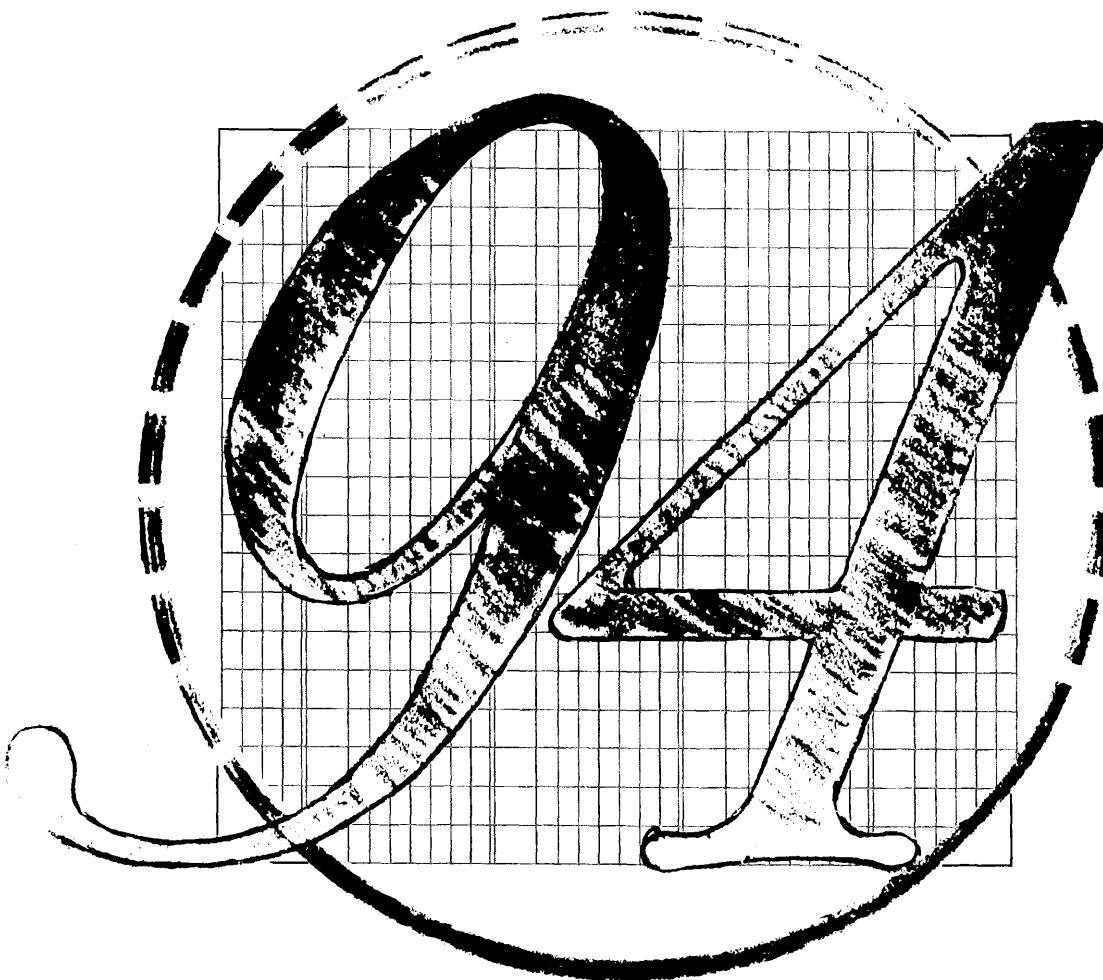


MINNEAPOLIS / ST. PAUL METROPOLITAN AIRPORTS COMMISSION



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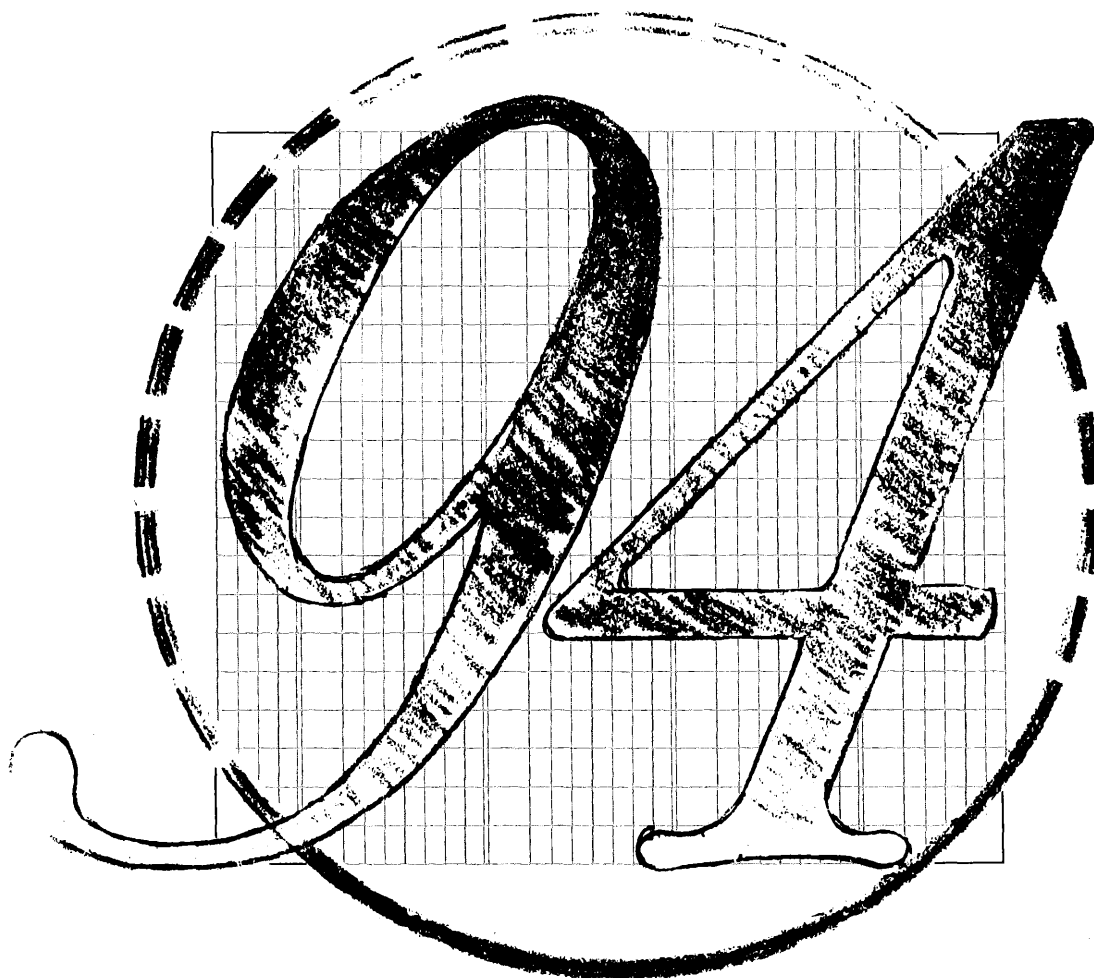


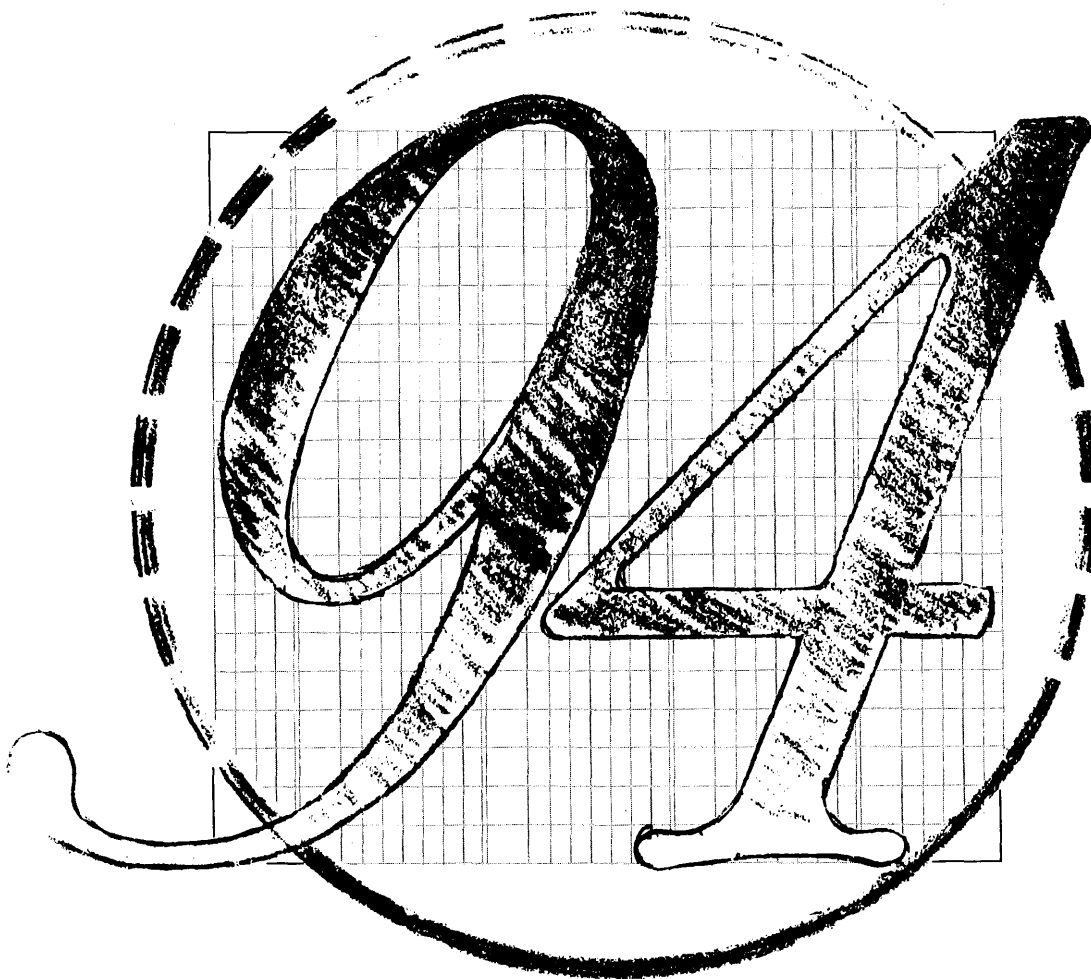
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Introduction



Budget Message

1994 BUDGET MESSAGE

We are pleased to present the 1994 Metropolitan Airports Commission budget that was adopted by the Commission on December 20, 1993. Total revenue for 1994 is projected to be \$75,798,643 and operating expense is \$70,483,693.

This budget represents months of work by staff and review by the Budget Task Force, consisting of Laurel Erickson, Chairperson, and Commissioners Jan Del Calzo, Daniel Johnson, Tommy Merickel, and Georgiann Stenerson. Former Commissioners Tim Lovaasen and Jack Mogelson also served on the Task Force.

The 1994 budget reflects the philosophy of MAC staff that the Commission should operate as a business and was prepared with the following guidelines in mind:

1. No taxes would be assessed to support MAC operations.
2. Debt service and a portion of construction costs would be fully funded by revenues.
3. Airline charges and rates would be reasonable as compared to other major airports.
4. The MAC would retain its AAA bond rating.
5. A safe and efficient system of airports would be maintained.
6. The MAC would provide excellent service to its tenants and the travelling public.

BUDGET OVERVIEW

The Budget Task Force, which was established in 1993, has taken numerous actions throughout the year concerning the 1994 budget. These actions included the establishment of budget targets, approval of the timetable for preparation of the budget, the addition of one new position for 1994, and approval of a Capital Equipment Budget totalling \$2,085,178. As a whole, the Commission established the Areas of Emphasis which outline priority areas for 1994. A description of each Area of Emphasis for the upcoming year follows this letter.

The Budget Task Force also approved a change in the presentation of the budget. Depreciation related to all assets constructed with Passenger Facility Charges and related to Off-Airport Noise insulation and the acquisition program have been excluded from the Operating Budget. The budget for 1993 has been adjusted to reflect this change.

During the 1993 budget process, the Commission found itself in a situation where expenses were increasing at a higher rate than revenue, and operating income as a percentage of operating revenue was declining. To address these issues in the 1994 budget process, the Budget Task Force established the following targets.

1. The growth in revenue would exceed the growth in expense by 2%.
2. Operating income would meet or exceed \$1,800,000.

Budget Message CONTINUED

The table below, which is a summary of actual 1992, estimated 1993 and budgeted 1994 revenues and expenses, demonstrates that both these targets were met.

(\$'s in thousands)	Actual 1992	Estimated 1993	Budgeted 1994	% 93 to 94 Change
Revenue				
Traffic	\$19,633	\$20,384	\$24,740	21.37%
Concessions	28,882	31,442	33,864	7.70
Rentals	14,286	14,714	14,972	1.77
Other	2,328	2,249	2,220	(2.32)
Total Operating Revenue	\$65,129	\$68,789	\$75,799	10.19%
Expenses				
Personnel	\$22,308	\$22,975	\$24,266	5.62%
Administrative Expenses	923	1,041	1,060	1.83
Professional Services	4,813	5,285	4,525	(14.38)
Utilities	4,412	4,200	4,397	4.69
Operating Services	5,907	6,760	9,467	40.04
Maintenance	7,090	7,250	7,613	5.01
Depreciation	17,976	17,991	18,961	5.39
Other	(220)	55	195	254.55
Total Operating Expenses	\$63,209	\$65,557	\$70,484	7.51%
Operating Income	\$ 1,920	\$ 3,232	\$ 5,315	

To achieve the additional growth in revenue, parking rates were increased during 1993. In addition, it is anticipated that during 1994, the Commission will adopt a Ground Transportation Ordinance which charges commercial ground transportation providers a fee for use of airport roadways and other facilities. It is estimated that this new charge will generate \$750,000 in additional revenue. Contracts for auto rental providers will be rebid during 1994 and it is estimated this action will generate an additional \$230,000.

The growth in expenses was higher than anticipated. This is the result of a new requirement established by the Minnesota Pollution Control Agency. Under this new requirement storm water run-off from Minneapolis-St. Paul International which is discharged into the Minnesota River and Duck Lake must be monitored. The total expense of this program is estimated to be \$1,940,000 during 1994. Without this additional item, expenses would have rose at a rate of 4.6%. Other increases occurred in the areas of employee wages and benefits and depreciation.

AVIATION INDUSTRY

The economic condition of the air carriers continues to have a profound impact on the MAC and its ability to fund both operational activities and capital improvements for 1994 and beyond. The U.S. aviation industry is only now beginning to recover from the most disastrous economic slump in its history. Since 1990 U.S. airlines lost more than \$10 billion—more than the cumulative earnings of the carriers in their entire history. Two carriers serving MSP—TWA and America West—are in Chapter 11 bankruptcy proceedings while Continental has just recently emerged from bankruptcy. Northwest Airlines, the MAC's principal tenant, was at the brink of bankruptcy through the first half of 1993 and was able to avoid filing for Chapter 11 protection after receiving pay, benefit and work rule concessions from its employees.

Budget Message CONTINUED

A substantial portion of the Operating Revenue of the MAC (43%) is generated from airline rates and charges. Since these charges are based on actual expenses, cost containment efforts which began in 1993, will continue into 1994 and beyond.

The MAC has the reputation of running one of the finest systems of airports in the country. That reputation has been earned over a period of five decades. As we proceed into 1994, the challenge will be to continue to provide a high standard of service to our customers while continuing to reduce expenditures without sacrificing quality or compromising safety.

AWARDS

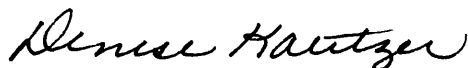
The Government Finance Officers Association of the United States and Canada presented its Distinguished Budget Presentation Award to the Minneapolis-St. Paul Metropolitan Commission for its annual budget for the 1993 fiscal year. To qualify for this award, the government unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan, and a communications medium.

We believe the 1994 budget conforms to those guidelines and we shall submit it to GFOA for its consideration for another award.

ACKNOWLEDGEMENT

This budget is the result of countless hours of work by the staff of the Finance Department and by Commissioners who served on the Budget Task Force. A special thanks to everyone who helped develop the 1994 budget and who share the Commission's determination in making MAC one of the most efficient and cost effective airport operators in the nation.

Respectfully submitted,



Denise A. Kautzer
Director of Finance



1993 Overview

1993 GOALS AND OBJECTIVES

For 1993 the MAC identified four major areas of emphasis on which it would place special attention during the year.

Those areas were as follows:

FOCUS ORGANIZATIONAL VISION

Goal:

Clarify the "vision" for MAC including the major areas of policy direction developed by the Commission. To accomplish this goal, the following activities were proposed for 1993:

1. Identify the major areas of policy direction that exist today, including any areas without the needed direction.
2. Document the existing policy statements as currently understood.
3. Discuss and reach agreement on revised policy statements as required.

Background:

During 1993 the MAC has worked to develop a clearer vision and direction through a detailed analysis of our policies. We have completed an exercise to identify our major policies, assumptions and philosophies that direct our activities. We also have completed work analyzing each policy to understand how and why the policy was developed. Our next step is to complete documenting each policy in writing and to begin a discussion with the Commission to confirm the need for and appropriateness of existing policies. We also will identify areas where no policy exists or where a policy needs to be changed. Because of the significant turnover in Commissioners, this effort has been delayed and will be completed in 1994.

DUAL TRACK AIRPORT PLANNING PROCESS

Goal:

The Dual Airport Planning process was established by the Minnesota Legislature in 1989 to determine whether MSP or a new airport would best meet the region's aviation needs. In 1991, a Long Term Comprehensive Plan for MSP was completed. Therefore, the focus for 1993 has continued on the new airport option. Specific work items accomplished in 1993 include:

1. Aviation Forecast Update—A joint effort between the MAC and Metro Council has updated the aviation activity forecasts. The new forecasts will be used both for the New Airport Comprehensive Plan and for the MSP Long Term Comprehensive Plan Update. Facility requirements and development alternatives for MSP and the potential new airport will be updated using these latest forecasts.
2. Socio-economic and Community Impacts—The Metro Council continues to evaluate the differential impacts of a new airport versus continued development of MSP. With the new site now identified, more detailed work regarding the potential impacts on the surrounding area will be done as will work on the differences between development of MSP and development of a new site. This is included in the environmental evaluation, and is being done under an interagency agreement with the MAC.
3. DNR Biological Survey—Much of the work on this survey was being done in 1992 and was completed in 1993. Results of the survey are included in the draft Alternative Environmental Document which was adopted by the MAC on September 20, 1993.
4. Public Involvement and Information—This process continued throughout 1993 with both Technical and Policy Committees providing direction in the process, which included public meetings and workshops. Newsletters and brochures were prepared to provide information to interested parties.
5. Environmental Analysis—The MAC is producing the necessary environmental analysis to allow either of the two tracks to be implemented, depending on the Legislative decision.

1993 Overview CONTINUED

6. FAA Capacity Task Force-MSP-The FAA is continuing its work on the Capacity Task Force for MSP. This task force is looking at alternative capacity enhancement measure that could be implemented at the airport. This work will be used to update the MSP Long Term Comprehensive Plan.
7. Site Selection-A 10,000 acre tract in Dakota County known as "Site 3" was given preliminary approval by the Commission on September 20. This site had been recommended by the MAC's Site Selection Task Force. Site 3 will be presented to the public for comment with final action by the MAC expected in January 1994. Following that action a detailed comprehensive plan will be prepared for the recommended new site which addresses needed airport facilities for the 30-year planning period.

Background:

In 1989, the Minnesota Legislature set in place a multi-year planning process to determine whether continued development of Minneapolis-St. Paul International Airport or development of a new airport would best meet the the region's aviation needs. In previous years a development plan for Minneapolis-St. Paul International Airport was completed and a search area for a potential new airport was selected by the Metropolitan Council. During 1993 the MAC has been concentrating its efforts on selecting a specific airport site within the designated search area and preparing for the work to be completed during 1994.

The Site Selection Process has been underway since early 1992. During 1993, three possible sites within the search area were selected for detailed evaluation. This evaluation included airport operational factors, natural environment factors and impact on the human environment. A wide variety of data sources were used in the analysis to ensure that the appropriate information for decision makers was available. Preliminary selection of a site in the southeastern corner of the search area midyear by the MAC initiated the environmental review process related to site selection. This Alternative Environmental Review process has been approved by the Minnesota Environmental Quality Board and is designed to allow a series of decisions to be made toward the final recommendation to the Legislature. The environmental review process was completed in late 1993 in order to allow a final decision on the proposed site in early 1994. Following final action on the site, a detailed plan on airport development will be prepared.

Concurrently with the Site Selection work, the Federal Aviation Administration was working toward completion of a Capacity Enhancement Plan for Minneapolis-St. Paul International Airport. The Task Force completing this work met on a monthly basis during the year, with publication of a final report during December. This analysis looks at potential capacity enhancement measures that could be implemented at MSP, and will be used as technical input into the update of the Long Term Comprehensive Plan for MSP that will be undertaken during 1994.

As a result of the changes that have taken place in the airline industry since the initial activity forecast was completed in 1989, a process to revise and update the forecasts was developed and implemented during 1993. A series of Expert Panels were held to ensure the maximum level of information in developing both the forecast process and the assumptions that would be used. The revised numbers were finalized during mid-1993, and show a decline in the previous numbers for both passengers and aircraft operations. The decreases are due primarily to changed assumptions regarding the level of hubbing that Northwest Airlines will carry out in the Twin Cities. The revised forecasts will be the basis for the update of the Long Term Comprehensive Plan for MSP and for the Long Term Comprehensive Plan for the proposed new airport.

1993 Overview CONTINUED

Throughout the year an extensive public information and public input program has been in effect. The Site Selection process was overseen by a Technical Committee and Task Force, both of which met on an almost monthly basis to provide input and comments on both work underway and draft documents. Public meetings allowed review and comment, and a series of newsletters and brochures were prepared to keep all interested persons aware of ongoing activities.

CUSTOMER SERVICE**Goal:**

Customer Service Action Plans will be prepared as suggested by the Terminal Services and Business Plan survey findings. Staff will develop action plans carrying forward initiatives which improve processes and deliver better service to both internal and external customers.

Background:

In 1989, MAC began an organized, systematic program to review the effectiveness of the organization. A survey of employees was included which suggested several innovations to improve the work place environment and employee development. An information systems study suggested improvements in our information systems and technological tools. The Terminal Services and Building Plan study, originating in 1992 and in 1993, focused on customers and their needs. Customer Service Action Plans tactically incorporate the customer service focus into MAC's method of operation and responds to two initiatives.

First, a survey of MSP passengers was done as the initial phase of MAC's "Terminal Services and Concessions Business Plan" development, itself a customer service effort. The survey assessed the passengers' service needs and their opinions about the quality of MSP's services and concessions. We learned that while they have a very favorable impression of today's services and concessions, there are general areas where the MAC is not meeting their expectations. After a detailed analysis of the data, internal round table discussions will be held to reach a complete understanding of our customers' concerns and to develop a course of action for improving those areas.

The MAC's effort to incorporate continuous improvement and customer focus into our work environment continues. The initial phases of our Quality Movement are proceeding through efforts to involve employees, utilize team processes and improve communications. A focus on internal customers has begun and will continue throughout 1994 through education and development of customer satisfaction measurements.

MAC 50TH ANNIVERSARY**Goal:**

To use the 50th Anniversary of the establishment of the Metropolitan Airports Commission as a vehicle to educate and familiarize various audiences with the MAC, its role in meeting the air transportation needs of Minnesota and the region, its record of safety and efficiency in developing and operating a system of airports, and the effective and unique structure of governance its organic law created.

Background:

In 1993, the Metropolitan Airports Commission observed its 50th anniversary with a number of events and promotions which attracted attention to MAC's history, its facilities, programs, and its look to the future.

1993 Overview *CONTINUED*

On April 19, former Governor Harold Stassen, the architect of the MAC and the governor who signed the bill creating the MAC, made a brief presentation in the rotunda of the capital building commemorating the anniversary of the signing.

Airport Days, an annual event sponsored by the MAC, celebrated the anniversary with several exhibits devoted to the history and development of MSP and the Commission. A hard cover book, entitled **"MSP-America's North Coast Gateway,"** was published by Jostens Publishing Group. The book was sponsored by various local and national organizations who wished to participate in the commemorative publication which features the history of Twin Cities aviation.

The Metropolitan Public Airport Foundation, a non-profit organization dedicated to the advancement of aviation, featured MAC's Golden Anniversary in its annual Black Tie Dinner at St. Paul's Landmark Center in November.

A special display on the history and significance of MSP is being developed in the Lindbergh Terminal space. The display will tell the history and significance of MSP and its role in the area's transportation needs.

1994 Goals and Objectives

For 1994 the MAC has identified three areas of emphasis on which it will place special attention.

Those areas are:

METROPOLITAN GOVERNANCE

Goal:

To participate fully in the public debate over the structure of metropolitan government, ensuring that the public's interest in maintaining a safe and effective air transportation system are adequately represented. This goal should be accomplished by specifically identifying Commissioners and Staff to coordinate these efforts and by seeking membership and other forms of participation in the public discussion and debate.

Background:

Before the next session of the Minnesota Legislature convenes, a Council of Metropolitan Governance, established by the past session, will be convened to provide education on regional needs and advise the Legislature on the role of the Metropolitan Council, the metro agencies and local government. The Citizen's League also plans to review metropolitan governance and recommend ways to make metro agencies more efficient and responsive to their constituencies. And additional reports from the Governor's Commission on Reform and Efficiency (CORE) will continue to study this issue.

MAC's corporate structure has been a critical factor in its successes. Most U.S. commercial airports are owned by a city, county or port authority. The MAC was the nation's first free-standing airport authority in the nation. This unique structure has enabled MAC to be more responsive to the entire metro area and beyond rather than answering only to one or two cities, or a county. Other airports have copied our structure. There are now more than a dozen, including Washington D.C.

MAC is a unique agency. It is a public corporation, managed much like a business. It is an independent agency and has the power to tax and to issue bonds. It operates its own police, fire and maintenance departments. It administers the fifteenth largest airport in the nation—a major commercial hub—and six reliever airports.

MAC is self-supporting. User fees in the form of ramp, gate, terminal space rentals, concession fees, parking fees, landing fees and other charges cover the cost of the entire system. Surplus earnings are used to reduce bonding needs for construction projects. No taxes are levied and no appropriations are requested from the Legislature.

Other airports have encountered difficulties because they were not a free-standing authority. Phoenix Sky Harbor and Chicago's O'Hare Airports have been unresponsive to suburban noise because the cities and the suburbs are not part of their legal constituencies.

MSP-based Mesaba Airlines has been critical of the structure at Detroit (owned by Wayne County) because negotiations for hangers and gates at DTW must go through so many layers of review that the final approval took four times longer than at MSP. Here, the Properties Department executed the entire process, subject to Commission approval.

1994 Goals of Objectives CONTINUED

Moreover, the MAC differs considerably from other metro agencies. It does not fit into a conventional box on an organization chart. It works and its differences and its successes should be recognized. Historically, the MAC has opposed having a planning agency directly supervise the activities, budget and short-term plans of an operating agency.

Under its present governance arrangement, the Commission has the authority and responsibility to manage and operate its system safely and efficiently while remaining subject to the coordination/planning authority of the Metropolitan Council. The balanced relationship between the MAC, the Metropolitan Council and other agencies of state government has worked well. MAC has the same obligations to the Council as do other metropolitan units of government. The MAC submits plans to the Council, complies with its Aviation Guide Chapter, coordinates long-term planning and submits for Council review projects of metropolitan significance. The system of checks and balances between the two agencies is effective and efficient.

In order to articulate these concerns effectively, Staff and the entire Commission must become proactive. Specifically, we should seek membership and other forms of direct participation in the public discussion and debate. In order to facilitate this involvement, a Commissioner and Staff member should be designated to coordinate the Commission's activities in this area.

CUSTOMER SERVICE**Goal:**

MAC will continue its emphasis in 1994 on becoming a customer driven organization:

- 1) Preparing a customer service feedback program FOR each department at MAC (including Commissioners as a group) which will identify their customers, what services the department provides and an analysis of the opinion of those customers regarding the services currently being provided. An effort will be made to use a variety of feedback opportunities including surveys, interviews, focus groups, etc.
- 2) Creating a Humphrey Terminal Action Team to develop a prototype customer service feedback plan to improve the operation of the International Charter Terminal.

Background:

At the recent Commissioner offsite seminar held to begin the process of developing and selecting 1994 Areas of Emphasis, one of the areas which received considerable interest was an emphasis on customer service or customer relations, with the airlines, passengers and the Humphrey Facility receiving special mention. In developing this area of emphasis, we recognized that one of the major areas of emphasis in 1993 was the Terminal Services and Business Plan Study which included an extensive passenger attitude and opinion survey. This effort was begun in 1992 with preliminary results under discussion currently and a final report scheduled for the fall of 1993.

We would like to continue this emphasis scale involving a more extensive analysis of our customers. One of the challenges faced by governmental agencies is their wide variety of customers. MAC has identified a large number of interest groups such as the travelling public, airlines, tenants, citizens in surrounding communities, other local governmental agencies, the Governor and Legislature, and Federal agencies which can broadly be described as part of our list of external customers. In addition, we have identified extensive internal customers which are of equal importance in accomplishing our mission.

1994 Goals and Objectives CONTINUED

A more formal emphasis on identifying our customers, the services needed and the opinion of those customers on our performance is necessary to improve our customer focus.

The Humphrey Terminal has been raised several times in our discussion of Areas of Emphasis for 1994. It is clearly an important part of our discussion on marketing as it provides the existing facilities used for international traffic as well as the significant charter activity.

It also represents a facility which depends on coordination of activities between a variety of MAC departments, several Federal agencies, airlines, tour operators and our agents, each having their own responsibilities and mission but which must work together to deliver the first class service desired by the travelling public. Because of its importance, we believe that a special effort to work on customer service at the Humphrey Terminal will provide significant benefits in the short term maximizing the effectiveness of the current facility and to identify in the longer term the improvements needed in services and facilities.

MARKETING MAC'S AIRPORTS**Goal:**

MAC will step up its emphasis on marketing its airports in 1994 in several different areas by:

- 1) Retaining a consultant to assist the MAC in developing a comprehensive marketing plan for MSP for strategic domestic and international flights, building on the two reports previously completed by SH&E which assessed MSP's potential for serving additional markets.
- 2) Developing a comprehensive plan to build appropriate infrastructure to attract and handle additional international passenger and cargo flights.
- 3) Form a consortium with other governmental and business organizations that are promoting international and domestic trade and tourism. It would work cooperatively to foster, promote and market the business, trade, retail, convention, tourism, arts and sporting event opportunities within the State of Minnesota. While minimizing redundant and overlapping efforts, it could maximize a positive economic impact to the state and local communities.

Background:

At the recently held commissioners' seminar where areas of emphasis was discussed, there seemed to be great enthusiasm for stepping up MAC's marketing efforts from the project oriented efforts of past years, to a more long term comprehensive approach.

MAC directed past efforts as follows:

- Successfully gained 3 roundtrips per week between MSP and Amsterdam by KLM Royal Dutch Airlines.
- Contacted Southwest Airlines to invite them to provide service out of MSP.
- Initiated a \$60,000 marketing effort to promote St. Paul Downtown Airport as the designated corporate jet airfield of MAC's reliever airports.
- Used the window of opportunity between the Special Olympics (June 1991) and the NCAA Final Four (April 1992). This ten month period also included the U.S. Open, the World Series, and the Super Bowl. MAC attracted and acquainted transient corporate pilots to St. Paul Downtown Airport through a series of full page ads in five aviation magazines most often read by general and business pilots.
- Improved the listing of MAC's relievers in airport directories to cross-reference all of MAC's airports no matter under which city they were listed.
- Published an economic impact study of MSP to heighten the awareness of the jobs created and dollars injected into the regional economy and the taxes contributed to state and local tax coffers.

1994 Goals and Objectives *CONTINUED*

- Published a series of general ads featuring MSP in domestic and international aviation business directories.
- Publishing a hard cover book about MSP entitled "American's North Coast Gateway" suitable for use in Marketing presentations.
- Following international bilateral negotiations. We will follow up with a more direct effort involving personal contacts and calls upon foreign flag carriers as part of the long term plan.

SH&E has stated that their study indicates "That the Twin Cities can in the near term, support approximately double the present level of service to Europe . . . there is also potential for additional services to the Far East, Canada and other foreign destinations."

It is MAC's objective to set goals and attempt to reach foreign flag carriers by the end of the decade by using the "Cities Program". If no U.S. carrier is willing to fly the international route, the program allows a foreign carrier to receive approval to fly to a U.S. city without facing the barriers of a restrictive bilateral agreement.

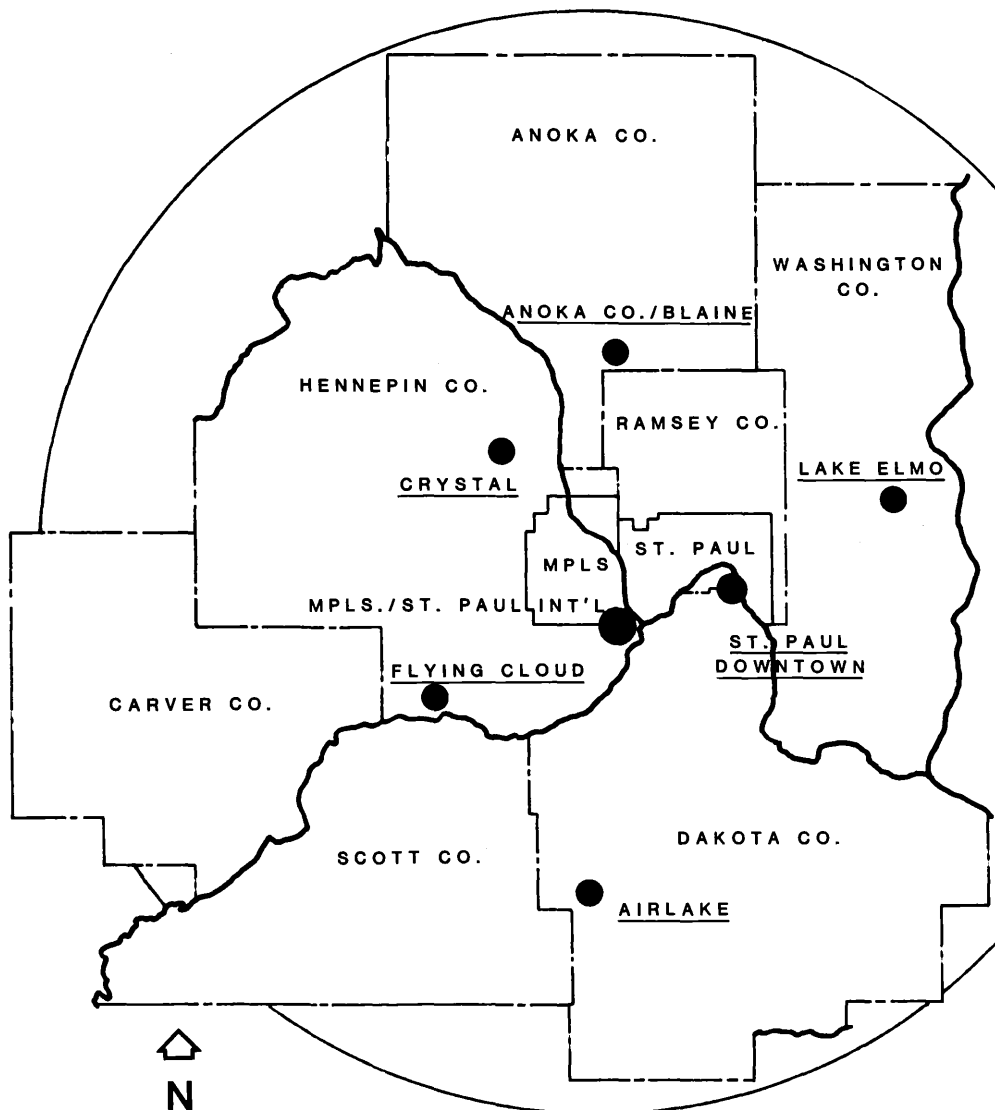
MAC can be involved in making presentations to international airlines with the backing of Minnesota's economic community, by coordinating with other agencies to promote Minnesota. (e.g. the MN Department of Trade and Economic Development, the Division of Tourism, State and local Chambers of Commerce and Convention Bureaus, International Trade Associations, the Twin Cities Metropolitan Foreign Trade Zone association and various business associations.)

This would able MAC to focus on its own mission while coordinating with other organizations that have their own goals but are consistent with the overall marketing efforts of MAC and the consortium.

Organizational Structure

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. Twelve Commissioners are appointed by the Governor of the State of Minnesota. Of these twelve, eight are from designated districts within the Metropolitan Area and four are from outstate. 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. The Chairperson of the Commission is appointed by the Governor for a four-year term.

Chairman: Richard Braun

Commissioners:

District A	Darcy Hitesman
District B	Daniel Johnson
District C	John Himle
District D	Alton Gasper
District E	Edward Fiore
District F	Tommy Merickel
District G	Patrick O'Neill
District H	Louis Miller
City of Minneapolis	Jan Del Calzo
City of St. Paul	Nick Mancini
Representing Greater Minnesota Area:	Mark Brataas Laurel Erickson Paul Rehkamp Georgiann Stenerson
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/Environment-headed by the Deputy Executive Director-Planning/Environment; Public Affairs-headed by the Assistant Executive Director; General Counsel-headed by MAC's in-house General Counsel; Labor/Legislative Relations; and Affirmative Action. These functions are further subdivided into service centers. A brief description of these functions follows.

Organizational Structure CONTINUED**MANAGEMENT & OPERATIONS**

1. MSP International Airport Director

This area, in conjunction with the Maintenance/Trades service centers, are responsible for the overall management and operation of the Minneapolis/St. Paul International Airport. The following service centers fall under the supervision of this area: Fire, Police, Operations, Ground Transportation, HHH Terminal, Lindbergh Terminal, Energy Management Center, and West Terminal Area.

2. Reliever Airports

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

3. Finance

This area is responsible for the Commission's accounting & cash management, preparation of the annual operating budget, Comprehensive Annual Financial Report (CAFR), and financial analysis and planning.

4. Personnel

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

5. Management Information Systems

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

6. Properties

This service center 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 service center.

7. Risk Management

This service center is responsible for all MAC insurance—employee, property, liability, workers compensation, auto and miscellaneous coverages.

PLANNING/ENVIRONMENT

1. Airport Planning & Development

This area supervises planning, engineering and construction of all Commission facilities; also, coordinates and administers the Capital Improvement Program (CIP). In addition, this service center 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/Environment

This area 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

This function is responsible for industry and congressional relations, internal and external communications, media relations, special events and communications to the public. The service center 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**

This function 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

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

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

The listing below details the service centers reporting to the areas/functions listed above.

Department/Service Center Listing**Main Office**

Executive-General (75000), Commissioners (75100) and Planning (75500)
 Public Affairs-(76000)
 Deputy Airports-General (76500), Quality (76600), Wellness (76700) and Insurance (76800)
 Airport Planning & Development-General (77000) and Professional Services (77500)
 Finance-Accounting/Finance (78000), General MAC Expense (78100), Purchasing (78200),
 WCF Finance (78300) and WCF Parking (78400)
 Management Information Systems-General (79000) and Events (79100)
 Labor & Legislative Relations-(79500)
 Properties-(80000)
 Affirmative Action-General (80500), Administration (80600) and Contract Compliance (80700)
 General Counsel-(81000)
 Personnel-(81500)

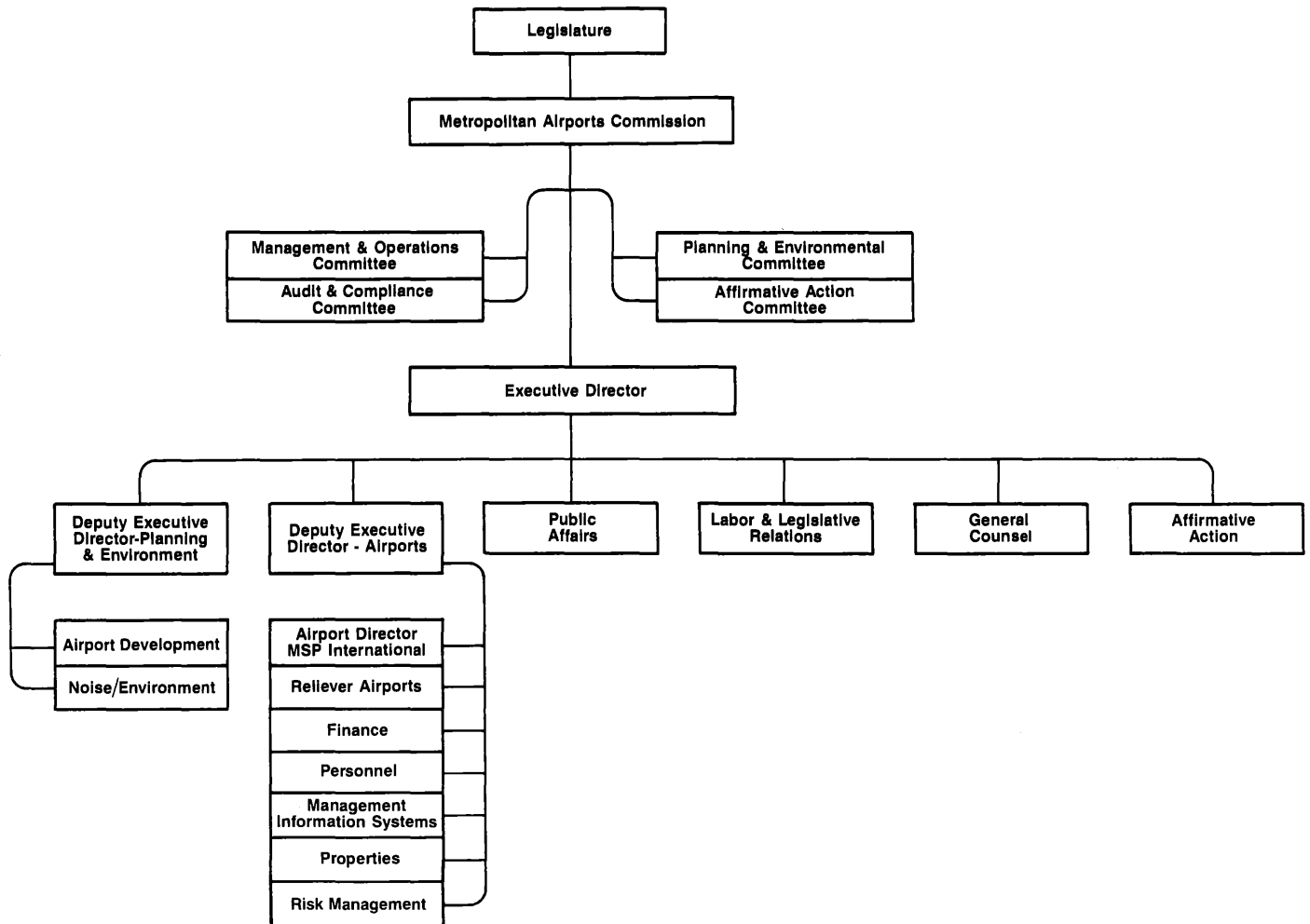
MSP International

Airport Directors Office-General (82000) and Technical Support (82100)
 Operations-General (82500), Operations (82600) and Communications (82700)
 Ground Transportation-(83400)
 Fire-Training (83500) and Rescue (83600)
 Police-General (84000), Narcotics (84100), Administration/Training (84200), Patrol CSO's
 (84300), Security (84400), Investigation (84500) and Emergency Services (84600)
 Environment-General (85000), Safety/Environment (85100), Part 150 (85200) and Aviation
 Noise Programs (85300)
 HHH Terminal-(85500)
 Lindbergh Terminal-Administration (86000) and Terminal (86100)
 Energy Management Center-(86300)
 West Terminal Area-(87000)
 Trades-Electricians (88000), Painters (88100), Carpenters (88200) and Plumbers (88300)
 Maintenance-Field (89000), General (89200) and Equipment Purchase (89300)

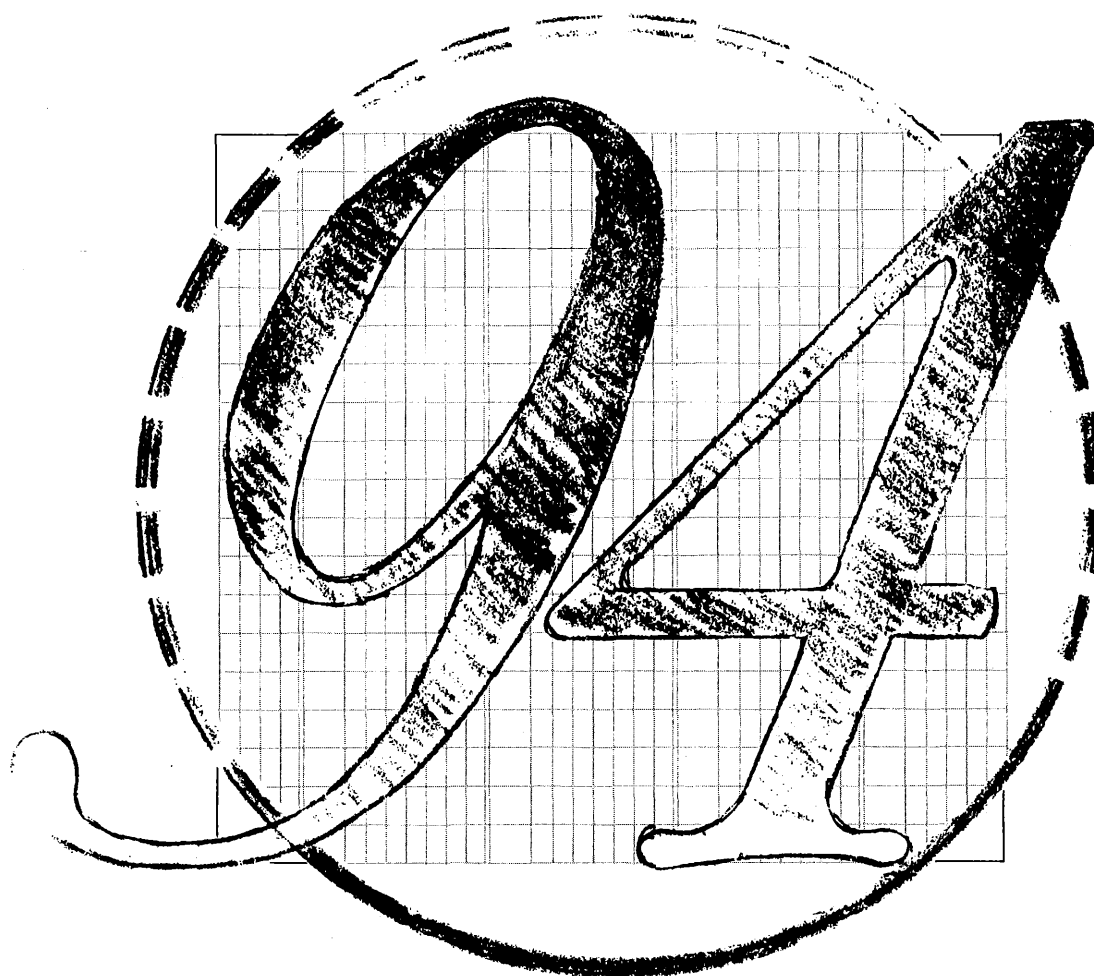
Relievers

St. Paul (90200), Lake Elmo (90300), Airlake (90400), Flying Cloud (90500), Crystal (90600)
 and Anoka (90700)

Organizational Structure CONTINUED

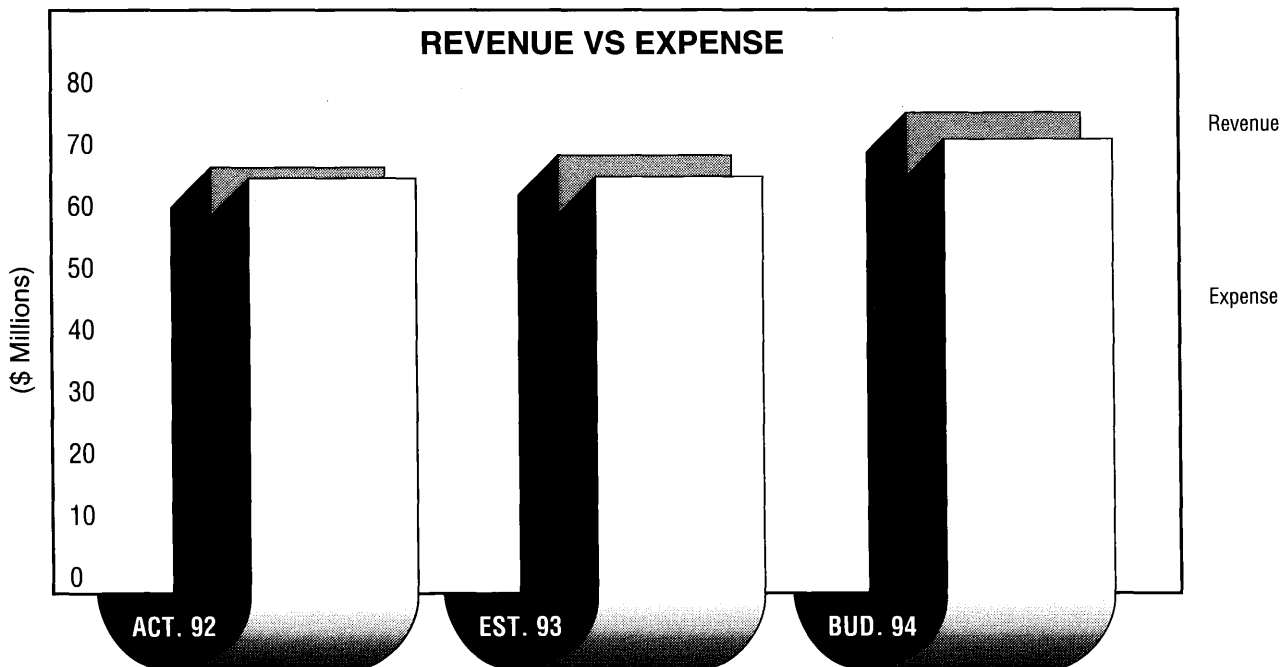


Budget



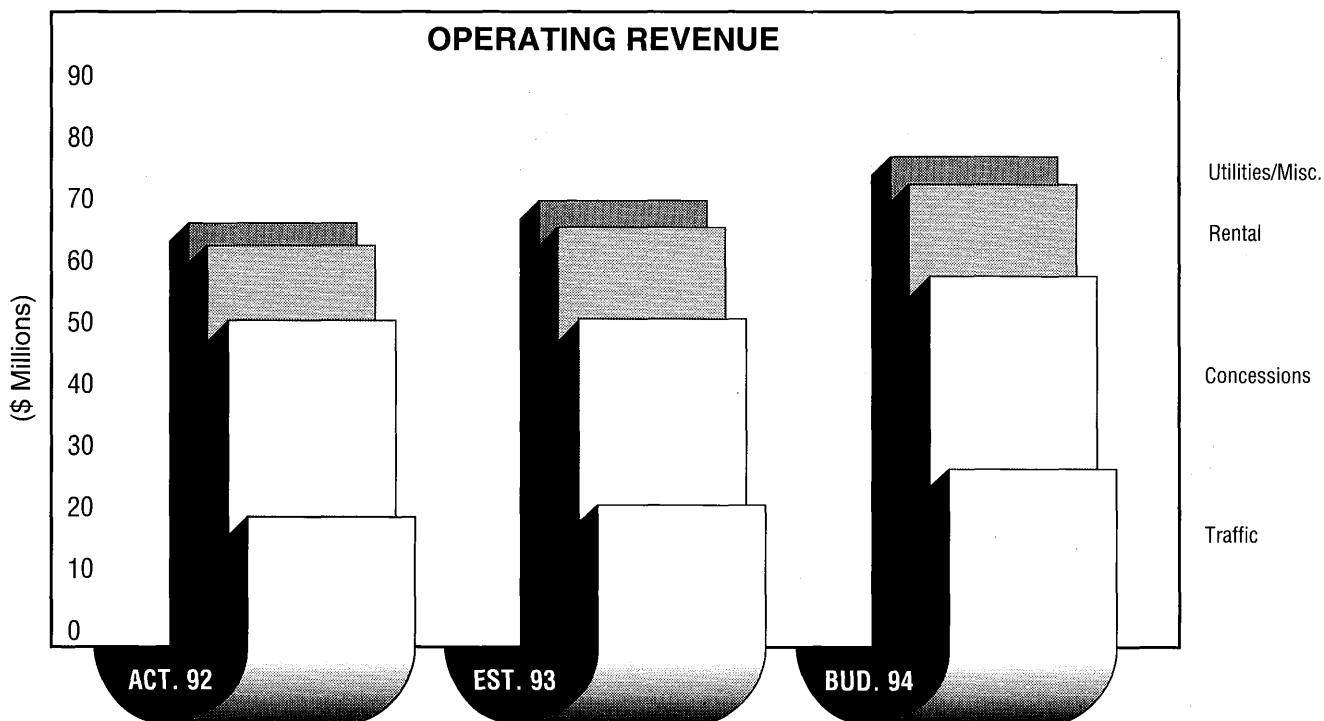
Summary of Revenue and Expense

	Main Office	Mpls.-St. Paul International	Reliever Airports	Total 1994 Budget	Estimate 1993	Actual 1992
OPERATING REVENUE						
Traffic	0	24,636,734	102,832	24,739,566	20,384,000	19,633,447
Commercial						
Concessions	0	33,852,249	11,652	33,863,901	31,442,000	28,882,282
Rentals	0	14,279,163	695,913	14,975,076	14,714,000	14,286,051
Utilities	0	1,221,000	100	1,221,100	1,265,100	1,129,317
Miscellaneous	0	999,000	0	999,000	984,000	1,199,213
Total Operating Revenue	0	74,988,146	810,497	75,798,643	68,789,100	65,130,310
OPERATING EXPENSE						
Personnel	10,312,737	12,626,224	1,326,998	24,265,959	22,975,000	22,308,000
Administrative Expenses	762,496	270,730	26,855	1,060,081	1,041,000	923,000
Professional Services	3,663,860	1,013,205	0	4,677,065	5,285,000	4,813,000
Utilities	4,372,112	21,196	4,000	4,397,308	4,200,000	4,412,000
Operating Services	7,822,456	1,433,666	58,200	9,314,322	6,760,000	5,907,000
Maintenance	679,000	6,387,360	546,996	7,613,356	7,250,000	7,090,000
Depreciation	18,961,330	0	0	18,961,330	17,991,000	17,976,000
Other	1,210,152	(910,880)	(105,000)	194,272	55,000	(220,000)
Total Operating Expense	47,784,143	20,841,501	1,858,049	70,483,693	65,557,000	63,209,000
Net Revenues	(47,784,143)	54,146,645	(1,047,552)	5,314,950^A	3,232,100^A	1,921,310^A

^ARequired as contribution to debt service and construction program financing

Operating Revenues

REVENUE	Mpls.-St. Paul International	Reliever Airports	Total 1994 Budget	Estimate 1993	Actual 1992
Traffic					
Landing Fees	20,470,302	0	20,470,302	16,576,000	15,985,002
Ramp Fees	3,349,536	0	3,349,536	2,948,000	2,759,220
Noise Surcharge	122,324	0	122,324	307,000	312,819
Apron & Other Services	694,572	102,832	797,404	553,000	576,406
Total Traffic	24,636,734	102,832	24,739,566	20,384,000	19,633,447
Concessions					
Food/Beverage	1,602,000	11,652	1,613,652	1,490,000	1,506,226
Merchandise & Services	2,009,200	0	2,009,200	1,711,000	1,988,727
Auto Rental	6,230,000	0	6,230,000	6,000,000	5,973,658
Parking	20,574,250	0	20,574,250	19,864,000	17,108,549
Grd Transportation Fees	1,000,356	0	1,000,356	280,000	287,779
Other Services	2,436,443	0	2,436,443	2,097,000	2,017,343
Total Concessions	33,852,249	11,652	33,863,901	31,442,000	28,882,282
Rentals					
Buildings—Airlines	8,650,972	0	8,650,972	8,789,000	8,611,852
Buildings—General Other	2,292,173	488,769	2,780,942	2,789,000	2,760,422
Lobby Fees—HHH Term	1,213,000	0	1,213,000	1,200,000	1,077,520
Total Building Rentals	12,156,145	488,769	12,644,914	12,778,000	12,449,794
Ground—SW Cargo	1,160,981	0	1,160,981	1,075,000	953,614
Ground—Other	962,037	207,144	1,169,181	861,000	882,643
Total Ground Rentals	2,123,018	207,144	2,330,162	1,936,000	1,836,257
Total Rentals	14,279,163	695,913	14,975,076	14,714,000	14,286,051
Utilities	1,221,000	100	1,221,100	1,265,100	1,129,317
Miscellaneous	999,000	0	999,000	984,000	1,199,213
Total Operating Revenue	74,988,146	810,497	75,798,643	68,789,100	65,130,310



Revenue Assumptions

Estimates of revenue for 1994 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 \$32 million, or 43%, of MAC's \$76 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 **1993 estimates** with **1994 budget** figures. The following is a brief summary:

REVENUE CATEGORY	(Thousands)				1993 Est. vs 1994 Budget		
	1992 Budget	1992 Actual	1993 Budget	1993 Estimate	1994 Budget	Dollar Change	Percentage Change
Traffic	\$19,415	\$19,633	\$21,378	\$20,384	\$24,740	\$4,356	21.37%
Concessions	29,662	28,882	30,652	31,442	33,864	2,422	7.70
Rentals	14,451	14,734	14,734	14,714	14,975	261	1.77
Utilities	1,180	1,129	1,320	1,265	1,221	(44)	(3.48)
Miscellaneous	1.115	1.199	1.015	984	999	15	1.52
Total Operating Revenue	<u>\$65,823</u>	<u>\$65,129</u>	<u>\$69,099</u>	<u>\$68,789</u>	<u>\$75,799</u>	<u>\$7,010</u>	<u>10.19%</u>

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 budgeted landing fee is established for use during the year. In the past, the landing fee rate was based upon a break even philosophy in which total revenue equals total expense. Now, however, there is a deficit in this cost center. This deficit is the result of New Airport Planning Costs, which are shared equally by MAC and the airlines.

A comparison of actual 1991 and 1992, budgeted and estimated 1993, and budgeted 1994 landing fee rates, landed weight and revenue of the major carriers follows:

	1991 Actual	1992 Actual	1993 Budget	1993 Estimate	1994 Budget
Landing Fee (Rate/1,000 lbs.)	\$0.77	\$0.77	\$0.79	\$0.79	\$0.96
Landed Weight (000 lbs.)	18,051,922	19,825,037	20,346,736	20,225,000	20,611,733
Revenue	\$13,951,337	\$15,331,595	\$16,374,880	\$15,878,189	\$19,752,702
Expense	\$14,158,519	\$15,806,481	\$16,871,380	\$16,185,749	\$19,875,026

Revenue Assumptions *CONTINUED*

The landing fee increase between estimated 1993 and budgeted 1994 can be attributed to an increase in expenses.

1. Personnel costs increase \$310,000 due to:
 - (a) It is estimated that 1993 will be a year in which the amount of snow will be substantially below the average. As a result, overtime and double time hours for the Maintenance employees are projected to be approximately one-half of what would occur under average winter conditions.
 - (b) Three positions which were vacant for 1993 due to the hiring freeze are anticipated to be filled by year-end 1993. Two positions, one in Operations and one in Environment are a direct cost to Field and Runways. The other position is an electrician which is allocated to Field and Runways.
2. Operating Services increase approximately \$1,700,000 due to:
 - (a) Storm Water Monitoring—The Commission is required in 1993 to monitor various elements combined in storm water run-off which are discharged into the Minnesota River and Duck Lake. The run-off must be transported to temporary storage ponds via truck in order for the analysis to occur. The increased cost for this required activity is approximately \$1,500,000.
 - (b) Pollution Control is increasing nearly \$200,000. This added expense can be attributed to clean up of fuel spills. The cost includes both material and disposal.
3. Maintenance costs involved with snow removal are budgeted for an average snow season. As a result, costs associated with snow removal on the runways are budgeted to increase \$86,000 over 1993 estimates.
4. Depreciation and Interest expense charged to field and runways is increasing by \$270,000 in 1994. This increase is the result of:

(a) Noise Monitoring System (ANOMS)	\$100,000
(b) Secured Access System	\$ 80,000
(c) Runway Rehabilitation Projects	\$ 90,000
5. The total costs allocated in the rate calculation increased \$2,400,000 from a 1993 estimate of \$17,411,000 to a 1994 budget figure of \$19,818,000. The table below illustrates how this increase in total allocations affects the landing fee (Field and Runway costs center).

	1993 Estimate	1994 Budget	Net Change
Total Allocations (000)	\$17,411	\$19,818	\$2,407
Field & Runway Allocations	\$ 5,786	\$ 6,805	\$1,019

The more significant areas of increase are:

- (a) Wages and Employee Insurance (see Personnel section under Expense Assumptions)
- (b) Legal fees for general litigation and monitoring Northwest Airlines.
- (c) Service Agreements for new systems (see Operating Service section under Expense Assumptions)
- (d) Depreciation and Interest on the equipment building addition and new equipment.

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 ramp that is used by the regional carriers.

Revenue Assumptions CONTINUED

The following is a comparison of actual 1991 and 1992, budgeted and estimated 1993, and budgeted 1994 ramp rates and revenue.

	1991 Actual	1992 Actual	1993 Budget	1993 Estimate	1994 Budget
Ramp Fee (Per Lineal Foot)	\$317.97	\$300.06	\$356.72	\$324.65	\$371.51
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)	\$2,701,470	\$2,549,310	\$3,030,693	\$2,758,226	\$3,156,349
Expense Total	\$2,821,666	\$2,662,706	\$3,165,533	\$2,880,985	\$3,296,760

The increase in the ramp fee from 1993 estimates to 1994 budget is attributed to:

1. Costs associated with snow removal are projected to increase \$25,000.
2. Costs associated with general repairs to the surface area around the terminal ramp are budgeted to increase \$25,000 over 1993 estimates.
3. Allocations, primarily from the Equipment Maintenance and the Equipment Building cost centers are projected to increase \$300,000. The percentage from these two areas (43%) allocated to the ramp is fixed in the airline agreement. New facilities and equipment resulted in the approximately \$600,000 of new depreciation and interest, of which \$260,000, or 43%, is allocated to the ramp.

TRAFFIC: OFF-AIRPORT NOISE SURCHARGE

The current agreement with the airlines calls for a Noise Surcharge and a cost center for Off-Airport Noise projects. Projects included in this cost center are those for insulation, replacement of windows and installation of air conditioning at four schools. These schools are located in neighborhoods highly impacted by noise. Also included are the noise monitoring system and Part 150 implementation. (See Glossary for explanation.)

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 break even philosophy where total revenue equals total expenses.

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.

	1992 Actual	1993 Budget	1993 Estimate	1994 Budget
Stage II and Stage III Landings	126,511	123,000	130,000	131,000
Off Airport Noise Costs	\$269,114	\$444,300	\$307,560	\$122,324
Noise Surcharge/Landing	\$2.13	\$3.61	\$2.37	\$0.93

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. This is not additional revenue to MAC but rather a shift in the cost among the various airlines, depending upon their type of activity (Stage II vs Stage III).

Revenue Assumptions *CONTINUED***CONCESSIONS**

The 1994 budget for Concessions revenues shows a 7.70% increase from the estimated 1993 amount. The two major components of concessions are Auto Parking (which accounts for approximately 61% of total concessions) and Auto Rental fees (which accounts for approximately 18% of total concessions).

Parking revenues are projected to increase 3.6% or approximately \$710,000 from 1993 estimates. Effective April 1, 1993, rates were increased at the General Lot (last rate adjustment 1987), Short Term Lot (last adjustment 1980), Econolot (last adjustment 1984), and the garage (last adjustment 1987). It is assumed that the activity level for 1994 will remain consistent with 1993. As a result, the increase is due to realizing a full year of adjustments to the various rates.

Auto rental fees are projected to increase by \$230,000, or 3.8%, for 1994. The agreement with the auto rental firms expired June 30, 1993. The new agreement is not yet in place, however, for budget purposes it was assumed that the minimum rental fees plus percentages (8.5%) of gross revenue above the minimums would remain the same. The increase is attributed to the auto rental firms playing a straight percentage of 8.5% with no minimum guarantee for the last six months of 1993.

All other revenues from remaining concessions are projected to increase \$1,482,000 or 26.6%. There are three reasons for this increase:

1. The Ground Transportation Access Fee was anticipated to be in place by the beginning of October 1993. This date was adjusted to January 1994. As a result, an increase in this item of \$720,000 is projected. Previously only taxis and off-airport auto rental firms paid any type of fee. The new ordinance includes limos, buses, off-airport parking vans, and courtesy vehicles.
2. Food/Beverage and News/Gift concessions are projected to increase by \$410,000. 1993 is estimated to be a very sluggish year for these concession areas. However, with changes made as a result of the concessions study completed in 1993 and general passenger activity increases at the Humphrey Terminal and other locations, these concessions are budgeted to rebound to levels slightly above 1992 activity.
3. New services and/or renewed agreements with various concessionaires account for \$200,000 of the increase. These include Ziosk, Imperial Parking, telephone agreements, automatic teller machines, and games.

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.

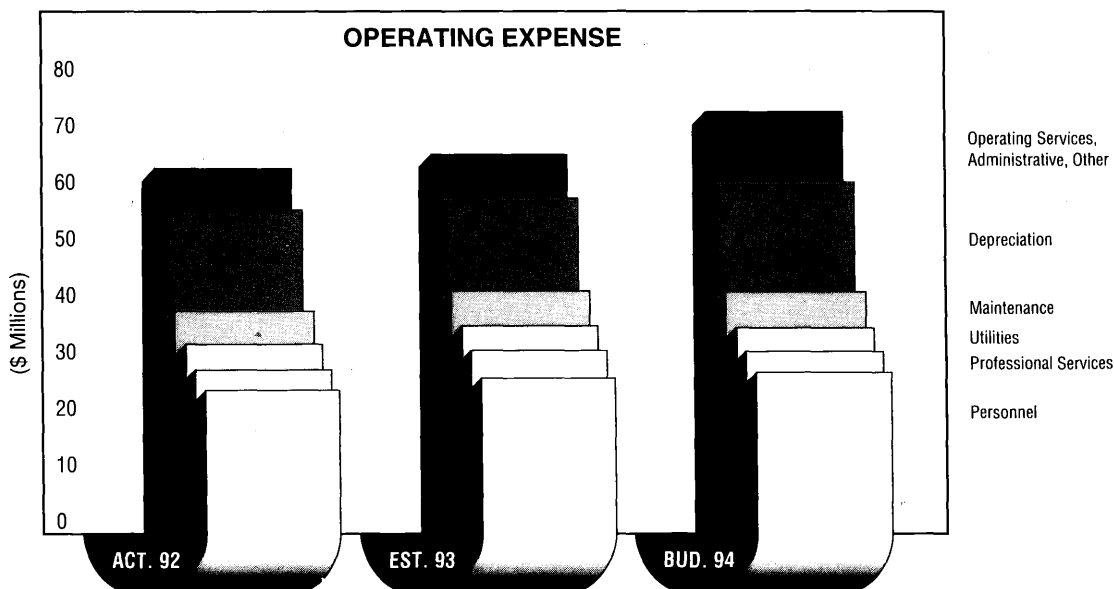
A comparison of actual 1992, estimated and budgeted 1993, and projected 1994 rates with percentage changes between 1993 and 1994 budget is as follows:

TERMINAL BUILDING RENTALS (Rate per square foot)	1992 Actual	1993 Budget	1993 Estimate	1994 Budget	% Change 1993 Estimate vs 1994 Budget
Exclusive	\$20.46	\$20.83	\$20.57	\$20.41	(0.8%)
Exclusive Janitored	\$27.51	\$26.33	\$27.02	\$26.51	(1.9%)

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION • OPERATING BUDGET 1994

Operating Expenses

	Main Office	Mpls.-St. Paul International	Reliever Airports	Total 1994 Budget	Estimate 1993	Actual 1992
EXPENSES						
Personnel						
Salaries & Wages	3,873,461	12,358,953	1,289,872	17,522,286	16,446,500	16,514,446
Benefits	6,410,176	267,271	37,126	6,714,573	6,500,000	5,765,979
Commissioner Per Diem	29,100	0	0	29,100	28,500	27,900
Total Personnel	10,312,737	12,626,224	1,326,998	24,265,959	22,975,000	22,308,325
Administrative Expense	762,496	270,730	26,855	1,060,081	1,041,000	923,037
Professional Services	3,663,860	1,013,205	0	4,677,065	5,285,000	4,813,314
Utilities	4,372,112	21,196	4,000	4,397,308	4,200,000	4,412,065
Operating Services						
Parking Management	3,268,200	0	0	3,268,200	3,210,000	2,887,803
Shuttle Bus	1,340,675	150,000	0	1,490,675	1,490,000	1,517,678
Service Agreements/Storm Water Monitoring	2,326,165	529,856	0	2,856,021	660,000	85,694
Other	887,416	753,810	58,200	1,699,426	1,400,000	1,415,955
Total Operating Services	7,822,456	1,433,666	58,200	9,314,322	6,760,000	5,907,130
Maintenance						
Trades	0	560,900	79,800	640,700	528,000	477,100
Building	0	1,181,680	87,000	1,268,680	1,251,000	1,128,208
Field	0	1,233,651	215,300	1,448,951	1,174,000	918,150
Equipment	179,000	600,367	127,000	906,367	897,000	1,073,053
Cleaning	500,000	2,810,762	37,896	3,348,658	3,400,000	3,494,997
Total Maintenance	679,000	6,387,360	546,996	7,613,356	7,250,000	7,091,508
Depreciation	18,961,330	0	0	18,961,330	17,991,000	17,976,000
Other						
General Insurance	945,000	0	0	945,000	884,000	894,746
Minor Equipment	288,482	0	0	288,482		
Other	43,780	142,010	25,000	210,790	421,000	473,969
Reimbursed Expense	(67,110)	(1,052,890)	(130,000)	(1,250,000)	(1,250,000)	(1,589,075)
Total Other	1,210,152	(910,880)	(105,000)	194,272	55,000	(220,360)
Total Operating Expenses	47,784,143	20,841,501	1,858,049	70,483,693	65,557,000	63,211,019



Expense Assumptions

The 1994 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 \$70,483,693.

Throughout the expense explanations below there will be reference made with regards to the amount of snow that falls. It is estimated that during 1993 the amount of snow that falls will be substantially under the average. The budget for 1994 is projected based upon an average amount of snow. Expense areas affected by this include: wages, benefits, sand, salt, urea, rental equipment with operators and rental equipment without operators.

A change has been made in the presentation of the budget. Depreciation related to all assets constructed with Passenger Facility Charges and related to Off-Airport Noise insulation and the property acquisition program have been excluded from the operating Budget. The 1993 Operating Budget and estimate have been adjusted to reflect this change. The amount included in the 1992 budget for these items is considered to be immaterial and the budget has therefore, not been adjusted for these amounts. Depreciation related to these items were estimated at \$912,000 for 1993, and projected at \$3,780,000 for 1994.

The explanations for expense assumptions are based upon comparing 1993 estimates with 1994 budget figures. The chart shows the major categories and the variances (in thousands) between the 1993 estimates and the proposed 1994 budget.

EXPENSE CATEGORY	(Thousands)					1993 Est. vs 1994 Budget	
	1992 Budget	1992 Actual	1993 Budget	1993 Estimate	1994 Budget	Dollar Change	Percentage Change
Personnel	\$21,930	\$22,308	\$23,324	\$22,975	\$24,266	\$1,291	5.62%
Admin. Expenses	1,039	923	1,059	1,041	1,060	19	1.83
Professional Services	3,731	4,813	4,227	5,285	4,525	(760)	(14.38)
Utilities	4,095	4,412	4,100	4,200	4,397	197	4.69
Operating Services	5,656	5,907	6,609	6,760	9,467	2,707	40.04
Maintenance	7,482	7,090	7,462	7,250	7,613	363	5.01
Depreciation	17,796	17,976	18,610	17,991	18,961	970	5.39
Other*	17	(220)	67	55	195	140	254.55
Total Expense	<u>\$61,746</u>	<u>\$63,209</u>	<u>\$65,458</u>	<u>\$65,557</u>	<u>\$70,484</u>	<u>\$4,927</u>	<u>7.51%</u>

* Includes General Insurance, Capital Assets and Reimbursed Expense

PERSONNEL

Personnel costs for 1994 are projected to increase 5.62%, or \$1,291,000, over 1993 estimates. This increase is attributed to the following items:

1. There are seventeen (17) vacancies as of 9/15/93. Of these, fifteen (15) will be filled by year end 1993 or during 1994. The majority of these positions were vacant for the full year 1993 due to a hiring freeze at the Commission. Filling these vacancies adds approximately \$325,000 to Personnel.

Expense Assumptions CONTINUED

2. Overtime and double time for 1993 are projected to be well below average because the snow received in the first part of 1993 was below normal. For 1994, these costs were budgeted for at the average. As a result overtime and double time are expected to increase \$275,000 over 1993 estimates.
3. Wage adjustments are estimated to increase Personnel costs \$373,000 during 1994.
4. Employee insurance has increased \$250,000 over 1993 estimates. This is due to a combination of general increases in insurance costs and the additional insurance required for positions that are currently vacant.
5. Training costs are projected to increase \$99,000. The Personnel department is proposing an extensive management training program for 1994. The purpose of the program is to provide management development to MAC directors, managers and supervisors. The program will emphasize management principles and valued management behaviors. This program can be the basis for continuing management development activities.

ADMINISTRATIVE EXPENSE

This category is projected to increase 1.83% or \$19,000 from 1993 to 1994. This increase is the result of added travel for MAC staff and continued participation by staff and the commissioners on various national airport committees. In addition to Travel (35% of category total), other expense items included in this category are: Information Sources (memberships, dues, subscriptions/publications, etc.—20% of category total), Supplies (18% of category total) and Postage (8% of category total).

PROFESSIONAL SERVICES

Professional Services are estimated to decrease 14.38% or \$760,000 between 1993 and 1994. This significant reduction can be attributed to the following:

1. New Airport Planning fees are projected to decrease approximately \$250,000 between 1993 and 1994. A special Governors Task Force was formed in 1993 to analyze the Dual Track Planning Process and review projected forecasts and timetables. The analysis will be completed during 1993. In addition, there were also various options suggested and reviewed during 1993 which were not included in the budget for that year.
2. Engineering fees in the 1994 budget are decreasing \$450,000 from 1993 estimates. Each year commission staff reviews projects in process to determine if they are still feasible to continue. If it is determined the project will not go forward, all costs associated with that project are expensed to engineering fees during that particular year. Historically, this figure has been \$60,000 to \$80,000. The project write off for 1993 is \$515,000. Areas included in this write off are:

Lindbergh Terminal Building	\$144,000
SW Cargo Area	324,000
Ground Transportation	47,000
	<u>\$515,000</u>

The following chart shows a more complete list of some of the major professional service categories, the respective departments, and dollars allocated for the 1994 budget for that department.

Expense Assumptions *CONTINUED*

TYPE OF SERVICE	DEPARTMENT	DOLLARS
Accounting & Audit Fees	Finance	\$ 140,000
Public Information	Public Relations	93,000
	Parking	25,000
Legal Fees	General Counsel	530,000
	Reliever Airports	40,000
Legal—Environmental	Noise/Environment	75,000
Computer Services	Parking/Ground Transportation	150,000
Legislative	Public Relations	65,000
	Labor/Legislative	75,000
Engineering	Field and Runway	675,000
	Planning/Development	340,000
Environmental-Engineering	Field and Runway	550,000
	Ramp	50,000
New Airport Planning	Field and Runway	850,000
Appraisal/RFP/Lease	Properties	160,000
		<u>\$3,818,000</u>

UTILITIES

Utilities are increasing \$197,000 or 4.64% in 1994 from 1993 estimates.

Anticipated price changes for 1994 were obtained from various utility companies that provide service to the MAC. Types of service and anticipated rate changes include:

- Electricity: 5% increase (late 1993)
- Natural Gas: Minnegasco, NSP and Peoples Natural Gas all project a 4% increase in price late in 1993. (These companies provide 99.5% of the natural gas consumed by MAC.)
- Fuel Oil: 4% Increase
- Water: 5% Increase
- Sewer: 6% Increase

Within the current budget, electricity accounts for 47% of the utility budget and natural gas and fuel oil together comprise 19%. 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 rental rates.

Usage of all utilities is anticipated to remain relatively constant compared to estimated consumption in 1993 and actual 1992.

OPERATING SERVICES

Operating Services are projected to increase \$2,707,000 or 40.04% in 1994 from 1993 estimates. In this category 81% of the expenses are incurred from the parking management contract, shuttle bus contracts, storm water monitoring, and service agreements. Significant increases are projected in the following areas:

Expense Assumptions *CONTINUED*

1. Storm Water Monitoring—The commission is required (effective 1993) to monitor the various elements combined in the storm water run-off which are discharged into the Minnesota River and Duck Lake. The run-off will be transported to temporary storage ponds by truck. Total cost for this operation (excluding construction) for 1993 is estimated at \$470,000, 1994 is projected to be \$1,940,000 or a \$1,470,000 increase over the previous year.

2. Costs associated with service agreements for new and/or ongoing projects and facilities have increased by approximately \$500,000. The amounts shown represent either additional or new costs.

ANOMS—Noise Monitoring	\$108,000
Phone Systems	40,000
Secured Access System	186,000
Ground Transportation & Parking Systems	50,000
A/S 400 Computer/Network	119,000
	<u>\$503,000</u>

3. Pollution Control costs are estimated to increase from \$130,000 in 1993 to \$270,000 in 1994. The added cost can be attributed to:
 - (a) Fluorescent Light Disposal (\$40,000) These can no longer be stored and costs will be incurred to dispose of them.
 - (b) Hazardous Waste Disposal (\$70,000) The increased cost is attributed to the disposal of booms used for fuel spill clean ups.
 - (c) The costs for booms used to contain and soak up fuel are projected to increase \$15,000. Spills typically occur around the ramp area, field and maintenance buildings.
4. Metropolitan Council Fees—Usually the fees charged by the Metropolitan Council are split equally between general costs and new airport planning costs. However, in 1993 the majority of the costs were related to new airport planning which are recorded under Professional Services, not Operating Services. Fees for 1994 are expected to reflect historical patterns. This will result in additional costs of \$150,000 in this category.
5. Other Areas—Smaller dollar increases are expected to occur in the following areas:
 - a) Parking Management (\$68,000)
Costs associated with the Parking Management contract have increased \$68,000. Under the terms of the agreement, APCOA, the parking management firm, is reimbursed for all personnel and other operational costs. The additional expense is attributed to an increase in employee benefits costs.
 - b) Bank Charges (\$60,000)
Bank Charges have increased by \$60,000. Previously parking receipts had been deposited in a banking facility that was located in the terminal building. This facility has been closed and deposits must now be transported to the bank.
 - c) Wellness/Employee Recognition (\$60,000)
The budget for the Wellness and Employee Recognition program for 1994 is comparable to 1993. Estimated expenses for 1993, however, are \$60,000 below budget. Due to expanded programs in 1994, it is projected that costs will equal the budgeted amount.

MAINTENANCE

This category has five components: field, equipment, building, trades, and cleaning. These costs are projected to increase by \$363,000 or 5.01% over the estimated 1993 costs. Each area is discussed separately.

Expense Assumption CONTINUED

Maintenance—Field: Expenses in this area are projected to increase \$275,000 between 1993 and 1994. Projected expenses for 1994 are \$1,449,000. The increases are in the areas of snow removal and asphalt/cement work.

During the first part of 1993, 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 1994 budget is based upon average winter weather conditions. A comparison between 1993 and 1994 is shown below:

	<u>1993 Budget</u>	<u>1993 Estimate</u>	<u>1994 Budget</u>
Snow Removal Costs	\$884,000	\$645,000	\$846,000

In addition, due to the wet conditions during the summer of 1993 concrete/asphalt repairs were not completed at the rate normally accomplished. As a result, this area is increasing \$92,000 to a level which is consistent with prior years. A comparison is shown below:

	<u>1993 Budget</u>	<u>1993 Estimate</u>	<u>1994 Budget</u>
Asphalt/Cement	\$198,000	\$125,000	\$217,000

Maintenance—Equipment: This area is budgeted at the same level as 1993 estimates. 1993 was a light snow year which normally means equipment repairs would be down. Numerous pieces of equipment, however, required extensive work. The budget for 1994 is \$906,000.

Maintenance—Building: This area is projected to increase approximately \$19,000. The increase is due to increased repairs to the carousel and conveyor system. The budget for 1994 is \$1,269,000.

Maintenance—Trades: This is a new area for 1994. Previously these figures were combined with both Maintenance Field and Building. The reason for the separation of these costs is to be able to track them better. This area for 1994 is increasing \$113,000 over 1993 estimates. All of the trades (Painters, Carpenters, Electricians and Plumbers) costs are increasing between \$15,000 and \$35,000. Electrical and plumbing upgrades are the two largest increases (\$35,000 each).

Maintenance—Cleaning: This category is budgeted to decrease \$51,000 from the 1993 estimate of \$3,400,000. This can be attributed to a reduction to the cleaning contract. At the expiration of the contract in October 1993, MAC is anticipating a number of revisions to the contract.

Expense Assumptions CONTINUED**DEPRECIATION**

Depreciation will make up 27% of the total budget for 1994. Estimates for Depreciation are based on the Capital Improvement Program and Plan which will be recommended to the Commission in late fall 1993. Commission action on the Capital Improvement Program and subsequent approval of construction contracts will have a substantial impact upon the actual increases in Depreciation costs for 1994. During 1993 and 1994, approximately \$10 million worth of projects are expected to be completed. This total includes the following major items:

Major Projects	Estimated Total Cost*	1994 Additional Depreciation
Snow Removal Equipment Building	\$3,500,000	\$105,000
Secured Area Access System	1,542,000	77,100
Runway 11L/29R Holding Aprons	760,000	38,000
1993 Apron/Pavement Reconstruction	726,250	36,312
Reliever Airports—Runways/Pavement Rehabilitations & Airfield Signage	713,252	24,739
Wings Hangar Rehabilitation	700,000	4,667
1994 Parking Structure Rehabilitation	550,000	9,167
Police Department Remodeling—Phase II	550,000	22,000
HHH Terminal Reroofing	515,000	20,600
1993 Parking Structure Rehabilitation	500,000	25,000
	<u>\$10,056,502</u>	<u>\$362,585</u>
New Equipment—1994	2,085,178	160,521
New Equipment—1993		298,708
	<u>\$12,141,680</u>	<u>\$821,814</u>
*Represents total cost less estimated Federal and State aid.		

OTHER

There are three items which comprise the majority of this category: General Insurance, Capital Assets and Reimbursed Expense. General Insurance shows an increase of 6.9% from \$884,000 to \$945,000. This is due to an increase in premiums. MAC has not had an increase in premiums the past two years. Capital Assets are comprised of Minor Equipment, Computers and Furniture. This area is budgeted to decrease in 1994 from \$292,000 to \$288,000. Reimbursed Expenses consist of costs which are paid by MAC initially and then billed back to tenants. These amounts are a direct reduction to expense. Reimbursed expense is estimated at \$1,250,000 for 1993 and 1994.

Total Detail Expense Summary

	Total Budget	Main Office	Mpls./St. Paul International	Reliever Airports
Personnel				
Administrative	6,803,362	3,813,021	2,646,722	343,619
Public Safety	4,408,249	0	4,408,249	0
Maintenance	6,005,114	0	5,083,477	921,637
Temps/Seasonal	305,561	60,440	220,505	24,616
Commissioner Per Diem	29,100	29,100	0	0
Employee Insurance	3,157,000	3,157,000	0	0
Pension	2,703,893	2,703,893	0	0
Training	375,061	167,150	182,911	25,000
Workers Compensation	262,000	262,000	0	0
Uniforms	99,366	2,880	84,360	12,126
Severance	117,253	117,253	0	0
Total Personnel	24,265,959	10,312,737	12,626,224	1,326,998
Administrative Expenses				
Office/Special Supplies	104,651	85,704	13,947	5,000
Computer Supplies	70,500	66,500	4,000	0
Travel	326,028	190,050	125,353	10,625
Milage	35,230	22,330	11,400	1,500
Local Meetings	59,650	41,220	15,430	3,000
Information Sources	201,551	163,846	35,705	2,000
Printing Costs	154,430	113,230	41,200	0
Delivery Services	15,621	8,816	6,305	500
Freight Charges	6,990	700	5,540	750
Postage	78,200	69,000	9,200	0
Other—Administrative Exp.	7,230	1,100	2,650	3,480
Total Administrative Expenses	1,060,081	762,496	270,730	26,855
Professional Services				
Accounting/Audit Fees	143,160	143,160	0	0
Affirmative Action Fees	17,750	17,750	0	0
Appraisal/RFP/Lease Fees	160,000	160,000	0	0
Computer Services	273,000	148,000	125,000	0
Engineering Fees	1,046,000	400,000	646,000	0
Graphic Design	71,500	71,500	0	0
Insurance Consultants	57,000	57,000	0	0
Labor Relations/Mediation	35,000	35,000	0	0
Legal Fees	610,000	577,500	32,500	0
Legal—Environmental	75,000	75,000	0	0
Legislative	150,000	150,000	0	0
Medical Fees	31,600	12,000	19,600	0
Planning	1,677,500	1,677,500	0	0
Pollution/Environmental Fees	6,000	0	6,000	0
Public Information Services	55,000	55,000	0	0
Recruiting & Employment Fees	12,000	12,000	0	0
Safety Consultants	3,000	0	3,000	0
Communications Consultant	30,700	9,000	21,700	0
Other/Miscellaneous	222,855	63,450	159,405	0
Total Professional Services	4,677,065	3,663,860	1,013,205	0
Utilities				
Electricity	2,040,000	2,040,000	0	0
Heating Fuel	820,000	820,000	0	0
Sewer	750,000	750,000	0	0
Water	575,000	575,000	0	0
Telephone/Telephone-Cellular	212,308	187,112	21,196	4,000
Total Utilities	4,397,308	4,372,112	21,196	4,000

Total Detail Expense Summary *CONTINUED*

	Total Budget	Main Office	Mpls./St. Paul International	Reliever Airports
Operating Services/Expenses				
Advertising—General	123,500	106,000	17,500	0
Advertising—Employment	19,000	19,000	0	0
Advertising—Parking	92,000	92,000	0	0
Advertising—Relievers	9,000	0	0	9,000
Hazardous Waste Disposal	63,000	0	63,000	0
Pollution Control	184,000	0	184,000	0
Solvent Reclamation Service	10,000	0	10,000	0
Spill Response	14,000	0	14,000	0
Tire Disposal	1,340	0	840	500
Other	600	0	600	0
Ground Transportation Services	39,950	0	39,950	0
Landside Operations Starter	216,000	0	216,000	0
Shuttle Services	1,490,675	1,340,675	150,000	0
Tickets-Lots	46,500	46,500	0	0
Management Contract	3,268,200	3,268,200	0	0
Met Council Fees	150,500	150,500	0	0
Employee Programs	100,500	67,100	30,700	2,700
Wellness	102,600	102,600	0	0
Events	91,850	10,900	78,850	2,100
Other Charges/Fees	5,000	0	5,000	0
Bank Charges	139,700	139,700	0	0
Security Services	130,000	0	90,000	40,000
Recycling	2,000	2,000	0	0
Copy Agreement	140,116	137,616	0	2,500
Mediation Fees	10,000	10,000	0	0
Miscellaneous Charges/Fees	8,270	3,500	3,370	1,400
Service Agreements-General	263,340	45,065	218,275	0
Service-Computers	292,056	166,100	125,956	0
Service-Parking Equipment	175,000	175,000	0	0
Service-Secured Access	185,625	0	185,625	0
Storm Water Monitoring	1,940,000	1,940,000	0	0
Total Operating Services	9,314,322	7,822,456	1,433,666	58,200
Maintenance				
Maintenance-Trades				
Trades-Painters				
Paint	80,000	0	80,000	0
Signs	22,500	0	20,000	2,500
Supplies	14,300	0	12,800	1,500
Trades-Carpenters				
Locks	21,700	0	21,000	700
Flags	800	0	600	200
Lumber	51,300	0	40,000	11,300
Other	15,000	0	15,000	0
Trades-Plumbers				
Supplies	62,400	0	62,400	0
Other/Tools	45,000	0	27,500	17,500
Systems	35,000	0	35,000	0
Trades-Electricians				
Wiring	143,996	0	123,396	20,600
Lighting	20,600	0	0	20,600
Other	128,104	0	123,204	4,900
Total Maintenance-Trades	640,700	0	560,900	79,800

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Total Detail Expense Summary *CONTINUED*

	Total Budget	Main Office	Mpls./St. Paul International	Reliever Airports
Maintenance-Field				
Snow Removal Materials-Liquid Anti Icier	34,000	0	34,000	0
Snow Removal Materials-Other Ice Control	3,600	0	3,600	0
Snow Removal Material-Salt	39,500	0	36,000	3,500
Snow Removal Materials-Sand	94,000	0	78,000	16,000
Snow Removal Materials-Urea	223,600	0	210,000	13,600
Snow Removal Materials-Haulers/Other	154,000	0	148,000	6,000
Snow Removal Materials-Equip. No Oper.	254,778	0	210,678	44,100
Snow Removal-Other	43,200	0	37,200	6,000
Surface Repair-Materials	112,100	0	50,500	61,600
Surface Repair-Prep	78,500	0	73,500	5,000
Surface Repair-Sealant/Re-Bar	27,100	0	27,100	0
Summer Maintenance-Fencing	26,500	0	15,000	11,500
Summer Maint-Equip Rent Long Term	30,948	0	30,948	0
Summer Maint-Equip Rent No Oper.	36,000	0	36,000	0
Landscape/Turf-Materials	114,000	0	84,000	30,000
Landscape/Turf-Agreement	62,125	0	52,125	10,000
Maintenance Field-Other Materials	112,000	0	107,000	5,000
Maintenance Field-Other Supplies	1,000	0	0	1,000
Maintenance Field-Other Tools	2,000	0	0	2,000
Total Maintenance-Field	1,448,951	0	1,233,651	215,300
Maintenance Building				
Building-Temp Control	507,880	0	490,380	17,500
Mechanical Areas-Carrousel	182,000	0	182,000	0
Mechanical Areas-Conveyors	78,000	0	78,000	0
Mechanical Areas-Doors/Pub	54,710	0	54,710	0
Mechanical Areas-Doors/Tug	5,680	0	5,680	0
Mechanical Areas-Doors	32,000	0	20,000	12,000
Mechanical Areas-Elevators	115,500	0	113,000	2,500
Mechanical Areas-Escalator	58,000	0	58,000	0
Mechanical Areas-Other	43,850	0	43,850	0
Building-Other	6,250	0	6,250	0
Other-Boiler Chemicals	10,500	0	10,000	500
Other-Roofing	70,000	0	37,000	33,000
Other-Supplies	75,710	0	62,210	13,500
Other-Tools	28,600	0	20,600	8,000
Total Maintenance-Building	1,268,680	0	1,181,680	87,000
Maintenance-Cleaning				
Cleaning Services Contracts	2,633,987	0	2,606,691	27,296
Cleaning Supplies	186,869	0	179,069	7,800
Rubbish Disposal	500,000	500,000	0	0
Towel & Laundry Services	7,770	0	4,970	2,800
Other Cleaning Expenses	20,032	0	20,032	0
Total Maintenance-Cleaning	3,348,658	500,000	2,810,762	37,896
Maintenance-Equipment				
Equipment-Parts	530,625	11,000	434,625	85,000
Equipment-Shop Supplies	172,992	0	152,992	20,000
Equipment-Gas	168,000	168,000	0	0
Equipment-Extinguishers	7,000	0	7,000	0
Equipment-Miscellaneous Exp.	27,750	0	5,750	22,000
Total Maintenance-Equipment	906,367	179,000	600,367	127,000
Total Maintenance	7,613,356	679,000	6,387,360	546,996

Total Detail Expense Summary *CONTINUED*

	Total Budget	Main Office	Mpls./St. Paul International	Reliever Airports
Maintenance Building				
Other				
General Insurance	945,000	945,000	0	0
Safety	24,675	0	24,675	0
Medical Information/Supply	19,250	0	18,350	900
Rentals	61,500	17,500	34,500	9,500
Licenses/Permits	24,900	20,000	1,300	3,600
Miscellaneous Expenses	80,465	6,280	63,185	11,000
Reimbursed Expenses	<u>(1,250,000)</u>	<u>(67,110)</u>	<u>(1,052,890)</u>	<u>(130,000)</u>
Total Other	(94,210)	921,670	(910,880)	(105,000)
Capital Assets				
Minor Assets-Office Furniture	47,999	47,999	0	0
Minor Assets-Computers	110,882	110,882	0	0
Minor Assets-Other	<u>129,601</u>	<u>129,601</u>	<u>0</u>	<u>0</u>
Total Capital Assets	288,482	288,482	0	0
Location Total	70,483,693	47,784,143	20,841,501	1,858,049

Main Office Summary

	Total Main Office	Executive	Planning	Public Affairs	Deputy Airports- General	Deputy Airports- Quality/Wellness	Deputy Airports Insurance
Personnel							
Administrative	3,813,021	156,395	123,592	184,966	117,643	0	107,046
Temps/Seasonal	60,440	0	0	0	0	0	0
Commissioner Per Diem	29,100	29,100	0	0	0	0	0
Employee Insurance	3,157,000	0	0	0	0	0	3,157,000
Pension	2,703,893	0	0	0	0	0	0
Training	167,150	2,000	4,000	7,550	3,000	16,100	2,000
Workers Compensation	262,000	0	0	0	0	0	262,000
Uniforms	2,880	0	0	0	0	0	0
Severance	117,253	0	0	0	0	0	0
Total Personnel	10,312,737	187,495	127,592	192,516	120,643	16,100	3,528,046
Administrative Expenses							
Office/Special Supplies	85,704	0	0	7,000	0	0	0
Computer Supplies	66,500	0	0	1,500	0	0	0
Travel	190,050	44,000	16,500	11,000	8,000	6,600	2,000
Mileage	22,330	8,650	400	280	200	600	1,000
Local Meetings	41,220	8,000	16,000	5,000	0	800	700
Information Sources	163,846	72,000	32,000	7,250	1,400	8,900	500
Printing/Publication Costs	113,230	0	3,000	50,000	0	1,500	0
Delivery Services	8,816	1,900	1,800	1,000	0	0	0
Freight Charges	700	0	0	500	0	0	0
Postage	69,000	0	0	0	0	0	0
Other-Administrative Exp.	1,100	0	0	0	0	0	0
Total Administrative Expenses	762,496	134,550	69,700	83,530	9,600	18,400	4,200
Professional Services							
Accounting/Audit Fees	143,160	0	0	0	0	0	0
Affirmative Action Fees	17,750	0	0	0	0	0	0
Appraisal/RFP/Lease Fees	160,000	0	0	0	0	0	0
Computer Services	148,000	0	0	0	0	0	0
Engineering Fees	400,000	0	0	0	0	0	0
Graphic Design	71,500	0	0	58,000	0	0	0
Insurance Consultants	57,000	0	0	0	0	0	57,000
Labor Relations/Mediation	35,000	0	0	0	0	0	0
Legal Fees	577,500	0	0	0	0	0	0
Legal-Environmental	75,000	0	0	0	0	0	0
Legislative	150,000	0	0	65,000	0	0	0
Medical Fees	12,000	0	0	0	0	0	0
Planning	1,677,500	0	1,677,000	0	0	0	0
Public Information Services	55,000	0	0	30,000	0	0	0
Recruiting & Employment Fees	12,000	0	0	0	0	0	0
Communications Consultant	9,000	0	0	0	0	0	0
Other/Miscellaneous	63,450	0	0	20,000	20,000	22,000	0
Total Professional Services	3,663,860	0	1,677,500	173,000	20,000	22,000	57,000
Utilities							
Electricity	2,040,000	0	0	0	0	0	0
Heating Fuel	820,000	0	0	0	0	0	0
Sewer	750,000	0	0	0	0	0	0
Water	575,000	0	0	0	0	0	0
Telephone/Telephone-Cellular	187,112	2,400	600	4,800	0	0	0
Total Utilities	4,372,112	2,400	600	4,800	0	0	0

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION • OPERATING BUDGET 1994

Main Office Summary CONTINUED

	<u>Total Main Office</u>	<u>Executive</u>	<u>Planning</u>	<u>Public Affairs</u>	<u>Deputy Airports- General</u>	<u>Deputy Airports- Quality/Wellness</u>	<u>Deputy Airports Insurance</u>
Operating Services/Expenses							
Advertising-General	106,000	0	15,000	83,000	0	0	0
Advertising-Employment	19,000	0	0	0	0	0	0
Advertising-Parking	92,000	0	0	0	0	0	0
Shuttle Services	1,340,675	0	0	0	0	0	0
Lot Tickets	46,500	0	0	0	0	0	0
Management Contract	3,268,200	0	0	0	0	0	0
Met Council Fees	150,500	0	0	0	0	0	0
Employee Programs	67,100	600	100	300	100	1,000	0
Wellness	102,600	0	0	0	0	102,600	0
Events	10,900	0	0	5,500	0	0	0
Bank Charges	139,700	0	0	0	0	0	0
Recycling	2,000	0	0	0	0	0	0
Copy Agreement	137,616	0	0	0	0	0	0
Mediation Fees	10,000	0	0	0	0	0	0
Miscellaneous Charges/Fees	3,500	0	0	0	0	0	0
Service Agreements-Gen. Equip.	45,065	0	0	0	0	1,400	0
Service-Computers	166,100	0	0	2,500	0	0	0
Service-Parking Equipment	175,000	0	0	0	0	0	0
Service-Storm Water Monitoring	1,940,000	0	0	0	0	0	0
Total Operating Services	7,822,456	600	15,100	91,300	100	105,000	0
Maintenance							
Maintenance Cleaning							
Rubbish Disposal	500,000	0	0	0	0	0	0
Total Maintenance-Cleaning	500,000	0	0	0	0	0	0
Maintenance-Equipment							
Maintenance-Equipment Parts	11,000	0	0	0	0	0	0
Equipment-Gas	168,000	0	0	0	0	0	0
Total Maintenance-Equipment	179,000	0	0	0	0	0	0
Total Maintenance	679,000	0	0	0	0	0	0
Depreciation	18,961,329	0	0	0	0	0	0
Other							
General Insurance	945,000	0	0	0	0	0	945,000
Rentals	17,500	7,500	0	0	0	0	0
Licenses/Permits	20,000	0	0	0	0	0	0
Miscellaneous Expenses	6,280	0	0	0	0	0	0
Reimbursed Expenses	(67,110)	0	0	0	0	0	0
Total Other	921,670	7,500	0	0	0	0	945,000
Capital Assets							
Minor Assets-Office Furn.	47,999	0	0	0	0	0	0
Minor Assets-Computers	110,882	0	0	0	0	0	0
Minor Assets-Other	129,601	0	0	0	0	0	0
Total Capital Assets	288,482	0	0	0	0	0	0
Service Center Total	47,784,143	332,545	1,890,492	545,146	150,343	161,500	4,534,246

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION • OPERATING BUDGET 1994

Main Office Summary *CONTINUED*

	<u>Airport Development</u>	<u>General MAC Expenses</u>	<u>General Acct./ Finance</u>	<u>Finance Purchasing</u>	<u>Finance/ Internal Audit</u>	<u>Finance WCF Parking</u>	<u>MIS General</u>	<u>MIS Events</u>
Personnel								
Administrative	549,410	0	579,867	155,370	376,877	0	292,844	35,549
Temps/Seasonal	10,400	0	3,640	0	3,640	0	7,800	0
Commissioner Per Diem	0	0	0	0	0	0	0	0
Employee Insurance	0	0	0	0	0	0	0	0
Pension	0	2,703,893	0	0	0	0	0	0
Training	4,000	0	8,400	14,850	8,950	0	26,000	0
Workers Compensation	0	0	0	0	0	0	0	0
Uniforms	0	0	0	0	2,080	0	0	0
Severance	0	117,253	0	0	0	0	0	0
Total Personnel	563,810	2,821,146	591,907	170,220	391,547	0	326,644	35,549
Administrative Expenses								
Office/Special Supplies	2,004	0	0	72,000	4,700	0	0	0
Computer Supplies	0	0	0	50,000	0	0	15,000	0
Travel	18,000	0	7,500	4,250	4,400	0	16,500	0
Mileage	2,400	0	500	1,450	850	0	900	0
Local Meetings	780	0	420	0	420	0	3,000	0
Information Sources	2,496	0	1,450	850	1,900	0	3,000	0
Printing/Publication Costs	480	0	17,550	17,000	5,000	0	1,000	0
Delivery Services	696	0	400	100	250	0	0	0
Freight Charges	0	0	0	200	0	0	0	0
Postage	0	69,000	0	0	0	0	0	0
Other-Administrative Exp.	0	1,100	0	0	0	0	0	0
Total Administrative Expenses	26,856	70,100	27,820	145,850	17,520	0	39,400	0
Professional Services								
Accounting/Audit Fees	0	0	143,160	0	0	0	0	0
Affirmative Action Fees	0	0	0	0	0	0	0	0
Appraisal RFP/Lease Fees	0	0	0	0	0	0	0	0
Computer Services	0	0	0	0	10,000	115,000	23,000	0
Engineering Fees	340,000	60,000	0	0	0	0	0	0
Graphic Design	0	0	13,500	0	0	0	0	0
Insurance Consultants	0	0	0	0	0	0	0	0
Labor Relations/Mediation	0	0	0	0	0	0	0	0
Legal Fees	0	0	0	0	0	7,500	0	0
Legal-Environmental	0	0	0	0	0	0	0	0
Legislative	0	0	0	0	0	0	0	0
Medical Fees	0	0	0	0	0	0	0	0
Planning	0	0	0	0	0	0	0	0
Public Information Services	0	0	0	0	0	25,000	0	0
Recruiting & Employment Fees	0	0	0	0	0	0	0	0
Communications Consultant	0	0	0	0	0	0	0	0
Other/Miscellaneous	0	0	950	0	0	0	0	0
Total Professional Services	340,000	60,000	157,610	0	10,000	147,500	23,000	0
Utilities								
Electricity	0	2,040,000	0	0	0	0	0	0
Heating Fuel	0	820,000	0	0	0	0	0	0
Sewer	0	750,000	0	0	0	0	0	0
Water	0	575,000	0	0	0	0	0	0
Telephone/Telephone-Cellular	720	175,000	192	0	0	0	600	0
Total Utilities	720	4,360,000	192	0	0	0	600	0

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION • OPERATING BUDGET 1994

Main Office Summary CONTINUED

	Airport Development	General MAC Expenses	Finance General Acct./ Finance	Finance Purchasing	Finance/ Internal Audit	Finance WCF Parking	MIS General	MIS Events
Operating Services/Expenses								
Advertising-General	0	0	0	6,000	0	500	0	0
Advertising-Employment	0	0	0	0	0	0	0	0
Advertising-Parking	0	0	0	0	0	92,000	0	0
Shuttle Services	0	0	0	0	0	1,340,675	0	0
Lot Tickets	0	0	0	0	0	46,500	0	0
Management Contract	0	0	0	0	0	3,268,200	0	0
Met Council Fees	0	150,500	0	0	0	0	0	0
Employee Programs	800	0	1,300	300	800	0	700	59,000
Wellness	0	0	0	0	0	0	0	0
Events	0	0	0	0	0	0	0	3,000
Bank Charges	0	0	67,200	0	0	72,500	0	0
Recycling	0	0	0	2,000	0	0	0	0
Copy Agreement	0	137,616	0	0	0	0	0	0
Mediation Fees	0	0	0	0	0	0	0	0
Miscellaneous Charges/Fees	0	0	3,500	0	0	0	0	0
Service Agreements-Gen. Equip.	0	0	1,200	300	2,125	0	15,000	0
Service-Computers	0	0	0	0	0	45,100	118,500	0
Service-Parking Equipment	0	0	0	0	0	175,000	0	0
Service-Storm Water Monitoring	0	1,940,000	0	0	0	0	0	0
Total Operating Services	800	2,228,116	73,200	8,600	2,925	5,040,475	134,200	62,000
Maintenance								
Maintenance Cleaning								
Rubbish Disposal	0	500,000	0	0	0	0	0	0
Total Maintenance-Cleaning	0	500,000	0	0	0	0	0	0
Maintenance-Equipment								
Maintenance-Equipment Parts	0	0	0	0	1,000	10,000	0	0
Equipment-Gas	0	168,000	0	0	0	0	0	0
Total Maintenance-Equipment	0	168,000	0	0	1,000	10,000	0	0
Total Maintenance	0	668,000	0	0	1,000	10,000	0	0
Depreciation	0	18,961,329	0	0	0	0	0	0
Other								
General Insurance	0	0	0	0	0	0	0	0
Rentals	0	0	0	0	0	0	0	0
Licenses/Permits	0	0	0	20,000	0	0	0	0
Miscellaneous Expenses	0	0	220	0	0	0	0	6,000
Reimbursed Expenses	0	(65,000)	0	0	0	(2,110)	0	0
Total Other	0	(65,000)	220	20,000	0	(2,110)	0	6,000
Capital Assets								
Minor Assets-Office Furn.	0	47,999	0	0	0	0	0	0
Minor Assets-Computers	0	110,882	0	0	0	0	0	0
Minor Assets-Other	0	129,601	0	0	0	0	0	0
Total Capital Assets	0	288,482	0	0	0	0	0	0
Service Center Total	932,186	28,892,173	850,949	344,670	422,992	5,195,865	523,844	103,549

Main Office Summary CONTINUED

	Legislative & Labor Relations	Properties	Affirmative Action	General Counsel	Personnel
Personnel					
Administrative	182,850	291,060	204,531	216,482	238,539
Temps/Seasonal	0	6,240	960	6,760	21,000
Commissioner Per Diem	0	0	0	0	0
Employee Insurance	0	0	0	0	0
Pension	0	0	0	0	0
Training	2,000	6,000	17,900	5,000	39,400
Workers Compensation	0	0	0	0	0
Uniforms	0	0	0	0	800
Severance	0	0	0	0	0
Total Personnel	184,850	303,300	223,391	228,242	299,739
Administrative Expenses					
Office/Special Supplies	0	0	0	0	0
Computer Supplies	0	0	0	0	0
Travel	6,700	17,100	7,500	13,000	7,000
Mileage	600	1,000	2,400	500	600
Local Meetings	1,200	1,000	2,500	400	1,000
Information Sources	4,500	2,500	4,900	20,000	200
Printing/Publication Costs	500	15,000	1,000	0	1,200
Delivery Services	300	1,500	120	250	500
Freight Charges	0	0	0	0	0
Postage	0	0	0	0	0
Other-Administrative Exp.	0	0	0	0	0
Total Administrative Expenses	13,800	38,100	18,420	34,150	10,500
Professional Services					
Accounting/Audit Fees	0	0	0	0	0
Affirmative Action Fees	0	0	17,750	0	0
Appraisal/RFP/Lease Fees	0	160,000	0	0	0
Computer Services	0	0	0	0	0
Engineering Fees	0	0	0	0	0
Graphic Design	0	0	0	0	0
Insurance Consultants	0	0	0	0	0
Labor Relations/Mediation	35,000	0	0	0	0
Legal Fees	0	0	0	570,000	0
Legal-Environmental	0	0	0	75,000	0
Legislative	85,000	0	0	0	0
Medical Fees	0	0	0	0	12,000
Planning	0	0	0	0	0
Public Information Services	0	0	0	0	0
Recruiting & Employment Fees	0	0	0	0	12,000
Communications Consultant	0	0	0	0	9,000
Other/Miscellaneous	0	0	500	0	0
Total Professional Services	120,000	160,000	18,250	645,000	33,000
Utilities					
Electricity	0	0	0	0	0
Heating Fuel	0	0	0	0	0
Sewer	0	0	0	0	0
Water	0	0	0	0	0
Telephone/Telephone-Cellular	1,300	0	0	1,500	0
Total Utilities	1,300	0	0	1,500	0

Main Office Summary CONTINUED

	<u>Legislative & Labor Relations</u>	<u>Properties</u>	<u>Affirmative Action</u>	<u>General Counsel</u>	<u>Personnel</u>
Operating Services/Expenses					
Advertising-General	0	0	1,500	0	0
Advertising-Employment	0	0	0	0	19,000
Advertising-Parking	0	0	0	0	0
Shuttle Services	0	0	0	0	0
Lot Tickets	0	0	0	0	0
Management Contract	0	0	0	0	0
Met Council Fees	0	0	0	0	0
Employee Programs	200	500	400	300	700
Wellness	0	0	0	0	0
Events	0	0	1,400	0	1,000
Bank Charges	0	0	0	0	0
Recycling	0	0	0	0	0
Copy AGreement	0	0	0	0	0
Mediation Fees	10,000	0	0	0	0
Miscellaneous Charges/Fees	0	0	0	0	0
Service Agreements-Gen. Equip.	0	0	0	40	25,000
Service-Computers	0	0	0	0	0
Service-Parking Equipment	0	0	0	0	0
Service-Storm Water Monitoring	0	0	0	0	0
Total Operating Services	10,200	500	3,300	340	45,700
Maintenance					
Maintenance Cleaning					
Rubbish Disposal	0	0	0	0	0
Total Maintenance-Cleaning	0	0	0	0	0
Maintenance-Equipment					
Maintenance-Equipment Parts	0	0	0	0	0
Equipment-Gas	0	0	0	0	0
Total Maintenance-Equipment	0	0	0	0	0
Total Maintenance	0	0	0	0	0
Depreciation	0	0	0	0	0
Other					
General Insurance	0	0	0	0	0
Rentals	0	0	0	0	10,000
Licenses/Permits	0	0	0	0	0
Miscellaneous Expenses	0	0	60	0	0
Reimbursed Expenses	0	0	0	0	0
Total Other	0	0	60	0	10,000
Capital Assets	0	0	0	0	0
Minor Assets-Office Furn.	0	0	0	0	0
Minor Assets-Computers	0	0	0	0	0
Minor Assets-Other	0	0	0	0	0
Total Capital Assets	0	0	0	0	0
Service Center Total	330,150	501,900	263,421	909,232	398,939

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION • OPERATING BUDGET 1994

Minneapolis/St. Paul International Summary

	Total MSP INT'L	Airport Directors Off. General	Airport Directors Off. Technical Sup.	Comm/Ops General	Operations	Communications	Ground Trans. Commercial Vehicle Ops.
Personnel							
Administrative	2,646,722	301,045	66,928	63,682	410,341	310,071	0
Public Safety	4,408,249	0	0	0	0	0	0
Maintenance	5,083,477	0	0	0	0	0	0
Temps/Seasonal	220,505	23,816	36,400	0	0	27,476	0
Training	182,911	8,250	1,750	750	5,850	6,710	4,000
Uniforms	84,360	300	0	0	6,600	755	0
Total Personnel	12,626,224	33,411	105,078	64,432	422,791	345,012	4,000
Administrative Expenses							
Office/Special Supplies	13,947	0	300	0	1,500	0	2,500
Computer Supplies	4,000	0	0	0	0	0	0
Travel	125,353	17,500	2,200	0	7,000	3,480	3,500
Mileage	11,400	200	200	0	400	150	700
Local Meetings	15,430	3,000	0	200	250	200	500
Information Sources	35,705	5,100	525	0	2,250	860	700
Printing Costs	41,200	0	0	7,250	0	0	0
Delivery Services	6,305	1,000	200	500	125	0	0
Freight Charges	5,540	50	0	200	50	0	0
Postage	9,200	9,000	0	0	0	0	0
Other-Administrative Exp.	2,650	0	0	100	0	0	0
Total Administrative Expenses	270,730	35,850	3,425	8,250	11,575	4,690	7,900
Professional Services							
Computer Services	125,000	0	0	0	0	0	50,000
Engineering Fees	646,000	0	0	0	0	0	0
Legal Fees	32,500	0	0	0	0	0	0
Medical Fees	19,600	0	0	0	0	0	0
Pollution/Environmental Fees	6,000	0	0	0	0	0	0
Safety Consultants	3,000	0	0	0	0	0	0
Communications Consultant	21,700	9,000	0	6,000	0	0	4,000
Other/Miscellaneous	159,405	26,000	0	0	17,000	0	5,000
Total Professional Services	1,013,205	35,000	0	6,000	17,000	0	59,000
Utilities							
Telephone-Cellular	21,196	780	0	5,000	0	0	0
Total Utilities	21,196	780	0	5,000	0	0	0
Operating Services/Expenses							
Advertising-General	17,500	15,000	0	0	0	0	0
Hazardous Waste Disposal	63,000	0	0	0	0	0	0
Pollution Control	184,000	0	0	0	0	0	0
Solvent Reclamation Service	10,000	0	0	0	0	0	0
Spill Response	14,000	0	0	0	0	0	0
Tire Disposal	840	0	0	0	0	0	0
Other	600	0	0	0	0	0	0
Ground Transportation Services	39,950	0	0	0	0	0	0
Landside Operations Starter	216,000	0	0	0	0	0	0
Shuttle Services	150,000	0	0	0	0	0	150,000
Employee Programs	30,700	1,000	0	200	800	800	200
Events	78,850	72,200	0	350	1,000	1,000	600
Other Charges/Fees	5,000	0	0	0	0	0	0
Security Services	90,000	0	0	0	0	0	0
Miscellaneous Charges/fees	3,370	0	0	0	0	0	0
Service Agreements-Gen. Equip.	218,275	7,400	0	46,500	8,800	5,320	0
Service-Computers	125,956	0	0	0	0	0	0
Service-Secured Access	185,625	0	0	0	0	0	0
Total Operating Services	1,433,666	95,600	0	47,050	10,600	7,120	150,800
Maintenance							
Maintenance-Trades							
Trades-Painters							
Paint	80,000	0	0	0	0	0	0
Signs	20,000	0	0	0	0	0	0
Supplies	12,800	0	0	0	0	0	0
Trades-Carpenters							
Locks	21,000	0	0	0	0	0	0
Flags	600	0	0	0	0	0	0
Lumber	40,000	0	0	0	0	0	0
Other	15,000	0	0	0	0	0	0
Trades-Plumbers							
Plumbers-Supplies	62,400	0	0	0	0	0	0
Plumbers-Other/Tools	27,500	0	0	0	0	0	0
Plumbers-Systems	35,000	0	0	0	0	0	0
Trades-Electricians							
Wiring	123,396	0	0	0	0	0	0
Other	123,204	0	0	0	0	0	0
Total Maintenance-Trades	560,900	0	0	0	0	0	0

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION • OPERATING BUDGET 1994

Minneapolis/St. Paul International Summary *CONTINUED*

	Total MSP INT'L	Airport Directors Off. General	Airport Directors Off. Technical Sup.	Comm/Ops General	Operations	Communications	Ground Trans. Commercial Vehicle Ops.
Maintenance-Field							
Snow Removal Materials-Liquid Anti Icier	34,000	0	0	0	0	0	0
Snow Removal Materials-							
Other Ice Control	3,600	0	0	0	0	0	0
Snow Removal Materials-Salt	36,000	0	0	0	0	0	0
Snow Removal Materials-Sand	78,000	0	0	0	0	0	0
Snow Removal Materials-Urea	210,000	0	0	0	0	0	0
Snow Removal-Haulers/Others	148,000	0	0	0	0	0	0
Snow Removal-Equipment-No Operators	210,678	0	0	0	0	0	0
Snow Removal-Others	37,200	0	0	0	0	0	0
Surface Repair-Materials	50,500	0	0	0	0	0	0
Surface Repair-Prep	73,500	0	0	0	0	0	0
Surface Repair-Sealant/Re-Bar	27,100	0	0	0	0	0	0
Summer Maintenance-Fencing	15,000	0	0	0	0	0	0
Landscape/Turf-Materials	84,000	0	0	0	0	0	0
Landscape/Turf-Agreement	52,125	0	0	0	0	0	0
Summer Maint. Equip. Rent Long Term	30,948	0	0	0	0	0	0
Summer Maint. Equip. Rent No Oper.	36,000	0	0	0	0	0	0
Maintenance Field-Other	107,000	0	0	0	0	0	0
Total Maintenance-Field	1,233,651	0	0	0	0	0	0
Maintenance-Building							
Building-Temp Control	490,380	0	0	0	0	0	0
Mechanical Areas-Carrousel	182,000	0	0	0	0	0	0
Mechanical Areas-Conveyors	78,000	0	0	0	0	0	0
Mechanical Areas-Doors/Pub	54,710	0	0	0	0	0	0
Mechanical Areas-Doors/Tug	5,680	0	0	0	0	0	0
Mechanical Areas-Doors	20,000	0	0	0	0	0	0
Mechanical Areas-Elevators	113,000	0	0	0	0	0	0
Mechanical Areas-Escalator	58,000	0	0	0	0	0	0
Mechanical Areas-Other	43,850	0	0	0	0	0	0
Building-Other	6,250	0	0	0	0	0	0
Other-Boiler Chemicals	10,000	0	0	0	0	0	0
Other-Roofing	37,000	0	0	0	0	0	0
Other-Supplies	62,210	0	0	0	0	0	0
Other-Tools	20,600	0	0	0	0	0	0
Total Maintenance-Building	1,181,680	0	0	0	0	0	0
Maintenance-Cleaning							
Cleaning Services Contracts	2,606,691	0	0	0	0	0	0
Cleaning Supplies	179,069	0	0	0	0	0	0
Towel & Laundry Services	4,970	0	0	0	0	0	0
Other Cleaning Expenses	20,032	0	0	0	0	0	0
Total Maintenance-Cleaning	2,810,762	0	0	0	0	0	0
Maintenance-Equipment							
Maintenance-Equipment Parts	434,625	0	0	0	6,925	0	0
Equipment-Shop Supplies	152,992	0	0	0	0	0	0
Equipment-Extinguishers	7,000	0	0	0	0	0	0
Equipment-Miscellaneous Exp.	5,750	0	0	0	1,250	0	0
Total Maintenance-Equipment	600,367	0	0	0	8,175	0	0
Total Maintenance	6,387,360	0	0	0	8,175	0	0
Other							
Safety	24,675	0	0	0	0	0	0
Medical Information/Supply	18,350	0	0	0	0	0	0
Rentals	34,500	8,500	0	0	0	0	0
Licenses/Permits	1,300	0	0	0	0	0	0
Miscellaneous Expenses	63,185	750	0	0	2,500	0	0
Reimbursed Expenses	(1,052,890)	(209,945)	0	0	0	0	0
Total Other	(910,880)	(200,695)	0	0	2,500	0	0
Service Center Total	20,841,501	299,946	108,503	130,732	472,641	356,822	221,700

Minneapolis/St. Paul International Summary CONTINUED

	Ground Trans. Automated Vehicle Sys.	Ground Trans. General Services	Fire Training	Fire Rescue	Police General Office	Police Narcotics	Police Administration/ Training
Personnel							
Administrative	0	143,095	52,139	0	238,346	0	133,711
Public Safety	0	0	0	1,622,789	0	353,957	0
Maintenance	0	0	0	0	0	0	0
Temps/Seasonal	0	0	0	0	0	0	0
Training	0	0	24,300	0	0	0	76,231
Uniforms	0	0	0	16,440	450	0	21,675
Total Personnel	0	143,095	76,439	1,639,229	238,796	353,957	231,617
Administrative Expenses							
Office/Special Supplies	0	0	0	0	0	2,172	0
Computer-Supplies	0	0	0	0	0	0	0
Travel	0	0	5,000	0	0	4,498	15,000
Mileage	0	0	2,000	0	0	0	3,500
Local Meetings	0	0	0	0	0	0	0
Information Sources	0	0	4,000	600	0	0	4,603
Printing Costs	0	0	0	600	5,050	0	0
Delivery Services	0	0	0	60	450	0	0
Freight Charges	0	0	0	120	0	0	0
Postage	0	0	0	0	200	0	0
Other-Administrative Exp.	0	0	0	0	0	0	0
Total Administrative Expenses	0	0	11,000	1,380	5,700	6,670	23,103
Professional Services							
Computer Services	70,000	0	0	0	0	0	0
Engineering Fees	0	0	0	0	0	0	0
Legal Fees	0	0	0	0	0	0	0
Medical Fees	0	0	12,600	0	0	0	7,000
Pollution/Environmental Fees	0	0	0	0	0	0	0
Safety Consultants	0	0	0	0	0	0	0
Communications Consultant	0	0	0	2,700	0	0	0
Other/Miscellaneous	0	0	0	0	0	5,880	12,000
Total Professional Services	70,000	0	12,600	2,700	0	5,880	19,000
Utilities							
Telephone-Cellular	0	0	360	1,080	0	0	0
Total Utilities	0	0	360	1,080	0	0	0
Operating Services/Expenses							
Advertising-General	0	0	0	0	0	0	0
Hazardous Waste Disposal	0	0	0	0	0	0	0
Pollution Control	0	0	0	0	0	0	0
Solvent Reclamation Service	0	0	0	0	0	0	0
Spill Response	0	0	0	0	0	0	0
Tire Disposal	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Ground Transportation Services	39,950	0	0	0	0	0	0
Landside Operations Starter	0	216,000	0	0	0	0	0
Shuttle Services	0	0	0	0	0	0	0
Employee Programs	0	0	3,700	0	0	0	8,100
Events	0	0	0	2,500	0	0	0
Other Charges/Fees	0	0	0	0	0	0	0
Security Services	0	0	0	0	0	0	0
Miscellaneous Charges/Fees	0	0	120	0	0	0	0
Service Agreements-General Equipment	38,000	3,000	0	16,800	6,106	0	2,500
Service-Computers	0	0	0	0	14,956	0	0
Service-Secured Areas	0	0	0	0	0	0	0
Total Operating Services	77,950	219,000	3,820	19,300	21,062	0	10,600
Maintenance-Trades							
Trades-Painters	0	0	0	0	0	0	0
Paint	0	0	0	0	0	0	0
Signs	0	0	0	0	0	0	0
Supplies	0	0	0	0	0	0	0
Trades-Carpenters							
Locks	0	0	0	0	0	0	0
Flags	0	0	0	0	0	0	0
Lumber	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Trades-Plumbers							
Plumbers-Supplies	0	0	0	0	0	0	0
Plumbers-Other/Tools	0	0	0	0	0	0	0
Plumbers-Systems	0	0	0	0	0	0	0
Trades-Electricians							
Wiring	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Total Maintenance-Trades	0	0	0	0	0	0	0

Minneapolis/St. Paul International Summary CONTINUED

	Ground Trans. Automated Vehicle Sys.	Ground Trans. General Services	Fire Training	Fire Rescue	Police General Office	Police Narcotics	Police Administration/ Training
Maintenance-Field							
Snow Removal Materials-Liquid Anti Icier	0	0	0	0	0	0	0
Snow Removal Materials-Other Ice Control	0	0	0	0	0	0	0
Snow Removal Materials-Salt	0	0	0	0	0	0	0
Snow Removal Materials-Sand	0	0	0	0	0	0	0
Snow Removal Materials-Urea	0	0	0	0	0	0	0
Snow Removal-Haulers/Others	0	0	0	0	0	0	0
Snow Removal-Equipment No Operators	0	0	0	0	0	0	0
Snow Removal-Others	0	0	0	0	0	0	0
Surface Repair-Materials	0	0	0	0	0	0	0
Surface Repair-Prep	0	0	0	0	0	0	0
Surface Repair-Sealant/Re-Bar	0	0	0	0	0	0	0
Summer Maintenance-Fencing	0	0	0	0	0	0	0
Landscape/Turf-Materials	0	0	0	0	0	0	0
Landscape/Turf-Agreement	0	0	0	0	0	0	0
Summer Maint. Equip. Rent Long Term	0	0	0	0	0	0	0
Summer Maint. Equip. Rent No Oper.	0	0	0	0	0	0	0
Maintenance Field-Other	0	0	0	0	0	0	0
Total Maintenance-Field	0	0	0	0	0	0	0
Maintenance-Building							
Building-Temp Control	0	0	0	0	0	0	0
Mechanical Areas-Carrousel	0	0	0	0	0	0	0
Mechanical Areas-Conveyors	0	0	0	0	0	0	0
Mechanical Areas-Doors/Pub	0	0	0	0	0	0	0
Mechanical Areas-Doors/Tug	0	0	0	0	0	0	0
Mechanical Areas-Doors	0	0	0	0	0	0	0
Mechanical Areas-Elevators	0	0	0	0	0	0	0
Mechanical Areas-Escalator	0	0	0	0	0	0	0
Mechanical Areas-Other	0	0	0	0	0	0	0
Building-Other	0	0	0	0	0	0	0
Other-Boiler Chemicals	0	0	0	0	0	0	0
Other-Roofing	0	0	0	0	0	0	0
Other-Supplies	0	0	0	0	0	0	0
Other-Tools	0	0	0	0	0	0	0
Total Maintenance-Building	0	0	0	0	0	0	0
Maintenance-Cleaning							
Cleaning Services Contracts	0	0	0	0	0	0	0
Cleaning Supplies	0	0	0	0	0	0	0
Towel & Laundry Services	0	0	0	0	0	0	0
Other Cleaning Expenses	0	0	0	1,800	0	0	0
Total Maintenance-Cleaning	0	0	0	1,800	0	0	0
Maintenance-Equipment							
Maintenance-Equipment Parts	0	0	0	0	0	0	3,000
Equipment-Shop Supplies	0	0	0	0	0	0	0
Equipment-Extinguishers	0	0	0	7,000	0	0	0
Equipment-Miscellaneous Exp.	4,500	0	0	0	0	0	0
Total Maintenance-Equipment	4,500	0	0	7,000	0	0	3,000
Total Maintenance	4,500	0	0	8,800	0	0	3,000
Other							
Safety	0	0	0	0	0	0	1,175
Medical Information/Supply	0	0	0	5,000	0	0	0
Rentals	0	0	0	0	0	0	0
Licenses/Permits	0	0	0	100	0	0	0
Miscellaneous Expenses	0	0	600	40,000	0	0	8,735
Reimbursed Expenses	0	(3,165)	0	(188,845)	0	0	0
Total Other	0	(3,165)	600	(143,745)	0	0	9,910
Service Center Total	152,450	358,930	104,819	1,528,744	265,558	366,507	297,230

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION • OPERATING BUDGET 1994

Minneapolis/St. Paul International Summary CONTINUED

	Police Patrol/CSO'S	Police Security	Police Investigation	Environment General	Environment Safety/ Environment	Environment Part 150	Environment Aviation Noise Prog.
Personnel							
Administrative	0	0	0	106,792	86,705	101,577	303,437
Public Safety	2,184,208	111,046	136,249	0	0	0	0
Maintenance	0	0	0	0	0	0	0
Temps/Seasonal	0	0	0	0	0	22,880	7,280
Training	0	0	0	1,000	5,600	4,000	11,100
Uniforms	12,500	0	0	0	0	0	0
Total Personnel	2,196,708	111,046	136,249	107,792	92,305	128,457	321,817
Administrative Expenses							
Office/Special Supplies	5,000	0	975	0	0	0	0
Computer-Supplies	0	0	0	0	0	0	4,000
Travel	0	0	0	4,000	2,000	4,000	6,000
Mileage	0	0	0	120	800	0	500
Local Meetings	2,500	0	0	200	500	1,980	1,000
Information Sources	0	0	0	0	3,950	0	4,000
Printing Costs	3,100	0	0	0	200	3,000	22,000
Delivery Services	0	0	0	0	600	0	1,200
Freight Charges	0	0	0	0	1,200	0	1,500
Postage	0	0	0	0	0	0	0
Other-Administrative Exp.	0	0	0	0	0	0	0
Total Administrative Expenses	10,600	0	975	4,320	9,250	8,980	40,200
Professional Services							
Computer Services	0	0	0	0	0	5,000	0
Engineering Fees	0	0	0	0	604,000	0	42,000
Legal Fees	0	0	32,500	0	0	0	0
Medical Fees	0	0	0	0	0	0	0
Pollution/Environmental Fees	0	0	0	0	6,000	0	0
Safety Consultants	0	0	0	0	3,000	0	0
Communications Consultant	0	0	0	0	0	0	0
Other/Miscellaneous	0	31,125	0	0	0	0	0
Total Professional Services	0	31,125	32,500	0	613,000	5,000	42,000
Utilities							
Telephone-Cellular	2,300	0	0	0	0	0	0
Total Utilities	2,300	0	0	0	0	0	0
Operating Services/Expenses							
Advertising-General	2,500	0	0	0	0	0	0
Hazardous Waste Disposal	0	0	0	0	63,000	0	0
Pollution Control	0	0	0	0	184,000	0	0
Solvent Reclamation Service	0	0	0	0	10,000	0	0
Spill Response	0	0	0	0	14,000	0	0
Tire Disposal	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Ground Transportation Services	0	0	0	0	0	0	0
Landside Operations Starter	0	0	0	0	0	0	0
Shuttle Services	0	0	0	0	0	0	0
Employee Programs	0	0	0	300	0	200	0
Events	0	0	0	1,200	0	0	0
Other Charges/Fees	5,000	0	0	0	0	0	0
Security Services	0	90,000	0	0	0	0	0
Miscellaneous Charges/Fees	1,200	0	2,050	0	0	0	0
Service Agreements-General Equipment	6,300	0	0	0	0	0	0
Service-Computers	3,000	0	0	0	0	8,000	100,000
Service-Secured Areas	0	185,625	0	0	0	0	0
Total Operating Services	18,000	275,625	2,050	1,500	271,000	8,200	100,000
Maintenance-Trades							
Trades-Painters	0	0	0	0	0	0	0
Paint	0	0	0	0	0	0	0
Signs	0	0	0	0	0	0	0
Supplies	0	0	0	0	0	0	0
Trades-Carpenters							
Locks	0	0	0	0	0	0	0
Flags	0	0	0	0	0	0	0
Lumber	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Trades-Plumbers							
Plumbers-Supplies	0	0	0	0	0	0	0
Plumbers-Other/Tools	0	0	0	0	0	0	0
Plumbers-Systems	0	0	0	0	0	0	0
Trades-Electricians							
Wiring	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Total Maintenance-Trades	0	0	0	0	0	0	0

Minneapolis/St. Paul International Summary CONTINUED

	Police Patrol/CSO'S	Police Security	Police Investigation	Environment General	Environment Safety/ Environment	Environment Part 150	Environment Aviation Noise Prog.
Maintenance-Field							
Snow Removal Materials-Liquid Anti Icier	0	0	0	0	0	0	0
Snow Removal Materials-Other Ice Control	0	0	0	0	0	0	0
Snow Removal Materials-Salt	0	0	0	0	0	0	0
Snow Removal Materials-Sand	0	0	0	0	0	0	0
Snow Removal Materials-Urea	0	0	0	0	0	0	0
Snow Removal-Haulers/Others	0	0	0	0	0	0	0
Snow Removal-Equipment No Operators	0	0	0	0	0	0	0
Snow Removal-Others	0	0	0	0	0	0	0
Surface Repair-Materials	0	0	0	0	0	0	0
Surface Repair-Prep	0	0	0	0	0	0	0
Surface Repair-Sealant/Re-Bar	0	0	0	0	0	0	0
Summer Maintenance-Fencing	0	0	0	0	0	0	0
Landscape/Turf-Materials	0	0	0	0	0	0	0
Landscape/Turf-Agreement	0	0	0	0	0	0	0
Summer Maint. Equip. Rent Long Term	0	0	0	0	0	0	0
Summer Maint. Equip. Rent No Oper.	0	0	0	0	0	0	0
Maintenance Field-Other	0	0	0	0	0	0	0
Total Maintenance-Field	0	0	0	0	0	0	0
Maintenance-Building							
Building-Temp Control	0	0	0	0	0	0	0
Mechanical Areas-Carrousel	0	0	0	0	0	0	0
Mechanical Areas-Conveyors	0	0	0	0	0	0	0
Mechanical Areas-Doors/Pub	0	0	0	0	0	0	0
Mechanical Areas-Doors/Tug	0	0	0	0	0	0	0
Mechanical Areas-Doors	0	0	0	0	0	0	0
Mechanical Areas-Elevators	0	0	0	0	0	0	0
Mechanical Areas-Escalator	0	0	0	0	0	0	0
Mechanical Areas-Other	0	0	0	0	0	0	0
Building-Other	0	0	0	0	0	0	0
Other-Boiler Chemicals	0	0	0	0	0	0	0
Other-Roofing	0	0	0	0	0	0	0
Other-Supplies	0	0	0	0	0	0	0
Other-Tools	0	0	0	0	0	0	0
Total Maintenance-Building	0	0	0	0	0	0	0
Maintenance-Cleaning							
Cleaning Services Contracts	0	0	0	0	0	0	0
Cleaning Supplies	0	0	0	0	0	0	0
Towel & Laundry Services	0	0	0	0	0	0	0
Other Cleaning Expenses	0	0	0	0	0	0	0
Total Maintenance-Cleaning	0	0	0	0	0	0	0
Maintenance-Equipment							
Maintenance-Equipment Parts	18,700	0	0	0	0	0	0
Equipment-Shop Supplies	0	0	0	0	0	0	0
Equipment-Extinguishers	0	0	0	0	0	0	0
Equipment-Miscellaneous Exp.	0	0	0	0	0	0	0
Total Maintenance-Equipment	18,700	0	0	0	0	0	0
Total Maintenance	18,700	0	0	0	0	0	0
Other							
Safety	0	0	0	0	23,500	0	0
Medical Information/Supply	3,750	0	0	0	9,600	0	0
Rentals	0	0	0	0	0	0	6,000
Licenses/Permits	0	0	0	0	0	0	0
Miscellaneous Expenses	0	0	0	0	0	0	0
Reimbursed Expenses	(472,640)	0	0	0	0	0	0
Total Other	(468,890)	0	0	0	33,100	0	6,000
Service Center Total	1,777,418	417,796	171,774	113,612	1,018,655	150,637	510,017

Minneapolis/St. Paul International Summary CONTINUED[illegible]

Minneapolis/St. Paul International Summary CONTINUED

	HHH Terminal	Facilities Administration	Facilities Lindbergh Terminal	Facilities Green Concourse	Facilities Energy Mgmt. Center	Facilities Outside	Facilities West	Trade Electricians
Maintenance-Field								
Snow Removal Materials-Liquid Anti Icier	0	0	0	0	0	0	0	0
Snow Removal Materials-Other Ice Control	0	0	0	0	0	0	0	0
Snow Removal Materials-Salt	0	0	0	0	0	0	0	0
Snow Removal Materials-Sand	0	0	0	0	0	0	0	0
Snow Removal Materials-Urea	0	0	0	0	0	0	0	0
Snow Removal-Haulers/Others	0	0	0	0	0	0	0	0
Snow Removal-Equipment No Operators	0	0	0	0	0	0	0	0
Snow Removal-Others	0	0	0	0	0	0	0	0
Surface Repair-Materials	0	0	0	0	0	0	0	0
Surface Repair-Prep	0	0	0	0	0	0	0	0
Surface Repair-Sealant/Re-Bar	0	0	0	0	0	0	0	0
Summer Maintenance-Fencing	0	0	0	0	0	0	0	0
Landscape/Turf-Materials	0	0	0	0	0	0	0	0
Landscape/Turf-Agreement	0	0	0	0	0	0	0	0
Summer Maint. Equip. Rent Long Term	0	0	0	0	0	0	0	0
Summer Maint. Equip. Rent No Oper.	0	0	0	0	0	0	0	0
Maintenance Field-Other	0	0	0	0	0	0	0	0
Total Maintenance-Field	0	0	0	0	0	0	0	0
Maintenance-Building								
Building-Temp Control	0	0	192,000	41,500	60,000	63,880	133,000	0
Mechanical Areas-Carrousel	0	0	150,000	0	0	32,000	0	0
Mechanical Areas-Conveyors	0	0	58,000	0	0	20,000	0	0
Mechanical Areas-Doors/Pub	0	0	40,000	240	0	14,470	0	0
Mechanical Areas-Doors/Tug	0	0	5,000	0	0	680	0	0
Mechanical Areas-Doors	0	0	0	0	0	0	20,000	0
Mechanical Areas-Elevators	0	0	60,000	10,000	0	40,000	3,000	0
Mechanical Areas-Escalator	0	0	42,000	5,000	0	11,000	0	0
Mechanical Areas-Other	0	0	3,250	600	0	0	40,000	0
Building-Other	0	0	6,000	250	0	0	0	0
Other-Boiler Chemicals	0	0	0	0	7,000	0	3,000	0
Other-Roofing	0	0	10,000	1,750	0	5,250	20,000	0
Other-Supplies	0	0	28,800	400	1,500	27,510	4,000	0
Other-Tools	0	0	7,200	600	5,100	7,200	500	0
Total Maintenance-Building	0	0	602,250	60,340	73,600	221,990	223,500	0
Maintenance-Cleaning								
Cleaning Services Contracts	0	0	1,538,000	432,400	0	520,010	116,281	0
Cleaning Supplies	0	0	119,000	14,960	0	30,000	14,119	390
Towel & Laundry Services	1,650	0	1,700	0	0	0	0	900
Other Cleaning Expenses	0	0	11,000	3,000	3,200	0	0	1,032
Total Maintenance-Cleaning	1,650	0	1,669,700	450,360	3,200	550,010	130,400	0
Maintenance-Equipment								
Maintenance-Equipment Parts	4,000	0	0	0	12,000	0	0	0
Equipment-Shop Supplies	0	0	0	0	3,000	0	0	1,992
Equipment-Extinguishers	0	0	0	0	0	0	0	0
Equipment-Miscellaneous Exp.	0	0	0	0	0	0	0	0
Total Maintenance-Equipment	4,000	0	0	0	15,000	0	0	1,992
Total Maintenance	5,650	0	2,271,950	510,700	91,800	772,000	353,900	250,914
Other								
Safety	0	0	0	0	0	0	0	0
Medical Information/Supply	0	0	0	0	0	0	0	0
Rentals	0	0	0	0	0	0	0	12,000
Licenses/Permits	0	0	0	0	0	0	0	1,200
Miscellaneous Expenses	600	0	0	0	0	0	10,000	0
Reimbursed Expenses	0	0	(49,585)	0	0	0	(63,300)	0
Total Other	600	0	(49,585)	0	0	0	(53,300)	13,200
Service Center Total	69,280	167,309	2,502,649	510,700	650,499	772,000	411,082	823,063

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION • OPERATING BUDGET 1994

Minneapolis/St. Paul International Summary *CONTINUED*

	Trade Painters	Trade Carpenters	Trade Plumbers	Maintenance Field/ Administration	Maintenance Equipment Purchase	Maintenance General
Personnel						
Administrative	0	0	0	0	65,620	74,739
Public Safety	0	0	0	0	0	0
Maintenance	210,166	200,635	140,767	3,079,855	0	0
Temps/Seasonal	20,342	0	0	75,551	0	0
Training	800	750	400	8,760	1,200	1,500
Uniforms	1,800	1,800	1,100	12,000	0	0
Total Personnel	233,108	203,185	142,267	3,176,166	66,820	76,239
Administrative Expenses						
Office/Special Supplies	0	0	0	1,200	0	300
Computer-Supplies	0	0	0	0	0	0
Travel	1,200	0	0	25,000	3,975	9,000
Mileage	0	0	0	480	0	0
Local Meetings	0	0	0	0	0	2,000
Information Sources	72	0	0	2,400	400	2,125
Printing Costs	0	0	0	0	0	0
Delivery Services	0	0	0	1,200	0	150
Freight Charges	0	0	0	600	0	0
Postage	0	0	0	0	0	0
Other-Administrative Exp.	0	0	0	0	0	0
Total Administrative Expenses	1,272	0	0	30,880	4,375	13,575
Professional Services						
Computer Services	0	0	0	0	0	0
Engineering Fees	0	0	0	0	0	0
Legal Fees	0	0	0	0	0	0
Medical Fees	0	0	0	0	0	0
Pollution/Environmental Fees	0	0	0	0	0	0
Safety Consultants	0	0	0	0	0	0
Communications Consultant	0	0	0	0	0	0
Other/Miscellaneous	0	0	0	0	0	55,000
Total Professional Services	0	0	0	0	0	55,000
Utilities						
Telephone-Cellular	0	0	0	1,800	240	840
Total Utilities	0	0	0	1,800	240	840
Operating Services/Expenses						
Advertising-General	0	0	0	0	0	0
Hazardous Waste Disposal	0	0	0	0	0	0
Pollution Control	0	0	0	0	0	0
Solvent Reclamation Service	0	0	0	0	0	0
Spill Response	0	0	0	0	0	0
Tire Disposal	0	0	0	840	0	0
Other	0	0	0	600	0	0
Ground Transportation Services	0	0	0	0	0	0
Landside Operations Starter	0	0	0	0	0	0
Shuttle Services	0	0	0	0	0	0
Employee Programs	500	2,500	0	7,500	100	600
Events	0	0	0	0	0	0
Other Charges/Fees	0	0	0	0	0	0
Security Services	0	0	0	0	0	0
Miscellaneous Charges/Fees	0	0	0	0	0	0
Service Agreements-General Equipment	0	0	0	1,560	3,000	57,600
Service-Computers	0	0	0	0	0	0
Service-Secured Areas	0	0	0	0	0	0
Total Operating Services	500	2,500	0	10,500	3,100	58,200
Maintenance-Trades						
Trades-Painters						
Paint	80,000	0	0	0	0	0
Signs	20,000	0	0	0	0	0
Supplies	12,800	0	0	0	0	0
Trades-Carpenters						
Locks	0	21,000	0	0	0	0
Flags	0	600	0	0	0	0
Lumber	0	40,000	0	0	0	0
Other	0	15,000	0	0	0	0
Trades-Plumbers						
Plumbers-Supplies	0	0	62,400	0	0	0
Plumbers-Other/Tools	0	0	27,500	0	0	0
Plumbers-Systems	0	0	35,000	0	0	0
Trades-Electricians						
Wiring	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total Maintenance-Trades	112,800	76,600	124,900	0	0	0

Minneapolis/St. Paul International Summary CONTINUED

	Trade Painters	Trade Carpenters	Trade Plumbers	Maintenance Field/ Administration	Maintenance Equipment Purchase	Maintenance General
Maintenance-Field						
Snow Removal Materials-Liquid Anti Icier	0	0	0	34,000	0	0
Snow Removal Materials-Other Ice Control	0	0	0	3,600	0	0
Snow Removal Materials-Salt	0	0	0	36,000	0	0
Snow Removal Materials-Sand	0	0	0	78,000	0	0
Snow Removal Materials-Urea	0	0	0	210,000	0	0
Snow Removal-Haulers/Others	0	0	0	148,000	0	0
Snow Removal-Equipment No Operators	0	0	0	210,678	0	0
Snow Removal-Others	0	0	0	37,200	0	0
Surface Repair-Materials	0	0	0	50,500	0	0
Surface Repair-Prep	0	0	0	73,500	0	0
Surface Repair-Sealant/Re-Bar	0	0	0	27,100	0	0
Summer Maintenance-Fencing	0	0	0	15,000	0	0
Landscape/Turf-Materials	0	0	0	24,000	0	60,000
Landscape/Turf-Agreement	0	0	0	0	0	52,125
Summer Maint. Equip. Rent Long Term	0	0	0	30,948	0	0
Summer Maint. Equip. Rent No Oper.	0	0	0	36,000	0	0
Maintenance Field-Other	0	0	0	27,000	0	80,000
Total Maintenance-Field	0	0	0	1,041,526	0	192,125
Maintenance-Building						
Building-Temp Control	0	0	0	0	0	0
Mechanical Areas-Carrousel	0	0	0	0	0	0
Mechanical Areas-Conveyors	0	0	0	0	0	0
Mechanical Areas-Doors/Pub	0	0	0	0	0	0
Mechanical Areas-Doors/Tug	0	0	0	0	0	0
Mechanical Areas-Doors	0	0	0	0	0	0
Mechanical Areas-Elevators	0	0	0	0	0	0
Mechanical Areas-Escalator	0	0	0	0	0	0
Mechanical Areas-Other	0	0	0	0	0	0
Building-Other	0	0	0	0	0	0
Other-Boiler Chemicals	0	0	0	0	0	0
Other-Roofing	0	0	0	0	0	0
Other-Supplies	0	0	0	0	0	0
Other-Tools	0	0	0	0	0	0
Total Maintenance-Building	0	0	0	0	0	0
Maintenance-Cleaning						
Cleaning Services Contracts	0	0	0	0	0	0
Cleaning Supplies	0	0	0	0	600	0
Towel & Laundry Services	0	0	0	0	720	0
Other Cleaning Expenses	0	0	0	0	0	0
Total Maintenance-Cleaning	0	0	0	0	1,320	0
Maintenance-Equipment						
Maintenance-Equipment Parts	0	0	0	0	390,000	0
Equipment-Shop Supplies	600	0	0	15,000	132,400	0
Equipment-Extinguishers	0	0	0	0	0	0
Equipment-Miscellaneous Exp.	0	0	0	0	0	0
Total Maintenance-Equipment	600	0	0	15,000	522,400	0
Total Maintenance	113,400	76,600	124,900	1,056,526	523,720	192,125
Other						
Safety	0	0	0	0	0	0
Medical Information/Supply	0	0	0	0	0	0
Rentals	6,000	2,000	0	0	0	0
Licenses/Permits	0	0	0	0	0	0
Miscellaneous Expenses	0	0	0	0	0	0
Reimbursed Expenses	0	0	0	(65,410)	0	0
Total Other	6,000	2,000	0	(65,410)	0	0
Service Center Total	354,280	284,285	267,167	4,210,462	598,255	395,979

Reliever Airport Summary

	<u>Reliever Total</u>	<u>Relievers Administration</u>	<u>Relievers St. Paul</u>	<u>Relievers Lake Elmo</u>	<u>Relievers Airlake</u>	<u>Relievers Flying Cloud</u>	<u>Relievers Crystal</u>	<u>Relievers Anoka</u>
Personnel								
Administrative	343,619	343,619	0	0	0	0	0	0
Maintenance	921,637	0	330,692	87,718	84,006	162,561	125,774	130,886
Temps/Seasonal	24,616	0	24,616	0	0	0	0	0
Training	25,000	15,000	2,500	1,000	1,000	2,500	1,500	1,500
Uniforms	12,126	0	3,726	1,200	1,200	2,400	1,800	1,800
Total Personnel	1,326,998	358,619	361,534	89,918	86,206	167,461	129,074	134,186
Administrative Expenses								
Office/Special Supplies	5,000	5,000	0	0	0	0	0	0
Travel	10,625	10,625	0	0	0	0	0	0
Mileage	1,500	1,500	0	0	0	0	0	0
Local Meetings	3,000	3,000	0	0	0	0	0	0
Information Sources	2,000	2,000	0	0	0	0	0	0
Delivery Services	500	500	0	0	0	0	0	0
Freight Charges	750	750	0	0	0	0	0	0
Other-Administrative Exp.	3,480	3,480	0	0	0	0	0	0
Total Administrative Expenses	26,855	26,855	0	0	0	0	0	0
Utilities								
Telephone	4,000	4,000	0	0	0	0	0	0
Total Utilities	4,000	4,000	0	0	0	0	0	0
Operating Services/Expenses								
Advertising-Relievers	9,000	9,000	0	0	0	0	0	0
Tire Disposal	500	500	0	0	0	0	0	0
Employee Programs	2,700	500	700	200	200	400	400	300
Events	2,100	2,100	0	0	0	0	0	0
Security Services	40,000	0	40,000	0	0	0	0	0
Copy Agreement	2,500	2,500	0	0	0	0	0	0
Miscellaneous Charges/Fees	1,400	1,400	0	0	0	0	0	0
Total Operating Services	58,200	16,000	40,700	200	200	400	400	300
Maintenance								
Maintenance-Trades								
Trades-Painters								
Signs	2,500	0	1,500	500	500	0	0	0
Supplies	1,500	0	500	500	500	0	0	0
Trades-Carpenters								
Locks	700	0	500	100	100	0	0	0
Flags	200	0	200	0	0	0	0	0
Lumber	11,300	0	4,500	2,000	2,000	650	1,500	650
Trades-Plumbers								
Other/Tools	17,500	0	7,500	2,000	2,000	2,000	2,000	2,000
Trades-Electricians								
Wiring	20,600	0	11,000	2,400	2,400	1,600	1,600	1,600
Lighting	20,600	0	11,000	2,400	2,400	1,600	1,600	1,600
Other	4,900	0	100	1,200	1,200	800	800	800
Total Maintenance-Trades	79,800	0	36,800	11,100	11,100	6,650	7,500	6,650

Reliever Airport Summary

	<u>Reliever Total</u>	<u>Relievers Administration</u>	<u>Relievers St. Paul</u>	<u>Relievers Lake Elmo</u>	<u>Relievers Airlake</u>	<u>Relievers Flying Cloud</u>	<u>Relievers Crystal</u>	<u>Relievers Anoka</u>
Maintenance-Field								
Snow Removal Materials-Salt	3,500	0	1,000	500	500	500	500	500
Snow Removal Materials-Sand	16,000	0	7,500	2,000	2,000	1,500	1,500	1,500
Snow Removal Materials-Urea	13,600	0	7,500	2,000	2,000	700	700	700
Snow Removal-Haulers/Others	6,000	0	2,000	2,000	2,000	0	0	0
Snow Removal-Equipment No Operators	44,100	0	12,000	10,000	2,000	10,050	0	10,050
Snow Removal-Others	6,000	0	0	0	0	2,000	2,000	2,000
Surface Repair-Materials	61,600	0	12,000	9,500	9,500	9,500	10,200	10,200
Surface Repair-Prep	5,000	0	5,000	0	0	0	0	0
Summer Maintenance-Fencing	11,500	0	5,000	500	0	2,000	2,000	2,000
Landscape/Turf-Materials	30,000	0	5,000	5,000	5,000	5,000	5,000	5,000
Landscape/Turf-Agreement	10,000	0	5,000	2,500	2,500	0	0	0
Field Maint-Other-Material	5,000	0	0	1,000	1,000	1,000	1,000	1,000
Field Maint-Other-Supplies	1,000	0	1,000	0	0	0	0	0
Field Maint-Other-Tool	2,000	0	500	300	300	300	300	300
Total Maintenance-Field	215,300	0	63,500	35,300	26,800	33,250	23,200	33,250
Maintenance Building								
Building-Temp Control	17,500	0	7,500	2,000	2,000	2,000	2,000	2,000
Mechanical Areas-Doors	12,000	0	5,000	1,000	3,000	1,000	1,000	1,000
Mechanical Areas-Elevators	2,500	0	2,500	0	0	0	0	0
Other-Boiler Chemicals	500	0	500	0	0	0	0	0
Other-Roofing	33,000	0	15,000	2,000	10,000	2,000	2,000	2,000
Other-Supplies	13,500	0	2,000	2,000	2,000	2,500	2,500	2,500
Other-Tools	8,000	0	2,500	2,000	2,000	500	500	500
Total Maintenance-Building	87,000	0	35,000	9,000	19,000	8,000	8,000	8,000
Maintenance-Cleaning								
Cleaning Services Contracts	27,296	0	25,496	0	0	0	1,800	0
Cleaning Supplies	7,800	0	5,000	500	500	600	600	600
Towel & Laundry Services	2,800	0	1,500	200	200	300	300	300
Total Maintenance-Cleaning	37,896	0	31,996	700	700	900	2,700	900
Maintenance-Equipment								
Maintenance-Equipment Parts	85,000	0	30,000	0	0	55,000	0	0
Equipment-Shop Supplies	20,000	0	20,000	0	0	0	0	0
Equipment-Miscellaneous Exp.	22,000	0	12,000	0	0	10,000	0	0
Total Maintenance-Equipment	127,000	0	125,992	1,400	1,400	66,800	5,400	1,800
Total Maintenance	546,996	0	293,288	57,500	59,000	115,600	46,800	50,600
Other								
Medical Information/Supply	900	0	0	0	0	300	300	300
Rentals	9,500	2,000	0	0	0	2,500	2,500	2,500
License/Permits	3,600	0	1,800	0	0	600	600	600
Miscellaneous	11,000	2,000	2,000	5,000	500	500	500	500
Reimbursed Expenses	(130,000)	(130,000)	0	0	0	0	0	0
Total Other	(105,000)	(126,000)	3,800	5,000	500	3,900	3,900	3,900
Service Center Total	1,858,049	279,474	699,322	152,618	145,906	287,361	180,174	188,986

Personnel Activity

The Personnel Activity chart shows headcount changes for the three most recent years as well as budgets for the current year and the year just passed. The summary information details transfers/changes and vacancies as of 9/30/93. The summary information also includes a listing of the Service Centers which roll up into the department summary listed below. The Service Centers reflect recording costs at a lower level. This change is the result of the new computer system.

Department	1991 Actual Personnel	1992 Actual Personnel	Current Personnel 9/30/93	1993 Budgeted Personnel	1994 Budgeted Personnel
Main Office					
Executive	4	5	5	5	5
Public Affairs	3	3	3	3	3
Deputy	4	4	4	4	4
Airport Planning & Development	9	9	9	10	10
Finance	24	24	24	24	25
Management Information Systems	5	7	7	7	7
Labor & Legislative Relations	3	3	3	3	3
Properties	5	5	5	5	5
Affirmative Action	4	4	4	4	4
General Counsel	4	4	4	4	4
Personnel	5	6	6	6	6
Total Main Office	70	74	74	75	76
MSP International					
Airport Directors Office	7	7	7	7	7
Operations	15	16	17	17	17
Ground Transportation	2	3	3	3	3
Fire	34	38	37	38	38
Police	80	76	73	82	82
Noise Abatement/Environment	14	14	15	16	16
HHH Terminal	1	1	1	1	1
Lindbergh Terminal (a)	15	15	14	15	11
Energy Management Center	12	12	12	13	13
West Terminal Area	2	2	2	3	3
Trades (a)	20	20	24	24	24
Field Maintenance	76	78	73	75	76
Total MSP International	278	282	278	294	291
Reliever Airports	26	27	27	28	28
Total Personnel	374	383	379	397	395

Summary Information

The following positions were vacant as of September 30, 1993:

7 CSO's-Police	1 Assistant Chief Engineer-Energy Management Center
2 Officers-Police	1 Building Worker-West Terminal Area
1 Secretary-Airport Development	1 Maintenance Manager-Maintenance
1 Firefighter-Fire	1 Computer Specialist-Maintenance
1 Part 150 Specialist-Noise/Environment	1 Electrician-St. Paul

There was one new position approved for 1994, an Assistant Internal Audit position in Finance. In late 1993 a Building Service Worker retired. This position at the Lindbergh Terminal will not be filled. Of the vacancies listed above, two will not be filled in 1994: Maintenance Manager and Computer Specialist.

The following transfers/changes were approved in 1993:

- a. Transfer the plumbers from the Lindbergh Terminal to Trades

Personnel Activity CONTINUED

Department/Service Center Listing

Main Office

Executive-General (75000), Commissioners (75100) and Planning (75500)
 Public Affairs-(76000)
 Deputy Airports-General (76500), Quality (76600), Wellness (76700) and Insurance (76800)
 Airport Planning & Development-General (77000) and Professional Services (77500)
 Finance-Accounting/Finance (78000), General MAC Expense (78100), Purchasing (78200),
 WCF Finance (78300) and WCF Parking (78400)
 Management Information Systems-General (79000) and Events (79100)
 Labor & Legislative Relations-(79500)
 Properties-(80000)
 Affirmative Action-General (80500), Administration (80600) and Contract Compliance (80700)
 General Counsel-(81000)
 Personnel-(81500)

MSP International

Airport Directors Office-General (82000) and Technical Support (82100)
 Operations-General (82500), Operations (82600) and Communications (82700)
 Ground Transportation-(83400)
 Fire-Training (83500) and Rescue (83600)
 Police-General (84000), Narcotics (84100), Administration/Training (84200), Patrol/CSO's
 (84300), Security (84400), Investigation (84500) and Emergency Services (84600)
 Environment-General (85000), Safety/Environment (85100), Part 150 (85200) and Aviation
 Noise Programs (85300)
 HHH Terminal-(85500)
 Lindbergh Terminal-Administration (86000) and Terminal (86100)
 Energy Management Center-(86300)
 West Terminal Area-(87000)
 Trades-Electricians (88000), Painters (88100), Carpenters (88200) and Plumbers (88300)
 Maintenance-Field (89000), General (89200) and Equipment Purchase (89300)

Relievers

St. Paul (90200), Lake Elmo (90300), Airlake (90400), Flying Cloud (90500), Crystal (90600)
 and Anoka (90700)

Description of Budget Preparation & Amendment Process

DESCRIPTION OF BUDGET PREPARATION & AMENDMENT PROCESS

The following paragraphs describe how the budget is prepared and amended.

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. (Except for the Flow of Funds which is prepared on a cash flow basis.)

In previous years the budget process did not change significantly from year to year. The 1994 budget process included a number of significant changes which were the direct result of the new financial information system. In the onset of the implementation of the new financial information system it was determined that the 1994 budget would be prepared via the new system. This allowed less than ten months to document the old budget process, review the budget philosophy, learn the new system, interview each department/service center at least twice in order to identify their financial needs and verify their response, set up a new chart of accounts, determine the budget process for 1994, implement any possible process improvements identified during the information gathering phase and finally, train everyone in how to prepare their 1994 budget.

The design of the new system gave MAC the opportunity to address the concerns and needs for financial information from all departments. Many of the key problems will be resolved through the new financial information system. The new system will allow direct access of financial information through a personnel computer. This will allow service centers to have on line direct access to all financial information. They will be able to inquire and analyze their financial status without seeking help from the Finance Department. Service centers with special needs for financial information will be able to correlate individual reports based upon their inquiries.

Each department also requested specific increases in the level of detail in the chart of accounts. The new financial system can be reported on several different levels of detail from the lowest which includes all lines to the highest which includes totals by headings. This allows a great deal of flexibility when inquiring and preparing financial information. (The service center detail for the 1994 budget is reported at a subheadings level).

The major change to the budget process was the transfer of budget responsibility from the Finance Department to the individual departments and/or service centers. In addition, the majority of the 1994 budget was prepared to on the personnel computer via a Lotus spreadsheet. Each service center budget specialist had to be trained on both budgeting and Lotus 1-2-3.

Service Center

Service Centers are the lowest level of the department detail. Many of the departments at MAC actually include several areas of responsibility and control. These areas have been deemed service centers. Previously there was not a separate budget for each of the service centers. Budgeting for these areas was included in the department balance. This prevented a department director from having a separate budget for each service center. Now departments can budget at the service center level of detail.

Description of Budget Preparation & Amendment Process CONTINUED**Budget Specialist**

The budget specialist is an employee from each department or service center who is responsible for making sure all forms are completed and proceed for signature. In addition, the budget specialist also inputs and forecasts the budget on the personnel computer.

Controllable Expenses

Because MAC receives reimbursement for operating of the airport via the rates charged to the airlines the budget was also prepared on the same concept. Expenses were budgeted and charged through allocations to all appropriate departments. Therefore, an individual budget would include line items in which the department head had no responsibility or control. This made monitoring of the department budget very difficult. In addition, this also confused the budgeting process. Often these costs were budgeted by a multitude of departments. Each had to be summarized and allocated by line item and department.

Controllable expenses allow a service center to budget for those line items they have direct responsibilities and control, regardless of the use by any other service areas.

Bottom Line Management

Typically budget variances are reviewed by line item. Starting in 1994, budget variances will be reviewed by bottom line total. The budget will still be prepared by line item, but department directors will have the authority to make alternate decisions based upon department needs.

Budget Process

Preliminary work on the budget normally begins in May. However because of the new financial systems, preliminary work began in April. During this month historical information was packaged for each service center. Templates were set up on the system for each service center. Budget specialists were assigned by each department and training for input of budget information was scheduled for the first part of May.

In May all budget specialists were trained on the use of Lotus for budget purposes. Upon completion of training, the budget packages were distributed. Specialists and their respective departments had two weeks to complete the Personnel section, three weeks for the Equipment section and four-five weeks to complete the Operating Expense section. While this was in the process, inflation factors were updated, labor contracts and wage adjustments estimated, preliminary budget prepared, and meetings to update the Budget Task Force were held.

Personnel and new equipped requests were reviewed during June. Upon approval by Senior Staff these requests were presented to the Budget Task Force for review and recommendation. For 1994 one new position (Assistant Internal Auditor) was approved and approximately \$2.0 million in capital equipment.

During the balance of June, all of July and the first half of August summary information on expense is compiled and historical revenue data is put together. Airline rates are then calculated and final revenue figures are available. Revisions to expense are done while revenue figures are being compiled. When all revenue and expense is completed, staff reviews and revisions are completed as required.

During September presentations are prepared for the Budget Task Force and Senior Staff. Also, supporting schedules are completed. By mid to late September budget packages are distributed to the airlines and the Budget Task Force. The month of October is reserved for presentations to the Budget Task Force and the airlines.

Description of Budget Preparation & Amendment Process CONTINUED

Preliminary approval is given by the Budget Task Force in late October. A commissioner seminar on the 1994 Operating Budget is held in early November. With the recommendation from the Budget Task Force and the informational meetings held, preliminary approval is requested at the November full Commission meeting. The reason for preliminary approval is because MAC is now required to hold "Truth in Taxation" hearings. This is new legislation passed in early 1993. Two hearings must be held, one in late November and one in early December. MAC is not proposing to levy taxes in 1994 and has not levied taxes since 1969. Final approval of the 1994 Operating Budget is expected at the December Commission meeting. Rate changes will be sent out as usual toward the end of November based upon preliminary approval from the full Commission.

This calendar gives an overview of the process:

MONTH	TASK
April	<ul style="list-style-type: none"> - Service Center historical information prepared - Budget specialists identified - Templates for service centers set up on computers - Training schedule prepared
May	<ul style="list-style-type: none"> - Training of budget specialists - Packages distributed-Personnel, Equipment, Operating Expenses - Determine inflation factors, wage and contracts adjustments - Historical information gathering process started - Prepare preliminary budget - Personnel section completed
June	<ul style="list-style-type: none"> - Present preliminary budget to Management & Operations Committee - Budget Task Force update - Equipment requests due and reviewed - Operating Expense section due late in month
July	<ul style="list-style-type: none"> - Equipment requests finalized - Summary information/schedules prepared - Revenue analysis begins - Revisions to expense initiated
August	<ul style="list-style-type: none"> - Budget Task Force update - Revenue completed - Expense revisions
September	<ul style="list-style-type: none"> - Presentation information compiled - Packages distributed to airlines and Budget Task Force - Expense revisions
October	<ul style="list-style-type: none"> - Presentation (2) to Budget Task Force - Presentation/meeting with the airlines
November	<ul style="list-style-type: none"> - Staff presentation - Commissioner seminar-1994 Operating Budget - Preliminary Commission approval - Notice of rate changes to all tenants - Truth in Taxation hearing
December	<ul style="list-style-type: none"> - Continuation of Truth in Taxation hearing as required - Final Commission approval

Description of Budget Preparation & Amendment Process *CONTINUED***AMENDING PROCESS**

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

“8(a) Established 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 the disbursements made pursuant to terms of the contract within the constraints of the budget for all contract payments, except final construction contract payments which shall require Commission approval.

The Executive Director 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 procedure and be subject to the line-item budget constraints of the annual budget.

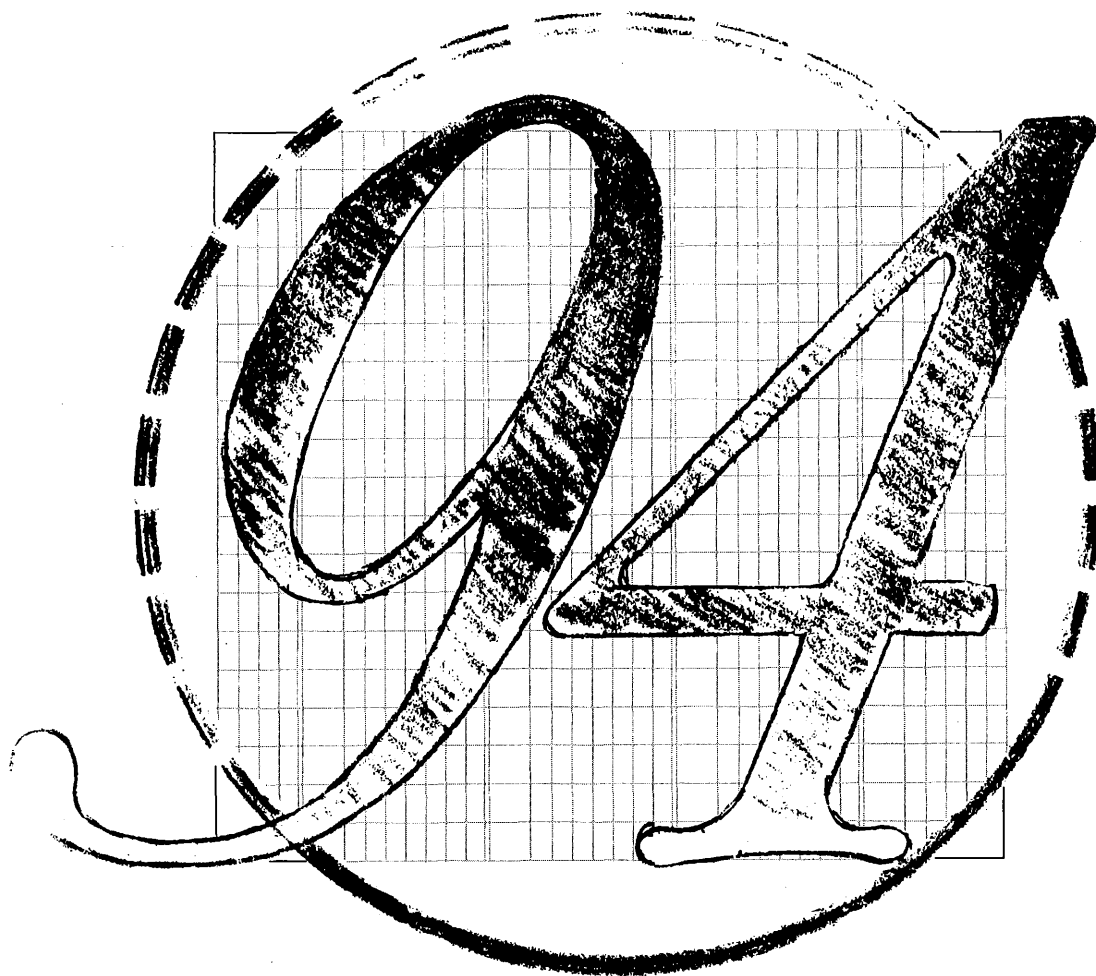
At any time during the fiscal year, the Executive Director may recommend to the full Commission that all or any unencumbered appropriation balances of individual line-items be transferred to those line-items that require additional budgeted funds. In addition, the Executive Director may recommend to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

The individual line-items will include the following:

- | | |
|--|---|
| <p>1. Personnel
 Salaries & Wages
 Benefits
 Commissioner Per Diem
 Total Personnel</p> | <p>6. Maintenance
 Trades
 Building
 Field
 Equipment
 Cleaning

 Total Maintenance</p> |
| <p>2. Administrative Expenses</p> | <p>7. Depreciation</p> |
| <p>3. Professional Services</p> | <p>8. Other
 General Insurance
 Other
 Reimbursed Expense
 Total Other
 Total Expense</p> |
| <p>4. Utilities</p> | |
| <p>5. Operating Services
 Parking Management
 Shuttle Bus Services
 Service Agreements
 Storm Water Monitoring
 Other
 Total Operating Services</p> | |

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. (See Taxing Authority below.)

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:

1994	\$92,025,683
1995	\$91,403,039
1996	\$89,761,297
1997	\$87,398,628
1998	\$84,549,425

Future debt service payments after December 31, 1993, are as follows (dollars in thousands):

<u>Year(s)</u>	<u>Airport Improvement Bonds</u>	<u>General Obligation Bonds</u>	<u>Total Outstanding Bonds</u>	<u>Interest</u>	<u>Total Principal & Interest</u>
1994	\$ 2,850	\$ 10,155	\$ 13,005	\$ 36,270	\$ 49,275
1995	3,000	8,660	11,600	34,163	45,823
1996	3,145	8,945	12,090	33,503	45,593
1997	3,305	9,070	12,375	32,812	45,187
1998	2,405	9,440	11,845	32,094	43,939
1999-2022	2,475	382,280	384,755	459,680	844,435
	<u>\$17,180</u>	<u>\$428,550</u>	<u>\$445,730</u>	<u>\$628,522</u>	<u>\$1,074,252</u>

In 1993 MAC issued Series 10 for \$29 million. This issue was used to refund Series 1 and Series 6 bonds. Authority for issuing bonds is obtained from the Minnesota State Legislature. Currently the authorization permits issuance of an additional \$55 million of bonds.

TAXING AUTHORITY

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

- (1) The power to levy property taxes on land leased at the Airport for police and fire protection, operation, and maintenance of roadway systems;

Debt Service/Capital Spending CONTINUED

- (2) The power to levy property taxes not in excess of .00806 percent in each year upon the taxable market value of all property in the Metropolitan Area for Airport operation and maintenance costs of airport facilities, provided revenues are not otherwise available; and
- (3) The power to levy unlimited property taxes upon all taxable property in the Metropolitan Area in amounts necessary to pay debt service on Bonds issued by the Commission and to maintain the Debt Service Fund balance required.

With respect to taxes levied on leased land, (paragraph 1 above) the Commission is not currently levying taxes on land leased at the Airport.

Although the Commission may levy property taxes to pay debt service on Commission Bonds and for operation and maintenance expenses according to paragraphs (2) and (3) above, the Commission is not currently levying taxes for these purposes. The Commission has entered into agreements in accordance with the Airport Law and the Resolution, whereby rentals received by the Commission, together with other charges, rates, and fees imposed by the Commission, are sufficient to meet all expense of debt service and of operation and maintenance of the Commission's property. In the event that funds become unavailable to maintain the Debt Service Fund balance required for payment of the Commission's Bonds, the Commission would be required to levy an ad valorem tax upon the current net tax capacity of all taxable property in the Metropolitan Area to provide funds for the debt service on the Commission's Bonds. The Commission has never defaulted on payments of principal or interest on its outstanding Bonds.

If the Commission were to have levied a tax based on the 1992/93 taxable market value, the maximum amount available for maintenance and operations of the Commission would have been \$7,283,875.

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 the following sources:

a) General Obligation Revenue Bonds, b) state or federal grants, c) internally generated funds from operations and interest income, 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), and e) Federal Noise Funds. These funds are used to carry out FAA approved noise compatibility programs and noise insulation projects for communities surrounding the airport.

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 sources as appropriate. The capital program below is estimated to be funded as follows:

Current MAC Funds/Future Net Revenues	12%
PFCs	55%
Federal Noise Funds	16%
Other Federal/State Funds	17%

Debt Service/Capital Spending *CONTINUED*

Anticipated projects planned for 1994 and 1995 as well as the extended period 1996-2000 are summarized here. (The amounts shown represent the estimated total costs for projects planned to be initiated but not necessarily completed during that period in 1993 dollars. For budgeting purposes, a September 24, 1993, cut-off was used to determine dollars, timing, and location of projects listed.) There have been some revisions, but they will have little effect on 1994. The Capital Improvement Program is anticipated to be approved in November.

(Dollars in thousands)	<u>1994</u>	<u>1995</u>	<u>1996-2000</u>	<u>TOTAL 1994-2000</u>
Minneapolis/St. Paul Int'l				
Field & Runway	\$ 36,450	\$ 17,775	\$181,275	\$235,500
Environmental	40,400	42,300	114,000	196,700
Terminal Building & Other	15,300	35,750	14,350	65,400
St. Paul Downtown Airport	3,035	3,600	6,280	12,915
Flying Cloud Airport	310	5,000	9,000	14,310
Crystal Airport	370	585	750	1,705
Anoka County Airport	4,035	0	2,660	6,695
Lake Elmo Airport	200	0	1,700	1,900
Airlake Airport	1,450	0	700	2,150
	<u>\$101,550</u>	<u>\$105,010</u>	<u>\$330,715</u>	<u>\$537,275</u>

Approximately \$338 million or 63% of the total program can be attributed to six major projects at MSP International. The table below details these specific projects:

(Dollars in thousands)	<u>Time Period</u>	<u>Total Cost</u>	<u>% PFC Funded</u>	<u>% Federal and/or State Air Funded</u>	<u>% MAC Funded</u>
Category/Project					
Field & Runway					
Pavement Rehabilitation Runway 11R/29L	1999-2000	\$ 35,000	90%	10%	0%
Storm Water Collection & Treatment System	1994-1999	89,500	100	0	0
Runway 4/22 Noise Mitigation	1994-1998	22,500	20	80	0
Environmental					
Home Insulation/Home Buyouts	1994-2000	115,200	64	30	6
New Ford Town/Rich Acres Acquisition	1994-1996	55,500	20	80	0
School Noise Abatement Projects	1995-1999	20,000	50	25	25
Totals		<u>\$337,700</u>	<u>66%</u>	<u>31%</u>	<u>3%</u>

The Capital Improvement Program to be approved in 1993 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.

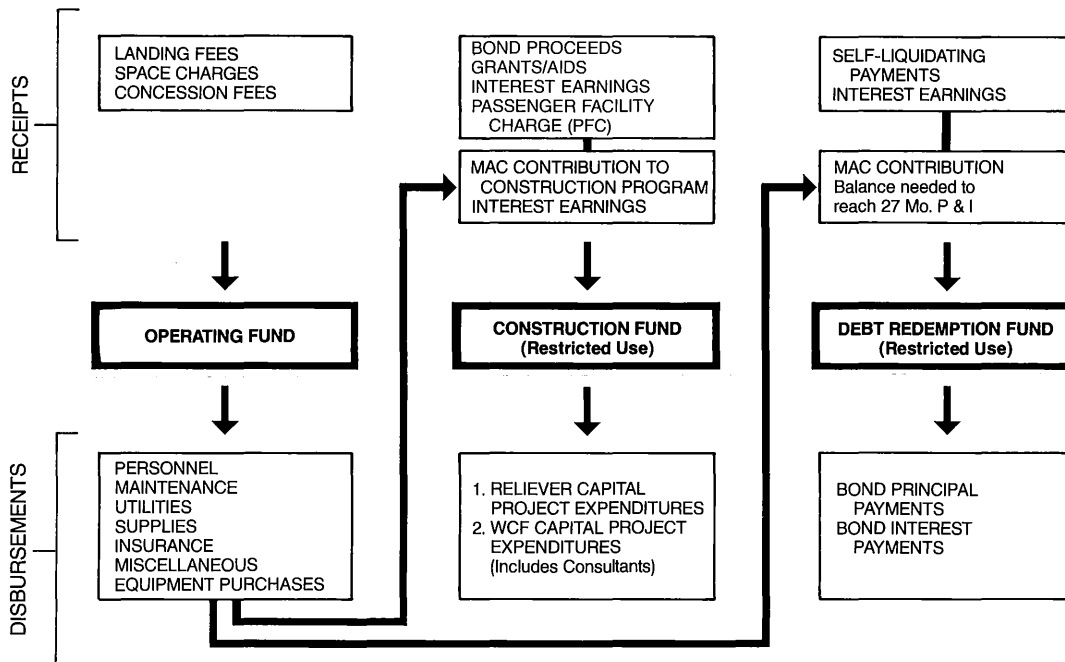
For planning purposes, each year the Operating Budget and Capital Improvement Plan are approved, a seven year forecast is prepared. This forecast utilizes the information in the above documents to project revenue, expense and bonding needs over the seven year period covered in the Capital Improvement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



The "Projection of Fund Balances" chart shown after the various "Fund" explanations is not prepared according to GAAP. It is prepared on a cash basis in order to show cash flow through the funds. When projecting the fund balances MAC's policy is as follows:

1. On October 10 of each year, MAC is required to have 27 months of principal and interest in the Debt Service Fund.

Flow of Cash Receipts and Disbursements CONTINUED

2. On December 31 of each year, MAC determines the balance required to maintain four months of working capital in its Operating Fund. This amount for 1993 is \$16.0 million. Any excess dollars over and above this \$16.0 million balance is transferred to the Construction Fund.
3. Maintain the current AAA bond rating given MAC by Moody's and Standard and Poor's.
4. Generate sufficient revenue to support the entire airport system without the use of taxes. (MAC has not levied for debt service or operations since 1969.)

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 each of 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 four months working capital, currently \$16.0 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.

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

1. The balance on 1/1 increased from \$7,265,000 in 1992 to \$16 million for 1993 and 1994. This was done primarily because of the financial condition of Northwest Airlines and the industry in general. This past summer MAC reviewed the working capital amount and time period. This review changed the period from three months to four months and the total dollars from approximately \$2.5 million/month to \$4 million/month.
2. The increase in Operating Revenue from 1991 to 1993 is due primarily to Traffic and Concessions. (See the Revenue Assumptions section for further explanation.)
3. Operating Expense increase from 1991 to 1993 are due to Personnel, Maintenance, Operating Services and Depreciation. (See the 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 (which were initiated 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 line in the Construction Fund section of the chart shows a significant change from 1992. The reason for this is that a number of projects were completed in early 1992. These include: Vertical Circulation/Skyways, Parking Deck Level II and Terminal

Flow of Cash Receipts and Disbursements CONTINUED

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 were partially reimbursed through PFCs. The increase in the ending balance for 1994 can be attributed to the collection of PFCs for two full years. The main use of these funds will be the construction of the Ground Transportation Center and the Upper and Lower Level Roadways. Significant dollars are scheduled to be expended for these projects in 1995.

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 \$46 million change in the beginning balance (1992-1993) can be attributed to the issuance of Series 8 (MAC Construction Financing) in February 1992 for \$45 million and Series 9 (Northwest Financing package) in April 1992 for \$270 million.

The accompanying charts illustrate the flow of money through these major funds and shows actual 1992, estimated 1993 and projected 1994 fund balances.

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION • OPERATING BUDGET 1994

Projection of Fund Balances

	Actual 1992	Estimated 1993	Budget 1994
OPERATING FUND			
1/1 Balance	\$7,265,000	\$16,000,000	\$16,000,000
Receipts			
Operating Revenues	65,130,000	68,789,000	75,799,000
Interest Earnings ¹	12,318,000	12,288,000	12,500,000
Total Receipts	\$77,448,000	\$81,077,000	\$88,299,000
Disbursements			
Operating Expenses (Excludes Depreciation)	(45,234,000)	(47,566,000)	(51,523,000)
Equipment Purchases	(1,691,000)	(2,900,000)	(2,085,000)
Sinking Fund Transfer	(19,525,000)	(21,874,000)	(20,172,000)
Est. 4 Month Operating Balance	(16,000,000)	(16,000,000)	(16,000,000)
Total Disbursements	(\$82,450,000)	(\$88,340,000)	(\$89,780,000)
Net Change in Working Capital ²	\$2,275,000	\$1,263,000	(\$2,019,000)
Available for Construction Program	<u>\$4,538,000</u>	<u>\$10,000,000</u>	<u>\$12,500,000</u>
CONSTRUCTION FUND			
1/1 Balance	\$37,983,000	\$32,470,000	\$56,546,000
Receipts			
Transfer from Operating Fund	4,538,000	10,000,000	12,500,000
Interest Earnings ¹	2,383,000	1,266,000	1,200,000
Grants in Aid of Construction	8,182,000	7,957,000	31,020,000
NWA Construction Loan Repay	2,619,000	4,860,000	4,860,000
Passenger Facility Charges	11,444,000	29,643,000	26,541,000
Bond Proceeds	40,179,000	0	0
Other Receipts	2,521,000	360,000	0
Total Receipts	\$71,866,000	\$54,086,000	\$76,121,000
Disbursements			
Project Expenditures	(31,600,000)	(30,010,000)	(73,349,000)
NWA Loan	(45,000,000)	0	0
Transfer to Debt Service	(779,000)	0	0
Total Disbursements	(\$77,379,000)	(\$30,010,000)	(\$73,349,000)
Ending Balance	<u>\$32,470,000</u>	<u>\$56,546,000</u>	<u>\$59,318,000</u>
DEBT SERVICE FUND			
1/1 Balance	\$26,664,000	\$72,586,000	\$94,402,000
Receipts			
Transfer from Operating Fund	19,525,000	21,874,000	20,172,000
Interest Earnings ¹	3,177,000	3,200,000	3,381,000
Transfer from Construction Fund	41,843,000	0	0
Bond Proceeds	4,069,000	28,777,000	0
NWA Payments	16,360,000	23,960,000	23,960,000
Total Receipts	\$84,974,000	\$77,811,000	\$47,513,000
Disbursements			
Principal & Interest Payment	(\$39,052,000)	(\$55,995,000)	(\$67,069,000)
Ending Balance	<u>\$72,586,000</u>	<u>\$94,402,000</u>	<u>\$74,846,000</u>

¹Interest Rate Assumed 3.50%

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

Approved Equipment Requests 1994

The approved equipment requests for 1994 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, 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 includes individual detail justifications for those service centers whose total approved equipment requests exceed \$35,000.

Summary

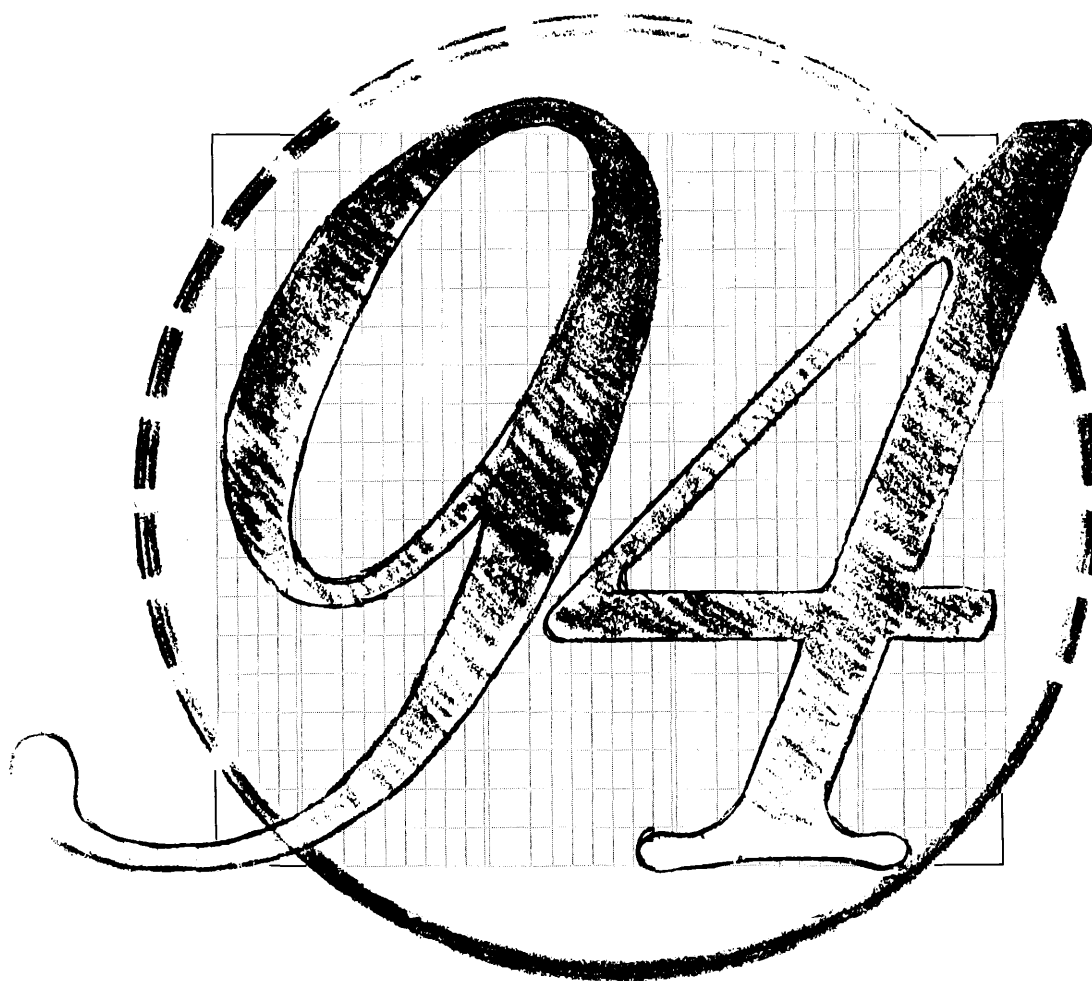
Main Office	\$273,819
MSP International	1,485,040
Relievers	326,319
Total	<u>\$2,085,178</u>

Service Center Name	Description Of Equipment	Purchase Price	Purpose
Main Office MIS	AS/400 & Network Upgrades	\$225,000	Included are disk upgrades, memory upgrades, file servers, interface cards, modems and host modules. These items are needed for the continued implementation of the Strategic Information Plan and the final phase of the infrastructure improvements at the Main Office.
Main Office	Other Equipment Less Than \$35,000	48,819	All pieces of equipment have a purchase price less than \$35,000. Included in this total are: change machines (10) and fireproof file cabinets.
Total Main Office Purchases		<u>\$273,819</u>	
MSP International Ground Transportation	Automatic Pay Station	\$100,000	The pay station will be installed at the commercial roadway for use by ground transportation operators. The unit will accept cash and credit cards and will support the AVI system and Ground Transportation Ordinance.
HHH Terminal	Security Unit	45,000	This equipment will secure six conveyor openings and one overhead gate for the gate area at the terminal. Advised by the FFA.
Electricians	Step Van	55,000	Replacement of 1981 unit. Used to service field lights and navigation equipment.
Painters	Runway Stripper	135,000	Allows use of water based paints on runways, parking lots, and roadways. Eliminates use of thinners, reduces accumulation of hazardous waste and provides a safer working environment.
Field Maintenance	Sand Truck	135,000	Additional unit for faster anti-ice sanding of field.
Field Maintenance	(5) 4WD HP Tractors	240,000	Replacement of 5 ten year old units with high hours of usage. These units are essential for year-round maintenance.
Field Maintenance	Airport Sweeper	135,000	Replacement of old unit with excessive hours of usage. Used for AOA streets and parking lots.
Field Maintenance	Truck With Plow	200,000	Replacement of 1981 unit. Because of age no guarantee on availability of parts.
Environment/Part 150 Program	Geographic Information System	39,000	Required for presentation of quality output for Part 150 Program.
Environment/Aviation	ANOMS Upgrade	42,000	Necessary to link noise and operation data to Part 150 sound insulation implementation.
MSP International	Other Equipment Less Than \$35,000	<u>359,040</u>	All pieces of equipment have a purchase price less than \$35,000. Included in this total are: seating benches, copier, handheld radios, (4) vehicles, air quality monitoring equipment, elevator lift, floor/walkway cleaning machine, sawdust extractor, (4) 4WD trucks, power shear (8 ft.), break (8 ft.), forklift (10 ft.), file server, auxiliary data processor, FIDS monitor and sign making computer
Total MSP International Purchases		<u>\$1,485,040</u>	

Approved Equipment Requests 1994 CONTINUED

Service Center Name	Description Of Equipment	Purchase Price	Purpose
Relievers Airlake	120 Horsepower 4X4 Tractor	\$55,000	Additional building area completed in 1993 requires a four wheel drive unit.
Flying Cloud	4 Wheel Sweeper	135,000	Currently this equipment is shared with the east side airports. It will be used on runways, taxiways and aircraft movement areas.
Relievers	Other Equipment Less Than \$35,000	<u>136,319</u>	All pieces of equipment have a purchase price less than \$35,000. Included in this total are: fireproof file cabinets, pusher plow for L-8000 truck, (2) mowers, 15 ton trailer, (3) vehicles and mover with wings (12 ft).
Total Reliever Purchases		<u>\$326,319</u>	
Total All Purchases		<u>\$2,085,178</u>	

Statistical



Historical Revenue/Expense and Facility Comparison

In this section three comparisons are analyzed:

1. A summary comparison with dollars and percentages of 1983 revenue and expense versus 1992 revenue and expense.
2. A comparison of revenue and expense with dollars and percentages of 1992 actual, estimated 1993 and budgeted 1994.
3. A comparison of facilities in 1984 and 1993.

These comparisons are shown to point out that both revenue and expense from 1983 and that the categories within revenue and expense do fluctuate as a percentage of total, but overall, the changes in percentages are not significant. Also, the facilities comparison shows that expanded facilities at the MAC affect all areas.

HISTORICAL REVENUE & EXPENSE SUMMARY 1983 VS 1992

	1983		1992		1983-1992 Change	Annual % Increase
	\$	%	\$	%	\$	
Revenue						
Traffic	7,775,000	24.26%	19,634,000	30.15%	11,859,000	10.84%
Concessions	15,713,000	49.03%	28,882,000	44.35%	13,169,000	7.00%
Rentals	6,909,000	21.56%	14,286,000	21.93%	7,377,000	8.41%
Other	1,649,000	5.15%	2,328,000	3.57%	679,000	3.91%
Total Operating Revenue	32,046,000	100.00%	65,130,000	100.00%	33,084,000	8.20%
Expenses						
Personnel	10,162,000	36.82%	22,308,000	35.29%	12,146,000	9.13%
Administrative Expense	249,000	0.90%	923,000	1.46%	674,000	15.67%
Professional Services	776,000	2.81%	4,813,000	7.61%	4,037,000	22.48%
Utilities	2,831,000	10.26%	4,412,000	6.98%	1,581,000	5.05%
Operating Services	2,618,000	9.49%	5,907,000	9.35%	3,289,000	9.46%
Maintenance	3,715,000	13.46%	7,090,000	11.22%	3,375,000	7.45%
Depreciation	7,198,000	26.08%	17,976,000	28.44%	10,778,000	10.70%
Other	50,000	0.18%	(220,000)	-0.35%	(270,000)	-20.00%
Total Operating Expenses	27,599,000	100.00%	63,209,000	100.00%	35,610,000	9.64%
Operating Income	4,447,000 ^a		1,921,000 ^a		(2,526,000)	

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

The first comparison, 1983 versus 1992, emphasizes the following two results:

1. A greater portion of revenue is now generated from the Traffic category with a corresponding decrease to Concessions. This change is the result of significant increases in the cost of pollution control on the Traffic side (See Revenue Assumptions-Landing Fee and Ramp Fee) and little growth on the Concessions side.
2. The annual percentage increase in revenue from 1983 to 1992 (8.20%) was less than the annual percentage increase in expense from 1983 to 1992 (9.64%). Over this 10-year period expenses grew at a slightly higher rate than revenue.

Historical Revenue/Expense and Facility Comparison CONTINUED

HISTORICAL REVENUE & EXPENSE SUMMARY 1992-1994								
	Actual 1992		Estimated 1993		Budgeted 1994		1992-1994	Annual %
	\$	%	\$	%	\$	%	Change	Increase
							\$	
Revenue								
Traffic	19,633,447	30.14%	20,384,000	29.63%	24,739,566	32.64%	5,106,119	12.25%
Concessions	28,882,282	44.35%	31,442,000	45.71%	33,863,901	44.68%	4,981,619	8.28%
Rentals	14,286,051	21.93%	14,714,000	21.39%	14,975,076	19.75%	689,025	2.38%
Other	2,328,530	3.58%	2,249,100	3.27	2,220,100	2.93%	(108,430)	-2.36%
Total Operating Revenue	65,130,310	100.00%	68,789,100	100.00%	75,798,643	100.00%	10,668,333	7.88%
Expenses								
Personnel	22,308,000	35.29%	22,975,000	35.05%	24,265,959	34.43%	1,957,959	4.30%
Administrative Expense	923,000	1.46%	1,041,000	1.060,081	1,500,000	1.50%	137,081	7.17%
Professional Services	4,813,000	7.61%	8,000,000	4,677,065	6,640,000	(135,935)	-1,420,000	-1.42%
Utilities	4,412,000	6.98%	4,200,000	6.41%	4,397,308	6.24%	(14,692)	-0.17%
Operating Services	5,907,000	9.35%	6,760,000	10.31%	9,314,322	13.21%	3,407,322	25.57%
Maintenance	7,090,000	11.22%	7,250,000	11.06%	7,613,356	10.80%	523,356	3.63%
Depreciation	17,976,000	28.44%	17,991,000	18,961,330	26,900,000	985,330	2,700,000	2.70%
Other	(220,000)	-0.35%	55,000	0.08%	194,271	0.28%	414,271	100.00%
Total Operating Expenses	63,209,000	100.00%	65,557,000	100.00%	70,483,692	100.00%	7,274,692	5.60%
Operating Income	1,921,310 ^a		3,232,100 ^a		5,314,951 ^a			

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

The second comparison shows 1992 actual, 1993 estimated and 1994 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 7.88% from actual 1992 to budgeted 1994. Actual percentages of total revenue for the individual categories change very little. (For example, Concessions in 1992 was 44.35% of total revenue, while in 1994, it is budgeted to be 44.68% of total revenue.) Increases are explained in the Revenue Assumptions section.
2. Expense is projected to increase 5.60% from actual 1992 to budgeted 1994. This increase is explained in the Expense Assumptions section. The percentages for the individual expense categories change very little. (For example, Personnel in 1992 was 35.29% of total expense, while in 1994 it is budgeted to be 34.43% of total expense.)
3. The annual percentage increase in revenue from 1992 to 1994 is 7.88% whereas the annual percentage increase in expenses from 1992 to 1994 is 5.60%. This reversal of the trend from 1983 to 1992 where expense grew at a greater pace than revenue is caused by increases in the Traffic, Concessions and Ground Rentals areas. Examples of the changes which have occurred in the past few years: Ground Rental Appraisal, Parking Rate increase, and new agreements in a number of concession areas. See Revenue Assumptions section for further details.
4. At this time, we feel that the net revenues budgeted for 1994 are somewhat higher than normal. Increases mentioned above and in the Revenue Assumptions section will not continue to occur. The Budget Task Force along with staff will continue to monitor expenses in order to maintain the same level or decrease expenses without hindering the quality of service provided by MAC. The Budget Task Force is made up of Commissioners and MAC staff.

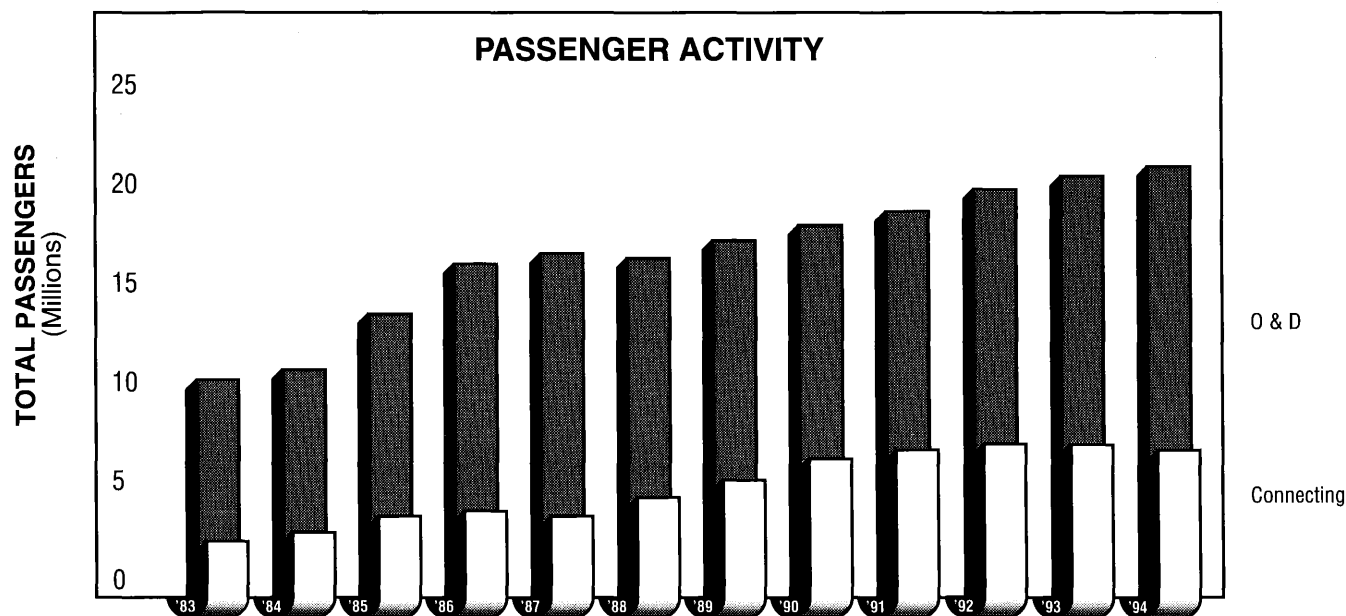
Historical Revenue/Expense and Facility Comparison *CONTINUED*

FACILITY EXPANSION				
	1984	1993	Increase	% Increase
Lindbergh & Regional Terminal Square Footage	1,165,800	1,586,044	420,244	36.05%
Number of Gates	47	66	19	40.43%
Ramp Lineal Footage	7,048	8,874	1,826	25.91%
Parking	7,997	11,396	3,399	42.50%
Tenants-All Airports	474	696	222	46.84%
Lindbergh/Regional Terminal Information is from Airport Development Historical Records.				

The final chart in this section deals with facilities. This comparison shows how the major facilities at MSP International have expanded since 1984. The Reliever Airports have expanded also. In 1983, a sixth reliever airport, 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 rent 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, new parking ramp, Terminal Vertical Circulation/Skyways, and the Butler Fueling facility.

Activity Statistics

In this section we look at the historical and forecasted levels of activity for the period 1983 through 1994 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.



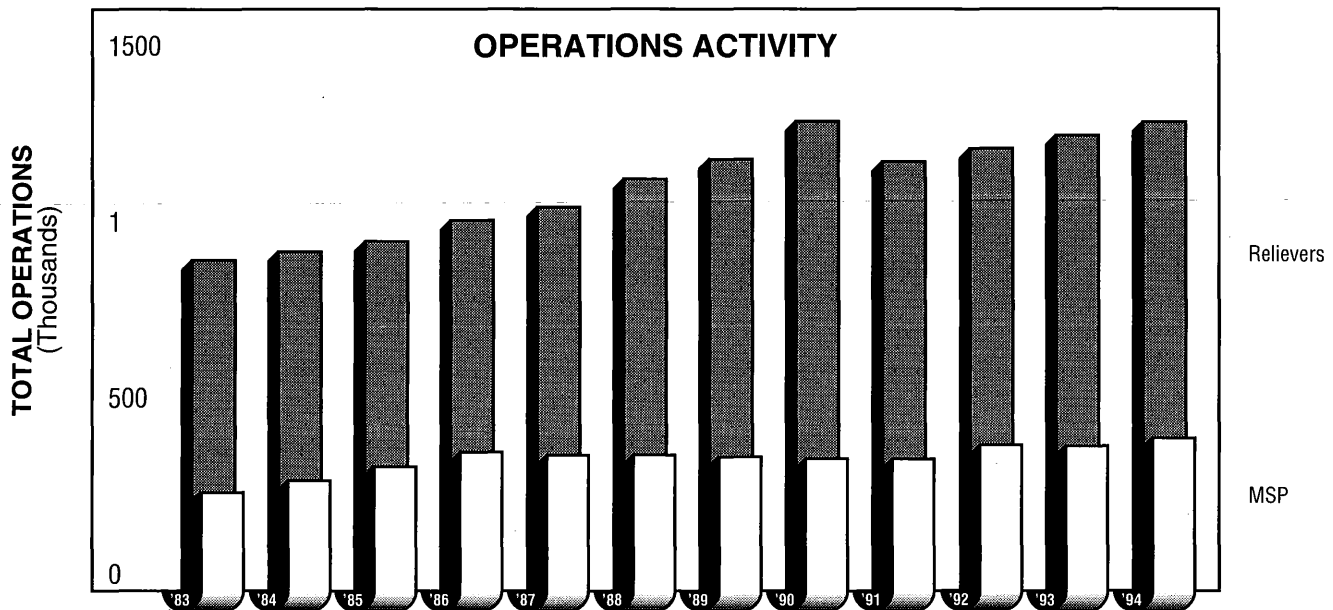
This chart shows how passenger traffic has increased at MSP International since 1983, with the exception of 1988. In late 1988, two carriers eliminated service to MSP International Airport resulting in a decrease of approximately 100,000 passengers. In 1983, MSP International was almost exclusively an O & D (origination and final destination) passenger airport with approximately 10% of the passengers being connecting (those transferring directly to another flight). However, since 1984, MSP International has changed to a connecting airport with approximately 36% of all passengers being connecting while the O & D passenger percentage has fallen from 90% in 1982 to 64% estimated in 1994. The significant increase in passenger activity from 1991 to 1992 can be attributed to the fare war activity during the summer.

Estimates of passenger activity form an important element in forecasting revenue each year. This chart represents actual passenger statistics for 1991 and 1992 and estimates for 1993 and 1994. The three categories are listed because each is used in a particular way to calculate certain types of revenue. Three examples are given:

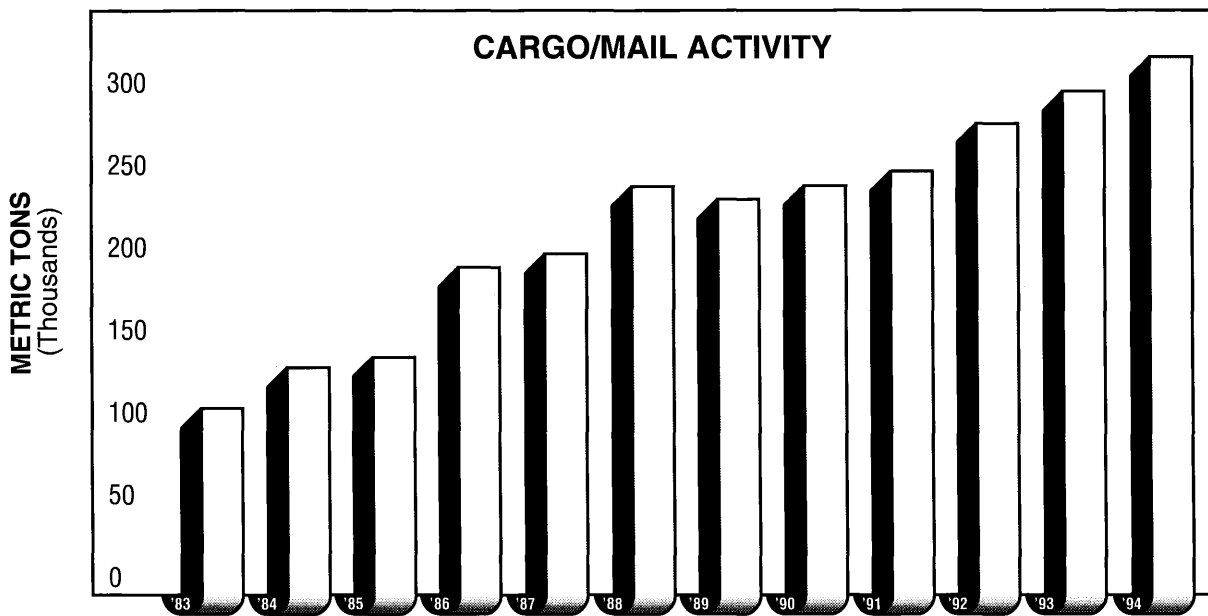
- Enplaned (originating) passengers plus connecting passengers are used in forecasting most concession revenue.
- Deplaned (final destination) passengers are used in the process of estimating auto rental revenue.
- Enplaned (originating) passengers, excluding connecting, are used in estimating common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

Activity Statistics *CONTINUED*

Passenger Type	1991 Actual	1992 Actual	1993 Estimate	1994 Estimate
Eplaned	5,985,000	6,500,000	6,990,000	7,340,000
Deplaned	6,002,000	6,503,000	7,010,000	7,360,000
Connecting	7,350,000	8,404,000	8,300,000	8,000,000
	<u>19,337,000</u>	<u>21,407,000</u>	<u>22,300,000</u>	<u>22,700,000</u>

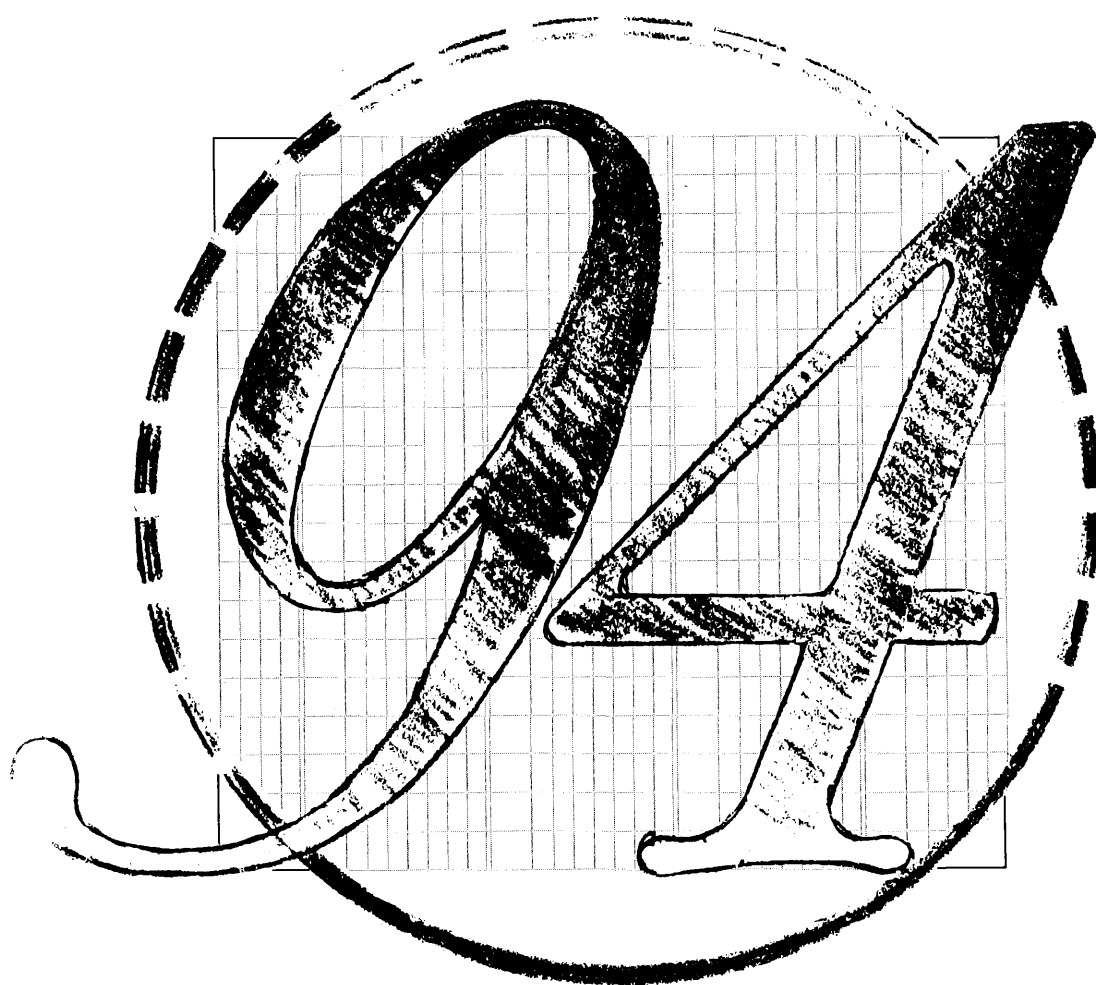


Total operations for the MAC system have increased 44% since 1983. (An operation represents one takeoff or landing.) Operations at the reliever facilities are beginning to rebound. These facilities are usually slower to recover than other sectors. 1993 and 1994 activity will be in line with the peak period 1989-1990. Operations at MSP International are estimated to rise to 443,000 in 1994. Increased service by Northwest from this hub is the reason for this rise in activity.

Activity Statistics *CONTINUED*

Cargo/Mail activity has increased annually since 1983 with the exception of 1989. The decrease in volume in 1989 from 1988 can be attributed to the merger of Federal Express and Flying Tigers. The significant jump in activity in 1991 and 1992 is due to increased volume carried by the major scheduled carriers. Also, the improved facilities in the Southwest Cargo Area have contributed to this increase.

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, terminal building rates, and the noise surcharge.

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 the property within the cities of Minneapolis and St. Paul, Minnesota, for debt service.

ANOMS—Airport Noise and Operating Monitoring System.

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

AVI—Automated Vehicle Identification.

CSOs—Community Service Officers.

Capital Assets—Includes items whose cost is less than \$5,000. These items are minor equipment, computers & accessories and office furniture.

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 and beverage, news & gifts, parking, auto rental, vending, ground transportation, telephones, and numerous other small lessees.

Concourse—The long hallway-like structure where loading and unloading of passengers takes place.

Connecting Passengers—Passengers who transfer to another flight-Mpls./St. Paul 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.)

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

Glossary CONTINUED

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 requires 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.

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 on different communities; b) describes land-use compatibility for the guidance of local communities; and c) provides technical assistance to airport operators and other governmental agencies to prepare and execute noise compatibility planning.

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, and terminal building rates.

Glossary CONTINUED

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. (Excluding 1/2 New Airport Planning Costs. See Revenue Assumptions section.)

Landed Weight—Actual gross 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.

Major Carriers—Those airlines which participate in the airline agreement. As of 9/30/93 these include American, America West, Continental, Delta, Northwest, TWA, United, and U.S. Air. In addition to these there are several freight carriers, charter carriers, and commuter carriers that participate in the airline agreement.

Maintenance Expense—One of the main expense categories and includes five subdivisions: trades, 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.

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.

NWA—Northwest Airlines.

Noise Surcharge—The surcharge established in the new airline agreement. All Stage II and Stage III jet 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.)

Glossary CONTINUED

Operating Services—One of the main expense categories and includes the parking management and contract, shuttle bus, advertising costs, copy agreement, bank charges, pollution control, service contracts, storm water monitoring, 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, capital assets and reimbursed expense.

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. MAC's initial application was approved with charges starting June 1, 1992.

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

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

Professional Services—This expense category refers to various types of professionals, such as architects, engineers, auditors, lawyers, and other specialists hired during the year to perform studies or required work and make recommendations based upon their findings.

Ramp Fees—A fee charged to a particular airline for exclusive use of 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. (This is in "Other Expenses" as a reduction.)

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, 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 runway operation periods.

Glossary CONTINUED

Self-Liquidating Rents—Fees received for the rental facilities constructed for a specific airline or tenant; leases or lease amendments are negotiated for each facility to assure that the payment of all associated costs of constructing, financing and maintaining it are reimbursed to the Commission.

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

Seven County Metropolitan Area—The counties surrounding and including the cities of Minneapolis, St. Paul and MSP International. The counties include Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington.

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 Signature.

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 DC9s.)

Stage III Aircraft—The new generation of "quiet" jet aircraft which comply to the latest noise standards of the FAA Regulation Part 35. (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.

Traffic—One of the major revenue categories and includes the following: landing fees, noise surcharge, 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 (WFC)—The airfield itself excluding the Terminal Building.