

2015 OPERATING BUDGET

Metropolitan
Airport
Commission

Minneapolis

Saint Paul

Florida Flight Leaves at 6:15 am ON TIME	New York Flight Leaves at 8:45 am ON TIME	California Flight Leaves at 11:00 am ON TIME	England Flight leaves at 2:30 pm ON TIME
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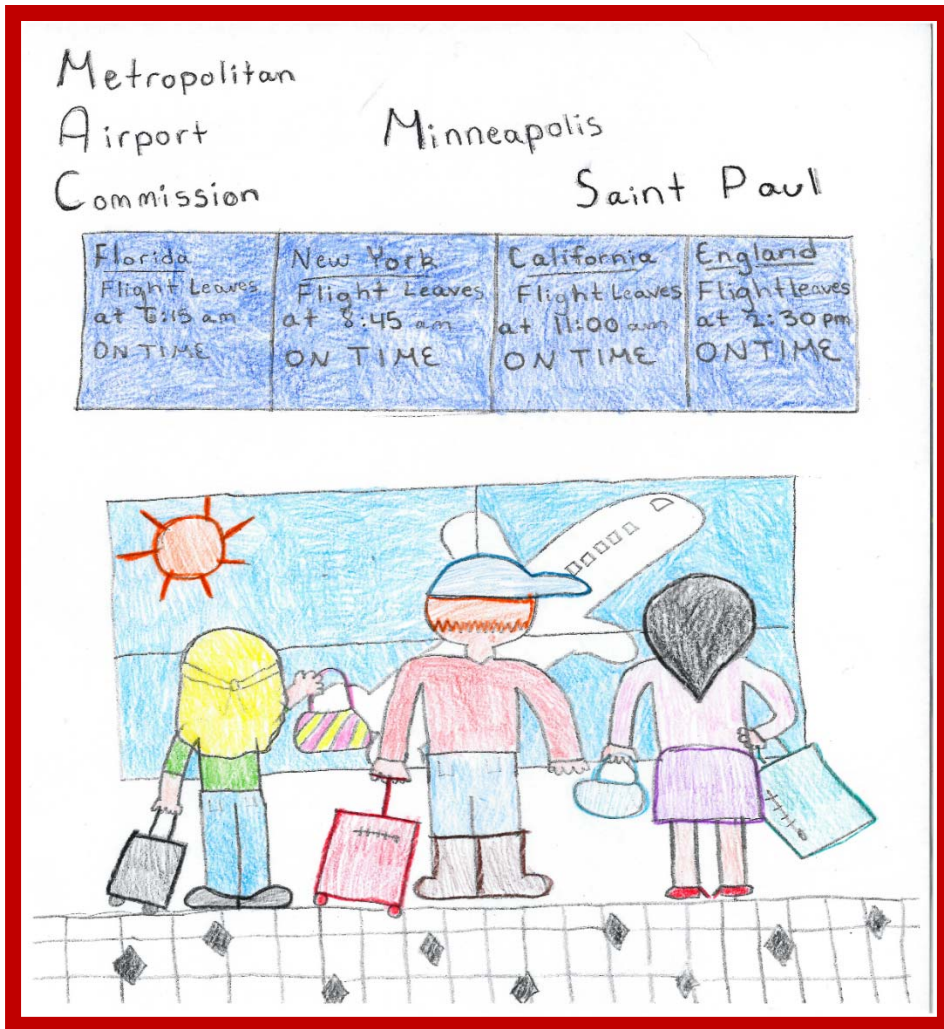


Minneapolis-St. Paul, Minnesota

Metropolitan Airports Commission



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Winning Artwork 2015 Budget Book Cover Contest

2015 Budget Book Cover Process

Children or relatives of employees are invited to participate in the Metropolitan Airports Commission annual Budget Book Cover Contest. All entries are reviewed and voted on by employees of the Finance & Administration Division. The winner for the 2015 Budget Book:

Isabel Jarosz – Age 11
Daughter of Tony Jarosz – MAC Electrician



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Mission

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

Vision

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

Values

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



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Executive Summary

December 15, 2014

To The Public:

We are pleased to present the 2015 Metropolitan Airports Commission (Commission) Budget which was adopted by the Commission on December 15, 2014. Total Operating Revenue for 2015 is projected to be \$303,410,000 and Operating Expense is \$163,577,000 (excluding depreciation and noise amortization). Non-operating expenses (including non-operating revenue) are budgeted to be \$97,042,000. The approved 2015 budget results in \$42,791,000 of Net Revenues Available for Designation.

In May, 2014 the budget process commenced. Some of the key short term issues that the Commission was faced with in developing the overall targets for the 2015 Operating Budget were:

- Timing and changes in passenger forecasts throughout 2014 and 2015.
- Changes in the state of the economy and the airline industry in 2014.

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

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

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

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

Budget Targets

As a result of the key issues, the Commission identified four targets that were to be used in developing the 2015 Operating Budget. These targets and their respective budget results are indicated below.

- | | |
|------------------|---|
| Target 1: | Senior Debt Service Coverage Ratio maintained at not less than 1.4x. |
| Result: | + 3.13 (Without Transfer). |
| Target 2: | Maintain a Six Month Reserve in the Operating Fund. |
| Result: | A transfer of \$7.0 million will be made to the fund on 1/2/15. |
| Target 3: | Airline Cost/Enplaned Passenger will be in the lower 1/3 of Large Hub Airports. |
| Result: | The Commission ranked 8th lowest out of 28 Large Hub Airports surveyed. |
| Target 4: | The Commission will have a Balanced Budget. |
| Result: | The budget forecasts \$42.8 million in Net Revenues available for designation. |

The remainder of this message will discuss:

- Fund Overview (Overall, Operating, Construction and Debt)
- Budget Development
- Organizational Strategic Plan
- Future Outlook including the near term (2015-2016) and long term (2017 and beyond) issues that will be critical to the Commission in evaluating the future
- GFOA Budget Award
- Acknowledgement
- Other Awards

Fund Overview

The Commission is accounted for as an Enterprise Fund. For internal purposes, three funds are maintained relating to three specific functions: Operating Fund (Budget - operations of the airport), Construction Fund

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

Summary Fund Table

Consolidated Enterprise Fund	2013	2014	2014	2015	2016	2017
\$ = 000	Actual	Estimated	Budget	Budget	Projection	Projection
Sources All Funds						
Total Beginning All Fund Balances ¹	\$ 665,965	\$ 673,659	\$ 667,937	\$ 685,488	\$ 629,555	\$ 897,302
Operating Fund Revenues						
Airline Rates & Charges	106,015	111,680	109,311	109,329	114,113	119,312
Concessions	131,321	136,200	133,210	144,963	152,849	156,335
Other Operating Revenues	48,709	47,750	46,056	49,118	51,408	52,732
Interest Earnings	4,508	4,600	5,000	6,000	5,200	5,400
Other & Self-Liquidating Revenue	5,698	6,509	5,486	6,616	7,000	5,500
Transfers in Construction Fund	-	-	-	-	-	-
Transfers in Equipment Financing	6,585	3,963	4,138	4,185	4,000	4,000
Construction Fund Revenues						
PFC Funding	64,496	67,106	64,640	68,113	69,475	70,864
Federal Grants	8,667	14,905	8,829	14,225	28,815	1,500
State Grants	692	893	1,375	2,400	2,500	2,500
Interest Earnings	1,368	2,546	1,600	2,200	1,900	1,800
Bond/Notes Proceeds	-	23,296	-	-	316,000	-
Short-Term Funding Program	6,050	-	-	-	-	-
Other Receipts	-	22,188	-	-	-	-
Transfers In	42,900	46,783	44,653	46,614	43,544	40,259
Debt Fund Revenues						
Interest Earnings	1,585	1,888	1,802	557	748	873
Bond Proceeds	0	303,781	-	-	44,720	-
Self-Liquidating Payments	2,874	0	0	0	-	-
Transfers In (PFCs and Garb Require.)	121,061	122,263	122,000	121,356	120,151	119,852
Total All Receipts	\$ 1,218,494	\$ 1,590,010	\$ 1,216,037	\$ 1,261,164	\$ 1,591,978	\$ 1,478,229
Uses All Funds						
Operating Fund Expenses						
Personnel	71,107	72,750	71,375	76,400	77,500	81,501
Administration	1,407	1,600	1,527	1,665	1,700	1,750
Professional Services	4,514	4,950	4,849	5,439	5,675	6,000
Utilities	18,633	20,000	18,564	19,147	21,098	22,278
Operating Services	18,941	19,600	19,405	23,966	25,100	25,999
Maintenance	29,305	31,800	29,971	33,656	36,653	36,833
Other/Insurance	2,950	3,100	3,103	3,304	3,446	3,627
Equipment & Other Capital Expenditures	10,325	8,737	8,867	13,483	9,500	10,500
Transfers Out - Debt	93,831	95,703	96,203	93,061	95,482	87,425
Transfers Out - Equipment Financing	2,893	2,550	3,840	2,978	4,200	4,000
Transfers Out - Construction	42,900	46,783	44,653	46,614	43,544	40,259
Working Capital/Other	-	-	-	-	-	-
Construction Fund Expenses						
Capital Project Costs	103,050	114,430	155,000	175,418	221,381	347,157
Debt Service Reserve	27,535	26,531	27,300	30,468	31,603	31,603
Debt Fund Expenses						
Bond Refundings	-	330,020	-	-	-	-
Bond Principal & Interest Payments	117,444	125,968	125,968	106,010	117,794	134,894
Total All Costs	544,835	\$ 904,522	\$ 610,625	\$ 631,609	\$ 694,676	\$ 833,826
Total Ending All Net Fund Balances	\$ 673,659	\$ 685,488	\$ 605,412	\$ 629,555	\$ 897,302	\$ 644,403

¹ Includes Operating Fund, Construction Fund and Debt Service Fund.

Budget Development

As previously indicated, the Commission, in developing targets/guidelines for the 2015 budget, discussed a number of critical issues that needed to be addressed in the short term. Key to this discussion was maintaining a firm grip on expenses, especially in light of mandated additional costs, contract increases, utility increases and the uncertainty in passenger forecasts and the stagnant economy. At the start of the budget process in May, staff was dealing with a slight increase in passenger activity based on year-to-date activity. The job market and the economy were still viewed to be flat at best. As a result, the budget was initially prepared very conservatively from both a revenue and expense view. As the process moved forward, both the economy and passenger projections showed slight improvement. This was especially true on the passenger side as we started to see a slight increase in activity which had been forecasted to occur earlier in the year.

Controlling expenses was a difficult challenge for staff. The Commission will add 10 new positions in 2015 in which half of these positions will be in anticipation of the Commission taking over the maintenance and control of Concourse G at Terminal 1 from Delta on January 1, 2016. Another major increase in 2015 will be in operating services. The Commission's parking facilities at Terminal 1 at certain times during the year fill to capacity and passengers are diverted to parking facilities at Terminal 2. As an interim fix, the Commission will be opening a ramp at Terminal 1, used previously by the auto rental firms for public parking. The location of the ramp requires the shuttling of passengers by bus to Terminal 1. The cost of the shuttle service accounts for about one-half of the increase in the operating services category. The opening of this ramp buys the Commission time as it explores a long-term solution for public parking. To offset the increase in personnel costs as well as the increase in operating services, staff looked at all areas to minimize the impact of these added costs. Contracts were reviewed and, if possible, re-bid. Utilities were analyzed with an eye toward implementing energy efficient technologies where appropriate. Field maintenance was decreased to account for average winters over a five year history. For details regarding changes in revenues and expenses year over year, see the Operating Budget Revenue section and Operating Budget Expense section of the budget.

Operating Budget

The following table is a summary of 2013 Actual, 2014 Budget, 2014 Estimate and 2015 Budget Revenue and Expenses. This table includes both operating and non-operating items. (Explanations below are based on a comparison of estimated 2014 and budget 2015.)

2015 OPERATING BUDGET SUMMARY						
\$ = 000						
	2013 Actual	2014 Budget	2014 Estimate	2015 Budget	2014 Estimate vs 2015 Budget Comparison	
					Dollars	Percentage
OPERATING REVENUE						
Airline Rates and Charges	\$ 106,015	\$ 109,311	\$ 111,680	\$ 109,329	\$ (2,351)	-2.1%
Concessions	131,321	133,210	136,200	144,963	8,763	6.4%
Rentals/Fees	33,327	32,075	33,200	34,298	1,098	3.3%
Utilities & Other Revenues	15,382	13,981	14,550	14,820	270	1.9%
Total Operating Revenue	\$ 286,045	\$ 288,577	\$ 295,630	\$ 303,410	\$ 7,780	2.6%
OPERATING EXPENSE						
Personnel	\$ (71,107)	\$ (71,375)	\$ (72,750)	\$ (76,400)	\$ (3,650)	5.0%
Administrative Expenses	(1,407)	(1,527)	(1,600)	(1,665)	(65)	4.1%
Professional Services	(4,514)	(4,849)	(4,950)	(5,439)	(489)	9.9%
Utilities	(18,633)	(18,565)	(20,000)	(19,147)	853	-4.3%
Operating Services	(18,941)	(19,405)	(19,600)	(23,966)	(4,366)	22.3%
Maintenance	(29,305)	(29,971)	(31,800)	(33,656)	(1,856)	5.8%
Other	(2,950)	(3,102)	(3,100)	(3,304)	(204)	6.6%
Total Operating Expenses (Excludes Depreciation)	\$ (146,857)	\$ (148,794)	\$ (153,800)	\$ (163,577)	\$ (9,777)	6.4%
Net Operating Revenues	\$ 139,188	\$ 139,783	\$ 141,830	\$ 139,833	\$ (1,997)	-1.4%
Non-Operating Revenues & Expenses						
Add: Other Non-operating Revenue	\$ 15,114	\$ 15,344	\$ 15,075	\$ 16,801	1,726	11.4%
Less: Debt Service/Equipment/Other	(107,519)	(112,211)	(110,291)	(113,843)	(3,552)	3.2%
Total Non-Operating Revenues/Expenses	\$ (92,405)	\$ (96,867)	\$ (95,216)	\$ (97,042)	\$ (1,826)	1.9%
Net Revenues	\$ 46,783	\$ 42,916	\$ 46,614	\$ 42,791	\$ (3,823)	-8.2%

Airline rates and charges decreased 2.1% primarily due to an increase in concession sharing among the passenger airlines at MSP. In addition, the transfer of Spirit Airlines from Terminal 2 to Terminal 1 reduced revenue at Terminal 2 and had a minor impact on Terminal 1 revenue as the gates at Terminal 1 were already leased to another carrier. Terminal 2 was operating near capacity during 2014 and there were under-utilized leased gates at Terminal 1. The following table summarizes the major airline rates.

AIRLINE FEE TABLE				
	2013 Actual	2014 Budget	2014 Estimate	2015 Budget
Landing Fee (Per 1,000 lbs.)	\$ 2.62	\$ 2.65	\$ 2.70	\$ 2.73
Terminal 1				
Ramp Fee (Per Lineal Ft.)	\$ 594.50	\$ 596.71	\$ 626.17	\$ 650.86
Space Rate (Per Square Ft.)	\$ 62.86	\$ 65.20	\$ 66.50	\$ 64.71
Terminal 2 Gate Fee	\$ 760,851	\$ 795,885	\$ 795,885	\$ 789,904

Concessions is budgeted to increase 6.4% primarily as a result of a price increase for public parking as well as increase spending on concessions.

Non-operating revenues/expenses increased because of increases in equipment purchases as well as funding the Commission’s 6-month operating reserve.

Capital Improvement Process

Each year the Commission approves a seven-year Capital Improvement Program which is divided into three areas. The first area is approval of projects that will be initiated in year one of the program. The second area identifies projects which may be reviewed in detail to determine cost and feasibility. The third area of the program is the identification of potential projects in years three through seven. At the same time the final Capital Improvement Program is presented for approval, a plan for funding the first three years of the program is provided. The following table summarizes the most recent past program year (2014), the current three-year program (2015 – 2017) and funding summary.



**Day-Lighting Design at Terminal 1-
Lindbergh**

CAPITAL IMPROVEMENT PLAN (CIP) SUMMARY				
(\$=000)				
	2014	2015	2016	2017
CIP				
Minneapolis/St. Paul International Airport				
Field & Runway	\$ 5,250	\$ 12,200	\$ 4,850	\$ 2,650
Environmental	2,300	1,000	1,400	3,650
Terminal/Landside	82,600	124,025	233,850	360,710
Total Minneapolis/St. Paul International	90,150	137,225	240,100	367,010
Reliever Airports	4,300	5,200	7,600	13,300
Total All Airports	\$ 94,450	\$ 142,425	\$ 247,700	\$ 380,310
Funding				
Passenger Facility Charges (PFC's)	\$ 1,000	\$ 39,150	\$ 63,425	\$ 50,625
Federal and State Grants	10,204	16,625	10,675	6,250
General Airport Revenue Bonds	450	39,800	81,000	229,000
Internal/Airline Funds	47,796	46,850	87,600	86,935
Unfunded	35,000	-	-	-
Other	-	-	-	2,500
Total Funding	\$ 94,450	\$ 142,425	\$ 242,700	\$ 375,310

Going into the future, the Commission’s plan is to issue new debt to fund the capital program in 2016-2017. The purpose is to address the Commission’s parking capacity issues as well as a 3-gate expansion at Terminal 2.

Debt Service

Refundings

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

DEBT SERVICE SUMMARY				
(\$=000)				
Series Refunded	Refunding Year	Total Savings	Annual Savings	Present Value % Savings
Refund 1998A, 1999A, 2001A, & 2001C (1)	2007	\$ 33,050	\$ 2,330	5.19%
Refund 1998B (1)	2008	2,440	365	3.32%
Refund 1999B & 2000B (1)	2009	8,140	990	4.95%
Refund 2001B & 2001D (1)	2010	9,640	1,150	8.94%
Refund GO 13 (2)	2010	633	214	4.50%
Refund 2003A (1)	2011	3,318	369	6.10%
Refund 2003A (1)	2012	5,272	293	12.50%
Refund 2005 A,B & C (1)	2014	60,235	3,011	14.69%
		\$ 122,728	\$ 8,722	
Average Present Value Savings				7.52%
Total Average Interest Rate Prior to Refundings			5.25%	
Total Average Interest Rate After Refundings			4.79%	
(1) General Airport Revenue Bond (Garb) Refunding				
(2) General Obligation Revenue Bond (GO/Gorb) Refunding				

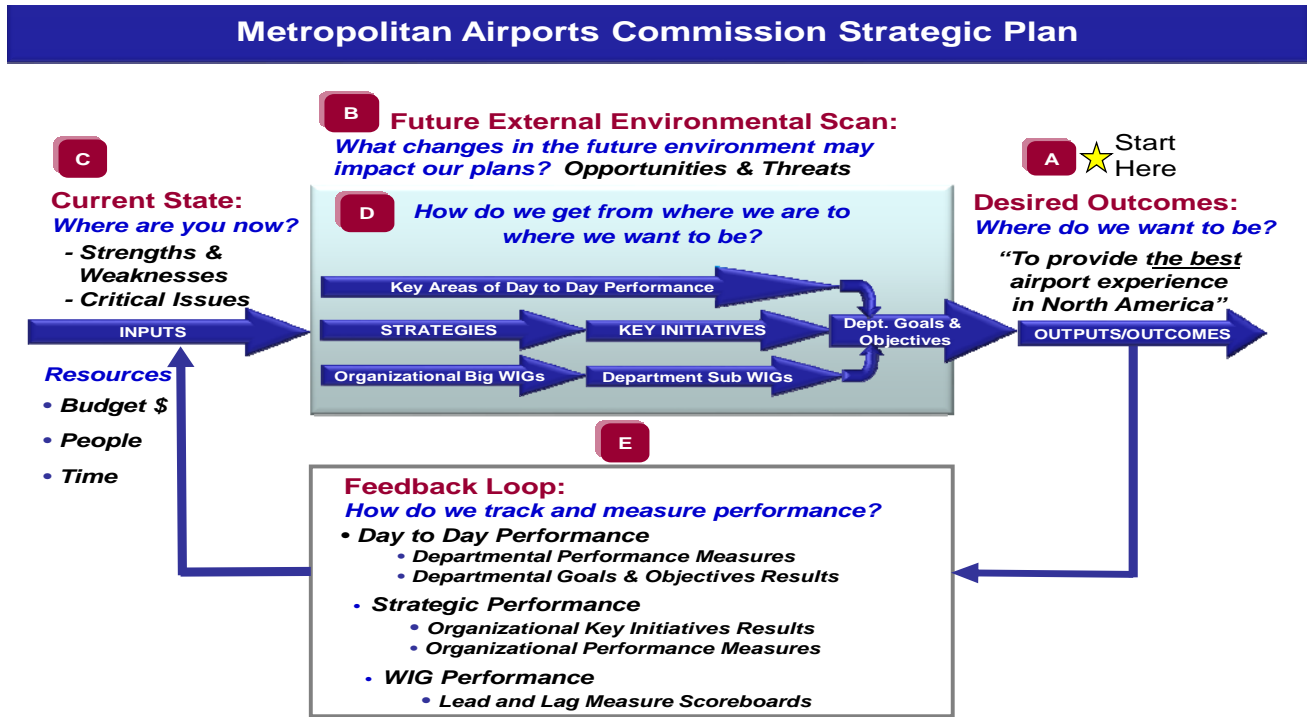
Recent Debt

The Commission issued \$135 million in debt in 2010 and \$40 million in 2012. The 2010 financing focused on needed terminal building projects that were prioritized to take advantage of the low interest rates and the Federal Stimulus package. (Under the Stimulus Package, terminal building projects which normally carry a higher AMT (Alternative Minimum Tax) rate could be funded at the lower non-AMT rate.) The 2012 issue was a taxable issue related to the Auto Rental Industry request for expanded facilities at Terminal 2-Humphrey.

Short Term Debt

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

Organizational Strategic Plan



Our strategic planning process asks a series of questions:

- A – Desired Outcomes: **“Where do we want to be?”**
 - Our Vision is “To provide the best airport experience in North America”
- B – Future External Environmental Scan:
“What changes in the future external environment may impact our plans?”
- C – Current State: **“Where are we now?”**
 - What are our internal strengths and weaknesses?
 - What are our critical issues?
 - What resources do we have?
- D – **“How do we get from where we are to where we want to be?”**
 - Key Areas of Day to Day Performance
 - Departmental Goals and Objectives
 - Organizational Strategic Goals
 - Organizational Key Initiatives
 - Organizational Big WIGs
 - Departmental Sub WIGs

- E – “**How do we track and measure results?**”
 - Key Areas of Day to Day Performance
 - Departmental Performance Measures
 - Departmental Goals and Objectives Results
 - Strategic Performance
 - Organizational Key Initiatives Results
 - Organizational Performance Measures
 - WIG Performance
 - Lead and Lag Measure Scoreboards

2015-2017 Organizational Strategic Goals

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

Our Key Areas Day to Day of Performance

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

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



Performance Measures						
Safety and Security	2009	2010	2011	2012	2013	2014
Reportable Crimes*	409	452	555	704	777	800
Security Breaches that Impact Passenger Traffic and/or Airport Operations	3	0	2	6	0	1
OSHA Recordable Injuries	23	20	30	35	19	27
MSP Runway Incursions	2	2	1	0	3	0
Reliever Runway Incursions (vehicle or pedestrian)	6 vehicles 0 pedestrians	6 vehicles 1 pedestrian	1 vehicle 0 pedestrians	0 vehicles 0 pedestrians	5 vehicles 1 pedestrian	5 vehicles 0 pedestrians
Financial	2009	2010	2011	2012	2013	2014
Debt Service Coverage Ratio	2.26X	2.33X	2.38X	3.32X	3.21X	3.35x Est
Airline Cost per Enplaned Passenger	\$6.04	\$6.03	\$6.32	\$6.42	\$6.76	\$6.76 Est
Non-Airline Operating Revenue per Enplaned Passenger	\$7.05	\$7.16	\$7.44	\$7.89	\$8.02	\$8.00 Est
Reliever Airports Net Operating Revenue (\$ = 000)**	\$235	\$292	(\$274)	\$135	N/A	N/A
General Aviation Net Operating Revenue (\$=000)**	N/A	N/A	N/A	N/A	\$1,333	TBD
Environment	2009	2010	2011	2012	2013	2014
Environmental Stewardship Index	41.23	41.50	44.10	52.95	52.65	TBD
Employee Engagement	2009	2010	2011	2012	2013	2014
Employee Engagement Index	NA	NA	3.79	3.74	3.78	3.8
Employee Turnover	3.36%	3.38%	5.11%	5.27%	5.44%	6.25%
Customer Experience	2009	2010	2011	2012	2013	2014
Airport Service Performance Rating (ACI Survey Scale 1-5)	4.18	4.19	4.21	4.24	4.28	4.29
Compliments to Complaints Ratio	0.34	0.52	0.62	0.37	0.52	0.44
Development	2009	2010	2011	2012	2013	2014
CIP*** Implementation	97.5%	97.8%	95.9%	96.3%	98.3%	100.0%
Pay-As-You-Go PFC**** Availability	5 Years	4.4 Years	4.4 Years	4.4 Years	3 Years	0 Years

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

Performance Measures						
Operations	2009	2010	2011	2012	2013	2014
Annual MSP Operations	432,395	436,625	436,509	425,332	431,328	412,695
Enplaned Passengers	15,551,000	15,714,000	15,972,000	16,020,000	16,932,461	17,022,809
Non-stop Domestic Destinations	113	114	118	114	118	112
Non-stop International Destinations	21	21	20	20	20	21
Competitive Destinations	33	33	35	42	40	42
Annual Reliever Operations	389,843	382,088	386,383	358,956	338,024	300,965
Reliever Airport Tenants	802	814	802	832	836	815
Reliever Based Aircraft	1,531	1,531	1,452	1,525	1,370	1,375
*Reflects all Part I & Part II crimes (Uniform Crime Reporting (UCR) divides offenses into these 2 groups based on severity). **This measure is no longer relevant due to changing from a reliever airport model to a general aviation model and will not be used in 2013 and beyond. The measure will be changed to General Aviation Management Model Amount going forward. ***Capital Improvement Program ****Passenger Facilities Charges						

Future Outlook

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

- Assure Financial Viability
- Provide a Great Customer Experience
- Develop Employee Talent
- Leverage Resources and Technology
- Strengthen Partnerships and Alliances
- Enhance Air Service at MSP
- Integrate Sustainability into Our Culture

Assure Financial Viability

We will ensure that MAC has the financial resources necessary to operate our airport system, meet all debt service requirements in any scenario and maintain our existing bond ratings. Items that we will be focusing on during 2015 include the following:

- Issue Phase 1 of the Concessions RFP by March 2015 and award contract(s) by October 2015.
- Upgrade the parking revenue control system to industry standard for chip-and-pin bank card payment technology by December, 2015.
- Increase commercial real estate development at Flying Cloud and Anoka County-Blaine airports a minimum of \$1 million by December, 2015.
- Develop and submit to the FAA by December, 2015 PFC applications 12, 13, and 14 to enable MAC to enhance our cash flow position.

Provide a Great Customer Experience

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

- Complete three additional sets of restroom remodels on Concourses C and E and Tram Level at Terminal 1 by June, 2015.
- Provide additional parking capacity using the existing Quick Ride Ramp by March, 2015 to maintain

- parking diversions from Terminal 1 to Terminal 2 to no more than 3.2% on Tuesdays and Wednesdays.
- Design and construct an outdoor public aircraft viewing area at MSP by December, 2015.
- Evaluate options and finalize a plan for solving the long term parking need at MSP by August, 2015.
- Issue airport hotel RFP by January, 2015 and conclude program design phase by December, 2015.

Develop Employee Talent

As employees retire or leave the Commission, we want to make sure that the right people with the right skills and experience are in the right place to fulfill MAC's mission and achieve our vision. For 2015, the key initiatives are:

- Review current and potential employee recognition practices and formulate a MAC recognition program by December, 2015.
- Complete Phase 1 of departmental talent reviews by December, 2015.
- Create and implement a plan for increasing employee diversity with a focus on public safety and entry level management positions by December, 2015.

Leverage Resources and Technology

We want to take full advantage of resources and technology to improve performance, increase productivity and deliver cost-effective services. For 2015, we will increase the use of existing technology internally at the MAC and externally with customers. Some specific items include:

- Develop an enterprise wide technology strategic plan to support MAC's strategic plan and help individual departments leverage technology to improve overall efficiency by December, 2015.
- Update continuity of operations plan to include technology issues and concerns by December, 2015.
- Further develop MACpoint functionality and monitor content to ensure it is up to date by December, 2015.
- Improve international passenger processing times at Terminals 1 & 2 by installing Mobile Passport Control (MPC) technologies by December, 2015.
- Create a MACpoint site for fully searchable Commission and Committee meeting records to be kept, with a searchable index by December, 2015.
- Put all public and non-public Commission and Committee meeting records (agendas, packages and minutes) from 2012 to 2014 in searchable format and in searchable MACpoint directories by December, 2015.

Strengthen Partnerships and Alliances

We plan to expand effectiveness through internal teamwork and strengthening external relationships and partnerships with tenants, concessionaires, airlines, neighboring communities, regional businesses and governmental agencies. The key focus areas for 2015 will be the following:

- Develop and implement readiness training, including tabletops, mock drill and scalable active shooter drills with Airport Police Department (APD) officers, MAC employees, Airport Fire Department (AFD), Energy Management Center (EMC) and neighboring law enforcement partners by December, 2015.
- Complete Long Term Comprehensive Plans (LTCPs) for MSP and the six reliever airports by December, 2015.

Enhance Air Service at MSP

We strive to provide airlines and the traveling public with expanded alternatives by enhancing domestic, regional and international service at MSP. In 2015, we plan to do the following:

- Develop a three-year strategic marketing plan for increasing air service options at MSP by October, 2015.

Integrate Sustainability into Our Culture

We plan to formally incorporate sustainability into the way we do business. The key focus areas for 2015 will be the following:

- Integrate sustainability into the organization's framework, including mission, values and the strategic planning process by February, 2015.
- Develop a formal sustainability management plan for the MAC by December, 2015.

GFOA Budget Award

The Government Finance Officers Association (GFOA) of the United States and Canada presented an award of Distinguished Budget Presentation to the Minneapolis-St. Paul Metropolitan Airports Commission for its annual budget for the fiscal year beginning January 1, 2014.

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

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for the 2015 award.

Acknowledgement

The budget is the result of countless hours of work by the staff of the Finance Department and by Commissioners who served on the Finance and Administration Committee. A very special thanks goes out to all MAC staff who worked especially hard to develop the final 2015 Budget. Through this hard work and effort, we hope that the MAC will continue to be one of the most safe, efficient and cost effective airport operators in the nation. It is significant to note that the Distinguished Budget Presentation Award has been presented to the Commission annually by GFOA since 1985.

Respectfully submitted,

Jeffrey W. Hamiel
Executive Director/CEO

Stephen L. Busch
Vice President –
Finance & Administration

Robert Schauer
Director – Finance



2014 Budget Award

Other Awards

Metropolitan Airports Commission Awards			
Year	Source of Award	AWARD	Group Judged/Rated
2014	American Council of Engineering Companies of MN	Honor Award – North Side Storm Sewer – MSP Airport	Category F – Waste and Storm Water
2014	Int'l Parking Institute	Merit Award – Parking Ramp Rehabilitation	Innovative Parking Programs
2014	USA Today Readers' Choice	Best Airport for a Layover	Large Hub Airports
2014	American Council of Engineering Companies of MN	Grand Award: I-494/34gth Ave. Interchange Diverging Diamond – MSP Airport	Various projects designed by Minnesota Engineering Companies
2014	American Public Works Association	Project of the Year Award: I-494/34gth Ave. Interchange Diverging Diamond	Transportation projects
2014	Women in Transportation Society	Innovative Transportation Solutions Award: I-494/34gth Ave. Interchange Diverging Diamond	Innovative Transportation
2014	American Council of Engineering Companies of MN	Grand Award: Concourse E Restroom Upgrades – MSP	Engineering disciplines throughout Minnesota
2014	National Terrazzo and Mosaic Association	Honor Award: Job of the Year for Fine Terrazzo – MSP Airport	Job of the Year – national competition
2014	USA Today Readers' Choice	Best Airport Food – French Meadow	Large Hub Airports
2014	Airport Revenue News	Best Overall Concessions Program	Large Hub Airports
2014	Airport Revenue News	Best Retail Concept-Small Division – Uptown Minnesota	Large Hub Airports
2014	Airport Revenue News	Best Retail Concept-Large Division – Aveda	Large Hub Airports
2014	Foodie Awards	Food to Go Offer of the Year – Cibo Express Gourmet Markets	Large Hub Airports
2014	Foodie Awards	Wine of the Year – Surdyk's Flights Wine Market	Large Hub Airports
2014	Environmental Initiative Awards	Sustainable Star Solar PV and LED Lighting Project	Large Hub Airports
2013	State of MN Dept. of Transportation and Concrete Paving Assn. of MN	Merit Award – Pavement Construction Terminal 2-Humphrey Apron Expansion – MSP Airport	Category 8 – Commercial Service and Military Airports
2013	Airport Revenue News	First Place – Best Airport Award for Large Airport Division – Airport with the Best Concessions Program Design	Large Hub Airports
2013	Airports Council Int'l – North America	First Place – Best Airport Award for Large Airport Division – Airport with the Best Food & Beverage Program Design	Large Hub Airports
2012	Airports Council Int'l – North America	1 st Place – Green Practice – Organics Recycling Program	Airport Concessions
2012	State of MN Dept. of Transportation and Concrete Paving Assn. of Minnesota (CPAM)	Merit Award – Pavement Reconstruction Concourse C at MSP International Airport	Commercial Service and Military Airports
2012	YWCA	Commitment to Lead Discussion on Racism	Various Organizations
1985 through 2014	Government Finance Officers Association	Distinguished Budget Presentation Award	Various Government Organizations

Metropolitan Airports Commission Awards			
Year	Source of Award	AWARD	Group Judged/Rated
1984 through 2013	Government Finance Officers Association	Certificate of Achievement for Excellence in Financial Reporting	Various Government Organizations
2011	Airports Council Int'l – North America	Excellence in Airport Concessions – 2nd Place – Concourse C Cart Program	Large Airports – Best Specialty Retail Program
2011	Airports Council Int'l – North America	Excellence in Airport Concessions – 1st Place – Surdyk's Flights	Large Airports – Best New Food & Beverage Specialty Retail Program
2011, 2010, 2009	American Heart Association	Fit-Friendly Company Award	Companies and governmental agencies with wellness activities/promotions available to employees
2011, 2010 2009	Hennepin County	Wellness by Design – Silver Award Gold Award	Companies and governmental agencies with wellness activities/promotions available to employees
2011	Federal Aviation Administration	Airport Partnership for Excellence in Wildlife Management	FAA-Certified Airports
2011	American Concrete Paving Association	MSP Taxiway C Extension	Commercial Service and Military Airports
2011	American Council of Engineering – MN Chapter	Merit Award – MSP Airport Taxiway C-D Complex	ACEC – State of Minnesota Level Competition
2011	American Council of Engineering Companies – MN Chapter	Merit Award: MSP Airport Taxiway C-D Complex	State of Minnesota Level Competition
2010	International Parking Institute	Award of Merit-Design of the Orange "Value Ramp" Terminal 2	Commercial parking facilities
2010	Minnesota Society of Professional Engineers	Seven Wonders of Engineering Award for the Orange "Value Ramp" at Terminal 2	Engineering projects in Minnesota
2010	Minnesota Society of Professional Engineers	Seven Wonders of Engineering Merit Award for the St. Paul Downtown Airport Flood Protection Improvements	Engineering projects in Minnesota
2010	Transportation Security Administration (TSA)	Seven Wonders of Engineering Award for the Orange "Value Ramp" at Terminal 2	Engineering projects in Minnesota
2010	American Council of Engineering Companies	Honor Award for the St. Paul Downtown Airport Floodwall Protection System	Civil engineering projects
2010	Minnesota Department of Transportation	Partnership Award – Outstanding Contributions	TSA Employee and Stakeholders
2010	Minnesota Council of Airports	Project of the Year Award for the Flying Cloud Airport expansion	Improvement projects at Minnesota airports
2010	Public Relations Society of America, Minnesota Chapter	Classics Award for the top video in the public service announcements category, for promotion of MSP Value Parking	Public service announcements in Minnesota
2010	J.D. Power and Associates	2 nd Best Large Airport in America (tie with Denver)	U.S. Airports with 30 million or more passengers per year
2010	Conde Nast digital travel publication <i>Jaunted</i>	Top 5 Airport for Traveling with Children	U.S. Airports
2010	U.S. Dept. of Homeland Security, TSA	Partnership Award – Outstanding Support of TSA Mission in MN	TSA Stakeholders
2010	Zagat	Sixth highest airport quality rating among U.S. airports	30 U.S. Airports
2010	Travel + Leisure	3 rd Best Airport in America Overall #1 in U.S. for Food and Shopping 3 rd Best for Entertainment	U.S. Airports

Metropolitan Airports Commission Awards			
Year	Source of Award	AWARD	Group Judged/Rated
2000-2001, 1996-1997, 1991-1992, 1990-1991, 1985-1986, 1981-1982	International Aviation Snow Symposium-American Association of Airport Executives	Balchen-Post Award	Large hub U.S. Airports



Mosaic Floor Feature at Terminal 1-Lindbergh



Enjoying the Mosaic at Terminal 2-Humphrey

The Organization



Overlooking Downtown St Paul



Overlooking Downtown Minneapolis

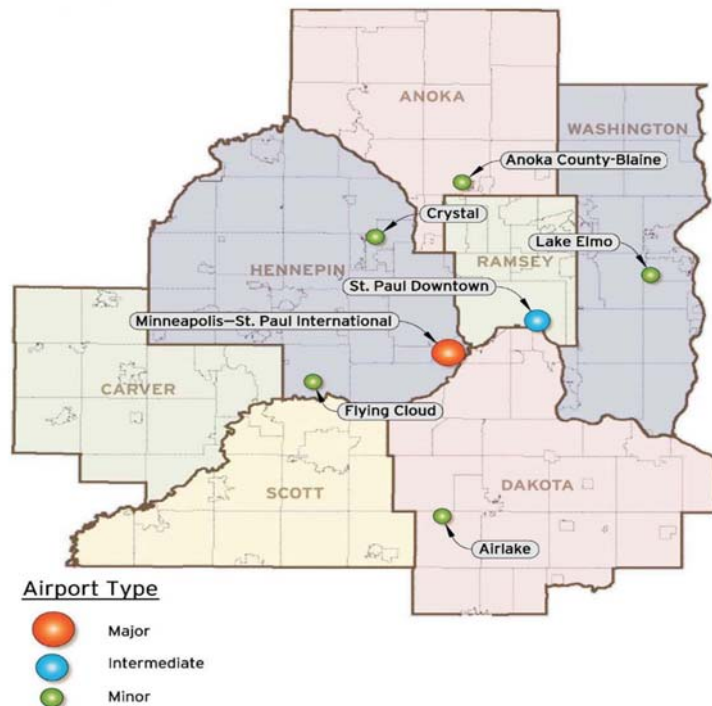
The Commission

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

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

Commission Jurisdiction 35 Mile Radius

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



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



Dan Boivin
Commission Chair



Jeff Hamiel
Executive Director/CEO



Dennis Probst
Executive Vice President



Carl Crimmins
District A



Rick King
District B



Lisa Peilen
District C



Steve Cramer
District D



James Deal
District E



Michael Madigan
District F



James Hamilton
District G



Tammy Mencil
District H



Erica Prosser
City of Minneapolis



Pat Harris
City of St Paul

Representing the Greater Minnesota Area



Timothy Geisler



Patti Gartland



Donald Monaco



Paul Rehkamp

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

Committee	Time of Meeting	Meeting Place
Finance & Administration (F&A)	Meetings are held on the first Monday of each month at 9:30 a.m.	Terminal 1-Lindbergh
Planning, Development & Environment (PD&E)	Meetings are held on the first Monday of each month at 10:30 a.m.	Terminal 1-Lindbergh
Management & Operations (M&O)	Meetings are held on the first Monday of each month at 1:00 p.m.	Terminal 1-Lindbergh
Full Commission	Meetings are held on the third Monday of each month at 1:00 p.m.	Terminal 1-Lindbergh

All financial information is reported to and acted upon at the Finance and Administration Committee (F&A) and reported to the Full Commission. The following information summarizes the general financial areas that the F&A Committee dealt with in 2014:

- Audits
 - Financial Audits
 - Tenant Audits
 - Internal Policy/Procedure Audits
 - Annual Internal Audit Plan
- Bonds/Debt/Capital Funding
 - Passenger Facility Charge Application and Amendments
 - Investment Policy Adoption
- Operating Budget
 - Monthly Reports
 - Ratification of 2013 Expenditures
 - Distribution of 2013 Net Revenues/Unrestricted Cash
 - 2015 Budget Targets
 - 2015 Preliminary and Final Budgets
- Human Resources and Affirmative Action
 - Human Resource and Affirmative Action Policies and Procedures
 - Employee Benefits
 - Labor Agreement Ratifications

Divisions

Under the direction of the Commission, MAC’s organizational structure is made up of four divisions within the Operating Fund. The four divisions are: Executive; Finance & Administration; Planning, Development & Environment; and Management & Operations. The Executive Division oversees all Metropolitan Airports Commission business and is directly responsible to the MAC’s Board of Commissioners. The chart on the next page identifies the organizational structure by division. In 2012, the Metropolitan Airports Commission reorganized the divisions and the seven divisions became four.

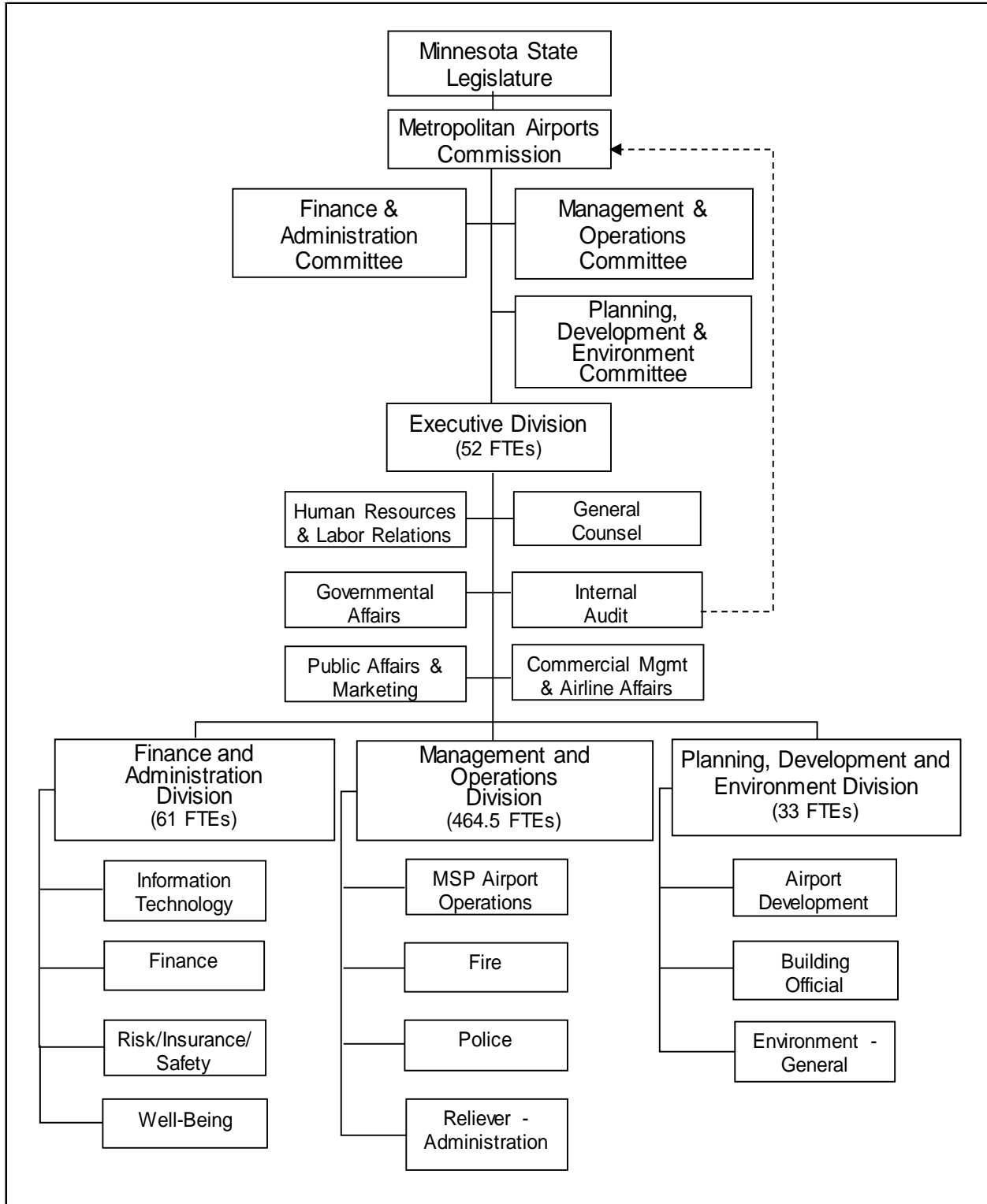
The following are the changes made in the organization in recent years to better reflect the service center responsibilities and reporting structure:

- In 2013, the Call Center merged into the Public Affairs and Marketing Department.
- In 2014, Emergency Communications merged into the Police Department.
- In 2014, the Wellness service center was re-named Well-Being.
- In 2014, Landside-Parking and Landside-Operations service centers merged into Landside-Administration.
- In 2015, the Information Services service center was re-named Information Technology.

Service Centers

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

Organizational Chart



Organizational Structure by Division and Service Center

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

Full Time Equivalent Positions (FTEs)

The total overall 2015 budgeted FTEs are 610.5 and are allocated between the service centers based on needs of the organization. The additional FTE count in 2015 is necessary to meet legal mandates and regulatory requirements to ensure a safe and secure airport system and to assume responsibilities of the G Concourse.

In the 2012 budget, three new FTE positions were included. In addition, two trainees to replace upcoming retirements were added to increase the position count to 583. In 2013, the airline industry began to stabilize and the economy was slowly recovering. Two new positions were added for a total count of 585 budgeted FTEs.

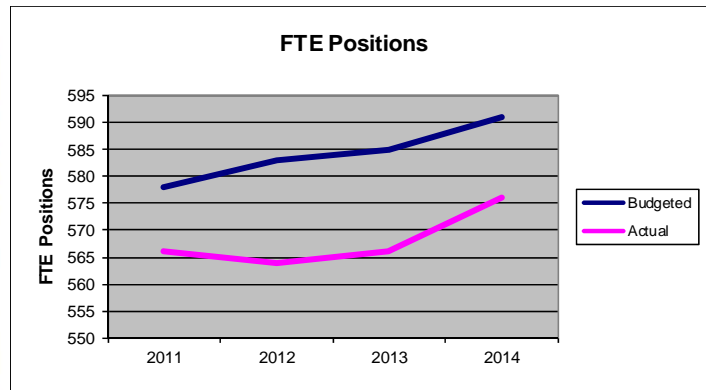
In 2014, six temporary operations staff at Terminal 2-Humphrey were made into regular status positions resulting in 591 budgeted FTEs.

As previously indicated, 2015 brought about 10 new positions to fill in departments that require extra support such as Trades staffing needed to assume the operational control of the G Concourse from Delta. Also, 9.5 part time and provisional PSA staff became full time to reflect the actual hours worked by these employees. In addition, the actual salary amount for budgeted positions is adjusted to reflect a limited vacancy factor to account for time to fill open positions.

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

The following table and graph compares budgeted and actual FTEs. Although budgeted FTEs are authorized to meet legal mandates and regulatory requirements, actual FTEs are less because of employee turnover and the amount of time it takes to fill open positions. The graph shows an overall increase in positions across the years as the airlines stabilize, the economy recovers and MAC adds positions to cover areas in need of additional staffing.

FTE Positions	2011	2012	2013	2014	2015
Budgeted	578	583	585	591	610.5
Actual	566	564	566	576	TBD



MAC Police and Fire Departments raised funds for Special Olympics. The Minnesota Plane Pull raised over \$30,000 with the help of MAC Police. MAC Fire and Police also raised funds during the Polar Plunge. Annually, MAC walks to raise funds for the American Heart Association and the Relay for Life.

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

Service Center	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2014 Budget	2015 Budget
	As of 12/19/11	As of 12/20/12	As of 12/27/13	As of 12/15/2014		
Executive						
75000 Executive - General	2	3	3	3	3	3
75100 Executive - Commissioner	0.5	0.5	0.5	0.5	0.5	0.5
75700 Human Resources & Labor Relations	2	2	3	3	3	3
76000 Public Affairs & Marketing	5	5	7	7	7	9 ¹
76100 Air Service - Business Development	0.5	0	0	0	0	0
76600 HRD & Strategic Planning	3	3	3	3	3	3
78300 Internal Audit	4	4	4	4	4	4
79500 Governmental Affairs	3	1	1	1.5	2	1.5 ²
80000 Commercial Mgmt & Airline Affairs	5	5	5	5	5	5
80100 Concessions & Business Development	3	4	4	4	4	4
80600 Diversity	2	2	2	2	2	2
81000 General Counsel	8	9	8.5	8.5	9	9
81500 Employee Relations	6	6	6	5	6	5 ³
82050 MSP Airport Conference Center	3	3	2	3	3	3
Total Executive	47	47.5	49	49.5	51.5	52
BUDGET	47	48	51.5	51.5	51.5	52
Finance & Administration						
75600 Finance & Administration	2	2	2	2	2	2
76800 Risk/Insurance/Safety	5	5	5	6	5	6 ³
78000 Finance	16	15	15	15	15	15
78100 MAC General	0	0	0	0	0.5	4.5 ⁴
78200 Purchasing	7.5	7.5	7.5	7.5	7.5	7.5
79000 Information Technology	22	23	23	26	25	26 ⁵
Total Finance & Administration	52.5	52.5	52.5	56.5	55	61
BUDGET	61	61	58.5	55	55	61
Planning, Development & Environment						
75500 Planning, Development & Environment	2	1	2	2	2	2
77000 Airport Development	15	15	12	13	16	16
77100 Building Official	2	2	2	2	2	2
85000 Environment - General	2	1	2	5	4	5 ⁶
85100 Environmental Affairs	3	3	3	3	3	3
85300 Aviation Noise Program	7	6	7	5	5	5
Total P, D & E	31	28	28	30	32	33
BUDGET	31	31	31.5	32	32	33



MAC Police sponsored the second annual “Night to Unite” to encourage crime prevention awareness and strengthen police/community partnerships

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

Service Center	2011	2012	2013	2014	2014	2015
	Actual	Actual	Actual	Actual	Budget	Budget
	As of 12/19/11	As of 12/20/12	As of 12/27/13	As of 12/15/14		
Management & Operations						
75800 Operations	3	4	4	3.5	4	3.5 ²
82000 MSP Airport Operations	4	5	3	3	3	3
82060 Call Center	2	0	0	0	0	0
82600 Airside Operations	15	15	15	15	15	16 ⁷
82700 Emergency Communications	15	13	17	0	0	0
83400 Landside - Administration	23.5	23	24.5	24.5	24.5	34 ⁸
83600 Fire	48	49	48	49	49	49
84200 Police	114	113	113	125	135	133 ⁹
85500 Facilities - Terminal 2	3	3	3	9	9	9
86100 Facilities - Terminal 1	10	10	8	10	10	10
86300 Facilities - Energy Management Center	16	20	21	21	21	22 ¹⁰
88000 Trades - Electricians	18	18	18	18	18	19 ¹¹
88100 Trades - Painter	8	8	8	8	8	9 ¹¹
88200 Trades - Carpenter	9	9	9	9	9	10 ¹¹
88300 Trades - Plumber	8	8	7	9	8	9 ¹¹
88400 Trades - Administration	2	2	2	2	2	2
89000 Field Maintenance	111	110	111	107	111	110 ⁷
90000 Reliever - Administration	8	8	7	8	8	8
90200 Reliever - St. Paul	7	7	7	7	7	7
90300 Reliever - Lake Elmo	1	1	1	1	1	1
90400 Reliever - Airlake	1	1	1	1	1	1
90500 Reliever - Flying Cloud	3	3	3	3	3	3
90600 Reliever - Crystal	3	3	3	3	3	3
90700 Reliever - Anoka	3	3	3	4	3	3
Total Management & Operations	435.5	436	436.5	440	452.5	464.5
BUDGET	439	443	443.5	452.5	452.5	464.5
TOTAL ACTUAL FTEs	566	564	566	576	N/A	N/A
TOTAL BUDGET FTEs	578	583	585	591	591	610.5

FTEs differ between the 2014 and 2015 budgets for the following reasons:

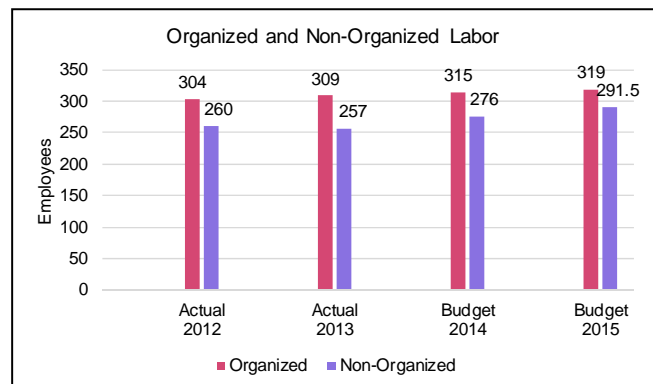
- (1) Two new positions, a specialist and a videographer, are budgeted for the Public Affairs and Marketing service center.
- (2) An open position from a retirement was placed into MAC General and one FTE is shared between Governmental Affairs and Operations.
- (3) One FTE moved from Employee Relations to Risk/Insurance/Safety.
- (4) As employees leave, positions are re-evaluated and open FTEs are maintained in MAC General.
- (5) A new SharePoint Administrator position is budgeted for Information Technology.
- (6) A new Sustainability Manager position was created in Environment General.
- (7) One FTE moved from Field Maintenance to Airside Operations.
- (8) Part-time and provisional Passenger Service Assistants were re-classified to full-time to reflect actual hours worked resulting in an additional 9.5 FTE positions.
- (9) Two open positions in the Police service center moved to MAC General.
- (10) The Energy Management Center will receive an additional FTE to assume the operational control of the G Concourse from Delta.
- (11) The Electricians, Painters, Carpenters and Plumbers will each receive an additional FTE to assume the operational control of the G Concourse from Delta.

Regular Status Full Time Equivalent Position Count by Job Classification				
	2012	2013	2014	2015
	Actual	Actual	Budget	Budget
Organized				
Local 70 Operating Engineers	17	17	17	18
49er's Equipment Maintenance	22	22	22	21
320's - MSP Int'l - Field	74	75	75	75
320's - MSP Int'l - Facilities	2	2	2	2
320's - Reliever Airports	17	18	18	18
Painters -386	8	8	8	9
Carpenters - CAR	9	9	9	10
Plumbers -034	8	7	8	9
Electricians - 292	18	18	18	19
Emergency Communications Specialists	9	15	15	13
Police Lieutenants/Sergeants - 307	19	18	19	19
Police Officers - 302	56	56	59	61
Firefighters - S6	36	36	36	36
Fire Captains - S6	9	8	9	9
Total Organized	304	309	315	319
Non-Organized				
Chairperson/Executive Director	1.5	1.5	1.5	1.5
Vice Presidents/Directors/Assistant Directors	23	23.5	25	26
Managers/Assistant Managers/Supervisors	85	86	89.5	92
Police Chief/Fire Chief	2	1	2	2
Community Service Officers	14	13	13	9
Passenger Assistants	12	12.5	12.5	22
Fire Marshall/Training Coordinator	2	2	2	2
Police Commander/Deputy Chief/Training Coordinator	4	4	4	3
Administrative/Professional/Technical Support	114.5	113.5	125.5	129.5
Unassigned	2	0	1	4.5
Total Non-Organized	260	257	276	291.5
Total MAC	564	566	591	610.5

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



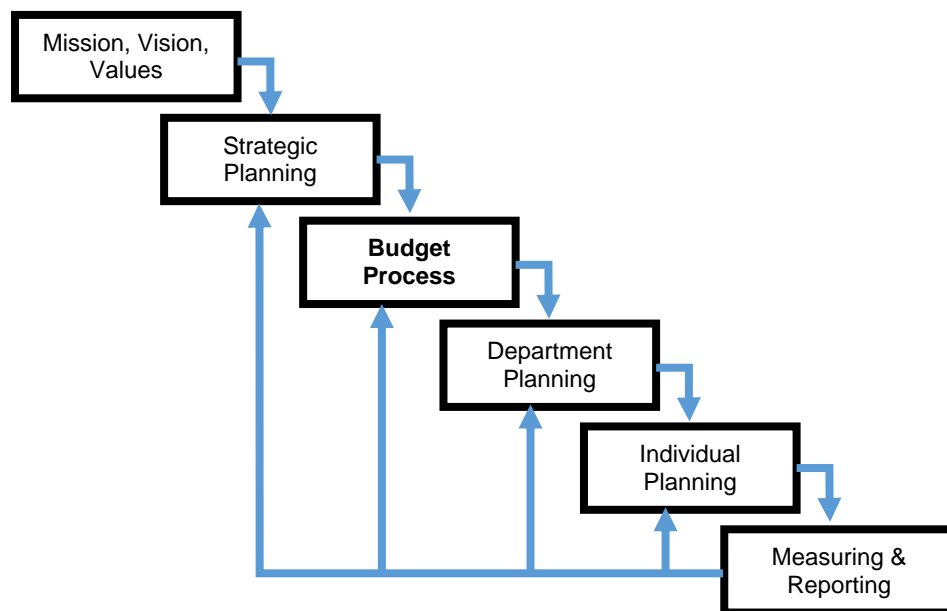
MAC staff participate in the Perk's MessFest to raise funds and awareness for kids with cancer



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Budget Process & Financial Policies

Budget Process



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

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

The draft Strategic Plan is presented to the Commission in conjunction with the proposed annual budget targets. The targets for the 2015 budget are presented in the Executive Summary section.

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

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

Full Time Equivalent (FTE) Requests

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

Other Costs

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

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

Controllable Expenses

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

Budget Schedule

In April, the Finance & Administration Committee provides direction to staff regarding growth and allocation of funds or budget targets. The direction provided by the Finance and Administration Committee is communicated to staff at various informational meetings and is included in their budget packages. The Commission approves the targets in June after a 30-day public comment period.

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

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

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

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

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

The Finance and Administration Committee will receive updates from staff during October and November. The recommendation from the Finance and Administration Committee for final approval is requested at the December Commission meeting. Final approval of the 2015 Operating Budget was given at the December Commission meeting. Notifications of rate changes are sent at the beginning of December based upon assumed approval from the Full Commission. (Changes, if necessary, are communicated upon final approval.)

Capital Improvement Plan – Schedule

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




















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

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

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

Calendar

A summary of the budget calendar is presented below:




Budget Summary Calendar	
<p>January</p> <ul style="list-style-type: none">  CIP discussions  Strategic Planning 	<p>October</p> <ul style="list-style-type: none">  Budget presentation to airlines and Commission  CIP public hearing published
<p>April</p> <ul style="list-style-type: none">  Strategic Plan approval  Budget targets presented 	<p>November</p> <ul style="list-style-type: none">  CIP public hearing
<p>June</p> <ul style="list-style-type: none">  Budget targets adopted after 30 day public comment  Budget and planning databases open for input  Preliminary budget - compliance with State Statutes -taxing purposes  CIP draft developed 	<p>December</p> <ul style="list-style-type: none">  Preliminary and final notice of rate changes presented to all tenants  Budget approval by Commission  Final approval of CIP by Commission  CIP distributed to MAC staff, Metropolitan Council, State Historical Society and affected communities
<p>September</p> <ul style="list-style-type: none">  Budget draft presented to airlines, State Legislature and Commission  Preliminary CIP approved for environmental purposes  CIP mailed to affected communities 	<p>February</p> <ul style="list-style-type: none">  Budget book is completed

The following schedule provides additional details for the budget cycle beginning in January, which is also the Metropolitan Airports Commission fiscal year.



JANUARY

Task:	Responsibility:
 Discusses Initial CIP.	Airport Development
 Discusses Initial Strategic Planning.	Full Commission




APRIL

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




MAY

Task:	Responsibility:
 Opens budget databases and strategic planning databases for input (late May and/or early June). Begins training of budget specialists.	Finance
 Recommends information regarding inflation factors, wage and contract adjustments to the Departments.	Finance

JUNE

Task:	Responsibility:
 Presents preliminary budget to F&A Committee (required in compliance with State Statutes – Taxing Purposes).	Finance
 Develops draft Preliminary CIP.	Airport Development
 Adopts budget targets after 30-day public comment period.	Finance

JULY

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

AUGUST

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

SEPTEMBER

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

OCTOBER

Task:	Responsibility:
✈ Presents budget update to the F&A Committee.	Finance/Senior Staff
✈ Revises budget as required.	Finance
✈ Presents to airlines.	Finance
✈ Publishes notice of CIP public hearing.	Airport Development

NOVEMBER

Task:	Responsibility:
✈ Presents budget update to F&A Committee.	Finance
✈ Revises budget as required.	Finance
✈ Holds public hearing regarding CIP.	Airport Development

DECEMBER

Task:	Responsibility:
✈ Presents preliminary notice of rate changes to all tenants.	Finance
✈ Approves budget for recommendation to full Commission.	F&A Committee
✈ Approves budget.	Full Commission
✈ Notifies of any changes in rates from preliminary information to all tenants.	Finance
✈ Presents final CIP to PD&E.	Airport Development
✈ Approves final CIP.	PD&E Committee
✈ Distributes CIP to MAC Departments, Metropolitan Council, State Historical Society and affected communities.	Airport Development

FEBRUARY

Task:	Responsibility:
✈ Completes Budget Book.	Finance

Amendment Process

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

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

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

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

The individual line-items will include the following:

Personnel

- Salaries & Wages
- Benefits
- Total Personnel

Administrative Expenses

Professional Services

Utilities

Operating Services

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

Non Operating Expenses

- Debt Service
- Equipment Purchases
- Other
- Total Non-Operating Expenses

Maintenance

- Trades
- Building
- Field
- Equipment
- Cleaning
- Total Maintenance

Other

- General Insurance
- Other
- Minor Equipment
- Total Other



Surdyk's Mall Seating is a Popular Location for Airport Customers

Approved Summary of Operating and Non-Operating Revenue and Expense

The Commission approved the 2015 budget in December 2014. The following tables summarize revenue and expense, including non-operating revenue and expense, and compare the 2015 budget to the 2014 year-end estimate.

Metropolitan Airports Commission Operating & Non-Operating Summary 2015 Budget						
	2013	2014	2014	2015	2014 Estimate vs 2015 Budget	
	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Budget</u>	Dollar Change	% Change
OPERATING REVENUE						
Airline Rates & Charges						
Airline Agreement						
Landing Fees	\$ 55,416,850	\$ 56,222,487	\$ 57,800,000	\$ 59,237,642	\$ 1,437,642	2.5%
Ramp Fees	6,802,666	6,670,620	7,000,000	7,263,598	263,598	3.8%
Airline R&R	3,451,805	3,585,784	3,580,000	3,720,273	140,273	3.9%
Lindbergh Terminal - Rentals	35,730,492	36,982,559	37,600,000	36,455,784	(1,144,216)	-3.0%
Lindbergh Terminal - Other	3,949,974	5,128,718	4,700,000	5,717,085	1,017,085	21.6%
Concessions Rebate	(9,889,131)	(9,840,000)	(10,100,000)	(13,060,677)	(2,960,677)	29.3%
Total Airline Agreement	95,462,656	98,750,168	100,580,000	99,333,705	(1,246,295)	-1.2%
HHH Lobby Fees	8,803,720	9,010,064	9,400,000	8,133,359	(1,266,641)	-13.5%
HHH Other / Passenger Fees	1,748,455	1,551,257	1,700,000	1,862,335	162,335	9.5%
Total Airline Rates & Charges	\$ 106,014,831	\$ 109,311,489	\$ 111,680,000	\$ 109,329,399	\$ (2,350,601)	-2.1%
Concessions						
Terminal						
Food & Beverage	\$ 14,742,916	\$ 14,634,770	\$ 15,700,000	\$ 16,006,851	\$ 306,851	2.0%
New s	3,495,159	3,739,271	3,600,000	3,631,019	31,019	0.9%
Retail Stores	4,993,818	4,728,133	4,700,000	4,935,722	235,722	5.0%
Passenger Services	4,657,079	4,527,115	4,100,000	4,782,487	682,487	16.6%
Total Terminal/Other	27,888,972	27,629,289	28,100,000	29,356,079	1,256,079	4.5%
Parking/Ground Transport						
Parking	76,568,952	77,925,785	81,000,000	87,776,061	6,776,061	8.4%
Ground Transportation	5,401,222	5,347,046	5,600,000	5,169,046	(430,954)	-7.7%
MSP Employee Parking	2,413,868	2,628,779	2,900,000	3,152,168	252,168	8.7%
Auto Rental - On Airport	17,732,206	17,800,935	17,600,000	17,601,000	1,000	0.0%
Total Parking/Ground Transport	102,116,248	103,702,545	107,100,000	113,698,275	6,598,275	6.2%
Other Concessions	1,315,590	1,877,726	1,000,000	1,908,240	908,240	90.8%
Total All Concessions	\$ 131,320,810	\$ 133,209,560	\$ 136,200,000	\$ 144,962,594	\$ 8,762,594	6.4%
Rentals & Fees						
Buildings & Facilities	\$ 6,927,096	\$ 7,228,358	\$ 7,200,000	\$ 7,723,132	\$ 523,132	7.3%
Auto Rental CFC	10,688,333	10,100,000	11,000,000	11,100,000	100,000	0.9%
Ground Rentals	9,041,482	8,592,701	8,700,000	9,009,827	309,827	3.6%
Reliever Airports	6,670,452	6,153,839	6,300,000	6,465,317	165,317	2.6%
Total Rentals & Fees	\$ 33,327,363	\$ 32,074,898	\$ 33,200,000	\$ 34,298,276	\$ 1,098,276	3.3%
Utilities & Other Revenues						
Utilities	\$ 4,777,847	\$ 4,404,663	\$ 4,400,000	\$ 4,612,816	\$ 212,816	4.8%
General Aviation/Airside Fees	2,886,471	2,375,794	2,500,000	2,593,801	93,801	3.8%
Consortium Fees	2,872,901	2,856,722	3,200,000	3,250,000	50,000	1.6%
Other Revenues	1,743,003	1,543,695	1,650,000	1,484,418	(165,582)	-10.0%
Reimbursed Expense	3,101,760	2,800,000	2,800,000	2,878,935	78,935	2.8%
Total Utilities & Other Revenue	\$ 15,381,982	\$ 13,980,874	\$ 14,550,000	\$ 14,819,970	\$ 269,970	1.9%
Total Operating Revenue	\$ 286,044,986	\$ 288,576,821	\$ 295,630,000	\$ 303,410,239	\$ 7,780,239	2.6%

Metropolitan Airports Commission Operating & Non-Operating Summary 2015 Budget						
					2014 Estimate vs 2015 Budget	
	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Estimate</u>	<u>2015 Budget</u>	<u>Dollar Change</u>	<u>% Change</u>
<i>Total Operating Revenue</i>	\$ 286,044,986	\$ 288,576,821	\$ 295,630,000	\$ 303,410,239	\$ 7,780,239	2.6%
OPERATING EXPENSE						
Personnel	\$ 71,106,955	\$ 71,374,779	\$ 72,750,000	\$ 76,400,073	\$ 3,650,073	5.0%
Administrative Expenses	1,407,247	1,526,974	1,600,000	1,664,642	64,642	4.0%
Professional Services	4,514,208	4,849,061	4,950,000	5,438,934	488,934	9.9%
Utilities	18,632,720	18,564,824	20,000,000	19,147,055	(852,945)	-4.3%
Operating Services/Expenses	18,940,481	19,404,885	19,600,000	23,966,352	4,366,352	22.3%
Maintenance	29,305,400	29,971,170	31,800,000	33,655,949	1,855,949	5.8%
Other	2,950,266	3,102,648	3,100,000	3,303,626	203,626	6.6%
Total Operating Expense	\$ 146,857,277	\$ 148,794,341	\$ 153,800,000	\$ 163,576,631	\$ 9,776,631	6.4%
<i>(Excludes Depreciation and Noise Amortization)</i>						
Net Operating Revenue	\$ 139,187,709	\$ 139,782,480	\$ 141,830,000	\$ 139,833,608	\$ (1,996,392)	-1.4%
NON-OPERATING REVENUE (EXPENSE)						
	<u>2013 Actual</u>	<u>2014 Budget</u>	<u>2014 Estimate</u>	<u>2015 Budget</u>	<u>Dollar Change</u>	<u>% Change</u>
Other Non-Operating Revenue						
Interest Income	\$ 4,508,000	\$ 5,000,000	\$ 4,600,000	\$ 6,000,000	\$ 1,400,000	30.4%
Self-Liquidating Income	4,869,000	5,486,000	5,486,000	5,796,000	310,000	5.7%
	\$ 9,377,000	\$ 10,486,000	\$ 10,086,000	\$ 11,796,000	\$ 1,710,000	17.0%
Debt Service						
Short Term Financing	\$ (304,000)	\$ (703,000)	\$ (703,000)	\$ (1,861,000)	\$ (1,158,000)	164.7%
Bond Principal/Int-Operating Fund Transfer	(93,527,000)	(96,203,000)	(95,000,000)	(91,200,000)	3,800,000	-4.0%
Equip Financing Principal/Int Pymts	(2,893,000)	(3,137,000)	(2,550,000)	(2,978,000)	(428,000)	16.8%
	\$ (96,724,000)	\$ (100,043,000)	\$ (98,253,000)	\$ (96,039,000)	\$ 2,214,000	-2.3%
Equipment						
Capital Expenditures	\$ (781,000)	\$ (1,020,000)	\$ (890,000)	\$ (935,000)	\$ (45,000)	5.1%
Equipment Purchases	(9,544,000)	(7,847,000)	(7,847,000)	(9,887,216)	(2,040,216)	26.0%
Baggage Handling System			-	(8,050,000)	-	
Passenger Facility Charge Revenue	(470,000)	-	-	8,050,000	-	
Equipment Financing	6,585,000	4,138,000	3,963,000	4,185,000	222,000	5.6%
	\$ (4,210,000)	\$ (4,729,000)	\$ (4,774,000)	\$ (6,637,216)	\$ (1,863,216)	39.0%
Other						
2013-2015 Six Month Reserve Transfer	\$ (1,677,000)	\$ (3,300,000)	\$ (3,298,000)	\$ (6,982,000)	(3,684,000)	111.7%
Interstate Settlement/Medicare D	-	-	-	820,000	820,000	
Interstate Payments	720,000	720,000	720,000	-	(720,000)	-100.0%
Grant Reimbursements	4,000	-	35,000	-	(35,000)	-100.0%
Easement Receipt	-	-	183,000	-	(183,000)	-100.0%
Gain (Loss) on Equipment & Other	105,000	-	85,000	-	(85,000)	-100.0%
	\$ (848,000)	\$ (2,580,000)	\$ (2,275,000)	\$ (6,162,000)	\$ (3,887,000)	170.9%
Total Non-Operating Revenue (Expense)	\$ (92,405,000)	\$ (96,866,000)	\$ (95,216,000)	\$ (97,042,216)	\$ (1,826,216)	1.9%
Net Revenue Available for Designation	\$ 46,782,709	\$ 42,916,480	\$ 46,614,000	\$ 42,791,392	\$ (3,822,608)	-8.2%

Summary of Operating Revenue and Expense (GAAP)

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

Metropolitan Airports Commission						
Operating & Non-Operating Summary						
GAAP Presentation Summary						
2015 Budget						
(\$ in 000)						
					2014 Estimate vs 2015 Budget	
OPERATING REVENUE	2013 Actual	2014 Budget	2014 Estimate	2015 Budget	Dollar Change	% Change
Airline Rates & Charges	\$ 106,015	\$ 109,311	\$ 111,680	\$ 109,329	\$ (2,351)	-2.1%
Concessions	131,321	133,210	136,200	144,963	8,763	6.4%
Rentals/Fees	33,327	32,075	33,200	34,298	1,098	3.3%
Utilities & Other Revenues	15,382	13,981	14,550	14,820	270	1.9%
Total Operating Revenue	\$ 286,045	\$ 288,577	\$ 295,630	\$ 303,410	\$ 7,780	2.6%
OPERATING EXPENSE						
Personnel	\$ 71,107	\$ 71,375	\$ 72,750	\$ 76,400	\$ 3,650	5.0%
Administrative Expenses	1,407	1,527	1,600	1,665	65	4.0%
Professional Services	4,514	4,849	4,950	5,439	489	9.9%
Utilities	18,633	18,565	20,000	19,147	(853)	-4.3%
Operating Services/Expenses	18,940	19,405	19,600	23,966	4,366	22.3%
Maintenance	29,305	29,971	31,800	33,656	1,856	5.8%
Other	2,950	3,103	3,100	3,304	204	6.6%
Depreciation	128,010	129,100	130,000	134,500	4,500	3.5%
Total Operating Expense	\$ 274,867	\$ 277,894	\$ 283,800	\$ 298,077	\$ 14,277	5.0%
Operating Gain (Loss)	\$ 11,178	\$ 10,682	\$ 11,830	\$ 5,334	\$ (6,496)	54.9%
NON-OPERATING REVENUE (EXPENSE) & CONTRIBUTIONS						
Interest Income and Other	\$ 6,505	\$ 15,998	\$ 7,076	\$ 8,500	\$ 1,424	20.1%
Passenger Facility Charges (PFC's)	\$ 65,291	\$ 62,620	\$ 67,106	\$ 68,113	\$ 1,007	1.5%
Interest Expense	\$ (64,792)	\$ (72,800)	\$ (65,700)	\$ (70,000)	\$ (4,300)	6.5%
Capital Contributions & Grants	\$ 33,472	\$ 39,319	\$ 10,000	\$ 12,000	\$ 2,000	20.0%
Total Non-Operating Revenue (Expense)	\$ 40,476	\$ 45,137	\$ 18,482	\$ 18,613	\$ 131	0.7%
Net Increase in Net Assets	\$ 51,654	\$ 55,819	\$ 30,312	\$ 23,947	\$ (6,365)	-21.0%

Financial Policies

The following Metropolitan Airports Commission Financial Policies are addressed:

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

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

Financial Policies – Operating Budget

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

A. Operating Budget Policies

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

B. Budget Targets

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

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

C. Operating Reserve

The Operating Reserve was established by the Finance and Administration Committee at six months of operating expenses less depreciation. The 2015 operating budget expenses are \$163.6 million with the reserve account reflecting a balance of \$81.8 million or six months of expenses. If the Commission deems it appropriate to reduce the operating reserve for the portion above the formula amount, such reductions shall not exceed 50% of the excess in any one year. In the event of a revenue shortfall in a current budget year, the Executive Director/Chief Executive Officer could freeze new hires, reduce temporary work force, defer cost of living wage increases, reduce discretionary spending, decrease capital and project expenditures and may recommend a transfer from the Commission's operating reserve.

D. Revenue

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

1. *One-Time Revenues* include, but are not limited to, grants and rebates. Grants are accounted for as contributions while rebates are accounted for as Miscellaneous operating revenue. This revenue generated will become available to the Construction Fund, Capital Equipment purchases or other one-time expenditures as approved by the Commission.

2. *Revenue Diversification* - The Commission maintains a diversified revenue system which is consistently monitored to help protect from possible short-term fluctuations.
3. Although the Commission has the ability to levy ad valorem property taxes upon properties at the airport and, under certain circumstances, upon all taxable property within the Metropolitan Area, the Commission is not currently levying taxes for these purposes. Rentals, rates and charges and other fees will be sufficient to meet all operational and maintenance expenses.

Basis of Budgeting

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

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

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

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

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

Accrual Basis of Accounting

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

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

Balanced Budget

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

Use of Estimates

The use of 2014 estimates in the reporting of the 2015 budget financial statements is based upon assumptions and estimates at the time of completion of the final budget draft. Actual results could differ from those estimates.

Budget Monitoring

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

Financial Policies – Cash Management/Investment

The Cash Management/Investment Policies are as follows:

Investment/Cash Management Policies

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

Financial Policies – Capital Projects

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

Projects

Commission policies for Capital Projects are:

1. Safety and customer service oriented.
2. Maximize all federal aid.

3. Metropolitan Council approval required on Reliever Airport projects in excess of \$2 million and MSP International projects in excess of \$5 million if they are viewed as having a metropolitan significance.
4. Project priority categories in order of importance include:
 - Projects which the Commission has made a commitment to complete
 - Projects that enhance or ensure continued safety at each of the airports in the airport system
 - Projects that cannot be accomplished by Commission maintenance crews, but are essential for reasons of economics or continued operation
 - Projects that are necessitated by regulatory requirements, such as FAA regulations and local, state or federal laws
 - Projects which address various environmental issues ranging from asbestos abatement to wetland mitigation
 - Projects constituting preventative maintenance
 - Projects which improve customer service and/or convenience
 - Projects which have been identified as improving various operational aspects of the airport system, whether applicable to aircraft, tenants, Commission staff or off-airport service providers
 - Estimated useful life of a capital improvement project typically range from 5 to 40 years

Capital Equipment

All equipment purchases for 2015 will be accounted for based on MAC's capital equipment guidelines:

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

Financial Policies – Purchasing

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

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

Financial Policies – Debt Service and Reserve Policies

The Debt Service and Reserve Policies are as follows:

A. Debt

1. Currently the Commission is able to issue General Obligation Revenue Bonds and General Airport Revenue Bonds, both fixed and variable rate.
2. Funds will be managed to avoid any property tax levy.
3. MAC will maintain the highest rating available from Fitch, Moodys and/or Standard and Poor's Rating Agencies.
4. Procedures/mechanisms will be developed and maintained to obtain the highest possible rating on the General Airport Revenue Bonds.
5. All refundings of General Obligation Revenue Bonds or Airport Revenue bonds must show a minimum 3% Net Present Value (NPV) savings as specified in Minnesota Statute Section 475.67, Subd. 12.
6. The current remaining authorized level of issuance for General Obligation Revenue Bonds is \$55 million.
7. The MAC will endeavor to keep the total maturity length of General Obligation Bonds below 20 years and retire at least 50% of the principle within 10 years. In all cases, the maturity shall be shorter than the life of the related assets.
8. Regarding Special Facility Bonds, staff will adhere to Administrative Policy 2701 dealing with Special Facility Financing.
9. In December 2003, the Commission approved a policy to deal with derivative financing products. In July 2004, the Commission, along with its Financial Advisor and Bond Counsel, refined this policy further. The refinements include establishing separate savings criteria and efficiency criteria in dealing with derivative financing products.

B. Reserve - The Commission is required to have a restricted investment balance on October 10th each year for General Obligation Revenue Bonds in an amount sufficient to cover debt service to the end of the second following year. For General Airport Revenue Bonds, a one-year maximum annual debt service reserve is required.

C. Debt Limits - Currently the Commission has three forms of indebtedness: Revolving Line of Credit, General Airport Revenue Bonds (GARBs) and General Obligation Revenue Bonds (GORBs). The GORB instrument has the most straightforward legal limit. That is, the Commission must receive Legislative approval to authorize and issue this type of debt. Currently the Commission is authorized to issue up to \$55 million of additional GORB debt. With regard to Revolving Line of Credit, the total authorized limit is currently \$75 million. The legal limit for GARBs is based on the Commission's ability to generate sufficient revenues to pass the Additional Bonds test required under the Master Bond Indenture. As long as there are adequate revenues to pass the test, additional debt can be issued.

Compliance Statement

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

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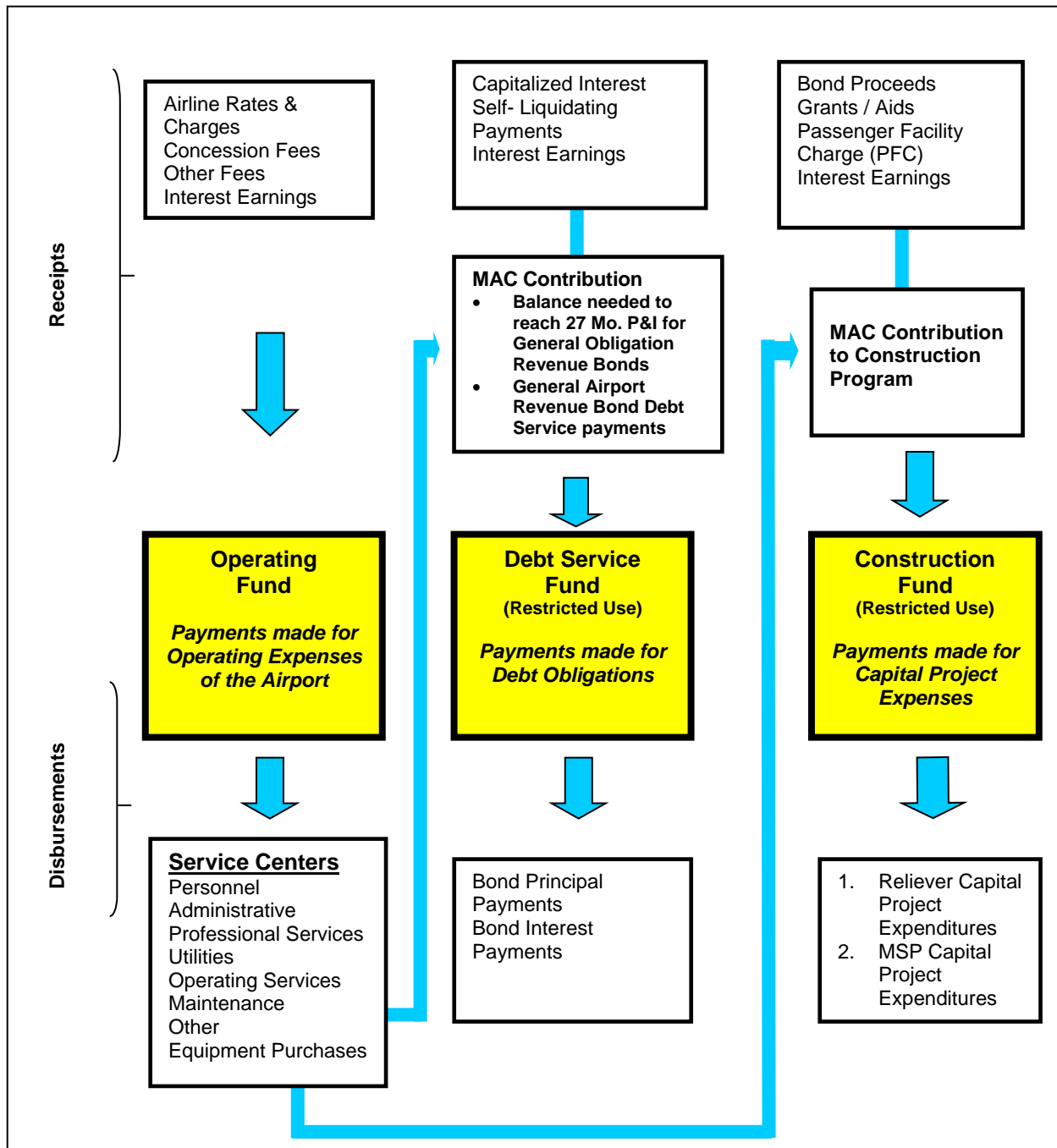
Fund Structure

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

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

Fund Relationship

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



Fund Balance Summary

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

FUND BALANCE SUMMARY - 2015 BUDGET						
(\$ = 000)						
	2013	2014	2014	2015	2016	2017
	Actual	Estimated	Budget	Budget	Projection	Projection
OPERATING FUND						
1/1 Balance	\$ 111,852	\$ 117,882	\$ 116,632	\$ 121,011	\$ 121,509	\$ 132,181
Total Sources of Funds	302,836	310,702	303,201	320,211	334,570	343,279
Total Uses of Funds	(296,806)	(307,573)	(302,357)	(319,713)	(323,898)	(320,172)
Transfers	-	-	-	-	-	-
Ending Balance	<u>\$ 117,882</u>	<u>\$ 121,011</u>	<u>\$ 117,476</u>	<u>\$ 121,509</u>	<u>\$ 132,181</u>	<u>\$ 155,288</u>
CONSTRUCTION FUND						
1/1 Balance	\$ 323,596	\$ 317,184	\$ 312,474	\$ 353,940	\$ 281,606	\$ 490,856
Total Sources of Funds	124,173	177,717	121,097	133,552	462,234	116,923
Total Uses of Funds	(130,585)	(140,961)	(182,300)	(205,886)	(252,984)	(378,760)
Ending Balance	<u>\$ 317,184</u>	<u>\$ 353,940</u>	<u>\$ 251,271</u>	<u>\$ 281,606</u>	<u>\$ 490,856</u>	<u>\$ 229,019</u>
DEBT SERVICE FUNDS						
1/1 Balance	\$ 230,517	\$ 238,593	\$ 238,831	\$ 210,537	\$ 226,440	\$ 274,265
Total Sources of Funds	125,520	427,932	123,802	121,913	165,619	120,725
Total Uses of Funds	(117,444)	(455,988)	(125,968)	(106,010)	(117,794)	(134,894)
Ending Balance	<u>\$ 238,593</u>	<u>\$ 210,537</u>	<u>\$ 236,665</u>	<u>\$ 226,440</u>	<u>\$ 274,265</u>	<u>\$ 260,096</u>
TOTAL ALL FUNDS						
1/1 Balance	\$ 665,965	\$ 673,659	\$ 667,937	\$ 685,488	\$ 629,555	\$ 897,302
Total Sources of Funds	552,529	916,351	548,100	575,676	962,423	580,927
Total Uses of Funds	(544,835)	(904,522)	(610,625)	(631,609)	(694,676)	(833,826)
Transfers	-	-	-	-	-	-
Ending Balance	<u>\$ 673,659</u>	<u>\$ 685,488</u>	<u>\$ 605,412</u>	<u>\$ 629,555</u>	<u>\$ 897,302</u>	<u>\$ 644,403</u>
Funds are described in detail and show all sources/uses of funds in their respective section of the document.						

The overall change in the total of all funds balance from estimated 2014 (\$685 million) to projected 2017 (\$644 million) is due to the growth in expenditures in the construction fund. However, from an operating fund perspective the balances are increasing due to the 2016 MAC takeover of Concourse G in Terminal 1-Lindbergh. Prior to 2016, Delta was responsible for the maintenance of this concourse. With the additional expense associated with the G Concourse, MAC's required six-month operating reserves will be higher.

Taxing Authority

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

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

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

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

Sources and Uses of Funds

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

OPERATING FUND (\$ = 000)	2013	2014	2014	2015	2016	2017
	Actual	Estimated	Budget	Budget	Projection	Projection
Sources						
1/1 Balance	\$ 111,852	\$ 117,882	\$ 116,632	\$ 121,011	\$ 121,509	\$ 132,181
Operating Revenues						
Airline Rates & Charges	106,015	111,680	109,311	109,329	114,113	119,312
Concessions	131,321	136,200	133,210	144,963	152,849	156,335
Other Operating Revenues	48,709	47,750	46,056	49,118	51,408	52,732
Subtotal Operating Revenues	\$ 286,045	\$ 295,630	\$ 288,577	\$ 303,410	\$ 318,370	\$ 328,379
Other/Non Operating Revenues						
Interest Earnings ¹	4,508	4,600	5,000	6,000	5,200	5,400
Self-Liquidating Revenue	5,698	6,509	5,486	6,616	7,000	5,500
Transfer from Construction Fund	-	-	-	-	-	-
Gain (Loss) on Assets and Other	-	-	-	-	-	-
Subtotal Other/Non Operating Revenue	10,206	11,109	10,486	12,616	12,200	10,900
Total Sources	\$ 296,251	\$ 306,739	\$ 299,063	\$ 316,026	\$ 330,570	\$ 339,279
Uses						
Operating Expenses						
Personnel	\$ 71,107	\$ 72,750	\$ 71,375	\$ 76,400	\$ 77,500	\$ 81,501
Administration	1,407	1,600	1,527	1,665	1,700	1,750
Professional Services	4,514	4,950	4,849	5,439	5,675	6,000
Utilities	18,633	20,000	18,564	19,147	21,098	22,278
Operating Services	18,941	19,600	19,405	23,966	25,100	25,999
Maintenance	29,305	31,800	29,971	33,656	36,653	36,833
Other/Insurance	2,950	3,100	3,103	3,304	3,446	3,627
Subtotal Operating Expenses	146,857	153,800	148,794	163,577	171,172	177,988
Non Operating Expenses						
Equipment						
Equipment Purchases/Capital Expend	(10,325)	(8,737)	(8,867)	(13,483)	(9,500)	(10,500)
Equipment Financing	6,585	3,963	4,138	4,185	4,000	4,000
Principal/Interest-Equip. Financing	(2,893)	(2,550)	(3,840)	(2,978)	(4,200)	(4,000)
Subtotal Equipment	(6,633)	(7,324)	(8,569)	(12,276)	(9,700)	(10,500)
Debt Service						
Transfer Out - Debt Service	(93,831)	(95,703)	(96,203)	(93,061)	(95,482)	(87,425)
Subtotal Debt Service	(93,831)	(95,703)	(96,203)	(93,061)	(95,482)	(87,425)
Total Uses	\$ (247,321)	\$ (256,827)	\$ (253,566)	\$ (268,914)	\$ (276,354)	\$ (275,913)
Unrestricted Net Transfer Out-Constr.	(42,900)	(46,783)	(44,653)	(46,614)	(43,544)	(40,259)
Operating Fund Balance	\$ 117,882	\$ 121,011	\$ 117,476	\$ 121,509	\$ 132,181	\$ 155,288
¹ Interest Rate Assumed 0.50% for 2015 - 2017						

Sources of Funds

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

1. The 1/1 Balance reflects the Operating Reserve established by the Commission plus the amount to be transferred to the Construction account in the following year. In 2006 the Commission established a six month reserve of operating expenses. The operating reserve figure for 2015 is \$81.8 million.
2. Operating Revenues consist of Airline Rates and Charges, Concessions, Rentals/Fees and Utilities and Other Revenues. The changes in each of these areas are explained in detail in the Operating Budget Revenue Section. In general, Airline Rates and Charges will increase beginning in 2016 as a result of the Commission taking over operational control of Concourse G from Delta. Airline Rates and Charges are calculated based on actual expenses. Concessions rose in almost all areas as a result of increased activity, a parking rate increase or new lease agreements. Rentals/Fees, Utilities and Other Revenues increases can be attributed to rent changes. Operating Revenues total \$303.4 million for 2015.

3. Other Non-Operating Revenues consist of Interest Earnings, Self-Liquidating Revenue and Gain/Loss on Disposal of Assets and Other. Interest Earning is assumed to be 0.5% for the period 2015-2017. Interest is earned on the balance in the Operating Fund which includes self-liquidating leases. Interest earnings are increasing slightly due to a small increase in interest rates. Self-liquidating leases are those facilities built by MAC and then leased to tenants. This area is up due to Delta's repayment of certain leasehold improvements on the G Concourse.



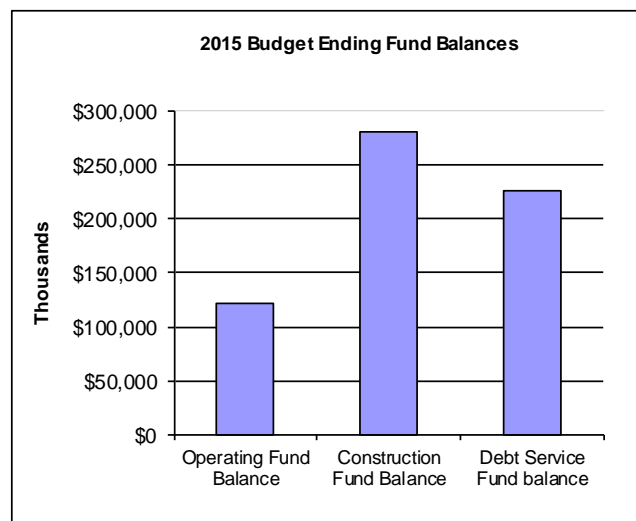
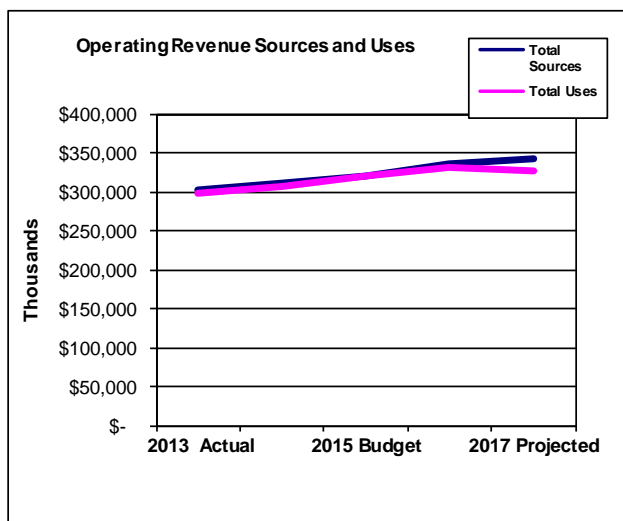
Terminal 1-Lindbergh Retail Shops

Uses of Funds

In general, there are three uses of operating revenues.

1. Operating expenses consist of Personnel, Administration, Professional Services, Utilities, Operating Services, Maintenance and Other/Insurance. Details of changes for each of these areas are identified in the Operating Budget Expense section. The total expense for 2015 is \$163.6 million.
2. Non-Operating Expenses is comprised of an Equipment section (A) and Debt Service section (B).
 - A. Equipment category includes capital equipment (cost greater than \$10,000) to be purchased based on Commission approval. The anticipated amount for 2015 is \$13.5 million and includes other capital expenditures. A portion of this equipment will be leased. The offset to the equipment is shown as Equipment Financing (\$4.2 million). Finally, the actual lease financing cost and miscellaneous other capital expenditures are shown.
 - B. Debt Service – This is the required transfers that are made to cover all debt service. In June and December, the Commission must transfer the required amount for the GARB (General Airport Revenue Bond) reserve. This transfer in 2015 is expected to be \$93.1 million.
3. Unrestricted Net Transfer Out - Construction represents the amount of internally generated funds that are transferred to the Construction Fund after payment of all operating expenses have been made, all debt service requirements accounted for and the Operating Reserve is funded at six months of Operating Expenses. \$46.6 million is anticipated for 2015 based on 2014 estimates.

The graphs below illustrate the sources and uses of revenue and the three 2015 budgeted fund balances.

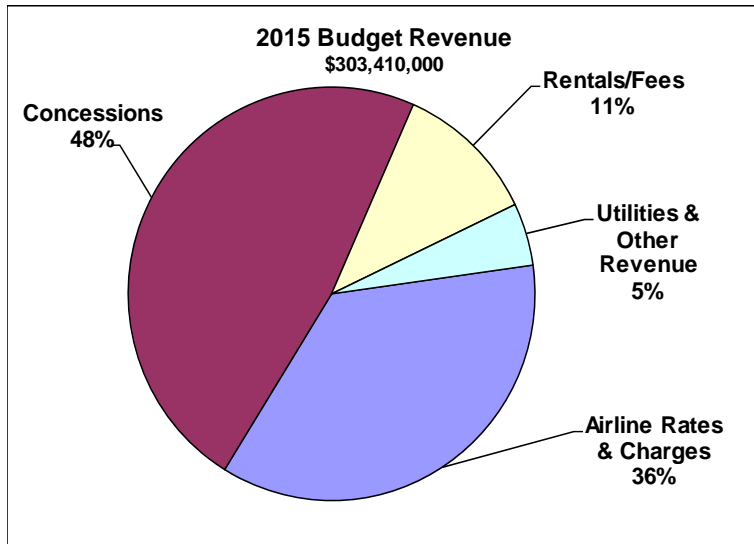


Operating Budget Revenue

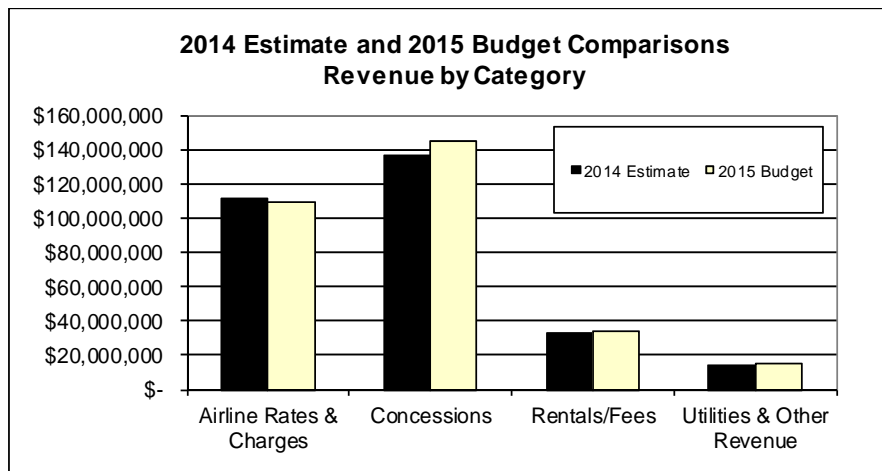
Total Operating Budget Revenue for 2015 is \$303.4 million, which is a \$7.8 million or 2.6% increase compared to 2014 estimates. The detailed explanations for Airline Rates & Charges, along with other major changes in revenue, are included in this section.

2015 Budget Revenue Summary				2014 Estimate vs 2015 Budget		
(\$=000)						
	2013 Actual	2014 Budget	2014 Estimate	2015 Budget	Dollar Change	% Change
REVENUE						
Airline Rates & Charges	\$106,015	\$109,311	\$111,680	\$109,329	(\$2,351)	-2.1%
Concessions	\$131,321	\$133,210	\$136,200	\$144,963	\$8,763	6.4%
Rentals/Fees	\$33,327	\$32,075	\$33,200	\$34,298	\$1,098	3.3%
Utilities & Other Revenue	\$15,382	\$13,981	\$14,550	\$14,820	\$270	1.9%
Total Operating Revenue	\$286,045	\$288,577	\$295,630	\$303,410	\$7,780	2.6%

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



The following chart compares 2014 estimate and 2015 budget revenue by category:



2015 Budget Operating Revenue

	2013 Actual	2014 Budget	2014 Estimate	2015 Budget	2014 Estimate vs 2015 Budget	
					Dollar Change	% Change
Airline Rates & Charges						
Airline Agreement						
Landing Fees	\$55,416,850	56,222,487	57,800,000	59,237,642	1,437,642	2.5%
Ramp Fees	6,802,666	6,670,620	7,000,000	7,263,598	263,598	3.8%
Airline R&R	3,451,805	3,585,784	3,580,000	3,720,273	140,273	3.9%
Terminal 1 - Rentals	35,730,492	36,982,559	37,600,000	36,455,784	(1,144,216)	-3.0%
Terminal 1 - Other	3,949,974	5,128,718	4,700,000	5,717,085	1,017,085	21.6%
Concessions Rebate	(9,889,131)	(9,840,000)	(10,100,000)	(13,060,677)	(2,960,677)	29.3%
Total Airline Agreement	95,462,656	98,750,168	100,580,000	99,333,705	(1,246,295)	-1.2%
Terminal 2 Lobby Fees	8,803,720	9,010,064	9,400,000	8,133,359	(1,266,641)	-13.5%
Terminal 2 Other / Passenger Fees	1,748,455	1,551,257	1,700,000	1,862,335	162,335	9.5%
Total Airline Rates & Charges	\$106,014,831	109,311,489	111,680,000	109,329,399	(2,350,601)	-2.1%
Concessions						
Terminal						
Food & Beverage	\$14,742,916	14,634,770	15,700,000	16,006,851	306,851	2.0%
News	3,495,159	3,739,271	3,600,000	3,631,019	31,019	0.9%
Retail Stores	4,993,818	4,728,133	4,700,000	4,935,722	235,722	5.0%
Passenger Services	4,657,079	4,527,115	4,100,000	4,782,487	682,487	16.6%
Total Terminal/Other	27,888,972	27,629,289	28,100,000	29,356,079	1,256,079	4.5%
Parking/Grnd. Transport.						
Parking	76,568,952	77,925,785	81,000,000	87,776,061	6,776,061	8.4%
Ground Transportation	5,401,222	5,347,046	5,600,000	5,169,046	(430,954)	-7.7%
MSP Employee Parking	2,413,868	2,628,779	2,900,000	3,152,168	252,168	8.7%
Auto Rental - On Airport	17,732,206	17,800,935	17,600,000	17,601,000	1,000	0.0%
Total Parking/Grnd. Transport.	102,116,249	103,702,545	107,100,000	113,698,275	6,598,275	6.2%
Other Concessions	1,315,590	1,877,726	1,000,000	1,908,240	908,240	90.8%
Total All Concessions	\$131,320,811	133,209,560	136,200,000	144,962,594	8,762,594	6.4%
Rentals/Fees						
Buildings & Facilities	\$6,927,096	7,228,358	7,200,000	7,723,132	523,132	7.3%
Auto Rental CFC	10,688,333	10,100,000	11,000,000	11,100,000	100,000	0.9%
Ground Rentals	9,041,482	8,592,701	8,700,000	9,009,827	309,827	3.6%
Reliever Airports	6,670,452	6,153,839	6,300,000	6,465,317	165,317	2.6%
Total Rentals/Fees	\$33,327,362	32,074,898	33,200,000	34,298,276	1,098,276	3.3%
Utilities & Other Revenue						
Utilities	\$4,777,847	4,404,663	4,400,000	4,612,816	212,816	4.8%
GA/Airside Fees	2,886,471	2,375,794	2,500,000	2,593,801	93,801	3.8%
Consortium Fees	2,872,901	2,856,722	3,200,000	3,250,000	50,000	1.6%
Other Revenues	1,743,003	1,543,695	1,650,000	1,484,418	(165,582)	-10.0%
Reimbursed Expense	3,101,760	2,800,000	2,800,000	2,878,935	78,935	2.8%
Total Utilities & Other Rev.	\$15,381,982	13,980,874	14,550,000	14,819,970	269,970	1.9%
Total Operating Revenue	<u>286,044,986</u>	<u>288,576,821</u>	<u>295,630,000</u>	<u>303,410,239</u>	<u>7,780,239</u>	2.6%

Revenue Assumptions and Guidelines

The revenue projections for 2015 are based on the following assumptions and guidelines:

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

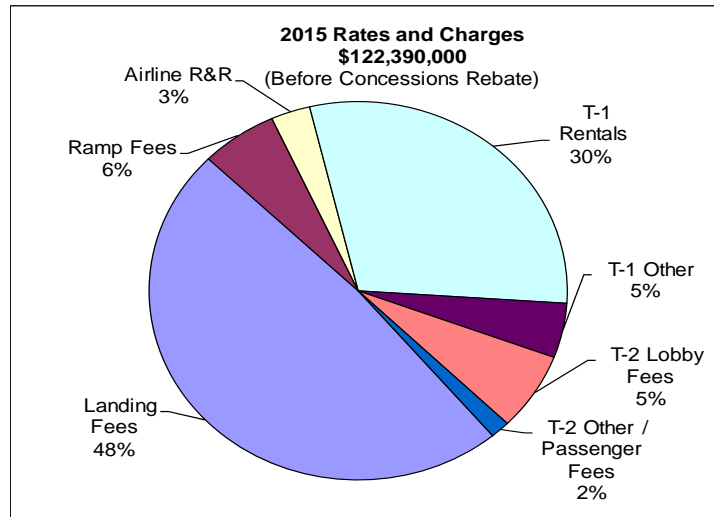
The explanations for revenue assumptions are based on a comparison of 2014 estimates versus 2015 budget figures.

Airline Rates and Charges

The Airline Rates and Charges category, which is approximately \$109.3 million or 36% of MAC's \$303 million in revenues, is generated from rates charged to the airlines. This category is projected to decrease \$2.4 million or 2.1% from the 2014 estimated levels. The formulas for the rates (landing fee, ramp fee, airline Terminal 1-Lindbergh rental rates and the Terminal 1 IAF-International Arrivals Facility Use Fees) are established in the Airline Use Agreement. This agreement incorporates debt service in the calculation of rates and charges instead of depreciation and interest for the recovery of capital improvements. In accordance with this Agreement, expenses from Police, Fire, Maintenance Labor, Maintenance Equipment and Administration service centers are allocated to the Field & Runway, Ramp, Terminal Building and International Arrival Facility service centers (detailed in the Operating Budget Expense section). Total costs, plus allocations, are then used to determine Airline Rates and Charges. Fluctuations in allocated costs can cause a change in the airline rates. For 2015, rates for landing fees, ramp fees and airline Terminal 1 rental rates are calculated as per the Airline Use Agreement. Rates for Terminal 2-Humphrey are set by ordinance, which is based on the recovery of budgeted operating and maintenance costs. The Concessions Rebate of \$13.1 million represents the revenue sharing found in the Airline Use Agreement.

2015 Budget Airline Rates & Charges (\$=000)					2014 Estimate vs 2015 Budget	
	2013 Actual	2014 Budget	2014 Estimate	2015 Budget	Dollar Change	% Change
Airline Rates & Charges						
Landing Fees	\$55,417	56,222	57,800	59,238	1,438	2.5%
Ramp Fees	6,803	6,671	7,000	7,264	264	3.8%
Airline R&R	3,452	3,586	3,580	3,720	140	3.9%
Terminal 1 - Rentals	35,730	36,983	37,600	36,456	(1,144)	-3.0%
Terminal 1 - Other	3,950	5,129	4,700	5,717	1,017	21.6%
Concessions Rebate	(9,889)	(9,840)	(10,100)	(13,061)	(2,961)	29.3%
Terminal 2 Lobby Fees	8,804	9,010	9,400	8,133	(1,267)	-13.5%
Terminal 2 Other / Passenger Fees	1,748	1,551	1,700	1,862	162	9.5%
Total Airline Rates & Charges	\$106,015	109,311	111,680	109,329	(2,351)	-2.1%

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



Landing Fees

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

The landing fee is expected to increase \$0.03 in 2015 from 2014 estimates. The increase is caused by a combination of wage and benefit increases as well as increases in equipment rentals and materials used for snow removal operations.

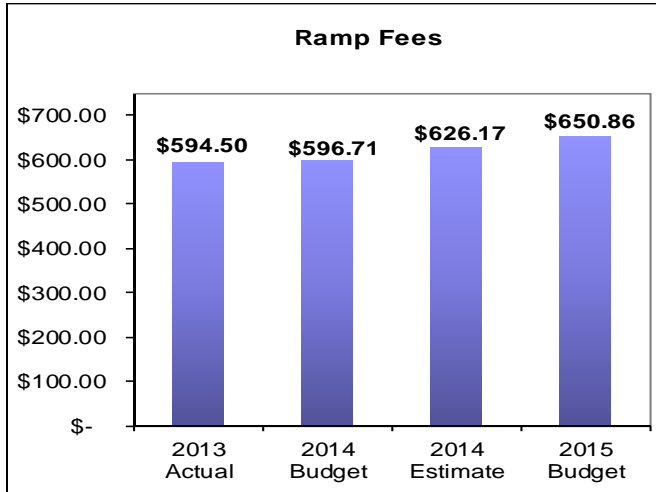
<u>Landing Fee</u>	2013 <u>Actual</u>	2014 <u>Budget</u>	2014 <u>Estimate</u>	2015 <u>Budget</u>
Landing Fee	\$2.62	\$2.65	\$2.70	\$2.73
Landed Weight (000)	21,151	21,216	21,407	21,699
Revenue (000)	\$55,417	\$56,222	\$57,800	\$59,238

Ramp Fees

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

The major increase in ramp fees from 2014 estimated (\$626.17) to 2015 budget (\$650.86) per lineal foot can be attributed to an increase in wage and benefit increases as well as increases in equipment rentals and materials used for snow removal operations.

<u>Ramp Fee</u>	2013 <u>Actual</u>	2014 <u>Budget</u>	2014 <u>Estimate</u>	2015 <u>Budget</u>
Ramp Fee (Per Lineal Ft.)	\$594.50	\$596.71	\$626.17	\$650.86
Ramp Footage	11,176	11,179	11,179	11,179
Revenue (000)	\$6,803	\$6,671	\$7,000	\$7,264



E Concourse at Terminal 1-Lindbergh

Airline Repair and Replacement Surcharge

As per the Airline Lease Amendment, there is an additional surcharge for the airlines at Terminal 1. This surcharge increases annually at a rate of 3%. The rate for 2015 is \$6.87 per square foot for carriers occupying Terminal 1.

Terminal 1 Rentals

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

The Terminal 1 rate is decreasing from \$66.50 to \$64.71 per square foot. The primary reasons for the decrease in the Exclusive rates (\$1.79) between 2014 estimate and 2015 budget are lower debt service costs due to a new passenger facility charge application partially offset by higher contract costs to maintain temperature control, elevators/escalators/moving walkways and tram systems.

Terminal 1-Lindbergh Rates				
	2013	2014	2014	2015
	Actual	Budget	Estimate	Budget
Exclusive (Per Sq. Ft.)	\$62.86	\$65.20	\$66.50	\$64.71
Exclusive Janitored (Per Sq. Ft.)	\$69.80	\$72.00	\$73.30	\$72.50
Total Revenue (000)	\$35,730	\$36,983	\$37,600	\$36,456

Terminal 1 Other

Revenue from Terminal 1 Other is expected to increase \$1,017,000 or 21.6%. The revenue source in this area is revenue generated from the International Arrivals Facility (IAF), porter service fees, baggage claim maintenance fees, queue line management, conveyors and carousels, as well as rent from a portion of the G Concourse.

The agreement for the IAF facility includes a fee calculation similar to the ramp and landing fees (residual). Users of the facility will be charged a passenger use fee based upon projected expenses. At year-end an adjustment will be made for any overage or shortage.

The table below shows the IAF fees for actual 2013, budgeted 2014, estimated 2014 and budgeted 2015.

International Arrival Fee (000)				
	2013	2014	2014	2015
	Actual	Budget	Estimate	Budget
Total Cost	\$3,085	\$3,497	\$3,497	\$3,712
Passengers	638,716	652,425	662,311	662,857
Fee Per Passenger	\$4.83	\$5.36	\$5.28	\$5.60

The \$0.32 increase in the IAF fee is due to increases of Police, Fire, Administrative and Maintenance costs allocated to the IAF and a slight increase in passengers.

In late 2014, the Commission completed construction and installation of a Checked Baggage Inspection System which replaces each airline’s outbound baggage systems. The Commission will be responsible for the maintenance of the baggage system and will charge the airlines (based on the number of bags processed) the full cost of maintaining the baggage system which is estimated at \$650,000.

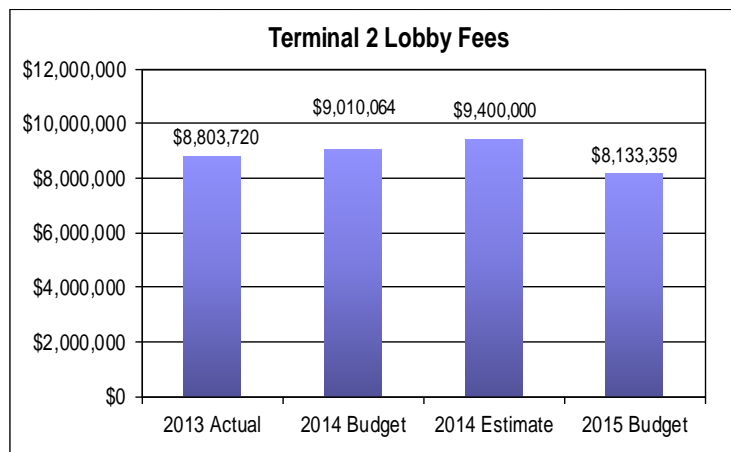
Also in late 2014, the Commission will take over the queue line management function at Terminal 1. The purpose of this service is to direct passengers to the shortest security checkpoint lines. The cost for this service is based on the airline’s share of enplaned passengers at Terminal 1. In 2015, the cost of providing this service will be approximately \$356,000.

Concessions Rebate

As part of the Airline Use Agreement, the airlines share a portion of concessions revenue for Food & Beverage, News, Retail and Auto Rental–On Airport revenue (Selected Concession Revenues). For the 2015 budget, this rebate is projected to be \$13.1 million. The increase of \$3.0 million is due to a 2015 amendment in the Airline Use Agreement that increases the share of concession revenue for passenger airlines provided that the air carriers reach a certain threshold of enplaned passengers and the Commission reaches a certain level of selected concession revenues. For 2015, the air carriers will share in approximately 32% of the Commission’s Selected Concessions Revenue.

Terminal-2 Lobby Fees

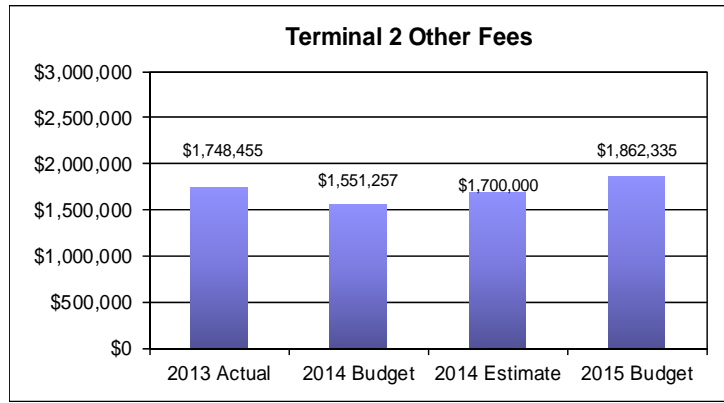
Terminal 2 Lobby Fees are expected to decrease \$1,267,000 or 13.5%. Lobby fees are set by MAC Ordinance in which rates are set on a budgetary basis with no true-up based on actual expenses or year-end operational activity. Each gate at Terminal 2 has a revenue cap (for 2015 the gate cap is \$789,904) by airline associated with it based upon the number of aircraft operations. MAC assumes that of the 10 gates at Terminal 2, eight of those gates will reach the revenue cap and two gates would not.



The MAC estimates the revenue derived in the non-capped gates based upon operational data obtained from historical data and from the airlines. For 2015, Spirit Airlines, which previously operated at Terminal 2, will now be operating at Terminal 1. The decrease in Lobby fees is a result of Spirit Airlines’ move to Terminal 1 as well as slightly lower debt service costs.

Terminal-2 Other/Passenger Fees

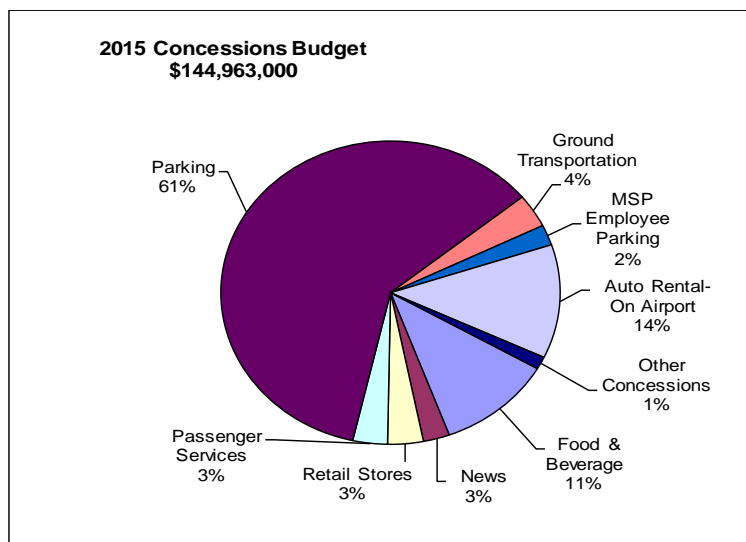
Terminal 2 Other/Passenger fee revenue is budgeted to increase \$162,000 or 9.5%. This category includes Federal Inspection Service charges for international passengers, Terminal 2 building rentals and non-signatory landing fees. As with Lobby Fees mentioned above, the rates are based on budgetary data with no year-end true up of actual expenses. For 2015 there is a slight increase in Terminal 2 building rates, as well as increased FIS charges due to higher volumes of international operations utilizing Terminal 2.



Concessions

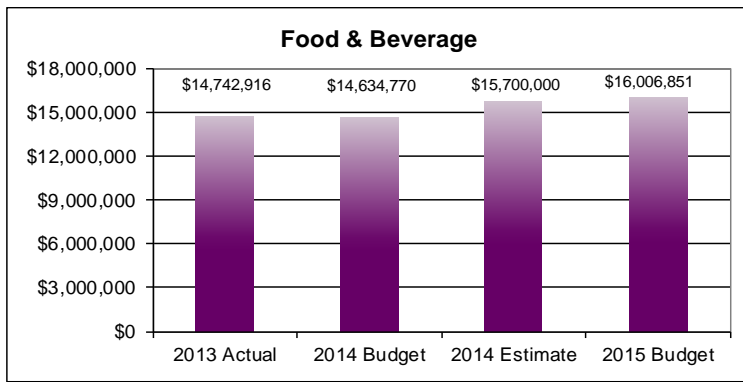
The Concessions category is \$145.0 million or 48% of total operating revenue for 2015. The rates charged for parking are approved by the Commission while ground transportation fees are authorized according to MAC Ordinances. The revenues from auto rental, food & beverage, news, retail and passenger services are based on various lease agreements, which allow the concessionaires to operate in MAC facilities. Concessions are projected to increase \$8.8 million or 6.4% from estimated 2014 levels and are based upon the following: 1) Passenger increase; 2) Increase in average spending per passenger; and 3) A parking rate increase.

	2013 Actual	2014 Budget	2014 Estimate	2015 Budget	2014 Estimate vs 2015 Budget	
					Dollar Change	% Change
Concessions						
Food & Beverage	\$14,743	14,635	15,700	16,007	307	2.0%
News	3,495	3,739	3,600	3,631	31	0.9%
Retail Stores	4,994	4,728	4,700	4,936	236	5.0%
Passenger Services	4,657	4,527	4,100	4,782	682	16.6%
Parking	76,569	77,926	81,000	87,776	6,776	8.4%
Ground Transportation	5,401	5,347	5,600	5,169	(431)	-7.7%
MSP Employee Parking	2,414	2,629	2,900	3,152	252	8.7%
Auto Rental - On Airport	17,732	17,801	17,600	17,601	1	0.0%
Other Concessions	1,316	1,878	1,000	1,908	908	90.8%
Total All Concessions	\$131,321	133,210	136,200	144,963	8,763	6.4%

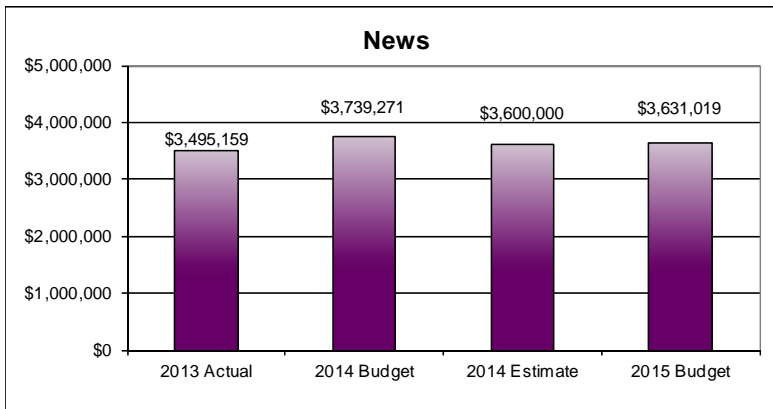


Food & Beverage

Food & Beverage is projected to increase by \$307,000 or 2.0% from the 2014 estimate due to an increase in passengers as well as an increase in average dollars spent per passenger.



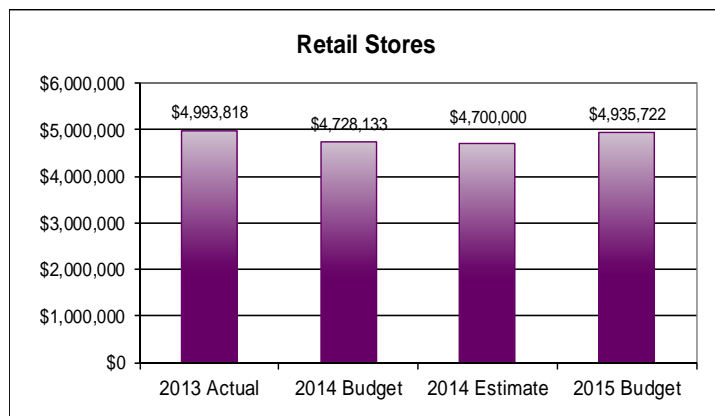
News



News is projected to increase \$31,000 or 0.9% from the 2014 estimate and is based upon trends at the time the budget was completed.

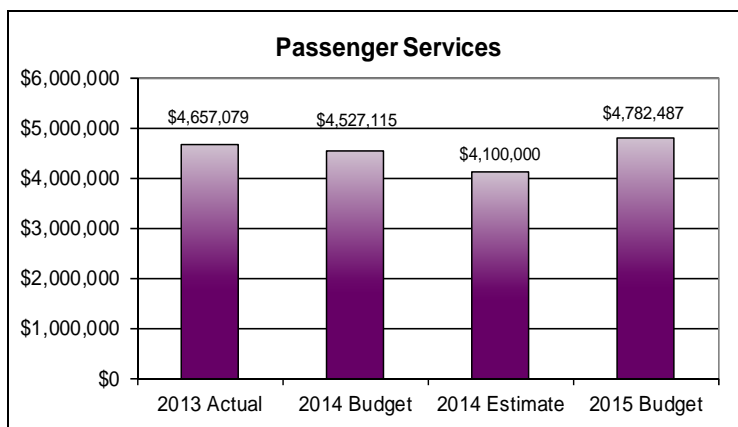
Retail Stores

Retail is projected to increase by \$235,000 or 5.0% from the 2014 estimate and is based upon trends at the time the budget was completed



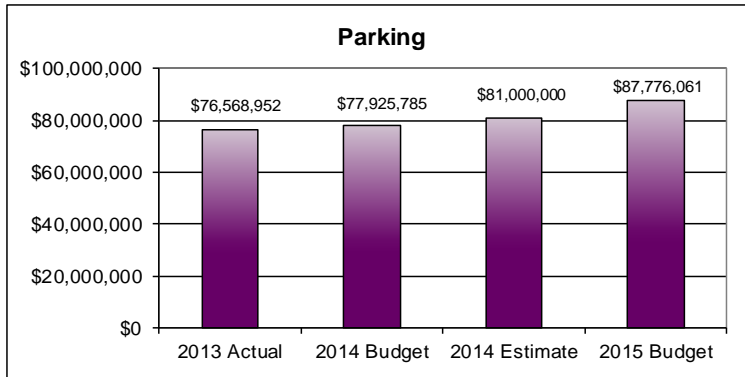
Passenger Services

Passenger Services are budgeted to increase \$682,000 or 16.6% from the 2014 estimate. An increase in sponsorship/promotional revenues relating to a new solar power agreement accounted for the majority of the increase.



Parking

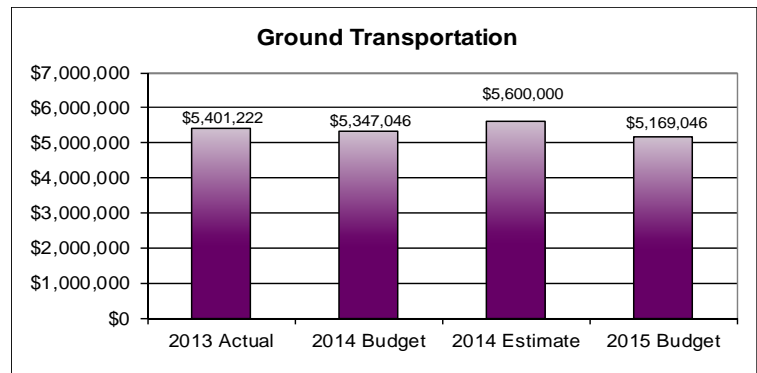
Parking is expected to increase from 2014 estimates by \$6.8 million or 8.4%. The increase in revenue is due to a parking rate increase effective January 1, 2015.



Parking Facility at Terminal 2-Humphrey

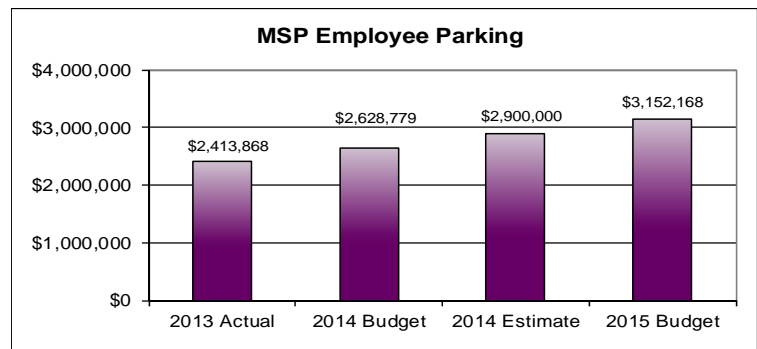
Ground Transportation Fees

Ground Transportation fees are projected to decrease \$430,954 or 7.7%. This is primarily a result of lower costs associated with maintaining and operating the ground transportation system.



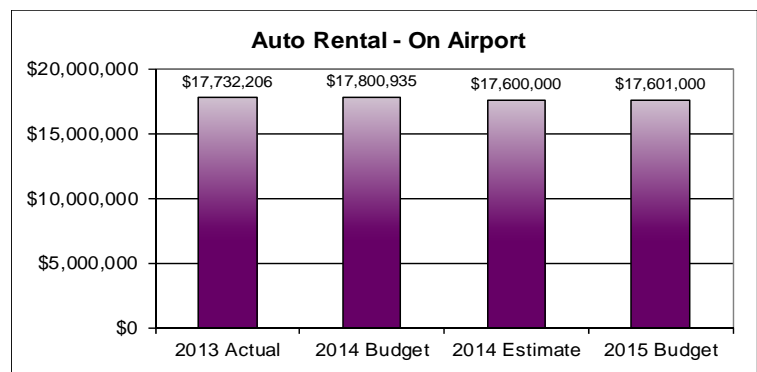
MSP Employee Parking

MSP Employee Parking is budgeted to increase \$252,000 or 8.7% based upon an increase in the number of parkers and an increase in the employee parking rate.

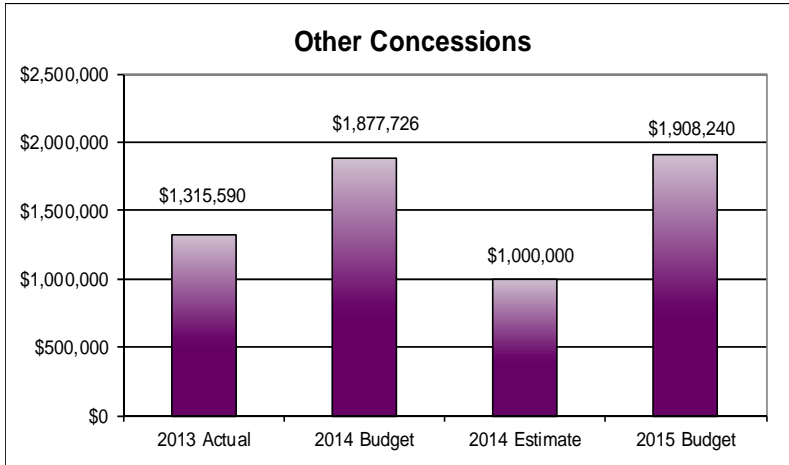


Auto Rental-On Airport

Auto rental fees are projected to remain flat from the 2014 estimates. Based on the current Auto Rental Concession Agreement, auto rental firms pay a minimum rental fee (which is a guarantee that the firm bids) plus a percentage of gross revenue above the minimum fee. A new agreement was signed in 2014 which increased the minimum guarantee. The Commission conservatively estimates that the auto rental firms will pay only the minimum guarantee fee in 2015 with no percentage rent.



Other Concessions

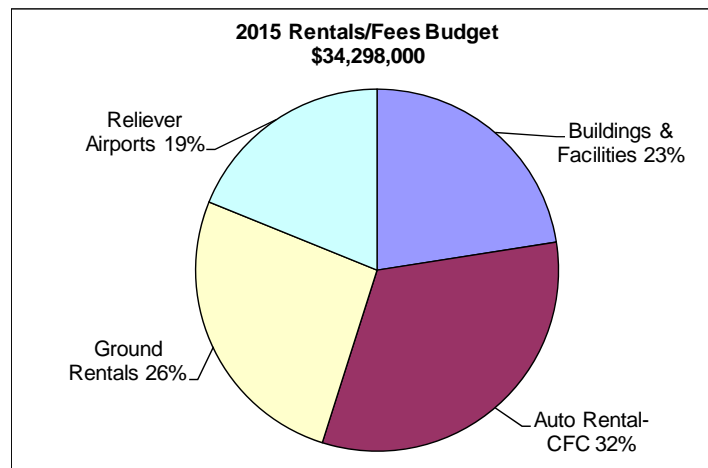


The majority of revenue in the Other Concessions category consists of Outdoor Advertising (88% of the total or \$1.4 million). Other items in this category include In-Flite Catering, auto services, a pet boarding facility and miscellaneous concessions. Other Concessions are budgeted to increase \$908,000 from 2014 estimated levels. This is primarily due to increases in Outdoor Advertising revenues. Due to permitting issues, 2014 revenues from outdoor advertising was well below budget. Other revenue items in this category are expected to show minor changes from estimates.

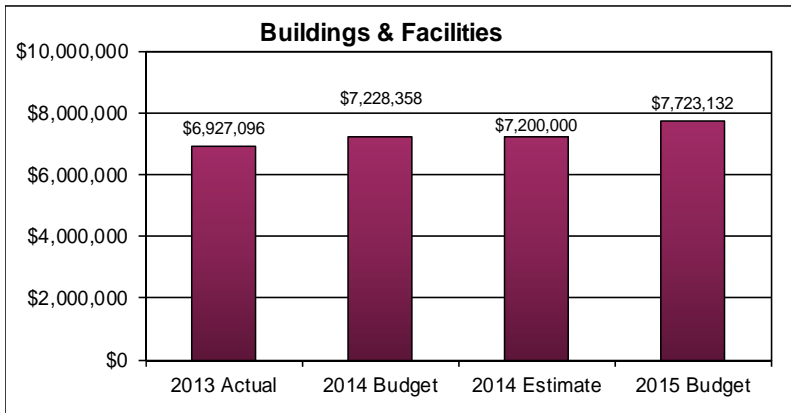
Rentals/Fees

Rentals/Fees are \$34.3 million or 11% of total operating revenue for 2015 and are projected to increase \$1,098,000 or 3.3% from 2014 estimated levels. This revenue section consists of Auto Rental-Customer Facility Charge (CFC), building rentals (non-airline), ground rental space and reliever airport fees. Ground rental space revenues and a portion of reliever airport revenue are based on MAC Ordinances, while the remaining revenue items are based on leases and agreements. The following chart shows the revenue sources.

2015 Budget Rental/Fees (\$=000)	2014 Estimate vs 2015 Budget					
	2013 Actual	2014 Budget	2014 Estimate	2015 Budget	Dollar Change	% Change
Rentals/Fees						
Buildings & Facilities	\$6,927	7,228	7,200	7,723	523	7.3%
Auto Rental CFC	10,688	10,100	11,000	11,100	100	0.9%
Ground Rentals	9,041	8,593	8,700	9,010	310	3.6%
Reliever Airports	6,670	6,154	6,300	6,465	165	2.6%
Total Rentals/Fees	\$33,327	32,075	33,200	34,298	1,098	3.3%

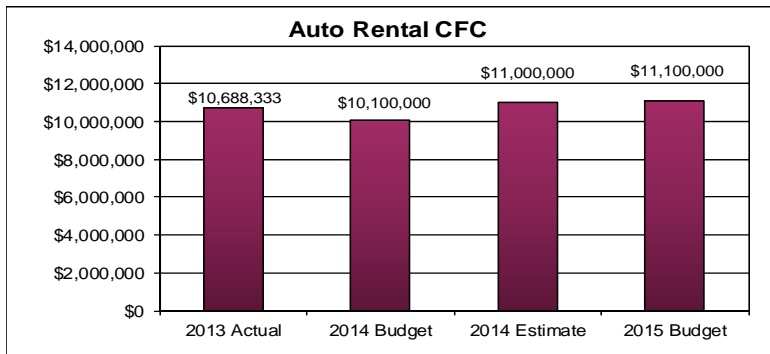


Building & Facilities



Building and facility rentals are projected to increase \$523,000 or 7.3% over 2014 estimates as a result of an increase in rental rates for non-airline tenants in Terminals 1 & 2 as well as additional areas which are leased primarily by the auto rental industry.

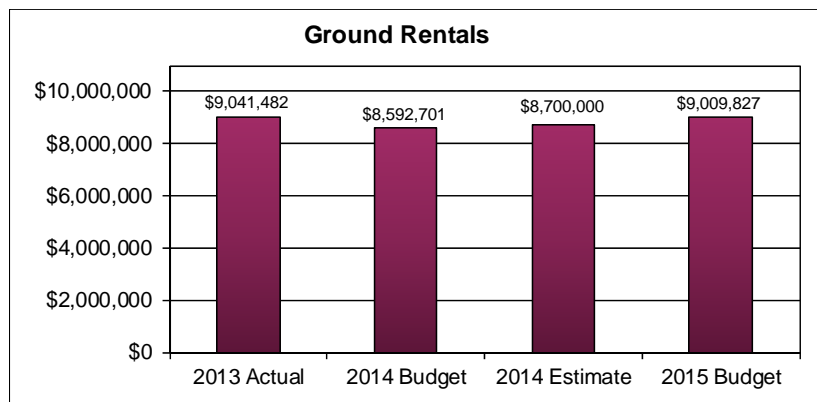
Auto Rental-Customer Facility Charge (CFC)



Auto Rental CFCs are budgeted to increase 0.9% from 2014 estimates. In 2014, the Commission constructed a facility for the Auto Rental industry at Terminal 2. The debt associated with these facilities will be recovered through an increase in the CFC charge. The current CFC charge is at \$3.25 per rental car transaction per day.

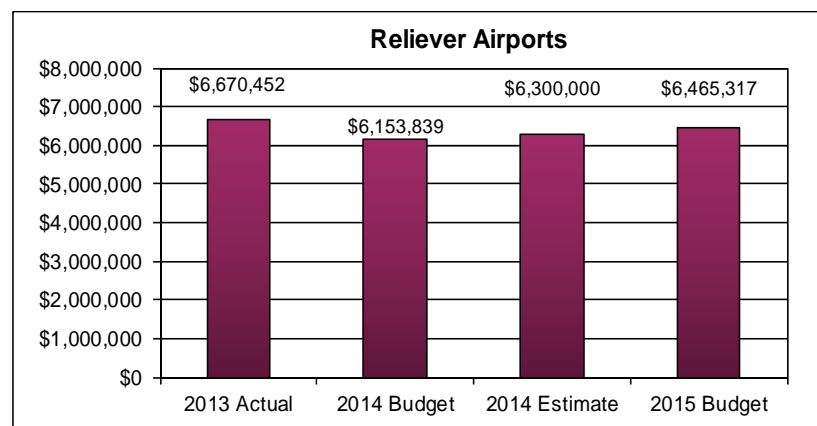
Ground Rentals

Ground Rentals are budgeted to increase by \$310,000 or 3.6% from 2014 estimated levels. This is a result of ground rent associated with the new auto rental facility at Terminal 2.



Reliever Airports

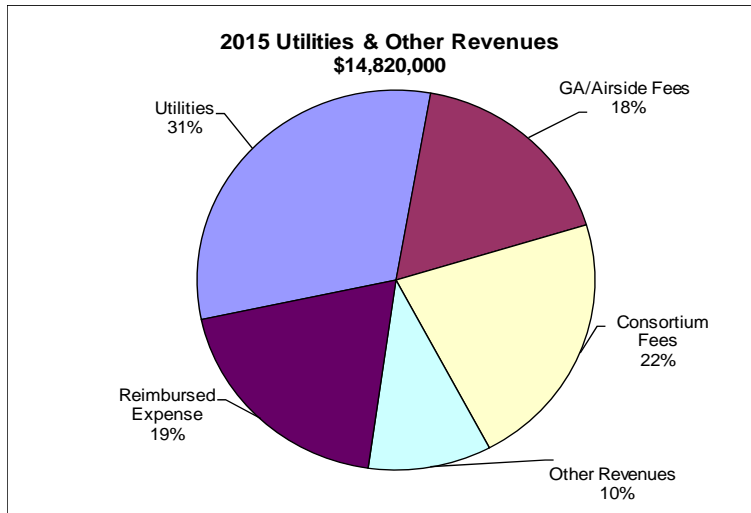
Reliever Airports are expected to increase \$165,000 from 2014 estimated levels based upon activity and trends at the time of the budget completion.



Utilities & Other Revenue

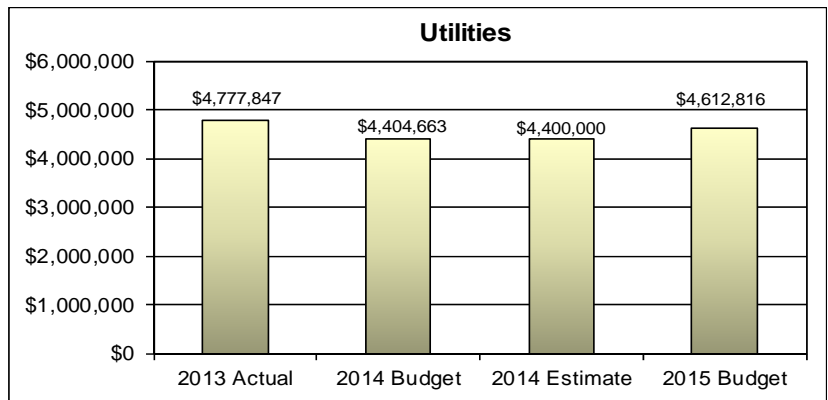
Utilities & Other Revenues are \$14.8 million or 5% of total operating revenue for 2015 and are projected to increase \$270,000 or 1.9% from 2014 estimated levels. Included in this category are Utilities, General Aviation/Airside Fees, Consortium Fees, Other Revenues and Reimbursed Expense with the majority based upon leases and agreements.

2015 Budget Utilities & Other Revenue (\$=000)					2014 Estimate vs 2015 Budget	
	2013 Actual	2014 Budget	2014 Estimate	2015 Budget	Dollar Change	% Change
Utilities & Other Revenue						
Utilities	\$4,778	4,405	4,400	4,613	213	4.8%
GA/Airside Fees	2,886	2,376	2,500	2,594	94	3.8%
Consortium Fees	2,873	2,857	3,200	3,250	50	1.6%
Other Revenues	1,743	1,544	1,650	1,484	(166)	-10.0%
Reimbursed Expense	3,102	2,800	2,800	2,879	79	2.8%
Total Utilities & Other Revenue	\$15,382	13,981	14,550	14,820	270	1.9%

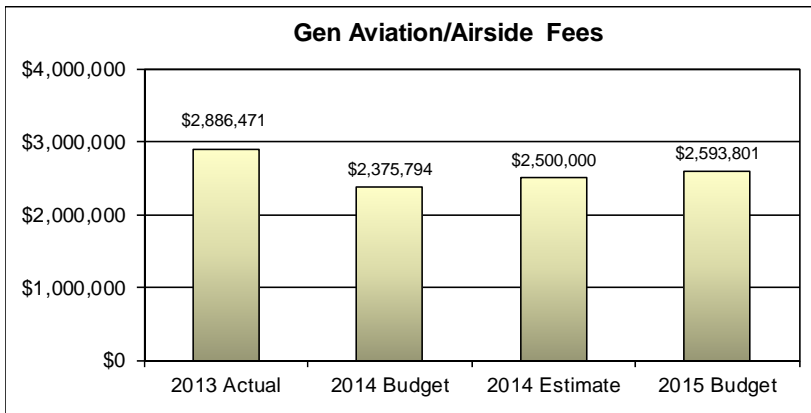


Utilities

Included in this area is water, sewer, steam (heating), chilled water (air-conditioning) and ground power. The increase in this category of \$213,000 is due to historical consumption patterns with an increase in rates.



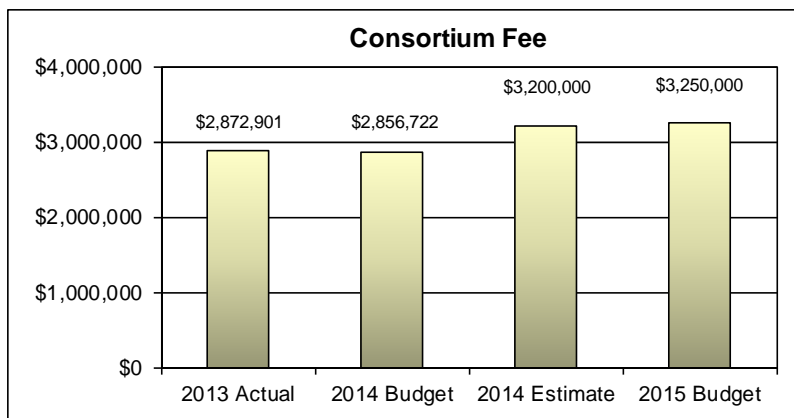
General Aviation/Airside Fees



This category includes general aviation landing fees, ramp fees and apron services. This category is expected to increase \$94,000 or 3.8% as a result of higher airside fees based on historical patterns as well as increased landing fees from general aviation.

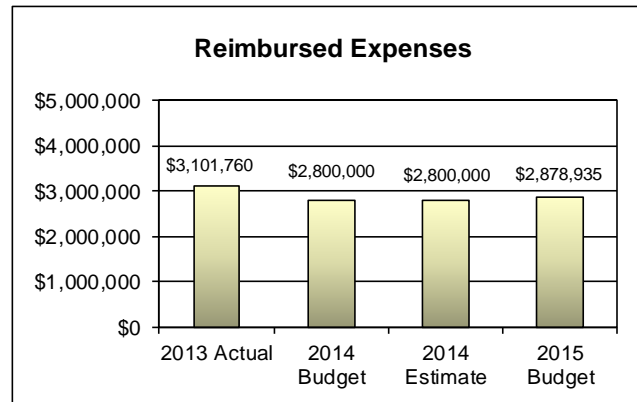
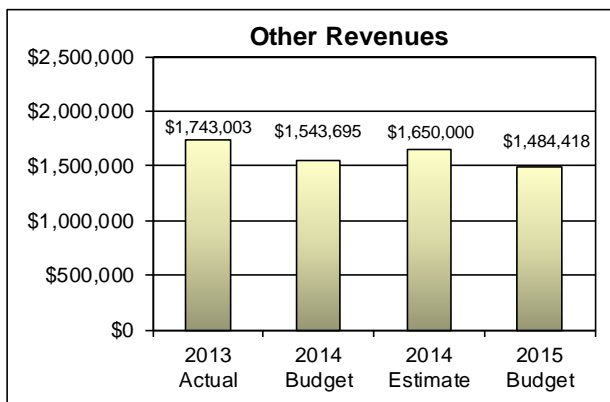
Consortium Fees

Consortium fees are expected to increase \$50,000 or 1.6%. Increases in utility charges and loading dock fees account for the majority of the increase.



Other Revenues and Reimbursed Expenses

Included in this category are parking fines, auction revenue, building permits, security badges, fuel flowage fees and miscellaneous revenues and expenses reimbursed by others. These categories combined are expected to remain flat in 2015.



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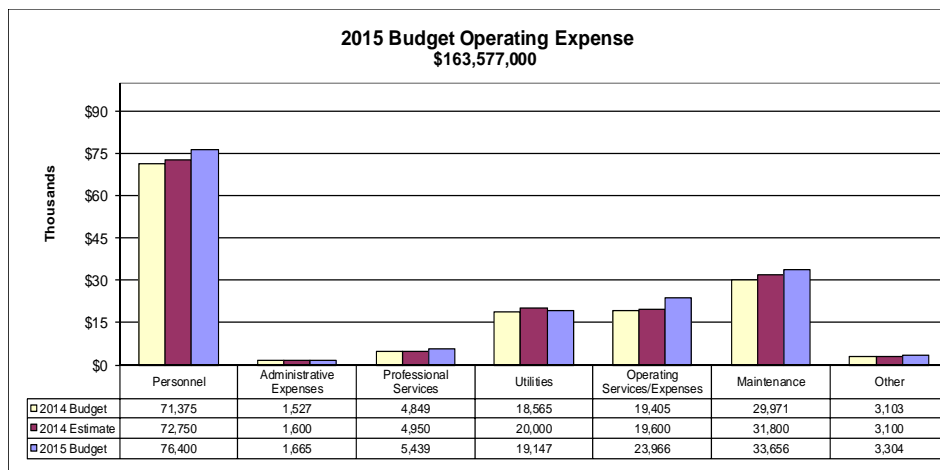
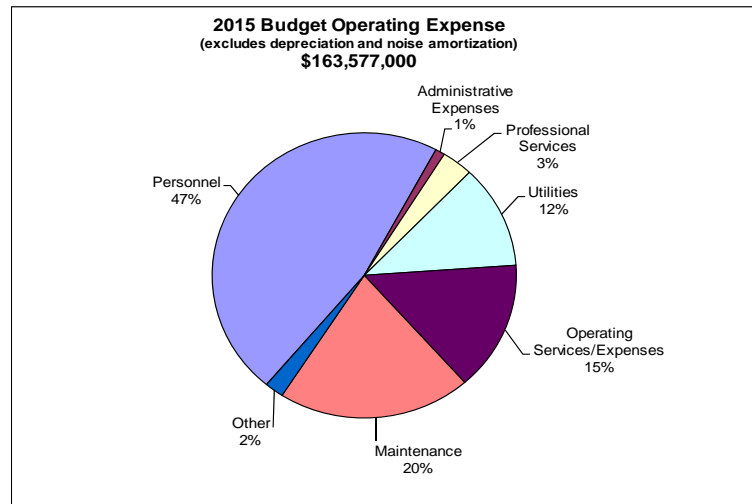
Operating Budget Expense

Rates and Charges revenue collected from the airlines are governed by the Airline Use Agreement. Other revenue collections are dictated by the lease or ordinance. Expenses are key factors in determining revenue.

Total Operating Expense for 2015 is \$163.6 million (excluding depreciation and amortization) which is an increase of \$9.8 million or 6.4% over the 2014 estimate.

The explanations prepared below compare the 2014 estimate with the 2015 budget.

2015 Budget Expense Summary (\$=000)	2013		2014		2014 Estimate vs 2015 Budget		2016		2017	
	Actual	Budget	Estimate	Budget	Dollar Change	% Change	Budget	Budget	Budget	Budget
EXPENSE										
Personnel	71,107	71,375	72,750	76,400	3,650	5.0%	77,500	81,501		
Administrative Expenses	1,407	1,527	1,600	1,665	65	4.0%	1,700	1,750		
Professional Services	4,514	4,849	4,950	5,439	489	9.9%	5,675	6,000		
Utilities	18,633	18,565	20,000	19,147	(853)	-4.3%	21,098	22,278		
Operating Services/Expenses	18,940	19,405	19,600	23,966	4,366	22.3%	25,100	25,999		
Maintenance	29,305	29,971	31,800	33,656	1,856	5.8%	36,653	36,833		
Other	2,950	3,103	3,100	3,304	204	6.6%	3,446	3,627		
Total Operating Expenses	146,857	148,794	153,800	163,577	9,777	6.4%	171,173	177,989		



2015 Budget Operating Expense

	2013 Actual	2014 Budget	2014 Estimate	2015 Budget	2014 Estimate vs 2015 Budget	
					Dollar Change	% Change
Personnel						
Salaries & Wages	48,191,905	49,143,536	49,000,000	51,659,467	2,659,467	5.4%
Benefits	22,915,050	22,231,243	23,750,000	24,740,605	990,605	4.2%
Total Personnel	<u>71,106,955</u>	<u>71,374,779</u>	<u>72,750,000</u>	<u>76,400,073</u>	<u>3,650,073</u>	<u>5.0%</u>
Administrative Expenses	1,407,247	1,526,974	1,600,000	1,664,642	64,642	4.0%
Professional Services	4,514,208	4,849,061	4,950,000	5,438,934	488,934	9.9%
Utilities						
Electricity	13,050,788	13,159,903	13,400,000	13,614,828	214,828	1.6%
Heating Fuel	3,145,005	3,147,655	4,340,000	3,145,003	(1,194,997)	-27.5%
Water & Sewer	1,921,238	1,758,547	1,760,000	1,831,396	71,396	4.1%
Telephones	515,689	498,719	500,000	555,828	55,828	11.2%
Total Utilities	<u>18,632,720</u>	<u>18,564,824</u>	<u>20,000,000</u>	<u>19,147,055</u>	<u>(852,945)</u>	<u>-4.3%</u>
Operating Services/Expenses						
Parking Management	5,892,204	6,230,039	6,200,000	6,783,415	583,415	9.4%
Shuttle Bus Services	770,017	787,673	850,000	2,929,314	2,079,314	244.6%
Service Agreements	7,450,015	7,800,326	7,800,000	8,908,716	1,108,716	14.2%
Storm Water Monitoring	1,662,155	1,405,324	1,450,000	1,447,434	(2,566)	-0.2%
Other	3,166,091	3,181,523	3,300,000	3,897,473	597,473	18.1%
Total Operating Services/Expenses	<u>18,940,481</u>	<u>19,404,885</u>	<u>19,600,000</u>	<u>23,966,352</u>	<u>4,366,352</u>	<u>22.3%</u>
Maintenance						
Trades	2,028,277	2,215,498	2,200,000	2,351,848	151,848	6.9%
Field	3,101,127	2,282,244	3,350,000	4,015,144	665,144	19.9%
Building	10,441,668	11,621,783	11,300,000	12,320,167	1,020,167	9.0%
Equipment	3,102,492	2,603,129	3,700,000	2,730,474	(969,526)	-26.2%
Cleaning	10,631,836	11,248,516	11,250,000	12,238,316	988,316	8.8%
Total Maintenance	<u>29,305,400</u>	<u>29,971,170</u>	<u>31,800,000</u>	<u>33,655,949</u>	<u>1,855,949</u>	<u>5.8%</u>
Other						
General Insurance	1,652,262	1,877,568	1,825,000	1,969,500	144,500	7.9%
Minor Equipment	556,417	732,036	750,000	826,641	76,641	10.2%
Other	741,587	493,046	525,000	507,485	(17,515)	-3.3%
Total Other	<u>2,950,266</u>	<u>3,102,650</u>	<u>3,100,000</u>	<u>3,303,626</u>	<u>203,626</u>	<u>6.6%</u>
Total Operating Expense	<u><u>146,857,276</u></u>	<u><u>148,794,343</u></u>	<u><u>153,800,000</u></u>	<u><u>163,576,630</u></u>	<u><u>9,776,630</u></u>	<u><u>6.4%</u></u>

Expense Assumptions and Guidelines

The operating expense budget is based on information provided by MAC departments, utility companies, vendors and historical analysis. The expense budget projections for 2015 are based on the following assumptions and guidelines:

- MAC will continue to maintain all facilities at the standards established with our tenants and traveling public.
- MAC will provide a safe and secure airport.
- As positions in the organization become available due to retirement or separation, each vacant position will be reviewed for business need and prioritized based upon organization needs.



Airport Police shaved their heads to support a fan with cancer

- The 2014 budget included an additional 6 FTE gate agent positions located in Terminal 2-Humphrey. The full year's impact is included in the 2015 budget.
- The 2015 budget includes 10 new FTE positions:
 - 1 Carpenter¹
 - 1 Electrician¹
 - 1 Painter¹
 - 1 Plumber¹
 - 1 Energy Management Center (EMC) - Operating Engineer¹
 - 2 Public Affairs - Videographer & Public Affairs and Marketing Specialist
 - 2 Police Officers - Primarily for coverage at Terminal 2
 - 1 Information Technology - MACpoint Administrator

¹The Commission will be taking over the operational control of the G Concourse in Terminal 1-Lindbergh from Delta on January 1, 2016. These positions will be hired in mid-late 2015 in anticipation of the additional areas on the G Concourse to be maintained by the Commission.

- The 2015 budget also includes 9.5 additional FTE positions due to reclassifying the part time and provisional Passenger Service Assistants (PSAs) to a full time status to reflect the actual hours worked by these employees.
- The total FTE position count in the 2015 budget is temporarily at 610.5 until two retirements occur in the EMC, reducing the total FTE position count to 608.5.
- Cost increases, such as scheduled contract increases, salary adjustments for existing organized and non-organized workforce, utility rate changes, insurance rate adjustments, etc., have been included.
- Additional costs necessary to maintain existing and new facilities have been included.

- Discretionary cost increases were considered only if offset by corresponding annual reduction in expenses, an annual increase in revenue, or was necessary for the ongoing efficient operation of the airport.
- Expenses are prepared on an accrual basis. This basis of accounting attempts to record financial transactions in the period they occur rather than recording them in the period they are paid. The Commission uses this method for both accounting and budgeting.

Personnel

Personnel costs will increase \$3.7 million or 5.0% over the 2014 estimates.

Personnel Expenses (\$=000)	2014		2014 Estimate		2014 Estimate vs 2015 Budget		2016	2017
	Actual	Budget	Estimate	Budget	Dollar Change	% Change	Budget	Budget
Personnel								
Salaries & Wages	48,192	49,144	49,000	51,659	2,659	5.4%	52,500	54,000
Benefits	22,915	22,231	23,750	24,741	991	4.2%	25,000	27,500
Total Personnel	<u>71,107</u>	<u>71,375</u>	<u>72,750</u>	<u>76,400</u>	<u>3,650</u>	<u>5.0%</u>	<u>77,500</u>	<u>81,501</u>

Major differences between the 2014 estimates and 2015 budgets are as follows:

Salaries & Wages – Increase of \$2.7 million or 5.4% due to the following:

- Wages – Regular – Effective January 2015, a 2.5% wage structure increase was included in the budget for non-organized employees. Organized employees with settled contracts have agreed to a 2.5% increase for 2015 and, for those units who have not settled, a 2.5% increase was also budgeted for 2015. Step increases for employees are included in the 2015 budget. The 2015 budget also includes:
 - Two operating engineer trainee positions continue to be included in the budget due to hiring difficulties in this specialized licensed work area.
 - Other labor contract obligations, such as shift differentials, equipment premium pay and Labor Union 320 longevity pay, are included in the budget.
 - Wages were adjusted to reflect a vacancy factor to account for the time necessary to fill open positions.
 - Ten new positions, identified above, added \$370,000 to the budget.
 - Five Passenger Service Assistants were re-classified from part-time status to regular status employees to reflect actual hours worked.
 - Seven Provisional Passenger Service Assistants were re-classified to regular status employees.
 - Open positions in 2014 resulted in a lower 2014 estimate.

Full Time Equivalents					
2011 Actual	2012 Actual	2013 Actual	2014 Budget	2014 Actual	2015 Budget
566	564	566*	591*^	576*	610.5**
* includes 2 trainee positions					
** includes 10 new and 9.5 status change positions					
^ includes 6 - T2 temporary postions to regular status					

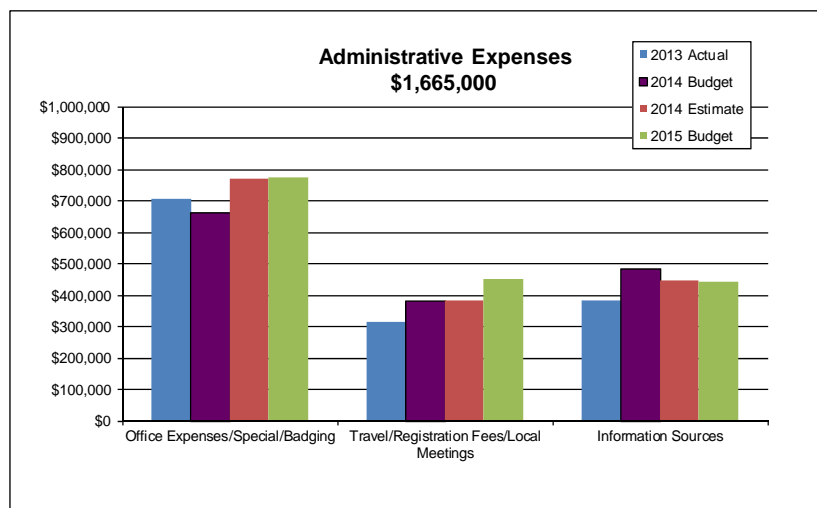
- Overtime – Regular and Double-time are decreasing \$165,000 in the 2015 budget from the 2014 estimate due to the severe winter conditions in the first quarter of 2014 that resulted in costs over budget for 2014. In preparing the 2015 budget, MAC used a historical average in budgeting for snow removal costs. Also included are wage increases, work call-backs and additional overtime necessary to ensure coverage for vacations, holidays and peak time periods.
- Temps (Temporary employees) – Increase of \$325,000 or 15.0% due to budgeting for additional hours for temporary positions to achieve customer service and safety directives (including Community Service Officers to provide traffic control in front of both terminals) and for additional heavy equipment operators to facilitate snow removal. The budget also includes wage adjustments.

Benefits – Included in benefits are employee insurance/post retirement healthcare, retirement plans, severance, workers compensation and other miscellaneous items. This category is increasing \$1.0 million or 4.2% with the majority related to healthcare costs. Employee insurance increases are based upon healthcare trends (5% inflation rate), compliance with the Affordable Care Act, new hires and allowing for the potential retirement of several employees. Statutory pension increases also contributed to the rise in this category for 2015.

Administrative Expenses

Administrative Expenses are increasing \$65,000 or 4.0% with the major expenses identified in the table below.

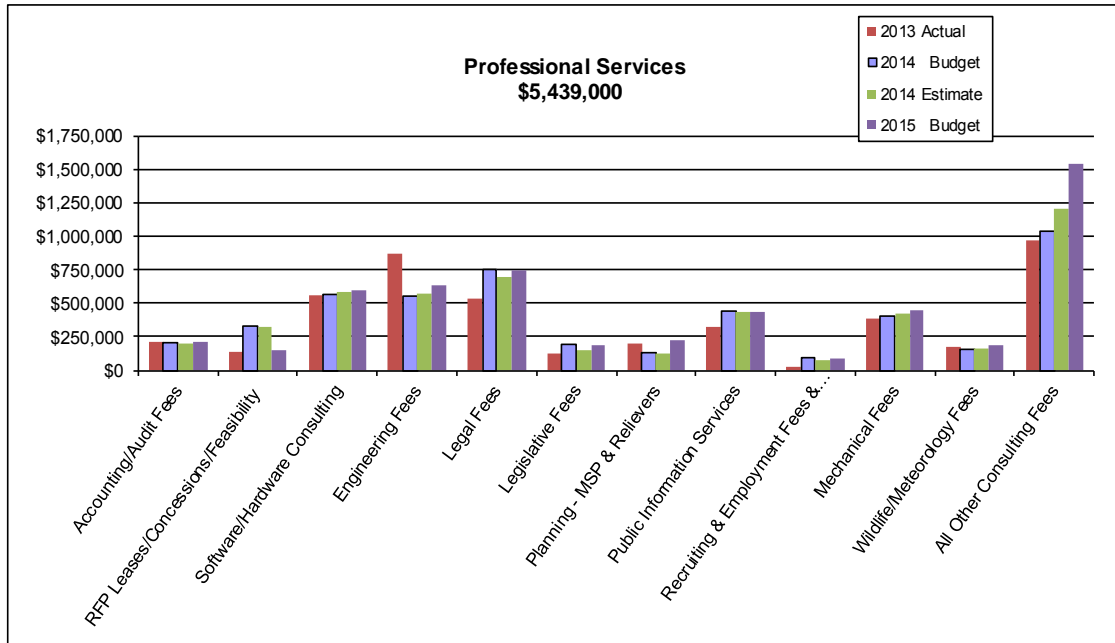
2015 Budget Administrative Expenses (\$=000)	2013	2014	2014	2015	2014 Estimate vs 2015 Budget		2016	2017
	Actual	Budget	Estimate	Budget	Dollar Change	% Change	Budget	Budget
Office Supplies/Special/Badging	\$ 533	\$ 495	\$ 615	\$ 603	\$ (12)	-1.9%	\$ 616	\$ 634
Travel/Registration Fees/Local Meeti	316	383	385	450	65	16.9%	\$ 459	\$ 473
Information Sources	385	484	445	441	(4)	-1.0%	\$ 450	\$ 463
Printing/Freight/ Postage/Other	174	165	155	171	16	10.1%	\$ 174	\$ 179
Total Administrative Expenses	\$ 1,407	\$ 1,527	\$ 1,600	\$ 1,665	\$ 65	4.0%	\$ 1,700	\$ 1,750



Travel/Registration Fees/Local Meetings – Increase in the 2015 budget is due to higher airfares, lodging costs, mileage, etc. for attending conferences and meetings. In addition, a number of staff serve on national committees that typically require out of state travel.

Professional Services

Professional Services have increased \$489,000 or 9.9% from 2014 estimates.



2015 Budget Professional Services (\$=000)	2013 Actual	2014 Budget	2014 Estimate	2015 Budget	2014 Estimate vs 2015 Budget		2016 Budget	2017 Budget
					Dollar Change	% Change		
Accounting/Audit Fees	\$ 215	\$ 200	\$ 200	\$ 215	\$ 15	7.5%	\$ 232	\$ 250
RFP Leases/Concessions/Feasibility	135	323	325	150	(175)	-53.8%	246	330
Software/Hardware Consulting	558	571	580	591	11	1.8%	625	725
Engineering Fees	874	557	575	632	57	10.0%	634	645
Legal Fees	531	749	700	749	49	7.0%	749	749
Legislative Fees	118	191	155	189	34	22.2%	198	201
Planning - MSP & Relievers	194	125	125	220	95	76.0%	253	271
Public Information Services	322	429	429	429	0	0.0%	434	447
Recruiting & Employment Fees & Other Human Resources	30	93	75	87	12	15.5%	95	100
Mechanical Fees	386	401	420	445	25	5.9%	449	454
Wildlife/Meteorology Fees	178	159	159	189	30	18.7%	196	202
All Other Consulting Fees	974	1,051	1,207	1,544	337	27.9%	1,564	1,626
Total Professional Services	\$ 4,514	\$ 4,849	\$ 4,950	\$ 5,439	\$ 489	9.9%	\$ 5,675	\$ 6,000

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

RFP Leases/Concessions/Feasibility Studies – Decrease of \$175,000 is due primarily to RFP (Request for Proposals) for Concessions leases and land appraisal services for ground rent ordinances and Reliever parcel appraisals that were applicable in 2014.

Engineering Fees – Projected to increase \$57,000 or 10.0% from the 2014 estimate due to additional CIP efforts and coordination with other MAC departments.

Legal Fees – Projected to increase \$49,000 or 7.0% from the 2014 estimate based upon 3-year averages. Legal expenses for 2014 are projected to be below 3-year averages.

Legislative Fees – Increase of \$34,000 or 22.2% due to lower than average estimates for 2014.

Planning – MSP & Relievers – Increase of \$95,000 or 76.0% due to expenses associated with the Reliever airport zoning effort and LTCP (Long Term Comprehensive Plan) updates for Crystal, Airlake and Lake Elmo Airports.

Recruiting & Employment Fees and Other Human Resources – Recruiting fees increased \$12,000 or 15.5% for the anticipated turnover of senior positions that did not occur in 2014.

Mechanical Fees – An increase of \$25,000 or 5.9% is attributed to the renegotiation of the elevator/escalator/moving walks contract in 2015 and coordination of the Terminal 1 Trams Upgrade project which started in 2014.

Wildlife/Meteorology Fees – An increase of \$30,000 or 18.7% is attributed to the implementation of a Wildlife Hazard Assessment at MSP as part of the FAA's required Wildlife Hazards Management Plan.

All Other Consulting Fees – An increase of \$337,000 or 27.9% is attributed to the following:

- \$21,000 - Police - Learning Management System courses to be designed; update SIDA training videos and increase of vet costs.
- \$229,000 - Risk/Insurance/Safety - Fee for services to implement the Health Engagement Program (HEP).
- \$50,000 - Services to provide the sharing of information for purposes of the Sustainability Management Plan (SMP) development process integrating the findings of the IT management assessment. These issues include business integration and organization change required to ensure the successful implementation of MAC's formal sustainability program and support of related critical strategies into MAC's 2016 strategic planning process.

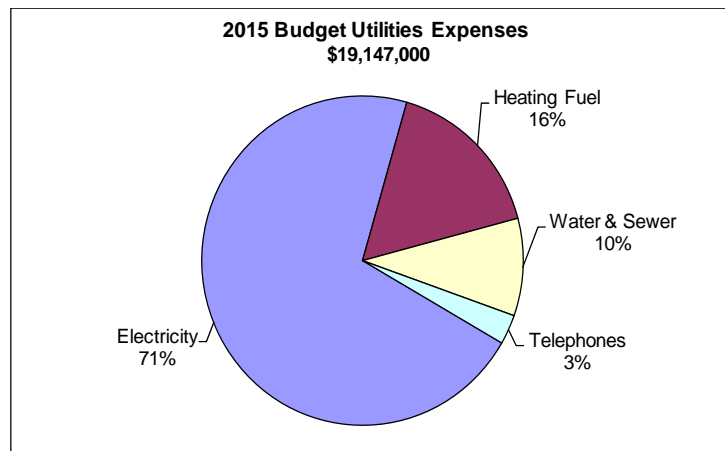


Terminal 2-Humphrey

Utilities

Total Utilities are budgeted to decrease \$853,000 or 4.3% over 2014 estimates and are explained as follows.

Utilities Expense (\$=000)	2014 Estimate vs 2015 Budget							
	2013 Actual	2014 Budget	2014 Estimate	2015 Budget	Dollar Change	% Change	2016 Budget	2017 Budget
Utilities								
Electricity	13,051	13,160	13,400	13,615	215	1.6%	14,250	15,000
Heating Fuel	3,145	3,148	4,340	3,145	(1,195)	-27.5%	4,300	4,500
Water & Sewer	1,921	1,759	1,760	1,831	71	4.1%	2,000	2,225
Telephones	516	499	500	556	56	11.2%	548	553
Total Utilities	18,633	18,565	20,000	19,147	(853)	-4.3%	21,098	22,278



Electricity – The increase in electricity of \$215,000 or 1.6% is based upon the forecast provided by the utility company and an outside consultant and is a result of an increase in electrical rates partially offset by energy savings due to the re-lighting of the parking ramps.

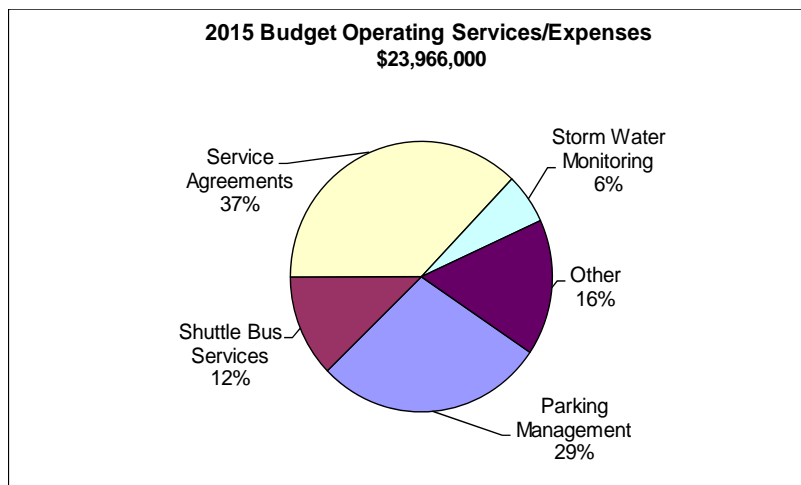
Natural Gas-Heating Fuel – A decrease in heating fuel of 27.5% or \$1.2 million is a result of budgeting an average winter’s expense in jet fuel. At Centerpoint’s request, the Energy Management Center switches from Natural Gas to Jet Fuel and in return MAC receives a rate break (Interruptible Contract). The abnormal cold winter in 2014 contributed to an unusually high jet fuel expense.

Telephones – The increase in telephones of \$56,000 or 11.2% is due to increasing the number of staff with data plans to improve communications and the ability to research information from their phone. In addition, fees increased for data devices including secured squad wireless devices.

Operating Services/Expenses

Operating Service expenses are increasing \$4.4 million or 22.3%. The following chart lists the major components in this category.

Operating Expense (\$=000)	2014 Estimate vs 2015 Budget							
	2013	2014	2014	2015	Dollar	%	2016	2017
	Actual	Budget	Estimate	Budget	Change	Change	Budget	Budget
Operating Services/Expenses								
Parking Management	5,892	6,230	6,200	6,783	583	9.4%	7,000	7,200
Shuttle Bus Services	770	788	850	2,929	2,079	244.6%	3,100	3,250
Service Agreements	7,450	7,800	7,800	8,909	1,109	14.2%	9,500	10,000
Storm Water Monitoring	1,662	1,405	1,450	1,447	(3)	-0.2%	1,500	1,550
Other	3,166	3,182	3,300	3,897	597	18.1%	4,000	4,000
Total Operating Services/Expenses	18,940	19,405	19,600	23,966	4,366	22.3%	25,100	25,999



Parking Management – The parking management contract is increasing 9.4% or \$583,000 primarily due to contractual increases and costs resulting from increased frequency of diverting parkers to the Quick Ride ramp or Terminal 2 ramps when Terminal 1 ramps are at capacity. In addition, increases in security services (valet vehicle inspection and call for assistance monitoring) and the staffing of the Quick Ride public parking ramp are included in the budget.

Shuttle Bus Services – The Commission has been experiencing a large number of parking diversions at Terminal 1. The passengers who cannot find a parking space at Terminal 1 are re-directed to parking facilities at Terminal 2. In order to decrease the number of diversions and improve customer service for passengers at Terminal 1, the Commission will be opening the Quick Ride parking ramp located at Terminal 1. In order to move passengers from the Quick Ride ramp to the terminal building, the Commission must shuttle those passengers. The \$2.1 million increase is a result of transporting those passengers between the Quick Ride parking ramp and Terminal 1.

Service Agreements – Service agreements are increasing 14.2% or \$1.1 million due to the following increases:

- \$65,000 - Software used for Commission meetings and customer engagement programs that allow customers to receive information which enhances their airport experience and to choose information that is of interest to them.
- \$453,000 - Increases in software and hardware maintenance agreements, along with increasing support costs for EnterpriseOne due to three added modules (Health and Safety, Wellness and Sales Order Entry). In addition, MAC has moved to the Microsoft Office 365 subscription product set for productivity tools including the Office suite instead of paying license and software assurance fees.

- \$304,000 - New contract for the loading dock as well as increased activity.
- \$214,000 - Contract for CCTV contains more cameras to maintain.

Storm Water Monitoring – Decreased \$2,600 or 0.2% and is based upon historical amounts, as well as capital improvements, which improves the efficiency of how storm water is collected and treated.

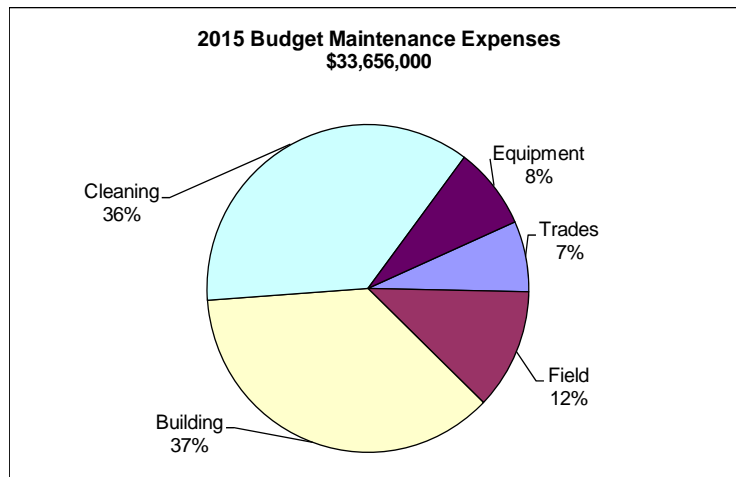
Other – Other expenses are increasing \$0.6 million or 18.1% related to the following increases:

- \$50,000 - Expenses for a full year of 3-1-1 bags distributed to passengers as an advertising company no longer provides these complimentary bags for passengers.
- \$63,000 - Increase is a result of marketing concession retail rebid and change out of shops.
- \$356,000 - Queue line management expenses. This service was previously performed by the airlines in order to direct passengers to the shortest security lines. In 2015, the Commission will be providing this service at Terminal 1 and will be reimbursed by the airlines.
- \$40,000 - Metropolitan Council fees increase.
- \$23,000 - Advertising parking increase directed to reducing customers’ dissatisfaction by encouraging them to park at Terminal 2 when flying from Terminal 1 and providing customers with current parking capacity information through SurePark.

Maintenance

This category has five components: Trades (Painters, Carpenters, Electricians and Plumbers); Field (Snow Removal, Summer Maintenance and Landscaping); Building (Carrousel/Conveyors, Elevators/Escalators, Moving Walks and Automated People Mover); Equipment (Parts, Shop Supplies and Gas); and Cleaning (Janitorial, Windows, Cleaning Supplies and Rubbish Removal). Total maintenance will increase 5.8% or \$1.9 million over 2014 estimates.

Maintenance Expenses (\$=000)					2014 Estimate vs 2015 Budget		2016 Budget	2017 Budget
	2013 Actual	2014 Budget	2014 Estimate	2015 Budget	Dollar Change	% Change		
Maintenance								
Trades	2,028	2,215	2,200	2,352	152	6.9%	2,805	2,947
Field	3,101	2,282	3,350	4,015	665	19.9%	4,000	4,300
Building	10,442	11,622	11,300	12,320	1,020	9.0%	12,648	12,732
Equipment	3,102	2,603	3,700	2,730	(970)	-26.2%	3,400	2,800
Cleaning	10,632	11,249	11,250	12,238	988	8.8%	13,800	14,053
Total Maintenance	29,305	29,971	31,800	33,656	1,856	5.8%	36,653	36,833



Trades – Trades increased \$152,000 or 6.9% for carpet replacement, flooring repairs and ceiling tiles along with various hardware throughout the MAC.

Field – Field costs include snow removal, summer maintenance and landscaping. Snow removal costs make up a majority of this \$4.0 million budget. Field maintenance expenses are budgeted for snow removal costs associated with an average winter. The estimate for 2014 reflects higher expenses related to the above average winter in 2014. In addition, equipment leases expired in 2014 for snow removal equipment with the 2015 budget reflecting those additional expenses.

Building – Building expenses are budgeted to increase \$1.0 million or 9.0% and is due to the following increases:

- \$400,000 - Contractual increases in Mechanical areas (people movers, escalators, elevators etc.).
- \$180,000 - Contractual increases for Temp Control including data center and IT related demands.
- \$400,000 - In 2014, the Commission completed construction and installation of a Checked Baggage Inspection System at Terminal 1 which replaces each airline’s outbound baggage system. The Commission will be responsible for the maintenance of the baggage system and will charge the airlines (based on the number of bags processed). The 2015 budget increase is a result of recognizing a full year’s expense.

Equipment – This area is budgeted to decrease \$1.0 million or 26.2%. This category is also related to winter weather. As stated previously, 2014 was an above average winter. As a result, more fuel was consumed to run snow removal equipment as well as heavier than normal use of equipment requiring more repairs and parts. The 2015 budget was prepared on a 5-year winter average basis.



MAC High Speed Plows in Action

Cleaning – Cleaning expenses are budgeted to increase \$988,000 or 8.8%. This is a result of an annual contractual increase, more frequencies of restroom cleanings due to greater passenger traffic, and new construction with additional areas to be cleaned such as the new auto rental facility at Terminal 2.

Other

The Other expense category is projected to increase \$204,000 or 6.6%. This category includes General Insurance, Minor Assets (less than \$10,000) and miscellaneous items.

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

Other Expense (\$=000)	2014 Estimate vs 2015 Budget							
	2013 Actual	2014 Budget	2014 Estimate	2015 Budget	Dollar Change	% Change	2016 Budget	2017 Budget
Other								
General Insurance	1,652	1,878	1,825	1,970	145	7.9%	2,069	2,173
Minor Equipment	556	732	750	827	77	10.2%	845	954
Other	742	493	525	507	(18)	-3.3%	533	501
Total Other	<u>2,950</u>	<u>3,103</u>	<u>3,100</u>	<u>3,304</u>	<u>204</u>	<u>6.6%</u>	<u>3,446</u>	<u>3,627</u>

General Insurance – General Insurance has increased \$145,000 or 7.9%. The insurance market is based upon factors worldwide (losses under the deductible, litigation costs, history of cost and inflationary factors). The cost increase for airport liability is for excess coverage as well as the increase of the value of equipment covered.

Minor Equipment – Minor equipment is increasing by \$77,000 or 10.2%. A number of the Commission’s computers, which were purchased 8 to 10 years ago, require replacement to operate current software.



Metropolitan Airports Commission General Offices

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2015 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/ Landside	Parking Facilities
Personnel									
Wages									
Regular	45,417,811	715,086	-	1,438,998	-	-	-	1,887,692	-
Overtime/Doubletime									
Doubletime - Regular	1,505,065	-	-	86,688	-	-	-	-	-
Overtime - Regular	2,225,311	9,116	-	39,732	-	-	-	53,336	-
Total Overtime/Doubletime	3,730,375	9,116	-	126,420	-	-	-	53,336	-
Commissioner PerDiem	14,000	-	-	-	-	-	-	-	-
Temps	2,497,281	-	-	-	-	903,269	-	-	-
Total Wages	51,659,467	724,202	-	1,565,418	-	903,269	-	1,941,028	-
Benefits									
Employee Insurance									
Employee Insurance Dental	523,019	11,880	-	16,343	-	-	-	20,806	-
EmPLY Insurance Disability	172,296	2,953	-	6,219	-	-	-	6,769	-
Employee Insurance Life	95,500	1,508	-	3,046	-	-	-	3,389	-
Employee Insurance Medical	7,017,195	158,549	-	218,114	-	36,929	-	277,680	-
Employee Insurance Retiree	2,650,000	61,518	-	87,751	-	-	-	106,555	-
Total Employee Insurance	10,458,010	236,408	-	331,473	-	36,929	-	415,199	-
Pension									
Fica (Social Security)Base	2,424,543	43,128	-	92,375	-	56,003	-	101,792	-
Fica(Social Security)Medic	716,882	10,091	-	21,610	-	11,291	-	23,824	-
Mpls EmPLY Retirement Fund	40,795	-	-	-	-	-	-	-	-
Public EmPLY - Coordinated	2,872,273	54,129	-	117,090	-	-	-	127,248	-
Public EmPLY - Police/Fire	1,796,909	-	-	-	-	-	-	-	-
Merf Unfunded Liability	1,957,717	88,987	-	38,138	-	-	-	12,713	-
Total Pension	9,809,118	196,335	-	269,213	-	67,294	-	265,576	-
Training									
Continuing Ed (College)	69,370	-	-	-	-	-	-	-	-
Executive Leadership Train	15,000	-	-	-	-	-	-	-	-
Management Requirement	7,750	-	-	-	-	-	-	-	-
Organizational Requirement	61,450	-	-	-	-	-	-	-	-
Regulatory Requirements	74,311	-	-	-	-	-	-	-	-
Local Seminars	139,158	-	-	-	-	-	-	4,250	-
Total Training	367,039	-	-	-	-	-	-	4,250	-
Post Retirement Benefits	1,900,000	46,740	-	89,110	-	-	-	29,640	-
Workers Compensation	641,300	15,327	-	18,664	-	-	-	31,809	-
Post EmPLY Health Plan	348,123	4,125	-	6,515	-	-	-	13,168	-
Flex Spending	42,000	-	-	-	-	22,000	-	-	-
Unemployment Tax	70,000	-	-	-	-	-	-	-	-
Uniforms									
Uniforms-Police/Fire Allow	185,062	-	-	-	-	-	-	-	-
Uniforms-Rental	53,714	1,000	-	1,911	-	-	-	4,445	-
Uniforms - Safety	41,328	450	-	4,500	-	-	-	-	-
Total Uniforms	280,104	1,450	-	6,411	-	-	-	4,445	-
Severance									
Contract Allowance	3,500	-	-	-	-	-	-	-	-
Regular Severance	140,674	1,512	-	1,979	-	-	-	3,082	-
Total Severance	144,174	1,512	-	1,979	-	-	-	3,082	-
Trade Union Benefits	680,737	-	-	-	-	-	-	-	-
Total Benefits	24,740,605	501,897	-	723,364	-	126,223	-	767,170	-
Total Personnel	76,400,073	1,226,099	-	2,288,782	-	1,029,491	-	2,708,198	-

2015 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/Landside	Parking Facilities
Administrative Expenses									
Supplies									
Office Supplies Materials	141,410	3,300	-	1,223	-	6,000	-	13,406	-
Computer Supplies									
Computer Supplies-General	92,769	31	-	682	-	-	-	-	9,500
Computer Supplies-Software	184,976	2,400	-	-	-	-	-	-	65,400
Computer - Tools	4,401	-	-	-	-	-	-	-	-
Total Computer Supplies	282,146	2,431	-	682	-	-	-	-	74,900
Special Supplies									
Special Supplies-Badging	102,700	-	-	-	-	-	-	-	-
Special Supply-Film/Photo	16,023	-	-	-	-	-	-	-	-
Special Supplies-Other	61,126	-	-	1,466	-	5,086	-	-	-
Total Special Supplies	179,849	-	-	1,466	-	5,086	-	-	-
Total Supplies	603,405	5,731	-	3,371	-	11,086	-	13,406	74,900
Travel									
Travel - Lodging	112,292	816	-	-	-	6,842	-	6,048	-
Travel - Meals	22,042	122	-	-	-	400	-	1,161	-
Travel - Miscellaneous	2,142	-	-	-	-	-	-	-	-
Travel - Transportation									
Travel - Transport/Airfare	118,400	300	-	-	-	4,640	-	4,050	-
Travel - Shuttle/Taxi/Auto	8,600	-	-	-	-	-	-	450	-
Total Travel - Transportation	127,000	300	-	-	-	4,640	-	4,500	-
Registration Fees	107,068	445	-	-	-	4,100	-	4,050	-
Mileage	48,107	240	-	-	-	-	-	-	-
Total Travel	418,651	1,923	-	-	-	15,982	-	15,759	-
Other Administrative Expense									
Local Meetings									
Local Mtgs - Off Airport	8,924	200	-	-	-	-	-	-	-
Local Mtgs - On Airport/GO	22,334	250	-	-	-	600	-	750	-
Total Local Meetings	31,258	450	-	-	-	600	-	750	-
Information Sources									
Memberships/Dues/Pro Assoc	261,807	950	-	-	-	275	-	2,200	-
Other Information Sources	109,808	-	-	977	-	-	-	-	-
Publications/Subscriptions	68,990	400	-	-	-	1,500	-	-	-
Total Information Sources	440,605	1,350	-	977	-	1,775	-	2,200	-
Printing Costs									
Printing-Publications	47,952	-	-	-	-	-	-	-	-
Printing - Color Charts	8,300	-	-	-	-	-	-	-	-
Printing - Forms	32,058	-	-	-	-	-	-	29,082	-
Printing-Stationary/Envel	20,732	-	-	-	-	-	-	-	-
Total Printing Costs	109,042	-	-	-	-	-	-	29,082	-
Delivery Services	7,461	-	-	166	-	-	-	-	-
Freight Charges	1,631	-	-	-	-	-	-	-	-
Postage	40,559	-	-	-	-	-	-	6,000	-
Strategic Planning-Admin	12,030	-	-	-	-	-	-	-	-
Total Other Administrative Expense	642,586	1,800	-	1,143	-	2,375	-	38,032	-
Total Administrative Expenses	1,664,642	9,454	-	4,514	-	29,443	-	67,197	74,900

2015 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/ Landside	Parking Facilities
Professional Services									
Accounting/Audit Fees	215,000	-	-	-	-	-	-	-	-
Appraisals	50,000	-	-	-	-	-	-	-	-
RFP/Leases	75,000	-	-	-	-	-	-	-	-
Concept Develop/Feasible	25,000	-	-	-	-	-	-	-	-
Computer Services									
General									
ANOMS Consulting	63,055	-	-	-	-	-	-	-	-
Hardware Consulting	15,000	-	-	-	-	-	-	-	-
Software Consulting	512,500	-	-	-	-	-	-	-	-
Total General	590,555	-	-	-	-	-	-	-	-
Total Computer Services	590,555	-	-	-	-	-	-	-	-
Engineering Fees	632,235	75,000	-	44,735	-	375,000	-	-	-
Insurance Consultants	266,000	-	-	-	-	-	-	-	-
Legal Fees									
Legal - Environmental	92,000	-	-	-	-	-	-	-	-
Legal - General	642,000	-	-	-	-	-	-	-	-
Legal - Relievers	15,000	-	-	-	-	-	-	-	-
Total Legal Fees	749,000	-	-	-	-	-	-	-	-
Legislative									
Legislative - Local	91,350	-	-	-	-	-	-	-	-
Legislative - National	98,000	-	-	-	-	-	-	-	-
Total Legislative	189,350	-	-	-	-	-	-	-	-
Medical Fees	38,008	-	-	-	-	-	-	-	-
Planning	220,000	-	-	-	-	40,000	-	-	-
Pollution/Environmental Fees	4,626	-	-	-	-	-	-	-	-
Public Information									
Public Infor Serv. - Photo	13,000	-	-	-	-	-	-	-	-
Public Infor Serv. - Web	70,511	-	-	-	-	-	-	-	-
Public Info. Serv - Digital	100,000	-	-	-	-	-	-	-	-
Public Infor Serv. - Other	245,526	-	-	-	-	-	-	-	-
Total Public Information	429,037	-	-	-	-	-	-	-	-
Recruiting Expenses									
Recruiting Employment Fees	42,121	-	-	-	-	-	-	-	-
Staff Recruiting	495	-	-	-	-	-	-	-	-
Executive Recruiting	44,000	-	-	-	-	-	-	-	-
Total Recruiting Expenses	86,616	-	-	-	-	-	-	-	-
Safety Consultants									
Safety - Training	33,924	-	-	-	-	-	-	-	-
Safety - General	8,000	-	-	-	-	-	-	-	-
Total Safety Consultants	41,924	-	-	-	-	-	-	-	-
Miscellaneous Expenses									
Survey Expense									
Wildlife/Meteorology	16,920	-	-	-	-	-	-	-	-
Meteorology	21,000	-	-	-	-	-	-	-	-
Wildlife	167,677	-	-	-	-	-	-	-	-
Total Wildlife/Meteorology	188,677	-	-	-	-	-	-	-	-
Business Development	137,000	-	-	-	-	-	-	-	-
Environmental	66,000	-	-	-	-	-	-	-	-
Mechanical									
Mechanical Terminal	271,947	222,958	-	-	-	-	-	-	-
Mechanical Trades	172,931	-	-	-	-	-	-	-	-
Total Mechanical	444,878	222,958	-	-	-	-	-	-	-
Miscellaneous	883,108	-	-	-	-	14,522	-	20,000	-
Strategic Planning-Professiona	90,000	-	-	-	-	-	-	-	-
Total Miscellaneous Expenses	1,826,583	222,958	-	-	-	14,522	-	20,000	-
Total Professional Services	5,438,934	297,958	-	44,735	-	429,522	-	20,000	-
Utilities									
Electricity	13,614,828	7,941,766	-	-	-	961,777	-	792,690	632,935
Heating Fuel									
Heating - Natural Gas	3,095,003	260,806	-	1,997,310	-	26,808	-	12,551	7,787
Heating - Fuel Oil	50,000	-	-	50,000	-	-	-	-	-
Total Heating Fuel	3,145,003	260,806	-	2,047,310	-	26,808	-	12,551	7,787
Sewer	879,666	168,286	-	21,514	-	23,543	67	27	6,687
Water	951,730	269,853	-	81,865	-	5,032	67	16,662	11,781
Telephone									
Telephone - Regular	184,350	-	-	-	-	-	-	-	-
Telephone - Internet Service	77,981	-	-	-	-	-	-	-	-
Telephone - Cellular	293,497	6,450	-	9,544	-	4,800	-	6,740	-
Total Telephone	555,828	6,450	-	9,544	-	4,800	-	6,740	-
Total Utilities	19,147,055	8,647,161	-	2,160,233	-	1,021,960	134	828,670	659,190

2015 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/ Landside	Parking Facilities
Operating Services/Expenses									
Advertising									
Advertising - Employment	8,238	-	-	-	-	-	-	-	-
Advertising - General	77,202	-	-	-	-	-	-	-	-
Advertising - Parking	396,440	-	-	-	-	-	-	-	396,440
Advertising - Relievers	8,000	-	-	-	-	-	-	-	-
Total Advertising	489,880	-	-	-	-	-	-	-	396,440
Environmental Control									
Hazardous Waste									
Hazardous Waste - FLOuresc	15,000	-	-	-	-	-	-	-	-
Hazardous Waste - General	1,000	-	-	-	-	-	-	-	-
Total Hazardous Waste	16,000	-	-	-	-	-	-	-	-
Pollution Control									
Pollution Ctrl-Booms	13,000	-	-	-	-	-	-	-	-
Pollution Ctrl-Corn Cobs	6,000	-	-	-	-	-	-	-	-
Total Pollution Control	19,000	-	-	-	-	-	-	-	-
Industrial Waste Mgmt	1,667	-	-	-	-	1,667	-	-	-
Laboratory Services	6,500	-	-	-	-	-	-	-	-
Solvent Reclamation Service	11,750	-	-	-	-	-	-	-	-
Tire Disposal	400	-	-	-	-	-	-	-	-
Other	133,500	-	-	-	-	-	-	-	-
Total Environmental Control	188,817	-	-	-	-	1,667	-	-	-
GISW Management	1,447,434	3,100	-	-	-	1,365,134	-	-	-
Tag Operating Supplies	16,000	-	-	-	-	-	-	16,000	-
Grd Transportation Services	16,000	-	-	-	-	-	-	16,000	-
Shuttle Services	2,929,314	1,201,019	-	-	-	-	-	1,142,432	-
Parking Lots	6,783,415	-	-	-	-	-	-	-	6,783,415
Met Council Fees	200,000	-	-	-	-	200,000	-	-	-
Employee Programs									
Recognition	8,500	-	-	-	-	-	-	-	-
Retirement	2,250	-	-	-	-	-	-	-	-
Wellness									
Wellness - Fitness Program	128,000	-	-	-	-	-	-	-	-
Wellness-Health/Wellness	5,000	-	-	-	-	-	-	-	-
Wellness-Nutrition/Stress	5,000	-	-	-	-	-	-	-	-
Total Wellness	138,000	-	-	-	-	-	-	-	-
Total Employee Programs	148,750	-	-	-	-	-	-	-	-
Conference Center	30,000	-	-	-	-	-	-	-	-
Conference Center	30,000	-	-	-	-	-	-	-	-
Events Exercises									
Emergency Response Exercise	15,720	-	-	-	-	720	-	-	-
Other Programs/Events	13,500	-	-	-	-	-	-	-	-
Call Back Service	7,500	-	-	-	-	7,500	-	-	-
Major Events-Conventions	6,395	-	-	-	-	-	-	-	-
Total Events Exercises	43,115	-	-	-	-	8,220	-	-	-
Other Charges/Fees									
Bank Charges	456,375	-	-	-	-	1,500	-	-	254,875
IATA Contract Expense	66,000	-	-	-	-	-	-	-	-
Security Services Regular	579,625	-	-	-	-	-	-	-	-
Security Services Check Pt	31,821	-	-	-	-	31,821	-	-	-
Concessions Marketing	500,000	-	-	-	-	-	-	-	-
Recycling - Sand	200	-	-	-	-	200	-	-	-
Copy Agreement	160,000	-	-	-	-	-	-	-	-
Mediation Fees	2,000	-	-	-	-	-	-	-	-
Miscellaneous Charges/Fees	237,287	-	-	-	-	600	-	32,736	-
Misc chrges-ziptop bags	100,000	100,000	-	-	-	-	-	-	-
Porter Service	281,658	281,658	-	-	-	-	-	-	-
Queue Line	355,940	355,940	-	-	-	-	-	-	-
Jail Fees	10,005	-	-	-	-	-	-	-	-
Total Other Charges/Fees	2,780,911	737,598	-	-	-	34,121	-	32,736	254,875
Service Agreements									
Service - Bldg Inspection	18,000	18,000	-	-	-	-	-	-	-
Service-Computers	3,249,745	85,000	-	100,000	-	-	-	-	212,000
Service-Electrical Gear Contr	170,000	110,000	-	-	-	-	-	-	-
Service-Fitness Equipment	2,600	-	-	-	-	-	-	-	-
Service-Grd Trans Equip	318,168	-	-	-	-	-	-	318,168	-
Service-Loading Dock	2,115,694	2,073,380	-	-	-	-	-	-	-
Service-Office Equipment	18,001	-	-	-	-	100	-	-	-
Service-Other Equipment	1,290,795	626,000	236,000	-	-	7,900	-	-	-
Service-Parking Equipment	684,435	-	-	-	-	-	-	-	684,435
Service-Telephone Systems	60,723	-	-	-	-	-	-	-	-
Service-CCTV/IVISN	615,900	215,565	-	-	-	92,385	-	110,862	110,862
Service-Radios	364,655	-	-	-	-	45,000	-	1,000	-
Total Service Agreements	8,908,716	3,127,945	236,000	100,000	-	145,385	-	430,030	1,007,297
Total Operating Services/Expenses	23,966,352	5,069,662	236,000	100,000	-	1,754,527	-	1,621,198	8,442,027

2015 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/ Landside	Parking Facilities
Maintenance									
Trades - Painters									
Paint									
Equipment - Paint	5,215	-	-	-	-	-	-	-	-
Exterior - Paint	13,400	3,500	-	-	-	-	-	-	3,800
Interior - Paint	21,972	15,000	-	1,513	-	-	-	-	-
Paint - Other	1,888	800	-	-	-	-	-	-	-
Traffic Paint - Parking	5,000	-	-	-	-	-	-	-	5,000
Reliever Airport - Paint	4,500	-	-	-	-	-	-	-	-
Traffic Paint - Runways	140,731	-	-	-	-	137,402	-	-	-
Total Paint	192,706	19,300	-	1,513	-	137,402	-	-	8,800
Signs									
Exterior Sign Materials	13,630	2,630	-	-	-	-	-	-	-
Interior Sign Materials	8,507	4,003	-	-	-	-	-	-	-
Total Signs	22,137	6,633	-	-	-	-	-	-	-
Supplies									
Paint Supplies - Other	5,000	-	-	-	-	-	-	-	-
Solvents	1,500	-	-	-	-	-	-	-	-
Equipment Spray	10,991	-	-	-	-	-	-	-	-
Paint Tools	10,282	464	-	-	-	-	-	-	-
Total Supplies	27,773	464	-	-	-	-	-	-	-
Total Trades - Painters	242,616	26,397	-	1,513	-	137,402	-	-	8,800
Trades - Carpenters									
Locks									
Locks - Doors	65,820	32,394	-	-	-	-	-	-	-
Locks - Door Tags/ID	556	556	-	-	-	-	-	-	-
Total Locks	66,376	32,950	-	-	-	-	-	-	-
Flags	150	-	-	-	-	-	-	-	-
Lumber									
Lumber-Cabinets	14,700	14,385	-	-	-	-	-	-	-
Lumber-Furniture	8,088	5,450	-	-	-	-	-	-	-
Lumber-Other	650	-	-	-	-	-	-	-	-
Lumber-Remodeling	1,000	-	-	-	-	-	-	-	-
Total Lumber	24,438	19,835	-	-	-	-	-	-	-
Other									
Other - Attic Stock	5,000	5,000	-	-	-	-	-	-	-
Other - Ceilings	4,500	2,500	-	-	-	-	-	-	-
Other - Ceramics	2,660	1,575	-	-	-	-	-	-	-
Other - Doors	8,705	4,405	-	-	-	-	-	-	-
Other - Floor Coverings	71,439	69,000	-	-	-	-	-	-	-
Other - Hardware	85,308	21,600	-	-	-	-	-	-	-
Other - Miscellaneous	2,243	-	-	-	-	-	-	-	-
Other - Auto Door Supplis RPL	21,399	19,194	-	-	-	-	-	-	-
Other - Saw Blades	192	192	-	-	-	-	-	-	-
Other - Screws/Bolts	16,325	-	-	-	-	-	-	-	-
Other - Seating Replacement	10,750	7,500	-	-	-	-	-	-	-
Other - Tools	2,455	2,048	-	-	-	-	-	-	-
Other - Tug Door Repairs	25,150	25,000	-	-	-	-	-	-	-
Other - Tug Drive Floor Maint.	5,000	5,000	-	-	-	-	-	-	-
Other - Wall Protection	160	-	-	-	-	-	-	-	-
Total Other	261,286	163,014	-	-	-	-	-	-	-
Total Trades - Carpenters	352,250	215,799	-	-	-	-	-	-	-

2015 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/ Landside	Parking Facilities
Trades - Plumbers									
Contractor Requirements	3,000	-	-	-	-	-	-	-	-
Fire Protection System	56,952	24,193	-	489	-	876	-	-	-
General Plumbing Supplies	81,439	40,000	-	254	-	-	-	-	-
Irrigation Supplies	7,821	-	-	-	-	-	-	1,975	-
Pumps	39,300	10,000	-	2,300	-	13,000	-	-	-
Underground Utilities	1,000	1,000	-	-	-	-	-	-	-
Water Distribution Systems	14,500	6,000	-	-	-	-	-	-	-
Water Meters	19,670	-	-	-	-	2,170	-	-	-
Total Trades - Plumbers	223,682	81,193	-	3,043	-	16,046	-	1,975	-
Trades - Electricians									
Repairs									
Generator Maint. Contract	56,500	13,000	-	-	-	15,000	-	-	-
Electrical - Interior	14,000	12,000	-	-	-	-	-	-	-
Unit Maint. Contract	465,000	190,000	-	-	-	60,000	-	-	70,000
Unit Maint Supplies	22,000	12,000	-	-	-	4,000	-	-	-
Total Repairs	557,500	227,000	-	-	-	79,000	-	-	70,000
Other									
Other - Batteries	3,000	-	-	-	-	-	-	-	-
Other-Field Lights/Sensors	262,000	-	-	-	-	210,000	-	-	-
Other - Gate Supplies	76,000	-	-	-	-	20,000	-	-	-
Other - General Supplies	579,300	170,000	-	6,000	-	5,000	-	-	240,000
Other - Motor	26,500	10,000	-	3,000	-	1,000	-	-	-
Other - Secured Access Sys	29,000	10,000	-	-	-	4,000	-	-	-
Total Other	975,800	190,000	-	9,000	-	240,000	-	-	240,000
Total Trades - Electricians	1,533,300	417,000	-	9,000	-	319,000	-	-	310,000

2015 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/ Landside	Parking Facilities
Maintenance - Field									
Snow Removal - Materials									
Materials - Sodium Acetate	80,000	-	-	-	-	80,000	-	-	-
Materials-Liquid Anti Icer	635,000	-	-	-	15,000	620,000	-	-	-
Materials-Other Ice Ctrl	4,750	-	-	-	-	-	-	-	750
Materials - Salt	80,250	-	-	-	-	-	40,000	-	-
Materials - Sand	92,271	-	-	-	-	70,000	-	-	-
Materials - Urea	8,551	-	-	-	-	-	-	-	-
Total Snow Removal - Materials	900,822	-	-	-	15,000	770,000	-	40,000	750
Snow Removal - Equipment									
Equipment - Contract	619,000	-	-	-	-	-	-	-	575,000
Equipment-Rent-No Operator	729,000	-	-	-	-	377,500	-	-	-
Equip Rent-No Operator-5.5	69,500	-	-	-	-	65,000	-	-	-
Equip Rent-Sweepers	460,000	-	-	-	-	-	-	-	-
Total Snow Removal - Equipment	1,877,500	-	-	-	-	442,500	-	-	575,000
Snow Removal - Miscellan									
Snow Removal - Meals	40,494	-	-	-	-	40,000	-	-	-
Snow Removal - Plow Blades	21,000	-	-	-	3,000	15,000	-	-	-
Snow Removal - Runway Brm	80,000	-	-	-	-	50,000	-	-	30,000
Snow Melters	55,000	-	-	-	-	25,000	-	-	15,000
Total Snow Removal - Miscellan	196,494	-	-	-	3,000	130,000	-	-	45,000
Summer Maintenance-Surface									
Surface Repair-Aggregate	8,784	-	-	-	-	-	-	-	-
Surface Repair-Asphalt	50,041	-	-	-	1,000	15,000	-	5,000	-
Surface Repair-Cement	6,500	-	-	-	-	1,000	-	-	5,000
Surface Repair-Other	2,500	-	-	-	-	2,500	-	-	-
Surface Rubber Removal	47,410	-	-	-	-	40,000	-	-	-
Surface Repair-Saw Blades	2,000	-	-	-	-	2,000	-	-	-
Surface Repair-Hot Sealant	27,500	-	-	-	-	27,500	-	-	-
Total Summer Maintenance-Surfac	144,735	-	-	-	1,000	88,000	-	5,000	5,000
Summer Maint-Landscape									
Summer Maintenance-Fencing	12,867	-	-	-	-	5,000	-	-	-
Landscape/Turf-Materials	74,684	-	-	-	-	2,000	-	50,000	-
Summer Maint-Equip Rent No Op	748,100	-	-	-	-	367,000	-	-	-
Summer Maint-Equip Rent LT	6,500	-	-	-	-	6,500	-	-	-
Total Summer Maint-Landscape	842,151	-	-	-	-	380,500	-	50,000	-
Maintenance Field-Other									
Non Runway Brooms	26,500	-	-	-	7,000	-	-	2,000	17,500
Field Maint-Other-Material	3,000	-	-	-	-	1,000	-	-	1,000
Field Maint-Other-Supplies	18,442	6,184	-	-	-	-	-	-	-
Field Maint-Other-Tools	5,500	-	-	-	-	1,500	-	500	-
Total Maintenance Field-Other	53,442	6,184	-	-	7,000	2,500	-	2,500	18,500
Total Maintenance - Field	4,015,144	6,184	-	-	26,000	1,813,500	-	97,500	644,250
Maintenance Building									
Building-Temp Control									
Temp Control-Contracts	851,712	503,421	-	155,183	-	-	-	-	41,396
Temp Control-Filters	148,008	98,964	-	20,988	-	-	-	-	-
Fire Control Contract	384,562	323,332	-	-	-	-	-	-	-
Total Building-Temp Control	1,384,282	925,717	-	176,171	-	-	-	-	41,396
Building-Mechanical Areas									
Mechanical Areas-APM	5,806,008	4,064,206	-	-	-	-	-	1,451,502	290,300
Mechanical Areas-Conveyors	456,238	296,555	45,624	-	-	-	-	-	-
Mechanical Areas-Doors	12,668	-	-	-	-	-	-	-	-
Mechanical Areas-Doors/Pub	27,500	25,000	-	-	-	-	-	-	-
Mechanical Areas-Doors/Tug	140,000	140,000	-	-	-	-	-	-	-
Mechanical Areas-Elevators	742,613	663,460	-	-	-	-	-	-	-
Mechanical Areas-Escalator	1,032,050	928,845	-	-	-	-	-	-	-
Mechanical-Moving Walks	1,179,485	1,061,536	-	-	-	-	-	-	-
Mechanical Areas-Other	22,400	18,300	-	-	-	-	-	-	-
Total Building-Mechanical Areas	9,418,962	7,197,902	45,624	-	-	-	-	1,451,502	290,300
Building-Other									
Other-Bag Handling	650,000	-	-	-	-	-	-	-	-
Other-Building Systems	148,000	-	-	-	-	-	-	-	-
Other-Boiler Chemicals	79,201	5,786	-	62,427	-	-	-	-	-
Other-Floors/Repairs	1,439	-	-	-	-	-	-	-	-
Other-Jetbridge Repairs	245,000	-	-	-	-	-	-	-	-
Other-Outside Plumb/Sewer	34,500	-	-	-	-	-	-	-	-
Other-Paging System Contract	60,000	60,000	-	-	-	-	-	-	-
Other-Pest Control	40,000	40,000	-	-	-	-	-	-	-
Other-Roofing	28,613	7,000	-	-	-	-	-	-	-
Sump/Septic Pumping	93,194	-	-	-	-	-	-	-	-
Other-Supplies	41,374	1,230	-	9,264	-	-	-	-	-
Other-Tools	5,102	-	-	3,452	-	-	-	-	-
Total Building-Other	1,426,423	114,016	-	75,143	-	-	-	-	-
Minor Projects Expense	90,500	90,000	-	-	-	-	-	-	-
Total Maintenance Building	12,320,167	8,327,635	45,624	251,314	-	-	-	1,451,502	331,696

2015 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/Landside	Parking Facilities
Maintenance-Cleaning									
Cleaning Services									
Cleaning Services-Janitor	9,577,053	6,443,916	158,620	-	-	-	-	37,715	265,606
Cleaning Services-Windows	1,112,162	679,379	16,894	-	-	-	-	23,395	155,928
Total Cleaning Services	10,689,215	7,123,295	175,514	-	-	-	-	61,110	421,534
Cleaning Supplies									
Cleaning Supplies-Bathroom	810,072	700,000	-	-	-	-	-	-	-
Cleaning Supplies-General	76,492	70,000	-	-	-	-	-	-	-
Total Cleaning Supplies	886,564	770,000	-	-	-	-	-	-	-
Rubbish Disposal									
Rubbish Disposal-Recycle	24,000	24,000	-	-	-	-	-	-	-
Rubbish Disposal-Regular	629,260	311,389	-	-	-	189,870	2,562	-	-
Total Rubbish Disposal	653,260	335,389	-	-	-	189,870	2,562	-	-
Towel Laundry Services	8,177	-	-	-	-	-	-	-	-
Other Cleaning Expenses	1,100	-	-	-	-	-	-	-	-
Total Maintenance-Cleaning	12,238,316	8,228,684	175,514	-	-	189,870	2,562	61,110	421,534
Maintenance-Equipment									
Equipment-Parts									
Parts-Automobiles	119,075	-	-	-	-	-	-	-	-
Parts-Boilers Energy Mgmt	148,399	51,749	-	86,074	-	-	-	-	201
Parts-Chiller Energy Mgmt	164,204	36,668	-	113,497	-	-	-	-	274
Parts-Other Equipment	48,734	48,734	-	-	-	-	-	-	-
Parts-Equipment	765,358	-	-	-	-	-	-	-	212,983
Parts-Other Equipment	14,468	2,870	-	7,514	-	-	-	-	-
Total Equipment-Parts	1,260,238	140,021	-	207,085	-	-	-	-	213,458
Equipment-Shop									
Shop-Batteries	22,150	-	-	-	-	-	-	-	-
Shop-Cleaners/Degreasers	16,450	-	-	-	-	-	-	-	4,000
Shop-Oil Filters	87,176	-	-	-	-	-	-	-	-
Shop-Other Supplies	20,100	101	-	4,867	-	-	-	-	-
Shop-Tires	78,200	-	-	-	-	-	-	-	-
Shop - Tool Crib	30,000	-	-	-	-	-	-	-	-
Shop-Tools	34,306	-	-	532	-	-	-	-	-
Shop - Weld Shop	10,000	-	-	-	-	-	-	-	-
Total Equipment-Shop	298,382	101	-	5,399	-	-	-	-	4,000
Equipment-Gas									
Gas-Diesel	602,745	-	-	-	-	-	-	-	-
Gas-Ethanol	189,802	-	-	3,700	-	-	-	-	24,000
Gas-Propane	5,512	-	-	-	-	-	-	-	-
Gas-Unleaded	290,496	325	-	3,163	-	-	-	84	1,000
Total Equipment-Gas	1,088,555	325	-	6,863	-	-	-	84	25,000
Equipment-Extinguishers									
Extinguishers-Purchase	16,500	-	-	-	-	-	-	-	-
Extinguishers-Repair	2,500	-	-	-	-	-	-	-	-
Extinguishers-Reservice	3,000	-	-	-	-	-	-	-	-
Total Equipment-Extinguishers	22,000	-	-	-	-	-	-	-	-
Equipment-Miscellaneous Exp	61,299	-	-	-	-	-	-	30,000	-
Total Maintenance-Equipment	2,730,474	140,447	-	219,347	-	-	-	30,084	242,458
Total Maintenance	33,655,949	17,443,339	221,138	484,217	26,000	2,475,818	2,562	1,642,171	1,958,738

2015 Budget Expenses by Subledger

	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/ Landside	Parking Facilities
Other									
General Insurance									
Gen Ins-Airport Liability	560,000	126,948	-	27,523	17,703	29,824	-	10,298	35,879
Gen Ins-Property	1,100,000	249,360	-	54,065	34,772	58,580	-	20,229	70,476
Gen Ins-Crime	19,500	4,444	-	861	620	1,043	-	360	1,256
Gen Ins-Auto/Equipment	290,000	65,741	-	14,253	9,167	15,444	-	5,333	18,581
Total General Insurance	1,969,500	446,493	-	96,702	62,262	104,891	-	36,220	126,192
Safety									
Safety-Supplies	75,088	188	-	5,274	-	4,000	-	-	-
Safety-Equipment	7,500	-	-	-	-	500	-	-	-
Total Safety	82,588	188	-	5,274	-	4,500	-	-	-
Medical Information/Supply									
Medical-Routine Supplies	14,831	2,750	-	624	-	1,200	-	-	-
Medical-Emergency Response	2,500	-	-	-	-	-	-	-	-
Total Medical Information/Supply	17,331	2,750	-	624	-	1,200	-	-	-
Rentals									
Rental-Copier	2,700	-	-	-	-	-	-	-	-
Rental-Other Equipment	38,600	2,000	-	-	-	-	-	1,700	-
Total Rentals	41,300	2,000	-	-	-	-	-	1,700	-
Licenses/Permits									
Licenses-Autos/Equipment	800	-	-	-	-	-	-	-	-
Licenses-Environmental	11,150	-	-	-	-	4,000	-	-	-
Licenses-Other	3,159	-	-	1,827	-	-	-	-	-
Total Licenses/Permits	15,109	-	-	1,827	-	4,000	-	-	-
Miscellaneous Expenses									
Misc-Firearm/Equip/Supplies	175,673	-	-	-	-	-	-	-	-
Misc-Emergency Response	37,850	600	-	-	-	-	-	-	-
Misc-Other	96,674	-	-	-	-	10,000	-	-	-
Misc-Taxes(Petroleum/Use)	40,960	-	-	-	-	-	-	-	-
Total Miscellaneous Expenses	351,157	600	-	-	-	10,000	-	-	-
Capital Assets									
Minor Equipment/Assets									
Minor Assets-Tools	149,937	2,858	-	-	-	-	-	-	-
Minor Assets-Office Furn	58,778	2,500	-	-	-	-	-	-	-
Minor Assets-Computers	430,221	1,170	-	-	-	-	-	-	85,900
Minor Assets-Radios	2,705	-	-	-	-	-	-	-	-
Minor Assets-Other	185,000	-	-	-	-	-	-	-	-
Total Minor Equipment/Assets	826,641	6,528	-	-	-	-	-	-	85,900
Total Capital Assets	826,641	6,528	-	-	-	-	-	-	85,900
Total Other	3,303,626	458,559	-	104,427	62,262	124,591	-	37,920	212,092
Gross Depreciation	-	-	-	-	-	-	-	-	-
Grand Total Excluding Depreciation	163,576,630	33,152,232	457,138	5,186,908	88,262	6,865,352	2,696	6,925,354	11,346,947
Grand Total With Depreciation	163,576,630	33,152,232	457,138	5,186,908	88,262	6,865,352	2,696	6,925,354	11,346,947

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2015 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
Personnel								
Wages								
Regular	-	600,099	-	-	-	11,001,404	-	-
Overtime/Doubletime								
Doubletime - Regular	-	-	-	-	-	1,211,893	-	-
Overtime - Regular	-	15,043	-	-	-	541,239	-	-
Total Overtime/Doubletime	-	15,043	-	-	-	1,753,132	-	-
Commissioner PerDiem	-	-	-	-	-	-	-	-
Temps	-	-	-	-	-	671,438	-	-
Total Wages	-	615,141	-	-	-	13,425,974	-	-
Benefits								
Employee Insurance								
Employee Insurance Dental	-	1,784	-	-	-	141,060	-	-
EmPLY Insurance Disability	-	1,390	-	-	-	32,135	-	-
Employee Insurance Life	-	722	-	-	-	21,689	-	-
Employee Insurance Medical	-	23,810	-	-	-	1,882,608	-	-
Employee Insurance Retiree	-	8,775	-	-	-	700,811	-	-
Total Employee Insurance	-	36,481	-	-	-	2,778,303	-	-
Pension								
Fica (Social Security)Base	-	36,630	-	-	-	805,008	-	-
Fica(Social Security)Medic	-	8,663	-	-	-	187,091	-	-
Mpls EmPLY Retirement Fund	-	-	-	-	-	6,706	-	-
Public EmPLY - Coordinated	-	45,767	-	-	-	917,419	-	-
Public EmPLY - Police/Fire	-	-	-	-	-	-	-	-
Merf Unfunded Liability	-	-	-	-	-	368,660	-	-
Total Pension	-	91,060	-	-	-	2,284,884	-	-
Training								
Continuing Ed (College)	-	-	-	-	-	-	-	2,370
Executive Leadership Train	-	-	-	-	-	-	-	-
Management Requirement	-	-	-	-	-	-	-	-
Organizational Requirement	-	-	-	-	-	-	-	-
Regulatory Requirements	-	-	-	-	-	20,000	-	-
Local Seminars	-	-	-	-	-	1,000	-	705
Total Training	-	-	-	-	-	21,000	-	3,075
Post Retirement Benefits	-	4,180	-	-	-	453,720	-	-
Workers Compensation	-	3,270	-	-	-	183,090	-	-
Post EmPLY Health Plan	-	3,972	-	-	-	137,556	-	-
Flex Spending	-	-	-	-	-	-	-	-
Unemployment Tax	-	-	-	-	-	70,000	-	-
Uniforms								
Uniforms-Police/Fire Allow	-	-	-	-	-	-	-	-
Uniforms-Rental	-	-	-	-	-	36,633	-	-
Uniforms - Safety	-	-	-	-	-	25,500	-	7,078
Total Uniforms	-	-	-	-	-	62,133	-	7,078
Severance								
Contract Allowance	-	-	-	-	-	3,500	-	-
Regular Severance	-	894	-	-	-	27,790	-	-
Total Severance	-	894	-	-	-	31,290	-	-
Trade Union Benefits	-	-	-	-	-	680,737	-	-
Total Benefits	-	139,857	-	-	-	6,702,713	-	10,153
Total Personnel	-	754,998	-	-	-	20,128,687	-	10,153

2015 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
Administrative Expenses								
Supplies								
Office Supplies Materials	-	1,000	-	-	-	-	500	7,248
Computer Supplies								
Computer Supplies-General	-	5,000	-	-	-	-	-	2,500
Computer Supplies-Software	-	-	-	-	-	-	11,645	-
Computer - Tools	-	-	-	-	-	-	-	-
Total Computer Supplies	-	5,000	-	-	-	-	11,645	2,500
Special Supplies								
Special Supplies-Badging	-	-	-	-	-	-	-	-
Special Supply-Film/Photo	-	-	-	-	-	-	-	550
Special Supplies-Other	-	200	-	-	-	100	-	160
Total Special Supplies	-	200	-	-	-	100	-	710
Total Supplies	-	6,200	-	-	-	100	12,145	10,458
Travel								
Travel - Lodging	-	3,000	-	-	-	-	-	1,665
Travel - Meals	-	400	-	-	-	250	-	363
Travel - Miscellaneous	-	-	-	-	-	-	-	-
Travel - Transportation								
Travel - Transport/Airfare	-	3,000	-	-	-	-	-	1,000
Travel - Shuttle/Taxi/Auto	-	300	-	-	-	250	-	55
Total Travel - Transportation	-	3,300	-	-	-	250	-	1,055
Registration Fees	-	800	-	-	-	-	-	70
Mileage	-	1,300	-	-	-	-	-	-
Total Travel	-	8,800	-	-	-	500	-	3,153
Other Administrative Expense								
Local Meetings								
Local Mtgs - Off Airport	-	-	-	-	-	-	200	-
Local Mtgs - On Airport/GO	-	-	-	-	-	-	-	-
Total Local Meetings	-	-	-	-	-	-	200	-
Information Sources								
Memberships/Dues/Pro Assoc	-	-	-	-	-	-	-	580
Other Information Sources	-	-	-	-	-	-	-	-
Publications/Subscriptions	-	-	-	-	-	-	-	384
Total Information Sources	-	-	-	-	-	-	-	964
Printing Costs								
Printing-Publications	-	-	-	-	-	-	-	-
Printing - Color Charts	-	-	-	-	-	-	-	-
Printing - Forms	-	-	-	-	-	-	-	-
Printing-Stationary/Envel	-	-	-	-	-	-	-	-
Total Printing Costs	-	-	-	-	-	-	-	-
Delivery Services	-	-	-	-	-	1,000	-	400
Freight Charges	-	1,500	-	-	-	-	-	-
Postage	-	-	-	-	-	-	-	-
Strategic Planning-Admin	-	-	-	-	-	-	-	-
Total Other Administrative Expense	-	1,500	-	-	-	1,000	200	1,364
Total Administrative Expenses	-	16,500	-	-	-	1,600	12,345	14,975

2015 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
Professional Services								
Accounting/Audit Fees	-	-	-	-	-	-	-	-
Appraisals	-	-	-	-	-	-	-	-
RFP/Leases	-	-	-	-	-	-	-	-
Concept Develop/Feasible	-	-	-	-	-	-	-	-
Computer Services								
General								
ANOMS Consulting	-	-	-	-	-	-	-	-
Hardware Consulting	-	-	-	-	-	-	-	-
Software Consulting	-	-	-	-	-	-	-	-
Total General	-	-	-	-	-	-	-	-
Total Computer Services	-	-	-	-	-	-	-	-
Engineering Fees	-	15,000	-	-	-	-	-	-
Insurance Consultants	-	-	-	-	-	-	-	-
Legal Fees								
Legal - Environmental	-	-	-	-	-	-	-	-
Legal - General	-	-	-	-	-	-	-	-
Legal - Relievers	-	-	-	-	-	-	-	-
Total Legal Fees	-	-	-	-	-	-	-	-
Legislative								
Legislative - Local	-	-	-	-	-	-	-	-
Legislative - National	-	-	-	-	-	-	-	-
Total Legislative	-	-	-	-	-	-	-	-
Medical Fees	-	-	-	-	-	-	-	-
Planning								
Pollution/Environmental Fees	-	-	-	-	-	-	-	-
Public Information								
Public Infor Serv. - Photo	-	-	-	-	-	-	-	-
Public Infor Serv. - Web	-	-	-	-	-	-	-	-
Public Info. Serv - Digital	-	-	-	-	-	-	-	-
Public Infor Serv. - Other	-	-	-	-	-	-	-	-
Total Public Information	-	-	-	-	-	-	-	-
Recruiting Expenses								
Recruiting Employment Fees	-	-	-	-	-	-	-	-
Staff Recruiting	-	-	-	-	-	-	-	-
Executive Recruiting	-	-	-	-	-	-	-	-
Total Recruiting Expenses	-	-	-	-	-	-	-	-
Safety Consultants								
Safety - Training	-	-	-	-	-	-	-	-
Safety - General	-	-	-	-	-	-	-	-
Total Safety Consultants	-	-	-	-	-	-	-	-
Miscellaneous Expenses								
Survey Expense								
Wildlife/Meteorology								
Meteorology	-	-	-	-	-	-	-	-
Wildlife	-	-	-	-	-	-	-	-
Total Wildlife/Meteorology	-	-	-	-	-	-	-	-
Business Development	-	-	-	-	-	-	-	-
Environmental	-	-	-	-	-	-	-	-
Mechanical								
Mechanical Terminal	-	28,867	-	-	-	-	-	-
Mechanical Trades	-	-	-	-	-	-	-	172,931
Total Mechanical	-	28,867	-	-	-	-	-	172,931
Miscellaneous	-	-	-	-	-	-	-	86,000
Strategic Planning-Professiona	-	-	-	-	-	-	-	-
Total Miscellaneous Expenses	-	28,867	-	-	-	-	-	258,931
Total Professional Services	-	43,867	-	-	-	-	-	258,931
Utilities								
Electricity	122,465	1,124,880	393,030	-	559,743	-	-	306,043
Heating Fuel								
Heating - Natural Gas	75,132	322,739	38,288	-	89,910	-	-	156,684
Heating - Fuel Oil	-	-	-	-	-	-	-	-
Total Heating Fuel	75,132	322,739	38,288	-	89,910	-	-	156,684
Sewer	2,373	3	611,369	-	3,294	-	-	8,692
Water	-	70,133	454,971	-	14,868	-	-	15,692
Telephone								
Telephone - Regular	-	-	-	-	-	-	-	-
Telephone - Internet Service	-	-	-	-	-	-	-	-
Telephone - Cellular	-	2,706	-	-	-	19,940	-	45,023
Total Telephone	-	2,706	-	-	-	19,940	-	45,023
Total Utilities	199,970	1,520,461	1,497,658	-	667,815	19,940	-	532,134

2015 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
Operating Services/Expenses								
Advertising								
Advertising - Employment	-	-	-	-	-	-	-	-
Advertising - General	-	-	-	-	-	-	-	-
Advertising - Parking	-	-	-	-	-	-	-	-
Advertising - Relievers	-	-	-	-	-	-	-	-
Total Advertising	-	-	-	-	-	-	-	-
Environmental Control								
Hazardous Waste								
Hazardous Waste - FLOuresc	-	-	-	-	-	-	-	15,000
Hazardous Waste - General	-	-	-	-	-	-	-	1,000
Total Hazardous Waste	-	-	-	-	-	-	-	16,000
Pollution Control								
Pollution Ctrl-Booms	-	-	13,000	-	-	-	-	-
Pollution Ctrl-Corn Cobs	-	-	-	-	-	-	-	-
Total Pollution Control	-	-	13,000	-	-	-	-	-
Industrial Waste Mgmt	-	-	-	-	-	-	-	-
Laboratory Services	-	-	-	-	-	-	-	-
Solvent Reclamation Service	-	-	-	-	-	-	9,000	750
Tire Disposal	-	-	-	-	-	-	400	-
Other	-	-	-	-	-	-	500	-
Total Environmental Control	-	-	13,000	-	-	-	9,900	16,750
GISW Management	-	-	-	-	-	-	-	-
Tag Operating Supplies	-	-	-	-	-	-	-	-
Grd Transportation Services								
Shuttle Services	-	585,863	-	-	-	-	-	-
Parking Lots	-	-	-	-	-	-	-	-
Met Council Fees	-	-	-	-	-	-	-	-
Employee Programs								
Recognition	-	-	-	-	-	-	-	-
Retirement	-	-	-	-	-	-	-	-
Wellness								
Wellness - Fitness Program	-	-	-	-	-	-	-	-
Wellness-Health/Wellness	-	-	-	-	-	-	-	-
Wellness-Nutrition/Stress	-	-	-	-	-	-	-	-
Total Wellness	-	-	-	-	-	-	-	-
Total Employee Programs	-	-	-	-	-	-	-	-
Conference Center	-	-	-	-	-	-	-	-
Conference Center	-	-	-	-	-	-	-	-
Events Exercises								
Emergency Response Exercise	-	-	-	-	-	-	-	-
Other Programs/Events	-	-	-	-	-	-	-	-
Call Back Service	-	-	-	-	-	-	-	-
Major Events-Conventions	-	-	-	-	-	-	-	-
Total Events Exercises	-	-	-	-	-	-	-	-
Other Charges/Fees								
Bank Charges	-	-	-	-	-	-	-	-
IATA Contract Expense	-	-	-	-	-	-	-	-
Security Services Regular	-	-	-	-	-	-	-	-
Security Services Check Pt	-	-	-	-	-	-	-	-
Concessions Marketing	-	-	-	-	-	-	-	-
Recycling - Sand	-	-	-	-	-	-	-	-
Copy Agreement	-	-	-	-	-	-	-	-
Mediation Fees	-	-	-	-	-	-	-	-
Miscellaneous Charges/Fees	-	-	-	-	-	-	-	-
Misc chrges-ziptop bags	-	-	-	-	-	-	-	-
Porter Service	-	-	-	-	-	-	-	-
Queue Line	-	-	-	-	-	-	-	-
Jail Fees	-	-	-	-	-	-	-	-
Total Other Charges/Fees	-	-	-	-	-	-	-	-
Service Agreements								
Service - Bldg Inspection	-	-	-	-	-	-	-	-
Service-Computers	-	-	-	-	-	16,500	-	-
Service-Electrical Gear Contr	-	35,000	-	-	-	-	25,000	-
Service-Fitness Equipment	-	-	-	-	-	-	-	-
Service-Grd Trans Equip	-	-	-	-	-	-	-	-
Service-Loading Dock	-	42,314	-	-	-	-	-	-
Service-Office Equipment	-	250	-	-	-	-	-	-
Service-Other Equipment	-	267,000	-	-	-	-	12,000	42,428
Service-Parking Equipment	-	-	-	-	-	-	-	-
Service-Telephone Systems	-	-	-	-	-	-	-	-
Service-CCTV/IVISN	-	80,067	-	-	-	-	-	-
Service-Radios	-	-	-	-	-	-	-	12,000
Total Service Agreements	-	424,631	-	-	-	16,500	37,000	54,428
Total Operating Services/Expenses	-	1,010,494	13,000	-	-	16,500	46,900	71,178

2015 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
Maintenance								
Trades - Painters								
Paint								
Equipment - Paint	-	-	-	-	-	-	-	5,215
Exterior - Paint	-	300	-	-	-	-	-	3,987
Interior - Paint	-	2,733	-	-	-	-	-	1,726
Paint - Other	-	-	-	-	-	-	-	1,088
Traffic Paint - Parking	-	-	-	-	-	-	-	-
Reliever Airport - Paint	-	-	-	-	-	-	-	-
Traffic Paint - Runways	-	-	-	-	-	-	-	-
Total Paint	-	3,033	-	-	-	-	-	12,016
Signs								
Exterior Sign Materials	-	-	-	-	-	-	-	11,000
Interior Sign Materials	-	-	-	-	-	-	-	4,504
Total Signs	-	-	-	-	-	-	-	15,504
Supplies								
Paint Supplies - Other	-	-	-	-	-	-	-	5,000
Solvents	-	-	-	-	-	-	-	1,500
Equipment Spray	-	-	-	-	-	-	-	10,991
Paint Tools	-	-	-	-	-	-	-	9,818
Total Supplies	-	-	-	-	-	-	-	27,309
Total Trades - Painters	-	3,033	-	-	-	-	-	54,829
Trades - Carpenters								
Locks								
Locks - Doors	-	5,000	-	-	-	-	-	27,996
Locks - Door Tags/ID	-	-	-	-	-	-	-	-
Total Locks	-	5,000	-	-	-	-	-	27,996
Flags								
-	-	-	-	-	-	-	-	-
Lumber								
Lumber-Cabinets	-	-	-	-	-	-	-	-
Lumber-Furniture	-	1,638	-	-	-	-	-	1,000
Lumber-Other	-	-	-	-	-	-	-	-
Lumber-Remodeling	-	-	-	-	-	-	-	-
Total Lumber	-	1,638	-	-	-	-	-	1,000
Other								
Other - Attic Stock	-	-	-	-	-	-	-	-
Other - Ceilings	-	-	-	-	-	-	-	1,500
Other - Ceramics	-	1,085	-	-	-	-	-	-
Other - Doors	-	1,500	-	-	-	-	-	1,500
Other - Floor Coverings	-	1,384	-	-	-	-	-	1,055
Other - Hardware	-	-	-	-	-	-	-	63,000
Other - Miscellaneous	-	-	-	-	-	-	-	-
Other - Auto Door Supplis RPL	-	-	-	-	-	-	-	2,205
Other - Saw Blades	-	-	-	-	-	-	-	-
Other - Screws/Bolts	-	-	-	-	-	-	-	16,325
Other - Seating Replacement	-	3,250	-	-	-	-	-	-
Other - Tools	-	70	-	-	-	-	-	337
Other - Tug Door Repairs	-	150	-	-	-	-	-	-
Other - Tug Drive Floor Maint.	-	-	-	-	-	-	-	-
Other - Wall Protection	-	-	-	-	-	-	-	160
Total Other	-	7,439	-	-	-	-	-	86,082
Total Trades - Carpenters	-	14,077	-	-	-	-	-	115,078

2015 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
Trades - Plumbers								
Contractor Requirements	-	-	-	-	-	-	-	3,000
Fire Protection System	-	8,123	-	4,684	-	-	-	5,000
General Plumbing Supplies	-	7,461	-	1,544	-	-	3,830	12,363
Irrigation Supplies	-	1,346	2,000	2,000	-	-	-	-
Pumps	-	-	-	14,000	-	-	-	-
Underground Utilities	-	-	-	-	-	-	-	-
Water Distribution Systems	-	2,000	-	-	-	-	-	6,500
Water Meters	-	-	-	-	-	-	-	17,500
Total Trades - Plumbers	-	18,930	2,000	22,228	-	-	3,830	44,363
Trades - Electricians								
Repairs								
Generator Maint. Contract	-	4,000	-	10,000	-	-	-	2,500
Electrical - Interior	-	2,000	-	-	-	-	-	-
Unit Maint. Contract	-	65,000	-	-	-	-	-	-
Unit Maint Supplies	-	-	-	-	-	-	-	5,000
Total Repairs	-	71,000	-	10,000	-	-	-	7,500
Other								
Other - Batteries	-	-	-	-	-	-	-	3,000
Other-Field Lights/Sensors	-	-	-	-	-	-	-	-
Other - Gate Supplies	-	-	-	-	-	-	-	-
Other - General Supplies	-	25,000	50,000	-	30,000	-	-	30,000
Other - Motor	-	5,000	-	2,000	-	-	-	1,000
Other - Secured Access Sys	-	4,000	1,000	1,000	1,000	-	-	5,000
Total Other	-	34,000	51,000	3,000	31,000	-	-	39,000
Total Trades - Electricians	-	105,000	51,000	13,000	31,000	-	-	46,500

2015 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
Maintenance - Field								
Snow Removal - Materials								
Materials - Sodium Acetate	-	-	-	-	-	-	-	-
Materials-Liquid Anti Icer	-	-	-	-	-	-	-	-
Materials-Other Ice Ctrl	-	-	4,000	-	-	-	-	-
Materials - Salt	-	-	40,000	-	-	-	-	-
Materials - Sand	-	-	10,000	-	-	-	-	-
Materials - Urea	-	-	-	-	-	-	-	-
Total Snow Removal - Materials	-	-	54,000	-	-	-	-	-
Snow Removal - Equipment								
Equipment - Contract	44,000	-	-	-	-	-	-	-
Equipment-Rent-No Operator	-	-	-	-	-	-	350,000	-
Equip Rent-No Operator-5.5	-	-	-	-	-	-	-	-
Equip Rent-Sweepers	-	-	-	-	-	-	460,000	-
Total Snow Removal - Equipment	44,000	-	-	-	-	-	810,000	-
Snow Removal - Miscellan								
Snow Removal - Meals	-	-	-	-	-	-	-	-
Snow Removal - Plow Blades	-	-	3,000	-	-	-	-	-
Snow Removal - Runway Brm	-	-	-	-	-	-	-	-
Snow Melters	15,000	-	-	-	-	-	-	-
Total Snow Removal - Miscellan	15,000	-	3,000	-	-	-	-	-
Summer Maintenance-Surface								
Surface Repair-Aggregate	-	-	2,000	-	-	-	-	-
Surface Repair-Asphalt	-	-	20,000	-	-	-	-	-
Surface Repair-Cement	-	-	-	-	-	-	-	-
Surface Repair-Other	-	-	-	-	-	-	-	-
Surface Rubber Removal	-	-	-	-	-	-	-	-
Surface Repair-Saw Blades	-	-	-	-	-	-	-	-
Surface Repair-Hot Sealant	-	-	-	-	-	-	-	-
Total Summer Maintenance-Surfac	-	-	22,000	-	-	-	-	-
Summer Maint-Landscape								
Summer Maintenance-Fencing	-	-	-	-	-	-	1,000	-
Landscape/Turf-Materials	-	-	500	-	-	-	-	-
Summer Maint-Equip Rent No Op	-	-	10,000	-	-	-	370,000	-
Summer Maint-Equip Rent LT	-	-	-	-	-	-	-	-
Total Summer Maint-Landscape	-	-	10,500	-	-	-	371,000	-
Maintenance Field-Other								
Non Runway Brooms	-	-	-	-	-	-	-	-
Field Maint-Other-Material	-	-	-	-	-	-	1,000	-
Field Maint-Other-Supplies	-	-	-	-	-	-	1,000	-
Field Maint-Other-Tools	-	-	500	-	-	-	3,000	-
Total Maintenance Field-Other	-	-	500	-	-	-	5,000	-
Total Maintenance - Field	59,000	-	90,000	-	-	-	1,186,000	-
Maintenance Building								
Building-Temp Control								
Temp Control-Contracts	-	67,577	-	8,217	16,217	-	4,852	23,614
Temp Control-Filters	-	24,330	-	-	822	-	-	426
Fire Control Contract	-	20,945	-	-	9,976	-	-	14,893
Total Building-Temp Control	-	112,852	-	8,217	27,015	-	4,852	38,933
Building-Mechanical Areas								
Mechanical Areas-APM	-	-	-	-	-	-	-	-
Mechanical Areas-Conveyors	-	114,059	-	-	-	-	-	-
Mechanical Areas-Doors	-	-	-	-	-	-	-	-
Mechanical Areas-Doors/Pub	-	2,500	-	-	-	-	-	-
Mechanical Areas-Doors/Tug	-	-	-	-	-	-	-	-
Mechanical Areas-Elevators	-	73,718	-	-	2,436	-	-	-
Mechanical Areas-Escalator	-	103,205	-	-	-	-	-	-
Mechanical-Moving Walks	-	117,949	-	-	-	-	-	-
Mechanical Areas-Other	-	4,100	-	-	-	-	-	-
Total Building-Mechanical Areas	-	415,531	-	-	2,436	-	-	-
Building-Other								
Other-Bag Handling	-	-	-	-	-	-	-	-
Other-Building Systems	120,000	-	-	-	28,000	-	-	-
Other-Boiler Chemicals	-	9,758	-	1,230	-	-	-	-
Other-Floors/Repairs	-	-	-	-	-	-	-	1,439
Other-Jetbridge Repairs	-	245,000	-	-	-	-	-	-
Other-Outside Plumb/Sewer	-	-	-	-	-	-	-	34,500
Other-Paging System Contract	-	-	-	-	-	-	-	-
Other-Pest Control	-	-	-	-	-	-	-	-
Other-Roofing	-	-	-	-	-	-	-	-
Sump/Septic Pumping	-	-	-	-	-	-	-	75,530
Other-Supplies	-	1,119	-	-	-	-	-	5,000
Other-Tools	-	-	-	-	-	-	-	1,650
Total Building-Other	120,000	255,877	-	1,230	28,000	-	-	118,119
Minor Projects Expense	-	-	-	-	-	-	-	-
Total Maintenance Building	120,000	784,260	-	9,447	57,451	-	4,852	157,052

2015 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
Maintenance-Cleaning								
Cleaning Services								
Cleaning Services-Janitor	24,853	1,404,519	-	-	105,376	-	-	153,788
Cleaning Services-Windows	800	214,659	-	-	715	-	-	5,628
Total Cleaning Services	25,653	1,619,178	-	-	106,091	-	-	159,416
Cleaning Supplies								
Cleaning Supplies-Bathroom	-	110,072	-	-	-	-	-	-
Cleaning Supplies-General	-	-	-	-	2,500	-	-	-
Total Cleaning Supplies	-	110,072	-	-	2,500	-	-	-
Rubbish Disposal								
Rubbish Disposal-Recycle	-	-	-	-	-	-	-	-
Rubbish Disposal-Regular	5,350	49,377	-	-	7,752	-	-	24,402
Total Rubbish Disposal	5,350	49,377	-	-	7,752	-	-	24,402
Towel Laundry Services	-	-	-	-	-	-	-	-
Other Cleaning Expenses	-	-	-	-	-	-	-	-
Total Maintenance-Cleaning	31,003	1,778,627	-	-	116,343	-	-	183,818
Maintenance-Equipment								
Equipment-Parts								
Parts-Automobiles	-	-	-	-	-	-	50,000	-
Parts-Boilers Energy Mgmt	-	4,850	-	-	609	-	-	416
Parts-Chiller Energy Mgmt	-	10,316	-	-	605	-	-	-
Parts-Other Equipment	-	-	-	-	-	-	-	-
Parts-Equipment	-	-	-	-	-	-	325,000	-
Parts-Other Equipment	-	975	-	109	-	-	-	3,000
Total Equipment-Parts	-	16,141	-	109	1,214	-	375,000	3,416
Equipment-Shop								
Shop-Batteries	-	-	-	-	-	-	20,000	-
Shop-Cleaners/Degreasers	-	-	-	-	-	-	12,000	-
Shop-Oil Filters	-	-	-	-	-	-	80,000	-
Shop-Other Supplies	-	-	-	-	-	-	10,000	1,500
Shop-Tires	-	-	-	-	-	-	55,000	-
Shop - Tool Crib	-	-	-	-	-	-	30,000	-
Shop-Tools	-	-	-	-	-	-	10,000	20,274
Shop - Weld Shop	-	-	-	-	-	-	10,000	-
Total Equipment-Shop	-	-	-	-	-	-	227,000	21,774
Equipment-Gas								
Gas-Diesel	-	-	-	-	-	-	455,000	7,334
Gas-Ethanol	-	-	-	-	-	-	43,000	5,000
Gas-Propane	-	-	-	-	-	-	4,000	1,512
Gas-Unleaded	-	-	-	-	-	-	115,510	61,000
Total Equipment-Gas	-	-	-	-	-	-	617,510	74,846
Equipment-Extinguishers								
Extinguishers-Purchase	-	-	-	-	-	-	-	-
Extinguishers-Repair	-	-	-	-	-	-	-	-
Extinguishers-Reservice	-	-	-	-	-	-	-	-
Total Equipment-Extinguishers	-	-	-	-	-	-	-	-
Equipment-Miscellaneous Exp	-	1,000	-	-	-	-	-	-
Total Maintenance-Equipment	-	17,141	-	109	1,214	-	1,219,510	100,036
Total Maintenance	210,003	2,721,068	143,000	44,784	206,008	-	2,414,192	701,676

2015 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
Other								
General Insurance								
Gen Ins-Airport Liability	-	18,166	10,162	-	9,266	-	57,246	3,039
Gen Ins-Property	-	35,683	19,962	-	18,203	-	112,449	5,968
Gen Ins-Crime	-	636	356	-	325	-	2,004	106
Gen Ins-Auto/Equipment	-	9,408	5,262	-	4,799	-	29,645	1,573
Total General Insurance	-	63,893	35,742	-	32,593	-	201,344	10,686
Safety								
Safety-Supplies	-	-	3,000	-	-	4,000	-	25,136
Safety-Equipment	-	-	-	-	-	-	-	-
Total Safety	-	-	3,000	-	-	4,000	-	25,136
Medical Information/Supply								
Medical-Routine Supplies	-	-	-	-	-	-	-	-
Medical-Emergency Response	-	-	-	-	-	-	-	-
Total Medical Information/Supply	-	-	-	-	-	-	-	-
Rentals								
Rental-Copier	-	-	-	-	-	-	-	-
Rental-Other Equipment	-	-	-	-	-	-	-	19,500
Total Rentals	-	-	-	-	-	-	-	19,500
Licenses/Permits								
Licenses-Autos/Equipment	-	-	-	-	-	-	800	-
Licenses-Environmental	-	-	-	-	-	-	350	-
Licenses-Other	-	-	-	-	-	-	-	-
Total Licenses/Permits	-	-	-	-	-	-	1,150	-
Miscellaneous Expenses								
Misc-Firearm/Equip/Supplies	-	-	-	-	-	-	-	-
Misc-Emergency Response	-	-	-	-	-	-	-	-
Misc-Other	-	2,000	-	-	-	-	-	-
Misc-Taxes(Petroleum/Use)	-	-	-	-	-	-	39,000	-
Total Miscellaneous Expenses	-	2,000	-	-	-	-	39,000	-
Capital Assets								
Minor Equipment/Assets								
Minor Assets-Tools	-	-	-	-	-	-	44,780	51,652
Minor Assets-Office Furn	-	7,600	-	-	-	-	-	6,000
Minor Assets-Computers	-	-	-	-	-	-	6,000	48,960
Minor Assets-Radios	-	-	-	-	-	-	-	-
Minor Assets-Other	-	-	-	-	-	-	-	13,100
Total Minor Equipment/Assets	-	7,600	-	-	-	-	50,780	119,712
Total Capital Assets	-	7,600	-	-	-	-	50,780	119,712
Total Other	-	73,493	38,742	-	32,593	4,000	292,274	175,034
Gross Depreciation	-	-	-	-	-	-	-	-
Grand Total Excluding Depreciation	409,973	6,140,881	1,692,400	44,784	906,416	20,170,727	2,765,711	1,764,081
Grand Total With Depreciation	409,973	6,140,881	1,692,400	44,784	906,416	20,170,727	2,765,711	1,764,081

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2015 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
Personnel								
Wages								
Regular	-	8,240,454	3,926,476	11,046,933	762,453	2,584,066	1,264,587	1,949,564
Overtime/Doubletime								
Doubletime - Regular	-	-	-	-	-	-	-	206,484
Overtime - Regular	-	563,761	594,151	41,075	7,306	211,192	-	149,360
Total Overtime/Doubletime	-	563,761	594,151	41,075	7,306	211,192	-	355,843
Commissioner PerDiem	-	-	-	14,000	-	-	-	-
Temps	-	712,949	-	174,976	-	-	-	34,649
Total Wages	-	9,517,165	4,520,627	11,276,984	769,759	2,795,258	1,264,587	2,340,056
Benefits								
Employee Insurance								
Employee Insurance Dental	-	101,847	42,280	120,482	6,970	24,319	10,372	24,876
Emply Insurance Disability	-	29,756	17,053	49,985	3,280	10,444	4,203	8,109
Employee Insurance Life	-	18,680	8,547	24,729	1,572	5,232	2,143	4,243
Employee Insurance Medical	-	1,359,258	564,272	1,607,964	93,025	324,561	138,429	331,996
Employee Insurance Retiree	-	510,237	219,377	606,792	37,608	125,358	56,411	128,807
Total Employee Insurance	-	2,019,778	851,529	2,409,952	142,455	489,914	211,558	498,031
Pension								
Fica (Social Security)Base	-	178,271	9,653	684,898	45,572	165,177	74,307	131,728
Fica(Social Security)Medic	-	130,033	60,768	165,991	10,656	38,364	17,337	31,166
Mpls Emly Retirement Fund	-	-	-	25,694	-	-	-	8,395
Public Emly - Coordinated	-	194,741	4,327	885,695	57,184	208,403	94,150	166,119
Public Emly - Police/Fire	-	1,104,952	691,956	-	-	-	-	-
Merf Unfunded Liability	-	444,935	254,248	444,934	38,138	12,713	-	254,251
Total Pension	-	2,052,932	1,020,953	2,207,213	151,550	424,657	185,794	591,659
Training								
Continuing Ed (College)	-	-	-	67,000	-	-	-	-
Executive Leadership Train	-	-	-	15,000	-	-	-	-
Management Requirement	-	-	-	7,750	-	-	-	-
Organizational Requirement	-	-	-	42,950	-	-	18,500	-
Regulatory Requirements	-	-	31,000	13,499	-	9,812	-	-
Local Seminars	-	33,534	-	91,769	1,500	5,000	1,000	400
Total Training	-	33,534	31,000	237,968	1,500	14,812	19,500	400
Post Retirement Benefits	-	364,800	216,220	449,540	-	34,010	-	212,040
Workers Compensation	-	106,326	50,407	148,012	-	32,899	17,506	33,990
Post Emly Health Plan	-	44,575	16,496	77,890	4,513	15,745	8,488	15,082
Flex Spending	-	-	-	20,000	-	-	-	-
Unemployment Tax	-	-	-	-	-	-	-	-
Uniforms								
Uniforms-Police/Fire Allow	-	136,162	43,200	-	-	5,700	-	-
Uniforms-Rental	-	-	-	-	-	-	-	9,725
Uniforms - Safety	-	-	-	-	-	-	-	3,800
Total Uniforms	-	136,162	43,200	-	-	5,700	-	13,525
Severance								
Contract Allowance	-	-	-	-	-	-	-	-
Regular Severance	-	20,849	27,809	43,425	1,187	4,600	1,481	6,066
Total Severance	-	20,849	27,809	43,425	1,187	4,600	1,481	6,066
Trade Union Benefits	-	-	-	-	-	-	-	-
Total Benefits	-	4,778,956	2,257,614	5,593,999	301,204	1,022,337	444,327	1,370,792
Total Personnel	-	14,296,120	6,778,242	16,870,983	1,070,963	3,817,595	1,708,914	3,710,848

2015 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
Administrative Expenses								
Supplies								
Office Supplies Materials	-	16,290	4,035	59,150	2,050	10,957	10,977	5,274
Computer Supplies								
Computer Supplies-General	-	8,729	-	50,386	-	14,000	1,941	-
Computer Supplies-Software	-	-	-	60,858	855	4,000	39,818	-
Computer - Tools	-	600	-	3,040	-	761	-	-
Total Computer Supplies	-	9,329	-	114,284	855	18,761	41,759	-
Special Supplies								
Special Supplies-Badging	-	102,700	-	-	-	-	-	-
Special Supply-Film/Photo	-	700	-	12,273	-	2,500	-	-
Special Supplies-Other	-	34,471	-	12,303	2,000	5,000	340	-
Total Special Supplies	-	137,871	-	24,576	2,000	7,500	340	-
Total Supplies	-	163,490	4,035	198,010	4,905	37,218	53,076	5,274
Travel								
Travel - Lodging	-	10,600	2,500	53,228	3,400	7,644	9,399	7,150
Travel - Meals	-	4,349	500	10,495	500	1,817	1,135	550
Travel - Miscellaneous	-	102	-	1,575	-	340	125	-
Travel - Transportation								
Travel - Transport/Airfare	-	4,400	1,500	74,267	4,050	6,015	10,478	4,700
Travel - Shuttle/Taxi/Auto	-	609	150	4,764	250	422	750	600
Total Travel - Transportation	-	5,009	1,650	79,031	4,300	6,437	11,228	5,300
Registration Fees	-	5,000	2,200	64,175	3,750	8,128	9,600	4,750
Mileage	-	5,034	200	39,576	-	812	510	435
Total Travel	-	30,094	7,050	248,080	11,950	25,178	31,997	18,185
Other Administrative Expense								
Local Meetings								
Local Mtgs - Off Airport	-	1,320	-	6,433	-	152	319	300
Local Mtgs - On Airport/GO	-	1,046	-	14,933	-	3,754	42	959
Total Local Meetings	-	2,366	-	21,366	-	3,906	361	1,259
Information Sources								
Memberships/Dues/Pro Assoc	-	9,615	1,110	236,795	360	5,225	-	4,697
Other Information Sources	-	792	1,300	69,050	16,200	15,813	5,676	-
Publications/Subscriptions	-	2,400	1,300	56,879	800	4,320	466	541
Total Information Sources	-	12,807	3,710	362,724	17,360	25,358	6,142	5,238
Printing Costs								
Printing-Publications	-	4,875	-	15,877	200	25,000	2,000	-
Printing - Color Charts	-	-	-	8,300	-	-	-	-
Printing - Forms	-	1,076	500	1,400	-	-	-	-
Printing-Stationary/Envel	-	2,032	-	17,500	1,200	-	-	-
Total Printing Costs	-	7,983	500	43,077	1,400	25,000	2,000	-
Delivery Services	-	508	-	4,854	-	41	417	75
Freight Charges	-	131	-	-	-	-	-	-
Postage	-	59	-	34,500	-	-	-	-
Strategic Planning-Admin	-	2,030	-	10,000	-	-	-	-
Total Other Administrative Expense	-	25,884	4,210	476,521	18,760	54,305	8,920	6,572
Total Administrative Expenses	-	219,468	15,295	922,611	35,615	116,701	93,993	30,031

2015 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
Professional Services								
Accounting/Audit Fees	-	-	-	215,000	-	-	-	-
Appraisals	-	-	-	50,000	-	-	-	-
RFP/Leases	-	-	-	50,000	25,000	-	-	-
Concept Develop/Feasible	-	-	-	20,000	5,000	-	-	-
Computer Services								
General								
ANOMS Consulting	-	-	-	-	-	-	63,055	-
Hardware Consulting	-	-	-	15,000	-	-	-	-
Software Consulting	-	17,500	-	495,000	-	-	-	-
Total General	-	17,500	-	510,000	-	-	63,055	-
Total Computer Services	-	17,500	-	510,000	-	-	63,055	-
Engineering Fees	-	-	-	12,500	-	-	33,000	77,000
Insurance Consultants	-	-	-	266,000	-	-	-	-
Legal Fees								
Legal - Environmental	-	-	-	-	-	-	92,000	-
Legal - General	-	-	-	642,000	-	-	-	-
Legal - Relievers	-	-	-	-	-	-	-	15,000
Total Legal Fees	-	-	-	642,000	-	-	92,000	15,000
Legislative								
Legislative - Local	-	-	-	91,350	-	-	-	-
Legislative - National	-	-	-	98,000	-	-	-	-
Total Legislative	-	-	-	189,350	-	-	-	-
Medical Fees	-	-	310	37,698	-	-	-	-
Planning	-	-	-	75,000	-	-	-	105,000
Pollution/Environmental Fees	-	-	-	-	-	-	1,576	3,050
Public Information								
Public Infor Serv. - Photo	-	-	-	13,000	-	-	-	-
Public Infor Serv. - Web	-	-	-	70,511	-	-	-	-
Public Info. Serv - Digital	-	-	-	100,000	-	-	-	-
Public Infor Serv. - Other	-	-	-	230,526	-	-	-	15,000
Total Public Information	-	-	-	414,037	-	-	-	15,000
Recruiting Expenses								
Recruiting Employment Fees	-	-	-	42,121	-	-	-	-
Staff Recruiting	-	-	-	495	-	-	-	-
Executive Recruiting	-	-	-	44,000	-	-	-	-
Total Recruiting Expenses	-	-	-	86,616	-	-	-	-
Safety Consultants								
Safety - Training	-	3,924	-	30,000	-	-	-	-
Safety - General	-	-	-	8,000	-	-	-	-
Total Safety Consultants	-	3,924	-	38,000	-	-	-	-
Miscellaneous Expenses								
Survey Expense								
Wildlife/Meteorology	-	-	-	16,920	-	-	-	-
Meteorology	-	-	-	-	-	21,000	-	-
Wildlife	-	-	-	-	-	90,000	-	77,677
Total Wildlife/Meteorology	-	-	-	-	-	111,000	-	77,677
Business Development	-	-	-	137,000	-	-	-	-
Environmental	-	-	-	-	-	-	50,000	16,000
Mechanical								
Mechanical Terminal	-	-	-	9,622	-	-	-	10,500
Mechanical Trades	-	-	-	-	-	-	-	-
Total Mechanical	-	-	-	9,622	-	-	-	10,500
Miscellaneous	-	135,245	6,720	333,381	-	9,440	233,800	44,000
Strategic Planning-Professiona	-	-	-	40,000	-	-	50,000	-
Total Miscellaneous Expenses	-	135,245	6,720	536,923	-	120,440	333,800	148,177
Total Professional Services	-	156,669	7,030	3,143,124	30,000	120,440	523,431	363,227
Utilities								
Electricity	-	-	130,139	361,700	-	-	3,765	283,895
Heating Fuel								
Heating - Natural Gas	-	-	33,006	38,963	-	-	-	35,019
Heating - Fuel Oil	-	-	-	-	-	-	-	-
Total Heating Fuel	-	-	33,006	38,963	-	-	-	35,019
Sewer	-	-	1,507	1,809	-	-	-	30,495
Water	-	-	4,920	2,995	-	-	-	2,891
Telephone								
Telephone - Regular	-	-	-	160,200	150	-	3,000	21,000
Telephone - Internet Service	-	-	-	41,681	500	-	-	35,800
Telephone - Cellular	-	65,640	12,460	54,606	6,504	25,180	25,205	8,699
Total Telephone	-	65,640	12,460	256,487	7,154	25,180	28,205	65,499
Total Utilities	-	65,640	182,032	661,954	7,154	25,180	31,970	417,799

2015 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
Operating Services/Expenses								
Advertising								
Advertising - Employment	-	-	-	8,238	-	-	-	-
Advertising - General	-	-	-	73,802	3,400	-	-	-
Advertising - Parking	-	-	-	-	-	-	-	-
Advertising - Relievers	-	-	-	-	-	-	-	8,000
Total Advertising	-	-	-	82,040	3,400	-	-	8,000
Environmental Control								
Hazardous Waste								
Hazardous Waste - FLOuresc	-	-	-	-	-	-	-	-
Hazardous Waste - General	-	-	-	-	-	-	-	-
Total Hazardous Waste	-	-	-	-	-	-	-	-
Pollution Control								
Pollution Ctrl-Booms	-	-	-	-	-	-	-	-
Pollution Ctrl-Corn Cobs	-	-	6,000	-	-	-	-	-
Total Pollution Control	-	-	6,000	-	-	-	-	-
Industrial Waste Mgmt	-	-	-	-	-	-	-	-
Laboratory Services	-	-	-	5,500	-	-	1,000	-
Solvent Reclamation Service	-	-	-	-	-	-	-	2,000
Tire Disposal	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	133,000
Total Environmental Control	-	-	6,000	5,500	-	-	1,000	135,000
GLSW Management	-	-	-	79,200	-	-	-	-
Tag Operating Supplies	-	-	-	-	-	-	-	-
Grd Transportation Services	-	-	-	-	-	-	-	-
Shuttle Services	-	-	-	-	-	-	-	-
Parking Lots	-	-	-	-	-	-	-	-
Met Council Fees	-	-	-	-	-	-	-	-
Employee Programs								
Recognition	-	-	-	8,500	-	-	-	-
Retirement	-	-	-	2,250	-	-	-	-
Wellness								
Wellness - Fitness Program	-	-	-	125,000	-	-	3,000	-
Wellness-Health/Wellness	-	-	-	5,000	-	-	-	-
Wellness-Nutrition/Stress	-	-	-	5,000	-	-	-	-
Total Wellness	-	-	-	135,000	-	-	3,000	-
Total Employee Programs	-	-	-	145,750	-	-	3,000	-
Conference Center	-	-	-	-	30,000	-	-	-
Conference Center	-	-	-	-	30,000	-	-	-
Events Exercises								
Emergency Response Exercise	-	-	-	15,000	-	-	-	-
Other Programs/Events	-	-	-	12,000	-	-	-	1,500
Call Back Service	-	-	-	-	-	-	-	-
Major Events-Conventions	-	-	-	-	-	-	-	6,395
Total Events Exercises	-	-	-	27,000	-	-	-	7,895
Other Charges/Fees								
Bank Charges	-	-	-	200,000	-	-	-	-
IATA Contract Expense	-	-	-	66,000	-	-	-	-
Security Services Regular	-	579,625	-	-	-	-	-	-
Security Services Check Pt	-	-	-	-	-	-	-	-
Concessions Marketing	-	-	-	-	500,000	-	-	-
Recycling - Sand								
Copy Agreement	-	-	-	160,000	-	-	-	-
Mediation Fees	-	-	-	2,000	-	-	-	-
Miscellaneous Charges/Fees	-	46,167	-	52,435	-	90,349	-	15,000
Misc chrges-ziptop bags	-	-	-	-	-	-	-	-
Porter Service	-	-	-	-	-	-	-	-
Queue Line	-	-	-	-	-	-	-	-
Jail Fees	-	10,005	-	-	-	-	-	-
Total Other Charges/Fees	-	635,797	-	480,435	500,000	90,349	-	15,000
Service Agreements								
Service - Bldg Inspection	-	-	-	-	-	-	-	-
Service-Computers	-	554,303	11,248	2,008,423	-	193,453	66,518	2,300
Service-Electrical Gear Contr	-	-	-	-	-	-	-	-
Service-Fitness Equipment	-	-	1,000	1,600	-	-	-	-
Service-Grd Trans Equip	-	-	-	-	-	-	-	-
Service-Loading Dock	-	-	-	-	-	-	-	-
Service-Office Equipment	-	8,600	-	7,393	800	703	155	-
Service-Other Equipment	-	500	27,000	27,175	3,000	-	41,092	700
Service-Parking Equipment	-	-	-	-	-	-	-	-
Service-Telephone Systems	-	-	-	20,000	-	40,723	-	-
Service-CCTV/IVISN	-	-	-	6,159	-	-	-	-
Service-Radios	-	38,000	11,000	124,400	-	102,755	-	30,500
Total Service Agreements	-	601,403	50,248	2,195,150	3,800	337,634	107,765	33,500
Total Operating Services/Expenses	-	1,237,200	56,248	3,015,075	537,200	427,982	111,765	199,395

2015 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
Maintenance								
Trades - Painters								
Paint								
Equipment - Paint	-	-	-	-	-	-	-	-
Exterior - Paint	-	-	-	-	-	-	-	1,813
Interior - Paint	-	-	1,000	-	-	-	-	-
Paint - Other	-	-	-	-	-	-	-	-
Traffic Paint - Parking	-	-	-	-	-	-	-	-
Reliever Airport - Paint	-	-	-	-	-	-	-	4,500
Traffic Paint - Runways	-	-	-	-	-	-	-	3,329
Total Paint	-	-	1,000	-	-	-	-	9,642
Signs								
Exterior Sign Materials	-	-	-	-	-	-	-	-
Interior Sign Materials	-	-	-	-	-	-	-	-
Total Signs	-	-	-	-	-	-	-	-
Supplies								
Paint Supplies - Other	-	-	-	-	-	-	-	-
Solvents	-	-	-	-	-	-	-	-
Equipment Spray	-	-	-	-	-	-	-	-
Paint Tools	-	-	-	-	-	-	-	-
Total Supplies	-	-	-	-	-	-	-	-
Total Trades - Painters	-	-	1,000	-	-	-	-	9,642
Trades - Carpenters								
Locks								
Locks - Doors	-	-	-	-	-	-	-	430
Locks - Door Tags/ID	-	-	-	-	-	-	-	-
Total Locks	-	-	-	-	-	-	-	430
Flags	-	-	-	-	-	-	-	150
Lumber								
Lumber-Cabinets	-	-	-	-	-	-	-	315
Lumber-Furniture	-	-	-	-	-	-	-	-
Lumber-Other	-	-	-	-	-	-	-	650
Lumber-Remodeling	-	-	-	-	-	-	-	1,000
Total Lumber	-	-	-	-	-	-	-	1,965
Other								
Other - Attic Stock	-	-	-	-	-	-	-	-
Other - Ceilings	-	-	-	-	-	-	-	500
Other - Ceramics	-	-	-	-	-	-	-	-
Other - Doors	-	-	-	-	-	-	-	1,300
Other - Floor Coverings	-	-	-	-	-	-	-	-
Other - Hardware	-	-	-	-	-	-	-	708
Other - Miscellaneous	-	-	-	-	-	-	-	2,243
Other - Auto Door Supplis RPL	-	-	-	-	-	-	-	-
Other - Saw Blades	-	-	-	-	-	-	-	-
Other - Screws/Bolts	-	-	-	-	-	-	-	-
Other - Seating Replacement	-	-	-	-	-	-	-	-
Other - Tools	-	-	-	-	-	-	-	-
Other - Tug Door Repairs	-	-	-	-	-	-	-	-
Other - Tug Drive Floor Maint.	-	-	-	-	-	-	-	-
Other - Wall Protection	-	-	-	-	-	-	-	-
Total Other	-	-	-	-	-	-	-	4,751
Total Trades - Carpenters	-	-	-	-	-	-	-	7,296

2015 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
Trades - Plumbers								
Contractor Requirements	-	-	-	-	-	-	-	-
Fire Protection System	-	-	7,630	1,265	-	-	-	4,692
General Plumbing Supplies	-	-	1,000	12,000	-	-	-	2,987
Irrigation Supplies	-	-	-	500	-	-	-	-
Pumps	-	-	-	-	-	-	-	-
Underground Utilities	-	-	-	-	-	-	-	-
Water Distribution Systems	-	-	-	-	-	-	-	-
Water Meters	-	-	-	-	-	-	-	-
Total Trades - Plumbers	-	-	8,630	13,765	-	-	-	7,679
Trades - Electricians								
Repairs								
Generator Maint. Contract	-	-	4,000	-	-	-	-	8,000
Electrical - Interior	-	-	-	-	-	-	-	-
Unit Maint. Contract	-	20,000	25,000	30,000	-	-	-	5,000
Unit Maint Supplies	-	-	-	-	-	-	-	1,000
Total Repairs	-	20,000	29,000	30,000	-	-	-	14,000
Other								
Other - Batteries	-	-	-	-	-	-	-	-
Other-Field Lights/Sensors	-	-	-	-	-	-	-	52,000
Other - Gate Supplies	-	-	-	-	-	-	-	56,000
Other - General Supplies	-	1,000	3,000	5,000	-	-	-	14,300
Other - Motor	-	-	1,000	-	-	-	-	3,500
Other - Secured Access Sys	-	1,000	1,000	1,000	-	-	-	-
Total Other	-	2,000	5,000	6,000	-	-	-	125,800
Total Trades - Electricians	-	22,000	34,000	36,000	-	-	-	139,800

2015 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
Maintenance - Field								
Snow Removal - Materials								
Materials - Sodium Acetate	-	-	-	-	-	-	-	-
Materials-Liquid Anti Icer	-	-	-	-	-	-	-	-
Materials-Other Ice Ctrl	-	-	-	-	-	-	-	-
Materials - Salt	-	-	-	-	-	-	-	250
Materials - Sand	-	-	-	-	-	-	-	12,271
Materials - Urea	-	-	-	-	-	-	-	8,551
Total Snow Removal - Materials	-	-	-	-	-	-	-	21,072
Snow Removal - Equipment								
Equipment - Contract	-	-	-	-	-	-	-	-
Equipment-Rent-No Operator	-	-	-	-	-	-	-	1,500
Equip Rent-No Operator-5.5	-	-	-	-	-	-	-	4,500
Equip Rent-Sweepers	-	-	-	-	-	-	-	-
Total Snow Removal - Equipment	-	-	-	-	-	-	-	6,000
Snow Removal - Miscellan								
Snow Removal - Meals	-	-	-	-	-	-	-	494
Snow Removal - Plow Blades	-	-	-	-	-	-	-	-
Snow Removal - Runway Brm	-	-	-	-	-	-	-	-
Snow Melters	-	-	-	-	-	-	-	-
Total Snow Removal - Miscellan	-	-	-	-	-	-	-	494
Summer Maintenance-Surface								
Surface Repair-Aggregate	-	-	-	-	-	-	-	6,784
Surface Repair-Asphalt	-	-	-	-	-	-	-	9,041
Surface Repair-Cement	-	-	-	-	-	-	-	500
Surface Repair-Other	-	-	-	-	-	-	-	-
Surface Rubber Removal	-	-	-	-	-	-	-	7,410
Surface Repair-Saw Blades	-	-	-	-	-	-	-	-
Surface Repair-Hot Sealant	-	-	-	-	-	-	-	-
Total Summer Maintenance-Surfac	-	-	-	-	-	-	-	23,735
Summer Maint-Landscape								
Summer Maintenance-Fencing	-	-	-	-	-	-	-	6,867
Landscape/Turf-Materials	-	-	-	100	-	-	-	22,084
Summer Maint-Equip Rent No Op	-	-	-	-	-	-	-	1,100
Summer Maint-Equip Rent LT	-	-	-	-	-	-	-	-
Total Summer Maint-Landscape	-	-	-	100	-	-	-	30,051
Maintenance Field-Other								
Non Runway Brooms	-	-	-	-	-	-	-	-
Field Maint-Other-Material	-	-	-	-	-	-	-	-
Field Maint-Other-Supplies	-	-	-	-	-	-	-	11,258
Field Maint-Other-Tools	-	-	-	-	-	-	-	-
Total Maintenance Field-Other	-	-	-	-	-	-	-	11,258
Total Maintenance - Field	-	-	-	100	-	-	-	92,610
Maintenance Building								
Building-Temp Control								
Temp Control-Contracts	-	-	6,861	9,635	-	-	-	14,739
Temp Control-Filters	-	1,978	500	-	-	-	-	-
Fire Control Contract	-	-	5,095	10,321	-	-	-	-
Total Building-Temp Control	-	1,978	12,456	19,956	-	-	-	14,739
Building-Mechanical Areas								
Mechanical Areas-APM	-	-	-	-	-	-	-	-
Mechanical Areas-Conveyors	-	-	-	-	-	-	-	-
Mechanical Areas-Doors	-	-	-	-	-	-	-	12,668
Mechanical Areas-Doors/Pub	-	-	-	-	-	-	-	-
Mechanical Areas-Doors/Tug	-	-	-	-	-	-	-	-
Mechanical Areas-Elevators	-	-	-	-	-	-	-	2,999
Mechanical Areas-Escalator	-	-	-	-	-	-	-	-
Mechanical-Moving Walks	-	-	-	-	-	-	-	-
Mechanical Areas-Other	-	-	-	-	-	-	-	-
Total Building-Mechanical Areas	-	-	-	-	-	-	-	15,667
Building-Other								
Other-Bag Handling	-	-	-	-	650,000	-	-	-
Other-Building Systems	-	-	-	-	-	-	-	-
Other-Boiler Chemicals	-	-	-	-	-	-	-	-
Other-Floors/Repairs	-	-	-	-	-	-	-	-
Other-Jetbridge Repairs	-	-	-	-	-	-	-	-
Other-Outside Plumb/Sewer	-	-	-	-	-	-	-	-
Other-Paging System Contract	-	-	-	-	-	-	-	-
Other-Pest Control	-	-	-	-	-	-	-	-
Other-Roofing	-	-	-	-	-	-	-	21,613
Sump/Septic Pumping	-	-	-	-	-	-	-	17,664
Other-Supplies	-	-	2,000	-	-	18,000	-	4,761
Other-Tools	-	-	-	-	-	-	-	-
Total Building-Other	-	-	2,000	-	650,000	18,000	-	44,038
Minor Projects Expense	-	-	-	500	-	-	-	-
Total Maintenance Building	-	1,978	14,456	20,456	650,000	18,000	-	74,444

2015 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
Maintenance-Cleaning								
Cleaning Services								
Cleaning Services-Janitor	-	-	29,017	50,427	858,800	14,016	-	30,400
Cleaning Services-Windows	-	-	-	11,284	-	-	-	3,480
Total Cleaning Services	-	-	29,017	61,711	858,800	14,016	-	33,880
Cleaning Supplies								
Cleaning Supplies-Bathroom	-	-	-	-	-	-	-	-
Cleaning Supplies-General	-	-	-	-	-	-	-	3,992
Total Cleaning Supplies	-	-	-	-	-	-	-	3,992
Rubbish Disposal								
Rubbish Disposal-Recycle	-	-	-	-	-	-	-	-
Rubbish Disposal-Regular	-	-	3,335	2,562	-	-	-	32,661
Total Rubbish Disposal	-	-	3,335	2,562	-	-	-	32,661
Towel Laundry Services	-	-	500	-	-	-	-	7,677
Other Cleaning Expenses	-	-	1,100	-	-	-	-	-
Total Maintenance-Cleaning	-	-	33,952	64,273	858,800	14,016	-	78,210
Maintenance-Equipment								
Equipment-Parts								
Parts-Automobiles	-	50,075	1,000	-	-	18,000	-	-
Parts-Boilers Energy Mgmt	-	-	1,363	-	-	-	-	3,137
Parts-Chiller Energy Mgmt	-	-	2,341	503	-	-	-	-
Parts-Other Equipment	-	-	-	-	-	-	-	-
Parts-Equipment	-	37,375	35,000	-	-	-	-	155,000
Parts-Other Equipment	-	-	-	-	-	-	-	-
Total Equipment-Parts	-	87,450	39,704	503	-	18,000	-	158,137
Equipment-Shop								
Shop-Batteries	-	-	-	-	-	-	-	2,150
Shop-Cleaners/Degreasers	-	-	-	-	-	-	-	450
Shop-Oil Filters	-	-	-	-	-	-	-	7,176
Shop-Other Supplies	-	-	-	-	-	-	-	3,632
Shop-Tires	-	-	5,000	-	-	-	-	18,200
Shop - Tool Crib	-	-	-	-	-	-	-	-
Shop-Tools	-	-	-	-	-	-	-	3,500
Shop - Weld Shop	-	-	-	-	-	-	-	-
Total Equipment-Shop	-	-	5,000	-	-	-	-	35,108
Equipment-Gas								
Gas-Diesel	-	3,266	26,310	-	-	-	-	110,835
Gas-Ethanol	-	95,000	3,000	4,700	-	10,000	1,402	-
Gas-Propane	-	-	-	-	-	-	-	-
Gas-Unleaded	-	50,000	5,554	4,390	-	12,000	2,900	34,570
Total Equipment-Gas	-	148,266	34,864	9,090	-	22,000	4,302	145,405
Equipment-Extinguishers								
Extinguishers-Purchase	-	-	16,500	-	-	-	-	-
Extinguishers-Repair	-	-	2,500	-	-	-	-	-
Extinguishers-Reservice	-	-	3,000	-	-	-	-	-
Total Equipment-Extinguishers	-	-	22,000	-	-	-	-	-
Equipment-Miscellaneous Exp	-	-	-	23,000	-	-	2,000	5,299
Total Maintenance-Equipment	-	235,716	101,568	32,593	-	40,000	6,302	343,949
Total Maintenance	-	259,694	193,606	167,187	1,508,800	72,016	6,302	753,630

2015 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
Other								
General Insurance								
Gen Ins-Airport Liability	-	62,441	46,414	29,894	-	2,710	1,937	70,550
Gen Ins-Property	-	122,653	91,169	58,722	-	5,323	3,804	138,582
Gen Ins-Crime	-	2,186	1,625	1,046	-	95	67	2,470
Gen Ins-Auto/Equipment	-	32,337	24,035	15,480	-	1,404	1,003	36,535
Total General Insurance	-	219,617	163,243	105,142	-	9,532	6,811	248,137
Safety								
Safety-Supplies	-	11,240	-	20,000	-	-	-	2,250
Safety-Equipment	-	-	-	7,000	-	-	-	-
Total Safety	-	11,240	-	27,000	-	-	-	2,250
Medical Information/Supply								
Medical-Routine Supplies	-	9,155	-	800	-	-	-	302
Medical-Emergency Response	-	-	2,500	-	-	-	-	-
Total Medical Information/Supply	-	9,155	2,500	800	-	-	-	302
Rentals								
Rental-Copier	-	-	-	2,700	-	-	-	-
Rental-Other Equipment	-	-	-	15,100	-	-	300	-
Total Rentals	-	-	-	17,800	-	-	300	-
Licenses/Permits								
Licenses-Autos/Equipment	-	-	-	-	-	-	-	-
Licenses-Environmental	-	-	-	-	-	-	2,000	4,800
Licenses-Other	-	-	-	-	600	-	-	732
Total Licenses/Permits	-	-	-	-	600	-	2,000	5,532
Miscellaneous Expenses								
Misc-Firearm/Equip/Supplies	-	120,673	25,000	-	-	30,000	-	-
Misc-Emergency Response	-	20,250	17,000	-	-	-	-	-
Misc-Other	-	54,674	12,000	18,000	-	-	-	-
Misc-Taxes(Petroleum/Use)	-	-	-	-	-	-	-	1,960
Total Miscellaneous Expenses	-	195,597	54,000	18,000	-	30,000	-	1,960
Capital Assets								
Minor Equipment/Assets								
Minor Assets-Tools	-	-	49,500	-	-	1,147	-	-
Minor Assets-Office Furn	-	2,850	17,220	13,608	-	5,000	3,000	1,000
Minor Assets-Computers	-	154,200	-	15,539	-	98,628	19,824	-
Minor Assets-Radios	-	-	-	-	-	2,705	-	-
Minor Assets-Other	-	-	32,400	46,500	93,000	-	-	-
Total Minor Equipment/Assets	-	157,050	99,120	75,647	93,000	107,480	22,824	1,000
Total Capital Assets	-	157,050	99,120	75,647	93,000	107,480	22,824	1,000
Total Other	-	592,659	318,863	244,389	93,600	147,012	31,935	259,181
Gross Depreciation	-	-	-	-	-	-	-	-
Grand Total Excluding Depreciation	-	16,827,450	7,551,316	25,025,323	3,283,332	4,726,927	2,508,310	5,734,112
Grand Total With Depreciation	-	16,827,450	7,551,316	25,025,323	3,283,332	4,726,927	2,508,310	5,734,112

Construction Fund

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

- Equipment and Technology Related Expenditures
- Capital Improvement Program Expenditures

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

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

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

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

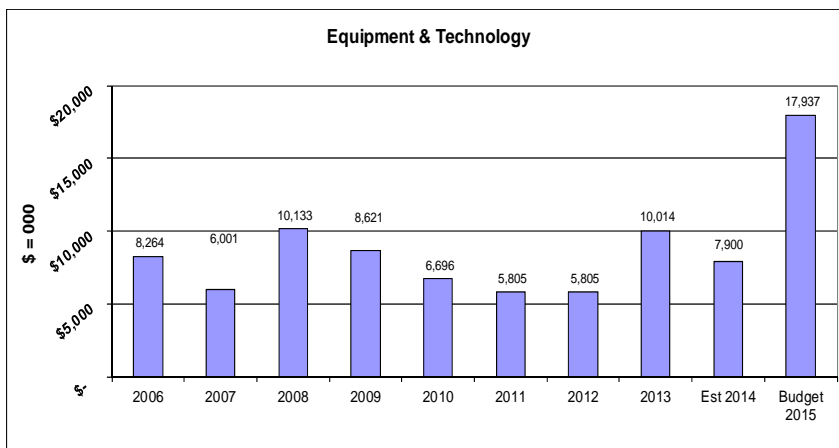
Equipment and Technology Related Expenditures

Annually MAC completes its capital equipment requests for new and replacement equipment. The capital equipment requests in the 2015 budget increased approximately \$10.0 million. The primary reasons for the increase was an agreement with Delta to purchase its outbound baggage handling system for approximately \$8.0 million (Delta will continue to be responsible for the maintenance of the baggage system) and replacement of snow removal equipment for MAC reliever airports that was originally acquired in the early 1990's. All technology related capital equipment was also reviewed by the Information Technology (IT) Department.

In 2008, the Commission fully incorporated the changes in the Amendment to the Airline Use and Lease Agreement. This change resulted in a significant modification to the way the Commission acquires capital equipment. In the past, internally generated funds were used to purchase all capital equipment and the resulting depreciation associated with that equipment was charged to the tenants, in particular, the airlines. In the Amendment, this process changed due to elimination of using depreciation and now incorporating the use of various types of debt as a chargeback to the tenants and airlines. Currently, the \$18 million capital equipment budget listed below is funded in three ways. First, those pieces of equipment which are chargeable to the tenants and airlines are now acquired through equipment financing (Notes Payable). The amount of equipment financed for 2015 is approximately \$4.2 million. The terms of these financings is ten years. The principal and interest associated with these equipment financings will be charged back based on the appropriate percentage found in the Airline Use and Lease Agreement resulting in recovery of all or a portion of the total dollars. Secondly, the outbound baggage system to be purchased from Delta will be funded by a future passenger facility charge application in the amount of \$8.0 million. Lastly, the remaining value of capital equipment (approximately \$5.7 million) will be funded with internally generated funds.

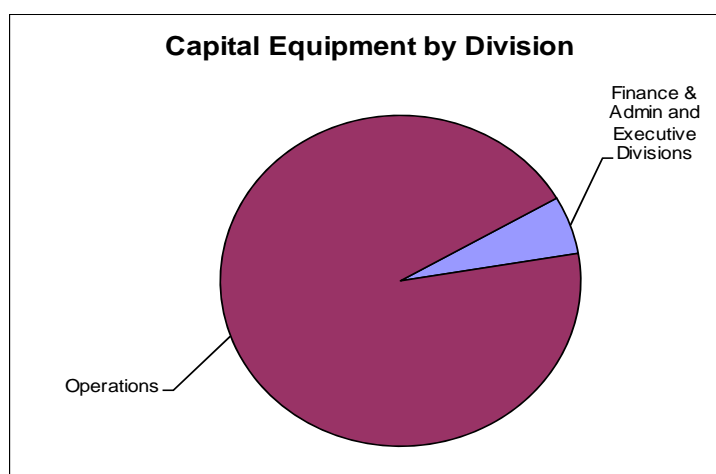
2015 Equipment & Technology Budget				
	2014	2015	\$ Variance	% Variance
	<u>Estimate</u>	<u>Budget</u>		
Equipment & Technology	\$ 7,900,000	\$ 17,937,216	\$ 10,037,216	127.1%

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



This chart displays the 2015 capital equipment requests by division and shows that the Finance, Administration and Executive Divisions need a small portion of the overall capital equipment budget while Operations has a large portion of equipment requests required to maintain the airport.

The chart below represents the capital equipment requests for 2015 through 2017. As MAC held down expenditures in the past few years, the upcoming years show a larger dollar amount for capital equipment requests as more equipment and technology require updating.



Service Center	2015	2016	2017
Executive	\$27,000	\$0	\$0
Information Technology	990,000	210,000	500,000
MSP Airport Operations	135,000	0	0
Airside Operations	178,000	45,000	55,000
Landside Administration	1,035,195	0	0
Fire	0	557,300	303,240
Police	311,301	424,621	310,000
Environment-General	66,542	30,000	40,000
Facilities-Terminal 1	8,171,000	0	0
Facilities-Energy Management Center	28,000	0	0
Trades-Electricians	251,800	195,000	32,000
Trades-Painters	0	0	0
Trades-Carpenters	99,078	0	0
Trades-Plumbers	0	0	0
Field Maintenance	4,665,300	10,601,000	6,119,500
Reliever-Administration	0	0	35,000
Relievers-St Paul	0	1,000,000	350,000
Relievers-Crystal	249,000	250,000	810,000
Relievers-Airlake	750,000	250,000	35,000
Relievers-Flying Cloud	70,000	250,000	75,000
Relievers-Anoka/Blaine	810,000	250,000	75,000
Relievers-Lake Elmo	100,000	30,000	750,000
Total	\$17,937,216	\$14,092,921	\$9,489,740

The following pages contain details of the Capital Equipment summary for 2015.

EXECUTIVE DIVISION

MSP Airport Conference Center

Equipment	Individual Price	Qty	Trade in Value	Total
<p>Carpet Replacement - Commission Chambers & Lounge</p> <p>The carpet in the Chambers and the Lounge has been repaired as many times as it can be by MAC carpenters. It is in need of replacement due to separation between the backing and the carpeting causing bubbling, fraying at the seams that cannot be repaired, and staining that cannot be removed by carpet cleaning.</p>	\$17,000	1	\$0	\$17,000
<p>Table Replacement - Lounge</p> <p>Matching tables in the Commission Lounge to replace and accommodate 20 people. The current tables do not match and can only accommodate 10 commissioners and/or others at any given time.</p>	\$10,000	1	\$0	\$10,000

MSP Airport Conference Center Total: **\$27,000**

FINANCE & ADMINISTRATION DIVISION

Information Technology

Equipment	Individual Price	Qty	Trade in Value	Total
<p>Additional Interface Cards for MACNet Interface cards will add more high speed connections to the new MAC network.</p>	\$13,000	4	\$0	\$52,000
<p>Airside Operations Radio Console Upgrade Phase 2 Add additional radio console positions to Airside Operations and their backup center at the Driver's Training Center. This will also add the hardware necessary to allow staff to monitor and talk to the tower on their frequencies to coordinate runway/taxiway closures. This is the second phase of this project and will be building on what was installed in 2014 under phase 1.</p>	\$75,000	1	\$0	\$75,000
<p>Anti-Virus Software for Virtualized Environments Providing security for the MAC's virtualized backoffice computers requires a different product set from those already in place.</p>	\$50,000	1	\$0	\$50,000
<p>Blade Server Chassis Add ability to replicate services in a second location on campus for disaster recovery.</p>	\$80,000	2	\$0	\$160,000
<p>MUFIDS Monitor Phased Replacement The MUFIDS Flight Display systems in Terminal 1 and 2 use large screen monitors to display flight data to the public. There are 548 monitors installed, with about 43 remaining from the original installation in 2006. The expected life for a monitor is just under 6 years. This is a phased replacement plan to address the aging monitors systematically using a 3 year cycle. MUFIDS displays are reaching their end of life. This request begins the process to replace 33% of them each year to level the investment and installation labor load.</p>	\$175,000	1	\$0	\$175,000
<p>MUFIDS PC Phased Replacement The MUFIDS Flight Display systems in Terminal 1 and 2 use small personal computers to operate the display monitors. Of the 428 PCs installed, most have been in use for 3 years or longer. This is the first of a three year phased replacement plan to replace the aging PCs. MUFIDS PC's are reaching their end of life. This request begins the process to replace 33% of them each year to level the investment and installation labor load.</p>	\$150,000	1	\$0	\$150,000
<p>Network Mapping/Traffic Display Software Traffic mapping software that has the ability to identify devices and track network traffic across the network in a map-style interface for network analysts.</p>	\$50,000	1	\$0	\$50,000

FINANCE & ADMINISTRATION DIVISION

Information Technology

Equipment	Individual Price	Qty	Trade in Value	Total
<p>Parking Management Radio System Replacement Replacement of an old and outdated radio system including portable and mobile radios. This new system would be a digital system that provides a much better signal and better coverage into the concrete parking ramps at both Terminal 1 and Terminal 2. Maintenance costs on the old system continue to rise every year as parts are difficult to obtain.</p>	\$23,000	1	\$0	\$23,000
<p>Terminal 1 TRAM Control Radio Console Replacement Replacement of the 2 radio consoles used by the APM Tram contractor to communicate with the trams emergency call boxes as well as their technicians. The 2 consoles were in limited production when purchased and now Motorola does not support them any longer and parts are hard to find.</p>	\$100,000	1	\$0	\$100,000
<p>Vehicle for MAC IT - Replacement MAC Information Services has one assigned, outdated Ford Explorer stationed at the Data Center. The IT service center was recently assigned two other well-traveled vehicles for MAC use. One vehicle is requested to replace the outdated Ford Explorer towards the goal of having 2 MAC IT vehicles stationed at the Data Center and 2 at the General Office as the Data Center location has added significantly to IT issue response time.</p>	\$30,000	1	\$0	\$30,000
<p>VM Site Recovery Tools Software for disaster recovery.</p>	\$125,000	1	\$0	\$125,000
Information Technology Total:				\$990,000

MANAGEMENT & OPERATIONS DIVISION

MSP Airport Operations

Equipment	Individual Price	Qty	Trade in Value	Total
MSP Tenant Directory Database	\$135,000	1	\$0	\$135,000

Started in 2012, this web-based development of an interactive tenant directory database and multi-user system will allow MAC staff and its non-profit partners (Airport Foundation, Travelers Assistance, etc.) to utilize information to better assist with internal and external customer needs. Funding to complete this project was unavailable in 2013/2014.

MSP Airport Operations Total: **\$135,000**

MANAGEMENT & OPERATIONS DIVISION

Airside Operations

Equipment	Individual Price	Qty	Trade in Value	Total
<p>MSP AFOC Video/Audio Distribution Project</p> <p>The MSP Airfield Operations Center (AFOC) contains 21 shared displays, 2 permanent projectors, 14 visual display workstations, 12 desktop workstations, 25+ visual information sources and multiple audio sources. The majority of these systems and displays are independent and not interchangeable which means that they can only be displayed in one location or as a non-interactive video feed. The AFOC video/audio distribution project will connect all of the disparate systems and video/audio sources into one integrated system which will allow for the instantaneous control and sharing of all AFOC information across all user workstations and shared displays as well as with other locations such as the APD Situation Room, MAC EOC, and Emergency Communications Center. The project will include all necessary hardware, software, cabling, accessories and labor.</p>	\$100,000	1	\$0	\$100,000
<p>MSP Drivers' Records System Citation Patch</p> <p>Built in 2004, the MSP Driver's Record System manages the citation records, point system and appeals process of MAC Ordinance 105. This project will be an intermediate step in replacing the currently outdated citation system with a workable solution until this process can be merged into a new badging system in the future.</p>	\$30,000	1	\$0	\$30,000
<p>MSP ELS System and Integrations</p> <p>The MSP Airfield Logging and Inspection System (ELS) is a comprehensive software package which allows the Airside Operations department to record daily events, activities and inspections on the airfield in order to meet part 139 compliance. Since it was contracted in 2010, several new systems have been developed at the MAC that will benefit from integrating and sharing real-time airfield data throughout the organization. This project will create integrations between our existing ELS system and Airside's Continuous Friction Measuring Equipment, vehicle tracking system, the MAC GIS mapping system and the MAC E1 work order system. The project will also provide some of the framework necessary for the system to be SMS capable.</p>	\$48,000	1	\$0	\$48,000
Airside Operations Total:				\$178,000

MANAGEMENT & OPERATIONS DIVISION

Landside-Administration

Equipment	Individual Price	Qty	Trade in Value	Total
<p>Minivan for Parking Management Company Replacement of pick-up truck with a minivan to better serve parking customers needing transport within the parking ramps, to haul parking equipment (cones and signage) and to transport diversion staff to areas when needed.</p>	\$25,000	1	\$0	\$25,000
<p>PCI Security Compliance Software Management software necessary to maintain Payment Card Industry (PCI) security standard compliance on internal bank card processing systems. This software would track, analyze and detect intrusions into the bank card holder environment.</p>	\$100,000	1	\$0	\$100,000
<p>Revenue Control System - Chip and Pin Readers Update of all parking and commercial vehicle bank card readers to comply with October 2015 Chip and PIN liability switch requirements.</p>	\$702,786	1	\$0	\$702,786
<p>Terminal 2 Intercom Replacement Part 2 of Project Replacement of Revenue Control System intercoms at Terminal 2 parking and commercial vehicle entries and exits.</p>	\$122,409	1	\$0	\$122,409
<p>Two MAVIS Enhancements Two MAVIS enhancements: 1) Modify the automatic bank card payment feature for taxicab owners so the owner account is not automatically suspended if the bank card on file passes its expiration date. Only automatically suspend account if payment is unpaid or past due. 2) Modify the taxicab violations feature to avoid the automatic assessment of errant penalties resulting from multiple violations being entered simultaneously.</p>	\$55,000	1	\$0	\$55,000
<p>Variable Message Sign Terminal 1 Valet Entrance Replacement of outdated variable message sign near entrance of Terminal 1 Valet parking to notify customers when open/closed, to display promotional information and to provide operational information to commercial vehicle operators.</p>	\$30,000	1	\$0	\$30,000
Landside-Administration Total:				\$1,035,195

MANAGEMENT & OPERATIONS DIVISION

Police

Equipment	Individual Price	Qty	Trade in Value	Total
<p>Biometric Reader Upgrades</p> <p>MSP continues to upgrade our current card readers to biometric access control readers across the campus. This is a necessary ongoing project to get our systems up to industry standards. Integrating biometrics into our card access system also meets the suggested improvements identified in the Security Directive. This improved technology identifies not only the badge being displayed but also the individual presenting the badge. The initial phase of this project began in 2012. The plan is to purchase and install approximately 50 readers per year. Biometric enrollment of badge holders is ongoing with nearly 50% completion. This project is expected to span a 3-year period.</p>	\$125,000	1	\$0	\$125,000
<p>Card Access AVI System for Perimeter Gate Access</p> <p>This system is used by MAC oversized vehicles to safely access the AOA and Secured SIDA. The current system has many issues and is non-functional in many vehicles. The system must have tamper proof devices which deactivate the vehicles access ability if it has been tampered with. The current technology installed is faulty in many of the applications and new technology will resolve this issue.</p>	\$20,000	1	\$0	\$20,000
<p>Computerized Queue Management System</p> <p>The procurement of a queuing system for the badging office would serve to create better customer flow, reduce wait times and improve employee productivity. The current “take-a-number” system requires staff to verbally announce the number being served, which is often difficult for customers to hear in the waiting area. Additionally, the existing system does not allow staff to segregate the types of service needed, which leads to longer wait times.</p>	\$20,000	1	\$0	\$20,000
<p>On-Line Badging Applications and Renewals</p> <p>The capability to integrate with ProWatch would allow authorized signers and badge applicants to electronically complete new badge applications and renewal forms. The data would flow directly into the ProWatch database. Customers would log in at a computer workstation/kiosk in the badging office to verify the accuracy of their application prior to being assisted by staff.</p>	\$25,000	1	\$0	\$25,000
<p>Police Vehicles</p> <p>Replacement and outfitting of police vehicles used for patrol and investigative purposes that have over 100,000 miles and are recommended for replacement by the APD and MAC’s equipment superintendent.</p>	\$41,667	3	\$3,700	\$121,301
Police Total:				\$311,301

MANAGEMENT & OPERATIONS DIVISION

Facilities-Terminal 1

Equipment	Individual Price	Qty	Trade in Value	Total
Baggage Handling System Under the proposed amendment to the Airline Operating Agreement and Terminal Building Lease, the Commission agreed to purchase from Delta it's baggage handling system. The Commission expects to pay for the purchase price over a period of four years and will be reimbursed for this equipment through a passenger facility charge.	\$8,050,000	1	\$0	\$8,050,000
Bomb-proof Trash Cans Twenty blast mitigation (bomb-proof) trash cans for all pre-security areas at Terminals 1 & 2. Supplemental cans have not been ordered since 2012 and take extensive time to manufacture. These new cans will be distributed evenly amongst new/expanded areas at both terminals.	\$96,000	1	\$0	\$96,000
Terminal Trash Receptacle and Recycling Containers Additional trash receptacles and recycling containers to supplement existing ones throughout Terminals 1 & 2 secured areas. These items must match existing units and have not been ordered since 2012; therefore, there are many new/expanded areas that are lacking proper trash and recycling.	\$25,000	1	\$0	\$25,000
Facilities-Terminal 1 Total:				\$8,171,000

Facilities-Energy Management Center

Equipment	Individual Price	Qty	Trade in Value	Total
Control Panel for 2000 ton York Chillers Replacement of one York Chiller control panel. Controls are obsolete and parts are no longer available. This is the third annual replacement as we replace one per year.	\$28,000	1	\$0	\$28,000
Facilities-Energy Management Center Total:				\$28,000

Trades - Electricians

Equipment	Individual Price	Qty	Trade in Value	Total
New MSP Airfield Van A new MSP airfield van is needed to replace the current airfield van which needs a great amount of repair.	\$195,000	1	\$3,000	\$192,000
New Reliever Service Truck A new service truck is needed for the Relievers to replace an older, larger, heavier truck. The current truck has 110,000 miles on it, has poor gas mileage and needs frequent repairs. Having an appropriate-sized vehicle will improve safety, efficiency of staff, as well as operating costs.	\$62,300	1	\$2,500	\$59,800
Trades - Electricians Total:				\$251,800

MANAGEMENT & OPERATIONS DIVISION

Trades - Carpenters

Equipment	Individual Price	Qty	Trade in Value	Total
4x4 Pick Up Truck A pick-up truck is needed with towing package, side tool box, beacon, painted liner, cab shield and lift gate to replace an older truck.	\$34,800	1	\$2,000	\$32,800
Genie Self Propelled Electric Aerial Lift/Platform A self propelled (drivable) one-man lift with inverter package for tool usage is needed to replace the current one-man lift at T1. This unit is GR-20 with a 25.75 foot height capability.	\$25,278	1	\$1,500	\$23,778
Genie Self Propelled Scissor Lift/Work Platform A Genie self propelled scissor lift with work platform, 32 foot/500 pound capacity for use on the G concourse.	\$42,500	1	\$0	\$42,500
Trades - Carpenters Total:				\$99,078

MANAGEMENT & OPERATIONS DIVISION

Field Maintenance

Equipment	Individual Price	Qty	Trade in Value	Total
20-Foot Box Plow Replacement front-end loader attachment used for aircraft parking gate snow and ice control operations.	\$29,000	2	\$0	\$58,000
30-Foot Box Plow Replacement front-end loader attachment used for deice pad snow and ice control operations.	\$35,000	1	\$0	\$35,000
4,000-Gallon Liquid Deice Truck Replacement equipment for high-hours, high repair 4,000-gallon liquid dispensing vehicle used for winter applications of pavement deicer and for summer landscape management tasks.	\$305,000	1	\$7,500	\$297,500
Garbage Truck Replacement vehicle used daily for terminal maintenance operations.	\$220,000	1	\$3,500	\$216,500
Hagie Multi-Function Vehicle Multi-function vehicle for summer and winter maintenance operations to facilitate task completion with reduced man-hours.	\$570,000	1	\$0	\$570,000
High-Speed, Multi-Function Snow Removal Vehicle Multi-function snow removal equipment to replace two plows and two rotary brooms.	\$910,000	2	\$60,000	\$1,760,000
Landside Utility Vehicle w/attachments Replacement vehicle for high-hours, high-repair landside maintenance vehicle.	\$125,000	1	\$0	\$125,000
Manager Vehicle Replacement equipment for high-mileage, high-repair vehicle assigned to an airfield manager.	\$45,000	1	\$1,000	\$44,000
One-Ton Utility Truck Replacement equipment for landside vehicles exposed to salt and corrosion.	\$30,000	2	\$4,000	\$56,000
Parking Ramp Cleaning Vehicle New parking ramp cleaning vehicle that meets NPDES permit requirements for waste water collection and discharge.	\$190,000	1	\$0	\$190,000
Pressure Washer Pressure washer used for routine fleet maintenance operations.	\$13,000	2	\$0	\$26,000
Rotary Broom Attachment Two replacement and two new rotary broom attachments for existing tractor equipment to enhance the visibility of airfield markings during snow events.	\$20,000	4	\$1,000	\$79,000

MANAGEMENT & OPERATIONS DIVISION

Field Maintenance

Equipment	Individual Price	Qty	Trade in Value	Total
Runway Plow Blade Attachment Replacement plow blade to extend the useful life of an existing high-speed runway plow.	\$50,000	1	\$500	\$49,500
Snow Blower Attachment Snow blower attachment for existing tractor equipment for more efficient snow removal from navaid critical areas.	\$27,000	1	\$0	\$27,000
Snow Blower Head Attachment Snow blower attachment for existing Oshkosh equipment to address FAA directive for more timely snow removal from taxiway safety areas.	\$165,000	1	\$0	\$165,000
Tow-Behind Rotary Broom Upgraded component of a high-speed, multi-function unit for compatibility with existing plow tractor.	\$400,000	1	\$0	\$400,000
Tri-axle Dump Truck Additional fleet vehicles for enhanced maintenance operations, driven by FAA directive for more timely removal of snow piles from taxiway safety areas.	\$184,000	3	\$0	\$552,000
Wheel Balance Machine Replacement equipment used for routine fleet maintenance operations.	\$15,000	1	\$200	\$14,800
Field Maintenance Total:				\$4,665,300

Relievers - Lake Elmo

Equipment	Individual Price	Qty	Trade in Value	Total
11- Foot Bat Wing Rotary Mower A rotary riding mower to manicure grass areas near hangars, roadways, airport environs, airfield signage and lights. The operator can maneuver in confined spaces and avoid obstructions without leaving behind ungroomed areas. A small mower will adjust to irregular land contours, which will create a professional look.	\$65,000	1	\$0	\$65,000
Chevrolet Pick Up Replacement of a 1998 pick up truck with 115,000 miles based at Lake Elmo Airport. This truck has extensive rust and holes in the body. Also, the engine is in need of expensive repairs. This truck is no longer reliable to travel between airports or pick up supplies from off airport vendors.	\$35,000	1	\$0	\$35,000
Relievers - Lake Elmo Total:				\$100,000

MANAGEMENT & OPERATIONS DIVISION

Relievers - Airlake

Equipment	Individual Price	Qty	Trade in Value	Total
Rolba Snow Blower	\$750,000	1	\$0	\$750,000
<p>Rolba / Oshkosh type blower. This is a replacement piece for the Rolba blower currently located at the Airlake Airport. The Airlake Rolba blower is over twenty years old. Replacement parts are no longer available.</p>				
Relievers - Airlake Total:				\$750,000

Relievers - Flying Cloud

Equipment	Individual Price	Qty	Trade in Value	Total
Light-Duty Tractor with Blower Attachment	\$70,000	1	\$0	\$70,000
<p>The purchase of a light-duty tractor with snow blower attachment will shorten the time to remove snow around airfield signage, lights and confined areas. It is time intensive for an operator to remove snow around the wig wag lights with tight radiuses when using the large blower. The visibility and maneuverability of a smaller machine would make quick work of these areas, and minimize damage to lights and signs.</p>				
Relievers - Flying Cloud Total:				\$70,000

Relievers - Crystal

Equipment	Individual Price	Qty	Trade in Value	Total
Vacum Sweeper	\$250,000	1	\$1,000	\$249,000
<p>This sweeper will be used at the three West Reliever Airports; Flying Cloud, Crystal and Anoka County-Blaine. The sweeper will keep runways, taxiways, aircraft parking areas and roadways free of foreign object debris. The existing sweeper was purchased in 1994. A new sweeper will be capable of picking up the typical material found on runways, like pea gravel, small objects such as nuts and bolts, and pieces of vegetation.</p>				
Relievers - Crystal Total:				\$249,000

MANAGEMENT & OPERATIONS DIVISION

Relievers - Anoka

Equipment	Individual Price	Qty	Trade in Value	Total
11-Foot bat Wing Rotary Mower A small rotary mower to manicure areas adjacent to hangars, entry points, roadways and airport environs. The operator will be able to maneuver in confined spaces and avoid obstructions which leave ungroomed areas. A small mower will adjust to irregular land contours, which will create a professional look.	\$60,000	1	\$0	\$60,000
Snow Blower Replacement of a snow blower purchased in 1992. The existing blower has exceeded its life expectancy. Replacement parts are scarce. A new blower will be more reliable in winter operations, will be supported by a manufacturer and replacement parts will be available. A new blower will decrease the time it takes to remove snow, be more adaptable, and be more comfortable and safe for the operator.	\$750,000	1	\$0	\$750,000
Relievers - Anoka Total:				\$810,000

PLANNING, DEVELOPMENT & ENVIRONMENT DIVISION

Environment-General

Equipment	Individual Price	Qty	Trade in Value	Total
Dell Equallogic Blade SAN This is a Dell Equallogic PS-M4110 Blade Storage SAN that will fit directly into our existing Data Center M1000E. This is needed to provide redundant SAN storage for VMware and the database servers at the Data Center. The data on this system supports the MACNOMS system. We currently require about 1 Terabyte of space on high performance disks that are accessible via SAN network.	\$35,699	1	\$0	\$35,699
Vsphere Server Blade This is for a Dell PowerEdge M620 Blade matching the existing blades in the new data center. This blade will be part of Site Recovery Manager installed at the GO data center. These are needed to provide a redundant failover with live servers in both locations.	\$10,281	3	\$0	\$30,843
Environment-General Total:				\$66,542

Capital Equipment Grand Total: **\$17,937,216**

Capital Improvement Program Expenditures

On December 15, 2014, the Commission adopted the 2015-2021 Capital Improvement Program (CIP). The 7-year CIP relating to construction projects on the Commission’s airport system consists of the following elements:

1. **2015 Capital Improvement Projects** – These are projects that have been reasonably defined for implementation in the upcoming calendar year - in this case 2015.
2. **2016 Capital Improvement Program** – These are projects that have been identified in the second year of the program which have a need or potential need but require further study in order to properly determine the scope, feasibility and cost of the project.
3. **2017-2021 Capital Improvement Plan** – This encompasses the last five years of the total program and consists of projects that appear likely to be needed during the period. This portion of the program assists in financial planning and meets the requirements of the Metropolitan Council’s Investment Framework.



The New Baggage Handling/Inspection Building at Terminal 2-Humphrey

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

Capital Improvement Projects Projects	Year			Total
	2015 (\$ = 000)	2016	2017-2021	
Noise Mitigation Program				
Noise Mitigation Consent Decree Amendment			\$ 22,500	\$ 22,500
Terminal 1 - Lindbergh				
Safety/Security Projects				
Automated External Defibrillator Notification System			\$ 550	\$ 550
Telecom Room Equipment Continuity and Security	\$ 1,500	\$ 1,500	\$ 7,500	\$ 10,500
Facility Rehabilitation				
Electrical Infrastructure Rehabilitation Program	\$ 1,500	\$ 1,500	\$ 8,500	\$ 11,500
Terminal Miscellaneous Modifications	\$ 2,400	\$ 2,400	\$ 12,000	\$ 16,800
Emergency Power Upgrades	\$ 1,500	\$ 1,500	\$ 8,500	\$ 11,500
Lower Level Roadway/GTC Water Infiltration Mitigation		\$ 1,000	\$ 500	\$ 1,500
Restroom Upgrade Program	\$ 9,200	\$ 4,300	\$ 12,000	\$ 25,500
Air Handling Unit Replacement	\$ 1,500		\$ 10,000	\$ 11,500
Conveyance System Upgrades	\$ 2,900		\$ 4,200	\$ 7,100
Food Court Service Elevator Replacement		\$ 2,000		\$ 2,000
Passenger Boarding Bridge Replacements	\$ 4,500		\$ 10,000	\$ 14,500
Plumbing Infrastructure Upgrade Program	\$ 500	\$ 500	\$ 2,500	\$ 3,500
Way-Finding Sign Backlighting Replacement			\$ 4,800	\$ 4,800
Lighting Infrastructure Technology and Equipment	\$ 1,600		\$ 6,750	\$ 8,350
Tram Systems Upgrades and Retrofit	\$ 1,450	\$ 2,000	\$ 2,700	\$ 6,150
MAC Public Address System	\$ 1,300	\$ 1,200	\$ 3,050	\$ 5,550
Public Walk Aisle Terrazzo Floor Installation			\$ 22,050	\$ 22,050
Recarpeting Program			\$ 20,490	\$ 20,490
D-Pod Outbound Conveyor/Ticket Counter Expansion			\$ 5,900	\$ 5,900
MSP Employee Break Rooms	\$ 200			\$ 200
East Mezzanine Rubber Floor Replacement			\$ 2,900	\$ 2,900
Center Mezzanine Tile Removal and Replacement			\$ 450	\$ 450
Folded Plate Repairs		\$ 1,000	\$ 34,000	\$ 35,000
Mezzanine HVAC/AHU Replacements & Penthouses			\$ 16,000	\$ 16,000
Telecom Relocation & Decommissioning		\$ 1,500	\$ 3,000	\$ 4,500
C-G Connector Improvements		\$ 4,500		\$ 4,500
Terminal Building Remediation Program	\$ 1,500	\$ 1,500	\$ 7,500	\$ 10,500
Passenger Amenities				
Art Display Areas	\$ 250	\$ 250	\$ 1,000	\$ 1,500
Concessions Upgrades/Revenue Development	\$ 200	\$ 200	\$ 800	\$ 1,200
Concession Rebids	\$ 2,000	\$ 2,000	\$ 4,000	\$ 8,000
Terminal Seating Improvements	\$ 800	\$ 800		\$ 1,600
Ticket Counter Upgrades to ADA		\$ 800		\$ 800
Commission Chambers Telecoil Installation		\$ 200		\$ 200
Concourse Service Center Upgrades		\$ 1,000	\$ 1,000	\$ 2,000
Observation Deck Improvements			\$ 1,600	\$ 1,600
EVIDs/MUFIDs Digital Signs	\$ 400		\$ 750	\$ 1,150
FIS Recheck Operational Improvements			\$ 8,400	\$ 8,400
Operational Improvements				
Intelligent Monitoring and Control Systems	\$ 1,500	\$ 1,500	\$ 7,700	\$ 10,700
Fiber Optic Cable Infrastructure Upgrade/Expansion	\$ 1,700	\$ 1,700	\$ 2,800	\$ 6,200
Wireless Network Control Systems	\$ 600	\$ 1,000		\$ 1,600
Landside Operations Offices Reconfiguration			\$ 150	\$ 150
MACNet Upgrade - Connectivity Elements	\$ 2,500	\$ 1,000	\$ 7,000	\$ 10,500

Capital Improvement Projects Projects	Year			Total
	2015 (\$ = 000)	2016	2017-2021	
Concourse G Improvements				
Concourse G Roof Replacement	\$ 8,400			\$ 8,400
Clerestory Glazing Replacement	\$ 3,400			\$ 3,400
Exterior Panel/Sealant/Replacement		\$ 1,000	\$ 5,200	\$ 6,200
Concourse G Rehabilitation		\$ 2,000	\$ 25,000	\$ 27,000
G Concourse Moving Walks			\$ 7,500	\$ 7,500
G Concourse Fire Protection - Phase 4	\$ 700			\$ 700
Terminal-1 Lindbergh Expansion/Remodeling				
Long Term Comp Plan	\$ 500			\$ 500
Checkpoint Consolidation	\$ 18,000			\$ 18,000
Baggage Claim Expansion		\$ 34,075	\$ 60,425	\$ 94,500
Vertical Circulation Improvements		\$ 13,100	\$ 13,100	\$ 26,200
South Security Exit			\$ 4,100	\$ 4,100
Ticket Lobby Operational Improvements		\$ 11,250	\$ 39,750	\$ 51,000
Checkpoint Expansion			\$ 10,000	\$ 10,000
Airside Operations Center			\$ 1,250	\$ 1,250
Hotel Skyway or other connections		\$ 9,500		\$ 9,500
T-1 Roadway Expansion				
Lower Level Curbside Expansion			\$ 10,000	\$ 10,000
Energy Management Center				
Energy Savings Projects		\$ 2,000	\$ 4,000	\$ 6,000
Alternative Energy Projects	\$ 600			\$ 600
Modular Cooling Tower Installation	\$ 3,000			\$ 3,000
Field and Runway				
Airside Bituminous Rehabilitation/Electrical Construction		\$ 1,000	\$ 2,100	\$ 3,100
Pavement Joint Sealing/Repair	\$ 650	\$ 650	\$ 3,250	\$ 4,550
Pavement Rehabilitation - Aprons	\$ 10,750			\$ 10,750
Pavement Reconstruction			\$ 7,500	\$ 7,500
Miscellaneous Airfield Construction	\$ 800		\$ 2,500	\$ 3,300
Baggage Quarantine Building			\$ 1,300	\$ 1,300
SIDA Incursion Upgrades			\$ 1,600	\$ 1,600
Sanitary Sewer Replacement				
Taxiway R			\$ 2,500	\$ 2,500
34th Avenue			\$ 1,700	\$ 1,700
Perimeter Gate Security Improvements - Gates 222 & 269		\$ 1,200		\$ 1,200
Runway Planning Regrooving			\$ 450	\$ 450
Taxiway J			\$ 150	\$ 150
Runway LED Lighting Upgrade			\$ 6,400	\$ 6,400
Runway 12L-30R Regrooving			\$ 350	\$ 350
Taxiway C1 Construction			\$ 5,000	\$ 5,000
Runway 4-22 In-Pavement Guard Lights		\$ 500		\$ 500
Rwy 4 & 22 Glide Slopes Installation		\$ 1,500		\$ 1,500
Runway 12R-30L Tunnel Drainage Improvements- Phase 2			\$ 400	\$ 400
Terminal Roads/Landside				
Tunnel/Bridge Rehabilitation	\$ 100	\$ 100	\$ 400	\$ 600
Upper Level Roadway Rehabilitation			\$ 2,000	\$ 2,000
Upper Level Roadway Electrical System Rehabilitation			\$ 650	\$ 650
Lower Level Roadway Rehabilitation			\$ 500	\$ 500
Variable Message Signs Replacements	\$ 2,100			\$ 2,100

Capital Improvement Projects Projects	Year			Total
	2015 (\$ = 000)	2016	2017-2021	
Parking				
Terminal 1 and 2 Parking Structure Rehabilitation	\$ 2,500	\$ 2,500	\$ 13,000	\$ 18,000
Terminal 1-Lindbergh Short Term Parking Redesignation	\$ 350			\$ 350
Terminal 1-Lindbergh Valet/Commercial Entrance Lanes Mods			\$ 1,000	\$ 1,000
Terminal 1-Lindbergh Intelligent Parking Guidance System			\$ 500	\$ 500
Terminal 1-Quick Turn Around Roadway Replacement			\$ 500	\$ 500
Parking Ramp Railing Refinishing Project	\$ 1,000		\$ 3,000	\$ 4,000
Terminal 1 Parking Ramp Roadway Modifications		\$ 35,000	\$ -	\$ 35,000
Terminal 1 Parking Ramp Revenue Control Building Modifications			\$ 24,000	\$ 24,000
Terminal 1 Parking Transit Center and Plaza Modifications			\$ 14,000	\$ 14,000
Terminal 1 Parking Ramp Site Preparation and Utilities		\$ 68,000		\$ 68,000
Terminal 1 Parking Ramp			\$ 205,000	\$ 205,000
Terminal 1 Parking Underground Walkway Expansion			\$ 12,000	\$ 12,000
Orange Ramp Elevators			\$ 1,900	\$ 1,900
Terminal 2 - Humphrey				
Passenger Amenities				
Skyway to LRT Flooring Installation			\$ 800	\$ 800
Curbside Canopy Extension			\$ 1,500	\$ 1,500
Operational Improvements				
Terminal 2-Humphrey Lobby Restrooms		\$ 1,500		\$ 1,500
Federal Inspection Service Bag Claim Improvements		\$ 1,000		\$ 1,000
APC Kiosks	\$ 800			\$ 800
Terminal 2-Humphrey Public Walk Aisle Terrazzo Floor Installation			\$ 1,700	\$ 1,700
Terminal 2-Humphrey Recarpeting Program			\$ 1,900	\$ 1,900
Terminal-2 Humphrey North Expansion				
Gates 11 - 13b	\$ 35,000			\$ 35,000
Gates 14 - 16 Design Fees & Construction		\$ 5,000	\$ 65,000	\$ 70,000
Fueling Expansion Gates 14 - 16			\$ 1,500	\$ 1,500
Public Areas/Roads				
Landside Pavement Rehabilitation	\$ 400	\$ 400	\$ 3,650	\$ 4,450
Roadway Fixture Refurbishment	\$ 125	\$ 125	\$ 725	\$ 975
Aircraft Viewing Area	\$ 200			\$ 200
Hangars and other Buildings				
Roof Replacements	\$ 1,000	\$ 1,000	\$ 3,000	\$ 5,000
Drivers Training Facility Rehabilitation		\$ 550		\$ 550
Campus Parking Lot Reconstruction		\$ 650	\$ 3,700	\$ 4,350
Campus Building Rehab Program		\$ 2,000	\$ 7,500	\$ 9,500
Trades/Maintenance Buildings				
South Field Maintenance Building Wash Bay			\$ 1,300	\$ 1,300
Trades Building Pneumatic Controls Retrofit		\$ 400		\$ 400

Capital Improvement Projects Projects	Year			Total
	2015	2016	2017-2021	
	(\$ = 000)			
Police				
Public Safety Facility			\$ 35,000	\$ 35,000
Perimeter Fence Intrusion Detection System			\$ 3,000	\$ 3,000
Ivisn Improvements	\$ 3,000	\$ 4,000	\$ 12,200	\$ 19,200
Card Access Modifications-Gate Lobby Areas Concourse Level			\$ 850	\$ 850
Passenger Boarding Bridge Card Access Additions			\$ 7,000	\$ 7,000
APD Operational Improvements	\$ 500			\$ 500
Fire				
MSP Campus Fire Alarm System Upgrade	\$ 850	\$ 850		\$ 1,700
Campus Fire Protection			\$ 2,000	\$ 2,000
ARFF Station 2			\$ 10,500	\$ 10,500
Environment				
Mother Lake Stormwater Diversion		\$ 850		\$ 850
Runway 12R/30L Glycol Forecmain			\$ 1,100	\$ 1,100
Concourse C & G Compactor Canopies			\$ 450	\$ 450
Runway 30R Deicing Pad Subdrain			\$ 800	\$ 800
Ground Service Equipment Electrical Charging Stations	\$ 1,000		\$ 5,400	\$ 6,400
E85 Tank and Dispenser Modifications		\$ 550		
Lift Station at Ponds 1 and 2			\$ 500	\$ 500
Reliever Airports				
St. Paul				
Holman Terminal Subdrain			\$ 600	\$ 600
Long Term Comp Plan	\$ 50			\$ 50
Joint and Crack Repairs		\$ 100	\$ 200	\$ 300
MAC Building Maintenance		\$ 200	\$ 400	\$ 600
Pavement Rehabilitation				
Runway 14-32		\$ 3,500		\$ 3,500
Taxiway E	\$ 1,500			\$ 1,500
Runway 13-31			\$ 4,500	\$ 4,500
Parking Lot/Bayfield			\$ 500	\$ 500
Airfield Signage/Wind Cone Upgrade		\$ 300		\$ 300
Roof Repairs/Replacement			\$ 200	\$ 200
Cold Equipment Storage Building			\$ 750	\$ 750
Storm Sewer Improvements Phase 2			\$ 1,500	\$ 1,500
Maintenance Building Improvements			\$ 200	\$ 200
Runway 14-32 Reconstruction			\$ 5,000	\$ 5,000
Security Gate Upgrades		\$ 250		\$ 250
Lake Elmo				
Long Term Comp Plan	\$ 50			\$ 50
Runway 14/32 Replacement		\$ 500	\$ 5,000	\$ 5,500
Airfield Modifications			\$ 5,000	\$ 5,000
Materials Storage Building			\$ 200	\$ 200
Parallel Taxiway Reconstruction	\$ 600	\$ 600	\$ 600	\$ 1,800
Pavement Rehabilitation	\$ 900		\$ 4,900	\$ 5,800

Capital Improvement Projects	Year			Total
	2015	2016	2017-2021	
Projects	(\$ = 000)			
Airlake				
Long Term Comp Plan	\$ 50			\$ 50
Pavement Rehabilitation		\$ 400		\$ 400
South Building Area Development			\$ 2,700	\$ 2,700
South Building Area Alleyway & Utilities Development			\$ 3,200	\$ 3,200
Materials Storage Building			\$ 200	\$ 200
Flying Cloud				
Long Term Comp Plan	\$ 50			\$ 50
Pavement Rehabilitation -Taxiway A Phase 1	\$ 800			\$ 800
Pavement Rehabilitation -Taxiway A Phase 2		\$ 1,000		\$ 1,000
Pavement Rehabilitation - Taxiway D&E Overlay			\$ 1,200	\$ 1,200
Pavement Rehabilitation - Alleyways-SE Building Area			\$ 500	\$ 500
South Building Area Development			\$ 600	\$ 600
Roof Repairs/Replacement			\$ 100	\$ 100
Equipment Storage Building			\$ 2,500	\$ 2,500
Runway 18-36 Extension			\$ 1,500	\$ 1,500
Electrical Vault Improvements			\$ 500	\$ 500
Crystal				
Long Term Comp Plan	\$ 50		\$ -	\$ 50
Obstruction Removals		\$ 300		\$ 300
Pavement Rehabilitation-Alleyways & Taxiways			\$ 1,800	\$ 1,800
Runway 14R/32L Modifications & Taxiway E Modifications			\$ 1,500	\$ 1,500
Roof Repairs/Replacement	\$ 250			\$ 250
Materials Storage Building			\$ 200	\$ 200
Hangar Demolition	\$ 150			\$ 150
Anoka County - Blaine				
Long Term Comp Plan	\$ 50			\$ 50
Building Area Development - Xylite St. Relocation			\$ 1,000	\$ 1,000
Materials Storage Building			\$ 200	\$ 200
Roof Repairs/Replacement		\$ 250		\$ 250
Maintenance Building Improvements		\$ 200		\$ 200
Airfield Signage/Electrical Improvements	\$ 500			\$ 500
Pavement Reconstruction			\$ 4,350	\$ 4,350
Runways 09-27 and 18-36 Joint & Crack Repairs			\$ 200	\$ 200
Obstruction Removals			\$ 100	\$ 100
Air Traffic Control Tower Upgrades	\$ 200		\$ 100	\$ 300

2015 Capital Improvement Projects

As stated above, these are projects that have been reasonably defined for implementation in the upcoming calendar year - in this case 2015. **The vast majority of capital projects in the CIP are considered routine projects for a major airport and do not affect the annual operating budget. Any project with a 2015 operating budget impact will be disclosed in the 2015 CIP Funding Table.** A description of 2015 capital improvement projects, along with a table with their funding sources, is as follows:

2015 Capital Improvement Program Narratives Minneapolis-St. Paul International Airport

10 –Terminal 1-Lindbergh Safety/Security Projects

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

The MAC network (MACNet) carries, along with other information, credit card data collected from the landside parking revenue control system. Merchants like the MAC are required to meet credit card security standards created to protect card holder data. Among these requirements are security standards for the physical locations where MACNet equipment is located. Additionally, the network equipment itself must have added security features to prevent unauthorized network access. This multi-year program addresses these standards by providing security equipment and relevant network hardware for the 150 telecommunications rooms on the MAC campus.

Facilities Rehabilitation

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

There are 53 electrical substations that serve the Terminal 1-Lindbergh complex. It is imperative that these substations be inspected, cleaned, and upgraded in order to ensure their continued performance. This is a continuation of a multi-year program that began in 2009.

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

Each year, there is a list of maintenance projects that are beyond the capability of MAC's maintenance and trades staff to accomplish. These projects are prioritized and completed either as a series of contracts or as purchase orders. Typical work includes door replacements, emergency upgrades to mechanical, electrical, plumbing or HVAC systems, loading dock work, etc. The list of potential projects will be compiled and prioritized in early 2015.

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

A study and survey of Terminal 1-Lindbergh transfer switches and emergency lighting was completed in 2008. This year's project is part of a multi-year program that will continue the design and implementation of emergency power and lighting corrective work identified in this study.

Restroom Upgrade Program **\$9,200,000**

A study of all restrooms in Terminal 1-Lindbergh was completed in 2010 and a program developed to upgrade/modernize the restrooms at Terminal 1-Lindbergh. From this study, each restroom was prioritized based on its condition. This program will provide for the phased modernization of the Terminal 1-Lindbergh restrooms to include upgraded finishes, lighting, air quality, energy saving upgrades and ADA compliance. This year's focus includes restrooms on Concourse C as well as other work within the terminal.

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

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

Conveyance System Upgrades **\$2,900,000**

A study of the MSP campus conveyance systems including elevators, escalators, moving walks, dumbwaiters and material lifts was completed by the Facilities Department's conveyance consultant. The study evaluated the useful life of each system including the availability of replacement parts and technical support of the equipment. Many of the systems are being operated by outdated technology that is generally less efficient than modern control

equipment. Some of the systems do not include safety devices or features that are commonly installed on modern equipment. This multi-year program modernizes and replaces elements of the conveyance systems and installs new conveyance systems if needed.

Passenger Boarding Bridge Replacements **\$4,500,000**

Many of the passenger boarding bridges at Terminal 1-Lindbergh are at the end of their useful life. The current understanding between MAC and the T Airlines is to replace/refurbish the bridges over time starting with the ones in the worst condition. The new/refurbished passenger bridges will become the property of MAC. This project is part of a multi-phased program to replace/refurbish the bridges over time as funding allows.

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

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

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

This is a multi-year program that addresses lighting system upgrades for the MSP campus. Light fixtures age and degrade due to time, heat or exterior elements. Lighting technologies also change and upgrades will provide for more energy efficient lighting systems. Continued investment in lighting infrastructure is necessary to ensure its safe operation, reduce energy and maintenance costs and implement technology upgrades that improve lighting quality.

Terminal 1 Tram Systems Upgrades and Retrofit **\$1,450,000**

The MAC Hub and Concourse Tram systems were originally placed into public service in 2001 and 2004, respectively. As part of the installation, the automatic train control system utilized multiple components provided by GE Intelligent Platforms. In late 2011, GE indicated they would discontinue support of selected components prior to the year 2020. This project will replace and upgrade the GE components to Tram Control Systems on both the Hub and Concourse Trams over the course of a three-year program from 2015 to 2017.

MAC Public Address System **\$1,300,000**

The MAC Public Address System (MACpas) project involves a multi-year overhaul of the system to eliminate discontinued components and replace them to maintain the operation and reliability of the system. The current public address system was installed in 1999, provides travelers with over 12,000 messages daily and has exceeded its expected life cycle.

MSP Employee Break Rooms **\$200,000**

This project will provide for a MSP employee break room that will have a quiet area for employees who work multiple shifts on the campus and a separate area for employees to eat, read, etc. By providing this quality work support area, front line and other employees will be able to rest and eat out of view of the public.

Terminal Building Remediation Program **\$1,500,000**

Continual maintenance of the terminal buildings is imperative to passenger comfort and safety as well as sustainability of the MAC asset. Age and weather contribute to building deterioration, mold and other health issues. Building envelope issues include: curtain wall systems, glazing, sealant repair/replacement, louver repair/replacement, metal panel repair/replacement, and soffit repair/replacement and insulation systems.

Passenger Amenities

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

This program is a continuation of the existing program, in partnership with the MSP Foundation, to provide opportunities and space build out for the display of permanent and

temporary/rotating art exhibits. This year's project will provide doors, a temporary stage and other work at the short film space on the C Concourse along with self-contained musical performance audio boxes for the main mall.

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

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

Concessions Rebids **\$2,000,000**

This four-year program, beginning in 2015, will provide support for required infrastructure to be brought to lease-lines, shell-space for new build-outs and for other major changes required to implement the concessions rebid program at Terminal 1-Lindbergh.

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

This program is a continuation of the 2013 seating replacement in Terminal 1-Lindbergh. The next two year's projects will complete the change out of public seating to the new standards selected in 2013, including power, at locations such as Concourse C, ticket lobby, baggage claim, east mezzanine, vertical circulation towers, tram level, GTC atrium, GTC ground level, rental car locations and common use gate hold areas. The improved seating standard will continue to replace Terminal 1-Lindbergh bucket seating and old, as well as relocated, Terminal 2-Humphrey seating throughout these areas.

EVIDSs/MUFIDs Digital Signs **\$400,000**

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

Operational Improvements

Intelligent Monitoring and Control Systems (IMACS) **\$1,500,000**

This is a continuation of a multi-year program to upgrade all MAC building automation systems to an open architecture protocol so that MAC can bid maintenance and construction contracts more competitively. This project will replace sole-source controllers such as Siemens and Legacy Honeywell with controllers from Honeywell, Circon, Distech and TAC systems that are LonMark certified products. (This project was formerly known as OABA which is a component of IMACS.)

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

This project provides for the upgrade/installation of air blown fiber optic cable at various airport locations and installation of manhole/duct bank with tube and fiber optic cable. The project also includes fiber modifications, repairs and upgrades as necessary to maintain and improve the fiber infrastructure at MSP. This multi-year program provides for the expansion of cabling infrastructure including replacing materials that don't meet current MAC standards and adding capacity between locations where existing capacity has been consumed.

Wireless Network Control System **\$600,000**

This program provides campus-wide wireless network to be implemented in phases. This system will allow remote wireless access to the MAC Facilities Intelligent Monitoring and Control System (IMACS). The system will also allow access to data and drawings from the MAC network as well as from remote vehicles on the airfield.

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

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

Concourse G Improvements**Concourse G Roof Replacement \$8,400,000**

Approximately 113,500 square feet (sf) of roofing, including the area over the Mill-City Concessions, has been replaced on Concourse G. This year's project will finish the remaining roof area, approximately 113,000 sf, including the FIS roof, over-flow roof drains, fall protection, addition of ladders, etc. to provide an OSHA and Building Code compliant, energy efficient system.

Clerestory Replacement \$3,400,000

The Concourse G pod areas are raised above the general ceiling with clerestory windows. These windows and curtain wall system are leaking due to age. To complete the Concourse G roof and building envelope securement, the entire clerestory curtain wall system needs to be replaced.

Concourse G Fire Protection – Phase 4 \$700,000

This project provides visual notification in multiple locations as required by the fire code and by MAC standards and repairs building air infiltration and exfiltration which has caused heating loss throughout the concourse.

Terminal 1-Lindbergh Expansion/Remodeling**Long Term Comprehensive Plan \$500,000**

The MSP 2030 Long Term Comprehensive Plan (LTCP), previously completed in April 2010, is scheduled to be updated in 2015. While some efforts have already started with checkpoint modeling and parking analyses, the work in 2015 will continue the forecasting efforts and include preparation of the LTCP document for public review and Commission approval.

Terminal 1 Checkpoint Consolidation (CP1) \$18,000,000

This project consolidates existing Checkpoints 1, 2, 3 and 4 into one ten-lane checkpoint in the north lobby to improve lobby utilization, facility efficiencies, TSA staffing efficiencies and guest way-finding. The project will also reduce lobby congestion by providing adequate queue space for the checkpoint. This project requires closure of the existing concession in the ticket lobby (Hot Dish), so costs for lease extinguishment are included in this project.

13 – Energy Management Center**Alternative Energy Projects \$600,000**

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

Modular Cooling Tower Installation \$3,000,000

This project includes installation of one additional cooling tower to provide redundancy and emergency back up for the Terminal 1-Lindbergh cooling system. While improvements over the years have made the Energy Management Center much more efficient than ever before, the plant is still short on cooling tower capacity. During 90 - 95 degree days, the system currently runs at 100% of its capacity.

21 – Field and Runway**Pavement Joint Sealing/Repair \$650,000**

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

Pavement Rehabilitation – Aprons \$10,750,000

This project provides for reconstruction of approximately 22,000 square yards of concrete apron located along Concourse C between Gates C4 and C9. Work will include removals, storm sewer installation, concrete pavement, pavement marking and replacement of existing fuel utilities.

Miscellaneous Airfield Construction \$800,000

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

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

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

Variable Message Signs Replacement \$2,100,000

This project replaces variable message signs on the inbound roadways, parking ramps and valet at Terminal 1-Lindbergh and Terminal 2-Humphrey, which are at end of life, with signs compatible with new MACnet systems.

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

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

Terminal 1-Lindbergh Short Term Parking Redesignation \$350,000

This project will enhance customer wayfinding and reduce confusion related to short-term parking vs. long-term general parking by renaming and providing new signs for the short term parking areas.

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

This multi-year project will address the parking ramp metal railings that have weathered and degraded over time. The paint has chipped and peeled away, which caused the exposed metal rail to rust and corrode. If not repaired, the degraded metal railings could become at risk for detachment. The rust has stained the concrete walls and concrete slabs creating an unsightly appearance for airport customers and resulting in concrete repair work in the surrounding areas.

**36 – Terminal 2-Humphrey
Operational Improvements****Terminal 2 APC Kiosks \$800,000**

This project includes installation of ten Automated Passport Control (APC) kiosks that will provide expedited passenger processing for US and Canadian citizens, Visa Waiver, including legal residents, and green-card holders and students, similar to the Terminal 1-Lindbergh APC installation. The processing will not reduce Customs and Border Protection staffing requirements, but will reduce wait times in the primary processing area.

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

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

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

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

Roadway Fixture Refurbishment \$125,000

Many of the light poles, clearance restriction boards, sign units, fence sections, and canopies on the airport roadways are in need of repainting and maintenance. This project provides for refurbishment of these fixtures.

Aircraft Viewing Area \$200,000

This project will create a parking area for the public to view and watch aircraft at MSP. The project is envisioned to include the construction of a parking lot, outdoor seating or bleachers, landscaping, signage, a satellite restroom, and cameras.

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

A report has been developed within the MAC that evaluates one-half of the roofs every other year. This on-going program allows these roofs that have been evaluated to be prioritized and programmed for repair. Emergency repairs may also be needed on some roofs; this program will provide dollars for such instances.

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

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

APD Operational Improvements \$500,000

The Airport Police Department has a number of operational improvement projects that are needed to facilitate more efficient work within the department and accommodate growth in their operations. These projects include Badging Office remodeling, additional storage and office reconfigurations, Inventory Center relocation, Terminal 2 Patrol Operations Center and remote evidence room improvements.

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

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

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

This project will purchase and install charging stations for electric Ground Support Equipment (GSE). These fast, energy-efficient charging stations allow for simultaneous charging, adjustable charging rates and automatic shut-off when the GSE are fully charged. The charging stations are to be installed at Terminal 1-Lindbergh for use by Delta GSE. This project fits into the proposed long-term goal of converting all Delta GSE to electric power thereby reducing overall air emissions and noise pollution at MSP from fossil fuel-burning GSE. Delta will pay for electric usage of the charging units.

81 – St. Paul**Long Term Comprehensive Plan \$50,000**

The Long Term Comprehensive Plan (LTCP) for the St. Paul Downtown Airport, previously adopted in 2010, is scheduled to be updated in 2015. Work will include updating the aircraft operations and based aircraft forecasts and preparing a document for public review and Commission approval.

Pavement Rehabilitation (Taxiway E) \$1,500,000

This is an ongoing program to rehabilitate aircraft operational areas (runways, taxiways, aprons) through bituminous overlays, seal coats, or, in some instances, reconstruction, to restore the surfaces to a smooth, even condition and improve overall operating conditions. This year's project includes reconstruction of the oldest portion of the Taxiway Echo pavement along with a portion of mill and overlay, encompassing nearly the entire length from the end of Runway 13 to the end of Runway 27.

82 – Lake Elmo**Long Term Comprehensive Plan****\$50,000**

The Long Term Comprehensive Plan (LTCP) for the Lake Elmo Airport, previously adopted in 2008, is scheduled to be updated in 2015. Work will include reviewing potential airfield development alternatives, developing estimated costs and analyzing benefits and preparing a document for public review and Commission approval.

Parallel Taxiways Reconstruction**\$600,000**

This project is part of an ongoing effort to rehabilitate aircraft operational areas (runways, taxiways, aprons) through bituminous overlays, seal coats, or, in some instances reconstruction, to restore the surfaces to a smooth, even condition and improve overall operating conditions. The Lake Elmo Airport suffers from poor subgrade materials which contribute to the overall deterioration of pavements. This project includes the full-depth reconstruction of the oldest portions of Taxiway Bravo parallel to Runway 04-22.

Alleyway Rehabilitation (Alleyways North Building Area)**\$900,000**

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

83 – Airlake**Long Term Comprehensive Plan****\$50,000**

The Long Term Comprehensive Plan (LTCP) for the Airlake Airport, previously adopted in 2008, is scheduled to be updated in 2015. Work will include reviewing potential airfield development alternatives, developing estimated costs and analyzing benefits, and preparing a document for public review and Commission approval.

84 – Flying Cloud**Long Term Comprehensive Plan****\$50,000**

The Long Term Comprehensive Plan (LTCP) for the Flying Cloud Airport, previously adopted in 2010, is scheduled to be updated in 2015. Work will include updating the aircraft operations and based aircraft forecasts and preparing a document for public review and Commission approval.

Pavement Rehabilitation (Taxiway A – Phase 1)**\$800,000**

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

85 – Crystal**Long Term Comprehensive Plan****\$50,000**

The Long Term Comprehensive Plan (LTCP) for the Crystal Airport, previously adopted in 2008, is scheduled to be updated in 2015. Work will include updating the aircraft operations and based aircraft forecasts and preparing a document for public review and Commission approval.

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

This project provides for repair and/or replacement of roof structures on MAC-owned buildings. This project accounts for identification of the exact type of roof deficiencies as well as completion of the most cost-effective repairs or replacements.

Hangar Demolition (HFI)**\$150,000**

The Helicopter Flight, Inc. (HFI) hangars were inherited by MAC when the tenant failed to pay the lease. A portion of the facility was not maintained for many years and now has structural and mold issues. The cost to rehabilitate and repair this portion of the facility is not justified. This project will demolish that portion of the facility, while maintaining the other two useable hangars.

86 – Anoka County – Blaine

Long Term Comprehensive Plan

\$50,000

The Long Term Comprehensive Plan (LTCP) for the Anoka County - Blaine Airport, previously adopted in 2010, is scheduled to be updated in 2015. Work will include updating the aircraft operations and based aircraft forecasts and preparing a document for public review and Commission approval.

Airfield Signage/Electrical Improvements

\$500,000

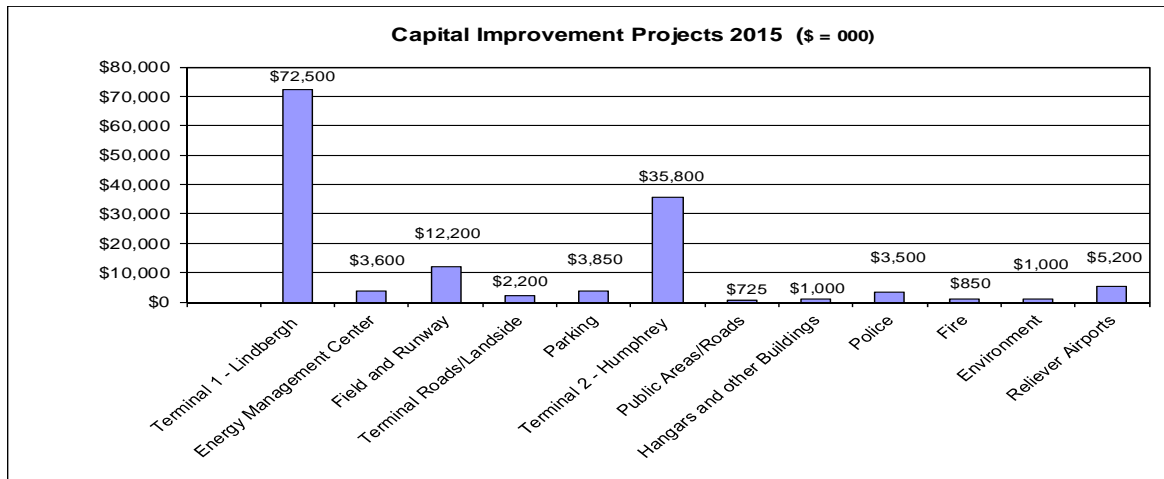
The existing airfield electrical system requires improvements and upgrades to increase reliability, replace old infrastructure and add taxiway edge lighting to a portion of Taxiway Charlie. The project will address aging airfield signs, circuitry and regulators with the primary focus being the airfield guidance sign systems.

Air Traffic Control Tower Equipment Upgrades

\$200,000

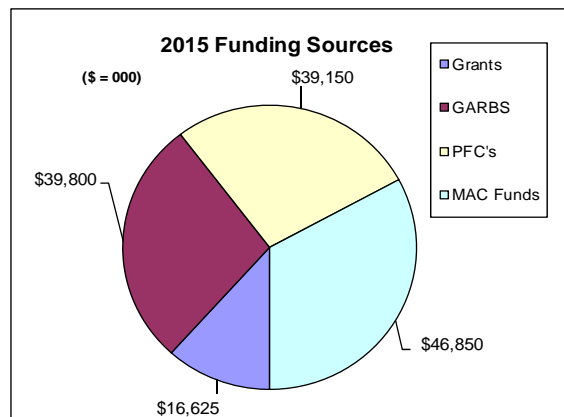
The Anoka County-Blaine control tower is owned by MAC. The equipment used by the air traffic controllers has been in service for over 15 years and needs to be replaced and/or updated to ensure continued reliability.

The following chart summarizes the 2015 capital improvement projects by various areas of the airport:



2015 Capital Improvement Project Funding Sources

The following pie chart indicates the funding sources for 2015:



The next page shows a table of funding sources for the 2015 capital improvement projects. A cash flow summary of the CIP will appear later in this section.

2015 Capital Improvement Program		Funding Source				2015 Budget Impact
(\$ in 000)		Federal/State Grants	GARBS	PFC's	MAC Funds	
Projects	Project Cost					
10 - Terminal 1 - Lindbergh						
Safety/Security Projects						
Telecom Room Equipment Continuity and Security	\$ 1,500				\$ 1,500	
Subtotal Safety/Security Projects	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500	\$ -
Facility Rehabilitation						
Electrical Infrastructure Rehabilitation Program	\$ 1,500				\$ 1,500	
Terminal Miscellaneous Modifications	\$ 2,400				\$ 2,400	
Emergency Power Upgrades	\$ 1,500				\$ 1,500	
Restroom Upgrade Program	\$ 9,200		\$ 6,000		\$ 3,200	\$ 135
Air Handling Unit Replacement	\$ 1,500				\$ 1,500	
Conveyance Systems Upgrade	\$ 2,900		\$ 2,000		\$ 900	\$ 45
Passenger Board Bridge Replacement	\$ 4,500	\$ 2,000		\$ 2,500	\$ -	
Plumbing Infrastructure Upgrade Program	\$ 500				\$ 500	
Lighting Infrastructure Technology and Equipment	\$ 1,600				\$ 1,600	
T1 Tram System Upgrades and Retrofit	\$ 1,450				\$ 1,450	
MAC Public Address System	\$ 1,300				\$ 1,300	
MSP Employee Break Rooms	\$ 200				\$ 200	
Terminal Building Remediation Program	\$ 1,500				\$ 1,500	
Subtotal Facility Rehabilitation	\$ 30,050	\$ 2,000	\$ 8,000	\$ 2,500	\$ 17,550	\$ 180
Passenger Amenities						
Art Display Areas	\$ 250				\$ 250	
Concessions Revenue Development/Upgrades	\$ 200				\$ 200	
Concessions Rebids	\$ 2,000				\$ 2,000	
Terminal Seating Improvements	\$ 800				\$ 800	
EVIDs/MUFIDS Digital Signs	\$ 400				\$ 400	
Subtotal Passenger Amenities	\$ 3,650	\$ -	\$ -	\$ -	\$ 3,650	\$ -
Operational Improvements						
Intelligent Monitoring & Control Systems	\$ 1,500				\$ 1,500	
Fiber Optic Cable Infrastructure Upgrade/Expansion	\$ 1,700				\$ 1,700	
Wireless Network Control System	\$ 600				\$ 600	
MACNET Upgrade- Connectivity Elements	\$ 2,500				\$ 2,500	
Subtotal Operational Improvements	\$ 6,300	\$ -	\$ -	\$ -	\$ 6,300	\$ -
Concourse G Improvements						
Roof Replacement	\$ 8,400			\$ 8,400		
Clerestory Replacement	\$ 3,400				\$ 3,400	
Fire Protection-Phase 4	\$ 700				\$ 700	
Subtotal G Concourse Improvements	\$ 12,500	\$ -	\$ -	\$ 8,400	\$ 4,100	\$ -
Terminal 1 Expansion/Remodeling						
Long Term Comp Plan	\$ 500				\$ 500	\$ 500
Checkpoint Consolidation	\$ 18,000			\$ 18,000		
Subtotal Terminal 1 Expansion/Remodeling	\$ 18,500	\$ -	\$ -	\$ 18,000	\$ 500	\$ 500
Subtotal Terminal 1-Lindbergh	\$ 72,500	\$ 2,000	\$ 8,000	\$ 28,900	\$ 33,600	\$ 680
13 - Energy Management Center						
Energy Savings Projects	\$ 600				\$ 600	
Modular Cooling Tower Installation	\$ 3,000			\$ 3,000		
Subtotal Energy Management Center	\$ 3,600	\$ -	\$ -	\$ 3,000	\$ 600	\$ -

2015 Capital Improvement Program		Funding Source				2015
(\$ in 000)		Federal/State	GARBS	PFC's	MAC Funds	Budget
Projects	Project Cost	Grants				Impact
21 - Field and Runway						
Pavement Joint Sealing/Repair	\$ 650				\$ 650	
Pavement Rehabilitation - Aprons	\$ 10,750	\$ 7,450	\$ 2,750		\$ 550	\$ 61
Miscellaneous Airfield Construction	\$ 800		\$ 700		\$ 100	\$ 15
Subtotal Field and Runway	\$ 12,200	\$ 7,450	\$ 3,450	\$ -	\$ 1,300	\$ 76
26 - Terminal Roads/Landside						
Tunnel/Bridge Rehabilitation	\$ 100				\$ 100	
Variable Message Sign Replacement	\$ 2,100				\$ 2,100	
Subtotal Terminal Roads/Landside	\$ 2,200	\$ -	\$ -	\$ -	\$ 2,200	\$ -
31 - Parking						
T1/T2 Parking Structure Rehabilitation	\$ 2,500				\$ 2,500	
T1- Lindbergh Short-Term Parking Redesignation	\$ 350				\$ 350	
Parking Ramp Railing Refinishing Project	\$ 1,000		\$ 350		\$ 650	\$ 7
Subtotal Parking	\$ 3,850	\$ -	\$ 350	\$ -	\$ 3,500	\$ 7
36 - Terminal 2 - Humphrey						
Operational Improvements						
APC Kiosks	\$ 800				\$ 800	
Subtotal Operational Improvements	\$ 800	\$ -	\$ -	\$ -	\$ 800	\$ -
Terminal 2 - Humphrey North Expansion						
Gates 11-13b Construction	\$ 35,000			\$ 7,000	\$ 28,000	
Subtotal Terminal 2 -Humphrey North Expansion	\$ 35,000	\$ -	\$ -	\$ 7,000	\$ 28,000	\$ -
Subtotal Terminal 2-Humphrey	\$ 35,800	\$ -	\$ -	\$ 7,000	\$ 28,800	\$ -
39 - Public Areas/Roads						
Landside Pavement Rehabilitation	\$ 400				\$ 400	
Roadway Fixture Refurbishment	\$ 125				\$ 125	
Aircraft Viewing Area	\$ 200				\$ 200	
Subtotal Public Areas/Roads	\$ 725	\$ -	\$ -	\$ -	\$ 725	\$ -
46 - Hangars & Other Buildings						
Roof Replacements	\$ 1,000				\$ 1,000	
Subtotal Police	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000	\$ -
63 - Police						
iVSN (CCTV) Improvements	\$ 3,000	\$ 3,000				
APD Operational Improvements	\$ 500				\$ 500	
Subtotal Police	\$ 3,500	\$ 3,000	\$ -	\$ -	\$ 500	\$ -
66 - Fire						
MSP Campus Fire Alarm System Upgrade	\$ 850				\$ 850	
Subtotal Fire	\$ 850	\$ -	\$ -	\$ -	\$ 850	\$ -

2015 Capital Improvement Program (\$ in 000)		Funding Source				2015 Budget Impact
		Federal/State Grants	GARBS	PFC's	MAC Funds	
Projects	Project Cost					
76 - Environment						
Ground Service Equipment Electrical Charging Stations	\$ 1,000	\$ 750		\$ 250		
Subtotal Environment	\$ 1,000	\$ 750	\$ -	\$ 250	\$ -	\$ -
Reliever Airports						
81 - St. Paul						
Long Term Comp Plan	\$ 50				\$ 50	\$ 50
Pavement Rehabilitation - Taxiway E	\$ 1,500	\$ 1,300			\$ 200	
Subtotal St. Paul	\$ 1,550	\$ 1,300	\$ -	\$ -	\$ 250	\$ 50
82 - Lake Elmo						
Long Term Comp Plan	\$ 50				\$ 50	\$ 50
Parallel Taxiways Reconstruction	\$ 600	\$ 400			\$ 200	
Alleyways-North Building Area	\$ 900	\$ 600			\$ 300	
Subtotal Airlake	\$ 1,550	\$ 1,000	\$ -	\$ -	\$ 550	\$ 50
83 - Airlake Airport						
Long Term Comp Plan	\$ 50				\$ 50	\$ 50
Subtotal Airlake	\$ 50	\$ -	\$ -	\$ -	\$ 50	\$ 50
84 - Flying Cloud						
Long Term Comp Plan	\$ 50				\$ 50	\$ 50
Pavement Rehabilitation- Taxiway A - Phase 1	\$ 800	\$ 700			\$ 100	
Subtotal Flying Cloud	\$ 850	\$ 700	\$ -	\$ -	\$ 150	\$ 50
85 - Crystal						
Long Term Comp Plan	\$ 50				\$ 50	\$ 50
Roof Repairs and Replacements	\$ 250				\$ 250	
Hangar Demolition	\$ 150				\$ 150	
Subtotal Crystal	\$ 450	\$ -	\$ -	\$ -	\$ 450	\$ 50
86 - Anoka County - Blaine						
Long Term Comp Plan	\$ 50				\$ 50	\$ 50
Airfield Signage/Electrical Improvements	\$ 500	\$ 425			\$ 75	
Air Traffic Control Tower Equipment Upgrades	\$ 200				\$ 200	
Subtotal Anoka County Blaine	\$ 750	\$ 425	\$ -	\$ -	\$ 325	\$ 50
Subtotal Reliever Airports	\$ 5,200	\$ 3,425	\$ -	\$ -	\$ 1,775	\$ 300
Total 2015 Capital Improvement Program	\$ 142,425	\$ 16,625	\$ 11,800	\$ 39,150	\$ 74,850	\$ 1,063



Pavement Repair outside C Concourse of Terminal 1-Lindbergh

2016 Capital Improvement Program Narratives Minneapolis-St. Paul International Airport

10 –Terminal 1-Lindbergh Safety/Security Projects

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

The MAC network (MACNet) carries, along with other information, credit card data collected from the landside parking revenue control system. Merchants like the MAC are required to meet credit card security standards created to protect card holder data. Among these requirements are security standards for the physical locations where MACNet equipment is located. Additionally, the network equipment itself must have added security features to prevent unauthorized network access. This multi-year program addresses these standards by providing security equipment and relevant network hardware for the 150 telecommunications rooms on the MAC campus.

Facilities Rehabilitation

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

There are 53 electrical substations that serve the Terminal 1-Lindbergh complex. It is imperative that these substations be inspected, cleaned and upgraded in order to ensure their continued performance. This is a continuation of a multi-year program that began in 2009.

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

Each year there is a list of maintenance projects that are beyond the capability of MAC's maintenance and trades staff to accomplish. These projects are prioritized and completed either as a series of contracts or as purchase orders. Typical work includes door replacements, emergency upgrades to mechanical, electrical, plumbing or HVAC systems, loading dock work, etc. The list of potential projects will be compiled and prioritized in early 2016.

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

A study and survey of Terminal 1-Lindbergh transfer switches and emergency lighting was completed in 2008. This year's project is part of a multi-year program that will continue the design and implementation of emergency power and lighting corrective work identified in this study.

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

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

Restroom Upgrade Program **\$4,300,000**

A study of all restrooms in Terminal 1-Lindbergh was completed in 2010 and a program developed to upgrade/modernize the restrooms at Terminal 1-Lindbergh. From this study, each restroom was prioritized based on its condition. This program will provide for the phased modernization of the Terminal 1-Lindbergh restrooms to include upgraded finishes, lighting, air quality, energy saving upgrades and ADA compliance. This year's project will construct a new restroom in the south end of the main mall area.

Food Court Service Elevator Replacement **\$2,000,000**

This project replaces and upgrades the two side-by-side service elevators located in the central food court at Terminal 1-Lindbergh. These elevators are critical to keeping the vendors throughout the airport supplied and are nearing the end of their standard service life. The elevators will be removed in their entirety including cabs, hoist systems and associated equipment and replaced with all new equipment and cabs that are designed to freight standards.

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

In 2010, MAC staff prepared a preliminary study of the reliability and maintainability of the existing plumbing infrastructure. Portions of the existing plumbing infrastructure serving Terminal 1-Lindbergh are over 40 years old, have systems that are undersized for today's demands, contain isolation valves that are either inaccessible or no longer functional and utilize aging water meter systems. There are also deteriorated sections of the existing sanitary and stormwater systems. This ongoing program was implemented in 2012 to upgrade the plumbing infrastructure system to meet current code requirements and MAC standards. The focus of the 2016 project is to continue the replacement of aging plumbing systems.

Terminal 1 Tram Systems Upgrades and Retrofit **\$2,000,000**

The MAC Hub and Concourse Tram systems were originally placed into public service in 2001 and 2004, respectively. As part of the installation, the automatic train control system utilized multiple components provided by GE Intelligent Platforms. In late 2011, GE indicated they would discontinue support of selected components prior to the year 2020. This project will replace and upgrade the GE components to Tram Control Systems on both the Hub and Concourse Trams over the course of a three-year program from 2015 to 2017.

MAC Public Address System **\$1,200,000**

The MAC Public Address System (MACpas) project involves a multi-year overhaul to the system to eliminate discontinued components and replace them to maintain the operation and reliability of the system. The current public address system was installed in 1999, provides travelers with over 12,000 messages daily and has exceeded its expected life cycle.

Terminal 1 Folded Plate Repairs **\$1,000,000**

This five-year program to rehabilitate the existing structure is the next step now that the previously constructed drainage improvements are complete. This year's project will apply the finish/film on the underside of the east and west cantilevers to provide a moisture barrier for the system, whilst allowing vapor to escape from the concrete system. Future projects will remove the existing roof layers, including asbestos material and wood structural pieces and construct a new roof.

Telecom Relocation & Decommissioning **\$1,500,000**

This program involves vacating the current major MAC telecommunications area, constructing a new space and consolidating, relocating and/or replacing equipment (e.g. critical fiber and copper connections) as needed to the new, larger telecommunications room.

C-G Connector Improvements **\$4,500,000**

This project will correct two potential safety issues. In the past, high winds have caused the soffit panels to fall from the underside of the C-G Connector. The panels were temporarily secured and a study was undertaken to review the situation. The study revealed that the soffit panel system is in need of structural enhancements and, in some locations, full replacement. In addition, there is a high pressure steam pipe located 30 feet underground which follows the line of this connector. The high pressure steam pipe is leaking and, in the confined space, has created a dangerous situation for MAC staff. As a part of the previously discussed study, a route was found through the C-G connector for the replacement of the high pressure steam pipe.

Terminal Building Remediation Program **\$1,500,000**

Continual maintenance of the terminal buildings is imperative to passenger comfort and safety as well as sustainability of the MAC asset. Age and weather contribute to building deterioration, mold and other health issues. Building envelope issues include: curtain wall systems, glazing, sealant repair/replacement, louver repair/replacement, metal panel repair/replacement and soffit repair/replacement and insulation systems.

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

This program is a continuation of the existing program, in partnership with the MSP Foundation, to provide opportunities and space build out for the display of permanent and

temporary/rotating art exhibits. This year's project will include repair of existing commissioned art, didactics for all existing commissioned artwork, permanent naming/monumentation at the Concourse C Art Gallery and development of additional infrastructural support for the Arts & Culture program.

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

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

Concessions Rebids **\$2,000,000**

This four-year program, beginning in 2015, will provide support for required infrastructure to be brought to lease-lines, shell-space for new build-outs and for other major changes required to implement the concessions rebid program at Terminal 1-Lindbergh.

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

This program is a continuation of the 2013 seating replacement in Terminal 1-Lindbergh. The next three years' projects will complete the change out of public seating to the new standards selected in 2013, including power, at locations such as Concourse C, ticket lobby, baggage claim, east mezzanine, vertical circulation towers, tram level, GTC atrium, GTC ground level, rental car locations and common use gate hold areas. The improved seating standard will continue to replace Terminal 1-Lindbergh bucket seating and old as well as relocated Terminal 2-Humphrey seating throughout these areas.

Ticket Counter Upgrades to ADA **\$800,000**

This project replaces the ground transportation center atrium counters. Ticket counters throughout the airport are being, or have been, upgraded to meet Minnesota's building code and the federal ADA standard. These are expected to be the last ticket counters required to be upgraded.

Commission Chambers Telecoil Installation **\$200,000**

This project will provide for equal access to amplified audio during Committee and Commission meetings, without identification/request for physical aids, for users of Telecoil-equipped hearing aids.

Concourse Service Center Upgrades **\$1,000,000**

This project will create new prototypical service centers, enhancing the Concourse C (adjacent Gate C3) installation, and looking at additional and innovative ways to provide business users and others work environments to accomplish work outside of crowded gate hold areas. Power, privacy, work surfaces, seating, and conversational arrangement varieties will provide for multi-generational work environments, enhancing the business traveler's experience.

Operational Improvements

Intelligent Monitoring and Control Systems (IMACS) **\$1,500,000**

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

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

This project provides for the upgrade/installation of air blown fiber optic cable at various airport locations and installation of manhole/duct bank with tube and fiber optic cable. The project also includes fiber modifications, repairs and upgrades as necessary to maintain and improve the fiber infrastructure at MSP. This multi-year program provides for the expansion of cabling infrastructure including replacing materials that don't meet current MAC standards and adding capacity between locations where existing capacity has been consumed.

Wireless Network Control System \$1,000,000

This program provides campus-wide wireless network to be implemented in phases. This system will allow remote wireless access to the MAC Facilities Intelligent Monitoring and Control System (IMACS). The system will also allow access to data and drawings from the MAC network as well as from remote vehicles on the airfield.

MACNet Upgrade – Connectivity Elements \$1,000,000

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

Concourse G Improvements**Exterior Panel/Sealant Replacement \$1,000,000**

This will be the first project in a multi-year program to address the Concourse G exterior materials. Areas where the exterior wall system is made up of porcelain or metal wall panels over studs and gypsum wall board will be replaced because of the failure of sealants and panel color due to age. In other areas, the curtain wall system was deemed to be in fairly good condition, with insulated glass, but some of the gaskets are in need of replacement.

Concourse G Rehabilitation \$2,000,000

This multi-year program will provide operational improvements to the existing concourse over time, including expanding gate lobbies to meet seating standards, replacing elevators, modifying and replacing structural, electrical and mechanical systems and making other changes that will be identified through specific master planning efforts beginning in 2016.

Terminal 1-Lindbergh Expansion/Remodeling**Baggage Claim Expansion \$34,075,000**

This program will provide new baggage claim devices (carousels) to meet the level of service requirements for short and medium-term growth of the O&D passengers, including walkways that meet required codes, public seating areas, centralized meet and greet space, unclaimed baggage storage, baggage service offices, concessions (food & beverage and retail), improved lighting, fire protection throughout the space, structural enhancements, improved sight lines, curbside lighting and access, and other operational improvements. This year's project addresses about half of the North end and center of the Baggage Claim level, in concert with North End Vertical Circulation and Ticket Lobby Operational Improvements projects.

Vertical Circulation Improvements \$13,100,000

This program will remove the existing scissors escalators (12 in total) and the original elevators and add new high-speed, smart elevators. It will also provide control enhancements for the existing central elevators to remain. Additional circulation will be provided with other operational improvement projects. This year's project will complete the work at the North end of the Ticket Lobby, while the South end is scheduled for 2018.

Ticket Lobby Operational Improvements \$11,250,000

This program addresses, with the Vertical Circulation Improvements Program, issues of congestion and functionality in the Terminal 1-Lindbergh Ticket Lobby. It will provide walkways that meet required codes, ticket counter consolidations, airline ticket offices, centralized meet and greet areas, improved vestibules and access, east mezzanine removal/reduction, structural enhancements, curtain wall replacement and other operational improvements. This year's project will complete modifications north of the Lobby center.

Hotel Skyway or other Connections \$9,500,000

The development of the hotel at Terminal 1-Lindbergh is expected to have connection to the terminal. A skyway connection will allow the hotel to be connected to the terminal complex over existing roadway systems and expedite the traveler's journey to and from the terminal and hotel. This project is included as a placeholder depending on how negotiations with a hotel development team progress.

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

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

21 - Field and Runway**Airside Bituminous Rehabilitation/Electrical Construction \$1,000,000**

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

Pavement Joint Sealing/Repair \$650,000

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

Perimeter Gate Security Improvements (Gates 222 & 269) \$1,200,000

Gate 222 is located near Terminal 2-Humphrey at the end of 34th Avenue. In 2007, a new type of security gate was installed to test the effectiveness of this system. The hardened security gate has not been reliable and creates a significant amount of effort from MAC Trades to keep it in working order. This project will install the standard security gate for entrance into the AOA. This gate services one of the primary access and highest-used points into and out of the airfield. Gate 269 is located in the SW corner of MSP and needs some minor upgrades to the equipment and alignment of the keypad.

Runway 4-22 In-Pavement Guard Lights \$500,000

FAA has requested to have in-pavement guard lights installed in Runway 4-22 to warn aircraft and vehicles when they are approaching Runway 12R-30L. Runway 4-22 is frequently used to taxi aircraft for operational purposes. Aircraft taxiing on Runway 4-22 would need to stop at the intersection of Runway 12R-30L. These guard lights would provide another visual safety enhancement for aircraft to stop before entering the runway safety area. Guard lights are already provided at other entrances into the runway safety area.

4 & 22 Glide Slopes Installation \$1,500,000

This project would install new glide slope systems at both ends of Runway 4-22. With glide slope equipment installed on the runway, pilots can execute precision approaches, which reduces the size of some approach surfaces. The existing approach surfaces currently have the potential to impact the ability to develop properties outside of the MSP campus.

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

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

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

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

Terminal 1 Parking Ramp Roadway Modifications \$35,000,000

This project will include work to relocate a portion of the Terminal 1 outbound roadway to accommodate parking expansion at Terminal 1. The roadway modifications will begin near the C-G connector bridge and are envisioned to end on the east side of the Post Office processing facility. The work in this project includes demolition of the existing roadway and related above grade features and the construction of the new roadway, lighting and landscaping.

Terminal 1 Parking Ramp Site Preparation and Utilities \$68,000,000

This project will prepare the site for a new parking ramp, focusing on major utilities that will need to be relocated before foundations for a parking ramp can be constructed. Included in this project is the relocation of two major trunk storm sewers, fuel tanks for the Terminal 1-Lindbergh RAC facility, trunk sanitary sewer, water main, gas main and primary electrical and communication ductbank feeders.

36 – Terminal 2-Humphrey**Operational Improvements****Terminal 2 Lobby Restrooms \$1,500,000**

This project will add restrooms in accordance with MAC's design standards on the first floor of Terminal 2-Humphrey, near Door 1. This will provide appropriate facilities at this end of the terminal and support future build-out of this area.

FIS Baggage Claim Improvements \$1,000,000

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

Terminal 2-Humphrey North Expansion**Gates 14 – 16 Design Fees \$5,000,000***

This project will finalize scope and provide design through construction documents for the future expansion of the North end of Terminal 2-Humphrey.

(*Currently unfunded)

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

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

Roadway Fixture Refurbishment \$125,000

Many of the light poles, clearance restriction boards, sign units, fence sections and canopies on the airport roadways are in need of repainting and maintenance. This project provides for refurbishment of these fixtures.

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

A report has been developed within the MAC that evaluates one-half of the roofs every other year. This on-going program allows the roofs that have been evaluated to be prioritized and programmed for repair. Emergency repairs may also be needed on some roofs and this program will provide dollars for such instances.

Drivers Training Facility Rehabilitation \$550,000

The MAC Drivers Training Center (DTC) is located in Building H. This facility is currently planned to remain in Building H for the foreseeable future, and the building requires upgrades to improve the current level of customer service and security. This project will add card access security to exterior doors as well as add a security system to exterior windows and doors. The driver's administration/check-in/licensing area would be remodeled, including repair of roof top equipment, replacement of exterior doors and windows, enlargement of classroom and offices within existing warehouse space, remodel of existing restrooms to be code compliant and ADA accessible and construction of a new computer room.

Campus Parking Lot Reconstructions \$650,000

This ongoing program will replace, rehabilitate and/or reconstruct bituminous and concrete parking lots that belong to MAC. There are over 85.3 acres of parking lots on the MSP campus that need to be replaced or reconstructed over the next several years. This program will systematically make improvements to the parking lots on the campus.

Campus Building Rehabilitation Program \$2,000,000

Continual maintenance of MAC non-terminal buildings is imperative in providing a stable infrastructure and meeting the MAC's sustainability goals. Age and weather contribute to building deterioration, mold and other health issues. Building envelope issues include curtain wall systems, glazing, sealant repair/replacement, louver repair/replacement, metal panel replacement and/or painting/tuck-pointing, structural repair and insulation systems. This program will also include repair/replacement related to interior issues. This will be the first year of an annual program to maintain MAC buildings as assets.

56 – Trades/Maintenance Buildings**Trades Building Pneumatic Controls Retrofit \$400,000**

This project upgrades the outdated pneumatic temperature controls at the Trades Building to the IMACS system (Intelligent Monitoring and Control Systems). In the process, it integrates the existing IMACS controls at Trades (including the domestic water meters, the solar heating system and the new cooling equipment) with this new building-wide IMACS system. This project will improve the Trades Building's performance as the MAC's Energy Conservation Development Center, integrate the building with the rest of IMACS for better performance and reliability and reduce the building's energy consumption to achieve a simple payback in less than 10 years.

63 – Police**iViSN Program \$4,000,000**

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

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

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

70 – General Office/Administration**G.O. Security Enhancements \$500,000**

As a follow on project to the new lobby security upgrades, this project will provide for cameras at other G.O. building entries.

G.O. Building Improvements \$500,000

Continual maintenance of MAC buildings is necessary for comfort and safety as well as sustainability of the MAC asset. Age and weather contribute to building deterioration, mold and other health issues. The General Office Building, built in the 1960's, has had a number of

remodels and recently has experienced a number of window and building issues that need to be corrected, including window sealing and replacements, curtain wall sealing and roof repairs.

76 – Environment

Mother Lake Stormwater Diversion **\$850,000**

This project provides for construction of a lift station and forcemain near the west end of Runway 12R-30L to capture stormwater which currently flows to Mother Lake and divert it to storm sewers flowing to MSP Pond No. 1 and the Minnesota River.

E85 Tank and Dispenser Modifications **\$550,000**

This project provides for the installation of a 6,000 gallon above-ground E85 fuel storage tank and dispenser at the North Fuel Island. Sensors will be integrated into the existing monitoring system. The project also provides for the relocation of the existing E85 dispenser at the South Fuel Island to comply with the fire code. The project assumes the existing above-ground storage tank and dispenser will be reused in the new system layout.

81 - St. Paul

Joint and Crack Repairs **\$100,000**

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

MAC Building Improvements **\$200,000**

This is an ongoing program to provide for facility modifications to ensure continued efficient operation of MAC buildings or modifications necessary to meet the requirements of the tenants.

Pavement Rehabilitation (Runway 14-32) **\$3,500,000**

This is an ongoing program to rehabilitate aircraft operational areas (runways, taxiways, aprons) through bituminous overlays, seal coats, or, in some instances, reconstruction, to restore the surfaces to a smooth, even condition and improve overall operating conditions. This year's project is anticipated to include reconstruction of the north end overlapping portions of Runway 14 and Runway 13. The runway lighting system will also be upgraded and repaired as required.

Airfield Signage/Wind Cone Upgrade **\$300,000**

The existing airfield signage system and wind cone are in need of replacement to eliminate old equipment and to stay current with FAA standards.

MAC Security Gate Upgrades **\$250,000**

Several of the existing airport security gates are aging and in need of upgrades – total gate system replacement in some cases, specific component replacement in other cases. The gates currently identified for total replacement include the Eaton Street and MAC Equipment Maintenance Building locations. The identification of specific component replacements will be based on system inspection and maintenance records current at the time of the project design, as well as taking into account the age and anticipated service life of the existing gate components.

82 – Lake Elmo

Runway 14-32 Replacement **\$500,000**

It is anticipated that, in 2015, the updated Long Term Comprehensive Plan for this airport will propose relocating and extending the primary runway northeast of its current alignment. This year's scope includes the engineering/environmental effort involved prior to starting construction, which is currently envisioned for 2017.

Parallel Taxiways Reconstruction **\$600,000**

This project is part of an ongoing effort to rehabilitate aircraft operational areas (runways, taxiways, aprons) through bituminous overlays, seal coats, or, in some instances, reconstruction, to restore the surfaces to a smooth, even condition and improve overall

operating conditions. The Lake Elmo Airport suffers from poor subgrade materials which contribute to the overall deterioration of pavements. This project includes the full-depth reconstruction of the oldest portions of Taxiway Alpha parallel to Runway 14-32.

83 – Airlake

Pavement Rehabilitation (Taxiway A Mill/Overlay) \$400,000

This project is part of an ongoing effort to rehabilitate aircraft operational areas (runways, taxiways, aprons) through bituminous overlays, seal coats, or in some instances, reconstruction, to restore the surfaces to a smooth, even condition and improve overall operating conditions. This project includes rehabilitation of portions of Taxiway Alpha.

84 – Flying Cloud

Pavement Rehabilitation (Taxiway A –Phase 2) \$1,000,000

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

85 – Crystal

Obstruction Removals \$300,000

This project will address identification and removal of obstructions to the runway approaches located off of airport property. Typically, the obstructions consist of privately owned trees which must be acquired via individual negotiations and the homeowners compensated.

86 – Anoka County–Blaine

Roof Repairs/Replacement \$250,000

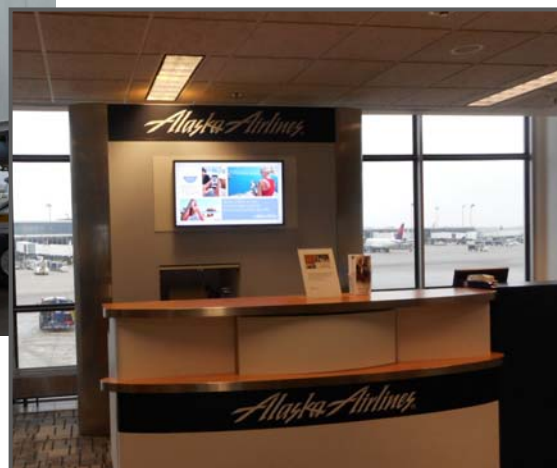
This project provides for repair, and in some cases replacement, of the roof structures on MAC-owned buildings. This project accounts for identification of the exact type of roof deficiencies as well as completion of the most cost-effective repairs or replacements.

Maintenance Building Improvements \$200,000

This project provides for facility maintenance to ensure continued efficient operation of MAC buildings, specifically the exterior façade of the MAC Maintenance Building.



Alaska Airlines Moves to Terminal 1



2016 Capital Improvement Program Funding Sources

The funding source table for the 2016 Capital Improvement Program projects is shown on the next page. A cash flow summary appears later in the section.

2016 Capital Improvement Program (\$ in 000)		Funding Source				
		Federal/State Grants	GARBS	PFC's	MAC Funds	Unfunded
Projects	Project Cost					
10 - Terminal 1 - Lindbergh						
Safety/Security Projects						
Telecom Room Equipment Continuity and Security	\$ 1,500				\$ 1,500	
Subtotal Safety/Security Projects	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500	\$ -
Facility Rehabilitation						
Electrical Infrastructure Rehabilitation Program	\$ 1,500				\$ 1,500	
Terminal Miscellaneous Modifications	\$ 2,400				\$ 2,400	
Emergency Power Upgrades	\$ 1,500				\$ 1,500	
Lower Level Roadway/GTC Water Infiltration Mitigation	\$ 1,000				\$ 1,000	
Restroom Upgrade Program	\$ 4,300				\$ 4,300	
Food Court Service Elevator Replacement	\$ 2,000				\$ 2,000	
Plumbing Infrastructure Upgrade Program	\$ 500				\$ 500	
T1 Tram Systems Upgrade and Retrofit	\$ 2,000				\$ 2,000	
MAC Public Address System	\$ 1,200				\$ 1,200	
Folded Plate Repairs	\$ 1,000				\$ 1,000	
Telecom Relocation and Decommissioning	\$ 1,500				\$ 1,500	
C-G Connector Improvements	\$ 4,500				\$ 4,500	
T1/T2 Building Remediation Program	\$ 1,500				\$ 1,500	
Subtotal Facility Rehabilitation	\$ 24,900	\$ -	\$ -	\$ -	\$ 24,900	\$ -
Passenger Amenities						
Art Areas Display	\$ 250				\$ 250	
Concessions Revenue Development/Upgrades	\$ 200				\$ 200	
Concessions Rebids	\$ 2,000				\$ 2,000	
Terminal Seating Improvements	\$ 800				\$ 800	
Ticket Counter Upgrades to ADA	\$ 800				\$ 800	
Commission Chambers Telecoil Installation	\$ 200				\$ 200	
Concourse Service Center Upgrades	\$ 1,000				\$ 1,000	
Subtotal Passenger Amenities	\$ 5,250	\$ -	\$ -	\$ -	\$ 5,250	\$ -
Operational Improvements						
Intelligent Monitoring & Control Systems	\$ 1,500				\$ 1,500	
Fiber Optic Cable Infrastructure Upgrade/Expansion	\$ 1,700				\$ 1,700	
Wireless Network Control System	\$ 1,000				\$ 1,000	
MACNET Upgrade- Connectivity Elements	\$ 1,000				\$ 1,000	
Subtotal Operational Improvements	\$ 5,200	\$ -	\$ -	\$ -	\$ 5,200	\$ -
Concourse G Improvements						
Exterior Panel/Sealant Replacement	\$ 1,000				\$ 1,000	
Concourse Rehabilitation	\$ 2,000				\$ 2,000	
Subtotal Concourse G Improvements	\$ 3,000	\$ -	\$ -	\$ -	\$ 3,000	\$ -
Terminal 1 Expansion/Remodeling						
Bag Claim Expansion	\$ 34,075			\$ 34,075		
Vertical Circulation Improvements	\$ 13,100				\$ 13,100	
Ticket Lobby Operational Improvements	\$ 11,250				\$ 11,250	
Hotel Skyway or other Connections	\$ 9,500			\$ 4,750	\$ 4,750	
Subtotal Terminal 1 Expansion/Remodeling	\$ 67,925	\$ -	\$ -	\$ 38,825	\$ 29,100	\$ -
Subtotal Terminal 1-Lindbergh	\$ 107,775	\$ -	\$ -	\$ 38,825	\$ 68,950	\$ -

2016 Capital Improvement Program (\$ in 000)		Funding Source				
		Federal/State Grants	GARBS	PFC's	MAC Funds	Unfunded
Projects	Project Cost					
13 - Energy Management Center						
Alternative Energy Projects	\$ 2,000				\$ 2,000	
Subtotal Energy Management Center	\$ 2,000	\$ -	\$ -	\$ -	\$ 2,000	\$ -
21 - Field and Runway						
Airside Bituminous Rehabilitation/Electrical Construction	\$ 1,000				\$ 1,000	
Pavement Joint Sealing/Repair	\$ 650				\$ 650	
Perimeter Gate Security Improvements-Gates 222 & 269	\$ 1,200	\$ 900			\$ 300	
Pavement Rehabilitation - Aprons	\$ 500	\$ 300			\$ 200	
Miscellaneous Airfield Construction	\$ 1,500			\$ 1,500		
Subtotal Field and Runway	\$ 4,850	\$ 1,200	\$ -	\$ 1,500	\$ 2,150	\$ -
26 - Terminal Roads/Landside						
Tunnel/Bridge Rehabilitation	\$ 100				\$ 100	
Subtotal Terminal Roads/Landside	\$ 100	\$ -	\$ -	\$ -	\$ 100	\$ -
31 - Parking						
T1/T2 Parking Structure Rehabilitation	\$ 2,500				\$ 2,500	
T1 Parking Ramp Roadway Modifications	\$ 35,000		\$ 33,000	\$ 2,000		
T1 Parking Ramp Site Prep & Utilities	\$ 68,000		\$ 48,000	\$ 20,000		
Subtotal Parking	\$ 105,500	\$ -	\$ 81,000	\$ 22,000	\$ 2,500	\$ -
36 - Terminal 2 - Humphrey						
Operational Improvements						
Lobby Restrooms	\$ 1,500				\$ 1,500	
FIS Bag Claim Improvements	\$ 1,000				\$ 1,000	
Subtotal Operational Improvements	\$ 2,500	\$ -	\$ -	\$ -	\$ 2,500	\$ -
Terminal 2 - Humphrey North Expansion						
Gates 14 - 16 Design Fees	\$ 5,000					\$ 5,000
Subtotal Terminal 2 -Humphrey North Expansion	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Subtotal Terminal 2-Humphrey	\$ 7,500	\$ -	\$ -	\$ -	\$ 2,500	\$ 5,000
39 - Public Areas/Roads						
Landside Pavement Rehabilitation	\$ 400				\$ 400	
Roadway Fixture Replacement	\$ 125				\$ 125	
Subtotal Public Areas/Roads	\$ 525	\$ -	\$ -	\$ -	\$ 525	\$ -
46 - Hangars and other Buildings						
Roof Replacements	\$ 1,000				\$ 1,000	
Drivers Training Facility Rehabilitation	\$ 550				\$ 550	
Campus Parking Lot Reconstruction	\$ 650				\$ 650	
Campus Building Rehab Program	\$ 2,000				\$ 2,000	
Subtotal Hangars and other Buildings	\$ 4,200	\$ -	\$ -	\$ -	\$ 4,200	\$ -
56 - Trades/Maintenance Buildings						
Trades Bldg Pneumatic Controls Retrofit	\$ 400				\$ 400	
Subtotal Trades/Maintenance Buildings	\$ 400	\$ -	\$ -	\$ -	\$ 400	\$ -
63 - Police						
iVSN (CCTV) Program	\$ 4,000	\$ 4,000			\$ -	
Subtotal Police	\$ 4,000	\$ 4,000	\$ -	\$ -	\$ -	\$ -

2016 Capital Improvement Program (\$ in 000)		Funding Source				
		Federal/State Grants	GARBS	PFC's	MAC Funds	Unfunded
Projects	Project Cost					
66 - Fire						
MSP Campus Fire Alarm System Upgrade	\$ 850			\$ 850		
Subtotal Fire	\$ 850	\$ -	\$ -	\$ 850	\$ -	\$ -
70 - General Office/Administration						
General Office Security Enhancements	\$ 500				\$ 500	
General Office Building Improvements	\$ 500				\$ 500	
Subtotal General Office/Administration	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000	\$ -
76 - Environment						
Mother Lake Stormwater Diversion	\$ 850	\$ 600		\$ 250		
E 85 Tank and Dispenser Modifications	\$ 550				\$ 550	
Subtotal Environment	\$ 1,400	\$ 600	\$ -	\$ 250	\$ 550	\$ -
Reliever Airports						
81 - St. Paul						
Joint & Crack Repairs	\$ 100	\$ 75			\$ 25	
MAC Building Improvements	\$ 200				\$ 200	
Pavement Rehabilitation - Runway 14/32	\$ 3,500	\$ 3,050			\$ 450	
Airfield Signage/Wind Cone Upgrade	\$ 300	\$ 200			\$ 100	
MAC Security Gate Upgrades	\$ 250				\$ 250	
Subtotal St. Paul	\$ 4,350	\$ 3,325	\$ -	\$ -	\$ 1,025	\$ -
82 - Lake Elmo						
Runway 14/32 Replacement	\$ 500				\$ 500	
Parallel Taxiway Reconstruction	\$ 600	\$ 400			\$ 200	
Subtotal Lake Elmo	\$ 1,100	\$ 400	\$ -	\$ -	\$ 700	\$ -
83 - Airlake						
Pavement Rehabilitation-Taxiway A Mill/Overlay	\$ 400	\$ 300			\$ 100	
Subtotal Airlake	\$ 400	\$ 300	\$ -	\$ -	\$ 100	\$ -
84 - Flying Cloud						
Pavement Rehabilitation - Taxiway A - Phase 2	\$ 1,000	\$ 700			\$ 300	
Subtotal Flying Cloud	\$ 1,000	\$ 700	\$ -	\$ -	\$ 300	\$ -
85 - Crystal						
Obstruction Removals	\$ 300	\$ 150			\$ 150	
Subtotal Crystal	\$ 300	\$ 150	\$ -	\$ -	\$ 150	\$ -
86 - Anoka County - Blaine						
Roof Repairs/Replacement	\$ 250				\$ 250	
Maintenance Building Improvements	\$ 200				\$ 200	
Subtotal Anoka County - Blaine	\$ 450	\$ -	\$ -	\$ -	\$ 450	\$ -
Subtotal Reliever Airports	\$ 7,600	\$ 4,875	\$ -	\$ -	\$ 2,725	\$ -
Total 2016 Capital Improvement Program	\$ 247,700	\$ 10,675	\$ 81,000	\$ 63,425	\$ 87,600	\$ 5,000

2017-2021 Capital Improvement Plan

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

2017-2021 Capital Improvement Plan (\$ in 000)		Funding Source				
		Federal/State Grants	GARBS	PFC's	MAC Funds	Unfunded
Projects	Project Cost					
Noise Mitigation Program						
Noise Mitigation Settlement	\$ 22,500				\$ 3,200	\$ 19,300
Subtotal Noise Mitigation Program	\$ 22,500	\$ -	\$ -	\$ -	\$ 3,200	\$ 19,300
10 - Terminal 1 - Lindbergh						
Safety/Security Projects						
Automated External Defibrillator Notification System	\$ 550				\$ 550	\$ -
Telecom Room Equipment Continuity and Security	\$ 7,500				\$ 1,500	\$ 6,000
Subtotal Safety/Security Projects	\$ 8,050	\$ -	\$ -	\$ -	\$ 2,050	\$ 6,000
Facility Rehabilitation						
Electrical Infrastructure Rehabilitation Program	\$ 8,500				\$ 1,500	\$ 7,000
Terminal Miscellaneous Modifications	\$ 12,000				\$ 2,400	\$ 9,600
Emergency Power Upgrades	\$ 8,500				\$ 1,500	\$ 7,000
Lower Level Roadway/GTC Water Infiltration Mitigation	\$ 500					\$ 500
Restroom Upgrade Program	\$ 12,000				\$ 4,000	\$ 8,000
Air Handling Unit Replacement	\$ 10,000				\$ 2,000	\$ 8,000
Conveyance System Upgrades	\$ 4,200					\$ 4,200
Passenger Boarding Bridge Replacements	\$ 10,000					\$ 10,000
Plumbing Infrastructure Upgrade Program	\$ 2,500				\$ 500	\$ 2,000
Way-Finding Sign Backlighting Replacement	\$ 4,800				\$ 1,600	\$ 3,200
Lighting Infrastructure Technology and Equipment	\$ 6,750					\$ 6,750
T1 Tram System Upgrades and Retrofit	\$ 2,700				\$ 2,700	\$ -
Public Address System	\$ 3,050				\$ 1,100	\$ 1,950
T1 Public Walk Aisle Terrazzo Floor Installation	\$ 22,050				\$ 4,410	\$ 17,640
T1 Recarpeting Program	\$ 20,490					\$ 20,490
D-Pod Outbound Conveyor/Ticket Counter Expansion	\$ 5,900					\$ 5,900
East Mezzanine Rubber Floor Replacement	\$ 2,900					\$ 2,900
Center Mezzanine Tile Removal and Replacement	\$ 450					\$ 450
Folded Plate Repairs	\$ 34,000			\$ 8,500		\$ 25,500
Mezzanine HVAC/AHU Replacements & Penthouses	\$ 16,000					\$ 16,000
Telecom Relocation & Decommissioning	\$ 3,000				\$ 1,500	\$ 1,500
Terminal Building Remediation Program	\$ 7,500				\$ 1,500	\$ 6,000
Subtotal Facility Rehabilitation Projects	\$ 197,790	\$ -	\$ -	\$ 8,500	\$ 24,710	\$ 164,580
Passenger Amenities						
Art Display Areas	\$ 1,000				\$ 250	\$ 750
Concessions Revenue Development/Upgrades	\$ 800				\$ 200	\$ 600
Concession Rebids	\$ 4,000				\$ 2,000	\$ 2,000
Concourse Service Center Upgrades	\$ 1,000					\$ 1,000
Observation Deck Improvements	\$ 1,600					\$ 1,600
EVIDS/MUFIDS Digital Signs	\$ 750				\$ 750	\$ -
FIS Recheck Operational Improvements	\$ 8,400					\$ 8,400
Subtotal Passenger Amenities	\$ 17,550	\$ -	\$ -	\$ -	\$ 3,200	\$ 14,350
Operational Improvements						
Intelligent Monitoring and Control Systems	\$ 7,700				\$ 1,500	\$ 6,200
Fiber Optic Cable Infrastructure Upgrade/Expansion	\$ 2,800				\$ 1,000	\$ 1,800
Landside Operations Offices Upgrades	\$ 150				\$ 150	\$ -
MACNET Upgrade - Connectivity Elements	\$ 7,000				\$ 2,000	\$ 5,000
Subtotal Operational Improvements	\$ 17,650	\$ -	\$ -	\$ -	\$ 4,650	\$ 13,000

2017-2021 Capital Improvement Plan (\$ in 000)		Funding Source				
		Federal/State Grants	GARBS	PFC's	MAC Funds	Unfunded
Projects	Project Cost					
Concourse G Improvements						
Exterior Panel/Sealant/Replacement	\$ 5,200				\$ 1,000	\$ 4,200
Concourse G Rehabilitation	\$ 25,000				\$ 5,000	\$ 20,000
Concourse G Moving Walks	\$ 7,500				\$ 2,500	\$ 5,000
Subtotal Concourse G Improvements	\$ 37,700	\$ -	\$ -	\$ -	\$ 8,500	\$ 29,200
T-1 Lindbergh Expansion/Remodeling						
<u>Terminal Remodeling</u>						
Baggage Claim Expansion	\$ 60,425			\$ 20,275		\$ 40,150
Vertical Circulation Improvements	\$ 13,100					\$ 13,100
South Security Exit	\$ 4,100					\$ 4,100
Ticket Lobby Operational Improvements	\$ 39,750				\$ 11,250	\$ 28,500
Checkpoint Expansion	\$ 10,000					\$ 10,000
Airside Operations Center	\$ 1,250					\$ 1,250
Subtotal Terminal Remodeling	\$ 128,625	\$ -	\$ -	\$ 20,275	\$ 11,250	\$ 97,100
<u>Roadway Expansion</u>						
Lower Level Curbside Expansion	\$ 10,000					\$ 10,000
Subtotal Roadway Expansion	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ 10,000
Subtotal T1 Lindbergh Expansion/Remodeling	\$ 138,625	\$ -	\$ -	\$ 20,275	\$ 11,250	\$ 107,100
Subtotal Terminal 1-Lindbergh	\$ 417,365	\$ -	\$ -	\$ 28,775	\$ 54,360	\$ 334,230
13 - Energy Management Center						
Energy Savings Projects	\$ 4,000					\$ 4,000
Subtotal Energy Management Center	\$ 4,000	\$ -	\$ -	\$ -	\$ -	\$ 4,000
21 - Field and Runway						
Airside Bituminous Rehabilitation/Electrical Construction	\$ 2,100					\$ 2,100
Pavement Joint Sealing/Repair	\$ 3,250				\$ 650	\$ 2,600
Pavement Reconstruction	\$ 7,500					\$ 7,500
Miscellaneous Airfield Construction	\$ 2,500				\$ 800	\$ 1,700
Baggage Quarantine Building	\$ 1,300					\$ 1,300
SIDA Incursion Upgrades	\$ 1,600					\$ 1,600
Sanitary Sewer Replacements	\$ 4,200					\$ 4,200
Runway Planing/Regrooving	\$ 450				\$ 450	\$ -
Taxiway J	\$ 150					\$ 150
Runway LED Lighting Upgrade	\$ 6,400					\$ 6,400
Runway 12L-30R Regrooving	\$ 350				\$ 350	\$ -
Taxiway C1 Construction	\$ 5,000					\$ 5,000
Runway 12R/30L Tunnel Drainage Improvements-Ph 2	\$ 400	\$ 300			\$ 100	\$ -
Subtotal Field and Runway	\$ 35,200	\$ 300	\$ -	\$ -	\$ 2,350	\$ 32,550
26 - Terminal Roads/Landside						
Tunnel/Bridge Rehabilitation	\$ 400				\$ 100	\$ 300
Upper Level Roadway Rehabilitation	\$ 2,000					\$ 2,000
Upper Level Roadway Electrical System Rehabilitation	\$ 650					\$ 650
Lower Level Roadway Rehabilitation	\$ 500				\$ 200	\$ 300
Subtotal Terminal Roads/Landside	\$ 3,550	\$ -	\$ -	\$ -	\$ 300	\$ 3,250

2017-2021 Capital Improvement Plan		Funding Source				
(\$ in 000)		Federal/State				
Projects	Project Cost	Grants	GARBS	PFC's	MAC Funds	Unfunded
31 - Parking						
T1/T2 Parking Structure Rehabilitation	\$ 13,000				\$ 2,500	\$ 10,500
T1-Lindbergh Valet/Commercial Entrance Lanes Mods	\$ 1,000					\$ 1,000
T1-Lindbergh Intelligent Parking Guidance System	\$ 500					\$ 500
T1 QTA Roadway Replacement	\$ 500					\$ 500
Parking Ramp Railing Refinishing Project	\$ 3,000				\$ 1,000	\$ 2,000
T1 Parking Ramp Revenue Control Building Modifications	\$ 24,000		\$ 24,000			\$ -
T1 Parking Transit Center & Plaza Modifications	\$ 14,000				\$ 14,000	\$ -
T1 Parking Ramp	\$ 205,000		\$ 205,000			\$ -
T1 Parking Underground Walkway Extension	\$ 12,000			\$ 12,000		\$ -
Orange Ramp-Elevators	\$ 1,900					\$ 1,900
Subtotal Parking	\$ 274,900	\$ -	\$ 229,000	\$ 12,000	\$ 17,500	\$ 16,400
36 - Terminal 2 - Humphrey						
Passenger Amenities						
Skyway to LRT Flooring Installation	\$ 800					\$ 800
Curbside Canopy Extension	\$ 1,500				\$ 750	\$ 750
Subtotal Passenger Amenities	\$ 2,300	\$ -	\$ -	\$ -	\$ 750	\$ 1,550
Operational Improvements						
T2 Public Walk Aisle Terrazzo Floor Installation	\$ 1,700				\$ 1,700	\$ -
T2 Recarpeting Program	\$ 1,900					\$ 1,900
Subtotal Operational Improvements	\$ 3,600	\$ -	\$ -	\$ -	\$ 1,700	\$ 1,900
Terminal 2 - Humphrey Expansion-North						
Terminal 2 - Gates 14-16 Construction	\$ 65,000					\$ 65,000
Fueling Expansion Gates 14-16	\$ 1,500					\$ 1,500
Subtotal Terminal 2 - Expansion-North	\$ 66,500	\$ -	\$ -	\$ -	\$ -	\$ 66,500
Subtotal Terminal 2-Humphrey	\$ 72,400	\$ -	\$ -	\$ -	\$ 2,450	\$ 69,950
39 - Public Areas/Roads						
Landside Pavement Rehabilitation	\$ 3,650				\$ 2,000	\$ 1,650
Roadway Fixture Replacement	\$ 725				\$ 125	\$ 600
Subtotal Public Areas/Roads	\$ 4,375	\$ -	\$ -	\$ -	\$ 2,125	\$ 2,250
46 - Hangars and Other Buildings						
Roof Replacements	\$ 3,000				\$ 1,000	\$ 2,000
Campus Parking Lot Reconstructions	\$ 3,700				\$ 1,100	\$ 2,600
Campus Building Rehab Program	\$ 7,500				\$ 1,500	\$ 6,000
Subtotal Hangars and Other Buildings	\$ 14,200	\$ -	\$ -	\$ -	\$ 3,600	\$ 10,600
56-Trades/Maintenance Buildings						
South Field Maintenance Building Wash Bay	\$ 1,300					\$ 1,300
Subtotal Trades/Maintenance Buildings	\$ 1,300	\$ -	\$ -	\$ -	\$ -	\$ 1,300
63 - Police						
Public Safety Facility	\$ 35,000					\$ 35,000
Perimeter Fence Intrusion Detection System	\$ 3,000			\$ 1,000		\$ 2,000
IViSN (CCTV) Improvements	\$ 12,200			\$ 4,500		\$ 7,700
Card Access Mods-Gate Lobby Areas Concourse Level	\$ 850			\$ 850		\$ -
Passenger Boarding Bridge Card Access Additions	\$ 7,000			\$ 3,500		\$ 3,500
Subtotal Police	\$ 58,050	\$ -	\$ -	\$ 9,850	\$ -	\$ 48,200

2017-2021 Capital Improvement Plan (\$ in 000)		Funding Source				
		Federal/State Grants	GARBS	PFC's	MAC Funds	Unfunded
Projects	Project Cost					
66 - Fire						
Campus Fire Protection	\$ 2,000				\$ 500	\$ 1,500
ARFF Station 2	\$ 10,500					\$ 10,500
Subtotal Fire	\$ 12,500	\$ -	\$ -	\$ -	\$ 500	\$ 12,000
70 - General Offices/Administration						
General Office Building Valve Retrofit	\$ 250				\$ 250	\$ -
Subtotal General Offices/Administration	\$ 250	\$ -	\$ -	\$ -	\$ 250	\$ -
76 - Environment						
Runway 12R/30L Glycol Forcemain	\$ 1,100					\$ 1,100
Concourses C & G Compactor Canopies	\$ 450				\$ 450	\$ -
Runway 30R Deicing Pad Subdrain	\$ 800					\$ 800
Ground Service Equipment Electrical Charging Stations	\$ 5,400					\$ 5,400
Lift Stations at Pond 1 and 2	\$ 500					\$ 500
Subtotal Environment	\$ 8,250	\$ -	\$ -	\$ -	\$ 450	\$ 7,800
Reliever Airports						
81 - St. Paul						
Holman Terminal Subdrain	\$ 600					\$ 600
Joint and Crack Repairs	\$ 200					\$ 200
MAC Building Maintenance	\$ 400					\$ 400
Pavement Rehabilitation	\$ 5,000					\$ 5,000
Roof Repairs/Replacement	\$ 200				\$ 200	\$ -
Cold Equipment Storage Building	\$ 750					\$ 750
Storm Sewer Improvements Phase 2	\$ 1,500	\$ 1,000			\$ 500	\$ -
Maintenance Building Improvements	\$ 200					\$ 200
Runway 14-32 Reconstruction	\$ 5,000					\$ 5,000
Subtotal St. Paul	\$ 13,850	\$ 1,000	\$ -	\$ -	\$ 700	\$ 12,150
82 - Lake Elmo						
Runway 14/32 Replacement	\$ 5,000	\$ 4,300			\$ 700	\$ -
Airfield Modifications	\$ 5,000					\$ 5,000
Materials Storage Building	\$ 200					\$ 200
Parallel Taxiway Reconstruction	\$ 600					\$ 600
Pavement Rehabilitations	\$ 4,900					\$ 4,900
Subtotal Lake Elmo	\$ 15,700	\$ 4,300	\$ -	\$ -	\$ 700	\$ 10,700
83 - Airlake						
South Building Area Development	\$ 2,700					\$ 2,700
South Building Area Alleyway & Utilities Development	\$ 3,200					\$ 3,200
Materials Storage Building	\$ 200					\$ 200
Subtotal Airlake	\$ 6,100	\$ -	\$ -	\$ -	\$ -	\$ 6,100
84 - Flying Cloud						
Pavement Rehabilitation - Taxiways & Alleyways	\$ 1,700	\$ 300			\$ 200	\$ 1,200
South Building Area Development	\$ 600					\$ 600
Roof Repairs/Replacement	\$ 100					\$ 100
Equipment Storage Building	\$ 2,500					\$ 2,500
Runway 18-36 Extension	\$ 1,500					\$ 1,500
Electrical Vault Modifications	\$ 500					\$ 500
Subtotal Flying Cloud	\$ 6,900	\$ 300	\$ -	\$ -	\$ 200	\$ 6,400

2017-2021 Capital Improvement Plan (\$ in 000)		Funding Source				
		Federal/State Grants	GARBS	PFC's	MAC Funds	Unfunded
Projects	Project Cost					
85 - Crystal						
Pavement Rehabilitation-Alleyways & Taxiways	\$ 1,800					\$ 1,800
Runway 14R/32L Modifications	\$ 1,500					\$ 1,500
Materials Storage Building	\$ 200				\$ 200	\$ -
Subtotal Crystal	\$ 3,500	\$ -	\$ -	\$ -	\$ 200	\$ 3,300
86 - Anoka County - Blaine						
Building Area Development - Xylite St. Relocation	\$ 1,000					\$ 1,000
Materials Storage Building	\$ 200				\$ 200	\$ -
Pavement Reconstruction-Alleyways & Taxiways	\$ 4,350	\$ 350			\$ 150	\$ 3,850
Runways 09-27 & 18-36 Joint and Crack repairs	\$ 200				\$ 200	\$ -
Obstruction Removal	\$ 100					\$ 100
Air Traffic Control Tower Equipment Upgrades	\$ 100					\$ 100
Subtotal Anoka County - Blaine	\$ 5,950	\$ 350	\$ -	\$ -	\$ 550	\$ 5,050
Subtotal Reliever Airports	\$ 52,000	\$ 5,950	\$ -	\$ -	\$ 2,350	\$ 43,700
Total 2017-2021 Capital Improvement Plan	\$ 980,840	\$ 6,250	\$ 229,000	\$ 50,625	\$ 89,435	\$ 605,530



Terminal 1 C Concourse Apron Pavement Replacement

Sources and Uses of Funds

From December 31, 2012 through 2017, MAC has identified eight funding sources totaling \$691,003,000 including a beginning balance of \$323,596,000. During this period, MAC will expend \$1,109,176,000 leaving a net balance of \$229,019,000 at the end of 2017. This balance represents a portion of the 2016 and 2017 CIP projects that were started but not completed by December 31, 2017 and PFCs to pay future debt service.

The Construction Fund Budget below represents anticipated sources and uses of funds during the years 2013-2017. The information for 2014 indicates expected transactions during the fourth quarter.

CONSTRUCTION FUND BUDGET 2015							
(\$ = 000)							
	2013	2014	2014	2015	2016	2017	Total
	Actual	Estimated	Budget	Budget	Projected	Projected	Projected
Sources of Funds							
Balance 12/31/12	\$ 323,596						\$ 323,596
Balance Carried Forward		\$ 317,184	\$ 312,474	\$ 353,940	\$ 281,606	\$ 490,855	
Transfer From Operating Fund	42,900	46,783	44,653	46,614	43,544	40,259	220,100
PFC Funding	64,496	67,106	64,640	68,113	69,475	70,864	340,054
Federal Grants	8,667	14,905	8,829	14,225	28,815	1,500	68,112
State Grants	692	893	1,375	2,400	2,500	2,500	8,985
Interest Income (1)	1,368	2,546	1,600	2,200	1,900	1,800	9,814
Short-term line of credit	6,050	-	-	-	-	-	6,050
Principal Amount of Bonds/Notes	-	23,296	-	-	316,000	-	339,296
Other Receipts	-	22,188	-	-	-	-	22,188
Total Sources of Funds	\$ 124,173	\$ 177,717	\$ 121,097	\$ 133,552	\$ 462,234	\$ 116,923	\$ 1,014,599
Uses of Funds							
CIP Project Costs	\$ (103,050)	\$ (114,430)	(155,000)	(175,418)	(221,381)	(347,157)	\$ (961,436)
Debt Service Reserve Transfer	(27,535)	(26,531)	(27,300)	(30,468)	(31,603)	(31,603)	(147,740)
Total Use of Funds	\$ (130,585)	\$ (140,961)	\$ (182,300)	\$ (205,886)	\$ (252,984)	\$ (378,760)	\$ (1,109,176)
Balance Carried Forward	\$ 317,184	\$ 353,940	\$ 251,272	\$ 281,606	\$ 490,855	\$ 229,019	\$ 229,019

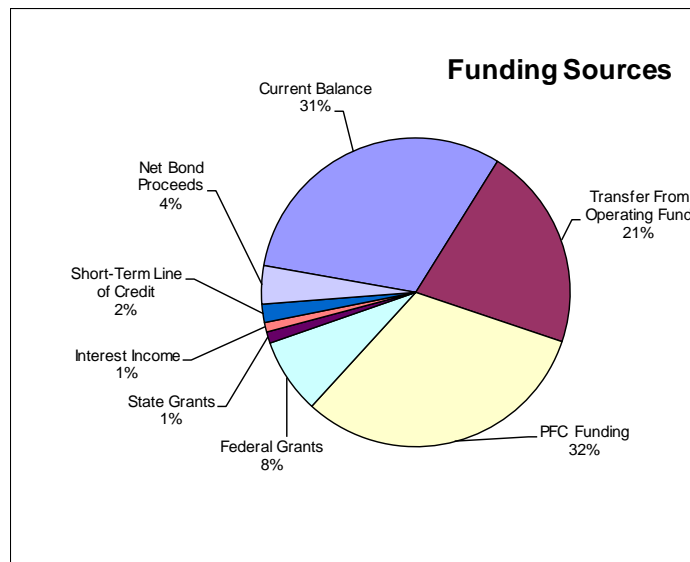
1 Interest Rate Assumed 0.75% for the period 2015 through 2017.

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

Sources of Funds

Each source of funding is discussed below.

The Transfer from the Operating Fund is made at the end of each year after the debt service requirement and working capital balance have been funded. For 2015, a transfer of \$46.6 million is anticipated based on 2014 estimated net revenues. The transfers for the period 2016 through 2017 are decreasing slightly due to higher debt service payments and increased concession sharing among the signatory airlines over the forecast period. The balance to be transferred for the period is estimated at \$220.1 million or 21.0%.



PFC funding or Passenger Facility Charge funding is the largest funding source at \$340.1 million or 32% of the total. Passenger Facility Charges (PFCs) were authorized by Congress to allow proprietors of commercial service airports, such as MAC, to impose a charge on enplaning passengers at those airports. The charge was originally set at \$1, \$2 or \$3. The maximum allowed was changed from \$3.00 to \$4.50 in 2001. Essential Air Service Flights and Frequent Flyers are exempted from this charge. The basis for the PFC is to provide needed supplemental revenues to expedite the improvement of airport facilities used by passengers, to mitigate noise impacts and to expand airport system capacity. The Commission's first application began collecting PFCs on June 1, 1992.

Including this first application, the Commission has received approval from the Federal Aviation Administration for eleven separate applications. The Commission expects to file three new PFC applications in the 2015-2016 timeframe. The table below shows the status of all applications.

Application Number	Amended Approval Amount (\$=000)	Collections as Of 12/31/14 est (\$=000)	Status
1	\$ 92,714	\$ 92,714	Closed
2	140,717	140,717	Closed
3	36,377	36,377	Closed
4	47,801	47,801	Closed
5	112,533	112,533	Closed
6	759,735	409,641	Open
7	14,479	14,479	Open
8	147,986	88,268	Open
9	8,659	8,659	Open
10	128,448	70,809	Open
11	52,827	52,056	Open
	<u>\$ 1,542,276</u>	<u>\$ 1,074,054</u>	

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

Federal Grants are funds which are used for FAA approved projects including Field and Runway and certain terminal building security projects at the various Commission airports. These funds are estimated at \$68.1 million or 8% of the sources listed above. Certain criteria must be met when an application for a project is submitted to the FAA. If the criteria are met, the grant money may be issued. Federal grants also include money received from the TSA for checked baggage screening capital improvements.

State Grants are similar to Federal grants. The dollars are on a much smaller scale, but each application must meet the required criteria in order to receive the grant. This source is estimated at \$9.0 million or 1% of the total funding through 2016.

Interest Income is based on the balance in the fund. As noted above, a 0.50%-0.75% rate is assumed for 2015 through 2017. This figure can vary significantly depending upon approval of projects and their starting dates. Interest Income of \$9.8 million or 1% of sources is projected.

Short-Term Line of Credit

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

Long-Term Debt

In 2014, the Commission issued approximately \$23.3 million worth of Municipal Receivable Trust Certificates in connection with the construction of solar panels on top of the Commission’s parking decks as well as parking lighting improvements at Terminal 1. In 2016, the Commission expects to issue general airport revenue bonds which will net approximately \$316 million in construction proceeds. The bond proceeds are expected to be used in the expansion of three gates at Terminal 2 and construction of additional parking facilities at Terminal 1. The Commission will continue to work on developing the optimal bond sizing during 2015 as construction and financing costs are better developed.

Uses of Funds

There are two general categories of uses listed. The first, CIP project costs (\$961.4 million), represent 87% of the total. The Debt Service Transfer of \$147.7 million, or 13% of this total, represents the transfer of PFC funding to pay a portion of PFC projects funded by long-term debt.

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

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

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

Projects in Process (As of November 30, 2014)			
(\$ = 000)			
<u>Project Description</u>	<u>Estimated Project Cost</u>	<u>Payments To Date</u>	<u>% Completion</u>
2014 Pavement Rehabilitation - Aprons	\$3,700	\$1,693	45.8%
Terminal 1 - Checked Baggage (CBIS) Program	\$16,100	\$13,829	85.9%
Electrical Infrastructure Phase 5, 6, & 7	\$6,500	\$4,072	62.6%
Emergency Power Upgrades	\$5,050	\$2,893	57.3%
Energy Conservation: Phase 20/21/22/23	\$4,000	\$1,937	48.4%
Open Architecture Building Automation (OABA) Phase 5, 6 & 7	\$5,450	\$2,323	42.6%
Air Handling Unit (AHU) Replacements	\$4,500	\$2,142	47.6%
iVISN Projects (CCTV) Phase 1 & 2, Head End Camera, Camera Replacement	\$9,100	\$4,675	51.4%
iVISN Projects (CCTV) Improvements	\$3,300	\$1,648	49.9%
Terminal 1 - Baggage Claim Fire Protection System	\$4,000	\$3,337	83.4%
MACNet Upgrade-Connectivity Elements	\$4,500	\$3,111	69.1%
Terminal 1 - Restroom Upgrades Program	\$18,000	\$2,059	11.4%
Terminal 1 - FIS (CBP) Expansion Program	\$14,000	\$10,731	76.7%
Terminal 2 - 3 Gate Expansion - Design Fees	\$4,000	\$3,299	82.5%
Terminal 2 RAC Customer Service Bldg, Ready Return, Quick Turnaround	\$35,400	\$31,874	90.0%
2014 Parking Structure Rehabilitation	\$2,500	\$1,894	75.8%
Concourse G Fire Protection - Phase 1 to 3 & Asbestos Abatements	\$11,800	\$11,756	99.6%
Terminal 2 - Humphrey:CBIS Program	\$47,000	\$30,003	63.8%
Terminal 2 Expansion Projects - 2020 Vision Phase 1	\$54,965	\$10,613	19.3%
All Other Projects in Process	\$204,959	\$32,913	16.1%
Totals:	\$458,824	\$176,802	

Debt Service Fund

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

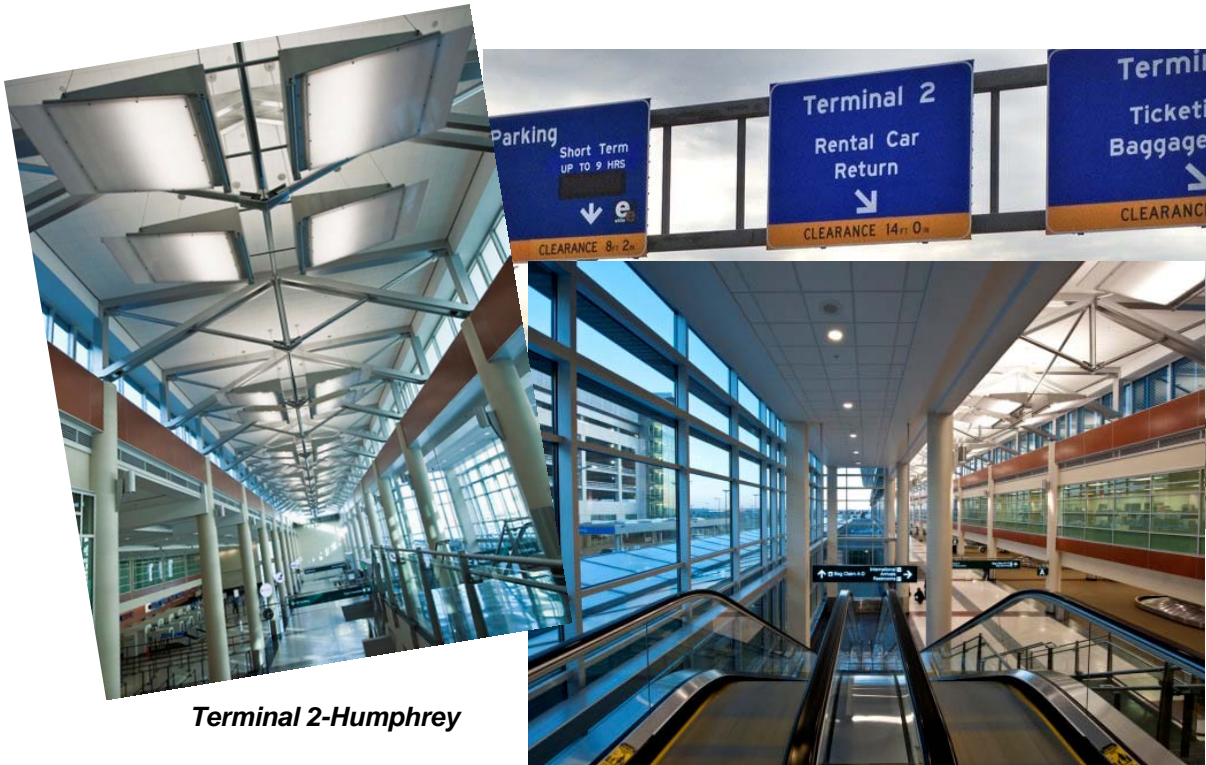
Debt Service Requirement

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

With regard to GORBs, MAC is required by law to maintain Debt Service funds sufficient to bring the balance on hand in the Debt Service Account on October 10th of each year to an amount equal to all principal and interest to become due and payable from there to the end of the second following year. The Commission currently has no outstanding GORBs debt.

The annual actual debt service requirement for the next five years for the GARB issues (does not include future bond issues):

January 1, 2015	\$ 103,114
January 1, 2016	\$ 117,794
January 1, 2017	\$ 119,347
January 1, 2018	\$ 118,884
January 1, 2019	\$ 115,182



Terminal 2-Humphrey

Long Term Debt

General Obligation Revenue Bonds and General Airport Revenue Bonds

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

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

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

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

The projected coverage ratio for 2015 on Senior Debt Obligations is 3.13x. With the optional coverage transfer, this figure is 3.38x.

Notes Payable

The Commission from time to time has financed certain pieces of equipment and certain capital improvement projects through the issuance of notes payable. The Commission utilizes this type of financing in order to recover a portion of the debt service via airline rates and charges. As of December 31, 2014, the Commission has \$35,150,000 notes payable outstanding.

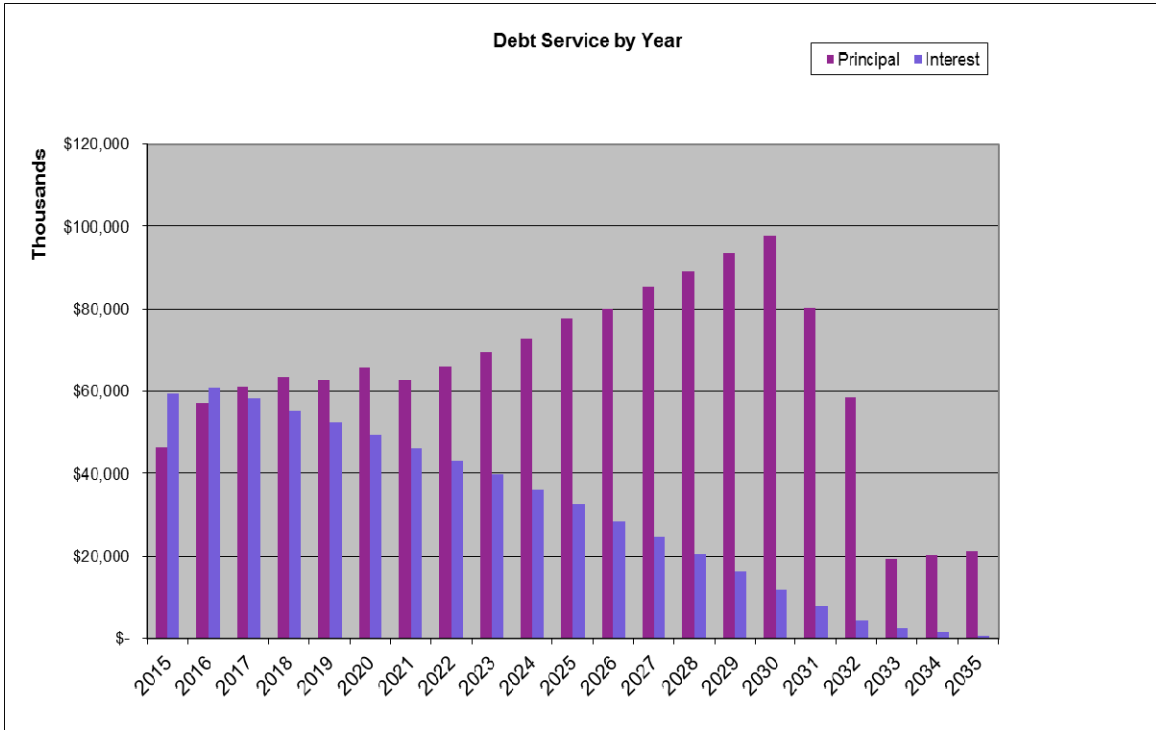
Revolving Line of Credit

The Commission previously utilized a Commercial Paper program to interim fund certain capital improvement projects. In May 2010, the direct pay letters of credit expired and the renewal cost was very expensive. In 2011, the Commission entered into a \$75 million Revolving Line of Credit to interim fund certain capital improvement projects. As of December 31, 2014, the Commission has utilized \$15,460,000 of the line of credit.

The table below shows future debt requirements for existing debt on an annual calendar year basis after December 31, 2014 for the next five years, as well as a cumulative total for the period 2020-2035. The chart below does not take into consideration any future bond issues or notes payable issued after 2014. The dollars shown are in thousands.

(\$ = 000)	Notes/Line of Credit	General	General Airport	Total		Total All Interest	Total Principal & Interest
		Obligation Bonds	Revenue Bonds	Outstanding	Principal		
Year(s)	(Principal)	(Principal)	(Principal)	Principal			
2015	\$ 17,551	\$ 2,840	\$ 43,690	\$ 64,081	\$ 59,852	\$ 123,933	
2016	2,988	-	57,010	59,998	61,162	121,160	
2017	2,659	-	61,125	63,784	58,549	122,333	
2018	2,030	-	63,530	65,560	55,634	121,194	
2019	2,007	-	62,795	64,802	52,625	117,427	
2020-2035	23,375	-	1,059,720	1,083,095	366,938	1,450,033	
	<u>\$ 50,610</u>	<u>\$ 2,840</u>	<u>\$ 1,347,870</u>	<u>\$ 1,401,320</u>	<u>\$ 654,760</u>	<u>\$ 2,056,080</u>	

The below chart shows expected future debt principal and interest:



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

Bonds Payable, due serially (\$ = 000):	Issue Date	Original Amount	Final Payment In	Outstanding as of Year End	
				2015	2014
General Obligation Revenue Bonds:					
Series 16 - 4.0%	11/17/10	12,205	2015	\$ -	\$ 2,840
Total General Obligation Revenue Bonds				\$ -	\$ 2,840
General Airport Revenue Bonds:					
2007 Series A - 4.50 to 5.00%	01/09/07	440,985	2032	440,985	440,985
2007 Series B - 4.50 to 5.00%	01/09/07	197,360	2032	197,360	197,360
2008 Series A - 5.00%	01/10/08	72,035	2016	10,490	20,585
2009 Series A - 2.0-5.0%	11/10/09	23,075	2022	13,850	15,825
2009 Series B - 4.0-5.0%	11/10/09	128,835	2022	80,670	91,435
2010 Series A - 4.00-5.00%	08/10/10	62,210	2035	62,210	62,210
2010 Series B - 3.00-5.00%	08/10/10	73,475	2028	63,790	67,535
2010 Series C - 3.00-5.00%	11/10/10	21,600	2024	6,725	10,700
2010 Series D - 4.00-5.00%	11/10/10	68,790	2024	40,815	48,450
2011 Series A - 3.50-5.00%	11/02/11	52,015	2025	52,015	52,015
2012 Series A - 0.46-2.755%	11/20/12	39,770	2020	28,875	34,375
2012 Series B - 5.00%	11/20/12	42,015	2031	42,015	42,015
2014 Series A - 2.00-5.00%	10/08/14	217,790	2035	217,790	217,790
2014 Series B - 2.00-5.00%	10/08/14	46,590	2026	46,590	46,590
Total General Airport Revenue Bonds				\$ 1,304,180	\$ 1,347,870
TOTAL BONDS OUTSTANDING				\$ 1,304,180	\$ 1,350,710
NOTES PAYABLE & REVOLVING LINE OF CREDIT				49,009	50,610
TOTAL LONG TERM BONDS AND NOTES PAYABLE				\$ 1,353,189	\$ 1,401,320

Bond Refundings

On September 10, 2014, the Commission issued \$264,380,000 of General Airport Revenue Bonds Series 2014A and 2014B to advance refund the General Airport Revenue Bonds Series 2005A, 2005B and 2005C and were called on January 1, 2015.

As a result of the September 10, 2014 refunding, the Commission reduced its total debt service requirements by \$60,235,376, which resulted in an economic gain (the difference between the present values of the debt service payments on the old and new debt) in the amount of \$38,844,105.

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

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

New Issues

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

The Capital Improvement Program approved by the Commission in December 2014 for the period 2015-2021 does include funding of projects with a new long-term debt issue. Only “Demand Driven” (those tied to passenger and activity growth) projects will be earmarked by a new Long Term debt issue. The Commission anticipates a new long term debt issue in the \$350 million range for parking and additional gates at Terminal 2-Humphrey.

Bond Ratings

The Commission has maintained excellent ratings for many years. The Commission is one of the few airports with an AA- rating. Most airports are in the A rating category. The Commission’s bond ratings as of December 31, 2014 are as follows:

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

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

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

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

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

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



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

Employee Art on Display in Terminal 1-Lindbergh

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

Sources and Uses of Funds

The Debt Service Budget is shown below.

2015 DEBT SERVICE BUDGET						
(\$=000)						
	2013	2014	2014	2015	2016	2017
	<u>Actual</u>	<u>Estimated</u>	<u>Budget</u>	<u>Budget</u>	<u>Projected</u>	<u>Projected</u>
January 1 Balance	\$ 230,517	\$ 238,593	\$ 238,831	\$ 210,537	\$ 226,440	\$ 274,265
Source Of Funds:						
Transfer from Operating Fund	93,526	95,732	94,700	90,888	88,547	88,249
Transfer from PFCs ³	27,535	26,531	27,300	30,468	31,604	31,603
Interest earnings ¹	1,585	1,888	1,802	557	748	873
Bond Proceeds ²	-	303,781	-	-	44,720	-
Delta Airline payments	2,874	-	-	-	-	-
Total Sources Of Funds	\$ 125,520	\$ 427,932	\$ 123,802	\$ 121,913	\$ 165,619	\$ 120,725
Uses Of Funds						
Bond Refundings	\$ -	\$ (330,020)	\$ -	\$ -	\$ -	\$ -
Rebate Payment	-	-	-	-	-	-
Total Principal/Interest Paid ²	(117,444)	(125,968)	(125,968)	(106,010)	(117,794)	(134,894)
Ending Balance	<u>\$ 238,593</u>	<u>\$ 210,537</u>	<u>\$ 236,665</u>	<u>\$ 226,440</u>	<u>\$ 274,265</u>	<u>\$ 260,096</u>

1 Interest Rate Assumed 0.50% for the entire period.
 2 Includes Debt Reserve, Capitalized Interest & Issuance Costs.
 3 Used to pay in existing debt which was formerly paid for with operating funds.

Sources of Funds

Each source of funding is discussed below.

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

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



Aircraft Operation at MSP Airport

Interest earnings are assumed at 0.50% for 2015-17. In projecting interest income, the Commission typically takes a conservative approach.

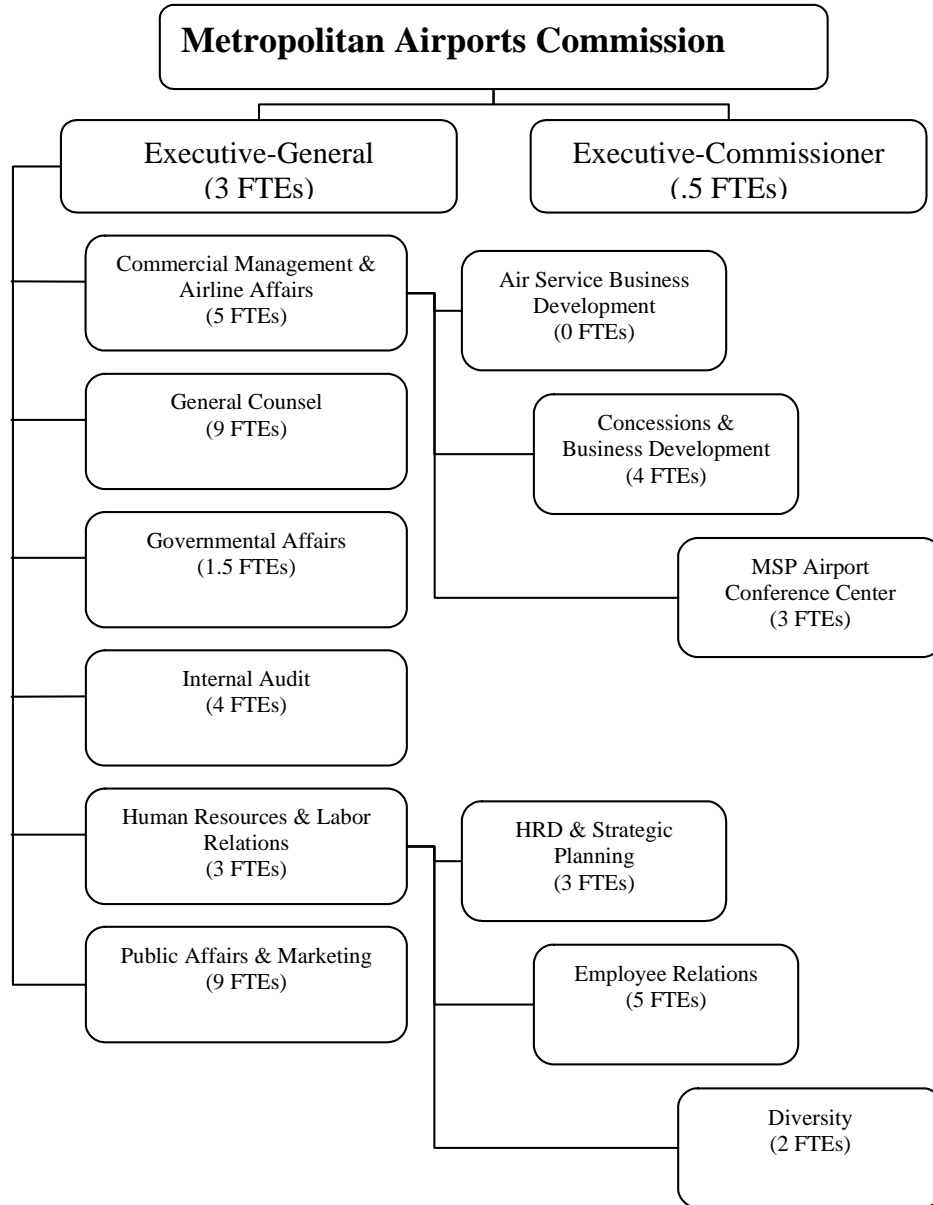
Bond proceeds are made up of reserves, issuance costs and capitalized interest. The proceeds in 2014 represent the refunding of General Airport Revenue Bonds Series 2005. The bond issue in 2016 represents a new money issue. The amount shown in the table above represents the required debt service reserve, capitalized interest and costs of issuance.

Delta Airline payments represent the final principal and interest due on General Obligation Revenue Bond Series 16.

Uses of Funds

Disbursements represent principal and interest payments made during the year by bond series as well as rebate payments due on excess investment interest earnings on bond issues. In 2014, the Commission refunded General Airport Revenue Bonds Series 2005. These refundings accounted for the increase in uses in 2014. In 2016, the Commission will experience an increase in its debt service payment due to the new General Obligation Revenue Bond Series 2016.

Executive Division



Notations to Service Center Summaries:

- * Variance (dollars and %) is computed between 2014 Budget and 2015 Budget
- * The explanation for the variances is based upon the 2014 Budget and 2015 Budget
- * Negative variances, in most cases, are the result of reductions in one time expenses or budget reductions.

EXECUTIVE - GENERAL

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

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

BUDGET SUMMARY

	2013	2014	2015	\$	%
	Actual	Budget	Budget	Variance	Variance
Personnel	438,657	438,815	459,296	20,481	4.67%
Administrative Expenses	228,831	220,142	215,361	-4,781	-2.17%
Professional Services	18,000	40,622	40,622	0	0.00%
Utilities	1,790	2,000	840	-1,160	-58.00%
Operating Services/Expenses	753	600	600	0	0.00%
Maintenance	0	0	0		
Other	359	4,000	2,500	-1,500	-37.50%
Total Budget	688,389	706,179	719,219	13,040	1.85%
FTE Total	3	3	3		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
Administrative Expenses	To better reflect expected publication costs, Administrative Expenses were decreased in 2015.

2014 RESULTS REPORT

Service Center Objective	Results
Assure implementation of MAC's 2014 Key Initiatives.	Progress was made on every Key Initiative. Most Key Initiatives were fully executed in 2014.

EXECUTIVE - GENERAL

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Customer Experience	4.21	4.24	4.28	4.29	4.30
<p>SC Performance Indicator: Airport service performance rating (ACI survey) for overall satisfaction with the airport.</p> <p>Comments:</p>					
Employee Engagement	3.79	3.74	3.78	3.80	3.80
<p>SC Performance Indicator: Summary score on annual employee engagement survey.</p> <p>Comments:</p>					
Finance	2.38	3.26	3.25	3.35	>2
<p>SC Performance Indicator: Our goal is to maintain a debt service coverage ratio of 2 or better.</p> <p>Comments:</p>					

EXECUTIVE - COMMISSIONER

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

BUDGET SUMMARY

	2013	2014	2015	\$	%
	Actual	Budget	Budget	Variance	Variance
Personnel	35,214	35,452	35,888	436	1.23%
Administrative Expenses	21,942	17,268	17,268	0	0.00%
Professional Services	0	0	0		
Utilities	0	0	0		
Operating Services/Expenses	0	0	0		
Maintenance	0	0	0		
Other	0	0	0		
Total Budget	57,156	52,720	53,156	436	0.83%
FTE Total	0.5	0.5	0.5		

HUMAN RESOURCES & LABOR RELATIONS

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

BUDGET SUMMARY

	2013 Actual	2014 Budget	2015 Budget	\$ Variance	% Variance
Personnel	219,600	315,641	326,246	10,605	3.36%
Administrative Expenses	19,076	11,060	14,877	3,817	34.51%
Professional Services	29,174	110,620	99,495	-11,125	-10.06%
Utilities	2,088	1,300	840	-460	-35.38%
Operating Services/Expenses	446	2,700	9,400	6,700	248.15%
Maintenance	0	0	0		
Other	0	0	0		
Total Budget	270,384	441,321	450,858	9,537	2.16%
FTE Total	3	3	3		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
Administrative Expenses	Costs increased in Administrative Expenses for the addition of the Labor Relations Manager.
Professional Services	Professional Services was adjusted downward based on recent history as well as the probable diminished need for said services during a non-contract negotiation year.
Operating Services/Expenses	Additional dollars have been added to the budget for advertising. Also, additional expenses are anticipated for recruitment of hard-to-fill positions and for additional minority recruitment in critical areas.

2014 RESULTS REPORT

Service Center Objective	Results
Increase the number of interns hired in 2014 by 20%.	MAC hired 10 interns in 2014. This represents a 67% increase in interns when compared to 2013 and the goal is considered accomplished.
Negotiate new Collective Bargaining Agreements with all of MAC's 12 Bargaining Units.	Negotiations have been completed with all of MAC's twelve bargaining units. Each contract is for a three year term. The general wage pattern is a 2.25% wage increase in 2014, 2.5% in 2015 and 2.5% in 2016.
Plan and execute a MAC wide employee event.	A successful employee event was held at the Fire Station in November of 2014

HUMAN RESOURCES & LABOR RELATIONS

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Develop Employee Talent</i>	
Organizational Key Initiative	Service Center Objective
Review current and potential employee recognition practices in order to formulate a MAC recognition program by December, 2015	Review MAC's current employee recognition programs as well as potential practices and use that information to formulate a MAC recognition program that fits our unique governmental structure and workplace culture.

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Implement a plan whereby Sick Leave Severance for certain non-organized employees is placed in a Post-Employment Health Plan (HCSP) type of account.
N/A	Conduct supervisory training on labor contract administration, disciplinary procedures and management rights in a unionized environment.
N/A	Assist in securing a Project Labor Agreement(s) (PLA) between the MAC, the building trades and contractors where a PLA is deemed desirable by the Commission for the timely completion of projects in the MAC Capital Improvement Program.

Organizational Strategic Goal: <i>Strengthen Partnerships and Relationships</i>	
Organizational Key Initiative	Service Center Objective
NA	Plan and Execute a MAC Wide Employee Event.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Employee Engagement	3.79	3.74	3.78	3.80	3.80
SC Performance Indicator: Employee Engagement Index					
Comments:					
Employee Engagement	5.11%	5.27%	5.44%	6.25%	<10
SC Performance Indicator: Employee Turnover Rate					
Comments:					

PUBLIC AFFAIRS & MARKETING

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

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	608,282	614,595	766,576	151,981	24.73%
Administrative Expenses	86,579	144,351	105,051	-39,300	-27.23%
Professional Services	321,914	469,339	469,037	-302	-0.06%
Utilities	3,806	3,508	5,286	1,778	50.68%
Operating Services/Expenses	402,532	493,720	623,750	130,030	26.34%
Maintenance	263	15,000	15,000	0	0.00%
Other	0	5,100	21,598	16,498	323.49%
Total Budget	1,423,377	1,745,613	2,006,298	260,685	14.93%
FTE Total	7	7	9		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to the Information and Paging Office transferring from the MSP Operations Director's Office to Public Affairs and Marketing and two new positions. The increase is also due to wage structure adjustments and step increases.
Administrative Expenses	Administrative Expenses decreased due to a shift of technology subscriptions from the Computer Supplies line item under administrative expenses to the Service-Computers line under the Operating Services/Expense category.
Professional Services	A reduction in Professional Services stems from plans to bring the videography function in-house. That reduction is largely offset by the need for Professional Services to design and program six new interactive directories in areas of both terminals that have not had them in the past.
Utilities	The increase in phone costs reflects the request for two new PAM (Public Affairs & Marketing) employees.
Operating Services/Expenses	The increase in Operating Services/Expenses is largely due to increased concession marketing expenses from a rebid of MSP's retail program and subsequent change-out of concessions.
Maintenance	Maintenance covers costs related to updating the static terminal directories.
Other	The increase in Other Expenses is driven largely by purchase of office furniture and computers for two additional employees as well as two replacement computers for existing staff.

PUBLIC AFFAIRS & MARKETING

2014 RESULTS REPORT

Service Center Objective	Results
Develop plan for enhancing the interactive directory experience at MSP.	Worked with Airport Development and Information Technology (IT) to identify locations and screen orientation. The new directories will be installed in 2015. PAM will seek permission to publish and RFQ for directory programming and design services in 2015.
Implement program to improve communication with and between employees at the MAC.	Worked with IT to launch the new MACpoint Intranet and to establish communication captains in each department, to serve as liaisons with Public Affairs and IT in identifying news, providing information and training departmental staff on use of MACpoint. Also worked with the Environment Department to launch the MindMixer app, a two-way communication platform that enables us not only to post information and videos about the sustainability initiative but also to survey staff on related issues.
Enhance communication with neighboring communities and residents by taping and live streaming of MAC board and committee meetings (if approved by the board) and implementation of a robust list-serve system that lets people sign up for MAC news.	Recording equipment and lighting was installed in the Commission Chambers and production room, and the MAC began live streaming board meetings in October and Committee meetings in November. Signup for the GovDelivery list-serve news and notification system was operational on mspairport.com, metroairports.com and macnoise.com in December 2014.
Expanded on airport and mass media communications regarding the MAC's sustainability efforts and achievements.	Due to changes in approach to sustainability plan development, external outreach was largely deferred until 2015. An exception was a well attended news conference launching the new solar generation and energy conservation project at MSP, which resulted in local and national positive news stories. There was greater focus on internal communications regarding sustainability. Worked closely with the Environment Department to involve MAC staff in sustainability communications and plan development. Through this process, we developed three sustainability themes and a sustainability vision. There were active communications with staff via MAC Update, MACpoint and the interactive MindMixer platform.

PUBLIC AFFAIRS & MARKETING

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Assure Financial Viability</i>	
Organizational Key Initiative	Service Center Objective
NA	Develop and launch comprehensive marketing campaign for MSP's new Quick Ride Ramp.
NA	Develop digital concessions "magazine" and corresponding advertising strategy.

Organizational Strategic Goal: <i>Leverage Resources and Technology</i>	
Organizational Key Initiative	Service Center Objective
Fully develop MACPoint and monitor every department's content to ensure it is up to date by December, 2015	Enhance MAC's internal communication and collaboration through enhanced content development and interaction via MACpoint.
NA	Develop programming and content for new digital directories at Minneapolis-St. Paul International Airport.
NA	Develop plan for enhanced mobile communications interface with customers and stakeholders.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Customer Experience					4,900,000
SC Performance Indicator: Number of Facebook "fans" who "like," "share" or "comment on" a MAC post. Comments: New measure for 2015.					
Customer Experience					3,000
SC Performance Indicator: Number of people subscribing for notices and information through the MAC's subscription news and notification service. Comments: New measure for 2015.					
Finance					100,000
SC Performance Indicator: The number of impressions garnered by Fly magazine. Comments: New measure for 2015.					

AIR SERVICE BUSINESS DEVELOPMENT

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

BUDGET SUMMARY

	<u>2013</u> <u>Actual</u>	<u>2014</u> <u>Budget</u>	<u>2015</u> <u>Budget</u>	<u>\$</u> <u>Variance</u>	<u>%</u> <u>Variance</u>
Personnel	0	0	0	0	0.00%
Administrative Expenses	16,539	35,662	25,782	-9,880	-27.70%
Professional Services	78,843	137,000	137,000	0	0.00%
Utilities	0	0	0		
Operating Services/Expenses	0	0	0		
Maintenance	0	0	0		
Other	1,063	0	0		
Total Budget	96,445	172,662	162,782	-9,880	-5.72%
FTE Total	0	0	0		

BUDGET HIGHLIGHTS

Administrative Expenses	ACI's International Air Service Program membership dues decreased in the Administrative Expense category as it is moved to a different MAC cost center.
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2014 RESULTS REPORT

Service Center Objective	Results
Market MSP to incumbent and new entrant airlines through participation in three air service development forums to be held in February, June, and September of 2014. The goal is to increase both incumbent and new entrant airline awareness of MSP air service opportunities for 2014 and beyond.	Participation at the route development conferences completed - Routes Americas, Jumpstart, and Routes World. Overall, 27 airline meetings were conducted.
Market MSP to incumbent and new entrant airlines through airline headquarters meetings. The goal is to more thoroughly inform an airline of MSP's air service opportunities than is typically presented at an air service forum. At least one headquarter meeting will occur in 2014, possibly more.	Headquarter meetings held with United and Delta to discuss additional air service for MSP. United has added service to Los Angeles, Delta has announced plans to restart MSP-Honolulu service in October, 2015.
Coordinate and host corporate community airfield/terminal tours and corporate community luncheons in 2014. Three airfield/terminal tours are planned in April and May, and three or four luncheons will be planned for the September/October time frame. The goal is to further build and maintain MAC's relationship with the corporate community.	Three corporate luncheons were hosted in the 4th quarter. Combined with the airfield/terminal building tours in the 2nd quarter, MAC hosted 66 representatives from 35 twin cities businesses in 2014.

AIR SERVICE BUSINESS DEVELOPMENT

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Enhance Air Service at MSP</i>	
Organizational Key Initiative	Service Center Objective
Develop a three year strategic marketing plan for increasing air service options at MSP by October, 2015	Market MSP to both incumbent and potential new entrant airlines at three industry air service business development conferences in 2015. The goal is to increase awareness of the Minneapolis-St. Paul air travel market.
Develop a three year strategic marketing plan for increasing air service options at MSP by October, 2015	Update MAC's air service business development Strategic Marketing Plan, for the purpose of outlining a three year plan for increasing air service options at MSP.
NA	Market MSP to incumbent and new entrant airlines through airline headquarters meetings. The goal is to more thoroughly inform an airline of MSP's air service opportunities than is typically presented at an air service forum. At least one headquarter meeting will occur in 2015, possibly more.
NA	Coordinate and host corporate community airfield/terminal tours and corporate community luncheons in 2015. Three airfield/terminal tours are planned in April and May, and three or four luncheons will be planned for the September/October time frame. The goal is to further build and maintain MAC's relationship with the corporate community.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Customer Experience	138	134	138	133	130
SC Performance Indicator: The number of destinations served by airlines to/from MSP on a nonstop basis.					
Comments:					
Customer Experience	33	38	40	42	35
SC Performance Indicator: The number of nonstop destinations that have more than one airline providing air service.					
Comments:					
Operations	3	3	3	3	3
SC Performance Indicator: Airline Meetings - Conferences					
Comments:					

HRD & STRATEGIC PLANNING

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

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	396,701	398,196	423,646	25,451	6.39%
Administrative Expenses	7,055	13,350	13,623	273	2.04%
Professional Services	11,625	20,000	20,000	0	0.00%
Utilities	0	0	0		
Operating Services/Expenses	3,251	8,100	8,450	350	4.32%
Maintenance	0	0	0		
Other	0	0	0		
Total Budget	<u>418,633</u>	<u>439,646</u>	<u>465,719</u>	<u>26,074</u>	<u>5.93%</u>
FTE Total	3	3	3		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases as well as new software training for the organization.
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2014 RESULTS REPORT

Service Center Objective	Results
Facilitate the continued implementation of the 4DX process throughout the organization.	WIGs were revised for 2015 and are receiving increased attention from senior management.
Design and implement an organizational talent review program to identify strengths, talent development need and threats due to potential workforce turnover.	The talent review process was designed by the end of the year. Implementation of our talent review process will begin in the first quarter of 2015.
Maximize MAC's investment in new office productivity software suite by providing end-user E-learning and classroom training for all affected employees.	Classroom instruction in the Microsoft Office suite of products was completed. E-learning is available on an ongoing basis to all employees. We intend to repeat the classroom instruction in 2015 and add more advanced topics.

HRD & STRATEGIC PLANNING

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Develop Employee Talent</i>	
Organizational Key Initiative	Service Center Objective
NA	Conduct employee engagement survey and transition responsibility for the survey within the HR Division.

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Transfer responsibility for the Tuition Reimbursement program within the HR Division.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Employee Engagement	100%	100%	100%	100%	100%
SC Performance Indicator: Performance Reviews Completed					
Comments:					

INTERNAL AUDIT

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

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	387,374	406,152	422,058	15,906	3.92%
Administrative Expenses	15,053	12,755	14,200	1,445	11.33%
Professional Services	3,000	0	0	0	0.00%
Utilities	540	540	540	0	0.00%
Operating Services/Expenses	6,072	7,700	5,760	-1,940	-25.19%
Maintenance	0	0	0		
Other	0	0	0		
Total Budget	<u>412,039</u>	<u>427,147</u>	<u>442,558</u>	<u>15,411</u>	<u>3.61%</u>
FTE Total	4	4	4		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
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2014 RESULTS REPORT

Service Center Objective	Results
Refine and expand testing and reporting related to the Continuous Audit Process that was implemented in 2013. Issue quarterly reports to the Commission that detail testing processes and results.	Third Quarter 2014 audit testing was completed. A final report was completed, issued and approved by the Commission. Testing of Fourth Quarter 2014 transactions will be completed in the First Quarter of 2015. A report will be submitted to the Commission for their approval.
Complete a department self-assessment process to ensure that staff and work products are in full compliance with the Standards for the Professional Practice of Internal Auditing. The self-assessment will be fully documented with results reported to the Commission.	The department self assessment was completed in accordance with the Standards for the Professional Practice of Internal Auditing. No significant issues were identified.
Complete audit testing in selected areas to support the external auditor in providing an opinion on MAC's 2013 Financial Statements.	All testing was completed in the 1st quarter.

INTERNAL AUDIT

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Assure Financial Viability</i>	
Organizational Key Initiative	Service Center Objective
NA	Implement the Commission approved Internal Audit Plan for 2015. Issue quarterly reports to the Commission that detail testing processes and results. Report audit findings and recommend process improvements for Commission approval as needed.
NA	Perform unscheduled audit procedures based on audit requests and audit issues identified through the continuous audit process. Complete audit testing and report audit results to the Commission as appropriate. Report audit findings and recommend process improvements for Commission approval as needed.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Employee Engagement	100%	100%	100%	100%	100%
SC Performance Indicator: Complete required staff training to maintain certifications					
Comments:					
Finance	85%	85%	85%	100%	100%
SC Performance Indicator: Percentage of audit projects completed that were scheduled in the Annual Audit Plan.					
Comments:					

GOVERNMENTAL AFFAIRS

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

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	136,501	194,085	176,591	-17,494	-9.01%
Administrative Expenses	18,010	34,710	41,830	7,120	20.51%
Professional Services	118,207	191,350	189,350	-2,000	-1.05%
Utilities	960	1,500	840	-660	-44.00%
Operating Services/Expenses	753	1,200	1,200	0	0.00%
Maintenance	0	0	0		
Other	0	1,300	1,300	0	0.00%
Total Budget	274,432	424,145	411,111	-13,034	-3.07%
FTE Total	1.5	2	1.5		

BUDGET HIGHLIGHTS

Personnel	Personnel includes wage structure adjustments and step increases. However, one half FTE was moved to Operations.
Administrative Expenses	The Administrative Expense budget reflects the amount needed to purchase an updated laptop/iPad for the service center and an increase in membership dues for the AAAE Airport Legislative Alliance and Foreign Trade Zone.
Professional Services	Professional Services reflects an amount expected to spend on the Legislative National Service as Congress kicks off the FAA re-authorization bill including PFC increase, Airport Improvement Program (AIP) priorities and other important airport policy issues.

2014 RESULTS REPORT

Service Center Objective	Results
Educate appropriate political bodies and government units on airports (MSP and Relievers) and present MAC's views on issues.	Met with administrative staff, legislators and legislative staff to discuss labor issues at MSP. Continued discussion with many regarding Runway Area Navigation (RNAV) and noise at MSP.
Monitor legislation and present MAC positions on issues to state political bodies and/or persons in an effort to modify and/or initiate legislation that supports MAC's goals.	Began work with Local Air Service Action Council (LASAC) and others to develop key state policy position for 2015 Federal Aviation Administration (FAA) reauthorization. Participated on FAA reauthorization task force.
Respond to Legislators' questions regarding MSP's Environment Assessment, RNAV, ground transportation regulations, contractor and subcontractor policies, security polices and other airport-related issues.	Continued work on small community air service. Provided support and technical expertise to St Cloud Airport regarding their new air service program.

GOVERNMENTAL AFFAIRS

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Educate Appropriate political bodies and government units on airports (MSP and Relievers) and present MAC's views on issues.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Employee Engagement	0%	100%	100%	100%	100%
SC Performance Indicator: Completion of employee performance evaluations.					
Comments:					
Employee Engagement	100%	100%	100%	100%	100%
SC Performance Indicator: Completion of evaluations for continuing consultants for legislative services.					
Comments:					

COMMERCIAL MANAGEMENT & AIRLINE AFFAIRS

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

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	449,180	466,951	497,562	30,611	6.56%
Administrative Expenses	14,688	19,809	18,571	-1,238	-6.25%
Professional Services	134,122	265,300	120,000	-145,300	-54.77%
Utilities	3,978	4,297	5,960	1,663	38.70%
Operating Services/Expenses	2,497	2,500	2,000	-500	-20.00%
Maintenance	194,354	259,472	282,736	23,264	8.97%
Other	0	0	0		
Total Budget	<u>798,819</u>	<u>1,018,329</u>	<u>926,829</u>	<u>-91,500</u>	<u>-8.99%</u>
FTE Total	5	5	5		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to filling an open position, wage structure adjustments and step increases.
Professional Services	2014 Professional Services costs were higher because a consultant was hired to conduct a land appraisal. Therefore, in 2015, these costs are much lower.
Maintenance	The Maintenance budget has been increased to cover maintenance and building improvements on existing and newly acquired building assets (ie: Space Center), as well as to cover the increased maintenance expenses, which are built into agreements as an annual escalator to recapture the expenses.

2014 RESULTS REPORT

Service Center Objective	Results
Enter into at least 2 commercial development projects on the Reliever Airports.	Staff completed the city approval process in Eden Prairie and while we are actively marketing one site, we are waiting for the FAA to complete its land release process before we can start marketing the other five sites. At the Anoka airport, staff has completed the FAA land release process and are now working through the final phases of the city approval process. Additionally, staff has received some interest for the possible development of a solar garden at MAC's Airlake and Lake Elmo airports. Staff is reviewing the possibility and having discussions with the FAA as well.
Complete a new ground rent appraisal process for the MSP real estate leases.	Staff had to terminate the contract with our selected appraiser and as of the January 2015 Commission meeting has received approval to start the process over again. This delay means that MSP ground rental rates will not be revised until January 2016.

COMMERCIAL MANAGEMENT & AIRLINE AFFAIRS

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Assure Financial Viability</i>	
Organizational Key Initiative	Service Center Objective
Increase commercial real estate development at Flying Cloud and Anoka County-Blaine airports a minimum of \$1 million dollars by December, 2015	Enter into 2 commercial real estate land leases on the Reliever airports. The goal is to generate \$1M of commercial investment at the Reliever airports.
NA	Complete a new ground rent appraisal process for the MSP real estate leases.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Finance				1	2
<p>SC Performance Indicator: Enter into two commercial real estate leases at Reliever Airports.</p> <p>Comments: New measure in 2014. One has completed Eden Prairie city approval process for zoning change; awaiting FAA approval on the land release</p>					

CONCESSIONS & BUSINESS DEVELOPMENT

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

BUDGET SUMMARY

	2013	2014	2015	\$	%
	Actual	Budget	Budget	Variance	Variance
Personnel	353,576	418,933	417,814	-1,119	-0.27%
Administrative Expenses	4,845	13,025	15,405	2,380	18.27%
Professional Services	544	58,000	30,000	-28,000	-48.28%
Utilities	3,072	3,877	5,640	1,763	45.47%
Operating Services/Expenses	1,300	2,030	3,400	1,370	67.49%
Maintenance	0	0	0		
Other	0	0	2,900	2,900	100.00%
Total Budget	363,337	495,865	475,159	-20,706	-4.18%
FTE Total	4	4	4		

BUDGET HIGHLIGHTS

Personnel	Although wage structure adjustments increase Personnel, it is lower in 2015 due to staff turnover.
Professional Services	To prepare for the 2015 Concession Re-Bid, CMAA/Concessions hired a consultant. While their services will continue into 2015, they will not be used to the extent that they were in 2014.

CONCESSIONS & BUSINESS DEVELOPMENT

2014 RESULTS REPORT

Service Center Objective	Results
<p>Analyze success and opportunities for improvement within current concessions programs (food and beverage, retail and passenger services) based on their historical performance and current trends. Contrast performance of MSP to comparable Airports in the US. Utilize information in identifying appropriate balance and trends in developing the MSP vision for the 2015 RFP rebid.</p>	<p>Finalized all 50 units included in the Phase 1 Retail rebid and presented to the Commission the use for each unit. Commission approved the plan and authorized issuance of Concessions RFP in 2015-15 Food and Beverage units, 14 Convenience and News units and 21 Specialty Retail units. Worked with MAC Finance to project future sales and unit ability to maximize concessions sales based on current use and industry trends. Extensive research and analysis drove the decision for use, size and placement of each unit to maximize revenue opportunities to the MAC but still have a balanced program in price point, availability and interest. Initiated a planning process for rebid of passenger services in 2015; Shoe Shine, ATM's and In-Terminal Advertising program.</p>
<p>Diversify current retail portfolio to meet the needs of passengers and strategically position MSP as a leading industry innovator through key relationship building and outreach.</p>	<p>Finalized all 50 units included in the Phase 1 Retail rebid and presented to the Commission the use for each unit. Commission approved the plan and authorized issuance of an RFP in 2015-15 Food and Beverage units, 14 Convenience and News units and 21 Specialty Retail units. Of the 21 Specialty Retail units, the majority of all units are proposed with a general description to guide the overall availability of product and services available at MSP. Extensive research and analysis drove the decision for use and placement of each unit to maximize revenue opportunities to the MAC but still have a balanced program in price point, availability and interest.</p>
<p>Promote existing Service Idol program to capitalize on the benefits of improving the customer experience at MSP.</p>	<p>The Internal focus group worked together to rebrand the Service Idol program to show cohesion with the MSP Nice program. The new program is called MSP Service Stars. MAC met with tenants to request their needs to efficiently and effectively promote the program with their employees. Materials were created for tenants to post and share with employees to promote program and directly award recipients. Recalibrated the secret shopper program to include retail units with the purchase of a retail product to appropriately analyze the checkout experience.</p>

CONCESSIONS & BUSINESS DEVELOPMENT

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Assure Financial Viability</i>	
Organizational Key Initiative	Service Center Objective
Issue Phase I of the Concession RFP by March, 2015 and award contract(s) by October, 2015	Research, analyze and define per institutional policy, Commission defined and departmental preference, the approach and execution of the RFP process.

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Identify, plan and prepare for the inclusion of the G concourse concessions responsibilities and oversight starting on 1/1/2016.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Customer Experience	82.80		88.70	89.60	92
SC Performance Indicator: Customer experience rating of mystery shoppers. Comments: No data available for 2012.					
Finance	4.30%	4.10%	7.10%	8.90%	4%
SC Performance Indicator: Increase or decrease in Food & Beverage, News & Convenience, and Retail Gross Sales Comments:					
Finance	3.12%	0.46%	-3.88%	-25.94%	2%
SC Performance Indicator: Increase or decrease in Passenger Services Gross Sales Comments: Mn/DOT delayed the approval process of the awarded outdoor advertising contract and delayed the permit for construction to Clear Channel resulting in a loss of one year of revenue or \$1m. January 2015 permit granted.					

DIVERSITY

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

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	181,047	188,328	190,729	2,401	1.28%
Administrative Expenses	12,540	20,750	21,125	375	1.81%
Professional Services	14,282	0	0		
Utilities	856	877	840	-37	-4.22%
Operating Services/Expenses	90	1,060	1,060	0	0.00%
Maintenance	0	0	0		
Other	0	0	0		
Total Budget	208,815	211,015	213,754	2,739	1.30%
FTE Total	2	2	2		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
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2014 RESULTS REPORT

Service Center Objective	Results
Present Target Group Business information at department meetings to increase participation through purchasing of supplies and goods.	Purchasing and Diversity hosted three meetings with departments introducing how to purchase with Targeted Group Businesses.
Set-up a quarterly review system to ensure compliance with Americans with Disabilities Act at T-1.	The project has been completed but not implemented.
Send a survey for employees to self-report disabilities to use for setting hiring goals for people with disabilities.	Survey was sent to employees and available through MACpoint.

DIVERSITY

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: N/A	
Organizational Key Initiative	Service Center Objective
N/A	Targeted Group Business Program; Partner with the Purchasing Department to increase participation in the area of office supplies and advertising. Develop a list of preferred vendors and present information to Senior staff and to employees.
N/A	Disadvantaged Business Enterprise Program: Collaborate with the other agencies to review and implement changes to the Minnesota Uniform Certified Program document.
N/A	Develop a plan to create diversity in the public safety departments.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Customer Experience	10.90%	11.39%	11.62%	14.32%	11%
SC Performance Indicator: Percentage of Concession Dollars generated by DBEs.					
Comments:					
Employee Engagement	25.70%	22.50%	23.40%	25%	51%
SC Performance Indicator: Female Percentage of Workforce.					
Comments:					
Employee Engagement	9%	8.90%	9.30%	9.60%	15%
SC Performance Indicator: Minorities Percentage of Workforce.					
Comments:					

GENERAL COUNSEL

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

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	897,767	945,014	984,292	39,278	4.16%
Administrative Expenses	44,418	41,005	43,124	2,119	5.17%
Professional Services	530,728	749,000	749,000	0	0.00%
Utilities	4,412	3,857	4,680	823	21.34%
Operating Services/Expenses	1,371	887	887	0	0.00%
Maintenance	0	0	0		
Other	1,145	0	0	0	0.00%
Total Budget	<u>1,479,842</u>	<u>1,739,763</u>	<u>1,781,983</u>	<u>42,220</u>	<u>2.43%</u>
FTE Total	8.5	9	9		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
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GENERAL COUNSEL

2014 RESULTS REPORT

Service Center Objective	Results
<p>Provide legal advice to all MAC management employees and MAC Commissioners.</p>	<p>Researched legal issues as requested by MAC Departments and MAC Commissioners.</p> <p>Provided advice on issues such as ordinance interpretation and enforcement, Taxicab regulation, legislative changes, administrative and HR policies, police practices and compliance with Federal regulations, shared ride services, City of Eden Prairie zoning for non-aeronautical airport development, reliever lease and development matters, MNDOT’s legislative proposal for airport zoning, procurement and process issues—including employee benefits and numerous employment matters, TSA exit lane proposals, construction contract dispute over baggage handling system and selection of MSP appraiser, Mall of America Option Agreement, Delta Airlines, concessions proposal process and labor/wage issues for certain license/permit holders.</p>
<p>Draft, negotiate and/or review documents (e.g., leases, ordinances, RFPs and RFQs) for all MAC management employees, especially CMAA, Relievers, Airport Development, Police, Fire, Purchasing, Landside, MAC Commissioners, ACI.</p>	<p>Drafted and assisted in negotiation of various leases and agreements, including Airport Foundation leases for film and art space, Airport Foundation sponsorship agreement, and Airport Foundation Fee-for-Service Agreement. Assisted with creating Self-Fueling Policy and amendment to Reliever Rates & Charges ordinance.</p> <p>Drafted and assisted with negotiation of various non-aeronautical leases, including Hockey Day Minnesota agreement, City of Blaine agreements, City of Crystal Term Sheet, Crystal Airport (MIC) Park & Wetland lease; Anoka County-Blaine Airport (ANE) Athletic Fields lease; Cedar Hills Park lease; the Learning Jet Lease.</p> <p>Completed Reliever tenant lease financial workouts—Crossroads/Northeast Bank and Realtair/Drake Bank.</p> <p>Continued work on parking management RFP, hotel RFP, concessions proposal process memos, eLearning Consultant RFQ, Solar Energy Facility project, Lease Service Station RFP and Rental Auto rebid.</p> <p>Continued work on Crystal Airport Air Traffic Control Tower (ATCT) Emergency Services Letter of Agreement.</p>
<p>Represent (actual or potential litigation, administrative hearings, proposed legislation or regulations, miscellaneous commercial or other legal claims) MAC and all MAC employees (primarily management employees) and MAC Commissioners.</p>	<p>Provided representation and monitoring of the following litigation: O’Neill v. MAC, et al, Part 16 of Crossroads and Anoka Air Charter; Drivers Privacy Protection Act (DPPA) litigation; taxi hearings.</p>
<p>Data Practices Legislation/Data Requests.</p>	<p>Responded to numerous data requests. Attended Data Practices Committee meetings.</p>

GENERAL COUNSEL

2015 SERVICE CENTER OBJECTIVES

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

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Employee Engagement	100%	100%	75%	75%	100%
SC Performance Indicator: Completion of an annual update of Data Practices Policy.					
Comments:					
Employee Engagement	100%	100%	100%	100%	100%
SC Performance Indicator: Completion of an average of 15 Continuing Legal Education (CLE) hours per attorney.					
Comments:					
Finance	100%	100%	100%	100%	100%
SC Performance Indicator: Completion of 100% of continuing consultant evaluations.					
Comments:					

EMPLOYEE RELATIONS

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

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	506,806	514,773	427,264	-87,509	-17.00%
Administrative Expenses	14,530	10,468	13,871	3,403	32.51%
Professional Services	40,445	40,100	40,100	0	0.00%
Utilities	0	29	0	-29	-100.00%
Operating Services/Expenses	3,990	178	178	0	0.00%
Maintenance	0	0	0		
Other	1,416	0	0		
Total Budget	<u>567,187</u>	<u>565,548</u>	<u>481,413</u>	<u>-84,135</u>	<u>-14.88%</u>
FTE Total	5	6	5		

BUDGET HIGHLIGHTS

Personnel	The decrease in Personnel is attributable to one FTE moving to the Risk/Insurance/Safety service center but also includes wage structure adjustments and step increases.
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2014 RESULTS REPORT

Service Center Objective	Results
In coordination with the Manager, HRD & Strategic Planning, continue human resources planning discussions with the Management & Operations and Planning & Environment Division leadership in order to identify strengths and talent development needs, and organizational transition issues involving all human resources functions.	Design of organizational review and rollout plan complete. The review process will be initiated in 2016.
Deliver management training regarding performance management, disciplinary/due process, and Code of Ethics policy compliance.	Code of Ethics policy e-learning completed and delivered to the organization. Resolving workplace conflict e-training designed and will be delivered in February, 2016. Performance Management training continues to be designed and will be delivered in 2016.
Assist the Director, Human Resources & Labor Relations with planning, organizing and delivering a MAC-wide employee event.	MAC-wide event planned and completed in 2015.

EMPLOYEE RELATIONS

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Develop Employee Talent</i>	
Organizational Key Initiative	Service Center Objective
Complete phase I of departmental talent reviews by December, 2015	Complete Phase I of MAC departmental talent reviews with Employee Relations staff.

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Delivery resolving workplace conflict management training via MAC e-learning system.
N/A	Update language with selected HR policies in the Hours of Work, Leave of Absence With Pay, Leaves of Absence, Classification, and Miscellaneous sections.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Employee Engagement	100%	100%	100%	100%	100%
SC Performance Indicator: Annual employee performance reviews completed.					
Comments:					
Employee Engagement			100%	100%	100%
SC Performance Indicator: Employee separation administration- number administered					
Comments: Measure began in 2013.					
Employee Engagement	100%	100%	100%	100	100%
SC Performance Indicator: Employee separation completions according to policies, procedures and law					
Comments:					
Employee Engagement			100%	100%	100%
SC Performance Indicator: Leaves of absence administration - return employees to active employment status upon receipt of employee medical clearance.					
Comments: Measure began in 2013.					

MSP AIRPORT CONFERENCE CENTER

The MSP Airport Conference Center (ACC) provides first class customer service to the external and internal customer. This department is responsible for the management and promotion of the MSP Airport Conference Center. Exceptional food and beverage service is provided as requested by clients. The Center is responsible for providing catering services, maintaining audio-visual equipment, and invoicing internal/external clients.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	155,692	168,772	172,908	4,136	2.45%
Administrative Expenses	6,231	8,000	8,000	0	0.00%
Professional Services	0	0	0		
Utilities	784	864	864	0	0.00%
Operating Services/Expenses	25,373	33,700	33,700	0	0.00%
Maintenance	0	0	0		
Other	4,247	4,600	97,600	93,000	2021.74%
Total Budget	<u>192,327</u>	<u>215,936</u>	<u>313,072</u>	<u>97,136</u>	<u>44.98%</u>
FTE Total	3	3	3		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
Other	The Airport Conference Center manages the meeter/greeter booths for the airport. The booths and the technology are 26 years old. The booths are rented to companies who are welcoming groups to the Twin Cities. These booths need to be rebuilt to be ADA compliant, updated with technology that is compatible with current MAC IT standards, electricity for customer technology use as well as moved to a different location. The Airport Conference Center also needs to replace or recover chairs located in the conference rooms. These are chairs for rooms that are rented out and need to be properly maintained or replaced.

2014 RESULTS REPORT

Service Center Objective	Results
Maintain the financial viability of the Airport Conference Center by creating a new marketing plan and promoting the ACC through networking events and tradeshow.	The rebranding efforts of the conference center continued to roll out through new signage in the ACC and in Terminal 1. Promotional marketing materials were also reprinted under the rebranding.
Continue to provide a first class customer experience to the internal and external customer.	Throughout all of 2014, the ACC staff has continued to receive all positive feedback either verbally or emailed responses regarding the services offered and the helpful friendly staff.
Outfit the Commission Chambers with new monitors and technology to meet client demand and to stay competitive. Upgrade the Lounge to accommodate 20 guests and outfit the room with a Smartboard application.	Brighter monitors with a 180 degree viewing angle were installed in the Commission Chambers to replace the older inconsistent technology. The Smartboard applications for both the Lounge and the Boundary Waters were received by the end of 2014. Installation will take place first quarter of 2015.

MSP AIRPORT CONFERENCE CENTER

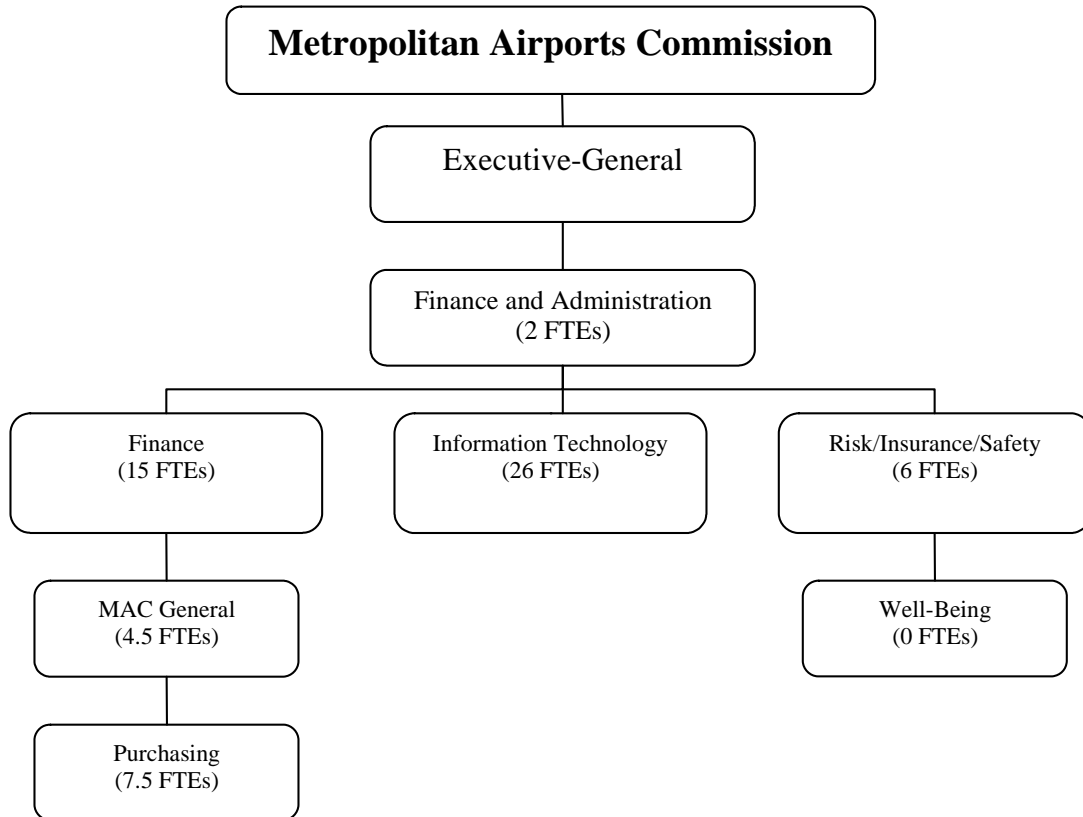
2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Leverage Resources and Technology</i>	
Organizational Key Initiative	Service Center Objective
NA	Work with the MAC IS Team and external solutions companies to create a plan to replace the 17 year old technology in the Commission Chambers media rack.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Finance	\$286,673	\$271,178	\$249,518	\$232,101	\$250,000
SC Performance Indicator: MSP Airport Conference Center Gross Revenue					
Comments:					

Finance & Administration Division



Notations to Service Center Summaries:

- * Variance (dollars and %) is computed between 2014 Budget and 2015 Budget
- * The explanation for the variances is based upon the 2014 Budget and 2015 Budget
- * Negative variances, in most cases, are the result of reductions in one time expenses or budget reductions.

FINANCE & ADMINISTRATION

The Finance and Administration Division is responsible for overseeing the implementation of the Commission's financial policies, strategic financial planning and analysis, and the establishment of good fiscal and budgetary practices. The Commission's conservative fiscal policies provides funding as required for operating and capital expenditures for the system of airports. It also allows for the establishment of good business practices to optimize the generation of revenues. This division also oversees and guides the strategic implementation of technology solutions and information management as well as the management of the organization's Well-Being and Risk/Insurance/Safety programs.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	Actual	Budget	Budget	Variance	Variance
Personnel	213,088	222,315	227,522	5,207	2.34%
Administrative Expenses	4,750	5,775	6,375	600	10.39%
Professional Services	0	1,200	1,500	300	25.00%
Utilities	540	540	540	0	0.00%
Operating Services/Expenses	175	0	0		
Maintenance	0	200	0	-200	-100.00%
Other	0	900	1,000	100	11.11%
Total Budget	218,553	230,930	236,937	6,007	2.60%
FTE Total	2	2	2		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases as well as a decrease in local seminar expenses.
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2014 RESULTS REPORT

Service Center Objective	Results
Develop an updated Investment Policy for the MAC incorporating the new legislative language adopted in 2013.	Commission approved investment policy incorporating legislative changes at the February Commission meeting.
Develop and analyze various financial models and rate methodologies relating to Spirit moving to Terminal 1-Lindbergh and/or expansion of Terminal 2-Humphrey.	The evaluation of the Spirit move from Terminal 2 to Terminal 1 was completed early 4th quarter. The results indicated that Spirit would have the flexibility to expand and pay the same rates or less than at Terminal 2. The financial model for the three-gate expansion at Terminal 2 has been completed.
Analyze information and methodologies associated with lease negotiation with Delta and other air carriers resulting in equitable solution to MAC.	Negotiations with Delta and the other airlines were completed in November 2014. Changes were made to the amount of leveraged PFCs and the Concessions Rebate Calculation. In addition, MAC finalized purchasing process for the baggage system and modifications. In return, MAC received passenger thresholds and service commitments.
Identify funding sources and fund the 2015 through 2017 portion of the 2015 through 2021 CIP.	Funding for the 2015 through 2017 CIP was completed and included a bond issue associated with a potential new parking ramp. The remaining projects were funded with aid, PFCs and MAC cash. In the 2018 through 2021 period, a number of projects have been initially identified as not being funded based on bond capacity. This bond capacity analysis will be analyzed more thoroughly in the next CIP draft.

FINANCE & ADMINISTRATION

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Assure Financial Viability</i>	
Organizational Key Initiative	Service Center Objective
Develop and submit to the FAA the following PFC applications: 12, 13 and 14 to enable MAC to enhance its cash flow position by December, 2015	Complete PFC Applications #12, 13 and 14.
NA	Complete CIP and parking funding analysis. This will include financial model update and review of the proposed new parking facility at Terminal 1 as well as "what if" analysis associated with this. Also, fund the 2016 - 2018 CIP for the Commission and fund the 2019 - 2022 period for a potential bond issue.
NA	Complete selection process for new underwriting team.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Finance	7	7	7	7	8
SC Performance Indicator: Airline Cost Per Enplaned Passenger as compared to other large hub airports. Comments: Estimate-2014 Actual will not be available until March 2015.					
Finance	2.38	3.26	3.21	3.26	>3
SC Performance Indicator: Maintain Sr. Debt Service Coverage Above 2.0. Comments: Estimate-Actual number will be available in March 2015.					
Finance	\$6.32	\$6.42	\$6.76	\$6.85	<\$7
SC Performance Indicator: Maintain cost per enplaned passenger metric in the lower 1/3 of large hub airports. Comments: Actual results will not be know until March 2015.					

WELL-BEING

The MAC Well-Being Program works to encourage, educate, and support employees in making healthier lifestyle choices and strives to create a positive impact on employee morale and productivity. By achieving these goals, the program is also instrumental in reducing healthcare costs.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	0	75	0	-75	-100.00%
Administrative Expenses	517	625	1,000	375	60.00%
Professional Services	0	0	0		
Operating Services/Expenses	113,659	134,800	139,600	4,800	3.56%
Maintenance	0	0	0		
Other	9,602	10,499	7,000	-3,499	-33.33%
Total Budget	123,779	145,999	147,600	1,601	1.10%
FTE Total	0	0	0		

BUDGET HIGHLIGHTS

Operating Services/Expenses	Operating Services/Expenses increased for additional well-being and fitness programs for 2015.
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2014 RESULTS REPORT

Service Center Objective	Results
Automate the Move to Improve (MTI) tracking and incorporate "points" to other well-being activities.	MTI was automated by the end of 3rd quarter in E1. The new well-being points program was finalized and rolled out on January 1 2015. Now both programs are automated.
Expand participation in events such as Relay for Life, American Heart Association Heart Walk, and MSP Health & Wellness Expo.	MAC staff had solid participation in the Relay for Life and American Heart Walk events. There was also a very strong showing of MAC staff at the MPS Health Expo.
Engage sixty percent of MAC employees in wellness programs by December 31, 2014.	Average percent for calendar year participation was 51%. The lower numbers are believed to reflect the initiation of two new well-being programs. Increased participation will be a focus of 2015.
Provide an opportunity for nutrition counseling and nutrition seminars to MAC employees and provide MAC funded personal training sessions.	Eat Fast without Fast Food was a featured nutrition seminar for 1Q. Weight Watchers is now being subsidized by well-being. Nutrition counseling was maintained for all of 2014.
Maintain the viability of the MAC Well-Being Fitness Center and evaluate the fitness building's future with Air Development. Begin discussions on long-term potential of building.	Changes included: new treadmill, new windows, rearranged equipment for better layout, new stereo system and new TV. Overwhelming positive response with the upgrades.

WELL-BEING

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Expand the participation in events such as Relay for Life, American Heart Association Heart Walk, and MSP Health & Wellness Expo.
N/A	Engage sixty percent of MAC employees in Well-Being programs by December 31, 2015. This would include the new Well-Being points and MTI programs.
N/A	Provide an opportunity for nutrition counseling and seminars to MAC employees plus spouses and provide MAC funded personal training sessions once a year.
N/A	Create and establish two new programs here at MSP. One being bike sharing program and the other a walking path.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Employee Engagement	15	12	15	14	14
SC Performance Indicator: # employees receiving nutrition counseling					
Comments: 100 percent goal reached					
Employee Engagement	61%	57%	51%	52%	60%
SC Performance Indicator: % employees participating in Wellness					
Comments: Moving MTI to E1 contributed to drop in numbers					

RISK/INSURANCE/SAFETY

Risk/Insurance/Safety is responsible for the planning, organizing and administering risk and insurance programs to safeguard the MAC's assets from the risk of accidental loss through the use of recognized risk management techniques. Department responsibilities include risk identification, evaluation, and measurement; preventative strategies; claims administration; purchase of coverage; and evaluation of financing alternatives. Areas of responsibility also include employee benefit programs and administration, workers' compensation, health engagement program, liability and property insurance coverage, employee safety, fleet safety, as well as maintaining a safe airport system.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	Actual	Budget	Budget	Variance	Variance
Personnel	10,416,195	9,728,255	11,719,399	1,991,144	20.47%
Administrative Expenses	14,523	34,550	31,300	-3,250	-9.41%
Professional Services	201,725	189,500	316,000	126,500	66.75%
Utilities	0	0	0	0	0.00%
Operating Services/Expenses	4,541	7,000	9,500	2,500	35.71%
Maintenance	0	2,000	2,000	0	0.00%
Other	1,687,646	1,894,768	1,997,300	102,532	5.41%
Total Budget	12,324,629	11,856,073	14,075,499	2,219,426	18.72%
FTE Total	6	5	6		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to one FTE moving into this service center from Employee Relations, wage structure adjustments and step increases as well as an increase in employee benefits based on current headcount.
Professional Services	The Professional Services increase is attributed to the new Health Engagement Program (HEP).
Other	The increase in Other Expenses is due to higher insurance costs.

RISK/INSURANCE/SAFETY

2014 RESULTS REPORT

Service Center Objective	Results
To comply with the Affordable Care Act and related regulations for employee benefits and MAC contracts.	MAC is compliant to date.
Develop an outcome based health assessment with biometrics medical plan incentive and communicate the benefits to medical plan members prior to Open Enrollment.	The program has been implemented.
Utilizing a grant, conduct a diesel engine exhaust study for human health at MSP in cooperation with the National Institute for Occupational Safety and Health (NIOSH). This would include the terminals to assess the health risk to MAC employees, terminal employees and the traveling public.	The study has been completed.
Conduct Post Traumatic Stress Disorder (PTSD) training for all MAC Management for Worker's Compensation claims control and Critical Incident Stress Management (CISM).	Training was conducted and is available as needed.
Conduct Industrial Hygiene testing for various contaminants at all locations for the assessment of employee and the traveling public safety and propose countermeasures to Senior Staff to enhance the safety.	Studies continue for contaminants found by Concourse A, Glumack Drive and other areas of MSP. The MAC Enterprise Risk Management (ERM) process will be used to assess, and where necessary, mitigate the risk.

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Conduct an audit of the medical claims process performed by BlueLink TPA.
N/A	Update Business Continuity Plan for the MAC General Office and expand the plan to all MAC operations. The update will also include information from ACRP 93 and 106.
N/A	Evaluate contaminants at MSP and take steps to mitigate hazardous conditions.
N/A	Conduct a search study of other entities that have developed a medical benefits conventional and nonconventional program.

RISK/INSURANCE/SAFETY

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Employee Engagement	95%	95%	95%	93%	96%
SC Performance Indicator: Percent of employee on MAC benefits plans					
Comments:					
Finance	34	22	39	34	38
SC Performance Indicator: Fleet Accidents					
Comments:					
Safety & Security	0.72	0.53	0.59	0.59	0.55
SC Performance Indicator: Experience Modification Factor					
Comments:					
Safety & Security	181	140	178	162	<177
SC Performance Indicator: Total Passenger Injuries					
Comments:					

FINANCE

Finance is responsible for the Commission's accounting functions, cash management functions and preparation of the annual operating budget as well as the Comprehensive Annual Financial Report (CAFR). The department oversees financial planning which includes, but is not limited to, issuance of all debt (new and refunded), development of tenant rates and charges, cost benefit analysis, financial analysis and Request for Proposal (RFP) analysis.

BUDGET SUMMARY

	2013 Actual	2014 Budget	2015 Budget	\$ Variance	% Variance
Personnel	1,306,952	1,355,086	1,399,065	43,979	3.25%
Administrative Expenses	21,729	17,204	19,825	2,621	15.23%
Professional Services	200,263	200,300	217,000	16,700	8.34%
Utilities	1,600	1,620	1,620	0	0.00%
Operating Services/Expenses	206,104	204,550	223,850	19,300	9.44%
Maintenance	0	0	0		
Other	3,613	0	0	0	0.00%
Total Budget	1,740,261	1,778,760	1,861,360	82,600	4.64%
FTE Total	15	15	15		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
Professional Services	The increase in Professional Services is a result of higher audit and actuarial study fees.
Operating Services/Expenses	The Operating Services/Expenses increase is primarily due to higher banking fees.

2014 RESULTS REPORT

Service Center Objective	Results
Explore the potential of expanding the use or acceptance of credit cards for payments due MAC. Result may improve collections, customer convenience and time spent processing cash receipts.	Badging Office is now accepting credit cards. Next step is to see if we can expand the program.
Determine the Commission's share and financial impact of the new pension disclosure requirements relating to unfunded pension obligations.	Presented information at the June Finance & Administration Committee meeting. Objective is complete.
Benchmark MSP Core Concessions vs other US airport concessions for MAC - CMAA staff use in the 2015-2017 Concession RFPs.	Research was completed that statistically compares MSP's concessions program to those of the other 50 busiest US airports. Benchmarking trips were taken to 17 of the largest airports as well. The statistics and on-site visits have provided a basis for the MAC RFP team to proceed with their project.

FINANCE

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Assure Financial Viability</i>	
Organizational Key Initiative	Service Center Objective
NA	Update Financial Model to get an understanding of the full financial impact of proposed bond issue in 2016.
NA	Update and Review MAC Finance Disaster Plan.
NA	Issue RFQ for external financial auditor.
NA	Complete aspects of the General Terms and Conditions (GTAC) and lease strategy involving financial components to the agreements.
NA	Create performance measures and management tools to monitor the performance of the Quick ride ramp in addition to the six ramps at Terminal 1 and Terminal 2.

Organizational Strategic Goal: <i>Leverage Resources and Technology</i>	
Organizational Key Initiative	Service Center Objective
NA	Develop a prioritized list of Finance related IT projects and/or needs so we can optimize the limited resources of MAC IT.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Finance	100%	92%	94%	98%	92%
SC Performance Indicator: Close Accounts Payable by the Friday before the General Ledger close Comments:					
Finance	90%	92%	92%	90%	92%
SC Performance Indicator: Accounts Receivable Close within 2 business days Comments: Badging office conversion impact delayed closing.					
Finance	92%	92%	92%	90%	92%
SC Performance Indicator: Monthly general ledger close by the 2nd Monday of each month. Comments: Problems with Accounts Receivable due to the new Badging system software.					

MAC GENERAL

The MAC General Service Center contains expenses that are not specific to any one service center such as employer FICA taxes, retirement plans, utilities (electric, heating, sewer and water), copy agreements, unleaded gas and diesel fuel. The FTE count is all open positions not yet allocated to service centers. The Finance Department is responsible for the budgeting of MAC General.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	11,750,739	10,941,081	11,837,848	896,768	8.20%
Administrative Expenses	6,988	0	0		
Professional Services	386,703	0	0		
Utilities	18,117,031	18,066,105	18,591,227	525,122	2.91%
Operating Services/Expenses	115,935	36,290	37,800	1,510	4.16%
Maintenance	1,310,510	1,704,400	1,733,043	28,643	1.68%
Other	346,152	44,408	40,960	-3,448	-7.76%
Total Budget	<u>32,034,059</u>	<u>30,792,284</u>	<u>32,240,878</u>	<u>1,448,595</u>	<u>4.70%</u>
FTE Total	0	0.5	4.5		

BUDGET HIGHLIGHTS

Personnel	MAC General holds open positions until filled. The increase is also due to pensions, wage structure adjustments, step increases and post employment health costs.
Utilities	The increase in utilities is for electricity and is based upon the forecast provided by the utility company and an outside consultant.
Maintenance	Maintenance Expenses increased due to diesel and ethanol gas necessary to operate equipment.

PURCHASING

The Purchasing Department oversees the acquisition of materials, services and equipment to meet the needs of end users by using the method which will result in the most efficient use of MAC resources. Purchasing's responsibilities include disposing of surplus property by selling items on the open market, donating items to various charities and coordinating the distribution of surplus items between MAC departments. Purchasing also supervises the Lost and Found Office located in Terminal 1 and the Service Center in the General Offices building. In addition, Purchasing administers the Commercial Card program for MAC and maintains blanket order spreadsheets, including insurance certificates, for contracts generated by this department.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	Actual	Budget	Budget	Variance	Variance
Personnel	484,826	493,345	509,616	16,271	3.30%
Administrative Expenses	48,427	45,188	48,800	3,612	7.99%
Professional Services	0	0	0		
Operating Services/Expenses	127,072	123,833	163,928	40,095	32.38%
Maintenance	0	0	0		
Other	1,171	5,600	3,450	-2,150	-38.39%
Total Budget	661,496	667,966	725,794	57,828	8.66%
FTE Total	7.5	7.5	7.5		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases. The additional funds in local seminars will allow staff to maintain work-related certifications and to attend the National Institute of Governmental Purchasing (NIGP) conference.
Administrative Expenses	This is a broad category which includes: Office Supplies, including funds for toner to a shared printer with the Reliever Department; membership dues; printing of stationary, envelopes and business cards for all MAC staff; delivery of MAC-wide surplus sales; and postage for the postage meter in the General Offices Service Center. Also, a re-design of the MAC business card, which includes 2-sided printing, is planned for 2015.
Operating Services/Expenses	Operating Services/Expenses includes the MAC-wide copy agreement for multi-functional device leases throughout the MAC campus. It also includes the rental of the General Office Service Center postage meter.
Other	The Other category includes the license tabs for MAC equipment and all other MAC vehicles. The majority of these renewals are on a two-year cycle (2015 much lower and 2016 much higher).

PURCHASING

2014 RESULTS REPORT

Service Center Objective	Results
Revise the Surplus Policy.	The policy has been revised and is being reviewed by the MAC Legal Department.
Create Exhibit B to the Purchasing Policy detailing our Request for Proposals (RFP) process and to revise the Purchase Policy.	The RFP Process document has been finalized and distributed to MAC staff. It is our guide for each RFP.
Revise Lost & Found Ordinance 45.	Ordinance 45 has been revised and is being reviewed by the MAC Legal Department.
Improve efficiencies related to our surplus property sales by developing the ability to accept credit card payments.	This project is put on hold pending how well the Badging Office Point of Sale (POS) accepts credit card payments.
Initiate a Targeted Group Business (TGB) effort related to Purchasing Card purchases with Diversity/HR.	The MAC HR/Diversity and Purchasing Departments have been meeting with end users and soliciting their assistance with buying from TGB vendors. This effort has been completed.

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: N/A	
Organizational Key Initiative	Service Center Objective
N/A	Finish revising the Surplus Policy.
N/A	Finish revising the Lost & Found Ordinance.
N/A	Improve efficiencies related to our surplus property sales by developing the ability to accept credit card payments.
N/A	Continue efforts to go paperless by accepting responses to sealed, formal solicitations on jump or flash drives instead of hard copies.
N/A	Revise the Purchasing Policy.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Employee Engagement	100%	100%	100%	100%	100%
SC Performance Indicator: Completed performance reviews					
Comments:					

INFORMATION TECHNOLOGY

The Information Technology (IT) Department provides leadership and direction to the MAC in the area of information systems and technology. The responsibilities include reviewing and approving systems and technology plans, budgets, and purchases. The IT Department works with MAC departments and other airport customers in analyzing needs and implementing business solutions. This work includes analysis, design, selection, acquisition, installation, documentation and support of hardware, software, network and telecommunications systems and technologies.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	Actual	Budget	Budget	Variance	Variance
Personnel	2,374,939	2,560,885	2,782,462	221,577	8.65%
Administrative Expenses	176,241	161,102	210,421	49,319	30.61%
Professional Services	498,597	475,500	720,000	244,500	51.42%
Utilities	292,207	293,470	281,531	-11,939	-4.07%
Operating Services/Expenses	3,216,665	3,573,114	4,482,313	909,199	25.45%
Maintenance	12,955	6,000	8,000	2,000	33.33%
Other	386,288	463,653	39,000	-424,653	-91.59%
Total Budget	6,957,891	7,533,723	8,523,727	990,004	13.14%
FTE Total	26	25	26		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to a new SharePoint Administrator position as well as wage structure adjustments and step increases.
Administrative Expenses	Administrative Expense increases come from significant increases in Information Technology staff training and conference attendance. Software purchases are up largely due to server licensing and disaster recovery software for the virtualized environment.
Professional Services	The increase in Professional Services stems from additional services including: IT security such as the annual third party Payment Card Industry (PCI) audit, on-call security consulting and semi-annual, third party IT controls review; Geographic Information Systems (GIS) projects including Reliever Airport mapping; continued expansion of EnterpriseOne to more functions including inventory and asset management; and continuing SharePoint system development.
Utilities	Telephone service management has reduced costs in Utilities.
Operating Services/Expenses	The major operating service costs come from software and hardware maintenance agreements. In particular, support costs for EnterpriseOne have increased because three new modules were added (Health and Safety, Well-Being and Sales Order Entry). The MAC has moved to the Microsoft Office 365 subscription product set for productivity tools including the Office suite instead of paying license and software assurance fees.
Maintenance	The Information Technology service center began recognizing maintenance expense explicitly in 2013. This expense grows as equipment ages and covers service calls and replacement parts for IT equipment including items like workstation disk drives.
Other	Workstation costs, which usually represent large amounts in IT minor assets were transferred to a major capital equipment project. Pager service was discontinued in 2014.

INFORMATION TECHNOLOGY

2014 RESULTS REPORT

Service Center Objective	Results
Improve operational efficiency by installing a campus-wide wireless network.	The software supplier, Fishnet Security, has yet to complete their work configuring the wireless controllers so that staff and authorized visitors can access the network. All hardware installation is complete and tested. Design is underway for the next phase, which will add both outdoor and indoor antennae to the network.
Expand the use of EnterpriseOne for property management, work order management and project management.	Trades staff has been piloting different wireless devices to access the EnterpriseOne Work Order system. Initial steps have been taken to incorporate the Reliever leases into the EnterpriseOne property management. Training was provided to some Airport Development staff on accessing the project summary information in EnterpriseOne in the project management module.
Complete upgrades of MAC staff workstations to Microsoft Windows 7 and Office 2013 including training and migration to the Virtual Desktop environment.	Most of the workstation upgrades and Wyse thin client workstations have been installed along with Microsoft Windows 7 and Office 2013. The ones remaining have specialized software that requires custom upgrade. Training, both online and instructor-led for the Microsoft Office 2013 software products was provided. Feedback on the live training has been positive.

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Leverage Resources and Technology</i>	
Organizational Key Initiative	Service Center Objective
Develop an enterprise technology strategic plan to support MAC's strategic plan and help individual departments leverage technology to improve overall efficiency by December of 2015	Develop an enterprise technology strategic plan to support MAC's strategic plan and help individual departments leverage technology to improve overall efficiency by December of 2015.
Fully develop MACPoint and monitor every department's content to ensure it is up to date by December, 2015	Ensure there is a highly functional collaboration platform in place to support the MAC commitment to improving communication and collaboration. This includes ensuring the necessary resources are available to support the design and development of the new processes, features and tools.

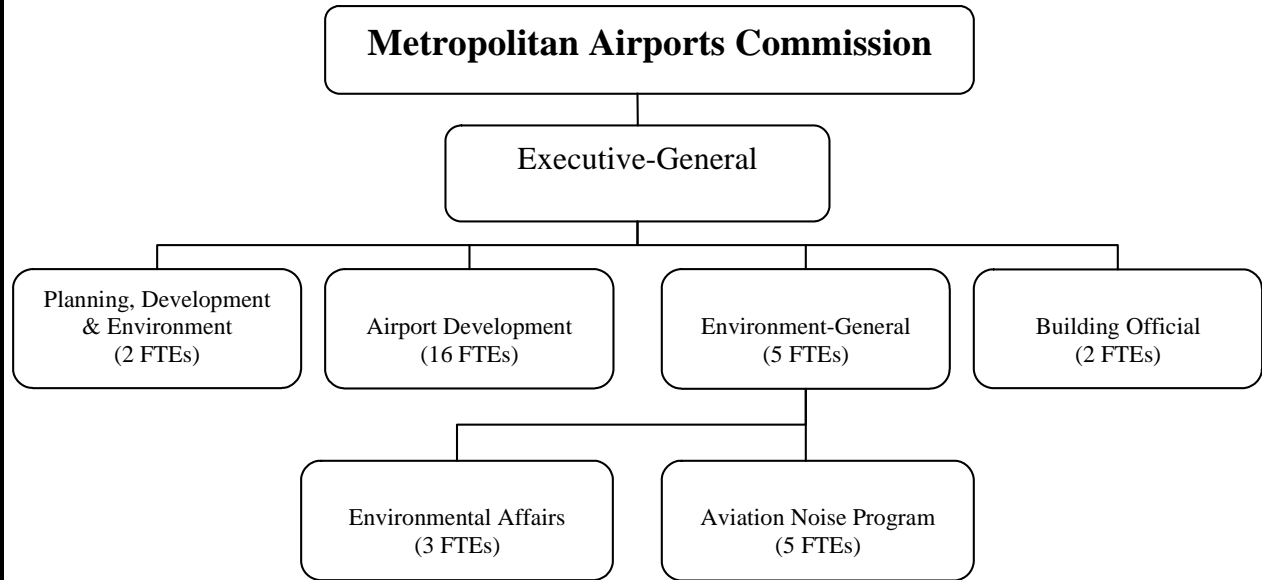
INFORMATION TECHNOLOGY

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Employee Engagement	0.77	0.78	0.77	0.71	1
SC Performance Indicator: Ratio of 1 IT staff person to 1 million passengers					
Comments:					
Finance	4.10%	4.60%	4.74%	5.26%	<5.50
SC Performance Indicator: IT budget as percent total expense					
Comments:					
Operations	99.99%	99.99%	99.90%	99.73%	99.99%
SC Performance Indicator: System Availability					
Comments:					

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Planning, Development & Environment Division



Notations to Service Center Summaries:

- * Variance (dollars and %) is computed between 2014 Budget and 2015 Budget
- * The explanation for the variances is based upon the 2014 Budget and 2015 Budget
- * Negative variances, in most cases, are the result of reductions in one time expenses or budget reductions.

PLANNING, DEVELOPMENT & ENVIRONMENT

The Planning, Development & Environment Department supervises property acquisition, planning, design, engineering, architecture, construction of all Commission facilities and grants management. This division also manages environmental programs aimed at providing a sustainable airport system and addressing noise, air quality, and water quality issues. In addition, the Planning, Development & Environment Department is responsible for maintaining a good relationship with local, state, and federal government partners and airport stakeholders.

BUDGET SUMMARY

	2013 Actual	2014 Budget	2015 Budget	\$ Variance	% Variance
Personnel	192,822	213,557	223,386	9,829	4.60%
Administrative Expenses	13,462	12,975	17,375	4,400	33.91%
Professional Services	193,896	125,000	220,000	95,000	76.00%
Utilities	712	864	840	-24	-2.78%
Operating Services/Expenses	188,609	193,200	232,500	39,300	20.34%
Maintenance	0	0	0		
Other	3,533	0	0		
Total Budget	593,034	545,596	694,101	148,505	27.22%
FTE Total	2	2	2		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
Administrative Expenses	Administrative Expenses increased as a slight increase in travel and training in 2015 is anticipated.
Professional Services	In anticipation of Reliever Airport zoning efforts and Long Term Comprehensive Plan updates for Crystal, Airlake and Lake Elmo airports, we have increased the Professional Services budget.
Operating Services/Expenses	The Operating Services/Expenses increase is based primarily on a Met Council Fee increase.

2014 RESULTS REPORT

Service Center Objective	Results
Oversee development of the 2015-2021 Capital Improvement Program with input from all stakeholders and within financial constraints.	Complete - CIP approved by Commission on December 15, 2014.
Facilitate the rollout of the Environmental Management System (EMS) program and implementation plan for the MAC system of airports in 2014.	The software vendor was impressed with MAC's adaptation and use of software. Rollout successfully underway and well received.
Guide the preparation of the MSP Sustainability Plan.	VP meetings with departments have begun to reach out and encourage MAC participation in Mind-Mixer effort. First pillar, Invest in Airport Innovation, will be underway in February of 2015.
Oversee the completion of the reimbursement phase of the Noise Mitigation Consent Decree Program.	Staff briefing to PD&E committee on overview of completion of Consent Decree was made in November. All Noise Mitigation Consent Decree Program work is complete.

PLANNING, DEVELOPMENT & ENVIRONMENT

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Integrate Sustainability into Our Culture</i>	
Organizational Key Initiative	Service Center Objective
Develop a formal Sustainability Management Plan (SMP) for the MAC/MSP by December, 2015. Complete the Sustainability Management Planning process, Establish internal governance and accountability strategy for sustainability, Develop an external stakeholder	Guide the preparation of the MSP Sustainability Plan.

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Oversee development of the 2016-2022 Capital Improvement Program with input from all stakeholders and within financial constraints.
N/A	Guide the preparation of the Master Plan Updates for MSP and all Reliever Airports.
N/A	Guide environmental initiatives associated with maximizing the MSP Runway Use System.

Organizational Strategic Goal: <i>Provide a Great Customer Experience</i>	
Organizational Key Initiative	Service Center Objective
NA	Guide implementation of key capital projects such as MSP Hotel, Terminal 1 Ticket Lobby and Bag Claim enhancements, Terminal 2 Gate Expansion and Terminal 1 Parking Capacity Expansion.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Environment	100%	100%	100%	100%	100%
SC Performance Indicator: Compliance with Consent Decree Deadlines.					
Comments:					

AIRPORT DEVELOPMENT

Airport Development manages the Commission's Capital Improvement Program (CIP). Within the CIP, the department supervises the planning, design, engineering, architecture, and construction of all Commission facilities at MSP and the Commission's six Reliever Airports.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	Actual	Budget	Budget	Variance	Variance
Personnel	409,050	554,470	648,138	93,668	16.89%
Administrative Expenses	20,954	33,200	37,000	3,800	11.45%
Professional Services	227,020	266,000	324,500	58,500	21.99%
Utilities	4,280	4,500	5,880	1,380	30.67%
Operating Services/Expenses	0	1,500	1,000	-500	-33.33%
Maintenance	0	750	500	-250	-33.33%
Other	3,154	4,000	4,500	500	12.50%
Total Budget	664,459	864,420	1,021,518	157,098	18.17%
FTE Total	13	16	16		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and expected filling of open positions.
Professional Services	Additional Capital Improvement Program efforts and coordination with other MAC departments increased Professional Services.

2014 RESULTS REPORT

Service Center Objective	Results
Develop the 2015-2021 Capital Improvement Program with input from all stakeholders and Finance with final adoption by the Commission scheduled for December 2014.	The 2015-2021 Capital Improvement Program, including input from all stakeholders and Finance, was approved by the Commission on December 15, 2014.
Implement the 2014 Capital Improvement Project through project design, bid award prior to December 2014 and construction completion by the end of 2015.	All 42 of the 2014 projects were awarded. Total construction value was \$33,824,605, which is 11% under the estimates.
Implement changes to the 2013 Federal Inspection Services (FIS) project to incorporate the acquisition and installation of kiosks prior to the	The majority of construction in public areas of the FIS is complete, and the ten self-service kiosks are installed and operational.

AIRPORT DEVELOPMENT

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Develop the 2016-2022 Capital Improvement Program with input from stakeholders and Finance with final adoption by the Commission scheduled for December 2015.
N/A	Implement the 2015 Capital Improvement Projects through project design and bid award prior to December 2015.

Organizational Strategic Goal: <i>Provide a Great Customer Experience</i>	
Organizational Key Initiative	Service Center Objective
Design and construct a new public outdoor Aircraft Viewing Area at MSP by December, 2015	Design and construct a new public outdoor aircraft viewing area at MSP by December 2015.
Improve international passenger processing times at Terminal 2 by installing Automated Passport Control (APC) kiosks by December, 2015	Improve international passenger processing times at T-2 by installing Automated Passport Control (APC) kiosks by December 2015.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Development	100%	100%	100%	100%	100%
SC Performance Indicator: Annual performance reviews on all continuing consultants.					
Comments:					
Finance	2.80%	1.40%	3.90%	5.70%	< 5
SC Performance Indicator: Manage CIP construction projects within historic change order parameters.					
Comments: Less than 5%.					

BUILDING OFFICIAL

The Building Official is responsible for the overall administration of the Metropolitan Airports Commission Building Code Ordinance. Department responsibilities include the application, administration, implementation and enforcement of the State of Minnesota Building Code and the Metropolitan Airports Commission Construction Standards and Procedures, Design Standards and Guidelines. Duties include plan review, issuance of permits, inspections, and retention of inspection history and building construction plans. In addition, the department provides construction management responsibilities for retail and food and beverage construction build-outs and remodeling of existing tenant spaces within T-1 and T-2.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	Actual	Budget	Budget	Variance	Variance
Personnel	169,460	172,016	180,537	8,520	4.95%
Administrative Expenses	18,662	18,895	19,110	215	1.14%
Professional Services	0	0	0		
Utilities	856	0	0	0	0.00%
Operating Services/Expenses	0	100	100	0	0.00%
Maintenance	0	0	0		
Other	0	0	0		
Total Budget	188,978	191,011	199,747	8,735	4.57%
FTE Total	2	2	2		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
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2014 RESULTS REPORT

Service Center Objective	Results
Visit each tenant in Terminal 1 and Terminal 2 to verify that the space is being used for which it was originally permitted.	All retail and food and beverage tenant spaces were visited to verify that the spaces were in compliance with their original intended use. All uses were in compliance.
Move the Permit and Inspection responsibilities back into newly remodeled offices at the General Office.	The front lobby and the Permit and Inspections Department office remodel is completed and we have moved back into our space.

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Work collaboratively with members of CMAA, Airport Dev, Legal and Finance toward developing the RFP for new retail and food & beverage tenants located in Terminal 1.
N/A	Provide tenant construction coordination for new tenants located in Terminal 1 and Terminal 2.

BUILDING OFFICIAL

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Development	100%	100%	100%	94%	100%
SC Performance Indicator: Conduct Plan Reviews on construction plans within 14 days of submittals. Comments:					
Development	100%	80%	100%	100%	100%
SC Performance Indicator: Construction Management/Tenant Buildouts. Comments:					
Development	100%	100%	100%	90%	100%
SC Performance Indicator: Update Design and Construction Standards annually or as needed. Comments:					
Safety & Security	100%	100%	100%	100%	100%
SC Performance Indicator: Conduct inspections within 24 hours of the request. Comments:					

ENVIRONMENT-GENERAL

The Environment Department is responsible for maintaining environmental compliance with state and federal environmental regulations at Commission-owned facilities. The Environmental Affairs Office ensures compliance with policies that include: documenting environmental impact for construction projects; complying with storm water and soil management programs; underground and aboveground storage tank administration; air quality monitoring; hazardous waste management; pollution prevention programs; environmental investigations and audits. The Noise Program Office ensures compliance related to assessing noise impacts and corrective measures. This department understands and is experienced with federal, state and local environmental regulations, rules, and ordinances. The Environment Department maintains an effective working relationship with state and local government and generates activities to establish sound strategies to reduce environmental impacts. The Department also leads the MAC's formal enterprise sustainability program.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	159,356	390,403	507,236	116,833	29.93%
Administrative Expenses	14,488	20,261	61,896	41,635	205.49%
Professional Services	150,969	85,000	135,000	50,000	58.82%
Utilities	1,457	1,200	2,045	845	70.42%
Operating Services/Expenses	0	70,095	66,673	-3,422	-4.88%
Maintenance	0	0	0		
Other	0	0	19,824	19,824	100.00%
Total Budget	<u>326,269</u>	<u>566,959</u>	<u>792,674</u>	<u>225,715</u>	<u>39.81%</u>
FTE Total	5	4	5		

BUDGET HIGHLIGHTS

Personnel	<p>The increase in Personnel is attributable to the new Sustainability Manager position filled in 2014, wage structure adjustments and step increases as well as an annual increase in training costs.</p>
Administrative Expenses	<p>The increase is due in large part to rising software costs. Mainly to deploy VMWare Site Recovery Manager to provide business continuity in case of disaster or service loss at the datacenter. Another portion of this is to deploy the most recent model of Microsoft Server Licensing relative to the virtualized environment we currently have.</p> <p>Minor dollar increases occur in office supplies and general computer supplies to conform with historic spending levels, expand IT services to the whole department, and incorporate one new employee (Manager of Sustainability).</p> <p>The total travel expenses were increased to provide industry, sustainability, and strategic planning specific conference/seminar opportunities for the new Manager of Sustainability.</p>

ENVIRONMENT-GENERAL

BUDGET HIGHLIGHTS

Professional Services	<p>The increase in Professional Services is due to funds needed to receive consulting services from Trexin to provide the sharing of information for purposes of the Sustainability Management Plan (SMP). Moreover, in the recommendation/implementation phase of the SMP planning process, it is expected that the SMP consultant team will likely be making high level recommendations regarding:</p> <ul style="list-style-type: none"> - data management - sharing of information - collaboration/communication across departments - harmonizing of processes <p>These issues include business integration and the organizational change required to ensure the successful implementation of the MAC's formal sustainability program. This work will also support effective integration of related critical strategies into the MAC's 2016 strategic planning process. Trexin's expertise will be able to provide more specific recommendations and directives focused on organizational management for all of these items.</p>
Other	<p>The Other Expenses category increased as we held back and reduced equipment purchases in 2014 due to the new equipment in the datacenter purchased by IT. The 2015 amount is more consistent with our average yearly costs. These items support our office through maintaining and updating our existing hardware. The previous year/baseline value is shown as zero because the budgeted funds in this line item were transferred to the IT budget in 2014.</p>

2014 RESULTS REPORT

Service Center Objective	Results
Develop and implement phase one of the MAC Environmental Programs Communication Plan in coordination with Public Affairs and Marketing.	Sustainability branding and messaging has been worked into the SMP planning process in coordination with MAC Public Affairs and Marketing. Specific activities have included, organization-wide department meetings with MAC leadership, sustainability messaging on MACpoint including video and the deployment of the MindMixer employee engagement platform.
Complete the MAC-MSP Sustainable Management Plan (SMP) planning process in a manner compliant with project completion by the end of 2015.	The SMP project is on schedule for completion in 2015. The draft sustainability strategy framework was developed in the fourth quarter 2014 and will be finalized in first quarter 2015.
Integration of the MAC's compliance-focused Environmental Management Information System (EMIS) program in remaining environmental-compliance aspect areas, including consideration of enhanced change management.	2014 EMIS integration plan was completed.

ENVIRONMENT-GENERAL

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Integrate Sustainability into Our Culture</i>	
Organizational Key Initiative	Service Center Objective
Integrate sustainability into the organization's framework, including mission, values and strategic planning process by February, 2015	Integration of MAC's sustainability strategy into organizational framework.
Develop a formal Sustainability Management Plan (SMP) for the MAC/MSP by December, 2015. Complete the Sustainability Management Planning process, Establish internal governance and accountability strategy for sustainability, Develop an external stakeholder	Complete the MAC Sustainability Management Plan (SMP) by the end of 2015.
Organizational Strategic Goal: <i>Leverage Resources and Technology</i>	
Organizational Key Initiative	Service Center Objective
NA	Develop and implement a MAC Environmental Management Information System (EMIS) leverage and alignment plan providing enhanced enterprise-wide management and collaboration around the MAC's environmental programs and regulatory requirements.
Organizational Strategic Goal: <i>Strengthen Partnerships and Relationships</i>	
Organizational Key Initiative	Service Center Objective
Complete Long Term Comprehensive Plans (LTCPs) for MSP and the six reliever airports by December, 2015	Complete all Long-Term Comprehensive Planning environmental analyses and documentation requirements for MAC airports.

ENVIRONMENT-GENERAL

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Environment	100%	100%	100%	100%	100%
<p>SC Performance Indicator: Complete airport and community advisory commission work plans.</p> <p>Comments: All airport and community advisory commissions were supported successfully.</p>					
Environment	100%	100%	100%	100%	100%
<p>SC Performance Indicator: Environmental documents to support MAC activities including Capital Improvement Program, Air Traffic Control operational noise activities, and the administration of environmental rules.</p> <p>Comments: All required environmental documents were prepared.</p>					
Environment	0	0	0	0	0
<p>SC Performance Indicator: Number of violations identified by a regulatory agency.</p> <p>Comments: No environmental violations occurred.</p>					
Environment				100%	100%
<p>SC Performance Indicator: Support the ongoing enhancement and integration of sustainability at the MAC in a manner consistent with the organization's sustainability strategy.</p> <p>Comments: New measure in 2014. The MAC Sustainability Management Planning (SMP) process was started and a new MAC Sustainability Manager was hired. The SMP project was maintained on schedule throughout 2014 and is currently planned to be completed in late 2015.</p>					

ENVIRONMENTAL AFFAIRS

Environmental Affairs is responsible for ensuring and maintaining compliance with environmental regulations at MSP International Airport and the six Reliever Airports. Several of the compliance activities include Storm Water Management, Soil Investigation and Remediation, Underground/Aboveground Storage Tank Administration, Environmental Audits, Solid Waste Management and Recycling, Hazardous Waste Management, Pollution Prevention, Hydrogeological Investigations and outdoor ambient Air Quality.

These responsibilities require an ongoing understanding of and experience with federal, state and local environmental regulations, rules and ordinances. It is also essential that this office maintain an effective working relationship with state and local government. This office aids in establishing sound environmental strategies and helps reduce impacts on surrounding communities.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	Actual	Budget	Budget	Variance	Variance
Personnel	281,631	288,920	298,256	9,335	3.23%
Administrative Expenses	4,140	4,194	5,366	1,172	27.94%
Professional Services	267,099	252,626	267,626	15,000	5.94%
Utilities	3,203	1,550	4,080	2,530	163.23%
Operating Services/Expenses	1,688,244	1,436,417	1,477,851	41,434	2.88%
Maintenance	0	0	0		
Other	6,260	31,174	21,150	-10,024	-32.16%
Total Budget	2,250,577	2,014,881	2,074,329	59,447	2.95%
FTE Total	3	3	3		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
Administrative Expenses	The increase in Administrative Expenses will assist staff in updating their knowledge base, skill set and improving overall job satisfaction.
Professional Services	This increase will address continuing and new water quality, air quality and hazardous waste requirements and compliance efforts.
Operating Services/Expenses	This increase will help address changes in National Pollutant Discharge Elimination System (NPDES) permitting requirements and stormwater collection/sampling efforts.
Other	The decrease in Other expenses reflects historical spending.

ENVIRONMENTAL AFFAIRS

2014 RESULTS REPORT

Service Center Objective	Results
<p>Integrate the MAC's compliance-focused Environmental Management Information System (EMIS) program in remaining environmental compliance aspect areas in a manner that creatively leverages the architecture and functionality of the EMIS. The integration will focus on addressing the process managers' system functionality requests, while providing EMIS program integration across MAC organizational units where needed, maximizing compliance-related process and activity efficiencies, risk reduction, the enhancement of data sharing across the organization, and the automation of related reporting activities necessary to meet regulatory/permit requirements.</p>	<p>2014 initiatives list were substantially complete by year end. Staff continues to develop other inspection applications such as Oil Water Separator (OWS). Staff also trained several Reliever Maintenance Foremen on the Stormwater Pollution Prevention Plan (SWPP) application.</p>
<p>Assist with the development of a comprehensive Sustainable Management Plan (SMP) for the MAC-MSP.</p>	<p>Actively participated on the Sustainability Steering Committee (SSC). Responded to miscellaneous requests from Sustainability Manager and/or Director in support of the SMP.</p>
<p>Assist with the development and implementation of a MAC Environmental Programs Communications Program.</p>	<p>Drafted, reviewed documents and assisted with information sharing on MACpoint.</p>
<p>Continue MSP NPDES permit implementation, including co-permittee coordination, adherence to reporting requirements and compliance schedules and the integration of permit requirements in various MAC departments' Standard Operating Procedures in a manner that maximizes the existing compliance-focused EMIS architecture and the MAC's EMIS (Enviance).</p>	<p>In 4th quarter 2014, worked with (and added to Permit) 2-3 more entities on the National Pollutant Discharge Elimination System (NPDES) application requirements. Submitted year-end reports on time. Held several meetings with the Minnesota Pollution Control Agency (MPCA) to assist them in understanding glycol impacts at the deice pads.</p>

ENVIRONMENTAL AFFAIRS

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Integrate Sustainability into Our Culture</i>	
Organizational Key Initiative	Service Center Objective
NA	Assist in the continuing development of a comprehensive Sustainability Management Plan (SMP) for the MAC-MSP. Support and participate on the Sustainability Steering Committee. Facilitate in the integration of Plan into the culture of the MAC.

Organizational Strategic Goal: <i>Leverage Resources and Technology</i>	
Organizational Key Initiative	Service Center Objective
NA	Incorporate data management programs/processes into the MAC's compliance-focused EMIS program. These processes will include automation of regulatory report generation, electronic inspections and records (for example – SWPP, Multi-Sector General Permit (MSGP), OWS monthly inspections and Fire department Spill Report Form (SRF) and improved dashboards to monitor trends. Additionally, select MAC staff will be trained to use the Enviance inspection applications which will further improve data reliability and ease/efficiency of reporting.

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Continue MSP NPDES permit implementation, including co-permittee coordination, adherence to reporting requirements and compliance schedules and the integration of permit requirements in various MAC departments' Standard Operating Procedures.

Organizational Strategic Goal: <i>Strengthen Partnerships and Relationships</i>	
Organizational Key Initiative	Service Center Objective
NA	Assist with the ongoing development of a MAC Environmental Programs Communications on MACpoint.

ENVIRONMENTAL AFFAIRS

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Environment	100%	95%	100%	100%	100%
<p>SC Performance Indicator: Conduct inspections to assist MAC tenants with environmental compliance.</p> <p>Comments:</p>					
Environment	100%	100%	100%	100%	100%
<p>SC Performance Indicator: Conduct monitoring activities in compliance with environmental permit and program requirements.</p> <p>Comments: All compliance related inspections / monitoring activities were completed in a timely manner.</p>					
Environment	100%	100%	100%	100%	100%
<p>SC Performance Indicator: Implement required elements of Aboveground Storage Tank (AST) permit.</p> <p>Comments: Co-Permittees are maintaining compliance as required by the AST Permit.</p>					
Environment	100%	100%	100%	100%	100%
<p>SC Performance Indicator: Submit regularly-scheduled compliance reports to regulating agencies.</p> <p>Comments: All required reports (i.e., Discharge Monitoring Report (DMR), Comprehensive Well Network (CWN) and Soil Management Plan (SMP)) submitted to regulatory entity on time.</p>					

AVIATION NOISE PROGRAM

The Aviation Noise Program area is dedicated to addressing airport noise issues around the MAC's system of airports, including Minneapolis-St. Paul International Airport. Through the implementation and use of available technologies, the MAC Aviation Noise Programs Office focuses on conducting technical application development and in-house analysis capabilities in order to meet a high level of service to the public in response to aviation noise issues. Through coordinated efforts with communities and airport users via the MSP Noise Oversight Committee (NOC), the MAC Aviation Noise Programs Office strives to develop effective noise reduction solutions. This is made possible by providing pertinent, understandable information and analyses in support of program implementation and ongoing program monitoring.

BUDGET SUMMARY

	<u>2013</u> <u>Actual</u>	<u>2014</u> <u>Budget</u>	<u>2015</u> <u>Budget</u>	<u>\$</u> <u>Variance</u>	<u>%</u> <u>Variance</u>
Personnel	595,838	456,551	478,596	22,045	4.83%
Administrative Expenses	45,839	36,858	26,995	-9,863	-26.76%
Professional Services	158,692	161,985	261,855	99,870	61.65%
Utilities	20,756	28,700	19,080	-9,620	-33.52%
Operating Services/Expenses	40,779	49,816	41,092	-8,724	-17.51%
Maintenance	0	0	0		
Other	857	300	3,300	3,000	1000.00%
Total Budget	862,761	734,210	830,918	96,708	13.17%
FTE Total	5	5	5		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases. Training funds are maintained from 2014 for training opportunities required to successfully meet the 2015 goals for the growth and development of Aviation Noise Program staff.
Administrative Expenses	Efforts were made to offset increased expenditures in Professional Services by decreasing Administrative Expenses. A monthly FlightAware report subscription will be discontinued and paper mailing of the Quarterly Newsletters will be transitioned to a website posting and email distribution. Conference registration fees and travel expenditures are maintained from 2014 for specific out-of-town noise and GIS-related conferences.
Professional Services	The increase in Professional Services is largely driven from an increase in anticipated costs from HNTB, a MAC Continuing Consultant, in the development of the Annual Noise Contour Report, a forecast noise contour for the 2015 MSP LTCP and basecase and forecast noise contours for 3 Reliever LTCPs. In addition, the public website for the Noise Program Office will need improvements in the reports and documents library file organization and search engine enhancements. The public FlightTracker and other MACNOMS applications require enhancements to provide a higher level of service to the public and more efficient workflow for Noise Program staff.
Utilities	The reduction in Utilities is the result of the discontinuation of a \$3,900 per year cost for Multilateration (MLAT) modems which have been decommissioned. The remaining funds are required for Remote Monitoring Tower modems and cell phone plans for members of the Aviation Noise Program staff.
Operating Services/Expenses	The Operating Services/Expenses decrease is due to the decommissioning of the MLAT flight tracking system. The remaining funds are required for Remote Monitoring Tower calibrations, certifications and maintenance.
Other	The increase is due to the replacement of office chairs.

AVIATION NOISE PROGRAM

2014 RESULTS REPORT

Service Center Objective	Results
<p>Implementation of the required elements of the First Amendment to the Noise Mitigation Program Consent Decree, including an update to the Annual Noise Contour Report in coordination with the parties to the Consent Decree, and transition of the report development to HNTB.</p>	<p>The annual noise contour report was completed by the March 1, 2014 deadline that is required by the Consent Decree. Based on the 2013 actual noise contour map new address lists were prepared for the Consent Decree 1st Amendment noise mitigation program. These addresses were then posted on the www.macnoise.com website along with a new map showing the city blocks in Minneapolis that met the first year of eligibility under the First Amendment to the Consent</p>
<p>Continue to enhance community relations and information-sharing initiatives to include ongoing Noise Programs Office website developments, providing regular publication of informational videos, updated noise mitigation program information consistent with the first amendment to the Consent Decree, and the incorporation of responsive web design.</p>	<p>The www.macnoise.com website was updated to provide new information regarding the First Amendment to the Consent Decree including a noise mitigation program first year of eligibility address list and new maps showing the city blocks in Minneapolis affected. Outdated information on the website regarding the original Consent Decree was removed because all of the noise mitigation program requirements were completed in September 2014. The MAC Noise Program newsletter was converted into an electronic format, thus reducing printing and mailing costs.</p>
<p>Establish and implement enhanced MACNOMS business continuity through the establishment of a long-range strategic plan for the system, including the development and implementation of a strategy to leverage internal staff talents and establish appropriate external service relationships to ensure the ongoing successful development and maintenance of the system in the most cost-effective manner possible.</p>	<p>The MACNOMS objectives contained within the 2014 Work Plan of the Noise Oversight Committee were completed on schedule.</p>
<p>Assist with Area Navigation (RNAV) discussions through coordination with the Noise Oversight Committee (NOC) to address next steps in FAA implementation plans.</p>	<p>The FAA Air Traffic Control Manager for MSP addressed the NOC in November regarding a variety of issues, including the FAA process for the implementation of new Area Navigation Standard Terminal Arrival Routes and Performance Based Navigation arrival routes. Consistent with the FAA process and schedule, in December MAC received documents and a report regarding an FAA Categorical Exclusion Declaration with a determination that additional environmental review for the new arrival procedures is not required because the FAA found no changes in environmental noise impacts resulting from the proposed actions.</p>

AVIATION NOISE PROGRAM

2015 SERVICE CENTER OBJECTIVES

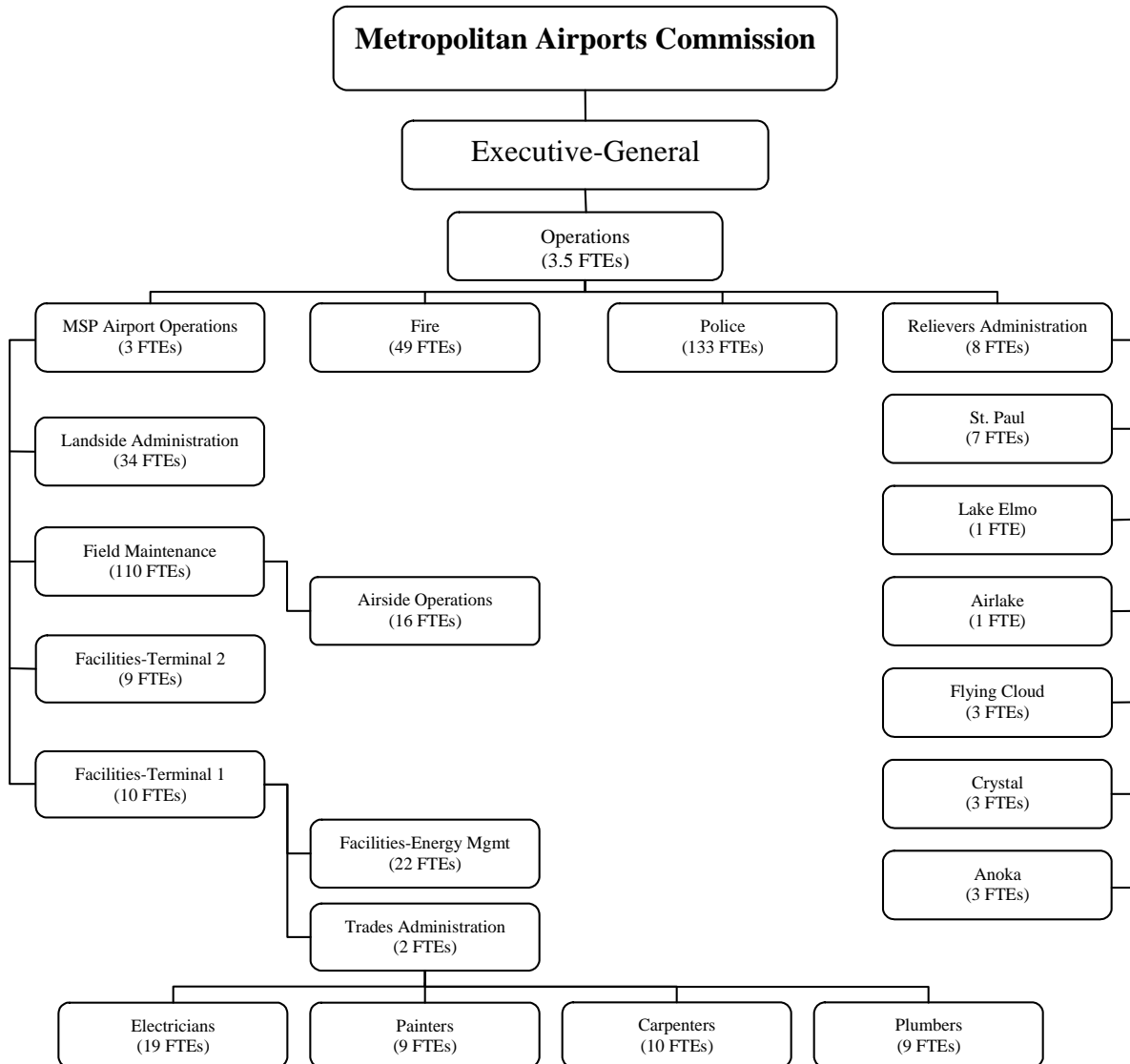
Organizational Strategic Goal: <i>Strengthen Partnerships and Relationships</i>	
Organizational Key Initiative	Service Center Objective
Complete Long Term Comprehensive Plans (LTCPs) for MSP and the six reliever airports by December, 2015	Assist in the completion of the 2035 Long Term Comprehensive Plan for MSP and the six reliever airports owned and operated by MAC.
NA	Implementation of the required elements of the First Amendment to the Noise Mitigation Program Consent Decree, including the completion of the 2014 annual actual noise contour which establishes potential noise mitigation eligibility for residential land uses and coordination of Annual Noise Contour Report with the parties to the Consent Decree.
NA	Continue to enhance community relations and information-sharing initiatives to include ongoing Noise Programs Office website developments, the transition of noise related community communications to electronic formats and the incorporation of enhanced responsive Noise Program website design.
NA	Review and analyze the FAA's implementation of Area Navigation (RNAV) and Required Navigation Performance (RNP) Standard Terminal Arrival Routes (STARs) that utilize Optimized Profile Descents (OPDs) at MSP.
NA	Complete the 2015 Noise Oversight Committee work plan tasks.
NA	Complete the training of the Assistant Manager and the Geographic Information System (GIS) Coordinator in the use and programming of the new FAA Aviation Environmental Design Tool in coordination with Harris, Miller, Miller & Hanson (HMMH) or others.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Environment	6	6	6	7	6
SC Performance Indicator: Facilitate 6 meetings of the Noise Oversight Committee					
Comments: New performance measure as of 2014					
Environment	4	4	4	4	4
SC Performance Indicator: Publish regular MSP Noise News articles.					
Comments:					

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Management & Operations Division



Notations to Service Center Summaries:

- * Variance (dollars and %) is computed between 2014 Budget and 2015 Budget
- * The explanation for the variances is based upon the 2014 Budget and 2015 Budget
- * Negative variances, in most cases, are the result of reductions in one time expenses or budget reductions.

OPERATIONS

Operations is responsible for oversight and administration of the departments that manage the day to day operations of MAC's system of airports. These departments include Police, Fire, MSP Operations, Reliever Airports and Customer Service. A primary role of this division is that of staff liaison to the Management and Operations Committee. Working with the Chair of the Committee, the responsibility is to ensure the effective conduct of business through the committee process of all operations issues. Finally, this leadership involves substantial participation at the senior staff level in policy development, strategic planning, and interdepartmental coordination.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	352,724	358,668	380,655	21,988	6.13%
Administrative Expenses	13,772	7,175	8,500	1,325	18.47%
Professional Services	18,000	20,000	20,000	0	0.00%
Utilities	1,780	864	840	-24	-2.78%
Operating Services/Expenses	753	815	850	35	4.29%
Maintenance	0	0	0		
Other	0	0	0		
Total Budget	<u>387,028</u>	<u>387,522</u>	<u>410,845</u>	<u>23,324</u>	<u>6.02%</u>
FTE Total	3.5	4	3.5		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to one half FTE moving to this service center from Governmental Affairs, wage structure adjustments and step increases.
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2014 RESULTS REPORT

Service Center Objective	Results
Ensure Continuity of Operations Plans are developed for all operational departments.	Operations plans are complete and a review by MAC's Emergency Preparedness Manager is being conducted to insure coordination between MAC departments.
Coordinate and facilitate an Irregular Operations (IROP) Regional planning meeting to ensure continuity of operations with regional stakeholders.	The 2014 IROPs Regional planning meeting is complete. Ongoing notifications and coordination with regional stakeholders concerning IROPs events are occurring as incidents transpire.

OPERATIONS

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Assure Financial Viability</i>	
Organizational Key Initiative	Service Center Objective
Upgrade the parking revenue control system to industry standard for chip and pin bank card payment technology by December, 2015	Upgrade the parking revenue control system to industry standard for chip and pin bank card payment technology by December, 2015.
Increase on airport tenant investments at the reliever airports a minimum of \$300,000 by December, 2015	Increase on airport tenant investments at the Reliever Airports a minimum of \$300,000 by December, 2015.

Organizational Strategic Goal: <i>Integrate Sustainability into Our Culture</i>	
Organizational Key Initiative	Service Center Objective
NA	Conduct an operational assessment for a MSP Safety and Operations Center.

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Coordinate and facilitate a regional Irregular Operations Summit.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Customer Experience	4.21	4.24	4.28	4.29	4.30
SC Performance Indicator: ASQ performance rating of all travelers (1 to 5 scale).					
Comments:					
Customer Experience	4.13	4.14	4.19	4.15	4.22
SC Performance Indicator: ASQ rating of business travelers (1 to 5 scale).					
Comments:					
Customer Experience	4.26	4.31	4.35	4.37	4.40
SC Performance Indicator: ASQ rating of leisure travelers (1 to 5 scale).					
Comments:					

MSP AIRPORT OPERATIONS

MSP Operations & Administration responds to the operational, maintenance and emergency preparedness needs of the traveling public, outside agencies, airlines and tenants. Considered the "landlord" of MSP; customer service is a key element of this department. Furthermore, special events and terminal complex activities are coordinated through this area.

BUDGET SUMMARY

	2013 <u>Actual</u>	2014 <u>Budget</u>	2015 <u>Budget</u>	\$ <u>Variance</u>	% <u>Variance</u>
Personnel	282,099	308,058	339,437	31,379	10.19%
Administrative Expenses	34,277	24,315	33,918	9,603	39.50%
Professional Services	33,835	38,920	38,920	0	0.00%
Utilities	4,276	3,600	5,860	2,260	62.78%
Operating Services/Expenses	65,438	91,205	96,415	5,210	5.71%
Maintenance	0	0	0		
Other	32,547	22,530	24,999	2,469	10.96%
Total Budget	452,472	488,628	539,549	50,921	10.42%
FTE Total	3	3	3		

BUDGET HIGHLIGHTS

Personnel	The primary increase in Personnel is the addition of an Emergency Planning Intern. It also includes wage structure adjustments and step increases.
Administrative Expenses	The primary increase in Administrative Expenses is similar to actual expenditures in 2013/2014 as well as printing cost increases for the airport tenant directory, navigating autism program and stranded passenger brochures.
Utilities	The primary increase in Utilities is due to internet hotshot connections and SIM cards for mobile command satellite phones.
Operating Services/Expenses	The increase in this category is due to the MSP's tri-annual emergency exercise drill in 2015 as well as a new service dog airport training program.
Other	The increase in Other Expenses is for costs associated with the purchase of a SMART Board for the office meeting room and is offset by a decrease in costs associated with the copier rental expenses that were transferred to the MAC Purchasing department.

MSP AIRPORT OPERATIONS

2014 RESULTS REPORT

Service Center Objective	Results
Coordinate and facilitate at least ten monthly meetings among airlines, TSA, tenants and MAC staff to ensure good communication and open relationships.	Coordinated and facilitated 30 meetings among airlines, TSA, tenants and MAC staff.
Meet semiannually with the Minnesota Commission for the Deaf and Hard-of Hearing and respond to their input to remain best airport in the US for services offered to deaf and hard-of-hearing community.	Travelers with Disabilities Advisory Committee (MCDHH is active member) met in October and December to work on disabilities issues at MSP.
Engage 60% of MAC employees in healthcare/well-being education by December 31, 2014.	The Well-Being team implemented incentive to improve participation for 4th quarter. Twenty \$25 gift cards will be drawn for those who participate.
Help facilitate improved ASQ scores related to waiting time at the security checkpoints from the two year average of 3.95 to 4.21.	The third quarter ASQ results for wait times at security checkpoints are 4.12.

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Complete MSP Tenant Directory database project by December 2015. Project will include merging tenant directory information with Everbridge product so one database entry will populate both databases. Project should also include giving end users ability of maintain their own information.
N/A	Engage 60% of MAC employees in Well-Being program.
N/A	Help facilitate improved ASQ scores related to waiting time at the security checkpoints from the previous two year average.

Organizational Strategic Goal: <i>Provide a Great Customer Experience</i>	
Organizational Key Initiative	Service Center Objective
NA	Coordinate and facilitate at least eight Travelers Advisory Committee and Travelers with Disabilities Advisory Committee meetings. Respond to their input to help make MSP the best airport in North America related to customer service.

MSP AIRPORT OPERATIONS

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Customer Experience	4.21	4.24	4.28	4.29	4.28
SC Performance Indicator: Airport service quality (ASQ) score.					
Comments:					

AIRSIDE OPERATIONS

The Airside Operations Department is responsible for ensuring that Minneapolis-Saint Paul International Airport is in compliance with federal and state regulations, particularly Federal Aviation Regulation (FAR) Part 139-Airport Certification. The department conducts safety inspections and determines the operating status of the airfield. Airside Operations coordinates airfield activities with Federal Aviation Administration (FAA) Air Traffic Control facilities and air carrier tenants. The department is also responsible for managing the snow and ice control plan, the wildlife control program, construction safety and the airfield drivers training/testing program. Airside Operations is also the 24/7 non-emergency contact for all airport tenants.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	1,395,942	1,343,052	1,466,983	123,931	9.23%
Administrative Expenses	68,680	85,640	96,511	10,871	12.69%
Professional Services	108,429	89,000	111,000	22,000	24.72%
Utilities	18,532	18,333	18,040	-293	-1.60%
Operating Services/Expenses	190,852	237,850	237,000	-850	-0.36%
Maintenance	22,532	22,000	31,000	9,000	40.91%
Other	29,441	30,000	65,600	35,600	118.67%
Total Budget	<u>1,834,408</u>	<u>1,825,875</u>	<u>2,026,134</u>	<u>200,259</u>	<u>10.97%</u>
FTE Total	15	15	16		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to one FTE moving from Field Maintenance to Airside Operations as well as wage structure adjustments and step increases.
Administrative Expenses	The increase in Administrative Expenses is due to travel expectations for staff serving in industry leadership positions and additional subscription licenses for aircraft tracking services.
Professional Services	The increase in Professional Services is for the implementation of a Wildlife Hazard Assessment at MSP.
Maintenance	The increase is due to increased maintenance costs to maintain the Driver's Training Center and all of its facilities.
Other	The increase is due to the maintenance and repair of the 21 remote wildlife control units deployed on the airfield, as well as replacement technology for the Airside Operations Center.

2014 RESULTS REPORT

Service Center Objective	Results
Review Airport Operations Area (AOA) vehicle operator training and procedures, and modify procedures as necessary to enhance runway safety. The objective is to have no vehicle/pedestrian runway incursions during the 2014 calendar year.	No vehicle/pedestrian runway incursions.
Enhance airfield safety by conducting random checks of vehicle operators to ensure possession of valid airport driver's licenses; at least 75 drivers audited per month.	At least 75 audits completed each month - Oct (93), Nov (77), Dec (89).

AIRSIDE OPERATIONS

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Develop Employee Talent</i>	
Organizational Key Initiative	Service Center Objective
NA	Coordinate and collaborate with departments reporting to the Director of MSP Operations, and other appropriate departments, to review existing organizational chart structures. Identify opportunities for improved efficiencies, improved customer service, and employee advancement opportunities. The goal is to within three years, determine if there is a business case for the formation of a security and operations control center facility at MSP.
Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Issue an updated AOA Driver's Ordinance that includes enhanced safety features to further protect airport personnel and to protect the aircraft movement area environment. The objective is to have no vehicle/pedestrian runway incursions during the 2015 calendar year.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Employee Engagement	11.30%	10.10%	12.60%	13.50%	<11
SC Performance Indicator: Airside overtime as a % of total department wages.					
Comments: Shift coverage due to a resignation increased OT usage					
Safety & Security	0	0	3	0	0
SC Performance Indicator: Vehicle/pedestrian runway incursions that we have control over.					
Comments: All vehicle operations; MAC and tenant drivers.					

EMERGENCY COMMUNICATIONS

Emergency Communications (ECC) merged into the Police Department in 2014.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	1,148,130	0	0		
Administrative Expenses	50,317	0	0		
Professional Services	22,411	0	0		
Utilities	4,652	0	0		
Operating Services/Expenses	90,321	0	0		
Maintenance	0	0	0		
Other	15,311	0	0		
Total Budget	1,331,142				
FTE Total	0				

LANDSIDE-OPERATIONS

Landside-Operations merged into Landside-Administration in 2014.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	0	0	0		
Administrative Expenses	33,191	0	0		
Professional Services	4,344	0	0		
Utilities	0	0	0		
Operating Services/Expenses	299,006	0	0		
Maintenance	38,353	0	0		
Other	0	0	0		
Total Budget	374,893				
FTE Total	0				

LANDSIDE-PARKING

Landside-Parking merged into Landside-Administration in 2014.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Administrative Expenses	1,257	0	0		
Professional Services	0	0	0		
Operating Services/Expenses	7,978,306	0	0		
Maintenance	183,392	0	0		
Other	0	0	0		
Total Budget	8,162,955				
FTE Total	0				

LANDSIDE-ADMINISTRATION

Landside oversees the operation, maintenance, marketing and design of the Commission's public and employee parking facilities. Landside writes and enforces commercial vehicle and taxicab ordinances and designs commercial lanes and holding areas to manage commercial vehicle and taxicab operations and facilities. Landside maintains the systems that provide automated access and revenue control to the parking facilities and commercial lanes and holding areas. Landside monitors the revenues and payments generated by these parking facilities and commercial lanes. Landside Passenger Service Assistants staff 7 areas between Terminal 1-Lindbergh and Terminal 2-Humphrey. Their duties include monitoring of MAC Automatic Vehicle Information System (MAVIS), manipulating taxicab dispatching ensuring customer demands are met, customer service, monitoring of commercial vehicle roadways, general way-finding and customer service inquiries as well as issuing MAC Access Passes for public meetings and various tenants.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	1,751,168	1,767,592	1,949,723	182,131	10.30%
Administrative Expenses	46,964	80,431	105,597	25,166	31.29%
Professional Services	0	8,613	0	-8,613	-100.00%
Utilities	6,813	6,097	6,740	643	10.55%
Operating Services/Expenses	0	8,640,362	11,428,383	2,788,021	32.27%
Maintenance	0	236,780	242,983	6,203	2.62%
Other	17,930	7,426	87,600	80,174	1079.64%
Total Budget	<u>1,822,875</u>	<u>10,747,301</u>	<u>13,821,026</u>	<u>3,073,725</u>	<u>28.60%</u>
FTE Total	24.5	24.5	34		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to 9.5 Passenger Service Assistants reclassified to full-time as well as wage structure adjustments and step increases.
Administrative Expenses	Administrative Expenses increased for upgrading parking revenue control system automated disaster recovery and Microsoft Office software; forms used for employee parking, commercial vehicle and taxi administration; and taxicab information/comment cards.
Professional Services	No professional services fees were budgeted in 2015. Landside included these 2015 professional service fees in their related 2015 capital project budget.
Operating Services/Expenses	Operating Expenses increased significantly for the new Quick Ride ramp shuttle, light rail, parking management and system contract costs, bank charges, and equipment.
Maintenance	Maintenance increased for parking revenue control equipment replacement parts.
Other	The increase in Other Expenses is to replace desktop computers and additional hardware and Microsoft server licenses for parking revenue control servers.

LANDSIDE-ADMINISTRATION

2014 RESULTS REPORT

Service Center Objective	Results
Update parking demand forecast and present recommendations to begin planning for additional parking capacity.	Recommended establishment of additional service with Quick Ride Ramp beginning March 2015. Objective achieved.
Evaluate and recommend changes in parking products, services and rates.	Public parking revenue increased \$4.5M (5.4%) year-over-year. Began development of Quick Ride Ramp, Rate changes initiated January 1, 2015.
Require MAC-permitted taxicab operators to process customer bank card payments through electronic bank card authorization terminals.	Collaboration occurred in 2014 with the cities of Minneapolis and St. Paul and will continue in 2015 to improve taxicab service.
Deliver and record at least 70 favorable and memorable customer moments each day (25,550 annually).	Over 24,000 favorable and memorable customer moments were provided in 2014, 93% of goal.
Partner with CMAA and Conference Center to increase MAC's direct relationship with Minnesota's largest 100 companies.	Achieved.
Cross train Landside Office staff to spread knowledge, create a more flexible workforce, improve staff functionality and reduce potential impact from key functional staff absence.	A number of Landside staff received cross-training throughout 2014. Goal achieved.

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Assure Financial Viability</i>	
Organizational Key Initiative	Service Center Objective
NA	Evaluate and recommend changes in parking products and increase public parking revenue by 4%.
Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Evaluate and recommend changes to taxicab and commercial vehicle operations.
Organizational Strategic Goal: <i>Provide a Great Customer Experience</i>	
Organizational Key Initiative	Service Center Objective
NA	Deliver and record at least 65 favorable and memorable customer moments each day (23,725 annually).
NA	Update commercial vehicle ground transportation demand forecast and present recommendations to begin planning for additional capacity.
NA	Provide demand information and design input for additional Terminal1-Lindbergh parking.

LANDSIDE-ADMINISTRATION

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Customer Experience	3.94	4.05	4.02	3.84	4
<p>SC Performance Indicator: ASQ survey score for Quarterly Parking Availability survey results.</p> <p>Comments: Goal nearly achieved.</p>					
Customer Experience	4.21	4.21	4.30	4.22	4.20
<p>SC Performance Indicator: ASQ survey score for Ground Transportation.</p> <p>Comments: Goal achieved.</p>					
Customer Experience	3.24	3.17	3.33	3.21	3.20
<p>SC Performance Indicator: ASQ Score on a 1 to 5 scale of value for the money of parking facilities.</p> <p>Comments: Goal achieved.</p>					

FIRE

The MAC Fire Department is responsible for providing aircraft rescue and firefighting, structural firefighting and first response emergency medical services to the airport community. The department is also responsible for investigating all fires that occur within our service area, determining the origin and cause and ensuring proper documentation for state and federal reporting requirements.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	4,317,569	4,448,583	4,594,827	146,245	3.29%
Administrative Expenses	14,546	16,444	15,295	-1,149	-6.99%
Professional Services	6,336	7,030	7,030	0	0.00%
Utilities	12,475	13,195	12,460	-735	-5.57%
Operating Services/Expenses	48,969	33,000	39,748	6,748	20.45%
Maintenance	3,744	8,247	5,600	-2,647	-32.10%
Other	112,688	160,060	155,620	-4,440	-2.77%
Total Budget	4,516,328	4,686,559	4,830,580	144,022	3.07%
FTE Total	49	49	49		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is due to wage structure adjustments and step increases along with overtime rate differences from the previous year.
Operating Services/Expenses	The increase is due to costs associated with inspections of emergency vehicles and equipment.

2014 RESULTS REPORT

Service Center Objective	Results
Develop a detailed fire department leadership succession plan.	Still ongoing. Will continue in 2015.
Have remaining non-certified personnel complete International Fire Service Accreditation Congress (IFSAC) Airport Firefighter certification.	All remaining non-certified personnel passed certification testing and are now IFSAC certified Airport Firefighter (excludes new hires started in December 2014).
Perform fire & life safety inspections of all areas of T-1 and T-2.	All of T1 and T2 completed.
Conduct detailed staffing study to determine minimum staffing levels and what organizational structure would work best at MSP. This study will also look at current fire inspection/ safety programs and what changes may be needed to be more effective.	Still working on objective. Will continue into 2015.

FIRE

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Develop Employee Talent</i>	
Organizational Key Initiative	Service Center Objective
NA	Develop a detailed fire department leadership succession plan.

Organizational Strategic Goal: <i>Integrate Sustainability into Our Culture</i>	
Organizational Key Initiative	Service Center Objective
Integrate sustainability into the organization's framework, including mission, values and strategic planning process by February, 2015	Conduct detailed staffing study to determine minimum staffing levels and what organizational structure would work best at MSP. This study will also look at current fire inspection/ safety programs and what changes may be needed to be more effective.

Organizational Strategic Goal: <i>Leverage Resources and Technology</i>	
Organizational Key Initiative	Service Center Objective
Develop an enterprise technology strategic plan to support MAC's strategic plan and help individual departments leverage technology to improve overall efficiency by December of 2015	Identify and plan for MACpoint rollout and expansion for accessibility of fire dept. related documents and resources.

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Perform Fire & Life Safety Inspections of all MAC and tenant out buildings on MSP campus.

FIRE

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Customer Experience			760	3,274	3,120
<p>SC Performance Indicator: The number of positive interactions between fire department staff and the traveling public as part of WIG #2.</p> <p>Comments: New measure in 2013.</p>					
Employee Engagement		100%	94%	0%	100%
<p>SC Performance Indicator: Complete Customer service Training</p> <p>Comments: MSP Nice training being revised. Began in 2012 but not offered 2014</p>					
Operations				4.53	5:00
<p>SC Performance Indicator: The average response time to all emergencies from time of dispatch to arrival on scene.</p> <p>Comments: 5 minutes or less. New measure in 2014.</p>					
Safety & Security		100%	100%	100%	100%
<p>SC Performance Indicator: Complete FAR 139 required training</p> <p>Comments: New measure in 2012.</p>					

POLICE

Public service is the foundation of the Airport Police Department (APD). Every member of the department is committed to the preservation of peace, order and safety as well as the protection of life and property, the prevention of crime, and the deterrence of terrorism. The department’s vision is to be the standard of excellence in aviation policing throughout North America. Our Emergency Communications Center (ECC) is the 911 center for the MSP airport community. ECC staff make critical decisions to ensure the safety of both the traveling public and public safety personnel.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	9,630,085	11,480,298	11,793,329	313,032	2.73%
Administrative Expenses	174,699	232,616	254,776	22,160	9.53%
Professional Services	54,878	124,942	156,109	31,167	24.95%
Utilities	45,776	41,998	72,780	30,782	73.29%
Operating Services/Expenses	843,842	963,682	776,058	-187,624	-19.47%
Maintenance	34,499	51,544	42,450	-9,094	-17.64%
Other	124,550	184,653	444,922	260,269	140.95%
Total Budget	10,908,330	13,079,733	13,540,424	460,692	3.52%
FTE Total	125	135	133		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases. Training will also increase as a result of the need to keep abreast of changes in technology and operational issues. Uniforms and safety gear for additional headcount also increased Personnel. However, two open positions moved to MAC General until hired.
Administrative Expenses	There has been an increase in the cost of supplies for badging, K-9 needs and recruitment efforts. ECC conference registration fee increases are due to required certifications. Printing costs have also increased.
Professional Services	Professional Services increased due to additional technical consulting services, the professional cleaning of range uniforms related to lead concerns, Learn Management System course design, and the updating of SIDA training videos.
Utilities	The increase in cellular wireless services is attributed to the addition of three ECC duty supervisors and actual usage as determined by the IT Department.
Operating Services/Expenses	The decrease is largely attributed to expenses moving to other cost centers. Contracted maintenance of the secured area access control system moved to the IT Department budget; some technology consulting fees moved to a different account code and copier fees moved to the Purchasing Department budget. There was also a \$10,000 reduction in document imaging maintenance costs.
Maintenance	Maintenance decreased due to the cost for replacement/repair of security system components being moved to the Electric Department budget.
Other	The increase is due to safety supplies needed to enhance department preparations for an Active Shooter scenario, costs to update department technology (i.e., Tasers, computers, printer, scanners, etc.) and a non-controllable increase in operating costs for the South Metro Public Safety Training Facility.

POLICE

2014 RESULTS REPORT

Service Center Objective	Results
<p>Continue to develop See Something, Say Something campaign with airport specific messages.</p>	<p>APD management staff had the opportunity to view the newly produced See Something Say Something public service announcement messages regarding unattended items, suspicious activity, badge security and a general message. They will be available in several languages. To help get the message out, the APD has been handing out "Tipssubmit" business cards to employees and travelers.</p> <p>Funds from the See Something Say Something Grant were used to conduct high visibility patrols of high traffic areas at both terminals.</p>
<p>Integrated response training with MAC Fire and Allina for all licensed officers for active shooter situations.</p>	<p>The APD conducted four 8-hour Active Shooter training days in October at the old Navy building. During the second half of training, APD and Airport Fire Department (AFD) personnel jointly participated in rescue team training and, towards the end of the training, in full scenarios that utilized ECC for communication. An Active Shooter drill was conducted at the MAC General Offices in December. A Critical Incident Response Plan was developed and disseminated to mutual aid law enforcement agencies.</p>
<p>Ensure the ECC has adequate staff and appropriate schedules to train and develop ECC leadership and to provide the proper structure and support for ECC operations.</p>	<p>One Communications Specialist is in training and is slated to be completed and into normal operations by the end of 1st Quarter 2015. The last open position was filled; the candidate passed the background and is currently completing the rest of the process with Human Resources. The 2015 schedule will include the two new headcount and mandate +2 as a minimum 24x7. It will also include +3 from 0800-1600 M-F beginning 3rd Quarter 2015. The current staffing level has also afforded personnel more opportunities to attend various training.</p>
<p>To achieve a combined weekly total of 120 proactive positive public interactions between Police and Fire personnel.</p>	<p>For all 14 weeks in the fourth quarter, the goal of 120 proactive, positive public interactions was exceeded.</p>
<p>Develop Continuity of Operations Plan for all aspects of APD.</p>	<p>The Police Department's COOP has been fully submitted to the MAC Emergency Manager.</p>

POLICE

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Develop Employee Talent</i>	
Organizational Key Initiative	Service Center Objective
NA	Continue to develop ECC leadership, staff structure and support. Establish performance/quality improvement and staff development programming.

Organizational Strategic Goal: <i>Integrate Sustainability into Our Culture</i>	
Organizational Key Initiative	Service Center Objective
NA	Identify and evaluate the gaps between our current department location and vulnerabilities, needs for enhanced efficiency, and space requirements for the police department in order to meet current needs as well as the needs of MSP's projected passenger and facility growth over the next five years in order to ensure the safety and security of the airport community.

Organizational Strategic Goal: <i>Leverage Resources and Technology</i>	
Organizational Key Initiative	Service Center Objective
NA	Implement 100% of the initial Security Identification Display Area (SIDA), refresher SIDA and signer training by the end of 2015.
NA	Create an enhanced police activity tracking system in order to provide monthly, quarterly and annual data that will guide proactive policing strategies.

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	The APD will work on security threat awareness 'See Something Say Something' campaign/training/bulletins for MAC employees, airport tenants and travelers. One main area of focus this year will be the Insider Threat.
N/A	Develop and implement progressive readiness training including tabletops, mock drills and at least one scalable active shooter exercise with APD officers, MAC employees, MAC Fire, EMS and our neighboring law enforcement partners by the end of 2015.

Organizational Strategic Goal: <i>Provide a Great Customer Experience</i>	
Organizational Key Initiative	Service Center Objective
NA	Continue to ensure that police department members are making a combined (police and fire) total of 120 positive public contacts each week throughout 2015.

POLICE

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Safety & Security	556	704	778	800	<778
<p>SC Performance Indicator: Part I & Part II crimes that are required to be reported to the state.</p> <p>Comments: Represents 2.28 crimes per 100,000 passengers. This is a decrease from 2.30 in 2013.</p>					
Safety & Security	0	1	0	1	
<p>SC Performance Indicator: Number of security breaches that impact passenger traffic and/or airport operations.</p> <p>Comments: There were also 3 incomplete screenings.</p>					
Safety & Security	88%	83%	97%	98%	90%
<p>SC Performance Indicator: 911 calls answered in accordance with NENA Standard 56-005.</p> <p>Comments:</p>					
Safety & Security				99%	90%
<p>SC Performance Indicator: Emergency call processing and dispatching in accordance with NFPA Standard 1221.</p> <p>Comments: New measure in 2014</p>					

FACILITIES-TERMINAL 2

Facilities-Terminal 2 is responsible for all operations and maintenance activities at Terminal 2-Humphrey and all common-use facilities on the airport including Terminal 1-Lindbergh and Terminal 2 FIS Facilities, fueling operations, Humphrey Remote Ramp and shared airline technology systems in both terminals including Common Use System Equipment (CUSE), Multiple Users Flight Information Displays (MUFIDS) and Automated Passport Control kiosks (APC). Department personnel work directly with airlines, terminal users/tenants and other MAC Departments to provide and maintain all essential airline operating facilities and equipment. The department routinely participates in airport facilities planning and construction activities, airline lease negotiations and airport operating policy development. The department also serves as the liaison to U.S. Customs and Border Protection (CBP) and works closely with other federal agencies including the Transportation Security Administration (TSA), Department of Homeland Security (DHS) and Center for Disease Control (CDC) and Federal Aviation Administration (FAA).

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	536,525	589,810	615,141	25,332	4.29%
Administrative Expenses	6,529	9,970	12,500	2,530	25.38%
Professional Services	0	0	0		
Utilities	3,243	2,690	2,706	16	0.59%
Operating Services/Expenses	1,688	16,250	10,250	-6,000	-36.92%
Maintenance	203,625	238,550	249,900	11,350	4.76%
Other	9,401	73,120	9,600	-63,520	-86.87%
Total Budget	<u>761,011</u>	<u>930,390</u>	<u>900,097</u>	<u>-30,292</u>	<u>-3.26%</u>
FTE Total	9	9	9		

BUDGET HIGHLIGHTS

Personnel	Increase is attributable to wage structure adjustments and step increases.
Administrative Expenses	The increase in Administrative Expenses is related to daily business and operating expenses to support record activity levels at Terminal 2.
Operating Services/Expenses	The reduction is a result of transitioning more technology support expenses to MAC IT Department for Common Use System Equipment (CUSE) and other technologies.
Maintenance	The increase in Maintenance is required to support record activity levels at Terminal 2.
Other	The reduction is due to 2014 one-time purchase for Terminal 2 ramp air-handling unit equipment. This is a one-time annual expense.

FACILITIES-TERMINAL 2

2014 RESULTS REPORT

Service Center Objective	Results
Reduce passenger wait times in FIS CBP Primary by deploying Automated Passport Control (APC) kiosks.	Project is nearly complete. Currently 24 APC kiosks installed at T-1 FIS (Delta). The original ten v.2.0 APC kiosks installed at T-1 FIS in July 2014 helped reduce average passenger processing time by more than 30%. Eight kiosks will be moved to T-2 and ten more kiosks will be purchased in February 2015 through the approved MAC CIP for T-2 to back-fill the relocated kiosks. By April 2015, T1 will have 24 APC kiosks and T2 will have 10 APC kiosks. All kiosks will be v.3.5 units available to all U.S. Citizens, Canadian's, passengers from Visa Waiver Countries and Legal Permanent Residents (Green Cards), this represents approximately 60%-70% of all international arriving passengers at MSP.
Obtain Commission approval to expand T-2 gates by 2017.	Complete - Commission approved 2015 CIP that includes a 3 gate expansion for T2.

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Provide a Great Customer Experience</i>	
Organizational Key Initiative	Service Center Objective
NA	Implement Mobile Passport Control (MPC) at T2 and T1 FIS facilities.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Customer Experience	28	15	6	9	<10
SC Performance Indicator: Annual number of facility related complaints at T-2. Comments: Reduced target to 10 for 2015.					
Customer Experience			31	16	<20 mn
SC Performance Indicator: Average time (minutes) waiting in security checkpoint queue during busy time of day at T-2. Comments: New measure in 2013. TSA Pre-Check added to ckpt #1 in 2014					
Customer Experience			4.53	4.50	4.51
SC Performance Indicator: Maintain an ASQ (survey) score of 4.51 or higher for overall terminal cleanliness at T2. Comments: New measure in 2013. Added ABM janitorial staff January 1st, 2015.					

FACILITIES-TERMINAL 1

Facilities-Terminal 1 Management is responsible for the operation, maintenance and cleaning of the terminal facilities and all of the MAC campus buildings with oversight responsibility for the Energy Management Center as well as the Trades work groups. Facilities Management also provides management oversight for various service, operation and management contracts as well as responding to both immediate and long term tenant and public concerns. The department works with Airport Development staff to ensure that Capital Improvement Projects are completed with the least amount of disruption to the traveling public and the terminal building operations. The department goal is to maintain the MSP Airport at a level consistent with the expectations of its internal and external customers and tenants.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	Actual	Budget	Budget	Variance	Variance
Personnel	583,774	673,370	725,652	52,282	7.76%
Administrative Expenses	5,142	6,123	9,423	3,300	53.90%
Professional Services	213,443	227,139	271,947	44,808	19.73%
Utilities	6,103	5,703	6,450	747	13.10%
Operating Services/Expenses	2,902,903	2,514,861	3,269,113	754,252	29.99%
Maintenance	19,235,325	20,300,779	21,728,993	1,428,214	7.04%
Other	21,113	10,850	10,020	-830	-7.65%
Total Budget	22,967,803	23,738,825	26,021,598	2,282,773	9.62%
FTE Total	10	10	10		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments, step increases, uniforms and safety shoes as well as overtime.
Administrative Expenses	Primary increases in this category are the software renewal for Facilities Technician use and upgrade to Windows 7 for entire department. Also included is individual and company licensing for pest control through State of Minnesota.
Professional Services	Primary increase in this category is the increased usage of VDA for the renegotiation of the elevator/escalator/moving walks contract in 2015 and their coordination of the T-1 Trams Upgrade project started in 2014.
Utilities	Increase in this category is due to additional cellular costs for Facilities Technician.
Operating Services/Expenses	Primary increases in this category are the inclusion of the 3-1-1 bag program, which is no longer advertising paid-for and now MAC funded to continue (per CSAC request) in addition to contractual increase to the Loading Dock Services contract. There is also a decrease in this category for a reduction in scope and coverage of the checkpoint security service through ABM/Lifeworks.
Maintenance	The primary increase in Maintenance is to rebid contracts for APM and Carrousel/Conveyor contracts in addition to the contractual increases in the Elevator/Escalator/Moving Walks and Janitorial/Windows contracts. Another increase in the Janitorial/Windows contracts are the new construction and additional square footage increases at both Terminal 1-Lindbergh and Terminal 2-Humphrey terminals. This is also reflected in the cleaning supplies increases at both terminals.

FACILITIES-TERMINAL 1

2014 RESULTS REPORT

Service Center Objective	Results
Reduce material delivery visibility within terminals.	Terminal 1 shows a 4.9% improvement in the final quarter.
Improve Hub and Concourse availability annually.	Quarter 4 Concourse Trams were operating at 99.52%. The Hub Trams showed an increase and were operating at 99.93%.
Reduce elevator, escalator and moving walk repair callbacks annually.	Non-equipment related failures were down by 52 occurrences in the final quarter and callbacks were down by 61 calls. Equipment related failures continued to decline by 9 occurrences.
Improve T-1 and T-2 cleanliness Airport Service Quality score annually.	The final quarter ASQ scores for restroom cleanliness of airport terminals showed a slight increase to 4.39. Cleanliness of washrooms/toilets is 4.15.

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Maintain average Hub and Concourse availability at 99% annually.
N/A	Reduce material delivery visibility within terminals by 5 % by the end of 2015.
N/A	Improve T-1 and T-2 restroom cleanliness and overall cleanliness Airport Service Quality scores to 4.10 and 4.40 by the end of 2015.
Organizational Strategic Goal: <i>Provide a Great Customer Experience</i>	
Organizational Key Initiative	Service Center Objective
NA	Reduce elevator, escalator and moving walk repair callbacks to no more than 70 annually.

FACILITIES-TERMINAL 1

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Operations	64.08	73.58	63	61	<70
SC Performance Indicator: Elevator/escalator/moving walk callbacks.					
Comments:					
Operations	99.22%	99.16%	99.41%	99.23%	99%
SC Performance Indicator: The percent of time the tram on the C concourse is in service during normal business hours.					
Comments:					
Safety & Security	0	0	0	0	0
SC Performance Indicator: Facilities T-1 lost time work accidents.					
Comments:					

FACILITIES-ENERGY MANAGEMENT CENTER

The Energy Management Center (EMC) is responsible for the heating, ventilation and air conditioning (HVAC) of all MAC facilities utilizing a staff of 15 operating engineers who provide 24/7 hour service. Staff operate and maintain boilers with jet fuel backup, chillers and cooling towers and numerous miscellaneous components to provide a comfortable environment for all customers, tenants and staff at MSP. EMC utilizes an Open Architectural Building Automation System (OABA/IMAC) to operate and maintain the growing airport complex HVAC systems. EMC monitors 200 CO sensors spread around the MSP Campus. EMC responds to all incoming HVAC-related calls and keeps detailed records of gas, oil, water and steam usage as well as all repair work and preventative maintenance.

BUDGET SUMMARY

	<u>2013</u> <u>Actual</u>	<u>2014</u> <u>Budget</u>	<u>2015</u> <u>Budget</u>	<u>\$</u> <u>Variance</u>	<u>%</u> <u>Variance</u>
Personnel	1,478,497	1,514,617	1,571,829	57,212	3.78%
Administrative Expenses	1,758	4,550	4,545	-5	-0.11%
Professional Services	65,648	42,735	44,735	2,000	4.68%
Utilities	4,745	4,043	9,544	5,501	136.06%
Operating Services/Expenses	0	100,000	100,000	0	0.00%
Maintenance	1,665,238	1,605,476	1,471,713	-133,763	-8.33%
Other	4,136	7,314	7,725	411	5.62%
Total Budget	3,220,021	3,278,735	3,210,091	-68,644	-2.09%
FTE Total	21	21	22		

BUDGET HIGHLIGHTS

Personnel	Personnel increased for one additional FTE in 2015 for the G Concourse. Also, the increase in Personnel is attributable to wage structure adjustments and step increases.
Utilities	Utilities increased for additional phones for Trainee positions and closer to actual cost.
Maintenance	Maintenance decreased as fire control costs were moved to Trades Administration.

2014 RESULTS REPORT

Service Center Objective	Results
Modify boiler water feed system.	EMC boiler feed water system is 90% done.
Complete OABA 6.	OABA 6 is 98% done.

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: N/A	
Organizational Key Initiative	Service Center Objective
N/A	Complete EMC cooling tower by the end of December 2015.
N/A	OABA/IMAC phase 7 to be complete by December 2015.

FACILITIES-ENERGY MANAGEMENT CENTER

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Finance	100%	100%	98%	98%	100%
SC Performance Indicator: Complete OABA 3, reliable HVAC controls Comments:					
Safety & Security	0	2	2	0	0
SC Performance Indicator: Employee accidents Comments:					

TRADES - ELECTRICIANS

The Electrical Department provides maintenance and repairs of most electrical equipment and lighting fixtures throughout the MSP campus and Reliever Airports system. Electricians are responsible for the maintenance and repair of all directional signage and runway/taxiway lighting to comply with specific FAA regulations throughout all MAC airports. The department also maintains and tests all airfield lighting regulators, all emergency generator buildings and all associated lighting and electrical work within MAC parking facilities. Responsibilities include all security gates and electronic card readers throughout MAC's airport system, fire alarm and oversight and repair responsibility for the LRT Platform.

BUDGET SUMMARY

	<u>2013</u> <u>Actual</u>	<u>2014</u> <u>Budget</u>	<u>2015</u> <u>Budget</u>	<u>\$</u> <u>Variance</u>	<u>%</u> <u>Variance</u>
Personnel	1,790,607	1,915,304	1,985,280	69,976	3.65%
Administrative Expenses	655	0	0		
Professional Services	0	0	0		
Utilities	14,818	12,000	20,642	8,642	72.02%
Operating Services/Expenses	132,018	192,000	212,000	20,000	10.42%
Maintenance	1,457,666	1,507,000	1,527,300	20,300	1.35%
Other	12,563	20,000	39,000	19,000	95.00%
Total Budget	3,408,327	3,646,304	3,784,222	137,918	3.78%
FTE Total	18	18	19		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to hiring one additional FTE for the G Concourse in 2015 as well as wage structure adjustments and step increases.
Utilities	The increase is due to added cellular and data plans for added personnel that will happen in 2015 as well as transitioning employees to data plan phones. There is also an anticipation for smart pads to be used in conjunction with our work order system.
Operating Services/Expenses	Additional funds were added to the Electrical Switchgear Maintenance to cover additional equipment added to the campus as well as being able to fund any necessary repairs needed.
Maintenance	The increase in Maintenance is due to rising costs of material such as lamps, gate equipment, and airfield material.
Other	The increase is slated for tablets to gain access to the E1 system as well as replacing a 20 year old Cushman cart.

2014 RESULTS REPORT

Service Center Objective	Results
Assess and plan for the needs and conditions of the G Concourse to assure a smooth transition for January 1, 2016.	The surveying is complete and we are currently assembling the budgetary and equipment needs to fulfill our addition of the G concourse to maintenance.
Implement the new electrical maintenance program ensuring a smooth transition with the best outcome for the traveling public and internal departments.	There were little to no customer impacts. It seemed to be a smooth operation.

TRADES - ELECTRICIANS

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Provide a Great Customer Experience</i>	
Organizational Key Initiative	Service Center Objective
NA	Test 100% of UPS by December 2015.
NA	Identify department needs by June 2015 for G Concourse take over.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Development	15%	30%	35%	40%	35%
SC Performance Indicator: Cross training necessary to improve efficiencies.					
Comments:					
Finance	\$407,000	\$408,000	\$421,000	\$420,000	\$428,000
SC Performance Indicator: Uninterrupted Power Supply cost maintenance.					
Comments:					

TRADES - PAINTERS

The primary role of the MAC Painters is to protect a multitude of surfaces from corrosion and deterioration to ensure a full service life to the surface. Additionally, MAC Painters maintain a clean, comfortable, visually pleasing and safe environment for the traveling public and meet all FAA mandated Airport Operations Area (AOA) markings at MSP and the Reliever Airports system.

The Painters are responsible for all paint maintenance on buildings and for the correct markings used on public roadways and parking ramps and for the maintenance of runways/taxiways in accordance with FAA regulations. The Painters insure that the most appropriate and safest materials are utilized and disposed of while being environmentally responsible.

The sign shop is responsible for regulatory roadway, interior and exterior signage, vehicle graphics, security and directional signage at MSP and the Reliever Airports system.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	Actual	Budget	Budget	Variance	Variance
Personnel	710,415	849,875	909,211	59,337	6.98%
Administrative Expenses	0	0	0		
Professional Services	0	0	0		
Utilities	1,252	1,069	1,040	-29	-2.71%
Operating Services/Expenses	0	0	0		
Maintenance	182,069	216,889	242,805	25,916	11.95%
Other	11,936	17,674	25,749	8,075	45.69%
Total Budget	905,673	1,085,507	1,178,805	93,299	8.59%
FTE Total	8	8	9		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to hiring one additional FTE for the G Concourse in 2015 as well as wage structure adjustments and step increases.
Maintenance	The increase in Maintenance is due to rising raw material costs.
Other	Other Expenses increased for minor equipment purchases including a 8x20 utility trailer, airless pump, striper and line driver.

TRADES - PAINTERS

2014 RESULTS REPORT

Service Center Objective	Results
Complete customer feedback phone survey from 50% of departments/customers.	Over 50% of customers phone surveys were taken. Generally positive results came from customers.
Cross train paint staff on complex striping equipment.	Training and video documentation was complete in 2014 on yellow and black striping truck.
Reduce hazardous and non-hazardous waste.	In 2014, MAC generated 100 less pounds of hazardous waste and 14,970 less pounds of non-hazardous waste. A grand total for hazardous and non-hazardous waste was 25,700 pounds in 2013. Grand totals for hazardous and non-hazardous waste was 10,630.0 pounds in 2014. This decrease in generated waste was due to our solvent recycler and the decrease in airfield pavement paint removal projects in 2014.
Ensure 100% completion of weekly WIG work orders.	100% of WIGs were completed in 2014.

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Develop Employee Talent</i>	
Organizational Key Initiative	Service Center Objective
Complete phase I of departmental talent reviews by December, 2015	Complete 100% of employee reviews by the end of 2015.
Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Reduce hazardous and non-hazardous waste by 25%.
Organizational Strategic Goal: <i>Provide a Great Customer Experience</i>	
Organizational Key Initiative	Service Center Objective
NA	Poll 50% of customers for service feedback.
NA	Ensure 100% completion of weekly WIGs work orders.

TRADES - PAINTERS

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Environment	1,300	800	225	125	Zero increase
<p>SC Performance Indicator: The number of pound of hazardous waste disposed of.</p> <p>Comments: Results show hazardous oil-based paint disposal. As shown by these results, the new solvent recycler greatly reduced the disposal amount.</p>					
Environment	2,750	2,750	2,750	2,200	Zero increase
<p>SC Performance Indicator: The number of pounds of non-hazardous waste disposed of.</p> <p>Comments:</p>					
Operations			40%	45%	35%
<p>SC Performance Indicator: Cross-training on painting equipment completed.</p> <p>Comments: New measure in 2013.</p>					
Safety & Security	0	3	0	0	0
<p>SC Performance Indicator: Lost days to work accidents.</p> <p>Comments:</p>					

TRADES - CARPENTERS

The Carpenter Shop ensures that all of MAC's terminals and other owned facilities are safe, secure and aesthetically pleasing for MAC, its tenants and the traveling public. Carpenters provide a high quality service to MAC departments and the airport tenants in a cost effective and timely manner. Services include repair and maintenance from floor to ceiling and also provides locksmith services that separate the "secured areas" from the "non-secured" areas. The Carpentry Department also includes fulfilling the needs of the various tenants as well as the installation and repair of a wide variety of the facility finishes and participates in special projects. The Carpenter Shop works closely with Airport Development in the naming/numbering of doors and concession spaces with identification tags and also maintains this numbering system to reflect the tenants' growing needs.

BUDGET SUMMARY

	<u>2013</u> <u>Actual</u>	<u>2014</u> <u>Budget</u>	<u>2015</u> <u>Budget</u>	<u>\$</u> <u>Variance</u>	<u>%</u> <u>Variance</u>
Personnel	830,789	847,762	936,138	88,375	10.42%
Administrative Expenses	4,776	4,249	4,377	128	3.01%
Professional Services	0	0	0		
Utilities	8,616	4,017	11,040	7,023	174.83%
Operating Services/Expenses	849	400	420	20	5.00%
Maintenance	151,250	177,763	328,641	150,878	84.88%
Other	11,627	27,736	29,815	2,079	7.50%
Total Budget	1,007,907	1,061,927	1,310,431	248,503	23.40%
FTE Total	9	9	10		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to hiring one additional FTE for the G Concourse in 2015 as well as wage structure adjustments and step increases.
Administrative Expenses	Administrative Expenses increased for additional travel for training.
Professional Services	None required.
Utilities	Cell phone service for the crew of 10 increased Utilities.
Operating Services/Expenses	Operating Services/Expenses includes funds for the annual emergency preparedness event.
Maintenance	Maintenance increased in 2015 for new carpeting in the terminal buildings as well as hardware and repair parts throughout the terminals.
Other	Other Expenses increased for safety equipment for the crew and traveling public as well as minor assets and technology for efficiency.

TRADES - CARPENTERS

2014 RESULTS REPORT

Service Center Objective	Results
Update the job description of the Carpenters Working Foreman and complete the hiring process by the first quarter of 2014.	The job description was updated, interviews were held and a new Working Carpenter Foreman was hired. Our objective was completed on schedule.
Improve staff productivity through new and improved technology. This would be accomplished by effectively using the E1 CMMS system, asset labeling, using tablets in the field and creating an inventory of existing stock.	The General Foreman and Carpenter Working Foreman have received their Surface Pro. They are using this device in meetings to call up construction plans and specs, keeping up on emails, writing work orders on site instead of recording an issue on paper and then transferring that later into a work order and also documenting the issue by using the camera feature.
Customer service calls to be placed by the General Foreman to departments on specific, larger projects that are beyond our normal scope of work.	Air Lake and St Paul Airports remodeled their breakroom and restroom facilities. MAC Carpentry helped by designing/ installing custom cabinetry in their new office space. Additional computer cubicles were custom built and will be installed in the main Field Maintenance Department for additional staff to use.
Improve the travelers experience by providing modern, efficient operating restrooms at both terminals.	MAC Carpenters inspect all of the restrooms each Monday and make the necessary repairs needed. Replacement of towel dispensers and diaper decks are an on-going item.

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Leverage Resources and Technology</i>	
Organizational Key Initiative	Service Center Objective
Develop an enterprise technology strategic plan to support MAC's strategic plan and help individual departments leverage technology to improve overall efficiency by December of 2015	Begin using the E1 Computerized Maintenance Management System (CMMS) by December 2015.

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Provide in support of assistance to achieve ASQ score at 4.28 or better by Decemeber 2015.

Organizational Strategic Goal: <i>Provide a Great Customer Experience</i>	
Organizational Key Initiative	Service Center Objective
NA	General Foreman to complete 100% of customer service calls related to projects beyond our normal scope of work.

TRADES - CARPENTERS

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Finance	50.50%	49.60%	57.25%	51%	58%
SC Performance Indicator: Preventative maintenance workorders. Comments:					
Operations			100%	100%	100%
SC Performance Indicator: Facilities WIG for 2014-Work orders on Restrooms. Comments: new measure in 2013.					
Safety & Security	0	0	0	3	0
SC Performance Indicator: Lost time work accidents. Comments:					

TRADES - PLUMBERS

The Plumbers are responsible for the water supply available to our customers, tenants and MAC personnel. This is accomplished through the maintenance, repair and ongoing preventive measures of the potable water systems, sanitary and storm sewer systems, building plumbing systems, irrigation systems and fire sprinkler systems. The Plumbers are also responsible for completing plumbing inspections, locating appropriate utility lines and are a valuable resource to Airport Development by reviewing plumbing schematics for new projects. Staff stays current with new plumbing technologies, processes and efficiencies by attending training seminars on new equipment and tooling demonstrations throughout the year.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	1,176,843	1,307,582	1,388,360	80,778	6.18%
Administrative Expenses	649	816	350	-466	-57.11%
Professional Services	19,958	20,000	30,000	10,000	50.00%
Utilities	9,097	8,049	12,301	4,252	52.83%
Operating Services/Expenses	2,500	20,000	20,000	0	0.00%
Maintenance	300,967	416,584	366,538	-50,046	-12.01%
Other	5,782	7,152	42,500	35,348	494.24%
Total Budget	1,515,796	1,780,183	1,860,049	79,866	4.49%
FTE Total	9	8	9		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases. Also, one FTE and one temporary employee will be hired to achieve the customer service goals and safety directives as put forth by MAC.
Professional Services	The increase in Professional Services is needed for the Mechanical Consultant to include updating the Fire Protection Master drawing as well as the Plumbing Master Drawing.
Maintenance	The reduction in the Maintenance budget is due to the savings realized through the new fire sprinkler system testing, inspection and maintenance contract. The new contract offers these saving through contractor efficiencies.
Other	An increase in Other Expenses is needed to update out-dated equipment (utility locator, Cushman cart, and confined space monitor) and also to provide work tablets for the plumbing personnel to process work orders more efficiently and reduce paper usage.

2014 RESULTS REPORT

Service Center Objective	Results
Reduce water consumption by promoting water conservation and identifying unaccounted water loss.	The year end results indicate that MAC used 5.25% more water than the target of 300,000,000 gallons. Contributions to this increase include unaccountable water loss (fire system testing and hydrant flushing), rental car washing at T-2, and increases in passengers at T-1 and T-2.
Maintain the sanitary sewer collection system to industry standards.	Sanitary sewer cleaning has been completed for the 2014 cycle. Problem areas have been identified for 2015 maintenance. No sanitary sewer overflows to report. Appoximatly 5% (6,600 ft.) of the sanitary sewer has been cleaned in 2014.

TRADES - PLUMBERS

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Assure Financial Viability</i>	
Organizational Key Initiative	Service Center Objective
NA	By the end of 2015 install Flexnet to identify unaccounted water loss.

Organizational Strategic Goal: <i>Develop Employee Talent</i>	
Organizational Key Initiative	Service Center Objective
NA	Ensure 100% completion of performance reviews by December 2015.

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	100% code compliance with sanitary sewer industry standards.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Finance		20,031,000	13,948,500	7,347,000	13,900,000
SC Performance Indicator: Total irrigation water usage in gallons at MSP. Comments: New measure in 2012. MSP campus irrigation water consumption down from 2013 due largely from a significant spring rainfall and construction projects that shut off a large area of irrigation at T2					
Finance	316,105,500	322,818,750	304,724,250	315,780,750	300,000,000
SC Performance Indicator: Total water consumption in gallons. Comments: Total year end water usage at MSP higher than the target					
Operations			0	0	0
SC Performance Indicator: Amount of sanitary sewer overflows within the collection system. Comments: New measure in 2013. Sanitary sewer cleaning and lift station cleaning completed in November 2014 with no overflows to report.					
Safety & Security	0	0	0	0	0
SC Performance Indicator: Lost time work accidents. Comments:					

TRADES - ADMINISTRATION

Trades-Administration has the responsibility for the administration and coordination of the carpenters, electricians, painters and plumbing divisions. Trades-Administration works with Airport Development on construction projects, enforces the construction standards, conducts construction inspections and oversees the computerized maintenance management system. Trades-Administration represents the Trades in the CIP process and interfaces with consultants and vendors on behalf of the Trades group. This department is also responsible for the oversight of the Terminal 1-Lindbergh and Terminal 2-Humphrey emergency generators and Uninterruptible Power Supply (UPS) contracts.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	Actual	Budget	Budget	Variance	Variance
Personnel	166,562	210,969	217,360	6,391	3.03%
Administrative Expenses	4,831	5,198	7,748	2,550	49.06%
Professional Services	259,938	267,463	228,931	-38,532	-14.41%
Utilities	856	1,020	4,140	3,120	305.88%
Operating Services/Expenses	45,086	42,428	29,828	-12,600	-29.70%
Maintenance	0	0	384,562	384,562	100.00%
Other	12,236	22,975	29,330	6,355	27.66%
Total Budget	489,509	550,053	901,899	351,846	63.97%
FTE Total	2	2	2		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
Professional Services	The Temple Services contract is reduced by 40% in 2015, thus decreasing the Professional Services budget.
Utilities	The MAC Trades are purchasing tablets to make work more efficient. The increase in Utilities is the cost of the data plan.
Operating Services/Expenses	The Loffler contract moved to the purchasing department.
Maintenance	Fire control costs were transferred from the Energy Management Center to Trades Administration.
Other	Other expenses increased in 2015 to replace outdated furniture.

TRADES - ADMINISTRATION

2014 RESULTS REPORT

Service Center Objective	Results
Maintain and update OSHA required safety training matrix on all safety training.	All training recorded to matrix.
Ensure 100% completion of performance reviews.	100% completed by 12/31/14.
Look for ways to increase percentage of preventative maintenance type work orders vs reactive type work orders.	A 5% increase in preventive maintenance is due to reactionary work orders in 2014.
Expand use of asset labeling/hand held scanner.	Limited but some movement to increasing asset labeling. There will be a greater effort in 2015.
Schedule quarterly meetings with Trades, Airport Development and Commercial Management to use as a planning tool for the 2016 G concourse assumption of responsibility.	Two meetings were held in 2014 and there is a tentative schedule for 2015. Participants involved are Facilities, Trades, Airport Development and Commercial Management.

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Develop Employee Talent</i>	
Organizational Key Initiative	Service Center Objective
Complete phase I of departmental talent reviews by December, 2015	Ensure 100% completion of performance reviews.
Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Create a safety training matrix by the end of 2015.
N/A	Increase percentage of preventive maintenance by 5% by the end of 2015.
Organizational Strategic Goal: <i>Provide a Great Customer Experience</i>	
Organizational Key Initiative	Service Center Objective
NA	Weekly inspections and completion of work orders in timely manner with Facilities WIG of increasing restroom cleanliness and asset down time.
NA	Meet quarterly with Airport Development, Commercial Management, Facilities and Trades for G concourse maintenance assumption of responsibilities in 2016.

TRADES - ADMINISTRATION

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Operations		60	60	60	30
SC Performance Indicator: Foreman Time in Work Order System to 30 min/Day. Comments: New measure in 2012.					
Safety & Security	2	1	1	3	0
SC Performance Indicator: On the job Injuries for all Trades Departments. Comments:					

FIELD MAINTENANCE

The MAC Field Maintenance Department is world-renown for snow removal, but has year-round responsibilities including pavement maintenance, pollution control, landscaping/grounds maintenance, security fence and access gate maintenance, traffic control signage installation, maintenance and cleaning of the parking ramps and refuse removal from non-terminal areas. Snow removal responsibilities include runways, taxiways, ramps, aircraft parking areas, airside roadways, public roadways, terminal sidewalks and around MAC buildings. Maintenance personnel supervise contracted snow removal operators who remove snow from landside parking areas. The department repairs and maintains MAC's fleet of over 500 vehicles and partners with Purchasing to procure all MAC vehicles and related equipment.

BUDGET SUMMARY

	<u>2013</u> <u>Actual</u>	<u>2014</u> <u>Budget</u>	<u>2015</u> <u>Budget</u>	<u>\$</u> <u>Variance</u>	<u>%</u> <u>Variance</u>
Personnel	9,468,755	9,021,865	9,059,235	37,370	0.41%
Administrative Expenses	25,239	27,390	27,370	-20	-0.07%
Professional Services	22,372	34,500	34,500	0	0.00%
Utilities	15,909	13,000	20,600	7,600	58.46%
Operating Services/Expenses	28,887	23,250	23,100	-150	-0.65%
Maintenance	3,842,215	2,857,850	4,573,350	1,715,500	60.03%
Other	65,670	38,980	63,480	24,500	62.85%
Total Budget	13,469,047	12,016,835	13,801,635	1,784,800	14.85%
FTE Total	107	111	110		

BUDGET HIGHLIGHTS

Personnel	The minor increase in Personnel is attributable to contractual wage structure adjustments. However, one FTE moved to Airside Operations from Field Maintenance.
Utilities	The increase in Utilities reflects cell phone usage based upon prior years actuals.
Maintenance	Maintenance increased for pavement deicing chemical costs, snow removal contract costs, and the transfer of \$1.6M in front-end loader and mechanical sweeper lease costs from capital to operating.
Other	Other Expenses increased for replacement computer hardware, additional minor equipment to support winter operations and vehicle repair operations.

2014 RESULTS REPORT

Service Center Objective	Results
In addition to required annual Airport Operations Area (AOA) driver's training, conduct topic-specific vehicle operator training to enhance skills and awareness. Objective is to experience less than seven preventable motor vehicle accidents during the 2014 calendar year.	Two preventable motor vehicle accidents; twelve preventable accidents year-to-date.
Augment overnight trash collection schedules as necessary in order to maintain cleanliness at terminal entrances and in the parking ramps. Objective is to receive no written passenger/customer complaints attributable to department maintenance of terminal public areas.	No written customer complaints.

FIELD MAINTENANCE

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>N/A</i>	
Organizational Key Initiative	Service Center Objective
N/A	Institute an internal vehicle accident review process and consider vehicle operator accountability factors as a means to reduce preventable motor vehicle accidents. The objective is to have no preventable motor vehicle accidents during calendar year 2015.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Safety & Security	13	7	8	12	<7
SC Performance Indicator: Field Maintenance vehicle accidents.					
Comments:					

RELIEVERS - ADMINISTRATION

The Reliever Airport staff is responsible for the maintenance and safe operation of the MAC's six Reliever Airports. The staff is also responsible for the administration of over 800 leases on the Reliever Airport properties, which includes responding to tenant requests and monitoring tenant compliance with leases.

The Service Center Objectives and Results and the Performance Indicators for all Reliever Airports are incorporated into the Relievers-Administration area.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	723,493	775,073	785,313	10,239	1.32%
Administrative Expenses	11,161	23,574	22,705	-869	-3.69%
Professional Services	6,582	44,000	44,000	0	0.00%
Utilities	5,677	5,364	3,565	-1,799	-33.53%
Operating Services/Expenses	1,125	1,500	1,500	0	0.00%
Maintenance	0	0	0		
Other	2,174	0	1,000	1,000	100.00%
Total Budget	<u>750,212</u>	<u>849,511</u>	<u>858,083</u>	<u>8,572</u>	<u>1.01%</u>
FTE Total	8	8	8		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
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2014 RESULTS REPORT

Service Center Objective	Results
Implement recommendations of the Education Task Force that are related to the Reliever Airports.	In November, the staff worked with Air Space Minnesota and the Learning Jet Organization on an event at St. Paul Downtown Airport. This event attracted hundreds of spectators, including many children and educators as well as industry dignitaries and organizations. Commissioners and staff toured the University Avenue Elementary School in Blaine. This school has a strong partnership with Anoka County Blaine Airport users and businesses. Staff was also busy with 2015 event planning, including Hockey Day Minnesota (January), Minnesota Pilot Association conference (April), Patriot Ride (June) and Aircraft Owners and Pilots Association (AOPA) regional fly-in event (August).
Review, and appropriately modify, the Facility Acquisition Fee required under MAC Ordinance No. 114.	The new facility acquisition fee is established and has been implemented.
Collect the data necessary to develop GIS mapping for the Reliever Airport leaseholds.	Ultimate leasehold exhibits have begun to be developed for Airlake Airport.

RELIEVERS - ADMINISTRATION

2015 SERVICE CENTER OBJECTIVES

Organizational Strategic Goal: <i>Assure Financial Viability</i>	
Organizational Key Initiative	Service Center Objective
NA	Encourage the development of \$333,000 of on-airport tenant investment in new facilities by the end of 2015 in support of a 2015-2017 cumulative goal of \$1M.

Organizational Strategic Goal: <i>Leverage Resources and Technology</i>	
Organizational Key Initiative	Service Center Objective
NA	Continue to support the development of a GIS system for the Reliever Airports, including the development of leasehold exhibits.

Organizational Strategic Goal: <i>Provide a Great Customer Experience</i>	
Organizational Key Initiative	Service Center Objective
NA	Identify potential sites for public viewing stands at the Reliever Airports by the end of 2015.

PERFORMANCE MEASURES

Organizational Key Areas of Performance	2011 Actual	2012 Actual	2013 Actual	2014 Actual	Target
Safety & Security	4	1	6	5	0
SC Performance Indicator: Vehicle-Pedestrian Incursions.					
Comments:					

RELIEVERS - ST. PAUL

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the six Reliever Airports. The department staff manages the properties, including the administration of over 800 leases. The staff also responds to tenant, airport user and community issues and concerns.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	627,161	576,253	597,979	21,727	3.77%
Administrative Expenses	1,567	2,092	2,444	352	16.83%
Professional Services	13,230	15,000	15,000	0	0.00%
Utilities	1,099	1,196	1,196	0	0.00%
Operating Services/Expenses	3,346	7,095	7,095	0	0.00%
Maintenance	158,903	144,234	142,560	-1,674	-1.16%
Other	1,703	942	982	40	4.25%
Total Budget	<u>807,008</u>	<u>746,812</u>	<u>767,256</u>	<u>20,445</u>	<u>2.74%</u>
FTE Total	7	7	7		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
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RELIEVERS - LAKE ELMO

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the six Reliever Airports. The department staff manages the properties, including the administration of over 800 leases. The staff also responds to tenant, airport user and community issues and concerns.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	104,740	92,439	101,984	9,545	10.33%
Administrative Expenses	359	290	290	0	0.00%
Professional Services	13,230	12,000	12,000	0	0.00%
Utilities	429	235	435	200	85.11%
Operating Services/Expenses	0	0	0		
Maintenance	47,405	28,300	46,500	18,200	64.31%
Other	1,148	100	500	400	400.00%
Total Budget	<u>167,312</u>	<u>133,364</u>	<u>161,709</u>	<u>28,345</u>	<u>21.25%</u>
FTE Total	1	1	1		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments, step increases and an expected increase in overtime.
Maintenance	The increase to the 2015 Maintenance budget is based upon 2013 actuals. The demand for expanded services continues due to aircraft and pilot certification and training. The requested monies take into account the cost in the maintenance of an aging capital equipment fleet. The replacement and repair costs of parts, tires, supplies, materials, fluids and products to preserve and maintain infrastructure, equipment and facilities inflate each year.

RELIEVERS - AIRLAKE

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the six Reliever Airports. The department staff manages the properties, including the administration of over 800 leases. The staff also responds to tenant, airport user and community issues and concerns.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	Actual	Budget	Budget	Variance	Variance
Personnel	99,636	93,473	92,411	-1,061	-1.14%
Administrative Expenses	463	342	342	0	0.00%
Professional Services	13,230	12,177	12,177	0	0.00%
Utilities	415	237	415	178	75.11%
Operating Services/Expenses	0	0	0		
Maintenance	29,519	22,623	23,375	752	3.32%
Other	219	302	452	150	49.67%
Total Budget	143,483	129,154	129,172	19	0.01%
FTE Total	1	1	1		

BUDGET HIGHLIGHTS

Personnel	The decrease in Personnel is due to lower costs for one new FTE.
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RELIEVERS - FLYING CLOUD

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the six Reliever Airports. The department staff manages the properties, including the administration of over 800 leases. The staff also responds to tenant, airport user and community issues and concerns.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	245,755	233,717	259,266	25,549	10.93%
Administrative Expenses	2,718	336	950	614	182.74%
Professional Services	15,138	9,550	13,500	3,950	41.36%
Utilities	320	254	1,168	914	359.84%
Operating Services/Expenses	0	0	0		
Maintenance	84,449	60,028	71,000	10,972	18.28%
Other	590	0	500	500	100.00%
Total Budget	<u>348,971</u>	<u>303,885</u>	<u>346,384</u>	<u>42,499</u>	<u>13.99%</u>
FTE Total	3	3	3		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments, step increases and an expected increase in overtime.
Professional Services	Professional Services will increase in 2015 for the Wildlife program.
Maintenance	The increase in the 2015 maintenance budget is a 19 percent decrease based upon 2013 actual expenditures. Staff continues to operate as lean as possible while keeping pace with a growing demand for airport services. The overall cost of winter and summer maintenance continues to escalate. The replacement and repair costs of parts, tires, supplies, materials, fluids and products to preserve and maintain infrastructure, equipment and facilities at the airport increase each year.

RELIEVERS - CRYSTAL

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the six Reliever Airports. The department staff manages the properties, including the administration of over 800 leases. The staff also responds to tenant, airport user and community issues and concerns.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	Actual	Budget	Budget	Variance	Variance
Personnel	278,889	240,492	253,283	12,791	5.32%
Administrative Expenses	1,055	937	2,075	1,138	121.45%
Professional Services	13,230	9,550	13,000	3,450	36.13%
Utilities	565	462	660	198	42.86%
Operating Services/Expenses	10	97	0	-97	-100.00%
Maintenance	61,631	29,971	60,000	30,029	100.19%
Other	696	184	500	316	171.74%
Total Budget	356,077	281,693	329,518	47,825	16.98%
FTE Total	3	3	3		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to wage structure adjustments and step increases.
Professional Services	Professional Services will increase in 2015 for the Wildlife program.
Maintenance	The increase in the 2015 Maintenance budget stems from the overall cost of winter and summer maintenance escalating. The replacement and repair costs of parts, tires, supplies, materials, fluids and products to preserve and maintain infrastructure, equipment and facilities at the airport increase each year.

RELIEVERS - ANOKA

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the six Reliever Airports. The department staff manages the properties, including the administration of over 800 leases. The staff also responds to tenant, airport user and community issues and concerns.

BUDGET SUMMARY

	2013	2014	2015	\$	%
	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>	<u>Variance</u>	<u>Variance</u>
Personnel	285,504	243,263	263,744	20,481	8.42%
Administrative Expenses	1,585	1,305	1,375	70	5.36%
Professional Services	24,127	28,000	28,000	0	0.00%
Utilities	341	200	1,260	1,060	530.00%
Operating Services/Expenses	154,372	135,000	148,000	13,000	9.63%
Maintenance	84,534	58,730	75,400	16,670	28.38%
Other	300	350	350	0	0.00%
Total Budget	<u>550,762</u>	<u>466,848</u>	<u>518,129</u>	<u>51,281</u>	<u>10.98%</u>
FTE Total	4	3	3		

BUDGET HIGHLIGHTS

Personnel	The increase in Personnel is attributable to hiring a temporary employee, wage structure adjustments and step increases.
Operating Services/Expenses	The increase to the 2015 budget is based upon 2013 actuals. These costs take into account agreements with the City of Blaine for sewer water maintenance, Minnesota Department of Natural Resources for management of the Ham Lake 120-acre wetland mitigation site and threatened and endangered plant species area, as well as contract maintenance services for the air traffic control tower.
Maintenance	The increase to the 2015 maintenance budget is based upon 2013 actuals. Staff continues to operate as lean as possible while keeping pace with a growing demand of airport services. The overall cost of winter and summer maintenance continues to escalate. The replacement and repair costs of parts, tires, supplies, materials, fluids and products to preserve and maintain infrastructure, equipment, facilities and 1,900 acres inflate each year.

Statistics & Informative Facts

The Statistics and Informative Facts sections are:

1. Historical Operating Revenue/Operating Expense and Facility Comparisons
2. Activity /Operations Statistics
3. National Comparisons
4. Informative facts about Minnesota

Historical Operating Revenue/Operating Expense and Facility Comparisons

The table below compares the years 2004 versus 2013 and emphasizes the changes that occurred when comparing the percentage in each category to the total. The average annual percentage increase in revenue from 2004 to 2013 (4.3%) is slightly more than the annual percentage increase in expenses from 2004 to 2013 (4.2%).

HISTORICAL OPERATING REVENUE & OPERATING EXPENSE SUMMARY 2004 VS 2013						
(\$ = 000)						
	2004		2013		2004-2013 Change \$	Annual % Change
	\$	% of Total	\$	% of Total		
Operating Revenue						
Airline Rates & Charges	\$ 71,578	36.5%	\$ 106,015 *	37.1%	\$ 34,437	4.5%
Concessions	85,971	43.8%	131,321	45.9%	45,350	4.8%
Rentals/Fees	0	0.0%	33,327	11.7%	33,327	
Utilities & Other Revenue	0	0.0%	15,382	5.4%	15,382	
Other	38,593	19.7%	0	0.0%	(38,593)	-100.0%
Total Operating Revenue	<u>\$ 196,142</u>	100.0%	<u>\$ 286,045</u>	100.0%	<u>\$ 128,496</u>	4.3%
Operating Expenses						
Personnel	\$ 50,429	49.5%	\$ 71,107	48.4%	\$ 20,678	3.9%
Administrative Expenses	1,089	1.1%	1,407	1.0%	318	2.9%
Professional Services	3,745	3.7%	4,514	3.1%	769	2.1%
Utilities	12,684	12.5%	18,633	12.7%	5,949	4.4%
Operating Services	13,394	13.2%	18,940	12.9%	5,547	3.9%
Maintenance	17,249	16.9%	29,305	20.0%	12,056	6.1%
Other	3,206	3.1%	2,950	2.0%	(255)	-0.9%
Total Operating Expenses	<u>\$ 101,796</u>	100.0%	<u>\$ 146,857</u>	100.0%	<u>45,061</u>	4.2%
(excludes depreciation and noise amortization)						
Operating Income (Loss)	<u>\$ 94,345</u>		<u>\$ 139,188</u>		<u>\$ 44,842</u>	4.4%
(excludes non operating)						

* Includes Airline Rent Credit of \$10 million

Operating Revenue

In 2008, a major upgrade in the financial software program provided an opportunity to improve revenue reporting. This affected the various individual lines of revenue being reclassified into new categories and the reclassifications are not reflected in the data for 2004 (although the total is accurate). The following explanations for the changes in revenue are general in the categories represented. Changes in revenue are as follows:

- ◆ The average annual percentage increase for Airline Rates and Charges is 4.5% between the years of 2004 and 2013. This is due in part to landing fees and expanded terminal facilities necessary to accommodate the growth in passenger activity between 2004 and 2013. Landing fees are calculated on a breakeven basis with revenue and expense being equal. The increase between 2004 and 2013 also results from

changes in the 2007 Amendment to the Airline Use Agreement and new facilities that have become operational. In the past, this category had maintained the largest growth.

However, due to airline lease and use renegotiations, growth has become less than Concessions. In addition, since 2008 Terminal 2 common use rates and other fees associated with non-signatory airline landing and ramp fees are included in Airline Rates and Charges. (See Operating Budget Revenue.)

- ◆ The largest growth occurred in the Concessions category (4.8%). This is a result of increasing auto parking fees, facilities and changes/renewals to the Auto Rental contracts and separate concession/contract agreements with various firms to operate concessions in the terminal building.
- ◆ The annual average percentage increase of 2.6% is in the Other Revenue category (combines Rentals/Fees and Utilities & Other Revenue). In 2008 the Other Category was separated into two new components, Rentals/Fees and Utilities and Other Revenue. Due to the conversion of data in the new financial software system, the breakout of this revenue for the years prior to 2008 would be difficult to determine. Therefore, for purposes of this explanation, these numbers have been combined. The increase is attributable to building rentals including the Federal Express and UPS building/facilities, Terminal 2 common use rates and other fees associated with non-signatory airline landing and ramp fees that were included in this category in 2003 through 2007. However, 2008 reporting revenue is included in Airline Rates and Charges. (See Operating Budget Revenue.)

Operating Expenses

Expense changes are as follows:

- ◆ Personnel expenses increased from 2004 to 2013 by \$20.7 million. This equates to an average annual increase of 3.9%. Full Time Equivalent (FTE) positions in 2004 were at 535.4 while FTE positions in 2013 were at 566. This is a direct result of the 2010 Expansion which included a new runway, new Terminal 2-Humphrey, expanded Terminal 1-Lindbergh as well as a number of other facilities.
- ◆ Administrative Expenses had an annual increase of 2.9% as a result of the higher costs related to travel expenses and computer software.
- ◆ Professional Services increased 2.1% when comparing 2004 actual expenses to the total expenses for 2013. The majority of the increase was related to computer consulting.
- ◆ Utilities increased 4.4% between 2004 and 2013 and reflect the higher costs of natural gas and electricity along with an increase in facilities.
- ◆ Operating Services increased 3.9% between the years 2004 and 2013 due to additional contracts such as the 2013 implementation of the porter service in baggage claim and increases in service agreements.
- ◆ Maintenance increased 6.1% between 2004 and 2013 as a result of additional facilities including Runway 17/35. Contracted maintenance also increased for building mechanical areas, including automated people mover, elevator, escalator and moving walks.
- ◆ Other expenses decreased 0.9% primarily as a result of less liability insurance costs when annualized between the years 2004 and 2013.

**Minneapolis-St. Paul
 International Airport Terminal 1-
 Lindbergh**



2012

1963

Facility Expansion Lindbergh and HHH				
	<u>2004</u>	<u>2014</u>	<u>Increase</u>	<u>% Increase</u>
Lindbergh & Regional				
Terminal Square Footage	2,649,413	2,841,143	191,730	7.2%
Number of Gates (Aircraft Loading Positions)	117	114	-3	-2.6%
Ramp Lineal Footage	11,172	11,179	7	0.1%
Humphrey Terminal				
Square Footage	388,428	594,483	206,055	53.0%
Number of Gates	8	10	0	0.0%
Parking (All Facilities)	18,171	21,997	3,826	21.1%

The chart above compares the development and expansion of the major facilities at MSP International Airport between 2004 and 2014. The significance of this growth impacts both revenue and expenses. (The decrease in the number of gates in 2014 is due to a reconfiguration of the area to accommodate the size of the jets.) New facilities occupied by tenants will continue to generate additional income. Expenses include maintenance (both labor and materials), repairs, utilities, security and administrative costs. All sections of MAC are impacted by changes in facilities.

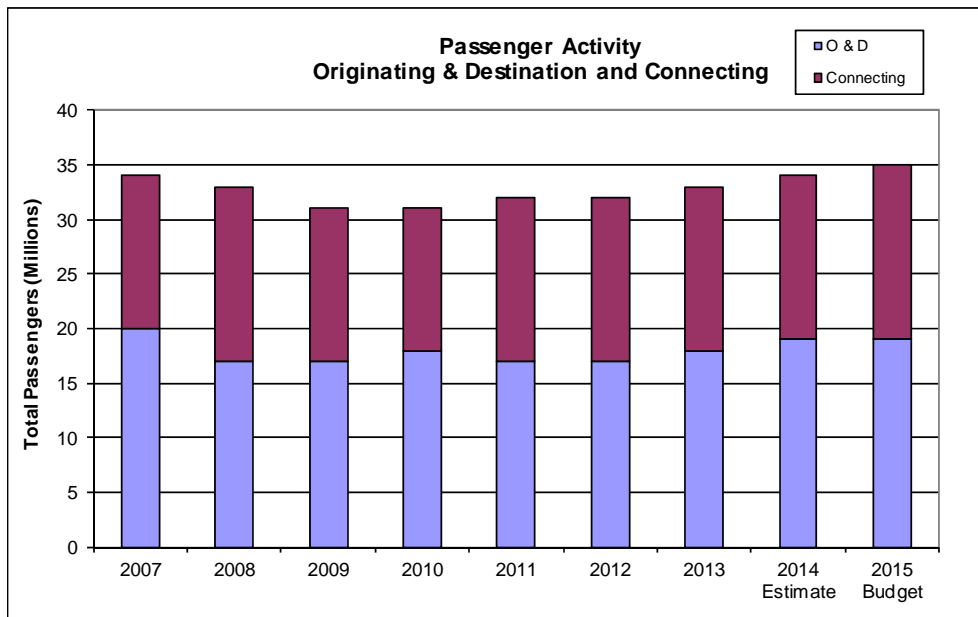
The following table identifies major new facilities that have been completed since 2005.

Major New Facilities Completed 2005 through 2014			
<u>New Facilities</u>	<u>Closing Date</u>	<u>New Facilities</u>	<u>Closing Date</u>
17/35 Runway	2005	Concourse G Expansion Site Preparation	2011
Fire Station No. 1	2005	Taxiway C Extension to HHH Remote	2011
North Terminal Expansion	2006	Lindbergh Sprinkle System - Phase 4	2011
Runway 4/22 Tunnel	2006	FAA Building Upgrades	2011
Trinity School Acquisition	2006	2008/2012 Part 150 Noise Sound Insulation Prog	2012
HHH Terminal Projects	2006	Terminal 2 Phase A Security Check Pt	2012
Lindbergh Terminal EDS Bldg. Shell	2006	Terminal 2 Fuel Facility Relocation	2012
Taxiway CD Phase 3	2007	Terminal 1 Folded Plate Drain Roof Repair	2012
In-line Baggage Screening System	2007	Perimeter Fence Security Improvement	2012
Runway 12R/30L Reconstruction Segment 2	2007	Terminal 1 Jet Bridge Replacements	2012
St. Paul Airport Runway Improvements	2008	Lindbergh South Baggage Screening – Phase 2	2013
HHH Terminal Parking Expansion	2008	IT Data Center Facility – Phase 1 & 2	2013
St. Paul Airport Runway Safety Area	2008	Terminal 2 – Apron Expansion	2013
Perimeter Fence/Gate Barrier System	2008	I-494/34 th Ave. Interchange (Diverging Diamond)	2013
St. Paul Airport-Dike Excavation	2008	Concourse G Roof Replacements	2013
Runway 12L/30R Reconstruction - Segment 2	2009	North Side Storm Sewer (Ponds 3 & 4)	2013
North/South Runway-Bloomington Land Acquisition	2009	Post Road Fuel Farm Fire Protection Improvement	2013
HHH Terminal Parking Facility Expansion	2009	Conveyance System Upgrades	2013
St. Paul Airport - Flood Protection: Perimeter Dike	2009	2014 Pavement Rehabilitation-Aprons	2014
Lindbergh Sprinkle System - Phase 3	2009	Terminal 1-Checked Baggage Inspection system	2014
MUFIDS Phase 2	2010	Terminal 1-Bag Claim Fire Protection System	2014
Lindbergh Terminal Carpet	2010	Terminal 2-Auto Rental Facility	2014
HHH Skyway Expansion	2010	2012iVISON Projects (CCTV) Phase 1&2, Camera Replacements	2014
Flying Cloud Airport -Runway 10R/289L Extension	2010		
2008/2009 Part 150 Noise Sound Insulation Prog	2010		

Note: Lindbergh=Terminal 1 HHH=Terminal 2

Activity/Operations Statistics

This section contains the historical and forecasted levels of activity for the period 2007 through 2015 in the MAC’s system of airports.



The above chart illustrates passenger activity that occurred at MSP International Airport during the time period 2007 to 2015.

- 2007 - Reduction in flights by MAC’s major carrier due to bankruptcy in 2006. (Record high of 36.7 million passengers was in 2005)
- 2008 - 1.1 million decline in passengers as Northwest, the major carrier, merged with Delta
- 2009 - Worst recession since the Great Depression yielded 1.6 million less passengers
- 2010 - Minor increase in passengers (Southwest Airline activity)
- 2011 - Minor increase in passengers
- 2012 - Minor increase in passengers
- 2013 - Increase in passengers as economy improves
- 2014 - Increase in passengers due to a stronger economy
- 2015 - Budget projecting an increase in passenger activity of 2% over 2014 estimates based upon airline projections and a recovering economy

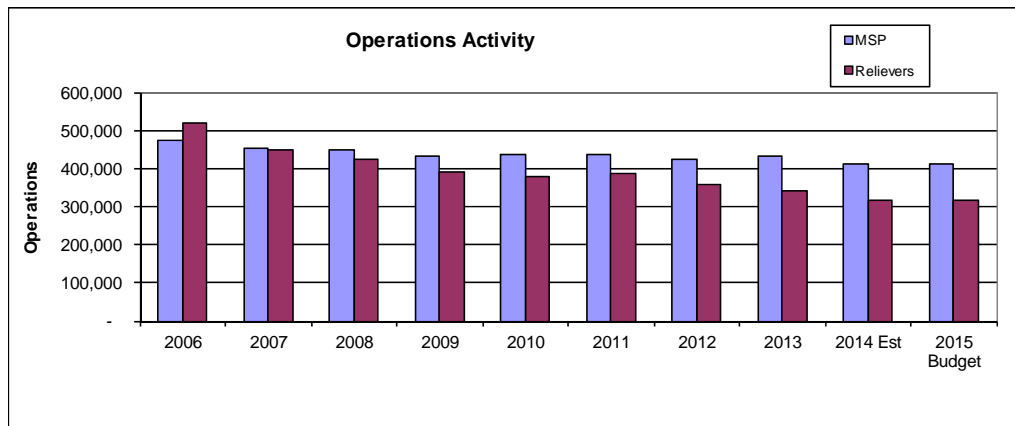
Passenger Type	2011 <u>Actual</u>	2012 <u>Actual</u>	2013 <u>Actual</u>	2014 <u>Estimate</u>	2015 <u>Budget</u>
Enplaned	8,676,764	8,667,889	8,929,724	9,293,714	9,479,588
Deplaned	8,709,549	8,698,441	8,957,947	9,367,016	9,554,356
Connecting	<u>14,590,850</u>	<u>14,704,298</u>	<u>14,880,428</u>	<u>15,418,190</u>	<u>15,726,554</u>
Total Passengers	<u>31,977,163</u>	<u>32,070,628</u>	<u>32,768,099</u>	<u>34,078,920</u>	<u>34,760,498</u>

Estimates of passenger activity form an important element in forecasting revenue each year. The above chart represents actual passenger statistics for 2011, 2012 and 2013 with estimates for 2014 and budget 2015. The following categories are each used in a specific manner when calculating revenue:

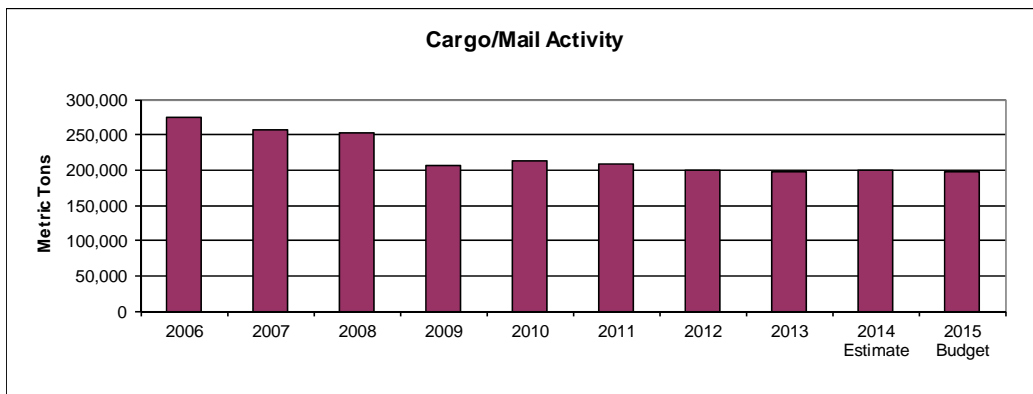
- ◆ Enplaned (originating) passengers plus connecting passengers are used in forecasting most concession revenue.
- ◆ Deplaned (final destination) passengers are used in the process of estimating auto rental revenue.
- ◆ Enplaned (originating) passengers, excluding connecting, are used in estimating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



Delta Air Lines Operations at Terminal 1-Lindbergh



The Operations Activity chart depicts the total Operations Activity for both the Reliever Airports and MSP International. An operation represents one takeoff or landing. MSP operations have steadily declined as shown above as a result of airline bankruptcies, acquisitions, the recession and aircraft size. The 2015 budget is based upon prior year operations as airlines are flying larger aircraft with greater seating capacity.



The Cargo/Mail Activity Chart points to a steady decrease in activity from 2006 through 2009 as a result of shipments made via truck or rail due to costs and security, bankruptcy issues and the economy. The budget for 2015 remains consistent with prior year activity.



Parking Rules Were Enforced at Wold-Chamberlain Field in 1951

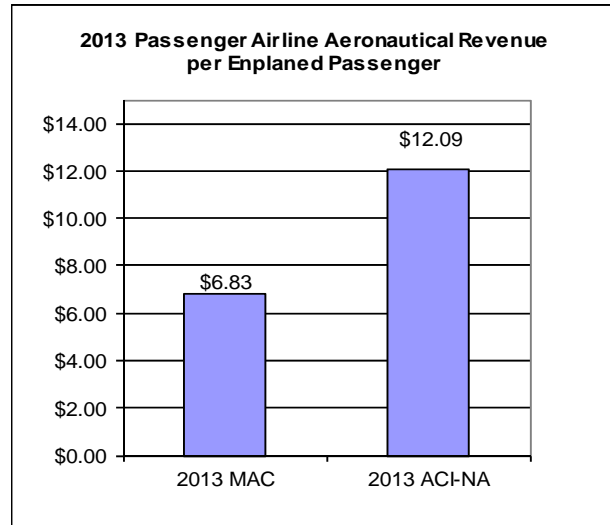
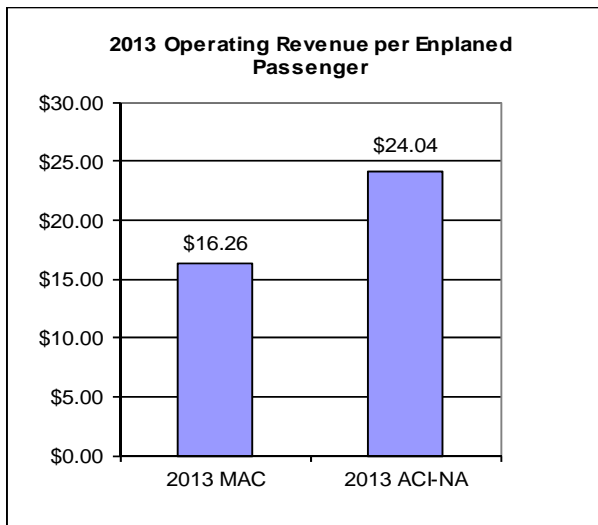
National Comparisons

The information presented in this section was obtained from the national airport survey prepared by Airports Council International-North American (ACI-NA) dated September 2014. This survey grouped hub airports into three categories: large, medium, and small. MSP is considered a large hub airport.

The following two subjects are addressed: Industry Revenue Comparisons
 Industry Comparisons – Other

Industry Revenue Comparisons

Revenue per Enplaned Passenger and Concessions Revenue are reviewed in this segment. The following charts compare MAC’s Revenue with ACI-NA survey results for 2013:

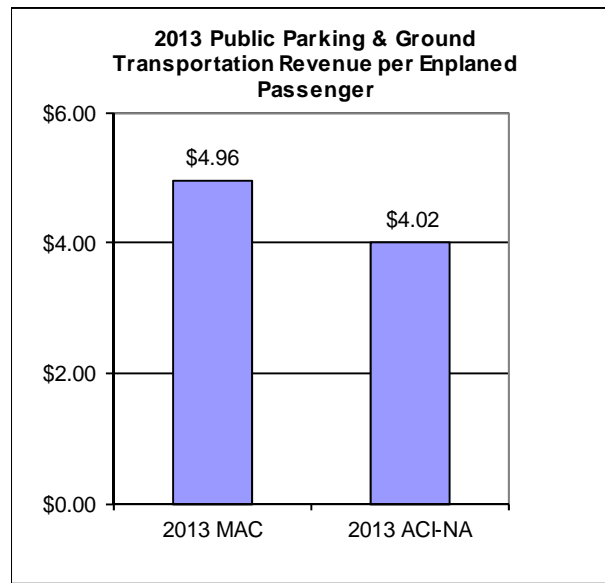
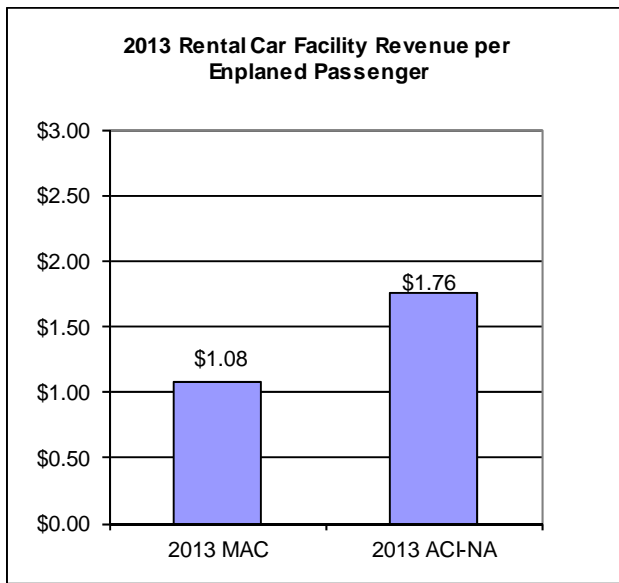


Operating Revenue per Enplaned Passenger compares MAC’s revenue of \$16.26 per enplaned passenger to other large hub airports of \$24.04. The difference is primarily attributable to MAC’s lower operating costs as these costs are used to calculate airline rates and charges.

Passenger Airline Revenue per Enplanement Passenger in the above chart measures how much airlines pay the airport on a per enplaned passenger basis. Cargo revenue is not included. This ratio is below the median by \$5.26/enplanement (\$12.09 ACI-NA survey less \$6.83 MAC). The primary reason for this difference is MAC’s lower operating costs. In addition, the Third Amendment for the airlines established a concessions credit which also lowers the airline cost. The amended Airline Use Agreement (due to airline bankruptcies) allows for a change in rate methodology, lease adjustments, etc. (See Budget Process and Budget Message sections for details.)

2015 Budget Concession Revenues (\$ = 000)							
Year	Parking	Rental Car & Ground Transportation	Food & Beverage	General Merchandise	MSP Employee Parking	Other	Total
2010	63,682	19,616	12,957	8,028	2,469	5,752	112,504
2011	66,612	22,246	13,398	8,373	2,578	5,585	118,792
2012	72,621	22,574	13,808	8,607	2,929	5,860	126,399
2013	76,569	23,133	14,743	8,489	2,414	5,973	131,321
2014 Est	81,000	23,200	15,700	8,300	2,900	5,100	136,200
2015 Budget	87,776	22,770	16,007	8,567	3,152	6,690	144,962

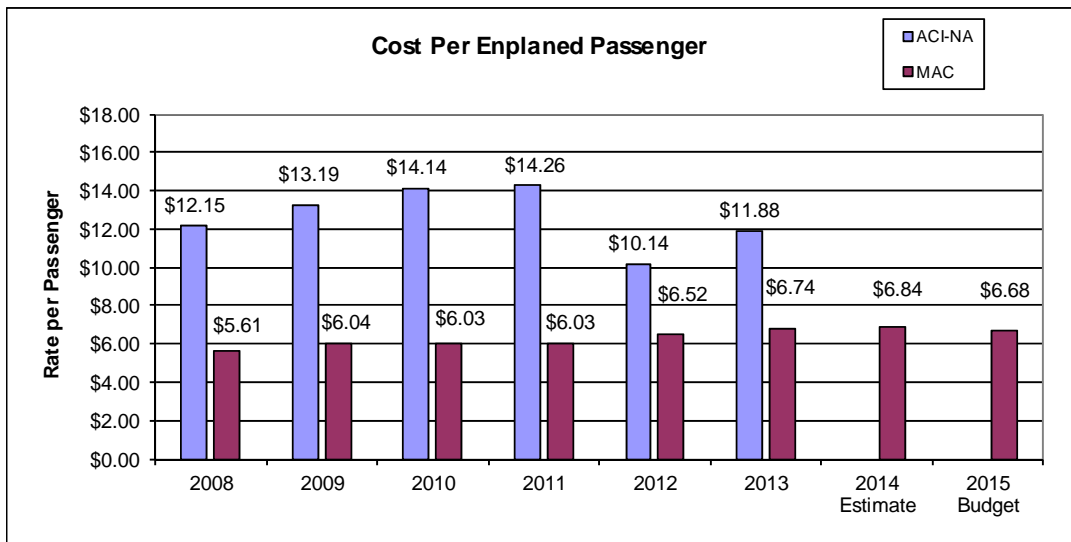
The above table presents historical concession revenues from 2010 to 2013, estimate for 2014 and the 2015 budget. (Please see Operating Budget Revenue for additional details.)



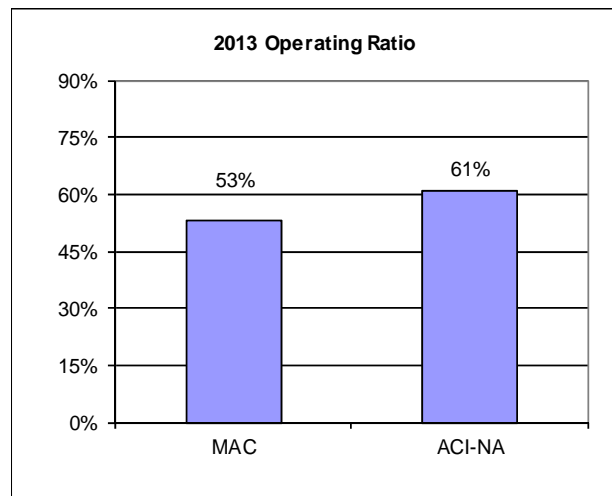
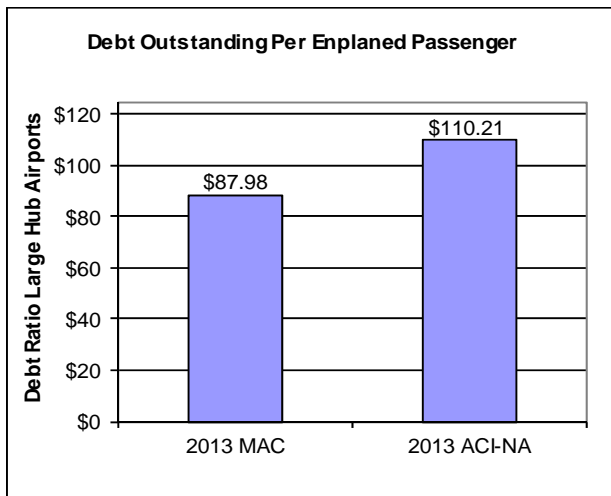
The above two charts represent MAC's comparison with other large hub airports for Parking and Ground Transportation and Rental Car Facility. MAC, in 2013, is higher than the national average for parking and ground transportation by \$0.94. However, MAC is lower in generating revenue from rental car facilities by \$0.68.

Industry Comparisons - Other

The following section compares MAC to industry performance ratios. These ratios are based on 2013 financial and operating data (the most recent available) and have been used for purposes of comparison. All MAC data is based upon actual 2013 information.

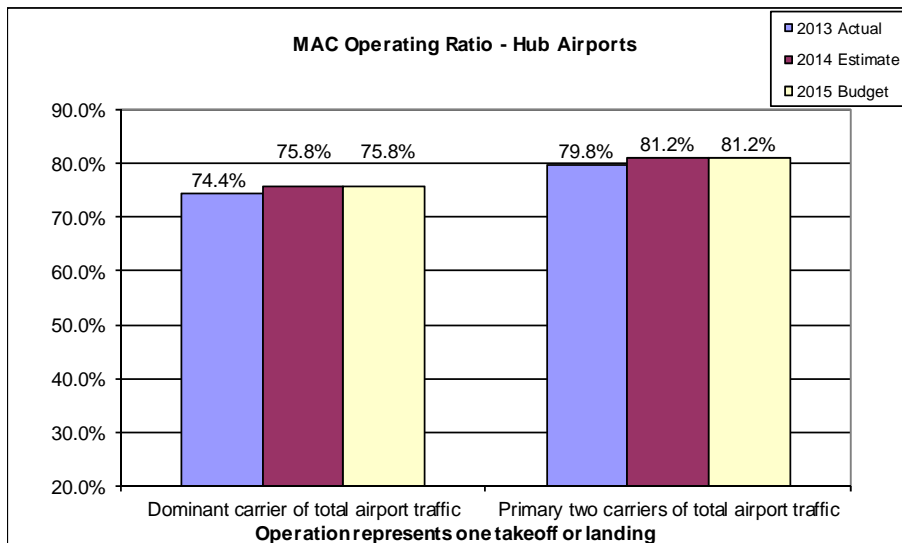


This chart, Cost per Enplaned Passenger Comparison, historically compares MSP's operating expenses for airlines in the airfield, ramp, terminal buildings and international facilities per enplaned passenger to the average cost per enplaned passenger as indicated in the ACI-NA report. In 2013, MAC's expense of \$6.74 per passenger (which is in the lower third of large hub airports) is less than the 2013 national average of \$11.88 and is attributable to MAC's lower operating costs.



Debt per enplaned passenger is calculated by dividing total outstanding General Airport Revenue Bond (GARB) debt by the number of enplaned passengers. The above chart uses the average for Debt per Enplaned Passenger as published by the ACI-NA for large hub airports. MAC’s ratio of debt/enplaned passenger is below the industry average due to bond refundings.

The 2013 Operating Ratio is calculated by dividing total operating expenses, excluding depreciation, by total operating revenues. MAC’s operating ratio indicates that operating expenses are a higher percentage of the total operating revenue than the average. This difference is partly attributable to the manner in which other airports account for long-term leases with the airport tenants. Ratios derived from the income statement provide measures of profitability.



The dominant carrier at MSP is Delta Air Lines. The 2015 budget is projecting no change in the Delta percentages from the 2014 estimate. The second largest carrier in 2013 was United Airlines with 5.4% of total airport traffic.

Informative Facts about Minnesota

Minnesota is a dynamic and flourishing state for a variety of reasons. Many Fortune 500 companies are located in the state as Minnesota’s culture promotes financial prosperity. The Minnesota education rate is higher than the national average which reduces the state unemployment rate, increases per capita income and provides the opportunity to choose from many large employers for employment. In addition, the Minneapolis-St. Paul International Airport is ranked among the top airports in a number of areas. Minneapolis-St. Paul International Airport is the only large hub airport in the Metropolitan Statistical Area (MSA) serving scheduled air commerce.

To gain a better understanding of the State of Minnesota, the following information is presented in this section.

- Population
- Employers
- Employment
- Income and Education
- Tourism and Attractions
- Interesting Facts about Minneapolis-St Paul International Airport

Population

POPULATION					
(\$ = 000)					
Calendar	United		Minneapolis	MSA*	MSA
<u>Year</u>	<u>States</u>	<u>Minnesota</u>	<u>St. Paul</u>	<u>as % of</u>	<u>as % of</u>
			<u>MSA</u>	<u>U.S.</u>	<u>Minnesota</u>
2002	287,804	5,017	3,055	1.1%	60.8%
2003	290,211	5,048	3,082	0.9%	60.9%
2004	293,046	5,079	3,112	1.0%	61.0%
2005	295,753	5,107	3,141	1.0%	61.2%
2006	298,593	5,148	3,175	1.0%	61.6%
2007	301,580	5,191	3,172	1.1%	61.1%
2008	304,375	5,231	3,238	1.1%	61.9%
2009	307,007	5,266	3,270	1.1%	62.1%
2010	309,326	5,310	3,356	1.1%	63.2%
2011	311,583	5,347	3,389	1.1%	63.4%
2012	313,874	5,380	3,422	1.1%	63.6%
2013	316,129	5,420	3,459	1.1%	63.8%
2014	318,857	5,457	TBD	TBD	TBD

Source: US Department of Commerce, Bureau of the Census accessed 1/1/2015
 *MSA = Metropolitan Statistical Area

Despite the sometimes frigid weather, Minnesota’s population continues to grow each year. The prior table presents the population for the USA, the State of Minnesota and the MSA. The MSA is composed of 11 counties located in the east-central region of the State and 2 counties in the western portion of Wisconsin. Minnesota, in terms of 2014 population estimates, is the 21st most populous state in the nation. Much of the recent population growth is attributed to immigration and births outnumbering deaths. The state population is made up of 87% Caucasian, 5% African American, 4% Asian and 3% other. Over 60% of Minnesota’s population lives in the Minneapolis-St Paul metropolitan area as shown in the table above.

Employers

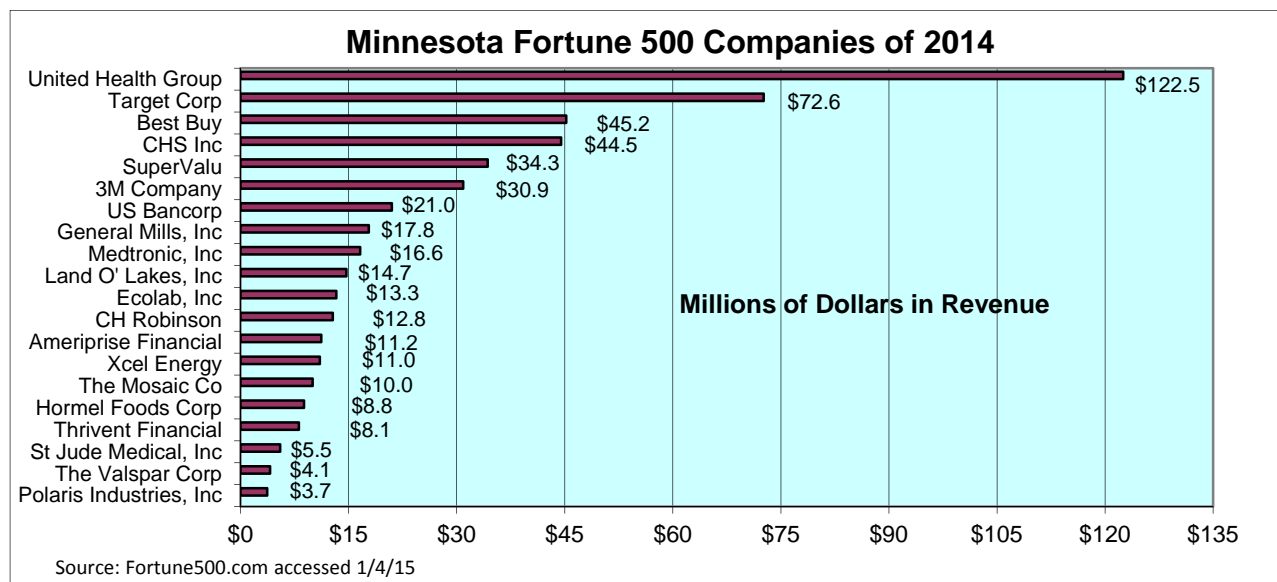
Many large companies are based in Minnesota and reap the benefits of the state’s talent, innovation and trade. In 2014, Mayo Foundation was at the top of the Largest Minnesota Employer list with over 40,000 employees when ranked by number of in-state employees as shown in the following table. State and Federal Governments and Target are close behind in the ranking with over 30,000 employees each.

Minnesota Top 20 Largest Employers

<u>Company Name</u>	<u>Number of Employees</u>	<u>Industry</u>
Mayo Foundation	40,638	Health Services
State of Minnesota	37,076	Governmental Services
United States Federal Government	31,236	Governmental Services
Target Corporation	31,035	Retail Trade
Allina Health System	27,150	Health Services
University of Minnesota	25,680	Education
Health Partners	22,340	Health Services
Wal-Mart Stores Incorporated	21,877	Retail Trade
Fairview Health Services	21,000	Health Services
Wells Fargo Bank Minnesota	20,000	Financial Services
Minnesota State Colleges & Universities	17,579	Education
3M Company	15,894	Manufacturing
United Health Group Incorporated	13,977	Health Services
US Bancorp	11,590	Financial Services
Essentia Health	10,766	Health Services
Delta Air Lines, Incorporated	9,700	Passenger Services
CentraCare Health System	8,610	Health Services
Hormel Food Corporation	8,256	Manufacturing
Best Buy Company Incorporated	8,000	Manufacturing
Medtronic Incorporated	8,000	Medical Technology

Source: Minneapolis St. Paul Business Journal, 2014-2015 Book of Lists

Minnesota hosts many Fortune 500 companies. Overall, the State is home to 20 Fortune 500 companies, representing a wide variety of industries including health services, financial services, retail sales, banking, manufacturing and food processing. The following chart recognizes the Minnesota Fortune 500 Companies of 2014. The top three Minnesota companies are once again United Health Group earning \$122 million in revenue followed by Target Corporation and Best Buy. Furthermore, DEED states that Minnesota also has more than 500,000 small businesses employing 1.2 million people.



Employment

The unemployment rate table reveals Minnesota’s and Minneapolis-St. Paul’s historically low unemployment rates. The State of Minnesota rate was below the national rate for all years shown except 2007 and 2008 when Minnesota hit the highest unemployment rate in 22 years due to a recession from housing, credit and financial markets plagued with turmoil. Also, the unemployment rate for the MSA was lower than the national unemployment rate in every year shown; particularly in 2001 when the other national recession was indicated. In 2010, the unemployment rate began to decline in Minnesota and the MSA but did not decline for the United States until 2011. Through the current year, unemployment continues to drop for the United States, Minnesota and the MSA. According to the Bureau of Labor Statistics, the MSA has the lowest unemployment rate of all large metropolitan areas in November of 2014.

Calendar Year	United States	Minnesota	Minneapolis-St. Paul MSA**
*2001	4.7%	3.8%	3.5%
2002	5.8%	4.5%	4.4%
2003	6.0%	4.9%	4.7%
2004	5.5%	4.4%	4.4%
2005	5.1%	4.2%	3.9%
2006	4.6%	4.4%	3.8%
*2007	4.6%	4.8%	4.4%
*2008	5.8%	6.5%	5.1%
2009	9.3%	7.7%	7.9%
2010	9.6%	7.0%	7.3%
2011	8.9%	5.8%	6.3%
2012	8.1%	5.4%	5.5%
2013	7.4%	4.7%	4.8%
2014	6.2%	3.6%	3.0%

Sources: U.S. Department of Labor, Bureau of Labor Statistics
Minnesota Department of Employment and Economic Development
*Indicates national recession during all or part of the year
**The MSA consists of 13 surrounding counties.

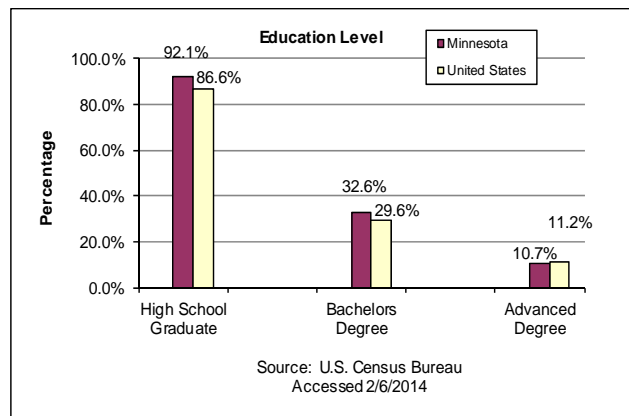
According to the Department of Employment and Economic Development (DEED), more than 190,000 jobs were added over the past four years making Minnesota’s unemployment rate the 5th lowest in the nation driven by economic strength rather than labor force departures. With the Fortune 500 companies, the large number of employers in the state and new jobs added, Minnesota is gaining a larger share of the nation’s economic pie.

Income and Education

The following two charts depict comparisons of per capita personal income and education level.

Year	United States	Minnesota	MSA
2005	\$ 35,447	\$ 37,991	\$ 42,740
2006	37,728	40,015	45,002
2007	39,430	41,764	46,853
2008	40,208	43,037	48,207
2009	38,846	41,223	44,977
2010	39,945	42,847	46,498
2011	41,560	44,560	48,657
2012	43,735	46,925	50,260
2013	44,765	47,500	51,183

Source: Bureau of Economic Analysis, US Department of Commerce



In 2013, Minnesota ranked 13th in the U.S. for per capita personal income. The Minnesota rate increased only .03 percent over 2012 compared to the national average of 1.3 percent but was still 106% of the national average of \$44,765 per the Bureau of Economic Analysis. For every year within the personal income chart above, the MSA’s per capita personal income has been higher than the per capita personal income amount for the nation and the state. This higher per capital personal income leads to higher discretionary disposable income, on average, than others throughout the State and the nation and relates positively to the demand for air travel.

Education is important to Minnesotans. As depicted in the education chart above, the state has a well-educated workforce with 92.1 percent high school graduates, compared to 86.6 percent throughout the United States and almost a third with bachelor’s degrees compared to 29.6 percent for the United States. Furthermore, the number of Minnesotans with advanced degrees is just shy of the national average. Post-secondary education opportunities in the MSA include a variety of institutions including a number of public universities, private colleges and universities, community colleges, technical colleges and post-graduate schools. In addition, several proprietary schools offer trade and technical training in the MSA. Minnesota is in a good position to be competitive.

Tourism and Attractions

The Minneapolis-St Paul area has numerous tourist attractions as well as local activities described below:

- Home to the nation’s largest shopping center and entertainment complex, the Mall of America (MOA), receives over 40 million visitors per year and brings to the State of Minnesota nearly \$2 billion annually.
- Nationally renowned cultural organizations including the Guthrie Theater, Children’s Theater Company, Minnesota Orchestra, St. Paul Chamber Orchestra, Minnesota Opera, Walker Art Center, Minneapolis Institute of Arts and Minnesota Museum of Art.
- The State Theater, Orpheum Theatre and Ordway Music Theatre are host to Broadway shows as well as other cultural events.
- Six major professional sports teams include: Minnesota Twins baseball team, Minnesota Vikings football team, Timberwolves basketball team, Minnesota Lynx women’s basketball team, Minnesota Thunder soccer team and Minnesota Wild hockey team.
- University of Minnesota Gophers participate in the Big Ten Conference in a number of sports including basketball, hockey, football and soccer. Fourteen of Minnesota’s Big Ten athletes participated in the Winter Olympics in Sochi 2014.
- Minnesota, with its more than 10,000 lakes and 136,000 acres of parks, trails and wildlife management areas, is known for its wide variety of outdoor activities such as sailing, fishing, skiing and hunting.
- Popular local activities in Minnesota include the following annual events: Minnesota State Fair, Minneapolis Aquatennial and St. Paul Winter Carnival.

Interesting Facts about Minneapolis-St. Paul International Airport

Historical Facts

- In 1914, Snelling Speedway, an auto racing venue, was an unsuccessful venture. The Minneapolis Aero Club acquired the property which became what is known today as the Minneapolis-St. Paul International Airport.

Arial view of



Snelling Speedway

- In 1920, the first hangar, a wooden structure, was constructed to accommodate airmail service. The 160-acre property became known as Speedway Field.
- In 1923, Speedway Field was re-named Wold-Chamberlain Field in honor of two local pilots, Ernest Wold and Cyrus Chamberlain, who lost their lives in combat during World War I.



Dedication of Wold-Chamberlain Field on July 10, 1923

- In 1926, Northwest Airways won the government’s airmail contract and acquired the airport’s only hangar.



St. Paul Downtown Airport Terminal Building – Year 1939

- In 1970, the movie “Airport” was filmed partially at MSP airport. Burt Lancaster, Dean Martin, Jean Seberg and Jacqueline Bisset starred in the movie.

Current MSP Information

- The MSP Airport Surveillance radar sweeps the sky once every 4.8 seconds.
- Runway 17/35 and its taxiways contain enough concrete to build a sidewalk from Minneapolis to New Orleans.
- Runway 12R-30L is 10,000 feet long by 200 feet wide, which equates to two million square feet of concrete. The MAC runway snow removal team can clear the runway of snow in less than ten minutes.
- MSP operates one of the nation’s most extensive airport noise mitigation programs. Between 1992 and the present, the Commission has insulated 14,871 single-family homes and multi-family units at a total cost of approximately \$318.7 million.
- The 53,000 kilometers of fiber cable installed on the property of the Commission could circle the world just over two times.
- Minneapolis-St. Paul International Airport encompasses approximately 3,300 acres. Turf areas, which account for more than one-third of that total, require extensive maintenance by the Field Maintenance crew.

Airport Activity

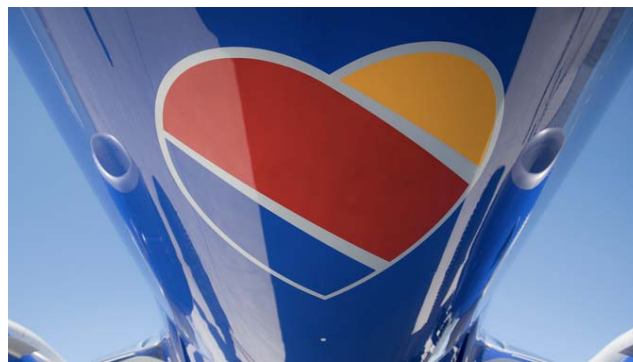
The passenger traffic at MSP is affected by the region’s economic profile. For example, the amount and type of commerce in the region may affect the level of business travel to and from MSP or the amount of personal income in the region may affect the level of discretionary travel from MSP.

2013 Ranking of U.S. Airports (for the 12 months ended December 31, 2013)					
Total Passengers ¹ (in thousands)			Total Cargo ¹ (Freight and Mail, in thousands of metric tons)		
Rank	Airport	Passengers	Rank	Airport	Cargo
1	Atlanta	94,431	1	Memphis	4,138
2	Chicago	66,777	2	Anchorage	2,421
3	Los Angeles	66,668	3	Louisville	2,216
4	Dallas/Fort Worth	60,471	4	Miami	1,945
5	Denver	52,556	5	Los Angeles	1,747
15	Seattle	34,827	26	Detroit	216
16	Orlando	34,769	27	Portland	199
17	Minneapolis-St. Paul	33,892	28	Minneapolis-St. Paul	197
18	Detroit	32,390	26	Winnipeg	173
19	Philadelphia	30,504	27	Orlando	171
20	Boston	30,236	28	Salt Lake City	166
21	New York	26,722	29	San Diego	149

¹ Sum of enplaned and deplaned volume.
 Source: ACI, 2013 North American Traffic Report.

MSP is one of the highest-activity airports in the United States. Approximately 50% of the passengers were connecting while the other 50% were origin-destination. Over the past years MSP has slid from 9th place in 2002 to 17th place in 2013 as a result of airline bankruptcies, mergers and a decline in air travel creating a reduced passenger level.

When ranked with total cargo, MSP placed 28th in the U.S. for 2013. The cargo volume is expected to remain the same for 2014 estimated and 2015 budget, a trend similar at other airports. Cargo revenues help to support the viability of scheduled passenger flight operations at MSP as a portion is carried in the belly compartments of passenger flights.



Southwest Airline’s New Underbelly Paint Scheme

The following table indicates the air carriers providing service at the MSP airport. As of September 1, 2014, the airport was served by 29 air carriers, including 19 US-flag carriers providing scheduled service, six all-cargo service carriers and four foreign-flag carriers.

Minneapolis St. Paul International Airport Air Carriers Serving the Airport ¹ As of September 1, 2014		
US-Flag Carriers		
Air Wisconsin ^{**2}	Endeavor ^{**5}	SkyWest ^{**2,5}
Alaska [*]	Express Jet ^{**2}	Southwest [*]
American ^{**3}	Frontier [*]	Spirit [*]
American Eagle ^{**3,4}	Great Lakes [*]	Sun Country [*]
Chautauqua ^{**2}	Republic Airlines ^{**6}	United [*]
Compass ^{**5}	Shuttle America ^{**2,5}	US Airways ^{**3}
Delta ^{**}		
Foreign-Flag Carriers		
Air Canada Jazz ^{**}	Condor [*]	Icelandair [*]
Air France [*]		
All-Cargo Service		
ABX Air ^{**8}	Bemidji ^{**}	Mountain Air Cargo
Atlas Air Cargo ^{**8}	FedEx ^{**}	UPS ^{**}

* Signatory to Airline Lease Agreement that expires on December 31, 2015

** Signatory to Airline Lease Agreement that expires on December 31, 2020.

¹ Excludes carriers reporting fewer than 1,000 enplaned passengers per annum. Does not indicate which major air carriers codeshare with each other.

² Codeshare with United.

³ Effective December 9, 2013, AMR Corporation, along with its subsidiaries American Airlines and American Eagle, merged with US Airways Group, Inc. American Airlines and US Airways will continue to operate as separate airlines until their operations have been fully integrated, which is expected to take 18 to 24 months.

⁴ Codeshare with American.

⁵ Codeshare with Delta.

⁶ Codeshare with US Airways.

⁷ Codeshare with Frontier.

⁸ Provides air service to DHL.

⁹ Former name Air Canada.

Source: Metropolitan Airports Commission Bond Book dated September 10, 2014

In addition to the above air carriers, the Air Force Reserve 934th Tactical Airlift Group, the Marine Air Reserve Training Detachment and the Naval Air Reserve-Twin Cities Center are three branches of the US Armed Forces represented at the Airport. Also, the Minnesota Air National Guard 133rd Tactical Airlift Group is located at the Minneapolis-St Paul International Airport.



New Paint on Spirit Airline's A319-132

4DX – Four Disciplines of Execution. A practical management process which helps the team to define their most important goals that help to achieve the organization's strategic plans.

AA – Affirmative Action

AAAE – American Association of Airport Executives

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

ACI-NA – Airports Council International – North America

ACRP 74 – Airport Cooperative Research Program Report 74

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

ADA – American with Disabilities Act

ADO – Airport Director's Office

AED - Automated External Defibrillator

AETRA – An airport customer satisfaction benchmarking program. (Not an acronym – derived from the Latin word for clear sky, upper sky.)

AFD - Airport Fire Department

Agreement (The) – The Airline Agreement which expires on 12/31/15 for most airlines (Northwest/Delta, Mesaba and Air Canada expires 2020.) This Agreement is the basis for airline rates and charges primarily the landing fee, ramp fee, carousels and conveyors, terminal building rates and the noise surcharge.

Agreement (The) Third Amendment – This was an amendment to the Airline Agreement approved in 2007 by all carriers. Major components of this amendment include converting the rate methodology from Depreciation and Interest to Debt Service and also incorporating a portion of the concessions (25% of Food & Beverage, Retail, News and On Airport Auto Rental revenues to MAC up to a maximum of \$32.3 million escalated annually) as a rebate to Lindbergh and Humphrey Terminal tenants.

AIP Entitlements – Funding available under the FAA's Airport Improvement Program (AIP). Entitlement grants are based on the number of enplaning passengers and landed cargo weight.

AIP Grants – Noise – Funding available under the FAA's Airport Improvement Program (AIP). Environmental Mitigation Projects are discretionary grants that are approved on a project by project basis.

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

ALEAN - Airport Law Enforcement Agency Network

AFB – American Federation of the Blind

AMSS – Airport Message Sending System

ANE – Anoka County-Blaine Airport

ANOMS – Airport Noise and Operations Monitoring System

AOA – Airport Operations Area

AOEE - Assessment of Environmental Effects

APD – Airport Police Department

APM - Automated People Mover

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

ARFF - Aircraft Rescue Fire Fighting

ASIG – Aircraft Service International Group

ASQ - Airport Service Quality Program

AST - Above Ground Storage Tank is a tank that stores liquid substances (i.e. jet fuel, glycol, diesel fuel) above ground.

ATCT – Air Traffic Control Tower

AVI – Automated Vehicle Identification is a system which uses radio frequency identification to identify a vehicle by reading a small tag mounted on a vehicle windshield.

Balanced Budget – Refers to Budgeted Operating Revenue equal to Budgeted Operating Expense plus depreciation.

BDO - Behavioral Detection Officer

BIDS – Baggage Information Display System

BMI – Body Mass Index

Bonds – A formal promise to pay a specified principal at a certain date in the future along with periodic interest on that principal at a specified rate per period.

CAD – Computer Aided Design is a software program which designs three-dimensional objects.

CAFR – Comprehensive Audited Financial Report

Capital Equipment – Represents equipment with a cost of at least \$10,000 which will be depreciated.

Capital Expenditure – Refers to a project or piece of equipment that will be depreciated over its useful life (\$10,000 minimum cost).

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

Capitalized Interest – Interest costs incurred from date of capital project commencement through date of beneficial occupancy (substantial completion).

CCTV – Close Circuit Television

CDC – Center for Disease Control

CFC – Customer Facility Charge is an on-airport rental car assessment to recover the rental car portion of capital costs associated with construction of the auto rental/public parking garage located adjacent to Terminal 1 as well as to recover certain maintenance costs relating to the auto rental facilities.

CFR – Code of Federal Regulations

CMAA – Commercial Management and Airline Affairs

CMMS – Computerized Maintenance Management System - A software system used to manage assets and to track asset maintenance. A database of information relative to an organization's maintenance operations including work orders, repair history and life-cycle costs.

CMS – Content Management System is a computer program which allows publishing, editing and modifying content as well as maintenance from a central interface. The core function of content management systems is to present information on web sites.

CNN – Cable News Network

Commission – Metropolitan Airports Commission

Commercial Paper – Short-term debt obligation sold with maturity dates of 270 days or less.

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

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

Connecting Passengers – Passengers who transfer to another flight - Mpls.-St. Paul International not being their final destination.

Construction Fund – A special account whose monies are used for capital project expenditures, including consulting fees, at all Commission facilities. (See Construction Budget.)

CSAC – Customer Service Action Council was created in 1999 in response to the State of Minnesota "Quality" initiative. MAC charged CSAC with leadership of its strategic effort to provide world-class, customer oriented air transportation services at MSP.

CSOs – Community Service Officers

CSPI - Customer Service Partnership Initiative is an inter-organizational approach to managing customer service throughout Minneapolis–St. Paul International Airport.

CUPPS – Common Use Passenger Processing System

C.U.S.E. - Common Use System Equipment - used for ticketing and gate use.

C.U.T.E. - Common Use Terminal Equipment - used for ticketing and gate use.

CWN - Comprehensive Well Network is a network of wells (on the down-gradient perimeter of MSP) where groundwater quality and elevation data are collected.

DBE - Disadvantaged Business Enterprise

DCS – Departure Control Systems is an automated passenger and baggage check-in system used by airports.

Debt Service – Represents issuer's obligation to repay the principal and interest.

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

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

Defeased – Refers to Bond Refundings where the old debt is replaced by a new debt schedule - in most cases at a lower interest rate.

Deficit – Represents the negative difference between operating revenues less operating expenses (including depreciation).

Depreciation – The accounting process of allocating against periodic revenue the cost expiration of tangible plant, property and equipment over their useful lives.

Derivative Financing Products – A transaction or contract whose value depends on or, as the name implies, derives from the value of underlying assets such as stock, bonds, or mortgages. One party with exposure to unwanted risk can pass some or all of the risk to a second party. The first party can assume a different risk from a second party, pay the second party to assume the risk, or as is often the case, create a combination. Derivatives are normally used to control exposure or risk.

DHS - Department of Homeland Security

DMR – Discharge Monitoring Report

DNL - Day Night Noise Level

DOG – Department Operating Guidelines

DOT – Department of Transportation – FY05 Omnibus DOT Appropriation

DPPA – Drivers Privacy Protection Act

DTC – Drivers Training Center

DTN – Data Transmission Network Corporation

E-1 – (E1) Enterprise One is a software product used by the MAC to handle administrative and financial functions ranging from accounting general ledger to personnel to purchasing to lease management.

EA – Environmental Assessment

EAW – Environmental Assessment Worksheet

ECC – Emergency Communications Center

ECP – Environmental Compliance Program

EDC – Explosive Detection Canine

EDS – Explosive Detection Systems - Machine which scans baggage for explosives.

EMC – Energy Management Center

EMS – Emergency Medical Services

Encumbered – Refers to the fact that funds have been committed for payment for goods or services.

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

Enterprise Fund – The cost (expenses including depreciation) of providing goods or services to the general public on a continuing basis is to be financed or recovered primarily through user charges. That is, operating and capital expenses are paid from revenues generated by users.

EOD – Explosive Ordinance Disposal

eparkElite –Voluntary program offering public parkers at MSP Airport a guaranteed parking space no matter the availability status of airport parking facilities.

EPA – Environmental Protection Agency

ESRI – Environmental Systems Research Institute

EVIDS – Electrical Visual Information Display System includes various kinds of electronic displays operated by the Commission which include MUFIDS displays, digital directories, LED signs over the ticket counters and the variable message displays which are programmed to show a message.

Exclusive Use – Space rented to a specific airline.

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

FAA – Federal Aviation Administration

FAA Regulation Part 36 – This regulation deals with noise standards, aircraft type, worthiness and certification.

FAA Regulation Part 150 – This regulation: a) establishes a uniform nationwide system of describing aircraft noise and noise exposure on different communities; b) describes land-use compatibility for the guidance of local communities; and c) provides technical assistance to airport operators and other governmental agencies to prepare and execute noise compatibility planning.

F&A Committee – Finance and Administration Committee composed of Commissioners meeting on a monthly basis (This Committee is one of the three standing Committees).

F&A – Finance & Administration

FCM – Flying Cloud Airport

FCMS – FlexiPark Central Management System

FIDS – Flight Information Display System

FIS – Federal Inspection Services

FOD – Foreign Objects/Debris

FONSI/ROD – Finding of No Significant Impact/Record of Decision

FTE – Full Time Equivalent – term referring to employee headcount

Fuel Storage Facility – Operated by Airline Consortium and used to provide fuel to the airlines.

Funds – Refers to the Commission's three funds segregated for accounting purposes – Operating, Debt and Construction.

Fund Balance – A fund balance is assets minus liabilities in a fund at a given point in time. A positive fund balance means assets exceed liabilities; a negative fund balance means just the opposite. Fund balance can be complicated by the fact that part of the fund balance is reserved and part unreserved. The difference between reserved and unreserved is that the unreserved can potentially be authorized for future expenditures while the reserved cannot. Additionally, the fund balance is a residual and not necessarily a cash amount.

Fund Equity – Fund equity is a generic term referring to what is left after all the liabilities have been taken care of or paid with all the assets. In government, the term fund balance is more often used. Fund equity, while conceptually the same as fund balance, is usually reserved for funds in government that are operated on a business or accrual basis.

GA – General Aviation

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

GASB 34 – Basis of Account – Effective January 1, 2002, the Commission adopted GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments; Statement No. 37, Basic Financial Statements – Management's Discussion and Analysis for State and Local Governments: Omnibus; and Statement No. 38, Certain Financial Statement Note Disclosures (GASB Statement No. 34). These statements establish comprehensive, new financial reporting requirements for governmental units. Under GASB Statement No. 34, the Commission is considered to be a special purpose government unit engaged primarily in business type activities (BTA). As a BTA, the Commission prepares its financial statements using the accrual basis of accounting and the economic resources measurement focus.

General Airport Revenue Bonds (GARBs) – These bonds are secured by the pledge of all operating revenues of the Commission subject to the prior pledges of such revenues for payment of General Obligation Revenue Bonds.

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

General Obligation Bonds (GORBs) – General obligations of the Commission. Payments of these bonds are secured by the pledge of all operating revenues of the Commission. The Commission has the power to levy property taxes upon all taxable property in the seven-county Metropolitan Area in order to pay debt service on outstanding General Obligation Revenue Bonds.

GHG – Green House Gas

GIS – Geographic Information System

GISW – Glycol Impacted Storm Water management

GPS – Global Positioning System

GPU – Ground Power Unit

HFI – Helicopter Flight, Inc.

HHH Terminal – Hubert H. Humphrey Terminal – The Commission's Common Use Terminal housing international, domestic scheduled and charter flight activity. Now called Terminal 2-Humphrey.

HMMH – Harris, Miller, Miller & Hanson

HQ – Headquarters

HRD – Human Resource Development

HRIS – Human Resources Information Systems

HT – Humphrey Terminal

HVAC – Heating, Ventilating and Cooling System

IAF – International Arrivals Facility

IATA – International Air Transport Association

ICAO – International Civil Aviation Organization

IMLA – International Municipal Lawyers Association

Imputed Interest – This rate is essentially a weighted average of all outstanding bond issue interest rates. It is used in the determination of various rates.

Infield Area – An area constructed for parking or maintenance by cargo companies. Currently occupied by Federal Express and UPS.

IS – Information Services

Issuance Costs – Represents costs associated with issuing debt. These include, but are not limited to, underwriter fees, consultant fees and bond insurance.

IT – Information Technology

iVISON – integrated Video Systems Network (enhanced situational awareness for the airport community). In general, this is a major upgrade of all CCTV (closed circuit TeleVision) network, cameras and systems across MSP.

JAZB – Joint Airport Zoning Board

JDE – J. D. Edwards is the company which originally developed and sold EnterpriseOne before that company was purchased first by PeopleSoft and then by Oracle. (See E-1)

K-9 – Unit of the Airport Police Department which uses trained dogs as part of its Narcotics Program.

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

Landing Fees – This fee is charged to all airplanes that land at MSP. The fees are calculated by dividing total field and runway costs by total landed weight. (See Revenue Assumptions section.)

LASAC - Local Air Service Action Council

Lindbergh Terminal – The main terminal where most of the scheduled flights arrive and depart. Also referred to as the "Terminal Building". (This facility was named after Charles Lindbergh.)

Line Items – Refers to specific accounts (line items) within the Commission's accounting system.

LMS – Learning Management System which is a software application for the administration, documentation, tracking, reporting and delivery of education courses or training programs.

Lobby Fees – These fees are a per passenger fee charged to airlines when they use Terminal 2.

LOI – Letter of Intent – Grant program by the FAA. Used for major projects and requires a separate application.

LRT – Light Rail Transit is a transportation service provided by the Metropolitan Council (Metro Transit) which moves persons between Terminal 1 and Terminal 2.

LTCP – Long Term Comprehensive Plan – Global look at the expansion requirements for Minneapolis-St. Paul International Airport.

M&O Committee - Management and Operations Committee composed of Commissioners meeting on a monthly basis (This Committee is one of the three standing Committees).

MAC – Metropolitan Airports Commission

MAC Funds – Amounts generated from operations that the Commission intends to apply toward the cost of the Capital Plan after payment of all operating expenses, debt service and other payment obligations.

MACANOMS – Metropolitan Airports Commission Airport Noise and Operations Monitoring System

MACNet – MAC's Network which is the system of transmission of information across the MAC community.

MACpoint - The Metropolitan Airports Commission's intranet, which is the information, collaboration, and resource hub for its employees.

Maintenance Expense – One of the main expense categories and includes five subdivisions: Trades building, field, equipment and cleaning.

Major Carriers – Those airlines which participate in the Airline Agreement. As of December, 2013, these include Air Canada, Air Tran, Alaska, American, Delta, Frontier, Great Lakes Aviation, Southwest, Sun Country, United and USAir. In addition to these, there are several freight carriers, charter carriers, and commuter carriers that participate in the Airline Agreement.

MALSR – Medium Approach Lighting System with a RAIL (Runway Alignment Indicator Lights)

MAVIS - MAC Automatic Vehicle Information System - This system controls access in and out of MSP Airport parking facilities, taxi and commercial vehicle lanes through the issuance of a valid AVI tag and records entrance and exit times for fee calculation.

MCDDH – Minnesota Commission on the Deaf, Deaf-Blind and Hard-of-Hearing

MCOA - Minnesota Council of Airports

MERF - Minneapolis Employees Retirement Fund

MIC - Crystal Airport

Metropolitan Council – (Met Council) – Metropolitan regional planning agency

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

MnDOT – Minnesota Department of Transportation

MOU – Memorandum of Understanding

MPCA - Minnesota Pollution Control Agency

MSA – Metropolitan Statistical Area

MSGP - Multi-Sector General Permit

MSP or MSP International – Minneapolis/St. Paul International Airport. Refers to the total airport facility.

MUFIDS – Multiple Users Flight Information Display

NIGP – National Institute of Governmental Purchasing

NIMS - National Incident Management System

NOC - Noise Oversight Committee

NOTAMS – Notice to Airmen System - A notice containing information (not known sufficiently in advance to publicize by other means) concerning the establishment, condition, or change in any component (facility, service, or procedure of, or hazard in the National Airspace System) the timely knowledge of which is essential to personnel concerned with flight operations.

NPDES – National Pollutant Discharge Elimination System

NTSB – National Transportation Safety Board

NWA – Northwest Airlines. Northwest Airlines merged into Delta in 2008.

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

O&M – Operating & Maintenance

OAG – Official Airline Guide

OABA - Open Architecture Building Automation

Operating Fund – A special fund used to pay all operating expenses such as personnel, maintenance, utilities, supplies, insurance, miscellaneous and equipment purchases. (See discussion on Operating Budget.)

Operating Services – One of the main expense categories and includes the parking management and contract, shuttle bus, advertising costs, copy agreement, bank charges, pollution control, service contracts, loading dock fees, computer service contracts, storm water monitoring and other charges.

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

OSHA – Occupational Safety and Health Administration

OTG – On the Go concession

Other Expenses – One of the main expense categories and includes general insurance, minor equipment, safety materials and miscellaneous items.

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

OWS – Oil Water Separator

PAM – Public Affairs and Marketing

PAV – Public Access Videophone

PC Air – Pre-Conditioned Air

PCI - Payment Card Industry - Visa, MasterCard, Discover, American Express and smaller card issuing institutions which have created a security standard for safeguarding data that is transmitted to and from their networks.

PD&E Committee – Planning, Development and Environment Committee composed of Commissioners meeting on a monthly basis (This Committee is one of the three standing Committees).

PERA – Public Employees Retirement Association

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

PFC - Passenger Facility Charge – An authorization by Congress which allows proprietors of commercial service airports, such as MAC, to impose a passenger facility charge upon revenue passengers enplaning at those airports. The charge can be set at \$1.00, \$2.00, or \$3.00, \$4.00, or \$4.50. There are exemptions for passengers flying on Essential Air Service flights. The basis for the PFC is to provide needed supplemental revenues to expedite the improvement of airport facilities used by passengers to mitigate noise impacts and to expand airport system capacity. MAC's initial application was approved with charges starting June 1, 1992.

PIDS - Public Information Display Screens

PLM - Pinnacle Learning Manager

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

PSA – Passenger Service Assistant

PSS – Public Safety and Security

RAAC – Reliever Airports Advisory Council

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

RCS - Revenue Control System is a system which controls access in and out of MSP Airport public parking facilities. This system also records entrance and exit times, calculates the fee due based on the applicable rate and then processes and records payment information.

RDC – Regional Distribution Center

Reimbursed Expense – Costs paid by the Commission initially and then billed back to tenants or paid to MAC from other outside sources. (This is recorded in "Other Revenue".)

Reliever Airports – Refers to St. Paul Downtown, Flying Cloud, Crystal, Anoka, Lake Elmo and Airlake Airports. These airports provide facilities for general aviation activity and reduce traffic and congestion at MSP International.

Revenue Bonds – Represent bonds which are paid with an entity's operating revenue generated from rents, fees and charges. (See GARBs.)

RFB – Request for Bid

RFP – Request for Proposals

RFQ – Request for Qualifications

RNAV – Runway Area Navigation

RNP – Required Navigation Performance

RON – Remain Over Night (aircraft parking)

RPZ – Runway Protection Zone enhances the protection of people and property on the ground through airport owner control over areas of incompatible objects and activities. Control is preferably exercised through the acquisition of sufficient property interest in the RPZ.

RSS - Requisition Self Service

SAAC – Secured Area Access Control System

SCAN – Spot, Challenge and Notify – An airport employee watch guard program

SCSU – St. Cloud State University

Scope – Non-traditional or derivative financial products are those products other than traditional long-term fixed rate debt obligations and traditional short-term variable rate products (including variable rate demand obligations, commercial paper and auction rate notes). Such non-traditional financial products include, but are not limited to, “swaps”, “swaptions”, “municipal warrants” and “interest rate caps”.

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

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

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

SIDA – Security Identification Display Area is the portion of the airport, specified in the airport security program, in which security measures specified in 49 CFR Part 1542 are carried out. At MSP this includes the Secured Area and the Air Operations Area.

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

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

SMP – Soil Management Plan

SMP – Sustainability Management Plan

Snow Removal – An expense account under the Maintenance Expense category. All costs associated with removal of snow, with the exception of labor, flow into this account. These costs include materials such as salt, urea, sand and equipment rental used for both hauling and plowing snow.

SOC – System Operations Control

Southwest Cargo Area – An area constructed for parking or maintenance by cargo and airline companies. Currently occupied by Sun Country and various cargo companies.

STAR Program - Steward of Tomorrow's Airport Resources Program

STC – St. Cloud Airport

STP – St. Paul Downtown Airport

Subledger - Commission terminology for grouping expenses from various service centers to determine rates and charges for tenants and users of the MAC facilities.

Subordinated Debt – Debt that is paid after Senior Debt obligations have been met.

Surplus – Represents the positive difference between operating revenues less operating expenses (including depreciation).

SWOT – An analysis that provides information that is helpful in matching the firm's resources and capabilities to the competition.

SWPP – Stormwater Pollution Prevention

TBD – To be determined

Terminal 1-Lindbergh (T1) – Charles Lindbergh Terminal Building has been designated Terminal 1 to provide further direction/information. Also known as Terminal 1.

Terminal 2-Humphrey (T2) – Hubert H. Humphrey Terminal Building has been designated Terminal 2-Humphrey to provide further direction/information. Also known as Terminal 2.

TGB – Targeted Group Business

TSA – Transportation Security Administration

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

Unencumbered – Funds not yet committed for purchase of goods or services.

UPS – Uninterruptible Power supply

UST/AST – Underground Storage Tank/Above Ground Storage Tank

Utilities/Expense – One of the major expense categories. Included in this section are electricity, telephone, water, sewer and fuel. (Fuel includes both natural gas and fuel oil.)

VALE – Voluntary Airports Low Emission

VFD – Variable Frequency Drive – Equipment for facilities monitoring

VIPR – Visual Intermodal Prevention and Response team in which deployments augment existing capabilities to detect and deter potential terrorist activity. TSA uses periodic random deployments that are unpredictable in their timing, location, and types of activities. VIPR teams serve as a visible deterrent in all transportation sectors, including general aviation, buses and mass-transit.

WCA – Wetland Conservation Act

WIGs – Wildly Important Goals. As part of 4DX, each team member is clear about and committed to the few absolute top priorities that define success. The Wildly Important Goal is the one that must be achieved.

WMD – Weapons of Mass Destruction

Wold-Chamberlain Field (WCF) – The airfield itself excluding the Terminal Building. (Named after two local pilots, Ernest Wold and Cyrus Chamberlain, who lost their lives in combat during World War I.

Working Capital – Changes in current assets minus changes in current liabilities.

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