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COMMISSION**

**OPERATING  
BUDGET  
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**1992**



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## ***Introduction***



## Budget Message

Members of the Metropolitan Airports Commission:

I am pleased to provide for you the 1992 Operating Budget for the Metropolitan Airports Commission (MAC) that was adopted by the Commission on November 18, 1991. Total revenue for 1992 is projected to be \$81,024,620 and expense is \$78,974,367. The 1992 budget was prepared under the following guidelines:

- Sufficient revenues will be generated to support the entire airport system without the use of taxes. (MAC has the authority to levy property taxes to support operations, however, this tax has not been levied since 1969.)
- Net revenues will be used for debt redemption and construction.
- The MAC will maintain its AAA bond rating.
- The MAC will continue to provide quality service to the tenants and travelling public.
- The MAC will continue to operate all MAC facilities efficiently, safely and effectively.
- Airline rates and charges will be reasonable.

This budget document is a useful tool for staff in working toward the MAC's 1992 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.

### 1992 BUDGET

The 1992 budget represents the Metropolitan Airports Commission's continued reliance on user fees to support its operations. The following is a summary of 1990 actual, 1991 estimated and budgeted 1992 figures.

	Actual 1990	Estimated 1991	Budgeted 1992	% 91 to 92 Change
<b>Revenue (000)</b>				
Traffic	\$16,184	\$16,815	\$19,415	15.46%
Concessions	26,193	26,972	28,600	6.04%
Rental	25,051	28,465	29,470	3.53%
Other	3,003	3,183	3,540	11.22%
<b>Total Operating Revenue</b>	<b>\$70,431</b>	<b>\$75,435</b>	<b>\$81,025</b>	<b>7.41%</b>
<b>Expenses (000)</b>				
Personnel	\$19,140	\$19,400	\$21,931	13.05%
Administrative Expenses	699	800	1,039	29.88%
Professional Services	3,019	3,550	3,731	5.10%
Utilities	4,070	3,550	4,095	15.35%
Operating Services	5,135	5,302	5,656	6.68%
Maintenance	6,701	6,709	7,243	7.96%
Depreciation & Interest	27,967	31,290	33,855	8.20%
Other	1,337	1,335	1,424	6.67%
<b>Total Operating Expenses</b>	<b>\$68,068</b>	<b>\$71,936</b>	<b>\$78,974</b>	<b>9.78%</b>
<b>Net Revenues</b>	<b>\$ 2,363</b>	<b>\$ 3,499</b>	<b>\$ 2,051</b>	<b>(41.38%)</b>



**Budget Message** CONTINUED

Several important items have had an impact on 1992 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, a full year's rental on that facility was received in 1991 and 1992.

The 1992 budgeted expense reflects the staffing of 24 currently vacant positions as well as the addition of 8 new positions. Depreciation and interest continue to increase as new and rehabilitation projects are completed. The 1992 budget reflects the completion of several pavement and terminal rehabilitation projects.

This 1992 budget has been organized into four sections — Introductory, Budget, Debt Service and Capital Spending, and Statistical/Historical. The Introductory Section includes the budget message, 1991 overview, 1992 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 1992. 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 1992. The Statistical/Historical 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, 1991.

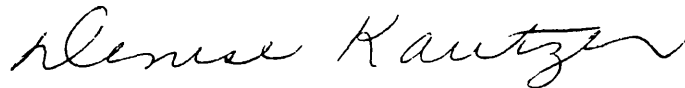
In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications medium.

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.

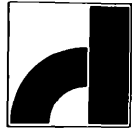
### **ACKNOWLEDGEMENTS**

The preparation of the 1992 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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Minneapolis/St. Paul**

**Metropolitan Airports Commission,  
Minnesota**

**For the Fiscal Year Beginning**

**January 1, 1991**

President

Executive Director

## 1991 Overview

### INTRODUCTION

To help the MAC develop departmental goals and objectives, staff last year developed seven "areas of emphasis" which would require an unusual amount of attention in 1991. Those areas also would help the staff in the development of the proposed Capital Improvement and Operating Budgets.

The following is a summary of the 1991 Areas of Emphasis and their status.

#### NATIONAL AIR TRANSPORTATION POLICY

**Goal:** Help shape the National Air Transportation Policy working with local, state and national officials.

**Status:** Early in 1990, the National Administration issued a draft of a National Air Transportation Policy which suggested a blueprint for congressional action and agency planning and implementation for the decade of the 90's.

MAC, working closely with the two major airport associations, Airports Association Council International (AACI) and American Association of Airport Executives (AAAE), was instrumental in helping shape the most significant piece of aviation legislation since the Deregulation Act of 1977.

With Minnesota's Congressman James Oberstar chairman of the House Aviation Subcommittee, MAC was in a unique position to assist in shaping national policy in two major areas; Congressional guidelines for a National Air Transportation Policy, and development of new means of funding airport capacity enhancement projects by authorizing airports to levy Passenger Facility Charges. (See Glossary for Passenger Facility Charge explanation.)

It is expected that by year-end 1991, most of the goals of this area of special interest will have been achieved. One remaining area is to strengthen the language in federal law allowing funding of "landbanking" a site for a potential new airport. We have not been entirely successful in gaining support for this proposal, but we will continue to lobby to make funding for landbanking and for new airport planning a higher priority with the FAA.

#### ENVIRONMENTAL CONCERNS

**Goals:** 1991's emphasis is concentrated in three general areas:

- Initiation of comprehensive off-airport land use programs,
- Improvement to existing noise abatement programs, and
- Development of alternatives to the "once-through" water cooling system.

**Status: Off-Airport Land Use**

The complexity of this major program demands a very detailed implementation plan which is now being developed. The MAC project manager is being assisted by a consulting team with national experience in programs of this type, and by a Policy Advisory Committee with representation from the communities surrounding MSP. The program will include various residential soundproofing packages, purchase guarantee programs, aviation easements and building code modifications.

#### Noise Abatement Programs

Existing noise abatement programs are being refined and improved this

## 1991 Overview *CONTINUED*

year. The Stage 3 working group has completed its top objective by recommending to the Commission a ban on all Stage 2 aircraft operations between 11 pm and 6 am after April 30, 1992. On September 24, 1991, the FAA issued its final regulations implementing the Airport Noise and Capacity Act of 1990. The regulation implements the phase-out of noisy Stage 2 aircraft by the year 2000. The regulation sets out three interim compliance dates—1994, 1996 and 1998—and provides airlines two options for meeting those dates. Under Option One, an airline could choose to replace or retrofit its existing Stage 2 aircraft so as to eliminate 25 percent of their Stage 2 aircraft by the end of 1994; 50 percent by year end 1996; and 75 percent by year end 1998.

Those carriers selecting Option Two must achieve a 55 percent Stage 3 fleet mix by the end of 1994; 65 percent by the end of 1996; and 75 percent at year end 1998. The FAA opposes local Stage 2 phase-out rules and states that airport operators must consider the effect of local Stage 2 phase-out ordinances or regulations on commerce and the national air transportation system. At MSP, the proposed nighttime stage 2 curfew ordinance on which the public hearing process has been completed, may fall into that category. Staff is now analyzing the regulations to determine whether or not the proposed Stage 2 curfew conflicts with the new federal noise rules.

The Eagan/Mendota Heights Corridor Task Force has recommended a narrowly defined, operationally strict corridor to the Commission. That recommendation is now under FAA review.

The draft EIS (Environmental Impact Statement) for the Runway 4/22 extension is substantially complete and will go to public hearing in December.

### **Water Conservation**

State water conservation laws impose financial penalties for use of “once-through” water cooling systems such as the one in place in the Lindbergh Terminal. Improvements to the power plant cooling system have resulted in a significant reduction in ground water use. Further refinements and alternatives are now being reviewed. In September, an assessment of these alternatives was submitted by the MAC to the Department of Natural Resources.

### **AIRPORT PLANNING**

- Goal:** Participate in and develop information related to airport planning issues including the dual track process, international aviation activities, and the potential for air freight development.
- Status:** MAC staff has participated in the process established by the Metropolitan Council to coordinate the new airport search area selection. MAC has provided the Council information regarding selection criteria and processes, and more technical data, such as airspace and airport physical requirements. Staff has assisted the Council with Federal environmental processes, from search area identification through final airport site selection (to be accomplished by MAC following search area selection by the Council).

## 1991 Overview CONTINUED

Research is in progress to determine what has been done by other airports and agencies regarding forecasting of connecting passengers at hub airports and regional air carrier passenger growth. Once the data is assimilated an "expert panel" will be convened to discuss and critique existing methods and how they might be modified to better suit the situation at MSP. Completion is scheduled by the end of 1991.

Additionally, the deadline for completion of the Long Term Comprehensive Plan for MSP was extended to January 1, 1992 to further define the development concepts for the existing airport. MAC also has established an interactive process with adjoining communities to review and evaluate each concept. The time extension changed the original emphasis for 1991 to concentrate on the Long Term Plan for MSP, review expanded computer modeling of airport operations for each of the three runway concepts, additional noise analyses to reflect concerns expressed by the communities, and the formulation of task forces to receive input and modifications to the concepts as required.

The timetable for the dual track planning effort is as follows:

- January 1, 1992: The MAC will adopt a Long Term Comprehensive Plan for MSP.
- January 1, 1992: The Metropolitan Council, in consultation with the MAC, will designate a search area for a possible new major airport.
- January 1, 1993: The Metropolitan Council will report on potential reuse of the current MSP site.
- January 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.
- July 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 upon legislative approval and direction.

### **International Aviation Activity**

The MAC has continued to work actively toward the development of international activity at MSP. A \$2 million improvement project for the HHH Terminal has been developed to allow faster processing of arriving international passengers through the Federal Inspection System (FIS). The revisions to the FIS were substantially completed on June 8th and the new Interagency Border Inspection System (IBIS) is in operation.

KLM Royal Dutch Airlines began serving MSP with direct flights to and from Amsterdam on April 2, 1991.

The Long Term Comprehensive Plan for MSP includes provisions for expanded international facilities in each terminal concept, including integrating domestic and international activity to minimize connecting times.

### **Air Freight Development Potentials**

An effort is underway to conduct an inventory of air freight demand in the region to quantify who needs what type of service, how frequently, volumes, and user needs. This data has been collected and will be used to determine what facilities are needed to meet those needs. The study will be completed by year end.

**1991 Overview** CONTINUED

**SERVICE EVALUATION**

**Goal:** To evaluate, through various market research techniques, the effectiveness of services provided by the Commission to the public at the Lindbergh Terminal. The Properties Department is responsible for implementing this project.

**Status:** In February, the Commission and the Properties Department discussed contracting for professional survey services but delayed initiating the project because of impacts of Level IV security constraints on the survey results. (Level IV security was the result of the Gulf War and restricted access to a number of areas at the airport.) Since Level IV security requirements have been dropped, the Properties Department requested the Commission at its July meeting to authorize the project. The survey has been initiated with review of the results and proposed actions overlapping into 1992.

**EMPLOYEE INVOLVEMENT**

**Goal:** MAC has set a goal for itself during 1991 to increase the overall effectiveness of MAC in employee job satisfaction by continuing to develop programs improving employee involvement in decision-making, and by emphasizing employee recognition and development opportunities.

**Status:** During 1991 we have continued to see the development of the action team process as teams were established to deal with the telephone system in the general offices, record retention throughout the MAC, and on-going teams in the Police and Fire Departments which deal with special problems or projects in their areas. In addition to the formal team process, many departments have used teams in a more informal manner as a natural outgrowth to seeing the value of involving employees more effectively. Special attention has been given in both the strategic planning process for our information needs and the capital improvement program process, which has developed strong employee involvement structures as the foundation of improving our operations in those areas. Additionally, several departments are using a strategic planning or mission planning model, with the help of the Johnson Layton Corporation, to improve their ability to provide better service to internal and external customers.

Training and development activities are receiving increasing attention on all levels in the organization. Training sessions for all managers have been held during the first four months of 1991 on the subjects of diversity in the work force and on the power and importance of employee recognition in creating increased job satisfaction. As a result of work done in 1990, all departments have enhanced their resources for providing educational and training opportunities for employees resulting in a significant increase in training activity at all levels.

Employee recognition also received emphasis during the first part of 1991. We have devised a retirement recognition program to more appropriately recognize the activities and accomplishments of MAC employees as they retire. This provides an opportunity quarterly for a larger portion of MAC employees to recognize their co-workers. We have also begun an employee service award program to recognize the contribution of employees at five year intervals with a gift and reception to mark the occasion.

## 1991 Overview CONTINUED

MAC has also made a special effort in 1991 to expose a wide group of managers to the methods and practices used by companies who have been recognized as leaders in providing quality products and services through the Baldrige Award Program sponsored by the Federal Government. In 1991, two recipients of this award were IBM Corporation in Rochester, Minnesota, and Federal Express. Both of these companies provide opportunities for people from other organizations to spend some time discussing what they have done to be recognized as exemplary in providing products and services to their respective industries. The majority of the directors and some managers are being scheduled to participate in these one-day seminars which are put on at no cost by the Baldrige winners.

It is worth repeating at this point that employee involvement is seen as a change in management style and culture to improve the effectiveness of the organization. This change does not occur quickly or easily but needs to be viewed over the long term as the only way to significantly improve the effectiveness of the organization and the job satisfaction and accomplishments of our employees.

### MANAGEMENT INFORMATION SYSTEMS

**Goal:** Develop strategic plan to identify and set priorities in organizational information needs and initiate implementation of systems to support those needs.

**Status:** MIS personnel first held 20 meetings involving key staff members from all MAC work groups. From these meetings, an organization list of possible information projects was developed. An assessment report was then prepared and a series of project priority meetings were held in July. The strategic plan was produced in late summer and will become the basis for implementing new systems in the years ahead. Annual reviews of the plan will occur to accommodate changing information needs.

### MAJOR EVENTS

**Goal:** The 1991 goal for Major Events was to ensure that the airport system both functionally and aesthetically is prepared to serve visitors attending those events.

**Status:** To better coordinate Major/Special Events occurring in the Metropolitan Area that affect the airport, or are affected by the airport, one airport staff member shall be the initial contact point for event organizers. The staff person who has been designated to do the initial coordination is the Assistant Director of Airports/Operations.

This individual has already served in this capacity for events such as the 1990 Olympic Festival, worked with Committees for the Special Olympics and the upcoming 1992 Super Bowl. He is responsible for involving the appropriate MAC departments and respective personnel depending on the event and the role the airport will play. This process includes employee and tenant meetings that serve several purposes: to keep everyone updated on pending events and what is expected of the airport and its tenants; to explain how the airport fits into the event and what opportunities exist for employees and tenants to become involved in the event; and other pertinent information.

## 1991 Overview *CONTINUED*

It is MAC's experience that by having just one contact person at the airport, coordination of airport involvement can be facilitated more easily.

A current example of the variety of involvement by Commission departments was demonstrated by the Special Olympics which started July 18, 1991. The reliever airports staff was responsible for the coordination of the Cessna airlift which transported the majority of U.S. athletes into and out of the metro area, while part of the foreign athletes and dignitaries were accommodated at the HHH Terminal and the remainder at the Lindbergh Terminal.

The Ground Transportation and Police Departments worked with Olympic Officials to deal with transportation, parking and security needs.

In short, on an event of this magnitude almost every department is affected either through public relations, changing of construction schedules to better accommodate needs of the event, and coordinating for special communications or other operational needs.

This approach to the ever increasing number of special events in the metro area has resulted in very satisfied event organizers and a minimum of disruptions to airport operators.

Work in this area will continue throughout the year and it is anticipated the development of a formalized special events handling process, which would incorporate a checklist of actions to be accomplished and a list of contact people within the MAC and outside the organization who are responsible for and can be helpful in ensuring the success of all major events in which the Airport might be involved.

## OTHER INFORMATION

### Noise

In 1991 the MAC initiated its Implementation Plan for the FAR Part 150 Land Use program. The Part 150 program was developed by the Federal Aviation Administration to provide airport operators and communities near airports affected by aircraft noise a mechanism to develop an airport noise master plan consisting of both land use and operational measures.

In the past few years, MAC has devoted considerable time and effort to develop measures that satisfy the operation portion of the MSP Part 150 plan recommendations. MAC staff has submitted its application for Part 150 Land Use funds which will be used in three major components of the plan; sound insulation, purchase guarantee and land acquisition. The nearby communities of St. Paul, Eagan, Mendota Heights, Minneapolis, Bloomington and Richfield all are participating in the implementation plan design process scheduled for completion in spring 1992. Implementation of the Land Use program will begin in summer 1992.

Installation of the off-airport noise monitoring system began in the fall of 1991 and will be operational by 1992. The system, costing approximately \$1 million, consists of 24 permanently installed monitors which record FAA flight tracking data, noise event/complaint correlation, and aircraft overflight information.

In 1991, the MAC acquired a residence in Richfield's New Ford Town near the end of one of MSP's busiest runways which was used as a model for the Part 150 Sound Insulation program. Three rooms of the model house



## 1991 Overview CONTINUED

were retrofitted with new windows, doors and a variety of treatments which reduced aircraft noise in the respective rooms by 5, 10 or 15 decibels. The house was opened in August and remained open through autumn for tours. It will continue to be used on an appointment basis for sound treatment demonstrations.

### Awards

The MAC was the recipient of three major awards during 1991. The Minnesota Aviation Symposium and the Minnesota Council of Airports recognized the MAC "... for its management of one of the best airport systems in the world," said Leonard Griggs, FAA Assistant Administrator-Airports. "MAC airports serve the entire region. The commercial airlines, business and corporate aviation, and the private aircraft operator, enjoy some of the finest facilities available anywhere in the country," the award said.

MAC also was recognized by the International Aviation Snow Symposium which awarded the MAC the Bernt Balchen Award for overall excellence in snow and ice control at a major U.S. airport. In October, the Minnesota Department of Employee Relations announced its "Star of the North" award would go this year to the MAC for the efforts of its Affirmative Action Committee in developing innovative programs and creative solutions which could serve as models for other state agencies.

### Economic Impact

In 1991, the MAC revised the 1987 economic impact study which was done by Martin O'Connell Associates of Lancaster, Pennsylvania. Since the original study was completed many changes have taken place at MSP, including the consolidation of operations of Northwest and Republic Airlines.

The revised study revealed that activity at MSP annually generates more than \$2.6 billion in revenue for the region's economy, plus thousands of jobs and millions of dollars in state and local tax revenues. Major findings of the study show:

- \$2.6 billion is generated annually in revenues for the economy, an increase of 33 percent compared with 1987.
- More than 84,000 Minnesotans held jobs that were in some way related to activity at MSP, up 15 percent from 1987. About 24,000 jobs are with airlines and companies providing direct service to the airport and passengers using the airport. Nearly 49,000 jobs are directly generated by airport activity and the purchase of goods and services by companies dependent upon airport activity.
- Approximately 11,000 jobs depend on the level of passenger activity at MSP. They are in the hotel, restaurant, retail, entertainment and recreation industries.
- Activity at MSP in 1990 generated \$216.2 million in state and local taxes, up 37 percent from 1987. Visitors arriving at MSP directly or indirectly contributed \$55.6 million in state and local taxes, including local hotel and property tax.

## **1991 Overview** CONTINUED

- Federal tax revenues generated at MSP include \$84.7 million for the Aviation Trust Fund earmarked for airport and airway improvements around the country; \$26.1 million in federal cargo tax revenue; and \$3.2 million in other federal aviation taxes.

MSP is vital to continued economic growth in the Twin Cities area. Interviews with the leading 65 industrial and service companies in the metropolitan area indicated 35,600 jobs were heavily dependent on the availability of MPS's services. If air service at MSP declined, those jobs would be in jeopardy and the Twin Cities and Minnesota would be less attractive as a corporate headquarters location.

### **Airbus Maintenance Base**

Negotiations with Northwest Airlines to locate a new maintenance base in the state for its Airbus aircraft continued as this document goes to press. Legislation adopted in the spring of 1991 authorized the MAC to negotiate up to \$270 million in general obligation bonds and \$120 million in revenue bonds. MAC has offered to provide the \$270 million portion with an additional \$50 million available from Capital Improvement funds.

MAC is unable to fund the full \$390 million required by Northwest because the Commission's ability to operate and maintain its airport system would be jeopardized. The proposed financing is discussed in greater detail in the Debt Service/Capital Spending section.

### **The Commission**

The U.S. aviation community was saddened in October with the passing of one of its most distinguished members, MAC Commissioner and Vice Chairman Sam Grais. Sam was appointed to the Commission in 1981 by former governor Al Quie. During his tenure on the Commission, he served as Chairman of the Affirmative Action Committee, Management Committee, the Audit, Compliance and Oversight Committee, and was a member of several other Commission committees. In July 1987, he was elected Vice Chairman of the Commission. In October 1990, he was elected Vice Chairman of the Commissioner's Roundtable for Airports Association Council International (AACI) and Chairman for the 1991 Commissioner's Round Table of Airports Association Council International (AACI). He was a valuable and highly respected member of the Commission for more than a decade and his contributions will be missed.

Three new members were appointed to the Commission in 1991. In January, Governor Arne Carlson appointed Hugh K. Schilling to replace Thomas Holloran as Chairman of the Commission. In July, Governor Carlson appointed John Himle, representing the southern suburbs of the metropolitan area, to replace Wilfred Viitala. He also appointed Kenneth Glaser, representing the western suburbs, to replace Robert McNulty. At the present time a replacement for Sam Grais has not yet been named.

## **1992 Goals and Objectives**

For 1992, the MAC has developed five special areas of emphasis on which it will place special attention. These areas are:

### **DUAL TRACK AIRPORT PLANNING PROCESS**

- Goal:** The dual track process was established by the legislature in 1989 to determine whether development of MSP or a new airport is needed to meet the region's aviation needs. The plan for MSP was completed in 1991 and work in 1992 will focus on the new airport and include the following activities:
- 1) Initiate the site selection portion of the work program.
  - 2) Coordinate a community involvement process to receive input from citizens and local, regional, state and federal agencies during the site selection process.
  - 3) Provide information periodically on the program's progress.

### **1992 ENVIRONMENTAL ISSUES**

- Goal:** Improve and expand existing environmental programs with particular emphasis on continued improvement of noise abatement programs.
- 1) Implement the off-airport automated noise monitoring system.
  - 2) Proceed with the FAR Part 150 Land Use Compatibility program.
  - 3) Develop noise abatement plans for all MAC reliever airports.

### **RELIEVER AIRPORTS**

- Goal:** Strengthen the Reliever Airports Department's ability to effectively address the numerous and difficult issues and projects anticipated in 1992. Also increase the awareness of the importance of MAC's reliever airports among tenants, other users, government entities and the general public.
- 1) Formalize relationships with all departments having responsibilities on the reliever airports to improve communication between departments, and between the MAC, its tenants, and airport users.
  - 2) Analyze needs of the reliever airports and identify resources needed to meet those needs by incorporating areas identified by staff and surveying airport tenants for their assessment of services and facilities provided.
  - 3) Establish a formal decision making process that ensures all parties impacted by those decisions are informed and have input into the process.
  - 4) Develop a plan that promotes the reliever airports and establishes a positive image of those facilities among tenants, potential users of the facilities locally and throughout the nation, and among MAC's employees.

### **DECISION PROCESS IMPROVEMENT**

- Goal:** Improve the Commission's decision making processes. In 1992, staff will:
- 1) Identify the "critical processes" which MAC uses to accomplish its organization mission.

**1992 Goals and Objectives** CONTINUED

- 2) Identify those processes most in need of immediate improvement, based upon information obtained from the Information Systems Strategic Plan, the Authority and Responsibility Matrix, and the Employee Involvement Process.
- 3) Revise or modify at least two critical processes in 1992.
- 4) Establish a formal mechanism to make process improvement part of MAC management procedures.

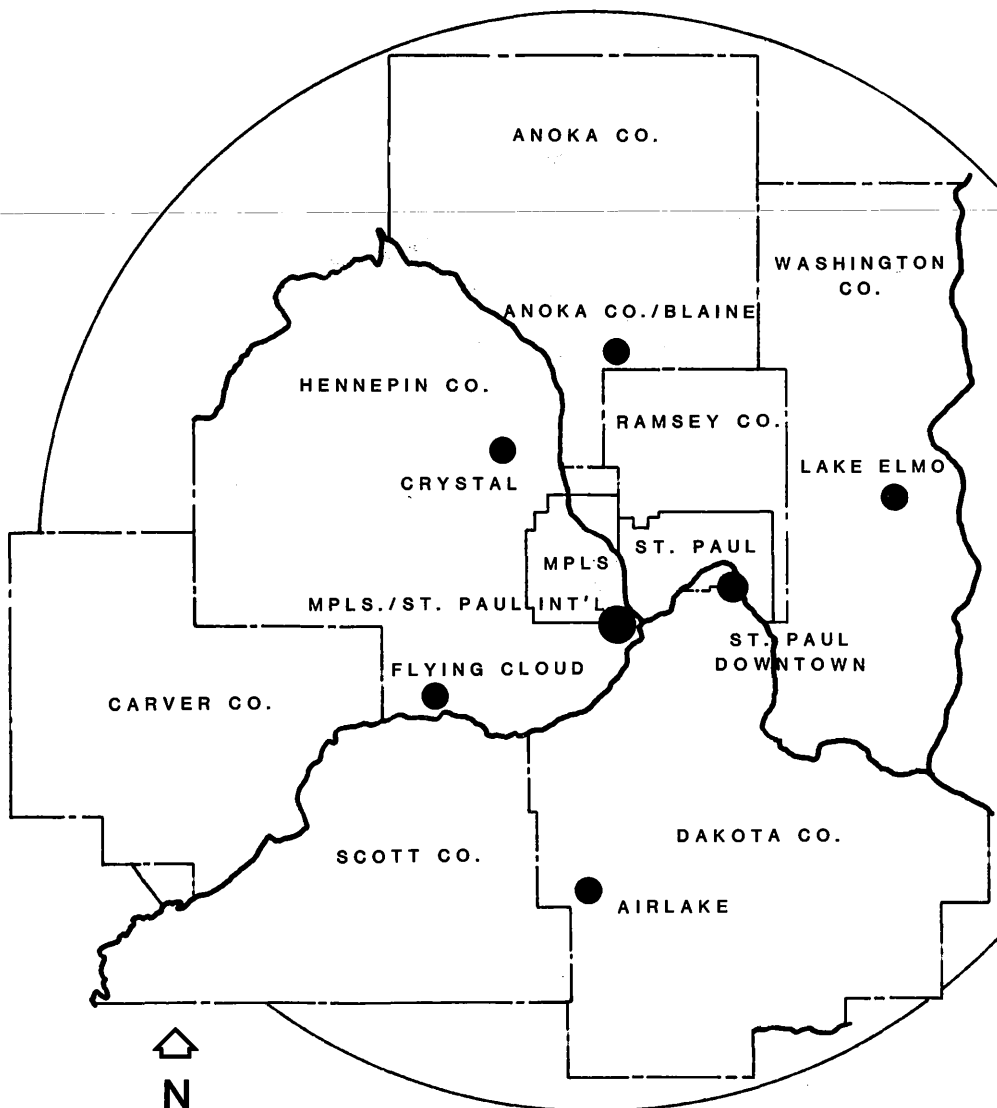
**HUMAN RESOURCE DEVELOPMENT**

**Goal:** Recruit, develop and maintain a highly trained, motivated and diverse work force within the MAC that is prepared to meet current and future demands on the individual and the organization. To accomplish that goal, the MAC, in 1992, will:

- 1) Establish a formal training assessment program that identifies the training needs of all employees in their present jobs.
- 2) Develop a catalogue of training and education resources to help employees meet the challenge of a continuously changing, more complex work environment.
- 3) Make available those resources required to meet the training needs of MAC employees, provide training opportunities for those employees, and establish and maintain records of training activity.
- 4) Actively seek qualified minority, female and disabled job applicants for the MAC, and develop and maintain a more diverse work force through recruitment career tracking, training and monitoring relationships. The MAC will develop incentives for employees to attend and participate in diversity training programs.

## 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.



Commission  
Jurisdiction  
35 Mile Radius

## Organizational Structure CONTINUED

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.

**Chairman:** Hugh Schilling

**Commissioners:**

Precinct 1 Vacant  
Precinct 2 Virginia Lanegran  
Precinct 3 Ronald Jerich  
Precinct 4 Howard Mueller  
Precinct 5 Tim Lovaasen  
Precinct 6 John Himle  
Precinct 7 Kenneth Glaser  
Precinct 8 Alton Gasper

City of Minneapolis Jan Del Calzo

City of St. Paul Nick Mancini

**Representing Greater**

Minnesota Area: Faye Petron  
Thomas A. Vecchi  
Mark Brataas  
Clinton Dahl

**Executive Director:** Jeffrey W. Hamiel

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/Environmental; 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.

## **Organizational Structure** CONTINUED

### **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.

#### **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.

## Organizational Structure CONTINUED

### 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.

### GENERAL COUNSEL

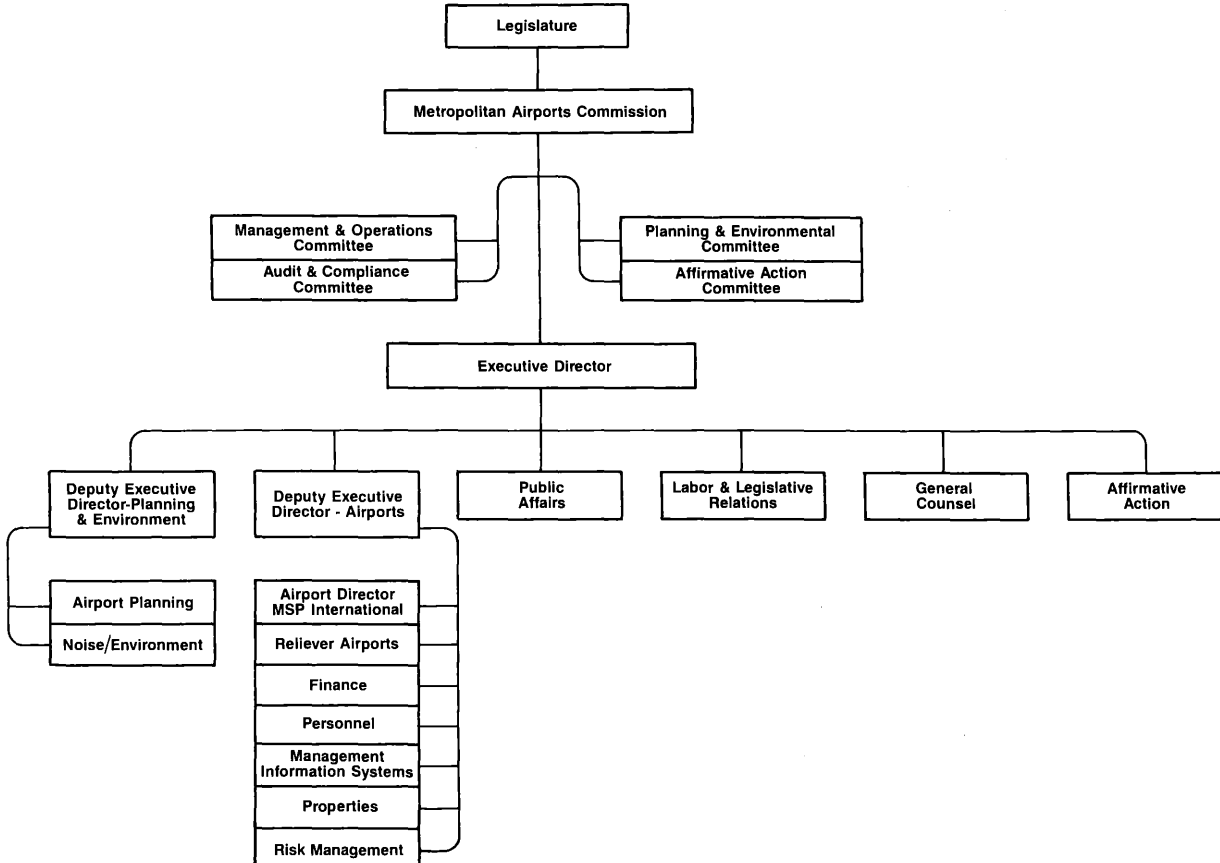
#### 1. General Counsel

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

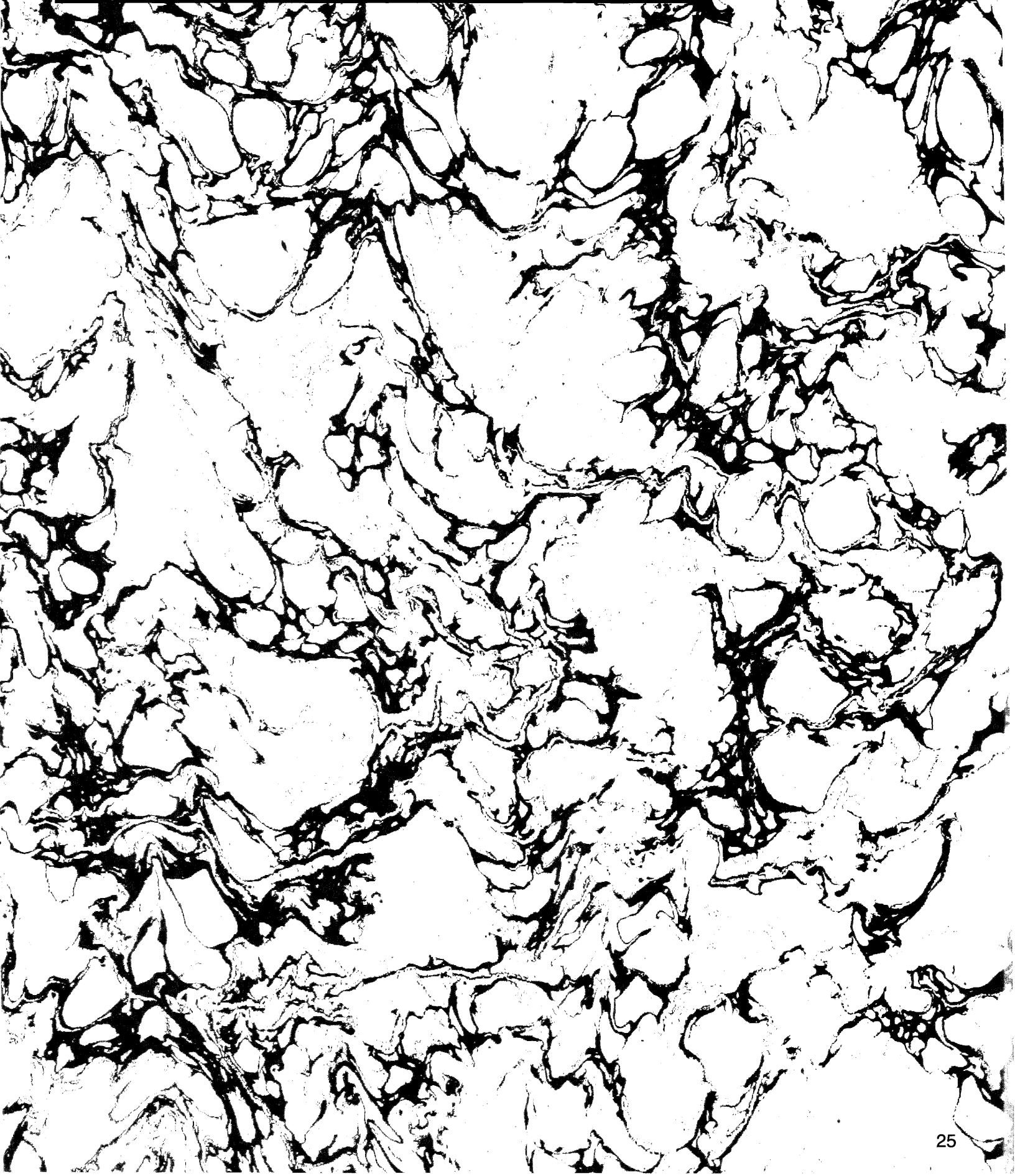
This department plans programs and responds to all questions, policies, reports, and/or planning that deal with Affirmative Action requirements.







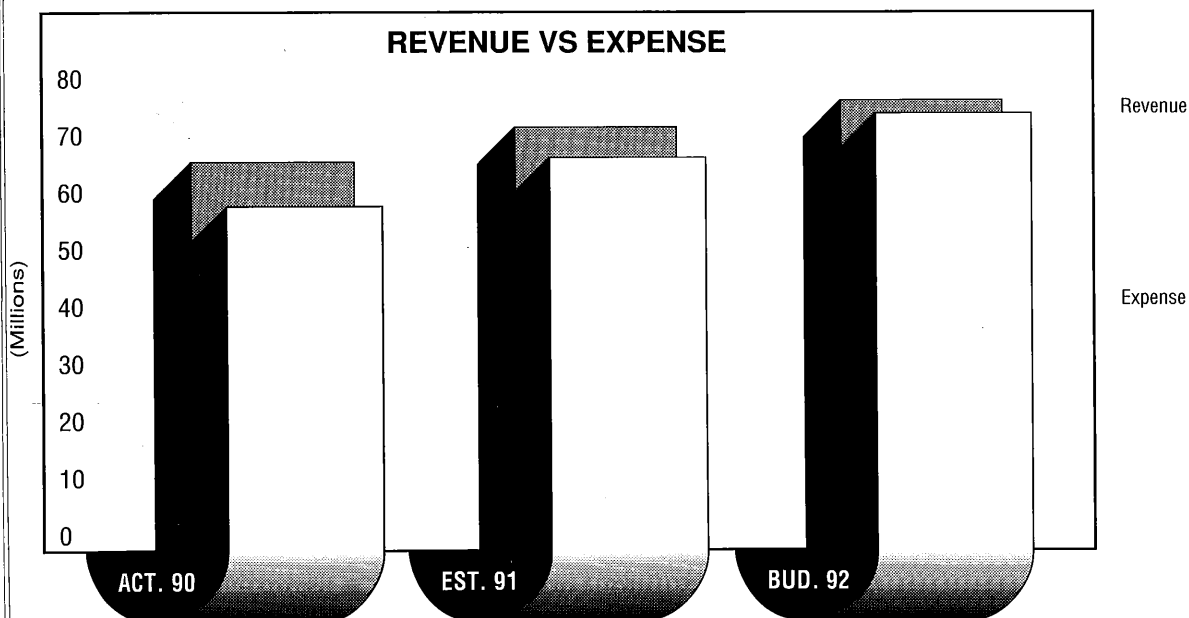
**Budget**



## Summary of Revenue and Expense

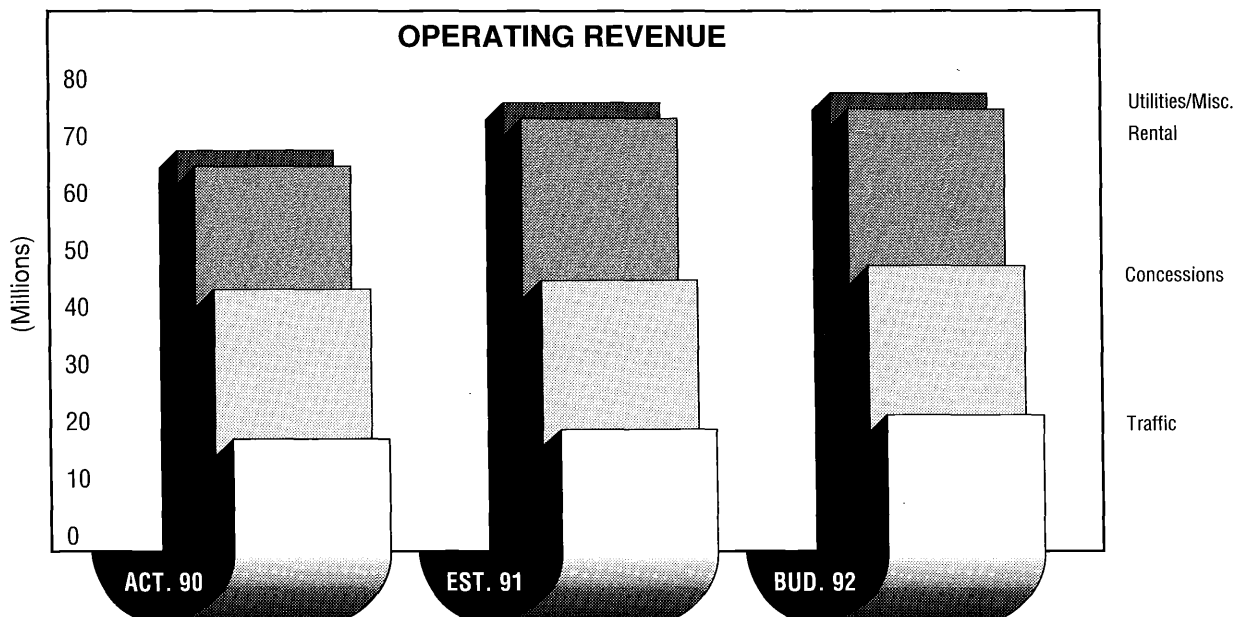
	Main Office	Mpls-St. Paul International	Reliever Airports	Total 1992 Budget	Estimate 1991	Actual 1990
<b>REVENUE</b>						
Traffic	0	19,296,731	118,220	19,414,951	16,814,520	16,184,221
Commercial						
Concessions	0	28,588,222	11,700	28,599,922	26,971,700	26,193,374
Rentals	0	28,733,570	736,485	29,470,055	28,465,506	25,051,292
Utilities	0	1,180,000	100	1,180,100	1,125,000	1,137,317
Miscellaneous	0	2,238,992	120,600	2,359,592	2,058,300	1,865,516
Total Operating Revenue	0	80,037,515	987,105	81,024,620	75,435,026	70,431,720
<b>EXPENSES</b>						
Personnel	4,683,298	15,713,956	1,533,193	21,930,447	19,400,000	19,140,000
Administrative Expense	604,944	405,167	28,700	1,038,811	800,000	699,000
Professional Services	1,276,950	2,182,528	271,300	3,730,778	3,550,000	3,019,000
Utilities	93,785	3,861,763	139,800	4,095,348	3,550,000	4,070,000
Operating Services	437,805	5,197,344	21,000	5,656,149	5,302,000	5,135,000
Maintenance	163,120	6,514,797	565,180	7,243,097	6,709,000	6,701,000
Depreciation & Interest	473,623	31,641,732	1,739,971	33,855,326	31,290,000	27,967,000
Other	95,372	1,136,337	192,702	1,424,411	1,335,000	1,337,000
Total Operating Expenses	7,828,897	66,653,624	4,491,846	78,974,367	71,936,000	68,068,000
<b>Net Revenues</b>	<b>(7,828,897)</b>	<b>13,383,891</b>	<b>(3,504,741)</b>	<b>2,050,253</b> <sup>A</sup>	<b>3,499,026</b> <sup>A</sup>	<b>2,363,720</b> <sup>A</sup>

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



## Operating Revenues

	Mpls-St. Paul International	Reliever Airports	Total 1992 Budget	Estimate 1991	Actual 1990
<b>REVENUE</b>					
Traffic					
Landing Fees	16,109,969	0	16,109,969	13,673,000	13,122,106
Ramp Charges	2,931,762	0	2,931,762	2,779,400	2,702,621
Apron & Other Services	255,000	118,220	373,220	362,120	359,494
Total Traffic	19,296,731	118,220	19,414,951	16,814,520	16,184,221
Commercial					
Concessions					
Food Service	1,865,000	11,700	1,876,700	1,622,700	1,749,577
Auto Rental	5,648,208	0	5,648,208	5,475,000	5,189,317
News & Gifts	1,647,810	0	1,647,810	1,594,000	1,524,675
Auto Parking	16,729,787	0	16,729,787	16,125,000	15,510,394
In-Flite Catering	498,000	0	498,000	440,000	470,935
Other	2,199,417	0	2,199,417	1,715,000	1,748,476
Total Concessions	28,588,222	11,700	28,599,922	26,971,700	26,193,374
Rentals					
Terminal-Airlines	8,860,639	0	8,860,639	8,285,626	7,456,489
Terminal-Other	879,666	0	879,666	820,000	765,783
Ground & Building-Airlines	16,116,408	0	16,116,408	15,899,000	13,619,667
Ground & Building-Other	2,876,857	736,485	3,613,342	3,460,880	3,209,353
Total Rentals	28,733,570	736,485	29,470,055	28,465,506	25,051,292
Total Commercial	57,321,792	748,185	58,069,977	55,437,206	51,244,666
Utilities	1,180,000	100	1,180,100	1,125,000	1,137,317
Miscellaneous	2,238,992	120,600	2,359,592	2,058,300	1,865,516
<b>Total Operating Revenue</b>	<b>80,037,515</b>	<b>987,105</b>	<b>81,024,620</b>	<b>75,435,026</b>	<b>70,431,720</b>



## Revenue Assumptions

Estimates of revenue for 1992 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

Approximately \$27 million or 33% of MAC's \$81 million in revenue is generated from rates charged to the airlines. The formulas for the rates (landing fee, ramp fee, terminal rates and off-airport noise surcharge) are established in the current airline use agreement. In accordance with this agreement, expenses from the Police, Fire, Maintenance Labor, Maintenance Equipment and Administration cost centers are allocated to the Field & Runway, Ramp and Terminal Building cost centers. Total costs plus the allocations are then used to determine the airline rates and charges. As a result, fluctuations in the allocated costs can cause a change in the airline rates.

The explanations for revenue assumptions are based upon a comparison of 1991 estimates with 1992 budget figures. The following is a brief summary:

REVENUE CATEGORY	(Thousands)					1991 Est. vs 1992 Budget	
	1990 Budget	1990 Actual	1991 Budget	1991 Estimate	1992 Budget	Dollar Change	Percentage Change
Traffic	\$16,692	\$16,184	\$18,507	\$16,815	\$19,415	\$2,600	15.46%
Concessions	28,060	26,193	27,741	26,972	28,600	1,628	6.04%
Rentals	24,415	25,051	27,899	28,465	29,470	1,005	3.53%
Utilities	1,230	1,137	1,126	1,125	1,180	55	4.89%
Miscellaneous	1,674	1,866	1,939	2,058	2,360	302	14.67%
Total Operating Revenue	<u>\$72,071</u>	<u>\$70,431</u>	<u>\$77,212</u>	<u>\$75,435</u>	<u>\$81,025</u>	<u>\$5,590</u>	<u>7.41%</u>

It should be noted in the above table that the actual 1990 and estimated 1991 revenue figures are under budget. The primary reason for this is that a significant portion of revenue is based upon a breakeven philosophy, where revenue equals expense. (See Landing Fee, Ramp Fee and Terminal Rental explanation on following pages.) Expense in these areas is under budget resulting in revenue being under budget.

### 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.

**Revenue Assumptions** CONTINUED

A comparison of actual 1989 and 1990, budgeted and estimated 1991, and budgeted 1992 landing fee rates, landed weight and revenue of the major carriers follows:

	<b>1989 Actual</b>	<b>1990 Actual</b>	<b>1991 Budget</b>	<b>1991 Estimate</b>	<b>1992 Budget</b>
Landing Fee (rate per 1,000 lbs.)	\$0.58	\$0.65	\$0.75	\$0.69	\$0.77
Landed Weight (000 lbs.)	17,327,976	17,972,086	18,397,842	17,923,911	18,841,778
Revenue	\$10,095,483	\$11,742,260	\$13,868,439	\$12,354,000	\$14,541,490
Expense	\$10,259,860	\$12,191,336	\$13,978,439	\$12,554,000	\$14,791,490

An increase in the rate between actual 1990 and budgeted 1991 is the result of an increase in expenses. The \$2.1 million increase in expense is due to:

1. Depreciation and Interest - Runway rehabilitation projects. (\$300,000)
2. 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. (\$1,170,000)
3. Professional Services - (\$150,000)
4. Operating Services - Advertising (\$76,000)

The rate increase between estimated 1991 and budgeted 1992 is also the result of an increase in expenses. There are four reasons for this \$2.2 million increase:

1. Personnel Costs (\$400,000)
  - (1) Most of the staff additions budgeted to be filled in early 1991 were vacant until the third and fourth quarters. These positions will be filled for a full year in 1992.
  - (2) There will be four new positions in 1992 whose wages and benefits directly impact the landing fee (three in Noise and one in Maintenance).
2. Allocations of costs from Police, Fire, Operations, Noise and Administration have increased. As the total expenses in these cost centers rises, the allocation to landing fee increases. Cost center totals are allocated on a percentage basis. (\$1,300,000)
3. Depreciation and Interest - Runway rehabilitation projects. (\$250,000)
4. Professional Services - Part 150 Implementation (\$150,000)

1992 budget numbers for landed weight were provided by the airlines. We feel these figures are comparable to previous years and are consistent with 1990 actual and the 1991 estimate. Further review of the above chart indicates that from 1989 to 1992 landed weight increased approximately 15%. During that same period, revenue (expense) increased 43%. 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

There are three areas of significant change that contributed to the 43% increase in expense between 1989 and 1992. They are as follows:

1. Professional Services - The MAC is currently involved in a planning process that will aid in determining whether to expand Minneapolis-St. Paul International Airport or build a new airport. (\$1,000,000)
2. Depreciation and Interest costs resulting from numerous rehabilitation projects on the runways, field and taxiways. (\$1,250,000)
3. Allocations as the totals in other cost centers (Police, Fire, Noise, Operations, Equipment and Administration) increase, so do the dollars allocated to the rates. (\$1,500,000)

### TRAFFIC: RAMP FEES

Aircraft parking ramp fees are calculated in the same manner as landing fees (except for new airport planning costs). Ramp fees are determined by dividing the total estimated Terminal Ramp expenses by total lineal feet of ramp available. The rate is based upon a breakeven philosophy, except for a small portion (378 lineal feet) of the ramp that is used by the regional carriers.

A comparison of actual 1989 and 1990, budgeted and estimated 1991, and budgeted 1992 ramp rates and revenue are as follows:

	1989 Actual	1990 Actual	1991 Budget	1991 Estimate	1992 Budget
Ramp Fee (Per Lineal Foot)	\$310.20	\$306.76	\$342.55	\$313.21	\$330.81
Major Airline Ramp Footage	8,496	8,496	8,496	8,496	8,496
Total Ramp Lineal Footage	8,874	8,874	8,874	8,874	8,874
Revenue (Airline)	\$2,635,442	\$2,606,230	\$2,910,276	\$2,661,000	\$2,810,562
Expense Total	\$2,752,715	\$2,722,188	\$3,039,789	\$2,779,426	\$2,935,608

From 1989 to 1992, expenses have increased 6.6% or \$175,000. This increase is due to: 1.) Additional repairs/maintenance to the ramp area. 2.) Allocations — The cost center totals for Police, Fire, Maintenance and Main Office Administration have all increased during these years. As with the landing fee, 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 currently are those for insulation, replacement of windows, and installation of air conditioning at five schools. These schools are located in neighborhoods highly impacted by noise.

The Surcharge is determined by dividing the total estimated expenses in the Off-Airport Noise cost center by the total estimated number of Stage II and Stage III landings during the year. The Surcharge is based upon a breakeven 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 for signatory carriers.

	<u>1990 Actual</u>	<u>1991 Budget</u>	<u>1991 Estimate</u>	<u>1992 Budget</u>
Stage II and Stage III Landings	114,403	113,150	113,500	114,500
Off-Airport Noise Costs	\$323,062	\$334,368	\$380,000	\$544,422
Noise Surcharge/Landing	\$2.82	\$2.95	\$3.35	\$4.75

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. These are not additional costs to MAC but rather shift the cost between the various airlines, depending upon their type of activity (Stage II vs Stage III).

**CONCESSIONS**

The 1992 budget for Concessions revenues shows a 6.0% increase from the estimated 1991 amount. The two major components of concessions are Auto Parking (which accounts for approximately 58% of total concessions) and Auto Rental fees (which accounts for approximately 20% of total concessions).

Parking revenues are projected to increase 3.7% from the estimated 1991 level of \$16,125,000. Increased advertising of the facilities along with construction in front of the terminal building are anticipated to move revenues up slightly. In addition, activity levels are projected to change little, however, there is a continued increase in the length of stay per transaction which should result in added revenue. No rate increase is budgeted at any of the parking locations in 1992. Auto Rental fees are projected to increase by 3.2% to \$5,648,208 in 1992 over 1991 estimates. The 1992 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 \$850,000 or 15.8%. There are two reasons for the significant increase in activity between 1991 estimate and 1992 budget: 1) 1991 activity for these concessions declined or grew at a slower rate than was anticipated. 2) In 1992 we will be implementing a new Ground Transportation Access Fee. This fee is still in the planning phase but is anticipated to be in effect by June 1, 1992. We are estimating that this fee will produce approximately \$300,000 in 1992.

**RENTALS: AIRLINE TERMINAL BUILDING RENTAL RATES**

Airline building rates are calculated by allocating expense over the total rentable square footage in the Lindbergh Terminal. Airlines are charged for the space they occupy. Unlike landing fees and ramp fees, airline terminal building rates are not based upon a near break even or 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 1990, estimated and budgeted 1991, and projected 1992 rates with percentage changes between 1991 estimate and 1992 budget is as follows:

<b>TERMINAL BUILDING RENTALS (Rate per square foot)</b>	<b>1990 Actual</b>	<b>1991 Budget</b>	<b>1991 Estimate</b>	<b>1992 Budget</b>	<b>% Change 1991 Estimate vs. 1992 Budget</b>
Exclusive	\$17.39	\$17.99	\$19.82	\$21.21	7.01%
Exclusive Janitored	\$22.22	\$23.44	\$25.01	\$26.31	5.20%

The increase in rates from 1990 actual to 1991 estimate to 1992 budget are the result of the following expense changes:

1. There are four major projects which are or will be completed by early 1992. These projects result in additional depreciation and interest expense in 1992 in excess of \$1,138,000 over 1990.

a. Vertical Circulation	\$ 389,000
b. Blue Concourse Mechanical Rehabilitation	615,000
c. Primary Electrical System Upgrade	60,000
d. Terminal Temperature Control	74,000
	<u>\$1,138,000</u>

2. Costs allocated from other departments (Police, Fire, Administration and Maintenance) to the terminal cost center have increased and as a result, the total dollars used to calculate rates increased from 1990 to 1992 by \$650,000.

The total of all of the other rental revenues increased approximately 2% or \$430,000 in 1992. These increases were in Self-Liquidating Rentals, plus Ground and Building - Other.

1. Self-liquidating rentals increased by less than 1% or approximately \$95,000.
2. Ground and Building - Other

There are two areas showing increases in this category: 1) Lobby fees are moving from an estimated \$1,090,000 in 1991 to \$1,200,000 in 1992.

Humphrey terminal lobby fees are a per passenger charge for those passengers using this international terminal. This increase again, as with concessions revenue, is the result of flat activity in 1991 due to the Gulf War. It is felt that 1992 should reach approximately the same level as 1990. 2) Ground rentals for tenants, other than airlines, are increasing. An appraisal process was completed at Minneapolis-St. Paul International Airport in 1990 establishing a new system of ground rental fees. As tenant leases come up for renewal beginning in 1992, there will be a change in the ground rental rate, resulting in the increased revenue for this category of approximately \$130,000.

## 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.

Rate changes by MAC result in the 4.8% increase in revenue from \$1,125,000 in 1991 to \$1,180,000 in 1992.

**Revenue Assumptions** CONTINUED

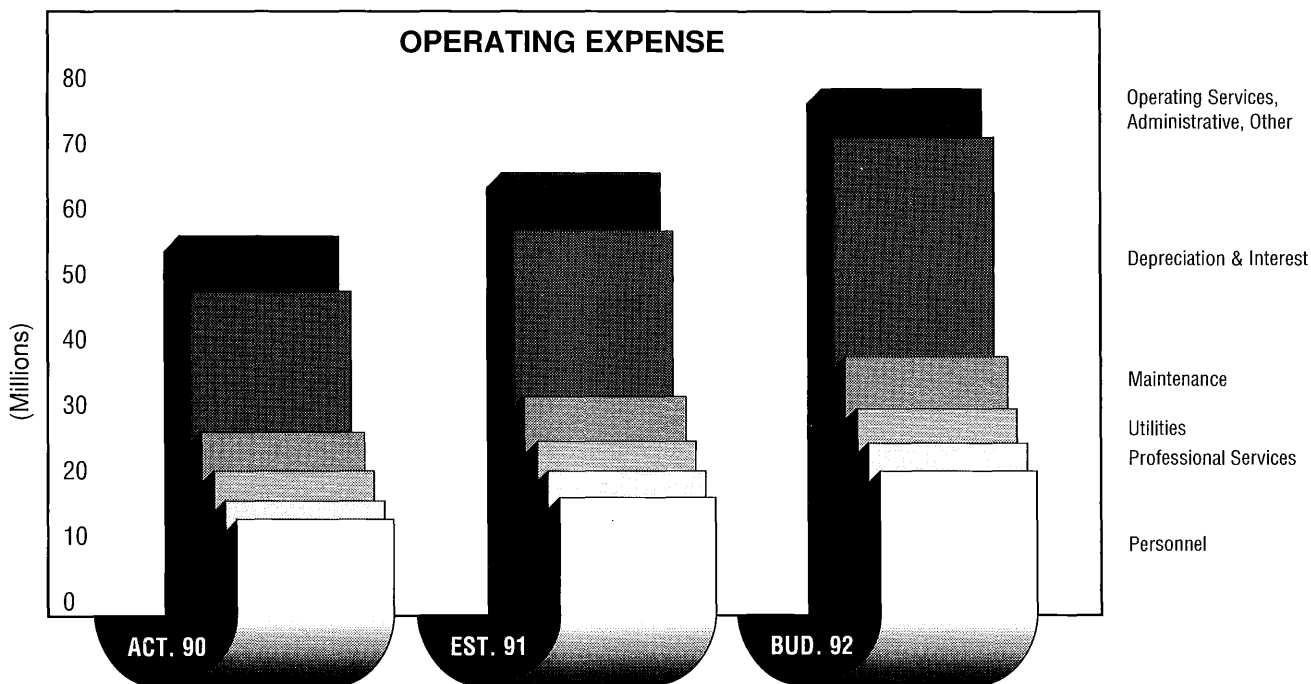
**MISCELLANEOUS**

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 44% 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 \$714,000 from employees purchasing parking cards and are required to park in the employee lot and ride the shuttle bus to the terminal building. Remaining revenue in this category is from parking tickets and miscellaneous small dollar items.

1992 OPERATING BUDGET  
MINNEAPOLIS/ST. PAUL  
METROPOLITAN  
AIRPORTS  
COMMISSION

**Operating Expenses**

	Main Office	Mpls-St. Paul International	Reliever Airports	Total 1992 Budget	Estimate 1991	Actual 1990
<b>EXPENSES</b>						
Personnel						
Salaries & Wages	3,605,026	11,911,639	1,149,523	16,666,188	14,821,000	14,688,000
Benefits	1,049,172	3,802,317	383,670	5,235,159	4,550,000	4,422,000
Commissioner Per Diem	29,100	0	0	29,100	29,000	30,000
Total Personnel	4,683,298	15,713,956	1,533,193	21,930,447	19,400,000	19,140,000
Administrative Expense	604,944	405,167	28,700	1,038,811	800,000	699,000
Professional Services	1,276,950	2,182,528	271,300	3,730,778	3,550,000	3,019,000
Utilities	93,785	3,861,763	139,800	4,095,348	3,550,000	4,070,000
Operating Services						
Parking Management	0	2,991,236	0	2,991,236	2,810,000	2,847,000
Shuttle Bus	0	1,374,000	0	1,374,000	1,382,000	1,419,000
Other	437,805	832,108	21,000	1,290,913	1,110,000	869,000
Total Operating Services	437,805	5,197,344	21,000	5,656,149	5,302,000	5,135,000
Maintenance						
Building	36,365	1,530,863	145,200	1,712,428	1,530,000	1,844,000
Field	11,000	1,016,750	170,400	1,198,150	870,000	941,000
Equipment	76,105	1,151,070	196,880	1,424,055	1,330,000	1,142,000
Cleaning	39,650	2,816,114	52,700	2,908,464	2,979,000	2,774,000
Total Maintenance	163,120	6,514,797	565,180	7,243,097	6,709,000	6,701,000
Depreciation & Interest	473,623	31,641,732	1,739,971	33,855,326	31,290,000	27,967,000
Other						
General Insurance	42,648	697,200	105,708	845,556	895,000	664,000
Rental-Snow Equipment	0	236,118	30,000	266,118	240,000	321,000
Rental-Other Equipment	0	85,052	15,000	100,052	50,000	43,000
Other	52,724	117,967	41,994	212,685	150,000	309,000
Total Other	95,372	1,136,337	192,702	1,424,411	1,335,000	1,337,000
<b>Total Operating Expenses</b>	<b>7,828,897</b>	<b>66,653,624</b>	<b>4,491,846</b>	<b>78,974,367</b>	<b>71,936,000</b>	<b>68,068,000</b>



## Expense Assumptions

The 1992 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 \$78,974,367.

The explanations for expense assumptions are based upon comparing 1991 estimates with 1992 budget figures. The chart shows the major expense categories and the variances (in thousands) between the 1991 estimates and the proposed 1992 budget.

EXPENSE CATEGORY	(Thousands)					1991 Est. vs 1992 Budget	
	1990 Budget	1990 Actual	1991 Budget	1991 Estimates	1992 Budget	Dollar Change	Percentage Change
Personnel	\$18,594	\$19,140	\$20,547	\$19,400	\$21,930	\$2,530	13.04%
Admin. Expenses	614	699	948	800	1,039	239	29.87%
Prof. Services	3,665	3,019	3,448	3,550	3,731	181	5.09%
Utilities	4,057	4,070	4,191	3,550	4,095	545	15.36%
Operating Serv.	5,363	5,135	5,275	5,302	5,656	354	6.68%
Maintenance	7,207	6,701	7,560	6,709	7,243	534	7.96%
Depr. & Interest	27,970	27,967	31,299	31,290	33,855	2,565	8.20%
Other	1,354	1,337	1,436	1,335	1,425	90	6.74%
Total Expense	<u>\$68,824</u>	<u>\$68,068</u>	<u>\$74,704</u>	<u>\$71,936</u>	<u>\$78,974</u>	<u>\$7,038</u>	<u>9.78%</u>

## PERSONNEL

Personnel costs for 1992 are projected to increase over 1991 estimates 13.04%, or \$2,530,000. There are three main reasons for this increase. First, approximately \$1,175,000 of this increase is from two newly created positions in 1991 (Noise Technician and Fire Inspector), twenty-three budgeted positions which are vacant but anticipated to be filled by year end 1991 and eight new positions for 1992. (See Personnel chart on page 60.) The new 1991 positions and those vacant are budgeted for a full year in 1992, while the 1992 additional positions are budgeted for one-half year. These positions will help provide increased services to employees, airport tenants, and traveling public. In addition, staff will be better able to respond to the information requests from tenants, the public, the FAA and other governmental public and private organizations. Secondly, benefits for the new positions and general increased costs result in \$685,000 of the increase. (See benefits below.) Third, contract settlements and wage adjustments are estimated at \$600,000.

## Expense Assumptions CONTINUED

As stated above, benefit costs are projected to increase \$685,000 over 1991 estimates. The following table illustrates the fluctuations in benefits from 1990 to 1992.

	<u>1990 Actual</u>	<u>1991 Budget</u>	<u>1991 Estimated</u>	<u>1992 Budget</u>
Benefits (000)	\$4,422	\$4,592	\$4,550	\$5,235

Employee Insurance and Employee Pension together make up approximately 86% of benefits. Approximately \$350,000 of this increase is the result of the additional staff and the filling of vacant positions. The balance of the increase (\$335,000) is due to general cost increases.

### ADMINISTRATIVE EXPENSE

This category is projected to increase 29.87% or \$239,000 from 1991 to 1992. The reasons for the increase are:

1. Computer Supplies — As additional staff are equipped with personal computers, supplies (paper, software, memory upgrades, etc.) are necessary. (\$50,000)
2. Travel — Additional staff travel and continued participation by MAC staff and commissioners on various national airport committees increase \$60,000 from 1991 estimates. (If a comparison of travel from 1991 budget to 1992 budget is made, there is a \$53,000 decrease in 1992.)
3. Other — This increase (\$100,000) is due to two items:
  - a) Increased dollars for special events such as career days and airport days and
  - b) Safety equipment that is required in various departments.

### PROFESSIONAL SERVICES

Professional Services are projected to increase 5.09% or \$181,000 between 1991 and 1992. The increase is attributed to two projects:

1. Part 150 Implementation — See Glossary — FAA Regulation Part 150 for explanation of this program.)
2. Consultants to be used in the implementation and conversion of existing mainframe computer hardware and software to a new system. The existing system dates back to the late 1970s and can no longer support the increased information needs of the organization.

The following chart shows a more complete list of some of the major professional service categories, the respective departments, and dollars allocated for the 1992 budget.

**Expense Assumptions** CONTINUED

<u>TYPE OF SERVICE</u>	<u>DEPARTMENT</u>	<u>DOLLARS</u>
Accounting & Audit Fees	Finance	\$124,900
Public Information	Public Relations	85,000
	Ground Transportation	30,000
Legal Fees	General Counsel	150,000
	Reliever Airports	20,000
Legal - Environmental	Noise/Environmental	150,000
	Reliever Airports	50,000
Computer Services	MIS	140,000
	Parking	127,000
Legislative	Public Relations	75,000
	Labor/Legislative	75,000
Engineering	Field and Runway	475,000
	Planning	70,000
	Reliever Airports	80,000
	Terminal Building	78,500
Environmental - Engineering	Field and Runway	51,000
	Noise/Environmental	392,500
	Reliever Airports	112,000
New Airport Planning	Field & Runway	500,000
Appraisal/RFP/Lease	Properties	240,000
		<u>\$3,025,900</u>

**UTILITIES**

Utilities are increasing \$545,000 or 15.36% in 1992 from 1991 estimates. The large increase between the years is the result of two items. First, in 1991 MAC received credits from both NSP (\$148,000) and Minnegasco (\$18,000). These credits were for prior overcharges due to rate increases which were partially denied. The NSP credit was for the period January 1988 through March 1991. The Minnegasco credit was for the period January 1990 through March 1991. Secondly, 1991 rates are lower than those anticipated for 1992.

Anticipated price changes for 1992 were obtained from various utility companies that provide service to the MAC. Types of service and anticipated rate changes include:

- Electricity: 4.5% 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: 5% Increase
- Water: 5% Increase
- Sewer: 7% Increase

Within the current budget, electricity accounts for 46%; natural gas and fuel oil together comprise 20% of the utility budget. Water and sewer charges represent 30% of the utility budget.

The City of Minneapolis bills MAC for the total consumption of water and sewer at MSP. MAC recovers a portion 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 1991 and actual 1990. Electrical consumption is projected to increase slightly.

**Expense Assumptions** CONTINUED

**OPERATING SERVICES**

Operating Services are projected to increase \$354,000 or 6.7% in 1992 from 1991 estimates. In this category 77% of the expenses are incurred from the parking management contract and shuttle bus services.

The parking management contract covers both expenses of the parking facilities and the management fee. Total contract expenses vary according to customer demand. The labor portion, which makes up the majority of this contract, is in place and will increase 4½% in 1992.

Shuttle bus services are anticipated to decrease .6% or \$8,000 in 1992 from 1991 estimates. Services provided are the Humphrey Terminal/Lindbergh Terminal, Auto Rental Facility/Lindbergh Terminal and Regional Terminal/Lindbergh Terminal.

Other Operating Services are projected to increase \$179,000 from 1991 estimates to 1992 budget due to the following:

1. Pollution Control (booms) — The “booms” are used to contain and soak up the fuel. These charges deal primarily with increasing fuel spill problems in and around the Maintenance Buildings, Ramp area and Field & Runway areas. (\$37,000)
2. Met Council Fees — Those fees not associated with the expansion/new airport process are anticipated to increase. (\$45,000)
3. Wellness/Recognition Program — This area was new in 1991. Various seminars and programs are planned to keep employees aware of and provide incentives to “stay well”. (\$50,000)
4. Copy Agreement — A new copy agreement was negotiated in 1991. It includes all new leased equipment and replaced some equipment no longer functioning which was purchased in the early 1980s. (\$40,000)

**MAINTENANCE**

This category has four components: field, equipment, building and cleaning. These costs are projected to increase by \$534,000 over the estimated 1991 costs. The weather in our area has a significant impact on Maintenance costs, particularly field and equipment maintenance. The chart detailing snow removal costs in the Maintenance-Field section below illustrates this point.

Maintenance - Field expenses are projected to increase \$328,000 or 37% in 1992 over 1991 estimates. The increase is in the area of snow removal.

During 1991, 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 1992 budget is based upon average winter weather conditions and is in line with 1991 budgeted amounts as shown in the chart. The drop in budgeted costs from 1991 to 1992 of \$97,000 is because some material, primarily sand and urea, which is on hand from the previous winter can be used rather than purchase additional supplies.

	<u>1991 Budget</u>	<u>1991 Estimate</u>	<u>1992 Budget</u>
Snow Removal Costs	\$645,000	\$345,000	\$548,000

**Expense Assumptions** CONTINUED

Maintenance - Equipment expenses are projected to increase \$94,000 or 7% in 1992 over 1991 estimates. The change can be attributed to parts. These costs follow the same pattern as snow removal. If there is mild weather during the year, as there was in early 1991, then the costs will be down. Parts for 1992 are budgeted for an average year.

Maintenance - Building is estimated to increase \$182,000 or 12% from 1991 to 1992. Approximately \$50,000 of the increase is in elevators. A number of elevators and escalators put in service during the Vertical Circulation Project are no longer on warranty and will require regular maintenance. In addition, general maintenance (i.e. plumbing, painting, carpentry and electrical) costs are budgeted to increase approximately \$100,000.

Maintenance - Cleaning reduction (\$71,000) is from rubbish disposal, which is included in this category. This decrease is due to the recycling program which was initiated in the fall of 1990. The program is still being expanded with the intent to involve more of the airport and more products.

**DEPRECIATION AND INTEREST**

Depreciation and Interest will make up 42.9% of the total MAC budget in 1992. Estimates for Depreciation and Interest are based on the Capital Improvement Program and Plan which will be recommended to the Commission in late fall 1991. 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 1992. During 1991 and 1992, approximately \$48 million worth of projects are expected to be completed. This total includes the following major items:

<b>Major Projects</b>	<b>Estimated Total Cost*</b>	<b>1991 Additional Depreciation and Interest</b>
Southwest Hangar/Cargo Apron Paving	\$6,000,000	\$174,929
Parking Structure Rehabilitation	5,950,000	332,364
Blue Concourse Mechanical System Conversion	5,350,000	559,620
Main Terminal Vertical Circulation	3,744,000	389,083
Elevator Tower Pedestrian Bridge	2,500,000	72,887
St. Paul Airport - Riverside Hangar Fire Protection/Watermain/Sewer System	1,645,000	82,250
Windom School Noise Abatement	1,208,000	89,639
HHH Terminal FIS/Gate 1 Modifications	1,058,000	128,629
Runway 11R/29L Pavement Rehabilitation/Safety Area	1,056,000	107,191
Reliever Airports Runways/Taxiways/Pavement Rehabilitations	1,043,000	33,231
	<u>\$29,554,000</u>	<u>\$1,969,823</u>
New Equipment	2,759,500	278,876
	<u>\$32,313,500</u>	<u>\$2,248,699</u>

\* Represents total cost less estimated Federal and State aid.



**Expense Assumptions** CONTINUED

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 78% of the expense in this category. In total, this category is projected to increase approximately \$89,000 over 1991 estimates. The increase is due to additional snow and field equipment needed during the respective seasons. In addition, some of the repairs projected for 1991 in the field which require rented equipment were moved from 1991 to 1992.

## Total Detail Expense Summary

	Total	Main Office	Mpls/St. Paul Int'l	Reliever Airports
<b>Personnel</b>				
Exempt	4,271,353	2,086,531	2,028,155	156,667
Non-Exempt	3,222,352	1,181,649	1,910,708	129,995
Public Safety	2,723,146	0	2,723,146	0
Maintenance	5,001,790	11,844	4,242,053	747,893
Temp/Seasonal	340,991	64,006	233,647	43,338
Holiday	685,409	160,591	480,753	44,065
Sick	421,147	100,405	293,177	27,565
Employee Pension	2,247,983	461,124	1,603,838	183,021
Employee Insurance	2,304,000	443,520	1,704,960	155,520
Workers Compensation	225,000	14,208	191,124	19,668
Continuing Education	236,350	105,700	124,150	6,500
Uniforms	115,341	1,680	102,261	11,400
Per Diem	29,100	29,100	0	0
Other	106,485	22,940	75,984	7,561
<b>Total Personnel</b>	<b>21,930,447</b>	<b>4,683,298</b>	<b>15,713,956</b>	<b>1,533,193</b>
<b>Administration</b>				
Office Supplies	95,750	49,100	44,850	1,800
Computer Supplies	105,800	66,800	37,000	2,000
Engineering Supplies	0	0	0	0
Stationary/Printing	110,600	77,000	32,600	1,000
Postage	73,990	60,000	9,490	4,500
Delivery Service	13,820	9,920	3,900	0
Freight	6,700	1,000	4,950	750
Registration	46,027	28,079	16,073	1,875
Transportation	151,438	91,613	53,575	6,250
Lodging	78,748	47,639	27,859	3,250
Meals	21,132	12,826	7,431	875
Travel - Other	6,020	3,665	2,105	250
Mileage	37,220	22,786	13,134	1,300
Information Sources	120,411	92,681	26,130	1,600
Local Meetings	23,835	17,335	5,750	750
Other	147,320	24,500	120,320	2,500
<b>Total Administration</b>	<b>1,038,811</b>	<b>604,944</b>	<b>405,167</b>	<b>28,700</b>
<b>Professional Services</b>				
Accounting/Audit Fees	124,900	124,900	0	0
Graphic/Printer	58,500	58,500	0	0
Insurance Consultants	28,500	28,500	0	0
Underwriting Fees	0	0	0	0
Public Information Fee	130,000	85,000	45,000	0
Legal Fees	185,500	150,000	15,500	20,000
Legal Fees-Environmental	200,000	0	150,000	50,000
Labor Relations	40,000	40,000	0	0
Computer Services	301,820	148,900	152,920	0
Legislative Fees	150,000	150,000	0	0
Engineering Fees	796,000	75,000	641,000	80,000
Environmental	568,000	0	456,000	112,000
Architectural Fees	72,000	0	66,000	6,000
New Airports Planning	500,000	0	500,000	0
Recruiting/Employment	14,000	14,000	0	0
Appraisal/RFP/Lease	240,000	240,000	0	0
Affirmative Action	73,900	73,900	0	0
Miscellaneous - Medical	73,000	15,000	58,000	0
Miscellaneous - Other	174,658	73,250	98,108	3,300
<b>Total Professional Services</b>	<b>3,730,778</b>	<b>1,276,950</b>	<b>2,182,528</b>	<b>271,300</b>
<b>Utilities</b>				
Telephone	148,500	35,500	93,400	19,600
Electricity	1,891,700	40,000	1,779,200	72,500
Sewer	660,450	5,425	650,925	4,100
Water	562,208	4,760	554,448	3,000
Heating Fuel	832,490	8,100	783,790	40,600
<b>Total Utilities</b>	<b>4,095,348</b>	<b>93,785</b>	<b>3,861,763</b>	<b>139,800</b>

**Total Detail Expense Summary** CONTINUED

	Total	Main Office	Mpls/St. Paul Int'l	Reliever Airports
<b>Operating Services</b>				
Parking - Management Fee	2,991,236	0	2,991,236	0
Parking - Lot Tickets	53,720	0	53,720	0
Advertising - Employment	20,000	20,000	0	0
Advertising - Noise	5,000	0	0	5,000
Advertising - Parking	90,000	0	90,000	0
Advertising - Other	123,700	78,700	43,000	2,000
Cab Starter	265,000	0	265,000	0
Met Council Fees	145,000	0	145,000	0
Pollution Control	115,500	0	104,000	11,500
Shuttle Bus Service	1,374,000	0	1,374,000	0
Security Service	90,000	0	90,000	0
Bank Charges	63,000	63,000	0	0
Copy Agreement	141,005	126,505	12,000	2,500
Recognition - Events	14,000	14,000	0	0
Recognition - Awards	24,000	24,000	0	0
Recognition - Supplies	7,600	7,600	0	0
Recognition - Meals	9,000	9,000	0	0
Wellness - Seminars/Health	50,500	50,500	0	0
Wellness - Awards/Misc.	31,500	31,500	0	0
Other	42,388	13,000	29,388	0
Total Operating Services	5,656,149	437,805	5,197,344	21,000
<b>Maintenance - Building</b>				
Electrical - Bldg.	95,451	1,700	74,751	19,000
Shop - Bldg.	29,563	0	23,563	6,000
Plumbing - Bldg.	138,500	5,525	117,975	15,000
Painting - Bldg.	71,350	0	64,350	7,000
Carpentry - Bldg.	66,100	3,240	56,160	6,700
Temperature Control	371,375	20,350	335,025	16,000
Roofing	71,750	2,250	30,500	39,000
Doors	84,800	800	71,500	12,500
Elevators	130,635	2,500	125,135	3,000
Carrouseles	500,000	0	500,000	0
Tools - Bldg.	61,964	0	55,964	6,000
Other - Bldg.	90,940	0	75,940	15,000
Total Maintenance - Bldg.	1,712,428	36,365	1,530,863	145,200
<b>Maintenance - Field</b>				
Electrical - Field	131,300	0	100,300	31,000
Shop - Field	0	0	0	0
Painting - Field	46,150	0	33,150	13,000
Carpentry - Field	16,800	0	11,800	5,000
Sand	93,500	0	80,000	13,500
Salt	29,500	0	27,000	2,500
Asphalt/Cement	219,500	0	167,500	52,000
Landscaping/Turf Maintenance	83,000	11,000	50,000	22,000
Snow Removal	238,500	0	235,000	3,500
Fencing	43,500	0	30,000	13,500
Urea	186,500	0	180,000	6,500
Tools - Field	17,400	0	15,000	2,400
Environment	32,000	0	32,000	0
Other - Field	60,500	0	55,000	5,500
Total Maintenance - Field	1,198,150	11,000	1,016,750	170,400
<b>Maintenance - Equipment</b>				
Parts	769,710	1,325	708,385	60,000
Radio Maintenance	48,950	1,410	41,910	5,630
Gas & Oil	179,040	8,820	135,720	34,500
Minor Equipment	86,870	0	56,370	30,500
Minor Equipment - Computer	38,600	23,050	15,550	0
Shop Supplies	141,500	0	91,500	50,000
Other	159,385	41,500	101,635	16,250
Total Maintenance - Equipment	1,424,055	76,105	1,151,070	196,880

**Total Detail Expense Summary** CONTINUED

	Total	Main Office	Mpls/St. Paul Int'l	Reliever Airports
<b>Maintenance - Cleaning</b>				
Towel/Laundry	14,900	0	12,200	2,700
Janitor Contract	2,251,324	37,050	2,188,474	25,800
Rubbish Disposal	443,700	0	427,500	16,200
Janitor Supplies	198,540	2,600	187,940	8,000
Total Maintenance - Cleaning	2,908,464	39,650	2,816,114	52,700
<b>Depreciation &amp; Interest</b>				
Depreciation	17,795,764	304,613	15,751,180	1,739,971
Interest	16,059,562	169,010	15,890,552	0
Total Depr. & Interest	33,855,326	473,623	31,641,732	1,739,971
<b>Other</b>				
General Insurance	845,556	42,648	697,200	105,708
Rental - Snow Equipment	266,118	0	236,118	30,000
Rental - Field Equipment	100,052	0	85,052	15,000
Rental - Copier	7,800	0	4,800	3,000
Rental - Other	63,134	14,400	44,234	4,500
Licenses & Taxes	32,000	2,000	26,000	4,000
Office Furniture	56,085	25,670	25,425	4,990
Other	53,666	10,654	17,508	25,504
Total Other	1,424,411	95,372	1,136,337	192,702
<b>Department Total</b>	<b>78,974,367</b>	<b>7,828,897</b>	<b>66,653,624</b>	<b>4,491,846</b>

## Main Office Expense 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
<b>Personnel</b>												
Exempt	2,086,531	174,851	135,992	139,578	409,890	479,876	86,025	131,413	179,322	114,375	131,533	103,676
Non-Exempt	1,181,649	72,312	26,644	24,069	75,427	500,871	167,753	30,779	71,449	60,453	54,226	97,666
Maintenance	11,844	11,844	0	0	0	0	0	0	0	0	0	0
Temp/Seasonal	64,006	0	3,360	0	0	20,166	8,320	0	3,360	0	3,840	24,960
Holiday	160,591	12,138	8,069	8,166	24,050	47,572	12,460	7,978	12,441	8,567	9,222	9,928
Sick	100,405	7,587	5,041	5,103	15,042	29,733	7,785	5,001	7,773	5,375	5,761	6,204
Employee Pension	461,124	39,748	20,914	21,310	65,025	135,658	40,687	23,508	35,124	25,003	24,182	29,965
Employee Insur.	443,520	28,800	17,280	17,280	57,600	149,760	40,320	17,280	28,800	23,040	23,040	40,320
Workers Comp.	14,208	924	552	552	1,848	4,800	1,296	552	924	732	732	1,296
Cont. Education	105,700	4,100	6,900	1,200	7,000	18,500	20,000	2,000	4,000	8,000	1,000	33,000
Uniforms	1,680	0	0	0	0	1,680	0	0	0	0	0	0
Per Diem	29,100	29,100	0	0	0	0	0	0	0	0	0	0
Other	22,940	1,735	1,142	1,150	3,409	6,877	1,781	1,139	1,761	1,227	1,305	1,414
<b>Total Personnel</b>	<b>4,683,298</b>	<b>383,139</b>	<b>225,894</b>	<b>218,408</b>	<b>659,291</b>	<b>1,395,493</b>	<b>386,427</b>	<b>219,650</b>	<b>344,954</b>	<b>246,772</b>	<b>254,841</b>	<b>348,429</b>
<b>Administrative Expense</b>												
Office Supplies	49,100	29,600	3,000	500	2,000	5,000	1,000	1,500	1,500	1,500	1,000	2,500
Computer Supplies	66,800	21,300	1,800	500	5,000	5,700	20,500	1,500	3,500	2,000	1,000	4,000
Engineering Supplies	0	0	0	0	0	0	0	0	0	0	0	0
Stationary/Printing	77,000	0	50,000	7,000	1,000	16,500	0	1,000	0	1,500	0	0
Postage	60,000	60,000	0	0	0	0	0	0	0	0	0	0
Delivery Service	9,920	2,900	900	400	1,500	470	0	300	1,500	200	250	1,500
Freight	1,000	500	500	0	0	0	0	0	0	0	0	0
Registration	28,079	9,585	1,485	1,795	2,250	2,629	1,605	1,725	2,250	1,455	1,800	1,500
Transportation	91,613	31,950	4,950	4,000	7,500	8,763	5,350	5,750	7,500	4,850	6,000	5,000
Lodging	47,639	16,614	2,574	2,080	3,900	4,557	2,782	2,990	3,900	2,522	3,120	2,600
Meals	12,826	4,473	693	560	1,050	1,227	749	805	1,050	679	840	700
Travel - Other	3,663	1,278	198	160	300	349	214	230	300	194	240	200
Mileage	22,786	10,324	250	600	2,400	2,512	1,800	800	1,000	2,000	500	600
Inform. Sources	92,681	45,000	2,250	3,150	1,000	2,781	4,000	3,500	1,000	4,500	25,000	500
Local Meetings	17,335	6,000	2,400	700	500	1,135	2,000	1,500	500	1,200	400	1,000
Other	24,500	0	21,000	0	1,000	1,500	0	0	0	0	0	1,000
<b>Total Admin. Expense</b>	<b>604,942</b>	<b>239,524</b>	<b>92,000</b>	<b>21,445</b>	<b>29,400</b>	<b>53,123</b>	<b>40,000</b>	<b>21,600</b>	<b>24,000</b>	<b>22,600</b>	<b>40,150</b>	<b>21,100</b>
<b>Professional Services</b>												
Account/Audit Fees	124,900	0	0	0	0	124,900	0	0	0	0	0	0
Graphic/Printer	58,500	0	30,000	0	0	13,500	0	0	15,000	0	0	0
Insurance Consults.	28,500	0	0	28,500	0	0	0	0	0	0	0	0
Underwriting Fees	0	0	0	0	0	0	0	0	0	0	0	0
Public Info Fee	85,000	0	85,000	0	0	0	0	0	0	0	0	0
Legal Fees	150,000	0	0	0	0	0	0	0	0	0	150,000	0
Labor Relations	40,000	0	0	0	0	0	0	40,000	0	0	0	0
Computer Services	148,900	0	0	0	7,500	1,400	140,000	0	0	0	0	0
Legislative Fees	150,000	0	75,000	0	0	0	0	75,000	0	0	0	0
Engineering Fees	75,000	5,000	0	0	70,000	0	0	0	0	0	0	0
Architectural Fees	0	0	0	0	0	0	0	0	0	0	0	0
Recruit/Employ	14,000	0	0	0	0	0	0	0	0	0	0	14,000
Apprais/RFP/Lease	240,000	0	0	0	0	0	0	0	240,000	0	0	0
Affirmative Action	73,900	0	0	0	0	0	0	0	0	73,900	0	0
Misc - Medical	15,000	0	0	0	0	0	0	0	0	0	0	15,000
Misc - Other	73,250	18,450	0	40,300	6,000	5,000	3,500	0	0	0	0	0
<b>Total Pro Services</b>	<b>1,276,950</b>	<b>23,450</b>	<b>190,000</b>	<b>68,800</b>	<b>83,500</b>	<b>144,800</b>	<b>143,500</b>	<b>115,000</b>	<b>255,000</b>	<b>73,900</b>	<b>150,000</b>	<b>29,000</b>
<b>Utilities</b>												
Telephone	35,500	35,000	0	0	0	0	0	0	0	0	0	0
Electricity	40,000	40,000	0	0	0	0	0	0	0	0	0	0
Sewer	5,425	5,425	0	0	0	0	0	0	0	0	0	0
Water	4,760	4,760	0	0	0	0	0	0	0	0	0	0
Heating Fuel	8,100	8,100	0	0	0	0	0	0	0	0	0	0
<b>Total Utilities</b>	<b>93,785</b>	<b>93,785</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Main Office Expense 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
<b>Operating Services</b>												
Advertising - Empl	20,000	0	0	0	0	0	0	0	0	0	0	20,000
Advertising - Other	78,700	0	75,000	0	0	1,200	0	0	0	2,500	0	0
Bank Charges	63,000	0	0	0	0	63,000	0	0	0	0	0	0
Copy Agreement	126,505	124,005	0	0	1,500	0	1,000	0	0	0	0	0
Recog. - Events	14,000	0	0	0	0	0	14,000	0	0	0	0	0
Recog. - Awards	24,000	0	0	0	0	0	24,000	0	0	0	0	0
Recog. - Supplies	7,600	0	0	0	0	0	7,600	0	0	0	0	0
Recog. - Meals	9,000	0	0	0	0	0	9,000	0	0	0	0	0
Well. - Seminars	50,500	0	0	50,500	0	0	0	0	0	0	0	0
Well. - Awds/Misc.	31,500	0	0	31,500	0	0	0	0	0	0	0	0
Other	13,000	0	0	0	0	3,000	0	10,000	0	0	0	0
Total Operating Serv.	437,805	124,005	75,000	82,000	1,500	67,200	55,600	10,000	0	2,500	0	20,000
<b>Maintenance - Building</b>												
Electrical - Bldg	1,700	1,700	0	0	0	0	0	0	0	0	0	0
Plumbing - Bldg	5,525	5,525	0	0	0	0	0	0	0	0	0	0
Carpentry - Bldg	3,240	3,240	0	0	0	0	0	0	0	0	0	0
Temp Control	20,350	20,350	0	0	0	0	0	0	0	0	0	0
Roofing	2,250	2,250	0	0	0	0	0	0	0	0	0	0
Doors	800	800	0	0	0	0	0	0	0	0	0	0
Elevators	2,500	2,500	0	0	0	0	0	0	0	0	0	0
Total Maint - Bldg	36,365	36,365	0	0	0	0	0	0	0	0	0	0
<b>Maintenance - Field</b>												
Lands/Turf Maint.	11,000	11,000	0	0	0	0	0	0	0	0	0	0
Total Maint - Field	11,000	11,000	0	0	0	0	0	0	0	0	0	0
<b>Maintenance - Equipment</b>												
Parts	1,325	0	0	0	0	1,325	0	0	0	0	0	0
Radio Maintenance	1,410	1,410	0	0	0	0	0	0	0	0	0	0
Gas & Oil	8,820	8,820	0	0	0	0	0	0	0	0	0	0
Minor Equipment	0	0	0	0	0	0	0	0	0	0	0	0
Minor Equip. - Comp.	23,050	7,700	0	0	0	3,550	7,700	0	4,100	0	0	0
Other	41,500	1,500	0	0	0	0	40,000	0	0	0	0	0
Total Maint-Equip	76,105	19,430	0	0	0	4,875	47,700	0	4,100	0	0	0
<b>Maintenance - Cleaning</b>												
Janitor Contract	37,050	37,050	0	0	0	0	0	0	0	0	0	0
Janitor Supplies	2,600	2,600	0	0	0	0	0	0	0	0	0	0
Total Maint-Cleaning	39,650	39,650	0	0	0	0	0	0	0	0	0	0
<b>Depreciation and Interest</b>												
Depreciation	304,613	304,613	0	0	0	0	0	0	0	0	0	0
Interest	169,010	169,010	0	0	0	0	0	0	0	0	0	0
Total Depr & Interest	473,623	473,623	0	0	0	0	0	0	0	0	0	0
<b>Other</b>												
General Insurance	42,648	42,648	0	0	0	0	0	0	0	0	0	0
Rental-Other	14,400	8,400	0	0	6,000	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	25,670	0	2,500	0	4,400	12,270	2,500	1,000	1,000	0	2,000	0
Other	10,656	1,656	3,000	0	1,500	0	0	0	1,500	0	3,000	0
Total Other	95,374	54,704	5,500	0	11,900	12,270	2,500	1,000	2,500	0	5,000	0
<b>Department Total</b>	<b>7,828,897</b>	<b>1,498,675</b>	<b>588,394</b>	<b>390,653</b>	<b>785,591</b>	<b>1,677,761</b>	<b>675,727</b>	<b>367,250</b>	<b>630,554</b>	<b>345,772</b>	<b>449,991</b>	<b>418,529</b>
<b>Sub Total Building</b>		<b>965,706</b>										

1992 OPERATING BUDGET  
MINNEAPOLIS/ST. PAUL  
METROPOLITAN  
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COMMISSION

**Minneapolis/St. Paul International Expense Summary**

	Total	Field & Runway	Mainte- nance Employees	Equipment Mainte- nance	Mainte- nance Building	Off- Airport Noise	Noise Abate- ment	Ramp	Terminal Building	Green Concourse	Boiler Plant	Terminal Roads
<b>Personnel</b>												
Exempt	2,028,155	0	412,741	0	0	0	218,090	0	131,691	0	43,965	0
Non-Exempt	1,910,708	0	73,801	0	0	0	292,272	0	26,565	0	30,303	0
Public Safety	2,723,146	0	0	0	0	0	0	0	0	0	0	0
Maintenance	4,242,053	0	3,347,698	0	26,424	0	0	0	389,555	0	425,533	0
Temp/Seasonal	233,647	0	116,835	0	0	0	10,080	0	6,240	0	17,358	0
Holiday	480,753	0	155,544	0	0	0	24,261	0	26,059	0	21,954	0
Sick	293,177	0	97,236	0	0	0	15,134	0	16,279	0	13,727	0
Emp. Pension	1,603,838	0	555,963	0	0	0	66,192	0	80,671	0	71,972	0
Emp. Insur.	1,704,960	0	576,000	0	0	0	97,920	0	92,160	0	74,880	0
Workers Comp.	191,124	0	72,840	0	0	0	3,132	0	11,652	0	9,468	0
Continuing Ed.	124,150	0	13,000	0	0	0	14,000	0	0	0	5,000	0
Uniforms	102,261	0	34,700	0	0	0	0	0	2,760	0	948	4,800
Other	75,984	0	26,566	0	0	0	3,573	0	3,836	0	3,481	0
Total Personnel	15,713,956	0	5,482,924	0	26,424	0	744,654	0	787,468	0	718,589	4,800
<b>Administrative Expense</b>												
Office Supplies	44,850	3,000	0	0	0	0	3,600	0	0	0	0	0
Computer Supplies	37,000	4,000	0	0	1,500	0	3,000	0	1,000	0	1,000	0
Stationary/Printing	32,600	3,000	0	0	0	0	0	0	500	0	500	0
Postage	9,490	0	0	0	0	0	0	0	0	0	0	0
Delivery Service	3,900	1,300	0	0	150	0	1,000	0	600	0	200	0
Freight	4,950	550	0	0	400	0	1,500	0	2,000	0	200	0
Registration	16,073	3,525	0	0	1,050	0	2,400	0	450	0	150	0
Transportation	53,575	11,750	0	0	3,500	0	8,000	0	1,500	0	500	0
Lodging	27,859	6,110	0	0	1,820	0	4,160	0	780	0	260	0
Meals	7,431	1,645	0	0	490	0	1,050	0	210	0	70	0
Travel - Other	2,105	470	0	0	140	0	300	0	60	0	2	0
Mileage	13,134	400	0	0	50	0	2,700	0	800	0	300	0
Information Sources	26,130	575	0	0	50	0	11,350	0	500	0	100	0
Local Meetings	5,750	150	0	0	0	0	0	0	400	0	200	0
Other	120,320	35,450	0	0	0	0	0	0	6,675	0	0	0
Total Admin. Expense	405,167	71,925	0	0	9,150	0	39,060	0	15,475	0	3,482	0
<b>Professional Services</b>												
Public Information Fees	45,000	0	0	0	0	0	0	0	0	0	0	0
Legal Fees	15,500	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	152,920	0	0	0	0	0	8,400	0	0	0	0	0
Engineering Fees	641,000	475,000	0	0	2,000	0	2,000	26,000	78,500	0	5,000	20,000
Environmental	456,000	51,000	0	0	7,500	0	392,500	0	0	0	0	0
Architectural Fees	66,000	0	0	0	0	0	0	0	58,000	0	0	0
New Airport Planning	500,000	500,000	0	0	0	0	0	0	0	0	0	0
Appraisal/RFP/Lease	0	0	0	0	0	0	0	0	0	0	0	0
Misc. - Medical	58,000	0	0	0	0	0	23,000	0	0	0	0	0
Misc. - Other	98,108	150	0	0	0	0	150	0	7,500	0	0	10,000
Total Prof. Services	2,182,528	1,026,150	0	0	9,500	0	576,050	26,000	144,000	0	5,000	30,000
<b>Utilities</b>												
Telephone	93,400	2,200	0	0	4,400	0	1,500	0	5,400	0	0	0
Electricity	1,779,200	35,000	0	0	13,500	0	0	0	1,100,000	0	160,000	160,000
Sewer	650,925	0	0	0	13,150	0	0	0	361,625	0	7,232	88,762
Water	554,448	0	0	0	7,724	0	0	0	308,000	0	5,793	66,380
Heating Fuel	783,790	40	0	0	40,000	0	0	0	13,000	0	540,000	7,000
Total Utilities	3,861,763	37,240	0	0	78,774	0	1,500	0	1,788,025	0	713,025	322,142
<b>Operating Services</b>												
Parking-Mgmt Fee	2,991,236	0	0	0	0	0	0	0	0	0	0	0
Parking-Lot Tckts	53,720	0	0	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	90,000	0	0	0	0	0	0	0	0	0	0	0
Adv.-Other	43,000	0	0	0	0	0	0	0	0	0	0	0
Cab Starter	265,000	0	0	0	0	0	0	0	0	0	0	250,000
Met Council Fees	145,000	145,000	0	0	0	0	0	0	0	0	0	0
Pollution Control	104,000	67,500	0	0	500	0	11,000	0	6,750	0	3,750	0
Shuttle Bus Serv.	1,374,000	0	0	0	0	0	0	0	438,250	0	0	824,750
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	29,388	0	0	0	0	0	15,000	0	0	0	0	0
Total Operating Serv.	5,197,344	212,500	0	0	500	0	38,000	0	445,000	0	3,750	1,074,750

1992 OPERATING BUDGET  
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	Green Concourse	Boiler Plant	Terminal Roads
<b>Maintenance-Building</b>												
Electrical - Bldg.	74,751	0	0	1,700	8,500	0	0	0	26,563	525	6,600	263
Shop - Bldg.	23,563	0	0	0	2,500	0	0	0	5,357	105	1,500	0
Plumbing - Bldg.	117,975	0	0	0	5,525	0	0	0	30,500	2,400	20,100	35,000
Painting - Bldg.	64,350	0	0	4,875	2,925	0	0	0	33,150	5,850	0	0
Carpentry - Bldg.	56,160	0	0	5,210	0	0	0	0	29,430	630	630	630
Temp. Control	335,025	0	0	0	14,450	0	0	0	142,865	30,255	35,488	5,229
Roofing	30,500	0	0	0	0	0	0	0	8,690	1,580	4,200	0
Doors	71,500	0	0	6,000	0	0	0	0	42,260	0	500	100
Elevators	125,135	0	0	0	0	0	0	0	82,765	9,000	0	8,000
Carousels	500,000	0	0	0	0	0	0	0	380,000	0	0	0
Tools - Bldg.	55,964	0	0	1,100	12,000	0	0	0	6,600	550	5,050	550
Other - Bldg.	75,940	0	0	0	6,000	0	0	0	37,142	2,100	0	1,494
<b>Total Maint. - Bldg.</b>	<b>1,530,863</b>	<b>0</b>	<b>0</b>	<b>18,885</b>	<b>51,900</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>825,322</b>	<b>52,995</b>	<b>74,068</b>	<b>51,266</b>
<b>Maintenance - Field</b>												
Electrical - Field	100,300	90,100	0	0	0	0	0	1,700	0	0	0	6,800
Painting - Field	33,150	24,375	0	0	0	0	0	0	0	0	0	3,900
Carpentry - Field	11,800	5,310	0	0	0	0	0	0	0	0	0	1,180
Sand	80,000	48,000	0	0	0	0	0	16,000	0	0	0	8,000
Salt	27,000	0	0	0	0	0	0	0	0	0	0	7,000
Asphalt/Cement	167,500	102,500	0	0	0	0	0	65,000	0	0	0	0
Lands./Turf Maint.	50,000	7,000	0	0	0	0	0	0	0	0	0	40,000
Snow Removal	235,000	36,000	0	0	0	0	0	82,000	0	0	0	1,500
Fencing	30,000	27,000	0	0	0	0	0	0	0	0	0	1,500
Urea	180,000	180,000	0	0	0	0	0	0	0	0	0	0
Tools - Field	15,000	15,000	0	0	0	0	0	0	0	0	0	0
Environment	32,000	0	0	0	0	0	32,000	0	0	0	0	0
Other - Field	55,000	20,000	0	0	0	0	0	5,000	0	0	0	0
<b>Total Maint. - Field</b>	<b>1,016,750</b>	<b>555,285</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>32,000</b>	<b>169,700</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>69,880</b>
<b>Maintenance-Equipment</b>												
Parts	708,385	0	0	470,000	0	0	0	0	3,250	250	22,250	250
Radio Maintenance	41,910	0	0	19,270	0	0	2,000	0	2,350	0	0	0
Gas & Oil	135,720	0	0	108,000	0	0	720	0	0	0	0	0
Minor Equipment	56,370	0	0	29,100	2,300	0	500	0	0	0	5,000	0
Minor Equip. - Comp.	15,550	0	0	3,800	0	0	0	0	0	0	0	0
Shop Supplies	91,500	0	0	63,000	4,500	0	0	3,000	3,000	0	3,000	0
Other	101,635	0	0	3,000	0	0	0	0	6,244	510	0	210
<b>Total Maint. - Equip.</b>	<b>1,151,070</b>	<b>0</b>	<b>0</b>	<b>696,170</b>	<b>6,800</b>	<b>0</b>	<b>3,220</b>	<b>3,000</b>	<b>14,844</b>	<b>760</b>	<b>30,250</b>	<b>460</b>
<b>Maintenance-Cleaning</b>												
Towel/Laundry	12,200	0	0	2,300	1,000	0	0	0	1,500	1,000	500	1,000
Janitor Contract	2,188,474	0	0	0	15,554	0	0	0	1,288,277	388,005	0	73,543
Rubbish Disposal	427,500	18,000	0	0	21,000	0	0	0	270,000	18,000	4,500	4,500
Janitor Supplies	187,940	0	0	0	650	0	0	0	119,840	12,840	10,700	0
<b>Total Maint.-Cleaning</b>	<b>2,816,114</b>	<b>18,000</b>	<b>0</b>	<b>2,300</b>	<b>38,204</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,679,617</b>	<b>419,845</b>	<b>15,700</b>	<b>79,043</b>
<b>Depreciation &amp; Interest</b>												
Depreciation	15,751,180	1,378,644	0	565,306	71,099	346,265	40,720	175,504	2,324,421	0	168,550	1,201,452
Interest	15,890,552	1,382,948	0	125,661	52,702	198,157	8,245	118,233	2,771,976	0	240,681	1,147,034
<b>Total Depr. &amp; Int.</b>	<b>31,641,732</b>	<b>2,761,592</b>	<b>0</b>	<b>690,967</b>	<b>123,801</b>	<b>544,422</b>	<b>48,965</b>	<b>293,737</b>	<b>5,096,397</b>	<b>0</b>	<b>409,231</b>	<b>2,348,486</b>
<b>Other</b>												
General Insur.	697,200	38,232	0	72,000	3,588	0	3,648	21,888	292,704	0	5,964	12,432
Rental-Snow Equip.	236,118	32,938	0	0	0	0	0	172,977	0	0	0	11,326
Rental-Flid Equip.	85,052	43,782	0	0	0	0	0	25,270	0	0	0	8,000
Rental-Copier	4,800	0	0	0	0	0	0	0	0	0	0	0
Rental-Other	44,234	32,938	0	0	0	0	2,000	0	0	0	0	2,496
Licenses & Taxes	26,000	0	0	24,000	0	0	2,000	0	0	0	0	0
Office Furniture	25,425	8,700	0	0	0	0	2,500	0	4,800	0	2,000	0
Other	17,508	0	0	0	1,100	0	0	0	6,376	520	96	240
<b>Total Other</b>	<b>1,136,337</b>	<b>156,590</b>	<b>0</b>	<b>96,000</b>	<b>4,688</b>	<b>0</b>	<b>10,148</b>	<b>220,135</b>	<b>303,880</b>	<b>520</b>	<b>8,060</b>	<b>34,494</b>
<b>Department Total</b>	<b>66,653,624</b>	<b>4,839,282</b>	<b>5,482,924</b>	<b>1,504,322</b>	<b>349,741</b>	<b>544,422</b>	<b>1,493,597</b>	<b>712,572</b>	<b>11,100,028</b>	<b>474,120</b>	<b>1,981,155</b>	<b>4,015,321</b>



1992 OPERATING BUDGET  
MINNEAPOLIS/ST. PAUL  
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**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.	Self Liqui- dating
<b>Personnel</b>													
Exempt	432,125	388,205	0	49,239	0	0	0	0	0	195,667	107,426	49,006	0
Non-Exempt	0	696,247	0	0	0	0	42,873	0	0	155,203	537,178	56,266	0
Public Safety	961,923	1,761,223	0	0	0	0	0	0	0	0	0	0	0
Maintenance	3,644	0	0	0	0	0	18,222	9,111	21,866	0	0	0	0
Temp/Seasonal	0	10,400	0	0	0	0	3,360	0	0	34,720	8,654	26,000	0
Holiday	63,726	130,736	0	2,469	0	0	5,409	0	0	17,110	28,397	5,088	0
Sick	32,551	81,741	0	1,536	0	0	3,383	0	0	10,687	17,708	3,195	0
Employee Pension	203,355	443,573	0	6,336	0	0	19,738	0	0	55,295	85,241	15,502	0
Employee Ins.	213,120	472,320	0	5,760	0	0	17,280	0	0	46,080	92,160	17,280	0
Workers Comp.	26,952	59,736	0	180	0	0	2,184	0	0	1,476	2,952	552	0
Continuing Education	17,200	45,250	0	0	0	0	2,200	0	0	10,000	16,500	1,000	0
Uniforms	16,905	35,140	0	0	0	0	612	0	0	300	5,496	600	0
Other	9,687	19,878	0	346	0	0	928	0	0	2,461	4,490	738	0
<b>Total Personnel</b>	<b>1,981,188</b>	<b>4,144,449</b>	<b>0</b>	<b>65,866</b>	<b>0</b>	<b>0</b>	<b>116,189</b>	<b>9,111</b>	<b>21,866</b>	<b>528,999</b>	<b>906,202</b>	<b>175,227</b>	<b>0</b>
<b>Administrative Expense</b>													
Office Supplies	1,000	25,750	0	0	0	0	0	0	0	10,000	1,000	500	0
Computer Supplies	500	3,500	4,000	0	0	0	0	0	0	8,500	5,000	5,000	0
Stationary/Printing	300	10,800	0	0	0	0	0	0	0	7,000	5,500	5,000	0
Postage	0	240	0	0	0	0	0	0	0	9,000	250	0	0
Delivery Service	50	100	0	0	0	0	0	0	0	500	0	0	0
Freight	100	200	0	0	0	0	0	0	0	0	0	0	0
Registration	600	2,340	0	225	0	0	0	0	0	2,250	2,033	1,050	0
Transportation	2,000	7,800	0	750	0	0	0	0	0	7,500	6,775	3,500	0
Lodging	1,040	4,056	0	390	0	0	0	0	0	3,900	3,523	1,820	0
Meals	280	1,092	0	105	0	0	0	0	0	1,050	949	490	0
Travel - Other	80	312	0	30	0	0	0	0	0	300	271	140	0
Mileage	1,944	3,645	0	50	0	0	1,000	0	0	800	945	500	0
Information Sources	2,000	2,800	0	0	0	0	0	0	0	6,500	1,675	580	0
Local Meetings	300	700	0	0	0	0	0	0	0	3,000	700	300	0
Other	9,350	6,845	0	0	0	0	0	0	0	59,250	2,750	0	0
<b>Total Admin. Expense</b>	<b>19,544</b>	<b>70,180</b>	<b>4,000</b>	<b>1,550</b>	<b>0</b>	<b>0</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>119,550</b>	<b>31,371</b>	<b>18,880</b>	<b>0</b>
<b>Professional Services</b>													
Public Information Fee	0	0	15,000	0	0	0	0	0	0	0	0	30,000	0
Legal Fees	0	0	15,500	0	0	0	0	0	0	0	0	0	0
Legal Fees - Environ.	0	0	0	0	0	0	0	0	0	0	0	0	0
Computer Services	0	2,520	127,000	0	0	0	0	0	0	0	0	15,000	0
Engineering Fees	2,000	4,000	3,000	3,500	0	10,000	2,000	0	0	2,000	4,000	2,000	0
Environmental	0	0	0	0	0	5,000	0	0	0	0	0	0	0
Architectural Fees	0	0	0	3,000	0	0	5,000	0	0	0	0	0	0
New Airport Planning	0	0	0	0	0	0	0	0	0	0	0	0	0
Appraisal/RFP/Lease	0	0	0	0	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	0
Misc. - Other	13,650	16,560	0	0	0	0	0	0	0	17,198	22,900	10,000	0
<b>Total Prof. Services</b>	<b>28,150</b>	<b>38,080</b>	<b>160,500</b>	<b>6,500</b>	<b>0</b>	<b>15,000</b>	<b>7,000</b>	<b>0</b>	<b>0</b>	<b>26,698</b>	<b>26,900</b>	<b>57,000</b>	<b>0</b>
<b>Utilities</b>													
Telephone	4,000	9,000	0	1,500	0	0	0	0	0	30,000	35,400	0	0
Electricity	13,500	0	42,000	120,000	10,200	7,000	65,000	26,000	27,000	0	0	0	0
Sewer	3,288	0	1,315	9,863	0	164,375	0	658	657	0	0	0	0
Water	1,931	0	1,931	7,000	0	154,239	0	725	725	0	0	0	0
Heating Fuel	6,600	10,700	0	59,000	0	0	39,700	15,750	52,000	0	0	0	0
<b>Total Utilities</b>	<b>29,319</b>	<b>19,700</b>	<b>45,246</b>	<b>197,363</b>	<b>10,200</b>	<b>325,614</b>	<b>104,700</b>	<b>43,133</b>	<b>80,382</b>	<b>30,000</b>	<b>35,400</b>	<b>0</b>	<b>0</b>
<b>Operating Services</b>													
Parking-Mgmt Fee	0	0	2,991,236	0	0	0	0	0	0	0	0	0	0
Parking-Lot Tckts	0	0	50,220	3,500	0	0	0	0	0	0	0	0	0
Adv.-Noise	0	0	0	0	0	0	0	0	0	0	0	0	0
Adv.-Parking	0	0	90,000	0	0	0	0	0	0	0	0	0	0
Adv.-Other	0	0	0	0	0	0	0	0	0	13,000	0	30,000	0
Cab Starter	0	0	0	15,000	0	0	0	0	0	0	0	0	0
Met Council Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Pollution Control	13,000	0	0	500	0	0	500	0	500	0	0	0	0
Shuttle Bus Serv.	0	0	0	111,000	0	0	0	0	0	0	0	0	0
Security Service	0	90,000	0	0	0	0	0	0	0	0	0	0	0
Copy Agreement	0	0	0	0	0	0	0	0	0	0	0	0	0
Other	0	14,148	0	0	0	0	240	0	0	0	0	0	0
<b>Total Operating Serv.</b>	<b>13,000</b>	<b>104,148</b>	<b>3,131,456</b>	<b>130,000</b>	<b>0</b>	<b>0</b>	<b>740</b>	<b>0</b>	<b>500</b>	<b>13,000</b>	<b>0</b>	<b>30,000</b>	<b>0</b>

1992 OPERATING BUDGET  
MINNEAPOLIS/ST. PAUL  
METROPOLITAN  
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**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.	Operations	Ground Trans.	Self Liqui- dating
<b>Maintenance-Building</b>													
Electrical - Bldg.	1,700	0	18,700	5,100	0	0	3,400	0	1,700	0	0	0	0
Shop - Bldg.	0	14,101	0	0	0	0	0	0	0	0	0	0	0
Plumbing - Bldg.	5,525	0	1,000	1,000	0	0	4,250	2,925	9,750	0	0	0	0
Painting - Bldg.	0	0	7,800	4,875	0	0	4,875	0	0	0	0	0	0
Carpentry - Bldg.	3,540	3,540	4,760	2,990	0	0	4,800	0	0	0	0	0	0
Temp. Control	9,525	0	7,270	35,118	0	0	39,400	0	15,425	0	0	0	0
Roofing	5,250	0	2,370	3,160	0	0	5,250	0	0	0	0	0	0
Doors	4,900	200	6,800	9,440	0	0	1,100	200	0	0	0	0	0
Elevators	0	0	21,000	4,370	0	0	0	0	0	0	0	0	0
Carousels	0	0	0	120,000	0	0	0	0	0	0	0	0	0
Tools - Bldg.	22,000	8,114	0	0	0	0	0	0	0	0	0	0	0
Other - Bldg.	0	0	20,900	2,504	0	0	1,000	4,800	0	0	0	0	0
Total Maint. - Bldg.	52,440	25,955	90,600	188,557	0	0	64,075	7,925	26,875	0	0	0	0
<b>Maintenance - Field</b>													
Electrical - Field	0	0	0	0	0	1,700	0	0	0	0	0	0	0
Painting - Field	0	0	0	0	0	4,875	0	0	0	0	0	0	0
Carpentry - Field	0	0	0	0	0	5,310	0	0	0	0	0	0	0
Sand	0	0	8,000	0	0	0	0	0	0	0	0	0	0
Salt	0	0	2,500	0	0	17,500	0	0	0	0	0	0	0
Asphalt/Cement	0	0	0	0	0	0	0	0	0	0	0	0	0
Lands./Turf Maint.	0	0	0	0	0	3,000	0	0	0	0	0	0	0
Snow Removal	0	0	114,000	0	0	1,500	0	0	0	0	0	0	0
Fencing	0	0	0	0	0	1,500	0	0	0	0	0	0	0
Urea	0	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	0
Environment	0	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	0
Total Maint. - Field	30,000	0	124,500	0	0	35,385	0	0	0	0	0	0	0
<b>Maintenance-Equipment</b>													
Parts	0	19,685	154,450	37,750	0	0	500	0	0	0	0	0	0
Radio Maintenance	3,760	8,930	900	0	0	0	0	0	0	0	4,700	0	0
Gas & Oil	5,400	18,000	0	0	0	0	0	0	0	0	3,600	0	0
Minor Equipment	0	13,770	0	0	0	0	0	0	0	700	5,000	0	0
Minor Equip - Comp.	1,600	0	0	0	0	0	0	0	0	7,150	3,000	0	0
Shop Supplies	15,000	0	0	0	0	0	0	0	0	0	0	0	0
Other	40,000	11,035	126	3,760	0	0	0	0	0	14,250	12,500	10,000	0
Total Maint. - Equip.	65,760	71,420	155,476	41,510	0	0	500	0	0	22,100	28,800	10,000	0
<b>Maintenance-Cleaning</b>													
Towel/Laundry	1,000	2,400	0	1,500	0	0	0	0	0	0	0	0	0
Janitor Contract	0	0	129,335	218,094	0	0	71,272	0	4,394	0	0	0	0
Rubbish Disposal	1,500	0	24,000	36,000	0	9,000	0	16,800	4,200	0	0	0	0
Janitor Supplies	10,700	0	23,540	6,420	0	0	2,600	0	650	0	0	0	0
Total Maint. - Cleaning	13,200	2,400	176,875	262,014	0	9,000	73,872	16,800	9,244	0	0	0	0
<b>Depreciation &amp; Interest</b>													
Depreciation	148,215	44,795	2,819,123	601,439	406,960	133,043	21,068	0	34,742	20,016	59,764	7,450	5,182,604
Interest	66,940	10,649	2,524,727	549,760	337,816	131,334	8,479	0	32,482	5,315	18,637	2,486	6,156,290
Total Depr. & Int.	215,155	55,444	5,343,850	1,151,199	744,776	264,377	29,547	0	67,224	25,331	78,401	9,936	11,338,894
<b>Other</b>													
Gen. Ins.	61,836	85,572	50,088	22,788	0	12,432	6,228	360	2,880	1,860	2,700	0	0
Rent. - Snow Eq.	0	0	0	0	0	18,877	0	0	0	0	0	0	0
Rent. - Fld Eq.	0	0	4,000	0	0	4,000	0	0	0	0	0	0	0
Rent. - Copier	0	2,400	0	0	0	0	0	0	2,400	0	0	0	0
Rent. - Other	0	5,000	0	0	0	0	0	0	1,800	0	0	0	0
Lic. & Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Office Furn.	2,000	4,000	0	225	0	0	0	0	1,200	0	0	0	0
Other	2,280	3,204	838	994	0	0	1,200	0	0	660	0	0	0
Total Other	66,116	100,176	54,926	24,007	0	35,309	7,428	360	2,880	7,260	3,360	0	0
<b>Department Total</b>	<b>2,513,872</b>	<b>4,631,952</b>	<b>9,287,429</b>	<b>2,068,566</b>	<b>754,976</b>	<b>684,685</b>	<b>405,051</b>	<b>77,329</b>	<b>208,971</b>	<b>772,938</b>	<b>1,110,434</b>	<b>301,043</b>	<b>11,338,894</b>

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**West Reliever Expense Summary**

	Total	West Reliever Admin	Flying Cloud Facilities	Flying Cloud Field & Runways	West Reliever Equipment	Crystal Facilities	Crystal Field & Runways	Anoka Facilities	Anoka Field & Runways
<b>Personnel</b>									
Exempt	45,947	45,947	0	0	0	0	0	0	0
Non-Exempt	64,699	64,699	0	0	0	0	0	0	0
Public Safety	0	0	0	0	0	0	0	0	0
Maintenance	357,097	0	0	150,439	0	0	95,829	0	110,829
Temp/Seasonal	40,698	0	0	13,566	0	0	13,566	0	13,566
Holiday	20,354	5,171	0	6,073	0	0	4,555	0	4,555
Sick	12,726	3,236	0	3,796	0	0	2,847	0	2,847
Employee Pension	79,347	16,686	0	28,153	0	0	18,107	0	16,401
Employee Insurance	74,880	17,280	0	23,040	0	0	17,280	0	17,280
Workers Compensation	9,468	2,184	0	2,916	0	0	2,184	0	2,184
Continued Education	0	0	0	0	0	0	0	0	0
Uniform	5,400	1,300	0	1,700	0	0	1,200	0	1,200
Other	3,444	774	0	1,068	0	0	801	0	801
Total Personnel	714,060	157,277	0	230,751	0	0	156,369	0	169,663
<b>Administrative Expense</b>									
Office Supplies	800	800	0	0	0	0	0	0	0
Computer Supplies	1,500	1,500	0	0	0	0	0	0	0
Engineering Supplies	0	0	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
Delivery Service	0	0	0	0	0	0	0	0	0
Freight	250	250	0	0	0	0	0	0	0
Registration	750	750	0	0	0	0	0	0	0
Transportation	2,500	2,500	0	0	0	0	0	0	0
Lodging	1,300	1,300	0	0	0	0	0	0	0
Meals	350	350	0	0	0	0	0	0	0
Travel - Other	100	100	0	0	0	0	0	0	0
Mileage	1,000	1,000	0	0	0	0	0	0	0
Information Sources	600	600	0	0	0	0	0	0	0
Local Meetings	0	0	0	0	0	0	0	0	0
Other	500	500	0	0	0	0	0	0	0
Total Administrative Expense	12,650	12,650	0	0	0	0	0	0	0
<b>Professional Services</b>									
Public Information Fees	0	0	0	0	0	0	0	0	0
Legal Fees	10,000	0	0	3,000	0	0	3,000	0	4,000
Legal Fees Environmental	0	0	0	0	0	0	0	0	0
Computer Services	0	0	0	0	0	0	0	0	0
Engineering Fees	40,000	0	0	14,000	0	0	12,000	0	14,000
Environmental	24,000	0	0	8,000	0	0	8,000	0	8,000
Architectural Fees	2,000	0	1,000	0	0	0	0	1,000	0
New Airport Planning	1,000	0	0	0	0	1,000	0	0	0
Apprais/RFP/Lease	0	0	0	0	0	0	0	0	0
Misc - Medical	0	0	0	0	0	0	0	0	0
Misc - Other	1,650	1,650	0	0	0	0	0	0	0
Total Professional Services	78,650	1,650	1,000	25,000	0	1,000	23,000	1,000	26,000
<b>Utilities</b>									
Telephone	8,800	5,000	1,600	0	0	0	0	2,200	0
Electricity	15,000	0	4,500	0	0	3,500	0	1,500	5,500
Sewer	100	0	0	0	0	100	0	0	0
Water	0	0	0	0	0	0	0	0	0
Heating Fuel	11,600	0	5,500	0	0	2,500	0	3,600	0
Total Utilities	35,500	5,000	11,600	0	0	6,100	0	7,300	5,500
<b>Operating Services</b>									
Parking Management Fees	0	0	0	0	0	0	0	0	0
Parking - Lot Tckts	0	0	0	0	0	0	0	0	0
Advertising - Noise	2,500	2,500	0	0	0	0	0	0	0
Advertising - Parking	0	0	0	0	0	0	0	0	0
Advertising - Other	1,000	1,000	0	0	0	0	0	0	0
Cab Starter	0	0	0	0	0	0	0	0	0
Met-Council Fees	0	0	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
Shuttle Bus Service	0	0	0	0	0	0	0	0	0
Security Service	0	0	0	0	0	0	0	0	0
Copy Agreement	1,000	1,000	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0
Total Operating Services	10,500	4,500	1,000	1,000	0	1,000	1,000	1,000	1,000

1992 OPERATING BUDGET  
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**West Reliever Expense Summary** CONTINUED

	Total	West Reliever Admin	Flying Cloud Facilities	Flying Cloud Field & Runways	West Reliever Equipment	Crystal Facilities	Crystal Field & Runways	Anoka Facilities	Anoka Field & Runways
<b>Maintenance-Building</b>									
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	3,500	0	1,500	0	0	1,000	0	1,000	0
Elevators	0	0	0	0	0	0	0	0	0
Carousels	0	0	0	0	0	0	0	0	0
Tools - Bldg.	1,500	0	500	0	0	500	0	500	0
Other - Bldg.	6,000	0	2,000	0	0	2,000	0	2,000	0
Total Maintenance - Bldg.	51,200	0	15,400	0	0	20,900	0	14,900	0
<b>Maintenance - Field</b>									
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	2,500	0	0	500	0	0	500	0	1,500
Sand	4,500	0	0	1,500	0	0	1,500	0	1,500
Salt	1,500	0	0	500	0	0	500	0	500
Asphalt/Cement	27,000	0	0	9,000	0	0	9,000	0	9,000
Landscape/Turf Maint.	15,000	0	0	5,000	0	0	5,000	0	5,000
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	78,400	0	0	25,800	0	0	25,800	0	26,800
<b>Maintenance-Equipment</b>									
Parts	30,000	0	0	0	30,000	0	0	0	0
Radio Maintenance	2,830	0	0	0	2,830	0	0	0	0
Gas & Oil	15,900	0	0	0	15,900	0	0	0	0
Minor Equipment	15,500	0	0	0	15,500	0	0	0	0
Minor Equipment - Computer	0	0	0	0	0	0	0	0	0
Shop Supplies	25,000	0	0	0	25,000	0	0	0	0
Other	6,250	0	0	0	6,000	0	0	250	0
Total Maint. - Equipment	95,480	0	0	0	95,230	0	0	250	0
<b>Maintenance-Cleaning</b>									
Towel/Laundry	1,200	0	400	400	0	200	0	200	0
Janitor Contract	1,800	0	0	0	0	1,800	0	0	0
Rubbish Disposal	7,800	0	2,100	2,424	0	1,638	0	1,638	0
Janitor Supplies	3,000	0	2,000	0	0	500	0	500	0
Total Maint. - Cleaning	13,800	0	4,500	2,824	0	4,138	0	2,338	0
<b>Depreciation &amp; Interest</b>									
Depreciation	601,392	0	13,749	91,295	187,251	14,405	70,693	33,761	190,238
Interest	0	0	0	0	0	0	0	0	0
Total Depr. & Interest	601,392	0	13,749	91,295	187,251	14,405	70,693	33,761	190,238
<b>Other</b>									
General Insurance	49,176	0	756	7,956	22,596	756	7,956	1,200	7,956
Rental - Snow Equipment	15,000	0	0	15,000	0	0	0	0	0
Rental - Field Equipment	15,000	0	0	5,000	0	0	5,000	0	5,000
Rental - Copier	0	0	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
Office Furniture	0	0	0	0	0	0	0	0	0
Other	504	504	0	0	0	0	0	0	0
Total Other	81,680	1,504	756	27,956	23,596	756	12,956	1,200	12,956
<b>Department Total</b>	<b>1,773,312</b>	<b>182,581</b>	<b>48,005</b>	<b>404,626</b>	<b>306,077</b>	<b>48,299</b>	<b>289,818</b>	<b>61,749</b>	<b>432,157</b>

1992 OPERATING BUDGET  
MINNEAPOLIS/ST. PAUL  
METROPOLITAN  
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COMMISSION

**East Reliever Expense 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
<b>Personnel</b>									
Exempt	110,720	110,720	0	0	0	0	0	0	0
Non-Exempt	65,296	65,296	0	0	0	0	0	0	0
Public Safety	0	0	0	0	0	0	0	0	0
Maintenance	390,796	0	0	240,358	0	0	75,219	0	75,219
Temps/Seasonal	2,640	0	0	880	0	0	880	0	880
Holiday	23,711	8,530	0	9,109	0	0	3,036	0	3,036
Sick	14,839	5,350	0	5,693	0	0	1,898	0	1,898
Employee Pension	103,674	27,304	0	49,469	0	0	14,303	0	12,598
Employee Insurance	80,640	23,040	0	34,560	0	0	11,520	0	11,520
Workers Compensation	10,200	2,916	0	4,380	0	0	1,452	0	1,452
Continued Education	6,500	6,500	0	0	0	0	0	0	0
Uniforms	6,000	2,100	0	2,300	0	0	800	0	800
Other	4,117	1,234	0	1,815	0	0	534	0	534
<b>Total Personnel</b>	<b>819,133</b>	<b>252,990</b>	<b>0</b>	<b>348,564</b>	<b>0</b>	<b>0</b>	<b>109,642</b>	<b>0</b>	<b>107,937</b>
<b>Administrative Expense</b>									
Office Supplies	1,000	1,000	0	0	0	0	0	0	0
Computer Supplies	500	500	0	0	0	0	0	0	0
Engineering Supplies	0	0	0	0	0	0	0	0	0
Stationary/Printing	500	500	0	0	0	0	0	0	0
Postage	2,000	2,000	0	0	0	0	0	0	0
Delivery Service	0	0	0	0	0	0	0	0	0
Freight	500	500	0	0	0	0	0	0	0
Registration	1,125	1,125	0	0	0	0	0	0	0
Transportation	3,750	3,750	0	0	0	0	0	0	0
Lodging	1,950	1,950	0	0	0	0	0	0	0
Meals	525	525	0	0	0	0	0	0	0
Travel - Other	150	150	0	0	0	0	0	0	0
Mileage	300	300	0	0	0	0	0	0	0
Information Sources	1,000	1,000	0	0	0	0	0	0	0
Local Meetings	750	750	0	0	0	0	0	0	0
Other	2,000	2,000	0	0	0	0	0	0	0
<b>Total Administrative Expense</b>	<b>16,050</b>	<b>16,050</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Professional Services</b>									
Public Information Fees	0	0	0	0	0	0	0	0	0
Legal Fees	10,000	0	0	4,000	0	0	3,000	0	3,000
Legal Fees Environment	50,000	0	0	0	0	0	50,000	0	0
Computer Services	0	0	0	0	0	0	0	0	0
Engineering Fees	40,000	0	0	16,000	0	0	12,000	0	12,000
Environmental	88,000	0	0	12,000	0	0	68,000	0	8,000
Architectural Fees	3,000	0	1,000	0	0	1,000	0	1,000	0
New Airport Planning	0	0	0	0	0	0	0	0	0
Apprais/RFP/Lease	0	0	0	0	0	0	0	0	0
Misc - Medical	0	0	0	0	0	0	0	0	0
Misc - Other	1,650	1,650	0	0	0	0	0	0	0
<b>Total Professional Services</b>	<b>192,650</b>	<b>1,650</b>	<b>1,000</b>	<b>32,000</b>	<b>0</b>	<b>1,000</b>	<b>133,000</b>	<b>1,000</b>	<b>23,000</b>
<b>Utilities</b>									
Telephone	10,800	8,200	0	0	0	900	0	1,700	0
Electricity	57,500	0	27,500	30,000	0	0	0	0	0
Sewer	4,000	0	4,000	0	0	0	0	0	0
Water	3,000	0	3,000	0	0	0	0	0	0
Heating Fuel	29,000	0	22,000	0	0	3,000	0	4,000	0
<b>Total Utilities</b>	<b>104,300</b>	<b>8,200</b>	<b>56,500</b>	<b>30,000</b>	<b>0</b>	<b>3,900</b>	<b>0</b>	<b>5,700</b>	<b>0</b>
<b>Operating Services</b>									
Parking Management Fees	0	0	0	0	0	0	0	0	0
Parking - Lot Tckts	0	0	0	0	0	0	0	0	0
Advertising - Noise	2,500	2,500	0	0	0	0	0	0	0
Advertising - Parking	0	0	0	0	0	0	0	0	0
Advertising - Other	1,000	1,000	0	0	0	0	0	0	0
Cab Starter	0	0	0	0	0	0	0	0	0
Met-Council Fees	0	0	0	0	0	0	0	0	0
Pollution Control	5,500	1,000	500	0	0	1,000	1,000	1,000	1,000
Shuttle Bus Service	0	0	0	0	0	0	0	0	0
Security Service	0	0	0	0	0	0	0	0	0
Copy Agreement	1,500	1,500	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0
<b>Total Operating Services</b>	<b>10,500</b>	<b>6,000</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>

1992 OPERATING BUDGET  
MINNEAPOLIS/ST. PAUL  
METROPOLITAN  
AIRPORTS  
COMMISSION

**East Reliever Expense 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
<b>Maintenance-Building</b>									
Electrical - Bldg.	16,000	0	10,000	0	0	3,000	0	3,000	0
Shop - Bldg.	4,500	0	1,500	0	0	1,500	0	1,500	0
Plumbing - Bldg.	9,000	0	5,000	0	0	2,000	0	2,000	0
Painting - Bldg.	5,500	0	2,500	0	0	1,500	0	1,500	0
Carpentry - Bldg.	5,500	0	2,500	0	0	1,500	0	1,500	0
Temperature Control	9,000	0	5,000	0	0	2,000	0	2,000	0
Roofing	19,000	0	15,000	0	0	2,000	0	2,000	0
Doors	9,000	0	5,000	0	0	2,000	0	2,000	0
Elevators	3,000	0	3,000	0	0	0	0	0	0
Carousels	0	0	0	0	0	0	0	0	0
Tools - Bldg.	4,500	0	2,500	0	0	1,000	0	1,000	0
Other - Bldg.	9,000	0	5,000	0	0	1,500	0	2,500	0
Total Maintenance - Bldg.	94,000	0	57,000	0	0	18,000	0	19,000	0
<b>Maintenance - Field</b>									
Electrical - Field	22,000	0	0	12,000	0	0	5,000	0	5,000
Painting - Field	7,000	0	0	3,000	0	0	2,000	0	2,000
Carpentry - Field	2,500	0	0	1,500	0	0	500	0	500
Sand	9,000	0	0	5,000	0	0	2,000	0	2,000
Salt	1,000	0	0	1,000	0	0	0	0	0
Asphalt/Cement	25,000	0	0	15,000	0	0	5,000	0	5,000
Landscape/Turf Maint.	7,000	0	0	5,000	0	0	1,000	0	1,000
Snow Removal	2,000	0	0	1,000	0	0	500	0	500
Fencing	7,500	0	0	7,500	0	0	0	0	0
Urea	5,000	0	0	2,000	0	0	1,500	0	1,500
Tools - Field	1,500	0	0	500	0	0	500	0	500
Other - Field	2,500	0	0	1,500	0	0	500	0	500
Total Maintenance - Field	92,000	0	0	55,000	0	0	18,500	0	18,500
<b>Maintenance-Equipment</b>									
Parts	30,000	0	0	0	30,000	0	0	0	0
Radio Maintenance	2,800	0	0	0	2,800	0	0	0	0
Gas & Oil	18,600	0	0	0	18,600	0	0	0	0
Minor Equipment	15,000	15,000	0	0	0	0	0	0	0
Minor Equipment - Computer	0	0	0	0	0	0	0	0	0
Shop Supplies	25,000	0	0	0	25,000	0	0	0	0
Other	10,000	0	0	0	10,000	0	0	0	0
Total Maint. - Equipment	101,400	15,000	0	0	86,400	0	0	0	0
<b>Maintenance-Cleaning</b>									
Towel/Laundry	1,500	0	1,500	0	0	0	0	0	0
Janitor Contract	24,000	0	24,000	0	0	0	0	0	0
Rubbish Disposal	8,400	0	5,400	0	0	1,500	0	1,500	0
Janitor Supplies	5,000	0	4,500	0	0	250	0	250	0
Total Maint. - Cleaning	38,900	0	35,400	0	0	1,750	0	1,750	0
<b>Depreciation &amp; Interest</b>									
Depreciation	1,138,579	2,198	252,963	353,177	337,393	12,022	17,133	74,809	88,884
Interest	0	0	0	0	0	0	0	0	0
Total Depre. & Interest	1,138,579	2,198	252,963	353,177	337,393	12,022	17,133	74,809	88,884
<b>Other</b>									
General Insurance	56,532	0	12,180	9,948	17,544	396	7,956	552	7,956
Rental - Snow Equipment	15,000	0	0	15,000	0	0	0	0	0
Rental - Field Equipment	0	0	0	0	0	0	0	0	0
Rental - Copier	3,000	3,000	0	0	0	0	0	0	0
Rental - Other	3,500	1,500	0	2,000	0	0	0	0	0
Licenses & Taxes	3,000	0	0	0	3,000	0	0	0	0
Office Furniture	4,990	4,990	0	0	0	0	0	0	0
Other	25,000	25,000	0	0	0	0	0	0	0
Total Other	111,022	34,490	12,180	26,948	20,544	396	7,956	552	7,956
<b>Department Total</b>	<b>2,718,534</b>	<b>336,578</b>	<b>415,543</b>	<b>845,689</b>	<b>444,337</b>	<b>38,068</b>	<b>287,231</b>	<b>103,811</b>	<b>247,277</b>

## **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. A 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 early July. 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. 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 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.

## Description of Budget Preparation & Amendment Process

CONTINUED

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

## 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 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.

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.



## Description of Budget Preparation & Amendment Process

CONTINUED

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:

- |   |   |
|---|---|
| <p><b>1. Personnel</b><br/>Salaries &amp; Wages<br/>Benefits<br/>Commissioner Per Diem<br/>Total Personnel</p> <p><b>2. Administrative Expenses</b></p> <p><b>3. Professional Services</b></p> <p><b>4. Utilities</b></p> <p><b>5. Operating Services</b><br/>Parking Management<br/>Shuttle Bus<br/>Other<br/>Total Operating Services</p> | <p><b>6. Maintenance</b><br/>Building<br/>Field<br/>Equipment<br/>Cleaning<br/>Total Maintenance</p> <p><b>7. Depreciation &amp; Interest</b></p> <p><b>8. Other</b><br/>General Insurance<br/>Rental-Snow Equipment<br/>Rental-Other Equipment<br/>Other<br/>Total Other</p> <p><b>Total Expense</b></p> |
|---|---|

## 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.

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.

## **Description of Budget Preparation & Amendment Process**

CONTINUED

### **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
- Off Airport Noise

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 1988 to 1992, 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.

**Departmental Historical Summary** CONTINUED

Department Name	1988 Actual	1989 Actual	1990 Actual	1991 Estimate	1991 Budget	1992 Budget
<b>Main Office</b>						
Executive	873,300	313,900	454,300	505,000	506,940	532,969
Public Affairs	0	810,800	450,000	590,000	584,215	588,394
Deputy Airports	0	202,600	389,000	370,000	336,520	390,653
Airport Development	475,200	503,800	629,000	660,000	713,322	785,591
Finance	1,091,100	1,374,700	1,356,500	1,500,000	1,584,004	1,677,761
Management Information Systems	143,800	219,800	334,000	430,000	514,684	675,727
Legislative/Labor Relations	293,900	467,100	252,000	350,000	356,275	367,250
Properties	222,000	307,300	423,100	440,000	529,434	630,554
Affirmative Action	0	157,400	213,500	275,000	344,178	345,772
General Counsel	366,400	376,500	439,100	495,000	508,640	449,991
Building	557,600	844,100	990,000	950,000	943,269	965,706
Personnel	0	0	326,400	425,000	456,724	418,529
<b>Total Main Office</b>	<b>4,023,300</b>	<b>5,578,000</b>	<b>6,256,900</b>	<b>6,990,000</b>	<b>7,378,205</b>	<b>7,828,897</b>
<b>Mpls/St. Paul International</b>						
Administration	424,900	543,600	589,300	630,000	686,036	772,938
Operations	623,100	709,100	803,900	930,000	982,862	1,110,434
Ground Transportation	0	0	103,200	130,000	175,955	301,043
Fire	1,839,100	2,139,500	2,053,000	2,100,000	2,437,768	2,513,872
Police	3,310,300	3,601,200	4,039,000	4,325,000	4,523,238	4,631,952
Off Airport Noise	0	0	350,000	365,000	334,368	544,422
Environmental/Noise Abatement	860,800	1,128,100	958,500	1,110,000	1,240,357	1,493,597
Field & Runways	2,906,800	2,800,600	4,223,300	4,345,000	4,427,190	4,839,282
Ramp	723,000	702,400	599,500	650,000	788,218	712,572
Cargo	668,800	647,200	626,100	595,000	596,333	754,976
Humphrey Terminal	1,886,100	2,101,900	2,240,300	1,894,000	1,984,246	2,068,566
Lindbergh Terminal	10,324,800	9,105,600	8,997,300	9,550,000	9,975,468	11,100,028
Boiler Plant	1,401,600	1,537,800	1,670,500	1,750,000	2,005,000	1,981,155
Terminal Roads	2,045,700	3,267,800	4,101,600	4,251,000	4,325,556	4,015,321
West Terminal Area	300,000	362,000	287,100	315,000	321,556	405,051
Control Tower	68,700	51,200	42,300	80,000	98,063	77,329
Parking Facilities	4,957,800	6,328,100	8,700,300	8,945,000	8,782,312	9,287,429
Other Roads	914,200	430,000	1,118,800	610,000	588,637	684,685
Equipment Buildings	368,500	435,400	563,800	385,000	383,517	349,741
Self-Liquidating Facilities	6,634,500	5,496,600	8,519,000	11,080,000	11,167,349	11,338,894
Green Concourse	344,500	1,045,200	1,034,800	445,000	456,109	474,120
Hangars & Other Buildings	307,500	181,800	164,600	180,000	223,448	208,971
Maintenance Employees	4,290,300	4,845,800	5,158,100	4,850,000	5,135,343	5,482,924
Equipment Maintenance	1,586,200	1,595,600	1,437,000	1,530,000	1,646,348	1,504,322
<b>Total Mpls/St. Paul International</b>	<b>46,787,200</b>	<b>49,056,500</b>	<b>58,381,300</b>	<b>61,045,000</b>	<b>63,285,277</b>	<b>66,653,624</b>
<b>Reliever Airports</b>						
West Reliever Administration	160,300	190,800	128,300	140,000	154,567	182,581
Flying Cloud Facilities	33,800	35,800	36,600	40,000	49,081	48,005
Flying Cloud Field & Runways	236,000	286,500	382,700	380,000	391,233	404,626
West Reliever Equipment Maint.	149,300	212,400	218,800	300,000	311,042	306,077
Crystal Facilities	27,900	37,500	27,300	36,000	46,543	48,299
Crystal Field & Runways	205,800	220,700	247,100	260,000	266,228	289,818
Anoka Facilities	43,600	56,700	44,000	48,000	61,493	61,749
Anoka Field & Runways	318,500	349,700	314,700	375,000	396,626	432,157
East Reliever Administration	209,400	271,000	251,800	246,000	290,334	336,578
St. Paul Facilities	236,100	259,400	257,200	290,000	274,579	415,543
St. Paul Field & Runways	551,600	682,600	739,400	875,000	773,153	845,689
East Reliever Equipment Maint.	169,600	203,600	237,600	340,000	402,276	444,337
Lake Elmo Facilities	32,800	26,700	28,900	26,000	34,642	38,068
Lake Elmo Field & Runways	278,100	183,600	183,200	241,000	249,605	287,231
Airlake Facilities	42,000	63,400	75,400	85,000	100,830	103,811
Airlake Field & Runways	120,700	196,800	256,800	219,000	238,270	247,277
<b>Total Reliever Airports</b>	<b>2,815,500</b>	<b>3,277,200</b>	<b>3,429,800</b>	<b>3,901,000</b>	<b>4,040,502</b>	<b>4,491,846</b>
<b>Total All Facilities</b>	<b>53,626,000</b>	<b>57,911,700</b>	<b>68,068,000</b>	<b>71,936,000</b>	<b>74,703,984</b>	<b>78,974,367</b>

## Personal Activity

Department	1989 Actual Personnel	1990 Actual Personnel	Current Personnel 8/1/91	1991 Budgeted Personnel	1992 Budgeted Personnel	1992 New Positions Approved
<b>Main Office</b>						
Executive	4	4	4	5	5	0
Communications/Public Information	2	3	3	3	3	0
Deputy-Airports	3	3	3	3	3	0
Airport Planning & Development	7	8	9	9	10	1
Finance	23	23	23	25	26	1
Management Information Systems	5	5	5	6	7	1
Labor & Legislative Relations	2	3	3	3	3	0
Properties	5	5	5	5	5	0
Affirmative Action	3	3	4	4	4	0
General Counsel	3	3	3	4	4	0
Personnel	5	5	5	6	6	0
	62	65	67	73	76	3
<b>MSP International</b>						
Administration	8	8	8	8	8	0
Operations	14	15	15	15	15	0
Ground Transportation	1	2	2	2	3	1
Fire <sup>A</sup>	30	29	34	36	37	0
Police	75	77	76	82	82	0
Noise Abatement/Environmental <sup>A</sup>	14	13	14	13	16	2
HHH Terminal	1	1	1	1	1	0
Terminal Building	15	16	15	16	16	0
Boiler Plant	11	12	12	13	13	0
West Terminal Area	3	2	2	3	3	0
Maintenance	91	95	93	99	100	1
	263	270	272	288	294	4
<b>Relievers</b>						
West	11	12	12	12	13	1
East	14	14	14	14	14	0
	25	26	26	26	27	0
<b>Total</b>	<b>350</b>	<b>361</b>	<b>365</b>	<b>387</b>	<b>397</b>	<b>8</b>

<sup>A</sup> Two new positions were authorized in 1991 after the budget was approved — Fire Marshal and ANOMS Technician (Noise Dept.)

### SUMMARY INFORMATION

The following positions were vacant as of 8/1/91 but are anticipated to be filled by year end.

- |   |  |
|---|--|
| 2 Secretaries - Executive & General Counsel | 1 Mechanical Systems Supervisor - Terminal Building    |
| 3 Clerks - Finance & Personnel              | 1 Assistant Chief Engineer - Energy Management Center  |
| 1 PC Coordinator - MIS                      | 1 Assistant Building Supervisor - West Terminal Area   |
| 2 Firefighters - Fire                       | 1 Carpenter - Maintenance                              |
| 2 CSO's - Police                            | 4 Maintenance Workers (320's and 49er's) - Maintenance |
| 4 Officers/Sergeant/Lieutenant - Police     | 1 Maintenance Manager - Maintenance                    |

The following is a list of the approved positions for 1992.

- |   |   |
|---|---|
| 2 Secretary/Clerical - Finance & Development          | 1 Noise Technician - Noise                          |
| 1 Financial Systems Analyst - MIS                     | 1 Land Use Compatability Program Specialist - Noise |
| 1 Ground Transportation Agent - Ground Transportation | 1 Mechanic - Maintenance                            |
|   | 1 Operations Technician - Reliever Airports         |

**Debt Service/Capital Spending**

## Debt Service/Capital Spending

### DEBT ADMINISTRATION

The Metropolitan Airports Commission has issued two forms of indebtedness: Airport Improvement 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. (Taxes have not been levied by the Commission since 1969.)

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:

1992	\$37,059,810
1993	\$36,461,502
1994	\$35,881,535
1995	\$35,272,304
1996	\$33,703,263

Future debt service requirements after December 31, 1991, are as follows (in thousands):

Year(s)	Airport Improvement Bonds	General Obligation Bonds	Total Outstanding Bonds	Interest	Total Principal & Interest
1992	\$ 2,530	\$ 6,175	\$ 8,705	\$ 9,687	\$ 18,392
1993	2,715	6,520	9,235	9,138	18,373
1994	2,850	6,695	9,545	8,561	18,106
1995	3,000	6,795	9,795	7,965	17,760
1996	3,145	7,020	10,165	7,347	17,512
1997-2015	8,185	90,270	98,455	53,934	152,389
	<u>\$22,425</u>	<u>\$123,475</u>	<u>\$145,900</u>	<u>\$96,632</u>	<u>\$242,532</u>

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.

**Debt Service/Capital Spending** CONTINUED

**NWA FINANCING**

In the spring of 1991, the Legislature approved a \$740 million financing package for Northwest Airlines. Of this amount, the Legislature authorized the MAC to issue up to \$390 million in bonds, while the State of Minnesota would provide up to \$350 million in financing. The State's portion would be used for major new engine maintenance and airframe overhaul facilities in Minnesota.

The MAC's portion of this financing package can be broken down into three areas: G.O. Bonds, Collateral and Revenue Bonds.

1. **G.O. Bonds** — MAC would issue \$270 million in General Obligation Revenue Bonds, to be backed by a pledge of payment from Northwest. MAC would also loan Northwest up to \$45 million from its Special Construction Fund, to fund the debt service reserve for the bonds. The proceeds of the bonds would be used to purchase or refinance various Northwest facilities, which will then be leased back to Northwest.
2. **Collateral** — Northwest would pledge collateral throughout the term of the agreements at least equal to 145% of the outstanding principal balance of the General Obligation Bonds and loan. If Northwest attains an investment grade rating on its senior unsecured debt, the collateral requirement may be reduced to 135%.

The specific collateral package is as follows:

NATCO (training facilities including aircraft simulators)	\$203 million
Parts	40 million
Airport Facilities	24.5 million (tentative)
International Routes	<u>208.8 million</u>
Total Collateral Package	\$476.3 million

Note that initial collateralization is 155% of the outstanding principal balance. "Parts" are McDonnell Douglas engine/aircraft parts. "Airport Facilities" are Buildings F, G, Sun Country Hangar and certain improvements to Buildings B, C and Gold Concourse (none of which were constructed or financed by MAC). There would be specific procedures for periodic reappraisals and collateral substitution restrictions. The above values are based upon valuations from Airline Economics, Inc. and a review by Marquette Partners.

3. **Revenue Bonds** — MAC would also issue up to \$79 million in Revenue Bonds, to be backed by a pledge of lease payments from Northwest and a limited pledge from the Iron Range Resources and Rehabilitation Board. The pledge, in the form of a letter of credit, would be capped at \$15 million. The bonds would be further collateralized through a pledge of Northwest assets valued at 200% of the outstanding principal balance, but would not be backed by any MAC revenue pledge or other MAC commitment to repayment.

At the time this document was approved, final details of the financing package were still being negotiated. If approved, the bonds would be sold in the first quarter of 1992 and this budget would have to be amended. (See Budget Amendment Process Section.)



**Debt Service/Capital Spending** CONTINUED

**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 four sources: a) General Obligation Revenue Bonds, b) state or federal grants and c) internally generated funds from operations, and d) Passenger Facility Charge (PFC) (a revenue passenger fee to be used at airports providing supplemental support for airport improvements — see Glossary for detailed explanation). In order to limit the cost of facilities at the reliever airports, MAC currently uses only grant funds or retained earnings to finance all construction projects at these airports. Capital improvements at MSP are financed from all four sources as appropriate.

Anticipated projects planned for 1992 and 1993 as well as the extended period 1994-1998 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, 1991, cut-off was used to determine dollars, timing, and location of projects listed.) There have been some revisions, but they will have little affect on 1992. The Capital Improvement Program is anticipated to be approved at the same time as the budget.

(Dollars in thousands)	1992	1993	1994-1998	Total 1992-1998
Minneapolis/St. Paul Int'l				
Field & Runway	\$28,675	\$16,525	\$70,025	\$115,225
Self-Liquidating	50,900	14,000	6,600	71,500
Terminal Building & Other	76,245	44,700	32,020	152,965
St. Paul Downtown Airport	5,780	2,750	5,380	13,910
Flying Cloud Airport	7,050	7,500	500	15,050
Crystal Airport	575	115	730	1,420
Anoka County Airport	350	1,450	350	2,150
Lake Elmo Airport	325	20	390	735
Airlake Airport	350	200	2,100	2,650
	<b>\$170,250</b>	<b>\$87,260</b>	<b>\$118,095</b>	<b>\$375,605</b>

The Capital Improvement Program to be approved in 1991 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 have been taken into consideration. They may change in future years. The extent of the change 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.

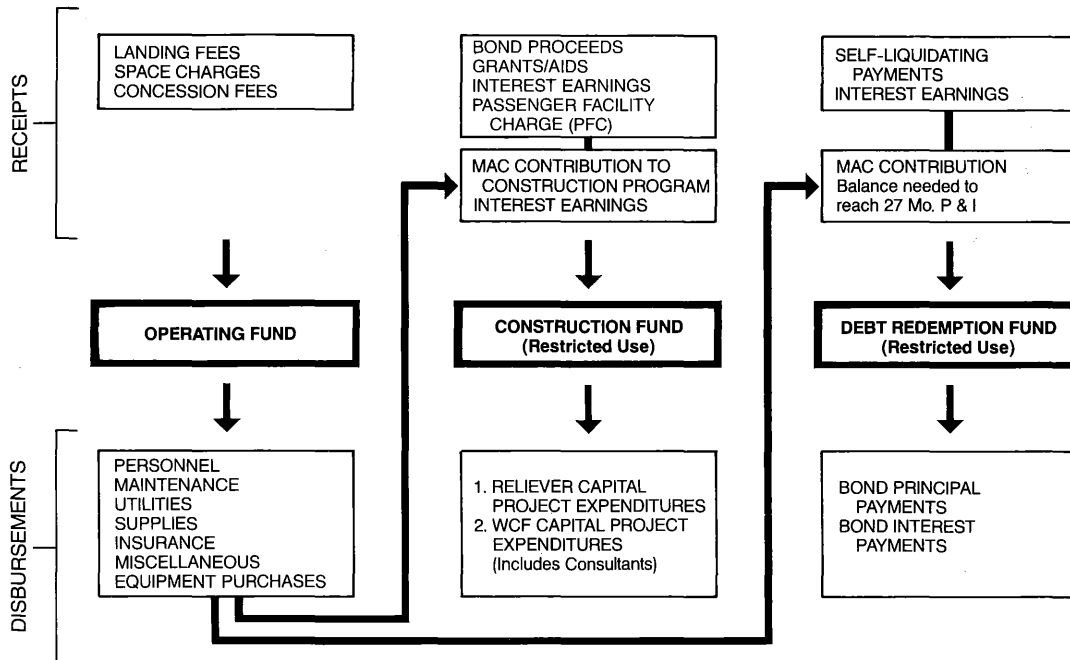
For planning purposes, each year after the Operating Budget and Capital Improvement Plan are approved, a 7-year forecast is prepared. This forecast utilizes the information in the above documents to project revenue, expense and bonding needs over the seven year period covered in the Capital Improvement 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 two line items in the Operating Fund chart on the next page which require additional explanation:

1. The increase in Operating Revenues from 1990 to 1992 is due primarily to Traffic, Concessions and Rentals. (See Revenue Assumptions section for further explanation.)
2. Operating Expense increases from 1990 to 1992 are due to Personnel, Maintenance, Operating Services and Professional Services. (See Expense Assumptions section for further explanation.)

### **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, passenger facility charges (anticipated to begin June 1, 1992) 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 and Ending Balance lines in the Construction Fund section of the chart all show significant declines from 1990. The reasons for this are is that a number of projects have been completed or will be completed by early 1992. These include: Vertical Circulation/Skyways, Parking Deck Level II and Terminal Building rehabilitation projects. No aid was received on these projects and they were funded completely out of the Construction Fund. The funds spent on the Vertical Circulation/Skyway project will be partially reimbursed through PFC's starting June 1, 1992.

### **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 accompanying charts illustrate the flow of money through these major funds and shows actual 1990, estimated 1991 and projected 1992 fund balances.

## Projection of Fund Balances

	Actual 1990	Estimated 1991	Estimated 1992
<b>Operating Fund</b>			
1/1 Balance	\$7,500,000	\$7,500,000	\$7,500,000
Receipts			
Operating Revenues	\$70,432,000	\$75,435,000	\$81,025,000
Interest Earnings-1	1,359,000	1,100,000	1,000,000
<b>Total Receipts</b>	<b>\$71,791,000</b>	<b>\$76,535,000</b>	<b>\$82,025,000</b>
Disbursements			
Operating Expenses (excludes depr. & int.)	(\$40,101,000)	(\$40,646,000)	(\$45,119,000)
Equipment Purchases	(2,180,000)	(2,570,000)	(2,760,000)
Sinking Fund Transfer	(16,100,000)	(16,240,000)	(16,100,000)
Est. 3 Month Operating Balance	(7,500,000)	(7,500,000)	(7,500,000)
<b>Total Disbursements</b>	<b>(\$65,881,000)</b>	<b>(\$66,956,000)</b>	<b>(\$71,479,000)</b>
Net Change in Working Capital 2	\$1,087,000	(\$2,000,000)	(\$2,000,000)
<b>Available for Const. Programs</b>	<b>\$14,497,000</b>	<b>\$15,079,000</b>	<b>\$16,046,000</b>
<b>Construction Fund</b>			
1/1 Balance	\$77,464,000	\$62,689,000	\$46,483,000
Receipts			
Transfer from Operating Fund	\$14,497,000	\$15,079,000	\$16,046,000
Interest Earnings 1	5,082,000	3,901,000	3,500,000
Grants in Aid of Const.	15,297,000	9,518,000	10,800,000
Other Receipts	330,000	55,000	55,000
<b>Total Receipts</b>	<b>\$35,206,000</b>	<b>\$28,553,000</b>	<b>\$30,401,000</b>
Total PFC's 3			\$16,501,000
Disbursements			
Projects-in-Progress	(\$49,981,000)	(\$44,759,000)	(\$ 8,100,000)
Proposed Projects			(47,890,000)
<b>Total Disbursements</b>	<b>(\$49,981,000)</b>	<b>(\$44,759,000)</b>	<b>(\$55,990,000)</b>
<b>Ending Balance</b>	<b>\$62,689,000</b>	<b>\$46,483,000</b>	<b>\$37,395,000</b>
<b>Debt Redemption Fund (Sinking Fund)</b>			
1/1 Balance	\$27,395,000	\$26,941,000	\$26,412,000
Receipts			
Transfer from Operating Fund	\$16,100,000	\$16,240,000	\$16,100,000
Interest Earnings-1	2,329,000	1,940,000	1,760,000
<b>Total Receipts</b>	<b>\$18,429,000</b>	<b>\$18,180,000</b>	<b>\$17,860,000</b>
Disbursements			
Principal & Interest Payments	(\$18,883,000)	(\$18,709,000)	(\$18,392,000)
<b>Ending Balance</b>	<b>\$26,941,000</b>	<b>\$26,412,000</b>	<b>\$25,880,000</b>

1- Interest Rate Assumed 7.00%

2- Net change in working capital represents fluctuations in year end operating payments and receivables.

3- PFC's = Passenger Facility Charges

## Approved Equipment Requests 1992

The approved equipment requests for 1992 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 for those departments whose total approved equipment request exceeds \$35,000.

DEPARTMENT NAME	DESCRIPTION OF EQUIPMENT	PURCHASE PRICE	PURPOSE
<b>SUMMARY</b>			
MSP Int'l		\$1,721,500	
Main Office		686,500	
Reliever Airports		351,500	
		<b>\$2,759,500</b>	
<b>MSP Int'l</b>			
Administration	LAN - Terminal Admin Staff	\$50,000	Network for PC's for the administrative staff located in the Lindbergh Terminal.
Fire	Convert Rescue #9 to Large Volume Pumper and a Fire Rescue Truck	195,000	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.
Terminal Bldg	Lockers	50,000	Replacement of old damaged lockers with no replacement parts available.
Maintenance	Arm Aerial Work Platform	40,000	To be used by all trades to do repair work both interior and exterior.
	(1) Sweeper	86,700	Replace unit 616-385 which requires heavy maintenance and is no longer reliable.
	(3) Tractors	109,000	Replace units 616-237,238,239 which are 14 years old requiring heavy maintenance.
	(2) HB Blower/Brooms	463,000	Additional units needed to increase blower capacity during moderate and heavy snow and provide a cleaner and safer surface by sweeping light snows.
	(2) Loader Attachment Blowers	103,000	Replacement of two obsolete units which are no longer usable.
	(1) Tandem Axle Sander	65,000	Replacement of obsolete unit no longer reliable and requiring heavy maintenance.
Parking	Ticket Dispenser Heads	74,000	Replace 11 year old equipment at a fraction of the cost of total replacement of whole system.
	Automated Count System	43,000	Increased activity in the Econolot results in the need for this equipment which allows proper management and oversight of the facility.
MSP Int'l	Other Equipment Less Than \$35,000. (All cost centers)	442,800	All pieces of equipment have a purchase price of less than \$35,000. Included in this total are: (7) IBM PC'S, (7) Printers, Software upgrades, Environmental Equipment Upgrades, Office Furniture, Communications Equipment, Parking Lot Revenue Equipment, Shop Equipment, Test Equipment, 2 Trailers, 7 Vehicles, 6 20 ft plows and numerous multiple and small miscellaneous purchases.
<b>Total MSP Int'l Purchase</b>		<b>\$1,721,500</b>	

**Approved Equipment Requests 1992** CONTINUED

**Main Office**

MIS	Computer Main Frame & Software	\$550,000	This will replace the existing system. Originally installed in 1978 and upgraded in 1985 this system is no longer adequate to handle MAC needs.
Main Office	Other Equipment Less Than \$35,000. (All cost centers)	136,500	All pieces of equipment have a purchase price less than \$35,000. Included in this total are: (9) IBM PC systems including printers and software as needed, Network upgrades for both software and hardware.
<b>Total Main Office Purchase</b>		<b>\$686,500</b>	

**Relievers**

St. Paul	(1) HB Type Blower	\$145,000	Additional unit will allow airport to have enough blowing capacity to keep the airport open on a 24 hour basis.
Flying Cloud	(1) Self-Contained Sweep	72,000	This unit will be used at all three West Reliever Airports to keep alleyways, taxiways and runways free of debris and keep damage to jet aircraft at a minimum.
All Relievers	Other Equipment Less Than \$35,000. (All cost centers)	134,500	All pieces of equipment have a purchase price less than \$35,000. Included in this total are: (4) Vehicles, (2) Trailers, (1) Mower, (1) Sander Insert, (1) Plow and (1) PC.
<b>Total Reliever Purchase</b>		<b>\$351,500</b>	



**Statistical**



## Historical Revenue/Expense and Facility Comparison

In this section, three comparisons are analyzed:

1. A snapshot comparison with dollars and percentages of 1981 revenue and expense versus 1990 revenue and expense.
2. A comparison of revenue and expense with dollars and percentages of 1990 actual, estimated 1991 and budgeted 1992.
3. A comparison of facilities in 1982 and 1991.

These comparisons are shown to point out that both revenue and expense have increased from 1981, 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 1981 - 1990						
	1981		1990		1981-1990 Change	Annual % Increase
	\$	%	\$	%	\$	
<b>Revenue</b>						
Traffic	6,785,000	23.49%	16,184,000	22.98%	9,399,000	10.14%
Concessions	10,655,000	36.89%	26,194,000	37.19%	15,539,000	10.51%
Rentals	10,378,000	35.93%	25,051,000	35.57%	14,673,000	10.29%
Other	1,062,000	3.69%	3,003,000	4.26%	1,941,000	12.24%
Total Operating Revenue	28,880,000	100.00%	70,432,000	100.00%	41,552,000	10.41%
<b>Expenses</b>						
Personnel	8,666,000	28.50%	19,140,000	28.12%	10,474,000	9.20%
Administrative Expense	180,000	0.59%	699,000	1.03%	519,000	16.27%
Professional Services	705,000	2.32%	3,019,000	4.44%	2,314,000	17.54%
Utilities	2,439,000	8.02%	4,070,000	5.98%	1,631,000	5.85%
Operating Services	2,514,000	8.27%	5,135,000	7.54%	2,621,000	8.26%
Maintenance	2,796,000	9.19%	6,701,000	9.84%	3,905,000	10.20%
Depreciation & Interest	12,814,000	42.13%	27,967,000	41.09%	15,153,000	9.06%
Other	298,000	.98%	1,337,000	1.96%	1,039,000	18.15%
Total Operating Expenses	30,412,000	100.00%	68,068,000	100.00%	37,656,000	9.36%
<b>Net Revenues</b>	<b>(1,532,000)<sup>a</sup></b>		<b>2,364,000<sup>a</sup></b>		<b>3,896,000</b>	

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

The first comparison, 1981 versus 1990, emphasizes the following three results:

1. Even though both revenue and expense have increased by more than 123% from 1981, the actual percentages of the total for each individual category in 1981 and 1990 have changed very little. (For example, in 1981, Traffic made up 23.49% of total revenue, whereas in 1990, Traffic made up 22.98% of total revenue.)
2. The annual percentage increase in revenue from 1981 to 1990 (10.41%) was greater than the annual percentage increase in expense from 1981 to 1990 (9.36%). Over this 10-year period revenues grew at a higher rate than expenses.
3. In 1981 we realized a net deficit of \$1,532,000 whereas in 1990 a net surplus of \$2,364,000 occurred.

# **Historical Revenue/Expense and Facility Comparison** CONTINUED

	Actual 1990		Estimated 1991		Budgeted 1992		1990-1992	Annual %
	\$	%	\$	%	\$	%	Change	Increase
							\$	
<b>Revenue</b>								
Traffic	16,184,000	22.98%	16,815,000	22.29%	19,415,000	23.96%	3,231,000	9.53%
Concessions	26,194,000	37.19%	26,972,000	35.76%	28,600,000	35.30%	2,406,000	4.49%
Rentals	25,051,000	35.57%	28,465,000	37.73%	29,470,000	36.37%	4,419,000	8.46%
Other	3,003,000	4.26%	3,183,000	4.22%	3,540,000	4.37%	537,000	8.57%
Total Operating Revenue	70,432,000	100.00%	75,435,000	100.00%	81,025,000	100.00%	10,593,000	7.26%
<b>Expenses</b>								
Personnel	19,140,000	28.12%	19,400,000	26.97%	21,930,000	27.77%	2,790,000	7.04%
Administrative Expense	699,000	1.03%	800,000	1.11%	1,039,000	1.32%	340,000	21.92%
Professional Services	3,019,000	4.44%	3,550,000	4.93%	3,731,000	4.72%	712,000	11.17%
Utilities	4,070,000	5.98%	3,550,000	4.93%	4,095,000	5.19%	25,000	0.31%
Operating Services	5,135,000	7.54%	5,302,000	7.37%	5,656,000	7.16%	521,000	4.95%
Maintenance	6,701,000	9.84%	6,709,000	9.33%	7,243,000	9.17%	542,000	3.97%
Depreciation & Interest	27,967,000	41.09%	31,290,000	43.50%	33,855,000	42.87%	5,888,000	10.02%
Other	1,337,000	1.96%	1,335,000	1.86%	1,425,000	1.80%	88,000	3.24%
Total Operating Expenses	68,068,000	100.00%	71,936,000	100.00%	78,974,000	100.00%	10,906,000	7.71%
<b>Net Revenue</b>	<b>2,364,000<sup>a</sup></b>		<b>3,499,000<sup>a</sup></b>		<b>2,051,000<sup>a</sup></b>			

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

The second comparison shows 1990 actual, 1991 estimated and 1992 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 15.0% from actual 1990 to budgeted 1992. Actual percentages of total revenue for the individual categories change very little. (For example, Traffic in 1990 was 22.98% of total revenue, while in 1992, it is budgeted to be 23.96% of total revenue.) The increases are explained in the Revenue Assumptions section.
2. Expense is projected to increase 16.0% from actual 1990 to budgeted 1992. This increase is explained in the Expense Assumptions section. The percentages for the individual expense categories change very little. (For example, Personnel in 1990 was 28.12% of total revenue, while in 1992 it is budgeted to be 27.77% of total revenue.)
3. The annual percentage increase in revenue from 1990 to 1992 is 7.26% whereas the annual percentage increase in expenses from 1990 to 1992 is 7.71%. This reversal of the trend from 1981 to 1990 where revenue grew at a greater pace than expense is caused by the 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 1992 reflect a normal level of activity. In order to continue to generate and/or increase this level of net revenues, operating costs will continue to be reviewed more closely.

**Historical Revenue/Expense and Facility Comparison** CONTINUED

**FACILITY EXPANSION**

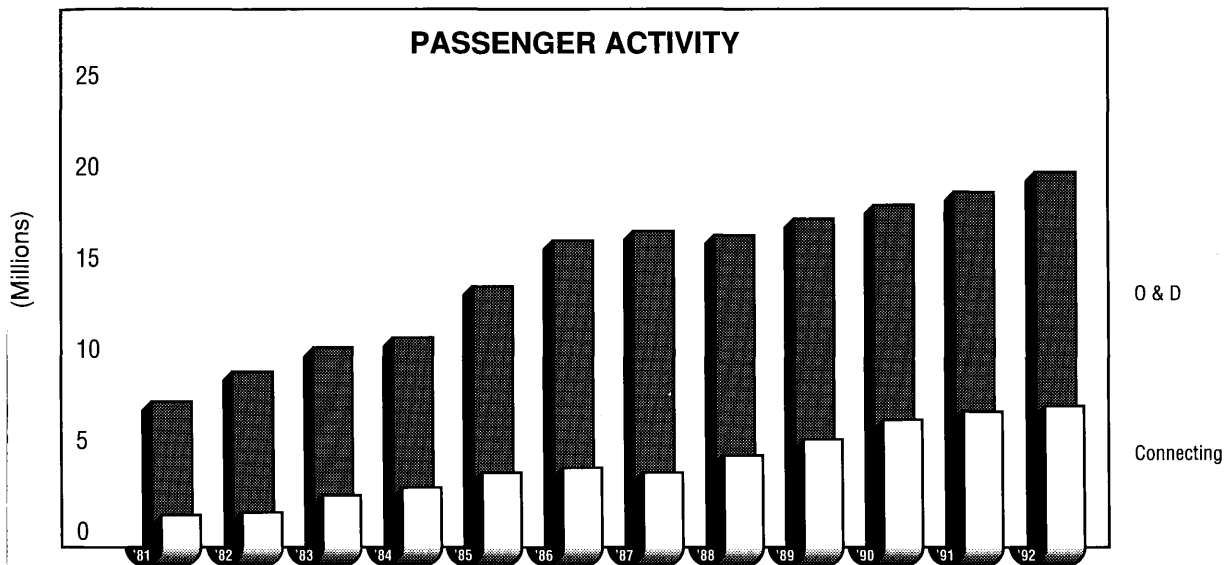
	1982	1991	Increase	% Increase
Lindbergh & Regional Terminal				
Square Footage	1,156,241	1,554,638	398,397	34.46%
Number of Gates	47	66	19	40.43%
Parking - Number of Spaces	7,538	11,594	4,056	53.81%
Ramp - Lineal Feet	7,048	8,874	1,826	25.91%
Tenants - All Airports	413	634	221	53.51%

\* 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 1982. The Reliever Airports have expanded also. In 1982, 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, Terminal Vertical Circulation/Skyways.

## Activity Statistics

In this section we look at the historical and forecasted levels of activity for the period 1981 through 1992 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.



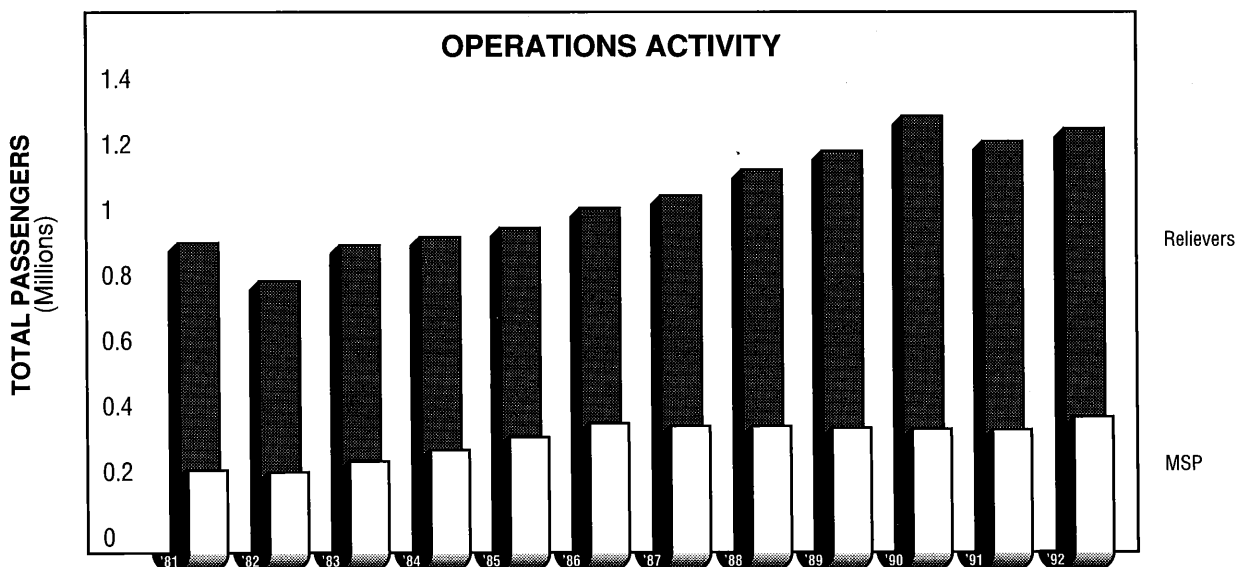
This chart shows how passenger traffic has increased at MSP International since 1981, with the exception of 1988. In late 1988, two carriers eliminated service to MSP International Airport resulting in a decrease of approximately 100,000 passengers. In 1981 through 1982, MSP International was almost 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 1992.

## Activity Statistics CONTINUED

Estimates of passenger activity form an important element in forecasting revenues each year. This chart represents actual passenger statistics for 1989 and 1990 and estimates for 1991 and 1992. The three categories are listed because each is used in a particular way to calculate certain types of revenue. Three examples are given:

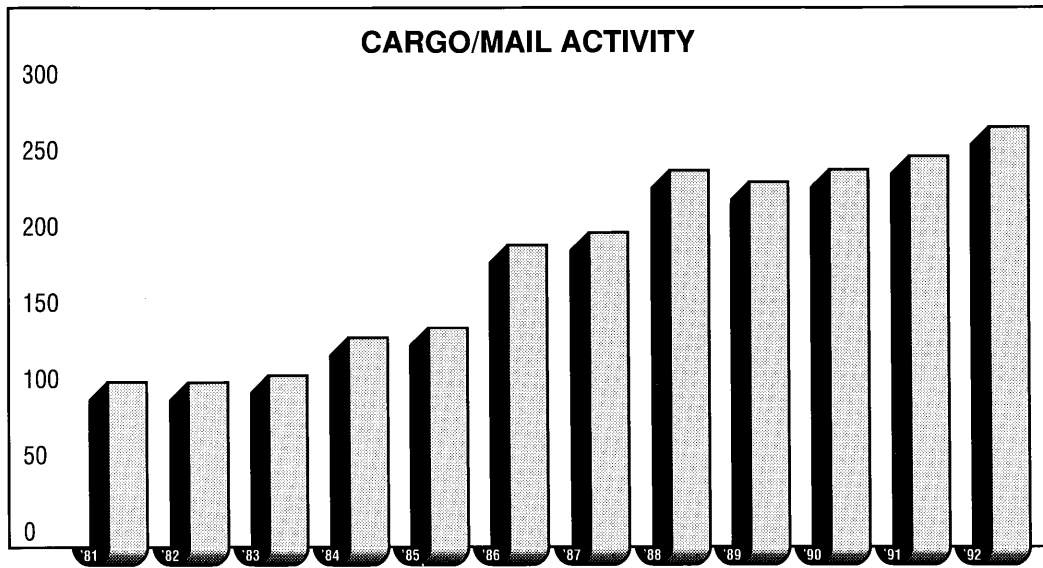
- Enplaned (originating) passengers plus connecting passengers are used in forecasting most concession revenue.
- Deplaned (final destination) passengers are used in the process of estimating auto rental revenue.
- Enplaned (originating) passengers, excluding connecting, are used in estimating common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

Passenger Type	1989 Actual	1990 Actual	1991 Estimate	1992 Estimate
Enplaned	6,047,000	6,078,000	5,589,000	5,889,000
Deplaned	6,060,000	6,102,000	5,611,000	5,911,000
Connecting	6,240,000	6,998,000	8,400,000	8,800,000
	<u>18,347,000</u>	<u>19,178,000</u>	<u>19,600,000</u>	<u>20,600,000</u>



Total operations for the MAC system have increased 52% since 1982. (An operation represents one takeoff or landing.) Reliever airport operations have increased 52% from 587,000 in 1982 to an estimated 844,000 in 1992. However, operations are projected to decrease approximately 77,000 at the relievers from 1990 to estimated 1991. The reason for this decline is the recession has impacted general aviation more than anticipated. Projected 1992 operations are estimated to turn around slightly (up 1.5%) from 1991. Operations at MSP International are estimated to increase to 384,000 in 1992. 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 167% 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.

**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 9/30/91 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 four subdivisions: building, field, equipment and cleaning.

**Master Plan (MSP 2000)**—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 and 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.

**Passenger Facility Charge (PFC)**—An authorization by Congress which allows proprietors of commercial service airports, such as MAC, to impose a passenger facility charge upon revenue passengers enplaning at those airports. The charge can be set at \$1, \$2, or \$3. There are exemptions for passengers flying on Essential Air Service flights. The basis for the PFC is to provide needed supplemental revenues to expedite the improvement of airport facilities used by passengers, to mitigate noise impacts and to expand airport system capacity. It is estimated that those charges will begin June 1, 1992.

**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.

## Glossary CONTINUED

**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.

**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.