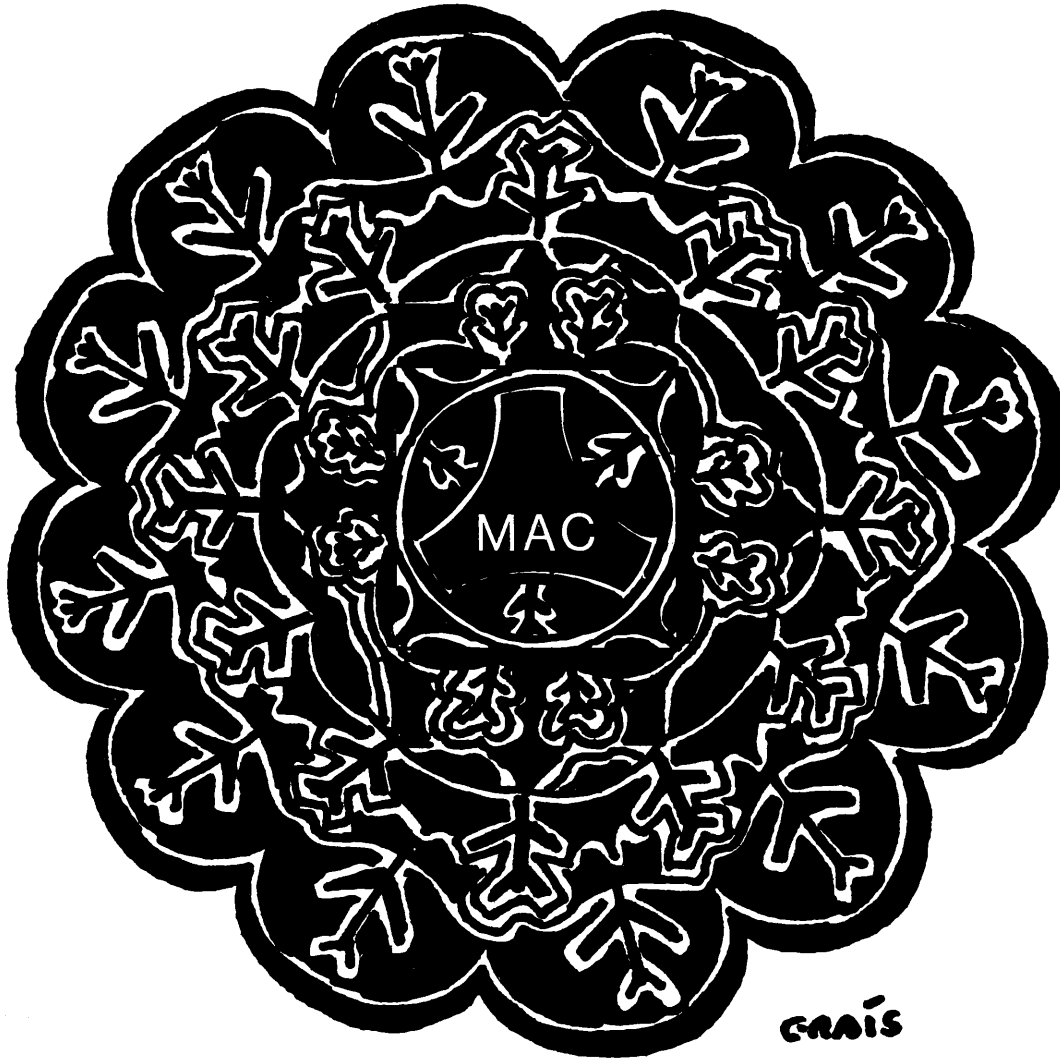




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MINNEAPOLIS • ST. PAUL • METROPOLITAN • AIRPORTS • COMMISSION

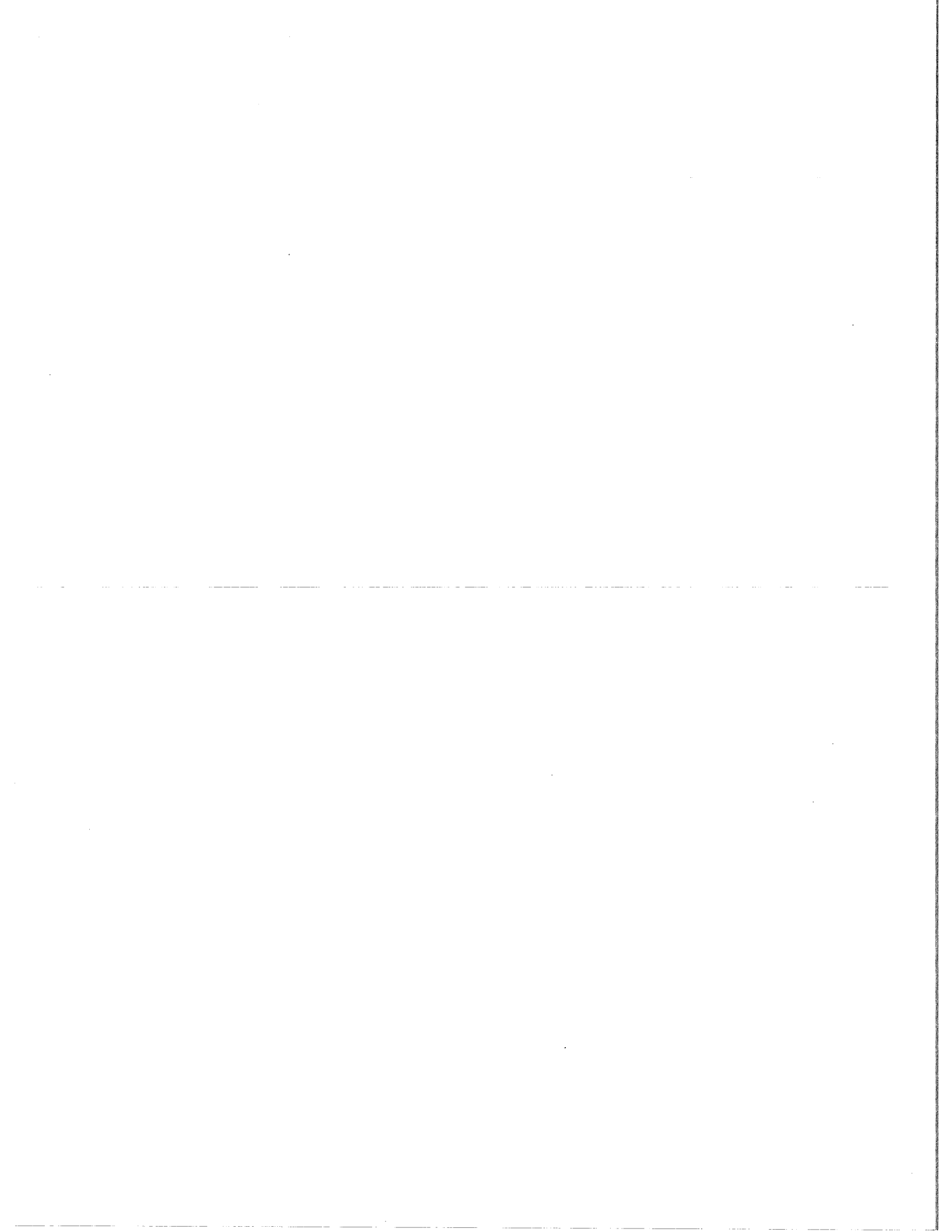


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The artwork that decorates
 the cover of this year's book
 was created by Commissioner
 Sam Grais.

Introduction



Budget Message

Members of the Metropolitan Airports Commission:

I am pleased to provide for you the 1991 Operating Budget for the Metropolitan Airports Commission (MAC). Total revenue for 1991 is projected to be \$77,211,740 and expense is \$74,703,984. Once again, the MAC is able to generate enough income to support the entire airport system without the use of general taxes. While we have had the power to levy property taxes to support our operations, we have not exercised this authority since 1968.

This budget document is a useful tool for staff in working toward the MAC's 1991 goals and objectives and for the various publics we serve. It represents many hours and days of hard work in planning, analysis and preparation for public scrutiny and, we believe, reflects the effort that has gone into it.

1991 BUDGET

The 1991 budget represents the Metropolitan Airports Commission's continued reliance on user fees to support its operations. The following is a summary of 1989 actual, 1990 estimated and budgeted 1991 figures.

	Actual 1989	Estimated 1990	Budgeted 1991	% 90 to 91 Change
Revenue (000)				
Traffic	\$14,011	\$16,708	\$18,507	10.77%
Concessions	25,055	26,973	27,741	2.84%
Rentals	21,726	24,577	27,899	13.52%
Other	1,339	3,006	3,065	1.96%
Total Operating Revenue	\$62,131	\$71,264	\$77,212	8.35%
Expenses (000)				
Personnel	\$17,558	\$17,780	\$20,547	15.56%
Administrative Expenses	516	650	948	45.93%
Professional Services	2,782	3,225	3,448	6.90%
Utilities	3,812	3,925	4,191	6.78%
Operating Services	4,719	5,120	5,275	3.02%
Maintenance	6,145	6,700	7,560	12.84%
Depreciation & Interest	20,605	28,100	31,299	11.39%
Other	1,572	1,375	1,436	4.37%
Total Operating Expenses	\$57,709	\$66,875	\$74,704	11.71%
Net Revenues	\$ 4,422	\$ 4,389	\$ 2,507	(42.87%)

Several important items have had an impact on 1991 budgeted revenue. First, revenue from landing fees has increased. This is a direct result of an increase in personnel and depreciation and interest costs in the Field and Runway cost center. Second, revenue from the auto rental firms reflect an increase in the guaranteed minimum rental fees paid by each company. Lastly, as a result of the completion of the Northwest Airlines 747 Hangar in mid 1990, we will receive a full year's rental on that facility in 1991.

Budget Message (CONTINUED)

The 1991 budgeted expense reflects the staffing of 15 currently vacant positions as well as the addition of 24 new positions. Depreciation and interest continue to increase as new projects are completed. The 1991 budget reflects a full year of depreciation and interest on Northwest Airlines 747 Hangar as well as the completion of several pavement and terminal rehabilitation projects.

This 1991 Budget has been organized into four sections—Introductory, Budget, Debt Service and Capital Spending, and Statistical. The Introductory Section includes the budget message, 1990 overview, goals and objectives, a description of the MAC organization and an organizational chart. The Budget Section includes a summary and detail of revenue and expense, budget assumptions, a description of the budgeting process, department historical summary, and approved personnel for 1991. The Debt Service and Capital Spending Section includes a summary of debt service and capital spending, flow of cash receipts and disbursements, a projection of fund balances, and approved equipment requests for 1991. The Statistical Section includes selected financial and activity information generally presented on a multi-year basis.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation to the Minneapolis/St. Paul Metropolitan Airports Commission, Minnesota for its annual budget for the fiscal year beginning January 1, 1990.

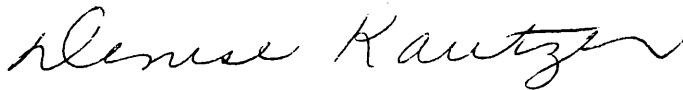
In order to qualify for this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications medium.

This 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.

ACKNOWLEDGEMENTS

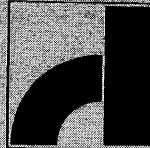
The preparation of the 1991 Operating Budget was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has my sincere appreciation for the contribution made in preparation for this document.

Respectfully submitted,



Denise A. Kautzer
Director of Finance

Distinguished Budget Presentation Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

**PRESENTED TO
Minneapolis/St. Paul Metropolitan
Airports Commission, Minnesota**

For the Fiscal Year Beginning

January 1, 1990

Gary R. Nordstrom

President

Jeffrey L. Esser

Executive Director

1990 Overview

NOISE ABATEMENT

Noise abatement at MSP again captured considerable attention during the 1990 calendar year. In April, the FAA completed its review of the MAC's Part 150 Noise Compatibility Program consisting of 23 measures dealing with noise abatement and land use management. The Part 150 program provides federal funds to mitigate the impacts of aircraft noise on neighborhoods surrounding commercial U.S. airports. Of the 23 measures submitted by the MAC, 12 were approved as submitted, four were disapproved pending receipt of additional information, three were partially approved and four measures were disapproved. The MAC is now completing an implementation plan for the Part 150 program which will be submitted to the FAA for its approval in a few weeks.

In 1988, the MAC began a three year program to reduce aircraft noise impacts at four schools near the airport. Three of the schools (Hale, Centennial and Wenonah) were completed in 1989 with the fourth (Resurrection), finished in the summer of 1990. The \$5.2 million project, funded by the MAC, MnDOT - Office of Aeronautics, the FAA, and the airlines, provided new windows, air conditioning and other building modifications to reduce noise in the learning environment.

In early 1990, the commission formed the "Stage 3 Utilization Working Group", to establish new policies at MSP that should increase Stage 3 aircraft utilization and promote the replacement of older, noisier Stage 2 aircraft. Membership included representatives from the MAC, Metropolitan Council, Metropolitan Aircraft Sound Abatement Council (MASAC), Minnesota Department of Transportation, Minnesota Pollution Control Agency, Northwest Airlines, and the South Metro Airport Action Council (SMAAC). The group continues to meet and is expected to bring forward recommended actions in early 1991.

The MAC was formally notified by the FAA in June that it had completed an environmental assessment on a proposed change in runway use at MSP and issued a finding of no significant impact. The Runway Use System (RUS) was recommended by MASAC and the Commission to replace the Preferential Runway System (PRS) which had been in use since 1972 but had become obsolete due to the growth in traffic at MSP. The RUS was designed to provide a more balanced distribution of aircraft noise by increasing the use of the "crosswind runway" 4-22. The RUS, although approved by the FAA in June, was not fully implemented until September because of construction work on one of the parallel runways at the airport.

GROUND TRANSPORTATION

The November opening of the \$1.5 million ground transportation staging center was a major development in the improvement of service to passengers using Minneapolis-St. Paul International Airport. The center, operated by Super America, provides facilities for more than 400 taxicabs and limousine operators at the airport. It also provides a 24-hour convenience center for the public. Features include fueling islands for cabs and for the public, a car wash, convenience store, delicatessen and bakery. A large, exclusive parking area is provided for the taxi operators in a queuing line as they await a call to the terminal building. Exclusive dining and rest room facilities also have been provided for the taxi operators. The facility occupies five acres on airport property at the intersection of Highway 5 and Post Road.

1990 Overview (CONTINUED)

AIRPORT DEVELOPMENT

Construction work to replace 2,000 feet of pavement on each end of Runway 11L/29R at MSP had a significant impact on noise at MSP during the summer. The concrete paving on each end of the runway had deteriorated because of increased use of the runway and heavier aircraft weights. The project began in April and ended in late August.

During the year, Northwest Airlines announced it would purchase 75 Airbus A320 aircraft and acquire options on 25 A321s, a deal valued at \$4.6 billion. By 1995, Northwest will operate 100 of the 150-seat A320s. In late 1989 and early 1990, Northwest solicited bids from communities interested in having the company's major maintenance facilities for the Airbus A320, A330 and A340 Aircraft, and Boeing 757s at their airports. The facility would employ an estimated 1,200 airline personnel, averaging annual salaries at \$43,000 each, when completed. The maintenance complex would cover approximately 130 acres and consist of seven hangars and related shops.

In addition to Minneapolis/St. Paul, communities competing for the base include Seattle, Portland, Milwaukee, Memphis, Indianapolis and Kansas City. Northwest also began negotiations with Eastern Airlines during the year to acquire its major maintenance facilities at Atlanta for heavy Airbus maintenance. The airlines said it would decide by January 1991 where its maintenance base would be located.

The MAC and Metropolitan Council, as mandated by the 1989 session of the legislature, continued the "dual track" planning process providing for the continued development of MSP (Track "A") while working on conceptual design and possible search areas for a new airport (Track "B") in case one is needed. The following timetable lists the deadlines which the two agencies will meet in studying and planning for a possible new airport:

- **Annually by Feb. 15:** The Metropolitan Council and the MAC will prepare a long-range assessment of trends and factors that could affect major development for ten years into the future. Both agencies will report about ongoing activities.
- **Dec. 1, 1990:** The Metropolitan Council will report on availability on suitable land for a new airport.
- **Jan. 1, 1991:** The MAC will complete a conceptual design plan for a major new airport, including estimated cost and financing sources; complete a long-term, comprehensive plan for MSP; and estimate facilities needed there for the next ten years.
- **Jan. 1, 1992:** The Metropolitan Council, in consultation with the MAC, will designate a search area for a possible major new airport.
- **Jan. 1, 1993:** The Metropolitan Council will report on potential re-use of the current MSP site.
- **Jan. 1, 1996:** The MAC will select a site within the search area designated by the Metropolitan Council, and prepare a comprehensive development plan and environmental analysis documents.

1990 Overview (CONTINUED)

- **Jul. 1, 1996:** The Metropolitan Council and the MAC will report on recommendations for the site, long-range planning and development of a major airport facility in the metropolitan area. At this point, further action on the development of a major new airport will depend on legislative approval and direction.

PROPERTIES MANAGEMENT

Host International, the food and beverage concessionaire, and the MAC completed negotiations for a "Branded Program" which converts many of the food and beverage facilities in the Lindbergh Terminal to "Brand Name" facilities. This "Branded Program" will have a significant impact on the price and value of services to the public by providing familiar products at comparable prices. Depending on the growth of sales, MAC can expect to earn an additional \$3.9 to \$7 million over the next 12 years. By the end of 1991 the following branded facilities are expected to be operational:

- Burger King
- Taco Bell
- A "Cheers" concept bar
- Nathan's Hot Dogs
- Pizza Hut
- Mrs. Field's Cookies

In 1990, the MAC contracted with a professional appraisal firm to complete a fair rental value appraisal of the properties located in the Minneapolis-St. Paul International Airport (MSP). The impetus for initiating this project was to develop a process through which rental rates for property at MSP are determined. The objectives of the appraisal process will be to better align MSP rates with local market conditions and to adjust MSP ground rents to be more in line with existing ground rents in use at comparable airports. Public hearings concerning the new rates will be held in 1991.

1991 Goals and Objectives

Last year the MAC executive staff, in preparing the 1991 goals and objectives, felt that each year's goals should reflect the MAC's Mission and Operating Philosophy. A new mission statement and operating philosophy was prepared and is as follows:

MISSION STATEMENT

Our mission is to operate a safe, efficient, environmentally compatible and financially responsible system of airports in the Minneapolis/St. Paul area which serves the air transportation needs of the public.

OPERATING PHILOSOPHY

SAFETY:

Safety is our number one priority. All of our actions will consider the safety of the general public, air travellers, employees and all users of commission airports.

PUBLIC RESPONSIBILITY:

We are responsible to the public for our action. We will emphasize openness, integrity, timeliness, and accuracy. We will treat all persons and property with dignity and respect.

CUSTOMER SATISFACTION:

Customer satisfaction is crucial to our success. We will strive to identify and respond to travellers and other customer needs in order to provide superior facilities and service.

FINANCIAL RESPONSIBILITY:

Our actions will be in accordance with sound financial principles. Costs will be recovered generally from airport users.

COMMUNITY RELATIONSHIPS:

We will strive to be good neighbors to the communities we serve. We will be sensitive to our airports' social, economic and environmental impacts.

HUMAN RESOURCE MANAGEMENT:

People are our most important asset. We will strive to maintain a work environment that attracts a committed and diverse work force, emphasizes teamwork, and develops and challenges our individual employees.

For the year ahead, the MAC has determined several areas of emphasis which will receive special attention during 1991. Those areas are as follows:

MANAGEMENT INFORMATION SYSTEMS

Goal: To develop a strategic plan to identify and prioritize organizational information needs, and to initiate implementation of systems to support those needs.

1991 Goals and Objectives (CONTINUED)

MAJOR EVENTS

Goal: To ensure the airports are functionally and aesthetically prepared to serve visitors attending major upcoming special events.

SERVICE EVALUATION

Goal: To evaluate the effectiveness of the services provided by the Metropolitan Airports Commission to the public by conducting market research.

EMPLOYEE INVOLVEMENT

Goal: To increase the overall level of MAC effectiveness and employee job satisfaction by developing programs to improve employee involvement in decision-making and to emphasize employee development opportunities.

ENVIRONMENTAL CONCERNS

Goal: Initiate comprehensive off-airport land use programs, improve existing noise abatement programs and develop alternatives to the once-through water cooling system.

AIRPORT PLANNING

Goal: To participate in and develop information related to airport planning issues including the dual tract process, international aviation activities and the potential for air freight development.

NATIONAL AIR TRANSPORTATION POLICY

Goal: To help shape the National Air Transportation Policy working with local, state and national officials. Issues in 1991 include the Airport and Airway Trust Fund Reauthorization, New Airport Funding, Aircraft Noise Legislation, Airline Concentration, FAA Civil Penalties Program, FAA Reform, Custom User Fees, and various additional sources of funding for facilities and equipment, FAA operations and maintenance, Customs User Fees, and Off-Airport Users Fees.

Organizational Structure

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. This was done for the following reasons: 1) to promote air navigation and transportation, international, national and local, in and through the State of Minnesota; 2) to promote the efficient, safe and economic handling of air commerce; and 3) to assure residents of the Metropolitan Area of minimum environmental impact from air navigation and transportation. 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 which 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 Commission is governed by 15 Commissioners. Eight Commissioners are appointed by the Governor of the State of Minnesota from designated districts within the Metropolitan Area. The Mayor of St. Paul and the Mayor of Minneapolis also have seats on the Commission with the option to appoint a surrogate to serve in their place. In 1989, the Commission was expanded by the Governor to include four outstate Commissioners. The Chairperson of the Commission is appointed by the Governor for a four-year term.

The Commission has set up four standing committees. Two of the committees, Planning & Environment and Management & Operations, meet on a monthly basis. The remaining two, Affirmative Action and the Audit and Compliance Committee, meet on an as-needed 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 which meets monthly.

There are six staff functions which currently report to the Executive Director: Management & Operations—headed by the Deputy Executive Director-Airports; Planning/Environmental—headed by the Deputy Executive Director-Planning/Environment; Public Affairs—headed by the Assistant Executive Director; General Counsel—headed by MAC's in-house General Counsel; Labor/Legislative Relations; and Affirmative Action. A brief description of these functions follows.

MANAGEMENT & OPERATIONS

1. MSP International Airport Director

This department, in conjunction with the Maintenance Department, is responsible for the overall management and operation of the Minneapolis/St. Paul International Airport. The following cost centers fall under the supervision of this department: Fire, Police, WCF Administration, WCF Operations, Ground Transportation, HHH Terminal, Terminal Complex, Boiler Plant and Field & Runways.

2. Reliever Airports

These departments are responsible for supervising and coordinating the management, operation and maintenance of the Commission's six reliever airport facilities.

Organizational Structure (CONTINUED)

3. Finance

This department is responsible for the Commission's accounting & cash management, preparation of the annual operating budget, CAFR, and financial analysis and planning.

4. Personnel

This department is responsible for hiring, administering employee benefits, and maintaining accurate personnel files.

5. Management Information Systems

This department is responsible for planning, selecting and implementing all computer and office automation systems. In addition, the department processes information and produces computerized reports used throughout the MAC.

6. Properties

This department is responsible for planning, negotiating and administering the Commission's contracts, leases and concession agreements. Management of space with regards to the Terminal Complex and available land at Wold Chamberlain Field and the reliever airports are also responsibilities of this department.

PLANNING/ENVIRONMENTAL

1. Airport Planning & Development

This department supervises planning, engineering and construction of all Commission facilities; also, coordinates and administers the Capital Improvement Program (CIP). In addition, this department is responsible for the coordination of those functions with the appropriate local, state, and federal agencies, and for monitoring federal and state aid programs.

2. Noise Abatement/Environmental

This department is responsible for implementing the programs and efforts of the Commission to attenuate undesirable impacts on the environment resulting from the operation of the Commission's facilities.

PUBLIC AFFAIRS

1. Public Affairs

This department is responsible for industry and congressional relations, internal and external communications, media relations, special events and communications to the public. The department also serves as the Commission's marketing division—promoting the resources of MSP International and the reliever airports both domestically and internationally.

LABOR & LEGISLATIVE RELATIONS

1. Labor and Legislative Relations

This department is responsible for two separate functions: Legislative liaisons and Labor relations. Each has its own responsibilities and duties. The Legislative function is responsible for coordinating relations with legislative agencies, state agencies, the Governor's office and municipalities, as well as assessing the impact of legislation involving or having the potential to involve the Commission. The Labor function deals with negotiating and administering the contracts of the nine labor unions currently at the Commission and any other Labor-Management problems that may occur.

Organizational Structure (CONTINUED)

GENERAL COUNSEL

1. General Counsel

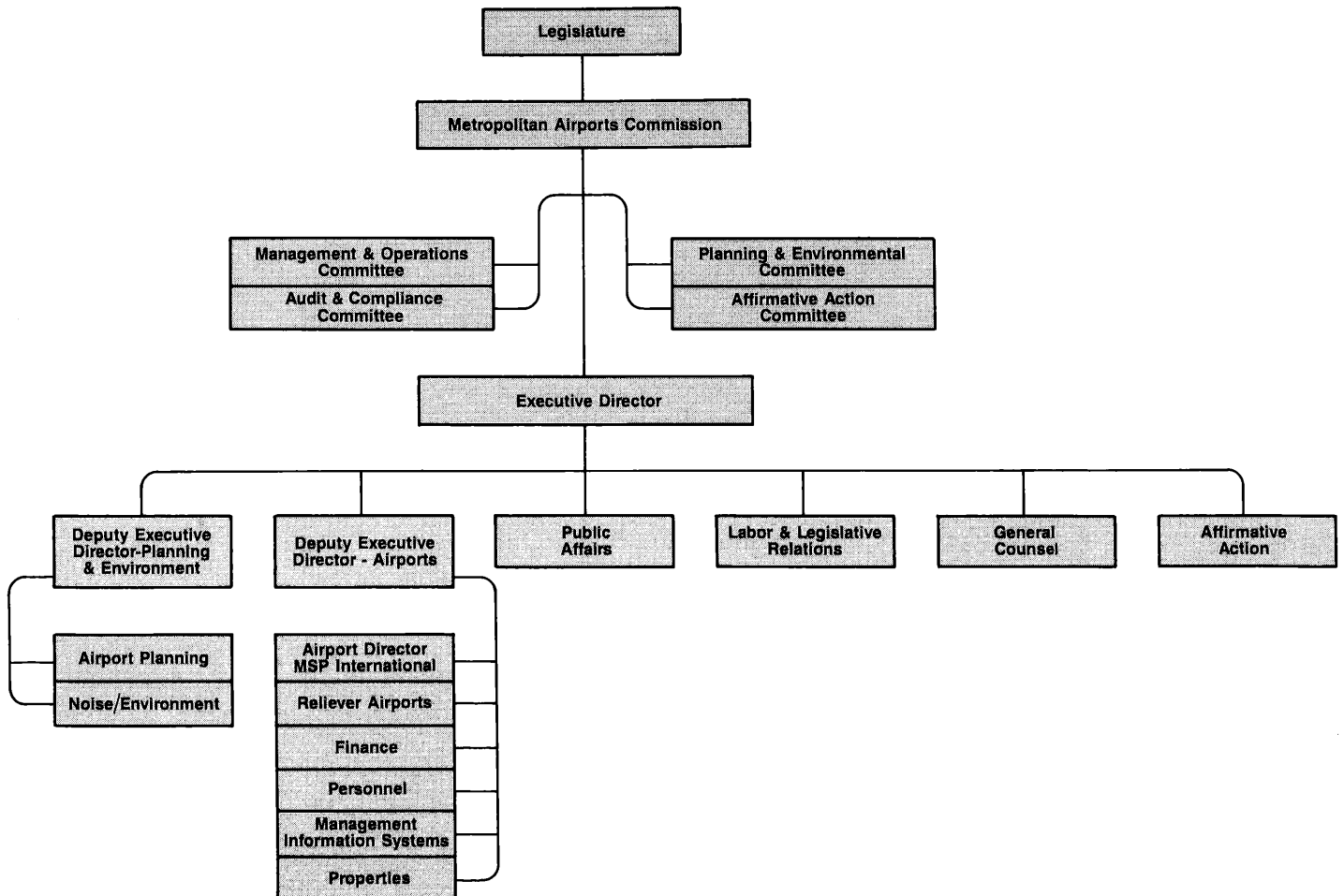
The Commission's in-house general counsel is responsible for representing the Commission on legal matters, preparation of legal documents, monitoring and coordinating outside legal counsel and relations with legislative and administrative agencies.

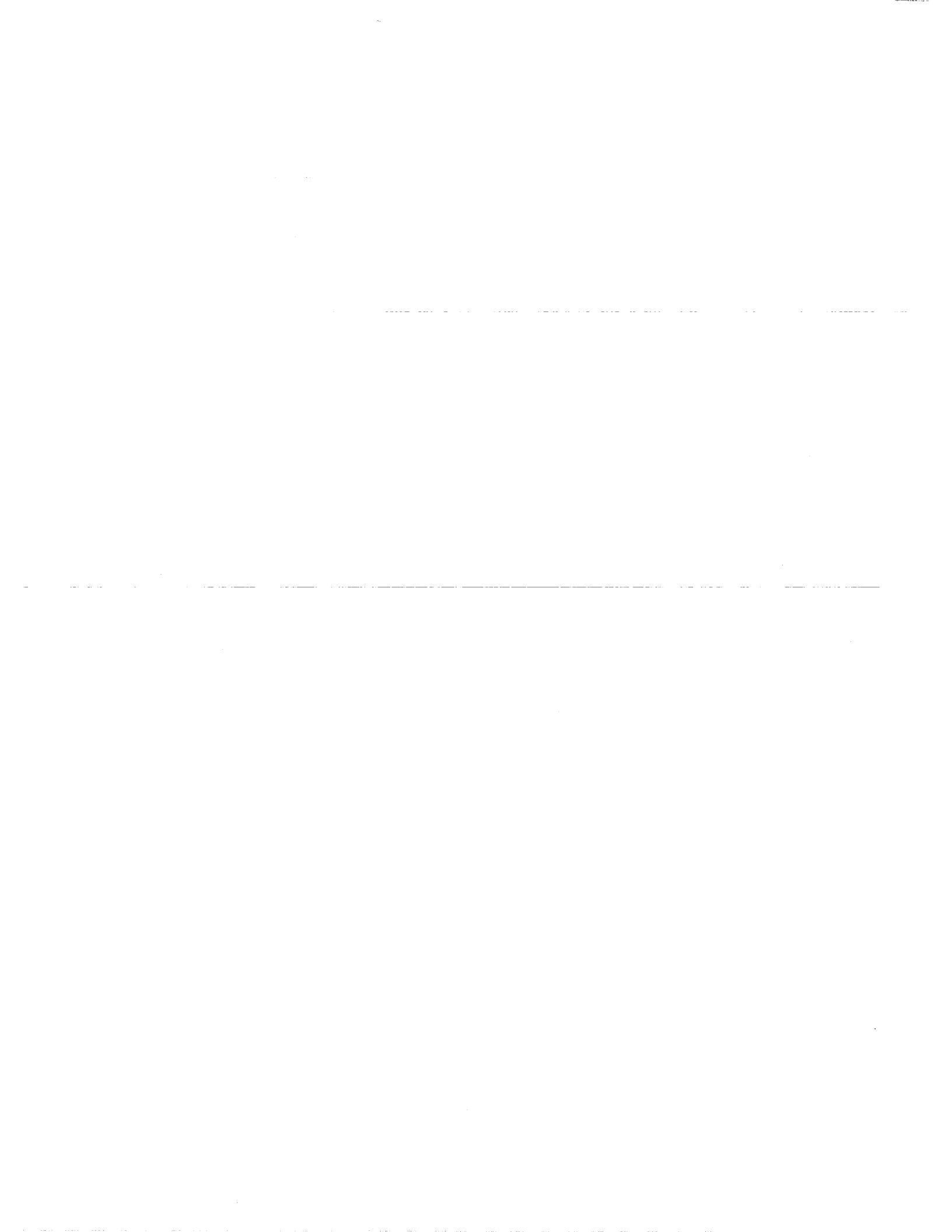
AFFIRMATIVE ACTION

1. Affirmative Action

This department plans programs and responds to all questions, policies, reports, and/or planning that deal with Affirmative Action requirements.

Organizational Chart



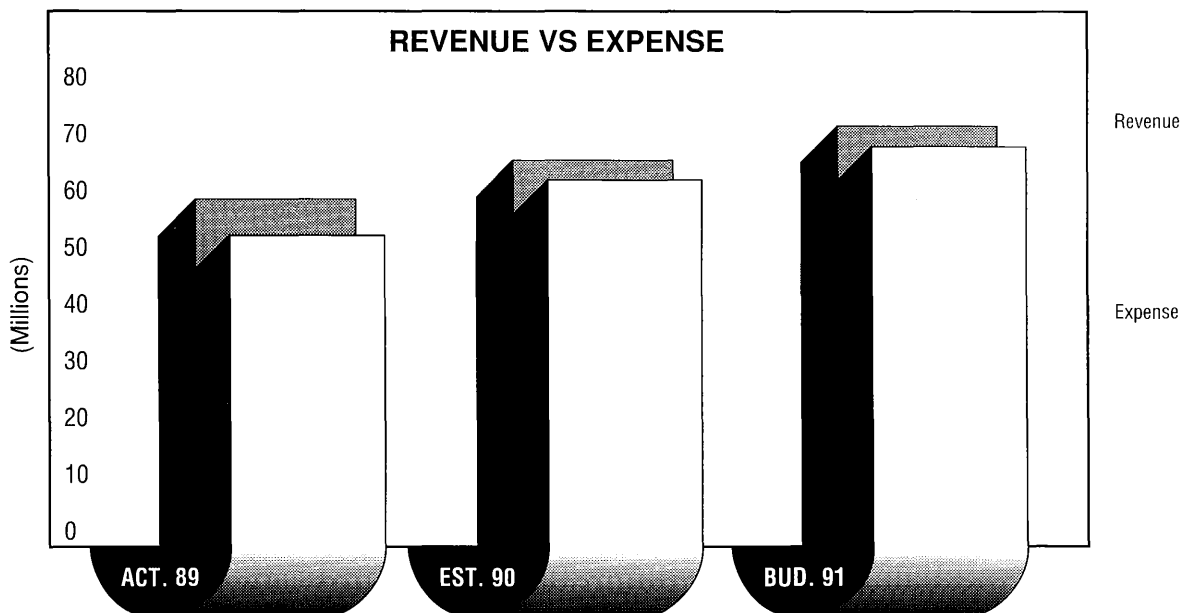


Budget

Summary of Revenue and Expense

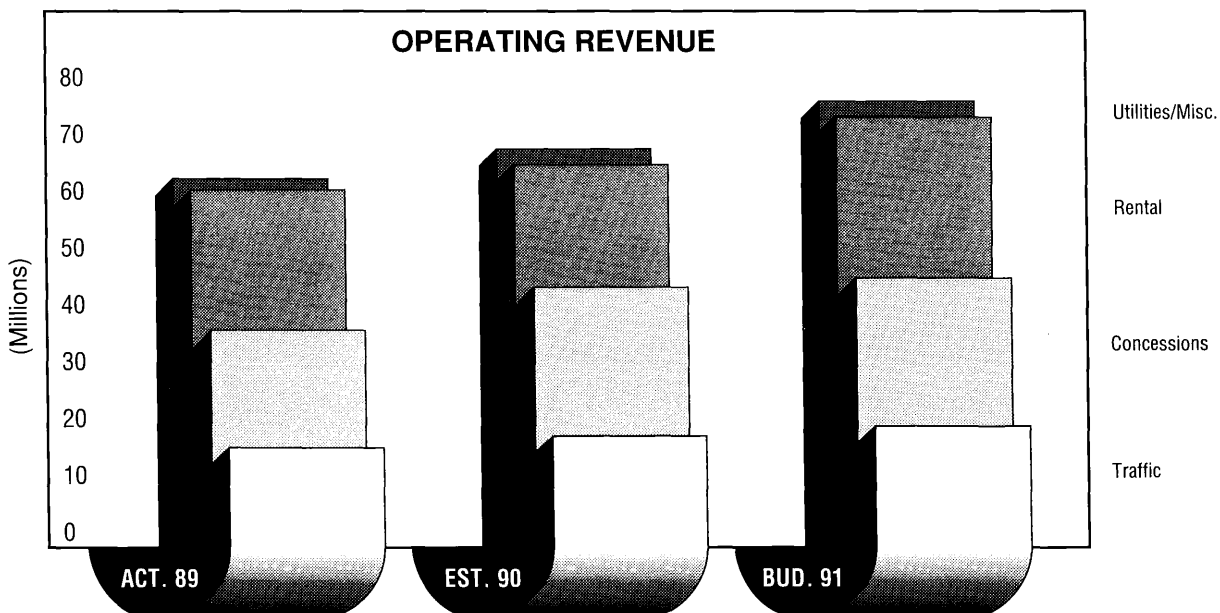
	Main Office	Mpls-St. Paul International	Reliever Airports	Total 1991 Budget	Estimate 1990	Actual 1989
REVENUE						
Traffic	0	18,391,943	115,420	18,507,363	16,707,820	14,011,117
Commercial						
Concessions	0	27,728,865	11,652	27,740,517	26,973,852	25,054,916
Rentals	0	27,251,428	647,012	27,898,440	24,577,044	21,725,823
Utilities	0	1,126,000	100	1,126,100	1,150,100	606,933
Miscellaneous	0	1,816,320	123,000	1,939,320	1,855,500	732,096
Total Operating Revenue	0	76,314,556	897,184	77,211,740	71,264,316	62,130,885
EXPENSES						
Personnel	4,325,015	14,795,050	1,426,772	20,546,837	17,780,000	17,558,000
Administrative Expense	603,809	318,814	25,900	948,523	650,000	516,000
Professional Services	1,360,050	1,877,610	210,000	3,447,660	3,225,000	2,782,000
Utilities	92,877	3,957,374	140,801	4,191,052	3,925,000	3,812,100
Operating Services	306,050	4,954,152	14,500	5,274,702	5,120,000	4,719,000
Maintenance	138,498	6,826,650	595,088	7,560,236	6,700,000	6,145,000
Depreciation & Interest	481,662	29,377,104	1,440,581	31,299,347	28,100,000	20,605,000
Other	70,244	1,178,523	186,860	1,435,627	1,375,500	1,572,000
Total Operating Expenses	7,378,205	63,285,277	4,040,502	74,703,984	66,875,500	57,709,000
Net Revenues	(7,378,205)	13,029,279	(3,143,318)	2,507,756 ^A	4,388,816 ^A	4,421,885 ^A

A) Required as contribution to debt service payments and construction program financing.



Operating Revenues

	Mpls-St. Paul International	Reliever Airports	Total 1991 Budget	Estimate 1990	Actual 1989
REVENUE					
Traffic					
Landing Fees	15,162,447	0	15,162,447	13,418,000	11,015,286
Ramp Charges	3,018,596	0	3,018,596	2,918,400	2,725,623
Apron & Other Service	210,900	115,420	326,320	371,420	270,208
Total Traffic	18,391,943	115,420	18,507,363	16,707,820	14,011,117
Commercial					
Concessions					
Food Service	1,765,960	11,652	1,777,612	1,717,652	1,509,890
Auto Rental	5,380,128	0	5,380,128	5,150,000	4,678,164
News & Gifts	1,552,072	0	1,552,072	1,488,000	1,411,531
Auto Parking	16,753,715	0	16,753,715	16,500,000	15,033,432
In-Flite Catering	516,000	0	516,000	508,000	534,594
Other	1,760,990	0	1,760,990	1,610,200	1,887,305
Total Concessions	27,728,865	11,652	27,740,517	26,973,852	25,054,916
Rentals					
Terminal-Airlines	7,795,332	0	7,795,332	6,909,000	7,427,048
Terminal-Other	815,880	0	815,880	738,000	786,041
Ground & Building-Airlines	15,946,283	0	15,946,283	13,852,000	10,432,031
Ground & Building-Other	2,693,933	647,012	3,340,945	3,078,044	3,080,703
Total Rentals	27,251,428	647,012	27,898,440	24,577,044	21,725,823
Total Commercial	54,980,293	658,664	55,638,957	51,550,896	46,780,739
Utilities	1,126,000	100	1,126,100	1,150,100	606,933
Miscellaneous	1,816,320	123,000	1,939,320	1,855,500	732,096
Total Operating Revenue	76,314,556	897,184	77,211,740	71,264,316	62,130,885



Revenue Assumptions

Estimates of revenue for 1991 have been made by compiling information from the following sources:

- Projected passenger activity and operations from airlines using MSP
- Leases
- Contracts
- Other agreements at both MSP and the Reliever Airports
- Historical trends

In addition, the rates charged to the airlines were calculated using the current agreement. This agreement was finalized in late 1989 and revised the formulas for calculating the landing fee, ramp fee and terminal rates. The change was made in order to simplify the calculation of the various rates yet keep MAC revenue and charges to the airlines similar to those under the old agreement. Major changes occurred in the allocation of Police, Fire, Equipment and Maintenance Labor expenses. The net affect of these changes are:

- Landing Fee - Net change in allocations is very little
- Ramp Fee - Increased allocations
- Terminal Rates - Decreased allocations

The revised allocation percentages were the result of analysis of the Police, Fire and Maintenance Departments about how and where time and equipment are used. The last time these percentages were changed was in the early 1960s.

The explanations for revenue assumptions are based upon comparing 1990 estimates with 1991 budget figures. Estimates for 1990 are used because they give the most recent picture of what is actually happening. Also, they reflect any changes which may have occurred from the last full year of operations (1989).

The following is a brief summary of projected 1991 revenues with a comparison to estimated 1990 results.

REVENUE CATEGORY	(Thousands)					1990 Est. vs 1991 Budget	
	1989 Budget	1989 Actual	1990 Budget	1990 Estimate	1991 Budget	Dollar Change	Percentage Change
Traffic	\$14,238	\$14,011	\$16,692	\$16,708	\$18,507	\$1,799	10.77%
Concessions	26,043	25,055	28,060	26,974	27,741	767	2.84%
Rentals	20,541	21,726	24,415	24,577	27,899	3,322	13.52%
Utilities	1,110	607	1,230	1,150	1,126	(24)	-2.09%
Miscellaneous	1,163	732	1,674	1,855	1,939	84	4.53%
Total Operating Revenue	<u>\$63,095</u>	<u>\$62,131</u>	<u>\$72,071</u>	<u>\$71,264</u>	<u>\$77,212</u>	<u>\$5,948</u>	<u>8.35%</u>

It should be noted in the above table that the actual 1989 and estimated 1990 revenue figures are under budget. The primary reason for this is that a significant portion of revenue is based upon a break even philosophy, where revenue equals expense. (See Landing Fee, Ramp Fee and Terminal Rental explanation on next page.) Expense in these areas is under budget resulting in revenue being under budget.

Revenue Assumptions (CONTINUED)

TRAFFIC: LANDING FEES

The Landing Fee is based upon total estimated expense (excluding MAC's portion of New Airport Planning Costs) in the Field & Runway cost center. By dividing total field and runway expenses by the estimated landed weight (provided by the airlines), a landing fee is established for use during the year. In the past, the landing fee rate was based upon a break even philosophy in which total revenue equals total expense. Now, however, there is a deficit in this cost center. This deficit is the result of New Airport Planning Costs, which are shared equally by MAC and the airlines.

A comparison of actual 1987, 1988, and 1989, budgeted and estimated 1990, and budgeted 1991 landing fee rates, landed weight and revenue of the major carriers follows:

	<u>1987 Actual</u>	<u>1988 Actual</u>	<u>1989 Actual</u>	<u>1990 Budget</u>	<u>1990 Estimate</u>	<u>1991 Budget</u>
Landing Fee (rate per 1,000 lbs.)	\$.65	\$.62	\$.58	\$.70	\$.65	\$.75
Landed Weight (lbs.)	16,714,700	16,406,918	17,327,976	17,493,000	18,160,000	18,397,842
REVENUE	\$10,864,600	\$10,149,300	\$10,095,483	\$12,265,300	\$11,812,290	\$13,868,439

The anticipated increase in the rate between actual 1989 and estimated 1990 is the result of an increase in expenses of approximately \$1.7 million. The increase is attributed to: New Airport Planning Costs, Runway Rehab Projects (Depreciation and Interest) and the Administration Allocation.

The increase in the rate between estimated 1990 and budgeted 1991 is also the result of an increase in expenses. The \$2.0 million increase in expense is due to:

- A. Depreciation and Interest - Runway rehab projects. \$538,000
- B. Personnel Costs - Staff additions in the Noise, Operations, Police, Fire, Maintenance and Main Office Administration have increased the total expenses in these cost centers. The cost center totals are allocated on a percentage basis. (The percentage basis is set forth in the airline agreement.) As a result, when total cost center dollars increase, the allocations increase.
- C. Professional Services - \$200,000
- D. Operating Services - Advertising \$76,000

1991 budget numbers for landed weight were provided by the airlines. We feel these figures are comparable to previous years and are consistent with 1989 actual and the 1990 estimate. Further review of the above chart indicates that from 1987 to 1991 landed weight increased approximately 10%. During that same period, revenue (expense) increased 28%. If landed weight continues to increase slightly or remain flat and expense increases at a greater pace than landed weight, the landing fee will increase.

Revenue Assumptions (CONTINUED)

TRAFFIC: RAMP FEES

Aircraft parking ramp fees are calculated in the same manner as landing fees. Ramp fees are determined by dividing the total estimated Terminal Ramp expenses by total lineal feet of ramp available. The rate is still based upon a break even philosophy where total revenue equals total expenses.

A comparison of actual 1987, 1988, and 1989, budgeted and estimated 1990 and budgeted 1991 ramp rates and revenue are as follows:

	<u>1987 Actual</u>	<u>1988 Actual</u>	<u>1989 Actual</u>	<u>1990 Budget</u>	<u>1990 Estimate</u>	<u>1991 Budget</u>
Ramp Fee (Rate per lineal foot)	\$177.15	\$186.48	\$310.20	\$335.60	\$315.59	\$342.55
Ramp Area (in linear feet)	8,874	8,874	8,874	8,874	8,874	8,874
REVENUE	\$1,572,029	\$1,654,824	\$2,752,696	\$2,978,147	\$2,800,563	\$3,039,756

From the chart it can be seen that there is a dramatic increase from actual 1988 to 1989 rates. The figures for 1989, 1990 and 1991 represent rates calculated under this revised formula which reflects the changes in the expense allocations. In the revised formula, allocations for equipment, police, fire and administration increased. The base of the calculation remains the same under the revised formula and has not changed during the years shown (8,874 lineal feet). Because the base is small, any type of increase in expense will have a substantial impact on the rate. From 1989 to 1991, expenses have increased 10.4% or \$287,000. This increase is due to: A.) Additional repairs/maintenance to the ramp area. B.) Allocations-The cost center totals for Police, Fire, Maintenance and Main Office Administration have all increased during these years. The totals are allocated on a percentage basis. (The percentage basis is set forth in the airline agreement.) As a result, when total cost center dollars increase, allocations increase.

TRAFFIC: OFF-AIRPORT NOISE SURCHARGE

The current agreement with the airlines calls for a Noise Surcharge and a new cost center for Off-Airport Noise projects. Projects included in this cost center are those for insulation and replacement of windows at four schools. These schools are located in neighborhoods highly impacted by noise. In addition, at three of these four schools, air conditioning was installed.

The Surcharge is determined by dividing the total estimated number of Stage II and Stage III landings during the year by the total estimated expenses in the Off-Airport Noise cost center. The Surcharge is based upon a break even philosophy where total revenue equals total expenses.

Revenue Assumptions (CONTINUED)

Depreciation and Interest for Off-Airport projects are the only costs included in this cost center. The following is a summary of activity dealing with the Surcharge and the Off-Airport Noise cost center.

	<u>1990 Budget</u>	<u>1990 Estimate</u>	<u>1991 Budget</u>
Stage II and Stage III Landings	115,800	113,600	113,150
Off-Airport Noise Costs	\$276,772	\$285,000	\$334,368
Noise Surcharge per Landing	\$2.39	\$2.51	\$2.95

In addition to the surcharge, there is also a Noise Differential and Stage III Credit. These fees are calculated on an airline by airline basis. They are both based upon the airlines Stage II and Stage III activity.

CONCESSIONS

The 1991 budget for Concessions revenues shows a 2.8% increase from the estimated 1990 amount. The two major components of concessions, Auto Parking (which accounts for approximately 60% of total concessions) and Auto Rental fees (which accounts for approximately 19% of total concessions) are both anticipated to show small increases for 1991.

Parking Revenues are projected increase minimally (1.5%) from the estimated 1990 level of \$16,500,000. Activity levels are projected to change little and no rate increase is budgeted at any of the parking locations. Auto Rental fees are projected to increase by 4.5% to \$5,380,000 in 1991 over 1990 estimates. The 1991 projection is based upon information in the current lease. The Auto Rental lease requires the firms to pay minimum rental fees plus a percentage (8.5%) of any gross revenue above these minimums. The additional revenue is a direct result of increased minimum fees.

All other revenues from remaining concessions are projected to increase 1.1%. These concessions were estimated by examining both historical data and current lease terms. Projections were then made for each item individually. In those cases, where concession activity is directly related to passenger levels, passenger estimates provided by the airlines were utilized to project revenues.

RENTALS: AIRLINE TERMINAL BUILDING RENTAL RATES

Terminal building rentals are calculated based upon a revised formula in the airline lease. Under this formula (which does not include the Green or Gold concourses) rates are calculated by allocating expense over the total rentable square footage in the Lindbergh Terminal. Airlines are then charged for the space they occupy. Unlike landing fees and ramp fees, airline terminal building rates are not based upon a break even or near break even philosophy. Under this calculation, costs are recovered from the airlines in proportion to the rentable space they occupy in the terminal building.

Revenue Assumptions (CONTINUED)

A comparison of actual 1989, estimated 1990, and projected 1991 rates with percentage changes between 1990 and 1991 budget is as follows:

TERMINAL BUILDING RENTAL (rate per square foot)	1989 Actual	1990 Budget	1990 Estimate	1991 Budget	% Change 1990 Estimate vs. 1991 Budget
Exclusive	\$17.39	\$16.28	\$16.53	\$17.99	8.83%
Exclusive Janitored	\$22.22	\$20.22	\$21.60	\$23.44	8.52%

The charts for the landing and ramp fee included rates for 1987 and 1988. These years are omitted because the calculation for terminal rental rates was changed under the airline agreement. With this change, rate comparisons for 1987 and 1988 are no longer applicable.

The increase in rates from 1990 estimates to 1991 budget is the result of the following: 1) A new cleaning contract was negotiated in the latter part of 1990. This resulted in higher costs for janitored space. 2) The allocation for Administration costs increased. These costs are allocated on a percentage basis. When these costs increase, the allocations increase. 3) Utilities (electricity, water and sewer) charged to the terminal building increased. Electricity is projected in increase \$175,000. The rise in costs is due to both a rate increase and slightly higher demand. The calculation for distributing water and sewer charges to MAC cost centers was changed. This was done as a result of an analysis completed by MAC plumbers and Administrative staff. The analysis indicated that the method of distributing water and sewer charges was no longer accurate and needed to be updated. The last adjustment to this calculation was done in the early 1970's. 4) Depecciation and interest charged to the Terminal Building increased because of the completion of three rehabilitation/modification projects.

The Ground and Building-Airlines category of revenue shows an increase from estimated 1990 revenue of \$13,852,000 to \$15,946,000 in 1991. This increase is due to self-liquidating rentals, which are fees received for the rental of facilities constructed for a specific airline such as the Green and Gold concourse. Leases or lease amendments are negotiated for each of these facilities to assure that the payment of all associated costs of constructing, financing, and maintaining it are reimbursed to MAC. The completion of the Northwest Airlines 747 Maintenance Facility in mid 1990 will add approximately \$2,000,000 in self-liquidating rental revenue.

UTILITIES

Utilities is comprised of two items:

- 1) Chilled water and steam that are produced by the Boiler Plant and billed directly to large users.
- 2) Water and sewer charges that are billed to the MAC by the City of Minneapolis and reimbursed by tenants.

Revenue Assumptions (CONTINUED)

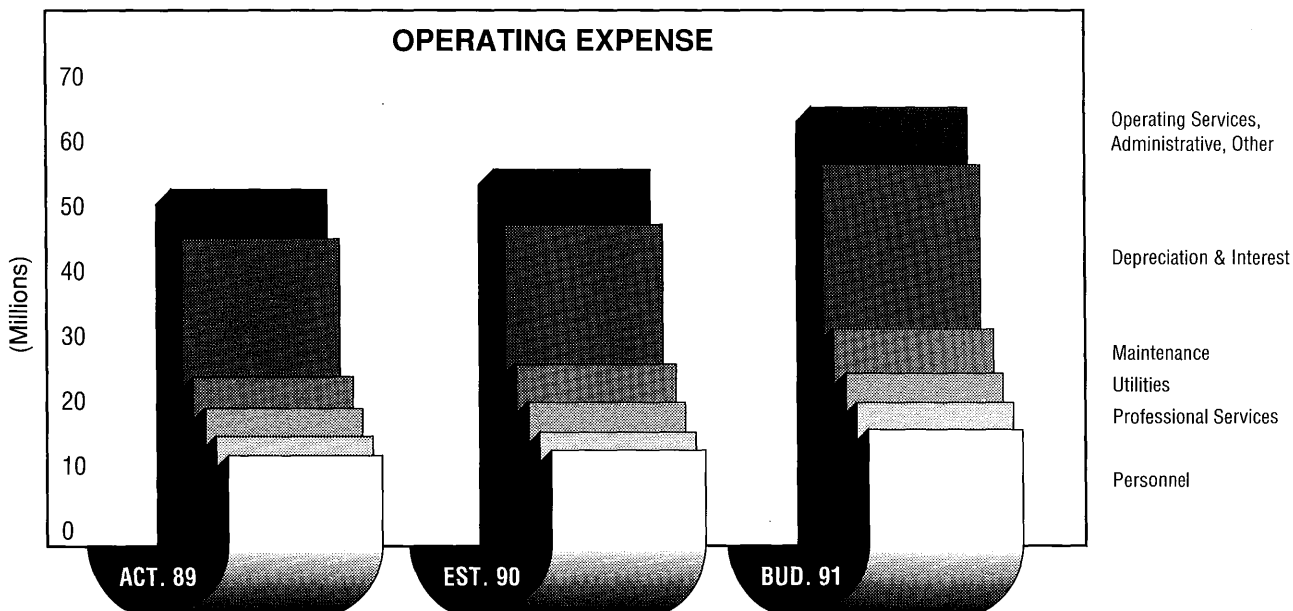
The 2% reduction in revenue is the result of removing tenant water meters used only for air conditioning purposes. During the Red/Blue Concourse rehab projects a new more economical cooling system was installed. For 1991, only 4 meters will be used in recording consumption for cooling on the Red and Blue Concourses. As a result, tenant billings for these cooling meters were eliminated. MAC will recover a portion of this revenue through terminal rates.

MISCELLANEOUS

The majority of revenue generated in this category is from reimbursed expense and shuttle bus services. Reimbursed expense consists of costs which are paid by the Metropolitan Airports Commission initially and then billed back to tenants. It comprises approximately 47% of the total in this category. The other major source of revenue is shuttle bus services which accounts for approximately 30% of revenue in this category. The Lindbergh/Humphrey Terminal shuttle system generates approximately \$588,000 from employees purchasing parking cards. Remaining revenue in this category is from parking tickets and miscellaneous small dollar items.

Operating Expense

	Main Office	Mpls-St. Paul International	Reliever Airports	Total 1991 Budget	Estimate 1990	Actual 1989
EXPENSES						
Personnel						
Salaries & Wages	3,402,639	11,423,661	1,100,005	15,926,305	13,700,000	13,178,000
Benefits	893,776	3,371,389	326,767	4,591,932	4,050,000	4,338,000
Commissioner-Per Diem	28,600	0	0	28,600	30,000	42,000
Total Personnel	4,325,015	14,795,050	1,426,772	20,546,837	17,780,000	17,558,000
Administrative Expense	603,809	318,814	25,900	948,523	650,000	516,000
Professional Services	1,360,050	1,877,610	210,000	3,447,660	3,225,000	2,782,000
Utilities	92,877	3,957,374	140,801	4,191,052	3,925,000	3,812,000
Operating Services						
Parking Management	0	2,813,722	0	2,813,722	2,990,000	2,751,000
Shuttle Bus	0	1,368,650	0	1,368,650	1,325,000	1,217,000
Other	306,050	771,780	14,500	1,092,330	805,000	751,000
Total Operating Services	306,050	4,954,152	14,500	5,274,702	5,120,000	4,719,000
Maintenance						
Building	34,816	1,518,096	129,550	1,682,462	1,680,000	1,731,000
Field	9,000	1,251,560	149,850	1,410,410	1,120,000	980,000
Equipment	59,074	1,201,338	261,442	1,521,854	1,150,000	981,000
Cleaning	35,608	2,855,656	54,246	2,945,510	2,750,000	2,453,000
Total Maintenance	138,498	6,826,650	595,088	7,560,236	6,700,000	6,145,000
Depreciation & Interest	481,662	29,377,104	1,440,581	31,299,347	28,100,000	20,605,000
Other						
General Insurance	46,704	757,224	115,488	919,416	840,000	803,000
Rental-Snow Equipment	0	250,866	27,372	278,238	292,000	435,000
Rental-Other Equipment	0	81,944	10,000	91,944	48,500	30,000
Other	23,540	88,489	34,000	146,029	195,000	304,000
Total Other	70,244	1,178,523	186,860	1,435,627	1,375,500	1,572,000
Total Operating Expenses	7,378,205	63,285,277	4,040,502	74,703,984	66,875,500	57,709,000



Expense Assumptions

The 1991 expense budget was prepared from data supplied by department heads, utility companies, various suppliers, and detailed analysis of historical spending patterns. This information forms the basis for the proposed expense budget of \$74,703,984.

The explanations for expense assumptions are based upon comparing 1990 estimates with 1991 budget figures. Estimates for 1990 are used because they give the most recent picture of what is actually happening. Also, they reflect any change in trend or policy that may have occurred from the last full year of operation (1989).

The chart shows the major expense categories and the variances between the 1990 estimates and the proposed 1991 budget.

EXPENSE CATEGORY	(Thousands)					1990 Est. vs 1991 Budget	
	1989 Budget	1989 Actual	1990 Budget	1990 Estimates	1991 Budget	Dollar Change	Percentage Change
Personnel	\$17,453	\$17,558	\$18,594	\$17,780	\$20,547	\$2,767	15.56%
Admin. Expenses	501	516	614	650	948	298	45.93%
Prof. Services	2,710	2,782	3,665	3,225	3,448	223	6.90%
Utilities	4,072	3,812	4,057	3,925	4,191	266	6.78%
Operating Serv.	4,785	4,719	5,363	5,120	5,275	155	3.02%
Maintenance	5,941	6,145	7,207	6,700	7,560	860	12.84%
Depr. & Interest	20,911	20,605	27,970	28,100	31,299	3,199	11.39%
Other	1,365	1,572	1,354	1,376	1,436	60	4.37%
Total Expense	\$57,738	\$57,709	\$68,824	\$66,876	\$74,704	\$7,828	11.71%

PERSONNEL

Personnel costs for 1991 are projected to increase 15.6%, or \$2,767,000. This increase is due to four additional staff hired in 1990 which were not budgeted, 15 budgeted positions which are vacant but anticipated to be filled by year end 1990 and personnel approved for 1991. (See Personnel chart on page 54.) The four new positions in 1990 along with the 24 positions approved for 1991 will help provide increased services to employees, airport tenants and traveling public. These include: additional Police and Fire to respond to emergency situations, additional Maintenance staff to respond to equipment, field problems and tenant requests in a more timely manner; additional Administrative staff to respond to information requests from tenants, the public, the FAA and other governmental, public and private organizations.

The salaries for these newly created, vacant, and 1991 positions make up 65% of the increase in salaries and wages. The remainder of the increase is attributed to projected wage adjustments and contract settlements.

Expense Assumptions (CONTINUED)

Benefit costs are projected to increase \$542,000 over 1990 estimates. The following table illustrates the fluctuations in benefits from 1989 to 1991.

	<u>Budget 1989</u>	<u>Actual 1989</u>	<u>Budget 1990</u>	<u>Estimated 1990</u>	<u>Budget 1991</u>
Benefits (000)	\$3,682	\$4,338	\$4,117	\$4,050	\$4,592

Employee Insurance and Employee Pension together make up approximately 86% of benefits. Approximately 70% of the increase in benefits is the result of increased pension and insurance costs caused by the additional staff mentioned above and the filling of vacant positions.

ADMINISTRATIVE EXPENSE

This category is projected to increase 46% or \$298,000 from 1990 to 1991. The reasons for the increase are:

1. Transfer of printing costs for various reports from Operating Services to Administrative Expense - Stationary/Printing (\$91,000).
2. Additional postage required for mass mailings by the Public Information Department (\$26,000).
3. Travel costs are projected to increase from \$300,000 in 1990 to \$381,000 in 1991. There are three reasons for this:
 - A. Additional staff attending various seminars and conferences.
 - B. Increased participation by MAC staff and commissioners on various national airport committees.
 - C. Increased travel associated with Federal Legislation and Planning.
4. Other - increases because of budgeted dollars for Career Days, Visitors Center, Special Events, Emergency Response Exercise and Airport Days.

PROFESSIONAL SERVICES

Professional Services are projected to increase 6.9% or from \$3,225,000 in 1990 to \$3,416,000 in 1991. The increase is attributed to three projects:

1. Concessions survey and Concessions Master Plan Study.
2. Affirmative Action consultant to write MAC's DBE Concession Plans and assess program for compliance with FAA/DOT regulations.
3. Management Training Sessions.

A number of the other consulting areas will be fluctuating up or down. In particular New Airport Planning costs are expected to decrease significantly. This decrease will be offset by smaller increases in other consulting areas.

Expense Assumptions (CONTINUED)

The following chart shows a more complete list of some of the major professional service categories, the respective departments, and dollars allocated for the 1991 budget.

TYPE OF SERVICE	DEPARTMENT	DOLLARS
Accounting & Audit Fees	Finance	\$134,000
Affirmative Action	Affirmative Action	\$103,000
Public Information	Public Information	\$104,000
Legal	Noise/Environmental	\$150,000
	General Counsel	\$246,000
	Reliever Airports	\$40,000
Computer Services	Management Inform. Systems	\$82,000
	Parking Facilities	\$166,000
Legislative	Labor/Legislative Relations	\$75,000
	Public Information	\$75,000
Engineering	Reliever Airports	\$70,000
	Field & Runway	\$602,000
	Terminal Building	\$133,000
Environmental	Reliever Airports	\$100,000
	Noise/Environmental	\$265,000
Architects	Terminal Building	\$85,000
New Airport Planning	Field & Runway	\$220,000
Appraisal/RFP/Lease	Properties	\$160,000
		\$2,810,000

UTILITIES

Anticipated price changes for 1991 were obtained from various utility companies that provide service to the MAC. Types of service and anticipated rate changes include:

- Electricity: 7% Increase
- Natural Gas: Minnegasco and Peoples Natural Gas project a 5% increase in price while NSP projects no increase. (These companies provide 99.5% of the natural gas consumed by MAC.)
- Fuel Oil: 6% Increase
- Water: 4% Increase
- Sewer: 9% Increase

Within the current budget, electricity accounts for 45%; natural gas and fuel oil together comprise 21% of the utility budget. Water and sewer charges represent 31% of the utility budget.

The City of Minneapolis bills MAC for the total consumption of water and sewer at MSP. MAC recovers the majority of these charges by billing tenants for their consumption on a quarterly basis. In addition, a portion of the charges are recovered through the terminal building rates.

Usage for Fuel Oil, Natural Gas and Water & Sewer is anticipated to remain relatively constant compared to estimated consumption in 1990 and actual 1989. Electrical consumption is projected to increase slightly.

Expense Assumptions (CONTINUED)

OPERATING SERVICES

In this category, 79% of the expenses are incurred from the parking management contract and shuttle bus services.

The parking management contract covers both operating expenses of the parking facility and the management fee. Total contract expenses vary according to gross parking receipts and average about 18% of gross revenue. These costs are projected to decrease approximately 6% in 1991 over the 1990 estimated costs. The decrease is the result of a new agreement negotiated in late 1990.

Shuttle bus services are anticipated to increase 3% in 1991 over 1990 estimates. This change is due to a new contract for the Auto Rental Facility/Lindbergh Terminal route. Other routes currently in place are: The Regional Terminal/Lindbergh Terminal, and the Humphrey Terminal/Lindbergh Terminal.

Other Operating Services are projected to increase \$285,000 from 1990 estimates to 1991 budget due to the following:

- A. In 1990 there was no advertising expense for either Noise or Parking. The 1991 budget is anticipating costs of \$146,000 for advertising in these two areas.
- B. A new category is being created in 1991 for employee recognition. This area covers such items as awards, events, supplies and the MAC wellness program. Costs for this category are budgeted at \$43,000.
- C. Pollution Control (booms) - These charges deal primarily with increasing fuel spill problems in and around the Maintenance Buildings, Ramp area and Field & Runway areas. The "booms" are used to contain and soak up the fuel. Additional costs of approximately \$50,000 are projected in the 1991 budget.

MAINTENANCE

This category has four components: building, field, equipment and cleaning. These costs are projected to increase by \$860,000 over the estimated 1990 costs.

Maintenance - Field expenses are projected to increase \$290,000 or 26% in 1991 over 1990 estimates. There are two major items which make up the increase: snow removal and asphalt/cement.

During 1990, the moisture content of the snow was low as was the amount of snow that fell. As a result, the amounts of sand, salt and urea used were considerably less than what would be used in a normal year. The 1991 budget is based upon average winter weather conditions and is in line with 1990 budgeted amounts as shown in the chart:

	<u>1990 Budget</u>	<u>1990 Estimate</u>	<u>1991 Budget</u>
Snow Removal Costs	\$703,000	\$375,000	\$645,000

The chart shows a drop in budgeted costs from 1990 to 1991 of \$58,000. In 1991, MAC will be able to use material, primarily salt, which is on hand from previous winters rather than purchase additional supplies.

Expense Assumptions (CONTINUED)

Asphalt and cement costs include materials needed to repair the ramp area, runways and roads. These costs are projected to increase \$175,000 in 1991 over 1990 estimates. The reasons are:

- A. The increase is due to materials needed to make major repairs at the reliever airports. In 1990 the relievers were able to use material that was not useable at MSP International and thus were able to make repairs for little cost.
- B. A greater number of gate and road repairs will be done at MSP in 1991 compared with 1990.
- C. The unexpected increase in cost of petroleum based materials due to the mid-east situation.

As an informational item, the 1991 budget does not have any Environmental costs under Maintenance - Field. These costs have been transferred to the Capital Improvement Program (CIP). In prior years these expenses were included in the Operating Budget. For 1991 this transfer was \$345,000.

Maintenance - Equipment expenses are projected to increase \$370,000 from 1990 estimates to 1991 budget. There are three reasons for this increase:

- A. Gas and oil for equipment increased \$60,000 based upon escalating prices and the uncertainty of the mid-east situation.
- B. Parts for equipment are estimated to increase \$160,000. This is directly related to the type of snow season. If we have below average snowfall, the equipment is not used as much resulting in less repairs. If we have above average snowfall, the equipment is used more resulting in additional repairs. The budget for 1991 is based on an average winter.
- C. An inventory and supply review of all MAC maintenance facilities was completed in 1990. This review showed that these facilities were considerably understocked with regard to shop supplies, minor equipment and miscellaneous items. This was true particularly at the reliever airports. For this reason it is anticipated that \$150,000 over 1990 levels will be necessary to bring the stock up to the level required to maintain the facilities.

Maintenance - Cleaning is projected to increase 7.0%. This is the result of a new cleaning contract which went into effect late fall 1990. In addition, rubbish removal costs continue to increase. These two items result in \$195,000 of added expense in 1991. In the fall of 1990, MAC initiated a recycling program to reduce rubbish disposal costs. The program is in its infant stage with only a few items being recycled initially. The intent, however, is to expand the program throughout the airport and to recycle as many items as possible.

Expense Assumptions (CONTINUED)

DEPRECIATION AND INTEREST

Depreciation and Interest will make up 41.6% of the total MAC budget in 1991. Estimates for Depreciation and Interest are based on the Capital Improvement Program and Plan which will be recommended to the Commission in late Fall 1990. Commission action on the Capital Improvement Program and subsequent approval of construction contracts will have a substantial impact upon the actual increases in Depreciation and Interest costs for 1991. During 1990 and 1991, approximately \$75 million worth of projects are expected to be completed. This total includes the following major items:

<u>Major Projects</u>	<u>Estimated Total Cost*</u>	<u>1991 Additional Depreciation and Interest</u>
NWA Hangar	\$47,000,000	\$1,982,450
Runway 11R/29L Pavement Rehabilitation	3,300,000	333,729
1991 Pavement Rehabilitation	875,000	59,282
Red Concourse Rehabilitation	4,950,000	405,977
Blue Concourse Mechanical System Conversion	4,600,000	162,756
Boiler Plant Modification	2,670,000	270,912
	<u>\$63,395,000</u>	<u>\$3,215,106</u>
New Equipment	2,980,000	327,800
TOTALS	<u>\$66,375,000</u>	<u>\$3,542,906</u>

* Represents total cost less estimated Federal and State aid.

Due to the long lead time required for approval, design and construction, estimates for budget purposes are based on a significant number of assumptions which determine the proposed projects' financial impact.

OTHER

General Insurance and the rental of snow removal equipment comprise 83% of the expense in this category. In total, this category is projected to increase approximately \$60,000 over 1990 estimates. The increase is due to a reclassification of charges incurred by an insurance investigator from Professional Services directly to our General Insurance account.

Total Detail Expense Summary

	Total	Main Office	Mpls/St. Paul Int'l	Reliever Airports
Personnel				
Exempt	4,305,341	2,122,124	2,027,274	155,943
Non-Exempt	2,984,672	1,025,674	1,846,355	112,643
Public Safety	2,638,025	0	2,638,025	0
Maintenance	4,877,439	9,888	4,162,068	705,483
Temp/Seasonal	330,302	53,480	205,856	70,966
Holiday	589,566	143,319	404,433	41,814
Sick	200,960	48,154	139,650	13,156
Employee Pension	2,101,508	428,678	1,515,392	157,438
Employee Insurance	1,869,948	357,792	1,388,124	124,032
Workers Compensation	207,996	13,548	176,808	17,640
Continuing Education	196,827	70,600	117,727	8,500
Uniforms	114,234	1,152	100,590	12,492
Per Diem	28,600	28,600	0	0
Other	101,419	22,006	72,748	6,665
Total Personnel	20,546,837	4,325,015	14,795,050	1,426,772
Administrative Expenses				
Office Supplies	82,053	42,300	38,853	900
Computer Supplies	87,585	58,975	24,610	4,000
Engineering Supplies	2,500	2,500	0	0
Stationery/Printing	110,824	86,450	23,124	1,250
Postage	73,965	59,100	11,115	3,750
Delivery Service	8,352	5,150	3,202	0
Freight	6,300	1,000	4,550	750
Registration	43,587	27,627	14,510	1,450
Transportation	192,443	128,758	56,685	7,000
Lodging	92,309	65,064	24,645	2,600
Meals	26,646	15,101	10,245	1,300
Mileage	26,464	15,714	10,600	150
Memb., Sub., Dues, etc.	68,390	53,015	13,875	1,500
Local Meetings	20,355	14,255	5,350	750
Other	106,750	28,800	77,450	500
Total Administrative Expenses	948,523	603,809	318,814	25,900
Professional Services				
Accounting/Audit Fees	133,750	133,750	0	0
Graphic/Printer	28,500	28,500	0	0
Insurance Consultants	29,000	29,000	0	0
Underwriting Fees	6,000	6,000	0	0
Public Information Fee	126,000	104,500	21,500	0
Legal Fees	286,000	243,500	2,500	40,000
Legal Fees-Environmental	150,000	0	150,000	0
Labor Relations	40,000	40,000	0	0
Computer Services	268,700	84,900	183,800	0
Legislative Fees	150,000	150,000	0	0
Engineering Fees	922,000	63,000	789,000	70,000
Environmental	365,000	0	265,000	100,000
Architectural Fees	115,000	10,000	105,000	0
New Airports Planning	220,000	0	220,000	0
Recruiting/Employment	4,000	4,000	0	0
Appraisal/RFP/Lease	175,000	160,000	15,000	0
Affirmative Action	103,900	103,900	0	0
Miscellaneous - Medical	50,000	15,000	35,000	0
Miscellaneous - Other	274,810	184,000	90,810	0
Total Professional Services	3,447,660	1,360,050	1,877,610	210,000

Total Detail Expense Summary (CONTINUED)

	Total	Main Office	Mpls/St. Paul Int'l	Reliever Airports
Utilities				
Telephone	148,100	35,500	93,300	19,300
Electricity	1,876,065	36,004	1,767,669	72,392
Sewer	712,392	7,000	693,000	12,392
Water	582,452	5,751	574,253	2,448
Heating Fuel	872,043	8,622	829,152	34,269
Total Utilities	4,191,052	92,877	3,957,374	140,801
Operating Services				
Parking - Management Fee	2,813,722	0	2,813,722	0
Parking - Lot Tickets	70,150	0	70,150	0
Advertising - Employment	30,350	30,350	0	0
Advertising - Noise	77,000	0	76,000	1,000
Advertising - Parking	65,000	0	65,000	0
Advertising - Other	54,300	51,500	800	2,000
Cab Starter	260,000	0	260,000	0
Met Council Fees	100,000	0	100,000	0
Pollution Control	78,500	0	67,000	11,500
Shuttle Bus Service	1,368,650	0	1,368,650	0
Security Service	90,000	0	90,000	0
Bank Charges	62,000	62,000	0	0
Copy Agreement	96,000	84,000	12,000	0
Recognition - Events	13,800	13,800	0	0
Recognition - Awards	9,000	9,000	0	0
Recognition - Supplies	3,500	3,500	0	0
Recognition - Meals	17,000	17,000	0	0
Other	65,730	34,900	30,830	0
Total Operating Services	5,274,702	306,050	4,954,152	14,500
Maintenance - Building				
Electrical - Bldg.	91,120	1,820	77,800	11,500
Shop - Bldg.	24,110	0	19,610	4,500
Plumbing - Bldg.	153,000	5,100	135,900	12,000
Painting - Bldg.	68,930	0	64,680	4,250
Carpentry - Bldg.	41,690	1,900	35,340	4,450
Temperature Control	418,000	20,200	380,800	17,000
Roofing	80,500	1,500	32,500	46,500
Doors	104,600	196	98,404	6,000
Elevators	85,000	4,100	78,400	2,500
Carrouseles	470,000	0	470,000	0
Tools - Bldg.	63,360	0	60,510	2,850
Other - Bldg.	82,152	0	64,152	18,000
Total Maintenance - Bldg.	1,682,462	34,816	1,518,096	129,550
Maintenance - Field				
Electrical - Field	127,380	0	107,380	20,000
Shop - Field	850	0	0	850
Painting - Field	45,820	0	33,320	12,500
Carpentry - Field	8,960	0	6,360	2,600
Sand	113,500	0	103,000	10,500
Salt	16,250	0	15,000	1,250
Asphalt/Cement	356,000	0	296,000	60,000
Landscaping/Turf Maintenance	72,000	9,000	46,000	17,000
Snow Removal	270,000	0	267,000	3,000
Fencing	57,500	0	45,000	12,500
Urea	244,900	0	241,000	3,900
Tools - Field	41,750	0	40,000	1,750
Other - Field	55,500	0	51,500	4,000
Total Maintenance - Field	1,410,410	9,000	1,251,560	149,850

Total Detail Expense Summary (CONTINUED)

	Total	Main Office	Mpls/St. Paul Int'l	Reliever Airports
Maintenance - Equipment				
Parts	806,917	6,000	703,417	97,500
Radio Maintenance	46,270	1,100	40,550	4,620
Gas & Oil	214,320	8,774	165,724	39,822
Minor Equipment	214,675	19,900	166,275	28,500
Shop Supplies	122,900	0	42,400	80,500
Other	116,772	23,300	82,972	10,500
Total Maintenance - Equipment	<u>1,521,854</u>	<u>59,074</u>	<u>1,201,338</u>	<u>261,442</u>
Maintenance - Cleaning				
Towel/Laundry	15,950	0	13,200	2,750
Janitor Contract	2,239,670	33,756	2,181,518	24,396
Rubbish Disposal	482,600	0	464,400	18,200
Janitor Supplies	207,290	1,852	196,538	8,900
Total Maintenance - Cleaning	<u>2,945,510</u>	<u>35,608</u>	<u>2,855,656</u>	<u>54,246</u>
Depreciation & Interest				
Depreciation	16,058,900	303,486	14,314,833	1,440,581
Interest	15,240,447	178,176	15,062,271	0
Total Depreciation & Interest	<u>31,299,347</u>	<u>481,662</u>	<u>29,377,104</u>	<u>1,440,581</u>
OTHER				
General Insurance	919,416	46,704	757,224	115,488
Rental - Snow Equipment	278,238	0	250,866	27,372
Rental - Field Equipment	91,944	0	81,944	10,000
Rental - Copier	7,972	0	5,472	2,500
Rental - Other	26,820	3,240	21,580	2,000
Licenses & Taxes	24,000	2,000	19,000	3,000
Office Furniture	30,650	800	29,850	0
Other	56,587	17,500	12,587	26,500
Total Other	<u>1,435,627</u>	<u>70,244</u>	<u>1,178,523</u>	<u>186,860</u>
Department Total	<u>74,703,984</u>	<u>7,378,205</u>	<u>63,285,277</u>	<u>4,040,502</u>

Main Office Summary

	Total	Main Office Building/ Executive	Public Information	Deputy Airports	Planning & Development	Finance	Mgmt Inform Systems	Labor/ Legislative Relations	Properties	Affirmative Action	General Counsel	Personnel
Personnel												
Exempt	2,122,124	174,772	136,277	137,475	401,679	518,399	105,223	128,668	178,269	110,198	128,353	102,811
Non-Exempt	1,025,674	58,696	22,231	22,864	62,403	426,643	136,627	29,421	72,571	48,307	47,711	98,200
Maintenance	9,888	9,888	0	0	0	0	0	0	0	0	0	0
Temp/Seasonal	53,480	0	2,784	0	0	7,944	5,896	0	3,264	0	3,712	29,880
Holiday	143,319	10,437	7,128	7,156	20,732	42,333	10,918	7,031	11,258	7,031	7,975	11,320
Sick	48,154	3,558	2,348	2,446	7,060	14,414	3,636	2,400	3,800	2,408	2,676	3,408
Employee Pension	428,678	33,903	20,346	20,220	60,436	129,397	31,879	21,884	33,788	21,841	22,499	32,485
Employee Insur.	357,792	23,856	14,316	14,316	47,700	119,256	28,620	14,316	23,856	19,080	19,080	33,396
Workers Comp.	13,548	900	540	540	1,812	4,524	1,080	540	900	720	720	1,272
Cont. Education	70,600	0	3,500	600	6,000	18,500	19,500	2,000	5,000	8,000	500	7,000
Uniforms	1,152	0	0	0	0	1,152	0	0	0	0	0	0
Per Diem	28,600	28,600	0	0	0	0	0	0	0	0	0	0
Other	22,006	1,606	1,095	1,108	3,200	6,615	1,705	1,090	1,728	1,093	1,214	1,552
Total Personnel	4,325,015	346,216	210,565	206,725	611,022	1,289,177	345,084	207,350	334,434	218,678	234,440	321,324
Administrative Expense												
Office Supplies	42,300	27,000	1,500	500	2,000	4,800	600	1,500	1,000	1,000	900	1,500
Computer Supplies	58,975	20,000	3,000	0	7,500	4,175	16,500	2,000	3,500	1,200	300	800
Engineering Supplies	2,500	0	0	0	2,500	0	0	0	0	0	0	0
Stationary/Printing	86,450	0	60,000	6,700	1,500	16,500	0	1,000	0	750	0	0
Postage	59,100	59,100	0	0	0	0	0	0	0	0	0	0
Delivery Service	5,150	500	500	0	1,200	450	0	400	1,000	100	500	500
Freight	1,000	500	500	0	0	0	0	0	0	0	0	0
Registration	27,627	10,967	2,200	1,800	1,560	1,200	1,400	2,200	2,000	1,800	1,500	1,000
Transportation	128,758	58,823	5,100	4,000	6,360	11,550	3,500	2,775	12,750	4,400	14,500	5,000
Lodging	65,064	26,919	4,200	3,900	3,120	3,525	2,100	4,650	8,250	2,900	3,000	2,500
Meals	15,101	2,991	500	1,100	960	1,250	1,100	1,300	2,000	900	1,500	1,500
Mileage	15,714	8,112	0	300	0	2,202	100	600	1,200	1,800	500	600
Memb., Sub., etc.	53,015	26,000	1,000	1,875	1,000	2,740	2,800	2,500	1,000	3,000	10,600	500
Local Meetings	14,255	3,500	2,400	420	1,000	1,135	400	2,000	500	1,000	400	1,500
Other	28,300	3,300	19,000	100	1,600	1,500	0	0	300	2,000	0	1,000
Total Admin. Expense	603,809	247,712	99,900	20,695	30,300	51,027	28,800	20,925	33,500	20,850	33,700	16,400
Professional Services												
Account/Audit Fees	133,750	0	0	0	0	133,750	0	0	0	0	0	0
Graphic/Printer	28,500	0	14,000	0	0	14,500	0	0	0	0	0	0
Insurance Consults.	29,000	0	0	29,000	0	0	0	0	0	0	0	0
Underwriting Fees	6,000	0	0	0	0	6,000	0	0	0	0	0	0
Public Info Fee	104,500	0	104,500	0	0	0	0	0	0	0	0	0
Legal Fees	243,500	0	0	0	0	3,500	0	0	0	0	240,000	0
Labor Relations	40,000	0	0	0	0	0	0	40,000	0	0	0	0
Computer Services	84,900	0	0	0	2,000	1,400	81,500	0	0	0	0	0
Legislative Fees	150,000	0	75,000	0	0	0	0	75,000	0	0	0	0
Engineering Fees	63,000	3,000	0	0	60,000	0	0	0	0	0	0	0
Architectural Fees	10,000	0	0	0	10,000	0	0	0	0	0	0	0
Recruit/Employ	4,000	0	0	0	0	0	0	0	0	0	0	4,000
Apprais/RFP/Lease	160,000	0	0	0	0	0	0	0	160,000	0	0	0
Affirmative Action	103,900	0	0	0	0	0	0	0	0	103,900	0	0
Misc - Medical	15,000	0	0	0	0	0	0	0	0	0	0	15,000
Misc - Other	184,000	30,000	0	70,500	0	10,000	3,500	0	0	0	0	70,000
Total Pro Services	1,360,050	33,000	193,500	99,500	72,000	169,150	85,000	115,000	160,000	103,900	240,000	89,000
Utilities												
Telephone	35,500	35,000	0	0	0	0	0	0	0	0	0	0
Electricity	36,004	36,004	0	0	0	0	0	0	0	0	0	0
Sewer	7,000	7,000	0	0	0	0	0	0	0	0	0	0
Water	5,751	5,751	0	0	0	0	0	0	0	0	0	0
Heating Fuel	8,622	8,622	0	0	0	0	0	0	0	0	0	0
Total Utilities	92,877	92,877	0	0	0	0	0	0	0	0	0	0

Main Office Summary (CONTINUED)

	Total	Main Office Building/ Executive	Public Information	Deputy Airports	Planning & Development	Finance	Mgmt Inform Systems	Labor/ Legislative Relations	Properties	Affirmative Action	General Counsel	Personnel
Operating Services												
Advertising - Empl	30,350	0	350	0	0	0	0	0	0	0	0	30,000
Advertising - Other	51,500	0	49,000	0	0	2,000	0	0	0	0	500	0
Bank Charges	62,000	0	0	0	0	62,000	0	0	0	0	0	0
Copy Agreement	84,000	84,000	0	0	0	0	0	0	0	0	0	0
Recog. - Events	13,800	0	0	7,800	0	0	6,000	0	0	0	0	0
Recog. - Awards	9,000	0	0	0	0	0	9,000	0	0	0	0	0
Recog. - Supplies	3,500	0	0	1,000	0	0	2,500	0	0	0	0	0
Recog. - Meals	17,000	0	0	0	0	0	17,000	0	0	0	0	0
Other	34,900	0	24,900	0	0	0	0	10,000	0	0	0	0
Total Operating Serv.	306,050	84,000	74,250	8,800	0	64,000	34,500	10,000	0	0	500	30,000
Maintenance - Building												
Electrical - Bldg	1,820	1,820	0	0	0	0	0	0	0	0	0	0
Plumbing - Bldg	5,100	5,100	0	0	0	0	0	0	0	0	0	0
Carpentry - Bldg	1,900	1,900	0	0	0	0	0	0	0	0	0	0
Temp Control	20,200	20,200	0	0	0	0	0	0	0	0	0	0
Roofing	1,500	1,500	0	0	0	0	0	0	0	0	0	0
Doors	196	196	0	0	0	0	0	0	0	0	0	0
Elevators	4,100	4,100	0	0	0	0	0	0	0	0	0	0
Total Maint - Bldg	34,816	34,816	0	0	0	0	0	0	0	0	0	0
Maintenance - Field												
Landscape/Turf Maint.	9,000	9,000	0	0	0	0	0	0	0	0	0	0
Total Maint - Field	9,000	9,000	0	0	0	0	0	0	0	0	0	0
Maintenance - Equipment												
Parts	6,000	4,500	0	0	0	1,500	0	0	0	0	0	0
Radio Maintenance	1,100	1,100	0	0	0	0	0	0	0	0	0	0
Gas & Oil	8,774	8,774	0	0	0	0	0	0	0	0	0	0
Minor Equipment	19,900	10,000	3,000	0	0	3,150	0	3,000	0	750	0	0
Other	23,300	2,000	0	0	0	0	21,300	0	0	0	0	0
Total Maint-Equip	59,074	26,374	3,000	0	0	4,650	21,300	3,000	0	750	0	0
Maintenance - Cleaning												
Janitor Contract	33,756	33,756	0	0	0	0	0	0	0	0	0	0
Janitor Supplies	1,852	1,852	0	0	0	0	0	0	0	0	0	0
Total Maint-Cleaning	35,608	35,608	0	0	0	0	0	0	0	0	0	0
Depreciation and Interest												
Depreciation	303,486	303,486	0	0	0	0	0	0	0	0	0	0
Interest	178,176	178,176	0	0	0	0	0	0	0	0	0	0
Total Depr & Interest	481,662	481,662	0	0	0	0	0	0	0	0	0	0
Other												
General Insurance	46,704	46,704	0	0	0	0	0	0	0	0	0	0
Rental-Other	3,240	3,240	0	0	0	0	0	0	0	0	0	0
Licenses & Taxes	2,000	2,000	0	0	0	0	0	0	0	0	0	0
Office Furniture	800	0	0	800	0	0	0	0	0	0	0	0
Other	17,500	7,000	3,000	0	0	6,000	0	0	1,500	0	0	0
Total Other	70,244	58,944	3,000	800	0	6,000	0	0	1,500	0	0	0
Department Total	7,378,205	1,450,209	584,215	336,520	713,322	1,584,004	514,684	356,275	529,434	344,178	508,640	456,724
Sub Total Building		943,269										

Minneapolis/St. Paul International Expense Summary

	Total	Field & Runway	Maintenance Employees	Equipment Maintenance	Maintenance Building	Off-Airport Noise	Noise Abatement	Ramp	Terminal Building	S/L Fac. and Green Concourse	Boiler Plant	Terminal Roads
Personnel												
Exempt	2,027,274	0	362,261	0	0	0	173,227	0	142,485	0	47,088	0
Non-Exempt	1,846,355	0	69,415	0	0	0	205,100	0	23,165	0	42,233	0
Public Safety	2,638,025	0	0	0	0	0	0	0	0	0	0	0
Maintenance	4,162,068	0	3,267,082	0	22,054	0	0	0	394,690	0	434,132	0
Temp/Seasonal	205,856	0	119,358	0	0	0	50,676	0	3,264	0	0	0
Holiday	404,433	0	140,309	0	0	0	16,623	0	22,489	0	21,769	0
Sick	139,650	0	46,712	0	0	0	5,103	0	7,648	0	7,086	0
Emp. Pension	1,515,392	0	517,699	0	0	0	52,986	0	85,315	0	70,719	0
Emp. Insur.	1,388,124	0	472,236	0	0	0	66,780	0	76,320	0	66,780	0
Workers Comp.	176,808	0	67,152	0	0	0	2,532	0	10,848	0	8,820	0
Continuing Ed.	117,727	0	12,252	0	0	0	13,000	0	1,200	0	5,000	0
Uniforms	100,590	0	34,700	0	0	0	0	0	2,760	0	948	4,800
Other	72,748	0	25,167	0	0	0	2,587	0	3,836	0	3,560	0
Total Personnel	14,795,050	0	5,135,343	0	22,054	0	588,614	0	774,020	0	708,135	4,800
Administrative Expense												
Office Supplies	38,853	2,500	0	0	0	0	3,600	0	0	0	250	0
Computer Supplies	24,610	0	0	0	0	0	1,200	0	3,600	0	0	0
Stationary/Printing	23,124	4,500	0	0	0	0	5,500	0	300	0	0	0
Postage	11,115	0	0	0	0	0	0	0	0	0	0	0
Delivery Service	3,202	1,100	0	0	0	0	1,000	0	300	0	0	0
Freight	4,550	550	0	0	0	0	1,500	0	1,500	0	500	0
Registration	14,510	3,200	0	0	400	0	2,100	0	200	0	1,250	0
Transportation	56,685	14,150	0	0	2,300	0	5,600	0	750	0	700	0
Lodging	24,645	4,500	0	0	1,900	0	2,500	0	400	0	425	0
Meals	10,245	1,200	0	0	500	0	800	0	150	0	125	0
Mileage	10,600	50	0	0	0	0	2,730	0	1,260	0	500	0
Memb, Sub, Dues, etc.	13,875	900	0	0	0	0	3,750	0	100	0	100	0
Local Meetings	5,350	0	0	0	0	0	450	0	300	0	0	0
Other	77,450	16,500	0	0	0	0	12,000	0	1,500	0	500	0
Total Admin. Expense	318,814	49,150	0	0	5,100	0	42,730	0	10,360	0	4,350	0
Professional Services												
Public Information Fee	21,500	0	0	0	0	0	0	0	0	0	0	0
Legal Fees	2,500	0	0	0	0	0	0	0	0	0	0	0
Legal Fees - Env.	150,000	0	0	0	0	0	150,000	0	0	0	0	0
Computer Services	183,800	0	0	0	0	0	0	0	0	0	0	0
Engineering Fees	789,000	602,400	0	0	2,000	0	2,000	15,000	133,300	0	10,000	0
Environmental	265,000	0	0	0	0	0	265,000	0	0	0	0	0
Architectural Fees	105,000	0	0	0	0	0	0	0	85,000	0	10,000	0
New Airport Planning	220,000	220,000	0	0	0	0	0	0	0	0	0	0
Appraisal/RFP/Lease	15,000	0	0	0	0	0	0	0	0	0	0	0
Misc. - Medical	35,000	0	0	0	0	0	0	0	0	0	0	0
Misc. - Other	90,810	0	0	0	0	0	8,400	0	5,000	0	0	0
Total Prof. Services	1,877,610	822,400	0	0	2,000	0	425,400	15,000	223,300	0	20,000	0
Utilities												
Telephone	93,300	2,000	0	0	1,700	0	1,700	0	5,000	0	0	1,500
Electricity	1,767,669	60,008	0	0	50,005	0	0	0	1,150,000	0	135,016	150,015
Sewer	693,000	0	0	0	14,000	0	0	0	525,000	0	7,700	94,500
Water	574,253	0	0	0	8,000	0	0	0	365,000	0	6,000	68,751
Heating Fuel	829,152	312	0	0	36,332	0	0	0	14,521	0	603,691	0
Total Utilities	3,957,374	62,320	0	0	110,037	0	1,700	0	2,059,521	0	752,407	314,766
Operating Services												
Parking-Mgmt Fee	2,813,722	0	0	0	0	0	0	0	0	0	0	0
Parking-Lot Tckts	70,150	0	0	0	0	0	0	0	0	0	0	0
Adv.-Noise	76,000	0	0	0	0	0	76,000	0	0	0	0	0
Adv.-Parking	65,000	0	0	0	0	0	0	0	0	0	0	0
Adv.-Other	800	800	0	0	0	0	0	0	0	0	0	0
Cab Starter	260,000	0	0	0	0	0	0	0	0	0	0	260,000
Met Council Fees	100,000	100,000	0	0	0	0	0	0	0	0	0	0
Pollution Control	67,000	30,800	0	5,200	20,000	0	0	0	0	0	0	0
Shuttle Bus Serv.	1,368,650	0	0	0	0	0	0	0	160,000	0	0	1,101,828
Security Service	90,000	0	0	0	0	0	0	0	0	0	0	0
Copy Agreement	12,000	0	0	0	0	0	12,000	0	0	0	0	0
Other	30,830	0	0	0	308	0	0	0	0	0	0	0
Total Operating Serv.	4,954,152	131,600	0	5,200	20,308	0	88,000	0	160,000	0	0	1,361,828

MINNEAPOLIS/ST. PAUL
 METROPOLITAN
 AIRPORTS
 COMMISSION

Minneapolis/St. Paul International Expense Summary (CONTINUED)

	Total	Field & Runway	Maintenance Employees	Equipment Maintenance	Maintenance Building	Off-Airport Noise	Noise Abatement	Ramp	Terminal Building	S/L Fac. and Green Concourse	Boiler Plant	Terminal Roads
Maintenance-Building												
Electrical - Bldg.	77,800	0	0	1,820	9,100	0	0	0	27,910	500	5,460	250
Shop - Bldg.	19,610	0	0	0	0	0	0	0	4,900	100	1,600	0
Plumbing - Bldg.	135,900	0	0	0	10,620	0	0	0	45,620	3,760	15,060	32,760
Painting - Bldg.	64,680	0	0	4,900	2,940	0	0	0	33,320	5,880	0	0
Carpentry - Bldg.	35,340	0	0	2,710	0	0	0	0	18,990	600	1,800	600
Temp. Control	380,800	0	0	0	14,400	0	0	0	203,060	20,900	42,000	4,345
Roofing	32,500	0	0	0	7,500	0	0	0	8,250	1,500	4,000	0
Doors	98,404	0	0	13,600	294	0	0	0	58,752	0	298	2,196
Elevators	78,400	0	0	0	0	0	0	0	44,800	7,200	0	6,400
Carrouseles	470,000	0	0	0	0	0	0	0	352,500	0	0	0
Tools - Bldg.	60,510	1,000	0	12,500	0	0	0	0	6,000	500	2,500	500
Other - Bldg.	64,152	0	0	0	5,000	0	0	0	22,601	1,975	0	1,313
Total Maint. - Bldg.	1,518,096	1,000	0	35,530	49,854	0	0	0	826,703	42,915	72,718	48,364
Maintenance - Field												
Electrical - Field	107,380	96,460	0	0	0	0	0	1,820	0	0	0	7,280
Painting - Field	33,320	24,500	0	0	0	0	0	0	0	0	0	3,920
Carpentry - Field	6,360	2,870	0	0	0	0	0	0	0	0	0	750
Sand	103,000	72,100	0	0	0	0	0	0	0	0	0	10,300
Salt	15,000	0	0	0	0	0	0	0	0	0	0	7,500
Asphalt/Cement	296,000	84,750	0	0	0	0	0	128,250	0	0	0	26,875
Lands./Turf Maint.	46,000	7,000	0	0	0	0	0	0	0	0	0	36,000
Snow Removal	267,000	18,500	0	0	0	0	0	85,250	0	0	0	0
Fencing	45,000	18,000	0	0	0	0	0	0	0	0	0	2,700
Urea	241,000	213,000	0	0	0	0	0	22,000	0	0	0	6,000
Tools - Field	40,000	20,000	0	0	0	0	0	20,000	0	0	0	0
Other - Field	51,500	16,750	0	0	3,000	0	0	1,750	0	0	0	0
Total Maint. - Field	1,251,560	573,930	0	0	3,000	0	0	259,070	0	0	0	101,325
Maintenance-Equipment												
Parts	703,417	0	0	542,000	0	0	2,000	0	8,678	250	12,000	368
Radio Maintenance	40,550	0	0	19,200	0	0	2,000	0	500	0	0	0
Gas & Oil	165,724	0	0	132,804	0	0	975	0	0	0	0	0
Minor Equipment	166,275	0	0	93,400	0	0	2,000	0	4,050	0	4,000	0
Shop Supplies	42,400	0	0	15,000	0	0	0	0	2,000	0	3,400	0
Other	82,972	0	0	0	0	0	0	0	910	210	0	0
Total Maint. - Equip.	1,201,338	0	0	802,404	0	0	6,975	0	16,138	460	19,400	368
Maintenance-Cleaning												
Towel/Laundry	13,200	0	0	2,300	0	0	0	0	2,270	980	400	980
Janitor Contract	2,181,518	0	0	0	17,496	0	0	0	1,257,460	390,866	0	75,344
Rubbish Disposal	464,400	211,200	0	0	25,200	0	0	0	153,600	0	0	0
Janitor Supplies	196,538	0	0	0	232	0	0	0	136,680	20,400	2,040	6,120
Total Maint.-Cleaning	2,855,656	211,200	0	2,300	42,928	0	0	0	1,550,010	412,246	2,440	82,444
Depreciation & Interest												
Depreciation	14,314,833	1,231,020	0	606,504	67,428	211,200	52,938	175,788	1,948,537	4,731,569	168,510	1,193,568
Interest	15,062,271	1,238,130	0	106,026	57,208	123,168	25,752	129,360	2,073,169	6,435,780	251,046	1,184,520
Total Depr. & Int.	29,377,104	2,469,150	0	712,530	124,636	334,368	78,690	305,148	4,021,706	11,167,349	419,556	2,378,088
Other												
General Insurance	757,224	41,724	0	72,384	3,600	0	2,748	25,524	324,348	0	5,904	14,496
Rental-Snow Equip.	250,866	5,256	0	0	0	0	0	164,948	0	0	0	18,852
Rental - Fld Equip.	81,944	56,960	0	0	0	0	0	18,528	0	0	0	0
Rental - Copier	5,472	0	0	0	0	0	0	0	0	0	0	0
Rental - Other	21,580	0	0	0	0	0	0	0	5,300	0	0	0
Licenses & Taxes	19,000	0	0	16,000	0	0	3,000	0	0	0	0	0
Office Furniture	29,850	2,500	0	0	0	0	2,500	0	0	0	0	0
Other	12,587	0	0	0	0	0	0	0	4,062	488	90	225
Total Other	1,178,523	106,440	0	88,384	3,600	0	8,248	209,000	333,710	488	5,994	33,573
Department Total	63,285,277	4,427,190	5,135,343	1,646,348	383,517	334,368	1,240,357	788,218	9,975,468	11,623,458	2,005,000	4,325,556

Minneapolis/St. Paul International Expense Summary (CONTINUED)

	Fire	Police	Parking Facilities	Humphrey Terminal	Cargo Area	Other Roads	West Terminal Area	Control Tower	Hangars & Other Buildings	WCF Admin.	Opera- tions	Ground Trans.
Personnel												
Exempt	509,820	396,729	0	48,634	0	0	0	0	0	198,959	101,289	45,782
Non-Exempt	0	770,342	0	0	0	0	37,737	0	0	155,754	505,111	37,498
Public Safety	951,512	1,686,513	0	0	0	0	0	0	0	0	0	0
Maintenance	3,042	0	0	0	0	0	15,000	7,816	18,252	0	0	0
Temp/Seasonal	0	0	0	0	0	0	3,264	0	0	19,488	9,806	0
Holiday	33,885	118,213	0	2,180	0	0	4,376	0	0	16,203	24,769	3,617
Sick	15,600	40,326	0	744	0	0	1,434	0	0	5,296	8,458	1,243
Employee Pension	198,968	427,846	0	6,136	0	0	14,881	0	0	51,787	78,567	10,488
Employee Insurance	176,508	391,152	0	4,776	0	0	14,316	0	0	38,160	71,556	9,540
Workers Compensation	25,092	55,620	0	180	0	0	2,040	0	0	1,452	2,712	360
Continuing Education	16,075	53,500	0	0	0	0	2,200	0	0	5,000	8,500	1,000
Uniforms	11,315	34,925	0	0	0	0	612	0	0	0	5,130	5,400
Other	9,815	19,578	0	338	0	0	701	0	0	2,442	4,151	573
Total Personnel	1,951,632	3,994,744	0	62,988	0	0	96,561	7,816	18,252	494,541	820,049	115,501
Administrative Expense												
Office Supplies	900	20,295	0	0	0	0	0	0	0	10,008	1,000	300
Computer Supplies	3,000	4,000	0	0	0	0	0	0	0	6,310	5,000	1,500
Stationary/Printing	200	7,674	0	0	0	0	0	0	0	1,200	750	3,000
Postage	0	240	0	0	0	0	0	0	0	10,875	0	0
Delivery Service	50	100	0	0	0	0	0	0	0	402	250	0
Freight	50	200	0	0	0	0	0	0	0	250	0	0
Registration	750	2,560	0	50	0	0	0	0	0	1,500	1,500	1,000
Transportation	2,750	7,535	0	400	0	0	0	0	0	9,000	4,500	9,000
Lodging	1,500	3,730	0	0	0	0	0	0	0	3,450	5,040	1,200
Meals	500	1,775	0	35	0	0	0	0	0	1,450	2,260	1,450
Mileage	0	3,500	0	50	0	0	1,000	0	0	300	910	300
Memb, Sub, Dues, etc.	2,000	2,800	0	0	0	0	0	0	0	3,000	675	550
Local Meetings	200	700	0	0	0	0	0	0	0	3,000	500	200
Other	10,000	1,500	0	0	0	0	0	0	0	32,500	2,950	0
Total Admin. Expense	21,900	56,609	0	535	0	0	1,000	0	0	83,245	25,335	18,500
Professional Services												
Public Information Fee	0	7,500	9,000	0	0	0	0	0	0	0	0	5,000
Legal Fees	0	0	2,500	0	0	0	0	0	0	0	0	0
Legal Fees - Environ.	0	0	0	0	0	0	0	0	0	0	0	0
Computer Services	0	2,400	166,400	0	0	0	0	0	0	0	0	15,000
Engineering Fees	1,850	3,500	0	1,000	0	0	11,000	0	0	2,500	3,800	650
Environmental	0	0	0	0	0	0	0	0	0	0	0	0
Architectural Fees	0	0	0	10,000	0	0	0	0	0	0	0	0
New Airport Planning	0	0	0	0	0	0	0	0	0	0	0	0
Appraisal/RFP/Lease	0	0	15,000	0	0	0	0	0	0	0	0	0
Misc. - Medical	12,500	15,000	0	0	0	0	0	0	0	7,500	0	0
Misc. - Other	7,500	16,410	0	0	0	12,500	0	0	0	15,000	16,000	10,000
Total Prof. Services	21,850	44,810	192,900	11,000	0	12,500	11,000	0	0	25,000	19,800	30,650
Utilities												
Telephone	4,000	9,000	0	1,800	0	0	1,200	0	0	30,000	35,400	0
Electricity	0	0	0	108,012	6,701	2,901	36,004	33,003	36,004	0	0	0
Sewer	3,500	0	1,400	10,500	0	35,000	0	700	700	0	0	0
Water	2,000	0	2,000	7,251	0	113,749	0	751	751	0	0	0
Heating Fuel	6,601	8,953	0	66,460	0	0	20,158	20,133	51,991	0	0	0
Total Utilities	16,101	17,953	3,400	194,023	6,701	151,650	57,362	54,587	89,446	30,000	35,400	0
Operating Services												
Parking-Mgmt Fee	0	0	2,813,722	0	0	0	0	0	0	0	0	0
Parking-Lot Tckts	0	0	70,150	0	0	0	0	0	0	0	0	0
Adv.-Noise	0	0	0	0	0	0	0	0	0	0	0	0
Adv.-Parking	0	0	65,000	0	0	0	0	0	0	0	0	0
Adv.-Other	0	0	0	0	0	0	0	0	0	0	0	0
Cab Starter	0	0	0	0	0	0	0	0	0	0	0	0
Met Council Fees	0	0	0	0	0	0	0	0	0	0	0	0
Pollution Control	11,000	0	0	0	0	0	0	0	0	0	0	0
Shuttle Bus Serv.	0	0	0	106,822	0	0	0	0	0	0	0	0
Security Service	0	90,000	0	0	0	0	0	0	0	0	0	0
Copy Agreement	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	17,622	0	0	0	400	0	0	0	0	5,000	7,500
42 Total Operating Serv.	11,000	107,622	2,948,872	106,822	0	400	0	0	0	0	5,000	7,500

Minneapolis/St. Paul International Expense Summary (CONTINUED)

	Fire	Police	Parking Facilities	Humphrey Terminal	Cargo Area	Other Roads	West Terminal Area	Control Tower	Hangars & Other Buildings	WCF Admin.	Opera- tions	Ground Trans.
Maintenance-Building												
Electrical - Bldg.	1,820	0	20,020	5,460	0	0	3,640	0	1,820	0	0	0
Shop - Bldg.	0	13,010	0	0	0	0	0	0	0	0	0	0
Plumbing - Bldg.	5,100	0	2,760	2,760	0	0	5,760	2,700	9,000	0	0	0
Painting - Bldg.	0	0	7,840	4,900	0	0	4,900	0	0	0	0	0
Carpentry - Bldg.	1,490	1,610	2,290	2,260	0	0	2,990	0	0	0	0	0
Temp. Control	9,500	0	3,425	26,470	0	2,800	30,000	9,200	14,700	0	0	0
Roofing	3,000	0	2,250	3,000	0	0	3,000	0	0	0	0	0
Doors	4,196	98	7,396	11,084	0	0	490	0	0	0	0	0
Elevators	0	0	16,800	3,200	0	0	0	0	0	0	0	0
Carrouseles	0	0	0	117,500	0	0	0	0	0	0	0	0
Tools - Bldg.	15,000	21,010	500	500	0	0	500	0	0	0	0	0
Other - Bldg.	0	0	12,188	15,075	0	0	4,000	0	1,000	0	1,000	0
Total Maint. - Bldg.	40,106	35,728	75,469	192,209	0	2,800	55,280	11,900	26,520	0	1,000	0
Maintenance - Field												
Electrical - Field	0	0	0	0	0	1,820	0	0	0	0	0	0
Painting - Field	0	0	0	0	0	4,900	0	0	0	0	0	0
Carpentry - Field	0	0	0	0	0	2,740	0	0	0	0	0	0
Sand	0	0	10,300	0	0	10,300	0	0	0	0	0	0
Salt	0	0	1,500	0	0	6,000	0	0	0	0	0	0
Asphalt/Cement	0	0	9,750	0	0	46,375	0	0	0	0	0	0
Lands./Turf Maint.	0	0	0	0	0	3,000	0	0	0	0	0	0
Snow Removal	0	0	154,000	0	0	9,250	0	0	0	0	0	0
Fencing	0	0	0	0	0	24,300	0	0	0	0	0	0
Urea	0	0	0	0	0	0	0	0	0	0	0	0
Tools - Field	0	0	0	0	0	0	0	0	0	0	0	0
Other - Field	30,000	0	0	0	0	0	0	0	0	0	0	0
Total Maint. - Field	30,000	0	175,550	0	0	108,685	0	0	0	0	0	0
Maintenance-Equipment												
Parts	0	14,760	121,375	486	0	0	500	0	0	0	1,000	0
Radio Maintenance	3,600	6,000	750	0	0	0	0	0	0	0	8,500	0
Gas & Oil	7,569	19,500	0	0	0	0	0	0	0	0	4,876	0
Minor Equipment	0	21,000	0	35,325	0	0	0	0	0	3,000	3,500	0
Shop Supplies	22,000	0	0	0	0	0	0	0	0	0	0	0
Other	52,000	10,572	0	2,080	0	0	0	0	0	8,700	8,500	0
Total Maint. - Equip.	85,169	71,832	122,125	37,891	0	0	500	0	0	11,700	26,376	0
Maintenance-Cleaning												
Towel/Laundry	2,400	2,400	0	1,470	0	0	0	0	0	0	0	0
Janitor Contract	0	0	148,100	218,500	0	0	68,748	0	5,004	0	0	0
Rubbish Disposal	9,000	0	0	38,400	0	0	0	23,400	3,600	0	0	0
Janitor Supplies	4,040	0	2,040	22,440	0	0	1,852	0	694	0	0	0
Total Maint. - Cleaning	15,440	2,400	150,140	280,810	0	0	70,600	23,400	9,298	0	0	0
Depreciation & Interest												
Depreciation	132,558	44,734	2,626,133	564,930	331,956	114,648	12,612	0	38,328	25,998	34,794	1,080
Interest	45,456	10,308	2,436,718	506,178	257,676	113,892	7,596	0	38,724	6,432	12,408	2,724
Total Depr. & Int.	178,014	55,042	5,062,851	1,071,108	589,632	228,540	20,208	0	77,052	32,430	47,202	3,804
Other												
General Insurance	65,556	98,856	49,080	24,600	0	14,496	6,120	360	2,880	1,848	2,700	0
Rental-Snow Equip.	0	0	0	0	0	61,810	0	0	0	0	0	0
Rental - Fld Equip.	0	0	1,200	0	0	5,256	0	0	0	0	0	0
Rental - Copier	0	5,472	0	0	0	0	0	0	0	0	0	0
Rental - Other	0	3,708	0	1,000	0	2,500	1,800	0	0	7,272	0	0
Licenses & Taxes	0	0	0	0	0	0	0	0	0	0	0	0
Office Furniture	1,000	23,550	0	300	0	0	0	0	0	0	0	0
Other	0	4,912	725	960	0	0	1,125	0	0	0	0	0
Total Other	66,556	136,498	51,005	26,860	0	84,062	9,045	360	2,880	9,120	2,700	0
Department Total	2,437,768	4,523,238	8,782,312	1,984,246	596,333	588,637	321,556	98,063	223,448	686,036	982,862	175,955

West Reliever Expense Summary

	Total	West Reliever Admin	Flying Cloud Facilities	Flying Cloud Field & Runways	West Reliever Equipment Maintenance	Crystal Facilities	Crystal Field & Runways	Anoka Facilities	Anoka Field & Runways
Personnel									
Exempt	48,412	48,412	0	0	0	0	0	0	0
Non-Exempt	50,160	50,160	0	0	0	0	0	0	0
Maintenance	347,240	0	0	148,852	0	0	90,029	0	108,359
Temp/Seasonal	40,031	0	0	13,049	0	0	13,491	0	13,491
Holiday	19,151	4,109	0	6,118	0	0	4,225	0	4,699
Sick	5,906	1,400	0	1,944	0	0	1,170	0	1,392
Employee Pension	72,866	14,225	0	24,459	0	0	14,333	0	19,849
Employee Insurance	57,252	9,540	0	19,080	0	0	14,316	0	14,316
Workers Compensation	8,148	1,356	0	2,712	0	0	2,040	0	2,040
Continuing Education	2,000	2,000	0	0	0	0	0	0	0
Uniforms	5,760	1,440	0	1,728	0	0	1,296	0	1,296
Other	3,047	675	0	1,017	0	0	615	0	740
Total Personnel	659,973	133,317	0	218,959	0	0	141,515	0	166,182
Administrative Expense									
Office Supplies	400	400	0	0	0	0	0	0	0
Computer Supplies	1,500	1,500	0	0	0	0	0	0	0
Stationary/Printing	500	500	0	0	0	0	0	0	0
Postage	2,500	2,500	0	0	0	0	0	0	0
Freight	250	250	0	0	0	0	0	0	0
Registration	500	500	0	0	0	0	0	0	0
Transportation	3,000	3,000	0	0	0	0	0	0	0
Lodging	1,000	1,000	0	0	0	0	0	0	0
Meals	500	500	0	0	0	0	0	0	0
Memb., Sub., Dues, etc.	600	600	0	0	0	0	0	0	0
Other	500	500	0	0	0	0	0	0	0
Total Administrative Expense	11,250	11,250	0	0	0	0	0	0	0
Professional Services									
Legal Fees	18,000	0	0	5,000	0	0	6,000	0	7,000
Engineering Fees	32,000	0	0	12,000	0	0	9,000	0	11,000
Environmental	15,000	0	0	5,000	0	0	5,000	0	5,000
Total Professional Services	65,000	0	0	22,000	0	0	20,000	0	23,000
Utilities									
Telephone	8,800	5,000	1,600	0	0	0	0	2,200	0
Electricity	13,390	0	4,201	0	0	3,003	0	1,924	4,262
Sewer	8,202	0	0	5,501	0	100	2,601	0	0
Heating Fuel	10,966	0	5,000	0	0	2,010	0	3,956	0
Total Utilities	41,358	5,000	10,801	5,501	0	5,113	2,601	8,080	4,262
Operating Services									
Advertising - Other	1,000	1,000	0	0	0	0	0	0	0
Pollution Control	6,000	0	1,000	1,000	0	1,000	1,000	1,000	1,000
Total Operating Services	7,000	1,000	1,000	1,000	0	1,000	1,000	1,000	1,000
Maintenance-Building									
Electrical - Bldg.	3,000	0	1,000	0	0	1,000	0	1,000	0
Shop - Bldg.	1,500	0	500	0	0	500	0	500	0
Plumbing - Bldg.	6,000	0	2,000	0	0	2,000	0	2,000	0
Painting - Bldg.	1,500	0	500	0	0	500	0	500	0
Carpentry - Bldg.	1,200	0	400	0	0	400	0	400	0
Temperature Control	7,000	0	2,000	0	0	3,000	0	2,000	0
Roofing	20,000	0	5,000	0	0	10,000	0	5,000	0
Doors	1,500	0	500	0	0	500	0	500	0
Tools - Bldg.	1,500	0	500	0	0	500	0	500	0
Other - Bldg.	9,000	0	2,500	0	0	2,500	0	4,000	0
Total Maintenance - Bldg.	52,200	0	14,900	0	0	20,900	0	16,400	0

West Reliever Expense Summary (CONTINUED)

	Total	West Reliever Admin	Flying Cloud Facilities	Flying Cloud Field & Runways	West Reliever Equipment Maintenance	Crystal Facilities	Crystal Field & Runways	Anoka Facilities	Anoka Field & Runways
Maintenance - Field									
Electrical - Field	9,000	0	0	3,000	0	0	3,000	0	3,000
Painting - Field	6,000	0	0	2,000	0	0	2,000	0	2,000
Carpentry - Field	1,500	0	0	500	0	0	500	0	500
Sand	4,500	0	0	1,500	0	0	1,500	0	1,500
Asphalt/Cement	27,000	0	0	9,000	0	0	9,000	0	9,000
Landscape/Turf Maint.	13,000	0	0	5,000	0	0	5,000	0	3,000
Snow Removal	1,500	0	0	500	0	0	500	0	500
Fencing	6,000	0	0	2,000	0	0	2,000	0	2,000
Urea	1,500	0	0	500	0	0	500	0	500
Tools - Field	900	0	0	300	0	0	300	0	300
Other - Field	3,000	0	0	1,000	0	0	1,000	0	1,000
Total Maintenance - Field	73,900	0	0	25,300	0	0	25,300	0	23,300
Maintenance-Equipment									
Parts	45,000	0	0	0	45,000	0	0	0	0
Radio Maintenance	1,920	0	0	0	1,920	0	0	0	0
Gas & Oil	21,934	0	0	0	21,934	0	0	0	0
Minor Equipment	17,000	0	0	0	17,000	0	0	0	0
Shop Supplies	38,000	0	0	0	38,000	0	0	0	0
Other	5,000	0	0	0	5,000	0	0	0	0
Total Maint. - Equipment	128,854	0	0	0	128,854	0	0	0	0
Maintenance-Cleaning									
Towel/Laundry	1,250	0	400	400	0	250	0	200	0
Janitor Contract	2,400	0	0	0	0	2,400	0	0	0
Rubbish Disposal	11,300	0	3,000	3,500	0	2,400	0	2,400	0
Janitor Supplies	3,000	0	2,000	0	0	500	0	500	0
Total Maint. - Cleaning	17,950	0	5,400	3,900	0	5,550	0	3,100	0
Depreciation & Interest									
Depreciation	534,958	0	16,248	86,111	156,984	13,248	61,536	31,225	169,606
Total Depr. & Interest	534,958	0	16,248	86,111	156,984	13,248	61,536	31,225	169,606
Other									
General Insurance	54,684	0	732	9,276	24,204	732	9,276	1,188	9,276
Rental - Snow Equipment	13,686	0	0	13,686	0	0	0	0	0
Rental - Field Equipment	10,000	0	0	5,000	0	0	5,000	0	0
Rental - Copier	2,500	2,500	0	0	0	0	0	0	0
Rental - Other	1,000	1,000	0	0	0	0	0	0	0
Licenses & Taxes	1,000	0	0	0	1,000	0	0	0	0
Other	1,500	500	0	500	0	0	0	500	0
Total Other	84,370	4,000	732	28,462	25,204	732	14,276	1,688	9,276
Department Total	1,676,813	154,567	49,081	391,233	311,042	46,453	266,228	61,493	396,626

East Reliever Summary

	Total	East Reliever Admin	St. Paul Facilities	St. Paul Field & Runways	East Equipment Maintenance	Lake Elmo Facilities	Lake Elmo Field & Runways	Airlake Facilities	Airlake Field & Runways
Personnel									
Exempt	107,531	107,531	0	0	0	0	0	0	0
Non-Exempt	62,483	62,483	0	0	0	0	0	0	0
Maintenance	358,243	0	0	216,387	0	0	70,578	0	71,278
Temp/Seasonal	30,935	0	0	5,215	0	0	12,860	0	12,860
Holiday	22,663	7,422	0	8,515	0	0	3,363	0	3,363
Sick	7,250	2,534	0	2,844	0	0	936	0	936
Employee Pension	84,572	24,836	0	36,215	0	0	11,594	0	11,927
Employee Insurance	66,780	19,080	0	28,620	0	0	9,540	0	9,540
Workers Compensation	9,492	2,712	0	4,068	0	0	1,356	0	1,356
Continuing Education	6,500	6,500	0	0	0	0	0	0	0
Uniforms	6,732	2,400	0	2,604	0	0	864	0	864
Other	3,618	1,170	0	1,481	0	0	481	0	484
Total Personnel	766,799	236,668	0	305,949	0	0	111,572	0	112,610
Administrative Expense									
Office Supplies	500	500	0	0	0	0	0	0	0
Computer Supplies	2,500	2,500	0	0	0	0	0	0	0
Stationery/Printing	750	750	0	0	0	0	0	0	0
Postage	1,250	1,250	0	0	0	0	0	0	0
Freight	500	500	0	0	0	0	0	0	0
Registration	950	950	0	0	0	0	0	0	0
Transportation	4,000	4,000	0	0	0	0	0	0	0
Lodging	1,600	1,600	0	0	0	0	0	0	0
Meals	800	800	0	0	0	0	0	0	0
Mileage	150	150	0	0	0	0	0	0	0
Memb., Sub., Dues, etc.	900	900	0	0	0	0	0	0	0
Local Meetings	750	750	0	0	0	0	0	0	0
Total Administrative Expense	14,650	14,650	0	0	0	0	0	0	0
Professional Services									
Legal Fees	22,000	0	0	11,000	0	0	6,000	0	5,000
Engineering Fees	38,000	0	0	16,000	0	0	11,000	0	11,000
Environmental	85,000	0	0	5,000	0	0	75,000	0	5,000
Total Professional Services	145,000	0	0	32,000	0	0	92,000	0	21,000
Utilities									
Telephone	10,500	8,000	0	0	0	900	0	1,600	0
Electricity	59,002	0	17,801	32,002	0	4,000	2,601	2,502	96
Sewer	4,190	0	4,150	0	0	0	0	40	0
Water	2,448	0	2,400	0	0	0	0	48	0
Heating Fuel	23,303	0	19,645	0	0	0	0	3,658	0
Total Utilities	99,443	8,000	43,996	32,002	0	4,900	2,601	7,848	96
Operating Services									
Advertising - Noise	1,000	1,000	0	0	0	0	0	0	0
Advertising - Other	1,000	1,000	0	0	0	0	0	0	0
Pollution Control	5,500	1,000	500	0	0	1,000	1,000	1,000	1,000
Total Operating Services	7,500	3,000	500	0	0	1,000	1,000	1,000	1,000

1991 OPERATING BUDGET
 MINNEAPOLIS/ST. PAUL
 METROPOLITAN
 AIRPORTS
 COMMISSION

East Reliever Summary (CONTINUED)

	Total	East Reliever Admin	St. Paul Facilities	St. Paul Field & Runways	East Equipment Maintenance	Lake Elmo Facilities	Lake Elmo Field & Runways	Airlake Facilities	Airlake Field & Runways
Maintenance-Building									
Electrical - Bldg.	8,500	0	6,500	0	0	1,000	0	1,000	0
Shop - Bldg.	3,000	0	2,000	0	0	500	0	500	0
Plumbing - Bldg.	6,000	0	2,000	0	0	2,000	0	2,000	0
Painting - Bldg.	2,750	0	1,750	0	0	500	0	500	0
Carpentry - Bldg.	3,250	0	1,750	0	0	750	0	750	0
Temperature Control	10,000	0	6,000	0	0	2,000	0	2,000	0
Roofing	26,500	0	16,500	0	0	5,000	0	5,000	0
Doors	4,500	0	2,500	0	0	1,000	0	1,000	0
Elevators	2,500	0	2,500	0	0	0	0	0	0
Tools - Bldg.	1,350	0	750	0	0	300	0	300	0
Other - Bldg.	9,000	0	4,000	0	0	2,500	0	2,500	0
Total Maintenance - Bldg.	77,350	0	46,250	0	0	15,550	0	15,550	0
Maintenance - Field									
Electrical - Field	11,000	0	0	5,000	0	0	3,000	0	3,000
Shop - Field	850	0	0	250	0	0	300	0	300
Painting - Field	6,500	0	0	2,500	0	0	2,000	0	2,000
Carpentry - Field	1,100	0	0	500	0	0	300	0	300
Sand	6,000	0	0	5,000	0	0	500	0	500
Salt	1,250	0	0	250	0	0	500	0	500
Asphalt/Cement	33,000	0	0	15,000	0	0	9,000	0	9,000
Landscape/Turf Maint.	4,000	0	0	3,000	0	0	500	0	500
Snow Removal	1,500	0	0	500	0	0	500	0	500
Fencing	6,500	0	0	2,500	0	0	2,000	0	2,000
Urea	2,400	0	0	2,000	0	0	200	0	200
Tools - Field	850	0	0	250	0	0	300	0	300
Other - Field	1,000	0	0	0	0	0	500	0	500
Total Maintenance - Field	75,950	0	0	36,750	0	0	19,600	0	19,600
Maintenance-Equipment									
Parts	52,500	0	0	0	52,500	0	0	0	0
Radio Maintenance	2,700	0	0	0	2,700	0	0	0	0
Gas & Oil	17,888	0	0	0	17,888	0	0	0	0
Minor Equipment	1,500	0	1,500	0	10,000	0	0	0	0
Shop Supplies	42,500	0	2,000	0	40,500	0	0	0	0
Other	5,500	0	0	0	5,500	0	0	0	0
Total Maint. - Equipment	132,588	0	3,500	0	129,088	0	0	0	0
Maintenance-Cleaning									
Towel/Laundry	1,500	0	1,500	0	0	0	0	0	0
Janitor Contract	21,996	0	21,996	0	0	0	0	0	0
Rubbish Disposal	6,900	0	4,500	0	0	1,200	0	1,200	0
Janitor Supplies	5,900	0	5,500	0	0	200	0	200	0
Total Maint. - Cleaning	36,296	0	33,496	0	0	1,400	0	1,400	0
Depreciation & Interest									
Depreciation	905,632	2,016	134,549	341,162	253,740	11,408	13,556	74,504	74,688
Total Depr. & Interest	905,623	2,016	134,549	341,162	253,740	11,408	13,556	74,504	74,688
Other									
General Insurance	60,804	0	12,228	11,604	17,448	384	9,276	528	9,276
Rental - Snow Equipment	13,686	0	0	13,686	0	0	0	0	0
Rental - Other	1,000	1,000	0	0	0	0	0	0	0
Licenses & Taxes	2,000	0	0	0	2,000	0	0	0	0
Other	25,000	25,000	0	0	0	0	0	0	0
Total Other	102,490	26,000	12,288	25,290	19,448	384	9,276	528	9,276
Department Total	2,363,689	290,334	274,579	773,153	402,276	34,642	249,605	100,830	238,270

Description of Budget Preparation & Amendment Process

The following paragraphs describe how the budget is prepared, amended, and the relationship between airport lease agreements and the way MAC accumulates costs.

BUDGET PROCESS

The budget process at the Metropolitan Airports Commission (MAC) is essentially a year-round project. Preparation of the budget takes seven months. It is prepared on an accrual basis in accordance with GAAP.

Preliminary work on the budget begins in May. Initially, all budgeting forms are updated so they reflect changes made from the previous year. In addition, a determination of the various percentages that will be used in the budget is made. These percentages include labor contract and wage adjustments, inflation factors and others. An historical analysis regarding various expense categories also begins at this time and continues through July.

Once the preliminary information is gathered, the budget packages are assembled and distributed to each department supervisor. This year's package was distributed in four parts. The first part dealt with the personnel area and was to be completed and returned by late June. The second part dealt with professional services and was to be completed by late June. The third part involved capital equipment requests. This section was to be completed by mid-July. The fourth part contained the balance of the operating budget: administrative expenses, operating services, maintenance and miscellaneous expenses. This area was to be completed by the latter part of July.

During the second half of June, all new positions are reviewed in detail and Commission approval given for inclusion in the budget. All of the salary and wage estimates are calculated based upon information gathered from the department heads. The data is processed, reviewed, and revised until the output is approved by the Executive Director. In addition, specific information is requested from all of the airlines that service Minneapolis/St. Paul International Airport regarding activity projected for the upcoming budget year.

In late July, the historical analysis for expense is completely updated and preparation of the actual departmental budgets begins. The expense budget is reviewed and revised throughout August. In addition, equipment requests are reviewed in detail during July and approval given by the Executive Director. At the same time, the historical analysis for all revenue items is initiated and completed.

By September the expense budget is completed, and the revenue portion is well underway. The revenue portion of our budget is based upon the lease agreement with the airlines and various other lease agreements with concessionaires. Because much of what is needed for revenue is determined by expense projections, revenue is calculated after expense.

During October the budget package is distributed to all MAC Commissioners. They have approximately one month to review the package and meet with the Finance Department to explore in more detail any questions they have. During this period of time, the budget is also distributed to other interested parties, such as the airlines. A formal presentation of the budget is made by Finance Department staff at the November Planning & Environmental and Management & Operations

Description of Budget Preparation & Amendment Process (CONTINUED)

Committee public meetings. The Management and Operations Committee accepts the budget and recommends it to the full Commission for final approval. The budget is then adopted by a vote of the Commissioners at the full Commission meeting in November.

The final step takes place in November when notices regarding the rate changes are sent to all tenants. This calendar gives a brief overview of the process.

<u>Month</u>	<u>Task</u>
May	<ul style="list-style-type: none"> - Update budget packages - Determine inflation factors, wage adjustments, and labor contracts - Begin historical analysis - Prepare preliminary budget
June	<ul style="list-style-type: none"> - Distribute packages (personnel, professional services, equipment and other expenses) - Present preliminary budget to Management & Operations Committee - Continue historical analysis
July	<ul style="list-style-type: none"> - Personnel section completed - Professional Services section completed - Complete historical analysis - Equipment requests reviewed
August	<ul style="list-style-type: none"> - Expense packages completed and reviewed - Revenue analysis started
September	<ul style="list-style-type: none"> - Total expense completed - Revenue completed
October	<ul style="list-style-type: none"> - Distribute budget to all MAC Commissioners for review - Distribution of budget to interested parties
November	<ul style="list-style-type: none"> - Presentation of budget package to Management & Operations and Planning & Environmental Committees - Management & Operations Committee Approval - Commission Approval - Notice of rate changes to all tenants

AMENDING PROCESS

The process to amend the budget is set forth in the MAC bylaws, Article III, 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 is directed to provide for the daily operation and management of the Commission within the the expenditure guidelines of the annual budget. Commission approval of a contract shall constitute prior approval of 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.

Description of Budget Preparation & Amendment Process (CONTINUED)

The Executive Director 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'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 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 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:

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. Personnel <ul style="list-style-type: none"> Salaries & Wages Benefits Commissioner Per Diem Total Personnel 2. Administrative Expenses 3. Professional Services 4. Utilities 5. Operating Services <ul style="list-style-type: none"> Parking Management Shuttle Bus Other Total Operating Services | <ol style="list-style-type: none"> 6. Maintenance <ul style="list-style-type: none"> Building Field Equipment Cleaning Total Maintenance 7. Depreciation & Interest 8. Other <ul style="list-style-type: none"> General Insurance Rental-Snow Equipment Rental-Other Equipment Other Total Other Total Expense |
|--|--|

BUDGET FORMAT

The Commission has entered into various agreements with the airlines and other parties which impact the accumulation and reporting of revenues and expenses. Included in these are the following:

- The Airport Lease Agreement which governs the landing fee, ramp fee, and the leasing of space in the terminal buildings (The current agreement became effective 1/1/89.)
- Other Building Leases covering the cargo area and miscellaneous hangar facilities
- Concession Agreements relating to the sale of goods and services at MSP International
- Self-liquidating leases which relate to the construction of buildings and facilities for a specific airline or tenant.

Description of Budget Preparation & Amendment Process (CONTINUED)

The Commission organizational chart deals with departments and their assigned responsibilities. However, because of the various lease agreements, there is a need for cost accumulation purposes to subdivide MAC's structure into locations and further into cost centers. The locations identified are the Main office, MSP Int'l and Reliever Airports. The Main Office includes most of the administrative staff and building, MSP Int'l encompasses the whole airport facility. The cost centers for MSP Int'l are listed and are used for allocating costs by specific formulas in order to calculate the different rates charged by MAC at MSP Int'l.

COST CENTERS

- Administration
- Operations
- Ground Transportation
- Fire
- Police
- Noise/Environmental
- Field & Runways
- Ramp Area
- Cargo Area
- HHH Terminal
- Terminal Building
- Boiler Plant
- Terminal Roads
- West Terminal Area
- Control Tower
- Parking Facilities
- Other Roads
- Maintenance Building
- Self Liquidating Facilities
- Green Concourse
- Hangars & Other Building
- Maintenance Employees
- Equipment Maintenance

The final location is the Reliever Airports. This area can be further divided into the East side (includes St. Paul, Lake Elmo, & Airlake facilities) and the West side (includes Flying Cloud, Crystal, and Anoka facilities).

Departmental Historical Summary

This summary is used to show growth and detail on a departmental basis. Rather than go into an in-depth explanation on the changes in each cost center from 1987 to 1991, three general statements provide background/reasons for the changes:

- A.) Six new cost centers were formed. They provide additional services and information required in the MAC system of airports. Five of the cost centers were part of other cost centers. They were spun off because of information requests, legal requirements and growth. They are: Public Affairs, Deputy Airports, Affirmative Action, Personnel and Ground Transportation. The sixth cost center, Off-Airport Noise, was created out of the airline agreement.
- B.) Personnel and equipment have been moved to and from various departments.
- C.) Various analysis completed by MAC staff has changed the way some expenses are recorded.

Department Historical Summary (CONTINUED)

	1987 Actual	1988 Actual	1989 Actual	1990 Estimate	1990 Budget	1991 Budget
Main Office						
Executive	670,200	873,300	313,900	475,000	411,028	506,940
Public Affairs	0	0	810,800	486,000	479,812	584,215
Deputy Airports	0	0	0	365,000	310,817	336,520
Airport Development	406,400	475,200	503,800	610,000	685,927	713,332
Finance	945,900	1,091,100	1,374,700	1,285,000	1,333,668	1,584,004
Management Information Systems	152,200	143,800	219,800	275,000	227,727	514,684
Legislative/Labor Relations	265,800	293,900	467,100	265,000	341,890	356,275
Properties	191,800	222,000	307,300	450,000	445,446	529,434
Affirmative Action	0	0	157,400	200,000	183,682	344,178
General Counsel	282,600	366,400	376,500	450,000	529,987	508,640
Building	684,300	557,600	844,000	886,000	816,695	943,269
Personnel	0	0	0	300,000	367,530	456,724
Total Main Office	3,599,200	4,023,300	5,375,300	6,047,000	6,184,209	7,378,205
Mpls/St. Paul International						
Administration	464,400	424,900	543,600	570,000	580,773	686,036
Operations	647,500	623,100	709,100	740,000	800,344	982,862
Ground Transportation	0	0	0	120,000	195,047	175,955
Fire	1,947,600	1,839,100	2,139,500	1,970,000	2,109,986	2,437,768
Police	3,235,100	3,310,300	3,601,200	3,800,000	3,924,471	4,523,238
Off Airport Noise	0	0	0	285,000	276,772	334,368
Environmental/Noise Abatement	658,600	860,800	1,128,100	975,000	1,201,671	1,240,357
Field & Runway	3,120,600	2,906,800	2,800,600	3,775,000	4,027,896	4,427,190
Ramp	729,700	723,000	702,400	730,000	805,367	788,218
Cargo	684,700	668,800	647,200	625,000	637,267	596,333
Humphrey Terminal	1,415,600	1,886,100	2,101,900	2,175,000	2,055,454	1,984,246
Lindbergh Terminal	9,438,000	10,324,800	9,105,600	9,150,000	9,139,974	9,975,468
Boiler Plant	1,345,600	1,401,600	1,537,800	1,650,000	1,745,246	2,005,000
Terminal Roads	1,444,200	2,045,700	3,267,800	3,915,000	3,830,896	4,325,556
West Terminal Area	310,000	300,000	362,000	275,000	264,455	321,556
Control Tower	49,800	68,700	51,200	69,000	67,179	98,063
Parking Facilities	4,804,100	4,957,800	6,328,100	8,975,000	9,175,793	8,782,312
Other Roads	439,200	914,200	430,000	1,000,000	1,115,560	588,637
Equipment Buildings	397,000	368,500	435,400	500,000	349,111	383,517
Self-Liquidating Facilities	7,282,100	6,634,500	5,496,600	9,172,000	9,178,299	11,167,349
Green Concourse	63,500	344,500	1,045,200	435,000	455,426	456,109
Hangars & Other Buildings	235,600	307,500	181,800	175,000	250,058	223,448
Maintenance Employees	4,161,500	4,290,300	4,845,800	4,820,000	5,007,564	5,135,343
Equipment Maintenance	1,370,700	1,586,200	1,595,600	1,575,000	1,697,223	1,646,348
Total Mpls/St. Paul International	44,245,100	46,787,200	49,056,500	57,476,000	58,891,802	63,285,277
Reliever Airports						
West Reliever Administration	127,700	160,300	190,800	125,000	127,110	154,567
Flying Cloud Facilities	24,500	33,800	35,800	36,000	35,168	49,081
Flying Cloud Field & Runways	217,700	236,000	286,500	375,000	458,604	391,233
West Reliever Equipment Maint.	136,000	149,300	212,400	220,000	251,701	311,042
Crystal Facilities	25,400	27,900	37,500	28,000	29,815	46,543
Crystal Field & Runways	179,800	205,800	220,700	240,000	267,442	266,228
Anoka Facilities	51,300	43,600	56,700	43,500	45,290	61,493
Anoka Field & Runways	206,300	318,500	349,700	306,000	421,961	396,626
East Reliever Administration	188,300	209,400	271,000	222,000	229,794	290,334
St. Paul Facilities	176,300	236,100	259,400	250,000	240,302	274,579
St. Paul Field & Runways	571,800	551,600	682,600	770,000	694,893	773,153
East Reliever Equipment Maint.	133,900	169,600	203,600	240,000	227,731	402,276
Lake Elmo Facilities	17,200	32,800	26,700	22,000	23,780	34,642
Lake Elmo Field & Runways	103,100	278,100	183,600	155,000	403,132	249,605
Airlake Facilities	36,500	42,000	63,400	80,000	45,580	100,830
Airlake Field & Runways	106,100	120,700	196,800	240,000	245,328	238,270
Total Reliever Airports	2,301,900	2,815,500	3,277,200	3,352,500	3,747,631	4,040,502
Total All Facilities	50,146,200	53,626,000	57,709,000	66,875,500	68,823,642	74,703,984

Personnel Activity

Department	1988 Actual Personnel	1989 Actual Personnel	Current Personnel 8/1/90	1990 Budgeted Personnel	1991 Budgeted Personnel	1991 New Positions Approved
Main Office						
Executive ^{A,B,C}	8	4	4	5	5	1
Communications/Public Information	0	2	2	3	3	0
Deputy-Airports ^A	0	3	2	2	3	0
Airport Planning & Development ^C	8	7	8	10	10	1
Finance	23	23	23	23	25	2
Management Information Systems ^E	3	5	5	4	6	1
Labor & Legislative Relations ^D	2	2	2	2	3	0
Properties	5	5	5	5	5	0
Affirmative Action	2	3	3	3	4	1
General Counsel	3	3	3	3	4	1
Personnel ^{B, D}	4	5	5	5	6	1
	<u>58</u>	<u>62</u>	<u>62</u>	<u>65</u>	<u>74</u>	<u>8</u>
MSP International						
Administration	7	8	8	8	8	0
Operations ^E	13	14	14	13	15	1
Ground Transportation	0	1	2	2	2	0
Fire	28	30	30	31	37	6
Police	70	75	74	80	82	2
Noise Abatement/Environmental	5	14	12	12	13	0
HHH Terminal	1	1	1	1	1	0
Terminal Building	14	15	15	15	16	1
Boiler Plant	12	11	12	12	13	1
West Terminal Area	3	3	2	3	3	0
Maintenance ^E	89	91	91	93	99	5
	<u>242</u>	<u>263</u>	<u>261</u>	<u>270</u>	<u>289</u>	<u>16</u>
Relievers						
West	11	11	12	12	12	0
East	13	14	14	14	14	0
	<u>24</u>	<u>25</u>	<u>26</u>	<u>26</u>	<u>26</u>	<u>0</u>
Total	324	350	349	361	389	24

^{A-D} Represent Administrative changes to departmental staff effective 1/1/91.

- A. Shift from Executive to Deputy Airports.
- B. Shift from Executive to Personnel.
- C. Shift from Airport Development to Executive.
- D. Shift from Personnel to Labor/Legislative Relations.

^E Four new positions were authorized in 1990 after the budget was approved
 - Events Coordinator, Operations Coordinator, Manager of Maintenance, Noise Clerk

^F The following positions were vacant as of 8/1/90 but are anticipated to be filled by year end.

- | | |
|---------------------------|-------------------|
| 2 Secretaries | 1 Engineer |
| 1 Planner | 1 Firefighter |
| 1 Maintenance (West Term) | 2 Police Officers |
| 2 Maintenance Workers | 4 CSO's |
| 1 Director of Environment | |

Debt Service/Capital Spending

Debt Service/Capital Spending

DEBT ADMINISTRATION

The Metropolitan Airports Commission has issued two forms of indebtedness: Airport Revenue Bonds and General Obligation Revenue Bonds. From 1943 to 1975 MAC issued Airport Revenue Bonds to provide funds for its capital improvement program. Since 1976 General Obligation Revenue Bonds which are backed by Commission revenues and the authority to levy any required taxes on the assessed valuation of the seven-county metropolitan area have been used. The MAC is required by law to maintain Debt Service funds sufficient to bring the balance on hand in the Debt Service Account on October 10 of each year to an amount equal to all principal and interest to become due on all Airport Improvement Bonds and General Obligation Revenue Bonds payable therefrom to the end of the second following year. The required balance as of October 10 in the Debt Service Account for the next five years is as follows:

1991	\$37,355,983
1992	\$37,059,810
1993	\$36,461,502
1994	\$35,881,535
1995	\$35,272,304

MAC last sold bonds (\$51 million) in August of 1988, at which time it received AAA rating from both Moody's and Standard & Poor's rating services. Authority for issuing bonds is obtained from the Minnesota State Legislature. Currently the authorization permits the issuance of an additional \$99 million of bonds.

CAPITAL PROJECTS

Each year the MAC approves Capital Projects that will start within the next 12 months, and a Capital Improvement Program which covers all projects which are to be started during the second calendar year. In addition, a Capital Improvement Plan which covers an additional five years is adopted. These serve as a basis for determining funding requirements and other operational planning decisions. 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 coordination and planning of certain governmental services for the metropolitan area.

Funds required for completion of all capital projects come from three sources: a) General Obligation Revenue Bonds, b) state or federal grants and c) internally generated funds from operations. In order to limit the cost of facilities at the reliever airports, MAC uses only grant funds or retained earnings to finance all construction projects at these airports. Capital improvements at MSP are financed from all three sources as appropriate.

Debt Service/Capital Spending (CONTINUED)

Anticipated projects planned for 1991 and 1992 as well as the extended period 1993-1997 are summarized here. (The amounts shown represent the estimated total costs for projects planned to be initiated but not necessarily completed during that period. For budgeting purposes, a September 10, 1990, cut-off was used to determine dollars, timing, and location of projects listed.) It was originally intended to have the Capital Improvement Program presented at the same time as the budget, however, due to legislative requirements regarding environmental analysis of the Capital Improvement Program, presentation was delayed. Because of this delay, the amounts shown represent preliminary estimates and may vary from the final numbers presented.

	1991	1992	1993-1997	Total 1992-1997
Minneapolis/St. Paul Int'l				
Field & Runway	\$17,475,000	\$20,525,000	\$53,825,000	\$ 91,825,000
Self-Liquidating	45,600,000	14,000,000	18,600,000	\$78,200,000
Terminal Building & Other	37,825,000	38,525,000	24,600,000	100,950,000
St. Paul Downtown Airport	5,830,000	500,000	2,500,000	8,830,000
Flying Cloud Airport	310,000	1,800,000	500,000	2,610,000
Crystal Airport	100,000	375,000	600,000	1,075,000
Anoka County Airport	2,375,000	1,650,000	350,000	4,375,000
Lake Elmo Airport	100,000	500,000	300,000	900,000
Airlake Airport	1,100,000	500,000	2,100,000	3,700,000
	<u>\$110,715,000</u>	<u>\$78,375,000</u>	<u>\$103,375,000</u>	<u>\$292,465,000</u>

The Capital Improvement Program to be approved in 1990 will have little effect on the Operating Budget because depreciation and interest charges begin when the projects are completed. Other operating expenses such as personnel, utilities and maintenance will not be affected in 1991. They may, however, increase in future years. The extent of the increase is difficult to determine at this time because of the long lead time required for approval, design and construction of projects. Projects may change significantly: deferred to future years, eliminated or cost revisions.

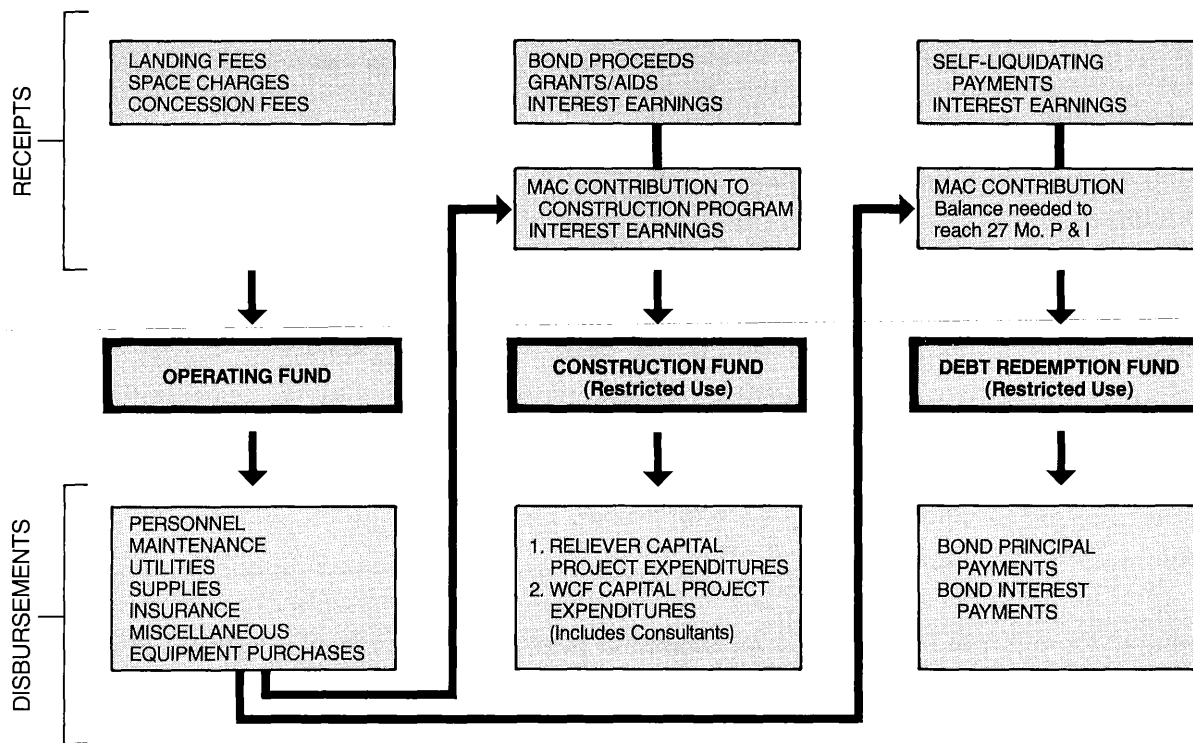
For planning purposes, each year after the Operating Budget and Capital Improvement Plan are approved, a 7-year forecast is prepared. This forecast utilizes the information in the above documents to project revenue, expense and bonding needs over the seven year period covered in the Capital Improvement Plan. This forecast analysis has proved to be very valuable and accurate in planning for future funding of capital projects.

Flow of Cash Receipts and Disbursements

EXPLANATION OF THE FLOWCHART

The MAC is accounted for as an enterprise fund with amounts restricted for construction and debt redemption. For internal purposes, MAC maintains three funds matching three major functions; Operating Fund, Construction Fund, and Debt Redemption Fund (sinking fund). They are described below in greater detail.

**METROPOLITAN AIRPORTS COMMISSION
 FLOW OF CASH RECEIPTS AND DISBURSEMENTS**



OPERATING FUND

The major sources of revenue for the Operating Fund are landing fees, various space charges, and concession fees. From this fund all operating expenses such as personnel, administrative, professional services, utilities, operating services, maintenance and miscellaneous are paid. In addition to these expenses, equipment purchases during the year are paid from this fund.

On October 10 of each year, MAC must contribute from its Operating Fund to the Debt Redemption Fund an amount necessary to bring the fund balance up to the 27-month principal and interest level required by law. MAC attempts to keep a balance in the Operating Fund of approximately three months working capital, currently \$7.5 million. After all operating expenses are paid and the debt redemption transfer is made, an analysis is prepared to determine the amount of money, if any, which can be made available to the Commission Capital Improvement Program. Any available sums are then transferred to the Construction Fund.

Flow of Cash Receipts and Disbursements (CONTINUED)

There are three line items in the Operating Fund chart on the next page which require additional explanation:

1. The increase in Operating Revenues from 1989 to 1991 is due primarily to Traffic, Concessions and Rentals. (See Revenue Assumptions pg. 22 for further explanation.)
2. Operating Expense increases from 1989 to 1991 are due to Personnel, Maintenance, Operating Services and Professional Services. (See Expense Assumptions pg. 29 for further explanation.)
3. The Sinking Fund transfer increase between 1989 and 1990 is the result of Bond Series G.O. VII.

CONSTRUCTION FUND

The major sources of cash for the restricted Construction Fund include: bond proceeds, grants and/or aid, the interest earned on this money and any transfer from the Operating Fund discussed above. These dollars are used for capital project expenditures, including consulting fees, at all Commission facilities.

The 1/1 Balance, Total Disbursements and Ending Balance lines in the Construction Fund section of the chart all show significant declines from 1989. The reasons for this are:

1. The completion of the parking deck (Bond Series G.O, VI).
2. The NWA 747 Maintenance Hangar was substantially completed in 1989 (Bond Series G.O. VII).

DEBT REDEMPTION FUND

The Debt Redemption Fund is used to retire the debt of the Commission. The money on hand is used to make all principal and interest payments throughout the year. The major source of revenue for this restricted fund is self-liquidating rental payments made from tenants throughout the year. On October 1 each year, Northwest Airlines is required to deposit funds necessary to bring their respective self-liquidating accounts up to the required 15-month or 27-month balance. The other source of cash for this fund is MAC's October 10 transfer from the Operating Fund which was discussed above. In addition to these payments, interest earnings are accumulated in the fund.

The increase in the "Transfer from Operating Fund" from 1989 to 1990 for this fund is the result of adding Bond Series G.O. VII to the requirement. There was no corresponding increase in Principal & Interest Payments because bond issues were paid off and Principal & Interest payments on remaining issues declined enough to offset the increase from Bond Series GO VII.

The accompanying charts illustrate the flow of money through these major funds and shows actual 1989, estimated 1990 and projected 1991 fund balances.

Projection of Fund Balances

	Actual 1989	Estimated 1990	Estimated 1991
Operating Fund			
1/1 Balance	\$6,899,000	\$7,500,000	\$7,500,000
Receipts			
Operating Revenues	\$62,000,000	\$71,264,000	\$77,212,000
Interest Earnings-1	1,437,000	1,161,000	1,160,000
Total Receipts	\$63,437,000	\$72,425,000	\$78,372,000
Disbursements			
Operating Expenses (excludes depr. & int.)	(\$35,695,000)	(\$38,775,000)	(\$43,405,000)
Equipment Purchases	(1,527,000)	(2,550,000)	(2,980,000)
Sinking Fund Transfer	(11,554,000)	(16,100,000)	(16,356,000)
Est. 3 Month Operating Balance	(7,500,000)	(7,500,000)	(7,500,000)
Total Disbursements	(\$56,276,000)	(\$64,925,000)	(\$70,241,000)
Available for Const. Programs	<u>\$14,060,000</u>	<u>\$15,000,000</u>	<u>\$15,631,000</u>
Construction Fund			
1/1 Balance	\$121,228,000	\$77,464,000	\$67,694,000
Receipts			
Transfer from Operating Fund	14,060,000	\$15,000,000	\$15,631,000
Interest Earnings-1	7,933,000	5,720,000	5,500,000
Grants in Aid of Const.	13,380,000	13,885,000	11,000,000
Total Receipts	\$35,373,000	\$34,605,000	\$32,131,000
Disbursements			
Projects-in-Progress	(\$79,137,000)	(\$44,375,000)	(\$11,900,000)
Proposed Projects			(30,450,000)
Total Disbursements	(\$79,137,000)	(\$44,375,000)	(\$42,350,000)
Ending Balance	<u>\$77,464,000</u>	<u>\$67,694,000</u>	<u>\$57,475,000</u>
Debt Redemption Fund (Sinking Fund)			
1/1 Balance	\$27,307,000	\$22,560,000	\$22,047,000
Receipts			
Transfer from Operating Fund	11,554,000	\$16,100,000	\$16,356,000
Interest Earnings-1	2,370,000	2,270,000	1,760,000
Total Receipts	\$13,924,000	\$18,370,000	\$18,116,000
Disbursements			
Principal & Interest Payments	(\$18,671,000)	(\$18,883,000)	(\$18,584,000)
Ending Balance	<u>\$22,560,000</u>	<u>\$22,047,000</u>	<u>\$21,579,000</u>

1- Interest Rate Assumed 8.00%

Approved Equipment Requests 1991

The approved equipment requests for 1991 are represented in this section. The total cost of each piece of equipment is amortized over its useful life through depreciation charges.

Snowplowing equipment qualifies for state and federal aid. As always, the MAC will attempt to maximize the receipt of these funds. Aid, however, is limited and equipment purchases must compete with eligible construction projects. The equipment purchase detail section will include individual detail justifications on pieces of equipment whose purchase price exceeds \$35,000.

DEPARTMENT NAME	DESCRIPTION OF EQUIPMENT	PURCHASE PRICE	PURPOSE
SUMMARY			
Main Office		\$ 535,850	
MSP Int'l		1,571,639	
Reliever Airports		872,500	
		<u>\$2,979,989</u>	
DETAIL			
Main Office	Computer Main Frame & Software	\$370,000	This will replace the existing system. Originally installed in 1978 and upgraded in 1985 this system is no longer adequate to handle MAC needs.
	Other	165,850	All pieces of equipment have a purchase price less than \$35,000. Included in this total are: (6) IBM PC's, (4) Printers, Network upgrades, Memory, Software & Hardware upgrades, Office Furniture, Burster, Copy Machine, Storage System, and Coin Counting/Packaging Machine.
Total Main Office Purchase		<u>\$535,850</u>	
MSP Int'l Operations	Friction Measuring Vehicle	\$134,000	Used to determine braking action when there is snow and ice on the runways. This is recommended by the FAA and is anticipated to become a requirement.
	Communications Equipment	62,000	Upgrade the existing communications center equipment.
Maintenance	(2) Trucks w/plow & sander	150,000	These additional trucks are required to meet the demands of cargo roadway, frontage roadway and the airports public street/roadway systems.
	(1) 3 Cu. Yd. Sweeper	95,000	This unit will replace 616-370 which requires heavy maintenance and is no longer reliable.
	(2) 22 Ft. Sweepers	85,000	These units will replace 618-470 and 471 which require heavy maintenance and are no longer reliable.
Parking	(6) Cashier Terminals	\$230,000	Replace 11 year old equipment at a fraction of the cost of total replacement of whole system.
	Other	815,639	All pieces of equipment have a purchase price less than \$35,000. Included in this total are: (8) IBM PC's, (8) Printers, Communications Equipment, Office Furniture, Cellular Telephones, Radios, (20) Self Contained Breathing Apparatus Units, Fire Fighting Gear Upgrades and Replacements, Fitness Equipment, (14) Vehicles and numerous multiple and small miscellaneous purchases.
Total MSP Int'l Purchase		<u>\$1,571,639</u>	

Approved Equipment Requests 1991 (CONTINUED)

DEPARTMENT NAME	DESCRIPTION OF EQUIPMENT	PURCHASE PRICE	PURPOSE
Relievers			
St. Paul	(1) Truck w/plow & sander	\$ 145,000	This unit will replace an 11 year old unit which requires heavy maintenance and is no longer reliable.
Airlake/Crystal	(2) Rotary Snow Blowers	420,000	These units will replace aging equipment which requires heavy maintenance and is no longer reliable.
Flying Cloud	(1) Tool Carrier	78,000	This unit will replace a 14 year old unit which requires heavy maintenance and is no longer reliable.
All	(1) 3 Cu. Yd. Sweeper	125,000	This unit will be used at all Reliever facilities.
	Other	104,500	All pieces of equipment have a purchase price less than \$35,000. Included in this total are: (3) Vehicles, Surface Routing Saw, Joint Seal Kettle, Plow, Rotary Mower, and a High Pressure Cleaner.
Total Reliever Purchase		\$ 872,500	

Statistical

Historical Revenue/Expense and Facility Comparison

In this section, three comparisons are analyzed:

1. A snapshot comparison with dollars and percentages of 1980 revenue and expense versus 1989 revenue and expense.
2. A comparison of revenue and expense with dollars and percentages of 1989 actual, estimated 1990 and budgeted 1991.
3. A comparison of facilities in 1980 and 1989.

These comparisons are shown to point out that both revenue and expense have increased from 1980, and that categories within revenue and expense do fluctuate as a percentage of total, but overall, the changes in percentages are minor. Also, the facilities comparison shows that expanded facilities at the MAC affect all areas.

HISTORICAL REVENUE & EXPENSE SUMMARY 1980 - 1989

	1980		1989		1980-1989	Annual % Increase
	\$	%	\$	%	Change \$	
Revenue						
Traffic	6,434,000	23.08%	14,011,000	22.55%	7,577,000	9.03%
Concessions	11,122,000	39.90%	25,055,000	40.33%	13,933,000	9.44%
Rentals	9,107,000	32.67%	21,726,000	34.97%	12,619,000	10.14%
Other	1,214,000	4.35%	1,339,000	2.15%	125,000	1.09%
Total Operating Revenue	27,877,000	100.00%	62,131,000	100.00%	34,254,000	9.31%
Expenses						
Personnel	8,031,000	29.97%	17,558,600	30.43%	9,527,000	9.08%
Administrative Expense	194,000	0.72%	516,000	0.89%	322,000	11.48%
Professional Services	676,000	2.52%	2,782,000	4.82%	2,106,000	17.02%
Utilities	2,148,000	8.02%	3,812,000	6.61%	1,664,000	6.58%
Operating Services	2,355,000	8.79%	4,719,000	8.18%	2,364,000	8.03%
Maintenance	2,378,000	8.87%	6,145,000	10.65%	3,767,000	11.13%
Depreciation & Interest	10,717,000	39.99%	20,605,000	35.71%	9,888,000	7.53%
Other	298,000	1.12%	1,572,000	2.71%	1,274,000	20.30%
Total Operating Expenses	26,797,000	100.00%	57,709,000	100.00%	30,912,000	8.90%
Net Revenues	1,080,000^a		4,422,000^a		3,342,000	

a) Required as contribution towards debt service payments and construction program financing.

The first comparison, 1980 versus 1989, emphasizes the following two results:

1. Even though both revenue and expense have increased by more than 115% from 1980, the actual percentages of the total for each individual category in 1980 and 1989 have changed very little. (For example, in 1980, Traffic made up 23.08% of total revenue, whereas in 1989, Traffic made up 22.55% of total revenue.)
2. The annual percentage increase in revenue from 1980 to 1989 (9.31%) was greater than the annual percentage increase in expense from 1980 to 1989 (8.90%). Over this 10-year period revenues grew at a higher rate than expenses.

Historical Revenue & Expense Summary 1989 - 1991 (CONTINUED)

HISTORICAL REVENUE & EXPENSE SUMMARY 1989 - 1991

	Actual 1989		Estimated 1990		Budgeted 1991		1989-1991	Annual %
	\$	%	\$	%	\$	%	Change	Increase
							\$	
Revenue								
Traffic	14,011,000	22.55%	16,708,000	23.45%	18,507,000	23.97%	4,496,000	14.93%
Concessions	25,055,000	40.33%	26,973,000	37.85%	27,741,000	35.93%	2,686,000	5.22%
Rentals	21,726,000	34.97%	24,577,000	34.49%	27,898,000	36.13%	6,172,000	13.32%
Other	1,339,000	2.15%	3,006,000	4.21%	3,065,000	3.97%	1,726,000	51.30%
Total Operating Revenue	62,131,000	100.00%	71,264,000	100.00%	77,211,000	100.00%	15,080,000	11.48%
Expenses								
Personnel	17,558,000	30.43%	17,780,000	26.58%	20,547,000	27.50%	2,989,000	8.18%
Administrative Expense	516,000	0.89%	650,000	0.97%	948,000	1.27%	432,000	35.54%
Professional Services	2,782,000	4.82%	3,225,000	4.82%	3,448,000	4.62%	666,000	11.33%
Utilities	3,812,000	6.61%	3,925,000	5.87%	4,191,000	5.61%	379,000	4.85%
Operating Services	4,719,000	8.18%	5,120,000	7.66%	5,275,000	7.06%	556,000	5.73%
Maintenance	6,145,000	10.65%	6,700,000	10.02%	7,560,000	10.12%	1,415,000	10.92%
Depreciation & Interest	20,605,000	35.71%	28,100,000	42.02%	31,299,000	41.90%	10,694,000	23.25%
Other	1,572,000	2.71%	1,375,000	2.06%	1,436,000	1.92%	(136,000)	-4.42%
Total Operating Expenses	57,709,000	100.00%	66,875,000	100.00%	74,704,000	100.00%	16,995,000	13.78%
Net Revenues	4,422,000^a		4,389,000^a		2,507,000^a			

a) Required as contribution towards debt service payments and construction program financing.

The second comparison shows 1989 actual, 1990 estimated and 1991 budgeted revenue and expense categories with dollars and percentages. There are four items in this comparison that need further comment.

1. Revenue is projected to increase 24.3% from actual 1989 to budgeted 1991. Actual percentages of total revenue for the individual categories change very little. (For example, Traffic in 1989 was 22.55% of total revenue, while in 1991, it is budgeted to be 23.97% of total revenue.) The increases are explained in the Revenue Assumptions section.
2. Expense is projected to increase 29.41% from actual 1989 to budgeted 1991. This increase is explained in the Expense Assumptions section. The percentages for the individual expense categories change very little. (For example, Personnel in 1989 was 30.43% of total revenue, while in 1991 it is budgeted to be 27.50% of total revenue.)
3. The annual percentage increase in revenue from 1989 to 1991 is 11.48% whereas the annual percentage increase in expenses from 1989 to 1991 is 13.78%. This reversal of the trend from 1980 to 1989 where revenue grew at a greater pace than expense is caused by completion of two substantial projects in 1990. Depreciation and Interest from completion of the parking deck and NWA 747 maintenance facility cause the increase.
4. At this time, we feel that the net revenues budgeted for 1991 reflect a normal level of activity. In order to continue to generate and/or increase this level of net revenues, operating costs will be reviewed much more closely.

Historical Revenue/Expense and Facility Comparison (CONTINUED)

FACILITY EXPANSION

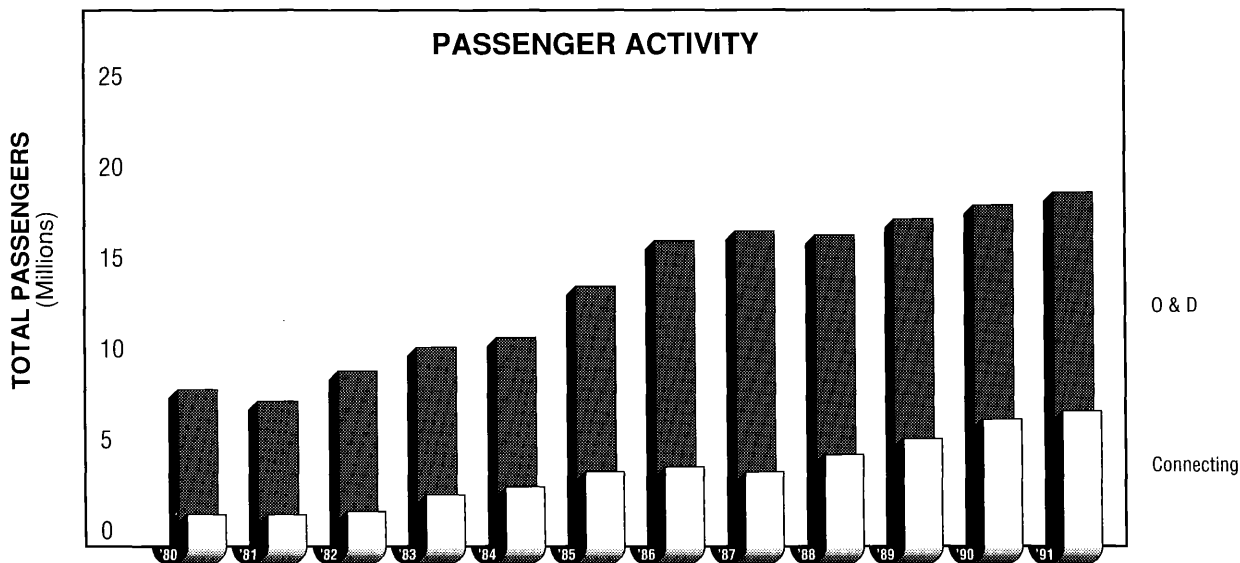
	1981	1990	Increase	% Increase
Lindbergh & Regional Terminal				
Square Footage	1,105,300	1,562,798	457,498	41.39%
Number of Gates	47	66	19	40.43%
Parking—Number of Spaces	7,486	11,685	4,199	56.09%
Ramp—Lineal Feet	7,048	8,874	1,826	25.91%

*Figures are from the Airport Development Department's historical records.

The final chart in this section deals with facilities. This comparison shows how the major facilities at MSP International have expanded since 1981. The Reliever Airports have expanded also. In 1981, there were five airports in the reliever system. In 1983, a sixth, Airlake, was added. Also, expanded and improved facilities at St. Paul Downtown and Anoka Airports were completed in 1989. The significance of growth at MSP International is reflected in the increases in revenue and expense. New facilities occupied by tenants will generate additional rental income. Expenses affect maintenance, both labor and material, repairs, utilities, security and administrative costs. All areas of MAC are impacted by changes in facilities. Since 1987, the following additions have been made: Auto Rental facilities, South Lindbergh Terminal addition, NWA Hangar, Mesaba Hangar, and the new parking ramp.

Activity Statistics

In this section we look at the historical and forecasted levels of activity for the period 1980 through 1991 in the MACs system of airports. The Passenger, Operations and Cargo results have for the most part been steadily increasing. The exception for Cargo, 1989 decrease, and Passengers, 1988 decrease, will be explained in their respective sections following each graph.



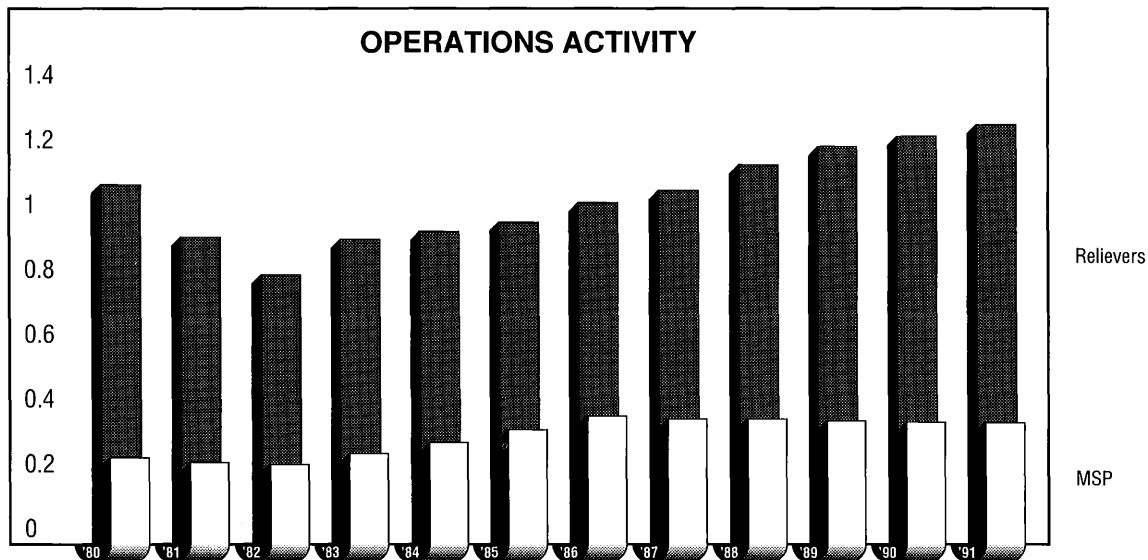
The previous chart shows how passenger traffic has increased at MSP International since 1981, with the exception of 1988. In late 1988, two carriers eliminated service to MSP International Airport resulting in a decrease of approximately 100,000 passengers. From 1980 through 1982, MSP International was almost exclusively an O & D (origination and final destination) passenger airport with less than 10% of the passengers being connecting (those transferring directly to another flight). However, since 1983, MSP International has changed to a connecting airport with approximately 40% of all passengers being connecting while the O & D passenger percentage has fallen from 90% in 1982 to 60% estimated in 1991.

Activity Statistics (CONTINUED)

Estimates of passenger activity form an important element in forecasting revenues each year. This chart represents actual passenger statistics for 1988 and 1989 and estimates for 1990 and 1991. The three categories are listed because each is used in a particular way to calculate certain types of revenue. Three examples are given:

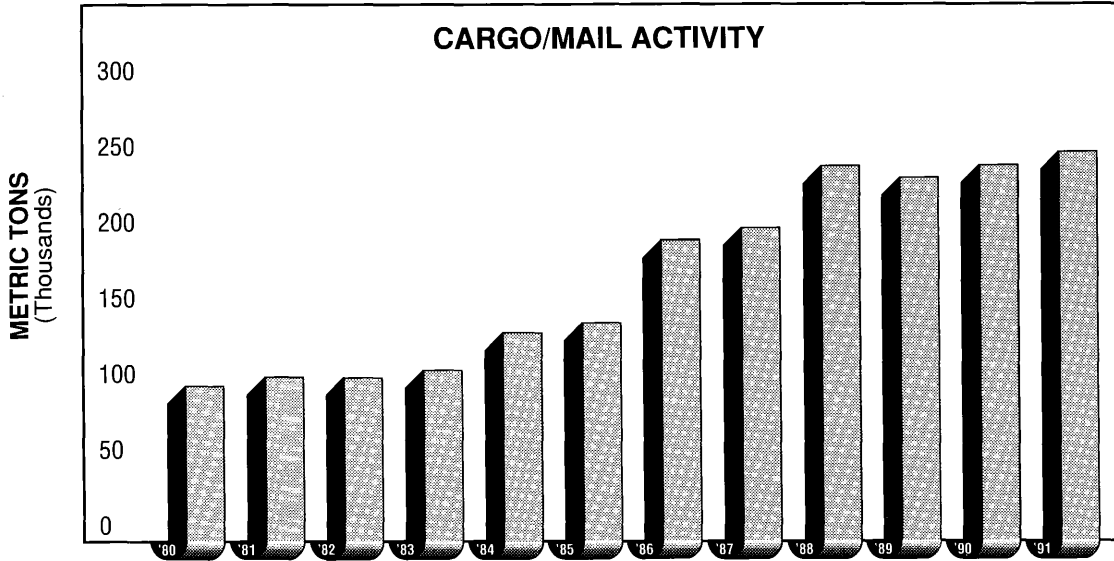
- Enplaned (originating) passengers plus connecting passengers are used in forecasting most concession revenue.
- Deplaned (final destination) passengers are used in the process of estimating auto rental revenue.
- Enplaned (originating) passengers, excluding connecting, are used in estimating common use and carrousel and conveyor percentages for billing the airlines.

Passenger Type	1988 Actual	1989 Actual	1990 Estimate	1991 Estimate
Enplaned	6,061,000	6,047,000	5,696,000	5,795,000
Deplaned	6,083,000	6,060,000	5,704,000	5,805,000
Connecting	5,590,000	6,240,000	7,600,000	8,000,000
	17,734,000	18,347,000	19,000,000	19,600,000

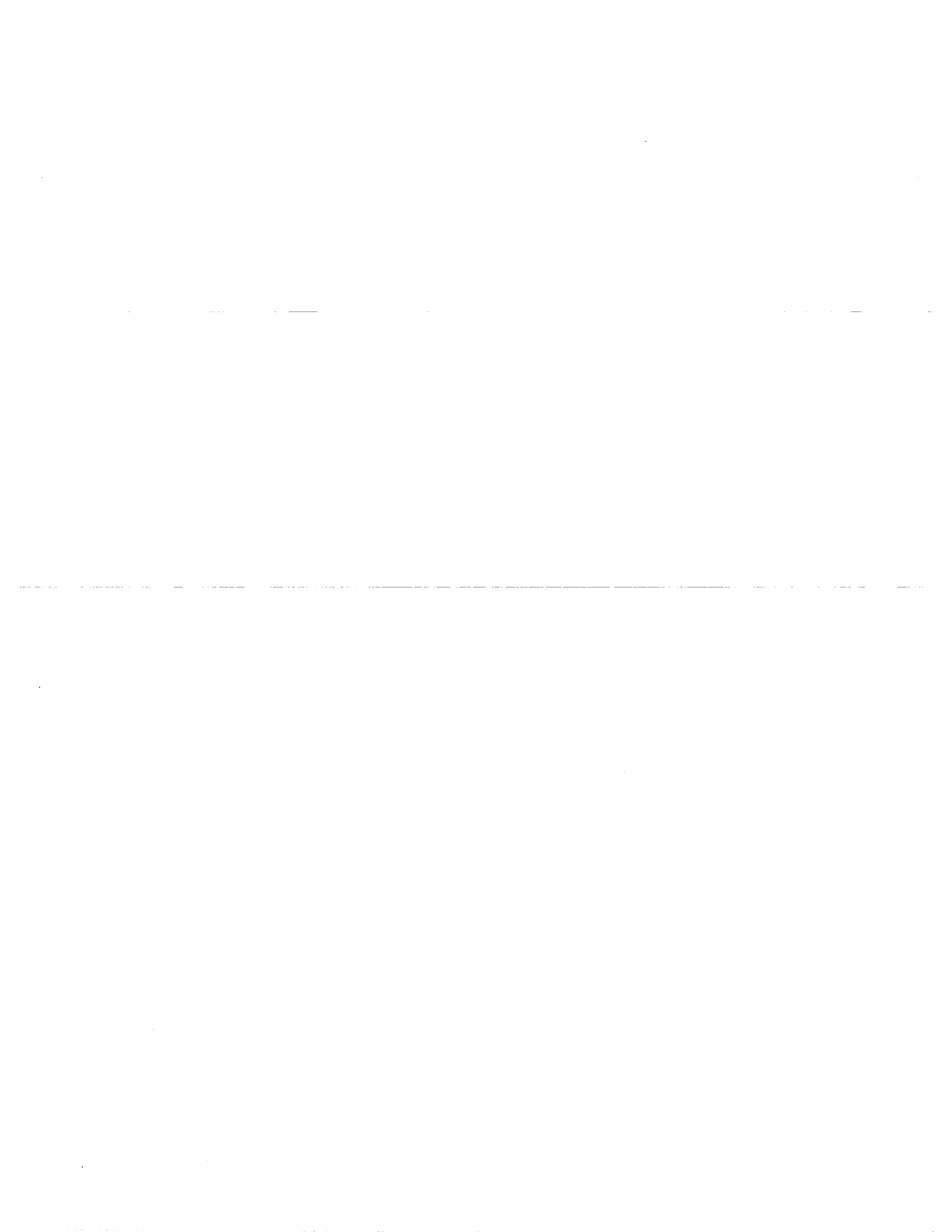


Total operations for the MAC system have increased 53% since 1982. (An operation represents one takeoff or landing.) Reliever airport operations have increased 53% from 587,000 in 1982 to an estimated 899,000 in 1991. With the exception of St. Paul Downtown and Anoka Airports, very minimal increases are projected. These two airports, however, are projecting increased operations because of expanded facilities. Operations at MSP International are estimated to increase to 381,000 in 1991. The decline in 1987, 1988 and 1989 was the result of the Northwest/Republic merger and the implementation of voluntary noise restriction agreements.

Activity Statistics (CONTINUED)



Cargo/Mail activity has increased by approximately 142% since 1982. This increase can be attributed to the improved cargo facilities of the airport through the development of the Southwest Cargo Area. The decrease in 1989 activity from 1988 is attributed to the merger of Federal Express and Flying Tigers.



Glossary

Glossary

Administrative Expenses—One of the main expense categories and includes the following: office supplies, computer supplies, postage, printing, memberships, and travel.

Agreement (The)—The airline agreement which expired on 1/20/89. This agreement is the basis for airline rates and charges primarily the landing fee, ramp fee, carousel and conveyors, and terminal building rates.

Airport Revenue Bonds—Funds used in construction and acquisition of facilities at the airports operated by the Commission. These funds are repaid from Commission revenue; however, if the principal and interest cannot be paid from revenue, a tax can be levied on property within the cities of Minneapolis and St. Paul, Minnesota, for debt service.

Apron—The extensive paved area immediately adjacent to the Terminal Building area and hangar area.

Branded Program/Facility—Refers to the conversion of many of the food and beverage facilities at the Lindbergh Terminal to national franchised facilities such as Burger King, Taco Bell and others.

CSOs—Community Service Officers.

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.

The Commission—Metropolitan Airports Commission.

Concessions—One of the five main revenue categories. This category includes: food, beverage, gifts, parking, auto rental, vending 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 Int'l 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 discussion on Flow of Cash Receipts and Disbursements.)

Cost Center—The Commission's terminology for a specific department in order to keep track of costs.

Crosswind Runway—The single "crosswind" runway at MSP, running northeast to southwest, which intersects both parallel runways (11/29).

Debt Serve Account—An account which MAC is required by law to maintain whereby the balance on hand on October of each year is equal to all principal and interest due on all Airport Improvement Bonds and General Obligation Revenue Bonds payable therefrom 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 discussion on Flow of Cash Receipts and Disbursements.)

Differential Landing Fees—A measure that would require older, noisier aircraft (Stage II) to pay a higher landing fee or "noise surcharge" than quieter aircraft (Stage III) as a means of encouraging the use of newer, "quiet-technology" aircraft.

Glossary (CONTINUED)

Dual Track Process—The path designated by the Legislature that MAC and the Met Council will follow regarding a new airport. One track deals with a new airport whereas the other track deals with expansion of MSP Int'l.

East Reliever Airports—This term refers to St. Paul Downtown, Lake Elmo, and Airlake airports. These airports provide facilities for general aviation activity and reduce traffic and congestion at MSP Int'l.

Enplaned Passengers—The number of passengers boarding an aircraft, including originating and stopover or on-line transfer passengers.

Exclusive Use—Space rented to a specific airline.

Exclusive Use—Janitored—With this space the Commission furnishes janitorial cleaning.

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 in 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.

Fuel Storage Facility—Operated by Butler Aviation and used to provide fuel to the airlines.

General Obligation Bonds—General obligations of the Commission, payments of these bonds are secured by the pledge of all operating revenues of the Commission subject to the prior pledge of such revenues for the payment of outstanding Airport Improvement Bonds. 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.

Hubert H. Humphrey Terminal (HHH Terminal)—The Commission's charter terminal where all international and most charter flights arrive and depart.

Imputed Interest—This rate is essentially a weighted average of all outstanding bond issue interest rates. It is used in the calculation of landing fees, ramp fees, and terminal building rates.

In-Flight Catering—Revenue category under the Concessions heading dealing with fees collected from caterers who supply meals to the airlines during flights.

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.

Landed Weight—Actual weight of a particular plane. The weights for all aircraft are published by the FAA.

Lindbergh Terminal—The main terminal where all of the scheduled flights arrive and depart. Also referred to as the "Terminal Building".

Lobby Fees—These fees are a per passenger fee charged to airlines when they use the HHH Terminal.

MAC—Metropolitan Airports Commission.

MSP or MSP International—Minneapolis/St. Paul International Airport. This is the name used for the total airport facility.

Glossary (CONTINUED)

Major Carriers—Those airlines which participate in the airline agreement. As of 9/15/90 these include American, America West, Continental, Delta, Midway, Northwest, Pan Am, TWA, United, and U.S. Air. In addition to these there are several freight carriers and commuter carriers that participate in the airline agreement.

Maintenance Expense—One of the main expense categories and includes the following: building, field, equipment, and cleaning.

Master Plan—The long-range plans for the airport dealing with projects, facilities and capacity. This plan extends out beyond the year 2000.

Metropolitan (Met) Council—Regional planning agency responsible for coordination and planning of certain governmental services to the Metropolitan Area.

Minimum Landing Fees—Fee established by the airport proprietor on a per-operator basis at the airport. This is usually used in conjunction with a landing fee that is weight based.

Miscellaneous Revenue—One of the main revenue categories and includes numerous small dollar items as well as reimbursed expenses.

NWA—Northwest Airlines

Noise Surcharge—The surcharge established in the new airline agreement. All Stage II and Stage III aircraft landings are subject to this surcharge.

O & D Passengers—Originating and final destination passengers—originating passengers initiate their travel from Mpls./St. Paul Int'l. Destination (final) passengers arrive at Mpls./St. Paul Int'l and are not transferring to another flight.

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 Flow of Cash Receipts and Disbursements.)

Operating Services—One of the main expense categories and includes the parking management contract, shuttle bus, advertising costs, copy agreement, bank charges, and other charges.

Operation—The aircraft operation which represents a takeoff or landing.

Other Expenses—One of the main expense categories and includes general insurance, rental of equipment and numerous other expenses.

Personnel—One of the main expense categories and includes all wages, salaries and benefits.

Preferential Runway System (PRS)—The noise abatement runway use system in existence at MSP during 1973-90 period which outlined separate arrival and departure runway priority systems based primarily on population density of surrounding airport communities.

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.

Glossary (CONTINUED)

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.

Reimbursed Expense—Costs paid by the Commission initially, and then billed back to tenants.

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.

Rentals—One of the five major revenue categories and includes the following: Terminal Building space rented to the airlines and other tenants, self-liquidating facilities, ground space and other buildings such as hangars.

Runway Use System (RUS)—The current noise abatement runway use system implemented June, 1990, at MSP which designates a maximum and balanced use of the crosswind runway (4/22), while continuing to fully utilize the southeast corridor during parallel operation periods.

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.

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.

Sinking Fund—A special account whose monies are set aside to retire debt.

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.

Southwest Cargo Area—An area constructed for parking or maintenance by cargo and charter companies. Currently occupied by Federal Express, Sun Country, Mesaba and Page.

Stage II Aircraft—The second-level “stage” description used by FAA Regulation 36 to identify “middle-aged” and noisy jet aircraft. The Stage II aircraft make up the bulk of the U.S. domestic fleet. (Examples of Stage II Aircraft include Boeing 727s, some 747s, and McDonnell Douglas DC-9s).

Stage III Aircraft—The new generation of “quiet” jet aircraft which comply to the latest noise standards of the FAA Regulation Part 36. (Examples of Stage III Aircraft include Boeing 757s, 767s, 747-200s, McDonnell Douglas DC10s, DC9-80s, and the Lockheed L-1011s).

Taxiway—Paved areas on the airport to be primarily used for ground movements of aircraft to, from, and between runways, ramp and apron space, and storage areas.

Glossary (CONTINUED)

Traffic—One of the major revenue categories and includes the following: landing fees, ramp fees, and various apron charges.

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.)

Utilities/Revenue—One of the major revenue categories. Included in this category are water, sewer, steam, and chilled water.

West Reliever Airports—Refers to Flying Cloud, Crystal, and Anoka Airports. These airports provide facilities for general aviation activity and reduce traffic and congestion at MSP Int'l.

Wold-Chamberlain Field (WCF)—The airfield itself excluding the Terminal Building.