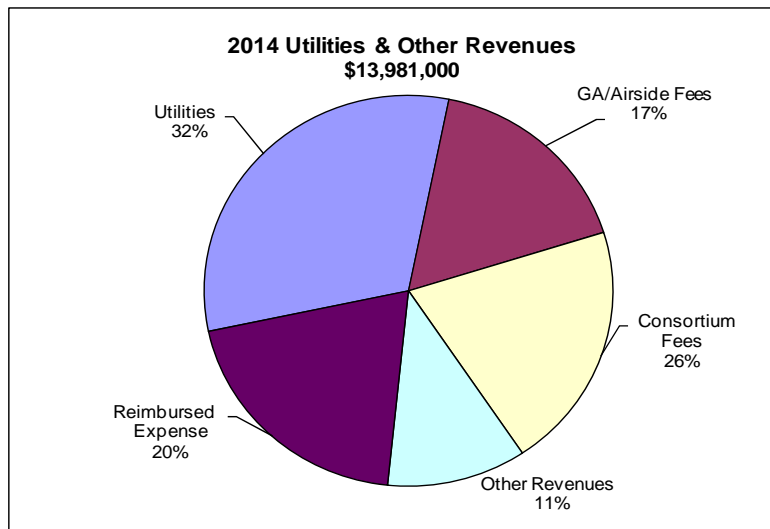


### Utilities & Other Revenue

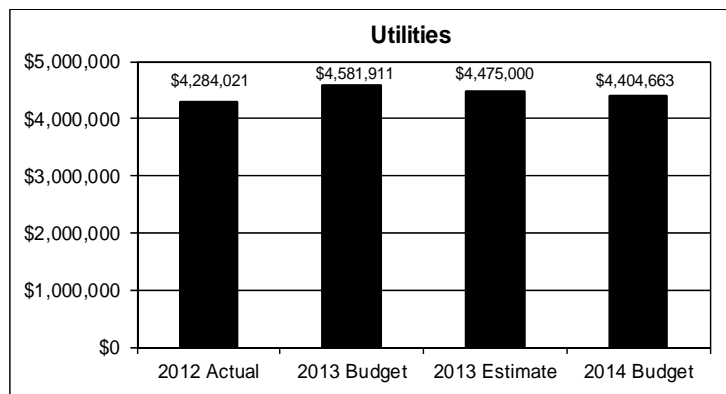
Utilities & Other Revenues are \$14.0 million or 5% of total operating revenue for 2014 and are projected to decrease \$194,000 or 1.4% from 2013 estimated levels. Included in this category are Utilities, General Aviation/Airside Fees, Consortium Fees, Other Revenues and Reimbursed Expense with the majority based upon leases and agreements.

**Utilities & Other Revenue**  
(\$=000)2013 Estimate  
vs  
2014 Budget

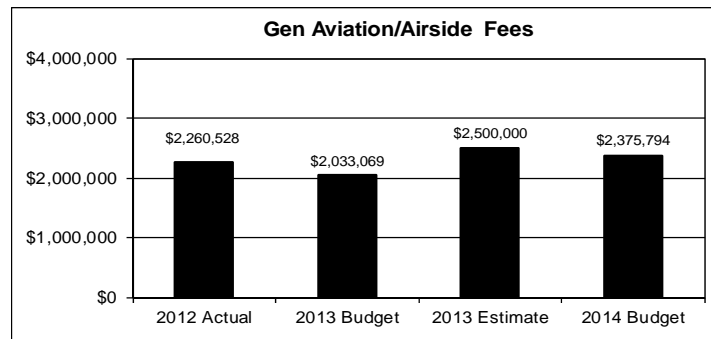
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget	Dollar Change	% Change
Utilities & Other Revenue						
Utilities	\$4,284	4,582	4,475	4,405	(70)	-1.6%
GA/Airside Fees	2,261	2,033	2,500	2,376	(124)	-5.0%
Consortium Fees	2,360	2,844	2,850	2,857	7	0.2%
Other Revenues	1,656	1,446	1,550	1,544	(6)	-0.4%
Reimbursed Expense	3,021	2,800	2,800	2,800		0.0%
<b>Total Utilities &amp; Other Rev.</b>	<b>\$13,582</b>	<b>13,705</b>	<b>14,175</b>	<b>13,981</b>	<b>(194)</b>	<b>-1.4%</b>

**Utilities**

Included in this area is water, sewer, steam (heating), chilled water (air-conditioning) and ground power. The decrease in this category of \$70,000 is due to historical consumption patterns with 2013 having higher consumption usage due to weather compared to an average year.

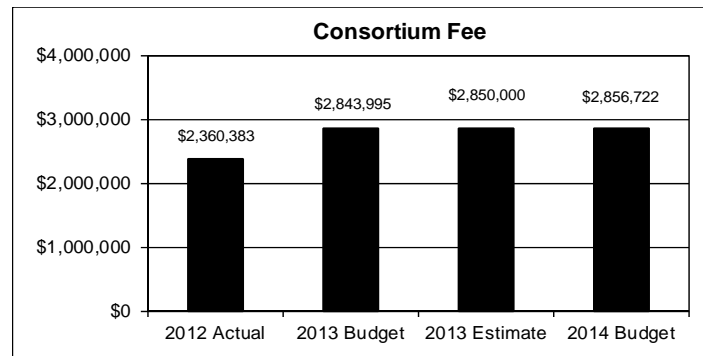
**General Aviation/Airside Fees**

This category includes general aviation landing fees, ramp fees and apron services. This category is expected to decrease \$124,000 or 5.0% as a result of lower airside fees due to higher than expected activity in 2013 as a result of weather events.



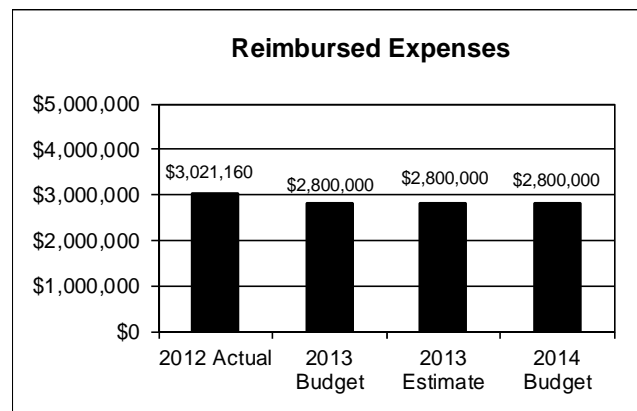
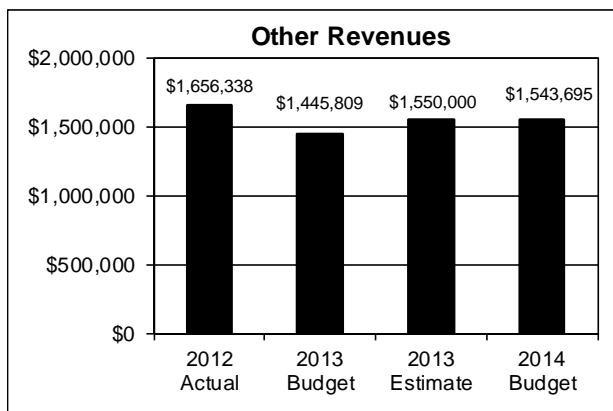
### Consortium Fees

Consortium fees are expected to remain flat in 2014. Increases in utility charges are offset by lower loading dock fees.



### Other Revenues and Reimbursed Expenses

Included in this category are parking fines, auction revenue, building permits, security badges, fuel flowage fees and miscellaneous revenues and expenses reimbursed by others. This category is expected to remain flat in 2014.

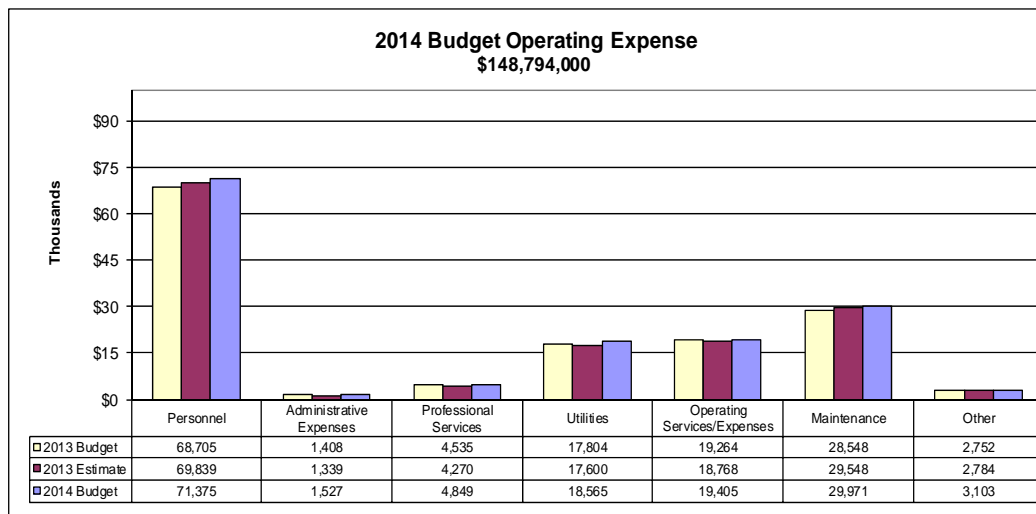
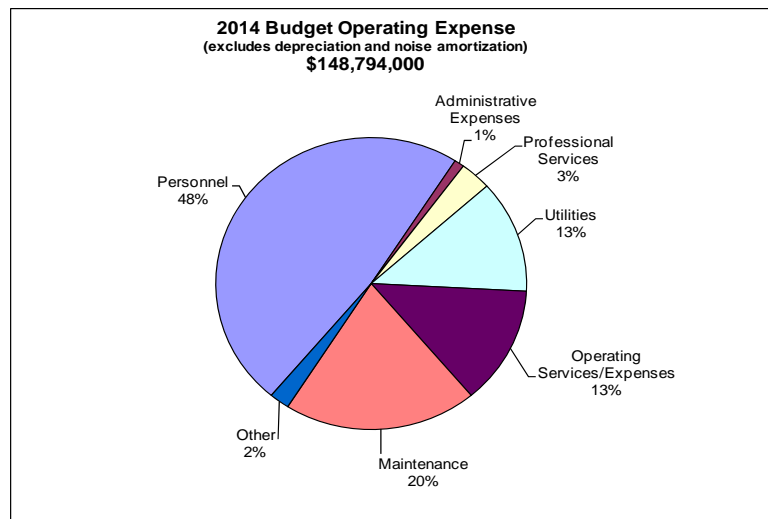


## Operating Budget Expense

Total Operating Expense for 2014 is \$148.8 million (excluding depreciation and amortization) which is an increase of \$4.6 million or 3.2% over the 2013 estimate.

The explanations prepared below compare the 2013 estimate with the 2014 budget. One item to note, the first quarter of 2013 consisted of severe winter conditions with many snow and ice events. Therefore, snow removal costs are expected to be over budget for 2013. In preparing the 2014 budget, MAC used a historical average in budgeting for snow removal costs.

2014 Budget Expense Summary (\$=000)					2013 Estimate vs 2014 Budget			
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget	Dollar Change	% Change	2015 Budget	2016 Budget
<b>EXPENSE</b>								
Personnel	68,145	68,705	69,839	71,375	1,536	2.2%	73,132	75,354
Administrative Expenses	1,561	1,408	1,339	1,527	188	14.1%	1,559	1,694
Professional Services	4,536	4,535	4,270	4,849	579	13.6%	4,895	5,178
Utilities	16,288	17,804	17,600	18,565	965	5.5%	19,454	22,372
Operating Services/Expenses	17,379	19,264	18,768	19,405	637	3.4%	20,742	21,309
Maintenance	26,052	28,548	29,548	29,971	423	1.4%	31,095	35,386
Other	2,631	2,752	2,784	3,103	319	11.4%	3,079	3,001
<b>Total Operating Expense</b>	<b>136,593</b>	<b>143,017</b>	<b>144,148</b>	<b>148,794</b>	<b>4,647</b>	<b>3.2%</b>	<b>153,956</b>	<b>164,294</b>





## 2014 Budget Operating Expense

					2013 Estimate vs 2014 Budget	
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget	Dollar Change	% Change
<b>Personnel</b>						
Salaries & Wages	45,818,969	47,253,322	47,339,000	49,143,536	1,804,536	3.8%
Benefits	22,326,324	21,451,799	22,500,000	22,231,243	(268,757)	-1.2%
<b>Total Personnel</b>	68,145,293	68,705,121	69,839,000	71,374,779	1,535,779	2.2%
<b>Administrative Expenses</b>	1,561,496	1,407,882	1,338,625	1,526,974	188,349	14.1%
<b>Professional Services</b>	4,535,927	4,535,432	4,270,302	4,849,061	578,759	13.6%
<b>Utilities</b>						
Electricity	11,413,616	12,709,961	12,500,000	13,159,903	659,903	5.3%
Heating Fuel	2,525,468	2,749,384	2,850,000	3,147,655	297,655	10.4%
Water & Sewer	1,850,273	1,804,761	1,750,000	1,758,547	8,547	0.5%
Telephones	498,988	539,787	500,000	498,719	(1,281)	-0.3%
<b>Total Utilities</b>	16,288,346	17,803,893	17,600,000	18,564,824	964,824	5.5%
<b>Operating Services/Expenses</b>						
Parking Management	5,577,654	5,973,192	5,925,000	6,230,039	305,039	5.1%
Shuttle Bus Services	757,682	778,479	780,000	787,673	7,673	1.0%
Service Agreements	6,848,921	7,792,546	7,468,500	7,800,326	331,826	4.4%
Storm Water Monitoring	1,385,737	1,574,750	1,500,000	1,405,324	(94,676)	-6.3%
Other	2,809,200	3,144,605	3,094,203	3,181,523	87,320	2.8%
<b>Total Operating Services/Expenses</b>	17,379,193	19,263,571	18,767,703	19,404,885	637,182	3.4%
<b>Maintenance</b>						
Trades	1,813,920	2,030,804	2,015,000	2,215,498	200,498	10.0%
Field	1,493,070	1,971,002	2,990,000	2,282,244	(707,756)	-23.7%
Building	10,194,093	11,124,083	10,780,000	11,621,783	841,783	7.8%
Equipment	2,571,301	2,661,900	3,000,000	2,603,129	(396,871)	-13.2%
Cleaning	9,979,202	10,760,681	10,763,000	11,248,516	485,516	4.5%
<b>Total Maintenance</b>	26,051,586	28,548,470	29,548,000	29,971,170	423,170	1.4%
<b>Other</b>						
General Insurance	1,494,648	1,696,782	1,813,000	1,877,568	64,568	3.6%
Minor Equipment	479,779	576,559	445,000	732,036	287,036	64.5%
Other	656,549	478,850	526,000	493,046	(32,954)	-6.3%
<b>Total Other</b>	2,630,976	2,752,191	2,784,000	3,102,650	318,650	11.4%
<b>Total Operating Expense</b>	<b>136,592,817</b>	<b>143,016,560</b>	<b>144,147,630</b>	<b>148,794,343</b>	<b>4,646,713</b>	<b>3.2%</b>

**Expense Assumptions and Guidelines**

The operating expense budget is based on information provided by MAC departments, utility companies, vendors and historical analysis. The expense budget projections for 2014 are based on the following assumptions and guidelines:

- MAC will continue to maintain all facilities at the standards established with our tenants and traveling public.
- MAC will provide a safe and secure airport.
- As positions in the organization become available due to retirement or separation, each vacant position will be reviewed for business need and prioritized based upon organization needs.
- The budget does include an additional 6 FTE positions. These gate agent positions, located in Terminal 2, were reclassified from a temporary status to a regular status.
- The 2014 budget continues to include two operating engineer trainee positions in the Energy Management Center (EMC) service center. The total FTE position count in the 2014 budget is temporarily at 591 until two retirements occur in the EMC, reducing the total FTE position count to 589.



**Southwest Airlines Departing T-2**

- Cost increases, such as scheduled contract increases, salary adjustments for existing organized and non-organized workforce, utility rate changes, insurance rate adjustments, etc., have been included.
- Additional costs necessary to maintain existing and new facilities have been included.
- Discretionary cost increases were considered only if offset by corresponding annual reduction in expenses, an annual increase in revenue, or was necessary for the ongoing efficient operation of the airport.
- Limit spending to the lower of 2012 actual levels or 2013 budget with a 1.5% increase or below where possible.
- Expenses are prepared on an accrual basis. This basis of accounting attempts to record financial transactions in the period they occur rather than recording them in the period they are paid. The Commission uses this method for both accounting and budgeting.
- In accordance with the strategic goal of "Assuring Financial Viability," a 3-year budget cycle for expenses is incorporated in the 2014 budget.

**Personnel**

Personnel costs will increase \$1.5 million or 2.2% over the 2013 estimates.

Personnel Expenses (\$=000)					2013 Estimate vs 2014 Budget			
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget	Dollar Change	% Change	2015 Budget	2016 Budget
<b>Personnel</b>								
Salaries & Wages	45,819	47,253	47,339	49,144	1,805	3.8%	50,131	51,573
Benefits	22,326	21,452	22,500	22,231	(269)	-1.2%	23,001	23,781
<b>Total Personnel</b>	<b>68,145</b>	<b>68,705</b>	<b>69,839</b>	<b>71,375</b>	<b>1,536</b>	<b>2.2%</b>	<b>73,132</b>	<b>75,354</b>

Major differences between the 2013 estimates and 2014 budgets are as follows:

**Salaries & Wages** – Increase of \$1.8 million or 3.8% due to the following:

- Wages – Regular – Effective January 2014, a 3% wage structure increase was included in the budget for non-organized employees. Organized employees are budgeted for a 3% wage structure increase on their effective contract dates. This increase was based on preliminary salary surveys with other government agencies at the time the budget was completed. However, since that time, salary surveys are reflecting lower increases mostly ranging between 2.0% and 2.5%. The budgeted amount does not guarantee the actual percent of increase in 2014 but will be based on relevant market surveys and contract negotiations with final approval by the Commission. Step increases for employees are also included in the 2014 budget. The 2014 budget also includes:
  - Two operating engineer trainee positions continue to be included in the budget due to hiring difficulties in this specialized licensed work area.
  - Other labor contract obligations, such as shift differentials, equipment premium pay and Labor Union 320 longevity pay, are included in the budget.
  - Open positions in 2013 resulted in a lower 2013 actual.
  - Wages were adjusted to reflect a vacancy factor to account for the time necessary to fill open positions.
  - Six Terminal 2 Gate Agents changed from temporary to regular status employees.

Full Time Equivalents					
2010 <u>Actual</u>	2011 <u>Actual</u>	2012 <u>Actual</u>	2013 <u>Budget</u>	2013 <u>Actual</u>	2014 <u>Budget</u>
563	566	564	585*	566*	591**
* includes 2 trainee positions					
^ includes 6 - T2 temporary positions to regular status					

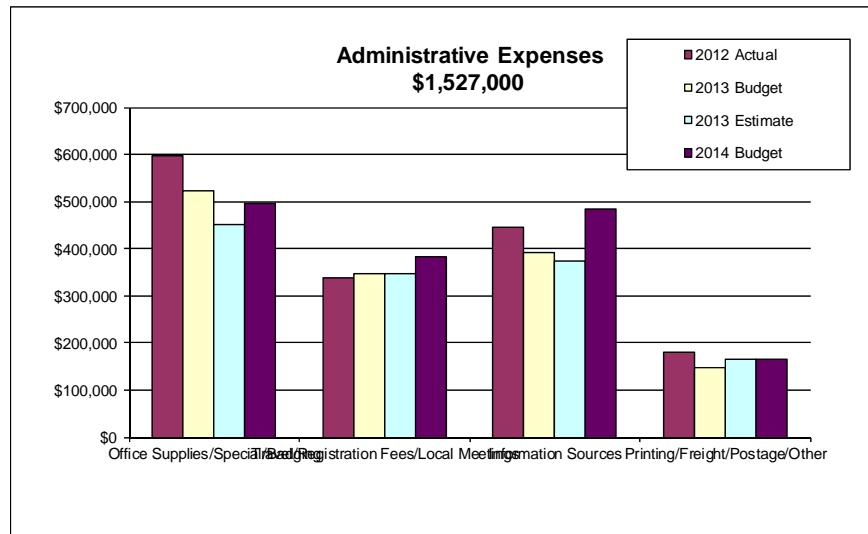
- Overtime – Regular – Increase of \$24,170 or 1.2% as a result of wage increases, work call-backs and additional overtime necessary to ensure coverage for vacations, holidays and peak time periods.
- Double-time – Decreasing from the 2013 estimate to the 2014 budget by \$290,630 or 16.9% as the first quarter of 2013 consisted of severe winter conditions with many snow and ice events. As a result, double-time costs are over budget for 2013. In preparing the 2014 budget, MAC used a historical average in budgeting for snow removal costs.
- Temps (Temporary employees) – Increase of \$113,718 or 5.0% for additional heavy equipment operators to facilitate snow removal along with temporary positions to achieve customer service and safety directives.

**Benefits** – Included in benefits are employee insurance/post retirement healthcare, retirement plans, severance, workers compensation and other miscellaneous items. This category is decreasing due to extraordinary medical claims included in the 2013 estimate. An increase for employee insurance based upon healthcare trends and compliance with the Affordable Care Act is included.

**Administrative Expenses**

Administrative Expenses are increasing \$188,000 or 14.1% with the major expenses identified in the table below:

Administrative Expenses (\$=000)	2013 Estimate vs 2014 Budget							
	2012	2013	2013	2014	2013 Estimate vs 2014 Budget		2015	2016
	Actual	Budget	Estimate	Budget	Dollar Change	% Change	Budget	Budget
Office Supplies/Special/Badging	\$ 598	\$ 524	\$ 452	\$ 495	\$ 43	9.5%	\$ 506	\$ 550
Travel/Registration Fees/Local Meeting	338	346	348	383	35	10.1%	391	424
Information Sources	446	390	375	484	109	29.2%	494	537
Printing/Freight/Postage/Other	179	147	164	165	1	0.5%	168	183
<b>Total Administrative Expenses</b>	<b>\$ 1,561</b>	<b>\$ 1,408</b>	<b>\$ 1,339</b>	<b>\$ 1,527</b>	<b>\$ 188</b>	<b>14.1%</b>	<b>\$ 1,559</b>	<b>\$ 1,694</b>



**Office Supplies/Special Supplies/Badging** – Increase of \$43,000 or 9.5% is due to a lower estimate of 2013 expenses and includes funding for software related to the streaming and taping of MAC board and committee meetings.

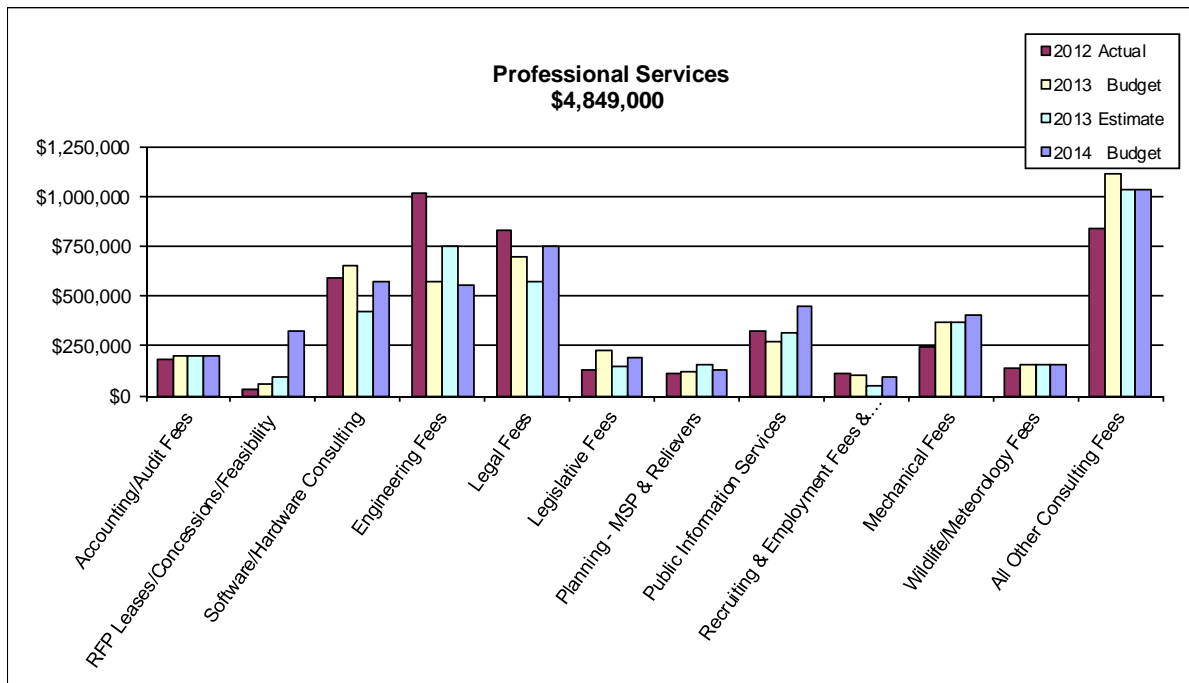
**Travel/Registration Fees/Local Meetings** – Increase in the 2014 budget is due to higher airfares, lodging costs, mileage, etc. for attending conferences and meetings. In addition, a number of staff serve on national committees that typically require out of state travel.

**Information Sources** – Increase of 29.2% or \$109,000 includes local, state and federal memberships and dues, funding for subscribing to a service that enables members of the public to get news about their particular areas of interest and a PCI (Payment Card Industry) self-assessment subscription which is mandatory for regulatory compliance.

### Professional Services

Professional Services have increased \$579,000 or 13.6% from 2013 estimates.

Professional Services (\$=000)	2013 Estimate vs 2014 Budget							
	2012	2013	2013	2014	2014 Budget		2015	2016
	Actual	Budget	Estimate	Budget	Dollar	%	Budget	Budget
Accounting/Audit Fees	\$ 183	\$ 196	\$ 196	\$ 200	\$ 4	1.8%	\$ 210	\$ 220
RFP Leases/Concessions/Feasibility	28	56	92	323	231	251.4%	140	140
Software/Hardware Consulting	587	652	425	571	146	34.3%	700	750
Engineering Fees	1,014	572	750	557	(193)	-25.8%	600	650
Legal Fees	831	700	576	749	173	30.0%	760	772
Legislative Fees	131	230	150	191	41	27.6%	227	236
Planning - MSP & Relievers	113	120	155	125	(30)	-19.4%	143	152
Public Information Services	327	270	315	446	131	41.6%	350	448
Recruiting & Employment Fees & Other Human Resources	113	102	49	93	44	89.3%	95	100
Mechanical Fees	241	369	370	401	31	8.4%	407	419
Wildlife/Meteorology Fees	134	155	155	159	4	2.7%	163	166
All Other Consulting Fees	835	1,113	1,037	1,034	(3)	-0.3%	1,100	1,125
<b>Total Professional Services</b>	<b>\$4,536</b>	<b>\$4,535</b>	<b>\$4,270</b>	<b>\$4,849</b>	<b>\$ 579</b>	<b>13.6%</b>	<b>\$4,895</b>	<b>\$5,178</b>



The following combination of changes in Professional Services explains the increase.

**RFP Leases/Concessions/Feasibility Studies** – Increase of \$231,000 is due primarily to RFP (Request for Proposal) for Concessions leases and land appraisal services for ground rent ordinances and Reliever parcel appraisals.

**Software/Hardware Consulting Fees** – Increase of \$146,000 or 34.3% from the 2013 estimate is due to developing an open source model for MACNOMS; and in 2013 more focus was placed in consulting fees associated with the Capital Improvement Program.

**Legal Fees** – Projected to increase \$173,000 or 30.0% from the 2013 estimate based upon 3-year averages. Legal expenses for 2013 were below 3-year averages.

**Legislative Fees** – Increase of \$41,000 or 27.6% due to lower than average estimates for 2013.

**Public Information Services** – An increase of \$131,000 or 41.6% is for the following:

- Hire technicians to handle streaming, taping and production of Commission meetings
- Develop MAC webcasts regarding environmental issues and other public interest topics
- Solicit and analyze community feedback regarding MAC and its airports
- Develop and update public safety and security videos
- Create video content for the series of monitors to be installed in the renovated General Offices lobby, which can be repurposed for social media and MAC web sites

**Recruiting & Employment Fees and Other Human Resources** – Recruiting fees increased \$44,000 or 89.3% for the anticipated turnover of senior positions that did not occur in 2013.

**Mechanical Fees** – An increase in mechanical fees of \$31,000 or 8.4% is attributed to increasing the scope of roof surveys for MSP and all Reliever Airports along with an asbestos survey (and oversight of removal).



**Terminal 2 - Humphrey Terminal**

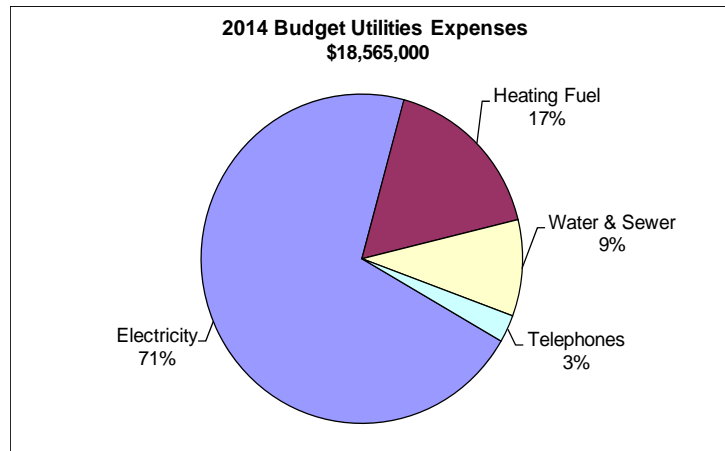


## **Utilities**

Total Utilities are budgeted to increase \$965,000 or 5.5% over 2013 estimates and are explained as follows:

<b>Utilities Expense</b> (\$=000)	<b>2013 Estimate vs 2014 Budget</b>							
	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2013 Estimate</b>	<b>2014 Budget</b>	<b>Dollar Change</b>	<b>% Change</b>	<b>2015 Budget</b>	<b>2016 Budget</b>
<b>Utilities</b>								
Electricity	11,414	12,710	12,500	13,160	660	5.3%	13,844	15,536
Heating Fuel	2,525	2,749	2,850	3,148	298	10.4%	3,316	4,566
Water & Sewer	1,850	1,805	1,750	1,759	9	0.5%	1,800	1,768
Telephones	499	540	500	499	(1)	-0.3%	494	502
<b>Total Utilities</b>	<b>16,288</b>	<b>17,804</b>	<b>17,600</b>	<b>18,565</b>	<b>965</b>	<b>5.5%</b>	<b>19,454</b>	<b>22,372</b>





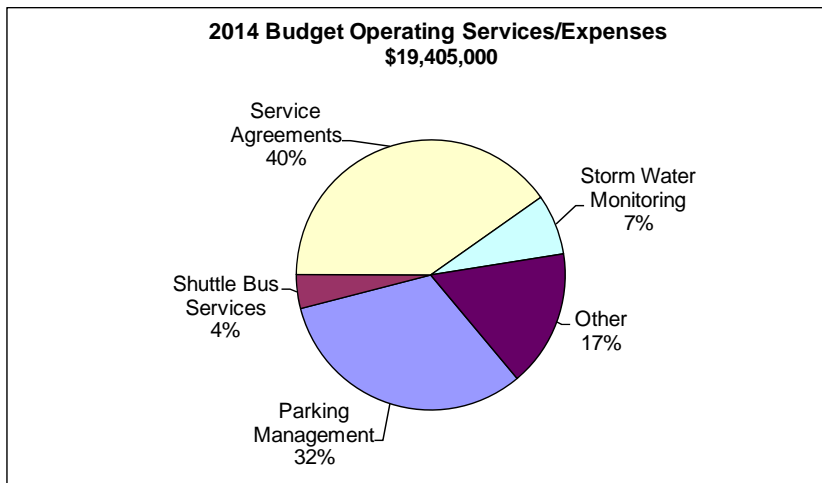
**Electricity** –The increase in electricity of \$660,000 or 5.3% is based upon the forecast provided by the utility company and an outside consultant. The increase in electricity is due to an increase in rates and to a new data center facility that became operational in 2013.

**Natural Gas-Heating Fuel** – An increase in heating fuel of 10.4% or \$298,000 is a result of higher natural gas prices, consumption of heating fuel and a full year's operation of a new data center facility.

### Operating Services/Expenses

Operating Service expenses are increasing \$637,000 million or 3.4%. The following chart lists the major components in this category.

Operating Services/Expenses (\$=000)	2013 Estimate vs 2014 Budget							
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget	Dollar Change	% Change	2015 Budget	2016 Budget
<b>Operating Services/Expenses</b>								
Parking Management	5,578	5,973	5,925	6,230	305	5.1%	6,417	6,609
Shuttle Bus Services	758	778	780	788	8	1.0%	799	811
Service Agreements	6,849	7,793	7,469	7,800	332	4.4%	8,072	8,323
Storm Water Monitoring	1,386	1,575	1,500	1,405	(95)	-6.3%	1,433	1,462
Other	2,809	3,145	3,094	3,182	87	2.8%	4,020	4,103
<b>Total Operating Services/Expenses</b>	<b>17,379</b>	<b>19,264</b>	<b>18,768</b>	<b>19,405</b>	<b>637</b>	<b>3.4%</b>	<b>20,742</b>	<b>21,309</b>



**Parking Management** – The parking management contract is increasing 5.1% or \$305,000 primarily due to contractual pay increases and costs resulting from increased frequency of diverting parkers to T-2 ramps when T-1 ramps are at capacity. A RFP (Request for Proposal) for the parking contract is scheduled for late 2013.



**Metropolitan Airports Commission  
General Office**

**Service Agreements** – Service agreements are increasing 4.4% or \$332,000 primarily due to added maintenance, support costs, and renewal price increases for software and hardware.

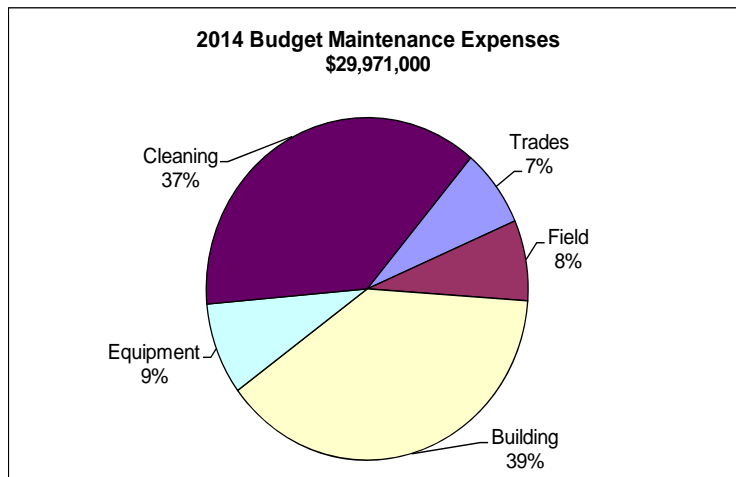
**Storm Water Monitoring** – Decreased \$95,000 or 6.3% and is based upon historical amounts, as well as capital improvements, which improves the efficiency of how storm water is collected and treated.

**Other** – The budget for Other expenses has increased 2.8% or \$87,000 primarily due to a full year of the porter service on baggage claim (a Customer Service Action Council (CSAC) initiative for \$140,000.

## **Maintenance**

This category has five components: Trades (Painters, Carpenters, Electricians and Plumbers); Field (Snow Removal, Summer Maintenance and Landscaping); Building (Carrousel/Conveyors, Elevators/Escalators, Moving Walks and Automated People Mover); Equipment (Parts, Shop Supplies and Gas); and Cleaning (Janitorial, Windows, Cleaning Supplies and Rubbish Removal). Total maintenance will increase 1.4% or \$423,000 over 2013 estimates.

Maintenance Expense (\$=000)					2013 Estimate vs 2014 Budget			
	2012 Actual	2013 Budget	2013 Estimate	2014 Budget	Dollar Change	% Change	2015 Budget	2016 Budget
<b>Maintenance</b>								
Trades	1,814	2,031	2,015	2,215	200	10.0%	2,376	2,560
Field	1,493	1,971	2,990	2,282	(708)	-23.7%	2,414	2,543
Building	10,194	11,124	10,780	11,622	842	7.8%	12,034	14,184
Equipment	2,571	2,662	3,000	2,603	(397)	-13.2%	2,687	2,804
Cleaning	9,979	10,761	10,763	11,249	486	4.5%	11,586	13,295
<b>Total Maintenance</b>	<b>26,052</b>	<b>28,548</b>	<b>29,548</b>	<b>29,971</b>	<b>423</b>	<b>1.4%</b>	<b>31,095</b>	<b>35,386</b>



**Trades** – Trades increased \$200,000 or 10.0% for electrical supplies related to the biennial replacement of parking ramp lamps and budgeting for an average winter of field lighting and sensor repairs.

**Field** – Field costs include snow removal, summer maintenance and landscaping. Snow removal costs make up a majority of this \$2.3 million budget. Field maintenance expenses are budgeted for snow removal costs associated with an average winter. The estimate for 2013 reflects higher expenses related to the above average winter in 2013.



**MAC High Speed Plows in Action**

**Building** – Building expenses are budgeted to increase \$842,000 or 7.8% and is due to the following:

- Increase in Mechanical areas (people movers) of \$100,000 due to contractual increases.
- Increase of \$25,000 for Jet Bridge repairs at Terminal 2.
- Increase of \$30,000 for Building Temp Control expenses as equipment has been added along with aging, older equipment that requires more maintenance.
- In late 2013, the Commission completed construction and installation of a Checked Baggage Inspection System, which replaces each airline's outbound baggage systems. The Commission will be responsible for the maintenance of the baggage system and will charge the airlines (based on the number of bags processed) the full cost of maintaining the baggage system estimated at \$650,000.

**Equipment** – This area is budgeted to decrease \$397,000 or 13.2%. This category is also related to winter weather. As stated previously, 2013 was an above average winter. As a result, more fuel was consumed to run snow removal equipment as well as heavier than normal use of equipment requiring more repairs and parts. The 2014 budget was prepared on a 5-year winter average basis.

**Cleaning** – Cleaning expenses are budgeted to increase \$486,000 or 4.5%. The increase is a result of an annual contractual increase and increased frequencies of jet bridge and restroom cleanings at Terminal 2 due to increased passenger traffic.

### **Other**

The Other expense category is projected to increase \$319,000 or 11.4%. This category includes General Insurance, Minor Assets (those costing less than \$10,000) and miscellaneous items.

The following table identifies the changes in the three major components:

<b>Other Expenses</b> (\$=000)		<b>2013 Estimate vs 2014 Budget</b>						
	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2013 Estimate</b>	<b>2014 Budget</b>	<b>Dollar Change</b>	<b>% Change</b>	<b>2015 Budget</b>	<b>2016 Budget</b>
<b>Other</b>								
General Insurance	1,495	1,697	1,813	1,878	65	3.6%	1,934	1,992
Minor Equipment	480	577	445	732	287	64.5%	628	482
Other	657	479	526	493	(33)	-6.3%	517	527
<b>Total Other</b>	<b>2,631</b>	<b>2,752</b>	<b>2,784</b>	<b>3,103</b>	<b>319</b>	<b>11.4%</b>	<b>3,079</b>	<b>3,001</b>

**General Insurance** – General Insurance has increased \$65,000 or 3.6%. The insurance market is based upon factors worldwide (losses under the deductible, litigation costs, history of cost and inflationary factors). The cost increase for airport liability is for excess coverage as well as the increase of the value of equipment covered.

**Minor Equipment** – Minor equipment is increasing by \$287,000 or 64.5%. A number of the Commission's computers, which were purchased 8 to 10 years ago, require replacement to operate current software. The increase also includes the replacement of several Automatic External Defibrillators (AED's) as the current ones will no longer be supported for service and parts. In addition, multiple sections of fire hoses have failed annual hose testing and have been removed from service.

### **Subledger Report**

Rates and Charges revenue collected from the airlines are governed by the Airline Use Agreement. Other revenue collections are dictated by the lease or ordinance. Expenses are key factors in determining revenue. The subledger report, as follows, details the expenses by line item within each subledger category that determines the calculations of the various rates and charges.

## 2014 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/ Landside	Parking Facilities
<b>Personnel</b>									
<b>Wages</b>									
Regular	43,367,306	670,912	-	1,384,542	-	-	-	1,620,135	-
<b>Overtime/Doubletime</b>									
Doubletime - Regular	1,433,061	-	-	86,443	-	-	-	-	-
Overtime - Regular	2,107,166	1,459	-	39,681	-	-	-	55,892	-
<b>Total Overtime/Doubletime</b>	<b>3,540,227</b>	<b>1,459</b>	<b>-</b>	<b>126,124</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55,892</b>	<b>-</b>
Commissioner PerDiem	14,000	-	-	-	-	-	-	-	-
<b>Temps</b>									
Temps - Agency	49,324	-	-	-	-	-	-	-	-
Temps - Non Agency	2,172,679	-	-	-	-	883,774	-	197,540	-
<b>Total Temps</b>	<b>2,222,003</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>883,774</b>	<b>-</b>	<b>197,540</b>	<b>-</b>
<b>Total Wages</b>	<b>49,143,536</b>	<b>672,370</b>	<b>-</b>	<b>1,510,666</b>	<b>-</b>	<b>883,774</b>	<b>-</b>	<b>1,873,567</b>	<b>-</b>
<b>Benefits</b>									
<b>Employee Insurance</b>									
Employee Insurance Dental	541,640	12,303	-	16,925	-	-	-	21,547	-
Employee Insurance Disability	153,836	2,637	-	5,553	-	-	-	6,044	-
Employee Insurance Life	85,267	1,346	-	2,720	-	-	-	3,026	-
Employee Insurance Medical	5,516,466	124,641	-	171,467	-	29,031	-	218,294	-
Employee Insurance Retiree	2,326,130	53,000	-	75,600	-	-	-	91,800	-
<b>Total Employee Insurance</b>	<b>8,623,339</b>	<b>193,927</b>	<b>-</b>	<b>272,265</b>	<b>-</b>	<b>29,031</b>	<b>-</b>	<b>340,711</b>	<b>-</b>
<b>Pension</b>									
Fica (Social Security)Base	2,210,956	38,727	-	89,513	-	54,794	-	109,308	-
Fica(Social Security)Medic	677,555	9,200	-	21,169	-	11,047	-	25,677	-
Mpls Empl Retirement Fund	42,267	-	-	-	-	-	-	-	-
Public Empl - Coordinated	2,645,491	48,316	-	109,523	-	50,018	-	134,393	-
Public Empl - Police/Fire	1,677,918	-	-	-	-	-	-	-	-
Merf Unfunded Liability	1,957,717	88,987	-	38,138	-	-	-	12,713	-
<b>Total Pension</b>	<b>9,211,904</b>	<b>185,231</b>	<b>-</b>	<b>258,342</b>	<b>-</b>	<b>115,859</b>	<b>-</b>	<b>282,091</b>	<b>-</b>
<b>Training</b>									
Continuing Ed (College)	67,255	-	-	-	-	-	-	-	-
Executive Leadership Train	15,000	-	-	-	-	-	-	-	-
Management Requirement	7,600	-	-	-	-	-	-	-	-
Organizational Requirement	43,235	-	-	-	-	-	-	-	-
Regulatory Requirements	76,734	-	-	-	-	-	-	-	-
Local Seminars	95,941	-	-	10	-	-	-	2,200	-
<b>Total Training</b>	<b>305,765</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,200</b>	<b>-</b>
Post Retirement Benefits	2,100,000	28,560	-	54,810	-	-	-	57,120	-
Workers Compensation	583,001	13,934	-	16,967	-	-	-	28,917	-
Post Empl Health Plan	244,218	3,518	-	1,679	-	-	-	9,814	-
Flex Spending	40,000	-	-	-	-	20,000	-	-	-
Unemployment Tax	90,000	-	-	-	-	-	-	-	-
<b>Uniforms</b>									
Uniforms-Police/Fire Allow	160,092	-	-	-	-	-	-	-	-
Uniforms-Rental	49,621	700	-	1,911	-	-	-	4,316	-
Uniforms - Safety	34,842	300	-	2,030	-	-	-	-	-
<b>Total Uniforms</b>	<b>244,555</b>	<b>1,000</b>	<b>-</b>	<b>3,941</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,316</b>	<b>-</b>
<b>Severance</b>									
Contract Allowance	7,285	-	-	-	-	-	-	-	-
Regular Severance	140,674	1,512	-	1,979	-	-	-	3,082	-
<b>Total Severance</b>	<b>147,959</b>	<b>1,512</b>	<b>-</b>	<b>1,979</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,082</b>	<b>-</b>
Trade Union Benefits	640,502	-	-	-	-	-	-	-	-
<b>Total Benefits</b>	<b>22,231,243</b>	<b>427,681</b>	<b>-</b>	<b>609,993</b>	<b>-</b>	<b>164,890</b>	<b>-</b>	<b>728,251</b>	<b>-</b>
<b>Total Personnel</b>	<b>71,374,779</b>	<b>1,100,052</b>	<b>-</b>	<b>2,120,659</b>	<b>-</b>	<b>1,048,663</b>	<b>-</b>	<b>2,601,818</b>	<b>-</b>

## 2014 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/ Landside	Parking Facilities
<b>Administrative Expenses</b>									
<b>Supplies</b>									
Office Supplies Materials	134,253	3,000	-	1,223	-	4,000	-	12,084	-
<b>Computer Supplies</b>									
Computer Supplies-General	55,686	31	-	682	-	-	-	-	1,000
Computer Supplies-Software	141,662	-	-	-	-	-	-	8,613	5,000
Computer - Tools	1,850	-	-	-	-	-	-	-	-
<b>Total Computer Supplies</b>	199,198	31	-	682	-	-	-	8,613	6,000
<b>Special Supplies</b>									
Special Supplies-Badging	89,178	-	-	-	-	-	-	-	-
Special Supply-Film/Photo	15,795	-	-	-	-	-	-	-	-
Special Supplies-Other	56,587	-	-	1,466	-	5,017	-	-	-
<b>Total Special Supplies</b>	161,560	-	-	1,466	-	5,017	-	-	-
<b>Total Supplies</b>	495,011	3,031	-	3,371	-	9,017	-	20,697	6,000
<b>Travel</b>									
Travel - Lodging	100,987	816	-	-	-	6,842	-	6,000	-
Travel - Meals	19,094	122	-	-	-	680	-	1,060	-
Travel - Miscellaneous	1,864	-	-	-	-	-	-	-	-
<b>Travel - Transportation</b>									
Travel - Transport/Airfare	101,131	300	-	-	-	4,640	-	3,990	-
Travel - Shuttle/Taxi/Auto	7,521	-	-	-	-	-	-	315	-
<b>Total Travel - Transportation</b>	108,652	300	-	-	-	4,640	-	4,305	-
Registration Fees	80,445	445	-	-	-	4,100	-	3,900	-
Mileage	45,902	240	-	-	-	-	-	-	-
<b>Total Travel</b>	356,945	1,923	-	-	-	16,262	-	15,265	-
<b>Other Administrative Expense</b>									
<b>Local Meetings</b>									
Local Mtgs - Off Airport	11,015	200	-	-	-	-	-	-	-
Local Mtgs - On Airport/GO	14,787	250	-	-	-	600	-	105	-
<b>Total Local Meetings</b>	25,802	450	-	-	-	600	-	105	-
<b>Information Sources</b>									
Memberships/Dues/Pro Assoc	261,417	450	-	-	-	225	-	2,200	-
Other Information Sources	147,680	-	-	977	-	-	-	-	-
Publications/Subscriptions	75,291	300	-	-	-	60	-	-	-
<b>Total Information Sources</b>	484,388	750	-	977	-	285	-	2,200	-
<b>Printing Costs</b>									
Printing-Publications	49,834	-	-	-	-	-	-	-	-
Printing - Color Charts	4,253	-	-	-	-	-	-	-	-
Printing - Forms	35,531	-	-	-	-	-	-	27,697	-
Printing-Stationary/Envel	14,371	-	-	-	-	-	-	-	-
<b>Total Printing Costs</b>	103,989	-	-	-	-	-	-	27,697	-
Delivery Services	7,141	-	-	166	-	-	-	-	-
Freight Charges	2,399	-	-	-	-	-	-	-	-
Postage	39,300	-	-	-	-	-	-	5,575	-
Strategic Planning-Admin	12,000	-	-	-	-	-	-	-	-
<b>Total Other Administrative Expense</b>	675,019	1,200	-	1,143	-	885	-	35,577	-
<b>Total Administrative Expenses</b>	1,526,974	6,154	-	4,514	-	26,164	-	71,539	6,000



## 2014 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/ Landside	Parking Facilities
<b>Professional Services</b>									
Accounting/Audit Fees	199,500	-	-	-	-	-	-	-	-
Appraisals	200,000	-	-	-	-	-	-	-	-
RFP/Leases	95,300	-	-	-	-	-	-	-	-
Concept Develop/Feasible	28,000	-	-	-	-	-	-	-	-
<b>Computer Services</b>									
<b>General</b>									
ANOMS Consulting	111,985	-	-	-	-	-	-	-	-
Software Consulting	458,613	-	-	-	-	-	-	-	8,613
<b>Total General</b>	<b>570,598</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,613</b>
<b>Total Computer Services</b>	<b>570,598</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,613</b>
Engineering Fees	556,735	71,500	-	42,735	-	335,000	-	-	-
Insurance Consultants	136,500	-	-	-	-	-	-	-	-
<b>Legal Fees</b>									
Legal - Environmental	92,000	-	-	-	-	-	-	-	-
Legal - General	642,000	-	-	-	-	-	-	-	-
Legal - Relievers	15,000	-	-	-	-	-	-	-	-
<b>Total Legal Fees</b>	<b>749,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Legislative</b>									
Legislative - Local	91,350	-	-	-	-	-	-	-	-
Legislative - National	100,000	-	-	-	-	-	-	-	-
<b>Total Legislative</b>	<b>191,350</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Medical Fees	38,008	-	-	-	-	-	-	-	-
<b>Planning</b>	<b>125,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
Pollution/Environmental Fees	4,626	-	-	-	-	-	-	-	-
<b>Public Information</b>									
Public Infor Serv. - Photo	13,302	-	-	-	-	-	-	-	-
Public Infor Serv. - Web	70,511	-	-	-	-	-	-	-	-
Public Infor Serv. - Other	345,526	-	-	-	-	-	-	-	-
<b>Total Public Information</b>	<b>429,339</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Recruiting Expenses</b>									
Recruiting Employment Fees	47,732	-	-	-	-	-	-	-	-
Staff Recruiting	495	-	-	-	-	-	-	-	-
Executive Recruiting	44,514	-	-	-	-	-	-	-	-
<b>Total Recruiting Expenses</b>	<b>92,741</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Safety Consultants</b>									
Safety - Training	31,600	-	-	-	-	-	-	-	-
Safety - General	6,000	-	-	-	-	-	-	-	-
<b>Total Safety Consultants</b>	<b>37,600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Miscellaneous Expenses</b>									
<b>Survey Expense</b>	<b>16,920</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Wildlife/Meteorology</b>									
Meteorology	21,000	-	-	-	-	-	-	-	-
Wildlife	138,277	-	-	-	-	-	-	-	-
<b>Total Wildlife/Meteorology</b>	<b>159,277</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Business Development	137,000	-	-	-	-	-	-	-	-
Environmental	66,000	-	-	-	-	-	-	-	-
<b>Mechanical</b>									
Mechanical Other	932	-	-	-	-	932	-	-	-
Mechanical Terminal	227,139	185,011	-	-	-	-	-	-	-
Mechanical Trades	172,931	-	-	-	-	-	-	-	-
<b>Total Mechanical</b>	<b>401,002</b>	<b>185,011</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>932</b>	<b>-</b>	<b>-</b>	<b>-</b>
Miscellaneous	574,565	-	-	-	-	14,522	-	20,000	-
Strategic Planning-Professiona	40,000	-	-	-	-	-	-	-	-
<b>Total Miscellaneous Expenses</b>	<b>1,394,764</b>	<b>185,011</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,454</b>	<b>-</b>	<b>20,000</b>	<b>-</b>
<b>Total Professional Services</b>	<b>4,849,061</b>	<b>256,511</b>	<b>-</b>	<b>42,735</b>	<b>-</b>	<b>390,454</b>	<b>-</b>	<b>20,000</b>	<b>8,613</b>
<b>Utilities</b>									
Electricity	13,159,903	7,676,401	-	-	-	929,640	-	766,203	611,786
Heating Fuel	3,147,655	253,735	-	2,067,470	-	20,476	-	16,635	6,768
Sewer	802,668	161,973	-	20,526	-	29,054	63	28	5,277
Water	955,879	280,782	-	79,670	-	5,489	44	17,507	11,861
<b>Telephone</b>									
Telephone - Regular	183,150	-	-	-	-	-	-	-	-
Telephone - Internet Service	98,320	-	-	-	-	-	-	-	-
Telephone - Cellular	217,249	5,703	-	4,043	-	4,000	-	7,097	-
<b>Total Telephone</b>	<b>498,719</b>	<b>5,703</b>	<b>-</b>	<b>4,043</b>	<b>-</b>	<b>4,000</b>	<b>-</b>	<b>7,097</b>	<b>-</b>
<b>Total Utilities</b>	<b>18,564,824</b>	<b>8,378,594</b>	<b>-</b>	<b>2,171,709</b>	<b>-</b>	<b>988,659</b>	<b>107</b>	<b>807,470</b>	<b>635,692</b>

## 2014 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/ Landside	Parking Facilities
<b>Operating Services/Expenses</b>									
<b>Advertising</b>									
Advertising - Employment	1,238	-	-	-	-	-	-	-	-
<b>Advertising - General</b>	76,832	-	-	-	-	-	-	-	-
Advertising - Parking	373,747	-	-	-	-	-	-	-	373,747
Advertising - Relievers	6,305	-	-	-	-	-	-	-	-
<b>Total Advertising</b>	458,122	-	-	-	-	-	-	-	373,747
<b>Environmental Control</b>									
<b>Hazardous Waste</b>									
Hazardous Waste - FLOuresc	16,000	-	-	-	-	-	-	-	-
Hazardous Waste - General	1,000	-	-	-	-	-	-	-	-
<b>Total Hazardous Waste</b>	17,000	-	-	-	-	-	-	-	-
<b>Pollution Control</b>									
Pollution Ctrl-Booms	13,000	-	-	-	-	-	-	-	-
Pollution Ctrl-Corn Cobs	6,000	-	-	-	-	-	-	-	-
<b>Total Pollution Control</b>	19,000	-	-	-	-	-	-	-	-
Industrial Waste Mgmt	1,667	-	-	-	-	1,667	-	-	-
Laboratory Services	3,500	-	-	-	-	-	-	-	-
Solvent Reclamation Service	11,926	-	-	-	-	-	-	-	-
Tire Disposal	400	-	-	-	-	-	-	-	-
Other	133,650	-	-	-	-	-	-	-	-
<b>Total Environmental Control</b>	187,143	-	-	-	-	1,667	-	-	-
GISW Management	1,405,324	3,031	-	-	-	1,325,373	-	-	-
<b>Tag Operating Supplies</b>	11,930	-	-	-	-	-	-	11,930	-
<b>Grd Transportation Services</b>	11,930	-	-	-	-	-	-	11,930	-
<b>Shuttle Services</b>	787,673	322,946	-	-	-	-	-	307,192	-
<b>Parking Lots</b>	6,230,039	-	-	-	-	-	-	-	6,230,039
<b>Met Council Fees</b>	160,000	-	-	-	-	160,000	-	-	-
<b>Employee Programs</b>									
<b>Recognition</b>	8,200	-	-	-	-	-	-	-	-
<b>Retirement</b>	2,300	-	-	-	-	-	-	-	-
<b>Wellness</b>									
Wellness - Fitness Program	128,550	-	-	-	-	-	-	-	-
Wellness-Nutrition/Stress	5,500	-	-	-	-	-	-	-	-
<b>Total Wellness</b>	134,050	-	-	-	-	-	-	-	-
<b>Total Employee Programs</b>	144,550	-	-	-	-	-	-	-	-
<b>Conference Center</b>	30,000	-	-	-	-	-	-	-	-
<b>Conference Center</b>	30,000	-	-	-	-	-	-	-	-
<b>Events Exercises</b>									
<b>Emergency Response Exercise</b>	13,700	-	-	-	-	700	-	-	-
Other Programs/Events	11,500	-	-	-	-	-	-	-	-
Call Back Service	7,500	-	-	-	-	7,500	-	-	-
Major Events-Conventions	6,395	-	-	-	-	-	-	-	-
<b>Total Events Exercises</b>	39,095	-	-	-	-	8,200	-	-	-
<b>Other Charges/Fees</b>									
<b>Bank Charges</b>									
Bank Charges	239,800	-	-	-	-	-	-	-	239,800
<b>Total Bank Charges</b>	431,550	-	-	-	-	750	-	-	239,800
IATA Contract Expense	66,000	-	-	-	-	-	-	-	-
<b>Security Services Regular</b>	571,059	-	-	-	-	-	-	-	-
Security Services Check Pt	49,000	-	-	-	-	49,000	-	-	-
Concessions Marketing	436,665	-	-	-	-	-	-	-	-
<b>Recycling - Sand</b>	200	-	-	-	-	200	-	-	-
<b>Copy Agreement</b>	133,905	-	-	-	-	-	-	-	-
Mediation Fees	2,200	-	-	-	-	-	-	-	-
Miscellaneous Charges/Fees	168,589	-	-	-	-	600	-	32,736	400
Porter Service	281,658	281,658	-	-	-	-	-	-	-
Jail Fees	9,857	-	-	-	-	-	-	-	-
<b>Total Other Charges/Fees</b>	2,150,683	281,658	-	-	-	50,550	-	32,736	240,200
<b>Service Agreements</b>									
Service - Bldg Inspection	18,000	18,000	-	-	-	-	-	-	-
Service-Computers	2,707,634	96,000	-	100,000	-	-	-	-	200,202
Service-Electrical Gear Contr	150,000	100,000	-	-	-	-	-	-	-
Service-Fitness Equipment	2,750	-	-	-	-	-	-	-	-
Service-Grd Trans Equip	297,537	-	-	-	-	-	-	297,537	-
Service-Loading Dock	1,789,203	1,769,541	-	-	-	-	-	-	-
Service-Office Equipment	28,562	-	-	-	-	100	-	-	-
Service-Other Equipment	1,504,421	627,042	236,000	-	-	6,500	-	-	-
Service-Parking Equipment	664,500	-	-	-	-	-	-	-	664,500
Service-Telephone Systems	58,881	-	-	-	-	-	-	-	-
Service-Secured Access	185,358	-	-	-	-	185,358	-	-	-
Service-Radios	393,480	-	-	-	-	42,616	-	943	-
<b>Total Service Agreements</b>	7,800,326	2,610,583	236,000	100,000	-	234,574	-	298,480	864,702
<b>Total Operating Services/Expenses</b>	19,404,885	3,218,218	236,000	100,000	-	1,780,364	-	650,338	7,708,688

## 2014 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/ Landside	Parking Facilities
<b>Maintenance</b>									
<b>Trades - Painters</b>									
<b>Paint</b>									
Equipment - Paint	5,215	-	-	-	-	-	-	-	-
Exterior - Paint	13,381	3,500	-	-	-	-	-	-	3,800
Interior - Paint	18,632	12,438	-	1,513	-	-	-	-	-
Paint - Other	1,088	-	-	-	-	-	-	-	-
Traffic Paint - Parking	5,000	-	-	-	-	-	-	-	5,000
Reliever Airport - Paint	4,500	-	-	-	-	-	-	-	-
Traffic Paint - Runways	123,329	-	-	-	-	120,000	-	-	-
<b>Total Paint</b>	<b>171,145</b>	<b>15,938</b>	<b>-</b>	<b>1,513</b>	<b>-</b>	<b>120,000</b>	<b>-</b>	<b>-</b>	<b>8,800</b>
<b>Signs</b>									
Exterior Sign Materials	11,231	2,630	-	-	-	-	-	-	-
Interior Sign Materials	8,507	4,003	-	-	-	-	-	-	-
<b>Total Signs</b>	<b>19,738</b>	<b>6,633</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Supplies</b>									
Paint Supplies - Other	3,044	-	-	-	-	-	-	-	-
Solvents	1,500	-	-	-	-	-	-	-	-
Equipment Spray	10,991	-	-	-	-	-	-	-	-
Paint Tools	10,282	464	-	-	-	-	-	-	-
<b>Total Supplies</b>	<b>25,817</b>	<b>464</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Trades - Painters</b>	<b>216,700</b>	<b>23,035</b>	<b>-</b>	<b>1,513</b>	<b>-</b>	<b>120,000</b>	<b>-</b>	<b>-</b>	<b>8,800</b>
<b>Trades - Carpenters</b>									
<b>Locks</b>									
Locks - Doors	53,087	21,570	-	-	-	-	-	-	-
Locks - Door Tags/ID	530	530	-	-	-	-	-	-	-
<b>Total Locks</b>	<b>53,617</b>	<b>22,100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Flags</b>									
Flags	124	-	-	-	-	-	-	-	-
<b>Lumber</b>									
Lumber-Cabinets	14,000	13,700	-	-	-	-	-	-	-
Lumber-Furniture	7,310	5,200	-	-	-	-	-	-	-
Lumber-Other	608	-	-	-	-	-	-	-	-
Lumber-Remodeling	1,500	-	-	-	-	-	-	-	-
<b>Total Lumber</b>	<b>23,418</b>	<b>18,900</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other</b>									
Other - Attic Stock	5,000	5,000	-	-	-	-	-	-	-
Other - Ceilings	2,728	865	-	-	-	-	-	-	-
Other - Ceramics	2,528	1,500	-	-	-	-	-	-	-
Other - Doors	7,030	4,215	-	-	-	-	-	-	-
Other - Floor Coverings	15,320	13,000	-	-	-	-	-	-	-
Other - Hardware	8,788	625	-	-	-	-	-	-	-
Other - Miscellaneous	2,302	-	-	-	-	-	-	-	-
Other - Auto Door Supplis RPL	5,800	4,800	-	-	-	-	-	-	-
Other - Saw Blades	182	182	-	-	-	-	-	-	-
Other - Screws/Bolts	8,280	-	-	-	-	-	-	-	-
Other - Seating Replacement	9,300	7,500	-	-	-	-	-	-	-
Other - Tools	2,335	1,950	-	-	-	-	-	-	-
Other - Tug Door Repairs	47,296	47,200	-	-	-	-	-	-	-
Other - Tug Drive Floor Maint.	5,000	5,000	-	-	-	-	-	-	-
Other - Wall Protection	150	-	-	-	-	-	-	-	-
<b>Total Other</b>	<b>122,039</b>	<b>91,837</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Trades - Carpenters</b>	<b>199,198</b>	<b>132,837</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 2014 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/ Landside	Parking Facilities
<b>Trades - Plumbers</b>									
Contractor Requirements	3,000	-	-	-	-	-	-	-	-
Fire Protection System	105,510	55,345	-	2,694	-	6,387	-	-	-
General Plumbing Supplies	81,439	40,000	-	254	-	-	-	-	-
Irrigation Supplies	9,963	-	-	-	-	-	-	1,975	-
Pumps	37,300	8,000	-	2,300	-	13,000	-	-	-
Underground Utilities	936	936	-	-	-	-	-	-	-
Water Distribution Systems	14,567	6,000	-	-	-	-	-	-	-
Water Meters	37,170	-	-	-	-	2,170	-	-	-
Plumbing - Other	271	-	-	-	-	-	-	-	-
<b>Total Trades - Plumbers</b>	<b>290,156</b>	<b>110,281</b>	<b>-</b>	<b>5,248</b>	<b>-</b>	<b>21,557</b>	<b>-</b>	<b>1,975</b>	<b>-</b>
<b>Trades - Electricians</b>									
<b>Repairs</b>									
Electrical _ Exterior	109	-	-	-	-	-	-	-	-
Generator Maint. Contract	49,000	7,000	-	-	-	10,000	-	-	-
Electrical - Interior	17,000	15,000	-	-	-	-	-	-	-
Unit Maint. Contract	430,000	175,000	-	-	-	85,000	-	-	45,000
Unit Maint Supplies	27,000	15,000	-	-	-	5,000	-	-	-
<b>Total Repairs</b>	<b>523,109</b>	<b>212,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100,000</b>	<b>-</b>	<b>-</b>	<b>45,000</b>
<b>Other</b>									
Other - Batteries	1,000	-	-	-	-	-	-	-	-
Other-Field Lights/Sensors	247,000	-	-	-	-	200,000	-	-	-
Other - Gate Supplies	55,835	-	-	-	-	10,000	-	-	-
Other - General Supplies	627,000	150,000	-	5,000	-	5,000	-	-	310,000
Other - Motor	26,500	10,000	-	3,000	-	1,000	-	-	-
Other - Secured Access Sys	29,000	10,000	-	-	-	5,000	-	-	-
<b>Total Other</b>	<b>986,335</b>	<b>170,000</b>	<b>-</b>	<b>8,000</b>	<b>-</b>	<b>221,000</b>	<b>-</b>	<b>-</b>	<b>310,000</b>
<b>Total Trades - Electricians</b>	<b>1,509,444</b>	<b>382,000</b>	<b>-</b>	<b>8,000</b>	<b>-</b>	<b>321,000</b>	<b>-</b>	<b>-</b>	<b>355,000</b>

## 2014 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/ Landside	Parking Facilities
<b>Maintenance - Field</b>									
<b>Snow Removal - Materials</b>									
Materials - Sodium Acetate	60,000	-	-	-	-	60,000	-	-	-
Materials-Liquid Anti Icer	635,000	-	-	-	15,000	620,000	-	-	-
Materials-Other Ice Ctrl	4,750	-	-	-	-	-	-	-	750
Materials - Salt	80,202	-	-	-	-	-	-	40,000	-
Materials - Sand	90,643	-	-	-	-	70,000	-	-	-
Materials - Urea	6,137	-	-	-	-	-	-	-	-
<b>Total Snow Removal - Materials</b>	<b>876,732</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,000</b>	<b>750,000</b>	<b>-</b>	<b>40,000</b>	<b>750</b>
<b>Snow Removal - Equipment</b>									
Equipment - Contract	579,000	-	-	-	-	-	-	-	535,000
Equipment-Rent-No Operator	152,382	-	-	-	-	78,500	-	-	-
Equip Rent-No Operator-5.5	34,500	-	-	-	-	32,000	-	-	-
<b>Total Snow Removal - Equipment</b>	<b>765,882</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>110,500</b>	<b>-</b>	<b>-</b>	<b>535,000</b>
<b>Snow Removal - Miscellan</b>									
Snow Removal - Meals	37,494	-	-	-	-	37,000	-	-	-
Snow Removal - Plow Blades	18,000	-	-	-	2,000	13,000	-	-	-
Snow Removal - Runway Brm	80,000	-	-	-	-	50,000	-	-	30,000
Snow Melters	55,000	-	-	-	-	25,000	-	-	15,000
<b>Total Snow Removal - Miscellan</b>	<b>190,494</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,000</b>	<b>125,000</b>	<b>-</b>	<b>-</b>	<b>45,000</b>
<b>Summer Maintenance-Surface</b>									
Surface Repair-Aggregate	5,534	-	-	-	-	-	-	-	-
Surface Repair-Asphalt	49,971	-	-	-	2,000	30,000	-	5,000	-
Surface Repair-Cement	6,322	-	-	-	-	1,000	-	-	5,000
Surface Repair-Other	2,500	-	-	-	-	2,500	-	-	-
Surface Rubber Removal	47,410	-	-	-	-	40,000	-	-	-
Surface Repair-Saw Blades	2,000	-	-	-	-	2,000	-	-	-
Surface Repair-Hot Sealant	25,000	-	-	-	-	25,000	-	-	-
<b>Total Summer Maintenance-Surfac</b>	<b>138,737</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,000</b>	<b>100,500</b>	<b>-</b>	<b>5,000</b>	<b>5,000</b>
<b>Summer Maint-Landscape</b>									
Summer Maintenance-Fencing	9,502	-	-	-	-	5,000	-	-	-
Landscape/Turf-Materials	73,554	-	-	-	-	2,000	-	50,000	-
Summer Maint-Equip Rent No Op	172,800	-	-	-	-	83,000	-	-	-
Summer Maint-Equip Rent LT	6,500	-	-	-	-	-	-	-	-
<b>Total Summer Maint-Landscape</b>	<b>262,356</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90,000</b>	<b>-</b>	<b>50,000</b>	<b>-</b>
<b>Maintenance Field-Other</b>									
Non Runway Brooms	24,000	-	-	-	7,000	-	-	2,000	15,000
Field Maint-Other-Material	3,000	-	-	-	-	1,000	-	-	1,000
Field Maint-Other-Supplies	15,543	5,889	-	-	-	-	-	-	-
Field Maint-Other-Tools	5,500	-	-	-	-	1,500	-	500	-
<b>Total Maintenance Field-Other</b>	<b>48,043</b>	<b>5,889</b>	<b>-</b>	<b>-</b>	<b>7,000</b>	<b>2,500</b>	<b>-</b>	<b>2,500</b>	<b>16,000</b>
<b>Total Maintenance - Field</b>	<b>2,282,244</b>	<b>5,889</b>	<b>-</b>	<b>-</b>	<b>26,000</b>	<b>1,178,500</b>	<b>-</b>	<b>97,500</b>	<b>601,750</b>
<b>Maintenance Building</b>									
<b>Building-Temp Control</b>									
Temp Control-Contracts	672,319	382,421	-	135,183	-	-	-	-	31,396
Temp Control-Filters	145,508	98,964	-	20,988	-	-	-	-	-
Fire Control Contract	384,586	323,332	-	-	-	-	-	-	-
<b>Total Building-Temp Control</b>	<b>1,202,413</b>	<b>804,717</b>	<b>-</b>	<b>156,171</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,396</b>
<b>Building-Mechanical Areas</b>									
Mechanical Areas-APM	5,558,540	3,860,978	-	-	-	-	-	1,414,635	282,927
Mechanical Areas-Conveyors	445,785	289,760	44,579	-	-	-	-	-	-
Mechanical Areas-Doors	8,255	-	-	-	-	-	-	-	-
Mechanical Areas-Doors/Pub	27,500	25,000	-	-	-	-	-	-	-
Mechanical Areas-Doors/Tug	140,000	140,000	-	-	-	-	-	-	-
Mechanical Areas-Elevators	704,097	628,796	-	-	-	-	-	-	-
Mechanical Areas-Escalator	978,127	880,314	-	-	-	-	-	-	-
Mechanical-Moving Walks	1,117,860	1,006,074	-	-	-	-	-	-	-
Mechanical Areas-Other	21,700	18,200	-	-	-	-	-	-	-
<b>Total Building-Mechanical Areas</b>	<b>9,001,864</b>	<b>6,849,122</b>	<b>44,579</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,414,635</b>	<b>282,927</b>
<b>Building-Other</b>									
Other-Bag Handling	650,000	-	-	-	-	-	-	-	-
Other-Building Systems	128,336	-	-	-	-	-	-	-	-
Other-Boiler Chemicals	66,971	5,786	-	52,427	-	-	-	-	-
Other-Floors/Repairs	1,369	-	-	-	-	-	-	-	-
Other-Jetbridge Repairs	235,000	-	-	-	-	-	-	-	-
Other-Outside Plumb/Sewer	4,200	-	-	-	-	-	-	-	-
Other-Paging System Contract	60,000	60,000	-	-	-	-	-	-	-
Other-Pest Control	38,290	38,290	-	-	-	-	-	-	-
Other-Roofing	30,578	7,000	-	-	-	-	-	-	-
Sump/Septic Pumping	109,213	-	-	-	-	-	-	-	-
Other-Supplies	27,697	1,230	-	5,264	-	-	-	-	-
Other-Tools	5,102	-	-	3,452	-	-	-	-	-
<b>Total Building-Other</b>	<b>1,356,756</b>	<b>112,306</b>	<b>-</b>	<b>61,143</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Minor Projects Expense	60,750	60,000	-	-	-	-	-	-	-
<b>Total Maintenance Building</b>	<b>11,621,783</b>	<b>7,826,145</b>	<b>44,579</b>	<b>217,314</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,414,635</b>	<b>314,323</b>

## 2014 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/ Landside	Parking Facilities
<b>Maintenance-Cleaning</b>									
<b>Cleaning Services</b>									
Cleaning Services-Janitor	8,644,175	5,840,363	144,499	-	-	-	-	-	255,450
Cleaning Services-Windows	1,101,259	699,375	16,197	-	-	-	-	-	147,654
<b>Total Cleaning Services</b>	9,745,434	6,539,738	160,696	-	-	-	-	-	403,104
<b>Cleaning Supplies</b>									
Cleaning Supplies-Bathroom	775,072	675,000	-	-	-	-	-	-	-
Cleaning Supplies-General	65,409	60,000	-	-	-	-	-	-	-
<b>Total Cleaning Supplies</b>	840,481	735,000	-	-	-	-	-	-	-
<b>Rubbish Disposal</b>									
Rubbish Disposal-Recycle	24,000	24,000	-	-	-	-	-	-	-
Rubbish Disposal-Regular	628,660	311,389	-	-	-	189,870	2,562	-	-
<b>Total Rubbish Disposal</b>	652,660	335,389	-	-	-	189,870	2,562	-	-
Towel Laundry Services	7,044	-	-	-	-	-	-	-	-
Other Cleaning Expenses	2,897	-	-	-	-	-	-	-	-
<b>Total Maintenance-Cleaning</b>	11,248,516	7,610,127	160,696	-	-	189,870	2,562	-	403,104
<b>Maintenance-Equipment</b>									
<b>Equipment-Parts</b>									
Parts-Automobiles	119,000	-	-	-	-	-	-	-	-
Parts-Boilers Energy Mgmt	138,036	49,749	-	82,074	-	-	-	-	201
Parts-Chiller Energy Mgmt	124,204	36,668	-	73,497	-	-	-	-	274
Parts-Other Equipment	48,734	48,734	-	-	-	-	-	-	-
Parts-Equipment	712,773	-	-	-	-	-	-	-	206,780
Parts-Other Equipment	23,968	1,601	-	7,514	-	11,000	-	-	-
<b>Total Equipment-Parts</b>	1,166,715	136,752	-	163,085	-	11,000	-	-	207,255
<b>Equipment-Shop</b>									
Shop-Batteries	18,522	-	-	-	-	-	-	-	-
Shop-Cleaners/Degreasers	15,420	-	-	-	-	-	-	-	4,000
Shop-Oil Filters	81,815	-	-	-	-	-	-	-	-
Shop-Other Supplies	32,299	33	-	4,867	-	-	-	-	-
Shop-Tires	76,548	-	-	-	-	-	-	-	-
Shop - Tool Crib	30,000	-	-	-	-	-	-	-	-
Shop-Tools	32,079	-	-	532	-	-	-	-	-
Shop - Weld Shop	10,000	-	-	-	-	-	-	-	-
<b>Total Equipment-Shop</b>	296,683	33	-	5,399	-	-	-	-	4,000
<b>Equipment-Gas</b>									
Gas-Diesel	577,280	-	-	-	-	-	-	-	-
Gas-Ethanol	129,039	-	-	2,957	-	-	-	-	28,007
Gas-Propane	4,512	-	-	-	-	-	-	-	-
Gas-Unleaded	348,081	391	-	3,763	-	-	-	29	2,787
<b>Total Equipment-Gas</b>	1,058,912	391	-	6,720	-	-	-	29	30,794
<b>Equipment-Extinguishers</b>									
Extinguishers-Purchase	16,500	-	-	-	-	-	-	-	-
Extinguishers-Repair	2,500	-	-	-	-	-	-	-	-
Extinguishers-Reservice	3,000	-	-	-	-	-	-	-	-
<b>Total Equipment-Extinguishers</b>	22,000	-	-	-	-	-	-	-	-
Equipment-Miscellaneous Exp	58,819	-	-	-	-	-	-	30,000	-
<b>Total Maintenance-Equipment</b>	2,603,129	137,176	-	175,204	-	11,000	-	30,029	242,049
<b>Total Maintenance</b>	29,971,170	16,227,490	205,275	407,279	26,000	1,841,927	2,562	1,544,139	1,925,026



## 2014 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/ Landside	Parking Facilities
<b>Other</b>									
<b>General Insurance</b>									
Gen Ins-Airport Liability	585,000	132,615	-	28,752	18,493	31,155	-	10,758	37,481
Gen Ins-Property	1,003,665	227,522	-	49,330	31,727	53,450	-	18,457	64,304
Gen Ins-Crime	18,899	4,307	-	834	601	1,011	-	349	1,217
Gen Ins-Auto/Equipment	270,004	61,208	-	13,270	8,535	14,379	-	4,965	17,300
<b>Total General Insurance</b>	<b>1,877,568</b>	<b>425,652</b>	<b>-</b>	<b>92,186</b>	<b>59,356</b>	<b>99,995</b>	<b>-</b>	<b>34,529</b>	<b>120,302</b>
<b>Safety</b>									
Safety-Supplies	63,353	2,350	-	5,274	-	3,000	-	-	-
Safety-Equipment	9,622	-	-	-	-	500	-	-	-
<b>Total Safety</b>	<b>72,975</b>	<b>2,350</b>	<b>-</b>	<b>5,274</b>	<b>-</b>	<b>3,500</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Medical Information/Supply</b>									
Medical-Routine Supplies	13,345	2,750	-	213	-	400	-	-	-
Medical-Emergency Response	2,500	-	-	-	-	-	-	-	-
<b>Total Medical Information/Supply</b>	<b>15,845</b>	<b>2,750</b>	<b>-</b>	<b>213</b>	<b>-</b>	<b>400</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Rentals</b>									
Rental-Copier	60,843	2,000	-	-	-	3,000	-	5,726	-
Rental-Pagers	1,000	-	-	-	-	-	-	-	-
Rental-Other Equipment	33,685	2,000	-	-	-	-	-	1,700	-
<b>Total Rentals</b>	<b>95,528</b>	<b>4,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,000</b>	<b>-</b>	<b>7,426</b>	<b>-</b>
<b>Licenses/Permits</b>									
Licenses-Autos/Equipment	5,600	-	-	-	-	-	-	-	-
Licenses-Environmental	11,174	-	-	-	-	4,000	-	-	-
Licenses-Other	3,159	-	-	1,827	-	-	-	-	-
<b>Total Licenses/Permits</b>	<b>19,933</b>	<b>-</b>	<b>-</b>	<b>1,827</b>	<b>-</b>	<b>4,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Miscellaneous Expenses</b>									
Misc-Firearm/Equip/Supplies	113,749	-	-	-	-	-	-	-	-
Misc-Emergency Response	35,358	600	-	-	-	-	-	-	-
Misc-Other	95,250	-	-	-	-	20,000	-	-	-
Misc-Taxes(Petroleum/Use)	44,408	-	-	-	-	-	-	-	-
<b>Total Miscellaneous Expenses</b>	<b>288,765</b>	<b>600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital Assets</b>									
<b>Minor Equipment/Assets</b>									
Minor Assets-Tools	136,219	28,112	-	-	-	-	-	-	-
Minor Assets-Office Furn	78,750	2,500	-	-	-	-	-	-	-
Minor Assets-Computers	402,653	3,000	-	-	-	-	-	42,000	83,500
Minor Assets-Radios	2,665	-	-	-	-	-	-	-	-
Minor Assets-Other	111,749	-	-	-	-	-	-	-	-
<b>Total Minor Equipment/Assets</b>	<b>732,036</b>	<b>33,612</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42,000</b>	<b>83,500</b>
<b>Total Capital Assets</b>	<b>732,036</b>	<b>33,612</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42,000</b>	<b>83,500</b>
<b>Total Other</b>	<b>3,102,650</b>	<b>468,964</b>	<b>-</b>	<b>99,500</b>	<b>59,356</b>	<b>130,895</b>	<b>-</b>	<b>83,955</b>	<b>203,802</b>
<b>Gross Depreciation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total Excluding Depreciation</b>	<b>148,794,343</b>	<b>29,655,982</b>	<b>441,275</b>	<b>4,946,396</b>	<b>85,356</b>	<b>6,207,126</b>	<b>2,669</b>	<b>5,779,259</b>	<b>10,487,821</b>
<b>Grand Total With Depreciation</b>	<b>148,794,343</b>	<b>29,655,982</b>	<b>441,275</b>	<b>4,946,396</b>	<b>85,356</b>	<b>6,207,126</b>	<b>2,669</b>	<b>5,779,259</b>	<b>10,487,821</b>

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## 2014 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
<b>Personnel</b>								
<b>Wages</b>								
Regular	-	588,325	-	-	-	10,861,488	-	-
<b>Overtime/Doubletime</b>								
Doubletime - Regular	-	-	-	-	-	1,186,763	-	-
Overtime - Regular	-	1,485	-	-	-	542,804	-	-
<b>Total Overtime/Doubletime</b>	-	1,485	-	-	-	1,729,567	-	-
Commissioner PerDiem	-	-	-	-	-	-	-	-
<b>Temps</b>								
Temps - Agency	-	-	-	-	-	49,324	-	-
Temps - Non Agency	-	-	-	-	-	506,902	-	132,000
<b>Total Temps</b>	-	-	-	-	-	556,226	-	132,000
<b>Total Wages</b>	-	589,810	-	-	-	13,147,282	-	132,000
<b>Benefits</b>								
<b>Employee Insurance</b>								
Employee Insurance Dental	-	1,848	-	-	-	146,082	-	-
Emply Insurance Disability	-	1,241	-	-	-	28,692	-	-
Employee Insurance Life	-	645	-	-	-	19,365	-	-
Employee Insurance Medical	-	18,718	-	-	-	1,479,985	-	-
Employee Insurance Retiree	-	7,560	-	-	-	621,000	-	-
<b>Total Employee Insurance</b>	-	30,012	-	-	-	2,295,124	-	-
<b>Pension</b>								
Fica (Social Security)Base	-	33,863	-	-	-	730,061	-	8,184
Fica(Social Security)Medic	-	8,192	-	-	-	172,133	-	1,650
Mpls Empl Retirement Fund	-	-	-	-	-	9,568	-	-
Public Empl - Coordinated	-	42,457	-	-	-	819,327	-	-
Public Empl - Police/Fire	-	-	-	-	-	-	-	-
Merf Unfunded Liability	-	-	-	-	-	368,660	-	-
<b>Total Pension</b>	-	84,512	-	-	-	2,099,749	-	9,834
<b>Training</b>								
Continuing Ed (College)	-	-	-	-	-	-	-	2,255
Executive Leadership Train	-	-	-	-	-	-	-	-
Management Requirement	-	-	-	-	-	-	-	-
Organizational Requirement	-	-	-	-	-	-	-	-
Regulatory Requirements	-	-	-	-	-	24,500	-	-
Local Seminars	-	-	-	-	-	1,000	-	670
<b>Total Training</b>	-	-	-	-	-	25,500	-	2,925
Post Retirement Benefits	-	4,410	-	-	-	480,480	-	-
Workers Compensation	-	2,973	-	-	-	166,446	-	-
Post Employ Health Plan	-	3,327	-	-	-	92,825	-	-
Flex Spending	-	-	-	-	-	-	-	-
Unemployment Tax	-	-	-	-	-	90,000	-	-
<b>Uniforms</b>								
Uniforms-Police/Fire Allow	-	-	-	-	-	-	-	-
Uniforms-Rental	-	-	-	-	-	33,024	-	-
Uniforms - Safety	-	-	-	-	-	23,400	-	5,953
<b>Total Uniforms</b>	-	-	-	-	-	56,424	-	5,953
<b>Severance</b>								
Contract Allowance	-	-	-	-	-	7,277	-	-
Regular Severance	-	894	-	-	-	27,790	-	-
<b>Total Severance</b>	-	894	-	-	-	35,067	-	-
Trade Union Benefits	-	-	-	-	-	640,502	-	-
<b>Total Benefits</b>	-	126,128	-	-	-	5,982,117	-	18,712
<b>Total Personnel</b>	-	715,937	-	-	-	19,129,399	-	150,712

## 2014 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
<b>Administrative Expenses</b>								
<b>Supplies</b>								
Office Supplies Materials	-	800	-	-	-	-	-	4,898
<b>Computer Supplies</b>								
Computer Supplies-General	-	1,700	-	-	-	-	-	2,500
Computer Supplies-Software	-	-	-	-	-	-	13,245	-
Computer - Tools	-	-	-	-	-	-	-	600
<b>Total Computer Supplies</b>	-	1,700	-	-	-	-	13,245	3,100
<b>Special Supplies</b>								
Special Supplies-Badging	-	-	-	-	-	-	-	-
Special Supply-Film/Photo	-	-	-	-	-	-	-	350
Special Supplies-Other	-	100	-	-	-	100	-	154
<b>Total Special Supplies</b>	-	100	-	-	-	100	-	504
<b>Total Supplies</b>	-	2,600	-	-	-	100	13,245	8,502
<b>Travel</b>								
Travel - Lodging	-	2,000	-	-	-	-	-	1,015
Travel - Meals	-	200	-	-	-	250	-	250
Travel - Miscellaneous	-	-	-	-	-	-	-	-
<b>Travel - Transportation</b>								
Travel - Transport/Airfare	-	2,700	-	-	-	-	-	950
Travel - Shuttle/Taxi/Auto	-	100	-	-	-	250	-	50
<b>Total Travel - Transportation</b>	-	2,800	-	-	-	250	-	1,000
Registration Fees	-	750	-	-	-	-	-	1,000
Mileage	-	1,000	-	-	-	-	-	-
<b>Total Travel</b>	-	6,750	-	-	-	500	-	3,265
<b>Other Administrative Expense</b>								
<b>Local Meetings</b>								
Local Mtgs - Off Airport	-	-	-	-	-	-	200	-
Local Mtgs - On Airport/GO	-	-	-	-	-	-	-	-
<b>Total Local Meetings</b>	-	-	-	-	-	-	200	-
<b>Information Sources</b>								
Memberships/Dues/Pro Assoc	-	-	-	-	-	-	-	793
Other Information Sources	-	-	-	-	-	-	-	-
Publications/Subscriptions	-	-	-	-	-	-	-	453
<b>Total Information Sources</b>	-	-	-	-	-	-	-	1,246
<b>Printing Costs</b>								
Printing-Publications	-	-	-	-	-	-	-	-
Printing - Color Charts	-	-	-	-	-	-	-	-
Printing - Forms	-	-	-	-	-	-	-	-
Printing-Stationary/Envel	-	-	-	-	-	-	-	-
<b>Total Printing Costs</b>	-	-	-	-	-	-	-	-
Delivery Services	-	-	-	-	-	1,000	-	200
Freight Charges	-	2,120	-	-	-	-	-	150
Postage	-	-	-	-	-	-	-	-
Strategic Planning-Admin	-	-	-	-	-	-	-	-
<b>Total Other Administrative Expense</b>	-	2,120	-	-	-	1,000	200	1,596
<b>Total Administrative Expenses</b>	-	11,470	-	-	-	1,600	13,445	13,363

## 2014 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
<b>Professional Services</b>								
Accounting/Audit Fees	-	-	-	-	-	-	-	-
Appraisals	-	-	-	-	-	-	-	-
RFP/Leases	-	-	-	-	-	-	-	-
Concept Develop/Feasible	-	-	-	-	-	-	-	-
<b>Computer Services</b>								
General								
ANOMS Consulting	-	-	-	-	-	-	-	-
Software Consulting	-	-	-	-	-	-	-	-
<b>Total General</b>	-	-	-	-	-	-	-	-
<b>Total Computer Services</b>	-	-	-	-	-	-	-	-
Engineering Fees	-	13,500	-	-	-	-	-	-
Insurance Consultants	-	-	-	-	-	-	-	-
<b>Legal Fees</b>								
Legal - Environmental	-	-	-	-	-	-	-	-
Legal - General	-	-	-	-	-	-	-	-
Legal - Relievers	-	-	-	-	-	-	-	-
<b>Total Legal Fees</b>	-	-	-	-	-	-	-	-
<b>Legislative</b>								
Legislative - Local	-	-	-	-	-	-	-	-
Legislative - National	-	-	-	-	-	-	-	-
<b>Total Legislative</b>	-	-	-	-	-	-	-	-
Medical Fees	-	-	-	-	-	-	-	-
<b>Planning</b>	-	-	-	-	-	-	-	-
Pollution/Environmental Fees	-	-	-	-	-	-	-	-
<b>Public Information</b>								
Public Infor Serv. - Photo	-	-	-	-	-	-	-	-
Public Infor Serv. - Web	-	-	-	-	-	-	-	-
Public Infor Serv. - Other	-	-	-	-	-	-	-	-
<b>Total Public Information</b>	-	-	-	-	-	-	-	-
<b>Recruiting Expenses</b>								
Recruiting Employment Fees	-	-	-	-	-	-	-	-
Staff Recruiting	-	-	-	-	-	-	-	-
Executive Recruiting	-	-	-	-	-	-	-	-
<b>Total Recruiting Expenses</b>	-	-	-	-	-	-	-	-
<b>Safety Consultants</b>								
Safety - Training	-	-	-	-	-	-	-	-
Safety - General	-	-	-	-	-	-	-	-
<b>Total Safety Consultants</b>	-	-	-	-	-	-	-	-
<b>Miscellaneous Expenses</b>								
Survey Expense	-	-	-	-	-	-	-	-
<b>Wildlife/Meteorology</b>								
Meteorology	-	-	-	-	-	-	-	-
Wildlife	-	-	-	-	-	-	-	-
<b>Total Wildlife/Meteorology</b>	-	-	-	-	-	-	-	-
Business Development	-	-	-	-	-	-	-	-
Environmental	-	-	-	-	-	-	-	-
<b>Mechanical</b>								
Mechanical Other	-	-	-	-	-	-	-	-
Mechanical Terminal	-	23,721	-	-	-	-	-	-
Mechanical Trades	-	-	-	-	-	-	-	172,931
<b>Total Mechanical</b>	-	23,721	-	-	-	-	-	172,931
Miscellaneous	-	-	-	-	-	-	-	113,600
Strategic Planning-Professiona	-	-	-	-	-	-	-	-
<b>Total Miscellaneous Expenses</b>	-	23,721	-	-	-	-	-	286,531
<b>Total Professional Services</b>	-	37,221	-	-	-	-	-	286,531
<b>Utilities</b>								
Electricity	118,373	1,087,293	379,897	-	541,040	-	-	295,817
Heating Fuel	65,583	320,675	26,537	-	79,953	-	-	168,856
Sewer	2,240	3	546,077	-	550	-	-	9,029
Water	-	64,066	451,902	-	15,082	-	-	17,232
<b>Telephone</b>								
Telephone - Regular	-	-	-	-	-	-	-	-
Telephone - Internet Service	-	-	-	-	-	-	-	-
Telephone - Cellular	-	2,690	-	-	-	10,884	-	24,271
<b>Total Telephone</b>	-	2,690	-	-	-	10,884	-	24,271
<b>Total Utilities</b>	186,196	1,474,727	1,404,413	-	636,625	10,884	-	515,205

## 2014 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
<b>Operating Services/Expenses</b>								
<b>Advertising</b>								
Advertising - Employment	-	-	-	-	-	-	-	-
<b>Advertising - General</b>	-	-	-	-	-	-	-	-
Advertising - Parking	-	-	-	-	-	-	-	-
Advertising - Relievers	-	-	-	-	-	-	-	-
<b>Total Advertising</b>	-	-	-	-	-	-	-	-
<b>Environmental Control</b>								
<b>Hazardous Waste</b>								
Hazardous Waste - FLOuresc	-	-	-	-	-	-	-	16,000
Hazardous Waste - General	-	-	-	-	-	-	-	1,000
<b>Total Hazardous Waste</b>	-	-	-	-	-	-	-	17,000
<b>Pollution Control</b>								
Pollution Ctrl-Booms	-	-	13,000	-	-	-	-	-
Pollution Ctrl-Corn Cobs	-	-	-	-	-	-	-	-
<b>Total Pollution Control</b>	-	-	13,000	-	-	-	-	-
Industrial Waste Mgmt	-	-	-	-	-	-	-	-
Laboratory Services	-	-	-	-	-	-	-	-
Solvent Reclamation Service	-	-	-	-	-	-	9,135	761
Tire Disposal	-	-	-	-	-	-	400	-
Other	-	-	-	-	-	-	650	-
<b>Total Environmental Control</b>	-	-	13,000	-	-	-	10,185	17,761
GISW Management	-	-	-	-	-	-	-	-
<b>Tag Operating Supplies</b>	-	-	-	-	-	-	-	-
<b>Grd Transportation Services</b>	-	-	-	-	-	-	-	-
<b>Shuttle Services</b>	-	157,535	-	-	-	-	-	-
<b>Parking Lots</b>	-	-	-	-	-	-	-	-
<b>Met Council Fees</b>	-	-	-	-	-	-	-	-
<b>Employee Programs</b>								
<b>Recognition</b>	-	-	-	-	-	-	-	-
<b>Retirement</b>	-	-	-	-	-	-	-	-
<b>Wellness</b>								
Wellness - Fitness Program	-	-	-	-	-	-	-	-
Wellness-Nutrition/Stress	-	-	-	-	-	-	-	-
<b>Total Wellness</b>	-	-	-	-	-	-	-	-
<b>Total Employee Programs</b>	-	-	-	-	-	-	-	-
<b>Conference Center</b>	-	-	-	-	-	-	-	-
<b>Conference Center</b>	-	-	-	-	-	-	-	-
<b>Events Exercises</b>								
<b>Emergency Response Exercise</b>	-	-	-	-	-	-	-	-
Other Programs/Events	-	-	-	-	-	-	-	-
Call Back Service	-	-	-	-	-	-	-	-
Major Events-Conventions	-	-	-	-	-	-	-	-
<b>Total Events Exercises</b>	-	-	-	-	-	-	-	-
<b>Other Charges/Fees</b>								
<b>Bank Charges</b>								
Bank Charges	-	-	-	-	-	-	-	-
<b>Total Bank Charges</b>	-	-	-	-	-	-	-	-
IATA Contract Expense	-	-	-	-	-	-	-	-
<b>Security Services Regular</b>	-	-	-	-	-	-	-	-
Security Services Check Pt	-	-	-	-	-	-	-	-
Concessions Marketing	-	-	-	-	-	-	-	-
<b>Recycling - Sand</b>	-	-	-	-	-	-	-	-
<b>Copy Agreement</b>	-	-	-	-	-	-	-	14,000
Mediation Fees	-	-	-	-	-	-	-	-
Miscellaneous Charges/Fees	-	-	-	-	-	-	-	-
Porter Service	-	-	-	-	-	-	-	-
Jail Fees	-	-	-	-	-	-	-	-
<b>Total Other Charges/Fees</b>	-	-	-	-	-	-	-	14,000
<b>Service Agreements</b>								
Service - Bldg Inspection	-	-	-	-	-	-	-	-
Service-Computers	-	750	-	-	-	14,000	-	-
Service-Electrical Gear Contr	-	30,000	-	-	-	-	20,000	-
Service-Fitness Equipment	-	-	-	-	-	-	-	-
Service-Grd Trans Equip	-	-	-	-	-	-	-	-
Service-Loading Dock	-	19,662	-	-	-	-	-	-
Service-Office Equipment	-	250	-	-	-	-	-	-
Service-Other Equipment	-	252,324	-	-	-	-	12,000	42,428
Service-Parking Equipment	-	-	-	-	-	-	-	-
Service-Telephone Systems	-	-	-	-	-	-	-	-
Service-Secured Access	-	-	-	-	-	-	-	-
Service-Radios	-	-	-	-	-	-	-	11,173
<b>Total Service Agreements</b>	-	302,986	-	-	-	14,000	32,000	53,601
<b>Total Operating Services/Expenses</b>	-	460,521	13,000	-	-	14,000	42,185	85,362



## 2014 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
<b>Maintenance</b>								
<b>Trades - Painters</b>								
<b>Paint</b>								
Equipment - Paint	-	-	-	-	-	-	-	5,215
Exterior - Paint	-	290	-	-	-	-	-	3,978
Interior - Paint	-	1,955	-	-	-	-	-	1,726
Paint - Other	-	-	-	-	-	-	-	1,088
Traffic Paint - Parking	-	-	-	-	-	-	-	-
Reliever Airport - Paint	-	-	-	-	-	-	-	-
Traffic Paint - Runways	-	-	-	-	-	-	-	-
<b>Total Paint</b>	-	2,245	-	-	-	-	-	12,007
<b>Signs</b>								
Exterior Sign Materials	-	-	-	-	-	-	-	8,601
Interior Sign Materials	-	-	-	-	-	-	-	4,504
<b>Total Signs</b>	-	-	-	-	-	-	-	13,105
<b>Supplies</b>								
Paint Supplies - Other	-	-	-	-	-	-	-	3,044
Solvents	-	-	-	-	-	-	-	1,500
Equipment Spray	-	-	-	-	-	-	-	10,991
Paint Tools	-	-	-	-	-	-	-	9,818
<b>Total Supplies</b>	-	-	-	-	-	-	-	25,353
<b>Total Trades - Painters</b>	-	2,245	-	-	-	-	-	50,465
<b>Trades - Carpenters</b>								
<b>Locks</b>								
Locks - Doors	-	197	-	-	-	-	-	30,910
Locks - Door Tags/ID	-	-	-	-	-	-	-	-
<b>Total Locks</b>	-	197	-	-	-	-	-	30,910
<b>Flags</b>								
<b>Lumber</b>								
Lumber-Cabinets	-	-	-	-	-	-	-	-
Lumber-Furniture	-	1,560	-	-	-	-	-	550
Lumber-Other	-	-	-	-	-	-	-	-
Lumber-Remodeling	-	-	-	-	-	-	-	-
<b>Total Lumber</b>	-	1,560	-	-	-	-	-	550
<b>Other</b>								
Other - Attic Stock	-	-	-	-	-	-	-	-
Other - Ceilings	-	-	-	-	-	-	-	850
Other - Ceramics	-	1,028	-	-	-	-	-	-
Other - Doors	-	490	-	-	-	-	-	1,085
Other - Floor Coverings	-	1,320	-	-	-	-	-	1,000
Other - Hardware	-	-	-	-	-	-	-	7,455
Other - Miscellaneous	-	-	-	-	-	-	-	-
Other - Auto Door Supplis RPL	-	-	-	-	-	-	-	1,000
Other - Saw Blades	-	-	-	-	-	-	-	-
Other - Screws/Bolts	-	-	-	-	-	-	-	8,280
Other - Seating Replacement	-	1,800	-	-	-	-	-	-
Other - Tools	-	65	-	-	-	-	-	320
Other - Tug Door Repairs	-	96	-	-	-	-	-	-
Other - Tug Drive Floor Maint.	-	-	-	-	-	-	-	-
Other - Wall Protection	-	-	-	-	-	-	-	150
<b>Total Other</b>	-	4,799	-	-	-	-	-	20,140
<b>Total Trades - Carpenters</b>	-	6,556	-	-	-	-	-	51,600

## 2014 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
<b>Trades - Plumbers</b>								
<b>Contractor Requirements</b>	-	-	-	-	-	-	-	3,000
Fire Protection System	-	13,330	-	10,270	-	-	-	5,000
General Plumbing Supplies	-	7,461	-	1,544	-	-	3,830	12,363
Irrigation Supplies	-	1,346	2,092	2,250	-	-	-	-
Pumps	-	-	-	14,000	-	-	-	-
Underground Utilities	-	-	-	-	-	-	-	-
Water Distribution Systems	-	2,000	-	-	-	-	-	6,567
Water Meters	-	-	-	-	-	-	-	35,000
Plumbing - Other	-	-	-	-	-	-	-	-
<b>Total Trades - Plumbers</b>	-	24,137	2,092	28,064	-	-	3,830	61,930
<b>Trades - Electricians</b>								
<b>Repairs</b>								
Electrical _ Exterior	-	-	-	-	-	-	-	-
Generator Maint. Contract	-	3,000	-	10,000	-	-	-	4,000
Electrical - Interior	-	2,000	-	-	-	-	-	-
Unit Maint. Contract	-	50,000	-	20,000	-	-	-	-
Unit Maint Supplies	-	-	-	-	-	-	-	5,000
<b>Total Repairs</b>	-	55,000	-	30,000	-	-	-	9,000
<b>Other</b>								
Other - Batteries	-	-	-	-	-	-	-	1,000
Other-Field Lights/Sensors	-	-	-	-	-	-	-	-
Other - Gate Supplies	-	-	-	-	-	-	-	-
Other - General Supplies	-	25,000	35,000	25,000	25,000	-	-	25,000
Other - Motor	-	5,000	-	2,000	-	-	-	1,000
Other - Secured Access Sys	-	3,000	1,000	1,000	1,000	-	-	5,000
<b>Total Other</b>	-	33,000	36,000	28,000	26,000	-	-	32,000
<b>Total Trades - Electricians</b>	-	88,000	36,000	58,000	26,000	-	-	41,000

## 2014 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
<b>Maintenance - Field</b>								
<b>Snow Removal - Materials</b>								
Materials - Sodium Acetate	-	-	-	-	-	-	-	-
Materials-Liquid Anti Icer	-	-	-	-	-	-	-	-
Materials-Other Ice Ctrl	-	-	4,000	-	-	-	-	-
Materials - Salt	-	-	40,000	-	-	-	-	-
Materials - Sand	-	-	10,000	-	-	-	-	-
Materials - Urea	-	-	-	-	-	-	-	-
<b>Total Snow Removal - Materials</b>	-	-	54,000	-	-	-	-	-
<b>Snow Removal - Equipment</b>								
Equipment - Contract	44,000	-	-	-	-	-	-	-
Equipment-Rent-No Operator	-	-	-	-	-	-	73,500	-
Equip Rent-No Operator-5.5	-	-	-	-	-	-	-	-
<b>Total Snow Removal - Equipment</b>	44,000	-	-	-	-	-	73,500	-
<b>Snow Removal - Miscellan</b>								
Snow Removal - Meals	-	-	-	-	-	-	-	-
Snow Removal - Plow Blades	-	-	3,000	-	-	-	-	-
Snow Removal - Runway Brm	-	-	-	-	-	-	-	-
Snow Melters	15,000	-	-	-	-	-	-	-
<b>Total Snow Removal - Miscellan</b>	15,000	-	3,000	-	-	-	-	-
<b>Summer Maintenance-Surface</b>								
Surface Repair-Aggregate	-	-	1,000	-	-	-	-	-
Surface Repair-Asphalt	-	-	5,000	-	-	-	-	-
Surface Repair-Cement	-	-	-	-	-	-	-	-
Surface Repair-Other	-	-	-	-	-	-	-	-
Surface Rubber Removal	-	-	-	-	-	-	-	-
Surface Repair-Saw Blades	-	-	-	-	-	-	-	-
Surface Repair-Hot Sealant	-	-	-	-	-	-	-	-
<b>Total Summer Maintenance-Surfac</b>	-	-	6,000	-	-	-	-	-
<b>Summer Maint-Landscape</b>								
Summer Maintenance-Fencing	-	-	-	-	-	-	1,000	-
Landscape/Turf-Materials	-	-	500	-	-	-	-	-
Summer Maint-Equip Rent No Op	-	-	20,000	-	-	-	68,000	-
Summer Maint-Equip Rent LT	-	-	-	-	-	-	6,500	-
<b>Total Summer Maint-Landscape</b>	-	-	20,500	-	-	-	75,500	-
<b>Maintenance Field-Other</b>								
Non Runway Brooms	-	-	-	-	-	-	-	-
Field Maint-Other-Material	-	-	-	-	-	-	1,000	-
Field Maint-Other-Supplies	-	-	-	-	-	-	1,000	-
Field Maint-Other-Tools	-	-	500	-	-	-	3,000	-
<b>Total Maintenance Field-Other</b>	-	-	500	-	-	-	5,000	-
<b>Total Maintenance - Field</b>	59,000	-	84,000	-	-	-	154,000	-
<b>Maintenance Building</b>								
<b>Building-Temp Control</b>								
Temp Control-Contracts	-	62,577	-	8,217	6,824	-	3,852	13,614
Temp Control-Filters	-	22,330	-	-	822	-	-	426
Fire Control Contract	-	20,945	-	-	9,973	-	-	14,893
<b>Total Building-Temp Control</b>	-	105,852	-	8,217	17,619	-	3,852	28,933
<b>Building-Mechanical Areas</b>								
Mechanical Areas-APM	-	-	-	-	-	-	-	-
Mechanical Areas-Conveyors	-	111,446	-	-	-	-	-	-
Mechanical Areas-Doors	-	-	-	-	-	-	-	-
Mechanical Areas-Doors/Pub	-	2,500	-	-	-	-	-	-
Mechanical Areas-Doors/Tug	-	-	-	-	-	-	-	-
Mechanical Areas-Elevators	-	69,866	-	-	2,436	-	-	-
Mechanical Areas-Escalator	-	97,813	-	-	-	-	-	-
Mechanical-Moving Walks	-	111,786	-	-	-	-	-	-
Mechanical Areas-Other	-	3,500	-	-	-	-	-	-
<b>Total Building-Mechanical Areas</b>	-	396,911	-	-	2,436	-	-	-
<b>Building-Other</b>								
Other-Bag Handling	-	-	-	-	-	-	-	-
Other-Building Systems	100,336	-	-	-	28,000	-	-	-
Other-Boiler Chemicals	-	8,758	-	-	-	-	-	-
Other-Floors/Repairs	-	-	-	-	-	-	-	1,369
Other-Jetbridge Repairs	-	235,000	-	-	-	-	-	-
Other-Outside Plumb/Sewer	-	-	-	-	-	-	-	4,200
Other-Paging System Contract	-	-	-	-	-	-	-	-
Other-Pest Control	-	-	-	-	-	-	-	-
Other-Roofing	-	-	-	-	-	-	-	-
Sump/Septic Pumping	-	-	-	-	-	-	-	94,255
Other-Supplies	-	119	-	-	-	-	-	5,000
Other-Tools	-	-	-	-	-	-	-	1,650
<b>Total Building-Other</b>	100,336	243,877	-	-	28,000	-	-	106,474
Minor Projects Expense	-	-	-	-	-	-	-	-
<b>Total Maintenance Building</b>	100,336	746,640	-	8,217	48,055	-	3,852	135,407

## 2014 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
<b>Maintenance-Cleaning</b>								
<b>Cleaning Services</b>								
Cleaning Services-Janitor	23,827	1,163,477	-	-	100,919	-	-	147,439
Cleaning Services-Windows	800	219,738	-	-	702	-	-	2,445
<b>Total Cleaning Services</b>	24,627	1,383,215	-	-	101,621	-	-	149,884
<b>Cleaning Supplies</b>								
Cleaning Supplies-Bathroom	-	100,072	-	-	-	-	-	-
Cleaning Supplies-General	-	-	-	-	2,500	-	-	-
<b>Total Cleaning Supplies</b>	-	100,072	-	-	2,500	-	-	-
<b>Rubbish Disposal</b>								
Rubbish Disposal-Recycle	-	-	-	-	-	-	-	-
Rubbish Disposal-Regular	5,350	49,377	-	-	7,752	-	-	24,402
<b>Total Rubbish Disposal</b>	5,350	49,377	-	-	7,752	-	-	24,402
Towel Laundry Services	-	-	-	-	-	-	-	-
Other Cleaning Expenses	-	-	-	-	-	-	-	-
<b>Total Maintenance-Cleaning</b>	29,977	1,532,664	-	-	111,873	-	-	174,286
<b>Maintenance-Equipment</b>								
<b>Equipment-Parts</b>								
Parts-Automobiles	-	-	-	-	-	-	50,000	-
Parts-Boilers Energy Mgmt	-	4,850	-	-	609	-	-	416
Parts-Chiller Energy Mgmt	-	10,316	-	-	605	-	-	-
Parts-Other Equipment	-	-	-	-	-	-	-	-
Parts-Equipment	-	-	-	-	-	-	325,000	-
Parts-Other Equipment	-	1,075	-	109	-	-	-	2,669
<b>Total Equipment-Parts</b>	-	16,241	-	109	1,214	-	375,000	3,085
<b>Equipment-Shop</b>								
Shop-Batteries	-	-	-	-	-	-	17,000	-
Shop-Cleaners/Degreasers	-	-	-	-	-	-	11,000	-
Shop-Oil Filters	-	-	-	-	-	-	75,000	-
Shop-Other Supplies	-	-	-	-	-	-	20,000	1,000
Shop-Tires	-	-	-	-	-	-	55,000	-
Shop - Tool Crib	-	-	-	-	-	-	30,000	-
Shop-Tools	-	-	-	-	-	-	10,000	19,149
Shop - Weld Shop	-	-	-	-	-	-	10,000	-
<b>Total Equipment-Shop</b>	-	-	-	-	-	-	228,000	20,149
<b>Equipment-Gas</b>								
Gas-Diesel	-	-	-	-	-	-	420,483	7,062
Gas-Ethanol	-	-	-	-	-	-	42,412	10,849
Gas-Propane	-	-	-	-	-	-	3,000	1,512
Gas-Unleaded	-	-	-	-	-	-	116,882	61,790
<b>Total Equipment-Gas</b>	-	-	-	-	-	-	582,777	81,213
<b>Equipment-Extinguishers</b>								
Extinguishers-Purchase	-	-	-	-	-	-	-	-
Extinguishers-Repair	-	-	-	-	-	-	-	-
Extinguishers-Reservice	-	-	-	-	-	-	-	-
<b>Total Equipment-Extinguishers</b>	-	-	-	-	-	-	-	-
Equipment-Miscellaneous Exp	-	1,000	-	-	-	-	-	-
<b>Total Maintenance-Equipment</b>	-	17,241	-	109	1,214	-	1,185,777	104,447
<b>Total Maintenance</b>	189,313	2,417,483	122,092	94,390	187,142	-	1,347,459	619,135

## 2014 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
<b>Other</b>								
<b>General Insurance</b>								
Gen Ins-Airport Liability	-	18,977	10,616	-	9,680	-	59,802	3,175
Gen Ins-Property	-	32,558	18,214	-	16,609	-	102,601	5,445
Gen Ins-Crime	-	616	345	-	315	-	1,942	103
Gen Ins-Auto/Equipment	-	8,759	4,899	-	4,468	-	27,601	1,465
<b>Total General Insurance</b>	-	60,910	34,074	-	31,072	-	191,946	10,188
<b>Safety</b>								
Safety-Supplies	-	-	2,000	-	-	3,500	-	30,669
Safety-Equipment	-	-	-	-	-	-	-	-
<b>Total Safety</b>	-	-	2,000	-	-	3,500	-	30,669
<b>Medical Information/Supply</b>								
Medical-Routine Supplies	-	-	-	-	-	-	-	-
Medical-Emergency Response	-	-	-	-	-	-	-	-
<b>Total Medical Information/Supply</b>	-	-	-	-	-	-	-	-
<b>Rentals</b>								
Rental-Copier	-	-	-	-	-	-	3,000	1,229
Rental-Pagers	-	-	-	-	-	-	-	-
Rental-Other Equipment	-	1,300	-	-	-	-	-	19,255
<b>Total Rentals</b>	-	1,300	-	-	-	-	3,000	20,484
<b>Licenses/Permits</b>								
Licenses-Autos/Equipment	-	-	-	-	-	-	2,300	-
Licenses-Environmental	-	-	-	-	-	-	374	-
Licenses-Other	-	-	-	-	-	-	-	-
<b>Total Licenses/Permits</b>	-	-	-	-	-	-	2,674	-
<b>Miscellaneous Expenses</b>								
Misc-Firearm/Equip/Supplies	-	-	-	-	-	-	-	-
Misc-Emergency Response	-	-	-	-	-	-	-	-
Misc-Other	-	2,000	-	-	-	-	-	-
Misc-Taxes(Petroleum/Use)	-	-	-	-	-	-	38,916	-
<b>Total Miscellaneous Expenses</b>	-	2,000	-	-	-	-	38,916	-
<b>Capital Assets</b>								
<b>Minor Equipment/Assets</b>								
Minor Assets-Tools	-	-	-	-	-	-	24,080	14,000
Minor Assets-Office Furn	-	-	-	-	-	-	-	-
Minor Assets-Computers	-	-	-	-	-	-	6,590	4,749
Minor Assets-Radios	-	-	-	-	-	-	-	-
Minor Assets-Other	-	69,820	-	-	-	-	-	-
<b>Total Minor Equipment/Assets</b>	-	69,820	-	-	-	-	30,670	18,749
<b>Total Capital Assets</b>	-	69,820	-	-	-	-	30,670	18,749
<b>Total Other</b>	-	134,030	36,074	-	31,072	3,500	267,206	80,090
<b>Gross Depreciation</b>	-	-	-	-	-	-	-	-
<b>Grand Total Excluding Depreciation</b>	375,509	5,251,389	1,575,579	94,390	854,839	19,159,383	1,670,295	1,750,398
<b>Grand Total With Depreciation</b>	375,509	5,251,389	1,575,579	94,390	854,839	19,159,383	1,670,295	1,750,398

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## 2014 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
<b>Personnel</b>								
<b>Wages</b>								
Regular	-	8,453,663	3,810,364	9,673,896	753,398	2,494,746	1,116,874	1,938,964
<b>Overtime/Doubletime</b>								
Doubletime - Regular	-	-	-	-	-	-	-	159,855
Overtime - Regular	-	549,995	565,031	27,560	6,024	190,575	-	126,660
<b>Total Overtime/Doubletime</b>	-	549,995	565,031	27,560	6,024	190,575	-	286,516
Commissioner PerDiem	-	-	-	14,000	-	-	-	-
<b>Temps</b>								
Temps - Agency	-	-	-	-	-	-	-	-
Temps - Non Agency	-	342,763	-	93,298	-	-	-	16,402
<b>Total Temps</b>	-	342,763	-	93,298	-	-	-	16,402
<b>Total Wages</b>	-	9,346,421	4,375,395	9,808,754	759,422	2,685,321	1,116,874	2,241,882
<b>Benefits</b>								
<b>Employee Insurance</b>								
Employee Insurance Dental	-	105,473	43,785	124,771	7,218	25,185	10,741	25,762
Emply Insurance Disability	-	26,568	15,226	44,629	2,929	9,325	3,753	7,239
Employee Insurance Life	-	16,678	7,631	22,079	1,404	4,671	1,913	3,789
Employee Insurance Medical	-	1,068,561	443,594	1,264,078	73,130	255,149	108,824	260,994
Employee Insurance Retiree	-	448,200	189,000	540,000	32,400	108,000	48,600	110,970
<b>Total Employee Insurance</b>	-	1,665,480	699,236	1,995,557	117,081	402,330	173,831	408,754
<b>Pension</b>								
Fica (Social Security)Base	-	154,691	3,091	600,925	44,720	157,908	69,640	115,531
Fica(Social Security)Medic	-	128,493	61,115	146,102	10,655	37,375	16,764	27,983
Mpls Empl Retirement Fund	-	-	-	24,403	-	-	-	8,296
Public Empl - Coordinated	-	183,507	3,745	773,929	54,979	193,833	86,667	144,797
Public Empl - Police/Fire	-	1,022,838	655,080	-	-	-	-	-
Merf Unfunded Liability	-	444,935	254,248	444,934	38,138	12,713	-	254,251
<b>Total Pension</b>	-	1,934,465	977,280	1,990,293	148,491	401,829	173,071	550,857
<b>Training</b>								
Continuing Ed (College)	-	-	-	65,000	-	-	-	-
Executive Leadership Train	-	-	-	15,000	-	-	-	-
Management Requirement	-	-	-	7,600	-	-	-	-
Organizational Requirement	-	-	-	25,235	-	-	18,000	-
Regulatory Requirements	-	-	30,558	11,876	-	9,800	-	-
Local Seminars	-	32,876	-	56,385	300	1,500	1,000	-
<b>Total Training</b>	-	32,876	30,558	181,096	300	11,300	19,000	-
Post Retirement Benefits	-	353,220	171,150	713,160	17,640	59,220	26,250	133,980
Workers Compensation	-	96,660	45,825	134,557	-	29,908	15,915	30,899
Post Empl Health Plan	-	36,257	12,197	59,189	3,970	7,609	6,074	7,760
Flex Spending	-	-	-	20,000	-	-	-	-
Unemployment Tax	-	-	-	-	-	-	-	-
<b>Uniforms</b>								
Uniforms-Police/Fire Allow	-	111,614	42,630	-	-	5,848	-	-
Uniforms-Rental	-	-	-	-	-	-	-	9,670
Uniforms - Safety	-	-	-	-	-	-	-	3,159
<b>Total Uniforms</b>	-	111,614	42,630	-	-	5,848	-	12,829
<b>Severance</b>								
Contract Allowance	-	-	-	-	-	-	-	8
Regular Severance	-	20,849	27,809	43,425	1,187	4,600	1,481	6,066
<b>Total Severance</b>	-	20,849	27,809	43,425	1,187	4,600	1,481	6,074
Trade Union Benefits	-	-	-	-	-	-	-	-
<b>Total Benefits</b>	-	4,251,421	2,006,686	5,137,276	288,670	922,644	415,621	1,151,153
<b>Total Personnel</b>	-	13,597,842	6,382,081	14,946,030	1,048,091	3,607,965	1,532,495	3,393,035

## 2014 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
<b>Administrative Expenses</b>								
<b>Supplies</b>								
Office Supplies Materials	-	16,049	4,035	59,870	2,050	10,927	8,644	6,673
<b>Computer Supplies</b>								
Computer Supplies-General	-	8,600	-	27,452	-	12,280	1,441	-
Computer Supplies-Software	-	2,980	1,160	97,600	-	7,364	5,700	-
Computer - Tools	-	-	-	500	-	750	-	-
<b>Total Computer Supplies</b>	-	11,580	1,160	125,552	-	20,394	7,141	-
<b>Special Supplies</b>								
Special Supplies-Badging	-	89,178	-	-	-	-	-	-
Special Supply-Film/Photo	-	672	-	12,273	-	2,500	-	-
Special Supplies-Other	-	30,047	-	12,303	2,000	5,000	400	-
<b>Total Special Supplies</b>	-	119,897	-	24,576	2,000	7,500	400	-
<b>Total Supplies</b>	-	147,526	5,195	209,998	4,050	38,821	16,185	6,673
<b>Travel</b>								
Travel - Lodging	-	9,600	2,538	48,690	3,700	6,000	7,135	6,651
Travel - Meals	-	3,849	508	8,303	800	1,515	1,035	522
Travel - Miscellaneous	-	100	-	1,389	-	250	125	-
<b>Travel - Transportation</b>								
Travel - Transport/Airfare	-	4,000	1,500	61,106	4,650	4,300	8,646	4,349
Travel - Shuttle/Taxi/Auto	-	600	111	4,043	450	350	652	600
<b>Total Travel - Transportation</b>	-	4,600	1,611	65,149	5,100	4,650	9,298	4,949
Registration Fees	-	4,445	2,030	43,260	2,490	5,200	8,134	4,691
Mileage	-	4,960	264	37,653	-	850	510	425
<b>Total Travel</b>	-	27,554	6,951	204,445	12,090	18,465	26,237	17,238
<b>Other Administrative Expense</b>								
<b>Local Meetings</b>								
Local Mtgs - Off Airport	-	1,300	-	8,674	-	150	391	100
Local Mtgs - On Airport/GO	-	1,130	-	7,911	-	3,750	82	959
<b>Total Local Meetings</b>	-	2,430	-	16,585	-	3,900	473	1,059
<b>Information Sources</b>								
Memberships/Dues/Pro Assoc	-	9,015	1,097	239,517	355	4,625	-	3,140
Other Information Sources	-	780	1,311	107,440	16,000	9,801	11,371	-
Publications/Subscriptions	-	2,046	1,300	65,044	725	4,300	522	541
<b>Total Information Sources</b>	-	11,841	3,708	412,001	17,080	18,726	11,893	3,681
<b>Printing Costs</b>								
Printing-Publications	-	2,875	-	15,959	-	25,000	6,000	-
Printing - Color Charts	-	-	-	4,253	-	-	-	-
Printing - Forms	-	1,060	590	6,184	-	-	-	-
Printing-Stationary/Envel	-	2,002	-	11,169	1,200	-	-	-
<b>Total Printing Costs</b>	-	5,937	590	37,565	1,200	25,000	6,000	-
Delivery Services	-	505	-	4,738	-	40	417	75
Freight Charges	-	129	-	-	-	-	-	-
Postage	-	58	-	33,667	-	-	-	-
Strategic Planning-Admin	-	2,000	-	10,000	-	-	-	-
<b>Total Other Administrative Expense</b>	-	22,900	4,298	514,556	18,280	47,666	18,783	4,815
<b>Total Administrative Expenses</b>	-	197,980	16,444	928,998	34,420	104,952	61,205	28,726

## 2014 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
<b>Professional Services</b>								
Accounting/Audit Fees	-	-	-	199,500	-	-	-	-
Appraisals	-	-	-	200,000	-	-	-	-
RFP/Leases	-	-	-	45,300	50,000	-	-	-
Concept Develop/Feasible	-	-	-	20,000	8,000	-	-	-
<b>Computer Services</b>								
<b>General</b>								
ANOMS Consulting	-	-	-	-	-	-	111,985	-
Software Consulting	-	-	-	450,000	-	-	-	-
<b>Total General</b>	-	-	-	450,000	-	-	111,985	-
<b>Total Computer Services</b>	-	-	-	450,000	-	-	111,985	-
Engineering Fees	-	-	-	10,000	-	-	33,000	51,000
Insurance Consultants	-	-	-	136,500	-	-	-	-
<b>Legal Fees</b>								
Legal - Environmental	-	-	-	-	-	-	92,000	-
Legal - General	-	-	-	642,000	-	-	-	-
Legal - Relievers	-	-	-	-	-	-	-	15,000
<b>Total Legal Fees</b>	-	-	-	642,000	-	-	92,000	15,000
<b>Legislative</b>								
Legislative - Local	-	-	-	91,350	-	-	-	-
Legislative - National	-	-	-	100,000	-	-	-	-
<b>Total Legislative</b>	-	-	-	191,350	-	-	-	-
Medical Fees	-	-	310	37,698	-	-	-	-
<b>Planning</b>	-	-	-	75,000	-	-	-	10,000
Pollution/Environmental Fees	-	-	-	-	-	-	1,576	3,050
<b>Public Information</b>								
Public Infor Serv. - Photo	-	-	-	10,302	-	-	-	3,000
Public Infor Serv. - Web	-	-	-	70,511	-	-	-	-
Public Infor Serv. - Other	-	-	-	330,526	-	-	-	15,000
<b>Total Public Information</b>	-	-	-	411,339	-	-	-	18,000
<b>Recruiting Expenses</b>								
Recruiting Employment Fees	-	-	-	47,732	-	-	-	-
Staff Recruiting	-	-	-	495	-	-	-	-
Executive Recruiting	-	-	-	44,514	-	-	-	-
<b>Total Recruiting Expenses</b>	-	-	-	92,741	-	-	-	-
<b>Safety Consultants</b>								
Safety - Training	-	1,600	-	30,000	-	-	-	-
Safety - General	-	-	-	6,000	-	-	-	-
<b>Total Safety Consultants</b>	-	1,600	-	36,000	-	-	-	-
<b>Miscellaneous Expenses</b>								
<b>Survey Expense</b>	-	-	-	16,920	-	-	-	-
<b>Wildlife/Meteorology</b>								
Meteorology	-	-	-	-	-	21,000	-	-
Wildlife	-	-	-	-	-	68,000	-	70,277
<b>Total Wildlife/Meteorology</b>	-	-	-	-	-	89,000	-	70,277
Business Development	-	-	-	137,000	-	-	-	-
Environmental	-	-	-	-	-	-	50,000	16,000
<b>Mechanical</b>								
Mechanical Other	-	-	-	-	-	-	-	-
Mechanical Terminal	-	-	-	7,907	-	-	-	10,500
Mechanical Trades	-	-	-	-	-	-	-	-
<b>Total Mechanical</b>	-	-	-	7,907	-	-	-	10,500
Miscellaneous	-	114,042	6,720	167,381	-	9,300	85,000	44,000
Strategic Planning-Professiona	-	-	-	40,000	-	-	-	-
<b>Total Miscellaneous Expenses</b>	-	114,042	6,720	369,208	-	98,300	135,000	140,777
<b>Total Professional Services</b>	-	115,642	7,030	2,916,636	58,000	98,300	373,561	237,827
<b>Utilities</b>								
Electricity	-	-	125,791	349,614	-	-	3,639	274,409
<b>Heating Fuel</b>	-	-	40,816	44,876	-	-	-	35,275
Sewer	-	-	1,525	1,664	-	-	-	24,659
Water	-	-	5,862	3,475	-	-	-	2,907
<b>Telephone</b>								
Telephone - Regular	-	-	-	153,000	150	-	11,000	19,000
Telephone - Internet Service	-	-	-	70,000	720	-	-	27,600
Telephone - Cellular	-	37,598	13,195	39,896	4,741	23,733	31,450	7,948
<b>Total Telephone</b>	-	37,598	13,195	262,896	5,611	23,733	42,450	54,548
<b>Total Utilities</b>	-	37,598	187,189	662,525	5,611	23,733	46,089	391,798

## 2014 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
<b>Operating Services/Expenses</b>								
<b>Advertising</b>								
Advertising - Employment	-	-	-	1,238	-	-	-	-
<b>Advertising - General</b>	-	-	-	74,802	2,030	-	-	-
Advertising - Parking	-	-	-	-	-	-	-	-
Advertising - Relievers	-	-	-	-	-	-	-	6,305
<b>Total Advertising</b>	-	-	-	76,040	2,030	-	-	6,305
<b>Environmental Control</b>								
<b>Hazardous Waste</b>								
Hazardous Waste - FLOuresc	-	-	-	-	-	-	-	-
Hazardous Waste - General	-	-	-	-	-	-	-	-
<b>Total Hazardous Waste</b>	-	-	-	-	-	-	-	-
<b>Pollution Control</b>								
Pollution Ctrl-Booms	-	-	-	-	-	-	-	-
Pollution Ctrl-Corn Cobs	-	-	6,000	-	-	-	-	-
<b>Total Pollution Control</b>	-	-	6,000	-	-	-	-	-
Industrial Waste Mgmt	-	-	-	-	-	-	-	-
Laboratory Services	-	-	-	3,000	-	-	500	-
Solvent Reclamation Service	-	-	-	-	-	-	-	2,030
Tire Disposal	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	133,000
<b>Total Environmental Control</b>	-	-	6,000	3,000	-	-	500	135,030
GLSW Management	-	-	-	76,920	-	-	-	-
<b>Tag Operating Supplies</b>	-	-	-	-	-	-	-	-
<b>Grd Transportation Services</b>	-	-	-	-	-	-	-	-
<b>Shuttle Services</b>	-	-	-	-	-	-	-	-
<b>Parking Lots</b>	-	-	-	-	-	-	-	-
<b>Met Council Fees</b>	-	-	-	-	-	-	-	-
<b>Employee Programs</b>								
<b>Recognition</b>	-	-	-	8,200	-	-	-	-
<b>Retirement</b>	-	-	-	2,300	-	-	-	-
<b>Wellness</b>								
Wellness - Fitness Program	-	-	-	128,550	-	-	-	-
Wellness-Nutrition/Stress	-	-	-	5,500	-	-	-	-
<b>Total Wellness</b>	-	-	-	134,050	-	-	-	-
<b>Total Employee Programs</b>	-	-	-	144,550	-	-	-	-
<b>Conference Center</b>	-	-	-	-	30,000	-	-	-
<b>Conference Center</b>	-	-	-	-	30,000	-	-	-
<b>Events Exercises</b>								
<b>Emergency Response Exercise</b>	-	-	-	13,000	-	-	-	-
Other Programs/Events	-	-	-	10,000	-	-	-	1,500
Call Back Service	-	-	-	-	-	-	-	-
Major Events-Conventions	-	-	-	-	-	-	-	6,395
<b>Total Events Exercises</b>	-	-	-	23,000	-	-	-	7,895
<b>Other Charges/Fees</b>								
<b>Bank Charges</b>								
Bank Charges	-	-	-	-	-	-	-	-
<b>Total Bank Charges</b>	-	-	-	191,000	-	-	-	-
IATA Contract Expense	-	-	-	66,000	-	-	-	-
<b>Security Services Regular</b>	-	571,059	-	-	-	-	-	-
Security Services Check Pt	-	-	-	-	-	-	-	-
Concessions Marketing	-	-	-	-	436,665	-	-	-
<b>Recycling - Sand</b>	-	-	-	-	-	-	-	-
<b>Copy Agreement</b>	-	-	-	119,905	-	-	-	-
Mediation Fees	-	-	-	2,200	-	-	-	-
Miscellaneous Charges/Fees	-	42,521	-	30,235	-	60,000	-	2,097
Porter Service	-	-	-	-	-	-	-	-
Jail Fees	-	9,857	-	-	-	-	-	-
<b>Total Other Charges/Fees</b>	-	623,437	-	409,340	436,665	60,000	-	2,097
<b>Service Agreements</b>								
Service - Bldg Inspection	-	-	-	-	-	-	-	-
Service-Computers	-	535,426	11,000	1,492,700	-	185,325	69,940	2,290
Service-Electrical Gear Contr	-	-	-	-	-	-	-	-
Service-Fitness Equipment	-	-	2,000	750	-	-	-	-
Service-Grd Trans Equip	-	-	-	-	-	-	-	-
Service-Loading Dock	-	-	-	-	-	-	-	-
Service-Office Equipment	-	18,499	-	8,058	800	700	155	-
Service-Other Equipment	-	216,921	20,000	37,690	3,000	-	49,816	700
Service-Parking Equipment	-	-	-	-	-	-	-	-
Service-Telephone Systems	-	-	-	20,000	-	38,881	-	-
Service-Secured Access	-	-	-	-	-	-	-	-
Service-Radios	-	36,662	10,649	124,525	-	106,214	-	60,698
<b>Total Service Agreements</b>	-	807,509	43,649	1,683,723	3,800	331,120	119,911	63,688
<b>Total Operating Services/Expenses</b>	-	1,430,946	49,649	2,416,573	472,495	391,120	120,411	215,015

## 2014 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
<b>Maintenance</b>								
<b>Trades - Painters</b>								
<b>Paint</b>								
Equipment - Paint	-	-	-	-	-	-	-	-
Exterior - Paint	-	-	-	-	-	-	-	1,813
Interior - Paint	-	-	1,000	-	-	-	-	-
Paint - Other	-	-	-	-	-	-	-	-
Traffic Paint - Parking	-	-	-	-	-	-	-	-
Reliever Airport - Paint	-	-	-	-	-	-	-	4,500
Traffic Paint - Runways	-	-	-	-	-	-	-	3,329
<b>Total Paint</b>	-	-	1,000	-	-	-	-	9,642
<b>Signs</b>								
Exterior Sign Materials	-	-	-	-	-	-	-	-
Interior Sign Materials	-	-	-	-	-	-	-	-
<b>Total Signs</b>	-	-	-	-	-	-	-	-
<b>Supplies</b>								
Paint Supplies - Other	-	-	-	-	-	-	-	-
Solvents	-	-	-	-	-	-	-	-
Equipment Spray	-	-	-	-	-	-	-	-
Paint Tools	-	-	-	-	-	-	-	-
<b>Total Supplies</b>	-	-	-	-	-	-	-	-
<b>Total Trades - Painters</b>	-	-	1,000	-	-	-	-	9,642
<b>Trades - Carpenters</b>								
<b>Locks</b>								
Locks - Doors	-	-	-	-	-	-	-	410
Locks - Door Tags/ID	-	-	-	-	-	-	-	-
<b>Total Locks</b>	-	-	-	-	-	-	-	410
<b>Flags</b>	-	-	-	-	-	-	-	124
<b>Lumber</b>								
Lumber-Cabinets	-	-	-	-	-	-	-	300
Lumber-Furniture	-	-	-	-	-	-	-	-
Lumber-Other	-	-	-	-	-	-	-	608
Lumber-Remodeling	-	-	-	-	-	-	-	1,500
<b>Total Lumber</b>	-	-	-	-	-	-	-	2,408
<b>Other</b>								
Other - Attic Stock	-	-	-	-	-	-	-	-
Other - Ceilings	-	-	-	-	-	-	-	1,013
Other - Ceramics	-	-	-	-	-	-	-	-
Other - Doors	-	-	-	-	-	-	-	1,240
Other - Floor Coverings	-	-	-	-	-	-	-	-
Other - Hardware	-	-	-	-	-	-	-	708
Other - Miscellaneous	-	-	-	-	-	-	-	2,302
Other - Auto Door Supplis RPL	-	-	-	-	-	-	-	-
Other - Saw Blades	-	-	-	-	-	-	-	-
Other - Screws/Bolts	-	-	-	-	-	-	-	-
Other - Seating Replacement	-	-	-	-	-	-	-	-
Other - Tools	-	-	-	-	-	-	-	-
Other - Tug Door Repairs	-	-	-	-	-	-	-	-
Other - Tug Drive Floor Maint.	-	-	-	-	-	-	-	-
Other - Wall Protection	-	-	-	-	-	-	-	-
<b>Total Other</b>	-	-	-	-	-	-	-	5,263
<b>Total Trades - Carpenters</b>	-	-	-	-	-	-	-	8,205

## 2014 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
<b>Trades - Plumbers</b>								
<b>Contractor Requirements</b>	-	-	-	-	-	-	-	-
Fire Protection System	-	-	4,880	2,867	-	-	-	4,737
General Plumbing Supplies	-	-	1,000	12,000	-	-	-	2,987
Irrigation Supplies	-	-	-	2,300	-	-	-	-
Pumps	-	-	-	-	-	-	-	-
Underground Utilities	-	-	-	-	-	-	-	-
Water Distribution Systems	-	-	-	-	-	-	-	-
Water Meters	-	-	-	-	-	-	-	-
Plumbing - Other	-	-	-	-	-	-	-	271
<b>Total Trades - Plumbers</b>	-	-	5,880	17,167	-	-	-	7,995
<b>Trades - Electricians</b>								
<b>Repairs</b>								
Electrical _ Exterior	-	-	-	-	-	-	-	109
Generator Maint. Contract	-	-	5,000	-	-	-	-	10,000
Electrical - Interior	-	-	-	-	-	-	-	-
Unit Maint. Contract	-	-	30,000	20,000	-	-	-	5,000
Unit Maint Supplies	-	-	-	-	-	-	-	2,000
<b>Total Repairs</b>	-	-	35,000	20,000	-	-	-	17,109
<b>Other</b>								
Other - Batteries	-	-	-	-	-	-	-	-
Other-Field Lights/Sensors	-	-	-	-	-	-	-	47,000
Other - Gate Supplies	-	-	-	-	-	-	-	45,835
Other - General Supplies	-	1,000	1,000	5,000	-	-	-	15,000
Other - Motor	-	-	1,000	-	-	-	-	3,500
Other - Secured Access Sys	-	1,000	1,000	1,000	-	-	-	-
<b>Total Other</b>	-	2,000	3,000	6,000	-	-	-	111,335
<b>Total Trades - Electricians</b>	-	2,000	38,000	26,000	-	-	-	128,444



## 2014 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
<b>Maintenance - Field</b>								
<b>Snow Removal - Materials</b>								
Materials - Sodium Acetate	-	-	-	-	-	-	-	-
Materials-Liquid Anti Icer	-	-	-	-	-	-	-	-
Materials-Other Ice Ctrl	-	-	-	-	-	-	-	-
Materials - Salt	-	-	-	-	-	-	-	202
Materials - Sand	-	-	-	-	-	-	-	10,643
Materials - Urea	-	-	-	-	-	-	-	6,137
<b>Total Snow Removal - Materials</b>	-	-	-	-	-	-	-	16,982
<b>Snow Removal - Equipment</b>								
Equipment - Contract	-	-	-	-	-	-	-	-
Equipment-Rent-No Operator	-	-	-	-	-	-	-	382
Equip Rent-No Operator-5.5	-	-	-	-	-	-	-	2,500
<b>Total Snow Removal - Equipment</b>	-	-	-	-	-	-	-	2,882
<b>Snow Removal - Miscellan</b>								
Snow Removal - Meals	-	-	-	-	-	-	-	494
Snow Removal - Plow Blades	-	-	-	-	-	-	-	-
Snow Removal - Runway Brm	-	-	-	-	-	-	-	-
Snow Melters	-	-	-	-	-	-	-	-
<b>Total Snow Removal - Miscellan</b>	-	-	-	-	-	-	-	494
<b>Summer Maintenance-Surface</b>								
Surface Repair-Aggregate	-	-	-	-	-	-	-	4,534
Surface Repair-Asphalt	-	-	-	-	-	-	-	7,971
Surface Repair-Cement	-	-	-	-	-	-	-	322
Surface Repair-Other	-	-	-	-	-	-	-	-
Surface Rubber Removal	-	-	-	-	-	-	-	7,410
Surface Repair-Saw Blades	-	-	-	-	-	-	-	-
Surface Repair-Hot Sealant	-	-	-	-	-	-	-	-
<b>Total Summer Maintenance-Surfac</b>	-	-	-	-	-	-	-	20,237
<b>Summer Maint-Landscape</b>								
Summer Maintenance-Fencing	-	-	-	-	-	-	-	3,502
Landscape/Turf-Materials	-	-	-	100	-	-	-	20,954
Summer Maint-Equip Rent No Op	-	-	-	-	-	-	-	1,800
Summer Maint-Equip Rent LT	-	-	-	-	-	-	-	-
<b>Total Summer Maint-Landscape</b>	-	-	-	100	-	-	-	26,256
<b>Maintenance Field-Other</b>								
Non Runway Brooms	-	-	-	-	-	-	-	-
Field Maint-Other-Material	-	-	-	-	-	-	-	-
Field Maint-Other-Supplies	-	-	-	-	-	-	-	8,654
Field Maint-Other-Tools	-	-	-	-	-	-	-	-
<b>Total Maintenance Field-Other</b>	-	-	-	-	-	-	-	8,654
<b>Total Maintenance - Field</b>	-	-	-	100	-	-	-	75,505
<b>Maintenance Building</b>								
<b>Building-Temp Control</b>								
Temp Control-Contracts	-	-	6,861	6,635	-	-	-	14,739
Temp Control-Filters	-	1,978	-	-	-	-	-	-
Fire Control Contract	-	-	5,095	10,321	-	-	27	-
<b>Total Building-Temp Control</b>	-	1,978	11,956	16,956	-	-	27	14,739
<b>Building-Mechanical Areas</b>								
Mechanical Areas-APM	-	-	-	-	-	-	-	-
Mechanical Areas-Conveyors	-	-	-	-	-	-	-	-
Mechanical Areas-Doors	-	-	-	-	-	-	-	8,255
Mechanical Areas-Doors/Pub	-	-	-	-	-	-	-	-
Mechanical Areas-Doors/Tug	-	-	-	-	-	-	-	-
Mechanical Areas-Elevators	-	-	-	-	-	-	-	2,999
Mechanical Areas-Escalator	-	-	-	-	-	-	-	-
Mechanical-Moving Walks	-	-	-	-	-	-	-	-
Mechanical Areas-Other	-	-	-	-	-	-	-	-
<b>Total Building-Mechanical Areas</b>	-	-	-	-	-	-	-	11,254
<b>Building-Other</b>								
Other-Bag Handling	-	-	-	-	650,000	-	-	-
Other-Building Systems	-	-	-	-	-	-	-	-
Other-Boiler Chemicals	-	-	-	-	-	-	-	-
Other-Floors/Repairs	-	-	-	-	-	-	-	-
Other-Jetbridge Repairs	-	-	-	-	-	-	-	-
Other-Outside Plumb/Sewer	-	-	-	-	-	-	-	-
Other-Paging System Contract	-	-	-	-	-	-	-	-
Other-Pest Control	-	-	-	-	-	-	-	-
Other-Roofing	-	-	-	-	-	-	-	23,578
Sump/Septic Pumping	-	-	-	-	-	-	-	14,958
Other-Supplies	-	-	2,892	-	-	9,000	-	4,192
Other-Tools	-	-	-	-	-	-	-	-
<b>Total Building-Other</b>	-	-	2,892	-	650,000	9,000	-	42,728
Minor Projects Expense	-	-	-	750	-	-	-	-
<b>Total Maintenance Building</b>	-	1,978	14,848	17,706	650,000	9,000	27	68,721

## 2014 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
<b>Maintenance-Cleaning</b>								
<b>Cleaning Services</b>								
Cleaning Services-Janitor	-	-	28,716	55,131	841,929	13,437	-	28,988
Cleaning Services-Windows	-	-	-	10,818	-	-	-	3,530
<b>Total Cleaning Services</b>	-	-	28,716	65,949	841,929	13,437	-	32,518
<b>Cleaning Supplies</b>								
Cleaning Supplies-Bathroom	-	-	-	-	-	-	-	-
Cleaning Supplies-General	-	-	-	-	-	-	-	2,909
<b>Total Cleaning Supplies</b>	-	-	-	-	-	-	-	2,909
<b>Rubbish Disposal</b>								
Rubbish Disposal-Recycle	-	-	-	-	-	-	-	-
Rubbish Disposal-Regular	-	-	3,335	2,562	-	-	-	32,061
<b>Total Rubbish Disposal</b>	-	-	3,335	2,562	-	-	-	32,061
Towel Laundry Services	-	-	458	-	-	-	-	6,586
Other Cleaning Expenses	-	-	2,897	-	-	-	-	-
<b>Total Maintenance-Cleaning</b>	-	-	35,406	68,511	841,929	13,437	-	74,074
<b>Maintenance-Equipment</b>								
<b>Equipment-Parts</b>								
Parts-Automobiles	-	50,000	1,000	-	-	18,000	-	-
Parts-Boilers Energy Mgmt	-	-	-	-	-	-	-	137
Parts-Chiller Energy Mgmt	-	-	2,341	503	-	-	-	-
Parts-Other Equipment	-	-	-	-	-	-	-	-
Parts-Equipment	-	35,544	35,000	-	-	-	-	110,449
Parts-Other Equipment	-	-	-	-	-	-	-	-
<b>Total Equipment-Parts</b>	-	85,544	38,341	503	-	18,000	-	110,586
<b>Equipment-Shop</b>								
Shop-Batteries	-	-	-	-	-	-	-	1,522
Shop-Cleaners/Degreasers	-	-	-	-	-	-	-	420
Shop-Oil Filters	-	-	-	-	-	-	-	6,815
Shop-Other Supplies	-	-	-	-	-	-	-	6,399
Shop-Tires	-	-	5,000	-	-	-	-	16,548
Shop - Tool Crib	-	-	-	-	-	-	-	-
Shop-Tools	-	-	-	-	-	-	-	2,398
Shop - Weld Shop	-	-	-	-	-	-	-	-
<b>Total Equipment-Shop</b>	-	-	5,000	-	-	-	-	34,102
<b>Equipment-Gas</b>								
Gas-Diesel	-	4,166	25,245	-	-	17	-	120,307
Gas-Ethanol	-	27,968	3,784	6,656	-	4,749	1,420	237
Gas-Propane	-	-	-	-	-	-	-	-
Gas-Unleaded	-	97,412	5,529	4,720	-	13,612	2,777	38,389
<b>Total Equipment-Gas</b>	-	129,546	34,558	11,376	-	18,378	4,197	158,933
<b>Equipment-Extinguishers</b>								
Extinguishers-Purchase	-	-	16,500	-	-	-	-	-
Extinguishers-Repair	-	-	2,500	-	-	-	-	-
Extinguishers-Reservice	-	-	3,000	-	-	-	-	-
<b>Total Equipment-Extinguishers</b>	-	-	22,000	-	-	-	-	-
Equipment-Miscellaneous Exp	-	-	-	21,200	-	-	2,000	4,619
<b>Total Maintenance-Equipment</b>	-	215,090	99,899	33,079	-	36,378	6,197	308,240
<b>Total Maintenance</b>	-	219,068	195,033	162,563	1,491,929	58,815	6,224	680,826

## 2014 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
<b>Other</b>								
<b>General Insurance</b>								
Gen Ins-Airport Liability	-	65,229	48,486	31,229	-	2,831	2,023	73,698
Gen Ins-Property	-	111,911	83,185	53,579	-	4,857	3,471	126,445
Gen Ins-Crime	-	2,119	1,575	1,014	-	92	65	2,394
Gen Ins-Auto/Equipment	-	30,107	22,378	14,413	-	1,307	934	34,016
<b>Total General Insurance</b>	-	209,366	155,624	100,235	-	9,087	6,493	236,553
<b>Safety</b>								
Safety-Supplies	-	7,866	-	7,700	-	-	-	994
Safety-Equipment	-	-	-	9,122	-	-	-	-
<b>Total Safety</b>	-	7,866	-	16,822	-	-	-	994
<b>Medical Information/Supply</b>								
Medical-Routine Supplies	-	9,020	-	800	-	10	-	152
Medical-Emergency Response	-	-	2,500	-	-	-	-	-
<b>Total Medical Information/Supply</b>	-	9,020	2,500	800	-	10	-	152
<b>Rentals</b>								
Rental-Copier	-	9,500	3,000	15,200	-	18,188	-	-
Rental-Pagers	-	-	-	1,000	-	-	-	-
Rental-Other Equipment	-	-	-	9,130	-	-	300	-
<b>Total Rentals</b>	-	9,500	3,000	25,330	-	18,188	300	-
<b>Licenses/Permits</b>								
Licenses-Autos/Equipment	-	-	-	3,300	-	-	-	-
Licenses-Environmental	-	-	-	-	-	-	2,000	4,800
Licenses-Other	-	-	-	-	600	-	-	732
<b>Total Licenses/Permits</b>	-	-	-	3,300	600	-	2,000	5,532
<b>Miscellaneous Expenses</b>								
Misc-Firearm/Equip/Supplies	-	72,749	25,000	-	-	16,000	-	-
Misc-Emergency Response	-	17,758	17,000	-	-	-	-	-
Misc-Other	-	49,750	12,000	11,500	-	-	-	-
Misc-Taxes(Petroleum/Use)	-	-	-	3,740	-	-	-	1,752
<b>Total Miscellaneous Expenses</b>	-	140,257	54,000	15,240	-	16,000	-	1,752
<b>Capital Assets</b>								
<b>Minor Equipment/Assets</b>								
Minor Assets-Tools	-	-	68,880	-	-	1,147	-	-
Minor Assets-Office Furn	-	5,000	-	66,250	-	5,000	-	-
Minor Assets-Computers	-	29,412	-	150,405	30,500	43,997	8,500	-
Minor Assets-Radios	-	-	-	-	-	2,665	-	-
Minor Assets-Other	-	-	31,680	10,249	-	-	-	-
<b>Total Minor Equipment/Assets</b>	-	34,412	100,560	226,904	30,500	52,809	8,500	-
<b>Total Capital Assets</b>	-	34,412	100,560	226,904	30,500	52,809	8,500	-
<b>Total Other</b>	-	410,421	315,684	388,631	31,100	96,094	17,293	244,983
<b>Gross Depreciation</b>	-	-	-	-	-	-	-	-
<b>Grand Total Excluding Depreciation</b>	-	16,009,496	7,153,110	22,421,956	3,141,646	4,380,979	2,157,278	5,192,210
<b>Grand Total With Depreciation</b>	-	16,009,496	7,153,110	22,421,956	3,141,646	4,380,979	2,157,278	5,192,210

## Construction Fund

All capital asset expenditures are within the Construction Fund and are broken down into two categories which are:

- Equipment and Technology Related Expenditures
- Capital Improvement Program Expenditures

Capital asset expenditures relate to the acquisition of assets in which the benefits extend over one or more accounting periods beyond the current period. It is the Commission's policy to amortize the carrying amount of the assets over their estimated useful lives on a straight-line basis by annual depreciation charges to income. Estimated useful lives on depreciable assets are as follows:

Airport improvements and buildings	10 - 40 years
Moveable equipment	3 - 15 years

Costs incurred for major improvements are carried in construction in progress until disposition or completion of the related projects. Costs relating to projects not pursued are expensed, while costs relating to completed projects are capitalized. The capitalization threshold for capital assets is \$10,000.

For Capital Improvement Program expenditures, a monthly report of all final payments, including any change orders, are reviewed and approved by the Commission.

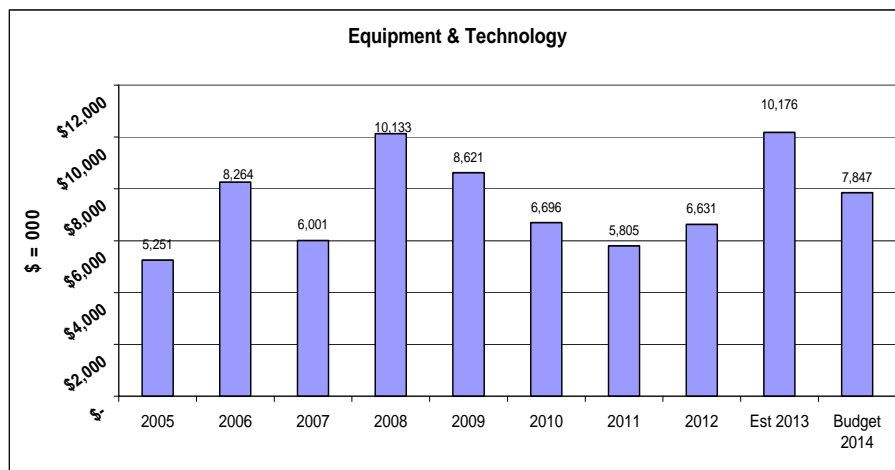
### Equipment and Technology Related Expenditures

Annually MAC completes its capital equipment requests for new and replacement equipment. In the past eight years, only essential pieces of equipment requests were considered based upon cash flow and organizational requirements. The same criteria were in place for the 2014 budget. The capital equipment requests in the 2014 budget decreased \$2,329,000 or 22.9%. The primary reason for the decrease was the need in 2013 to significantly upgrade the Commission's network capacity and coverage. All technology related capital equipment was also reviewed by the Information Services (IS) Department.

In 2008, the Commission fully incorporated the changes in the Amendment to the Airline Use and Lease Agreement. This change resulted in a significant modification to the way the Commission acquires capital equipment. In the past, internally generated funds were used to purchase all capital equipment and the resulting depreciation associated with that equipment was charged to the tenants, in particular, the airlines. In the Amendment, this process changed due to elimination of using depreciation and now incorporating the use of various types of debt as a chargeback to the tenants and airlines. Currently, the \$7.8 million capital equipment budget listed below is funded in two ways. First, those pieces of equipment which are chargeable to the tenants and airlines are now acquired through equipment financing (Notes Payable). The amount of equipment financed for 2014 is approximately \$4.1 million. The terms of these financings range from two years to ten years. The principal and interest associated with these equipment financings will be charged back based on the appropriate percentage found in the Airline Use and Lease Agreement resulting in recovery of all or a portion of the total dollars. Second, the remaining value of capital equipment (approximately \$3.7 million) will be funded with internally generated funds.

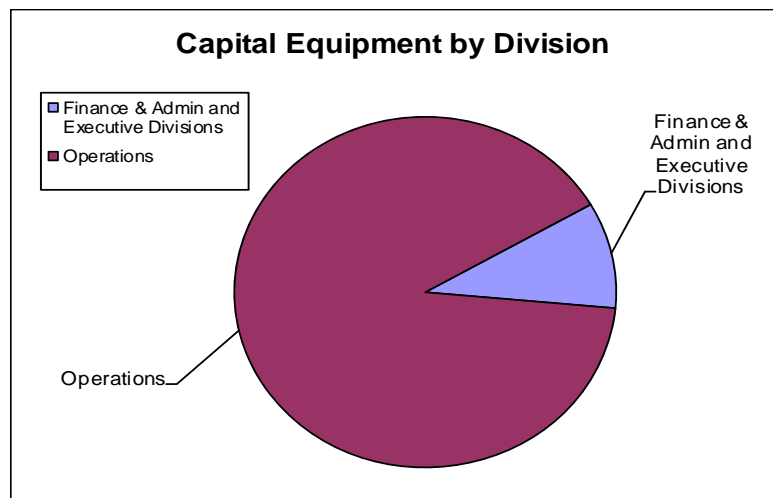
2014 Equipment & Technology Budget				
	2013	2014		
	<u>Estimate</u>	<u>Budget</u>	<u>\$ Variance</u>	<u>% Variance</u>
Equipment & Technology	\$ 10,176,000	\$ 7,846,540	\$ (2,329,460)	-22.9%

The following chart compares equipment and technology purchases for the past 10 years:



This chart displays the 2014 capital equipment requests by division and shows that the Finance, Administration and Executive Divisions need a small portion of the overall capital equipment budget while Operations has a large portion of equipment requests required to maintain the airport.

The chart below represents the capital equipment requests for 2014 through 2016. As MAC held down expenditures in the past few years, the upcoming years show a larger dollar amount for capital equipment requests as more equipment and technology require updating.



Capital Equipment Summary			
Service Center	2014	2015	2016
Executive	\$55,000	\$0	\$0
Finance	0	0	0
Information Services	713,667	680,000	750,000
Airside Operations	235,000	0	0
Emergency Operations	0	0	0
Landside Operations	678,472	112,000	81,000
Fire	925,000	67,400	758,000
Police	232,401	180,000	135,000
Environment-Aviation Noise	0	0	0
Facilities-Lindbergh Terminal	310,600	280,000	250,000
Facilities-Energy Management Center	27,000	27,000	0
Trades-Electricians	61,400	270,000	200,000
Trades-Painters	37,500		
Trades-Carpenters	50,800	34,800	0
Trades-Plumbers	0	0	0
Field Maintenance	3,819,700	6,530,200	5,340,200
Relievers-St Paul	700,000	0	0
Relievers-Airlake	0	0	0
Relievers-Flying Cloud	0	200,000	0
Relievers-Crystal	0	0	700,000
<b>Total</b>	<b>\$7,846,540</b>	<b>\$8,381,400</b>	<b>\$8,214,200</b>

The following pages contain the capital asset summary.

**EXECUTIVE DIVISION****Executive - General**

<b>Equipment</b>	<b>Individual Price</b>	<b>Qty</b>	<b>Trade in Value</b>	<b>Total</b>
<b>Hardware/Software/Equipment</b>	\$55,000	1		\$55,000
To purchase Hardware/Software and Equipment in order to video/stream Commission meetings				
<b>Executive - General Total:</b>				<b>\$55,000</b>

**FINANCE & ADMINISTRATION DIVISION****Information Services**

<b>Equipment</b>	<b>Individual Price</b>	<b>Qty</b>	<b>Trade in Value</b>	<b>Total</b>
<b>Create MAC IS database cluster</b>	\$80,000	1	\$0	\$80,000
The IS staff has many different databases behind the scenes where activities are logged, events are monitored and hardware / software are managed. This project would move the separate databasaes to a single, redundant database. This consolidation will improve reliability and reduce database license and support costs as well as achieving the main target of efficient IS system management.				
<b>Data Center failover hardware and software -</b>	\$172,000	1	\$0	\$172,000
This package provides for automatic failover between the new Data Center and MAC Firestation #1 in the event that the data center suffers a catastrophic failure.				
<b>Implement Microsoft SharePoint software</b>	\$150,000	1	\$0	\$150,000
SharePoint is a software product designed to enable collaboration among its users by providing common document storage, handling document updates with version control and supporting ad hoc formation of groups to work together. This common environment would reolace the various shared file directories currently in use.				
<b>Intrusion protection sensors</b>	\$30,000	1	\$0	\$30,000
Another layer of protection at the network level to detect cyber attacks and anomolous behavior.				
<b>Landside failover hardware and software</b>	\$161,667	1	\$0	\$161,667
This package provids automatic failover for the parking Revenue Control System and the Commercial Vehicle and Taxi system between the primary locations and the new Data Center.				
<b>Network access control hardware and software</b>	\$120,000	1	\$0	\$120,000
The software enables permitted user access via the MAC network from any location and protects the network against unathorized access as part of the security defense in depth philosophy in place.				
<b>Information Services Total:</b>				<b>\$713,667</b>



**MANAGEMENT & OPERATIONS DIVISION****Airside Operations**

<b>Equipment</b>	<b>Individual Price</b>	<b>Qty</b>	<b>Trade in Value</b>	<b>Total</b>
<b>Airside Operations Vehicle - dual fuel SUV</b>	\$52,000	1		\$52,000
Replacement vehicle for high-mileage, fully amortized Airside Operations vehicle -2007 Chevy Tahoe. More than half of the repairs done on this vehicle have been of an emergency or unscheduled nature. This vehicle is used daily by the department staff to ensure the safe, efficient and critical operation of MSP. Budgeted costs include all accessories necessary to equip the vehicle to effectively operate on the Air Operations Area similar to current Airside Operations' vehicles.				
<b>Motorola MIP5000 Radio Consoles Upgrade</b>	\$100,000	1		\$100,000
Airside has been working with IS since 2012 to replace the existing radio consoles in the Airside Operations and Drivers' Training Centers. The current radio consoles are limited by the fact that they are tied to 4 gateways which requires all of the consoles to listen to the same 800 MHZ channels. When a gateway is changed by one console, it changes all of the others, which prohibits the other radios from monitoring critical radio channels without the use of portables. IS has been working with Motorola and the current proposal is to upgrade the MIP5000 consoles to the new MCC 7100 Consoles which requires additional radio infrastructure upgrades. The proposed \$250,000 cost is only an estimate as we are awaiting a more accurate figure from IS. Year one of two-year project.				
<b>MSP Drivers Training Center Furniture/Furnishings</b>	\$40,000	1		\$40,000
With the remodeling and expansion of the Drivers Training Center, additional and replacement furniture/ furnishings are needed. Much of the furniture was originally purchased for office use and has not held up to the rigorous wear and tear by the thousands of users utilizing the facility with some pieces failing and needing to be replaced with commercial grade quality products. The plan is to add on to the existing classroom and back up Ops Center, and replace the entire testing center, admin area and Firearms Training Center furniture and furnishings. Year one of a two-year project.				
<b>MSP Drivers' License System Patch</b>	\$30,000	1		\$30,000
The MSP Drivers' License System patch will augment the current airport driver's license system which has been cobbled together over the last 10 years which is collection of disparate applications, spreadsheets, databases, various file types and documents until an integration with the security badging process can be made. This patch will automate some of the manual processes of issuing a MSP drivers' license by providing an integrated workflow from driver application to license issuance for approximately 4,000 drivers a year.				

**MANAGEMENT & OPERATIONS DIVISION****Airside Operations**

<b>Equipment</b>	<b>Individual Price</b>	<b>Qty</b>	<b>Trade in Value</b>	<b>Total</b>
<b>Wildlife Thermal Imaging Camera</b>	\$13,000	1		\$13,000

The FAA and USDA Wildlife Services recommends that night time vehicle surveys be incorporated into an airport's Wildlife Hazard Management Plan as part of their continual monitoring and surveillance program. Current regulatory guidance proposes the use of either night vision or thermal imaging equipment to conduct night time surveys. In the past, Airside has conducted these surveys using the Fire Department's handheld FLIR equipment, which has proved inadequate for surveying wildlife on the AOA. The proposed equipment will be used by Airside and USDA Wildlife Services staff to conduct low light wildlife surveys as well to assist in the location and subsequent removal of mammals found on the AOA at night.

<b>Airside Operations Total:</b>	<b>\$235,000</b>
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**Landside-Operations**

<b>Equipment</b>	<b>Individual Price</b>	<b>Qty</b>	<b>Trade in Value</b>	<b>Total</b>
<b>Equip Landside Enforcement Vehicles with LPR</b>	\$70,000	1	\$0	\$70,000
Adding License Plate Recognition (LPR) to two (2) Landside vehicles will enhance enforcement and customer service provided in public parking, taxi and commercial vehicle areas.				
<b>MAVIS document storage for commercial vehicles</b>	\$23,632	1	\$0	\$23,632
Allow for electronic storage of documents required for commercial vehicle permitting - mechanical inspections, State operating certificates, insurance certificates and permit applications.				
<b>MAVIS GUI software upgrade</b>	\$19,340	1	\$0	\$19,340
Upgrade all MAC Automatic Vehicle Identification System (MAVIS) graphic user interface (GUI) client applications to run on new .NET v4.5 platform.				
<b>Variable Message Customer Service Signs</b>	\$250,000	1	\$0	\$250,000

Replacement of twelve (12) variable message signs located in the T1 Ground Transport Center that guide customers to preferred ground transportation provider. Existing signs have exceeded useful life expectancy and parts are becoming obsolete. Existing signs run on Windows XP which will also soon be obsolete. Existing signs are no longer reliable and require frequent servicing and repair.

<b>Landside-Operations Total:</b>	<b>\$362,972</b>
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**MANAGEMENT & OPERATIONS DIVISION****Landside-Parking**

<b>Equipment</b>	<b>Individual Price</b>	<b>Qty</b>	<b>Trade in Value</b>	<b>Total</b>
<b>Intercom Replacement</b> Replace intercoms at all T1 and T2 public parking and commercial vehicle entrances and exits	\$100,000	1	\$0	\$100,000
<b>Parking Management Van</b> Second van to help transport passengers and luggage to find lost cars and to haul signs and equipment into and out of ramps as needed during diversions when T1 ramps are full (approximately 45 times per year).	\$26,500	1	\$0	\$26,500
<b>RCS Failover / Disaster Recovery Equipment</b> This equipment will provide the hardware and software necessary for disaster protection and to ensure the continued operation of virtual parking revenue control system (RCS) and preservation and collection of associated revenue.	\$189,000	1	\$0	\$189,000
<b>Landside-Parking Total:</b>				<b>\$315,500</b>

**Fire**

<b>Equipment</b>	<b>Individual Price</b>	<b>Qty</b>	<b>Trade in Value</b>	<b>Total</b>
<b>Aircraft Rescue and Fire Fighting Vehicle 3000 GAL</b> Replacement of 1995 Oshkosh T-series ARFF truck. Current vehicle is beyond life expectancy and has shown increased maintenance cost over the years. Per FAA Advisory Circular 150-5220-10E, the normal service life of an ARFF vehicle is 10-12 years, this vehicle is already 18 years old. A new ARFF vehicle would feature current day ARFF vehicle design and safety features which would enhance effectiveness and safe operations of such a vehicle.	\$925,000	1		\$925,000
<b>Fire Total:</b>				<b>\$925,000</b>

**MANAGEMENT & OPERATIONS DIVISION****Police**

<b>Equipment</b>	<b>Individual Price</b>	<b>Qty</b>	<b>Trade in Value</b>	<b>Total</b>
<b>Laserfiche licenses</b>	\$47,000	1		\$47,000
\$10,000 Development				
\$25,000 (25) Licenses @ \$1,000				
\$10,000 ProWatch Integration				
\$2,000 Server and Sequel Licenses				
<b>Replace squad video system and body cameras</b>	\$95,401	1		\$95,401
Hardware (20 wearable body cameras for CSOs): \$78,501				
Installation and services: \$14,900				
Server and Sequel licenses: \$2,000				
<b>Replace/outfit police vehicles</b>	\$45,000	2		\$90,000
Replace and outfit two (2) police vehicles used for patrol and investigative purposes that have in excess of 100,000 miles and are recommended for replacement by the APD and MAC's Maintenance foreman:				
616-912				
616-967				
<b>Police Total:</b>				<b>\$232,401</b>

**Facilities-Terminal 1**

<b>Equipment</b>	<b>Individual Price</b>	<b>Qty</b>	<b>Trade in Value</b>	<b>Total</b>
<b>Commission Chambers Lighting Improvements</b>	\$35,000	1		\$35,000
Lighting improvements in the MAC Commission Chambers as part of the video broadcast project.				
<b>Light-Duty Pickup Truck with Topper</b>	\$25,600	1		\$25,600
Light Duty Pickup Truck w 2WD, lockable topper for use by MAC Pest Control Technician to transport pest elimination products and conduct services throughout MSP Campus and MAC Reliever Airports.				
Truck pricing includes topper, radio, beacon, tax and license.				
<b>Paging System Upgrade</b>	\$250,000	1		\$250,000
Facilitates the next phase in the upgrade of the Paging System utilized throughout both terminals.				
<b>Facilities-Terminal 1 Total:</b>				<b>\$310,600</b>

**Facilities-Energy Management Center**

<b>Equipment</b>	<b>Individual Price</b>	<b>Qty</b>	<b>Trade in Value</b>	<b>Total</b>
<b>Replacement of #3 York Chiller control panel</b>	\$27,000	1		\$27,000
Replacement of #3 chiller control panel. These control panels are outdated, whereas parts and support can no longer be obtained				
<b>Facilities-Energy Management Center Total:</b>				<b>\$27,000</b>

**MANAGEMENT & OPERATIONS DIVISION****Trades - Electricians**

<b>Equipment</b>	<b>Individual Price</b>	<b>Qty</b>	<b>Trade in Value</b>	<b>Total</b>
<b>F-150 4X4 Supercab Pickup with accessories</b>	\$31,200	2	\$1,000	\$61,400
Replacement for a two wheel drive truck with high mileage and maintenance costs and a four wheel drive truck with too low of a ground clearance as well as high mileage and maintenance costs. Both of the new trucks will be beneficial in transporting contractors, consultants, and other MAC personnel because they will be supercabs. Currently the electric shop transports people when needed with multiple trips or uncomfortably in a regular cab truck.				
<b>Trades - Electricians Total:</b>				<b>\$61,400</b>

**Trades - Painters**

<b>Equipment</b>	<b>Individual Price</b>	<b>Qty</b>	<b>Trade in Value</b>	<b>Total</b>
<b>1 ton crew cab pickup 2 wheel drive</b>	\$38,000	1	\$500	\$37,500
Replacement for 616-597, 1994, ford				
<b>Trades - Painters Total:</b>				<b>\$37,500</b>

**Trades - Carpenters**

<b>Equipment</b>	<b>Individual Price</b>	<b>Qty</b>	<b>Trade in Value</b>	<b>Total</b>
<b>4x4 pick up truck</b>	\$34,800	1	\$0	\$34,800
Replacement vehicle for dodge ram 1500. New vehicle to be equiped with towing pkg/side tool box/beacon/painted liner/cab shield/lift gate and 2 radios.				
<b>Self propelled vertical lift</b>	\$16,000	1	\$0	\$16,000
Self propelled vertical lift-single man, mainly for T2.				
<b>Trades - Carpenters Total:</b>				<b>\$50,800</b>

**MANAGEMENT & OPERATIONS DIVISION****Field Maintenance**

<b>Equipment</b>	<b>Individual Price</b>	<b>Qty</b>	<b>Trade in Value</b>	<b>Total</b>
<b>Airfield sander/liquid deicer</b> Replacement equipment for high hours, high maintenance cost vehicle used for routine airfield winter operations.	\$282,000	2	\$10,000	\$554,000
<b>Concrete joint saw</b> New equipment for more efficient joint seal repair operations.	\$48,000	1		\$48,000
<b>Flat-bed truck w/attenuator</b> Replacement vehicle used for equipment transport and to act as a safety vehicle during work on public roadways.	\$86,000	1	\$2,000	\$84,000
<b>Four-post lift</b> Replacement lubrication shop equipment that does not meet revised safety standards.	\$25,000	1		\$25,000
<b>Heavy-duty road truck</b> Replacement vehicle for high mileage, high maintenance cost vehicle used to maintain terminal and other public roadways.	\$225,000	1	\$10,000	\$215,000
<b>High-speed multi-function snow removal vehicles</b> Replacement program for fully amortized and high maintenance airfield snow removal equipment; each multi-function vehicle will replace one high-speed plow and one rotary runway broom.	\$910,000	1	\$15,000	\$895,000
<b>High-speed runway snowblower</b> Replacement program for fully amortized and high maintenance airfield snow removal equipment.	\$845,000	1	\$10,000	\$835,000
<b>Joint sealer</b> Replacement equipment for more efficient joint seal repair operations.	\$70,000	1		\$70,000
<b>Landside mower</b> Replacement equipment for high hours mowers used for landside turf maintenance.	\$16,000	3	\$3,000	\$45,000
<b>Litter vacuum</b> Replacement equipment used for routine airside and landside cleaning operations.	\$47,000	1	\$500	\$46,500
<b>Metal band saw</b> Replacement saw for equipment that does not meet revised safety standards.	\$15,000	1		\$15,000
<b>One-ton dump trucks</b> Replacement equipment for high mileage, high maintenance vehicles used for routine summer and winter maintenance operations.	\$55,000	2	\$2,000	\$108,000
<b>Parking ramp scrubber</b> New equipment for parking ramp cleaning operations that meets new NPDES storm water discharge standards.	\$125,000	3		\$375,000

**MANAGEMENT & OPERATIONS DIVISION****Field Maintenance**

<b>Equipment</b>	<b>Individual Price</b>	<b>Qty</b>	<b>Trade in Value</b>	<b>Total</b>
<b>Skidsteer</b> Replacement vehicle for high hours, high maintenance utility vehicle used for routine summer and winter maintenance operations.	\$44,000	1	\$1,000	\$43,000
<b>Small roller</b> Replacement equipment for use during routine pavement repair operations; existing vehicle does not meet revised safety standards.	\$52,000	1	\$500	\$51,500
<b>Small sander/deicer</b> Replacement equipment with attachments used for routine winter operations in ramp and aircraft parking gate areas.	\$95,000	1	\$2,500	\$92,500
<b>Small tractor w/attachments</b> Small tractor with mowing and broom attachments to replace equipment used for routine landside summer and winter operations.	\$50,000	1	\$800	\$49,200
<b>Snow plow attachment</b> New equipment for more efficient snow removal operations.	\$30,000	1		\$30,000
<b>Sweeper lease payment</b> Contractually required lease payment on a sweeper used both on the airfield and on public roadways.	\$180,000	1		\$180,000
<b>Utility truck</b> Replacement vehicle for high hours, high maintenance vehicle used for routine equipment repair shop operations.	\$48,500	1	\$1,000	\$47,500
<b>Wing-plow attachment</b> Attachment to standardize landside snow removal fleet.	\$10,500	1		\$10,500
<b>Field Maintenance Total:</b>				<b>\$3,819,700</b>

**Relievers - St. Paul**

<b>Equipment</b>	<b>Individual Price</b>	<b>Qty</b>	<b>Trade in Value</b>	<b>Total</b>
<b>Oshkosh Blower</b> Replacement Blower for 20 year old Rolba Blower. To be used at STP.	\$550,000	1	\$0	\$550,000
<b>Oshkosh Rear Steer Plow Truck with V Box Sander</b> Plow Truck with V box Sander. A larger sander is needed to replace outdated 1- Ton Truck/Sander. To be used at STP.	\$150,000	1	\$0	\$150,000
<b>Relievers - St. Paul Total:</b>				<b>\$700,000</b>

**Capital Asset Grand Total: \$7,846,540**



## **Capital Improvement Program Expenditures**

On December 16, 2013, the Commission adopted the 2014-2020 Capital Improvement Program (CIP). The 7-year CIP relating to construction projects on the Commission's airport system consists of the following elements:

1. **2014 Capital Improvement Projects** – These are projects that have been reasonably defined for implementation in the upcoming calendar year - in this case 2014.
2. **2015 Capital Improvement Program** – These are projects that have been identified in the second year of the program which have a need or potential need but require further study in order to properly determine the scope, feasibility and cost of the project.
3. **2016-2020 Capital Improvement Plan** – This encompasses the last five years of the total program and consists of projects that appear likely to be needed during the period. This portion of the program assists in financial planning and meets the requirements of the Metropolitan Council's Investment Framework.

***Auto Rental Quick  
Turnaround Facility at T-2***



***Building shell construction that will  
house the new baggage  
handling/inspection system at T-2***

***Bag Claim Fire Protection  
improvements project at T-1***



The projects identified for the Capital Improvement Programs are summarized by year and totaled as follows:

Summary of 2014-2020 Capital Improvement Projects		Year		
Projects	2014	2015	2016-2020	Total
	(\$ = 000)			
<b>Noise Mitigation Program - 2010 Program</b>				
Noise Mitigation Settlement	\$ 600			\$ 600
Noise Mitigation Consent Decree Amendment			\$ 22,500	\$ 22,500
<b>Terminal 1 - Lindbergh</b>				
<b><u>Safety/Security Projects</u></b>				
Automated External Defibrillator Notification System		\$ 550		\$ 550
Telecom Room Equipment Continuity and Security	\$ 2,000	\$ 1,500	\$ 7,500	\$ 11,000
Fall Protection Program	\$ 100			\$ 100
TSA West Checked Baggage Inspection System Upgrade		\$ 16,300		\$ 16,300
T1 Checkpoint #7 Remodel/Expansion	\$ 1,000			\$ 1,000
<b><u>Facility Rehabilitation</u></b>				
Electrical Infrastructure Rehabilitation Program	\$ 2,500	\$ 1,500	\$ 7,500	\$ 11,500
Terminal Miscellaneous Modifications	\$ 2,400	\$ 2,400	\$ 12,000	\$ 16,800
Emergency Power Upgrades	\$ 2,300	\$ 1,500	\$ 7,500	\$ 11,300
Lower Level Roadway/GTC Water Infiltration Mitigation	\$ 1,000		\$ 1,500	\$ 2,500
Restroom Upgrade Program	\$ 8,500	\$ 8,500	\$ 10,000	\$ 27,000
Air Handling Unit Replacement	\$ 1,500	\$ 1,500	\$ 7,500	\$ 10,500
Conveyance System Upgrades		\$ 1,000	\$ 3,700	\$ 4,700
Passenger Boarding Bridge Replacements	\$ 1,000		\$ 26,000	\$ 27,000
Plumbing Infrastructure Upgrade Program	\$ 500	\$ 500	\$ 1,500	\$ 2,500
Baggage Claim, Ticket Lobby Operational Improvements	\$ 500		\$ 150,000	\$ 150,500
Way-Finding Sign Backlighting Replacement			\$ 4,800	\$ 4,800
Terminal Curtainwall Repair	\$ 100			\$ 100
Lighting Infrastructure Technology and Equipment	\$ 1,400	\$ 1,600	\$ 6,500	\$ 9,500
T1 Tram Systems Upgrades and Retrofit	\$ 200	\$ 1,250	\$ 4,700	\$ 6,150
MAC Public Address System			\$ 5,550	\$ 5,550
T1 & T2 Public Walk Aisle Terrazzo Floor Installation			\$ 19,000	\$ 19,000
D-Pod Outbound Conveyor/Ticket Counter Expansion			\$ 5,900	\$ 5,900
T1 & T2 Recarpeting Program			\$ 21,300	\$ 21,300
Mezzanine Employee Commissary			\$ 4,200	\$ 4,200
East Mezzanine Rubber Floor Replacement			\$ 2,900	\$ 2,900
Center Mezzanine Tile Removal and Replacement			\$ 450	\$ 450
<b><u>Passenger Amenities</u></b>				
Art Display Areas	\$ 250	\$ 250	\$ 1,250	\$ 1,750
Meeter/Greeter/Freedom of Speech Booth Upgrades			\$ 225	\$ 225
Concessions Upgrades/Revenue Development	\$ 200	\$ 200	\$ 1,000	\$ 1,400
Terminal Seating Improvements	\$ 800			\$ 800
Ticket Counter Upgrades to ADA			\$ 800	\$ 800
Commission Chambers Telecoil Installation			\$ 200	\$ 200
Way-Finding Signage Additional Directories	\$ 600			\$ 600
Concourse Service Center Upgrades			\$ 2,000	\$ 2,000
Electronic Video Information Display Systems		\$ 400	\$ 2,550	\$ 2,950
Observation Deck Improvements			\$ 1,600	\$ 1,600
T1 and T2 Ticket Counter Expansion	\$ 400			\$ 400
EVIDs/MUFIDs Digital Signs			\$ 750	\$ 750
EVIDs/MUFIDs/MUBIDs/PIDs Tech. Upgrades-Equip. Replacement			\$ 1,800	\$ 1,800
<b><u>Operational Improvements</u></b>				
Open Architecture Building Automation	\$ 1,700	\$ 1,500	\$ 3,800	\$ 7,000
Fiber Optic Cable Infrastructure Upgrade/Expansion	\$ 100	\$ 1,700	\$ 4,000	\$ 5,800

Summary of 2014-2020 Capital Improvement Projects		Year		
Projects	2014 (\$ = 000)	2015	2016-2020	Total
<b><u>Operational Improvements-Continued</u></b>				
Wireless Network Control System	\$ 500		\$ 1,000	\$ 1,500
Landside Operations Offices Upgrade			\$ 500	\$ 500
Custom Border Patrol Primary Relocation Gates G8-G9 Infill & Penthouse			\$ 51,000	\$ 51,000
MACNET Upgrade - Connectivity Elements	\$ 2,500	\$ 2,500	\$ 5,000	\$ 10,000
<b><u>Concourse G Improvements</u></b>				
Concourse G Roof Replacement			\$ 3,000	\$ 3,000
Exterior Panel/Sealant/Replacement			\$ 5,100	\$ 5,100
Concourse G Rehabilitation			\$ 19,000	\$ 19,000
<b><u>T-1 Lindbergh Expansion/Remodeling</u></b>				
Concourse E Remodeling/Expansion			\$ 37,000	\$ 37,000
MAC Operations Center			\$ 1,250	\$ 1,250
<b><u>Energy Management Center</u></b>				
Energy Savings Projects	\$ 2,000		\$ 6,000	\$ 8,000
Alternative Energy Projects		\$ 900		\$ 900
Modular Cooling Tower Installation	\$ 1,800			\$ 1,800
<b><u>Field and Runway</u></b>				
Airside Bituminous Rehabilitation/Electrical Construction	\$ 500	\$ 500	\$ 2,500	\$ 3,500
Pavement Joint Sealing/Repair	\$ 650	\$ 650	\$ 3,250	\$ 4,550
Pavement Rehabilitation - Aprons	\$ 3,700	\$ 7,600		\$ 11,300
Pavement Reconstruction - Taxiway Delta (W to S)			\$ 7,500	\$ 7,500
Miscellaneous Airfield Construction	\$ 400	\$ 400	\$ 2,000	\$ 2,800
Baggage Quarantine Building			\$ 1,300	\$ 1,300
SIDA Incursion Upgrades			\$ 1,600	\$ 1,600
Sanitary Sewer Replacement				
Taxiway R			\$ 2,500	\$ 2,500
34th Avenue			\$ 1,700	\$ 1,700
Perimeter Gate Security Improvements - Gates 222 & 269			\$ 1,100	\$ 1,100
Runway Planning Regrooving			\$ 400	\$ 400
<b><u>Terminal Roads/Landside</u></b>				
Tunnel/Bridge Rehabilitation	\$ 100	\$ 100	\$ 500	\$ 700
Upper Level Roadway Rehabilitation			\$ 1,800	\$ 1,800
Upper Level Roadway Electrical System Rehabilitation			\$ 650	\$ 650
Lower Level Roadway Rehabilitation			\$ 500	\$ 500
<b><u>Parking</u></b>				
T1/T2 Parking Structure Rehabilitation	\$ 2,500	\$ 2,500	\$ 12,500	\$ 17,500
T1-Lindbergh Short Term Parking Redesignation			\$ 350	\$ 350
T1-Lindbergh Valet/Commercial Entrance Lanes Mods			\$ 1,000	\$ 1,000
T1-Lindbergh Intelligent Parking Guidance System			\$ 500	\$ 500
Orange ramp Vestibule			\$ 200	\$ 200
T1 QTA Roadway Replacement			\$ 500	\$ 500
Parking Ramp Railing Refinishing Project		\$ 1,000	\$ 4,000	\$ 5,000
T2 Purple Core Retrofit	\$ 1,000			\$ 1,000
T1 Rental Car Company Counter Replacements	\$ 450			\$ 450

Summary of 2014-2020 Capital Improvement Projects		Year		
Projects	2014 (\$ = 000)	2015	2016-2020	Total
<b><i>Terminal 2 - Humphrey</i></b>				
<b><u>Passenger Amenities</u></b>				
Skyway to LRT Flooring Installation			\$ 800	\$ 800
Curbside Canopy Extension			\$ 1,500	\$ 1,500
<b><u>Operational Improvements</u></b>				
Incident Response Friends & Relatives Fit-up			\$ 2,300	\$ 2,300
Ticket Level Floor Infil	\$ 250			\$ 250
H1/H2 Gatehold Improvements	\$ 1,100			\$ 1,100
Federal Inspection Service Bag Claim Improvements	\$ 550			\$ 550
Concourse Upgrades			\$ 800	\$ 800
<b><u>T-2 Humphrey North Expansion</u></b>				
Gates 11 - 13b	\$ 35,000			\$ 35,000
Gates 14 - 16 Design Fees & Construction			\$ 73,000	\$ 73,000
Fueling Expansion Gates 14 - 16			\$ 1,500	\$ 1,500
<b><u>T-2 Humphrey South Expansion</u></b>				
Apron/Fueling Expansion - South			\$ 40,000	\$ 40,000
Gates 17 - 27			\$ 65,000	\$ 65,000
Terminal Utilities Relocation			\$ 5,000	\$ 5,000
<b><i>Public Areas/Roads</i></b>				
Landside Pavement Rehabilitation	\$ 400	\$ 400	\$ 3,600	\$ 4,400
Roadway Fixture Refurbishment	\$ 100			\$ 100
Taxicab Break Room Expansion			\$ 500	\$ 500
<b><i>Hangars and other Buildings</i></b>				
Roof Replacements	\$ 1,000	\$ 1,000	\$ 5,000	\$ 7,000
Impark Building Rehabilitation			\$ 600	\$ 600
Drivers Training Facility Rehabilitation			\$ 550	\$ 550
FAA Building Parking Lot Upgrades			\$ 1,050	\$ 1,050
G.O. Building Valve Retrofit			\$ 250	\$ 250
<b><i>Trades/Maintenance Buildings</i></b>				
South Field Maintenance Building Wash Bay			\$ 1,300	\$ 1,300
<b><i>Police</i></b>				
Public Safety Facility			\$ 35,000	\$ 35,000
Perimeter Fence Intrusion Detection System			\$ 3,000	\$ 3,000
Ivisn Improvements	\$ 3,600	\$ 3,000	\$ 18,200	\$ 24,800
Card Access Modifications-Gate Lobby Areas Concourse Level			\$ 850	\$ 850
Passenger Boarding Bridge Card Access Additions			\$ 10,700	\$ 10,700
Security Exit Equipment Installations		\$ 3,700		\$ 3,700
<b><i>Fire</i></b>				
MSP Campus Fire Alarm System Upgrade		\$ 850	\$ 850	\$ 1,700
Campus Fire Protection			\$ 2,000	\$ 2,000

Summary of 2014-2020 Capital Improvement Projects Projects	Year			
	2014 (\$ = 000)	2015	2016-2020	Total
<b>Environment</b>				
Mother Lake Stormwater Diversion			\$ 850	\$ 850
Runway 12R/30L Glycol Forecmain			\$ 1,100	\$ 1,100
Concourse C & G Compactor Canopies			\$ 450	\$ 450
Runway 30R Deicing Pad Subdrain			\$ 800	\$ 800
Parking Structure Drainage Modifications	\$ 1,000			\$ 1,000
Sustainability Plan	\$ 700			\$ 700
Ground Service Equipment Electrical Charging Stations		\$ 1,000	\$ 5,000	\$ 6,000
E95 Tank and Dispenser Modifications			\$ 550	\$ 550
<b>Reliever Airports</b>				
<b>St. Paul</b>				
Holman Terminal Subdrain			\$ 600	\$ 600
Joint and Crack Repairs	\$ 100		\$ 200	\$ 300
MAC Building Maintenance	\$ 250		\$ 400	\$ 650
Pavement Rehabilitation				
Runway 14/32		\$ 1,500		\$ 1,500
Taxiway E			\$ 1,500	\$ 1,500
Taxiway C	\$ 800			\$ 800
Parking Lot/Bayfield			\$ 500	\$ 500
Electrical Vault Improvements	\$ 900			\$ 900
Airfield Signage/Wind Cone Upgrade			\$ 500	\$ 500
Roof Repairs/Replacement			\$ 200	\$ 200
Cold Equipment Storage Building			\$ 750	\$ 750
Storm Sewer Improvements Phase 2			\$ 1,500	\$ 1,500
Maintenance Building Improvements			\$ 200	\$ 200
<b>Lake Elmo</b>				
East Side Parallel Taxiway			\$ 1,200	\$ 1,200
Runway 14/32 Replacement			\$ 5,000	\$ 5,000
Alleyway Rehabilitation		\$ 900		\$ 900
Materials Storage Building			\$ 600	\$ 600
<b>Airlake</b>				
Pavement Rehabilitation			\$ 400	\$ 400
South Building Area Development			\$ 2,700	\$ 2,700
Runway 12/30 Extension			\$ 8,000	\$ 8,000
South Building Area Alleyway Development			\$ 1,000	\$ 1,000
Maintenance Building Improvements	\$ 100			\$ 100
Materials Storage Building			\$ 600	\$ 600
<b>Flying Cloud</b>				
Pavement Rehabilitation -Taxiway A Phase 1		\$ 800		\$ 800
Pavement Rehabilitation -Taxiway A Phase 2			\$ 900	\$ 900
Pavement Rehabilitation - Taxiway D&E Overlay			\$ 1,200	\$ 1,200
South Building Area Development			\$ 600	\$ 600
Roof Repairs/Replacement			\$ 100	\$ 100
Commercial Development - All Relievers	\$ 200			\$ 200
Equipment Storage Building			\$ 2,500	\$ 2,500
Runway 18-36 Extension			\$ 1,500	\$ 1,500
Electrical Vault Improvements			\$ 500	\$ 500
Runway 10R-28L Grooving	\$ 500			\$ 500



Summary of 2014-2020 Capital Improvement Projects	Year			
	2014	2015	2016-2020	Total
Projects	(\$ = 000)			
<b><u>Crystal</u></b>				
Alleyway Rehabilitation			\$ 550	\$ 550
Obstruction Removals			\$ 300	\$ 300
Pavement Rehabilitation	\$ 700			\$ 700
Runway 14R/32L Modifications			\$ 1,000	\$ 1,000
Roof Repairs/Replacement	\$ 250			\$ 250
Materials Storage Building			\$ 600	\$ 600
<b><u>Anoka County - Blaine</u></b>				
Building Area Development - Xylite St. Relocation			\$ 1,000	\$ 1,000
Materials Storage Building			\$ 600	\$ 600
Roof Repairs/Replacement			\$ 250	\$ 250
Airfield Signage/Electrical Improvements		\$ 500		\$ 500
Taxiway Foxtrot			\$ 600	\$ 600
Runway 9-27 Grooving	\$ 500			\$ 500

## 2014 Capital Improvement Projects

As stated above, these are projects that have been reasonably defined for implementation in the upcoming calendar year - in this case 2014. ***The vast majority of capital projects in the CIP are considered routine projects for a major airport and do not affect the annual operating budget. Any project with a 2014 operating budget impact will be disclosed as part of the project description below.*** A description of 2014 capital improvement projects, along with a table with their funding sources, is as follows:

### 2014 Capital Improvement Program Narratives Minneapolis-St. Paul International Airport

#### Noise Mitigation Settlement

**\$600,000**

This project is a continuation of the implementation of the noise mitigation program based on the Noise Exposure Map contained in the court ordered Consent Decree, including the construction and administrative costs associated with noise mitigation in the 2007 60-62 DNL contours. The 2014 project budget will reimburse homeowners in the 2005 60-64 DNL contours for approved noise mitigation work (Phase 3) and represents the final year of the original Consent Decree mitigation.

#### **10 –Terminal 1- Lindbergh**

##### **Safety/Security Projects**

#### Telecommunications Room Equipment Continuity and Security

**\$2,000,000**

The MAC network (MACNet) carries credit card data from the Landside Parking Revenue Control System. The credit card industry has created security standards which merchants, like the MAC, are required to meet to protect cardholder data. Among these requirements are security standards for the physical locations where MACNet equipment is located. Additionally, the network equipment itself must have added security features to prevent unauthorized network access. This program will address these standards by providing security equipment and relevant network hardware for the 150 telecommunications rooms on the MAC campus. This program is being coordinated with the iVISON and Fiber Optic Cable Infrastructure Upgrade/Expansion programs to avoid duplication of effort and cost. This is a multi-year program.

#### Fall Protection Program

**\$100,000**

The Occupational Safety and Health Administration (OSHA) requires that employers protect their employees who work on roof tops, next to roof edges and other locations where there could be the potential for injuries due to falls. Options include guardrails, structural life line systems and structural tie-off systems. This final year of assessment results will be used in the on-going roof rehabilitation program.

**T-1 Checkpoint #7 Remodel/Expansion****\$1,000,000**

The FIS arrivals facility at T-1 Lindbergh is currently being remodeled to improve passenger processing times and customer service with an expanded primary check-in area, self service kiosks and new, enlarged bag claim devices. Enhancements will also be needed at Checkpoint #7 for passengers re-entering security in order to connect to other flights. The existing checkpoint is not very large, and with enhanced passenger processing times in the Customs and Border Protection area, additional congestion at the checkpoint will result unless modifications are made.

**Facilities Rehabilitation****Electrical Infrastructure Rehabilitation Program****\$2,500,000**

There are fifty-three electrical substations that serve the Terminal 1-Lindbergh complex. It is imperative that these substations be inspected, cleaned and upgraded in order to ensure their continued performance. This is a continuation of a multi-year program that began in 2009.

**Terminal Miscellaneous Modifications****\$2,400,000**

Each year there is a list of "maintenance" projects that are beyond the capability of MAC's maintenance staff and trades to accomplish. These projects are prioritized and completed either as a series of contracts or as purchase orders. The list of potential projects will be compiled and prioritized in early 2014. Improvements may be accomplished through a series of small individual projects or may be consolidated into a single project.

Summarized below are the categories of the projects that are included in the Terminal Miscellaneous Modifications program:

**Building Exterior Rehabilitation**

Address the exterior of the terminals and other MAC buildings, including roof and curtainwall rehabilitation.

**Terminal Electrical Modifications**

Address electrical issues in the terminals due to age and deterioration of the existing systems or modifications necessary for improved reliability.

**Terminal Mechanical Modifications**

Address mechanical issues in the terminals due to age and deterioration of the existing systems or modifications necessary for improved reliability.

**Terminal Miscellaneous Modifications**

Update and remodel areas within the terminals to keep abreast with changing requirements.

**MSP Campus Modifications**

Modify or remodel areas within other facilities around the MSP Campus to meet the needs of the various tenants/general public/MAC departments utilizing the facilities.

***General Office  
Reception desk under  
construction to meets the  
needs of the general  
public and MAC  
departments***





**Emergency Power Upgrades****\$2,300,000**

Studies and surveys of Terminal 1-Lindbergh transfer switches and emergency lighting were completed in 2008. This year's project will continue the design and implementation of emergency power and lighting corrective work identified in this study.

**Lower Level Roadway/GTC Water Infiltration Mitigation****\$1,000,000**

Water infiltration through the structural concrete slab above the Ground Transportation Center and lower level of Terminal 1-Lindbergh has required the use of buckets and other containers to collect the water. Long-term water infiltration of structural members will result in deterioration of the structural concrete and will shorten the life of the structure. This project will continue the efforts to determine the causes of the infiltration and complete repairs.

**Restroom Upgrade Program****\$8,500,000**

A study of all restrooms in Terminal 1-Lindbergh was completed in 2010 and a program developed to upgrade/modernize the restrooms at Terminal 1-Lindbergh. From this study, each restroom was prioritized as to its condition. This program will provide for the phased modernization of the Terminal 1-Lindbergh restrooms to include upgraded finishes, lighting, air quality, energy saving upgrades and ADA compliance.

**Air Handling Unit Replacement****\$1,500,000**

There are existing air handling units serving Terminal 1-Lindbergh that were installed with the original terminal construction in 1958-60 and are over 50 years old. A study of these units has been completed that evaluated each unit's age, condition, and its ability to adequately heat or cool the spaces it serves. This multi-year program provides for the replacement of the units. The project costs include modifications to building walls to facilitate the removal of existing equipment and installation of the new units, upgraded electrical and temperature controls and asbestos abatement.

**Passenger Boarding Bridge Replacements****\$1,000,000**

Many of the passenger boarding bridges are at the end of their useful life. The current understanding between MAC and the T-1 Airlines is to replace/refurbish the bridges over time starting with the ones in the worst condition. The new bridges will also provide flexibility and improved safety. The new/refurbished passenger bridges will become the property of MAC. This project is part of a multi-phased program to replace/refurbish the bridges at T-1 Lindbergh and will provide one new or refurbished bridge on Concourse E.

**Plumbing Infrastructure Upgrade Program****\$500,000**

In 2010, MAC staff prepared a preliminary study of the reliability and maintainability of the existing plumbing infrastructure. Portions of the existing plumbing infrastructure serving Terminal 1-Lindbergh are over 40 years old, have systems that are undersized for today's demands, contain isolation valves that are either inaccessible or no longer functional, and utilize aging water meter systems. There are also deteriorated sections of the existing sanitary and storm water systems. This ongoing program was implemented in 2012 to upgrade the plumbing infrastructure system to meet current code requirements and MAC standards. The focus of the 2014 project is to continue the survey and replacement of aging plumbing isolation valves that no longer shut off or have become inaccessible. This phase will also start to focus on aging sanitary sewer pipes.

**Baggage Claim, Ticket Lobby, Mezzanine Operational Improvements****\$500,000**

This program will include operational improvements to Terminal 1-Lindbergh's Baggage Claim, Ticket Lobby and Mezzanine levels in the Lindbergh Terminal. Major renovations to security checkpoints, conveyance systems, bag claim devices and restrooms make up the bulk of this multi year endeavor, along with building upgrades and physical security enhancements that will address potential vulnerabilities. This 2014 project represents the initial phase of work, which involves improvements to interior structural columns and curbside barriers. This project phase can be completed independently even though the remaining phases are deferred.

**Terminal Curtainwall Repair****\$100,000**

This program provides for the replacement of failing sealants in areas of the terminal within the curtainwall system. Sealants are integral to a building envelope. Without it, there is air infiltration, water infiltration and other contaminants, including birds nesting, etc.

**Lighting Infrastructure Technology and Equipment****\$1,400,000**

This is a multi-year program that analyzes, assembles and organizes lighting system upgrade recommendations for the MSP campus. Annual investment in lighting infrastructure is necessary to ensure its safe operation, reduce energy and maintenance costs, and to implement technology upgrades that improve lighting quality. This project, along with the 2015 and 2016 projects, will focus on the replacement of light poles and fixtures along 34<sup>th</sup> Avenue that are at the end of their life and in danger of failing.

**T-1 Tram Systems Upgrades and Retrofit****\$200,000**

The MAC Hub and Concourse Tram systems were originally placed into public service in 2001 and 2004, respectively. As part of the installation, the automatic train control system utilized multiple components provided by General Electric (GE) Intelligent Platforms. In late 2011, GE indicated they would discontinue support of selected components prior to the year 2020. This project will replace and upgrade the GE components to Tram Control Systems on both the Hub and Concourse Trams. Both Trams are integral to the overall efficient flow of passengers throughout the airport and are expected to continue that role into the foreseeable future.

**Passenger Amenities****Art Display Areas****\$250,000**

This program is a continuation of the existing program, in partnership with the MSP Foundation, to provide opportunities and space build out for the display of permanent and temporary/rotating art exhibits. This year's project includes work on the C Concourse short film and performance space.

**Concessions Upgrades/Revenue Development****\$200,000**

This is an annual program to fund miscellaneous upgrades such as finishes, furniture, signage, and/or modified connections to utilities for the concession programs.

**Terminal Seating Improvements****\$800,000**

This project is a continuation of the 2013 seating replacement in T-1 Lindbergh. It is expected that seat replacements will occur in the rental car areas, ground transportation atrium and other terminal locations.

**Way-Finding Signage Additional Directories****\$600,000**

With recent changes in the terminals, there is a need to improve access/visibility to the public by adding directories of various types to improve passenger way-finding.

**T-1 and T-2 Ticket Counter Expansion****\$400,000**

Terminal 1-Lindbergh and Terminal 2-Humphrey will require ticket counters when CTX devices are removed in 2014 and 2015, which will prepare the space for new entrant air carriers at T-1 Lindbergh. The overall space available for both terminals is roughly 150' of space, or approximately 30 ticket counters.

**Operational Improvements****Open Architecture Building Automation (OABA)****\$1,700,000**

This is a continuation of a multi-year program to upgrade all MAC building automation systems to the LonMark open architecture protocol so that MAC can bid maintenance and construction contracts more competitively. This project will replace sole-source controllers such as Siemens and Legacy Honeywell with LonMark controllers from Honeywell, Circon, Distech, or TAC systems that are all LonMark certified product lines.

**Fiber Optic Cable Infrastructure Upgrade/Expansion****\$100,000**

This multi-year program provides for the expansion of cabling infrastructure, including replacing materials which don't meet current MAC standards, and adding capacity as necessary to maintain and improve the fiber infrastructure at MSP. This 2014 project provides for minor fiber modifications, repairs and upgrades.

**Wireless Network Control System****\$500,000**

This program provides campus-wide wireless network to be implemented in phases. This system will allow remote wireless access to the MAC Facilities Intelligent Monitoring and Control System (IMACS).

The system will allow access to data and drawings from the MAC network as well as from remote vehicles on the airfield.

**MACNet Upgrade – Connectivity Elements****\$2,500,000**

The MACNet provides the critical and required infrastructure to support all of the current and future MAC voice, data, and video systems. This includes systems supporting critical applications and systems that are used by airside and landside operations, public safety, airport planning and development, environment and noise, finance and accounting, human resources, and overall MAC administration. The current version of MACNet has reached its operational capacity and is not capable of supporting future growth. The upgraded MACNet will be implemented over a number of years to provide the necessary infrastructure to support all next generation systems and applications to be implemented in upcoming years.

**13 – Energy Management Center****Energy Savings Projects****\$2,000,000**

This ongoing program provides for the implementation of projects that would save the Commission energy costs in its operating budget. Discussions with both Xcel and Centerpoint have identified additional projects that are eligible for energy rebates and will save the Commission additional energy costs. In order to qualify, projects must provide at least a five-year pay back.

**Modular Cooling Tower Installation****\$1,800,000**

The MAC Energy Management Center (EMC) has requested an additional cooling tower to provide redundancy and emergency back up for the Terminal 1-Lindbergh cooling system. While improvements over the years have made the EMC much more efficient than ever before, the plant is still just short on cooling tower capacity. During hot summer days, the tower capacity runs at 100%. If the EMC plant were to lose one element of the towers, they would lose the ability to keep the airport at a comfortable temperature.

**21 - Field and Runway****Airside Bituminous Rehabilitation/Electrical Construction****\$500,000**

This is an ongoing program to construct or reconstruct bituminous pavements within the Air Operations Area (AOA) and repair or replace airfield electrical circuitry, lighting and signage. Inspection of bituminous pavements, lighting and electrical circuits determines what areas are to be prioritized for rehabilitation under each year's project.

**Pavement Joint Sealing/Repair****\$650,000**

This is an ongoing program to provide for the resealing of joints, sealing of cracks, and limited surface repairs on existing concrete pavements. The areas scheduled for sealing will be as defined in the overall joint sealing program or as identified by staff inspection in the early spring of each year.

**Pavement Rehabilitation – Aprons****\$3,700,000**

This is an ongoing program to replace sections of concrete pavement in the aircraft operational areas that have deteriorated to a point where routine maintenance is no longer a viable option. This year's project will replace approximately 8,500 square yards of concrete apron located adjacent to Concourse C between Gates C1 and C3.

**Miscellaneous Airfield Construction****\$400,000**

This is an ongoing program to consolidate various incidental repairs beyond the work load capabilities of the Field Maintenance personnel or to handle airfield problems requiring repair which come up unexpectedly.

**26 - Terminal Roads/Landside****Tunnel/Bridge Rehabilitation****\$100,000**

The MSP Campus has MAC owned bridges and tunnels. Bridge and tunnel inspections are conducted each year to identify maintenance and repairs which are then implemented in a timely fashion.

**31 – Parking****T-1/T-2 Parking Structure Rehabilitation****\$2,500,000**

This is an annual program to maintain the integrity of the airport's multi-level parking structures. Projects typically include concrete repair, joint sealant replacement, expansion joint repairs, concrete sealing and lighting improvements.

**T-2 Purple Core Retrofit****\$1,000,000**

This project includes retrofit of the T-2 Purple Ramp Core area on the south end of the ramp where car rental companies and commercial vehicle support areas are now vacated. This project will restore the area into support space for the Landside commercial vehicle areas, Airport Police Department office and two off-airport car rental companies. This project also completes the finishes, fire protection, electrical and other infrastructure in the T-2 Purple Ramp Core area.

**T-1 RAC Counter Replacements****\$450,000**

This project removes and installs new service counters and shell space for the T-1 Lindbergh car rental counters located in the Blue/Red Ramp Hub Core as part of the re-bid/reallocation process moves.

**36 – Terminal 2 – Humphrey****Operational Improvements****Ticketing Level Floor Infil****\$250,000**

This project will prepare the unfinished space on the ticketing level beneath Checkpoint 1 for potential near-term expansion, public use, and/or future office space requirements, by casting a floor on the existing grade, and will include rough-ins for adjacent non-secure restrooms. Future projects will provide fit-up of the space.

**H1/H2 Gatehold Improvements****\$1,100,000**

This project will expand the gatehold seating area at Gates H1 and H2. Work will include exterior wall modifications/expansion over the existing roof structure, interior finishes, carpet, seats and lighting.

**FIS Bag Claim Improvements****\$550,000**

This project includes construction of a drop-down divider wall to segregate the FIS operations from domestic operations in the bag claim area. This will improve flexibility, efficiencies and operations within the bag claim space without increasing the building size.

**Terminal 2-Humphrey North Expansion****Gates 11 – 13b****\$35,000,000\***

This project will provide three new gates with associated gate lobbies and four new passenger boarding bridges for current and future fleet mixes, with ground boarding accommodation at the northern most gate, providing maximum short and long-term flexibility. The build-out will include: public walkways, gate lobby space, restrooms, vending, publicly accessible power, video display installations (EVIDs/MUFIDs), and way-finding signage revisions on the north end of the terminal. (\*currently unfunded)

**39 – Public Areas/Roads****Landside Pavement Rehabilitation****\$400,000**

This is an ongoing program to construct or reconstruct bituminous pavements outside of the Air Operations Area (AOA). Inspection of pavements and appurtenances determines what areas are to be prioritized for rehabilitation under each year's project.

**Roadway Fixture Refurbishment****\$100,000**

Many of the light poles, clearance restriction bars, sign units, fence sections, and canopies on the airport roadways are in need of repainting and maintenance. This year's project primarily provides for overhead sign refurbishment at Terminal 1.

**46 – Hangars and other Buildings****Roof Replacements****\$1,000,000**

A report has been developed within the MAC that evaluates one-half of the roofs every other year. This on-going program allows these roofs that have been evaluated to be prioritized and programmed for repair or replacement and to complete any emergency repairs if the need arises.

**63 – Police****iViSN Improvements****\$3,600,000**

This project is the continuation of the program to systematically replace and integrate the approximately 1800 existing cameras into the new iViSN system and to expand the camera coverage with the terminals. A grant application has been approved by the TSA for 100% of the project costs.

**70 – General Office/Administration****G.O. Emergency Operations Center Upgrade****\$700,000**

This project includes work to update and modernize the equipment and accessories available at the MAC general offices for use of conference rooms as an Emergency Operations Center. Enhancements will include monitors, additional power/data feeds and connectivity between conference rooms.

**76 – Environment****T-1 Parking Structures Drainage Mods****\$1,000,000**

This project will provide drainage improvements and modifications to existing storm/sanitary sewer connections within the existing parking ramps to enhance surface cleaning methods in order to be in compliance with new Minnesota Pollution Control Agency (MPCA) permit requirements.

**Sustainability Plan****\$700,000**

The development of a Sustainable Management Plan will provide a foundation for the formal integration of sustainability into the MAC's organizational culture, while providing a coordinated and accountable approach to establishing metrics, goals, strategies, and assessment and improvement frameworks that address long-term environmental, operational, financial, and social needs. This effort will strive to establish an ongoing programmatic framework that will reduce the cost of environmental compliance within MAC, and help to strengthen the positive social, environmental, and economic impacts of the MAC presence and operation in the Minneapolis-St. Paul metropolitan area.

**81 - St. Paul****Joint and Crack Repairs****\$100,000**

Given the poor sub grade materials at the St. Paul Downtown Airport, the need for crack repair and joint sealing is critical to maintain pavement strength and pavement life. An inspection of the pavement will be completed to determine the areas most in need of repair.

**MAC Building Maintenance****\$250,000**

This is an ongoing program to provide for facility modifications to ensure continued efficient operation of MAC buildings.

**Pavement Rehabilitation – Taxiway C****\$800,000**

This is an ongoing program to rehabilitate aircraft operational areas (runways, taxiways, aprons) through bituminous overlays, seal coats, or reconstruction to restore the surfaces to a smooth, even condition and improve overall operating conditions. This project will include the reconstruction of Taxiway Charlie and its taxiway lighting system along with other minor areas.

**Electrical Vault Improvements****\$900,000**

The existing electrical vault and vault equipment serving the airfield electrical system requires improvements and upgrades to become compliant with the National Electric code and to improve system performance. This project will upgrade the facility, replace sub-standard equipment and address airfield signage deficiencies.

**83 – Airlake****Maintenance Building Improvements****\$100,000**

This project will include improvements to the existing maintenance building, specifically in the restroom and shower areas, as well as address structural deficiencies of the building masonry exterior.

**84 – Flying Cloud****Commercial Development – All Relievers****\$200,000**

Similar to the costs expended in 2011 for a revenue generating parcel at Flying Cloud, these costs allow for MAC to research and/or prepare sites at the Reliever Airports for potential development. Costs may include site preparation, surveying, marketing, and/or other development related costs. Funds expended for each parcel will be assessed to the developer who ultimately takes on the commercial development.

**Runway 10R-28L Grooving****\$500,000**

This project provides for grooving of the bituminous runway pavement of Runway 10R-28L to improve surface drainage during wet weather.

**85 - Crystal****Pavement Rehabilitation****\$700,000**

This is an ongoing program to rehabilitate aircraft operational areas (runways, taxiways, aprons) through bituminous overlays, seal coats or reconstruction to restore the surfaces to a smooth, even condition and improve overall operating conditions. This project includes rehabilitation of portions of Taxiway Bravo on the west side of the airport along with other pavement repairs and crack sealing.

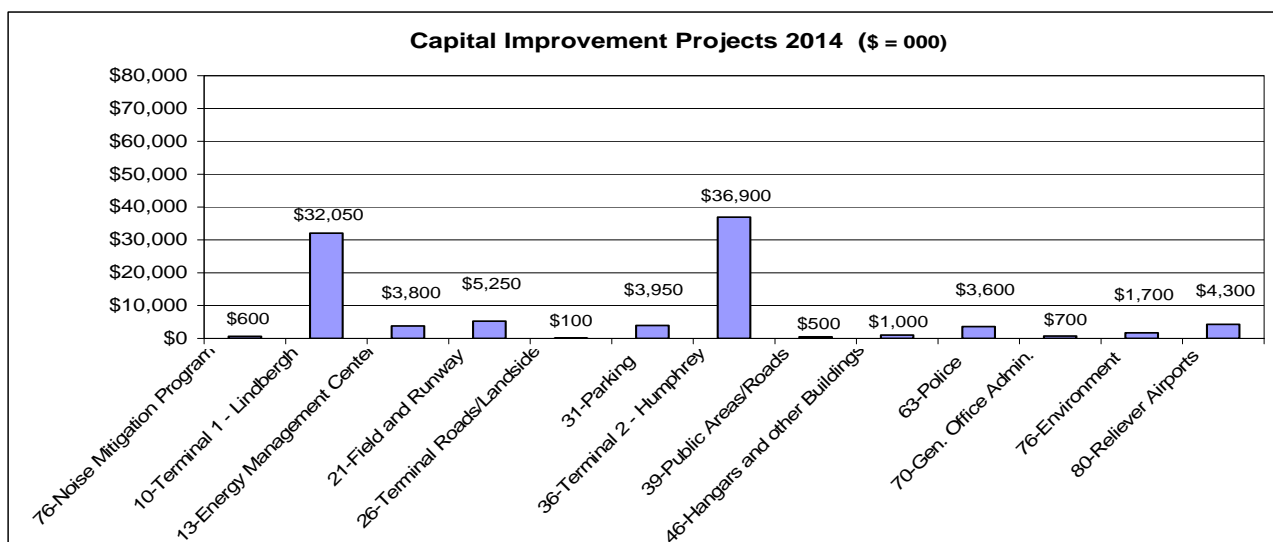
**Roof Repairs/Replacement****\$250,000**

A site inspection has identified deficiencies in some of the roof structures on MAC-owned buildings at the Crystal Airport. This project will include further investigation of existing problems, determine if repairs or replacement is needed, evaluate the benefits and costs, and complete the improvements if warranted.

**86 – Anoka County – Blaine****Runway 9-27 Grooving****\$500,000**

This project provides for the grooving of the bituminous runway pavement of Runway 9-27 to improve surface drainage during wet weather.

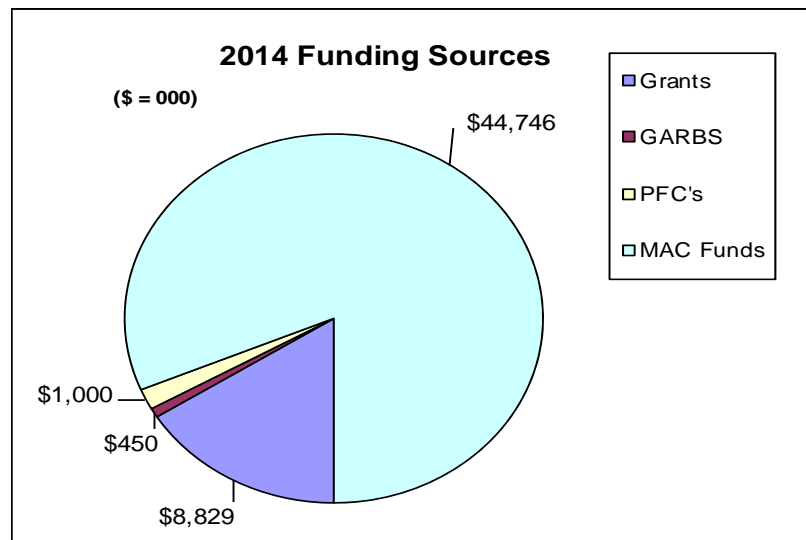
The following chart summarizes the 2014 capital improvement projects by various areas of the airport:





## 2014 Capital Improvement Project Funding Sources

The following pie chart indicates the funding sources for 2014:



Below is a table of funding sources of the 2014 capital improvement projects. A cash flow summary of the CIP will appear later in this section.



***Planning for future expansion of Terminal 2, construction of the Diverging Diamond to decrease congestion was completed in November of 2013.***



**2014 Capital Improvement Program**

(\$ in 000)

<b>Projects</b>	<b>Project Cost</b>
<b>Noise Mitigation Program</b>	
Noise Mitigation Settlement	\$ 600
Subtotal Noise Mitigation Program	\$ 600

**10 - Terminal 1 - Lindbergh****Safety/Security Projects**

Telecom Room Equipment Continuity and Security	\$ 2,000
Fall Protection Program	\$ 100
T1 Checkpoint #7 Remodel/Expansion	\$ 1,000
Subtotal Safety/Security Projects	\$ 3,100

**Facility Rehabilitation**

Electrical Infrastructure Rehabilitation Program	\$ 2,500
Terminal Miscellaneous Modifications	\$ 2,400
Emergency Power Upgrades	\$ 2,300
Lower Level Roadway/GTC Water Infiltration Mitigation	\$ 1,000
Restroom Upgrade Program	\$ 8,500
Air Handling Unit Replacement	\$ 1,500
Passenger Board Bridge Replacement	\$ 1,000
Plumbing Infrastructure Upgrade Program	\$ 500
Bag Claim, Ticket Lobby Improvements	\$ 500
Terminal Curtainwall Repair	\$ 100
Lighting Infrastructure Technology and Equipment	\$ 1,400
T1 Tram System Upgrades and Retrofit	\$ 200
Subtotal Facility Rehabilitation	\$ 21,900

**Passenger Amenities**

Art in the Terminal	\$ 250
Way-finding Signage Additional Directories	\$ 600
Concessions Revenue Development/Upgrades	\$ 200
Terminal Seating Improvements	\$ 800
T1 & T2 Ticket Counter Expansion	\$ 400
Subtotal Passenger Amenities	\$ 2,250

**Operational Improvements**

Open Architecture Building Automation (OABA)	\$ 1,700
Fiber Optic Cable Infrastructure Upgrade/Expansion	\$ 100
Wireless Network Control System	\$ 500
MACNET Upgrade	\$ 2,500
Subtotal Operational Improvements	\$ 4,800

Subtotal Terminal 1-Lindbergh	\$ 32,050
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**13 - Energy Management Center**

Energy Savings Projects	\$ 2,000
Modular Cooling Tower Installation	\$ 1,800
Subtotal Energy Management Center	\$ 3,800

**Funding Source**

<b>Federal/State Grants</b>	<b>GARBS</b>	<b>PFC's</b>	<b>MAC Funds</b>	<b>Unfunded</b>
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				\$	600	
\$	-	\$	-	\$	600	\$ -

				\$	2,000	
				\$	100	
				\$	1,000	
\$	-	\$	-	\$	-	\$ 3,100 \$ -

				\$	2,500	
				\$	2,400	
				\$	2,300	
				\$	1,000	
				\$	8,500	
				\$	1,500	
		\$	1,000			
				\$	500	
				\$	500	
				\$	100	
				\$	1,400	
				\$	200	
\$	-	\$	-	\$	1,000	\$ 20,900
				\$		\$ -

					\$	250	
					\$	600	
					\$	200	
					\$	800	
					\$	400	
\$	-	\$	-	\$	-	\$	2,250
						\$	-

				\$	1,700	
				\$	100	
				\$	500	
				\$	2,500	
\$	-	\$	-	\$	-	\$ 4,800 \$ -

\$	-	\$	-	\$ 1,000	\$ 31,050	\$ -
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				\$	2,000	
				\$	1,800	
\$	-	\$	-	\$	3,800	\$ -

**2014 Capital Improvement Program**

(\$ in 000)

<b>Projects</b>	<b>Project Cost</b>
<b>21 - Field and Runway</b>	
Airside Bituminous Rehabilitation/Electrical Construction	\$ 500
Pavement Joint Sealing/Repair	\$ 650
Pavement Rehabilitation - Aprons	\$ 3,700
Miscellaneous Airfield Construction	\$ 400
Subtotal Field and Runway	\$ 5,250

**26 - Terminal Roads/Landside**

Tunnel/Bridge Rehabilitation	\$ 100
Subtotal Terminal Roads/Landside	\$ 100

**31 - Parking**

T1/T2 Parking Structure Rehabilitation	\$ 2,500
T2 Purple Core Retrofit	\$ 1,000
T1 Auto Rental Counter Improvements	\$ 450
Subtotal Parking	\$ 3,950

**36 - Terminal 2 - Humphrey****Operational Improvements**

Federal Inspection Service Bag Claim Improvements	\$ 550
Ticketing Level Floor Infill	\$ 250
T2 Gate Hold Improvements	\$ 1,100
Subtotal Operational Improvements	\$ 1,900

**Terminal 2 - Humphrey North Expansion**

Gates 11-13	\$ 35,000
Subtotal Terminal 2 -Humphrey North Expansion	\$ 35,000

Subtotal Terminal 2-Humphrey	\$ 36,900
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**39 - Public Areas/Roads**

Landside Pavement Rehabilitation	\$ 400
Roadway Fixture Refurbishment	\$ 100
Subtotal Public Areas/Roads	\$ 500

**46 - Hangars & Other Buildings**

Roof Replacements	\$ 1,000
Subtotal Police	\$ 1,000

**Funding Source**

<b>Federal/State Grants</b>	<b>GARBS</b>	<b>PFC's</b>	<b>MAC Funds</b>	<b>Unfunded</b>
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			\$ 500	
			\$ 650	
\$ 2,700			\$ 1,000	
			\$ 400	
\$ 2,700	\$ -	\$ -	\$ 2,550	\$ -

			\$ 100	
\$ -	\$ -	\$ -	\$ 100	\$ -

			\$ 2,500	
			\$ 1,000	
	\$ 450			
\$ -	\$ 450	\$ -	\$ 3,500	\$ -

			\$ 550	
			\$ 250	
\$ 750			\$ 350	
\$ 750	\$ -	\$ -	\$ 1,150	\$ -

				\$ 35,000
\$ -	\$ -	\$ -	\$ -	\$ 35,000

\$ 750	\$ -	\$ -	\$ 1,150	\$ 35,000
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			\$ 400	
			\$ 100	
\$ -	\$ -	\$ -	\$ 500	\$ -

			\$ 1,000	
\$ -	\$ -	\$ -	\$ 1,000	\$ -

**2014 Capital Improvement Program**

(\$ in 000)

		Funding Source				
Projects	Project Cost	Federal/State Grants	GARBS	PFC's	MAC Funds	Unfunded
<b>76 - Environment</b>						
Parking Structure Drainage Mods	\$ 1,000				\$ 1,000	
Sustainability Plan	\$ 700	\$ 517			\$ 183	
Subtotal Environment	\$ 1,700	\$ 517	\$ -	\$ -	\$ 1,183	\$ -
<b>Reliever Airports</b>						
<b>81 - St. Paul</b>						
Joint & Crack Repairs	\$ 100				\$ 100	
MAC Building Maintenance	\$ 250				\$ 250	
Electrical Vault Improvements	\$ 900	\$ 625			\$ 275	
Pavement Rehabilitation - Taxiway B & C	\$ 800	\$ 700			\$ 100	
Subtotal St. Paul	\$ 2,050	\$ 1,325	\$ -	\$ -	\$ 725	\$ -
<b>83 - Airlake</b>						
Maintenance Building Improvements	\$ 100				\$ 100	
Subtotal Airlake	\$ 100	\$ -	\$ -	\$ -	\$ 100	\$ -
<b>84 - Flying Cloud</b>						
Commercial Development-All Relievers	\$ 200				\$ 200	
Runway 10R-28L Grooving	\$ 500	\$ 431			\$ 69	
Subtotal Flying Cloud	\$ 700	\$ 431	\$ -	\$ -	\$ 269	\$ -
<b>85 - Crystal</b>						
Pavement Rehabilitation	\$ 700	\$ 450			\$ 250	
Roof Repairs and Replacements	\$ 250				\$ 250	
Subtotal Crystal	\$ 950	\$ 450	\$ -	\$ -	\$ 500	\$ -
<b>86 - Anoka County - Blaine</b>						
Runway 9-27 Grooving	\$ 500	\$ 431			\$ 69	
Subtotal Crystal	\$ 500	\$ 431	\$ -	\$ -	\$ 69	\$ -
Subtotal Reliever Airports	\$ 4,300	\$ 2,637	\$ -	\$ -	\$ 1,663	\$ -
Total 2014 Capital Improvement Program	\$ 94,450	\$ 10,204	\$ 450	\$ 1,000	\$ 47,796	\$ 35,000

**2015 Capital Improvement Projects****2015 Capital Improvement Program Narratives  
Minneapolis-St. Paul International Airport****10 –Terminal 1- Lindbergh  
Safety/Security Projects****Automated External Defibrillator Notification System****\$550,000**

This project will provide an automated and wireless location notification system for the existing Automated External Defibrillators (AEDs) currently installed throughout the Lindbergh and Humphrey Terminals. The system will tie into the existing facilities monitoring system and to the Emergency Communications Center (ECC). If a door to an AED is opened, ECC will be immediately notified and will be able to dispatch Fire to the location. If a 911 call is made, the nearest AEDs' notification lights can be alarmed/flashed and overhead announcements can be made for the AED location and the response location.

**Telecommunications Room Equipment Continuity and Security****\$1,500,000**

The MAC network (MACNet) carries credit card data from the Landside Parking Revenue Control System. The credit card industry has created security standards which merchants, like the MAC, are required to meet to protect card holder data. Among these requirements are security standards for the physical locations where MACNet equipment is located. Additionally the network equipment itself must have added security features to prevent unauthorized network access. This program will address these standards by providing security equipment and relevant network hardware for the 150 telecommunications rooms on the MAC campus. This program is being coordinated with the iVISON and Fiber Optic Cable Infrastructure Upgrade/Expansion programs to avoid duplication of effort and cost. This is a multi-year program.

**TSA West CBIS Equipment Upgrade****\$16,300,000**

In 2005 the Commission approved construction of the West Checked Baggage Inspection System (CBIS) which included a TSA contribution of seven CTX devices, supporting technologies and equipment and staff. Subsequently, the CTX devices have begun to approach end-of-life status based on current required maintenance cost, as determined by the TSA. The TSA has offered to negotiate a 100% funded (no MAC cost) "Other Transaction Agreement" (OTA) for design and construction services for device replacement and other required upgrades to accommodate the new technology. The OTA for the design phase has been approved and executed by both MAC and TSA. A second OTA for the construction phase will be negotiated in 2014. This project will provide for the design and installation of TSA furnished devices and other required equipment at no cost to the MAC.

**Facilities Rehabilitation****Electrical Infrastructure Rehabilitation Program****\$1,500,000**

There are fifty-three electrical substations that serve the Terminal 1-Lindbergh complex. It is imperative that these substations be inspected, cleaned and upgraded in order to ensure their continued performance. This is a continuation of a multi-year program that began in 2009.

**Terminal Miscellaneous Modifications****\$2,400,000**

Each year, there is a list of "maintenance" projects that are beyond the capability of MAC's maintenance staff and trades to accomplish. These projects are prioritized and completed either as a series of contracts or as purchase orders. The list of potential projects will be compiled and prioritized in early 2015.

Summarized below are the categories of the projects that are included in the Terminal Miscellaneous Modifications program:

**Building Exterior Rehabilitation**

Address the exterior of the terminals and other MAC buildings, including roof and curtainwall rehabilitation.

**Terminal Electrical Modifications**

Address electrical issues in the terminals due to age and deterioration of the existing systems or modifications necessary for improved reliability.

**Terminal Mechanical Modifications**

Address mechanical issues in the terminals due to age and deterioration of the existing systems or modifications necessary for improved reliability.

**Terminal Miscellaneous Modifications**

Update and remodel areas within the terminals to keep abreast with changing requirements.

**MSP Campus Modifications**

Modify or remodel areas within other facilities around the MSP campus to meet the needs of the various tenants/general public/MAC departments utilizing the facilities.

**Emergency Power Upgrades****\$1,500,000**

Studies and surveys of Terminal 1-Lindbergh transfer switches and emergency lighting were completed in 2008. This year's project will continue the design and implementation of emergency power and lighting corrective work identified in this study.

**Restroom Upgrade Program****\$8,500,000**

A study of all restrooms in Terminal 1-Lindbergh was completed in 2010 and a program developed to upgrade/modernize the restrooms at Terminal 1-Lindbergh. From this study, each restroom was prioritized as to its condition. This program will provide for the phased modernization of the T-1 Lindbergh restrooms to include upgraded finishes, lighting, air quality, energy saving upgrades and ADA compliance.

**Air Handling Unit Replacement****\$1,500,000**

There are existing air handling units serving Terminal 1-Lindbergh that were installed with the original terminal construction in 1958-60 and are over 50 years old. A study of these units has been completed that evaluated each unit's age, condition and its ability to adequately heat or cool the spaces it serves. This multi-year program provides for the replacement of the units. The project costs include modifications to building walls to facilitate the removal of existing equipment and installation of the new units, upgraded electrical and temperature controls and asbestos abatement.

**Conveyance System Upgrades****\$1,000,000**

A study of the MSP campus conveyance systems including elevators, escalators, moving walks, dumbwaiters and material lifts was completed by the Facilities Department's conveyance consultant. The study evaluated the useful life of each system including the availability of replacement parts and technical support of the equipment. Many of the systems are being operated by outdated technology that is generally less efficient than modern control equipment. Some of the systems do not include safety devices or features that are commonly installed on modern equipment. This multi-year program modernizes and replaces elements of the conveyance systems.

**Plumbing Infrastructure Upgrade Program****\$500,000**

In 2010, MAC staff prepared a preliminary study of the reliability and maintainability of the existing plumbing infrastructure. Portions of the existing plumbing infrastructure serving Terminal 1-Lindbergh are over 40 years old, have systems that are undersized for today's demands, contain isolation valves that are either inaccessible or no longer functional and utilize aging water meter systems. There are also deteriorated sections of the existing sanitary and storm water systems. This ongoing program was implemented in 2012 to upgrade the plumbing infrastructure system to meet current code requirements and MAC standards. The focus of the 2015 project is to continue the survey and replacement of aging plumbing systems.

**Lighting Infrastructure Technology and Equipment****\$1,600,000**

This is a multi-year program that analyzes, assembles and organizes lighting system upgrade recommendations for the MSP campus. Annual investment in lighting infrastructure is necessary to ensure its safe operation, reduce energy and maintenance costs and to implement technology upgrades that improve lighting quality. This project, along with the 2014 and 2016 projects, will focus on the replacement of light poles and fixtures along 34<sup>th</sup> Avenue that are at the end of their life and in danger of failing.

**T-1 Tram Systems Upgrades and Retrofit****\$1,250,000**

The MAC Hub and Concourse Tram systems were originally placed into public service in 2001 and 2004, respectively. As part of the installation, the automatic train control system utilized multiple components provided by General Electric (GE) Intelligent Platforms. In late 2011, GE indicated they would discontinue support of selected components prior to the year 2020. This project will replace and upgrade the GE components to Tram Control Systems on both the Hub and Concourse Trams. Both Trams are integral to the overall efficient flow of passengers throughout the airport and are expected to continue that role into the foreseeable future.

**Passenger Amenities****Art Display Areas \$250,000**

This program is a continuation of the existing program, in partnership with the MSP Foundation, to provide opportunities and space build out for the display of permanent and temporary/rotating art exhibits. This year's project will incorporate a story booth into the C Concourse short film and performance space.

**Concessions Upgrades/Revenue Development \$200,000**

This is an annual program to fund miscellaneous upgrades such as finishes, furniture, signage, and/or modified connections to utilities for the concession programs.

**Electronic Video Information Display Systems \$400,000**

This project will include new and replacement digital toppers, digital food courts signs, digital directories and brochure holders.

**Operational Improvements****Open Architecture Building Automation (OABA) \$1,500,000**

This is a continuation of a multi-year program to upgrade all MAC building automation systems to the LonMark open architecture protocol so that MAC can bid maintenance and construction contracts more competitively. This project will replace sole-source controllers such as Siemens and Legacy Honeywell with LonMark controllers from Honeywell, Circon, Distech or TAC systems that are all LonMark certified product lines.

**Fiber Optic Cable Infrastructure Upgrade/Expansion \$1,700,000**

This multi-year program provides for the upgrade/installation of air blown fiber optic cable at various airport locations, installation of manhole/duct bank with tube and fiber optic cable, fiber modifications, repairs and upgrades as necessary to maintain and improve the fiber infrastructure at MSP. This year's project includes fiber optic cable installation from the Maroon parking ramp to the new fire foam building on Post Road.

**MACNet Upgrade – Connectivity Elements \$2,500,000**

The MACNet provides the critical and required infrastructure to support all of the current and future MAC voice, data and video systems. This includes systems supporting critical applications and systems that are used by airside and landside operations, public safety, airport planning and development, environment and noise, finance and accounting, human resources and overall MAC administration. The current version of MACNet has reached its operational capacity and is not capable of supporting future growth. The upgraded MACNet will be implemented over a number of years to provide the necessary infrastructure to support all next generation systems and applications to be implemented in upcoming years.

**13 – Energy Management Center****Alternative Energy Projects \$900,000**

As part of an ongoing program, this project will evaluate potential alternative energy projects including solar power, wind power, geothermal technology for new buildings and other alternative energy approaches for the MAC.

**21 – Field and Runway****Airside Bituminous Rehabilitation/Electrical Construction \$500,000**

This is an ongoing program to construct or reconstruct bituminous pavements within the Air Operations Area (AOA) and repair or replace airfield electrical circuitry, lighting and signage. Inspection of bituminous pavements, lighting and electrical circuits determines what areas are to be prioritized for rehabilitation under each year's project.

**Pavement Joint Sealing/Repair \$650,000**

This is an ongoing program to provide for the resealing of joints, sealing of cracks and limited surface repairs on existing concrete pavements. The areas scheduled for sealing will be as defined in the overall joint sealing program or as identified by staff inspection in the early spring of each year.

**Pavement Rehabilitation – Aprons****\$7,600,000**

This is an ongoing program to replace sections of concrete pavement in the aircraft operational areas that have deteriorated to a point where routine maintenance is no longer a viable option. This year's project will replace approximately 17,500 square yards of concrete apron located adjacent to Concourse C between Gates C4 and C9. Work will include removals, concrete pavement, pavement marking and replacement of existing fuel utilities.

**Miscellaneous Airfield Construction****\$400,000**

This is an ongoing program to consolidate various incidental repairs beyond the workload capabilities of the Field Maintenance personnel, or to handle airside problems requiring repair which come up unexpectedly.

**26 – Terminal Roads/Landside****Tunnel/Bridge Rehabilitation****\$100,000**

The MSP Campus has MAC owned bridges and tunnels. Bridge and tunnel inspections are conducted each year to identify maintenance and repairs which are then implemented in a timely fashion.

**31 – Parking****T-1/T-2 Parking Structure Rehabilitation****\$2,500,000**

This is an annual program to maintain the integrity of the airport's multi-level parking structures. Projects typically include concrete repair, joint sealant replacement, expansion joint repairs, concrete sealing and lighting improvements.

**Parking Ramp Railing Refinishing Project****\$1,000,000**

This multi-year project will address the parking ramp metal railings that have weathered and degraded over time. The paint has chipped and peeled away, which caused the exposed metal rail to rust and erode. The rust from the degrading metal railings has stained the concrete walls and concrete slabs creating an unsightly appearance for airport customers and resulting in concrete repair work in the surrounding areas.

**39 – Public Areas/Roads****Landside Pavement Rehabilitation****\$400,000**

This is an ongoing program to construct or reconstruct bituminous pavements outside of the Air Operations Area (AOA). Inspection of pavements and appurtenances determines what areas are to be prioritized for rehabilitation under each year's project.

**46 – Hangars and Other Buildings****Roof Replacements****\$1,000,000**

A report has been developed within the MAC that evaluates one-half of the roofs every other year. This on-going program allows these roofs that have been evaluated to be prioritized and programmed for repair or replacements, and to complete any emergency repairs if the need arises.

**63 – Police****iViSN Improvements****\$3,000,000**

This project is the continuation of the program to systematically replace and integrate the approximately 1800 existing cameras into the new iViSN system and to expand the camera coverage with the terminals. A grant application has been approved by the TSA for 100% of the project costs.

**T-1/T-2 Exit Portal Security Equipment****\$3,700,000**

This project will include unstaffed exit technologies installations at T-1 Lindbergh Check Points #1, #5, and #10 and at the T-2-Humphrey Check Points #1 and #2 to provide new space and technologies to replace TSA (or MAC) staffing. There may be a mix of technologies and types of exits based on the space available and systems considered, tested and implemented.

**66 – Fire****MSP Campus Fire Alarm System Upgrade****\$850,000**

In an effort to improve monitoring reliability and eliminate the existing single point of failure configuration, this two-year project will include database redundant systems, device controller upgrades and the decentralization of the fire alarm master control equipment.



**76 – Environment****Ground Service Equipment (GSE) Electrical Charging Stations \$1,000,000**

This project will purchase and install charging stations for electric Ground Support Equipment (GSE). These fast, energy-efficient charging stations allow for simultaneous charging, adjustable charging rates and automatic shut-off when the GSE are fully charged. This effort will reduce overall air emissions and noise pollution at MSP, especially in the tug drive areas at Terminal 1. Delta will pay for electric usage of the charging units.

**81 - St. Paul****Pavement Rehabilitation – Runway 14/32 \$1,500,000**

This is an ongoing program to rehabilitate aircraft operational areas (runways, taxiways, aprons) through bituminous overlays, seal coats or reconstruction to restore the surfaces to a smooth, even condition and improve overall operating conditions. This project includes rehabilitation of the Runway 14/32 pavement through the installation of a bituminous overlay. The runway lighting system will also be upgraded and repaired as required.

**82 – Lake Elmo****Alleyway Rehabilitation \$900,000**

This is an ongoing program to rehabilitate aircraft operational areas (runways, taxiways, aprons) through bituminous overlays, seal coats or reconstruction to restore the surfaces to a smooth, even condition and improve overall operating conditions. This project includes rehabilitation of alleyways in the North Building Area.

**84 – Flying Cloud****Pavement Rehabilitation – Taxiway A – Phase 1 \$800,000**

This is an ongoing program to rehabilitate aircraft operational areas (runways, taxiways, aprons) through bituminous overlays, seal coats or reconstruction to restore the surfaces to a smooth, even condition and improve overall operating conditions. This project includes the full-depth reconstruction of the portion of Taxiway Alpha which lies west of Runway 18/36 and will include taxiway lighting systems installation.

**86 – Anoka County – Blaine****Airfield signage/Electrical Improvements \$500,000**

The existing airfield electrical system requires improvements and upgrades to increase reliability and replace old infrastructure. The project will address aging airfield signs, circuitry, and regulators with the primary focus being the airfield guidance sign systems.

**2015 Capital Improvement Program Funding Sources**

Below is a table of funding sources of the 2015 Capital Improvement Program projects. A cash flow summary will appear later in the section.

**2015 Capital Improvement Program**

(\$ in 000)

Projects	Project Cost	Grants	GARBS	PFC's	MAC Funds	Unfunded
<b>10 - Terminal 1 - Lindbergh</b>						
<b><u>Safety/Security Projects</u></b>						
Automated External Defibrillator Notification System	\$ 550				\$ 550	
Telecom Room Equipment Continuity and Security	\$ 1,500				\$ 1,500	
TSA West Checked Baggage Inspection Screening Equip	\$ 16,300	\$ 16,300				
Subtotal Safety/Security Projects	\$ 18,350	\$ 16,300	\$ -	\$ -	\$ 2,050	\$ -
<b><u>Facility Rehabilitation</u></b>						
Electrical Infrastructure Rehabilitation Program	\$ 1,500				\$ 1,500	
Terminal Miscellaneous Modifications	\$ 2,400				\$ 2,400	
Emergency Power Upgrades	\$ 1,500				\$ 1,500	
Restroom Upgrade Program	\$ 8,500				\$ 8,500	
Air Handling Unit Replacement	\$ 1,500				\$ 1,500	
Conveyance System Upgrades	\$ 1,000				\$ 1,000	
Plumbing Infrastructure Upgrade Program	\$ 500				\$ 500	
Lighting Infrastructure Technology and Equipment	\$ 1,600				\$ 1,600	
T1 Tram Systems Upgrade and Retrofit	\$ 1,250				\$ 1,250	
Subtotal Facility Rehabilitation	\$ 19,750	\$ -	\$ -	\$ -	\$ 19,750	\$ -
<b><u>Passenger Amenities</u></b>						
Concessions Revenue Development/Upgrades	\$ 200				\$ 200	
Electronic Video Information Display Systems	\$ 400				\$ 400	
Art Areas Display	\$ 250				\$ 250	
Subtotal Passenger Amenities	\$ 850	\$ -	\$ -	\$ -	\$ 850	\$ -
<b><u>Operational Improvements</u></b>						
Open Architecture Building Automation (OABA)	\$ 1,500				\$ 1,500	
Fiber Optic Cable Infrastructure Upgrade/Expansion	\$ 1,700				\$ 1,700	
MACNET Upgrade - Connectivity Elements	\$ 2,500				\$ 2,500	
Subtotal Operational Improvements	\$ 5,700	\$ -	\$ -	\$ -	\$ 5,700	\$ -
Subtotal Terminal 1-Lindbergh	\$ 44,650	\$ 16,300	\$ -	\$ -	\$ 28,350	\$ -
<b>13 - Energy Management Center</b>						
Alternative Energy Projects	\$ 900				\$ 900	
Subtotal Energy Management Center	\$ 900	\$ -	\$ -	\$ -	\$ 900	\$ -
<b>21 - Field and Runway</b>						
Airside Bituminous Rehabilitation/Electrical Construction	\$ 500				\$ 500	
Pavement Joint Sealing/Repair	\$ 650				\$ 650	
Pavement Rehabilitation - Aprons	\$ 7,600	\$ 5,700			\$ 1,900	
Miscellaneous Airfield Construction	\$ 400				\$ 400	
Subtotal Field and Runway	\$ 9,150	\$ 5,700	\$ -	\$ -	\$ 3,450	\$ -
<b>26 - Terminal Roads/Landside</b>						
Tunnel/Bridge Rehabilitation	\$ 100				\$ 100	
Subtotal Terminal Roads/Landside	\$ 100	\$ -	\$ -	\$ -	\$ 100	\$ -

**2015 Capital Improvement Program**

(\$ in 000)

Projects	Project Cost	Funding Source				
		Federal/State Grants	GARBS	PFC's	MAC Funds	Unfunded
<b>31 - Parking</b>						
T1/T2 Parking Structure Rehabilitation	\$ 2,500				\$ 2,500	
Parking Ramp Railing Refinishing	\$ 1,000				\$ 1,000	
Subtotal Parking	\$ 3,500	\$ -	\$ -	\$ -	\$ 3,500	\$ -
<b>39 - Public Areas/Roads</b>						
Landside Pavement Rehabilitation	\$ 400				\$ 400	
Subtotal Public Areas/Roads	\$ 400	\$ -	\$ -	\$ -	\$ 400	\$ -
<b>46 - Hangars and other Buildings</b>						
Roof Replacements	\$ 1,000				\$ 1,000	
Subtotal Hangars and other Buildings	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000	\$ -
<b>63 - Police</b>						
iViSN (CCTV) Improvements	\$ 3,000	\$ 3,000			\$ -	
T1/T2 Exit Portal Security Equipment	\$ 3,700	\$ 2,500			\$ 1,200	
Subtotal Police	\$ 6,700	\$ 5,500	\$ -	\$ -	\$ 1,200	\$ -
<b>66 - Fire</b>						
MSP Campus Fire Alarm System Upgrade	\$ 850				\$ 850	
Subtotal Fire	\$ 850	\$ -	\$ -	\$ -	\$ 850	\$ -
<b>76 - Environment</b>						
Ground Service Equipment Electrical Charging Stations	\$1,000	\$ 750			\$ 250	
Subtotal Environment	\$1,000	\$ 750	\$ -	\$ -	\$ 250	\$ -
<b>Reliever Airports</b>						
<b>81 - St. Paul</b>						
Pavement Rehabilitation - Runway 14/32	\$1,500	\$ 1,340			\$ 160	
Subtotal St. Paul	\$1,500	\$ 1,340	\$ -	\$ -	\$ 160	\$ -
<b>82 - Lake Elmo</b>						
Alleyway Rehabilitation	\$900	\$ 600			\$ 300	
Subtotal Lake Elmo	\$900	\$ 600	\$ -	\$ -	\$ 300	\$ -
<b>84 - Flying Cloud</b>						
Pavement Rehabilitation - Taxiway A - Phase 1	\$800	\$ 700			\$ 100	
Subtotal Flying Cloud	\$800	\$ 700	\$ -	\$ -	\$ 100	\$ -
<b>86 - Anoka County - Blaine</b>						
Airfield Signage/Electrical Improvements	\$500	\$ 425			\$ 75	
Subtotal Anoka County - Blaine	\$500	\$ 425	\$ -	\$ -	\$ 75	\$ -
Subtotal Reliever Airports	\$3,700	\$ 3,065	\$ -	\$ -	\$ 635	\$ -
Total 2015 Capital Improvement Program	\$71,950	\$ 31,315	\$ -	\$ -	\$ 40,635	\$ -

**2016-2020 Capital Improvement Plan**

This encompasses the last five years of the total program and consists of projects that appear likely to be needed during the period. The Commission only funds the CIP out to 2015. A large number of unfunded projects exist in the following table. These projects are labeled as "Demand Driven" projects. These types of projects will only be undertaken if demand exists for such projects.

**2016-2020 Capital Improvement Plan**

(\$ in 000)		Funding Source				
Projects	Project Cost	Federal/State Grants	GARBS	PFC's	MAC Funds	Unfunded
<b>Noise Mitigation Program</b>						
Noise Mitigation Settlement	\$ 22,500					\$ 22,500
Subtotal Noise Mitigation Program	\$ 22,500	\$ -	\$ -	\$ -	\$ -	\$ 22,500
<b>10 - Terminal 1 - Lindbergh</b>						
<b><u>Safety/Security Projects</u></b>						
Telecom Room Equipment Continuity and Security	\$ 7,500				\$ 1,500	\$ 6,000
Subtotal Safety/Security Projects	\$ 7,500	\$ -	\$ -	\$ -	\$ 1,500	\$ 6,000
<b><u>Facility Rehabilitation</u></b>						
Electrical Infrastructure Rehabilitation Program	\$ 7,500				\$ 1,500	\$ 6,000
Terminal Miscellaneous Modifications	\$ 12,000				\$ 2,400	\$ 9,600
Emergency Power Upgrades	\$ 7,500				\$ 1,500	\$ 6,000
Lower Level Roadway/GTC Water Infiltration Mitigation	\$ 1,500				\$ 1,000	\$ 500
Restroom Upgrade Program	\$ 10,000				\$ 2,000	\$ 8,000
Air Handling Unit Replacement	\$ 7,500				\$ 1,500	\$ 6,000
Conveyance System Upgrades	\$ 3,700					\$ 3,700
Passenger Boarding Bridge Replacements	\$ 26,000					\$ 26,000
Plumbing Infrastructure Upgrade Program	\$ 1,500				\$ 300	\$ 1,200
Baggage Claim, Ticket Lobby Improvements	\$ 150,000					\$ 150,000
Way-Finding Sign Backlighting Replacement	\$ 4,800					\$ 4,800
Lighting Infrastructure Technology and Equipment	\$ 6,500				\$ 500	\$ 6,000
T1 Tram System Upgrades and Retrofit	\$ 4,700				\$ 2,000	\$ 2,700
Public Address System	\$ 5,550				\$ 1,300	\$ 4,250
T1 & T2 Public Walk Aisle Terrazzo Floor Installation	\$ 19,000					\$ 19,000
D-Pod Outbound Conveyor/Ticket Counter Expansion	\$ 5,900					\$ 5,900
T1 & T2 Recarpeting Program	\$ 21,300					\$ 21,300
Mezzanine Employee Commissary	\$ 4,200					\$ 4,200
East Mezzanine Rubber Floor Replacement	\$ 2,900					\$ 2,900
Center Mezzanine Tile Removal and Replacement	\$ 450					\$ 450
Subtotal Facility Rehabilitation Projects	\$ 302,500	\$ -	\$ -	\$ -	\$ 14,000	\$ 288,500
<b><u>Passenger Amenities</u></b>						
Art Display Areas	\$ 1,250				\$ 250	\$ 1,000
Meeter/Greeter/Freedom Booth Upgrades	\$ 225				\$ 225	\$ -
Concessions Revenue Development/Upgrades	\$ 1,000				\$ 200	\$ 800
Ticket Counter Upgrades to ADA	\$ 800				\$ 800	\$ -
Commission Chambers Telecoil Installation	\$ 200				\$ 200	\$ -
Concourse Service Center Upgrades	\$ 2,000				\$ 1,000	\$ 1,000
Electronic Video Information Display System	\$ 2,550					\$ 2,550
Observation Deck Improvements	\$ 1,600					\$ 1,600
EVIDS/MUFIDS Digital Signs	\$ 750					\$ 750
EVIDs/MUFIDS/MUBIDs/PIDs Technology Upgrades	\$ 1,800					\$ 1,800
Subtotal Passenger Amenities	\$ 12,175	\$ -	\$ -	\$ -	\$ 2,675	\$ 9,500

**2016-2020 Capital Improvement Plan**

(\$ in 000)

Projects	Project Cost	Grants	GARBS	PFC's	MAC Funds	Unfunded
<b>Operational Improvements</b>						
Open Architecture Building Automation (OABA)	\$ 3,800				\$ 1,500	\$ 2,300
Fiber Optic Cable Infrastructure Upgrade/Expansion	\$ 4,000				\$ 1,700	\$ 2,300
Wireless Network Control System	\$ 1,000				\$ 1,000	\$ -
Landside Operations Offices Upgrades	\$ 500					\$ 500
MACNET Upgrade - Connectivity Elements	\$ 5,000				\$ 1,000	\$ 4,000
Custom Border Patrol Primary Relocation Gates G8-G9	\$ 51,000					\$ 51,000
Subtotal Operational Improvements	\$ 65,300	\$ -	\$ -	\$ -	\$ 5,200	\$ 60,100
<b>Concourse G Improvements</b>						
Concourse G Roof Replacement	\$ 3,000				\$ 3,000	\$ -
Exterior Panel/Sealant/Replacement	\$ 5,100				\$ 1,000	\$ 4,100
Concourse G Rehabilitation	\$ 19,000				\$ 2,000	\$ 17,000
Subtotal Concourse G Improvements	\$ 27,100	\$ -	\$ -	\$ -	\$ 6,000	\$ 21,100
<b>T-1 Lindbergh Expansion/Remodeling</b>						
<b>Terminal Remodeling</b>						
Concourse E Remodeling/Expansion	\$ 37,000					\$ 37,000
MAC Operations Center	\$ 1,250					\$ 1,250
Subtotal Terminal Remodeling	\$ 38,250	\$ -	\$ -	\$ -	\$ -	\$ 38,250
Subtotal Terminal 1-Lindbergh	\$ 452,825	\$ -	\$ -	\$ -	\$ 29,375	\$ 423,450
<b>13 - Energy Management Center</b>						
Energy Savings Projects	\$ 6,000				\$ 2,000	\$ 4,000
Subtotal Energy Managent Center	\$ 6,000	\$ -	\$ -	\$ -	\$ 2,000	\$ 4,000
<b>21 - Field and Runway</b>						
Airside Bituminous Rehabilitation/Electrical Construction	\$ 2,500				\$ 500	\$ 2,000
Pavement Joint Sealing/Repair	\$ 3,250				\$ 650	\$ 2,600
Pavement Reconstruction-Taxiway Delta (W toS)	\$ 7,500					\$ 7,500
Miscellaneous Airfield Construction	\$ 2,000				\$ 400	\$ 1,600
Baggage Quarantine Building	\$ 1,300					\$ 1,300
SIDA Incursion Upgrades	\$ 1,600	\$ 1,200			\$ 400	\$ -
Sanitary Sewer Replacements	\$ 4,200					\$ 4,200
Perimeter Gate Security Improvements	\$ 1,100	\$ 800			\$ 300	\$ -
North Parallel Runway Planing/Regrooving	\$ 400					\$ 400
Subtotal Field and Runway	\$ 23,850	\$ 2,000	\$ -	\$ -	\$ 2,250	\$ 19,600

**2016-2020 Capital Improvement Plan**

(\$ in 000)

Projects	Project Cost	Grants	GARBS	PFC's	MAC Funds	Unfunded
<b>26 - Terminal Roads/Landside</b>						
Tunnel/Bridge Rehabilitation	\$ 500				\$ 100	\$ 400
Upper Level Roadway Rehabilitation	\$ 1,800					\$ 1,800
Upper Level Roadway Electrical System Rehabilitation	\$ 650					\$ 650
Lower Level Roadway Rehabilitation	\$ 500					\$ 500
Subtotal Terminal Roads/Landside	\$ 3,450	\$ -	\$ -	\$ -	\$ 100	\$ 3,350
<b>31 - Parking</b>						
T1/T2 Parking Structure Rehabilitation	\$ 12,500				\$ 2,500	\$ 10,000
T1-Lindbergh Short Term Parking Redesignation	\$ 350					\$ 350
T1-Lindbergh Valet/Commercial Entrance Lanes Mods	\$ 1,000				\$ 1,000	\$ -
T1-Lindbergh Intelligent Parking Guidance System	\$ 500					\$ 500
Orange Ramp Vestibule	\$ 200					\$ 200
T1 QTA Roadway Replacement	\$ 500					\$ 500
Parking Ramp Railing Refinishing Project	\$ 4,000					\$ 4,000
Subtotal Parking	\$ 19,050	\$ -	\$ -	\$ -	\$ 3,500	\$ 15,550
<b>36 - Terminal 2 - Humphrey</b>						
<b>Passenger Amenities</b>						
Skyway to LRT Flooring Installation	\$ 800				\$ 800	\$ -
Curbside Canopy Extension	\$ 1,500					\$ 1,500
Subtotal Passenger Amenities	\$ 2,300	\$ -	\$ -	\$ -	\$ 800	\$ 1,500
<b>Operational Improvements</b>						
Incident Response Friends & Relatives Center	\$ 2,300					\$ 2,300
Concourse Upgrades	\$ 800				\$ 800	\$ -
Subtotal Operational Improvements	\$ 3,100	\$ -	\$ -	\$ -	\$ 800	\$ 2,300
<b>Terminal 2 - Humphrey Expansion-North</b>						
Terminal 2 - Gates 14-16 Design Fees	\$ 8,000					\$ 8,000
Terminal 2 - Gates 14-16 Construction	\$ 65,000					\$ 65,000
Fueling Expansion Gates 14-16	\$ 1,500					\$ 1,500
Subtotal Terminal 2 - Expansion-North	\$ 74,500	\$ -	\$ -	\$ -	\$ -	\$ 74,500
<b>Terminal 2 - Humphrey Expansion-South</b>						
Apron/Fueling Expansion	\$ 40,000					\$ 40,000
Gates 17-27	\$ 65,000					\$ 65,000
Terminal Utilities Relocation	\$ 5,000					\$ 5,000
Subtotal Terminal 2 - Expansion-South	\$ 110,000	\$ -	\$ -	\$ -	\$ -	\$ 110,000
Subtotal Terminal 2-Humphrey	\$ 189,900	\$ -	\$ -	\$ -	\$ 1,600	\$ 188,300
<b>39 - Public Areas/Roads</b>						
Landside Pavement Rehabilitation	\$ 3,600				\$ 400	\$ 3,200
Taxicab Break Room Expansion	\$ 500				\$ 500	\$ -
Subtotal Public Areas/Roads	\$ 4,100	\$ -	\$ -	\$ -	\$ 900	\$ 3,200
<b>46 - Hangars and Other Buildings</b>						
Roof Replacements	\$ 5,000				\$ 1,000	\$ 4,000
Impark Building Rehabilitation	\$ 600				\$ 600	\$ -
Drivers Training Facility Rehabilitation	\$ 550				\$ 550	\$ -
FAA Building Parking Lot Upgrades	\$ 1,050					\$ 1,050
General Office Building Valve Retrofit	\$ 250					\$ 250
Subtotal Hangars and Other Buildings	\$ 7,450	\$ -	\$ -	\$ -	\$ 2,150	\$ 5,300

**2016-2020 Capital Improvement Plan**

(\$ in 000)

<b>Projects</b>	<b>Project Cost</b>
<b>63 - Police</b>	
Public Safety Facility	\$ 35,000
Perimeter Fence Intrusion Detection System	\$ 3,000
IViSN (CCTV) Improvements	\$ 18,200
Card Access Mods-Gate Lobby Areas Concourse Level	\$ 850
Passenger Boarding Bridge Card Access Additions	\$ 10,700
<b>Subtotal Police</b>	<b>\$ 67,750</b>

**66 - Fire**

MSP Campus Fire Alarm System Upgrade	\$ 850
Campus Fire Protection	\$ 2,000
<b>Subtotal Fire</b>	<b>\$ 2,850</b>

**76 - Environment**

Mother Lake Stormwater Diversion	\$ 850
Runway 12R/30L Glycol Forcemain	\$ 1,100
Concourses C & G Compactor Canopies	\$ 450
Runway 30R Deicing Pad Subdrain	\$ 800
Ground Service Equipment Electrical Charging Stations	\$ 5,000
E85 Tank and Dispenser Modifications	\$ 550
<b>Subtotal Environment</b>	<b>\$ 8,750</b>

**Reliever Airports****81 - St. Paul**

Holman Terminal Subdrain	\$ 600
Joint and Crack Repairs	\$ 200
MAC Building Maintenance	\$ 400
Pavement Rehabilitation	\$ 2,000
Roof Repairs/Replacement	\$ 200
Airfield Signage/Wind Cone Upgrade	\$ 500
Cold Equipment Storage Building	\$ 750
Storm Sewer Improvements Phase 2	\$ 1,500
Maintenance Building Improvements	\$ 200
<b>Subtotal St. Paul</b>	<b>\$ 6,350</b>

**82 - Lake Elmo**

East Side Parallel Taxiway	\$ 1,200
Runway 14/32 Replacement	\$ 5,000
Materials Storage Building	\$ 600
<b>Subtotal Lake Elmo</b>	<b>\$ 6,800</b>

**83 - Airlake**

Pavement Rehabilitation	\$ 400
South Building Area Development	\$ 2,700
Runway 12/30 Extension	\$ 8,000
South Building Area Alleyway Development	\$ 1,000
Materials Storage Building	\$ 600
<b>Subtotal Airlake</b>	<b>\$ 12,700</b>

**Funding Source**

<b>Federal/State Grants</b>	<b>GARBS</b>	<b>PFC's</b>	<b>MAC Funds</b>	<b>Unfunded</b>
				\$ 35,000
				\$ 3,000
\$ 4,000				\$ 14,200
				\$ 850
				\$ 10,700
\$ 4,000	\$ -	\$ -	\$ -	\$ 63,750
			\$ 850	\$ -
				\$ 2,000
\$ -	\$ -	\$ -	\$ 850	\$ 2,000
\$ 625			\$ 225	\$ -
				\$ 1,100
				\$ 450
\$ 600			\$ 200	\$ -
				\$ 5,000
			\$ 550	\$ -
\$ 1,225	\$ -	\$ -	\$ 975	\$ 6,550
				\$ 600
			\$ 100	\$ 100
			\$ 200	\$ 200
				\$ 2,000
				\$ 200
\$ 350			\$ 150	\$ -
				\$ 750
				\$ 1,500
				\$ 200
\$ 350	\$ -	\$ -	\$ 450	\$ 5,550
				\$ 1,200
				\$ 5,000
				\$ 600
\$ -	\$ -	\$ -	\$ -	\$ 6,800
\$ 350			\$ 50	\$ -
				\$ 2,700
				\$ 8,000
				\$ 1,000
				\$ 600
\$ 350	\$ -	\$ -	\$ 50	\$ 12,300



**2016-2020 Capital Improvement Plan**

(\$ in 000)

Projects	Project Cost	Grants	GARBS	PFC's	MAC Funds	Unfunded
<b>84 - Flying Cloud</b>						
Pavement Rehabilitation - Taxiway A-Phase 2	\$ 900	\$ 800			\$ 100	\$ -
Pavement Rehabilitation - Taxiway D & E Mill/Overlay	\$ 1,200					\$ 1,200
South Building Area Development	\$ 600					\$ 600
Roof Repairs/Replacement	\$ 100					\$ 100
Equipment Storage Building	\$ 2,500					\$ 2,500
Runway 18-36 Extension	\$ 1,500	\$ 1,000			\$ 500	\$ -
Electrical Vault Modifications	\$ 500					\$ 500
Subtotal Flying Cloud	\$ 7,300	\$ 1,800	\$ -	\$ -	\$ 600	\$ 4,900
<b>85 - Crystal</b>						
Alleyway Rehabilitation	\$ 550					\$ 550
Obstruction Removals	\$ 300	\$ 150			\$ 150	\$ -
Runway 14R/32L Modifications	\$ 1,000					\$ 1,000
Materials Storage Building	\$ 600					\$ 600
Subtotal Crystal	\$ 2,450	\$ 150	\$ -	\$ -	\$ 150	\$ 2,150
<b>86 - Anoka County - Blaine</b>						
Building Area Development - Xylite St. Relocation	\$ 1,000					\$ 1,000
Materials Storage Building	\$ 600					\$ 600
Roof Repairs/Replacement	\$ 250				\$ 250	\$ -
Taxiway Foxtrot	\$ 600					\$ 600
Subtotal Anoka County - Blaine	\$ 2,450	\$ -	\$ -	\$ -	\$ 250	\$ 2,200
Subtotal Reliever Airports	\$ 38,050	\$ 2,650	\$ -	\$ -	\$ 1,500	\$ 33,900
Total 2016-2020 Capital Improvement Plan	\$ 846,525	\$ 9,875	\$ -	\$ -	\$ 45,200	\$ 791,450

**Construction of the New Information Services Data Center**

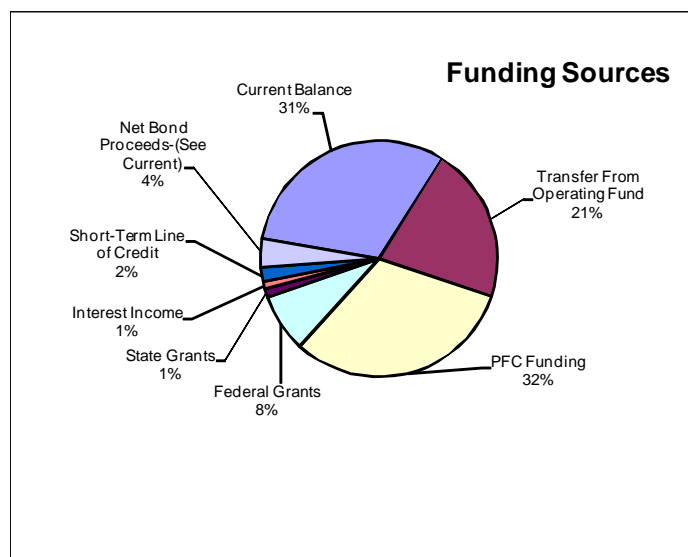
**Sources and Uses of Funds**

From December 31, 2011 through 2016, MAC has identified eight funding sources totaling \$678,583,000 including a beginning balance of \$306,362,000. During this period, MAC will expend \$681,550,000 leaving a net balance of \$303,395,000 at the end of 2016. This balance represents a portion of the 2015 and 2016 CIP projects that were started but not completed by December 31, 2016 and PFC's to pay future debt service.

The Construction Fund Budget below represents anticipated sources and uses of funds during the years 2012-2016. The information for 2013 indicates expected transactions during the fourth quarter.

<b>CONSTRUCTION FUND BUDGET 2014</b>							
(\$ = 000)							
	<b>2012</b>	<b>2013</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Total</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Budget</b>	<b>Budget</b>	<b>Projected</b>	<b>Projected</b>	<b>Projected</b>
<b>Sources of Funds</b>							
Balance 12/31/11	\$ 306,362						\$ 306,362
Balance Carried Forward		\$ 323,596	\$ 309,689	\$ 312,474	\$ 251,271	\$ 284,739	
Transfer From Operating Fund	43,300	42,880	40,664	44,653	42,916	45,000	218,749
PFC Funding	62,785	64,000	62,620	64,640	65,286	65,939	322,651
Federal Grants	21,054	4,909	36,249	8,829	28,815	1,500	65,107
State Grants	177	283	3,070	1,375	2,500	2,500	6,835
Interest Income (1)	1,419	1,358	2,000	1,600	1,900	2,000	8,277
Short-term line of credit	11,300	6,050	7,850	-	-	-	17,350
Principal Amount of Bonds	39,770	-	-	-	-	-	39,770
Other Receipts	-	-	-	-	-	-	-
<b>Total Sources of Funds</b>	<b>\$ 179,805</b>	<b>\$ 119,480</b>	<b>\$ 152,453</b>	<b>\$ 121,097</b>	<b>\$ 141,417</b>	<b>\$ 116,939</b>	<b>\$ 678,739</b>
<b>Uses of Funds</b>							
CIP Project Costs	\$ (134,289)	\$ (103,067)	(125,000)	(155,000)	(78,000)	(66,000)	\$ (536,356)
Debt Service Reserve Transfer	(28,282)	(27,535)	(28,388)	(27,300)	(29,949)	(32,128)	(145,194)
<b>Total Use of Funds</b>	<b>\$ (162,571)</b>	<b>\$ (130,602)</b>	<b>\$ (153,388)</b>	<b>\$ (182,300)</b>	<b>\$ (107,949)</b>	<b>\$ (98,128)</b>	<b>\$ (681,550)</b>
Balance Carried Forward	\$ 323,596	\$ 312,474	\$ 308,755	\$ 251,271	\$ 284,739	\$ 303,551	\$ 303,551
1 Interest Rate Assumed 0.50% for the period 2014 through 2016.							

Excluding the current balance, the chart shows that transfers from the Operating Fund and funds from PFCs are the main funding sources for construction projects.



## Sources of Funds

Each source of funding is discussed below.

The Transfer from the Operating Fund is made at the end of each year after the debt service requirement and working capital balance have been funded. For 2014, a transfer of \$44.6 million is anticipated based on 2013 estimated net revenues. The transfers for the period 2015 through 2016 are relatively stable over the forecast period. The balance to be transferred for the period is estimated at \$218.6 million or 22.19%.

PFC funding or Passenger Facility Charge funding is the largest funding source at \$322.7 million or 32.76% of the total. Passenger Facility Charges (PFCs) were authorized by Congress to allow proprietors of commercial service airports, such as MAC, to impose a charge on enplaning passengers at those airports. The charge was originally set at \$1, \$2 or \$3. The maximum allowed was changed from \$3.00 to \$4.50 in 2001. Essential Air Service Flights and Frequent Flyers are exempted from this charge. The basis for the PFC is to provide needed supplemental revenues to expedite the improvement of airport facilities used by passengers, to mitigate noise impacts and to expand airport system capacity. The Commission's first application began collecting PFCs on June 1, 1992.

Including this first application, the Commission has received approval from the Federal Aviation Administration for ten separate applications. The table below shows the status of all applications.

<b>PFC Summary Table</b>				
<b>Application Number</b>	<b>Amended Approval Amount (\$=000)</b>	<b>Collections as Of 12/31/13 est (\$=000)</b>	<b>Status</b>	
1	\$ 92,714	\$ 92,714	Closed	
2	140,717	140,717	Closed	
3	36,377	36,377	Closed	
4	47,801	47,801	Closed	
5	112,533	112,533	Closed	
6	774,214	392,781	Open	
7	0	2,467	Open	
8	147,986	50,373	Open	
9	8,659	8,659	Open	
10	128,448	64,211	Open	
	<u>\$ 1,489,449</u>	<u>\$ 948,633</u>		

In conjunction with filing these applications/amendments, the Commission was required to file a Competition Plan. Before any approval/consideration could be given to these applications/amendments, the FAA needed to approve this Plan. Approval from the FAA regarding the original Competition Plan was received on November 21, 2000. In addition, Congress earlier in 2000 authorized proprietors of commercial service airports to increase the level of PFC up to a maximum of \$4.50. This level of collection required the completion and approval of a Competition Plan for the airport. The Commission received approval to increase the PFC level to \$4.50 in January, 2001. An updated Competition Plan was submitted in December 2008. Approval of the updated Plan was granted in 2009.

Federal Grants are funds which are used for FAA approved projects including Field and Runway and certain terminal building security projects at the various Commission airports. These funds are estimated at \$65.1 million or 6.6% of the sources listed above. Certain criteria must be met when an application for a project is submitted to the FAA. If the criteria are met, the grant money may be issued. Federal grants also include money received from the TSA for checked baggage screening capital improvements.

State Grants are similar to Federal grants. The dollars are on a much smaller scale, but each application must meet the required criteria in order to receive the grant. This source is estimated at \$6.8 million or 0.69% of the total funding through 2016.

Interest Income is based on the balance in the fund. As noted above, a 0.50% rate is assumed for 2014 through 2016. This figure can vary significantly depending upon approval of projects and their starting dates. Interest Income of \$8.7 million or 0.84% of sources is projected.

Short-Term Line of Credit

In 2011, the Commission entered into a \$75 million revolving line of credit. This program replaces the Commercial Paper Program the Commission previously participated in. Short-term funding allows the Commission to interim fund certain projects until either the receipt of grants or to be taken out with a future long-term debt issue.

Long-Term Debt

Currently there are no future plans to issue any long-term debt, but that may change due to the demand driven CIP projects mentioned earlier in this section.

**Uses of Funds**

There are two general categories of uses listed. The first, CIP project costs (\$536.4 million), represent 78.7% of the total. The Debt Service Transfer of \$145.2 million, or 21.3% of this total, represents the transfer of PFC funding to pay a portion of PFC projects funded by long-term debt.

CIP project costs include both actual construction costs and any fees (i.e. architectural/engineering) which may be associated with the project. Also included in this figure are projects in process. Significant project costs include those associated with parking facilities, Reliever Airports and other field and terminal projects.

The balance carried forward can be attributed to a number of projects scheduled to begin the next year. It is quite possible that this balance could be significantly different as the timing of projects historically has been delayed for any number of reasons.

The table below indicates the amount of projects currently in process. The vast majority of capital projects in the Commission's Capital Improvement Program are considered routine projects for a major airport and do not affect the annual operating budget.

<b>Projects in Process (As of November 30, 2013)</b> <b>(\$ = 000)</b>			
<b>Project Description</b>	<b>Estimated Project Cost</b>	<b>Payments To Date</b>	<b>% Completion</b>
Runway 30R MALSF	\$1,900	\$1,489	78.4%
North Side Storm Sewer (3&4)	\$5,000	\$4,062	81.2%
2012 Pavement Rehabilitation - Aprons	\$2,200	\$1,888	85.8%
2012: 12R/30L Tunnel Road Rehabilitation	\$2,000	\$1,525	76.3%
LT Restroom Upgrades Program	\$4,600	\$4,558	99.1%
LT In-line Baggage Screening (TSA) - Phase Two	\$33,150	\$28,652	86.4%
Energy:Phase 14/15/16 Heat Recovery, Lighting, Environment	\$3,000	\$2,893	96.4%
IS Data Center Facilities - Phase 1 & 2	\$22,000	\$16,950	77.0%
Energy Improvements: Phase 17/18/19	\$3,000	\$2,376	79.2%
2011 Miscellaneous Modifications - Phase 1	\$1,725	\$1,647	95.5%
Electrical Infrastructure Phase 4 & 5	\$4,500	\$3,535	78.6%
2012 Folded Plate Drain-Roof Repair	\$6,400	\$5,386	84.2%
T1 Checked Baggage (CBIS) Program	\$16,100	\$5,415	33.6%
Conveyance System Rehabilitation	\$2,700	\$2,248	83.3%
Tech Room Equipment Continuity	\$2,300	\$1,603	69.7%
iVISON Projects (CCTV) Phase 1 & 2, Surveillance Monitoring Retrofit	\$11,100	\$5,227	47.1%
T1 Baggage Claim Fire Protection System	\$4,000	\$2,530	63.3%
T1 Concourse G Roof Replacement	\$6,800	\$5,145	75.7%
T1-FIS (CBP) Expansion Program	\$14,000	\$1,663	11.9%
Post Road Fuel Farm Fire Protect	\$4,465	\$4,210	94.3%
2012 Parking Structure Rehabilitation	\$3,500	\$3,060	87.4%
I-494/34th Ave. Interchange Enhancements	\$6,000	\$5,404	90.1%
2013 Parking Structure Rehabilitation	\$2,500	\$1,914	76.6%
T2: Security Check Point Renovation	\$2,100	\$2,407	114.6%
T2-Humphrey 3 Gate Expansion	\$4,000	\$2,512	62.8%
T2-Humphrey RAC Customer Service Bldg,Ready Return,Quick Turnaround	\$35,400	\$6,808	19.2%
Concourse G Fire Protection - Phase 1 to 3 & Asbestos Abatement	\$12,565	\$11,210	89.2%
Part 150 Sound Insulation Projects (Homes,Multi-Family)	\$48,502	\$36,381	75.0%
Parking Revenue Control System	\$2,600	\$2,426	93.3%
2013 Humphrey Apron Expansion	\$15,300	\$7,809	51.0%
HHH Fuel Facility Relocation	\$8,200	\$7,768	94.7%
Humphrey Terminal Expansion Projects - 2020 Vision Phase 1	\$137,765	\$19,078	13.8%
All Other Projects in Process	\$189,225	\$44,932	23.7%
<b>Totals:</b>	<b>\$618,597</b>	<b>\$254,711</b>	

## Debt Service Fund

The Debt Service Fund discussion covers four areas: Debt Service Requirement, Long Term Debt, Bond Ratings and Sources and Uses of Funds.

### Debt Service Requirement

The Metropolitan Airports Commission, in the recent past, has issued two forms of long-term indebtedness: General Airport Revenue Bonds (GARBs) and General Obligation Revenue Bonds (GORBs). Since 1976, GORBs have been issued which are backed by Commission revenues and the authority to levy any required taxes on the assessed valuation of the seven-county metropolitan area. In 1998, the Commission began to issue GARBs which are not backed by the Commission's ad valorem taxing power. Additionally, the Commission has agreed (pursuant to the terms of the Master Trust Indenture entered into by the Commission in connection with its issuance of GARBs) to collect rates, tolls, fee, rentals and charges so that during each fiscal year the Net Revenues, together with any permitted transfer, will be equal to at least 125% of aggregate annual debt service on the outstanding Senior Lien GARBs and 110% for outstanding Subordinate Lien GARBs. (See Long Term Debt Section below.)

With regard to GORBs, MAC is required by law to maintain Debt Service funds sufficient to bring the balance on hand in the Debt Service Account on October 10th of each year, to an amount equal to all principal and interest, to become due and payable from there to the end of the second following year. After October 10, 2014, the Commission will have fully funded all outstanding GORBs. Therefore, no further deposits will be necessary. The required balance as of October 10 in this Debt Service Account for the next four years is as follows (in thousands):

October 10, 2014	\$ 2,897
October 10, 2015	0

These figures do not include any future bond issues.

The annual actual debt service requirement for the next five years for the GARB issues:

January 1, 2014	\$ 122,555
January 1, 2015	\$ 122,534
January 1, 2016	\$ 122,459
January 1, 2017	\$ 122,847
January 1, 2018	\$ 122,762

These figures do not include any future bond issues.



**Light Rail Transit Station – Terminal 2-Humphrey**



**Long Term Debt****General Obligation Revenue Bonds and General Airport Revenue Bonds**

The acquisition and construction of facilities at the airports operated by the Commission have been substantially financed by the issuance of Airport Improvement Bonds (all of which have been defeased), Notes Payable, a revolving line of credit, GORBs and GARBs.

GORBs are general obligations of the Commission, payments of which are secured by the pledge of all operating revenues of the Commission. The Commission has the power to levy property taxes upon all taxable property in the seven county Metropolitan Area in order to pay debt service outstanding on GORBs. (These taxes, if levied, must be re-paid.)

The Commission has not levied taxes for the payment of debt service since 1969. Since then, Commission revenues have been sufficient to pay principal and interest due to Airport Improvement Bonds and GORBs. The Commission currently has available for issuance under the existing legislative authorization approximately \$55 million.

The 1996 Minnesota State Legislature authorized the Commission to issue GARBs. These bonds may be secured by the pledge of all operating revenues of the Commission. The Commission's authority to issue additional GARBs is subject to an additional bonds test for future issuance of either its Senior Lien or Subordinate Lien GARBs (the additional bonds test is designed to demonstrate that the Commission will have the current and future ability to repay its debt). For Senior Lien GARBs, the additional bonds test requires the Commission to either show that historical revenues are at least equal to 1.1 times total expected Senior Lien debt service or that projected net revenues are expected to exceed 1.25 times total expected Senior Lien debt service. For Subordinate Lien GARBs, the additional bonds test requires the Commission to either show that historical revenues are at least equal to 1.1 times total expected debt service or that projected net revenues are expected to exceed 1.1 times total expected debt service. These coverage ratios include debt service on the GORBs.

The projected coverage ratio for 2014 on Senior Debt Obligations is 3.13x. With the optional coverage transfer, this figure is 3.38x.

**Notes Payable**

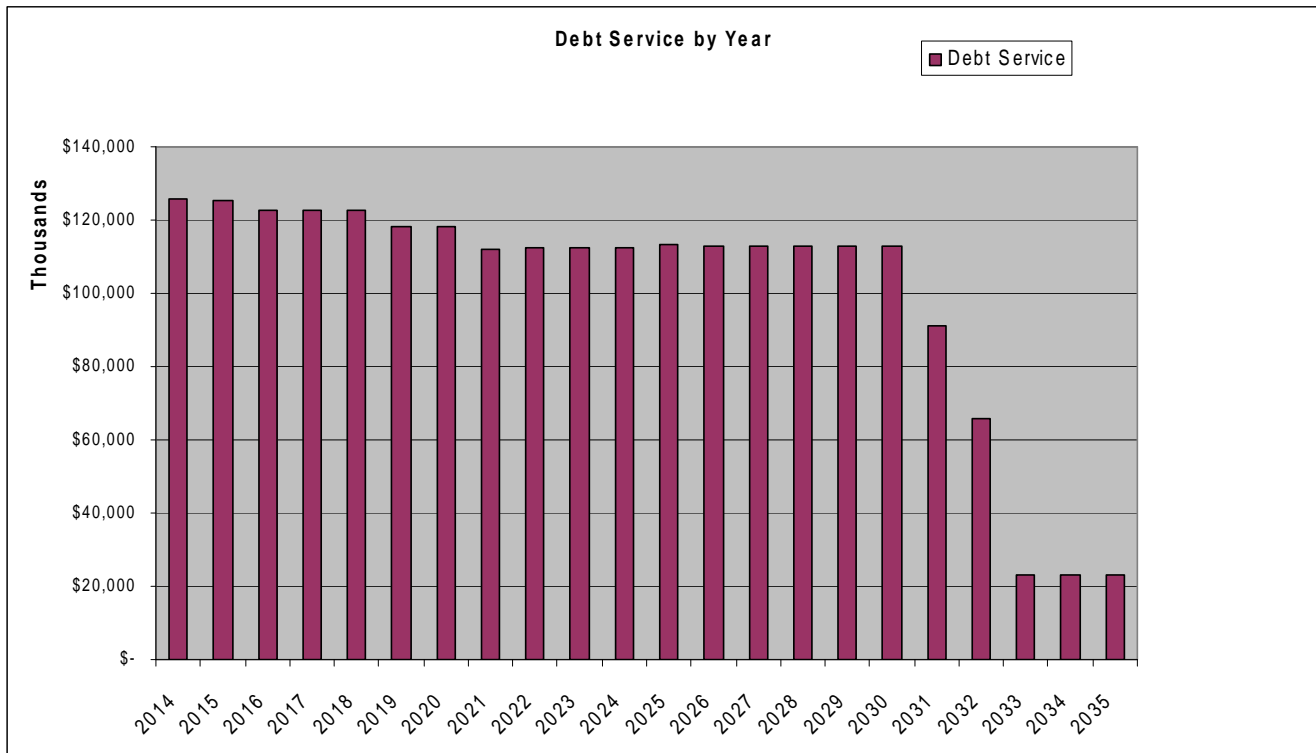
The Commission from time to time has financed certain pieces of equipment and certain capital improvement projects through the issuance of notes payable. The Commission utilizes this type of financing in order to recover a portion of the debt service via airline rates and charges.

**Revolving Line of Credit**

The Commission previously utilized a Commercial Paper program to interim fund certain capital improvement projects. In May 2010, the direct pay letters of credit expired and the renewal cost was very expensive. In 2011, the Commission entered into a \$75 million Revolving Line of Credit to interim fund certain capital improvement projects. As of December 31, 2013, the Commission has utilized \$15,950,000 of the line of credit.

The table below shows future debt requirements for existing debt on an annual calendar year basis after December 31, 2013 for the next five years, as well as a cumulative total for the period 2019-2035. The chart below does not take into consideration any future bond issues or notes payable issued after 2013. The dollars shown are in thousands.

(\$ = 000)	Notes/Line of Credit	General Obligation Bonds	General Airport Revenue Bonds	Total Outstanding	Total All Interest	Total Principal & Interest
Year(s)	(Principal)	(Principal)	(Principal)	Principal		
2014	\$ 17,716	\$ 3,235	\$ 54,600	\$ 75,551	\$ 68,363	\$ 143,914
2015	1,693	2,840	57,015	61,548	65,741	127,289
2016	1,570	-	59,560	61,130	63,037	124,167
2017	1,606	-	62,760	64,366	60,200	124,566
2018	923	-	65,675	66,598	57,176	123,774
2019-2035	2,588	-	1,158,195	1,160,783	432,306	1,593,089
	<u>\$ 26,096</u>	<u>\$ 6,075</u>	<u>\$ 1,457,805</u>	<u>\$ 1,489,976</u>	<u>\$ 746,823</u>	<u>\$ 2,236,799</u>



The table below provides summary information for all current long-term debt.

Bonds Payable, due serially (\$ = 000):	Issue Date	Original Amount	Final Payment In	Outstanding as of Year End	
				2014	2013
<b>General Obligation Revenue Bonds:</b>					
Series 16 - 4.0%	11/17/10	12,205	2015	\$ 2,840	\$ 6,075
Total General Obligation Revenue Bonds				\$ 2,840	\$ 6,075
<b>General Airport Revenue Bonds:</b>					
2005 Series A - 4.25 to 5.00%	06/02/05	136,110	2035	121,950	129,485
2005 Series B - 5.00%	06/02/05	113,155	2026	76,850	81,610
2005 Series C - 3.00 to 5.00%	06/02/05	123,750	2032	120,915	121,315
2007 Series A - 4.50 to 5.00%	01/09/07	440,985	2032	440,985	440,985
2007 Series B - 4.50 to 5.00%	01/09/07	197,360	2032	197,360	197,360
2008 Series A - 5.00%	01/10/08	72,035	2016	20,585	30,200
2009 Series A - 2.0-5.0%	11/10/09	23,075	2022	15,825	17,735
2009 Series B - 4.0-5.0%	11/10/09	128,835	2022	91,435	101,690
2010 Series A - 4.00-5.00%	08/10/10	62,210	2035	62,210	62,210
2010 Series B - 3.00-5.00%	08/10/10	73,475	2028	67,535	71,175
2010 Series C - 3.00-5.00%	11/10/10	21,600	2024	10,700	14,520
2010 Series D - 4.00-5.00%	11/10/10	68,790	2024	48,450	55,720
2011 Series A - 3.50-5.00%	11/02/11	52,015	2025	52,015	52,015
2012 Series A - 0.46-2.755%	11/20/12	39,770	2020	34,375	39,770
2012 Series B - 5.00%	11/20/12	42,015	2031	42,015	42,015
Total General Airport Revenue Bonds				\$ 1,403,205	\$ 1,457,805
<b>TOTAL BONDS OUTSTANDING</b>				\$ 1,406,045	\$ 1,463,880
<b>NOTES PAYABLE &amp; REVOLVING LINE OF CREDIT</b>				23,830	14,977
<b>TOTAL LONG TERM BONDS AND NOTES PAYABLE</b>				\$ 1,429,875	\$ 1,478,857



**Bond Refundings**

On November 20, 2012, the Commission issued \$42,015,000 of General Airport Revenue Bonds Series 2011B to advance refund the General Airport Revenue Bonds Series 2003A and were called on January 1, 2013.

As a result of the November 20, 2012 refunding, the Commission reduced its total debt service requirements by \$8,652,748, which resulted in an economic gain (the difference between the present values of the debt service payments on the old and new debt) in the amount of \$5,721,129.

The Commission, along with its financial advisors, regularly reviews the Commission debt structure to look for refunding candidates provided that they meet the 3% net present value savings.

The Commission has no Derivative/Swap debt nor has there ever been any instrument of this type in the Debt Portfolio.

**New Issues**

The most recent bond issue the Commission issued was on November 20, 2012. The MAC issued \$39,770,000 General Airport Revenue Bonds Series 2012A to finance certain improvements at the airport for the Auto Rental industry operating at Terminal 2.

The Capital Improvement Program approved by the Commission in December 2013 for the period 2014-2020 does not include funding of projects with a new long-term debt issue. Only "Demand Driven" (those tied to passenger and activity growth) projects will be earmarked by a new Long Term debt issue.

**Bond Ratings**

The Commission has maintained excellent ratings for many years. The Commission is one of the few airports with an AA- rating. Most airports are in the A rating category. The Commission's bond ratings as of December 31, 2013 are as follows:

	<u>Moody's</u>	<u>Standard &amp; Poors</u>	<u>Fitch Ratings</u>
General Obligation Bonds	Aaa	AAA	AAA
General Airport Revenue Bonds	N/A	AA-	AA-

Standard & Poors bond ratings range from AAA (highest quality) to C (lowest quality) for long term obligations. Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories. The ratings for the Commission's long term debt are defined below:

- 'AAA' - Extremely strong capacity to meet financial commitments. Highest Rating.
- 'AA' - Very strong capacity to meet financial commitments.

Fitch Ratings also uses a rating system similar to that of Standard & Poors. Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

Moody's bond ratings range from Aaa (highest quality) to C (lowest quality) for long term obligations. Moody's applies numerical modifiers 1-high, 2-mid, and 3-low in each generic rating classification from Aa to Caa.

The bond rating process is a comprehensive analysis of the Commission's financial practices and performance. Forecasts of future performance and projected long-term planning practices are also reviewed. The following data is typically requested and analyzed by the rating agencies:



**Employee Art on Display in Terminal 1**

- Trends of demographic/economic information
- Capital Improvement Program
- Budget documents/Performance to Budget
- Financial audits/Performance
- Airline industry
- Major employers in the area
- Diversity of local economy
- Financial policies and practices

See Statistics & Informative Facts section for statistics commonly analyzed by the rating agencies.

### **Sources and Uses of Funds**

The Debt Service Budget is shown below.

<b>2014 DEBT SERVICE BUDGET</b>						
<b>(\$=000)</b>						
	<b>2012 Actual</b>	<b>2013 Estimated</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>2015 Projected</b>	<b>2016 Projected</b>
January 1 Balance	\$ 228,523	\$ 230,517	\$ 229,183	\$ 238,831	\$ 236,665	\$ 235,039
Source Of Funds:						
Transfer from Operating Fund	82,258	93,525	92,970	94,700	92,056	87,465
Transfer from PFCs <sup>3</sup>	28,282	27,535	28,388	27,300	29,949	32,128
Interest earnings <sup>1</sup>	1,821	1,818	776	1,802	1,800	1,808
Bond Proceeds <sup>2</sup>	52,730	-	-	-	-	-
Delta Airline payments	2,916	2,880	2,871	-	-	-
Total Sources Of Funds	\$ 168,007	\$ 125,758	\$ 125,005	\$ 123,802	\$ 123,805	\$ 121,401
Uses Of Funds						
Bond Refundings	\$ (49,933)	\$ -	\$ -	\$ -	\$ -	\$ -
Rebate Payment	-	-	-	-	-	-
Total Principal/Interest Paid <sup>2</sup>	(116,080)	(117,444)	(117,444)	(125,968)	(125,431)	(119,553)
Ending Balance	<u>\$ 230,517</u>	<u>\$ 238,831</u>	<u>\$ 236,744</u>	<u>\$ 236,665</u>	<u>\$ 235,039</u>	<u>\$ 236,887</u>
<sup>1</sup> Interest Rate Assumed 0.50% for the entire period. <sup>2</sup> Includes Debt Reserve, Capitalized Interest & Issuance Costs. <sup>3</sup> Used to pay in existing debt which was formerly paid for with operating funds.						

## Sources of Funds

Each source of funding is discussed below.

The transfer from the operating fund occurs each October 10<sup>th</sup> for General Obligation Revenue Bonds. For General Airport Revenue Bonds the transfer occurs in late June and December each year. This transfer will fluctuate due to interest earnings, refundings and new issues. The General Obligation Revenue Bonds are fully funded as of the end of December 2013.

The PFC transfer represents the use of PFCs to pay a portion of existing debt beginning in 2003 for various general airport revenue bonds instead of operating funds. This transfer will fluctuate due to interest earnings, scheduled increases in annual debt service amounts, refundings and new issues.



***Aircraft Operation at MSP Airport***

Interest earnings are assumed at 0.50% for 2014-16. In projecting interest income, the Commission typically takes a conservative approach.

Bond proceeds are made up of reserves, issuances costs and capitalized interest. The proceeds in 2012 represent a new General Airport Revenue Bond Series 2012A along with the refunding of General Airport Revenue Bonds Series 2003A. A portion of the 2003A bonds were refunded in 2011 and the remainder of the 2003 bonds were refunded in 2012.

Delta Airline payments represent the principal and interest due on the following bond issues:

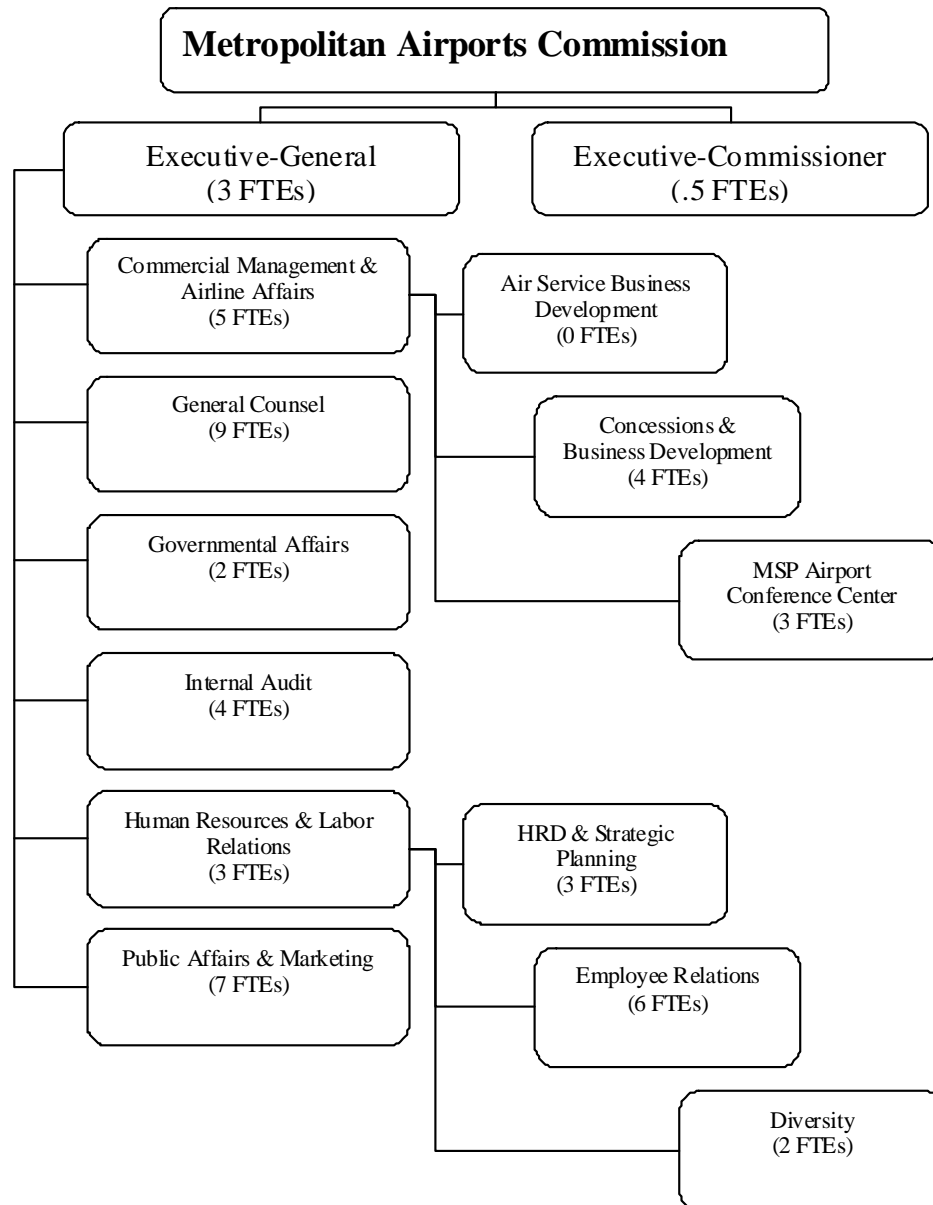
General Obligation Series 16 (2015)

## Uses of Funds

Disbursements represent principal and interest payments made during the year by bond series as well as rebate payments due on excess investment interest earnings on bond issues. In 2012, the Commission refunded General Airport Revenue Bonds Series 2003. These refundings accounted for the increase in uses in 2012. In 2014, the Commission will experience an increase in its debt service payment due to the new General Obligation Revenue Bond Series 2012A.

## Service Center Summaries

# Executive Division



**Notations to Service Center Summaries:**

- \* Variance (dollars and %) is computed between 2013 Budget and 2014 Budget
- \* The explanation for the variances is based upon the 2013 Budget and 2014 Budget
- \* Negative variances, in most cases, are the result of reductions in one time expenses or budget reductions.

**EXECUTIVE - GENERAL**

The Executive Director/CEO is responsible for the overall administration of the Metropolitan Airports Commission and for the implementation of all Commission policies. The Office of the Executive Director/CEO is directly accountable to the Board of Commissioners for the safe and efficient operation of the seven airports under its jurisdiction.

Responsibilities include the coordination, direction, and implementation of programs and services of the Commission as well as external relations with those regulatory agencies and governmental bodies concerned with the operation and administration of the Commission.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	349,208	422,547	438,815	16,268	3.85%
Administrative Expenses	249,454	173,025	220,142	47,117	27.23%
Professional Services	48,035	40,000	40,622	622	1.56%
Utilities	2,038	2,000	2,000	0	0.00%
Operating Services/Expenses	816	621	600	-21	-3.38%
Maintenance	0	0	0		
Other	8,660	4,000	4,000	0	0.00%
<b>Total Budget</b>	<b>658,211</b>	<b>642,193</b>	<b>706,179</b>	<b>63,986</b>	<b>9.96%</b>
<b>FTE Total</b>	<b>3</b>	<b>3</b>	<b>3</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to wage structure adjustments and step increases.
Administrative Expenses	Administration Expenses increased in 2014 due to additional travel expenses, delivery charges, registration and publication fees for the new vice president.

**EXECUTIVE - GENERAL****2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Assure completion of MAC 2013 Key Initiatives.	Staff has been updated on the process of incorporating life cycle costs for three-year operating expense budgets. The MAC worked with the Airport Foundation MSP to provide volunteer staff to improve security checkpoint wait times and provide better customer service. The porter service program was launched in June to assist passengers in the baggage and ticketing areas of Terminal 1. The internship program was implemented, with seven interns currently employed at MAC. Staff is planning a training program to enhance employees' abilities and assist in development of leadership skills. Testing of a switch to virtual desktops for MAC employees is in its final stages. The Finance Department staff has received targeted training on EnterpriseOne functions, and the Learning Management System is in use. Conversion of Airport Development project reporting from MetaFile to EnterpriseOne is complete.
Facilitate dialogues with region business leaders.	Held a series of four luncheons with nearly 50 key corporate travel managers, briefing them on airport issues such as air service development, parking, accessibility, concessions and the Airport Conference Center. Invited those in attendance as well as another 50 corporate leaders to participate in an ongoing dialogue with the MAC to help ensure MSP meets their business travel needs.

**2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Assure implementation of MAC's 2014 Key Initiatives.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Customer Experience	4.16	4.21	4.24	4.28	5
<b>SC Performance Indicator:</b> Airport service performance rating (ACI survey) for overall satisfaction with the airport. <b>Comments:</b> Our goal is to be #1 by 12/31/2015.					
Employee Engagement		3.79	3.74	TBD	3.77
<b>SC Performance Indicator:</b> Summary score on annual employee engagement survey. <b>Comments:</b> Measure began in 2011. 2013 TBD.					
Finance	2.22	2.38	3.26	TBD	2
<b>SC Performance Indicator:</b> Our goal is to maintain a debt service coverage ratio of 2 or better. <b>Comments:</b> 2013 TBD.					



**EXECUTIVE - COMMISSIONER**

The responsibilities of the Board are to: 1) promote public welfare; 2) promote national, international, state and local air transportation; 3) promote the safe, efficient and economical handling of air commerce both nationally and internationally and to fully develop the potential of the metropolitan area as an aviation center providing for the most economical and effective use of aeronautical facilities and services; and 4) assure metropolitan area residents that the environmental impact from air transportation will be minimized by promoting the overall goals of the State's environmental policies minimizing the public's exposure to noise and pursuit of the highest level of safety at all Commission airports.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	34,015	36,138	35,452	-686	-1.90%
Administrative Expenses	18,587	29,800	17,268	-12,532	-42.05%
Professional Services	0	0	0		
Utilities	0	0	0		
Operating Services/Expenses	0	0	0		
Maintenance	0	0	0		
Other	0	0	0		
<b>Total Budget</b>	<b>52,601</b>	<b>65,938</b>	<b>52,720</b>	<b>-13,218</b>	<b>-20.05%</b>
<b>FTE Total</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>		

**BUDGET HIGHLIGHTS**

Personnel	Personnel is budgeted closer to the 2012 actual amount.
Administrative Expenses	The 2014 Administrative Expenses category is budgeted closer to the actual 2012 amount.

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**HUMAN RESOURCES & LABOR RELATIONS**

MAC's Human Resources and Labor Relations Division is responsible for two main areas. The Labor Relations area negotiates and administers the contracts of the fourteen labor unions at the Commission. Labor Relations also interacts with and mediates disputes between outside unions and contractors which could jeopardize Commission operations. Human Resources facilitates the continuation of MAC as a high performing organization where employees experience excellence in leadership, challenging work, opportunities for growth and development while being rewarded competitively. This area is responsible for the oversight and management of human resources, products and services delivered by Employee Relations, Human Resource Development and the Office of Diversity. This division facilitates MAC's strategic planning and departmental planning processes. Each of these areas has a separate budget.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	161,580	243,479	315,641	72,162	29.64%
Administrative Expenses	9,344	14,300	11,060	-3,240	-22.66%
Professional Services	93,214	116,210	110,620	-5,590	-4.81%
Utilities	1,612	1,015	1,300	285	28.08%
Operating Services/Expenses	0	2,700	2,700	0	0.00%
Maintenance	0	0	0		
Other	0	0	0		
<b>Total Budget</b>	<b>265,751</b>	<b>377,704</b>	<b>441,321</b>	<b>63,617</b>	<b>16.84%</b>
<b>FTE Total</b>	<b>2</b>	<b>3</b>	<b>3</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to the hiring of a new Manager of Labor Relations as well as wage structure adjustments and step increases.
Professional Services	The budget for 2014 Professional Services is set closer to 2012 actual expenditures.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Establish a Labor Management Committee with Emergency Communications Specialists Staff and Management.	Completed. The Labor Management Committee has been trained by the Minnesota Bureau of Mediation Services (BMS) and now meets regularly.
Establish an internship program.	Completed. Interns have been approved and hired for 2013.
Establish a leadership development program.	Rather than a formal leadership development program with a series of prescribed classes, we have elected to go with targeted training aimed at specific competencies. Initially we are focused on written communication skills. We are also using individual leadership development plans facilitated by internal and external coaches. This one-on-one approach with managers allows us to really focus on their individual development needs.

**HUMAN RESOURCES & LABOR RELATIONS****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Develop Employee Talent</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Expand interest in aviation careers and develop future aviation leaders from diverse backgrounds by increasing the number of MAC internship opportunities by 20%.	Increase the number of interns hired in 2014 by 20%.

<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Negotiate new Collective Bargaining Agreements with all of MAC's 12 Bargaining Units.
N/A	Plan and execute a MAC wide employee event.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement		3.79	3.74	TBD	3.8
<b>SC Performance Indicator:</b> Employee Engagement Index <b>Comments:</b> Started in 2011. 2013 TBD.					
Employee Engagement	3.38	5.11	5.27	5.44	10
<b>SC Performance Indicator:</b> Employee Turnover Rate <b>Comments:</b> Target is to remain below 10%.					

**PUBLIC AFFAIRS & MARKETING**

The Public Affairs and Marketing (PAM) Department builds public support for the MAC and its airports through media relations, public information, outreach programs, marketing and advertising. The department enhances the airport experience by providing information to travelers and increases MAC revenues through marketing of MAC facilities, parking, and food and retail concessions. In addition, Public Affairs and Marketing identifies, monitors and helps address issues which may impact the MAC, communicates airport benefits and issues to surrounding communities and enhances customer service and the MSP brand by communicating with travelers and tenants. The department provides information to MAC staff and Commissioners for their use in working to achieve organizational goals, conducts advertising and marketing campaigns aimed at increasing MAC revenues, and continually promotes airport services. In addition, the department operates the Information and Paging Office, providing informational services to our customers 14 hours a day, 365 days a year.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	412,319	564,966	614,595	49,629	8.78%
Administrative Expenses	101,840	91,799	144,351	52,552	57.25%
Professional Services	327,247	269,722	469,339	199,617	74.01%
Utilities	3,594	3,456	3,508	52	1.50%
Operating Services/Expenses	419,271	445,212	493,720	48,508	10.90%
Maintenance	9,140	15,000	15,000	0	0.00%
Other	3,773	9,598	5,100	-4,498	-46.86%
<b>Total Budget</b>	<b>1,277,184</b>	<b>1,399,753</b>	<b>1,745,613</b>	<b>345,860</b>	<b>24.71%</b>
<b>FTE Total</b>	<b>5</b>	<b>7</b>	<b>7</b>		

**BUDGET HIGHLIGHTS**

Personnel	Personnel includes additional expected overtime as well as wage structure adjustments and step increases. The FTE count increased from 5 to 7 in 2013 when the Call Center staff merged into Public Affairs & Marketing.
Administrative Expenses	Administrative Expenses increased as Public Affairs and Marketing now purchases office supplies for staff in the terminal's administrative offices. Until 2013, that function was performed by the Airport Operations Director's Office. In addition, the budget includes money for the software and subscription services needed to stream and record MAC board and committee meetings and to implement a list-serve communications platform whereby the public can sign up for notices and information regarding issues of interest to them. In addition, the budget includes funds for print materials and other collateral to support the sub-wig of increasing public awareness of the MAC's sustainability efforts.
Professional Services	Professional Services includes hiring contract technicians to handle streaming, taping and production of commission and committee meetings, development of environmental Webcasts, and distribution and analysis of a community feedback survey regarding the MAC and its airports. The budget also includes Web development for mobile-enhancement of mspairport.com to make it easily navigable on smartphones and tablets. Professional services dollars will be needed to conduct surveys, develop video and create other materials essential to the sub-wig of increasing public awareness of MAC sustainability efforts. In addition, an increase is needed to produce videos for the series of monitors that will be installed in the renovated general office lobby--videos that can be repurposed for YouTube, social media and MAC websites.
Operating Services/Expenses	The Operating Services budget increased for print and digital phone directory advertising for the MAC and its airports. This category also includes funds for a customer survey and analysis to support planning for the upcoming concessions rebid as well as funds for ongoing support of interactive digital directories at MSP.

**PUBLIC AFFAIRS & MARKETING****BUDGET HIGHLIGHTS**

Other	The Other Expense category includes money for rental of equipment for events, miscellaneous expenditures and a portable standing desk consistent with MAC Wellness initiatives.
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**2013 RESULTS REPORT**

Service Center Objective	Results
Improve the customer experience and enhance MAC business and communication objectives by updating the Website for the Metropolitan Airports Commission, <a href="http://www.metroairports.org">www.metroairports.org</a> .	The new <a href="http://www.metroairports.org">www.metroairports.org</a> site was completed and activated in the 2nd quarter.
Enhance community understanding of the key role MSP plays in supporting and growing Minnesota's economy by promoting the new Economic Impact Study.	The new Economic Impact Study was unveiled at the State of the Airport luncheon and promoted in a variety of ways throughout the year. That promotion will continue in 2014.
Improve information flow and employee access to needed facts by developing and initiating a plan for improved internal communications.	The plan was completed and presented to senior staff in December. Public Affairs and Marketing will work with stakeholders to begin implementing the plan in 2014.
Create and distribute an internal MAC branding document, providing standards and guidelines for use and appearance of MAC-branded documents.	The MAC internal branding document was drafted and revised in December and will be presented to senior staff in 2014.

**2014 SERVICE CENTER OBJECTIVES**

Organizational Strategic Goal: <i>Provide a Great Customer Experience</i>	
Organizational Key Initiative	Service Center Objective
NA	Develop plan for enhancing the interactive directory experience at MSP.
NA	Implement program to improve communication with and between employees at the MAC.

Organizational Strategic Goal: <i>Strengthen Partnerships and Relationships</i>	
Organizational Key Initiative	Service Center Objective
Maximize the use of technology to communicate MAC's programs and other initiatives directly to citizens in the region, especially in areas immediately surrounding MAC's airports.	Enhance communication with neighboring communities and residents by taping and live streaming of MAC board and committee meetings (if approved by the board) and implementation of a robust list-serve system that lets people sign up for MAC news.
NA	Expanded on airport and mass media communications regarding the MAC's sustainability efforts and achievements.

**PUBLIC AFFAIRS & MARKETING****PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Customer Experience					16,048
<b>SC Performance Indicator:</b> Number of Facebook 'Likes' <b>Comments:</b> New measure for 2014.					
Customer Experience					9,810
<b>SC Performance Indicator:</b> MSP number of Twitter followers. <b>Comments:</b> New measure for 2014.					
Employee Engagement				50	45
<b>SC Performance Indicator:</b> Weekly employee newsletter, MAC Update, issues produced. <b>Comments:</b> New measure starting in 2013.					
Employee Engagement				12	12
<b>SC Performance Indicator:</b> Number of CSAC e-News issues produced. <b>Comments:</b> New measure in 2013.					
Finance				6	6
<b>SC Performance Indicator:</b> MSP shopping guide, Eat Shop Relax, produced. <b>Comments:</b> New measure starting in 2013.					



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**AIR SERVICE BUSINESS DEVELOPMENT**

The Air Service Business Development Department is responsible for three primary areas: 1) Developing air service - marketing MSP for new international passenger and cargo flights and for new low fare domestic passenger flights; 2) Promoting the facilities and services of MSP and MAC's system of airports both domestically and internationally; 3) Building community relations - establishing partnerships with public and private sectors to increase their awareness of the importance of air service in the region and solicit their support for such services.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	45,994	0	0	0	0.00%
Administrative Expenses	17,617	33,840	35,662	1,822	5.38%
Professional Services	113,807	130,000	137,000	7,000	5.38%
Utilities	0	0	0		
Operating Services/Expenses	0	0	0	0	0.00%
Maintenance	0	0	0		
Other	0	0	0		
<b>Total Budget</b>	<b>177,417</b>	<b>163,840</b>	<b>172,662</b>	<b>8,822</b>	<b>5.38%</b>
<b>FTE Total</b>	<b>0</b>	<b>0</b>	<b>0</b>		

**BUDGET HIGHLIGHTS**

Professional Services	Professional Services increased as additional costs are expected based on estimated use of data and consultant support in 2014.
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**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Market MSP to incumbent and new entrant airlines through participation in air service development forums.	Participation at World Routes completed in October. 15 airline meetings completed. Overall, 30 airline meetings were conducted via the air service development conferences in 2013.
Market MSP to incumbent and new entrant airlines through airline headquarters meetings.	Meetings completed in 2013 with Icelandair and JetBlue. Executives completed a headquarters meeting with Delta and Southwest.

**AIR SERVICE BUSINESS DEVELOPMENT****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal: <i>Enhance Air Service at MSP</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Identify international air service opportunities for MSP from both existing and new entrant carriers and the facility requirements needed to support increased service.	Market MSP to incumbent and new entrant airlines through participation in three air service development forums to be held in February, June, and September of 2014. Goal is to increase both incumbent and new entrant airline awareness of MSP air service opportunities for 2014 and beyond.
Identify international air service opportunities for MSP from both existing and new entrant carriers and the facility requirements needed to support increased service.	Market MSP to incumbent and new entrant airlines through airline headquarters meetings. The goal is to more thoroughly inform an airline of MSP's air service opportunities than is typically presented at an air service forum. At least one headquarter meeting will occur in 2014, possibly more.

<b>Organizational Strategic Goal: <i>Strengthen Partnerships and Relationships</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Strengthen corporate and civic relationships by expanding outreach to neighboring communities.	Coordinate and host corporate community airfield/terminal tours and corporate community luncheons in 2014. Three airfield/terminal tours are planned in April and May, and three or four luncheons will be planned for the September/October time frame. The goal is to further build and maintain MAC's relationship with the corporate community.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Operations	3	3	3	3	3
<b>SC Performance Indicator:</b> Airline Meetings - Conferences <b>Comments:</b> Plan to meet with 7-10 airlines at each conference.					
Operations	3	1	1	4	3
<b>SC Performance Indicator:</b> Airline Meetings - Headquarters <b>Comments:</b> Meetings with both incumbent and new entrant carriers at their headquarters.					
Operations	2	2	2	2	2
<b>SC Performance Indicator:</b> LASAC Meetings <b>Comments:</b> Meetings are with outstate airports to discuss air service related issues for the smaller communities in the state of Minnesota.					

**HRD & STRATEGIC PLANNING**

The HRD & Strategic Planning Department gains high performance in the organization by facilitating the organizational strategic planning process, influencing the development of policies and systems, and guiding process improvement initiatives. This department also assesses learning and development needs, identifies resources that positively impact performance, provides training that addresses organization-wide needs, facilitates talent management processes, aids in career development, and enhances performance leadership.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	366,218	395,130	398,196	3,065	0.78%
Administrative Expenses	9,113	4,036	13,350	9,314	230.80%
Professional Services	313	20,000	20,000	0	0.00%
Utilities	0	0	0		
Operating Services/Expenses	5,674	8,136	8,100	-36	-0.44%
Maintenance	0	0	0		
Other	0	0	0	0	0.00%
<b>Total Budget</b>	<b>381,318</b>	<b>427,302</b>	<b>439,646</b>	<b>12,344</b>	<b>2.89%</b>
<b>FTE Total</b>	<b>3</b>	<b>3</b>	<b>3</b>		

**BUDGET HIGHLIGHTS**

Personnel	Personnel includes an increased investment in employee development, especially in the area of computer training for the upgraded desktop system but offset by a decrease in other areas. Also, this category holds wage structure adjustments and step increases.
Administrative Expenses	Administrative Expenses increased for investment in 4DX software.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Facilitate the use of new execution strategies in the strategic planning process.	The 4 Disciplines of Execution was introduced to the organization and integrated into MAC's strategic planning process. Managers and teams were trained in the use of the 4 disciplines. Senior Management selected two Wildly Important Goals (WIGs) for the organization. Teams selected sub-WIGs and have begun to work on them. In addition, a new planning software program was developed and deployed that incorporates WIGs into department planning.
Implement leadership development program for current leaders.	Targeted development plans aimed at specific needs of individual managers were implemented rather than a formal curriculum of leadership development. 360 feedback instruments, DiSC profiles for individuals and teams and a class in written communications skills training were some of the strategies used to develop management talent in 2013.

**HRD & STRATEGIC PLANNING****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Develop Employee Talent</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Design and implement an organizational talent review program to identify strengths, talent development needs and threats due to potential workforce turnover.	Design and implement an organizational talent review program to identify strengths, talent development need and threats due to potential workforce turnover.
<b>Organizational Strategic Goal:</b> <i>Leverage Resources and Technology</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Maximize MAC's investment in a new office productivity software suite by providing end user e-learning and classroom training for all affected employees.	Maximize MAC's investment in new office productivity software suite by providing end-user e-learning and classroom training for all affected employees.
<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Facilitate the continued implementation of the 4DX process throughout the organization.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Performance Reviews Completed					
<b>Comments:</b>					

**INTERNAL AUDIT**

The Internal Audit Department is responsible for conducting audits in accordance with the International Standards for the Professional Practice of Internal Auditing and for serving as financial consultants assisting management in developing and maintaining strong financial controls. The audit scope includes, but is not limited to, evaluation of internal controls, verification of revenues and expenditures, and the evaluation of organizational compliance with MAC policies and procedures. Audit topics include MAC internal functions, tenants, concessionaires, consultants and vendors. Audit results are communicated to the appropriate department management and to the Commission.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	373,716	387,050	406,152	19,102	4.94%
Administrative Expenses	16,081	14,000	12,755	-1,245	-8.89%
Professional Services	0	3,500	0	-3,500	-100.00%
Utilities	495	540	540	0	0.00%
Operating Services/Expenses	4,796	6,920	7,700	780	11.27%
Maintenance	0	0	0		
Other	0	0	0		
<b>Total Budget</b>	<b>395,088</b>	<b>412,010</b>	<b>427,147</b>	<b>15,137</b>	<b>3.67%</b>
<b>FTE Total</b>	<b>4</b>	<b>4</b>	<b>4</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
Professional Services	Professional Services decreased as Independent Validation services are only needed once every five years.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Employ a continuous audit process to perform monthly analysis and testing of financial transactions in all material revenue and expense areas. Expand and enhance continuous coverage of all material financial areas in each quarter.	Continuous audit testing has been completed in accordance with the schedule established in the 2013 Internal Audit Annual Plan. Final results for 2013 will be reported to the Commission in the first quarter of 2014.
Complete 2013 Audit Plan Projects that were approved by the Commission.	The 2013 Internal Audit Annual Plan will be completed in the first quarter of 2014.

**INTERNAL AUDIT****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal: <i>Assure Financial Viability</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Refine and expand testing and reporting related to the Continuous Audit Process that was implemented in 2013. Issue quarterly reports to the Commission that detail testing processes and results.
NA	Complete a department self-assessment process to ensure that staff and work products are in full compliance with the Standards for the Professional Practice of Internal Auditing. The self-assessment will be fully documented with results reported to the Commission.
NA	Complete audit testing in selected areas to support the external auditor in providing an opinion on MAC's 2013 Financial Statements.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Complete required staff training to maintain certifications <b>Comments:</b> Staff training is critical both to maintain professional certifications and to enhance employee knowledge related to audit testing and determination of risk areas.					
Finance	80%	85%	85%	85%	90%
<b>SC Performance Indicator:</b> Percentage of audit projects completed that were scheduled in the Annual Audit Plan. <b>Comments:</b> Audit testing for 2013 will be completed in the first quarter of 2014 due to delays in acquiring required data.					



**GOVERNMENTAL AFFAIRS**

The Governmental Affairs Department provides oversight and management of all MAC state and federal legislative issues. The department monitors and assists in the development of legislative policies that may have an impact on MAC's goals and objectives. The departmental staff serve as a first point of contact for federal, state and locally elected officials when they are working on MAC-related issues.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	193,406	178,761	194,085	15,324	8.57%
Administrative Expenses	38,693	22,225	34,710	12,485	56.18%
Professional Services	130,581	230,000	191,350	-38,650	-16.80%
Utilities	1,123	1,035	1,500	465	44.93%
Operating Services/Expenses	823	1,650	1,200	-450	-27.27%
Maintenance	0	0	0		
Other	1,176	1,400	1,300	-100	-7.14%
<b>Total Budget</b>	<b>365,802</b>	<b>435,071</b>	<b>424,145</b>	<b>-10,926</b>	<b>-2.51%</b>
<b>FTE Total</b>	<b>1</b>	<b>2</b>	<b>2</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
Administrative Expenses	Administrative Expenses now include Airport Legislative Alliance dues.
Professional Services	The 2014 budget adjustment is to more accurately account for expected expenditures in Professional Services.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Educate appropriate political bodies and government units on airports (MSP and Relievers) and present MAC's views on issues.	Increased understanding of MAC's taxi regulation and permitting process; MSP area Legislator and Congressional Delegation understanding of Runway Area Navigation (RNAV) and FAA's role.
Monitor legislation and present MAC positions on issues to state political bodies and/or persons in an effort to modify and/or initiate legislation that supports MAC's goals.	Monitored Legislation; Negotiated compromise language regarding MAC meeting location; Omnibus appropriations bill that fixes many problems presented by sequestration; Respond to Legislators.
Respond to Legislators' questions regarding constituent concerns including MSP's Environment Assessment, Reliever Airport policies, taxi ordinances, and other airport related issues.	Worked with State & Federal staff on constituent issues surrounding taxi permitting process. Addressed numerous issues regarding "increased noise levels around MSP". Addressed several contractor concerns.

**GOVERNMENTAL AFFAIRS****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Educate appropriate political bodies and government units on airports (MSP and Relievers) and present MAC's views on issues.
N/A	Monitor legislation and present MAC positions on issues to state political bodies and/or persons in an effort to modify and/or initiate legislation that supports MAC's goals.
N/A	Respond to Legislators' questions regarding MSP's Environment Assessment, RNAV, ground transportation regulations, contractor and subcontractor policies, security policies and other airport related issues.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement	100%	0%	100%	100%	100%
<b>SC Performance Indicator:</b> Completion of employee performance evaluations. <b>Comments:</b>					
Employee Engagement	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Completion of evaluations for continuing consultants for legislative services. <b>Comments:</b>					

**COMMERCIAL MANAGEMENT & AIRLINE AFFAIRS**

Commercial Management & Airline Affairs is responsible for revenue generation at MSP International Airport and all Reliever Airports. The department manages MAC property and real estate, develops concessions and other business and recruits air service.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	437,096	445,938	466,951	21,013	4.71%
Administrative Expenses	12,574	14,700	19,809	5,109	34.76%
Professional Services	24,758	40,000	265,300	225,300	563.25%
Utilities	3,132	3,456	4,297	841	24.33%
Operating Services/Expenses	1,702	2,995	2,500	-495	-16.53%
Maintenance	95,805	235,304	259,472	24,168	10.27%
Other	401	0	0		
<b>Total Budget</b>	<b>575,468</b>	<b>742,393</b>	<b>1,018,329</b>	<b>275,936</b>	<b>37.17%</b>
<b>FTE Total</b>	<b>5</b>	<b>5</b>	<b>5</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
Administrative Expenses	The Administrative Expenses budget increased to allow for concession review benchmarking trips in preparation of the 2015 concession re-bid and will cover trips for staff and the Board.
Professional Services	The increase in Professional Services is due to additional consultants for ground rent appraisals, Reliever Airport parcel appraisals, and a potential child care facility.
Maintenance	The increase in Maintenance is due to the FAA janitorial contract moving from the Facilities budget to the CMAA budget. This is a cost recovery item paid through the FAA building rent.

**COMMERCIAL MANAGEMENT & AIRLINE AFFAIRS****2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Complete RFP process for the establishment of a gas station located at Hwy 494 and 34th Avenue.	Due to some weather delays the opening date has been pushed back to February 4th. Project is complete.
Enter into two commercial development land leases at the Reliever Airports.	<p>Staff is still working with the City of Eden Prairie to complete their re-zoning process. As of January 27th we received approval from the Planning Committee for the re-zoning change for all six commercial parcels. Staff should receive final approval from the city council on February 18th and when that is given, staff will proceed with marketing the sites. Five of the six sites are also in the process of being reviewed by the FAA for land release.</p> <p>Staff is also meeting with the City of Blaine to establish a similar process with its city council to change the zoning definition of the two sites at that airport.</p>
Rebid the Auto Rental contract that covers both T-1 and T-2 facilities.	Staff has all but one of the leases in place and construction on the T2 expansion is progressing slightly behind schedule due to weather delays.
Enter into an agreement to develop a 3 mega watt solar energy project for MSP.	Following extensive review, staff will present the negotiated term sheet to the February 2014 M&O meeting to ask the Commission for approval to enter into a contract with Ameresco for a 3MW solar energy system with LED lighting and a marketing/sponsorship component.

**2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Assure Financial Viability</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Increase commercial real estate development at Flying Cloud and Anoka County-Blaine airports a minimum of \$1 million. (Sub WIG)	Enter into at least 2 commercial development projects on the Reliever airports.
NA	Complete a new ground rent appraisal process for the MSP real estate leases.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Percent of annual employee performance reviews completed.					
<b>Comments:</b>					

**CONCESSIONS & BUSINESS DEVELOPMENT**

The Concessions and Business Development Department is responsible for the management of all current concessions and passenger services leases throughout the terminals. The department is also responsible for the development of new revenue generating ideas within these categories.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	355,530	405,511	418,933	13,422	3.31%
Administrative Expenses	7,467	9,130	13,025	3,895	42.66%
Professional Services	2,756	16,000	58,000	42,000	262.50%
Utilities	3,096	3,456	3,877	421	12.18%
Operating Services/Expenses	2,438	3,500	2,030	-1,470	-42.00%
Maintenance	0	0	0		
Other	0	0	0	0	0.00%
<b>Total Budget</b>	<b>371,287</b>	<b>437,597</b>	<b>495,865</b>	<b>58,268</b>	<b>13.32%</b>
<b>FTE Total</b>	<b>4</b>	<b>4</b>	<b>4</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
Administrative Expenses	The Administrative Expenses budget increased to allow for concession review benchmarking trips in preparation of the 2015 concession re-bid and will cover trips for staff and the Board.
Professional Services	Professional Services is expected to increase for additional consultant costs in preparation of the concessions rebid process.

**CONCESSIONS & BUSINESS DEVELOPMENT****2013 RESULTS REPORT**

Service Center Objective	Results
Improve the customer experience at MSP in order to make MSP the airport of choice for travelers.	Staff is working with BestMark to incorporate a retail purchase aspect to the program which will help to gain additional customer service checks associated with the retail operation. The program in general has been very well received by our concession tenants. The MSP ASQ scores for both Food & Beverage, as well as Retail, are ranked at number one within our group of comparative airports.
Evaluate all current concession leases to prepare for the concessions program rebid in 2015. Evaluate all real estate to ensure the best concepts will be placed in the best possible locations.	Staff has brought on a consultant (AirProjects) to assist staff with the analysis of our current concession program as well as comparing our operation with other top airports. Staff is also preparing to conduct some benchmarking trips to review what is going on in the industry in an effort to maintain our award winning reputation in the airport concessions business.
Look for additional revenue generating opportunities with both current leases and new, out of the box, ideas.	<ul style="list-style-type: none"> <li>- McDonald's is up and running with higher than anticipated sales volume.</li> <li>- Outdoor advertising contract has been successfully rebid with an increase to our annual revenue.</li> <li>- The MSPGolf project agreement has been signed and we are preparing to begin construction.</li> <li>- The final development project for OTG (Mill City Tavern) was completed and open for business on January 28th.</li> <li>- The new concessions at T2 continue to perform at about 50% higher revenue than the previous year indicating that T2 was under developed for the growth of passengers that have occurred during that same time period.</li> </ul>
Look for additional ways for the MAC concessions program to follow green practices.	The process of rolling this program out at T2 is taking longer than expected due to a couple of factors; however, staff is still working on the implementation of this program and hopes to have it completed within the first quarter of 2014.

**CONCESSIONS & BUSINESS DEVELOPMENT****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Assure Financial Viability</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Analyze success and opportunities for improvement within current concessions programs (food and beverage, retail and passenger services) based on their historical performance and current trends. Contrast performance of MSP to comparable Airports in US. Utilize information in identifying appropriate balance and trends in developing the MSP vision for the 2015 RFP rebid.
<b>Organizational Strategic Goal:</b> <i>Provide a Great Customer Experience</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Diversify current retail portfolio to meet the needs of passengers and strategically position MSP as leading industry innovator through key relationship building and outreach.
NA	Promote existing Service Idol program to capitalize on the benefits of improving the customer experience at MSP.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Customer Experience	82.2	82.8	NA	NA	85
<b>SC Performance Indicator:</b> Customer experience ratings of mystery shoppers. <b>Comments:</b> Only partial year data for 2012 and 2013 due to time involved in hiring new consultant.					
Finance	9	1.7	4	TBD	2
<b>SC Performance Indicator:</b> Increase in Food & Beverage & Retail Revenue. <b>Comments:</b> Explore additional concession revenue opportunities.					
Finance	30.33	0.98	0.46	TBD	7
<b>SC Performance Indicator:</b> Increase in Passenger Services Revenue. <b>Comments:</b> Explore additional concession revenue opportunities.					



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**DIVERSITY**

The Metropolitan Airports Commission Office of Diversity is responsible for contract compliance with the Targeted Group Business (TGB) and the Disadvantaged Business Enterprise (DBE) Programs including contract compliance administration, state and federal reporting, DBE certifications and community relations. These two programs provide business opportunities for firms owned by women, minorities and persons with disabilities. The Manager of Diversity and Equal Employment Opportunity, who also serves as MAC's Affirmative Action Officer, is responsible for monitoring Affirmative Action Policies and equal employment opportunities.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	180,820	183,467	188,328	4,861	2.65%
Administrative Expenses	12,412	15,250	20,750	5,500	36.07%
Professional Services	8,676	8,800	0	-8,800	-100.00%
Utilities	864	877	877	0	0.00%
Operating Services/Expenses	1,044	1,200	1,060	-140	-11.67%
Maintenance	0	0	0		
Other	0	0	0	0	0.00%
<b>Total Budget</b>	<b>203,816</b>	<b>209,594</b>	<b>211,015</b>	<b>1,421</b>	<b>0.68%</b>
<b>FTE Total</b>	<b>2</b>	<b>2</b>	<b>2</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to wage structure adjustments and step increases.
Administrative Expenses	The increase in Administrative Expenses occurred as Professional Services funds were relocated to this category.
Professional Services	The decrease in Professional Services occurred as these funds were relocated to Administrative Services.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Work on a committee with a member non-profit organization to promote business development and networking.	A staff member was elected to the National Association of Minority Contractors (NAMC) Midwest Region in 2013. The NAMC is a non-profit minority business development organization.
Perform field monitoring of DBEs on federal construction work sites.	Accomplishing this task keeps MAC in compliance with 49 CFR Part 26 which is a part of grant assurances.
Gather information on percentage of employees with disabilities to set reasonable hiring goals.	Survey completed but it has not been sent to employees. Target implementation is 1st quarter of 2014.

**DIVERSITY****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Present Target Group Business information at department meetings to increase participation through purchasing of supplies and goods.
N/A	Set-up a quarterly review system to ensure compliance with American with Disabilities Act at Terminal 1.
N/A	Send a survey for employees to self-report disabilities to use for setting hiring goals for people with disabilities.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Customer Experience	10.9	10.9	11.39	TBD	11
<b>SC Performance Indicator:</b> Percentage of Concession Dollars generated by DBEs. <b>Comments:</b> Report from Sept to October 2014					
Employee Engagement	25.9	25.7	22.5	23.4	51
<b>SC Performance Indicator:</b> Female Percentage of Workforce. <b>Comments:</b>					
Employee Engagement	8.8	9	8.9	9.3	15
<b>SC Performance Indicator:</b> Minorities Percentage of Workforce. <b>Comments:</b>					

**GENERAL COUNSEL**

The General Counsel's office is responsible for providing legal advice and representation to the Commission on legal matters, preparing legal documents and monitoring/coordinating outside legal counsel.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	906,672	904,133	945,014	40,881	4.52%
Administrative Expenses	44,327	40,303	41,005	702	1.74%
Professional Services	830,548	700,000	749,000	49,000	7.00%
Utilities	4,113	3,800	3,857	57	1.50%
Operating Services/Expenses	2,215	875	887	12	1.37%
Maintenance	0	0	0		
Other	0	0	0	0	0.00%
<b>Total Budget</b>	<b>1,787,875</b>	<b>1,649,111</b>	<b>1,739,763</b>	<b>90,652</b>	<b>5.50%</b>
<b>FTE Total</b>	<b>9</b>	<b>9</b>	<b>9</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to wage structure adjustments and step increases.
Professional Services	Professional Services increased to more accurately reflect a 3 year average.
Other	Replacement workstations and monitors needed in 2014 produced the variance in Other Expenses.

**GENERAL COUNSEL****2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Provide legal advice to all MAC management employees and MAC Commissioners.	Continued researching legal issues as requested by MAC Departments and MAC Commissioners. Continued to provide advice on issues such as ordinance interpretation and enforcement, Taxicab regulation, labor law issues, administrative and HR policies, police practices, compliance with Federal regulations, IVISN (video monitoring system) and MACNET (internal network) projects, City of Eden Prairie zoning for non-aeronautical airport development, reliever lease and development matters, legislative changes, potential Learning Jet proposal, TSA exit lane proposals, procurement and process issues--including T-1 seating selection, employee benefits and numerous employment matters.
Represent (actual or potential litigation, administrative hearings, proposed legislation or regulations, miscellaneous commercial or other legal claims) MAC and all MAC employees (primarily management employees) and MAC Commissioners.	Continued to provide representation and monitoring of the following litigation: O'Neill v. City of Bloomington, Anoka Air Charter, Inc. and Crossroads Aviation, LLC v. MAC, Part 16 proceeding, taxi and security ordinance hearings.
Draft, negotiate and/or review documents (e.g., leases, ordinances, RFPs and RFQs) for all MAC management employees, especially CMAA, Relievers, Airport Development, Police, Fire, Purchasing, Landside, MAC Commissioners, ACI.	Continued to draft and assist in negotiation of various leases and agreements, including solar agreements and concessions leases.  Continued to draft and assist with negotiation of various non-aeronautical leases, including City of Blaine agreements.
Data Practices Legislation/Data Requests.	Responded to numerous data requests.

**2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal: N/A</b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Provide legal advice to all MAC management employees and MAC Commissioners.
N/A	Draft, negotiate and/or review documents (e.g., leases, ordinances, RFPs and RFQs) for all MAC management employees, especially CMAA, Relievers, Airport Development, Police, Fire, Purchasing, Landside, MAC Commissioners, ACI.
N/A	Represent (actual or potential litigation, administrative hearings, proposed legislation or regulations, miscellaneous commercial or other legal claims) MAC and all MAC employees (primarily management employees) and MAC Commissioners.
N/A	Data Practices Legislation/Data Requests.

**GENERAL COUNSEL****PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement	Completed	Completed	Completed	75%	Completed.
<b>SC Performance Indicator:</b> Completion of an annual update of Data Practices Policy. <b>Comments:</b>					
Employee Engagement	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Completion of an average of 15 Continuing Legal Education (CLE) hours per attorney. <b>Comments:</b> Our goal is for each attorney to complete an minimum of 15 CLEs per year.					
Finance	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Completion of 100% of continuing consultant evaluations. <b>Comments:</b>					

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**EMPLOYEE RELATIONS**

Employee Relations staff are responsible for: 1) administering compensation programs for all employees; 2) maintaining all personnel data, files and the Human Resource Information System (HRIS); 3) developing, maintaining and distributing personnel policies and management reports; 4) counseling management and non-management employees with regard to HR policies and practices; 5) working with supervisors and leaders to strengthen skills related to employee relations issues; 6) administer all policies related to recruitment and staffing for all open positions.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	517,913	498,056	514,773	16,717	3.36%
Administrative Expenses	18,471	10,844	10,468	-376	-3.47%
Professional Services	46,002	46,318	40,100	-6,218	-13.42%
Utilities	0	29	29	0	0.00%
Operating Services/Expenses	6,445	7,300	178	-7,122	-97.56%
Maintenance	0	0	0	0	0.00%
Other	0	0	0	0	0.00%
<b>Total Budget</b>	<b>588,831</b>	<b>562,547</b>	<b>565,548</b>	<b>3,001</b>	<b>0.53%</b>
<b>FTE Total</b>	<b>6</b>	<b>6</b>	<b>6</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to wage structure adjustments and step increases.
Professional Services	Recruiting and employment fees were reduced to more accurately reflect actual costs during the previous year and to reflect anticipated expense levels in 2014.
Operating Services/Expenses	Previously budgeted dollars utilized in 2013 for specific consultant services are not currently anticipated in 2014.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Continue management training regarding performance management and disciplinary action/due process.	Training outlines completed but training sessions not delivered. Training to be delivered in 2014.
Complete scan of terminated employee files and expand the electronic scanning/storage of Human Resources Department compensation documentation.	Electronic scan/storage of all terminated employee files completed. Scanning of compensation data not completed. Work continuing in 2014.
Continue workforce planning discussions with MAC departments to best support department business needs.	Discussions and action plans completed with Management & Operations Division, with work continuing in 2014.

**EMPLOYEE RELATIONS****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal: <i>Develop Employee Talent</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Design and implement an organizational talent review program to identify strengths, talent development needs and threats due to potential workforce turnover.	In coordination with the Manager, HRD & Strategic Planning, continue human resources planning discussions with the Management & Operations and Planning & Environment Division leadership in order to identify strengths and talent development needs, and organizational transition issues involving all human resources functions.
NA	Deliver management training regarding performance management, disciplinary/due process, and Code of Ethics policy compliance.

<b>Organizational Strategic Goal: <i>N/A</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Assist the Director, Human Resources & Labor Relations, with planning, organizing and delivering a MAC-wide employee event.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Annual employee performance reviews completed.					
<b>Comments:</b>					
Employee Engagement				100%	100%
<b>SC Performance Indicator:</b> Employee separation administration- number administered					
<b>Comments:</b> New measure for 2013.					
Employee Engagement	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Employee separation completions according to policies, procedures and law					
<b>Comments:</b> Employee separation administration process completed in timely manner.					
Employee Engagement				100%	100%
<b>SC Performance Indicator:</b> Leaves of absence administration - return employees to active employment status upon receipt of employee medical clearance.					
<b>Comments:</b> New measure for 2013.					

**MSP AIRPORT CONFERENCE CENTER**

The MSP Airport Conference Center (ACC) provides first class customer service to the external and internal customer. This department is responsible for the management and promotion of the MSP Airport Conference Center. Exceptional food and beverage service is provided as requested by clients. The Center is responsible for providing catering services, maintaining audio-visual equipment, and invoicing internal/external clients.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	144,762	154,213	168,772	14,559	9.44%
Administrative Expenses	6,870	10,310	8,000	-2,310	-22.41%
Professional Services	0	0	0		
Utilities	504	864	864	0	0.00%
Operating Services/Expenses	27,633	39,033	33,700	-5,333	-13.66%
Maintenance	0	0	0	0	0.00%
Other	4,566	5,936	4,600	-1,336	-22.51%
<b>Total Budget</b>	<b>184,335</b>	<b>210,356</b>	<b>215,936</b>	<b>5,580</b>	<b>2.65%</b>
<b>FTE Total</b>	<b>3</b>	<b>3</b>	<b>3</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to wage structure adjustments and step increases.
Operating Services/Expenses	Operating Services/Expenses decreased to more accurately budget based on past expenses.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Maintain the financial viability of the Airport Conference Center by continuing to focus on repeat customers, marketing and promoting the ACC and by developing a plan to increase offerings to our clients.	The ACC kept the 2013 budget under projections with the overall catering expenditure at 27% of revenues. New clients continue to find and utilize the services provided at the ACC and repeat clientele come back when flying through Minnesota. Clients have also specifically flown into MSP because of the convenience of meeting in the airport. New photographs were taken of the ACC in December 2013 to update the website and 2014 advertising.
Continue to provide a first class customer experience to the internal and external customer.	The customer experience continued to be measured through emailed and verbal compliments received throughout 2013. The overwhelming response from customers is positive. They are always grateful that our services are provided in the airport. A customer service survey has not been created by the end of 2013 but will be worked on in 2014.
Implement the new PCI compliant software to gain a secured environment to store client data and maintain audit requirements. Continue to provide a secure environment for the catering equipment in an effort to protect the traveling public.	2013 was a violation free year. MAC IS is working with the new PCI compliant software to complete its compliance. While we hoped this would be completed in 2013, it will continue into 2014.

**MSP AIRPORT CONFERENCE CENTER****2014 SERVICE CENTER OBJECTIVES**

Organizational Strategic Goal: <i>Assure Financial Viability</i>	
Organizational Key Initiative	Service Center Objective
NA	Maintain the financial viability of the Airport Conference Center by creating a new marketing plan and promoting the ACC through networking events and tradeshow.

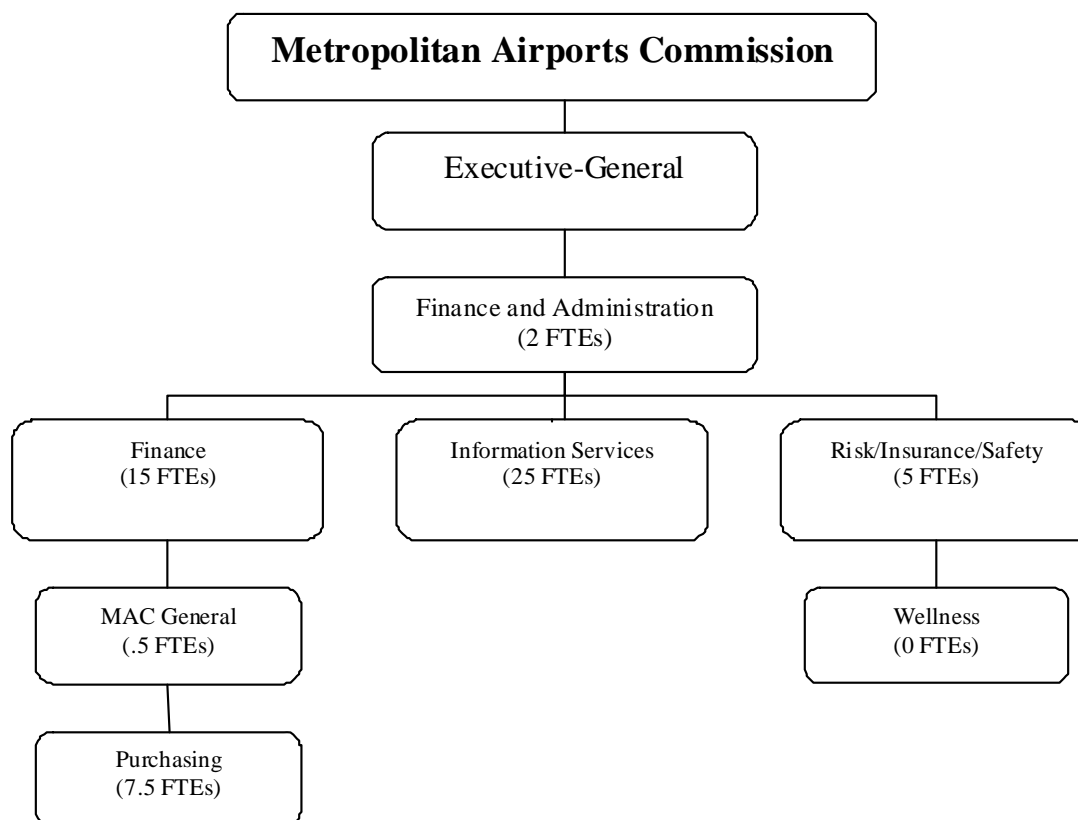
Organizational Strategic Goal: <i>Leverage Resources and Technology</i>	
Organizational Key Initiative	Service Center Objective
NA	Outfit the Commission Chambers with new monitors and technology to meet client demand and to stay competitive. Upgrade the Lounge to accommodate 20 guests and outfit the room with a Smartboard application.

Organizational Strategic Goal: <i>Provide a Great Customer Experience</i>	
Organizational Key Initiative	Service Center Objective
NA	Continue to provide a first class customer experience to the internal and external customer.

**PERFORMANCE MEASURES**

Organizational Key Areas of Performance	2010 Actual	2011 Actual	2012 Actual	2013 Actual	Target
Finance	\$260,185	\$286,673	\$271,178	\$249,518	\$250,000
SC Performance Indicator: MSP Airport Conference Center Gross Revenue					
Comments:					

# Finance & Administration Division



**Notations to Service Center Summaries:**

- \* Variance (dollars and %) is computed between 2013 Budget and 2014 Budget
- \* The explanation for the variances is based upon the 2013 Budget and 2014 Budget
- \* Negative variances, in most cases, are the result of reductions in one time expenses or budget reductions.

**FINANCE & ADMINISTRATION**

The Finance and Administration Division is responsible for overseeing the implementation of the Commission's financial policies, strategic financial planning and analysis, and the establishment of good fiscal and budgetary practices. The Commission's conservative fiscal policies provides funding as required for operating and capital expenditures for the system of airports. It also allows for the establishment of good business practices to optimize the generation of revenues. This division also oversees and guides the strategic implementation of technology solutions and information management as well as the management of the organization's Wellness, Risk and Insurance programs.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	209,687	212,730	222,315	9,585	4.51%
Administrative Expenses	4,282	6,075	5,775	-300	-4.94%
Professional Services	0	1,200	1,200	0	0.00%
Utilities	540	540	540	0	0.00%
Operating Services/Expenses	0	0	0		
Maintenance	0	100	200	100	100.00%
Other	0	850	900	50	5.88%
<b>Total Budget</b>	<b>214,509</b>	<b>221,495</b>	<b>230,930</b>	<b>9,435</b>	<b>4.26%</b>
<b>FTE Total</b>	<b>2</b>	<b>2</b>	<b>2</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
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**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Complete 2014-2016 Capital Improvement Program funding. Determine any new long term debt required. Minimize use of Passenger Facility Charges.	The 2014-2016 Capital Improvement Program funding model has been completed.
Develop various financial model scenarios associated with the 2020 Long Term Comprehensive Plan.	This process has been deferred until 2014. The decision to move forward with this process will be determined when a decision is made on the start of the T-2 gate expansion potential and airline lease negotiations.
Complete evaluation and update of the Commission's Investment Policy through Legislative changes if necessary and Commission changes if necessary.	Evaluation was completed in 2013. MAC's investment language was approved by the State Legislature in May 2013. Final language was published in December 2013 and approval of the new language is expected in February 2014. This goal will be carried over to 2014.
Develop a detailed process for recordkeeping associated with Long Term Comprehensive Plan projects in conjunction with the annual CIP process.	This process will be deferred until a decision is made on the T2 three-gate expansion which is the first major project associated with the Long Term Comprehensive Plan. A decision regarding the T2 three-gate expansion has been deferred until the development of the 2015 - 2021 CIP.



**FINANCE & ADMINISTRATION****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal: <i>Assure Financial Viability</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Develop an updated Investment Policy for the MAC incorporating the new legislative language adopted in 2013.
NA	Analyze information and methodologies associated with lease negotiation with Delta and other air carriers resulting in equitable solution to MAC.
NA	Identify funding sources and fund the 2015 through 2017 portion of the 2015 through 2021 CIP.

<b>Organizational Strategic Goal: <i>Provide a Great Customer Experience</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Develop and analyze various financing models and rate methodologies relating to Spirit moving to T1 and/or expansion of T2.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Performance reviews completed					
<b>Comments:</b>					
Finance	7	7	7	7	<8
<b>SC Performance Indicator:</b> Airline Cost Per Enplaned Passenger as compared to other large hub airports.					
<b>Comments:</b>					
Finance	2.22	2.38	3.26	3.21	>2
<b>SC Performance Indicator:</b> Maintain Sr. Debt Service Coverage Above 2.0.					
<b>Comments:</b>					
Finance	6.03	6.32	6.42	6.76	<7
<b>SC Performance Indicator:</b> Maintain cost per enplaned passenger metric in the lower 1/3 of large hub airports.					
<b>Comments:</b> Remain below \$7					

**WELLNESS**

The MAC Wellness Program works to encourage, educate, and support employees in making healthier lifestyle choices and strives to create a positive impact on employee morale and productivity. By achieving these goals, the program is also instrumental in reducing healthcare costs.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	40	125	75	-50	-40.00%
Administrative Expenses	590	634	625	-9	-1.42%
Professional Services	0	0	0		
Operating Services/Expenses	123,228	133,238	134,800	1,562	1.17%
Maintenance	0	0	0		
Other	6,667	10,499	10,499	0	0.00%
<b>Total Budget</b>	<b>130,525</b>	<b>144,496</b>	<b>145,999</b>	<b>1,503</b>	<b>1.04%</b>

**FTE Total****2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Increase participation of employees in the Wellness program at 60% for Move to Improve while keeping exercise requirement at 30 minutes for at least 15 days per month.	Fifty one percent of staff participated in the Move to Improve program.
Provide an opportunity for nutrition counseling and nutrition seminars to MAC employees and successfully promote it so new participants are enrolled. Track percent of new hires that use the service.	Thirty counseling appointments were scheduled. 15 new employees participated and 15 employees had follow-up sessions.
Deliver, together with Delta Air Lines and the larger airport business community, Health and Wellness Expo, Relay for Life, and Start Heart Walk events. Increase participation from 2012.	The Health & Wellness Expo was a success, although MAC participation and promotion of the event was not as robust as it was in previous years.
Maintain the viability of the MAC Wellness Fitness Center and evaluate the building's future with Air Development. Begin discussions on long-term potential of building.	Upgrades continue. Equipment was rearranged and updated to better suit needs and visibility of the door from the cardio pieces. The fitness building will be a viable facility for a number of years going forward.

**WELLNESS****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Leverage Resources and Technology</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Expand the use of E1 for the Property management, Work order management and Project management.	Automate the Move to Improve tracking and incorporate "points" to other well-being activities.
<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Engage sixty percent of MAC employees in wellness programs by December 31, 2014.
N/A	Provide an opportunity for nutrition counseling and nutrition seminars to MAC employees and provide MAC funded personal training sessions.
N/A	Maintain the viability of the MAC Wellness Fitness Center and evaluate the fitness building's future with Air Development. Begin discussions on long-term potential of building.
<b>Organizational Strategic Goal:</b> <i>Strengthen Partnerships and Relationships</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Strengthen corporate and civic relationships by expanding outreach to neighboring communities.	Expand participation in Events such as Relay for Life, American Heart Association Heart Walk, and MSP Health & Wellness Expo.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement	31	31	12	30	30
<b>SC Performance Indicator:</b> # employees receiving nutrition counseling					
<b>Comments:</b>					
Employee Engagement	47%	49%	50%	50%	60%
<b>SC Performance Indicator:</b> % employees completing Health Risk Assessments					
<b>Comments:</b>					
Employee Engagement	61%	61%	57%	51%	60%
<b>SC Performance Indicator:</b> % employees participating in Wellness					
<b>Comments:</b>					

**RISK/INSURANCE/SAFETY**

Risk/Insurance/Safety is responsible for the planning, organizing and administering risk and insurance programs to safeguard the MAC's assets from the risk of accidental loss through the use of recognized risk management techniques. Department responsibilities include risk identification, evaluation, and measurement; preventative strategies; claims administration; purchase of coverage; and evaluation of financing alternatives. Areas of responsibility also include employee benefit programs and administration, workers' compensation, wellness, liability and property insurance coverage, employee safety, fleet safety, as well as maintaining a safe airport system.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	9,518,383	8,914,814	9,728,255	813,441	9.12%
Administrative Expenses	17,340	29,200	34,550	5,350	18.32%
Professional Services	179,365	177,500	189,500	12,000	6.76%
Utilities	0	0	0	0	0.00%
Operating Services/Expenses	2,296	6,450	7,000	550	8.53%
Maintenance	0	1,500	2,000	500	33.33%
Other	1,547,762	1,713,702	1,894,768	181,066	10.57%
<b>Total Budget</b>	<b>11,265,147</b>	<b>10,843,166</b>	<b>11,856,073</b>	<b>1,012,907</b>	<b>9.34%</b>
<b>FTE Total</b>	<b>5</b>	<b>5</b>	<b>5</b>		

**BUDGET HIGHLIGHTS**

Personnel	Personnel expense increased for annual insurance adjustments as well as wage adjustments and step increases.
Administrative Expenses	The increase in Administrative Expenses is attributed to a change in staffing.
Professional Services	A Professional Services contract has an annual increase of 3 percent. Also, additional funds have been added for consulting services due to the Affordable Care Act that are not benefits related.
Operating Services/Expenses	This expense increase is attributed to additional industrial hygiene testing.
Maintenance	The additional expense is attributed to increased safety training.
Other	Other expenses for the increase in property insurance is due to insurable value inflation and fleet due to an overall increase in values.

**RISK/INSURANCE/SAFETY****2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Design employee benefits that meet the expectations of a generationally diversified employee population while complying with applicable laws.	Open enrollment was designed based upon input from our employees. For example, employees could complete the medical/dental open enrollment from home. Open enrollment meetings contained information that would help employees and we also send specific information to employees/retirees about changes. The medical/dental plans were in compliance with applicable laws as was the transmission of information. We conducted a survey after open enrollment with favorable results. We look at this as "ongoing improvement" which will continue throughout 2014.
Formalize a governance based Enterprise Risk Management (ERM) system that organizationally qualifies and quantifies risks that can be mitigated or taken advantage of.	MAC has many effective elements of ERM in place which has been assessed by management staff. A list of risks was developed by using the 5X5 matrix and staff is working on mitigation efforts. It is the intent to include ERM into the 2014 Strategic Plan which is recommended by ACRP 74. Audit has been recognized as a key element of the ERM process.
Develop a continuous improvement process to enhance the effectiveness, efficiency and integrity of all employee benefits data systems.	Internal Audit has been conducting audits of each key benefit area with excellent results. Staff has been waiting for the completion of retiree data in the E1 system which is now complete. Staff is working with Sun Life to improve the effectiveness of this process.
Assess the Confined Space Entry Safety process to identify and improve hazards and rescue procedures.	Safety staff is working with MAC staff to identify all confined spaces, reviewing hazards with staff and will be conducting air quality testing. Air quality testing is an ongoing process by the Insurance Risk Department Industrial Hygiene staff in preparation for revamping current procedures as needed.
Improve the safety audit process utilizing a risk matrix to assess safety hazards and take action to eliminate or minimize identified hazards.	The safety staff has worked with managers and safety committee members to solicit their input. With the results, they developed an electronic self inspection program using a matrix similar to the one used in ACRP 74 ERM for Airports and the FAA's Safety Manual.

**RISK/INSURANCE/SAFETY****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	To comply with the Affordable Care Act and related regulations for employee benefits and MAC contracts.
N/A	Develop an outcome based health assessment with biometrics medical plan incentive and communicate the benefits to medical plan members prior to Open Enrollment.
N/A	Utilizing a grant, conduct a diesel engine exhaust study for human health at MSP in cooperation with the National Institute for Occupational Safety and Health (NIOSH). This would include the terminals to assess the health risk to MAC employees, terminal employees and the traveling public.
N/A	Conduct Post Traumatic Stress Disorder (PTSD) training for all MAC Management for Worker's Compensation claims control and Critical Incident Stress Management (CISM).
N/A	Conduct Industrial Hygiene testing for various contaminants at all locations for the assessment of employee and the traveling public safety and propose countermeasures to Senior Staff to enhance the safety.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement	100%	100%	100%	30%	100%
<b>SC Performance Indicator:</b> Annual employee performance reviews.					
<b>Comments:</b>					
Employee Engagement	95%	95%	95%	95%	96%
<b>SC Performance Indicator:</b> Percent of employee on MAC benefits plans					
<b>Comments:</b> Our goal is 90% or better employee participation in MAC's medical/dental benefits plans.					
Finance	38	34	22	39	38
<b>SC Performance Indicator:</b> Fleet Accidents					
<b>Comments:</b>					
Safety & Security	0.70	0.72	0.53	0.59	0.55
<b>SC Performance Indicator:</b> Experience Modification Factor					
<b>Comments:</b> Our goal is to remain below 1.0.					
Safety & Security	195	181	140	178	177
<b>SC Performance Indicator:</b> Injuries per Passenger					
<b>Comments:</b> Identify problem areas and take action to control the loss potential.					

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**FINANCE**

Finance is responsible for the Commission's accounting functions, cash management functions and preparation of the annual operating budget as well as the Comprehensive Annual Financial Report (CAFR). The department oversees financial planning which includes, but is not limited to, issuance of all debt (new and refunded), development of tenant rates and charges, cost benefit analysis, financial analysis and Request for Proposal (RFP) analysis.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	1,253,617	1,351,265	1,355,086	3,822	0.28%
Administrative Expenses	21,131	17,582	17,204	-378	-2.15%
Professional Services	183,512	193,287	200,300	7,013	3.63%
Utilities	1,140	1,096	1,620	524	47.81%
Operating Services/Expenses	199,005	199,100	204,550	5,450	2.74%
Maintenance	0	0	0		
Other	3,162	1,523	0	-1,523	-100.00%
<b>Total Budget</b>	<b>1,661,568</b>	<b>1,763,853</b>	<b>1,778,760</b>	<b>14,908</b>	<b>0.85%</b>
<b>FTE Total</b>	<b>15</b>	<b>16</b>	<b>15</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to wage structure adjustments and step increases. However, a retirement in Finance created an open position which transitioned into a new position in Landside Administration.
Professional Services	The increase in Professional Services is due to an expected increase in the external auditor fee, CAFR and Actuarial costs.
Operating Services/Expenses	The variance in Operating Services/Expenses is due to an expected increase in bank fees.
Other	Other expenses increased in 2014 to replace 5 outdated printers in the Finance service center.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Implement WorkForce Director (WFD) software for Field Maintenance, Fire, Police and Relievers.	Workforce Director is live for Field maintenance, Police and Fire as of the end of December.
Implement a new Point of Sale System for the Airport Police Badging Office.	The new Point of Sale System went live on January 2, 2014. Credit card processing will be going live in February 2014.
Monitor key success measures.	Actual results will not be known until March 2014, but all indications are that MAC will meet or exceed all key success measures.

**FINANCE****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Assure Financial Viability</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Explore the potential of expanding the use or acceptance of credit cards for payments due MAC. Result may improve collections, customer convenience and time spent processing cash receipts.
NA	Determine the Commission's share and financial impact of the new pension disclosure requirements relating to unfunded pension obligations.
NA	Benchmark MSP Core Concessions vs other US airport concessions for MAC - CMAA staff use in the 2015-2017 Concession RFPs.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Finance	100%	100%	92%	94%	93%
<b>SC Performance Indicator:</b> Close Accounts Payable by the Friday before the General Ledger close <b>Comments:</b> December takes longer to close.					
Finance	100%	90%	92%	92%	92%
<b>SC Performance Indicator:</b> Accounts Receivable Close within 2 business days <b>Comments:</b> December takes longer to close.					
Finance	92%	92%	92%	92%	92%
<b>SC Performance Indicator:</b> Monthly general ledger close by the 2nd Monday of each month. <b>Comments:</b> December is the end of the fiscal year and it takes longer to close.					

**MAC GENERAL**

The MAC General Service Center contains expenses that are not specific to any one service center such as employer FICA taxes, retirement plans, utilities (electric, heating, sewer and water), copy agreements, unleaded gas and diesel fuel. The FTE count is all open positions not yet allocated to service centers. The Finance Department is responsible for the budgeting of MAC General.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	12,063,597	11,187,928	10,941,081	-246,847	-2.21%
Administrative Expenses	9,388	0	0	0	0.00%
Professional Services	478,338	0	0	0	0.00%
Utilities	15,789,358	17,264,106	18,066,105	801,999	4.65%
Operating Services/Expenses	189,401	34,000	36,290	2,290	6.74%
Maintenance	941,056	1,107,096	1,704,400	597,304	53.95%
Other	203,145	65,402	44,408	-20,994	-32.10%
<b>Total Budget</b>	<b>29,674,283</b>	<b>29,658,532</b>	<b>30,792,284</b>	<b>1,133,752</b>	<b>3.82%</b>
<b>FTE Total</b>	<b>0</b>	<b>4</b>	<b>0.5</b>		

**BUDGET HIGHLIGHTS**

Personnel	2014 Personnel costs decreased due to moving FTEs to fill positions in other departments and a higher vacancy factor to account for the time necessary to fill open positions.
Utilities	The increase in Utilities is due to an increase in electricity rates, natural gas prices and consumption, and a full year's operation of the new data center facility.
Maintenance	The Maintenance category increased in 2014 for maintenance of the new Checked Baggage Inspection System.
Other	The Other category decreased as less miscellaneous expenses are expected in 2014.

**MAC GENERAL****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal: <i>Assure Financial Viability</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Develop a financing plan for 2014-16 unfunded terminal improvements at MSP that includes evaluation of debt, passenger facility charges, cost per enplaned passenger, rate structures and impacts on key financial metrics.	Develop a financial plan for 2014-2016 unfunded terminal improvements at MSP that includes evaluation of debt, passenger facility charges, cost per enplaned passenger, rate structures and impact on key financial metrics.
Increase on-airport tenant investments at the reliever airports a minimum of \$1 million. (Sub WIG)	Increase on-airport tenant investments at the reliever airport a minimum of \$1 million.
Increase commercial real estate development at Flying Cloud and Anoka County-Blaine airports a minimum of \$1 million. (Sub WIG)	Increase commercial real estate development at Flying Cloud and Anoka County-Blaine airports a minimum of \$1million.
<b>Organizational Strategic Goal: <i>Develop Employee Talent</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Expand interest in aviation careers and develop future aviation leaders from diverse backgrounds by increasing the number of MAC internship opportunities by 20%.	Expand interest in aviation careers and develop future aviation leaders from diverse backgrounds by increasing the number of MAC internship opportunities by 20%.
Design and implement an organizational talent review program to identify strengths, talent development needs and threats due to potential workforce turnover.	Design and implement an organizational talent review program to identify strengths, talent development needs and threats due to potential workforce turnover.
<b>Organizational Strategic Goal: <i>Enhance Air Service at MSP</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Support the sustained growth of existing carriers and provide capacity for new entrant carriers.	Support the sustained growth of existing carriers and provide capacity for new entrant carriers.
Identify international air service opportunities for MSP from both existing and new entrant carriers and the facility requirements needed to support increased service.	Identify international air service opportunities for MSP from both existing and new entrant carriers and the facility requirements need to support increased service.

**MAC GENERAL****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal: <i>Leverage Resources and Technology</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Improve operational efficiency by installing an airport-wide wireless computer network.	Improve operational efficiency by installing an airport-wide wireless computer network.
Expand the use of E1 for the Property management, Work order management and Project management.	Expand the use of E1 for the following: o <input type="checkbox"/> Property management o <input type="checkbox"/> Work order management o <input type="checkbox"/> Project management
Maximize MAC's investment in a new office productivity software suite by providing end user e-learning and classroom training for all affected employees.	Maximize MAC's investment in new office productivity software suite by providing end-user e-learning and classroom training for all affected employees.

<b>Organizational Strategic Goal: <i>Provide a Great Customer Experience</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Increase the number of restrooms remodeled at Terminal 1-Lindbergh from one set per year to four sets per year in 2014 and 2015. (Sub WIG)	Increase the number of restrooms remodeled at Terminal 1-Lindbergh from one set per year to four sets per year in 2014 and 2015. (Sub WIG)
Reduce international passenger processing time through the Customs and Border Protection (CBP) primary inspections in Terminal 1. (Sub WIG)	Reduce international passenger processing time through the Customs and Border Protection (CBP) primary inspections in Terminal 1 by installing automated passport control kiosks.
Develop a travelers advisory committee in order to gain greater insight into the perceptions of the traveling public.	Develop a travelers advisory committee in order to gain greater insight into the perceptions of the traveling public.

<b>Organizational Strategic Goal: <i>Strengthen Partnerships and Relationships</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Maximize the use of technology to communicate MAC's programs and other initiatives directly to citizens in the region, especially in areas immediately surrounding MAC's airports.	Maximize the use of technology to communicate the MAC's programs and other initiatives directly to citizens of the region, especially in area immediately surrounding MAC's airports.
Strengthen corporate and civic relationships by expanding outreach to neighboring communities.	Strengthen corporate and civic relationships by expanding outreach to neighboring communities.

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**PURCHASING**

The Purchasing Department oversees the acquisition of materials, services and equipment to meet the needs of end users by using the method which will result in the most efficient use of MAC resources. Purchasing's responsibilities include disposing of surplus property by selling items on the open market, donating items to various charities and coordinating the distribution of surplus items between MAC departments. Purchasing also supervises the Lost and Found Office located in T-1 and the Service Center in the General Office building. In addition, Purchasing administers the Commercial Card program for MAC and maintains blanket order spreadsheets, including insurance certificates, for contracts generated by this department.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	493,539	474,152	493,345	19,193	4.05%
Administrative Expenses	44,461	44,270	45,188	918	2.07%
Professional Services	0	0	0		
Operating Services/Expenses	122,145	121,411	123,833	2,422	1.99%
Maintenance	0	0	0		
Other	5,463	1,024	5,600	4,576	446.88%
<b>Total Budget</b>	<b>665,608</b>	<b>640,857</b>	<b>667,966</b>	<b>27,109</b>	<b>4.23%</b>
<b>FTE Total</b>	<b>7.5</b>	<b>7.5</b>	<b>7.5</b>		

**BUDGET HIGHLIGHTS**

Personnel	Work related certifications are required for staff members which includes participation in the NIGP National Conference as well as wage structure adjustments and step increases.
Administrative Expenses	An increase in office supplies is required for the purchase of dual monitor or stand-up work station purchases.
Operating Services/Expenses	Operating Services/Expenses increased as mail meter fees are expected to increase in the Service Center.
Other	MAC-wide vehicle tab renewals occur every two years resulting in a substantial increase from 2013 to cover these fees.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Move towards making the Purchasing Department paperless.	Purchasing is working with the IS department to receive solicitation responses electronically. It is a long-term goal and we continue to make gradual process. For example, we continue to attach more documentation electronically to each requisition in the E1 RSS system. We are also moving to a paperless department by accepting scanned documents for Purchasing Card transactions/statements sometime during 2014.
A long term objective is to increase the Pcard and one quote threshold from \$2,500 to \$3,500.	It is anticipated that the State of Minnesota will raise their threshold from the current level of \$2,500. At which time, MAC will request commission approval.



**PURCHASING****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Revise the Surplus Policy.
N/A	Create Exhibit B to the Purchasing Policy detailing our Request for Proposals (RFP) process and to revise the Purchase Policy.
N/A	Revise Lost & Found Ordinance 45.
N/A	Improve efficiencies related to our surplus property sales by developing the ability to accept credit card payments.
N/A	Initiate a Targeted Group Business (TGB) effort related to Purchasing Card purchases with Diversity/HR.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Customer Experience					3
<b>SC Performance Indicator:</b> To complete purchase orders within three days of requisition <b>Comments:</b> New measure in 2014.					
Customer Experience					3
<b>SC Performance Indicator:</b> To complete formal solicitations (RFP or RFB) within 3 months <b>Comments:</b> New measure in 2014.					
Employee Engagement	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Completed performance reviews <b>Comments:</b>					

**INFORMATION SERVICES**

The Information Services (IS) Department provides leadership and direction to the MAC in the area of information systems and technology. The responsibilities include reviewing and approving systems and technology plans, budgets, and purchases. The IS Department works with MAC departments and other airport customers in analyzing needs and implementing business solutions that employ information systems and technology. This work includes analysis, design, selection, acquisition, installation, documentation and support of hardware, software, network and telecommunications systems and technologies.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	2,209,149	2,461,381	2,560,885	99,503	4.04%
Administrative Expenses	245,352	170,958	161,102	-9,856	-5.77%
Professional Services	514,203	555,000	475,500	-79,500	-14.32%
Utilities	317,498	341,576	293,470	-48,106	-14.08%
Operating Services/Expenses	2,964,821	3,349,151	3,573,114	223,963	6.69%
Maintenance	5,053	5,000	6,000	1,000	20.00%
Other	295,867	433,488	463,653	30,165	6.96%
<b>Total Budget</b>	<b>6,551,943</b>	<b>7,316,554</b>	<b>7,533,723</b>	<b>217,169</b>	<b>2.97%</b>
<b>FTE Total</b>	<b>23</b>	<b>24</b>	<b>25</b>		

**BUDGET HIGHLIGHTS**

Personnel	An additional staff person was hired to support the new CCTV system, iVISON as well as current staff wage structure adjustments and step increases.
Administrative Expenses	Fewer software products will be purchased in 2014, a significant reduction in administrative costs.
Professional Services	Some professional services costs historically held by the IS department are now included within the relevant CIP projects.
Utilities	Cellular phone service costs have declined because of an increase in text messaging, which is lower cost than voice. The recent re-bid for Internet services resulted in lower costs. Network service to many reliever airports has been replaced with cheaper, better service using a microwave provider.
Operating Services/Expenses	Increases in Operating Expense are due to additional software and hardware maintenance costs for new systems including the iVISON CCTV system, firewall support agreement and network equipment support agreements.
Maintenance	Maintenance Expense is growing as the IT equipment base ages. In particular, the printers across the MAC are requiring more maintenance.
Other	Pager use by staff has declined significantly. On the other hand, computer costs will increase when MAC departments need new computers.

**INFORMATION SERVICES****2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Upgrade MAC desktop software to Microsoft Windows 7 and Office 2010 by implementing a virtual desktop environment. Implement Microsoft SharePoint for selected, collaborative functions including automated workflow.	Updating the MAC to using Microsoft Windows 7 and Office 2010 has been expanded to include setting up the virtual desktop environment to deliver not only these upgrades but also other software in use at the MAC. This objective was delayed by staffing issues and will move to 2014's objectives. Microsoft SharePoint software has been installed and planning is underway for how best to use its capabilities for the MAC. This objective is also moved to 2014.
Incorporate CIP budgeting and project financial management into EnterpriseOne, replacing stand alone systems. Support maintenance management by capturing asset data at construction project closeout. Provide pilot mobile access to work order data.	EnterpriseOne system use has been expanded to include CIP project budget management. Maintenance work orders from EnterpriseOne were tested using mobile devices. More testing will be done when the MAC operational wireless network is completed, which depends upon funding. Expanded, electronic time entry and scheduling is in production. After a successful pilot project, major asset data will be collected electronically during CIP project closeout. This procedure is being added to the MAC Design and Construction Standards for future projects.
Provide information on checkpoint wait times to MSP customers including passengers and airlines by web published information through the MAC website and/or via terminal display monitors.	This project is deferred. Future plans for major revisions to the T1 checkpoints will have an impact on methods used to measure wait time.
Migrate information technology systems from current campus locations into the new data center building.	New hardware has been installed in the Data Center. The present UPS units will be replaced second quarter, 2014. The CCTV systems, both old and new, are migrating to the Data Center as the first major project. Existing systems will continue to move to the Data Center in 2014.

**2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Leverage Resources and Technology</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Improve operational efficiency by installing an airport-wide wireless computer network.	Improve operational efficiency by installing a campus-wide wireless network.
Maximize MAC's investment in a new office productivity software suite by providing end user e-learning and classroom training for all affected employees.	Complete upgrades of MAC staff workstations to Microsoft Windows 7 and Office 2013 including training and migration to the Virtual Desktop environment.
<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Expand the use of EnterpriseOne for property management, work order management and project management.

**INFORMATION SERVICES****PERFORMANCE MEASURES**

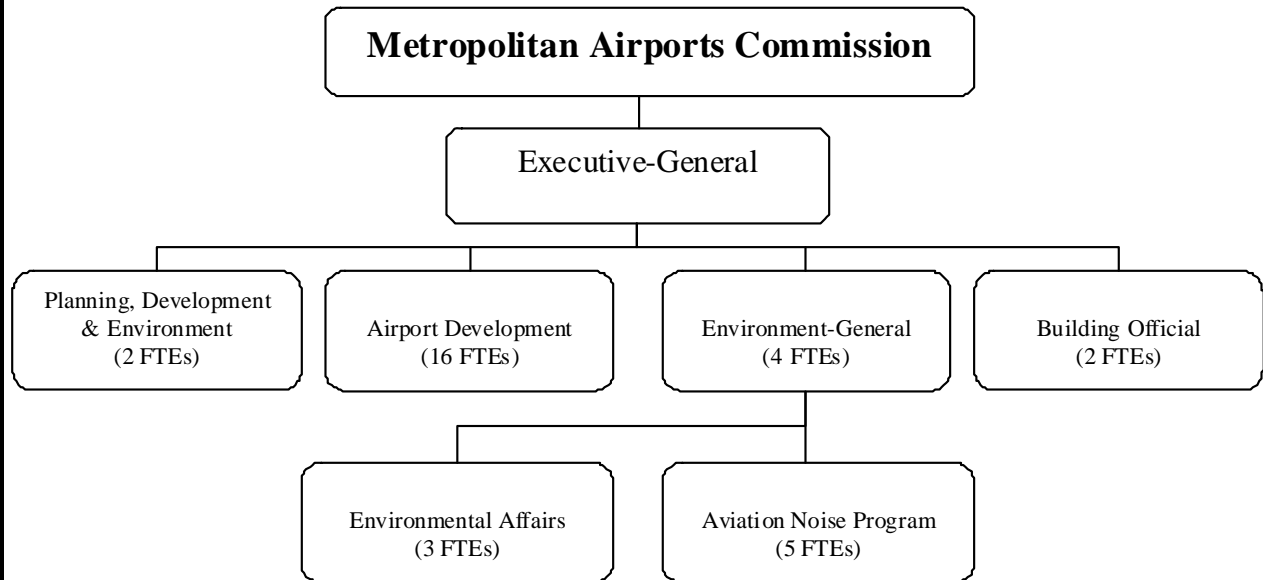
<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement	85%	100%	80%	70%	100%
<b>SC Performance Indicator:</b> Completed performance reviews <b>Comments:</b>					
Employee Engagement	0.75	0.77	0.78	0.77	0.80
<b>SC Performance Indicator:</b> Ratio of 1 IS staff person to 1million passengers <b>Comments:</b>					
Finance	3.57%	4.10%	4.60%	4.40%	5.11%
<b>SC Performance Indicator:</b> IS budget as percent total expense <b>Comments:</b>					
Operations	99.90%	99.99%	99.99%	99.90%	99.99%
<b>SC Performance Indicator:</b> System Availability <b>Comments:</b> System availability -99.99% uptime translates to 4 minutes of downtime per year. 99.9% equals 44 minutes of downtime per year. 99% equals 7 hours of downtime per year					

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# Planning, Development & Environment Division



**Notations to Service Center Summaries:**

- \* Variance (dollars and %) is computed between 2013 Budget and 2014 Budget
- \* The explanation for the variances is based upon the 2013 Budget and 2014 Budget
- \* Negative variances, in most cases, are the result of reductions in one time expenses or budget reductions.



**PLANNING, DEVELOPMENT & ENVIRONMENT**

The Planning, Development & Environment Department supervises property acquisition, planning, design, engineering, architecture, construction of all Commission facilities and grants management. This division also manages environmental programs aimed at providing a sustainable airport system and addressing noise, air quality, and water quality issues. In addition, the Planning, Development & Environment Department is responsible for maintaining a good relationship with local, state, and federal government partners and airport stakeholders.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	137,447	185,578	213,557	27,978	15.08%
Administrative Expenses	11,574	8,840	12,975	4,135	46.78%
Professional Services	113,127	120,350	125,000	4,650	3.86%
Utilities	432	1,035	864	-171	-16.52%
Operating Services/Expenses	819	173,200	193,200	20,000	11.55%
Maintenance	0	0	0		
Other	1,987	0	0		
<b>Total Budget</b>	<b>265,387</b>	<b>489,003</b>	<b>545,596</b>	<b>56,592</b>	<b>11.57%</b>
<b>FTE Total</b>	<b>1</b>	<b>2.5</b>	<b>2</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to filling an open position as well as wage structure adjustments and step increases but also includes moving .5 FTE to Airport Development.
Administrative Expenses	The increase in Administrative Expenses is for MAC's contribution to MN2050 for airport infrastructure sustainability.
Professional Services	The increase is due to the Long Term Comp Plan Update and Zoning at Lake Elmo Airport.
Operating Services/Expenses	The increase in Operating Services/Expenses is due to advertising for Joint Airport Zoning Board Public Hearings.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Develop the 2014-2020 Capital Improvement Program with input from all stakeholders and Finance.	2014-2020 Capital Improvement Program was approved by the Commission in December.
Continuing refinement of Environmental Management System (EMS) scope and implementation plan for the MAC system of airports in 2014.	Compliance focused EMS management system has been developed.
Complete National Pollutant Discharge Elimination System (NPDES) Permit.	NPDES permit received.
Complete the MSP 2020 Improvements Environmental Assessment/Environmental Assessment Worksheet.	Federal Aviation Administration Finding of No Significant Impact/Record of Decision (FONSI/ROD) signed on 3/5/13. Commission made Determination of Adequacy on April 15, 2013.

**PLANNING, DEVELOPMENT & ENVIRONMENT****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Oversee development of the 2015-2021 Capital Improvement Program with input from all stakeholders and within financial constraints.
N/A	Facilitate the rollout of the Environmental Management System (EMS) program and implementation plan for the MAC system of airports in 2014.
N/A	Guide the preparation of the MSP Sustainability Plan.
N/A	Oversee the completion of the reimbursement phase of the Noise Mitigation Consent Decree Program.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Performance reviews completed. <b>Comments:</b>					
Environment	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Compliance with Consent Decree Deadlines. <b>Comments:</b>					

**AIRPORT DEVELOPMENT**

Airport Development manages the Commission's Capital Improvement Program. Within the CIP, the department supervises the planning, design, engineering, architecture, and construction of all Commission facilities at MSP and the Commission's six Reliever Airports.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	444,124	457,040	554,470	97,430	21.32%
Administrative Expenses	32,166	38,100	33,200	-4,900	-12.86%
Professional Services	337,402	247,500	266,000	18,500	7.47%
Utilities	4,644	4,500	4,500	0	0.00%
Operating Services/Expenses	885	2,000	1,500	-500	-25.00%
Maintenance	0	1,000	750	-250	-25.00%
Other	8,310	4,000	4,000	0	0.00%
<b>Total Budget</b>	<b>827,531</b>	<b>754,140</b>	<b>864,420</b>	<b>110,280</b>	<b>14.62%</b>
<b>FTE Total</b>	<b>15</b>	<b>15</b>	<b>16</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to one additional FTE for a Planner position as well as wage structure adjustments and step increases.
Administrative Expenses	Savings in Administrative Expenses were due to a decrease in office supplies and materials as well as no anticipated major computer supplies and software purchases in 2014.
Professional Services	An increase is anticipated in direct and indirect costs of architectural, engineering, and construction coordinator consultants/firms in 2014.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Develop the 2014-2020 Capital Improvement Program with input from all stakeholders and Finance.	Objective accomplished. The 2014-2020 CIP was adopted by the Commission in December 2013.
Obtain and utilize federal and state aid to the extent possible on eligible capital improvement projects. Identify and solicit "Discretionary" funding for highly eligible projects.	Prepared draft grant applications for 2013 projects. Continuing discussions with FAA and MnDOT representatives on grant opportunities for 2014 and 2015.
Implement the 2013 Capital Improvement Program.	Objective accomplished. All 45 of the 2013 projects were awarded. Total construction value was \$101,604,122 which is 14% under the estimate.
Administer consultant service contracts and Professional Service Authorizations (PSAs) in accordance with all applicable MAC policies.	Airport Development administered contracts and provided services with no substantive external or internal audit findings.

**AIRPORT DEVELOPMENT****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Assure Financial Viability</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Obtain and utilize federal and state aid to the extent possible on eligible capital improvement projects. Identify and solicit "Discretionary" funding for highly eligible projects.

<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Administer consultant service contracts and Professional Service Authorizations (PSAs) in accordance with all applicable MAC policies.

<b>Organizational Strategic Goal:</b> <i>Provide a Great Customer Experience</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Increase the number of restrooms remodeled at Terminal 1-Lindbergh from one set per year to four sets per year in 2014 and 2015. (Sub WIG)	Implement the 2014 Capital Improvement Program.
NA	Develop the 2015-2021 Capital Improvement Program with input from all stakeholders and Finance.

**PERFORMANCE MEASURES**

Organizational Key Areas of Performance	2010 Actual	2011 Actual	2012 Actual	2013 Actual	Target
Development	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Annual performance reviews on all continuing consultants.					
<b>Comments:</b>					
Employee Engagement	85%	100%	80%	100%	100%
<b>SC Performance Indicator:</b> Complete performance reviews on Airport Development staff.					
<b>Comments:</b>					
Finance	1.60%	2.80%	1.40%	3.90%	< 5
<b>SC Performance Indicator:</b> Manage CIP construction projects within historic change order parameters.					
<b>Comments:</b> Less than 5%					

**BUILDING OFFICIAL**

The Building Official is responsible for the overall administration of the Metropolitan Airports Commission Building Code Ordinance. Department responsibilities include the application, administration, implementation and enforcement of the State of Minnesota Building Code and the Metropolitan Airports Commission Construction Standards and Procedures, Design Standards and Guidelines. Duties include plan review, issuance of permits, inspections, and retention of inspection history and building construction plans. In addition, the department provides Construction Management responsibilities for retail and food and beverage construction build outs and remodeling of existing tenant spaces within T-1 and T-2.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	160,706	165,530	172,016	6,487	3.92%
Administrative Expenses	19,521	19,023	18,895	-128	-0.67%
Professional Services	0	0	0		
Utilities	360	0	0	0	0.00%
Operating Services/Expenses	0	100	100	0	0.00%
Maintenance	0	0	0		
Other	0	0	0		
<b>Total Budget</b>	<b>180,587</b>	<b>184,653</b>	<b>191,011</b>	<b>6,359</b>	<b>3.44%</b>
<b>FTE Total</b>	<b>2</b>	<b>2</b>	<b>2</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to wage structure adjustments and step increases.
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**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Complete the G concourse Fire Protection.	Work is completed. Final acceptance testing is in process.
Issue permits and provide construction coordination for new tenant build outs at T-1 and T-2.	All new retail and food and beverage tenant remodeling projects have been completed at both T-1 and T-2 with the exception of the Mill City Tavern. It is scheduled to be completed the last week of January 2014.
Complete the remodeling of the Permit and Inspection office area.	Plan has been finalized and work is to begin in September. Permit was issued in December 2013. Work is to be completed in April of 2014.
Demolition of the Zantop hangar.	Demolition project is completed.
Review permit fees and make recommendations for possible increases.	Review of fees are being conducted by the MAC Legal and Finance Departments.

**BUILDING OFFICIAL****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Visit each tenant in T-1 and T-2 to verify that the space is being used as it was originally permitted for.
N/A	Move the Permit and Inspection responsibilities back into newly remodeled offices at the General Office.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Development	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Conduct Plan Reviews on construction plans within 14 days of submittals. <b>Comments:</b> Timeliness percentage					
Development	100%	100%	80%	100%	100%
<b>SC Performance Indicator:</b> Construction Management/Tenant Buildouts. <b>Comments:</b> Completion percentage					
Development	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Update Design and Construction Standards annually or as needed. <b>Comments:</b> Completion percentage.					
Safety & Security	100%	100%	100%	100%	Within 24 hrs 100
<b>SC Performance Indicator:</b> Conduct inspections within 24 hours of the request. <b>Comments:</b> Timeliness percentage					

**ENVIRONMENT-GENERAL**

The Environment Department is responsible for maintaining environmental compliance with state and federal environmental regulations at Commission-owned facilities. The Environmental Affairs Office ensures compliance with policies that include: documenting environmental impact for construction projects; complying with storm water and soil management programs; underground and aboveground storage tank administration; air quality monitoring; hazardous waste management; pollution prevention programs; environmental investigations and audits. The Noise Program Office ensures compliance related to assessing noise impacts and corrective measures. This department understands and is experienced with federal, state and local environmental regulations, rules, and ordinances. The Environment Department maintains an effective working relationship with state and local government and generates activities to establish sound strategies to reduce environmental impacts.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	131,927	183,875	390,403	206,528	112.32%
Administrative Expenses	17,854	15,788	20,261	4,473	28.33%
Professional Services	19,991	165,000	85,000	-80,000	-48.48%
Utilities	3,117	1,200	1,200	0	0.00%
Operating Services/Expenses	155	0	70,095	70,095	100.00%
Maintenance	0	0	0		
Other	0	0	0	0	0.00%
<b>Total Budget</b>	<b>173,043</b>	<b>365,863</b>	<b>566,959</b>	<b>201,096</b>	<b>54.96%</b>
<b>FTE Total</b>	<b>1</b>	<b>2</b>	<b>4</b>		

**BUDGET HIGHLIGHTS**

Personnel	The Personnel increase is driven by the transfer of two employee from the Aviation Noise Program as a result of a department reorganization as well as wage structure adjustments and step increases.
Administrative Expenses	This category increased as a result of a department reorganization.
Professional Services	This budget was reduced with the completion of the first phase of EMS deployment in 2013.
Operating Services/Expenses	This category increased as a result of a department reorganization.
Other	This category increased as a result of a department reorganization.



**ENVIRONMENT-GENERAL****2013 RESULTS REPORT**

Service Center Objective	Results
Develop an Environmental Management System (EMS) for the MAC system of airports.	<p>Development of the core elements of the MAC's compliance-focused EMS has been completed. This includes the selection and customization of a software product (Enviance: software-as-a-service) to centralize all of the MAC's compliance-related data and reporting, providing the capability for customized web-based data input forms, a compliance calendar with compliance-related activity email reminders that include access to related activity resources, custom report dashboards, and scripted reporting. The MAC's Glycol Management Program has been integrated into the new MAC EMS. The integration of other MAC environmental compliance aspect areas will be conducted in 2014. Additionally, as part of the MAC's 2013 EMS program development, extensive compliance process documentation was completed in the form of 30+ process fact sheets. These documents explain the regulatory/permit drivers, and provide access to related resources, detailed process documentation and EMS system enhancement plans related to all regulatory compliance activities at MSP and the Reliever Airports system. As part of the EMS program, Laserfiche acts as a central repository for all related resources and documents accessible through hyperlinks in the fact sheets and/or a web-based document index in Laserfiche.</p> <p>In addition, the development of a formal Sustainable Management Plan for the MAC-MSP is moving forward. Staff developed a comprehensive project scope and an LOI to the FAA, resulting in a \$517,500 project grant from the FAA. The RFQ process is complete with the MAC Commission contract award for this two-year planning effort anticipated in January 2014. This will be an important element</p>
Complete the MSP 2020 Improvements Environmental Assessment (EA/EAW).	<p>The EA/EAW process has been completed. The FAA issued its FONSI/ROD on 5 March 2013 and the MAC made a negative declaration on the EAW on 15 April 2013. The noise mitigation program proposed in the EA/EAW, via a modification to the Consent Decree, has been approved by the Court. Program implementation planning has begun to ensure processes are in place to begin the required noise contour evaluation in 2014. This will begin the process of determining noise mitigation eligibility consistent with the provisions of the modified Consent Decree.</p>

**ENVIRONMENT-GENERAL****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Leverage Resources and Technology</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Integration of the MAC's compliance-focused EMS program in remaining environmental-compliance aspect areas, including consideration of enhanced change management.

<b>Organizational Strategic Goal:</b> <i>Strengthen Partnerships and Relationships</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Maximize the use of technology to communicate MAC's programs and other initiatives directly to citizens in the region, especially in areas immediately surrounding MAC's airports.	Develop and implement phase one of the MAC Environmental Programs Communication Plan in coordination with Public Affairs and Marketing.
Strengthen corporate and civic relationships by expanding outreach to neighboring communities.	Complete the MAC-MSP Sustainable Management Plan planning process in a manner compliant with project completion by the end of 2015.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Environment	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Complete airport and community advisory commission work plans. <b>Comments:</b> All airport and community advisory commissions were supported successfully.					
Environment	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Develop environmental documents to support MAC activities including Capital Improvement Program priorities, ATC operational noise activities as appropriate, and the administration of environmental rules such as WCA compliance, etc. <b>Comments:</b>					
Environment	0	0	0	0	0
<b>SC Performance Indicator:</b> Number of violations identified by a regulatory agency. <b>Comments:</b>					

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**ENVIRONMENTAL AFFAIRS**

Environmental Affairs is responsible for ensuring and maintaining compliance with environmental regulations at MSP International Airport and the six Reliever Airports. Several of the compliance activities include Storm Water Management, Soil Investigation and Remediation, Underground/Aboveground Storage Tank Administration, Environmental Audits, Solid Waste Management and Recycling, Hazardous Waste Management, Pollution Prevention, Hydrogeological Investigations and outdoor ambient Air Quality.

These responsibilities require an ongoing understanding of and experience with federal, state and local environmental regulations, rules and ordinances. It is also essential that this office maintain an effective working relationship with state and local government. This office aids in establishing sound environmental strategies and helps reduce impacts on surrounding communities.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	275,300	280,531	288,920	8,389	2.99%
Administrative Expenses	1,392	3,970	4,194	224	5.64%
Professional Services	223,466	304,578	252,626	-51,952	-17.06%
Utilities	959	1,550	1,550	0	0.00%
Operating Services/Expenses	1,418,661	1,613,144	1,436,417	-176,727	-10.96%
Maintenance	0	0	0		
Other	12,906	30,570	31,174	604	1.98%
<b>Total Budget</b>	<b>1,932,685</b>	<b>2,234,343</b>	<b>2,014,881</b>	<b>-219,462</b>	<b>-9.82%</b>
<b>FTE Total</b>	<b>3</b>	<b>3</b>	<b>3</b>		

**BUDGET HIGHLIGHTS**

Personnel	Personnel increases are attributable to wage structure adjustments and step increases, as well as continuing regulatory training for staff.
Professional Services	This category is more in line with 2012 actual expenses. Decreases can be credited to staff's efforts to control expenditures.
Operating Services/Expenses	Decreases can be attributed to improved process efficiencies; attempts to hold the budget line, subcontractor cost restructuring and real costs were more closely calculated to an "average" winter.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Continuing refinement of Environmental Management System (EMS) scope and implementation plan for the MAC system of airports in 2014.	Compliance-focused EMS has been developed; compliance-focused environmental aspect and organizational integration will continue in 2014.
Implementation of re-issued National Pollution Discharge Elimination System (NPDES) permit requirements.	Continued to work with the Minnesota Pollution Control Agency (MPCA) to define the correct applicability of the NPDES permit at MSP, and with several MSP NPDES Permittees to help them understand their regulatory requirements. Required reporting and compliance activities are on schedule.

**ENVIRONMENTAL AFFAIRS****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Leverage Resources and Technology</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Continue MSP NPDES permit implementation, including co-permittee coordination, adherence to reporting requirements and compliance schedules and the integration of permit requirements in various MAC departments' Standard Operating Procedures in a manner that maximizes the existing compliance-focused EMS architecture and the MAC's EMS (Enviance).
NA	Integrate the MAC's compliance-focused EMS program in remaining environmental compliance aspect areas in a manner that creatively leverages the architecture and functionality of the EMS. The integration will focus on addressing the process managers' system functionality requests, while providing EMS program integration across MAC organizational units where needed, maximizing compliance-related process and activity efficiencies, risk reduction, the enhancement of data sharing across the organization, and the automation of related reporting activities necessary to meet regulatory/permit requirements.
<b>Organizational Strategic Goal:</b> <i>Strengthen Partnerships and Relationships</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Maximize the use of technology to communicate MAC's programs and other initiatives directly to citizens in the region, especially in areas immediately surrounding MAC's airports.	Assist with the development and implementation of a MAC Environmental Programs Communications Program.
Strengthen corporate and civic relationships by expanding outreach to neighboring communities.	Assist with the development of a comprehensive Sustainable Management Plan (SMP) for the MAC-MSP.

**ENVIRONMENTAL AFFAIRS****PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Environment	100%	100%	95%	100%	100%
<b>SC Performance Indicator:</b> Conduct inspections to assist MAC tenants with environmental compliance. <b>Comments:</b> Reliever inspections are performed on an as-needed basis (e.g. lease transfers) or at regularly scheduled times for commercial and/or storage tenants.					
Environment	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Conduct monitoring activities in compliance with environmental permit and program requirements. <b>Comments:</b> Storm water sampling at each airport (per quarter). UST/AST, OWS and storm water inspection at the 7 airports.					
Environment	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Implement required elements of AST permit. <b>Comments:</b> Continuing to perform requirements of the permit.					
Environment	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Submit regularly-scheduled compliance reports to regulating agencies. <b>Comments:</b> 42 reports must be submitted either monthly, quarterly or annually to regulatory entities.					

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**AVIATION NOISE PROGRAM**

The Aviation Noise Program area is dedicated to addressing airport noise issues around the MAC's system of airports, including Minneapolis-St. Paul International Airport. Through the implementation and use of available technologies, the MAC Aviation Noise Programs Office focuses on conducting technical application development, computer network maintenance, and in-house analysis and report development, reducing the need for outside consultants and related costs. Through coordinated efforts with communities and airport users via the MSP Noise Oversight Committee (NOC), the MAC Aviation Noise Programs Office strives to develop effective noise reduction solutions. This is made possible by providing pertinent, understandable information and analyses in support of program implementation and ongoing program monitoring.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	565,909	615,095	456,551	-158,545	-25.78%
Administrative Expenses	44,472	35,295	36,858	1,563	4.43%
Professional Services	142,758	174,732	161,985	-12,747	-7.30%
Utilities	1,752	27,620	28,700	1,080	3.91%
Operating Services/Expenses	53,737	74,790	49,816	-24,974	-33.39%
Maintenance	0	0	0		
Other	1,074	0	300	300	100.00%
<b>Total Budget</b>	<b>809,702</b>	<b>927,533</b>	<b>734,210</b>	<b>-193,323</b>	<b>-20.84%</b>
<b>FTE Total</b>	<b>6</b>	<b>7</b>	<b>5</b>		

**BUDGET HIGHLIGHTS**

Personnel	Personnel was decreased due to a department reorganization and the associated transfer of two FTEs to Environment-General.
Professional Services	Professional Services decreased due largely to a department reorganization and the associated transfer of funds to Environment-General.
Operating Services/Expenses	Operating Services/Expenses decreased due largely to a department reorganization and the associated transfer of funds to Environment-General.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Compliance with noise litigation Consent Decree.	All required provisions of the Consent Decree were met. Staff is in the process of planning and implementing changes in the macnoise.com website related to the First Amendment of the Consent Decree.
New technical staff integration in manner that provides robust internal noise monitoring system (MACANOMS) support and development services in a cost effective manner.	Staff integration has been completed.
Support the development, FAA approval process and implementation of a residential noise mitigation program around MSP that will address community concerns related to the MSP 2020 Improvement EA/EAW.	The first amendment to the noise mitigation Consent Decree has been completed and approved by the Court. Per the amended Consent Decree, processes are underway to update the Annual Noise Contour Report in consultation with the parties to the Consent Decree and transition the report development to HNTB.



**AVIATION NOISE PROGRAM****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal: <i>Develop Employee Talent</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Establish and implement enhanced MACNOMS business continuity through the establishment of a long-range strategic plan for the system, including the development and implementation of a strategy to leverage internal staff talents and establish appropriate external service relationships to ensure the ongoing successful development and maintenance of the system in the most cost-effective manner possible.

<b>Organizational Strategic Goal: <i>Strengthen Partnerships and Relationships</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Maximize the use of technology to communicate MAC's programs and other initiatives directly to citizens in the region, especially in areas immediately surrounding MAC's airports.	Continue to enhance community relations and information-sharing initiatives to include ongoing Noise Programs Office website developments, providing regular publication of informational videos, updated noise mitigation program information consistent with the first amendment to the Consent Decree, and the incorporation of responsive web design.
Strengthen corporate and civic relationships by expanding outreach to neighboring communities.	Implementation of the required elements of the First Amendment to the Noise Mitigation Program Consent Decree, including an update to the Annual Noise Contour Report in coordination with the parties to the Consent Decree, and transition of the report development to HNTB.
NA	Assist with Area Navigation (RNAV) discussions through coordination with the Noise Oversight Committee (NOC) to address next steps in FAA implementation plans.

**AVIATION NOISE PROGRAM****PERFORMANCE MEASURES**

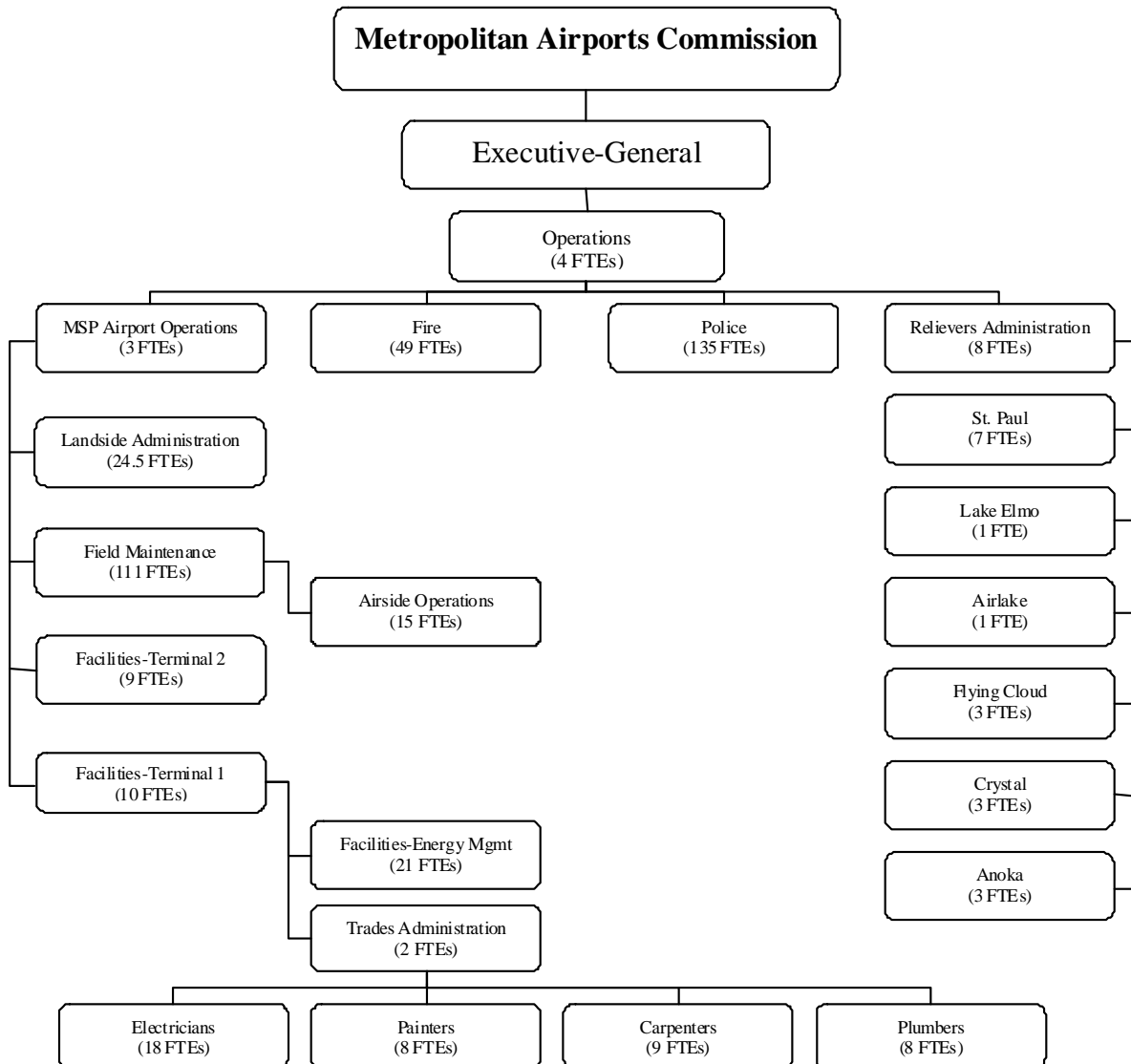
<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Environment	Completed	Completed	Completed	Completed	Completed
<b>SC Performance Indicator:</b> Complete all required activities in support of the MSP Noise Oversight Committee, including coordination of expert presentations at NOC meetings. <b>Comments:</b> Annual NOC Work Plan Completed					
Environment	Completed	Completed	Completed	Completed	Completed.
<b>SC Performance Indicator:</b> Complete Annual Noise Contour Report in compliance with the First Amendment to the Noise Mitigation Consent Decree. <b>Comments:</b> Complete Annual MSP Noise Contour Report					
Environment			4	4	4 meetings
<b>SC Performance Indicator:</b> Conduct 4 Quarterly Noise Public Input Meetings. <b>Comments:</b> New measure for 2012.					
Environment	4	4	4	4	4
<b>SC Performance Indicator:</b> Publish 4 Quarterly MSP Noise News Newsletters. <b>Comments:</b>					

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# Management & Operations Division



**Notations to Service Center Summaries:**

- \* Variance (dollars and %) is computed between 2013 Budget and 2014 Budget
- \* The explanation for the variances is based upon the 2013 Budget and 2014 Budget
- \* Negative variances, in most cases, are the result of reductions in one time expenses or budget reductions.

**OPERATIONS**

Operations is responsible for oversight and administration of the departments that manage the day to day operations of MAC's system of airports. These departments include Police, Fire, Airside and Landside Operations, Field Maintenance, Reliever Airports and Customer Service. A primary role of this division is that of staff liaison to the Management and Operations Committee. Working with the Chair of the Committee, the responsibility is to ensure the effective conduct of business through the committee process of all operations issues. Finally, this leadership involves substantial participation at the senior staff level in policy development, strategic planning, and interdepartmental coordination.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	332,868	298,079	358,668	60,589	20.33%
Administrative Expenses	9,060	7,049	7,175	126	1.79%
Professional Services	6,000	6,212	20,000	13,788	221.97%
Utilities	1,584	765	864	99	12.93%
Operating Services/Expenses	819	803	815	12	1.46%
Maintenance	0	0	0		
Other	7,620	0	0		
<b>Total Budget</b>	<b>357,952</b>	<b>312,908</b>	<b>387,522</b>	<b>74,614</b>	<b>23.85%</b>
<b>FTE Total</b>	<b>4</b>	<b>4</b>	<b>4</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to filling of an open position as well as wage structure adjustments and step increases.
Professional Services	The 2014 budget reflects costs to support the MSP Regional Airports Irregular Operations planning requirements to address FAA regulations.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Improve customer service by implementing a porter program at T-1.	Porter Service was initiated in June 2013.
Identify facility limitations for aging customers.	A facility improvement matrix will be developed by the new Traveler Advisory Committee in 2014 as part of their feedback process.

**2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal: N/A</b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Ensure Continuity of Operations Plans are developed for all operational departments.
N/A	Coordinate and facilitate an Irregular Operations Regional planning meeting to ensure continuity of operations with regional stakeholders.

**OPERATIONS****PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Customer Experience	4.16	4.21	4.24	4.28	4.30
<b>SC Performance Indicator:</b> ASQ performance rating of all travelers (1 to 5 scale). <b>Comments:</b>					
Customer Experience	4.27	4.13	4.14	4.19	4.22
<b>SC Performance Indicator:</b> ASQ rating of business travelers (1 to 5 scale). <b>Comments:</b>					
Customer Experience	4.24	4.26	4.31	4.35	4.40
<b>SC Performance Indicator:</b> ASQ rating of leisure travelers (1 to 5 scale). <b>Comments:</b>					

**MSP AIRPORT OPERATIONS**

MSP Operations & Administration responds to the operational, maintenance and emergency preparedness needs of the traveling public, outside agencies, airlines and tenants. Considered the "landlord" of MSP; customer service is a key element of this department. Furthermore, special events and terminal complex activities are coordinated through this area.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	479,241	297,293	308,058	10,765	3.62%
Administrative Expenses	36,176	27,593	24,315	-3,278	-11.88%
Professional Services	26,888	38,920	38,920	0	0.00%
Utilities	4,849	3,456	3,600	144	4.17%
Operating Services/Expenses	75,362	89,645	91,205	1,559	1.74%
Maintenance	0	0	0		
Other	23,567	19,397	22,530	3,133	16.15%
<b>Total Budget</b>	<b>646,084</b>	<b>476,305</b>	<b>488,628</b>	<b>12,323</b>	<b>2.59%</b>
<b>FTE Total</b>	<b>5</b>	<b>3</b>	<b>3</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to wage structure adjustments and step increases. The FTE count decreased from 5 to 3 in 2013 when the Call Center staff housed in MSP Airport Operations merged into Public Affairs & Marketing.
Administrative Expenses	The decrease in Administrative Expenses pertains to budgeting closer to 2013 actual expenses.
Operating Services/Expenses	The primary increase in Operating Services/Expenses is for additional costs to continue the International Air Transport Association contract.
Other	The primary increase in the Other category is for higher copier rental expenses in 2014.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Facilitate good communication and open relationships among airlines, TSA, airport tenants and MAC staff.	Director's Luncheon was held on October 17 with another being set for March of 2014. MAC now chairs the Airline Managers Council created for consistency between the two terminals. The first Traveler Advisory Committee meeting is set for early February.
Continue to offer the National Incident Management System (NIMS) training to all MAC employees who have a response role in the airport emergency plan.	No 4th quarter classes were held. Instead 2 tabletop exercises were conducted.
Remain best airport in the US (and perhaps the world) for services offered to deaf community.	Met with Minnesota Commission on the Deaf, Deaf-Blind, and Hard-of-Hearing (MCDHH) in August to identify where improvements are needed. Improvements currently being incorporated. New Traveler Advisory Committee will have a sub-committee devoted to travelers with disabilities.
Formalize Navigating Autism with MSP program into MAC activities.	The program has been extremely successful. In 2013 approximately 120 families participated.



**MSP AIRPORT OPERATIONS****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Engage 60% of MAC employees in healthcare/wellness education by December 31, 2014.

<b>Organizational Strategic Goal:</b> <i>Provide a Great Customer Experience</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Coordinate and facilitate at least ten monthly meetings among airlines, TSA, tenants and MAC staff to ensure good communication and open relationships.
NA	Meet semiannually with the Minnesota Commission for the Deaf and Hard-of Hearing and respond to their input to remain best airport in the US for services offered to deaf and hard-of-hearing community.
NA	Help facilitate improved ASQ scores related to waiting time at the security checkpoints from the two year average of 3.95 to 4.21.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Customer Experience	4.16	4.21	4.24	4.28	4.54
<b>SC Performance Indicator:</b> Airport service quality (ASQ) score.					
<b>Comments:</b>					
Employee Engagement	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Complete 100% of all applicable employee reviews annually.					
<b>Comments:</b>					
Safety & Security				100	100
<b>SC Performance Indicator:</b> Retain FAA Part 139 certification. Address any issues raised during certification process.					
<b>Comments:</b> This performance indicator begins in 2013. All inspections pass and any issues are addressed.					

**CALL CENTER**

The Call Center has been merged into Public Affairs and Marketing.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Budget</u></b>	<b><u>Variance</u></b>	<b><u>Variance</u></b>
Personnel	-1,308	0	0		
Administrative Expenses	0	0	0		
Operating Services/Expenses	0	0	0		
<b>Total Budget</b>	<b>-1,308</b>				
<b>FTE Total</b>	<b>0</b>	<b>0</b>	<b>0</b>		

**BUDGET HIGHLIGHTS**

Personnel	Personnel shows a negative amount in 2012 for a wage accrual reversal.
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**AIRSIDE OPERATIONS**

The Airside Operations Department is responsible for ensuring that Minneapolis-Saint Paul International Airport is in compliance with federal and state regulations, particularly FAR Part 139-Airport Certification. The department conducts safety inspections and determines the operating status of the airfield. Airside Operations coordinates airfield activities with FAA Air Traffic Control facilities and air carrier tenants. The department is also responsible for managing the snow and ice control plan, the wildlife control program, construction safety and the airfield drivers training/testing program. Airside Operations is also the 24/7 non-emergency contact for all airport tenants.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	1,313,224	1,315,644	1,343,052	27,408	2.08%
Administrative Expenses	101,622	78,714	85,640	6,926	8.80%
Professional Services	74,692	98,199	89,000	-9,199	-9.37%
Utilities	16,678	18,333	18,333	0	0.00%
Operating Services/Expenses	159,207	208,631	237,850	29,219	14.01%
Maintenance	13,936	23,000	22,000	-1,000	-4.35%
Other	30,154	30,000	30,000	0	0.00%
<b>Total Budget</b>	<b>1,709,513</b>	<b>1,772,521</b>	<b>1,825,875</b>	<b>53,354</b>	<b>3.01%</b>
<b>FTE Total</b>	<b>15</b>	<b>15</b>	<b>15</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to wage structure adjustments and step increases.
Administrative Expenses	Additional funding is needed for required training. This will increase Administrative Expenses in 2014.
Professional Services	Professional Services expenses are expected to be less in 2014.
Operating Services/Expenses	PASSUR Opsnet and software support licenses are expected to increase in 2014.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Enhance the efficiency of FAR Part 139-required airfield safety inspections and associated recordkeeping through the use of new technology.	Electronic Logging System operational concurrent with existing MS Access database entries.
Transition Airside Operations training record management and retention to the Certpoint Learning Management System (LMS).	Airside Operations training records management and retention transitioned to the Certpoint Learning Management System (LMS) effective January 1, 2014.

**AIRSIDE OPERATIONS****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Review AOA vehicle operator training and procedures, and modify procedures as necessary to enhance runway safety. The objective is to have no vehicle/pedestrian runway incursions during the 2014 calendar year.
N/A	Enhance airfield safety by conducting random checks of vehicle operators to ensure possession of valid airport driver's licenses; at least 75 drivers audited per month.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement	10%	11.30%	10.10%	12.60%	< 11
<b>SC Performance Indicator:</b> Airside overtime as a % of total department wages. <b>Comments:</b> Higher winter operations expenses					
Safety & Security	2	0	0	3	0
<b>SC Performance Indicator:</b> Vehicle/pedestrian runway incursions that we have control over. <b>Comments:</b> All vehicle operations; MAC and tenant drivers.					

**EMERGENCY COMMUNICATIONS**

Emergency Communications (ECC) merged into the Police Department in 2014.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	1,127,800	1,292,670	0	-1,292,670	-100.00%
Administrative Expenses	16,202	49,643	0	-49,643	-100.00%
Professional Services	19,400	50,806	0	-50,806	-100.00%
Utilities	4,124	3,792	0	-3,792	-100.00%
Operating Services/Expenses	53,303	72,959	0	-72,959	-100.00%
Maintenance	0	0	0		
Other	11,663	12,583	0	-12,583	-100.00%
<b>Total Budget</b>	<b>1,232,491</b>	<b>1,482,453</b>	<b>0</b>	<b>-1,482,453</b>	<b>-100.00%</b>
<b>FTE Total</b>	<b>13</b>	<b>17</b>	<b>0</b>		

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Evaluate core ECC industry and operational processes to identify changing business needs. Formulate a comprehensive plan to support department sustainability with viable long term solutions.	Due to leadership changes that occurred within the ECC in the fourth quarter of 2013, long-term solutions will be revisited in 2014.
Provide educational opportunities for the MAC community on the Airport Emergency Communications Center's role in the public safety response continuum; highlighting 911 services and security management.	ECC staff hosted an open house event in April. Staff participated in the Airport Police Department's open house event in May, the Night to Unite event in August and the Get to Know Your APD event held in November. The events gave MAC employees and the public the opportunity to learn more about the ECC's role in public safety and what 911 services are provided.

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**LANDSIDE-OPERATIONS**

Landside-Operations merged into Landside-Administration in 2014.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Budget</u></b>	<b><u>Variance</u></b>	<b><u>Variance</u></b>
Personnel	0	0	0	0	0.00%
Administrative Expenses	27,182	19,899	0	-19,899	-100.00%
Professional Services	0	0	0		
Utilities	0	0	0		
Operating Services/Expenses	245,455	341,923	0	-341,923	-100.00%
Maintenance	28,638	36,507	0	-36,507	-100.00%
Other	0	0	0		
<b>Total Budget</b>	<b><u>301,275</u></b>	<b><u>398,329</u></b>	<b><u>0</u></b>	<b><u>-398,329</u></b>	<b><u>-100.00%</u></b>
<b>FTE Total</b>					



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**LANDSIDE-PARKING**

Landside-Parking merged into Landside-Administration in 2014.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Budget</u></b>	<b><u>Variance</u></b>	<b><u>Variance</u></b>
Administrative Expenses	0	5,000	0	-5,000	-100.00%
Professional Services	5,985	0	0	0	0.00%
Operating Services/Expenses	7,566,881	8,008,608	0	-8,008,608	-100.00%
Maintenance	173,743	193,549	0	-193,549	-100.00%
Other	0	0	0	0	0.00%
<b>Total Budget</b>	<b>7,746,609</b>	<b>8,207,157</b>	<b>0</b>	<b>-8,207,157</b>	<b>-100.00%</b>
<b>FTE Total</b>					

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**LANDSIDE-ADMINISTRATION**

Landside-Administration oversees the operation, maintenance, marketing and design of the Commission's public and employee parking facilities and commercial vehicle and taxicab programs. This department maintains the systems that provide automated access and revenue control to the parking facilities and commercial vehicle roadways. Landside-Administration governs the revenues generated by these parking facilities and commercial vehicle operations.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	1,678,675	1,673,241	1,767,592	94,351	5.64%
Administrative Expenses	46,806	55,904	80,431	24,527	43.87%
Professional Services	0	0	8,613	8,613	100.00%
Utilities	6,007	6,568	6,097	-471	-7.17%
Operating Services/Expenses	516	0	8,640,362	8,640,362	100.00%
Maintenance	0	0	236,780	236,780	100.00%
Other	22,840	7,065	7,426	361	5.10%
<b>Total Budget</b>	<b>1,754,844</b>	<b>1,742,778</b>	<b>10,747,301</b>	<b>9,004,523</b>	<b>516.68%</b>
<b>FTE Total</b>	<b>23</b>	<b>23.5</b>	<b>24.5</b>		

**BUDGET HIGHLIGHTS**

Personnel	Personnel increased due to step increases and cost of living adjustments. The addition of a new Revenue Control Analyst position also increased Personnel. This FTE moved from Finance.
Administrative Expenses	Administrative Expenses increased because two Landside cost centers merged into Landside-Administration in 2014.
Professional Services	Professional Services increased because two Landside cost centers merged into Landside-Administration in 2014.
Operating Services/Expenses	Operating Services/Expenses increased because two Landside cost centers merged into Landside-Administration in 2014. Also, increases are expected in Metro Transit costs, MAVIS and the parking revenue control system annual maintenance, and bank card transaction fees as well as step increases and cost of living adjustments.
Maintenance	Maintenance increased because two Landside cost centers merged into Landside-Administration in 2014. Also, the warranty period has expired on new public parking revenue control system hardware. Parts that were replaced last year under warranty will now need to be purchased.
Other	Other expenses increased because two Landside cost centers merged into Landside-Administration in 2014. The postage machine rent also increased.

**LANDSIDE-ADMINISTRATION****2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Revise MAC Taxi Manual.	Revision postponed pending the results of ongoing meetings between MAC and the cities of Minneapolis and St. Paul intended to determine areas where regulatory consistency among jurisdictions can be achieved.
Cross train Landside Office staff to spread knowledge, create a more flexible workforce, improve staff functionality and reduce potential impact from key functional staff absence.	Revenue Control Analyst hired in the fourth quarter of 2013. Objective achieved.
Evaluate and recommend parking capacity and products to meet customer demand for next 5-10 years.	Continued evaluation of parking products and demand took place in the fourth quarter of 2013. Need for additional parking capacity was communicated to the M&O Committee.

**2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Update parking demand forecast and present recommendations to begin planning for additional parking capacity.
N/A	Evaluate and recommend changes in parking products, services and rates.
N/A	Require MAC-permitted taxicab operators to process customer bank card payments through electronic bank card authorization terminals.
N/A	Deliver and record at least 70 favorable and memorable customer moments each day (25,550 annually).
N/A	Partner with CMAA and Conference Center to increase MAC's direct relationship with Minnesota's largest 100 companies.
N/A	Cross train Landside Office staff to spread knowledge, create a more flexible workforce, improve staff functionality and reduce potential impact from key functional staff absence.

**LANDSIDE-ADMINISTRATION****PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Customer Experience	3.93	3.94	4.05	4.02	4
<b>SC Performance Indicator:</b> ASQ survey score for Quarterly Parking Availability survey results. <b>Comments:</b>					
Customer Experience	4.23	4.21	4.21	4.30	4.20
<b>SC Performance Indicator:</b> ASQ survey score for Ground Transportation. <b>Comments:</b>					
Customer Experience	3.20	3.24	3.17	3.33	3.20
<b>SC Performance Indicator:</b> ASQ Score on a 1 to 5 scale of value for the money of parking facilities. <b>Comments:</b>					

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**FIRE**

The MAC Fire Department is responsible for providing aircraft rescue and firefighting, structural firefighting and first response emergency medical services to the airport community. The department is also responsible for investigating all fires that occur within our service area, determining the origin and cause and ensuring proper documentation for state and federal reporting requirements.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	4,222,179	4,326,146	4,448,583	122,437	2.83%
Administrative Expenses	18,512	14,716	16,444	1,728	11.74%
Professional Services	6,204	7,025	7,030	5	0.07%
Utilities	13,893	13,000	13,195	195	1.50%
Operating Services/Expenses	30,271	31,500	33,000	1,500	4.76%
Maintenance	10,219	6,266	8,247	1,981	31.62%
Other	94,125	91,800	160,060	68,260	74.36%
<b>Total Budget</b>	<b>4,395,404</b>	<b>4,490,453</b>	<b>4,686,559</b>	<b>196,106</b>	<b>4.37%</b>
<b>FTE Total</b>	<b>49</b>	<b>49</b>	<b>49</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to wage structure adjustments and step increases.
Other	Other expenses increased for replacement of worn and damaged fire hose and replacement of Automatic External Defibrillators (AEDs). AED replacement is part of a three-year plan to replace all outdated public access AEDs in the terminals and MAC buildings that will no longer be supported by the manufacturer.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Completion of advanced Incident Command Training (Blue Card) including the 24 hour simulation lab for all Chiefs & Captains.	A decision was made to have personnel complete online training module only in 2013.
Conduct detailed staffing study to determine minimum staffing levels and what organizational structure would work best at MSP. This study will also look at current fire inspection/ safety programs and what changes may be needed to be more effective.	This objective moved to 2014.
Conduct study of department needs using MAC IS staff and other consultants as needed to determine technology needs for the next three to five years.	Completed in the second quarter of 2013.
Conduct detailed analysis / audit of MAC salaries and the generally accepted comparison groups to verify fair and competitive salaries and benefits being offered. This analysis would be done with MAC HR and other consultants as needed.	Waiting for 2014 salary data to complete study.



**FIRE****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Develop Employee Talent</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Design and implement an organizational talent review program to identify strengths, talent development needs and threats due to potential workforce turnover.	Develop a detailed fire department leadership succession plan.

<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Have remaining non-certified personnel complete International Fire Service Accreditation Congress (IFSAC) Airport Firefighter certification.
N/A	Perform fire & life safety inspections of all areas of T-1 and T-2.
N/A	Conduct detailed staffing study to determine minimum staffing levels and what organizational structure would work best at MSP. This study will also look at current fire inspection/ safety programs and what changes may be needed to be more effective.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Customer Experience				760	800
<b>SC Performance Indicator:</b> The number of positive interactions between fire department staff and the traveling public as part of WIG #2. <b>Comments:</b> Started in August 2013					
Employee Engagement			100%	94%	100%
<b>SC Performance Indicator:</b> Complete Customer service Training <b>Comments:</b> This was a new measure in 2012. Percent completion.					
Operations					
<b>SC Performance Indicator:</b> The average time from ECC notice until firefighters arrive. <b>Comments:</b> New measure. Data not available, waiting on consultant to develop program to assist					
Safety & Security			100%	100%	100%
<b>SC Performance Indicator:</b> Complete FAR 139 required training <b>Comments:</b> New measure in 2012. Percent completion.					

**POLICE**

With public service as the foundation of the Police Department, every member of this department is committed to the preservation of peace, order and safety. They are dedicated to the protection of life and property, the prevention of crime, and the deterrence of terrorism.

In 2014, the Emergency Communications Center merged into the Police Department. Emergency Communications is the 911 center for the airport community, operating 24 hours a day, 7 days a week. The department makes critical decisions to ensure the safety of the passengers, police officers and firefighters. Staff is responsible for dispatching and coordinating police, fire and emergency responses and operating the secured card access system. This center also houses the Honeywell fire alarm system which has over 35,000 logical devices. Furthermore, this area operates the CCTV camera system which houses over 1780 cameras. The department controls the audio recording for 60 plus channels of phone and radio traffic providing terminal announcements regarding security issues and weather and provides the only airport-wide paging service from 10 PM to 7 AM.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	9,620,028	9,826,537	11,480,298	1,653,761	16.83%
Administrative Expenses	196,668	208,380	232,616	24,236	11.63%
Professional Services	62,932	73,911	124,942	51,031	69.04%
Utilities	37,838	36,057	41,998	5,941	16.48%
Operating Services/Expenses	811,438	952,515	963,682	11,167	1.17%
Maintenance	60,106	35,787	51,544	15,757	44.03%
Other	138,736	138,810	184,653	45,843	33.03%
<b>Total Budget</b>	<b>10,927,747</b>	<b>11,271,997</b>	<b>13,079,733</b>	<b>1,807,736</b>	<b>16.04%</b>
<b>FTE Total</b>	<b>113</b>	<b>117</b>	<b>135</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in 2014 is due to the merging of the Emergency Communications Center (ECC) with the Airport Police Department (APD) as well as an additional ECC position and an increase in anticipated APD overtime costs. Wage structure adjustments and step increases also added to the variance.
Administrative Expenses	The increase in Administrative Expenses is due to the ECC merging into the Police Department as well as higher costs for travel expenses (lodging, airfare and registration), the addition of WIG supplies and supplies needed for the addition of an 8th EDC K-9 team.
Professional Services	There is an anticipated reduction in expenditures due to reduced consultant services in both the ECC and the APD. However, due to the ECC merge as well as the Learn Management System level 1 support and associated costs, this category reflects an increase.
Utilities	The increase in Utilities reflects actual costs incurred by the ECC which were not previously part of the APD budget.
Operating Services/Expenses	The increase is due to the merging of the ECC and APD budgets, the anticipated need for MAC replacing TSA staffing at up to five checkpoint exit lanes, the addition of department policy management fees, increased maintenance fees for the new Point of Sale System in the badging office, IS equipment repairs not covered by maintenance contracts and the addition of an online officer training program. In association with proposed 2014 capital projects, additional maintenance fees will be required for the upgrades to the squad video system and the Laserfiche licenses.

**POLICE****BUDGET HIGHLIGHTS**

Maintenance	The increase is due to the addition of the ECC budget, recurring SAACS upgrade and expansion costs and increased repair costs for autos, T3's and bicycles.
Other	Other increases are due to the merging of the ECC and APD budgets, a shift in budget cost centers for a rental copier and costs for sit/stand workstations. Additionally, an ammunition shortage over the past 2 years resulted in delayed shipments that extended into the following budget year.

**2013 RESULTS REPORT**

Service Center Objective	Results
Evaluate core ECC industry and operational processes to identify changing business needs. Formulate a comprehensive plan to support department sustainability with viable long term solutions.	Due to leadership changes that occurred within the ECC in the fourth quarter of 2013, long-term solutions will be revisited in 2014.
Provide educational opportunities for the MAC community on the Airport Emergency Communications Center's role in the public safety response continuum; highlighting 911 services and security management.	ECC staff hosted an open house event in April. Staff participated in the APD's open house event in May, the Night to Unite event in August and the Get to Know Your APD event held in November. The events gave MAC employees and the public the opportunity to learn more about the ECC's role in public safety and what 911 services are provided.
Familiarize MAC employees with daily police operations and responsibilities via participation in the APD Open House Program to over a 3-day period (4 hours/day) followed by a ride-along with an officer.	APD open house events held over three days in February, one day in May and one day in November giving MAC staff the opportunity to meet employees and learn more about police operations.
Educate the airport community about the importance of situational/threat awareness, crime prevention, personal safety and available resources.	At the April Security Consortium meeting, Airport Police provided information regarding electric cart licensing/enforcement. Night to Unite and Airport Watch Summit events were held during the third quarter. During these forums, the airport community was provided with information and resources related to situational/threat awareness, crime prevention and personal safety.
Provide consultant-led behavior detection training to all staff that hasn't been previously trained to assist in identifying suspect behaviors in an effort to mitigate safety and security threats.	All staff, with the exception of a small number, due to scheduling constraints or being hired at a later date, participated in behavior detection training. Further consultant-led training will occur in 2014.

**POLICE****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Develop Employee Talent</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Ensure the ECC has adequate staff and appropriate schedules, to train and develop ECC leadership and to provide the proper structure and support for ECC operations.
<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Continue to develop See Something, Say Something campaign with airport specific messages.
N/A	Integrated response training with MAC Fire and Allina for all licensed officers for active shooter situations.
N/A	Develop Continuity of Operations Plan for all aspects of APD.
<b>Organizational Strategic Goal:</b> <i>Provide a Great Customer Experience</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	To achieve a combined weekly total of 120 proactive positive public interactions between Police and Fire personnel.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Safety & Security	452	555	704	777	400
<b>SC Performance Indicator:</b> Part I & Part II crimes that are required to be reported to the state. <b>Comments:</b> *2011 total previously reported as 546 (555 reflects all Part I & II crimes); 2012 total previously reported as 634 (704 reflects all Part I & II crimes).					
Safety & Security	0	2	6	0	0
<b>SC Performance Indicator:</b> Number of security breaches that impact passenger traffic and/or airport operations. <b>Comments:</b>					
Safety & Security	87%	88%	83%	97%	90%
<b>SC Performance Indicator:</b> 911 calls answered in accordance with NENA Standard 56-005. <b>Comments:</b> Percent of calls in 10 seconds or less.					
Safety & Security					90%
<b>SC Performance Indicator:</b> Emergency call processing and dispatching in accordance with NFPA Standard 1221. <b>Comments:</b> New measure in 2014.					

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**FACILITIES-TERMINAL 2**

Facilities-Terminal 2 is responsible for all operations and maintenance activities at Terminal - 2 Humphrey and all common-use facilities on the airport including Terminal - 1 Lindbergh and Terminal-2 FIS Facilities, fueling operations, Humphrey Remote Ramp and shared airline technology systems in both terminals including Common Use System Equipment (CUSE) and Multiple Users Flight Information Displays (MUFIDS). Department personnel work directly with airlines, terminal users/tenants and other MAC Departments to provide and maintain all essential airline operating facilities and equipment. The department routinely participates in airport facilities planning and construction activities, airline lease negotiations and airport operating policy development. The department also serves as the liaison to U.S. Customs and Border Protection (CBP) and works closely with other federal agencies including the Transportation Security Administration (TSA), Department of Homeland Security (DHS) and Center for Disease Control (CDC) and Federal Aviation Administration (FAA).

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	524,719	532,150	589,810	57,659	10.84%
Administrative Expenses	5,235	7,930	9,970	2,040	25.73%
Professional Services	0	0	0		
Utilities	2,675	2,600	2,690	90	3.46%
Operating Services/Expenses	16,056	6,250	16,250	10,000	160.00%
Maintenance	227,578	218,250	238,550	20,300	9.30%
Other	18,633	1,000	73,120	72,120	7212.00%
<b>Total Budget</b>	<b>794,895</b>	<b>768,180</b>	<b>930,390</b>	<b>162,209</b>	<b>21.12%</b>
<b>FTE Total</b>	<b>3</b>	<b>3</b>	<b>9</b>		

**BUDGET HIGHLIGHTS**

Personnel	Personnel increased to convert six temporary/provisional employees to regular status FTE's. The positions/functions have been an essential part of the Terminal 2 - Humphrey management solution for over 20 years. Annual salary adjustments and step increases are included.
Administrative Expenses	Administrative Expenses have a minor increase to support continued record growth at T2. Also, staff will travel in 2014 for ACI-NA Committee meetings/conferences that they were unable to attend in 2012.
Operating Services/Expenses	An increase is needed in Operating Services/Expenses to support continued record growth in activity at T2 and is based on actual spending in 2012.
Maintenance	Primarily an increase in jetbridge maintenance to support ongoing record growth in activity at T2 and increased usage of jetbridges. The current jetbridge maintenance contract expires in February 2014. An increase in the annual contract costs are expected as well as increased spending for jetbridge parts.
Other	Other expenses increased in 2014 for minor assets (equipment) and additional hose trolleys for the pre-conditioned air units at T2. Trolleys extend the life of the air hoses and help prevent back injuries of ramp workers from moving the heavy hoses around. Eight additional trolleys are needed for the remaining gates at T2.  Stools for the laptop workstations in T2 gate areas are needed to improve customer experience/comfort.

**FACILITIES-TERMINAL 2****2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Increase passenger check-in capacity to reduce wait times by upgrading self-service kiosks that will service passengers from all airlines operating at T-2.	The Commission has authorized Staff to execute an agreement with IER, Inc. Staff expects to have an agreement in place by early January and will place an initial order for 36 kiosks as presented to the Commission. Funding for the kiosks comes from the IT Capital Equipment Budget, originally budgeted for 2013 but will now come from the 2014 budget. The new kiosks should be installed by March 2014.
Amend MAC T-2 Operating Procedures to more effectively manage and accommodate current airline activity and needs at T-2.	MAC Staff reviewed the comments and feedback that was received from the T-2 carriers. The comments and associated MAC responses were compiled into a matrix that was reviewed with MAC Legal, CMAA, and Finance. A second draft has been developed based on the feedback received from the carriers and various MAC departments. The revised draft will be reviewed by senior staff.

**2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Enhance Air Service at MSP</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Identify international air service opportunities for MSP from both existing and new entrant carriers and the facility requirements needed to support increased service.	Obtain Commission approval to expand T-2 gates by 2017.

<b>Organizational Strategic Goal:</b> <i>Provide a Great Customer Experience</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Reduce international passenger processing time through the Customs and Border Protection (CBP) primary inspections in Terminal 1.(Sub WIG)	Reduce passenger wait times in FIS CBP Primary by deploying Automated Passport Control (APC) kiosks.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Customer Experience	10	28	15	6	15
<b>SC Performance Indicator:</b> Annual number of facility related complaints at T-2.					
<b>Comments:</b>					
Customer Experience					
<b>SC Performance Indicator:</b> Average time (minutes) waiting in security checkpoint queue during busy time of day at T-2.					
<b>Comments:</b> New 2014 measure.					

**FACILITIES-TERMINAL 1**

Facilities Management is responsible for the operation, maintenance and cleaning of the terminal facilities and all of the MAC campus buildings with oversight responsibility for the Energy Management Center as well as the Trades work groups. Facilities Management also provides management oversight for various service, operation and management contracts as well as responding to both immediate and long term tenant and public concerns. The department works with Airport Development staff to ensure that Capital Improvement Projects are completed with the least amount of disruption to the traveling public and the terminal building operations. The department goal is to maintain the MSP Airport at a level consistent with the expectations of its internal and external customers and tenants.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	656,134	609,751	673,370	63,620	10.43%
Administrative Expenses	6,505	6,123	6,123	0	0.00%
Professional Services	193,470	204,556	227,139	22,583	11.04%
Utilities	5,560	5,703	5,703	0	0.00%
Operating Services/Expenses	2,670,169	2,937,792	2,514,861	-422,931	-14.40%
Maintenance	18,337,379	20,028,738	20,300,779	272,041	1.36%
Other	10,792	17,250	10,850	-6,400	-37.10%
<b>Total Budget</b>	<b>21,880,010</b>	<b>23,809,913</b>	<b>23,738,825</b>	<b>-71,087</b>	<b>-0.30%</b>
<b>FTE Total</b>	<b>10</b>	<b>9</b>	<b>10</b>		

**BUDGET HIGHLIGHTS**

Personnel	Personnel increased due to one FTE added in 2014 as well as annual salary adjustments and step increases.
Professional Services	Primary increases in the Professional Services category are for the increase in PSAs for roof inspection and field environmental asbestos survey & oversight of removal.
Operating Services/Expenses	Operating Services/Expenses increased for a full-year of porter service costs. However, the primary decreases in this category are the reduction of queue line management costs, transfer of Facilities Monitoring contract to EMC, and the reduction of contractual costs for loading dock management.
Maintenance	Primary increases in Maintenance are the contractual increase for APM O&M, Carousel & Conveyor Maintenance, Elevator / Escalator / Moving Walk O&M, and Janitorial / Window Cleaning and public restroom additions and remodeling. On the other hand, a decrease of \$188K in Pest Control is anticipation for service coming in-house.
Other	Other expenses decreased in 2014 because the 2013 budget included new office furniture.



**FACILITIES-TERMINAL 1****2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Reduce material delivery visibility within terminals.	Main dock deliveries 4th Quarter Average 2012 = 91,733 cubic feet. Main dock deliveries 4th Quarter Average 2013 = 87,546 cubic feet  2012 Average = 116,139 cubic feet    2013 Average 103,737 = cubic feet
Improve tram availability year over year.	Hub Tram - 4th Quarter 2012, 99.82%, 4th Quarter 2013, 99.97%. C Tram    - 4th Quarter 2012, 98.90%, 4th Quarter 2013, 99.74%  Hub Tram 2012 Average 99.91%, 2013 Average 99.83% C Tram    2012 Average 98.90%, 2013 Average 99.41%
Reduce elevator/escalator/moving walk repair callbacks year over year.	Callbacks for 4th Quarter 2012 - 223. Callbacks for 4th Quarter 2013 - 192  2012 Average Callbacks Quarterly - 226    2013 Average Quarterly - 191 Callbacks
Improve Terminal Cleanliness and Restroom Cleanliness Airport Service Quality Scores year over year.	Restroom Cleanliness ASQ score 4th Quarter 2012 - 4.05; 4th Quarter 2013 -4.09. Terminal Cleanliness ASQ score 4th Quarter 2013 - 4.35; 4th Quarter 2013 -4.39  Restroom Cleanliness    2012 Average - 4.08                      2013 Average - 4.06 Terminal Cleanliness    2012 Average - 4.33                      2013 Average - 4.39
Complete 100% of Staff Performance Reviews.	All staff had performance reviews in January, 2013. 100% completion.

**2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Provide a Great Customer Experience</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Reduce material delivery visibility within terminals.
NA	Improve Hub and Concourse availability annually.
NA	Reduce elevator, escalator and moving walk repair callbacks annually.
NA	Improve T-1 and T-2 cleanliness Airport Service Quality score annually.

**FACILITIES-TERMINAL 1****PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Facilities - T-1 annual employee performance reviews completed. <b>Comments:</b>					
Operations	70	64.08	73.58	63	< 70
<b>SC Performance Indicator:</b> Elevator/escalator/moving walk callbacks. <b>Comments:</b>					
Operations	99%	99.22%	99.16%	99.41%	99%
<b>SC Performance Indicator:</b> The percent of time the tram on the C concourse is in service during normal business hours. <b>Comments:</b>					
Safety & Security	0	0	0	0	0
<b>SC Performance Indicator:</b> Facilities Lindbergh Terminal lost time work accidents. <b>Comments:</b>					

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**FACILITIES-ENERGY MANAGEMENT CENTER**

The Energy Management Center (EMC) is responsible for the heating, ventilation and air conditioning (HVAC) of all MAC facilities utilizing a staff of 15 operating engineers who provide 24-hour service. Staff operate and maintain boilers with jet fuel backup, chillers and cooling towers and numerous miscellaneous components to provide a comfortable environment for all customers, tenants and staff at MSP. EMC utilizes an Open Architectural Building Automation System (OABA) to operate and maintain the growing airport complex HVAC systems. EMC monitors 200 CO sensors spread around the MSP Campus. EMC responds to all incoming HVAC-related calls and keeps detailed records of gas, oil, water and steam usage as well as all repair work and preventative maintenance.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	1,422,688	1,444,321	1,514,617	70,296	4.87%
Administrative Expenses	5,321	4,372	4,550	178	4.07%
Professional Services	42,104	42,488	42,735	247	0.58%
Utilities	4,043	3,776	4,043	267	7.07%
Operating Services/Expenses	0	0	100,000	100,000	100.00%
Maintenance	1,652,843	1,621,195	1,605,476	-15,719	-0.97%
Other	12,020	5,975	7,314	1,339	22.41%
<b>Total Budget</b>	<b>3,139,020</b>	<b>3,122,127</b>	<b>3,278,735</b>	<b>156,608</b>	<b>5.02%</b>
<b>FTE Total</b>	<b>20</b>	<b>21</b>	<b>21</b>		

**BUDGET HIGHLIGHTS**

Personnel	Personnel costs have increased due to contract language which has required an increase in coverage.
Operating Services/Expenses	2014 Operating Services/Expenses increased because maintenance of the Facilities Monitoring System moved into the EMC cost center from Facilities.
Maintenance	Maintenance decreased as the need for less parts are anticipated.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Complete Open Architecture Building Automation (OABA) 5, eliminate non-OABA systems.	98% Completed.
No work related injuries.	2 reported injuries.
Ensure the financial viability of operating budget.	On track, with some unforeseen repair costs at the Reliever Airports.

**2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Modify boiler water feed system.
N/A	Complete OABA 6.

**FACILITIES-ENERGY MANAGEMENT CENTER****PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Finance	100%	100%	100%	98%	100%
<b>SC Performance Indicator:</b> Complete OABA 3, reliable HVAC controls <b>Comments:</b>					
Safety & Security	1	0	2	2	0
<b>SC Performance Indicator:</b> Employee accidents <b>Comments:</b> Our goal is to remain accident free every year.					

**TRADES - ELECTRICIANS**

The Electrical Department provides maintenance and repairs of most electrical equipment and lighting fixtures throughout the MSP campus and Reliever Airports system. Electricians are responsible for the maintenance and repair of all directional signage and runway/taxiway lighting to comply with specific FAA regulations throughout all MAC airports. The department also maintains and tests all airfield lighting regulators, all emergency generator buildings and all associated lighting and electrical work within MAC parking facilities. Responsibilities include all security gates and electronic card readers throughout MAC's airport system, Fire Alarm and oversight and repair responsibility for the LRT Platform.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	1,776,481	1,841,772	1,915,304	73,532	3.99%
Administrative Expenses	660	0	0		
Professional Services	0	0	0		
Utilities	11,857	10,000	12,000	2,000	20.00%
Operating Services/Expenses	1,381	150,000	192,000	42,000	28.00%
Maintenance	1,213,559	1,356,708	1,507,000	150,292	11.08%
Other	39,564	46,565	20,000	-26,565	-57.05%
<b>Total Budget</b>	<b>3,043,502</b>	<b>3,405,045</b>	<b>3,646,304</b>	<b>241,259</b>	<b>7.09%</b>
<b>FTE Total</b>	<b>18</b>	<b>18</b>	<b>18</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to annual salary adjustments and step increases.
Operating Services/Expenses	The increase in Operating Services/Expenses is for the Electrical Switchgear Maintenance Program and miscellaneous work outside our scope.
Maintenance	The 2014 Maintenance amount covers the day to day expenses which includes purchasing of Lamps, Motors, Airfield Material, Secured Card Access Material, General Material, etc. In addition to an expanded work scope, technology material costs have increased.
Other	The decrease in Other is due to the purchase of minor assets computers in 2013.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Fire Alarm and Security Technician rotations.	Still maintaining with the existing crew. No rotation of staff in 2013.
Implement the new electrical maintenance program ensuring a smooth transition with the best outcome for the traveling public and internal departments.	There were minimal complaints during this transition.

**TRADES - ELECTRICIANS****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Provide a Great Customer Experience</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Assess and plan for the needs and conditions of the G Concourse to assure a smooth transition for January 1, 2016.
NA	Implement the new electrical maintenance program ensuring a smooth transition with the best outcome for the traveling public and internal departments.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Development	10%	15%	30%	35%	35%
<b>SC Performance Indicator:</b> Cross training necessary to improve efficiencies. <b>Comments:</b>					
Finance	\$335,000	\$407,000	\$408,000	\$421,000	\$408,000
<b>SC Performance Indicator:</b> Uninterrupted Power Supply cost maintenance. <b>Comments:</b> Unforeseen repairs were needed.					

**TRADES - PAINTERS**

The primary role of the MAC Painters is to protect a multitude of surfaces from corrosion and deterioration to ensure a full service life to the surface. Additionally, MAC Painters maintain a clean, comfortable, visually pleasing and safe environment for the traveling public and meet all FAA mandated Airport Operations Area (AOA) markings at MSP and the Reliever Airports system.

The Painters are responsible for all paint maintenance on buildings and for the correct markings used on public roadways and parking ramps and for the maintenance of runways/taxiways in accordance with FAA regulations. The Painters insure that the most appropriate and safest materials are utilized and disposed of while being environmentally responsible.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	787,077	830,387	849,875	19,487	2.35%
Administrative Expenses	0	0	0		
Professional Services	0	0	0		
Utilities	1,276	1,793	1,069	-724	-40.37%
Operating Services/Expenses	0	20	0	-20	-100.00%
Maintenance	238,040	224,674	216,889	-7,785	-3.46%
Other	9,830	12,500	17,674	5,174	41.39%
<b>Total Budget</b>	<b>1,036,224</b>	<b>1,069,374</b>	<b>1,085,507</b>	<b>16,132</b>	<b>1.51%</b>
<b>FTE Total</b>	<b>8</b>	<b>8</b>	<b>8</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to wage structure adjustments and step increases.
Maintenance	The Maintenance budget was calculated using a 3 year average leading to a 3% drop.
Other	Other Expenses increased for additional tools needed.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Complete a customer feedback phone survey from 50% of departments/customers that received painting projects.	On going positive program which will continue in 2014.
Cross train paint staff on complex striping equipment.	40% complete in 2013. Will continue program in 2014.
Reduce hazardous and non hazardous waste.	Hazardous waste was reduced from 820 pounds in 2012 to 225 pounds in 2013. There was 10 pounds of waste sludge from the solvent recycler. Non hazardous latex paint/sludge 275 gallons in 2012 and 275 gallons in 2013.



**TRADES - PAINTERS****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Develop Employee Talent</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Cross train paint staff on complex striping equipment.
<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Reduce hazardous and non-hazardous waste.
<b>Organizational Strategic Goal:</b> <i>Provide a Great Customer Experience</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Ensure 100% completion of weekly WIG work orders.
NA	Complete customer feedback phone survey from 50% of departments/customers.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Annual performance reviews completed.					
<b>Comments:</b>					
Environment	220 - 400	1300lbs- 275	820lbs-275	225 lbs - 275	Zero increase.
<b>SC Performance Indicator:</b> Pounds of hazardous waste disposal.					
<b>Comments:</b>					
Operations				40%	35%
<b>SC Performance Indicator:</b> Cross-training on painting equipment completed.					
<b>Comments:</b> New measure in 2013					
Safety & Security	0	0	3	0	0
<b>SC Performance Indicator:</b> Lost days to work accidents.					
<b>Comments:</b>					

**TRADES - CARPENTERS**

The Carpenter Shop ensures that all of MAC's terminals and other owned facilities are safe, secure and aesthetically pleasing for MAC, its tenants and the traveling public. Carpenters provide a high quality service to MAC departments and the airport tenants in a cost effective and timely manner. Services include repair and maintenance from floor to ceiling consisting of locksmith services that separate the "secured areas" from the "non-secured" areas. Services also include fulfilling the needs of the various tenants as well as the installation and repair of a wide variety of the facility finishes and special projects. The Carpenter Shop works closely with Airport Development in the naming/numbering of doors and concession spaces with identification tags and also maintains this numbering system to reflect the tenants' growing needs.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	871,403	833,217	847,762	14,546	1.75%
Administrative Expenses	1,003	405	4,249	3,844	949.31%
Professional Services	0	0	0		
Utilities	6,820	3,958	4,017	59	1.49%
Operating Services/Expenses	0	436	400	-36	-8.19%
Maintenance	126,802	216,888	177,763	-39,125	-18.04%
Other	12,514	7,078	27,736	20,658	291.86%
<b>Total Budget</b>	<b>1,018,542</b>	<b>1,061,981</b>	<b>1,061,927</b>	<b>-54</b>	<b>-0.01%</b>
<b>FTE Total</b>	<b>9</b>	<b>9</b>	<b>9</b>		

**BUDGET HIGHLIGHTS**

Personnel	One temporary carpenter for January to June, 2014, a six month session and one temporary carpenter for July to December, 2014, another six month session. He/she will be working to replace entry way vestibule carpeting on Bag Claim, Ticketing and East Upper Roadway at T1. He/she will also be replacing carpeting at T2 in several different locations. The auto doors at both Terminals, roughly numbering 310+ need to be opened in the spring and before winter to remove debris such as sand, salt and cigarette butte from the lower track. He/she will also fill in for the full time carpenters' vacations. The temporary carpenter will be trained on our pre-maintenance program and will be assigned work orders daily. They will also handle special projects that are not scheduled at this current time.
Personnel	The increase in Personnel is due to wage structure adjustments and step increases.
Administrative Expenses	Due to the retirement of the Lock Shop Foreman, a carpenter was promoted into the position of Carpenter/Locksmith resulting in additional administrative expenses.
Utilities	MAC issued cell phones used only at work and for work purposes.
Maintenance	The decrease in Maintenance since locks and other parts are expected to decrease in 2014.
Other	The Other Expense category increased for an increased price in safety equipment, additional purchases of harness equipment and personal protection equipment. Additional tools are needed at both terminals for faster response time.

**TRADES - CARPENTERS****2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
The General Foreman will handle departmental calls for specific, large projects outside the normal scope of work.	A two room suite was converted into three for Landside Management. With the assistance of MAC Building Inspector and other MAC Trades, we completed the remodel deadline. Facilities requested luggage storage units be designed and built. Carpenter designed a prototype and Facilities' comments improved the design. Four units are being used by Delta with several other units due by first quarter of 2014.
Minimize passenger disruptions during maintenance in public spaces.	No disruptions occurred.
Cross training within the Lock Shop of our department. General Foreman has selected one full time carpenter to train along side of the soon to retire Locksmith to help gain experience and learn the complexities of this craft.	The carpenter in training shadowed the soon to be retired Locksmith for a total of nine months (Oct 2012 to June 2013). This worked out well, the trainee learned the basics of keying, matrix reading, hardware breakdown and rebuilding and computer programming.
Improve staff productivity through new and improved technology. This would be accomplished by effectively using the E1 CMMS system, asset labeling, using tablets in the field and finally integrating the GIS elements.	We are now working within the IMACS system and are presently advising Harris Controls of our needed "wants" and necessities. The E1 CMMS program continues to grow with more pre maintenance work orders being designed/assigned out/and completed. The selection of a tablet has been determined.

**2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal: <i>Develop Employee Talent</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Update the job description of the Carpenters Working Foreman and complete the hiring process by the first quarter of 2014.

<b>Organizational Strategic Goal: <i>Leverage Resources and Technology</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Improve staff productivity through new and improved technology. This would be accomplished by effectively using the E1 CMMS system, asset labeling, using tablets in the field and creating an inventory of existing stock.

<b>Organizational Strategic Goal: <i>Provide a Great Customer Experience</i></b>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Customer service calls to be placed by the General Foreman to departments on specific, larger projects that are beyond our normal scope of work.
NA	Improve the travelers experience by providing modern, efficient operating restrooms at both terminals.

**TRADES - CARPENTERS****PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Annual performance reviews. <b>Comments:</b> Our goal is to complete annual performance reviews with 100% of our employees every year.					
Finance	47%	50.50%	49.60%	57.25%	58%
<b>SC Performance Indicator:</b> Preventative maintenance workorders. <b>Comments:</b> By increasing the number/percentage of preventative maintenance work orders, we will move from reactive to planned proactive work orders; therefore increasing time and financial effectiveness.					
Operations				100%	100%
<b>SC Performance Indicator:</b> Facilities WIG for 2014-Work orders on Restrooms. <b>Comments:</b> New measure in 2013					
Safety & Security	1	0	0	0	0
<b>SC Performance Indicator:</b> Lost time work accidents. <b>Comments:</b> Our goal is to have no lost time work accidents.					

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**TRADES - PLUMBERS**

The Plumbers are responsible for the water supply available to our customers, tenants and MAC personnel. This is accomplished through the maintenance, repair and ongoing preventive measures of the potable water systems, sanitary and storm sewer systems, building plumbing systems, irrigation systems and fire sprinkler systems. The Plumbers are also responsible for completing plumbing inspections, locating appropriate utility lines and are a valuable resource to Airport Development by reviewing plumbing schematics for new projects. Staff stays current with new plumbing technologies, processes and efficiencies by attending training seminars and new equipment and tooling demonstrations throughout the year.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	1,184,321	1,292,315	1,307,582	15,267	1.18%
Administrative Expenses	597	922	816	-106	-11.50%
Professional Services	19,970	20,000	20,000	0	0.00%
Utilities	7,943	8,317	8,049	-268	-3.22%
Operating Services/Expenses	1,004	3,075	20,000	16,925	550.31%
Maintenance	299,623	316,227	416,584	100,357	31.74%
Other	8,982	6,348	7,152	804	12.67%
<b>Total Budget</b>	<b>1,522,440</b>	<b>1,647,205</b>	<b>1,780,183</b>	<b>132,978</b>	<b>8.07%</b>
<b>FTE Total</b>	<b>8</b>	<b>8</b>	<b>8</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to wage structure adjustments and step increases.
Operating Services/Expenses	The increase in Operating Services/Expenses is required to procure the Open Architecture Building Automation (OABA) maintenance contractor to maintain the plumbing portion of OABA. This will allow the OABA plumbing control contractor to make the necessary adjustments and changes to the control system that will provide the safe and secure functions of these systems.
Maintenance	Maintenance increased due to added fire system maintenance and testing requirements. Also the replacement of water meters will result in more accurate readings which will benefit finance and support technology.

**TRADES - PLUMBERS****2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
To maintain the collection system and lift stations on a preventative maintenance schedule to our industry standard.	All lift stations have been cleaned and the critical sanitary sewer system cleaning has been completed.
To reduce water consumption by promoting water conservation and identifying unaccounted water loss.	A 2013 "Water System Analysis" has been completed. The study addressed unaccounted water and any possible water distribution leaks. The results of this study have been submitted to MAC and it reports that the unaccounted for water averaged out over a three year period equals 4.75% which is considered acceptable for a water distribution system of this size and is less than half of 10.7% for a period from November 2003 to October 2004. The leak survey found no leaks in the system. The City of Minneapolis replaced the defective meter and the 2013 MSP total water usage was down approximately 18 million gallons over 2012.

**2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Assure Financial Viability</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Reduce water consumption by promoting water conservation and identifying unaccounted water loss.

<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Maintain the sanitary sewer collection system to industry standards.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Finance			20,031,000	13,948,500	13,900,000
<b>SC Performance Indicator:</b> Total irrigation water usage in gallons at MSP.					
<b>Comments:</b> This performance measure began in 2012.					
Finance	313,386,500	316,105,500	322,818,750	304,724,250	300,000,000
<b>SC Performance Indicator:</b> Total water consumption in gallons.					
<b>Comments:</b>					
Safety & Security	0	0	0	0	0
<b>SC Performance Indicator:</b> Lost time work accidents.					
<b>Comments:</b>					

**TRADES - ADMINISTRATION**

Trades-Administration has the responsibility for the administration and coordination of the carpenters, electricians, painters and plumbing divisions. Trades-Administration works with Airport Development on construction projects, enforces the construction standards, conducts construction inspections and oversees the computerized maintenance management system. Trades-Administration represents the Trades in the CIP process and interfaces with consultants and vendors on behalf of the Trades group. This department is also responsible for the oversight of the T-1 and T-2 emergency generators and Uninterruptible Power Supply (UPS) contracts.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	158,550	206,796	210,969	4,173	2.02%
Administrative Expenses	9,593	5,536	5,198	-338	-6.10%
Professional Services	132,314	257,600	267,463	9,863	3.83%
Utilities	792	864	1,020	156	18.06%
Operating Services/Expenses	22,735	44,442	42,428	-2,014	-4.53%
Maintenance	0	0	0		
Other	19,718	27,763	22,975	-4,788	-17.25%
<b>Total Budget</b>	<b>343,702</b>	<b>543,001</b>	<b>550,053</b>	<b>7,052</b>	<b>1.30%</b>
<b>FTE Total</b>	<b>2</b>	<b>2</b>	<b>2</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to wage structure adjustments and step increases.
Professional Services	Professional Services increased due to combining several Professional Service Authorization contracts.
Other	The Other category has a decreased variance due to the purchase of office furniture in 2013.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Maintain and update OSHA required safety training matrix on all required training.	100% complete.
Ensure 100% completion of performance reviews. Look to expand learning/ training opportunities for trades building staff.	100% completed and signed off by January 7th.
Look for ways to increase the percentage of preventative maintenance type work orders vs. regular reactive type work orders.	Preventative maintenance type work orders increased from 6101 in 2012 to 7701 in 2013 for a 26.0% increase.
Continue progress on the asset labeling/hand held scanner project.	The process is in place and ready to expand in 2014.



**TRADES - ADMINISTRATION****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Develop Employee Talent</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Ensure 100% completion of performance reviews.

<b>Organizational Strategic Goal:</b> <i>Leverage Resources and Technology</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
Expand the use of E1 for the Property management, Work order management and Project management.	Look for ways to increase % of preventative maintenance type work orders vs reactive type work orders.

<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Maintain and update OSHA required safety training matrix on all safety training.
N/A	Expand use of asset labeling/hand held scanner.
N/A	Schedule quarterly meetings with trades, development and commercial management to use as planning tool for the 2016 takeover of the G concourse.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement			100%	100%	100%
<b>SC Performance Indicator:</b> Employee performance reviews completed all Trades Departments. <b>Comments:</b> New measure in 2012					
Operations			60	60	30
<b>SC Performance Indicator:</b> Foreman Time in Work Order System to 30 min/Day. <b>Comments:</b> New measure in 2012					
Safety & Security	1	2	1	1	0
<b>SC Performance Indicator:</b> On the job Injuries for all Trades Departments. <b>Comments:</b>					

**FIELD MAINTENANCE**

The MAC Field Maintenance Department is world-renown for snow removal, but has year-round responsibilities including pavement maintenance, pollution control, landscaping/grounds maintenance, security fence and access gate maintenance, traffic control signage installation, maintenance and cleaning of the parking ramps and refuse removal from non-terminal areas. Snow removal responsibilities include runways, taxiways, ramps, aircraft parking areas, airside roadways, public roadways, terminal sidewalks and around MAC buildings. Maintenance personnel supervise contracted snow removal operators who remove snow from landside parking areas. The department repairs and maintains MAC's fleet of over 500 vehicles and partners with Purchasing to procure all MAC vehicles and related equipment.

**BUDGET SUMMARY**

	<b>2012 Actual</b>	<b>2013 Budget</b>	<b>2014 Budget</b>	<b>\$ Variance</b>	<b>% Variance</b>
Personnel	7,970,302	8,595,316	9,021,865	426,549	4.96%
Administrative Expenses	28,809	22,530	27,390	4,860	21.57%
Professional Services	22,647	34,500	34,500	0	0.00%
Utilities	14,383	13,000	13,000	0	0.00%
Operating Services/Expenses	33,769	25,000	23,250	-1,750	-7.00%
Maintenance	2,192,567	2,564,750	2,857,850	293,100	11.43%
Other	62,933	43,390	38,980	-4,410	-10.16%
<b>Total Budget</b>	<b>10,325,410</b>	<b>11,298,486</b>	<b>12,016,835</b>	<b>718,349</b>	<b>6.36%</b>
<b>FTE Total</b>	<b>110</b>	<b>111</b>	<b>111</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to wage structure adjustments and step increases. Also, additional on-call temporary heavy equipment operators are needed for enhanced service during snow events as requested by Delta Air Lines.
Administrative Expenses	Additional equipment repair shop software licenses are needed which created the 2014 variance.
Maintenance	Maintenance increased for snow removal contracts and equipment leases valued at \$272K moved to the operating budget.
Other	Although replacement of minor equipment increased Other expenses, an anticipated decrease in safety supplies and equipment is expected.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Reduce the number of preventable motor vehicle accidents and associated costs through safe driving techniques training.	On-the-road training completed; eight preventable motor vehicle accidents for the calendar year.
Enhance runway safety and asset management by installing GPS-based vehicle tracking units in vehicles that routinely operate in and around the runway environment.	Specifications for new airfield vehicles will include GPS units; three vehicle/pedestrian runway incursions during the calendar year.

**FIELD MAINTENANCE****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	In addition to required annual AOA driver's training, conduct topic-specific vehicle operator training to enhance skills and awareness. Objective is to experience less than seven preventable motor vehicle accidents during the 2014 calendar year.

<b>Organizational Strategic Goal:</b> <i>Provide a Great Customer Experience</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Augment overnight trash collection schedules as necessary in order to maintain cleanliness at terminal entrances and in the parking ramps. Objective is to receive no written passenger/customer complaints attributable to department maintenance of terminal public areas.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement	100%	100%	100%	100%	100%
<b>SC Performance Indicator:</b> Annual performance reviews completed. <b>Comments:</b> Conduct an annual performance review with all department employees.					
Safety & Security	7	13	7	8	< 7
<b>SC Performance Indicator:</b> Field Maintenance vehicle accidents. <b>Comments:</b> Figures represent 'preventable' accidents only as rated by MAC Risk/Safety.					
Safety & Security	1	3	4	4	0
<b>SC Performance Indicator:</b> Lost time work accidents. <b>Comments:</b>					

**RELIEVERS - ADMINISTRATION**

The Reliever Airport staff is responsible for the maintenance and safe operation of the MAC's six Reliever Airports. The staff is also responsible for the administration of over 800 leases on the Reliever Airport properties, which includes responding to tenant requests and monitoring tenant compliance with leases.

The Service Center Objectives and Results and the Performance Indicators for all Reliever Airports are incorporated into the Relievers-Administration area.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	742,038	746,812	775,073	28,261	3.78%
Administrative Expenses	13,183	14,974	23,574	8,600	57.43%
Professional Services	29,839	44,000	44,000	0	0.00%
Utilities	4,893	4,836	5,364	528	10.92%
Operating Services/Expenses	1,112	1,125	1,500	375	33.33%
Maintenance	0	0	0		
Other	0	0	0		
<b>Total Budget</b>	<b>791,064</b>	<b>811,747</b>	<b>849,511</b>	<b>37,764</b>	<b>4.65%</b>
<b>FTE Total</b>	<b>8</b>	<b>8</b>	<b>8</b>		

**BUDGET HIGHLIGHTS**

Personnel	Personnel increased for wage structure adjustments and salary increases.
Administrative Expenses	Administrative Expenses increased for expected travel in 2014.

**2013 RESULTS REPORT**

<b>Service Center Objective</b>	<b>Results</b>
Amend Ordinance No. 78 (minimum standards for Reliever Airports) to reflect recommendations in the Commission's adopted report entitled "Operational Practices and Capital Funding of MAC's General Aviation System."	Project complete.
Complete the renewal of 600+ Reliever Airport leases.	Project complete.

**RELIEVERS - ADMINISTRATION****2014 SERVICE CENTER OBJECTIVES**

<b>Organizational Strategic Goal:</b> <i>Assure Financial Viability</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
NA	Review, and appropriately modify, the Facility Acquisition Fee required under MAC Ordinance No. 114.
<b>Organizational Strategic Goal:</b> <i>N/A</i>	
<b>Organizational Key Initiative</b>	<b>Service Center Objective</b>
N/A	Implement recommendations of the Education Task Force that are related to the Reliever Airports.
N/A	Collect the data necessary to develop GIS mapping for the Reliever Airport leaseholds.

**PERFORMANCE MEASURES**

<b>Organizational Key Areas of Performance</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>Target</b>
Employee Engagement	4%	0%	29%	54%	100%
<b>SC Performance Indicator:</b> Performance reviews completed. <b>Comments:</b>					
Safety & Security	14	4	1	6	0
<b>SC Performance Indicator:</b> Vehicle-Pedestrian Incursions. <b>Comments:</b>					

**RELIEVERS - ST. PAUL**

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the six Reliever Airports. The department staff manages the properties, including the administration of over 800 leases. The staff also responds to tenant, airport user and community issues and concerns.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	527,056	531,570	576,253	44,683	8.41%
Administrative Expenses	1,999	2,200	2,092	-108	-4.91%
Professional Services	9,409	15,000	15,000	0	0.00%
Utilities	1,179	1,728	1,196	-532	-30.79%
Operating Services/Expenses	6,934	8,200	7,095	-1,105	-13.48%
Maintenance	131,890	141,772	144,234	2,462	1.74%
Other	1,603	931	942	11	1.18%
<b>Total Budget</b>	<b>680,070</b>	<b>701,401</b>	<b>746,812</b>	<b>45,411</b>	<b>6.47%</b>
<b>FTE Total</b>	<b>7</b>	<b>7</b>	<b>7</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase in Personnel is due to wage structure adjustments and step increases.
Utilities	Utilities decreased closer to 2012 actual expenses for accurate budgeting.
Operating Services/Expenses	Operating Services/Expenses decreased closer to 2012 actual expenses for accurate budgeting.

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**RELIEVERS - LAKE ELMO**

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the six Reliever Airports. The department staff manages the properties, including the administration of over 800 leases. The staff also responds to tenant, airport user and community issues and concerns.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	87,531	85,650	92,439	6,789	7.93%
Administrative Expenses	28	400	290	-110	-27.50%
Professional Services	9,409	16,500	12,000	-4,500	-27.27%
Utilities	233	304	235	-69	-22.70%
Operating Services/Expenses	0	0	0		
Maintenance	32,834	27,010	28,300	1,290	4.78%
Other	175	200	100	-100	-50.00%
<b>Total Budget</b>	<b>130,209</b>	<b>130,064</b>	<b>133,364</b>	<b>3,300</b>	<b>2.54%</b>
<b>FTE Total</b>	<b>1</b>	<b>1</b>	<b>1</b>		

**BUDGET HIGHLIGHTS**

Personnel	The increase is a 3-year average to provide staff coverage due to an increase in demand for expanded services during winter operations and airport related community events. Personnel also includes wage structure adjustments and salary increases.
Professional Services	Professional Services decreased because more services were needed in 2013.
Maintenance	The increase accounts for inflation price adjustments in tires, cutting edges, lubricants and building repairs and replacement parts to maintain an aging capital equipment fleet.



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**RELIEVERS - AIRLAKE**

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the six Reliever Airports. The department staff manages the properties, including the administration of over 800 leases. The staff also responds to tenant, airport user and community issues and concerns.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	81,913	87,560	93,473	5,913	6.75%
Administrative Expenses	189	339	342	3	0.88%
Professional Services	9,409	12,177	12,177	0	0.00%
Utilities	233	328	237	-91	-27.74%
Operating Services/Expenses	0	0	0		
Maintenance	33,191	22,515	22,623	108	0.48%
Other	203	302	302	0	0.00%
<b>Total Budget</b>	<b>125,138</b>	<b>123,221</b>	<b>129,154</b>	<b>5,933</b>	<b>4.82%</b>
<b>FTE Total</b>	<b>1</b>	<b>1</b>	<b>1</b>		

**BUDGET HIGHLIGHTS**

Personnel	Personnel increased due to wage structure adjustments and salary increases.
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**RELIEVERS - FLYING CLOUD**

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the six Reliever Airports. The department staff manages the properties, including the administration of over 800 leases. The staff also responds to tenant, airport user and community issues and concerns.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	208,457	235,757	233,717	-2,040	-0.87%
Administrative Expenses	1,177	331	336	5	1.51%
Professional Services	9,409	13,753	9,550	-4,203	-30.56%
Utilities	347	250	254	4	1.60%
Operating Services/Expenses	0	0	0		
Maintenance	115,423	58,942	60,028	1,086	1.84%
Other	0	241	0	-241	-100.00%
<b>Total Budget</b>	<b>334,814</b>	<b>309,274</b>	<b>303,885</b>	<b>-5,389</b>	<b>-1.74%</b>
<b>FTE Total</b>	<b>3</b>	<b>3</b>	<b>3</b>		

**BUDGET HIGHLIGHTS**

Personnel	Personnel decreased as overtime in the 2014 budget is based on a three-year average. However, wage structure adjustments and salary increases are also included.
Professional Services	Professional Services decreased as the 2014 budget is closer to 2012 actual expenses.

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**RELIEVERS - CRYSTAL**

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the six Reliever Airports. The department staff manages the properties, including the administration of over 800 leases. The staff also responds to tenant, airport user and community issues and concerns.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	206,830	243,433	240,492	-2,941	-1.21%
Administrative Expenses	1,473	251	937	686	273.31%
Professional Services	9,409	11,388	9,550	-1,838	-16.14%
Utilities	538	514	462	-52	-10.12%
Operating Services/Expenses	96	1,420	97	-1,323	-93.17%
Maintenance	37,136	33,357	29,971	-3,386	-10.15%
Other	184	0	184	184	100.00%
<b>Total Budget</b>	<b>255,667</b>	<b>290,363</b>	<b>281,693</b>	<b>-8,670</b>	<b>-2.99%</b>
<b>FTE Total</b>	<b>3</b>	<b>3</b>	<b>3</b>		

**BUDGET HIGHLIGHTS**

Personnel	Personnel decreased as overtime was budgeted on a three-year average. Also, wage structure adjustments and salary increases are included.
Administrative Expenses	Administrative Expenses increased as additional travel is expected.
Professional Services	Professional Services decreased in 2014 as the budget is set closer to 2012 actual expenses.
Operating Services/Expenses	Operating Services/Expenses decreased as the need is expected to be less in 2014.
Maintenance	Maintenance decreased as less parts and supplies are needed in 2014.

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**RELIEVERS - ANOKA**

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the six Reliever Airports. The department staff manages the properties, including the administration of over 800 leases. The staff also responds to tenant, airport user and community issues and concerns.

**BUDGET SUMMARY**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>\$</b>	<b>%</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>Variance</b>	<b>Variance</b>
Personnel	224,410	249,271	243,263	-6,008	-2.41%
Administrative Expenses	1,121	1,375	1,305	-70	-5.09%
Professional Services	28,339	28,700	28,000	-700	-2.44%
Utilities	230	200	200	0	0.00%
Operating Services/Expenses	134,675	152,500	135,000	-17,500	-11.48%
Maintenance	75,024	57,335	58,730	1,395	2.43%
Other	200	1,000	350	-650	-65.00%
<b>Total Budget</b>	<b>464,000</b>	<b>490,381</b>	<b>466,848</b>	<b>-23,533</b>	<b>-4.80%</b>
<b>FTE Total</b>	<b>3</b>	<b>3</b>	<b>3</b>		

**BUDGET HIGHLIGHTS**

Personnel	Personnel decreased as no temporary staff were budgeted; however, wage adjustments and salary increases are included.
Operating Services/Expenses	Operating Services/Expenses decreased as a one-time expense occurred in 2013.



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## Statistics & Informative Facts

The Statistics and Informative Facts sections are:

1. Historical Operating Revenue/Operating Expense and Facility Comparisons
2. Activity /Operations Statistics
3. National Comparisons
4. Informative facts about Minnesota

### Historical Operating Revenue/Operating Expense and Facility Comparisons

The below table is a comparison of the years 2003 versus 2012 and emphasizes the changes that occurred when comparing the percentage in each category to the total. The average annual percentage increase in revenue from 2003 to 2012 (5.2%) is greater than the annual percentage increase in expenses from 2003 to 2012 (3.9%). Over this ten-year period, revenue grew 1.3% more than expenses.

<b>HISTORICAL OPERATING REVENUE &amp; OPERATING EXPENSE SUMMARY 2003 VS 2012</b>						
(\$ = 000)						
	2003		2012		2003-2012	Annual
	\$	% of Total	\$	% of Total	Change \$	% Change
<b>Operating Revenue</b>						
Airline Rates & Charges	\$ 58,874 *	35.0%	\$ 98,437	36.9%	\$ 39,564	5.9%
Concessions	72,337	43.0%	126,399	47.4%	54,062	6.4%
Rentals/Fees	0	0.0%	27,999	10.5%	27,999	
Utilities & Other Revenue	0	0.0%	13,582	5.1%	13,582	
Other	36,971	22.0%	0	0.0%	(36,971)	-100.0%
<b>Total Operating Revenue</b>	<b>\$ 168,182</b>	<b>100.0%</b>	<b>\$ 266,418</b>	<b>100.0%</b>	<b>\$ 135,207</b>	<b>5.2%</b>
<b>Operating Expenses</b>						
Personnel	\$ 48,273	49.8%	\$ 68,145	49.9%	\$ 19,873	3.9%
Administrative Expenses	844	0.9%	1,561	1.1%	718	7.1%
Professional Services	2,821	2.9%	4,536	3.3%	1,715	5.4%
Utilities	11,779	12.2%	16,288	11.9%	4,509	3.7%
Operating Services	13,928	14.4%	17,379	12.7%	3,451	2.5%
Maintenance	16,453	17.0%	26,052	19.1%	9,599	5.2%
Other	2,744	2.8%	2,631	1.9%	(113)	-0.5%
<b>Total Operating Expenses</b> (excludes depreciation and noise amortization)	<b>\$ 96,841</b>	<b>100.0%</b>	<b>\$ 136,593</b>	<b>100.0%</b>	<b>39,752</b>	<b>3.9%</b>
<b>Operating Income (Loss)</b> (excludes non operating)	<b>\$ 71,341</b>		<b>\$ 129,825</b>		<b>\$ 58,485</b>	<b>6.9%</b>

\* Includes Airline Rent Credit of \$13 million

### Operating Revenue

In 2008, a major upgrade in the financial software program provided an opportunity to improve revenue reporting. This affected the various individual lines of revenue being reclassified into new categories and the reclassifications are not reflected in the data for 2003 (although the total is accurate). The following explanations for the changes in revenue are general in the categories represented. Changes in revenue are as follows:

- ♦ The average annual percentage increase for Airline Rates and Charges is 5.9% between the years of 2003 and 2012. This is due in part to landing fees and expanded terminal facilities necessary to accommodate the growth in passenger activity between 2003 and 2012. Landing fees are calculated on a breakeven basis with revenue and expense being equal. An increase in revenue, therefore, is a result of increased costs in the Field and Runway area, directly attributable to increases in maintenance, utilities and operating services. The increase between 2003 and 2012 also results from changes in the 2007 Amendment to the Airline Use Agreement and new facilities that have become operational. In the past, this category had maintained the largest growth.

However, due to airline lease and use renegotiations, growth has become less than Concessions. In addition, since 2008 Terminal 2 common use rates and other fees associated with non-signatory airline landing and ramp fees are included in Airline Rates and Charges. (See Operating Budget Revenue.)

- ◆ The largest growth occurred is in the Concessions category (6.4%). This is a result of increasing auto parking fees, facilities, and changes/renewals to the Auto Rental contracts and separate concession agreements with various firms to operate concessions in the terminal building, including food/beverage, newsstands, telephones, advertising, games/amusements, etc. Contract agreements for both indoor and outdoor advertising, along with a new ATM contract and banking facility, also contribute to the increase. (See Operating Budget Revenue.)
- ◆ The annual average percentage increase of 1.3% is in the Other Revenue category (combines Rentals/Fees and Utilities & Other Revenue). In 2008 the Other Category was separated into two new components, Rentals/Fees and Utilities and Other Revenue. Due to the conversion of data in the new financial software system, the breakout of this revenue for the years prior to 2008 would be difficult to determine. Therefore, for purposes of this explanation, these numbers have been combined. The increase is attributable to building rentals including the Federal Express and UPS building/facilities, Terminal 2 common use rates and other fees associated with non-signatory airline landing and ramp fees that were included in this category in 2002 through 2007. However, 2008 reporting revenue is included in Airline Rates and Charges. (See Operating Budget Revenue.)

## Operating Expenses

Expense changes are as follows:

- ◆ Personnel expenses increased from 2003 to 2012 by \$19.9 million. This equates to an average annual increase of 3.9%. Full Time Equivalents (FTEs) in 2003 were budgeted at 543.5 while FTE positions in 2012 were budgeted at 583.0. This is a direct result of the 2010 Expansion which included a new runway, new Humphrey Terminal, expanded Lindbergh Terminal as well as a number of other facilities.
- ◆ Administrative Expenses had an annual increase of 7.1% as a result of the higher costs related to travel expenses.
- ◆ Professional Services increased 5.4% when comparing 2003 actual expenses to the total expenses for 2012. The majority of the increase was related to legal and engineering fees.
- ◆ Utilities increased 3.7% between 2003 and 2012, and reflect the higher costs of natural gas and electricity along with an increase in facilities.
- ◆ Operating Services accounted for 14.4% of total expenses in 2003. However, this number was reduced in 2012 to 12.7% in response to economic conditions and contract reductions. The overall increase between 2003 and 2012 is 2.5%.
- ◆ Maintenance increased of 5.2% between 2003 and 2012 as a result of additional facilities including Runway 17/35. Contracted maintenance also increased for building mechanical areas, including automated people mover, elevator, escalator and moving walks.
- ◆ Other expenses decreased 0.5% primarily as a result of less liability insurance costs when annualized between the years 2003 and 2012.

**Minneapolis-St. Paul  
International Airport Terminal 1 –  
Lindbergh Terminal****2012****1963**

<b>Facility Expansion Lindbergh and HHH</b>				
	<u>2003*</u>	<u>2013</u>	<u>Increase</u>	<u>% Increase</u>
<b>Lindbergh &amp; Regional</b>				
Terminal Square Footage	2,645,523	2,841,143	195,620	7.4%
Number of Gates (Aircraft Loading Positions)	117	114	-3	-2.6%
Ramp Lineal Footage	11,172	11,179	7	0.1%
<b>Humphrey Terminal</b>				
Square Footage	388,428	539,483	151,055	38.9%
Number of Gates	8	10	0	0.0%
Parking (All Facilities)	18,996	21,997	3,001	15.8%

The chart above compares the development and expansion of the major facilities at MSP International between 2003 and 2013. The significance of this growth impacts both revenue and expenses. (The decrease in the number of gates in 2013 is due to a reconfiguration of the area to accommodate the size of the jets.) New facilities occupied by tenants will continue to generate additional income. Expenses include maintenance (both labor and materials), repairs, utilities, security and administrative costs. All sections of MAC are impacted by changes in facilities.

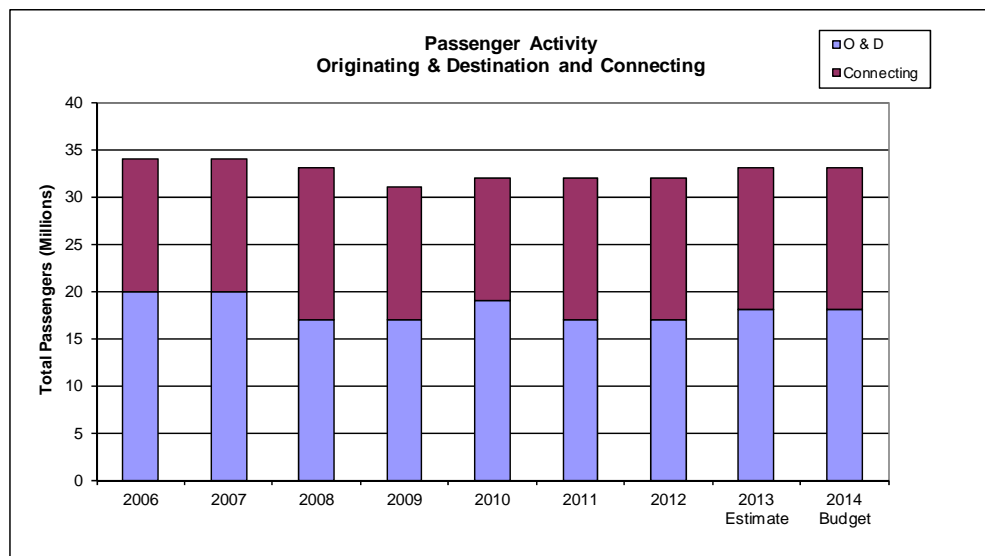
The following table identifies major new facilities that have been completed since 2004.

Major New Facilities Completed 2004 through 2013			
<u>New Facilities</u>	<u>Closing Date</u>	<u>New Facilities</u>	<u>Closing Date</u>
Runway 12R Deicing Pad	2004	MUFIDS Phase 2	2010
LRT (Light Rail Transit) Tunnel/Stations	2004	Lindbergh Terminal Carpet	2010
A,B,C Concourse -- Moving Walks, People Mover & Expansion	2004	HHH Skyway Expansion	2010
17/35 Runway	2005	Flying Cloud Airport -Runway 10R/289L Extension	2010
Fire Station No. 1	2005	2008/2009 Part 150 Noise Sound Insulation Prog	2010
North Terminal Expansion	2006	Concourse G Expansion Site Preparation	2011
Runway 4/22 Tunnel	2006	Taxiway C Extension to HHH Remote	2011
Trinity School Acquisition	2006	LT Sprinle System - Phase 4	2011
HHH Terminal Projects	2006	FAA Building Upgrades	2011
Lindbergh Terminal EDS Bldg. Shell	2006	2008/2012 Part 150 Noise Sound Insulation Prog	2012
Taxiway CD Phase 3	2007	Terminal 2 Phase A Security Check Pt	2012
In-line Baggage Screening System	2007	Terminal 2 Fuel Facility Relocation	2012
Runway 12R/30L Reconstruction Segment 2	2007	Terminal 1 Folded Plate Drain Roof Repair	2012
St. Paul Airport Runway Improvements	2008	Perimeter Fence Security Improvement	2012
Humphrey Terminal Parking Expansion	2008	Terminal 1 Jet Bridge Replacements	2012
St. Paul Airport Runway Safety Area	2008	LT South Baggage Screening – Phase 2	2013
Perimeter Fence/Gate Barrier System	2008	IS Date Center Facility – Phase 1 & 2	2013
St. Paul Airport-Dike Excavation	2008	Terminal 2 – Apron Expansion	2013
Runway 12L/30R Reconstruction - Segment 2	2009	I-494/34 <sup>th</sup> Ave. Interchange (Diverging Diamond)	2013
North/South Runway-Bloomington Land Acquisition	2009	Concourse G Roof Replacements	2013
HHH Terminal Parking Facility Expansion	2009	North Side Storm Sewer (Ponds 3 & 4)	2013
St. Paul Airport - Flood Protection:Perimeter Dike	2009	Post Road Fuel Farm Fire Protection Improvement	2013
LT Sprinkle System - Phase 3	2009	Conveyance System Upgrades	2013

Note: Terminal 1 -Lindbergh Terminal 2 -HHH

### Activity/Operations Statistics

This section contains the historical and forecasted levels of activity for the period 2006 through 2014 in the MAC's system of airports.



The above chart illustrates passenger activity that occurred at MSP International Airport during the time period 2006 to 2014.

- 2006 - Decline in passenger activity of 2.1 million as a result of a reduction in flights by MAC's major carrier due to bankruptcy. (Record high of 36.7 million passengers in 2005).
- 2007 - Passenger activity was 1% less than 2006 with the impact of bankruptcy.



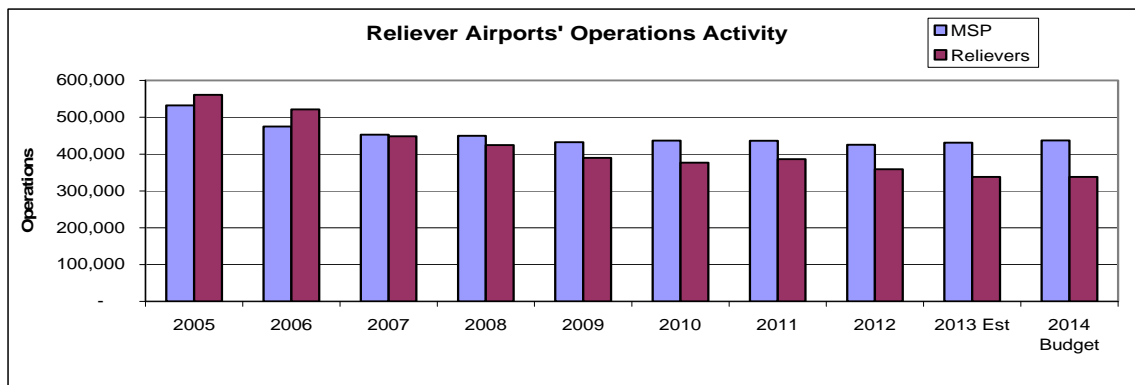
- 2008 - 1.1 million decline in passengers as Northwest, the major carrier merged with Delta.
- 2009 - Worst recession since the Great Depression yielded 1.6 million less passengers.
- 2010 - Minor increase in passengers (Southwest Airline activity)
- 2011 - Minor increase in passengers
- 2012 - Minor increase in passengers
- 2013 - Estimate
- 2014 - Budget projecting an increase in passenger activity based upon airline projections and a recovering economy

**Passenger Type Comparisons 2010 to 2014**

Passenger Type	2010 <u>Actual</u>	2011 <u>Actual</u>	2012 <u>Actual</u>	2013 <u>Estimate</u>	2014 <u>Budget</u>
Enplaned	9,147,140	8,676,764	8,667,889	8,927,053	9,046,117
Deplaned	9,452,236	8,709,549	8,698,441	8,955,546	9,074,990
Connecting	<u>13,135,338</u>	<u>14,590,850</u>	<u>14,704,298</u>	<u>14,880,428</u>	<u>15,078,894</u>
Total Passengers	<u>31,734,714</u>	<u>31,977,163</u>	<u>32,070,628</u>	<u>32,763,027</u>	<u>33,200,000</u>

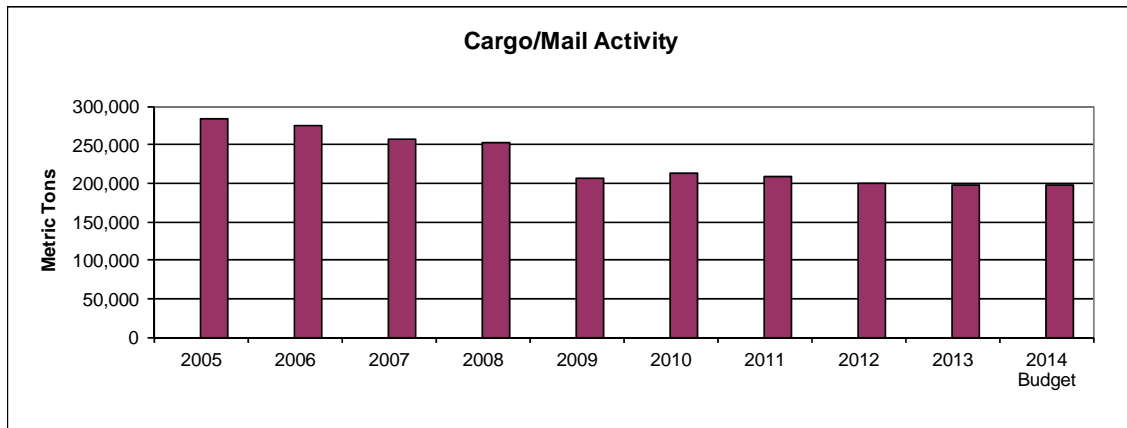
Estimates of passenger activity form an important element in forecasting revenue each year. The above chart represents actual passenger statistics for 2010, 2011 and 2012 with estimates for 2013 and budget 2014. The following categories are each used in a specific manner when calculating revenue:

- ◆ Enplaned (originating) passengers plus connecting passengers are used in forecasting most concession revenue.
- ◆ Deplaned (final destination) passengers are used in the process of estimating auto rental revenue.
- ◆ Enplaned (originating) passengers, excluding connecting, are used in estimating common use and carousel and conveyor percentages for billing the airlines.

**Delta Air Lines Operations at T-1**

The Operations Activity chart depicts the total Operations Activity for both the Reliever Airports and MSP International. An operation represents one takeoff or landing. MSP operations have steadily declined as

shown above as a result of airline bankruptcies, acquisitions, the recession and aircraft size. The 2014 budget is based upon a slight increase in activity due to improving economic conditions.



The Cargo/Mail Activity Chart points to a steady decrease in activity from 2005 through 2009 as a result of shipments made via truck or rail due to costs and security, bankruptcy issues and the economy. The budget for 2014 remains consistent with prior year activity.



***Parking Rules Were Enforced at Wold-Chamberlain Field in 1951***

## **National Comparisons**

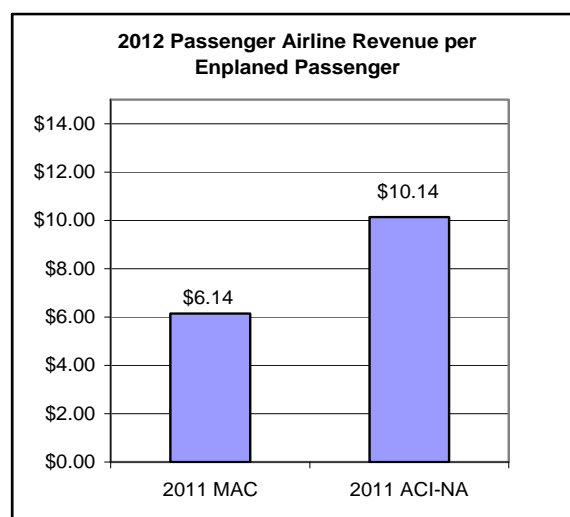
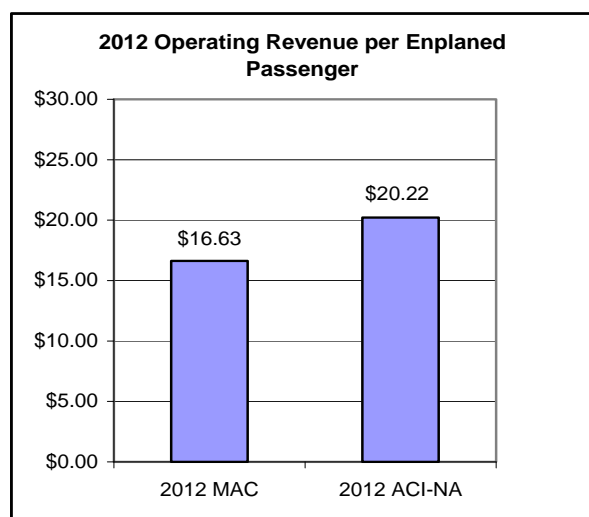
The information presented in this section was obtained from the national airport survey prepared by Airports Council International – North American (ACI - NA) dated October 2013. This survey grouped hub airports into three categories: large, medium, and small. MSP is considered a large hub airport.

The following two subjects are addressed:

- Industry Revenue Comparisons
- Industry Comparisons – Other

## **Industry Revenue Comparisons**

Revenue per Enplaned Passenger and Concessions Revenue are reviewed in this segment. The following charts compare MAC's Revenue with ACI-NA survey results for 2012:



Operating Revenue per Enplaned Passenger compares MAC's revenue of \$16.63 per enplaned passenger to other large hub airports of \$20.22. The difference is primarily attributable to MAC's lower operating costs as these costs are used to calculate airline rates and charges.

Passenger Airline Revenue per Enplanement Passenger in the above chart measures how much airlines pay the airport on a per enplaned passenger basis. Cargo revenue is not included. This ratio is below the median by \$4.00/enplanement (\$10.14 ACI-NA survey less \$6.14-MAC). The primary reason for this difference is MAC's lower operating costs. In addition, the Third Amendment for the airlines established a concessions credit which also lowers the airline cost. The amended Airline Use Agreement (due to airline bankruptcies) allows for a change in rate methodology, lease adjustments, etc. (See Budget Process and Budget Message sections for details.)

(in thousands of dollars)

Year	Parking	Rental Car & Ground Transportation	Food & Beverage	General Merchandise	MSP Employee Parking *	Other	Total
2008	62,748	21,409	12,807	8,553	2,424	4,942	112,883
2009	61,546	19,429	13,052	8,082	2,586	2,685	107,380
2010	63,682	19,616	12,957	8,028	2,469	5,752	112,504
2011	66,612	22,246	13,398	8,373	2,578	5,585	118,792
2012	72,621	22,574	13,808	8,607	2,929	5,860	126,399
2013 Est	76,000	22,600	14,400	8,600	2,500	5,880	129,980
2014 Budget	77,926	23,148	14,635	8,467	2,629	6,405	133,210

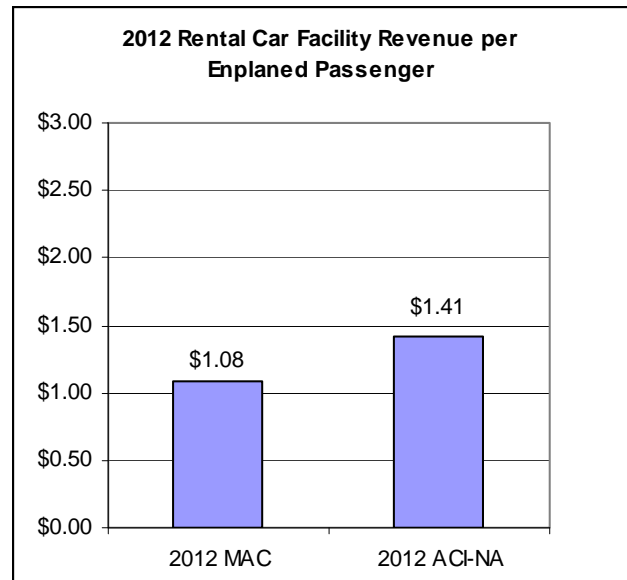
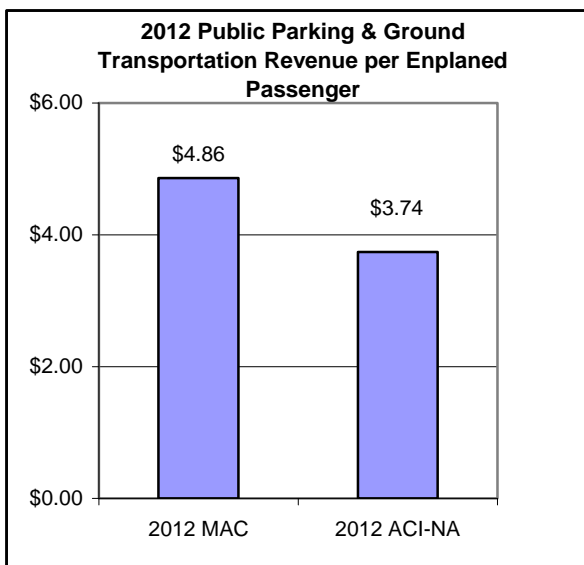
\* Beginning in 2008, MSP Employee Shuttle was reclassified to Concessions Revenue from Other Revenue

The above table presents historical concession revenues from 2008 to 2012, estimate for 2013 and the 2014 budget. (Please see Operating Budget Revenue for additional details.)

- ◆ Parking revenues are related to the level of originating traffic at MSP and decreased in 2008 and 2009 as a result of the economic recession. Even a 2009 rate increase could not overcome the impact of the economic downturn. Revenue in 2010, 2011, 2012, and the 2013 projections show a steady increase with a jump in 2012 from a T-1 general parking rate increase.
- ◆ Rental car revenue can be associated with the level of destination traffic and rental car agreements. The decrease in 2009 is a reflection of the economic recession. The 2011 increase is attributable to greater transactions and activity for Auto Rental – On Airport as well as a new auto rental agreement.
- ◆ Food & Beverage sales increased each year from 2008 through 2014 projections with 2009 being the only exception. The 2010 rent decrease shown in the table above is the result of reconciling the economically driven low 2009 sales in 2010. The Food & Beverage sales increases in 2011, 2012 and 2013 can be partially attributed to the reconstruction of the G Concourse concession program in 2012 and new units added at T-2 in 2013.



- ◆ Merchandise rent decreased substantially in 2009 from the economic downturn and has not truly recovered. Rent in 2010 remained about the same and increased slightly in 2011. The rent increase seen in 2012 can be almost exclusively attributed to a three-month spike in sales at the World Passage store during a Delta employee training program and is not expected to reoccur. The 2013 projected rent decrease and 2014 budget reflects the conversion of four retail units to passenger service concepts.
- ◆ Other revenue consists of advertising both indoor and outdoor, telephones, vending and miscellaneous concessions revenue including in-flight catering and auto services. The decrease in 2009 is a result of lower demand due to the economy directly attributable to passenger service concepts that did not open along with prior year refunds for lease reconciliations. The increase in 2010 reflects greater passengers. A decrease in 2011 is attributable to prior year credits and adjustments, while 2012 and the estimate for 2013, reflect revenue increases as new contracts (Wi-Fi and Outdoor Advertising) will be fully implemented. The 2014 budget increase is due to a full year of the new contracts for outdoor advertising revenue, Wi-Fi and cell phone.



The above two charts represent MAC's comparison with other large hub airports for Parking and Ground Transportation and Rental Car Facility. MAC in 2012 is higher than the national average for parking and ground transportation by \$1.12. However, MAC is lower in generating revenue from rental car facilities by \$0.33.

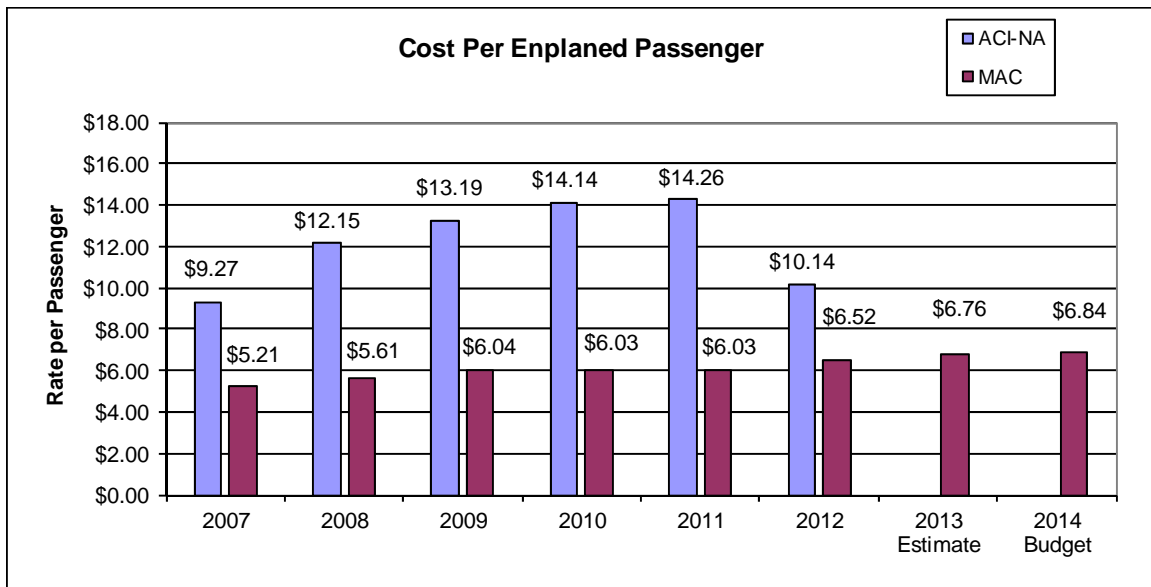
### Industry Comparisons - Other

Four charts presented in this section compare MAC to the following industry performance ratios:

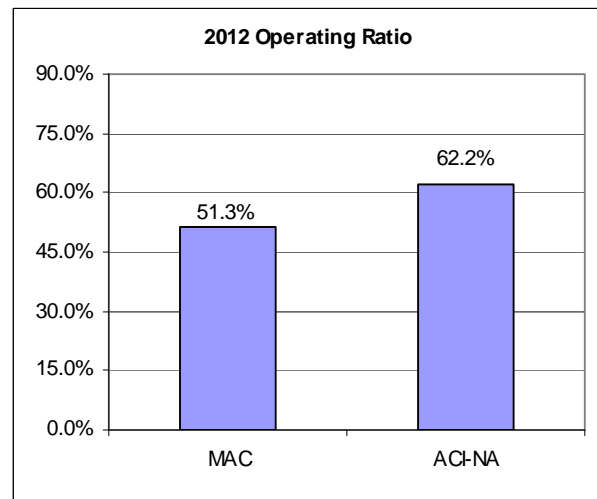
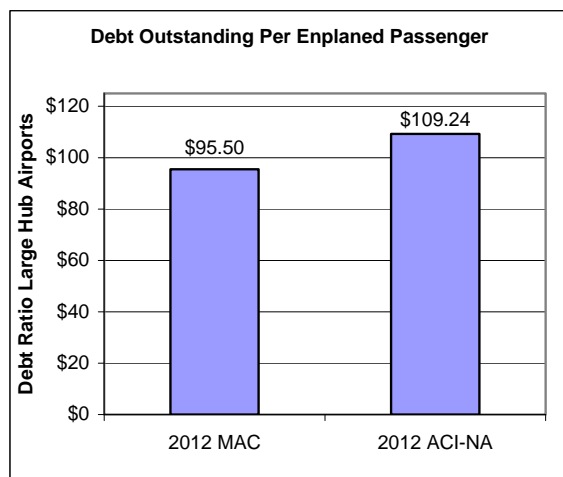
- Cost Per Enplaned Passenger Comparison
- Debt Outstanding Per Enplaned Passenger
- 2012 Operating Ratio
- MAC Operating Ratio – Hub Airports

These ratios are based on 2012 financial and operating data (the most recent available) and have been used for purposes of comparison. All MAC data is based upon actual 2012 information.

Cost per Enplaned Passenger comparison reviewed as follows:

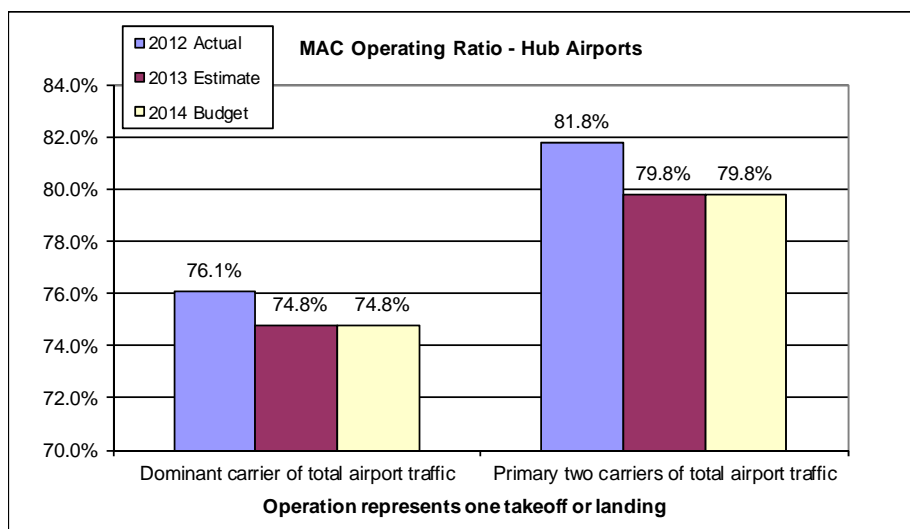


This chart, Cost per Enplaned Passenger Comparison, historically compares MSP's operating expenses for airlines in the airfield, ramp, terminal buildings and international facilities per enplaned passenger to the average cost per enplaned passenger as indicated in the ACI-NA report. In 2012, MAC's expense of \$6.52 per passenger (which is in the lower third of large hub airports) is less than the 2012 national average of \$10.14 and is attributable to MAC's lower operating costs.



Debt per enplaned passenger is calculated by dividing total outstanding General Airport Revenue Bond (GARB) debt by the number of enplaned passengers. The above chart uses the mean for Debt per Enplaned Passenger as published by the ACI - NA for large hub airports. MAC's ratio of debt/enplaned passenger is below the industry average due to bond refundings.

The 2012 Operating Ratio is calculated by dividing total operating expenses, excluding depreciation, by total operating revenues. MAC's operating ratio indicates that operating expenses are a higher percentage of the total operating revenue than the mean. This difference is partly attributable to the manner in which other airports account for long-term leases with the airport tenants. Ratios derived from the income statement provide measures of profitability.



The dominant carrier at MSP is Delta Air Lines. The 2014 budget is projecting no change in the Delta percentages from the 2013 estimate. The second largest carrier in 2012 was United Airlines with 5.7% of total airport traffic.

### Informative Facts About Minnesota

Minnesota is a successful state for many reasons. It holds a large number of fortune 500 companies. The "higher than U.S." education rate pays off as Minnesotans have a lower unemployment rate, higher per capita income and many companies to choose from for employment. Likewise, the Minneapolis-St. Paul International airport is ranked among the top airports in a number of areas. Minneapolis-St. Paul International Airport is the only large hub airport in the Metropolitan Statistical Area (MSA) serving scheduled air commerce.

The following information is provided about the State of Minnesota.

- Population
- Employers and Employment
- Tourism and Attractions
- Informative Facts
- Minneapolis St Paul International Airport information

### Population

POPULATION					
(\$ = 000)					
Calendar Year	United States	Minnesota	Minneapolis St. Paul MSA	MSA* as % of U.S.	MSA as % of Minnesota
2001	285,082	4,983	3,025	1.1%	60.7%
2002	287,804	5,017	3,055	1.1%	60.8%
2003	290,211	5,048	3,082	0.9%	60.9%
2004	293,046	5,079	3,112	1.0%	61.0%
2005	295,753	5,107	3,141	1.0%	61.2%
2006	298,593	5,148	3,175	1.0%	61.6%
2007	301,580	5,191	3,172	1.1%	61.1%
2008	304,375	5,231	3,238	1.1%	61.9%
2009	307,007	5,266	3,270	1.1%	62.1%
2010	309,326	5,310	3,356	1.1%	63.2%
2011	311,583	5,347	3,389	1.1%	63.4%
2012	313,874	5,380	3,422	1.1%	63.6%
2013	316,129	5,420	NA	NA	NA

Source: U.S. Depart. of Commerce, Bureau of the Census accessed 1/15/2014  
\*MSA = Metropolitan Statistical Area

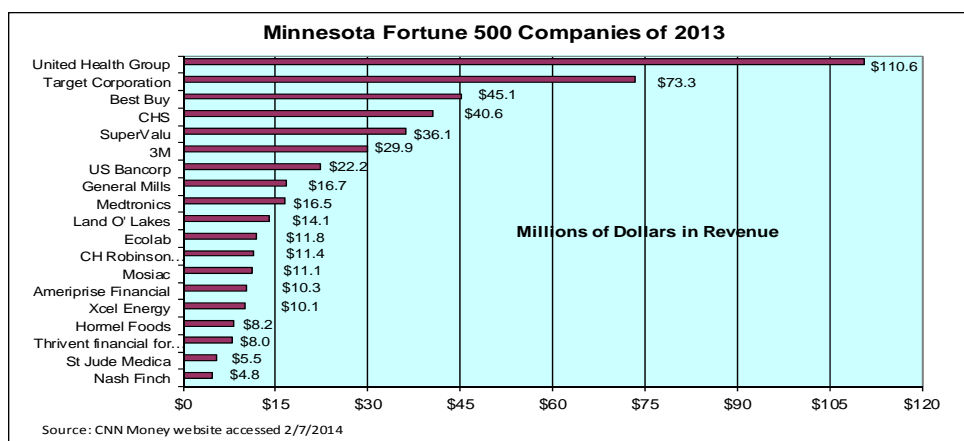
The prior table presents the population for the USA, the State of Minnesota and the MSA. The MSA is composed of 11 counties located in the east-central region of the State and 2 counties in the western portion of Wisconsin. Minnesota, in terms of 2013 population estimates, is the 21<sup>st</sup> largest state in the nation. Much of the recent population growth is attributed to a rise in immigration. The state population is made up of 88% Caucasian, 5% African American, 4% Asian and 3% other. Most of the population lives within the MSA as shown in the above table.

## Employers

Many large companies are based in Minnesota and reap the benefits of its growing economy. In 2013, Mayo Foundation was at the top of the Largest Minnesota Employer list with over 41,000 employees when ranked by a number of in-state employees. State and Federal Government and Target are close behind in the ranking with over 30,000 employees each. Minnesota hosts many *Fortune 500* companies. Overall, the State is home to 19 Fortune 500 companies, representing a wide variety of industries including financial services, banking, retail sales, health care, manufacturing and food processing.

<b><u>Minnesota Top 20 Largest Employers</u></b>		
<b><u>Company Name</u></b>	<b><u>Number of Employees</u></b>	<b><u>Industry</u></b>
Mayo Foundation	41,431	Health Services
State of Minnesota	36,899	Governmental Services
Target Corporation	31,100	Retail Trade
United States Federal Government	30,567	Governmental Services
Allina Health System	25,176	Health Services
University of Minnesota	25,000	Education
Fairview Health Services	22,168	Health Services
Health Partners	21,255	Health Services
Wal-Mart Stores Incorporated	20,689	Retail Trade
Wells Fargo Bank Minnesota	20,000	Financial Services
Minnesota State Colleges &	17,865	Education
3M Company	15,000	Manufacturing
United Health Group Incorporated	13,931	Health Services
Delta Air Lines, Incorporated	12,000	Passenger Services
US Bancorp	11,300	Financial Services
Essentia Health	9,536	Health Services
Hormel Food Corporation	8,061	Manufacturing
Best Buy Company Incorporated	8,013	Manufacturing
Medtronic Incorporated	8,000	Medical Technology
CentraCare Health System	7,800	Health Services
Source: Minneapolis St. Paul Business Journal, 2014 Book of Lists		

The following chart recognizes the Minnesota Fortune 500 Companies of 2013. The top three Minnesota companies are once again United Health Group followed by Target Corporation and Best Buy.



## Employment

The Unemployment Rate table indicates Minnesota's and Minneapolis-St. Paul's historically low unemployment rates. The unemployment rate for the MSA was less than the national unemployment rate in every year shown; particularly in 2001 when a national recession was indicated. Also, the Minnesota rate was below or equaled the national rate for all years shown. The unemployment rates began to increase in 2001 through 2003 and again from 2007 through 2009 with 2009 and 2010 rates being the highest in decades for the United States, Minnesota and the Minneapolis-St. Paul MSA. In 2010, the unemployment rate declined in Minnesota and the MSA but did not decline for the United States until 2011. In 2013, Unemployment continued to drop for the United States, Minnesota and the MSA. In addition, the MSA continues to remain lower than the national average.

Civilian Unemployment Rate			
Calendar	United	Minneapolis-	
Year	States	Minnesota	St. Paul MSA**
2000	4.0%	3.2%	2.6%
*2001	4.7%	3.8%	3.5%
2002	5.8%	4.5%	4.4%
2003	6.0%	4.9%	4.7%
2004	5.5%	4.6%	4.4%
2005	5.1%	4.2%	3.9%
2006	4.6%	4.1%	3.8%
2007	4.6%	4.6%	4.3%
2008	5.8%	5.4%	5.2%
2009	9.3%	8.0%	7.8%
2010	9.6%	7.1%	6.9%
2011	8.9%	5.7%	5.1%
2012	7.6%	5.4%	5.0%
2013	6.7%	4.6%	4.0%

Sources: U.S. Department of Labor, Bureau of Labor Statistics  
Minnesota Department of Employment and Economic Development

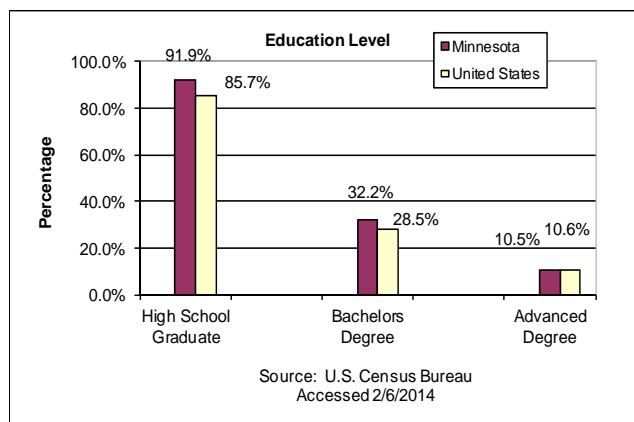
\*Indicates national recession during all or part of year  
\*\*The MSA consists of 13 surrounding counties.

According to the Department of Employment and Economic Development (DEED), in the past year Minnesota added 45,900 jobs, a growth rate of 1.7 percent compared to the national average of 1.6 percent. New jobs in the Minneapolis-St. Paul MSA grew by 2 percent in 2013. The jobs created over the past year reached eleven of the twelve major industrial sectors in Minnesota and are due to a number of expansion activities. With the Fortune 500 companies, the large number of employers in the state and new jobs added, Minnesota is gaining a larger share of the nation's economic pie.

The following two charts depict comparisons of per capita personal income and education level.

Per Capita Personal Income			
Year	United States	Minnesota	MSA
2004	\$ 33,899	\$ 37,079	\$ 41,633
2005	35,447	37,991	42,740
2006	37,728	40,015	45,002
2007	39,430	41,764	46,853
2008	40,208	43,037	48,207
2009	38,846	41,223	44,977
2010	39,945	42,847	46,498
2011	41,560	44,560	48,657
2012	43,735	46,925	50,260

Source: Bureau of Economic Analysis, US Department of Commerce



For every year within the above chart, the MSA's per capita personal income has been higher than the per capita personal income amount for the nation and the state. With salary increases back on the rise, it leads to higher discretionary disposable income, on average, than others throughout the State and the nation and relates positively to the demand for air travel.

Minnesota knows the importance of education. As depicted in the prior chart, the state has a well-educated workforce with 91.9 percent high school graduates, compared to 85.7 percent throughout the United States and almost a third with bachelor's degrees compared to 28.5 percent for the United States. Furthermore, the number of Minnesotans with advanced degrees is almost equal to the national average. Post secondary education opportunities in the MSA include a variety of institutions including a number of public universities, private colleges and universities, community colleges, technical colleges and post-graduate schools. In addition, several proprietary schools offer trade and technical training in the MSA. According to the Minnesota Department of Administration, Minnesota has two talents, degree talent and creative talent. Minnesota is fourth in the nation in degreed talent and sixth in creative talent. Minnesota is in a good position to be competitive.

## Tourism and Attractions

The Minneapolis-St Paul area has numerous tourist attractions as well as local activities as described below:

- Home to the nation's largest shopping center and entertainment complex, the Mall of America (MOA), receives over 40 million visitors per year and brings to the state of Minnesota nearly \$2 billion annually.
- Nationally renowned cultural organizations including the Guthrie Theater, Children's Theater Company, Minnesota Orchestra, St. Paul Chamber Orchestra, Minnesota Opera, Walker Art Center, Minneapolis Institute of Arts and Minnesota Museum of Art.
- The State Theater, Orpheum Theatre and Ordway Music Theatre are host to Broadway shows as well as other cultural events.
- Six major professional sports teams include: Minnesota Twins baseball team, Minnesota Vikings football team, Timberwolves basketball team, Minnesota Lynx women's basketball team, Minnesota Thunder soccer team and Minnesota Wild hockey team.
- University of Minnesota Gophers participate in the Big Ten Conference in a number of sports including basketball, hockey, football and soccer. Fourteen of Minnesota's Big Ten athletes participated in the Winter Olympics in Sochi 2014.
- Minnesota, with its more than 10,000 lakes and 136,000 acres of parks, trails and wildlife management areas, is known for its wide variety of outdoor activities such as sailing, fishing, skiing and hunting.
- Popular local activities in Minnesota include the following annual events: Minnesota State Fair, Minneapolis Aquatennial and St. Paul Winter Carnival.

## Interesting Facts about Minneapolis-St. Paul International Airport

### Historical Facts

- In 1914, Snelling Speedway, an auto racing venue, was an unsuccessful venture. The Minneapolis Aero Club acquired the property which became what is known as today, Minneapolis-St. Paul International Airport.

*Arial view of*



*Snelling Speedway*



- In 1920, the first hangar, a wooden structure, was constructed to accommodate air mail service. The 160-acre property became known as Speedway Field.
- In 1923, Speedway Field was re-named Wold-Chamberlain Field in honor of two local pilots, Ernest Wold and Cyrus Chamberlain, who lost their lives in combat during World War I.



***Dedication of Wold-Chamberlain Field on July 10, 1923***

- In 1926, Northwest Airways won the government's airmail contract and acquired the airport's only hangar.



***St. Paul Downtown Airport Terminal Building – Year 1939***

- In 1970, the movie "Airport" was filmed partially at MSP airport. Burt Lancaster, Dean Martin, Jean Seberg and Jacqueline Bisset starred in the movie.

### **Current MSP Information**

- The MSP Airport Surveillance radar sweeps the sky once every 4.8 seconds.
- Runway 17/35 and its taxiways contain enough concrete to build a sidewalk from Minneapolis to New Orleans.
- Runway 12R-30L is 10,000 feet long by 200 feet wide, which equates to two million square feet of concrete. The MAC runway snow removal team can clear the runway of snow in less than ten minutes.
- MSP operates one of the nation's most extensive airport noise mitigation programs. Between 1992 to the present, the Commission has insulated 14,671 single-family homes and multi-family units at a total cost of approximately \$317.4 million.
- The 53,000 kilometers of fiber cable installed on the property of the Commission could circle the world just over two times.
- Minneapolis-St. Paul International Airport encompasses approximately 3,300 acres. Turf areas, which account for more than one-third of that total, require extensive maintenance by Field Maintenance crew.

## Airport Activity

The passenger traffic at MSP is affected by the region's economic profile. For example, the amount and type of commerce in the region may affect the level of business travel to and from MSP or the amount of personal income in the region may affect the level of discretionary travel from MSP.

<b>2012 Ranking of U.S. Airports</b> <b>(for the 12 months ended December 31, 2012)</b>					
<b>Total Passengers<sup>1</sup></b> <b>(in thousands)</b>			<b>Total Cargo<sup>1</sup></b> <b>(Freight and Mail, in thousands of metric tons)</b>		
Rank	Airport	Passengers	Rank	Airport	Cargo
1	Atlanta	95,514	1	Memphis	4,016.0
2	Chicago	66,634	2	Anchorage	2,463.7
3	Los Angeles	63,688	3	Louisville	2,168.4
4	Dallas/Fort Worth	58,621	4	Miami	1,929.9
5	Denver	53,156	5	Los Angeles	1781.0
15	Newark	34,014	23	Detroit	218.8
16	Seattle	33,223	24	Portland	199.1
17	<b>Minneapolis-St. Paul</b>	<b>33,171</b>	28	<b>Minneapolis-St. Paul</b>	<b>198.7</b>
18	Detroit	32,242	26	Winnipeg	174.9
19	Philadelphia	30,253	27	Orlando	173.0
20	Boston	29,350	28	Salt Lake City	167.3
21	New York	25,708	29	San Diego	141.2

<sup>1</sup> Sum of enplaned and deplaned volume.  
Source: ACI, 2012 North American Traffic Report.

MSP is one of the highest-activity airports in the United States. Approximately 50% of the passengers were connecting while the other 50% were origin-destination. International travelers and a strong demand for charter services also contribute to providing MSP with a strong and diverse passenger base. However, over the past few years MSP has slid from 9<sup>th</sup> place in 2002 to 17<sup>th</sup> place in 2012 as a result of airline bankruptcies, mergers, and a decline in air travel creating a reduced passenger level.

When ranked with total cargo, MSP placed 28th in the U.S. for 2012. The cargo volume is expected to remain the same for 2013 estimated and 2014 budget, a trend similar at other airports. Cargo revenues help to support the viability of scheduled passenger flight operations at MSP as a portion is carried in the belly compartments of passenger flights.

The following table indicates the air carriers providing service at the MSP airport. As of December 31, 2013, the airport was served by 28 air carriers, including 21 US-flag carriers providing scheduled service, four all-cargo service carriers and three foreign-flag carriers.





Minneapolis St. Paul International Airport		
Air Carriers Serving the Airport <sup>1</sup>		
As of December 31, 2013		
US Flag Carriers		
Air Wisconsin <sup>**2</sup>	Delta <sup>**</sup>	Shuttle America <sup>*5,6</sup>
Alaska <sup>*</sup>	Frontier <sup>*</sup>	SkyWest <sup>*5,6</sup>
American <sup>*3</sup>	GoJet Airlines <sup>*5,6</sup>	Southwest <sup>*</sup>
American Eagle <sup>*3,4</sup>	Great Lakes Aviation <sup>*</sup>	Spirit <sup>*</sup>
Chautauqua <sup>**5</sup>	Pinnacle <sup>**6</sup>	Sun Country <sup>*</sup>
Compass <sup>**6</sup>	Republic Airlines <sup>*4</sup>	United <sup>*</sup>
Express Jet <sup>*5</sup>	Republic Airways & Charter <sup>*</sup>	US Airways <sup>*</sup>
Foreign Flag Carriers		
Air France <sup>6</sup>	Jazz Aviation, LP <sup>**9</sup>	Icelandair <sup>*</sup>
All Cargo Service		
Bemidji <sup>**</sup>	FedEx <sup>**</sup>	UPS <sup>**</sup>
ASTAR Air Cargo <sup>*</sup>		

\* Signatory to Airline Lease Agreement that expired on December 31, 2011. All Air Carriers that entered into Airline Lease Agreements with an expiration date of December 31, 2011 have signed amendments to their respective Airline Lease Agreements extending the expiration date to December 31, 2015.

\*\* Signatory to Airline Lease Agreement that expires on December 31, 2020.

<sup>1</sup> Excludes carriers reporting fewer than 1,000 enplaned passengers per annum. Does not indicate which major air carriers codeshare with each other.

<sup>2</sup> Codeshare with US Airways.

<sup>3</sup> AMR Corporation, along with its subsidiaries American Airlines and American Eagle, filed for bankruptcy protection on November 29, 2011. American Airlines and American Eagle continue to operate at the airport while they reorganize under bankruptcy protection.

<sup>4</sup> Codeshare with American.

<sup>5</sup> Codeshare with United.

<sup>6</sup> Codeshare with Delta.

<sup>7</sup> Codeshare with Frontier.

<sup>8</sup> Provides air service to DHL.

<sup>9</sup> Former name Air Canada.

Source: Metropolitan Airports Commission

In addition to the above air carriers, the Air Force Reserve 934th Tactical Airlift Group, the Marine Air Reserve Training Detachment, and the Naval Air Reserve-Twin Cities Center are three branches of the US Armed Forces represented at the Airport. Also, the Minnesota Air National Guard 133<sup>rd</sup> Tactical Airlift Group is located at the Minneapolis-St Paul International Airport.



**4DX** – Four Disciplines of Execution. A practical management process which helps the team to define their most important goals that help to achieve the organization's strategic plans.

**AA** – Affirmative Action

**AAAE** – American Association of Airport Executives

**Accrual Basis** – This basis of accounting attempts to record financial transactions in the period they occur rather than recording them in the period they are paid.

**ACI-NA** – Airports Council International – North America

**ACRP 74** – Airport Cooperative Research Program Report 74

**Administrative Expenses** – One of the main expense categories which includes the following: office supplies, computer supplies, postage, printing, memberships, and travel.

**ADA** – American with Disabilities Act

**ADO** – Airport Director's Office

**AED** - Automated External Defibrillator

**AETRA** – An airport customer satisfaction benchmarking program. (Not an acronym – derived from the Latin word for clear sky, upper sky.)

**Agreement (The)** – The Airline Agreement which expires on 12/31/15 for most airlines (Northwest/Delta, Mesaba and Air Canada expires 2020.) This Agreement is the basis for airline rates and charges primarily the landing fee, ramp fee, carousels and conveyors, terminal building rates and the noise surcharge.

**Agreement (The) Third Amendment** – This was an amendment to the Airline Agreement approved in 2007 by all carriers. Major components of this amendment include converting the rate methodology from Depreciation and Interest to Debt Service and also incorporating a portion of the concessions (25% of Food & Beverage, Retail, News and On Airport Auto Rental revenues to MAC up to a maximum of \$32.3 million escalated annually) as a rebate to Lindbergh and Humphrey Terminal tenants.

**AIP Entitlements** – Funding available under the FAA's Airport Improvement Program (AIP). Entitlement grants are based on the number of enplaning passengers and landed cargo weight.

**AIP Grants – Noise** – Funding available under the FAA's Airport Improvement Program (AIP). Environmental Mitigation Projects are discretionary grants that are approved on a project by project basis.

**Airline Rates and Charges** – One of the three main revenue categories. Includes all charges set by the Airline Agreement (landing fees, ramp fees, terminal rents, carousels and conveyors) plus other airline terminal rents.

**ALEAN** - Airport Law Enforcement Agency Network

**AFB** – American Federation of the Blind

**AMSS** – Airport Message Sending System

**ANOMS** – Airport Noise and Operations Monitoring System

**AOA** – Airport Operations Area

**AOEE** - Assessment of Environmental Effects

**APD** – Airport Police Department

**APM** - Automated People Mover

**Apron** – The extensive paved area immediately adjacent to the Terminal Building area and hangar area. Also referred to as Ramp.

**ARFF** - Aircraft Rescue Fire Fighting

**ASIG** – Aircraft Service International Group

**ASQ** - Airport Service Quality Program

**AST** - Above Ground Storage Tank is a tank that stores liquid substances (i.e. jet fuel, glycol, diesel fuel) above ground.

**AVI** – Automated Vehicle Identification is a system which uses radio frequency identification to identify a vehicle by reading a small tag mounted on a vehicle windshield.

**Balanced Budget** – Refers to Budgeted Operating Revenue equal to Budgeted Operating Expense plus depreciation.

**BDO** - Behavioral Detection Officer

**BIDS** – Baggage Information Display System

**BMI** – Body Mass Index

**Bonds** – A formal promise to pay a specified principal at a certain date in the future along with periodic interest on that principal at a specified rate per period.

**CAD** – Computer Aided Design is a software program which designs three-dimensional objects.

**CAFR** – Comprehensive Audited Financial Report

**Capital Equipment** – Represents equipment with a cost of at least \$10,000 which will be depreciated.

**Capital Expenditure** – Refers to a project or piece of equipment that will be depreciated over its useful life (\$10,000 minimum cost).

**Capital Improvement Program (CIP)** – This program covers projects which will be started during the next two years. Also, a Capital Improvement Plan is used to project an additional five years' worth of projects. These serve as a basis for determining funding requirements and other operational planning decisions.

**Capitalized Interest** – Interest costs incurred from date of capital project commencement through date of beneficial occupancy (substantial completion).

**CCTV** – Close Circuit Television

**CDC** – Center for Disease Control

**CFC** – Customer Facility Charge is an on-airport rental car assessment to recover the rental car portion of capital costs associated with construction of the auto rental/public parking garage located adjacent to Terminal 1 as well as to recover certain maintenance costs relating to the auto rental facilities.

**CFR** – Code of Federal Regulations

**CMAA** – Commercial Management and Airline Affairs

**CMMS** – Computerized Maintenance Management System - A software system used to manage assets and to track asset maintenance. A database of information relative to an organization's maintenance operations including work orders, repair history and life-cycle costs.

**CMS** – Content Management System is a computer program which allows publishing, editing and modifying content as well as maintenance from a central interface. The core function of content management systems is to present information on web sites.

**CNN** – Cable News Network

**Commission** – Metropolitan Airports Commission

**Commercial Paper** – Short-term debt obligation sold with maturity dates of 270 days or less.

**Concessions** – One of the three main revenue categories. This category includes: food and beverage, news & gifts, parking, auto rental, vending, ground transportation, telephones and numerous other small lessees.

**Concourse** – The long hallway-like structure where loading and unloading of passengers takes place.

**Connecting Passengers** – Passengers who transfer to another flight - Mpls.-St. Paul International not being their final destination.

**Construction Fund** – A special account whose monies are used for capital project expenditures, including consulting fees, at all Commission facilities. (See Construction Budget.)

**CSAC** – Customer Service Action Council was created in 1999 in response to the State of Minnesota "Quality" initiative. MAC charged CSAC with leadership of its strategic effort to provide world-class, customer oriented air transportation services at MSP.

**CSOs** – Community Service Officers

**CSPI** - Customer Service Partnership Initiative is an inter-organizational approach to managing customer service throughout Minneapolis–St. Paul International Airport.

**CUPPS** – Common Use Passenger Processing System

**C.U.S.E.** - Common Use System Equipment - used for ticketing and gate use.

**C.U.T.E.** - Common Use Terminal Equipment - used for ticketing and gate use.

**CWN** - Comprehensive Well Network is a network of wells (on the down-gradient perimeter of MSP) where groundwater quality and elevation data are collected.

**DBE** - Disadvantaged Business Enterprise

**DCS** – Departure Control Systems is an automated passenger and baggage check-in system used by airports.

**Debt Service** – Represents issuer's obligation to repay the principal and interest.

**Debt Service Account** – An account which MAC is required by law to maintain whereby the balance on hand on October 10<sup>th</sup> of each year is equal to all principal and interest due on all Airport Improvement Bonds and General Obligation Revenue Bonds payable to the end of the second following year.

**Debt Redemption Fund (Sinking Fund)** – A special account whose monies are set aside to retire debt. (See Debt Service Budget.)

**Defeased** – Refers to Bond Refundings where the old debt is replaced by a new debt schedule - in most cases at a lower interest rate.

**Deficit** – Represents the negative difference between operating revenues less operating expenses (including depreciation).

**Depreciation** – The accounting process of allocating against periodic revenue the cost expiration of tangible plant, property and equipment over their useful lives.

**Derivative Financing Products** – A transaction or contract whose value depends on or, as the name implies, derives from the value of underlying assets such as stock, bonds, or mortgages. One party with exposure to unwanted risk can pass some or all of the risk to a second party. The first party can assume a different risk from a second party, pay the second party to assume the risk, or as is often the case, create a combination. Derivatives are normally used to control exposure or risk.

**DHS** - Department of Homeland Security

**DNL** - Day Night Noise Level

**DOG** – Department Operating Guidelines

**DOT** – Department of Transportation – FY05 Omnibus DOT Appropriation

**DTN** – Data Transmission Network Corporation

**E-1** – Enterprise One is a software product used by the MAC to handle administrative and financial functions ranging from accounting general ledger to personnel to purchasing to lease management.

**EA** – Environmental Assessment

**EAW** – Environmental Assessment Worksheet

**ECC** – Emergency Communications Center

**ECP** – Environmental Compliance Program

**EDS** – Explosive Detection Systems - Machine which scans baggage for explosives.

**EMS** – Emergency Medical Services

**Encumbered** – Refers to the fact that funds have been committed for payment for goods or services.

**Enplaned Passengers** – The number of passengers boarding an aircraft, including originating and stopover or on-line transfer passengers.

**Enterprise Fund** – The cost (expenses including depreciation) of providing goods or services to the general public on a continuing basis is to be financed or recovered primarily through user charges. That is, operating and capital expenses are paid from revenues generated by users.

**EOD** – Explosive Ordinance Disposal

**eparkElite** –Voluntary program offering public parkers at MSP Airport a guaranteed parking space no matter the availability status of airport parking facilities.

**EPA** – Environmental Protection Agency

**ESRI** – Environmental Systems Research Institute

**EVIDS** – Electrical Visual Information Display System includes various kinds of electronic displays operated by the Commission which include MUFIDS displays, digital directories, LED signs over the ticket counters and the variable message displays which are programmed to show a message.

**Exclusive Use** – Space rented to a specific airline.

**Exclusive Use–Janitored** – With this space the Commission furnishes janitorial cleaning.

**EDC** – Explosive Detection Canine

**FAA** – Federal Aviation Administration

**FAA Regulation Part 36** – This regulation deals with noise standards, aircraft type, worthiness and certification.

**FAA Regulation Part 150** – This regulation: a) establishes a uniform nationwide system of describing aircraft noise and noise exposure on different communities; b) describes land-use compatibility for the guidance of local communities; and c) provides technical assistance to airport operators and other governmental agencies to prepare and execute noise compatibility planning.

**F&A Committee** – Finance and Administration Committee composed of Commissioners meeting on a monthly basis. (This Committee is one of the three standing Committees under the Committee restructuring which occurred in August, 2011.)

**F&A** – Finance & Administration

**FCM** – Flying Cloud Airport

**FCMS** – FlexiPark Central Management System

**FIDS** – Flight Information Display System

**FIS** – Federal Inspection Services

**FOD** – Foreign Objects/Debris

**FONSI/ROD** – Finding of No Significant Impact/Record of Decision

**FTE** – Full Time Equivalent – term referring to employee headcount

**Fuel Storage Facility** – Operated by Airline Consortium and used to provide fuel to the airlines.

**Funds** – Refers to the Commission's three funds segregated for accounting purposes – Operating, Debt and Construction.

**Fund Balance** – A fund balance is the assets minus the liabilities in a fund at a given point in time. A positive fund balance means there are more assets than liabilities; a negative fund balance means just the opposite. Fund balance can be complicated by the fact that part of the fund balance is reserved and part unreserved. The difference between reserved and unreserved is that the unreserved can potentially be authorized for future expenditures while the reserved cannot. Additionally, the fund balance is a residual and not necessarily a cash amount.

**Fund Equity** – Fund equity is a generic term referring to what is left after all the liabilities have been taken care of or paid with all the assets. In government, the term fund balance is more often used. Fund equity, while conceptually the same as fund balance, is usually reserved for funds in government that are operated on a business or accrual basis.

**GA** – General Aviation

**GAAP (Generally Accepted Accounting Principles)** – Conventions, rules and procedures necessary to describe accepted accounting practices at a particular time.

**GASB 34** – Basis of Account – Effective January 1, 2002, the Commission adopted GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments; Statement No. 37, Basic Financial Statements – Management's Discussion and Analysis for State and Local Governments: Omnibus; and Statement No. 38, Certain Financial Statement Note Disclosures (GASB Statement No. 34). These statements establish comprehensive, new financial reporting requirements for governmental units. Under GASB Statement No. 34, the Commission is considered to be a special purpose government unit engaged primarily in business type activities (BTA). As a BTA, the Commission prepares its financial statements using the accrual basis of accounting and the economic resources measurement focus.

**General Airport Revenue Bonds (GARBs)** – These bonds are secured by the pledge of all operating revenues of the Commission subject to the prior pledges of such revenues for payment of General Obligation Revenue Bonds.

**General Insurance** – Part of the "Other" expense category. This includes insurance covering property, casualty, liability, crime, auto and equipment.

**General Obligation Bonds (GORBs)** – General obligations of the Commission. Payments of these bonds are secured by the pledge of all operating revenues of the Commission. The Commission has the power to levy property taxes upon all taxable property in the seven-county Metropolitan Area in order to pay debt service on outstanding General Obligation Revenue Bonds.

**GHG** – Green House Gas

**GIS** – Geographic Information System

**GISW** – Glycol Impacted Storm Water management

**GPS** – Global Positioning System

**GPU** – Ground Power Unit

**HRD** – Human Resource Development

**HHH Terminal** – Hubert H. Humphrey Terminal – The Commission's Common Use Terminal housing international, domestic scheduled and charter flight activity.

**HMMH** – Harris, Miller, Miller & Hanson

**HQ** – Headquarters

**HRIS** – Human Resources Information Systems

**HT** – Humphrey Terminal

**HVAC** – Heating, Ventilating and Cooling System

**IAF** – International Arrivals Facility

**IATA** – International Air Transport Association

**ICAO** – International Civil Aviation Organization

**IMLA** – International Municipal Lawyers Association



**Imputed Interest** – This rate is essentially a weighted average of all outstanding bond issue interest rates. It is used in the determination of various rates.

**Infield Area** – An area constructed for parking or maintenance by cargo companies. Currently occupied by Federal Express and UPS.

**IS** – Information Services

**Issuance Costs** – Represents costs associated with issuing debt. These include, but are not limited to, underwriter fees, consultant fees and bond insurance.

**iVISON** – integrated Video Systems Network (enhanced situational awareness for the airport community). In general, this is a major upgrade of all CCTV (closed circuit TeleVision) network, cameras and systems across MSP.

**JAZB** – Joint Airport Zoning Board

**JDE** – J. D. Edwards is the company which originally developed and sold EnterpriseOne before that company was purchased first by PeopleSoft and then by Oracle. (See E-1)

**K-9** – Unit of the Airport Police Department which uses trained dogs as part of its Narcotics Program.

**Landed Weight** – Actual gross weight of a particular plane. The weights for all aircraft are published by the FAA.

**Landing Fees** – This fee is charged to all airplanes that land at MSP. The fees are calculated by dividing total field and runway costs by total landed weight. (See Revenue Assumptions section.)

**Lindbergh Terminal** – The main terminal where most of the scheduled flights arrive and depart. Also referred to as the "Terminal Building". (This facility was named after Charles Lindbergh.)

**Line Items** – Refers to specific accounts (line items) within the Commission's accounting system.

**LMS** – Learning Management System which is a software application for the administration, documentation, tracking, reporting and delivery of education courses or training programs.

**Lobby Fees** – These fees are a per passenger fee charged to airlines when they use the HHH Terminal.

**LOI** – Letter of Intent – Grant program by the FAA. Used for major projects and requires a separate application.

**LRT** – Light Rail Transit is a transportation service provided by the Metropolitan Council (Metro Transit) which moves persons between Terminal 1 and Terminal 2.

**LTCP** – Long Term Comprehensive Plan – Global look at the expansion requirements for Minneapolis-St. Paul International Airport.

**M&O Committee** - Management and Operations Committee composed of Commissioners meeting on a monthly basis. (This Committee is one of the three standing Committees.)

**MAC** – Metropolitan Airports Commission

**MAC Funds** – Amounts generated from operations that the Commission intends to apply toward the cost of the Capital Plan after payment of all operating expenses, debt service and other payment obligations.

**MACANOMS** – Metropolitan Airports Commission Airport Noise and Operations Monitoring System

**MACNet** – MAC's Network which is the system of transmission of information across the MAC community.



**Maintenance Expense** – One of the main expense categories and includes five subdivisions: Trades building, field, equipment and cleaning.

**Major Carriers** – Those airlines which participate in the Airline Agreement. As of December, 2013, these include Air Canada, Air Tran, Alaska, American, Delta, Frontier, Great Lakes Aviation, Southwest, Sun Country, United and USAir. In addition to these, there are several freight carriers, charter carriers, and commuter carriers that participate in the Airline Agreement.

**MALSR** – Medium Approach Lighting System with a RAIL (Runway Alignment Indicator Lights)

**MAVIS** - MAC Automatic Vehicle Information System - This system controls access in and out of MSP Airport parking facilities, taxi and commercial vehicle lanes through the issuance of a valid AVI tag and records entrance and exit times for fee calculation.

**MCDDH** – Minnesota Commission on the Deaf, Deaf-Blind and Hard-of-Hearing

**MCOA** – Minnesota Council of Airports

**MERF** – Minneapolis Employees Retirement Fund

**Metropolitan Council** – (Met Council) – Metropolitan regional planning agency

**Minor Equipment** – Includes items whose cost is less than \$5,000. These items are minor equipment, computers & accessories and office furniture.

**MnDOT** – Minnesota Department of Transportation

**MOU** – Memorandum of Understanding

**MPCA** - Minnesota Pollution Control Agency

**MSA** – Metropolitan Statistical Area

**MSGP** - Multi-Sector General Permit

**MSP or MSP International** – Minneapolis/St. Paul International Airport. Refers to the total airport facility.

**MUFIDS** – Multiple Users Flight Information Display

**NIGP** – National Institute of Governmental Purchasing

**NIMS** - National Incident Management System

**NOC** - Noise Oversight Committee

**NOTAMS** – Notice to Airmen System - A notice containing information (not known sufficiently in advance to publicize by other means) concerning the establishment, condition, or change in any component (facility, service, or procedure of, or hazard in the National Airspace System) the timely knowledge of which is essential to personnel concerned with flight operations.

**NPDES** – National Pollutant Discharge Elimination System

**NTSB** – National Transportation Safety Board

**NWA** – Northwest Airlines. Northwest Airlines merged into Delta in 2008.

**O & D Passengers** – Originating and final destination passengers – originating passengers initiate their travel from Mpls./St. Paul International. Destination (final) passengers arrive at Mpls./St. Paul International and are not transferring to another flight.

**O&M** – Operating & Maintenance

**OAG** – Official Airline Guide

**OABA** - Open Architecture Building Automation

**Operating Fund** – A special fund used to pay all operating expenses such as personnel, maintenance, utilities, supplies, insurance, miscellaneous and equipment purchases. (See discussion on Operating Budget.)

**Operating Services** – One of the main expense categories and includes the parking management and contract, shuttle bus, advertising costs, copy agreement, bank charges, pollution control, service contracts, loading dock fees, computer service contracts, storm water monitoring and other charges.

**Operation** – The aircraft operation which represents a takeoff or landing.

**OSHA** – Occupational Safety and Health Administration

**OTG** – On the Go concession

**Other Expenses** – One of the main expense categories and includes general insurance, minor equipment, safety materials and miscellaneous items.

**Other Revenue** – One of the three revenue categories and includes other building rents, ground rents, utilities and miscellaneous items.

**OWS** – Oil Water Separator

**PAM** – Public Affairs and Marketing

**PAV** – Public Access Videophone

**PC Air** – Pre-Conditioned Air

**PCI** - Payment Card Industry - Visa, MasterCard, Discover, American Express and smaller card issuing institutions which have created a security standard for safeguarding data that is transmitted to and from their networks.

**PD&E Committee** – Planning, Development and Environment Committee composed of Commissioners meeting on a monthly basis. (This Committee is one of the three standing Committees under the Committee restructuring which occurred in August, 2011.)

**PERA** – Public Employees Retirement Association

**Personnel** – One of the main expense categories which includes all wages, salaries and benefits.

**PFC - Passenger Facility Charge** – An authorization by Congress which allows proprietors of commercial service airports, such as MAC, to impose a passenger facility charge upon revenue passengers enplaning at those airports. The charge can be set at \$1.00, \$2.00, or \$3.00, \$4.00, or \$4.50. There are exemptions for passengers flying on Essential Air Service flights. The basis for the PFC is to provide needed supplemental revenues to expedite the improvement of airport facilities used by passengers to mitigate noise impacts and to expand airport system capacity. MAC's initial application was approved with charges starting June 1, 1992. Early 2001 the level of PFC's charged by MAC will go to \$4.50. The Commission currently has ten approved applications, three of which remain open.

**PIDS** - Public Information Display Screens

**PLM** - Pinnacle Learning Manager

**Professional Services** – This expense category refers to various types of professionals, such as architects, engineers, auditors, lawyers and other specialists hired during the year to perform studies or required work and make recommendations based upon their findings.

**PSA** – Passenger Service Assistant

**PSS** – Public Safety and Security

**RAAC** – Reliever Airports Advisory Council

**Ramp Fees** – A fee charged to a particular airline for exclusive use of a specific area of ramp, calculated by dividing the total estimated costs in the appropriate cost center by the number of lineal feet of ramp space. Also referred to as Apron Area.

**RCS** - Revenue Control System is a system which controls access in and out of MSP Airport public parking facilities. This system also records entrance and exit times, calculates the fee due based on the applicable rate and then processes and records payment information.

**RDC** – Regional Distribution Center

**Reimbursed Expense** – Costs paid by the Commission initially and then billed back to tenants or paid to MAC from other outside sources. (This is recorded in "Other Revenue".)

**Reliever Airports** – Refers to St. Paul Downtown, Flying Cloud, Crystal, Anoka, Lake Elmo and Airlake Airports. These airports provide facilities for general aviation activity and reduce traffic and congestion at MSP International.

**Revenue Bonds** – Represent bonds which are paid with an entity's operating revenue generated from rents, fees and charges. (See GARBs.)

**RFB** – Request for Bid

**RFP** – Request for Proposals

**RFQ** – Request for Qualifications

**RNAV** – Runway Area Navigation

**RNP** – Required Navigation Performance

**RON** – Remain Over Night (aircraft parking)

**RPZ** – Runway Protection Zone enhances the protection of people and property on the ground through airport owner control over areas of incompatible objects and activities. Control is preferably exercised through the acquisition of sufficient property interest in the RPZ.

**RSS** - Requisition Self Service

**SAAC** – Secured Area Access Control System

**SCAN** – Spot, Challenge and Notify – An airport employee watch guard program

**SCSU** – St. Cloud State University

**Scope** – Non-traditional or derivative financial products are those products other than traditional long-term fixed rate debt obligations and traditional short-term variable rate products (including variable rate demand obligations, commercial paper and auction rate notes). Such non-traditional financial products include, but are not limited to, “swaps”, “swaptions”, “municipal warrants” and “interest rate caps”.

**Self-Liquidating Rents** – Fees received for the rental of facilities constructed for a specific airline or tenant; leases or lease amendments are negotiated for each facility to assure that the payment of all associated costs of constructing, financing and maintaining it are reimbursed to the Commission.

**Service Center** – The Commission's terminology for a specific department in order to keep track of costs.

**Seven County Metropolitan Area** – The counties surrounding and including the cities of Minneapolis, St. Paul and MSP International. The counties include Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington.

**SIDA** – Security Identification Display Area is the portion of the airport, specified in the airport security program, in which security measures specified in 49 CFR Part 1542 are carried out. At MSP this includes the Secured Area and the Air Operations Area.

**Signatory Carriers/Airlines** – Refers to those carriers/airlines who have signed the Airline Agreement. This includes carriers/airlines from the major, commuter, charter and cargo/freight carrier categories.

**Sinking Fund** – A special account whose monies are set aside to retire debt.

**SMP** – Soil Management Plan

**Snow Removal** – An expense account under the Maintenance Expense category. All costs associated with removal of snow, with the exception of labor, flow into this account. These costs include materials such as salt, urea, sand and equipment rental used for both hauling and plowing snow.

**SOC** – System Operations Control

**Southwest Cargo Area** – An area constructed for parking or maintenance by cargo and airline companies. Currently occupied by Sun Country and various cargo companies.

**STAR Program** - Steward of Tomorrow's Airport Resources Program

**STP** – St. Paul Downtown Airport

**Subledger** - Commission terminology for grouping expenses from various service centers to determine rates and charges for tenants and users of the MAC facilities.

**Subordinated Debt** – Debt that is paid after Senior Debt obligations have been met.

**Surplus** – Represents the positive difference between operating revenues less operating expenses (including depreciation).

**SWOT** – An analysis that provides information that is helpful in matching the firm's resources and capabilities to the competition.

**TBD** – To be determined

**Terminal 1-Lindbergh (T1)** – Charles Lindbergh Terminal Building has been designated Terminal 1 to provide further direction/information. Also known as Terminal 1.

**Terminal 2-Humphrey (T2)** – Hubert H. Humphrey Terminal Building has been designated Terminal 2-Humphrey to provide further direction/information. Also known as Terminal 2.

**TGB** – Targeted Group Business

**TSA** – Transportation Security Administration

**Taxiway** – Paved areas on the airfield to be primarily used for ground movements of aircraft to, from and between runways, ramp and apron space and storage areas.

**Unencumbered** – Funds not yet committed for purchase of goods or services.

**UPS** – Uninterruptible Power supply

**UST/AST** – Underground Storage Tank/Above Ground Storage Tank

**Utilities/Expense** – One of the major expense categories. Included in this section are electricity, telephone, water, sewer and fuel. (Fuel includes both natural gas and fuel oil.)

**VALE** – Voluntary Airports Low Emission

**VFD** – Variable Frequency Drive – Equipment for facilities monitoring

**VIPR** – Visual Intermodal Prevention and Response team in which deployments augment existing capabilities to detect and deter potential terrorist activity. TSA uses periodic random deployments that are unpredictable in their timing, location, and types of activities. VIPR teams serve as a visible deterrent in all transportation sectors, including general aviation, buses and mass-transit.

**WIGs** – Wildly Important Goals. As part of 4DX, each team member is clear about and committed to the few absolute top priorities that define success. The Wildly Important Goal is the one that must be achieved.

**WMD** – Weapons of Mass Destruction

**Wold-Chamberlain Field (WCF)** – The airfield itself excluding the Terminal Building. (Named after two local pilots, Ernest Wold and Cyrus Chamberlain, who lost their lives in combat during World War I.

**Working Capital** – Changes in current assets minus changes in current liabilities.