2026 OPERATING BUDGET

METROPOLITAN AIRPORTS COMMISSION ▲ MINNEAPOLIS-SAINT PAUL, MN



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The December Operations, Finance and Administration Committee meeting is available to view at: https://metroairports.granicus.com/GeneratedAgendaViewer.php?view_id=4&clip_id=2507

Additional financial information is found on the Investor Relations page of the website: https://metroairports.org/doing-business/investor-relations

EXECUTIVE SUMMARY

DECEMBER 15, 2025

To the Public:

We are pleased to present the 2026 Metropolitan Airports Commission (MAC) Budget which was adopted by the Board of Commissioners (Commission) on December 15, 2025.

Total Operating Revenue for 2026 is projected to be $564.9 million and Operating Expense is $311.2 million excluding depreciation and noise amortization. Non-Operating Expense, including Non-Operating Revenue, is budgeted to be $172.1 million. The approved 2026 budget results in $81.6 million of Net Revenue Available for Designation.

The 2026 budget process commenced in May 2025. Key short-term issues and associated risk factors faced by the MAC in developing the overall targets for the operating budget are generally consistent year-over-year. These include:

- Future growth and capacity management.
- Changes in the state of the economy and the airline industry in 2026.
- Funding the Capital Improvement Program (CIP), which totals $501.2 million.
- Borrowing costs from the interest rate environment.

These risks are addressed by these considerations:

- Future growth is a top priority of the MAC.
- Terminal 2 improvements are scheduled for the passenger processing systems and to add spaces to better accommodate passenger growth.
- Revenue and expenses are based on the passenger enplanement count.
- Funding for the CIP is determined based on borrowing costs, grants projected and other factors.

Our Purpose Statement guides the MAC's decisions and actions.

Our Purpose: To provide exceptional airport experiences so Minnesota thrives

BUDGET TARGETS

The Commission identified four targets that were used in developing the 2026 Operating Budget. Presented are the targets and their respective budget results.

Target The MAC will maintain a coverage ratio of at least 2.4x on Senior General Airport Revenue Bonds (GARBs) and an overall coverage of at least 1.4x (with transfer).
Result The coverage ratio will be 4.73x on Senior GARBs and 1.87x on total coverage (with transfer).

Target The MAC will maintain a minimum of a six-month reserve in the Operating Fund.
Result The current reserve covers six months of operating expenses.

Target The MAC will maintain a Cost Per Enplanement (CPE) below the median among U.S. Large Hubs.
Result We anticipate MSP will remain below the median among U.S. Large Hubs.

Target The budget shall have the financial resources to operate the MAC's system of airports, meet its debt service obligations and fund its reserves and capital requirements of the Commission.
Result The budget forecasts $81.6 million in Net Revenues Available for Designation.

FUND OVERVIEW

The MAC is accounted for as an Enterprise Fund. For internal purposes, three funds are maintained. Each fund relates to a specific function: 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 at least six months of operating expenses, excluding depreciation and noise amortization.

Transfers from the Operating Fund to the Debt Fund are made annually in June and December to make debt service payments and to ensure 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 transferred to the Construction Fund.

The table below presents a consolidated schedule of revenue, expenses and other sources and uses for all funds. Total receipts are projected to grow faster than total costs, indicating a strong financial performance.

Consolidated Enterprise Fund ▶▶▶

($ = 000)

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	2027 Projection	2028 Projection
Sources All Funds						
Balance Carried Forward January 1 [1]	$ 844,485	$ 1,318,181	$ 1,318,181	$ 879,818	$ 660,398	$ 854,029
Operating Fund Revenues						
Airline Rates & Charges	192,893	197,483	200,863	224,450	233,428	240,431
Concessions	226,410	241,771	236,415	242,371	249,642	257,131
Other Operating Revenues	96,002	97,056	95,656	98,088	100,381	101,698
Interest Earnings	13,583	9,940	13,665	9,265	10,073	10,375
Other & Self-Liquidating Revenue	(2,415)	2,204	1,451	3,305	3,463	3,629
Transfers in Equipment Financing	16,654	15,000	12,875	25,500	25,363	37,000
Construction Fund Revenues						
PFC Funding	70,486	77,264	70,272	70,774	71,972	73,200
Federal & State Grants	55,730	54,196	57,923	41,882	41,787	35,145
Interest Earnings	21,470	25,000	22,968	17,500	30,100	25,200
Bond/Notes Proceeds	593,050	-	-	-	550,000	-
Short-Term Funding Program	45,216	13,800	-	57,100	33,500	48,700
Other Receipts	3,867	-	-	-	-	-
Transfers In - Operating Fund	173,900	86,128	77,917	81,600	71,201	71,201
Debt Fund Revenues						
Interest Earnings	1,759	1,295	2,349	1,336	1,460	1,635
Bond Proceeds	-	-	-	360,770	-	-
Transfers In (PFC and GARB Requirements)	156,722	158,540	158,540	171,757	188,838	202,290
Total All Receipts	**$ 2,509,812**	**$ 2,297,858**	**$ 2,269,075**	**$ 2,285,516**	**$ 2,271,606**	**$ 1,961,664**
Uses All Funds						
Operating Fund Expenses						
Personnel	125,824	129,701	132,649	140,705	144,926	149,274
Administration	1,844	2,575	2,375	2,567	2,644	2,723
Professional Services	11,494	14,633	13,730	14,055	14,477	14,911
Utilities	22,971	27,351	24,197	24,728	25,470	26,234
Operating Services	37,166	45,022	42,066	47,370	48,791	50,255
Maintenance	67,310	70,576	69,563	74,095	76,318	78,608
Other	6,599	12,239	6,325	7,714	7,945	8,183
Equipment & Other Capital Expenditures	26,102	32,366	45,889	46,002	42,461	42,534
Transfers Out - Debt	137,392	142,479	141,514	149,062	167,679	180,509
Transfers Out - Equipment Financing	6,485	7,986	9,812	9,812	7,518	7,151
Transfers Out - Construction	173,900	86,128	77,917	81,600	71,201	71,201
Construction Fund Expenses						
CIP Project Costs	378,290	684,349	554,224	420,382	581,710	755,157
Debt Service PFC Transfer	25,183	24,929	77,526	25,730	25,379	25,409
Debt Fund Expenses						
Bond Refundings	-	-	-	385,505	-	-
Bond Principal & Interest Payments	171,071	191,470	191,470	195,791	201,058	202,290
Total All Costs	**$ 1,191,631**	**$ 1,471,804**	**$ 1,389,257**	**$ 1,625,118**	**$ 1,417,577**	**$ 1,614,439**
Total Ending All Net Fund Balances	**$ 1,318,181**	**$ 826,054**	**$ 879,818**	**$ 660,398**	**$ 854,029**	**$ 347,225**

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

BUDGET DEVELOPMENT

The Metropolitan Airports Commission is dedicated to providing services that consistently exceed the expectations of its customers and stakeholders. The MAC strives to fulfill its purpose: To provide exceptional airport experiences so Minnesota thrives. Ensuring the organization's long-term financial strength and enabling the organization to fulfill the Enterprise Strategic Plan is crucial to the MAC.

As part of the budgeting process, long-term financial plans are developed to identify anticipated trends in financial resources, designate appropriate capital resources to future needs and establish a link between the Enterprise Strategic Plan and the MAC's long-term financial plans. The forecast is adjusted as each year's actual results are known and as future years are budgeted.

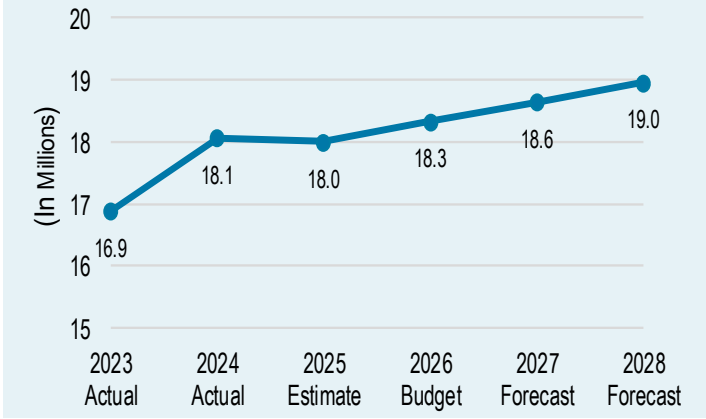
Long-term financial planning is coordinated in conjunction with the Capital Improvement Program, which provides a seven-year forecast identifying specific funding sources. The construction of the Safety and Security Center; to house police, fire and other emergency personnel; serves as an example of capital expenditures utilized to achieve the objectives of the Enterprise Strategic Plan.

As previously indicated, the Commission's process for developing targets and guidelines for the 2026 budget included a discussion of critical issues around future growth and capacity as well as changes in the economy and in the airline industry. Key to this discussion was the enplanement forecast, increased need for operating expenses, maintaining our coverage ratios, working with our stakeholder partners to reduce their costs as well as looking for opportunities to derive new revenue and a competitive cost per enplaned passenger.

The enplaned passenger graph illustrates both historical data and future projected counts. Passenger enplanements are expected to grow based on forecasts obtained from airlines and several other industry sources.

The MAC anticipates ongoing growth, with enplanements expected to rise by 3.4% to reach 19.0 million by 2028, compared to the budgeted projection for 2026. Forecasts are revised periodically throughout the year.

Enplaned Passengers ▶ ▶ ▶



The 2026 budget was developed on 18.3 million enplanements projected. The increasing number of enplanements result in the need to hire additional staff to maintain service to passengers - 18 new headcount are budgeted in 2026. The new headcount will support MAC's strategic plan goals, cover increasing needs and empower the MAC to provide exceptional airport experiences to the traveling public.

The Commission monitors and evaluates expenses to keep the cost per enplanement low for the airlines.



Delta Air Lines Passenger Aircraft Departing MSP

OPERATING BUDGET

The table below summarizes Revenue, Expense and Non-Operating Revenue and Expense comparing 2024 Actual through the 2026 Budget. Revenue and expenses are both increasing along with the growth in passengers. Further details about the recent changes in revenues and expenses are within the Operating Budget Revenue and Operating Budget Expense sections of this document.

Operating Budget Summary ▶▶▶

($ = 000)

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	2026 Budget vs 2025 Estimate: Dollar Change	2026 Budget vs 2025 Estimate: % Change
Operating Revenue						
Airline Rates and Charges	$ 192,893	$ 197,483	$ 200,863	$ 224,450	$ 23,587	11.7%
Concessions	226,410	241,771	236,415	242,371	5,956	2.5%
Rentals/Fees	67,865	69,581	68,071	69,575	1,504	2.2%
Utilities & Other Revenues	28,137	27,475	27,585	28,513	928	3.4%
Total Operating Revenue	**$ 515,305**	**$ 536,310**	**$ 532,934**	**$ 564,909**	**$ 31,975**	**6.0%**
Operating Expense						
Personnel	$ (125,824)	$ (129,701)	$ (132,649)	$ (140,705)	$ (8,056)	6.1%
Administrative Expenses	(1,844)	(2,575)	(2,375)	(2,567)	(192)	8.1%
Professional Services	(11,494)	(15,764)	(13,730)	(14,055)	(325)	2.4%
Utilities	(22,971)	(27,351)	(24,197)	(24,728)	(531)	2.2%
Operating Services	(37,166)	(43,851)	(42,066)	(47,370)	(5,304)	12.6%
Maintenance	(67,310)	(70,616)	(69,563)	(74,095)	(4,532)	6.5%
Other	(6,599)	(12,239)	(6,325)	(7,714)	(1,389)	22.0%
Total Operating Expense [1]	**$ (273,208)**	**$ (302,098)**	**$ (290,905)**	**$ (311,234)**	**$ (20,329)**	**7.0%**
Net Operating Revenue	**$ 242,097**	**$ 234,213**	**$ 242,029**	**$ 253,674**	**$ 11,646**	**4.8%**
Non-Operating Revenue (Expense)						
Add: Other Non-Operating Revenue	$ 31,046	$ 27,145	$ 27,991	$ 38,071	$ 10,080	36.0%
Less: Debt Service/Equipment/Other	(194,958)	(193,530)	(205,643)	(210,157)	(4,514)	2.2%
Total Non-Operating Revenue (Expense)	**$ (163,911)**	**$ (166,385)**	**$ (177,652)**	**$ (172,087)**	**$ 5,567**	**-3.1%**
Net Revenue	**$ 78,187**	**$ 67,828**	**$ 64,377**	**$ 81,591**	**$ 17,213**	**26.7%**

[1] Excludes depreciation

Numbers may not sum to totals due to rounding

CAPITAL IMPROVEMENT PROGRAM

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 identifies potential projects in years three through seven. When the final Capital Improvement Program is presented for approval, a plan for funding the first three years is provided. Milestones for the 2026-2032 Capital Improvement Program development schedule are:

MAY
MAC departments submit CIP project requests to the Airport Development Director

AUGUST
Airport Development scopes, estimates cost and prioritizes requested projects
▶
Airport Development and Finance identify preliminary funding sources and amounts
▶
Airport Development prepares draft preliminary CIP

SEPTEMBER
The Planning, Development & Environment Committee (PD&E) approves the preliminary CIP
▶
The Commission approves the preliminary CIP

NOVEMBER
Final adjustments and funding analysis are completed

DECEMBER
PD&E approves the final CIP
▶
The Commission approves the final CIP

The table below summarizes the budgets allocated to the Capital Improvement Program from 2024 through 2028. The annual CIP varies each year as it is built on necessity and funding. The 2024 CIP budget was significant as three large projects were included: the Terminal 2 gate expansion, Concourse G infill project and the second phase of the Safety and Security Center. The 2028 CIP budget include plans for the expansion of the Energy Management Center (EMC) building, as well as the replacement of the boiler and chiller units at Terminal 1.

Capital Improvement Program Summary ▶▶▶

($=000)

	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
Projects - All Airports					
Minneapolis-St. Paul International Airport					
End of Life/Replacement Projects	$ 59,575	$ 88,600	$ 44,000	$ 224,550	$ 413,500
Information Technology	7,910	24,500	35,550	18,250	16,250
Long-Term Comprehensive Plan Projects	581,000	41,800	62,600	166,700	67,000
Maintenance / Facility Upgrade Projects	281,130	204,700	216,919	106,330	135,810
Ongoing Maintenance Programs	82,165	91,970	104,420	85,945	88,025
Noise Mitigation Projects	1,000	500	500	22,500	10,500
MSP Tenant Projects	90,620	81,875	8,720	63,795	885
Total Minneapolis-St. Paul International Airport	**$ 1,103,400**	**$ 533,945**	**$ 472,709**	**$ 688,070**	**$ 731,970**
Reliever Airports	32,400	36,750	28,500	32,575	25,175
Total Projects - All Airports	**$ 1,135,800**	**$ 570,695**	**$ 501,209**	**$ 720,645**	**$ 757,145**
Funding					
Passenger Facility Charges (PFCs)	$ 29,642	$ 62,150	$ 23,240	$ 43,995	$ 33,550
Federal and State Grants	204,588	54,196	41,881	41,787	35,145
General Airport Revenue Bonds-Line of Credit	804,495	343,795	357,863	522,600	583,325
Internal/Airline Funds	97,076	110,554	78,225	112,263	105,125
Total Funding	**$ 1,135,800**	**$ 570,695**	**$ 501,209**	**$ 720,645**	**$ 757,145**

Numbers may not sum to totals due to rounding

AIR SERVICE

Maintaining and adding air service is vital to the Commission. The Air Service Development service center is responsible for three primary areas: 1) developing air service by marketing MSP for new domestic and international passenger flights and cargo flights, 2) promoting the facilities and services of MSP and the MAC's system of airports both domestically and internationally, and 3) building community relations by establishing partnerships with public and private sectors to increase their awareness of the importance of air service in the region and to solicit their support. As of January 2026, MSP provides air service to 132 domestic and 35 international non-stop destinations. Competitive air service is provided to 94 destinations.



Plane Landing at St. Paul Airport

DEBT

Long-Term Debt

The Commission anticipates a new long-term debt issue in 2026 or 2027 to finance a number of capital improvement program projects in the amount of $550.0 million. The last debt issued was in 2024.

Short-Term Debt

For many years, the Commission has used a revolving line of credit for short-term borrowing to finance various projects. This Short-Term Borrowing Program also allows the Commission some flexibility in financing unanticipated or unforeseen capital improvements. The Commission has a line of credit of $200 million. As of December 31, 2025, the Commission has utilized $33.9 million of its line of credit. The amount utilized from the line of credit will be paid off with future PFC applications and bond issues.

Refundings

The Commission has aggressively pursued the refunding options of its outstanding debt. Bond proceeds are also used to retire a portion of the Commission's older long-term debt. The Commission realized an average annual debt service savings of approximately $25.7 million per year as shown in the below table.

Debt Refundings Summary ▶▶▶

($=000)

Series Refunded	Refunding Year	Total Savings	Annual Savings	Present Value % Savings
1998A, 1999A, 2001A & 2001C [1]	2007	$ 33,050	$ 2,330	5.19%
1998B [1]	2008	2,440	365	3.32%
1999B & 2000B [1]	2009	8,140	990	4.95%
2001B & 2001D [1]	2010	9,640	1,150	8.94%
GO 13 [2]	2010	633	214	4.50%
2003A [1]	2011	3,318	369	6.10%
2003A [1]	2012	5,272	293	12.50%
2005A, B & C [1]	2014	60,235	3,011	14.69%
2007A & B [1]	2016	164,340	10,956	25.74%
2009A & B & 2010A, B, C & D [1]	2019	39,489	2,468	14.70%
2011A & 2012 B [1]	2022	13,032	1,448	18.40%
2014A & 2014B[1]	2023	25,677	2,140	7.82%
		$ 365,266	**$ 25,734**	
Average Present Value Savings				**10.57%**

[1] General Airport Revenue Bond Refunding
[2] General Obligation Revenue Bond Refunding

ENTERPRISE STRATEGIC PLAN

ENTERPRISE STRATEGIC PLANNING PROCESS

The MAC completed a robust strategic planning process in 2022 to develop the 2023-2027 Enterprise Strategic Plan.

The process included:

- **External analysis**: Conducted an assessment of the aviation industry, MAC airport system and regional landscape
- **Stakeholder engagement**: Invited key stakeholders—such as staff, commissioners, tenants, business leaders, civic leaders and government leaders—to provide input into the needs and perspectives that should be considered in the plan
- **Divergence**: Engaged in a process to explore options informed and guided by the external analysis and stakeholder engagement learnings
- **Convergence**: Narrowed down ideas to develop the proposed purpose, values, focus areas, goals and key performance indicators
- **Finalize**: Finalized the plan's purpose, values, focus areas, goals and key performance indicators. Staff presented and received approval from the Commission for the purpose, values and focus areas

The Enterprise Strategic Plan contains a Purpose Statement, set of Values and five Focus Areas[1], which are listed in the accompanying graphics. Each division advances goals that will enable the organization to fulfill the MAC's enterprise strategic plan. The Division Summaries section will illustrate the connections between Key Performance Indicators (KPIs)[2], Division Goals and Focus Areas.







[1] The MAC identifies Strategic Goals as Focus Areas.
[2] The MAC identifies Performance Measures as Key Performance Indicators.

To achieve our Focus Areas, the MAC strives to accomplish the following objectives:

Invest in our Workforce and Partnerships

Investing in our workforce and partnerships, the MAC will increase employee engagement and workforce diversity, expand utilization of targeted group businesses and increase the organization's economic impact.

Optimize Financial Performance while Investing to Sustain Growth

Optimizing financial performance while investing to sustain growth will be accomplished by adding nonstop destinations, growing passenger and air cargo volumes, modernizing facilities and systems to meet passenger and cargo demands and increasing revenue while managing expenses.

Actively Manage Sustainability and Stakeholder & Community Relations

Actively managing sustainability and stakeholder & community relations will assist in achieving sustainability goals, enhancing brand recognition and fostering stakeholder engagement.

Operate the Airports in a Friendly, Efficient, Safe and Secure Manner

Operating the airports in a friendly, efficient, safe and secure manner will deliver top rankings in customer experience and operations performance, grow customer insights and engagement, as well as strengthen process improvement capabilities.

Position the MAC for Changes in the Aviation Industry

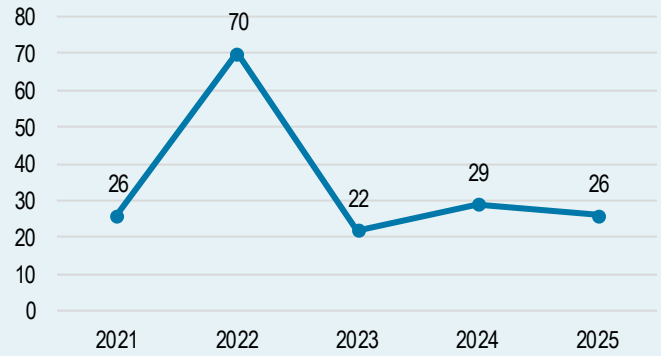
To position the MAC for changes in the aviation industry, the organization will identify, understand and prepare for future industry trends and build a future-development program with local partners.

KEY PERFORMANCE INDICATORS

Key performance indicators measure how successful the MAC is as an organization in a number of important areas.

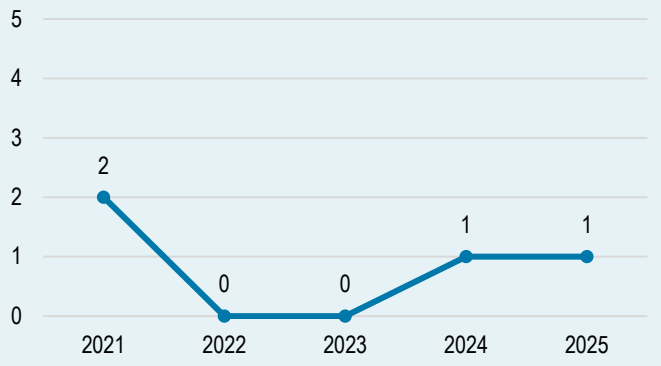
SAFETY AND SECURITY

OSHA-Recordable Injuries/Illnesses ▶ ▶ ▶



In 2022, the increase in recordable injuries resulted from employees being infected at work and testing positive for COVID-19. Most reported injuries in 2025 resulted in no or minimal medical treatment or days away from work.

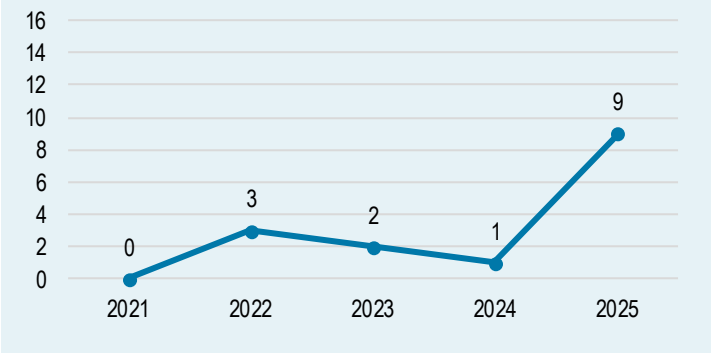
MSP Security Breaches ▶ ▶ ▶



These security breaches impacted operations.

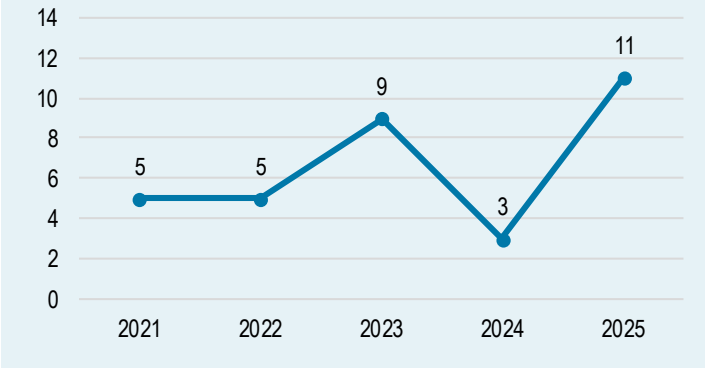
SAFETY AND SECURITY CONTINUED

MSP Airport Vehicle/Pedestrian Runway Incursions ▶▶▶



The annual rate of vehicle/pedestrian runway incursions at MSP Airport increased compared to historical averages. Analysis indicates multiple contributing factors rather than a single cause. In response, MAC staff continue to work diligently with FAA and airport users to develop ways to reduce incursions and improve the operating safety environment at MSP.

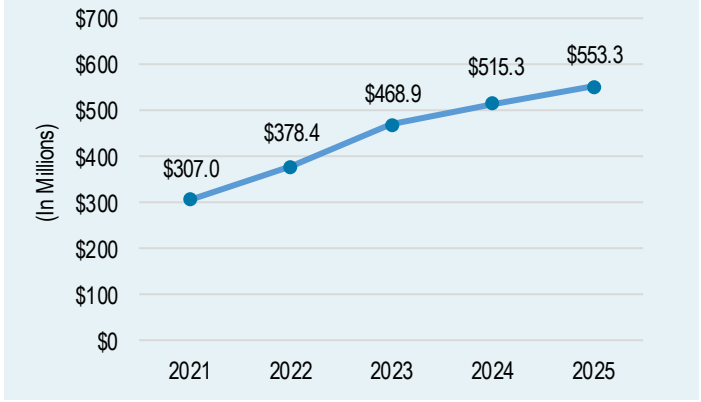
Reliever Airports Vehicle/Pedestrian Runway Incursions ▶▶▶



The annual rate of vehicle/pedestrian runway incursions at the Reliever Airports increased compared to historical averages. Analysis indicates multiple contributing factors rather than a single cause. In response, the Reliever Airports' staff continue to work diligently with FAA and airport users to develop ways to reduce incursions and improve the operating safety environment at the Reliever Airports.

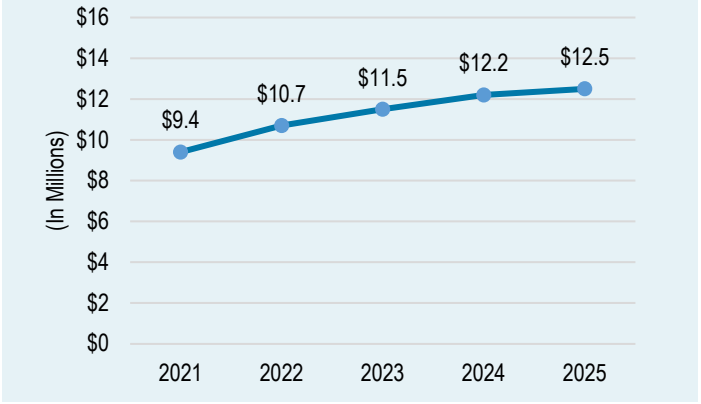
FINANCIAL

MAC Operating Revenue ▶▶▶

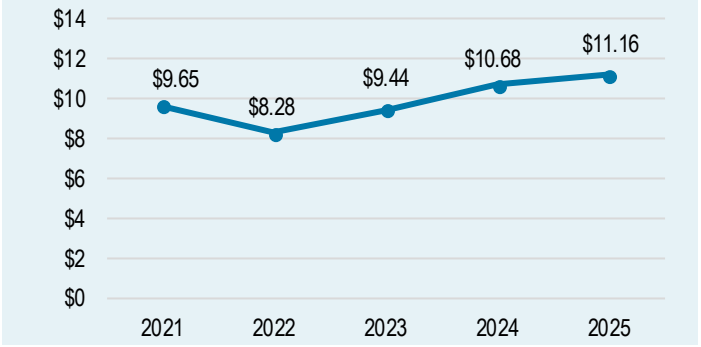


MAC operating revenue was affected by the Pandemic in earlier years. Each year, revenue continues to grow with the increase in passengers.

Reliever Airport Operating Revenue ▶▶▶



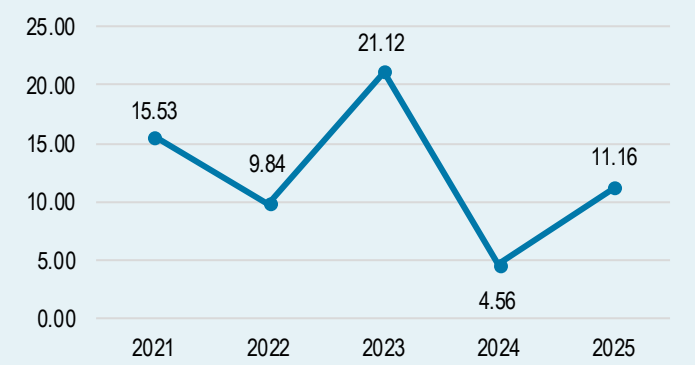
MSP Airline Cost per Enplaned Passenger ▶▶▶



The cost per enplaned passenger is growing as capital and operational spending is rising faster than enplanements are increasing.

FINANCIAL CONTINUED

MAC Senior Debt Service Coverage Ratio without Transfer ▶▶▶

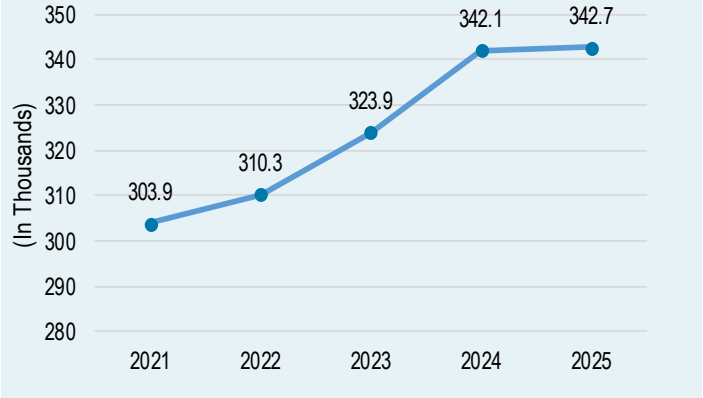


The higher ratio in 2023 is caused by federal COVID relief grants received, which reimbursed debt payments. The 2025 estimated ratio is higher than 2024 as the MAC continues to pay the balance of outstanding senior lien bonds.

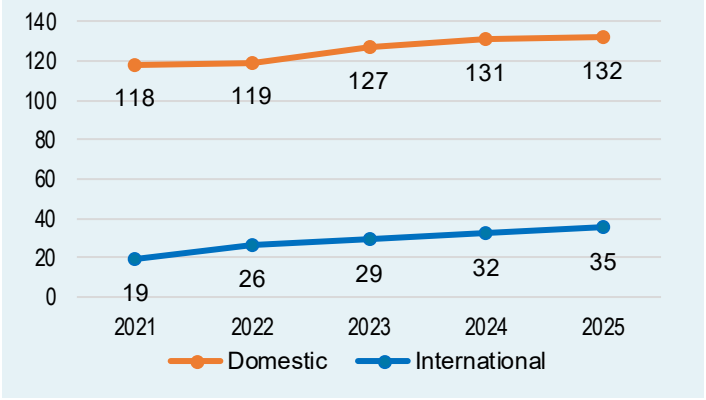
OPERATIONS

Operations were significantly affected by the onset of the pandemic in 2021. Operations have rebounded as shown in the following graphs.

MSP Operations ▶▶▶

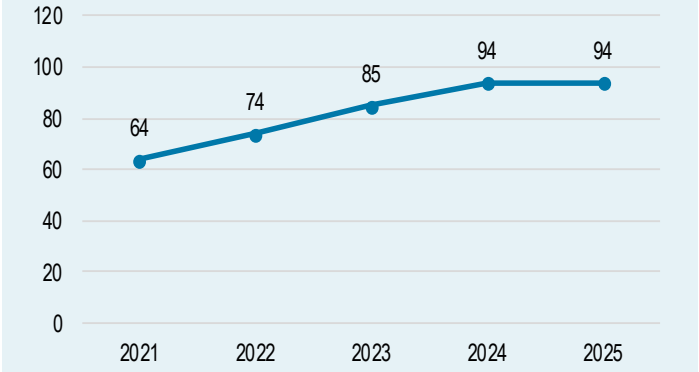


MSP Non-stop Destinations ▶▶▶

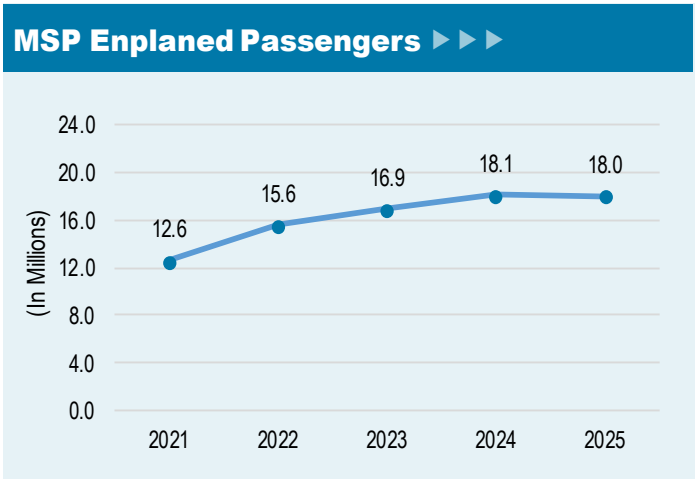


In 2025, MSP accomodated a record number of 35 nonstop international destinations.

MSP Competitive Destinations ▶▶▶

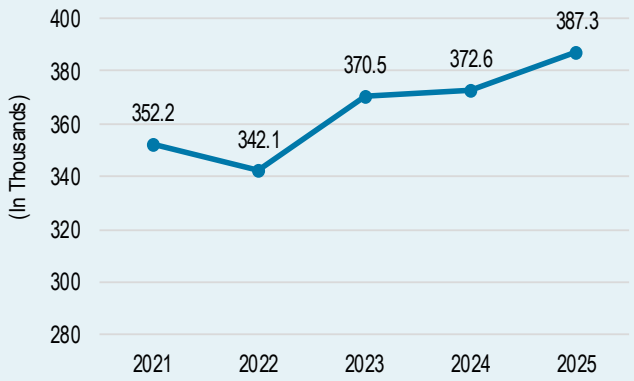


MSP Enplaned Passengers ▶▶▶

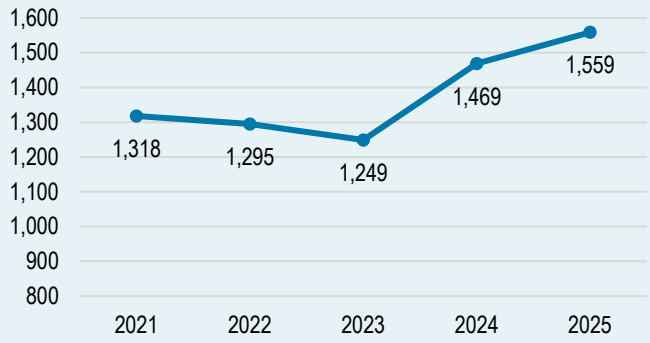


OPERATIONS CONTINUED

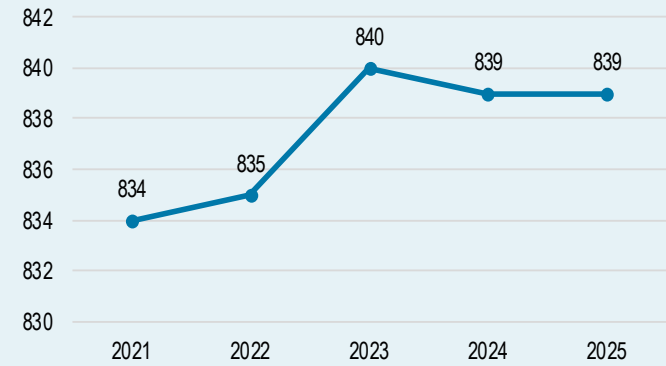
Reliever Operations ▶▶▶



Reliever-based Aircraft ▶▶▶

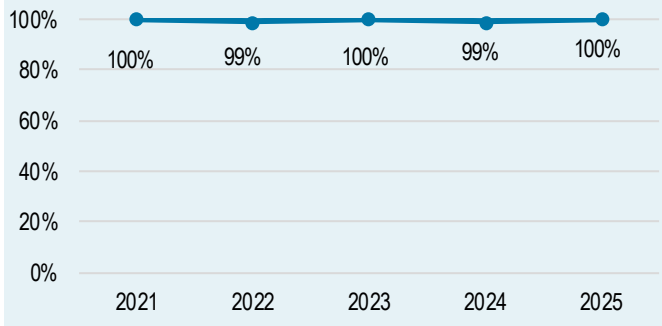


Reliever Airport Tenants ▶▶▶



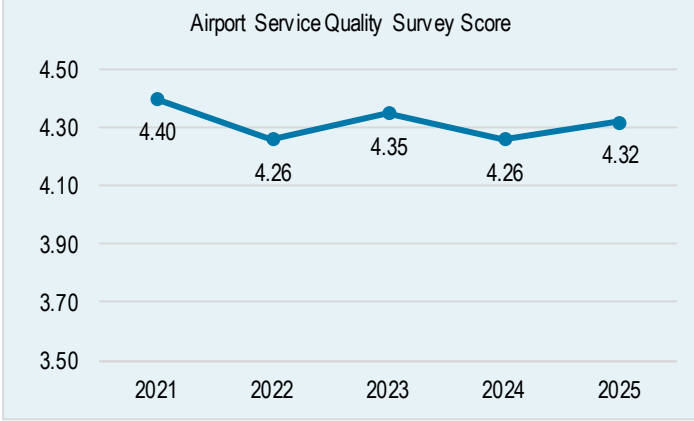
DEVELOPMENT

MAC Capital Improvement Program Implementation ▶▶▶



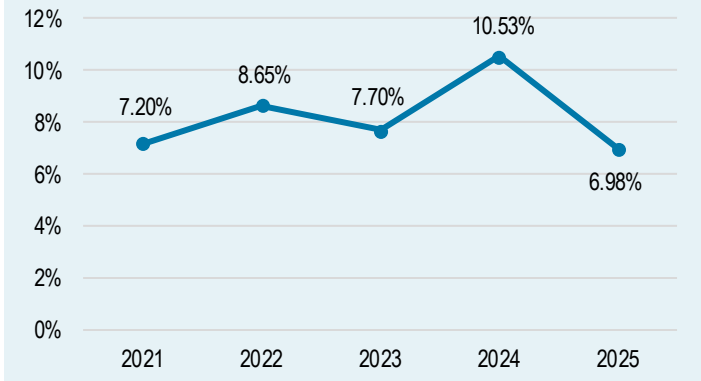
CUSTOMER EXPERIENCE

Overall Satisfaction with MSP ▶▶▶



EMPLOYEE ENGAGEMENT

MAC Employee Turnover Rate ▶▶▶



ACKNOWLEDGMENT

The budget is the result of countless hours of work by the Finance Department staff. A very big thank you goes out to MAC staff in all departments who worked hard to develop the final 2026 Budget. Through this hard work and effort, we are confident the MAC will continue to be one of the safest, most efficient and most 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 the GFOA since 1985.

Respectfully submitted,



Brian Ryks
Executive Director/CEO



Tim Simon
Chief Financial Officer

2025 GFOA BUDGET AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Metropolitan Airports Commission for its annual budget for the fiscal year beginning January 1, 2025. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, 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 the GFOA to determine its eligibility for the 2026 award.

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Minneapolis-St. Paul Metropolitan Airports Commission Minnesota

For the Fiscal Year Beginning

January 01, 2025

Christopher P. Morrill

Executive Director

Awards Received During 2025 ▶ ▶ ▶

Award	Project	Given by
Certificate of Achievement for Excellence in Financial Reporting, 40 Consecutive Years	Annual Comprehensive Financial Report	Government Finance Officers Association
Distinguished Budget Presentation Award, 41 Consecutive Years	Annual Budget Document	Government Finance Officers Association
Excellence in Snow and Ice Control Award	Management of Public Works Snow and Ice Operations	American Public Works Association
Jim Wolford Community Impact Award	Outstanding Leadership in Disability Inclusion	Lifeworks Services
Best Local-Inspired Store - Large Airports	Excellence in Airport Concessions Throughout North America	Airport Experience News
Spirit of Hospitality Award	Significant Contibutors to the Travel Industry	Bloomington, Minnesota Travel and Tourism
Best New Non-Terminal Revenue Innovation Concept	Minneapolis-St Paul International Airport Strategic Partnership Program	Airports Council International - North America
No. 1 in Passenger Satisfaction Among Mega Airports, Second Consecutive Year[1]	North America Airport Satisfaction Study - Passenger Satisfaction	J.D. Power North America
Defense Employer Support Freedom Award	Employers in Support of National Guard and Reserve Employees	U.S. Secretary of Defense
Pro Patria Award	Employers in Support of National Guard and Reserve Employees	Minnesota Chapter of the Employer Support of the Guard and Reserve
Environmental Achievement Awards - Outreach, Education and Community Outreach, Honorable Mention	Engaging Passengers in the Sustainability Journey Project	Airports Council International - North America
Excellence in Airport Marketing, Communications, and Customer Experience Award - Advancements in Accessibility	Innovations in Accessibility that Improve the Experience for All Travelers	Airports Council International - North America
Merit Award for Outstanding Performance	2024 STP Runway 14-32 Reconstruction	Minnesota Department of Transportation (MnDOT)
ACEC Grand Award	2023 Concourse G Apron Reconstruction	American Council of Engineering Companies of Minnesota (ACEC/MN)
Asphalt Paving Merit Award	2024 STP Runway 14-32 Reconstruction	Minnesota Asphalt Paving Association (MAPA) in coooperation with MnDOT

Awards Received During 2025 Continued ▶ ▶ ▶

Award	Project	Given by
Concrete Paving Award	2023 Runway 12L-30R and 4-22 Intersection and Taxiway P Reconstruction	American Concrete Paving Association of Minnesota
Trimble Asset Lifecycle Management Award - Trailblazer Category	Digital Transformation in Capital Improvement and Infrastructure Management	Trimble
Certificate of Appreciation	MSP Airport Badging Office	Transportation Security Administration

[1] Minneapolis-St. Paul International Airport received the highest score among mega airports (33 million or more passengers per year) in the J.D. Power 2024 and 2025 North America Airport Satisfaction Studies of customers' satisfaction with the airport they traveled through. Visit jdpower.com/awards for more details.

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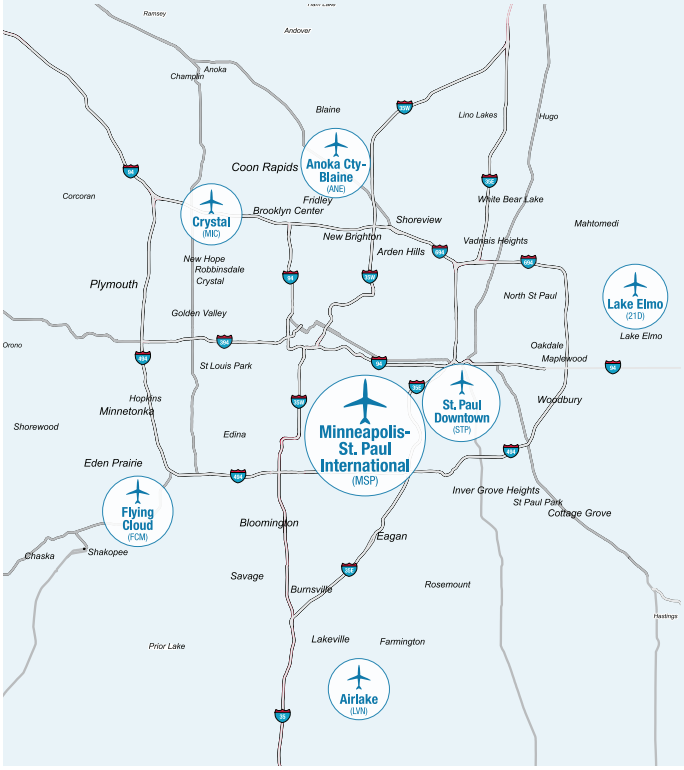
THE ORGANIZATION

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 the 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. Scheduled air carriers are served by the Minneapolis-St. Paul International Airport (MSP). Six Reliever Airports serve business and general aviation:

- Airlake Airport
- Anoka County-Blaine Airport
- Crystal Airport
- Flying Cloud Airport
- Lake Elmo Airport
- St. Paul Downtown Airport

BOARD MEMBERS

The Chair and fourteen Commissioners govern the Metropolitan Airports Commission (MAC). The Governor of the State of Minnesota appoints the Chair and 12 Commissioners. Of these 12 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.



James Lawerence
Commission Chair



Carl Crimmins
District A

Awaiting Appointment
District B

Awaiting Appointment
District C



Andrea Mokros
District D

Pamela Deal
District E



Rodney Skoog
District F



Richard Ginsberg
District G



Yodit Bizen
District H

Awaiting Appointment
City of Minneapolis

Awaiting Appointment
City of Saint Paul



Patti Gartland
Outstate St. Cloud

Awaiting Appointment
Outstate Duluth



Dixie Hoard
Outstate Thief River Falls



Barrett Ziemer
Outstate Rochester

The Commission has two committees: Operations, Finance & Administration (OF&A) and Planning, Development & Environment (PD&E). Each committee meets monthly. The committees are responsible for all aspects of business which fall under their respective jurisdictions. Recommendations on all action items are made by the committees to the full Commission. The Commission also meets monthly.

Typically, Committee and Commission meetings take place in MSP's Terminal 1. Meetings are also live-streamed and archived on the MAC's website. Occasionally, the full Commission meets outside the terminal to provide easier access for the public.

Regular meeting times are as follows:

- Planning, Development & Environment Committee: 10:30 a.m., first Monday of the month
- Operations, Finance & Administration Committee: 1:00 p.m., first Monday of the month
- Full Commission: 1:00 p.m., third Monday of the month

When a meeting falls on a holiday, the meeting moves to Tuesday immediately following.

The Capital Improvement Program is reported to and acted on by the PD&E Committee. The Other Post-Employment Benefit (OPEB) Trust Board oversees OPEB reports and actions. Financial information generally is reported to and acted upon at the OF&A Committee meeting and then reported to the full Commission. In some cases, financial information is reported to a different body before reaching the Commission. The table shows financial topics reported to the OF&A Committee and the Commission.

DIVISIONS

Under the direction of the Commission, the MAC's organizational structure consists of six divisions within the Operating Fund. The Executive Division oversees all MAC business and is directly responsible to the MAC's Board of Commissioners. The six divisions are:

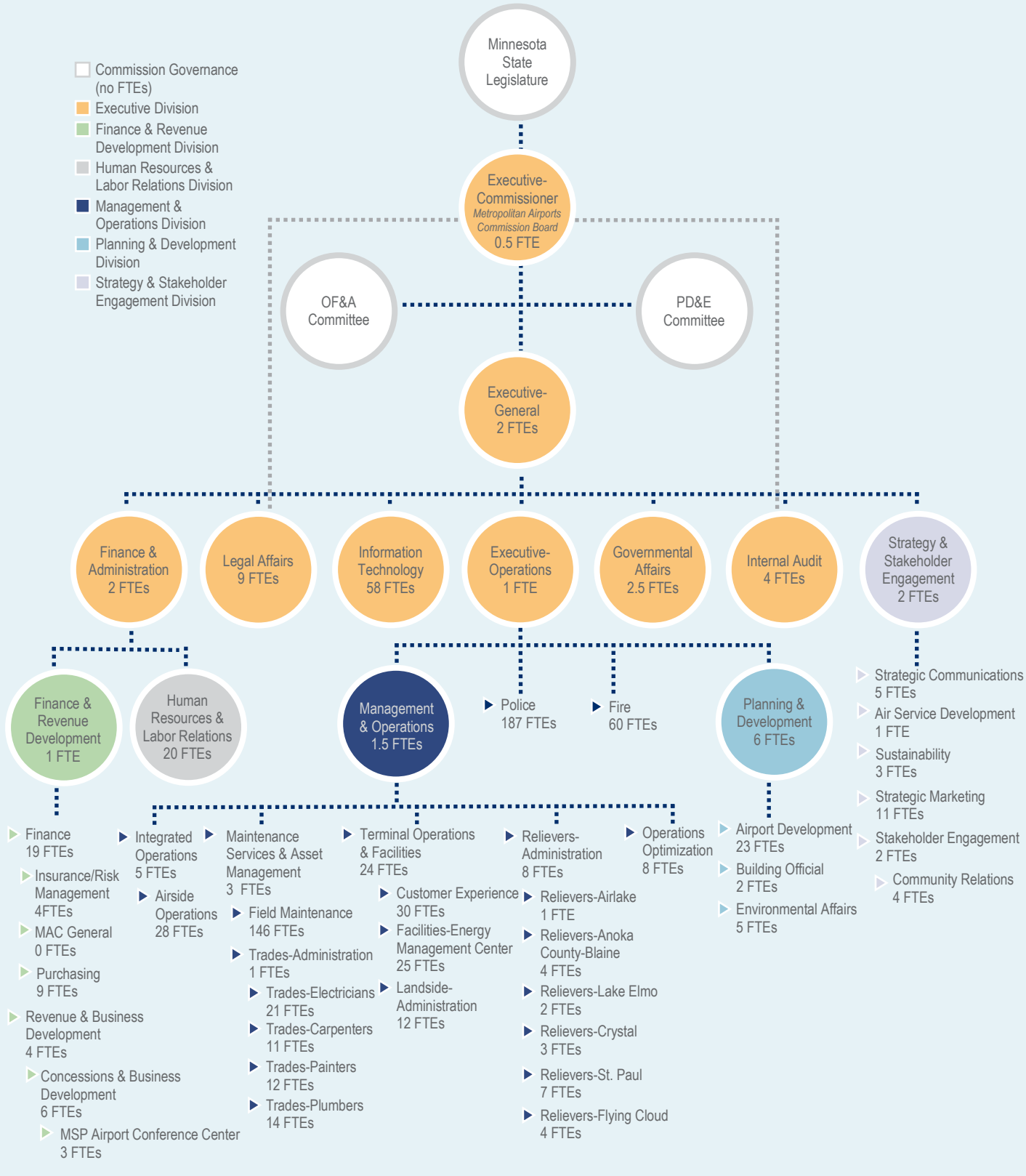
- Executive
- Finance & Revenue Development
- Planning & Development
- Management & Operations
- Human Resources & Labor Relations
- Strategy & Stakeholder Engagement

Operations, Finance & Administration Committee ▶

2025 Financial Topics

Audits
Annual Financial Audit Plan
Approval of Audit and Financial Statements
Internal Audit Quarterly Report
Operating Budget
2026 Budget Targets
2026 Commercial Vehicle and Taxicab Per-Trip Use Fees
2026 Non-Represented Employee Wage Structure
2026 Preliminary and Final Budgets
Aviation Liability Renewal
Accounts Receivable Monthly Summary
Allocation of 2024 Net Revenues
Budget Amendments and Purchase Approvals
Commission Travel Quarterly Report
Employee Benefits and Compensation
Monthly Budget Variance Report
MSP Percent for Arts and Culture Program 5-Year Plan
Property and Automobile Insurance Renewals
Investments
Investment Portfolio Quarterly Report
Appointment of Substitute Senior and Subordinate Trustees
Leases and Agreements
Concessions Leases, Agreements and Amendments
Equipment Financing and Leases
Professional Service Authorizations Quarterly Report
Federal Inspection Service Fee Agreement
Requests for Proposals, Qualifications and Bids
Sponsorship Agreements
Solid Waste and Recycling Contract
Miscellaneous
MAC Policy Revisions
Ordinance Revisions
Organized Performance Incentive Program
Wellness Incentive Program

ORGANIZATIONAL CHART



SERVICE CENTERS

Service centers have the lowest budget levels in the organization. Sometimes a combination of service centers is 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 the opportunity to review together related functions that they manage. For example, Finance includes Purchasing and MAC General. The table below shows a listing of service centers and the divisions in which they reside.

ORGANIZATIONAL STRUCTURE ▶▶▶

By Division and Service Center

Executive Division	
75100	Executive-Commissioner
75000	Executive-General
75600	Finance & Administration
76500	Executive-Operations
78300	Internal Audit
79000	Information Technology
79500	Governmental Affairs
81000	Legal Affairs

Strategy & Stakeholder Engagement Division	
76200	Strategy & Stakeholder Engagement
76000	Strategic Communications
76100	Air Service Development
76400	Sustainability
85000	Strategic Marketing
85200	Stakeholder Engagement
85300	Community Relations

Finance & Revenue Development Division	
78000	Finance
76800	Insurance/Risk Management
78100	MAC General
78200	Purchasing
76300	Revenue Development
80000	Revenue & Business Development
80100	Concessions & Business Development
82050	MSP Airport Conference Center

Human Resources & Labor Relations Division	
75700	Human Resources & Labor Relations

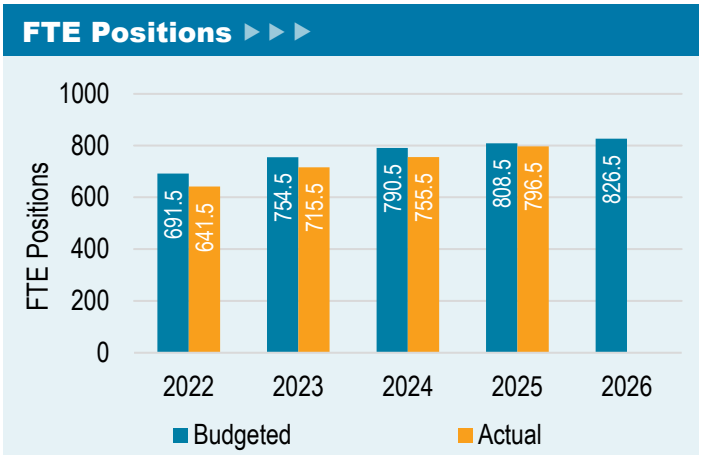
Planning & Development Division	
75500	Planning & Development
77000	Airport Development
77100	Building Official
85100	Environmental Affairs

Management & Operations Division	
75800	Management & Operations
82000	Customer Experience
82100	Integrated Operations
82600	Airside Operations
83400	Landside-Administration
85500	Operations Optimization
86100	Terminal Operations & Facilities
86300	Facilities-Energy Management Center
87000	Maintenance Services & Asset Management
88400	Trades-Administration
88000	Trades-Electricians
88100	Trades-Painters
88200	Trades-Carpenters
88300	Trades-Plumbers
89000	Field Maintenance
90000	Relievers-Administration
90200	Relievers-St. Paul
90300	Relievers-Lake Elmo
90400	Relievers-Airlake
90500	Relievers-Flying Cloud
90600	Relievers-Crystal
90700	Relievers-Anoka County-Blaine
84200	Police
83600	Fire

FULL-TIME EQUIVALENT POSITIONS (FTEs)

Actual FTE counts are lower than budget each year. This is shown in the graph below and the table on the following pages. Most vacancies are the result of natural attrition and the time it takes to fill an open position. One of MAC's cost-control measures is to evaluate each vacated position to determine if it is needed, whether it should be changed or if duties can be merged into another position.

The FTE Positions bar graph shows an overall increase in budgeted FTEs across the years. Generally, this increase has been correlated to increasing passenger activity. Evolving safety, security, maintenance and customer experience needs have led to newly authorized FTEs in recent years.



The 2026 Budget includes an increase of 18 FTEs, bringing the total count to 826.5 FTEs. The new added FTEs will support IT, Security, Trades, Finance, Data and Maintenance to meet the growing demands.

The 2025 Budget includes an increase of 18 FTEs, bringing the total count to 808.5 FTEs. The additional positions were added to support growing demands across the organization and ensure essential resources are available to support the traveling public.

In 2024, FTEs increased by 36 over the 2023 Budget, bringing the total to 790.5 FTEs. Most of the new FTEs were key parts of MAC's strategic plan. The FTEs were added to support new and increasing needs throughout MAC.

The 2023 FTEs of 754.5 increased 63 over the 2022 Budget. There were two primary drivers for the increase. First, the employee engagement survey identified service centers within the organization were understaffed for their strategic plan responsibilities. As a result, additional FTEs were added. Second, to support the increased service levels needed for winter operations, 35 FTEs were added between the Field Maintenance and Airside Operations service centers.

In 2022, one FTE was added, bringing the total to 691.5 FTEs. The added FTE was an airport maintenance worker for the Relievers-Lake Elmo service center.



MAC Employees Helped Clean Up the MAC's Adopted Stretch of Highway 5



MSP Airport Fire Department in Live Fire Training

Regular Status FTE Position Count ▶▶▶

by Division and Service Center

		2022 Actual As of 12/31/22	2023 Actual As of 12/31/23	2024 Actual As of 12/31/24	2025 Actual As of 12/31/25	2025 Budget	2026 Budget	
EXECUTIVE DIVISION								
75000	Executive-General	2	2	2	2	2	2	
75100	Executive-Commissioner	0.5	0.5	0.5	0.5	0.5	0.5	
75600	Finance & Administration	2	2	2	2	2	2	
76500	Executive-Operations	3	3	4	2	3	1	[1]
76700	Live Well, Stay Well	0	0	0	0	0	0	
78300	Internal Audit	4	4	4	4	4	4	
79000	Information Technology	50	52	53	55	57	58	[2]
79500	Governmental Affairs	1.5	1.5	2.5	2.5	2.5	2.5	
81000	Legal Affairs	8	9	8	9	9	9	
Division Total		71	74	76	77	80	79	
Division Budget		*70*	*76*	*79*	*80*	*80*	*79*	
STRATEGY & STAKEHOLDER ENGAGEMENT DIVISION								
76000	Strategic Communications	2	4	4	4	4	5	[3]
76100	Air Service Development	1	1	1	1	1	1	
76200	Strategy & Stakeholder Engagement	3	3	5	5	5	2	[4]
76400	Sustainability	0	0	0	0	0	3	[4]
85000	Strategic Marketing	8	8	10	12	13	11	[5]
85200	Stakeholder Engagement	2	2	2	2	2	2	
85300	Community Relations	3	3	3	3	4	4	
Division Total		19	21	25	27	29	28	
Division Budget		*23*	*24*	*28*	*30*	*30*	*28*	
FINANCE & REVENUE DEVELOPMENT DIVISION								
76300	Revenue Development	0	1	1	1	1	1	
76800	Insurance/Risk Management	6	6	6	4	4	4	
78000	Finance	14	15	17	18	18	19	[6]
78100	MAC General	0	0	0	0	0	0	
78200	Purchasing	6	6	7	9	7	9	[7]
80000	Revenue & Business Development	4	4	4	3	4	4	
80100	Concessions & Business Development	6	6	5	7	6	6	
82050	MSP Airport Conference Center	3	3	3	3	3	3	
Division Total		39	41	43	45	43	46	
Division Budget		*43*	*41*	*44*	*43*	*43*	*46*	

FTEs differ between the 2025 and 2026 budgets for the following reasons:

[1] Two FTEs transferred from Executive Operations - One FTE transferred to Operations Optimization and one FTE transferred to Customer Experience. The reclassification more accurately reflects the service center that their work supports.

[2] Two new FTEs were added to Information Technology to manage operations and data practices. Also, one FTE transferred from Information Technology to Purchasing to process professional service authorizations.

[3] One FTE transferred from Strategic Marketing to Strategic Communications as a division realignment.

[4] Three FTEs transferred from Strategy & Stakeholder Engagement to support the new service center, Sustainability.

[5] Two FTEs transferred from Strategic Marketing - one transferred to Strategic Communications and one transferred to Customer Experience. The reclassification more accurately reflects the service center that their work supports.

[6] Two new FTEs were added to Finance to analyze data and to address the increasing workload. One FTE transferred from Finance to Purchasing to process professional service authorizations.

[7] Two FTEs transferred to Purchasing to process professional service authorizations - one FTE transferred from Finance and one transferred from Information Technology.

Regular Status FTE Position Count Cont. ▶▶▶

by Division and Service Center		2022 Actual As of 12/31/22	2023 Actual As of 12/31/23	2024 Actual As of 12/31/24	2025 Actual As of 12/31/25	2025 Budget	2026 Budget	
HUMAN RESOURCES & LABOR RELATIONS DIVISION								
75700	Human Resources & Labor Relations	13	13	15	20	20	20	
Division Total		13	13	15	20	20	20	
Division Budget		*13*	*14*	*16*	*20*	*20*	*20*	
PLANNING & DEVELOPMENT DIVISION								
75500	Planning & Development	4	4	4	6	6	6	
77000	Airport Development	14	13	16	21	23	23	
77100	Building Official	1	1	2	2	2	2	
85100	Environmental Affairs	4	5	5	5	5	5	
Division Total		23	23	27	34	36	36	
Division Budget		*25*	*28*	*34*	*36*	*36*	*36*	
MANAGEMENT & OPERATIONS DIVISION								
75800	Management & Operations	3.5	1.5	1.5	1.5	1.5	1.5	
82000	Customer Experience	2	25	24	28	26	30	8
82100	Integrated Operations	0	6	3	5	4	5	9
82600	Airside Operations	17	24	25	26	27	28	9,10
83400	Landside-Administration	35	12	12	12	12	12	
83600	Fire	49	51	59	57	59	60	11
84200	Police	147	164	170	179	185	187	12
85500	Operations Optimization	10	10	6	8	7	8	13
86100	Terminal Operations & Facilities	8	9	21	24	24	24	
86300	Facilities-Energy Management Center	20	22	23	25	23	25	14
87000	Maintenance Services & Asset Management	0	2	2	2	2	3	15
88000	Trades-Electricians	20	20	20	20	20	21	16
88100	Trades-Painters	9	12	12	13	12	12	
88200	Trades-Carpenters	11	11	11	11	11	11	
88300	Trades-Plumbers	10	10	12	12	12	14	17
88400	Trades-Administration	2	2	2	1	2	1	18
89000	Field Maintenance	104	133	138	141	144	146	19
90000	Relievers-Administration	8	8	7	7	8	8	
90200	Relievers-St. Paul	7	7	7	7	7	7	
90300	Relievers-Lake Elmo	2	2	2	2	2	2	
90400	Relievers-Airlake	1	1	1	1	1	1	
90500	Relievers-Flying Cloud	4	4	4	4	4	4	
90600	Relievers-Crystal	3	3	3	3	3	3	
90700	Relievers-Anoka County-Blaine	4	4	4	4	4	4	
Division Total		476.5	543.5	569.5	593.5	600.5	617.5	
Division Budget		*517.5*	*571.5*	*589.5*	*599.5*	*599.5*	*617.5*	
TOTAL ACTUAL FTEs		**641.5**	**715.5**	**755.5**	**796.5**	**N/A**	**N/A**	
TOTAL BUDGET FTEs		***691.5***	***754.5***	***790.5***	***808.5***	***808.5***	***826.5***	

FTEs differ between the 2025 and 2026 budgets for the following reasons:

[8] Two new FTEs were added to Customer Experience as safety intake coordinators for the new North Star Center. Also, one FTE transferred from Executive Operations and one FTE transferred from Strategic Marketing. The reclassifications more accurately reflect the service center that their work supports.

[9] One FTE transferred from Airside Operation to Integrated Operations. The reclassification more accurately reflects the service center that their work supports.

[10] Two new FTEs were added to Airside Operations as managers for the North Star Center. One FTE transferred from Airside Operations to Integrated Operations to more accurately reflect the service center that their work supports.

[11] One new FTE was added as a Deputy Fire Marshal in the MAC Fire Department to increase safety throughout the airport.

[12] Two new FTEs were added to Police as cadets in training to fill future police positions.

[13] One FTE transferred from Executive Operations to Operations Optimization. The reclassification more accurately reflects the service center that their work supports.

[14] Two new FTEs were added as Operating Engineers in Facilities-Energy Management Center to meet the increased demands of the airport.

[15] One FTE transferred from Field Maintenance to Maintenance Services & Asset Management to fill a coordinator role.

[16] One new FTE was added in Trades-Electricians to meet the increased demands of the airport.

[17] Two FTEs were added in Trades-Plumbers to meet the increased demands of the airport.

[18] One FTE transferred from Trades-Administration to Field Maintenance due to business needs.

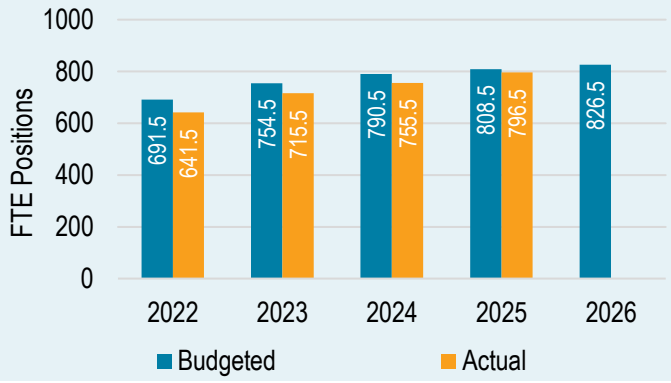
[19] Two new FTEs were added to Field Maintenance as airport maintenance workers to meet increased demands of the airport. Also, one FTE transferred from Trades-Administration to Field Maintenance, and one FTE transferred from Field Maintenance to Maintenance Services & Asset Management due to business needs.



2025 Recipients of the MAC Values Awards

The table below lists staff by job classification. “Organized” refers to those work areas or employees represented by a labor union contract. All 14 labor groups have specific contracts dictating wages, benefits and work rules. “Non-Organized” refers to all other employees outside the labor unions. The graph shows that Organized versus Non-Organized FTEs remain close in number. This illustrates the variety of careers available at the MAC.

FTE Positions ▶▶▶



Regular Status FTE Position Count ▶▶▶

By Job Classification

	2023 Actual	2024 Actual	2025 Actual	2026 Budget
ORGANIZED				
70 - Operating Engineers	21.0	20.0	23.0	25.0
49 - Equipment Maintenance	20.0	24.0	24.0	24.0
320 - MSP International - Field	94.0	94.0	100.0	102.0
320 - MSP International - Facilities	0.0	0.0	0.0	0.0
320 - Reliever Airports	20.0	22.0	21.0	21.0
386 - Painters	12.0	12.0	13.0	12.0
CAR - Carpenters	11.0	11.0	11.0	11.0
034 - Plumbers	10.0	12.0	12.0	14.0
292 - Electricians	20.0	20.0	20.0	21.0
Emergency Communications Specialists	13.0	14.0	15.0	15.0
307 - Police Lieutenants, Sergeants	20.0	19.0	21.0	21.0
302 - Police Officers	69.0	70.0	72.0	73.0
S6 - Firefighters	36.0	45.0	43.0	44.0
S6 - Fire Captains	10.0	10.0	10.0	10.0
TOTAL ORGANIZED	**356.0**	**373.0**	**385.0**	**393.0**
NON-ORGANIZED				
Chairperson, Executive Director/CEO	1.5	1.5	1.5	1.5
Executives, Vice Presidents, Directors, Assistant Directors	45.0	38.0	46.0	46.0
Managers, Assistant Managers, Supervisors	102.0	108.0	134.0	138.0
Police Chief, Fire Chief	2.0	2.0	2.0	2.0
Community Service Officers	23.0	24.0	25.0	31.0
Passenger Service Assistants	22.0	18.0	15.0	15.0
Fire Marshall, Training Coordinator	2.0	2.0	2.0	4.0
Police Commander, Deputy Chief, Training Coordinator	3.0	2.0	2.0	2.0
Administrative, Professional, Technical Support	159.0	187.0	184.0	194.0
TOTAL NON-ORGANIZED	**359.5**	**382.5**	**411.5**	**433.5**
TOTAL MAC	**715.5**	**755.5**	**796.5**	**826.5**

BUDGET PROCESS & FINANCIAL POLICIES

The Metropolitan Airports Commission's purpose is to provide exceptional airport experiences so Minnesota thrives. Our Values and Focus Areas as outlined in our five-year enterprise strategic plan serve as the foundation for advancing that purpose as an organization. Staff led the strategic planning process, which included engagement with staff members, commissioners and other stakeholders; an assessment of industry trends; and the identification of organizational opportunities and challenges. The final Enterprise Plan was approved by the MAC Commission. Divisions then developed goals and objectives that align with the approved Enterprise Strategic Plan. Each year, the annual budget process establishes funding to advance the strategic goals and priorities and ensure the organization's ongoing operational needs are met.



The annual budget targets are presented to the Commission at the beginning of the budgeting process. The targets for the 2026 budget are presented in the Executive Summary section.

Organizational priorities are communicated to division staff along with guidelines and the budget targets. The divisions link their Goals, Objectives and Key Performance Indicators to the Focus Areas.

The budget is then developed with requests for resources based on organizational priorities. Personnel requests and other costs are evaluated using the following criteria:

FULL-TIME EQUIVALENT 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 such as scheduled contract escalators, salary adjustments for organized labor and utility rate increases

Third Priority Costs to maintain facilities

Fourth Priority Costs to advance organizational strategic goals

CONTROLLABLE EXPENSES

The MAC prepares a line-item budget for each division. Controllable expenses allow a division to budget for those line items for which it has 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. Expenses are budgeted to the appropriate subledger through either direct cost or allocation. Expenses of the organization are key factors in revenue calculations. 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. The summarized costs from the subledgers determine the calculation of various rates and charges.

BUDGET SCHEDULE

The MAC's fiscal year is January through December. Preparation for the next year begins in January with discussions on organizational priorities. The long-range financial plan analysis is prepared during the first quarter of the year. In April, staff presents to the Operating, Finance & Administration Committee (OF&A) the budget targets for the upcoming year with a 30-day public comment period. Also, the budget database is updated and prepared for budget entries. In May, staff requests approval from the OF&A to allocate prior year available funds. The Commission approves the targets in May.

Each service center assigns a budget specialist to coordinate budget information for the respective service center and to input the budget into the database. The database contains historical data, which includes the prior year actual data. In June, the budget database is available to service center staff to input their budget requests. Staff use their strategic planning goals to complete their budgets. Divisions present their budgets to Executive staff in early July for review. Staffing is one of the first items reviewed and approved. Finance also performs an initial review of budget information in July.

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 complete. Non-operating revenue and expense are also taken into consideration and become part of the budget documents. Budget revisions are made by staff as required to ensure the established targets are met.

During September, supporting documents and presentations are prepared for the OF&A, Senior Leadership and airlines. In addition, a draft budget is sent to the Minnesota State Legislature. The airlines receive a formal budget presentation in October. Also, the month of October is reserved for a first draft presentation to the OF&A. Public comment on the upcoming budget is allowed at each of the Commission meetings in October and December. Revisions are made between October and December prior to requesting final approval.

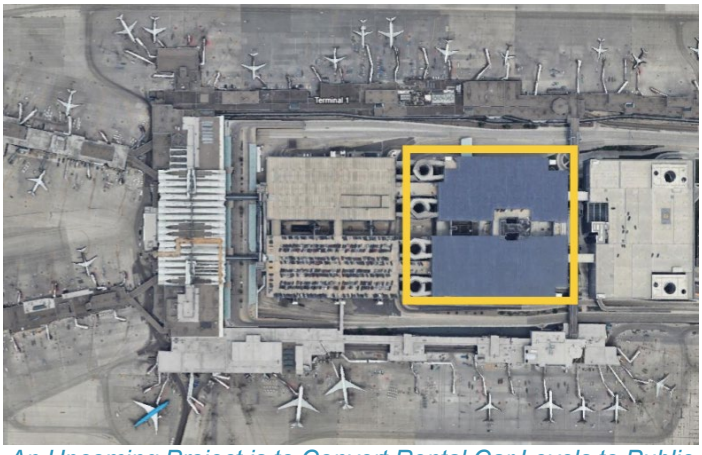
Notifications of rate changes are sent to those affected at the beginning of December based upon assumed approval from the full Commission. The recommendation from the OF&A for final approval is requested at the December Commission meeting. The proposed budget is adopted at this time. Final approval of the 2026 Operating Budget was given on December 15, 2025, full Commission meeting.

CAPITAL IMPROVEMENT PROGRAM – SCHEDULE

Initial discussions of the Capital Improvement Program (CIP) begin in May. Project proposals and related data are submitted by service centers. Airport Development and Finance analyze the project scope, costs and priorities with a preliminary draft developed in August.

In September, approval for environmental review is requested for the preliminary CIP plan from the Planning, Development & Environment Committee (PD&E). Mailings are sent to the affected communities and municipalities. In October, a 30-day notice is published for the public hearing that is held in November.

At the December Commission meeting, the PD&E recommends the CIP for approval. Upon the successful approval, the CIP is distributed to MAC departments, the Metropolitan Council, State Historical Society and affected communities.



An Upcoming Project is to Convert Rental Car Levels to Public Parking in the Red/Blue Parking Ramp

CALENDAR

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

JANUARY
- MAC staff and Commission discuss organizational priorities.

APRIL
- Staff presents growth, allocation of funds and budgets targets to the OF&A Committee and requests approval.
- Finance updates and prepares the database for service center staff.

MAY
- Staff begins long-range financial plan analysis and related CIP plan.
- Finance provides direction to budget specialists.
- Finance provides enplanement forecast and wage adjustment projections to service centers.
- Finance adopts budget targets at the end of the 30-day public comment period.

JUNE
- MAC staff enters information into the budget database.
- Airport Development develops a preliminary CIP draft.
- Finance presents the preliminary budget to the OF&A Committee in compliance with state taxation statutes.

JULY
- Human Resources compiles position headcount request summaries.
- MAC Departments present budget requests to the Executive staff.
- Finance initiates budget revisions as needed.

AUGUST
- Executive staff and Human Resources approve preliminary position and headcount requests.
- Executive staff approves preliminary summary of capital asset requests.
- Finance prepares a summary of controllable expense requests.
- Finance compiles revenue analysis, projections and forecast.

SEPTEMBER
- Finance compiles budget presentation information.
- Finance prepares a draft budget for MAC staff, the OF&A Committee, the airlines and the State Legislature.
- Finance implements budget revisions to projected expenses.
- Airport Development presents the preliminary CIP to the PD&E Committee.
- The PD&E Committee approves the preliminary CIP for environmental purposes.
- Airport Development mails the CIP to affected communities.

OCTOBER
- Finance presents the draft budget to the OF&A Committee and the airlines.
- Finance revises the budget as needed.
- Airport Development publishes a Notice of CIP public hearing.

NOVEMBER
- Finance revises the budget as needed.
- Airport Development holds a public hearing regarding the CIP.

DECEMBER
- Finance presents the preliminary notice of rate changes to all tenants.
- The OF&A Committee approves the budget and recommends it to the full Commission.
- The full Commission approves the budget.
- The PD&E Committee approves the CIP.
- Airport Development distributes the CIP to MAC departments, the Metropolitan Council, the State Historical Society and affected communities.

MARCH
- Finance completes the Budget document.

BUDGET 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 category and/or upward or downward revision of that budget in the course of the corporation's fiscal year shall constitute prior approval for each type of expenditure. Authorization by vote of the Commission is required for transfer of budgeted amounts between or among categories or to appropriate additional funds for each category. 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 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 category budget constraints of the annual budget.
>
> During the fiscal year the Commission shall be provided periodic updates of expenditures by category. 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 categories be transferred to those categories 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. After the fiscal year has concluded, a final accounting of expenditures by category shall be presented to the Commission for approval of the final expenditure amounts by category."

FINANCIAL POLICIES AND PROCEDURES

The following categories contain summaries of the Metropolitan Airports Commission Financial Policies:

- Operating Budget
- Investment/Cash Management
- 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 its purpose, values, focus areas and goals.

FINANCIAL POLICIES AND PROCEDURES – 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:

Operating Budget Policies and Procedures

- The Commission will pay all current expenditures from current revenues.
- The budget shall be prepared under the accrual basis of accounting.
- 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.
- The budget will provide adequate funding for the retirement plans.
- The Finance Department will assist service centers in reviewing monthly variance reports comparing actual versus budget revenue and expense on the financial software system.
- The budget will provide summary information using the Operating Fund, Construction Fund and Debt Service Fund projected for the next two years.
- Where possible, the Commission will integrate performance measurement and/or efficiency indicators in the budget.
- 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.

Budget Targets

The Commission will adopt budget targets to provide direction to staff in the preparation of the annual Operating Budget for the following 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 considering items such as the Capital Improvement Program, the rate of inflation, the state of the airline industry and existing union and vendor contracts. To allow for public input into the Operating Budget, the following will occur:

- 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.
- A draft of the Operating Budget must be presented to the Commission and mailed to the appropriate legislative committees by September, 90 days prior to final adoption.

Operating Reserve

The Operating Reserve was established by the Operations, Finance & Administration Committee as at least six months of operating expenses less depreciation. The 2026 operating budget expenses are $311.2 million and the reserve account is carrying a balance of $155.6 million. 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 wage adjustments, reduce discretionary spending, decrease capital and project expenditures and may recommend a transfer from the Commission's operating reserve.

Revenue

The Commission monitors revenues on a monthly basis and deviations from budget are identified and explained.

- 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.
- The Commission maintains a diversified revenue system which is consistently monitored to help protect from possible short-term fluctuations.
- 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.

Each year the Finance Department projects revenue for the upcoming budget year with the assistance of Airport Development, Landside-Administration, Reliever Airports, Concessions and Revenue & Business Development service centers.

Basis of Budgeting

The MAC uses the accrual basis of accounting for budgeting. The accrual basis of accounting in the operating budget contains certain elements that are not expensed under GAAP such as debt service and reserve requirements. In addition, the budget excludes depreciation, noise amortization and GASB 68 pension expense 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.

Accrual Basis of Accounting

The budgets for all three Segregated Funds previously mentioned are prepared using the accrual basis of accounting in accordance with GAAP, 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. By December of each year, the Commission will adopt an annual 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 or as designated by Commission approval.

Use of Estimates

The use of 2025 estimates in the reporting of the 2026 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 MAC Board of Commissioners.

FINANCIAL POLICIES AND PROCEDURES – INVESTMENT/CASH MANAGEMENT

Cash Management

- All securities are safekept at one institution.
- All deposits must be insured or collateralized.

Investments

- All investment purchases require bids to be taken from several different dealers.
- Investments purchased shall meet the primary objectives of:
  1. Safety of principal
  2. Liquidity
  3. Return on investment
- The average rate of return on MAC-managed investments 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 (average portfolio life of no greater than 12 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 Chief Financial Officer and Executive Director/Chief Executive Officer.

Collateral

- Collateral must always be held by an independent third party with whom the MAC has a custodial agreement.
- 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 AND PROCEDURES – CAPITAL PROJECTS

Each year, the Commission reviews, revises and approves capital projects that will start within the next 12 months and adopts a 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.

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.

Capital Projects

Commission policies for Capital Projects include:

- Capital projects are safety-oriented and customer service-oriented.
- The Commission will maximize all federal aid.
- Metropolitan Council approval is required on Reliever Airport projects in excess of $2 million and MSP Airport projects in excess of $5 million if they are viewed as having a metropolitan significance.
- Projects follow priority categories in this order of importance:
  1. Projects which the Commission has made a commitment to complete
  2. Projects that enhance or ensure continued safety at each of the airports in the airport system
  3. Projects that cannot be accomplished by Commission maintenance crews but are essential for reasons of economics or continued operation
  4. Projects that are necessitated by regulatory requirements such as Federal Aviation Administration (FAA) regulations and local, state or federal laws
  5. Projects which address various environmental issues ranging from asbestos abatement to wetland mitigation
  6. Projects constituting preventative maintenance
  7. Projects which improve customer service and/or convenience
  8. 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
  9. Projects which have an estimated useful life typically ranging from 5 to 40 years

Capital Equipment

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

- The total cost of each piece of equipment is amortized over its useful life through depreciation charges.
- Snow plowing equipment qualifies for state and federal aid. Total eligible aid is limited.
- Aid for equipment purchases must compete with eligible construction projects.
- All equipment purchases must follow the MAC's purchasing policies.
- All equipment or project costs must be greater than or equal to $25,000.
- Estimated useful life for capital equipment ranges from three to 15 years.

FINANCIAL POLICIES AND PROCEDURES - PURCHASING

Purchasing oversees the acquisition of materials, services and equipment to meet the needs of end users by using the method resulting in the most efficient use of MAC resources. Purchasing also administers the Commercial Card program for the MAC staff. Purchasing also disposes of surplus property by selling items publicly, donating items to various charities or distributing between the MAC service centers.

Purchasing's objective is to provide a foundation for effective and consistent consideration of aspects of purchasing including:

- Purchases will ensure fair and equitable treatment of all suppliers.
- The procurement procedures followed by the MAC should foster public confidence.
- Purchases will comply with applicable state and federal laws.
- Advantages and economies derived from a standardized purchasing system will be secured.
- The Commission will promote 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.

- Each Purchase Requisition-RSS will have the funding available, proper account code, appropriate approvals authorizing the expenditure and backup text and scanned documents attached. Capital Equipment Purchases are considered over $25,000.
- The standard purchasing process is followed based on procurement amount. Commission approval is required for procurement that is over $175,000.
- Emergency purchases are allowed within limits based on proper authorization upon declaration of an emergency.

FINANCIAL POLICIES AND PROCEDURES – DEBT SERVICE AND RESERVE POLICIES

Debt

- The Commission is currently able to issue General Obligation Revenue Bonds (GORBs) and General Airport Revenue Bonds (GARBs), both fixed and variable rate.
- Funds will be managed to avoid any property tax levy.
- The MAC will maintain the highest possible rating available from Fitch and Standard and Poor's Rating Agencies.
- Procedures/mechanisms will be developed and maintained to obtain the highest possible rating on the GARBs.
- All refundings of GORBs or Airport Revenue Bonds must show a minimum 3% Net Present Value savings as specified in Minnesota Statute Section 475.67, Subdivision 12.
- The current remaining authorized level of issuance for GORBs is $55 million.
- The MAC will endeavor to keep the total maturity length of GORBs below 20 years and retire at least 50% of the principal within 10 years. In all cases, the maturity shall be shorter than the life of the related assets.
- Staff will adhere to Administrative Policy 2701 dealing with Special Facility Financing which defines project evaluation, reimbursement of costs and investment criteria.
- Regarding Derivative Financing Products, staff will adhere to Administrative Policy 2702 which defines its purpose, eligible counterparties, solicitation method and accounting treatment.
- Policy 2703 defines the roles and responsibilities, types of debt, debt limits, investment of proceeds, compliance with Federal Tax law and market disclosure obligations, rating agencies and investor relations.

Reserve

The Commission is required to have a restricted investment balance on October 10 each year for GORBs 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.

Debt Limits

Currently the Commission has three available forms of indebtedness: Short-term borrowing, GARBs and GORBs. The GORB instrument has the most straightforward legal limit. Currently the Commission is authorized to issue up to $55,051,875 of additional GORB debt without statutory authorization and without having to meet the requirements of the additional bonds test set forth in the Senior Indenture. Prior to issuing GORB debt in excess of the above-mentioned limit, the Commission would be required to seek authorization from the Minnesota State Legislature and would have to comply with the additional bonds test set forth in the Senior Indenture or Subordinate Indenture.

With regard to Revolving Line of Credit, the total authorized limit is currently $200 million.

The legal limit for GARBs is based on the Commission's ability to generate sufficient revenues to pass the additional bonds test described in the applicable Senior Indenture or Subordinate Indenture. As long as there are adequate revenues to pass the test, additional debt can be issued.

COMPLIANCE STATEMENT

Policies are reviewed annually by department staff and updated throughout the year. The MAC is in compliance with all policies and procedures. MAC policies are available upon request.

OPERATING AND NON-OPERATING REVENUE AND EXPENSE SUMMARIES

The MAC 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.

The following tables show summaries of the Metropolitan Airports Commission 2026 Budget:

- Generally Accepted Accounting Principles (GAAP) Operating & Non-Operating Summary
- Approved Operating & Non-Operating Revenue and Expense Summary

GAAP OPERATING & NON-OPERATING SUMMARY

GAAP Operating & Non-Operating Summary ▶▶▶

($=000) — 2026 Budget vs 2025 Estimate

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	Dollar Change	% Change
OPERATING REVENUE						
Airline Rates & Charges	$ 192,893	$ 197,483	$ 200,863	$ 224,450	$ 23,587	11.7%
Concessions	226,410	241,771	236,415	242,371	5,956	2.5%
Rentals/Fees	67,865	69,581	68,071	69,575	1,504	2.2%
Utilities & Other Revenues	28,137	27,475	27,585	28,513	928	3.4%
TOTAL OPERATING REVENUE	**$ 515,305**	**$ 536,310**	**$ 532,934**	**$ 564,909**	**$ 31,975**	**6.0%**
OPERATING EXPENSE						
Personnel[1]	$ 114,205	$ 134,701	$ 137,649	$ 145,705	$ 8,056	5.9%
Administrative Expenses	1,844	2,575	2,375	2,567	192	8.1%
Professional Services	11,494	15,764	13,730	14,055	325	2.4%
Utilities	22,971	27,351	24,197	24,728	530	2.2%
Operating Services/Expenses	37,166	43,851	42,066	47,370	5,304	12.6%
Maintenance	67,310	70,616	69,563	74,095	4,532	6.5%
Other	6,599	12,239	6,325	7,714	1,389	22.0%
Depreciation	194,746	215,163	210,413	230,584	20,171	9.6%
TOTAL OPERATING EXPENSE	**$ 456,335**	**$ 522,261**	**$ 506,318**	**$ 546,818**	**$ 40,500**	**8.0%**
OPERATING GAIN (LOSS)	**$ 58,971**	**$ 14,050**	**$ 26,617**	**$ 18,092**	**$ (8,525)**	**-32.0%**
NON-OPERATING REVENUE (EXPENSE) & CONTRIBUTIONS						
Interest Income and Other	$ 73,677	$ 12,850	$ 16,080	$ 13,235	$ (2,846)	-17.7%
Passenger Facility Charges	71,324	76,382	60,008	70,272	10,264	17.1%
Interest Expense	(70,854)	(95,739)	(82,273)	(94,679)	(12,405)	15.1%
Capital Contributions & Grants	60,031	54,196	14,754	41,882	27,128	183.9%
TOTAL NON-OPERATING REVENUE (EXPENSE) & CONTRIBUTIONS	**$ 134,178**	**$ 47,690**	**$ 8,569**	**$ 30,710**	**$ 22,140**	**258.4%**
CHANGE IN NET POSITION	**$ 193,149**	**$ 61,739**	**$ 35,186**	**$ 48,801**	**$ 13,616**	**38.7%**

[1]Personnel includes GASB 68 Pension Adjustment

Numbers may not sum to totals due to rounding

APPROVED OPERATING & NON-OPERATING REVENUE AND EXPENSE SUMMARY

Operating & Non-Operating Summary Report ▶▶▶

($=000) 2026 Budget vs 2025 Estimate

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	Dollar Change	% Change
OPERATING REVENUE						
Airline Rates & Charges						
Airline Agreement						
Landing Fees	106,383	108,272	108,272	123,187	14,915	13.8%
Ramp Fees	8,165	9,734	9,734	10,135	401	4.1%
Airline R&R	5,773	5,856	5,856	6,154	298	5.1%
T1 Rentals	62,618	62,523	63,238	69,525	6,287	9.9%
T1 Other	8,533	10,784	11,241	11,785	544	4.8%
Concessions Rebate	(21,071)	(22,740)	(21,485)	(22,101)	(616)	2.9%
Total Airline Agreement	**$ 170,402**	**$ 174,430**	**$ 176,857**	**$ 198,685**	**$ 21,828**	**12.3%**
T2 Lobby	15,822	16,481	17,523	18,522	999	5.7%
T2 Other /Passenger	6,670	6,572	6,483	7,243	760	11.7%
Total Airline Rates & Charges	**$ 192,893**	**$ 197,483**	**$ 200,863**	**$ 224,450**	**$ 23,587**	**11.7%**
Concessions						
Terminal						
Food & Beverage	31,479	33,102	30,760	31,683	923	3.0%
News	5,600	5,840	5,369	5,623	254	4.7%
Retail Stores	5,175	5,262	5,288	5,438	149	2.8%
Passenger Services	9,666	9,982	10,163	10,477	313	3.1%
Total Terminal	**$ 51,920**	**$ 54,187**	**$ 51,581**	**$ 53,221**	**$ 1,640**	**3.2%**
Parking/Ground Transportation						
Parking	130,391	141,436	140,062	142,811	2,748	2.0%
Ground Transportation	16,741	18,157	17,897	18,829	932	5.2%
Auto Rental - On Airport	24,242	24,704	23,688	24,228	540	2.3%
Total Parking/Ground Transportation	**$ 171,374**	**$ 184,297**	**$ 181,647**	**$ 185,868**	**$ 4,221**	**2.3%**
Other Concessions	3,116	3,287	3,187	3,283	96	3.0%
Total Concessions	**$ 226,410**	**$ 241,771**	**$ 236,415**	**$ 242,371**	**$ 5,956**	**2.5%**
Rentals & Fees						
Buildings & Facilities	17,736	19,418	18,605	19,276	671	3.6%
Auto Rental CFC	20,662	21,008	20,370	20,716	346	1.7%
Ground Rentals	17,228	17,551	16,737	16,553	(184)	-1.1%
Reliever Airports	12,238	11,604	12,359	13,030	671	5.4%
Total Rentals & Fees	**$ 67,865**	**$ 69,581**	**$ 68,071**	**$ 69,575**	**$ 1,504**	**2.2%**
Utilities & Other Revenues						
Utilities	7,092	7,207	7,473	7,697	224	3.0%
General Aviation/Airside Fees	7,864	7,872	8,623	8,784	162	1.9%
Maintenance, Cleaning & Distribution Fees	4,868	5,480	5,073	5,226	152	3.0%
Other Revenues	3,009	3,015	2,501	2,552	50	2.0%
Reimbursed Expense	5,304	3,901	3,914	4,254	340	8.7%
Total Utilities & Other Revenue	**$ 28,137**	**$ 27,475**	**$ 27,585**	**$ 28,513**	**$ 928**	**3.4%**
TOTAL OPERATING REVENUE	**$ 515,305**	**$ 536,310**	**$ 532,934**	**$ 564,909**	**$ 31,975**	**6.0%**

Operating & Non-Operating Summary Report ▶▶▶

($=000) 2026 Budget vs 2025 Estimate

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	Dollar Change	% Change
Total Operating Revenue	$ 515,305	$ 536,310	$ 532,934	$ 564,909	$ 31,975	6.0%
OPERATING EXPENSE						
Personnel	125,824	129,701	132,649	140,705	8,056	6.1%
Administrative Expenses	1,844	2,575	2,375	2,567	192	8.1%
Professional Services	11,494	15,764	13,730	14,055	325	2.4%
Utilities	22,971	27,351	24,197	24,728	530	2.2%
Operating Services/Expenses	37,166	43,851	42,066	47,370	5,304	12.6%
Maintenance	67,310	70,616	69,563	74,095	4,532	6.5%
Other	6,599	12,239	6,325	7,714	1,389	22.0%
TOTAL OPERATING EXPENSE	$ 273,208	$ 302,098	$ 290,905	$ 311,234	$ 20,329	7.0%
Excludes Depreciation and Noise Amortization						
NET OPERATING REVENUE	$ 242,098	$ 234,213	$ 242,029	$ 253,676	$ 11,646	4.8%
NON-OPERATING REVENUE (EXPENSE)						
Other Non-Operating Revenue						
Interest Income	10,241	9,940	9,265	9,265	0	0.0%
Unrealized Gain/Loss on Investments	3,341	-	4,400	-	(4,400)	-100.0%
Self-Liquidating Income	810	2,012	1,391	3,146	1,755	126.2%
	$ 14,393	$ 11,953	$ 15,056	$ 12,411	$ (2,645)	-17.6%
Debt Service						
Short Term Financing	(5,852)	(4,000)	(3,035)	(3,035)	0	0.0%
Bond Principal & Interest Operating Fund Transfer	(6,485)	(7,986)	(9,812)	(9,812)	0	0.0%
Equip Financing Principal & Interest Payments	(131,540)	(138,479)	(138,479)	(146,027)	(7,549)	-10.6%
	$ (143,877)	$ (150,465)	$ (151,326)	$ (158,875)	$ (7,549)	5.0%
Equipment						
Capital Expenditures	(1,746)	(2,282)	(2,274)	(2,389)	(115)	5.1%
Equipment Purchases	(24,356)	(30,084)	(43,615)	(43,613)	2	0.0%
Equipment Financing	16,654	15,000	12,875	25,500	12,625	98.1%
	$ (9,448)	$ (17,366)	$ (33,014)	$ (20,502)	$ 12,512	-37.9%
Other						
Six Month Reserve Transfer	(21,754)	(10,699)	(8,428)	(5,280)	3,148	-37.4%
Gain (Loss) on Equipment & Other	(3,225)	192	60	160	100	166.7%
	$ (24,979)	$ (10,507)	$ (8,368)	$ (5,120)	$ 3,248	-38.8%
TOTAL NON-OPERATING REVENUE (EXPENSE)	$ (163,911)	$ (166,385)	$ (177,652)	$ (172,085)	$ 5,567	-3.1%
Net Revenue Available for Designation	$ 78,187	$ 67,828	$ 64,377	$ 81,591	$ 17,213	26.7%

Numbers may not sum to totals due to rounding

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FUND STRUCTURE

The Metropolitan Airports Commission is accounted for as an Enterprise Fund. An Enterprise Fund reports any activity for which a fee is charged to users for goods or services. For internal purposes, the MAC maintains three funds corresponding to three major functions:

- Operating Fund
- Construction Fund
- Debt Service Fund

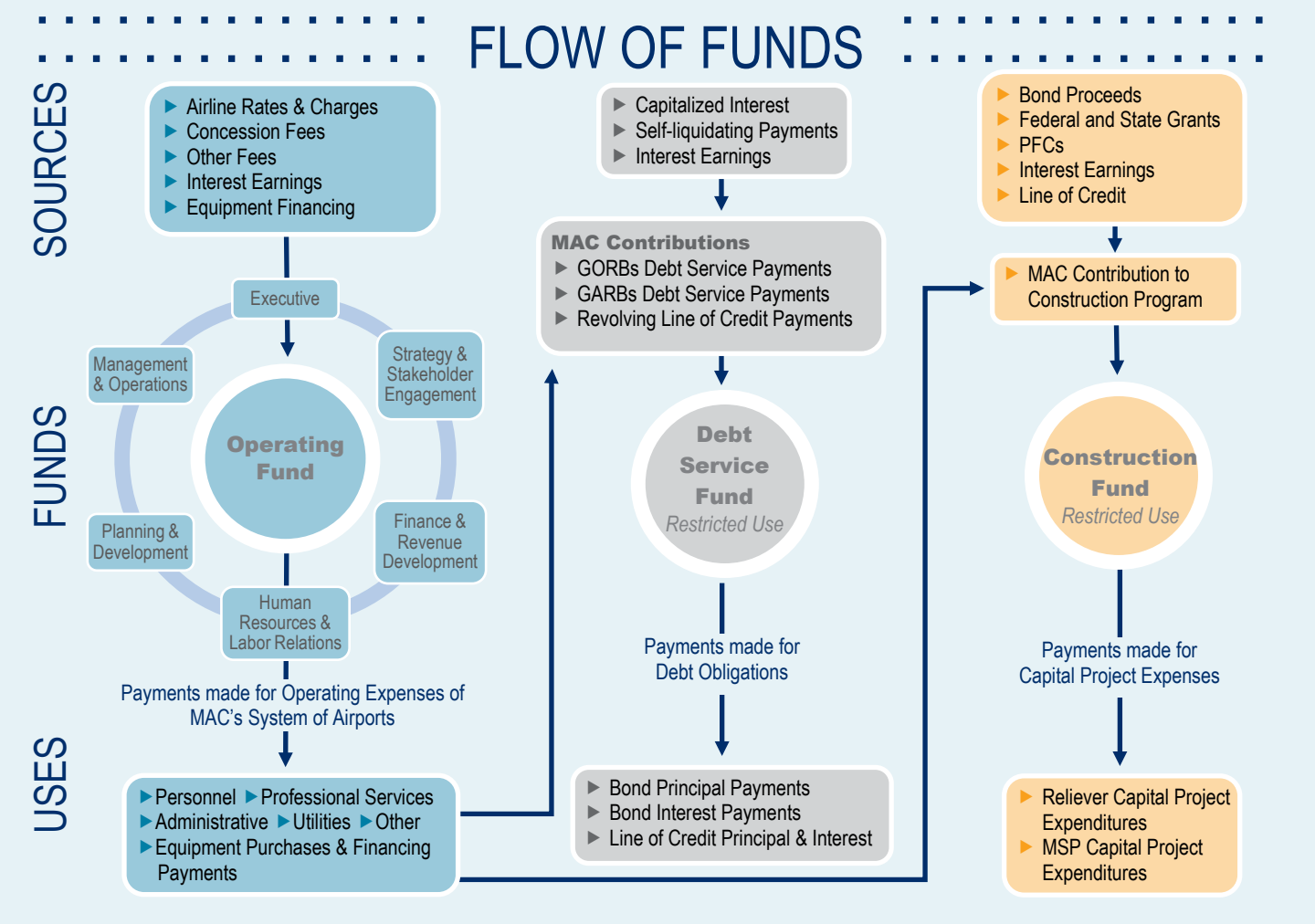
The MAC uses the accrual basis of accounting in accordance with Generally Accepted Accounting Principles. All three segregated funds identified here are prepared using these principles. These funds are not appropriated by the State of Minnesota. The Operating Fund is unrestricted, while the Construction and Debt Service Funds are restricted funds.

Budgeted and projected uses of funds reflect expenses that have been approved because they will further the MAC's pursuit of its Strategic Plan. The Strategic Plan is outlined in the Executive Summary.

The Division section notes the primary Strategic Plan goals and objectives for which each Division budgets. The Construction Fund section notes how the Strategic Plan drives the Capital Improvement Plan (CIP). Projecting the Debt Service Fund is driven by the Strategic Plan, as the fund's purpose is to pay required debt principal and interest payments for debt obligations that fund Strategic Plan initiatives.

Division expenses are within the Operating Fund as shown in the chart below.

FLOW OF FUNDS



FUND BALANCE SUMMARY

A fund balance is the net value of a fund's assets less its liabilities at a point in time. When assets exceed liabilities, the balance is positive. Conversely, the balance is negative when its liabilities exceed assets. Additionally, a fund balance may be designated as unreserved or reserved. Unreserved fund balances are free to be authorized for future expenditures, while reserved balances may not be designated for future expenditures.

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. Footnotes explain fund balance changes greater than 10% from the 2025 Estimate to the 2026 Budget. Funds are described in detail, including all sources and uses, in their respective sections within this document.

Fund Balance Summary ▶▶▶

($ = 000)

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	2027 Projection	2028 Projection
Operating Fund						
Balance Carried Forward January 1	$ 311,988	$ 238,028	$ 238,028	$ 232,916	$ 238,185	$ 251,105
Total Sources of Funds	543,127	563,454	560,925	602,979	622,350	650,264
Total Uses of Funds	(443,187)	(484,928)	(488,120)	(516,110)	(538,229)	(560,382)
Transfers	(173,900)	(86,128)	(77,917)	(81,600)	(71,201)	(71,201)
Operating Fund December 31 Balance	**$ 238,028**	**$ 230,426**	**$ 232,916**	**$ 238,185**	**$ 251,105**	**$ 269,786**
Construction Fund						
Balance Carried Forward January 1	$ 405,062	$ 965,308	$ 965,308	$ 562,638	$ 385,382	$ 576,852
Total Sources of Funds	963,718	256,388	229,080	268,856	798,560	253,446
Total Uses of Funds	(403,472)	(709,278)	(631,750)	(446,112)	(607,089)	(780,566)
Construction Fund December 31 Balance	**$ 965,308**	**$ 512,418**	**$ 562,638**	**$ 385,382** [1]	**$ 576,852**	**$ 49,732**
Debt Service Fund						
Balance Carried Forward January 1	$ 127,435	$ 114,845	$ 114,845	$ 84,264	$ 36,831	$ 26,071
Total Sources of Funds	158,481	159,835	160,889	533,863	190,298	203,925
Total Uses of Funds	(171,071)	(191,470)	(191,470)	(581,296)	(201,058)	(202,290)
Debt Service Fund December 31 Balance	**$ 114,845**	**$ 83,210**	**$ 84,264**	**$ 36,831** [2]	**$ 26,071**	**$ 27,706**
Total All Funds						
Balance Carried Forward January 1	$ 844,485	$ 1,318,181	$ 1,318,181	$ 879,818	$ 660,398	$ 854,028
Total Sources of Funds	1,665,326	979,677	950,894	1,405,698	1,611,208	1,107,635
Total Uses of Funds	(1,017,730)	(1,385,676)	(1,311,340)	(1,543,518)	(1,346,376)	(1,543,238)
Transfers	(173,900)	(86,128)	(77,917)	(81,600)	(71,201)	(71,201)
Total All Funds December 31 Balance	**$ 1,318,181**	**$ 826,054**	**$ 879,818**	**$ 660,398** [3]	**$ 854,029**	**$ 347,224**

[1] The 2026 Construction Fund year-end balance of $385.4 million represents a 31.5% decrease from the 2025 Estimate. The beginning balance in 2025 includes bonds that were issued in 2024 to fund construction projects. The beginning balance in 2026 is lower as no bonds were issued in 2025. Also, project costs are projected to be lower in 2026, resulting in the reduction in the Construction Fund balance.

[2] The 2026 Debt Service Fund year-end balance of $36.8 million represents a 56.3% decrease from the 2025 Estimate. In 2026, the MAC expects to refund older, higher interest GARB series bonds, using a new bond issue, resulting in the reduction in the Debt Service Fund balance.

[3] At the end of 2026, the total balance of All Funds is budgeted to be $660.4 million, which is a 24.9% decrease from the 2025 Estimate. The overall decrease in the All Funds balance is a result of the lower beginning Construction Fund balance as explained in footnote 1 and the effect of the bond refunding as noted in footnote 2.

Numbers may not sum to totals due to rounding.

The Operating Fund is used for day-to-day operations. The total change in the fund balance from the actual ending balance of $238.0 million in 2024 to the projected ending balance of $269.8 million in 2028 represents an increase of $31.8 million. This change is mainly attributed to the projected increase in revenue and equipment financing.

The Construction Fund is used to pay capital costs associated with the CIP. The fund had an ending balance of $965.3 million in 2024 and is projected to have a 2028 ending balance of $49.7 million. The overall decrease of $915.6 million is mainly due to the bond issuance that occurred in 2024 to fund capital projects, with no comparable bond sale planned for 2028. In addition, project costs are projected to be higher in 2028.

The Debt Service Fund is used to pay required debt principal and interest payments. The total change in the fund balance from the actual ending balance of $114.8 million in 2024 to the projected ending balance of $27.7 million in 2028 represents a decrease of $87.1 million. The change is attributed to a reduced beginning fund balance due to bond refunding activity and elevated debt service requirements, partially mitigated by an increased operating transfer to the construction fund.



Construction of Two Additional Gates Including Gatehold Spaces, Expansion of Current Gatehold Spaces and Concessions at Terminal 2

TAXING AUTHORITY

The Commission has the ability to levy ad valorem property taxes upon properties at MSP and, under certain circumstances, upon all taxable property within the Metropolitan Area.

Such taxing authority includes:

- The power to levy property taxes on land leased at MSP for operation, police and fire protection, and maintenance of roadway systems.
- The power to levy property taxes not in excess of 0.00806% in each year upon the net tax capacity of all taxable property in the metropolitan area for MSP operation and maintenance costs of MSP 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 fees received by the Commission, together with other charges, rates and fees imposed by the Commission, are sufficient to meet all expenses of operation and maintenance of the Commission's property.

SOURCES AND USES OF FUNDS

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

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

- Operating Reserve Transfer
- Operating Revenues
- Other Non-Operating Revenues

In general, there are three uses of revenues:

- Operating Expenses
- Non-Operating Expenses
- Unrestricted Net Transfer Out-Construction

The table below summarizes the Operating Fund sources and uses from 2024 through 2028.

Operating Fund Budget ▶▶▶

($ = 000)

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	2027 Projection	2028 Projection
Beginning Balance January 1	$ 311,988	$ 238,028	$ 238,028	$ 232,916	$ 238,185	$ 251,105
SOURCES OF FUNDS						
Operating Revenues						
Airline Rates & Charges	192,893	197,483	200,863	224,450	233,428	240,431
Concessions	226,410	241,771	236,415	242,371	249,642	257,131
Other Operating Revenues	96,002	97,056	95,656	98,088	100,381	101,698
Subtotal Operating Revenues	$ 515,305	$ 536,310	$ 532,934	$ 564,909	$ 583,451	$ 599,260
Other/Non Operating Revenues						
Interest Earnings [1]	13,583	9,940	13,665	9,265	10,073	10,375
Other & Self-Liquidating Revenue	(2,415)	2,204	1,451	3,305	3,463	3,629
Transfers In Equipment Financing	16,654	15,000	12,875	25,500	25,363	37,000
Subtotal Other/Non Operating Revenue	$ 27,822	$ 27,144	$ 27,991	$ 38,070	$ 38,899	$ 51,004
TOTAL SOURCES OF FUNDS	$ 543,127	$ 563,454	$ 560,925	$ 602,979	$ 622,350	$ 650,264
USES OF FUNDS						
Operating Expenses						
Personnel	125,824	129,701	132,649	140,705	144,926	149,274
Administrative Expenses	1,844	2,575	2,375	2,567	2,644	2,723
Professional Services	11,494	14,633	13,730	14,055	14,477	14,911
Utilities	22,971	27,351	24,197	24,728	25,470	26,234
Operating Services	37,166	45,022	42,066	47,370	48,791	50,255
Maintenance	67,310	70,576	69,563	74,095	76,318	78,608
Other	6,599	12,239	6,325	7,714	7,945	8,183
Subtotal Operating Expenses	$ 273,208	$ 302,097	$ 290,905	$ 311,234	$ 320,571	$ 330,188
Non-Operating Expenses						
Equipment						
Equipment & Other Capital Expenditures	26,102	32,366	45,889	46,002	42,461	42,534
Transfers Out - Equipment Financing	6,485	7,986	9,812	9,812	7,518	7,151
Subtotal Equipment	$ 32,587	$ 40,352	$ 55,701	$ 55,814	$ 49,979	$ 49,685
Debt Service						
Transfers Out - Debt Service	137,392	142,479	141,514	149,062	167,679	180,509
Subtotal Debt Service	$ 137,392	$ 142,479	$ 141,514	$ 149,062	$ 167,679	$ 180,509
TOTAL USES OF FUNDS	$ 443,187	$ 484,928	$ 488,120	$ 516,110	$ 538,229	$ 560,382
Unrestricted Net Transfer Out-Construction	173,900	86,128	77,917	81,600	71,201	71,201
Ending Balance December 31	$ 238,028	$ 230,426	$ 232,916	$ 238,185	$ 251,105	$ 269,786

[1] Interest rate assumed is 3.25% for the period 2026 through 2028.

Numbers may not sum to totals due to rounding.

SOURCES OF FUNDS

Operating Reserve Transfer

The January 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 minimum operating reserve balance for 2026 is $155.6 million.

Operating Revenues

Operating Revenues consist of Airline Rates & Charges, Concessions, Rentals & Fees and Utilities & Other Revenues. The changes in each of these areas are explained in detail in the Operating Budget Revenue Section.

Airline rates and charges are expected to increase in 2026. The projected increase in airfield and terminal costs resulted in higher rates and charges to the airlines. Similarly, Concession sales are also expected to rise with the slight increase in passengers. The total Operating Revenues for 2026 is $564.9 million.

Other Non-Operating Revenues

Other Non-Operating Revenues consist of Interest Earnings, Self-Liquidating Revenue and Gain/Loss on Disposal of Assets and Other Sources. Interest Earnings is assumed to be 3.25% for the period 2026-2028. Interest is earned on the balance in the Operating Fund which includes self-liquidating leases. Interest earnings are affected by a change in the assumed rate of interest. Self-liquidating leases are those facilities built by the MAC and then leased to tenants.



Sun Country's Hangar is an Example of a Self-Liquidating Lease with the MAC

USES OF FUNDS

Operating Expenses

Operating Expenses consist of Personnel, Administrative Expenses, Professional Services, Utilities, Operating Services/Expenses, Maintenance and Other expenses. Details of changes for each of these areas are identified in the Operating Budget Expense section. The total Operating Expense for 2026 is $311.2 million.

Non-Operating Expenses

Non-Operating Expenses are comprised of an Equipment category and a Debt Service category.

- Equipment includes capital equipment to be purchased based on Commission approval. The MAC has a $25,000 threshold for capital equipment. The anticipated amount for 2026 is $43.6 million and includes capital equipment and technology projects. Equipment Financing of approximately $25.5 million will offset equipment expense.
- Debt Service consists of transfers that are required to cover all debt service. In June and December, the Commission must transfer the required amount for the General Airport Revenue Bonds reserve. The debt service portion also includes payments on the Commission's revolving Line of Credit. Total payments for these two items are expected to be approximately $149.1 million in 2026.

Unrestricted Net Transfer Out-Construction

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.

Based on the 2025 Estimate, an Unrestricted Net Transfer Out-Construction of $81.6 million is budgeted for 2026. The transfer for 2027 is expected to be $71.2 million.

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OPERATING BUDGET REVENUE

The 2026 operating revenue budget is based on a projection of 18.3 million enplaned passengers, which is approximately 1.8% above the estimated 2025 enplanements of 18.0 million. The projected slight increase in enplanements in 2026 is based on economic forecasts and projected airline flight schedules.

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

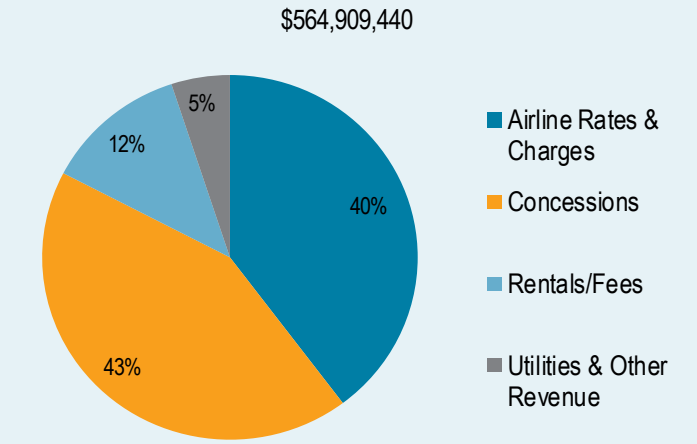
Revenue Summary ▶▶▶

($=000)

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	2026 Budget vs 2025 Estimate: Dollar Change	2026 Budget vs 2025 Estimate: % Change
Airline Rates & Charges	$192,893	$197,483	$200,863	$224,450	$23,587	11.7%
Concessions	226,410	241,771	236,415	242,371	5,956	2.5%
Rentals/Fees	67,865	69,581	68,071	69,575	1,504	2.2%
Utilities & Other Revenue	28,137	27,475	27,585	28,513	928	3.4%
Total Operating Revenue	**$515,305**	**$536,310**	**$532,934**	**$564,909**	**$31,976**	**6.0%**

Numbers may not sum to totals due to rounding.

2026 Operating Budget Revenue ▶▶▶



Total Operating Budget Revenue for 2026 is $564.9 million, which is an increase of $32.0 million or 6.0% over the 2025 estimate.

Each of the four revenue categories are illustrated in the chart as a percentage of total revenue with the largest revenue sources being Concessions and Airline Rates & Charges with 43% and 40%, respectively.

2026 Operating Revenue ▶▶▶

($=000) 2026 Budget vs 2025 Estimate

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	Dollar Change	% Change
Airline Rates & Charges						
Airline Agreement						
Landing Fees	$ 106,383	$ 108,272	$ 108,272	$ 123,187	$ 14,915	13.8%
Ramp Fees	8,165	9,734	9,734	10,135	401	4.1%
Airline R&R	5,773	5,856	5,856	6,154	298	5.1%
Terminal 1 Rentals	62,618	62,523	63,238	69,525	6,287	9.9%
Terminal 1 Other	8,533	10,784	11,241	11,785	544	4.8%
Concessions Rebate	(21,071)	(22,740)	(21,485)	(22,101)	(616)	2.9%
Total Airline Agreement	**$ 170,402**	**$ 174,430**	**$ 176,857**	**$ 198,685**	**$ 21,828**	**12.3%**
Terminal 2 Lobby Fees	15,822	16,481	17,523	18,522	999	5.7%
Terminal 2 Other /Passenger Fees	6,670	6,572	6,483	7,243	760	11.7%
Total Airline Rates & Charges	**$ 192,893**	**$ 197,483**	**$ 200,863**	**$ 224,450**	**$ 23,587**	**11.7%**
Concessions						
Terminal						
Food & Beverage	$ 31,479	$ 33,102	$ 30,760	$ 31,683	$ 923	3.0%
News	5,600	5,840	5,369	5,623	254	4.7%
Retail Stores	5,175	5,262	5,288	5,438	149	2.8%
Passenger Services	9,666	9,982	10,163	10,477	313	3.1%
Total Terminal	**$ 51,920**	**$ 54,187**	**$ 51,581**	**$ 53,221**	**$ 1,640**	**3.2%**
Parking/Ground Transportation						
Parking	$ 130,391	$ 141,436	$ 140,062	$ 142,811	$ 2,748	2.0%
Ground Transportation	16,741	18,157	17,897	18,829	932	5.2%
Auto Rental - On Airport	24,242	24,704	23,688	24,228	540	2.3%
Total Parking/Ground Transport	**$ 171,374**	**$ 184,297**	**$ 181,647**	**$ 185,868**	**$ 4,221**	**2.3%**
Other Concessions	$ 3,116	$ 3,287	$ 3,187	$ 3,283	$ 96	3.0%
Total Concessions	**$ 226,410**	**$ 241,771**	**$ 236,415**	**$ 242,371**	**$ 5,956**	**2.5%**
Rentals & Fees						
Buildings & Facilities	$ 17,736	$ 19,418	$ 18,605	$ 19,276	$ 671	3.6%
Auto Rental CFC	20,662	21,008	20,370	20,716	346	1.7%
Ground Rentals	17,228	17,551	16,737	16,553	(184)	-1.1%
Reliever Airports	12,238	11,604	12,359	13,030	671	5.4%
Total Rentals & Fees	**$ 67,865**	**$ 69,581**	**$ 68,071**	**$ 69,575**	**$ 1,504**	**2.2%**
Utilities & Other Revenues						
Utilities	$ 7,092	$ 7,207	$ 7,473	$ 7,697	$ 224	3.0%
General Aviation/Airside Fees	7,864	7,872	8,623	8,784	162	1.9%
Maintenance, Cleaning & Distribution Fees	4,868	5,480	5,073	5,226	152	3.0%
Other Revenues	3,009	3,015	2,501	2,552	50	2.0%
Reimbursed Expense	5,304	3,901	3,914	4,254	340	8.7%
Total Utilities & Other Revenue	**$ 28,137**	**$ 27,475**	**$ 27,585**	**$ 28,513**	**$ 928**	**3.4%**
TOTAL OPERATING REVENUE	**$ 515,305**	**$ 536,310**	**$ 532,934**	**$ 564,909**	**$ 31,975**	**6.0%**

Numbers may not sum to totals due to rounding.

REVENUE ASSUMPTIONS AND GUIDELINES

The revenue projections for 2026 are based on the following assumptions and guidelines:

- Airline Rates & Charges are based on the current Airline Use Agreement.
- Revenue projections are prepared on an accrual basis. This basis of accounting records financial transactions in the period in which they occur, rather than recording them in the period in which they are received. The MAC uses this method for both accounting and budgeting.
- The revenue projections are based on estimates and assumptions compiled from the following sources:
  - Historical trends and projected airline industry forecasts
  - Expense estimates that determine various components of Airline Rates & Charges
  - Lease agreements, contracts and MAC ordinances
  - Federal Aviation Administration publications
  - Utility consultants
- For 2026, the budgets for most revenue categories are projected to increase over 2025, primarily due to a slight increase in projected enplanements, rate increases within lease and ordinance terms and economic inflation.

AIRLINE RATES & CHARGES

Airline Rates & Charges, which is approximately $224.5 million or 40% of the total $564.9 million revenue budget, is generated from charges to airlines. This category is projected to increase $23.6 million or 11.7% from the 2025 estimate. The formulas that produce these rates are established in the Airline Use Agreement and are used to determine landing fees, ramp fees, airline Terminal 1 rental rates and the Terminal 1 International Arrivals Facility (IAF) use fees.

This agreement incorporates debt service in the calculation of rates and charges for the recovery of capital improvements. In accordance with this agreement, expenses from Police, Fire, Field Maintenance staffing, Field Maintenance equipment and Administration are allocated to the Field & Runway, Ramp, Terminal Building and IAF service centers and are detailed in the Operating Budget Expense section.

Total costs plus allocations are then used to determine Airline Rates & Charges. Fluctuation in allocated costs can cause a change in the airline rates. 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 $22.1 million represents the revenue sharing found in the Airline Use Agreement.

Airline Rates & Charges ▶▶▶

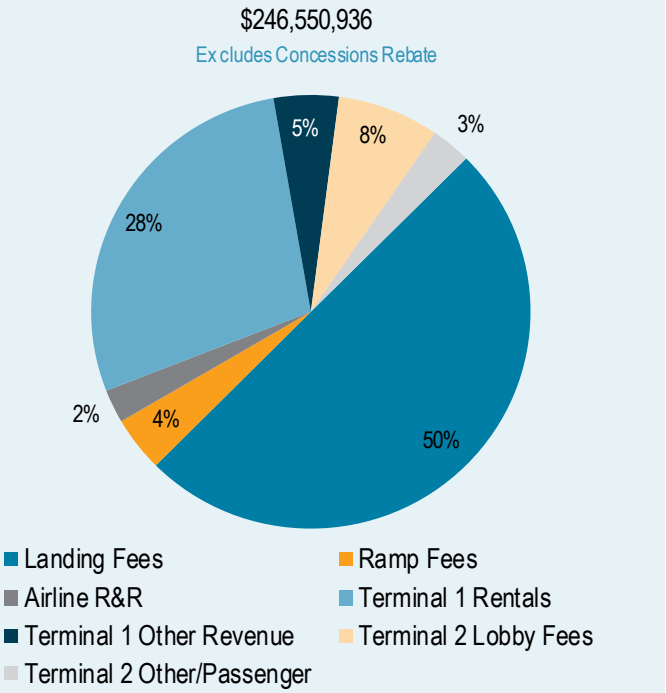
($=000) — 2026 Budget vs 2025 Estimate

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	Dollar Change	% Change
Landing Fees	$106,383	$108,272	$108,272	$123,187	$14,915	13.8%
Ramp Fees	8,165	9,734	9,734	10,135	401	4.1%
Airline R&R	5,773	5,856	5,856	6,154	298	5.1%
Terminal 1 Rentals	62,618	62,523	63,238	69,525	6,287	9.9%
Terminal 1 Other Revenue	8,533	10,784	11,241	11,785	544	4.8%
Concessions Rebate	(21,071)	(22,740)	(21,485)	(22,101)	(616)	2.9%
Terminal 2 Lobby Fees	15,822	16,481	17,523	18,522	999	5.7%
Terminal 2 Other/Passenger	6,670	6,572	6,483	7,243	760	11.8%
Total Airline Rates & Charges	**$192,893**	**$197,483**	**$200,863**	**$224,450**	**$23,588**	**11.7%**

Numbers may not sum to totals due to rounding.

The chart below shows the breakdown of revenue sources within Airline Rates & Charges. Landing Fees and Terminal 1 Rentals represent the largest revenue sources with 50% and 28% of the total, respectively.

2026 Airline Rates & Charges ▶▶▶



LANDING FEES

Landing fees are projected to increase $14.9 million or 13.8% when compared to the 2025 year-end estimate. The landing fee rate is derived by dividing the Field & Runway service center by the estimated annual landed weight. This Landing Fee rate, which is shown below, is then used throughout the year.

Landing Fee ▶▶▶

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget
Landing Fee	$4.90	$4.92	$4.92	$5.62
Landed Weight*	21,711	22,007	21,650	21,919
Revenue$	$106,383	$108,272	$108,272	$123,187

**lbs in 000,000*
$=000

The landing fee rate will increase $0.70 or 14.2% in 2026 over the 2025 estimate. The landed weight in 2026 is projected at 21.9 billion pounds, which is slightly above the 2025 year-end estimate of 21.7 billion pounds. The slight increase in landed weight is a result of projected overall air travel at MSP.

At the end of the calendar year, the landing fees are recalculated on a residual (breakeven) basis using the actual annual airfield cost and actual annual landed weight. Adjustments (invoices or credits) are created using the year-end calculation in conjunction with under or over collection of landing fees paid during the year.

RAMP FEES

Aircraft Ramp Fees are calculated in the same residual manner as landing fees. Ramp fees are determined by dividing total Terminal 1 ramp expenses by total lineal feet of ramp available. Year-end adjustments will be made for over or under collection of ramp fees during the year.

Ramp Fee ▶▶▶

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget
Ramp Fee*	$767.13	$914.58	$914.58	$980.07
Ramp Footage*	11,001	11,001	11,001	11,001
Revenue$^	$8,165	$9,734	$9,734	$10,135

**Per Lineal Foot (LF)*
$=000
^=358 of the 11,001 LF is budgeted within common use gates

The 2026 Ramp Fee per lineal foot is $980.07, which is $65.49 higher than the 2025 estimated rate. This ramp fee revenue increase of $401,015 or 4.1% is primarily produced from the inflationary costs within the cost center.

AIRLINE REPAIR AND REPLACEMENT SURCHARGE

Per the Airline Lease Amendment, there is an additional Repair and Replacement surcharge (R&R) for the airlines leasing space at Terminal 1. This surcharge rate increases annually at a rate of 3.0% as stated in the airline agreement. The R&R rate for 2026 is $8.97 per square foot and total R&R revenue is projected to be $6.2 million.

TERMINAL 1 RENTALS

Airline Terminal 1 Rental rates are calculated by allocating Terminal 1 building costs over the total rentable square footage in Terminal 1. Airlines are charged for the space they occupy.

Terminal 1 Rental Rates ▶▶▶

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget
Exclusive*	$88.72	$88.29	$88.29	$96.55
Exclusive Janitorial*	$102.70	$103.95	$103.95	$111.98
Total Revenue$	$62,618	$62,523	$63,238	$69,525

**Per Square Foot*
$=000

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. The Terminal 1 building rate does not include the R&R surcharge.

The Terminal 1 rental rate is increasing from the 2025 estimate of $88.29 to $96.55 per square foot in 2026. The janitorial rate is increasing from the 2025 estimate of $103.95 to $111.98 per square foot in 2026.

The 2026 revenue budget for Terminal 1 Rentals is $6.3 million or 9.9% higher than the 2025 estimate. This increase is mainly due to new capital project costs.

TERMINAL 1 OTHER

Revenue from Terminal 1 Other is expected to increase by $544,260 or 4.8% over the 2025 estimate. Revenues in this area are generated by International Arrival Fees (IAF), porter service fees, baggage claim maintenance fees, queue line management fees, flight information display maintenance, public address system maintenance and common use gates.

The largest components of 2026 Terminal 1 Other revenue are IAF fees at $6.2 million and baggage handling system maintenance fees at $1.6 million.

The IAF fee is a residual concept similar to ramp and landing fees in which IAF costs are divided by international enplanements. Users of the IAF are charged a passenger use fee based upon projected passengers and expenses. At year-end, an adjustment is made for any over or under collection of fees.

The 2026 IAF fee will decrease from $5.67 to $5.44 or 0.4% from the 2025 estimate. IAF costs are projected to decrease by $386,293 in facility operations costs.

International Arrival Fee ▶▶▶

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget
Total Cost$	$4,203	$6,552	$6,552	$6,166
Passengers	993,617	1,155,556	1,155,556	1,133,456
Fee per Passenger	$4.23	$5.67	$5.67	$5.44

$=000

CONCESSIONS REBATE

As part of the Airline Use Agreement, airlines share selected concessions revenue from food and beverage, news, retail and on-airport auto rental revenues. The amount of concessions revenue shared with the airlines is 33.0% of selected revenues for 2026.

For the 2026 budget, the concessions rebate is projected to be $22.1 million, which is an increase of $615,896 or 2.9% over the 2025 estimate. This increase is from projected revenue growth within food and beverage, news, retail and auto rental sales in 2026.

TERMINAL 2 LOBBY FEES

Terminal 2 Lobby Fees are expected to increase $999,182 or 5.7% over the 2025 estimate. Lobby fees are set by MAC ordinance that sets rates on a budgetary basis, with no true-up based on actual expenses or year-end operational activity.

Each passenger gate at Terminal 2 has a revenue cap. For 2026, the gate revenue cap is $1,210,749 per airline using the gate. The MAC has a total of 16 gates at Terminal 2 and projects 13 of these gates will reach the revenue cap. Additional revenue will be generated from gate use on the gates that do not reach the revenue cap as well as non-priority gate use on capped gates.

The Terminal 2 Lobby Fees revenue increase in 2026 is predominately due to an increase in the revenue cap per gate.

TERMINAL 2 OTHER / PASSENGER FEES

Terminal 2 Other/Passenger Fees include Federal Inspection Service (FIS) charges for international passengers, Terminal 2 building rentals, apron fees and non-signatory landing fees.

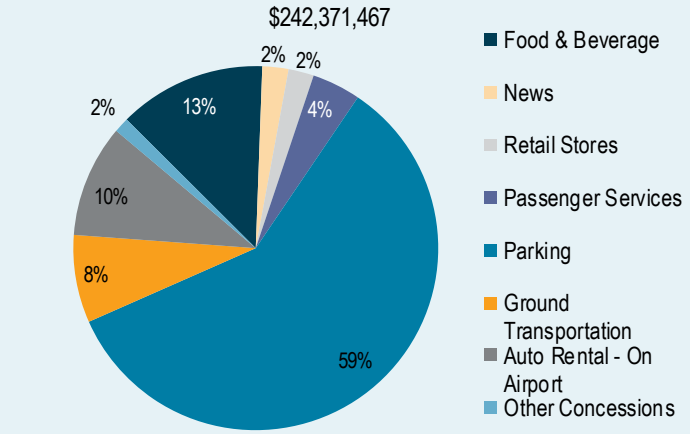
Terminal 2 Other Fees are expected to increase $759,617 or 11.8% over the 2025 estimate. This increase is derived from higher Terminal 2 building rent, apron fees, non-signatory landing fees, and FIS gate use charges. FIS gate use charges do not have a year-end true up of actual expenses and are budgeted to increase $512,464 or 16.1% primarily from increasing international flights and higher gate fees.

CONCESSIONS

Concessions revenue, which is approximately $242.4 million or 43% of the $564.9 million revenue budget, is projected to increase $6.0 million or 2.5% from the 2025 estimate.

The chart below indicates each revenue source as a percentage of the Concessions revenue category. Parking revenue is projected to generate over half of total Concession revenue with 59%, followed by Food & Beverage and Auto Rentals with 13% and 10%, respectively.

2026 Concessions Budget ▶▶▶



Concessions ▶▶▶

($=000) 2026 Budget vs 2025 Estimate

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	Dollar Change	% Change
Food & Beverage	$31,479	$33,102	$30,760	$31,683	$923	3.0%
News	5,600	5,840	5,369	5,623	254	4.7%
Retail Stores	5,175	5,262	5,288	5,438	149	2.8%
Passenger Services	9,666	9,982	10,163	10,477	313	3.1%
Parking	130,391	141,436	140,062	142,811	2,748	2.0%
Ground Transportation	16,741	18,157	17,897	18,829	932	5.2%
Auto Rental - On Airport	24,242	24,704	23,688	24,228	540	2.3%
Other Concessions	3,116	3,287	3,187	3,283	96	3.0%
Total Concessions	**$226,410**	**$241,771**	**$236,415**	**$242,371**	**$5,956**	**2.5%**

Numbers may not sum to totals due to rounding.

Revenue from food and beverage, news, retail, passenger services and auto rentals are based on various lease agreements which allow the concessionaires to operate in MAC facilities. The rates charged for parking are approved by the Commission, while ground transportation fees are authorized according to MAC ordinances.

FOOD & BEVERAGE

Food & Beverage concession revenue is expected to increase $922,803 or 3.0% over the 2025 estimate. The Food & Beverage revenue increase in 2026 is expected primarily from product price inflation leading to increased rent due.

NEWS

News concession revenue is expected to increase by $254,330 or 4.7% over the 2025 estimate. The News revenue increase is projected based on product price inflation in 2026.

RETAIL STORES

Retail revenue is projected to increase $149,395 or 2.8% compared to the 2025 estimate. Revenue from Retail Stores is expected to increase from product price increases leading to additional rent due to the MAC.

PASSENGER SERVICES

Revenue from Passenger Services is budgeted to increase $313,265 or 3.1% over the 2025 estimate. Similar to other concessions, Passenger Services revenue will increase in 2026 from product prices.

PARKING

Parking revenue is estimated to reach $140.1 million in 2025 and is expected to increase by $2.7 million or 2.0% in 2026 to $142.8 million. The parking revenue increase results primarily from a slight increase in passengers and continued public utilization of the Pre-Booking parking reservation system.

GROUND TRANSPORTATION FEES

Ground Transportation fees are projected to increase $932,432 or 5.2% over the 2025 estimate. This increase in revenue is based on the expected passenger projection for 2026 plus the annual inflationary increase to the Commercial Vehicle Per-Trip Fee and Taxicab Airport Use Fee.

ON-AIRPORT AUTO RENTAL

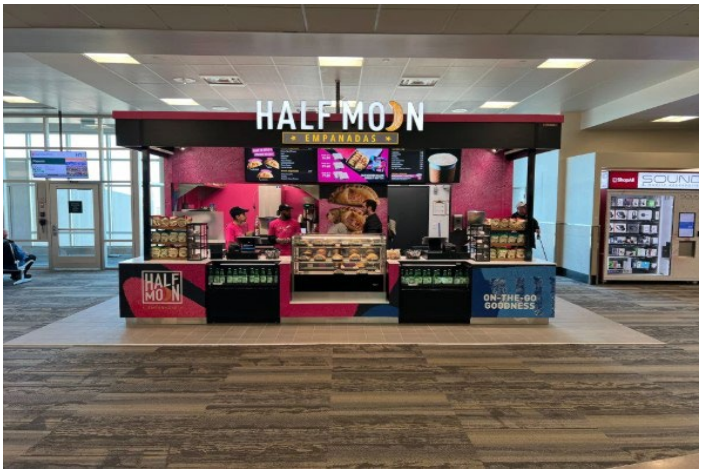
On-Airport Auto Rental revenue is projected to increase $539,822 or 2.3% from the 2025 estimate. The 2026 Auto Rental revenue budget is based on projected passenger levels and an inflationary increase to the rental rates charged to the public resulting in increased rent due.

OTHER CONCESSIONS

Revenue in the Other Concessions category consists of outdoor advertising, auto services, in-flight catering, shared services and additional miscellaneous concessions. Other Concessions revenue is expected to increase $95,616 or 3.0% from the 2025 estimate based on inflationary increases within lease terms and on products sold.



Passengers Enjoy Many Food & Beverage, News and Retail Options Throughout Terminal 1 and Terminal 2



Half Moon Empanadas Opened in Terminal 2 in 2025

RENTALS/FEES

Rentals/Fees, which is $69.6 million or 12% of the $564.9 million revenue budget, is projected to increase $1.5 million or 2.2% from the 2025 estimate. These revenue sources consist of the non-airline building rentals, Auto Rental-Customer Facility Charges (CFCs), ground rental space and reliever airport revenue. Ground rental space revenue and a portion of reliever airport revenue are based on MAC ordinances, while the remaining revenue items are based on leases and agreements.

Rentals/Fees ▶▶▶

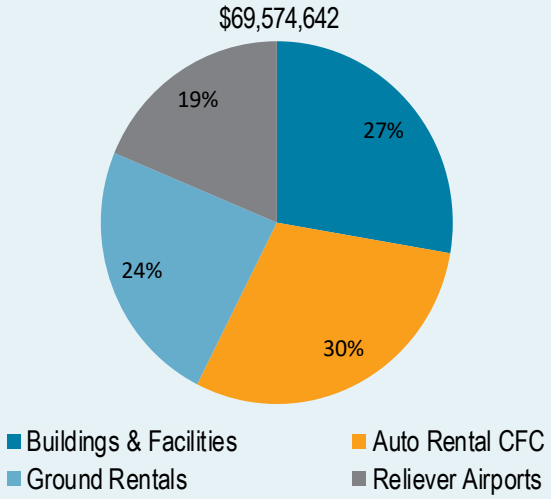
($=000) 2026 Budget vs 2025 Estimate

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	Dollar Change	% Change
Buildings & Facilities	$17,736	$19,418	$18,605	$19,276	$671	3.6%
Auto Rental CFC	20,662	21,008	20,370	20,716	346	1.7%
Ground Rentals	17,228	17,551	16,737	16,553	(184)	-1.1%
Reliever Airports	12,238	11,604	12,359	13,030	671	5.4%
Total Rentals/Fees	**$67,865**	**$69,581**	**$68,071**	**$69,575**	**$1,504**	**2.2%**

Numbers may not sum to totals due to rounding.

The chart below shows that Auto Rental CFC revenue is expected to bring in the highest percentage of Rentals/Fees, accounting for 30% of the total. Buildings & Facilities and Ground Rent revenue are close behind with 27% and 24%, respectively. Reliever airports contribute the remaining 19%.

2026 Rentals/Fees Budget ▶▶▶



BUILDINGS & FACILITIES

Buildings & Facilities revenue is projected to increase $670,739 or 3.6% over the 2025 estimate. The 2026 budget reflects terminal rates, lease terms and contract escalators generally ranging from 2.5% to 3.0%.

AUTO RENTAL-CUSTOMER FACILITY CHARGE

The revenue from Auto Rental CFCs is budgeted to increase $346,283 or 1.7% over the 2025 estimate. The CFC rate will remain at $5.90 per auto rental transaction per day and is used to repay the debt obligation and maintenance for the auto rental facilities. The 2026 revenue projection stems from trends in customer transactions and projected passengers.

GROUND RENTALS

Compared to the 2025 estimate, Ground Rentals are budgeted to decrease $184,328 or 1.1%. Ground rental rates are established in MAC ordinances. The projected decrease in 2026 is the net result of new leases starting, existing leases ending and the implementation of higher ordinance rates.

RELIEVER AIRPORTS

Revenue from Reliever Airports is projected to increase $670,971 or 5.4% from the 2025 estimate. This increase is based on ordinance escalators, historical trends and increasing activity at the reliever airports.

UTILITIES & OTHER REVENUE

Utilities & Other Revenue, which is $28.5 million or 5% of the $564.9 million revenue budget, is projected to increase $928,370 or 3.4% over the 2025 estimate.

Utilities & Other Revenue ▶▶▶

($=000) 2026 Budget vs 2025 Estimate

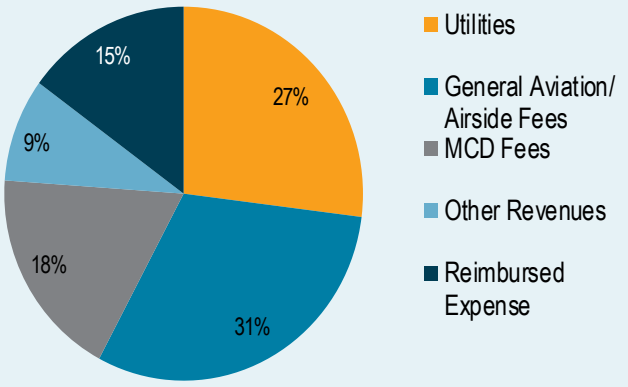
	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	Dollar Change	% Change
Utilities	$7,092	$7,207	$7,473	$7,697	$224	3.0%
General Aviation/ Airside Fees	7,864	7,872	8,623	8,784	162	1.9%
MCD Fees	4,868	5,480	5,073	5,226	152	3.0%
Other Revenues	3,009	3,015	2,501	2,552	50	2.0%
Reimbursed Expense	5,304	3,901	3,914	4,254	340	8.7%
Total Utilities & Other Revenue	**$28,137**	**$27,475**	**$27,585**	**$28,513**	**$928**	**3.4%**

Numbers may not sum to totals due to rounding.

The chart below illustrates General Aviation/Airside Fees and Utilities are projected to bring in over half of the revenue in this category with 31% and 27% of the total, respectively.

2026 Utilities & Other Revenue ▶▶▶

$28,513,118



UTILITIES

Water, sewer, electricity and heating fuel are consumed by concessionaires and auto rental companies. Ground power is consumed by airlines. The MAC receives utility reimbursements from these tenants. Compared to the 2025 estimate, Utilities revenue is projected to increase $224,188 or 3.0% mainly from utility rate increases.

GENERAL AVIATION / AIRSIDE FEES

This category includes general aviation landing fees, ramp fees, general aviation fuel flowage fees and apron services. This category is expected to increase $161,597 or 1.9% from the 2025 estimate. Airside service operators who offer aircraft cleaning, deicing and other services are projected to produce additional revenue and provide additional rent to MAC.

MAINTENANCE, CLEANING & DISTRIBUTION FEES

Maintenance, Cleaning & Distribution (MCD) fees are expected to increase $152,205 or 3.0% over the 2025 estimate. MCD fees are billed to concessions, airline clubs and other users of the loading dock facilities as well as recipients of other specific operating and maintenance services.

OTHER REVENUES

The Other Revenues category is expected to increase slightly from the 2025 estimate by $50,261 or 2.0%. Included in this category are parking fines, auction revenue, building permits, security badges and other miscellaneous revenues.

REIMBURSED EXPENSES

Reimbursed Expenses are projected to increase $340,119 or 8.7% from the 2025 estimate. Reimbursements from other organizations are received for certain eligible costs. Past examples include terminal cleaning, police patrolling, some Reliever Airports expenses and canine training.

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OPERATING BUDGET EXPENSE

Expenses that arise from daily operations are within the Operating Fund. In preparing the 2026 Budget, the MAC analyzed data provided by partner airlines and consultants. Each department is charged with examining all expenses and determining which resources are necessary in 2026 to maintain a healthy financial path that promotes the MAC's strategic priorities.

Expenses are also key factors in determining revenue. For example, Rates & Charges revenue collected from the airlines is based on expenses. It is governed by the Airline Use Agreement. In certain cases, lower expenses bring in less revenue.

Operating Budget Expense is segmented into seven categories: Personnel, Administrative Expenses, Professional Services, Utilities, Operating Services/Expenses, Maintenance and Other.

Expense Summary ▶▶▶

($=000) 2026 Budget vs 2025 Estimate

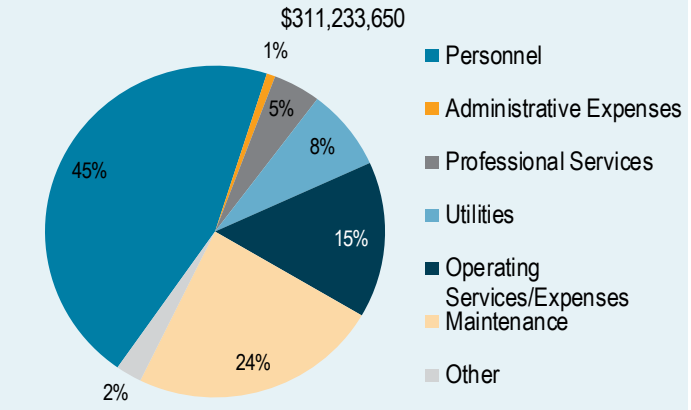
	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	Dollar Change	% Change
Personnel	$125,824	$ 129,701	$132,649	$ 140,705	$8,056	6.1%
Administrative Expenses	1,844	2,575	2,375	2,567	192	8.1%
Professional Services	11,494	14,633	13,730	14,055	325	2.4%
Utilities	22,971	27,351	24,197	24,728	530	2.2%
Operating Services/Expenses	37,166	45,022	42,066	47,370	5,304	12.6%
Maintenance	67,310	70,576	69,563	74,095	4,532	6.5%
Other	6,599	12,239	6,325	7,714	1,389	22.0%
Total Operating Expense	**$273,208**	**$302,098**	**$290,905**	**$311,234**	**$20,329**	**7.0%**

Numbers may not sum to totals due to rounding.

Total Operating Budget Expense for 2026 is $311.2 million, excluding depreciation and amortization, which is an increase of $20.3 million or 7.0% from the 2025 estimate.

The pie chart illustrates the seven expense categories as percentages of the total. Personnel is the largest expense category with 45% of the total. Maintenance, Operating Services/Expenses and Utilities follow with 24%, 15% and 8%, respectively.

2026 Operating Budget Expense ▶▶▶



2026 Operating Expense ▶▶▶

($=000) 2026 Budget vs 2025 Estimate

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	Dollar Change	% Change
Personnel						
Salaries & Wages	$ 90,512	$ 94,341	$ 95,559	$ 100,520	$ 4,961	5.2%
Benefits	35,312	35,361	37,090	40,185	3,095	8.3%
Total Personnel	**$ 125,824**	**$ 129,701**	**$ 132,649**	**$ 140,705**	**$ 8,056**	**6.1%**
Administrative Expenses	**$ 1,844**	**$ 2,575**	**$ 2,375**	**$ 2,567**	**$ 192**	**8.1%**
Professional Services	**$ 11,494**	**$ 14,633**	**$ 13,730**	**$ 14,055**	**$ 325**	**2.4%**
Utilities						
Electricity	$ 15,076	$ 18,609	$ 15,430	$ 16,049	$ 619	4.0%
Heating Fuel	3,456	4,653	4,443	4,371	(72)	-1.6%
Water & Sewer	3,468	2,956	3,324	3,110	(214)	-6.4%
Telephones	971	1,133	1,000	1,198	198	19.8%
Total Utilities	**$ 22,971**	**$ 27,351**	**$ 24,197**	**$ 24,728**	**$ 530**	**2.2%**
Operating Services/Expenses						
Storm Water Monitoring	$ 2,269	$ 2,185	$ 2,387	$ 2,285	$ (102)	-4.3%
Shuttle Bus Services	2,555	2,461	2,641	2,556	(85)	-3.2%
Parking Management	5,492	5,900	5,646	5,959	313	5.5%
Service Agreements	17,507	21,070	20,670	22,935	2,265	11.0%
Operating Services - Other	9,343	13,406	10,722	13,634	2,912	27.2%
Total Operating Services/Expenses	**$ 37,166**	**$ 45,022**	**$ 42,066**	**$ 47,370**	**$ 5,304**	**12.6%**
Maintenance						
Trades	$ 3,188	$ 3,898	$ 3,550	$ 4,190	$ 640	18.0%
Field	17,748	16,325	17,880	18,156	277	1.5%
Building	19,716	20,087	19,924	21,451	1,528	7.7%
Cleaning	23,271	25,288	24,106	25,609	1,503	6.2%
Equipment	3,387	4,978	4,103	4,688	585	14.3%
Total Maintenance	**$ 67,310**	**$ 70,576**	**$ 69,563**	**$ 74,095**	**$ 4,532**	**6.5%**
Other						
General Insurance	$ 4,552	$ 5,059	$ 4,539	$ 4,891	$ 352	7.8%
Minor Equipment	573	894	581	865	284	48.9%
Other - Other	1,475	6,286	1,205	1,959	754	62.6%
Total Other	**$ 6,599**	**$ 12,239**	**$ 6,325**	**$ 7,714**	**$ 1,389**	**22.0%**
TOTAL OPERATING EXPENSE	**$ 273,208**	**$ 302,098**	**$ 290,905**	**$ 311,234**	**$ 20,329**	**7.0%**

Numbers may not sum to totals due to rounding.

EXPENSE ASSUMPTIONS AND GUIDELINES

The operating expense budget is compiled with information provided by the MAC's service center staff, utility companies, vendors and historical analyses. The expense budget projections for 2026 are based on the following assumptions and guidelines:

- The MAC will continue to maintain all facilities at the standards expected by its tenants and the traveling public.
- The MAC will provide a safe and secure system of airports.
- Expenses are prepared on an accrual basis. This basis of accounting attempts to record financial transactions in the period in which they occur rather than recording them in the period in which they are paid. The Commission uses this method for both accounting and budgeting.
- There are 18 new full-time equivalent (FTE) employees authorized for 2026. These employees will support new and increasing needs throughout the organization and provide the necessary staff resources to serve the traveling public.
- Cost increases, such as scheduled contract or step increases for the organized and non-organized workforce, utility rate changes and insurance rate adjustments are included.
- Goods and services that are necessary to meet the MAC's strategic plan and objectives are budgeted by service center staff. Variable expenses in the budget are based on the level of enplaned passengers. As a result of the projected growth, the budget for all expense categories increased in 2026 over 2025.

PERSONNEL

The Personnel category, which is approximately $140.7 million or 45% of the $311.2 million Operating Expense budget, is projected to increase by $8.1 million or 6.1% from the 2025 estimate.

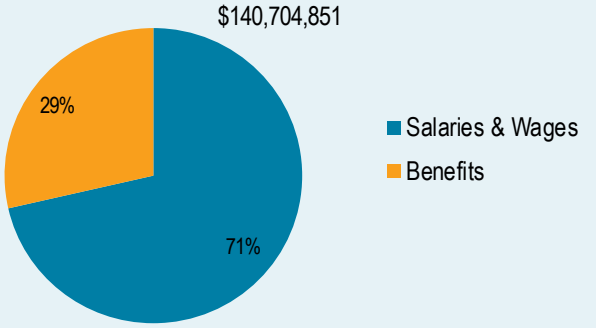
Personnel ▶▶▶

($=000)

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	2026 Budget vs 2025 Estimate: Dollar Change	2026 Budget vs 2025 Estimate: % Change
Salaries & Wages	$90,512	$94,341	$95,559	$100,520	$4,961	5.2%
Benefits	35,312	35,361	37,090	40,185	3,095	8.3%
Total Personnel	**$125,824**	**$129,701**	**$132,649**	**$140,705**	**$8,056**	**6.1%**

Numbers may not sum to totals due to rounding.

2026 Personnel ▶▶▶



As shown in the pie chart, 71% of the Personnel category is made up of Salaries & Wages. Benefits make up the remaining 28%.

Major differences between the 2026 budget and 2025 estimate are explained as follows.

SALARIES & WAGES

Salaries & Wages are projected to increase by $5.0 million or 5.2% over the 2025 estimate. There are several factors contributing to the increase.

The 2026 budget includes 18 new FTEs, which accounts for $2.1 million of the increase. Fourteen FTEs are scheduled in the Management & Operations division for one deputy fire marshal, two airport maintenance workers, two engineers in the Energy Management Center, two plumbers, one electrician, four new FTEs for the North Star Center and two police cadets. In the Finance & Revenue Development division, two new FTEs will be added to address the increasing workload and data collection. In addition, two new FTEs will be added to the Information Technology (IT) service center for management of operations and data practices. New FTEs are needed to support and maintain the airport, and a number of the new FTEs are due to conversion of consultant and temporary employee status to full time positions, which will produce other cost savings.

Full-Time Equivalent Positions ▶▶▶

	Actual	Budget
2022	641.5	691.5
2023	715.5	754.5[a]
2024	755.5	790.5[b]
2025	787.5	808.5[c]
2026	n/a	826.5[d]

[a] 28 new FTEs were authorized 1/1/2023. During 2023, 35 additional FTEs were approved for a total of 63 FTEs.

[b] 36 new FTEs were authorized on 1/1/2024.

[c] 18 new FTEs were authorized 1/1/2025.

[d] The 2026 budget includes 18 new FTEs to achieve strategic plan initiatives and meet increased service levels.

The MAC expects all or most of the 2025 vacancies to be filled in 2026. The total salaries and wages increase in 2026 is approximately $8.3 million over the 2025 estimate. This increase includes wage adjustments, overtime, temporary employees and new FTEs. There is a $3.3 million vacancy factor that offsets the wage increase to account for any open positions during 2026. After accounting for the vacancy factor, the overall net increase for salaries and wages is $5.0 million over the 2025 estimate.

BENEFITS

Benefits include employee insurance, post-retirement healthcare, Social Security, Medicare, retirement plan contributions, severance, workers' compensation and other miscellaneous items. An increase of $3.1 million or 8.3% is projected over the 2025 estimate.

The employee insurance year-end projection for 2025 is higher than budget. The 2026 budget is based on past experience and number of employees. Approximately $1.7 million of the variance is attributable to employee expenses and payroll taxes.

In 2026, the MAC expects to draw funds from its Other Post-Employment Benefits (OPEB) trust. Withdrawals are budgeted to be $4.0 million, which is an offset of 100% of the MAC's budgeted retiree insurance costs and a decrease of $620,862 from the 2025 estimate.



Fifty-One Teams From Around the Twin Cities Participated in the Special Olympics Minnesota Plane Pull



Teams from the Metropolitan Airports Commission Raised Almost $95,000

ADMINISTRATIVE EXPENSES

Administrative Expenses, which is approximately $2.6 million or 1% of the $311.2 million expense budget, is projected to increase in 2026 by $191,866 or 8.1% over the 2025 estimate, as identified in the table below.

Administrative Expenses ▶▶▶

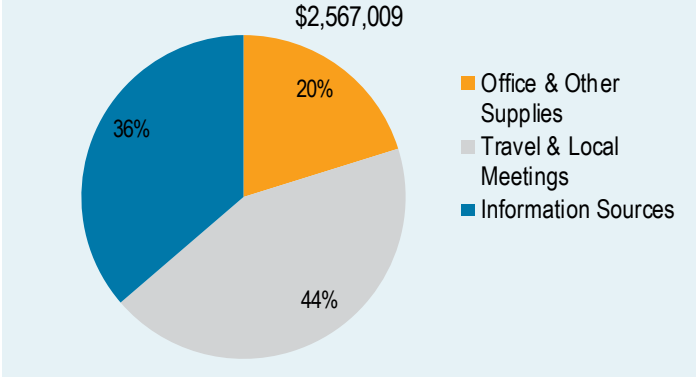
($=000) — 2026 Budget vs 2025 Estimate

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	Dollar Change	% Change
Office & Other Supplies	$392	$536	$495	$518	$23	4.6%
Travel & Local Meetings	645	1,040	959	1,117	158	16.5%
Information Sources	807	999	921	932	11	1.2%
Total Administrative Expenses	**$1,844**	**$2,575**	**$2,375**	**$2,567**	**$192**	**8.1%**

Numbers may not sum to totals due to rounding.

As shown in the pie chart, Travel & Local Meetings account for the largest portion of this budget category, at 44% of Administrative Expenses. Information Sources account for 36% and Office & Other Supplies account for the remaining 20%.

2026 Administrative Expenses ▶▶▶



OFFICE & OTHER SUPPLIES

The 2026 budget projects an increase of $22,351 or 4.5% in Office & Other Supplies expenses over the 2025 estimate. The supplies increase of $7,088 is a result of community engagement materials used for MAC events and office needs for new employees. The $15,263 special supplies increase is due to supplies and equipment needs for the Police Department, supplies for the new volunteer coffee program and materials for Live Well, Stay Well events. The increases are offset by a $34,756 decrease in information sources from 2025 that will not be necessary in 2026.

TRAVEL & LOCAL MEETINGS

The Travel & Local Meetings budget for 2026 is expected to increase $158,065 or 16.5% over the 2025 estimate. The increase results from out-of-state mandatory training requirements and increasing registration fees. Several staff serve on national committees that typically require out-of-state travel.

INFORMATION SOURCES

Information Sources are projected to increase $11,450 or 1.2% over the 2025 estimate. Memberships and subscriptions are projected to increase $16,249 and $3,564, respectively, due to rising costs. The variances are offset by lower projected costs for printing, delivery services and strategic plan expenses from 2025 that will not be necessary in 2026.



The MSP Police Department Supports Community Events Such as the Night to Unite

PROFESSIONAL SERVICES

Professional Services, which is approximately $14.1 million or 5% of the $311.2 million expense budget, is estimated to increase $325,374 or 2.4% over the 2025 estimate.

Professional Services ▶▶▶

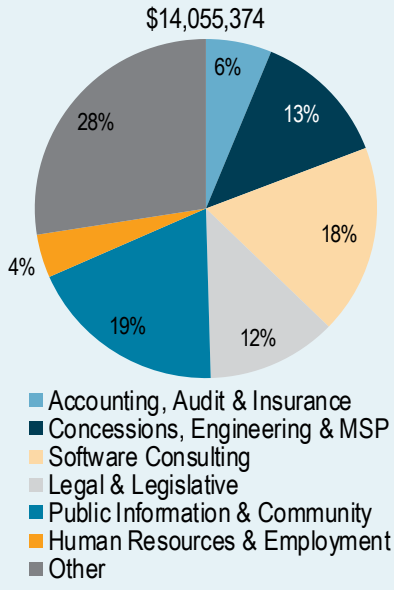
($=000) — 2026 Budget vs 2025 Estimate

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	Dollar Change	% Change
Accounting, Audit & Insurance	$871	$978	$918	$874	($44)	-4.8%
Concessions, Engineering & MSP	1,705	1,959	1,838	1,823	($15)	-0.8%
Software Consulting	2,501	2,962	2,779	2,540	($239)	-8.6%
Legal & Legislative	1,229	1,516	1,422	1,728	$306	21.5%
Public Information & Community	2,544	3,179	2,983	2,648	($335)	-11.2%
Human Resources & Employment	457	479	451	581	$130	28.8%
Other	2,187	3,561	3,341	3,861	$520	15.6%
Total Professional Services	**$11,494**	**$14,633**	**$13,730**	**$14,055**	**$325**	**2.4%**

Numbers may not sum to totals due to rounding.

The pie chart shows the distribution of expenses for Professional Services. The largest expense categories are Other expenses; Public Information &Community and Software Consulting at 28%, 19% and 18%, respectively.

2026 Professional Services ▶▶▶



ACCOUNTING, AUDIT & INSURANCE

The Accounting, Audit & Insurance budget is projected to remain flat compared to the 2025 estimate as these fees remain relatively consistent year over year.

CONCESSIONS, ENGINEERING & MSP

The 2026 budget for Concessions, Engineering & MSP is projected to be relatively flat compared to the 2025 estimate. The reduction comes from costs for a professional service authorization that occurred in 2025 that will not be necessary in 2026.

SOFTWARE CONSULTING

Software Consulting is expected to decrease by $239,212 or 8.6% from the 2025 estimate. Enterprise system consulting is projected to increase $271,592 and general information technology project management services are projected to increase $21,599. This overage is offset by a $532,403 decrease in cyber consulting and infrastructure and operations services.

LEGAL & LEGISLATIVE

The Legal & Legislative budget projection, given the 2025 estimate is below budget $93,554, results in an increase of $305,484 or 21.5% over the 2025 estimate. General legal services are expected to be higher in 2026.

PUBLIC INFORMATION & COMMUNITY

The 2026 budget decrease for Public Information & Community is $334,734 or 11.2% from the 2025 estimate. Costs for organizational strategic plan initiatives are $571,692 lower in 2026 than in 2025. Public communications are greater than the estimate by $232,920 for marketing tactics.

HUMAN RESOURCES & EMPLOYMENT

Human Resources (HR) & Employment is projected to increase $132,075 or 29.4% for planned and recruiting activity, which includes hiring new FTEs. In addition, the Live Well, Stay Well expense budget was merged into Human Resources in 2026.

OTHER

The Other budget is projected to increase $520,213 or 15.6% over the 2025 estimate. Consulting services are estimated to increase $450,000 for environmental and geographical analysis and sustainability projects. The remaining increase is from safety, wildlife and mechanical services.

UTILITIES

Utilities, which is approximately $24.7 million or 8% of the $311.2 million expense budget, is estimated to increase $530,365 or 2.2% from the 2025 estimate.

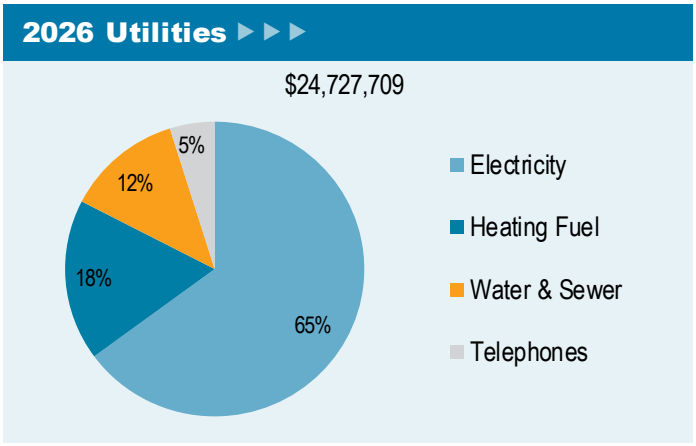
Utilities ▶▶▶

($=000) — 2026 Budget vs 2025 Estimate

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	Dollar Change	% Change
Electricity	$15,076	$18,609	$15,430	$16,049	$619	4.0%
Heating Fuel	3,456	4,653	4,443	4,371	(72)	-1.6%
Water & Sewer	3,468	2,956	3,324	3,110	(214)	-6.4%
Telephones	971	1,133	1,000	1,198	198	19.8%
Total Utilities	**$22,971**	**$27,351**	**$24,197**	**$24,728**	**$530**	**2.2%**

Numbers may not sum to totals due to rounding.

The pie chart shows the distribution of Utilities expenses. Electricity is the largest utility expense at 65% of the category, followed by Heating Fuel at 18%, Water & Sewer at 12% and Telephones at 5%. Variances in the 2026 budget versus the 2025 estimate are explained as follows.



ELECTRICITY

Electricity is expected to increase by $619,084 or 4.0% over 2025 estimate. This is based on rate increases, average usage provided by the utility company and budget forecasts provided from the outside consultant. The Energy Manager will assist with sustainability goals and efficiencies as the MAC is working proactively to reduce utility costs.

HEATING FUEL

Heating Fuel is estimated to decrease by $72,236 or 1.6% from the 2025 estimate based upon the forecast provided by the outside consultant.

WATER & SEWER

The 2026 budget for Water & Sewer is projected to decrease $214,017 or 6.4% from the 2025 estimate. In 2025, the water & sewer usage was greater than expected. The 2026 budget is slightly lower than the year-end estimate as the MAC works proactively to lower water usage at MSP.

TELEPHONES

The Telephones budget is projected to increase $197,534 or 19.8% over the 2025 estimate. The primary factors for the increase is greater internet service fees and new phone line needs and replacements.

OPERATING SERVICES/EXPENSES

Operating Services/Expenses, which is approximately $47.4 million or 15% of the $311.2 million expense budget, is projected to increase $5.3 million or 12.6% over the 2025 estimate. The following table lists the major components in this category.

Operating Services/Expenses ▶▶▶

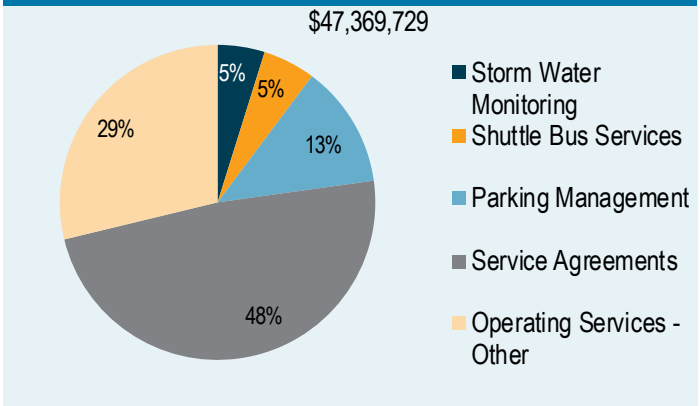
($=000) 2026 Budget vs 2025 Estimate

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	Dollar Change	% Change
Storm Water Monitoring	$2,269	$2,185	$2,387	$2,285	($102)	-4.3%
Shuttle Bus Services	2,555	2,461	2,641	2,556	(85)	-3.2%
Parking Management	5,492	5,900	5,646	5,959	313	5.5%
Service Agreements	17,507	21,070	20,670	22,935	2,265	11.0%
Operating Services - Other	9,343	13,406	10,722	13,634	2,912	27.2%
Total Operating Services/Expenses	**$37,166**	**$45,022**	**$42,066**	**$47,370**	**$5,304**	**12.6%**

Numbers may not sum to totals due to rounding.

As the pie chart indicates, Service Agreements and Operating Services – Other make up 48% and 29% of the Operating Services/Expenses budget, respectively. Significant changes in the 2026 budget versus the 2025 estimate are as follows.

2026 Operating Services/Expenses ▶▶▶



STORM WATER MONITORING

Storm Water Monitoring expenses are projected to decrease $101,619 or 4.3% from the 2025 estimate. These costs are based on environmental permits and stormwater regulatory costs.

SHUTTLE BUS SERVICES

Shuttle Bus Services are projected to decrease $84,727 or 3.2% compared to the 2025 estimate. In 2025, additional services were necessary, which increased the year-end estimate.

PARKING MANAGEMENT

Parking Management costs are budgeted to increase $313,327 or 5.5% from the 2025 estimate. The increase is stipulated in a parking management contract.

SERVICE AGREEMENTS

A $2.3 million or 11.0% increase in Service Agreements is projected over the 2025 estimate. Notable service increases include $2.0 million for computers, software and other equipment. The remaining variance is used to fund services such as security, radios and electrical switchgear equipment repairs.

OPERATING SERVICES – OTHER

Operating Services – Other is projected to increase $2.9 million or 27.2% over the 2025 estimate. An increase of $202,704 is for annual strategic planning. Advertising is projected to increase $659.170 for strategic marketing campaigns. Rising gate and security expenses account for $1.1 million of the increase. The remaining variance is due to rising miscellaneous costs.

MAINTENANCE

The Maintenance budget is approximately $74.1 million or 24% of the $311.2 million expense budget and includes a $4.5 million or 6.5% increase over the 2025 estimate. The table lists the major components in this category.

Maintenance ▶▶▶

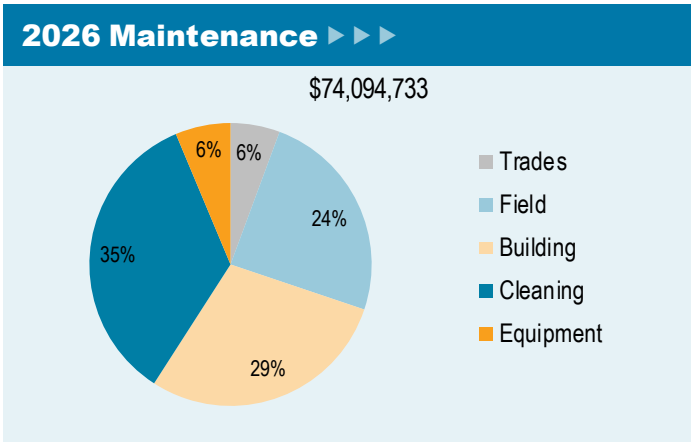
($=000) 2026 Budget vs 2025 Estimate

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	Dollar Change	% Change
Trades	$3,188	$3,898	$3,550	$4,190	$640	18.0%
Field	17,748	16,325	17,880	18,156	277	1.5%
Building	19,716	20,087	19,924	21,451	1,528	7.7%
Cleaning	23,271	25,288	24,106	25,609	1,503	6.2%
Equipment	3,387	4,978	4,103	4,688	585	14.3%
Total Maintenance	**$67,310**	**$70,576**	**$69,563**	**$74,095**	**$4,532**	**6.5%**

Numbers may not sum to totals due to rounding.

The pie chart shows the distribution of Maintenance expenses in the 2026 budget. Cleaning and Building maintenance make up just approximately two-thirds of the total, covering 35% and 29%, respectively. Significant changes in the 2026 budget versus the 2025 estimate are as follows.

2026 Maintenance ▶▶▶



TRADES

The projected increase in Trades costs over the 2025 estimate is $640,125 or 18.0%. Key drivers include a $173,666 increase to cover fire protection system inspections and maintenance contracts, $283,603 for electrical parts and materials, $58,650 to cover the inflationary impact on paint and related materials and $124,205 for carpentry materials.

FIELD

Field costs are projected to increase $276,685 or 1.5% compared to the 2025 estimate. These costs are based on forecasted winter events for 2026.

BUILDING

Building maintenance is projected to increase $1.5 million or 7.7% over the 2025 estimate. Mechanical area maintenance costs account for $589,048 of the increase. An additional $705,810 is for jet bridge and baggage handling system maintenance. The remaining variance will cover higher costs for fire alarm inspection, testing and maintenance contracts and other miscellaneous building expenses.

CLEANING

The 2026 Cleaning budget includes a $1.5 million or 6.2% increase compared to the 2025 estimate. The year-end cleaning estimate is $1.2 million below budget as the 2025 budget projection for cleaning terrazzo flooring and special projects will not reach actual estimated costs. Window cleaning costs are based on the areas cleaned and can vary. In 2025, window cleaning is expected to be lower than budgeted. Furthermore, the janitorial cleaning services contract has a 4% annual escalator included for 2026.

EQUIPMENT

Equipment costs are projected to increase $585,050 or 14.3% compared to the 2025 estimate. The primary driver of the increase is due to rising costs for equipment parts and shop supplies estimated to exceed the year-end estimate by $542,556. The increase in gas and fuel costs of $42,494 is projected based on forecasted winter events in 2026.



Tractor Clearing Snow Off the General Office Sidewalk

OTHER

The Other expense category, which is approximately $7.7 million or 5% of the $311.2 million expense budget, is projected to increase $1.4 million or 22.0%. The following table lists the major components in this category.

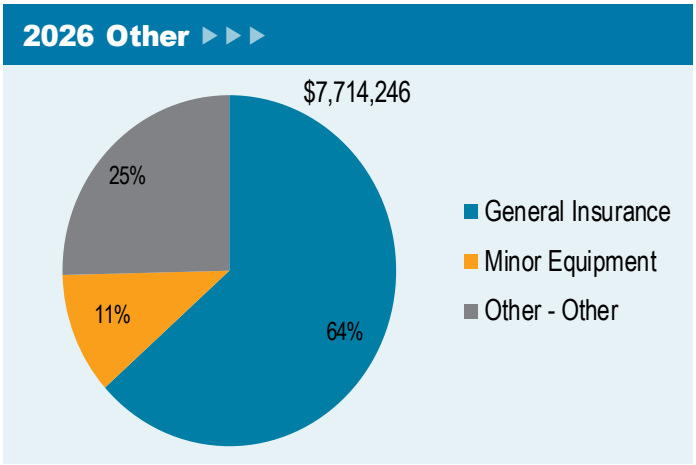
Other ▶ ▶ ▶

($=000) — 2026 Budget vs 2025 Estimate

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	Dollar Change	% Change
General Insurance	$4,552	$5,059	$4,539	$4,891	$352	7.8%
Minor Equipment	573	894	581	865	284	48.9%
Other	1,475	6,286	1,205	1,959	754	62.6%
Total Other	**$6,599**	**$12,239**	**$6,325**	**$7,714**	**$ 1,389**	**22.0%**

Numbers may not sum to totals due to rounding.

As the pie chart illustrates, General Insurance makes up 64% of the budget followed by Other – Other expenses and Minor Equipment expenses at 25% and 11%, respectively.



GENERAL INSURANCE

General Insurance includes property, liability, crime, auto, equipment and several other insurance products. The projected increase in General Insurance is $351,736 or 7.8% from the 2025 estimate. Property insurance is projected to increase $150,609 due to construction investment to improve infrastructure, roadways and emergency response capabilities which caused the premium to increase. Automobile insurance is expected to climb $131,256 as the premium also increased due to newer and additional fleet vehicles.

MINOR EQUIPMENT

Minor equipment is equipment that is less than $25,000. Minor equipment is projected to increase $283,936 or 48.9% over the 2025 estimate. The 2026 budget includes office workstations for new employees, chairs and tables for replacement and events, water rescue equipment, fire safety equipment and other equipment to maintain the airfield.

OTHER

The Other category consists of expenses for safety, medical, other equipment, license fees and other miscellaneous expenses. The 2026 budget is projected to increase $753,609 or 62.5% from the 2025 Estimate. Airline incentive marketing costs are projected to be $522,753 higher than the estimate as they vary depending on the airlines and routes. Additionally, the remaining increase is due to higher miscellaneous expenses and higher spending on Police ammunition and supplies in the 2026 budget compared to the 2025 estimate.



For Military Appreciation Month, the Minnesota Armed Forces Service Center Welcomes Military Personnel, Retirees and Families with Complimentary Beverages and Snacks, as well as Comforting Facilities

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CONSTRUCTION FUND

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

- Equipment and Technology-Related Expenditures
- Capital Improvement Program (CIP) 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 MAC'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 to 40 years

Moveable equipment:
3 to 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 $25,000.

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

CAPITAL EQUIPMENT & TECHNOLOGY PROJECTS

SELECTION PROCESS

The MAC completes its capital requests annually. Requests are made by staff for new or replacement equipment. They are then reviewed by division and MAC leadership. Capital requests are prioritized, first with the goal of maintaining safety and security, followed by effective operations.

Information Technology capital investments are prioritized to ensure alignment with organizational goals, regulatory requirements, and operational stability. Each business area plays an active role by submitting IT capital requests, which are estimated and categorized in partnership with the Information Technology Department. These requests fall into five key categories:

- Cybersecurity – Protecting systems and data against evolving threats.
- End-of-Life Refresh – Replacing aging technology to maintain reliability and performance.
- Strategic Initiatives – Projects that directly support the organization's Strategic Plan.
- Unsupported Systems – Addressing technology where vendor support is ending.
- External Compliance – Meeting regulatory requirements such as Part 139 and Federal Aviation Administration (FAA) mandates.

In addition to categorization, each business area ranks its additional requests by priority to guiding decision-making.

Executive Leadership reviews all submissions with a focus on criticality, timing, and financial impact. Priority is given to projects that address cybersecurity, end-of-life refresh, strategic initiatives, unsupported systems, and compliance obligations with a focus on what can be completed in 2026. Ranked requests are evaluated for their necessity and the estimated investment required to deliver in 2026.

The overarching goal is to maintain fiscal discipline by keeping the IT capital budget flat compared to the 2024 approved level, while ensuring that essential projects are funded to support operational resilience and strategic growth.

FUNDING

Capital equipment and technology projects are funded in two ways. First, those pieces of equipment, which are chargeable to the tenants and airlines, are acquired through notes payable or other equipment financing. The term of those financings is 10 years. The principal and interest associated with those equipment financings are charged based on the appropriate rate outlined in the Airline Use and Lease Agreement, resulting in the recovery of all or a portion of the total financed. The remaining value of capital equipment is funded with funds generated internally.

The 2026 Budget includes $43.6 million for capital equipment and technology projects. Of this, $25.5 million will be financed, with the remainder funded internally. Compared to the 2025 estimate of $33.7 million, the 2026 Budget for Capital Equipment and Technology Projects will increase by $9.9 million or 29.4%

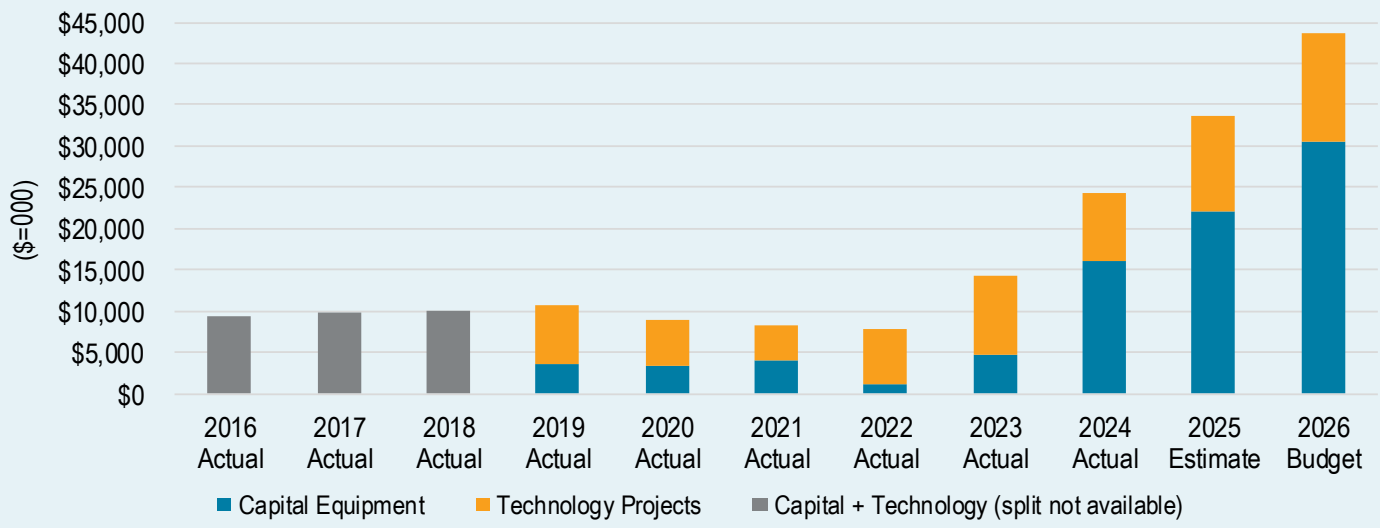
EQUIPMENT & TECHNOLOGY BUDGET

The 2026 capital equipment budget is $30.4 million, which is approximately $8.3 million greater than the 2025 estimate of $22.1 million. The 2026 Budget includes several large pieces of equipment that were due for replacement but were delayed. Technology projects in 2026 are budgeted at $13.2 million, which is $1.5 million greater than the 2025 estimate of $11.7 million.

The Technology Refresh project accounts for $4.8 million, or 36.2% of the technology budget total. Critical hardware will be replaced throughout MAC systems. A description of all projects and costs is found later in this chapter.

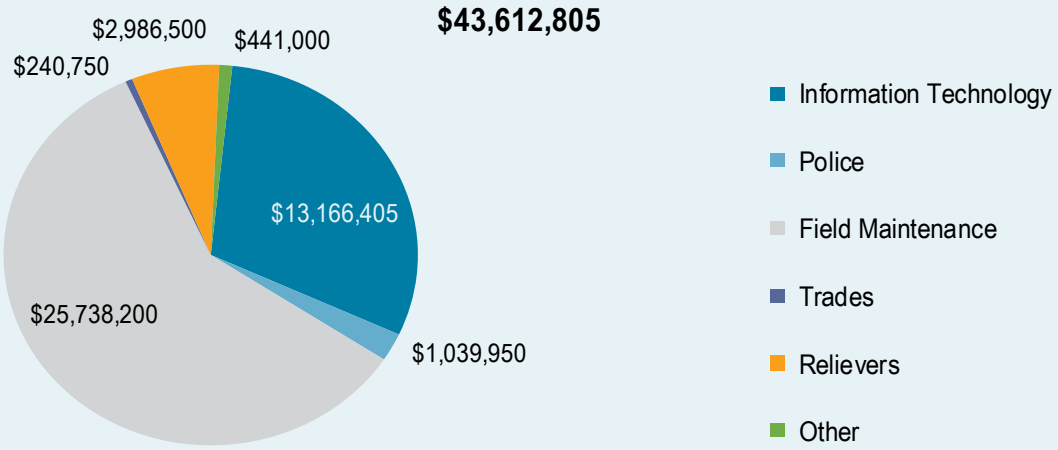
The bar chart shows equipment and technology purchases for the past 10 years, while the pie chart displays the budget allocation for 2026 across various service centers.

Capital Equipment & Technology Projects by Year



2026 Capital Equipment & Technology Projects

By Service Center



2026 Capital Equipment & Technology Projects ▶▶▶

	Service Center	Acquisition	Individual Cost	Trade-in Value	Quantity	Total
Capital Equipment Projects						
Full-size 4-Wheel Drive (4WD) Sports Utility Vehicle	75000	Replacement	$ 73,000	$ 5,000	1	$ 68,000
Full-size Bakery Depth Electric Convection Ovens	82050	New	65,000	-	2	130,000
Large 4WD Sports Utility Vehicle	83600	New	87,000	-	1	87,000
1/2 Ton 4WD Trucks	84200	Replacement	76,540	-	2	153,080
1/2 Ton 4WD Trucks	84200	Replacement	77,540	2,000	2	153,080
Cargo Van	84200	Replacement	105,000	1,000	1	104,000
Full-size 4WD Sports Utility Vehicle	84200	Replacement	77,000	1,000	1	76,000
Midsize 4WD Sports Utility Vehicles	84200	Replacement	79,750	1,000	5	397,750
Midsize 4WD Sports Utility Vehicle	84200	New	79,500	-	1	79,500
Midsize Marked 4WD Sports Utility Vehicle	84200	New	76,540	-	1	76,540
Midsize 4WD Sports Utility Vehicle	85100	Replacement	54,000	1,000	1	53,000
Retrofit Community Engagement Van	85200	New	50,000	-	1	50,000
Full-size 4WD Sports Utility Vehicle	86100	Replacement	54,500	1,500	1	53,000
1/2 Ton 4WD Extended Cab Trucks	88000	Replacement	66,250	3,000	3	195,750
Crane Rehabilitation on Existing Crane Truck	88300	New	45,000	-	1	45,000
1/2 Ton 4WD Crew Cab Trucks	89000	Replacement	63,500	2,000	4	252,000
1/2 Ton 4WD Trucks - Manager	89000	Replacement	63,500	2,000	2	125,000
9 Passenger Van	89000	Replacement	85,500	-	1	85,500
LED Variable Message Boards	89000	Replacement	25,400	-	4	101,600
Liquid Deicers	89000	New	725,000	-	5	3,625,000
Multi-Function Equipment (MFE)	89000	Replacement	1,190,500	-	9	10,714,500
Parking Lot Cleaning Machines	89000	Replacement	268,800	-	2	537,600
Runway Brooms	89000	Replacement	815,000	-	3	2,445,000
Runway Chemical Application Truck w/Plow	89000	Replacement	730,000	-	3	2,190,000
Runway Snow Blowers	89000	Replacement	910,000	-	6	5,460,000
Service Body for Existing Truck	89000	Replacement	160,000	-	1	160,000
Stand on Fertilizer/Spreader	89000	Replacement	42,000	-	1	42,000
24' Trailer	90200	Replacement	48,000	-	1	48,000
3/4 Ton 4WD Crew Cab Truck	90500	Replacement	74,500	1,000	1	73,500
Heavy Duty Finish Mower	90500	Replacement	181,000	1,000	1	180,000
Runway Plow Truck with Side Wing Plow	90500	Replacement	781,000	1,000	1	780,000
Heavy Duty Finish Mower	90700	Replacement	181,000	1,000	1	180,000
Runway Broom	90700	Replacement	821,000	1,000	1	820,000
Runway Plow Truck	90700	Replacement	781,000	1,000	1	780,000
Tracked Skid Steer	90700	Replacement	125,000	-	1	125,000
Subtotal Capital Equipment Projects						**$ 30,446,400**

2026 Capital Equipment & Technology Projects Cont. ▶▶▶

	Service Center	Acquisition	Individual Cost	Trade-in Value	Quantity	Total
Technology Projects						
Cybersecurity	79000	New	$1,993,000	$ -	1	$ 1,993,000
Technology End-of-Life Refresh	79000	New	4,765,780	-	1	4,765,780
Technology Strategic Initiatives	79000	New	3,107,500	-	1	3,107,500
Technology Functionality Enhancements	79000	New	456,875	-	1	456,875
Unsupported/External Technology Compliance	79000	New	2,843,250	-	1	2,843,250
Subtotal Technology Projects						**$ 13,166,405**
GRAND TOTAL						**$ 43,612,805**

CAPITAL EQUIPMENT NARRATIVES

Full-size 4-Wheel Drive (4WD) Sports Utility Vehicle
A replacement full-size 4WD sports utility vehicle is needed for departmental operations. The existing vehicle is 7 years old and has high miles.

Full-size Bakery Depth Electric Convection Ovens
The two convection ovens are necessary to continue serving clients' catering requests from the conference center kitchen, as well as to support catering requirements for the new multipurpose conference room on the G Concourse.

Large 4WD Sports Utility Vehicle
An additional large 4WD sports utility vehicle is necessary to support the Deputy Fire Marshal's dual role in emergency response and daily fire prevention operations. The vehicle will be used for incident response, inspections and investigations and will carry a full complement of rescue and medical equipment.

1/2 Ton 4WD Trucks
Two replacement 1/2 ton LE-rated 4WD trucks will be deployed for K9 operations, used 24/7 for emergency call services. The existing vehicles will be reassigned to spare status and maintain operational readiness. The existing spare vehicle will be removed from service.

1/2 Ton 4WD Trucks
Two replacement 1/2 ton LE-rated 4WD trucks will be used for K9 operations daily emergency calls. The existing vehicles have an average age of 10 years, high miles and have incurred substantial maintenance expenses.

Cargo Van
This unmarked cargo van will replace an older van used by the Criminal Investigations Division for investigations. The older van is 22 years old and has exceeded its life expectancy.

Full-size 4WD Sports Utility Vehicle
A replacement full-size 4WD sport utility vehicle is required for Criminal Investigations/K9 Division to handle 24/7 daily emergency service calls. The existing vehicle is 7 years old, has high miles and has incurred substantial maintenance expenses.

Midsize 4WD Sports Utility Vehicles
Midsize 4WD sports utility vehicles are needed for the Airport Police Department Patrol Division use and are intended for 24/7 emergency calls for service. The existing vehicles have an average age of 6 years, with high miles and substantial maintenance expenses.

Midsize 4WD Sports Utility Vehicle
This midsize sports utility vehicle will be LE rated with 4WD for 24/7 daily emergency calls for service due to an increase in call volume and added patrol responsibilities.

Midsize Marked 4WD Sports Utility Vehicle
This marked, midsize sports utility vehicle will be LE rated with 4WD for Airport Police Department Patrol Division use and is intended for 24/7 emergency service calls. This replaces the existing vehicle that will be reassigned to spare status and maintain operational readiness. The existing spare vehicle will be removed from service.

Midsize 4WD Sports Utility Vehicle
This midsize 4WD SUV is for departmental field operations. The existing vehicle is 12 years old, has high miles and has incurred substantial maintenance expenses. This vehicle is a possible candidate for a hybrid or EV as a replacement option.

Retrofit Community Engagement Van
This is a project to repurpose a Police Emergency Response Team van to be used for Community Engagement event purposes. This van was replaced with a newer vehicle in 2025 but is still in good mechanical condition for this new use. The updates will include new exterior graphics and interior to suit Community Engagement event activities, which align with the MAC's purpose and values, as well as strategic goal activities.

Full-size 4WD Sports Utility Vehicle
A replacement full-size 4WD sports utility vehicle is needed for departmental field operations. The existing vehicle is 19 years old, has high miles and has incurred substantial maintenance expenses. This vehicle is a possible candidate for a hybrid or EV as a replacement option.

1/2 Ton 4WD Extended Cab Trucks
These 1/2 ton 4WD trucks will replace three vehicles with an average age of 21 years, high miles and have incurred substantial maintenance expenses. These vehicles are possible candidates for hybrid or EV as replacement options.

Crane Rehabilitation on Existing Crane Truck
The existing crane truck requires rehabilitation. The truck itself is mechanically sound, but the crane attachment has reached the end of its service life. Replacement parts are no longer available.

1/2 Ton 4WD Crew Cab Trucks
These 1/2 ton 4WD trucks will be used for daily airfield operations for field maintenance crew, including snow removal operations and emergency response. The existing vehicles' average ages are 12 years old, have high miles and have incurred substantial maintenance expenses. These vehicles are possible candidates for hybrid or EV as replacement options.

1/2 Ton 4WD Trucks – Manager
These 1/2 Ton 4WD trucks are for daily airfield operations, including snow removal operations and emergency response. The average age of these existing vehicles is 12 years old, have high miles and have incurred substantial maintenance expenses. These vehicles are possible candidates for hybrid or EV as replacement options.

9 Passenger Van
A replacement for 9 passengers van is needed for daily operations. The existing van is 27 years old, and parts are obsolete. This van is used to tour and shuttle around the MSP campus visitors and external stakeholders. This vehicle is a possible candidate for hybrid or EV as a replacement option.

LED Variable Message Boards
LED variable message boards are needed for construction and road closure notifications around MSP campus. Existing equipment has reached the end of its life expectancy.

Liquid Deicers
These liquid deicers are for runway snow removal operations. Replacement is part of the February 2025 commission action and approval for snow removal equipment.

Multi-Function Equipment (MFE)
These multi-function equipment (MFE) vehicles are for runway snow removal operations. Replacement is part of the February 2025 commission action and approval for snow removal equipment.

Parking Lot Cleaning Machines
These parking lot cleaning machines (MCV) are used for parking level annual cleaning. Existing machines are 9 years old and have reached their life expectancy. This existing equipment class will include replacement at two per year for the next three years.

Runway Brooms
These runway brooms are for runway snow removal operations. Replacement is part of the February 2025 commission action and approval for snow removal equipment.

Runway Chemical Application Truck w/Plow
These runway chemical application trucks w/plows are for runway snow removal operations. Replacement is part of the February 2025 commission action and approval for snow removal equipment.

Runway Snow Blowers
These runway snow blowers are for runway snow removal operations. Replacement is part of the February 2025 commission action and approval for snow removal equipment.

Service Body for Existing Truck
A Fire Department utility truck is being repurposed for field maintenance operations and will require a service body following the removal of the water tank.

Stand on Fertilizer/Spreader
This is a replacement for the existing stand-on fertilizer/spreader used for daily operations. Existing equipment has reached the end of its useful life.

24’ Trailer
This 24’ trailer replaces the existing trailer, which has been in service for 31 years.

3/4 Ton 4WD Crew Cab Truck
This 3/4 ton 4WD crew cab truck is needed for departmental field operations. The existing vehicle is 15 years old, has high miles and has incurred substantial maintenance expenses.

Heavy Duty Finish Mower
This heavy duty finish mower is for mowing applications on the airfield. The existing mower is 10 years old and has reached its life expectancy. Cost and additional repairs outweigh the value of the existing piece of equipment.

Runway Plow Truck with Side Wing Plow
This runway plow truck is for airfield snow removal operations. The existing plow truck is 25 years old and has reached its life expectancy. Cost and additional repairs outweigh the value of the existing piece of equipment.

Heavy Duty Finish Mower
This heavy duty finish mower is for mowing applications on the airfield. The existing mower is 18 years old and has reached its life expectancy. Cost and additional repairs outweigh the value of the existing piece of equipment.

Runway Broom
This runway broom is for snow removal operations. The existing runway broom is 25 years old and has reached its life expectancy. Cost and additional repairs outweigh the value of the existing piece of equipment.

Runway Plow Truck
This runway plow truck is for snow removal operations. The existing plow truck is 25 years old and has reached its life expectancy. Cost and additional repairs outweigh the value of the existing piece of equipment.

Tracked Skid Steer
This tracked skid steer is needed for department operations. The existing vehicle is 10 years old and needs replacement.

TECHNOLOGY PROJECT NARRATIVES

Cybersecurity
This is a multi-year effort to mature the cyber security program including active directory security architecture enhancements; data loss protection capability; identify and access management enhancement; testing and assessment; monitoring and response; governance, risk and compliance maturity program; IT asset management capability and network architecture and segmentation.

Technology End-of-Life Refresh
This budget will refresh end-of-life hardware and software components including access switch refresh, airside drivers simulator hardware refresh, chambers technology review and roadmap, Cisco 9500 purchase, client services audio/visual refresh 2026, client services end user compute (EUC) modernization, client services EUC refresh 2026, end-of-life server replacement, end-of-life firewall replacement, landside body camera refresh, main data center core replacement, radio replacement for the Airport Police Department, Reliever CradlePoint replacement, replacement of fiber optics, server hosting and hypervisor replacement and switch replacement for non-hardened switches.

Technology Strategic Initiatives
This budget will support the MAC corporate strategic initiatives: cross functional implementation of customer relationship management across the organization – addition to year II of strategic plan, MAC Modern Workforce 2026, Data Maturation 2026, Situational Awareness (Phase 3), Better Airport – Real Time and enterprise resource planning comprehensive needs assessment and recommendation, funds to be used across the IT capital project portfolio as needed in case projects accelerate and/or need additional funding.

Technology Functionality Enhancements

This budget will upgrade or enhance existing technology or provide new functionality: Project Management Software Solution, Contract Lifecycle Management (CLM) software and implementation (Ironclad), digital signage & dashboard displays, enhancing internal and external communications through data driven innovation.

Unsupported/External Technology Compliance

This budget will support the following projects: JD Edwards EnterpriseOne tools upgrade, data records management implementation (MAC data records), Cityworks roadmap implementation, Public Safety Records Management System (RMS) and Computer-Aided Dispatch (CAD) replacement, audio logging software, 911 call handling equipment and Interactive Digital Directories (IDDs) modernization.



Say 'Hello' to IT Service Desk Live Chat



Airport Police Launch MSP Airport Shield Website

CAPITAL IMPROVEMENT PROGRAM EXPENDITURES

On December 15, 2025, the Commission adopted the 2026-2032 Capital Improvement Program. The seven-year CIP forecasts construction projects in the MAC's system of airports.

Since 2020, many scheduled projects were delayed or paused. To develop the 2026-2032 CIP, all deferred, paused and newly proposed projects were reviewed and categorized as follows:

2026 CIP Projects (Year 1):
Projects reasonably defined for implementation in the upcoming calendar year.

2027 CIP Projects (Year 2):
Identified needs or potential needs requiring further study to determine project scope, feasibility and cost.

2028-2032 CIP Projects (Years 3-7):
Projects that appear to be needed in the last five years of the total program. Forecasting years three to seven assists in financial planning and meets the requirements of the Metropolitan Council's Investment Framework.

2026 CAPITAL IMPROVEMENT PROJECTS

As stated previously, these are projects that have been reasonably defined for implementation in the upcoming calendar year, in this case 2026. The following narratives describe the 2026 Capital Improvement Projects, along with a table of their funding sources.

The majority of capital projects in the CIP program are recurring or routine projects of a major airport for the maintenance and preservation of facilities and comfort of passengers. These projects do not generally affect the annual operating budget. Recurring CIP projects ensure end-of-life equipment, including IT equipment maintenance, enhancements and replacements are replaced in a timely manner. Recurring CIP projects also include maintaining the airfield for years to come.

The following table lists non-recurring and recurring projects that the commission expects will affect the current or future operating budgets, based on the information available at time of publishing. The remaining projects not noted in this table have minimal to no impact on the operating budget.

CIP Operating Cost Projections ▶▶▶

Category	Construction Project	Projected Operating Costs	Amount	Explanation
MSP End-of-Life/Replacement Projects	Terminal 1 VAV Replacement and Upgrade	Utilities	13%	Estimated reduction
MSP Long Term Comprehensive Plan Projects	Ground Service Equipment Maintenance Facility	Maintenance	$ 150,000	Estimated increase
MSP Maintenance/Facility Upgrade Projects	ADO Office Expansion	Utilities and Janitorial	$ 93,600	Estimated increase upon completion
	Folded Plate Surface Reconstruction	Utilities	7.5%	Estimated reduction
	Lighting Infrastructure Technology and Equipment	Utilities and Maintenance	$ 15,000	Estimated reduction
	Victaulic Piping Replacement	Utilities	15%	Estimated reduction
	Apron Lighting LED Upgrade	Utilities	20%	Estimated reduction
	Tunnel Lighting LED Upgrade	Utilities	20%	Estimated reduction
	Electric Vehicle Charging Network Expansion	Utilities	$ 70,000	Estimated increase
	Parking Guidance System	Utilities	$ 25,000	Estimated increase
	Red/Blue Parking Levels 2 and 3	Revenue	$ 8,000,000	Upon completion, this parking area replaces older parking being demolished
	North Field Maintenance Mechanical Infrastructure Project	Utilities	$ 20,000	Estimated reduction
	Airfield Thermoplastic Markings	Maintenance	$ 5,000	Estimated reduction

CIP Operating Cost Projections Continued ▶▶▶

Category	Construction Project	Projected Operating Costs	Amount	Explanation
MSP Ongoing Maintenance Projects	End of Life Campus Building Demolition	Utilities	$ 10,000	Estimated reduction upon completion
Reliever Airports Maintenance/Facility Upgrade Projects	Relievers Beacon Replacements	Utilities and Maintenance	$ 50,000	Estimated reduction
	St. Paul Cold Equipment Storage Building	Utilities	$ 22,000	Estimated increase upon completion
	St. Paul Taxiway B LED Edge Lighting Replacement	Utilities	$ 17,000	Estimated decrease
	Taxiway Echo Edge Lighting and Signage	Utilities	$ 17,000	Estimated decrease

2026 CAPITAL IMPROVEMENT PROGRAM NARRATIVES

MSP END-OF-LIFE/REPLACEMENT PROJECTS

End-of-life/Replacement projects include systems, components, and pavements that can no longer be economically or feasibly maintained and must be replaced.

TERMINAL 1

Passenger Boarding Bridge Replacements

This program replaces jet bridges at the terminals. 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 gatefold areas will be upgraded with security doors, card readers, and cameras. In 2026, the bridges scheduled for replacement are: E7, F4, F6, and F7. This year's project will also add IVISN-connected cameras to the cab of the common use passenger boarding bridges that currently do not have them and are not under construction (H5-H10, E1 and E3). This is a recurring project with rotating work that ensures end-of-life equipment is replaced in a timely manner.

Concourse G Lavatory Building Replacement

This project will demolish and replace the lavatory building at Concourse G. The existing building has reached the end of its useful life. The new structure will modernize systems and improve safety for the building's users.



Steel Work on Concourse G



Boarding Bridges were Linked to Create a Temporary Secure Corridor for Passengers to Access MSP's International Arrivals Facilities

ENERGY MANAGEMENT CENTER

Variable Air Volume (VAV) Box Replacement

This program will replace Variable Air Volume (VAV) boxes throughout Terminal 1 with more efficient equipment connected to the Intelligent Monitoring and Control System (IMACS) and are located for maintenance accessibility. The project awarded in 2026 will be the second of six phases to accomplish this work. This is a multi-phase project that ensures end-of-life equipment is replaced in a timely manner.

FIELD AND RUNWAYS

Airfield Snow Melter Replacement/Upgrades
This project will replace, modify and/or upgrade snow melters on the airfield that are beyond their useful life. This is a recurring project with rotating work that ensures maintenance of the airfield over a period of years.

Bituminous Shoulder Reconstruction
This project will reconstruct full depth bituminous shoulders along Taxiway R. This work will restore transverse grades to shoulders to improve drainage in accordance with FAA standards. The work will include removals, crushed aggregate base, bituminous pavement, pavement marking, and electrical construction. This is a recurring project with rotating work that ensures maintenance of the airfield over a period of years.

Taxiway A/B Pavement Reconstruction
This project will reconstruct a portion of Taxiway A/B. The work will include removals, excavation, granular material, crushed aggregate base, concrete pavement, bituminous shoulders, pavement marking, and taxiway centerline lights.

Taxiway R Pavement Reconstruction
This project will reconstruct a portion of Taxiway R. The work will include removals, excavation, granular material, crushed aggregate base, concrete pavement, bituminous shoulders, pavement marking, and taxiway centerline lights. This is a non-recurring project that ensures maintenance of the airfield over a period of years.

PARKING

Parking Ramp Snow Melter Replacement/Upgrades
This project will replace, modify and/or upgrade snow melters in the parking ramps that are beyond their useful life.

PUBLIC AREAS/ROADS

Post Road Reconstruction Project
This project will reconstruct the bituminous paving on Post Road and in the West Cell Phone Lot. The project will include pavement removal, excavation, grading, bituminous paving, pavement marking and other miscellaneous items.

MSP IT PROJECTS

MSP IT Projects include those that have a significant amount, if not all, technology-related enhancements, maintenance, or restructuring.

TERMINAL 1

Concourses C Digital Directory Replacement
The digital displays on Concourses C will be replaced to provide consistent customer experience similar to the displays in the Terminal 1 mall.

MAC Technology Upgrades
Each year, there are several IT projects that are beyond the resources of MAC's staff and operating budget to accomplish. These projects are prioritized and completed either as a series of contracts or as purchase orders. Work may include Fiber Optic Cable Upgrades, MACNet maintenance and upgrades, electronic visual information displays and multi-user flight information displays (EVIDs/MUFIDs), various displays and digital signs, Wireless System enhancements, and MAC Public Address System maintenance and upgrades. This series of recurring projects ensure that miscellaneous IT equipment maintenance, enhancement and replacements happen in a timely manner.



The MSP Airfield is Mapped and Tagged "with" Detailed GIS Information

FEDERAL INSPECTION STATION

Customs and Border Protection (CBP) Infrastructure

MAC is responsible for supplying and maintaining Customs and Border Protection (CBP) infrastructure. MAC and its project consultants will partner with CBP to create, schedule, and implement the new system equipment and operating requirements consistent with MAC and CBP policies and standards. This is a recurring project that ensures end-of-life equipment is replaced in a timely manner.

ENERGY MANAGEMENT CENTER

Building Management (IMACS) Modernization

This project will assess, roadmap, and modernize MAC's energy, water, heating ventilation and air conditioning (HVAC), and people mover management systems.

PARKING

Parking Revenue Control System

This project will assess, roadmap, and modernize MAC's parking revenue control system, including yield management capabilities, in order to replace a system that is near the end of its useful life.

HANGERS AND OTHER BUILDINGS

Multiple Points of Entry Facility

This first of two projects will construct a facility that allows multiple carriers to bring their fiber infrastructure onto our campus and provides them access to the MAC infrastructure which will allow these carriers access to various points within our campus. These facilities will be strategically located at the perimeter of our campus to minimize the external infrastructure for multiple carriers yet be able to integrate with our existing fiber infrastructure (duct banks and main equipment rooms). This will enable the MAC to better accommodate our tenants' needs by giving them access to competitive carriers.

POLICE

Badging and Door Access (SAACS/ProWatch) Modernization

This project will assess, roadmap, and modernize MAC's Secured Area Access Control System (SAACS) for badging and door access.

Public Safety Video Modernization

This project will assess, roadmap, and modernize our camera system with AI components.

Card Access Modifications

This is a multi-year program to refresh the inventory of card access security readers as they get to end-of-life, add outdoor biometric readers, add mobile card readers, add other readers as needed throughout the campus, and align card access control with other surveillance technology, including "IVISN." This is a recurring project that ensures end-of-life equipment is replaced in a timely manner.

MSP LONG-TERM COMPREHENSIVE PLAN PROJECTS

MSP Long-Term Plan projects include projects that enhance or expand the airport facilities in order to meet existing or forecasted passenger needs.

TERMINAL 1

MSP Airport Layout Plan

This project will address FAA comments on the current Draft Airport Layout Plan (ALP) production based on the approved alternative identified in the 2040 Long-Term Plan.

FIELD AND RUNWAYS

Navigation Aid (NAVAID) Relocation

This project will study the relocation of the Remote Transmitter/Receiver (RTR) as well as the siting/analysis of relocating the ASR-9 (primary RADAR). Coordination with FAA is included along with anticipated costs for a FAA reimbursable agreement.

TERMINAL ROADS/LANDSIDE

Terminal 2 Roadway Additional Lane

This project will include removal of and/or modification to landscaping, sidewalk, curb and gutter, and utilities to create a fifth traffic lane in front of Terminal 2.

TERMINAL 2

Terminal 2 Operational Improvements

This project will begin to design improvements to Terminal 2 passenger processing systems and spaces to better accommodate passenger growth.

HANGERS AND OTHER BUILDINGS

Ground Service Equipment (GSE) Maintenance Facility

This project will construct a stand-alone facility for lease to third party ground handling operators to maintain and repair ground handling equipment necessary to support ground operations for the airlines. This facility will replace one that no longer meets all tenant needs and obstructs future construction of the south expansion of Terminal 2.

MSP MAINTENANCE/FACILITY UPGRADE PROJECTS

MSP Maintenance/Facility Upgrade projects include those that provide improvements to individual buildings or systems across the campus on a one-time or short-term basis.

TERMINAL 1

Airport Director's Office (ADO) Office Expansion

Additional office and meeting space is needed for the Airport Director's Office, to function properly. This expansion and remodel will support increasing MAC staffing numbers and changes in workspace needs.

Art Display Areas

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 program enhances customer service experience for travelers and airport employees. Art program costs are funded by the Airport Foundation MSP.

Arts Master Plan

This program supports procurement of commissioned art and rotating exhibits as part of the Percent for Arts program. The Arts Master Plan is funded by the capital program based on a percentage of the MAC's capital projects.



MSP Holds a Reception at the Concourse C Art Gallery

Folded Plate Surface Reconstruction

This is the third of three phases to repair and replace the roof assembly on the folded plate roof at Terminal 1. Bidding and award is planned for 2026 to align with grant opportunities and construction is anticipated to begin in 2027.

F/G Connector Repairs and Improvements

This project will make the repairs needed to the F/G Connector, which has been hit by vehicles multiple times. The project will further assess and remediate any remaining cosmetic damage, add additional headache bars, clearance signage and/or warning systems, and make any other permanent repairs needed to bring the structure to its original condition.

Lighting Infrastructure Technology and Equipment

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

Restroom Upgrade Program

This program provides for the phased modernization of the Terminal 1 restrooms to include upgraded finishes, lighting, air quality, energy saving upgrades, and American Disabilities Act (ADA) compliance. The 2026 phase of the program will replace the obsolete information display systems outside 29 restrooms.

Steam System Upgrade Program

This program will replace steam pressure reducing stations that are near or past the end of their useful life. The program will also replace heat exchangers in two mechanical rooms and replace valves in the boiler fuel system piping. This is a multi-year program that ensures end-of-life equipment is replaced in a timely manner.

Terminal 1 Tug Drive Waterproofing

The Terminal 1 tug drive was last sealed and waterproofed in 2007-2010. Concrete waterproofing typically has a 10-year lifespan and needs to be redone to minimize water infiltration into the structure and lower-level spaces. This program will waterproof concrete for the entire tug drive area located above basement level spaces. This multi-year program ensures end-of-life equipment is replaced in a timely manner.

West Mezzanine Improvements

This project provides Air Handling Unit replacement, an airport employee breakroom, and a restroom upgrade while efficiently improving and reallocating space on the West Mezzanine.

FEDERAL INSPECTIONS STATION (FIS)

FIS Facility Upgrades

The FIS facility upgrades project is a multi-year project to bring the FIS facilities in Terminal 1 and Terminal 2 up to the Airport Technical Design Standards (ATDS) and other required improvements as prescribed by Customs and Border Protection.

ENERGY MANAGEMENT CENTER

Campus Cooling Systems Replacement Study

Several buildings on campus rely on air-cooled condensers and chillers for summer cooling. Many of these units are nearing the end of their operational life and lack redundant systems. As the systems age, the costs for maintenance and operation increase. This study will analyze the systems on campus for cost, priority, and the recommended replacement for several locations, including Terminal 1, Aircraft Rescue and Fire Fighting (ARFF) Station 1, Terminal 2 Parking Management Building, Terminal 2 Orange Ramp, Data Center, and the FAA building.

MAC Automation Infrastructure Program

This is a continuation of a multi-year program to upgrade all MAC building automation systems. This includes adding monitoring for heating and cooling, electrical, plumbing, and facilities equipment. This can include trending data, providing alarms, and optimizing systems for energy performance. This also includes expanding the existing open protocol system with IP controllers, standardization of systems and programming, and tracking equipment performance and maintenance. This recurring project supports more efficient operation and maintenance of mechanical systems throughout the campus.

Victaulic Piping Replacement

This phase of a multi-year program will replace the victaulic piping and valves in Terminal 2. While victaulic pipe fittings allow for the pipe to be quickly and easily disassembled when needed, it has been discovered that the joints cause leaking because the seals shrink when they cool due to shutdowns and service disruptions and then don't hold tight when the system is restored to normal operation. In addition, this year's effort will support efficiency upgrades to the systems at Terminal 2 as part of the North Expansion project.



Victaulic Piping at Terminal 2

Steam Trap Monitoring System

The steam system at Terminal 1 provides space heating and domestic hot water throughout the entire terminal. When the steam cools off and condenses, it creates condensate that is recycled and pumped to the Energy Management Center (EMC). This warm condensate water is then reheated to steam and distributed back throughout the airport. This steam system includes hundreds of steam traps, that allow the condensate to safely pass through and prevent steam from spreading into the condensate system. The steam traps keep the system safe and reliable. This project will replace an obsolete monitoring system, provide new monitoring sensors at steam traps, and connect the system to IMACS for monitoring from the EMC. This project will provide a reliable way for the EMC operators to know when a steam trap is failing to efficiently remedy the situation because the functionality of each steam trap is critical to the safety of the steam system.

FIELD AND RUNWAYS

Airfield Thermoplastic Markings

Following a successful pilot installation of thermoplastic markings, this program will Install thermoplastic markings at complex taxiway/runway intersections. The project in 2026 is the second of five planned phases of this project.

Apron Lighting LED Upgrade

This project will replace the older apron lighting units with more efficient LED fixtures.

Tunnel Fan Replacement
The existing fans in the 17-35 tunnel are past their useful life. This project will repair or replace these fans as appropriate for the condition.

Tunnel Lighting LED Upgrade
This program will replace existing high intensity discharge type lighting with LED to save energy and reduce maintenance in the 17-35 tunnel.

PARKING

Electric Vehicle Charging Network Expansion
This is the first of a six-year program to install electric vehicle chargers to meet passenger and employee demand and support MAC's sustainability goals.

Parking Guidance System
This is the second phase of a two-phase program to install parking stall availability indicators in MAC's parking ramps.

Red/Blue Parking Levels 2 and 3
This project will modify levels 2 and 3 of the Red and Blue parking ramps at Terminal 1 from rental car parking to public parking. The scope of work will include, but is not limited to, structural modifications, striping, electrical and technology, revenue control, and lighting to support the public parking needs of this area.

TERMINAL 2

Ramp Information Display System (RIDS)
This project will provide Ramp Information Display System (RIDS) including aircraft parking assistance at Terminal 2 gates not included in the Terminal 2 North Expansion scope. The system will be integrated with MAC's Resource Management System (RMS).

Terminal 2 Baggage Handling System
This project will provide touch screen activation to provide functionality consistent with Terminal 1 and baggage carousel refurbishment as needed.

Terminal 2 Gate Area Improvements
This project will conclude the multi-year recarpeting program, replacing end-of-life carpeting at gates H1-H5 and on the passenger boarding bridges. The project will also provide gate area improvements, including replacement of gate desks and podiums, and seating with charging ports.

Terminal 2 MUFIDS/EVIDS Millwork Upgrades
Replace old multi-user flight information displays (MUFIDS) stands to current MAC standard design.

PUBLIC AREAS/ROADS

34th Avenue Surface Reconstruction
This project provides for the reconstruction of 34th Avenue South located between I-494 and Gate 222. The existing bituminous pavement is nearing the end of its design life and in need of replacement. The work for this two-year project will include pavement mill and overlay, signals upgrades, ADA access, and ancillary work.

34th Avenue Sanitary Sewer Replacement
This project will replace and reroute a portion of sanitary sewer serving buildings on the west side of 34th Avenue.

Terminal 1 Inbound Roadway Median Improvements
This project will improve the median landscaping, replace the static overhead roadway signs with digital, and, in a future phase, replace the Terminal 1 monument sign near Highway 5.

TRADES/MAINTENANCE BUILDINGS

North Field Maintenance Mechanical Infrastructure Project
This project will replace the end of useful life mechanical infrastructure and improve associated electrical systems at the North Field Maintenance Building.

POLICE

Highway Digital Messaging Signs
This project supports a collaboration with Minnesota Department of Transportation (MnDOT) to install new roadway digital message signs at specific locations along the highway corridor surrounding MSP Airport, designed to display real-time information to motorists regarding emergency public safety alerts, traffic conditions, road closures, and terminal closures.

Perimeter Fence Intrusion Detection System
This project will select and install a system to alert Airport Police to attempted intrusions at the airfield perimeter fence line.

Perimeter Gate Security Improvements
The 2026 phase of this program will provide additional vehicle lanes at Gate 269 to improve throughput without compromising security.

GENERAL OFFICE/ADMINISTRATION

Digital Signage at the GO
This project is designed to enhance the MAC brand awareness and celebrate MAC staff with digital signage in and/or at the General Office building.

MSP NOISE MITIGATION PROJECTS

Noise Mitigation Projects are completed in compliance with the MAC's Airport Noise Mitigation Program. These efforts began in 1992, most recently under the terms of an amended legal agreement between the MAC and the cities of Richfield, Minneapolis and Eagan. The agreement has been approved by the Hennepin County District Court and is effective until December 31, 2032. 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.

ENVIRONMENT

Noise Mitigation Consent Decree Amendment

This project will provide noise mitigation for those single family and multifamily homes meeting the eligibility requirements of the program. This is funded through capital sources, and there are no operating budget impacts of this project.

MSP ONGOING MAINTENANCE PROJECTS

MSP ongoing Maintenance projects include buildings, systems, pavements, and other infrastructure that require improvements on an annual basis in order to maintain the facilities and manage MAC assets.

TERMINAL 1

Baggage System Upgrades

This multi-year program will provide necessary upgrades to the inbound and outbound baggage system not covered by general system maintenance. The 2026 project will provide system stabilization to maintain functionality until the system reaches the end of its useful life and is replaced.

Electrical and Ground Power Substation Replacement

This is a multi-year program to replace electrical substations which are at or very near end-of-life. This program will also improve redundancy. This program focuses on updating and improving substations that serve airside operations such as jet bridges, and providing heating, cooling, and power for parked aircraft. These substations also provide power for charging electric ground service vehicles. This program will position MSP to be able to meet new demands for ground equipment, including an increase in electric vehicle charging. This is a recurring project that ensures end-of-life equipment is replaced in a timely manner.



Baggage Handling System

Plumbing Infrastructure Upgrade Program

Portions of the existing plumbing infrastructure serving Terminal 1 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 to upgrade the plumbing infrastructure system to meet current code requirements and MAC standards. This is a recurring project with rotating work that ensures equipment is maintained to appropriate standards.

Terminal Building Remediation and Miscellaneous Modifications Program

Continual maintenance of the terminal buildings is imperative to passenger comfort and safety as well as sustainability of the MAC assets. 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. 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. This is a recurring project with rotating work that ensures maintenance of facilities over a period of years.

Electrical Infrastructure and Emergency Power Upgrades
This is a multi-year program to routinely inspect, clean, and upgrade substations to ensure their continued performance and to continue the design and implementation of emergency power and lighting corrective work. This is a recurring project that ensures end-of-life equipment is replaced in a timely manner.

ENERGY MANAGEMENT CENTER

Life Safety Infrastructure Program
This program will replace life safety equipment and devices associated with the heating, ventilation, and air conditioning system throughout MSP campus. Equipment includes gas detection sensors and life safety dampers. Additionally, all new equipment and devices will be connected to IMACS for monitoring and control. This recurring project primarily provides safety improvement.

Plant Upgrades
This multi-year program provides upgrades to the MAC's Energy Management Center (EMC) Boiler and Chiller Plants at both Terminal 1 and Terminal 2 as well as other facilities on the MSP campus. The work scheduled for 2026 includes upgrades to the aging Chilled Water System at Terminal 1. Replacement of valves, piping, and other system components will increase the efficiency of the system and improve performance, particularly at locations distant from the EMC. This is a recurring project that ensures end-of-life equipment is replaced in a timely manner.

Indoor Air Quality Monitoring System
This program routinely replaces components of the Indoor Air Quality Monitoring System that have reached end of useful life.

FIELD AND RUNWAYS

Airside Electrical Construction
This program provides for the removal and replacement of airfield lighting and signage with LED technology, and lighting control upgrades. This is a recurring project to maintain compliance with FAA guidelines and requirements.

Airside Roadway Pavement Restoration
This is an ongoing program to rehabilitate roadways on the airfield through bituminous overlays, seal coats, or in some instances, reconstruction, to restore the surfaces to a smooth, even condition and improve overall operating conditions. A pavement condition index report as well as an inspection of the pavement will be completed to determine the areas most in need of repair on an annual basis. This is a recurring project with rotating work that ensures roadways are appropriately maintained over a period of years.

Miscellaneous Airfield Construction
This program supports Part 139 Airport Certification through grading and drainage improvements within runway safety areas, airfield pavement marking modifications, and other miscellaneous airside projects that are too small to accomplish independently or arise unexpectedly. This is a recurring project to maintain compliance with FAA guidelines and requirements.

Pavement Joint Sealing/Repair
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. This is a recurring project to maintain compliance with FAA guidelines and requirements.



MSP Runway Construction

TERMINAL ROADS/LANDSIDE

Tunnel/Bridge Inspections
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. This is a recurring project to maintain compliance with Department of Transportation guidelines and requirements.

PARKING

Parking Structure Rehabilitation
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, railing refinishing, and lighting improvements.

PUBLIC AREAS/ROADS

Concrete Joint Repair
This project will complete landside pavement joint repair on MSP campus roadways as a preventative maintenance activity to prolong the existing pavement from reconstruction. This is a recurring project with rotating work that ensures roadways are appropriately maintained and are replaced when reaching end-of-life.

Landside Pavement Rehabilitation
This is an ongoing program of preventative maintenance activities such as crack sealing, surface treatments, and resurfacing on roadways located outside of the Air Operations Area (AOA). This program effectively slows deterioration rates, extends service life, and delays the need for total reconstruction of bituminous and concrete pavements. Inspection of pavements and appurtenances determines what areas are to be prioritized for rehabilitation under each year's project. This is a recurring project with rotating work that ensures roadways are appropriately maintained and are replaced when reaching end-of-life.

Landside Utility Rehabilitation
Each year there are numerous landside utility projects that are beyond the resources of MAC's staff and operating budget to accomplish. These projects are prioritized annually and completed with either a series of contracts or purchase orders. Electric power, sanitary sewer, storm sewer, and watermain improvements will be addressed with this program. A study will be conducted annually to identify potential priorities. This is a recurring project with rotating work that ensures utilities are appropriately maintained and are replaced when reaching end-of-life.

Roadway Fixture Refurbishment
Many of the light poles, clearance restriction boards, sign units, fence sections, and canopies on the airport roadways need repainting and maintenance. This project provides for fixture refurbishment. This is a recurring project with rotating work that ensures fixtures are appropriately maintained and are replaced when reaching end-of-life.

HANGARS AND OTHER BUILDINGS

End-of-life Campus Building Demolition
This is the first of multiple years of demolition of buildings that have reached the end of their useful life. In 2026, the program will remove the Impark building whose function will be replaced by the MAC Storage Facility expected to finish construction in 2025.

Campus Building Roof Replacement
A report has been developed within the MAC that evaluates one-half of the roofs every other year. This on-going program allows these roofs that have been evaluated to be prioritized and programmed for repair. The 2026 phase will focus on several roof areas at Terminal 1. This is a recurring project with rotating work that ensures maintenance of facilities over a period of years.

TRADE/MAINTENANCE BUILDINGS

Sump Pump Controls
This project will rehabilitate sump pumps older than five years across the campus and provide a new automation system at each location. Additionally, each sump pump will connect to IMACS for remote monitoring and control. This will help MAC Plumbing understand when there is a problem by receiving an alarm within their plumbing shop. This program ensures end-of-life equipment is replaced in a timely manner.

GENERAL OFFICE/ADMINISTRATION

GO Building Improvements
Continual maintenance of MAC buildings is necessary for comfort and safety as well as sustainability of the MAC assets. Age and weather contribute to building deterioration, mold, and other health issues. The General Office Building, built in the 1960's, has 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 may also address replacement of end-of-life finishes as required.

MSP TENANT PROJECTS

MSP Tenant projects include those that enhance or expand tenant or leasehold facilities that MAC supports, with the tenants reimbursing the costs to MAC for work within leasehold spaces.

TERMINAL 1

Concessions Upgrades/Revenue Development and Strategic Partnerships
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. The budget will also provide leasehold improvements to the strategic partnerships activation sites to prepare space for the partners' construction. This project supports potential increase in revenue through concessions leases.

Concourse and Gate Hold Modernization
During the three phases of MAC-funded work completed by Delta Air Lines, additional related improvements or corrections were identified but not added to the Construction Manager at Risk contract. This project, to be managed by MAC staff, will include but not be limited to: replacement of speakers, replacement of floor boxes and associated terrazzo repairs, anchoring furniture, ceiling modifications, lighting, pest control, painting, and flooring transitions.

Pre-Conditioned Air Unit Replacement
In collaboration with Delta Air Lines, this project will replace outdated pre-conditioned air (PCA) units at Terminal 1 with new units that meet the current MAC standard. Electrical power will be assessed at the gates to be addressed and may be updated if deemed necessary and within the budget.

Terminal 1 Food Court Digital Signage
This project will add digital assets to the main mall food court entrances to enhance the visibility and improve wayfinding to the Main Mall Food Court.

RELIEVER AIRPORTS LONG-TERM COMPREHENSIVE PLAN PROJECTS

Reliever Airport Long-Term Plan projects include projects that enhance or expand the airport facilities in order to meet existing or forecasted operational needs.

AIRLAKE AIRPORT

Airport Layout Plan
The new Airport Layout Plan (ALP) will show current conditions and any development proposed in the Long-Term Plan (LTP). A portion of the budget will be used to acquire new Airports Geographic Information System (AGIS) base mapping to create a new ALP set that complies with current FAA guidelines and criteria.

FLYING CLOUD AIRPORT

Environmental Review
MAC will complete an environmental review process for the proposed preferred alternative from the 2040 Long-Term Plan (LTP). Project costs also include reimbursement to the FAA for work associated with relocating a Remote Transmitter Receiver (RTR), which is enabling work related to LTP development. This is a project to maintain compliance with Federal Aviation Administration (FAA) guidelines and requirements.

South Building Area Utilities
This project provides for utility improvements in the South Building Area as part of the Long-Term Plan. As part of this project, review of existing utilities on and adjacent to the airfield will be reviewed to determine the proposed utility layout for this future building area.

RELIEVER AIRPORTS MAINTENANCE/FACILITY UPGRADE PROJECTS

Reliever Airport Maintenance/Facility Upgrade projects include improvements to buildings, systems, pavements and other infrastructure across the Reliever Airport system on a one-time or short-term basis.

RELIEVER AIRPORTS

Relievers Beacon Replacements
This is a new program to replace the existing rotating beacons at Airlake, Lake Elmo, Anoka County-Blaine, and St. Paul Downtown. The existing beacons are beyond their useful life and will be replaced with tip-down style poles and LED lighting fixtures. The energy conservation and easier maintenance align with the MAC's goal of improving resiliency and operations. The first project will replace Airlake and Lake Elmo beacons in 2026.

Relievers Building Miscellaneous Modifications
This program will address ongoing needs for repairs and modifications of MAC-owned buildings at five of the reliever airports, excluding St. Paul. These items may include crew rest areas, heating, air conditioning, structural repairs, and aesthetic updates. This is a recurring project with rotating work that ensures facilities are maintained in a timely manner.

Relievers Pavement Rehabilitation Miscellaneous Modifications
This program will address ongoing needs for crack sealing, joint repairs, pavement rejuvenation, and pavement repairs at the six reliever airports. The list of potential projects will be compiled and prioritized in early 2026. This program ensures end-of-life infrastructure is replaced in a timely manner.

Relievers Security Fencing, Gates, and Lighting
This program will address ongoing needs for repairs and modifications to the Reliever Airports' perimeter chain link fencing, gate vehicle access points, and lighting to enhance safety and security in landside areas. This is a recurring project with rotating work that ensures the landside areas are maintained in a timely manner.

ST. PAUL DOWNTOWN AIRPORT

Airport Road and Eaton Street Retaining Wall
The hill near Airport Road and Eaton Street has a steep slope which creates maintenance issues. A retaining wall will allow for better maintenance and snow removal in this area and the fence will be replaced with its addition.

Cold Equipment Storage Building
This project will construct a cold equipment storage building.

Joint and Crack Repairs
Given the extremely poor subgrade 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 area most in need of repair.

Pavement Reconstruction – Taxilanes/Tower Road
As a part of ongoing efforts to reconstruct aircraft operational areas (including 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 will work on taxilanes and tower access road in the West Hangar area.

Taxiway A2 and A3 Reconstruction
As a part of ongoing efforts 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 year's project is anticipated to include reconstruction of Taxiways A2 and A3 at the St. Paul Downtown Airport. In addition to improving the pavement condition, the geometry of these connectors will also be updated to meet current design standards.

Taxiway B LED Edge Lighting Replacement
This project includes replacement of the existing taxiway edge lighting system with new LED lighting to improve efficiency and continue the upgrade of airfield electrical equipment to LED technology. These lights are the only remaining incandescent taxiway lights at the airport. This project maintains the infrastructure to ensure functionality and compliance with FAA guidelines and requirements.



St. Paul Downtown Airport Runway Reconstruction in 2025

LAKE ELMO AIRPORT

Bury Private Utilities
This project includes coordination and underground relocation of overhead private utilities located within the building areas. This is an ongoing effort at the reliever airports to eliminate utility conflicts.

Taxiway Echo Edge Lighting and Signage
This project will install taxiway edge lighting on Taxiway Echo. This project maintains the infrastructure to ensure functionality and compliance with FAA guidelines and requirements.

AIRLAKE AIRPORT

225th Street Reconfiguration and Paving
This project will reconfigure 225th Street, between the airport south entrance and Cedar Avenue, pave the road for improved access to the airport's south building area.

FLYING CLOUD AIRPORT

Electrical Vault Modifications
This project will complete modifications to the electrical vault at the airport. Work may include lighting, cable, regulator or other modifications.

MAC Building Improvements
This project will provide facility modifications to ensure continued efficient operation, including code compliance, of MAC Buildings.

Runway 28 Runway End Identification Lights (REIL) Replacement
The existing FAA owned and maintained 28L REILs are at the end of their useful life and FAA no longer plans to support their use moving forward, with a plan to decommission them in the near future. The project will replace the REILs with new MAC owned LED REILs to maintain the airfield system the users are accustomed to and continue to support efforts for the Runway Incursion Mitigation (RIM) program.

Taxilane B-C Connector (Thunderbird)
This project includes construction of a new taxilane connector, between Bravo and Charlie Lanes on the north end, to allow airfield access for tenants on Bravo Lane after completion of Thunderbird Aviation's future development. The project will include construction of a new bituminous taxilane.

Tower Equipment for Airfield Lighting and Utilities
This project will coincide with FAA's construction of the new Air Traffic Control Tower at Flying Cloud. This will provide equipment for tower staff to operate the airfield lights and other utilities.

CRYSTAL AIRPORT

East Taxilanes Pavement Rehabilitation
This project is part of 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.

Eastside Service Road Pavement Reconstruction
This project includes paving of the east side roadway serving 80 hangars and 200 based aircraft. This road was constructed in the late-90s.

Gate Replacement
This project will replace the existing six gate operators with access controls to enhance customer experience and augment runway incursion mitigation efforts with vehicles driving onto movement areas.

West MAC Building Door Replacement
This project will replace the existing building doors with new, bi-fold hangar doors. The existing doors need constant repair, are at risk of failure, and pose a safety risk during operation. The installation of new doors will aid in the sale of the building in the future.



Plane Departing Crystal Airport

ANOKA COUNTY – BLAINE AIRPORT

Electrical Vault Improvements
This project will complete modifications to the electrical vault at the airport. Work may include lighting, cable, regulator or other modifications.

Gate Controller Upgrades
This project will upgrade vehicle gate control boxes to improve functionality and security.

Fence Improvements
This project includes repairing and improving the existing airfield perimeter fence at the airport. Ongoing wildlife issues are present due to the fence's current condition in areas on the airport. This will be a recurring project to monitor and maintain the fence's integrity moving forward to mitigate airfield safety.

Runway 18-36 Pavement Reconstruction
This project will reconstruct runway 18-36, including portions of adjacent exit taxiway connectors.

Runway 9-27 Edge Lighting and PAPI Replacement
This project will upgrade taxiway edge lighting and replace the runway Precision Approach Path Indicators (PAPIs) lighting system.

The following table provides funding sources for each project.

2026 CIP Funding by Source ▶▶▶

($=000)

	PFCs	Federal/State Grants	Line of Credit/ GARBs	MAC/Airline Funds	Unfunded	Total
MSP End-of-Life/Replacement Projects						
Terminal 1						
Concourse G Lavatory Building Replacement	$ -	$ -	$ -	$ 2,500	$ -	$ 2,500
Passenger Boarding Bridge Replacements	10,700	-	-	-	-	10,700
Energy Management Center (EMC)						
Variable Air Volume (VAV) Box Replacement	-	-	-	2,000	-	2,000
Field and Runways						
Airfield Snow Melter Replacement/Upgrades	-	-	-	1,800	-	1,800
Bituminous Shoulder Reconstruction	400	600	-	-	-	1,000
Taxiway A/B Pavement Reconstruction	2,150	2,850	-	-	-	5,000
Taxiway R Pavement Reconstruction	-	938	8,563	-	-	9,500
Parking						
Parking Ramp Snow Melter Replacement/Upgrades	-	-	-	1,400	-	1,400
Public Areas/Roads						
Post Road Reconstruction Project	-	-	10,100	-	-	10,100
MSP End-of-Life/Replacement Projects Subtotal	**$ 13,250**	**$ 4,388**	**$ 18,663**	**$ 7,700**	**$ -**	**$ 44,000**
MSP IT Projects						
Terminal 1						
Concourse C Directory Replacement	-	-	-	800	-	800
MAC Technology Upgrades	-	-	15,750	-	-	15,750
Federal Inspection Station						
Customs and Border Protection Infrastructure	-	-	-	500	-	500
Energy Management Center						
Building Management Intelligent Monitoring and Control System (IMACS) Modernization	-	-	3,400	-	-	3,400
Parking						
Parking Revenue Control System	-	-	4,200	-	-	4,200
Hangars and Other Buildings						
Multiple Points of Entry Facility	-	-	5,000	-	-	5,000
Police						
Badging and Door Access Modernization	-	-	-	2,100	-	2,100
Card Access Modifications	-	-	-	2,800	-	2,800
Public Safety Video (IVISN) Modernization	-	-	-	1,000	-	1,000
MSP IT Projects Subtotal	**$ -**	**$ -**	**$ 28,350**	**$ 7,200**	**$ -**	**$ 35,550**
MSP Long-Term Comprehensive Plan Projects						
Field and Runways						
MSP Airport Layout Plan	-	-	-	100	-	100
Navigation Aid (NAVAID) Relocation	-	-	5,000	-	-	5,000
Terminal Roads/Landside						
Terminal 2 Roadway Additional Lane	-	-	10,100	-	-	$ 10,100
Terminal 2						
Terminal 2 Operational Improvements	-	-	22,400	-	-	$ 22,400
Hangars and Other Buildings						
Ground Service Equipment (GSE) Maintenance Facility	-	-	25,000	-	-	25,000
MSP Long-Term Comprehensive Plan Subtotal	**$ -**	**$ -**	**$ 62,500**	**$ 100**	**$ -**	**$ 62,600**

Numbers may not sum to totals due to rounding.

2026 CIP Funding by Source Continued ▶ ▶ ▶

($=000)

	PFCs	Federal/State Grants	Line of Credit/ GARBs	MAC/Airline Funds	Unfunded	Total
MSP Maintenance/Facility Upgrade Projects						
Terminal 1						
Airport Director's Office (ADO) Office Expansion	$ -	$ -	$ 9,000	$ -	$ -	$ 9,000
Art Display Areas	-	-	-	250	-	250
Arts Master Plan	-	-	-	1,374	-	1,374
F/G Connector Repairs and Improvements	-	-	-	4,000	-	4,000
Folded Plate Repairs	6,750	25,000	13,250	-	-	45,000
Lighting Infrastructure Technology and Equipment (LITE)	-	-	-	1,500	-	1,500
Restroom Upgrade Program	-	-	-	1,800	-	1,800
Steam System Upgrade Program	-	-	-	2,200	-	2,200
Terminal 1 Tug Drive Waterproofing	-	-	-	2,900	-	2,900
West Mezzanine Improvements	-	-	16,700	-	-	16,700
Federal Inspection Station (FIS)						
Facility Upgrades	-	-	-	845	-	845
Energy Management Center						
Campus Cooling Systems Replacement Study	-	-	-	250	-	250
MAC Automation Infrastructure Program	-	-	2,400	-	-	2,400
Steam Trap Monitoring System	-	-	-	3,000	-	3,000
Victaulic Piping Replacement	-	-	19,000	-	-	19,000
Field and Runways						
Airfield Thermoplastic Markings	-	-	-	1,600	-	1,600
Apron Lighting Light-Emitting Diode (LED) Upgrade	1,200	1,800	-	-	-	3,000
Tunnel Fan Replacement	-	-	6,800	-	-	6,800
Tunnel Lighting LED Upgrade	-	-	-	1,900	-	1,900
Parking						
Electric Vehicle Charging Network Expansion	-	-	-	2,350	-	2,350
Parking Guidance System	-	-	15,750	-	-	15,750
Red/Blue Parking Levels 2 & 3	-	-	10,200	-	-	10,200
Terminal 2						
Terminal 2 Aircraft Parking and Guidance	-	-	3,600	-	-	3,600
Terminal 2 Baggage Handling System	-	-	3,000	-	-	3,000
Terminal 2 Gate Area Improvements	-	-	7,000	-	-	7,000
Terminal 2 Ground Transportation Waiting Area Expansion	-	-	-	350	-	350
Public Areas/Roads						
34th Avenue Reconstruction	-	-	8,350	-	-	8,350
34th Avenue Sanitary Sewer Replacement	-	-	-	3,100	-	3,100
Terminal 1 Inbound Roadway Median Improvements	-	-	17,600	-	-	17,600
Trades/Maintenance Buildings						
North Field Maintenance Mechanical Infrastructure Project	-	-	8,500	-	-	8,500
Police	-					
Highway Digital Messaging Signs	-	-	-	300	-	300
Perimeter Fence Intrusion Detection System	-	-	-	1,000	-	1,000
Perimeter Gate Security Improvements	-	-	12,000	-	-	12,000
General Office/Administration						
Digital Signage In/At the GO	-	-	-	300	-	300
MSP Maintenance/Facility Upgrades Projects Subtotal	**$ 7,950**	**$ 26,800**	**$ 153,150**	**$ 29,019**	**$ -**	**$ 216,919**
MSP Noise Mitigation Projects						
Environment						
MSP Noise Mitigation Consent Decree Amendment	-	-	-	500	-	500
MSP Noise Mitigation Projects Subtotal	**$ -**	**$ -**	**$ -**	**$ 500**	**$ -**	**$ 500**

Numbers may not sum to totals due to rounding.

2026 CIP Funding by Source Continued ▶ ▶ ▶

($=000)

	PFCs	Federal/State Grants	Line of Credit/ GARBs	MAC/Airline Funds	Unfunded	Total
MSP Ongoing Maintenance Programs						
Terminal 1						
Baggage System Upgrades	$ -	$ -	$ 21,800	$ -	$ -	$ 21,800
Electrical Infrastructure and Emergency Power Upgrades	-	-	5,000	-	-	5,000
Electrical and Ground Power Substation Replacement	-	-	20,000	-	-	20,000
Plumbing Infrastructure Upgrade Program	-	-	-	1,000	-	1,000
Terminal Building Remediation and Misc Modifications Program	-	-	-	6,000	-	6,000
Energy Management Center						
Life Safety Infrastructure Program	-	-	-	1,900	-	1,900
Plant Upgrades	-	-	10,750	-	-	10,750
Indoor Air Quality Monitoring System	-	-	-	1,000	-	1,000
Field and Runways						
Airside Electrical Construction	-	3,060	-	-	-	3,060
Airside Roadway Pavement Restoration	2,040	1,440	-	960	-	4,440
Miscellaneous Airfield Construction	-	-	-	2,000	-	2,000
Pavement Joint Sealing/Repair	-	-	-	1,600	-	1,600
Terminal Roads/Landside						
Tunnel/Bridge Inspections	-	-	-	120	-	120
Parking						
Parking Structure Rehabilitation	-	-	5,650	-	-	5,650
Public Areas/Roads						
Concrete Joint Repair	-	-	-	500	-	500
Landside Pavement Rehabilitation	-	-	-	600	-	600
Landside Utility Rehabilitation	-	-	-	750	-	750
Roadway Fixture Refurbishment	-	-	-	150	-	150
Hangars and Other Buildings						
End-of-Life Campus Building Demolition	-	-	-	400	-	400
MSP Campus Building Roof Replacements	-	-	13,700	-	-	13,700
Trades/Maintenance Buildings						
Sump Pump Controls	-	-	3,500	-	-	3,500
General Office/Administration						
Building Improvements	-	-	-	500	-	500
MSP Ongoing Maintenance Programs Subtotal	**$ 2,040**	**$ 4,500**	**$ 80,400**	**$ 17,480**	**$ -**	**$ 104,420**
MSP Tenant Projects						
Terminal 1						
Concessions Upgrades/Revenue Development and Strategic Partnerships	-	-	-	320	-	320
Concourse and Gate Hold Modernization	-	-	5,000	-	-	5,000
Pre-Conditioned Air Unit Replacement	-	-	3,000	-	-	3,000
Terminal 1 Food Court Digital Signage	-	-	-	400	-	400
MSP Tenant Projects Subtotal	**$ -**	**$ -**	**$ 8,000**	**$ 720**	**$ -**	**$ 8,720**
Reliever Airports Long-Term Comprehensive Plan Projects						
Airlake						
Airport Layout Plan	-	-	-	100	-	100
Flying Cloud						
Environmental Review	-	-	6,800	-	-	6,800
South Building Area Utilities	-	-	-	800	-	800
Reliever Airports Long-Term Comprehensive Plan Projects Subtotal	**$ -**	**$ -**	**$ 6,800**	**$ 900**	**$ -**	**$ 7,700**

Numbers may not sum to totals due to rounding.

2026 CIP Funding by Source Continued ▶ ▶ ▶

($=000)

	PFCs	Federal/State Grants	Line of Credit/ GARBs	MAC/Airline Funds	Unfunded	Total
Reliever Airports Maintenance/Facility Upgrade Projects						
Reliever Miscellaneous						
Relievers Beacon Replacements	$ -	$ -	$ -	$ 300	$ -	$ 300
Reliever Airports Security Fencing, Gates & Lighting	-	-	-	200	-	200
Reliever Building Miscellaneous Modifications	-	-	-	400	-	400
Reliever Pavement Rehabilitation Miscellaneous Modifications	-	-	-	300	-	300
St. Paul Downtown Airport						
Airport Road and Eaton Street Retaining Wall	-	-	-	900	-	900
Cold Equipment Storage Building	-	-	-	750	-	750
Joint and Crack Repairs	-	-	-	100	-	100
Pavement Rehabilitation-Taxilanes/Tower Road	-	-	-	850	-	850
Taxiway A2 and A3 Reconstruction	-	684	-	216	-	900
Taxiway B Rehabilitation and LED Edge Lighting	-	456	-	144	-	600
Lake Elmo Airport						
Bury Private Utilities	-	-	-	500	-	500
Taxiway Echo Edge Lighting	-	456	-	194	-	650
Airlake Airport						
225th Street Reconfiguration and Paving	-	-	-	1,500	-	1,500
Flying Cloud Airport						
Electrical Vault Modifications	-	456	-	44	-	500
MAC Building Improvements	-	-	-	600	-	600
Runway 28 REIL Replacement	-	-	-	150	-	150
Taxilane B-C Connector (Thunderbird)	-	-	-	250	-	250
Tower Equipment for Airfield Lighting and Utilities	-	-	-	2,000	-	2,000
Crystal Airport						
East Taxilanes Pavement Rehabilitation	-	-	-	500	-	500
Eastside Service Road Pavement Reconstruction	-	-	-	1,500	-	1,500
Gate Replacement	-	-	-	800	-	800
West MAC Building Door Replacement	-	-	-	300	-	300
Anoka Airport - Blaine						
Electrical Vault Improvements	-	570	-	180	-	750
Fence Improvements	-	-	-	200	-	200
Gate Controller Upgrades	-	-	-	600	-	600
Runway 18-36 Pavement Reconstruction	-	2,888	-	912	-	3,800
Runway 9-27 Edge Lighting and PAPI Replacement	-	684	-	216	-	900
Reliever Airports Maintenance/Facility Upgrade Projects Subtotal	**$ -**	**$ 6,194**	**$ -**	**$ 14,606**	**$ -**	**$ 20,800**
MSP SUBTOTAL	**$ 23,240**	**$ 35,688**	**$ 351,063**	**$ 62,719**	**$ -**	**$ 472,709**
RELIEVER SUBTOTAL	**$ -**	**$ 6,194**	**$ 6,800**	**$ 15,506**	**$ -**	**$ 28,500**
GRAND TOTAL	**$ 23,240**	**$ 41,882**	**$ 357,863**	**$ 78,225**	**$ -**	**$ 501,209**

Numbers may not sum to totals due to rounding.

The following table provides funding sources for each project in the 2027-2032 CIP.

2027-2032 CIP Funding by Source ▶▶▶

($=000)

	PFCs	Federal/State Grants	Line of Credit/ GARBs	MAC/Airline Funds	Unfunded	Total
MSP End-of-Life/Replacement Projects						
Terminal 1						
Concourse and Hub Tram Replacement	$ -	$ -	$ -	$ -	$ 300,000	$ 300,000
Concourse C Moving Walkway Upgrade/Replacement	3,000	-	-	-	-	3,000
Passenger Boarding Bridge Replacements	60,000	-	-	-	-	60,000
Energy Management Center						
Terminal 1 Media Mesh Replacement	-	-	-	1,400	-	1,400
Terminal 1 Boiler & Chiller Replacement & EMC Expansion	-	-	480,000	-	-	480,000
Variable Air Volume (VAV) Box Replacement	-	-	-	8,000	-	8,000
Field and Runways						
Airfield Snow Melter Replacement/Upgrades	-	-	-	4,000	-	4,000
30L Deicing Pad Expansion	8,600	11,400	-	-	-	20,000
30L Deicing Pad Reconstruction	6,000	9,000	-	-	-	15,000
Bituminous Shoulder Reconstruction	-	600	-	400	-	1,000
Concourse G Apron Pavement Reconstruction	7,950	22,650	14,400	-	-	45,000
Runway 12L-30R Reconstruction	16,000	24,000	-	-	-	40,000
Taxiway B Pavement Reconstruction	2,150	12,150	3,200	1,500	-	19,000
Taxiway C Pavement Reconstruction	4,300	5,700	-	-	-	10,000
Taxiway H Pavement Reconstruction	2,795	3,705	-	-	-	6,500
Taxiway J Pavement Reconstruction	3,225	4,275	-	-	-	7,500
Taxiway M Pavement Reconstruction	-	-	7,000	-	-	7,000
Taxiway Q Pavement Reconstruction	-	3,000	8,000	1,000	-	12,000
Terminal 2 Apron Reconstruction	9,350	28,395	40,355	-	-	78,100
Parking						
Parking Ramp Snow Melter Replacement/Upgrades	-	-	-	2,800	-	2,800
Parking Ramp Lighting Replacement	-	-	33,000	1,800	-	34,800
Red/Blue Parking Ramp Variable Message Sign Replacement	-	-	-	800	-	800
Public Areas/Roads						
28th Avenue South Reconstruction	-	-	-	3,600	-	3,600
East 62nd Street Reconstruction	-	-	5,150	-	-	5,150
MSP End-of-Life/Replacement Projects Subtotal	**$ 123,370**	**$ 124,875**	**$ 591,105**	**$ 25,300**	**$ 300,000**	**$ 1,164,650**
MSP IT Projects						
Terminal 1						
MAC Technology Upgrades	-	-	-	81,500	-	81,500
Federal Inspection Station						
Customs and Border Protection Infrastructure	-	-	-	6,000	-	6,000
Terminal 2						
Passenger Flow Tracking	-	-	-	1,500	-	1,500
Hangars and Other Buildings						
Multiple Points of Entry Facility	-	-	5,000	-	-	5,000
Police						
Card Access Modifications	-	-	-	7,500	-	7,500
Public Safety Video (IVISN) Modernization	-	-	-	1,000	-	1,000
MSP IT Projects Subtotal	**$ -**	**$ -**	**$ 5,000**	**$ 97,500**	**$ -**	**$ 102,500**

Numbers may not sum to totals due to rounding.

2027-2032 CIP Funding by Source Continued ▶▶▶

($=000)

	PFCs	Federal/State Grants	Line of Credit/ GARBs	MAC/Airline Funds	Unfunded	Total
MSP Long-Term Comprehensive Plan Projects						
Terminal 1						
MSP Environmental Review	$ -	$ -	$ -	$ 2,000	$ -	$ 2,000
Field and Runway						
MSP Long Term Plan	-	-	-	3,000	-	3,000
MSP Airport Layout Plan	-	-	-	2,600	-	2,600
MSP Obstructions Removals	-	-	-	2,000	-	2,000
NAVAID Relocation	-	-	30,000	2,000	-	32,000
Parking						
Orange and Purple Parking Outriggers	-	-	140,000	-	-	140,000
Gold Parking Ramp Demolition	-	-	65,000	-	-	65,000
Green Parking Ramp Demolition	-	-	65,000	-	-	65,000
Green/Gold Parking Ramp Replacement	-	-	400,000	-	-	400,000
Terminal 2						
Terminal 2 Operational Improvements	-	-	25,600	-	-	25,600
MSP Long-Term Comprehensive Plan Subtotal	**$ -**	**$ -**	**$ 725,600**	**$ 11,600**	**$ -**	**$ 737,200**
MSP Maintenance/Facility Upgrade Projects						
Terminal 1						
Aircraft Docking System	-	-	-	6,000	-	6,000
Art Display Areas	-	-	-	1,550	-	1,550
Arts Master Plan	-	-	-	1,510	-	1,510
Delivery Node Development	-	-	7,500	-	-	7,500
Delivery Node Redevelopment	-	-	10,100	-	-	10,100
Family Assistance Center	-	-	-	600	-	600
Lighting Infrastructure Technology and Equipment (LITE)	-	-	-	11,350	-	11,350
Restroom Upgrade Program	15,400	-	2,250	-	-	17,650
Main Mall Modernization	-	-	-	7,000	-	7,000
Steam System Upgrade Program	-	-	-	4,700	-	4,700
Terminal 1 Tug Drive Waterproofing	-	-	-	5,800	-	5,800
Wayfinding Sign Backlighting Replacement	-	-	-	5,600	-	5,600
Wayfinding Sign Replacement	-	-	-	2,000	-	2,000
Federal Inspection Station						
Facility Upgrades	2,000	-	-	-	-	2,000
Energy Management Center						
Chiller Plant Optimization	-	-	4,000	-	-	4,000
Energy Savings Program	-	-	-	2,000	-	2,000
MAC Automation Infrastructure Program	-	-	7,200	-	-	7,200
Victaulic Piping Replacement	-	-	6,200	7,100	-	13,300
Parking						
Electric Vehicle Charging Network Expansion	-	-	10,000	1,500	-	11,500
Green/Gold Tower Metal Panel Replacements	-	-	-	2,000	-	2,000
Trades/Maintenance Buildings						
Trades Building Rehabilitation & Addition	-	-	26,500	-	-	26,500
General Office/Administration						
MAC Staff Workspace	-	-	24,000	-	-	24,000

Numbers may not sum to totals due to rounding.

2027-2032 CIP Funding by Source Continued ▶▶▶

($=000)

	PFCs	Federal/State Grants	Line of Credit/ GARBs	MAC/Airline Funds	Unfunded	Total
MSP Maintenance/Facility Upgrade Projects Continued						
Public Areas/Roads						
34th Avenue Reconstruction	$ -	$ -	$ 8,400	$ -	$ -	$ 8,400
Diverging Diamond Intersection Rehabilitation	-	-	-	380	-	380
Terminal 1 Inbound Roadway Median Improvements	-	-	6,000	-	-	6,000
Field and Runways						
Airfield Thermoplastic Markings	-	-	-	4,800	-	4,800
Apron Lighting LED Upgrade	-	1,200	-	800	-	2,000
Field Maintenance Building Efficiency Program	-	-	217,000	-	-	217,000
Ground Based Augmentation System (GBAS) - SLS-4000 Installation			8,500			8,500
Runway LED Lighting Upgrade	1,200	1,800	-	-	-	3,000
Terminal 2 Glycol Lift Station/Forcemain	-	-	-	1,500	-	1,500
Tunnel Lighting LED Upgrade	-	-	-	1,600	-	1,600
Terminal 2						
Terminal 2 Aircraft Parking and Guidance	-	-	2,500	-	-	2,500
Terminal 2 Skyway to LRT Flooring Installation	-	-	-	1,000	-	1,000
Terminal 2 Ticket Counter Insert Replacement	-	-	-	750	-	750
Terminal 2 Digital Wait Time Display	-	-	-	200	-	200
Police						
APD Response Training Room	-	-	-	500	-	500
Emergency Communications Center Updates	-	-	-	200	-	200
Perimeter Security Fence Upgrade	-	-	-	1,000	-	1,000
Perimeter Gate Security Improvements	7,000	-	-	-	-	7,000
Secured Area Access Control System (SAACS) Testing Facility	-	-	-	350	-	350
Public Safety Modifications	1,700	-	-	850	-	2,550
Squad Parking Modifications	-	-	-	140	-	140
Terminal 2 Police Operations Center Modifications	-	-	-	350	-	350
Fire						
ARFF 1 Garage Door Replacement	-	-	-	1,500	-	1,500
Digital Signage and Dashboard Displays	-	-	-	100	-	100
Fire Protection Systems Upgrades	-	-	20,000	-	-	20,000
Environment						
Glycol Sewer & Storm Sewer Inspection/Rehabilitation	-	-	-	3,000	-	3,000
Glycol Tank Roof Repairs	-	-	-	700	-	700
MSP Pond 3/494 Pond Sediment Removal & Repairs			14,000			14,000
MSP Maintenance/Facility Upgrade Projects Subtotal	**$ 27,300**	**$ 3,000**	**$ 299,250**	**$ 74,550**	**$ -**	**$ 482,880**
MSP Noise Mitigation Projects						
Environment						
Noise Mitigation Consent Decree Amendment	-	-	33,000.0	1,000.0	-	34,000
MSP Noise Mitigation Projects Subtotal	**$ -**	**$ -**	**$ 33,000**	**$ 1,000**	**$ -**	**$ 34,000**

Numbers may not sum to totals due to rounding.

2027-2032 CIP Funding by Source Continued ▶▶▶

($=000)

	PFCs	Federal/State Grants	Line of Credit/ GARBs	MAC/Airline Funds	Unfunded	Total
MSP Ongoing Maintenance Programs						
Terminal 1						
Air Handling Unit Replacement	$ -	$ -	$ 78,000	$ -	$ -	$ 78,000
Baggage System Upgrades	-	-	-	3,000	-	3,000
Electrical Infrastructure and Emergency Power Upgrades	-	-	18,050	17,700	-	35,750
Electrical and Ground Power Substation Replacement	-	-	142,900	-	-	142,900
Plumbing Infrastructure Upgrade Program	-	-	-	10,900	-	10,900
Terminal Building Remediation and Misc Modifications Program	-	-	18,900	18,600	-	37,500
Energy Management Center						
Life Safety Infrastructure Program	-	-	-	11,400	-	11,400
Plant Upgrades	-	-	-	7,200	-	7,200
Indoor Air Quality Monitoring System	-	-	-	4,000	-	4,000
Field and Runways						
Airside Electrical Construction	-	7,500	-	4,500	-	12,000
Airside Roadway Pavement Restoration	-	4,320	-	2,880	-	7,200
Miscellaneous Airfield Construction	-	-	-	12,000	-	12,000
Pavement Joint Sealing/Repair	-	-	-	6,000	-	6,000
Terminal Roads/Landside						
Tunnel/Bridge Rehabilitation	-	-	-	270	-	270
Tunnel/Bridge Inspections	-	-	-	600	-	600
Tunnel/Bridge Miscellaneous Modifications	-	-	-	3,000	-	3,000
Parking						
Parking Structure Rehabilitation	-	-	24,225	11,000	-	35,225
Public Areas/Roads						
Concrete Joint Repair	-	-	-	10,850	-	10,850
Landside Pavement Rehabilitation	-	-	-	9,150	-	9,150
Landside Utility Rehabilitation	-	-	-	4,750	-	4,750
Roadway Fixture Refurbishment	-	-	-	1,150	-	1,150
Hangars and Other Buildings						
Campus Building Rehabilitation Program	-	-	-	6,000	-	6,000
Campus Parking Lot Reconstructions	-	-	8,500	6,150	-	14,650
End-of-Life Campus Building Demolition				3,700		3,700
MSP Campus Building Roof Replacements	-	-	53,000	-	-	53,000
Trades/Maintenance Buildings						
North Field Maintenance Mechanical Infrastructure Project	-	-	-	-	-	-
Sump Pump Controls	-	-	-	3,000	-	3,000
General Office/Administration						
Building Improvements	-	-	-	1,600	-	1,600
MSP Ongoing Maintenance Programs Subtotal	**$ -**	**$ 11,820**	**$ 343,575**	**$ 159,400**	**$ -**	**$ 514,795**
MSP Tenant Projects						
Terminal 1						
Concessions Rebids	-	-	-	550	-	550
Concessions Upgrades/Revenue Development and Strategic Partnerships	-	-	-	2,120	-	2,120

Numbers may not sum to totals due to rounding.

2027-2032 CIP Funding by Source Continued ▶▶▶

($=000)

	PFCs	Federal/State Grants	Line of Credit/ GARBs	MAC/Airline Funds	Unfunded	Total
MSP Tenant Projects Continued						
Terminal 2						
Terminal 2 Concessions Marketing Digital Display	$ -	$ -	$ -	$ 250	$ -	$ 250
Terminal 2 JWO Kiosk Relocation	-	-	-	150	-	150
Cargo Area						
West Cargo Development	1,875	5,625	52,500	-	-	60,000
Hangars and Other Buildings						
Sun Country Headquarters Roof Replacement	-	-	3,100	-	-	3,100
MSP Tenant Projects Subtotal	**$ 1,875**	**$ 5,625**	**$ 55,600**	**$ 3,070**	**$ -**	**$ 66,170**
Reliever Airports Long-Term Comprehensive Plan Projects						
St. Paul Downtown Airport						
Airport Layout Plan	-	-	-	100	-	100
Environmental Review	-	-	-	800	-	800
Lake Elmo Airport						
Airport Layout Plan	-	-	-	600	-	600
Environmental Review	-	-	-	800	-	800
Long-Term Comp Plan				800		800
Airlake Airport						
Airport Layout Plan	-	-	-	600	-	600
Environmental Review	-	-	-	800	-	800
Long-Term Comp Plan				800		800
Runway 12-30 Improvements	-	3,344	-	1,056	-	4,400
Crystal Airport						
Airport Layout Plan	-	-	-	600	-	600
Environmental Review	-	-	-	800	-	800
Long-Term Comprehensive Plan	-	-	-	800	-	800
Anoka County-Blaine Airport						
Airport Layout Plan	-	-	-	100	-	100
Building Area Development - Xylite St. Relocation	-	-	-	1,000	-	1,000
Environmental Review	-	-	-	800	-	800
Reliever Airports Long-Term Comprehensive Plan Projects Subtotal	**$ -**	**$ 3,344**	**$ -**	**$ 10,456**	**$ -**	**$ 13,800**
Reliever Airports Maintenance/Facility Upgrade Projects						
Reliever Airports						
Relievers Beacon Replacements	-	-	-	300	-	300
Reliever Airports Security Fencing, Gates & Lighting	-	-	-	1,300	-	1,300
Reliever Indoor Air Quality Project	-	-	-	1,400	-	1,400
Reliever Building Miscellaneous Modifications	-	-	-	2,450	-	2,450
Reliever Obstruction Removal	-	-	-	600	-	600
Reliever Pavement Rehabilitation Miscellaneous Modifications	-	-	-	1,800	-	1,800
Relievers Used Oil Sheds & Tanks	-	-	-	-	-	-

Numbers may not sum to totals due to rounding.

2027-2032 CIP Funding by Source Continued ▶▶▶

($=000)

	PFCs	Federal/State Grants	Line of Credit/ GARBs	MAC/Airline Funds	Unfunded	Total
Reliever Airports Maintenance/Facility Upgrade Projects Continued						
Lake Elmo Airport						
Building Addition for Crew Quarters	$ -	$ -	$ -	$ 1,500	$ -	$ 1,500
Intelligent Monitoring and Control System (IMACS)	-	-	3,800	-	-	3,800
Vehicle Gate Installation	-	-	-	500	-	500
Wildlife Fence and Tree Clearing	-	-	-	750	-	750
South Service Road Reconstruction	-	-	-	1,000	-	1,000
St. Paul Downtown Airport						
Equipment Storage Building and Employee Crew Rooms	-	-	4,000	-	-	4,000
Floodwall Inspection and Repairs	-	-	-	300	-	300
Learning Jet Apron Rehabilitation	-	-	-	250	-	250
Generator Replacement	-	-	-	800	-	800
Infrastructure Replacement	-	-	-	1,700	-	1,700
Intelligent Monitoring and Control System (IMACS) Expansion	-	-	-	2,250	-	2,250
MAC Building Improvements	-	-	-	600	-	600
Administration Building Apron Pavement Rehabilitation	-	-	-	500	-	500
Runway 13-31 Pavement Reconstruction	-	-	5,000	-	-	5,000
Runway 14-32 EMAS Replacement	-	15,200	-	4,800	-	20,000
Storm Sewer Improvements	-	-	-	2,000	-	2,000
Taxiway Lima Rehabilitation	-	152	-	148	-	300
Airlake Airport						
Existing Runway 12-30 Reconstruction	-	2,660	-	840	-	3,500
Intelligent Monitoring and Control System (IMACS)	-	-	-	1,300	-	1,300
North Service Road Pavement Rehabilitation	-	-	-	500	-	500
North Taxilanes Pavement Rehabilitation	-	-	-	1,500	-	1,500
Perimeter Fencing and Gates	-	-	-	4,000	-	4,000
South Building Area Utilities and Taxilanes	-	-	-	1,800	-	1,800
West Perimeter Road Construction	-	-	-	800	-	800
Taxiway Bravo Pavement Reconstruction	-	456	-	144	-	600
Flying Cloud Airport						
Airport Access Roads Pavement Rehabilitation	-	-	-	1,500	-	1,500
Vehicle Gate Replacements	-	-	-	1,000	-	1,000
Intelligent Monitoring and Control System (IMACS)	-	-	-	2,500	-	2,500
Runway 10R-28L Pavement Rehabilitation	-	2,052	-	648	-	2,700
Runway 18-36 Pavement Rehabilitation	-	504	-	196	-	700
Spring Lane Extension and Taxilane Connector	-	-	-	700	-	700
Taxilane Pavement Reconstruction	-	-	-	500	-	500

Numbers may not sum to totals due to rounding.

2027-2032 CIP Funding by Source Continued ▶▶▶

($=000)

	PFCs	Federal/State Grants	Line of Credit/ GARBs	MAC/Airline Funds	Unfunded	Total
Reliever Airports Maintenance/Facility Upgrade Projects Continued						
Crystal Airport						
Existing Hangar Revitalization	$ -	$ -	$ -	$ 800	$ -	$ 800
Gate A Access Road Reconstruction	-	-	-	400	-	400
Intelligent Monitoring and Control System (IMACS)	-	-	-	1,300	-	1,300
Northside Service Road Pavement Reconstruction	-	-	-	1,500	-	1,500
Runway 6L-24R Pavement Rehabilitation	-	2,128	-	672	-	2,800
Service Road Pavement and Fencing	-	-	-	600	-	600
East Taxilanes Pavement Rehabilitation	-	-	-	600	-	600
Taxiway Alpha Pavement Reconstruction	-	1,080	-	420	-	1,500
Anoka County-Blaine Airport						
Fence Improvements	-	-	-	200	-	200
Intelligent Monitoring and Control System (IMACS)	-	-	-	1,300	-	1,300
Runway 9-27 Pavement Reconstruction	-	2,700	-	1,050	-	3,750
Building Addition for Crew Quarters	-	-	-	1,500	-	1,500
Runway 27 Medium Intensity Approach Lighting System Replacement (MALSR)				2,000		2,000
Taxiway C Reconstruction (Between Taxiway A1 to F)	-	-	-	900	-	900
West Perimeter Road Construction	-	-	-	1,500	-	1,500
Taxiway B Pavement Rehabilitation	-	1,008	-	392	-	1,400
Reliever Airports Maintenance/Facility Upgrade Projects Subtotal	**$ -**	**$ 27,940**	**$ 12,800**	**$ 58,010**	**$ -**	**$ 98,750**
MSP SUBTOTAL	**$ 152,545**	**$ 145,320**	**$ 2,128,030**	**$ 376,300**	**$ 300,000**	**$ 3,102,195**
RELIEVER SUBTOTAL	**$ -**	**$ 31,284**	**$ 12,800**	**$ 68,466**	**$ -**	**$ 112,550**
GRAND TOTAL	**$ 152,545**	**$ 176,604**	**$ 2,140,830**	**$ 444,766**	**$ 300,000**	**$ 3,214,745**

Numbers may not sum to totals due to rounding.

SOURCES AND USES OF FUNDS

From December 31, 2023, through December 31, 2028, the MAC has identified multiple funding sources totaling $2.9 billion, including a beginning balance of $405.1 million in funds. During this period, the MAC will expend $2.9 billion, leaving a net balance of $49.7 million at the end of 2028. This balance represents a portion of the 2026, 2027 and 2028 CIP projects that were started but not completed by December 31, 2028, and PFCs to pay future debt service.

The Construction Fund Budget below represents anticipated sources and uses of funds during the years 2024-2028. The information for the 2025 estimate includes expected transactions during the fourth quarter.

Construction Fund Budget ▶▶▶

($=000)

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	2027 Projected	2028 Projected	Total Projected
Balance December 31, 2024	$ 405,062						$ 405,062
Beginning Balance January 1		$ 965,308	$ 965,308	$ 562,638	$ 385,381	$ 576,852	
SOURCES OF FUNDS							
Transfer From Operating Fund	173,900	86,128	77,917	81,600	71,201	71,201	475,819
PFC Funding	70,486	77,264	70,272	70,774	71,972	73,200	356,704
Federal/State Grants	55,730	54,196	57,923	41,882	41,787	35,145	232,466
Interest Income[1]	21,470	25,000	22,968	17,500	30,100	25,200	117,238
Short-Term Line of Credit	45,216	13,800	-	57,100	33,500	48,700	184,516
Principal Amount of Bonds/Notes	593,050	-	-	-	550,000	-	1,143,050
Other Receipts	3,867	-	-	-	-	-	3,867
TOTAL SOURCES OF FUNDS	**$ 963,718**	**$ 256,388**	**$ 229,080**	**$ 268,856**	**$ 798,560**	**$ 253,446**	**$ 2,513,660**
USES OF FUNDS							
CIP Project Costs	(378,290)	(684,349)	(554,224)	(420,382)	(581,710)	(755,157)	(2,689,763)
Debt Service PFC Transfer	(25,183)	(24,929)	(77,526)	(25,730)	(25,379)	(25,409)	(179,227)
TOTAL USES OF FUNDS	**$ (403,472)**	**$ (709,278)**	**$ (631,750)**	**$ (446,112)**	**$ (607,089)**	**$ (780,566)**	**$ (2,868,990)**
Ending Balance December 31	**$ 965,308**	**$ 512,418**	**$ 562,638**	**$ 385,381**	**$ 576,852**	**$ 49,732**	**$ 49,732**

[1] Interest rate assumed is 3.25% for the period 2026 through 2028.

Numbers may not sum to totals due to rounding.

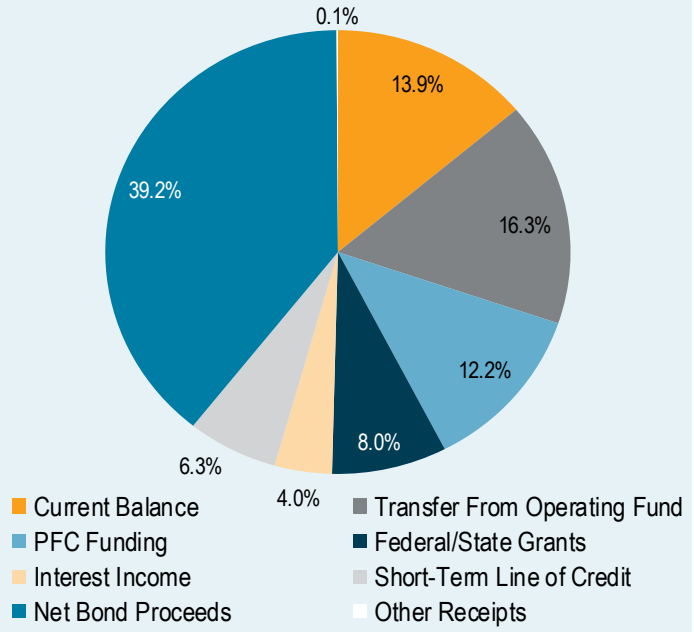
SOURCES OF FUNDS

At the end of each year, the Operating Fund transfer is made after debt service and working capital obligations are funded. The 2026 budget includes a $81.6 million transfer, based on estimated 2025 net revenues.

Operating fund transfers are generated from net revenues available at year-end and are based on projects scheduled in the Capital Improvement Program. The balance to be transferred for the 2024-2028 period is estimated at $475.8 million or 16.3% of all funding sources.

Excluding the current balance, the pie chart illustrates that Net Bond Proceeds, Transfer from Operating Fund, PFC Funding and Federal/State Grants are the four main funding sources for 2024-2028 construction projects.

2024-2028 Total Projected Funding Sources ▶▶▶



Federal and State Grants

Federal grants are funds which are used for FAA-approved projects. These include field, runways and certain terminal building projects at the MAC's airports. Grant money may be issued by the FAA if criteria are met. State grants follow a similar application to Federal grants, while on a much smaller funding scale. Total grants are $232.5 million or 8.0% of total funding.

Interest Income

Interest Income is based on the balance in the fund. A 3.25% interest rate is assumed for 2026 through 2028. This figure can vary significantly depending upon approval of projects and their starting dates. Interest Income is projected to be $117.2 million or 4.0% of total sources.

Passenger Facility Charges

PFCs provide a significant funding source of $356.7 million or 12.2% of total funding. Congress authorized PFCs to allow the MAC and other commercial service airport proprietors to impose a charge on each passenger enplaned at their airport. Essential Air Service Flights and Frequent Flyers are exempt from this charge. PFCs were authorized 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. PFCs were originally authorized at $1, $2 or $3 per passenger. In 2001, the maximum charge was increased to $4.50. The MAC's first application began collecting PFCs on June 1, 1992.

Including this first application, the MAC has received approval from the FAA for 15 separate applications. The table below shows the status of all applications.

PFC Summary Table ▶▶▶

($=000)

Application Number	Amended Approval Amount	Collection as of 12/31/2025	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	635,955	Open
7	14,479	14,479	Open
8	147,986	110,604	Open
9	8,659	8,659	Closed
10	80,577	80,577	Closed
11	52,722	52,722	Closed
12	55,423	55,423	Closed
13	65,212	38,590	Open
14	126,557	125,962	Open
15	468,062	393,605	Open
16	45,187	37,566	Open
	$ 2,254,741	**$ 1,984,284**	

Before any approval or consideration could be given to these applications and amendments, the FAA needed to approve a Competition Plan filed by the MAC. This plan was also required by Congress in 2000, when it authorized proprietors of commercial service airports with approved plans to increase their PFCs to a maximum of $4.50. Approval from the FAA regarding the original Competition Plan was received on November 21, 2000, with approval to increase the PFC level to $4.50 received in January 2001. An updated Competition Plan was submitted in September 2016 and approved in 2017.

Short-Term Line of Credit

Short-term funding allows the MAC to interim fund certain projects until the receipt of grants or PFCs. The MAC also uses short-term funding to interim fund a project until the time it can be replaced with a future long-term debt issue. The MAC has a short-term line of credit of $200 million. The MAC expects to issue $184.5 million from its line of credit from 2024-2028.

Long-Term Debt

The net bond/note proceeds are projected to be $1.1 billion or 39.2% of total funding. In 2027, the Commission expects to issue General Airport Revenue Bonds with an anticipated net of $550.0 million in construction proceeds. The proceeds would be used to fund various projects around MSP. Major projects will be carried out in Terminal 1 and the Energy Management Center in the next few years.

USES OF FUNDS

There are two general categories for the Uses of Funds. The first is CIP Project Costs, which is estimated at $2.7 billion, accounting for 93.8% of the total uses. The second category is the Debt Service PFC Transfer, which is projected at $179.2 million, representing the remaining 6.2% of total uses. The Debt Service PFC Transfer refers to the transfer of funds to pay a portion of PFC projects that have been funded by long-term debt.

The CIP Project Costs not only include construction costs, but also architectural, engineering and similar service fees. Projects in process are also included in this figure. Significant project costs include those associated with parking facilities, reliever airports and airfield and terminal projects. The balance carried forward is a result of projects scheduled to begin next year. The following table lists capital projects currently in process with project costs exceeding $2.8 million.

Projects in Process ▶▶▶

($ = 000) As of November 30, 2025

	Estimated Project Cost	Payments to Date	% Completion
21D Equipment Storage Building	$5,000	$1,706	34.1%
30L EMAS Replacement	19,000	10,037	52.8%
Air Handling Unit Replacement	55,225	28,398	51.4%
Airfield Snow Melter	1,800	1,513	84.1%
Airside Electrical Construction	2,500	2,138	85.5%
ANE Airport Rd and GA Blvd Pavement Reconstruction	2,100	1,723	82.1%
ANE Equipment Storage and Maintenance Building	4,960	3,877	78.2%
Baggage Claim/Ticket Lobby Operational Improvements	31,600	27,479	87.0%
Baggage Handling System	43,300	35,075	81.0%
Concourse A Heating System	11,000	8,198	74.5%
Concourse and Gatehold Modernization	175,100	97,531	55.7%
Concourse B and C Upgauging	7,700	7,499	97.4%
Concourse G – Conference Center Development	2,291	2,007	87.6%
Concourse G Apron Pavement Reconstruction	13,500	9,456	70.0%
Concourse G Infill - Pod 2-3	245,000	57,820	23.6%
Concourse G Rehabilitation Phase 7	5,000	4,634	92.7%
Deicing Pad Reconstruction	12,000	7,846	65.4%
Delivery Node Redevelopment	4,650	4,267	91.8%
Electrical Infrastructure Program	2,500	2,144	85.8%
Electrical Substation Replacement	53,700	16,660	31.0%
EMC Plant Upgrades (T1 & T2)	1,800	1,661	92.3%
Emergency Power Upgrades	7,850	7,008	89.3%

Projects in Process Continued ▶▶▶

($ = 000) As of November 30, 2025

	Estimated Project Cost	Payments to Date	% Completion
Energy Savings Program	$2,600	$2,000	76.9%
Folded Plate Repairs	105,400	20,772	19.7%
IT Cybersecurity	2,115	1,174	55.5%
IT Operations Modernization	8,200	1,614	19.7%
IT Technology Refresh	33,556	27,623	82.3%
Lighting Infrastructure Technology and Equipment	2,550	1,688	66.2%
MAC Automation Infrastructure Program	2,300	1,563	68.0%
MAC Storage Facility	35,300	27,306	77.4%
MAC Technology Upgrades	25,000	14,132	56.5%
MAC Technology Upgrades – Fiber Infrastructure	2,500	2,464	98.6%
Miscellaneous Airfield Construction	3,500	2,455	70.2%
MSP Campus Building Roof Replacement	42,800	9,556	22.3%
MSP Liquid Deicer Storage	19,500	18,107	92.9%
Noise Mitigation	15,390	13,609	88.4%
Parking Structure Rehabilitation	20,600	4,052	19.7%
Passenger Boarding Bridge Replacements	20,700	5,659	27.3%
Restroom Upgrade Program	7,170	4,392	61.2%
Runway 12R-30L Glycol Forcemain Environmental Improvements	2,210	2,039	92.3%
Safety & Security Center	165,000	58,328	35.4%
STP Customs and Border Protection General Aviation Facility	19,900	1,512	7.6%
STP Runway 14-32 Reconstruction	12,525	6,230	49.7%
T2 North Gate Expansion	263,000	111,779	42.5%
Taxiway B Pavement Reconstruction	7,500	5,114	68.2%
Taxiway D Reconstruction	2,500	1,775	71.0%
Terminal 1 Tug Drive Heater Replacement	7,400	3,519	47.6%
Terminal 2 H1-H2 - Airside Improvements	18,840	17,241	91.5%
Terminal 2 H1-H2 - Landside Improvements	4,845	4,577	94.5%
Terminal 2 H1-H2 - Terminal Improvements	3,359	3,132	93.2%
Terminal 2 H1-H2 Apron and Building Modifications	7,000	3,278	46.8%
Terminal 2 South Expansion	160,000	7,080	4.4%
TSA Recapitalization	22,500	19,119	85.0%
Tunnel Lighting LED Upgrade	1,850	1,681	90.9%
Variable Message Signs Replacement	2,600	2,270	87.3%
All Other Projects in Process	1,049,385	73,272	7.0%
Total	**$2,807,170**	**$818,788**	

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DEBT SERVICE FUND

The acquisition and construction of facilities at the airports operated by the Metropolitan Airports Commission have been substantially financed by the issuance of General Obligation Revenue Bonds (GORBs), Airport Improvement Bonds, General Airport Revenue Bonds (GARBs), Notes Payable and a revolving line of credit. Periodically, the Commission approves the issuance of bonds to refund outstanding bonds for interest savings.

LONG-TERM DEBT

GENERAL OBLIGATION REVENUE BONDS

The Commission has existing legislative authorization to issue up to approximately $55 million of GORBs. The MAC began issuing GORBs in 1976. However, all GORBs and Airport Improvement Bonds issued in the past have been defeased.

Upon issuance, GORBs become general obligations of the Commission, payments of which are secured by the pledge of all operating revenues of the Commission. To pay outstanding debt service on GORBs, the Commission has the power to levy ad valorem property taxes upon all taxable property in the seven-county metropolitan area. An ad valorem tax is a tax in which the amount is based on the assessed valuation of property. If levied, the Commission must repay the taxes. 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 requirements of GORBs, as well as Airport Improvement Bonds.

GENERAL AIRPORT REVENUE BONDS

The Minnesota State Legislature authorized the Commission to issue GARBs in 1996. In 1998, the Commission began issuing GARBs. These bonds may be secured by the pledge of all operating revenues of the Commission and are not backed by the Commission's ad valorem taxing power. 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 net 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 net 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.

The projected coverage ratio for 2026 on Senior Debt Obligations is 4.48 times. With the optional coverage transfer, this figure is 4.73 times. The overall projected coverage ratio is expected to be 1.78 times and 1.87 times with the optional coverage transfer.

NOTES PAYABLE

From time to time, the Commission 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 through airline rates and charges. As of December 31, 2025, the Commission has outstanding $59.5 million in notes payable.

REVOLVING LINE OF CREDIT

In 2025, the Commission entered into a $200.0 million Revolving Line of Credit to interim fund certain capital improvement projects. As of December 31, 2025, the Commission has utilized $33.9 million of the line of credit and will have utilized $83.9 million on December 31, 2026.

DERIVATIVE/SWAP DEBT

The Commission has no derivative/swap debt nor has there ever been any instrument of this type in the debt portfolio.

Current Long-Term Debt ▶▶▶

($=000)

	Issue Date	Original Amount	Final Payment	Outstanding as of Year End 2025	2026
General Airport Revenue Bonds					
2016 Series A - 3.00-5.00%	10/04/16	$330,690	2032	$289,430	$246,120
2016 Series C - 2.00-5.00%	12/20/16	207,250	2046	178,170	173,180
2016 Series D - 2.00-5.00%	12/20/16	23,410	2041	18,410	17,630
2016 Series E - 2.00-5.00%	12/20/16	171,690	2034	107,360	97,095
2019 Series A - 4.00-5.00%	10/04/19	96,615	2049	89,345	88,365
2019 Series B - 5.00%	10/04/19	164,320	2049	124,320	121,075
2019 Series C - 5.00%	10/04/19	31,035	2028	10,835	6,090
2022 Series A - 4.125-5.00%	09/07/22	145,900	2052	129,340	124,300
2022 Series B - 4.25-5.00%	09/07/22	226,785	2047	214,485	208,745
2023 Series A - 5.00%	10/04/23	154,490	2035	145,650	135,260
2023 Series B - 5.00%	10/04/23	8,290	2026	3,265	0
2024 Series A - 5.00%	08/07/24	206,020	2054	206,020	206,020
2024 Series B - 5.00-5.25%	08/07/24	465,125	2049	465,125	463,315
Total General Airports Revenue Bonds				**$1,981,755**	**$1,887,195**
Total Bonds Outstanding				1,981,755	1,887,195
Notes Payable and Revolving Line of Credit				93,405	143,405
Total Long-Term Debt				**$2,075,160**	**$2,030,600**

The table above provides summary information for all current long-term debt. Generally, long-term, general airport revenue bonds are used for construction projects and refunding older, higher interest bonds.

In 2016, GARB series A was used to refund GARB 2007 series A and B. The 2016 series D bonds refunded a portion of the revolving line of credit used in connection with the four-gate expansion at Terminal 2. The 2016 series C and E bonds were used to build a new parking garage. In addition, a new parking management building and revenue control system were needed to complete the project.

The 2019 GARB series A, B and C bonds refunded GARB series 2009 series A and B, 2010 series A, B, C and D and repaid a portion of the revolving line of credit used to fund various Terminal 1 projects and fund projects contained in the 2019-2021 Capital Improvement Program. Some projects funded were the South Security Exit and Facade Expansion, Baggage Claim/Ticket Lobby Operational Improvements, Safety & Security Center and Concourse G Delta Sky Club.

In 2022, the commission sold 2022 GARB series A and B bonds to refund the revolving line of credit, which was previously used to refund GARB 2011 series A and 2012 series B. Various CIP projects were funded with the bond proceeds such as Baggage Handling System Operational Improvements, Air Handling Unit Replacement, Concourse G Infill Pods 2 and 3 and Concourse and Gate Hold Modernization.

The 2023 subordinate airport revenue refunding bonds series A and B were used to refund subordinate airport revenue bonds 2014 series A and B.

The 2024 GARB series A and B bonds were used for the construction of Concourse G Infill Pods 2 and 3, Safety and Security Center, concourse and gatehold modernization projects and other Terminal 1 and Terminal 2 projects.

DEBT SERVICE REQUIREMENTS

The Commission has agreed to collect rates, tolls, fees, rentals and charges so that net revenues and any permitted transfer will equal at least 125% aggregate annual debt service on the outstanding Senior Lien GARBs and 110% on outstanding Subordinate Lien GARBs. This agreement is pursuant to the terms of the Master Trust Indenture entered into by the Commission in connection with its issuance of GARBs.

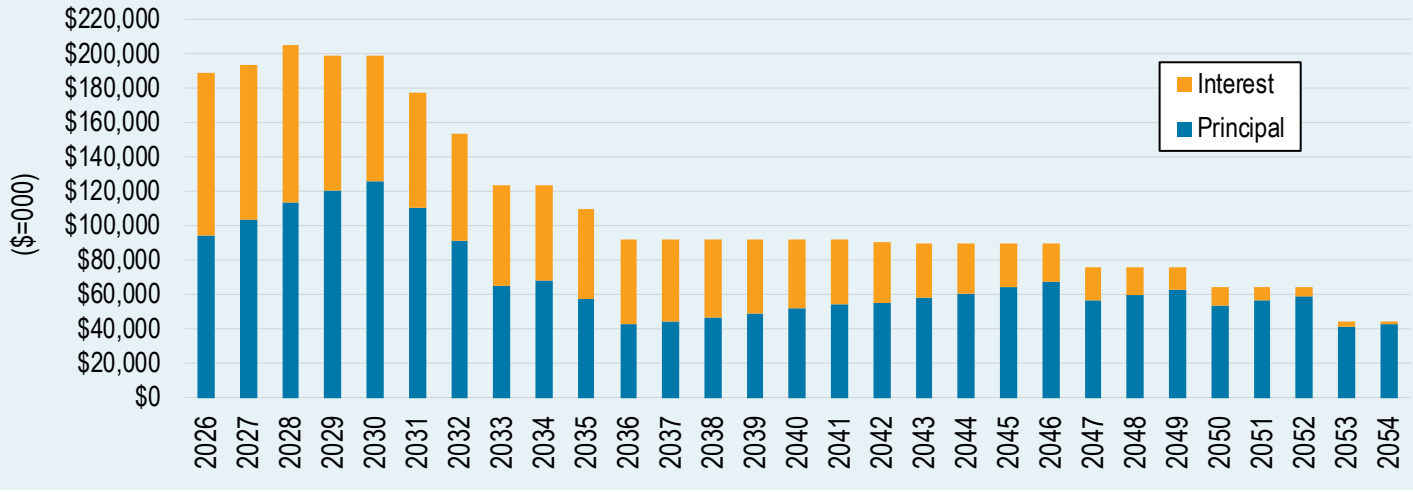
The table to the right presents the annual debt service funding requirements for the next five years for the issued GARBs. This excludes any future bond issues.

GARB Debt Service Requirement ▶▶▶

Date	Funding Requirement
January 1, 2026	$195,791,841
January 1, 2027	$201,058,860
January 1, 2028	$202,290,425
January 1, 2029	$202,287,681
January 1, 2030	$180,274,340

The following chart shows expected future GARB debt principal and interest payments.

Future Debt Service Payments ▶▶▶





Building and Updating Parking Ramps at the MSP Airports are Typically Funded with Bond Proceeds

The following table shows future debt requirements for current short-term and long-term debt on an annual calendar year basis after December 31, 2025, for the remaining terms. The table does not take into consideration any future bond issues or notes payable issued after 2025.

Debt Service Requirements ▶▶▶

($=000)

	Notes / Line of Credit Principal	GARBs Principal	Total Outstanding Principal	Total All Interest	Total Principal & Interest
2026	$40,515	103,345	$143,860	$96,062	$239,922
2027	6,259	113,625	119,884	91,216	211,100
2028	6,066	120,400	126,466	92,923	219,389
2029	6,019	126,280	132,299	79,894	212,193
2030	5,917	110,450	116,367	73,704	190,071
2031	6,191	91,650	97,841	67,755	165,596
2032	6,252	65,420	71,672	62,657	134,329
2033	6,098	68,570	74,668	58,673	133,341
2034	4,932	57,440	62,372	55,281	117,653
2035	4,159	42,685	46,844	52,097	98,941
2036	997	44,825	45,822	49,539	95,361
2037	-	47,065	47,065	47,344	94,409
2038	-	49,325	49,325	45,098	94,423
2039	-	51,790	51,790	42,740	94,530
2040	-	54,375	54,375	40,212	94,587
2041	-	55,310	55,310	37,602	92,912
2042	-	58,030	58,030	34,921	92,951
2043	-	60,960	60,960	32,096	93,056
2044	-	64,085	64,085	29,072	93,157
2045	-	67,375	67,375	25,862	93,237
2046	-	56,935	56,935	22,487	79,422
2047	-	59,835	59,835	19,308	79,143
2048	-	62,860	62,860	16,351	79,211
2049	-	53,915	53,915	13,267	67,182
2050	-	56,550	56,550	10,374	66,924
2051	-	59,315	59,315	7,674	66,989
2052	-	41,560	41,560	4,841	46,401
2053	-	43,220	43,220	2,560	45,780
2054	-			864	864
Total	**$93,405**	**$1,887,195**	**$1,980,600**	**$1,212,474**	**$3,193,074**

NEW BOND ISSUES AND REFUNDINGS

The Commission, along with its financial advisors, regularly reviews the Commission debt structure to look for refunding candidates provided that they meet a minimum of 3% net present value savings. The most recent refunding was in 2023, when the Commission issued Subordinate Airport Revenue Refunding Bonds to refund outstanding Subordinate Airport Revenue bonds, series 2014A and 2014B. As a result of the refunding, the Commission reduced its total debt service requirement, which resulted in an estimated economic gain (present value savings) of approximately $15.4 million or 7.82%.

In 2026, the MAC expects to refund GARB series 2016A, C and D bonds, using a new bond issue.

The most recent bond sale was in 2024 when staff issued approximately $671.1 million of new debt, which is being used for various Terminal 1, Terminal 2, parking, field, runway and other building projects. Some of the major projects funded with these bond proceeds include:

- Concourse and Gatehold Modernization
  Concourse upgrades that include floor to ceiling improvements.
- Concourse G Infill Pods 2 and 3
  An expansion/redevelopment of Concourse G.
- Terminal 2 North Gate Expansion
  Expansion of Terminal 2, adding passenger boarding bridges, gate hold seating, concessions and support spaces.
- Safety and Security Center
  A building to house a new Integrated Operations Center, which includes Airside Operations, Emergency Operations Center and consolidated Airport Police Department facilities.

In 2025, the remainder of the funds from the 2024 bond issue were used for lavatory buildings rehabilitation, perimeter gate security improvements and MSP campus building roof replacements.

Staff anticipates issuing new debt in either 2026 or 2027 to use for various terminal, parking, field, runway and other building projects. The MAC will interim fund these projects with a line of credit and will pay it off with the bond issue. Some of the larger projects include:

- Ground Service Equipment (GSE) Maintenance Facility
  A stand-alone facility to lease to third-party ground handling operators to maintain and repair ground handling equipment necessary to support ground operations for the airlines.
- Electrical and Ground Power Substation Replacement
  A multi-year program to replace electrical substations that serve airside operations and to meet new demands for ground equipment, including an increase in electrical vehicle charging.
- Baggage System Upgrades
  A multi-year program to provide necessary upgrades to the inbound and outbound baggage system not covered by general system maintenance. The 2026 project will provide system stabilization to maintain functionality until the system reaches the end of its useful life and is replaced.
- Terminal 2 Operational Improvements
  This project will design the improvements to Terminal 2 passenger processing systems and spaces to better accommodate passenger growth.



Constructing the Safety and Security Center

SOURCES AND USES OF FUNDS

The table below shows sources and uses of funds in the Debt Service Fund and includes bonds issued and refunded along with related interest.

Debt Service Budget ▶▶▶

($=000)

	2024 Actual	2025 Budget	2025 Estimate	2026 Budget	2027 Projected	2028 Projected
Beginning Balance January 1	$127,435	$114,845	$114,845	$84,264	$36,831	$26,071
SOURCES OF FUNDS						
Transfer from Operating Fund	$131,539	$133,611	$133,611	$146,027	$163,459	$176,881
Transfer from PFCs[1]	25,183	24,929	24,929	25,730	25,379	25,409
Interest Earnings[2]	1,759	1,295	2,349	1,336	1,460	1,635
Bond Proceeds[3]	-	-	-	360,770	-	-
TOTAL SOURCES OF FUNDS	**$158,481**	**$159,835**	**$160,889**	**$533,863**	**$190,298**	**$203,925**
USES OF FUNDS						
Bond Refundings	-	-	-	($385,505)	-	-
Principal & Interest Paid	(171,071)	(191,470)	(191,470)	(195,791)	(201,058)	(202,290)
TOTAL USES OF FUNDS	**($171,071)**	**($191,470)**	**($191,470)**	**($581,296)**	**($201,058)**	**($202,290)**
Ending Balance December 31	**$114,845**	**$83,210**	**$84,264**	**$36,831**	**$26,071**	**$27,706**

[1] Used to pay existing debt, which was formerly paid for with operating funds.

[2] Interest rate assumed 3.25% for the period 2026 through 2028.

[3] Includes only the debt reserve and capitalized interest.

SOURCES OF FUNDS

For General Airport Revenue Bonds, transfers occur in late June and December each year. These transfers will fluctuate due to interest earnings, bond refundings and new issues. If the Commission had outstanding GORBs, a transfer from the operating fund would occur each October 10th to cover the debt service. Since the Commission currently has no GORBs outstanding, no transfer is required during 2024-2028.

The Passenger Facility Charge (PFC) transfer represents the use of PFCs to pay a portion of existing debt, which began in 2003 for various GARBS instead of operating funds. This transfer will fluctuate due to interest earnings, scheduled increases in annual debt service amounts, bond refundings and new issues.

Interest earnings are assumed at 3.25% for the period 2026 through 2028. In projecting interest income, the MAC typically takes a conservative approach.

Bond proceeds are made up of reserves, issuance costs and capitalized interest. The bond proceeds in 2026 represent required debt service reserve and capitalized interest from new bond issues.

USES OF FUNDS

Disbursements represent bond refundings and principal and interest payments made during the year by bond series. In 2026, the expectation is to refund GARB series 2016A, C and D bonds.

The principal and interest paid on debt is reflected in the current year due. Interest is a cost of carrying debt and reduces available funds for operations.

BOND RATINGS

The Commission has maintained excellent ratings for many years. The MAC is one of the few airport authorities with an AA- rating from Fitch Ratings. Most airports are in the A+ rating category. The Commission's bond ratings as of December 31, 2024, are as follows:

SENIOR DEBT

- **Standard & Poors** AA-
- **Fitch Ratings** AA-

SUBORDINATE DEBT

- **Standard & Poors** A+
- **Fitch Ratings** A+

Standard & Poors bond ratings range from AAA (highest quality) to C (lowest quality) for long-term obligations. Ratings from AAA 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 as follows.

- **AAA** Extremely strong capacity to meet financial commitments *Highest Rating*
- **AA** Very strong capacity to meet financial commitments
- **A** Strong capacity for a company to meet its financial commitments

Fitch Ratings also uses a rating system similar to that of Standard & Poors. Ratings from AAA to CCC may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories. The bond rating process is a comprehensive analysis of the MAC's financial practices and performance.

Forecasts of future performance and projected long-term planning practices are also reviewed. The following data are 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

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





Major Projects, such as Construction of Runways, are Funded with Bond Proceeds

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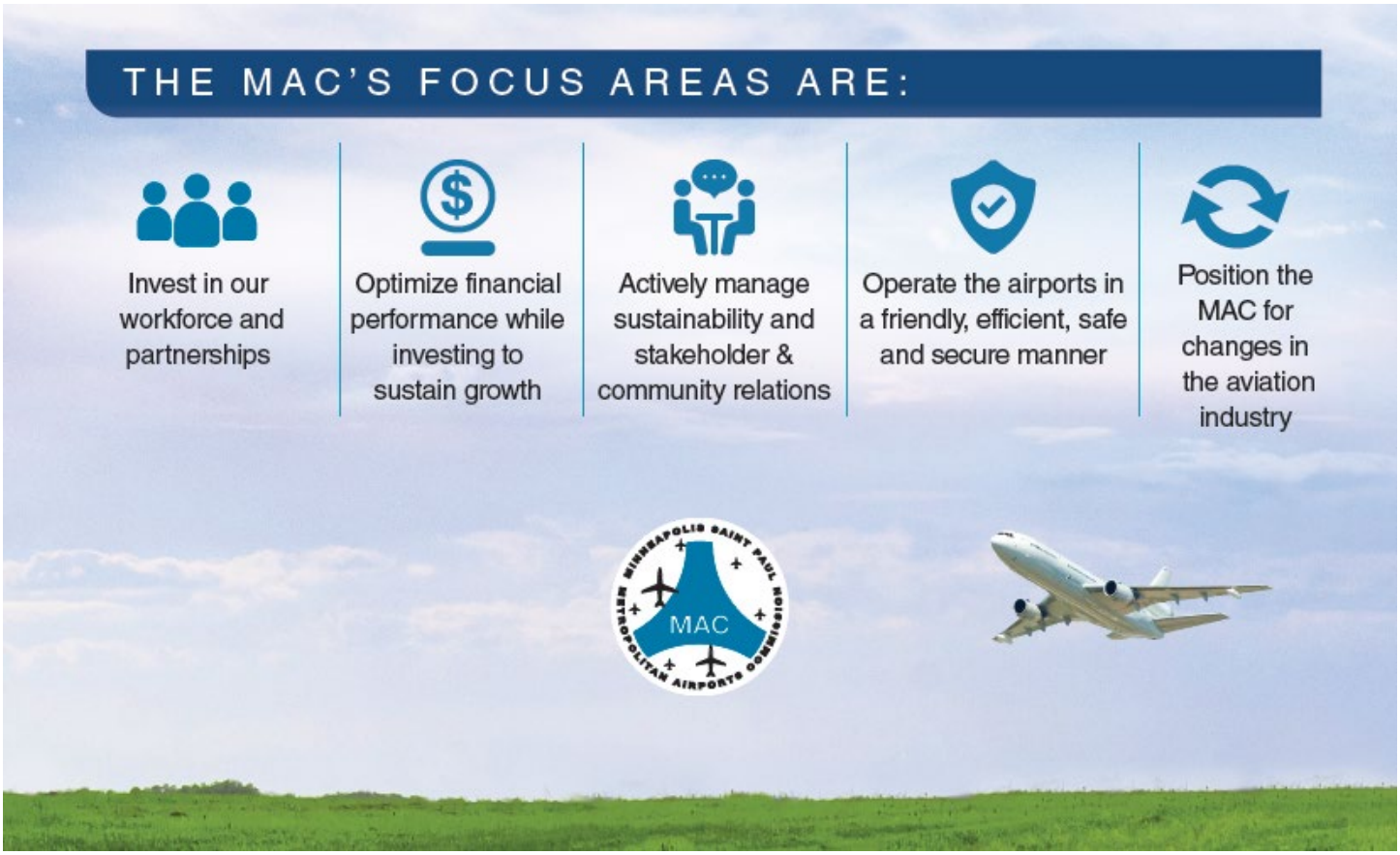
DIVISION SUMMARIES

The Division Summaries show each division responsibility, the related budget and the service centers that are under each division umbrella. Listed are also the division goals, objectives and key performance indicators. The MAC has a total of six divisions:

- Executive
- Strategy & Stakeholder Engagement
- Finance & Revenue Development
- Human Resources & Labor Relations
- Planning & Development
- Management & Operations

The MAC has a robust Enterprise Strategic Plan to reach its Purpose Statement: To provide exceptional airport experiences so Minnesota thrives. The Enterprise Strategic Plan is discussed in the Executive Summary. Each division is responsible for goals and objectives that will help the organization achieve the Enterprise Strategic Plan. Key performance indicators will track progress towards those objectives.

The MAC uses Focus Areas as its Strategic Goals and Key Performance Indicators as Performance Measures.



EXECUTIVE DIVISION

The Executive Division is responsible for the overall administration of the Metropolitan Airports Commission and its seven airports. The Office of the Executive Director/CEO is responsible for the operation, management and promotion of all activities with which the Metropolitan Airports Commission is charged, in accordance with the policy of the organization, and is directly accountable to the Board of Commissioners. This division coordinates, directs and implements the programs and services of the Commission, and engages with regulatory agencies and governmental bodies concerned with the operation and administration of the Commission and its airports.

Budget Summary ▶▶▶

2026 Budget vs 2025 Budget

	2024 Actual	2025 Budget	2026 Budget	Dollar Change	% Change
Personnel	$ 11,394,536	$ 12,661,623	$ 13,705,927	$ 1,044,304	8.2%
Administrative Expenses	573,025	684,872	675,195	(9,677)	-1.4%
Professional Services	3,760,071	4,899,401	4,347,930	(551,471)	-11.3%
Utilities	562,944	703,730	706,786	3,056	0.4%
Operating Services/Expenses	14,163,984	17,411,931	18,986,650	1,574,719	9.0%
Maintenance	-	-	-	-	-
Other	73,210	22,840	21,600	(1,240)	-5.4%
Total Budget	**$ 30,527,770**	**$ 36,384,397**	**$ 38,444,088**	**$ 2,059,691**	**5.7%**
Full-Time Equivalent (FTE)	76	80	79		

BUDGET EXPLANATIONS

PERSONNEL

The Personnel increase is mainly attributable to wage structure adjustments and step increases. Two new FTEs will be hired within the Executive Division for management of information technology operations and data practices. However, one position transferred from the Executive Division to the Finance and Administration Division to aid in processing professional service authorizations. Also, two positions were transferred to the Management and Operations Division for better alignment of related functions.

PROFESSIONAL SERVICES

Professional Services decreased in the 2026 budget compared to 2025 because a one-time economic impact study was included in the 2025 budget. Also, Information Technology consulting services for enterprise systems, infrastructure and operations are lower than in 2025. These reductions are slightly offset by the increased costs for general legal services.

OPERATING SERVICES/EXPENSES

The increase in Operating Services/Expenses is attributable to new service agreements to update technology processes and rising costs for renewed service agreements.

SERVICE CENTER SUMMARIES

The following service centers are within the Executive Division and work collectively towards the division goals, objectives and key performance indicators.

EXECUTIVE – COMMISSIONER

The Board of Commissioners stewards and fulfills the statutory responsibilities of the Metropolitan Airports Commission. This service center promotes the public welfare and national, international, state and local air transportation. This service center also promotes the safe, efficient and economical handling of air commerce, develops the potential of the metropolitan area as an aviation center, and provides for the most economical and effective use of aeronautical facilities and services. The Board of Commissioners assures metropolitan area residents of the minimum environmental impact from air transportation and promotes the overall goals of the state's environmental policies, minimizing the public's exposure to noise and safety hazards around the Commission airports.

FINANCE & ADMINISTRATION

Finance & Administration oversees and provides strategic guidance to the Finance & Revenue Development and Human Resources & Labor Relations divisions. This service center also oversees the management and strategic implementation of the organization's Live Well, Stay Well service center and maintains financial policies.

LIVE WELL, STAY WELL

Live Well, Stay Well (LWSW) encourages, educates and supports employees in making healthier lifestyle choices and strives to create a positive impact on employee morale and productivity. By achieving these goals, this service center is also instrumental in reducing health care costs.

EXECUTIVE - OPERATIONS

The Executive – Operations service center provides strategic alignment across major areas of the MAC: Management & Operations, Public Safety, Planning & Development, Safety Management Systems and Customer Data & Analytics. The Chief Operating Officer is responsible for the strategic coordination and implementation of Commission policies related to planning and development, public safety, daily operations and maintenance of the MAC's airports. This service center also chairs and supports the Customer Service Action Council, which focuses on developing, recognizing and motivating airport community personnel.

INTERNAL AUDIT

Internal Audit provides an independent and objective assurance and consulting service that is guided by a philosophy of adding value by improving the operations of the MAC. This service center assists the MAC in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's risk management, internal control and governance processes.

INFORMATION TECHNOLOGY

Information Technology (IT) provides leadership and direction to the MAC in the areas of information systems, technology and cybersecurity. This service center designs, implements and maintains systems, technology plans, budgets and purchases. IT works with all MAC service centers, airport partners and airport customers to analyze technology capability needs and implement solutions. The work includes analysis, architecture and design, selection, acquisition, installation, documentation, support and life-cycling of hardware, applications, infrastructure systems and technologies.

GOVERNMENTAL AFFAIRS

Governmental Affairs provides oversight and management of all MAC state and federal legislative issues. This 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 serves as a first point of contact for federal, state and local elected officials when they are working on MAC-related issues. This service center also assists the Executive Director/CEO and the Commission on many internal policy development issues.

LEGAL AFFAIRS

Legal Affairs provides legal advice and representation to the Commission, prepares legal documents and monitors and coordinates outside legal counsel.

Goal and Objective ▶▶▶

Focus Area / Invest in our workforce and partnerships

Division Goal

Increase employee engagement

Division Objective

Measure employee engagement through biennial employee engagement survey

Key Performance Indicator ▶▶▶	2024 Target	2024 Results	2025 Target	2025 Results	2026 Target
MAC employee NPS	27	30	N/A	N/A	27
Conduct annual communications campaign to increase employee engagement	N/A	N/A	100%	100%	100%

Notes: NPS is the net promoter score - a measurement of employee engagement.
The employee survey is conducted biennually; therefore, no survey was administerd in 2025.

STRATEGY & STAKEHOLDER ENGAGEMENT DIVISION

The Strategy & Stakeholder Engagement Division operates as an in-house team serving as stewards of strategy, developing strategic communications and creating stakeholder champions to ensure the MAC delivers on its purpose, values and strategic goals. This service center includes strategic planning and division-wide activities. Strategy & Stakeholder Engagement also supervises Strategic Communications, Strategic Marketing, Air Service Development, Community Relations, Sustainability and Stakeholder Engagement service centers.

Budget Summary ▶ ▶ ▶

2026 Budget vs 2025 Budget

	2024 Actual	2025 Budget	2026 Budget	Dollar Change	% Change
Personnel	$ 3,077,275	$ 3,924,889	$ 4,048,491	$ 123,602	3.1%
Administrative Expenses	378,173	591,822	461,365	(130,457)	-22.0%
Professional Services	1,998,215	2,690,000	2,976,500	286,500	10.7%
Utilities	30,836	38,100	40,380	2,280	6.0%
Operating Services/Expenses	814,927	2,475,086	2,933,350	458,264	18.5%
Maintenance	10,003	27,500	20,500	(7,000)	-25.5%
Other	9,928	36,000	86,500	50,500	140.3%
Total Budget	**$ 6,319,357**	**$ 9,783,397**	**$ 10,567,086**	**$ 783,689**	**8.0%**
Full-Time Equivalent (FTE)	**25**	**29**	**28**		

BUDGET EXPLANATIONS

PERSONNEL

The Personnel increase is mainly attributable to wage structure adjustments and step increases. One FTE transferred from the Strategy & Stakeholder Engagement Division to the Management & Operations Division for better alignment of related functions.

ADMINISTRATIVE EXPENSES

Administrative Expenses are budgeted lower in 2026 mainly due to less printing costs for strategic campaigns than in 2025.

PROFESSIONAL SERVICES

Professional Service increased to support social and digital marketing and proofreading, Geographic Information System and data analysis, environmental and sustainability projects. This increase is reduced by one-time strategic planning costs in 2025 that are not needed in 2026.

OPERATING SERVICES/EXPENSES

The increase in Operating Services/Expenses is for advertising and digital support for airport parking and support for search engine optimization and best practices. The budget also includes additional funds for strategic campaign tactics and for the state of the airport luncheon.

OTHER

Other expenses increased to purchase office equipment and furniture for new staff and events.

SERVICE CENTER SUMMARIES

The following service centers are within the Strategy & Stakeholder Engagement Division and work collectively towards the division goals, objectives and key performance indicators.

STRATEGIC COMMUNICATIONS

Strategic Communications stewards a consistent brand voice and activates the brand to engage key constituents. This service center focuses on proactive and responsive communications, including media relations, executive communications and customer communications.

AIR SERVICE DEVELOPMENT

Air Service Development markets MSP for new international passenger and cargo flights and for new low-fare domestic passenger flights. This service center promotes the facilities and services of MSP and the MAC's system of airports both domestically and internationally to develop air service. Air Service Development builds community relations by establishing partnerships with public and private sectors to increase their awareness of the importance of air service in the region and to solicit their support.

SUSTAINABILITY

Sustainability centralizes coordination of sustainability projects and initiatives by connecting and engaging employees leading those efforts. It supports MAC leadership with input and data to make the best organizational decisions to move the MAC forward on sustainability.

STRATEGIC MARKETING

Strategic Marketing stewards a consistent brand voice and supports non-aeronautical revenue growth and passenger engagement through strategic campaigns grounded in research and analytics.

STAKEHOLDER ENGAGEMENT

Stakeholder Engagement connects the MAC to the community by designing and implementing best-in-class engagements and serving as the personal connection of the organization across communities.

COMMUNITY RELATIONS

Community Relations manages aircraft noise issues and navigation programs through an industry-leading noise program built on extensive technology and collaborative efforts with community and aviation stakeholders. This service center ensures compliance related to assessing noise impacts and corrective measures. The work includes managing one of the largest community outreach programs at the MAC and developing and operating sophisticated technical systems in support of the service center's mission. Community Relations continues to build a portfolio of community engagement activities to position the MAC as a trusted resource for interested stakeholders.

Goal and Objective ▶▶▶

Focus Area / Actively manage sustainability and stakeholder & community relations

Division Goal
Implement a stakeholder management survey

Division Objective
Implement a biennial stakeholder management survey

Key Performance Indicator ▶▶▶	2024 Target	2024 Results	2025 Target	2025 Results	2026 Target
Percentage of survey implemented	100%	100%	10%	10%	90%

Note: This key performance indicator reflects an ongoing biennial survey. Surveys are conducted in even years; planning begins in odd years.

Goal and Objective ▶▶▶

Focus Area / Actively manage sustainability and stakeholder & community relations

Division Goal
Achieve ACI Airport Carbon Accreditation (ACA) level 3

Division Objective
Engage actively with MSP tenants on sustainability and document successes annually

Key Performance Indicator ▶▶▶	2024 Target	2024 Results	2025 Target	2025 Results	2026 Target
Tenant engagement plan developed	100%	100%	100%	100%	100%
Number of tenants actively engaged in sustainability*	N/A	N/A	5	5	6

Note: *This key performance indicator began in 2025 with development of the plan in 2024.

Goal and Objective ▶▶▶

Focus Area / Operate the airports in a friendly, efficient, safe and secure manner

Division Goal
Establish relationships with 1 million customers by 2027

Division Objective
Increase number of active customer relationship management records

Key Performance Indicator ▶▶▶	2024 Target	2024 Results	2025 Target	2025 Results	2026 Target
Number of customer relationship management records	400,000	411,417	600,000	666,014	800,000

FINANCE & REVENUE DEVELOPMENT DIVISION

The Finance & Revenue Development Division oversees the implementation of the Commission's financial policies, as well as financial planning and analysis, budgeting, revenue development, commercial management, airline affairs and insurance and risk management. This service center establishes strong fiscal and budgetary practices that provide funding as required for operating and capital expenditures for the MAC's system of airports, as well as good business practices to optimize the generation of both aeronautical and non-aeronautical revenue. The Vice President, Commercial Revenue Officer is the staff liaison to the Commission's Operations, Finance & Administration Committee.

Budget Summary ▶▶▶

2026 Budget vs 2025 Budget

	2024 Actual	2025 Budget	2026 Budget	Dollar Change	% Change
Personnel	$ 40,785,754	$ 34,920,383	$ 39,969,483	$ 5,049,100	14.5%
Administrative Expenses	95,592	168,838	214,172	45,334	26.9%
Professional Services	1,576,137	1,361,600	1,236,310	(125,290)	-9.2%
Utilities	22,013,450	26,234,333	23,543,125	(2,691,208)	-10.3%
Operating Services/Expenses	1,843,365	2,040,755	2,363,484	322,729	15.8%
Maintenance	2,638,145	3,144,054	3,012,897	(131,157)	-4.2%
Other	5,440,857	10,068,394	5,868,855	(4,199,539)	-41.7%
Total Budget	**$ 74,393,300**	**$ 77,938,357**	**$ 76,208,326**	**$ (1,730,031)**	**-2.2%**
Full-Time Equivalent (FTE)	43	43	46		

BUDGET EXPLANATIONS

PERSONNEL

The Personnel increase is mainly attributable to wage structure adjustments and step increases. A data analyst is scheduled to be hired in the Finance & Revenue Development Division to provide recommendations to increase revenue and improve the passenger experience. An accounting specialist will also be hired to address the increasing workload. One FTE transferred from the Executive Division to the Finance & Revenue Development Division to aid in processing professional service authorizations.

The 2026 budget was also adjusted for the increasing costs for employee benefits such as dental, life, disability and medical. Lastly, the Other Post-Employee Benefits trust will reduce the Personnel budget by reimbursing retiree medical payments.

ADMINISTRATIVE EXPENSES

Administrative Expenses increased to start up a new employee program as well as slightly higher travel and registration costs to attend business-related conferences.

PROFESSIONAL SERVICES

In 2026, Professional Services decreased compared to 2025, which can be attributed to various factors, including the reduction in expected Request for Proposal costs and consulting fees aimed at assisting in the determination of provisions for the long-term airline agreement. The reductions observed in 2026 are mitigated by the newly incurred costs associated with the commercialization of the MAC's patented MACNOMS software, as well as consulting services intended to evaluate and provide recommendations for confined spaces.

UTILITES

Utilities include electricity, heating fuel, water, sewer and telephone. Their costs are expected to be lower than in 2025. This lower projection is mainly based on the consultant's estimate of usage and cost for electricity.

OPERATING SERVICES/EXPENSES

The increase in Operating Services/Expenses arises mainly from higher MSP Airport Foundation contractual funding. Also, the copier agreement contains a slight increase for 2026.

MAINTENANCE

Maintenance expenses are projected to be lower. Fuel prices and usage are projected to be slightly lower in 2026, as well as maintenance and materials for MAC-owned buildings. Offsetting these lower costs is bag handling maintenance that is expected to be slightly higher than in 2025.

OTHER

Other expenses decreased as airline incentives have been budgeted to offset revenue for proper reporting.

SERVICE CENTER SUMMARIES

The following service centers are within the Finance & Revenue Development Division and work collectively towards the division goals, objectives and key performance indicators.

INSURANCE/RISK MANAGEMENT

Insurance/Risk Management plans, organizes and administers risk, safety and insurance programs to safeguard the MAC's assets from the risk of accidental loss. The work includes risk identification, evaluation and measurement; preventive strategies; safety policies and training; claims administration; purchase of insurance coverage and evaluation of risk financing alternatives. This service center works to maintain a safe working environment, as well as administers workers' compensation, liability and property insurance coverage and employee and fleet safety.

FINANCE

Finance maintains the Commission's accounting and cash management functions, as well as prepares the annual operating budget and the Annual Financial Report. This service center oversees financial planning, which includes issuance of all debt, development of tenant rates and charges, cost-benefit analysis, financial analysis and request for proposal assistance.

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, insurance, airline incentives, utilities and fuel for MAC vehicles. Open positions that have not been allocated to a specific service center reside in this service center. Finance is responsible for the budgeting of the MAC General service center.

PURCHASING

Purchasing oversees the acquisition of materials, equipment and supplies; coordination of minor construction; and repair and maintenance of equipment to efficiently meet the needs of end users. This service center administers the commercial card program for MAC staff and maintains blanket orders, including insurance certificates, for contracts generated by Purchasing. The work includes disposal of surplus property by distributing items between the MAC service centers, selling items on the open market and donating items to various charities. Purchasing also assists in staffing the General Office's reception desk and coordinating the operation of the service center.

REVENUE & BUSINESS DEVELOPMENT

Revenue & Business Development oversees revenue generation from airline and airport concession agreements, MSP leases and system-wide non-aeronautical leases. Revenue & Business Development also manages MAC property and real estate.

CONCESSIONS & BUSINESS DEVELOPMENT

Concessions & Business Development oversees revenue generation from airport concession agreements and implements new concepts to improve the customer experience and revenue generation at MSP. This service center manages MAC property and real estate within the terminals.

MSP AIRPORT CONFERENCE CENTER

The MSP Airport Conference Center provides first-class customer service to external and internal clients. This service center promotes and manages the conference center, provides catering services, maintains audio-visual equipment and invoices internal and external customers.

Goal and Objective ▶▶▶

Focus Area / Optimize financial performance while investing to sustain growth

Division Goal

Maintain cost per enplaned passenger below the median of U.S. large hub airports

Division Objective

Maintain cost per enplaned passenger below the large hub airport median for 2025

Key Performance Indicator ▶▶▶	2024 Target	2024 Results	2025 Target	2025 Results	2026 Target
Cost per enplaned passenger	$ 9.57	$ 10.13	$ 10.39	$ 11.16	$ 12.24

Note: The most recent median for large hub airports is $14.72. The 2025 result is an estimate.

Goal and Objective ▶▶▶

Focus Area / Optimize financial performance while investing to sustain growth

Division Goal

Maintain cost per enplaned passenger below the median of U.S. large hub airports

Division Objective

Maintain cost per enplaned passenger below the large hub airport median for 2025

Key Performance Indicator ▶▶▶	2024 Target	2024 Results	2025 Target	2025 Results	2026 Target
Cost per enplaned passenger	$ 9.57	$ 10.13	$ 10.39	$ 11.16	$ 12.24

Note: The most recent median for large hub airports is $14.72. The 2025 result is an estimate.

Goal and Objective ▶▶▶

Focus Area / Optimize financial performance while investing to sustain growth

Division Goal

Achieve net designated revenue margin of at least 20% by 2027

Division Objective

Achieve margin of 12.7% by end of 2025

Key Performance Indicator ▶▶▶	2024 Target	2024 Results	2025 Target	2025 Results	2026 Target
Net designated revenue margin	9.3%	11.2%	12.7%	12.1%	14.4%

Note: The 2025 result is an estimate.

HUMAN RESOURCES & LABOR RELATIONS DIVISION

The Human Resources & Labor Relations Division manages employee services, human resources development, labor negotiations and diversity efforts. The division administers employee benefits as well as the MAC's health engagement program. The work includes organizational policies, strategic planning, staff development, compliance with the federal Disadvantaged Business Enterprise (DBE) Program and affirmative action. One service center resides in this division.

Budget Summary ▶▶▶

2026 Budget vs 2025 Budget

	2024 Actual	2025 Budget	2026 Budget	Dollar Change	% Change
Personnel	$ 2,037,375	$ 2,855,137	$ 3,092,316	$ 237,179	8.3%
Administrative Expenses	72,853	100,905	134,622	33,717	33.4%
Professional Services	473,081	828,400	794,870	(33,530)	-4.0%
Utilities	9,210	15,200	15,550	350	2.3%
Operating Services/Expenses	54,155	59,100	82,308	23,208	39.3%
Maintenance	-	-	-	-	-
Other	24,956	10,000	25,840	15,840	158.4%
Total Budget	**$ 2,671,630**	**$ 3,868,742**	**$ 4,145,506**	**$ 276,764**	**7.2%**
Full-Time Equivalent (FTE)	15	20	20		

BUDGET EXPLANATIONS

PERSONNEL

The Personnel increase is mainly attributable to wage structure adjustments and step increases. Additionally, budget funds are allocated for the expansion of the internship program as outlined in the strategic plan, as well as for the training of airport maintenance workers.

ADMINISTRATIVE EXPENSES

The increase in Administrative Expenses arises from costs for compensation market studies, professional association memberships and travel costs for conferences.

PROFESSIONAL SERVICES

Recruitment expenses are expected to decrease in 2026 compared to 2025, reducing the Professional Services budget. However, this decrease is offset by higher engagement survey costs.

OPERATING SERVICES/EXPENSES

The increase in Operating Services/Expenses is due to the Live Well, Stay Well employee wellness program budget merging with the Human Resources & Labor Relations budget. These costs relate to employee fitness and wellbeing.

OTHER

Other expenses increased for fitness center costs as the Live Well, Stay Well employee wellness program budget merged with the Human Resources & Labor Relations budget.

Goal and Objective ▶▶▶

Focus Area / Invest in our workforce and partnerships

Division Goal
Increase employee engagement

Division Objective
Measure employee engagement through biennial employee engagement survey

Key Performance Indicator ▶▶▶	2024 Target	2024 Results	2025 Target	2025 Results	2026 Target
MAC employee NPS	27	30	N/A	N/A	27
Conduct annual communications campaign to increase employee engagement	N/A	N/A	100%	100%	100%

Notes: NPS is the net promoter score - a measurement of employee engagement.
The employee survey is conducted biennually; therefore, no survey was administerd in 2025.

PLANNING & DEVELOPMENT DIVISION

The Planning & Development Division oversees the Commission's Capital Improvement Program (CIP), along with property acquisition, planning, design, engineering, architecture and construction of all Commission facilities, as well as grants management. Planning & Development also supervises the Building Official and Environmental Affairs service centers. The division maintains relationships with local, state and federal government partners and airport stakeholders.

Budget Summary ▶▶▶

2026 Budget vs 2025 Budget

	2024 Actual	2025 Budget	2026 Budget	Dollar Change	% Change
Personnel	$ 1,721,395	$ 2,579,818	$ 2,809,246	$ 229,428	8.9%
Administrative Expenses	57,052	110,389	113,920	3,531	3.2%
Professional Services	937,942	1,477,400	1,541,000	63,600	4.3%
Utilities	13,235	18,008	18,189	181	1.0%
Operating Services/Expenses	2,468,586	2,851,950	2,871,650	19,700	0.7%
Maintenance	27,162	28,000	29,000	1,000	3.6%
Other	13,263	50,600	28,900	(21,700)	-42.9%
Total Budget	**$ 5,238,635**	**$ 7,116,165**	**$ 7,411,905**	**$ 295,740**	**4.2%**
Full-Time Equivalent (FTE)	34	36	36		

BUDGET EXPLANATIONS

PERSONNEL

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

PROFESSIONAL SERVICES

The increase in Professional Services is for building information modeling and Geographic Information System development for CIP initiatives.

OPERATING SERVICES/EXPENSES

The Operating Services/Expenses increase is due to additional costs to comply with the National Pollutant Discharge Elimination System permit requirements.

OTHER

Other expenses decreased as workspaces and equipment for new staff were one-time expenses in 2025.

SERVICE CENTER SUMMARIES

The following service centers are within the Planning & Development Division and work collectively towards the division goals, objectives and key performance indicators.

AIRPORT DEVELOPMENT

Airport Development develops and implements the Commission's CIP. Within the CIP, this service center supervises the planning, design, engineering, architecture and construction of all Commission facilities at MSP and the Commission's six reliever airports.

BUILDING OFFICIAL

The Building Official is responsible for the overall administration of the Metropolitan Airports Commission building code ordinance. This service center applies, administers, implements and enforces the State of Minnesota building code and the MAC's construction standards, procedures and guidelines. The Building Official reviews plans, issues permits, conducts inspections and retains inspection history and building construction plans. This service center coordinates retail, food and beverage construction buildouts and remodeling of existing tenant spaces at Terminal 1 and Terminal 2.

ENVIRONMENTAL AFFAIRS

Environmental Affairs facilitates compliance with local, state and federal environmental regulations at MAC-owned facilities. This service center maintains programs that document environmental impacts related to construction projects; complies with stormwater and soil management requirements; and administers underground and aboveground storage tank rules. Environmental Affairs monitors and reports on air quality, hazardous waste management and solid waste/recycling; implements waste reduction efforts and other pollution prevention programs; performs environmental investigations and audits; and supports the MAC's sustainability efforts.

Goal and Objective ▶▶▶

Focus Area / Optimize financial performance while investing to sustain growth

Division Goal

Ensure facilities meet passenger and cargo demand through 2027 and beyond

Division Objective

Finalize an enabling project phasing and timing plan on an annual basis to address future Terminal 1 passenger and cargo capacity

Key Performance Indicator ▶▶▶	2024 Target	2024 Results	2025 Target	2025 Results	2026 Target
Percentage of comprehensive phasing and timing plan completed	100%	100%	100%	100%	100%

Goal and Objective ▶▶▶

Focus Area / Actively manage sustainability and stakeholder & community relations

Division Goal

Achieve ACI Airport Carbon Accreditation (ACA) level 3

Division Objective

Collect and analyze electric billing data from MSP tenants on an annual basis to identify gaps and areas for improved electricity

Key Performance Indicator ▶▶▶	2024 Target	2024 Results	2025 Target	2025 Results	2026 Target
Percentage of tenants from whom MAC obtains scope 3 emissions data	70%	70%	100%	TBD	70%

Note: The KPI result for 2025 will be finalized second quarter of 2026.

MANAGEMENT & OPERATIONS DIVISION

The Management & Operations Division oversees and administers the service centers that manage the day-to-day operations of the MAC's system of airports. The division oversees and is responsible for all operations-related issues and for participating at the senior staff level in policy development, strategic planning and interdepartmental coordination.

Budget Summary ▶▶▶

2026 Budget vs 2025 Budget

	2024 Actual	2025 Budget	2026 Budget	Dollar Change	% Change
Personnel	$ 66,807,574	$ 72,759,646	$ 77,079,386	$ 4,319,740	5.9%
Administrative Expenses	666,910	918,317	967,735	49,418	5.4%
Professional Services	2,748,625	3,376,223	3,158,764	(217,459)	-6.4%
Utilities	341,400	342,071	403,679	61,608	18.0%
Operating Services/Expenses	17,821,013	20,183,081	20,132,287	(50,794)	-0.3%
Maintenance	64,634,508	67,376,423	71,032,336	3,655,913	5.4%
Other	1,036,921	2,051,020	1,682,551	(368,469)	-18.0%
Total Budget	**$ 154,056,951**	**$ 167,006,781**	**$ 174,456,738**	**$ 7,449,957**	**4.5%**
Full-Time Equivalent (FTE)	**572.5**	**600.5**	**617.5**		

BUDGET EXPLANATIONS

PERSONNEL

The Personnel increase includes wage structure adjustments and step increases. This division plans to hire fourteen new FTEs in 2026. A deputy fire marshal, four new FTEs for the North Star Center and two police cadets are scheduled to be hired for additional safety at the terminals. Two airport maintenance workers, two engineers in the Energy Management Center, two plumbers, and one electrician will be hired to meet increasing demands.

Two employees from the Executive Division and one employee from the Strategy and Stakeholder Engagement Division transferred to the Management & Operations Division.

ADMINISTRATIVE EXPENSES

Administrative Expenses increased in 2026 for livestreaming of drone activity that will enable interactive and engaging aerial photography. Higher travel costs were added to attend business-related conferences. Also, supplies were budgeted for events and hosting conferences.

PROFESSIONAL SERVICES

The decrease in Professional Services results from completed strategic plan projects and safety training that were included in the 2025 budget. Costs were decreased to advance the asset management program and for Emergency Operations Center development and exercise training. Also, inspection costs for the Engineered Material Arresting System have decreased, as well.

UTILITIES

Utilities increased in 2026 from rising usage and fees for phone and internet access.

MAINTENANCE

The 2026 maintenance budget is higher than 2025, largely due to the increase in the snow removal equipment contract and snow removal materials necessary to keep the runways clear and safe. Smaller additions to the 2026 budget include increases to the jet bridge baggage/handling maintenance contract, mechanical area maintenance contracts and terminal cleaning.

OTHER

The decrease in Other expenses is the result of a reduction in tool purchases needed in 2026. Also, the 2025 budget contained a one-time minor asset request that is not needed in 2026.

SERVICE CENTER SUMMARIES

The following service centers are within the Management & Operations Division and work collectively towards the division goals, objectives and key performance indicators.

CUSTOMER EXPERIENCE

Customer Experience develops, implements and enhances customer experience programs at MSP. This service center is the primary contact at the MAC for customer experience initiatives with airlines, tenants, government agencies and the Airport Foundation MSP. Customer Experience acts as an operational liaison to the MSP Customer Service Action Council, facilitating the integration of customer experience initiatives into the operation of MSP.

INTEGRATED OPERATIONS

Integrated Operations manages MSP Airside Operations and supports the Management & Operations Division with planning, analysis, optimization services and technical training. This service center is charged with designing and operating the Integrated Operations Center (IOC), which will be located within the future safety and security center building and will operate 24/7 with staff from key MAC departments and external stakeholders to increase the safe and effective operation of MSP and reliever airports. Integrated Operations manages the Safety Management System, which systematically mitigates operational risk elements for the MAC airports.

AIRSIDE OPERATIONS

Airside Operations oversee regulatory compliance, safety and operational efficiency. This service center ensures that MSP is in compliance with federal and state regulations, particularly Federal Aviation Regulations Part 139-Airport Certification. Airside Operations conducts airfield safety inspections to determine the operating status of MSP and coordinates airfield activities with Federal Aviation Administration Air Traffic Control facilities and air carrier tenants. Airside Operations also manages the snow and ice control plan, the wildlife control program, construction safety and the airfield driver's training and testing program. Airside Operations is the 24/7 non-emergency point-of-contact for MSP tenants.

LANDSIDE – ADMINISTRATION

Landside – Administration manages and operates public and employee parking, revenue control systems, and associated parking and transportation infrastructure at MSP. This service center oversees the permitting and regulatory requirements of charter buses, shuttles, limousines, taxicabs and transportation network companies.

OPERATIONS OPTIMIZATION

Operations Optimization onboards new technologies, provides system administration, delivers data and analytics, provides planning support and fosters the business-centric application and configuration of a geographic information system for the Management & Operations Division.

TERMINAL OPERATIONS & FACILITIES

Terminal Operations & Facilities oversees the operation, maintenance and cleaning of MSP terminal facilities and all MAC campus buildings. This service center schedules, allocates and manages the MAC's common use infrastructure; provides management oversight for various service, operation and maintenance contracts; and responds to both immediate and long-term tenant and public needs. Terminal Operations & Facilities coordinates with several MAC departments to ensure that capital improvement projects, ongoing maintenance projects and facility repairs are completed with the least amount of disruption to the traveling public and terminal building operations to maintain MSP at a high level of service consistent with the expectations of its internal and external customers and partners.

FACILITIES - ENERGY MANAGEMENT CENTER

The Energy Management Center (EMC) oversees the heating, ventilation and air conditioning (HVAC) of all MAC facilities. The Energy Management Center provides 24/7 service while operating and maintaining boilers with jet fuel backup, chillers, cooling towers and numerous miscellaneous components to provide a comfortable and sustainable environment for all MSP customers, tenants and staff. This service center utilizes an Intelligent Monitoring and Control System (IMACS) to operate and maintain the complex and growing airport HVAC systems. The EMC monitors 867 indoor air quality sensors throughout the MSP campus, responds to all incoming HVAC-related calls, tracks all repair work and preventative maintenance and keeps detailed records of gas, oil, water and steam usage.

MAINTENANCE SERVICES & ASSET MANAGEMENT

Maintenance Services & Asset Management administers and coordinates the organization's maintenance, trades, fleet and asset management programs. This service center leads the development and implementation of an organization-wide formal asset management program focusing on cross-functional operations that prioritize safety and regulatory compliance while helping elevate the customer experience.

TRADES – ADMINISTRATION

Trades – Administration oversees the Commission's carpenters, electricians, painters and plumbers. This service center works with construction projects, enforces construction standards and codes, 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. Trades – Administration also oversees the MSP emergency generator systems, fire alarm systems, fire protection systems, electrical gear maintenance and uninterruptible power supply contracts.

TRADES – ELECTRICIANS

Trades – Electricians maintain and repair electrical equipment and lighting fixtures throughout the MSP campus and reliever airports. Electricians are responsible for the maintenance and repair of all directional signage and runway and taxiway lighting throughout the MAC's airports to comply with specific Federal Aviation Administration regulations. This service center maintains and tests airfield lighting regulators, emergency generator systems and associated lighting and electrical work within the MAC terminals and parking facilities. Additional responsibilities include security gates and electronic card access systems throughout the MAC's airports system, fire alarms and oversight and repair responsibility for the Light Rail Transit Platform.

TRADES - PAINTERS

Trades – Painters ensure a full-service life for a multitude of surfaces by protecting them from corrosion and deterioration. MAC Painters maintain a clean, comfortable, visually pleasing and safe environment for the traveling public and meet all FAA-mandated airport operations area markings at MSP and the reliever airports. This service center is responsible for all paint maintenance on buildings, correct markings used on public roadways and parking ramps and maintenance of runways and taxiways in accordance with FAA regulations. The Painters ensure that the safest and most appropriate materials are utilized and subsequently disposed of in an environmentally responsible manner.

TRADES – CARPENTERS

Trades – Carpenters ensure that all of the MAC's terminals and facilities are safe, secure and aesthetically pleasing for the MAC, its tenants and the traveling public. This service center provides high-quality service to all MAC service centers and airport tenants in a timely and cost-efficient manner. The work includes repair and maintenance of a wide variety of facility finishes; securing and separating "non-secured" areas from "secured" areas; and specialty projects such as upholstery, cabinet making, office remodeling and naming and numbering doors and concession spaces with identification tags.

TRADES – PLUMBERS

Trades – Plumbers are responsible for the water supply available to MSP users, tenants and MAC personnel. The work includes 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. This service center completes plumbing inspections, locates appropriate utility lines and reviews plumbing schematics for new projects.

FIELD MAINTENANCE

Field Maintenance oversees Part 139 compliance, snow and ice removal operations, airside and landside pavement maintenance, parking ramp maintenance, landscaping, signage and fencing, environmental tasks, fleet services, emergency programs, daily customer experience housekeeping and additional miscellaneous duties. In the winter, this service center removes snow from runways, taxiways, ramps, aircraft parking areas, airside roadways, public roadways, terminal sidewalks and around the MAC buildings. Maintenance personnel supervise contracted snow removal operators who remove snow from parking ramps and landside parking areas. Field Maintenance maintains and repairs a fleet of more than 500 vehicles and partners with other MAC service centers to procure vehicles and related equipment.

RELIEVERS – ADMINISTRATION

Relievers – Administration operates, manages and maintains the MAC's six reliever airports. This service center administers more than 800 tenant leases and contracts on the airport properties.

RELIEVERS – ST. PAUL

Relievers – St. Paul operates, manages and maintains the St. Paul Downtown Airport. This service center manages the properties, including the administration of leases, and responds to tenant, airport user and community issues and concerns.

RELIEVERS – LAKE ELMO

Relievers – Lake Elmo operates, manages and maintains the Lake Elmo Airport. This service center manages the properties, including the administration of leases, and responds to tenant, airport user and community issues and concerns.

RELIEVERS – AIRLAKE

Relievers – Airlake operates, manages and maintains the Airlake Airport. This service center manages the properties, including the administration of leases, and responds to tenant, airport user and community issues and concerns.

RELIEVERS – FLYING CLOUD

Relievers – Flying Cloud operates, manages and maintains the Flying Cloud Airport. This service center manages the properties, including the administration of leases, and responds to tenant, airport user and community issues and concerns.

RELIEVERS – CRYSTAL

Relievers-Crystal operates, manages and maintains the Crystal Airport. This service center manages the properties, including the administration of leases, and responds to tenant, airport user and community issues and concerns.

RELIEVERS – ANOKA COUNTY – BLAINE

Relievers – Anoka County-Blaine operates, manages and maintains the Anoka County-Blaine Airport. This service center manages the properties, including the administration of leases, and responds to tenant, airport user and community issues and concerns.

POLICE

The MSP Airport Police Department preserves peace, order and safety. Police personnel protect life and property, prevent crime and deter terrorism. This service center includes the Emergency Communications Center (ECC), the 911 center for the MSP Airport community. ECC staff make critical decisions to ensure the safety of the traveling public, MSP employees and public safety personnel.

FIRE

The MSP Airport Fire Department provides 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 enforces fire code, investigates all fires that occur within the service area and maintains Federal Aviation Administration ARFF training, response requirements and proper documentation for state and federal reporting requirements.

Goal and Objective ▶▶▶

Focus Area / Operate the airports in a friendly, efficient, safe and secure manner

Division Goal
Be in the top five among peer hub airports in operations performance

Division Objective
Be in the top five annually among peer hub airports in operations performance

Key Performance Indicator ▶▶▶	2024 Target	2024 Results	2025 Target	2025 Results	2026 Target
Operations performance ranking	Top Five	Did Not Achieve	Top Five	TBD	Top Five

Note: The KPI result for 2025 will be finalized in the first quarter of 2026.

STATISTICS & INFORMATIVE FACTS

HISTORICAL OPERATING REVENUE AND OPERATING EXPENSE

The table presented belo. illustrates a comparison of operating revenue and operating expenses for the year 2016 compared to the 2025 Estimate, highlighting the variations observed when analyzing the percentage of each category in relation to the total. Both revenue and expenses increased during this period due to growth within the airline industry. The 2025 Estimate projects revenue growth of $194.0 million, representing a 5.2% increase, alongside an expense growth of $105.6 million, which equates to a 5.2% increase compared to 2016.

Historical Operating Revenue and Expense ▶▶▶

($=000)

	2016		2025		2025 vs 2016	
	Actual	% of Total	Estimate	% of Total	Dollar Change	Average % Change
Operating Revenue						
Airline Rates & Charges	$ 112,653	33.2%	$ 200,863	37.7%	$ 88,210	6.6%
Concessions	160,691	47.4%	236,415	44.4%	75,724	4.4%
Rentals/Fees	48,473	14.3%	68,071	12.8%	19,598	3.8%
Utilities & Other Revenue	17,115	5.0%	27,585	5.2%	10,470	5.4%
Total Operating Revenue	**$ 338,932**		**$ 532,933**		**$ 194,002**	5.2%
Operating Expense[1]						
Personnel	$ 94,425	51.0%	$ 132,649	45.6%	$ 38,224	3.8%
Administrative Expenses	1,723	0.9%	2,375	0.8%	652	3.6%
Professional Services	6,217	3.4%	13,730	4.7%	7,513	9.2%
Utilities	18,816	10.2%	24,197	8.3%	5,381	2.8%
Operating Services/Expenses	23,389	12.6%	42,066	14.5%	18,677	6.7%
Maintenance	36,319	19.6%	69,563	23.9%	33,244	7.5%
Other	4,411	2.4%	6,325	2.2%	1,914	4.1%
Total Operating Expense	**$ 185,300**		**$ 290,906**		**$ 105,605**	5.1%
Operating Net Income (Loss)[2]	**$ 153,632**		**$ 242,027**		**$ 88,397**	5.2%

Numbers may not sum to totals due to rounding

[1] *Excludes Depreciation and Noise Amortization*

[2] *Excludes Non-Operating Revenue and Expense*

OPERATING REVENUE

The following are high-level explanations of changes in revenue in the categories presented:

- The average annual percentage increase for Airline Rates & Charges was 6.6% between the years of 2016 and 2025. This increase was primarily due to the growth in landing fees and the number of international flights. Additionally, it included higher rental income from the expansion of terminal facilities to support the growth in passenger activity, as well as changes to the 2019 Amendment to the Airline Use Agreement.
- The 4.4% rise in the Concessions category was attributed to the increase in passenger numbers from 2016 to 2025. New and improved concessions, a parking ramp and additional terminal gates were constructed, which contributed to higher revenue. Furthermore, increases in parking rates and income generated from new services, including transportation network companies, also played a role in this growth.
- The average annual percentage increase for Rentals/Fees was 3.8% between the years of 2016 and 2025. This increase can be attributed to the addition of building square footage and the availability of rentable ground for lease, along with higher rates for building rentals.
- In Utilities & Other Revenue, the annual average percentage increase was 5.4%. Revenue from Concession Utilities and Maintenance Cleaning Distribution Fees increased due to the expansion of facilities and concession stores. General Aviation contributed additional revenue, particularly during the pandemic.



Terminal 2 Concessions

OPERATING EXPENSE

High-level expense changes are as follows:

- Personnel expenses increased from 2016 to 2025 by 3.8%. The actual headcount in 2016 was 604.5 while the number of staff positions in 2025 increased to 808.5. Information Technology staff doubled in size due to new and emerging technology. Furthermore, additional firefighters and police were hired to enhance emergency response and safety throughout the MSP campus. A new division was established to champion the MAC's robust strategic plan. Finally, additional field maintenance staff were hired to ensure the efficient clearing of runways.
- Administrative Expenses have increased 3.6% annually, resulting from the higher costs related to business-related travel expenses and information sources for communications. Additionally, office, computer and other supplies rose with MAC's growth over the years.
- Professional Services increased 9.2% when comparing 2016 actual expenses to the estimated expenses for 2025. The major increases related to consulting services for technology requirements and new strategic initiatives.
- The average annual growth in Utilities was 2.8% from 2016 to 2025, indicating development and enhancements in the terminals.
- Operating Services/Expenses increased 6.7% between the years 2016 and 2025 due to additional service agreements. This also included raising parking management costs and increases in security and other services requested by airlines.
- Maintenance increased 7.5% between 2016 and 2025 due to maintaining additional facilities and clearing runway surfaces. Contracted maintenance costs increased for the mechanical areas of buildings, including automated movers, elevators, escalators and moving walkways.
- Other Expenses rose by 4.1% due to escalating costs associated with general insurance. Additionally, the airline incentive program, designed to promote flights to areas requiring air service, significantly contributed to this increase.

The table presented below illustrates the historical concessions revenue from 2016 to the estimated amounts for 2025, which experienced a growth of 47.1%. The decline in revenue observed in 2020 can be attributed to the impact of the pandemic on the airline industry. However, all revenue sources rebounded in subsequent years. Parking is the highest revenue source followed by Rental Car & Ground Transportation.

Historical Concessions Revenue ▶▶▶

($=000)

Year	Parking	Rental Car & Ground Transport	Food & Beverage	News & Retail	Other	Total
2016	$94,888	$27,783	$21,044	$8,702	$8,274	$160,691
2017	99,332	30,907	23,137	10,171	8,929	172,476
2018	98,239	34,338	24,241	11,057	9,501	177,376
2019	107,763	35,588	24,635	10,742	9,100	187,828
2020	42,351	14,641	9,974	3,623	6,046	76,636
2021	67,381	24,277	15,953	6,807	7,265	121,683
2022	105,183	34,292	17,046	7,182	9,695	173,398
2023	124,647	38,382	29,590	10,343	11,624	214,586
2024	130,391	40,983	31,479	10,775	12,782	226,410
2025 Estimate	140,062	41,585	30,760	10,657	13,350	236,414

Numbers may not sum to totals due to rounding

FACILITY EXPANSION

The following chart compares the expansion of the major facilities at MSP between 2016 and 2025. Both terminals were expanded to meet the growth demands. At Terminal 1, the main mall food court and south security exit were expanded and the G Concourse was infilled. Additionally, gates in Terminal 1 were reconfigured to allow for larger aircraft, which resulted in a decrease in the total number of gates. Four new gates were added in 2016 and an additional two new gates were added in 2025 at Terminal 2 to facilitate more airline services, which increased the terminal square footage.

The Silver Ramp opened for public parking at Terminal 1 in 2022 to accommodate the increase in passengers and auto rental facilities. The significance of this growth affects both revenue and expenses. New facilities occupied by tenants will continue to generate additional income. Additional expenses include utilities, security, administrative costs and maintenance, both labor and materials.

Facility Expansion ▶▶▶

	2016	2025	Increase (Decrease)	% Change
Terminal 1				
Terminal Square Footage	2,846,475	3,012,562	166,087	5.8%
Number of Gates	103	99	(4)	-3.9%
Ramp Lineal Footage	11,001	11,001	0	0.0%
Parking Spaces	13,453	18,325	4,872	36.2%
Terminal 2				
Terminal Square Footage	540,965	626,165	85,200	15.7%
Number of Gates	14	16	2	14.3%
Parking Spaces	8,670	8,670	0	0.0%

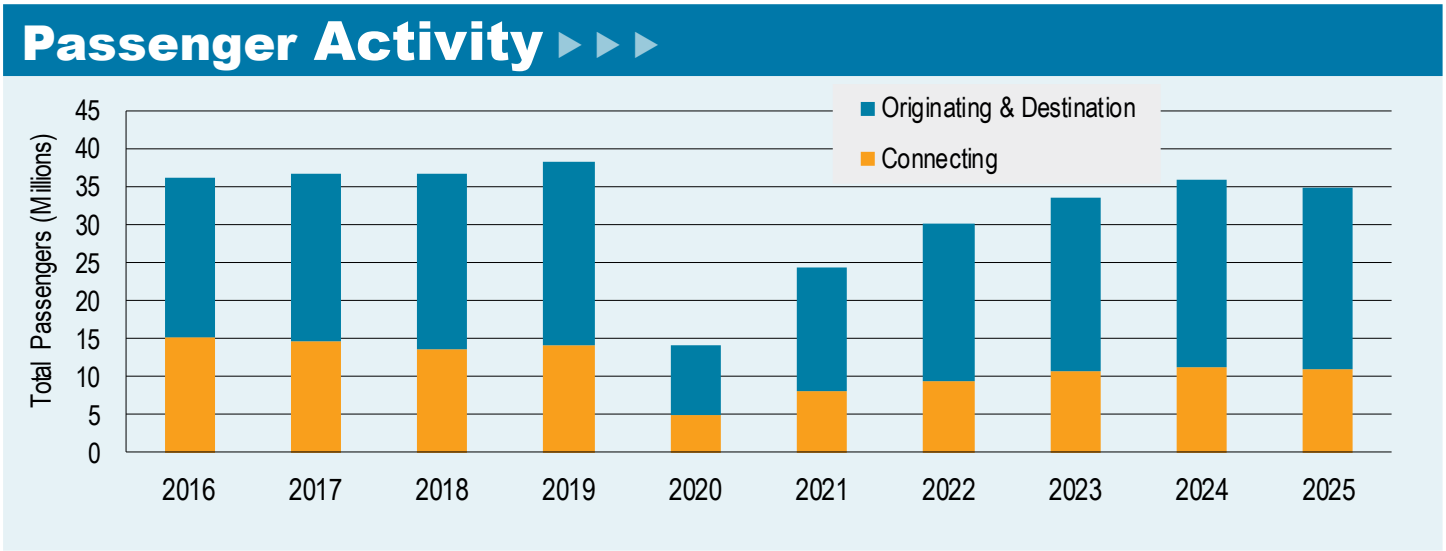
The following table identifies major new facilities completed since 2015.

Major New Facilities Completed ▶▶▶

New Facilities	Closing Date	New Facilities	Closing Date
Solar Panels on Blue/Red Parking Ramp	2015	2019 Baggage Claim/Ticket Lobby Improvement	2021
Terminal 1 FIS Expansion Gate 8 Holding Room	2015	2019 T1 Parking Ramp Modifications	2021
2014 Airline Accommodations	2015	Crystal Reliever Airport-Runway 14R-32L & Taxiway E	2021
2014 iViSN-CCTV Improvements	2015	2021 Taxiway A Pavement Reconstruction	2021
2015 Terminal 1 Modular Cooling Tower Installment	2015	2018 Baggage Handling System	2021
Terminal 2 Checked Baggage Inspection System	2016	2020 Baggage Claim/Ticket Lobby Improvement	2022
Terminal 2 Gate Expansion	2016	2020 Concourse G Gate Infill and Delta Sky Club	2022
Terminal 1 Checkpoint Consolidation	2016	2021 Baggage Claim Ticket Lobby Phase 2	2022
Terminal 1 2014/2015 Restrooms Upgrade	2016	2021 Concourse G Apron Pavement Reconstruction	2022
Solar Panels on Terminal 2 Parking Ramp	2016	2022 Concourse G Apron Pavement Reconstruction	2022
2015 Pavement Rehabilitation-Aprons	2016	2020 Baggage Claim-Ticket Lobby Improvement	2022
2016 Passenger Boarding Bridge-Phase 2	2017	2022 Baggage Claim Ticket Lobby Improvement	2023
2016 Terminal 1 Restrooms Upgrade	2017	2023 Concourse G Apron Pavement Reconstruction	2023
2016 iViSN (CCTV) Improvements	2017	2023 Concourse G Infill - Pod 2-3 Phase 1	2023
2016 Concourse A/B Pre-Conditioned Air Upgrades	2017	2023 30L Deicing Pad Reconstruction	2023
2016 Food Court Service Elevator Replacement	2017	2022 EMC Roof Replacement & Break Room Remodel	2023
2017 Automated Security Lanes	2017	2022 Perimeter Gate Security Improvements	2023
2017 Parking Structure Rehabilitation	2017	2022 Air Handling Unit Replacement	2023
2016 Vertical Circulation Improvements	2018	2023 Baggage Claim/Ticket Lobby Improvement	2023
2016 Concourse A-G Connector Bridge – Phase 1	2018	2021 Safety and Security Center Phase 1	2024
2016 Mezzanine HVAC/AHU Replacements &	2018	2023 Concourse and Gatehold Modernization	2024
2018 Taxiway S Reconstruction	2018	2024 Concourse G Apron Pavement Reconstruction	2024
2017 Concourse G Rehabilitation	2018	2023 Taxiway P Pavement Reconstruction	2024
2018 Terminal 1 Main Mall Food Court Expansion	2019	2023 Passenger Boarding Bridge Replacements	2024
2018 Mezzanine HVAC/AHU Replacements &	2019	2024 Concourse and Gatehold Modernization Phase	2025
2018 Consolidated Loading Dock Facility	2019	2025 Concourse and Gatehold Modernization Phase	2025
Delta Baggage Handling Acquisition/BHS Recontrols	2019	2020 Baggage Handling System	2025
2017 Baggage Handling System	2019	2022 TSA Recapitalization	2025
Terminal 1 Silver Parking Ramp	2020	2024 Terminal 2 H1-H2 - Airside Improvements	2025
2018 South Security Exit and Façade Expansion	2020	2022 Terminal 1 Folded Plate Repairs	2025
2017 Vertical Circulation Improvement – Phase 2	2020	2024 St. Paul Airport Runway 14-32 Reconstruction	2025
2020 Taxiway D Reconstruction	2020	2025 Concourse G Apron Pavement Reconstruction	2025
2019 Passenger Boarding Bridge	2020	2025 30L EMAS Replacement	2025
2019 Taxiway B-Q Centerline Lights	2020	2025 30L Deicing Pad Reconstruction	2025

ACTIVITY/OPERATIONS STATISTICS

The chart below illustrates the trend in passenger activity at MSP from 2016 through 2025.



The following highlights recent activity affecting passenger revenue:

- Through 2019, the increase in passengers was due to the continued strengthening of the economy.
- In 2020, activity declined sharply as passengers shied away from flying because of the COVID-19 pandemic.
- Passenger activity from 2021 through 2024 improved with the return of passengers using air transportation for business and leisure.
- Despite a passenger decline of approximately 3% in 2025 compared to 2024, MSP saw continued growth in international passenger demand and flight activity.

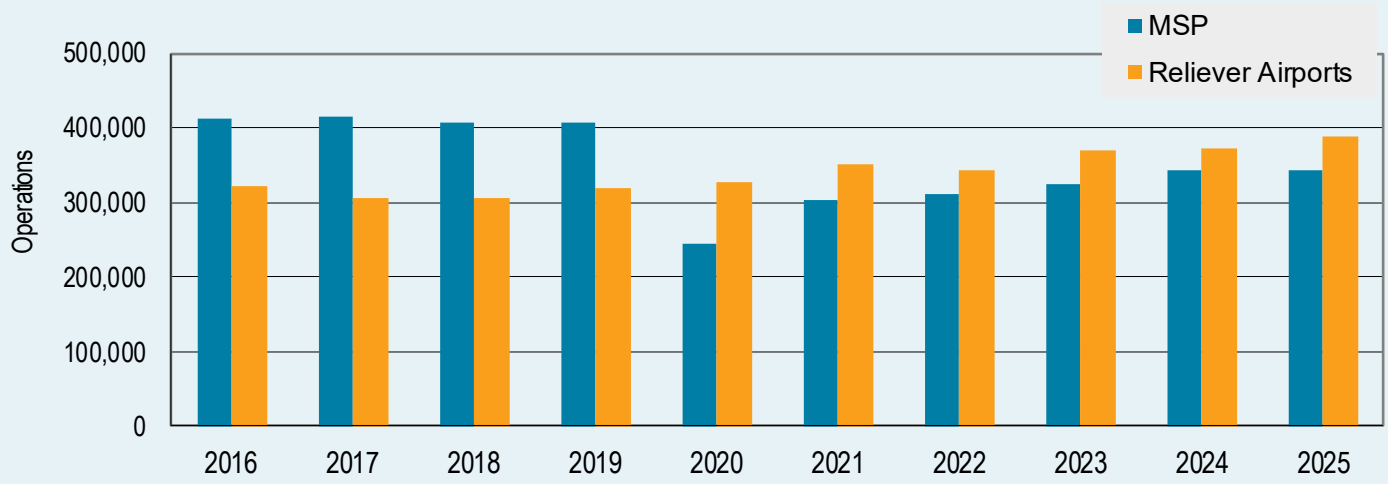
Passenger activity is an important element in forecasting revenue sources such as concession revenue and auto rental revenue. Passenger counts are also used for common use, carrousel and conveyor, porter services and queue line management percentages for airline billing.



MSP's Terminal 1 FLEX Lane Offers an Additional Zone for Passenger Drop-offs and Pick-ups

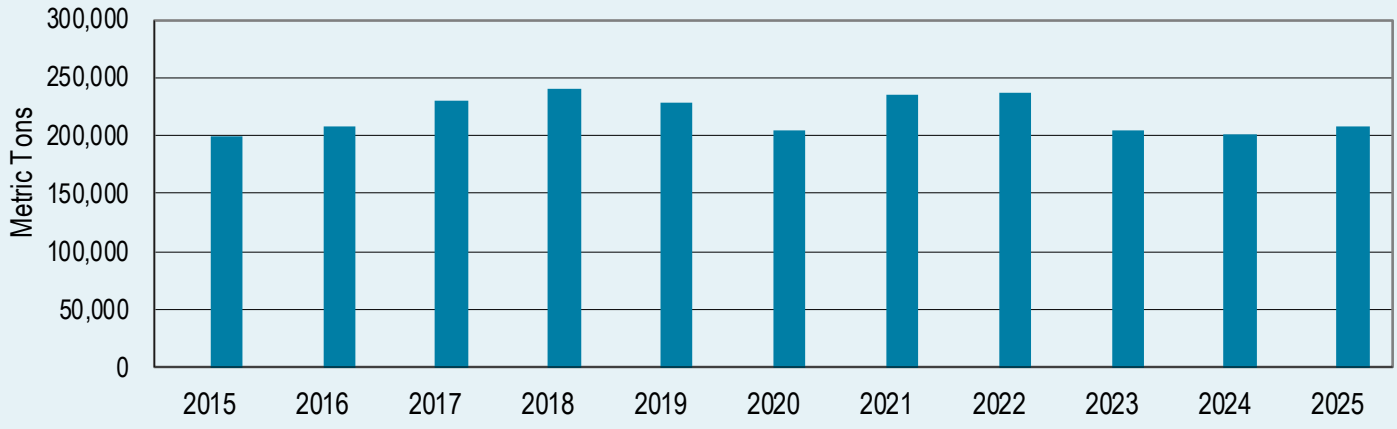
The chart below depicts the total operations activity for both MSP and the reliever airports. MSP operations experienced a decline due to the pandemic in 2020, but have increased annually from 2021 to 2025, indicating a growing economy. Nevertheless, commercial airlines at MSP are now utilizing larger aircraft, which has led to a decrease in the total number of operations. In addition, General aviation operations at the six reliever airports have seen a consistent growth in operations in recent years.

Operations Activity ▶▶▶



The chart below shows cargo and mail activity in response to economic changes, peaking in 2018 during a period of economic prosperity, followed by a decline in 2020 due to the pandemic's effects, which led to temporary business closures and staff furloughs. By 2022, air cargo experienced a surge attributed to online shopping. The decrease in recent years comes from the U.S. Postal Service altering the type of mail transported by air.

Cargo and Mail Activity ▶▶▶



INFORMATIVE FACTS ABOUT MINNESOTA

Minnesota is a dynamic and flourishing state for a variety of reasons. The state's culture promotes financial prosperity, as evidenced by the number of Fortune 500 companies located within Minnesota. Education rates in the state generally exceed the national average. This, in turn, reduces the state unemployment rate, increases per capita income and provides the opportunity to choose from many large employers for employment.

The Minneapolis-St. Paul International Airport is the only large hub airport serving scheduled air commerce in the eleven counties of the Minneapolis-St. Paul-Bloomington/MN-WI Metropolitan Statistical Area (MSA). A recent study by InterVISTAS Consulting Inc. shows MSP's economic impact has grown to $21.3 billion annually, based on 2024 data, up 34% from the 2016 study. MSP's growth and investment is helping Minnesota thrive.

The following pages share key information about the state of Minnesota.

POPULATION

The Population Comparison table presents the population for the United States, Minnesota and the MSA. According to the U.S. Census Bureau, Minnesota is the 22nd most populous state in the nation and has increased 5.8% in population since 2016. As indicated in the population table, approximately two-thirds of Minnesota residents are concentrated in the MSA.

The pie chart illustrates Minnesota's population by race.

Population Comparison ▶▶▶

(000)

Year	United States	Minnesota	MSA	MSA as % of MN
2016	324,304	5,520	3,551	64.3%
2017	326,971	5,577	3,601	64.6%
2018	328,227	5,611	3,629	64.7%
2019	329,213	5,640	3,640	64.5%
2020	328,240	5,706	3,657	64.1%
2021	331,894	5,707	3,691	64.7%
2022	333,288	5,714	3,694	64.6%
2023	334,915	5,738	3,712	64.7%
2024	340,111	5,793	3,758	64.9%
2025	341,785	5,830	*	*

Sources: U.S. Census Bureau, St. Louis Fed
*Data not available at time of printing
MN = State of Minnesota
MSA = Minneapolis/St. Paul Metropolitan Statistical Area

Minnesota ▶▶▶

By the Numbers

5.8M ▶ Population
Source: U.S. Census Bureau

17 ▶ # of Fortune 500 companies
Source: Fortune.com

$802.7B ▶ Revenue generated by Fortune 500 companies
Source: Fortune.com

560K ▶ # of small businesses
Source: U.S. Small Business Administration

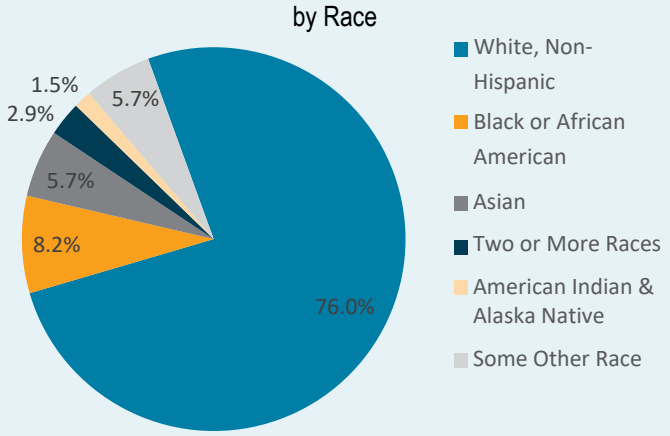
65,531 ▶ # of farms
Source: U.S. Department of Agriculture

$75,603 ▶ Per capita income
Source: Bureau of Economic Analysis

39.40% ▶ % of adults who hold a bachelors degree or higher
Source: U.S. Census Bureau

93.90% ▶ % of adults with a high school degree or higher
Source: U.S. Census Bureau

Minnesota Population ▶▶▶



Source: U.S. Census Bureau

EMPLOYERS

Minnesota's talent and innovation are highlighted by the large, prominent companies based within the state. The table below lists the 20 largest employers in the state for 2025. The world-renowned Mayo Clinic tops the list with 51,000 in-state employees. Seven additional health services employers are on the top 20 list. The remainder of the top 20 employers are from a variety of industries, including governmental services, education, financial services, retail and more. Walmart Inc. is not based in Minnesota; however, it does employ 24,400 in-state employees, ranking at number 8 on the list of top 20.

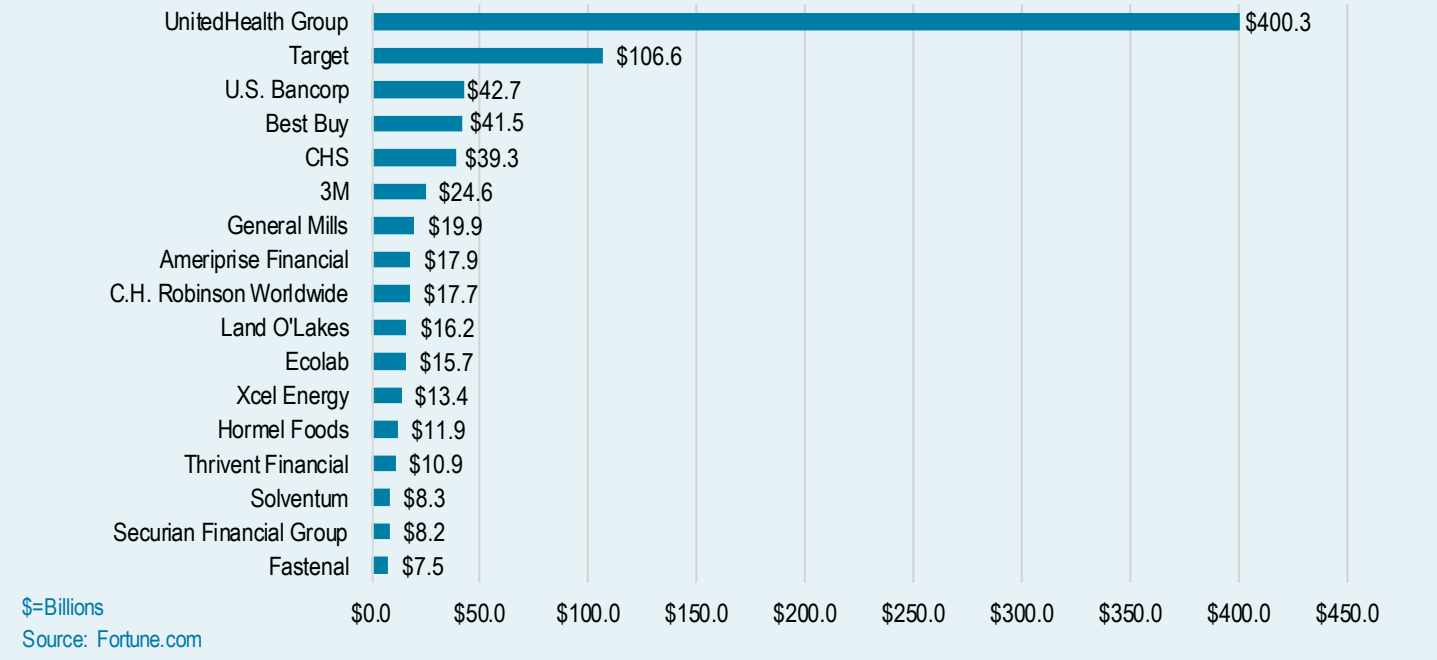
Top 20 Largest Employers for 2025 ▶▶▶

Rank	Minnesota Employer	# In-state Employees	Industry	Rank	Minnesota Employer	# In-state Employees	Industry
1	Mayo Clinic	51,000	Health Services	11	Minnesota State	14,600	Education
2	State of Minnesota	37,100	Governmental Services	12	U.S. Bancorp	13,000	Financial Services
3	Fairview Health Services	36,865	Health Services	13	Essentia Health	12,065	Health Services
4	Target Corporation	35,000	Retail	14	CentraCare	11,363	Health Services
5	Allina Health System	29,163	Health Services	15	U.S. Postal Service	11,217	Postal Service
6	University of Minnesota	27,875	Education	16	Wells Fargo Minnesota	11,000	Financial Services
7	HealthPartners Inc.	26,400	Health Services	17	3M Company	9,295	Manufacturing
8	Walmart Inc.	24,400	Retail	18	Hennepin County	8,848	Governmental Services
9	U.S. Federal Government	20,800	Governmental Services	19	Hormel Foods Corp.	8,190	Manufacturing
10	UnitedHealth Group Inc.	19,000	Health Services	20	Hennepin Healthcare System	7,482	Health Services

Source: Minneapolis/St. Paul Business Journal

Minnesota is home to 17 Fortune 500 companies, representing a wide variety of industries. These companies brought in $802.7 billion in revenue during 2025 and employed 1.3 million people worldwide. The following chart recognizes the 2025 Minnesota Fortune 500 Companies ranked by revenue. UnitedHealth Group Inc. tops the chart with $400.3 billion in revenue, followed by Target Corporation with $106.6 billion. In addition, Minnesota is home to more than 560,000 small businesses and 65,500 farms.

2025 Minnesota Fortune 500 Companies ▶▶▶



$=Billions
Source: Fortune.com

EMPLOYMENT

The civilian unemployment rates for both Minnesota and the MSA generally remain lower than the national rate. The table below shows that over the last decade, the rates for both Minnesota and the MSA have consistently been below the U.S. rate.

According to statistics from the Minnesota Department of Employment and Economic Development (DEED), the state's unemployment rate was 3.8% in 2025, marking a notable decline from the pandemic peak of 6.3% in 2020. As illustrated in the table below, the country, Minnesota, and the MSA experienced similar fluctuations in unemployment over the years, with the lowest rates in 2022.

Civilian Unemployment Rate ▶▶▶

	United States	Minnesota	Minneapolis-St. Paul MSA
2016	4.7%	3.9%	3.5%
2017	4.1%	3.5%	3.2%
2018	3.9%	3.0%	2.7%
2019	3.4%	3.3%	3.0%
2020	6.7%	6.3%	6.5%
2021	3.9%	3.7%	3.7%
2022	3.7%	2.7%	2.5%
2023	3.6%	2.8%	2.7%
2024	4.0%	3.2%	3.1%
2025	4.3%	3.8%	2.9%

Sources: Minnesota Department of Employment and Economic Development, U.S. Bureau of Labor Statistics

The DEED employment forecast for the years 2022-2032 anticipates the addition of approximately 145,000 new jobs, with Minnesota projected to reach nearly 3.3 million jobs by the year 2032. With the Fortune 500 companies, a diverse range of employers, and steady annual job growth, Minnesota continues to exhibit economic strength and vitality.

INCOME

In 2024, Minnesota ranked 14th in the U.S. for per capita personal income. Minnesota's $76,731 per capita personal income was 103.3% of the national average of $74,265.

Per Capita Personal Income ▶▶▶

	United States	Minnesota	Minneapolis-St. Paul MSA
2016	48,971	51,990	57,172
2017	51,004	53,832	59,132
2018	53,309	56,205	61,785
2019	55,566	57,905	63,815
2020	59,123	61,328	66,526
2021	64,460	67,460	73,203
2022	66,244	69,903	76,155
2023	69,810	72,557	79,654
2024	74,265	76,731	*
2025	76,513	79,182	**

*Data discontinued from publication
**Reported as of the third quarter
Sources: U.S. Bureau of Economic Analysis

For every year listed in the Per Capita Personal Income table, the MSA's per capita personal income has been higher than the per capita personal income amount for both the nation and the state. This leads to an average higher discretionary disposable income than others throughout Minnesota and the nation. It also relates positively to the demand for air travel.



Minnesotans Have an Average Higher Discretionary Disposable Income than the Nation

EDUCATION

Education holds significant value for the residents of Minnesota. As depicted in the bar graph, the state has a highly educated workforce. Among adults 25 years of age and older, 40.0% of Minnesotans possess a bachelor's degree or higher, surpassing the national average of 36.8% by 3.2%. Furthermore, Minnesota also exceeds the nation by 4.4% in terms of high school graduates, individuals with some college education, bachelor's and advanced degrees.

Post-secondary education opportunities in the MSA include a variety of institutions: 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. These educational opportunities help situate Minnesota in a competitive economic position.

MSP AIRPORT ACTIVITY

The region's economic profile affects passenger traffic at MSP. For instance, the volume and nature of commerce within the region can impact the extent of business travel to and from MSP, while the average personal income in the region may influence the amount of discretionary travel originating from MSP.

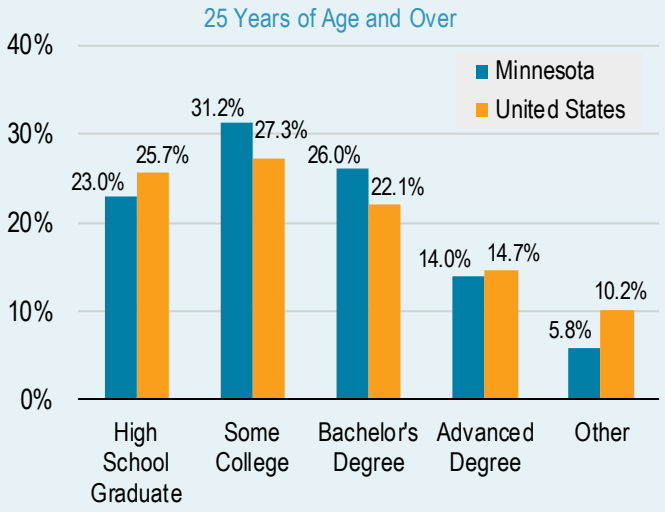
MSP is a high-activity large hub airport. Approximately 31% of its passengers were connecting in 2025, while the other 69% were origin-destination. MSP ranked 18th in the 2024 ACI-NA traffic report with 37.2 million passengers.

At the end of 2025, MSP served 36.1 million passengers, reflecting a decline of 1.1 million or 3.0% compared to the total of 37.2 million passengers in 2024. Although, total passenger declined in 2025, MSP saw growth in international passenger demand and flight operations.



A Delta Air Lines A350 Aircraft Takes off from MSP Airport

Highest Education Level ▶▶▶



Source: U.S. Census Bureau

North American Airport Rankings: Total Passengers* ▶▶▶

Year Ended December 31, 2024 — In thousands

Rank	Airport	Passengers
1	Atlanta (ATL)	108,068
2	Dallas/Fort Worth (DFW)	87,818
3	Denver (DEN)	82,359
4	Chicago (ORD)	80,043
5	Los Angeles (LAX)	76,588
- - -		
17	Boston (BOS)	43,555
18	Minneapolis (MSP)	37,168
19	Fort Lauderdale (FLL)	35,209
20	New York (LGA)	33,544
21	Detroit (DTW)	32,972

*Arriving, departing and direct transit passengers counted once
Source: Airports Council International-North America

The table below presents the rankings for North American airports in 2024, categorized by total cargo measured in metric tons. In 2024, cargo traffic at MSP was 3 metric tons below 2023. Consequently, MSP dropped 2 positions, moving from 29th place in 2023 to 31st place in 2024.

North American Airport Rankings: Total Cargo* ▶▶▶

Year Ended December 31, 2024 — In thousands

Rank	Airport	Cargo
1	Memphis (MEM)	3,754
2	Anchorage (ANC)	3,699
3	Louisville (SDF)	3,153
4	Miami (MIA)	2,754
5	Los Angeles (LAX)	2,175
- - -		
28	Baltimore (BWI)	239
29	Washington (IAD)	224
30	Orlando (MCO)	202
31	Minneapolis (MSP)	201

*Loaded and unloaded freight and mail in metric tons
Source: Airports Council International-North America (ACI-NA)

The table to the right indicates which air carriers provide service at MSP. As of January 1, 2026, MSP is served by 43 air carriers, including 17 U.S. flag carriers providing scheduled service, 16 all-cargo service carriers and nine foreign-flag carriers.

As of December 31, 2025, MSP provided service to 167 destinations. Among these, 94 were competitive, meaning that at least two airlines offered scheduled service to the destination. The 2025 statistics indicate that air travel is advancing and is anticipated to persist in its growth throughout 2026.

Air Carriers Serving MSP[1] ▶▶▶

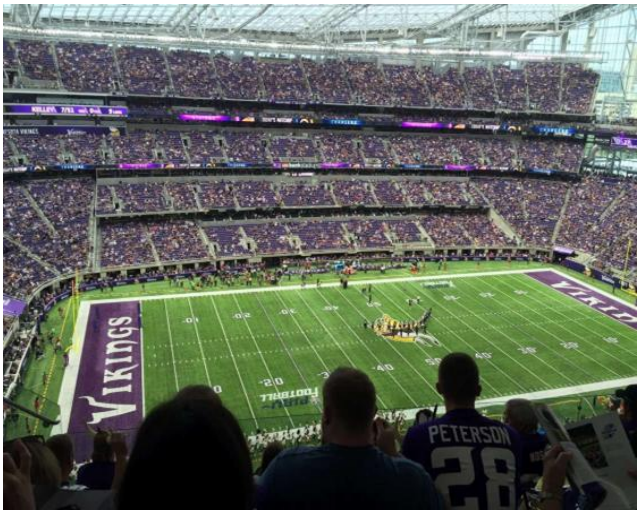
As of January 1, 2026

U.S. Flag Carriers	Foreign Flag Carriers
Air Wisconsin Airlines*	Aer Lingus*
Alaska Airlines*	Air Canada*
Allegiant Air*	Air France*
American Airlines*	Icelandair*
Delta Air Lines*	Jazz Aviation*
Denver Air Connection*	KLM Airlines*
Endeavor Air*	Lufthansa Airlines*
Envoy Air*	WestJet Airlines*
Frontier Airlines*	WestJet Encore*
Horizon Air*	Discover Airlines*
Mesa Airlines*	**All Cargo Service**
PSA Airlines*	ABX Air Services*
Republic Airways*	Air Transport International*
Sky West Airlines*	Atlas Air*
Southwest Airlines*	Amerijet International
Sun Country Airlines*	Bemidji Aviation Services*
United Airlines*	CSA Air
	Encore Air Cargo*
	Federal Express*
	IFL Group
	Kalitta Air*
	Mesa Air Group*
	Mountain Air Cargo
	Sun Country* - Prime Air
	Southern Air
	Swift Cargo
	United Parcel Service*

[1]Excludes carriers reporting fewer than 1,000 enplaned passengers per annum

*Air carriers that are signatory airlines to the Airline Lease Agreement

Additionally, three branches of the U.S. Armed Forces are represented at MSP: the Air Force Reserve 934th Tactical Airlift Group, the Marine Air Reserve Training Detachment and the Naval Air Reserve-Twin Cities Center. The Minnesota Air National Guard 133rd Tactical Airlift Group is also located at MSP.



The Vikings Game was Held at the U.S. Bank Stadium

TOURISM AND ATTRACTIONS

The Minneapolis-St Paul area has numerous tourist attractions and local activities:

- The Mall of America is the nation's largest shopping center and entertainment complex. It receives 40 million visitors per year, 40% of whom are tourists. The 4.2 million square foot facility generates $2 billion of annual economic activity.
- Nationally renowned cultural organizations include the Guthrie Theater, Children's Theater Company, Minnesota Orchestra, St. Paul Chamber Orchestra, Minnesota Opera, Walker Art Center and Minneapolis Institute of Art.
- Broadway shows and other cultural events are hosted by the State Theater, Orpheum Theatre and Ordway Theatre.
- Eight major teams play professional sports in the Twin Cities: the Minnesota Twins (baseball), Minnesota Vikings (football), Minnesota Timberwolves (men's basketball), Minnesota Lynx (women's basketball), Minnesota United (men's soccer), Minnesota Aurora (women's soccer), Minnesota Wild (men's hockey) and Minnesota Frost (women's hockey). Home to the Minnesota Vikings, U.S. Bank Stadium opened in downtown Minneapolis in 2016. The stadium hosted the NFL's Super Bowl LII game in 2018 and the NCAA Men's Final Four basketball tournament in 2019. Allianz Field in St. Paul, which is home to the Minnesota United, opened in 2019.
- University of Minnesota Gophers participate in the Big Ten Conference in a number of sports including basketball, hockey, football and soccer.
- Minnesota boasts more than 10,000 lakes and 136,000 acres of parks, trails and wildlife management areas. The state is renowned for its wide variety of outdoor activities, including 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.

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 fewer than 10 minutes.
- The MAC operates one of the nation's most extensive airport noise mitigation programs around MSP. Since 1992, the Commission has spent approximately $500 million providing mitigation to 19 schools, more than 15,000 single-family homes and more than 3,300 multi-family units.
- There are approximately 18.3 acres of parking lots at MSP and 28,419 parking stalls.
- MSP has 20 miles of airport security fencing, 50.5 acres of trees, shrubs and perennials, 119 acres of landside grass and 1,000 acres of airside turf.
- The four runways at MSP could fit just under 127 football fields.

MAC FACTS



1917

A landing strip for airmail service is built on the site of the bankrupt Twin Cites Motor Speedway. It is later renamed Wold-Chamberlain Field.

Photo: Aerial view of the speedway

1926

Northwest Airways wins the contract for airmail service to Chicago and bases operations at Wold-Chamberlain Field.

St. Paul develops Holman Field in an effort to give its businesses a competitive edge.

1927

Northwest Airways' first passenger flight occurs. The $50 flight to Chicago includes stops in La Crosse, Madison and Milwaukee.

1928

The Minneapolis Park Board buys Wold-Chamberlain Field.

Photo: The first U.S. Air Mail building at Wold-Chamberlain Field



1943

Minnesota passes legislation to form the Minneapolis-St. Paul Metropolitan Airports Commission (MAC)

1948

Wold-Chamberlain gets a new name, becoming the Minneapolis-St. Paul International Airport. The MAC acquires Crystal Airport and Flying Cloud Airport.

FACTS *Continued on next page*

1949

The MAC acquires 160 acres for the Lake Elmo Airport.

1950

The MAC acquires 1,200 acres of farmland in Anoka County, which later becomes the Anoka County-Blaine Airport.

1955

MSP reaches the 1 million annual passenger milestone.

1958

The MAC breaks ground on a $47 million expansion at MSP that includes a new terminal, control tower, access roads and upgrades to runways and taxiways.



1962

The MAC begins construction of its first fire station at MSP.

Photo: The new terminal, including its iconic sawtooth roof, opens at MSP in 1962

1966

Flying Cloud Airport is second only to Chicago's O'Hare Airport as the busiest airfield in the central United States.



1969

Community activism leads to the formation of the Metropolitan Aircraft Sound Abatement Council. The council is comprised of public and airline representatives who work collaboratively to reduce aircraft noise near MSP.

Photo: The blockbuster movie "Airport" is filmed at MSP in 1969

FACTS *Continued on next page*



1976

The Hubert H. Humphrey Charter Terminal opens at MSP and serves around 60 international charter flights per month.

Photo: The original Hubert H. Humphrey charter terminal in the late 1970s

1979

The MAC acquires Airlake Airport in Lakeville, adding a second airport with an instrument landing system.

1981

The MAC completes the first of 19 school noise mitigation projects.

1984

A new seven-level, $20 million parking ramp opens at Terminal 1 with 2,000 spaces.

1989

The Minnesota Legislature directs the MAC to take on a "dual track" review of growth strategies, studying both expanding MSP's existing capacity and building a new airport beyond existing suburban development.

1991

Minnesota approves a $761 million financial assistance package for Northwest Airlines.

Photo: MAC's Executive Director Jeff Hamiel (right) meets with U.S. Secretary of Transportation Sam Skinner in the early 1990s



1996

MAC Board of Commissioners votes 11-3 on the Dual Track study to recommend expansion of the existing MSP airport.

FACTS *Continued on next page*

2001

The Hubert H. Humphrey Charter Terminal is replaced by the modern and spacious Terminal 2 building.

2004

The new LRT opens and provides transportation between Terminal 1 and Terminal 2 at MSP.

2005

The MAC, FAA, Delta Air Lines and other partners collaborate to reduce fuel usage during landing procedures.

Runway 17-35 opens at MSP.

2007-08

The new floodwall at the St. Paul Downtown Airport provides reliable year-round operations.

2014



In 2014, the MAC and Ameresco announce what was then the world's largest structure-mounted solar power installation, which is constructed atop MSP parking ramps

2016

The 2016 Terminal 2 expansion includes four new gates, a lactation room, an indoor pet relief area and a green roof



2017

38 million passengers are served at MSP.

FACTS *Continued on next page*

2018

Minneapolis hosts Super Bowl LII. On "Getaway Day," there are 60,455 screenings at MSP checkpoints, making it the busiest day ever at MSP. More than 1,100 private planes utilize the MAC's seven airports during the week of events.



2020



MSP is named the best airport in North America by Airports Council International for the 4th consecutive year.

2021

Operations at the MAC's six general aviation airports grew by 8% in 2021, over 2020, and experienced double-digit growth between 2019 and 2021.



2022



Lake Elmo Airport debuts new runway. The latest investment in Twin Cities Reliever Airport System improves operations and safety.

2023

MSP's third Delta Air Lines Sky Club opened as part of the Concourse G expansion between gates G17-G22. The project added modern terminal features, including a wider corridor, a light-filled rotunda, terrazzo flooring, more gate seating and restrooms, as well as several new concession options.



2024-25



Back-to-back #1 rankings in Customer Satisfaction for Mega Airports

For J.D. Power 2025 Award Information, visit JDPower.com/awards

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GLOSSARY

4WD
4-Wheel Drive

ACA
Airport Carbon Accreditation

ACCRUAL BASIS
The accrual basis of accounting attempts to record financial transactions during the period in which they occur rather than recording them during the period in which they are paid.

ACI
Airports Council International
ACI represents the collective interests of airports around the world to promote excellence in the aviation industry.

ACI-NA
Airports Council International-North America
ACI-NA represents local, regional and state governing bodies that own and operate commercial airports in the United States and Canada.

AD VALOREM
An ad valorem tax is a tax in which the amount is based on the value of property. The MAC has the power to levy an ad valorem tax on the seven-county metropolitan area for payment of General Obligation Revenue Bonds.

ADA
Americans with Disabilities Act
The ADA prohibits discrimination against people with disabilities in employment, transportation, public accommodation, communications and governmental activities. The ADA also establishes requirements for telecommunications relay services.

ADO
Airport Director's Office

AGIS
Airports Geographic Information System

AIR OPERATIONS AREA/AOA
Any area of the airport used or intended to be used for landing, taking off, or surface maneuvering of aircraft. It is intended for use by persons for the operation of aircraft, ground support vehicles and other authorized vehicles related to airport operations and includes all exclusive leasehold areas.

AIRLINE R & R
Airline Repair and Replacement Surcharges
Repair and Replacement Surcharges are a component of airline rates and charges.

AIRLINE USE AGREEMENT
Rates and charges revenue collected from the airlines are governed by the Airline Use Agreement and corresponding amendments.

AIRPORT FOUNDATION MSP
The Airport Foundation MSP is a 501 (c) (3) public charity, a non-profit organization serving the Minneapolis-St. Paul International Airport community and the traveling public. Its mission is to elevate the travel experience and support the aviation community.

AIRSIDE
Airports are divided into landside and airside areas. Airside is the area at the airport where aircraft movement and related activity is conducted. This area is not open to the public and is tightly controlled.

ALP
Airport Layout Plan
An Airport Layout Plan is a graphical representation of the existing and proposed airport land, terminal and other facilities and structures owned by the airport. The ALP includes drawings and a narrative that includes basic aeronautical forecasts, basis for proposed items of development, environmental factors and other specifications.

AMORTIZATION
Amortization is the systematic allocation of a balance sheet item to an expense or revenue on the income statement.

AOA
Air Operations Area (see Air Operations Area for definition)

APD
Airport Police Department

ARFF
Aircraft Rescue and Fire Fighting

ATDS
Airport Technical Design Standards

AUDIT
A formal examination of an organization's accounts or financial situation.

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. By December of each year, the Commission will adopt an annual 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 or as designated by Commission approval.

BHS
Baggage Handling System

BOND
A bond is a formal promise to pay a specified principal at a future date along with specified periodic interest on that principal.

BREAKEVEN
Breakeven is a revenue calculation where the revenue will equal the expenses coded to that service center with a true up calculation at year-end.

BUDGET
A budget is an itemized summary of projected income and expenditure over a specified period.

CAPITAL EQUIPMENT
Equipment with a cost of at least $25,000 will be capitalized and depreciated.

CAPITAL EXPENDITURE
A capital expenditure is money spent by the MAC to acquire or maintain fixed assets, such as land, buildings and equipment.

CAPITAL PROJECTS FINANCIAL POLICY
The Capital Projects financial policy explains the capital projects process where the Commission reviews, revises, and adopts a CIP plan. This policy addresses MAC requirements for capital project needs and priorities and guidelines for equipment purchases.

CBP
Customs and Border Protection

CCTV
Closed Circuit Television

CEO
Chief Executive Officer

CFC
Customer Facility Charge
A CFC is an on-airport rental car assessment. The assessment allows the MAC to recover the rental car portion of capital costs associated with the construction of the auto rental facilities, as well as certain maintenance costs related to those facilities.

CIP
Capital Improvement Program
The CIP is a seven-year plan relating to construction projects in the MAC's system of airports. The CIP's current budget year includes projects that are reasonably defined for implementation during that year. The next budget year includes projects identified as a need or potential need in that year of the program but require further study in order to properly determine the scope, feasibility and cost of the project. The final five years consist of projects that appear to be needed during that period. This portion assists in financial planning and meets the requirements of the Metropolitan Council's Investment Framework.

COMMISSION
Metropolitan Airports Commission or the Board of Commissioners

CONCOURSE
A concourse is the long hallway-like structure where loading and unloading of passengers takes place.

CONNECTING PASSENGERS
Connecting passengers fly to MSP and transfer to another flight enroute to their final destination.

CONSTRUCTION FUND
The Construction Fund is used to pay capital costs associated with the Capital Improvement Program.

COVID-19
Coronavirus Disease 2019
COVID-19 is caused by a novel coronavirus first identified in China in December 2019. Coronaviruses, named for the crown-like spikes on their surfaces, are a large family of viruses that are common in people and many different species of animals, including camels, cattle, cats and bats. There are many types of human coronaviruses, including some that commonly cause mild upper-respiratory tract illnesses.

CPE
Cost Per Enplanement

DBE
Disadvantaged Business Enterprise

DEBT SERVICE
Debt service is an issuer's obligation to repay the principal and interest.

DEBT SERVICE AND RESERVE FINANCIAL POLICY
The Debt Service and Reserve financial policy exists to ensure that the MAC is able to issue GORBS and GARBS at fixed and variable rates and that funds are managed to avoid any property tax levy. This policy includes guidelines such as maintaining the highest possible rating available from the rating agencies. The policy also addresses reserve requirements, debt limits and revolving line of credit.

DEBT SERVICE FUND
The Debt Service Fund is used to pay required debt principal and interest payments.

DEFEASE
Defeased bonds are refunded or paid off prior to the maturity date.

DEPARTMENT
Departments are usually combinations of service centers. The term is sometimes used interchangeably with the term "service center."

DEPRECIATION
This accounting process allocates the cost expiration of tangible plant, property and equipment. The cost is allocated against periodic revenue over the useful life of the asset.

DERIVATIVE DEBT
A derivative is a financial contract whose value is derived from the performance of some underlying market factors.

DESTINATION PASSENGERS
Destination passengers arrive at MSP and do not transfer to another flight.

ECC
Emergency Communications Center

ECONOMIC GAIN
In terms of bond refunding's, economic gain is the difference between the present values of the debt service payments on the old and new debt.

EMAS
Engineered Material Arresting System
EMAS is a soft ground arrester system that is an alternative solution for runways that have less than the required safety area. It is designed not to deform under normal ground vehicle loads.

EMC
Energy Management Center

ENPLANED PASSENGERS
Enplaned passengers are the number of passengers boarding an aircraft, including originating and connecting passengers.

ENTERPRISE FUND
"Enterprise fund" is a governmental accounting term referring to a fund that provides goods or services to the public for a fee, similar to a commercial enterprise. The MAC uses enterprise fund accounting. The MAC's cost of providing goods or services to the general public on a continuing basis includes expenses and depreciation. These costs are to be financed or recovered primarily through user charges so operating and capital expenses are paid from revenues generated by users.

ESSENTIAL AIR SERVICE FLIGHTS

The Essential Air Service program was put into place to guarantee that small communities that were served by certificated air carriers before airline deregulation maintained a minimal level of scheduled air service after deregulation was enacted. The U.S Department of Transportation is mandated to provide eligible communities with access to the National Air Transportation System. This is generally accomplished by subsidizing two round trips a day with 30 to 50 seat aircraft, or additional frequencies with smaller aircraft, usually to a large- or medium-hub airport. The Department currently subsidizes commuter and certificated air carriers to serve approximately 65 communities in Alaska and 112 communities in the lower 48 contiguous states that otherwise would not receive any scheduled air service.

EVIDS

Electronic Visual Information Displays

EVIDs include various kinds of electronic displays operated by the Commission. Displays include MUFIDS displays, digital directories, LED signs over the ticket counters and the variable message displays which are programmed to show a message.

FAA

Federal Aviation Administration

The FAA's mission is to provide the safest, most efficient aerospace system in the world. This translates into a variety of roles, including regulating civil aviation; developing and operating a system of air traffic control and navigation; and developing and carrying out programs to control environmental effects of civil aviation.

FICA

Federal Insurance Contributions Act

FINANCIAL POLICIES

The financial policies provide structure and ensure the development of the MAC budget meets its purpose, values, focus areas and goals. The financial policies are the Operating Budget, Investment/Cash Management, Capital Projects, Purchasing and Debt Service and Reserve.

FIS

Federal Inspection Station or Federal Inspection Services

FREQUENT FLYERS

Frequent Flyers are passengers who travel by air regularly and can be part of an airline program in which they earn points for free flights.

FTE

Full-Time Equivalent Employee

The MAC allocates employee headcount in terms of the equivalent number of full-time employees.

FUND BALANCE

In a fund at a given point in time, the fund's assets less its liabilities is equal to the fund balance. The fund balance is positive when its assets exceed liabilities. The balance is negative when its liabilities exceed assets. Additionally, a fund balance may be designated as unreserved or reserved. Unreserved fund balances are free to be authorized for future expenditures, while reserved balances may not be designated for future expenditures. Fund balances are residual amounts and may not be a cash amount.

FUNDS

The Commission segregates its accounting into three funds: Operating, Debt and Construction.

GAAP

Generally Accepted Accounting Principles

Generally Accepted Accounting Principles are a set of rules that encompass the details, complexities and legalities of accounting. The Financial Accounting Standards Board uses GAAP as the foundation for its comprehensive set of approved accounting methods and practices.

GARBS

General Airport Revenue Bonds

GARBs are bonds secured by the pledge of all operating revenues of the Commission.

GASB

Governmental Accounting Standards Board

GASB 34

GASB 34 established comprehensive, new financial reporting requirements for governmental units. Under GASB Statement No. 34, the Commission is a special purpose government unit engaged primarily in business type activities. As a result, the Commission prepares its financial statements using the accrual basis of accounting.

GASB 68
GASB 68 revised and established financial reporting requirement for most state and local governments that provide their employees with pension benefits. In compliance with GASB 68, the MAC recognizes its long-term obligation for pension benefits as a liability and takes a more comprehensive measurement of the MAC's annual costs of pension benefits.

GBAS
Ground Based Augmentation System
A GBAS improves Global Positioning System signal accuracy and reliability for aircraft navigation. It uses ground stations to send real-time corrections to planes, enabling more precise landings and approaches, especially in bad weather or challenging conditions, enhancing safety and efficiency.

GENERAL AVIATION AIRPORTS
General aviation airports are public-use airports that do not have scheduled service or have scheduled service with less than 2,500 passenger boardings each year.

GFOA
Government Finance Officers Association

GO
MAC General Office

GO (Debt)
General Obligation Bond

GOAL
A goal is a long-term and general in nature target that the commission is trying to achieve to fulfill the strategic plan.

GORBS
General Obligation Revenue Bonds
GORBs are 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 GORBs. The Commission does not currently have any outstanding GORBs.

GSE
Ground Service Equipment

HR
Human Resources Department

HVAC
Heating, Ventilation and Air Conditioning

IAF
International Arrivals Facility or International Arrival Fees

IMACS
Intelligent Monitoring and Control Systems

INTEREST
Interest is the cost of borrowing money and is paid to the lending institution.

INVESTMENT/CASH MANAGEMENT FINANCIAL POLICY
The Investment/Cash Management financial policy addresses cash management, investment purchasing and collateral requirements.

IOC
Integrated Operations Center

IT
Information Technology or Information Technology Department

IVISN
Integrated Video and Information System Network

KPI
Key Performance Indicator
KPIs track progress toward MAC goals and objectives set by each division, which will help the organization achieve the Enterprise Strategic Plan.

LANDSIDE
Airports are divided into landside and airside areas. Landside is that portion of the airport designated to serve passengers and includes terminal buildings and parking ramps.

LED
Light-Emitting Diode

LF
Lineal Foot

LITE
Lighting Infrastructure Technology and Equipment

LRT
Light-Rail Transit

LTCP
Long-Term Comprehensive Plan
LTCP include projects that enhance or expand the airport facilities in order to meet existing or forecasted operational needs.

LWSW
Live Well, Stay Well
This is a service center within the Executive Division that encourages, educates and supports employees in making healthier life choices and strives to create a positive impact on employee morale and productivity.

MAC
Metropolitan Airports Commission
Created in 1943 by Minnesota state law, the MAC is a public corporation providing coordinated aviation services throughout the Twin Cities metropolitan area. The MAC operates one of the largest airport systems in the nation, which includes MSP and six general aviation airports. A 15-member Board of Commissioners appointed by Minnesota's Governor and the Mayors of Minneapolis and Saint Paul establishes the Commission's policies. These policies are implemented by the Commission's senior leadership and staff.

MACNET
MAC Network
The MAC's computer network, which is the system of transmitting information across the MAC community.

MCD
Maintenance, Cleaning and Distribution
The MAC provides maintenance and holds the contracts for cleaning and distribution services utilized by food, beverage, news and retail concessions and airline clubs. These concessionaires pay MCD fees to the MAC in lieu of individually contracting these services.

METROPOLITAN COUNCIL
Also known as the Met Council, it is the metropolitan regional planning agency.

MFE
Multi-Function Equipment
MFE refers to specialized machinery that integrates multiple snow removal functions, such as plowing, sweeping, and de-icing, to efficiently maintain airport operations during winter weather conditions.

MINNEAPOLIS-ST. PAUL METROPOLITAN AREA
The counties surrounding MSP: Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties. The area includes the cities of Minneapolis and St. Paul

MnDOT
Minnesota Department of Transportation

MSA
Metropolitan Statistical Area
A Metropolitan Statistical Area is a core area delineated by the United States Office of Management and Budget and contains substantial population centers. In conjunction with adjacent communities, they have high degrees of economic and social integration with those population centers.

MSP FOUNDATION
The Airport Foundation MSP was incorporated in 1982 as the Metropolitan Public Airport Foundation as a non-profit organization by leaders of Minnesota aviation, business, hospitality, airline and travel communities. In 2006, the name was officially changed to Airport Foundation MSP who dedicates itself to enhancing the experience and exceeding the expectations of travelers at MSP as well as supporting the airport and broader aviation community.

MSP
Minneapolis-St. Paul International Airport
MSP refers to the total airport facility.

MUFIDS
Multi-User Flight Information Display Systems

N/A
Not Applicable

NAVAID
Navigation Aid

NOISE AMORTIZATION
Amortization allocates the cost of an intangible asset over a period of years. The MAC amortizes the cost of Part 150 noise mitigation projects.

NON-ORGANIZED EMPLOYEES
All employees not represented by a labor union.

NON-SIGNATORY
Carriers and airlines who have not signed the Airline Agreement.

NORTH STAR CENTER/NSC
North Safe and Tactical Alignment of Resources (STAR) Center

NOTES PAYABLE
A notes payable is a written promissory note through which a borrower obtains a specified amount of money from a lender and promises to pay it back with interest over the time period designated in the note.

NPS
Net Promoter Score
A Net Promoter Score (NPS) is a research metric that is based on a survey question asking employees to rate the likelihood that they would recommend MAC as a place to work. The scale of responses ranges from 0 to 10 and are categorized as: 0 to 6 are detractors, 7 to 8 are passive promoters and 9 to 10 are promoters. The NPS is determined by the percent of promoters minus the percent of detractors.

OBJECTIVE
An objective is a short-term and specific target in which effort is directed to reach a larger, broader goal.

OF&A COMMITTEE
Operations, Finance & Administration Committee
The OF&A Committee is composed of Commissioners meeting on a monthly basis. This Committee is one of the two standing Committees of the Metropolitan Airports Commission. All financial information is reported and acted upon at this committee meeting.

OPEB
Other Post-Employment Benefit

OPERATING BUDGET FINANCIAL POLICY
The Operating Budget financial policy is used to plan for the future, ensure customer service and satisfaction and maintain effective cost management and overall performance. This policy addresses operating budget policies and procedures, budget targets, the budget amendment process, establishing operating reserves, monitoring revenue, basis of budgeting and accounting, adopting a balanced budget, use of estimates and budget monitoring.

OPERATING FUND
The Operating Fund is used for day-to-day operations.

OPERATION
An operation is an aircraft takeoff or landing.

ORGANIZED EMPLOYEES
Work areas or employees which are represented by a labor union contract.

ORIGINATING PASSENGER
An originating passenger is a passenger initiating travel from MSP.

OSHA
Occupational Safety and Health Administration
OSHA was created by Congress in 1970 to assure safe and healthful working conditions for workers. OSHA sets and enforces standards and provides training, outreach, education and assistance.

PAPI
Precision Approach Path Indicator

PART 139
FAA Regulation Part 139
Federal Aviation Administration Regulation Part 139 requires the FAA to issue airport operating certificates to airports that serve scheduled and unscheduled air carrier aircraft with more than 30 seats, serve scheduled air carrier operations in aircraft with more than 9 seats but fewer than 31 seats and those that the FAA requires to have a certificate. Airport operating certificates serve to ensure safety in air transportation. To obtain a certificate, an airport must agree to certain operational and safety standards and provide such items as firefighting and rescue equipment.

PD&E COMMITTEE
Planning, Development & Environment Committee
The PD&E Committee is composed of Commissioners meeting on a monthly basis. This Committee is one of the two standing Committees of the Metropolitan Airports Commission.

PERCENT FOR THE ARTS PROGRAM
MSP Arts and Culture Program is developed and operated in partnership by MAC and the Airport Foundation MSP. The mission of the MSP Arts and Culture Program is to enhance MSP's image, enrich the public experience, and promote a sense of place through arts and culture.

PFC
Passenger Facility Charge
A PFC is an authorization by Congress which allows proprietors of commercial service airports, such as the MAC, to impose a passenger facility charge upon revenue passengers enplaning at those airports. 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.

PURCHASING FINANCIAL POLICY
The Purchasing financial policy ensures all acquisition of materials, services and equipment to meet the needs of end users with the most efficient use of MAC resources. This policy addresses the use of commercial card program for MAC staff, disposition of MAC property and purchasing guidelines to ensure all purchases comply with state and federal laws.

R & R
Repair and Replacement Surcharges
Repair and Replacement Surcharges are a component of airline rates and charges.

RAMP FEES
Ramp fees are charged to a particular airline for exclusive use of a specific area of ramp, calculated by dividing the total estimated costs by the number of lineal feet of ramp space.

REIMBURSED EXPENSE
Reimbursed expenses are costs paid by the Commission which are billed back to tenants or paid to the MAC by outside sources. Reimbursement receipts are recorded in “Other Revenue.”

RELIEVER AIRPORTS
These airports provide facilities for general aviation activity to reduce traffic and congestion at large airports. The MAC owns six reliever airports: St. Paul Downtown, Flying Cloud, Crystal, Anoka County-Blaine, Lake Elmo, and Airlake Airports.

RESIDUAL
Residual is a breakeven revenue calculation where the revenue will equal the expenses coded to that service center with a true up calculation at year-end. Landing fees and ramp fees are examples of residual revenue.

REVOLVING LINE OF CREDIT
Through a revolving line of credit, a borrower is granted a maximum credit limit that allows them to borrow repeatedly up to the limit. It is often used by business for capital projects and to ensure cash flow.

RIDS
Ramp Information Display Systems

RSS
Requisition Self Service

RTR
Remote Transmitter/Receiver

SAACS
Secured Area Access Control System

SELF-LIQUIDATING
Self-liquidating fees are received for rental facilities constructed for a specific airline or tenant. Leases or lease amendments are negotiated for each facility to assure that the payment of all associated costs of constructing, financing and maintaining it are reimbursed to the MAC.

SENIOR LIEN
A senior lien bond holds priority over other bonds for payments.

SERVICE CENTER
A service center is the MAC's terminology for a cost center used to track revenue or expenses.

SIGNATORY AIRLINES
Signatory airlines are carriers and airlines who have signed the Airline Agreement. They include major, commuter, charter and cargo or freight carrier categories.

STP
St. Paul Downtown Airport

SUBLEDGER
A subledger is a term used by the MAC to group expenses from various service centers to determine rates and charges for tenants and users of the MAC facilities.

SUBORDINATE LIEN
A subordinate lien bond ranks below senior lien bonds in terms of claims on payments.

SUV
Sports Utility Vehicle

T1
Terminal 1

T2
Terminal 2

TAXIWAY
Taxiways are paved airfield areas primarily used for ground movements of aircraft to, from and between runways, ramps and storage areas.

TSA
Transportation Security Administration

VAV
Variable Air Volume

WORKING CAPITAL
Working capital is the change in current assets minus the change in current liabilities.

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