



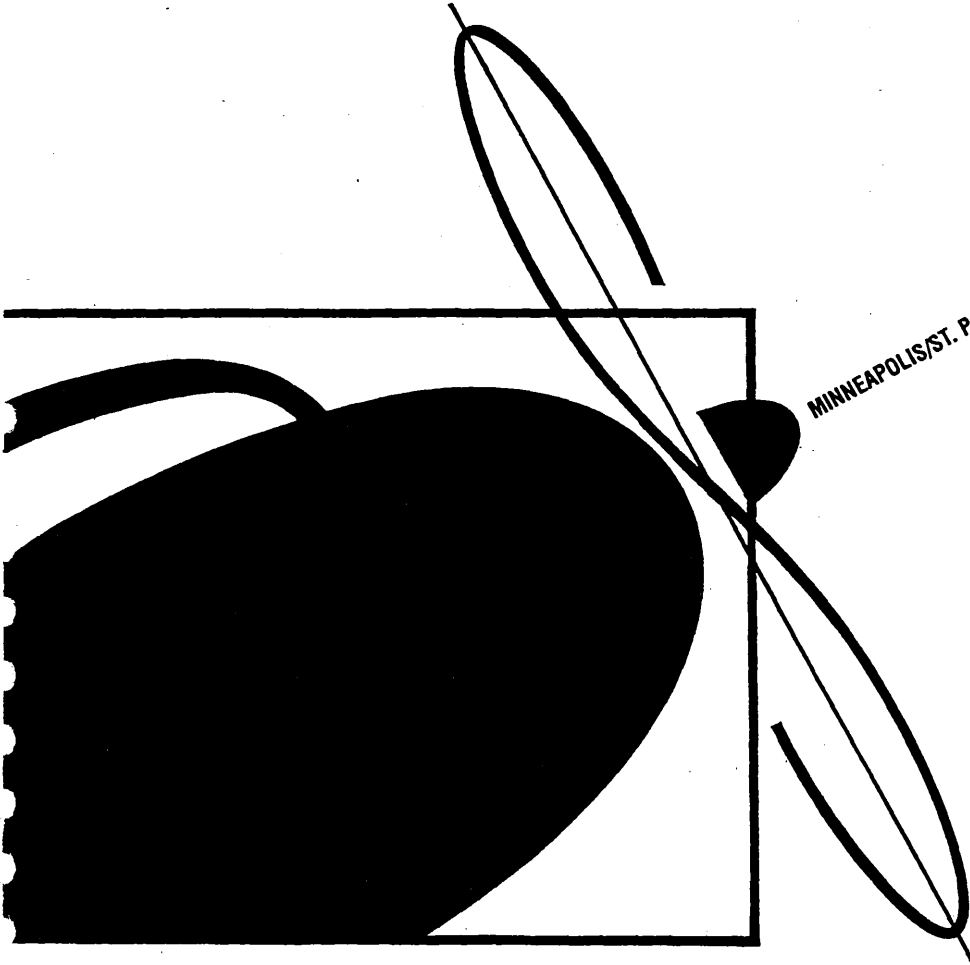
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MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION OPERATING BUDGET 1996

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MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION OPERATING BUDGET 1996



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# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

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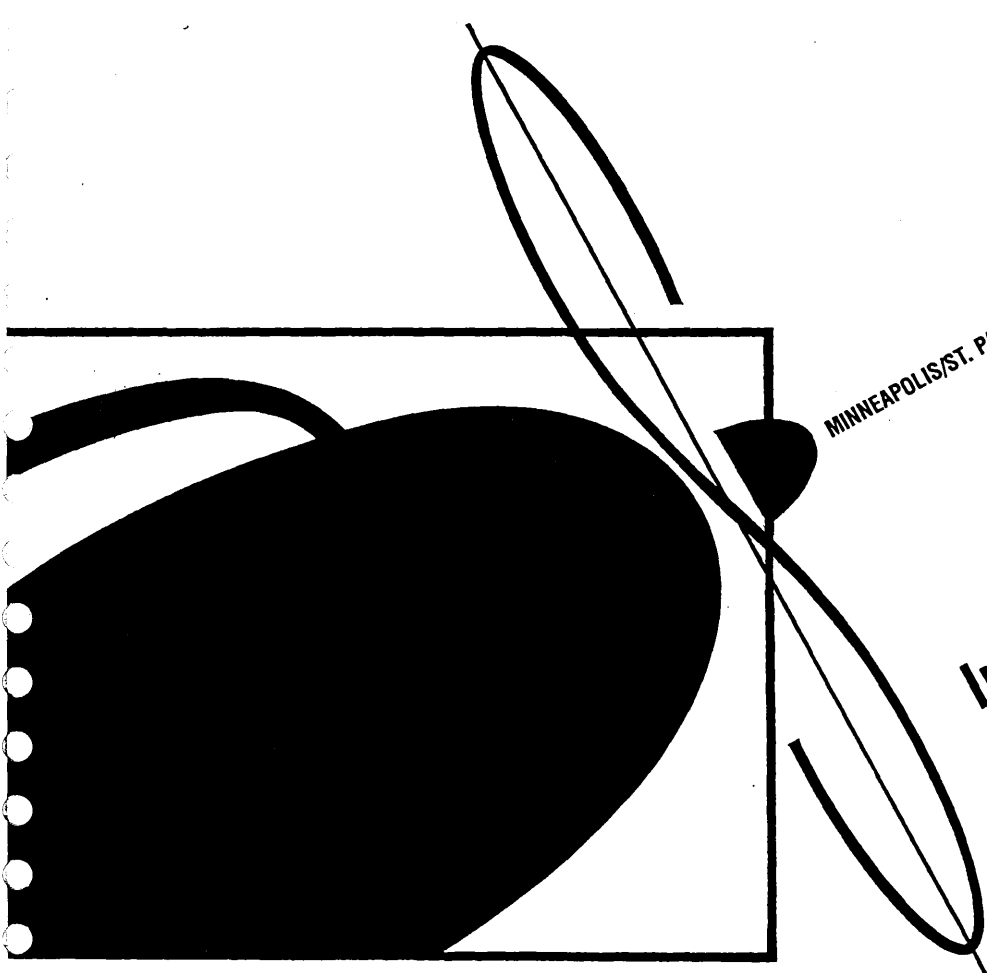
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MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION OPERATING BUDGET 1996

# Introduction

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### BUDGET MESSAGE – 1996 OPERATING BUDGET

We are pleased to present the 1996 Metropolitan Airports Commission budget that was adopted by the Commission on December 20, 1995. Total revenue for 1996 is projected to be \$84,768,516 and operating expense is \$73,666,128.

The 1996 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

In response to state and national efforts to control the increase in government spending, the Budget Task Force of the MAC established budget targets for 1996 that limited growth in expense to a range of 0–3.64%. The preference of the Task Force, however, was to remain as close to a 0% increase as possible.

In order to achieve this target, staff was directed to reduce controllable expense by 2% from the 1995 budget. The actual decrease in controllable costs submitted by all departments was approximately 4%. As a result, total expense, excluding depreciation, decreased by 1.44% from the 1995 to the 1996 budget. Including depreciation, total projected expense for 1996 increased .97% over the 1995 budget.

The table below is a summary of the 1995 and 1996 revenues and expenses:

	<b>Total 1996 Budget</b>	<b>Budget 1995</b>	<b>Estimated 1995</b>
<b>OPERATING REVENUE</b>			
Airline Rates & Charges	\$34,207,072	\$33,360,127	\$33,500,000
Concessions	39,939,415	34,729,602	39,200,000
Other	<u>10,622,029</u>	<u>10,571,750</u>	<u>10,400,000</u>
Total Operating Revenue	\$84,768,516	\$78,661,479	\$83,100,000
<b>OPERATING EXPENSE</b>			
Personnel	\$26,440,980	\$25,734,903	\$25,029,500
Administrative Expense	1,083,726	1,144,254	1,100,000
Professional Services	3,928,786	5,085,010	4,950,000
Utilities	5,080,020	5,030,755	5,125,000
Operating Services	8,757,112	8,725,854	8,225,000
Maintenance	7,430,335	7,664,761	7,340,000
Depreciation	20,656,684	19,174,867	19,400,000
Other	<u>288,485</u>	<u>395,722</u>	<u>290,000</u>
Total Operating Expense	<u>\$73,666,128</u>	<u>\$72,956,126</u>	<u>\$71,459,500</u>
<b>Net Revenues</b>	<b><u>\$11,102,388</u><sup>A</sup></b>	<b><u>\$ 5,705,353</u><sup>A</sup></b>	<b><u>\$11,640,500</u><sup>A</sup></b>

<sup>A</sup> Required as contribution to debt service and construction program financing

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### BUDGET MESSAGE – 1996 OPERATING BUDGET

To achieve the target growth in expense staff attempted to focus our resources toward the basic services provided to customers, the travelling public, cargo shippers and the owners and operators of general aviation aircraft. This has meant some internal shifts in budget amounts and some decreases in service levels at peak times.

Each department made or committed to find ways to increase their cost efficiency while limiting the impact on basic services. Some reductions reflect a more conservative approach to budgeting costs resulting from activities outside our control. For example, we have reduced some of the contingency funds for lawsuits filed against MAC, Congressional activities and design associated with unanticipated projects.

The budget includes a request for several additional positions. New positions were not added unless there was a corresponding reduction in cost. As a result, all of these requests were made without increasing the total budget.

During 1996 growth in concession revenue will occur in the area of auto parking, auto rental, food and beverage concessions, and other concessions. Auto Parking revenue will increase \$4,170,000 due to additional activity in the General Lot and a parking rate increase that became effective October 1, 1995. Revenue from the auto rental firms will also rise by \$539,000 due to higher minimum rental fees that will be in effect in 1996. Food and beverage revenue is projected to increase \$108,800 due to higher passenger activity and new food concessions. Other Concession Revenue will rise as a result of increased guarantees for the long distance telephone and outdoor advertising concession.

Operating Expense is projected to increase .97% over the 1995. budget. Personnel costs will increase \$706,083 as a result of the addition of 14 new positions and projected wage adjustments. The following new permanent positions have been approved for 1996:

<u>Service Center</u>	<u>Position</u>	<u>Justification</u>
Public Affairs	½ Marketing Specialist	Replaces current temporary position. Emphasis is on cargo traffic.
Legal	1 Attorney	Decreased dependence on out counsel particularly with regards to entry level attorney work.
Personnel	1 Administrative Support	Provide support throughout general office - temporary positions will be eliminated as a result.
Landside Operations	1 Operations Agent ½ Administrative Support	- With the completion of the Upper/Lower Level Roadways and Ground Transportation Center these positions will provide department support for monitoring all areas of the licensing system (cabs, courtesy vehicles, buses, etc). - Replace taxi starter service.
	10 Passenger Assistants	

A more detailed discussion of these positions is included in the Organizational Structure and Personnel sections of the Operating Budget.



## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### BUDGET MESSAGE – 1996 OPERATING BUDGET

Employee insurance is projected to decrease by \$240,000 as a result of actual experience. Professional Services will decrease by 22.74% between the two years because of the conclusion of the Dual Track Planning Process. Legal Fees will go down as a result of adding an additional staff attorney. Other fees will also decrease. Maintenance costs will go down by \$234,425 as a result of a reduction in snow removal materials and repairs in the Lindbergh Terminal.

### CAPITAL IMPROVEMENT PROGRAM

Each year the MAC approves Capital Projects that will start within the next twelve months, and a Capital Improvement Program which covers all projects which are to start during the second calendar year. In addition, a Capital Improvement Plan which covers an additional five years is adopted.

Approved Capital Projects for 1996 total \$147,380,000. Funding for the program will come from money currently on hand, federal and state grants, passenger facility charges, internally generated funds, interest income, and the issuance of bonds. A summary of the Capital Improvement Projects for 1996 compared with 1995 is as follows:

<b>CAPITAL IMPROVEMENT PLAN SUMMARY (CIP)</b> <b>(\$ = 000)</b>		
	<u><b>1996</b></u>	<u><b>1995</b></u>
Minneapolis/St. Paul International		
Field & Runway	\$ 14,450	\$ 23,975
Environmental	35,700	24,600
Self-Liquidating	11,500	14,410
Landside	<u>74,550</u>	<u>88,389</u>
Total Minneapolis/St. Paul International	\$136,200	\$151,374
Reliever Airports		
St. Paul	\$ 7,700	\$ 3,155
Flying Cloud	2,080	1,750
Crystal	450	960
Anoka	700	1,950
Lake Elmo	250	250
Airlake	<u>0</u>	<u>1,940</u>
Total Reliever Airports	\$ 11,180	\$ 10,005
Total All Facilities	<u>\$147,380</u>	<u>\$161,379</u>

A more detailed discussion of this program is provided in the Construction budget.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### BUDGET MESSAGE – 1996 OPERATING BUDGET

#### CAPITAL EQUIPMENT

During 1996 the Commission will be purchasing capital equipment at an estimated cost of \$3,310,454. The following is a summary of the anticipated acquisitions:

(\$ = 000)	1996 <u>Approved</u>	1995 <u>Approved</u>
Main Office	\$ 679	\$ 198
Minneapolis/St. Paul International	2,454	2,605
Relievers	<u>177</u>	<u>290</u>
Total	<u>\$3,310</u>	<u>\$3,093</u>

A more detailed discussion is provided in the Capital Equipment section of the Operating Budget.

#### FUTURE OUTLOOK

There are three issues that will have a significant impact on MAC as we proceed into 1996. These issues include the status of the Airport Improvement Program (AIP), the conclusion of the Dual Track Planning Process, and the implementation of the recommendations of the Minnesota Council for Quality.

##### Airport Improvement Program

During 1995, Congress reduced funds available to airports through the Airport Improvement Program for 1996. Funds were reduced from \$1.6 billion to \$1.45 billion. It is currently estimated that 14% of the Funding for MAC's Capital Improvement Program through the end of 1998 will come from the program. The initial reduction in the program does not have an immediate impact on the funding of MAC's Capital Improvement Program that future reductions could. As we move forward, the Commission will need to decide whether MAC can achieve its capital objectives in light of a reduction in, or possible elimination of the AIP program, through alternative sources of funding such as Passenger Facility Charges, bonding authority and internally generated funds, without relying on MAC's general taxing authority.

##### Dual Track Planning Process

The MAC has been working with the Metropolitan Council to determine how the region should plan and invest to meet air transportation needs through the year 2020 and beyond. In 1989, the Legislature established the Dual Track Planning Process which requires the simultaneous study of two options: improving the existing major airport or building a replacement at a new location. The Legislature will receive the recommendation from the MAC and the Metropolitan Council by July 1, 1996.

## **MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION**

### **BUDGET MESSAGE – 1996 OPERATING BUDGET**

On December 15, Governor Carlson announced his intent to recommend to the Legislature that the Dual Track Process be terminated because the costs of constructing a new airport are prohibitive. In response to this announcement the MAC Commissioners voted to accelerate their decision from July 1 to March 1. As a result, the Commission will be focused initially in 1996 on reaching this decision. Subsequent to this decision, the Commission will need to consider specific development scenarios for the option identified.

#### **Minnesota Council for Quality**

The Minnesota Council for Quality sponsors the Minnesota Quality Award, which is modelled after the Baldrige Award. During 1995, MAC was selected to participate in a pilot program in the new "public sector" category. As a pilot organization the MAC was not able to win the award but were guaranteed a site visit and a comprehensive feedback report for the organizational strengths and weaknesses.

The final report identified a number of strengths including customer segmentation, employee empowerment, employee development and career enrichment program, and MAC's program for obtaining customer feedback.

Areas of improvement identified are as follows:

- Improved Strategic Planning
- More effective employee involvement
- Measurement of customer expectations and performance results

MAC staff will concentrate organizational effort on improving these areas during 1996.

#### **AWARDS**

The Government Finance Officers Association of the United States and Canada presented its Distinguished Budget Presentation Award to the Minneapolis–St. Paul Metropolitan Airports Commission for its annual budget for the 1995 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 1996 budget conforms to those guidelines and we shall submit it to GFOA for its consideration for another award.

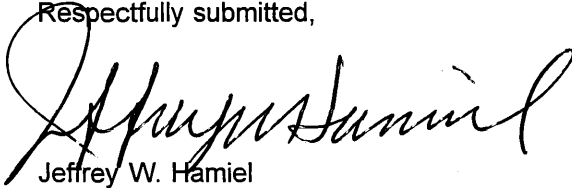
#### **ACKNOWLEDGEMENT**

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 1996 budget and who share the Commission's determination in making the MAC one of the most efficient and cost effective airport operators in the nation.


**MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION**

**BUDGET MESSAGE – 1996 OPERATING BUDGET**

Respectfully submitted,



Jeffrey W. Hamiel  
Executive Director



Denise A. Kautzer  
Director of Finance



GOVERNMENT FINANCE OFFICERS ASSOCIATION

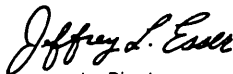
*Distinguished  
Budget Presentation  
Award*

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

**For the Fiscal Year Beginning**  
**January 1, 1995**



President



Executive Director

## **MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION**

### **1995 OVERVIEW - 1996 OPERATING BUDGET**

In 1994, the MAC adopted the following goals and objectives for 1995. They include:

- Dual Track Airport Planning Process
- Approve Storm Water Discharge Plan for MSP
- Develop/Improve Integrated Noise Policy for MSP
- Approve Negotiation Objectives for New Airline Use Agreement; Implement Concessions Plan
- Adopt a Process for Developing Multi-Year Organizational Goals and Identifying the Specific Role the Commission Will Play
- Develop and Approve a New Budget Process and Identify the Commission's Role in That Process
- Develop a Comprehensive Marketing Plan for MSP
- Review and Analyze General Aviation Activity and Establish a Plan to Move Appropriate Aircraft and Operations to the Reliever Airports
- Develop a Program to Identify and Improve the Overall Public Perception of the MAC and its Operating Philosophy
- Implement a Continuing Program to Monitor the Airline Industry and NWA Developments and Trends in Financial Status, Marketing Programs, Technology and Federal Programs

The status of the goals is as follows:

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

Major activities completed or nearly complete relating to the Dual Track Planning Process include:

- development of a concept for a potential replacement airport; selection of a development concept for the expansion of MSP;
- completion of a Financial Study;
- completion of an Economic Impact Study;
- completion of a draft Environmental Impact Statement for the Dual Track Process which meets both the state and federal requirements with public comment due by February 13, 1996;
- completion a draft of the report to the Legislature for Commission review;
- completion of an evaluation of the remote runway concept;
- completion of the analysis of site preservation analysis; and participation with MnDOT in an evaluation of ground access issues for both MSP and the proposed new airport.

Still in progress are:

- commissioner briefing sessions on various aspects of the Dual Track Decision;
- participation with MnDOT in a study of a Supplemental Airport Concept;
- participation in an FAA evaluation of airspace optimization for the current airport, and an analysis of changes required by future development of MSP.

#### **APPROVE STORM WATER DISCHARGE PLAN FOR MSP**

The following storm water management enhancements for the 1995-96 snow season include:

- installation of 22 storm sewer plugs to contain spent deicing fluid;
- pavement crack sealing in critical areas to prevent loss of deicing fluid;
- snow stockpile management to collect glycol in the snow melt.

## **MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION**

### **1995 OVERVIEW - 1996 OPERATING BUDGET**

Although the current MPCA permit has expired, we have been informed that the agency will not negotiate a new permit for MSP. Future storm water discharge limitations will remain the same as the last year of the current permit until a new one is issued.

#### **DEVELOP/APPROVE AN INTEGRATED NOISE POLICY FOR MSP**

Major activities in this area include:

- Noise Curfews: Nighttime operations and shoulder hours are currently under study by the MASAC operations committee.
- Runway Use System Practices: The RUS is currently under study by the MASAC Operations Committee, concurrent with nighttime operations and shoulder hours.
- Financing of Various Alternatives: This element is the most difficult to address and also is under review by the MASAC operations committee.
- New Noise Metric for MSP and a New Five-year Plan for Noise Reduction: This was the first MAC noise area objective considered by the MASAC Operations Committee. Work began during the first quarter of 1995 and resulted in the so-called New Noise Management Methodology approved by the Planning and Environment Committee and the Commission in July 1995. Aviation Noise Program staff are now negotiating comparative "baselines" with Northwest Airlines and will recommend this baseline to each airline operating at MSP.

#### **APPROVE OBJECTIVES FOR NEW AIRLINE USE AGREEMENT**

With the December commission meeting, the MAC will complete action respecting preparations for renewing the Airline Agreement at the end of 1996. It was the 1995 goal to research the issues and set objectives for renewing the Airline Agreement which expires December 31, 1996.

- Through August and September MAC staff reviewed the agreement, the environment of airline/airport relations and issues, specifically the Los Angeles rate case, and our specific Dual Track Planning process regarding implications for the airline agreement. The Dual Track decision and Airline Agreement provisions necessary to implement the decision quickly became a determinative issue. The perspective is that there will be a myriad of construction and financing issues, dependent upon the Dual Track decision made to be resolved within the Airline Agreement; therefore, the flexibility to resolve those issues when known became an imperative against which other issues were measured. No other issue rose to a level of importance sufficient to dictate opening negotiation of the Agreement before the Dual Track decision is made.
- MAC staff recommended the commission act to extend the Airline Operating Agreement to December 31, 1997, to allow for resolution of the Dual Track Planning process. The commission is expected to confirm that intent December 20, 1995.

## **MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION**

### **1995 OVERVIEW - 1996 OPERATING BUDGET**

#### **APPROVE IMPLEMENTATION APPROACH FOR TERMINAL SERVICES AND CONCESSION BUSINESS PLAN**

The Terminal Services and Concessions Plan, conceptually approved by the Metropolitan Airports Commission in April 1994, which proposes to transform the present concessions environment into an "airport mall", was an object of considerable effort in 1995. The objective was to transform the conceptual plan into an implementation plan.

- Considerable work in determining precise concession concepts as well as preparing unit pro formas and establishing the existing concession program and proposed program economics was accomplished. However, both the efforts of the MAC staff and Host International staff were regularly diverted to the planning and implementation requirements of the new Lindbergh Terminal International Arrivals facility.
- The work of the Concessions Plan stopped and started several times throughout the year. It is, however, still on track though estimated to be three to six months behind as 1995 draws to a close.
- The MAC anticipates completing implementation planning work in the first four to five months of 1996 and yet expend considerable concessions program renovation funds, as in the Capital Improvement Program, in the last half of 1996.

#### **ADOPT A NEW PROCESS FOR DEVELOPING MULTI-YEAR ORGANIZATIONAL GOALS AND IDENTIFYING THE SPECIFIC ROLE THE COMMISSION WILL PLAY**

The Executive Director has developed a new process to improve organizational goal-setting. This improved process will allow more formalized commission involvement and encourage all employees to participate in setting annual organizational goals. Specifically:

- each year the MAC will conduct a one-day seminar setting organizational direction and identifying policy priorities for the next three years.
- Once the commission has established those priorities, staff will determine the specific administrative requirements, using department expertise needed to achieve those goals.
- Once adopted by the commission, the organizational goals will be used to determine the annual budget requirements for the coming year, develop Capital Improvement Program priorities for the three-year period and provide direction for future decision-making.

#### **DEVELOP AND APPROVE A NEW BUDGET PROCESS AND IDENTIFY THE COMMISSION'S ROLE IN THAT PROCESS, INCLUDING SETTING MULTI-YEAR TARGETS AND ESTABLISHING STRATEGIES FOR MINIMIZING FINANCIAL DEPENDENCE ON NWA**

The budget process was streamlined during the year. Specifically:

- The Budget Task Force set direction for staff by establishing budget targets. Those targets limited expense growth and required that growth in revenue exceed growth in expenses.
- In previous years, the commission has seen portions of the budget (capital equipment requests, additional personnel, revenue and expense) as they were finished. During 1995, the Budget Task Force reviewed total expenses once they were completed which included additional equipment and personnel requests, and then total revenue.
- Also, numerous improvements were made at the staff level that shortened the length of the process and improved communication with departments.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### 1995 OVERVIEW - 1996 OPERATING BUDGET

The Budget Task Force has not formally adopted multi-year targets although discussion has occurred about limiting expense growth to no more than the increase in the Consumer Price Index. The formal establishment of multi-year targets will be discussed at the December meeting of the task force.

A report identifying strategies to reduce the MAC's dependence on NWA was prepared a year ago and presented to the Executive Committee and the Executive Director.

### MARKETING FOR INTERNATIONAL FLIGHTS AS RELATED TO AIRPORT FACILITIES

A window of opportunity for MSP to obtain more international flights will be open for a limited time while more liberal aviation bilateral agreements are being negotiated between the U.S. and other nations, and while airline alliances are being forged between U.S. carriers and foreign flag airlines. Special focus areas include:

- Since the first breakthrough April 2, 1991, when KLM initiated three weekly flights between MSP and Amsterdam, 115 new scheduled international flights have been obtained to ten different international destinations in Europe, Japan, Canada and Mexico.
- There are opportunities for additional flights to Europe, Asia, Mexico, the Caribbean and South America, provided adequate facilities are constructed and maintained at MSP.
- Additional international flights will generate increased revenue for MAC, and be a major economic generator for the region served by MSP.
- Identifiable benefits for MAC are:
  - Visitor spending in the terminal \$ 210,000
  - PFC's paid by enplaning international passengers, originating and connecting 3,570,000
  - Total** **\$ 3,780,000**
- Benefits to the local economy are:
  - 23 wide-body flights weekly = annual benefits of \$530 million
  - 140 narrow-body flights weekly = 300 million
  - Total** **\$830 million**
- The key projects required, some of which are already approved and under construction, are:
  - A new state-of-the-art Federal Inspection Facility (FIS) serving five international gates on the Gold Concourse of the Lindbergh Terminal;
  - A 2,700-foot extension of runway 4-22 to 11,000 feet which will enable fully loaded Boeing 747-400s and other wide body aircraft to take off for destinations in Europe and Asia in any kind of weather conditions;
  - An expansion of the Hubert H. Humphrey Terminal to handle more domestic and international charter flights;
  - Completion of the three-year, \$70 million Ground Transportation project at the Lindbergh Terminal;
  - Plans are underway for upgrading the Lindbergh Terminal concessions area to better serve the traveling public;
  - New state-of-the-art navigational aids and a new FAA air traffic control tower
  - A new Global Positioning System to be installed by Honeywell, using MSP as a pilot airport. GPS is a navigational aid based upon 24 satellites rotating around the earth over set points on the ground which will enable air traffic controllers to direct aircraft with extreme accuracy to landings on all runways at MSP and all of MAC's reliever airports.



## **MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION**

### **1995 OVERVIEW - 1996 OPERATING BUDGET**

#### **DEVELOP A PLAN TO IMPROVE THE IMAGE OF MAC IN THE COMMUNITY**

An external communications plan is in effect at the MAC.

- The plan specifies that employees closest to or in charge of the area in need of public or media attention should be the spokesperson for the MAC.
- There are three different parts of the plan, each being implemented by different departments of the MAC and each using different consultants to assist.
  - Parking and Ground Transportation Plan,
  - Dual Track Airport Planning Process Communications Plan,
  - MAC's general public relations and media relations.
- The Properties Department does some public communications by publishing brochures which are designed to assist the traveling public to make the best use of the terminals and the services and concessions located there.

Each plan attempts to educate MAC's various publics about their aspect of the MAC, inform them of current projects, problems and news relating to the element for which they are responsible, take a proactive approach to meeting potential problems and concerns before they become an issue in the media, and be prepared to handle any emergency situation.

#### **REVIEW AND ANALYZE GENERAL AVIATION ACTIVITY AND ESTABLISH A PLAN TO MOVE APPROPRIATE AIRCRAFT AND OPERATIONS TO THE RELIEVER AIRPORTS**

During 1995 the commission spent four consecutive months discussing and updating MAC policies, ordinances and regulations related to the Reliever Airports.

As part of that discussion, a proposal was made to the Management and Operations Committee to consider:

- clarify the current G.A. hangar construction moratorium at MSP. Staff now is meeting with representatives of the parties involved to work out a position that is consistent with the limitations suggested by the M & O Committee.
- A recommendation will be presented to the M & O Committee by year-end for review and approval.

#### **IMPLEMENT A CONTINUING PROGRAM TO MONITOR AIRLINE INDUSTRY AND NWA DEVELOPMENTS AND TRENDS IN FINANCIAL STATUS, MARKETING PROGRAMS, TECHNOLOGY AND FEDERAL PROGRAMS**

During 1995 a series of efforts has been made to provide commissioners with a broader base of industry information to aid in understanding the issues faced by the commission:

- Public Affairs and the Executive Director have begun mailing relevant articles for industry publication to the commission.
- A regular series of discussion on special topics has been scheduled as part of each commission meeting. These are focused primarily on issues related to the Dual Track process and have included discussions by consultants, the public and other airports as appropriate.
- Updates have been provided by our Washington counsel on the status of issues impacting airlines and airports in Congress to provide a foundation for developing a MAC legislative policy on issues in anticipation of future discussions.

## **MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION**

### **1996 GOALS AND OBJECTIVES - 1996 OPERATING BUDGET**

The Commission and staff developed a series of seven objectives in 1995 for 1996. In addition, based on MAC's evaluation of the MQA (Minnesota Quality Award) program, three areas of focus were placed on the list. The ten areas and their major points for 1996 are:

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

- Complete state and federal environmental review process.
- Complete financial and economic impact analyses.
- Coordinate activities with the Metropolitan Council regarding a March 1996 recommendation to the Legislature.
- Coordinate public review regarding environmental review process and process leading to Legislative recommendation.

#### **INTEGRATED NOISE METHODOLOGY**

- Integrate MAC's current off-airport noise impact information with operational and land use measures into one cohesive program.
- Coordinate efforts between MAC's designated noise body (MASAC) and affected communities and residents.

#### **NEGOTIATE NEW AIRLINE USE AGREEMENT**

- Determine options available for:
  - extension of current agreement (expires 12/31/96),
  - enter into negotiations for a new agreement,
  - modify a limited number of terms in current agreement.
- Present staff recommendation to Commission taking into account Dual Track Planning decision.
- If current agreement is extended, secure signatures on a contract amendment.
- If new or modified agreement, develop objectives, support material, schedule, and negotiating team.

#### **AIRPORT RATES AND CHARGES**

- Active participation in monitoring and shaping federal policy and regulations in this area.
- Original Department of Transportation/Federal Aviation Administration (DOT/FAA) draft policy on Airport Rates and Charges issued in February 1995 was revised in August 1995. Comments were due in October 1995. Extent of involvement could vary considerably depending on DOT/FAA's final decision and airline response.

#### **CONTINUING EVALUATION OF NWA COLLATERAL**

- Schedule for April 1996 re-appraisal of Northwest Airlines non real estate assets held by MAC as collateral for their loan.
- Select appraisal firm.
- Items to be appraised include international route authorization, simulators and associated equipment, aircraft and engine parts totalling approximately \$560 million.
- Determine adequacy of categories and collateral held.
- Present findings to Commission in June 1996.

## **MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION**

### **1996 GOALS AND OBJECTIVES - 1996 OPERATING BUDGET**

#### **STRATEGIC PLANNING**

- This comes as a result of the findings of the Minnesota Quality Award application and review.
- Develop a comprehensive approach to strategic planning for the organization.
- Identify factors requiring clarification and/or amplification and communicate these to both staff and commissioners.
- Present findings and plan to staff and Commission in order to incorporate this plan into 1997 Goals and Objectives process (September through November 1996).

#### **IMPROVE THE EFFECTIVENESS OF MAC'S EMPLOYEE INVOLVEMENT EFFORTS**

- This is also an area recommended for improvement by the Minnesota Quality Award process.
- Develop ways for all employees to contribute to quality goals and continuous improvement.
- An Employee Involvement Team formed as a result of the MQA process. This team identified three areas for improvement: 1) Management Involvement and Visibility, 2) Front Line Involvement and Improvement, and 3) Accountability. Recommendations are currently being developed and will be reviewed in early 1996.
- A Cross Functional Team was formed to respond to the following issues: 1) Management and Leadership and 2) Working Relationships. Recommendations are currently being developed and will be reviewed in early 1996.
- After review of the Employee Involvement Team and the Cross Functional Team plans, MAC management will identify a team leader to be responsible for implementation of action items and report on results by year end.

#### **IMPROVING DECISIONS BASED ON DATA**

- This area was identified as a result of the feedback received from the Minnesota Council for Quality as part of the participation as a pilot organization in the Minnesota Quality Award Program.
- Develop a system where data is gathered and used to anticipate the needs of our customers, make decisions, allocate resources, and measure progress toward goals and continuous improvement.
- Establish an organization wide team to assist and support service centers with their efforts in the information gathering process.
- Develop measurements of our critical process activities and accomplishments.

#### **COORDINATE A PLAN TO EDUCATE THE PUBLIC**

- Development of this plan is carried over from the 1995 goals and objectives.
- Work in 1996 will focus on improving brochures and guides regarding location and services offered at the Lindbergh and Humphrey Terminals.
- Provide information and develop MAC's media library for public presentations.

#### **MARKETING FOR INTERNATIONAL FLIGHTS AS RELATED TO AIRPORT FACILITIES**

- This goal is also carried over from 1995. With the completion of the new international arrival facility scheduled for late 1996, the Commission will be trying to position itself to increase international activity. The window of opportunity is open and with state-of-the-art facilities in place, MAC's marketing program will be focusing on foreign flag carriers as a potential source for increased international traffic.

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## 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 (Generally Accepted Accounting Principles). The accrual basis of accounting attempts to record financial transactions in the period they occur rather than recording them in the period they are paid.

This budget document has undergone major format changes from previous years. These changes can be attributed to comments received from internal staff and GFOA reviewers. Significant changes are described below:

- A. Format – The Budget Preparation & Amendment Process section is moved to this area in order to explain the changes being made in the document format.
- B. Organizational Structure – Within this section, the Commission description remains the same as in prior years. Previously the six staff functions were described next. In this years document, each of the departments (defined below) is listed comparing their 1994 actual, 1995 budget and 1996 budgeted expenses. Also included is a brief description of the responsibilities/functions of the department and their historical headcount is presented. At the end of this section a total personnel summary is shown.
- C. Operating Budget – This has been changed in two ways. First, additional information is included at the beginning of this section and incorporates "Non-Operating" accounts. Second of all, rather than providing a detailed listing of expenses by service center, the detail is shown by what is referred to as subledgers. With our new financial software, there is the ability to sort information in a number of ways. Internally expenses are reviewed two ways: by service center and by subledger. (The Service Center information is described below. Subledgers represent the method by which the Commission records expenses for rate calculations. This detail is presented at the end of the Expense Assumptions section.
- D. Construction Budget – This section was expanded to include increased information on the CIP (Capital Improvement Program). This information includes projects in process funding and major project descriptions.
- E. Debt Service Budget – Increased information in this section relates to outstanding debt, future debt and refundings.
- F. Statistical – This section includes the most recent attainable comparisons with other airports.

Explanations regarding other terms and changes are listed next, followed by the budget process.

### Department

A department represents a combination of service centers. These service centers are responsible for specific functions which relate to one another. The department format is also a way for the Commission to summarize costs in a way that department directors can review functions they control.

## **MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION**

### **DESCRIPTION OF BUDGET PREPARATION & AMENDMENT PROCESS**

#### **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.

#### **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 MSP International 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 vendors and 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. They are then allocated through subledgers (described above).

#### **Bottom Line Management**

Typically budget variances are reviewed by line item. In 1994, budget variances started being reviewed by bottom line total. The budget is still prepared by line item, but department directors have the authority to make alternate decisions based upon department needs.

#### **Budget Process**

Preliminary work on the budget begins 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 input of budget information was scheduled for the first part of June.

In late April the Budget Task Force established expense targets and net operating targets to be used. This information was presented to staff at various meetings and also included in their packages.

Packages were distributed in June. All service centers had four weeks to complete them. Finance staff reviewed all packages and summarized them during July for Senior Staff to review. This year the packages were completed as one rather than sections as in the past.

Internal budget hearings were held in early August in order to make certain the Budget Task Force expense target was met. The remainder of August is spent compiling summary and historical data. 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.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### DESCRIPTION OF BUDGET PREPARATION & AMENDMENT PROCESS

During September presentations are prepared for the Budget Task Force, Senior Staff and airlines. Also, supporting schedules are completed. The month of October is reserved for presentations to the Budget Task Force and revisions prior to requesting preliminary approval.

Preliminary approval is given by the Budget Task Force in October. With the recommendation from the Budget Task Force and the informational meetings held, preliminary approval is requested at the October full Commission meeting. The reason for preliminary approval is because MAC is now required to hold "Truth in Taxation" hearings. This legislation passed in early 1993. Two hearings must be held, both in early December. MAC is not proposing to levy taxes in 1995 and has not levied taxes since 1969. Final approval of the 1995 Operating Budget is expected at the December Commission meeting. Rate changes will be sent out as usual at the beginning of December based upon preliminary approval from the full Commission.

This calendar gives an overview of the process:

<u>MONTH</u>	<u>TASK</u>
April	<ul style="list-style-type: none"><li>- Budget Task Force establishes 1996 targets for expense and net revenues</li><li>- Service center historical information prepared</li><li>- Budget specialists identified</li><li>- Templates for service centers set up on computers</li></ul>
May	<ul style="list-style-type: none"><li>- Training of budget specialists</li><li>- Packages distributed—Personnel, Equipment, Operating Expenses (late May)</li><li>- Determine inflation factors, wage and contracts adjustments</li><li>- Historical information gathering process started</li><li>- Prepare preliminary budget</li></ul>
June	<ul style="list-style-type: none"><li>- Present preliminary budget to Management &amp; Operations Committee</li><li>- Budget Task Force update</li><li>- All budget packages are due late in month</li></ul>
July	<ul style="list-style-type: none"><li>- Summary information/schedules prepared</li><li>- Revenue analysis begins</li><li>- Revisions to expense initiated</li></ul>
August	<ul style="list-style-type: none"><li>- Budget Task Force update</li><li>- Revenue completed</li><li>- Internal budget hearings held</li><li>- Expense revisions</li></ul>
September	<ul style="list-style-type: none"><li>- Presentation information compiled</li><li>- Packages distributed to airlines and Budget Task Force</li><li>- Expense revisions</li><li>- Presentation/meeting with the airlines</li></ul>
October	<ul style="list-style-type: none"><li>- Presentation to Budget Task Force</li><li>- Preliminary Commission approval</li></ul>
November	<ul style="list-style-type: none"><li>- Staff presentation</li></ul>
December	<ul style="list-style-type: none"><li>- Notice of rate changes to all tenants</li><li>- Truth in Taxation hearing as required</li><li>- Final Commission approval</li></ul>

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### DESCRIPTION OF BUDGET PREPARATION & AMENDMENT PROCESS

#### 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) Establishment of the annual budget setting out anticipated expenditures by type of expenditure and/or upward or downward revision of that budget in the course of the corporation's fiscal year shall constitute prior approval of each type of expenditure. Authorization by vote of the Commission is required for transfer of budgeted amounts between or among line items or to appropriate additional funds for each line item. The Executive Director is directed to provide for the daily operation and management of the Commission within the expenditure guidelines of the annual budget. Commission approval of a contract shall constitute prior approval of 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 procedures and be subject to the line-item budget constraints of the annual budget.

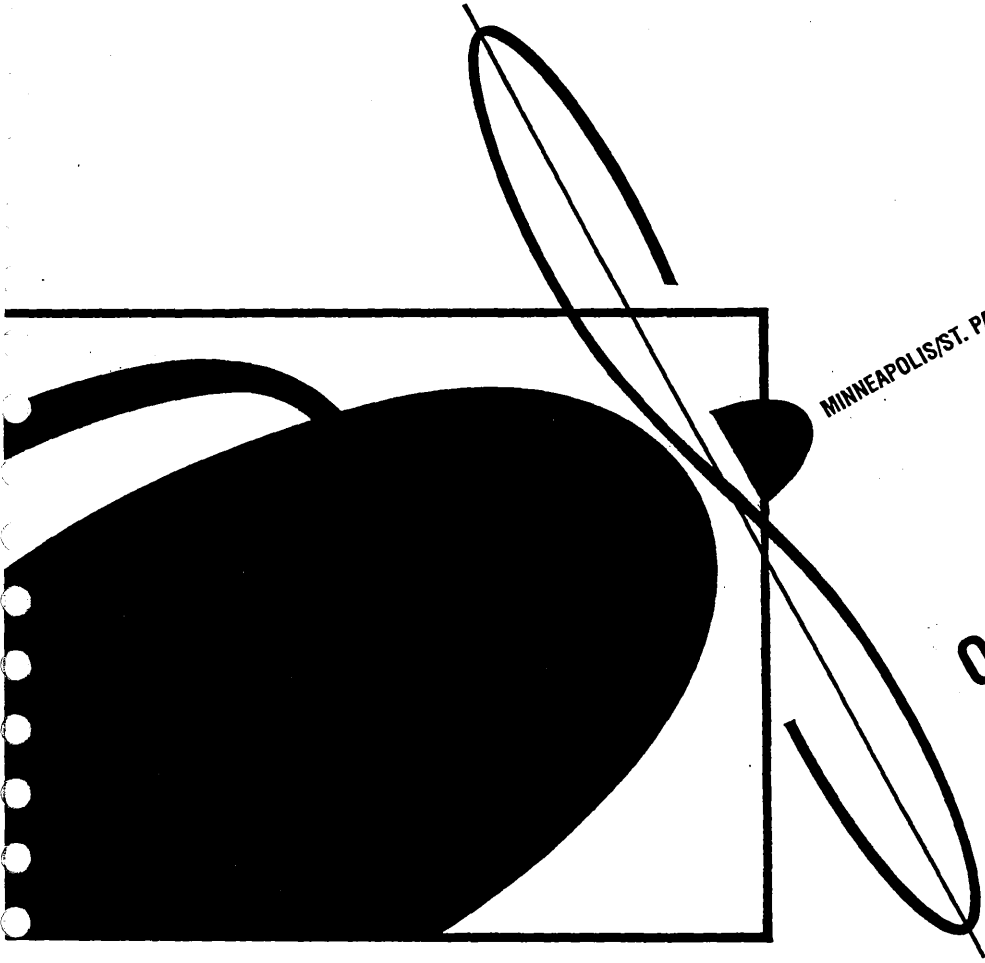
At any time during the fiscal year, the Executive Director may recommend to the full Commission that all or any unencumbered appropriation balances of individual line-items be transferred to those line-items that require additional budgeted funds. In addition, the Executive Director may recommend to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

The individual line-items will include the following:

- |                                   |                        |
|-----------------------------------|------------------------|
| 1. <b>Personnel</b>               | 6. <b>Maintenance</b>  |
| Salaries & Wages                  | Trades                 |
| Benefits                          | Building               |
| Commissioner Per Diem             | Field                  |
| Total Personnel                   | Equipment              |
|                                   | Cleaning               |
| 2. <b>Administrative Expenses</b> | Total Maintenance      |
|                                   |                        |
| 3. <b>Professional Services</b>   | 7. <b>Depreciation</b> |
|                                   |                        |
| 4. <b>Utilities</b>               | 8. <b>Other</b>        |
|                                   | General Insurance      |
| 5. <b>Operating Services</b>      | Other                  |
| Parking Management                | Reimbursed Expense     |
| Shuttle Bus Services              | Total Other            |
| Service Agreements                |                        |
| Storm Water Monitoring            | <b>Total Expense</b>   |
| Other                             |                        |
| Total Operating Services          |                        |

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION OPERATING BUDGET 1996

# Organizational Structure

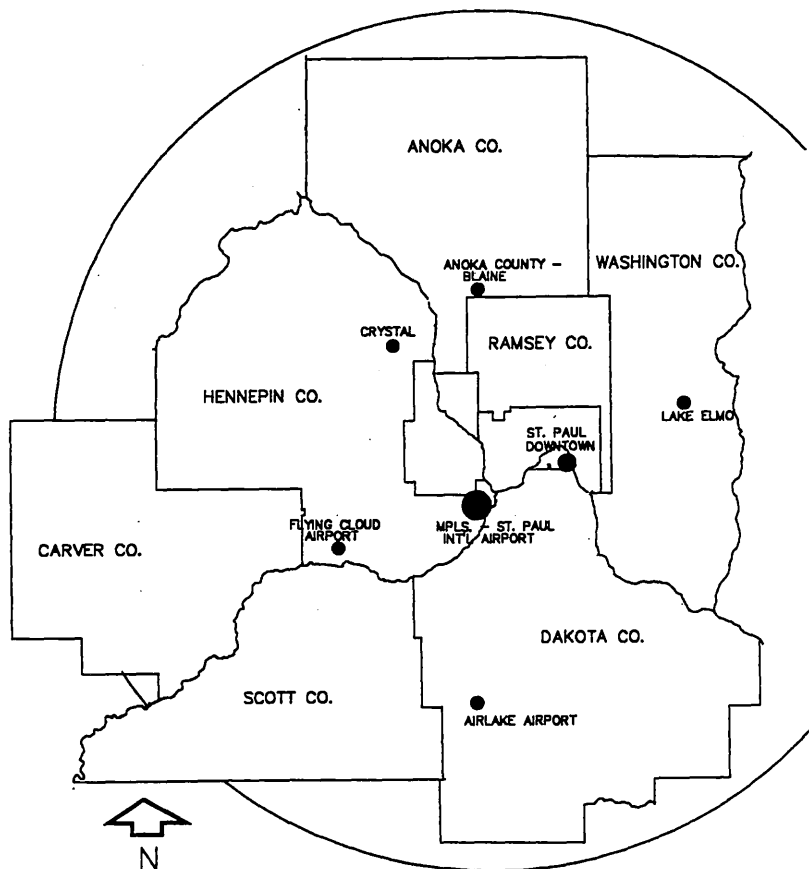




## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

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

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

The Commission is governed by 14 Commissioners and a chairperson. 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.

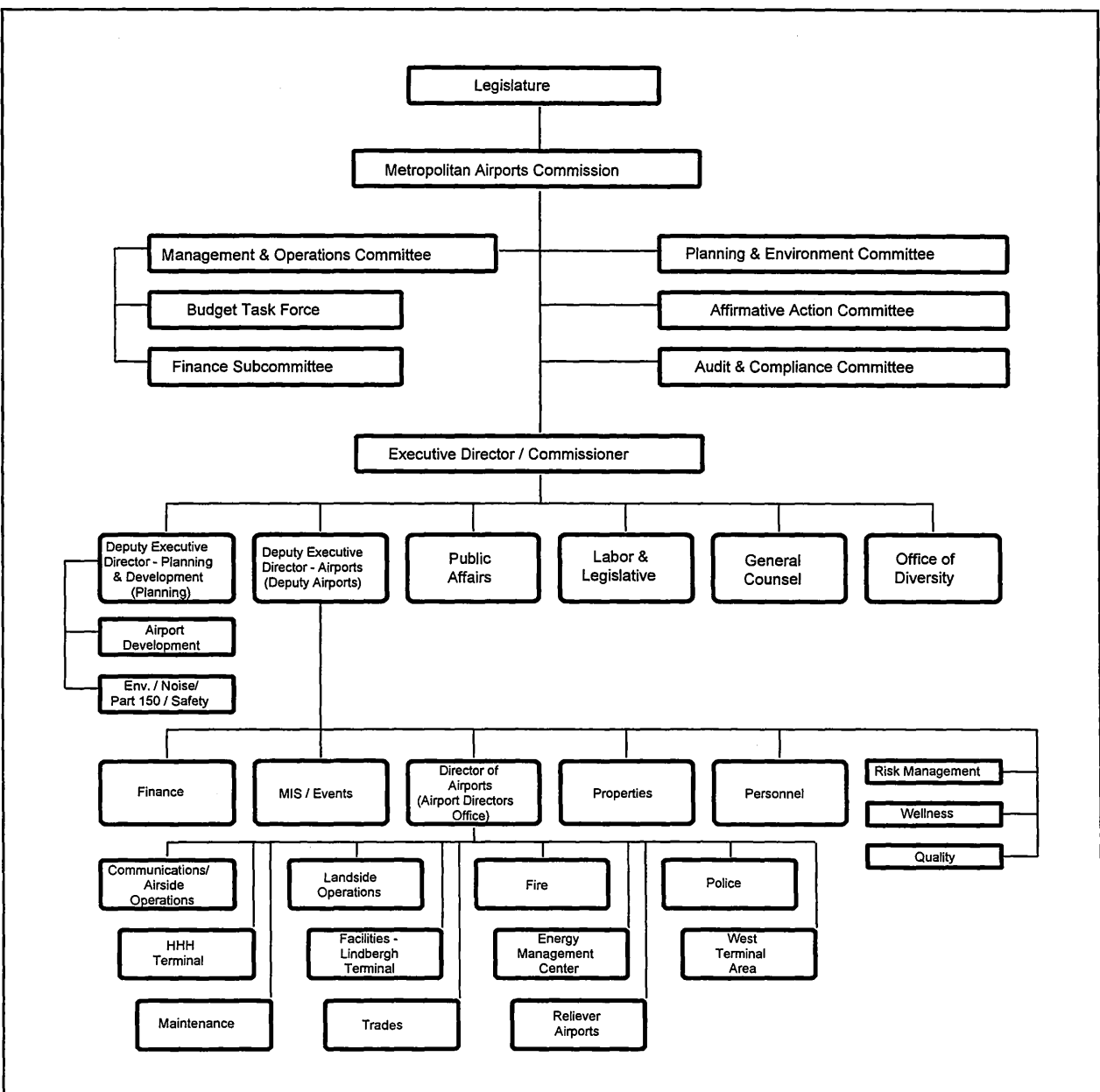
<b>Chairperson:</b>	Pierson Grieve
<b>Commissioners:</b>	
District A	Darcy Hitesman
District B	Daniel Johnson
District C	John Himle
District D	Alton Gasper
District E	Edward Fiore
District F	Tommy Merickel
District G	Patrick O'Neill
District H	Louis Miller
City of Minneapolis	Steve Cramer
City of St. Paul	Dick Long
Representing Greater Minnesota Area:	Laurel Erickson John Kahler 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.

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

The remainder of this section includes detailed information on the organizational structure. The organizational chart below identifies the structure and departmental levels. This chart is followed by a table which lists the departments and the associated service centers which roll up into it. Next is the headcount table. This table includes positions by department, positions by classification and a summary of changes/vacancies/new positions. The last area is the summary by department. Each department shows the following information: expense by major category, this again is for departmental use, headcount summary and a brief description of the departments responsibility/function.



# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

### Department/Service Center Listing

#### Department

Executive/Commission  
Planning  
Public Affairs  
Deputy Airports  
  
Airport Development  
Finance  
MIS/Events  
Labor/Legislative  
Properties  
Office of Diversity  
General Counsel  
Personnel  
Airport Directors Office  
Airside Operations/Communications  
  
Landside Operations  
  
Fire  
Police  
  
Noise/Environment/Part 150/Safety  
  
HHH Terminal  
Facilities–Lindbergh Terminal  
Energy Management Center  
West Terminal Area  
Trades  
  
Maintenance  
  
Reliever Airports

#### Service Center Listing

Executive (75000) and Commissioner (75100)  
Planning (75500)  
Public Affairs (76000)  
Deputy Airports (76500), Quality (76600), Wellness (76700),  
Risk Management (76800)  
Airport Development (77000)  
Finance (78000), Purchasing (78200) and Audit (78300)  
MIS (79000) and Events (79100)  
Labor/Legislative (79500)  
Properties (80000)  
Office of Diversity (80500)  
General Counsel (81000)  
Personnel (81500)  
Airport Directors Office (82000) and Technical Support (82100)  
General Comm/Ops (82500), Airside Operations (82600) and  
Communications (82700)  
Ground Transportation (83000), Parking Facilities (83300) and  
Landside Administration (83400)  
Training (83500) and Rescue (83600)  
General Office (84000), Narcotics/Investigation (84100), Administration/  
Training (84200), Patrol/CSO's (84300), Security/Investigations (84400)  
General (85000), Safety/Environmental (85100), Part 150 (85200) and  
Noise (85300)  
HHH Terminal (85500)  
Facilities–Lindbergh Terminal (86100) and Administration (86000)  
Energy Management Center (86300)  
West Terminal Area (87000)  
Electricians (88000), Painters (88100), Carpenters (88200) and  
Plumbers (88300)  
Field (89000), Equipment Maintenance (89100), Equipment  
Purchase (89200), General (89300)  
Administration (90000), St. Paul (90200), Lake Elmo (90300),  
Airlake (90400), Flying Cloud (90500), Crystal (90600) and  
Anoka (90700)

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

EXECUTIVE/COMMISSIONER	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	185,865	190,014	203,224	13,210	6.95%
Administrative Expenses	121,547	135,000	126,074	(9,226)	(6.82)
Professional Services	22,182	0	0	0	.00
Utilities	700	2,400	1,400	(1,000)	(41.67)
Operating Services/Expenses	21,239	600	700	100	16.67
Other	6,338	9,500	10,000	500	5.26
Expenses	357,921	337,814	341,398	3,584	1.06%

HEADCOUNT SUMMARY	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
Executive/Commissioner	3	3	3	3

### Responsibility/Function

#### Office of the Executive Director

The Executive Director is responsible for the overall administration of the Metropolitan Airports Commission and is responsible for the implementation of all Commission policies. The Office of the Executive Director is directly accountable to the Board of Commissioners for the safe and efficient operation of the seven airports under its jurisdiction. Responsibilities include the coordination, direction and implementation of programs and services of the Commission as well as external relations with those regulatory agencies and governmental bodies concerned with the operation and administration of the Commission. No operational changes are projected for 1996.

#### Metropolitan Airports Commission Board

It is the responsibility of the Board of Commissioners to: 1) Promote the public welfare; 2) Promote national, international, state and local air transportation; 3) Promote the safe, efficient and economical handling of air commerce both nationally and internationally and to fully develop the potential of the metropolitan area as an aviation center providing for the most economical and effective use of aeronautical facilities and services; 4) Assure residents of the metropolitan area minimum environmental impact from air transportation by promoting the overall goals of the State's environmental policies minimizing the public's exposure to noise and pursuit of the highest levels of safety at all Commission airports.

MAC GENERAL	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	3,010,125	2,960,086	3,023,699	63,613	2.15%
Administrative Expenses	53,632	60,000	54,840	(5,160)	(8.60)
Professional Services	192,734	60,000	40,000	(20,000)	(33.33)
Utilities	5,263,894	5,001,785	5,050,560	48,775	.98
Operating Services/Expenses	1,592,788	1,488,000	1,767,800	279,800	18.80
Maintenance	519,219	654,000	633,000	(21,000)	(3.21)
Other	(807,459)	(1,250,000)	(1,201,442)	48,558	(3.88)
Gross Depreciation	15,115,621	19,174,867	20,656,684	1,481,817	7.73
Expenses	24,940,554	28,148,738	30,025,141	1,876,403	6.67%

### Responsibility/Function

Oversight of this area is the responsibility of the Finance department. The costs listed in the table above represent general organization costs or requirements. Included in these are: Pensions, Postage, Utilities (heating, water, sewer, telephone, and electricity), Storm Water Monitoring, Depreciation, and Reimbursed Expense. There are no personnel. From an operations view changes are forecasted in the Utilities, Operating Services, Maintenance, and Depreciation areas. Utilities may exceed the budget depending upon completion dates of a number of projects: Ground Transportation Center, FIS Facility/Southwest Lindbergh Terminal Addition and the Roadway projects. No increased consumption is forecasted for 1996. Operating Services—Storm Water Monitoring is increasing due to additional plugging of sewers and the testing of a leased sweeper. Maintenance is decreasing because of the new rubbish disposal agreement. For Depreciation – see expense assumptions for a listing of projects.

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

<b>PLANNING</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>\$</b>	<b>%</b>
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	120,970	133,411	136,444	3,033	2.27%
Administrative Expenses	36,334	69,400	64,300	(5,100)	(7.35)
Professional Services	1,985,699	1,696,800	1,050,000	(646,800)	(38.12)
Utilities	207	0	0	0	.00
Operating Services/Expenses	<u>14,023</u>	<u>18,300</u>	<u>23,300</u>	<u>5,000</u>	<u>27.32</u>
Expenses	2,157,233	1,917,911	1,274,044	(643,867)	(33.57)%

<b>HEADCOUNT SUMMARY</b>	<b>1994</b>	<b>1995</b>	<b>1995</b>	<b>1996</b>
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Planning	2	2	2	2

### Responsibility/Function

This area supervises planning, engineering and construction of all Commission facilities. A major focus is on the Dual Track Airport Planning Process (i.e. expansion of MSP Int'l or New Airport). The significant change from 1995 budget to 1996 budget is the completion of the Dual Track Airport Planning Process. This results in a \$640,000 decrease in Professional Services.

<b>PUBLIC AFFAIRS</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>\$</b>	<b>%</b>
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	230,897	256,413	267,200	10,787	4.21%
Administrative Expenses	128,376	133,100	121,700	(11,400)	(8.56)
Professional Services	264,215	265,000	247,500	(17,500)	(6.60)
Utilities	401	1,800	1,500	(300)	(16.67)
Operating Services/Expenses	106,666	128,000	125,000	(3,000)	(2.34)
Other	<u>3,753</u>	<u>2,500</u>	<u>500</u>	<u>(2,000)</u>	<u>(80.00)</u>
Expenses	734,308	786,813	763,400	(23,413)	(2.98)%

<b>HEADCOUNT SUMMARY</b>	<b>1994</b>	<b>1995</b>	<b>1995</b>	<b>1996</b>
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Public Affairs	3	4	4	5

### Responsibility/Function

This function is responsible for industry and congressional relations, internal and external communications, media relations, special events, and communications to the public. Also, serves as the Commission's marketing division – promoting the resources of MSP Int'l and the reliever airports both domestically and internationally. The increase in staff can be attributed to the emphasis on marketing MSP Int'l to attract new tenants. Reductions in the Administrative and Professional Services areas can be attributed to cutting back on existing outside services.

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

DEPUTY AIRPORTS	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	2,536,530	3,713,381	3,424,409	(288,972)	(7.78)%
Administrative Expenses	18,846	35,750	28,400	(7,350)	(20.56)
Professional Services	49,516	99,000	75,000	(24,000)	(24.24)
Utilities	83	0	0	0	.00
Operating Services/Expenses	86,291	135,100	131,600	(3,500)	(2.59)
Other	<u>960,002</u>	<u>1,038,450</u>	<u>1,048,200</u>	<u>9,750</u>	<u>.94</u>
Expenses	3,651,268	5,021,681	4,707,609	(314,072)	(6.25)%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
Deputy Airports	4	4	5	5

### Responsibility/Function

The major function of this area is the oversight and management of all of the daily functions associated with the operation, maintenance and administration of MAC's system of seven airports. The Organization chart shown earlier identifies all of the responsibilities that report through the Deputy Executive Director–Airports. The dollars shown in the table above represent only the costs associated with some of the administrative functions as described below:

- Quality Program – supporting MAC's goal to become a more customer-driven organization by providing resources and facilitating programs related to customer expectations, employee involvement and others. This effort resulted in the transfer of a position into the service center in 1995.
- Wellness Program – providing opportunities for employee efforts to improve the physical, mental and emotional well being of employees and their families by providing opportunities for fitness, nutrition, stress management, and fun.
- Insurance/Risk Management – responsible for all MAC risk management efforts as well as formal insurance programs including Health, Property, Liability, Workers Compensation, and other miscellaneous coverages.

The decrease in Personnel costs is due to recent experience in MAC's health insurance area. As a result, the 1996 budget is at a level of expense which occurred in 1994 and 1995. Professional Services is down because consultant projects were completed in 1995 and need not be carried forward.

AIRPORT DEVELOPMENT	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	562,326	651,638	665,279	13,641	2.09%
Administrative Expenses	15,502	43,152	42,385	(767)	(1.78)
Professional Services	325,559	340,000	330,000	(10,000)	(2.94)
Utilities	565	360	720	360	100.00
Operating Services/Expenses	8,546	900	1,000	100	11.11
Maintenance	13,189	0	0	0	.00
Other	<u>327</u>	<u>10,108</u>	<u>2,000</u>	<u>(8,108)</u>	<u>(80.21)</u>
Expenses	926,014	1,046,158	1,041,384	(4,774)	(.46)%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
Airport Development	9	10	11	11

### Responsibility/Function

Coordinates and administers the Capital Improvement Program (CIP). Also, this area is responsible for the coordination of those functions with the appropriate local, state, and federal agencies, and for monitoring federal and state aid programs. The increase in staff is the result of the need to provide assistance and support for the New Ford Town/Rich Acres buyout and the home insulation program. No significant changes are projected for 1996.

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

FINANCE	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	997,555	1,064,865	1,111,102	46,237	4.34%
Administrative Expenses	138,175	123,555	124,667	1,112	.90
Professional Services	173,778	160,360	132,440	(27,920)	(17.41)
Utilities	335	192	150	(42)	(12.88)
Operating Services/Expenses	99,706	89,000	100,478	11,478	12.90
Maintenance	1,890	3,000	2,000	(1,000)	(33.33)
Other	<u>4,009</u>	<u>34,350</u>	<u>24,000</u>	<u>(10,350)</u>	<u>(30.13)</u>
Expenses	1,415,448	1,475,322	1,494,837	19,515	1.32%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
Finance	22	22	22	22

### Responsibility/Function

This area is responsible for the Commission's accounting and cash management, preparation of the annual operating budget, Comprehensive Annual Financial Report (CAFR), purchasing Commission supplies and auditing tenants. Financial planning and analysis are also major areas of focus. The reduction in Professional Services can be attributed to reduced services provided by outside sources.

MIS/EVENTS	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	351,591	474,255	513,115	38,860	8.19%
Administrative Expenses	18,033	39,500	39,500	0	.00
Professional Services	12,376	75,000	71,000	(4,000)	(5.33)
Utilities	128	600	600	0	.00
Operating Services/Expenses	117,911	196,300	171,800	(24,500)	(12.48)
Other	<u>4,271</u>	<u>106,300</u>	<u>8,000</u>	<u>(98,300)</u>	<u>(92.47)</u>
Expenses	504,310	891,955	804,015	(87,940)	(9.86)%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
MIS/Events	7	8	8	8

### Responsibility/Function

This area is responsible for planning, selecting and implementing all computer and office automation systems. The increase in staff will assist in implementation of MAC-wide connectivity, improve reliability and availability of the network, increase customer support, and reduce network vulnerability to downtime. Also combined is the MAC Events Coordinator who is responsible for planning and coordinating employee and retiree programs. Reductions in Operating Services and Other are the result of: Employee programs budgets for 1996 were reduced to reflect actual expenditures for 1994 and 1995. The Other category is down because of a transfer of funding computers from MIS to MAC General. MIS will still be responsible for making equipment recommendations.



# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

LABOR/LEGISLATIVE	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	186,519	191,569	199,240	7,671	4.00%
Administrative Expenses	6,941	17,700	17,600	(100)	(.56)
Professional Services	79,995	120,000	113,000	(7,000)	(5.83)
Utilities	1,292	1,300	1,300	0	.00
Operating Services/Expenses	<u>9,649</u>	<u>10,200</u>	<u>8,700</u>	<u>(1,500)</u>	<u>(14.71)</u>
Expenses	284,396	340,769	339,840	(929)	(.27)%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
Labor/Legislative	3	3	3	3

### Responsibility/Function

This area 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. No significant changes are forecasted for 1996.

PROPERTIES	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	259,757	275,500	295,623	20,123	7.30%
Administrative Expenses	23,513	40,100	39,100	(1,000)	(2.49)
Professional Services	124,364	147,000	115,000	(32,000)	(21.77)
Utilities	186	300	300	0	.00
Operating Services/Expenses	11,844	10,800	16,500	5,700	52.78
Other	<u>85</u>	<u>3,165</u>	<u>115</u>	<u>(3,050)</u>	<u>(96.37)</u>
Expenses	419,749	476,865	466,638	(10,227)	(2.14)%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
Properties	5	5	5	5

### Responsibility/Function

This area is responsible for managing the Commission's leases and concessions agreements at the Minneapolis-St. Paul International Airport. Includes planning the concessions and lease program, negotiating respective contracts, managing terminal and land space, and delivering day-to-day customer/vendor service. The increase in Personnel is due to this department being fully staffed for the whole year. In 1994 and 1995 they were not. In the Professional Services area the decrease can be attributed to consulting services for lease negotiations. Indications are that the Airline Agreement will in all likelihood be extended on a short term basis rather than renegotiated.

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

OFFICE OF DIVERSITY	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	166,570	207,065	216,142	9,077	4.38%
Administrative Expenses	11,564	18,620	17,600	(1,020)	(5.48)
Professional Services	48	20,000	15,830	(4,170)	(20.85)
Operating Services/Expenses	2,404	3,950	8,950	5,000	126.58
Other	233	2,700	0	(2,700)	(100.00)
Expenses	180,819	252,335	258,522	6,187	2.45%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
Office of Diversity	4	4	4	4

### Responsibility/Function

This function plans programs and responds to all questions, policies, reports, and/or planning that deal with Affirmative Action requirements. No significant changes are forecasted for 1996.

GENERAL COUNSEL	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	226,668	235,954	247,202	11,248	4.77%
Administrative Expenses	19,730	35,400	29,600	(5,800)	(16.38)
Professional Services	593,033	661,000	606,000	(55,000)	(8.32)
Utilities	1,526	1,000	1,000	0	.00
Operating Services/Expenses	3,293	840	1,100	260	30.95
Expenses	844,250	934,194	884,902	(49,292)	(5.28)%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
General Counsel	4	4	4	5

### Responsibility/Function

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. The increase in headcount is due to the addition of a staff attorney during the fourth quarter of 1996. This results in the increase in Personnel costs and the corresponding decrease in Professional Services (outside legal consultants).

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

PERSONNEL	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	308,877	348,360	357,509	9,149	2.63%
Administrative Expenses	11,889	14,000	14,000	0	.00
Professional Services	53,308	25,000	22,000	(3,000)	(12.00)
Operating Services/Expenses	33,268	46,700	20,100	(26,600)	(56.96)
Maintenance	5,851	0	0	0	.00
Other	13,927	10,400	10,400	0	.00
Expenses	427,120	444,460	424,009	(20,451)	(4.60)%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
Personnel	6	6	6	7

### Responsibility/Function

This service center is responsible for hiring, administering employee benefits and maintaining accurate personnel files. A general office clerk will be added to this department in 1996. Operating Services are decreasing due to a transfer of responsibility and funding for the telephone service agreement from this area to the West Terminal area.

AIRPORT DIRECTORS OFFICE	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	407,052	430,572	354,107	(76,465)	(17.76)%
Administrative Expenses	30,281	43,675	38,775	(4,900)	(11.22)
Professional Services	11,425	38,700	35,400	(3,300)	(8.53)
Utilities	627	780	780	0	.00
Operating Services/Expenses	58,035	96,700	93,300	(3,400)	(3.52)
Other	9,202	24,472	9,800	(14,672)	(59.95)
Expenses	516,622	634,899	532,162	(102,737)	(16.18)%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
Airport Directors Office	7	7	7	7

### Responsibility/Function

This area responds to both the operations and maintenance needs of the travelling public, outside agencies, airlines, and other tenants. In addition, special events that occur at MSP Int'l are coordinated through this area and statistical data for reporting purposes are compiled in this area. Personnel is reduced for two reasons: 1) A position vacant for the second half of 1995 will not be filled until the second quarter of 1996. 2) A number of interns were previously under the direction of this department, that responsibility has been shifted to Airside Operations. The Other category decrease can be attributed to minor equipment purchases.

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

AIRSIDE OPERATIONS/ COMMUNICATIONS	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	899,471	909,034	994,509	85,475	9.40%
Administrative Expenses	16,084	25,360	30,905	5,545	21.87
Professional Services	14,920	75,300	30,000	(45,300)	(60.16)
Utilities	4,659	5,000	6,500	1,500	30.00
Operating Services/Expenses	44,502	58,920	60,175	1,250	2.13
Maintenance	3,904	6,605	7,475	870	13.17
Other	<u>996</u>	<u>45,280</u>	<u>16,690</u>	<u>(28,590)</u>	<u>(63.14)</u>
Expenses	984,536	1,125,499	1,146,254	20,755	1.84%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
Airside Operations/Communications	17	19	19	19

### Responsibility/Function

This area combines Airside Operations and Communications. Airside Operations is responsible for planning, developing, communicating, and implementing systems and procedures which maintain and improve both safety and efficiency on the airfield at MSP Int'l. Communications is responsible for the 911 public safety system and analyzing information to ensure safety of tenants, passengers, police, fire, and other users of the airport. For 1996 personnel costs are increasing due to the transfer of the interns from the direction of the Airport Directors Office to Airside Operations. Professional Services are being reduced because in 1995 there was a one-time service charge for the Communications area. This project was completed in 1995 and no additional funding was necessary.

LANDSIDE OPERATIONS	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	310,154	353,282	587,598	234,316	66.33%
Administrative Expenses	16,512	20,700	22,155	1,455	7.03
Professional Services	294,854	292,500	207,970	(84,530)	(28.90)
Utilities	0	1,200	1,200	0	.00
Operating Services/Expenses	5,114,330	5,776,649	5,516,967	(259,682)	(4.50)
Maintenance	10,477	16,500	36,500	20,000	121.21
Other	<u>(1,641)</u>	<u>28,400</u>	<u>54,050</u>	<u>25,650</u>	<u>90.32</u>
Expenses	5,744,686	6,489,231	6,426,440	(62,791)	(.97)%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
Landside Operations	6	14	6	18

### Responsibility/Function

This area is responsible for management oversight of all public parking facilities, employee parking facilities, ground transportation, commercial vehicle access, taxicab licensing and control, and contracted shuttle bus services. Involves dealing with 3,000 employees, 400 taxicabs and 10,000 public parking spaces. Another major area of involvement is the on-going construction and design work for the ground transportation center and passenger movement systems. The staff increase can be attributed to MAC operating the Landside starter service rather than contracting out for this service. The outside contract was terminated in 1994. MAC operated this service internally as a test. The results were overwhelmingly positive. As a result the Commission now operates the service. The cost of the 12 additional staff including wage and benefits is less than the 1995 budgeted amount for the starter contract. This change results in significant increase in Personnel costs and decrease in Operating Services. The decrease in Professional Services can be attributed to implementation of the complete AVI tag system in conjunction with the completion of the Ground Transportation Center.

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

<b>FIRE</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>\$</b>	<b>%</b>
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	1,776,209	1,994,598	2,092,568	97,970	4.91%
Administrative Expenses	5,292	17,880	19,680	1,800	10.07
Professional Services	10,102	13,200	10,500	(2,700)	(20.45)
Utilities	639	1,440	1,440	0	.00
Operating Services/Expenses	16,468	23,120	23,120	0	.00
Maintenance	9,761	6,800	4,800	(2,000)	(29.41)
Other	<u>20,171</u>	<u>44,700</u>	<u>42,100</u>	<u>(2,600)</u>	<u>(5.82)</u>
Expenses	1,838,642	2,101,738	2,194,208	92,470	4.40%

<b>HEADCOUNT SUMMARY</b>	<b>1994</b>	<b>1995</b>	<b>1995</b>	<b>1996</b>
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Fire	37	38	38	38

### Responsibility/Function

The Fire Department offers professional fire protection and emergency assistance to airlines, airline passengers, airport employees, tenants, visitors, and others who use the airport. Firefighters are prepared to respond to fires, accidents and medical emergencies on a twenty-four hour basis. No significant changes are forecasted for 1996.

<b>POLICE</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>\$</b>	<b>%</b>
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	3,210,616	3,474,762	3,511,703	36,941	1.06%
Administrative Expenses	53,176	85,037	82,875	(2,162)	(2.54)
Professional Services	6,627	159,850	21,750	(138,100)	(86.39)
Utilities	2,486	2,800	2,800	0	.00
Operating Services/Expenses	232,522	204,611	230,372	25,761	12.59
Maintenance	16,032	16,900	78,900	62,000	366.86
Other	<u>(3,066)</u>	<u>23,500</u>	<u>20,300</u>	<u>(3,200)</u>	<u>(13.62)</u>
Expenses	3,518,393	3,967,460	3,948,700	(18,760)	(.47)%

<b>HEADCOUNT SUMMARY</b>	<b>1994</b>	<b>1995</b>	<b>1995</b>	<b>1996</b>
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Police	76	76	82	82

### Responsibility/Function

Police consists of the following areas: Training & Administration, Security & Investigation, Narcotics Investigations, and Patrol Operations. The main focus is to provide a safe and secure environment for the travelling public, all tenants and employees. A number of CSO positions were vacant at year end 1995, but are expected to be filled in early 1996. The change in Professional Services is the result of a transfer from this category to Operating Services. The item was viewed as more of a service agreement rather than a consulting agreement. Also in Operating Services, the budget for "D" Street security is more reflective of recent actual expenditures (approximately \$20,000 decrease).

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

NOISE/ENVIRONMENT/ PART 150/SAFETY	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	584,220	639,106	679,246	40,140	6.28%
Administrative Expenses	71,346	76,700	65,920	(10,780)	(14.05)
Professional Services	414,491	744,900	701,500	(43,400)	(5.83)
Utilities	398	240	240	0	.00
Operating Services/Expenses	237,494	251,200	244,900	(6,300)	(2.51)
Other	<u>41,884</u>	<u>88,500</u>	<u>80,100</u>	<u>(8,400)</u>	<u>(9.49)</u>
Expenses	1,349,833	1,800,646	1,771,906	(28,740)	(1.60)%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
Noise/Environment/Part 150/Safety	13	15	15	15

### Responsibility/Function

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. All decreases shown can be attributed to reduced outside services and budgeting more in line with recent actual expenditures.

HHH TERMINAL	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	45,486	53,746	54,275	529	.98%
Administrative Expenses	3,398	3,890	4,300	410	10.54
Professional Services	675	1,000	1,000	0	.00
Operating Services/Expenses	156	9,250	9,700	450	4.86
Maintenance	340	7,800	7,500	(300)	(3.85)
Other	<u>0</u>	<u>8,625</u>	<u>0</u>	<u>(8,625)</u>	<u>(100.00)</u>
Expenses	50,055	84,311	76,775	(7,536)	(8.94)%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
HHH Terminal	1	1	1	1

### Responsibility/Function

This terminal is the Commission's international arrival facility. It also is utilized by a number of charter operators. The change in Other is due to minor equipment purchases. No other significant changes are forecasted for 1996.

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

FACILITIES–LINDBERGH TERMINAL	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	363,103	349,585	384,414	34,829	9.96%
Administrative Expenses	4,520	12,410	11,900	(510)	(4.11)
Professional Services	0	0	2,500	2,500	100.00
Utilities	295	240	350	110	45.83
Operating Services/Expenses	3,052	5,200	5,200	0	.00
Maintenance	3,566,754	3,517,255	3,373,885	(143,370)	(4.08)
Other	<u>7,434</u>	<u>11,490</u>	<u>34,640</u>	<u>23,150</u>	<u>201.48</u>
Expenses	3,945,158	3,896,180	3,812,889	(83,291)	(2.14)%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
Facilities–Lindbergh Terminal	10	9	8	9

### Responsibility/Function

This area is responsible for maintaining and operating the terminal facility. Duties include oversight of a large number and dollar amount of various service contracts as well as responding to both tenant and public concerns. Maintenance reductions can be attributed to changes made in scheduling of repairs regarding carousels, conveyors and public mechanical doors.

ENERGY MANAGEMENT CENTER	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	574,504	595,601	613,095	17,494	2.94%
Administrative Expenses	1,912	2,700	2,500	(200)	(7.41)
Utilities	633	640	640	0	.00
Operating Services/Expenses	4,180	1,200	1,200	0	.00
Maintenance	103,647	131,800	133,800	2,000	1.52
Other	<u>2,922</u>	<u>5,350</u>	<u>200</u>	<u>(5,150)</u>	<u>(96.26)</u>
Expenses	687,798	737,291	751,435	14,144	1.92%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
Energy Management Center	13	13	13	13

### Responsibility/Function

The Energy Management Center (formerly Boiler Plant) is responsible for maintenance and operation of the heating and cooling systems within the Lindbergh Terminal. No significant changes are forecasted for 1996.

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

WEST TERMINAL AREA	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	86,421	83,457	96,338	12,881	15.43%
Administrative Expenses	21	2,500	2,700	200	8.00
Professional Services	0	0	10,000	10,000	100.00
Utilities	579	300	300	0	.00
Operating Services/Expenses	27,247	5,350	30,350	25,000	467.29
Maintenance	416,081	357,000	347,863	(9,137)	(2.56)
Other	710	16,532	16,832	300	1.81
Expenses	531,059	465,139	504,383	39,244	8.44%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
West Terminal Area	2	2	2	2

### Responsibility/Function

This area is responsible for maintaining and operation of all Commission facilities on the west side of the airport. These include all maintenance buildings, the Commission's general office and various office and hangar facilities. The increase in Operating Services and Professional Services is the result of transferring responsibility and funding for the general office phone system from the Personnel department to this area.

TRADES	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	1,269,669	1,275,161	1,282,562	7,401	.58%
Administrative Expenses	2,091	8,515	10,040	1,525	17.91
Professional Services	4,750	5,400	5,400	0	.00
Utilities	860	900	900	0	.00
Operating Services/Expenses	3,579	3,464	3,700	236	6.81
Maintenance	425,528	576,283	553,510	(22,773)	(3.95)
Other	6,955	29,750	35,300	5,550	18.66
Expenses	1,713,432	1,899,473	1,891,412	(8,061)	(.42)%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
Trades	26	27	27	27

### Responsibility/Function

Trades is comprised of painters, carpenters, electricians, and plumbers. Each of these areas provide their respective service throughout the MAC's system of airports. No significant changes are forecasted for 1996.



# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

MAINTENANCE	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	3,398,308	3,551,508	3,736,834	185,326	5.22%
Administrative Expenses	14,179	52,280	44,030	(8,250)	(15.78)
Professional Services	46,727	60,000	60,000	0	.00
Utilities	2,628	3,480	3,340	(140)	(4.02)
Operating Services/Expenses	89,110	94,800	102,200	7,400	7.81
Maintenance	1,376,968	1,814,067	1,732,352	(81,715)	(4.50)
Other	5,781	60,250	46,500	(13,750)	(22.82)
Expenses	4,933,701	5,636,385	5,725,256	88,871	1.58%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
Maintenance	78	81	82	82

### Responsibility/Function

Maintenance is responsible for maintaining the ramp area, field/runway/taxiway area, the road system on airport property, parking facilities, and responding to tenant requests. In addition this area maintains MAC's equipment and vehicle fleets and prepares the specifications for all vehicle purchases. The increase in Personnel is the result of all headcount positions being budgeted as filled for 1996. The decrease in Maintenance can be attributed to a change in material testing. Less testing of potassium acetate will be done in 1996. This material is very expensive compared with urea. The decrease in Other can be attributed to minor equipment purchases.

RELIEVER AIRPORTS	1994 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	1,223,575	1,321,974	1,393,543	71,569	5.41%
Administrative Expenses	15,917	26,010	28,180	2,170	8.34
Professional Services	0	24,996	24,996	0	.00
Utilities	3,764	4,000	4,000	0	.00
Operating Services/Expenses	56,255	66,700	58,900	(7,800)	(11.69)
Maintenance	273,087	556,750	518,750	(38,000)	(6.83)
Other	8,100	41,400	30,200	(11,200)	(27.05)
Expenses	1,580,698	2,041,830	2,058,569	16,739	.82%

<u>HEADCOUNT SUMMARY</u>	1994 <u>Actual</u>	1995 <u>Actual</u>	1995 <u>Budget</u>	1996 <u>Budget</u>
Reliever Airports	26	27	27	27

### Responsibility/Function

The Reliever Airport staff is responsible for maintenance and safe operation of the Commission's six reliever facilities. In addition to responding to various tenant requests, lease issues are also reviewed and responded upon. The reductions shown are the result of a number of small cuts in service and 1996 budget figures being at a level more consistent with recent actual expenditures.

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

### ORGANIZATIONAL PERSONNEL

The personnel information below shows the changes between 1994 actual and 1996 budget. The information this year is divided into three sections: Headcount by Department, Headcount by Classification Position and Summary Information. The Summary section details transfers/changes and vacancies as of 11/30/95.

<u>Headcount By Department</u>	<u>1994 Actual</u>	<u>1995<sup>A</sup> Actual</u>	<u>1995 Budget</u>	<u>1996 Budget</u>
Executive/Commissioner	3	3	3	3
Planning	2	2	2	2
Public Affairs	4	4	4	5
Deputy Airports	5	5	5	5
Airport Development	9	10	11	11
Finance/Purchasing/Audit	22	22	22	22
MIS/Events	7	8	8	8
Labor/Legislative	3	3	3	3
Properties	5	5	5	5
Office Of Diversity	4	4	4	4
General Counsel	4	4	4	5
Personnel	6	6	6	7
Airport Directors Office	7	6	7	7
Airside Operations/Communications	17	19	19	19
Landside Operations	6	14	6	18
Fire	38	38	38	38
Police	76	80	82	82
Noise/Environment/Part 150/Safety	13	13	15	15
HHH Terminal	1	1	1	1
Facilities - Lindbergh Terminal	9	9	8	9
Energy Management Center	13	13	13	13
West Terminal Area	2	2	2	2
Trades	26	27	27	27
Maintenance	78	81	82	82
Reliever Airports	<u>26</u>	<u>26</u>	<u>27</u>	<u>27</u>
Total Personnel	386	405	404	420

#### A. As of 11/30/95

##### Summary Information

The following positions were vacant as of 11/30/95:

Secretary–Airport Development	– 1	Aviation Noise Specialists–Noise	– 2
Communications Specialist	– 1	320 Maintenance Worker	– 1
CSO–Police	– 1	Operations Coordinator–Relievers	– 1
Officer–Police	– 1		

Changes made after the 1995 Budget was approved:

- 10 Passenger Assistants in the Landside Operations Department, 9 of which are filled.
- 1 Maintenance Position originally budgeted to not be filled in 1995 continues to be.

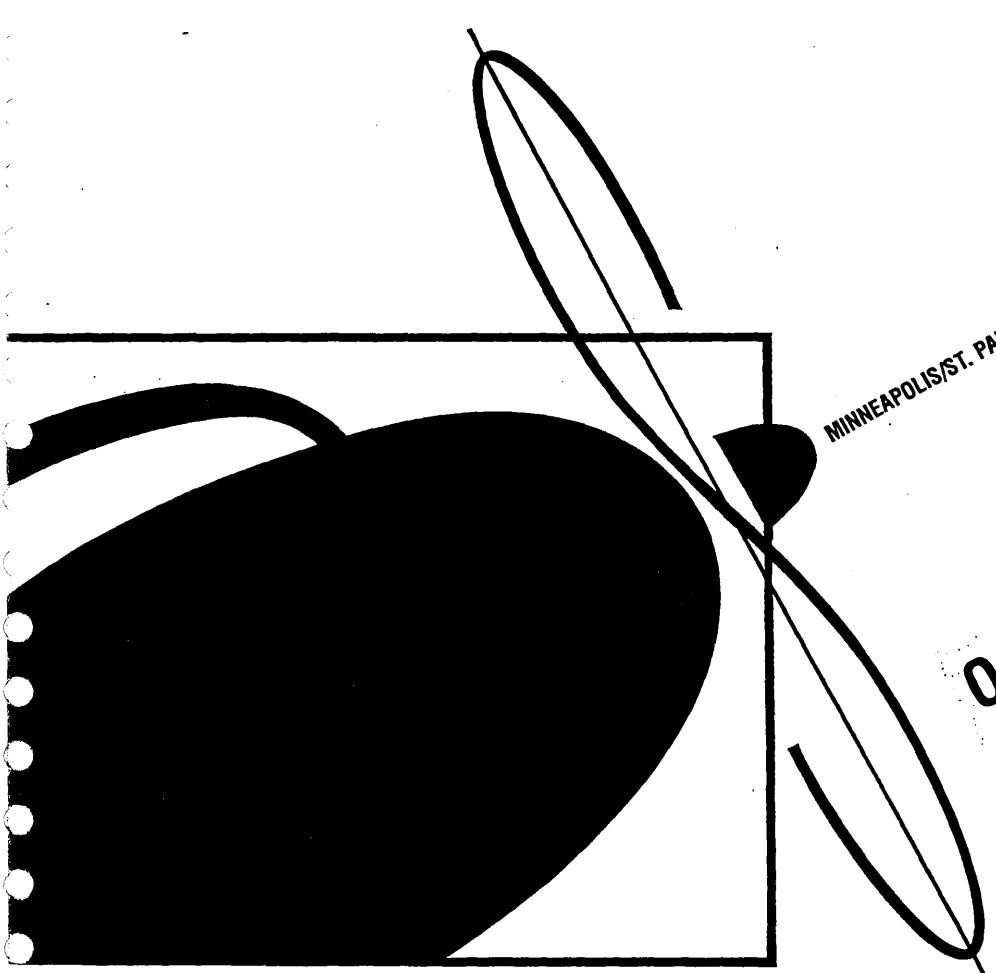
New Positions for the 1996 Budget:

Marketing Specialist–Public Affairs	Office Clerk–Personnel
Operations Agent–Landside Operations	Attorney–General Counsel
Administrative Support–Landside Operations	

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## ORGANIZATIONAL STRUCTURE – 1996 OPERATING BUDGET

<u>Headcount By Classification</u>	<u>1994 Actual</u>	<u>1995<sup>A</sup> Actual</u>	<u>1995 Budget</u>	<u>1996 Budget</u>
Organized				
Local 70 Operating Engineers	12	12	12	12
49er's Equipment Maintenance	12	12	12	12
320's - MSP Int'l - Field	56	59	60	60
320's - MSP Int'l - Lindbergh Terminal	6	6	5	6
320's - Reliever Airports	19	20	20	20
Painters	5	5	5	5
Carpenters	5	5	5	5
Plumbers	3	4	4	4
Electricians	12	12	12	12
Police Officers	33	36	37	37
Firefighters	<u>28</u>	<u>28</u>	<u>28</u>	<u>28</u>
Total Organized	191	199	200	201
Total Non-Organized				
Chairperson/Executive Director	2	2	2	2
Deputy Directors/Directors	12	12	12	12
Managers	33	33	34	35
Supervisors	36	38	39	41
Police Chief/Fire Chief	2	2	2	2
Community Service Officers (CSO's)	20	23	24	24
Passenger Assistants	0	9	0	10
Fire Captains/Fire Training	8	8	8	8
Police Sergeants/Lieutenants	13	13	13	13
Administrative Support	<u>69</u>	<u>66</u>	<u>70</u>	<u>72</u>
Total Non-Organized	195	206	204	219
Total MAC	386	405	404	420



MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION OPERATING BUDGET 1996

# Operating Budget

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### 1996 OPERATING BUDGET

As in 1995, at the request of the Budget Task Force the operating revenue and operating expense assumptions have been prepared comparing the previous year's budget (1995) with the current year's budget (1996). In the past the comparison was made based on estimates versus budget.

The Operating Budget section is presented in two sections. In the first section, the total revenues and expenses detailed from operations are incorporated into the Total Operating Budget summary. This schedule includes revenue and expense items which are non-operating. These include interest income and transfers to other funds. In the second part only revenue and expense derived from operating the Commissions facilities are presented. Revenue derived from user fees include various fees from the airlines, concessions and miscellaneous/utilities/rental fees. Expenses detailed include Personnel, Administrative, Professional Services, Utilities, Operating Services, Maintenance, Depreciation, and Other. Equipment purchases are also detailed at the end of the detail expense by subledger.

In April 1995, the Budget Task Force established the following targets for the 1996 operating budget:

1. Revenue growth would exceed expense growth.
2. Expense growth would be limited to a range from 0% to 3.65%.

As the table below shows, both targets established were met. Assumptions and changes in both revenue and expense are explained in the second section, or operational portion of the budget.

(\$ = 000)	1995 <u>Budget</u>	1996 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Operating Revenue	\$78,662	\$84,768	\$6,106	7.76%
Operating Expense	<u>72,956</u>	<u>73,666</u>	710	0.97%
Operating Income	<u>\$ 5,706</u>	<u>\$11,102</u>		

### FINANCIAL POLICIES – OPERATING BUDGET

The following represent the basic Operating Budget and Cash Management/Investment Policies under which this portion of the budget were prepared:

#### A. Budget

1. No taxes - certify to the seven county metropolitan auditors there will be no tax levy in 1996. (See also Flow of Funds - Tax Authority section.)
2. Cost effectiveness and efficiencies are monitored through monthly budget variance reports.
3. Executive Director at his/her discretion can direct movement of budget dollars as needed.
4. Targets are established by Budget Task Force.

#### B. Operating Reserve - established by staff at four months working capital. Approximately \$16 million.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### 1996 OPERATING BUDGET

#### C. Cash Management/Investments

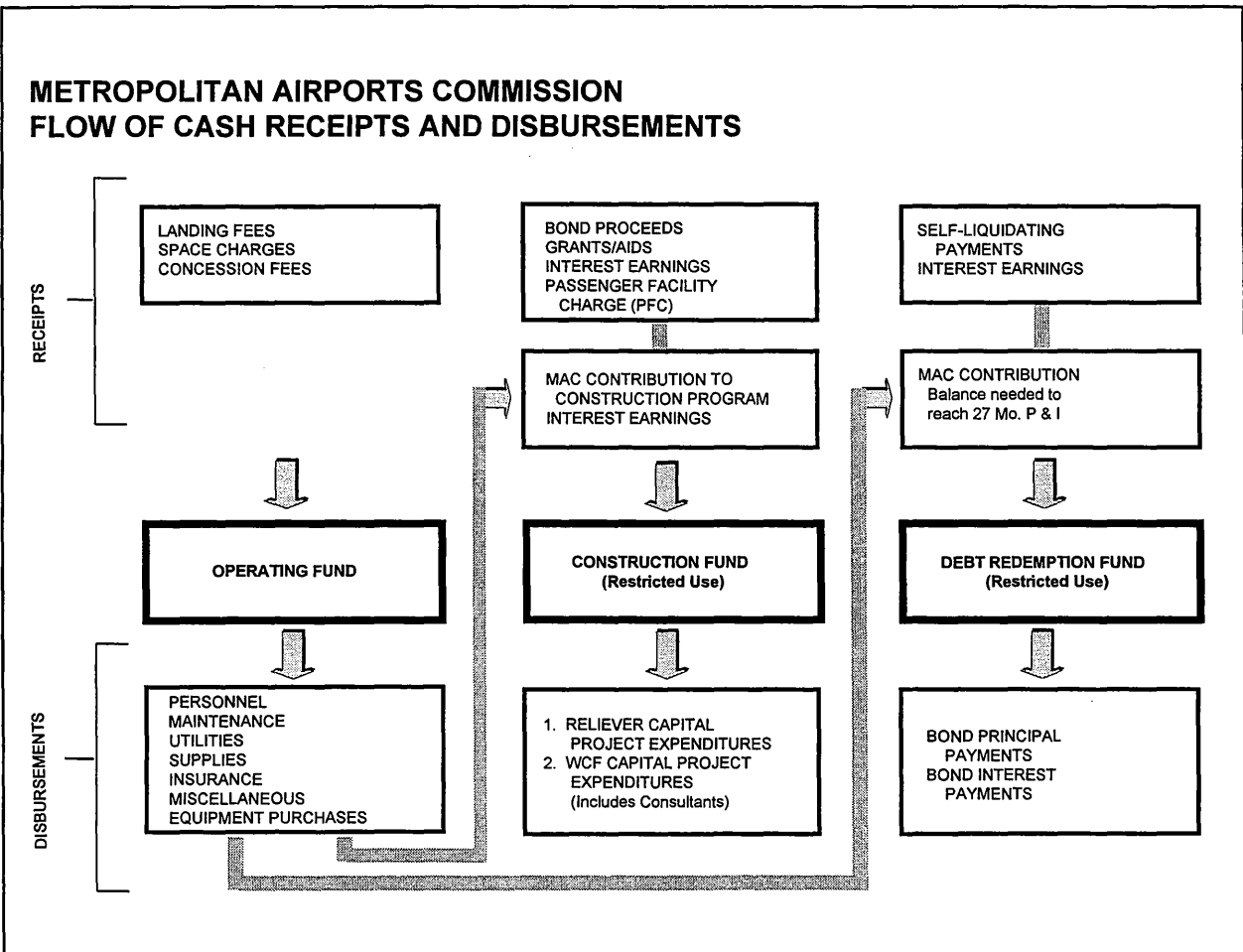
1. All deposits must be insured or collateralized.
2. Types of investments are authorized by Minnesota statutes.
  - a. United States or its agencies
  - b. General obligations of the State of Minnesota or any of its municipalities
  - c. Commercial paper rated A1 by Standard and Poors or P1 by Moody's
  - d. Bankers acceptances
  - e. Repurchase agreements
  - f. Certificates of deposit

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### FLOW OF FUNDS/TAXING AUTHORITY – 1996 OPERATING BUDGET

The MAC is accounted for as an Enterprise Fund. An Enterprise Fund accounts for all cost allocations including depreciation while its cost of services are recovered through user fees/charges. Amounts are restricted for construction and debt redemption. For internal purposes, MAC maintains three funds corresponding to three major functions: Operating Fund (Budget), Construction Fund (Budget) and Debt Redemption Fund (Budget).

The Flow of Funds chart below identifies the sources and uses of dollars within each fund and between funds. This chart is followed by a general summary of the three funds.



## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### FLOW OF FUNDS/TAXING AUTHORITY – 1996 OPERATING BUDGET

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

#### PROJECTION OF FUND BALANCES – GENERAL SUMMARY (\$=000)

	<u>1995 Estimate</u>	<u>1995 Budget</u>	<u>1996 Budget</u>	<u>1997 Projected</u>
<b>OPERATING FUND</b>				
1/1 Balance	\$16,000	\$16,000	\$16,000	\$16,000
Total Sources of Funds	94,330	91,162	95,868	97,500
Total Uses of Funds	(55,060)	(56,874)	(56,319)	(57,050)
Net Change in Working Capital <sup>(2)</sup>	3,552	(\$2,288)	2,951	2,050
Available for Construction Program <sup>(3)</sup>	(22,500)	(12,000)	(22,500)	(22,500)
Debt Service Transfer <sup>(3)</sup>	(20,322)	(20,000)	(20,000)	(20,000)
Ending Balance	\$16,000	\$16,000	\$16,000	\$16,000
<b>CONSTRUCTION FUND</b>				
1/1 Balance	\$94,359	\$67,534	\$91,101	\$39,261
Total Sources of Funds	9,768	97,786	80,596	109,223
Total Uses of Funds	(13,026)	(131,843)	(132,436)	(111,026)
Ending Balance	\$91,101	\$33,477	\$39,261	\$37,458
<b>DEBT SERVICE FUND</b>				
1/1 Balance	\$92,322	\$75,976	\$84,819	\$84,854
Total Sources of Funds	44,804	49,137	44,600	49,001
Total Uses of Funds	(52,307)	(52,307)	(44,565)	(45,076)
Ending Balance	\$84,819	\$72,806	\$84,854	\$88,779

- (1) All funds are described in detail and show all sources and uses of funds in their respective sections of this document.
- (2) Net change in working capital represents fluctuations in year end operating payments and receivables.
- (3) These figures are included in the Sources of Funds under the Construction Fund and Debt Service Fund respectively.

#### 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.



## **MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION**

### **FLOW OF FUNDS/TAXING AUTHORITY – 1996 OPERATING BUDGET**

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.

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

If the Commission were to have levied a tax based on the 1994/1995 taxable market value, the maximum amount available for maintenance and operations of the Commission would have been approximately \$7,650,000.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### TOTAL OPERATING BUDGET SUMMARY

In this section of the Operating Budget revenues and expenses from operating the facilities are combined with non-operating revenues and expenses.

The summary below illustrates how dollars are received and disbursed.

<b>1996 TOTAL OPERATING BUDGET SUMMARY</b> <b>(\$ = 000)</b>			
	<u>Estimated 1995</u>	<u>Budget 1995</u>	<u>Budget 1996</u>
1/1 Balance	\$16,000	\$16,000	\$16,000
Receipts			
Operating Revenues	83,100	78,662	84,768
Interest Earnings <sup>1</sup>	<u>11,230</u>	<u>12,500</u>	<u>11,100</u>
Total Receipts	\$94,330	\$91,162	\$95,868
Disbursements			
Operating Expenses (Excluding Depreciation)	(52,060)	(53,781)	(53,009)
Equipment Purchases	(3,000)	(3,093)	(3,310)
Debt Service Transfer	(20,322)	(20,000)	(20,000)
Construction Fund Transfer	<u>(22,500)</u>	<u>(12,000)</u>	<u>(22,500)</u>
Total Disbursements	(\$97,882)	(\$88,874)	(\$98,819)
Net Change in Working Capital <sup>2</sup>	\$3,552	(\$2,288)	\$2,951
12/31 Balance	<u>\$16,000</u>	<u>\$16,000</u>	<u>\$16,000</u>

<sup>1</sup> Interest Rate Assumed 5.50% in 1995-96.  
<sup>2</sup> Net change in working capital represents fluctuations in year end operating payments and receivables.

### RECEIPTS AND DISBURSEMENTS

There are two sources of funding: operating revenues (airline rates and charges, concessions, and other rentals/miscellaneous) which were described in detail earlier in this budget and interest earnings. Interest earnings are assumed to be at 5.5% for 1995 and 1996. The interest is earned on the balance in the Operating Fund and on MAC funded leases (i.e. Self-Liquidating—those facilities built by MAC and then leased to tenant).

The Operating Fund starts with a \$16,000,000 balance in January and builds to a \$28 to \$32 million balance toward September. On October 10th of each year, MAC must contribute from its Operating Fund to the Debt Service Fund an amount necessary to bring that fund balance up to the 27 month principal and interest level required by law. (See Debt Service Budget for complete details.) This transfer for the past few years has averaged about \$20 million. The balance then increases until December at which time the Commission analyzes the fund making sure that all operating expenses have been paid including capital equipment purchases, the debt service transfer made and the four months working capital balance is funded at \$16 million. If there are net funds after this analysis, they are transferred to the Construction Fund. This transfer is estimated at \$22.5 million in 1996.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### TOTAL OPERATING BUDGET SUMMARY

There are two related significant changes between the 1995 and 1996 budget years. First of all there is an increase in Operating Revenue of \$6,106,000. This increase is explained in detail in the Revenue Assumptions. The other significant change is seen in the Construction Fund Transfer. This increase of \$10,500,000 can be attributed to the increase in Net Revenues between the two years, the Bond Refundings (explained in Construction and Debt Budgets) and a conservative estimate used for the transfer in 1995.

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## APPROVED EQUIPMENT REQUESTS – 1996 OPERATING BUDGET

The approved equipment requests for 1996 are represented below. 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 \$45,000.

Summary	1996 Budget	1995 Budget
Main Office	\$ 679,075	\$ 198,000
MSP International	2,454,145	2,605,451
Relievers	177,234	289,500
Total	\$3,310,454	\$3,092,951

Service Center Name	Description of Equipment	Purchase Price	Purpose
<b><u>Main Office</u></b>			
MIS	1996 Strategic Implementation Plan/MACNET/AS400	\$570,000	Continued implementation of MACNET Infrastructure per plan. Implementation of the Property Management and the Preventive Maintenance Systems. This amount also provides for technical support for both the AS/400 hardware and for JDEdwards software. Includes resources for backup and recovery of MACNET hardware/ software and for acquisition of products to enhance existing software.
Main Office	Phone System	74,000	Current system does not satisfy current needs. Messages are lost and at times calls are cutoff.
	Other Equipment < \$45,000	<u>35,075</u>	New changers will replace 16 year old machines which are no longer supported by the manufacturer. The new machines accept \$1, \$5, \$10, and \$20 bills while the old machines handled only \$1's.
Total Main Office Purchases		\$679,075	
<b><u>MSP International</u></b>			
Landside Operations	Transit Bus w/Luggage Rack w/Perimeter Seating - 40 ft. (2)	\$461,375	Will replace 1987 Saab and 1989 Gillig buses, both with over 290,000 miles. Both buses will comply with current code requirements.
Communications	Upgrade Existing SAS (Security and Alarm System) Telephone System	88,000	Will allow Communications area to determine where the call is made from and track into MAC's 911 emergency system. It will also allow non-English and hearing impaired callers to be assisted more quickly and easily.

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## APPROVED EQUIPMENT REQUESTS – 1996 OPERATING BUDGET

<u>Service Center Name</u>	<u>Description of Equipment</u>	<u>Purchase Price</u>	<u>Purpose</u>
<b><u>MSP International</u></b>			
Fire	Attack Pumper/Medical Unit	89,000	Replace 10 yr old unit (#616-407). Current vehicle no longer meets National Fire Protection Standards for fire fighting.
Trades - Plumbers	Utility Truck	63,000	Replace vehicle with insufficient power to do necessary tasks. Will provide support in locations with no power and also allow the plumbers to serve St. Paul Downtown Airport.
Trades - Electricians	70' Aerial Lift Bucket Truck	112,000	Currently borrow or rent this equipment. Under this situation the equipment is not always available when needed. There are also increased areas of high work.
Maintenance	Runway Brooms (2)	600,000	These new brooms will provide cleaner and safer surfaces on runways/taxiways/ ramps. They will lessen the amount of sand/chemicals used on these surfaces.
	Snow Dozer	232,500	Replace 616-276 which is 14 years old. Parts are not readily available. Used on runways/taxiways/ ramps.
	Snow Blower	285,200	This blower will replace an 11 year old Oshkosh unit with significant downtime. It also has a larger blowing capacity.
	Other Equipment < \$45,000	<u>523,070</u>	Includes: 2 quick aid kiosks, closed circuit TV system, gate cabinets-parking, 2 police cars, ID printer w/magnetic coder/security overlaminator, GIS data updates, large scale data storage device (LSDSD), gate planning management system, industrial sweeper, industrial steam cleaner, in-floor hoist, 3 industrial mowers, 4 trucks-painters, electricians, energy management center and field maintenance, 2 sedans-fire and maintenance.
Total MSP International Purchases		\$2,454,145	
<b><u>Relievers</u></b>			
Anoka	Plow Truck With Sander	\$ 58,575	This vehicle will replace 616-354, which is 11 years old and experiencing numerous repairs and significant down time.
Relievers	Other Equipment < \$45,000	<u>118,659</u>	Includes: 2 15' bat wing mowers, 2 industrial mowers, 19' boom mower attachment, 250 gallon ag-sprayer with trailer, insert sander and 2 lighted runway markers.
Total Reliever Purchases		<u>\$ 177,234</u>	
Total All Purchases		<u><u>\$3,310,454</u></u>	

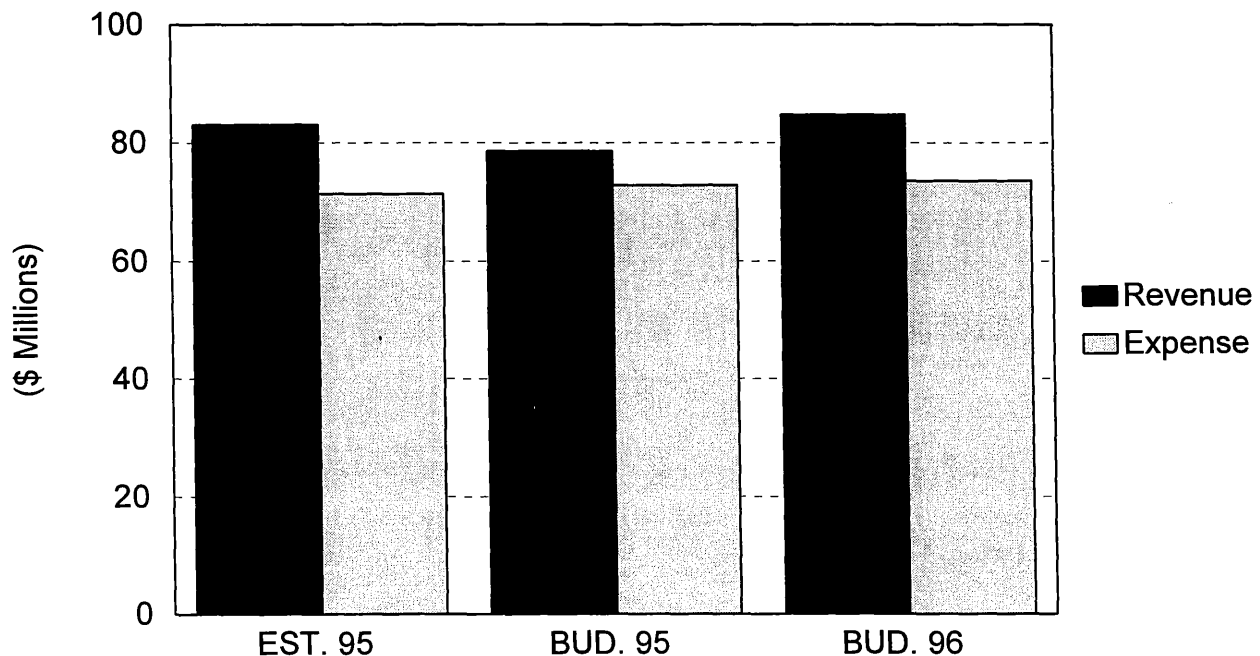
# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## SUMMARY OF REVENUE AND EXPENSE – 1996 OPERATING BUDGET

	Main Office	Mpls.-St. Paul International	Reliever Airports	Total 1996 Budget	Budget 1995	Estimated 1995
<b>OPERATING REVENUE</b>						
Airline Rates & Charges	\$ 0	\$34,207,072	\$ 0	\$34,207,072	\$33,360,127	\$33,500,000
Concessions	0	39,927,763	11,652	39,939,415	34,729,602	39,200,000
Other	0	9,694,269	927,760	10,622,029	10,571,750	10,400,000
Total Operating Revenue	\$ 0	\$83,829,104	\$ 939,412	\$84,768,516	\$78,661,479	\$83,100,000
<b>OPERATING EXPENSE</b>						
Personnel	\$ 6,206,992	\$18,362,016	\$1,871,972	\$26,440,980	\$25,734,903	\$25,029,500
Administrative Expense	781,106	273,600	29,020	1,083,726	1,144,254	1,100,000
Professional Services	1,327,020	2,197,270	404,496	3,928,786	5,085,010	4,950,000
Utilities	153,750	4,748,570	177,700	5,080,020	5,030,755	5,125,000
Operating Services	795,628	7,850,984	110,500	8,757,112	8,725,854	8,225,000
Maintenance	91,254	6,758,531	580,550	7,430,335	7,664,761	7,340,000
Depreciation	703,949	17,070,357	2,882,378	20,656,684	19,174,867	19,400,000
Other	(49,811)	407,559	(69,263)	288,485	395,722	290,000
Total Operating Expense	<u>\$10,009,888</u>	<u>\$57,668,887</u>	<u>\$5,987,353</u>	<u>\$73,666,128</u>	<u>\$72,956,126</u>	<u>\$71,459,500</u>
Net Revenues	<u>(\$10,009,888)</u>	<u>\$26,160,217</u>	<u>(\$5,047,941)</u>	<u>\$11,102,388</u> <sup>A</sup>	<u>\$ 5,705,353</u> <sup>A</sup>	<u>\$11,640,500</u> <sup>A</sup>

<sup>A</sup> Required as contribution to debt service and construction program financing

## REVENUE VS EXPENSE

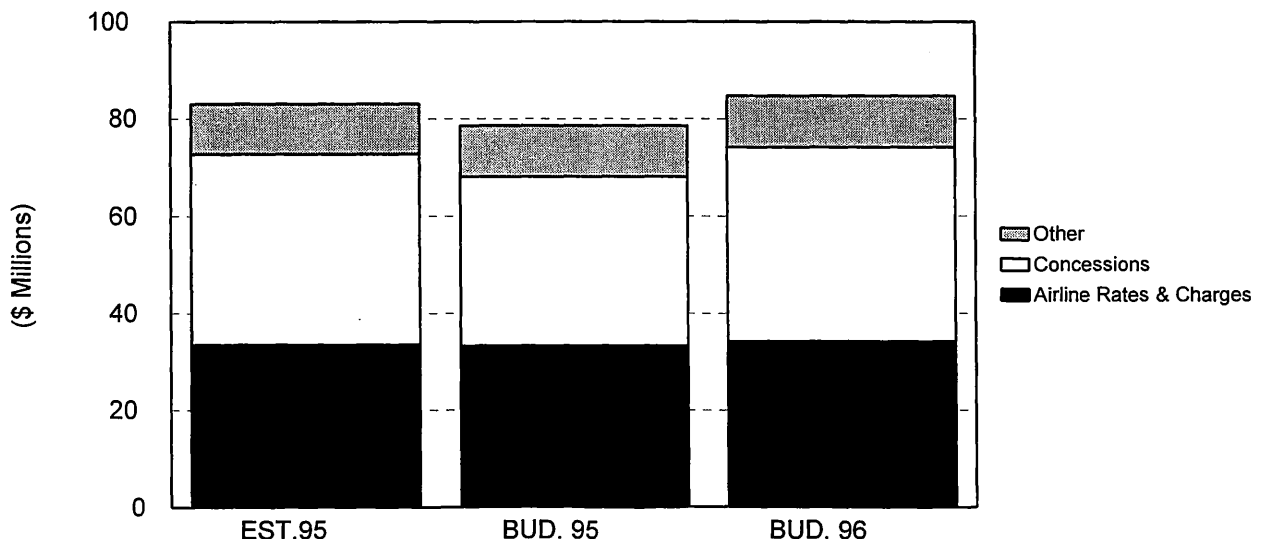


# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## OPERATING REVENUES – 1996 OPERATING BUDGET

	Mpls.-St. Paul International	Reliever Airports	Total 1996 Budget	Budget 1995	Estimated 1995
<b>Airline Rates &amp; Charges</b>					
Landing Fees	\$20,490,321	\$ 0	\$20,490,321	\$20,360,530	\$19,860,000
Ramp Fees	3,273,516	0	3,273,516	3,157,498	3,143,520
Terminal Rentals–Agreement	9,447,072	0	9,447,072	8,726,292	9,450,900
Terminal Rentals–Other	431,256	0	431,256	431,256	435,080
Carousels & Conveyors	140,000	0	140,000	208,000	165,000
Noise Surcharge	<u>424,907</u>	<u>0</u>	<u>424,907</u>	<u>476,551</u>	<u>445,500</u>
Total Airline Rates & Charges	\$34,207,072	\$ 0	\$34,207,072	\$33,360,127	\$33,500,000
<b>Concessions</b>					
Food & Beverage	\$ 1,640,000	\$ 11,652	\$ 1,651,652	\$ 1,542,852	\$1 ,825,000
Merchandise & Services	2,079,500	0	2,079,500	1,987,100	2,125,000
Auto Rental	6,939,000	0	6,939,000	6,400,000	7,250,000
Parking	25,714,530	0	25,714,530	21,544,000	24,700,000
Ground Transportation Fees	841,000	0	841,000	830,650	700,000
Other Concessions/Services	<u>2,713,7330</u>	<u>0</u>	<u>2,713,733</u>	<u>2,425,000</u>	<u>2,600,000</u>
Total Concessions	\$39,927,763	\$ 11,652	\$39,939,415	\$34,729,602	\$39,200,000
<b>Other Revenue</b>					
Building Rentals	\$ 2,094,456	\$627,400	\$ 2,721,856	\$ 2,942,192	\$ 2,700,000
Lobby Fees–HHH Terminal	990,000	0	990,000	1,200,000	1,050,000
Ground Rent–SW Cargo Area	993,348	0	993,348	844,691	950,000
Ground Rent–Other	1,517,465	162,820	1,680,285	1,484,903	1,550,000
Utilities	1,213,800	100	1,213,900	1,203,100	1,200,000
Other	<u>2,885,200</u>	<u>137,440</u>	<u>3,022,640</u>	<u>2,896,864</u>	<u>2,950,000</u>
Total Other Revenues	\$ 9,694,269	\$927,760	\$10,622,029	\$10,571,750	\$10,400,000
<b>Total Operating Revenue</b>	<b>\$83,829,104</b>	<b>\$939,412</b>	<b>\$84,768,516</b>	<b>\$78,661,479</b>	<b>\$83,100,000</b>

## OPERATING REVENUE



## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### REVENUE ASSUMPTIONS – 1996 OPERATING BUDGET

Estimates of revenue for 1996 have been made compiling information from the following sources:

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

The explanations for revenue assumptions are based on a comparison of 1995 budget versus 1996 budget figures.

(\$ = 000)						1995 Budget vs 1996 Budget	
REVENUE CATEGORY	1994 Actual	1994 Budget	1995 Estimate	1995 Budget	1996 Budget	Dollar Change	Percentage Change
Airline Rates & Charges	\$31,186	\$32,113	\$33,500	\$33,360	\$34,207	\$847	2.54%
Concessions	35,097	33,864	39,200	34,730	39,939	5,209	15.00%
Other	10,110	9,822	10,400	10,572	10,622	50	0.47%
Total Operating Revenue	<u>\$76,393</u>	<u>\$75,799</u>	<u>\$83,100</u>	<u>\$78,662</u>	<u>\$84,768</u>	<u>\$6,106</u>	<u>7.76%</u>

### AIRLINE RATES AND CHARGES

Approximately \$34 million, or 40%, of MAC's \$85 million in revenue is generated from rates charged to the airlines. The formulas for the rates (landing fee, ramp fee, noise surcharge, and terminal rates) are established in the current airline use agreement. In accordance with this agreement, expenses from the Police, Fire, Maintenance Labor, Maintenance Equipment, and Administration service centers are allocated to the Field & Runway, Ramp and Terminal Building service 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.

### LANDING FEES

The Landing Fee is based upon total estimated expense (excluding MAC's portion of New Airport Planning Costs) in the Field & Runway service 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 service center. This deficit is the result of the New Airport Planning Costs, which are shared equally by MAC and the airlines.



## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### REVENUE ASSUMPTIONS – 1996 OPERATING BUDGET

A comparison of estimated 1995, 1995 budgeted and 1996 budgeted landing fee rates, landed weight and revenue of the major carriers follows:

	<u>1995 Estimate</u>	<u>1995 <sup>1</sup> Budget</u>	<u>1996 Budget</u>	<u>% Change Budget to Budget</u>
Landing Fee	\$0.92	\$0.98	\$0.91	(7.1)%
Landed Weight (000 lbs)	21,586,000	20,776,052	22,460,913	8.1
Revenue	\$19,860,000	\$20,360,000	\$20,490,321	0.6
Gross Expense <sup>2</sup>	\$20,360,000	\$20,812,000	\$20,765,321	(0.2)

<sup>1</sup> Based on original budget approved

<sup>2</sup> This figure includes MAC's portion of New Airport Planning Costs

The landing fee change between budgeted 1995 and 1996 can be attributed to the following combination:

1. Landed weight projections provided by the airlines indicate an 8% increase over the 1995 budget. This increase is based upon the "Open Sky Agreement" with Canada which allows U.S. and Canadian airlines more access to both countries. This increase in weight results in a \$.075 decrease in the fee.
2. The dual track planning process is scheduled to be completed in 1996. As a result professional fees associated with this process are projected to decrease (\$200,000). This results in a reduction in the fee of \$.01.
3. Storm water monitoring costs will be increased as a result of additional glycol collection efforts (\$50,000). Also a testing program for a vacuum sweeper for added collection of glycol (\$225,000) is anticipated. These additional costs increase the landing fee \$.015.

### RAMP FEES

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

The following is a comparison of estimated 1995, budgeted 1995 and budgeted 1996 ramp rates, revenue and expense.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### REVENUE ASSUMPTIONS – 1996 OPERATING BUDGET

	<u>1995 Estimate</u>	<u>1995 Budget</u>	<u>1996 Budget</u>	<u>% Change Budget to Budget</u>
Ramp Fee (Per Lineal foot)	\$370.00	\$389.19	\$403.50	3.7%
Major Airline Ramp Footage	8,496	8,496	8,496	-
Total Ramp Lineal Footage	8,874	8,874	8,874	-
Revenue (Airline)	\$3,143,520	\$3,306,558	\$3,428,136	3.7
Expense Total	\$3,283,380	\$3,463,672	\$3,580,659	3.4

The increase in the rate between the two years is directly attributed to allocations, in particular, Equipment Maintenance/Building. Depreciation associated with the maintenance projects and new equipment for 1995 and 1996 are the items contributing the most to the increase.

### TERMINAL AIRLINES – AGREEMENT

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 breakeven or breakeven 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 estimated 1995, budgeted 1995 and 1996 rates follows:

	<u>1995 Estimate</u>	<u>1995 Budget</u>	<u>1996 Budget</u>	<u>% Change Budget to Budget</u>
Exclusive (Per Sq. Ft.)	\$21.00	\$20.68	\$22.32	7.9%
Exclusive Janitored (Per Sq. Ft.)	\$27.00	\$26.85	\$25.86	(3.7)

The rate change for exclusive space results from additional depreciation charges to the Lindbergh Terminal for the Southwest Addition, Energy Management Center chiller replacement and installation, and the Energy Management Center boiler addition. In addition a change was made for the 1996 budget janitored rate calculation. This change transferred wage and supply costs out of the janitored rate into the exclusive rate. The airlines agreed with this change in 1995. As a result this transfer increased the exclusive rate and decreased the janitored rate.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### REVENUE ASSUMPTIONS – 1996 OPERATING BUDGET

#### CARROUSELS AND CONVEYORS

The budget for 1996, \$140,000, a \$68,000 decrease from 1995, reflects the actual costs in recent years. Changes in the maintenance schedule are the main reason for this decrease.

#### 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.

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.

	<u>1995 Estimate</u>	<u>1995 Budget</u>	<u>1996 Budget</u>	<u>% Change Budget to Budget</u>
Stage II and Stage III Landings	135,000	130,000	141,000	8.5%
Off Airport Noise Costs	\$445,500	\$476,551	\$424,907	(10.8)
Noise Surcharge/Landing	\$3.30	\$3.66	\$3.01	(17.8)

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).

The change in the charge from 1995 to 1996 is due to the amount of PFCs charged to these projects and the Federal Aid anticipated to be received in 1995 and 1996.

## **MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION**

### **REVENUE ASSUMPTIONS – 1996 OPERATING BUDGET**

#### **CONCESSIONS**

The 1996 budget for Concessions revenues shows a 15.00% increase from the budgeted 1995 amount. The two major components of concessions are Auto Parking (which accounts for approximately 64% of total concessions) and Auto Rental fees (which accounts for approximately 18% of total concessions). Other components of this category include Food & Beverage, Merchandise & Personal Services, Ground Transportation Fees, and Other Concessions/Services.

#### **FOOD & BEVERAGE**

Based on recent trends, the projected increase in passenger activity and new food concessions in the Southwest Addition, this area is estimated to increase 7.1% from \$1,542,852 to \$1,651,652.

#### **MERCHANDISE & PERSONAL SERVICES**

The 4.65% increase from \$1,987,100 to \$2,079,500 is the result of additional merchandise shops in the Southwest Addition.

#### **AUTO RENTAL**

Auto Rental fees are projected to increase by \$539,000 or 8.42% over the 1995 budget amount. Auto Rental firms pay a minimum rental fee plus a percentage (8.5%) of gross revenue above the minimum fee. The increase in revenue is attributed to higher minimum fees for 1996. In addition recent activity indicates that the percentage of gross revenue paid by the auto rentals will also increase.

#### **PARKING**

Parking revenues are projected to increase 19.36% or approximately \$4,170,000 from the 1995 budget. This increase can be attributed to the following items:

1. Increased activity in the General Lot - At peak times during 1995 the lot (7,720 spaces) ran at 90-97% capacity. This high utilization percentage coupled with a 15-20% increase in length of stay occurred even through our historically slower period. With increased passenger activity projected for 1996 this usage is anticipated to continue. The Commission has approved an \$11 million expansion of the General Lot (1,100-1,200 spaces). Construction will begin in spring 1996 with completion slated for late 1996.
2. Rate Increase – The Commission approved a rate increase in both the General Lot and Econolot effective October 1, 1995. The General Lot increased from a daily maximum of \$10.00 to \$12.00 and a weekly maximum from \$50.00 to \$60.00. The Econolot changed from a daily maximum of \$6.00 to \$7.00 and a weekly maximum of \$30.00 to \$35.00. These changes are projected to yield additional revenue in 1996 of \$1.6 million.

## **MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION**

### **REVENUE ASSUMPTIONS – 1996 OPERATING BUDGET**

#### **OTHER CONCESSIONS**

Other Concessions includes advertising (indoor and outdoor), telephones, vending, games, and in-flight catering. This area is projected to increase 11.91% from \$2,425,000 to \$2,713,733. The increase can be attributed to a contract extension and increased guarantees for the long distance telephone concession (\$240,000) and increased minimum rentals for indoor and outdoor advertising concessions.

#### **OTHER**

The Other category is projected to increase .48% from \$10,571,750 to \$10,622,029. Included in this category are Building Rentals, Lobby Fees, Ground Rent–Southwest Cargo Area, Ground Rent–Other, Utilities, and Other.

#### **BUILDING RENTALS**

This category Includes facilities rented to various tenants throughout the MAC system of airports. Examples of these facilities are Lindbergh Terminal space rented to non-airline tenants, hangar rentals and office space located in other MAC buildings. The decrease from \$2,942,192 to \$2,721,856 is attributed to a renegotiated lease of existing facilities and tenants previously leasing space in the West Terminal area moving off airport.

#### **LOBBY FEES**

Lobby Fees represent a per-passenger fee for use of the Humphrey Terminal. America Trans-Air moved their operation from the Humphrey Terminal to the Lindbergh Terminal in December 1994. As a result they no longer pay lobby fees for domestic passengers. This has caused fees to decrease from \$1,200,000 to \$990,000.

#### **GROUND RENT – SOUTHWEST (SW) CARGO AREA AND OTHER**

The increases of \$148,657 for SW Cargo and \$195,382 for Other result from rate increases and additional space rented to various tenants.

#### **OTHER**

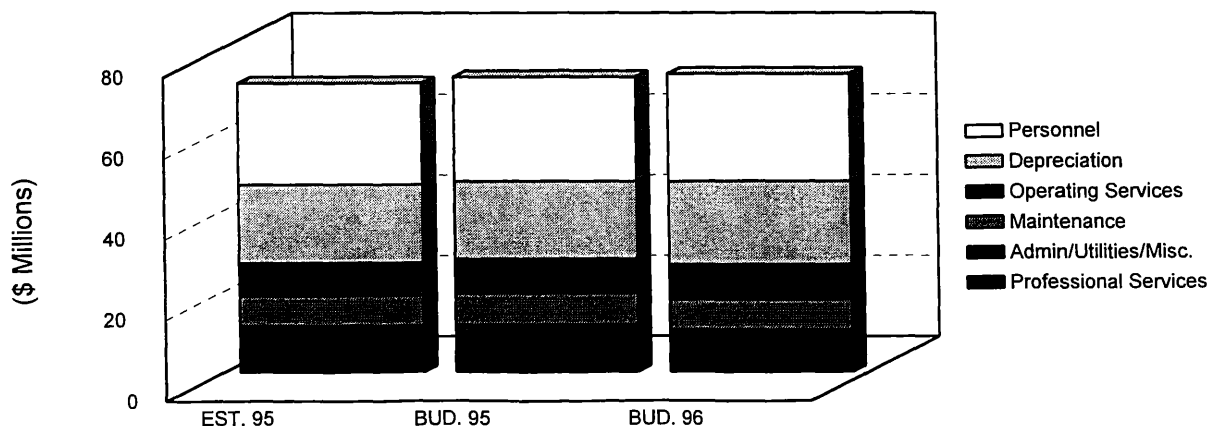
The Other category includes landing fees, ramp fees and apron services (services provided to maintain, clean and fuel aircraft) from the Humphrey Terminal location, the cargo areas and the regional/commuter terminal. These fees are projected to increase \$60,000 in 1996. Also included in this category are parking fines (decrease in 1996 of \$60,000 due to construction), employee shuttle bus (increase \$55,000 due to activity), reliever airport fuel flowage fees (increase of \$10,000), and miscellaneous items.

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## OPERATING EXPENSES – 1996 OPERATING BUDGET

	<u>Total 1996 Budget</u>	<u>Budget 1995</u>	<u>Estimated 1995</u>
<b>EXPENSES</b>			
Personnel			
Salaries & Wages	\$19,733,689	\$18,789,686	\$18,300,000
Benefits	6,677,291	6,915,217	6,700,000
Commissioner Per Diem	<u>30,000</u>	<u>30,000</u>	<u>29,500</u>
Total Personnel	26,440,980	25,734,903	25,029,500
Administrative Expenses	1,083,726	1,144,254	1,100,000
Professional Services	3,928,786	5,085,010	4,950,000
Utilities	5,080,020	5,030,756	5,125,000
Operating Services			
Parking Management	3,431,500	3,349,905	3,250,000
Shuttle Bus Services	1,624,879	1,598,950	1,575,000
Service Agreements/ Storm	875,523	843,489	700,000
Water Monitoring	1,475,000	1,200,000	1,150,000
Other	<u>1,350,210</u>	<u>1,733,510</u>	<u>1,550,000</u>
Total Operating Services	8,757,112	8,725,854	8,225,000
Maintenance			
Trades	642,760	664,620	600,000
Building	1,148,288	1,340,395	1,315,000
Field	1,405,832	1,494,547	1,350,000
Equipment	978,115	900,897	850,000
Cleaning	<u>3,255,350</u>	<u>3,264,302</u>	<u>3,225,000</u>
Total Maintenance	7,430,345	7,664,761	7,340,000
Depreciation	20,656,684	19,174,867	19,400,000
Other			
General Insurance	1,047,700	1,036,000	1,010,000
Minor Equipment	257,722	372,587	350,000
Other	252,555	237,135	230,000
Reimbursed Expenses	<u>(1,269,492)</u>	<u>(1,250,000)</u>	<u>(1,300,000)</u>
Total Other	288,485	395,722	290,000
<b>Total Operating Expenses</b>	<b><u>\$73,666,138</u></b>	<b><u>\$72,956,127</u></b>	<b><u>\$71,459,500</u></b>

## OPERATING EXPENSE



## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### EXPENSE ASSUMPTIONS – 1996 OPERATING BUDGET

The Budget Task Force established a target range for 1996 budgeted expense. The range was from 0% to 3.65% increase over 1995 budgeted expense. Based upon the information supplied by budget specialists, utility companies, various suppliers, and detailed analysis of historical spending patterns, the 1996 expense budget is projected to increase \$710,011 or 0.97% over 1995 budgeted expenses. Again, as in previous years, depreciation related to all assets constructed with Passenger Facility Charges (PFCs) and related to Off-Airport Noise insulation and the property acquisition program have been excluded from the operating budget.

(\$=000)						1995 Budget vs 1996 Budget	
EXPENSE CATEGORY	1994 <u>Actual</u>	1994 <u>Budget</u>	1995 <u>Estimate</u>	1995 <u>Budget</u>	1996 <u>Budget</u>	Dollar <u>Change</u>	Percentage <u>Change</u>
Personnel	\$23,293	\$24,286	\$25,029	\$25,735	\$26,441	\$ 706	2.74%
Administrative Expense	839	1,071	1,100	1,144	1,084	(60)	-5.24
Professional Services	4,681	4,677	4,950	5,085	3,929	(1,156)	-22.73
Utilities	5,287	4,397	5,125	5,031	5,080	49	0.97
Operating Services	7,995	9,318	8,225	8,726	8,757	31	0.36
Maintenance	6,743	7,613	7,340	7,665	7,430	(235)	-3.07
Depreciation	19,271	18,961	19,400	19,175	20,657	1,482	7.73
Other*	289	195	290	396	288	(108)	-27.27
Total Operating Expense	<u>\$68,398</u>	<u>\$70,518</u>	<u>\$71,459</u>	<u>\$72,957</u>	<u>\$73,666</u>	<u>\$ 709</u>	<u>0.97%</u>

\*Includes General Insurance, Minor Equipment, Reimbursed Expense and Miscellaneous Items.

### PERSONNEL

Personnel costs are projected to increase 2.74% or \$706,083 over the 1995 budget. The increase can be attributed to the following items:

1. Headcount – Staff is proposing an increase of 16 positions over the 1995 budgeted total of 404. The increase is comprised of three areas:
  - A. Passenger Service Assistants (PSAs) – These ten positions are used in the operation of the starter service and were approved in late 1994 by the Commission. In 1995 the starter service contract was terminated and staffed by MAC on a temporary basis until it could be decided whether to staff internally or bid out the service. Based on customer response it was decided to staff internally. These positions will be filled in 1995. Total salaries and benefits are less than two-thirds the cost of the old starter contract.
  - B. New Positions – Five new positions were included in the 1996 totals. All were approved based on proposed expense reductions.
    - i. Marketing Specialist (one-half time) - Public Affairs Department – The additional cost is offset by the elimination of the temporary personnel category.
    - ii. Operations Agent and Administrative Support (one-half time) - Landside Operations – These costs are absorbed by the elimination of the starter contract. (See A above.) (The starter contract was budgeted in 1995 for \$295,000, the total cost of ten PSAs, Operations Agent and Administrative Support with benefits is \$240,000.)
    - iii. Attorney - General Counsel – This position is scheduled to start in October 1996. Professional Services – Legal Fees were reduced as a result of this position.
    - iv. General Office Clerk - Personnel – This position will provide support throughout the General Office. Temporary positions were eliminated as a result of this.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### EXPENSE ASSUMPTIONS – 1996 OPERATING BUDGET

C. One maintenance position was expected to remain vacant in 1995, at this point, however it is expected to be staffed through 1996.

The total dollar impact of these 16 positions on the 1996 budget is \$360,000.

2. Wage Adjustments for 1996 are estimated to be \$670,000.
3. Employee Insurance is projected to decrease \$240,000. This is the result of recent experience. On average over the past three years the Commission has been under budget by between \$200,000 and \$300,000.

### ADMINISTRATIVE

This category is projected to decrease 5.29% or \$60,528. The change results from reductions in all areas within this category: Supplies down \$5,000, Travel down \$18,000 and Printing Costs down \$23,000 are examples.

### PROFESSIONAL SERVICES

Professional Services are estimated to decrease 22.74% or \$1,156,224. This reduced amount is the result of the following significant items:

1. Planning – With the conclusion of the Dual Track Process scheduled for 1996 these fees are anticipated to be reduced by \$650,000. The 1995 budget for this item was \$1,697,000.
2. Legal Fees – This area is projected to decrease \$90,000 and can be attributed to reduced outside fees. The fees are anticipated to go down because of the additional staff.
3. A number of other areas are showing reduced fees for 1996. These include: Engineering \$80,000, Accounting Fees \$40,000, Computer Services \$47,000, and Appraisals/RFPs/Leases \$32,000. In most cases these fees were budgeted as contingencies. With the emphasis on reducing costs these contingencies were viewed as areas to eliminate.

<u>TYPE OF SERVICE</u>	<u>DEPARTMENT</u>	<u>DOLLARS</u>
Accounting & Audit Fees	Finance	\$ 122,000
Appraisal/RFP/Leases	Properties	115,000
Legal Fees	General Counsel	476,000
	Environment/Noise	90,000
	Reliever Airports	40,000
Engineering Fees	Planning & Development	330,000
	Field & Runways	550,000
Environmental Engineering	Field & Runway	245,000
	Reliever Airports	250,000
New Airport Planning	Field & Runway	500,000
Legislative	Public Affairs - National	87,000
	Labor/Legislative - Local	80,000
Computer Services	Parking/Ground Transportation	175,000
	MIS	71,000
	Environment/Noise	55,000
		<u>\$3,186,000</u>



## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### EXPENSE ASSUMPTIONS – 1996 OPERATING BUDGET

#### UTILITIES

Utilities are increasing 0.98% or \$49,263 over the 1995 budget.

Anticipated rate changes for 1996 were obtained from the various utility companies that provide service to the MAC. Types of service and anticipated rate changes include:

Electricity:	2%	The increase is anticipated to occur in late 1995 or early 1996. Minnegasco, NSP and Peoples Natural Gas provide the majority of this service. These companies combined provide 99.5% of the natural gas consumed by MAC.
Natural Gas:	6%	
Fuel Oil:	4% Increase	
Water:	2% Increase	
Sewer:	6% Increase	

Within the current budget electricity accounts for 45% of the utility budget, natural gas and fuel oil together comprise 18% and water & sewer charges represent 33% of the utility budget.

Following is a summary of the changes within each utility.

1. Electricity – Projected to increase 2.4% or \$54,000. This is the result of the rate change and some additional consumption in the Lindbergh Terminal.
2. Heating – Estimated to decrease 8.2% of \$80,000. This reduction, even though a 6% rate increase is anticipated, can be attributed to consumption. Recent history (92-94) has shown that the 1995 budget figures were high. As a result we have reduced consumption estimates for 1996.
3. Water & Sewer – Estimated to increase 4.5% or \$73,000. This increase is attributed to the rate change. Little change in consumption is projected. The Commission is still reviewing possible billing errors with the City of Minneapolis. Meter testing will be completed in late 1995 in order to isolate the problem.
4. Telephone – Estimated increase of 1.5% or \$3,500.

#### OPERATING SERVICES

Operating Services are projected to decrease 0.36% or \$31,258 from 1995 budgeted figures. In this category 75% of the expenses are incurred from the parking management contract, shuttle bus contracts and storm water monitoring (glycol). Significant changes in this category include:

1. Parking Management Contract – Under terms of the agreement, APCOA, the parking management firm, is reimbursed for all personnel and other operational costs. The additional cost for 1996 (\$35,000) is attributed to increased wages, employee benefits, and restructured expenses.
2. Shuttle Bus Services – The Commission currently has three contracts for services: Auto Rental Shuttle which travels from the Lindbergh Terminal to the Auto Rental facility, Regional Shuttle which operates between the Regional Terminal and the Lindbergh Terminal, and the Humphrey Shuttle which operates between the employee lot, Econolot, Humphrey Terminal and the Lindbergh Terminal. These contracts are projected to increase \$27,000 in 1996. The reason for this change is the Humphrey shuttle. Additional service and a new contract are the reasons for the increase.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### EXPENSE ASSUMPTIONS – 1996 OPERATING BUDGET

3. Storm Water Monitoring - The Commission is required 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 is transported to temporary storage ponds by truck. This category is increasing \$275,000. Plugging of additional storm sewers (\$50,000) and the testing of a vacuum sweeper (\$225,000) are the reasons for the change.
4. Landside Starter – As described in the Personnel discussion, the Commission previously has contracted out this service. The 1995 budget included \$295,000 for this service. The contract was terminated and the Commission decided on a temporary basis to provide the service. The test period proved to be extremely successful from both an expense and customer service standpoint. The result was the hiring of ten PSAs (Passengers Service Assistants). This transferred the cost from Operating Service to Personnel.

### MAINTENANCE

This category has five components: field, equipment, building, trades, and cleaning. These costs are projected to decrease \$234,425 or 3.06% in 1996. Each area is discussed separately.

Maintenance – Field: Field expenses are projected to decrease \$89,000 in 1996. Total field expenses are estimated to be \$1,405,832. The decrease is in the area of snow removal. In 1996 MAC will be decreasing its testing of Potassium Acetate. This material is being proposed as a replacement for urea. Potassium acetate is more expensive, but reduces the amount of ammonia residue caused by urea.

Maintenance – Equipment: This area is projected to increase \$77,000 in 1996 compared to 1995. Expenses in this category are directly related to the amount of snow. 1996 is budgeted at an average snowfall amount. The increase is the result of repairs to equipment increasing slightly in recent years.

Maintenance – Building: This area is projected to decrease \$192,000. The reduction in expenses is spread throughout this area. Some examples are mechanical areas, general supplies and repairs. These areas were evaluated and reviewed extensively during the 1996 budget process. As a result, changes were made in some long-standing procedures leading to this decrease.

Maintenance – Trades: This category is made up of carpentry, electrical, painting, and plumbing. The decrease in 1996 of \$22,000 can be attributed to plumbing supplies. Historical spending indicated this area could be reduced.

Maintenance – Cleaning: This category is budgeted to decrease \$9,000 from the 1995 budget. A renegotiated rubbish and recycling contract resulted in savings significant enough to offset increases in janitorial supplies and the janitor contract.

### DEPRECIATION

Depreciation will comprise 28% of the total budget for 1996. Estimates for depreciation are derived from four sources:

1. Current Fixed Asset listing (as of 9/30/95).

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### EXPENSE ASSUMPTIONS – 1996 OPERATING BUDGET

2. 1995 budgeted items not yet purchased or constructed. (These items are reviewed to determine status, i.e. to be constructed or purchased or a decision made not to move on them.)
3. 1996 Preliminary Capital Improvement Plan. (To be discussed under the Construction Fund Budget.)
4. 1996 Budgeted Capital Equipment purchases. (These are detailed later in the Operating Budget).

The budget for 1996 depreciation shows an increase of 7.73% or \$1,481,817. Below is a table listing the major projects and their impact on the 1996 depreciation budget.

<u>MAJOR PROJECTS</u>	<u>ESTIMATED TOTAL COST</u>	<u>1996 ADDITIONAL DEPRECIATION</u>
1996 RUNWAY 4/22 EXTENSION	\$10,425,000	\$ 43,437
SOUTHWEST TERMINAL EXPANSION	4,800,000	64,000
ENERGY MANAGEMENT CENTER - CHILLER REPLACEMENT/INSTALLATION	3,464,000	54,373
RELIEVER AIRPORTS - RUNWAYS/TAXIWAYS/PAVEMENT REHABILITATIONS/CONSTRUCTIONS	3,140,000	56,597
1996 ELECTRICAL DISTRIBUTION SYSTEM REPLACEMENT	2,280,000	66,500
1996 LINDBERGH TERMINAL - ELEVATOR MODIFICATIONS	1,200,000	24,000
ENERGY MANAGEMENT CENTER - BOILER ADDITIONS	1,124,000	44,976
1996 EAST AIRPORT WATERMAIN LOOP	1,100,000	13,750
1996 PRIMARY DISTRIBUTION UPGRADE	1,000,000	23,333
1995-96 PARKING STRUCTURE REHABILITATION	1,000,000	20,833
1995 PAVEMENT REHABILITATION - RUNWAY 4/22 - 11R/29R INTERSECTION	790,000	39,500
1995 LANDSIDE BITUMINOUS CONSTRUCTION - TERMINAL ROADWAYS	550,000	27,500
1995 AIRFIELD ELECTRICAL IMPROVEMENTS	<u>500,000</u>	<u>25,000</u>
	<u>\$31,373,000</u>	<u>\$ 503,799</u>
NEW EQUIPMENT - 1996	3,310,454	254,114
NEW EQUIPMENT - 1995		<u>327,006</u>
	<u>\$34,683,454</u>	<u>\$1,084,919</u>

### OTHER

There are four items in this category: General Insurance, Minor Equipment, Other, and Reimbursed Expense. This category is projected to decrease 37.15% or \$107,237. General Insurance which includes Property, Liability, Crime, Auto & Equipment, and Miscellaneous is expected to increase approximately \$11,700 due to higher premiums.

Minor Equipment is made up of furniture, computers and various equipment costing between \$500 and \$5,000. The \$114,865 decrease can be attributed to each of the areas. An in-depth review of these areas resulted in changes in the approach used to budget minor equipment.

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The Other category in this section includes safety materials, miscellaneous rentals, medical information & supplies, licenses/permits, and miscellaneous expenses. This section is budgeted to increase \$15,420. The increase can be attributed to additional required safety materials.

Reimbursed Expenses consist of costs which are incurred by MAC initially and then billed back to tenants. These amounts are a direct reduction to expense. A slight change in this category is anticipated in 1996 and the total dollars will increase from \$1,250,000 to \$1,269,492.

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	Total	Lindbergh Terminal	Energy Mgmt Ctr	Ramp Area	Field & Runways	Control Tower	Term Roads /Landscape	Parking Lot	Cargo Area	HHH Terminal	Public Area /Other Rds	West Term Area
Expenses												
Personnel												
Wages												
Regular	18,017,540	368,209	554,406	0	0	0	545,358	0	0	52,525	0	85,006
Special Pay	0	0	0	0	0	0	0	0	0	0	0	0
Overtime/Doubletime												
Doubletime - Regular	431,546	0	19,277	0	0	0	0	0	0	0	0	0
Doubletime-Special Events	0	0	0	0	0	0	0	0	0	0	0	0
Overtime - Regular	1,001,021	5,065	35,412	0	0	0	11,995	0	0	0	0	8,172
Overtime - Special Events	0	0	0	0	0	0	0	0	0	0	0	0
Overtime/Doubletime	1,432,567	5,065	54,689	0	0	0	11,995	0	0	0	0	8,172
Commissioner PerDiem	30,000	0	0	0	0	0	0	0	0	0	0	0
Temps - Agency	176,198	6,720	0	0	0	0	21,360	0	0	0	0	0
Snow Shovellers	15,244	0	0	0	0	0	0	0	0	0	0	0
Temporary 49ers	66,060	0	0	0	0	0	0	0	0	0	0	0
Grass Cutters	26,080	0	0	0	0	0	0	0	0	0	0	0
Wages	19,763,689	379,994	609,095	0	0	0	578,713	0	0	52,525	0	93,178
Benefits												
Employee Insurance												
Employee Insurance Dental	0	0	0	0	0	0	0	0	0	0	0	0
Employee Insurance Disability	0	0	0	0	0	0	0	0	0	0	0	0
Employee Insurance Family	2,834,000	60,729	87,719	0	0	0	121,457	0	0	6,748	0	13,495
Employee Insurance Life	0	0	0	0	0	0	0	0	0	0	0	0
Employee Insurance Retiree	0	0	0	0	0	0	0	0	0	0	0	0
Employee Insurance Single	0	0	0	0	0	0	0	0	0	0	0	0
Employee Insurance	2,834,000	60,729	87,719	0	0	0	121,457	0	0	6,748	0	13,495
Pension												
Fica (Social Security)Base	2,906,700	75,552	78,217	0	0	0	72,267	0	0	6,040	0	10,715
Fica(Social Security)Medic	0	0	0	0	0	0	0	0	0	0	0	0
Mpls Empl Retirement Fund	0	0	0	0	0	0	0	0	0	0	0	0
Public Empl - Police/Fire	0	0	0	0	0	0	0	0	0	0	0	0
Public Empl - Coordinated	0	0	0	0	0	0	0	0	0	0	0	0
Merf Unfunded Liability	0	0	0	0	0	0	0	0	0	0	0	0
Pension	2,906,700	75,552	78,217	0	0	0	72,267	0	0	6,040	0	10,715
Training												
Continuing Ed (College)	194,150	0	2,000	0	0	0	3,000	0	0	750	0	0
Management Requirement	40,320	920	1,000	0	0	0	1,500	0	0	500	0	750
Organizational Requirement	124,350	500	0	0	0	0	0	0	0	0	0	0
Regulatory Requirements	33,200	0	0	0	0	0	0	0	0	0	0	0
Local Seminars	72,982	1,800	0	0	0	0	500	0	0	500	0	1,750
Training	465,002	3,220	3,000	0	0	0	5,000	0	0	1,750	0	2,500
Workers Compensation	250,000	7,232	10,446	0	0	0	3,214	0	0	179	0	1,607

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	Total	Lindbergh Terminal	Energy Mgmt Ctr	Ramp Area	Field & Runways	Control Tower	Term Roads /Landscape	Parking Lot	Cargo Area	HHH Terminal	Public Area /Other Rds	West Term Area
Uniforms												
Uniforms-Police/Fire Allow	50,880	0	0	0	0	0	0	0	0	0	0	0
Uniforms-Rental	53,710	1,200	1,000	0	0	0	4,000	0	0	0	0	660
Uniforms	104,590	1,200	1,000	0	0	0	4,000	0	0	0	0	660
Severance												
Contract Allowance	116,999	2,237	3,655	0	0	0	3,441	0	0	315	0	559
Regular Severance	0	0	0	0	0	0	0	0	0	0	0	0
Severance	116,999	2,237	3,655	0	0	0	3,441	0	0	315	0	559
Paid Absence	0	0	0	0	0	0	0	0	0	0	0	0
Temporary Trade Benefits	0	0	0	0	0	0	0	0	0	0	0	0
Single Qtrly Hosp Payment												
Benefits	6,677,291	150,170	184,037	0	0	0	209,379	0	0	15,032	0	29,536
Personnel	26,440,980	530,164	793,132	0	0	0	788,092	0	0	67,557	0	122,714
Administrative Expenses												
Supplies												
Office Supplies & Materials	73,550	700	500	0	3,600	0	0	0	0	500	0	500
Computer Supplies												
Computer Supplies-General	57,900	500	0	0	0	0	0	0	0	0	0	0
Computer Supplies-Software	16,450	0	0	0	0	0	0	0	0	0	0	0
Computer Supplies	74,350	500	0	0	0	0	0	0	0	0	0	0
Special Supplies												
Special Supplies-Badging	12,000	0	0	0	0	0	0	0	0	0	0	0
Special Supply-Film/Photo	32,375	0	0	0	1,200	0	0	0	0	0	0	0
Special Supplies-Other	11,550	0	0	0	0	0	0	0	0	0	0	0
Special Supplies	55,925	0	0	0	1,200	0	0	0	0	0	0	0
Supplies	203,825	1,200	500	0	4,800	0	0	0	0	500	0	500
Travel												
Travel - Lodging	7,230	0	0	0	0	0	0	0	0	0	0	0
Travel - Meals	1,050	0	0	0	0	0	0	0	0	0	0	0
Travel - Miscellaneous	1,000	0	0	0	0	0	0	0	0	0	0	0
Travel - Transportation												
Travel - Transport/Airfare	311,665	4,000	1,000	0	18,000	0	0	0	0	3,000	0	0
Travel - Shuttle/Taxi/Auto	410	0	0	0	0	0	0	0	0	0	0	0
Travel - Transportation	312,075	4,000	1,000	0	18,000	0	0	0	0	3,000	0	0
Training - Out of Town	14,100	0	0	0	3,000	0	0	0	0	0	0	0
Mileage	40,996	500	350	0	480	0	0	0	0	350	0	1,000
Mileage												

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Travel	376,451	4,500	1,350	0	21,480	0	0	0	0	3,350	0	1,000
Other Administrative Expense												
Local Meetings												
Local Mtgs - On Airport/GO	21,080	1,400	0	0	0	0	0	0	0	0	0	200
Local Mtgs - Off Airport	32,020	1,400	150	0	0	0	0	0	0	0	0	0
Local Meetings	53,100	2,800	150	0	0	0	0	0	0	0	0	200
Information Sources												
Memberships/Dues/Pro Assoc	47,200	0	0	0	600	0	0	0	0	0	0	0
Other Information Sources	76,800	1,900	100	0	0	0	0	0	0	100	0	0
Publications/Subscriptions	105,725	500	0	0	1,200	0	0	0	0	350	0	250
Information Sources	229,725	2,400	100	0	1,800	0	0	0	0	450	0	250
Printing Costs												
Printing-Publications	99,700	0	0	0	0	0	0	0	0	0	0	0
Printing - Color Charts	2,480	0	0	0	0	0	0	0	0	0	0	0
Printing - Forms	19,850	0	0	0	0	0	0	0	0	0	0	0
Printing-Stationary/Envel	11,600	0	0	0	0	0	0	0	0	0	0	0
Printing Costs	133,630	0	0	0	0	0	0	0	0	0	0	0
Delivery Services	16,215	500	200	0	1,200	0	0	0	0	0	0	250
Freight Charges	4,690	500	200	0	600	0	0	0	0	0	0	500
Postage	65,890	0	0	0	0	0	0	0	0	0	0	0
Other Administrative Expe	503,550	6,200	650	0	3,600	0	0	0	0	450	0	1,200
Administrative Expenses	1,083,826	11,900	2,500	0	29,880	0	0	0	0	4,300	0	2,700
Professional Services												
Accounting/Audit Fees	121,880	0	0	0	0	0	0	0	0	0	0	0
Affirmative Action Fees	15,830	0	0	0	0	0	0	0	0	0	0	0
Appraisal/RFP/Lease Fees	115,000	0	0	0	0	0	0	0	0	0	0	0
Computer Services												
General												
ANOMS Consulting	40,000	0	0	0	0	0	0	0	0	0	0	0
Hardware Consulting	25,000	0	0	0	0	0	0	0	0	0	0	0
Software Consulting	61,000	0	0	0	0	0	0	0	0	0	0	0
General	126,000	0	0	0	0	0	0	0	0	0	0	0
Terminal Services												
Terminal Services-Grd Tran	74,470	0	0	0	0	0	74,470	0	0	0	0	0
Terminal Services-Parking	100,000	0	0	0	0	0	0	100,000	0	0	0	0
Terminal Lan	0	0	0	0	0	0	0	0	0	0	0	0
Terminal Services	174,470	0	0	0	0	0	74,470	100,000	0	0	0	0
Computer Services	300,470	0	0	0	0	0	74,470	100,000	0	0	0	0

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Engineering Fees	953,000	154,000	10,000	15,000	339,500	0	20,000	0	0	8,250	10,000	0
Graphic Design	53,500	0	0	0	0	0	0	0	0	0	0	0
Insurance Consultants	0	0	0	0	0	0	0	0	0	0	0	0
Investigations	0	0	0	0	0	0	0	0	0	0	0	0
Labor Relations	33,000	0	0	0	0	0	0	0	0	0	0	0
Legal Fees	90,000	0	0	0	0	0	0	0	0	0	0	0
Legal - Environmental	410,500	0	0	0	0	0	0	4,500	0	0	0	0
Legal - General	70,000	0	0	0	0	0	0	0	0	0	0	0
Legal - Federal	40,000	0	0	0	0	0	0	0	0	0	0	0
Legal - Relievers	0	0	0	0	0	0	0	0	0	0	0	0
Legal Fees	610,500	0	0	0	0	0	0	4,500	0	0	0	0
Legislative	80,000	0	0	0	0	0	0	0	0	0	0	0
Legislative - Local	87,300	0	0	0	0	0	0	0	0	0	0	0
Legislative - National	0	0	0	0	0	0	0	0	0	0	0	0
Legislative	167,300	0	0	0	0	0	0	0	0	0	0	0
Medical Fees	25,500	0	0	0	0	0	0	0	0	0	0	0
Planning	550,000	0	0	0	550,000	0	0	0	0	0	0	0
MSP Int'l	500,000	0	0	0	500,000	0	0	0	0	0	0	0
New Airport	0	0	0	0	0	0	0	0	0	0	0	0
Relievers	0	0	0	0	0	0	0	0	0	0	0	0
Planning	1,050,000	0	0	0	1,050,000	0	0	0	0	0	0	0
Pollution/Environmental Fees	9,000	0	0	0	3,000	0	0	0	0	0	0	0
Public Information Services	70,000	0	0	0	0	0	0	25,000	0	0	0	0
Recruiting & Employment Fees	10,000	0	0	0	0	0	0	0	0	0	0	0
Safety Consultants	49,000	3,000	2,500	0	0	0	0	0	0	0	0	0
Safety - Training	500	0	0	0	0	0	0	0	0	0	0	0
Safety - General	0	0	0	0	0	0	0	0	0	0	0	0
Safety Consultants	49,500	3,000	2,500	0	0	0	0	0	0	0	0	0
Communications Consultant	84,500	2,500	0	0	0	0	4,000	0	0	1,000	0	10,000
Other/Miscellaneous	259,806	18,000	0	0	22,150	0	12,000	15,000	0	2,000	0	0
Professional Services	3,928,786	177,500	12,500	15,000	1,414,650	0	110,470	144,500	0	11,250	10,000	10,000
Utilities												
Electricity	2,294,500	1,080,000	216,000	0	132,000	30,000	156,000	223,800	2,400	59,800	4,800	90,000
Heating Fuel	900,000	144,000	504,000	0	2,400	12,000	18,000	0	0	66,000	0	21,600
Heating - Natural Gas	0	0	0	0	0	0	0	0	0	0	0	0
Heating - Fuel Oil	0	0	0	0	0	0	0	0	0	0	0	0
Heating Fuel	900,000	144,000	504,000	0	2,400	12,000	18,000	0	0	66,000	0	21,600
Sewer	1,071,500	439,000	4,800	0	0	0	2,400	0	0	1,500	610,000	2,400
Water	591,000	228,000	3,300	0	0	600	23,700	1,500	0	4,800	315,000	1,200



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Telephone												
Telephone - Regular	193,560	3,600	0	0	600	0	0	0	0	960	0	0
Telephone - Cellular	29,460	350	640	0	2,400	0	1,200	0	0	0	0	300
Telephone	223,020	3,950	640	0	3,000	0	1,200	0	0	960	0	300
Utilities	5,080,020	1,894,950	728,740	0	137,400	42,600	201,300	225,300	2,400	133,060	929,800	115,500
Operating Services/Expenses												
Advertising												
Advertising - Bids	6,000	0	0	0	0	0	0	0	0	0	0	0
Advertising - Employment	18,400	0	0	0	0	0	0	0	0	0	0	0
Advertising - Events												
Advertising-Airport Days	17,500	0	0	0	0	0	0	0	0	0	0	0
Advertising Special Events	5,000	0	0	0	0	0	0	0	0	0	0	0
Advertising - Events	22,500	0	0	0	0	0	0	0	0	0	0	0
Advertising - General	120,500	0	0	0	0	0	0	500	0	0	0	0
Advertising - Grd Transport	0	0	0	0	0	0	0	0	0	0	0	0
Advertising - Noise	0	0	0	0	0	0	0	0	0	0	0	0
Advertising - Parking	92,000	0	0	0	0	0	0	92,000	0	0	0	0
Advertising - Relievers	49,000	0	0	0	0	0	0	0	0	0	0	0
Advertising	308,400	0	0	0	0	0	0	92,500	0	0	0	0
Environmental Control												
Hazardous Waste	21,400	0	0	0	0	0	0	0	0	0	0	0
Hazardous Waste - FLouresc	0	0	0	0	0	0	0	0	0	0	0	0
Hazardous Waste - General	0	0	0	0	0	0	0	0	0	0	0	0
Hazardous Waste	21,400	0	0	0	0	0	0	0	0	0	0	0
Pollution Control												
Pollution Ctrl-Air Quality	0	0	0	0	0	0	0	0	0	0	0	0
Pollution Ctrl-Corn Cobs	0	0	0	0	0	0	0	0	0	0	0	0
Pollution Ctrl-Flor Dry	0	0	0	0	0	0	0	0	0	0	0	0
Pollution Ctrl-Pads	0	0	0	0	0	0	0	0	0	0	0	0
Pollution Ctrl-Fuel Sorb	0	0	0	0	0	0	0	0	0	0	0	0
Pollution Ctrl-Supplies	37,000	0	2,000	32,000	0	0	0	0	0	0	0	0
Pollution Control	37,000	0	2,000	32,000	0	0	0	0	0	0	0	0
Industrial Waste Mgmt	40,000	0	0	0	40,000	0	0	0	0	0	0	0
Laboratory Services	10,000	0	0	0	0	0	0	0	0	0	0	0
Solvent Reclamation Service	9,250	0	1,000	0	0	0	0	0	0	0	0	0
Spill Response	4,500	0	0	0	0	0	0	0	0	0	0	0
Tire Disposal	1,540	0	0	0	0	0	0	0	0	0	0	0
Other	600	0	0	0	600	0	0	0	0	0	0	0
Environmental Control	124,290	0	3,000	32,000	40,600	0	0	0	0	0	0	0

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Grd Transportation Services												
AV ID Readers/Controllers	0	0	0	0	0	0	0	0	0	0	0	0
AV ID Tags	26,000	0	0	0	0	0	26,000	0	0	0	0	0
Commercial Roadway Tickets	4,000	0	0	0	0	0	4,000	0	0	0	0	0
Landside Operations Starter	0	0	0	0	0	0	0	0	0	0	0	0
Grd Transportation Service	30,000	0	0	0	0	0	30,000	0	0	0	0	0
Shuttle Services												
Auto Rental	629,846	0	0	0	0	0	629,846	0	0	0	0	0
Lindbergh/Regional	176,400	176,400	0	0	0	0	0	0	0	0	0	0
Lindbergh/Humphery	818,633	330,228	0	0	0	0	330,228	0	0	158,177	0	0
Shuttle Services	1,624,879	506,628	0	0	0	0	960,074	0	0	158,177	0	0
Parking Lots												
Lot Tickets	46,500	0	0	0	0	0	0	46,500	0	0	0	0
Management Contract	3,385,000	0	0	0	0	0	0	3,385,000	0	0	0	0
Parking Lots	3,431,500	0	0	0	0	0	0	3,431,500	0	0	0	0
Met Council Fees												
New Airport Fees	0	0	0	0	0	0	0	0	0	0	0	0
General Fees	162,000	0	0	0	162,000	0	0	0	0	0	0	0
Met Council Fees	162,000	0	0	0	162,000	0	0	0	0	0	0	0
Employee Programs												
ERRT												
ERRT - Awards	10,000	0	0	0	0	0	0	0	0	0	0	0
ERRT - Reception	0	0	0	0	0	0	0	0	0	0	0	0
ERRT - Recognition	43,800	1,600	1,200	0	0	0	1,600	0	0	0	0	100
ERRT	53,800	1,600	1,200	0	0	0	1,600	0	0	0	0	100
Holidays												
Holiday Catering	7,500	0	0	0	0	0	0	0	0	0	0	0
Holiday Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0
Holidays	7,500	0	0	0	0	0	0	0	0	0	0	0
Picnic	0	0	0	0	0	0	0	0	0	0	0	0
Hospital Fund	1,500	0	0	0	0	0	0	0	0	0	0	0
Retirement												
Retirement - Awards	5,500	0	0	0	0	0	0	0	0	0	0	0
Retirement - Reception	0	0	0	0	0	0	0	0	0	0	0	0
Retirement	5,500	0	0	0	0	0	0	0	0	0	0	0
Service												
Service - Awards	15,000	0	0	0	0	0	0	0	0	0	0	0
Service - Reception	0	0	0	0	0	0	0	0	0	0	0	0

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Service	15,000	0	0	0	0	0	0	0	0	0	0	0
Wellness												
Wellness - Fitness Program	92,000	0	0	0	0	0	0	0	0	0	0	0
Wellness-Health/Wellness	2,000	0	0	0	0	0	0	0	0	0	0	0
Wellness-Other Programs	0	0	0	0	0	0	0	0	0	0	0	0
Wellness-Nutrition/Stress	26,000	0	0	0	0	0	0	0	0	0	0	0
Wellness	120,000	0	0	0	0	0	0	0	0	0	0	0
Employee Programs	203,300	1,600	1,200	0	0	0	1,600	0	0	0	0	100
Events												
Airport Days												
Airport Days-Catering	0	0	0	0	0	0	0	0	0	0	0	0
Airport Days-Other Expense	11,000	0	0	0	0	0	0	0	0	0	0	0
Airport Days-Rentals	45,000	0	0	0	0	0	0	0	0	0	0	0
Airport Days	56,000	0	0	0	0	0	0	0	0	0	0	0
Career Days	0	0	0	0	0	0	0	0	0	0	0	0
Emergency Response Exercise												
Emergency Resp. Catering	0	0	0	0	0	0	0	0	0	0	0	0
Emergency Response Other	7,200	0	0	0	0	0	0	0	0	0	0	0
Emergency Response Exerc	7,200	0	0	0	0	0	0	0	0	0	0	0
Picnic/Other Events	33,200	0	0	0	0	0	2,500	0	0	200	0	0
Events	96,400	0	0	0	0	0	2,500	0	0	200	0	0
Other Charges/Fees												
Bank Charges	156,500	0	0	0	0	0	0	73,500	0	0	0	0
Security Services	112,000	0	0	0	0	0	0	0	0	0	0	0
Recycling	4,100	2,400	0	0	0	0	0	0	0	0	0	0
Copy Agreement	133,300	0	0	0	0	0	0	0	0	0	0	0
Mediation Fees	8,500	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous Charges/Fees	6,420	0	0	0	0	0	0	0	0	0	0	0
Jail Fees	5,000	0	0	0	0	0	0	0	0	0	0	0
Other Charges/Fees	425,820	2,400	0	0	0	0	0	73,500	0	0	0	0
Service Agreements												
Service-Computers	260,372	0	0	0	0	0	0	7,200	0	0	0	0
Service-Fitness Equipment	4,000	0	0	0	0	0	0	0	0	0	0	0
Service-Grd Trans Equip	81,488	0	0	0	0	0	81,488	0	0	0	0	0
Service-Office Equipment	19,130	600	0	0	1,080	0	0	0	0	1,000	0	250
Service-Other Equipment	91,133	600	0	0	480	0	6,600	0	0	8,000	0	5,000
Service-Parking Equipment	165,200	0	0	0	0	0	0	165,200	0	500	0	25,000
Service-Telephone Systems	68,800	0	0	0	0	0	0	0	0	0	0	0
Service-Secured Access	110,400	0	0	0	110,400	0	0	0	0	0	0	0

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Service-Radios	75,000	1,500	0	0	21,100	0	0	600	0	0	0	0
Storm Water Monitoring	1,475,000	0	0	0	1,475,000	0	0	0	0	0	0	0
Service Agreements	2,350,523	2,700	0	0	1,608,060	0	88,088	173,000	0	9,500	0	30,250
Operating Services/Expense	8,757,112	513,328	4,200	32,000	1,810,660	0	1,082,262	3,770,500	0	167,877	0	30,350
Maintenance												
Trades - Painters												
Paint												
Equipment - Paint	4,000	4,000	0	0	0	0	0	0	0	0	0	0
Exterior - Paint	12,000	12,000	0	0	0	0	0	0	0	0	0	0
Interior - Paint	12,000	7,000	0	0	0	0	0	0	0	0	0	0
Paint - Other	6,000	0	0	0	0	0	2,000	0	0	1,000	0	1,000
Traffic Paint - Parking	14,000	0	0	0	0	0	0	14,000	0	0	0	0
Reliever Airport - Paint	8,000	0	0	0	0	0	0	0	0	0	0	0
Traffic Paint - Roads	8,000	0	0	0	0	0	0	0	0	0	8,000	0
Traffic Paint - Runways	32,000	0	0	0	32,000	0	0	0	0	0	0	0
Paint	96,000	23,000	0	0	32,000	0	2,000	14,000	0	1,000	8,000	1,000
Signs												
Other Sign Material/Etc	0	0	0	0	0	0	0	0	0	0	0	0
Regulatory - Signs	12,000	0	0	0	0	0	0	0	0	0	0	0
Exterior Sign Materials	7,000	0	0	0	0	0	0	0	0	0	0	0
Interior Sign Materials	4,000	0	0	0	0	0	0	0	0	0	0	0
Reliever Airport Signs	4,800	0	0	0	0	0	0	0	0	0	0	0
Signs	22,800	0	0	0	0	0	0	0	0	0	0	0
Supplies												
Brushes & Supplies	5,000	0	0	0	0	0	0	0	0	0	0	0
Paint Supplies - Other	3,500	0	0	0	0	0	0	0	0	0	0	0
Solvents	0	0	0	0	0	0	0	0	0	0	0	0
Equipment Spray	1,400	0	0	0	0	0	0	0	0	0	0	0
Paint Tools	0	0	0	0	0	0	0	0	0	0	0	0
Supplies	9,900	0	0	0	0	0	0	0	0	0	0	0
Trades - Painters	128,700	23,000	0	0	32,000	0	2,000	14,000	0	1,000	8,000	1,000
Trades - Carpenters												
Locks												
Locks - Cabinets	0	0	0	0	0	0	0	0	0	0	0	0
Locks - Doors	20,500	7,400	0	0	1,000	0	0	1,400	0	1,900	1,800	1,500
Locks - Other	1,000	400	0	0	0	0	0	0	0	200	0	100
Locks	21,500	7,800	0	0	1,000	0	0	1,400	0	2,100	1,800	1,600
Flags												
Flags - Construction	0	0	0	0	0	0	0	0	0	0	0	0
Flags - Material	650	0	0	0	0	0	0	0	0	0	0	0

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	Total	Lindbergh Terminal	Energy Mgmt Ctr	Ramp Area	Field & Runways	Control Tower	Term Roads /Landscape	Parking Lot	Cargo Area	HHH Terminal	Public Area /Other Rds	West Term Area
Other												
Other - Batteries	3,000	0	0	0	0	0	0	0	0	0	0	0
Other-Field Lights/Sensors	135,000	0	0	9,000	126,000	0	0	0	0	0	0	0
Other - Gate Supplies	36,000	36,000	0	0	0	0	0	0	0	0	0	0
Other - General Supplies	34,000	0	0	0	0	0	0	0	0	0	0	13,000
Other - Miscellaneous	17,000	0	0	0	0	0	0	0	0	0	0	0
Other - Motor	8,000	0	0	0	0	0	0	0	0	0	0	0
Other - Secured Access Sys	10,000	0	0	0	10,000	0	0	0	0	0	0	0
Other - Tools	5,000	0	0	0	0	0	0	0	0	0	0	0
Other	248,000	36,000	0	9,000	136,000	0	0	0	0	0	0	13,000
Trades - Electricians	289,500	36,000	0	9,000	136,000	0	0	0	0	0	0	13,000
Maintenance - Field												
Snow Removal - Materials												
Materials - Liquid Anti Icer	13,000	0	0	1,300	11,700	0	0	0	0	0	0	0
Materials - Sodium Formate	30,000	0	0	0	30,000	0	0	0	0	0	0	0
Materials - Other Ice Ctrl	3,600	0	0	684	1,980	0	180	576	0	0	180	0
Materials - Salt	37,000	0	0	0	0	0	18,000	0	0	0	18,000	0
Materials - Sand	92,000	0	0	0	62,400	0	7,800	7,800	0	0	0	0
Materials - Urea	217,600	0	0	21,000	189,000	0	0	0	0	0	0	0
Snow Removal - Materials	393,200	0	0	22,984	295,080	0	25,980	8,376	0	0	18,180	0
Snow Removal - Equipment												
Equipment - Bobcats	25,000	0	0	0	0	0	0	25,000	0	0	0	0
Equipment - Four Wheel Dr	50,000	0	0	0	0	0	10,000	40,000	0	0	0	0
Equipment - Snow Haulers	59,000	0	0	40,000	5,000	0	0	5,000	0	0	0	0
Equipment - Other	25,000	0	0	10,000	3,000	0	0	10,000	0	0	0	0
Equipment-Rent-No Operator	245,736	0	0	62,905	62,905	0	8,996	8,996	0	0	35,944	0
Equip Rent-No Operator-5.5	30,948	0	0	10,832	10,832	0	1,548	1,548	0	0	6,188	0
Snow Removal - Equipment	435,684	0	0	123,737	83,737	0	20,544	90,534	0	0	42,132	0
Snow Removal - Miscellan												
Snow Removal - Meals	8,400	0	0	0	8,400	0	0	0	0	0	0	0
Snow Removal - Other	0	0	0	0	0	0	0	0	0	0	0	0
Snow Removal - Plow Blades	24,000	0	0	4,800	4,800	0	4,800	4,800	0	0	4,800	0
Snow Removal - Runway Brm	6,000	0	0	0	6,000	0	0	0	0	0	0	0
Snow Removal - Miscellan	38,400	0	0	4,800	19,200	0	4,800	4,800	0	0	4,800	0
Summer Maintenance-Surface												
Surface Repair-Aggregate	13,200	0	0	0	0	0	0	7,020	0	0	780	0
Surface Repair-Asphalt	59,500	0	0	12,000	12,000	0	0	3,000	0	0	3,000	0
Surface Repair-Cement	10,700	0	0	2,880	2,880	0	0	720	0	0	720	0
Surface Repair-Other	7,500	0	0	0	0	0	4,125	2,250	0	0	1,125	0
Surface Repair-Re-Bar	1,400	0	0	1,400	0	0	0	0	0	0	0	0
Surface Rubber Removal	45,000	0	0	0	37,500	0	0	0	0	0	0	0
Surface Repair-Saw Blades	23,300	0	0	5,000	15,000	0	0	0	0	0	0	0

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Surface Repair-Hot Sealant	23,500	0	0	2,000	0	0	2,000	12,000	0	0	0	0
Summer Maintenance-Surfa	184,100	0	0	23,280	67,380	0	6,125	24,990	0	0	5,625	0
Summer Maint-Landscape												
Summer Maintenance-Fencing	26,500	0	0	0	15,000	0	0	0	0	0	0	0
Landscape/Turf-Materials	92,000	0	0	0	24,000	0	42,000	0	0	0	3,000	0
Summer Maint-Equip Rent LT	35,948	0	0	10,832	10,832	0	1,548	1,548	0	0	6,188	0
Summer Maint-Equip Rent No	36,000	0	0	12,600	12,600	0	1,800	1,800	0	0	7,200	0
Landscape/Turf-Agreement	51,000	0	0	0	0	0	44,000	0	0	0	3,000	0
Summer Maint-Landscape	241,448	0	0	23,432	62,432	0	89,348	3,348	0	0	19,388	0
Maintenance Field-Other												
Field Maint-Other-Garbage	0	0	0	0	0	0	0	0	0	0	0	0
Field Maint-Other-Emerg	80,000	24,000	0	0	26,000	15,000	0	0	0	0	15,000	0
Field Maint-Other-Material	3,500	0	0	0	0	0	0	0	0	0	0	0
Field Maint-Other-Supplies	14,500	0	0	6,000	6,000	0	0	0	0	0	0	0
Field Maint-Other-Tools	15,000	0	0	6,000	6,000	0	0	0	0	0	0	0
Maintenance Field-Other	113,000	24,000	0	12,000	38,000	15,000	0	0	0	0	15,000	0
Maintenance - Field	1,405,832	24,000	0	210,233	565,829	15,000	146,797	132,048	0	0	105,125	0
Maintenance Building												
Building-Temp Control												
Temp Control-Contracts	463,780	212,800	0	0	0	13,000	19,742	14,000	0	32,738	0	26,000
Temp Control-Filters	111,000	0	100,000	0	0	300	0	0	0	0	0	600
Building-Temp Control	574,780	212,800	100,000	0	0	13,300	19,742	14,000	0	32,738	0	26,600
Building-Mechanical Areas												
Mechanical Areas-Carrousel	47,000	15,000	0	0	0	0	0	0	0	32,000	0	0
Mechanical Areas-Conveyors	78,000	58,000	0	0	0	0	0	0	0	20,000	0	0
Mechanical Areas-Doors	28,500	0	0	0	0	0	0	0	0	0	0	5,000
Mechanical Areas-Doors/Pub	34,825	20,000	0	0	0	0	2,225	8,900	0	3,700	0	0
Mechanical Areas-Doors/Tug	6,160	5,160	0	0	0	0	0	0	0	700	0	0
Mechanical Areas-Elevators	119,360	62,000	0	0	0	0	6,600	33,000	0	2,000	0	0
Mechanical Areas-Escalator	58,200	42,000	0	0	0	0	1,100	10,100	0	0	0	0
Mechanical Areas-Other	3,850	3,250	0	0	0	0	0	0	0	0	0	0
Building-Mechanical Area	375,895	205,410	0	0	0	0	9,925	52,000	0	58,400	0	5,000
Building-Other												
Other-Boiler Chemicals	11,500	0	8,000	0	0	1,500	0	0	0	0	0	1,500
Other-Floors/Repairs	5,000	5,000	0	0	0	0	0	0	0	0	0	0
Other-Outside Plumb/Sewer	31,563	0	0	0	0	0	0	0	0	0	0	28,063
Other-Roofing	62,200	12,500	0	0	0	0	2,000	2,100	0	2,100	0	3,000
Other-Supplies	65,900	18,800	8,000	0	0	0	7,200	9,000	0	7,000	0	4,000
Other-Tools	21,450	7,400	2,000	0	0	0	2,260	2,880	0	2,260	0	300
Building-Other	197,613	43,700	18,000	0	0	1,500	11,460	13,980	0	11,360	0	36,863

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Apt Development Projects	0	0	0	0	0	0	0	0	0	0	0	0
Maintenance Building	1,148,288	461,910	118,000	0	0	14,800	41,127	79,980	0	102,498	0	68,463
Maintenance-Cleaning												
Cleaning Services												
Cleaning Services-Janitor	2,507,781	1,440,000	0	0	0	0	57,600	201,600	0	244,800	0	45,752
Cleaning Services-Windows	77,800	45,300	0	0	0	0	1,800	6,300	0	7,800	0	1,125
Cleaning Services	2,585,581	1,485,300	0	0	0	0	59,400	207,900	0	252,600	0	46,877
Cleaning Supplies												
Cleaning Supplies-Bathroom	152,794	100,000	0	0	0	0	6,000	6,000	0	18,000	0	3,957
Cleaning Supplies-General	36,585	19,000	300	0	0	0	0	0	0	0	0	5,325
Cleaning Supplies	189,379	119,000	300	0	0	0	6,000	6,000	0	18,000	0	9,282
Rubbish Disposal												
Rubbish Disposal-Recycle	11,160	10,200	0	0	0	0	0	0	0	960	0	0
Rubbish Disposal-Regular	447,000	99,000	0	0	204,000	0	9,000	15,000	0	36,000	6,000	21,000
Rubbish Disposal	458,160	109,200	0	0	204,000	0	9,000	15,000	0	36,960	6,000	21,000
Towel & Laundry Services	4,920	2,400	0	0	0	0	0	0	0	0	0	0
Other Cleaning Expenses	17,300	11,000	0	0	0	0	0	0	0	0	0	0
Maintenance-Cleaning	3,255,340	1,726,900	300	0	204,000	0	74,400	228,900	0	307,560	6,000	77,159
Maintenance-Equipment												
Equipment-Parts												
Parts-Automobiles	406,000	0	0	0	0	0	0	0	0	0	0	0
Parts-Chiller Energy Mgmt	14,000	0	14,000	0	0	0	0	0	0	0	0	0
Parts-Equipment	86,925	0	0	0	0	0	0	32,000	0	0	0	0
Parts-Other Equipment	84,400	0	0	0	66,900	0	0	0	0	7,500	0	0
Equipment-Parts	591,325	0	14,000	0	66,900	0	0	32,000	0	7,500	0	0
Equipment-Shop												
Shop-Garbage Bags	15,500	0	0	0	15,000	0	0	0	0	0	0	0
Shop-Batteries	14,000	0	0	0	0	0	0	0	0	0	0	0
Shop-Cleaners/Degreasers	37,000	0	0	0	0	0	0	0	0	0	0	0
Shop-Oil & Filters	34,500	0	0	0	0	0	0	0	0	0	0	0
Shop-Other Supplies	30,000	0	1,500	0	0	0	0	0	0	0	0	0
Shop-Tires	33,000	0	0	0	0	0	0	0	0	0	0	0
Shop-Tools	21,000	0	0	0	0	0	0	0	0	0	0	0
Equipment-Shop	185,000	0	1,500	0	15,000	0	0	0	0	0	0	0
Equipment-Gas												
Gas-Diesel	0	0	0	0	0	0	0	0	0	0	0	0
Gas-Propane	0	0	0	0	0	0	0	0	0	0	0	0



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Licenses/Permits	28,100	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous Expenses												
Misc-Fire Fighting Foam	0	0	0	0	0	0	0	0	0	0	0	0
Misc-Firearm/Equip/Supplies	45,500	0	0	0	0	0	0	0	0	0	0	0
Misc-Emergency Response	34,100	24,000	0	0	0	0	0	0	0	0	0	0
Misc-Other	22,115	0	0	0	0	0	0	0	0	0	0	10,000
Misc-Taxes(Petroleum/Use)	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous Expenses	101,715	24,000	0	0	0	0	0	0	0	0	0	10,000
Adjustments/Bad Debt												
Bad Debt Expense	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous Adjustments	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments/Bad Debt	0	0	0	0	0	0	0	0	0	0	0	0
Reimbursed Expense	1,269,492-	42,000-	0	36,000-	36,000-	4,800-	6,000-	0	0	0	0	0
Capital Assets												
Minor Equipment/Assets												
Minor Assets-Tools	65,850	2,800	0	0	0	0	0	0	0	0	0	5,200
Minor Assets-Office Furn	61,272	6,000	0	0	12,900	0	5,400	0	0	0	0	1,532
Minor Assets-Computers	99,900	0	0	0	0	0	0	29,550	0	0	0	0
Minor Assets-Radios	22,400	0	0	0	0	0	0	0	0	0	0	0
Minor Assets-Other	8,300	0	0	0	0	0	0	0	0	0	0	0
Minor Equipment/Assets	257,722	8,800	0	0	12,900	0	5,400	29,550	0	0	0	6,532
Capital Assets	257,722	8,800	0	0	12,900	0	5,400	29,550	0	0	0	6,532
Other	288,485	363,830	4,700	8,516-	25,272	4,800-	14,791	90,015	0	28,584	15,391	30,024
Gross Depreciation												
Main Office	20,656,684	3,342,177	0	511,114	4,334,787	0	1,532,888	3,359,420	262,816	940,887	261,895	28,145
Gross Depreciation	20,656,684	3,342,177	0	511,114	4,334,787	0	1,532,888	3,359,420	262,816	940,887	261,895	28,145
Expenses	73,666,228	9,179,999	1,680,322	768,831	8,776,578	68,460	4,005,527	8,082,543	265,216	1,794,313	1,350,421	512,055

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	Hangars & Other Bldg	Maintenanc Employees	Equipment Maint	Inventory Trades/Eq	Green Concourse	Police	Fire	Adminis- tration	Comm/Ops	Environmnt /Noise	Reliever Airports
<b>Expenses</b>											
<b>Personnel</b>											
Wages											
Regular	0	4,244,176	0	0	0	3,172,772	1,869,873	4,525,133	839,134	638,819	1,122,129
Special Pay	0	0	0	0	0	0	0	0	0	0	0
Overtime/Doubletime											
Doubletime - Regular	0	324,053	0	0	0	0	0	0	0	0	88,216
Doubletime-Special Events	0	0	0	0	0	0	0	0	0	0	0
Overtime - Regular	0	265,133	0	0	0	214,545	163,490	79,591	93,945	10,377	113,296
Overtime - Special Events	0	0	0	0	0	0	0	0	0	0	0
Overtime/Doubletime	0	589,186	0	0	0	214,545	163,490	79,591	93,945	10,377	201,512
Commissioner PerDiem	0	0	0	0	0	0	0	30,000	0	0	0
Temps - Agency	0	51,740	0	0	0	0	0	50,300	0	10,076	36,002
Snow Shovellers	0	15,244	0	0	0	0	0	0	0	0	0
Temporary 49ers	0	66,060	0	0	0	0	0	0	0	0	0
Grass Cutters	0	26,080	0	0	0	0	0	0	0	0	0
Wages	0	4,992,486	0	0	0	3,387,317	2,033,363	4,685,024	933,079	659,272	1,359,643
<b>Benefits</b>											
Employee Insurance											
Employee Insurance Dental	0	0	0	0	0	0	0	0	0	0	0
Empl Insurance Disability	0	0	0	0	0	0	0	0	0	0	0
Employee Insurance Family	0	735,490	0	0	0	553,305	256,410	587,043	128,204	101,214	182,186
Employee Insurance Life	0	0	0	0	0	0	0	0	0	0	0
Employee Insurance Retiree	0	0	0	0	0	0	0	0	0	0	0
Employee Insurance Single	0	0	0	0	0	0	0	0	0	0	0
Employee Insurance	0	735,490	0	0	0	553,305	256,410	587,043	128,204	101,214	182,186
<b>Pension</b>											
Fica (Social Security)Base	0	678,398	0	0	0	585,639	315,543	627,592	115,475	74,658	266,604
Fica(Social Security)Medic	0	0	0	0	0	0	0	0	0	0	0
Mpls Empl Retirement Fund	0	0	0	0	0	0	0	0	0	0	0
Public Empl - Police/Fire	0	0	0	0	0	0	0	0	0	0	0
Public Empl - Coordinated	0	0	0	0	0	0	0	0	0	0	0
Merf Unfunded Liability	0	0	0	0	0	0	0	0	0	0	0
Pension	0	678,398	0	0	0	585,639	315,543	627,592	115,475	74,658	266,604
<b>Training</b>											
Continuing Ed (College)	0	8,400	0	0	0	37,000	8,000	83,500	10,000	19,500	22,000
Management Requirement	0	5,250	0	0	0	0	3,000	20,350	5,250	1,800	0
Organizational Requirement	0	1,200	0	0	0	0	0	122,150	0	500	0
Regulatory Requirements	0	1,200	0	0	0	0	0	2,000	0	0	0
Local Seminars	0	6,760	0	0	0	18,470	1,000	35,152	300	8,250	500
Training	0	22,810	0	0	0	55,470	42,000	261,152	15,550	30,050	22,500
Workers Compensation	0	87,589	0	0	0	65,893	30,536	15,536	3,393	2,678	21,697

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Uniforms	0	0	0	0	0	33,675	17,205	0	0	0	0
Uniforms-Police/Fire Allow	0	27,500	0	0	0	0	0	2,950	5,000	0	11,400
Uniforms-Rental	0	0	0	0	0	0	0	0	0	0	0
Uniforms	0	27,500	0	0	0	33,675	17,205	2,950	5,000	0	11,400
Severance	0	0	0	0	0	0	0	0	0	0	0
Contract Allowance	0	29,000	0	0	0	20,462	12,200	27,695	5,598	3,895	7,942
Regular Severance	0	0	0	0	0	0	0	0	0	0	0
Severance	0	29,000	0	0	0	20,462	12,200	27,695	5,598	3,895	7,942
Paid Absence	0	0	0	0	0	0	0	0	0	0	0
Temporary Trade Benefits	0	0	0	0	0	0	0	0	0	0	0
Single Qtrly Hosp Payment	0	0	0	0	0	0	0	0	0	0	0
Benefits	0	1,580,787	0	0	0	1,314,444	673,894	1,521,968	273,220	212,495	512,329
Personnel	0	6,573,273	0	0	0	4,701,761	2,707,257	6,206,992	1,206,299	871,767	1,871,972
Administrative Expenses											
Supplies											
Office Supplies & Materials	0	0	0	2,900	0	9,000	3,500	38,950	3,100	4,800	5,400
Computer Supplies	0	0	0	0	0	0	0	51,300	0	4,300	1,800
Computer Supplies-General	0	0	0	0	0	0	0	13,000	450	3,000	0
Computer Supplies-Software	0	0	0	0	0	0	0	0	0	0	0
Computer Supplies	0	0	0	0	0	0	0	64,300	450	7,300	1,800
Special Supplies											
Special Supplies-Badging	0	0	0	0	0	12,000	0	0	0	0	0
Special Supply-Film/Photo	0	0	0	200	0	7,375	0	23,300	300	0	0
Special Supplies-Other	0	0	0	100	0	1,500	0	7,600	1,750	600	0
Special Supplies	0	0	0	300	0	20,875	0	30,900	2,050	600	0
Supplies	0	0	0	3,200	0	29,875	3,500	134,150	5,600	12,700	7,200
Travel											
Travel - Lodging	0	0	0	0	0	2,300	0	0	0	3,000	1,930
Travel - Meals	0	0	0	0	0	700	0	0	0	0	350
Travel - Miscellaneous	0	0	0	0	0	0	0	0	0	0	1,000
Travel - Transportation	0	0	3,400	12,400	0	18,950	7,600	202,835	16,530	17,500	6,450
Travel - Transport/Airfare	0	0	0	0	0	0	0	0	0	0	410
Travel - Shuttle/Taxi/Auto	0	0	0	0	0	0	0	0	0	0	0
Travel - Transportation	0	0	3,400	12,400	0	18,950	7,600	202,835	16,530	17,500	6,860
Training - Out of Town	0	0	0	550	0	8,000	0	800	0	0	1,750
Mileage	0	0	0	125	0	3,500	2,000	28,431	400	2,320	1,540
Mileage	0	0	0	0	0	0	0	0	0	0	0

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## Metropolitan Airports Comm.

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Travel	0	0	3,400	13,075	0	33,450	9,600	232,066	16,930	22,820	13,430
Other Administrative Expense											
Local Meetings	0	0	0	1,000	0	0	0	16,730	850	400	500
Local Mtgs - On Airport/GO	0	0	0	1,000	0	2,500	0	20,970	0	3,500	2,500
Local Mtgs - Off Airport											
Local Meetings	0	0	0	2,000	0	2,500	0	37,700	850	3,900	3,000
Information Sources											
Memberships/Dues/Pro Assoc	0	0	0	750	0	0	600	39,075	2,025	2,350	1,800
Other Information Sources	0	0	0	0	0	5,000	3,200	43,450	2,850	18,700	1,500
Publications/Subscriptions	0	0	400	875	0	0	2,000	97,900	350	1,900	0
Information Sources	0	0	400	1,625	0	5,000	5,800	180,425	5,225	22,950	3,300
Printing Costs											
Printing-Publications	0	0	0	0	0	3,500	0	95,800	400	0	0
Printing - Color Charts	0	0	0	0	0	0	0	480	0	2,000	0
Printing - Forms	0	0	0	0	0	5,800	0	14,050	0	0	0
Printing-Stationary/Envel	0	0	0	0	0	0	600	11,000	0	0	0
Printing Costs	0	0	0	0	0	9,300	600	121,330	400	2,000	0
Delivery Services	0	0	0	270	0	1,500	60	10,235	450	1,050	500
Freight Charges	0	0	0	220	0	200	120	1,200	200	500	750
Postage	0	0	0	0	0	1,050	0	64,000	0	0	840
Other Administrative Expense	0	0	400	4,115	0	19,550	6,580	414,890	7,125	30,400	8,390
Administrative Expenses	0	0	3,800	20,390	0	82,875	19,680	781,106	29,655	65,920	29,020
Professional Services											
Accounting/Audit Fees	0	0	0	0	0	0	0	121,880	0	0	0
Affirmative Action Fees	0	0	0	0	0	0	0	15,830	0	0	0
Appraisal/RFP/Lease Fees	0	0	0	0	0	0	0	115,000	0	0	0
Computer Services											
General											
ANOMS Consulting	0	0	0	0	0	0	0	0	0	40,000	0
Hardware Consulting	0	0	0	0	0	0	0	25,000	0	0	0
Software Consulting	0	0	0	0	0	0	0	46,000	0	15,000	0
General	0	0	0	0	0	0	0	71,000	0	55,000	0
Terminal Services											
Terminal Services-Grd Tran	0	0	0	0	0	0	0	0	0	0	0
Terminal Services-Parking	0	0	0	0	0	0	0	0	0	0	0
Terminal Lan	0	0	0	0	0	0	0	0	0	0	0
Terminal Services	0	0	0	0	0	0	0	0	0	0	0
Computer Services	0	0	0	0	0	0	0	71,000	0	55,000	0

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Engineering Fees	0	0	0	0	0	0	0	34,750	0	35,000	326,500
Graphic Design	0	0	0	0	0	0	0	53,500	0	0	0
Insurance Consultants	0	0	0	0	0	0	0	0	0	0	0
Investigations	0	0	0	0	0	0	0	0	0	0	0
Labor Relations	0	0	0	0	0	0	0	33,000	0	0	0
Legal Fees	0	0	0	0	0	0	0	0	0	90,000	0
Legal - Environmental	0	0	0	0	0	0	0	406,000	0	0	0
Legal - General	0	0	0	0	0	0	0	70,000	0	0	0
Legal - Federal	0	0	0	0	0	0	0	0	0	0	40,000
Legal - Relievers	0	0	0	0	0	0	0	0	0	0	0
Legal Fees	0	0	0	0	0	0	0	476,000	0	90,000	40,000
Legislative	0	0	0	0	0	0	0	80,000	0	0	0
Legislative - Local	0	0	0	0	0	0	0	87,300	0	0	0
Legislative - National	0	0	0	0	0	0	0	0	0	0	0
Legislative	0	0	0	0	0	0	0	167,300	0	0	0
Medical Fees	0	0	0	0	0	0	10,500	10,000	0	5,000	0
Planning	0	0	0	0	0	0	0	0	0	0	0
MSP Int'l	0	0	0	0	0	0	0	0	0	0	0
New Airport	0	0	0	0	0	0	0	0	0	0	0
Relievers	0	0	0	0	0	0	0	0	0	0	0
Planning	0	0	0	0	0	0	0	0	0	0	0
Pollution/Environmental Fees	0	0	0	0	0	0	0	0	0	3,000	3,000
Public Information Services	0	0	0	0	0	0	0	45,000	0	0	0
Recruiting & Employment Fees	0	0	0	0	0	0	0	10,000	0	0	0
Safety Consultants	0	15,000	0	9,500	0	2,600	2,600	3,000	1,800	1,000	8,000
Safety - Training	0	0	0	0	0	0	0	0	0	500	0
Safety - General	0	0	0	0	0	0	0	0	0	0	0
Safety Consultants	0	15,000	0	9,500	0	2,600	2,600	3,000	1,800	1,500	8,000
Communications Consultant	0	0	0	0	0	2,000	0	47,000	18,000	0	0
Other/Miscellaneous	0	5,400	8,000	0	0	14,500	0	123,760	12,000	0	26,996
Professional Services	0	20,400	8,000	9,500	0	19,100	13,100	1,327,020	31,800	189,500	404,496
Utilities											
Electricity	18,300	0	0	102,000	0	0	14,100	48,000	0	9,300	108,000
Heating Fuel											
Heating - Natural Gas	28,200	0	0	54,000	0	0	0	7,800	0	15,000	27,000
Heating - Fuel Oil	0	0	0	0	0	0	0	0	0	0	0
Heating Fuel	28,200	0	0	54,000	0	0	0	7,800	0	15,000	27,000
Sewer	0	0	0	4,500	0	0	900	1,500	0	0	4,500
Water	900	0	0	3,000	0	0	600	1,200	0	0	7,200

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Telephone											
Telephone - Regular	0	0	0	1,200	0	5,700	1,500	87,000	48,000	18,000	27,000
Telephone - Cellular	0	0	390	1,450	0	2,800	1,440	8,250	6,000	240	4,000
Telephone	0	0	390	2,650	0	8,500	2,940	95,250	54,000	18,240	31,000
Utilities	47,400	0	390	166,150	0	8,500	18,540	153,750	54,000	42,540	177,700
Operating Services/Expenses											
Advertising											
Advertising - Bids	0	0	0	0	0	0	0	6,000	0	0	0
Advertising - Employment	0	0	0	0	0	0	0	18,400	0	0	0
Advertising - Events	0	0	0	0	0	0	0	17,500	0	0	0
Advertising-Airport Days	0	0	0	0	0	0	0	5,000	0	0	0
Advertising Special Events	0	0	0	0	0	0	0	0	0	0	0
Advertising - Events	0	0	0	0	0	0	0	22,500	0	0	0
Advertising - General	0	0	0	0	0	2,500	0	117,500	0	0	0
Advertising - Grd Transport	0	0	0	0	0	0	0	0	0	0	0
Advertising - Noise	0	0	0	0	0	0	0	0	0	0	0
Advertising - Parking	0	0	0	0	0	0	0	0	0	0	0
Advertising - Relievers	0	0	0	0	0	0	0	0	0	0	49,000
Advertising	0	0	0	0	0	2,500	0	164,400	0	0	49,000
Environmental Control											
Hazardous Waste	0	0	3,000	14,000	0	200	200	0	0	0	4,000
Hazardous Waste - Flouresc	0	0	0	0	0	0	0	0	0	0	0
Hazardous Waste - General	0	0	0	0	0	0	0	0	0	0	0
Hazardous Waste	0	0	3,000	14,000	0	200	200	0	0	0	4,000
Pollution Control											
Pollution Ctrl-Air Quality	0	0	0	0	0	0	0	0	0	0	0
Pollution Ctrl-Corn Cobs	0	0	0	0	0	0	0	0	0	0	0
Pollution Ctrl-Flor Dry	0	0	0	0	0	0	0	0	0	0	0
Pollution Ctrl-Pads	0	0	0	0	0	0	0	0	0	0	0
Pollution Ctrl-Fuel Sorb	0	0	0	0	0	0	0	0	0	0	0
Pollution Ctrl-Supplies	0	0	3,000	0	0	0	0	0	0	0	0
Pollution Control	0	0	3,000	0	0	0	0	0	0	0	0
Industrial Waste Mgmt	0	0	0	0	0	0	0	0	0	0	0
Laboratory Services	0	0	0	0	0	0	0	0	0	10,000	0
Solvent Reclamation Service	0	0	5,250	750	0	0	750	0	0	0	1,500
Spill Response	0	0	1,575	675	0	0	900	0	0	450	900
Tire Disposal	0	0	840	0	0	0	0	0	0	0	700
Other	0	0	0	0	0	0	0	0	0	0	0
Environmental Control	0	0	13,665	15,425	0	200	1,850	0	0	10,450	7,100

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Grd Transportation Services											
AV ID Readers/Controllers	0	0	0	0	0	0	0	0	0	0	0
AV ID Tags	0	0	0	0	0	0	0	0	0	0	0
Commercial Roadway Tickets	0	0	0	0	0	0	0	0	0	0	0
Landside Operations Starter	0	0	0	0	0	0	0	0	0	0	0
Grd Transportation Services	0	0	0	0	0	0	0	0	0	0	0
Shuttle Services											
Auto Rental	0	0	0	0	0	0	0	0	0	0	0
Lindbergh/Regional	0	0	0	0	0	0	0	0	0	0	0
Lindbergh/Humphery	0	0	0	0	0	0	0	0	0	0	0
Shuttle Services	0	0	0	0	0	0	0	0	0	0	0
Parking Lots											
Lot Tickets	0	0	0	0	0	0	0	0	0	0	0
Management Contract	0	0	0	0	0	0	0	0	0	0	0
Parking Lots	0	0	0	0	0	0	0	0	0	0	0
Met Council Fees											
New Airport Fees	0	0	0	0	0	0	0	0	0	0	0
General Fees	0	0	0	0	0	0	0	0	0	0	0
Met Council Fees	0	0	0	0	0	0	0	0	0	0	0
Employee Programs											
ERRT	0	0	0	0	0	0	0	10,000	0	0	0
ERRT - Awards	0	0	0	0	0	0	0	0	0	0	0
ERRT - Reception	0	11,000	0	0	0	8,200	3,700	11,500	1,800	500	2,600
ERRT - Recognition	0	0	0	0	0	0	0	0	0	0	0
ERRT	0	11,000	0	0	0	8,200	3,700	21,500	1,800	500	2,600
Holidays											
Holiday Catering	0	0	0	0	0	0	0	7,500	0	0	0
Holiday Miscellaneous	0	0	0	0	0	0	0	0	0	0	0
Holidays	0	0	0	0	0	0	0	7,500	0	0	0
Picnic	0	0	0	0	0	0	0	0	0	0	0
Hospital Fund	0	0	0	0	0	0	0	1,500	0	0	0
Retirement											
Retirement - Awards	0	0	0	0	0	0	0	5,500	0	0	0
Retirement - Reception	0	0	0	0	0	0	0	0	0	0	0
Retirement	0	0	0	0	0	0	0	5,500	0	0	0
Service											
Service - Awards	0	0	0	0	0	0	0	15,000	0	0	0
Service - Reception	0	0	0	0	0	0	0	0	0	0	0



Metro Airports Commission  
1996 OPERATING BUDGET  
Object Account By Subledger  
For the Twelve Months Ending December 31, 1996

Metropolitan Airports Comm.

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Metro Airports Commission  
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Object Account By Subledger  
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Metropolitan Airports Comm.

	Hangars & Other Bldg	Maintenanc Employees	Equipment Maint	Inventory/ Trades/Eq	Green Concourse	Police	Fire	Adminis- tration	Comm/Ops	Environmnt /Noise	Reliever Airports
Service-Radios	0	0	25,000	0	0	10,400	9,400	1,800	0	0	5,200
Storm Water Monitoring	0	0	0	0	0	0	0	0	0	0	0
Service Agreements	0	400	40,000	0	0	37,572	26,200	150,678	56,625	122,250	5,200
Operating Services/Expenses	0	12,400	53,665	15,425	0	130,572	34,370	795,628	60,175	133,200	110,500
Maintenance											
Trades - Painters											
Paint	0	0	0	0	0	0	0	0	0	0	0
Equipment - Paint	0	0	0	0	0	0	0	0	0	0	0
Exterior - Paint	0	0	3,000	0	0	0	0	0	0	0	0
Interior - Paint	0	0	0	4,000	0	0	0	0	0	0	0
Paint - Other	0	0	0	0	0	0	0	0	0	0	0
Traffic Paint - Parking	0	0	0	0	0	0	0	0	0	0	0
Reliever Airport - Paint	0	0	0	0	0	0	0	0	0	0	8,000
Traffic Paint - Roads	0	0	0	0	0	0	0	0	0	0	0
Traffic Paint - Runways	0	0	0	0	0	0	0	0	0	0	0
Paint	0	0	3,000	4,000	0	0	0	0	0	0	8,000
Signs											
Other Sign Material/Etc	0	0	0	0	0	0	0	0	0	0	0
Regulatory - Signs	0	0	0	12,000	0	0	0	0	0	0	0
Exterior Sign Materials	0	0	0	2,000	0	0	0	0	0	0	0
Interior Sign Materials	0	0	0	4,000	0	0	0	0	0	0	0
Reliever Airport Signs	0	0	0	0	0	0	0	0	0	0	4,800
Signs	0	0	0	18,000	0	0	0	0	0	0	4,800
Supplies											
Brushes & Supplies	0	0	0	5,000	0	0	0	0	0	0	0
Paint Supplies - Other	0	0	0	3,000	0	0	0	0	0	0	500
Solvents	0	0	0	0	0	0	0	0	0	0	0
Equipment Spray	0	0	0	1,400	0	0	0	0	0	0	0
Paint Tools	0	0	0	0	0	0	0	0	0	0	0
Supplies	0	0	0	9,400	0	0	0	0	0	0	500
Trades - Painters	0	0	3,000	31,400	0	0	0	0	0	0	13,300
Trades - Carpenters											
Locks	0	0	0	0	0	0	0	0	0	0	0
Locks - Cabinets	2,000	0	0	0	0	1,000	1,000	800	200	0	500
Locks - Doors	100	0	0	0	0	100	0	100	0	0	0
Locks - Other	0	0	0	0	0	0	0	0	0	0	0
Locks	2,100	0	0	0	0	1,100	1,000	900	200	0	500
Flags											
Flags - Construction	0	0	0	400	0	0	0	0	0	0	0
Flags - Material	0	0	0	0	0	0	0	0	0	0	250

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Metropolitan Airports Comm.

	Hangars & Other Bldg	Maintenanc Employees	Equipment Maint	Inventory/ Trades/Eq	Green Concourse	Police	Fire	Adminis- tration	Comm/Ops	Environmnt /Noise	Reliever Airports
Other											
Other - Batteries	0	0	0	3,000	0	0	0	0	0	0	0
Other-Field Lights/Sensors	0	0	0	0	0	0	0	0	0	0	0
Other - Gate Supplies	0	0	0	0	0	0	0	0	0	0	0
Other - General Supplies	0	0	0	21,000	0	0	0	0	0	0	0
Other - Miscellaneous	0	0	0	17,000	0	0	0	0	0	0	0
Other - Motor	0	0	0	8,000	0	0	0	0	0	0	0
Other - Secured Access Sys	0	0	0	0	0	0	0	0	0	0	0
Other - Tools	0	0	0	5,000	0	0	0	0	0	0	0
Other	0	0	0	54,000	0	0	0	0	0	0	0
Trades - Electricians	0	0	0	54,000	0	0	0	0	0	0	41,500
Maintenance - Field											
Snow Removal - Materials											
Materials-Liquid Anti Icer	0	0	0	0	0	0	0	0	0	0	0
Materials - Sodium Formate	0	0	0	0	0	0	0	0	0	0	0
Materials-Other Ice Ctrl	0	0	0	0	0	0	0	0	0	0	1,000
Materials - Salt	0	0	0	0	0	0	0	0	0	0	14,000
Materials - Sand	0	0	0	0	0	0	0	0	0	0	7,600
Materials - Urea	0	0	0	0	0	0	0	0	0	0	22,600
Snow Removal - Materials	0	0	0	0	0	0	0	0	0	0	
Snow Removal - Equipment											
Equipment - Bobcats	0	0	0	0	0	0	0	0	0	0	0
Equipment - Four Wheel Dr	0	0	0	0	0	0	0	0	0	0	9,000
Equipment - Snow Haulers	0	0	0	0	0	0	0	0	0	0	0
Equipment - Other	0	0	0	0	0	0	0	0	0	0	66,000
Equipment-Rent-No Operator	0	0	0	0	0	0	0	0	0	0	0
Equip Rent-No Operator-5.5	0	0	0	0	0	0	0	0	0	0	75,000
Snow Removal - Equipment	0	0	0	0	0	0	0	0	0	0	
Snow Removal - Miscellan											
Snow Removal - Meals	0	0	0	0	0	0	0	0	0	0	0
Snow Removal - Other	0	0	0	0	0	0	0	0	0	0	0
Snow Removal - Plow Blades	0	0	0	0	0	0	0	0	0	0	0
Snow Removal - Runway Brm	0	0	0	0	0	0	0	0	0	0	0
Snow Removal - Miscellan	0	0	0	0	0	0	0	0	0	0	
Summer Maintenance-Surface											
Surface Repair-Aggregate	0	0	0	0	0	0	0	0	0	0	5,400
Surface Repair-Asphalt	0	0	0	0	0	0	0	0	0	0	29,500
Surface Repair-Cement	0	0	0	0	0	0	0	0	0	0	3,500
Surface Repair-Other	0	0	0	0	0	0	0	0	0	0	0
Surface Repair-Re-Bar	0	0	0	0	0	0	0	0	0	0	0
Surface Rubber Removal	0	0	0	0	0	0	0	0	0	0	7,500
Surface Repair-Saw Blades	0	0	0	0	0	0	0	0	0	0	3,300

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Metropolitan Airports Comm.

	Hangars & Other Bldg	Maintenanc Employees	Equipment Maint	Inventory/ Trades/Eq	Green Concourse	Police	Fire	Adminis- tration	Comm/Ops	Environmnt /Noise	Reliever Airports
Surface Repair-Hot Sealant	0	0	0	0	0	0	0	0	0	0	7,500
Summer Maintenance-Surface	0	0	0	0	0	0	0	0	0	0	56,700
Summer Maint-Landscape	0	0	0	0	0	0	0	0	0	0	11,500
Summer Maintenance-Fencing	0	0	0	0	0	0	0	0	0	0	18,000
Landscape/Turf-Materials	0	0	0	0	0	0	0	5,000	0	0	5,000
Summer Maint-Equip Rent LT	0	0	0	0	0	0	0	0	0	0	0
Summer Maint-Equip Rent No Op	0	0	0	0	0	0	0	0	0	0	0
Landscape/Turf-Agreement	0	0	0	0	0	0	0	4,000	0	0	0
Summer Maint-Landscape	0	0	0	0	0	0	0	9,000	0	0	34,500
Maintenance Field-Other	0	0	0	0	0	0	0	0	0	0	0
Field Maint-Other-Garbage	0	0	0	0	0	0	0	0	0	0	0
Field Maint-Other/Emerg	0	0	0	0	0	0	0	0	0	0	3,500
Field Maint-Other-Material	0	0	0	0	0	0	0	0	0	0	2,500
Field Maint-Other-Supplies	0	0	0	0	0	0	0	0	0	0	3,000
Field Maint-Other-Tools	0	0	0	0	0	0	0	0	0	0	0
Maintenance Field-Other	0	0	0	0	0	0	0	0	0	0	9,000
Maintenance - Field	0	0	0	0	0	0	0	9,000	0	0	197,800
Maintenance Building											
Building-Temp Control	19,500	0	0	32,500	42,500	0	15,600	16,900	0	6,500	12,000
Temp Control-Contracts	450	0	0	750	0	0	360	390	0	150	8,000
Temp Control-Filters											
Building-Temp Control	19,950	0	0	33,250	42,500	0	15,960	17,290	0	6,650	20,000
Building-Mechanical Areas											
Mechanical Areas-Carrousel	0	0	0	0	0	0	0	0	0	0	0
Mechanical Areas-Conveyors	0	0	0	0	0	0	0	0	0	0	0
Mechanical Areas-Doors	10,000	0	0	0	0	0	5,000	0	0	0	8,500
Mechanical Areas-Doors/Pub	0	0	0	0	0	0	0	0	0	0	0
Mechanical Areas-Doors/Tug	0	0	0	0	300	0	0	0	0	0	0
Mechanical Areas-Elevators	1,500	0	0	0	10,260	0	0	1,500	0	0	2,500
Mechanical Areas-Escalator	0	0	0	0	5,000	0	0	0	0	0	0
Mechanical Areas-Other	0	0	0	0	600	0	0	0	0	0	0
Building-Mechanical Areas	11,500	0	0	0	16,160	0	5,000	1,500	0	0	11,000
Building-Other											
Other-Boiler Chemicals	0	0	0	0	0	0	0	0	0	0	500
Other-Floors/Repairs	0	0	0	0	0	0	0	0	0	0	0
Other-Outside Plumb/Sewer	0	0	3,500	0	0	0	0	0	0	0	0
Other-Roofing	6,000	0	0	4,000	2,500	0	4,000	3,000	0	0	21,000
Other-Supplies	0	0	0	0	400	0	0	0	0	0	11,500
Other-Tools	0	0	0	0	850	0	0	0	0	0	3,500
Building-Other	6,000	0	3,500	4,000	3,750	0	4,000	3,000	0	0	36,500

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	Hangars & Other Bldg	Maintenanc Employees	Equipment Maint	Inventory/ Trades/Eq	Green Concourse	Police	Fire	Adminis- tration	Comm/Ops	Environmnt /Noise	Reliever Airports
Apt Development Projects	0	0	0	0	0	0	0	0	0	0	0
Maintenance Building	37,450	0	3,500	37,250	62,410	0	24,960	21,790	0	6,650	67,500
Maintenance-Cleaning											
Cleaning Services											
Cleaning Services-Janitor	17,157	0	0	17,157	417,600	0	0	34,315	0	0	31,800
Cleaning Services-Windows	125	0	0	750	13,100	0	0	500	0	0	1,000
Cleaning Services	17,282	0	0	17,907	430,700	0	0	34,815	0	0	32,800
Cleaning Supplies											
Cleaning Supplies-Bathroom	440	0	0	2,638	14,000	0	0	1,759	0	0	0
Cleaning Supplies-General	0	0	600	300	960	0	0	0	0	0	10,100
Cleaning Supplies	440	0	600	2,938	14,960	0	0	1,759	0	0	10,100
Rubbish Disposal											
Rubbish Disposal-Recycle	0	0	0	0	0	0	0	0	0	0	0
Rubbish Disposal-Regular	0	0	0	21,000	15,000	0	0	0	0	0	21,000
Rubbish Disposal	0	0	0	21,000	15,000	0	0	0	0	0	21,000
Towel & Laundry Services	0	0	720	200	0	0	0	0	0	0	1,600
Other Cleaning Expenses	0	0	0	0	3,000	0	1,800	0	0	0	1,500
Maintenance-Cleaning	17,722	0	1,320	42,045	463,660	0	1,800	36,574	0	0	67,000
Maintenance-Equipment											
Equipment-Parts											
Parts-Automobiles	0	0	351,000	0	0	31,500	19,500	0	500	0	3,500
Parts-Chiller Energy Mgmt	0	0	0	0	0	0	0	0	0	0	0
Parts-Equipment	0	0	0	0	0	0	0	2,000	5,725	0	47,200
Parts-Other Equipment	0	0	0	0	0	0	0	0	0	0	10,000
Equipment-Parts	0	0	351,000	0	0	31,500	19,500	2,000	6,225	0	60,700
Equipment-Shop											
Shop-Garbage Bags	0	0	0	0	0	0	0	0	0	0	500
Shop-Batteries	0	0	12,000	0	0	0	0	0	0	0	2,000
Shop-Cleaners/Degreasers	0	0	36,000	0	0	0	0	0	0	0	1,000
Shop-Oil & Filters	0	0	30,000	0	0	0	0	0	0	0	4,500
Shop-Other Supplies	0	0	0	1,500	0	0	0	0	0	0	27,000
Shop-Tires	0	0	25,000	0	0	0	0	0	0	0	8,000
Shop-Tools	0	0	15,000	0	0	0	0	0	0	0	6,000
Equipment-Shop	0	0	118,000	1,500	0	0	0	0	0	0	49,000
Equipment-Gas											
Gas-Diesel	0	0	0	0	0	0	0	0	0	0	0
Gas-Propane	0	0	0	0	0	0	0	0	0	0	0

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## Metropolitan Airports Comm.

	Hangars & Other Bldg	Maintenanc Employees	Equipment Maint	Inventory/ Trades/Eq	Green Concourse	Police	Fire	Adminis- tration	Comm/Ops	Environmnt /Noise	Reliever Airports
Gas-Regular	0	0	0	0	0	0	0	0	0	0	0
Gas-Unleaded	0	0	99,000	0	0	22,200	9,000	7,200	3,000	840	34,800
Equipment-Gas	0	0	99,000	0	0	22,200	9,000	7,200	3,000	840	34,800
Equipment-Extinguishers	0	0	0	0	0	0	1,000	0	0	0	0
Extinguishers-Purchase	0	0	0	0	0	0	1,000	0	0	0	0
Extinguishers-Repair	0	0	0	0	0	0	1,000	0	0	0	0
Extinguishers-Reservice	0	0	0	0	0	0	0	0	0	0	0
Equipment-Extinguishers	0	0	0	0	0	0	3,000	0	0	0	0
Equipment-Miscellaneous Exp	0	0	0	0	0	0	0	0	1,250	0	17,000
Maintenance-Equipment	0	0	568,000	1,500	0	53,700	31,500	9,200	10,475	840	161,500
Maintenance	62,392	0	575,820	170,595	537,870	58,000	63,320	91,254	13,235	7,490	580,550
Other											
General Insurance											
Gen Ins-Airport Liability	3,298	0	96,745	4,397	0	112,136	78,055	46,174	3,298	2,199	125,329
Gen Ins-Property	0	0	0	0	0	0	0	0	0	0	0
Gen Ins-Crime	0	0	0	0	0	0	0	0	0	0	0
Gen Ins-Auto/Equipment	0	0	0	0	0	0	0	0	0	0	0
Gen Ins-Other	0	0	0	0	0	0	0	0	0	0	0
General Insurance	3,298	0	96,745	4,397	0	112,136	78,055	46,174	3,298	2,199	125,329
Safety											
Safety-Training Materials	0	0	1,700	1,000	0	1,175	250	250	0	0	500
Safety-Supplies	0	20,000	0	12,000	0	750	750	800	0	500	7,200
Safety-Equipment	0	0	0	0	0	0	0	0	0	6,500	0
Safety	0	20,000	1,700	13,000	0	1,925	1,000	1,050	0	7,000	7,700
Medical Information/Supply											
Medical-Routine Supplies	0	0	0	0	0	3,800	4,000	1,500	500	0	900
Medical-Emergency Response	0	0	0	0	0	0	0	0	0	0	0
Medical Information/Supply	0	0	0	0	0	3,800	4,000	1,500	500	0	900
Rentals											
Rental-Copier	0	1,500	0	0	0	0	0	8,500	0	0	0
Rental-Pagers	0	0	0	0	0	0	0	10,400	0	0	0
Rental-Other Equipment	0	8,000	0	1,000	0	1,825	400	8,200	0	6,000	2,000
Rentals	0	9,500	0	1,000	0	1,825	400	27,100	0	6,000	2,000
Licenses/Permits											
Licenses-Autos/Equipment	0	0	0	0	0	0	0	19,000	0	0	2,500
Licenses-Environmental	0	0	0	0	0	0	0	0	0	2,000	0
Licenses-Other	0	1,200	0	0	0	0	100	0	0	1,000	2,300

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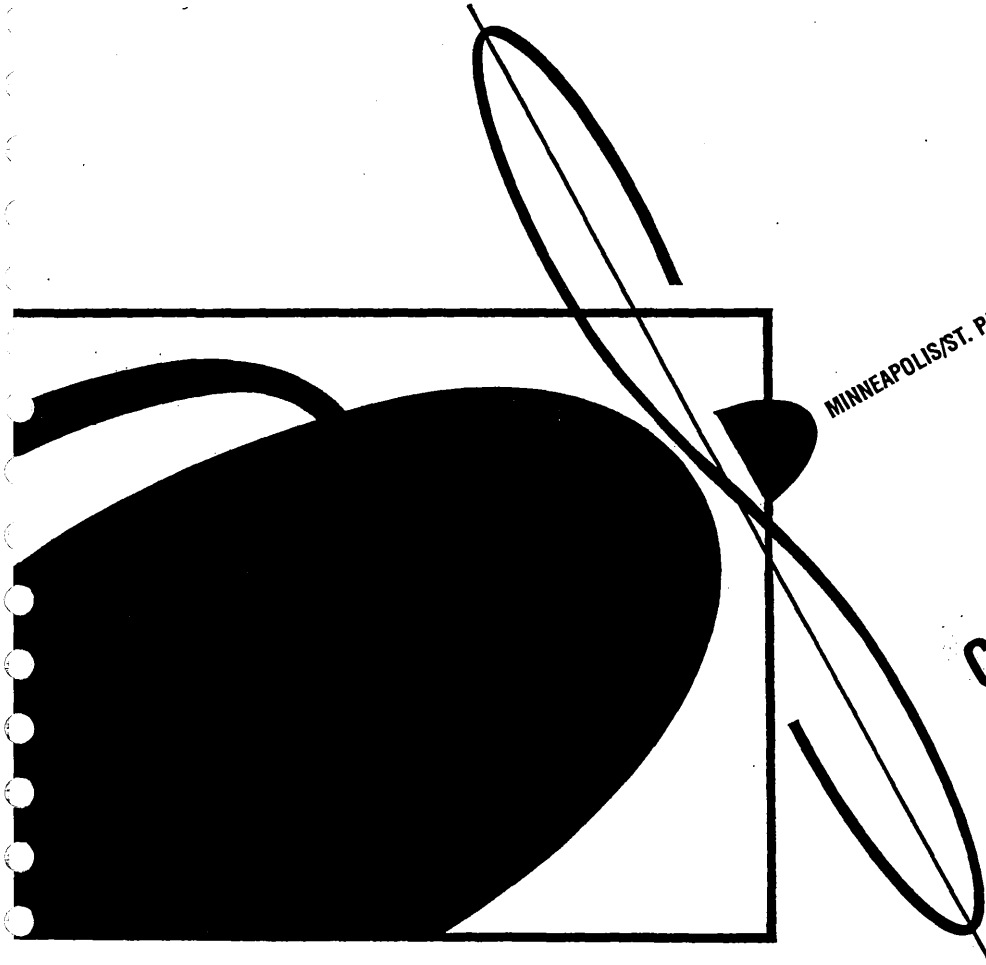
	Hangars & Other Bldg	Maintenanc Employees	Equipment Maint	Inventory/ Trades/Eq	Green Concourse	Police	Fire	Adminis- tration	Comm/Ops	Environmnt /Noise	Reliever Airports
Licenses/Permits	0	1,200	0	0	0	0	100	19,000	0	3,000	4,800
Miscellaneous Expenses											
Misc-Fire Fighting Foam	0	0	0	0	0	0	0	0	0	0	0
Misc-Firearm/Equip/Supplies	0	0	0	0	0	7,000	37,000	0	1,500	0	0
Misc-Emergency Response	0	0	0	0	0	1,000	600	0	0	0	8,500
Misc-Other	0	0	0	0	0	0	0	11,415	700	0	0
Misc-Taxes(Petroleum/Use)	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous Expenses	0	0	0	0	0	8,000	37,600	11,415	2,200	0	8,500
Adjustments/Bad Debt											
Bad Debt Expense	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous Adjustments	0	0	0	0	0	0	0	0	0	0	0
Adjustments/Bad Debt	0	0	0	0	0	0	0	0	0	0	0
Reimbursed Expense	0	0	0	1,200-	0	474,000-	186,000-	251,000-	0	0	232,492-
Capital Assets											
Minor Equipment/Assets											
Minor Assets-Tools	0	0	3,800	23,000	0	4,500	0	19,600	4,150	2,500	300
Minor Assets-Office Furn	0	0	4,800	2,100	0	1,000	0	7,300	8,140	3,600	8,700
Minor Assets-Computers	0	0	0	0	0	0	0	68,050	1,700	0	600
Minor Assets-Radios	0	0	17,000	0	0	0	0	0	0	1,000	4,400
Minor Assets-Other	0	0	6,500	0	0	0	0	0	0	1,800	0
Minor Equipment/Assets	0	0	32,100	25,100	0	5,500	0	94,950	13,990	8,900	14,000
Capital Assets	0	0	32,100	25,100	0	5,500	0	94,950	13,990	8,900	14,000
Other	3,298	30,700	130,545	42,297	0	340,814-	64,845-	49,811-	19,988	27,099	69,263-
Gross Depreciation											
Main Office	25,951	0	958,921	375,254	0	51,279	174,003	703,949	84,374	826,446	2,882,378
Gross Depreciation	25,951	0	958,921	375,254	0	51,279	174,003	703,949	84,374	826,446	2,882,378
Expenses	139,041	6,636,773	1,731,141	799,611	537,870	4,711,273	2,965,425	10,009,888	1,499,526	2,163,962	5,987,353





MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION OPERATING BUDGET 1996

# Construction Budget



## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### CONSTRUCTION BUDGET – 1996 OPERATING BUDGET

As with the Operating Budget a number of changes and additional information have been incorporated into the presentation of the Construction Budget. The Capital Improvement Plan (CIP) is detailed first, followed by a chart and discussion on sources and uses within this budget. This is followed by a brief summary of projects in process. Finally, a detailed description of the major projects by category along with a summary of how these projects will affect operating costs.

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.

Commission policies for Capital Projects are:

1. Maximize all federal aid.
2. Customer service oriented.
3. Metropolitan Council approval required on Reliever Airport projects in excess of \$2 million and MSP International projects in excess of \$5 million if they are viewed as having a metropolitan significance.
4. Projects are prioritized.
5. Large and non-critical projects are postponed until a decision is made on the Dual Track.

Anticipated project totals planned for 1996, 1997, 1998, and the extended period 1999-2002 (i.e. the proposed Capital Improvement Plan for 1996) are summarized below by location. The amounts shown represent the estimated total cost for the projects in the year construction will begin. These figures differ from those shown in the "Use of Funds" section in the Construction Budget detailed further below because the figures listed there represent anticipated actual costs for that year.

All project costs listed in this section are in 1995 dollars.

<b>CAPITAL IMPROVEMENT PLAN SUMMARY (CIP)</b>					
<b>(\$ = 000)</b>					
	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999-2002</u>	<u>Total 1996-2002</u>
Minneapolis/St. Paul Int'l					
Field & Runway	\$ 14,450	\$ 47,550	\$44,550	\$100,250	\$206,800
Environmental	35,700	29,700	29,900	99,200	194,500
Self-Liquidating	11,500	0	0	0	11,500
Landside	<u>74,550</u>	<u>18,750</u>	<u>13,700</u>	<u>8,200</u>	<u>115,200</u>
Total Minneapolis/St. Paul Int'l	\$136,200	\$ 96,000	\$88,150	\$207,650	\$528,000
Reliever Airports					
St. Paul	\$ 7,700	\$ 5,850	\$ 1,080	\$ 600	\$ 15,230
Flying Cloud	2,080	10,420	860	1,500	14,860
Crystal	450	200	150	600	1,400
Anoka	700	1,315	0	2,510	4,525
Lake Elmo	250	750	2,300	200	3,500
Airlake	<u>0</u>	<u>450</u>	<u>100</u>	<u>100</u>	<u>650</u>
Total Reliever Airports	\$ 11,180	\$ 18,985	\$ 4,490	\$ 5,510	\$ 40,165
Total All Facilities	<u>\$147,380</u>	<u>\$114,985</u>	<u>\$92,640</u>	<u>\$213,160</u>	<u>\$568,165</u>

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## CONSTRUCTION BUDGET – 1996 OPERATING BUDGET

The seven year total of approximately \$568 million represents a decrease of \$47 million from the previous year's CIP. This decrease can be attributed to fewer projects being proposed based on the policies listed above.

The Construction Budget below represents anticipated sources and uses of funds during the years 1996-1997. The information for 1995 indicates expected transactions during the fourth quarter.

### CONSTRUCTION BUDGET 1996

(\$ = 000)

	<u>Estimated 1995</u>	<u>Budget 1996</u>	<u>Projected 1997</u>	<u>Projected 1998</u>	<u>Projected Total</u>
<b>Sources of Funds</b>					
Balance 9/30/94	\$ 94,359				\$ 94,359
Balance Carried Forward		\$ 91,101	\$ 39,262	\$ 37,459	
NWA Loan Repayment	1,215	4,859	4,859	4,859	15,792
Transfer From Operating Fund		22,500	22,500	22,500	67,500
PFC Funding	4,600	27,600	28,704	29,852	90,756
Federal Grants	983	7,698	1,862	423	10,966
Federal Noise Aid	1,971	12,951	15,203	10,017	40,142
State Grants	264	2,646	1,831	581	5,322
Interest Income <sup>1</sup>	735	2,343	1,872	543	5,493
Principal Amount of Bonds	<u>0</u>	<u>0</u>	<u>32,393</u>	<u>0</u>	<u>32,393</u>
Total Sources of Funds	\$ 9,768	\$ 80,597	\$109,224	\$ 68,775	\$268,364
<b>Uses of Funds</b>					
CIP Project Costs	(\$ 9,626)	(\$ 98,854)	(\$ 73,424)	(\$ 80,026)	(\$261,930)
CIP Noise Costs	(3,400)	(33,582)	(33,554)	(24,760)	(95,296)
Debt Service Reserve	0	0	(3,401)	0	(3,401)
Issuance Expenses	<u>0</u>	<u>0</u>	<u>(648)</u>	<u>0</u>	<u>(648)</u>
Total Use of Funds	(\$13,026)	(\$132,436)	(\$111,027)	(\$104,786)	(\$361,275)
Balance Carried Forward	<u>\$91,101</u>	<u>\$ 39,262</u>	<u>\$ 37,459</u>	<u>\$ 1,448</u>	<u>\$ 1,448</u>

<sup>1</sup> Interest Rate Assumed 5.50% in 1995-1998.

### Funding Source Summary

Current Balance	26.01%
NWA Loan Repayment	4.35
Operating Budget Transfer	18.61
PFC Funding	25.02
Federal Grants	3.02
Federal Noise Aid	11.07
State Grants	1.47
Interest Income	1.51
Bond Proceeds	<u>8.93</u>
Total	100.00%

## **MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION**

### **CONSTRUCTION BUDGET – 1996 OPERATING BUDGET**

#### **SOURCES AND USES**

From the fourth quarter 1995 through 1998, MAC has identified nine funding sources totalling \$362,723,000 including a beginning balance of \$94,359,000. During this period MAC will expend \$361,275,000 leaving a net balance of \$1,448,000 at the end of 1998.

#### **SOURCES**

Each source of funding is discussed below.

The NWA loan repayment represents a \$45,000,000 loan made to Northwest in 1992. This loan is being repaid quarterly over a 20-year period at an interest rate of 8.9%. From the fourth quarter 1995 through 1998, this repayment will total \$15.8 million or 4.35% of the sources of funds.

The transfer from the operating budget is made at the end of each year after the debt service requirement and working capital balance have been funded. This transfer has been in the \$20 to \$22 million range for 1994 and 1995. It is projected that \$67.5 million will be transferred over this three year period or 18.61% of the total sources of funds.

PFC funding or Passenger Facility Charge funding is the second largest funding source at \$91 million or 25.02% of the total. Passenger Facility Charges (PFCs) were authorized by Congress to allow proprietors of commercial service airports, such as MAC, to impose a charge on enplaning passengers at those airports. The charge can be set at \$1, \$2, or \$3. Essential Air Service Flights and Frequent Flyers are exempted from this charge. The basis for the PFC is to provide needed supplemental revenues to expedite the improvement of airport facilities used by passengers, to mitigate noise impacts and to expand airport system capacity. The Commission's first application began collecting PFCs on June 1, 1992. This \$66 million application was completed (i.e. funded) on July 31, 1994. A second application was approved in 1994 totalling \$113 million. Collection on this application began on August 1, 1994, and will continue through May 31, 1998. A third application for \$32.7 million was approved in December 1995. Collection on this application is scheduled to begin June 1, 1998 and continue through April 30, 1999.

Federal Grants are funds which are used for FAA approved projects. Certain criteria must be met when an application for a project is submitted to the FAA. If the criteria is met the grant money may be issued. The Commission is projecting \$11.0 million or 3.02% will be received in Federal Grants.

Federal Noise Aid is similar to the grants described above. These dollars are used to carry out FAA approved noise compatibility programs and noise insulation projects for communities surrounding the airport. These funds are estimated at \$40.1 million or 11.07% of the sources listed above.

State Grants are similar to both types of Federal grants. The dollars are on a much smaller scale, but each application must meet the required criteria in order to receive the grant. This source is estimated at \$5.3 million or 1.47% of the total funding through 1998.

Interest Income is based on the balance in the fund. As noted above, a 5.5% rate is assumed for 1995 through 1998. This figure can vary significantly depending upon approval of projects and their starting dates. Interest Income of \$5.5 million or 1.51% of sources is projected.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### CONSTRUCTION BUDGET – 1996 OPERATING BUDGET

Bond Funding will make up 8.93% of the sources of funding. The Commission will issue approximately \$33 million in debt. This figure includes estimated proceeds of \$29 million and an issuance and debt service reserve of approximately \$4 million. This bond issue is discussed in more detail in the Debt Service Budget.

#### USES

There are four general categories of uses listed. The first two, CIP project costs (\$262 million) and CIP noise costs (\$95 million) represent 98.9% of the total. The other two categories relate to the bond issue described above and also in the Debt Service Budget and comprise the other 1.1% of this total.

CIP project costs include both actual construction costs and any fees (i.e. architectural/engineering) which may be associated with the project. CIP noise costs are comprised of acquisition costs (i.e. New Ford Town/Rich Acres), home insulation projects, school insulation projects, and any fees which may be associated with the project.

The table below identifies current projects whose estimated costs exceeds \$3.4 million along with payments made through October 31, 1995.

<b>PROJECTS IN PROCESS (As of October 31, 1995)</b> <b>(\$ = 000)</b>		
<b><u>Project Description</u></b>	<b><u>Estimated Project Cost</u></b>	<b><u>Payments To Date</u></b>
Upper and Lower Level Roadway Reconstruction Projects	\$ 22,725	\$12,578
Ground Transportation Center – East/Middle/West Projects	13,872	12,541
Part 150 Sound Insulation Projects (A) (Monthly Bids 1993 through June 1995)	21,600	17,612
Secured Area Access Systems (B)	5,721	5,708
New Ford Town/Rich Acres Buyout (C)	55,500	22,638
Southwest Terminal Expansion	6,000	3,143
Runway 4/22 Extension	14,850	1,986
Federal Inspection Service	25,000	1,077
Energy Mgmt Center – Chiller Replacement/Installation/Boiler additions	5,000	792
Field Electrical Distribution Center	3,600	819
All Other Projects In Process	17,645	4,965
	<b><u>\$191,513</u></b>	<b><u>\$83,859</u></b>
 (A) The Part 150 Sound Insulation projects for the period of 1993 through June 1995 are substantially complete and are awaiting final payment and closeout. This group of projects is on-going.		
(B) Secured Area Access System is substantially complete and is waiting final payment and closeout.		
(C) This buyout is scheduled to occur during the 1993 through 1996 time period.		

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### CONSTRUCTION BUDGET – 1996 OPERATING BUDGET

The listing below summarizes all construction and noise projects whose costs exceed \$3.4 million. The listing identifies the project by location, gives a brief description and the estimated costs for 1996 and 1997. The reason you see projects listed below and in the Projects In Process chart on the previous page is because of the different phases a particular project may have.

#### CAPITAL IMPROVEMENT PROJECTS

(Dollars in Thousands)

	1996	1997
<u>MSP International</u>	<u>\$</u>	<u>\$</u>
<b>Field and Runways</b>		
<u>Pavement Rehabilitation - Aprons</u>	\$3,100	
This is a continuation of a program to replace sections of concrete pavement in the aircraft operational areas that have deteriorated to a point where maintenance is no longer a viable option. This year's project will be the final phase in the reconstruction of the apron between the Red and Blue concourses which was begun in 1993.		
<u>Stormwater Collection &amp; Treatment Systems</u>		\$5,000
The NPDES permit issued to the Commission in September of 1993 contains significant restrictions on the contaminants allowed to enter the Minnesota River in stormwater runoff from the airport. A pilot project to reduce glycol concentrations in the runoff was constructed in 1993, along with major monitoring efforts during the 1994/95 deicing season to aid in defining the scope of future improvements. Modifications, additions and refinements to that system may be required in 1997 to produce continued improvement in water quality discharge. Previously approved by the Commission.		
<u>Pavement Rehabilitation - Runway 11R/29L</u>		\$37,700
The original concrete pavement on Runway 11R/29L was overlaid with bituminous in 1974 and again in 1983. This overlay was continuing to deteriorate from age and use and the center 80 feet of the runway was therefore milled to a depth of 4 inches and replaced with 4 inches of new bituminous in 1991. The concrete pavement under the bituminous overlays continues to deteriorate and soon will not be able to support additional overlays.		
<b>Other Field &amp; Runway Projects Less Than \$3,000,000</b>	<b>\$11,350</b>	<b>\$ 4,850</b>
<b>Total Field &amp; Runway Projects</b>	<b>\$14,450</b>	<b>\$47,550</b>

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### CONSTRUCTION BUDGET – 1996 OPERATING BUDGET

	1996 \$	1997 \$
<b>Environmental</b>		
<u>Home Insulation/Home Buyouts</u>	\$14,500	\$14,500
<p>This item is intended to cover projects identified as part of the Federal Aviation Regulation (FAR) Part 150 program (noise control and compatibility planning for airports) which has been approved, in part, by the FAA. The projects would include items such as property acquisition and sound proofing of homes. The extent of the work will depend on the amount of federal aid available for each type of project. Land acquisition would include selected residences around the airport. The insulation of houses would be a continuation of the program which was initiated in 1992 in the cities of Minneapolis, Richfield, Bloomington, Eagan and Mendota Heights. Previously approved by the Commission.</p>		
<u>New Ford Town/Rich Acres Acquisition</u>	\$11,200	\$11,200
<p>This is a continuation of the land acquisition and relocation project in the New Ford Town/Rich Acres subdivisions begun in 1994, pending the availability of federal aid. Previously approved by the Commission.</p>		
<u>School Noise Abatement Projects</u>	\$4,000	\$4,000
<p>The FAR Part 150 Study referenced above includes providing noise abatement for schools within the Ldn 65 contour which are experiencing interruptions of classroom instruction by aircraft overflights. The Commission has therefore included noise abatement projects within the CIP with the goal of achieving aggregate noise reduction of 15-20 decibels (DBA) in the instructional areas of schools compared to noise levels prior to the project improvements. In past years, seven schools have been soundproofed by the Commission with financial assistance from the FAA and MnDOT - Office of Aeronautics. It is proposed to continue this program in 1996. Typically, each project requires a minimum of two years to complete, depending on the size of the school and, as a result of the short (normally three month) summer construction period. The first year is devoted to gathering noise measurements to be used in designing specific noise attenuation measures. Construction commences in the second year and can take two years, depending on the size of the school. This year's schools scheduled to receive noise abatement measures will be St. Thomas Academy and Visitation School, both located in Mendota Heights. In addition, the Commission agreed to provide approximately \$150,000 to pay for new noise abatement windows for Field School in Minneapolis.</p>		
<u>Noise Suppressor</u>	\$6,000	
<p>Minnesota Statutes require the construction of a noise suppressor to reduce run-up noise. Noise monitoring data collected is being tabulated, analyzed and presented in a report to the Legislature for consideration and further direction on this item. Previously approved by the Commission.</p>		
<b>Other Environmental Projects Less Than \$3,000,000</b>	\$ 0	\$ 0
<b>Total Environmental Projects</b>	<b>\$35,700</b>	<b>\$29,700</b>



## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### CONSTRUCTION BUDGET – 1996 OPERATING BUDGET

	1996 \$	1997 \$
<b>Self-Liquidating</b>		
<u>MSP Fuel System Improvements</u>	\$3,000	
<p>The Minneapolis Fuel Committee (MFC) is comprised of 10 air carriers, including the major airlines serving Minneapolis-St. Paul International Airport. The MFC is responsible for operating the airline fueling system consisting of three above-ground storage tanks located at the fuel farm next to SuperAmerica on Post Road, as well as the fuel hydrant system which serves each gate position on the various concourse ramps. Signature Flight Support is the fuel service agent for the MFC and as such is responsible for the day-to-day operations of the fueling system, which delivered over 326 million gallons of jet fuel in 1994.</p> <p>The Fuel Committee has requested that the MAC consider expanding and modifying the existing fueling system. They have specifically requested that two projects be considered: 1) a hydrant system loop extension from the Gold Concourse to the Green Concourse and 2) a fourth above-ground fuel storage tank. The Commission owns the storage tanks and the fuel hydrant system, which it leases to the MFC. Both projects would be constructed by the Commission with reimbursement from the Fuel Committee. Previously approved by the Commission.</p>		
<u>Sun Country Hangar</u>	\$8,500	
<p>The Sun Country Hangar is owned by Northwest Airlines and leased back to Sun Country. Sun Country has been trying to buy the hangar for several years as their operations have expanded to the point where expansion of the existing hangar is required to meet the future maintenance needs of additional aircraft. Northwest and Sun Country have not been able to reach agreement on a new long term lease on this facility. Sun Country will therefore be building a new maintenance hangar in the presently undeveloped "mid field" area south of Runway 11R/29L and Runway 4/22. Previously approved by the Commission.</p>		
<b>Other Self-Liquidating Projects Less Than \$3,000,000</b>	\$ 0	\$ 0
<b>Total Self-Liquidating Projects</b>	<b>\$11,500</b>	<b>\$ 0</b>
<b>Landside</b>		
<u>GTC Finishes</u>	\$4,000	
<p>This project is a continuation of the construction of the Ground Transportation Center and includes the remaining finish construction within the lobby area of the GTC. Previously approved by the Commission.</p>		

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### CONSTRUCTION BUDGET – 1996 OPERATING BUDGET

<b>Landside – Continued</b>	<b>1996 \$</b>	<b>1997 \$</b>
<u>New Building Area Site Preparation</u>	\$4,000	
Prior to construction of the Sun Country Hangar, the currently undeveloped site must be graded, utilities extended and an access road constructed. This project would provide the required site preparation.		
<u>Auto Rental Parking Expansion</u>	\$24,000	
The auto rental companies are in need of additional ready and return car space to meet their current and future demands. It is also projected that there will be a need for additional space for public parking within the next two years. It is therefore proposed to add two additional parking levels over the existing structure located east of the Green and Gold parking structures. As part of this project, a new quick Turnaround facility will be constructed for use by the rental car companies. This facility will house gas pumps and car washes.		
<u>Automated People Movement System</u>	\$12,000	\$7,000
Replacing the existing shuttle bus system which transports rental car customers from the Lindbergh Terminal to the Auto Rental building with an "automated people mover" system has been under consideration for several years. The existing system operates at-grade and has conflicts with vehicles utilizing the parking ramps at four crossing points; requires users to walk in an unclimatized route (outside) approximately 300 feet between the terminal building and the bus pick-up point; does not meet accessibility requirements mandated by current ADA standards; suffers delays due to slow loading and unloading of passengers and luggage; and suffers from a poor public image.		
The automated people mover system would solve the above problems as the system would be completely grade-separated, operating from the Ground Transportation Center which is one level below grade; is a completely climatized system; is more accessible by being located within the GTC; meets all current ADA requirements by loading and unloading at one level with no step; is faster than the current system both in travel time and loading and unloading time; and would project an image of being a modern, safe and easy-to-use service.		
The concept of a GTC and people mover has been approved in previous capital improvements programs and is currently shown to be implemented in two phases beginning in 1996. Funding for the project in the amount of \$19,200,000 has been approved as part of the Commission's first Passenger Facility Charge application. This would be the first of two phases in the construction of the automated people mover system and would include the purchase of the system components.		

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## CONSTRUCTION BUDGET – 1996 OPERATING BUDGET

	1996 \$	1997 \$
<b>Landside – Continued</b>		
<u>Concession Area Development</u>	\$4,000	
This is the second phase of a program initiated in 1995 to address the recommendations of the 1993 concessions study of the Lindbergh Terminal. It is expected the extent of the building modifications, etc., will be defined in 1995 and a majority of the construction will be accomplished in 1996. Previously approved by the Commission.		
<u>HHH Terminal Improvements</u>	\$15,000	
Passenger activity at the HHH Terminal has been steadily increasing as charter activity continues to grow. The Commission has also expressed a desire to solicit additional international activity. The existing facility is inadequate to handle the current level of activity. There is a need for additional gates, terminal area and parking, and FIS processing area. This project would provide for interim development to accommodate the increasing charter operations, recognizing the direction of the LTCP studies currently underway.		
<u>Green Concourse Mechanical Systems Conversion</u>		\$3,350
The Green Concourse was constructed in a number of segments (original section, two additions and the "pod"). The original section and first addition are presently served by numerous individual packaged air conditioning units. Most of these units are far beyond their normal life expectancy. In addition, as the concourse interior configuration has evolved over the years, the existing units have not offered the flexibility to provide temperature control zones necessary for total comfort. A study was conducted to identify conversion options, costs, space requirements, et. The study recommends the existing units be removed and replaced with centralized HVAC units utilizing chilled water for cooling. Inasmuch as the concourse ceiling will be affected by this construction, certain components of the interior upgrade packages will also be addressed.		
<u>Trades Shop Building</u>		\$4,000
Currently, the Commission's carpentry, electrical and painting crews occupy individual buildings in the West Terminal area. As the work crews and associated equipment and material inventories have grown to meet the various maintenance demands, their existing facilities are not adequate for their functions. In addition, new state and federal regulations require areas for the storage of hazardous materials such as are used by the painting crews. It is proposed a centralized facility capable of housing the three maintenance functions be evaluated. Each trade area would include a workshop, material storage area and foreman's office; common vehicle garage, toilet facilities and lunch/break room would also be provided.		
<b>Other Landside Projects Less Than \$3,000,000</b>	<b>\$11,550</b>	<b>\$ 4,400</b>
<b>Total Landside Projects</b>	<b>\$74,550</b>	<b>\$18,750</b>

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### CONSTRUCTION BUDGET – 1996 OPERATING BUDGET

	1996 \$	1997 \$
<b><u>Reliever Airports</u></b>		
<b>St. Paul Downtown Airport</b>		
<b><u>Building Area Expansion</u></b>	\$3,400	\$4,850
<p>The 25-acre elevated building area created in conjunction with the Runway 14/32 development project is expected to be completely leased in the near future. The project will extend the building area 1,100 feet to the southeast along Taxiway B to Taxiway A-2 (approximately 15 acres), and includes all necessary embankment construction and required temporary drainage erosion control. In addition, the remaining area of wetland necessary to complete the building area expansion will be filled to a height of two feet. Previously approved by the Commission</p>		
<b>Flying Cloud Airport</b>		
<b><u>South Building Area Construction</u></b>		\$6,100
<p>The Long Term Comprehensive Plan for Flying Cloud Airport recommends that a new building area be constructed on the south side of the airport. As hangar space is at a premium, it is proposed to construct the new building area at this time. A federal and state environmental assessment will be prepared for this project.</p>		
<b><u>Runway 9R/27L Extension</u></b>		\$4,000
<p>The Long Term Comprehensive Development Plan for Flying Cloud Airport recommends that runway 9R/27L be lengthened from 3,900 feet to 5,000 feet to allow for safer operation of light to medium sized business jets and heavy twin engine aircraft. Included with the runway extension would be the extension of the existing north and south parallel taxiways. A federal and state environmental assessment will be prepared for this project. Previously approved by the Commission.</p>		
<b>Other Reliever Airport Projects Less Than \$3,000,000</b>	<b><u>\$ 7,780</u></b>	<b><u>\$ 4,035</u></b>
<b>Total Reliever Airport Projects</b>	<b><u>\$11,180</u></b>	<b><u>\$18,985</u></b>
<b>Total All Projects</b>	<b><u>\$147,380</u></b>	<b><u>\$114,985</u></b>

## **MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION**

### **CONSTRUCTION BUDGET – 1996 OPERATING BUDGET**

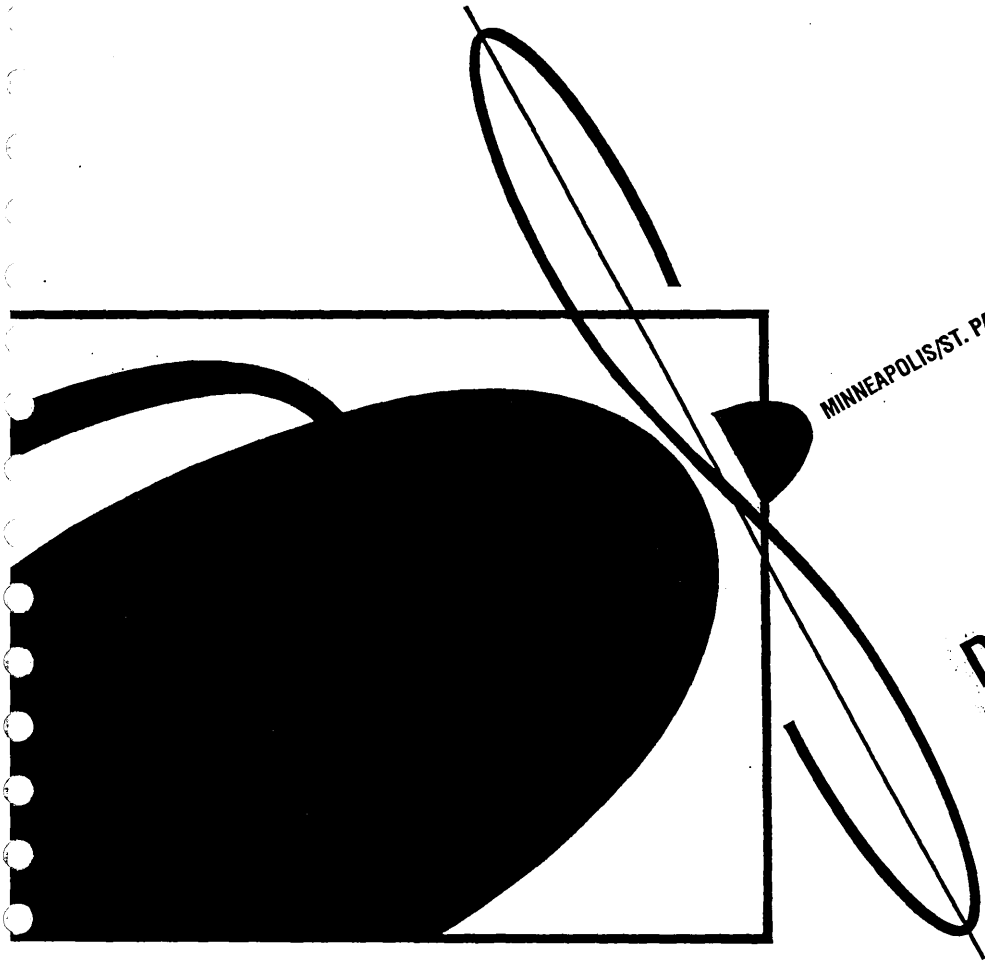
#### **MAINTENANCE AND OPERATION**

For 1996 the Commission is not anticipating any significant changes in the maintenance and operating costs as a result of the projects listed above. Additional costs will be incurred in 1997 as the Ground Transportation Center, Upper Level Roadway, Lower Level Roadway, Federal Inspection Services (FIS) Facility/Southwest Lindbergh Terminal Addition and Runway Extension will be completed. The primary expense areas incurring the additional expenses will be Maintenance–Cleaning, Maintenance–Building and Utilities. Preliminary analysis indicates additional costs in these areas totalling approximately \$1.5–\$2.0 million. A portion of these costs will be recovered through rates and charges. At the present time no additional personnel are being considered.

All of the projects listed above have gone through a very detailed review. This review included a detailed project description, financial analysis and a staff recommendation. In the financial analysis section project payback period was a major concern. Because of the Dual Track process, the Commission wanted all major projects to be funded within ten years. This is the estimated period needed if it is decided to build a new airport. (A recommendation by the Commission to the Legislature is scheduled for March 1996.)

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION OPERATING BUDGET 1996

# Debt Service Budget



## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### DEBT SERVICE BUDGET – 1996 OPERATING BUDGET

#### DEBT SERVICE BUDGET/FINANCIAL POLICIES

This budget section is divided into three areas: Debt Service Requirement, Long Term Debt and the Debt Service Budget. MAC's financial policies regarding Debt Service are as follows:

- A. Debt
  - 1. Currently able to issue Airport Improvement Bonds or General Obligation Airport Revenue Bonds.
  - 2. No taxes - manage funds so as to not have to levy property taxes.
  - 3. Maintain AAA rating from Standard and Poors and Aaa rating from Moody's.
  - 4. All refundings must show a minimum 3% Net Present Value (NPV) savings.
  - 5. Current authorized level of issuance is \$55 million.
- B. Reserve - Required to have a balance on October 10 each year enough to cover debt service to the end of the second following year.

#### DEBT SERVICE REQUIREMENT

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 are backed by Commission revenues and the authority to levy any required taxes on the assessed valuation of the seven-county metropolitan area have been used.

The MAC is required by law to maintain Debt Service funds sufficient to bring the balance on hand in the Debt Service Account on October 10 of each year to an amount equal to all principal and interest to become due to 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:

October 10, 1996	\$89,569
October 10, 1997	\$87,213
October 10, 1998	\$84,387
October 10, 1999	\$81,171
October 10, 2000	\$79,347

The table below shows future debt requirements on an annual calendar year basis after December 31, 1995, for the next five years as well as a cumulative total for the period 2001-2022. The dollars shown are in thousands.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### DEBT SERVICE BUDGET – 1996 OPERATING BUDGET

(\$ = 000)	Airport Improvement Bonds	General Obligation Bonds	Total Outstanding Bonds	Interest	Total Principal & Interest
<u>Year(s)</u>					
1996	\$ 3,180	\$ 8,095	\$ 11,275	\$ 33,290	\$ 44,565
1997	3,320	9,095	12,415	32,661	45,076
1998	2,400	9,450	11,850	32,007	43,857
1999	1,505	9,885	11,390	31,318	42,708
2000	300	10,075	10,375	30,646	41,021
2001-2022	<u>645</u>	<u>362,200</u>	<u>362,845</u>	<u>397,573</u>	<u>760,418</u>
	<u>\$11,350</u>	<u>\$408,800</u>	<u>\$420,150</u>	<u>\$557,495</u>	<u>\$977,645</u>

(The October 10, 1996-2000 listing prior to the above chart and the above chart will not nor are they intended to tie out due to timing of payments and period covered. The information used to calculate the tables above is the same however.)

### LONG TERM DEBT

The acquisition and construction of facilities at the airports operated by the Commission have been substantially financed by the issuance of Airport Improvement Bonds and General Obligation Revenue Bonds. Airport Improvement Bonds are repaid from Commission revenue; however, if the principal and interest cannot be paid from revenue, a tax can be levied on property within the cities of Minneapolis and Saint Paul, Minnesota, for debt service.

General Obligation Revenue Bonds are general obligations of the Commission, payments of which 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 outstanding on General Obligation Revenue Bonds.

The Commission has not levied taxes for the payment of debt service since 1969. Since then, Commission revenues have been sufficient to pay principal and interest due to Airport Improvement Bonds and General Obligation Revenue Bonds.

Authority for issuing bonds is obtained from the Minnesota State Legislature. Authorization as of December 31, 1995, permits the issuance of an additional \$55 million of bonds.



# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## DEBT SERVICE BUDGET – 1996 OPERATING BUDGET

Bonds Payable, due serially (\$ = 000):	Issue Date	Original Amount	Final Payment In	— Outstanding as of — December 31	
				1996	1995
<b><u>Airport Improvement Bonds:</u></b>					
Series 14 – 3.5 to 4.9%	7-1-67	\$17,000	1997	\$960	\$1,885
Series 15 – 3.5 to 4.9%	7-1-67	1,000	1997	60	115
Series 16 – 4.25 to 5.0%	1-1-68	16,000	1998	1,900	2,790
Series 20 – 4.5 to 6.0%	10-1-72	5,000	2002	1,740	1,980
Series 22 – 2.6 to 3.85%	2-1-94	5,625	1999	<u>3,510</u>	<u>4,580</u>
				\$8,170	\$11,350
<b><u>General Obligation Revenue Bonds:</u></b>					
Series 2 – 4.25 to 5.2%	12-1-77	\$10,000	2002	\$3,750	\$4,275
Series 3 – 5.2 to 5.75%	1-1-79	15,000	2000	4,500	5,475
Series 5 – 8.9 to 9.1%	1-1-81	24,500	2002	9,000	10,500
Series 7 – 7.8%	8-1-88	51,150	2015	45,550	46,650
Series 8 – 4.25 to 6.6%	2-1-92	45,000	2011	40,150	41,850
Series 9 – 8.6 to 8.95%	4-1-92	270,000	2022	270,000	270,000
Series 10 – 3.6 to 5.0%	5-1-93	29,025	2006	22,140	24,435
Series 11 – 4.6 to 5.3%	10-1-94	5,615	2002	<u>5,615</u>	<u>5,615</u>
				<u>\$400,705</u>	<u>\$408,800</u>
<b>TOTAL BONDS OUTSTANDING</b>				<u>\$408,875</u>	<u>\$420,150</u>

## BOND REFUNDING

During 1995 the Commission did not pursue any refundings. For budget year 1996 and the projected year 1997 the Commission at the present time is not anticipating any refundings. However, should market conditions become favorable staff has taken the necessary steps to move quickly regarding General Obligations Series 5 and 7.

## NEW ISSUES

Based on the Capital Improvement Plan (CIP) presented in late fall 1995, it appears that during late 1997 the Commission may need to issue bonds. A number of variables come into consideration as to whether bonds will be issued and if so, when. These include interest rates, projects that are approved, disapproved or put on hold before final approval of the CIP is given and the economic condition of the airline industry. For budget purposes no new issues are projected for 1996. In late 1997 it is projected that a \$33 million issue will be required. The \$29 million in proceeds (i.e. \$4 million in debt reserve and issuance costs) would be spent in late 1997 and throughout 1998. This would reduce the Commission's authorized level of issuance from \$55 million to \$22 million.

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## DEBT SERVICE BUDGET – 1996 OPERATING BUDGET

### DEBT SERVICE BUDGET

The Debt Service Budget is shown below. As indicated by the Ending Balances, no major changes are projected.

<b>1996 DEBT SERVICE BUDGET</b> <b>(\$ = 000)</b>			
	<b>– Estimated 1995 –</b>	<b>– Budget 1996 –</b>	<b>– Projected 1997 –</b>
JANUARY 1 BALANCE	\$92,322	\$84,819	\$84,854
SOURCES OF FUNDS:			
Transfer from Operating Fund	20,322	20,000	20,000
Interest Earnings <sup>1</sup>	4,023	3,600	3,600
Bond Proceeds	0	0	3,401
NWA payments	<u>20,459</u>	<u>21,000</u>	<u>21,000</u>
TOTAL SOURCES OF FUNDS	\$44,804	\$44,600	\$48,001
USES OF FUNDS:			
Principal & Interest payments	<u>(52,307)</u>	<u>(44,565)</u>	<u>(45,076)</u>
ENDING BALANCE	<u>\$84,819</u>	<u>\$84,854</u>	<u>\$87,779</u>

<sup>1</sup> Interest Rate Assumed 5.50% in 1995, 1996 and 1997.

### SOURCES OF FUNDS

Each source of funding is discussed below.

The transfer from the operating fund occurs each October 10th. Over the past few years the transfer has been in the \$19–\$21 million range. This will fluctuate due to interest earnings, refundings and new issues. No change in the transfer is anticipated for 1996 or 1997.

Interest earnings are assumed at 5.5% for 1995, 1996 and 1997. In projecting interest income the Commission typically takes a conservative approach.

Bond proceeds in 1997 represent the reserve required on the \$33 million new issue.

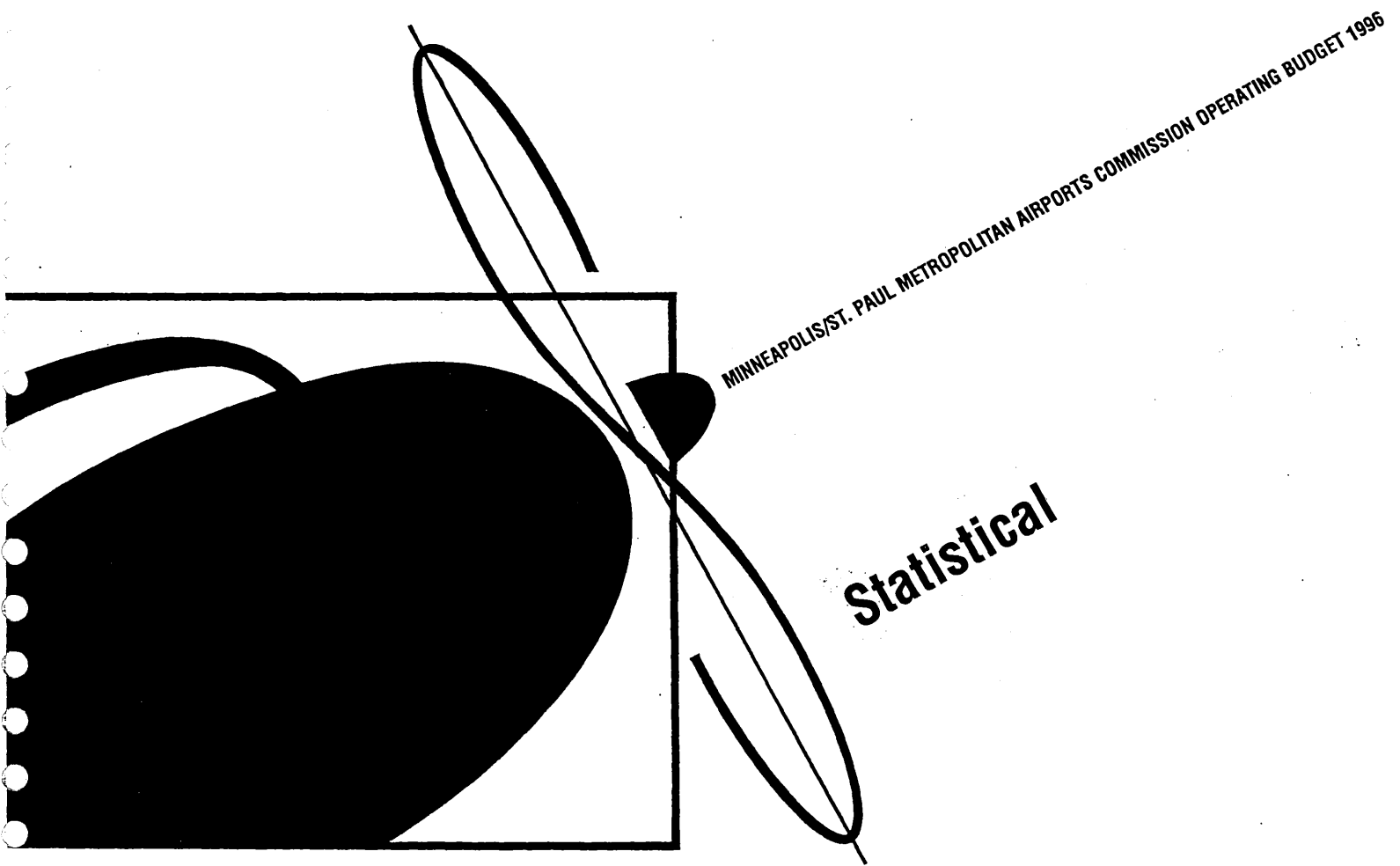
NWA payments represent the interest due on General Obligation Revenue Bond Series 9 for \$270 million. Only interest is paid on this issue until 2003. The gross amount due each year (payment is made quarterly) is \$23,960,092 and is reduced by the interest earned on the Commission's investments pertaining to the Series 9 reserve on hand.

## **MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION**

### **DEBT SERVICE BUDGET – 1996 OPERATING BUDGET**

#### **USES OF FUND**

Disbursements represent principal and interest payments made during the year. These figures tie to the preceding chart in the Debt Service Requirement section. No changes are anticipated at this time for 1996 or 1997.



MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION OPERATING BUDGET 1996

**Statistical**

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### STATISTICAL – 1996 OPERATING BUDGET

The Statistical section is divided into three areas. The first is the "Historical Revenue/Expense and Facility Comparison" of MAC facilities. The second area includes activity or operations statistics. The third area includes a comparison of MAC to other airports on a national level. It includes ratio comparisons with regards to Debt, Financial and Operating as well as Landing Fee and Rental Rate comparisons.

### HISTORICAL REVENUE/EXPENSE AND FACILITY COMPARISONS

In this section three comparisons are analyzed:

1. A summary comparison with dollars and percentages of 1985 revenue and expense versus 1994 revenue and expense.
2. A comparison of revenue and expense with dollars and percentages of 1994 actual, estimated 1995 and budgeted 1996.
3. A comparison of facilities in 1986 and 1995.

These comparisons are shown to point out that both revenue and expense from 1985 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 OPERATING REVENUE & OPERATING EXPENSE SUMMARY 1985 VS 1994						
(\$ = 000)	1985		1994		1985-1994 Change	Annual % Increase
	\$	% Of Total	\$	% Of Total	\$	
Operating Revenue						
Airline Rates & Charges	\$16,849	39.75%	\$30,781	40.29%	\$13,932	6.92%
Concessions	21,555	50.85	35,097	45.94	13,542	5.57
Other	<u>3,985</u>	<u>9.40</u>	<u>10,515</u>	<u>13.76</u>	<u>6,530</u>	<u>11.38</u>
Total Operating Revenue	\$42,389	100.00%	\$76,393	100.00%	\$34,004	6.76%
Operating Expenses						
Personnel	\$12,430	34.31%	\$23,293	34.06%	\$10,863	7.23%
Administrative Expenses	762	2.10	839	1.23	77	1.08
Professional Services	1,339	3.70	4,681	6.84	3,342	14.92
Utilities	3,308	9.13	5,287	7.73	1,979	5.35
Operating Services	3,899	10.76	7,995	11.69	4,096	8.31
Maintenance	4,924	13.59	6,743	9.86	1,819	3.55
Depreciation	9,297	25.66	19,271	28.17	9,974	8.44
Other	<u>273</u>	<u>0.75</u>	<u>289</u>	<u>0.42</u>	<u>16</u>	<u>100.00</u>
Total Operating Expenses	\$36,232	100.00%	\$68,398	100.00%	\$32,166	7.32%
Net Revenues	<u>\$ 6,157</u> <sup>A</sup>		<u>\$ 7,995</u> <sup>A</sup>		<u>\$ 1,838</u>	

<sup>A)</sup> Required as contribution towards debt service payments and construction program financing.

# MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

## STATISTICAL – 1996 OPERATING BUDGET

The first comparison, 1985 versus 1994, emphasizes the following two results:

1. A greater portion of revenue is now generated from the Airline Rates and Charges because of Landing Fees, Northwest Airlines Gold Concourse rent and the Noise Surcharge, with a corresponding decrease in Concessions. (See Revenue Assumptions—Landing Fee, Ramp Fee and Terminal Airlines.)
2. The annual percentage increase in revenue from 1985 to 1994 (6.8%) was less than the annual percentage increase in expense from 1985 to 1994 (7.3%). Over this ten year period expenses grew at a slightly higher rate than revenue. If compared to this same summary in the previous year's budget, it also shows that the gap is shrinking. Last years budget showed a 7.7% annual increase in revenue and an 8.9% annual increase in expense or an annual deficit spread of 1.2%. This year's budget shows that this spread has narrowed to 0.5% (i.e. 6.8% in revenue growth versus 7.3% in expense growth.)

### HISTORICAL OPERATING REVENUE & OPERATING EXPENSE SUMMARY 1994 VS 1996

(\$ = 000)	Actual 1994		Estimated 1995		Budgeted 1996		1994-1996	Annual
		% Of		% Of		% Of	Change	%
	\$	Total	\$	Total	\$	Total	\$	Increase
Operating Revenue								
Airline Rates & Charges	\$30,781	40.29%	\$33,500	40.31%	\$34,207	40.35%	\$3,426	5.42%
Concessions	35,097	45.94	39,200	47.17	39,939	47.12	4,842	6.68
Other	<u>10,515</u>	<u>13.76</u>	<u>10,400</u>	<u>12.52</u>	<u>10,622</u>	<u>12.53</u>	<u>107</u>	<u>0.51</u>
Total Operating Revenue	\$76,393	100.00%	\$83,100	100.00%	\$84,768	100.00%	\$8,375	5.34%
Operating Expenses								
Personnel	\$23,293	34.06%	\$25,029	35.03%	\$26,441	35.89%	\$3,148	6.54%
Administrative Expenses	839	1.23	1,100	1.54	1,084	1.47	245	13.67
Professional Services	4,681	6.84	4,950	6.93	3,929	5.33	(752)	(8.38)
Utilities	5,287	7.73	5,125	7.17	5,080	6.90	(207)	(1.98)
Operating Services	7,995	11.69	8,225	11.51	8,757	11.89	762	4.66
Maintenance	6,743	9.86	7,340	10.27	7,430	10.09	687	4.97
Depreciation	19,271	28.17	19,400	27.15	20,657	28.04	1,386	3.53
Other	<u>289</u>	<u>0.42</u>	<u>290</u>	<u>0.41</u>	<u>288</u>	<u>0.39</u>	<u>(1)</u>	<u>(0.17)</u>
Total Operating Expenses	\$68,398	100.00%	\$71,459	100.00%	\$73,666	100.00%	\$5,268	3.78%
Net Revenues	<u>\$7,995</u> <sup>A</sup>		<u>\$11,641</u> <sup>A</sup>		<u>\$11,102</u> <sup>A</sup>			

<sup>A)</sup> Required as contribution towards debt service payments and construction program financing.

The second comparison shows 1994 actual, 1995 estimated and 1996 budgeted revenue and expense categories with dollars and percentages. There are three items in this comparison that need further comment:

1. Revenue is projected to increase 5.34% from actual 1994 to budgeted 1996. Actual percentages of total revenue for the individual categories change very little. (For example, Concessions in 1994 was 44.15% of total revenue, while in 1996, it is budgeted to be 45.87% of total revenue.) Increases are explained in the Revenue Assumptions section.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### STATISTICAL – 1996 OPERATING BUDGET

- Expense is projected to increase 3.78% from actual 1994 to budgeted 1996. This increase is explained in the Expense Assumptions section. The percentages for the individual expense categories change very little, with the exception of Personnel, Administrative Expense and Professional Services. The increase and decrease in these areas is explained in the Expense Assumptions section. (For example, Maintenance in 1994 was 10.27% of total expense, while in 1996 it is budgeted to be 10.09% of total expense.)
- The annual percentage increase in revenue from 1994 to 1996 is 5.34% whereas the annual percentage increase in expenses from 1994 to 1996 is 3.78%. This reversal of the trend from 1985 to 1994 where expense grew at a greater pace than revenue is caused by increases in all three revenue categories. Examples of the changes which have occurred in the past few years: Parking Rate increase and new agreements in a number of concession areas. See Revenue Assumptions section for further details.

#### FACILITY EXPANSION

	<u>1986</u>	<u>1995</u>	<u>Increase</u>	<u>% Increase</u>
Lindbergh & Regional				
Terminal Square Footage	1,396,500	1,585,032	188,532	13.50%
Number of Gates	59	66	7	11.86%
Ramp Lineal Footage	8,219	8,874	655	7.97%
Parking	8,983	11,232	2,249	25.04%
Tenants – All Airports	496	720	224	45.16%

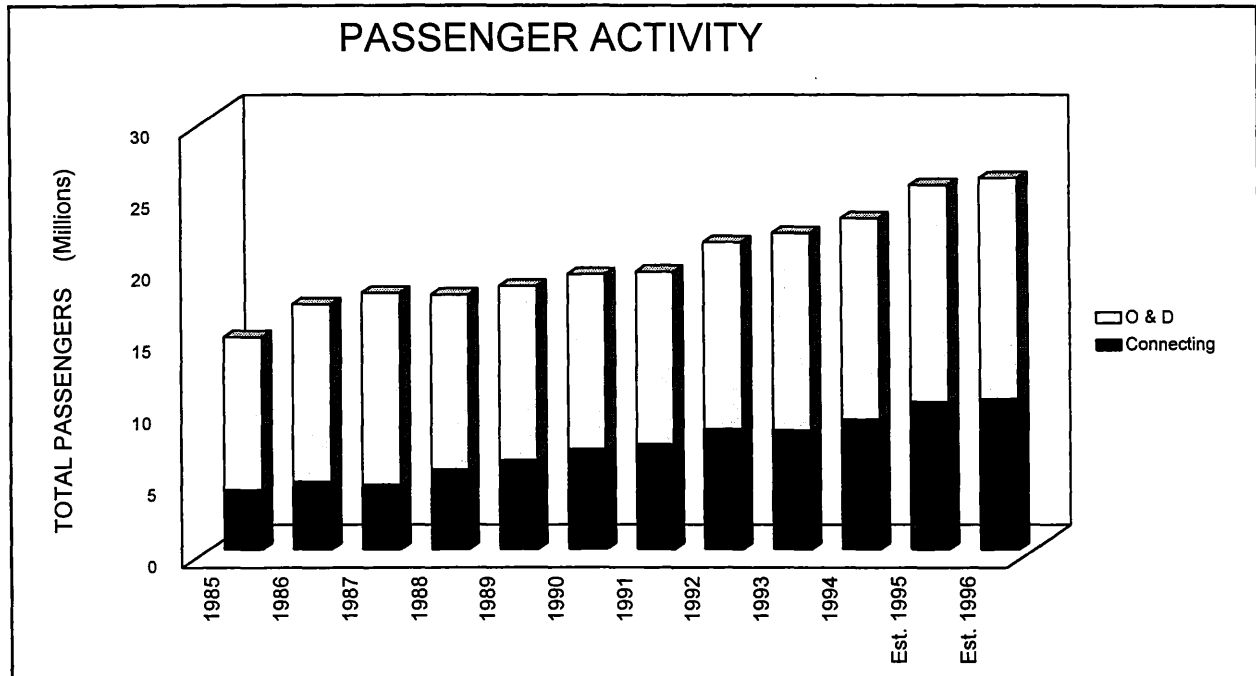
Lindbergh/Regional Terminal Information is from Airport Development Historical Records

The final chart in this section deals with facilities. This comparison shows how the major facilities at MSP International have expanded since 1986. 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 include 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 new facilities have been added: Auto Rental facilities, South Lindbergh Terminal addition, NWA Hangar, Mesaba Hangar, new parking ramp, Terminal Vertical Circulation/Skyways, and the Butler Fueling facility.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### ACTIVITY STATISTICS – 1996 OPERATING BUDGET

This section contains the historical and forecasted levels of activity for the period 1985 through 1996 in the MACs system of airports. The Passenger, Operations and Cargo results have generally been steadily increasing. The reductions in cargo that occurred in 1989 and passengers that occurred in 1988 will be explained in their respective sections following each graph.



This chart shows how passenger traffic has increased at MSP International since 1985, except for 1988. In late 1988, two carriers eliminated service to MSP International Airport resulting in a decrease of approximately 100,000 passengers. In 1985, MSP International had approximately 28% of its passengers being connecting (those transferring directly to another flight). Since 1985, MSP International has changed to more of a connecting airport with approximately 40% of all passengers being connecting while the O & D passenger percentage has fallen from 72% in 1985 to 60% estimated in 1996.

Estimates of passenger activity form an important element in forecasting revenue each year. This chart represents actual passenger statistics for 1993 and 1994 and estimates for 1995 and 1996. The three categories are listed because each is used in a particular way to calculate certain types of revenue. Three examples are given:

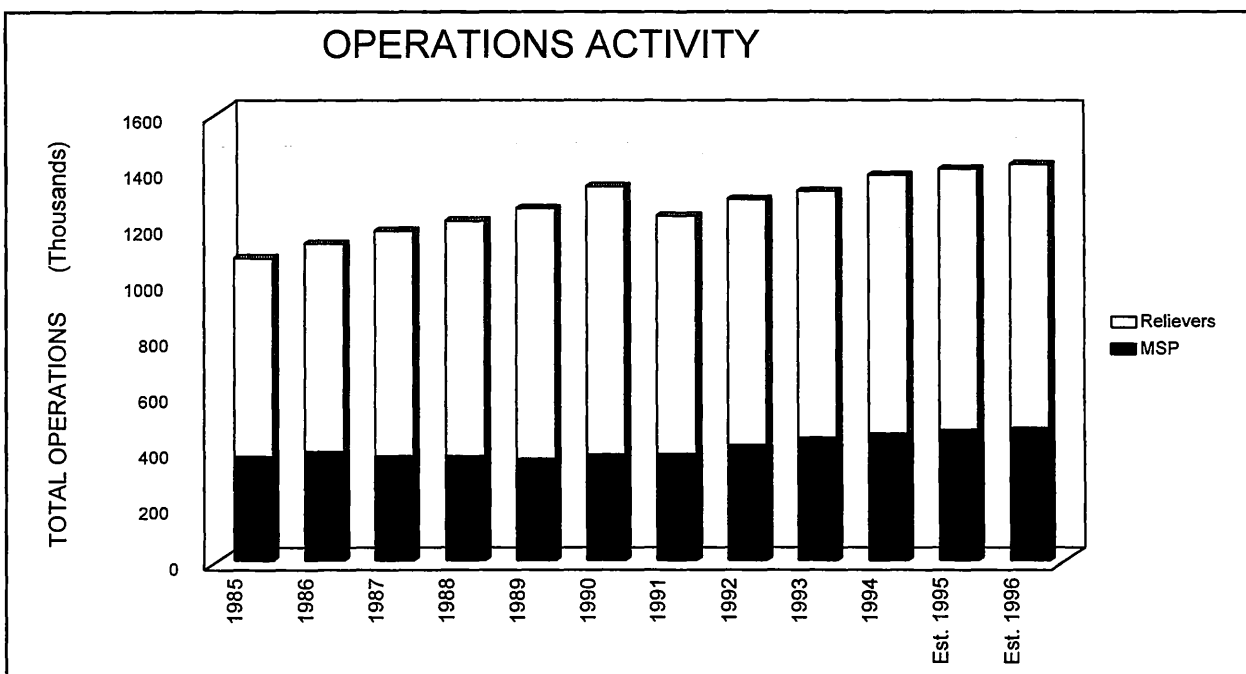
- Enplaned (originating) passengers plus connecting passengers are used in forecasting most concession revenue.
- Deplaned (final destination) passengers are used in the process of estimating auto rental revenue.
- Enplaned (originating) passengers, excluding connecting, are used in estimating common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



## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### ACTIVITY STATISTICS – 1996 OPERATING BUDGET

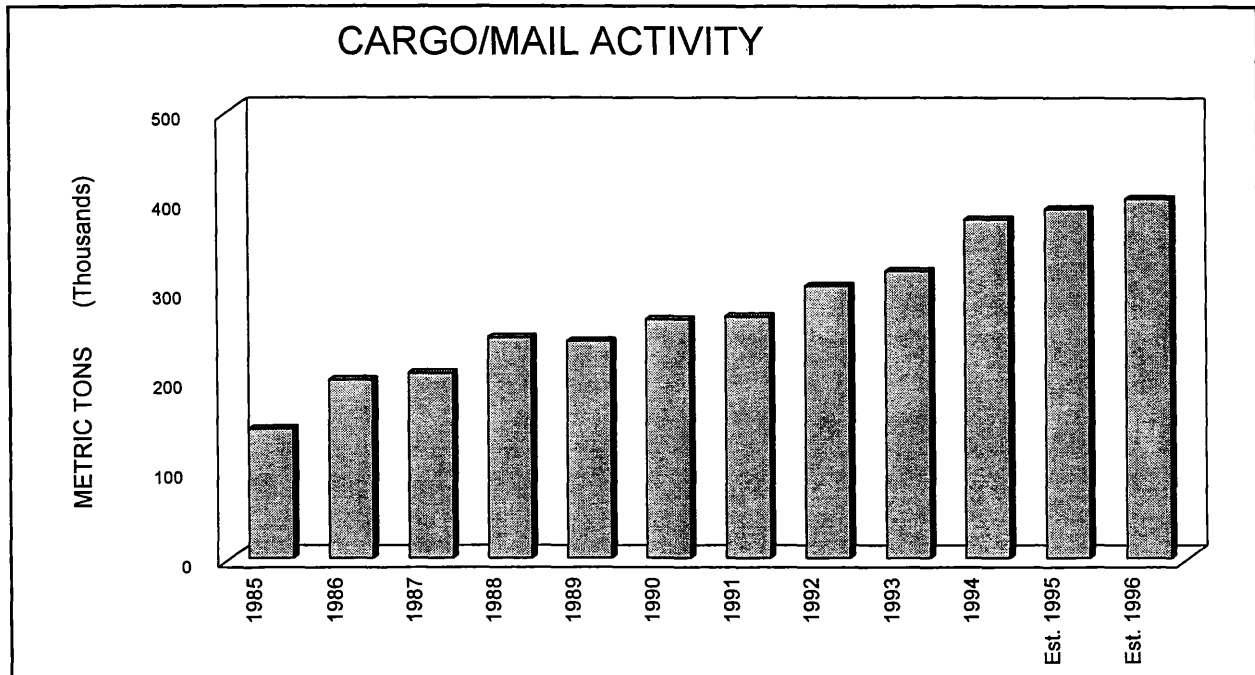
Passenger Type	1993 <u>Actual</u>	1994 <u>Actual</u>	1995 <u>Estimate</u>	1996 <u>Estimate</u>
Enplaned	6,880,000	6,959,000	7,539,000	7,680,000
Deplaned	6,878,000	7,129,000	7,565,000	7,720,000
Connecting	<u>8,313,000</u>	<u>9,077,000</u>	<u>10,296,000</u>	<u>10,500,000</u>
	<u>22,071,000</u>	<u>23,165,000</u>	<u>25,400,000</u>	<u>25,900,000</u>



Total operations for the MAC system have increased 31% since 1985. (An operation represents one takeoff or landing.) This equates to an average annual increase of 2.3% for the period 1985 through estimated 1996. Operations at MSP International are estimated to rise to 475,000 in 1996. Increased service by Northwest from this hub and international activity are the reasons for this rise in activity.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### ACTIVITY STATISTICS – 1996 OPERATING BUDGET



Cargo/Mail activity has increased annually since 1985 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. The estimate for 1996 is 401,700 metric tons.

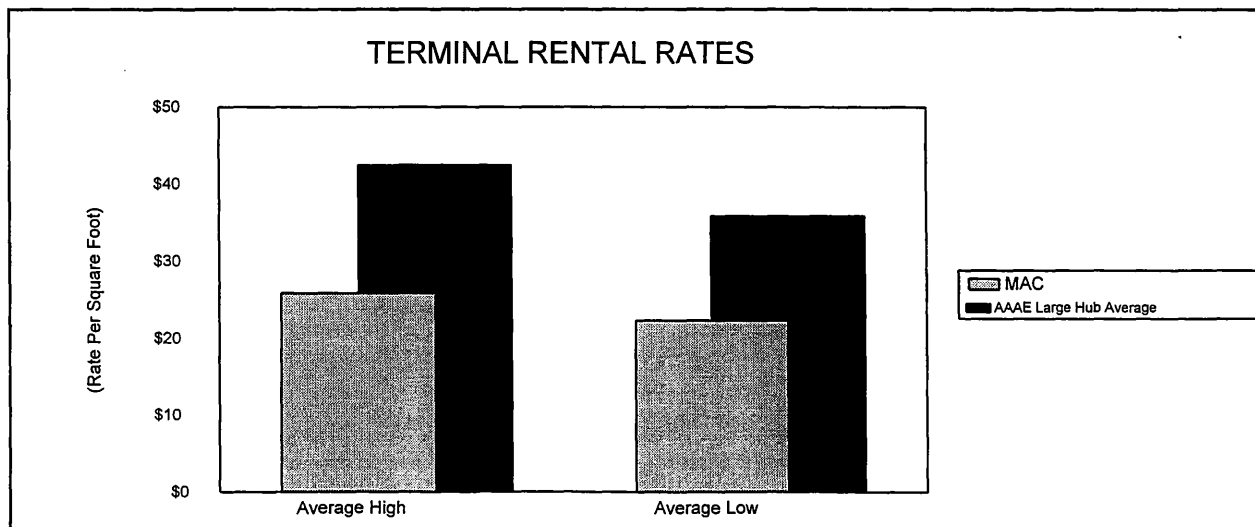
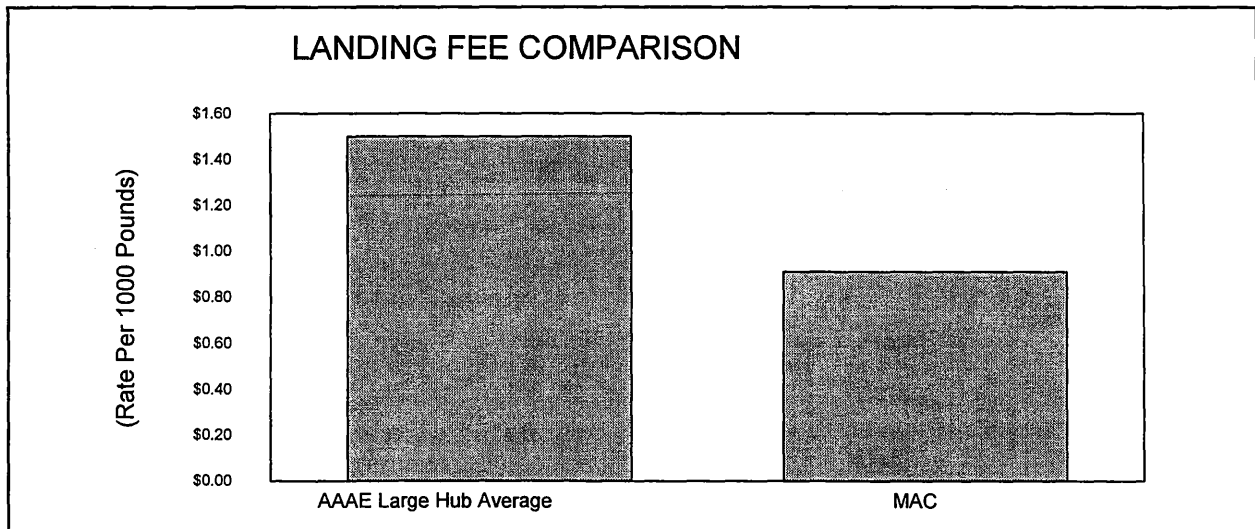
## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### NATIONAL COMPARISON – 1996 OPERATING BUDGET

The information presented in this section was obtained from two national surveys. The first set of comparisons was tabulated by the American Association of Airport Executives (AAAE). This survey grouped hub airports into three categories: large, medium and small. In order to be considered a large hub for purposes of this survey, an airport must have had at least 5,125,000 enplanements (departures). MSP is considered a large hub airport.

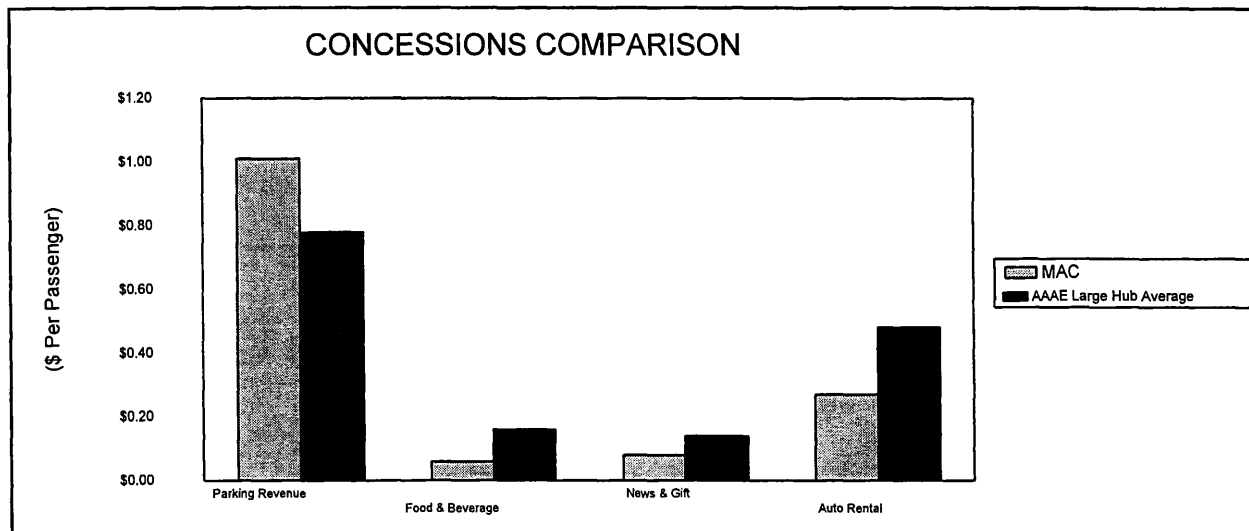
### RATE AND CONCESSIONS

From the information detailed in the survey, three comparisons of the large hubs are shown below. The national figures are from the most recent survey which was 1993. The numbers for MAC are from the 1996 budget.



## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### NATIONAL COMPARISON – 1996 OPERATING BUDGET



The first two graphs indicate MSP's airline rates (i.e. landing fee and terminal rate) are significantly below the large hub average rate from the survey. One reason for this significant difference in rates may be that the Commission's facilities are older than a number of the facilities of other large hubs. Continued programmed maintenance and improvements as needed should allow these facilities to be fully utilized until major expansion takes place or a new airport is built.

The third graph compares per passenger revenue from selected concessions. As shown, parking revenue is greater than the large hub average. As detailed in the Revenue Assumptions section of the Operating Budget, parking revenue is MAC's largest revenue source. The other three concessions comparisons - auto rental, food & beverage and news & gifts all show a significant negative difference between the large hub averages for these concessions and what the MAC generates. This deficiency has been identified in the past. As a result, the Commission has undertaken a significant study analyzing and reviewing the concessions program in order to generate more revenue on a per passenger basis. Not only will this result in a renovation of the Lindbergh Terminal concessions area, but also a number of new tenants.

The final area of comparison deals with comparing MAC's financial and operating ratios to industry performance ratios. Moody's, one of the bond rating agencies, publishes separate financial and operating ratios for Hub and O & D airports. These ratios are based on 1994/1995 financial and operating data and have been used for purposes of comparison. The medians published by Moody's are intended to serve as broad indicators. Significant deviation from the median is not necessarily an indicator of credit quality, and may, in fact, highlight a significant event or unusual characteristic of an enterprise.

### INDUSTRY

Debt, financial and operating statistics are discussed separately below. All MAC figures are based on estimated 1995 information.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### NATIONAL COMPARISON – 1996 OPERATING BUDGET

#### DEBT RATIOS

DEBT RATIO ALL AIRPORTS	MAC	MOODY'S MEDIAN
Debt/enplaned passengers (\$)	33.08	43.61
Debt service coverage (X)	1.69	1.6

MAC's ratio of debt/enplaned passenger is below the industry average. The current figure includes the \$270 million dollar NWA financing. It is expected to rise over the next several years as we begin to issue debt to finance the Capital Improvement Program.

Debt service coverage demonstrates the current ability to repay debt. The MAC's coverage ratio is slightly above the average and also above the target of 1.4x established at the time of the \$270 million Northwest Airlines financing.

#### FINANCIAL RATIOS

FINANCIAL RATIOS ALL AIRPORTS	MAC	MOODY'S MEDIAN
Revenues/enplanements (\$)	9.84	8.65
Operating Ratio (%)	62.6	52.3

Ratios derived from the income statement provide measures of profitability. Each ratio is discussed below.

Revenue/enplanement is calculated by dividing the total of operating and non-operating income by total enplaned passengers. MAC's revenue/enplaned passengers exceeds the median by \$1.19/enplanement.

The Operating Ratio is calculated by dividing operating and maintenance costs (net of the depreciation) by total operating revenues. MAC's Operating Ratio indicates that operating and maintenance costs are a higher percentage of total operating revenue than the median represents. This difference could be the result of how airports account for long term leases with the airport tenants.

Airports account for long term leases as either operating or non-operating revenue. If an airport accounts for these leases as operating revenue it causes operating income to be higher and the operating ratio to be lower. MAC accounts for these leases as non-operating income; as a result, operating income is lower and the operating ratio is higher.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### NATIONAL COMPARISON – 1996 OPERATING BUDGET

#### OPERATING RATIOS

OPERATING RATIOS HUB AIRPORTS	MAC	MOODY'S MEDIAN
Dominant carrier of total airport traffic (%)	77.1	73.5
Primary two carriers of total airport traffic (%)	82.1	79.7
Departures per gate	2,994	2,078
Utilization per gate (O & D traffic)	105,772	71,299
Utilization per gate (total traffic)	191,680	131,063
Number of gates	66	80

The dominant carrier at MSP is obviously Northwest Airlines. Their percentage of total traffic is 77.1% compared to the industry median of 73.5%. The second largest carrier is United.

The Departure and Utilization per gate statistics indicate higher utilization of gate facilities than the average. This is due to the fact that MSP has fewer gates than the median would indicate.

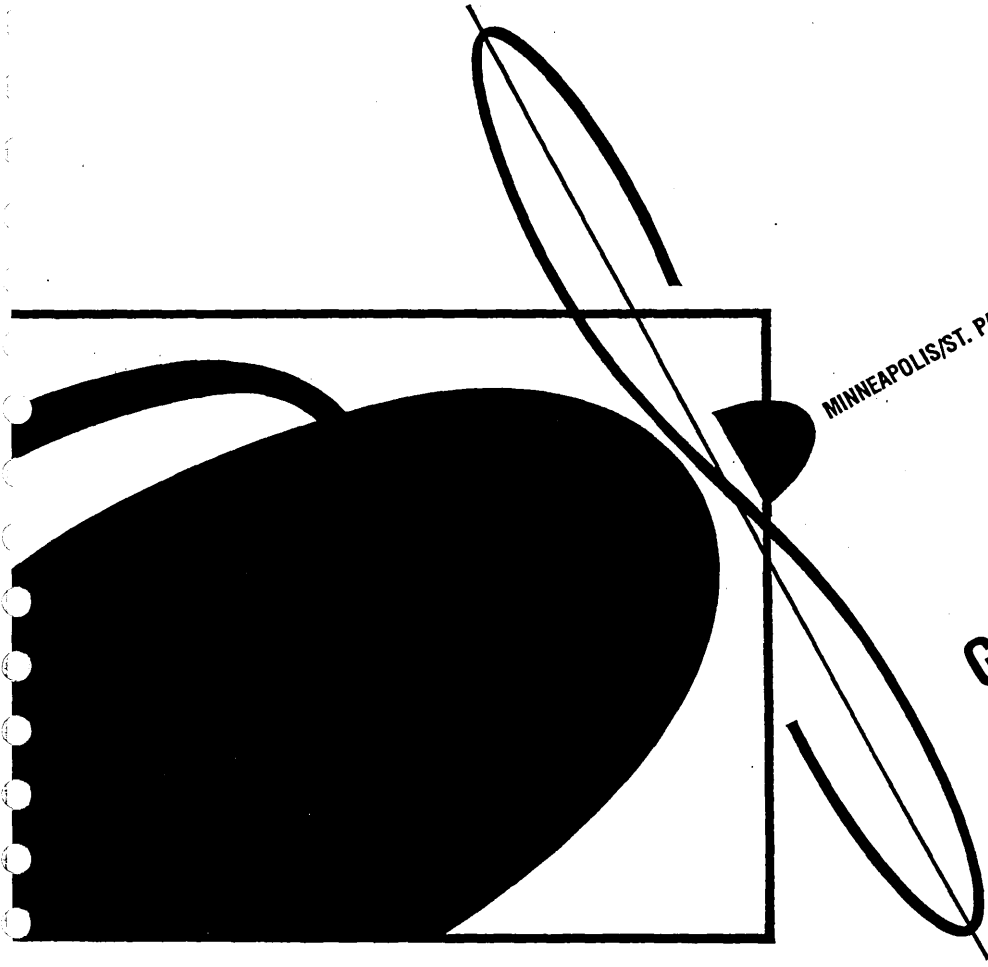
Based on the information presented, it is possible to make the following broad conclusions:

1. The debt/enplaned passenger is lower than the industry average and debt service coverage is sufficient to meet debt payments.
2. Revenue/enplanement and Net Take-Down are higher than the industry average. Differences in the Operating Ratio are attributed to differences in accounting for long term leases.
3. MSP is obviously a fortress hub with NWA serving 77.1% of the airport traffic. The next largest carrier, United, services only 5.0% of total airport traffic.
4. MSP experiences above average utilization of its gate facilities because it has fewer gates than the median would indicate for a hub airport.



MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION OPERATING BUDGET 1996

# Glossary





## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### GLOSSARY – 1996 OPERATING BUDGET

**Accrual Basis** – This basis of accounting attempts to record financial transactions in the period they occur rather than recording them in the period they are paid.

**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 expires on 12/31/96. 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.

**Airline Rates and Charges** – One of the three main revenue categories. Includes all charges set by the airline agreement (landing fees, ramp fees, terminal rents, noise surcharge, and carousels & conveyors) plus other airline terminal rents.

**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.

**Apron** – The extensive paved area immediately adjacent to the Terminal Building area and hangar area. Also referred to as Ramp.

**AVI** – Automated Vehicle Identification. Relates to Landside Operations.

**CSOs** – Community Service Officers.

**Capital Improvement Program (CIP)** – This program covers projects which will be started during the next two years. Also, a Capital Improvement Plan is used to project an additional five years worth of projects. These serve as a basis for determining funding requirements and other operational planning decisions.

**The Commission** – Metropolitan Airports Commission.

**Concessions** – One of the three main revenue categories. This category includes: food and beverage, news & gifts, parking, auto rental, vending, ground transportation, telephones, and numerous other small lessees.

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

**Connecting Passengers** – Passengers who transfer to another flight-Mpls./St. Paul 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 Construction Budget.)

**Debt Serve Account** – An account which MAC is required by law to maintain whereby the balance on hand on October 10<sup>th</sup> of each year is equal to all principal and interest due on all Airport Improvement Bonds and General Obligation Revenue Bonds payable therefrom to the end of the second following year.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### GLOSSARY – 1996 OPERATING BUDGET

**Debt Redemption Fund (Sinking Fund)** – A special account whose monies are set aside to retire debt. (See Debt Service Budget.)

**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.

**Enterprise Fund** – This type of fund accounts for all cost allocations including depreciation while its cost of services are recovered through user fees/charges.

**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.

**GAAP (Generally Accepted Accounting Principles)** – Conventions, rules and procedures necessary to describe accepted accounting practice at a particular time.

**General Insurance** – Part of the "Other" expense category. This includes insurance covering property, casualty, liability, crime, auto, and equipment.

**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.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### GLOSSARY – 1996 OPERATING BUDGET

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

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

**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 ½ 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 11/30/95 these include American, America West, Continental, Delta, Northwest, TWA, United, U.S. Air, and Vanguard. 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 four subdivisions: building, field, equipment and cleaning.

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

**Minor Equipment** – Includes items whose cost is less than \$5,000. These items are minor equipment, computers & accessories and office furniture.

**Miscellaneous Revenue** – One of the three revenue categories and includes other building rents, ground rents, utilities, and miscellaneous 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.

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### GLOSSARY – 1996 OPERATING BUDGET

**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 Operating Budget.)

**Operating Services** – One of the main expense categories and includes the parking management and contract, shuttle bus, advertising costs, copy agreement, bank charges, pollution control, service contracts, 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, safety materials and miscellaneous items.

**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.

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

**Ramp Fees** – A fee charged to a particular airline for exclusive use of a specific area of ramp, calculated by dividing the total estimated costs in the appropriate cost center by the number of lineal feet of ramp space. Also referred to as Apron Area.

**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.

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

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

## MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

### GLOSSARY – 1996 OPERATING BUDGET

**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.

**Signatory Carriers/Airlines** – Refers to those carriers/airlines who have signed the Airline Agreement. This includes carriers/airlines from the major, commuter, charter, and cargo/freight carrier categories.

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

**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.

**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.)

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

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