

2016 OPERATING BUDGET



Minneapolis-St. Paul, Minnesota
Metropolitan Airports Commission

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Winning Artwork 2016 Budget Book Cover Contest

2016 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 2016 Budget Book:

Mateo Ralston – Age 11
Son of Neil Ralston – Airport Development



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Mission

To 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 21, 2015

To The Public:

We are pleased to present the 2016 Metropolitan Airports Commission (Commission) Budget which was adopted by the Commission on December 21, 2015. Total Operating Revenue for 2016 is projected to be \$330,353,000 and Operating Expense is \$173,728,000 (excluding depreciation and noise amortization). Non-operating expenses (including non-operating revenue) are budgeted to be \$97,396,000. The approved 2016 budget results in \$59,229,000 of Net Revenues Available for Designation.

In May, 2015 the budget process commenced. Some of the key short term issues that the Commission was faced with in developing the overall targets for the 2016 Operating Budget were:

- Timing and changes in passenger forecasts throughout 2015 and 2016.
- Changes in the state of the economy and the airline industry in 2015.
- Taking over control and maintenance of Concourse G from Delta.
- Investment in Information Technology.

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

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

Mission Statement: To 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 2016 Operating Budget. These targets and their respective budget results are indicated below.

Target 1:	Maintain a Coverage Ratio of 2.4x on Senior Airport Revenue Bonds and an overall Coverage of 1.4x (with transfer).
Result:	3.64x Senior and 1.89x Total Coverage (With Transfer).
Target 2:	Maintain a Six Month Reserve in the Operating Fund.
Result:	A transfer of \$5.0 million will be made to the fund on 1/4/16.
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 Budget shall have the Financial Resources to Operate MAC's System of Airports, meet its Debt Service Obligations, Fund its Reserves and Capital Requirements of the Commission.
Result:	The budget forecasts \$59.2 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
- Key Initiatives by Strategy
- 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 (\$ = 000)	2014 Actual	2015 Estimated	2015 Budget	2016 Budget	2017 Projection	2018 Projection
Sources All Funds						
Total Beginning All Fund Balances ¹	\$ 674,069	\$ 686,799	\$ 685,488	\$ 687,669	\$ 984,697	\$ 688,890
Operating Fund Revenues						
Airline Rates & Charges	111,005	108,775	109,329	113,691	116,500	119,500
Concessions	136,445	146,066	144,963	155,362	159,500	175,000
Other Operating Revenues	50,885	51,040	49,118	61,300	62,000	65,000
Interest Earnings	4,801	6,250	6,000	5,538	6,500	6,700
Other & Self-Liquating Revenue	6,502	6,893	6,616	4,904	4,654	4,902
Transfers in Construction Fund	-	-	-	-	-	-
Transfers in Equipment Financing	3,966	4,185	4,185	3,194	4,000	4,000
Construction Fund Revenues						
PFC Funding	66,905	69,360	68,113	70,400	71,808	73,244
Federal Grants	28,001	10,109	14,225	8,401	4,900	6,350
State Grants	893	2,049	2,400	2,400	2,450	691
Interest Earnings	1,761	3,140	2,200	3,000	3,500	3,500
Bond/Notes Proceeds	23,296	11,737	-	365,975	-	-
Short-Term Funding Program	-	27,000	-	7,500	5,000	-
Other Receipts	22,188	-	-	-	-	-
Transfers In	46,783	46,935	46,614	49,530	59,229	68,700
Debt Fund Revenues						
Interest Earnings	1,870	1,651	557	1,649	1,687	1,701
Bond Proceeds	303,781	0	-	70,044	-	-
Self-Liquidating Payments	0	0	0	0	-	-
Transfers In (PFCs and Garb Require.)	122,260	121,283	121,356	120,798	120,044	139,324
Total All Receipts	\$ 1,605,411	\$ 1,303,272	\$ 1,261,164	\$ 1,731,355	\$ 1,606,469	\$ 1,357,502
Uses All Funds						
Operating Fund Expenses						
Personnel	72,358	75,000	76,400	80,419	82,560	84,757
Administration	1,610	1,650	1,665	1,935	1,974	2,013
Professional Services	4,972	5,400	5,439	6,175	6,299	6,424
Utilities	20,873	18,900	19,147	19,224	19,926	20,655
Operating Services	19,583	22,500	23,966	24,495	25,000	25,551
Maintenance	31,377	33,900	33,656	37,333	38,847	39,785
Other/Insurance	3,325	3,600	3,304	4,147	4,323	4,500
Equipment & Other Capital Expenditures	9,384	10,802	13,483	10,910	11,000	11,500
Transfers Out - Debt	97,252	92,645	93,061	90,684	87,382	106,349
Transfers Out - Equipment Financing	2,638	2,300	2,978	4,408	4,500	4,600
Transfers Out - Construction	46,783	46,935	46,614	49,530	59,229	68,700
Working Capital/Other	-	-	-	-	-	-
Construction Fund Expenses						
Capital Project Costs	126,702	165,492	175,418	268,000	405,737	169,694
Debt Service Reserve	25,767	30,468	30,468	31,604	31,604	30,872
Debt Fund Expenses						
Bond Refundings	330,020	-	-	-	-	-
Bond Principal & Interest Payments	125,968	106,011	106,010	117,794	139,198	138,735
Total All Costs	918,612	\$ 615,603	\$ 631,609	\$ 746,658	\$ 917,579	\$ 714,135
Total Ending All Net Fund Balances	\$ 686,799	\$ 687,669	\$ 629,555	\$ 984,697	\$ 688,890	\$ 643,367

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

Budget Development

As previously indicated, the Commission, in developing targets/guidelines for the 2016 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 and a competitive cost per enplaned passenger especially in light of mandated additional costs, contract increases, utility increases and the takeover of maintenance and operation of the G Concourse. At the start of the budget process in May, passenger activity was showing a year-to-date increase of 2.0 % which was higher than the 1.5% passenger increase budgeted for 2015. Still, the budget was prepared very conservatively from both a revenue and expense view. As the process moved forward, both the economy and passenger projections continued to show improvement. This was especially true for passenger activity as by October passenger traffic had grown year to date to 3.6%.

Controlling expenses was a difficult challenge for staff. The Commission will add 9 new positions in 2016, six of which are related to Information Technology (IT). The Commission conducted an IT study in 2014-2015 and determined that IT staffing was lacking in certain areas and in order to meet the ever changing and increasing demand for technology, the Commission would need to commit more resources to its IT functions. Large increases were also incurred in most areas of operating expenses due to the takeover of the G Concourse from Delta. Contracts were reviewed and, if possible, re-bid. Increases in utilities for the G Concourse and utility rate increases were almost fully offset by the first years' savings from a solar project constructed on top of 2 parking structures at Terminal 1. 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.

The projections for 2017 and 2018 as identified in the previous table, are prepared using passenger growth estimates and inflation forecasts.

Operating Budget

The following table is a summary of 2014 Actual, 2015 Budget, 2015 Estimate and 2016 Budget Revenue and Expenses. This table includes both operating and non-operating items.

2016 OPERATING BUDGET SUMMARY						
(\$ = 000)						
	2014	2015	2015	2016	2015 Estimate vs 2016 Budget Comparison	
	Actual	Budget	Estimate	Budget	Dollars	Percentage
OPERATING REVENUE						
Airline Rates and Charges	\$ 111,005	\$ 109,329	\$ 108,775	\$ 113,691	\$ 4,916	4.5%
Concessions	136,445	144,963	146,066	155,362	9,296	6.4%
Rentals/Fees	34,117	34,298	35,525	46,275	10,750	30.3%
Utilities & Other Revenues	16,768	14,820	15,515	15,025	(490)	-3.2%
Total Operating Revenue	\$ 298,335	\$ 303,410	\$ 305,881	\$ 330,353	\$ 24,472	8.0%
OPERATING EXPENSE						
Personnel	\$ (72,358)	\$ (76,400)	\$ (75,000)	\$ (80,419)	\$ (5,419)	7.2%
Administrative Expenses	(1,610)	(1,665)	(1,650)	(1,935)	(285)	17.3%
Professional Services	(4,972)	(5,439)	(5,400)	(6,175)	(775)	14.4%
Utilities	(20,873)	(19,147)	(18,900)	(19,224)	(324)	1.7%
Operating Services	(19,583)	(23,966)	(22,500)	(24,495)	(1,995)	8.9%
Maintenance	(31,377)	(33,656)	(33,900)	(37,333)	(3,433)	10.1%
Other	(3,325)	(3,304)	(3,600)	(4,147)	(547)	15.2%
Total Operating Expenses (Excludes Depreciation)	\$ (154,098)	\$ (163,577)	\$ (160,950)	\$ (173,728)	\$ (12,778)	7.9%
Net Operating Revenues	\$ 144,237	\$ 139,833	\$ 144,931	\$ 156,625	\$ 11,694	8.1%
Non-Operating Revenues & Expenses						
Add: Other Non-operating Revenue	\$ 14,219	\$ 16,801	\$ 17,328	\$ 13,636	(3,692)	-21.3%
Less: Debt Service/Equipment/Other	(111,521)	(113,843)	(112,729)	(111,032)	1,697	-1.5%
Total Non-Operating Revenues/Expenses	\$ (97,302)	\$ (97,042)	\$ (95,401)	\$ (97,396)	\$ (1,995)	2.1%
Net Revenues	\$ 46,935	\$ 42,791	\$ 49,530	\$ 59,229	\$ 9,699	19.6%

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 (2015), the current three-year program (2016 – 2018) and funding summary.

CAPITAL IMPROVEMENT PLAN (CIP) SUMMARY				
(\$=000)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
CIP				
Minneapolis/St. Paul International Airport				
Field & Runway	\$ 12,200	\$ 3,550	\$ 11,800	\$ 8,400
Information Technology	-	17,250	14,950	11,000
Environmental	1,000	2,000	3,650	8,300
Terminal/Landside	<u>124,025</u>	<u>278,325</u>	<u>402,575</u>	<u>48,300</u>
Total Minneapolis/St. Paul International	137,225	301,125	432,975	76,000
Reliever Airports	<u>5,200</u>	<u>7,900</u>	<u>5,000</u>	<u>4,250</u>
Total All Airports	\$ 142,425	\$ 309,025	\$ 437,975	\$ 80,250
Funding				
Passenger Facility Charges (PFC's)	\$ 39,150	\$ 103,060	\$ 70,750	\$ 30,550
Federal and State Grants	16,625	10,801	7,350	7,041
General Airport Revenue Bonds-Line of Credit	39,800	80,475	298,000	-
Internal/Airline Funds	46,850	92,689	61,875	42,659
Unfunded	-	-	-	-
Other	-	<u>22,000</u>	-	-
Total Funding	\$ 142,425	\$ 309,025	\$ 437,975	\$ 80,250

Debt Service

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

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%
		<u>\$ 122,728</u>	<u>\$ 8,722</u>	
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.

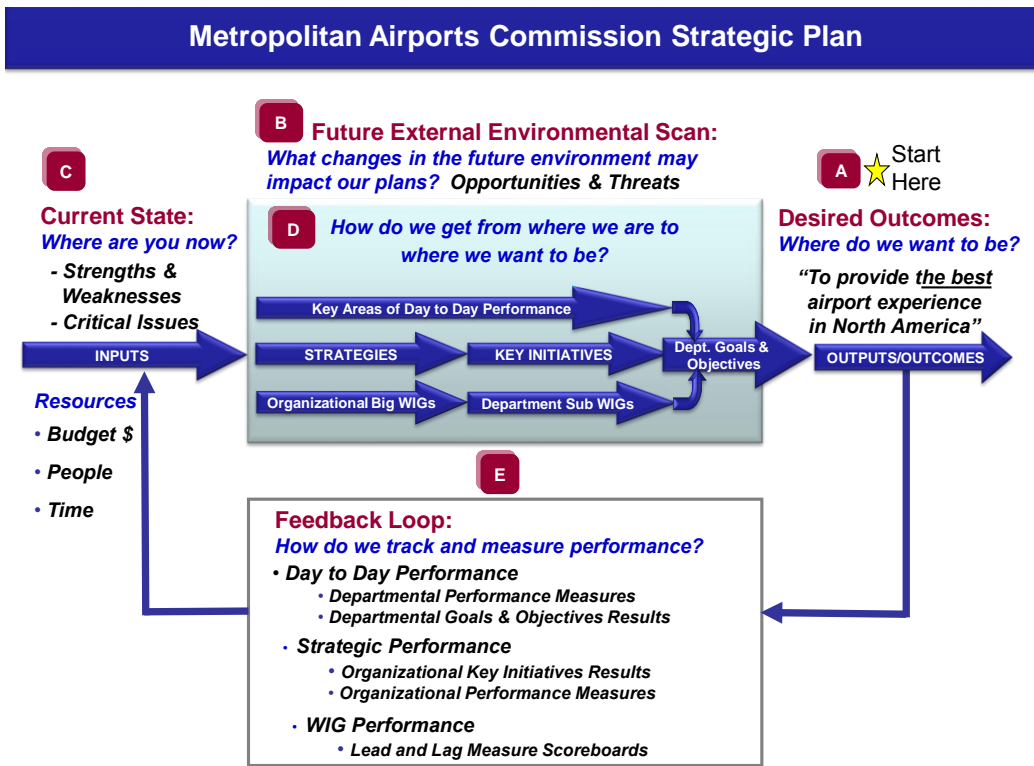
Short Term Debt

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. In 2015, the Commission issued \$27.0 million to fund the 3 gate expansion at Terminal 2. This Short-Term Borrowing Program also allows the Commission some flexibility in financing unanticipated or unforeseen capital improvements.



Flying Cloud Airport Taxiway Reconstruction

Organizational Strategic Plan



Our strategic planning process asks a series of questions:

- A – **“Where do we want to be?”** (Desired Outcomes)
 - Our Vision is “To provide the best airport experience in North America”

- B – **“What changes in the future external environment may impact our plans?”** (Future External Environmental Scan)

- C – **“Where are we now?”** (Current State)
 - 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 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

2016-2018 Organizational Strategic Goals

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

Our Key Areas of Performance

The Metropolitan Airports Commission has identified the following eight areas of day-to-day performance that are key to fulfilling its mission “To provide and promote safe, convenient, environmentally sound and cost-competitive aviation services for our customers”. 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	2010	2011	2012	2013	2014	2015
Reportable Crimes*	452	555	704	777	800	887
Security Breaches Impacting Passenger Traffic and/or Airport Operations	0	2	6	0	1	0
OSHA Recordable Injuries	20	30	35	19	27	20
MSP Runway Incursions	2	1	0	3	0	0
Reliever Runway Incursions	6 vehicles 1 pedestrian	1 vehicle 0 pedestrians	0 vehicles 0 pedestrians	5 vehicles 1 pedestrian	5 vehicles 0 pedestrians	12 vehicles 1 pedestrian
Financial	2010	2011	2012	2013	2014	2015
Debt Service Coverage Ratio	2.22X	2.38X	3.26X	3.21X	3.45x	3.38x Est
Airline Cost per Enplaned Passenger	\$6.03	\$6.32	\$6.42	\$6.76	\$6.81	\$6.58 Est
Non-Airline Operating Revenue per Enplaned Passenger	\$7.16	\$7.44	\$7.89	\$8.02	\$8.03	\$8.32
Reliever Airports Net Operating Revenue (\$ = 000)**	\$292	(\$274)	\$135	N/A	N/A	N/A
General Aviation Management Model Amount(\$=000)**	N/A	N/A	N/A	\$823	\$1,810	\$1,711
Environment	2010	2011	2012	2013	2014	2015
Environmental Stewardship Index	41.50	44.10	52.95	52.65	53.43	TBD
Employee Engagement	2010	2011	2012	2013	2014	2015
Employee Engagement Index	NA	3.79	3.74	3.78	3.8	NA
Employee Turnover	3.38%	5.11%	5.27%	5.44%	6.25%	3.38%
Customer Experience	2010	2011	2012	2013	2014	2015
Airport Service Performance Rating (Airport Service Quality Survey Scale 1-5)	4.19	4.21	4.24	4.28	4.29	4.27
Compliments to Complaints Ratio	0.52	0.62	0.37	0.52	0.44	0.45
Development	2010	2011	2012	2013	2014	2015
CIP*** Implementation	97.8%	95.9%	96.3%	98.3%	100.0%	98.0%
Pay-As-You-Go PFC**** Availability	4.4 Years	4.4 Years	4.4 Years	3 Years	0 Years	0 Years

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

Performance Measures						
Operations	2010	2011	2012	2013	2014	2015
Annual MSP Operations	437,075	436,506	425,332	431,418	412,695	404,762
Enplaned Passengers	15,714,000	15,972,000	16,020,000	16,932,461	17,022,809	18,291,427
Non-stop Domestic Destinations	114	118	114	118	112	110
Non-stop International Destinations	21	20	20	20	21	22
Competitive Destinations	33	35	42	40	42	43
Annual Reliever Operations	382,088	386,383	358,956	338,024	300,965	348,702
Reliever Airport Tenants	814	802	832	836	815	818
Reliever Based Aircraft	1,531	1,452	1,525	1,370	1,375	1,365
*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. Figures shown at time of publication may be estimations. ***Capital Improvement Program ****Passenger Facilities Charges						

Key Initiatives by Strategy

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

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

Provide a Safe and Secure Environment

Ensure that all our employees and customers experience a safe and secure environment. Items that we will be focusing on during 2016 include the following:

- Increase in-terminal law enforcement presence at Terminal 2-Humphrey from 80 hours a week to 112 hours a week by the end of 2016.
- Improve iVISON system camera monitoring to improve security of our most vulnerable areas from no dedicated staff actively monitoring to two dedicated staff by the end of 2016.
- Conduct a benchmarking study of a minimum of four US and two non-US airports worldwide to review their use of technology, procedures, facilities, and personnel to improve safety and security by the end of 2016.

Assure Financial Viability

Ensure the MAC has the financial resources necessary to operate our airport system and meet all debt service requirements in any scenario as well as maintain our existing bond ratings. Items that we will be focusing on during 2016 include the following:

- Increase commercial real estate development at the reliever airports a minimum of \$2 million by December 2016.

- Increase on-airport tenant investments at the reliever airports a minimum of \$300,000 by December 2016.
- Develop and submit to the FAA PFC application 15 by December 2016 to enhance our cash flow position.
- Evaluate the possibility of refinancing the \$638,345,000 General Airport Revenue Bonds Series 2007 A & B by December 2016.

Provide a Great Customer Experience

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

- Improve passenger security screening throughput capacity by consolidating checkpoints and expanding Checkpoint 1 at Terminal 1-Lindbergh by February 2016.
- Improve operational efficiency in the baggage claim area by launching the Bag Claim Expansion program by July 2016.
- Complete the first of two restroom remodels in the Terminal 1-Lindbergh mall by December 2016.
- Implement a solution to manage Transportation Network Companies (TNCs) to ensure they are complying with MAC requirements by the end of 2016.

Develop Employee Talent

Make sure the right people with the right skills and experience are in the right place to fulfill our mission and achieve our vision. For 2016, the key initiatives are:

- Develop and implement a MAC-specific management training program by December 2016.
- Complete Phase II of the workforce planning process reviews by December 2016.
- Update the employee performance review process by December 2016.
- Evaluate all current training and mentoring programs and design new programs based on best practices by December 2016.

Enhance Air Service at MSP

Provide airlines and the traveling public with expanded alternatives by enhancing domestic, regional and international service at MSP. In 2016, we plan to do the following:

- Provide capacity for increased air service by completing a multi gate expansion of Terminal 2-Humphrey by December 2016.

Leverage Resources and Technology

Take full advantage of resources and technology to improve performance, increase productivity and deliver cost-effective services. Some specific items include:

- Build a robust data integration and messaging platform that will allow the MAC to share information with our stakeholders across multiple mediums such as mobile, web, email, SMS/text and social media by December 2016.
- Complete the construction of a new maintenance facility at Flying Cloud Airport by the end of 2017.
- Develop and adopt an “MSP Common Infrastructure” program to improve the flexibility and utilization of our terminal facilities.
- Develop an organizational reporting platform that can provide at-a-glance dashboards and key performance indicators to assist in performance measurement and decision making.
- Significantly increase IT staffing and resources to meet organizational priorities.

Strengthen Partnerships and Alliances

Expand effectiveness through internal teamwork and by strengthening external relationships and partnerships with our customers, tenants, concessionaires, airlines, neighboring communities, regional businesses and governmental agencies. The key focus areas for 2016 will be the following:

- Develop and implement a strategic communication plan for ongoing dialogs with the local community, citizens of Minnesota, business leaders, stakeholders, passengers and employees by December 2016.
- Conduct at minimum one progressive readiness training and drill built on the previous training and associated drills to ready all airport employees for emergencies by December 2016.

Integrate Sustainability into Our Culture

Formally incorporate sustainability into the way we do business. The key focus areas for 2016 will be the following:

- Implement Phase 1 of our sustainability management plan by December 2016.
- Launch the sustainability framework implementation plan internally by June 2016.
- Publish the MAC’s first annual sustainability report by December 2016.
- Develop and implement a comprehensive informational campaign to raise awareness of the MAC’s new sustainability plan internally and externally by December 2016.

GFOA Budget Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Minneapolis-St. Paul Metropolitan Airports Commission for its annual budget for the fiscal year beginning January 1, 2015. 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.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for the 2016 award.

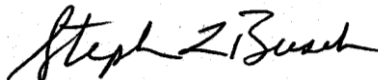
Acknowledgement

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 2016 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



2015 Budget Award

Other Awards

Metropolitan Airports Commission Awards			
Year	Source of Award	AWARD	Group Judged/Rated
2015	Airports Going Green	Sustainable Infrastructure – T1 3MW Solar Array and Parking Ramp Maintenance Improvements	U.S. and worldwide airports
2015	Mn/DOT Office of Environmental Stewardship	Technology and Innovation Award	Organizations involved in environmental stewardship
2015	Minneapolis Advisory Committee on People with Disabilities	Certificate of Honorary Recognition	Businesses serving people with disabilities
2015	Nat'l Academy of Television Arts & Sciences – Upper Midwest Chapter	Emmy Award – Hockey Day Minnesota – St. Paul Downtown Airport	Eligible participants in Upper Midwest Board of Governors Emmy Awards
2015	Meritorious Achievement Award	Minnesota Safety Council	Minnesota organizations
2015	Hennepin County	Wellness by Design – Platinum Award + Green Award	Companies and governmental agencies with wellness activities/promotions available to employees
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
2014, 2013, 2012, 2011, 2010, 2009	Hennepin County	Wellness by Design – Silver Award Gold Award	Companies and governmental agencies with wellness activities/promotions available to employees
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

Metropolitan Airports Commission Awards			
Year	Source of Award	AWARD	Group Judged/Rated
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 2015	Government Finance Officers Association	Distinguished Budget Presentation Award	Various Government Organizations
1984 through 2014	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	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

Metropolitan Airports Commission Awards			
Year	Source of Award	AWARD	Group Judged/Rated
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
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



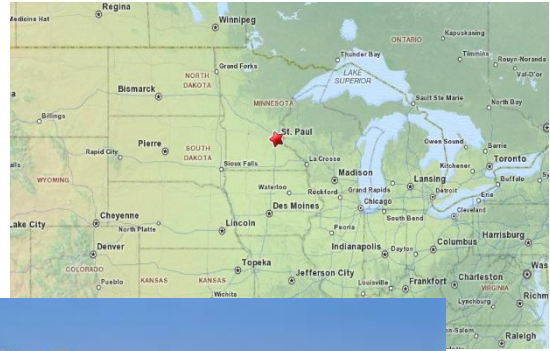
Mosaic Floor Feature at Terminal-Lindbergh

Enjoying the Mosaic at Terminal 2-Humphrey

The Organization



Overlooking Downtown St Paul



Overlooking Downtown Minneapolis

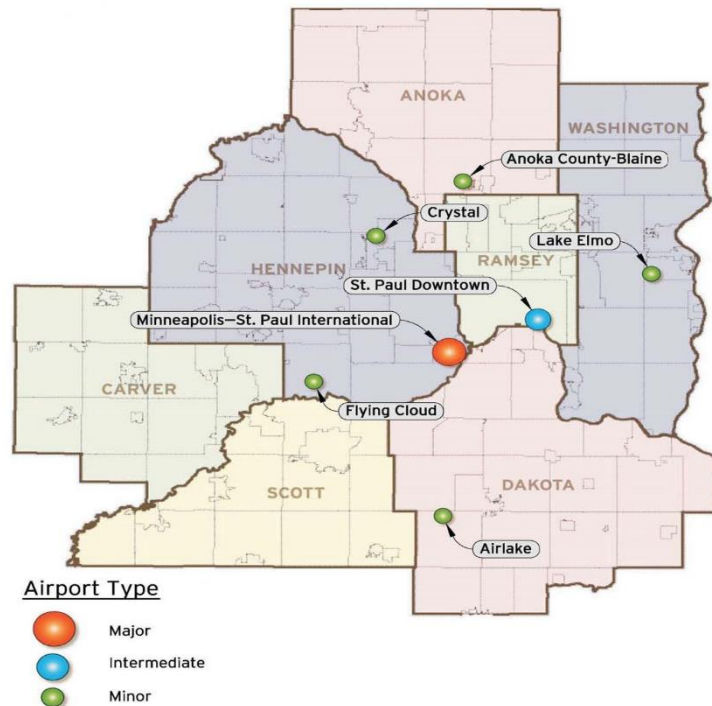
The Commission

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 Chairman



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



Ibrahim Mohamed
District H



Erica Prosser
City of Minneapolis



Pat Harris
City of St Paul

Representing the Greater Minnesota Area



Timothy Geisler



Patti Gartland



Donald Monaco



Dixie Hoard

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 & 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 2015:

- Audits
 - Annual Internal Audit Plan
 - Financial Audits
 - Internal Policy/Procedure Audits
 - Financial Auditor Selection
- Bonds/Debt/Capital Funding
 - Passenger Facility Charge Application(s) and Amendments
 - Underwriter, Financial Advisers and Bond Counsel Selection
- Operating Budget
 - Monthly Reports
 - Ratification of 2014 Expenditures
 - Distribution of 2014 Net Revenues/Unrestricted Cash
 - 2016 Budget Targets
 - 2016 Preliminary and Final Budgets
- Human Resources and Affirmative Action
 - Human Resource and Affirmative Action Policies and Procedures
 - Employee Benefits

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 following page identifies the organizational structure by division. In 2012, the Metropolitan Airports Commission reorganized the divisions and the seven divisions become four.

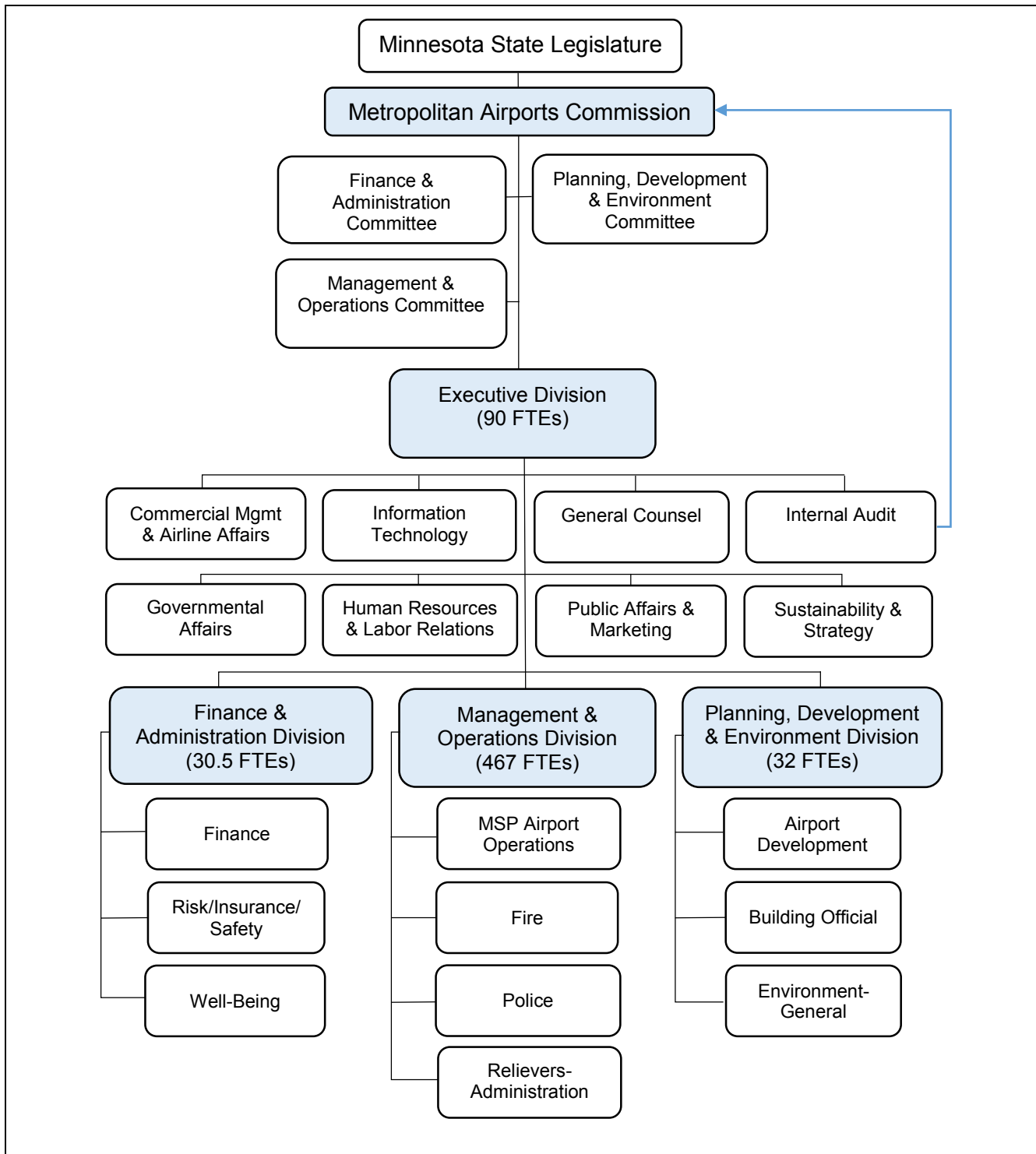
The following are the changes made in the organization in recent years to better reflect the service center responsibilities and reporting structure:

- In 2015, the Information Services service center was renamed Information Technology and merged into the Executive Division.
- In 2016, the Airport Lost and Found personnel merged into Landside-Administration.
- In 2016, Sustainability and Strategy became a new service center formed out of Environment-General and is included in the Executive Division.

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 listing 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	75000	Executive-General
	75100	Executive-Commissioner
	75700	Human Resources & Labor Relations
	76600	Employee Engagement & Development
	80600	Diversity
	81500	Employee Relations
	76000	Public Affairs & Marketing
	76200	Sustainability & Strategy
	78300	Internal Audit
	79000	Information Technology
	79500	Governmental Affairs
	80000	Commercial Management & Airline Affairs
	76100	Air Service Business Development
	80100	Concessions & Business Development
	82050	MSP Airport Conference Center
81000	General Counsel	
Finance & Administration	75600	Finance & Administration
	76700	Well-Being
	76800	Risk/Insurance/Safety
	78000	Finance
	78100	MAC General
	78200	Purchasing
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 2016 budgeted FTEs are 619.5 which is an increase of 9 FTEs and are allocated between the service centers based on needs of the organization. The additional FTE count in 2016 is necessary to meet legal mandates and regulatory requirements to ensure a safe and secure airport system and to stay current with information technology and systems.

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.

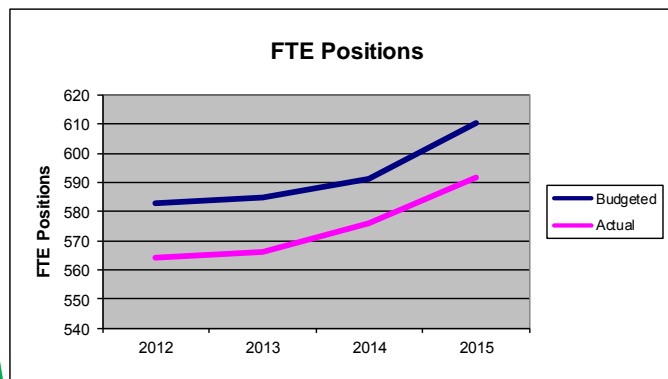
2015 brought about 10 new positions to fill in departments that require extra support such as Trades staffing needed to assume the operational control of the G Concourse from Delta. Also, 9.5 part time and provisional PSA staff became full time to reflect the actual hours worked by these employees.

As shown in the chart below, the Commission authorized an additional 9 FTEs in 2016. A previous Information Technology study concluded that MAC needs more resources to meet the ever changing and increasing demand for technology. Six of these positions will be Information Technology related. 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 following table and graph compares budgeted and actual FTEs. Although budgeted FTEs are authorized to meet legal mandates and regulatory requirements, 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 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	2012	2013	2014	2015	2016
Budgeted	583	585	591	610.5	619.5
Actual	564	566	576	591	TBD



**MAC Volunteers
Packed 64,580
Meals for Kids at
“Feed My Starving
Children”**

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

Service Center	2012	2013	2014	2015	2015	2016
	Actual	Actual	Actual	Actual	Budget	Budget
	As of 12/20/12	As of 12/27/13	As of 12/15/14	As of 12/28/15		
Executive						
75000 Executive-General	3	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	3	3	5	3	5 ¹
76000 Public Affairs & Marketing	5	7	7	8	9	9
76100 Air Service-Business Development	0	0	0	0	0	0
76200 Sustainability & Strategy	0	0	0	0	0	3 ²
76600 Employee Engagement & Development	3	3	3	2	3	3
78300 Internal Audit	4	4	4	4	4	4
79000 Information Technology	23	23	26	28	26	35 ³
79500 Governmental Affairs	1	1	1.5	1.5	1.5	1.5
80000 Commercial Mgmt & Airline Affairs	5	5	5	5	5	5
80100 Concessions & Business Development	4	4	4	5	4	4
80600 Diversity	2	2	2	2	2	2
81000 General Counsel	9	8.5	8.5	8.5	9	9
81500 Employee Relations	6	6	5	3	5	3 ¹
82050 MSP Airport Conference Center	3	2	3	3	3	3
Total Executive	70.5	72	75.5	78.5	78	90
BUDGET	72	75.5	76.5	78	78	90
Finance & Administration						
75600 Finance & Administration	2	2	2	2	2	2
76800 Risk/Insurance/Safety	5	5	6	6	6	6
78000 Finance	15	15	15	15	15	15
78100 MAC General	0	0	0	0	4.5	1.5 ⁴
78200 Purchasing	7.5	7.5	7.5	7.5	7.5	6 ⁵
Total Finance & Administration	29.5	29.5	30.5	30.5	35	30.5
BUDGET	37	34.5	30	35	35	30.5
Planning, Development & Environment						
75500 Planning, Development & Environment	1	2	2	2	2	2
77000 Airport Development	15	12	13	14	16	16
77100 Building Official	2	2	2	2	2	2
85000 Environment-General	1	2	5	5	5	4 ²
85100 Environmental Affairs	3	3	3	3	3	3
85300 Aviation Noise Program	6	7	5	5	5	5
Total P, D, & E	28	28	30	31	33	32
BUDGET	31	31.5	32	33	33	32



Each Year, MAC Staff Participate in the Relay for Life Cancer Walk

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

Service Center	2012	2013	2014	2015	2015	2016
	Actual	Actual	Actual	Actual	Budget	Budget
	As of 12/20/12	As of 12/27/13	As of 12/15/14	As of 12/28/15		
Management & Operations						
75800 Operations	4	4	3.5	3.5	3.5	3.5
82000 MSP Airport Operations	5	3	3	3	3	3
82600 Airside Operations	15	15	15	16	16	16
82700 Emergency Communications	13	17	0	0	0	0
83400 Landside-Administration	23	24.5	24.5	31.5	34	35.5 ⁵
83600 Fire	49	48	49	46	49	49
84200 Police	113	113	125	128	133	134 ⁶
85500 Facilities-Terminal 2	3	3	9	9	9	9
86100 Facilities-Terminal 1	10	8	10	9	10	9 ⁷
86300 Facilities-Energy Management Center	20	21	21	21	22	22
88000 Trades-Electricians	18	18	18	19	19	19
88100 Trades-Painters	8	8	8	8	9	9
88200 Trades-Carpenters	9	9	9	10	10	10
88300 Trades-Plumbers	8	7	9	10	9	9
88400 Trades-Administration	2	2	2	2	2	2
89000 Field Maintenance	110	111	107	108	110	110
90000 Relievers-Administration	8	7	8	8	8	8
90200 Relievers-St. Paul	7	7	7	7	7	7
90300 Relievers-Lake Elmo	1	1	1	1	1	1
90400 Relievers-Airlake	1	1	1	1	1	1
90500 Relievers-Flying Cloud	3	3	3	3	3	4 ⁷
90600 Relievers-Crystal	3	3	3	3	3	3
90700 Relievers-Anoka	3	3	4	4	3	3
Total Management & Operations	436	436.5	440	451	464.5	467
BUDGET	443	443.5	452.5	464.5	464.5	467
TOTAL ACTUAL FTEs	564	566	576	591	NA	NA
TOTAL BUDGET FTEs	583	585	591	610.5	610.5	619.5

FTEs differ between the 2015 and 2016 budgets for the following reasons:

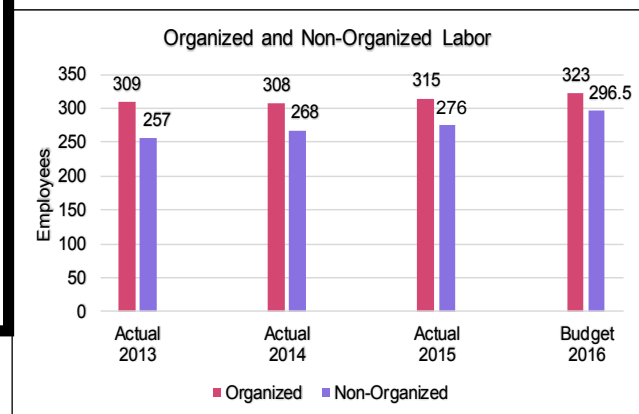
- (1) One full-time FTE and two half FTEs moved from Employee Relations to Human Resources & Labor Relations.
- (2) The Sustainability & Strategy service center was created with two new FTEs and one FTE from Environment-General.
- (3) Six new positions and three positions moved from MAC General as additional positions are needed to keep up with the growing technology needs at the airport.
- (4) As employees leave, positions are re-evaluated and open FTEs are maintained in MAC General. In 2016, MAC General gained one new unallocated FTE but moved three FTEs to Information Technology and 1 FTE to Sustainability & Strategy.
- (5) To better administer the Lost and Found program, 1.5 FTEs moved from Purchasing to Landside.
- (6) Police gained one new FTE for a Video Surveillance position.
- (7) To place FTEs where needed, one FTE moved from Facilities-Terminal 1 to Relievers-Flying Cloud.

Regular Status Full Time Equivalent Position Count by Job Classification				
	2013	2014	2015	2016
	Actual	Actual	Actual	Budget
Organized				
Local 70 Operating Engineers	17	17	21	22
49er's Equipment Maintenance	22	22	21	21
320's - MSP Int'l - Field	75	73	73	75
320's - MSP Int'l - Facilities	2	2	1	1
320's - Reliever Airports	18	18	19	19
Painters -386	8	8	8	9
Carpenters - CAR	9	9	10	10
Plumbers -034	7	8	10	9
Electricians - 292	18	18	19	19
Emergency Communications Specialists	15	14	12	13
Police Lieutenants/Sergeants - 307	18	19	19	19
Police Officers - 302	56	55	60	61
Firefighters - S6	36	36	33	36
Fire Captains - S6	8	9	9	9
Total Organized	309	308	315	323
Non-Organized				
Chairperson/Executive Director-CEO	1.5	1.5	1.5	1.5
Vice Presidents/Directors/Assistant Directors	23.5	24	25.5	27
Managers/Assistant Managers/Supervisors	86	86.5	88	92
Police Chief/Fire Chief	1	2	2	2
Community Service Officers	13	11	5	9
Passenger Service Assistants	12.5	12.5	20.5	22
Fire Marshall/Training Coordinator	2	2	2	2
Police Commander/Deputy Chief/Training Coordinator	4	4	3	3
Administrative/Professional/Technical Support	113.5	123.5	128	135.5
Unassigned	0	1	0.5	2.5
Total Non-Organized	257	268	276	296.5
Total MAC	566	576	591	619.5

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 outside the labor unions. The following graph shows Organized FTE positions are greater than Non-Organized.



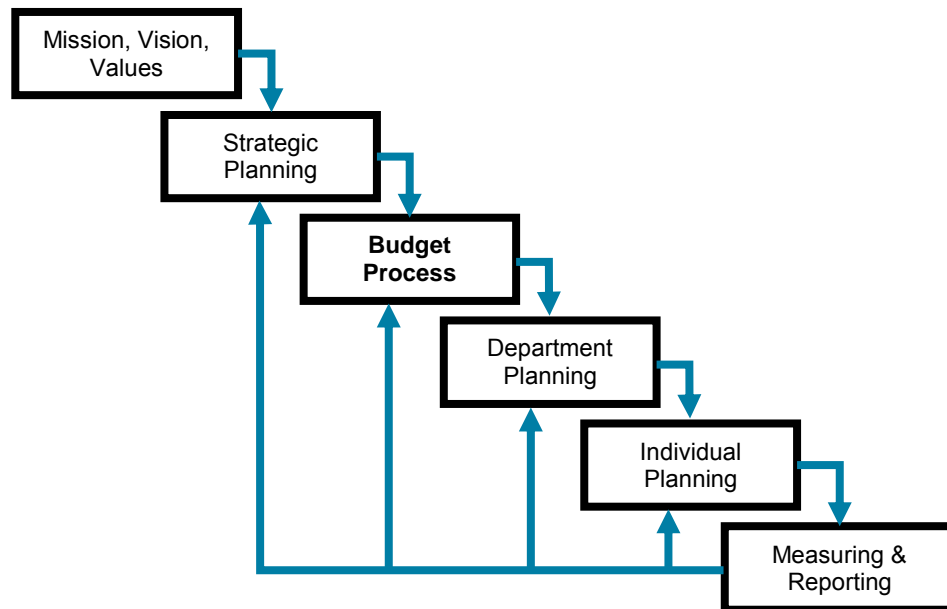
Airport Police Jump into Frigid Waters to Raise Funds for Special Olympics Minnesota



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Budget Process & Financial Policies

Budget Process



The 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 the 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 2016 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 Embedded 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 (the 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.

Controllable Expenses

The 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 with regard to growth and allocation of funds or budget targets. The direction provided by the Finance & Administration Committee is communicated to staff at various informational meetings and is included in the budget documents. 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. Service centers have four weeks to complete their budget. 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 & 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. The expense budget must be complete in order to determine airline rates and charges. Once these rates 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 & 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 & Administration Committee and revisions prior to requesting final approval.

The Finance & Administration Committee will receive updates from staff during October and November. The recommendation from the Finance & Administration Committee for final approval is requested at the December Commission meeting. Final approval of the 2016 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 related to 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 & 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 & 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 which begins in January. The Metropolitan Airports Commission fiscal year also begins in January.

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 databases 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); provides direction to budget specialists	Finance
✈ Provides 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 budget 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

Maintenance

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

Other

- General Insurance
- Other
- Minor Equipment
- Total Other

Non-Operating Expenses

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



Terminal 1-Lindbergh Retail Mall Area

Approved Summary of Operating and Non-Operating Revenue and Expense

The Commission approved the 2016 budget in December 2015. The following tables summarize revenue and expense, including non-operating revenue and expense, and compare the 2016 budget to the 2015 year-end estimate.

Metropolitan Airports Commission						
Operating & Non-Operating Summary						
2016 Budget						
					2015 Estimate vs 2016 Budget	
	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	Dollar Change	% Change
OPERATING REVENUE						
Airline Rates & Charges						
Airline Agreement						
Landing Fees	\$ 56,790,518	\$ 59,237,642	\$ 58,500,000	\$ 61,406,972	\$ 2,906,972	5.0%
Ramp Fees	7,213,185	7,263,598	7,000,000	7,592,470	592,470	8.5%
Airline R&R	3,610,295	3,720,273	3,720,000	4,495,172	775,172	20.8%
Lindbergh Terminal - Rentals	37,456,370	36,455,784	36,400,000	38,310,374	1,910,374	5.2%
Lindbergh Terminal - Other	4,534,592	5,717,085	5,525,000	5,779,783	254,783	4.6%
Concessions Rebate	(10,293,866)	(13,060,677)	(13,220,000)	(13,919,950)	(699,950)	5.3%
Total Airline Agreement	99,311,094	99,333,705	97,925,000	103,664,821	5,739,821	5.9%
HHH Lobby Fees	9,553,114	8,133,359	8,200,000	7,637,349	(562,651)	-6.9%
HHH Other / Passenger Fees	2,141,023	1,862,335	2,650,000	2,388,362	(261,638)	-9.9%
Total Airline Rates & Charges	\$ 111,005,231	\$ 109,329,399	\$ 108,775,000	\$ 113,690,532	\$ 4,915,532	4.5%
Concessions						
Terminal						
Food & Beverage	\$ 16,128,104	\$ 16,006,851	\$ 16,500,000	\$ 20,130,029	\$ 3,630,029	22.0%
News	3,645,355	3,631,019	3,550,000	4,044,695	494,695	13.9%
Retail Stores	4,600,025	4,935,722	4,800,000	5,348,961	548,961	11.4%
Passenger Services	4,003,902	4,782,487	4,600,000	6,028,908	1,428,908	31.1%
Total Terminal/Other	28,377,386	29,356,079	29,450,000	35,552,593	6,102,593	20.7%
Parking/Ground Transport						
Parking	80,657,939	87,776,061	88,000,000	90,730,867	2,730,867	3.1%
Ground Transportation	5,811,792	5,169,046	5,850,000	5,960,532	110,532	1.9%
MSP Employee Parking	2,917,197	3,152,168	3,325,000	3,408,806	83,806	2.5%
Auto Rental - On Airport	17,939,195	17,601,000	17,601,000	17,601,000	-	0.0%
Total Parking/Ground Transport	107,326,123	113,698,275	114,776,000	117,701,205	2,925,205	2.5%
Other Concessions	741,421	1,908,240	1,840,000	2,108,471	268,471	14.6%
Total All Concessions	\$ 136,444,930	\$ 144,962,594	\$ 146,066,000	\$ 155,362,269	\$ 9,296,269	6.4%
Rentals & Fees						
Buildings & Facilities	\$ 7,263,964	\$ 7,723,132	\$ 8,725,000	\$ 9,227,506	\$ 502,506	5.8%
Auto Rental CFC	11,377,312	11,100,000	11,800,000	21,000,000	9,200,000	78.0%
Ground Rentals	8,409,467	9,009,827	8,500,000	9,133,148	633,148	7.4%
Reliever Airports	7,066,519	6,465,317	6,500,000	6,914,402	414,402	6.4%
Total Rentals & Fees	\$ 34,117,262	\$ 34,298,276	\$ 35,525,000	\$ 46,275,056	\$ 10,750,056	30.3%
Utilities & Other Revenues						
Utilities	\$ 4,915,438	\$ 4,612,816	\$ 4,590,000	\$ 4,671,634	\$ 81,634	1.8%
General Aviation/Airside Fees	3,243,970	2,593,801	3,200,000	3,369,018	169,018	5.3%
Consortium Fees	3,203,760	3,250,000	3,225,000	3,348,816	123,816	3.8%
Other Revenues	1,726,389	1,484,418	1,500,000	1,685,316	185,316	12.4%
Reimbursed Expense	3,677,994	2,878,935	3,000,000	1,950,000	(1,050,000)	-35.0%
Total Utilities & Other Revenue	\$ 16,767,551	\$ 14,819,970	\$ 15,515,000	\$ 15,024,784	\$ (490,216)	-3.2%
Total Operating Revenue	\$ 298,334,974	\$ 303,410,239	\$ 305,881,000	\$ 330,352,641	\$ 24,471,641	8.0%

Metropolitan Airports Commission Operating & Non-Operating Summary 2016 Budget						
					2015 Estimate vs 2016 Budget	
	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	Dollar Change	% Change
<i>Total Operating Revenue</i>	\$ 298,334,974	\$ 303,410,239	\$ 305,881,000	\$ 330,352,641	\$ 24,471,641	8.0%
OPERATING EXPENSE						
Personnel	\$ 72,357,951	\$ 76,400,073	\$ 75,000,000	\$ 80,418,673	\$ 5,418,673	7.2%
Administrative Expenses	1,609,670	1,664,642	1,650,000	1,935,373	285,373	17.3%
Professional Services	4,972,121	5,438,934	5,400,000	6,175,111	775,111	14.4%
Utilities	20,872,692	19,147,055	18,900,000	19,223,725	323,725	1.7%
Operating Services/Expenses	19,582,580	23,966,352	22,500,000	24,494,712	1,994,712	8.9%
Maintenance	31,377,323	33,655,949	33,900,000	37,333,444	3,433,444	10.1%
Other	3,325,131	3,303,626	3,600,000	4,147,281	547,281	15.2%
Total Operating Expense	\$ 154,097,468	\$ 163,576,631	\$ 160,950,000	\$ 173,728,319	\$ 12,778,319	7.9%
<i>(Excludes Depreciation and Noise Amortization)</i>						
Net Operating Revenue	\$ 144,237,506	\$ 139,833,608	\$ 144,931,000	\$ 156,624,322	\$ 11,693,322	8.1%
NON-OPERATING REVENUE (EXPENSE)						
	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	Dollar Change	% Change
Other Non-Operating Revenue						
Interest Income	\$ 4,801,000	\$ 6,000,000	\$ 6,250,000	\$ 5,538,000	\$ (712,000)	-11.4%
Self-Liquidating Income	5,452,000	5,796,000	6,075,000	4,444,000	(1,631,000)	-26.8%
	\$ 10,253,000	\$ 11,796,000	\$ 12,325,000	\$ 9,982,000	\$ (2,343,000)	-19.0%
Debt Service						
Short Term Financing	\$ (758,000)	\$ (1,861,000)	\$ (1,800,000)	\$ (2,161,000)	\$ (361,000)	20.1%
Bond Principal/Int-Operating Fund Transfer	(96,494,000)	(91,200,000)	(90,845,000)	(88,523,000)	2,322,000	-2.6%
Equip Financing Principal/Int Pymts	(2,638,000)	(2,978,000)	(2,300,000)	(4,408,000)	(2,108,000)	91.7%
	\$ (99,890,000)	\$ (96,039,000)	\$ (94,945,000)	\$ (95,092,000)	\$ (147,000)	0.2%
Equipment						
Capital Expenditures	\$ (813,000)	\$ (935,000)	\$ (915,000)	\$ (978,000)	\$ (63,000)	6.9%
Equipment Purchases	(8,571,000)	(9,887,216)	(9,887,000)	(9,932,406)	(45,406)	0.5%
Baggage Handling System	-	(8,050,000)	-	-	-	
Passenger Facility Charge Revenue	-	8,050,000	-	-	-	
Equipment Financing	3,966,000	4,185,000	4,185,000	3,194,000	(991,000)	-23.7%
	\$ (5,418,000)	\$ (6,637,216)	\$ (6,617,000)	\$ (7,716,406)	\$ (1,099,406)	16.6%
Other						
2013-2015 Six Month Reserve Transfer	\$ (3,298,000)	\$ (6,982,000)	\$ (6,982,000)	\$ (5,029,000)	1,953,000	-28.0%
Interstate Settlement/Medicare D	-	820,000	825,000	460,000	(365,000)	
Interstate Payments	720,000	-	-	-	-	
Grant Reimbursements	35,000	-	-	-	-	
Easement Receipt	183,000	-	-	-	-	
Gain (Loss) on Equipment & Other	112,000	-	(7,000)	-	7,000	-100.0%
	\$ (2,248,000)	\$ (6,162,000)	\$ (6,164,000)	\$ (4,569,000)	\$ 1,595,000	-25.9%
Total Non-Operating Revenue (Expense)	\$ (97,303,000)	\$ (97,042,216)	\$ (95,401,000)	\$ (97,395,406)	\$ (1,994,406)	2.1%
Net Revenue Available for Designation	\$ 46,934,506	\$ 42,791,392	\$ 49,530,000	\$ 59,228,916	\$ 9,698,916	19.6%

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 2016 Budget (\$ in 000)						
					2015 Estimate vs 2016 Budget	
OPERATING REVENUE	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	Dollar Change	% Change
Airline Rates & Charges	\$ 111,005	\$ 109,329	\$ 108,775	\$ 113,691	\$ 4,916	4.5%
Concessions	136,445	144,963	146,066	155,362	9,296	6.4%
Rentals/Fees	34,117	34,298	35,525	46,275	10,750	30.3%
Utilities & Other Revenues	16,768	14,820	15,515	15,025	(490)	-3.2%
Total Operating Revenue	\$ 298,335	\$ 303,410	\$ 305,881	\$ 330,353	\$ 24,472	8.0%
OPERATING EXPENSE						
Personnel	\$ 72,358	\$ 76,400	\$ 75,000	\$ 80,419	\$ 5,419	7.2%
Administrative Expenses	1,610	1,665	1,650	1,935	285	17.3%
Professional Services	4,972	5,439	5,400	6,175	775	14.4%
Utilities	20,873	19,147	18,900	19,224	324	1.7%
Operating Services/Expenses	19,583	23,966	22,500	24,495	1,995	8.9%
Maintenance	31,377	33,656	33,900	37,333	3,433	10.1%
Other	3,323	3,304	3,600	4,147	547	15.2%
Depreciation	131,069	134,500	136,500	139,200	2,700	2.0%
Total Operating Expense	\$ 285,165	\$ 298,077	\$ 297,450	\$ 312,928	\$ 15,478	5.2%
Operating Gain (Loss)	\$ 13,170	\$ 5,333	\$ 8,431	\$ 17,425	\$ 8,994	-106.7%
NON-OPERATING REVENUE (EXPENSE) & CONTRIBUTIONS						
Interest Income and Other	\$ 8,746	\$ 8,500	\$ 9,500	\$ 8,500	\$ (1,000)	-10.5%
Passenger Facility Charges (PFC's)	\$ 67,106	\$ 68,113	\$ 69,360	\$ 70,400	\$ 1,040	1.5%
Interest Expense	\$ (67,734)	\$ (70,000)	\$ (62,900)	\$ (65,000)	\$ (2,100)	3.3%
Capital Contributions & Grants	\$ 4,111	\$ 12,000	\$ 8,000	\$ 8,000	\$ -	0.0%
Total Non-Operating Revenue (Expense)	\$ 12,229	\$ 18,613	\$ 23,960	\$ 21,900	\$ (2,060)	-8.6%
Net Increase in Net Assets	\$ 25,399	\$ 23,946	\$ 32,391	\$ 39,325	\$ 6,934	21.4%

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: To 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 Budget shall be prepared under the accrual basis of accounting.
3. 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.
4. The budget will provide for adequate funding of all retirement systems.
5. The Finance Department will assist Service Centers in reviewing monthly variance reports comparing actual versus budget revenue and expense on the financial software system.
6. The budget will provide summary information using the Operating Fund, Construction Fund and Debt Service Fund projected for the next three years.
7. Where possible, the Commission will integrate performance measurement and/or efficiency indicators in the budget.
8. Department heads will review monthly reports comparing actual revenues and expenses to budgeted amounts. Any variance in expense (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 2016 operating budget expenses are \$173.7 million with the reserve account reflecting a balance of \$86.9 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

The annual Operating Budget is prepared based on targets established by the Commission. MAC uses the accrual basis of accounting for budgeting. The accrual 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.

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).

Each year the Finance Department, with the assistance of Airport Development, Landside-Administration, Reliever Airports, Concessions and Commercial Management Departments, projects revenue for the upcoming budget year.

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 2015 estimates in the reporting of the 2016 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 2016 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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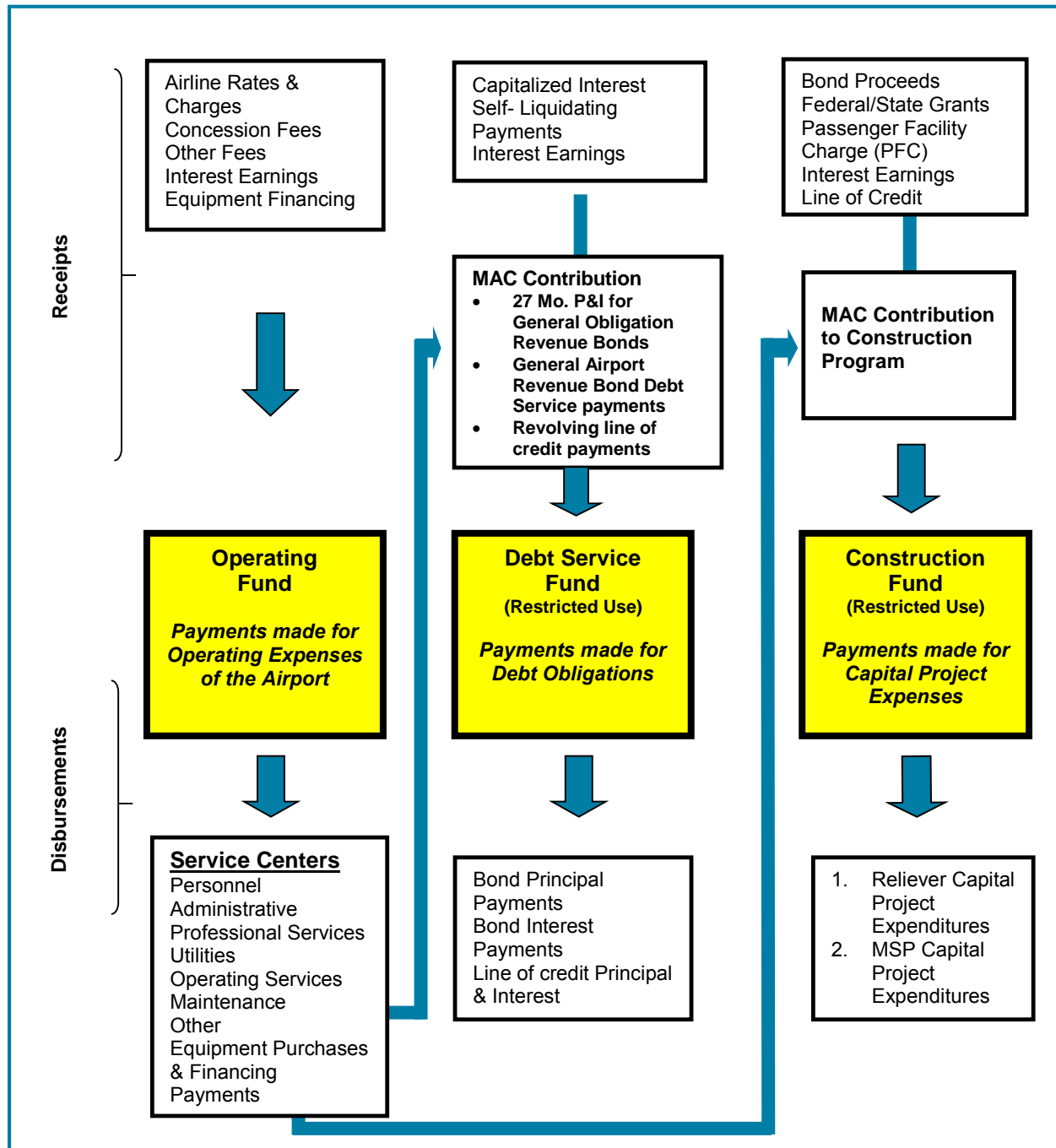
Fund Structure

The MAC is accounted for as an Enterprise Fund. An Enterprise Fund reports any activity for which a fee is charged to external users for goods or services. Amounts are restricted (internally or externally) 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 here 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 - 2016 BUDGET						
(\$ = 000)						
	2014	2015	2015	2016	2017	2018
	Actual	Estimated	Budget	Budget	Projection	Projection
OPERATING FUND						
1/1 Balance	\$ 118,291	\$ 121,740	\$ 121,011	\$ 131,317	\$ 146,046	\$ 158,160
Total Sources of Funds	309,638	319,024	320,211	340,795	349,154	371,102
Total Uses of Funds	(306,189)	(309,447)	(319,713)	(326,066)	(337,040)	(370,834)
Transfers	-	-	-	-	-	-
Ending Balance	<u>\$ 121,740</u>	<u>\$ 131,317</u>	<u>\$ 121,509</u>	<u>\$ 146,046</u>	<u>\$ 158,160</u>	<u>\$ 158,428</u>
CONSTRUCTION FUND						
1/1 Balance	\$ 317,185	\$ 354,543	\$ 353,940	\$ 328,913	\$ 536,515	\$ 246,061
Total Sources of Funds	189,827	170,330	133,552	507,206	146,887	152,485
Total Uses of Funds	(152,469)	(195,960)	(205,886)	(299,604)	(437,341)	(200,566)
Ending Balance	<u>\$ 354,543</u>	<u>\$ 328,913</u>	<u>\$ 281,606</u>	<u>\$ 536,515</u>	<u>\$ 246,061</u>	<u>\$ 197,980</u>
DEBT SERVICE FUNDS						
1/1 Balance	\$ 238,593	\$ 210,516	\$ 210,537	\$ 227,439	\$ 302,136	\$ 284,669
Total Sources of Funds	427,911	122,934	121,913	192,491	121,731	141,025
Total Uses of Funds	(455,988)	(106,011)	(106,010)	(117,794)	(139,198)	(138,735)
Ending Balance	<u>\$ 210,516</u>	<u>\$ 227,439</u>	<u>\$ 226,440</u>	<u>\$ 302,136</u>	<u>\$ 284,669</u>	<u>\$ 286,959</u>
TOTAL ALL FUNDS						
1/1 Balance	\$ 674,069	\$ 686,799	\$ 685,488	\$ 687,669	\$ 984,697	\$ 688,890
Total Sources of Funds	927,376	612,288	575,676	1,040,492	617,772	664,612
Total Uses of Funds	(914,646)	(611,418)	(631,609)	(743,464)	(913,579)	(710,135)
Transfers	-	-	-	-	-	-
Ending Balance	<u>\$ 686,799</u>	<u>\$ 687,669</u>	<u>\$ 629,555</u>	<u>\$ 984,697</u>	<u>\$ 688,890</u>	<u>\$ 643,367</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 2015 (\$688 million) to projected 2018 (\$643 million) is due to the growth in expenditures in the construction fund offset partially by the increase in debt service fund as well as overall increases to the Commission's 6-month operating reserve.

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 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)	2014	2015	2015	2016	2017	2018
	Actual	Estimated	Budget	Budget	Projection	Projection
Sources						
1/1 Balance	\$ 118,291	\$ 121,740	\$ 121,011	\$ 131,317	\$ 146,046	\$ 158,160
Operating Revenues						
Airline Rates & Charges	111,005	108,775	109,329	113,691	116,500	119,500
Concessions	136,445	146,066	144,963	155,362	159,500	175,000
Other Operating Revenues	50,885	51,040	49,118	61,300	62,000	65,000
Subtotal Operating Revenues	\$ 298,335	\$ 305,881	\$ 303,410	\$ 330,353	\$ 338,000	\$ 359,500
Other/Non Operating Revenues						
Interest Earnings ¹	4,801	6,250	6,000	5,538	6,500	6,700
Self-Liquating Revenue	5,452	6,075	6,616	4,444	4,654	4,902
Transfer from Construction Fund	-	-	-	-	-	-
Gain (Loss) on Assets and Other	1,050	818	-	460	-	-
Subtotal Other/Non Operating Revenue	11,303	13,143	12,616	10,442	11,154	11,602
Total Sources	\$ 309,638	\$ 319,024	\$ 316,026	\$ 340,795	\$ 349,154	\$ 371,102
Uses						
Operating Expenses						
Personnel	\$ 72,358	\$ 75,000	\$ 76,400	\$ 80,419	\$ 82,560	\$ 84,757
Administration	1,610	1,650	1,665	1,935	1,974	2,013
Professional Services	4,972	5,400	5,439	6,175	6,299	6,424
Utilities	20,873	18,900	19,147	19,224	19,926	20,655
Operating Services	19,583	22,500	23,966	24,495	25,000	25,551
Maintenance	31,377	33,900	33,656	37,433	38,847	39,785
Other/Insurance	3,325	3,600	3,304	4,047	4,323	4,500
Subtotal Operating Expenses	154,098	160,950	163,577	173,728	178,929	183,685
Non Operating Expenses						
Equipment						
Equipment Purchases/Capital Expend	(9,384)	(10,802)	(13,483)	(10,910)	(11,000)	(11,500)
Equipment Financing	3,966	4,185	4,185	3,194	4,000	4,000
Principal/Interest-Equip. Financing	(2,638)	(2,300)	(2,978)	(4,408)	(4,500)	(4,600)
Subtotal Equipment	(8,056)	(8,917)	(12,276)	(12,124)	(11,500)	(12,100)
Debt Service						
Transfer Out - Debt Service	(97,252)	(92,645)	(93,061)	(90,684)	(87,382)	(106,349)
Subtotal Debt Service	(97,252)	(92,645)	(93,061)	(90,684)	(87,382)	(106,349)
Total Uses	\$ (259,406)	\$ (262,512)	\$ (268,914)	\$ (276,536)	\$ (277,811)	\$ (302,134)
Unrestricted Net Transfer Out-Constr.	(46,783)	(46,935)	(46,614)	(49,530)	(59,229)	(68,700)
Operating Fund Balance	\$ 121,740	\$ 131,317	\$ 121,509	\$ 146,046	\$ 158,160	\$ 158,428

¹ Interest Rate Assumed 1.0% for 2016 - 2018

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 fund in the following year. In 2006 the Commission established a six month reserve of operating expenses. The operating reserve figure for 2016 is \$86.9 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, concessions from the G Concourse or new lease agreements. Rentals/Fees, Utilities and Other Revenues increases can be attributed to rent changes and a higher auto rental customer facility charges paid by the

auto rental firms in connection with a new auto rental facility expected to open during 2018. Operating Revenues total \$330.4 million for 2016.

2. 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 1.0% for the period 2016-2018. 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 and larger cash balances. Self-liquidating leases are those facilities built by MAC and then leased to tenants.



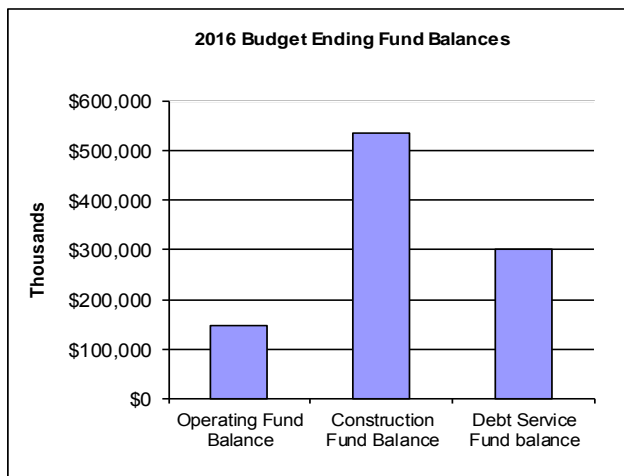
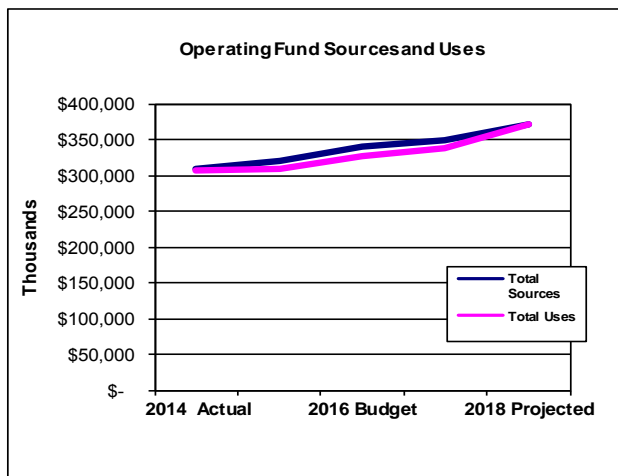
Terminal 1-Lindbergh Retail Shops

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 2016 is \$173.7 million.
3. 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 2016 is \$10.9 million and includes other capital expenditures. A portion of this equipment will be leased. The offset to the equipment is shown as Equipment Financing (\$3.2 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. The debt service portion also includes payments on the Commission revolving line of credit. The total payments for on the GARB’s and the revolving line of credit are expected to be approximately \$90.7 million.
4. 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. \$49.5 million is anticipated for 2016 based on 2015 estimates and \$59.2 million anticipated for 2017 based on 2016 budgeted amounts.

The graphs below illustrate the sources and uses of revenue and the three 2016 budgeted fund balances.

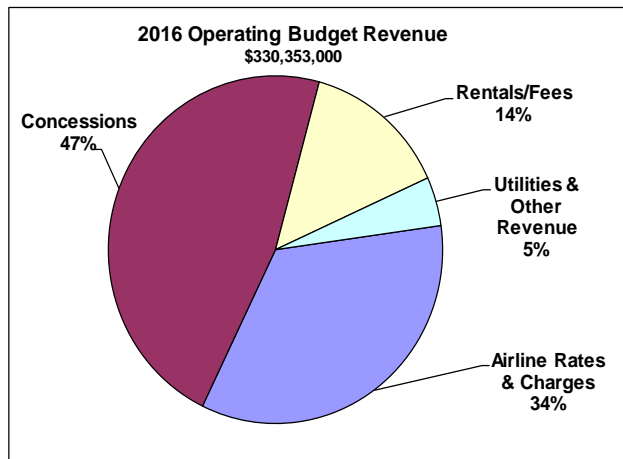


Operating Budget Revenue

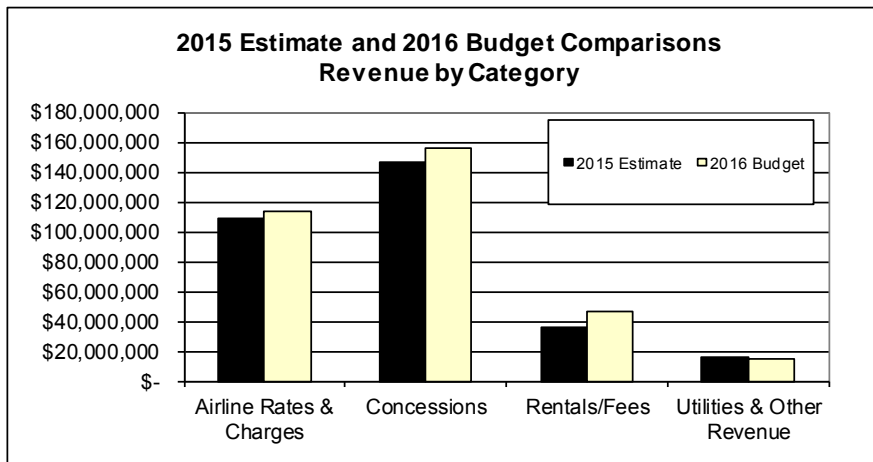
Total Operating Budget Revenue for 2016 is \$330.4 million, which is a \$24.5 million or 8.0% increase compared to 2015 estimates. The detailed explanations for Airline Rates & Charges, along with other major changes in revenue, are included in this section.

REVENUE	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	2015 Estimate vs 2016 Budget	
					Dollar Change	% Change
Airline Rates & Charges	\$111,005	\$109,329	\$108,775	\$113,691	\$4,916	4.5%
Concessions	\$136,445	\$144,963	\$146,066	\$155,362	\$9,296	6.4%
Rentals/Fees	\$34,117	\$34,298	\$35,525	\$46,275	\$10,750	30.3%
Utilities & Other Revenue	\$16,768	\$14,820	\$15,515	\$15,025	(\$490)	-3.2%
Total Operating Revenue	\$298,335	\$303,410	\$305,881	\$330,353	\$24,472	8.0%

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



The following chart compares 2015 estimate and 2016 budget revenue by category:



2016 Operating Revenue

2016 Budget vs 2015 Estimate

	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	Dollar Change	% Change
Airline Rates & Charges						
Airline Agreement						
Landing Fees	56,790,518	59,237,642	58,500,000	61,406,972	2,906,972	5.0%
Ramp Fees	7,213,185	7,263,598	7,000,000	7,592,470	592,470	8.5%
Airline R&R	3,610,295	3,720,273	3,720,000	4,495,172	775,172	20.8%
T1 Rentals	37,456,370	36,455,784	36,400,000	38,310,374	1,910,374	5.2%
T1 Other	4,534,592	5,717,085	5,525,000	5,779,783	254,783	4.6%
Concessions Rebate	(10,293,866)	(13,060,677)	(13,220,000)	(13,919,950)	(699,950)	0.0%
<i>Total Airline Agreement</i>	99,311,094	99,333,705	97,925,000	103,664,821	5,739,821	5.9%
Terminal 2 Fees						
T2 Lobby	9,553,114	8,133,359	8,200,000	7,637,349	(562,651)	-6.9%
T2 Other/Passenger	2,141,023	1,862,335	2,650,000	2,388,362	(261,638)	-9.9%
Total Airline Rates & Charges	111,005,231	109,329,399	108,775,000	113,690,532	4,915,532	4.5%
Concessions						
Terminal						
Food & Beverage	16,128,104	16,006,851	16,500,000	20,130,029	3,630,029	22.0%
News	3,645,355	3,631,019	3,550,000	4,044,695	494,695	13.9%
Retail Stores	4,600,025	4,935,722	4,800,000	5,348,961	548,961	11.4%
Passenger Services	4,003,902	4,782,487	4,600,000	6,028,908	1,428,908	31.1%
<i>Total Terminal</i>	28,377,387	29,356,079	29,450,000	35,552,593	6,102,593	20.7%
Parking/Grnd Transport						
Parking	80,657,939	87,776,061	88,000,000	90,730,867	2,730,867	3.1%
Ground Transportation	5,811,792	5,169,046	5,850,000	5,960,532	110,532	1.9%
MSP Employee Parking	2,917,197	3,152,168	3,325,000	3,408,806	83,806	2.5%
Auto Rental - On Airport	17,939,195	17,601,000	17,601,000	17,601,000	0	0.0%
<i>Total Parking/Grnd Transport</i>	107,326,122	113,698,275	114,776,000	117,701,205	2,925,205	2.5%
Other						
Other Concessions	741,421	1,908,240	1,840,000	2,108,471	268,471	14.6%
Total Concessions	136,444,930	144,962,594	146,066,000	155,362,269	9,296,269	6.4%
Rentals/Fees						
Buildings & Facilities	7,263,964	7,723,132	8,725,000	9,227,506	502,506	5.8%
Auto Rental CFC	11,377,312	11,100,000	11,800,000	21,000,000	9,200,000	78.0%
Ground Rentals	8,409,467	9,009,827	8,500,000	9,133,148	633,148	7.4%
Reliever Airports	7,066,519	6,465,317	6,500,000	6,914,402	414,402	6.4%
Total Rentals/Fees	34,117,262	34,298,276	35,525,000	46,275,056	10,750,056	30.3%
Utilities & Other Revenue						
Utilities	4,915,438	4,612,816	4,590,000	4,671,634	81,634	1.8%
GA/Airside Fees	3,243,970	2,593,801	3,200,000	3,369,018	169,018	5.3%
Consortium Fees	3,203,760	3,250,000	3,225,000	3,348,816	123,816	3.8%
Other Revenues	1,726,389	1,484,418	1,500,000	1,685,316	185,316	12.4%
Reimbursed Expense	3,677,994	2,878,935	3,000,000	1,950,000	(1,050,000)	-35.0%
Total Utilities & Other Revenue	16,767,551	14,819,970	15,515,000	15,024,784	(490,216)	-3.2%
Total Operating Revenue	298,334,973	303,410,239	305,881,000	330,352,641	24,471,641	8.0%

Revenue Assumptions and Guidelines

The revenue projections for 2016 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.

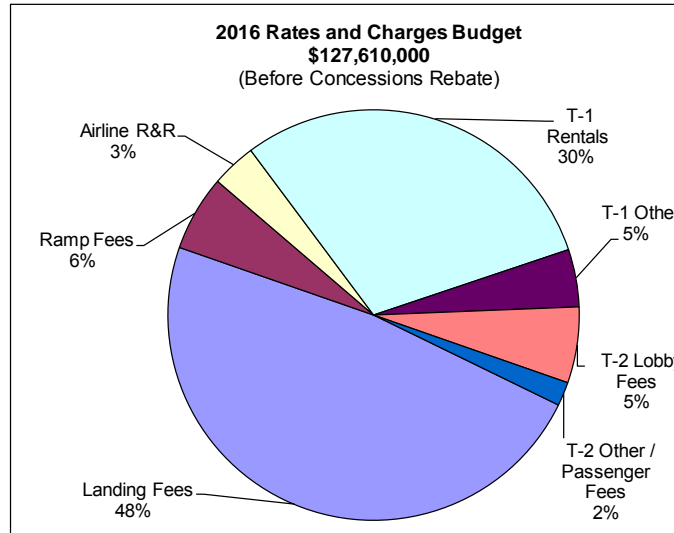
The explanations for revenue assumptions are based on a comparison of 2015 estimates versus 2016 budget figures.

Airline Rates and Charges

The Airline Rates and Charges category, which is approximately \$113.7 million or 34% of MAC’s \$330.4 million in revenues, is generated from rates charged to the airlines. This category is projected to increase \$4.9 million or 4.5% from 2015 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 (as 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 2016, rates for landing fees, ramp fees and airline Terminal 1 rental rates are calculated as per the Airline Use Agreement. Rates for Terminal 2 are set by ordinance, which is primarily based on the recovery of budgeted operating and maintenance costs. The Concessions Rebate of \$13.9 million represents the revenue sharing found in the Airline Use Agreement.

2016 Airline Rates and Charges (\$=000)	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	2015 Estimate vs 2016 Budget	
					Dollar Change	% Change
Airline Rates & Charges						
Landing Fees	\$56,791	59,238	58,500	61,407	2,907	5.0%
Ramp Fees	7,213	7,264	7,000	7,592	592	8.5%
Airline R&R	3,610	3,720	3,720	4,495	775	20.8%
T1 Rentals	37,456	36,456	36,400	38,310	1,910	5.2%
T1 Other	4,535	5,717	5,525	5,780	255	4.6%
Concessions Rebate	(10,294)	(13,061)	(13,220)	(13,920)	(700)	5.3%
T2 Lobby	9,553	8,133	8,200	7,637	(563)	-6.9%
T2 Other/Passenger	2,141	1,862	2,650	2,388	(262)	-9.9%
Total Airline Rates & Charges	\$111,005	109,329	108,775	113,691	4,916	4.5%

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 \$0.06 in 2016 from 2015 estimates. The first half of the winter of 2015 was relatively mild as compared to previous winters which resulted in a lower than budget field and runway costs. The 2016 snow removal operating budget was prepared on a 3 year average. In addition, higher labor, benefits and snow removal material costs and a lease amendment for higher airline contributions for field and runway repair and replacement contributed to the higher landing fee.

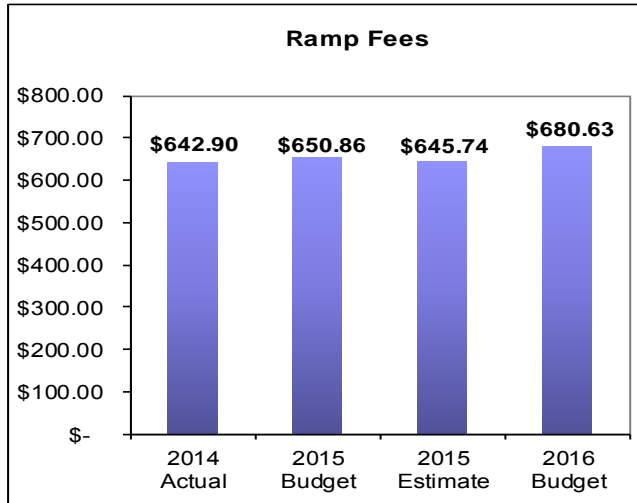
<u>Landing Fee</u>	<u>2014</u>	<u>2015</u>	<u>2015</u>	<u>2016</u>
	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Budget</u>
Landing Fee	\$2.68	\$2.73	\$2.72	\$2.78
Landed Weight (000)	21,190	21,699	21,507	22,089
Revenue (000)	\$56,791	\$59,238	\$58,500	\$61,407

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 2015 estimated (\$645.74) to 2016 budget (\$680.63) per lineal foot can be attributed to an increase in wage and benefit increases as well as increases in material costs used for snow removal operations.

<u>Ramp Fee</u>	<u>2014</u>	<u>2015</u>	<u>2015</u>	<u>2016</u>
	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Budget</u>
Ramp Fee (Per Lineal Ft.)	\$642.90	\$650.86	\$645.74	\$680.63
Ramp Footage	11,176	11,179	11,179	11,179
Revenue (000)	\$7,213	\$7,264	\$7,000	\$7,592



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 leasing space at Terminal 1. This surcharge increases annually at a rate of 3%. The rate for 2016 is \$6.93 per square foot. In 2016, the amount of revenue increased by \$775,000, a majority of the increase is due to the additional space obtained in taking control of Concourse G from Delta.

Terminal 1 Rentals

Airline Terminal 1 rates are calculated by allocating Terminal 1 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 mentioned above. Effective January 1, 2016, the Commission took over management and operational control of the G Concourse from Delta airlines which has an impact on both rental rates and revenues.

The Terminal 1 rate is decreasing from \$64.60 to \$58.83 per square foot, however total Terminal 1 rental revenue is increasing \$1.9 million from 2015 estimates. The primary reasons for the decrease in the Exclusive rates (\$5.77) between 2015 estimate and 2016 budget is due to the additional rentable square footage obtained in taking over control of the G Concourse. Higher Terminal 1 maintenance and utilities costs were offset by the additional rentable square feet in the terminal building calculation and a higher utility contribution made by concessionaires. The increase in overall revenue is due to additional rentable square footage leased for the G Concourse.

Terminal 1-Lindbergh Rates				
	2014	2015	2015	2016
	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Budget</u>
Exclusive (Per Sq. Ft.)	\$66.20	\$64.71	\$64.60	\$58.83
Exclusive Janitored (Per Sq. Ft.)	\$73.67	\$72.50	\$72.00	\$68.22
Total Revenue (000)	\$37,456	\$36,456	\$36,400	\$38,310

Terminal 1 Other

Revenue from Terminal 1 Other is expected to increase \$255,000 or 4.6%. The revenue sources in this area are revenues generated from the International Arrivals Facility (IAF), porter service fees, baggage claim maintenance fees, queue line management fees, and conveyors and carousels.

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 2014, budgeted 2015, estimated 2015 and budgeted 2016.

International Arrival Fee				
(\$=000)	2014	2015	2015	2016
	Actual	Budget	Estimate	Budget
Total Cost	\$3,085	\$3,497	\$3,350	\$3,631
Passengers	594,412	624,464	638,095	699,615
Fee Per Passenger	\$5.19	\$5.60	\$5.25	\$5.19

The \$0.06 decrease in the IAF fee is due to a minor increase in costs offset by an 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 \$850,000.

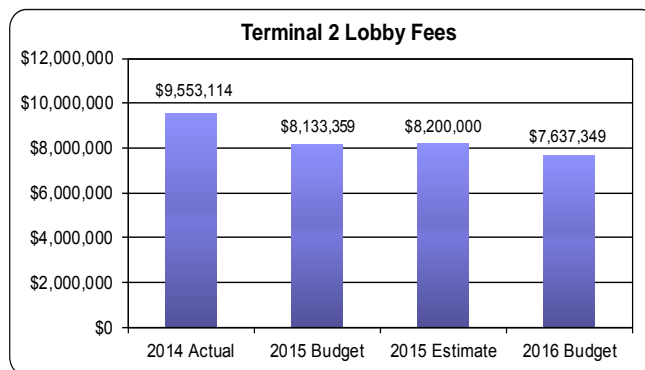
The remaining revenues consisted of conveyors, carousels, porter service and queue line management fees. These revenues are expected to decrease slightly. With a late-2016 implementation of improved consolidated security checkpoints at Terminal 1, which will display checkpoint wait times, the need to charge a queue line management fee will no longer be needed.

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). The amount of concession revenue shared is based upon the Commission meeting certain concession revenue levels and the airlines meeting certain passenger levels. For the 2016 budget, this rebate is projected to be \$13.9 million. The increase of \$700,000 is due to an increase in food, beverage, news and retail revenues due to additional revenues from the G Concourse. For 2016, the air carriers will share in approximately 31% of the Commission’s Selected Concessions Revenue.

Terminal-2 Lobby Fees

Terminal 2 Lobby Fees are expected to decrease \$563,000 or 6.9%. 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 2016 the gate cap is \$718,128) 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 Commission is expected to open 3 additional gates late in the 4th quarter of 2016 for a total of 13 gates. The 2016 revenue impact from the 3 additional gates will be minimal.

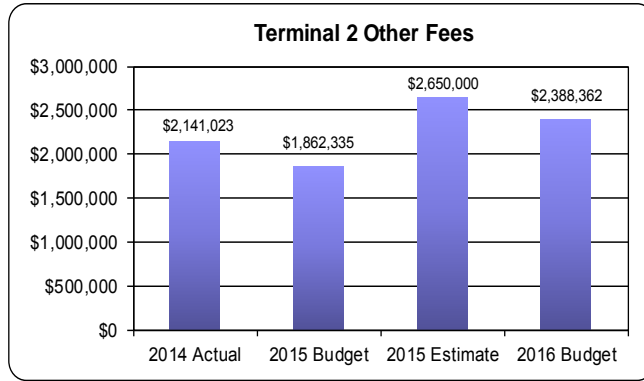


In order to keep both Terminal 1 and Terminal 2 rates competitive for the respective airlines, the Terminal 2 rate calculation limits the increase/decrease in certain elements of the rates charged in Terminal 2 to the percentage increase or decrease in rates in Terminal 1. In 2016, the rates in Terminal 1 went down \$5.77 as a result of additional rentable space on the G Concourse which lower the Terminal 1 rental rates (see Terminal 1 Rentals) and correspondingly, lobby fee revenues are lower.

The MAC estimates the revenue derived in the non-capped gates based upon operational data obtained from historical data and from the airlines.

Terminal-2 Other/Passenger Fees

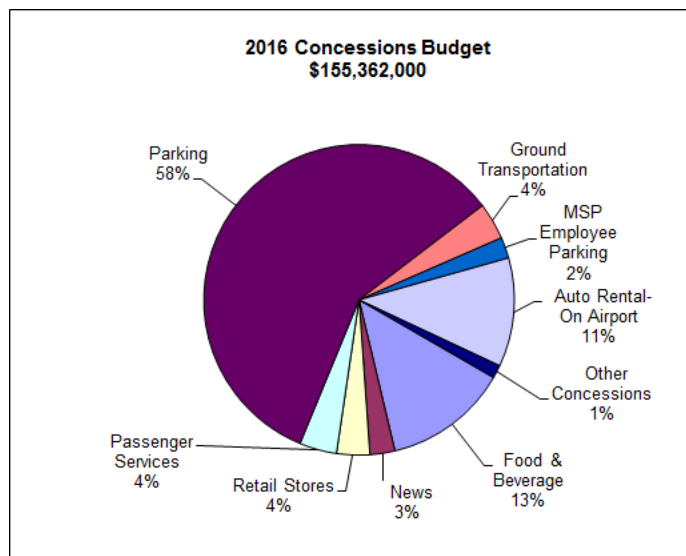
Terminal 2 Other/Passenger fee revenue is budgeted to decrease \$262,000 or 9.9%. This category includes Federal Inspection Service charges for international passengers, Terminal 2 building rentals and non-signatory landing fees. As with Lobby Fees mentioned above, the rates are based on budgetary data with no year-end true up of actual expenses. For 2016 there are lower rates for FIS charges (see Lobby fees explanation above) partially offset by increases in non-signatory landing fees collected.



Concessions

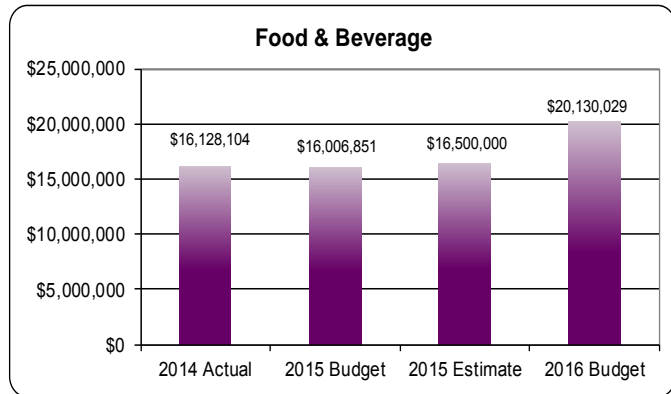
The Concessions category is \$155.4 million or 47% of total operating revenue for 2016. The rates charged for parking are approved by the Commission while ground transportation fees are authorized according to MAC Ordinances. The revenues from auto rental, food & beverage, news, retail and passenger services are based on various lease agreements, which allow the concessionaires to operate in MAC facilities. Concessions are projected to increase \$9.3 million or 6.4% from estimated 2015 levels and are based upon the following: 1) Passenger increase; 2) Increase in average spending per passenger; and 3) MAC taking operational and management control of Concourse G.

2016 Concessions (\$=000)					2015 Estimate vs 2016 Budget	
	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	Dollar Change	% Change
Concessions						
Food & Beverage	\$16,128	16,007	16,500	20,130	3,630	22.0%
News	3,645	3,631	3,550	4,045	495	13.9%
Retail Stores	4,600	4,936	4,800	5,349	549	11.4%
Passenger Services	4,004	4,782	4,600	6,029	1,429	31.1%
Parking	80,658	87,776	88,000	90,731	2,731	3.1%
Ground Transportation	5,812	5,169	5,850	5,961	111	1.9%
MSP Employee Parking	2,917	3,152	3,325	3,409	84	2.5%
Auto Rental - On Airport	17,939	17,601	17,601	17,601	0.0%	
Other Concessions	741	1,908	1,840	2,108	268	14.6%
Total All Concessions	\$136,445	144,963	146,066	155,362	9,296	6.4%



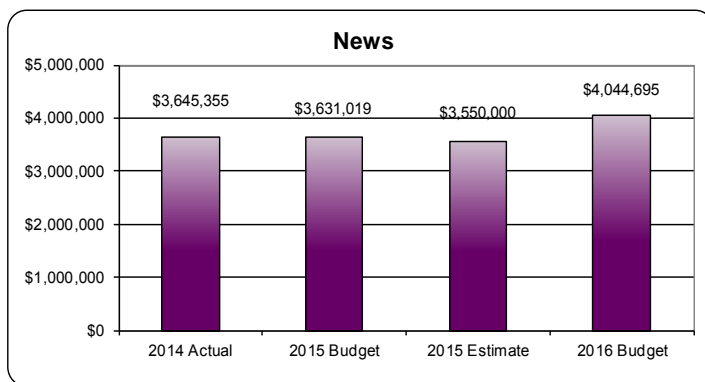
Food & Beverage

Food & Beverage is projected to increase by \$3,630,000 or 22.0% from the 2015 estimates due to an increase in passengers, increase in average dollars spent per passenger and concession revenues from the G Concourse that the MAC took over from Delta in 2016.



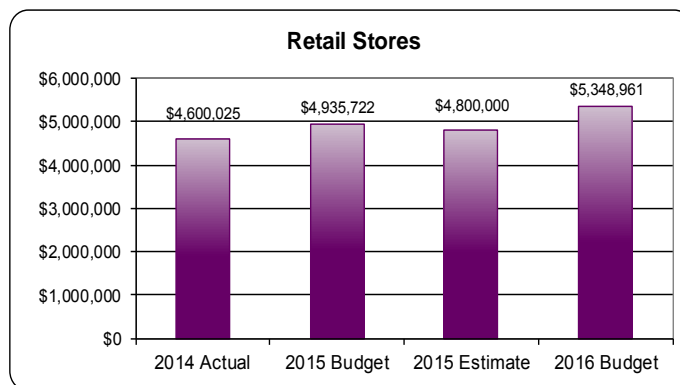
News

News is projected to increase \$495,000 or 13.9% from the 2015 estimates primarily from the first years' revenues from the G Concourse.



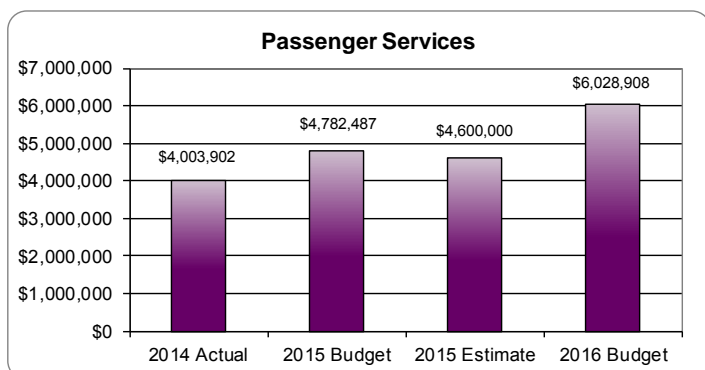
Retail Stores

Retail is projected to increase by \$549,000 or 11.4% from the 2015 estimate primarily from the first years revenues from the G Concourse.



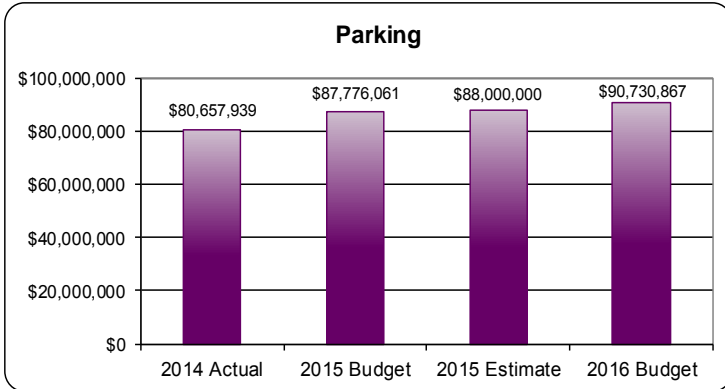
Passenger Services

Passenger Services are budgeted to increase \$1,429,000 or 31.1% from the 2015 estimate. An increase in sponsorship/promotional revenues relating to a new solar power agreement, a new indoor advertising contract and G Concourse revenues accounted for the majority of the increase.



Parking

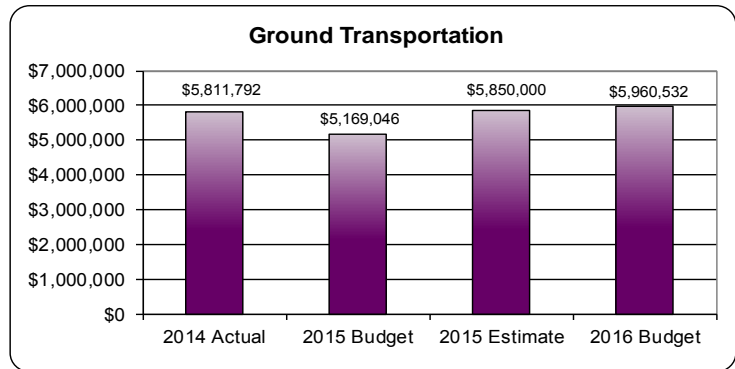
Parking is expected to increase from 2015 estimates by \$2.7 million or 3.1%. The increase in revenue is due to passenger growth, longer length of stay and the opening of parking spaces that were closed during 2015 due to the construction of solar panels on top of the parking deck.



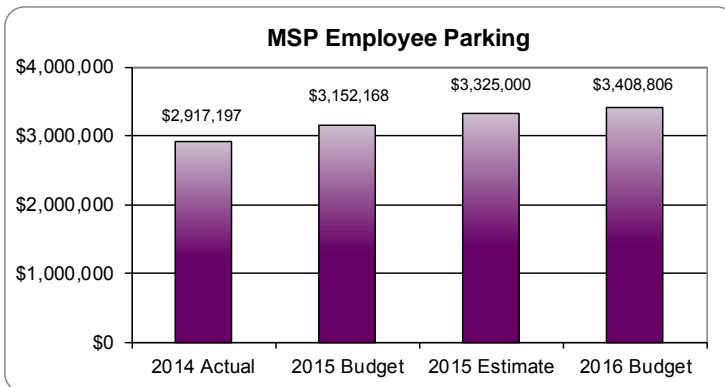
Parking Facility at Terminal 2-Humphrey

Ground Transportation Fees

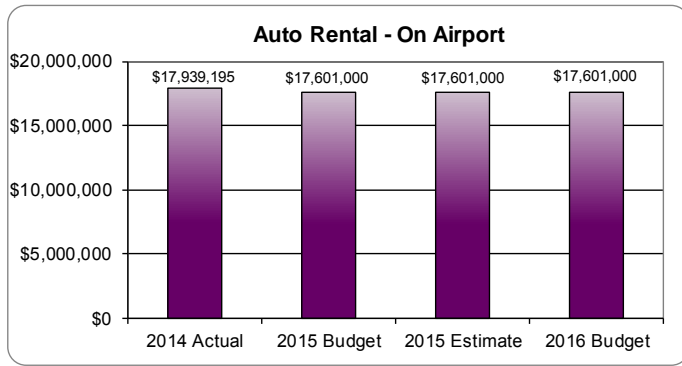
Ground Transportation fees are projected to increase \$110,000 or 1.9%. This is primarily a result of higher costs associated with maintaining and operating the ground transportation system and a new off-airport car rental operator which started service in 2015.



MSP Employee Parking



MSP Employee Parking is budgeted to increase \$84,000 or 2.5% based upon an increase in the employee parking rate.

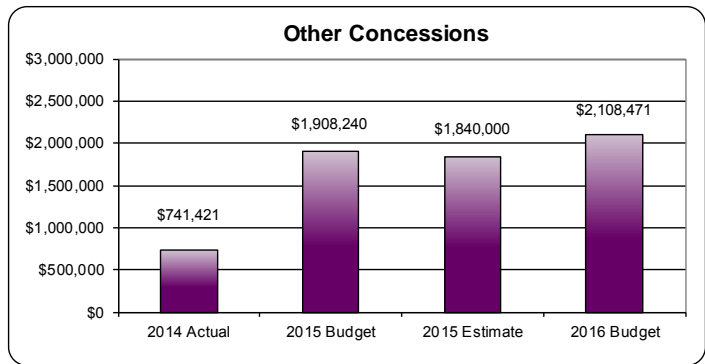


Auto Rental-On Airport

Auto rental fees are projected to remain flat from the 2015 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. The Commission conservatively estimates that the auto rental firms will pay only the minimum guarantee rent in 2016 with no percentage rent.

Other Concessions

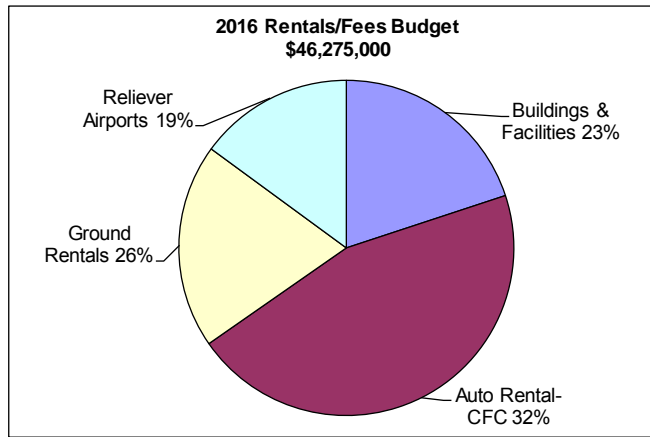
The majority of revenue in the Other Concessions category consists of Outdoor Advertising, In-Flite Catering, auto services, a pet boarding facility and miscellaneous concessions. Other Concessions are budgeted to increase \$268,000 from 2015 estimated levels. This is primarily due to increases in Outdoor Advertising revenues. Due to permitting issues, 2015 revenues from outdoor advertising were below budget; a full years' revenue was budgeted in 2016. Other revenue items in this category are expected to show minor changes from estimates.



Rentals/Fees

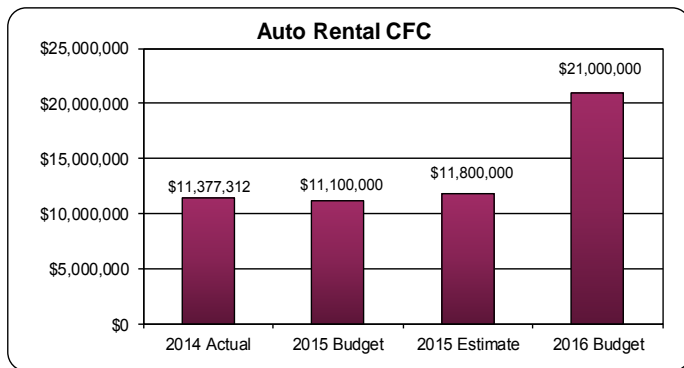
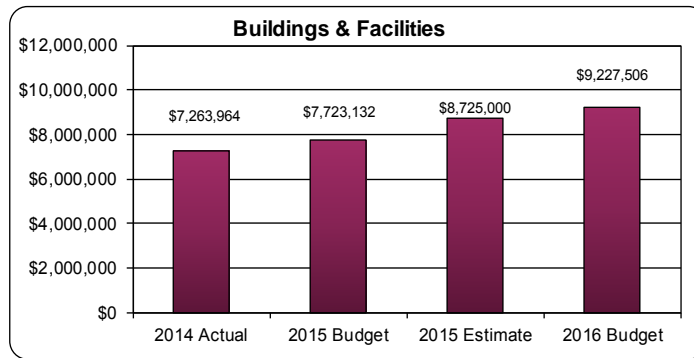
Rentals/Fees are \$46.3 million or 14% of total operating revenue for 2016 and are projected to increase \$10.8 million or 30.3% from 2015 estimated levels. This revenue section consists of Auto Rental-Customer Facility Charge (CFC), building rentals (non-airline), ground rental space and reliever airport 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.

2016 Rentals/Fees (\$=000)	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	2015 Estimate vs 2016 Budget	
					Dollar Change	% Change
Rentals/Fees						
Buildings & Facilities	\$7,264	7,723	8,725	9,228	503	5.8%
Auto Rental CF	11,377	11,100	11,800	21,000	9,200	78.0%
Ground Rentals	8,409	9,010	8,500	9,133	633	7.4%
Reliever Airports	7,067	6,465	6,500	6,914	414	6.4%
Total Rentals/Fees	\$34,117	34,298	35,525	46,275	10,750	30.3%



Building & Facilities

Building and facility rentals are projected to increase \$503,000 or 5.8% over 2015 estimates as a result of new building leases for non-terminal airline tenants.

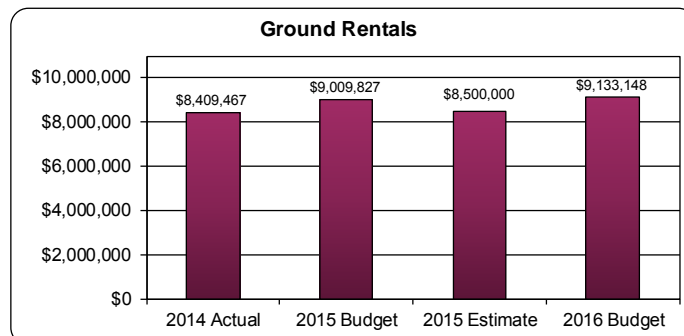


Auto Rental-Customer Facility Charge (CFC)

Auto Rental CFCs are budgeted to increase 78.0% from 2015 estimates. In 2016, the Commission will be collecting an additional CFC for the purpose of constructing a new auto parking/rental car parking facility. The additional CFC will be used to pay debt service on the auto rental portion of the parking deck. The current CFC charge is at \$3.25 per rental car transaction per day and is expected to be \$5.90 in 2016.

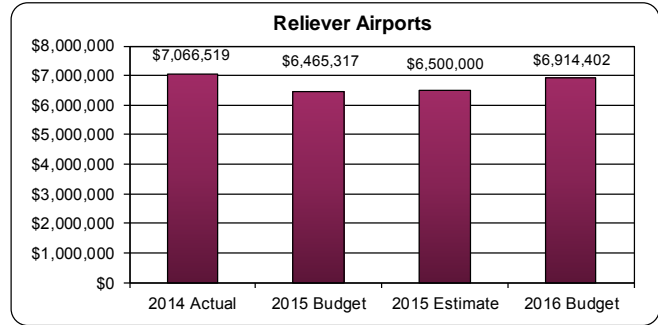
Ground Rentals

Ground Rentals are budgeted to increase by \$633,000 or 7.4% from 2015 estimated levels. The Commission is in the process of updating it's ground rental rates ordinance. The new ground rental rates are expected to be effective in July 2016.



Reliever Airports

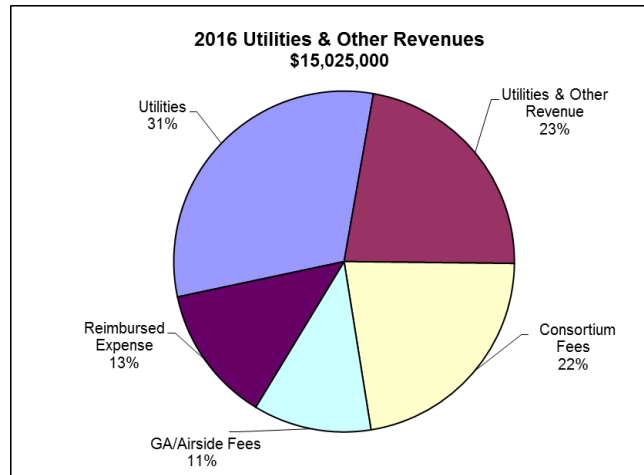
Reliever Airports are expected to increase \$414,000 from 2015 estimated levels based upon activity and trends at the time of the budget completion.



Utilities & Other Revenue

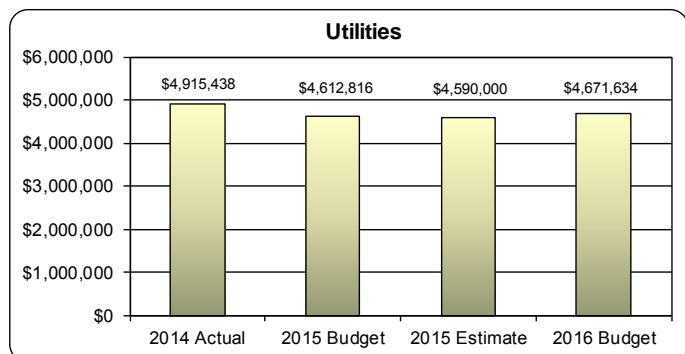
Utilities & Other Revenues are \$15.0 million or 5% of total operating revenue for 2016 and are projected to decrease \$490,000 or 3.2% from 2015 estimated levels. Included in this category are Utilities, General Aviation/Airside Fees, Consortium Fees, Other Revenues and Reimbursed Expense.

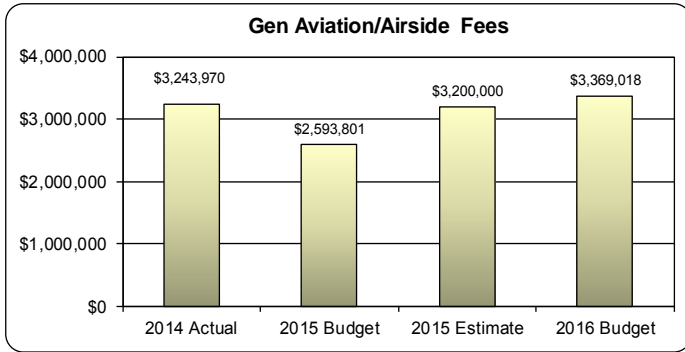
2016 Utilities & Other Revenue (\$=000)	2014 <u>Actual</u>	2015 <u>Budget</u>	2015 <u>Estimate</u>	2016 <u>Budget</u>	2015 Estimate vs 2016 Budget	
					Dollar Change	% Change
Utilities & Other Revenue						
Utilities	\$4,915	4,613	4,590	4,672	82	1.8%
GA/Airside Fees	3,244	2,594	3,200	3,369	169	5.3%
Consortium Fees	3,204	3,250	3,225	3,349	124	3.8%
Other Revenues	1,726	1,484	1,500	1,685	185	12.4%
Reimbursed Expense	3,678	2,879	3,000	1,950	(1,050)	-35.0%
Total Utilities & Other Rev.	\$16,768	14,820	15,515	15,025	(490)	-3.2%



Utilities

Included in this area is water, sewer, electricity, heating and ground power. The increase in this category of \$82,000 is due to an increase in utilities to be paid by concessionaires and higher ground power rates paid by the airlines.



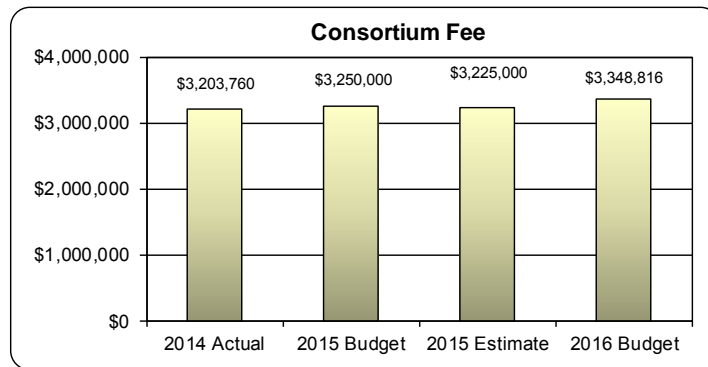


General Aviation/Airside Fees

This category includes general aviation landing fees, ramp fees and apron services. This category is expected to increase \$169,000 or 5.3% as a result of trends based upon the time the budget was completed.

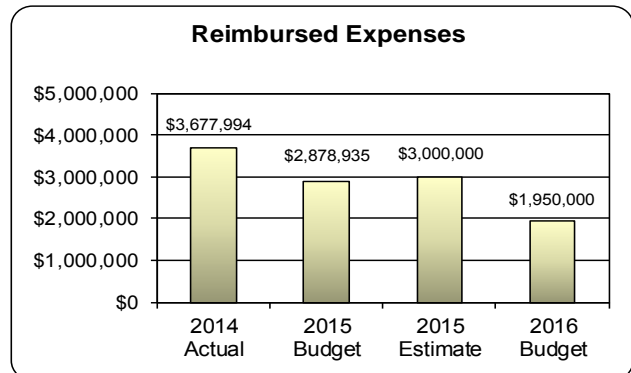
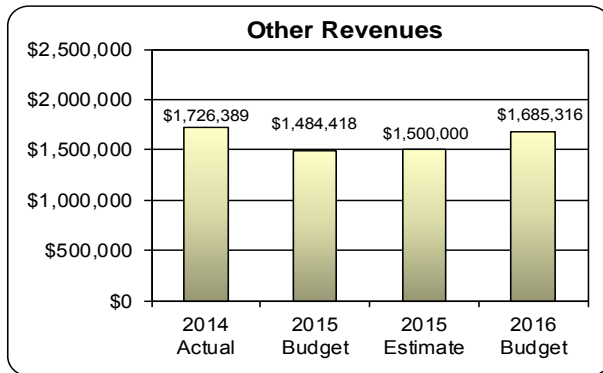
Consortium Fees

Consortium fees are expected to increase \$124,000 or 3.8%. Increases in cleaning of common concession areas 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 decrease \$865,000 primarily a result of a reduction in payments made by Delta for Police, Fire and Administration costs for the G Concourse offset partially by increases in badging and permit revenues. The MAC will be taking over control of the G Concourse from Delta on January 1, 2016.



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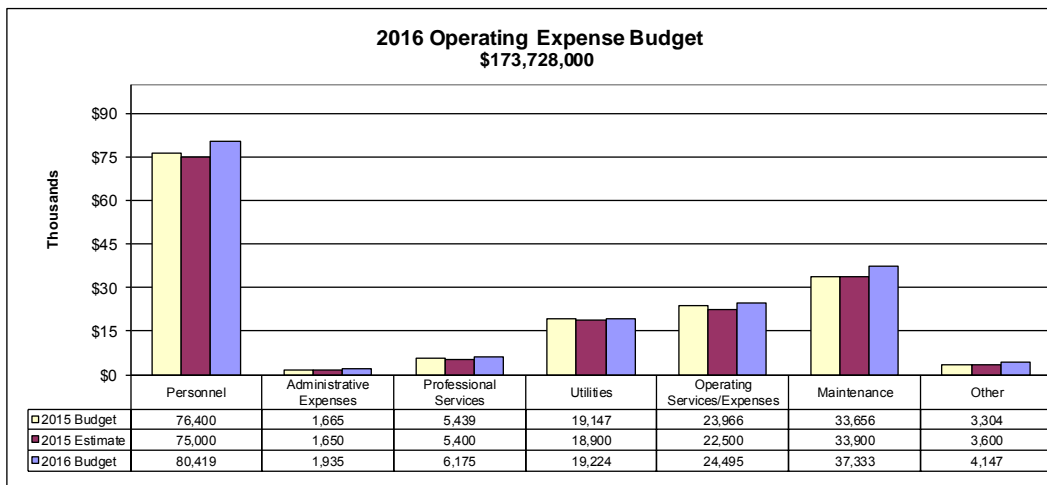
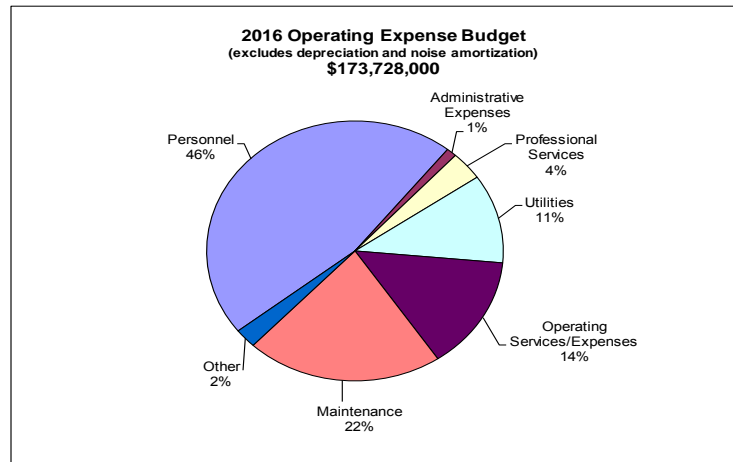
Operating Budget Expense

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 2016 is \$173.7 million (excluding depreciation and amortization) which is an increase of \$12.8 million or 7.9% over the 2015 estimate.

The explanations prepared below compare the 2015 estimate with the 2016 budget.

2016 Expense Summary				2015 Estimate vs 2016 Budget					
(\$=000)		2014 Actual	2015 Budget	2015 Estimate	2016 Budget	Dollar Change	% Change	2017 Budget	2018 Budget
EXPENSE									
Personnel		72,358	76,400	75,000	80,419	5,419	7.2%	82,560	84,757
Administrative Expenses		1,610	1,665	1,650	1,935	285	17.3%	1,974	2,013
Professional Services		4,972	5,439	5,400	6,175	775	14.4%	6,299	6,424
Utilities		20,873	19,147	18,900	19,224	324	1.7%	19,926	20,655
Operating Services/Expenses		19,583	23,966	22,500	24,495	1,995	8.9%	25,000	25,551
Maintenance		31,377	33,656	33,900	37,333	3,433	10.1%	38,847	39,785
Other		3,325	3,304	3,600	4,147	547	15.2%	4,323	4,500
Total Operating Expenses		154,097	163,577	160,950	173,728	12,778	7.9%	178,930	183,686



Operating Budget Expense

2016 Budget Operating Expense

2016 Budget vs 2015 Estimate

	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	Dollar Change	% Change
Personnel						
Salaries & Wages	49,614,773	51,659,467	50,178,000	54,421,659	4,243,659	8.5%
Benefits	22,743,178	24,740,605	24,822,000	25,997,016	1,175,016	4.7%
Total Personnel	72,357,951	76,400,073	75,000,000	80,418,675	5,418,675	7.2%
Administrative Expenses	1,609,670	1,664,642	1,650,000	1,935,373	285,373	17.3%
Professional Services	4,972,121	5,438,934	5,400,000	6,175,111	775,111	14.4%
Utilities						
Electricity	13,898,723	13,614,828	13,316,000	13,653,029	337,029	2.5%
Heating Fuel	4,544,200	3,145,003	3,050,000	2,704,905	(345,095)	-11.3%
Water & Sewer	1,940,410	1,831,396	2,000,000	2,262,824	262,824	13.1%
Telephones	489,360	555,828	534,000	602,967	68,967	12.9%
Total Utilities	20,872,692	19,147,055	18,900,000	19,223,725	323,725	1.7%
Operating Services/Expenses						
Parking Management	5,998,811	6,783,415	6,500,000	6,566,055	66,055	1.0%
Shuttle Bus Services	833,245	2,929,314	1,950,000	1,948,764	(1,236)	-0.1%
Service Agreements	7,835,026	8,908,716	8,788,700	9,977,949	1,189,249	13.5%
Storm Water Monitoring	1,644,554	1,447,434	1,200,000	1,490,857	290,857	24.2%
Other	3,270,944	3,897,473	4,061,300	4,511,087	449,787	11.1%
Total Operating Services/Expenses	19,582,580	23,966,352	22,500,000	24,494,712	1,994,712	8.9%
Maintenance						
Trades	2,181,854	2,351,848	2,100,000	2,388,529	288,529	13.7%
Field	3,236,697	4,015,144	4,000,000	4,020,379	20,379	0.5%
Building	11,213,771	12,320,167	12,628,500	13,084,509	456,009	3.6%
Equipment	3,247,985	2,730,474	2,582,000	2,808,824	226,824	8.8%
Cleaning	11,497,016	12,238,316	12,589,500	15,031,203	2,441,703	19.4%
Total Maintenance	31,377,323	33,655,949	33,900,000	37,333,444	3,433,444	10.1%
Other						
General Insurance	1,724,278	1,969,500	1,905,000	2,075,001	170,001	8.9%
Minor Equipment	953,072	826,641	994,900	1,376,104	381,204	38.3%
Other	647,781	507,485	700,100	696,176	(3,924)	-0.6%
Total Other	3,325,131	3,303,626	3,600,000	4,147,281	547,281	15.2%
Total Operating Expense	154,097,466	163,576,630	160,950,000	173,728,321	12,778,321	7.9%

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 2016 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.
- The 2015 budget included an additional 10 new FTE positions identified as follows. The full year's impact is included in the 2016 budget.
 - 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 took over the management and operational control of the G Concourse in Terminal 1-Lindbergh from Delta on January 1, 2016. These positions were hired in mid-late 2015 in anticipation of the additional areas on the G Concourse to be maintained by the Commission.

- The 2016 budget includes 9 additional FTE positions to meet workload demands and the increasing complexity of issues facing MAC. The positions include 6 related to Information Technology, one video surveillance specialist for Police, one sustainability specialist and a position to be determined.
- The total FTE position count in the 2016 budget is temporarily at 619.5 until two retirements occur in the EMC, reducing the total FTE position count to 617.5.
- 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 including additional expenses related to the operational control of the G Concourse (from Delta) effective 1/1/2016.
- 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 \$5.4 million or 7.2% over the 2015 estimates.

2016 Personnel Expense (\$=000)					2015 Estimate vs 2016 Budget		2017 Budget	2018 Budget
	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	Dollar Change	% Change		
Personnel								
Salaries & Wages	49,615	51,659	50,178	54,422	4,244	8.5%	55,783	57,177
Benefits	<u>22,743</u>	<u>24,741</u>	<u>24,822</u>	<u>25,997</u>	<u>1,175</u>	<u>4.7%</u>	<u>26,777</u>	<u>27,580</u>
Total Personnel	<u>72,358</u>	<u>76,400</u>	<u>75,000</u>	<u>80,419</u>	<u>5,419</u>	<u>7.2%</u>	<u>82,560</u>	<u>84,757</u>

Major differences between the 2015 estimates and 2016 budgets are as follows:

Salaries & Wages – Increase of \$4.2 million or 8.5% due to the following:

- Wages – Regular – Effective January 2016, a 2.5% wage structure increase was included in the budget for non-organized and organized employees which includes cost of living and step increases of \$1.5 million. The 2016 budget also includes:
 - Two operating engineer trainee positions, in anticipation of retirements, 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.
 - Nine new positions, identified above, added \$366,000 to the budget.
 - Open positions in 2015 resulted in a lower 2015 estimate. Although a vacancy factor has been included, many of the open positions occurred in Police that requires a longer hiring process. A majority of these positions are expected to be filled by the end of 2015.

Full Time Equivalents					
2012 Actual	2013 Actual	2014 Actual	2015 Budget	2015 Actual Est.	2016 Budget
564	566*	576*	610.5* **	591	619.5***
* includes 2 trainee positions ** includes 10 new and 9.5 status change positions *** includes 9 additional positions					

- Overtime – Regular and Double-time are increasing \$637,000 in the 2016 budget from the 2015 estimate due to the mild winter conditions in the first quarter of 2015 that resulted in costs under budget for 2015. In preparing the 2016 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.
- Temporary employees – Increase of \$424,000 or 15.0% due to budgeting for additional hours for temporary positions to achieve customer service and safety directives (including Community Service

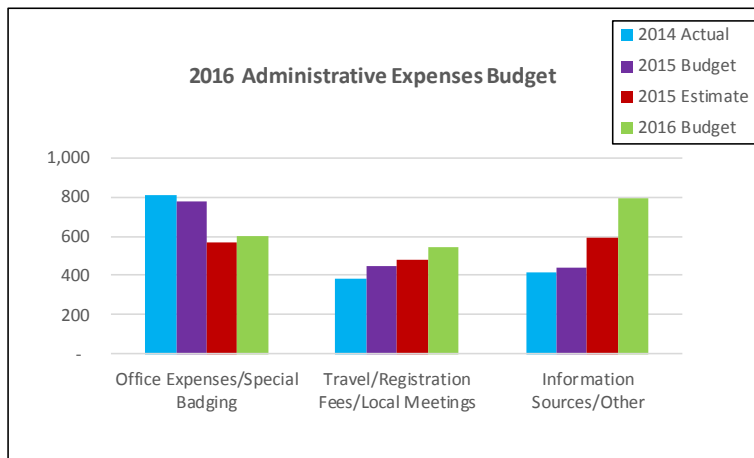
Officers to provide traffic control in front of both terminals) and for additional heavy equipment operators to facilitate snow removal. The budget also includes wage adjustments and is based on a historical average. The first quarter of 2015 resulted in mild winter conditions decreasing the actual costs in 2015 associated with snow removal.

Benefits – Included in benefits are employee insurance/post-retirement healthcare, retirement plans, severance, workers compensation and other miscellaneous items. This category is increasing \$1.2 million or 4.7% with the majority related to healthcare costs. Employee insurance increases are based upon healthcare trends, new hires and allowing for the potential retirement of several employees.

Administrative Expenses

Administrative Expenses are increasing \$285,000 or 17.3% with the major expenses identified in the table below.

2016 Administrative Expenses (\$=000)					2016 Estimate vs 2015 Budget		2017 Budget	2018 Budget
	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	Dollar Change	% Change		
Office Expenses/Special Badging	811	774	572	602	30	5.2%	614	626
Travel/Registration Fees/Local Meetings	380	450	482	543	61	12.7%	554	565
Information Sources/Other	419	441	596	790	194	32.6%	806	822
Total Administrative Expenses	1,610	1,665	1,650	1,935	285	17.3%	1,974	2,013



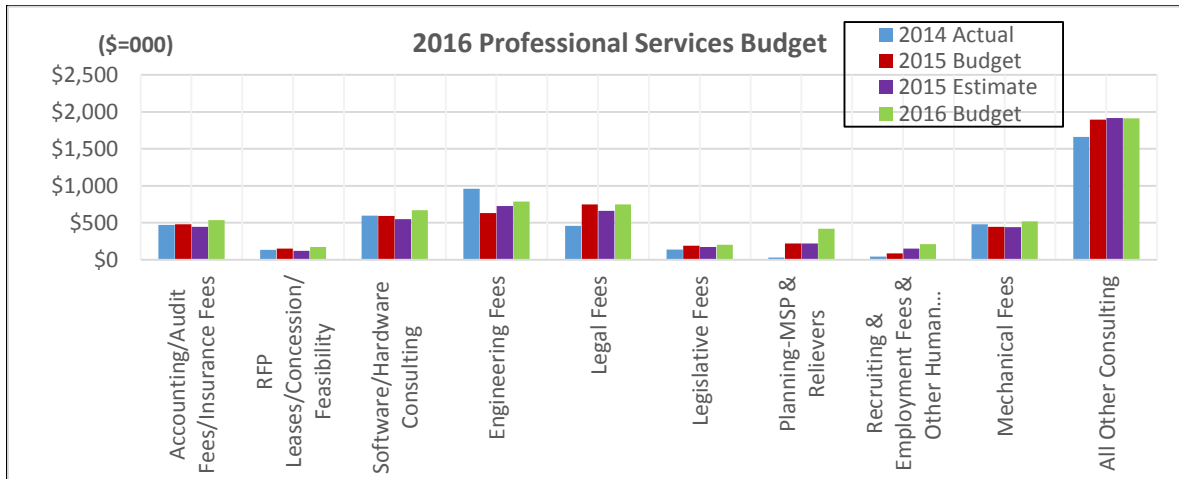
Travel/Registration Fees/Local Meetings – The increase in the 2016 budget is due to higher airfares, lodging costs, mileage, etc. for attending conferences and meetings. In addition, a number of staff serve on national committees that typically require out of state travel.

Information Sources - The leading driver behind the increase is the need for a sustainability management and reporting solution to track and showcase the organization’s sustainability achievements and progress. The increase also allows for a subscription to a more robust social media management, tracking and analytics tool and the first full year’s use of a subscription-based solution for real-time text communications with our customers at MSP. In addition, existing digital subscriptions have been consolidated into a single line item for consistency, so a significant portion of the increase is actually a shift from other budget lines where some of the tools were accounted for in past years.

Professional Services

Professional Services have increased \$775,000 or 14.4% from 2015 estimates.

2016 Professional Services (\$=000)	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	2015 Estimate vs 2016 Budget		2017 Budget	2018 Budget
					Dollar Change	% Change		
Accounting/Audit Fees/Insurance Fees	469	481	447	535	88	19.7%	515	530
RFP Leases/Concession/ Feasibility	133	150	120	170	50	41.7%	200	150
Software/Hardware Consulting	595	591	550	672	122	22.2%	700	775
Engineering Fees	960	632	725	787	62	8.6%	800	825
Legal Fees	458	749	660	749	89	13.5%	760	775
Legislative Fees	139	189	171	203	32	18.7%	203	203
Planning-MSP & Relievers	31	220	220	420	200	90.9%	220	220
Recruiting & Employment Fees & Other Human Resources	43	87	149	210	61	40.9%	200	200
Mechanical Fees	480	445	440	518	78	17.7%	575	600
All Other Consulting	1,664	1,895	1,918	1,911	(7)	-0.4%	2,126	2,146
Total Professional Services	4,972	5,439	5,400	6,175	775	14.4%	6,299	6,424



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

Accounting/Audit/Employee Insurance Fees – Increase of \$88,000 is primarily related to a prescription drug claims audit that will take place in 2016.

RFP Leases/Concessions/Feasibility Studies – Increase of \$50,000 is primarily related to the project consultant for Phase 2 of the concession rebid planning.

Software/Hardware Consulting – Increase in this account of \$122,000 is due to a transfer of funds from other consulting fees to better reflect the proper classification of these expenses related to specialized security consulting for the biometric readers.

Engineering Fees – Projected to increase \$62,000 related to continuing and new regulatory compliance requirements including added work required by the MPCA (Minnesota Pollution Control Agency). In addition, fees are included for a consultant to continue to improve the Environmental Compliance Program (ECP) for MSP and the Relievers.

Legal Fees – Projected to increase \$89,000 or 13.5% from the 2015 estimate based upon 3-year averages. Legal expenses for 2015 are projected to be below 3-year averages.

Planning – MSP & Relievers – Increase of \$200,000 or 90.9% due to expenses associated with the MSP Long Term Comprehensive Plan (LTCP). The Commission approved deferring the plan from 2015 to 2016 to allow for upcoming revised FAA runway procedures. In addition, Reliever Airport zoning efforts and LTCP updates for Anoka, Crystal, Flying Cloud and Lake Elmo are included in the budget.

Recruiting & Employment Fees and Other Human Resources – Recruiting fees increased \$61,000 or 40.9% for the anticipated turnover of high-level executive positions.

Mechanical Fees – Increase of \$78,000 due to additional mechanical services relating to MAC taking over operational control of the G Concourse from Delta.

Other – Decrease of \$7,000 due to a reduction for external public relations services as additional in-house capabilities are now available. However, this decrease has been partially offset by expenses associated with the developing of a waste reduction plan at the Reliever Airports as well as increases related to the MAC Sustainability Program.



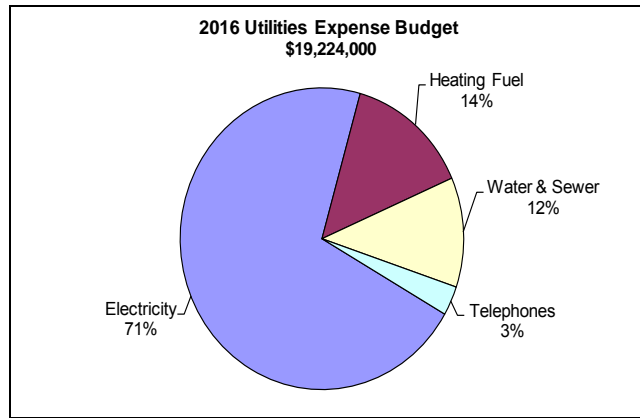
Terminal 2-Humphrey



Utilities

Total Utilities are budgeted to increase \$324,000 or 1.7% over 2015 estimates and are explained as follows.

2016 Utilities Expense				2015 Estimate vs 2016 Budget		2017 Budget	2018 Budget	
(\$=000)				Dollar Change	% Change			
	2014 Actual	2015 Budget	2015 Estimate	2016 Budget				
Utilities								
Electricity	13,899	13,615	13,316	13,653	337	2.5%	14,199	14,767
Heating Fuel	4,544	3,145	3,050	2,705	(345)	-11.3%	2,759	2,814
Water & Sewer	1,940	1,831	2,000	2,263	263	13.1%	2,353	2,447
Telephones	489	556	534	603	69	12.9%	615	627
Total Utilities	<u>20,873</u>	<u>19,147</u>	<u>18,900</u>	<u>19,224</u>	<u>324</u>	<u>1.7%</u>	<u>19,926</u>	<u>20,655</u>



Electricity – The increase in electricity of \$337,000 or 2.5% is based upon the forecast provided by the utility company and an outside consultant. The increase in utility rates and electricity from the G Concourse are partially offset by the savings from construction of a solar facility located at the Terminal 1 parking facilities and the energy savings realized from the re-lighting of the parking ramps.

Natural Gas-Heating Fuel – A decrease in heating fuel of \$345,000 is due to lower natural gas prices.

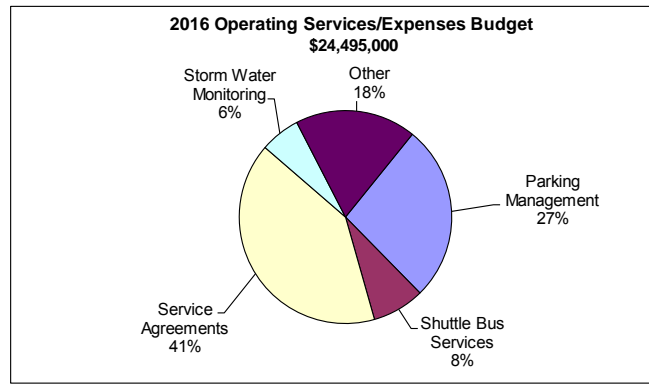
Water & Sewer – The increase of \$263,000 for Water & Sewer is primarily related to the expenses associated with the operational control of the G Concourse (from Delta) effective 1/1/2016.

Telephones – The increase in telephones of \$69,000 or 12.9% is due to increasing the number of staff with data plans to improve communications and the ability to research information quickly from their phone.

Operating Services/Expenses

Operating Service expenses are increasing \$2.0 million or 8.9%. The following chart lists the major components in this category.

2016 Operating Services/Expenses (\$=000)					2015 Estimate vs 2016 Budget		2017 Budget	2018 Budget
	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	Dollar Change	% Change		
Operating Services/Expenses								
Parking Management	5,999	6,783	6,500	6,566	66	1.0%	6,697	6,865
Shuttle Bus Services	833	2,929	1,950	1,949	(1)	-0.1%	1,988	2,028
Service Agreements	7,835	8,909	8,789	9,978	1,189	13.5%	10,178	10,381
Storm Water Monitoring	1,645	1,447	1,200	1,491	291	24.2%	1,536	1,584
Other	3,271	3,897	4,061	4,511	450	11.1%	4,601	4,693
Total Operating Services/Expenses	19,583	23,966	22,500	24,495	1,995	8.9%	25,000	25,551



Service Agreements – Service agreements are increasing 13.5% or \$1.2 million due to the following increases:

- \$500,000 - Level 1 Support for the Help Desk as part of the Support and Maintenance agreements to accommodate better enterprise support. First level support consists of a team with broader understanding of MAC and airport technologies. They handle inbound customer issues as well as proactively monitor our primary technical systems 24/7 and take preliminary steps to resolve problems.
- \$288,000 - New Terminal 2 baggage handling system.
- \$177,000 - Maintenance support of the international passenger processing kiosks in Terminal 1 and Terminal 2.
- \$100,000 - PSIM (Physical Security Information Management) software which is part of the suite of software for CCTV/iVISON (Close Circuit Television – Integrated Video Systems Network). The PSIM integrated real time information from other systems to the CCTV/iVISON Analysts. This data and video is used by MAC’s Emergency Communications Center, the MAC Emergency Operations Center and other airport partners.

Storm Water Monitoring – Increased \$291,000 or 24.2% and is based upon historical amounts and additional new regulatory compliance requirements. The estimate for 2015 is lower than budget due to mild winter conditions during the first quarter of 2015.

Other – Other expenses are increasing \$450,000 or 11.1% related to the following increases:

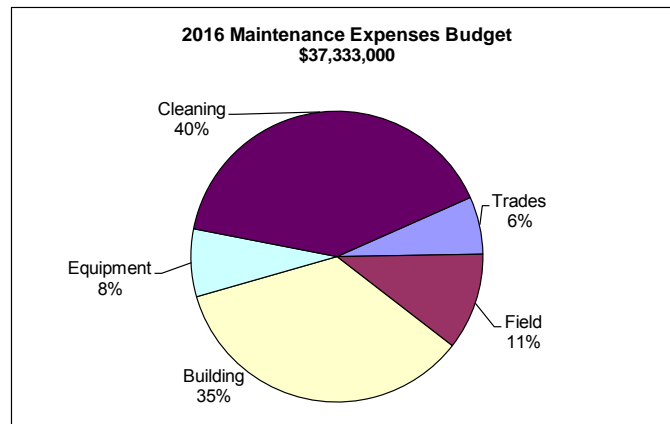
- \$475,000 – New agreement with the Airport Foundation in which MAC provides direct funding to support passenger services including the Travelers Assistance Program and providing critical passenger needs. The leases that provided the Foundation with the sources of income are expiring.
- \$200,000 – Marketing incentive program to promote new air service. Icelandair and Delta are anticipated to meet the criteria in 2016 for generating new air service destinations.
- Decrease for queue line expense of \$100,000 as a result of implementing the new consolidated security checkpoints at Terminal 1 which will display wait times.
- Decrease in various other areas to reflect one time spending.

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 10.1% or \$3.4 million over 2015 estimates.

2016 Maintenance Expenses (\$=000)					2015 Estimate vs 2016 Budget		2017 Budget	2018 Budget
	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	Dollar Change	% Change		
Maintenance								
Trades	2,182	2,352	2,100	2,389	289	13.7%	2,585	2,540
Field	3,237	4,015	4,000	4,020	20	0.5%	4,373	4,538
Building	11,214	12,320	12,629	13,085	456	3.6%	13,567	13,644
Equipment	3,248	2,730	2,582	2,809	227	8.8%	2,680	2,788
Cleaning	11,497	12,238	12,590	15,031	2,442	19.4%	15,642	16,276
Total Maintenance	31,377	33,656	33,900	37,333	3,433	10.1%	38,847	39,785



Trades – Trades increased \$289,000 or 13.7% for various upgrades related to security locks and doors, carpet replacement, flooring repairs and ceiling tiles along with various hardware, and plumbing and electrical supplies throughout the MAC including additional expenses for the G Concourse.

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.

Building – Building expenses are budgeted to increase \$456,000 or 3.6% and is due to the following increases:

- \$306,000 - Contractual increases in Mechanical areas (people movers, escalators, elevators etc.) and other maintenance areas including costs for the G Concourse.
- \$146,000 – Other additional building expenses for replacement of old paper towel units, new baby changing stations, jet bridge repairs and maintenance expenses associated with MAC owned buildings.

Equipment – Equipment has increased 8.8% or \$227,000 as the 2016 budget was prepared on a 5-year winter average basis.



**MAC High Speed Plows
in Action**



Cleaning – Cleaning expenses are budgeted to increase \$2.4 million or 19.4%. This is a result of an annual contractual increase, more frequencies of restroom cleanings due to greater passenger traffic, cleaning of new additional restrooms, an additional cycle of glass cleaning and the cleaning of the G Concourse.

Other

The Other expense category is projected to increase \$547,000 or 15.2%. 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.

2016 Other Expenses (\$=000)	2015 Estimate vs 2016 Budget							
	2014 Actual	2015 Budget	2015 Estimate	2016 Budget	Dollar Change	% Change	2017 Budget	2018 Budget
Other								
General Insurance	1,724	1,970	1,905	2,075	170	8.9%	2,220	2,365
Minor Equipment	953	827	995	1,376	381	38.3%	1,397	1,418
Other	648	507	700	696	(4)	-0.6%	706	717
Total Other	<u>3,325</u>	<u>3,304</u>	<u>3,600</u>	<u>4,147</u>	<u>547</u>	<u>15.2%</u>	<u>4,323</u>	<u>4,500</u>

General Insurance – General Insurance has increased \$170,000 or 8.9%. The insurance market is based upon factors worldwide (losses under the deductible, litigation costs, history of cost and inflationary factors). The cost increase in 2016 is primarily for airport liability coverage of the G Concourse.

Minor Equipment – Minor equipment is increasing by \$381,000 or 38.3%. Handheld and vehicle radios are to be replaced as they are at the end of their operational life. The lifespan of these radios is typically 5 to 7 years. Radios are required for all Public Safety employees and all vehicles which travel on the airfield.



Metropolitan Airports Commission General Office

2016 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	47,848,855	732,426	-	1,457,450	-	-	-	1,959,984	-
Overtime/Doubletime									
Doubletime - Regular	1,586,745	2,560	-	89,846	-	-	-	-	-
Overtime - Regular	2,359,426	3,249	-	39,732	-	-	-	46,996	-
Total Overtime/Doubletime	3,946,171	5,809	-	129,578	-	-	-	46,996	-
Commissioner PerDiem	14,500	-	-	-	-	-	-	-	-
Temps	2,612,133	31,200	-	-	-	890,835	-	-	-
Total Wages	54,421,659	769,435	-	1,587,028	-	890,835	-	2,006,980	-
Benefits									
Employee Insurance									
Employee Insurance Dental	560,827	12,739	-	17,524	-	-	-	22,310	-
EmPLY Insurance Disability	209,527	3,591	-	7,563	-	-	-	8,232	-
Employee Insurance Life	115,051	1,817	-	3,670	-	-	-	4,083	-
Employee Insurance Medical	7,553,001	170,655	-	234,768	-	39,749	-	298,883	-
Employee Insurance Retiree	2,786,125	64,600	-	95,000	-	-	-	112,700	-
Total Employee Insurance	11,224,531	253,402	-	358,525	-	39,749	-	446,208	-
Pension									
Fica (Social Security)Base	2,522,464	45,919	-	93,795	-	55,232	-	120,729	-
Fica(Social Security)Medic	769,086	10,736	-	21,912	-	12,917	-	28,251	-
Mpls EmPLY Retirement Fund	40,700	-	-	-	-	-	-	-	-
Public EmPLY - Coordinated	3,134,236	57,385	-	119,027	-	-	-	150,006	-
Public EmPLY - Police/Fire	1,945,530	-	-	-	-	-	-	-	-
Merf Unfunded Liability	1,785,599	81,164	-	34,785	-	-	-	11,595	-
Total Pension	10,197,616	195,205	-	269,519	-	68,149	-	310,581	-
Training									
Continuing Ed (College)	68,799	-	-	-	-	-	-	-	-
Executive Leadership Train	2,500	-	-	-	-	-	-	-	-
Management Requirement	7,500	-	-	-	-	-	-	-	-
Organizational Requirement	46,200	-	-	-	-	-	-	-	-
Regulatory Requirements	76,824	-	-	-	-	-	-	-	-
Local Seminars	188,163	-	-	-	-	-	-	4,250	-
Total Training	389,986	-	-	-	-	-	-	4,250	-
Post Retirement Benefits	1,900,000	43,510	-	94,240	-	-	-	32,680	-
Workers Compensation	647,475	15,475	-	18,844	-	-	-	32,115	-
Post EmPLY Health Plan	381,635	4,957	-	6,586	-	-	-	15,312	-
Flex Spending	55,000	-	-	-	-	28,000	-	-	-
Unemployment Tax	70,000	-	-	-	-	-	-	-	-
Uniforms									
Uniforms-Police/Fire Allow	181,091	-	-	-	-	-	-	-	-
Uniforms-Rental	55,954	1,000	-	2,040	-	-	-	4,889	-
Uniforms - Safety	42,050	300	-	4,725	-	-	-	-	-
Total Uniforms	279,095	1,300	-	6,765	-	-	-	4,889	-
Severance									
Contract Allowance	2,500	-	-	-	-	-	-	-	-
Regular Severance	124,258	2,257	-	3,077	-	-	-	3,527	-
Total Severance	126,758	2,257	-	3,077	-	-	-	3,527	-
Trade Union Benefits	724,920	-	-	-	-	-	-	-	-
Total Benefits	25,997,016	516,107	-	757,555	-	135,898	-	849,562	-
Total Personnel	80,418,675	1,285,542	-	2,344,583	-	1,026,733	-	2,856,542	-

2016 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	160,827	3,300	-	1,893	-	6,000	-	14,750	-
Computer Supplies									
Computer Supplies-General	80,000	-	35,000	-	-	-	-	-	-
Computer Supplies-Software	162,152	-	-	-	-	-	-	-	-
Computer - Tools	3,040	-	-	-	-	-	-	-	-
Total Computer Supplies	245,192	-	35,000	-	-	-	-	-	-
Special Supplies									
Special Supplies-Badging	106,981	-	-	-	-	-	-	-	-
Special Supply-Film/Photo	25,625	-	-	-	-	-	-	-	-
Special Supplies-Other	63,596	-	-	1,495	-	5,155	-	-	-
Total Special Supplies	196,202	-	-	1,495	-	5,155	-	-	-
Total Supplies	602,221	3,300	35,000	3,388	-	11,155	-	14,750	-
Travel									
Travel - Lodging	147,646	1,500	-	-	-	6,907	-	6,300	-
Travel - Meals	30,571	1,000	-	-	-	600	-	960	-
Travel - Miscellaneous	2,281	-	-	-	-	-	-	-	-
Travel - Transportation									
Travel - Transport/Airfare	134,413	2,500	-	-	-	7,187	-	4,400	-
Travel - Shuttle/Taxi/Auto	11,776	-	-	-	-	-	-	720	-
Total Travel - Transportation	146,189	2,500	-	-	-	7,187	-	5,120	-
Registration Fees	131,750	500	-	-	-	5,650	-	4,200	-
Mileage	48,919	200	-	-	-	-	-	-	-
Total Travel	507,356	5,700	-	-	-	20,344	-	16,580	-
Other Administrative Expense									
Local Meetings									
Local Mtgs - Off Airport	12,230	-	-	-	-	-	-	-	-
Local Mtgs - On Airport/GO	23,554	-	-	-	-	650	-	250	-
Total Local Meetings	35,784	-	-	-	-	650	-	250	-
Information Sources									
Memberships/Dues/Pro Assoc	280,887	1,000	-	-	-	275	-	2,100	-
Other Information Sources	262,961	-	-	996	-	-	-	-	-
Publications/Subscriptions	60,068	-	-	-	-	500	-	-	-
Total Information Sources	603,916	1,000	-	996	-	775	-	2,100	-
Printing Costs									
Printing-Publications	39,100	-	-	-	-	-	-	-	-
Printing - Color Charts	10,200	-	-	-	-	-	-	-	-
Printing - Forms	34,892	-	-	-	-	-	-	31,400	-
Printing-Stationary/Envel	20,262	-	-	-	-	-	-	-	-
Total Printing Costs	104,454	-	-	-	-	-	-	31,400	-
Delivery Services	9,284	-	-	166	-	-	-	-	-
Freight Charges	1,200	-	-	-	-	-	-	-	-
Postage	43,098	-	-	-	-	-	-	6,000	-
Strategic Planning-Admin	28,060	-	-	-	-	-	-	-	-
Total Other Administrative Expense	825,796	1,000	-	1,162	-	1,425	-	39,750	-
Total Administrative Expenses	1,935,373	10,000	35,000	4,550	-	32,924	-	71,080	-

2016 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	214,500	-	-	-	-	-	-	-	-
Appraisals	50,000	-	-	-	-	-	-	-	-
RFP/Leases	100,000	-	-	-	-	-	-	-	-
Concept Develop/Feasible	20,000	-	-	-	-	-	-	-	-
Computer Services									
General									
ANOMS Consulting	63,055	-	-	-	-	-	-	-	-
Software Consulting	609,000	-	-	-	-	-	-	-	-
Total General	672,055	-	-	-	-	-	-	-	-
Total Computer Services									
Engineering Fees	787,380	78,750	-	45,630	-	483,750	-	-	-
Insurance Consultants	320,000	-	-	-	-	-	-	-	-
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	112,000	-	-	-	-	-	-	-	-
Total Legislative	203,350	-	-	-	-	-	-	-	-
Medical Fees	47,290	-	-	-	-	-	-	-	-
Planning									
Pollution/Environmental Fees	4,775	-	-	-	-	40,000	-	-	-
Public Information									
Public Infor Serv. - Photo	12,600	-	-	-	-	-	-	-	-
Public Infor Serv. - Other	140,000	-	-	-	-	-	-	-	-
Total Public Information	152,600	-	-	-	-	-	-	-	-
Recruiting Expenses									
Recruiting Employment Fees	60,000	-	-	-	-	-	-	-	-
Executive Recruiting	150,000	-	-	-	-	-	-	-	-
Total Recruiting Expenses	210,000	-	-	-	-	-	-	-	-
Safety Consultants									
Safety - Training	32,783	-	-	-	-	-	-	-	-
Safety - General	8,000	-	-	-	-	-	-	-	-
Total Safety Consultants	40,783	-	-	-	-	-	-	-	-
Miscellaneous Expenses									
Survey Expense									
Wildlife/Meteorology	16,920	-	-	-	-	-	-	-	-
Wildlife/Meteorology									
Meteorology	26,800	-	-	-	-	-	-	-	-
Wildlife	182,920	-	-	-	-	-	-	-	-
Total Wildlife/Meteorology	209,720	-	-	-	-	-	-	-	-
Business Development	120,000	-	-	-	-	-	-	-	-
Environmental	66,000	-	-	-	-	-	-	-	-
Mechanical									
Mechanical Terminal	298,762	244,410	-	-	-	-	-	-	-
Mechanical Trades	218,931	-	-	-	-	-	-	-	-
Total Mechanical	517,693	244,410	-	-	-	-	-	-	-
Miscellaneous	1,198,045	-	-	-	-	34,850	-	20,000	-
Strategic Planning-Professiona	55,000	-	-	-	-	-	-	-	-
Total Miscellaneous Expenses	2,183,378	244,410	-	-	-	34,850	-	20,000	-
Total Professional Services	6,175,111	323,160	-	45,630	-	558,600	-	20,000	-
Utilities									
Electricity	13,653,029	8,649,684	-	-	-	911,457	-	195,575	922,522
Heating Fuel									
Heating - Natural Gas	2,654,905	159,871	-	1,643,426	-	48,416	34,073	23,103	5,323
Heating - Fuel Oil	50,000	-	-	50,000	-	-	-	-	-
Total Heating Fuel	2,704,905	159,871	-	1,693,426	-	48,416	34,073	23,103	5,323
Sewer	1,196,609	385,000	-	61,500	-	28,000	9	20	12,500
Water	1,066,215	443,000	-	85,000	-	6,100	10	6,925	15,400
Telephone									
Telephone - Regular	183,410	-	-	-	-	-	-	-	-
Telephone - Internet Service	71,176	-	-	-	-	-	-	-	-
Telephone - Cellular	348,381	7,584	-	10,545	-	5,675	-	7,027	-
Total Telephone	602,967	7,584	-	10,545	-	5,675	-	7,027	-
Total Utilities	19,223,725	9,645,139	-	1,850,471	-	999,648	34,092	232,650	955,745

2016 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	13,500	-	-	-	-	-	-	-	-
Advertising - General	266,392	-	-	-	-	-	-	-	-
Advertising - Parking	397,000	-	-	-	-	-	-	-	397,000
Advertising - Relievers	10,020	-	-	-	-	-	-	-	-
Total Advertising	686,912	-	-	-	-	-	-	-	397,000
Environmental Control									
Hazardous Waste									
Hazardous Waste - FLOuresc	15,000	-	-	-	-	-	-	-	-
Hazardous Waste - General	1,250	-	-	-	-	-	-	-	-
Total Hazardous Waste	16,250	-	-	-	-	-	-	-	-
Pollution Control									
Pollution Ctrl-Booms	17,500	-	-	-	-	-	-	-	-
Pollution Ctrl-Com Cobs	7,000	-	-	-	-	-	-	-	-
Total Pollution Control	24,500	-	-	-	-	-	-	-	-
Industrial Waste Mgmt	1,650	-	-	-	-	1,650	-	-	-
Laboratory Services	12,500	-	-	-	-	-	-	-	-
Solvent Reclamation Service	12,150	-	-	-	-	-	-	-	-
Tire Disposal	1,250	-	-	-	-	-	-	-	-
Other	143,500	-	-	-	-	-	-	-	-
Total Environmental Control	211,800	-	-	-	-	1,650	-	-	-
GISW Management	1,490,857	3,193	-	-	-	1,406,088	-	-	-
Tag Operating Supplies	16,900	-	-	-	-	-	-	16,900	-
Grd Transportation Services	16,900	-	-	-	-	-	-	16,900	-
Shuttle Services	1,948,764	798,993	-	-	-	-	-	760,018	-
Parking Lots	6,566,055	-	-	-	-	-	-	-	6,566,055
Met Council Fees	200,000	-	-	-	-	200,000	-	-	-
Employee Programs									
Recognition	37,500	-	-	-	-	-	-	-	-
Retirement	2,500	-	-	-	-	-	-	-	-
Wellness									
Wellness - Fitness Program	126,500	-	-	-	-	-	-	-	-
Wellness-Health/Wellness	5,000	-	-	-	-	-	-	-	-
Wellness-Nutrition/Stress	5,000	-	-	-	-	-	-	-	-
Total Wellness	136,500	-	-	-	-	-	-	-	-
Total Employee Programs	176,500	-	-	-	-	-	-	-	-
Conference Center	30,000	-	-	-	-	-	-	-	-
Conference Center	30,000	-	-	-	-	-	-	-	-
Events Exercises									
Emergency Response Exercise	22,300	-	-	-	-	300	-	-	-
Other Programs/Events	18,014	-	-	-	-	-	-	-	-
Call Back Service	7,500	-	-	-	-	7,500	-	-	-
Major Events-Conventions	28,000	-	-	-	-	-	-	-	-
Total Events Exercises	75,814	-	-	-	-	7,800	-	-	-
Other Charges/Fees									
Bank Charges	456,500	-	-	-	-	1,500	-	-	260,000
IATA Contract Expense	66,000	-	-	-	-	-	-	-	-
Security Services Regular	563,856	-	-	-	-	-	-	-	-
Security Services Check Pt	31,025	-	-	-	-	31,025	-	-	-
Concessions Marketing	397,000	-	-	-	-	-	-	-	-
Recycling - Sand	200	-	-	-	-	200	-	-	-
Copy Agreement	165,000	-	-	-	-	-	-	-	-
Mediation Fees	5,000	-	-	-	-	-	-	-	-
Miscellaneous Charges/Fees	253,739	-	-	-	-	1,000	-	-	-
Misc chrges-ziptop bags	100,000	100,000	-	-	-	-	-	-	-
Porter Service	303,000	303,000	-	-	-	-	-	-	-
Queue Line	276,841	276,841	-	-	-	-	-	-	-
Jail Fees	20,000	-	-	-	-	-	-	-	-
Airport Foundation-Concession	475,000	-	-	-	-	-	-	-	-
Total Other Charges/Fees	3,113,161	679,841	-	-	-	33,725	-	-	260,000
Service Agreements									
Service-Computers	3,669,458	87,400	-	102,000	-	27,645	-	-	13,500
Service-Electrical Gear Contr	250,000	162,500	-	-	-	-	-	-	-
Service-Fitness Equipment	11,000	-	-	-	-	-	-	-	-
Service-Grd Trans Equip	324,000	-	-	-	-	-	-	324,000	-
Service-Loading Dock	2,167,336	1,950,602	-	-	-	-	-	-	-
Service-Office Equipment	38,087	-	-	-	-	200	-	-	-
Service-Other Equipment	1,787,587	655,067	477,224	-	-	7,900	-	-	-
Service-Parking Equipment	696,000	-	-	-	-	-	-	-	696,000
Service-Telephone Systems	63,750	-	-	-	-	-	-	-	-
Service-CCTV/IVSN	615,900	215,565	-	-	-	92,385	-	110,862	110,862
Service-Radios	354,831	-	-	-	-	48,000	-	1,000	-
Total Service Agreements	9,977,949	3,071,134	477,224	102,000	-	176,130	-	435,862	820,362
Total Operating Services/Expenses	24,494,712	4,553,161	477,224	102,000	-	1,825,393	-	1,212,780	8,043,417

2016 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	14,083	4,025	-	-	-	-	-	-	4,180
Interior - Paint	24,222	17,250	-	1,513	-	-	-	-	-
Paint - Other	1,888	800	-	-	-	-	-	-	-
Traffic Paint - Parking	5,000	-	-	-	-	-	-	-	5,000
Reliever Airport - Paint	4,500	-	-	-	-	-	-	-	-
Traffic Paint - Runways	171,905	-	-	-	-	168,576	-	-	-
Total Paint	226,813	22,075	-	1,513	-	168,576	-	-	9,180
Signs									
Exterior Sign Materials	15,738	3,024	-	-	-	-	-	-	-
Interior Sign Materials	9,557	4,603	-	-	-	-	-	-	-
Reliever Airport Signs	500	-	-	-	-	-	-	-	-
Total Signs	25,795	7,627	-	-	-	-	-	-	-
Supplies									
Paint Supplies - Other	5,000	-	-	-	-	-	-	-	-
Solvents	1,500	-	-	-	-	-	-	-	-
Equipment Spray	11,540	-	-	-	-	-	-	-	-
Paint Tools	10,351	533	-	-	-	-	-	-	-
Total Supplies	28,391	533	-	-	-	-	-	-	-
Total Trades - Painters	280,999	30,235	-	1,513	-	168,576	-	-	9,180
Trades - Carpenters									
Locks									
Locks - Doors	80,635	51,278	-	-	-	-	-	-	-
Locks - Door Tags/ID	780	780	-	-	-	-	-	-	-
Total Locks	81,415	52,058	-	-	-	-	-	-	-
Flags	334	-	-	-	-	-	-	-	-
Lumber									
Lumber-Cabinets	6,956	2,828	-	-	-	-	-	-	-
Lumber-Furniture	11,069	7,524	-	-	-	-	-	-	-
Lumber-Other	650	-	-	-	-	-	-	-	-
Lumber-Remodeling	725	-	-	-	-	-	-	-	-
Total Lumber	19,400	10,352	-	-	-	-	-	-	-
Other									
Other - Ceilings	16,208	7,224	-	-	-	-	-	-	-
Other - Ceramics	6,410	3,325	-	-	-	-	-	-	-
Other - Doors	12,480	7,025	-	-	-	-	-	-	-
Other - Floor Coverings	95,787	87,600	-	-	-	-	-	-	-
Other - Hardware	34,111	11,793	-	-	-	-	-	-	-
Other - Miscellaneous	4,000	-	-	-	-	-	-	-	-
Other - Auto Door Supplis RPL	25,120	19,770	-	-	-	-	-	-	-
Other - Saw Blades	375	375	-	-	-	-	-	-	-
Other - Screws/Bolts	14,500	-	-	-	-	-	-	-	-
Other - Seating Replacement	10,500	7,500	-	-	-	-	-	-	-
Other - Tools	4,304	2,110	-	-	-	-	-	-	-
Other - Tug Door Repairs	25,636	23,881	-	-	-	-	-	-	-
Other - Wall Protection	3,442	-	-	-	-	-	-	-	-
Total Other	252,873	170,603	-	-	-	-	-	-	-
Total Trades - Carpenters	354,022	233,013	-	-	-	-	-	-	-

2016 Budget Expenses by Subledger

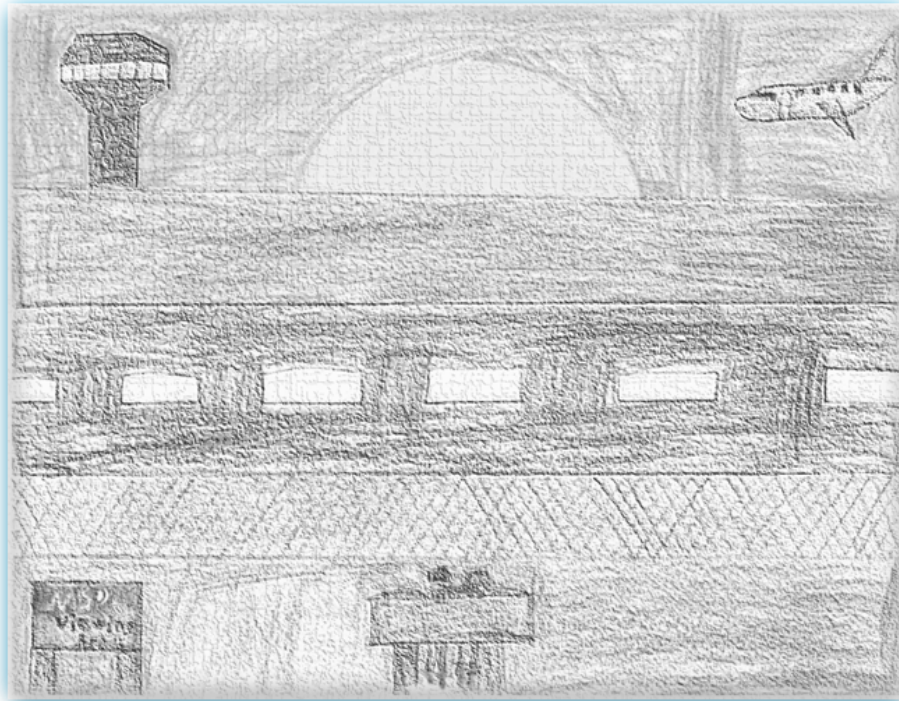
	Total	Terminal 1	Terminal 1 Int'l Facility	Energy Management Center	Ramp Fees	Field & Runways	Control Tower	Terminal Roads/ Landside	Parking Facilities
Trades - Plumbers									
Contractor Requirements	3,000	-	-	-	-	-	-	-	-
Fire Protection System	84,599	36,685	-	489	-	9,788	-	-	-
General Plumbing Supplies	103,382	53,875	-	700	-	-	-	-	-
Irrigation Supplies	7,821	-	-	-	-	-	-	1,975	-
Pumps	27,050	8,050	-	2,000	-	10,000	-	-	-
Underground Utilities	1,000	1,000	-	-	-	-	-	-	-
Water Distribution Systems	14,500	6,000	-	-	-	-	-	-	-
Water Meters	17,000	-	-	-	-	-	-	-	-
Total Trades - Plumbers	258,352	105,610	-	3,189	-	19,788	-	1,975	-
Trades - Electricians									
Repairs									
Generator Maint. Contract	60,306	13,870	-	-	-	16,283	-	-	-
Electrical - Interior	2,000	-	-	-	-	-	-	-	-
Unit Maint. Contract	365,000	153,300	-	-	-	47,450	-	-	54,750
Unit Maint Supplies	22,000	12,000	-	-	-	4,000	-	-	-
Total Repairs	449,306	179,170	-	-	-	67,733	-	-	54,750
Other									
Other - Batteries	4,500	-	-	-	-	-	-	-	-
Other-Field Lights/Sensors	268,000	-	-	-	-	216,000	-	-	-
Other - Gate Supplies	74,550	-	-	-	-	20,000	-	-	-
Other - General Supplies	634,800	209,300	-	6,300	-	5,000	-	5,000	240,000
Other - Miscellaneous	30,000	-	-	-	-	-	-	-	-
Other - Motor	3,500	-	-	-	-	-	-	-	-
Other - Secured Access Sys	30,500	11,500	-	-	-	4,000	-	-	-
Total Other	1,045,850	220,800	-	6,300	-	245,000	-	5,000	240,000
Total Trades - Electricians	1,495,156	399,970	-	6,300	-	312,733	-	5,000	294,750

2016 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	680,000	-	-	-	20,000	660,000	-	-	-
Materials-Other Ice Ctrl	5,500	-	-	-	-	-	-	-	1,000
Materials - Salt	90,200	-	-	-	-	-	45,000	-	-
Materials - Sand	95,400	-	-	-	-	80,000	-	-	-
Materials - Urea	14,600	-	-	-	-	-	-	-	-
Total Snow Removal - Materials	965,700	-	-	-	20,000	820,000	-	45,000	1,000
Snow Removal - Equipment									
Equipment - Contract	664,000	-	-	-	-	-	-	-	618,000
Equipment-Rent-No Operator	816,100	-	-	-	-	418,800	-	-	-
Equip Rent-No Operator-5.5	68,500	-	-	-	-	65,000	-	-	-
Equip Rent-Sweepers	90,000	-	-	-	-	45,000	-	-	-
Total Snow Removal - Equipment	1,638,600	-	-	-	-	528,800	-	-	618,000
Snow Removal - Miscellan									
Snow Removal - Meals	41,300	-	-	-	-	40,000	-	-	-
Snow Removal - Plow Blades	22,000	-	-	-	1,000	18,000	-	-	-
Snow Removal - Runway Brm	80,000	-	-	-	-	80,000	-	-	-
Snow Melters	55,000	-	-	-	-	25,000	-	-	15,000
Total Snow Removal - Miscellan	198,300	-	-	-	1,000	163,000	-	-	15,000
Summer Maintenance-Surface									
Surface Repair-Aggregate	8,470	-	-	-	-	-	-	-	-
Surface Repair-Asphalt	40,161	-	-	-	1,000	20,000	-	-	-
Surface Repair-Cement	5,500	-	-	-	-	3,000	-	-	2,000
Surface Repair-Other	2,500	-	-	-	-	2,500	-	-	-
Surface Rubber Removal	46,800	-	-	-	-	40,000	-	-	-
Surface Repair-Saw Blades	2,000	-	-	-	-	2,000	-	-	-
Surface Repair-Hot Sealant	30,000	-	-	-	-	30,000	-	-	-
Total Summer Maintenance-Surfac	135,431	-	-	-	1,000	97,500	-	-	2,000
Summer Maint-Landscape									
Summer Maintenance-Fencing	13,050	-	-	-	-	5,000	-	-	-
Landscape/Turf-Materials	75,125	-	-	-	-	2,000	50,000	-	-
Summer Maint-Equip Rent No Op	838,700	-	-	-	-	412,300	-	-	-
Summer Maint-Equip Rent LT	6,500	-	-	-	-	6,500	-	-	-
Equip Rent-Sweepers	90,000	-	-	-	-	45,000	-	-	-
Total Summer Maint-Landscape	1,023,375	-	-	-	-	470,800	-	50,000	-
Maintenance Field-Other									
Non Runway Brooms	26,500	-	-	-	5,000	-	-	4,000	17,500
Field Maint-Other-Material	7,000	-	-	-	-	2,000	-	-	2,000
Field Maint-Other-Supplies	18,973	6,374	-	-	-	-	-	-	-
Field Maint-Other-Tools	6,500	-	-	-	-	1,500	-	1,500	-
Total Maintenance Field-Other	58,973	6,374	-	-	5,000	3,500	-	5,500	19,500
Total Maintenance - Field	4,020,379	6,374	-	-	27,000	2,083,600	-	100,500	655,500
Maintenance Building									
Building-Temp Control									
Temp Control-Contracts	928,740	573,489	-	158,286	-	-	-	-	42,223
Temp Control-Filters	162,965	112,943	-	21,407	-	-	-	-	-
Fire Control Contract	385,318	324,000	-	-	-	-	-	-	-
Total Building-Temp Control	1,477,023	1,010,432	-	179,693	-	-	-	-	42,223
Building-Mechanical Areas									
Mechanical Areas-APM	5,935,080	4,154,556	-	-	-	-	1,483,770	-	296,754
Mechanical Areas-Conveyors	466,824	303,436	46,682	-	-	-	-	-	-
Mechanical Areas-Doors	12,083	-	-	-	-	-	-	-	-
Mechanical Areas-Doors/Pub	12,500	10,000	-	-	-	-	-	-	-
Mechanical Areas-Doors/Tug	115,000	115,000	-	-	-	-	-	-	-
Mechanical Areas-Elevators	783,002	701,249	-	-	-	-	-	-	-
Mechanical Areas-Escalator	1,090,831	981,748	-	-	-	-	-	-	-
Mechanical-Moving Walks	1,246,664	1,121,998	-	-	-	-	-	-	-
Mechanical Areas-Other	22,400	18,300	-	-	-	-	-	-	-
Total Building-Mechanical Areas	9,684,384	7,406,287	46,682	-	-	-	1,483,770	-	296,754
Building-Other									
Other-Bag Handling	850,000	-	-	-	-	-	-	-	-
Other-Building Systems	187,000	-	-	-	-	-	-	-	-
Other-Boiler Chemicals	80,783	5,901	-	63,675	-	-	-	-	-
Other-Floors/Repairs	1,484	-	-	-	-	-	-	-	-
Other-Jetbridge Repairs	257,250	-	-	-	-	-	-	-	-
Other-Outside Plumb/Sewer	19,800	-	-	-	-	-	-	-	-
Other-Paging System Contract	60,000	60,000	-	-	-	-	-	-	-
Other-Pest Control	115,000	115,000	-	-	-	-	-	-	-
Other-Roofing	31,600	10,000	-	-	-	-	-	-	-
Sump/Septic Pumping	112,450	-	-	-	-	-	-	-	-
Other-Supplies	43,424	1,254	-	9,449	-	-	-	-	-
Other-Tools	5,441	-	-	3,521	-	-	-	-	-
Total Building-Other	1,764,232	192,155	-	76,645	-	-	-	-	-
Minor Projects Expense	120,500	120,000	-	-	-	-	-	-	-

2016 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
Strategic Planning-Maintenance	38,370	20,285	-	-	-	-	-	-	-
Total Maintenance Building	13,084,509	8,749,159	46,682	256,338	-	-	-	1,483,770	338,977



OUR VISION

To give our customers the best airport experience in North America.

OUR MISSION

To provide and promote safe, convenient, environmentally sound and cost-competitive aviation services for our customers.

2016 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	11,516,080	8,060,373	171,139	-	-	-	-	38,241	276,924
Cleaning Services-Windows	1,743,980	1,078,036	27,883	-	-	-	-	33,270	201,072
Total Cleaning Services	13,260,060	9,138,409	199,022	-	-	-	-	71,511	477,996
Cleaning Supplies									
Cleaning Supplies-Bathroom	897,073	782,000	-	-	-	-	-	-	-
Cleaning Supplies-General	74,604	70,000	-	-	-	-	-	-	-
Total Cleaning Supplies	971,677	852,000	-	-	-	-	-	-	-
Rubbish Disposal									
Rubbish Disposal-Recycle	50,000	50,000	-	-	-	-	-	-	-
Rubbish Disposal-Regular	741,100	600,000	-	-	-	50,000	-	-	-
Total Rubbish Disposal	791,100	650,000	-	-	-	50,000	-	-	-
Towel Laundry Services	7,266	-	-	-	-	-	-	-	-
Other Cleaning Expenses	1,100	-	-	-	-	-	-	-	-
Total Maintenance-Cleaning	15,031,203	10,640,409	199,022	-	-	50,000	-	71,511	477,996
Maintenance-Equipment									
Equipment-Parts									
Parts-Automobiles	112,500	-	-	-	-	-	-	-	-
Parts-Boilers Energy Mgmt	157,364	58,783	-	87,795	-	-	-	-	205
Parts-Chiller Energy Mgmt	171,939	41,901	-	115,766	-	-	-	-	279
Parts-Other Equipment	49,708	49,708	-	-	-	-	-	-	-
Parts-Equipment	744,230	-	-	-	-	-	-	-	195,000
Parts-Other Equipment	46,033	2,927	2,500	34,164	-	-	-	-	-
Total Equipment-Parts	1,281,774	153,319	2,500	237,725	-	-	-	-	195,484
Equipment-Shop									
Shop-Batteries	21,850	-	-	-	-	-	-	-	-
Shop-Cleaners/Degreasers	16,850	-	-	-	-	-	-	-	2,000
Shop-Oil Filters	101,381	-	-	-	-	-	-	-	-
Shop-Other Supplies	21,057	103	-	4,964	-	-	-	-	-
Shop-Tires	98,850	-	-	-	-	-	-	-	-
Shop - Tool Crib	40,000	-	-	-	-	-	-	-	-
Shop-Tools	39,207	-	-	542	-	-	-	-	-
Shop - Weld Shop	25,000	-	-	-	-	-	-	-	-
Total Equipment-Shop	364,195	103	-	5,506	-	-	-	-	2,000
Equipment-Gas									
Gas-Diesel	612,600	-	-	-	-	-	-	-	-
Gas-Ethanol	186,375	-	-	6,000	-	-	-	-	24,775
Gas-Propane	5,200	-	-	-	-	-	-	-	-
Gas-Unleaded	275,850	250	-	2,175	-	-	-	75	325
Total Equipment-Gas	1,080,025	250	-	8,175	-	-	-	75	25,100
Equipment-Extinguishers									
Extinguishers-Purchase	25,500	-	-	-	-	-	-	-	-
Extinguishers-Repair	500	-	-	-	-	-	-	-	-
Extinguishers-Reservice	1,000	-	-	-	-	-	-	-	-
Total Equipment-Extinguishers	27,000	-	-	-	-	-	-	-	-
Equipment-Miscellaneous Exp	55,830	-	-	-	-	-	-	9,000	-
Total Maintenance-Equipment	2,808,824	153,672	2,500	251,406	-	-	-	9,075	222,584
Total Maintenance	37,333,444	20,318,442	248,204	518,746	27,000	2,634,697	-	1,671,831	1,998,987

2016 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	680,000	233,825	-	28,357	18,239	30,728	-	10,610	36,966
Gen Ins-Property	1,044,000	267,717	-	49,339	31,732	53,459	-	18,461	64,316
Gen Ins-Crime	21,000	4,786	-	927	668	1,123	-	388	1,353
Gen Ins-Auto/Equipment	330,001	74,809	-	16,219	10,431	17,574	-	6,069	21,144
Total General Insurance	2,075,001	581,137	-	94,842	61,070	102,884	-	35,528	123,779
Safety									
Safety-Supplies	132,901	1,200	-	5,274	-	1,500	-	-	-
Safety-Equipment	7,500	-	-	-	-	500	-	-	-
Total Safety	140,401	1,200	-	5,274	-	2,000	-	-	-
Medical Information/Supply									
Medical-Routine Supplies	16,166	2,750	-	624	-	3,000	-	-	-
Medical-Emergency Response	2,500	-	-	-	-	-	-	-	-
Total Medical Information/Supply	18,666	2,750	-	624	-	3,000	-	-	-
Rentals									
Rental-Copier	2,700	-	-	-	-	-	-	-	-
Rental-Other Equipment	43,700	-	-	-	-	-	-	1,300	-
Total Rentals	46,400	-	-	-	-	-	-	1,300	-
Licenses/Permits									
Licenses-Autos/Equipment	4,300	-	-	-	-	-	-	-	-
Licenses-Environmental	11,150	-	-	-	-	4,000	-	-	-
Licenses-Other	3,377	-	-	1,827	-	-	-	-	-
Total Licenses/Permits	18,827	-	-	1,827	-	4,000	-	-	-
Miscellaneous Expenses									
Misc-Firearm/Equip/Supplies	176,473	-	-	-	-	-	-	-	-
Misc-Emergency Response	38,350	600	-	-	-	-	-	-	-
Misc-Other	202,014	-	1,500	-	-	10,000	-	-	-
Misc-Taxes(Petroleum/Use)	55,045	-	-	-	-	-	-	-	-
Total Miscellaneous Expenses	471,882	600	1,500	-	-	10,000	-	-	-
Capital Assets									
Minor Equipment/Assets									
Minor Assets-Tools	142,557	1,550	-	-	-	-	-	-	-
Minor Assets-Office Furn	57,818	2,500	-	-	-	-	-	-	-
Minor Assets-Computers	500,000	-	-	-	-	-	-	-	-
Minor Assets-Radios	582,646	-	-	-	-	-	-	-	-
Minor Assets-Other	93,083	-	-	-	-	-	-	-	-
Total Minor Equipment/Assets	1,376,104	4,050	-	-	-	-	-	-	-
Total Capital Assets	1,376,104	4,050	-	-	-	-	-	-	-
Total Other	4,147,281	589,737	1,500	102,567	61,070	121,884	-	36,828	123,779
Grand Total	173,728,321	36,725,181	761,928	4,968,547	88,070	7,199,879	34,092	6,101,711	11,121,928

2016 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	-	598,249	-	-	-	11,648,215	-	-
Overtime/Doubletime								
Doubletime - Regular	-	-	-	-	-	1,224,886	-	-
Overtime - Regular	-	19,469	-	-	-	551,607	-	-
Total Overtime/Doubletime	-	19,469	-	-	-	1,776,493	-	-
Commissioner PerDiem	-	-	-	-	-	-	-	-
Temps	-	-	-	-	-	682,720	-	-
Total Wages	-	617,718	-	-	-	14,107,428	-	-
Benefits								
Employee Insurance								
Employee Insurance Dental	-	1,913	-	-	-	151,257	-	-
EmPLY Insurance Disability	-	1,690	-	-	-	39,079	-	-
Employee Insurance Life	-	870	-	-	-	26,129	-	-
Employee Insurance Medical	-	25,628	-	-	-	2,026,356	-	-
Employee Insurance Retiree	-	9,200	-	-	-	735,850	-	-
Total Employee Insurance	-	39,301	-	-	-	2,978,671	-	-
Pension								
Fica (Social Security)Base	-	36,386	-	-	-	841,442	-	-
Fica(Social Security)Medic	-	8,657	-	-	-	196,939	-	-
Mpls EmPLY Retirement Fund	-	-	-	-	-	7,028	-	-
Public EmPLY - Coordinated	-	46,051	-	-	-	1,050,648	-	-
Public EmPLY - Police/Fire	-	-	-	-	-	-	-	-
Merf Unfunded Liability	-	-	-	-	-	336,248	-	-
Total Pension	-	91,094	-	-	-	2,432,305	-	-
Training								
Continuing Ed (College)	-	-	-	-	-	-	-	299
Executive Leadership Train	-	-	-	-	-	-	-	-
Management Requirement	-	-	-	-	-	-	-	-
Organizational Requirement	-	-	-	-	-	-	-	-
Regulatory Requirements	-	-	-	-	-	21,000	-	-
Local Seminars	-	-	-	-	-	3,590	-	750
Total Training	-	-	-	-	-	24,590	-	1,049
Post Retirement Benefits	-	3,610	-	-	-	402,610	-	-
Workers Compensation	-	3,301	-	-	-	184,853	-	-
Post EmPLY Health Plan	-	3,367	-	-	-	145,877	-	-
Flex Spending	-	-	-	-	-	-	-	-
Unemployment Tax	-	-	-	-	-	70,000	-	-
Uniforms								
Uniforms-Police/Fire Allow	-	-	-	-	-	-	-	-
Uniforms-Rental	-	-	-	-	-	40,300	-	-
Uniforms - Safety	-	-	-	-	-	25,750	-	7,225
Total Uniforms	-	-	-	-	-	66,050	-	7,225
Severance								
Contract Allowance	-	-	-	-	-	2,500	-	-
Regular Severance	-	1,126	-	-	-	20,290	-	-
Total Severance	-	1,126	-	-	-	22,790	-	-
Trade Union Benefits	-	-	-	-	-	724,920	-	-
Total Benefits	-	141,798	-	-	-	7,052,667	-	8,274
Total Personnel	-	759,516	-	-	-	21,160,095	-	8,274

2016 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	-	1,800	-	-	-	-	500	7,200
Computer Supplies								
Computer Supplies-General	-	-	-	-	-	-	-	-
Computer Supplies-Software	-	-	-	-	-	-	-	-
Computer - Tools	-	-	-	-	-	-	-	-
Total Computer Supplies	-	-	-	-	-	-	-	-
Special Supplies								
Special Supplies-Badging	-	-	-	-	-	-	-	-
Special Supply-Film/Photo	-	600	-	-	-	-	-	2,600
Special Supplies-Other	-	675	-	-	-	100	-	-
Total Special Supplies	-	1,275	-	-	-	100	-	2,600
Total Supplies	-	3,075	-	-	-	100	500	9,800
Travel								
Travel - Lodging	-	3,500	-	-	-	-	-	1,750
Travel - Meals	-	500	-	-	-	500	-	684
Travel - Miscellaneous	-	-	-	-	-	-	-	-
Travel - Transportation								
Travel - Transport/Airfare	-	3,500	-	-	-	-	-	-
Travel - Shuttle/Taxi/Auto	-	350	-	-	-	250	-	125
Total Travel - Transportation	-	3,850	-	-	-	250	-	125
Registration Fees	-	1,125	-	-	-	-	-	100
Mileage	-	1,300	-	-	-	-	-	-
Total Travel	-	10,275	-	-	-	750	-	2,659
Other Administrative Expense								
Local Meetings								
Local Mtgs - Off Airport	-	-	-	-	-	-	500	-
Local Mtgs - On Airport/GO	-	-	-	-	-	-	-	-
Total Local Meetings	-	-	-	-	-	-	500	-
Information Sources								
Memberships/Dues/Pro Assoc	-	-	-	-	-	-	-	2,200
Other Information Sources	-	-	-	-	-	-	-	-
Publications/Subscriptions	-	-	-	-	-	-	-	602
Total Information Sources	-	-	-	-	-	-	-	2,802
Printing Costs								
Printing-Publications	-	-	-	-	-	-	-	-
Printing - Color Charts	-	-	-	-	-	-	-	-
Printing - Forms	-	-	-	-	-	-	-	-
Printing-Stationary/Envel	-	-	-	-	-	-	-	-
Total Printing Costs	-	-	-	-	-	-	-	-
Delivery Services	-	-	-	-	-	1,000	-	400
Freight Charges	-	1,200	-	-	-	-	-	-
Postage	-	-	-	-	-	-	-	-
Strategic Planning-Admin	-	-	-	-	-	-	-	-
Total Other Administrative Expense	-	1,200	-	-	-	1,000	500	3,202
Total Administrative Expenses	-	14,550	-	-	-	1,850	1,000	15,661

2016 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	-	-	-	-	-	-	-	-
Software Consulting	-	-	-	-	-	-	-	-
Total General	-	-	-	-	-	-	-	-
Total Computer Services								
Engineering Fees	-	15,750	-	-	-	-	-	-
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. - Other	-	-	-	-	-	-	-	-
Total Public Information	-	-	-	-	-	-	-	-
Recruiting Expenses								
Recruiting Employment Fees	-	-	-	-	-	-	-	-
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	-	32,889	-	-	-	-	-	-
Mechanical Trades	-	-	-	-	-	-	-	218,931
Total Mechanical	-	32,889	-	-	-	-	-	218,931
Miscellaneous	-	-	-	-	-	-	-	86,000
Strategic Planning-Professiona	-	-	-	-	-	-	-	-
Total Miscellaneous Expenses	-	32,889	-	-	-	-	-	304,931
Total Professional Services	-	48,639	-	-	-	-	-	304,931
Utilities								
Electricity	163,762	1,137,480	289,208	-	332,410	-	-	317,122
Heating Fuel								
Heating - Natural Gas	88,703	316,725	24,687	-	62,165	-	-	152,418
Heating - Fuel Oil	-	-	-	-	-	-	-	-
Total Heating Fuel	88,703	316,725	24,687	-	62,165	-	-	152,418
Sewer	2,800	-	670,000	-	500	-	-	7,800
Water	-	91,500	388,000	-	8,800	-	-	10,400
Telephone								
Telephone - Regular	-	-	-	-	-	-	-	-
Telephone - Internet Service	-	-	-	-	-	-	-	-
Telephone - Cellular	-	2,886	-	-	-	17,140	-	41,573
Total Telephone	-	2,886	-	-	-	17,140	-	41,573
Total Utilities	255,265	1,548,591	1,371,895	-	403,875	17,140	-	529,313

2016 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	-	-	-	-	-	-	-	1,250
Total Hazardous Waste	-	-	-	-	-	-	-	16,250
Pollution Control								
Pollution Ctrl-Booms	-	-	17,500	-	-	-	-	-
Pollution Ctrl-Corn Cobs	-	-	-	-	-	-	-	-
Total Pollution Control	-	-	17,500	-	-	-	-	-
Industrial Waste Mgmt	-	-	-	-	-	-	-	-
Laboratory Services	-	-	-	-	-	-	-	-
Solvent Reclamation Service	-	-	-	-	-	-	9,000	750
Tire Disposal	-	-	-	-	-	-	1,250	-
Other	-	-	-	-	-	-	500	-
Total Environmental Control	-	-	17,500	-	-	-	10,750	17,000
GISW Management	-	-	-	-	-	-	-	-
Tag Operating Supplies	-	-	-	-	-	-	-	-
Grd Transportation Services								
Shuttle Services	-	389,753	-	-	-	-	-	-
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	-	-	-	-	-	10,000	-	-
Total Events Exercises	-	-	-	-	-	10,000	-	-
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	-	1,850	-	-	-	-	-	-
Misc chrges-ziptop bags	-	-	-	-	-	-	-	-
Porter Service	-	-	-	-	-	-	-	-
Queue Line	-	-	-	-	-	-	-	-
Jail Fees	-	-	-	-	-	-	-	-
Airport Foundation-Concession	-	-	-	-	-	-	-	-
Total Other Charges/Fees	-	1,850	-	-	-	-	-	-
Service Agreements								
Service-Computers	-	-	-	-	-	-	-	-
Service-Electrical Gear Contr	-	52,500	-	-	-	-	35,000	-
Service-Fitness Equipment	-	-	-	-	-	-	-	-
Service-Grd Trans Equip	-	-	-	-	-	-	-	-
Service-Loading Dock	-	216,734	-	-	-	-	-	-
Service-Office Equipment	-	250	-	-	-	-	-	-
Service-Other Equipment	-	504,089	-	-	-	-	20,067	44,508
Service-Parking Equipment	-	-	-	-	-	-	-	-
Service-Telephone Systems	-	1,600	-	-	-	-	-	-
Service-CCTV/IVSN	-	80,067	-	-	-	-	-	-
Service-Radios	-	-	-	-	-	-	-	12,000
Total Service Agreements	-	855,240	-	-	-	-	55,067	56,508
Total Operating Services/Expenses	-	1,246,843	17,500	-	-	10,000	65,817	73,508

2016 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	-	-	-	-	-	-	-	12,714
Interior Sign Materials	-	-	-	-	-	-	-	4,954
Reliever Airport Signs	-	-	-	-	-	-	-	-
Total Signs	-	-	-	-	-	-	-	17,668
Supplies								
Paint Supplies - Other	-	-	-	-	-	-	-	5,000
Solvents	-	-	-	-	-	-	-	1,500
Equipment Spray	-	-	-	-	-	-	-	11,540
Paint Tools	-	-	-	-	-	-	-	9,818
Total Supplies	-	-	-	-	-	-	-	27,858
Total Trades - Painters	-	3,033	-	-	-	-	-	57,542
Trades - Carpenters								
Locks								
Locks - Doors	-	6,143	-	-	-	-	-	19,314
Locks - Door Tags/ID	-	-	-	-	-	-	-	-
Total Locks	-	6,143	-	-	-	-	-	19,314
Flags								
	-	-	-	-	-	-	-	134
Lumber								
Lumber-Cabinets	-	2,650	-	-	-	-	-	-
Lumber-Furniture	-	2,245	-	-	-	-	-	1,300
Lumber-Other	-	-	-	-	-	-	-	-
Lumber-Remodeling	-	-	-	-	-	-	-	-
Total Lumber	-	4,895	-	-	-	-	-	1,300
Other								
Other - Ceilings	-	-	-	-	-	-	-	7,875
Other - Ceramics	-	1,085	-	-	-	-	-	1,000
Other - Doors	-	1,550	-	-	-	-	-	1,550
Other - Floor Coverings	-	5,009	-	-	-	-	-	1,589
Other - Hardware	-	-	-	-	-	-	-	21,618
Other - Miscellaneous	-	-	-	-	-	-	-	-
Other - Auto Door Supplis RPL	-	-	-	-	-	-	-	5,350
Other - Saw Blades	-	-	-	-	-	-	-	-
Other - Screws/Bolts	-	-	-	-	-	-	-	14,500
Other - Seating Replacement	-	3,000	-	-	-	-	-	-
Other - Tools	-	300	-	-	-	-	-	1,894
Other - Tug Door Repairs	-	1,755	-	-	-	-	-	-
Other - Wall Protection	-	-	-	-	-	-	-	3,442
Total Other	-	12,699	-	-	-	-	-	58,818
Total Trades - Carpenters	-	23,737	-	-	-	-	-	79,566

2016 Budget Expenses by Subledger

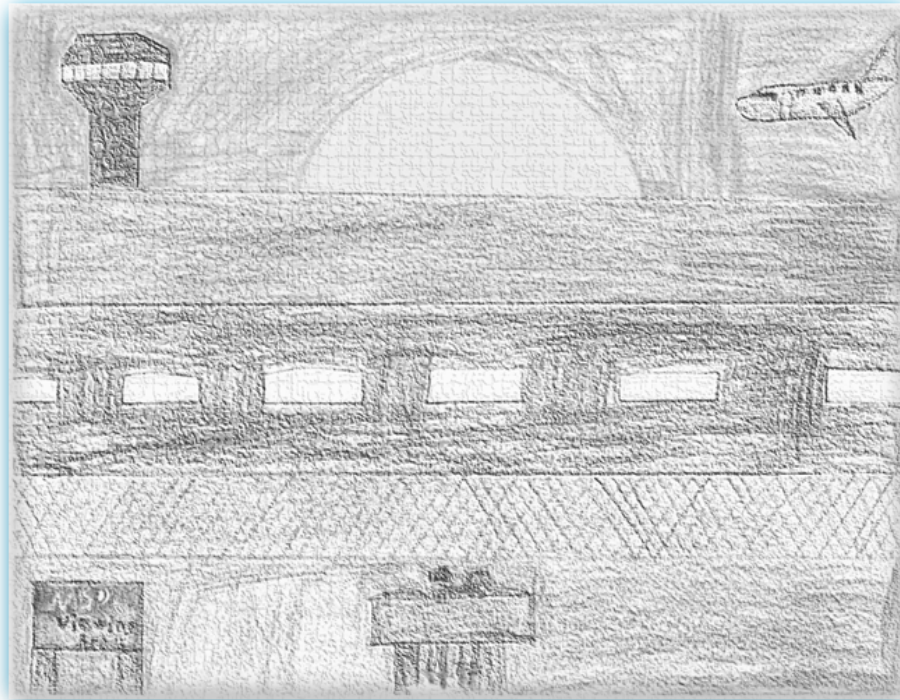
	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
Trades - Plumbers								
Contractor Requirements	-	-	-	-	-	-	-	3,000
Fire Protection System	-	12,871	-	4,684	-	-	-	5,000
General Plumbing Supplies	-	10,000	-	1,544	-	-	15,493	12,370
Irrigation Supplies	-	1,346	2,000	2,000	-	-	-	-
Pumps	-	-	-	7,000	-	-	-	-
Underground Utilities	-	-	-	-	-	-	-	-
Water Distribution Systems	-	2,000	-	-	-	-	-	6,500
Water Meters	-	-	-	-	-	-	-	17,000
Total Trades - Plumbers	-	26,217	2,000	15,228	-	-	15,493	43,870
Trades - Electricians								
Repairs								
Generator Maint. Contract	-	4,221	-	10,855	-	-	-	2,413
Electrical - Interior	-	2,000	-	-	-	-	-	-
Unit Maint. Contract	-	51,100	-	-	-	-	-	-
Unit Maint Supplies	-	-	-	-	-	-	-	5,000
Total Repairs	-	57,321	-	10,855	-	-	-	7,413
Other								
Other - Batteries	-	-	-	-	-	-	-	4,500
Other-Field Lights/Sensors	-	-	-	-	-	-	-	-
Other - Gate Supplies	-	-	-	-	-	-	-	-
Other - General Supplies	-	25,000	50,000	10,000	30,000	-	-	30,000
Other - Miscellaneous	-	-	-	-	-	-	-	30,000
Other - Motor	-	-	-	-	-	-	-	-
Other - Secured Access Sys	-	4,000	1,000	1,000	1,000	-	-	5,000
Total Other	-	29,000	51,000	11,000	31,000	-	-	69,500
Total Trades - Electricians	-	86,321	51,000	21,855	31,000	-	-	76,913

2016 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	-	-	4,500	-	-	-	-	-
Materials - Salt	-	-	45,000	-	-	-	-	-
Materials - Sand	-	-	-	-	-	-	-	-
Materials - Urea	-	-	-	-	-	-	-	-
Total Snow Removal - Materials	-	-	49,500	-	-	-	-	-
Snow Removal - Equipment								
Equipment - Contract	46,000	-	-	-	-	-	-	-
Equipment-Rent-No Operator	-	-	-	-	-	-	395,300	-
Equip Rent-No Operator-5.5	-	-	-	-	-	-	-	-
Equip Rent-Sweepers	-	-	-	-	-	-	45,000	-
Total Snow Removal - Equipment	46,000	-	-	-	-	-	440,300	-
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	-	-	10,000	-	-	-	-	-
Surface Repair-Cement	-	-	-	-	-	-	-	-
Surface Repair-Other	-	-	-	-	-	-	-	-
Surface Rubber Removal	-	-	-	-	-	-	-	-
Surface Repair-Saw Blades	-	-	-	-	-	-	-	-
Surface Repair-Hot Sealant	-	-	-	-	-	-	-	-
Total Summer Maintenance-Surfac	-	-	12,000	-	-	-	-	-
Summer Maint-Landscape								
Summer Maintenance-Fencing	-	-	-	-	-	-	1,000	-
Landscape/Turf-Materials	-	-	500	-	-	-	-	-
Summer Maint-Equip Rent No Op	-	-	10,000	-	-	-	415,300	-
Summer Maint-Equip Rent LT	-	-	-	-	-	-	-	-
Equip Rent-Sweepers	-	-	-	-	-	-	45,000	-
Total Summer Maint-Landscape	-	-	10,500	-	-	-	461,300	-
Maintenance Field-Other								
Non Runway Brooms	-	-	-	-	-	-	-	-
Field Maint-Other-Material	-	-	-	-	-	-	3,000	-
Field Maint-Other-Supplies	-	-	-	-	-	-	-	-
Field Maint-Other-Tools	-	-	500	-	-	-	3,000	-
Total Maintenance Field-Other	-	-	500	-	-	-	6,000	-
Total Maintenance - Field	61,000	-	75,500	-	-	-	907,600	-
Maintenance Building								
Building-Temp Control								
Temp Control-Contracts	-	68,928	-	8,381	16,541	-	4,949	24,086
Temp Control-Filters	-	24,816	-	-	838	-	-	434
Fire Control Contract	-	21,000	-	-	9,975	-	-	14,900
Total Building-Temp Control	-	114,744	-	8,381	27,354	-	4,949	39,420
Building-Mechanical Areas								
Mechanical Areas-APM	-	-	-	-	-	-	-	-
Mechanical Areas-Conveyors	-	116,706	-	-	-	-	-	-
Mechanical Areas-Doors	-	-	-	-	-	-	-	-
Mechanical Areas-Doors/Pub	-	2,500	-	-	-	-	-	-
Mechanical Areas-Doors/Tug	-	-	-	-	-	-	-	-
Mechanical Areas-Elevators	-	77,917	-	-	2,436	-	-	-
Mechanical Areas-Escalator	-	109,083	-	-	-	-	-	-
Mechanical-Moving Walks	-	124,666	-	-	-	-	-	-
Mechanical Areas-Other	-	4,100	-	-	-	-	-	-
Total Building-Mechanical Areas	-	434,972	-	-	2,436	-	-	-
Building-Other								
Other-Bag Handling	-	-	-	-	-	-	-	-
Other-Building Systems	158,000	-	-	-	29,000	-	-	-
Other-Boiler Chemicals	-	9,953	-	1,254	-	-	-	-
Other-Floors/Repairs	-	-	-	-	-	-	-	1,484
Other-Jetbridge Repairs	-	257,250	-	-	-	-	-	-
Other-Outside Plumb/Sewer	-	-	-	-	-	-	-	14,200
Other-Paging System Contract	-	-	-	-	-	-	-	-
Other-Pest Control	-	-	-	-	-	-	-	-
Other-Roofing	-	-	-	-	-	-	-	-
Sump/Septic Pumping	-	-	-	-	-	-	-	75,000
Other-Supplies	-	1,141	-	-	-	-	-	5,000
Other-Tools	-	-	-	-	-	-	-	1,920
Total Building-Other	158,000	268,344	-	1,254	29,000	-	-	97,604
Minor Projects Expense	-	-	-	-	-	-	-	-

2016 Budget Expenses by Subledger

	Cargo Area	Terminal 2	Public Area/ Roads	West Terminal	Hangars & Other Bldgs	Maintenance Employees	Equipment Maintenance	Inventory/ Trades
Strategic Planning-Maintenance	-	18,085	-	-	-	-	-	-
Total Maintenance Building	158,000	836,145	-	9,635	58,790	-	4,949	137,024



OUR VISION

To give our customers the best airport experience in North America.

OUR MISSION

To provide and promote safe, convenient, environmentally sound and cost-competitive aviation services for our customers.

2016 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	25,912	1,566,941	-	-	108,377	-	-	160,341
Cleaning Services-Windows	800	369,513	-	-	1,058	-	-	5,319
Total Cleaning Services	26,712	1,936,454	-	-	109,435	-	-	165,660
Cleaning Supplies								
Cleaning Supplies-Bathroom	-	115,073	-	-	-	-	-	-
Cleaning Supplies-General	-	-	-	-	-	-	-	-
Total Cleaning Supplies	-	115,073	-	-	-	-	-	-
Rubbish Disposal								
Rubbish Disposal-Recycle	-	-	-	-	-	-	-	-
Rubbish Disposal-Regular	-	50,000	-	-	-	-	-	-
Total Rubbish Disposal	-	50,000	-	-	-	-	-	-
Towel Laundry Services	-	-	-	-	-	-	-	-
Other Cleaning Expenses	-	-	-	-	-	-	-	-
Total Maintenance-Cleaning	26,712	2,101,527	-	-	109,435	-	-	165,660
Maintenance-Equipment								
Equipment-Parts								
Parts-Automobiles	-	-	-	-	-	-	45,000	-
Parts-Boilers Energy Mgmt	-	4,947	-	-	621	-	-	424
Parts-Chiller Energy Mgmt	-	10,522	-	-	617	-	-	-
Parts-Other Equipment	-	-	-	-	-	-	-	-
Parts-Equipment	-	-	-	-	-	-	350,000	-
Parts-Other Equipment	-	3,331	-	111	-	-	-	3,000
Total Equipment-Parts	-	18,800	-	111	1,238	-	395,000	3,424
Equipment-Shop								
Shop-Batteries	-	-	-	-	-	-	20,000	-
Shop-Cleaners/Degreasers	-	-	-	-	-	-	12,000	-
Shop-Oil Filters	-	-	-	-	-	-	90,000	-
Shop-Other Supplies	-	-	-	-	-	-	10,000	1,500
Shop-Tires	-	-	-	-	-	-	75,000	-
Shop - Tool Crib	-	-	-	-	-	-	40,000	-
Shop-Tools	-	-	-	-	-	-	15,000	20,165
Shop - Weld Shop	-	-	-	-	-	-	25,000	-
Total Equipment-Shop	-	-	-	-	-	-	287,000	21,665
Equipment-Gas								
Gas-Diesel	-	-	-	-	-	-	463,000	7,650
Gas-Ethanol	-	-	-	-	-	-	51,100	4,100
Gas-Propane	-	-	-	-	-	-	4,000	1,200
Gas-Unleaded	-	-	-	-	-	-	105,050	55,250
Total Equipment-Gas	-	-	-	-	-	-	623,150	68,200
Equipment-Extinguishers								
Extinguishers-Purchase	-	-	-	-	-	-	-	-
Extinguishers-Repair	-	-	-	-	-	-	-	-
Extinguishers-Reservice	-	-	-	-	-	-	-	-
Total Equipment-Extinguishers	-	-	-	-	-	-	-	-
Equipment-Miscellaneous Exp	-	1,200	-	-	-	-	-	-
Total Maintenance-Equipment	-	20,000	-	111	1,238	-	1,305,150	93,289
Total Maintenance	245,712	3,096,980	128,500	46,829	200,463	-	2,233,192	653,864

2016 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	-	18,716	10,470	-	9,547	-	58,981	3,131
Gen Ins-Property	-	32,564	18,217	-	16,612	-	102,620	5,446
Gen Ins-Crime	-	685	383	-	350	-	2,158	114
Gen Ins-Auto/Equipment	-	10,706	5,988	-	5,461	-	33,734	1,790
Total General Insurance	-	62,671	35,058	-	31,970	-	197,493	10,481
Safety								
Safety-Supplies	-	-	3,000	-	-	10,000	-	35,603
Safety-Equipment	-	-	-	-	-	-	-	-
Total Safety	-	-	3,000	-	-	10,000	-	35,603
Medical Information/Supply								
Medical-Routine Supplies	-	-	-	-	-	-	-	-
Medical-Emergency Response	-	-	-	-	-	-	-	-
Total Medical Information/Supply	-	-	-	-	-	-	-	-
Rentals								
Rental-Copier	-	-	-	-	-	-	-	-
Rental-Other Equipment	-	-	-	-	-	-	-	25,500
Total Rentals	-	-	-	-	-	-	-	25,500
Licenses/Permits								
Licenses-Autos/Equipment	-	-	-	-	-	-	4,300	-
Licenses-Environmental	-	-	-	-	-	-	350	-
Licenses-Other	-	-	-	-	-	-	-	-
Total Licenses/Permits	-	-	-	-	-	-	4,650	-
Miscellaneous Expenses								
Misc-Firearm/Equip/Supplies	-	-	-	-	-	-	-	-
Misc-Emergency Response	-	-	-	-	-	-	-	-
Misc-Other	-	2,500	-	-	-	-	-	-
Misc-Taxes(Petroleum/Use)	-	-	-	-	-	-	44,254	-
Total Miscellaneous Expenses	-	2,500	-	-	-	-	44,254	-
Capital Assets								
Minor Equipment/Assets								
Minor Assets-Tools	-	-	-	-	-	-	15,560	31,283
Minor Assets-Office Furn	-	1,300	-	-	-	-	6,000	6,000
Minor Assets-Computers	-	-	-	-	-	-	-	-
Minor Assets-Radios	-	-	-	-	-	-	-	337,648
Minor Assets-Other	-	-	-	-	-	-	-	3,600
Total Minor Equipment/Assets	-	1,300	-	-	-	-	21,560	378,531
Total Capital Assets	-	1,300	-	-	-	-	21,560	378,531
Total Other	-	66,471	38,058	-	31,970	10,000	267,957	450,115
Grand Total	500,977	6,781,590	1,555,953	46,829	636,308	21,199,085	2,567,966	2,035,666

2016 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
Personnel								
Wages								
Regular	-	8,847,954	4,115,351	11,622,274	764,786	2,769,219	1,282,978	2,049,969
Overtime/Doubletime								
Doubletime - Regular	-	-	-	-	-	-	-	269,453
Overtime - Regular	-	601,550	641,060	46,425	7,306	248,558	-	153,474
Total Overtime/Doubletime	-	601,550	641,060	46,425	7,306	248,558	-	422,927
Commissioner PerDiem	-	-	-	14,500	-	-	-	-
Temps	-	733,211	13,440	241,788	-	-	-	18,939
Total Wages	-	10,182,715	4,769,851	11,924,987	772,092	3,017,777	1,282,978	2,491,835
Benefits								
Employee Insurance								
Employee Insurance Dental	-	109,209	45,336	129,191	7,474	26,077	11,122	26,675
EmPLY Insurance Disability	-	36,186	20,738	60,786	3,989	12,701	5,111	9,861
Employee Insurance Life	-	22,504	10,297	29,791	1,894	6,303	2,582	5,111
Employee Insurance Medical	-	1,463,046	607,358	1,730,742	100,128	349,343	148,999	357,346
Employee Insurance Retiree	-	535,750	230,350	637,100	39,500	131,625	59,225	135,225
Total Employee Insurance	-	2,166,695	914,079	2,587,610	152,985	526,049	227,039	534,218
Pension								
Fica (Social Security)Base	-	135,514	4,864	745,615	45,845	179,503	75,257	142,364
Fica(Social Security)Medic	-	138,224	64,984	182,131	10,695	41,958	17,853	33,829
Mpls EmPLY Retirement Fund	-	-	-	25,067	-	-	-	8,605
Public EmPLY - Coordinated	-	182,630	3,942	965,776	57,813	225,702	95,751	179,503
Public EmPLY - Police/Fire	-	1,206,681	738,849	-	-	-	-	-
Merf Unfunded Liability	-	405,818	231,895	405,817	34,785	11,595	-	231,897
Total Pension	-	2,068,868	1,044,535	2,324,406	149,138	458,758	188,861	596,198
Training								
Continuing Ed (College)	-	-	-	68,500	-	-	-	-
Executive Leadership Train	-	-	-	2,500	-	-	-	-
Management Requirement	-	-	-	7,500	-	-	-	-
Organizational Requirement	-	-	-	20,200	-	-	26,000	-
Regulatory Requirements	-	-	36,000	11,000	-	8,824	-	-
Local Seminars	-	34,204	-	134,669	1,500	7,500	1,300	400
Total Training	-	34,204	36,000	244,369	1,500	16,324	27,300	400
Post Retirement Benefits	-	391,590	246,620	453,150	7,220	36,290	-	188,480
Workers Compensation	-	107,350	50,892	149,437	-	33,216	17,675	34,317
Post EmPLY Health Plan	-	51,191	22,955	85,683	4,517	15,959	8,790	16,441
Flex Spending	-	-	-	27,000	-	-	-	-
Unemployment Tax	-	-	-	-	-	-	-	-
Uniforms								
Uniforms-Police/Fire Allow	-	128,786	46,305	-	-	6,000	-	-
Uniforms-Rental	-	-	-	-	-	-	-	7,725
Uniforms - Safety	-	-	-	-	-	-	-	4,050
Total Uniforms	-	128,786	46,305	-	-	6,000	-	11,775
Severance								
Contract Allowance	-	-	-	-	-	-	-	-
Regular Severance	-	11,015	22,487	43,681	1,536	6,298	1,945	7,019
Total Severance	-	11,015	22,487	43,681	1,536	6,298	1,945	7,019
Trade Union Benefits	-	-	-	-	-	-	-	-
Total Benefits	-	4,959,699	2,383,872	5,915,337	316,896	1,098,893	471,610	1,388,848
Total Personnel	-	15,142,414	7,153,724	17,840,324	1,088,988	4,116,670	1,754,588	3,880,683

2016 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	-	25,334	4,100	62,050	2,050	15,000	11,200	5,650
Computer Supplies								
Computer Supplies-General	-	-	-	45,000	-	-	-	-
Computer Supplies-Software	-	-	-	162,152	-	-	-	-
Computer - Tools	-	-	-	3,040	-	-	-	-
Total Computer Supplies	-	-	-	210,192	-	-	-	-
Special Supplies								
Special Supplies-Badging	-	106,981	-	-	-	-	-	-
Special Supply-Film/Photo	-	700	-	17,225	-	4,500	-	-
Special Supplies-Other	-	34,471	-	12,050	2,900	5,000	1,750	-
Total Special Supplies	-	142,152	-	29,275	2,900	9,500	1,750	-
Total Supplies	-	167,486	4,100	301,517	4,950	24,500	12,950	5,650
Travel								
Travel - Lodging	-	11,200	4,200	77,655	8,000	9,035	9,899	7,700
Travel - Meals	-	4,749	756	14,840	1,559	2,488	1,385	550
Travel - Miscellaneous	-	104	-	1,595	-	432	150	-
Travel - Transportation								
Travel - Transport/Airfare	-	4,466	2,700	81,375	5,760	7,347	10,478	4,700
Travel - Shuttle/Taxi/Auto	-	1,000	400	6,475	440	516	900	600
Total Travel - Transportation	-	5,466	3,100	87,850	6,200	7,863	11,378	5,300
Registration Fees	-	5,425	3,275	82,540	4,300	9,385	10,200	5,050
Mileage	-	3,500	200	41,960	-	824	500	435
Total Travel	-	30,444	11,531	306,440	20,059	30,027	33,512	19,035
Other Administrative Expense								
Local Meetings								
Local Mtgs - Off Airport	-	1,000	-	9,621	-	154	655	300
Local Mtgs - On Airport/GO	-	1,046	-	15,350	-	4,458	1,000	800
Total Local Meetings	-	2,046	-	24,971	-	4,612	1,655	1,100
Information Sources								
Memberships/Dues/Pro Assoc	-	9,819	1,500	244,531	515	5,342	8,300	5,305
Other Information Sources	-	300	1,500	220,040	16,800	14,825	8,500	-
Publications/Subscriptions	-	2,436	1,500	47,838	687	4,840	865	800
Total Information Sources	-	12,555	4,500	512,409	18,002	25,007	17,665	6,105
Printing Costs								
Printing-Publications	-	2,100	-	12,800	200	22,000	2,000	-
Printing - Color Charts	-	-	-	10,200	-	-	-	-
Printing - Forms	-	1,092	500	1,900	-	-	-	-
Printing-Stationary/Envel	-	2,062	-	17,000	1,200	-	-	-
Total Printing Costs	-	5,254	500	41,900	1,400	22,000	2,000	-
Delivery Services	-	516	-	5,481	-	542	1,104	75
Freight Charges	-	-	-	-	-	-	-	-
Postage	-	60	-	37,038	-	-	-	-
Strategic Planning-Admin	-	10,060	8,000	10,000	-	-	-	-
Total Other Administrative Expense	-	30,491	13,000	631,799	19,402	52,161	22,424	7,280
Total Administrative Expenses	-	228,421	28,631	1,239,756	44,411	106,688	68,886	31,965

2016 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	-	-	-	214,500	-	-	-	-
Appraisals	-	-	-	50,000	-	-	-	-
RFP/Leases	-	-	-	50,000	50,000	-	-	-
Concept Develop/Feasible	-	-	-	20,000	-	-	-	-
Computer Services								
General								
ANOMS Consulting	-	-	-	-	-	-	63,055	-
Software Consulting	-	150,000	-	459,000	-	-	-	-
Total General	-	150,000	-	459,000	-	-	63,055	-
Total Computer Services	-	150,000	-	459,000	-	-	63,055	-
Engineering Fees	-	-	-	13,000	-	-	50,000	100,500
Insurance Consultants	-	-	-	320,000	-	-	-	-
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	-	-	-	112,000	-	-	-	-
Total Legislative	-	-	-	203,350	-	-	-	-
Medical Fees	-	-	-	47,290	-	-	-	-
Planning	-	-	-	180,000	-	-	-	200,000
Pollution/Environmental Fees	-	-	-	-	-	-	1,575	3,200
Public Information								
Public Infor Serv. - Photo	-	-	-	12,600	-	-	-	-
Public Infor Serv. - Other	-	-	-	125,000	-	-	-	15,000
Total Public Information	-	-	-	137,600	-	-	-	15,000
Recruiting Expenses								
Recruiting Employment Fees	-	-	-	60,000	-	-	-	-
Executive Recruiting	-	-	-	150,000	-	-	-	-
Total Recruiting Expenses	-	-	-	210,000	-	-	-	-
Safety Consultants								
Safety - Training	-	2,783	-	30,000	-	-	-	-
Safety - General	-	-	-	8,000	-	-	-	-
Total Safety Consultants	-	2,783	-	38,000	-	-	-	-
Miscellaneous Expenses								
Survey Expense								
Wildlife/Meteorology	-	-	-	16,920	-	-	-	-
Wildlife/Meteorology								
Meteorology	-	-	-	-	-	26,800	-	-
Wildlife	-	-	-	-	-	106,000	-	76,920
Total Wildlife/Meteorology	-	-	-	-	-	132,800	-	76,920
Business Development	-	-	-	120,000	-	-	-	-
Environmental	-	-	-	-	-	-	50,000	16,000
Mechanical								
Mechanical Terminal	-	-	-	10,963	-	-	-	10,500
Mechanical Trades	-	-	-	-	-	-	-	-
Total Mechanical	-	-	-	10,963	-	-	-	10,500
Miscellaneous	-	103,495	7,200	307,500	280,000	5,000	310,000	44,000
Strategic Planning-Professiona	-	-	-	55,000	-	-	-	-
Total Miscellaneous Expenses	-	103,495	7,200	510,383	280,000	137,800	360,000	147,420
Total Professional Services	-	256,278	7,200	3,095,123	330,000	137,800	566,630	481,120
Utilities								
Electricity	-	-	139,223	283,127	-	-	3,916	307,543
Heating Fuel								
Heating - Natural Gas	-	-	27,559	33,136	-	-	-	35,300
Heating - Fuel Oil	-	-	-	-	-	-	-	-
Total Heating Fuel	-	-	27,559	33,136	-	-	-	35,300
Sewer	-	-	850	100	-	-	-	27,530
Water	-	-	4,600	3,850	-	-	-	2,630
Telephone								
Telephone - Regular	-	110	-	159,000	-	-	-	24,300
Telephone - Internet Service	-	-	-	51,876	-	-	300	19,000
Telephone - Cellular	-	63,292	13,468	69,771	6,324	29,131	60,445	13,520
Total Telephone	-	63,402	13,468	280,647	6,324	29,131	60,745	56,820
Total Utilities	-	63,402	185,700	600,860	6,324	29,131	64,661	429,823

2016 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	-	-	-	13,500	-	-	-	-
Advertising - General	-	-	-	65,092	201,300	-	-	-
Advertising - Parking	-	-	-	-	-	-	-	-
Advertising - Relievers	-	-	-	-	-	-	-	10,020
Total Advertising	-	-	-	78,592	201,300	-	-	10,020
Environmental Control								
Hazardous Waste								
Hazardous Waste - FLOuresc	-	-	-	-	-	-	-	-
Hazardous Waste - General	-	-	-	-	-	-	-	-
Total Hazardous Waste	-	-	-	-	-	-	-	-
Pollution Control								
Pollution Ctrl-Booms	-	-	-	-	-	-	-	-
Pollution Ctrl-Com Cobs	-	-	7,000	-	-	-	-	-
Total Pollution Control	-	-	7,000	-	-	-	-	-
Industrial Waste Mgmt	-	-	-	-	-	-	-	-
Laboratory Services	-	-	-	8,000	-	-	4,500	-
Solvent Reclamation Service	-	-	-	-	-	-	-	2,400
Tire Disposal	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	143,000
Total Environmental Control	-	-	7,000	8,000	-	-	4,500	145,400
GLSW Management	-	-	-	81,576	-	-	-	-
Tag Operating Supplies	-	-	-	-	-	-	-	-
Grd Transportation Services	-	-	-	-	-	-	-	-
Shuttle Services	-	-	-	-	-	-	-	-
Parking Lots	-	-	-	-	-	-	-	-
Met Council Fees	-	-	-	-	-	-	-	-
Employee Programs								
Recognition	-	-	-	37,500	-	-	-	-
Retirement	-	-	-	2,500	-	-	-	-
Wellness								
Wellness - Fitness Program	-	-	-	126,500	-	-	-	-
Wellness-Health/Wellness	-	-	-	5,000	-	-	-	-
Wellness-Nutrition/Stress	-	-	-	5,000	-	-	-	-
Total Wellness	-	-	-	136,500	-	-	-	-
Total Employee Programs	-	-	-	176,500	-	-	-	-
Conference Center	-	-	-	-	30,000	-	-	-
Conference Center	-	-	-	-	30,000	-	-	-
Events Exercises								
Emergency Response Exercise	-	-	-	17,000	-	5,000	-	-
Other Programs/Events	-	-	-	16,514	-	-	-	1,500
Call Back Service	-	-	-	-	-	-	-	-
Major Events-Conventions	-	-	-	-	-	11,000	-	7,000
Total Events Exercises	-	-	-	33,514	-	16,000	-	8,500
Other Charges/Fees								
Bank Charges	-	-	-	195,000	-	-	-	-
IATA Contract Expense	-	-	-	66,000	-	-	-	-
Security Services Regular	-	563,856	-	-	-	-	-	-
Security Services Check Pt	-	-	-	-	-	-	-	-
Concessions Marketing	-	-	-	1,000	396,000	-	-	-
Recycling - Sand								
Copy Agreement	-	-	-	165,000	-	-	-	-
Mediation Fees	-	-	-	5,000	-	-	-	-
Miscellaneous Charges/Fees	-	41,192	-	122,723	-	72,974	5,000	9,000
Misc chrges-ziptop bags	-	-	-	-	-	-	-	-
Porter Service	-	-	-	-	-	-	-	-
Queue Line	-	-	-	-	-	-	-	-
Jail Fees	-	20,000	-	-	-	-	-	-
Airport Foundation-Concession	-	-	-	-	475,000	-	-	-
Total Other Charges/Fees	-	625,048	-	554,723	871,000	72,974	5,000	9,000
Service Agreements								
Service-Computers	-	361,949	-	2,892,995	-	116,205	67,764	-
Service-Electrical Gear Contr	-	-	-	-	-	-	-	-
Service-Fitness Equipment	-	-	2,000	9,000	-	-	-	-
Service-Grd Trans Equip	-	-	-	-	-	-	-	-
Service-Loading Dock	-	-	-	-	-	-	-	-
Service-Office Equipment	-	5,946	-	30,185	800	706	-	-
Service-Other Equipment	-	500	27,000	2,032	3,000	-	45,000	1,200
Service-Parking Equipment	-	-	-	-	-	-	-	-
Service-Telephone Systems	-	-	-	18,500	-	43,650	-	-
Service-CCTV/IVSN	-	-	-	6,159	-	-	-	-
Service-Radios	-	38,000	12,440	126,800	-	95,091	-	21,500
Total Service Agreements	-	406,395	41,440	3,085,671	3,800	255,652	112,764	22,700
Total Operating Services/Expenses	-	1,031,443	48,440	4,018,576	1,106,100	344,626	122,264	195,620

2016 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	-	-	-	-	-	-	-	1,591
Interior - Paint	-	-	1,000	-	-	-	-	-
Paint - Other	-	-	-	-	-	-	-	-
Traffic Paint - Parking	-	-	-	-	-	-	-	-
Reliever Airport - Paint	-	-	-	-	-	-	-	4,500
Traffic Paint - Runways	-	-	-	-	-	-	-	3,329
Total Paint	-	-	1,000	-	-	-	-	9,420
Signs								
Exterior Sign Materials	-	-	-	-	-	-	-	-
Interior Sign Materials	-	-	-	-	-	-	-	-
Reliever Airport Signs	-	-	-	-	-	-	-	500
Total Signs	-	-	-	-	-	-	-	500
Supplies								
Paint Supplies - Other	-	-	-	-	-	-	-	-
Solvents	-	-	-	-	-	-	-	-
Equipment Spray	-	-	-	-	-	-	-	-
Paint Tools	-	-	-	-	-	-	-	-
Total Supplies	-	-	-	-	-	-	-	-
Total Trades - Painters	-	-	1,000	-	-	-	-	9,920
Trades - Carpenters								
Locks								
Locks - Doors	-	-	-	-	-	-	-	3,900
Locks - Door Tags/ID	-	-	-	-	-	-	-	-
Total Locks	-	-	-	-	-	-	-	3,900
Flags	-	-	-	-	-	-	-	200
Lumber								
Lumber-Cabinets	-	-	-	-	-	-	-	1,478
Lumber-Furniture	-	-	-	-	-	-	-	-
Lumber-Other	-	-	-	-	-	-	-	650
Lumber-Remodeling	-	-	-	-	-	-	-	725
Total Lumber	-	-	-	-	-	-	-	2,853
Other								
Other - Ceilings	-	-	-	-	-	-	-	1,109
Other - Ceramics	-	-	-	1,000	-	-	-	-
Other - Doors	-	-	-	-	-	-	-	2,355
Other - Floor Coverings	-	-	-	-	-	-	-	1,589
Other - Hardware	-	-	-	-	-	-	-	700
Other - Miscellaneous	-	-	-	-	-	-	-	4,000
Other - Auto Door Supplis RPL	-	-	-	-	-	-	-	-
Other - Saw Blades	-	-	-	-	-	-	-	-
Other - Screws/Bolts	-	-	-	-	-	-	-	-
Other - Seating Replacement	-	-	-	-	-	-	-	-
Other - Tools	-	-	-	-	-	-	-	-
Other - Tug Door Repairs	-	-	-	-	-	-	-	-
Other - Wall Protection	-	-	-	-	-	-	-	-
Total Other	-	-	-	1,000	-	-	-	9,753
Total Trades - Carpenters	-	-	-	1,000	-	-	-	16,706

2016 Budget Expenses by Subledger

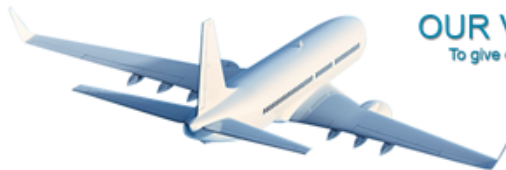
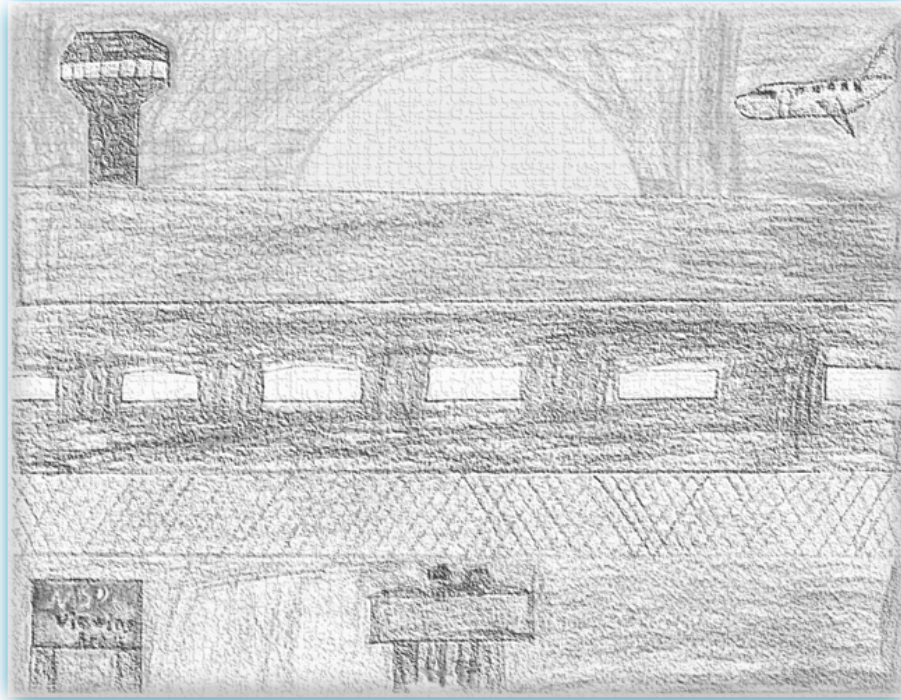
	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
Trades - Plumbers								
Contractor Requirements	-	-	-	-	-	-	-	-
Fire Protection System	-	-	7,000	1,324	-	-	-	6,758
General Plumbing Supplies	-	-	2,000	2,500	-	-	-	4,900
Irrigation Supplies	-	-	-	500	-	-	-	-
Pumps	-	-	-	-	-	-	-	-
Underground Utilities	-	-	-	-	-	-	-	-
Water Distribution Systems	-	-	-	-	-	-	-	-
Water Meters	-	-	-	-	-	-	-	-
Total Trades - Plumbers	-	-	9,000	4,324	-	-	-	11,658
Trades - Electricians								
Repairs								
Generator Maint. Contract	-	-	4,221	-	-	-	-	8,443
Electrical - Interior	-	-	-	-	-	-	-	-
Unit Maint. Contract	-	14,600	18,250	21,900	-	-	-	3,650
Unit Maint Supplies	-	-	-	-	-	-	-	1,000
Total Repairs	-	14,600	22,471	21,900	-	-	-	13,093
Other								
Other - Batteries	-	-	-	-	-	-	-	-
Other-Field Lights/Sensors	-	-	-	-	-	-	-	52,000
Other - Gate Supplies	-	-	-	-	-	-	-	54,550
Other - General Supplies	-	1,000	3,100	5,000	-	-	-	15,100
Other - Miscellaneous	-	-	-	-	-	-	-	-
Other - Motor	-	-	-	-	-	-	-	3,500
Other - Secured Access Sys	-	1,000	1,000	1,000	-	-	-	-
Total Other	-	2,000	4,100	6,000	-	-	-	125,150
Total Trades - Electricians	-	16,600	26,571	27,900	-	-	-	138,243

2016 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	-	-	-	-	-	-	-	200
Materials - Sand	-	-	-	-	-	-	-	15,400
Materials - Urea	-	-	-	-	-	-	-	14,600
Total Snow Removal - Materials	-	-	-	-	-	-	-	30,200
Snow Removal - Equipment								
Equipment - Contract	-	-	-	-	-	-	-	-
Equipment-Rent-No Operator	-	-	-	-	-	-	-	2,000
Equip Rent-No Operator-5.5	-	-	-	-	-	-	-	3,500
Equip Rent-Sweepers	-	-	-	-	-	-	-	-
Total Snow Removal - Equipment	-	-	-	-	-	-	-	5,500
Snow Removal - Miscellan								
Snow Removal - Meals	-	-	-	-	-	-	-	1,300
Snow Removal - Plow Blades	-	-	-	-	-	-	-	-
Snow Removal - Runway Brm	-	-	-	-	-	-	-	-
Snow Melters	-	-	-	-	-	-	-	-
Total Snow Removal - Miscellan	-	-	-	-	-	-	-	1,300
Summer Maintenance-Surface								
Surface Repair-Aggregate	-	-	-	-	-	-	-	6,470
Surface Repair-Asphalt	-	-	-	-	-	-	-	9,161
Surface Repair-Cement	-	-	-	-	-	-	-	500
Surface Repair-Other	-	-	-	-	-	-	-	-
Surface Rubber Removal	-	-	-	-	-	-	-	6,800
Surface Repair-Saw Blades	-	-	-	-	-	-	-	-
Surface Repair-Hot Sealant	-	-	-	-	-	-	-	-
Total Summer Maintenance-Surfac	-	-	-	-	-	-	-	22,931
Summer Maint-Landscape								
Summer Maintenance-Fencing	-	-	-	-	-	-	-	7,050
Landscape/Turf-Materials	-	-	-	500	-	-	-	22,125
Summer Maint-Equip Rent No Op	-	-	-	-	-	-	-	1,100
Summer Maint-Equip Rent LT	-	-	-	-	-	-	-	-
Equip Rent-Sweepers	-	-	-	-	-	-	-	-
Total Summer Maint-Landscape	-	-	-	500	-	-	-	30,275
Maintenance Field-Other								
Non Runway Brooms	-	-	-	-	-	-	-	-
Field Maint-Other-Material	-	-	-	-	-	-	-	-
Field Maint-Other-Supplies	-	-	-	-	-	-	-	12,599
Field Maint-Other-Tools	-	-	-	-	-	-	-	-
Total Maintenance Field-Other	-	-	-	-	-	-	-	12,599
Total Maintenance - Field	-	-	-	500	-	-	-	102,805
Maintenance Building								
Building-Temp Control								
Temp Control-Contracts	-	-	6,998	9,827	-	-	-	15,032
Temp Control-Filters	-	2,017	510	-	-	-	-	-
Fire Control Contract	-	-	5,095	10,321	-	-	27	-
Total Building-Temp Control	-	2,017	12,603	20,148	-	-	27	15,032
Building-Mechanical Areas								
Mechanical Areas-APM	-	-	-	-	-	-	-	-
Mechanical Areas-Conveyors	-	-	-	-	-	-	-	-
Mechanical Areas-Doors	-	-	-	-	-	-	-	12,083
Mechanical Areas-Doors/Pub	-	-	-	-	-	-	-	-
Mechanical Areas-Doors/Tug	-	-	-	-	-	-	-	-
Mechanical Areas-Elevators	-	-	-	-	-	-	-	1,400
Mechanical Areas-Escalator	-	-	-	-	-	-	-	-
Mechanical-Moving Walks	-	-	-	-	-	-	-	-
Mechanical Areas-Other	-	-	-	-	-	-	-	-
Total Building-Mechanical Areas	-	-	-	-	-	-	-	13,483
Building-Other								
Other-Bag Handling	-	-	-	-	850,000	-	-	-
Other-Building Systems	-	-	-	-	-	-	-	-
Other-Boiler Chemicals	-	-	-	-	-	-	-	-
Other-Floors/Repairs	-	-	-	-	-	-	-	-
Other-Jetbridge Repairs	-	-	-	-	-	-	-	-
Other-Outside Plumb/Sewer	-	-	-	-	-	-	-	5,600
Other-Paging System Contract	-	-	-	-	-	-	-	-
Other-Pest Control	-	-	-	-	-	-	-	-
Other-Roofing	-	-	-	-	-	-	-	21,600
Sump/Septic Pumping	-	-	-	-	-	-	-	37,450
Other-Supplies	-	-	2,000	-	-	18,000	-	6,580
Other-Tools	-	-	-	-	-	-	-	-
Total Building-Other	-	-	2,000	-	850,000	18,000	-	71,230
Minor Projects Expense	-	-	-	500	-	-	-	-

2016 Budget Expenses by Subledger

	Concourses A-D	Police	Fire	Admin- istration	Building Official	Comm- unication/ Operations	Noise & Environment	Total Reliever Airports
Strategic Planning-Maintenance	-	-	-	-	-	-	-	-
Total Maintenance Building	-	2,017	14,603	20,648	850,000	18,000	27	99,745



OUR VISION

To give our customers the best airport experience in North America.

OUR MISSION

To provide and promote safe, convenient, environmentally sound and cost-competitive aviation services for our customers.

2016 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	-	-	30,254	59,956	970,609	14,613	-	32,400
Cleaning Services-Windows	-	-	-	23,529	-	-	-	3,500
Total Cleaning Services	-	-	30,254	83,485	970,609	14,613	-	35,900
Cleaning Supplies								
Cleaning Supplies-Bathroom	-	-	-	-	-	-	-	-
Cleaning Supplies-General	-	-	-	-	-	-	-	4,604
Total Cleaning Supplies	-	-	-	-	-	-	-	4,604
Rubbish Disposal								
Rubbish Disposal-Recycle	-	-	-	-	-	-	-	-
Rubbish Disposal-Regular	-	-	-	-	-	-	-	41,100
Total Rubbish Disposal	-	-	-	-	-	-	-	41,100
Towel Laundry Services	-	-	-	-	-	-	-	7,266
Other Cleaning Expenses	-	-	1,100	-	-	-	-	-
Total Maintenance-Cleaning	-	-	31,354	83,485	970,609	14,613	-	88,870
Maintenance-Equipment								
Equipment-Parts								
Parts-Automobiles	-	46,500	3,000	-	-	18,000	-	-
Parts-Boilers Energy Mgmt	-	-	1,390	-	-	-	-	3,199
Parts-Chiller Energy Mgmt	-	-	2,341	513	-	-	-	-
Parts-Other Equipment	-	-	-	-	-	-	-	-
Parts-Equipment	-	25,950	25,000	-	-	-	-	148,280
Parts-Other Equipment	-	-	-	-	-	-	-	-
Total Equipment-Parts	-	72,450	31,731	513	-	18,000	-	151,479
Equipment-Shop								
Shop-Batteries	-	-	-	-	-	-	-	1,850
Shop-Cleaners/Degreasers	-	-	-	-	-	-	-	2,850
Shop-Oil Filters	-	-	-	-	-	-	-	11,381
Shop-Other Supplies	-	-	-	-	-	-	-	4,490
Shop-Tires	-	-	5,000	-	-	-	-	18,850
Shop - Tool Crib	-	-	-	-	-	-	-	-
Shop-Tools	-	-	-	-	-	-	-	3,500
Shop - Weld Shop	-	-	-	-	-	-	-	-
Total Equipment-Shop	-	-	5,000	-	-	-	-	42,921
Equipment-Gas								
Gas-Diesel	-	2,300	25,700	-	-	-	-	113,950
Gas-Ethanol	-	84,000	2,900	4,475	-	7,925	1,100	-
Gas-Propane	-	-	-	-	-	-	-	-
Gas-Unleaded	-	54,200	5,500	4,800	-	9,975	2,975	35,275
Total Equipment-Gas	-	140,500	34,100	9,275	-	17,900	4,075	149,225
Equipment-Extinguishers								
Extinguishers-Purchase	-	-	25,500	-	-	-	-	-
Extinguishers-Repair	-	-	500	-	-	-	-	-
Extinguishers-Reservice	-	-	1,000	-	-	-	-	-
Total Equipment-Extinguishers	-	-	27,000	-	-	-	-	-
Equipment-Miscellaneous Exp	-	-	-	37,700	-	-	2,000	5,930
Total Maintenance-Equipment	-	212,950	97,831	47,488	-	35,900	6,075	349,555
Total Maintenance	-	231,567	180,359	185,345	1,820,609	68,513	6,102	817,502

2016 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	-	64,333	47,820	30,800	-	2,792	1,996	72,689
Gen Ins-Property	-	111,932	83,200	53,589	-	4,858	3,471	126,467
Gen Ins-Crime	-	2,354	1,750	1,126	-	102	72	2,661
Gen Ins-Auto/Equipment	-	36,797	27,350	17,615	-	1,598	1,141	41,575
Total General Insurance	-	215,416	160,120	103,130	-	9,350	6,680	243,392
Safety								
Safety-Supplies	-	6,700	-	67,024	-	-	-	2,600
Safety-Equipment	-	-	-	7,000	-	-	-	-
Total Safety	-	6,700	-	74,024	-	-	-	2,600
Medical Information/Supply								
Medical-Routine Supplies	-	9,292	-	200	-	-	-	300
Medical-Emergency Response	-	-	2,500	-	-	-	-	-
Total Medical Information/Supply	-	9,292	2,500	200	-	-	-	300
Rentals								
Rental-Copier	-	-	-	2,700	-	-	-	-
Rental-Other Equipment	-	-	-	16,600	-	-	300	-
Total Rentals	-	-	-	19,300	-	-	300	-
Licenses/Permits								
Licenses-Autos/Equipment	-	-	-	-	-	-	-	-
Licenses-Environmental	-	-	-	-	-	-	2,000	4,800
Licenses-Other	-	-	-	-	600	-	-	950
Total Licenses/Permits	-	-	-	-	600	-	2,000	5,750
Miscellaneous Expenses								
Misc-Firearm/Equip/Supplies	-	121,473	25,000	-	-	30,000	-	-
Misc-Emergency Response	-	20,750	17,000	-	-	-	-	-
Misc-Other	-	162,985	12,000	13,029	-	-	-	-
Misc-Taxes(Petroleum/Use)	-	-	-	-	-	-	-	10,791
Total Miscellaneous Expenses	-	305,208	54,000	13,029	-	30,000	-	10,791
Capital Assets								
Minor Equipment/Assets								
Minor Assets-Tools	-	-	93,000	-	-	1,164	-	-
Minor Assets-Office Furn	-	2,893	15,400	15,650	-	5,075	3,000	-
Minor Assets-Computers	-	-	-	500,000	-	-	-	-
Minor Assets-Radios	-	113,026	51,172	30,800	-	50,000	-	-
Minor Assets-Other	-	48,982	33,000	7,500	1	-	-	-
Total Minor Equipment/Assets	-	164,901	192,572	553,950	1	56,239	3,000	-
Total Capital Assets	-	164,901	192,572	553,950	1	56,239	3,000	-
Total Other	-	701,517	409,192	763,633	601	95,589	11,980	262,833
Grand Total	-	17,655,042	8,013,246	27,743,617	4,397,033	4,899,017	2,595,111	6,099,546

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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.

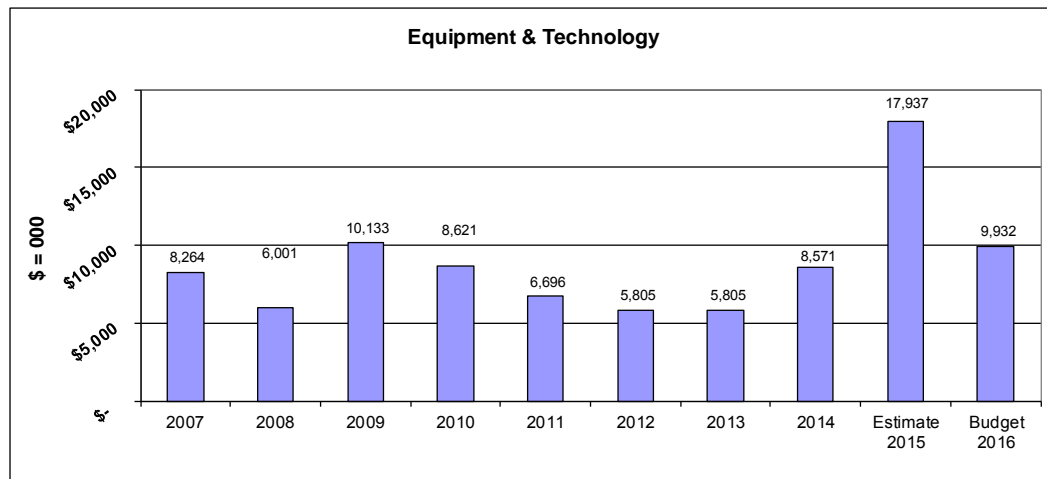
Equipment and Technology Related Expenditures

Annually MAC completes its capital equipment requests for new and replacement equipment. All technology related capital equipment was also reviewed by the Information Technology (IT) Department. The capital equipment requests in the 2016 budget decreased by approximately \$8.0 million. The primary reasons for the decrease was a 2015 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).

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 \$10 million capital equipment budget listed below is funded in two 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 2016 is approximately \$3.2 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. Lastly, the remaining value of capital equipment (approximately \$6.7 million) will be funded with internally generated funds.

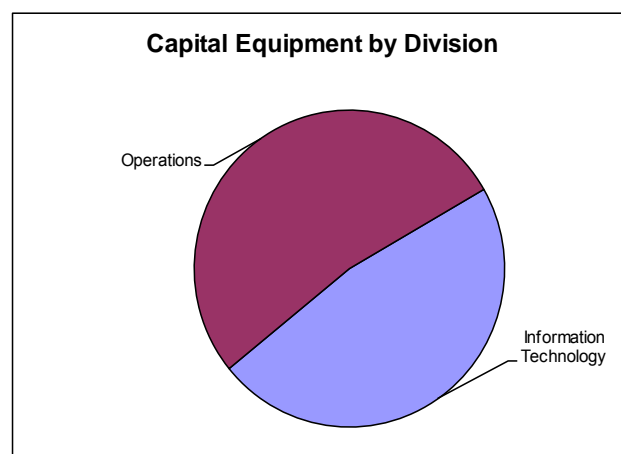
2016 Equipment & Technology Budget				
	<u>2015 Estimate</u>	<u>2016 Budget</u>	<u>\$ Variance</u>	<u>% Variance</u>
Equipment & Technology	\$ 17,937,216	\$ 9,932,406	\$ (8,004,810)	-44.6%

The chart on the next page compares equipment and technology purchases for the past 10 years:



This chart displays the 2016 capital equipment requests by Information Technology (IT) and Operations. In 2016, the Commission allocated more capital dollars to IT than in prior years in order to keep up on technological changes that are occurring in the industry.

The chart below represents the capital equipment requests for 2016 through 2018. 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	2016	2017	2018
Executive	\$0	\$0	\$0
Information Technology	4,713,000	210,000	500,000
MSP Airport Operations	0	0	0
Airside Operations	45,000	45,000	55,000
Landside Administration	24,000	0	0
Fire	737,900	557,300	303,240
Police	142,000	215,650	90,000
Environment-General	0	30,000	40,000
Facilities-Terminal 1	212,606	0	0
Facilities-Energy Management Center	40,000	0	0
Trades-Electricians	0	195,000	32,000
Trades-Painters	325,000	0	0
Trades-Carpenters	0	0	0
Trades-Plumbers	0	0	0
Field Maintenance	2,927,900	6,717,050	7,349,760
Reliever-Administration	0	0	35,000
Relievers-St Paul	500,000	1,000,000	350,000
Relievers-Crystal	111,500	250,000	810,000
Relievers-Airlake	0	250,000	35,000
Relievers-Flying Cloud	84,500	250,000	75,000
Relievers-Anoka/Blaine	36,000	250,000	75,000
Relievers-Lake Elmo	33,000	30,000	750,000
Total	\$9,932,406	\$10,000,000	\$10,500,000

The following pages contain details of the Capital Equipment summary for 2016.

Capital Equipment and Technology Projects

79000 Information Technology

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade-in Value	Total
Enterprise GIS Geographic Information Systems (GIS) is currently used in many departments at the MAC. This project will focus the GIS strategy on one single state of the art solution that will not only integrate this function with the entire MAC IT eco-system, but continue to facilitate the presentation of spatial data to end users using multiple devices.	5	x		1	\$325,000	\$0	\$325,000
Enterprise Program Management Solution Design and implement a comprehensive enterprise project portfolio management software program with a phased approach beginning with the migration of current spreadsheets and tracking documents to an online tool. This tool is primarily focused on the capital improvement plan but can be used across other areas of the company as well.	5	x		1	\$250,000	\$0	\$250,000
Access Control System (SAACS) Enhancements The MSP secure area access control system (SAACS) is a critical platform for the safe and secure operation of our airport. The current system is over 8 years old and is in need of some enhancements and upgrades. This includes efforts focused on the back-end management software as well as the readers and other field hardware.	5	x		1	\$255,000	\$0	\$255,000
Enterprise Collaboration (MACPoint Phase 2) Design, document and define a phased approach to identify systems and technologies that will enable staff to work in an on-line format across various mediums (text, video, etc.). These solutions will be aimed at addressing business inefficiencies and enable sharing of ideas, information and resources.	5	x		1	\$275,000	\$0	\$275,000
Enterprise Integration Platform Data needs to flow through the MAC in an organized and efficient manner for access and use by the business areas. A robust integration / message broker platform allows for real time access to MAC's data, ensuring we are leveraging the "system of record" for key information.	5	x		1	\$300,000	\$0	\$300,000
Enterprise Reporting and Business Intelligence This initiative supports the need to increase corporate reporting practices across the MAC. This platform will help the organization leverage data-centric, fact based tools and reports to help support decision making.	5	x		1	\$250,000	\$0	\$250,000

79000 Information Technology (Continued)

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade-in Value	Total
Enterprise Business Automation and Workflow	5	x		1	\$300,000	\$0	\$300,000
<p>MAC staff spend a great deal of time and effort completing task based efforts to get approval for travel, access to systems, reimbursement for expenses. These tasks as well as several other examples could be automated, saving a great deal of staff time and providing a more quality based process. This project will implement the necessary tools to begin to implement some strategic use-cases for demonstrating the value of this solution.</p>							
Talent Management/Applicant Tracking	5		x	1	\$100,000	\$0	\$100,000
<p>This project is to replace the existing "Applicant Tracking Application" for Human Resources. This new solution will be aimed to not only track applicants but add other functionality that will enhance the entire sourcing, recruitment, screening, and overall process management for the MAC.</p>							
Taxi/Limo Reveue Management System Enhancements (TNC / UBER)	5	x		1	\$335,000	\$0	\$335,000
<p>System to manage and track transportation network companies (TNC) such as Uber or Lyft. Enhance Mavis to provide revenue and access control for transportation network companies, controlling TNC operations with geo-spatial technologies.</p>							
Taxi Virtual Dispatching	5	x		1	\$428,000	\$0	\$428,000
<p>To communicate with taxi drivers via mobile devices so that cabs can be notified to report to the airport.</p>							
Call Processing Protocol Software	5	x		1	\$80,000	\$0	\$80,000
<p>An emergency dispatch software package for medical, fire, and law enforcement calltaking offers automated tools needed to provide the best public service and patient care. During the course of an emergency call, the software guides the calltaker/dispatcher through the process of collecting vital information from the caller, obtaining victim status, choosing an appropriate dispatch level, and instructing the caller with industry standard protocols until the dispatched units arrive at the scene. This project includes much more than it support for the software, but training of ECC personnel, and new implementation of standard operating procedure in the ECC. The products are approved by our current ACD vendors, and a typical software package used within a public safety dispatch center.</p>							
Intra Terminal Transportation	5	x		1	\$10,000	\$0	\$10,000
<p>Intra terminal transportation for IT is needed to support all the diverse areas of T1. Currently today our team spends 20+ hours per week walking the terminal to support various systems and applications. They are also required to carry by hand heavy equipment (50 lbs+) over long distances. Transportation would improve efficiency and safety for the team.</p>							

79000 Information Technology (Continued)

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade-in Value	Total
Enterprise Resource Program Enhancements Continue implementation of new business modules in JD Edwards EnterpriseOne. These areas and modules include reporting functionality, expand inventory uses, maintenance management / work order and purchasing card support.	5	x		1	\$750,000	\$0	\$750,000
Common Use Systems Refresh (CUSE & FIDS) To ensure the common use systems in use by our airline partners are up to date and reliable, we need to ensure end-of-life equipment is retired and replaced. This includes computers, screens, digital displays and other related common use devices.	5		x	1	\$325,000	\$0	\$325,000
Enterprise Web and Mobile Platform MAC has separately managed web sites across multiple departments and platforms. This has created a difficult to manage and cumbersome environment for our web presence. This effort will implement a shared platform that will include a tier 1 content management system as well other progressive technologies to enable more functionality including mobile, social media tie ins, and sms/text.	5		x	1	\$380,000	\$0	\$380,000
Online Board Portal This project is to support the implementation of an online portal for MAC commissioners to access board materials - replacing the need for manual preparation and mailing of materials. This tool will include other functionality that will improve communication and information sharing between staff and the commissioners. This effort also includes consideration for hardware costs for tablet computers to be provided to commissioners.	5	x		1	\$50,000	\$0	\$50,000
Parking Portal for Monthly Customers Landside would like the ability to take credit card payments over the internet and allow monthly parking customers to modify their credit card information via the internet. One solution is that Heartland Payment Systems (current provider) will create a payment portal on their system that does these requirements and takes all the PCI compliance liability. Heartland will allow us to overlay our Mavis web look and feel over their portal so when a customer accesses it, they think they are interacting directly with Mavis.	5	x		1	\$200,000	\$0	\$200,000
Enterprise Video Conference Solution Continued roll-out and integration of the MAC wide AV distribution system in conjunction with the Emergency Operations Center (EOC) at the GO.	5	x		1	\$100,000	\$0	\$100,000

79000 Information Technology Total: \$4,713,000

82600 Airside Operations

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade-in Value	Total
MSP Drivers' Training Center Furniture/Furnishings	10		x	1	\$45,000	\$0	\$45,000

With the remodeling and expansion of the Drivers Training Center in 2016, additional and replacement furniture/ furnishings are needed. Much of the existing furniture was originally purchased for office use and has not held up to the rigorous wear and tear by the thousands of users who utilize the facility each year. The plan is to add on to the existing classroom and replace the entire testing center, admin area and Firearms Training Center furniture and furnishings. The combined Airside Operations/ECC Back-up Center was completed in 2015. This is the second and final phase of a two-year replacement project.

82600 Airside Operations Total: \$45,000

83400 Landside-Administration

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade-in Value	Total
2016 F-150 Pick-up Truck - Parking Management	5		x	1	\$28,000	\$4,000	\$24,000

Scheduled replacement of existing parking management contractor minivan (2006 Dodge Caravan) used in critical 24/7/365 facility and revenue control system monitoring, inspection, testing, vehicle inventory/count management and transporting of equipment (cones, signs etc.) used to facilitate parking diversion operations. Vehicle also responds to frequent parking customer requests for assistance.

83400 Landside-Administration Total: \$24,000

83600 Fire

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade-in Value	Total
Structural Pumper/Engine	20		x	1	\$695,000	\$2,000	\$693,000

Replacement of 1989 Structural Pumper/Engine (616-1155). New pumper would become a primary response pumper moving the current 2006 primary pumper (616-961) to spare service status allowing routine maintenance and unscheduled repairs to be made to either of the primary pumpers without loss of response capabilities. These Structural Pumper/Engines respond to all structural type incidents, medical emergencies, rescue calls, and aircraft emergencies.

Staff Vehicle	7		x	1	\$45,000	\$100	\$44,900
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Replacement of 1997 GMC Suburban (616-625) used by Fire Inspector. New vehicle would be assigned to Fire Marshal and current 2007 Ford F-150 (616-975) would be reassigned to Fire Inspector. Both vehicles are used daily for emergency response, travel to and from meetings on site and off airport. Both vehicles can be used for initial command functions on incidents and carry a variety of fire and medical equipment.

83600 Fire Total: \$737,900

84200 Police

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade-in Value	Total
Mobile Command Center Video Mast Replacement Replace broken mast and prep for new cameras on the mobile incident command center vehicle.	10		x	1	\$15,000	\$0	\$15,000
Police Vehicle Replacement Replacement and outfitting of three (3) police vehicles used for patrol and investigative purposes. NOTE: Budget funding is requested for two (2) of these vehicles. The third will be purchased with DWI forfeiture funds. These vehicles have in excess of 100,000 miles and are recommended for replacement by the APD and MAC's equipment superintendent.	4		x	2	\$45,000	\$3,000	\$87,000
Livescan Replacement The Police Operations Center at T1 has a secure detention area where persons under arrest are booked and held. They are photographed and fingerprinted to confirm their identity and to record the charges against them. The fingerprinting is done on a digital reading station which immediately transmits the prints to the Bureau of Criminal Apprehension (BCA). In March 2016, this unit will no longer be supported for maintenance by the BCA. They have contracted with a vendor for new Livescan devices that will be supported by a maintenance agreement. The exact cost is unknown at this time. The estimated cost includes the unit, one year of maintenance, a cabinet and sales tax.	7		x	1	\$28,000	\$0	\$28,000
T-3 Replacement Unit Two T-3 electric vehicles have been in APD's fleet since 2007. These vehicles serve in T1. They are highly visible and allow for fast officer response. The vehicles have incurred increasing maintenance costs as they have aged and parts are becoming difficult to obtain. One of the existing units would be repurposed for use at T2. The new unit would be placed into service at T1.	6		x	1	\$12,000	\$0	\$12,000
84200 Police Total:							\$142,000

86100 Facilities-Terminal 1

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade-in Value	Total
Terminal Trash Receptacle and Recycling Containers Additional trash and recycling containers to outfit the entire G Concourse to match the existing throughout the remainder of Terminal 1 - Lindbergh on the non-secure side.	10	x		1	\$110,000		\$110,000
Escalator Step Cleaner Juma Step 100 Escalator Cleaner to replace Rotomac 360 (too old for any trade-in value). For the cleaning, maintenance and extended life of all MSP escalators.	12		x	1	\$75,000	\$0	\$75,000
Marathon 2yd. Heavy-Duty Compactor RJ225-HD Replacement Compactor for C-26 area.	10		x	1	\$27,606	\$0	\$27,606
86100 Facilities-Terminal 1 Total:							\$212,606

86300 Facilities-Energy Management Center

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade-in Value	Total
Chiller Starter Panel Chiller starters in the EMC, new parts are impossible to find, therefore used and refurbished parts must be bought and installed to maintain chillers.	20		x	1	\$40,000	\$0	\$40,000
86300 Facilities-Energy Management Center Total:							\$40,000

88100 Trades - Painters

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade-in Value	Total
MB 260RS Runway Paint Striper Truck MB 260RS runway paint striper is a replacement for a 25 year old large capacity paint striper truck.MAC will need to retain old truck to salvage parts for a second old paint truck, so no trade in will be made at this time. A second runway paint truck will be requested in 2017 budget, after which time both trucks will be traded in.	20		x	1	\$325,000	\$0	\$325,000
88100 Trades - Painters Total:							\$325,000

89000 Field Maintenance

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade-in Value	Total
Pressure washer Pressure washer equipment to replace inoperative wash bay equipment that has no value.	7		x	1	\$16,000	\$0	\$16,000
4,000-gallon runway deice truck Replacement runway deice truck.	10		x	1	\$350,000	\$5,000	\$345,000
Landside plow and sander Replacement equipment (F-350 type with attachments) for landside roadway/security gate snow removal assignments.	10		x	1	\$110,000	\$2,000	\$108,000
Utility dump truck Replacement equipment used for routine summer and winter maintenance operations.	7		x	2	\$40,000	\$4,000	\$76,000
Crew-cab pick-up Replacement equipment used for routine summer and winter maintenance operations.	7		x	3	\$36,000	\$3,000	\$105,000
Runway broom Replacement runway broom (front-mounted) vehicles used for winter maintenance operations; existing equipment available for reliever airport assignment.	10		x	1	\$775,000	\$20,000	\$755,000
Runway sanders Replacement runway sanders used for winter maintenance operations.	10		x	2	\$200,000	\$20,000	\$380,000

89000 Field Maintenance (Continued)

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade-in Value	Total
Large field tractor w/plow Replacement field tractor (JD 7000 series type) equipment used for summer and winter maintenance operations.	10		x	3	\$240,000	\$24,000	\$696,000
Grounds mower Replacement grounds mower used for landside turf maintenance operations.	5		x	2	\$45,000	\$1,600	\$88,400
Street sweeper Low-clearance street sweeper vehicle used for parking ramp maintenance.	5		x	2	\$105,000	\$4,000	\$206,000
High-lift wheel dolly New equipment to facilitate more efficient Equipment Repair Shop operations.	10	x		1	\$12,000	\$0	\$12,000
Riding liquid/solid materials spreader New equipment to facilitate more efficient landscape and turf management operations.	7	x		1	\$22,500	\$0	\$22,500
14-passenger mini-bus ADA compliant, 14-passenger bus for employee and MAC guest transportation.	10	x		1	\$83,000	\$0	\$83,000
Programmable message signs Programmable message signs for traffic control and for use to communicate public safety messages.	10	x		2	\$17,500	\$0	\$35,000
89000 Field Maintenance Total:							\$2,927,900

90200 Relievers - St. Paul

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade-in Value	Total
Surface Cleaning Vehicle Surface sweeper to remove debris and contaminants from runway, taxiway, apron and public roadway surfaces. New machine would replace a 1991 and 2005 models. New sweeper would remove sand from surfaces to minimize wear and tear on aircraft systems and components.	15		x	1	\$250,000	\$5,000	\$245,000
4x4 Tractor w/Flail Mower Replace a 1990 tractor with 4200 hours and 25 years of service. A new tractor would groom and manicure and maintain hilly terrain areas and minimize expense of maintaining an aging machine. The 4x4 capabilities would allow a tractor to be used year round.	15		x	1	\$184,000	\$3,000	\$181,000
Manager Vehicle Replacement equipment for high-mileage, high-repair assigned to a reliever airport manager.	8		x	1	\$45,000	\$1,000	\$44,000

90200 Relievers - St. Paul (Continued)

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade in Value	Total
Hydraulic and Fluid Hose Reels - Mechanic Shop	25	x		1	\$30,000	\$0	\$30,000
Install a hydraulic and fluid reels to manage and maintain equipment. This will improve the efficiency of staff time and management of the fluids. Cleaner process than using funnels and pumps to transport from a 55-gallon barrel to vehicle. More precise distribution of fluids - reduce waste.							

90200 Relievers - St. Paul Total: \$500,000

90300 Relievers - Lake Elmo

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade-in Value	Total
72-Inch Mower w/o Cab	10		x	1	\$34,000	\$1,000	\$33,000
Replace 1994 machine with high hours of operation and maintenance repairs.							

90300 Relievers - Lake Elmo Total: \$33,000

90500 Relievers - Flying Cloud

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade-in Value	Total
Mower	8		x	1	\$85,000	\$500	\$84,500
This mower will replace a 1994 Toro mower that has outlived its useful life. The new mower will be a wide area mower design with three decks. These mower should be capable of operating one, two or all decks at one time. This equipment replacement will reduce the hours necessary for mowing and decrease the maintenance costs associated with the old Toro mower.							

90500 Relievers - Flying Cloud Total: \$84,500

90600 Relievers - Crystal

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade-in Value	Total
Hydraulic and Fluid Hose Reels-Mechanic Shop	25	x		1	\$30,000	\$0	\$30,000
Install hydraulic and fluid reels to manage and maintain equipment. This will improve the efficiency of staff time and management of the fluids. It's a cleaner process than using funnels and pumps to transport from a 55-gallon barrel to a vehicle. Distribution of fluids is more precise and reduces waste.							
1-ton Truck with Dump Body	12		x	1	\$45,000	\$3,000	\$42,000
This 1-ton dump truck is 23 years old and has rusted out in several places. The reliability of this truck is suspect because it is often in need of repairs.							
72" riding mower (no cab)	8		x	1	\$40,000	\$500	\$39,500
This 1994 mower is often in need of repairs. Parts are now becoming harder to find.							

90600 Relievers - Crystal Total: \$111,500

90700 Relievers - Anoka

Equipment/Project Name	Est Life	New	Rpl	Qty	Individual Price	Trade-in Value	Total
Pull behind 18 foot mower	8		x	2	\$18,500	\$1,000	\$36,000
Replacing 1995 and 1998 mowers. These mowers are well used and the maintenance costs are escalating.							

90700 Relievers - Anoka Total: \$36,000

Grand Total: \$9,932,406

Capital Improvement Program Expenditures

On December 21, 2015, the Commission adopted the 2016-2022 Capital Improvement Program (CIP). The 7-year CIP relating to construction projects on the Commission’s airport system consists of the following elements:

1. **2016 Capital Improvement Projects** – These are projects that have been reasonably defined for implementation in the upcoming calendar year - in this case 2016.
2. **2017 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. **2018-2022 Capital Improvement Plan** – This encompasses the last five years of the total program and consists of projects that appear 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.



***New Aircraft Viewing Area
Established in 2015***



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

Capital Improvement Projects Projects	Year			Total
	2016	2017	2018-2022	
	(\$ = 000)			
<i>MSP End of Life/Replacement Projects</i>				
<i>Terminal 1 - Lindbergh</i>				
Food Court Elevator Replacement	\$ 2,000			\$ 2,000
Passenger Boarding Bridge Replacements	\$ 8,000	\$ 8,000	\$ 8,000	\$ 24,000
Tram Systems Retrofit & Equipment	\$ 2,000	\$ 2,700	\$ 3,000	\$ 7,700
Recarpeting Program	\$ 100		\$ 14,000	\$ 14,100
Mezzanine HVAC/Air Handling Unit Replacements & Penthouses	\$ 16,700			\$ 16,700
Replace Terminal 1 Tug Doors			\$ 600	\$ 600
Concourse A/B PCAir Upgrades	\$ 2,500			\$ 2,500
<i>Field & Runway</i>				
Runway Planing/Regrooving	\$ 1,700			\$ 1,700
Taxiway S Reconstruction			\$ 7,500	\$ 7,500
Taxiway D Reconstruction			\$ 9,500	\$ 9,500
Sanitary Sewer Replacement - 34th Avenue			\$ 1,700	\$ 1,700
Snow Melter Upgrades/Modifications			\$ 1,000	\$ 1,000
Sanitary Sewer Replacement - Taxiway R			\$ 2,500	\$ 2,500
<i>Terminal Roads/Landside</i>				
Lower Level Roadway Rehabilitation		\$ 200	\$ 300	\$ 500
Upper Level Roadway Rehabilitation			\$ 2,000	\$ 2,000
Upper Level Roadway Electrical System Rehabilitation			\$ 650	\$ 650
<i>Parking</i>				
Parking Ramp Intercom System Replacement			\$ 1,000	\$ 1,000
<i>Terminal 2 - Humphrey</i>				
Public Walk Aisle Terrazzo Floor Installation			\$ 1,700	\$ 1,700
Recarpeting Program			\$ 2,000	\$ 2,000
<i>Fire</i>				
MSP Campus Fire Alarm System Upgrade/Transition	\$ 850	\$ 1,000	\$ 4,500	\$ 6,350
Airport Rescue/Fire Fighting Station #2			\$ 10,750	\$ 10,750
<i>MSP End of Life/Replacement Projects-Subtotal</i>	\$ 33,850	\$ 11,900	\$ 70,700	\$ 116,450
<i>MSP Information Technology Projects</i>				
<i>Terminal 1 - Lindbergh</i>				
MAC Public Adress System	\$ 1,200	\$ 1,100	\$ 1,950	\$ 4,250
Telecom Relocation & Decommissioning	\$ 1,500	\$ 1,500	\$ 1,500	\$ 4,500
Commission Chambers Telecoil Installation & Audio Visual Upgrades	\$ 350			\$ 350
Intelligent Monitoring and Control Systems	\$ 1,500	\$ 1,500	\$ 6,600	\$ 9,600
Fiber Optic Cable Infrastructure Upgrade/Expansion	\$ 1,700	\$ 1,000	\$ 1,800	\$ 4,500
Wireless Network Connectivity or Communication	\$ 1,000	\$ 1,000		\$ 2,000
MACNet Program	\$ 1,000	\$ 2,000	\$ 5,000	\$ 8,000
Distributed Antenna System	\$ 5,000			\$ 5,000
<i>Parking</i>				
T1-Lindbergh Intelligent Parking Guidance System			\$ 500	\$ 500
<i>Police</i>				
iViSN Program	\$ 4,000	\$ 4,500	\$ 13,200	\$ 21,700
Card Access Modifications		\$ 850		\$ 850
Passenger Boarding Bridge Card Access Additions		\$ 1,500	\$ 5,500	\$ 7,000
<i>MSP Information Technology Projects-Subtotal</i>	\$ 17,250	\$ 14,950	\$ 36,050	\$ 68,250

Capital Improvement Projects Projects	Year			Total
	2016	2017	2018-2022	
	(\$ = 000)			
MSP Long Term Comprehensive Plan Projects				
Terminal 1 - Lindbergh				
D-Pod Outbound Baggage System		\$ 5,000		\$ 5,000
FIS Recheck Operational Improvements			\$ 8,400	\$ 8,400
MSP Long Term Comprehensive Plan			\$ 1,500	\$ 1,500
Concourse E Remodeling/Expansion			\$ 41,500	\$ 41,500
Baggage Claim Expansion		\$ 33,400	\$ 65,100	\$ 98,500
Vertical Circulation Improvements	\$ 34,200		\$ 25,200	\$ 59,400
South Security Exit			\$ 4,300	\$ 4,300
Ticket Lobby Operational Improvements		\$ 15,700	\$ 55,900	\$ 71,600
Checkpoint Expansion			\$ 10,500	\$ 10,500
Concourse A/G Connector Bridge Phase 1	\$ 20,000			\$ 20,000
East Curbside Upper Level Check in			\$ 14,800	\$ 14,800
Lower Level Curbside Expansion			\$ 12,200	\$ 12,200
Armed Forces Service Center Relocation			\$ 1,100	\$ 1,100
Field & Runway				
Taxiway C1 Construction			\$ 5,500	\$ 5,500
Parking				
T1 Parking Ramp - Northwest Drive Grade Separation	\$ 15,500			\$ 15,500
T1 Parking Ramp - Cargo & Stores Building	\$ 10,500			\$ 10,500
T1 Parking Ramp - Roadway & Plaza Relocation	\$ 100,000			\$ 100,000
T1 Parking Ramp - Parking Mgmt Bldg & Revenue Control Systems	\$ 24,000			\$ 24,000
T1 Parking Ramp - Parking Structure and Auto Rental Facility		\$ 293,000		\$ 293,000
Orange Ramp Additional Elevators			\$ 2,000	\$ 2,000
Terminal 2 - Humphrey				
FIS Baggage Claim Improvements			\$ 1,000	\$ 1,000
North Gate Expansion Design Fees			\$ 5,000	\$ 5,000
MSP Long Term Comprehensive Plan Projects-Subtotal	\$ 204,200	\$ 347,100	\$ 254,000	\$ 805,300
MSP Maintenance/Facility Upgrade Projects				
Terminal 1 - Lindbergh				
Restroom Upgrade Program	\$ 4,300	\$ 4,000	\$ 10,000	\$ 18,300
Way-Finding Sign Backlighting Replacement		\$ 1,600	\$ 3,200	\$ 4,800
Folded Plate Ceiling Repairs	\$ 1,100		\$ 26,700	\$ 27,800
C-G Connector Improvements	\$ 4,500			\$ 4,500
G Concourse Moving Walks			\$ 10,000	\$ 10,000
Lighting Infrastructure Technology and Equipment			\$ 6,750	\$ 6,750
Public Walk Aisle Terrazzo Floor Installation			\$ 8,800	\$ 8,800
Art Display Areas	\$ 250	\$ 250	\$ 1,250	\$ 1,750
Terminal Seating Improvements	\$ 800			\$ 800
Ticket Counter Upgrades to ADA	\$ 800			\$ 800
Concourse Service Center Upgrades	\$ 500			\$ 500
Observation Deck Improvements			\$ 1,600	\$ 1,600
EVIDs/MUFIDs Digital Signs		\$ 750		\$ 750
Landside Operations Office Reconfiguration		\$ 150		\$ 150
Airside Operations Center			1,250	\$ 1,250
Energy Management Center				
Alternative Energy Projects	\$ 450			\$ 450
Energy Savings Program	\$ 2,000		\$ 6,000	\$ 8,000

Capital Improvement Projects	Year			Total
	2016	2017	2018-2022	
Projects	(\$ = 000)			
MSP Maintenance/Facility Upgrade Projects-continued				
Field & Runway				
Runway 12R-30L Tunnel Drainage Improvements - Phase 2		\$ 400		\$ 400
Baggage Quarantine Building			\$ 1,300	\$ 1,300
Airport Operations Area Gate Improvements			\$ 3,000	\$ 3,000
Perimeter Gate Security Improvements - Gates 222 & 269	\$ 1,200			\$ 1,200
Establish Taxiway J			\$ 150	\$ 150
Runway LED Lighting Upgrade			\$ 8,400	\$ 8,400
Runway 4-22 In-Pavement Guard Lights			\$ 500	\$ 500
Taxiway Bravo & Quebec Centerline Lights		\$ 6,800		\$ 6,800
Runway 4 Glide Scope Installation		\$ 1,000		\$ 1,000
Parking				
Parking Ramp Railing Refinishing		\$ 1,000	\$ 2,000	\$ 3,000
Short Term Parking Redesignation	\$ 350			\$ 350
Terminal 2 - Humphrey				
Skyway to LRT Flooring Installation			\$ 800	\$ 800
Lobby Restrooms	\$ 1,800			\$ 1,800
Curbside Check-in Expansion	\$ 300			\$ 300
Hangars and Other Buildings				
Drivers Training Facility Rehabilitation	\$ 550			\$ 550
Trades/Maintenance Buildings				
South Field Maintenance Building Wash Bay			\$ 1,300	\$ 1,300
Trades Building Pneumatic Controls Retrofit	\$ 400			\$ 400
Police				
Safety and Operations Center			\$ 35,250	\$ 35,250
Perimeter Fence Intrusion Detection System			\$ 3,000	\$ 3,000
Fire				
Campus Fire Protection		\$ 500	\$ 1,500	\$ 2,000
General Office/Administration				
Security Enhancements	\$ 500			\$ 500
Building Improvements	\$ 500	\$ 500	\$ 500	\$ 1,500
Environment				
Mother Lake Stormwater Improvements	\$ 300			\$ 300
Runway 12R-30L Glycol Forcemain Environmental Improvements			\$ 1,100	\$ 1,100
Concourses C and G Compactor Canopies		\$ 450		\$ 450
Runway 30R Deicing Pad Improvements			\$ 800	\$ 800
T2 Remote Ramp Lot Drainage improvements			\$ 2,000	\$ 2,000
Ground Service Equipment Electrical Charging Stations	\$ 1,000		\$ 5,400	\$ 6,400
E85 Tank and Dispenser Modifications	\$ 700			\$ 700
Lift Stations at Ponds 1 and 2			\$ 800	\$ 800
MSP Maintenance/Facility Upgrade Projects-Subtotal	\$ 22,300	\$ 17,400	\$ 143,350	\$ 183,050

Capital Improvement Projects Projects	Year			Total
	2016	2017	2018-2022	
	(\$ = 000)			
MSP Ongoing Maintenance Programs				
Terminal 1 - Lindbergh				
Telecom Room Equipment Continuity	\$ 1,500	\$ 1,000	\$ 8,000	\$ 10,500
Electrical Infrastructure Program	\$ 1,500	\$ 1,500	\$ 9,500	\$ 12,500
Terminal Miscellaneous Modifications	\$ 2,400	\$ 2,400	\$ 12,100	\$ 16,900
Emergency Power Upgrades	\$ 1,500	\$ 1,000	\$ 10,000	\$ 12,500
Lower Level Rdwy/Ground Transportation Center Water Infiltration Mitigation	\$ 1,000			\$ 1,000
Air Handling Unit Replacement		\$ 2,000	\$ 11,000	\$ 13,000
Conveyance System Upgrades		\$ 3,000	\$ 5,000	\$ 8,000
Plumbing Infrastructure Upgrade Program	\$ 500	\$ 500	\$ 2,700	\$ 3,700
Terminal Building Remediation Program	\$ 2,500	\$ 2,500	\$ 12,800	\$ 17,800
Concourse G Rehabilitation	\$ 2,000	\$ 6,500	\$ 25,000	\$ 33,500
Energy Management Center				
EMC Plant Upgrades Terminals 1 & 2		\$ 500	\$ 6,300	\$ 6,800
Field & Runway				
Airside Bituminous Rehabilitation/Electrical Construction		\$ 2,150	\$ 2,100	\$ 4,250
Pavement Joint Sealing/Repair	\$ 650	\$ 650	\$ 3,250	\$ 4,550
Miscellaneous Airfield Construction		\$ 800	\$ 1,700	\$ 2,500
Terminal Roads/Landside				
Tunnel/Bridge Rehabilitation	\$ 100	\$ 100	\$ 500	\$ 700
Parking				
Terminals 1 & 2 Parking Structure Rehabilitation	\$ 2,500	\$ 2,500	\$ 13,500	\$ 18,500
Public Areas/Roads				
Landside Pavement Rehabilitation	\$ 400	\$ 400	\$ 2,100	\$ 2,900
Roadway Fixture Refurbishment	\$ 125	\$ 125	\$ 600	\$ 850
Hangars and Other Buildings				
MSP Campus Building Roof Replacements	\$ 1,000	\$ 1,000	\$ 2,000	\$ 4,000
Campus Building Rehabilitation Program	\$ 2,000	\$ 1,500	\$ 7,500	\$ 11,000
Campus Parking Lots Reconstruction	\$ 650	\$ 1,600	\$ 3,050	\$ 5,300
MSP Ongoing Maintenance Programs-Subtotal				
	\$ 20,325	\$ 31,725	\$138,700	\$ 190,750
MSP Noise Mitigation Projects				
Noise Mitigation Consent Decree Amendment		\$ 3,200	\$ 19,300	\$ 22,500
MSP Noise Mitigation Projects-Subtotal				
	\$ -	\$ 3,200	\$ 19,300	\$ 22,500
MSP Tenant Projects				
Terminal 1 - Lindbergh				
Concession Rebids	\$ 3,000	\$ 1,500	\$ 1,500	\$ 6,000
Concession Upgrades/Revenue Development	\$ 200	\$ 200	\$ 1,000	\$ 1,400
Hangars and Other Buildings				
Freight Building Remodel for DHL		\$ 5,000		\$ 5,000
MSP Tenant Projects-Subtotal				
	\$ 3,200	\$ 6,700	\$ 2,500	\$ 12,400

Capital Improvement Projects	Year			Total
	2016	2017	2018-2022	
Projects	(\$ = 000)			
Reliever Airports Long Term Comprehensive Plan Projects				
St. Paul				
Long Term Comprehensive Plan			\$ 100	\$ 100
Lake Elmo				
Long Term Comprehensive Plan			\$ 100	\$ 100
Runway 14-32 Replacement		\$ 500	\$ 7,000	\$ 7,500
Airfield Modifications			\$ 3,000	\$ 3,000
Airlake				
Long Term Comprehensive Plan			\$ 100	\$ 100
South Building Area Development - Phase 1			\$ 3,200	\$ 3,200
Flying Cloud				
Long Term Comprehensive Plan			\$ 100	\$ 100
South Building Area Development			\$ 600	\$ 600
Electrical Vault Modifications			\$ 500	\$ 500
Crystal				
Long Term Comprehensive Plan			\$ 100	\$ 100
Runway 14R-32L & Taxiway E Modifications			\$ 2,000	\$ 2,000
Anoka County/Blaine				
Long Term Comprehensive Plan			\$ 100	\$ 100
Building Area Development - Xylite Street Relocation			\$ 1,000	\$ 1,000
Reliever Airports L-T Comprehensive Plan Projects-Subtotal	\$ -	\$ 500	\$ 17,900	\$ 18,400
Reliever Airports Maintenance/Facility Upgrade Projects				
St. Paul				
Joint and Crack Repairs	\$ 100		\$ 300	\$ 400
MAC Building Modifications	\$ 200		\$ 2,600	\$ 2,800
Runway 14-32 Pavement Rehabilitation	\$ 4,000			\$ 4,000
Runway 13-31 Pavement Reconstruction			\$ 4,500	\$ 4,500
Parking Lot/Bayfield Pavement Rehabilitation			\$ 500	\$ 500
Administration Building Apron Pavement Rehabilitation			\$ 1,400	\$ 1,400
Airfield Signage/Wind Cone Upgrade	\$ 400			\$ 400
Roof Repairs/Replacement		\$ 200		\$ 200
Storm Sewers Improvements - Phase 2			\$ 1,500	\$ 1,500
Maintenance Building Improvements			\$ 200	\$ 200
Security Gate Upgrades	\$ 250			\$ 250
Terminal Sub Drain			\$ 600	\$ 600
Cold Equipment Storage Building			\$ 750	\$ 750
LED Edge Lighting Upgrades			\$ 2,500	\$ 2,500
Lake Elmo				
Parallel Taxiway Reconstruction	\$ 600		\$ 1,200	\$ 1,800
Runway 4-22 Pavement Rehabilitation			\$ 4,000	\$ 4,000
Alleyways - South Building Area Pavement Rehabilitation			\$ 900	\$ 900
Materials Storage Building			\$ 200	\$ 200

Capital Improvement Projects	Year			Total
	2016	2017	2018-2022	
Projects				
Reliever Airports Maint./Facility Upgrade Projects - Cont.				
Airlake				
Pavement Rehabilitation - Taxiway A Mill/Overlay	\$ 400			\$ 400
Runway 12-30 Extension			\$ 8,000	\$ 8,000
Runway 12-30 Reconstruction			\$ 3,500	\$ 3,500
Public Restroom Facility			\$ 300	\$ 300
Plane Wash Pad			\$ 150	\$ 150
Materials Storage Building			\$ 200	\$ 200
LED Edge Lighting			\$ 700	\$ 700
Flying Cloud				
Taxiway A - Phase 2 Pavement Rehabilitation	\$ 1,000			\$ 1,000
Taxiway D Pavement Rehabilitation			\$ 600	\$ 600
Taxiway E Pavement Rehabilitation			\$ 600	\$ 600
Alleyways - SE, SW & NE Building Area Pavement Rehabilitation		\$ 700		\$ 700
Equipment Storage Building		\$ 2,500		\$ 2,500
Roof Repairs/Replacement			\$ 100	\$ 100
Crystal				
Hangar Demolition	\$ 200			\$ 200
Obstruction Removal	\$ 300			\$ 300
Alleyway Pavement Rehabilitation			\$ 1,100	\$ 1,100
Taxiway Pavement Rehabilitation			\$ 700	\$ 700
Materials Storage Building		\$ 200		\$ 200
LED Edge Lighting			\$ 800	\$ 800
Anoka County/Blaine				
Roof Repairs/Replacement	\$ 250			\$ 250
Maintenance Building Improvements	\$ 200			\$ 200
Taxiway Pavement Reconstruction		\$ 500	\$ 600	\$ 1,100
Alleyway Pavement Reconstruction			\$ 2,250	\$ 2,250
South Service Road & East Landside Road Pavement Reconstruction			\$ 1,000	\$ 1,000
Runway 9-27 and 18-36 Joint and Crack Repairs		\$ 200		\$ 200
Obstruction Removal			\$ 100	\$ 100
Air Traffic Control Tower Equipment Upgrades			\$ 100	\$ 100
Materials Storage Building		\$ 200		\$ 200
LED Edge Lighting			\$ 2,500	\$ 2,500
Reliever Airports Maint./Facility Upgrade Projects - Subtotal	\$ 7,900	\$ 4,500	\$ 44,450	\$ 56,850
MSP Subtotal	\$301,125	\$432,975	\$664,600	\$ 1,398,700
Reliever Airports Subtotal	\$ 7,900	\$ 5,000	\$ 62,350	\$ 75,250
Total	\$309,025	\$437,975	\$726,950	\$ 1,473,950

2016 Capital Improvement Projects

As stated above, these are projects that have been reasonably defined for implementation in the upcoming calendar year - in this case 2016. **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 2016 operating budget impact will be disclosed in the 2016 CIP Funding Table.** A description of 2016 capital improvement projects, along with a table with their funding sources, is as shown in the following pages:

2016 Capital Improvement Program Narratives Metropolitan Airports Commission

MSP End of Life/Replacement Projects

10 – Terminal 1- Lindbergh

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, one at a time, in their entirety including cabs, hoist systems, and associated equipment and replaced with all new equipment and cabs that are designed to freight standards.

Passenger Boarding Bridge Replacements

\$8,000,000

Project provides for the replacement of jet bridges at Terminal 1. Bridges to be replaced will be determined based on a condition assessment and input from the airlines. Aircraft parking positions will be optimized at the impacted gates and fuel pits adjusted as necessary. Podiums and door openings may also be adjusted to optimize gate hold area. It is assumed fixed walkways may need to be replaced or added to meet ADA slope requirements and all gate hold areas will be upgraded with security doors, card readers, and cameras.

T1 Tram Systems Retrofit and Equipment

\$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.

Recarpeting Program

\$100,000

Starting in the future, a three-year program will replace the end-of-life carpeting in gate hold areas of Terminal 1-Lindbergh. The 2016 work will only replace carpet in select areas of heaviest use and damage.

Mezzanine HVAC/AHU Replacement & Penthouses

\$16,700,000

The existing air handling equipment in the East and Center Mezzanine mechanical rooms have reached end of life and are overdue for replacement. In order to provide new equipment, increase energy efficiency, and meet the goals of the Operational Improvements program, this project will replace the equipment in relocated penthouses to be constructed on the north and south ends of the Terminal 1-Lindbergh center mezzanine.

Concourse A/B PC Air Upgrades

\$2,500,000

The existing PC Air units on the Concourse A and B gates are nearing their end of life and are undersized for the larger aircraft planned for the area. These units provide heating and cooling for an aircraft while parked at the gate in lieu of using power from the aircraft itself. This project will provide new and upsized PC Air units for the 19 gates that will remain in use for the Delta CRJ-900 aircraft.

21 – Field and Runway

Runway Planing and Regrooving

\$1,700,000

This project provides for planing and re-grooving runway pavement at the Runway 12L-30R / Runway 4-22 intersection to improve surface drainage. In addition, rubber removal will be completed on segments of Runways 12L-30R and 12R-30L.

66 – Fire

MSP Campus Fire Alarm System Upgrade/Transition

\$850,000

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

MSP IT Projects**10 – Terminal 1- Lindbergh****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 this critical 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.

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.

Commission Chambers Telecoil Installation & A/V Upgrades**\$350,000**

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. In addition, MAC IT will be upgrading the audio and video equipment in the Commission Chambers. The existing equipment, monitors, and cabling will be replaced with new high definition video switches, display monitors, transmitters, distribution amplifiers and receiver/room controllers. These upgrades will allow the Commission Chambers to integrate with newer models of laptops, mobile devices, and microphones in addition, provide better & more stable picture and sound throughout the chambers.

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 Connectivity or Communication**\$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 systems such as Facilities Intelligent Monitoring and Control System (IMACS). The platform will also allow access to data and drawings from the MAC network as well as from remote vehicles on the airfield.

MACNet Program**\$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.

Distributed Antenna System (DAS)**\$5,000,000**

The project will focus on the consolidation and implementation of a single cellular Distributed Antenna System (DAS) to be used by all cellular carriers for the MSP campus. This initiative will provide increased cellular signal coverage for airport users and better control of MAC communication facilities by establishing a single communication platform. MSP will not only see a higher level of service for travelers and airport employees but we will realize an improved business model including increased revenue for the MAC.

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 within the terminals. A grant application has been approved by the TSA for 100% of the 2016 project costs.

MSP Long Term Comprehensive Plan Projects**10 – Terminal 1- Lindbergh****Vertical Circulation Improvements****\$34,200,000**

As the first project in the overall T1 Operational Improvements program, this project will remove existing scissors escalators (12 in total) and the original elevators in the north side of the terminal lobby/baggage claim areas and add new high-speed, smart elevators. Escalators that have reached their end of life will be replaced with new escalators in new locations to enhance passenger flows. This year's project will complete the work at the North end of the Ticket Lobby, while the South end is scheduled for 2018/2019.

Concourse A/G Connector Bridge Phase 1**\$20,000,000**

This project provides for the first phase of a passenger connector bridge between Concourse A and a future extension of Concourse G. This first segment will extend to the new hotel, proposed to be under construction in 2016. It will be designed for an ultimate connection to an extended Concourse G, with space for moving walks to be installed at a later date. The concourse connection will allow the hotel to be connected to the terminal complex over existing roadway systems and expedite the travelers' journey to and from the terminal and hotel. The project also includes vertical circulation, wayfinding, and mechanical and electrical systems in the existing A Rotunda area to provide access to the skyway.

31 – Parking**T1 Parking Ramp – Northwest Drive Grade Separation****\$15,500,000**

The proposed relocation of Outbound Roadway to the east side of the Post Office to accommodate parking ramp expansion will require a Northwest Drive/Outbound Roadway grade separation. Work in this project includes bridge, retaining wall, storm water lift station, utilities, lighting, roadways, and landscape construction. This project also includes widening Northwest Drive adjacent to Building B to allow for two-way traffic along Northwest Drive.

T1 Parking Ramp – Cargo and Stores Building**\$10,500,000**

The existing Delta Cargo and Stores Building, located on the east end of the G Concourse, will be demolished to provide space to relocate the Outbound Roadway and expand the parking ramp. This project will construct a new 25,000 square foot Cargo & Stores Building on the west side of Building B. Delta's cargo and stores operations will be relocated from the existing building to the new facility. The scope of this project will include construction of the new building, utilities, loading dock, and other building appurtenances.

T1 Parking Ramp – Roadway and Plaza Relocation**\$100,000,000**

This project includes relocating a portion of the Outbound Roadway and associated utilities, modifying the existing public parking entrance, and constructing a new exit plaza to accommodate the parking expansion at Terminal 1. The scope of this project will include existing roadways and facilities demolition, and storm sewer, sanitary piping, electrical, lighting, roadways, retaining walls, new bridge, tunnel, security fencing, blast walls, and landscape construction. This will likely be bid as two separate construction packages.

T1 Parking Ramp – Parking Management Building and Revenue Control Systems**\$24,000,000**

The parking expansion program will provide a new exit plaza just west of Delta Building B. The new exit plaza will include a Parking Management Building, revenue control system, exits booths with associated canopy, electrical and mechanical systems, fiber optic cabling, and landscaping.

MSP Maintenance/Facility Upgrade Projects**10 – Terminal 1- Lindbergh****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 T1-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 north end of the main mall area.

T1 Folded Plate Repairs**\$1,100,000**

This 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, 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.

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 alignment of this connector. The high pressure steam pipe is leaking and needs to be replaced. As a part of the previously discussed study, a route that will allow better access for inspection and long-term maintenance was found through the C-G connector structure for the replacement of the high pressure steam pipe.

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 supports vitrines and concourse art displays at Terminal 2-Humphrey and may include digital gallery monitors at both terminals.

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

This project represents the final phase of seating replacement in T1-Lindbergh to change out public seating to the new standards selected in 2013, including power. This year's work includes: finishing public areas including the Terminal 1-Lindbergh main mall, procuring seating for the remainder of Concourse C, and completing work at rental cars, GTC, east curbside, and the towers.

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

This project replaces select ticket lobby and 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.

Concourse Service Center Upgrades**\$500,000**

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.

13 – Energy Management Center**Alternative Energy Projects****\$450,000**

As a part of the proposed Terminal 2-Humphrey solar installation, MAC's team will review design drawings and calculations, and monitor construction as a part of this program.

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. This year's project will include lighting at Terminal 1-Lindbergh, Terminal 2-Humphrey, Material Storage Building, GTC, and tram building. It will also include further improvements to the envelope of the Field Maintenance Building and will provide analysis for future energy conservation projects.

21 – Field and Runway

Perimeter Gate Security Improvements - Gates 222 & 269

\$1,200,000

Gate 222 is located near T2 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, albeit upgraded with redundant protection. This gate services one of the primary access and highest-used points into and out of the airfield. Gate 269, located in the SW corner of MSP, also requires some minor upgrades to the equipment and alignment of the keypad, which is also included in this project.

31 – Parking

T1-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.

36 – Terminal 2-Humphrey

T2 Lobby Restrooms

\$1,800,000

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.

Curbside Check-in Expansion

\$300,000

This project will increase the curbside check-in facilities at Terminal 2-Humphrey to accommodate a second airline and connect to existing baggage conveyance systems.

46 – Hangars and Other Buildings

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.

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.

70 – General Office/Administration

GO Security Enhancements

\$500,000

As a follow up project to the new lobby security upgrades, this project will provide for cameras at GO building entries along with additional security technologies. The list of potential projects will be compiled and prioritized in early 2016.

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 recently experienced a number of window and building issues that need

to be corrected including: window sealing and replacements, curtain wall sealing, roof repairs, and valve replacements. This program will also address replacement of end-of-life finishes as required.

76 – Environment

Mother Lake Stormwater Improvements

\$300,000

This project provides for construction of a settling basin to treat the stormwater before it reaches Mother Lake.

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.

E85 Tank and Dispenser Modifications

\$700,000

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.

MSP Ongoing Maintenance Projects

10 – Terminal 1- Lindbergh

Telecommunications Room Equipment Continuity (TREC)

\$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.

Electrical Infrastructure 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 resources 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 address infiltration and complete repairs.

Plumbing Infrastructure Upgrades

\$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 2016 project is to continue the replacement of aging plumbing systems.

Terminal Building Remediation

\$2,500,000

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 and concourse envelope issues include: curtain wall systems, glazing, sealant repair/replacement, louver repair/replacement, metal panel repair/replacement, and soffit repair/replacement and insulation systems.

Concourse G Rehabilitation

\$2,000,000

This multi-year program will provide operational improvements to the existing concourse over time, including 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.

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.

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

T1/T2 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.

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. In 2016, the project will include a mill and overlay of 22nd Avenue and E 75th Street adjacent to Buildings H and I as well as mill and overlay of Airport Lane and westbound E 72nd Street, just south of the Purple Ramp.

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

MSP Campus Building Roof Replacements

\$1,000,000

A report has been developed within the MAC that evaluates one-half of the roofs every other year. This ongoing 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.

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.

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. In 2016, the project will include pavement patching, utility structure repairs, partial mill and overlay, and a full sealcoat at the Building H and I parking lots.

MSP Tenant Projects

10 – Terminal 1- Lindbergh

Concessions Rebids

\$3,000,000

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 programs at Terminal 1-Lindbergh.

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.

Reliever Airports Maintenance/Facility Upgrade Projects

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. In addition to repairing roof leaks, this year's project will include work to construct an aircraft viewing area for the public.

Runway 14-32 Pavement Rehabilitation

\$4,000,000

This year's project will include reconstruction of the north end overlapping portions of Runway 14 and Runway 13. The runway lighting systems will be upgraded and repaired as required. This project will also include safety-related geometric modifications to Taxiway Foxtrot and Taxiway November. The result will be the removal of Taxiway November and re-alignment of Taxiway Foxtrot to reduce risk associated with potential runway incursions and improve overall safety of taxiing aircraft from Runway 13 and Runway 14.

Airfield Signage/Wind Cone Upgrade

\$400,000

Portions of the existing airfield signage system are in need of replacement to eliminate old equipment, increase reliability, safety (RSAT), and to stay current with FAA standards. This project will focus on replacing aging signs along Taxiway Delta as well as signs associated with the new designations of the Taxiway Alpha stub connectors. The existing wind cone circuit is in poor condition and will be replaced. This project will also address the replacement of the end of life Runway 14/32 Precision Approach Path Indicator (PAPI) system.

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

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

Hangar Demolition (HFI)

\$200,000

The 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.

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 with compensation to homeowners.

86 – Anoka County – Blaine

Roof Repairs/Replacement

\$250,000

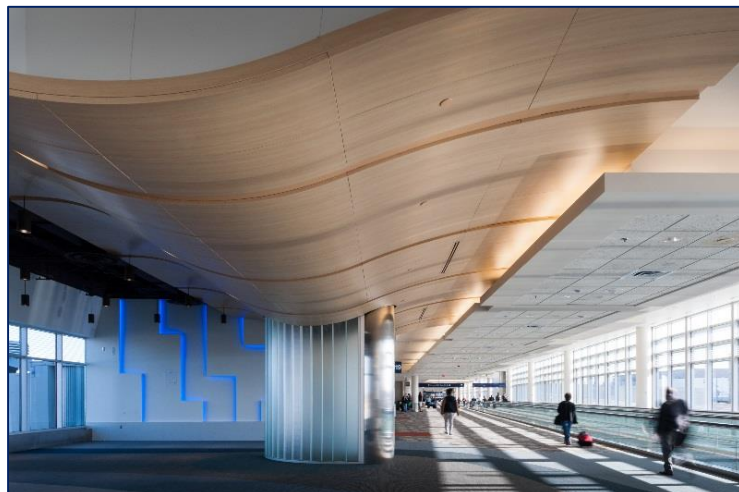
This project provides for repair, and in some cases replacement, the roof structures on MAC-owned buildings. This project accounts for identification of the exact type of roof deficiencies as well as completion of the most cost-effective repairs or replacements.

Maintenance Building Improvements

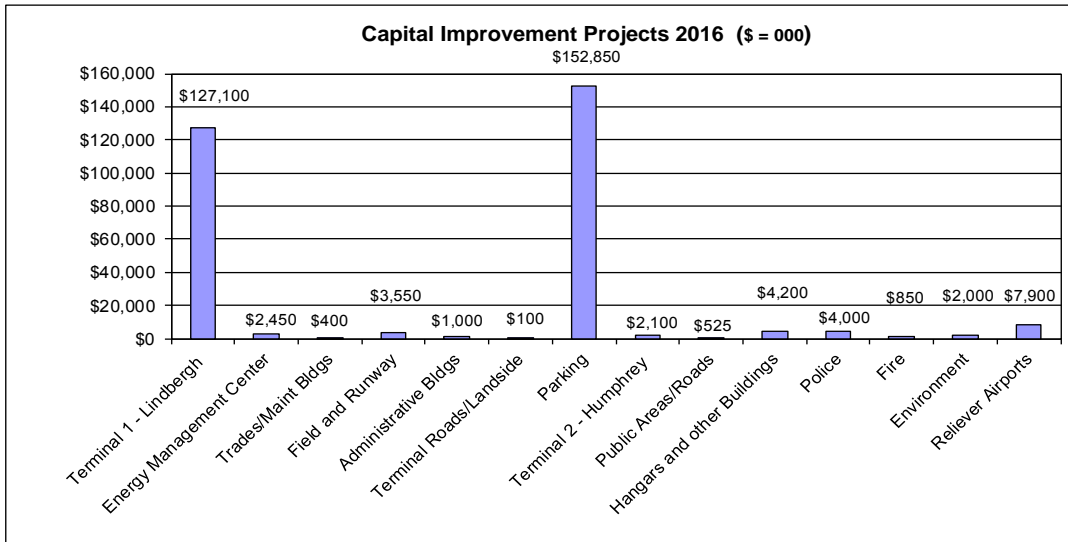
\$200,000

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

Newly Designed Art Space in Terminal 1-Lindbergh

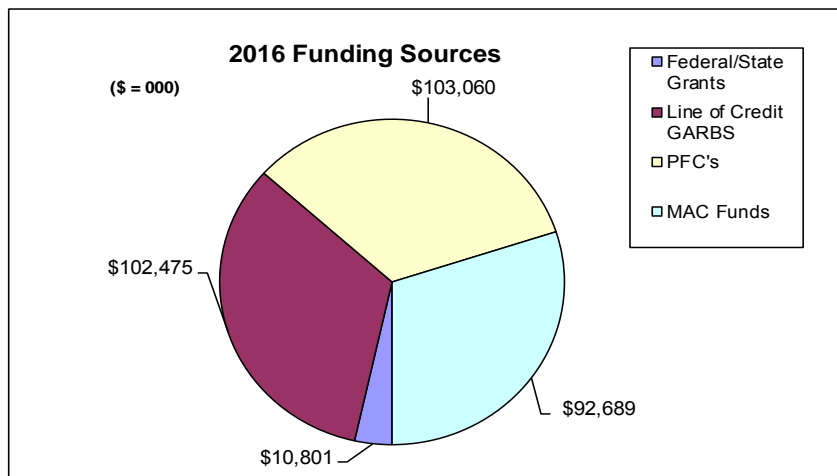


The following chart summarizes the 2016 capital improvement projects by various areas of the airport:



2016 Capital Improvement Project Funding Sources

The following pie chart indicates the funding sources for 2016:

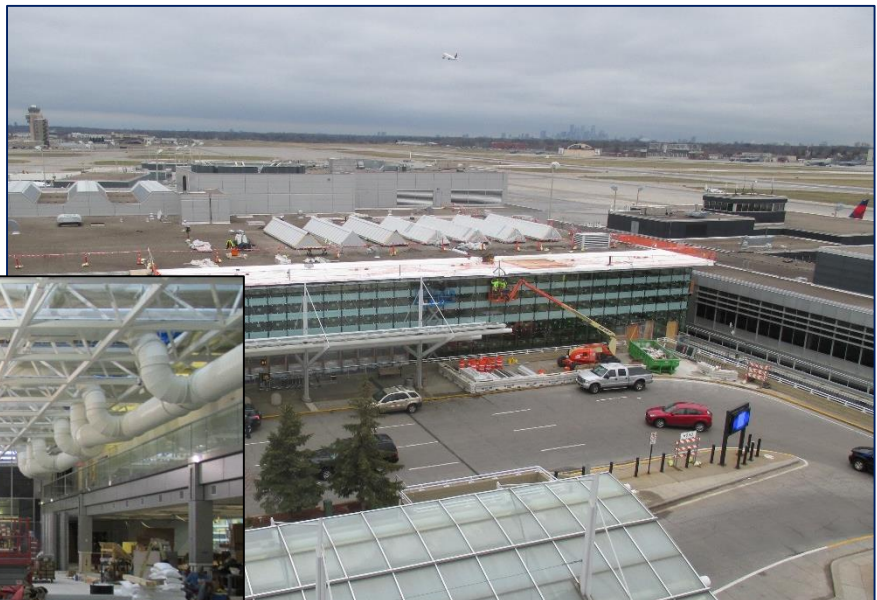


**Lake Elmo Airport
Reconstruction Project**

The tables on the following pages show the funding sources for the 2016 capital improvement projects. A cash flow summary of the CIP will appear later in this section.

2016 Capital Improvement Program		Funding Source				2016
(\$ in 000)		Federal/State	Direct Line			Budget
Projects	Project Cost	Grants	or GARBS	PFC's	MAC Funds	Impact
MSP End of Life/Replacement Projects						
Terminal 1 - Lindbergh						
Food Court Elevator Replacement	\$ 2,000				\$ 2,000	
Passenger Boarding Bridge Replacements	\$ 8,000	\$ 1,250		\$ 6,750		
Tram Systems Retrofit & Equipment	\$ 2,000				\$ 2,000	
Recarpeting Program	\$ 100				\$ 100	
Mezzanine HVAC/Air Handling Unit Replacements	\$ 16,700				\$ 16,700	
Concourse A/B PC Air Upgrades	\$ 2,500		\$ 2,500			\$ 50
Field & Runway						
Runway Planing/Regrooving	\$ 1,700				\$ 1,700	
Fire						
MSP Campus Fire Alarm System Upgrade/Transition	\$ 850			\$ 850		
MSP End of Life/Replacement Projects-Subtotal	\$ 33,850	\$ 1,250	\$ 2,500	\$ 7,600	\$ 22,500	\$ 50
MSP Information Technology Projects						
Terminal 1 - Lindbergh						
MAC Public Address System	\$ 1,200				\$ 1,200	\$ 50
Telecom Relocation & Decommissioning	\$ 1,500				\$ 1,500	
Commission Chambers Telecoil Install & A-V Upgrades	\$ 350				\$ 350	
Intelligent Monitoring and Control Systems	\$ 1,500				\$ 1,500	\$ 25
Fiber Optic Cable Infrastructure Upgrade/Expansion	\$ 1,700				\$ 1,700	
Wireless Network Connectivity or Communication	\$ 1,000				\$ 1,000	
MACNet Program	\$ 1,000				\$ 1,000	
Distributed Antenna System	\$ 5,000		\$ 5,000			\$ 106
Police						
iVSN Program	\$ 4,000	\$ 4,000				\$ 100
MSP Information Technology Projects-Subtotal	\$ 17,250	\$ 4,000	\$ 5,000	\$ -	\$ 8,250	\$ 281
MSP Long Term Comprehensive Plan Projects						
Terminal 1 - Lindbergh						
Vertical Circulation Improvements	\$ 34,200			\$ 34,200		
Concourse A/G Connector Bridge Phase 1	\$ 20,000			\$ 10,000	\$ 10,000	
Parking						
T1 Parking Ramp-Northwest Drive Grade Separation	\$ 15,500		\$ 6,975	\$ 4,260	\$ 4,265	
T1 Parking Ramp-Cargo & Stores Building	\$ 10,500			\$ 8,400	\$ 2,100	
T1 Parking Ramp-Roadway & Plaza Relocation	\$ 100,000		\$ 64,000	\$ 30,000	\$ 6,000	
T1 Parking Ramp-Parking Mgmt. Bldg. & Revenue Control Sys	\$ 24,000		\$ 24,000			
MSP L-T Comprehensive Plan Projects-Subtotal	\$ 204,200	\$ -	\$ 94,975	\$ 86,860	\$ 22,365	\$ -

2016 Capital Improvement Program (\$ in 000)	Project Cost	Funding Source				2016 Budget Impact
		Federal/State Grants	GARBS	PFC's	MAC Funds	
MSP Maintenance/Facility Upgrade Program						
Terminal 1 - Lindbergh						
Restroom Upgrade Program	\$ 4,300			\$ 4,300		\$ 75
Folded Plate Ceiling Repairs	\$ 1,100				\$ 1,100	
C-G Connector Improvements	\$ 4,500				\$ 4,500	
Art Display Areas	\$ 250				\$ 250	
Terminal Seating Improvements	\$ 800				\$ 800	
Ticket Counter Upgrades to ADA	\$ 800				\$ 800	
Concourse Service Center Upgrades	\$ 500				\$ 500	
Energy Management Center						
Alternative Energy Projects	\$ 450				\$ 450	
Energy Savings Program	\$ 2,000				\$ 2,000	
Field and Runway						
Perimeter Gate Security Improvements - Gates 222 & 269	\$ 1,200	\$ 700		\$ 500		
Parking						
Short Term Parking Redesignation	\$ 350				\$ 350	
Terminal 2 - Humphrey						
Lobby Restrooms	\$ 1,800			\$ 1,800		
Curbside Check-in Expansion	\$ 300				\$ 300	
Hangars and Other Buildings						
Drivers Training Facility Rehabilitation	\$ 550				\$ 550	
Trades/Maintenance Buildings						
Trades Building Pneumatic Controls Retrofit	\$ 400				\$ 400	
General Office/Administration						
Security Enhancements	\$ 500				\$ 500	
Building Improvements	\$ 500				\$ 500	
Environment						
Mother Lake Stormwater Improvements	\$ 300			\$ 300		
Ground Service Equipment Electrical Charging Stations	\$ 1,000			\$ 1,000		
E85 Tank and Dispenser Modifications	\$ 700			\$ 700		
MSP Maint./Facility Upgrade Program-Subtotal	\$ 22,300	\$ 700	\$ -	\$ 8,600	\$ 13,000	\$ 75



Checkpoints are being Consolidated to Streamline Passenger Entry

2016 Capital Improvement Program (\$ in 000)	Project Cost	Funding Source				2016 Budget Impact
		Federal/State Grants	GARBS	PFC's	MAC Funds	
Projects						
<u>MSP Ongoing Maintenance Program</u>						
Terminal 1 - Lindbergh						
Telecom Room Equipment Continuity	\$ 1,500				\$ 1,500	
Electrical Infrastructure Program	\$ 1,500				\$ 1,500	
Terminal Miscellaneous Modifications	\$ 2,400				\$ 2,400	
Emergency Power Upgrades	\$ 1,500				\$ 1,500	
Lower Level Rdwy/Grd Transp Center Water Infiltration Mitigation	\$ 1,000				\$ 1,000	
Plumbing Infrastructure Upgrade Program	\$ 500				\$ 500	
Terminal Building Remediation Program	\$ 2,500				\$ 2,500	
Concourse G Rehabilitation	\$ 2,000				\$ 2,000	
Field and Runway						
Pavement Joint Sealing/Repair	\$ 650				\$ 650	
Terminal Roads/Landside						
Tunnel/Bridge Rehabilitation	\$ 100				\$ 100	\$ 100
Parking						
Terminals 1 & 2 Parking Structure Rehabilitation	\$ 2,500				\$ 2,500	
Public Area/Roads						
Landside Pavement Rehabilitation	\$ 400				\$ 400	
Roadway Fixture Refurbishment	\$ 125				\$ 125	
Hangars and Other Buildings						
MSP Campus Building Roof Replacements	\$ 1,000				\$ 1,000	
Campus Building Rehabilitation Program	\$ 2,000				\$ 2,000	
Campus Parking Lots Reconstruction	\$ 650				\$ 650	
<u>MSP Ongoing Maintenance Program-Subtotal</u>	\$ 20,325	\$ -	\$ -	\$ -	\$ 20,325	\$ 100
<u>MSP Tenant Projects</u>						
Terminal 1 - Lindbergh						
Concession Rebids	\$ 3,000				\$ 3,000	
Concession Upgrades/Revenue Development	\$ 200				\$ 200	
<u>MSP Tenant Projects-Subtotal</u>	\$ 3,200	\$ -	\$ -	\$ -	\$ 3,200	\$ -
<u>Reliever Airports Maint. Facility Upgrade Projects</u>						
St. Paul						
Joint and Crack Repairs	\$ 100				\$ 100	
MAC Building Modifications	\$ 200				\$ 200	
Runway 14-32 Pavement Rehabilitation	\$ 4,000	\$ 2,850			\$ 1,150	
Airfield Signage/Wind Cone Upgrade	\$ 400	\$ 275			\$ 125	
Security Gate Upgrades	\$ 250	\$ 175			\$ 75	
Lake Elmo						
Parallel Taxiway Reconstruction	\$ 600	\$ 426			\$ 174	
Airlake						
Pavement Rehabilitation - Taxiway A Mill/Overlay	\$ 400	\$ 275			\$ 125	
Flying Cloud						
Taxiway A - Phase 2 Pavement Rehabilitation	\$ 1,000	\$ 700			\$ 300	
Crystal						
Hangar Demolition	\$ 200				\$ 200	\$ 200
Obstruction Removal	\$ 300	\$ 150			\$ 150	
Anoka County/Blaine						
Roof Repairs/Replacement	\$ 250				\$ 250	
Maintenance Building Improvements	\$ 200				\$ 200	
<u>Reliever Airports Maint. Facility Upgrade-Subtotal</u>	\$ 7,900	\$ 4,851	\$ -	\$ -	\$ 3,049	\$ 200
<u>MSP Subtotal</u>	\$ 301,125	\$ 5,950	\$ 102,475	\$ 103,060	\$ 89,640	\$ 506
<u>Reliever Airports Subtotal</u>	\$ 7,900	\$ 4,851	\$ -	\$ -	\$ 3,049	\$ 200
Total 2016 Funding	\$ 309,025	\$ 10,801	\$ 102,475	\$ 103,060	\$ 92,689	\$ 706

2017 Capital Improvement Program Narratives Metropolitan Airports Commission

MSP End of Life/Replacement Projects

10 – Terminal 1- Lindbergh

Passenger Boarding Bridge Replacements

\$8,000,000

Project provides for the replacement of jet bridges at Terminal 1. Bridges to be replaced will be determined based on a condition assessment and input from the airlines. Aircraft parking positions will be optimized at the impacted gates and fuel pits adjusted as necessary. Podiums and door openings may also be adjusted to optimize gate hold area. It is assumed fixed walkways may need to be replaced or added to meet ADA slope requirements and all gate hold areas will be upgraded with security doors, card readers, and cameras.

T1 Tram Systems Retrofit and Equipment

\$2,700,000

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.

26 – Terminal Roads/Landside

Lower Level Roadway Rehabilitation

\$200,000

Project provides for reconditioning of the steel bridge members for the Elevated Roadway Bridge, adjacent to the T1-Lindbergh.

66 – Fire

MSP Campus Fire Alarm System Upgrade/Transition

\$1,000,000

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

MSP IT Projects

10 – Terminal 1- Lindbergh

MAC Public Address System

\$1,100,000

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 this critical 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.

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.

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

\$1,000,000

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 Connectivity or Communication**\$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 systems such as Facilities Intelligent Monitoring and Control System (IMACS). The platform will also allow access to data and drawings from the MAC network as well as from remote vehicles on the airfield.

MACNet Program**\$2,000,000**

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.

63 – Police**iViSN Program****\$4,500,000**

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 within the terminals.

Card Access Modifications**\$850,000**

This project will revise hardware to provide card access to doors leading to the lower level of Concourse E and F to prevent public access except in the case of emergency.

Passenger Boarding Bridge Card Access Additions**\$1,500,000**

This program will add card access controls at passenger boarding bridge doors for improved security at a pace faster than only adding the controls as bridges are replaced.

MSP Long Term Comprehensive Plan Projects**10 – Terminal 1- Lindbergh****D-Pod Outbound Baggage System****\$5,000,000**

This project will provide an expansion of the existing outbound baggage handling system in the lower level of the Concourse D-Pod area.

Baggage Claim Expansion**\$33,400,000**

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 coordination with the Ticket Lobby Operational Improvements.

Ticket Lobby Operational Improvements**\$15,700,000**

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.

31 – Parking**T1 Parking Ramp – Parking Structure and RAC Facility****\$293,000,000**

This project will construct a new, 11-level, parking ramp east of the existing Blue and Red Parking Ramps. The ramp will provide public parking and rental car parking facilities. Work includes relocating the rental car ready/return areas from the Red and Blue ramps and then converting this area to public parking. This project includes constructing a new transit center, rental car customer service building, vertical circulation building,

entrance ramp, exit ramp, and all associated utilities, lighting, landscaping, signage, roadways, and security features. This project also includes extending an underground walkway to serve the future expansion of the ramp.

MSP Maintenance/Facility Upgrade Projects

10 – Terminal 1- Lindbergh

Restroom Upgrade Program

\$4,000,000

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 T1-Lindbergh restrooms to include upgraded finishes, lighting, air quality, energy saving upgrades, and ADA compliance. This year's project will construct the second of two new restrooms on Concourse F that was delayed to better coincide with the 2017 Concessions Rebid program.

Way-Finding Sign Backlighting Replacement

\$1,600,000

LED lighting will replace the existing cold-cathode lamps in the lighted sign boxes at both terminals. Many lamps from the 2008 retrofit have failed and the long-term energy costs recovery from the LEDs matches MAC's energy reduction model.

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 be the first of two phases to support the Art Park adjacent to the Hotel for permanent and rotating exhibits with public access for the general public, traveling public as well as hotel guests.

EVIDSs/MUFIDs Digital Signs

\$750,000

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

Landside Offices Reconfiguration

\$150,000

This project will reorganize offices and meeting space to improve efficiencies in the Landside department.

21 – Field and Runway

Runway 12R-30L Tunnel Drainage Improvements – Phase 2

\$400,000

Project provides for storm sewer and subsurface drainage improvements at the Runway 12R-30L vehicular tunnel, including: cleaning and repair of storm sewers, rehabilitation of subdrains, and sealing of tunnel roof joints.

Taxiways Bravo & Quebec Centerline Lights

\$6,800,000

This project provides for the construction of taxiway centerline lighting systems for Taxiways Bravo and Quebec, located adjacent to the Terminal 1-Lindbergh aprons through the intersections with Taxiway Delta. Work includes removal of existing taxiway centerline reflectors, installation of taxiway centerline lights and conductors, and modifications at the ALEC North Building.

Runway 4 Glide Slope Installation

\$1,000,000

This project will install new glide slope systems at the end of Runway 4. With glide slope equipment installed on the runway, pilots can execute precision approaches, which reduces the size of some approach surfaces.

31 – Parking

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 necessary concrete repair work in the surrounding areas.

66 – Fire**Campus Fire Protection****\$500,000**

This project is part of a new multi-year program to upgrade fire protection systems in various MAC-owned buildings on the MSP campus.

70 – General Office/Administration**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 recently 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**Concourses C and G Compactor Canopies****\$450,000**

This project will construct canopies over the compactors on the C and G Concourse to improve functionality and longevity of the equipment.

MSP Ongoing Maintenance Projects**10 – Terminal 1- Lindbergh****Telecommunications Room Equipment Continuity (TREC)****\$1,000,000**

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 cardholder 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.

Electrical Infrastructure 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 resources 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 2017.

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

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.

Air Handling Unit Replacement**\$2,000,000**

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**\$3,000,000**

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.

Plumbing Infrastructure Upgrades**\$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 2016 project is to continue the replacement of aging plumbing systems.

Terminal Building Remediation**\$2,500,000**

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 and concourse envelope issues include: curtain wall systems, glazing, sealant repair/replacement, louver repair/replacement, metal panel repair/replacement, and soffit repair/replacement and insulation systems.

Concourse G Rehabilitation**\$6,500,000**

This multi-year program will provide operational improvements to the existing concourse over time, including replacing elevators, modifying and replacing structural, electrical and mechanical systems.

13 – Energy Management Center**EMC Plant Upgrades (T1 & T2)****\$500,000**

This six-year program provides upgrades to the MAC's Energy Management Center (EMC) Boiler and Chiller Plants at both Terminal 1-Lindbergh and Terminal 2-Humphrey. The work includes upgrades to the aging Chilled Water and Heating Water systems throughout both terminals. The pumping and piping systems on both the heating and cooling systems are aging and in need of repair work beyond regular maintenance.

21 – Field and Runway**Airside Bituminous Rehabilitation/Electrical Construction****\$2,150,000**

This project provides for the removal and replacement of elevated and in-pavement runway guard lights along Runway 12R-30L. Work also includes general cable maintenance and upgrades to airside electrical components.

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.

Miscellaneous Airfield Construction**\$800,000**

This is an ongoing program to consolidate various items beyond the capabilities of the maintenance personnel, projects too small to be accomplished independently, 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.

31 – Parking**T1/T2 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.

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**MSP Campus Building Roof Replacements****\$1,000,000**

A report has been developed within the MAC that evaluates one-half of the roofs every other year. This ongoing 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.

Campus Building Rehabilitation Program**\$1,500,000**

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 second year of an annual program to maintain MAC buildings as assets.

Campus Parking Lot Reconstructions**\$1,600,000**

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. This year's project will include reconstruction of the FAA building parking lot, along with any associated sidewalk and lighting/electrical systems improvements.

MSP Noise Mitigation Projects**Noise Mitigation Consent Decree Amendment****\$3,200,000**

The Consent Decree First Amendment Program is a residential noise mitigation program that began in March 2014 under the terms of an amended legal agreement (Consent Decree) between the Metropolitan Airports Commission (MAC) and the cities of Richfield, Minneapolis, and Eagan, and approved by the Hennepin County District Court (effective until December 31, 2024). Under this program, eligibility of single-family and multi-family homes will be determined annually, based upon actual noise contours that are developed for the preceding calendar year, beginning in March 2014. This project will provide noise mitigation for those single family and multifamily homes meeting the eligibility requirements of the program beginning in 2016.

MSP Tenant Projects**10 – Terminal 1- Lindbergh****Concessions Rebids****\$1,500,000**

This four-year program, which started 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 programs at Terminal 1-Lindbergh.

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.

46 – Hangars and Other Buildings**Freight Building Remodel for DHL****\$5,000,000**

This project includes remodel and expansion of the DHL air freight facility located on Cargo Road to accommodate a package processing facility. The air freight facility sits adjacent to the West Cargo Ramp where DHL currently has airside access for their daily aircraft arrivals. The cost of remodel and expansion will be paid through a lease agreement with DHL.

Reliever Airports Long Term Comprehensive Plan Projects**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 2019.

Reliever Airports Maintenance/Facility Upgrade Projects**81 – St. Paul****Roof Repairs/Replacement****\$200,000**

This project provides for a response to deficiencies in some of the roof structures on MAC 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.

84 – Flying Cloud**Alleyways Pavement Rehabilitation****\$700,000**

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 rehabilitation of alleyways in the Southeast Building Area.

Equipment Storage Building**\$2,500,000**

This project includes the construction of a MAC storage building for the airfield maintenance equipment along with an office space and restrooms for the Airport Manager and airfield staff. The existing storage facilities do not provide adequate space to store all of the existing equipment and some pieces of equipment are too large to fit inside the existing buildings. The previously utilized office and restroom space was lost years ago when the FAA took back control of the space within their Air Traffic Control Tower structure. An appropriately-sized storage facility will provide added security and protection from the elements for the airport maintenance equipment.

85 – Crystal**Materials Storage Building****\$200,000**

This project includes the construction of a MAC storage building for the containment of airfield maintenance products such as salt, sand, and topsoil to comply with MPCA requirements.

86 – Anoka County - Blaine**Taxiway Pavement Reconstruction****\$500,000**

This is an ongoing program to reconstruct 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 A1 between Runway 36 and Taxiway C.

Runways 09-27 and 18-36 Joint and Crack Repairs**\$200,000**

The need for crack repair and joint sealing is critical to maintain pavement strength and pavement life. This year's project is anticipated to include joint and crack repairs on Runways 09-27 and 18-36.

Materials Storage Building**\$200,000**

This project includes the construction of a MAC storage building for the containment of airfield maintenance products such as salt, sand, and topsoil to comply with MPCA requirements.

2017 Capital Improvement Program Funding Sources

The following table shows the funding sources for the 2017 Capital Improvement Program projects. A cash flow summary appears later in the section.

2017 Capital Improvement Program (\$ in 000)		Funding Source			
		Federal/State Grants	Direct Line GARBS	PFC's	MAC Funds
Projects	Project Cost				
<u>MSP End of Life/Replacement Projects</u>					
Terminal 1 - Lindbergh					
Passenger Boarding Bridge Replacements	\$ 8,000	\$ 750		\$ 7,250	
Tram Systems Retrofit & Equipment	\$ 2,700				\$ 2,700
Terminal Roads/Landside					
Lower Level Roadway Rehabilitation	\$ 200				\$ 200
Fire					
MSP Campus Fire Alarm System Upgrade/Transition	\$ 1,000				\$ 1,000
MSP End of Life/Replacement Projects-Subtotal	\$ 11,900	\$ 750	\$ -	\$ 7,250	\$ 3,900
<u>MSP Information Technology Projects</u>					
Terminal 1 - Lindbergh					
MAC Public Address System	\$ 1,100				\$ 1,100
Telecom Relocation & Decommissioning	\$ 1,500				\$ 1,500
Intelligent Monitoring and Control Systems	\$ 1,500				\$ 1,500
Fiber Optic Cable Infrastructure Upgrade/Expansion	\$ 1,000				\$ 1,000
Wireless Network Connectivity or Communication	\$ 1,000				\$ 1,000
MACNet Program	\$ 2,000				\$ 2,000
Police					
iVSN Program	\$ 4,500			\$ 4,500	
Card Access Modifications	\$ 850				\$ 850
Passenger Boarding Bridge Card Access Additions	\$ 1,500			\$ 1,500	
MSP Information Technology Projects-Subtotal	\$ 14,950	\$ -	\$ -	\$ 6,000	\$ 8,950
<u>MSP Long Term Comprehensive Plan Projects</u>					
Terminal 1 - Lindbergh					
D-Pod Outbound Baggage System	\$ 5,000			\$ 4,000	\$ 1,000
Baggage Claim Expansion	\$ 33,400			\$ 33,400	
Ticket Lobby Operational Improvements	\$ 15,700			\$ 13,300	\$ 2,400
Parking					
T1 Parking Ramp - Parking Structure & Auto Rental Facility	\$ 293,000		\$ 293,000		
MSP L-T Comprehensive Plan Projects-Subtotal	\$ 347,100	\$ -	\$ 293,000	\$ 50,700	\$ 3,400
<u>MSP Tenant Projects</u>					
Terminal 1 - Lindbergh					
Concession Rebids	\$ 1,500				\$ 1,500
Concession Upgrades/Revenue Development	\$ 200				\$ 200
Hangars and Other Buildings					
Freight Building Remodel for DHL	\$ 5,000		\$ 5,000		
MSP Tenant Projects Subtotal	\$ 6,700	\$ -	\$ 5,000	\$ -	\$ 1,700

2017 Capital Improvement Program (\$ in 000)		Funding Source			
		Federal/State Grants	Direct Line GARBS	PFC's	MAC Funds
Projects	Project Cost				
MSP Maintenance/Facility Upgrade Program					
Terminal 1 - Lindbergh					
Restroom Upgrade Program	\$ 4,000			\$ 4,000	
Way-Finding Sign Backlighting Replacement	\$ 1,600				\$ 1,600
Art Display Areas	\$ 250				\$ 250
EVIDs/MUFIDs Digital Signs	\$ 750				\$ 750
Landside Operations Office Reconfiguration	\$ 150				\$ 150
Field and Runway					
Runway 12R-30L Tunnel Drainage Improvements - Ph. 2	\$ 400	\$ 250			\$ 150
Taxiway Bravo & Quebec Centerline Lights	\$ 6,800	\$ 4,000		\$ 2,800	
Runway 4 Glide Scope Installation	\$ 1,000				\$ 1,000
Parking					
Parking Ramp Railing Refinishing	\$ 1,000				\$ 1,000
Fire					
Campus Fire Protection	\$ 500				\$ 500
General Office/Administration					
Building Improvements	\$ 500				\$ 500
Environment					
Concourses C and G Compactor Canopies	\$ 450				\$ 450
MSP Maint./Facility Upgrade Program-Subtotal	\$ 17,400	\$ 4,250	\$ -	\$ 6,800	\$ 6,350
MSP Ongoing Maintenance Program					
Terminal 1 - Lindbergh					
Telecom Room Equipment Continuity	\$ 1,000				\$ 1,000
Electrical Infrastructure Program	\$ 1,500				\$ 1,500
Terminal Miscellaneous Modifications	\$ 2,400				\$ 2,400
Emergency Power Upgrades	\$ 1,000				\$ 1,000
Air Handling Unit Replacement	\$ 2,000				\$ 2,000
Conveyance System Upgrades	\$ 3,000				\$ 3,000
Plumbing Infrastructure Upgrade Program	\$ 500				\$ 500
Terminal Building Remediation Program	\$ 2,500				\$ 2,500
Concourse G Rehabilitation	\$ 6,500				\$ 6,500
Energy Management Center					
Plant Upgrades Terminals 1 & 2	\$ 500				\$ 500
Field and Runway					
Airside Bituminous Rehabilitation/Electrical Construction	\$ 2,150				\$ 2,150
Pavement Joint Sealing/Repair	\$ 650				\$ 650
Miscellaneous Airfield Construction	\$ 800				\$ 800
Terminal Roads/Landside					
Tunnel/Bridge Rehabilitation	\$ 100				\$ 100
Parking					
Terminals 1 & 2 Parking Structure Rehabilitation	\$ 2,500				\$ 2,500
Public Areas/Roadways					
Landside Pavement Rehabilitation	\$ 400				\$ 400
Roadway Fixture Refurbishment	\$ 125				\$ 125
Hangars and Other Buildings					
MSP Campus Building Roof Replacements	\$ 1,000				\$ 1,000
Campus Building Rehabilitation Program	\$ 1,500				\$ 1,500
Campus Parking Lots Reconstruction	\$ 1,600				\$ 1,600
MSP Ongoing Maintenance Program-Subtotal	\$ 31,725	\$ -	\$ -	\$ -	\$ 31,725

2017 Capital Improvement Program (\$ in 000)		Funding Source			
		Federal/State Grants	Direct Line GARBS	PFC's	MAC Funds
Projects	Project Cost				
MSP Noise Mitigation Projects					
Noise Mitigation Consent Decree Amendment	\$ 3,200				\$ 3,200
MSP Noise Mitigation Projects Subtotal	\$ 3,200	\$ -	\$ -	\$ -	\$ 3,200
Reliever Airports L-T Comprehensive Plan Projects					
Lake Elmo					
Runway 14-32 Replacement	\$ 500				\$ 500
Reliever Airport L-T Comp. Plan Projects Subtotal	\$ 500	\$ -	\$ -	\$ -	\$ 500
Reliever Airports Maint. Facility Upgrade Projects					
St. Paul					
Roof Repairs and Replacement	\$ 200				\$ 200
Flying Cloud					
Alleyways - SE, SW & NE Building Area Pavement Rehabilitation	\$ 700	\$ 300			\$ 400
Equipment Storage Building	\$ 2,500	\$ 1,700			\$ 800
Crystal					
Materials Storage Building	\$ 200				\$ 200
Anoka County/Blaine					
Taxiway Pavement Reconstruction	\$ 500	\$ 350			\$ 150
Runway 9-27 and 18-36 Joint and Crack Repairs	\$ 200				\$ 200
Materials Storage Building	\$ 200				\$ 200
Reliever Airport Maint. Facility Upgrades Subtotal	\$ 4,500	\$ 2,350	\$ -	\$ -	\$ 2,150
MSP Subtotal	\$ 432,975	\$ 5,000	\$298,000	\$70,750	\$ 59,225
Reliever Airports Subtotal	\$ 5,000	\$ 2,350	\$ -	\$ -	\$ 2,650
Total 2017 Funding	\$ 437,975	\$ 7,350	\$298,000	\$70,750	\$ 61,875



Solar Installation on top of the Terminal 1-Lindbergh Parking Ramp



2018-2022 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 2017. 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.

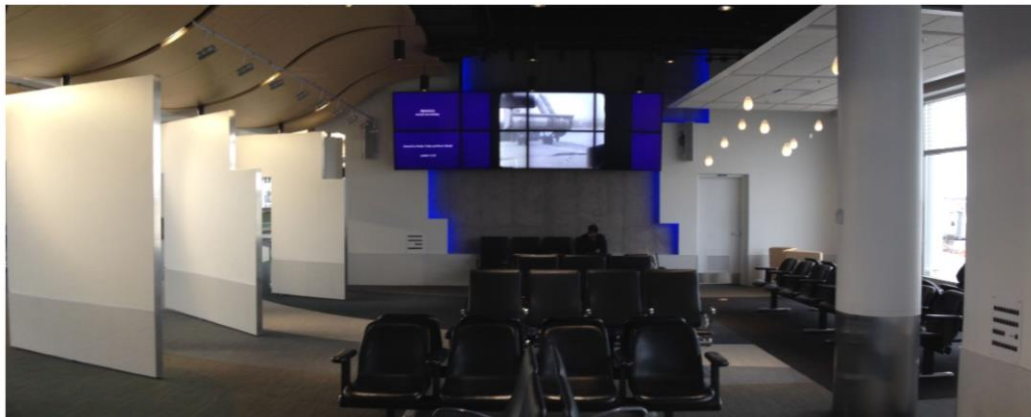
2018-2022 Capital Improvement Plan (\$ in 000)		Funding Source				
		Federal/State Grants	Direct Line GARBS	PFC's	MAC Funds	Unfunded
Projects	Project Cost					
MSP End of Life/Replacement Projects						
Terminal 1 - Lindbergh						
Passenger Boarding Bridge Replacements	\$ 8,000					\$ 8,000
Tram Systems Retrofit and Equipment	\$ 3,000				\$ 1,500	\$ 1,500
Recarpeting Program	\$ 14,000					\$ 14,000
Replace Terminal 1 Tug Doors	\$ 600					\$ 600
Field and Runway						
Taxiway S Reconstruction	\$ 7,500	\$ 4,500		\$ 3,000		
Taxiway D Reconstruction	\$ 9,500					\$ 9,500
Sanitary Sewer Replacement - 34th Avenue	\$ 1,700					\$ 1,700
Snow Melter Upgrades/Modifications	\$ 1,000				\$ 250	\$ 750
Sanitary Sewer Replacement - Taxiway R	\$ 2,500					\$ 2,500
Terminal Roads/Landside						
Lower Level Roadway Rehabilitation	\$ 300					\$ 300
Upper Level Roadway Rehabilitation	\$ 2,000					\$ 2,000
Upper Level Roadway Electrical System Rehabilitation	\$ 650					\$ 650
Parking						
Parking Ramp Intercom System Replacement	\$ 1,000					\$ 1,000
Terminal 2 - Humphrey						
Public Walk Aisle Terrazzo Floor Installation	\$ 1,700					\$ 1,700
Recarpeting Program	\$ 2,000					\$ 2,000
Fire						
MSP Campus Firm Alarm System Upgrade/Transition	\$ 4,500			\$ 1,000		\$ 3,500
Airport Rescue/Fire Fighting Station #2	\$ 10,750				\$ 250	\$ 10,500
MSP End of Life/Replacement Projects-Subtotal	\$ 70,700	\$ 4,500	\$ -	\$ 4,000	\$ 2,000	\$ 60,200
MSP Information Technology Projects						
Terminal 1 - Lindbergh						
MAC Public Address System	\$ 1,950				\$ 1,100	\$ 850
Telecom Relocation & Decommissioning	\$ 1,500				\$ 1,500	
Intelligent Monitoring and Control Systems	\$ 6,600				\$ 1,800	\$ 4,800
Fiber Optic Cable Infrastructure Upgrade/Expansion	\$ 1,800				\$ 900	\$ 900
MACNet Program	\$ 5,000				\$ 2,000	\$ 3,000
Parking						
T-1 Lindbergh Intelligent Parking Guidance System	\$ 500					\$ 500
Police						
iVSN Program	\$ 13,200			\$ 3,700		\$ 9,500
Passenger Boarding Bridge Card Access Additions	\$ 5,500					\$ 5,500
MSP Information Technology Projects-Subtotal	\$ 36,050	\$ -	\$ -	\$ 3,700	\$ 7,300	\$ 25,050

2018-2022 Capital Improvement Plan (\$ in 000)	Project Cost	Funding Source				
		Federal/State Grants	Direct Line GARBS	PFC's	MAC Funds	Unfunded
MSP Long Term Comprehensive Plan Projects						
Terminal 1 - Lindbergh						
FIS Recheck Operational Improvements	\$ 8,400					\$ 8,400
MSP Long Term Comprehensive Plan	\$ 1,500					\$ 1,500
Concourse E Remodeling/Expansion	\$ 41,500					\$ 41,500
Baggage Claim Expansion	\$ 65,100					\$ 65,100
Vertical Circulation Improvements	\$ 25,200			\$ 1,200		\$ 24,000
South Security Exit	\$ 4,300			\$ 4,300		
Ticket Lobby Improvements	\$ 55,900			\$ 10,000		\$ 45,900
Checkpoint Expansion	\$ 10,500					\$ 10,500
East Curbside Upper Level Check in	\$ 14,800					\$ 14,800
Lower Level Curbside Expansion	\$ 12,200				\$ 200	\$ 12,000
Armed Forces Service Center Relocation	\$ 1,100					\$ 1,100
Field and Runway						
Taxiway C1 Construction	\$ 5,500					\$ 5,500
Parking						
Orange Ramp Additional Elevators	\$ 2,000					\$ 2,000
Terminal 2 - Humphrey						
FIS Baggage Claim Improvements	\$ 1,000					\$ 1,000
North Gate Expansion Design Fees	\$ 5,000					\$ 5,000
MSP L-T Comprehensive Plan Projects-Subtotal	\$ 254,000	\$ -	\$ -	\$ 15,500	\$ 200	\$ 238,300
MSP Maintenance/Facility Upgrade Program						
Terminal 1 - Lindbergh						
Restroom Upgrade Program	\$ 10,000			\$ 2,000		\$ 8,000
Way-Finding Sign Backlighting Replacement	\$ 3,200					\$ 3,200
Folded Plate Ceiling Repairs	\$ 26,700					\$ 26,700
G Concourse Moving Walks	\$ 10,000			\$ 5,000		\$ 5,000
Lighting Infrastructure Technology and Equipment	\$ 6,750					\$ 6,750
Public Walk Aisle Terrazzo Floor Installation	\$ 8,800					\$ 8,800
Art Display Areas	\$ 1,250				\$ 250	\$ 1,000
Observation Deck Improvements	\$ 1,600					\$ 1,600
Airside Operations Center	\$ 1,250					\$ 1,250
Energy Management Center						
Energy Savings Program	\$ 6,000				\$ 1,000	\$ 5,000
Field and Runway						
Baggage Quarantine Building	\$ 1,300					\$ 1,300
Airport Operations Area Gate Improvements	\$ 3,000					\$ 3,000
Establish Taxiway J	\$ 150					\$ 150
Runway LED Lighting Upgrades	\$ 8,400					\$ 8,400
Runway 4-22 In-Pavement Guard Lights	\$ 500					\$ 500
Parking						
Parking Ramp Railing Refinishing	\$ 2,000					\$ 2,000
Terminal 2 - Humphrey						
Skyway to Light Rail Transit Flooring Installation	\$ 800					\$ 800
Trades/Maintenance Buildings						
South Field Maintenance Building Wash Bay	\$ 1,300					\$ 1,300
Police						
Safety and Operations Center	\$ 35,250				\$ 250	\$ 35,000
Perimeter Fence Intrusion Detection System	\$ 3,000					\$ 3,000

2018-2022 Capital Improvement Plan (\$ in 000)		Funding Source				
		Federal/State Grants	Direct Line GARBS	PFC's	MAC Funds	Unfunded
Projects	Project Cost					
MSP Maintenance/Facility Upgrade Program-Cont.						
Fire						
Campus Fire Protection	\$ 1,500				\$ 500	\$ 1,000
General Office/Administration						
Building Improvements	\$ 500				\$ 500	
Environment						
Runway 12R-30L Glycol Forcemain Environmental Improvements	\$ 1,100					\$ 1,100
Runway 30R Deicing Pad Improvements	\$ 800	\$ 450		\$ 350		
Terminal 2 Remote Ramp Lot Drainage Improvements	\$ 2,000					\$ 2,000
Ground Service Equipment Electrical Charging Stations	\$ 5,400					\$ 5,400
Lift Stations at Ponds 1 and 2	\$ 800					\$ 800
MSP Maint./Facility Upgrade Program-Subtotal	\$ 143,350	\$ 450	\$ -	\$ 7,350	\$ 2,500	\$ 133,050
MSP Ongoing Maintenance Program						
Terminal 1 - Lindbergh						
Telecom Room Equipment Continuity	\$ 8,000				\$ 1,000	\$ 7,000
Electrical Infrastructure Program	\$ 9,500				\$ 1,500	\$ 8,000
Terminal Miscellaneous Modifications	\$ 12,100				\$ 2,400	\$ 9,700
Emergency Power Upgrades	\$ 10,000				\$ 1,000	\$ 9,000
Air Handling Unit Replacement	\$ 11,000					\$ 11,000
Conveyance System Upgrade	\$ 5,000					\$ 5,000
Plumbing Infrastructure Upgrade Program	\$ 2,700				\$ 500	\$ 2,200
Terminal Building Remediation Program	\$ 12,800				\$ 2,000	\$ 10,800
Concourse G Rehabilitation	\$ 25,000				\$ 4,000	\$ 21,000
Energy Management Center						
EMC Plant Upgrades Terminals 1 & 2	\$ 6,300				\$ 500	\$ 5,800
Field and Runway						
Airside Bituminous Rehabilitation/Electrical Construction	\$ 2,100					\$ 2,100
Pavement Joint Sealing /Repair	\$ 3,250				\$ 650	\$ 2,600
Miscellaneous Airfield Construction	\$ 1,700					\$ 1,700
Terminal Roads/Landside						
Tunnel/Bridge Rehabilitation	\$ 500				\$ 100	\$ 400
Parking						
Terminal 1 and 2 Parking Structure Rehabilitation	\$ 13,500				\$ 2,500	\$ 11,000
Public Areas/Roads						
Landside Pavement Rehabilitation	\$ 2,100				\$ 400	\$ 1,700
Roadway Fixture Refurbishment	\$ 600				\$ 150	\$ 450
Hangars and Other Buildings						
MSP Campus Building Roof Replacements	\$ 2,000					\$ 2,000
Campus Building Rehabilitation Program	\$ 7,500				\$ 1,500	\$ 6,000
Campus Parking Lot Reconstruction	\$ 3,050				\$ 1,100	\$ 1,950
MSP Ongoing Maintenance Program-Subtotal	\$ 138,700	\$ -	\$ -	\$ -	\$ 19,300	\$ 119,400
MSP Noise Mitigation Projects						
Noise Mitigation Consent Decree Amendment	\$ 19,300				\$ 7,500	\$ 11,800
MSP Noise Mitigation Projects Subtotal	\$ 19,300	\$ -	\$ -	\$ -	\$ 7,500	\$ 11,800

2018-2022 Capital Improvement Plan (\$ in 000)		Funding Source				
		Federal/State Grants	Direct Line GARBS	PFC's	MAC Funds	Unfunded
Projects	Project Cost					
MSP Tenant Projects						
Terminal 1 - Lindbergh						
Concession Rebids	\$ 1,500				\$ 1,500	
Concession Upgrades/Revenue Development	\$ 1,000				\$ 200	\$ 800
MSP Tenant Projects Subtotal	\$ 2,500	\$ -	\$ -	\$ -	\$ 1,700	\$ 800
Reliever Airports L-T Comprehensive Plan Projects						
St. Paul						
Long Term Comprehensive Plan	\$ 100					\$ 100
Lake Elmo						
Long Term Comprehensive Plan	\$ 100					\$ 100
Runway 14-32 Replacement	\$ 7,000					\$ 7,000
Airfield Modifications	\$ 3,000					\$ 3,000
Airlake						
Long Term Comprehensive Plan	\$ 100				\$ 100	
South Building Area Development - Phase 1	\$ 3,200					\$ 3,200
Flying Cloud						
Long Term Comprehensive Plan	\$ 100					\$ 100
South Building Area Development	\$ 600					\$ 600
Electrical Vault Modifications	\$ 500					\$ 500
Crystal						
Long Term Comprehensive Plan	\$ 100					\$ 100
Runway 14R-32L & Taxiway E Modifications	\$ 2,000	\$ 1,400			\$ 600	
Anoka County/Blaine						
Long Term Comprehensive Plan	\$ 100					\$ 100
Building Area Development - Xyite Street Relocation	\$ 1,000					\$ 1,000
Reliever Airport L-T Comp. Plan Projects Subtotal	\$ 17,900	\$ 1,400	\$ -	\$ -	\$ 700	\$ 15,800
Reliever Airports Maint. Facility Upgrade Projects						
St. Paul						
Joint and Crack Repairs	\$ 300				\$ 100	\$ 200
MAC Building Modifications	\$ 2,600				\$ 200	\$ 2,400
Runway 13-31 Pavement Reconstruction	\$ 4,500					\$ 4,500
Parking Lot/Bayfield Pavement Rehabilitation	\$ 500					\$ 500
Administration Building Apron Paving Rehabilitation	\$ 1,400					\$ 1,400
Storm Sewers Improvements - Phase 2	\$ 1,500					\$ 1,500
Maintenance Buildings Improvements	\$ 200				\$ 200	
Terminal Sub Drain	\$ 600					\$ 600
Cold Equipment Storage Building	\$ 750					\$ 750
LED Edge Lighting Upgrades	\$ 2,500					\$ 2,500

2018-2022 Capital Improvement Plan (\$ in 000)	Project Cost	Funding Source				
		Federal/State Grants	Direct Line GARBS	PFC's	MAC Funds	Unfunded
Reliever Airports Maint. Facility Upgrade Proj-Cont.						
Lake Elmo						
Parallel Taxiway Reconstruction	\$ 1,200					\$ 1,200
Runway 4-22 Pavement Rehabilitation	\$ 4,000					\$ 4,000
Alleyways - South Building Area Pavement Rehabilitation	\$ 900					\$ 900
Materials Storage Building	\$ 200				\$ 200	
Airlake						
Runway 12-30 Extension	\$ 8,000					\$ 8,000
Runway 12-30 Reconstruction	\$ 3,500					\$ 3,500
Public Restroom Facility	\$ 300					\$ 300
Plane Wash Pad	\$ 150					\$ 150
Materials Storage Building	\$ 200				\$ 200	
LED Edge Lighting	\$ 700					\$ 700
Flying Cloud						
Taxiway D Pavement Rehabilitation	\$ 600					\$ 600
Taxiway E Pavement Rehabilitation	\$ 600					\$ 600
Roof Repairs/Replacement	\$ 100				\$ 100	
Crystal						
Alleyway Pavement Rehabilitation	\$ 1,100	\$ 300			\$ 250	\$ 550
Taxiway Pavement Rehabilitation	\$ 700					\$ 700
LED Edge Lighting	\$ 800					\$ 800
Anoka County/Blaine						
Taxiway Pavement Rehabilitation	\$ 600	\$ 391			\$ 209	
Alleyway Pavement Rehabilitation	\$ 2,250					\$ 2,250
South Service Rd & East Landside Rd Pavement Reconstruction	\$ 1,000					\$ 1,000
Obstruction Removal	\$ 100					\$ 100
Air Traffic Control Tower Equipment	\$ 100					\$ 100
LED Edge Lighting	\$ 2,500					\$ 2,500
Reliever Airport Maint. Facility Upgrades Subtotal	\$ 44,450	\$ 691	\$ -	\$ -	\$ 1,459	\$ 42,300
MSP Subtotal	\$ 664,600	\$ 4,950	\$ -	\$ 30,550	\$ 40,500	\$ 588,600
Reliever Airports Subtotal	\$ 62,350	\$ 2,091	\$ -	\$ -	\$ 2,159	\$ 58,100
Total 2018-2022 Funding	\$ 726,950	\$ 7,041	\$ -	\$ 30,550	\$ 42,659	\$ 646,700



Remodeled Public Seating in Terminal 1-Lindbergh



Sources and Uses of Funds

From December 31, 2013 through 2018, MAC has identified eight funding sources totaling \$1,475,559,000 including a beginning balance of \$317,185,000. During this period, MAC will expend \$1,285,940,000 leaving a net balance of \$197,980,000 at the end of 2018. This balance represents a portion of the 2017 and 2018 CIP projects that were started but not completed by December 31, 2018 and PFCs to pay future debt service.

The Construction Fund Budget below represents anticipated sources and uses of funds during the years 2014-2018. The information for 2015 indicates expected transactions during the fourth quarter.

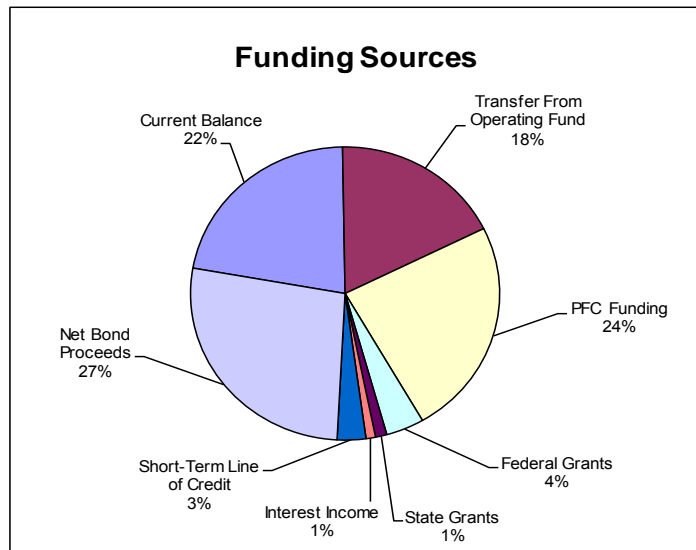
CONSTRUCTION FUND BUDGET 2016 (\$ = 000)							
	2014 Actual	2015 Estimated	2015 Budget	2016 Budget	2017 Projected	2018 Projected	Total Projected
Sources of Funds							
Balance 12/31/13	\$ 317,185						\$ 317,185
Balance Carried Forward		\$ 354,543	\$ 353,940	\$ 328,913	\$ 536,515	\$ 246,061	
Transfer From Operating Fund	46,783	46,935	46,614	49,530	59,229	68,700	271,177
PFC Funding	66,905	69,360	68,113	70,400	71,808	73,244	351,717
Federal Grants	28,001	10,109	14,225	8,401	4,900	6,350	57,761
State Grants	893	2,049	2,400	2,400	2,450	691	8,483
Interest Income (1)	1,761	3,140	2,200	3,000	3,500	3,500	14,901
Short-term line of credit	-	27,000	-	7,500	5,000	-	39,500
Principal Amount of Bonds/Notes	23,296	11,737	-	365,975	-	-	401,008
Other Receipts	22,188	-	-	-	-	-	22,188
Total Sources of Funds	\$ 189,827	\$ 170,330	\$ 133,552	\$ 507,206	\$ 146,887	\$ 152,485	\$ 1,166,735
Uses of Funds							
CIP Project Costs	\$ (126,702)	\$ (165,492)	(175,418)	(268,000)	(405,737)	(169,694)	\$ (1,135,625)
Debt Service Reserve Transfer	(25,767)	(30,468)	(30,468)	(31,604)	(31,604)	(30,872)	(150,315)
Total Use of Funds	\$ (152,469)	\$ (195,960)	\$ (205,886)	\$ (299,604)	\$ (437,341)	\$ (200,566)	\$ (1,285,940)
Balance Carried Forward	\$ 354,543	\$ 328,913	\$ 281,607	\$ 536,515	\$ 246,061	\$ 197,980	\$ 197,980
1 Interest Rate Assumed 1.0% for the period 2016 through 2018.							

Excluding the current balance, the chart shows that transfers from the Operating Fund, bond proceeds 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 2016, a transfer of \$49.5 million is anticipated based on 2015 estimated net revenues. The transfers for the period 2017 through 2018 are increasing slightly due to higher concession revenues over the forecast period. The balance to be transferred for the period is estimated at \$271.2 million or 18%.



PFC funding or Passenger Facility Charge funding is one of the largest funding source at \$351.7 million or 24% 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 two new PFC applications in the 2016-2017 timeframe. The table below shows the status of all applications.

Application Number	Amended Approval Amount (\$=000)	Collections as Of 12/31/15 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	438,205	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
12	40,796	40,796	Open

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 \$57.8 million or 4% of the sources listed on the previous page. 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 iViSN 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 \$8.5 million or 1% of the total funding through 2018.

Interest Income is based on the balance in the fund. As noted above, a 1.0% rate is assumed for 2016 through 2018. This figure can vary significantly depending upon approval of projects and their starting dates. Interest Income of \$14.9 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. The Commission issued \$27.0 million in 2015 for the Terminal 2 Gate Expansion and expects to issue an additional \$12.5 million over the forecast period.

Long-Term Debt

In 2014 and 2015, the Commission issued approximately \$35.0 million worth of Municipal Receivable Trust Certificates in connection with the construction of solar panels on top of the Commission’s parking decks at Terminals 1 and 2 parking structures as well as parking lighting improvements at both Terminals. In 2016, the Commission expects to issue General Airport Revenue Bonds which will net approximately \$366 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/rental car facilities at Terminal 1.

Uses of Funds

There are two general categories of uses listed. The first, CIP project costs (\$1,136.0 million), represent 88% of the total. The Debt Service Transfer of \$150.3 million, or 12% 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, 2015)			
(\$ = 000)			
<u>Project Description</u>	<u>Estimated Project Cost</u>	<u>Payments To Date</u>	<u>% Completion</u>
2015 Pavement Rehabilitation-Aprons	\$7,600	\$5,279	69.5%
T1 - FIS (CBP) Expansion Program	\$14,500	\$12,635	87.1%
T1 - Restroom Upgrades Program	\$21,500	\$7,510	34.9%
iVISON Projects (CCTV) Improvements	\$6,300	\$4,633	73.5%
Telecom Room Equipment Continuity (TREC)	\$4,800	\$1,883	39.2%
Electrical Infrastructure Phase 6, 7, & 8	\$5,500	\$2,704	49.2%
T1 - Lindbergh Miscellaneous Modifications	\$3,100	\$1,915	61.8%
2014 Airline Accommodation	\$4,500	\$3,703	82.3%
T1 - Checkpoint Consolidation	\$18,000	\$9,685	53.8%
T1 - Concourse G Roof Replacement	\$8,400	\$1,577	18.8%
T1 - Modular Cooling Tower Installation	\$3,000	\$2,394	79.8%
T2 - Humphrey 3 Gate Expansion	\$46,250	\$12,994	28.1%
2015 Parking Structure Rehabilitation	\$2,500	\$2,039	81.6%
T1 - Parking Ramp Projects	\$351,000	\$4,584	1.3%
T2 - Humphrey:CBIS Program	\$47,000	\$39,352	83.7%
Solar Panels Project on T1 - Parking Ramp	\$25,400	\$21,518	84.7%
All Other Projects in Process	\$217,191	\$30,351	14.0%
Totals:	\$786,541	\$164,756	

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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, 2016	\$ 117,794
January 1, 2017	\$ 119,347
January 1, 2018	\$ 118,884
January 1, 2019	\$ 115,182
January 1, 2020	\$ 115,078



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 2016 on Senior Debt Obligations is 3.39x. With the optional coverage transfer, this figure is 3.64x. The overall projected coverage ratio is expected to be 1.76x and 1.89x with the optional coverage transfer.

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, 2015, the Commission has \$48,397,000 notes payable outstanding.

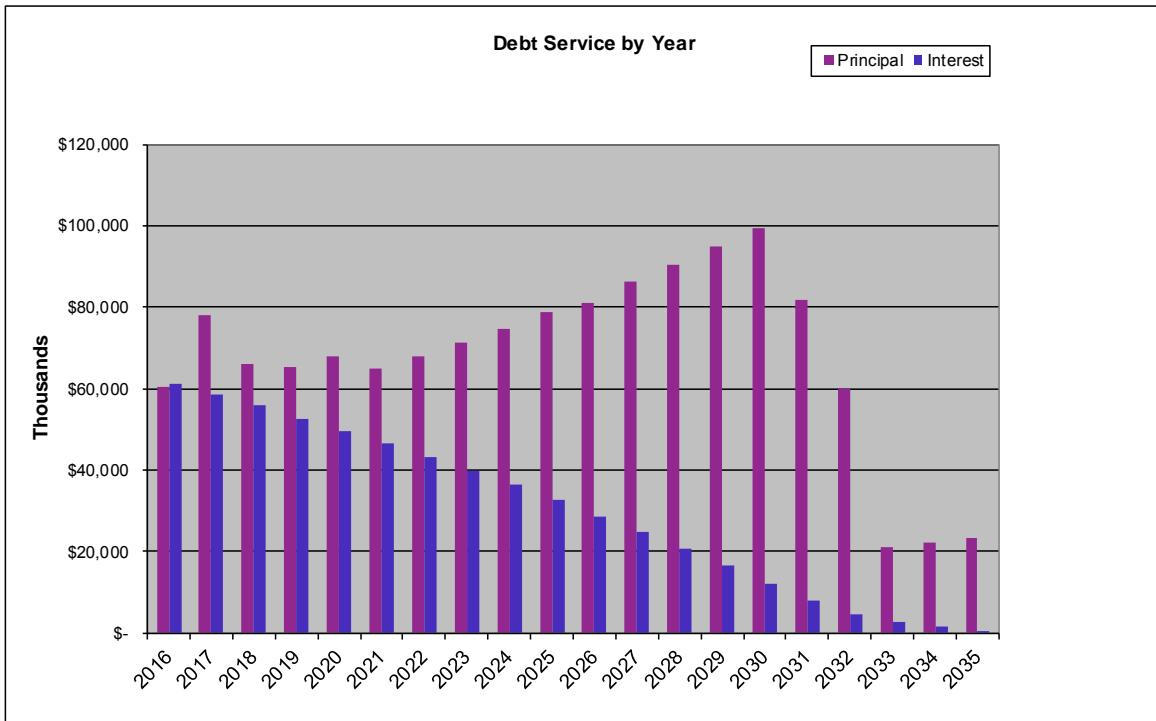
Revolving Line of Credit

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, 2015, the Commission has utilized \$42,460,000 of the line of credit.

The table below shows future debt requirements for existing debt on an annual calendar year basis after December 31, 2015 for the next five years, as well as a cumulative total for the period 2021-2035. The chart below does not take into consideration any future bond issues or notes payable issued after 2015. The dollars shown are in thousands.

(\$ = 000)	Notes/Line of Credit	General Obligation Bonds	General Airport Revenue Bonds	Total Outstanding Principal	Total All Interest	Total Principal & Interest
Year(s)	(Principal)	(Principal)	(Principal)	(Principal)		
2016	\$ 44,075	\$ -	\$ 57,010	\$ 101,085	\$ 61,338	\$ 162,423
2017	15,690	-	61,125	76,815	58,746	135,561
2018	2,710	-	63,530	66,240	55,815	122,055
2019	2,719	-	62,795	65,514	52,795	118,309
2020	2,534	-	65,745	68,279	115,435	183,714
2021-2035	33,155	-	993,975	1,027,130	318,622	1,345,752
	\$ 100,883	\$ -	\$ 1,304,180	\$ 1,405,063	\$ 662,751	\$ 2,067,814

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	
				2016	2015
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	191,775	197,360
2008 Series A - 5.00%	01/10/08	72,035	2016	-	10,490
2009 Series A - 2.0-5.0%	11/10/09	23,075	2022	11,795	13,850
2009 Series B - 4.0-5.0%	11/10/09	128,835	2022	69,365	80,670
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	59,895	63,790
2010 Series C - 3.00-5.00%	11/10/10	21,600	2024	5,085	6,725
2010 Series D - 4.00-5.00%	11/10/10	68,790	2024	35,605	40,815
2011 Series A - 3.50-5.00%	11/02/11	52,015	2025	47,870	52,015
2012 Series A - 0.46-2.755%	11/20/12	39,770	2020	23,310	28,875
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	214,520	217,790
2014 Series B - 2.00-5.00%	10/08/14	46,590	2026	42,740	46,590
Total General Airport Revenue Bonds				\$ 1,247,170	\$ 1,304,180
TOTAL BONDS OUTSTANDING				\$ 1,247,170	\$ 1,304,180
NOTES PAYABLE & REVOLVING LINE OF CREDIT				56,808	100,883
TOTAL LONG TERM BONDS AND NOTES PAYABLE				\$ 1,303,978	\$ 1,405,063

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 2016 for the period 2016-2022 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 \$420 million range for parking/auto rental facilities 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, 2015 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-

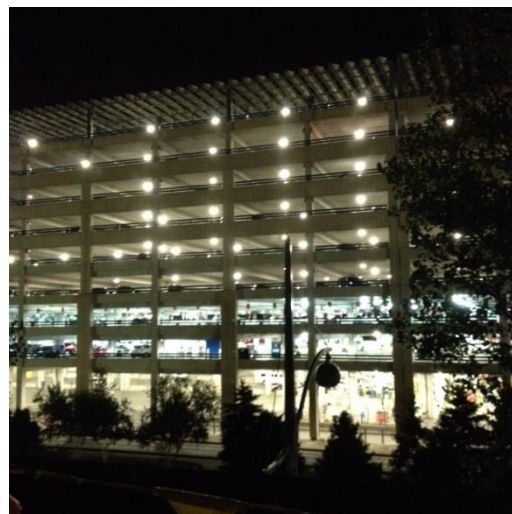
Standard & Poors bond ratings range from AAA (highest quality) to C (lowest quality) for long term obligations. Ratings from ‘AA’ to ‘CCC’ may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories. The ratings for the Commission’s long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



New Solar Panels above the Parking Ramp

The Statistics & Informative Facts section shows statistics commonly analyzed by the rating agencies.

Sources and Uses of Funds

The Debt Service Budget is shown below.

2016 DEBT SERVICE BUDGET						
(\$=000)						
	2014	2015	2015	2016	2017	2018
	Actual	Estimated	Budget	Budget	Projected	Projected
January 1 Balance	\$ 238,593	\$ 210,516	\$ 210,537	\$ 227,439	\$ 302,136	\$ 284,669
Source Of Funds:						
Transfer from Operating Fund	95,729	90,815	90,888	89,194	87,382	106,349
Transfer from PFCs ³	26,531	30,468	30,468	31,604	32,662	32,975
Interest earnings ¹	1,870	1,651	557	1,649	1,687	1,701
Bond Proceeds ²	303,781	-	-	70,044	-	-
Total Sources Of Funds	<u>\$ 427,911</u>	<u>\$ 122,934</u>	<u>\$ 121,913</u>	<u>\$ 192,491</u>	<u>\$ 121,731</u>	<u>\$ 141,025</u>
Uses Of Funds						
Bond Refundings	\$ (330,020)	\$ -	\$ -	\$ -	\$ -	\$ -
Rebate Payment	-	-	-	-	-	-
Total Principal/Interest Paid ²	<u>(125,968)</u>	<u>(106,011)</u>	<u>(106,010)</u>	<u>(117,794)</u>	<u>(139,198)</u>	<u>(138,735)</u>
Ending Balance	<u>\$ 210,516</u>	<u>\$ 227,439</u>	<u>\$ 226,440</u>	<u>\$ 302,136</u>	<u>\$ 284,669</u>	<u>\$ 286,959</u>
1 Interest Rate Assumed 0.50% for the entire period.						
2 Includes Debt Reserve and Capitalized Interest.						
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. The Commission currently has no GORB's outstanding, therefore there is no funding requirement during 2014-2018. 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 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.

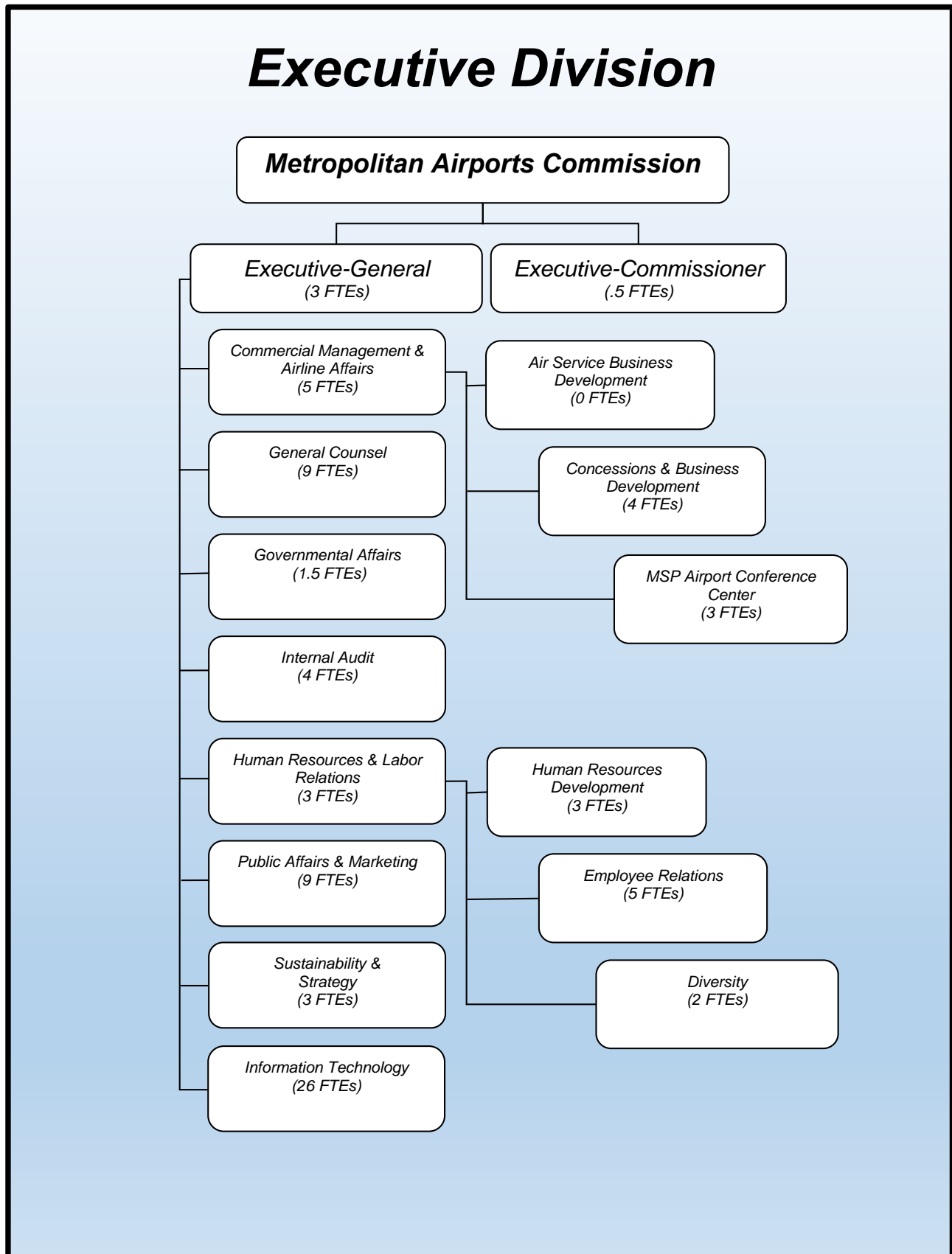
Interest earnings are assumed at 0.50-0.75% for 2016-18. In projecting interest income, the Commission typically takes a conservative approach.

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 and capitalized interest.

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 scheduled debt increases in its debt portfolio and in 2017 due to the new issue 2016 General Airport Revenue Bond Series.

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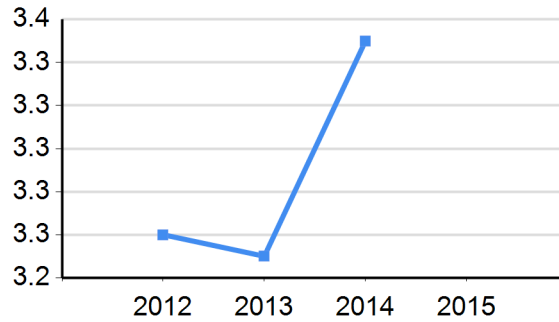
Notations to Service Center Summaries:

- Variance (dollars and %) is computed between 2015 Budget and 2016 Budget amounts
- The explanations for the variances are based upon the 2015 Budget and 2016 Budget amounts
- Negative variances, in most cases, are the result of reductions in one-time expenses or budget reductions
- FTE count is stated as of January 1, 2016 and may not reflect the 2016 Personnel budget calculated in mid 2015.

Measure: Debt service coverage ratio

Description	Organizational Initiative	Unit of Measure	Target
Our goal is to maintain a debt service coverage ratio of 3 or better.	Finance	Number	>3

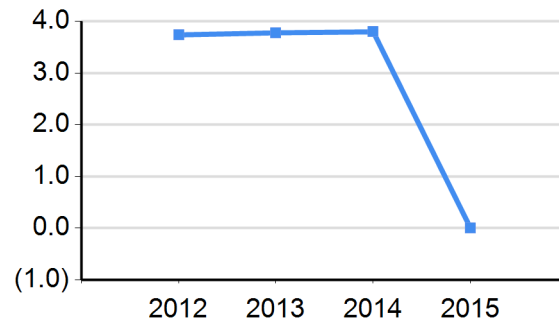
Results		
Year	Year End	Comments
2012	3.26	
2013	3.25	
2014	3.35	
2015		Data not available until March 2016; estimate is 3.38



Measure: Employee Engagement Index

Description	Organizational Initiative	Unit of Measure	Target
Summary score on annual employee engagement survey. Target is annual improvement.	Employee Engagement	Number	>3.81

Results		
Year	Year End	Comments
2012	3.74	
2013	3.78	
2014	3.8	
2015	0	Engagement survey not administered



EXECUTIVE - COMMISSIONER

The responsibilities of the Board of Commissioners are: 1) promoting public welfare; 2) promoting national, international, state, and local air transportation; 3) promoting the safe, efficient, and economical handling of air commerce both nationally and internationally, and to develop fully 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) assuring 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

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	37,114	35,888	45,250	9,362	26.1%
Administrative Expenses	29,343	17,268	24,870	7,602	44.0%
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	66,457	53,156	70,120	16,964	31.9%

Full-time Equivalent (FTE) Total

0.5 0.5 0.5

HIGHLIGHTS OF BUDGET

- Personnel At the governor's discretion, the salary for the chair position was increased and not anticipated in the 2015 budget.
- Administrative Expenses Travel was increased for new Commissioners to develop a better understanding of airport operations and programs.

2016 SERVICE CENTER OBJECTIVES

Objective: Explore whether MAC should implement a plan whereby Sick Leave Severance for certain non-organized employees is placed in a Post-Employment Health Plan (HCSP)-type account.

Organizational Strategic Goal: Assure financial viability

Organizational Key initiative: NA

Objective: Start negotiations with the MAC's unionized employees.

Organizational Strategic Goal: Assure financial viability

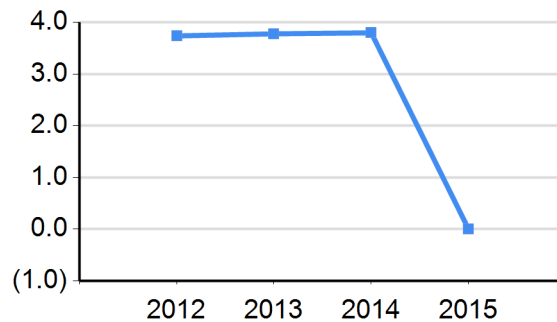
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Employee Engagement Index survey results (overall average)

Description	Organizational Initiative	Unit of Measure	Target
Employee Engagement Index	Employee Engagement	Number	4.5

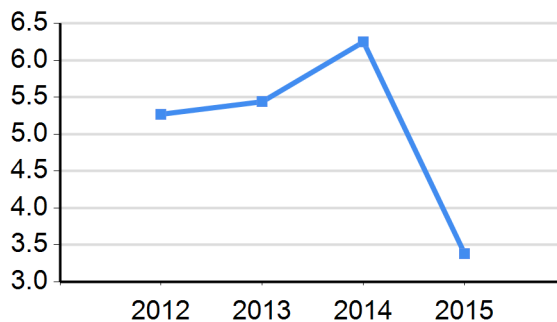
Results		
Year	Year End	Comments
2012	3.74	
2013	3.78	
2014	3.8	
2015	0	Engagement survey not administered in 2015



Measure: Employee turnover rate

Description	Organizational Initiative	Unit of Measure	Target
Employee Turnover Rate	Employee Engagement	%	<10

Results		
Year	Year End	Comments
2012	5.27	
2013	5.44	
2014	6.25	
2015	3.38	Employee turnover has decreased since 2012.



PUBLIC AFFAIRS & MARKETING

The Public Affairs and Marketing (PAM) Department builds public support for the MAC and its Reliever 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, PAM identifies, monitors, and helps address issues that 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. PAM 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

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	614,994	766,576	839,348	72,772	9.5%
Administrative Expenses	133,388	105,051	252,042	146,991	139.9%
Professional Services	298,086	469,037	192,600	(276,437)	-58.9%
Utilities	3,911	5,286	6,036	750	14.2%
Operating Services/Expenses	499,560	623,750	481,060	(142,690)	-22.9%
Maintenance	7,409	15,000	17,700	2,700	18.0%
Other	12,137	21,598	17,750	(3,848)	-17.8%
Total Budget	1,569,485	2,006,298	1,806,536	(199,762)	-10.0%

Full-time Equivalent (FTE) Total

7

9

9

HIGHLIGHTS OF BUDGET

- Personnel Personnel costs are up due to the first full-year budget for the Public Affairs and Marketing Specialist and Audio-Visual Specialist. The increase also takes into account salary adjustments and step increases.
- Administrative Expenses Administrative Expenses increased for consolidation of non-publication subscription services, addition of eight DirecTV subscriptions for the General Offices, monitor arrays in the Emergency Operations Center and Joint Information Center, purchase of a new social media monitoring solution, subscription to a public sustainability data tracking and reporting solution, increased demand for camera and video supplies due to the presence of an in-house videographer, and an increase in travel dollars to allow for MAC's marketing strategist to participate in the Airport Benchmarking Tour.
- Professional Services Professional Services dollars are down significantly due to all Web and digital directory design and programming services being shifted to the IT budget and to a significant reduction in need for external public relations services now that we have additional in-house capabilities.
- Operating Services/Expenses Operating Services/Expenses are down significantly largely due to a decrease in the concessions marketing budget. That reduction was possible due to replacing the Eat, Shop, Relax coupon book and brochure with the less costly digital "MSP Fly" magazine and increased in-house performance capabilities.
- Maintenance Maintenance is up due to the need to revise static terminal directory films more frequently attributable to terminal improvements, construction and development of new concessions.
- Other Other Expenses decreased as office furniture was a one-time purchase in 2015 for offices for two new employees.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Develop and launch a comprehensive marketing campaign for MSP's new Quick Ride Ramp.

Results: In 2015, we developed a 60" Quick Ride Ramp video, which played for more than 200,000 people at the Minneapolis Movies and Music in the Parks series, and a related Twins "stolen bases" promotion was viewed by approximately 730,000 fans. In approximately three months, search engine marketing resulted in an average click-through rate of 9.04% and an average position (ranking in terms of whether it's the first, second, third, etc., item to display) of 1.5. Creative ads achieved 5,233 click-through conversions and 23,136 views. Ads featuring a 30" version of the video have achieved a 64% completion rate, and 15" video ads achieved a 73% completion rate. We also posted Tweets for the Quick Ride Ramp on days when other Terminal 1-Lindbergh ramps filled.

Objective: Develop a digital concessions "magazine" and corresponding advertising strategy.

Results: Since Public Affairs & Marketing launched on-line travel and lifestyle magazine "Fly" in May 2015, the publication has garnered more than 317,000 views. More than 21,000 unique visitors have accessed the site. Digital ads for "Fly" have generated more than 8.6 million impressions, increasing awareness of the new MSP concessions marketing publication.

Objective: Enhance the MAC's internal communication and collaboration through enhanced content development and interaction via MACpoint.

Results: All enhancements and fixes have been completed and are ready to be migrated to staging. Communication Captains have been trained on new features including team/project sites, new calendars, department pages, and workflows. Resources have been put in place for future training and learning opportunities for Captains. The production environment will be finalized and turned on by 7 January 2016, completing the initial scope of the SharePoint 2015 project.

2016 SERVICE CENTER OBJECTIVES

Objective: Improve messaging platforms to more effectively communicate with stakeholders across multiple mediums, including mobile, Web, email, SMS/text and social media.

Organizational Strategic Goal: Leverage Resources and Technology

Organizational Key initiative: NA

Objective: Fully integrate social/digital media into the Information and Paging Office communication program.

Organizational Strategic Goal: Leverage Resources and Technology

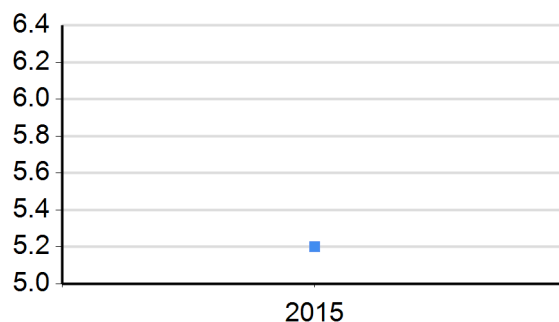
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Facebook Engagement

Description	Organizational Initiative	Unit of Measure	Target
Number of Facebook "fans" who "like," "share" or "comment on" a MAC post.	Customer Experience	Number	4.9

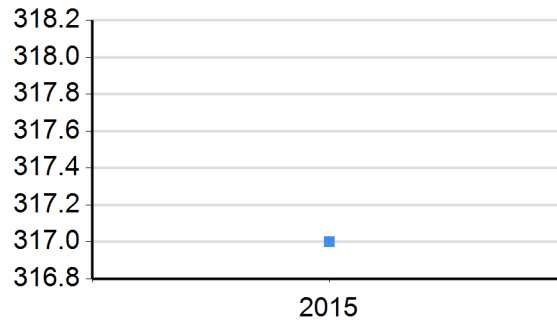
Results		
Year	Year End	Comments
2015	5.2	New measure for 2015. Number in millions.



Measure: "Fly" magazine impressions

Description	Organizational Initiative	Unit of Measure	Target
The number of impressions garnered by Fly magazine.	Finance	Number	100

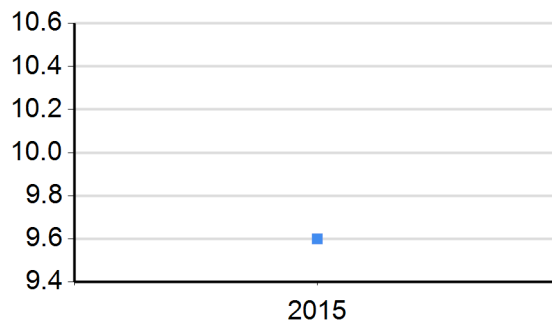
Results		
Year	Year End	Comments
2015	317	New measure for 2015. Number in thousands.



Measure: Number of news and notification subscribers

Description	Organizational Initiative	Unit of Measure	Target
Number of people subscribing for notices and information through the MAC's subscription news and notification service.	Customer Experience	Number	3

Results		
Year	Year End	Comments
2015	9.6	New measure for 2015; number is in thousands



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

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel				0	0.0%
Administrative Expenses	19,059	25,782	23,820	(1,962)	-7.6%
Professional Services	92,301	137,000	120,000	(17,000)	-12.4%
Utilities				0	0.0%
Operating Services/Expenses			200,000	200,000	100.0%
Maintenance				0	0.0%
Other				0	0.0%
Total Budget	111,359	162,782	343,820	181,038	111.2%

Full-time Equivalent (FTE) Total

0 0 0

HIGHLIGHTS OF BUDGET

- Administrative Expenses The reduction in Administrative Expenses is due to the transfer of costs for ACI-NA's international air service program and MAC's association with the Foreign Trade Zone.
- Professional Services The reduction is the result of no longer purchasing corporate travel data from a travel agency.
- Operating Services/Expenses Two large air service marketing incentive payments will be due in 2016. Icelandair's incentive is the result of Icelandair operating MSP-Reykjavik service for nine consecutive months, for the May 2015 - January 2016 period. Delta's incentive is the result of Delta operating MSP- Honolulu service from November 2015 to March 2016.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Update the MAC's air service business development Strategic Marketing Plan, for the purpose of outlining a 3-year plan for increasing air service options at MSP.

Results: The Strategic Marketing Plan has been updated and will be presented to the MAC Full Commission in January 2016.

Objective: Coordinate and host corporate community MSP airfield/terminal tours and corporate community luncheons in 2015. Three MSP airfield/terminal tours are planned in April and May, and three or four luncheons will be planned for the September/October timeframe. The goal is to further build and maintain the MAC's relationship with the corporate community.

Results: Fall luncheons were held on October 29 and November 4. A total of 39 attendees from across 31 companies attended the luncheons. In 2015, a total of 70 individuals from across 49 companies attended airfield tours and/or luncheons.

2016 SERVICE CENTER OBJECTIVES

Objective: Market MSP to both incumbent and potential new entrant airlines at industry air service business development conferences in 2016. The goal is to increase awareness of the Minneapolis-St. Paul air travel market.

Organizational Strategic Goal: Enhance Air Service at MSP

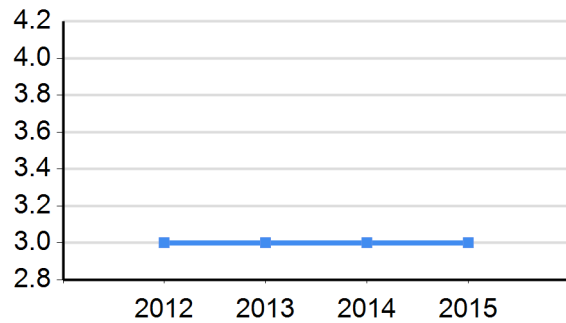
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Number of Airline Meetings - Conferences attended

Description	Organizational Initiative	Unit of Measure	Target
Airline Meetings - Conferences	Operations	Number	3

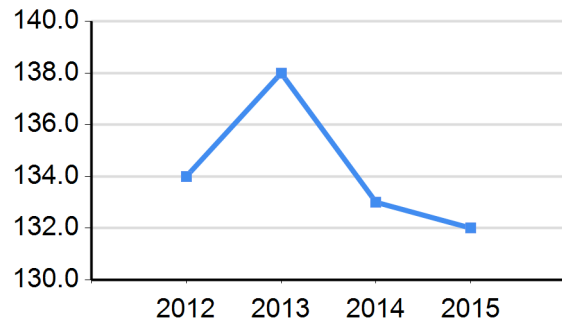
Results		
Year	Year End	Comments
2012	3	
2013	3	
2014	3	
2015	3	Plan to meet with 7-10 airlines at each conference.



Measure: Number of Nonstop Destinations

Description	Organizational Initiative	Unit of Measure	Target
The number of destinations served by airlines to/from MSP on a nonstop basis.	Customer Experience	Number	>130

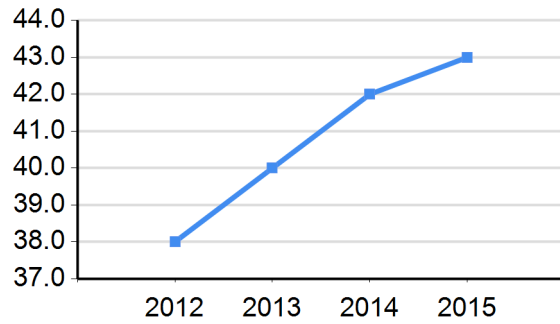
Results		
Year	Year End	Comments
2012	134	
2013	138	
2014	133	
2015	132	



Measure: Number of Competitive Destinations

Description	Organizational Initiative	Unit of Measure	Target
The number of nonstop destinations that have more than one airline providing air service.	Customer Experience	Number	>35

Results		
Year	Year End	Comments
2012	38	
2013	40	
2014	42	
2015	43	



SUSTAINABILITY & STRATEGY

Sustainability & Strategy is responsible for the Commission's sustainability and strategy plans, processes, and outcomes. The sustainability effort provides a plan, process, and measurement of outcomes for the organization's vision to infuse sustainability into its way of doing business. The strategic plan sets the key goals to achieve the MAC's vision to provide your best airport experience.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel			189,200	189,200	100.0%
Administrative Expenses			16,650	16,650	100.0%
Professional Services			105,000	105,000	100.0%
Utilities			1,680	1,680	100.0%
Operating Services/Expenses				0	0.0%
Other			1,500	1,500	100.0%
Total Budget			314,030	314,030	100.0%

Full-time Equivalent (FTE) Total

3

HIGHLIGHTS OF BUDGET

- Personnel Sustainability & Strategy is a new service center in 2016. Staff moved from Environment-General.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Develop a formal Sustainability Management Plan (SMP) for the MAC-MSP by December 2015.

Results: The Sustainability Management Plan (SMP) is on track for completion and launch in 2016. Expert review panels, idea collection and analysis, and benchmarking are some of the major tasks accomplished in 2015 to aid in setting the strategy parameters.

2016 SERVICE CENTER OBJECTIVES

Objective: Complete MAC sustainability implementation plan.

Organizational Strategic Goal: Integrate Sustainability into Our Culture

Organizational Key initiative: Implement Phase 1 of MAC's Sustainability Management Plan (SMP) by December, 2016, Develop a communications strategy with the Public Affairs and Marketing team for both internal and external communications and Provide formal direct communications to each department from senior staff discussing the organizations on-going commitment to our sustainability program

EMPLOYEE ENGAGEMENT & DEVELOPMENT

The Employee Engagement and Development Department is responsible for the facilitation of employee development throughout the organization which includes live and on-line training programs, coaching, mentorship, and individual development plans. The department also works with Human Resources and Employee Relations on performance improvement plans and workforce planning.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	395,324	423,646	422,390	(1,256)	-0.3%
Administrative Expenses	14,881	13,623	12,907	(716)	-5.3%
Professional Services		20,000	20,000	0	0.0%
Utilities				0	0.0%
Operating Services/Expenses	3,812	8,450	8,700	250	3.0%
Maintenance				0	0.0%
Other				0	0.0%
Total Budget	414,017	465,719	463,997	(1,722)	-0.4%

Full-time Equivalent (FTE) Total

3 3 3

HIGHLIGHTS OF BUDGET

- Personnel Although Personnel increased for wage structure adjustments and step increases, it decreased overall as a retiree's responsibilities were shifted to the Sustainability & Strategy service center.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Transfer responsibility for the Tuition Reimbursement program within the HR Division.

Results: The transfer of responsibilities for the administration of the Tuition Reimbursement program was completed in 1st Quarter 2015.

Objective: Conduct employee engagement survey and transition responsibility for the survey within the HR Division.

Results: The employee engagement survey was completed in January, 2015 and published in February, 2015. The responsibility for the survey has been transferred, along with the software required to conduct the survey. Training on the use of the software was also provided.

2016 SERVICE CENTER OBJECTIVES

Objective: Produce updated employee orientation video.

Organizational Strategic Goal: Provide a Great Customer Experience

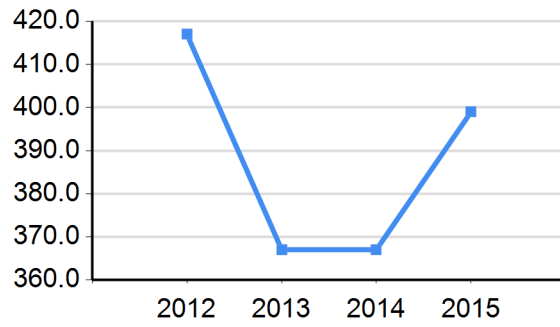
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Organization-wide annual performance reviews completed

Description	Organizational Initiative	Unit of Measure	Target
Performance Reviews Completed	Employee Engagement	Number	400

Results		
Year	Year End	Comments
2012	417	
2013	367	
2014	367	
2015	399	Improvement in 2015 and reached our goal.



Objective: 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.

Organizational Strategic Goal: Assure financial viability

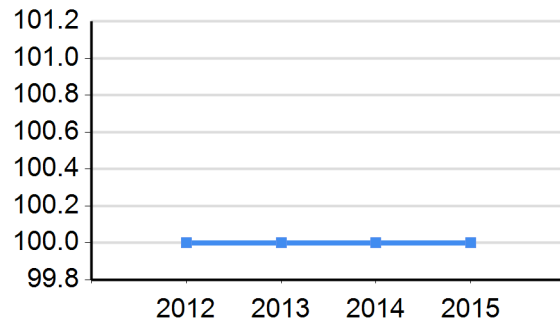
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Percentage of required staff training to maintain certifications

Description	Organizational Initiative	Unit of Measure	Target
Complete required staff training to maintain certifications	Employee Engagement	%	100%

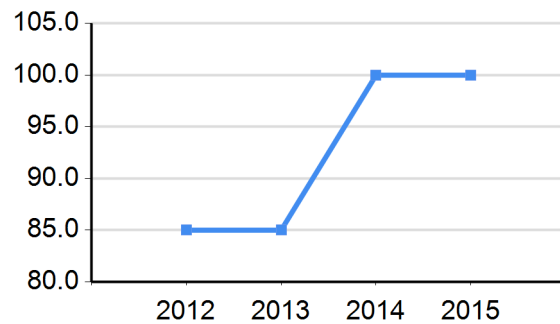
Results		
Year	Year End	Comments
2012	100	
2013	100	
2014	100	
2015	100	Staff training is critical both to maintain professional certifications and to enhance employee knowledge related to audit testing and determination of risk areas.



Measure: Percentage of audit projects completed that were scheduled in the Annual Audit Plan

Description	Organizational Initiative	Unit of Measure	Target
Percentage of audit projects completed that were scheduled in the Annual Audit Plan.	Finance	%	100%

Results		
Year	Year End	Comments
2012	85	
2013	85	Audit testing for 2013 will be completed in the first quarter of 2014 due to delays in acquiring required data.
2014	100	
2015	100	Audit testing for the fourth quarter of each year is completed in the first quarter of the following year.



2015 SERVICE CENTER OBJECTIVE RESULTS

- Objective:** Develop an enterprise technology strategic plan to support the MAC's strategic plan and help individual departments leverage technology to improve overall efficiency by December 2015.
Results: This item is complete. The MAC IT Strategic Plan is in place and is working well to provide guidance and direction for the technology group and the organization.
- Objective:** Ensure there is a highly-functional collaboration platform in place to support the MAC's 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.
Results: The MACPoint platform has been enhanced and additional tools and functionality are ready for use. Key user training has occurred to ensure there is knowledge and support for using the functions and features. The new features that are prepared to be used are "Project Sites", "Team Sites", "My Sites" as well as work flow functionality. The MACPoint project team is also preparing for the next phase to ensure we continue to make progress and deliver value in this area.

2016 SERVICE CENTER OBJECTIVES

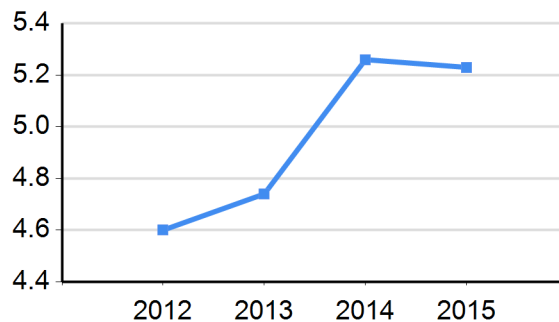
- Objective:** Build a robust data integration and messaging platform that will allow MAC to share information with our stakeholders across multiple mediums such as mobile, web, email, SMS/text and social media. To be completed by December 2016.
Organizational Strategic Goal: Leverage Resources and Technology
Organizational Key initiative: NA
- Objective:** Develop an organizational reporting platform that can provide at-a-glance dashboards and key performance indicators to assist in performance measurement and decision making.
Organizational Strategic Goal: Leverage Resources and Technology
Organizational Key initiative: NA
- Objective:** Implement the first phase of the IT strategic plan including evaluation of staffing and service levels by the end of 2016
Organizational Strategic Goal: Leverage Resources and Technology
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: IT budget as percent of total expense

Description	Organizational Initiative	Unit of Measure	Target
IT budget as percent total expense	Finance	%	4%

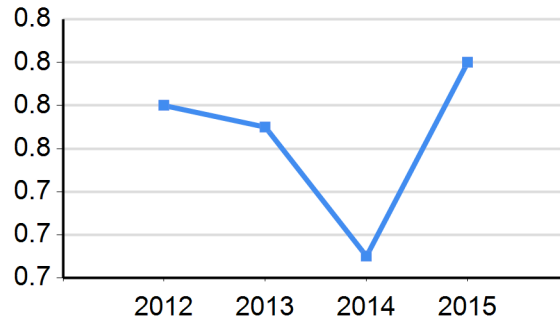
Results		
Year	Year End	Comments
2012	4.6	
2013	4.74	
2014	5.26	
2015	5.23	



Measure: IT staff per million passengers

Description	Organizational Initiative	Unit of Measure	Target
Ratio of 1 IT staff person to 1 million passengers	Employee Engagement	Number	1.5 mil

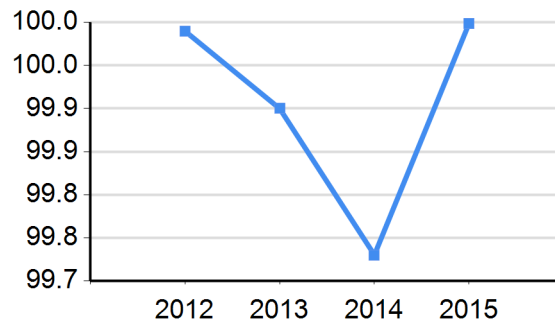
Results		
Year	Year End	Comments
2012	0.78	
2013	0.77	
2014	0.71	
2015	0.8	



Measure: System availability

Description	Organizational Initiative	Unit of Measure	Target
System Availability	Operations	%	99.99%

Results		
Year	Year End	Comments
2012	99.99	
2013	99.9	
2014	99.73	
2015	99.999	System availability -99.99% uptime translates to 4 minutes of downtime per year. 99.9% equals 44 minutes of downtime per year. 99% equals 7 hours of downtime per year



GOVERNMENTAL AFFAIRS

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

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	142,291	176,591	180,634	4,043	2.3%
Administrative Expenses	41,721	41,830	57,748	15,918	38.1%
Professional Services	138,694	189,350	203,350	14,000	7.4%
Utilities	840	840	840	0	0.0%
Operating Services/Expenses	1,109	1,200		(1,200)	-100.0%
Maintenance				0	0.0%
Other	1,387	1,300	4,300	3,000	230.8%
Total Budget	326,041	411,111	446,872	35,761	8.7%

Full-time Equivalent (FTE) Total

1.5 1.5 1.5

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases.
- Administrative Expenses The Governmental Affairs service center now pays AAAE Airport Legislative Alliance full annual membership dues.
- Professional Services The FAA re-authorization debate is likely to continue into 2016.
- Operating Services/Expenses Governmental Affairs is no longer co-leasing a photocopier.
- Other MAC increased the bus rental frequency for MSP site visits.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Educate appropriate political bodies and government units on airports (MSP and Relievers) and present the MAC's views on issues.

Results: Prepared and presented MAC overview presentations before MN Senate and House Local Government and Transportation Committees. Met with new members of Committees that have jurisdiction over the MAC. Provided the MN House Transportation Committee a MAC update and MSP site visit during the interim. Had key Legislators and staff out to MSP for tours and policy issue updates throughout the year. Worked with the Governor's office on many key MAC policy issues throughout the year. Explained the MAC's Long Term Comprehensive Planning process to Local, State and Federal elected officials and their staff. Provided details regarding MSP and Lake Elmo Airport draft Long Term Comprehensive Plans.

Objective: Advocate for Federal Aviation Administration (FAA) re-authorization bill that supports the MAC and our Trade Association policy positions. 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 the MAC's goals.

Results: In coordination with other MAC departments, developed the MAC's guiding principles and key policy positions for FAA Reauthorization. Presented staff's recommendations regarding FAA Reauthorization to the Full Commission for adoption. Coordinated and developed MN's Local Air Service Action Committees policy position paper for FAA Reauthorization. Worked with American Association of Airport Executives (AAAE) and Airports Council International (ACI) to assure that MAC priorities were included in their FAA Reauthorization policy positions. Presented MAC, Local Airline Service Action Council, AAAE and ACI priorities for FAA Reauthorization to the MN delegation and their staff through written correspondence and various meetings throughout the year. Also worked with other key stakeholders including the MN Chambers and city officials to include some of the MAC's positions in their legislative agendas. Worked with Minneapolis and others on pension fund issue at the MN State Legislature.

Objective: Respond to Legislators' questions regarding Minnesota's small community air service, surface transportation regulations, MSP's and Relievers Environmental Assessment, Area Navigation (RNAV), ground transportation regulations, contractor and subcontractor policies, security policies and other airport-related issues.

Results: Met with St. Cloud local and state elected officials regarding small community air service. Updated members of congress on MSP RNAV departure procedures. Responded to questions regarding MSP solar project. Worked with Thief River Falls and Brainerd on air service reliability issues. Answered questions regarding MAC Concessions Request for Proposals program. Worked with MAC Landside and Noise Program Office to respond to several surface transportation and aircraft noise-related constituent concerns. Discussed the MAC's surface transportation regulations with key elected officials. Answered questions regarding new MAC and MSP labor issue policies. Discussed and explained the MAC's CEO salary cap waiver process and its possible impact on our search for a new CEO.

2016 SERVICE CENTER OBJECTIVES

Objective: Advocate for FAA re-authorization bill that supports MAC and our Trade Association policy positions. 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.

Organizational Strategic Goal: Strengthen Partnerships and Relationships

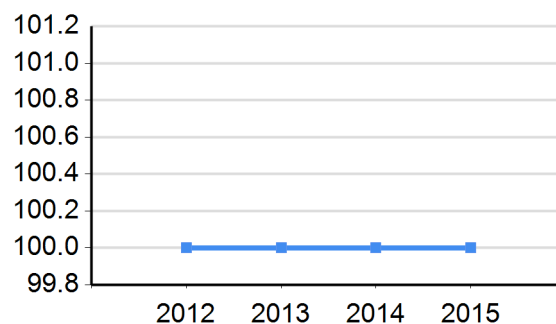
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: *Completion of employee performance evaluations*

Description	Organizational Initiative	Unit of Measure	Target
Completion of employee performance evaluations.	Employee Engagement	%	100%

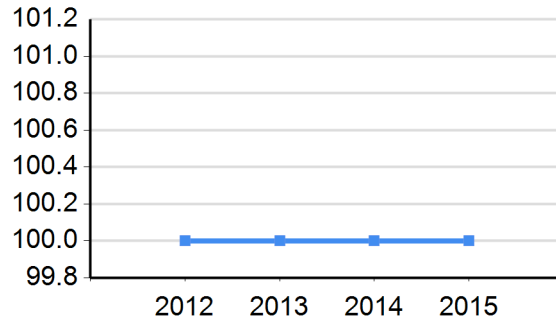
Results		
Year	Year End	Comments
2012	100	
2013	100	
2014	100	
2015	100	



Measure: Completion of evaluations for continuing consultants for legislative services

Description	Organizational Initiative	Unit of Measure	Target
Completion of evaluations for continuing consultants for legislative services.	Employee Engagement	%	100%

Results		
Year	Year End	Comments
2012	100	
2013	100	
2014	100	
2015	100	

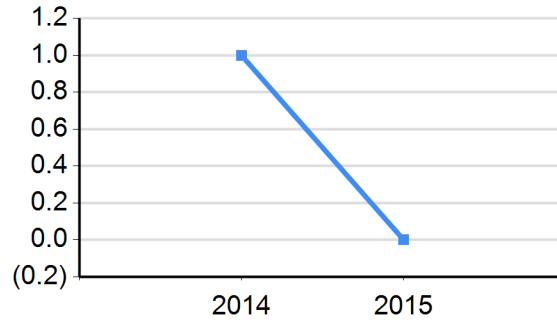


SERVICE CENTER PERFORMANCE

Measure: Commercial Real Estate Leases

Description	Organizational Initiative	Unit of Measure	Target
Enter into two commercial real estate leases at Reliever Airports.	Finance	Number	2

Results		
Year	Year End	Comments
2014	1	New measure in 2014. One has completed Eden Prairie city approval process for zoning change; awaiting FAA approval on the land release
2015	0	Completed zoning in Eden Prairie and Blaine. Two proposals in Blaine and a letter of intent to lease in Eden Prairie will be brought to the Commission in early 2016.



CONCESSIONS & BUSINESS DEVELOPMENT

The Concessions and Business Development Department oversees revenue generation from airport concession agreements and implements new concepts to improve the customer experience and revenue generation at the Minneapolis/St Paul International Airport. The department manages MAC property and real estate within the terminals.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	371,078	417,814	404,296	(13,518)	-3.2%
Administrative Expenses	14,259	15,405	23,476	8,071	52.4%
Professional Services		30,000	330,000	300,000	1000.0%
Utilities	3,080	5,640	4,620	(1,020)	-18.1%
Operating Services/Expenses	716	3,400	2,300	(1,100)	-32.4%
Maintenance				0	0.0%
Other		2,900	1,800	(1,100)	-37.9%
Total Budget	389,133	475,159	766,492	291,333	61.3%

Full-time Equivalent (FTE) Total 4 4 4

HIGHLIGHTS OF BUDGET

- **Personnel** Although, wage structure adjustments increase Personnel, it is lower in 2016 due to staff turnover.
- **Administrative Expenses** The increase in travel expenses is due to multiple conferences falling in the same year, as well as a Concessions Benchmarking trip in preparation of the 2017 Concessions re-bid.
- **Professional Services** Professional Services increased for solar energy project sponsorship payments as part of the marketing agreements.
- **Utilities** Mobile device cellular data needs are estimated to be lower in 2016.
- **Operating Services/Expenses** Advertising needs are estimated to be lower in 2016.
- **Other** One-time purchases were included in the 2015 budget and will not be repeated in 2016.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Identify, plan and prepare for the inclusion of the G concourse concessions responsibilities and oversight starting on 1/1/2016.

Results: Staff finalized the lease lines and responsibilities for the G Concourse between OTG, Delta Air Lines and MAC Facilities. Concessions participated in tours conducted by MAC Facilities to further define current space concerns and punch lists for the transition. Michaud Cooley established new utility rates for OTG and were accepted by OTG. Concessions met with OTG senior leadership to share initial thoughts and expectations of lease terms and conditions that change starting 1/1/16. Staff identified all space currently occupied by OTG for storage purposes. Staff met with OTG on a monthly basis to discuss operational opportunities.

Objective: Research, analyze and define per institutional policy, Commission defined and departmental preference, the approach and execution of the RFP process.

Results: All leases were distributed and negotiations started in preparation of leases to be signed in Q1 2016.

2016 SERVICE CENTER OBJECTIVES

Objective: Diversify current Food and Beverage portfolio to meet the needs of passengers and strategically position MSP as a leading industry innovator through key relationship building and outreach.

Organizational Strategic Goal: Provide a Great Customer Experience

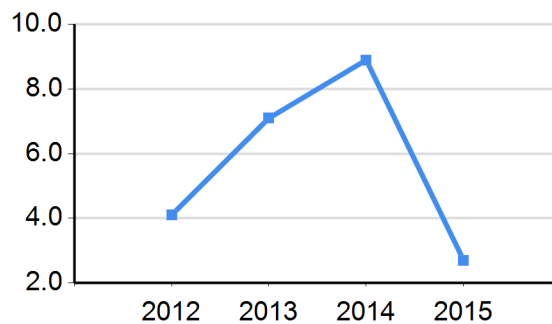
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Food & Beverage & Retail Revenue year over year

Description	Organizational Initiative	Unit of Measure	Target
Increase or decrease in Food & Beverage, News & Convenience, and Retail Gross Sales	Finance	%	4%

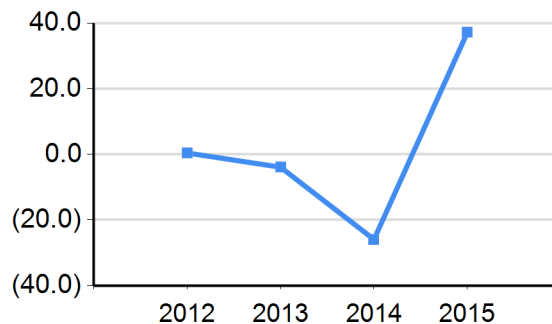
Results		
Year	Year End	Comments
2012	4.1	
2013	7.1	
2014	8.9	
2015	2.7	



Measure: Year over Year Passenger Services Revenue

Description	Organizational Initiative	Unit of Measure	Target
Percent Change in Passenger Services Gross Sales	Finance	%	4%

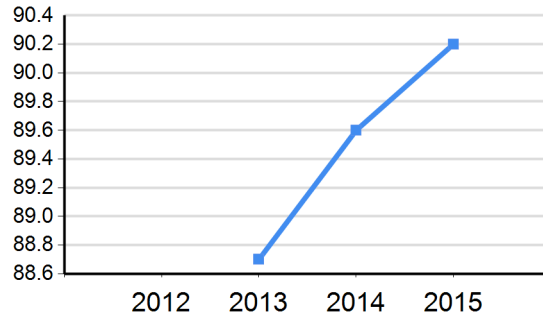
Results		
Year	Year End	Comments
2012	0.46	
2013	-3.88	
2014	-25.94	Mn/DOT delayed the approval process of the awarded outdoor advertising contract and delayed the permit for construction to Clear Channel resulting in a loss of one year of revenue or \$1m. January 2015 permit granted.
2015	37.3	



Measure: Mystery Shopper Scores

Description	Organizational Initiative	Unit of Measure	Target
Customer experience rating of mystery shoppers.	Customer Experience	Number	92

Results		
Year	Year End	Comments
2012		Data not available.
2013	88.7	9 months of data
2014	89.6	
2015	90.2	



Objective: Disadvantaged Business Enterprise (DBE) Program: Collaborate with other agencies to review and implement changes to the Minnesota Uniform Certified Program (MnUCP) document.

Results: MAC, MNDOT, Metropolitan Council, and City of Minneapolis staff representatives were tasked with editing and revising the MnUCP's DBE program document. Revisions included incorporating all new regulation changes, as well as editing for readability. All MnUCP members were sent a copy of the document to make recommendations; all recommendations were taken into consideration. The final edited version of the document was sent to the MnUCP Chair, who will finalize it and have it sent on for formatting and publishing. When the document is ready, it will be published on the MnUCP website.

2016 SERVICE CENTER OBJECTIVES

Objective: Evaluate all training and mentoring programs, design a program based on best and past practices.

Organizational Strategic Goal: Develop Employee Talent

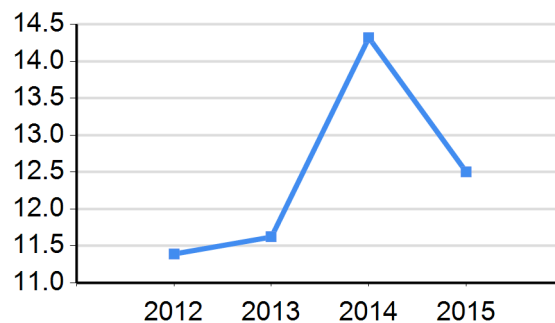
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Disadvantaged Business Enterprise

Description	Organizational Initiative	Unit of Measure	Target
Percentage of Concession Dollars generated by DBEs.	Customer Experience	%	11%

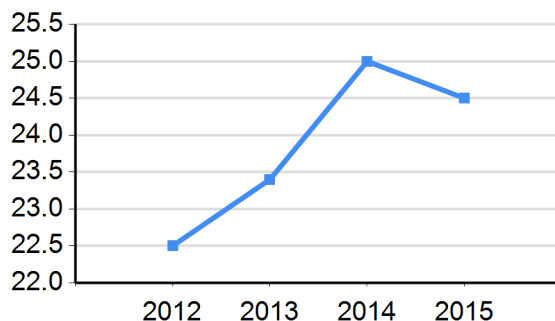
Results		
Year	Year End	Comments
2012	11.39	Target is met.
2013	11.62	Target is met.
2014	14.32	Target is met.
2015	12.5	Target is met.



Measure: Female population in the workforce

Description	Organizational Initiative	Unit of Measure	Target
Female Percentage of Workforce.	Employee Engagement	%	51%

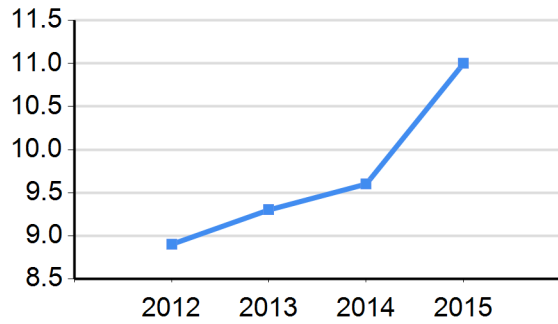
Results		
Year	Year End	Comments
2012	22.5	
2013	23.4	
2014	25	
2015	24.5	



Measure: Minority population in the workforce

Description	Organizational Initiative	Unit of Measure	Target
Minorities Percentage of Workforce.	Employee Engagement	%	15%

Results		
Year	Year End	Comments
2012	8.9	
2013	9.3	
2014	9.6	
2015	11	



2016 SERVICE CENTER OBJECTIVES

Objective: Provide legal advice to all MAC management employees (supervisors, managers, directors, and senior staff) and MAC Commissioners.

Organizational Strategic Goal: Assure financial viability

Organizational Key initiative: NA

Objective: 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.

Organizational Strategic Goal: Assure financial viability

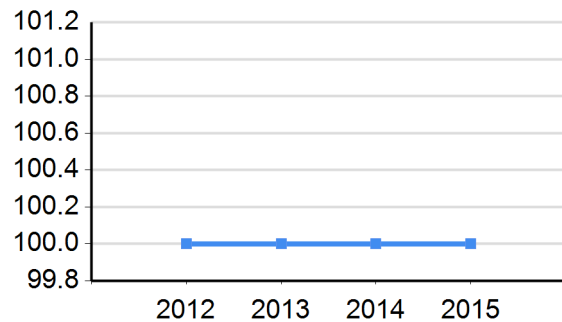
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Percent of continuing consultant evaluations completed

Description	Organizational Initiative	Unit of Measure	Target
Completion of 100% of continuing consultant evaluations.	Finance	%	100%

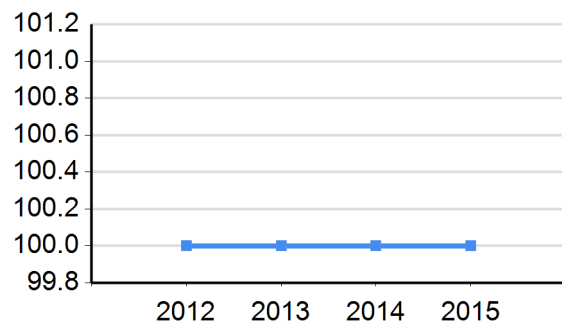
Results		
Year	Year End	Comments
2012	100	
2013	100	
2014	100	
2015	100	



Measure: Completion of an average of 15 Continuing Legal Education (CLE) hours per attorney

Description	Organizational Initiative	Unit of Measure	Target
Completion of an average of 15 Continuing Legal Education (CLE) hours per attorney.	Employee Engagement	%	100%

Results		
Year	Year End	Comments
2012	100	
2013	100	
2014	100	
2015	100	Our goal is for each attorney to complete a minimum of 15 CLEs per year.



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 Human Resource policies and practices; 5) working with supervisors and leaders to strengthen skills related to employee relations issues; and 6) administering all policies related to recruitment and staffing for all open positions.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	490,010	427,264	436,585	9,321	2.2%
Administrative Expenses	15,678	13,871	16,835	2,964	21.4%
Professional Services	60,785	40,100	60,290	20,190	50.3%
Utilities				0	0.0%
Operating Services/Expenses	4,541	178	5,884	5,706	3205.6%
Maintenance				0	0.0%
Other	768			0	0.0%
Total Budget	571,782	481,413	519,594	38,181	7.9%

Full-time Equivalent (FTE) Total

5 5 3

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases.
- Administrative Expenses Administrative Expenses increased for professional conferences/seminars, memberships, surveys and publications and delivery services. Delivery services are projected to increase based upon the increased staffing activity due to retirements and new positions.
- Professional Services The projected turnover of employees (particularly at the executive level), along with new positions, warrant high levels of funding for pre-employment medical fees, general recruitment and employment expense funding.
- Operating Services/Expenses A significant increase in employment advertising expense is predicted for 2016 due to expected turnover/retirement activity (particularly at the executive level) combined with a significant increase in the number of new positions to be filled in 2016 as well as continuous replacement activity.

2015 SERVICE CENTER OBJECTIVE RESULTS

- Objective:** Update language with selected HR policies in the Hours of Work, Leave of Absence With Pay, Leaves of Absence, Classification, and Miscellaneous sections.
Results: Seven policy statements have final modifications and are being prepared for Commission review/approval. Eight policies continue to be reviewed for possible change.
- Objective:** Deliver "Resolving Workplace Conflict" management training via the MAC's e-learning system.
Results: All e-learning presentations were published in 2015.
- Objective:** Complete Phase I of MAC departmental talent reviews with Employee Relations staff.
Results: Talent reviews were completed on schedule in 2015.

2016 SERVICE CENTER OBJECTIVES

Objective: Complete Phase II of MAC department talent reviews along with Employee Relations staff.

Organizational Strategic Goal: Develop Employee Talent

Organizational Key initiative: Complete phase II of departmental talent reviews by December, 2016

Objective: Develop and implement changes to performance review process with Human Resources staff.

Organizational Strategic Goal: Develop Employee Talent

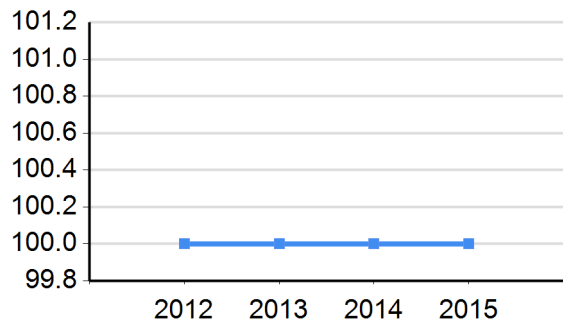
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Annual employee performance reviews completed

Description	Organizational Initiative	Unit of Measure	Target
Annual employee performance reviews completed.	Employee Engagement	%	100%

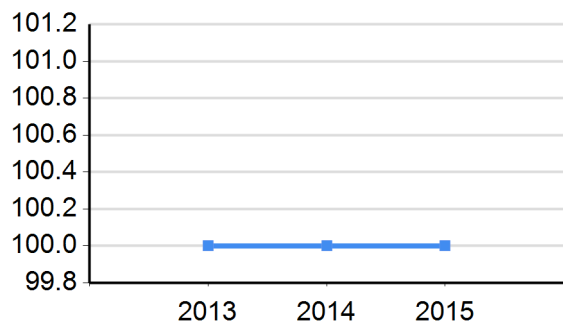
Results		
Year	Year End	Comments
2012	100	
2013	100	
2014	100	
2015	100	



Measure: Employee separation administration - number administered

Description	Organizational Initiative	Unit of Measure	Target
Employee separation administration - number administered	Employee Engagement	%	100%

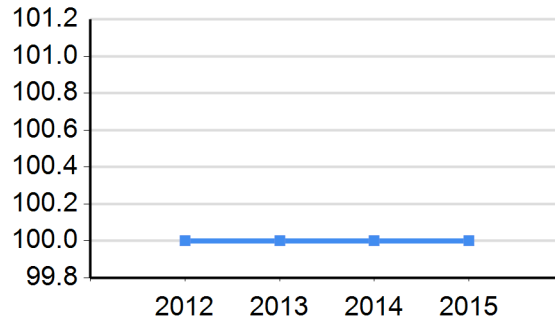
Results		
Year	Year End	Comments
2013	100	New measure in 2013.
2014	100	
2015	100	



Measure: Employee separation completions according to policies, procedures and law

Description	Organizational Initiative	Unit of Measure	Target
Employee separation completions according to policies, procedures and law	Employee Engagement	%	100%

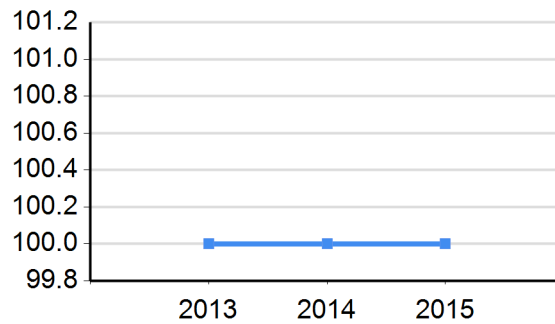
Results		
Year	Year End	Comments
2012	100	
2013	100	
2014	100	
2015	100	Employee separation administration process completed in timely manner



Measure: Leaves of absence administration - return employees to active employment status upon receipt of employee medical clearance

Description	Organizational Initiative	Unit of Measure	Target
Leaves of absence administration - return employees to active employment status upon receipt of employee medical clearance.	Employee Engagement	%	100%

Results		
Year	Year End	Comments
2013	100	New measure in 2013
2014	100	
2015	100	

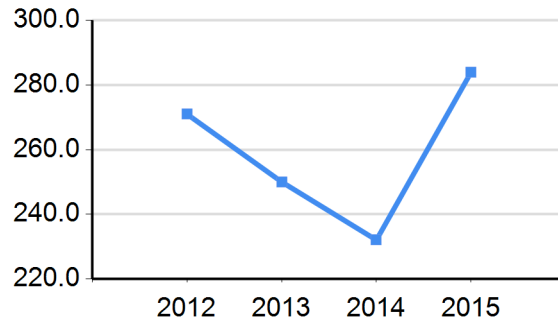


SERVICE CENTER PERFORMANCE

Measure: Airport Conference Center Gross Revenue

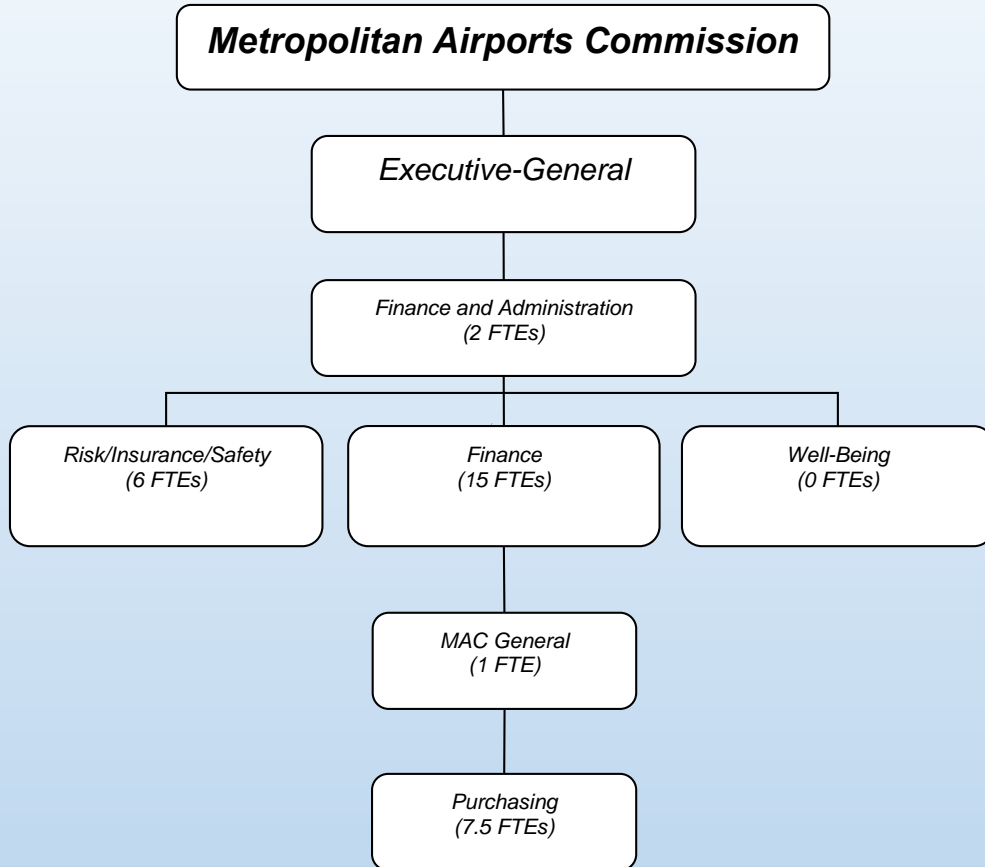
Description	Organizational Initiative	Unit of Measure	Target
MSP Airport Conference Center Gross Revenue	Finance	\$	250

Results		
Year	Year End	Comments
2012	271	
2013	250	
2014	232	
2015	284	Revenue increased over 22% from 2014. \$ in thousands.



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Finance & Administration Division



Notations to Service Center Summaries:

- Variance (dollars and %) is computed between 2015 Budget and 2016 Budget amounts
- The explanations for the variances are based upon the 2015 Budget and 2016 Budget amounts
- Negative variances, in most cases, are the result of reductions in one-time expenses or budget reductions
- FTE count is stated as of January 1, 2016 and may not reflect the 2016 Personnel budget calculated in mid 2015.

2016 SERVICE CENTER OBJECTIVES

Objective: Complete the selection process for new airport financial consultants.

Organizational Strategic Goal: Assure financial viability

Organizational Key initiative: NA

Objective: Update and complete funding analysis for the 2017 - 2023 CIP.

Organizational Strategic Goal: Assure financial viability

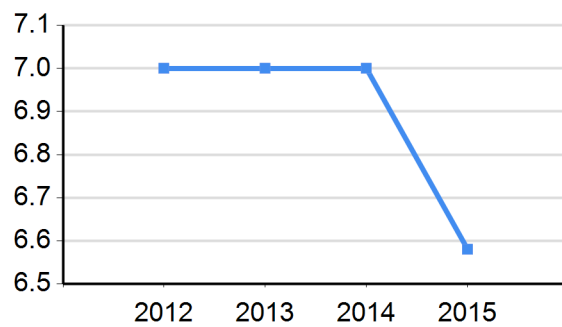
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Rank of Airline Cost Per Enplaned Passenger for large hub airports

Description	Organizational Initiative	Unit of Measure	Target
Airline Cost Per Enplaned Passenger as compared to other large hub airports.	Finance	Text	>=8

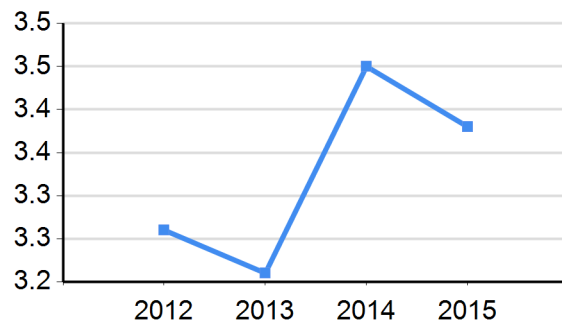
Results		
Year	Year End	Comments
2012	7	
2013	7	
2014	7	Our goal is to maintain airline cost per enplaned passenger in the lower third of large hub airports.
2015	6.58	Estimate-Final number will be available in March 2016.



Measure: Sr. Debt Service Coverage

Description	Organizational Initiative	Unit of Measure	Target
Maintain Sr. Debt Service Coverage Above 3.0.	Finance	Number	>3

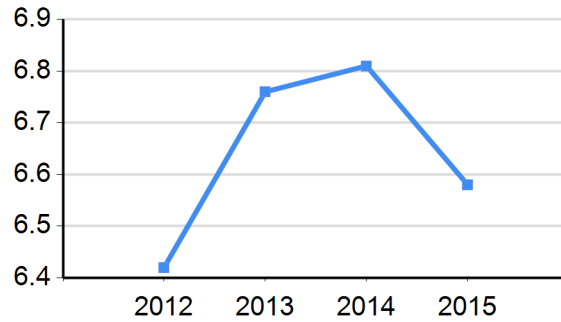
Results		
Year	Year End	Comments
2012	3.26	
2013	3.21	
2014	3.45	Our coverage goal is to be higher than 3.
2015	3.38	Estimate-Final number will be available in March 2016.



Measure: Cost per enplaned passenger

Description	Organizational Initiative	Unit of Measure	Target
Maintain cost per enplaned passenger metric in the lower 1/3 of large hub airports. Target is to be below \$7 per enplaned passenger.	Finance	Text	>\$7

Results		
Year	Year End	Comments
2012	6.42	
2013	6.76	
2014	6.81	The target is to be below \$7 per enplaned passenger.
2015	6.58	Estimate-Final number will be available in March 2016.

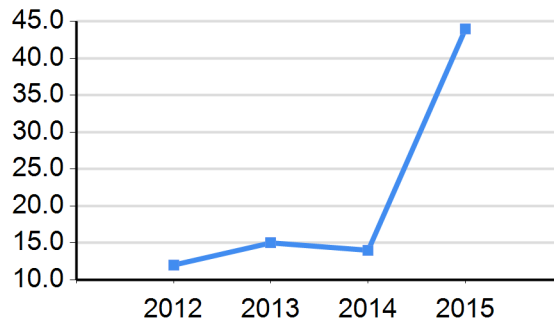


SERVICE CENTER PERFORMANCE

Measure: Number of employees receiving nutrition counseling

Description	Organizational Initiative	Unit of Measure	Target
Number of employees receiving nutrition counseling	Employee Engagement	Number	>30

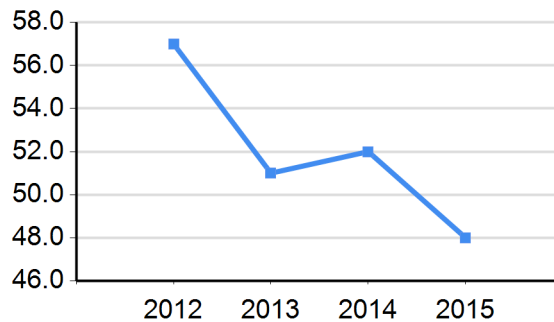
Results		
Year	Year End	Comments
2012	12	
2013	15	
2014	14	100 percent goal reached
2015	44	Goal reached due to Move to Improve (MTI) Program



Measure: Percent of employees participating in Well-being programs

Description	Organizational Initiative	Unit of Measure	Target
Percent of employees participating in Well-being programs	Employee Engagement	%	>60%

Results		
Year	Year End	Comments
2012	57	
2013	51	
2014	52	
2015	48	Moving MTI to E1 contributed to drop in numbers



RISK/INSURANCE/SAFETY

Risk/Insurance/Safety is responsible for the planning, organizing, and administering of 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, the MAC's health engagement program, liability and property insurance coverage, employee and fleet safety, and maintaining a safe airport system.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	9,693,794	11,719,399	12,533,857	814,458	6.9%
Administrative Expenses	23,082	31,300	26,250	(5,050)	-16.1%
Professional Services	319,031	316,000	371,000	55,000	17.4%
Utilities	114		504	504	100.0%
Operating Services/Expenses	4,768	9,500	16,000	6,500	68.4%
Maintenance	110	2,000	2,000	0	0.0%
Other	1,736,656	1,997,300	2,149,225	151,925	7.6%
Total Budget	11,777,554	14,075,499	15,098,836	1,023,337	7.3%

Full-time Equivalent (FTE) Total

6 6 6

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases as well as an increase in employee benefits based on current headcount.
- Administrative Expenses Administrative Expenses decreased to better estimate closer to actual dollars spent.
- Professional Services Professional Services increased for consultant fees and expanded programs with a return on investment factor.
- Operating Services/Expenses Recognition for risk mitigation and laboratory fees for industrial hygiene testing at MAC operations will increase Operating Services/Expenses in 2016.
- Other Insurance premiums and claims expense increases are expected in 2016.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Update Business Continuity Plan for the MAC General Office and expand the plan to all MAC operations. The update will also include information from Airport Cooperative Research Program Reports 93 and 106.

Results: Staff continues to meet with individual departments to assess their business continuity needs using ACRP Report 93. The accumulation of the information collected will determine the greatest risks to the organization that need to be addressed first for the comprehensive business continuity program in 2016. The MAC Enterprise Risk Management (ERM) program, using ACRP Report 74, will be incorporated into this process.

Objective: Conduct an audit of the medical claims process performed by BlueLink TPA.

Results: Quarterly meetings with BlueLink and Aon to develop and implement countermeasures based upon input from the parties involved have been established; meetings will continue in 2016 with an eye toward testing changes and making enhancements.

Objective: Evaluate contaminants at MSP and take steps to mitigate hazardous conditions.

Results: The MAC Environment and Insurance Risk Management departments continue a collaborative effort to best mitigate the risk identified. This will continue into 2016.

2016 SERVICE CENTER OBJECTIVES

Objective: Conduct an audit of MAC’s pharmacy employee benefits to assess risks in the process and take action to mitigate the risks.

Organizational Strategic Goal: Assure financial viability

Organizational Key initiative: NA

Objective: Implement the Business Continuity Plan throughout the organization which was developed by an assessment in 2015 using ACRP Report 93.

Organizational Strategic Goal: Assure financial viability

Organizational Key initiative: NA

Objective: Conduct a Cyber Risk assessment of MAC to determine the potential frequency and severity of exposures identified.

Organizational Strategic Goal: Leverage Resources and Technology

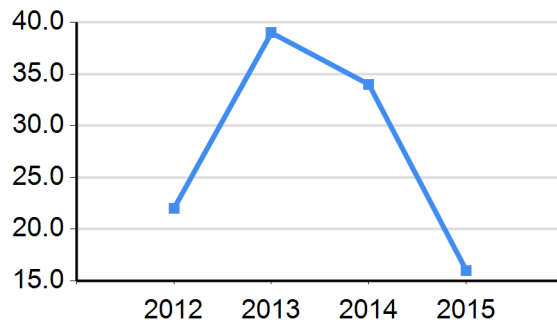
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Fleet Accidents

Description	Organizational Initiative	Unit of Measure	Target
Fleet Accidents	Finance	Number	<30

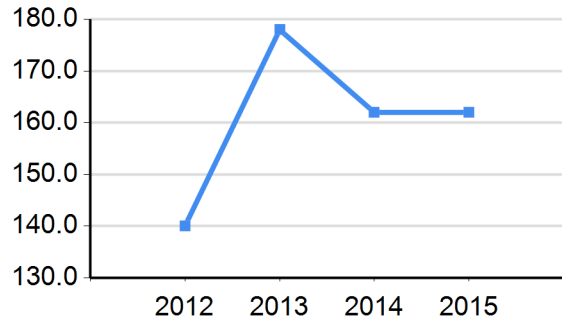
Results		
Year	Year End	Comments
2012	22	
2013	39	
2014	34	
2015	16	



Measure: Total Passenger Injuries

Description	Organizational Initiative	Unit of Measure	Target
Total Passenger Injuries	Safety & Security	Number	<150

Results		
Year	Year End	Comments
2012	140	
2013	178	Identify problem areas and take action to control the loss potential.
2014	162	
2015	162	



FINANCE

Finance is responsible for the Commission's accounting and cash management functions and the preparation of the annual operating budget as well as the Comprehensive Annual Financial Report. The department oversees financial planning which includes, but not limited to, issuance of all debt, development of tenant rates and charges, cost-benefit analysis, financial analysis and request for proposal assistance.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	1,359,478	1,399,065	1,441,026	41,961	3.0%
Administrative Expenses	17,252	19,825	22,595	2,770	14.0%
Professional Services	206,083	217,000	216,500	(500)	-0.2%
Utilities	1,620	1,620	1,620	0	0.0%
Operating Services/Expenses	207,535	223,850	215,700	(8,150)	-3.6%
Maintenance				0	0.0%
Other	2,610		1,500	1,500	100.0%
Total Budget	1,794,578	1,861,360	1,898,941	37,581	2.0%

Full-time Equivalent (FTE) Total

15 15 15

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases.
- Administrative Expenses Administrative Expenses increased in 2016 due to a planned concessions benchmarking trip for Phase 2 of the concessions rebid and ACI Finance-related conferences.
- Operating Services/Expenses Operating Services/Expenses decreased in 2016 as one-time software was budgeted in 2015.
- Other Replacement office chairs are needed for the service center.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Update Financial Model to get an understanding of the full financial impact of proposed bond issue in 2016.

Results: Completed

Objective: Update and Review MAC Finance Disaster Plan.

Results: This objective is substantially complete. There are a few minor adjustments to make in 2016, such as reviewing the plan with MAC IT as well as comparing the plan to the requirements of the Enterprise Risk Management plan currently being updated. Estimated completion date is June 30, 2016.

Objective: Create performance measures and management tools to monitor the performance of the Quick Ride Ramp in addition to the six parking ramps at Terminal 1-Lindbergh and Terminal 2-Humphrey.

Results: Performance measures and management tools for monitoring the performance of the Quick Ride Ramp and the six parking ramps at Terminal 1-Lindbergh and Terminal 2-Humphrey were created in 2015 and are being implemented.

Objective: Develop a prioritized list of Finance-related IT projects and/or needs to optimize the limited resources of the MAC Information Technology Department.

Results: A prioritized list of Finance-related IT projects/software fixes was developed in 2nd Quarter 2015 and shared with the MAC IT Department. Work has begun or has been completed on some of the higher priority items. We anticipate that the Finance-IT list will be updated and reprioritized and shared with MAC IT on an annual basis.

2016 SERVICE CENTER OBJECTIVES

Objective: Develop financial aspects of the 2017 Phase II concession RFP.

Organizational Strategic Goal: Assure financial viability

Organizational Key initiative: NA

Objective: Manage the construction of new concession lease management files as new store units open, and the deconstruction of existing leases as old store units close.

Organizational Strategic Goal: Assure financial viability

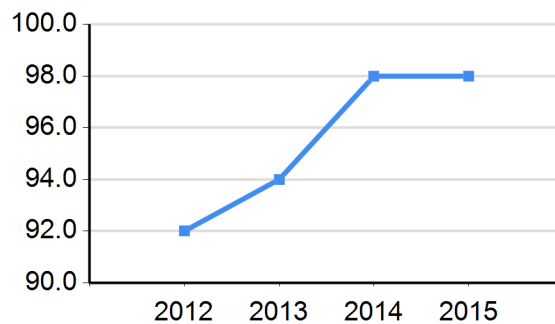
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: *Accounts Payable Closed by the Friday before the General Ledger close*

Description	Organizational Initiative	Unit of Measure	Target
Close Accounts Payable by the Friday before the General Ledger close	Finance	%	100%

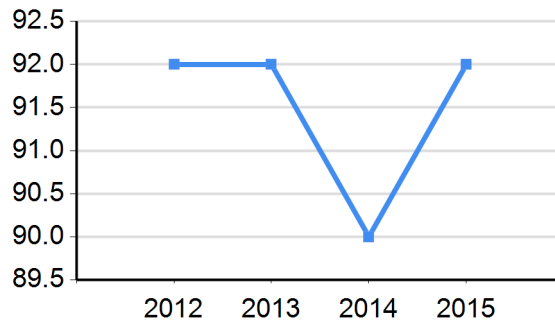
Results		
Year	Year End	Comments
2012	92	
2013	94	
2014	98	
2015	98	December takes longer to close.



Measure: Accounts Receivable closed within 2 business days

Description	Organizational Initiative	Unit of Measure	Target
Accounts Receivable Close within 2 business days	Finance	%	100%

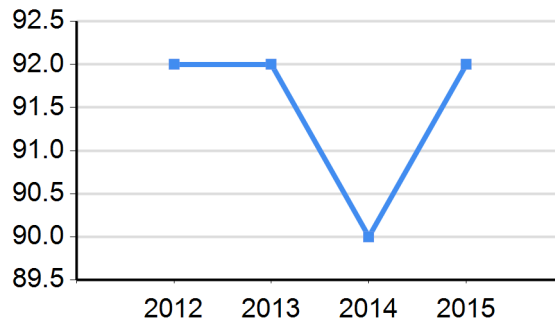
Results		
Year	Year End	Comments
2012	92	
2013	92	December takes longer to close.
2014	90	Badging office conversion impact delayed closing.
2015	92	December takes longer to close.



Measure: Monthly general ledger close by the second Monday of the month

Description	Organizational Initiative	Unit of Measure	Target
Monthly general ledger close by the second Monday of the month.	Finance	Text	100%

Results		
Year	Year End	Comments
2012	92	
2013	92	December is the end of the fiscal year and it takes longer to close.
2014	90	Problems with Accounts Receivable due to the new Badging system software.
2015	92	December is end of the fiscal year and takes longer to close.



MAC GENERAL

The MAC General Service Center contains expenses that are not specific to any one service center such as FICA/Medicare taxes, retirement plans, utilities and gas and diesel for MAC vehicles. The FTE count is for all open positions that have not been allocated to a specific service center. The Finance Department is responsible for the budgeting of the MAC General service center.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	12,307,752	11,837,848	12,018,156	180,307	1.5%
Administrative Expenses	19,607			0	0.0%
Professional Services	657,663			0	0.0%
Utilities	20,383,332	18,591,227	18,620,758	29,531	0.2%
Operating Services/Expenses	45,739	37,800	512,944	475,144	1257.0%
Maintenance	1,408,376	1,733,043	1,924,825	191,782	11.1%
Other	225,539	40,960	55,045	14,085	34.4%
Total Budget	35,048,007	32,240,878	33,131,728	890,849	2.8%

Full-time Equivalent (FTE) Total

0 4.5 1.5

HIGHLIGHTS OF BUDGET

- 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 Overall, utilities are expected to increase in 2016.
- Operating Services/Expenses The increase in Operating Services/Expenses is for an Airport Foundation contribution to support the passenger services and Travelers Assistance Programs.
- Maintenance Maintenance increased for an in-line baggage system payment to Delta reflecting actual costs.
- Other Fuel taxes are based on a 3-year average.

Objective: Continue efforts to go paperless by accepting responses to sealed, formal solicitations on jump or flash drives, instead of hard copies.

Organizational Strategic Goal: Integrate Sustainability into Our Culture

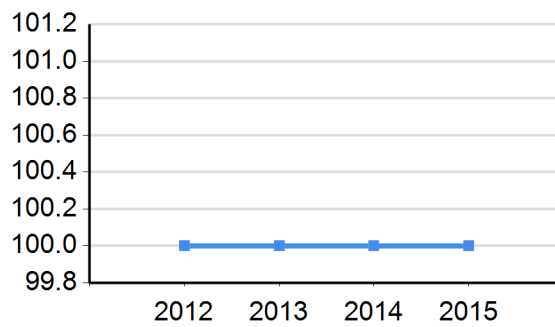
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

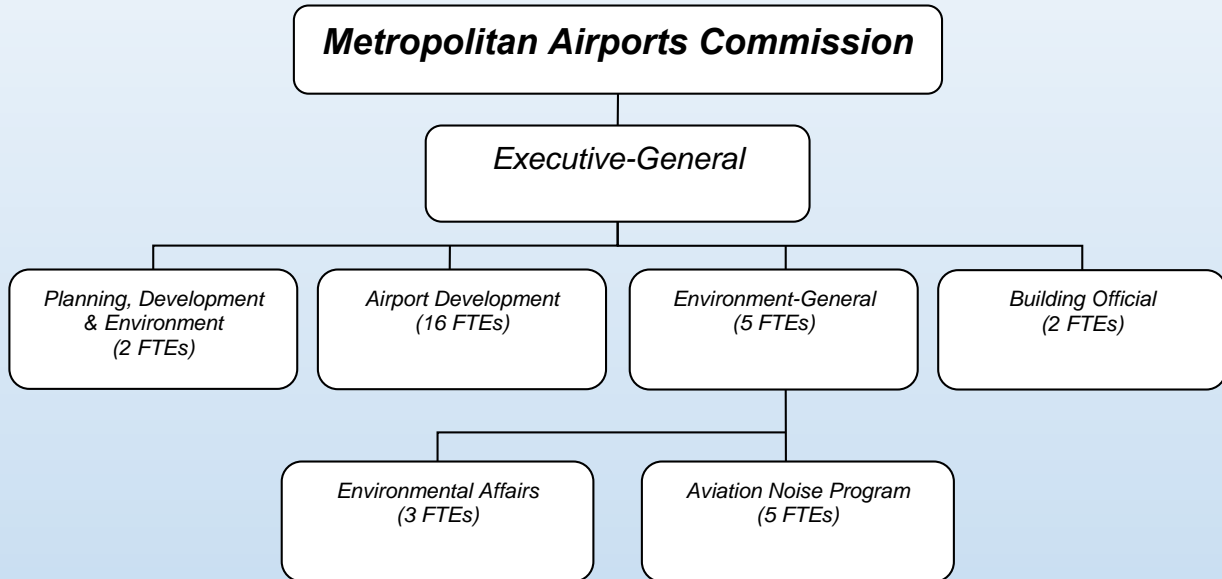
Measure: Completed performance reviews

Description	Organizational Initiative	Unit of Measure	Target
Completed performance reviews	Employee Engagement	%	100%

Results		
Year	Year End	Comments
2012	100	
2013	100	
2014	100	
2015	100	



Planning, Development & Environment Division



Notations to Service Center Summaries:

- Variance (dollars and %) is computed between 2015 Budget and 2016 Budget amounts
- The explanations for the variances are based upon the 2015 Budget and 2016 Budget amounts
- Negative variances, in most cases, are the result of reductions in one-time expenses or budget reductions
- FTE count is stated as of January 1, 2016 and may not reflect the 2016 Personnel budget calculated in mid 2015.

PLANNING, DEVELOPMENT & ENVIRONMENT

Planning, Development & Environment 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 division is responsible for maintaining good relationships with local, state, and federal government partners and airport stakeholders.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	215,147	223,386	226,873	3,487	1.6%
Administrative Expenses	5,872	17,375	13,600	(3,775)	-21.7%
Professional Services	30,642	220,000	420,000	200,000	90.9%
Utilities	840	840	840	0	0.0%
Operating Services/Expenses	222,810	232,500	222,500	(10,000)	-4.3%
Maintenance				0	0.0%
Other				0	0.0%
Total Budget	475,311	694,101	883,813	189,712	27.3%

Full-time Equivalent (FTE) Total

2 2 2

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases.
- Professional Services In anticipation of Reliever Airport zoning efforts and Long Term Comprehensive Plan updates for Crystal, Airlake and Lake Elmo airports, the Professional Services budget was increased.
- Operating Services/Expenses Advertising is expected to be less in 2016.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Guide implementation of key capital projects such as MSP Hotel, Terminal 1-Lindbergh Ticket Lobby and Bag Claim enhancements, Terminal 2-Humphrey Gate Expansion, and Terminal 1-Lindbergh Parking Capacity Expansion.

Results: The Terminal 2-Humphrey Gate Expansion project is under construction, with an anticipated November 2016 opening. The FAA Land Release approval for the MSP Hotel project is anticipated in January 2016. The hotel development agreement is being finalized; construction is scheduled to start June 2016. Bidding for the Terminal 1-Lindbergh Parking Capacity Expansion has commenced. Seven projects are scheduled to be bid in 2016. The Terminal 1-Lindbergh Checkpoint 1 Consolidation project is progressing for a February 2016 opening.

Objective: Oversee development of the 2016-2022 Capital Improvement Program with input from all stakeholders and within financial constraints.

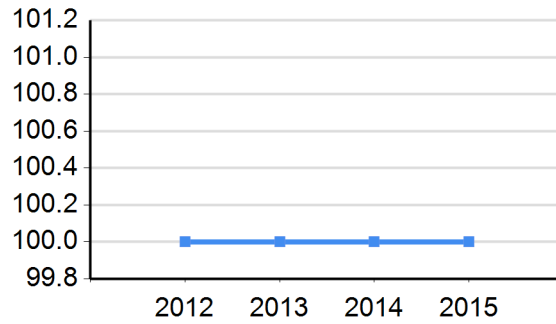
Results: The preliminary 2016-2022 CIP was presented to the MAC Planning, Development & Environment Committee in September 2015. The final CIP was approved by the MAC Full Commission in December with funding plan. The 2016-2022 CIP is now being forwarded to Metropolitan Council for determination of consistency with regional plans.

SERVICE CENTER PERFORMANCE

Measure: Compliance with Consent Decree Deadlines

Description	Organizational Initiative	Unit of Measure	Target
Compliance with Consent Decree Deadlines	Environment	%	100%

Results		
Year	Year End	Comments
2012	100	
2013	100	
2014	100	
2015	100	

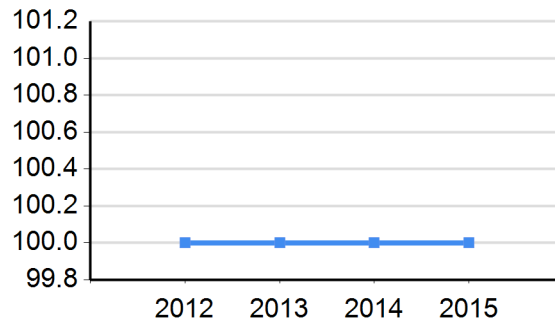


SERVICE CENTER PERFORMANCE

Measure: Performance reviews completed on continuing consultants by 12/31 of each year

Description	Organizational Initiative	Unit of Measure	Target
Annual performance reviews on all continuing consultants.	Development	%	100%

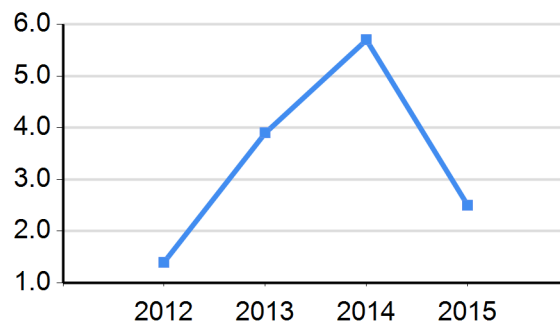
Results		
Year	Year End	Comments
2012	100	
2013	100	
2014	100	
2015	100	



Measure: Percent of CIP construction projects within historic change order parameters

Description	Organizational Initiative	Unit of Measure	Target
Manage CIP construction projects within historic change order parameters.	Development	%	<5%

Results		
Year	Year End	Comments
2012	1.4	Less than 5%
2013	3.9	Less than 5%
2014	5.7	Less than 5%
2015	2.5	Less than 5%



BUILDING OFFICIAL

The Building Official is responsible for the overall administration of the Metropolitan Airports Commission Building Code Ordinance. Service center 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 service center provides construction coordination for retail and food and beverage construction build-outs and remodeling of existing tenant spaces within Terminal 1-Lindbergh and Terminal 2-Humphrey.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	177,736	180,537	188,005	7,468	4.1%
Administrative Expenses	19,416	19,110	19,785	675	3.5%
Professional Services				0	0.0%
Utilities	840		840	840	100.0%
Operating Services/Expenses	65	100	100	0	0.0%
Maintenance				0	0.0%
Other				0	0.0%
Total Budget	198,056	199,747	208,730	8,983	4.5%

Full-time Equivalent (FTE) Total

2 2 2

HIGHLIGHTS OF BUDGET

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

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Provide tenant construction coordination for new tenants located in Terminal 1-Lindbergh and Terminal 2-Humphrey.

Results: Tenant construction coordination was provided for PGA Village and the Common Use Escape Lounge in Terminal 1-Lindbergh, which were completed in 2015.

Objective: Work collaboratively with members of the Commercial Management & Airline Affairs, Airport Development, Legal and Finance departments toward developing the Request For Proposal (RFP) for new retail and food & beverage tenants located in Terminal 1-Lindbergh.

Results: The Concession RFP was completed and new tenant concessionaires were chosen. Construction work is currently underway to provide the required utilities to the spaces located in Terminal 1-Lindbergh.

2016 SERVICE CENTER OBJECTIVES

Objective: Issue all permits within 10-14 days after application is received

Organizational Strategic Goal: Strengthen Partnerships and Relationships

Organizational Key initiative: NA

Objective: Conduct field inspections within 24 hours from the time the inspection was requested.

Organizational Strategic Goal: Strengthen Partnerships and Relationships

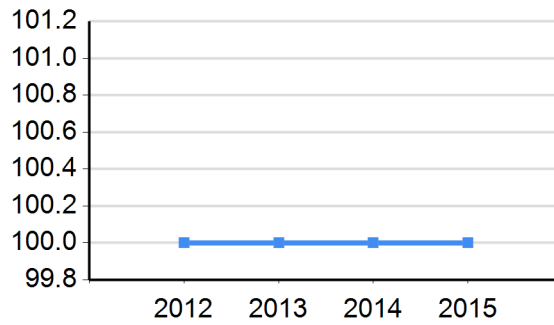
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Inspections conducted within 24 hours of request

Description	Organizational Initiative	Unit of Measure	Target
Conduct inspections within 24 hours of the request.	Safety & Security	%	100%

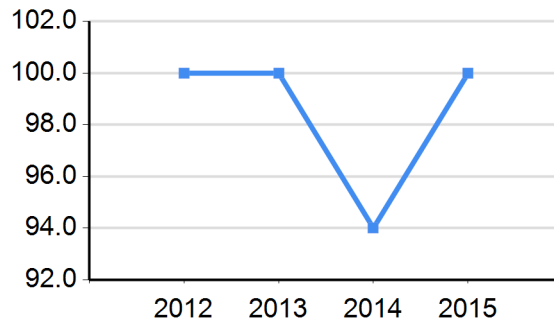
Results		
Year	Year End	Comments
2012	100	
2013	100	
2014	100	
2015	100	100% within 24 hours.



Measure: Percent of Plan Reviews on construction plans conducted within 14 days of submittals

Description	Organizational Initiative	Unit of Measure	Target
Conduct Plan Reviews on construction plans within 14 days of submittals.	Development	%	100%

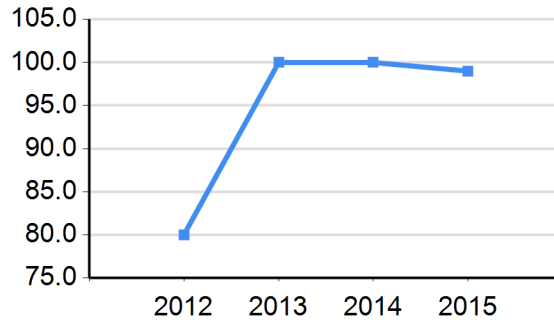
Results		
Year	Year End	Comments
2012	100	
2013	100	
2014	94	
2015	100	Timeliness percentage



Measure: Construction Management/Tenant Buildouts

Description	Organizational Initiative	Unit of Measure	Target
Construction Management/Tenant Buildouts.	Development	%	100%

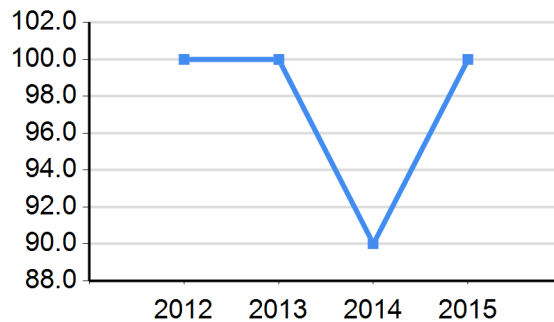
Results		
Year	Year End	Comments
2012	80	Some tenant build outs carried over from previous year
2013	100	
2014	100	
2015	99	



Measure: Design and Construction Standards updated

Description	Organizational Initiative	Unit of Measure	Target
Update Design and Construction Standards annually or as needed.	Development	%	100%

Results		
Year	Year End	Comments
2012	100	
2013	100	
2014	90	
2015	100	Completion percentage.



ENVIRONMENT-GENERAL

The Environment Department is responsible for maintaining environmental compliance with state and federal environmental regulations at MAC-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; and 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 supports activities to establish sound strategies to reduce environmental impact.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	424,732	507,236	346,562	(160,674)	-31.7%
Administrative Expenses	27,505	61,896	17,575	(44,321)	-71.6%
Professional Services	82,051	135,000	160,000	25,000	18.5%
Utilities	2,175	2,045	6,444	4,399	215.1%
Operating Services/Expenses	60,593	66,673	67,764	1,091	1.6%
Maintenance				0	0.0%
Other	343	19,824	500	(19,324)	-97.5%
Total Budget	597,400	792,674	598,845	(193,829)	-24.5%

Full-time Equivalent (FTE) Total

5 5 4

HIGHLIGHTS OF BUDGET

- Personnel Although Personnel increased for wage structure adjustments and step increases, the overall decrease arises from two staff members moving to the new Sustainability & Strategy service center.
- Administrative Expenses A number of items in Administrative Expenses are technology related and were moved to the IT service center.
- Professional Services The increase in Professional Services is for a fleet efficiency study to develop plans for sustainable fleets at MSP and to develop waste reduction plans for Relievers.
- Utilities The increase for Utilities is required to provide additional staff cellular data service stipends.
- Other The decrease is the result of the transfer of computer expenses to the IT service center.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: 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.

Results: The 2015 development plan was completed, providing the following enhancements to the MAC EMIS: data input for air quality (Option D Air Permit and EPA e-GGRT reporting) and pavement deicing (with data entry directly from MAC Field Maintenance); dashboards for air quality, pavement deicing, Underground and Aboveground Storage Tank (UST/AST) inspections at MSP and the Reliever Airports, and the Enviance End User Portal; automated reporting for air quality, UST/AST inspections, spills, and enhanced data sharing with the MAC's environmental consultant; and online UST/AST inspections apps. Carryover items for 2016 include developing an inspection app for use by MN Petroleum for storage tank inspections at MSP.

Objective: Integration of the MAC's sustainability strategy into organizational framework.

Results: Through development of the organization's first Sustainability and Strategy Department, which reports to the Executive Vice President, the structure and resources necessary are in place to ensure sustainability is integrated into the MAC's organizational framework, including mission, values and strategic planning process.

2016 SERVICE CENTER OBJECTIVES

Objective: Leverage MAC's EMIS technology to establish a process for project and operational change management to enhance environmental risk reduction.

Organizational Strategic Goal: Leverage Resources and Technology

Organizational Key initiative: NA

Objective: Develop and execute a department-level strategy for the implementation, management and measurement of the environmental initiatives included in the MAC's sustainability strategy.

Organizational Strategic Goal: Integrate Sustainability into Our Culture

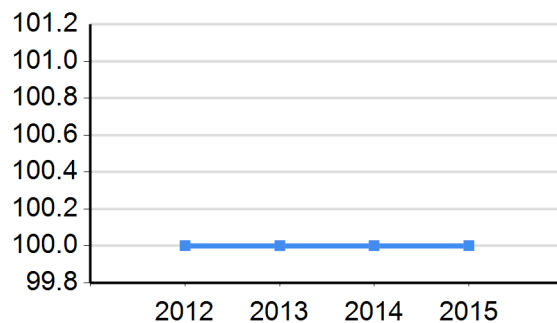
Organizational Key initiative: Implement Phase 1 of MAC's Sustainability Management Plan (SMP) by December, 2016, Develop a communications strategy with the Public Affairs and Marketing team for both internal and external communications and Provide formal direct communications to each department from senior staff discussing the organizations on-going commitment to our sustainability program

SERVICE CENTER PERFORMANCE

Measure: Airport and Community Advisory Commissions

Description	Organizational Initiative	Unit of Measure	Target
Complete airport and community advisory commission work plans.	Environment	%	100%

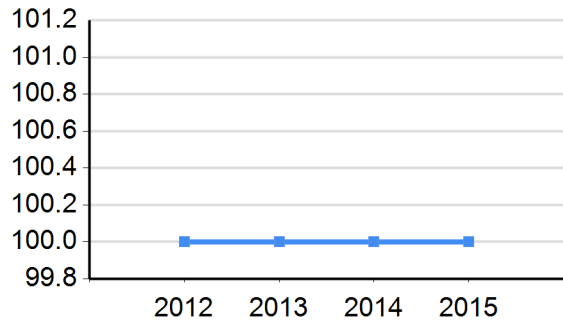
Results		
Year	Year End	Comments
2012	100	
2013	100	All airport and community advisory commissions were supported successfully.
2014	100	All airport and community advisory commissions were supported successfully.
2015	100	All airport and community advisory commissions were supported successfully.



Measure: Develop Environmental Documents

Description	Organizational Initiative	Unit of Measure	Target
Environmental documents to support MAC activities including planning, Capital Improvement Program, Air Traffic Control operational noise activities, and the administration of environmental rules.	Environment	%	100%

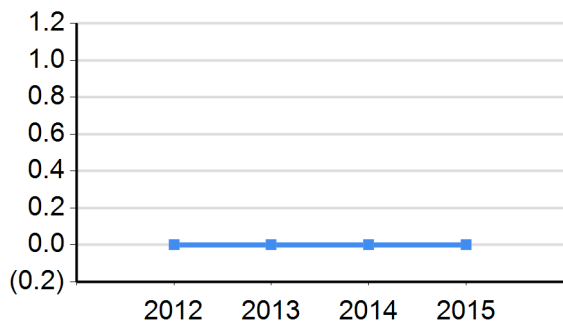
Results		
Year	Year End	Comments
2012	100	
2013	100	
2014	100	All required environmental documents were prepared.
2015	100	All required MEPA and NEPA environmental documents were completed successfully including the Hotel and Skyway Project EAW.



Measure: Number of Environmental Violations

Description	Organizational Initiative	Unit of Measure	Target
Number of violations identified by a regulatory agency.	Environment	Number	0

Results		
Year	Year End	Comments
2012	0	
2013	0	
2014	0	No environmental violations occurred.
2015	0	No environmental violations occurred.



ENVIRONMENTAL AFFAIRS

The Environmental Affairs Office 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 Stormwater 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 service center maintain an effective working relationship with state and local units of government. This Office aids in establishing sound environmental strategies and helps reduce impacts on surrounding communities.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	287,928	298,256	307,902	9,646	3.2%
Administrative Expenses	4,646	5,366	6,895	1,529	28.5%
Professional Services	235,811	267,626	405,775	138,149	51.6%
Utilities	2,499	4,080	5,521	1,441	35.3%
Operating Services/Expenses	1,666,946	1,477,851	1,530,407	52,556	3.6%
Maintenance				0	0.0%
Other	6,412	21,150	21,150	0	0.0%
Total Budget	2,204,243	2,074,329	2,277,650	203,321	9.8%

Full-time Equivalent (FTE) Total

3

3

3

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases.
- Administrative Expenses The increase in Administrative Expenses is for travel to assist staff in updating their knowledge base, skill set and improve overall job satisfaction.
- Professional Services The increase in Professional Services will address continuing and new regulatory compliance requirements related to water quality, air quality, soil management and hazardous waste.
- Operating Services/Expenses The increase will help address changes in NPDES permit requirements, regulator miscellaneous requests and stormwater collection/sampling efforts.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: 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 the integration of the SMP into the MAC's culture.

Results: The Environmental Affairs Office continued to support development of the Sustainability Management Plan (SMP), and participated in discussions on Climate Vulnerability, Airport Carbon Accreditation and data management.

Objective: Continue MSP National Pollutant Discharge Elimination System (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.

Results: Maintained compliance with regulatory requirements of the MSP NPDES permit. Continued to work with MAC environmental consultant, regulators and co-permittees on a number of complex permit requirements related to aircraft deicing fluid and the possible use of different types of pavement deicers at MSP.

2016 SERVICE CENTER OBJECTIVES

Objective: Continue to maintain and improve the data management platforms/processes into the MAC's compliance-focused EMIS program.

Organizational Strategic Goal: Leverage Resources and Technology

Organizational Key initiative: NA

Objective: Formalize the MAC's Greenhouse Gas (GHG) reporting process through Airport Carbon Accreditation (ACA).

Organizational Strategic Goal: Integrate Sustainability into Our Culture

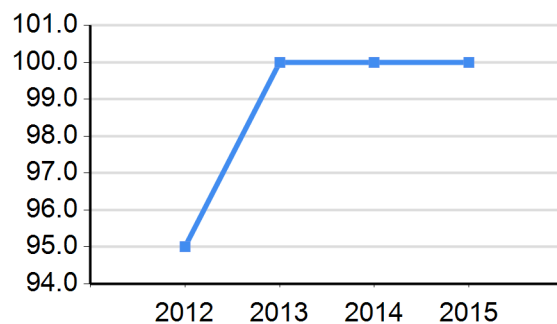
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: MAC Tenant Compliance Assistance

Description	Organizational Initiative	Unit of Measure	Target
Conduct inspections to assist MAC tenants with environmental compliance.	Environment	%	100%

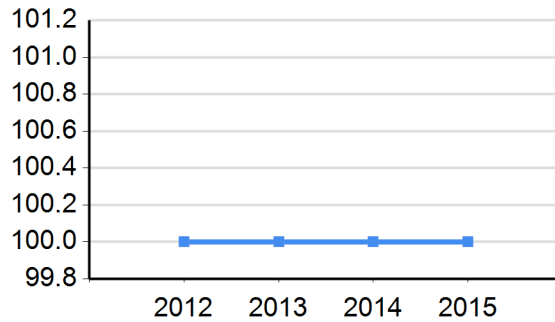
Results		
Year	Year End	Comments
2012	95	In 2012 inspections involved commercial tenants at the Relievers. These inspections take longer.
2013	100	Reliever inspections are performed on an as-needed basis (e.g. lease transfers) or at regularly scheduled times for commercial and/or storage tenants.
2014	100	
2015	100	Reliever Airport required inspections were completed, as needed, with commercial and storage tenants.



Measure: Environmental Permits Compliance Reports

Description	Organizational Initiative	Unit of Measure	Target
Submit regularly-scheduled compliance reports to regulating agencies.	Environment	%	100%

Results		
Year	Year End	Comments
2012	100	
2013	100	42 reports must be submitted either monthly, quarterly or annually to regulatory entities.
2014	100	All required reports (i.e., Discharge Monitoring Report (DMR), Comprehensive Well Network (CWN) and Soil Management Plan (SMP)) submitted to regulatory entity on time.
2015	100	All required reports were submitted on time and in compliance with various regulatory permits.



AVIATION NOISE PROGRAM

The Aviation Noise Program Office's mission is to facilitate the noise-sensitive operation of MSP and the Reliever Airports, through coordinated efforts with communities and airport users to develop effective aircraft noise reduction solutions, and to provide information related to aircraft noise. The Aviation Noise Program Office works closely with the FAA and with the MSP Noise Oversight Committee (NOC), which is comprised of equal numbers of airport user representatives and community representatives.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	436,691	478,596	466,614	(11,982)	-2.5%
Administrative Expenses	18,981	26,995	28,391	1,396	5.2%
Professional Services	107,964	261,855	158,055	(103,800)	-39.6%
Utilities	16,611	19,080	46,800	27,720	145.3%
Operating Services/Expenses	37,715	41,092	45,000	3,908	9.5%
Maintenance				0	0.0%
Other	893	3,300	1,300	(2,000)	-60.6%
Total Budget	618,856	830,918	746,160	(84,758)	-10.2%

Full-time Equivalent (FTE) Total

5 5 5

HIGHLIGHTS OF BUDGET

- Personnel Although, wage structure adjustments increase Personnel, it is lower in 2016 due to staff turnover.
- Professional Services Professional Services decreased as MSP and three Reliever Airport noise contours were completed in 2015 for the Long Term Comprehensive Plans.
- Utilities The increase is for Remote Monitoring Towers (RMT) modem replacement. This results in reduced monthly communication fees and communications for data downloads will be more reliable.
- Operating Services/Expenses The slight increase is due to a 3% increase in calibration and certification services. Additionally, portable noise meter calibration and RMT maintenance are anticipated to increase.
- Other The reduction in funds is due to the 2015 provisions for 4 new office chairs.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Complete the 2015 Noise Oversight Committee work plan tasks.

Results: The MSP Noise Oversight Committee (NOC) met once during 4th Quarter 2015, completing the 2015 Work Plan items. In total, the NOC met six times in 2015 and accomplished 14 Work Plan items.

Objective: 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.

Results: The 2014 Annual Noise Contour Report was published by March 1, 2015, per the terms of the Consent Decree. The macnoise.com website was updated with the new mitigation eligibility based on the 2014 annual actual noise contour and the First Amendment to the Noise Mitigation Program Consent Decree.

2016 SERVICE CENTER OBJECTIVES

Objective: Assess the use of Optimized Profile Descent (OPD) arrivals to MSP as well as quantify resultant fuel and emission reduction benefits through partnering with the airlines and the FAA.

Organizational Strategic Goal: Leverage Resources and Technology

Organizational Key initiative: NA

Objective: Continue to enhance community relations and information-sharing initiatives to include ongoing Noise Program Office website developments, enhanced responsive website design and proactive, simplified communication to members of the public.

Organizational Strategic Goal: Strengthen Partnerships and Relationships

Organizational Key initiative: NA

Objective: Implementation of the required elements of the First Amendment to the Noise Mitigation Program Consent Decree, including the completion of the 2015 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.

Organizational Strategic Goal: Strengthen Partnerships and Relationships

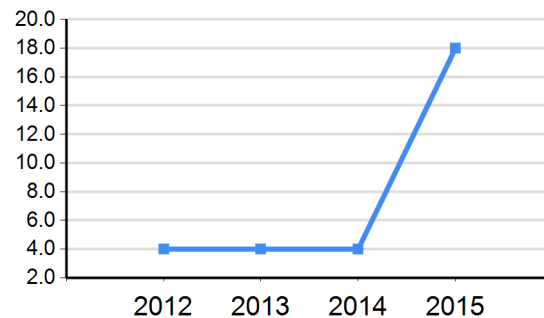
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: *Number of website news articles*

Description	Organizational Initiative	Unit of Measure	Target
Publish regular website news articles.	Environment	Number	12 per year

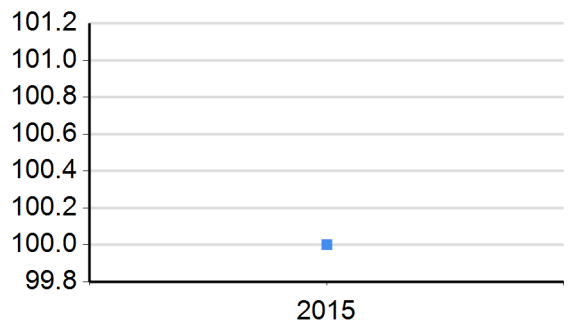
Results		
Year	Year End	Comments
2012	4	
2013	4	
2014	4	
2015	18	News articles transitioned to electronic delivery, resulting in increased publications.



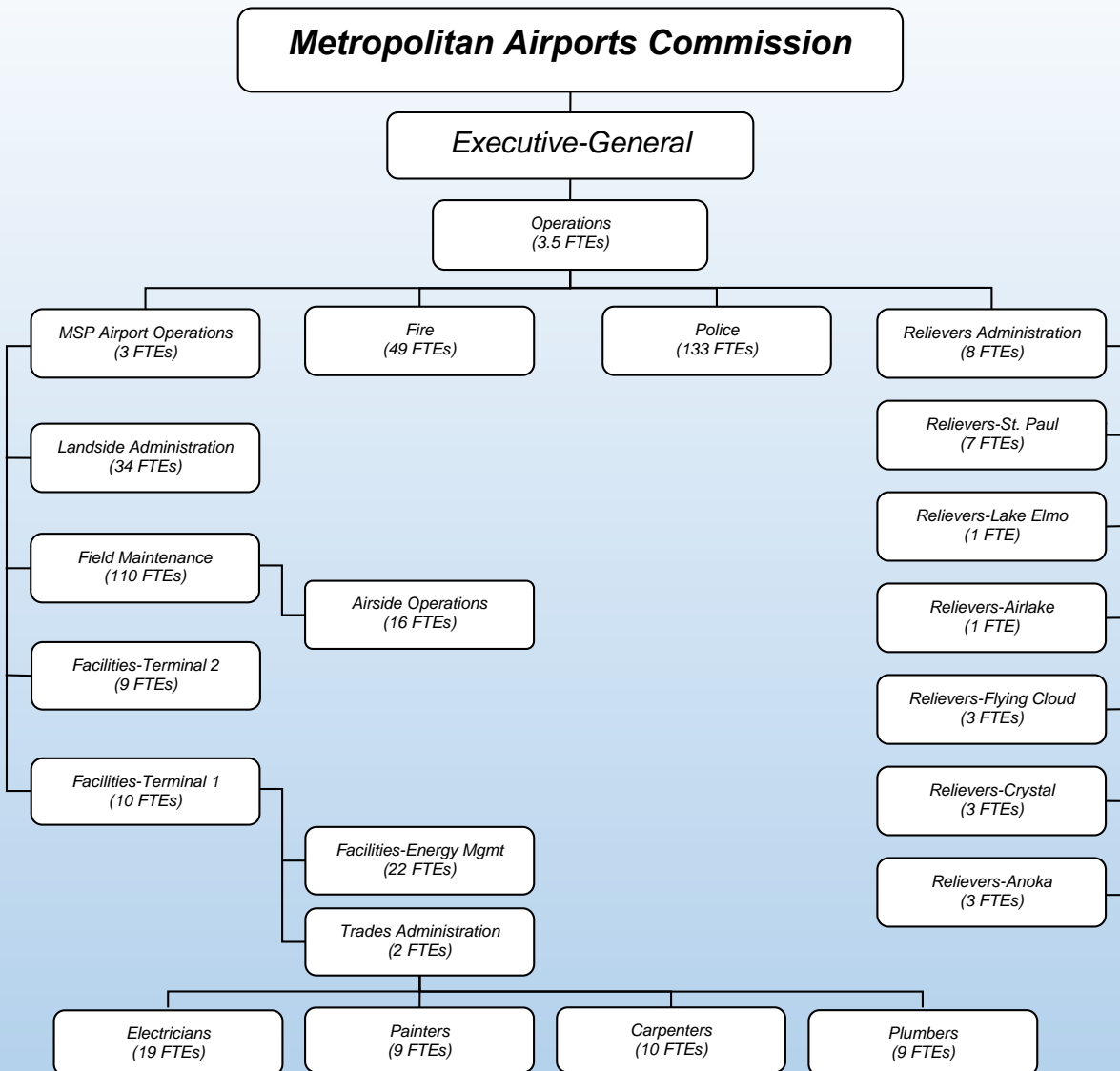
Measure: NOC Work Plan Completion

Description	Organizational Initiative	Unit of Measure	Target
Complete the items on the NOC Work Plan.	Environment	%	100%

Results		
Year	Year End	Comments
2015	100	The NOC 2015 Work Plan was successfully completed.



Management & Operations Division



Notations to Service Center Summaries:

- Variance (dollars and %) is computed between 2015 Budget and 2016 Budget amounts
- The explanations for the variances are based upon the 2015 Budget and 2016 Budget amounts
- Negative variances, in most cases, are the result of reductions in one-time expenses or budget reductions
- FTE count is stated as of January 1, 2016 and may not reflect the 2016 Personnel budget calculated in mid 2015.

OPERATIONS

Operations is responsible for oversight and administration of the departments that manage the day-to-day operations of the MAC's system of airports. These departments include Police, Fire, MSP Operations, and Reliever Airports. 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

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	353,683	380,655	334,894	(45,761)	-12.0%
Administrative Expenses	12,183	8,500	8,500	0	0.0%
Professional Services	20,000	20,000	22,000	2,000	10.0%
Utilities	1,680	840	840	0	0.0%
Operating Services/Expenses	999	850		(850)	-100.0%
Maintenance				0	0.0%
Other	897			0	0.0%
Total Budget	389,442	410,845	366,234	(44,611)	-10.9%

Full-time Equivalent (FTE) Total	3.5	3.5	3.5
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HIGHLIGHTS OF BUDGET

- Personnel Although Personnel increased for wage structure adjustments and step increases, it decreased overall as the service center transitioned a replacement for a retirement.
- Professional Services Professional Services increased for Aviation Innovation due to increased services and coordination efforts.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Coordinate and facilitate a regional Irregular Operations Summit.

Results: A Regional Irregular Operations Summit was held September 17, 2015 with over 40 persons in attendance. This event brought together airport operations staff, airlines, fixed base operators, the Federal Aviation Administration, Transportation Security Administration, Customs and Border Protection and other stakeholders from a seven-state region to discuss collaboration, communication and service plans to address aircraft diversions and other irregular operations that may occur throughout the year.

Objective: Conduct an operational assessment for a MSP Safety and Operations Center.

Results: Operations Staff conducted preliminary space needs assessments and discussed the results with our Airport Development staff. As part of the 2016 Capital Improvement Plan, architects will work with operational staff to develop building needs and draft designs for an MSP Safety and Operations Center in 2016.

2016 SERVICE CENTER OBJECTIVES

Objective: Coordinate and facilitate a regional Irregular Operations Summit.

Organizational Strategic Goal: Strengthen Partnerships and Relationships

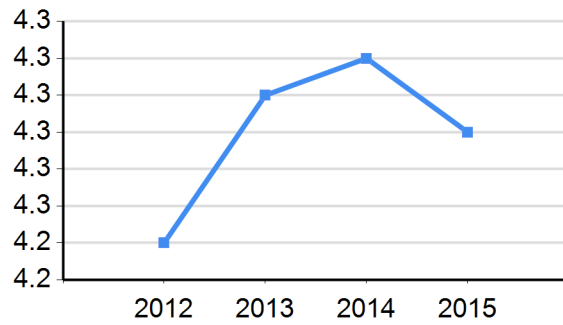
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Overall satisfaction with the airport

Description	Organizational Initiative	Unit of Measure	Target
ASQ performance rating of all travelers (1 to 5 scale).	Customer Experience	Number	5

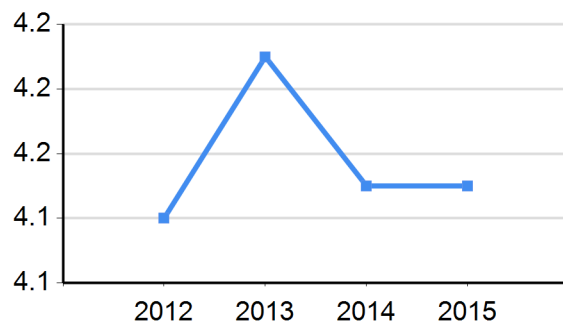
Results		
Year	Year End	Comments
2012	4.24	
2013	4.28	
2014	4.29	
2015	4.27	



Measure: Overall satisfaction with the airport - business travelers

Description	Organizational Initiative	Unit of Measure	Target
ASQ rating of business travelers (1 to 5 scale).	Customer Experience	Number	5

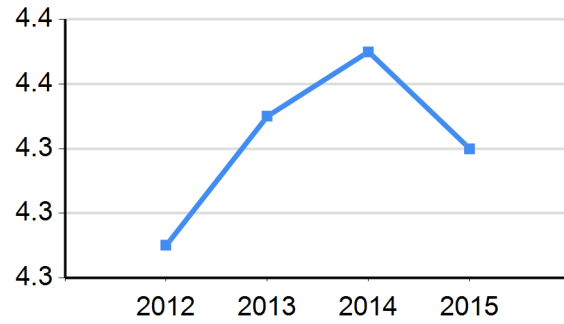
Results		
Year	Year End	Comments
2012	4.14	
2013	4.19	
2014	4.15	
2015	4.15	



Measure: Overall satisfaction with the airport - leisure travelers

Description	Organizational Initiative	Unit of Measure	Target
ASQ rating of leisure travelers (1 to 5 scale).	Customer Experience	Number	5

Results		
Year	Year End	Comments
2012	4.31	
2013	4.35	
2014	4.37	
2015	4.34	



MSP AIRPORT OPERATIONS

MSP Airport Operations 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 department.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	316,088	339,437	330,604	(8,832)	-2.6%
Administrative Expenses	29,172	33,918	36,230	2,312	6.8%
Professional Services	22,914	38,920	38,920	0	0.0%
Utilities	4,780	5,860	4,635	(1,225)	-20.9%
Operating Services/Expenses	102,306	96,415	106,665	10,250	10.6%
Maintenance				0	0.0%
Other	18,778	24,999	10,029	(14,970)	-59.9%
Total Budget	494,038	539,549	527,083	(12,465)	-2.3%

Full-time Equivalent (FTE) Total

3 3 3

HIGHLIGHTS OF BUDGET

- Personnel Although Personnel increased for wage structure adjustments and step increases, the primary decrease in this category is due to interns now being budgeted in MAC General.
- Administrative Expenses The primary increase in this category is the raise in postage rates and an increase in travel for benchmarking of other airports.
- Utilities The primary decrease in Utilities is due to a reduction in cellular usage.
- Operating Services/Expenses The primary increase in Operating Services/Expenses is for the Navigating Autism and Emergency Preparedness programs.
- Other The primary decrease in Other Expenses is due to not needing computers as was necessary in 2015.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Help facilitate improved Airport Service Quality (ASQ) scores related to waiting time at the security checkpoints from the previous two-year average.

Results: The 4th Quarter 2015 ASQ score was 4.18, compared to the two-year (2013-2014) average of 4.05, an improvement of 0.13.

Objective: 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.

Results: In 2015, the Travelers Advisory Committee and the Travelers with Disabilities Advisory Committee each met four times, for a total of eight meetings.

2016 SERVICE CENTER OBJECTIVES

Objective: Help facilitate improved ASQ scores related to waiting time at the security checkpoints from the previous two year average.

Organizational Strategic Goal: Provide a Great Customer Experience

Organizational Key initiative: Improve passenger security screening throughput capacity by consolidating checkpoints and expanding checkpoint 1 at Terminal 1 by February, 2016

Objective: The goal of the Travelers with Disabilities Advisory Committee is to promote equitable access for all travelers. To that end, add accessibility chapter to MAC design & construction standards document.

Organizational Strategic Goal: Provide a Great Customer Experience

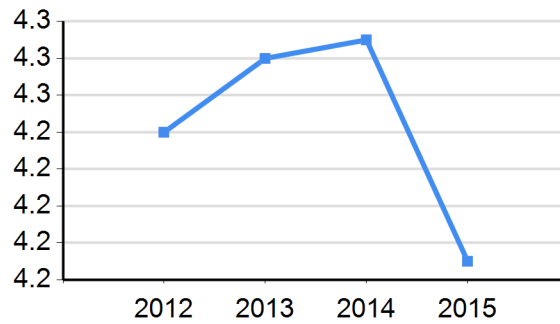
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Overall satisfaction with airport

Description	Organizational Initiative	Unit of Measure	Target
Airport service quality (ASQ) score.	Customer Experience	Number	>4.54

Results		
Year	Year End	Comments
2012	4.24	
2013	4.28	
2014	4.29	
2015	4.17	Major remodeling will impact the score.



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 FAR Part 139-Airport Certification. The department conducts airfield safety inspections and determines the operating status of the airport. Airside Operations coordinates airfield activities with FAA Air Traffic Control facilities and air carrier tenants. The department is responsible for managing the snow and ice control plan, the wildlife control program, construction safety, and the airfield driver's training/testing program. Airside Operations is the 24/7 non-emergency point-of-contact for airport tenants.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	1,436,661	1,466,983	1,526,654	59,671	4.1%
Administrative Expenses	68,611	96,511	86,315	(10,196)	-10.6%
Professional Services	114,954	111,000	132,800	21,800	19.6%
Utilities	15,867	18,040	20,202	2,162	12.0%
Operating Services/Expenses	200,947	237,000	161,274	(75,726)	-32.0%
Maintenance	31,064	31,000	31,000	0	0.0%
Other	31,342	65,600	30,000	(35,600)	-54.3%
Total Budget	1,899,447	2,026,134	1,988,245	(37,889)	-1.9%

Full-time Equivalent (FTE) Total

15

16

16

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is due to the reconciliation of actual overtime needed as compared to actual dollars spent in past years as well as wage structure adjustments and step increases.
- Administrative Expenses The decrease in Administrative Expenses is due to the transfer of computers and software to the IT budget.
- Professional Services The increase in dollars is in part due to a reallocation of weather services to Professional Services and the additional increase is for USDA Wildlife Services to conduct a Wildlife Hazard Assessment at the Minneapolis-St. Paul International Airport.
- Utilities The increase in Utilities is due to the need for additional data devices.
- Operating Services/Expenses The majority of this decrease is due to the reduction of IT maintenance services and transfer of some of those services currently being managed by Airside Operations to the IT department.
- Other The decrease is due to the transfer of computers and software to the IT service center.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Issue an updated MSP Airport Operations Area 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 at MSP during the 2015 calendar year.

Results: The MSP AOA driving ordinance revision has been delayed until 2016. There were no vehicle/pedestrian runway incursions at MSP in calendar year 2015.

Objective: 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, determine, within three years, if there is a business case for the formation of a security and operations control center facility at MSP.

Results: A placeholder in the Capital Improvement Program has been established for a security and operations control facility at MSP.

2016 SERVICE CENTER OBJECTIVES

Objective: 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 2016 calendar year.

Organizational Strategic Goal: Strengthen Partnerships and Relationships

Organizational Key initiative: NA

Objective: Establish baseline AOA driving statistics in two categories: 1) the number of AOA motor vehicle accidents, 2) the number of written AOA citations. The goal is to identify the need for additional AOA driver's training requirements or for the implementation of an airport-wide driver's training and licensing program.

Organizational Strategic Goal: Strengthen Partnerships and Relationships

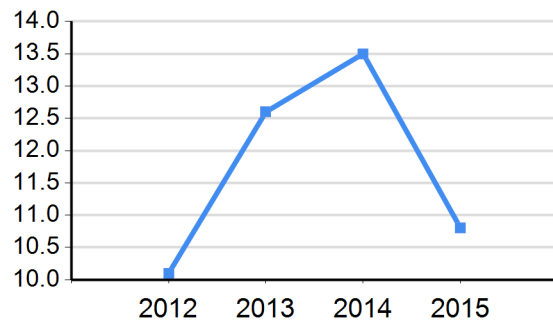
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: *Overtime as a percentage of total wages*

Description	Organizational Initiative	Unit of Measure	Target
Airside overtime as a % of total department wages.	Employee Engagement	%	< 11%

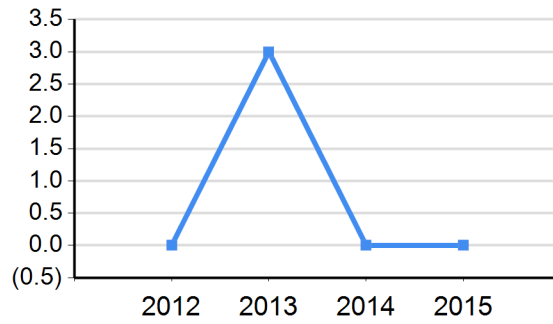
Results		
Year	Year End	Comments
2012	10.1	
2013	12.6	Higher winter operations expenses
2014	13.5	Shift coverage due to a resignation increased OT usage
2015	10.8	Met targeted goal



Measure: Number of MSP vehicle/pedestrian runway incursions

Description	Organizational Initiative	Unit of Measure	Target
Vehicle/pedestrian runway incursions that we have control over.	Safety & Security	Number	0

Results		
Year	Year End	Comments
2012	0	All vehicle operations; MAC and tenant drivers.
2013	3	All vehicle operations; MAC and tenant drivers.
2014	0	All vehicle operations; MAC and tenant drivers.
2015	0	Met targeted goal



LANDSIDE-ADMINISTRATION

Landside is responsible for the administration of public parking, employee parking, commercial vehicle operations, and Lost & Found program. This includes the parking facilities, commercial vehicle roadways, and related automated access and revenue control systems. Landside also manages the ground transportation regulations at MSP, including taxis, limousines, shared ride shuttles, charter buses, courtesy shuttles, etc. Additionally, the department oversees the inter-terminal transportation services provided by light rail and/or shuttle bus service, and acts as a liaison between the MAC and the Metropolitan Council for such services.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	1,849,212	1,949,723	2,016,119	66,396	3.4%
Administrative Expenses	79,521	105,597	73,705	(31,892)	-30.2%
Professional Services	16,327			0	0.0%
Utilities	6,446	6,740	7,027	287	4.3%
Operating Services/Expenses	8,269,092	11,428,383	10,208,719	(1,219,664)	-10.7%
Maintenance	227,236	242,983	204,000	(38,983)	-16.0%
Other	3,275	87,600	1,300	(86,300)	-98.5%
Total Budget	10,451,109	13,821,026	12,510,870	(1,310,156)	-9.5%

Full-time Equivalent (FTE) Total 24.5 34 35.5

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases.
- Administrative Expenses One time computer purchases were budgeted in 2015 and did not reoccur in 2016.
- Operating Services/Expenses Hours of operation for the Quick Ride Shuttle and cost per hour for the Light Rail Train are both decreasing. Parking management services decreased as the result of a new contract.
- Maintenance Maintenance decreased as the Super America taxi break room was completed resulted in the elimination of eight portable toilets.
- Other One time computer hardware items budgeted in 2015 did not reoccur in 2016.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Evaluate and recommend changes to taxicab and commercial vehicle operations at MSP.

Results: Landside is in the process of evaluating possible changes to taxicabs/commercial vehicle operations; including gathering information for a new Transportation Network Company (TNC) ordinance and taxicab virtual holding.

Objective: Evaluate and recommend changes in parking products and increase public parking revenue by 4%.

Results: Through December 31, 2015 public parking gross revenue increased year over year by 8.62%. Landside is currently operating a pilot program (ZipPass) that provides controlled access for the general public to public parking facilities using automatic vehicle identification tags.

Objective: Provide demand information and design input for additional Terminal1-Lindbergh parking.

Results: In 2015, Landside met weekly with MAC Airport Development and consultants to flush out design details and revenue control requirements for the new parking ramp currently under development.

2016 SERVICE CENTER OBJECTIVES

Objective: Evaluate and recommend changes in parking services and products.

Organizational Strategic Goal: Provide a Great Customer Experience

Organizational Key initiative: Complete the first of two restroom remodels in the Main Mall area at Terminal 1 by December, 2016

Objective: Work actively with Airport Development on the design and development of the new parking ramp.

Organizational Strategic Goal: Provide a Great Customer Experience

Organizational Key initiative: NA

Objective: Minimize the number of parkers diverted from Terminal 1-Lindbergh due to parking full conditions.

Organizational Strategic Goal: Provide a Great Customer Experience

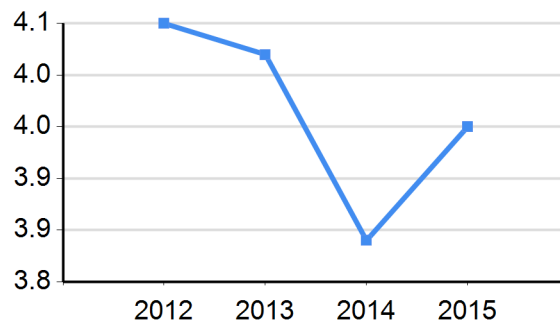
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: ASQ survey score for “Quarterly Parking Facilities”

Description	Organizational Initiative	Unit of Measure	Target
ASQ survey score for Quarterly Parking Availability survey results.	Customer Experience	Number	>4.0

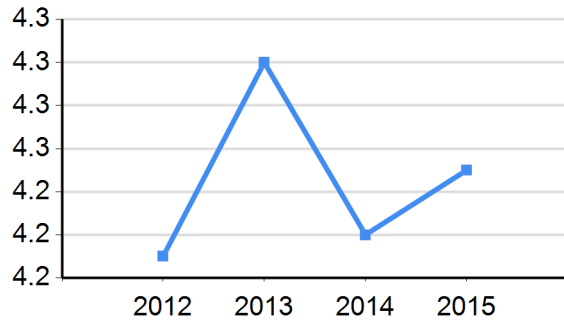
Results		
Year	Year End	Comments
2012	4.05	Goal achieved.
2013	4.02	Goal achieved.
2014	3.84	Goal nearly achieved.
2015	3.95	Goal nearly achieved



Measure: Ground Transportation to/from the airport

Description	Organizational Initiative	Unit of Measure	Target
ASQ survey score for Ground Transportation.	Customer Experience	Number	>4.2

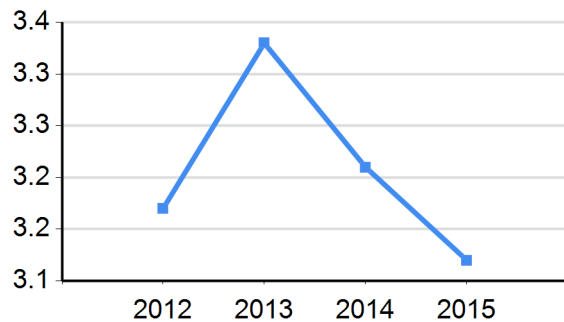
Results		
Year	Year End	Comments
2012	4.21	Goal achieved.
2013	4.3	Goal achieved.
2014	4.22	Goal achieved.
2015	4.25	Goal achieved



Measure: Parking facilities value for money

Description	Organizational Initiative	Unit of Measure	Target
ASQ Score on a 1 to 5 scale of value for the money of parking facilities.	Customer Experience	Number	>3.2

Results		
Year	Year End	Comments
2012	3.17	Goal nearly achieved.
2013	3.33	Goal achieved.
2014	3.21	Goal achieved.
2015	3.12	Goal nearly achieved



FIRE

The MSP Airport Fire Department is responsible for providing aircraft rescue and firefighting (ARFF), structural firefighting and first response emergency medical services to the MSP campus and some adjacent areas under agreement. The department is also responsible for fire code enforcement, investigation of all fires that occur within the service area, maintaining Federal Aviation Administration ARFF training and response requirements, and ensuring proper documentation for state and federal reporting requirements are met.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	4,501,953	4,594,827	4,838,716	243,889	5.3%
Administrative Expenses	12,485	15,295	28,631	13,336	87.2%
Professional Services	9,936	7,030	7,200	170	2.4%
Utilities	9,905	12,460	13,468	1,008	8.1%
Operating Services/Expenses	26,231	39,748	36,000	(3,748)	-9.4%
Maintenance	3,852	5,600	5,100	(500)	-8.9%
Other	150,440	155,620	197,900	42,280	27.2%
Total Budget	4,714,802	4,830,580	5,127,015	296,435	6.1%

Full-time Equivalent (FTE) Total 49 49 49

HIGHLIGHTS OF BUDGET

- Personnel Increases due to contracted wage adjustments, step increases and the uniform allowance. Overtime increased to reflect actuals from previous years. Training increased to cover higher costs of required training.
- Administrative Expenses Travel increased to allow more than 1 or 2 personnel to attend out of town conferences and training. The increase also includes Strategic Planning costs for the bench marking study.
- Utilities Cellular service for on duty supervisors, administration, and vehicle mobile data terminals have increased.
- Operating Services/Expenses Operating Services/Expenses decreased as service agreement costs moved to the IT cost center.
- Other A large purchase of firefighting foam is needed to complete a fuel farm fire suppression system project.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Perform Fire & Life Safety Inspections of all MAC and tenant out buildings on the MSP campus.
Results: Approximately 55% of MAC and tenant out buildings were inspected in 2015.

Objective: 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.
Results: Funds for travel have been programmed into the 2016 budget and will be used to complete a benchmarking study.

2016 SERVICE CENTER OBJECTIVES

Objective: Review and revise policies and procedures related to plan review, inspections, prevention and investigations.
Organizational Strategic Goal: Strengthen Partnerships and Relationships
Organizational Key initiative: NA

Objective: Review and revise Fire department apparatus replacement plan.

Organizational Strategic Goal: Integrate Sustainability into Our Culture

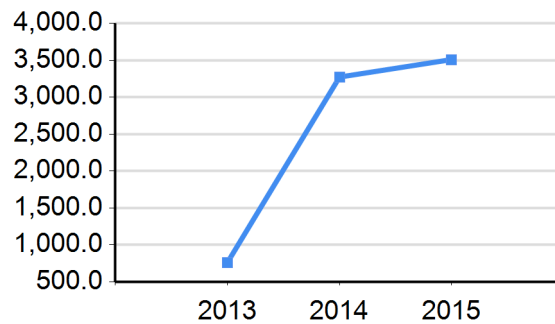
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Positive Public Interactions

Description	Organizational Initiative	Unit of Measure	Target
The number of positive interactions between fire department staff and the traveling public as part of WIG #2.	Customer Experience	Number	3000

Results		
Year	Year End	Comments
2013	760	New measure began in August 2013
2014	3274	
2015	3511	



POLICE

With public service as our foundation, every member of the Airport Police Department is committed to the preservation of peace, order, and safety. We are dedicated to the protection of life and property, the prevention of crime, and the deterrence of terrorism. 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. The department's vision is to be the standard of excellence in aviation policing throughout North America.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	11,106,947	11,793,329	12,600,387	807,058	6.8%
Administrative Expenses	257,529	254,776	265,843	11,067	4.3%
Professional Services	85,718	156,109	111,278	(44,831)	-28.7%
Utilities	60,071	72,780	72,221	(559)	-0.8%
Operating Services/Expenses	744,091	776,058	738,864	(37,194)	-4.8%
Maintenance	45,434	42,450	32,450	(10,000)	-23.6%
Other	188,427	444,922	379,314	(65,608)	-14.7%
Total Budget	12,488,216	13,540,424	14,200,357	659,933	4.9%

Full-time Equivalent (FTE) Total

125

133

134

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases along with the addition of one new FTE for a video surveillance specialist. Training will increase as a result of the need to keep abreast of changes in technology and operational issues.
- Administrative Expenses The increase is due to the higher cost of badging supplies, a new expense in 2016 for Learn Center supplies and a benchmarking study that will be undertaken by the Public Safety Divisions as part of the Strategic Planning process.
- Professional Services The decrease is due to a reduction in Learn Center costs related to course design and the update of SIDA videos completed in 2015, fewer background checks required for the more fully-staffed Emergency Communications Center and software consulting fees being moved to the IT service center budget in 2016.
- Operating Services/Expenses The decrease is due to computer service expenses moving to the IT budget.
- Maintenance The decrease is due to SAACS replacement parts being moved to the IT service center budget.
- Other The decrease is due to technology-related expenses being moved to the IT service center budget in 2016 and a reduction in required safety supplies.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: The Airport Police Department 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.

Results: In 2015, 'Insider Threat' presentations were conducted and we continued to spread the 'See Something Say Something' message and show the videos at the quarterly MSP Security Consortiums meetings. Tip Submit cards were handed out at SIDA training sessions and at the Badging Office. High-visibility patrols were conducted at key time periods and funded through grant dollars. The insider threat initiative has been moving forward with outreach to airline and tenant workgroups through our intelligence detective position. Threat Awareness training continues to be a focus for new badge holders during SIDA training. Additionally, we are working with the TSA to get information out on a new airport employee awareness program called "This is My Airport."

Objective: Develop and implement progressive readiness training including tabletops, mock drills and at least one scalable active shooter exercise with Airport Police Department officers, MAC employees, MAC Fire Department, EMS and our neighboring law enforcement partners by the end of 2015.

Results: The MAC conducted a large scale Emergency Response Exercise that exceeds FAA Part 139 tri-annual requirements, with airport tenants, mutual aid partners and first responder agencies. The exercise was a two-day event with numerous volunteers/role players and emergency responders. The event provided a great opportunity to identify areas of improvement and areas to sustain proficiency. Additionally, an active shooter exercise was conducted in Terminal 2-Humphrey with volunteers and airport stakeholders. Again, this event provided valuable, realistic training and identified areas for improvement.

2016 SERVICE CENTER OBJECTIVES

Objective: Using data provided by the new tracking system, begin directing patrol activity based upon predictable call locations.

Organizational Strategic Goal: Leverage Resources and Technology

Organizational Key initiative: NA

Objective: Evaluate the current threat and continue to work on security threat awareness 'See Something Say Something' campaign/training bulletins for MAC employees, airport tenants and travelers.

Organizational Strategic Goal: Leverage Resources and Technology

Organizational Key initiative: NA

Objective: Conduct, at a minimum, one progressive readiness training and exercise that is built on the previous year's training and associated drills geared toward the readiness of all airport employees by the end of 2016.

Organizational Strategic Goal: Strengthen Partnerships and Relationships

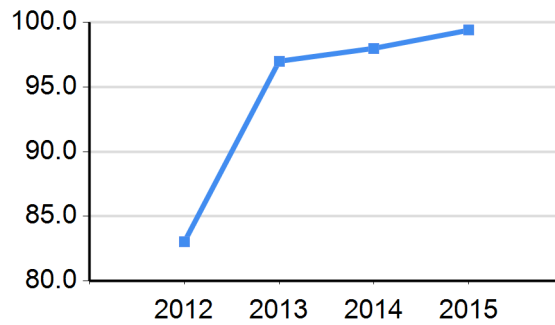
Organizational Key initiative: Develop and implement a strategic communication plan for ongoing dialogs with the local community, citizens of Minnesota, business leaders, stakeholders, passengers and employees by December, 2016.

SERVICE CENTER PERFORMANCE

Measure: Percent of 911 calls answered in 10 seconds or less

Description	Organizational Initiative	Unit of Measure	Target
911 calls answered in accordance with NENA Standard 56-005.	Safety & Security	%	90%

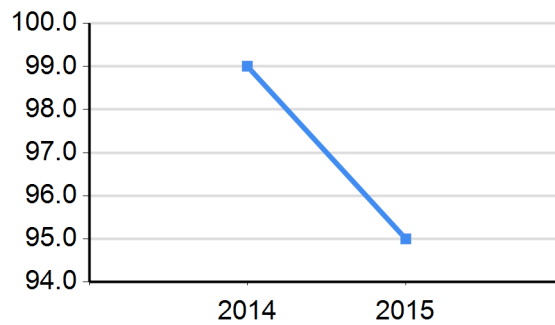
Results		
Year	Year End	Comments
2012	83	
2013	97	
2014	98	
2015	99.4	Percent of calls answered in 10 seconds or less.



Measure: Percent of emergency call processed and dispatched within 60 seconds

Description	Organizational Initiative	Unit of Measure	Target
Emergency call processing and dispatching in accordance with NFPA Standard 1221.	Safety & Security	%	90%

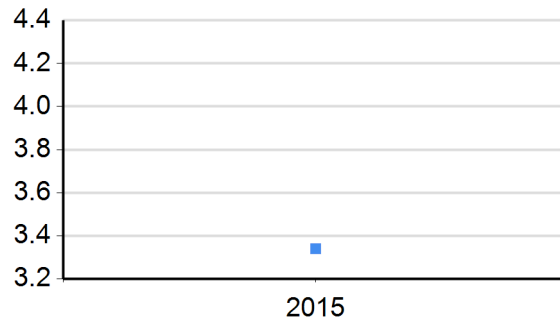
Results		
Year	Year End	Comments
2014	99	New measure in 2014
2015	95	



Measure: Police response times from dispatch to arrival within 5 minutes

Description	Organizational Initiative	Unit of Measure	Target
Average police response time in minutes for Priority 1 and Priority 2 calls.	Safety & Security	Number	5

Results		
Year	Year End	Comments
2015	3.34	New measure in 2015.



Objective: Install Automated Passport Control (APC) Kiosks in Terminal 2-Humphrey Federal Inspection Service (FIS) Facility to reduce passenger wait times in Customs Primary processing.

Results: Installation of 10 APC kiosks at Terminal 2-Humphrey FIS is complete.

2016 SERVICE CENTER OBJECTIVES

Objective: Expand Terminal 2-Humphrey curbside check-in facilities to support increased use by Terminal 2 airlines.

Organizational Strategic Goal: Provide a Great Customer Experience

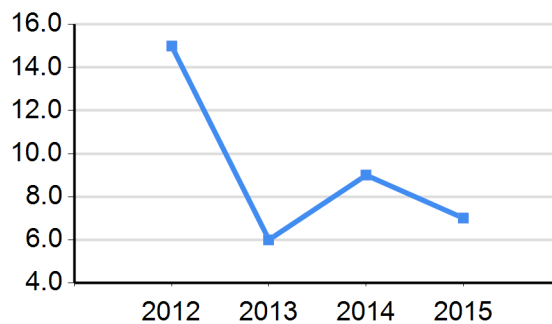
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Terminal 2-Humphrey passenger complaints

Description	Organizational Initiative	Unit of Measure	Target
Annual number of Terminal 2-Humphrey facility-related complaints	Customer Experience	Number	<10

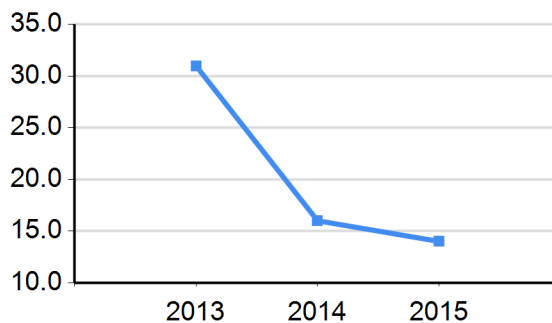
Results		
Year	Year End	Comments
2012	15	
2013	6	Reduced target to 15 for 2013 & 2014
2014	9	
2015	7	Reduced target to 10 for 2015



Measure: Average wait time at checkpoints - peak time of day

Description	Organizational Initiative	Unit of Measure	Target
Average time (minutes) waiting in security checkpoint queue during busy time of day at Terminal 2-Humphrey	Customer Experience	Number	<20 minutes

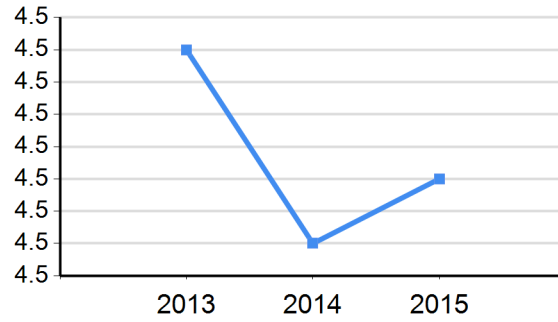
Results		
Year	Year End	Comments
2013	31	T2 checkpoint project
2014	16	TSA Pre-Check added to ckpt #1 in 2014
2015	14	Testing TSA Pre-Check at chkpt #2 in Q1



Measure: ASQ Score - Terminal Cleanliness

Description	Organizational Initiative	Unit of Measure	Target
Maintain an Airport Service Quality survey score of 4.51 or higher for overall terminal cleanliness at Terminal 2-Humphrey	Customer Experience	Number	4.51

Results		
Year	Year End	Comments
2013	4.53	Spirit Airlines started
2014	4.5	Adding ABM janitorial staff January 1st, 2015.
2015	4.51	Added ABM janitorial staff 1/1/15. Spirit Airlines relocated to Terminal 1-Lindbergh.



FACILITIES-TERMINAL 1

Facilities Management is responsible for the operation, maintenance and cleaning of the terminal facilities and all of 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 MAC 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 MSP at a level consistent with the expectations of its internal and external customers and partners.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	660,726	725,652	766,255	40,603	5.6%
Administrative Expenses	6,486	9,423	10,000	577	6.1%
Professional Services	242,252	271,947	298,762	26,815	9.9%
Utilities	6,084	6,450	7,584	1,134	17.6%
Operating Services/Expenses	3,047,676	3,269,113	3,325,602	56,489	1.7%
Maintenance	20,481,474	21,728,993	24,895,710	3,166,717	14.6%
Other	25,264	10,020	6,850	(3,170)	-31.6%
Total Budget	24,469,962	26,021,598	29,310,763	3,289,165	12.6%

Full-time Equivalent (FTE) Total

10 10 9

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases and includes a summer intern.
- Administrative Expenses The primary increase in Administrative Expenses is for three trips to benchmark airports but is offset by reductions in this category to more accurately reflect historical cost averages.
- Professional Services The increase in Professional Services is for elevator/escalator/moving walk/trams consulting for increased scope of work and testing.
- Utilities The increase in Utilities is needed for additional staff cell phones and data needs.
- Operating Services/Expenses Primary increases in this category are the increased use of luggage carts in both F.I.S. facilities and the increased usage of Porter Services at T-1 Baggage Claim.
- Maintenance Maintenance increased due to contractual increases and the addition of the G Concourse for cleaning and maintenance as well as additions to our elevator/moving walks contract.
- Other A reduction in Other Expenses is due to the elimination of rental equipment and no current need for computers.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Maintain average Hub (Blue and Red parking ramps, car rental facility, Light Rail Transit, Checkpoint 10 and Buses/Oversize Vehicle area tram) and Concourse (passenger service tram on Concourse C) availability at 99% annually.

Results: Hub availability was maintained at 99.98% and Concourse availability was maintained at 99.63%.

Objective: Reduce material delivery visibility within terminals by 5% by the end of 2015.

Results: Total high-visibility material deliveries within the passenger areas of MSP Terminal 1-Lindbergh continued to decline in 4th Quarter 2015 compared to 2014. As measured by the Airport Material Intelligence System, total cu/ft. volumes within the terminal decreased by 3.5% while total airport volumes decreased by 10%

2016 SERVICE CENTER OBJECTIVES

Objective: Ensure 100 % of WIG work orders are completed.

Organizational Strategic Goal: Provide a Great Customer Experience

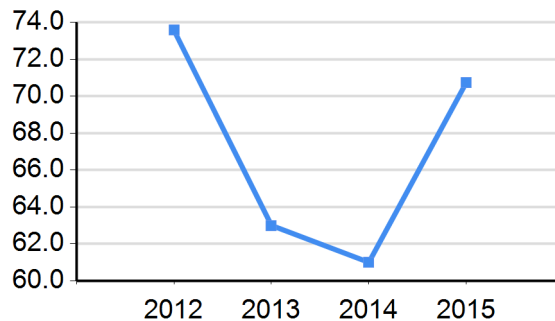
Organizational Key initiative: Complete the first of two restroom remodels in the Main Mall area at Terminal 1 by December, 2016

SERVICE CENTER PERFORMANCE

Measure: Elevator/escalator/moving walk callbacks

Description	Organizational Initiative	Unit of Measure	Target
Elevator/escalator/moving walk callbacks.	Operations	Number	<70.

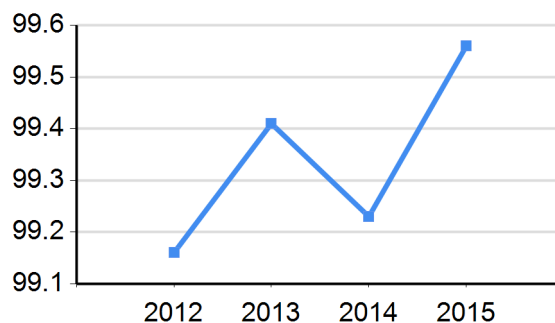
Results		
Year	Year End	Comments
2012	73.58	
2013	63	
2014	61	
2015	70.75	



Measure: C tram availability

Description	Organizational Initiative	Unit of Measure	Target
The percent of time the tram on the C concourse is in service during normal business hours.	Operations	%	99%

Results		
Year	Year End	Comments
2012	99.16	
2013	99.41	
2014	99.23	
2015	99.56	



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 19 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 carbon monoxide 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

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	1,561,450	1,571,829	1,598,273	26,444	1.7%
Administrative Expenses	4,103	4,545	4,550	5	0.1%
Professional Services	43,860	44,735	45,630	895	2.0%
Utilities	4,986	9,544	10,545	1,001	10.5%
Operating Services/Expenses	171,600	100,000	102,000	2,000	2.0%
Maintenance	1,874,837	1,856,275	1,610,079	(246,196)	-13.3%
Other	5,953	7,725	7,725	0	0.0%
Total Budget	3,666,789	3,594,653	3,378,802	(215,851)	-6.0%

Full-time Equivalent (FTE) Total

21

22

22

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases.
- Utilities The increase is for a cellular phone for an additional FTE for the G Concourse.
- Operating Services/Expenses Operating Services/Expenses increased for a contractual adjustment.
- Maintenance The primary decrease is due to moving fire alarm contract to the Trades budget which is offset by increased maintenance expense in the G Concourse.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Complete Energy Management Center (EMC) cooling tower by the end of December 2015.

Results: The new EMC cooling tower, which adds capacity and redundancy to the Terminal 1-Lindbergh cooling system, was installed and is fully functional.

Objective: Open Architecture Building Automation (OABA)/Information Monitoring and Control (IMAC) Phase 7 to be complete by December 2015.

Results: 100% of Phase 7 of the OABA/IMAC system, which focused on upgrades to plumbing water meter monitoring and additional building environmental controls across the campus, was completed.

2016 SERVICE CENTER OBJECTIVES

Objective: Implement annual testing of G concourse steam release valves to insure safety and reliability.

Organizational Strategic Goal: Integrate Sustainability into Our Culture

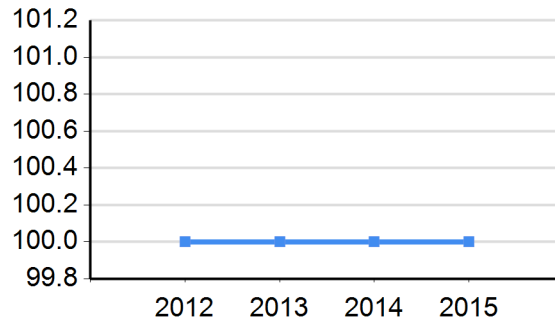
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Complete OABA 3, reliable HVAC controls

Description	Organizational Initiative	Unit of Measure	Target
Complete OABA 3, reliable HVAC controls	Finance	%	100%

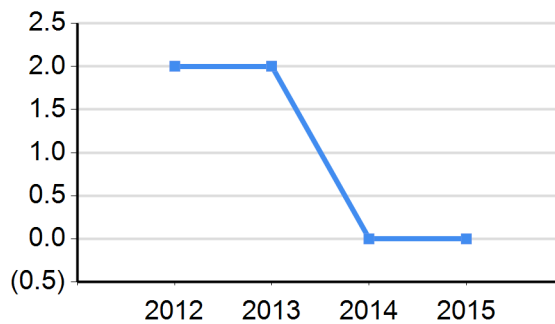
Results		
Year	Year End	Comments
2012	100	
2013	100	
2014	100	
2015	100	



Measure: OSHA reportable employee accidents

Description	Organizational Initiative	Unit of Measure	Target
Employee accidents	Safety & Security	Number	0

Results		
Year	Year End	Comments
2012	2	
2013	2	
2014	0	
2015	0	Our goal is to remain accident free every year.



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 Federal Aviation Administration 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 the MAC's airport system, fire alarms, and oversight and repair responsibility for the Light Rail Transit Platform.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	1,856,515	1,985,280	2,065,977	80,697	4.1%
Administrative Expenses	760			0	0.0%
Professional Services				0	0.0%
Utilities	11,633	20,642	20,642	0	0.0%
Operating Services/Expenses	211,021	212,000	321,667	109,667	51.7%
Maintenance	1,451,600	1,527,300	1,492,006	(35,294)	-2.3%
Other	29,732	39,000	31,600	(7,400)	-19.0%
Total Budget	3,561,262	3,784,222	3,931,892	147,670	3.9%

Full-time Equivalent (FTE) Total

18

19

19

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases. Also, additional staff and overtime is needed for taking over the operational control of the G Concourse. In addition, uniform costs have increased.
- Operating Services/Expenses The increase reflects the costs associated with maintenance contracts and the addition of the G Concourse to the MAC maintained areas.
- Maintenance Although Maintenance increased for the additional maintenance of the G Concourse, it is offset as a result of transferring the electrical motor budget to the EMC service center.
- Other This budget decrease reflects the transfer of computer purchases to the IT service center.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Test 100% of all Uninterruptable Power Supplies (UPS) by December 2015.

Results: In 2015 100% of the UPS units that are maintained by a contractor were tested.

Objective: Identify department needs by June 2015 for G Concourse takeover.

Results: The departmental needs for Concourse G have, for the most part, been identified. An additional electrician was hired to help manage the increased workload, and the 2016 budget request for Terminal 1-Lindbergh reflected the department's new responsibilities with regard to Concourse G.

2016 SERVICE CENTER OBJECTIVES

Objective: Have 100% of employees complete confined space entry training by December 31, 2016.

Organizational Strategic Goal: Develop Employee Talent

Organizational Key initiative: NA

Objective: Test 100% of UPS by December 31, 2016.

Organizational Strategic Goal: Leverage Resources and Technology

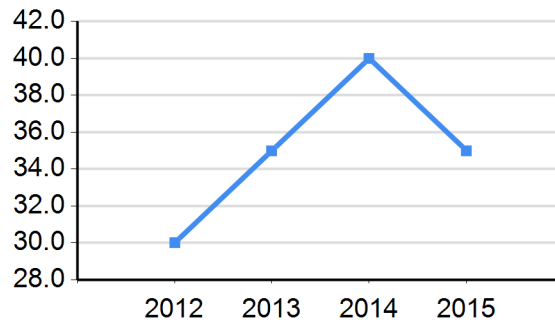
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Cross Training

Description	Organizational Initiative	Unit of Measure	Target
Cross training necessary to improve efficiencies.	Development	%	35

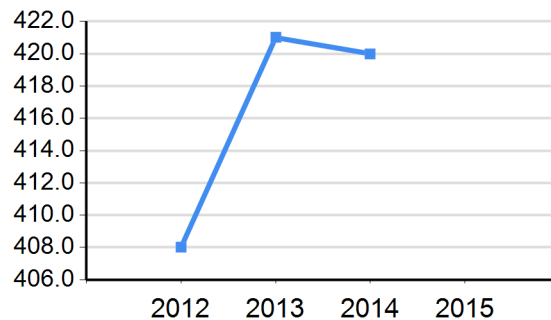
Results		
Year	Year End	Comments
2012	30	
2013	35	
2014	40	
2015	35	Percent completed. Cross training is improving efficiencies.



Measure: Uninterrupted Power Supply cost maintenance

Description	Organizational Initiative	Unit of Measure	Target
Uninterrupted Power Supply cost maintenance.	Finance	\$	<5% increase

Results		
Year	Year End	Comments
2012	408	Flat
2013	421	Unforeseen repairs were needed.
2014	420	
2015		Data not available at time of publication



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 Federal Aviation Administration (FAA)-mandated Airport Operations Area (AOA) markings at MSP and the Reliever Airports. 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, and security and directional signage at MSP and the Reliever Airports.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	789,845	909,211	953,847	44,636	4.9%
Administrative Expenses				0	0.0%
Professional Services				0	0.0%
Utilities	841	1,040	1,190	150	14.4%
Operating Services/Expenses				0	0.0%
Maintenance	235,594	242,805	280,499	37,694	15.5%
Other	18,014	25,749	17,403	(8,346)	-32.4%
Total Budget	1,044,293	1,178,805	1,252,939	74,134	6.3%

Full-time Equivalent (FTE) Total

8

9

9

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases. Also, additional staff and overtime is needed for taking over the operational control of the G Concourse along with an increase in uniform costs.
- Maintenance The increase is related to the more expensive paint required by the FAA for the runways.
- Other The 2015 budget consisted of a one-time purchase of tools that are not included in the 2016 budget.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Ensure 100% completion of weekly Wildly Important Goal-related work orders.

Results: 100% of weekly WIGs work orders were completed in 2015.

Objective: Reduce hazardous and non-hazardous waste by 25%.

Results: In 2015, the following totals for the MAC Paint Shop were reported to Hennepin County Hazardous Waste License: Latex Paint Waste (non-hazardous) = 2,000.0 pounds. Waste paint material (hazardous, oil paint/solvents) = 150.0 pounds. Paint sludge/solvent recycler still bottoms = 10.0 pounds. End of year numbers show a 40-pound decrease in total numbers reported in 2014.

2016 SERVICE CENTER OBJECTIVES

Objective: Reduce hazardous and non-hazardous waste by 10%.

Organizational Strategic Goal: Provide a Great Customer Experience

Organizational Key initiative: NA

Objective: Complete customer feedback phone survey from 50 % of departments/customers.

Organizational Strategic Goal: Provide a Great Customer Experience

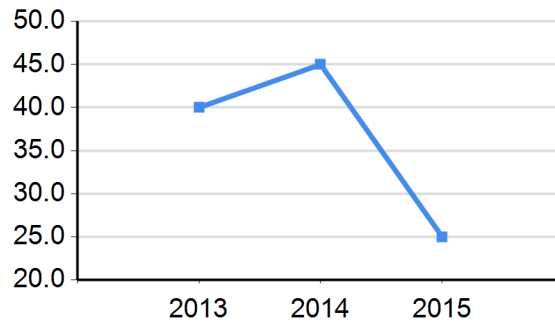
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Equipment cross-training

Description	Organizational Initiative	Unit of Measure	Target
Cross-training on painting equipment completed.	Operations	%	35%

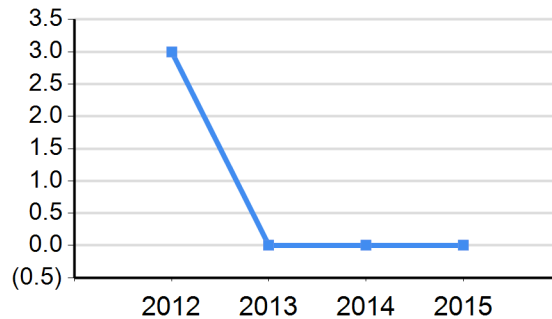
Results		
Year	Year End	Comments
2013	40	New measure in 2013
2014	45	
2015	25	



Measure: Number of lost time work accidents

Description	Organizational Initiative	Unit of Measure	Target
Lost days to work accidents.	Safety & Security	Number	0

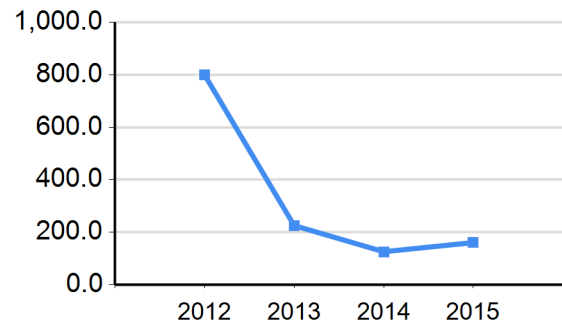
Results		
Year	Year End	Comments
2012	3	
2013	0	
2014	0	
2015	0	



Measure: Pounds of hazardous waste disposal

Description	Organizational Initiative	Unit of Measure	Target
The number of pounds of hazardous waste disposed of.	Environment	Number	< prior year

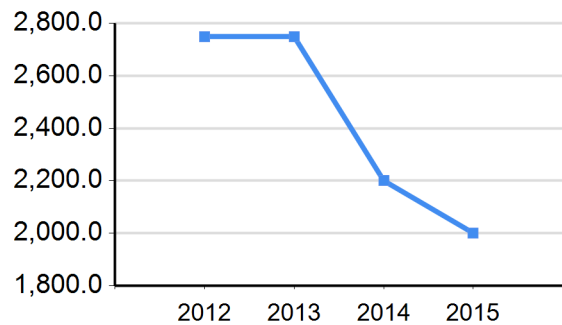
Results		
Year	Year End	Comments
2012	800	
2013	225	
2014	125	Results show hazardous oil-based paint disposal. As shown by these results, the new solvent recycler greatly reduced the disposal amount.
2015	160	An increase in hazardous waste in 2015 but still low numbers in comparative years.



Measure: Pounds of non-hazardous waste disposal

Description	Organizational Initiative	Unit of Measure	Target
The number of pounds of non-hazardous waste disposed of.	Environment	Number	< prior year

Results		
Year	Year End	Comments
2012	2750	
2013	2750	
2014	2200	
2015	2000	Small decrease in non-hazardous paint waste.

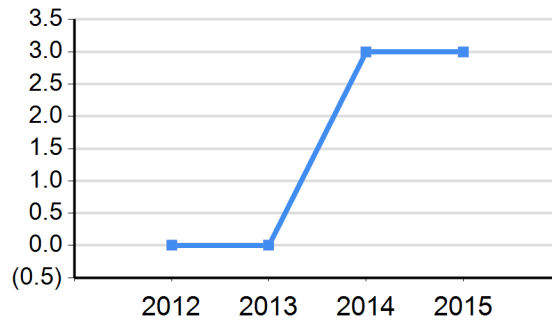


SERVICE CENTER PERFORMANCE

Measure: Lost time work accidents

Description	Organizational Initiative	Unit of Measure	Target
Lost time work accidents.	Safety & Security	Number	0

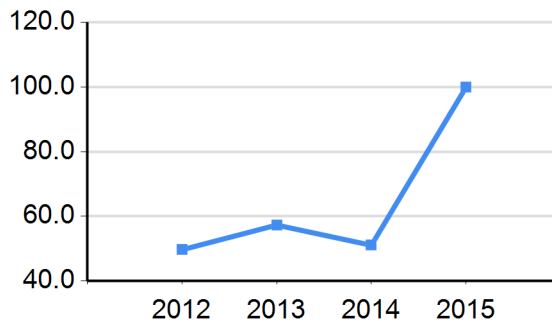
Results		
Year	Year End	Comments
2012	0	
2013	0	
2014	3	
2015	3	Our goal is to have no lost time work accidents.



Measure: Preventative maintenance workorders

Description	Organizational Initiative	Unit of Measure	Target
Preventative maintenance workorders.	Finance	%	> prior year

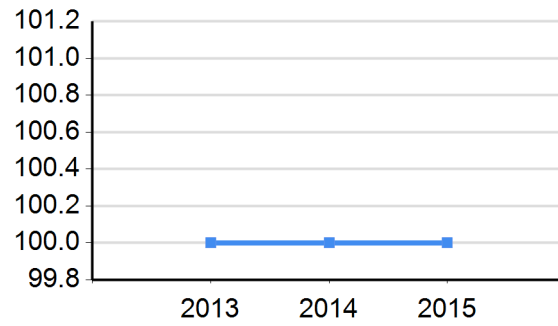
Results		
Year	Year End	Comments
2012	49.6	
2013	57.25	
2014	51	
2015	100	By increasing the number/percentage of preventative maintenance work orders, we will move from reactive to planned proactive work orders, thereby increasing time and financial effectiveness.



Measure: WIG-Restroom Work Orders

Description	Organizational Initiative	Unit of Measure	Target
Facilities WIG for 2014-Work orders on Restrooms.	Operations	%	100%

Results		
Year	Year End	Comments
2013	100	New measure in 2013
2014	100	
2015	100	



TRADES - PLUMBERS

The Plumbers are responsible for the water supply available to MSP users, 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, 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

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	1,223,191	1,388,360	1,489,968	101,609	7.3%
Administrative Expenses	1,257	350	4,100	3,750	1071.4%
Professional Services	19,995	30,000	30,000	0	0.0%
Utilities	7,220	12,301	8,400	(3,901)	-31.7%
Operating Services/Expenses	8,883	20,000	20,000	0	0.0%
Maintenance	361,506	366,538	405,722	39,184	10.7%
Other	4,323	42,500	18,300	(24,200)	-56.9%
Total Budget	1,626,374	1,860,049	1,976,490	116,442	6.3%

Full-time Equivalent (FTE) Total

9 9 9

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases as well as increased uniform costs. A temporary plumber will assist staff in achieving customer service goals and safety directives as put forth by MAC.
- Administrative Expenses The increase will allow for the purchase of updated field record drawings and aerial photos to be used for utility location of maintenance and construction projects.
- Utilities Utilities are reduced to bring the budget closer to actual costs for data plans for the E1 Content Management System (CMS) devices and monthly service plans for cellular devices.
- Maintenance The increase in Maintenance is due to the MAC acquisition of the G Concourse and Reliever Airport utility maintenance.
- Other The reduction in Other Expenses is the result of purchases made in 2015 but not needed in 2016.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: 100% code compliance with sanitary sewer industry standards.

Results: Sanitary sewers maintenance was 100% complete in 2015; sewers and lift stations were cleaned per industry standard.

2016 SERVICE CENTER OBJECTIVES

Objective: Survey the G Concourse to gather data on all plumbing fixtures for deficiencies.

Organizational Strategic Goal: Provide a Great Customer Experience

Organizational Key initiative: NA

Objective: Maintain the sanitary sewer collection system to industry standards.

Organizational Strategic Goal: Leverage Resources and Technology

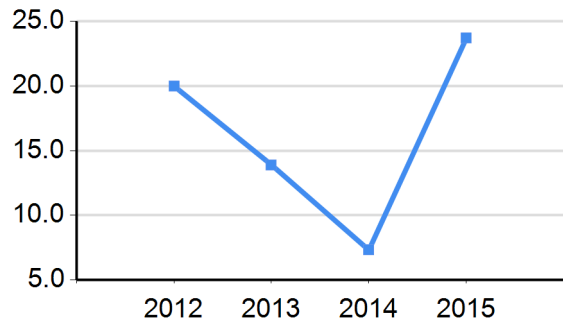
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: MSP campus irrigation water consumption

Description	Organizational Initiative	Unit of Measure	Target
Total irrigation water usage in gallons at MSP.	Finance	Number	< prior year

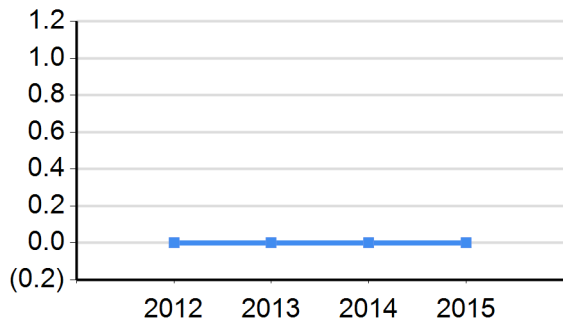
Results		
Year	Year End	Comments
2012	20	This performance measure began in 2012. Number is in millions.
2013	13.9	Number is in millions.
2014	7.3	MSP campus irrigation water consumption down from 2013 due largely from a significant spring rainfall and construction projects that shut off a large area of irrigation at T2. Number is in millions.
2015	23.7	Irrigation water usage higher than expected. Contributors to this increase were construction related damage to irrigation systems and lack of rain during certain times of the season. Number is in millions.



Measure: Lost time work accidents

Description	Organizational Initiative	Unit of Measure	Target
Lost time work accidents.	Safety & Security	Number	0

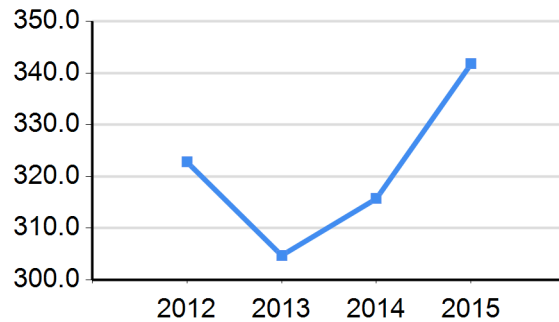
Results		
Year	Year End	Comments
2012	0	
2013	0	
2014	0	
2015	0	



Measure: Overall MSP water consumption

Description	Organizational Initiative	Unit of Measure	Target
Total water consumption in gallons.	Finance	Number	< prior year

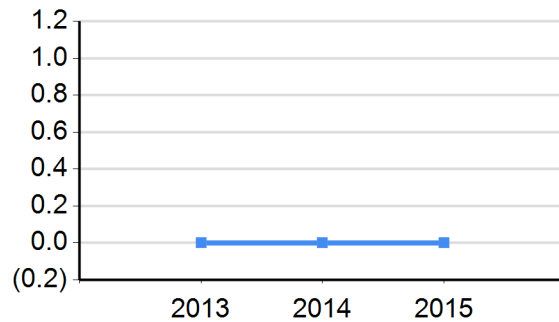
Results		
Year	Year End	Comments
2012	322.8	Number is in millions.
2013	304.7	Number is in millions.
2014	315.7	Total year end water usage at MSP higher than the target. Number is in millions.
2015	341.8	Water main break on 3/22/2015 large water loss. Number is in millions.



Measure: Sanitary sewer overflows

Description	Organizational Initiative	Unit of Measure	Target
Amount of sanitary sewer overflows within the collection system.	Operations	Number	0

Results		
Year	Year End	Comments
2013	0	
2014	0	New measure in 2013. Sanitary sewer cleaning and lift station cleaning completed in November 2014 with no overflows to report.
2015	0	



TRADES - ADMINISTRATION

Trades-Administration is responsible for the administration and coordination of the carpenters, electricians, painters and plumbing divisions. Trades-Administration works on construction projects, enforces the construction standards, conducts construction inspections and oversees the computerized maintenance management system. Trades-Administration represents the Trades in the Capital Improvement Plan 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

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	170,296	217,360	223,002	5,642	2.6%
Administrative Expenses	3,832	7,748	7,700	(48)	-0.6%
Professional Services	328,307	228,931	274,931	46,000	20.1%
Utilities	840	4,140	4,140	0	0.0%
Operating Services/Expenses	40,713	29,828	31,908	2,080	7.0%
Maintenance			385,318	385,318	100.0%
Other	11,654	29,330	29,500	170	0.6%
Total Budget	555,642	517,337	956,499	439,162	84.9%

Full-time Equivalent (FTE) Total

2 2 2

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases.
- Professional Services The increase is due to contract pricing along with historical actuals adjustments.
- Operating Services/Expenses Increase for maintenance agreements.
- Maintenance Maintenance increased due to the transfer of the fire alarm contract budget from Energy Management Center into Trades - Administration.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: Weekly inspections and completion of work orders in timely manner with Facilities WIG of increasing restroom cleanliness and asset down time.

Results: In 2015, we had 100% completion on weekly inspections and generated repair work orders.

Objective: Create a safety training matrix by the end of 2015.

Results: The training matrix, which includes monthly updating, was completed in 2nd Quarter 2015. All information has been entered and is up-to-date.

2016 SERVICE CENTER OBJECTIVES

Objective: Ensure all Trades performance reviews are completed by December 31, 2016.

Organizational Strategic Goal: Develop Employee Talent

Organizational Key initiative: NA

Objective: Update employee training matrix quarterly.

Organizational Strategic Goal: Develop Employee Talent

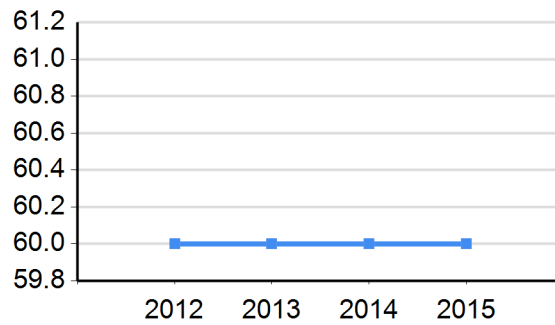
Organizational Key Initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Foreman minutes spent entering data into the Work Order System

Description	Organizational Initiative	Unit of Measure	Target
Foreman Time in Work Order System to 30 min/Day.	Operations	Number	30 minutes

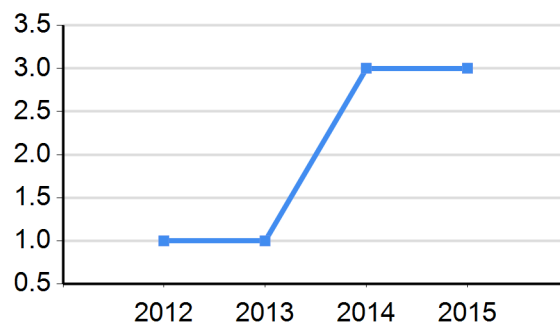
Results		
Year	Year End	Comments
2012	60	New measure in 2012
2013	60	
2014	60	
2015	60	On average, staff enters data 30-60 mn per day.



Measure: Number of lost time work injuries all Trades Departments

Description	Organizational Initiative	Unit of Measure	Target
On the job Injuries for all Trades Departments.	Safety & Security	Number	2

Results		
Year	Year End	Comments
2012	1	
2013	1	
2014	3	
2015	3	



FIELD MAINTENANCE

The MAC Field Maintenance Department is responsible for pavement maintenance, pollution control, landscape/grounds maintenance, security fence and access gate maintenance, traffic control installation, signage installation, parking ramp maintenance and refuse removal. Winter responsibilities include the removal of snow from runways, taxiways, ramps, aircraft parking areas, airside roadways, public roadways, terminal sidewalks and MAC buildings. Maintenance personnel supervise contracted snow removal operators who remove snow from parking ramps and landside parking areas. The department maintains and repairs a fleet of more than 500 vehicles, and partners with other MAC departments to procure vehicles and related equipment.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	9,156,418	9,059,235	9,346,276	287,041	3.2%
Administrative Expenses	34,556	27,370	17,375	(9,995)	-36.5%
Professional Services	35,977	34,500	54,850	20,350	59.0%
Utilities	16,284	20,600	18,675	(1,925)	-9.3%
Operating Services/Expenses	28,693	23,100	66,595	43,495	188.3%
Maintenance	4,035,522	4,573,350	4,631,200	57,850	1.3%
Other	82,517	63,480	39,560	(23,920)	-37.7%
Total Budget	13,389,966	13,801,635	14,174,531	372,896	2.7%

Full-time Equivalent (FTE) Total

107

110

110

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases.
- Administrative Expenses Administrative Expenses decreased as computer software expenses transferred to the IT cost center.
- Professional Services Increases are needed for FAA-required annual maintenance of the Vehicle Movement Area Transponder (VMAT) equipment procured in 2015.
- Operating Services/Expenses Pollution control costs and hazardous waste disposal costs increased in 2016. Also, The MAC is hosting a major international airport operations conference in September, with funds budgeted to account for host airport responsibilities.
- Maintenance Equipment repair shop costs were adjusted based on average costs.
- Other Computer hardware expenses transferred to the IT cost center.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: 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.

Results: There were six preventable motor vehicle accidents involving MAC Field Maintenance personnel in 4th Quarter 2015, for a total of 12 preventable motor vehicle accidents in calendar year 2015.

2016 SERVICE CENTER OBJECTIVES

Objective: In conjunction with the Safety/Risk Management department, create and conduct safety presentations to educate staff on safe operating practices. The goal is to reduce on-the-job injuries by 10% over the previous year.

Organizational Strategic Goal: Develop Employee Talent

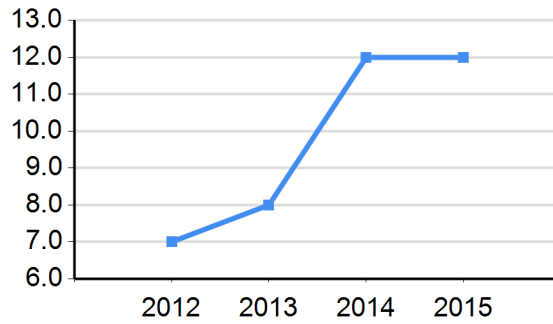
Organizational Key Initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Field Maintenance preventable vehicle accidents

Description	Organizational Initiative	Unit of Measure	Target
Field Maintenance vehicle accidents.	Safety & Security	Number	<7

Results		
Year	Year End	Comments
2012	7	
2013	8	Figures represent 'preventable' accidents only as rated by MAC Risk/Safety.
2014	12	
2015	12	Did not meet goal due to winter-related accidents



RELIEVERS - ADMINISTRATION

The Reliever Airports department is responsible for the operation, management and maintenance of six reliever airports. Staff is also responsible for the administration of over 800 tenant leases and contracts on the airport properties.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	729,279	785,313	789,187	3,874	0.5%
Administrative Expenses	13,020	22,705	22,810	105	0.5%
Professional Services	10,013	44,000	44,000	0	0.0%
Utilities	4,429	3,565	8,043	4,478	125.6%
Operating Services/Expenses	5,060	1,500	1,500	0	0.0%
Maintenance				0	0.0%
Other		1,000		(1,000)	-100.0%
Total Budget	761,801	858,083	865,540	7,457	0.9%

Full-time Equivalent (FTE) Total

8 8 8

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases.
- Utilities The increase is based upon higher costs for cellular device plans for maintenance staff 24/7/365 on-call capabilities.

2015 SERVICE CENTER OBJECTIVE RESULTS

Objective: 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.

Results: Two of the three buildings under construction at Flying Cloud Airport are complete, with the third anticipated to be complete in February 2016. The level of investment exceeds \$333,000.

Objective: Identify potential sites for public viewing stands at the Reliever Airports by the end of 2015.

Results: Viewing stands exist at the Anoka County-Blaine, Lake Elmo, and St. Paul Downtown Airports. Sites have been identified for stands at the Flying Cloud, Airlake, and Crystal Airports.

Objective: Continue to support the development of a GIS system for the Reliever Airports, including the development of leasehold exhibits.

Results: The GIS system is 98% complete and the Reliever Airport managers have access to utilize the system.

2016 SERVICE CENTER OBJECTIVES

Objective: Encourage the development of \$333,000 of on-airport tenant investment in new facilities by the end of 2016 in support of a 2015-2017 cumulative goal of \$1M.

Organizational Strategic Goal: Assure financial viability

Organizational Key initiative: Increase on airport tenant investments at the reliever airports a minimum of \$300,000 by the December, 2016

Objective: Construct the public viewing stands on the relevant airports that are identified in the 2015 planning process.

Organizational Strategic Goal: Provide a Great Customer Experience

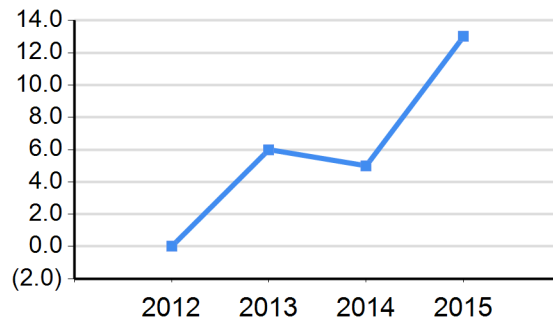
Organizational Key initiative: NA

SERVICE CENTER PERFORMANCE

Measure: Total Reliever Runway Incursions

Description	Organizational Initiative	Unit of Measure	Target
Vehicle-Pedestrian Incursions.	Safety & Security	Number	0

Results		
Year	Year End	Comments
2012	0	
2013	6	5 vehicle, 1 pedestrian
2014	5	5 vehicle, 0 pedestrian
2015	13	12 vehicle, 1 pedestrian



RELIEVERS - ST. PAUL

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the Reliever Airport. The department staff manages the properties, including the administration of leases. The staff also responds to tenant, airport user and community issues and concerns.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	636,968	597,979	638,009	40,030	6.7%
Administrative Expenses	2,780	2,444	4,050	1,606	65.7%
Professional Services	11,818	15,000	15,000	0	0.0%
Utilities	893	1,196	1,360	164	13.7%
Operating Services/Expenses	7,735	7,095	8,200	1,105	15.6%
Maintenance	165,250	142,560	155,700	13,140	9.2%
Other	3,232	982	1,200	218	22.2%
Total Budget	828,675	767,256	823,519	56,263	7.3%

Full-time Equivalent (FTE) Total

7 7 7

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases. Also, based on the historical average for the past 3 years, additional staff is needed for annual airport events and to cover expanded hours of airport operations with around the clock business jet aircraft.
- Administrative Expenses Additional monies are added to the budget for manager professional development as well as adjustments to reflect the historical average for administrative support in maintaining five independent work locations.
- Operating Services/Expenses Additional funds are needed for the increased attendance at the annual Airport Open House event.
- Maintenance The increase is based upon historical spending, inflation and increased service demands on equipment, parts and supplies.
- Other Other expenses increased for the City of St. Paul certificate of occupancy permits for the administrative building.

RELIEVERS - LAKE ELMO

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the Reliever Airport. The department staff manages the properties, including the administration of leases. The staff also responds to tenant, airport user and community issues and concerns.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	104,748	101,984	107,628	5,644	5.5%
Administrative Expenses	500	290	290	0	0.0%
Professional Services	12,911	12,000	12,000	0	0.0%
Utilities	323	435	453	18	4.1%
Operating Services/Expenses				0	0.0%
Maintenance	33,167	46,500	44,100	(2,400)	-5.2%
Other	981	500	500	0	0.0%
Total Budget	152,630	161,709	164,971	3,262	2.0%

Full-time Equivalent (FTE) Total

1 1 1

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases as well as additional costs for temporary employees and uniforms.

RELIEVERS - AIRLAKE

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the Reliever Airport. The department staff manages the properties, including the administration of leases. The staff also responds to tenant, airport user and community issues and concerns.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	97,237	92,411	95,041	2,630	2.8%
Administrative Expenses	557	342	355	13	3.8%
Professional Services	11,818	12,177	12,420	243	2.0%
Utilities	340	415	453	38	9.2%
Operating Services/Expenses				0	0.0%
Maintenance	30,882	23,375	24,945	1,570	6.7%
Other		452	450	(2)	-0.4%
Total Budget	140,834	129,172	133,664	4,492	3.5%

Full-time Equivalent (FTE) Total

1 1 1

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases.
- Maintenance The Maintenance budget increased to reflect historical spending for maintaining airport equipment as well as an increase for a required change in airfield deicers.

RELIEVERS - FLYING CLOUD

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the Reliever Airport. The department staff manages the properties, including the administration of leases. The staff also responds to tenant, airport user and community issues and concerns.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	223,072	259,266	256,136	(3,131)	-1.2%
Administrative Expenses	1,457	950	1,010	60	6.3%
Professional Services	13,919	13,500	13,500	0	0.0%
Utilities	314	1,168	1,170	2	0.2%
Operating Services/Expenses				0	0.0%
Maintenance	62,880	71,000	77,650	6,650	9.4%
Other	167	500	500	0	0.0%
Total Budget	301,810	346,384	349,966	3,581	1.0%

Full-time Equivalent (FTE) Total

3

3

4

HIGHLIGHTS OF BUDGET

- Personnel Although Personnel increased for wage structure adjustments and step increases, it decreased overall because no temporary employees are needed in 2016.
- Maintenance The Maintenance budget increased to reflect historical spending for maintaining airport equipment as well as an increase for a required change in airfield deicers.

RELIEVERS - CRYSTAL

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the Reliever Airport. The department staff manages the properties, including the administration of leases. The staff also responds to tenant, airport user and community issues and concerns.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	288,131	253,283	281,249	27,966	11.0%
Administrative Expenses	2,118	2,075	2,125	50	2.4%
Professional Services	11,845	13,000	12,000	(1,000)	-7.7%
Utilities	623	660	741	81	12.3%
Operating Services/Expenses				0	0.0%
Maintenance	54,199	60,000	61,900	1,900	3.2%
Other	834	500	500	0	0.0%
Total Budget	357,750	329,518	358,515	28,997	8.8%

Full-time Equivalent (FTE) Total

3

3

3

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases. Also, based on a 3-year average, additional staff hours are needed to maintain safe operating conditions and operational efficiencies.
- Utilities The increase is based upon higher costs for cellular device plans for maintenance staff 24/7/365 on-call capabilities.
- Maintenance The increase includes the expected inflation of materials and parts to maintain the airfield and equipment.

RELIEVERS - ANOKA

The Reliever Airport staff is responsible for the operation, maintenance, and administration of the Reliever Airport. The department staff manages the properties, including the administration of leases. The staff also responds to tenant, airport user and community issues and concerns.

BUDGET SUMMARY

	2014 Actual	2015 Budget	2016 Budget	\$ Variance	% Variance
Personnel	271,997	263,744	336,760	73,016	27.7%
Administrative Expenses	1,911	1,375	1,325	(50)	-3.6%
Professional Services	66,193	28,000	28,000	0	0.0%
Utilities	323	1,260	1,300	40	3.2%
Operating Services/Expenses	96,394	148,000	152,000	4,000	2.7%
Maintenance	79,695	75,400	77,000	1,600	2.1%
Other	861	350	700	350	100.0%
Total Budget	517,375	518,129	597,085	78,956	15.2%

Full-time Equivalent (FTE) Total

4 3 3

HIGHLIGHTS OF BUDGET

- Personnel The increase in Personnel is attributable to wage structure adjustments and step increases. Also, based on the historical average for the past 3 years, additional staff is needed for annual airport events and to cover expanded hours of airport operations due to air traffic with piston and jet aircraft.
- Operating Services/Expenses Professional contract service agreements for the maintenance of the equipment in the air traffic control tower, transmitters and receivers increased in 2016.
- Maintenance The Maintenance budget increased to reflect historical average spending as well as higher costs for materials and parts.

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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 2005 versus 2014 and emphasizes the changes that occurred when comparing the percentage in each category to the total. The average annual percentage increase in revenue from 2005 to 2014 (3.0%) is slightly less than the annual percentage increase in expenses from 2005 to 2014 (3.5%).

HISTORICAL OPERATING REVENUE & OPERATING EXPENSE SUMMARY 2005 VS 2014 (\$ = 000)						
	2005		2014		2005-2014 Change \$	Annual % Change
	\$	% of Total	\$	% of Total		
Operating Revenue						
Airline Rates & Charges	\$ 81,946	35.9%	\$ 111,005 *	37.2%	\$ 29,059	3.4%
Concessions	99,278	43.5%	136,445	45.7%	37,167	3.6%
Rentals/Fees	0	0.0%	34,117	11.4%	34,117	
Utilities & Other Revenue	0	0.0%	16,768	5.6%	16,768	
Other	46,948	20.6%		0.0%	(46,948)	-100.0%
Total Operating Revenue	\$ 228,172	100.0%	\$ 298,335	100.0%	\$ 117,111	3.0%
Operating Expenses						
Personnel	\$ 59,049	52.2%	\$ 72,358	47.0%	\$ 13,309	2.3%
Administrative Expenses	1,179	1.0%	1,610	1.0%	430	3.5%
Professional Services	3,359	3.0%	4,972	3.2%	1,613	4.5%
Utilities	14,444	12.8%	20,873	13.5%	6,429	4.2%
Operating Services	12,492	11.0%	19,583	12.7%	7,090	5.1%
Maintenance	18,943	16.7%	31,377	20.4%	12,434	5.8%
Other	3,758	3.3%	3,325	2.2%	(433)	-1.4%
Total Operating Expenses (excludes depreciation and noise amortization)	\$ 113,225	100.0%	\$ 154,097	100.0%	40,872	3.5%
Operating Income (Loss) (excludes non operating)	\$ 114,947		\$ 144,238		\$ 29,291	2.6%

* 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 2005 (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 3.4% between the years of 2005 and 2014. This is due in part to landing fees and expanded terminal facilities necessary to accommodate the growth in passenger activity between 2005 and 2014. Landing fees are calculated on a breakeven basis with revenue and expense being equal. The increase between 2005 and 2014 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 (3.6%). 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 0.9% 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 2005 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 2005 to 2014 by \$13.3 million. This equates to an average annual increase of 2.3%. Full Time Equivalents (FTEs) in 2005 were at 557 while FTE positions in 2014 were at 576. 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 3.5% as a result of the higher costs related to travel expenses and computer software.
- ◆ Professional Services increased 4.5% when comparing 2005 actual expenses to the total expenses for 2014. The majority of the increase was related to computer consulting.
- ◆ Utilities increased 4.2% between 2005 and 2014 and reflect the higher costs of natural gas and electricity along with an increase in facilities.
- ◆ Operating Services increased 5.1% between the years 2005 and 2014 due to additional contracts such as the 2013 implementation of the porter service in baggage claim and increases in service agreements.
- ◆ Maintenance increased 5.8% between 2005 and 2014 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 1.4% primarily as a result of less liability insurance costs when annualized between the years 2005 and 2014.



Present-day

**Minneapolis-St. Paul International Airport
Terminal 1- Lindbergh in 1963**

Facility Expansion Lindbergh and HHH				
	2005	2015	Increase	% Increase
Lindbergh & Regional				
Terminal Square Footage	2,766,774	2,841,143	74,369	2.7%
Number of Gates (Aircraft Loading Positions)	117	114	-3	-2.6%
Ramp Lineal Footage	11,302	11,302	0	0.0%
Humphrey Terminal				
Square Footage	398,134	595,699	197,565	49.6%
Number of Gates	10	10	0	0.0%
Parking (All Facilities)	19,928	23,281	3,353	16.8%

The chart above compares the development and expansion of the major facilities at MSP International Airport between 2005 and 2015. The significance of this growth impacts both revenue and expenses. 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.

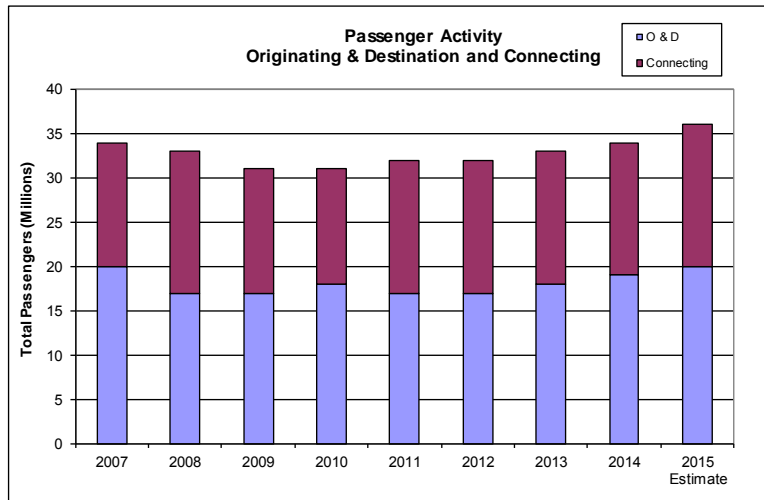
The following table identifies major new facilities that have been completed since 2006.

Major New Facilities Completed 2006 through 2015			
<u>New Facilities</u>	<u>Closing Date</u>	<u>New Facilities</u>	<u>Closing Date</u>
North Terminal Expansion	2006	FAA Building Upgrades	2011
Runway 4/22 Tunnel	2006	2008/2012 Part 150 Noise Sound Insulation Prog	2012
Trinity School Acquisition	2006	Terminal 2 Phase A Security Check Pt	2012
HHH Terminal Projects	2006	Terminal 2 Fuel Facility Relocation	2012
Lindbergh Terminal EDS Bldg. Shell	2006	Terminal 1 Folded Plate Drain Roof Repair	2012
Taxiway CD Phase 3	2007	Perimeter Fence Security Improvement	2012
In-line Baggage Screening System	2007	Terminal 1 Jet Bridge Replacements	2012
Runway 12R/30L Reconstruction Segment 2	2007	Lindbergh South Baggage Screening – Phase 2	2013
St. Paul Airport Runway Improvements	2008	IT Date Center Facility – Phase 1 & 2	2013
HHH Terminal Parking Expansion	2008	Terminal 2 – Apron Expansion	2013
St. Paul Airport Runway Safety Area	2008	I-494/34 th Ave. Interchange (Diverging Diamond)	2013
Perimeter Fence/Gate Barrier System	2008	Concourse G Roof Replacements	2013
St. Paul Airport-Dike Excavation	2008	North Side Storm Sewer (Ponds 3 & 4)	2013
Runway 12L/30R Reconstruction - Segment 2	2009	Post Road Fuel Farm Fire Protection Improvement	2013
North/South Runway-Bloomington Land Acquisition	2009	Conveyance System Upgrades	2013
HHH Terminal Parking Facility Expansion	2009	2014 Pavement Rehabilitation-Aprons	2014
St. Paul Airport - Flood Protection: Perimeter Dike	2009	Terminal 1-Checked Baggage Inspection system	2014
Lindbergh Sprinkle System - Phase 3	2009	Terminal 1-Bag Claim Fire Protection System	2014
MUFIDS Phase 2	2010	Terminal 2-Auto Rental Facility	2014
Lindbergh Terminal Carpet	2010	2012iVISN Projects (CCTV) Phase 1&2, Camera Replacements	2014
HHH Skyway Expansion	2010	Solar Panels on Blue/Red Parking Ramp	2015
Flying Cloud Airport-Runway 10R/289L Extension	2010	Terminal 1 FIS Expansion Gate 8 Holding Room	2015
2008/2009 Part 150 Noise Sound Insulation Prog	2010	2014 Airline Accomodations	2015
Concourse G Expansion Site Preparation	2011	2014 iVISN-CCTV Improvements	2015
Taxiway C Extension to HHH Remote	2011	2015 Terminal 1 Modular Cooling Tower Installment	2015
Lindbergh Sprinkle System - Phase 4	2011		

Note: Lindbergh=Terminal 1 HHH=Terminal 2

Activity/Operations Statistics

This section contains the historical and forecasted levels of activity for the period 2008 through 2016 in the MAC’s system of airports.



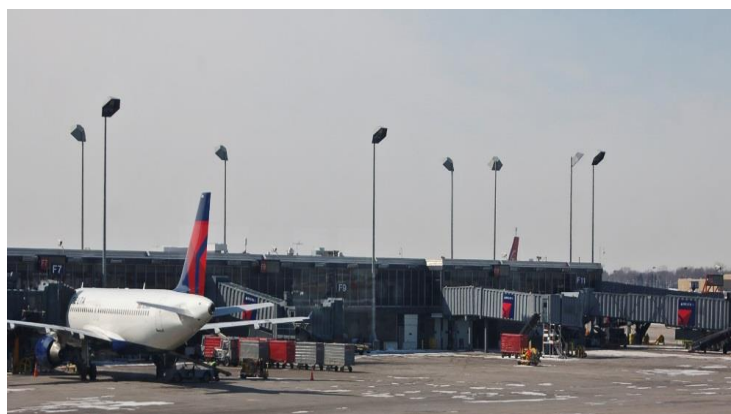
The above chart illustrates passenger activity that occurred at MSP International Airport during the time period 2007 to 2015. The following highlights recent activity affecting passenger activity.

- 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 passenger
- 2014 - Increase in passengers due to a stronger economy
- 2016 - Budget projecting an increase in passenger activity of 2% over 2015 estimates based upon airline projections and a stronger economy

	2012 Actual	2013 Actual	2014 Actual	2015 Estimate	2016 Budget
Passenger Type					
Enplaned	8,667,889	8,929,724	9,290,977	9,791,389	9,938,260
Deplaned	8,698,441	8,957,947	9,380,281	9,825,002	9,972,377
Connecting	<u>14,704,298</u>	<u>14,880,428</u>	<u>15,418,190</u>	<u>15,878,034</u>	<u>16,116,205</u>
Total Passengers	<u>32,070,628</u>	<u>32,768,099</u>	<u>34,089,448</u>	<u>35,494,425</u>	<u>36,204,314</u>

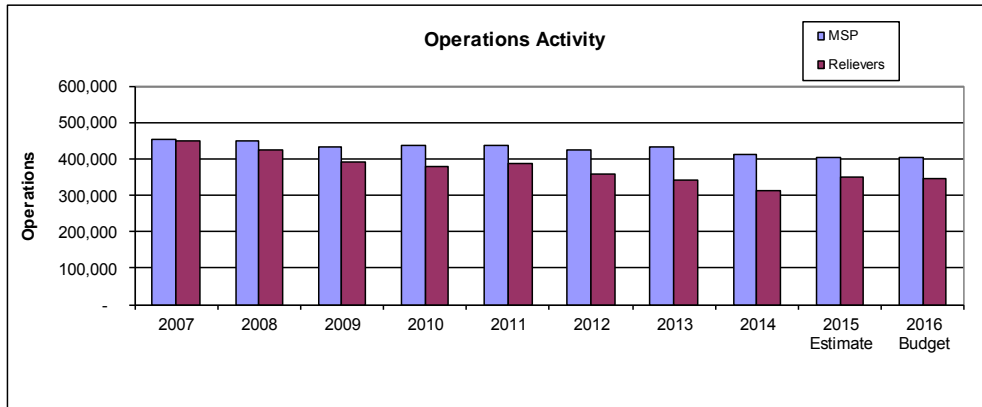
Estimates of passenger activity form an important element in forecasting revenue each year. The above chart represents actual passenger statistics for 2012, 2013 and 2014 with estimates for 2015 and budget 2016. The following categories are each used in a specific manner when calculating revenue:

- ◆ 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.

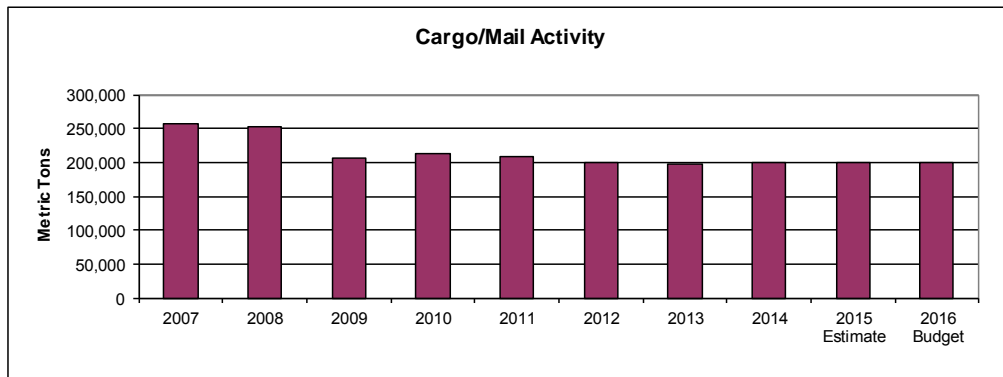


Delta Air Lines Operations at Terminal 1-Lindbergh

The following 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 below as a result of airline bankruptcies, acquisitions, the recession and aircraft size. The 2016 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 2007 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 2016 remains consistent with prior year activity.



Parking Rules Were Enforced at Wold-Chamberlain Field in 1951

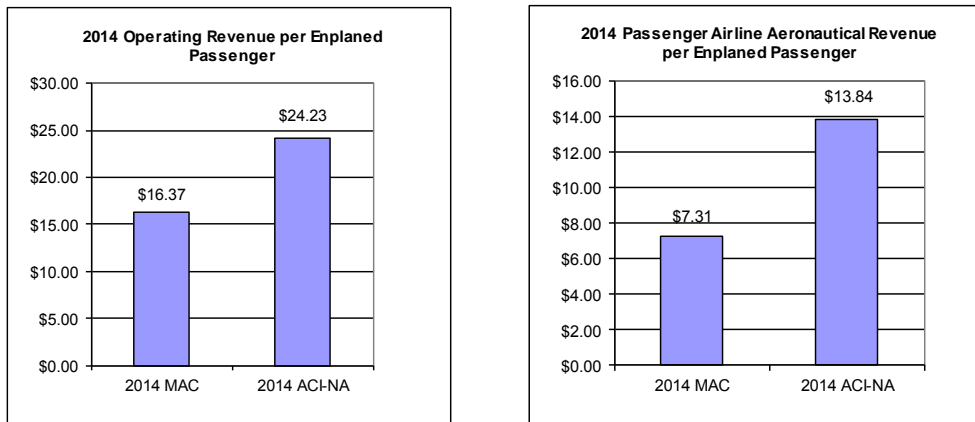
National Comparisons

The information presented in this section was obtained from the national airport survey prepared by Airports Council International-North American (ACI-NA) dated September 2015. 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 2014:

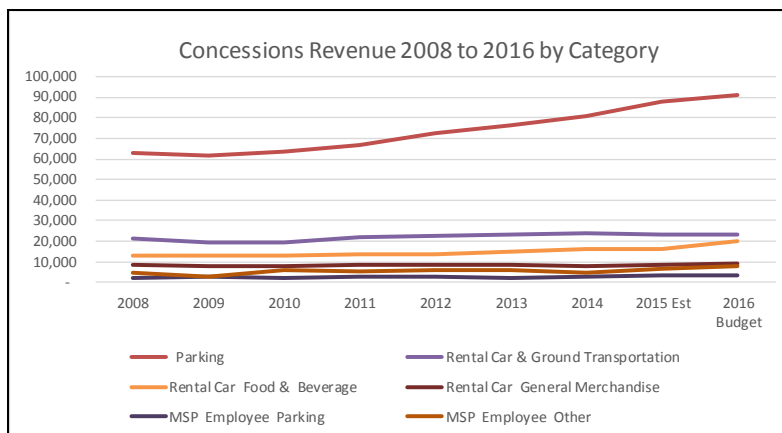


Operating Revenue per Enplaned Passenger compares MAC's revenue of \$16.37 per enplaned passenger to other large hub airports of \$24.23. The difference is primarily attributable to MAC's lower operating costs as these costs are used to calculate airline rates and charges.

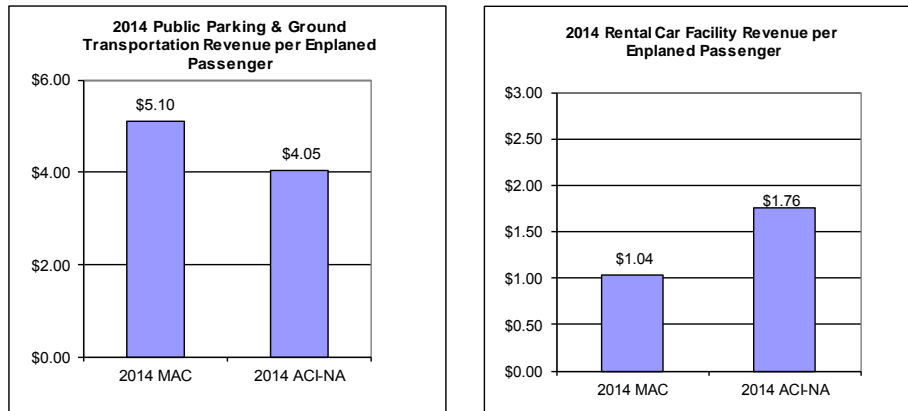
Passenger Airline Aeronautical Revenue per Enplanement Passenger in the above chart measures how much airlines pay the airport on a per enplaned passenger basis. Cargo revenue is not included. MAC's ratio is below the median by \$6.53/enplanement. The primary reason for this difference is MAC's lower 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.)

The table and chart below presents historical concession revenues from 2008 to 2014, estimate for 2015 and the 2016 budget. (Please see Operating Budget Revenue for additional details.)

2016 Budget Concession Revenues (\$ = 000)							
Year	Parking	Rental Car & Ground Transportation	Food & Beverage	General Merchandise	MSP Employee Parking	Other	Total
2008	62,748	21,409	12,807	8,553	2,424	4,942	112,883
2009	61,546	19,429	13,052	8,082	2,586	2,685	107,380
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	80,658	23,751	16,128	8,245	2,917	4,745	136,444
2015 Est	88,000	23,451	16,500	8,350	3,325	6,440	146,066
2016 Budget	90,731	23,562	20,130	9,394	3,409	8,137	155,363

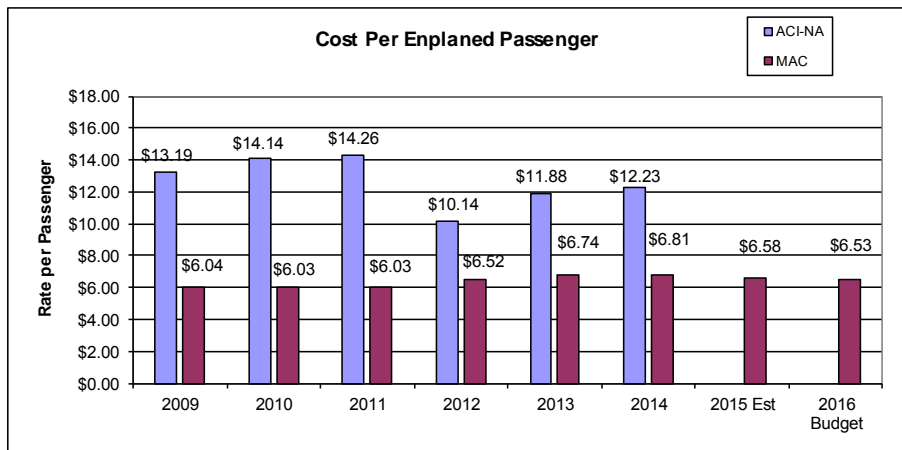


The following two charts represent MAC's comparison with other large hub airports for Parking and Ground Transportation and Rental Car Facility. MAC, in 2014, is higher than the national average for parking and ground transportation by \$1.05. However, MAC is lower in generating revenue from rental car facilities by \$0.72.



Industry Comparisons - Other

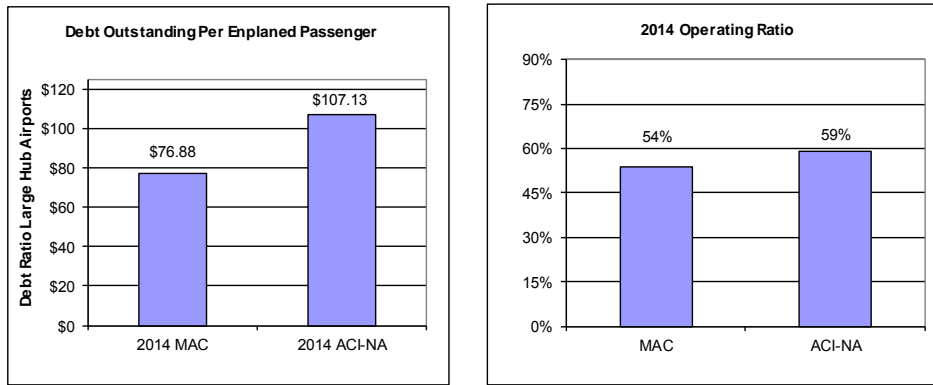
The following section compares MAC to industry performance ratios. These ratios are based on 2014 financial and operating data (the most recent available) and have been used for purposes of comparison. All MAC data is based upon actual 2014 information.



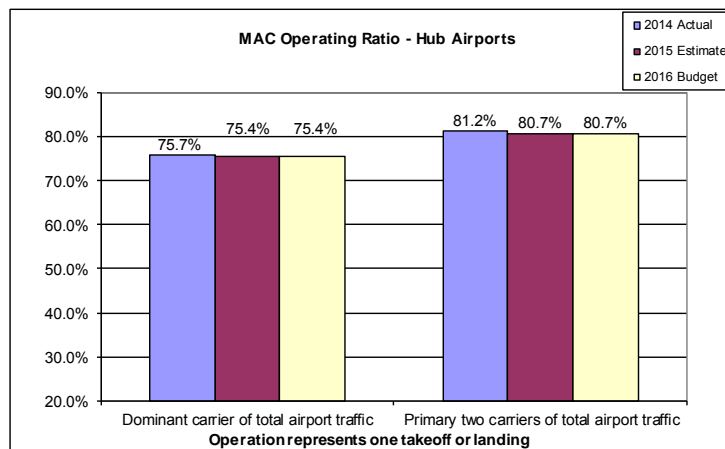
The above chart, Cost per Enplaned Passenger Comparison, historically compares MSP's operating expenses for airlines in the airfield, ramp, terminal buildings and international facilities per enplaned passenger to the average cost per enplaned passenger as indicated in the ACI-NA report. In 2014, MAC's expense of \$6.81 per passenger (which is in the lower third of large hub airports) is less than the 2014 national average of \$12.23 and is attributable to MAC's lower operating costs.

Debt outstanding per enplaned passenger is calculated by dividing total outstanding General Airport Revenue Bond (GARB) debt by the number of enplaned passengers. The chart on the next page 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 2014 Operating Ratio is calculated by dividing total operating expenses, excluding depreciation, by total operating revenues. As shown on the next page, 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. As shown below, the 2016 budget is projecting no change in the Delta percentages from the 2015 estimate. The second largest carrier in 2015 was United Airlines with 5.3% of total airport traffic.



Informative Facts about Minnesota

Minnesota is a dynamic and flourishing state for a variety of reasons. A number of Fortune 500 companies are located within the state as Minnesota’s culture promotes financial prosperity. The Minnesota education rates exceed the national average which, in turn, 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

Despite the sometimes frigid weather, Minnesota’s population continues to grow each year. The prior table presents the population for the U. S., 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. According to the U. S. Census Bureau, Minnesota is the 21st most populous state in the nation with a 3.5% increase since 2010 and 66.6 persons per square mile. Much of the recent population growth is attributed to immigration, births and new residents. The state population is made up of 85.7% Caucasian, 5.9% African American, 4.7% Asian and the remaining 3.5% is a mixture of other nationalities. Approximately 63% of Minnesota’s population lives in the Minneapolis–St Paul metropolitan area as shown in the table above.

POPULATION As of December 31 (In thousands)					
Calendar Year	United States	Minnesota	Minneapolis St. Paul MSA	MSA** as % of US	MSA as % of Minnesota
2003	290,211	5,048	3,082	1.1%	61.1%
2004	293,046	5,079	3,112	1.1%	61.3%
2005	295,753	5,127	3,141	1.1%	61.3%
2006	298,593	5,167	3,172	1.1%	61.4%
2007	301,580	5,198	3,208	1.1%	61.7%
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	5,303	3,349	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	3,428	1.1%	62.8%
2015	322,871	5,490	TBD	TBD	TBD

Source: US Department of Commerce, Bureau of the Census accessed 1/22/2016
 **MSA=Metropolitan Statistical Area

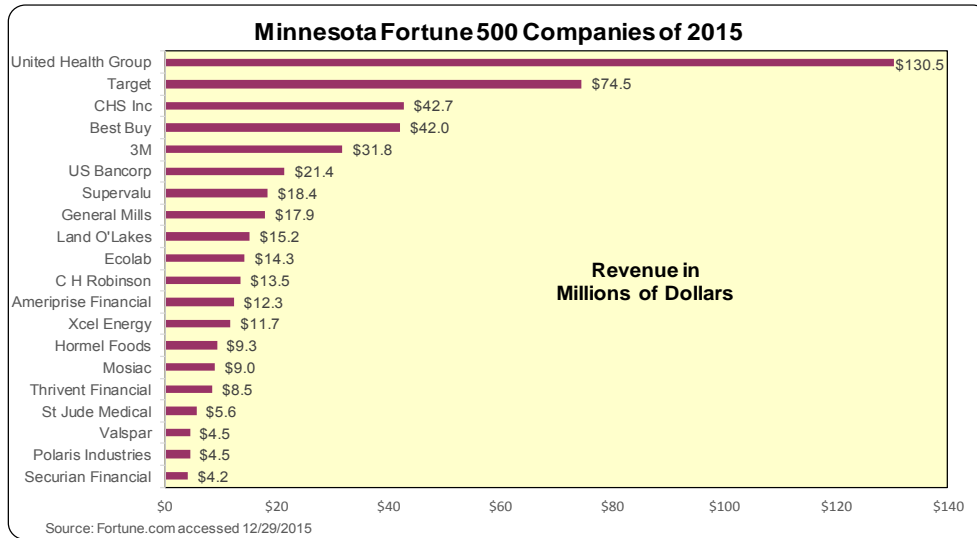
Employers

Many large, prominent companies are based in Minnesota and reap the benefits of the state’s talent, innovation and trade. In 2015, Mayo Clinic was at the top of the Largest Minnesota Employer listing with almost 40,000 employees when ranked by number of in-state employees as shown in the following table. State and Federal Governments are close behind in the ranking with over 30,000 employees each. Target is still holding strong as one of the top employers and Delta Air lines is a big player with 10,000 in-state employees.

Minnesota Top 20 largest Employers Ranked by instate employees		
Employer	Number of Minnesota Employees	Industry
Mayo Clinic	39,518	Health Services
State of Minnesota	37,180	Governmental Services
US Federal Government	31,434	Governmental Services
Target Corporation	29,896	Retail
Allina Health	26,022	Health Services
University of Minnesota	25,836	Education
HealthPartners	22,500	Health Services
Wal-Mart Stores	21,564	Retail
Fairview Health Services	21,000	Health Services
Wells Fargo Minnesota	20,000	Financial Services
Minnesota State Colleges & Universities	16,920	Education
3M Company	16,685	Manufacturing
UnitedHealth Group	15,000	Health Services
United States Postal Service	12,430	Postal Services
US Bancorp	11,881	Financial Services
Essentia Health	11,398	Health Services
Delta Air Lines	10,000	Passenger Services
Medtronic	9,300	Medical Technology
CentraCare Health	8,990	Health Services

The 1,000 Fortune 500 companies total \$12.5 trillion and 26.8 million employees. Minnesota is home to 20 Fortune 500 companies representing a wide variety of industries including health services, financial services, retail sales, manufacturing and food processing bringing in \$506 billion. The following chart recognizes the Minnesota Fortune 500 Companies of 2015 ranked by revenue. United Health Group tops the chart with \$130.5 million in revenue followed by Target Corporation with \$74.5 million. CHs Inc. and Best Buy are next in line

with \$42.7 and \$42 million, respectively. Minnesota is also home to thousands of small businesses and equally as many family farms.



Employment

The civilian unemployment table reveals that Minnesota and the Minneapolis-St. Paul metropolitan statistical area has historically low unemployment rates. The Minnesota rate has been below the national rate for all years shown except for 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. According to the Bureau of Labor Statistics, Minnesota’s 3.5% unemployment rate was the 7th lowest in the nation in November of 2015. Also, the unemployment rate for the MSA was lower than the national unemployment rate in every year shown. 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.

Calendar Year	United States	Minnesota	Minneapolis-St Paul MSA**
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%	4.0%
*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%
2015	5.0%	3.5%	2.7%

*Indicates national recession during all or part of the year
 **The MSA consists of 13 surrounding counties
 Sources: US Department of Labor, Bureau of Labor Statistics
 Minnesota Department of Employment and Economic Development

According to the Department of Employment and Economic Development (DEED), Minnesota is projected to add about 20,500 jobs annually and will reach 3.1 million jobs by 2022. With the Fortune 500 companies, the large number of employers in the state and new jobs added annually, Minnesota is gaining a larger share of the nation’s economic pie.

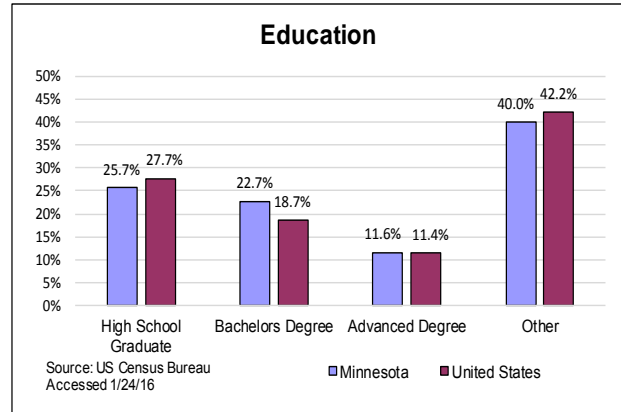
Income and Education

In 2014, Minnesota ranked 13th in the U.S. for per capita personal income. The Minnesota rate increased 3.3 percent over 2013 compared to the national average of 3.6 percent but was still 106% of the national average of \$46,049 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 Minnesota and the nation and relates positively to the demand for air travel.

The following two charts depict comparisons of per capita personal income and education level.

Year	United States	Minnesota	MSA
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
2014	46,049	48,998	53,166

Source: Bureau of Economic Analysis, US Department of Commerce



Education is important to Minnesotans. As depicted in the education chart above, the state has a well-educated workforce. For adults 25 years of age and over, Minnesotans have over four percent more bachelor and advanced degrees than the United States as a whole. Including high school graduates, Minnesota still exceeds the nation by over two percent. 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 and local activities such as:

- 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.
- 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.

*First U. S. Air Mail building on
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 spent approximately \$480 million on noise mitigation programs, including insulating 17,969 single-family homes and multi-family units and 19 schools.
- 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 average regional personal income may affect the level of discretionary travel from MSP.

2014 Ranking of US Airports (For the 12 Months ended December 31, 2014)					
Total Passengers ¹ (in thousands)			Total Cargo ¹ (Freight and mail, in thousands of metric tons)		
Rank	Airport	Passengers	Rank	Airport	Cargo
1	Atlanta	96,179	1	Memphis	4,259
2	Los Angeles	70,663	2	Anchorage	2,493
3	Chicago	69,666	3	Louisville	2,293
4	Dallas/Fort Worth	63,554	4	Miami	2,000
5	Denver	53,473	5	Los Angeles	1,916
6	New York JFK	53,255	6	Chicago	1,378
15	Orlando	35,714	26	Portland	208
16	Newark	35,611	27	Detroit	202
17	Minneapolis	35,147	28	Minneapolis	199
18	Detroit	32,514	29	Orlando	173
19	Boston	31,658	30	Salt Lake City	162
20	Philadelphia	30,740	31	San Diego	156

¹ Sum of enplaned and deplaned volume
Source: ACI 2014 North American Traffic Report

MSP is one of the highest-activity airports in the United States. Approximately 50% of the passengers are connecting while the other 50% are origin-destination. Over the past years, MSP has slid from 9th place in 2002 to 17th place in 2014 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 2014. The cargo volume is expected to remain the same for 2015 estimated and 2016 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.

The following table indicates the air carriers providing service at the MSP airport. As of January 1, 2016, the airport was served by 30 air carriers, including 19 U. S.-flag carriers providing scheduled service, seven all-cargo service carriers and four foreign-flag carriers.

Minneapolis St Paul International Airport Air Carriers Serving the Airport ¹ As of January 31, 2016		
U.S. Flag Carriers		
Air Wisconsin*	ExpressJet*	Republic Airlines*
Alaska*	Frontier*	Shuttle America*
American**2	Go Jet*	Sky West*
Compass*	Great Lakes*	Southwest*
Delta*	Mesa	Spirit*
Endeavor*	Sun Country*	United*
Envoy*		
Foreign Flag Carriers		
Air Canada	Condor	Icelandair
Air France		
All Cargo Service		
ABX Air	Bemidji	Mountain Air Cargo
Air Transport International	FedEx	UPS
Atlas Air Cargo		

* Denotes those air carriers that are signatory airlines to the Airline Lease Agreement.

¹ Excludes carriers reporting fewer than 1,000 enplaned passengers per annum.

² American Airlines and US Airways announced plans to merge in February 2013. The plans to merge were approved by the U. S. Department of Justice on December 9, 2013.

Source: Metropolitan Airports Commission

In addition to the air carriers on the prior page, 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 U. S. 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.



Alaska Airlines has a new face on its tails

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Glossary

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

Amortization - The systematic allocation of a balance sheet item to expense (or revenue) on the income statement.

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.

Budget - An itemized summary of expected income and expenditure of the Metropolitan Airports Commission over a specified 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

CUSE - Common Use System Equipment - used for ticketing and gate use.

CUTE - Common Use Terminal Equipment - used for ticketing and gate use.

CUSS – Common Use Self-Service (kiosk)

CWN - Comprehensive Well Network is a network of wells (on the down-gradient perimeter of MSP) where groundwater quality and elevation data are collected.

DAS – Distributed Antenna System

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).

Department – Usually a combination of service centers but is sometimes used interchangeably with the term service center.

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.

EOC - Emergency Operations Center

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, a consulting firm specializing in capacity planning including noise and vibration control, air quality analysis, airport and airspace planning.

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

IMAC – Intelligent Monitoring and Control Systems

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)

JOI - Joint Information Center

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 "T-1". (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.

MACpas - Metropolitan Airports Commission public address system

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.

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.

RMT - Remote Monitoring Towers-modem for the Noise Program.

Revenue Bonds – Represent bonds which are paid with an entity's operating revenue generated from rents, fees and charges. (See GARBs.)

RFB – Request for Bids

RFP – Request for Proposals

RFQ – Request for Qualifications

RMS – Resource Management System

RNAV – Runway Area Navigation

RNP – Required Navigation Performance

ROI – Return on Investment

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.

VMAT - Vehicle Movement Area Transponder

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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