# ANNUAL COMPREHENSIVE FINANCIAL REPORT

METROPOLITAN AIRPORTS COMMISSION ▶ MINNEAPOLIS-SAINT PAUL, MN


YEARS ENDED
DECEMBER 31, 2024 AND 2023.

MINNEAPOLIS SAINT PAUL METROPOLITAN AIRPORTS COMMISSION

MAC

PREPARED BY

# The Finance Department

**TIM SIMON**
Chief Financial Officer

**NICK HINCHLEY**
Director of Finance

**KAY STAFFORD**
Manager, Accounting and Finance

**PURPOSE:**

**To provide exceptional airport experiences so Minnesota thrives**

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# Introductory Section

# METROPOLITAN AIRPORTS COMMISSION

Minneapolis–Saint Paul International Airport

6040 - 28th Avenue South • Minneapolis, MN 55450-2799
Phone (612) 726-8100 • Fax (612) 725-6353

OFFICE OF EXECUTIVE DIRECTOR


May 19, 2025

To the Commissioners
of the Metropolitan Airports Commission and
to its Stakeholders and
to the Patrons of the Airport:

We are pleased to present the Annual Comprehensive Financial Report of the Metropolitan Airports Commission, Minneapolis-St. Paul, Minnesota, for the fiscal year ended December 31, 2024 and 2023.

***Management's Responsibility:***
We, the management of the Metropolitan Airports Commission (Commission or MAC), are responsible for the accuracy of the reported data, for its completeness, and for the fairness of its presentation. To the best of our knowledge and belief, the data in the enclosed report are accurate in all material respects. We believe the report presents fairly the financial position, results of operations, and changes in net position and cash flows of the Commission in accordance with accounting principles generally accepted in the United States of America (GAAP). All disclosures necessary to help the reader understand the Commission's financial activities are included in the report.

To provide a reasonable basis to make the representations (above), we have established a comprehensive system of internal controls to ensure:

- Effectiveness and efficiency of operations
- Reliability of financial reporting
- Compliance with all applicable laws, regulations, contracts, and grants

Because the cost of internal controls should not exceed their benefits, internal controls can provide only reasonable—not absolute—assurance that the MAC is achieving its objectives.

***Independent Audit:***
In accordance with Minnesota State Law, the Minnesota Office of the Legislative Auditor may conduct a financial audit of the MAC or allow this service to be contracted. In addition, the Legislative Auditor periodically conducts a separate audit to examine the Commission's compliance with applicable laws, policies, and procedures.

For the year ended December 31, 2024, the annual financial statements of the MAC have been audited by Plante & Moran, PLLC (Plante Moran), a firm of independent Certified Public Accountants. Plante Moran's opinion on the financial statements are presented in this report.

Also, as part of the annual audit, Plante Moran performs procedures in accordance with the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Finally, the auditors perform procedures in accordance with the *Passenger Facility Charge Audit Guide for Public Agencies* and the requirements in 14 CFR 158.63 to audit the MAC's compliance with the FAA regulations in relation to passenger facility charge (PFC) revenues and expenses. The resulting reports are intended for the use of the MAC and the FAA and have not been included in this report.

**THE COMMISSION:**

***Purpose:***
The Minnesota State Legislature created the MAC in 1943 as an independent public corporation. Its legislative Statute (Minnesota Laws, 1943, Chapter 500) charges the Commission to:

- Promote the public welfare and national security;
- Serve the public interest, convenience and necessity;
- Promote air navigation and transportation, (international, national and local);
- Increase air commerce and promote the efficient, safe and economical handling of such commerce; and,
- Develop the full potentialities of the metropolitan area as an aviation center.

With the growth of air commerce since 1943, the MAC has also assumed responsibilities to:

- Minimize the environmental impact from air navigation and transportation;
- Promote the overall goals of the state's environmental policies; and
- Minimize the public's exposure to noise and safety hazards around airports.

***Powers:***
As a *corporation,* the MAC has all the normal business rights and powers necessary to fulfill its mission to acquire, build and operate a system of airports. For example, the Commission can:

- Acquire and hold title to real estate;
- Enter into contracts and hire employees;
- Sue and be sued.

As a *public* corporation, the MAC has powers beyond those of a normal business. For example, the Commission can:

- Issue tax-exempt debt;
- Adopt ordinances, enforce them through its police powers, and acquire property through eminent domain;
- Levy taxes on real property in the Metropolitan Area for general obligation debt service or to meet operations and maintenance costs of airport facilities.

Notably, the Commission has <u>not</u> levied a local tax since 1969. Currently, the MAC has no need or intention to levy taxes. Rather, the Commission operates as an entirely self-funded organization similar to a private business.

***Governance***:
The MAC's governing board (Commission) consists of fifteen Commissioners who are appointed for fixed terms of office. The mayors of St. Paul and Minneapolis have permanent seats on the Commission but can appoint delegates to fill the positions. The Governor appoints the Chairperson and twelve Commissioners: eight from designated districts within the Metropolitan Area and four Commissioners to represent the Greater Minnesota Area (i.e., outside the Metropolitan Area). As the "board of directors" of the public corporation, the Commissioners represent the interests of the "owners" of the Commission, which is to say the Commissioners represent "the public's interest".

Rick King was reappointed to chair the Metropolitan Airports Commission by Governor Tim Walz in April 2023, having been initially named chair by Governor Walz in July 2019. He was first appointed to the Board in 2011 by Gov. Mark Dayton, who reappointed him in 2015. King is also past chair of both the MAC's Management and Operations Committee and the Planning, Development and Environment Committee.

King is a former executive from Thomson Reuters after more than 20 years serving as CIO, CTO and Managing Director. Previously, he held executive-level positions at Ceridian Employer Services, Jostens Learning, and WICAT Systems Inc. King began his career as a teacher and coach in Vermont. King has served on the board of directors of Huntington Bancshares since 2021 when it acquired TCF

Financial Corporation, where he served on its board from 2014. He is also a member of the board of directors of Q5id. King was also named by Governor Tim Walz to chair the Technology Advisory Council, a spinoff of the Governor's Blue Ribbon Council on IT in February 2019, which he also chaired. Under former Governor Tim Pawlenty, he chaired Minnesota's Ultra High-Speed Broadband Task Force between 2008 – 2009. King received many awards for his leadership in technology, including the CIO of the Year Leadership ORBIE from TwinCitiesCIO and a special Lifetime Achievement Tekne award from the Minnesota Technology Association, both in 2020. King earned bachelor's and master's degrees from the University of Vermont and a CERT Certificate in Cybersecurity Oversight from the Software Engineering Institute, Carnegie Mellon University.

The board appoints the Executive Director/CEO who serves at the pleasure of the Commission and is the "chief executive" of the MAC. The Executive Director/CEO is accountable for meeting all the Commission's expectations for organizational performance.

Brian D. Ryks, A.A.E., was named executive director and CEO of the Metropolitan Airports Commission in May 2016. He is responsible for the administration and management of one of the nation's largest airport systems, including Minneapolis-St. Paul International Airport (MSP) and six general aviation airports.

MSP is the 18th busiest airport in the United States, and the MAC's system of airports supported more than 714,000 aircraft operations in 2024. From 2016 through 2024, Ryks has overseen more than $3 billion in MAC airport improvement projects, including a multiyear expansion and modernization of MSP's Terminal 1, a new 5,000-space parking and ground transportation facility, and new runways at Crystal and Lake Elmo airports to enhance safety and support the growth in general aviation flight activity.

Coupled with a revamped, award-winning concessions program and an intense focus on the customer experience, the improvements have contributed to Airports Council International naming MSP the Best Airport in North America in its size category for seven out of nine years. MSP was recognized by aviation analytics firm Cirium in 2023 for on-time performance. In 2024, MSP was named the No. 1 U.S. airport by Travel + Leisure and ranked No. 1 in customer satisfaction among mega airports in the J.D. Power 2024 North America Airport Satisfaction study, reclaiming the industry honor it first won in 2022.

Before arriving in Minneapolis, Ryks was executive director and CEO of the Gerald R. Ford International Airport in Grand Rapids, Michigan. While there, Ryks oversaw major airport improvements, a rebranding campaign, and a governance transition from county control to an airport authority. Ryks also led an innovative funding campaign to raise $20 million in private capital in support of a $45 million terminal expansion.

During Ryks' tenure, the Gerald R. Ford International Airport set all-time records for passengers in 2014 and 2015 and was rated as the No. 1 airport in North America in its size category by Airports Council International in 2015.

Prior to his time in Michigan, Ryks was the executive director of the Duluth Airport Authority, overseeing Duluth International and Sky Harbor airports in Minnesota. During his 10 years in Duluth, Ryks oversaw the completion of $135 million in airport improvements, culminating with a $77 million project to develop a new terminal.

Before arriving in Duluth, Ryks was employed for five years as the airport manager at the St. Cloud Regional Airport and for two years as the airport manager in Aberdeen, South Dakota. He also spent six years in Denver, where he was the manager of noise abatement at Stapleton and Denver international airports.

He began his career as a noise technician at the Metropolitan Airports Commission in 1986.

Ryks holds a Bachelor of Arts degree from St. Cloud State University, is a licensed pilot with an instrument rating, and is an Accredited Airport Executive with the American Association of Airport Executives (AAAE). Ryks is also a member of the Airports Council International-North America (ACI-NA) World Governing Board, a past member of the ACI-NA U.S. Policy Council, a past member of ACI-NA's Board of Directors, and a past chair of the ACI-NA Large Hub Airports Committee. In addition, Ryks is a former board member of AAAE and its Policy Review Committee. He holds a professional affiliation with the Great Lakes Chapter of AAAE (GL-AAAE) and is past president of the GL-AAAE.

On the community front, Ryks is a board member of Meet Minneapolis and the Minneapolis Area Chamber of Commerce. He is also on the Executive Committee of the Center for Transportation Studies at the University of Minnesota.

Ryks was named to the Minneapolis-St. Paul Business Journal's Most Admired CEO list in 2024 for his professional and civic leadership. In 2023, ACI-NA presented Ryks with the Excellence in Visionary Leadership Award for his career contributions in managing airports; it's the highest honor given by the trade association to an active airport CEO/director. Other awards and honors for Ryks include being named the 2015 Newsmaker of the Year in Economic Development by the Grand Rapids Business Journal, a 2012 Minnesota Council of Airports Distinguished Service Award, a 2009 Minnesota Council of Airports Award of Excellence for Outstanding Promotion of Aviation, a Patriot Award from the National Guard and Reserve in 2008, and a TSA Partnership Award in 2006.

***Jurisdiction and Facilities:***

The Commission's geographic jurisdiction extends throughout the Minneapolis-St. Paul Metropolitan Area radiating 35 miles from Minneapolis' and St. Paul's city halls. It encompasses Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties.

The Commission owns and operates seven airports in the Metropolitan Area. Minneapolis-St. Paul International Airport (MSP) serves as the primary air carrier facility. MSP is one of the highest activity airports in the United States: it is the 21st largest among U.S. airports based on the number of operations (takeoffs or landings) and 18th largest based on passenger volume. The following reliever airports complement MSP to serve general aviation needs:

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

- Airlake, Anoka County/Blaine, Crystal, Flying Cloud, and Lake Elmo are classified as minor use airports.
- Control towers are operational at St. Paul, Crystal, Anoka County/Blaine and Flying Cloud Airports.
- The St. Paul Downtown Airport serves as the primary corporate reliever and is classified as an intermediate airport.

The Commission provides a variety of services at each of its airports. At MSP, the Commission is responsible for providing buildings and facilities for air carrier activity as well as police, fire protection, maintenance, administrative and planning services, and other related services and facilities that are deemed to be necessary.

**SIGNIFICANT ACCOUNTING AND BUDGETING POLICIES:**

The Commission is a stand-alone unit of government and operates as a self-supporting business. Therefore, the net position reported in the Commission's financial statements measure "total economic resources" (as opposed to the "current financial resources" focus employed by general-purpose governments). Consistent with its measurement focus, the MAC accounts for transactions on the full accrual basis in which revenues and expenses are recognized when they are incurred regardless of the timing of related cash receipts or disbursements. The Commission's business-type activities are organized and accounted for within one "enterprise fund", which includes "accounts" for operations, debt service and capital investment. The Commission's fiduciary activities are comprised solely of its OPEB arrangement (OPEB Plan) administered through a trust under the provisions of GASB Statement No. 74 and are reported in its fiduciary fund statements.

As is the case with most governments and businesses, the budget is a critically important management tool for the MAC. The process of identifying and funding priorities begins in April of each year and concludes in December with formal adoption of the budget by the Commissioners. Managers review their budgets continuously and adjust for changing business conditions. The board of Commissioners reviews budget variance reports monthly throughout the year.

Because it is a public entity and has the authority to levy taxes (even though it does not exercise this authority), the MAC is required by State Statute (Ch. 275) to publicly adopt its budget. However, the MAC's budget is <u>not</u> legally appropriated. Because the budget is not legally appropriated, budgetary data is not included in the MAC's basic financial statements.

**ACTIVITY HIGHLIGHTS**

MSP is classified by the FAA to be one of the large hub airports in the United States. According to Airports Council International (ACI) statistics, in calendar year 2023, MSP was the 18th busiest airport in the United States in terms of passenger volume, 22nd in terms of takeoffs and landings and 30th in cargo traffic.

In 2024, approximately 37,200,000 passengers passed through MSP: a 7% Increase in total passengers over 2023 levels. The top five carriers serving MSP in 2024 by enplaned passengers are shown in the accompanying table. Enplaned revenue passengers (including those connecting) at MSP in 2024 totaled 18,064,839. (Totals may differ from the passenger statistics reported by the air carriers to the Department of Transportation).

| | Carrier | Total Enplaned Revenue Passengers | % of Total Enplaned Revenue Passengers |
|---|---|---|---|
| 1 | Delta | 10,578,100 | 58.56% |
| 2 | Sun Country | 2,112,681 | 11.69% |
| 3 | Skywest* | 1,483,467 | 8.21% |
| 4 | Southwest | 859,813 | 4.76% |
| 5 | United | 664,287 | 3.68% |
| | | 15,698,348 | 86.90% |

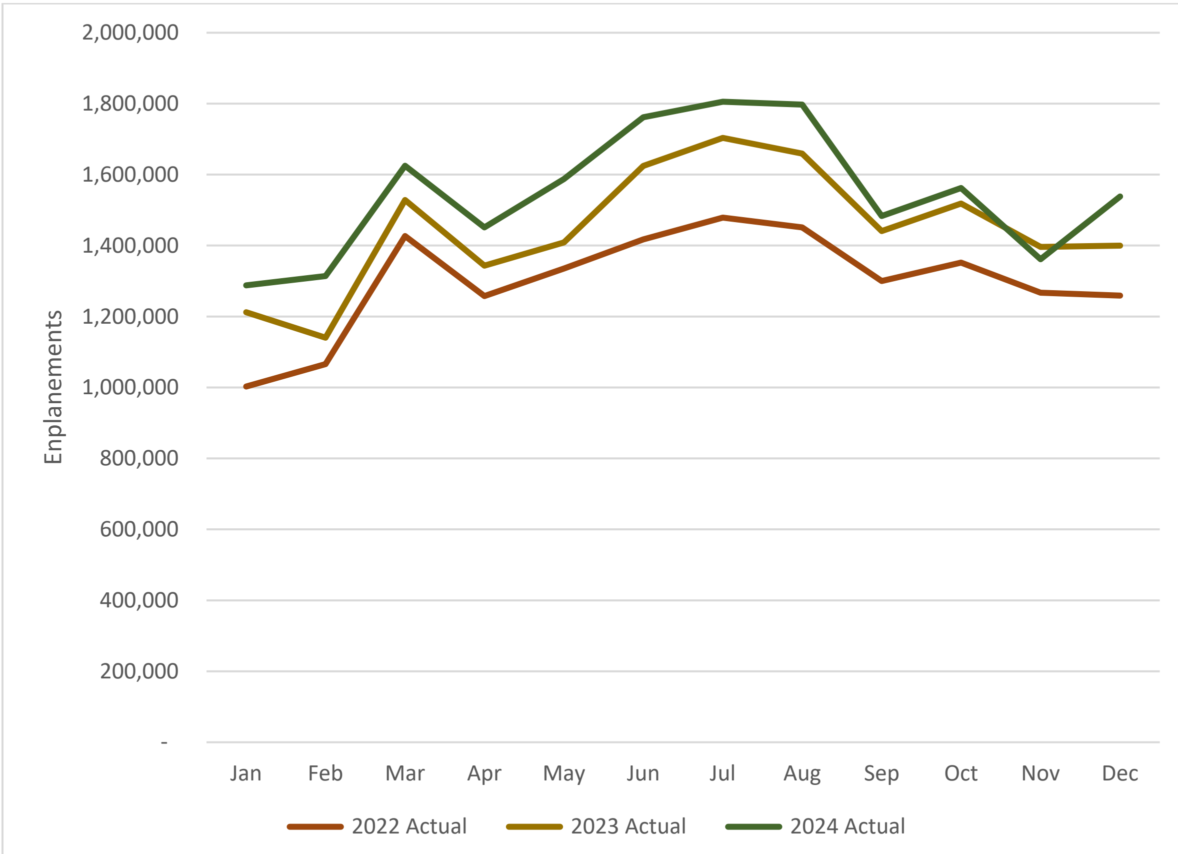
* Skywest is a codeshare with Delta

**FACTORS AFFECTING THE MAC's FINANCIAL CONDITION:**

***Demand for Air Transportation***

The air transportation industry and, specifically, the air travel segment of the industry, are highly sensitive to the general level of economic output. Demand for air travel is highly elastic primarily due to its vulnerability to substitutes like bus, train, automobile travel or, the choice not to travel at all.

Since the decline in enplanements of 2020, enplanements continue to increase post pandemic. In calendar year 2022 demand for air travel increased 24% over 2021 . For 2023, enplanements at the Airport increased 11.3% compared to 2022 and in 2024, the upward trend continued, and enplanements increased 6.9% compared to 2023.




<u>Demand for Origination and Destination Traffic (O&D) at MSP</u>**:**

A number of regional economic factors create strong demand for travel air traffic to and from the Twin Cities metropolitan area.

- <u>Size:</u> Minnesota is the 22nd most populous State in the U.S. The Twin Cities metropolitan area is the 16th most populous metropolitan area in the nation.

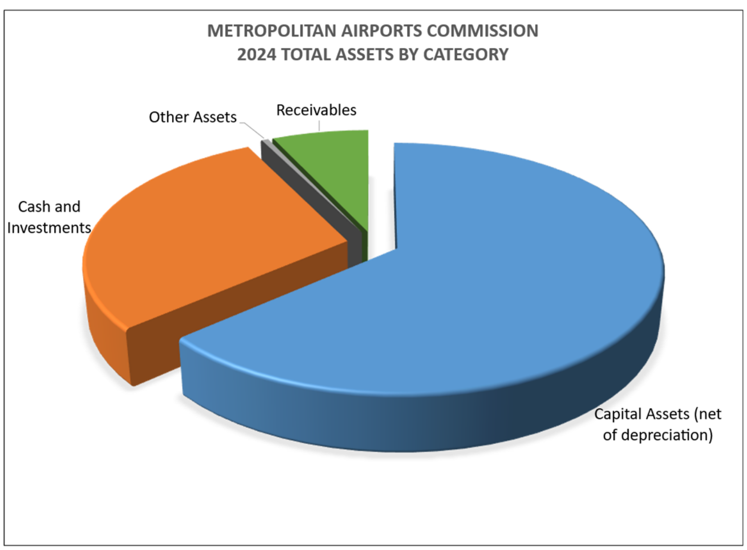
- <u>Economic Strength and Diversity:</u>
  - ✓ Minnesota is headquarters to 15 Fortune 500 companies, which places it fourth among the 50 States in terms of numbers of Fortune 500 firms headquartered within the State on a per-capita basis.
  - ✓ Minnesota is headquarters to 8 of the 250 largest private companies including the largest privately held company in the United States: the Cargill Corporation.

- High per capita income:
  - ✓ The Bureau of Economic Analysis reports that the Twin Cities average per capita income is approximately 4% higher than the national average.

- Stronger than National Average Growth in Population and Employment:
  - ✓ The Metropolitan Council, a regional planning organization for the eleven-county area including the Twin Cities, projects average annual population growth of 0.9% through 2050 versus the Census Bureau's projected national population growth rate of 0.7%.
  - ✓ The Metropolitan Council foresees a 1.3% annual average growth rate for Twin Cities area employment growth through 2050 versus the Bureau of Labor Statistics' projected growth in national employment of 0.6%.

Demand for Connecting Traffic:

Traffic at MSP is split 69/31 between O&D and connecting traffic. The strong demand for O&D traffic from MSP can be leveraged by tenant airlines to fill their planes by scheduling connecting flights through the airport. Historically, MSP was the "home-town" hub for the former Northwest Airlines, which had its headquarters in Eagan, Minnesota. After the merger of Northwest and Delta, the headquarters of the combined company was located in Atlanta. Although no longer the home-town company, Delta has made significant commitments to MSP. For example, Delta elected to extend its airline lease agreement with the MAC through December 31, 2030. In addition, Delta made a significant commitment to MSP in signing a "hub covenant". In its hub covenant, Delta agreed to maintain an annual average of 370 daily departing flights from MSP, at least 231 of which must be aircraft with greater than 70 seats and that a minimum of 30% of enplaned passengers must be connecting.




***Supplying the Demand:***

Airports are "landlords"—they build, own, maintain, and rent facilities and related services. Because an airport's main job is to provide runways, terminals, etc., it is a capital-intensive business. The MAC's statement of net position is dominated by capital assets which, at approximately $3,477,000,000 (net of depreciation), represents about two-thirds of the Commission's total assets. Constructing, maintaining, and improving our capital assets is critical to meeting the demand of our customers.

During 2024, the Commission expended $391,000,000 on its on-going Capital Improvement Program (CIP). Approximately $60,000,000 was associated with various airfield and runway projects. Approximately $186,000,000 was related to Terminal 1 projects. Projects at Terminal 1 include approximately $50,000,000 for Baggage Claim-Ticket Lobby improvements, $135,000,000 on G-Infill projects, concourse and gate hold modernization projects, building system and technology improvements and roof repairs. Approximately $122,000,000 was spent on Terminal 2 and other MAC buildings, including Terminal 2 expansion projects, parking structures, landside roadways, storage facilities and construction work on the fire station and safety and security center. Approximately $32,000,000 was spent on Terminal 2 improvements and expansion, $17,000,000 for parking structure rehabilitation and roadway improvements, $20,000,000 on a new fire station and safety and security center, $17,000,000 on storage facilities and $36,000,000 on operational improvements.

Approximately $11,000,000 was spent on the Commission's reliever airport system. The remaining $11,000,000 was spent primarily on technology upgrades and noise mitigation. Average monthly capital spending in 2024 was approximately $32,584,000.

| Projects 2025 - 2026 | 2025 planned construction | 2026 planned construction |
|---|---|---|
| Terminal-1 Rehabilitation & Repair | $86,050,000 | $64,050,000 |
| Terminal-1 Expansion/Remodeling | 118,690,000 | 37,405,000 |
| Terminal-1 Tenant Projects | 73,475,000 | 320,000 |
| Energy Management Center | 43,100,000 | 23,900,000 |
| Terminal Roads | 1,120,000 | 120,000 |
| Parking Facilities | 16,800,000 | 12,600,000 |
| Airfield and Runway Rehabilitation Program | 77,900,000 | 28,400,000 |
| Terminal-2 Rehabilitation & Repair | 13,260,000 | 250,000 |
| Terminal-2 North/South Gate Expansion | - | 43,600,000 |
| Noise Mitigation Program | 500,000 | 500,000 |
| Police & Fire | 18,450,000 | 11,440,000 |
| Reliever Airports Program | 36,750,000 | 23,450,000 |
| Other | 84,600,000 | 95,100,000 |
| Total | $570,695,000 | $341,135,000 |

The 2025-26 CIP includes approximately $341,135,000 of planned projects, as set forth in the accompanying table. CIPs are revised from time to time and additional projects could be added to the 2025-26 CIP.

***Financing the Supply***

Capital grants, PFC's and long-term debt are the principal sources of funding of the Capital Improvement Program. Like a home mortgage, long-term debt bridges the difference between the time when cash is needed (up front) to pay for large capital outlays and the time the Commission collects its revenues. The MAC repays its debts over time through annual revenues. The Commission's principal revenues include use charges to the airlines, concession fees from vendors in the terminal buildings, facility rentals, and the sale of utilities.

Under its Master Indenture, the MAC has promised to maintain a debt service coverage ratio of 1.25 times the following year's scheduled payments. In July 2008, the Board of Commissioners directed that the MAC increase its debt service coverage above the contractual obligation to 1.4 times annual debt service for its Senior General Obligation Revenue Bonds (GORBs) and Senior General Airport Revenue Bonds (GARBs)—(see Note 7 to the financial statements). The MAC exceeded the July 2008 requirement. As of December 31, 2024, projected debt coverage on Senior Debt obligations is approximately 4.8 times scheduled payments.

At year-end 2024, the MAC had long-term debt (including the currently payable portion) of approximately $2,285,000,000 supporting approximately $3,477,000,000 of capital assets as discussed above (also see notes 7 and 8 to the financial statements). Despite its debt load, the MAC is highly liquid. Also at year-end 2024, the MAC had cash and investments totaling more than $1,588,000,000 and has continued to maintain strong debt service coverage ratios (currently at 4.81). The MAC's conservative financial practices have been rewarded with AA- debt rating on its senior debt (the second highest rating given to any airport debt) by Fitch Ratings and Standards and Poor's rating agencies. High bond ratings reduce borrowing costs to the MAC and, therefore, help moderate the cost per enplaned passenger incurred by the airlines operating at MSP. In addition, high bond ratings ensure access to capital markets. Access to capital ensures that customers can depend on finding the high-quality runways, terminals, and other capital assets at the MAC's airports in good repair.

Because of the Commission's conservative financial practices, the cost to airlines of enplaning passengers at MSP has historically been significantly lower than the national average. Because of inconsistencies in methods of calculating the cost per enplanement, it is difficult to have fully comparable statistics. Comparative data for the cost to airlines of enplaning passengers for 2024 was not available for comparison due the timing and availability of such information. Having a low cost per enplaned passenger makes MSP a profitable venue for client airlines.

The MAC board, management and employees are guided by our Strategic Plan to provide the highest quality facilities at the lowest life-cycle cost for the benefit of our customers. The MAC and its airports are well positioned to meet the demands of airlines and air-travelers for safe, efficient, and reliable facilities for years to come.

**MANAGEMENT'S DISCUSSION AND ANALYSIS:**

Management is required by GAAP to provide a narrative introductory overview and analysis in the form of a "Management's Discussion and Analysis" (MD&A) to accompany the financial statements. The MD&A follows the independent auditor's report. The MD&A has greater scope, more detail, and is a more substantive discussion of issues mentioned in this transmittal. Users of the financial statements should read the MD&A in conjunction with this letter.

**AWARDS:**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the MAC for its Comprehensive Annual Financial Report for the year ended December 31, 2023. The Commission has received this prestigious GFOA award for 39 consecutive years.

In order to be awarded a Certificate, which is valid for one year, a governmental unit must publish an easily readable and efficiently organized report, the contents of which conform to the program's standards. Such report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Commission also received for the 40th consecutive year the GFOA Award for Distinguished Budget Presentation for its Annual Operating Budget for 2024. In order to qualify for the Distinguished Budget Presentation, the Commission's budget document was judged to be proficient in several categories, including policy documentation, financial planning and organization.

**ACKNOWLEDGEMENTS:**

We wish to convey our sincere appreciation to the many MAC employees from all of its departments who participate in the Commission's fiscal management on a daily basis and have contributed to the financial results reported in the following financial statements.

In addition, we would like to express our appreciation for the leadership and support of the Board of Commissioners and for their sincere interest in operating the MAC in a sound financial manner.

Respectfully,

Brian D. Ryks
Executive Director/CEO

Timothy Simon
Chief Financial Officer

Nicholas Hinchley
Director of Finance

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Minneapolis-St. Paul**
**Metropolitan Airports Commission**
**Minnesota**

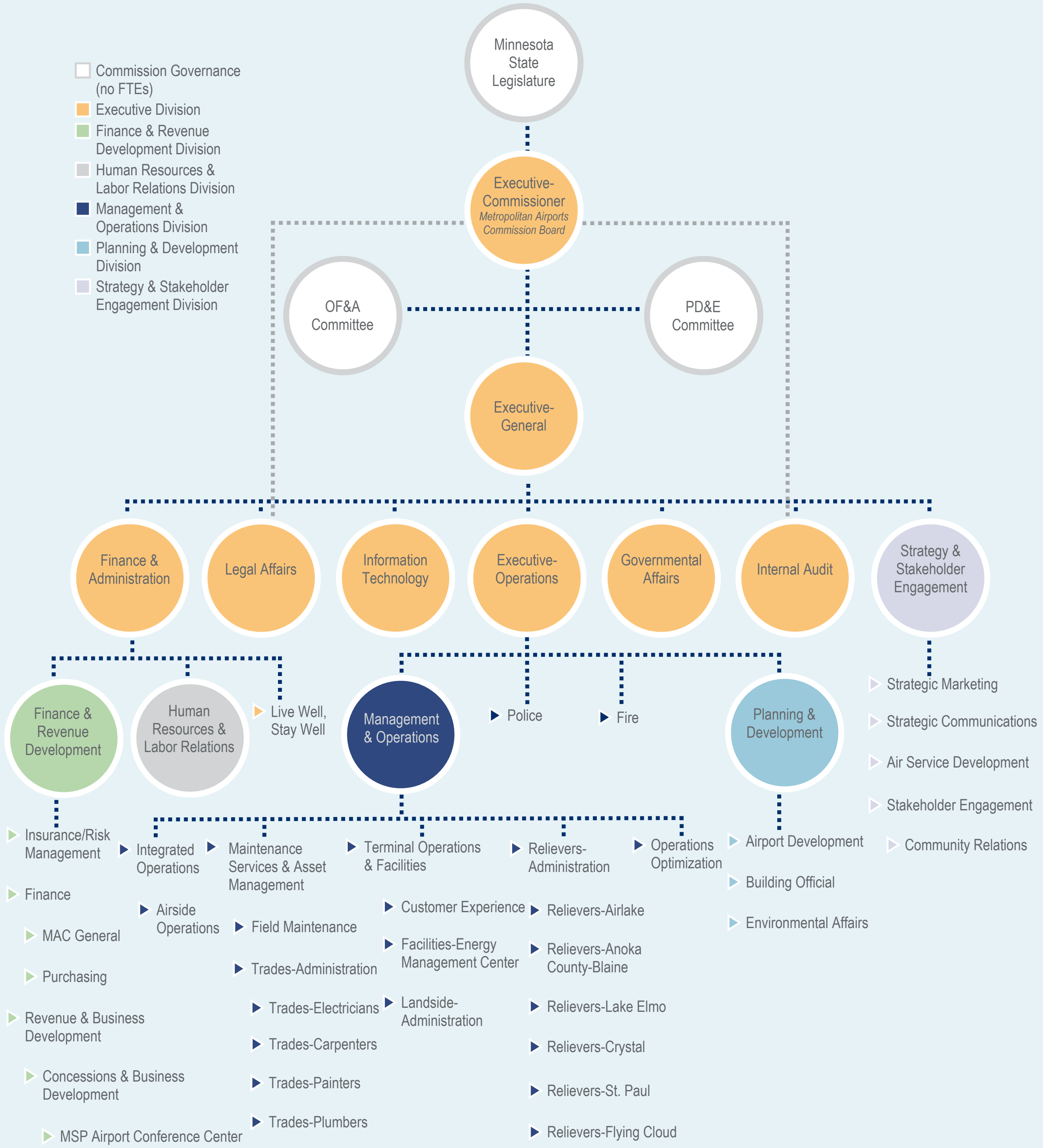
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morrill

Executive Director/CEO

# ORGANIZATIONAL CHART



# 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.

**Rick King**
Commission Chair

**Carl Crimmins**
District A

**Braj Agrawal**
District B

**James Lawrence**
District C

**Awaiting Appointment**
District D

**James Deal**
District E

**Rodney Skoog**
District F

**Richard Ginsberg**
District G

**Yodit Bizen**
District H

**Leili Fatehi**
City of Minneapolis

**Ikram Koliso**
City of Saint Paul

**Patti Gartland**
Outstate St. Cloud

**Donald Monaco**
Outstate Duluth

**Dixie Hoard**
Outstate Thief River Falls

**Randy Schubring**
Outstate Rochester

# Airport Locations


## 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

# Financial Section

plante moran

**Plante & Moran, PLLC**
Suite 300
19176 Hall Road
Clinton Township, MI 48038
Tel: 586.416.4900
Fax: 586.416.4901
plantemoran.com

## Independent Auditor's Report

To the Members of the Commission
Minneapolis/St. Paul Metropolitan Airports Commission

### Report on the Audits of the Financial Statements

#### *Opinions*

We have audited the financial statements of the business-type activities and fiduciary activities of the Minneapolis/St. Paul Metropolitan Airports Commission (the "Commission") as of and for the years ended December 31, 2024 and 2023 and the related notes to the financial statements, which collectively comprise the Minneapolis/St. Paul Metropolitan Airports Commission's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary activities of the Minneapolis/St. Paul Metropolitan Airports Commission as of December 31, 2024 and 2023 and the respective changes in its financial position and, where applicable, its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Financial Statements* section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### *Auditor’s Responsibilities for the Audits of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that audits conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

PRAXITY™ Empowering Business Globally

To the Members of the Commission
Minneapolis/St. Paul Metropolitan Airports Commission

In performing audits in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

To the Members of the Commission
Minneapolis/St. Paul Metropolitan Airports Commission

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 19, 2025 on our consideration of the Minneapolis/St. Paul Metropolitan Airports Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Minneapolis/St. Paul Metropolitan Airports Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Minneapolis/St. Paul Metropolitan Airports Commission's internal control over financial reporting and compliance.

Plante & Moran, PLLC

May 19, 2025

The following management's discussion and analysis of the financial performance and activity of the Minneapolis/St. Paul Metropolitan Airports Commission ("the Commission" or "MAC") is to provide an introduction and understanding of the basic financial statements of the Commission for the year ended December 31, 2024, with selected two-year comparative data for the years ended December 31, 2024 and 2023. This discussion has been prepared by management and should be read in conjunction with the audited financial statements and the notes thereto, which follow this section.

## USING THE FINANCIAL STATEMENTS

The MAC's financial report includes three financial statements for its business-type activities: the Statements of Net Position, the Statements of Revenues, Expenses and Changes in Net Position and the Statements of Cash Flows and two statements for its fiduciary activities: the Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America, as promulgated by the Governmental Accounting Standards Board (GASB).

## FINANCIAL HIGHLIGHTS

### General

The Commission has entered into, and receives payment under, agreements with various air carriers and other parties, including the airline lease agreements relating to landing fees and the leasing of space in terminal buildings, other building leases regarding the leasing of cargo and miscellaneous hangar facilities, concession agreements relating to sale of goods and services at the airport and specific project leases relating to the construction of buildings and facilities for specific tenants. Below is a brief description of each agreement along with the revenue generated in 2024 and 2023.

### Airline Lease Agreements

The airline lease agreements relate to the use of the airport for air carrier operations, the leasing of space within the terminal buildings of the airport, ramp fees for parking aircraft at Terminal 1 and the establishment of landing fees. Except for rental amounts based primarily upon the square feet rented, the terms, conditions and provisions of each airline lease agreement are substantially the same.

In the airline lease agreements, the Commission has leased to each particular air carrier a certain specified square footage portion of the terminal area in the airport. Annual rents are computed on the basis of various charges per square foot for various types of space within the existing terminal area and, in certain cases, the costs of certain improvements of the existing terminal area. The airline lease agreements also provide that each air carrier is required to pay a basic landing fee. The landing fee is calculated by dividing the cost of operations, maintenance, and debt service at the airfield by total landed weight of aircraft utilizing the airport. The airline lease agreements also require each air carrier leasing gate space at Terminal 1 to pay an aircraft parking ramp fee that is computed on a lineal foot basis. The ramp fee includes the cost of operations, maintenance and debt service to the ramp area surrounding the terminal building gates.

The airline lease agreement also provides that food and beverage, merchandise and auto-rental annual gross concession revenues to the Commission ("Selected Concession Revenues") will be shared with the Passenger Signatory Airlines (allocated among the Passenger Signatory Airlines based upon their proportionate share of enplanements at the Airport for the applicable fiscal year) under the following schedule (the "Shared Concession Revenues"):

| Enplaned Passenger Growth | Revenue Sharing Percentage |
|---|---|
| 1 % or Less | 33% |
| More than 1% | 33% and One-Half of the Enplaned Passenger Growth Percentage |

Selected Concession Revenues were $63,850,387 and $60,837,997 and enplaned passengers were 18,064,839 and 16,887,115 for fiscal years 2024 and 2023, respectively, resulting in total Shared Concession Revenue of $21,070,628 and $20,076,539. The Selected Concession Revenue thresholds are subject to change annually.

The total amount of Shared Concession Revenues will be structured as a credit against the rates and charges in the current year, payable to the Passenger Signatory Airlines in the subsequent fiscal year. Notwithstanding the above schedule, the amount of Shared Selected Concession Revenues will be reduced to the extent necessary so that Net Revenues, after subtracting the Shared Concession Revenues, will not be less than 1.25 times the total annual debt service on Senior Bonds, Subordinate Obligations, and other debt obligations of the Commission. In the event that the Shared Concession Revenues are reduced in any year, such reduction will be deferred until the next fiscal year and will be credited against the rates and charges payable by the Passenger Signatory Airlines in the next fiscal year to the extent that Net Revenues, after subtracting the applicable Shared Concession Revenues, are not less than 1.25 times the total annual debt service on Senior Bonds, Subordinate Obligations, and other debt obligations of the Commission.

For the years ended December 31, 2024 and 2023, the aggregate rentals earned by the Commission pursuant to the airline lease agreements were approximately $171,306,000 and $143,942,000, respectively. The annual rentals due under each lease may be adjusted each year to reflect actual costs of the airport.

*Other Building and Miscellaneous Leases*

The other building and miscellaneous leases relate to rentals and other fees associated with the Terminal 2, miscellaneous hangar facilities, and office rentals for non-airline tenants in Terminal 1. For the years ended December 31, 2024 and 2023, the aggregate annual rentals under these leases were approximately $55,777,000 and $51,651,000, respectively.

*Specific Project Leases*

The Commission has constructed various buildings and facilities for specific tenants. If bonds were issued by the Commission to finance the construction of a facility, the lessee is required to pay annual lease payments equal to the debt service requirements on the bonds issued to construct the facility, due in the following year. The lease remains in effect until the total debt service on the bonds has been paid. If, on the other hand, construction of a facility is financed from funds the Commission has on hand, the lessee is required to make lease payments equal to the debt service requirements which would have been required if bond funds were used.

For the years ended December 31, 2024 and 2023, the aggregate payments paid to the Commission related to these tenant improvement receivables were approximately $999,000 and $887,000, respectively.

*Concession Agreements*

The Commission has entered into concession agreements with various firms to operate concessions inside the terminal building at the airport including, among others, food and beverage services, newsstands, advertising, vending, insurance, and personal service shops. For the years ended December 31, 2024 and 2023, the aggregate fees earned by the Commission under the existing concession agreements were approximately $52,450,000 and $48,918,000, respectively. Such fees are computed on the basis of varying percentages of gross sales for the various types of concessions, with the larger concessions guaranteeing a minimum payment each year.

Concession agreements for rental car agencies require such concessionaires to pay fees based on a percentage of their gross revenues and special charges such as parking fees, customer facility charge, and a per-square-foot land rental. The Commission also has a management contract with a firm for the operation of the airport parking lot and garage facilities. For the years ending December 31, 2024 and 2023, the aggregate fees earned by the Commission under the existing rental car agreements and parking lot and garage facilities were approximately $176,496,000 and $168,636,000, respectively. Of this amount, parking revenue was approximately $125,225,000 for 2024 and $119,633,000 for 2023. Auto rental revenue for both on and off airport auto rentals for December 31, 2024 and 2023 was approximately $46,104,000 and $43,989,000, respectively.

*Reliever Airports*

The Commission has entered into various other leases and agreements with tenants at its reliever airport system. These reliever airport tenant leases include fuel flowage fees, hangar rentals, storage lots, commercial fees, and other miscellaneous amounts. For the years ended December 31, 2024 and 2023, revenues from these agreements were approximately $12,631,000 and $11,960,000, respectively.

*Miscellaneous Off-Airport Concession Leases and Ground Transportation Fees*

The Commission has entered into certain leases with off-airport concessionaires that provide off-airport advertising and auto services. Additionally, the Commission charges fees for contract parking permits and licenses to operate shuttles, vans, buses, and taxis at the airport. Such fees are set by Commission ordinances. In 2016, the Commission allowed Transportation Network Companies (TNC) to operate at the airport. For the years ended December 31, 2024 and 2023, the Commission earned $17,734,000 and $15,892,000, respectively for these leases and fees.

*Utilities*

The Commission has entered into certain leases with tenants to provide utilities to the leased spaces throughout the terminal. For the years ended December 31, 2024 and 2023, the revenues from these utility charges were approximately $7,092,000 and $6,786,000, respectively.

*Miscellaneous Revenues*

In addition to the above agreements, the Commission enters into various other leases and agreements. These include ground space rentals, office rentals for commuter airlines and concessionaires, commuter and general aviation fees, and other miscellaneous amounts. For the years ended December 31, 2024 and 2023, the revenues from these agreements were approximately $11,596,000 and $11,288,000, respectively.

*Operating Revenues*

Operating revenues for the MAC are derived entirely from user fees that are established for various services and facilities that are provided at Commission airports. While the Commission has the power to levy taxes to support its operations, it has adopted policies to provide adequate revenues for the system to operate since 1969 without general tax support. Revenue sources have been grouped into the following categories in the Statements of Revenues, Expenses and Changes in Net Position:

- Airline Rates & Charges: Revenue from landing and ramp fees and terminal building rates.
- Concessions: Revenue from food and beverage sales, merchandise sales, auto parking, etc.
- Other revenues:
  - Rentals/fees: Fees for building rentals.
  - Utilities and other revenues: Charges for tenants use of ground power, water and sewer, and other services provided by the MAC.

For the fiscal years ended December 31, 2024 and 2023, the top ten operating revenue sources for the MAC were as follows:

| Source | | 2024 Revenue | |
|---|---|---|---|
| 1. Public Parking | $ | 125,224,944 | |
| 2. Landing Fees | | 107,868,515 | |
| 3. General Building | | 71,738,978 | |
| 4. Auto Rental (off- and on-airport) | | 25,442,047 | * |
| 5. Other Building Rent | | 42,751,260 | |
| 6. Food & Beverage | | 31,479,059 | |
| 7. Ground Rent | | 17,228,054 | |
| 8. Ground Transportation Fees | | 15,541,352 | |
| 9. News and Retail Stores | | 10,774,916 | |
| 10. Passenger Services | | 9,665,992 | |

* Excludes customer facility charges

| Source | | 2023 Revenue | |
|---|---|---|---|
| 1. Public Parking | $ | 119,632,859 | |
| 2. Landing Fees | | 94,198,349 | |
| 3. General Building | | 59,790,473 | |
| 4. Auto Rental (off- and on-airport) | | 24,646,402 | * |
| 5. Other Building Rent | | 38,954,890 | |
| 6. Food & Beverage | | 29,590,367 | |
| 7. Ground Rent | | 16,743,475 | |
| 8. Ground Transportation Fees | | 13,736,305 | |
| 9. News and Retail Stores | | 10,342,388 | |
| 10. Ramp Fees | | 6,834,954 | |

* Excludes customer facility charges

The top ten revenue providers for 2024 and 2023 for the MAC were as follows:

**Top Ten Operating Revenue Providers**

1. Delta Air Lines
2. Sun Country
3. Enterprise
4. Avis
5. Hertz
6. Southwest
7. United
8. Host
9. American
10. Delaware North

**Top Ten Operating Revenue Providers**

1. Delta Air Lines
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## STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

During 2024, the MAC's total revenues and capital contributions decreased by 0.8% to $710,171,000 from $716,106,000 in 2023. Changes in major categories follow (dollars in thousands):

| | 2024 | % of Total | 2023 | % of Total | Dollar Change | Percent Change |
|---|---|---|---|---|---|---|
| **Operating revenues** | | | | | | |
| Airline rates and charges | $ 192,893 | 27.2% | $ 164,074 | 22.9% | $ 28,819 | 17.6% |
| Concessions | 215,793 | 30.4% | 204,288 | 28.5% | 11,505 | 5.6% |
| Rentals/fees | 47,595 | 6.7% | 45,565 | 6.4% | 2,030 | 4.5% |
| Utilities and other revenues | 28,320 | 4.0% | 25,972 | 3.6% | 2,348 | 9.0% |
| Total operating revenues | 484,601 | | 439,899 | | 44,702 | |
| **Nonoperating revenues** | | | | | | |
| Investment income | 72,675 | 10.2% | 54,218 | 7.6% | 18,457 | 34.0% |
| Solar panel financing rebate | 755 | 0.1% | 389 | 0.1% | 366 | 94.1% |
| Gain (loss) on disposal of assets | 247 | 0.0% | (9,127) | -1.3% | 9,374 | -102.7% |
| Grants used for operating expenses | 150 | 0.0% | (40) | 0.0% | 190 | -475.0% |
| Customer facility charges | 20,662 | 2.9% | 19,343 | 2.7% | 1,319 | 6.8% |
| Other nonoperating revenue (expense) | (124) | 0.0% | 1,704 | 0.2% | (1,828) | 100.0% |
| Passenger facility charges | 71,324 | 10.0% | 66,821 | 9.3% | 4,503 | 6.7% |
| Total nonoperating revenues | 165,689 | | 133,308 | | 32,381 | |
| **Capital contributions and grants** | 59,881 | 8.4% | 142,899 | 20.0% | (83,018) | -58.1% |
| **Total revenues and capital contributions** | $ 710,171 | 100.0% | $ 716,106 | 100.0% | $ (5,935) | -0.8% |

Airline rates and charges increased by 17.6% or $28,819,000. The revenue derived from the airline rates and charges category is based on the amount of expenses incurred in certain cost centers and the rates charged to cover these expenses. The increase is related to increased capital expenditure in the terminal.

Concessions increased by 5.6% or $11,505,000 due to a 6.9% increase in passengers in 2024. The increase is in each of the categories within Concessions; Food and Beverage, News, Retail, and Passenger services increased approximately $3.4 million. Parking and Auto Rental revenue increased by approximately $5.6 million and $2.1 million. Ground Transportation increased by approximately $1.7 million

Rental fees increased by $2,030,000 or 4.5%. This is primarily due to new commercial and storage lot leases at the reliever airports and increased rental rates on certain buildings around the MSP campus.

Utilities and other revenues increased by 9.0% or $2,348,000 primarily due to the increase in business by commercial license holders and maintenance, cleaning, and distribution fees paid by concessionaires.

Investment income increased $18,457,000 or 34.0% due to additional interest earned on new construction funds from recent bond issues and higher interest rates on investment. There was no significant gain or loss on sale of assets in 2024 and 2023.

Customer facility charges increased $1,319,000 or 6.8% due to increased passenger traffic at the airport.

Capital contributions and grants represent grants received from both federal and state governments for various construction projects at both MSP and the reliever airports.

During 2023, the MAC's total revenues and capital contributions increased by 32.0% to $716,106,000 from $541,116,000 in 2022. Changes in major categories follow (dollars in thousands):

| | 2023 | % of Total | 2022 | % of Total | Dollar Change | Percent Change |
|---|---|---|---|---|---|---|
| **Operating revenues** | | | | | | |
| Airline rates and charges | $ 164,074 | 22.9% | $ 125,612 | 23.2% | $ 38,462 | 30.6% |
| Concessions | 204,288 | 28.5% | 164,572 | 30.4% | 39,716 | 24.1% |
| Rentals/fees | 45,565 | 6.4% | 40,284 | 7.4% | 5,281 | 13.1% |
| Utilities and other revenues | 25,972 | 3.6% | 22,536 | 4.2% | 3,436 | 15.2% |
| Total operating revenues | 439,899 | | 353,004 | | 86,895 | |
| **Nonoperating revenues** | | | | | | |
| Investment income | 54,218 | 7.6% | 23,550 | 4.4% | 30,668 | 130.2% |
| Solar panel financing rebate | 389 | 0.1% | 1,227 | 0.2% | (838) | -68.3% |
| Gain (loss) on disposal of assets | (9,127) | -1.3% | 196 | 0.0% | (9,323) | -4756.6% |
| Grants used for operating expense | (40) | 0.0% | 132 | | (172) | 100.0% |
| Customer facility charges | 19,343 | 2.7% | 17,033 | 3.1% | 2,310 | 13.6% |
| Other nonoperating revenue (expen | 1,704 | 0.2% | - | 0.0% | 1,704 | 100.0% |
| Passenger facility charges | 66,821 | 9.3% | 60,985 | 11.3% | 5,836 | 9.6% |
| Total nonoperating revenues | 133,308 | | 103,123 | | 30,185 | |
| **Capital contributions and grants** | 142,899 | 20.0% | 84,989 | 15.7% | 57,910 | 68.1% |
| **Total revenues and capital contributions** | $ 716,106 | 100.0% | $ 541,116 | 100.0% | $ 174,990 | 32.3% |

Airline rates and charges increased by 30.6% or $38,462,000. A majority of the revenue derived from the airline rates and charges category is based on the amount of expenses incurred in certain cost centers. The increase is related to airline relief actions approved by the Commission in response to the pandemic which reduced landing fees and terminal rents for airlines.

Concessions increased by 24.1% or $39,716,000. The increase is in each of the categories within Concessions. Food and Beverage, news, retail and passenger services increased approximately $17.4 million due to the increase in passenger traffic and reduced concession relief approved by the Commission due to the pandemic. Parking increased by approximately $19 million due to the increase in passenger traffic parking at the airport. Ground Transportation increased by approximately $2.7 million due to the increase in passengers using transportation services to the airport.

Rental fees increased by $5,281,000 or 13.1 %. This is primarily due to several new commercial and storage lot leases at the reliever airports and increased rental rates on certain buildings around the MSP campus.

Utilities and other revenues increased by 15.2% or $3,436,000 primarily due to the decrease in commercial activity and maintenance, cleaning and distribution fees from the temporary closure of concessions during the year.

Investment income increased $30,668,000 or 130.2% due to additional interest earned on new construction funds from recent bond issue and from the recognition of lease interest income resulting from the implementation of GASB Statement No. 87, *Leases* ("GASB 87"). There was no significant gain or loss on sale of assets in 2023 and 2022.

Capital contributions and grants represent grants received from both federal and state governments for various construction projects at both MSP and the reliever airports. Grants used for operating expenses are for grants received from the federal government as part of COVID-19 relief Acts for reimbursement of eligible operating expenses. The decrease in 2022 is primarily due to less federal grant reimbursements for COVID-19 relief being requested from each of the aforementioned grant programs.

*Expenses*

In 2024, the MAC's total expenses increased by 8.6% to $528,557,000 from $486,767,000 in 2023. Changes in major categories are summarized below (dollars in thousands):

| | 2024 | % of Total | 2023 | % of Total | Dollar Change | Percent Change |
|---|---|---|---|---|---|---|
| **Operating expenses** | | | | | | |
| Personnel | $ 114,205 | 21.6% | $ 108,211 | 22.2% | $ 5,994 | 5.5% |
| Administrative | 1,901 | 0.4% | 1,454 | 0.3% | 447 | 30.7% |
| Professional services | 11,494 | 2.2% | 8,992 | 1.8% | 2,502 | 27.8% |
| Utilities | 22,971 | 4.3% | 24,713 | 5.1% | (1,742) | -7.0% |
| Operating services | 37,166 | 7.0% | 33,992 | 7.0% | 3,174 | 9.3% |
| Maintenance | 67,310 | 12.7% | 58,147 | 11.9% | 9,163 | 15.8% |
| Depreciation and amortization | 196,057 | 37.1% | 186,890 | 38.4% | 9,167 | 4.9% |
| Other | 6,599 | 1.2% | 5,808 | 1.2% | 791 | 13.6% |
| Total operating expenses | 457,703 | | 428,207 | | 29,496 | |
| **Nonoperating expenses** | | | | | | |
| Interest expense | 70,854 | 13.4% | 58,560 | 12.0% | 12,294 | 21.0% |
| Total nonoperating expenses | 70,854 | | 58,560 | | 12,294 | |
| **Total expenses** | $ 528,557 | 100.0% | $ 486,767 | 100.0% | $ 41,790 | 8.6% |

Personnel increased by 5.5% or $5,994,000. Much of the increase is related to a 3.5% cost of living adjustment for non-represented employees and contract increases for represented employees. Additionally, there were adjustments related to the actuarial valuation of the multi-employer pension plans and other postemployment benefit plans that the Commission participates in. Additional increases were due to the implementation of accounting standard GASB101 relating to Compensated Absences along with increases due to the continued effort to fill open and new positions.

Professional services increased 27.8% or $2,502,000 largely due to the increased construction activity and other staff supplementation.

Utilities decreased $1,742,000 or 7.0% primarily due to lower usage of electricity and natural gas due to mild weather conditions and continued sustainability efforts to reduce energy usage.

Operating services increased $3,174,000 or 9.3% due to increased advertising and service agreement costs and other expenses.

Maintenance increased by 15.8% or $9,163,000 primarily due to the implementation of a field maintenance augmentation plan for airfield snow clearing, runway treatment materials and increased terminal cleaning contract costs.

Depreciation increased $9,167,000 or 4.9%. The increase is attributable to new projects placed into service during 2024-2023, along with additional equipment.

Interest expense increased $12,294,000 or 21.0% due to an interest rate increase on the short-term borrowing program flexible rate and new equipment leases.

In 2023, MAC's total expenses increased by 9.9% to $486,767,000 from $442,958,000 in 2023. Changes in major categories are summarized below (dollars in thousands):

| | 2023 | % of Total | 2022 | % of Total | Dollar Change | Percent Change |
|---|---|---|---|---|---|---|
| **Operating expenses** | | | | | | |
| Personnel | $ 108,211 | 22.2% | $ 90,775 | 20.5% | $ 17,436 | 19.2% |
| Administrative | 1,454 | 0.3% | 2,274 | 0.5% | (820) | -36.1% |
| Professional services | 8,992 | 1.8% | 6,918 | 1.6% | 2,074 | 30.0% |
| Utilities | 24,713 | 5.1% | 25,590 | 5.8% | (877) | -3.4% |
| Operating services | 33,992 | 7.0% | 29,191 | 6.6% | 4,801 | 16.4% |
| Maintenance | 58,147 | 11.9% | 46,999 | 10.6% | 11,148 | 23.7% |
| Depreciation and amortization | 186,890 | 38.4% | 185,124 | 41.8% | 1,766 | 1.0% |
| Other | 5,808 | 1.2% | 5,956 | 1.3% | (148) | -2.5% |
| Total operating expenses | 428,207 | | 392,827 | | 35,380 | |
| **Nonoperating expenses** | | | | | | |
| Interest expense | 58,560 | 12.0% | 50,131 | 11.3% | 8,429 | 16.8% |
| Total nonoperating expenses | 58,560 | | 50,131 | | 8,429 | |
| **Total expenses** | $ 486,767 | 100.0% | $ 442,958 | 100.0% | $ 43,809 | 9.9% |

Personnel increased by 19.2% or $17,436,000. The majority of the increase is related to adjustments related to the actuarial valuation of the multi-employer pension plans and other postemployment benefit plan that the Commission participates in. Additionally, the Commission continued to fill many positions that were open from 2020 that was used to reduce costs in response to the pandemic.

Utilities decreased $877,000 or 3.4% primarily due to lower usage of electricity and natural gas due to mild weather conditions.

Operating services increased $4,801,000 or 16.4% due to parking facilities reopening, increased advertising and service agreement costs and other expenses.

Maintenance increased by 23.7% or $11,148,000 primarily due to the record snowfall in the spring of 2023 and the implementation of a field maintenance augmentation plan for airfield snow clearing which added resources during the year.

Depreciation increased $1,766,000 or 1.0%. The increase is attributable to new projects placed into service during 2021-2022.

Interest expense increased $8,429,000 or 16.8% due to an interest rate increase on the short-term borrowing program flexible rate.

*Net Revenues*

In order to promote and encourage the efficient use of facilities at all of the MAC's airports, as well as minimize the environmental impact of MSP on the surrounding community, the MAC has implemented a policy of subsidizing its reliever airports to encourage the use of these facilities rather than MSP. In order to maintain this subsidy, the MAC sets its rates and charges to assure that total system revenues will be sufficient to pay total system expenses.

Net revenues generated by the Commission are designated for construction and debt service payments. These net revenues provide the Commission with a portion of the money to meet the funding requirements of its capital improvement program. This reduces the need to issue bonds and, therefore, allows the Commission to avoid the interest expense of additional debt.

Following is a summary of the Statements of Revenues, Expenses and Changes in Net Position for the years ended December 31, 2024, 2023, and 2022 (dollars in thousands):

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Operating revenues | $ 484,601 | $ 439,899 | $ 353,004 |
| Operating expenses | (457,703) | (428,207) | (392,827) |
| Operating income (loss) | 26,898 | 11,692 | (39,823) |
| Nonoperating revenues | 165,689 | 133,308 | 103,123 |
| Nonoperating expenses | (70,854) | (58,560) | (50,131) |
| Nonoperating income (loss) | 94,835 | 74,748 | 52,992 |
| Increase in net position before capital contributions and grants | 121,733 | 86,440 | 13,169 |
| Capital contributions and grants | 59,881 | 142,899 | 84,989 |
| Increase (Decrease) in net position | 181,614 | 229,339 | 98,158 |
| Net position, beginning of year (as restated) | 2,374,227 | 2,144,888 | 2,049,715 |
| Net position, end of year | $ 2,555,841 | $ 2,374,227 | $ 2,147,873 |

The Commission shows an increase in the total change in its net position in 2024. This is primarily related to the increase in operating revenues in most categories in 2024 and an increase in investment income, offset by a decrease in capital contributions and grants.

The Commission shows an increase in the total change in its net position in 2023. This is due to the continued recovery of the airline and travel industries from the COVID-19 pandemic and the related increases in operating revenues in most categories in 2023.

We believe we are well positioned to increase the long-term financial stability and air service competitiveness of MSP. In addition, our 10-year history of airline rates and charges is very competitive and, as one of the few airports with an AA- rating from Fitch Investor Services, we feel we are positioned well for growth in the future.

## STATEMENTS OF NET POSITION

The Statements of Net Position present the net position of the MAC at the end of the fiscal year. Net position is equal to total assets plus deferred outflows of resources less total liabilities less deferred inflows of resources and is an indicator of the current financial health of the MAC. Summarized statements of net position information at December 31, 2024, 2023, and 2022 follows (dollars in thousands):

| | December 31, 2024 | December 31, 2023 | December 31, 2022 |
|---|---|---|---|
| **Assets** | | | |
| Current assets - unrestricted | $ 544,193 | $ 523,171 | $ 403,843 |
| Noncurrent assets: | | | |
| Restricted assets | 1,195,295 | 602,780 | 606,072 |
| Other noncurrent assets | 253,782 | 298,065 | 275,324 |
| Capital assets - net | 3,477,132 | 3,243,608 | 3,181,134 |
| Total assets | 5,470,402 | 4,667,624 | 4,466,373 |
| **Deferred Outflows of Resources** | 63,410 | 69,227 | 79,751 |
| Total assets and deferred outflows of resources | 5,533,812 | 4,736,851 | 4,546,124 |
| **Liabilities** | | | |
| Current liabilities - unrestricted | $ 161,853 | $ 118,807 | $ 95,454 |
| Noncurrent liabilities: | | | |
| Payable from restricted assets | 150,696 | 119,075 | 126,168 |
| Bonds and notes payable | 2,187,741 | 1,573,002 | 1,688,976 |
| Other noncurrent liabilities | 138,558 | 163,030 | 164,121 |
| Total liabilities | 2,638,848 | 1,973,914 | 2,074,719 |
| **Deferred Inflows of Resources** | 339,123 | 388,710 | 323,533 |
| Total liabilities and deferred inflows of resources | 2,977,971 | 2,362,624 | 2,398,252 |
| **Net Position** | | | |
| Net investment in capital assets | 1,950,673 | 1,864,680 | 1,784,765 |
| Restricted | 305,300 | 222,728 | 168,587 |
| Unrestricted | 299,868 | 286,819 | 194,521 |
| Total net position | 2,555,841 | 2,374,227 | 2,147,873 |
| Total liabilities, deferred inflows of resources and net position | $ 5,533,812 | $ 4,736,851 | $ 4,546,125 |

The increase in total assets and deferred outflows of resources is primarily due to the increase in restricted investment balances from additional cash available from operations and a new money bond issue in 2024. Overall, the majority of the increase in liabilities primarily due to a new bond issue during 2024. The Increased net position is due to increased investment in capital assets and the increase in operating and nonoperating income.

**FIDUCIARY ACTIVITIES**

The statement of fiduciary net position reported $75,356 and $77,680 (in thousands) as assets and net position restricted for OPEB as of December 31, 2024 and 2023, respectively, and the statements of changes in fiduciary net position reported total additions of $1,376 and $5,523 (in thousands), comprised principally of interest earnings offset by the change in fair value in 2024 and of Commission contributions offset by the change in fair value of investments in 2024. Total deductions–benefits-payments of $3,701 and $3,350 (in thousands) for the years ended December 31, 2024 and 2023, respectively.

**CASH AND INVESTMENT MANAGEMENT**

The following summary shows the major sources and uses of cash during the years ended December 31, 2024 and 2023 (dollars in thousands):

| | December 31, | | |
|---|---|---|---|
| | 2024 | 2023 | 2022 |
| Cash provided by operating activities | $ 465,627 | $ 429,806 | $ 348,582 |
| Cash used in operating activities | (232,117) | (227,919) | (200,318) |
| Net cash provided by operating activities | 233,510 | 201,887 | 148,264 |
| Net cash provided by (used in) capital and related financing activities | 377,371 | (207,111) | 162,552 |
| Net cash provided by (used in) investing activities | (597,697) | 24,667 | (305,848) |
| Net increase (decrease) in cash and cash equivalents | 13,184 | 19,443 | 4,968 |
| Cash and cash equivalents, beginning of year | 46,505 | 27,062 | 22,094 |
| Cash and cash equivalents, end of year | $ 59,689 | $ 46,505 | $ 27,062 |

Cash temporarily idle during the year is invested according to legal requirements established by the Legislature of the State of Minnesota. In accordance with state law, investments are generally restricted to various United States government securities, mutual funds, state and local obligations, commercial paper and repurchase agreements. With the exclusion of postemployment medical investments which must have an average portfolio life of no greater than 12 years maximum, all other securities must mature within four years from the date of purchase. During 2024, the MAC's average portfolio balance was $1,233,890,000 and total investment earnings were $54,265,000 for an average yield on investments during the year of 4.56%. This compares to an average portfolio balance of $855,416,000; investment earnings of $27,551,000 and average yield of 3.35% in fiscal year 2023.

The Commission currently has a policy of keeping a six-month working capital reserve in its operating fund. At the end of 2024, the Commission has in its operating fund approximately $80.8 million over and above its 2024 six-month working capital requirement. The Commission is currently considering how to apply or use some or all of these excess-operating funds.

**CAPITAL CONSTRUCTION**

During 2024, the Commission expended $391,000,000 on its on-going Capital Improvement Program (CIP). Approximately $60,000,000 was associated with various airfield and runway projects. Approximately $186,000,000 was related to Terminal 1 projects. Projects at Terminal 1 include approximately $50,000,000 for Baggage Claim-Ticket Lobby improvements, $135,000,000 on G-Infill projects, concourse and gate hold modernization projects, building system and technology improvements and roof repairs. Approximately $122,000,000 was spent on Terminal 2 and other MAC buildings, including Terminal 2 expansion projects, parking structures, landside roadways, storage facilities and construction work on the fire station and safety and security center. Approximately $32,000,000 was spent on Terminal 2 improvements and expansion, $17,000,000 for parking structure rehabilitation and roadway improvements, $20,000,000 on a new fire station and safety and security center, $17,000,000 on storage facilities and $36,000,000 on operational improvements. Approximately $11,000,000 was spent on the Commission's reliever airport system. The remaining $11,000,000 was spent primarily on technology upgrades and noise mitigation. The average monthly capital spending in 2024 was approximately $32,584,000.

During 2023, the Commission expended $239,000,000 on its on-going Capital Improvement Program (CIP). Approximately $42,000,000 was associated with various airfield and runway projects. Approximately $166,000,000 was related to Terminal 1 projects. Projects at Terminal 1 include Conveyance systems, roof and building improvements and construction work on the fire station and safety and security center. Approximately $17,000,000 was mainly spent for parking structure rehabilitation , roadway and pavement improvements and heating and cooling systems, $20,000,000 on a new fire station and safety and security center, $51,000,000 on operational improvements related to the baggage claim and ticket lobby, $43,000,000 on building and system improvements, and $8,000,000 for an expansion of a portion of Concourse G. Approximately $9,000,000 was spent on the Commission's reliever airport system. The remaining $27,000,000 was spent primarily on noise mitigation and technology upgrades. Average monthly capital spending in 2023 was approximately $19,884,000.

Further information can be found in Note 6.

**CAPITAL FINANCING AND DEBT MANAGEMENT**

The MAC has issued three forms of indebtedness: notes payable, general airport revenue bonds and general obligation revenue bonds. General obligation revenue bonds are backed by Commission revenues and the authority to levy any required taxes on the assessed valuation of the seven county Metropolitan Area. General airport revenue bonds are not backed by the MAC's taxing authority but rather are payable from certain pledged revenues.

Statutory authority for issuing general obligation revenue bonds is obtained from the Minnesota State Legislature. Authorization as of December 31, 2024, which permits the issuance by the MAC of up to $55,000,000 of general obligation revenue bonds. Currently, the MAC has no general obligation revenue bonds outstanding.

The MAC is financing its construction program through a combination of the MAC's revenues, entitlement and discretionary grants received from the FAA, state grants, PFCs and revenue bonds. Long-term debt is the principal source of funding of the capital improvement program. The MAC, through its Master Indenture, has covenanted to maintain a debt service coverage ratio of 1.25. Debt service coverage is calculated based on a formula included in the Master Indenture and the airport use agreement.

The Commission has irrevocably committed a portion of PFCs it receives to the payment and funding of debt service on Senior Bonds and/or Subordinate Obligations issued to finance projects authorized to be financed with PFCs (collectively, the "PFC Eligible Bonds") through December 31, 2030.

Pursuant to the PFC Resolution, the Commission has irrevocably committed the following amounts of PFCs in the following Fiscal Years:

| Fiscal Year | Irrevocably Committed PFCs | Fiscal Year | Irrevocably Committed PFCs |
|---|---|---|---|
| 2024 | $ 9,333,400 | 2028 | $ 9,465,900 |
| 2025 | 9,337,650 | 2029 | 9,467,625 |
| 2026 | 9,334,900 | 2030 | 9,462,475 |
| 2027 | 9,334,650 | | |

If the Commission does not use the full amount of the irrevocably committed PFCs to pay debt service on PFC Eligible Bonds in a Fiscal Year (i.e., there is more irrevocably committed PFCs than there is debt service due on PFC Eligible Bonds in such Fiscal Year), any unused portion of the irrevocable commitment for such Fiscal Year is not required to be carried over for use in future Fiscal Years.

In addition to the PFCs irrevocably committed pursuant to the PFC Resolution, the Commission can, at its sole discretion, use excess PFCs to pay additional debt service on PFC Eligible Bonds. The Commission currently expects to utilize all of the irrevocably committed PFCs and a portion of the remaining PFCs to pay the debt service on the PFC Eligible Bonds.

For further information on capital financing activity see Notes 7 and 8.

**CONTACTING THE MAC'S FINANCIAL MANAGEMENT**

This financial report is designed to provide the MAC's Commissioners, management, investors, creditors, and customers with a general view of the MAC's finances and to demonstrate the MAC's accountability for the funds it receives and expends. For further information about this report, or if you need additional financial information, please contact Director of Finance, 6040 28th Avenue South, Minneapolis, MN 55450 or access the Commission's website – https://metroairports.org/doing-business/investor-relations.

# Statement of Net Position

**December 31, 2024 and 2023**

| | 2024 | 2023 |
|---|---|---|
| **Assets** | | |
| Current assets: | | |
| Cash and cash equivalents (Note 4) | $ 59,689,771 | $ 46,504,508 |
| Investments (Note 4) | 341,372,297 | 279,256,348 |
| Receivables: | | |
| Customer receivables | 27,527,834 | 20,891,159 |
| Leases receivable (Note 7) | 47,141,079 | 46,134,215 |
| Current portion of tenant improvement receivables | 1,994,699 | 621,658 |
| Due from other governments | 63,891,089 | 127,030,718 |
| Prepaid expenses and other assets | 2,576,465 | 2,732,357 |
| Total current assets | 544,193,234 | 523,170,963 |
| Noncurrent assets: | | |
| Restricted assets: | | |
| Restricted investments (Notes 4 and 5) | 1,186,537,659 | 594,860,989 |
| Passenger facility charge receivable | 8,756,598 | 7,918,597 |
| Leases receivable (Note 7) | 229,092,205 | 267,366,236 |
| Capital assets - Net (Note 6) | 3,477,132,231 | 3,243,607,658 |
| Derivative instruments - Forward delivery agreement (Note 12) | 630,376 | 1,745,173 |
| Tenant improvement receivables - Net of current portion | 10,187,743 | 2,752,255 |
| Net OPEB asset (Note 11) | 13,871,657 | 26,201,766 |
| Total noncurrent assets | 4,926,208,469 | 4,144,452,674 |
| Total assets | 5,470,401,703 | 4,667,623,637 |
| **Deferred Outflows of Resources** | | |
| Bond refunding loss being amortized (Note 8) | 8,161,601 | 9,130,877 |
| Deferred pension costs (Note 10) | 41,687,443 | 53,402,290 |
| Deferred OPEB costs (Note 11) | 13,561,119 | 6,694,135 |
| Total deferred outflows of resources | 63,410,163 | 69,227,302 |
| **Liabilities** | | |
| Current liabilities: | | |
| Accounts payable and accrued liabilities | 135,496,882 | 97,916,518 |
| Employee compensation, payroll taxes, and other | 20,823,933 | 17,350,111 |
| Unearned revenue | 2,235,073 | 814,219 |
| OPEB contribution payable | 1,794,400 | 1,477,577 |
| Current portion of lease liability (Note 8) | 1,502,669 | 1,249,024 |
| Total current liabilities | 161,852,957 | 118,807,449 |
| Noncurrent liabilities: | | |
| Payable from restricted assets: | | |
| Interest payable from restricted assets | 47,934,104 | 34,069,024 |
| Principal payable from restricted assets (Note 8) | 95,598,086 | 75,581,812 |
| Construction and other | 7,164,146 | 9,423,791 |
| Revolving line of credit payable (Note 9) | 85,914,050 | 87,753,550 |
| Net pension liability (Note 10) | 52,644,025 | 75,276,187 |
| Bonds and notes payable - Net of current portion (Note 8) | 2,187,740,710 | 1,573,001,892 |
| Total noncurrent liabilities | 2,476,995,121 | 1,855,106,256 |
| Total liabilities | 2,638,848,078 | 1,973,913,705 |

See notes to financial statements.

**December 31, 2024 and 2023**

| | 2024 | 2023 |
|---|---|---|
| **Deferred Inflows of Resources** | | |
| Accumulated increase in fair value of hedging derivatives (Note 12) | $ 630,376 | $ 1,745,173 |
| Bond refunding gain being amortized (Note 8) | 12,724,263 | 14,594,259 |
| Deferred pension cost reductions (Note 10) | 58,159,970 | 51,841,203 |
| Deferred OPEB cost reductions (Note 11) | 10,312,578 | 21,109,870 |
| Deferred inflow related to leases | 257,295,625 | 299,419,761 |
| Total deferred inflows of resources | 339,122,812 | 388,710,266 |
| **Net Position** | | |
| Net investment in capital assets | 1,950,672,705 | 1,864,679,899 |
| Restricted: | | |
| Debt service | 194,867,117 | 127,064,227 |
| Construction | 94,235,165 | 67,286,424 |
| Police/911 emergency communications | 2,325,781 | 2,176,124 |
| Net OPEB asset | 13,871,657 | 26,201,766 |
| Unrestricted | 299,868,551 | 286,818,528 |
| Total net position | **$ 2,555,840,976** | **$ 2,374,226,968** |

See notes to financial statements.

# Statement of Revenue, Expenses, and Changes in Net Position

**Years Ended December 31, 2024 and 2023**

| | 2024 | 2023 |
|---|---|---|
| **Operating Revenue** | | |
| Airline rates and charges | $ 192,893,081 | $ 164,073,957 |
| Concessions and parking | 215,793,171 | 204,288,209 |
| Rentals/Fees | 47,594,916 | 45,565,450 |
| Utilities and other revenue | 28,320,498 | 25,972,328 |
| Total operating revenue | 484,601,666 | 439,899,944 |
| **Operating Expenses** | | |
| Personnel | 114,205,182 | 108,211,047 |
| Administrative | 1,901,362 | 1,454,406 |
| Professional services | 11,494,067 | 8,991,851 |
| Utilities | 22,971,076 | 24,712,639 |
| Operating services | 37,166,032 | 33,992,111 |
| Maintenance | 67,309,828 | 58,147,482 |
| Other | 6,599,131 | 5,808,091 |
| Depreciation and amortization | 196,056,951 | 186,889,682 |
| Total operating expenses | 457,703,629 | 428,207,309 |
| **Operating Income** | 26,898,037 | 11,692,635 |
| **Nonoperating Revenue (Expense)** | | |
| Investment income - Net | 72,674,695 | 54,218,229 |
| Gain (loss) on sale of assets | 246,531 | (9,126,554) |
| Passenger facility charges | 71,323,875 | 66,821,040 |
| Federal interest rate subsidies | 755,485 | 389,120 |
| Grants used for operating expenses | 149,656 | (40,411) |
| Customer facility charges | 20,662,290 | 19,342,637 |
| Other nonoperating (expense) revenue | (123,620) | 1,703,571 |
| Interest and fiscal charges | (70,853,713) | (58,559,699) |
| Total nonoperating revenue | 94,835,199 | 74,747,933 |
| **Income** - Before capital contributions | 121,733,236 | 86,440,568 |
| **Capital Contributions** - Capital grants | 59,880,772 | 142,899,354 |
| **Change in Net Position** | 181,614,008 | 229,339,922 |
| **Net Position** - Beginning of year, as previously reported | 2,374,226,968 | 2,147,872,673 |
| **Cumulative Effect of Change in Accounting** (Note 2) | - | (2,985,627) |
| **Net Position** - Beginning of year, as adjusted | 2,374,226,968 | 2,144,887,046 |
| **Net Position** - End of year | **$ 2,555,840,976** | **$ 2,374,226,968** |

See notes to financial statements.

# Statement of Cash Flows

**Years Ended December 31, 2024 and 2023**

| | 2024 | 2023 |
|---|---|---|
| **Cash Flows from Operating Activities** | | |
| Receipts from customers and users | $ 465,627,006 | $ 429,804,587 |
| Payments to suppliers | (108,425,951) | (116,159,030) |
| Payments to employees and benefit providers | (123,691,019) | (111,760,362) |
| Net cash and cash equivalents provided by operating activities | 233,510,036 | 201,885,195 |
| **Cash Flows from Capital and Related Financing Activities** | | |
| Proceeds from capital debt | 721,391,120 | 176,371,629 |
| Receipt of capital grants | 123,170,057 | 69,837,138 |
| Receipt of passenger facility charges | 70,485,874 | 66,835,369 |
| Receipt of solar panel financing rebate | 755,485 | 389,120 |
| Proceeds from sale of capital assets | 273,642 | 3,963,070 |
| Receipt of customer facility charges | 20,662,290 | 19,342,637 |
| Payments for airport improvements and facilities | (427,296,994) | (262,182,293) |
| Principal and interest paid on capital debt | (145,311,868) | (342,884,389) |
| Net (payments on) proceeds from revolving line of credit | (1,839,500) | 44,560,500 |
| Interest received on leases | 15,081,362 | 16,655,750 |
| Net cash and cash equivalents provided by (used in) capital and related financing activities | 377,371,468 | (207,111,469) |
| **Cash Flows from Investing Activities** | | |
| Interest received on investments | 56,219,998 | 35,953,474 |
| Purchases of investment securities | (922,726,578) | (209,427,611) |
| Proceeds from sale and maturities of investment securities | 268,933,959 | 196,437,728 |
| Receipt of other nonoperating investment activities | (123,620) | 1,703,571 |
| Net cash and cash equivalents (used in) provided by investing activities | (597,696,241) | 24,667,162 |
| **Net Increase in Cash and Cash Equivalents** | 13,185,263 | 19,440,888 |
| **Cash and Cash Equivalents** - Beginning of year | 46,504,508 | 27,063,620 |
| **Cash and Cash Equivalents** - End of year | **$ 59,689,771** | **$ 46,504,508** |
| **Classification of Cash and Cash Equivalents** - Cash and cash equivalents | **$ 59,689,771** | **$ 46,504,508** |

See notes to financial statements.

**Years Ended December 31, 2024 and 2023**

| | 2024 | 2023 |
|---|---|---|
| **Reconciliation of Operating Income to Net Cash from Operating Activities** | | |
| Operating income | $ 26,898,037 | $ 11,692,635 |
| Adjustments to reconcile operating income to net cash from operating activities: | | |
| Depreciation and amortization | 196,056,951 | 186,889,682 |
| Changes in assets and liabilities: | | |
| Receivables | (19,688,092) | (1,461,029) |
| Lease receivable and related deferrals | - | (6,840,702) |
| Prepaid expenses and other assets | 155,892 | (844,118) |
| Employee compensation and payroll taxes | 13,898,580 | (5,813,350) |
| Accounts payable and accrued liabilities | 37,030,638 | 15,879,395 |
| Net pension and net OPEB liability and related deferred inflows and outflows | (22,262,824) | 3,396,027 |
| Unearned revenue | 1,420,854 | (1,013,345) |
| Total adjustments | 206,611,999 | 190,192,560 |
| Net cash and cash equivalents provided by operating activities | **$ 233,510,036** | **$ 201,885,195** |

**December 31, 2024 and 2023**

| | Other Postemployment Benefits Trust Fund | |
|---|---|---|
| | 2024 | 2023 |
| **Assets** | | |
| Cash and cash equivalents | $ 180,928 | $ 363,160 |
| Investments: | | |
| U.S. government securities | 65,876,453 | 65,433,167 |
| Bonds | 7,172,414 | 10,011,925 |
| Receivables: | | |
| Accrued interest receivable | 331,963 | 394,520 |
| Contributions receivable | 1,794,400 | 1,477,577 |
| Total assets | 75,356,158 | 77,680,349 |
| **Liabilities** | - | - |
| **Net Position** - Restricted for postemployment benefits other than pensions | **$ 75,356,158** | **$ 77,680,349** |

See notes to financial statements.

# Statement of Changes in Fiduciary Net Position

**Years Ended December 31, 2024 and 2023**

| | Other Postemployment Benefits Trust Fund | |
|---|---|---|
| | 2024 | 2023 |
| **Additions** | | |
| Investment income (loss): | | |
| Interest and dividends | $ 2,417,582 | $ 4,639,057 |
| Change in fair value of investments (realized and unrealized) | (658,596) | (1,001,950) |
| Net investment income | 1,758,986 | 3,637,107 |
| Contributions (employer reimbursement) | (382,675) | 1,885,766 |
| Total additions | 1,376,311 | 5,522,873 |
| **Deductions** - Benefit payments | 3,700,502 | 3,349,556 |
| **Net (Decrease) Increase in Fiduciary Net Position** | (2,324,191) | 2,173,317 |
| **Net Position** - Beginning of year | 77,680,349 | 75,507,032 |
| **Net Position** - End of year | **$ 75,356,158** | **$ 77,680,349** |

See notes to financial statements.

## Note 1 - Nature of Business

The Minneapolis/St. Paul Metropolitan Airports Commission (the "Commission") was created by an act of the Minnesota State Legislature in 1943 as a public corporation. Its purpose is to promote air navigation and transportation (international, national, and local) in and through the state of Minnesota; promote the efficient, safe, and economical handling of air commerce; assure the inclusion of the state in national and international programs of air transportation; and, to those ends, develop the full potential of the metropolitan area as an aviation center. It has the responsibility to assure residents of the metropolitan area the minimum environmental impact from air navigation and transportation, promote the overall goals of the State’s environmental policies, and minimize the public’s exposure to noise and safety hazards around airports.

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. The Commission controls and operates seven airports within the metropolitan area, including the Minneapolis/St. Paul International Airport, which services scheduled air carriers, and six reliever airports serving general aviation.

The Commission is governed independently by a 15-member Board of Commissioners. The governor of the State of Minnesota appoints 13 commissioners. The mayors of Minneapolis and St. Paul also have seats on the Commission, with the option to appoint a surrogate to serve on their behalf. Certain large capital improvement projects having metropolitan significance must be reviewed by the Metropolitan Council, which is a public agency established by law with powers of regulation over the development of the metropolitan area.

In applying current Governmental Accounting Standards Board (GASB) guidance, the State of Minnesota and the Commission have agreed that the Commission is not financially accountable to any other organization and is considered a stand-alone governmental unit.

The Commission's other postemployment benefit plan is a fiduciary component unit of the Commission because it is a separate legal entity, the Commission appoints the trustees of the plan, and the Commission has assumed the obligation to make contributions to the plan. The fiduciary component unit's financial statements are included in the Commission's financial statements as a fiduciary fund.

## Note 2 - Significant Accounting Policies

***Accounting and Reporting Principles***

The Commission follows accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board. The following is a summary of the significant accounting policies used by the Commission:

***Report Presentation***

This report includes the fund-based statements of the Commission. In accordance with government accounting principles, a government-wide presentation with program and general revenue is not applicable to special purpose governments engaged only in business-type and fiduciary activities.

***Fund Accounting***

***<u>Proprietary Funds</u>***

Proprietary funds include enterprise funds (which provide goods or services to users in exchange for charges or fees) and internal service funds (which provide goods or services to other funds of the Commission). The Commission reports all business-type activities in a single enterprise fund.

## Note 2 - Significant Accounting Policies (Continued)

Operating revenue and expenses are those directly related to the purpose and primary mission of the Commission. As a result, all other activity not meeting this definition is reported as nonoperating revenue and expenses.

***Fiduciary Funds***

Fiduciary funds include amounts held in a fiduciary capacity for others. The Commission's fiduciary activities are composed solely of its OPEB arrangement (the "OPEB Plan") administered through a trust under the provisions of GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, and are reported in its fiduciary fund statements.

***Basis of Accounting***

Proprietary funds and fiduciary funds, as applicable, use the economic resources measurement focus and the full accrual basis of accounting. Exchange revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

***Specific Balances and Transactions***

***Cash and Cash Equivalents***

Cash and cash equivalents include cash on hand and overnight investments.

***Investments***

Investments are reported at fair value or estimated fair value. Short-term investments may be reported at cost, which approximates fair value.

***Tenant Improvement Receivables***

Tenant improvement receivables relate to reimbursable costs incurred by the Commission for capital improvements to assets under lease to certain airline users.

***Prepaid Expenses and Other Assets***

Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid expenses in the financial statements, when applicable. Other assets include inventories, primarily fuel, which are valued at cost on a first-in, first-out basis.

Inventories are recorded as expenses when consumed rather than when purchased.

***Restricted Assets***

Restricted assets consist of investments and receivables whose use is restricted through external restrictions imposed by external third parties for construction, debt service principal and interest, and bond reserves.

***Capital Assets***

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Capital assets are defined by the Commission as assets with an initial individual cost of more than $10,000 and an estimated useful life in excess of one year. Certain capital assets, classified as land and airport improvements and buildings, were contributed by the cities of Minneapolis and St. Paul. Fee title to the land and improvements remains with the two cities. Donated capital assets are recorded at estimated acquisition value at the date of donation.

## Note 2 - Significant Accounting Policies (Continued)

Capital assets are depreciated using the straight-line method over the following useful lives:

| | Depreciable Life - Years |
|---|---|
| Airport improvements and buildings | 10-40 |
| Movable equipment | 3-15 |

***Leases***

The Commission is a lessee for noncancelable leases of equipment. The Commission recognizes a lease liability and an intangible right-to-use lease asset on the statement of net position. The Commission recognizes lease assets and liabilities with an initial value of $0 or more.

At the commencement of a lease, the Commission initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Commission determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Commission uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Commission generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Commission is reasonably certain to exercise.

The Commission monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

The Commission is a lessor for various lease agreements. Certain facilities are charged to user airlines under lease agreements, which provide for compensatory rental rates designed to recover agreed-upon portions of costs incurred, including debt service, in the terminal building, ramp, and runway areas. Other facilities, to the extent they are leased, are leased under conventional agreements, primarily percentage leases.

At the commencement of a lease, the Commission measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as operating revenue over the life of the lease term.

## Note 2 - Significant Accounting Policies (Continued)

Key estimates and judgments include how the Commission determines the discount rate it uses to discount the expected lease receipts to present value, lease term, and lease receipts.

- The Commission uses its estimated incremental borrowing rate at lease inception as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The Commission monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

***Intangible Assets***

Acquired intangible assets subject to amortization are stated at cost and are amortized using the straight-line method over the estimated useful lives of the assets. Intangible assets that are subject to amortization are reviewed for potential impairment whenever events or circumstances indicate that carrying amounts may not be recoverable. Assets not subject to amortization are tested for impairment at least annually.

The Commission has incurred, and continues to incur, significant costs in relation to its continuing Part 150 Sound Insulation Program. The Sound Insulation Program pays for a home within the airport's impacted noise area to be sound insulated with respect to doors, window treatments, etc., with no further cash outlay required by the Commission. Because the Commission receives an avigation release from each affected homeowner in return for providing sound insulation improvements, the associated costs are being recorded as an intangible asset and amortized to expense over a 10-year period, which approximates the estimated useful lives of such improvements.

Amortization expense for capitalized Part 150 Sound Insulation expense was approximately $2,707,000 and $2,804,000 for the years ended December 31, 2024 and 2023, respectively. The unamortized costs, included in airport improvements and buildings at December 31, 2024 and 2023, were approximately $15,716,000 and $18,423,000, respectively. The amortization expense is included as a component of depreciation expense on the statement of revenue, expenses, and changes in net position.

***Derivative Instrument - Forward Delivery Agreement***

The Commission's forward delivery agreement has been determined to be an effective hedge for accounting purposes. Accordingly, the fair value of the forward delivery agreement and changes therein are recognized as a deferred inflow of resources on the statement of net position.

***Long-term Obligations***

In the basic financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bond using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed at the time they are incurred.

## Note 2 - Significant Accounting Policies (Continued)

***Pension***

For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the General Employees Retirement Fund and the Public Employees Police and Fire Fund (cost-sharing, multiple-employer defined benefit plans administered by the Public Employees Retirement Association of Minnesota in which the Commission participates) and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. The plans use the economic resources measurement focus and the full accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments (including refunds of employee contributions) are recognized as expenses when due and payable in accordance with the plan benefit terms. Related plan investments are reported at fair value.

***Other Postemployment Benefit Costs***

The Commission offers retiree health care benefits to retirees, as described in Note 11. The Commission records a net OPEB asset for the difference between the total OPEB liability calculated by the actuary and the OPEB Plan’s fiduciary net position. For the purpose of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Plan and additions to/deductions from the OPEB Plan’s fiduciary net position have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Related plan investments are reported at fair value.

***Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense) until then.

The Commission reports deferred outflows related to pension and OPEB costs and deferred losses on refundings of debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

The Commission reports deferred inflows related to pension and OPEB cost reductions, deferred gains on refundings of debt, deferred gains related to derivative instruments, and deferrals related to leases.

***Compensated Absences (Vacation and Sick Leave)***

It is the Commission's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. A leave liability is recognized due to the leave attributable to services already rendered, leave that accumulates, and leave that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

***Unearned Revenue***

The Commission's unearned revenue represents advance payments of interest received from certain airlines on reimbursable costs incurred by the Commission for capital improvements to assets under lease, which will be recognized as investment income over the term of the agreement, as well as the unearned portion of annual taxi permits.

## Note 2 - Significant Accounting Policies (Continued)

***Net Position***

Net position of the Commission is classified in three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the remaining net position that does not meet the definition of invested in capital or restricted.

When both restricted and unrestricted resources are available for use, it is the Commission's policy to use restricted resources first and then unrestricted resources as they are needed.

***Grants and Contributions***

The Commission receives federal and state grants. Revenue from grants and contributions (including contributions of capital assets) is recognized when all eligibility requirements, including time requirements, are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as nonoperating revenue. Amounts restricted to capital acquisitions are reported after nonoperating revenue and expenses. The Commission records government grants in aid of construction as capital contributions.

***Passenger Facility Charges***

In June 1992, the Commission began collecting passenger facility charges (PFCs). PFCs are fees imposed on enplaned passengers by airport authorities for the purpose of generating revenue for airport projects that increase capacity, increase safety, or mitigate noise impacts. The Commission has received permission from the Federal Aviation Administration (FAA) to impose and use a $4.50 PFC, the current maximum rate allowed.

The Commission has approved collection authority of approximately $2,100,000,000 and has, as of December 31, 2024, collected approximately $1,900,000,000.

PFCs, which are recognized when the underlying exchange transaction occurs, are included in nonoperating revenue and amounted to approximately $71,324,000 and $66,821,000 for the years ended December 31, 2024 and 2023, respectively.

***Customer Facility Charges***

With respect to on-airport rental car companies, the Commission is assessing a customer facility charge (CFC) per transaction day to recover the rental car portion of capital costs associated with the construction of the auto rental/public parking garage located adjacent to Terminal 1, as well as to recover certain maintenance costs relating to the auto rental facilities. During 2016, the Commission increased the fee to $5.90 per rental car transaction per day from $3.25 due to the construction of a new auto rental/public garage adjacent to Terminal 1. The Commission received approximately $33,784,616 and $19,343,000 in auto rental CFCs for the years ended December 31, 2024 and 2023, respectively.

***Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

## Note 2 - Significant Accounting Policies (Continued)

***Upcoming Accounting Pronouncements***

In December 2023, the Governmental Accounting Standards Board issued Statement No. 102, *Certain Risk Disclosures*, which requires governments to assess whether a concentration or constraint makes the government vulnerable to the risk of a substantial impact. It also requires governments to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If certain criteria are met for a concentration or constraint, disclosures are required in the notes to the financial statements. The provisions of this statement are effective for the Commission's financial statements for the year ending December 31, 2025.

In April 2024, the Governmental Accounting Standards Board issued Statement No. 103, *Financial Reporting Model Improvements*, which establishes new accounting and financial reporting requirements or modifies existing requirements related to the following: management's discussion and analysis; unusual or infrequent items; presentation of the proprietary fund statement of revenue, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. The provisions of this statement are effective for the Commission's financial statements for the year ending December 31, 2026.

In September 2024, the Governmental Accounting Standards Board issued Statement No. 104, *Disclosure of Certain Capital Assets*, which requires certain types of capital assets, such as lease assets, intangible right-to-use assets, subscription assets, and other intangible assets, to be disclosed separately by major class of underlying asset in the capital assets note. This statement also requires additional disclosures for capital assets held for sale. The provisions of this statement are effective for the Commission's financial statements for the year ending December 31, 2026.

***Accounting Changes and Error Corrections***

***Adoption of New Accounting Pronouncement***

During the current year, the Commission adopted GASB Statement No. 101, *Compensated Absences* (GASB 101). As a result, the liability for compensated absences in the statement of net position has been calculated to comply with this new pronouncement. The beginning of year net position of the earliest period presented has been restated in order to adopt GASB 101. The effects of this adoption of the new accounting pronouncement are shown in the table at the end of this section.

***Adjustments to and Restatements of Beginning Balances***

During fiscal year 2024, the changes noted above resulted in adjustments to and restatements of beginning net position as follows:

| | December 31, 2023 | | December 31, 2023 |
|---|---|---|---|
| | As Previously Reported | Adoption of New Accounting Pronouncement | As Restated |
| Business-type activities | $ 2,377,212,595 | $ (2,985,627) | $ 2,374,226,968 |

## Note 3 - Stewardship, Compliance, and Accountability

***Budgetary Information***

As required by Minnesota Statutes, the Commission adopts an annual operating and capital expenditures budget for purposes of determining required taxes, if any, to be levied by counties in its jurisdiction. Budgets are established on a departmental basis using the accrual method of accounting.

## Note 3 - Stewardship, Compliance, and Accountability (Continued)

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

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 of 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/CEO 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/CEO shall have the responsibility of securing adequate quantities of office, janitorial, maintenance, and repair materials and supplies and renting 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/CEO'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/CEO 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/CEO 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.

The Commission is not required to demonstrate statutory compliance with its annual operating budget. Accordingly, budgetary data is not included in the basic financial statements. All budgets are prepared in accordance with airport lease and use agreements. Unexpended appropriations lapse at year end.

## Note 4 - Deposits and Investments

The Commission's cash and investments are subject to several types of risk, which are examined in more detail below:

***Custodial Credit Risk of Bank Deposits***

Custodial credit risk is the risk that, in the event of a bank failure, the Commission's deposits may not be returned to it. The Commission's deposit policy for custodial credit risk is to follow Minnesota Statutes that require all commission deposits be protected by insurance, surety bond, or collateral. The fair value of collateral pledged must equal 110 percent of the deposits not covered by insurance or bonds (140 percent for mortgage notes pledged). Authorized collateral includes allowable investments, as discussed below; certain first mortgage notes; and certain other state or local government obligations. Minnesota Statutes require that securities pledged as collateral be held in safekeeping by the Commission or in a financial institution other than that furnishing the collateral. The Commission's interest-bearing deposit accounts are insured up to $250,000 by the Federal Deposit Insurance Corporation (FDIC). At December 31, 2024 and 2023, cash deposits were entirely insured or collateralized by securities held in the Commission's name by a financial institution (the Commission's agent) other than that furnishing the collateral.

## Note 4 - Deposits and Investments (Continued)

### *Custodial Credit Risk of Investments*

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Commission will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Commission does not have a policy for custodial credit risk. At December 31, 2024 and 2023, the Commission did not have investments with custodial credit risk.

### *Interest Rate Risk*

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Commission's investment policy minimizes interest rate risk by prohibiting investing in securities maturing more than four years from the date of purchase unless the security is for postemployment health care funding, which may have an average portfolio life of no more than 12 years. The Commission also maintains sufficient liquidity to enable the Commission to meet anticipated cash requirements. The money market mutual funds are presented as an investment with a maturity of less than one year because they are redeemable in full immediately.

At year end, the Commission had the following investments and maturities:

| | 2024 | | | | |
|---|---|---|---|---|---|
| Primary Government | Less Than 1 Year | 1-5 Years | 6-10 Years | More Than 10 Years | Total |
| U.S. Treasury security notes | $ 806,628,253 | $ 9,990,400 | $ - | $ - | $ 816,618,653 |
| Government-sponsored enterprises | 306,161,738 | 161,519,768 | - | - | 467,681,506 |
| Municipal bonds | 32,933,161 | 37,301,792 | - | - | 70,234,953 |
| Total | $ 1,145,723,152 | $ 208,811,960 | $ - | $ - | $ 1,354,535,112 |

| | 2023 | | | | |
|---|---|---|---|---|---|
| Primary Government | Less Than 1 Year | 1-5 Years | 6-10 Years | More Than 10 Years | Total |
| Government-sponsored enterprises | $ 462,555,285 | $ 103,931,259 | $ - | $ - | $ 566,486,544 |
| Municipal bonds | 9,277,748 | 12,545,399 | - | - | 21,823,147 |
| Total | $ 471,833,033 | $ 116,476,658 | $ - | $ - | $ 588,309,691 |

## Note 4 - Deposits and Investments (Continued)

| | 2024 | | | | |
|---|---|---|---|---|---|
| Fiduciary Funds | Less Than 1 Year | 1-5 Years | 6-10 Years | More Than 10 Years | Total |
| U.S. Treasury security notes | $ 530,178 | $ 9,847,925 | $ 11,138,059 | $ 266,948 | $ 21,783,110 |
| Government-sponsored enterprises | 2,116,822 | 7,643,271 | 4,398,423 | 29,934,827 | 44,093,343 |
| Municipal bonds | 222,208 | 6,613,569 | 336,637 | - | 7,172,414 |
| Total | $ 2,869,208 | $ 24,104,765 | $ 15,873,119 | $ 30,201,775 | $ 73,048,867 |

| | 2023 | | | | |
|---|---|---|---|---|---|
| Fiduciary Funds | Less Than 1 Year | 1-5 Years | 6-10 Years | More Than 10 Years | Total |
| U.S. Treasury security notes | $ 1,024,903 | $ 10,936,735 | $ 18,051,717 | $ 686,706 | $ 30,700,061 |
| Government-sponsored enterprises | 3,088,844 | 8,343,842 | 3,936,604 | 19,363,816 | 34,733,106 |
| Municipal bonds | 1,538,595 | 7,758,575 | 714,755 | - | 10,011,925 |
| Total | $ 5,652,342 | $ 27,039,152 | $ 22,703,076 | $ 20,050,522 | $ 75,445,092 |

## Note 4 - Deposits and Investments (Continued)

***Credit Risk***

State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Commission's investment policy minimizes credit risk through adherence to Minnesota Statute 118A, which limits the types of investment instruments that may be purchased by the Commission. This statute generally provides that public funds may only be invested in United States' securities, any security that is a general obligation of a state or local government rated "A" or better by a nationally recognized rating agency, any security that is a revenue obligation of a state or local government rated "AA" or better, a general obligation of the Minnesota Housing Finance Agency that is rated "A" or better, commercial paper issued by United States' corporations or their Canadian subsidiaries that is rated in the highest quality category by at least two nationally recognized rating agencies and matures in 270 days or less, and time deposits fully insured by the FDIC. As of December 31, 2024 and 2023, the credit quality ratings of debt securities (other than the U.S. government) are as shown in the tables below:

| | 2024 | | 2023 | |
|---|---|---|---|---|
| Investment | Carrying Value | Rating S&P/Moody's | Carrying Value | Rating S&P/Moody's |
| **Primary Government** | | | | |
| U.S. Treasury security notes | $ 816,618,653 | N/A/AAA | $ - | |
| Government-sponsored enterprises: | | | | |
| Federal Farm Credit Bank | 88,856,030 | AA+/AAA | 45,794,021 | AA+/AAA |
| Federal Home Loan Bank | 123,186,768 | AA+/AAA | 174,952,241 | AA+/AAA |
| Federal Home Loan Bank | - | AA+/AA2 | 4,946,450 | AA+/AA2 |
| Federal Home Loan Bank | 20,967,928 | AA+/N/A | 1,210,817 | AA+/N/A |
| Federal Agriculture Management Corp | 527,346 | | - | |
| Federal Home Loan Bank Trust | 137,188,573 | AA+/AAA | 265,899,402 | AA+/AAA |
| Federal Home Loan Mortgage Corporation | 13,775,880 | AA+/AAA | 41,974,873 | AA+/AAA |
| Federal Home Loan Mortgage Corporation | 33,441,632 | AA+/N/A | - | |
| Federal National Mortgage Association | 49,737,349 | AA+/AAA | 26,714,040 | AA+/AAA |
| Federal National Mortgage Association | - | | 4,994,700 | N/A/N/A |
| Municipal bonds | 2,794,666 | AAA/AA1 | 2,901,996 | AAA/AA1 |
| Municipal bonds | 774,675 | AAA/AA2 | - | |
| Municipal bonds | 8,739,224 | AAA/AAA | - | |
| Municipal bonds | 6,172,290 | AAA/N/A | - | |
| Municipal bonds | 1,683,003 | A+/A2 | - | |
| Municipal bonds | 3,527,458 | AA+/AAA | 963,100 | AA+/AAA |
| Municipal bonds | 6,517,773 | AA+/AA1 | 2,270,941 | AA+/AA1 |
| Municipal bonds | 582,624 | AA+/AA2 | 371,786 | AA+/AA2 |
| Municipal bonds | 951,511 | AA+/AA3 | - | |
| Municipal bonds | 2,672,048 | AA+/N/A | - | |
| Municipal bonds | 764,920 | AA/AA3 | - | |
| Municipal bonds | 8,422,476 | AA/AA2 | 2,483,250 | AA/AA2 |
| Municipal bonds | 1,581,934 | AA/N/A | 546,517 | AA/N/A |
| Municipal bonds | 1,037,452 | AA-/AA2 | - | |
| Municipal bonds | 2,148,878 | AA-/AA3 | - | |
| Municipal bonds | 2,840,809 | AA-/N/A | 901,107 | AA-/N/A |
| Municipal bonds | - | A+/N/A | 3,279,804 | A+/N/A |
| Municipal bonds | - | N/A/AAA | 930,190 | N/A/AAA |
| Municipal bonds | 6,310,648 | N/A/AA1 | 3,573,135 | N/A/AA1 |
| Municipal bonds | 2,925,816 | N/A/AA2 | 2,234,462 | N/A/AA2 |
| Municipal bonds | 9,002,500 | N/A/AAA | - | |
| Municipal bonds | - | N/A/A1 | 362,809 | N/A/A1 |
| Municipal bonds | - | N/A/MIG1 | 1,004,050 | N/A/MIG1 |
| Municipal bonds | 784,248 | N/A/N/A | - | |
| Money market | 161,157,529 | N/A/N/A | 272,713,183 | N/A/N/A |
| Accrued income | 1,823,862 | | 2,373,103 | |
| Total | $ 1,517,516,503 | | $ 863,395,977 | |

## Note 4 - Deposits and Investments (Continued)

| | 2024 | | 2023 | |
|---|---|---|---|---|
| Investment | Carrying Value | Rating S&P/Moody's | Carrying Value | Rating S&P/Moody's |
| **Fiduciary Funds** | | | | |
| U.S. Treasury security notes | $ 21,783,110 | N/A/AAA | $ 30,700,061 | N/A/AAA |
| Government-sponsored enterprises: | | | | |
| Federal Farm Credit Bank | 2,092,097 | AA+/AAA | 3,457,811 | AA+/AAA |
| Federal Home Loan Bank | 5,343,776 | AA+/AAA | 7,568,234 | AA+/AAA |
| Federal Home Loan Mortgage Corporation | - | AAA/N/A | 387,380 | AAA/N/A |
| Federal Home Loan Mortgage Corporation | 914,852 | N/A/AAA | 884,740 | N/A/AAA |
| Federal Home Loan Mortgage Corporation | 12,512,151 | N/A/N/A | 3,356,106 | N/A/N/A |
| Federal National Mortgage Association | - | AA+/AAA | 1,711,404 | AA+/AAA |
| Federal National Mortgage Association | 21,260,284 | N/A/N/A | 15,046,105 | N/A/N/A |
| Small Business Administration | 119,837 | N/A/N/A | 488,615 | N/A/N/A |
| Government National Mortgage Association | 1,850,346 | N/A/N/A | 1,832,711 | N/A/N/A |
| Municipal bonds | 953,092 | AAA/AAA | 1,115,844 | AAA/AAA |
| Municipal bonds | - | AAA/AA1 | 832,704 | AAA/AA1 |
| Municipal bonds | 1,302,040 | AAA/N/A | 1,278,236 | AAA/N/A |
| Municipal bonds | - | AA+/AAA | 1,669,000 | AA+/AAA |
| Municipal bonds | 799,336 | AA+/AA1 | 1,022,642 | AA+/AA1 |
| Municipal bonds | 979,120 | AA+/AA2 | 766,008 | AA+/AA2 |
| Municipal bonds | 246,304 | AA+/N/A | 241,610 | AA+/N/A |
| Municipal bonds | 843,101 | AA/AA1 | 235,220 | AA/AA1 |
| Municipal bonds | 231,679 | AA/AA2 | 838,695 | AA/AA2 |
| Municipal bonds | 140,738 | AA-/AA2 | 140,508 | AA-/AA2 |
| Municipal bonds | 327,513 | AA-/AA3 | 318,722 | AA-/AA3 |
| Municipal bonds | - | AA-/N/A | 147,317 | AA-/N/A |
| Municipal bonds | - | A+/AA3 | 64,637 | A+/AA3 |
| Municipal bonds | 44,949 | A+/AA2 | - | |
| Municipal bonds | 279,654 | N/A/AA1 | 271,129 | N/A/AA1 |
| Municipal bonds | 867,160 | N/A/AA2 | 870,410 | N/A/AA2 |
| Municipal bonds | 157,728 | N/R/AA1 | 154,795 | N/R/AA1 |
| Municipal bonds | - | N/R/N/A | 44,448 | N/R/N/A |
| Money market | 180,928 | N/A/N/R | 363,160 | N/A/N/R |
| Accrued income | 331,963 | | 394,520 | |
| Total | $ 73,561,758 | | $ 76,202,772 | |

### *Concentration of Credit Risk*

The Commission places no limit on the amount that may be invested in any one issuer. The Commission cannot hold more than 30 percent of its portfolio in commercial paper, 25 percent in any state or local government obligation, or 4 percent in any one corporation. The U.S. government-sponsored enterprise securities held by the Commission are not explicitly guaranteed by the U.S. government and are subject to concentration of credit risk. At December 31, 2024 and 2023, government-sponsored enterprises are the only investment type subject to concentration of credit risk.

In the primary government, investments in U.S. government-sponsored enterprises totaled $467,681,506 and $566,486,544 at December 31, 2024 and 2023, respectively. Of this total, $144,154,696 and $181,109,507, or 31 and 32 percent, respectively, is invested in the Federal Home Loan Bank and $137,188,573 and $265,899,402, or 29 and 47 percent, respectively, is invested in Federal Home Loan Bank Trust.

## Note 4 - Deposits and Investments (Continued)

In the OPEB Plan, investments in U.S. government-sponsored enterprises totaled $44,093,344 and $33,784,616 at December 31, 2024 and 2023, respectively. Of this total, $21,260,284 and $16,757,509, or 48 and 50 percent, respectively, is invested in the Federal National Mortgage Association and $13,427,003 and $4,628,226, or 30 and 14 percent, respectively, is invested in the Federal Home Loan Mortgage Corporation.

***Foreign Currency Risk***

Foreign currency risk is the risk that an investment denominated in the currency of a foreign country could reduce its U.S. dollar value as a result of changes in foreign currency exchange rates. State law and the Commission's investment policy prohibit investments in foreign currency. Therefore, the Commission is not exposed to foreign currency risk.

***Fair Value Measurements***

The Commission and its fiduciary component unit categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Commission’s assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The Commission has the following recurring fair value measurements as of December 31, 2024 and 2023:

| | Assets and Liabilities Measured at Carrying Value on a Recurring Basis at December 31, 2024 | | | |
|---|---|---|---|---|
| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Balance at December 31, 2024 |
| **Assets** | | | | |
| Investments: | | | | |
| U.S. Treasury securities | $ 838,401,762 | $ - | $ - | $ 838,401,762 |
| U.S. government-sponsored enterprise securities | - | 511,774,849 | - | 511,774,849 |
| Municipal securities | - | 77,407,367 | - | 77,407,367 |
| Total investments | 838,401,762 | 589,182,216 | - | 1,427,583,978 |
| Derivatives - Forward sales commitments | - | - | 630,376 | 630,376 |
| Total assets | $ 838,401,762 | $ 589,182,216 | $ 630,376 | $ 1,428,214,354 |

## Note 4 - Deposits and Investments (Continued)

| | Assets and Liabilities Measured at Carrying Value on a Recurring Basis at December 31, 2023 | | | |
|---|---|---|---|---|
| | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | Balance at December 31, 2023 |
| **Assets** | | | | |
| Investments: | | | | |
| U.S. Treasury securities | $ 30,700,061 | $ - | $ - | $ 30,700,061 |
| U.S. government-sponsored enterprise securities | - | 600,271,160 | - | 600,271,160 |
| Municipal securities | - | 32,783,564 | - | 32,783,564 |
| Total investments | 30,700,061 | 633,054,724 | - | 663,754,785 |
| Derivatives - Forward sales commitments | - | - | 1,745,173 | 1,745,173 |
| Total assets | $ 30,700,061 | $ 633,054,724 | $ 1,745,173 | $ 665,499,958 |

At December 31, 2024 and 2023, the Commission reported $161,338,458 and $273,076,343, respectively, valued at amortized cost. There are no limitations or restrictions on participant withdrawals for the investment pools that are recorded at amortized cost.

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

The fair values of U.S. government-sponsored enterprise and municipal securities at December 31, 2024 and 2023 were determined primarily based on Level 2 inputs. The Commission estimates the fair value of these investments using a matrix pricing model using inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

The fair value of forward sales commitments at December 31, 2024 and 2023 were determined primarily based on Level 3 inputs. The Commission values its position using mathematical approximations of market values derived from proprietary models of a third-party on a mid-market basis.

## Note 5 - Restricted Assets

In accordance with the terms of applicable ordinances and federal and state laws, the Commission is required to restrict assets for various purposes. A summary of the restricted assets at December 31, 2024 and 2023 is as follows:

| | 2024 | 2023 |
|---|---|---|
| Coverage account | $ 22,207,766 | $ 21,155,785 |
| Passenger facility charges fund | 85,478,567 | 59,367,827 |
| Revenue bond interest and principal funds | 202,978,264 | 108,199,350 |
| Revenue bond reserve funds | 158,690,236 | 111,780,747 |
| Revenue bond construction funds | 697,332,646 | 261,765,029 |
| Revolving loan construction funds | 19,850,180 | 32,592,251 |
| Total | $ 1,186,537,659 | $ 594,860,989 |

## Note 6 - Capital Assets

Capital asset activity of the Commission's business-type activities was as follows:

| | Balance January 1, 2024 | Transfers | Additions | Disposals | Balance December 31, 2024 |
|---|---|---|---|---|---|
| Capital assets not being depreciated: | | | | | |
| Land | $ 337,864,934 | $ - | $ - | $ - | $ 337,864,934 |
| Construction in progress | 259,945,263 | (267,042,903) | 407,705,779 | - | 400,608,139 |
| Subtotal | 597,810,197 | (267,042,903) | 407,705,779 | - | 738,473,073 |
| Capital assets being depreciated: | | | | | |
| Buildings and improvements | 5,787,246,743 | 263,632,512 | - | - | 6,050,879,255 |
| Machinery and equipment | 219,648,445 | 3,410,391 | 16,010,530 | (3,925,152) | 235,144,214 |
| Right-to-use asset | 4,134,245 | - | 5,892,324 | - | 10,026,569 |
| Subtotal | 6,011,029,433 | 267,042,903 | 21,902,854 | (3,925,152) | 6,296,050,038 |
| Accumulated depreciation: | | | | | |
| Buildings and improvements | 3,186,065,788 | - | 182,970,100 | - | 3,369,035,888 |
| Machinery and equipment | 176,253,911 | - | 11,775,919 | (3,898,041) | 184,131,789 |
| Right-to-use asset | 2,912,273 | - | 1,310,930 | - | 4,223,203 |
| Subtotal | 3,365,231,972 | - | 196,056,949 | (3,898,041) | 3,557,390,880 |
| Net capital assets being depreciated | 2,645,797,461 | 267,042,903 | (174,154,095) | (27,111) | 2,738,659,158 |
| Net capital assets | $ 3,243,607,658 | $ - | $ 233,551,684 | $ (27,111) | $ 3,477,132,231 |

| | Balance January 1, 2023 | Transfers | Additions | Disposals | Balance December 31, 2023 |
|---|---|---|---|---|---|
| Capital assets not being depreciated: | | | | | |
| Land | $ 350,954,558 | $ - | $ - | $ (13,089,624) | $ 337,864,934 |
| Construction in progress | 215,504,796 | (213,046,180) | 257,486,647 | - | 259,945,263 |
| Subtotal | 566,459,354 | (213,046,180) | 257,486,647 | (13,089,624) | 597,810,197 |
| Capital assets being depreciated: | | | | | |
| Buildings and improvements | 5,574,553,754 | 212,662,523 | 30,466 | - | 5,787,246,743 |
| Machinery and equipment | 215,300,564 | 383,657 | 4,520,215 | (555,991) | 219,648,445 |
| Right-to-use asset | 3,718,656 | - | 415,589 | - | 4,134,245 |
| Subtotal | 5,793,572,974 | 213,046,180 | 4,966,270 | (555,991) | 6,011,029,433 |
| Accumulated depreciation: | | | | | |
| Buildings and improvements | 3,012,565,792 | - | 173,499,996 | - | 3,186,065,788 |
| Machinery and equipment | 165,001,440 | - | 11,808,462 | (555,991) | 176,253,911 |
| Right-to-use asset | 1,331,049 | - | 1,581,224 | - | 2,912,273 |
| Subtotal | 3,178,898,281 | - | 186,889,682 | (555,991) | 3,365,231,972 |
| Net capital assets being depreciated | 2,614,674,693 | 213,046,180 | (181,923,412) | - | 2,645,797,461 |
| Net capital assets | $ 3,181,134,047 | $ - | $ 75,563,235 | $ (13,089,624) | $ 3,243,607,658 |

## Note 6 - Capital Assets (Continued)

***Construction Commitments***

The Commission has several active construction projects at year end. At December 31, 2024 and 2023, the Commission's commitments with contractors totaled approximately $644,736,000 and $137,849,000, respectively.

## Note 7 - Leases

The Commission leases certain assets from various third parties. The assets leased include snow- and earth-moving equipment. Payments are generally fixed quarterly with no variable payments.

Lease asset activity of the Commission is included in Note 6.

Future principal and interest payment requirements related to the Commission's lease liability at December 31, 2024 are as follows:

| Years Ending | Principal | Interest | Total |
|---|---|---|---|
| 2025 | $ 1,502,669 | $ 199,559 | $ 1,702,228 |
| 2026 | 1,515,479 | 139,611 | 1,655,090 |
| 2027 | 1,577,221 | 77,869 | 1,655,090 |
| 2028 | 1,224,946 | 16,372 | 1,241,318 |

The Commission leases certain assets to various third parties. The assets leased include building facilities, land, office space, terminal space for concessions, rental car facilities, advertising, and others. A majority of the leases include payments that are generally fixed monthly and often contain annual or periodic escalation clauses. For some leases for which the business conducts sales, the monthly fee is a percentage of gross revenue and varies for each month. For these sale-based leases, there are often minimum annual guarantees (MAGs) contained in the lease that provide a certain amount of revenue regardless of the operation's success. Lease terms vary from month to month to over 70 years. The majority of leases carry a term of less than 10 years.

The Commission has adopted the following policies to assist in determining lease treatment according to the requirements of GASB Statement No. 87 (GASB 87):

- The maximum possible lease term(s) is noncancelable by both lessee and lessor and is more than 12 months.
- The term of the lease will include possible extension periods that are deemed to be reasonably certain given all available information, regarding the likelihood of renewal. The term of the lease will exclude possible termination periods that are not deemed to be reasonably certain, given all available information, regarding the likelihood of exercise.
- For the fiscal years ended December 31, 2024 and 2023, all leases with associated receivables are based on fixed payments and do not have variable payment components included in the receivable.

During the years ended December 31, 2024 and 2023, the Commission recognized the following related to its lessor agreements:

| | 2024 | 2023 |
|---|---|---|
| Lease revenue | $ 50,549,698 | $ 49,803,119 |
| Interest income related to its leases | 15,077,355 | 16,655,750 |
| Revenue from variable payments not previously included in the measurement of the lease receivable | 25,909,353 | 23,137,518 |

## Note 7 - Leases (Continued)

The Commission has issued General Airport Revenue Bonds whose repayments are secured by the overall net revenue derived from airport operations. Although none of the Commission's leases are directly pledged as security for these bond repayments, lease revenue is a component of net revenue and net pledged revenue. See Note 8 for more information regarding outstanding bonds.

Future principal and interest payment requirements related to the Commission's lease receivable at December 31, 2024 and 2023 are as follows:

| Years Ending | Principal | Interest | Total |
|---|---|---|---|
| 2025 | $ 47,141,079 | $ 12,603,191 | $ 59,744,270 |
| 2026 | 45,378,019 | 10,261,633 | 55,639,652 |
| 2027 | 43,506,158 | 8,071,211 | 51,577,369 |
| 2028 | 40,123,123 | 5,985,516 | 46,108,639 |
| 2029 | 39,500,612 | 3,998,656 | 43,499,268 |
| 2030-2034 | 44,072,408 | 6,636,733 | 50,709,141 |
| 2035-2039 | 2,768,918 | 3,205,399 | 5,974,317 |
| 2040-2044 | 1,811,993 | 2,709,889 | 4,521,882 |
| 2045-2049 | 1,043,731 | 2,374,165 | 3,417,896 |
| 2050-2054 | 734,015 | 2,232,699 | 2,966,714 |
| 2055-2059 | 957,104 | 2,082,570 | 3,039,674 |
| 2060-2064 | 1,231,882 | 1,887,410 | 3,119,292 |
| 2065-2069 | 1,436,503 | 1,642,571 | 3,079,074 |
| 2070-2074 | 1,453,831 | 1,391,621 | 2,845,452 |
| 2075-2079 | 937,472 | 1,153,054 | 2,090,526 |
| 2080-2084 | 1,203,113 | 887,413 | 2,090,526 |
| 2085-2089 | 1,544,026 | 546,500 | 2,090,526 |
| 2090-2093 | 1,389,297 | 129,148 | 1,518,445 |
| Total | $ 276,233,284 | $ 67,799,379 | $ 344,032,663 |

### *Regulated Leases (Lessor)*

The Commission is party to certain regulated leases, as defined by GASB 87. The leased assets include terminal space; aircraft maintenance facilities; cargo facilities; and ramp, land, and hangars that the lessees use for fixed-based operations (FBO), building facilities, and hangars.

In accordance with GASB 87, the Commission does not recognize a lease receivable and a deferred inflow of resources for regulated leases. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings, e.g., the U.S. Department of Transportation and the Federal Aviation Administration, regulated aviation leases between airports and air carriers and other aeronautical users. Certain assets at Terminal 1, such as 101 of the 104 total jet bridges; gate hold rooms; ticket counter space; baggage service; aircraft parking positions on apron; concourse operations space; and office, storage, and club space, are subject to preferential or exclusive use by the counterparties to these agreements.

During the years ended December 31, 2024 and 2023, the Commission recognized the following from regulated leases:

| | 2024 | 2023 |
|---|---|---|
| Lease revenue | $ 112,303,432 | $ 104,694,850 |

## Note 7 - Leases (Continued)

Future expected minimum payments related to the Commission's regulated leases at December 31, 2024 are as follows:

| Years Ending | Amount |
|---|---|
| 2025 | $ 110,161,510 |
| 2026 | 106,947,573 |
| 2027 | 106,318,385 |
| 2028 | 105,794,231 |
| 2029 | 87,122,767 |
| 2030-2034 | 145,235,889 |
| 2035 | 5,254,728 |
| Total | $ 666,835,083 |

The Commission has entered into certain regulated leases whose repayments are secured by the overall net revenue derived from airport operations. Although none of the Commission's leases are directly pledged as security for these bond repayments, lease revenue is a component of net revenue and net pledged revenue. See Note 8 for more information regarding outstanding bonds.

## Note 8 - Long-term Debt

Long-term debt activity for the years ended December 31, 2024 and 2023 can be summarized as follows:

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Interest Rate Ranges | Principal Maturity Ranges (000s) | Beginning Balance | Additions | Reductions | Ending Balance | Due within One Year |
| Bonds and notes payable: | | | | | | | |
| Other debt: | | | | | | | |
| Series 2016A* Original amount - $330,690,000 10/04/2016 | 3.0% - 5.0% | $1,150 - $319,540 | $ 330,690,000 | $ - | $ - | $ 330,690,000 | $ 41,260,000 |
| Series 2016B** Original amount - $152,190,000 10/04/2016 | 3.0% - 5.0% | $1,370 - $137,570 | 37,250,000 | - | (37,250,000) | - | - |
| Series 2016C* Original amount - $207,250,000 12/10/2016 | 4.0% - 5.0% | $11,390 - $195,860 | 187,445,000 | - | (4,525,000) | 182,920,000 | 4,750,000 |
| Series 2016D (AMT)** Original amount - $23,410,000 12/10/2016 | 5.0% | $500 - $22,910 | 19,855,000 | - | (705,000) | 19,150,000 | 740,000 |
| Series 2016E (Taxable)** Original amount - $171,690,000 12/10/2016 | 2,893% - 4.246% | $9,365 - $13,870 | 126,935,000 | - | (9,640,000) | 117,295,000 | 9,935,000 |
| Series 2019A** Original amount - $96,615,000 08/28/2019 | 5.0% | $765 - $8,595 | 91,205,000 | - | (925,000) | 90,280,000 | 935,000 |
| Series 2019B** Original amount - $164,320,000 08/28/2019 | 5.0% | $3,100 - $18,075 | 130,730,000 | - | (3,310,000) | 127,420,000 | 3,100,000 |
| Series 2019C** Original amount - $31,035,000 08/28/2019 | 5.0% | $3,360 - $4,985 | 19,665,000 | - | (4,310,000) | 15,355,000 | 4,520,000 |
| Series 2022A** Original amount - $145,900,000 08/23/2022 | 4.125% - 5% | $4,490 - $51,145 | 139,510,000 | - | (4,960,000) | 134,550,000 | 5,210,000 |
| Series 2022B** Original amount - $226,785,000 08/23/2022 | 4.00% - 5.250% | $10,310 - $103,680 | 225,160,000 | - | (5,205,000) | 219,955,000 | 5,470,000 |
| Series 2023A** Original amount - $154,490,000 10/4/2023 | 5.0% | $154,490 | 154,490,000 | - | - | 154,490,000 | 8,840,000 |

## Note 8 - Long-term Debt (Continued)

| | 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Interest Rate Ranges | Principal Maturity Ranges (000s) | Beginning Balance | Additions | Reductions | Ending Balance | Due within One Year |
| Series 2023B** Original amount - $8,290,000 10/4/2023 | 5.0% | $8,290 | $ 8,290,000 | $ - | $ - | $ 8,290,000 | $ 5,025,000 |
| Series 2024A** Original amount - $206,020,000 8/7/2024 | 4.00% - 5.0% | $84,780 - $121,240 | - | 206,020,000 | - | 206,020,000 | - |
| Series 2024B** Original amount - $465,125,000 8/7/2024 | 5.0% - 5.25% | $23,910 - 243,245 | - | 465,125,000 | - | 465,125,000 | - |
| Direct borrowings - Notes payable | | | 46,738,231 | 9,180,565 | (1,378,804) | 54,539,992 | 5,813,086 |
| Leases | | | 1,249,024 | 5,820,310 | (1,249,024) | 5,820,310 | 1,502,669 |
| Unamortized premium - Net | | | 130,620,473 | 39,944,102 | (17,623,412) | 152,941,163 | - |
| Total long-term bonds, leases, and notes payable | | | $ 1,649,832,728 | $ 726,089,977 | $ (91,081,240) | $ 2,284,841,465 | $ 97,100,755 |

| | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Interest Rate Ranges | Principal Maturity Ranges (000s) | Beginning Balance | Additions | Reductions | Ending Balance | Due within One Year |
| Bonds and notes payable: | | | | | | | |
| Other debt: | | | | | | | |
| Series 2014A** Original amount - $217,790,000 10/08/2014 | 3.5% - 5.0% | $3,270 - $209,900 | $ 192,135,000 | $ - | $ (192,135,000) | $ - | $ - |
| Series 2014B** Original amount - $46,590,000 10/08/2014 | 5.0% | $3,850 - $38,840 | 18,365,000 | - | (18,365,000) | - | - |
| Series 2016A* Original amount - $330,690,000 10/04/2016 | 3.0% - 5.0% | $1,150 - $319,540 | 330,690,000 | - | - | 330,690,000 | - |
| Series 2016B** Original amount - $152,190,000 10/04/2016 | 3.0% - 5.0% | $1,370 - $137,570 | 67,345,000 | - | (30,095,000) | 37,250,000 | 37,250,000 |
| Series 2016C* Original amount - $207,250,000 12/10/2016 | 4.0% - 5.0% | $11,390 - $195,860 | 191,755,000 | - | (4,310,000) | 187,445,000 | 4,525,000 |
| Series 2016D (AMT)** Original amount - $23,410,000 12/10/2016 | 5.0% | $500 - $22,910 | 20,525,000 | - | (670,000) | 19,855,000 | 705,000 |
| Series 2016E (Taxable)** Original amount - $171,690,000 12/10/2016 | 2,893% - 4.246% | $9,365 - $13,870 | 136,300,000 | - | (9,365,000) | 126,935,000 | 9,640,000 |
| Series 2019A** Original amount - $96,615,000 08/28/2019 | 5.0% | $765 - $8,595 | 92,825,000 | - | (1,620,000) | 91,205,000 | 925,000 |
| Series 2019B** Original amount - $164,320,000 08/28/2019 | 5.0% | $3,100 - $18,075 | 137,570,000 | - | (6,840,000) | 130,730,000 | 3,310,000 |
| Series 2019C** Original amount - $31,035,000 08/28/2019 | 5.0% | $3,360 - $4,985 | 23,770,000 | - | (4,105,000) | 19,665,000 | 4,310,000 |
| Series 2022A** Original amount - $145,900,000 9/7/2022 | 4.125% - 5% | $4,490 - $51,145 | 145,900,000 | - | (6,390,000) | 139,510,000 | 4,960,000 |

## Note 8 - Long-term Debt (Continued)

| | 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Interest Rate Ranges | Principal Maturity Ranges (000s) | Beginning Balance | Additions | Reductions | Ending Balance | Due within One Year |
| Series 2022B** Original amount - $226,785,000 9/7/2022 | 4.00% - 5.250% | $10,310 - $103,680 | $ 226,785,000 | $ - | $ (1,625,000) | $ 225,160,000 | $ 5,205,000 |
| Series 2023A** Original amount - $154,490,000 10/4/2023 | 5.0% - 2.25% | $154,490 | - | 154,490,000 | - | 154,490,000 | - |
| Series 2023B** Original amount - $8,290,000 10/4/2023 | 5.0% - 2.25% | $8,290 | - | 8,290,000 | - | 8,290,000 | - |
| Direct borrowings - Notes payable | | | 39,086,154 | 16,728,706 | (9,076,629) | 46,738,231 | 4,751,812 |
| Leases | | | 2,392,937 | - | (1,143,913) | 1,249,024 | 1,249,024 |
| Unamortized premium - Net | | | 147,569,724 | 13,547,461 | (30,496,712) | 130,620,473 | - |
| Total long-term bonds, leases, and notes payable | | | $ 1,773,013,815 | $ 193,056,167 | $ (316,237,254) | $ 1,649,832,728 | $ 76,830,836 |

*Senior General Airport Revenue Bonds
**Subordinate General Airport Revenue Bonds

### *General Airport Revenue Bonds*

The Commission's General Airport Revenue Bonds are not general obligations but are limited obligations of the Commission payable solely from and secured by a pledge of net revenue. Neither the full faith and credit nor the taxing power of the Commission; the City of Minneapolis, Minnesota; the City of St. Paul, Minnesota; the State; or any political subdivision or public agency of the State, other than the Commission, to the extent of net revenue, is pledged to the payment of the General Airport Revenue Bonds. The proceeds of these issues have been used to finance a portion of the Commission's long-term capital improvement program, which details the expansion of the airport system.

In August 2024, the Commission issued the Series 2024A and Series 2024B bonds (collectively, the "2024 bonds") in the amounts of $206,020,000 and $465,125,000, respectively. The proceeds of the 2024 bonds will be used to (1) finance certain capital improvements at Minneapolis-St. Paul International Airport, (2) fund capitalized interest on a portion of the 2024 bonds, and (3) pay the costs of issuance of the 2024 bonds.

The Commission's Series 2016A, 2016B, 2016C, 2016E, 2019A, 2019B, 2019C, 2022A, 2022B, 2023A, 2023B, 2024A, and 2024B bonds are each subject to the provisions of the Commission's Master Senior and Subordinate Indentures, respectively. None of the Master Indentures provide events of default with finance-related consequences, termination events with finance-related consequences, or subject acceleration provisions.

In August 2024, the Commission entered into a revolving line of credit agreement with Wells Fargo Bank, National Association, to fund certain capital improvement program projects. The revolving line of credit agreement does not provide significant events of default with finance-related consequences, termination events with finance-related consequences, or subjective acceleration provisions.

### *Other Long-term Liabilities*

The Commission has entered into taxable equipment lease/purchase agreements to finance the solar panels on top of parking ramps at Terminals 1 and 2. The principal amount of these agreements qualifies as a new clean renewable energy bond (NCREB) or a qualified energy conservation bond (QECB), both of which are eligible for a direct interest rate subsidy from the federal government. The effective net interest rates range from 0.75 percent to 1.09 percent, with scheduled payments through 2035 and 2036. At December 31, 2024 and 2023, there was $22,948,351 and $24,327,155, respectively, in outstanding notes payable.

## Note 8 - Long-term Debt (Continued)

The Commission enters into tax-exempt lease/purchase agreements each year to finance the acquisition of equipment, primarily heavy equipment and vehicles. Scheduled payments under these lease/purchase agreements extend through September 2033 with various maturity dates. The interest rates ranged from 0.91 percent to 4.57 percent, and assets under such agreements are depreciated over the lease term. At December 31, 2024 and 2023, there was $31,591,641 and $22,411,076, respectively, in outstanding equipment leases.

### *Pledged Revenue*

Net revenue and net pledged revenue (as defined in the Master Senior and Subordinate Indentures, respectively) of the Commission have been pledged toward the repayment of the Commission's Senior and Subordinate General Airport Revenue Bonds and Obligations. Net revenue consists of the revenue for such period, less, for such period, all amounts that are required to be used to pay the maintenance and operation expenses of the airport system. Net pledged revenue consists of revenue for such period, less, for such period, all amounts that are required to be used to pay the maintenance and operation expenses of the airport system, less all amounts required to pay debt service and reserve requirements on and relating to the Commission's Senior General Airport Revenue Bonds. Revenue includes, but is not limited to, except to the extent specifically excluded therefrom: rates, tolls, fees, rentals, charges, and other payments made to or owed to the Commission for the use or availability of the airport system; amounts received or owed from the sale or provision of supplies, materials, goods, and services provided by or made available by the Commission; the principal portion of payments received pursuant to certain self-liquidating lease agreements; and such other amounts that may be designated as revenue pursuant to a certificate of the Commission or a supplemental senior indenture. PFCs and capitalized interest, among other things, are specifically excluded from revenue unless otherwise designated as revenue pursuant to a certificate of the Commission or in a supplemental senior indenture. The Commission has not designated pursuant to a certificate or a supplemental senior indenture PFCs or capitalized interest, or any additional amounts, as revenue.

For the year ended December 31, 2024, the net pledged revenue was approximately $200,430,000 compared to the net debt service (principal and interest) of approximately $137,391,000.

### *Debt Service Requirements to Maturity*

Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

| | Direct Borrowings | | Other Debt | | |
|---|---|---|---|---|---|
| Years Ending December 31 | Principal | Interest | Principal | Interest | Total |
| 2025 | $ 5,813,086 | $ 1,232,382 | $ 89,785,000 | $ 95,738,546 | $ 192,569,014 |
| 2026 | 5,652,032 | 1,085,986 | 94,560,000 | 94,678,515 | 195,976,533 |
| 2027 | 5,348,288 | 942,198 | 103,345,000 | 89,940,351 | 199,575,837 |
| 2028 | 5,121,907 | 803,304 | 113,625,000 | 84,662,143 | 204,212,354 |
| 2029 | 5,041,565 | 677,745 | 120,400,000 | 78,949,053 | 205,068,363 |
| 2030-2034 | 23,699,397 | 1,550,085 | 462,370,000 | 315,741,415 | 803,360,897 |
| Thereafter | 3,863,717 | 37,526 | 1,087,455,000 | 534,237,337 | 1,625,593,580 |
| Total | $ 54,539,992 | $ 6,329,226 | $ 2,071,540,000 | $ 1,293,947,360 | $ 3,426,356,578 |

## Note 9 - Revolving Line of Credit

Under a revolving line of credit agreement with a bank, the Commission has available borrowings of approximately $200,000,000. Interest is payable monthly and varies of the applicable benchmark interest rate and an applicable spread based on the Commission's long-term credit ratings and, if applicable, a margin rate factor. The effective interest rate as of December 31, 2024 and 2023 for tax-exempt AMT and non-AMT borrowings benchmarked to the Securities Industry Financial Markets Association (SIFMA) was 3.84 and 4.19 percent and 3.84 and 3.98 percent, respectively. The effective interest rate as of December 31, 2024 and 2023 for taxable borrowings benchmarked to the Secured Overnight Financing Rate (SOFR) was 4.81 and 5.93 percent, respectively. The line of credit is collateralized by a subordinate pledge of the Commission's net revenue. There was $85,914,050 and $87,753,550 outstanding on the revolving line of credit at December 31, 2024 and 2023, respectively.

| | Balance January 1, 2024 | Advances | Repayments | Balance December 31, 2024 |
|---|---|---|---|---|
| Revolving line of credit | $ 87,753,550 | $ - | $ (1,839,500) | $ 85,914,050 |

| | Balance January 1, 2023 | Advances | Repayments | Balance December 31, 2023 |
|---|---|---|---|---|
| Revolving line of credit | $ 43,193,050 | $ 46,400,000 | $ (1,839,500) | $ 87,753,550 |

## Note 10 - Pension Plans

***Plan Description***

The Minneapolis/St. Paul Metropolitan Airports Commission provides a monthly retirement benefit (with alternative lump-sum payment options) to employees who meet the eligibility requirements, including age and years of service. The benefits are provided through the General Employees Retirement Fund (GERF) and Public Employees Police and Fire Fund (PEPFF), cost-sharing, multiple-employer plans administered by the Public Employees Retirement Association of Minnesota (PERA).

***GERF***

All full-time and certain part-time employees of the Commission are covered by the GERF Coordinated Plan. GERF plan members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security, and Basic Plan members are not. The Basic Plan was closed to new members in 1967. All new GERF members must participate in the Coordinated Plan.

***PEPFF***

Originally established for police officers and firefighters not covered by a local relief association, PEPFF now covers all police officers and firefighters hired since 1980. Effective July 1, 1999, PEPFF also covers police officers and firefighters belonging to a local relief association that elected to merge with and transfer assets and administration to PERA.

PERA issues a publicly available financial report that can be obtained at www.mnpera.org.

***Benefits Provided***

PERA provides retirement, disability, and death benefits to members and survivors. Benefits are established by state statute and can be modified only by the state Legislature.

Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. Members in plans that are at least 90 percent funded for two consecutive years are given 2.5 percent increases. Members in plans that have not exceeded 90 percent funded, or have fallen below 80 percent, are given 1 percent increases.

## Note 10 - Pension Plans (Continued)

The benefit provisions stated in the following paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service.

***GERF***

GERF benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. A reduced retirement annuity is also available to eligible members seeking early retirement. Two methods are used to compute benefits for GERF Coordinated Plan members. The retiring member receives the higher of a step rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Coordinated Plan member is 1.2 percent of average salary for each of the first 10 years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 1.7 percent for Coordinated Plan members for each year of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equals 90, and normal retirement age is 65. For members hired on or after July 1, 1989, only Method 2 is used, and normal retirement age is the age for unreduced social security benefits capped at 66.

Disability benefits are available for vested members and are based upon years of service and average monthly salary over a GERF Coordinated Plan member's highest-paid 60 consecutive months of public service (high-five salary) or all months of service if less than 60.

A lifetime survivor benefit is available to the surviving spouse of a GERF Coordinated Plan member and is based upon a formula using the member's total years of service, high-five salary age at death, and age of the spouse.

***PEPFF***

Benefits for PEPFF members hired prior to July 1, 2010 vest after three years of credited service. Benefits for PEPFF members first hired after June 30, 2010 but before July 1, 2014 vest on a prorated basis from 50 percent after 5 years up to 100 percent after 10 years of credited service. Benefits for PEPFF members first hired after June 30, 2014 vest on a prorated basis from 50 percent after 10 years up to 100 percent after 20 years of credited service. The annuity accrual rate is 3 percent of average salary for each year of service. For PEPFF members who were first hired prior to July 1, 1989, a full annuity is available when age plus years of service equals at least 90.

PEPFF members qualify for disability with one or more years of service if disabled outside the line of duty. If disabled in the line of duty, there is no minimum service requirement. There is a minimum benefit of 60 percent of salary if a PEPFF member is disabled while engaged in hazardous activities related to the occupation. Disability under any circumstances results in a minimum benefit of 45 percent of salary. A duty disability benefit will be awarded only if the disabling event occurred while the member was engaged in hazardous activities inherent to the occupation.

A lifetime survivor benefit is available to the surviving spouse of a PEPFF member and is based on either 50 percent (60 percent if death occurs in the line of duty after June 30, 2007) of the average of the full-time monthly base salary rate in effect during the last six months of allowable service or a formula using the member's total years of service, high-five salary age at death, and age of the spouse. Automatic lifetime survivor benefits are also available to the spouse of a PEPFF member who suffers total and permanent disability.

***Contributions***

Minnesota Statutes set the rates for employer and employee contributions. These statutes are established and amended by the state Legislature. The Commission makes annual contributions to the pension plans equal to the amount required by state statutes.

## Note 10 - Pension Plans (Continued)

***GERF***

GERF Coordinated Plan members were required to contribute 6.50 percent of their pay for the years ended December 31, 2024 and 2023. The Commission's contractually required contribution rate for the years ended December 31, 2024 and 2023 was 7.50 percent of annual payroll. Contributions to the GERF plan from the Commission were approximately $6,051,000 and $5,601,000 for the years ended December 31, 2024 and 2023, respectively.

This amount includes an employer supplemental contribution of approximately $1,200,000 and $1,243,000 for the years ended December 31, 2024 and 2023, respectively, relating to the former Minneapolis Employees Retirement Fund (MERF), which was fully merged into GERF in January 2015.

As a result of legislation passed in the 2015 legislative session, the State of Minnesota was required to contribute $6,000,000 to GERF during the measurement periods ended June 30, 2016 and June 30, 2017; $16,000,000 for the period ended June 30, 2018; and $6,000,000 each measurement period thereafter until 2031.

***PEPFF***

PEPFF members were required to contribute 11.80 percent of their pay for the years ended December 31, 2024 and 2023. The Commission's contractually required contribution rate for the years ended December 31, 2024 and 2023 was 17.70 percent of annual payroll. Contributions to the plan from the Commission were approximately $3,733,000 and $3,322,000 for the years ended December 31, 2024 and 2023, respectively.

Additionally, the State of Minnesota is required to contribute to PEPFF an aggregate amount for all employers of $9,000,000 each year, beginning in fiscal year 2014. State aid will continue until the plan is 90 percent funded or the State Patrol Plan, administered by the Minnesota State Retirement System, is 90 percent funded, whichever occurs later. Such nonemployer contributions to PEPFF by the State of Minnesota do not meet the special funding criteria set forth in GASB 68.

***Net Pension Liability***

The Commission chooses a date for each pension plan to measure its net pension liability. This is based on the measurement date of each pension plan, which may be based on a comprehensive valuation as of that date or based on an earlier valuation that has used procedures to roll the information forward to the measurement date. The Commission has chosen June 30, 2024 and 2023 as its measurement date for the net pension liability for the years ended December 31, 2024 and 2023.

At December 31, 2024 and 2023, the Commission reported a liability of $33,671,628 and $52,032,517, respectively, for GERF and $18,972,397 and $23,243,670, respectively, for PEPFF for its proportionate share of the net pension liability. The net pension liability was measured as June 30, 2023, and the total pension liability used to calculate the net pension liability by an actuarial valuation as of that date. The Commission's proportion of the net pension liability was based on the Commission's actuarially required contribution for the years ended June 30, 2024 and 2023 relative to all other contributing employers. At June 30, 2024 and 2023, the Commission's proportion was 0.9108 and 0.9305 percent, respectively, for GERF and 1.4421 and 1.346 percent, respectively, for PEPFF.

***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

For the years ended December 31, 2024 and 2023, the Commission recognized pension expense of $7,144,575 and $13,810,860, respectively, from all plans.

## Note 10 - Pension Plans (Continued)

At December 31, 2024 and 2023, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | 2024 General Employees Retirement Fund | | 2024 Public Employees Police and Fire Fund | |
|---|---|---|---|---|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Difference between expected and actual experience | $ 3,166,014 | $ - | $ 7,393,690 | $ - |
| Changes in assumptions | 164,390 | 12,744,150 | 20,855,564 | 27,937,343 |
| Net difference between projected and actual earnings on pension plan investments | - | 9,777,966 | - | 6,168,900 |
| Changes in proportionate share, or difference between amount contributed and proportionate share of contributions | 2,383,563 | 978,066 | 2,514,674 | 553,545 |
| Employer contributions to the plan subsequent to the measurement date | 3,248,910 | - | 1,960,638 | - |
| Total | $ 8,962,877 | $ 23,500,182 | $ 32,724,566 | $ 34,659,788 |

| | 2023 General Employees Retirement Fund | | 2023 Public Employees Police and Fire Fund | |
|---|---|---|---|---|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Difference between expected and actual experience | $ 1,708,761 | $ 358,437 | $ 6,409,060 | $ - |
| Changes in assumptions | 8,423,333 | 14,261,671 | 26,972,373 | 32,680,880 |
| Net difference between projected and actual earnings on pension plan investments | - | 1,945,834 | - | 1,115,794 |
| Changes in proportionate share, or difference between amount contributed and proportionate share of contributions | 3,575,345 | 533,653 | 1,637,170 | 944,934 |
| Employer contributions to the plan subsequent to the measurement date | 2,982,067 | - | 1,694,181 | - |
| Total | $ 16,689,506 | $ 17,099,595 | $ 36,712,784 | $ 34,741,608 |

## Note 10 - Pension Plans (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (note that employer contributions subsequent to the measurement date will reduce the net pension liability and, therefore, will not be included in future pension expense):

| | Amount | |
|---|---|---|
| Years Ending December 31 | General Employees Retirement Fund | Public Employees Police and Fire Fund |
| 2025 | $ (9,822,876) | $ (754,204) |
| 2026 | (948,419) | 5,277,755 |
| 2027 | (4,434,196) | (2,316,652) |
| 2028 | (2,580,724) | (6,810,128) |
| 2029 | - | 707,369 |
| Total | $ (17,786,215) | $ (3,895,860) |

### *Actuarial Assumptions*

The total pension liability in each actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

| | 2024 | |
|---|---|---|
| | General Employees Retirement Fund | Public Employees Police and Fire Fund |
| Inflation | 2.25% | 2.25% |
| Salary increases (including inflation) | 3.00% | 3.00% |
| Investment rate of return (net of investment expenses) | 7.00% | 7.00% |
| Mortality rates | Pub-2010 Mortality Table with MP-2021 projection scale | Pub-2010 Mortality Table with MP-2021 projection scale |

| | 2023 | |
|---|---|---|
| | General Employees Retirement Fund | Public Employees Police and Fire Fund |
| Inflation | 2.25% | 2.25% |
| Salary increases (including inflation) | 3.00% | 3.00% |
| Investment rate of return (net of investment expenses) | 7.0% | 7.0% |
| Mortality rates | RP-2014 Mortality Table | Pub-2010 Mortality Table with MP-2021 projection scale |

The actuarial assumptions used in the June 30, 2024 and 2023 actuarial valuations were based on the results of an actuarial experience study for the period 2015-2019 that was issued on July 14, 2020.

### *Discount Rate*

As shown below, the discount rate used to measure the total pension liability was determined after considering a projection of the cash flows to determine whether the future contributions (made at the current contribution rates) will be sufficient to allow the pension plans' fiduciary net position to make all projected future benefit payments of current active and inactive employees.

## Note 10 - Pension Plans (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

| | General Employees Retirement Fund | Public Employees Police and Fire Fund |
|---|---|---|
| Assumed investment rate of return | 7.00% | 7.00% |
| Are contributions expected to be sufficient to allow fiduciary net position to pay future benefits? | Yes | No |
| Discount rate used to measure total pension liability | 7.00% | 7.00% |

***Investment Rate of Return***

Best estimates of arithmetic real rates of return as of the June 30, 2024 and 2023 measurement dates for each major asset class included in the pension plan's target asset allocation, as disclosed in the investment footnote, are summarized in the following tables:

***<u>General Employees Retirement Fund</u>***

| Asset Class | Target Allocation | Long-term Expected Real Rate of Return |
|---|---|---|
| Domestic equity | 33.50 % | 5.10 % |
| International equity | 16.50 | 5.30 |
| Fixed income | 25.00 | 0.75 |
| Private markets | 25.00 | 5.90 |

***Sensitivity of the Net Pension Liability to Changes in the Discount Rate***

The following presents the net pension liability of the Commission, calculated using the discount rate, as well as what the Commission's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

| | 2024 | | |
|---|---|---|---|
| | 1 Percentage Point Decrease | Current Discount Rate | 1 Percentage Point Increase |
| Net pension liability of the General Employees Retirement Fund - Current discount rate (7.0%) | $ 73,544,258 | $ 33,671,628 | $ 872,756 |
| Net pension liability of the Public Employees Police and Fire Fund - Current discount rate (7.0%) | 44,835,480 | 18,972,397 | (2,266,606) |

## Note 10 - Pension Plans (Continued)

The following presents the net pension liability of the Commission, calculated using the discount rate, as well as what the Commission's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

| | 2023 | | |
|---|---|---|---|
| | 1 Percentage Point Decrease | Current Discount Rate | 1 Percentage Point Increase |
| Net pension liability of the General Employees Retirement Fund - Current discount rate (7%) | $ 92,049,703 | $ 52,032,517 | $ 19,116,862 |
| Net pension liability of the Public Employees Police and Fire Fund - Current discount rate (7%) | 46,118,213 | 23,243,670 | 4,437,735 |

***Pension Plan Fiduciary Net Position***

Detailed information about the plan's fiduciary net position is available in the separately issued financial report. For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the plan's fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

***Assumption Changes***

The following changes in assumptions were made in the June 30, 2024 valuation:

***<u>GERF</u>***

Rates of merit and seniority were adjusted, resulting in slightly higher rates.

Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.

Minor increase in assumed withdrawals for males and females

Lower rates of disability

Continued use of Pub-2010 General Mortality Table, with slight rate adjustments recommended in the most recent experience study

Minor changes to form of payment assumptions for male and female retirees

Minor changes to assumptions made with respect to missing participant data

***<u>PEPFF</u>***

There were no changes in actuarial assumptions since the prior valuation.

## Note 11 - Other Postemployment Benefit Plan

***Plan Description***

The Commission provides other postemployment benefits (OPEB) for all employees who meet certain eligibility requirements. The benefits are provided through the Other Postemployment Benefits Plan, a single-employer plan administered by the Commission.

## Note 11 - Other Postemployment Benefit Plan (Continued)

The financial statements of the OPEB Plan are included in these financial statements as an other employee benefit trust fund (a fiduciary fund).

The OPEB trust is administered by a board of trustees appointed by the Commission. Benefit provisions are contained in the plan document and were established and can be amended by action of the Commission.

***Benefits Provided***

The OPEB Plan provides medical benefits to eligible retirees and their dependents. Benefits are provided under a single employer, self-insured plan. The benefits provided to retirees and their dependents is determined by the employees' hire dates with the Commission. All nonunion employees who retire at age 55 or later, have three years of service, or who are receiving benefits from the Public Employees Retirement Association of Minnesota and who do not participate in any other health benefits program providing coverage similar to that herein described are eligible to continue coverage with respect to both themselves and their eligible dependent(s) under the Commission’s health benefits program. Union employees require 10 years of service to be eligible for benefits.

The OPEB Plan does not include any terms for automatic or ad hoc postemployment benefit changes, including COLAs or the sharing of benefit-related costs with inactive employees.

***Employees Covered by Benefit Terms***

The following members were covered by the benefit terms:

| Date of member count | December 31, 2023 | December 31, 2022 |
|---|---|---|
| Inactive plan members or beneficiaries currently receiving benefits | 271 | 273 |
| Active plan members electing medical coverage | 663 | 598 |
| Active plan members waiving medical coverage | 41 | 33 |
| Total plan members | 975 | 904 |

***Contributions***

Retiree health care costs are paid by the Commission on a pay-as-you-go basis. The Commission has no obligation to make contributions in advance of when the insurance premiums are due for payment. For employees hired prior to January 1, 1991, the Commission makes contributions (as specified in union agreements or the Commission’s personnel policy) toward required premiums at the same percentages applicable to active employees and their eligible dependent(s) until becoming eligible for Medicare Part A or B, or both. The Commission pays 100 percent of the premium for the retired employee, a spouse over age 65, and any legal dependents provided that the retired employee is receiving benefits from PERA and is enrolled in Medicare Part A and B as his/her primary health insurance. As of January 1, 1991, all employees hired by the Commission are only able to participate in the Commission's medical plan up to age 65. During 2004, the Commission approved that nonorganized employees hired after October 1, 2004 will be able to participate in the Commission's medical plan provided that the retirees pay 100 percent of the total premium cost plus a 2 percent administrative fee. During 2006 and 2007, the Commission was successful in getting language in all eligible labor agreements that provides that organized employees hired after the date of the signed contract will be able to participate in the Commission’s health plan provided that the retirees pay 100 percent of the total premium cost plus a 2 percent administrative fee.

## Note 11 - Other Postemployment Benefit Plan (Continued)

For the fiscal years ended December 31, 2024 and 2023, the Commission made a payment (received reimbursement) for postemployment health benefit premiums of $(382,675) and $1,885,766, respectively. The 2024 and 2023 benefit payments include $3,700,502 and $3,349,556, respectively, paid from the Commission's other assets. Retirees contributed approximately $354,545 and $392,429 for fiscal years 2024 and 2023, respectively. Included in the OPEB trust's contributions is a receivable from the Commission of $1,794,400 and $1,477,577 as of December 31, 2024 and 2023, respectively.

***Net OPEB Asset***

The Commission has chosen to use the December 31 measurement date as its measurement date for the net OPEB asset. The December 31, 2024 and 2023 net OPEB asset was determined using a measure of the total OPEB liability and the OPEB net position as of the December 31, 2024 and 2023 measurement dates. The December 31, 2024 and 2023 measurement date total OPEB liability was determined by an actuarial valuation performed as of December 31, 2023 and 2022, respectively.

Changes in the net OPEB asset during the measurement year were as follows:

| | Increase (Decrease) | | |
|---|---|---|---|
| Changes in Net OPEB Asset | Total OPEB Liability | Plan Net Position | Net OPEB Asset |
| **Balance at January 1, 2024** | $ 51,478,583 | $ 77,680,349 | $ (26,201,766) |
| Changes for the year: | | | |
| Service cost | 489,782 | - | 489,782 |
| Interest | 2,380,610 | - | 2,380,610 |
| Differences between expected and actual experience | 6,152,365 | - | 6,152,365 |
| Changes in assumptions | 4,683,662 | - | 4,683,662 |
| Contributions - Employer | - | (382,675) | 382,675 |
| Net investment income | - | 1,758,985 | (1,758,985) |
| Benefit payments - Including refunds | (3,700,501) | (3,700,501) | - |
| Net changes | 10,005,918 | (2,324,191) | 12,330,109 |
| **Balance at December 31, 2024** | $ 61,484,501 | $ 75,356,158 | $ (13,871,657) |

The plan's fiduciary net position represents 122.6 percent of the total OPEB liability.

## Note 11 - Other Postemployment Benefit Plan (Continued)

Changes in the net OPEB asset during the prior measurement year were as follows:

| Changes in Net OPEB Asset | Increase (Decrease) Total OPEB Liability | Plan Net Position | Net OPEB Asset |
|---|---|---|---|
| **Balance at January 1, 2023** | $ 57,040,224 | $ 75,507,032 | $ (18,466,808) |
| Changes for the year: | | | |
| Service cost | 647,108 | - | 647,108 |
| Interest | 1,960,439 | - | 1,960,439 |
| Differences between expected and actual experience | (356,423) | - | (356,423) |
| Changes in assumptions | (4,463,209) | - | (4,463,209) |
| Contributions - Employer | - | 1,885,766 | (1,885,766) |
| Net investment income | - | 3,637,107 | (3,637,107) |
| Benefit payments - Including refunds | (3,349,556) | (3,349,556) | - |
| Net changes | (5,561,641) | 2,173,317 | (7,734,958) |
| **Balance at December 31, 2023** | $ 51,478,583 | $ 77,680,349 | $ (26,201,766) |

The plan's fiduciary net position represents 150.9 percent of the total OPEB liability.

***OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

For the years ended December 31, 2024 and 2023, the Commission recognized OPEB recovery of $(5,716,840) and $(7,213,015), respectively.

At December 31, 2024 and 2023, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Difference between expected and actual experience | $ 4,629,502 | $ 7,602,614 | $ 65,468 | $ 16,828,845 |
| Changes in assumptions | 3,550,391 | 2,709,964 | 555,240 | 4,281,025 |
| Net difference between projected and actual earnings on OPEB plan investments | 5,381,226 | - | 6,073,427 | - |
| Total | $ 13,561,119 | $ 10,312,578 | $ 6,694,135 | $ 21,109,870 |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB (recovery) expense as follows:

| Years Ending December 31 | Amount |
|---|---|
| 2025 | $ (2,690,531) |
| 2026 | 2,576,721 |
| 2027 | 2,869,082 |
| 2028 | 493,269 |
| Total | $ 3,248,541 |

## Note 11 - Other Postemployment Benefit Plan (Continued)

***Actuarial Assumptions***

The investment rate of return was assumed to be 4.75 percent, net of OPEB plan investment expense, including inflation.

The total OPEB liability was determined using the following actuarial assumptions applied to all periods included in the measurement:

| | 2024 | 2023 |
|---|---|---|
| Inflation | 2.50% | 2.50% |
| Salary increases | 3.25% | 3.25% |
| Investment rate of return | 4.75% | 4.75% |
| Health care cost trend rate | 8.6% in fiscal year 2024 decreasing annually to 3.9% in fiscal year 2075 and later | 7.6% in fiscal year 2023 decreasing annually to 3.9% in fiscal year 2075 and later |

***Discount Rate***

The discount rate used to measure the total OPEB liability was 4.75 percent for the years ended December 31, 2024 and 2023. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that Commission contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Based on those assumptions, the OPEB Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

***Investment Rate of Return***

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. Best estimates of arithmetic real rates of return as of the December 31, 2024 and 2023 measurement date for each major asset class included in the OPEB Plan's target asset allocation, as disclosed in the investment footnote, is summarized in the following table:

| | 2024 | |
|---|---|---|
| Asset Class | Target Allocation | Long-term Expected Real Rate of Return |
| Fixed income | 99.30 % | 2.30 % |
| Cash or cash equivalents | 0.70 | 0.77 |

| | 2023 | |
|---|---|---|
| Asset Class | Target Allocation | Long-term Expected Real Rate of Return |
| Fixed income | 99.01 % | 2.30 % |
| Cash or cash equivalents | 0.99 | 0.77 |

## Note 11 - Other Postemployment Benefit Plan (Continued)

### *Rate of Return*

For the years ended December 31, 2024 and 2023, the annual money-weighted rate of return on OPEB plan investments, net of OPEB plan investment expense, was 2.26 and 4.82 percent, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

### *Sensitivity of the Net OPEB Asset to Changes in the Discount Rate*

The following presents the net OPEB asset of the Commission, calculated using the discount rate of 4.75 percent, as well as what the Commission's net OPEB asset would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

| | 2024 | | |
|---|---|---|---|
| | 1 Percentage Point Decrease (3.75%) | Current Discount Rate (4.75%) | 1 Percentage Point Increase (5.75%) |
| Net OPEB asset | $ (7,613,907) | $ (13,871,657) | $ (19,238,640) |

| | 2023 | | |
|---|---|---|---|
| | 1 Percentage Point Decrease (3.75%) | Current Discount Rate (4.75%) | 1 Percentage Point Increase (5.75%) |
| Net OPEB asset | $ (20,874,808) | $ (26,201,766) | $ (30,756,684) |

### *Sensitivity of the Net OPEB Asset to Changes in the Health Care Cost Trend Rate*

The following presents the net OPEB asset of the Commission, calculated using the health care cost trend rates of 8.6 percent decreasing to 3.9 percent and 7.6 percent decreasing to 3.9 percent at December 31, 2024 and 2023, respectively, as well as what the Commission's net OPEB asset would be if it were calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

| | 2024 | | |
|---|---|---|---|
| | 1 Percentage Point Decrease | Current Health Care Cost Trend Rates | 1 Percentage Point Increase |
| Net OPEB asset | $ (19,860,549) | $ (13,871,657) | $ (6,923,117) |

| | 2023 | | |
|---|---|---|---|
| | 1 Percentage Point Decrease | Current Health Care Cost Trend Rates | 1 Percentage Point Increase |
| Net OPEB asset | $ (31,330,629) | $ (26,201,766) | $ (20,225,207) |

### *Assumption Changes*

During the year ended December 31, 2024, health care trend rates increased from 7.6 percent to 8.6 percent. Withdrawal, retirement, mortality, and salary increase rates were updated from the rates used in the July 1, 2023 PERA General Employees Plan valuation to the rates used in the 2023 experience study. The percent of future non-Medicare-eligible retirees electing each medical plan changed from 80 percent to 65 percentage for the Blue Plan and 20 percent to 35 percent for the HSA Plan. The High Val Blue Plan and High Val HSA Plan changed from N/A to 0 percent.

## Note 11 - Other Postemployment Benefit Plan (Continued)

During the year ended December 31, 2023, the discount rate was changed from 3.50 percent to 4.75 percent based on updated investment return assumptions, 20-year municipal bond rates, and updated asset sufficiency projections. In addition, health care trend rates increased from 6.8 percent to 7.6 percent.

## Note 12 - Derivatives

The Commission is a party to debt service reserve forward delivery agreements (the "Forward Delivery Agreements"). The Forward Delivery Agreements require the counterparty financial institutions to deposit securities in certain of the Commission’s debt service reserve trust accounts and provide the Commission with a guaranteed rate of return for these accounts. The securities that are deposited into these accounts are timed to meet scheduled debt service reserve funding requirements.

Eligible securities under the Forward Delivery Agreements are generally limited to (a) noncallable obligations of the United States of America, including obligations issued or held in bookentry form on the books of the Department of the Treasury, and (b) bonds, notes, debentures, obligations, or other evidence of indebtedness issued or guaranteed by the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation.

The Forward Delivery Agreements allow the Commission to earn a guaranteed fixed rate of return over the life of the investments. These agreements are utilized by the Commission to earn a rate of return in excess of a rate that would otherwise be feasible by investing in securities with a shorter term.

As of the statement of net position date, the derivative instrument agreements can be summarized as follows:

| | Maturity/Expiration Date | Scheduled Amount | Guaranteed Rate | Fair Value at December 31, 2024 | Fair Value at December 31, 2023 |
|---|---|---|---|---|---|
| Series 2014 Debt Service Reserve Funds | 1/1/2035 | $ 21,181,822 | 4.6775 | $ 630,376 | $ 1,745,173 |

The interest rate swaps and forward contracts are subject to the following risks:

***Credit Risk***

The Commission is exposed to credit risk on hedging derivative instruments that are in asset positions. Under the terms of the derivative instrument agreements, the Commission is either holding cash or an approved security within certain debt service reserve funds. None of the principal amount of an investment under the derivative instrument agreements is at risk to the credit of the counterparty. Should the counterparty default, the Commission’s maximum exposure is the positive termination value, if any, related to these agreements.

***Interest Rate Risk***

The Commission is exposed to interest rate risk on its interest rate swaps. The fair values of the derivative instruments are expected to fluctuate over the life of the agreements in response to changes in interest rates. The Commission does not have a formally adopted policy related for interest rate risk on the derivative instruments.

***Termination Risk***

The Commission or its counterparties may terminate a derivative instrument if the other party fails to perform under the terms of the contract. In addition, the Commission is exposed to termination risk if the derivative instrument has a negative fair value at the time of termination, as the Commission would be liable to the counterparty for a payment equivalent to the fair value of the instrument at the time of termination.

## Note 13 - Major Customer

Delta Airlines, Inc. (Delta) is in the business of transporting air passengers, mail, and property. Delta operates both domestic and international air route systems. Minneapolis/St. Paul International Airport (MSP) is one of Delta's major hubs. Airport revenue from Delta accounts for approximately 25 and 17 percent of operating revenue and 67 and 57 percent of total revenue from major airlines for the years ended December 31, 2024 and 2023, respectively. Approximately 57 and 60 percent of total 2024 and 2023 enplanements, respectively, are attributable to Delta's operation. In the event that Delta discontinues its operations, there are no assurances that another airline would replace its hub activities. Therefore, it is reasonable to assume that any financial or operational difficulties incurred by Delta, the predominant airline servicing MSP, could have a material adverse effect on the Commission.

## Note 14 - Risk Management

The Commission is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Commission has purchased commercial insurance for property loss and tort claims, which carries a deductible of $50,000. The Commission is self-insured for workers' compensation and health/dental claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

Casualty loss involving damage to or destruction of physical property in the course of construction is covered under the Commission's property insurance policy. This policy does not apply to the Commission's contractors. This policy contains a deductible of $250,000 per occurrence applicable to all covered causes of loss, including flood and earth movement.

The Commission requires entities providing professional services to the Commission to obtain an owner's protective professional indemnity policy. Contracted professional service firms participating in this project are required to provide evidence of at least $1,000,000 of coverage and name the Commission as an additional insured on the general liability policy, leaving the Commission minimally exposed.

The Commission estimates the liability for claims that have been incurred through the end of the fiscal year, including claims that have been reported, as well as those that have not yet been reported. Changes in estimated claims liabilities for the past two fiscal years were as follows:

| | 2024 | 2023 |
|---|---|---|
| Estimated liability - Beginning of year | $ 2,120,118 | $ 1,961,329 |
| Estimated claims incurred, including changes in estimates | 14,327,150 | 13,051,273 |
| Claim payments | (14,354,251) | (12,892,484) |
| Estimated liability - End of year | $ 2,093,017 | $ 2,120,118 |

## Note 15 - Contingent Liabilities

### *Noise Abatement*

On October 19, 2007, the Minnesota State District Court, Fourth Judicial District (the "District Court") approved a consent decree negotiated by the City of Minneapolis, Minnesota; the Minneapolis Public Housing Authority in and for the City of Minneapolis; the City of Eagan, Minnesota; and the City of Richfield, Minnesota (collectively, the "Noise Plaintiffs") and the Commission to settle noise abatement lawsuits (the "Consent Decree").

## Note 15 - Contingent Liabilities (Continued)

Under the Consent Decree, the Commission must provide noise mitigation to homes and apartments in the 60 to 64 Day-Night Average Sound Level (DNL) contours. Noise mitigation activities vary based on noise contours, with homes in the most noise-impacted contours eligible for more extensive mitigation than those in less impacted areas. Multifamily dwellings (those with more than three living units) receive less extensive mitigation than single-family homes. The total cost to the Commission under this program was $103,000,000 and $102,000,000 as of December 31, 2024 and 2023, respectively. All the original program terms under the Consent Decree were completed by the Commission in 2014.

The Consent Decree was amended in 2013 by establishing criteria to provide noise mitigation to homes and apartments through December 31, 2024. It is expected that some additional homes will become eligible for noise mitigation based upon changes in the DNL contours. Also, some homes will move into a higher DNL contour. A home will become eligible for consent decree noise mitigation if it is located or changes DNL contour levels for three consecutive years. The noise mitigation provided to the home or apartment will be consistent with the terms and levels of the original consent decree. The total cost to the Commission under the amended program was approximately $39,455,000 and $38,425,000 as of December 31, 2024 and 2023, respectively.

In January 2017, a second amendment to the Consent Decree was adopted (the "Second Amendment"). The Second Amendment did not have a financial impact on the parties. It adopted the FAA's new measurement model and clarified the definition of "opt-out." On April 18, 2022, the District Court approved a third amendment to the Consent Decree (the "Third Amendment"). Recognizing that the DNL contours could change in the future, MAC and the Noise Plaintiffs extended the relief provided in the 2013 the amendment (the "First Amendment") to future affected homes. The Third Amendment's eligibility is for homes that meet the criteria from January 1, 2022 until December 31, 2032.

The costs related to the noise abatement settlements will be funded from internally generated funds of the Commission.

The Commission is subject to various legal proceedings and claims that arise in the ordinary course of its business. The Commission believes that the amount, if any, of ultimate liability with respect to legal actions will be insignificant or will be covered by insurance.

# Required Supplementary Information

# Required Supplementary Information
# Schedule of the Commission's Proportionate Share of the Net Pension Liability
# General Employees Retirement Fund (GERF)

**Last Ten Plan Years**

**Plan Years Ended June 30**

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Commission's proportion of the net pension liability | 0.91080 % | 0.93050 % | 0.85160 % | 0.85550 % | 0.88370 % | 0.99410 % | 0.89750 % | 0.88190 % | 1.00830 % | 1.04170 % |
| Commission's proportionate share of the net pension liability | $ 33,671,628 | $ 52,032,517 | $ 67,477,000 | $ 36,533,683 | $ 52,981,854 | $ 54,961,562 | $ 49,789,620 | $ 56,299,914 | $ 81,868,959 | $ 53,986,300 |
| Commission's covered payroll | $ 71,028,054 | $ 63,653,054 | $ 57,520,293 | $ 51,067,631 | $ 46,915,500 | $ 45,885,000 | $ 43,016,000 | $ 40,181,000 | $ 38,139,000 | $ 36,611,000 |
| Commission's proportionate share of the net pension liability as a percentage of its covered payroll | 47.41 % | 81.74 % | 112.95 % | 66.06 % | 113.13 % | 116.95 % | 111.20 % | 136.45 % | 209.37 % | 145.22 % |
| Plan fiduciary net position as a percentage of total pension liability | 89.10 % | 83.10 % | 76.67 % | 87.00 % | 79.06 % | 80.23 % | 79.53 % | 75.90 % | 68.91 % | 78.19 % |

See notes to required supplementary information.

# Required Supplementary Information
## Schedule of the Commission's Proportionate Share of the Net Pension Liability
## Public Employees Police and Fire Fund (PEPFF)

**Last Ten Plan Years**

**Plan Years Ended June 30**

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Commission's proportion of the net pension liability | 1.44210 % | 1.34600 % | 1.22900 % | 1.23910 % | 1.28270 % | 1.37040 % | 1.03590 % | 1.22000 % | 1.24300 % | 1.27100 % |
| Commission's proportionate share of the net pension liability | $ 18,972,397 | $ 23,243,670 | $ 53,481,225 | $ 9,564,537 | $ 16,907,357 | $ 14,589,292 | $ 11,041,627 | $ 16,471,452 | $ 49,883,753 | $ 14,441,534 |
| Commission's covered payroll | $ 19,929,209 | $ 17,160,045 | $ 14,843,991 | $ 14,306,092 | $ 14,597,500 | $ 14,355,500 | $ 13,384,500 | $ 12,497,000 | $ 12,012,000 | $ 11,514,000 |
| Commission's proportionate share of the net pension liability as a percentage of its covered payroll | 95.20 % | 135.45 % | 343.89 % | 67.66 % | 116.80 % | 99.12 % | 78.91 % | 128.91 % | 408.31 % | 122.31 % |
| Plan fiduciary net position as a percentage of total pension liability | 90.17 % | 86.47 % | 70.53 % | 93.66 % | 87.19 % | 89.26 % | 88.84 % | 85.43 % | 63.88 % | 86.61 % |

See notes to required supplementary information.

# Required Supplementary Information
# Schedule of Pension Contributions
# General Employees Retirement Fund (GERF)

**Last Ten Fiscal Years**

**Years Ended December 31**

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Statutorily required contribution | $ 6,051,406 | $ 5,092,656 | $ 5,092,656 | $ 4,228,182 | $ 4,702,000 | $ 4,228,000 | $ 5,096,000 | $ 4,198,000 | $ 4,085,000 | $ 4,747,000 |
| Contributions in relation to the statutorily required contribution | 6,051,406 | 5,601,441 | 5,092,656 | 4,631,034 | 4,702,000 | 4,228,000 | 5,096,000 | 4,198,000 | 4,085,000 | 4,747,000 |
| **Contribution Excess** | **$ -** | **$ 508,785** | **$ -** | **$ 402,852** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** |
| **Commission's Covered Payroll** | $ 74,489,323 | $ 67,566,785 | $ 59,739,323 | $ 55,301,262 | $ 46,834,000 | $ 46,997,000 | $ 44,773,000 | $ 41,259,000 | $ 39,103,000 | $ 37,175,000 |
| **Contributions as a Percentage of Covered Payroll** | 8.12 % | 8.29 % | 8.52 % | 8.37 % | 10.04 % | 9.00 % | 11.38 % | 10.17 % | 10.45 % | 12.77 % |

**Notes to Schedule**

Benefit changes: None

Changes in assumptions:
- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females
- Lower rates of disability
- Continued use of Pub-2010 General Mortality Table, with slight rate adjustments recommended in the most recent experience study
- Minor changes to form of payment assumptions for male and female retirees
- Minor changes to assumptions made with respect to missing participant data

# Required Supplementary Information
# Schedule of Pension Contributions
# Public Employees Police and Fire Fund (PEPFF)

**Last Ten Fiscal Years**

**Years Ended December 31**

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Statutorily required contribution | $ 3,732,953 | $ 3,321,988 | $ 2,752,668 | $ 2,586,994 | $ 2,557,000 | $ 2,493,000 | $ 2,307,000 | $ 2,040,000 | $ 2,055,000 | $ 1,920,000 |
| Contributions in relation to the statutorily required contribution | 3,732,953 | 3,321,988 | 2,752,668 | 2,586,994 | 2,557,000 | 2,493,000 | 2,307,000 | 2,040,000 | 2,055,000 | 1,920,000 |
| **Contribution Excess** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** |
| **Commission's Covered Payroll** | $ 21,090,127 | $ 18,768,291 | $ 15,551,799 | $ 14,136,183 | $ 14,476,000 | $ 14,719,000 | $ 13,992,000 | $ 12,777,000 | $ 12,217,000 | $ 11,807,000 |
| **Contributions as a Percentage of Covered Payroll** | 17.70 % | 17.70 % | 17.70 % | 18.30 % | 17.66 % | 16.94 % | 16.49 % | 15.97 % | - % | - % |

**Notes to Schedule**

Benefit changes: None

Changes in assumptions: None

## Required Supplementary Information
## Schedule of Changes in the Net OPEB (Asset) Liability and Related Ratios

**Last Seven Fiscal Years**

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|---|---|
| **Total OPEB Liability** | | | | | | | |
| Service cost | $ 489,782 | $ 647,108 | $ 715,900 | $ 924,031 | $ 863,754 | $ 926,495 | $ 1,025,505 |
| Interest | 2,380,610 | 1,960,439 | 2,343,443 | 3,104,777 | 3,418,149 | 3,623,691 | 3,243,547 |
| Differences between expected and actual experience | 6,152,365 | (356,423) | (20,241,454) | (18,897,378) | 1,035,365 | (4,090,803) | - |
| Changes in assumptions | 4,683,662 | (4,463,209) | (1,824,263) | 293,246 | 7,312,606 | (2,363,947) | (7,893,005) |
| Benefit payments - Including refunds | (3,700,501) | (3,349,556) | (2,704,551) | (2,562,178) | (2,662,386) | (3,680,089) | (3,674,178) |
| **Net Change in Total OPEB Liability** | 10,005,918 | (5,561,641) | (21,710,925) | (17,137,502) | 9,967,488 | (5,584,653) | (7,298,131) |
| **Total OPEB Liability** - Beginning of year | 51,478,583 | 57,040,224 | 78,751,149 | 95,888,651 | 85,921,163 | 91,505,816 | 98,803,947 |
| **Total OPEB Liability** - End of year | **$ 61,484,501** | **$ 51,478,583** | **$ 57,040,224** | **$ 78,751,149** | **$ 95,888,651** | **$ 85,921,163** | **$ 91,505,816** |
| **Plan Fiduciary Net Position** | | | | | | | |
| Contributions - Employer | $ (382,675) | $ 1,885,766 | $ 4,604,496 | $ 5,486,767 | $ 6,082,255 | $ 5,484,744 | $ 69,847,458 |
| Net investment income (loss) | 1,758,985 | 3,637,107 | (6,829,775) | (1,065,628) | 3,642,614 | 3,557,625 | (21,266) |
| Benefit payments - Including refunds | (3,700,501) | (3,349,556) | (2,704,551) | (2,562,178) | (2,662,386) | (3,680,089) | (3,674,178) |
| Other | - | - | - | - | 1,124 | - | - |
| **Net Change in Plan Fiduciary Net Position** | (2,324,191) | 2,173,317 | (4,929,830) | 1,858,961 | 7,063,607 | 5,362,280 | 66,152,014 |
| **Plan Fiduciary Net Position** - Beginning of year | 77,680,349 | 75,507,032 | 80,436,862 | 78,577,901 | 71,514,294 | 66,152,014 | - |
| **Plan Fiduciary Net Position** - End of year | **$ 75,356,158** | **$ 77,680,349** | **$ 75,507,032** | **$ 80,436,862** | **$ 78,577,901** | **$ 71,514,294** | **$ 66,152,014** |
| **Net OPEB (Asset) Liability** - Ending | **$ (13,871,657)** | **$ (26,201,766)** | **$ (18,466,808)** | **$ (1,685,713)** | **$ 17,310,750** | **$ 14,406,869** | **$ 25,353,802** |
| **Plan Fiduciary Net Position as a Percentage of Total OPEB Liability** | 122.56 % | 150.90 % | 132.38 % | 102.14 % | 81.95 % | 83.23 % | 72.29 % |
| **Covered-employee Payroll** | $ 87,331,599 | $ 74,255,306 | $ 61,234,684 | $ 61,228,798 | $ 62,889,670 | $ 59,997,546 | $ 57,209,960 |
| **Net OPEB (Asset) Liability as a Percentage of Covered-employee Payroll** | (15.88)% | (35.29)% | (30.16)% | (2.75)% | 27.53 % | 24.01 % | 44.32 % |

See notes to required supplementary information.

# Required Supplementary Information
# Schedule of OPEB Contributions

## Last Seven Fiscal Years
## Years Ended December 31

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|---|---|
| Actuarially determined contribution | $ - | $ 513,048 | $ 737,377 | $ - | $ - | $ - | $ - |
| Contributions in relation to the actuarially determined contribution | (382,675) | 1,885,766 | 5,484,744 | 5,484,744 | 5,484,744 | 5,484,744 | 69,847,458 |
| **Contribution Excess** | **$ (382,675)** | **$ 1,372,718** | **$ 4,747,367** | **$ 5,484,744** | **$ 5,484,744** | **$ 5,484,744** | **$ 69,847,458** |
| **Covered-employee Payroll** | $ 87,331,599 | $ 74,255,306 | $ 61,234,684 | $ 61,228,798 | $ 62,889,670 | $ 59,997,546 | $ 57,209,960 |
| **Contributions as a Percentage of Covered-employee Payroll** | (0.44)% | 2.54 % | 8.96 % | 8.96 % | 8.72 % | 9.14 % | 122.09 % |

Note: 10 years of information is required to be disclosed and will be added as the information becomes available.

**Notes to Schedule of Contributions**

Actuarial valuation information relative to the determination of contributions:

| | |
|---|---|
| Valuation date | Actuarially determined contribution rates for the year-ended December 31, 2024 are calculated as of December 31, 2023 |

Methods and assumptions used to determine contribution rates:

| | |
|---|---|
| Actuarial cost method | Liabilities are based on the entry age normal level percent of pay cost method. In this method, the actuarial present value of benefits (PVB) for each individual is allocated as a level percent of pay from entry age (hire age for most employees) to the last age with any future benefits. The portion of the PVB allocated to the valuation year is called the normal cost (NC). The portion of the PVB allocated to past years is called the actuarial accrued liability (AAL) or the total OPEB liability (TOL). |
| Amortization method | Investment gains and losses:<br>Each year's gain or loss is straight-line amortized over five years, if applicable.<br><br>Effects of assumption changes and experience gains and losses: Each change is straight line amortized over a period equal to the average of the expected remaining service lives of all members (i.e., active employees and terminated/retired members) that are provided with OPEB through the plan.<br><br>Actuarially determined contribution (ADC) calculations: As of the December 31, 2024 measurement date, the Commission has a funding surplus. The surplus has been amortized as a level dollar amount over an open 20-year period. |
| **Inflation** | 2.50 percent |
| Health care cost trend rates | 8.6 percent for FY 2024, gradually decreasing over several decades to an ultimate rate of 3.9 percent in FY 2075 and later years. |
| Salary increase | 3.25 percent |
| Investment rate of return | 4.75 percent |
| Mortality | General Employees:<br>From the July 1, 2023 PERA of Minnesota General Employees Retirement Plan actuarial valuation, mortality rates were based on the Pub-2010 General Mortality Tables with projected mortality improvements based on scale MP-2021 and other adjustments.<br><br>Police and Fire:<br>From the July 1, 2023 PERA of Minnesota Public Employees Police and Fire Plan actuarial valuation, mortality rates were based on the Pub-2010 Public Safety Mortality Tables with projected mortality improvements based on scale MP-2021 and other adjustments. |

See notes to required supplementary information.

## Required Supplementary Information
## Schedule of OPEB Investment Returns

**Last Seven Fiscal Years**

**Years Ended December 31**

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|---|---|
| Annual money-weighted rate of return - Net of investment expense | 2.26 % | 4.82 % | (8.49)% | (1.32)% | 5.04 % | 5.31 % | (1.56)% |

Note: 10 years of information is required to be disclosed and will be added as the information becomes available.

See notes to required supplementary information.

***Pension Information***

Actuarial valuation information relative to the determination of contributions:

| | |
|---|---|
| Valuation date | Actuarially determined contribution rates are calculated as of each June 30 and apply to the fiscal year beginning on the day after the measurement date. |

Methods and assumptions used to determine contribution rates:

| | |
|---|---|
| Actuarial cost method | Entry age |
| Amortization method | Level percent of payroll, closed |
| Remaining amortization period | GERF: 25 years<br>PEPFF 26 years |
| Asset valuation method | Five-year smoothed market |
| Inflation | GERF: 2.25 percent<br>PEPFF: 2.25 percent |
| Salary increase | GERF: 3.00 percent to 10.25 percent including inflation<br>PEPFF: 3.00 percent to 11.75 percent including inflation |
| Investment rate of return | 7.00 percent |
| Retirement age | GERF: Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2014 - 2019.<br>PEPFF: Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2021 valuation pursuant to an experience study of the period 2015 - 2019. |
| Mortality | GERF: Pub-2010 General Annuitant Generational Mortality Tables, projected with scale MP-2021 from a base year of 2010. Male rates are multiplied by a factor of 1.02, and female rates are multiplied by a factor of 0.90.<br>PEPFF: Pub-2010 Public Safety Mortality Tables projected with mortality improvement scale MP-2021 from a base year of 2010. Male retiree rates are adjusted by a factor of 0.98. |
| Other information | GERF: The plan is assumed to pay a 1.25 percent postretirement benefit increase for all future years.<br>PEPFF: The plan is assumed to pay a 1.00 percent postretirement benefit increase for all future years. |

***Benefit Changes***

There were no changes of benefit terms in the years disclosed.

***Changes in Assumptions***

There were no changes of benefit assumptions in the years disclosed other than those noted below.

*General Employees Retirement Fund*

The following changes in assumptions were made in the June 30, 2024 valuation:

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members
- Minor increase in assumed withdrawals for males and females
- Lower rates of disability
- Continued use of Pub-2010 General Mortality Table with slight rate adjustments recommended in the most recent experience study
- Minor changes to form of payment assumptions for male and female retirees
- Minor changes to assumptions made with respect to missing participant data

The following changes in assumptions were made in the June 30, 2023 valuation

- The investment return and single discount rates were changed from 6.50 percent to 7.00 percent.

The following changes in assumptions were made in the June 30, 2022 valuation:

- The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

The following changes in assumptions were made in the June 30, 2021 valuation:

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent.
- The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

*Public Employees Police and Fire Fund*

The following changes in assumptions were made in the June 30, 2023 valuation:

- The single discount rate for the PEPFF plan was changed from 5.40 percent to 7.00 percent.
- The investment return rate was changed from 6.50 percent to 7.00 percent.

The following changes in assumptions were made in the June 30, 2022 valuation:

- The single discount rate for the PEPFF plan was changed from 6.50 percent to 5.40 percent.
- The mortality improvement scale was changed from MP-2020 to MP-2021.

The following changes in assumptions were made in the June 30, 2021 valuation:

- The investment return and single discount rates were changed from 7.50 percent to 6.50 percent.
- The inflation assumption was changed from 2.50 percent to 2.25 percent.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent.

- The base mortality table was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table.
- The mortality improvement scale was changed from MP-2019 to MP-2020.
- Assumed rates of salary increases and rates of retirement were modified as recommended in the July 14, 2020 experience study.
- Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates.
- Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49.
- Assumed percentage married for active female members was changed from 60 percent to 70 percent.

***Changes in Size or Composition of the Covered Population***

There were no significant changes in size or composition of the covered population in the years disclosed.

***OPEB Information***

***Benefit Changes***

There were no changes of benefit terms in the years disclosed.

***Changes in Assumptions***

There were no changes of benefit assumptions in the years disclosed other than those noted below.

The following changes in assumptions were made in the December 31, 2024 valuation:

- Health care trend rates were reset to reflect updated cost increase expectations.
- Medical per capita claims costs were updated to reflect recent experience and new plan offerings.
- Withdrawal, retirement, mortality, and salary increase rates were updated from the rates used in the July 1, 2023 PERA General Employees Plan valuation to the rates used in the 2023 experience study.
- The percentage of future non-Medicare-eligible retirees electing each medical plan changed to reflect recent plan experience and new plan offerings. The changes for the assumed percentage electing each plan are as follows:
    - Blue Plan: 65 percent in 2024 from 80 percent in 2023
    - High Val Blue Plan: 0 percent in 2024 from N/A in 2023
    - HSA Plan: 35 percent in 2024 from 20 percent in 2023
    - High Val HSA Plan: 0 percent in 2024 from N/A in 2023

The following changes in assumptions were made in the December 31, 2023 valuation:

- The discount rate was changed from 3.50 percent to 4.75 percent based on updated investment return assumptions, 20-year municipal bond rates, and updated asset sufficiency projections.
- The long-term investment return assumption was changed from 3.50 percent to 4.75 percent based on updated capital market assumptions.
- Health care cost trend rates were reset to reflect updated cost increase expectations.
- Medical per capita claims costs were updated to reflect recent experience.

The following changes in assumptions were made in the December 31, 2022 valuation:

- The discount rate was changed from 3.00 percent to 3.50 percent based on updated investment return assumptions, 20-year municipal bond rates, and updated asset sufficiency projections.
- The long-term investment return assumption was changed from 3.00 percent to 3.50 percent based on updated capital market assumptions.
- Health care cost trend rates were reset to reflect updated cost increase expectations.
- Medical per capita claims costs were updated to reflect recent experience.
- Mortality rates were updated from the rates used in the July 1, 2021 PERA General Employees Plan and July 1, 2021 PERA Police and Fire Plan valuations to the rates used in the July 1, 2022 valuations.

- The percentage of future non-Medicare-eligible retirees electing each medical plan changed to reflect recent plan experience. The changes for the assumed percentage electing the Medical Blue Plan changed from 90 percent on the fiscal 2021 valuation to 80 percent on the fiscal 2022 valuation. The change for the assumed percentage electing the Medical HSA Plan changed from 10 percent on the fiscal 2021 valuation to 20 percent on the fiscal 2022 valuation.
- The inflation assumption was changed from 2.25 percent to 2.50 percent based on an updated historical analysis of inflation rates and forward-looking market expectations.
- The payroll growth assumption was changed from 3.00 percent to 3.25 percent.

The following changes in assumptions were made in the December 31, 2021 valuation:

- The discount rate was changed from 3.25 percent to 3.00 percent based on updated investment return assumptions, 20-year municipal bond rates, and updated asset sufficiency projections.
- The long-term investment return assumption was changed from 3.25 percent to 3.00 percent based on updated capital market assumptions.
- Health care cost trend rates were reset to reflect updated cost increase expectations.
- Medical per capita claims costs were updated to reflect recent experience.
- Withdrawal, retirement, mortality, and salary increase rates were updated from the rates used in the July 1, 2020 PERA General Employees Plan and July 1, 2020 Police and Fire Plan valuations to the rates used in the July 1, 2021 valuations.

The following changes in assumptions were made in the December 31, 2020 valuation:

- The discount rate and long-term expected rate of return on OPEB plan investments was changed from 4.00 percent to 3.25 percent based on updated capital market assumptions.
- Health care cost trend rates were reset to reflect updated cost increase expectations.
- Medical per capita claims costs were updated to reflect recent experience.
- Withdrawal, retirement, mortality, and salary increase rates were updated from the rates used in the July 1, 2019 PERA General Employees Plan and July 1, 2019 Police and Fire Plan valuations to the rates used in the July 1, 2020 valuations.
- The percentage of future retirees assumed to elect spouse coverage at retirement changed from 50 percent to 60 percent to reflect recent plan experience.
- The percentage of future retirees over age 65 electing each medical plan changed to reflect recent plan experience. The changes for the assumed percentage electing the Medical Blue Plan changed from 90 percent on the fiscal 2019 valuation to 100 percent on the fiscal 2020 valuation. The change for the assumed percentage electing the Medical HSA Plan changed from 10 percent on the fiscal 2019 valuation to 0 percent on the fiscal 2020 valuation.
- The inflation assumption was changed from 2.50 percent to 2.25 percent based on an updated historical analysis of inflation rates and forward-looking market expectations.
- The payroll growth assumption was changed from 3.25 percent to 3.00 percent based on the July 1, 2020 PERA valuations.

# Statistical Section

# Statistical Section

This part of the Commission's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplemental information says about the Commission's overall financial health.

**Financial Trends**

These schedules contain trend information to help the reader understand how the Commission's financial performance and well-being have changed over time (schedules on pages 82 – 85)

**Revenue Capacity**

These schedules contain information to help the reader assess the Commission's most significant revenue sources (schedules on pages 86 – 93)

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the Commission's current levels of outstanding debt and its ability to issue additional debt in the future (schedules on pages 94 – 97)

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Commission's financial activities take place (schedules on pages 98 – 103)

**Operating Information**

These schedules contain service data to help the reader understand how the information in the Commission's financial report relates to the services it provides and the activities it performs (schedule on pages 104 – 111)

# Historical Operating Statements

**Last Ten Fiscal Years**

**December 31**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Operating Revenues** | | | | | | | | | | |
| Airline rates and charges | $ 107,805 | $ 112,653 | $ 113,056 | $ 123,631 | $ 131,397 | $ 94,259 | $ 117,727 | $ 125,612 | $ 164,074 | $ 192,893 |
| Concessions | 146,893 | 160,691 | 172,476 | 177,375 | 191,113 | 76,636 | 121,407 | 164,572 | 204,288 | 215,793 |
| Rentals/fees | 36,086 | 48,473 | 49,970 | 52,241 | 54,042 | 41,471 | 36,520 | 40,284 | 45,565 | 47,595 |
| Utilities and other revenues | 16,637 | 17,115 | 18,442 | 20,011 | 24,309 | 15,710 | 18,485 | 22,536 | 25,972 | 28,320 |
| **Total Operating Revenues** | 307,421 | 338,932 | 353,944 | 373,258 | 400,861 | 228,076 | 294,139 | 353,004 | 439,900 | 484,601 |
| **Operating Expenses** | | | | | | | | | | |
| Personnel | 81,728 | 94,425 | 87,993 | 86,151 | 90,845 | 79,146 | 75,182 | 90,775 | 108,211 | 114,205 |
| Administrative | 1,521 | 1,723 | 1,993 | 2,058 | 1,753 | 1,057 | 1,054 | 2,275 | 1,454 | 1,901 |
| Professional services | 5,574 | 6,217 | 6,151 | 6,210 | 7,123 | 5,160 | 5,679 | 6,919 | 8,992 | 11,494 |
| Utilities | 18,304 | 18,816 | 19,619 | 19,930 | 18,847 | 17,382 | 19,092 | 25,590 | 24,713 | 22,971 |
| Operating services | 21,230 | 23,389 | 26,073 | 28,280 | 30,950 | 26,256 | 25,894 | 29,191 | 33,992 | 37,166 |
| Maintenance | 32,089 | 36,319 | 36,293 | 42,576 | 46,988 | 39,707 | 41,862 | 46,999 | 58,147 | 67,310 |
| Depreciation and amortization | 134,419 | 139,226 | 142,970 | 147,299 | 150,549 | 160,889 | 178,513 | 185,124 | 186,889 | 196,057 |
| Other | 3,454 | 4,411 | 5,611 | 4,531 | 4,354 | 4,051 | 3,665 | 5,956 | 5,808 | 6,599 |
| **Total Operating Expenses** | 298,319 | 324,526 | 326,703 | 337,035 | 351,409 | 333,648 | 350,941 | 392,826 | 428,207 | 457,703 |
| **Operating Income (Loss)** | 9,102 | 14,406 | 27,241 | 36,223 | 49,452 | (105,572) | (56,802) | (39,823) | 11,693 | 26,898 |
| **Nonoperating Revenues (Expenses)** | | | | | | | | | | |
| Investment income | 9,241 | 12,634 | 12,306 | 19,104 | 25,463 | 13,507 | 3,026 | 23,550 | 54,218 | 72,675 |
| Federal interest rate subsidies | 599 | 914 | 978 | 940 | 919 | 896 | 862 | 1,227 | 389 | 755 |
| Passenger facility charges | 70,471 | 72,273 | 73,390 | 73,734 | 77,430 | 28,669 | 51,096 | 60,985 | 66,821 | 71,324 |
| Grants used for operating expenses | - | - | - | - | - | - | 10,241 | 132 | (40) | 150 |
| Customer facility charges | - | - | - | - | - | - | 13,029 | 17,033 | 19,343 | 20,662 |
| Gain (loss) on disposal of assets | 60 | 2,029 | (6,513) | (3,841) | 99 | 62 | 98 | 196 | (9,127) | 247 |
| Other Non operating revenue | - | - | - | - | - | - | - | - | 1,704 | (124) |
| Interest expense | (57,614) | (62,238) | (48,949) | (42,810) | (53,270) | (49,329) | (47,686) | (50,131) | (58,560) | (70,854) |
| Flood expense net of insurance recovery | - | - | - | (365) | (181) | (81) | - | - | - | - |
| **Total Nonoperating Revenues (Expenses)** | 22,757 | 25,612 | 31,212 | 46,762 | 50,460 | (6,276) | 30,666 | 52,993 | 74,748 | 94,835 |
| **Income (Loss) Before Capital Contributions and Grants** | 31,859 | 40,018 | 58,453 | 82,985 | 99,912 | (111,848) | (26,136) | 13,170 | 86,441 | 121,733 |
| **Capital Contributions and Grants** | 14,686 | 4,003 | 1,427 | 8,042 | 9,550 | 112,244 | 89,219 | 84,989 | 142,899 | 59,881 |
| **Change in Net Position** | 46,545 | 44,021 | 59,880 | 91,027 | 109,462 | 396 | 63,083 | 98,159 | 229,340 | 181,614 |
| **Net Position, Beginning of Year, As Restated** | 1,719,348 | 1,716,774 | 1,760,795 | 1,820,675 | 1,876,773 | 1,986,235 | 1,986,631 | 2,049,714 | 2,147,873 | 2,374,227 |
| **Changes in Accounting Principle/Prior Period Adjustments [1, 2]** | (49,119) | - | - | (34,929) | - | - | - | - | (2,986) | - |
| **Net Position - Beginning of Year, As Restated** | 1,670,229 | 1,716,774 | 1,760,795 | 1,785,746 | 1,876,773 | 1,986,235 | 1,986,631 | 2,049,714 | 2,144,887 | 2,374,227 |
| **Net Position, End of Year** | **$ 1,716,774** | **$ 1,760,795** | **$ 1,820,675** | **$ 1,876,773** | **$ 1,986,235** | **$ 1,986,631** | **$ 2,049,714** | **$ 2,147,873** | **$ 2,374,227** | **$ 2,555,841** |

Notes:

[1] For the years ended December 31, 2013 - 2017, the amounts shown do not reflect the adoption of GASB Statement No. 75

Source: Audited financial statements for the last 10 years

# Historical Revenues Pursuant to the Commissions Master Trust Indenture

**Last Ten Fiscal Years**

**December 31**

| | As of December 31, | | | | As of December 31, | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
| **Airline Rates & Charges** | | | | | | | | | | |
| Landing fees | $ 57,408 | $ 60,099 | $ 62,083 | $ 69,000 | $ 75,149 | $ 45,025 | $ 69,258 | $ 73,089 | $ 93,148 | $ 106,383 |
| Ramp fees | 7,132 | 7,408 | 7,137 | 8,070 | 7,304 | 6,221 | 5,923 | 6,655 | 6,835 | 8,165 |
| Terminal 1 building rents | 41,427 | 45,170 | 43,286 | 45,755 | 45,937 | 32,597 | 38,681 | 42,134 | 56,684 | 68,391 |
| Other Terminal 1 charges | 4,872 | 4,684 | 5,248 | 5,822 | 5,580 | 4,529 | 7,085 | 7,898 | 7,992 | 8,986 |
| Concessions rebate | (13,777) | (15,827) | (17,195) | (18,683) | (18,576) | (6,606) | (14,756) | (18,049) | (20,077) | (21,071) |
| Terminal 2 Building Rentals | 10,480 | 10,813 | 12,300 | 13,399 | 13,890 | 10,933 | 11,328 | 13,661 | 18,045 | 20,812 |
| Apron Fees - Non-Signatory | 264 | 307 | 197 | 268 | 296 | 121 | 209 | 225 | 1,446 | 1,227 |
| Total Airline Rates & Charges | 107,806 | 112,654 | 113,056 | 123,631 | 129,580 | 92,820 | 117,728 | 125,612 | 164,073 | 192,893 |
| **Concessions** | | | | | | | | | | |
| Auto parking | 87,579 | 91,235 | 95,231 | 93,887 | 103,082 | 38,528 | 63,624 | 100,638 | 119,634 | 125,225 |
| Rental car | 18,708 | 19,876 | 19,410 | 20,824 | 20,845 | 8,671 | 16,213 | 21,883 | 23,312 | 24,243 |
| Food and beverage | 16,836 | 21,044 | 23,137 | 24,241 | 25,499 | 9,974 | 15,953 | 17,046 | 29,590 | 31,479 |
| Merchandise | 8,191 | 8,701 | 10,170 | 11,056 | 11,037 | 3,623 | 6,807 | 7,182 | 10,342 | 10,775 |
| Employee parking | 3,328 | 3,653 | 4,101 | 4,352 | 5,047 | 3,823 | 3,757 | 4,545 | 5,014 | 5,166 |
| Other | 12,251 | 16,182 | 20,426 | 23,015 | 27,419 | 13,343 | 15,054 | 21,733 | 16,396 | 18,905 |
| Total Concessions Revenue | 146,893 | 160,691 | 172,475 | 177,375 | 192,929 | 77,962 | 121,408 | 173,027 | 204,288 | 215,793 |
| **Other Revenues** | | | | | | | | | | |
| Utilities | 3,039 | 2,105 | 2,233 | 2,400 | 2,406 | 1,383 | 2,943 | 2,131 | 2,796 | 2,649 |
| Other building and land rent | 34,079 | 46,480 | 49,063 | 50,695 | 52,360 | 37,793 | 26,286 | 29,236 | 52,948 | 55,627 |
| Other | 8,666 | 9,243 | 9,235 | 10,771 | 14,588 | 9,566 | 15,543 | 11,956 | 22,960 | 25,489 |
| Total Other Revenues | 45,784 | 57,828 | 60,531 | 63,866 | 69,354 | 48,742 | 44,772 | 43,323 | 78,704 | 83,765 |
| Total MSP Revenue | 300,483 | 331,173 | 346,062 | 364,872 | 391,863 | 219,524 | 283,908 | 341,962 | 447,065 | 492,451 |
| **Total Reliever Airports** | 6,938 | 7,759 | 7,882 | 8,386 | 8,997 | 8,552 | 10,234 | 11,048 | 11,960 | 12,630 |
| **Total Operating Revenues** | 307,421 | 338,932 | 353,944 | 373,258 | 400,860 | 228,076 | 294,142 | 353,010 | 459,025 | 505,081 |
| **Investment income** | | | | | | | | | | |
| Capital lease interest | 4,167 | 3,913 | 3,741 | 2,828 | 2,900 | 2,839 | 2,105 | 2,643 | 18,419 | 24,247 |
| Other [2] | 4,438 | 5,413 | 4,559 | 8,774 | 14,411 | 8,568 | 854 | 828 | 389 | 755 |
| Total Investment Income | 8,605 | 9,326 | 8,300 | 11,602 | 17,311 | 11,407 | 2,959 | 3,471 | 18,808 | 25,002 |
| Lease principal payments | 6,075 | 4,576 | 4,654 | 24,532 | 2,745 | 3,168 | 5,567 | 2,079 | 588 | 747 |
| **Total Revenues [1]** | $ 322,101 | $ 352,834 | $ 366,898 | $ 409,392 | $ 420,916 | $ 242,651 | $ 302,668 | $ 358,560 | $ 478,421 | $ 530,830 |

[1] Total Revenues do not include any PFC's as defined by the master trust indenture.

[2] Interest income on PFC's, Bond Series Construction Funds and Short-Term Funding Advances are not included as defined by the master trust indenture.

Source: Audited financial statements for the last 10 years

# Percentage Distribution of Operating Revenues

**Last Ten Fiscal Years**
**December 31**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Airline Rates & Charges** | | | | | | | | | | |
| Landing fees | 18.7% | 17.7% | 17.5% | 18.5% | 18.7% | 19.7% | 23.5% | 20.7% | 20.3% | 21.1% |
| Ramp fees | 2.3% | 2.2% | 2.0% | 2.2% | 1.8% | 2.7% | 2.0% | 1.9% | 1.5% | 1.6% |
| Terminal 1 building rents | 13.5% | 13.3% | 12.2% | 12.3% | 11.5% | 14.3% | 13.2% | 11.9% | 12.3% | 13.5% |
| Other Terminal 1 charges | 1.6% | 1.4% | 1.5% | 1.6% | 1.4% | 2.0% | 2.4% | 2.2% | 1.7% | 1.8% |
| Concessions rebate | -4.5% | -4.7% | -4.9% | -5.0% | -4.6% | -2.9% | -5.0% | -5.1% | -4.4% | -4.2% |
| Terminal 2 Building Rentals | 3.4% | 3.2% | 3.5% | 3.6% | 3.5% | 4.8% | 3.9% | 3.9% | 3.9% | 4.1% |
| Apron Fees - Non-Signatory | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.3% | 0.2% |
| Total Airline Rates & Charges | 35.1% | 33.2% | 31.9% | 33.1% | 32.3% | 40.7% | 40.0% | 35.6% | 35.7% | 38.2% |
| **Concessions** | | | | | | | | | | |
| Auto parking | 28.5% | 26.9% | 26.9% | 25.2% | 25.7% | 16.9% | 21.6% | 28.5% | 26.1% | 24.8% |
| Rental car | 6.1% | 5.9% | 5.5% | 5.6% | 5.2% | 3.8% | 5.5% | 6.2% | 5.1% | 4.8% |
| Food and beverage | 5.5% | 6.2% | 6.5% | 6.5% | 6.4% | 4.4% | 5.4% | 4.8% | 6.4% | 6.2% |
| Merchandise | 2.7% | 2.6% | 2.9% | 3.0% | 2.8% | 1.6% | 2.3% | 2.0% | 2.3% | 2.1% |
| Employee parking | 1.1% | 1.1% | 1.2% | 1.2% | 1.3% | 1.7% | 1.3% | 1.3% | 1.1% | 1.0% |
| Other | 4.0% | 4.8% | 5.8% | 6.2% | 6.8% | 5.9% | 5.1% | 6.2% | 3.6% | 3.7% |
| Total Concessions Revenue | 47.8% | 47.4% | 48.7% | 47.5% | 48.1% | 34.2% | 41.3% | 49.0% | 44.5% | 42.7% |
| **Other Revenues** | | | | | | | | | | |
| Utilities | 1.0% | 0.6% | 0.6% | 0.6% | 0.6% | 0.6% | 1.0% | 0.6% | 0.6% | 0.5% |
| Other building and land rent | 11.1% | 13.7% | 13.9% | 13.6% | 13.1% | 16.6% | 8.9% | 8.3% | 11.5% | 11.0% |
| Other | 2.8% | 2.7% | 2.6% | 2.9% | 3.6% | 4.2% | 5.3% | 3.4% | 5.0% | 5.0% |
| Total Other Revenues | 14.9% | 17.1% | 17.1% | 17.1% | 17.3% | 21.4% | 15.2% | 12.3% | 17.1% | 16.6% |
| **Total MSP Revenue** | 97.7% | 97.7% | 97.8% | 97.8% | 97.8% | 96.3% | 96.5% | 96.9% | 97.4% | 97.5% |
| **Total Reliever Airports** | 2.3% | 2.3% | 2.2% | 2.2% | 2.2% | 3.7% | 3.5% | 3.1% | 2.6% | 2.5% |
| **Total Operating Revenues** | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

# Business Type Activities Net Position

**Last Ten Fiscal Years**

**December 31**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Business Type Activities** | | | | | | | | | | |
| Net investment in capital assets | $ 1,163,545 | $ 1,265,771 | $ 1,338,558 | $ 1,447,104 | $ 1,476,160 | $ 1,713,428 | $ 1,748,232 | $ 1,784,765 | $ 1,864,680 | $ 1,950,673 |
| Restricted | 299,192 | 341,266 | 278,281 | 302,793 | 387,696 | 143,130 | 114,770 | 168,587 | 222,728 | 305,300 |
| Unrestricted | 254,037 | 153,758 | 203,836 | 126,876 | 122,379 | 130,073 | 186,712 | 194,521 | 286,819 | 299,868 |
| **Total Business Type Activities** | $ 1,716,774 | $ 1,760,795 | $ 1,820,675 | $ 1,876,773 | $ 1,986,235 | $ 1,986,631 | $ 2,049,714 | $ 2,147,873 | $ 2,374,227 | $ 2,555,841 |

Source: Audited financial statements for the last 10 years

# Delta Airlines Revenue Summary

**Last Ten Fiscal Years**

**December 31**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Delta Revenue as a Percentage of Total Adjusted MAC Operating Revenues** | | | | | | | | | | |
| Total MAC Operating Revenues | $ 307,421 | $ 338,932 | $ 353,944 | $ 373,258 | $ 400,860 | $ 228,076 | $ 294,142 | $ 353,004 | $ 439,853 | $ 484,601 |
| Lease Principal/Interest Payments | 10,227 | 8,488 | 8,394 | 27,360 | 5,059 | 5,617 | 5,606 | 3,766 | 799 | 999 |
| Interest Income-MAC Funds [1] | 3,838 | 4,915 | 6,282 | 12,362 | 18,150 | 8,687 | 618 | 4,244 | 32,331 | 51,544 |
| Total Adjusted MAC Operating Revenues | 321,486 | 352,335 | 368,620 | 412,980 | 424,069 | 242,380 | 300,366 | 361,014 | 472,983 | 537,144 |
| Delta Portion of Operating Revenues | 74,078 | 78,793 | 74,856 | 81,856 | 86,475 | 62,445 | 79,276 | 79,621 | 107,973 | 127,371 |
| Delta Portion of Lease Payments | 5,780 | 3,789 | 3,635 | 22,234 | - | - | 40 | 60 | 60 | 259 |
| Total Delta Revenue | 79,858 | 82,582 | 78,491 | 104,090 | 86,475 | 62,445 | 79,316 | 79,681 | 108,033 | 127,630 |
| **Delta % of Total Adjusted MAC Operating Revenues** | 24.84% | 23.44% | 21.29% | 25.20% | 20.39% | 25.76% | 26.41% | 22.07% | 22.84% | 23.76% |
| **Delta Revenue as a Percentage of Total Airline Rates & Charges** | | | | | | | | | | |
| Total Airline Rates & Charges Revenue | 107,805 | 112,653 | 113,056 | 123,631 | 132,496 | 97,796 | 117,728 | 125,612 | 164,074 | 192,893 |
| Air Carrier Lease Payments | 8,227 | 6,519 | 6,425 | 25,391 | 3,090 | 3,648 | 3,755 | 2,995 | 799 | 999 |
| Total Air Carrier Revenue | 116,032 | 119,172 | 119,481 | 149,022 | 135,586 | 101,444 | 121,483 | 128,607 | 164,873 | 193,892 |
| Total Delta Revenue | 79,858 | 82,582 | 78,491 | 104,090 | 86,475 | 62,445 | 79,316 | 79,681 | 108,033 | 127,630 |
| **Delta % of Total Air Carrier Revenue** | 68.82% | 69.30% | 65.69% | 69.85% | 63.78% | 61.56% | 65.29% | 61.96% | 65.52% | 65.83% |

[1] Does not include interest income earned on PFC's, which are not available to pay debt service on Delta obligations.

Source: Minneapolis/St. Paul Metropolitan Airports Commission

# Top Ten Revenue Providers

**Current and Nine Years Ago**
**December 31, 2024 (In Thousands)**

| | 2024 | | 2015 | |
|---|---|---|---|---|
| | Rank | Revenue | Rank | Revenue |
| **Company** | | | | |
| Delta Airlines | 1 | $127,371 | 1 | $74,078 |
| Enterprise Rent A Car [1] | 2 | 21,708 | 5 | 9,345 |
| Sun Country Airlines | 3 | 20,224 | 3 | 13,438 |
| Avis | 4 | 15,007 | 6 | 8,206 |
| Hertz | 5 | 12,806 | 4 | 10,046 |
| Southwest Airlines | 6 | 9,681 | 9 | 5,307 |
| HMS Host | 7 | 8,931 | 10 | 5,129 |
| United Airlines | 8 | 8,870 | 2 | 15,944 |
| American Airlines | 9 | 7,968 | 8 | 5,838 |
| Delaware North | 10 | 3,534 | - | - |
| Minnesota Retail Partners | - | - | 7 | 7,160 |

[1] Enterprise Rent A Car owns National Car Rental and Alamo.

Source: Annual Comprehensive Financial Report 2015 and 2024

# Air Carrier Market Share - Total Enplaned Passengers

**Last Ten Fiscal Years**

**December 31**

| 2024 Ranking | Air Carrier | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2024 % of Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Delta | 9,139,346 | 9,321,182 | 9,787,444 | 9,885,227 | 10,470,238 | 3,444,435 | 6,282,561 | 8,531,099 | 10,107,248 | 10,578,100 | 58.56% |
| 2 | Sun Country | 1,029,007 | 1,111,020 | 1,213,114 | 1,180,832 | 1,446,895 | 750,583 | 1,215,564 | 1,637,247 | 1,914,103 | 2,112,681 | 11.69% |
| 3 | Skywest [3] | 1,247,022 | 1,653,123 | 1,853,025 | 2,395,179 | 2,386,604 | 878,472 | 1,695,711 | 1,839,022 | 1,242,412 | 1,483,467 | 8.21% |
| 4 | Southwest | 940,592 | 1,053,554 | 1,028,051 | 970,711 | 905,779 | 327,232 | 571,927 | 668,354 | 824,052 | 859,813 | 4.76% |
| 5 | United | 425,390 | 489,262 | 499,943 | 455,512 | 459,746 | 145,169 | 303,569 | 548,401 | 699,729 | 664,287 | 3.68% |
| 6 | American [10] | 586,682 | 1,063,249 | 1,027,450 | 865,571 | 870,582 | 349,390 | 519,926 | 528,652 | 581,772 | 626,701 | 3.47% |
| 7 | Endeavor Air [3] | 1,608,015 | 1,243,837 | 920,896 | 730,261 | 818,608 | 610,112 | 871,043 | 448,558 | 512,392 | 512,057 | 2.83% |
| 8 | Frontier | 227,378 | 163,525 | 174,796 | 246,034 | 251,653 | 86,796 | 84,931 | 90,237 | 130,761 | 263,961 | 1.46% |
| 9 | Spirit Airlines | 517,770 | 606,511 | 621,926 | 579,370 | 580,940 | 224,498 | 240,056 | 210,920 | 223,790 | 165,469 | 0.92% |
| 10 | Alaska Airlines | 96,084 | 117,617 | 111,963 | 109,104 | 138,540 | 47,732 | 89,287 | 123,392 | 134,106 | 159,351 | 0.88% |
| 11 | WestJet | | | | | | | - | - | 29,822 | 93,233 | 0.52% |
| 12 | Republic [5] | 6,925 | 184,872 | 233,073 | 295,947 | 302,204 | 111,566 | 109,067 | 98,354 | 82,372 | 75,493 | 0.42% |
| 13 | Sky Regional-Air Canada | - | - | 31,948 | 58,227 | 59,416 | 8,452 | 6,471 | 51,577 | 68,724 | 70,914 | 0.39% |
| 14 | Mesa [4,5] | 66,311 | 105,124 | 103,591 | 111,332 | 87,597 | 42,855 | 51,513 | 43,841 | 39,402 | 62,612 | 0.35% |
| 15 | Envoy [6] | 55,935 | 4,790 | 4,353 | - | - | 31,884 | 51,369 | 39,479 | 30,192 | 55,785 | 0.31% |
| 16 | PSA - American | - | - | - | - | - | - | 11,606 | 43,378 | 29,788 | 40,717 | 0.23% |
| 17 | Allegiant | - | - | | - | - | - | 10,310 | 65,064 | 60,223 | 38,406 | 0.21% |
| 18 | Icelandair | 28,926 | 39,500 | 50,398 | 45,826 | 41,339 | 1,047 | 8,710 | 28,047 | 36,299 | 37,103 | 0.21% |
| 19 | KLM Royal Dutch | - | - | 25,020 | 37,159 | 47,058 | 6,678 | 7,263 | 40,372 | 42,138 | 30,987 | 0.17% |
| 20 | Lufthansa | - | - | - | - | - | - | - | - | - | 29,246 | 0.16% |
| 21 | JetBlue | - | - | - | 77,195 | 112,483 | 18,417 | 31,085 | 85,334 | 53,594 | 29,099 | 0.16% |
| 22 | Air France | - | - | 30,571 | 26,538 | 34,725 | - | 10,425 | 23,751 | - | 28,980 | 0.16% |
| 23 | Aer Lingus | - | - | - | - | 22,133 | 4,594 | - | - | - | 17,990 | 0.10% |
| 24 | Denver Air | - | - | | - | - | - | 5,773 | 9,282 | 9,845 | 11,011 | 0.06% |
| 25 | Condor | - | - | | - | - | - | - | 9,033 | 9,574 | 9,961 | 0.06% |
| | Air Wisconsin | - | - | - | - | - | - | - | - | 23,575 | 6,090 | 0.03% |
| | Other | 86,095 | 89,444 | 69,220 | 47,913 | 64,039 | 4,944 | 2,957 | 4,144 | 1,154 | 1,325 | 0.01% |
| | Horizon Air | - | - | 6,109 | 39,776 | 4,231 | 5,547 | 16,112 | 1,306 | - | - | 0.00% |
| | ExpressJet [8] | 362,785 | 235,633 | 143,540 | 34,924 | 19,633 | 5,093 | - | - | - | - | 0.00% |
| | Go Jet [3,4] | 10,750 | 50,644 | 152,931 | 189,770 | 56,926 | 1,383 | - | - | - | - | 0.00% |
| | Compass [3] | 514,171 | 514,828 | 293,020 | - | - | - | - | - | - | - | 0.00% |
| | Shuttle America [4] | 137,799 | 74,587 | 8,881 | - | - | - | - | - | - | - | 0.00% |
| | United Express | 178,132 | 38,450 | - | - | - | - | - | - | - | - | 0.00% |
| | US Airways [10] | 465,291 | - | - | - | - | - | - | - | - | - | 0.00% |
| | Air Tran Airways [9] | - | - | - | - | - | - | - | - | - | - | 0.00% |
| | Comair [3] | - | - | - | - | - | - | - | - | - | - | 0.00% |
| | Continental [7] | - | - | - | - | - | - | - | - | - | - | 0.00% |
| | Mesaba Aviation [3] | - | - | - | - | - | - | - | - | - | - | 0.00% |
| | | 17,730,406 | 18,160,752 | 18,391,263 | 18,382,408 | 19,181,369 | 7,106,879 | 12,197,236 | 15,168,844 | 16,887,067 | 18,064,839 | 100.00% |

[1] The figures may differ from the passenger statistics reported by the Air Carriers to the Airport.
[2] Percentages may not sum to totals due to rounding.
[3] Codeshare with Northwest/Delta. Its decrease was picked up by Northwest Airlines (NWA) and NWA-affiliated carrier, Endeavor Air (formerly Pinnacle Airlines), which commenced its operations at MSP International Airport in July 2001. Comair ceased operations in September 2012.
[4] Codeshare with United.
[5] Codeshare with US Airways/American.
[6] Codeshare with American/formerly American Eagle.
[7] Continental and United began operating under a single carrier code in 2012.
[8] Atlantic Southeast Arlines and ExpressJet Airlines began operating under a single carrier code in 2011.
[9] AirTran Airways merged with Southwest Airlines in 2012 with full integration in 2014. [10] US Airways and American began operating under a single carrier code in 2015.

Source: Department of Transportation, T-3, T-100 and 298C T-1; Minneapolis/St. Paul Metropolitan Airports Commission

# Enplaned Passenger Trends

**For Years Ended December 31**

| | Originating | | Connecting | | | |
|---|---|---|---|---|---|---|
| Tax Year | Enplaned Passengers [1] | % of Total | Enplaned Passengers [1] | % of Total | Total | % Change From Previous Year |
| 2015 | 9,791,389 | 55.2% | 7,939,017 | 44.8% | 17,730,406 | 4.30% |
| 2016 | 10,500,930 | 57.8% | 7,659,822 | 42.2% | 18,160,752 | 2.43% |
| 2017 | 11,032,337 | 60.0% | 7,352,817 | 40.0% | 18,385,154 | 1.24% |
| 2018 | 11,523,760 | 62.7% | 6,858,648 | 37.3% | 18,382,408 | -0.01% |
| 2019 | 12,109,787 | 63.1% | 7,071,582 | 36.9% | 19,181,369 | 4.35% |
| 2020 | 4,610,301 | 64.9% | 2,496,578 | 35.1% | 7,106,879 | -62.95% |
| 2021 | 8,142,616 | 66.8% | 4,054,620 | 33.2% | 12,197,236 | 71.63% |
| 2022 | 10,456,318 | 68.9% | 4,712,526 | 31.1% | 15,168,844 | 24.36% |
| 2023 | 11,491,646 | 68.0% | 5,395,469 | 32.0% | 16,887,115 | 11.33% |
| 2024 | 12,438,056 | 68.9% | 5,626,783 | 31.1% | 18,064,839 | 6.97% |
| **Average Annual Compound Growth** | | | | | | |
| 2015 - 2024 | 2.42% | | -3.38% | | 0.19% | |

[1] Includes passengers who connected to domestic flights at MSP but were bound for international destinations via other U.S. gateway airports. Includes domestic-to-domestic, domestic-to-international, and international-to-domestic connections.

The above figures may differ from the passenger statistics reported by the airlines to MSP.

Sources: DOT, Schedules T-100 and T-3, DOT, Air Passenger Origin - Destination Survey, reconciled to Schedules T-100 and 298C T-1; Minneapolis/St. Paul Metropolitan Airports Commission

# Air Carrier Market Share - Total Cargo Handled (tons)

**Last Ten Fiscal Years**

**December 31**

| 2024 Ranking | Air Carrier | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2024% of Total [1] |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Federal Express | 85,248.4 | 99,699.1 | 101,868.2 | 101,899.4 | 91,685.2 | 97,416.4 | 99,648.6 | 90,881.7 | 77,916.3 | 66,457.7 | 33.1% |
| 2 | UPS | 58,699.1 | 58,062.6 | 63,859.9 | 69,805.2 | 76,612.4 | 77,786.3 | 84,212.9 | 76,554.3 | 60,630.5 | 58,449.3 | 29.1% |
| 3 | Delta | 55,634.0 | 45,697.3 | 60,281.5 | 60,950.3 | 48,087.2 | 20,244.4 | 24,636.0 | 40,347.7 | 37,952.8 | 31,884.1 | 15.9% |
| 4 | Amazon | - | - | - | 7,501.3 | 14,254.8 | 13,381.1 | 32,772.4 | 34,635.9 | 32,194.2 | 27,221.4 | 13.6% |
| 5 | DHL | 6,775.5 | 6,900.0 | 7,651.0 | 7,757.1 | 6,970.3 | 7,957.8 | 8,456.1 | 8,600.7 | 9,520.6 | 10,120.1 | 5.0% |
| 6 | Southwest | 2,055.9 | 2,760.7 | 1,771.8 | 1,703.5 | 1,902.3 | 1,559.5 | 1,795.6 | 1,264.2 | 1,324.8 | 1,273.8 | 0.6% |
| 7 | KLM Royal Dutch | - | - | 1,958.7 | 3,126.5 | 3,337.2 | 409.2 | 1,122.3 | 3,211.7 | 2,290.4 | 1,242.3 | 0.6% |
| 8 | Lufthansa | - | - | - | - | - | - | - | - | - | 1,090.5 | 0.5% |
| 9 | Mountain Air Cargo | 930.3 | 1,103.2 | 1,095.3 | 1,052.3 | 800.0 | 1,244.9 | 936.9 | 886.3 | 873.0 | 825.2 | 0.4% |
| 10 | Air France | 339.1 | 400.7 | 1,062.6 | 1,311.0 | 697.1 | - | 920.3 | 1,075.2 | - | 715.4 | 0.4% |
| 11 | United | 2,813.3 | 2,530.3 | 1,857.6 | 997.0 | 883.0 | 400.8 | 690.0 | 685.6 | 559.2 | 346.0 | 0.2% |
| 12 | Condor | - | - | 153.2 | 399.2 | 86.3 | - | - | 303.2 | 131.1 | 280.7 | 0.1% |
| 13 | IFL Group | - | 517.5 | 291.4 | 123.2 | 176.7 | 318.4 | 308.2 | 358.6 | 351.3 | 276.8 | 0.1% |
| 14 | American [3] | 282.0 | 1,203.7 | 1,086.5 | 878.0 | 753.4 | 1,039.8 | 821.3 | 597.3 | 276.7 | 234.9 | 0.1% |
| 15 | Alaska Airlines | 130.9 | 162.3 | 394.1 | 166.7 | 210.9 | 179.6 | 151.6 | 178.9 | 212.3 | 187.8 | 0.1% |
| 16 | Other | 494.6 | 507.2 | 545.4 | 676.1 | 75.0 | 139.6 | 3.8 | 55.6 | 191.0 | 105.9 | 0.1% |
| 17 | Icelandair | 159.3 | 298.2 | 516.2 | 191.7 | 159.4 | 1.3 | 13.4 | 31.3 | 10.1 | 5.1 | 0.0% |
| 18 | Aer Lingus | - | - | - | - | 11.6 | 5.2 | - | - | - | 1.8 | 0.0% |
| | Sun Country | 4,971.8 | 7,340.4 | 7,940.2 | 5,196.3 | 4,774.2 | 2,024.9 | 2,274.9 | 1,794.9 | 30.9 | - | 0.0% |
| | Encore Air | - | - | - | - | 598.4 | - | - | - | - | - | 0.0% |
| | CSA Air | 231.8 | 389.2 | 167.3 | 18.0 | 4.8 | - | - | - | - | - | 0.0% |
| | Suburban Air Freight | 513.8 | 542.3 | 389.7 | - | - | - | - | - | - | - | 0.0% |
| | US Airways [3] | 454.8 | - | - | - | - | - | - | - | - | - | 0.0% |
| | Airborne | - | - | - | - | - | - | - | - | - | - | 0.0% |
| | Frontier | - | - | - | - | - | - | - | - | - | - | 0.0% |
| | Continental [2] | - | - | - | - | - | - | - | - | - | - | 0.0% |
| | | 219,734.6 | 228,114.7 | 252,890.6 | 263,752.8 | 252,080.2 | 224,109.2 | 258,764.2 | 261,463.2 | 224,465.2 | 200,718.8 | 100.0% |

[1] Percentages may not sum to totals due to rounding.
[2] Continental and United began operating under a single carrier code in 2013.
[3] US Airways and American began operating under a single carrier code in 2015.

Source: Minneapolis/St. Paul Metropolitan Airports Commission

# Enplaned Cargo Trends

**Last Ten Fiscal Years**

**December 31**

**(Freight and main in thousands of tons)**

| Air Carrier | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | Average Annual Compound Growth |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Passenger | 30.7 | 25.2 | 31.7 | 30.7 | 25.3 | 11.8 | 13.3 | 20.7 | 14.0 | 12.3 | -8.7% |
| All Cargo | 82.7 | 83.5 | 87.3 | 89.3 | 91.0 | 91.9 | 102.4 | 95.3 | 84.7 | 77.5 | -0.6% |
| Total | 113.4 | 108.7 | 119.0 | 120.0 | 116.3 | 103.7 | 115.7 | 116.0 | 98.7 | 89.8 | -2.3% |

Source: Minneapolis/St. Paul Metropolitan Airports Commission

## Minneapolis/St. Paul Metropolitan Airports Commission

# Trends in Enplaned Cargo by Type of Carrier

**Last Ten Fiscal Years**
**December 31**

| | Passenger Carriers | | All Cargo Carriers | | |
|---|---|---|---|---|---|
| Tax Year | Tons | % of Total | Tons | % of Total | Total Cargo |
| 2015 | 30,691 | 27.1% | 82,678 | 72.9% | 113,369 |
| 2016 | 25,165 | 23.2% | 83,460 | 76.8% | 108,625 |
| 2017 | 31,652 | 26.6% | 87,259 | 73.4% | 118,911 |
| 2018 | 30,701 | 25.6% | 89,333 | 74.4% | 120,034 |
| 2019 | 25,339 | 21.8% | 90,968 | 78.2% | 116,307 |
| 2020 | 11,751 | 11.3% | 91,889 | 88.7% | 103,640 |
| 2021 | 13,314 | 11.5% | 102,412 | 88.5% | 115,726 |
| 2022 | 20,703 | 17.8% | 95,283 | 82.2% | 115,986 |
| 2023 | 14,029 | 14.2% | 84,721 | 85.8% | 98,750 |
| 2024 | 12,334 | 13.7% | 77,488 | 86.3% | 89,822 |

**Average Annual Compound Growth**

| | Passenger Carriers | All Cargo Carriers | Total Cargo |
|---|---|---|---|
| 2015 - 2024 | -8.71% | -0.65% | -2.30% |

Source: Minneapolis/St. Paul Metropolitan Airports Commission

## Minneapolis/St. Paul Metropolitan Airports Commission

# Trends in Enplaned Cargo by Freight & Mail

**Last Ten Fiscal Years**
**December 31**

| | Freight Expense | | Mail | | |
|---|---|---|---|---|---|
| | Tons | % of Total | Tons | % of Total | Total Cargo |
| 2015 | 104,517 | 92.2% | 8,852 | 7.8% | 113,369 |
| 2016 | 98,140 | 90.3% | 10,484 | 9.7% | 108,624 |
| 2017 | 103,087 | 86.7% | 15,824 | 13.3% | 118,911 |
| 2018 | 103,521 | 86.2% | 16,513 | 13.8% | 120,034 |
| 2019 | 100,504 | 86.4% | 15,803 | 13.6% | 116,307 |
| 2020 | 91,954 | 88.7% | 11,686 | 11.3% | 103,640 |
| 2021 | 103,699 | 89.6% | 12,028 | 10.4% | 115,727 |
| 2022 | 102,297 | 88.2% | 13,690 | 11.8% | 115,987 |
| 2023 | 93,592 | 94.8% | 5,158 | 5.2% | 98,750 |
| 2024 | 83,609 | 93.1% | 6,213 | 6.9% | 89,822 |

**Average Annual Compound Growth**

| | | | |
|---|---|---|---|
| 2015 - 2024 | -2.21% | -3.48% | -2.30% |

Source: Minneapolis/St. Paul Metropolitan Airports Commission

# Revenue Bond Debt Service Coverage - Rate Covenant for Senior Debt

**Last Ten Fiscal Years**
**December 31, 2024 (In Thousands)**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Revenues per Master Trust Indenture | $ 322,101 | $ 352,834 | $ 366,898 | $ 409,392 | $ 420,916 | $ 242,651 | $ 313,240 | $ 375,611 | $ 478,422 | $ 530,830 |
| Expenses | | | | | | | | | | |
| Operating expenses | 292,589 | 308,033 | 320,022 | 340,215 | 351,623 | 345,004 | 367,203 | 399,869 | 428,207 | 457,704 |
| Less: Depreciation expense | (134,419) | (139,226) | (142,970) | (147,299) | (150,549) | (160,889) | (178,513) | (185,124) | (186,890) | (196,057) |
| Total operating expenses, excluding depreciation expense | 158,170 | 168,807 | 177,052 | 192,916 | 201,074 | 184,115 | 188,690 | 214,745 | 241,317 | 261,647 |
| Amount from non-revenue source | - | - | - | - | - | - | 7,815 | 525 | 621 | - |
| **Net Revenues** | 163,931 | 184,027 | 189,846 | 216,476 | 219,842 | 58,536 | 132,365 | 161,391 | 237,726 | 269,183 |
| Annual debt service - Senior Airport Revenue Bonds | (48,084) | (48,909) | (39,461) | (31,240) | (50,255) | (9,771) | (8,526) | (16,393) | (11,253) | (58,978) |
| Annual debt service - General Obligation Revenue Bonds | - | - | - | - | - | - | - | - | - | - |
| Principal and interest on other indebtedness 1 | (45,216) | (46,546) | (48,952) | (66,522) | (62,143) | (26,941) | (38,037) | (66,734) | (29,080) | (78,414) |
| Must not be less than zero | 70,631 | 88,572 | 101,433 | 118,714 | 107,444 | 21,824 | 85,802 | 78,264 | 197,393 | 131,791 |
| Requirement Section | | | | | | | | | | |
| Net revenues | 163,931 | 184,027 | 189,846 | 216,476 | 219,842 | 58,536 | 132,365 | 161,391 | 237,726 | 269,183 |
| Transfer - Coverage Fund 2 | 12,021 | 12,227 | 9,865 | 7,810 | 12,564 | 2,443 | 2,131 | 4,098 | 2,813 | 14,744 |
| Total available | 175,952 | 196,254 | 199,711 | 224,286 | 232,406 | 60,979 | 134,496 | 165,489 | 240,539 | 283,927 |
| Senior Debt Service times 125% 3 | (60,105) | (61,136) | (49,326) | (39,050) | (62,819) | (12,214) | (10,657) | (20,491) | (14,067) | (73,722) |
| Must not be less than zero | 115,847 | 135,118 | 150,385 | 185,236 | 169,587 | 48,765 | 123,839 | 144,998 | 226,472 | 210,205 |
| Pro Forma Coverage on Senior Lien Debt | | | | | | | | | | |
| Net revenues | 163,931 | 184,027 | 189,846 | 216,476 | 219,842 | 58,536 | 132,365 | 161,391 | 237,726 | 269,183 |
| Transfer - Coverage Fund 2 | 12,021 | 12,227 | 9,865 | 7,810 | 12,564 | 2,443 | 2,131 | 4,098 | 2,813 | 14,744 |
| Total available | 175,952 | 196,254 | 199,711 | 224,286 | 232,406 | 60,979 | 134,496 | 165,489 | 240,539 | 283,927 |
| Annual debt service - Senior Airport Revenue Bonds | (48,084) | (48,909) | (39,461) | (31,240) | (50,255) | (9,771) | (8,526) | (16,393) | (11,253) | (58,978) |
| Annual debt service - General Obligation Revenue Bonds | - | - | - | - | - | - | - | - | - | - |
| Total Debt Service - Senior Lien Debt | (48,084) | (48,909) | (39,461) | (31,240) | (50,255) | (9,771) | (8,526) | (16,393) | (11,253) | (58,978) |
| Coverage with Transfer | 366% | 401% | 506% | 718% | 462% | 624% | 1577% | 1010% | 2138% | 481% |
| Coverage without Transfer | 341% | 376% | 481% | 693% | 437% | 599% | 1552% | 985% | 2113% | 456% |

[1] Excludes General Obligation Revenue Bonds and Senior Airport Revenue Bonds.
[2] Transfer is limited to no more than 25% of Aggregate Annual Debt Service on Outstanding Senior Airport Revenue Bonds.
[3] Using Annual Debt Service on Senior Airport Revenue Bonds.

Source: Minneapolis/St. Paul Metropolitan Airports Commission

# Revenue Bond Debt Service Coverage - Rate Covenant for Subordinate Lien Debt

**Last Ten Fiscal Years**

**December 31, 2024 (In Thousands)**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Revenues per Master Trust Indenture | $ 322,101 | $ 352,834 | $ 366,898 | $ 409,392 | $ 420,916 | $ 242,651 | $ 313,240 | $ 375,611 | $ 478,422 | $ 530,830 |
| Expenses | | | | | | | | | | |
| Operating expenses | 292,589 | 308,033 | 320,022 | 340,215 | 351,623 | 345,004 | 367,203 | 399,869 | 428,207 | 457,704 |
| Less: Depreciation expense | (134,419) | (139,226) | (142,970) | (147,299) | (150,549) | (160,889) | (178,513) | (185,124) | (186,890) | (196,057) |
| Total operating expenses, excluding depreciation expense | 158,170 | 168,807 | 177,052 | 192,916 | 201,074 | 184,115 | 188,690 | 214,745 | 241,317 | 261,647 |
| Annual debt service - Senior Airport Revenue Bonds | (48,084) | (48,909) | (39,461) | (31,240) | (50,255) | (9,771) | (8,526) | (16,393) | (11,253) | (58,978) |
| Annual debt service - General Obligation Revenue Bonds | - | - | - | - | - | - | - | - | - | - |
| Subordinate revenues | 115,847 | 135,118 | 150,385 | 185,236 | 169,587 | 48,765 | 123,839 | 144,997 | 226,473 | 210,205 |
| Principal and interest on Subordinate Bonds | (45,216) | (46,546) | (52,413) | (58,326) | (62,143) | (26,941) | (38,037) | (66,734) | (29,080) | (78,414) |
| Must not be less than zero | $ 70,631 | $ 88,572 | $ 97,972 | $ 126,910 | $ 107,444 | $ 21,824 | $ 85,802 | $ 78,263 | $ 197,393 | $ 131,791 |
| Requirement Section | | | | | | | | | | |
| Subordinate revenues | 115,847 | 135,118 | 150,385 | 185,236 | 169,587 | 48,765 | 123,839 | 144,997 | 226,473 | 210,205 |
| Transfers [1] | 4,522 | 4,655 | 5,241 | 5,833 | 6,214 | 2,694 | 3,804 | 6,673 | 2,908 | 7,841 |
| Total available | 120,369 | 139,773 | 155,626 | 191,069 | 175,801 | 51,459 | 127,643 | 151,670 | 229,381 | 218,046 |
| Outstanding Subordinate Debt Service Times 110% [2] | (55,659) | (49,343) | (57,654) | (64,159) | (68,357) | (29,635) | (41,841) | (73,408) | (31,988) | (86,255) |
| Must not be less than zero | $ 64,710 | $ 90,430 | $ 97,972 | $ 126,910 | $ 107,444 | $ 21,824 | $ 85,802 | $ 78,262 | $ 197,393 | $ 131,791 |
| Pro Forma Coverage on Subordinate Lien Debt | | | | | | | | | | |
| Subordinate revenues | 115,847 | 135,118 | 150,385 | 185,236 | 169,587 | 48,765 | 123,839 | 144,997 | 226,473 | 210,205 |
| Principal and interest in Subordinate Bonds [2] | 50,599 | 44,857 | 52,413 | 58,326 | 62,143 | 26,941 | 38,037 | 66,734 | 29,080 | 78,414 |
| Coverage without Transfer | 229% | 301% | 287% | 318% | 273% | 181% | 326% | 217% | 779% | 268% |
| Pro Forma Coverage on Senior and Subordinate Lien Debt | | | | | | | | | | |
| Net Revenues | $ 163,931 | $ 184,027 | $ 189,846 | $ 216,476 | $ 219,842 | $ 58,536 | $ 132,365 | $ 161,391 | $ 237,726 | $ 269,183 |
| Total Debt Service - Senior and Subordinate Debt | 98,682 | 93,766 | 91,590 | 89,566 | 112,398 | 36,712 | 46,563 | 83,127 | 40,333 | 137,391 |
| Coverage without Transfer | 166% | 196% | 207% | 242% | 196% | 159% | 284% | 194% | 589% | 196% |

[1] Transfer is limited to no more than 10% of Aggregate Annual Debt Service on Outstanding Subordinate Airport Revenue Bonds.

[2] Using Annual Debt Service on Subordinate Revenue Bonds.

Source: Minneapolis/St. Paul Metropolitan Airports Commission

## Minneapolis/St. Paul Metropolitan Airports Commission

# Operating Ratio

**Last Ten Fiscal Years**
**December 31, 2024 (In Thousands)**

| Tax Year | Operating Expenses [2] | Operating Revenues | Operating Ratio[1] |
|---|---|---|---|
| 2015 | 158,170 | 307,422 | 51% |
| 2016 | 168,923 | 338,933 | 50% |
| 2017 | 177,052 | 353,944 | 50% |
| 2018 | 192,916 | 373,258 | 52% |
| 2019 | 203,825 | 401,861 | 51% |
| 2020 | 183,512 | 231,613 | 79% |
| 2021 | 187,967 | 307,044 | 61% |
| 2022 | 214,303 | 353,004 | 58% |
| 2023 | 241,318 | 439,900 | 55% |
| 2024 | 261,647 | 484,602 | 54% |

[1] Operating ratio is operating expenses, net of depreciation divided by total operating revenues.

[2] Operating expenses exclude depreciation.

Source: Minneapolis/St. Paul Metropolitan Airports Commission

# Debt per Enplaned Passenger

**Last Ten Fiscal Years**

**December 31, 2024 (In Thousands)**

| Tax Year | General Airport Revenue Bonds Outstanding | General Obligation Revenue Bonds Oustanding | Notes Payable Outstanding | Other Debt | Subtotal [1] | Enplaned Passengers | Debt per Enplaned Passenger |
|---|---|---|---|---|---|---|---|
| 2015 | 1,304,180,000 | - | 48,397,000 | 42,460,000 | 1,395,037,000 | 17,730,406 | 78.68 |
| 2016 | 1,499,640,000 | - | 40,648,000 | 47,804,000 | 1,588,092,000 | 18,160,752 | 87.45 |
| 2017 | 1,458,170,000 | - | 38,020,000 | 46,952,731 | 1,543,142,731 | 18,385,154 | 83.93 |
| 2018 | 1,402,780,000 | - | 71,030,500 | 46,941,224 | 1,520,751,724 | 18,382,408 | 82.73 |
| 2019 | 1,453,700,000 | - | 47,293,500 | 44,873,495 | 1,545,866,995 | 19,181,369 | 80.59 |
| 2020 | 1,407,875,000 | - | 44,092,389 | 43,936,500 | 1,495,903,889 | 7,110,192 | 210.39 |
| 2021 | 1,281,630,000 | - | 113,149,000 | 40,383,000 | 1,435,162,000 | 12,197,236 | 117.66 |
| 2022 | 1,583,965,000 | - | 43,193,000 | 39,086,100 | 1,666,244,200 | 15,168,844 | 109.85 |
| 2023 | 1,471,225,000 | - | 87,753,550 | 46,738,231 | 1,605,716,781 | 16,887,115 | 95.09 |
| 2024 | 2,071,540,000 | - | 85,914,050 | 54,539,992 | 2,211,994,042 | 18,064,839 | 122.45 |

[1] Includes short term borrowing on the revolving line of credit

Source: Minneapolis/St. Paul Metropolitan Airports Commission

# Population

**Last Ten Fiscal Years**
**December 31, 2024 (In Thousands)**

| Tax Year | Minnesota | MSA [1] | % of Total |
|---|---|---|---|
| 2015 | 5,490 | 3,462 | 63% |
| 2016 | 5,520 | 3,528 | 64% |
| 2017 | 5,577 | 3,594 | 64% |
| 2018 | 5,611 | 3,629 | 65% |
| 2019 | 5,655 | 3,640 | 64% |
| 2020 | 5,657 | 3,692 | 65% |
| 2021 | 5,707 | 3,691 | 65% |
| 2022 | 5,717 | 3,693 | 65% |
| 2023 | 5,737 | 3,712 | 65% |
| 2024 | 5,793 | 3,758 | 65% |

[1] MSA is defined as the Metropolitan Statistical Area of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington and Wright Counties in Minnesota and Pierce and St. Croix Counties in Wisconsin.

Sources: U.S. Department of Commerce, Bureau of Economic Analysis Minnesota Department of Unemployment and Economic Development

# Civilian Unemployment Rate

**Last Ten Fiscal Years**
**December 31**

| Tax Year | United States | Minnesota | MSA [1] |
|---|---|---|---|
| 2015 | 5.0% | 3.8% | 3.5% |
| 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% |

[1] MSA is defined as the Metropolitan Statistical Area of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington and Wright Counties in Minnesota and Pierce and St. Croix Counties in Wisconsin.

Sources: U.S. Department of Commerce, Bureau of Economic Analysis Minnesota Department of Unemployment and Economic Development

# Personal Income

**Last Ten Fiscal Years**

**December 31, 2024 (In Hundred-Thousands)**

| Tax Year | Minnesota | MSA [1] | % of Total |
|---|---|---|---|
| 2015 | 284,740 | 198,937 | 70% |
| 2016 | 291,362 | 205,435 | 71% |
| 2017 | 303,141 | 215,087 | 71% |
| 2018 | 336,589 | 227,292 | 68% |
| 2019 | 337,922 | 208,802 | 62% |
| 2020 | 350,785 | 245,833 | 70% |
| 2021 | 373,754 | 265,391 | 71% |
| 2022 | 388,828 | 277,635 | 71% |
| 2023 | 416,325 | 295,677 | 71% |
| 2024 | 431,532 | N/A | |

[1] MSA is defined as the Metropolitan Statistical Area of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington and Wright Counties in Minnesota and Pierce and St. Croix Counties in Wisconsin.

Source: U.S. Department of Commerce, Bureau of Economic Analysis

# Per Capita Personal Income

**Last Ten Fiscal Years**
**December 31**

| Tax Year | Minnesota | MSA [1] |
|---|---|---|
| 2015 | 51,929 | 56,495 |
| 2016 | 52,735 | 57,751 |
| 2017 | 54,359 | 59,736 |
| 2018 | 57,515 | 62,889 |
| 2019 | 58,830 | 64,255 |
| 2020 | 61,540 | 67,214 |
| 2021 | 65,486 | 71,912 |
| 2022 | 68,010 | 75,164 |
| 2023 | 72,557 | 79,654 |
| 2024 | 74,952 | N/A |

[1] MSA is defined as the Metropolitan Statistical Area of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington and Wright Counties in Minnesota and Pierce and St. Croix Counties in Wisconsin.

Source: U.S. Department of Commerce, Bureau of Economic Analysis

# Minnesota's Largest 10 Employers Ranked by In-State Employees

**For Year Ended December 31**

| Company | 2024 Employees | Rank | % of Total Employment | 2015 Employees | Rank | % of Total Employment |
|---|---|---|---|---|---|---|
| Mayo Clinic | 51,000 | 1 | 1.68% | 39,518 | 1 | 1.40% |
| State of Minnesota | 37,100 | 2 | 1.22% | 37,180 | 2 | 1.31% |
| Fairview Health Services | 36,865 | 3 | 1.21% | 21,000 | 9 | 0.74% |
| Target Corporation | 35,000 | 4 | 1.15% | 29,896 | 4 | 1.06% |
| Allina Health System | 29,163 | 5 | 0.96% | 26,022 | 5 | 0.92% |
| University of Minnesota | 27,875 | 6 | 0.92% | 25,836 | 6 | 0.91% |
| HealthPartners Inc. | 26,400 | 7 | 0.87% | 22,500 | 7 | 0.80% |
| Walmart Inc. | 24,400 | 8 | 0.80% | 21,564 | 8 | 0.76% |
| United States Federal Government | 20,800 | 9 | 0.69% | 31,434 | 3 | 1.11% |
| UnitedHealth Group Inc. | 19,000 | 10 | 0.63% | - | - | 0.00% |
| Wells Fargo & Co. | - | - | 0.00% | 20,000 | 10 | 0.71% |
| Total | 307,603 | | | 274,950 | | |
| Total Nonfarm Employment | 3,034,400 | | | 2,827,413 | | |

Sources:
Minnesota Business Journal Book of Lists
Minnesota Department of Employment and Economic Development

# Employment Share by Industry

**For Year Ended December 31**

| | 2024 | | 2015 | |
|---|---|---|---|---|
| | Minnesota | MSA [1] | Minnesota | MSA [1] |
| Trade, Transportation and Utilities | 19.79% | 19.01% | 18.20% | 17.94% |
| Education and Health Services | 17.67% | 17.78% | 18.00% | 16.64% |
| Public Administration | 14.45% | 13.18% | 14.80% | 13.02% |
| Professional and Business Services | 12.28% | 14.41% | 12.40% | 15.89% |
| Manufacturing | 10.58% | 9.99% | 11.10% | 10.27% |
| Financial Activities | 8.96% | 8.87% | 6.40% | 7.44% |
| Leisure and Hospitality | 6.20% | 7.22% | 9.10% | 9.19% |
| Other Services | 4.58% | 3.41% | 4.00% | 4.10% |
| Construction | 3.85% | 3.86% | 4.00% | 3.56% |
| Information | 1.42% | 1.38% | 1.80% | 1.76% |
| Natural Resources and Mining | 0.22% | 0.88% | 0.20% | 0.19% |
| | 100.00% | 100.00% | 100.00% | 100.00% |

[1] MSA is defined as the Metropolitan Statistical Area of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Sherburne, Washington and Wright Counties in Minnesota and Pierce and St. Croix Counties in Wisconsin.

Source: U.S. Bureau of Labor Statistics

# Activity Statistics

## Last Ten Fiscal Years

| Tax Year | Total Revenue Passengers [1] | Aircraft Operations [2] | Mail and Cargo Volume (Metric Tons) |
|---|---|---|---|
| 2015 | 35,494,425 | 404,612 | 199,340 |
| 2016 | 36,346,859 | 413,279 | 206,942 |
| 2017 | 36,799,978 | 416,213 | 229,440 |
| 2018 | 36,778,496 | 407,476 | 239,273 |
| 2019 | 38,353,413 | 406,124 | 228,683 |
| 2020 | 14,858,006 | 245,067 | 203,697 |
| 2021 | 25,202,120 | 303,892 | 234,747 |
| 2022 | 31,241,822 | 310,235 | 236,450 |
| 2023 | 33,800,618 | 323,929 | 203,643 |
| 2024 | 36,154,637 | 342,120 | 200,719 |

[1] Passengers include on-line connecting. (On-line connecting passengers are passengers that change to another flight on the same carrier.)

[2] An aircraft operation represents the total number of takeoffs and landings at the airport.

# Historical Aircraft Operations[2]

### Last Ten Fiscal Years

| Tax Year | Air Carrier Operations | Commuter Operations | Cargo Operations | Total Commercial Operations [1] | Percent Commercial Operations [1] | General Aviation Operations | Military Operations | Total Operations |
|---|---|---|---|---|---|---|---|---|
| 2015 | 205,635 | 162,779 | 12,789 | 381,203 | 94.23% | 22,077 | 1,252 | 404,532 |
| 2016 | 213,682 | 161,427 | 14,400 | 389,509 | 94.25% | 22,455 | 1,315 | 413,279 |
| 2017 | 228,393 | 149,924 | 14,911 | 393,228 | 94.48% | 22,226 | 759 | 416,213 |
| 2018 | 221,520 | 149,108 | 15,455 | 386,083 | 94.76% | 20,229 | 1,126 | 407,438 |
| 2019 | 230,096 | 141,976 | 14,399 | 386,471 | 95.19% | 18,654 | 885 | 406,010 |
| 2020 | 118,795 | 99,254 | 15,030 | 233,079 | 95.21% | 10,548 | 1,174 | 244,801 |
| 2021 | 150,969 | 119,594 | 16,720 | 287,283 | 94.55% | 15,387 | 1,184 | 303,854 |
| 2022 | 180,739 | 95,248 | 15,650 | 291,637 | 94.02% | 17,635 | 903 | 310,175 |
| 2023 | 216,809 | 74,552 | 13,988 | 305,349 | 94.28% | 17,772 | 749 | 323,870 |
| 2024 | 230,103 | 79,817 | 13,349 | 323,269 | 94.50% | 17,855 | 970 | 342,094 |

[1] Commercial Operations equal Air Carrier, Commuter, and Cargo Operations

[2] Aircraft operations represent the total number of takeoffs and landings at the airport.

Source: Metropolitan Airports Commission Operations Report

## Minneapolis/St. Paul Metropolitan Airports Commission

# Trends in Aircraft Landed Weight of Signatory Airlines

**December 31, 2024 (In Thousands)**

| Tax Year | Passenger Carriers | Cargo Carriers | Total Landed Weight |
|---|---|---|---|
| 2015 | 20,577,785 | 984,305 | 21,562,090 |
| 2016 | 21,178,343 | 996,424 | 22,174,767 |
| 2017 | 21,571,010 | 985,077 | 22,556,087 |
| 2018 | 21,499,942 | 1,025,400 | 22,525,342 |
| 2019 | 22,141,882 | 1,079,456 | 23,221,338 |
| 2020 | 12,334,896 | 1,159,797 | 13,494,693 |
| 2021 | 16,110,080 | 1,206,610 | 17,316,690 |
| 2022 | 17,485,079 | 1,175,024 | 18,660,103 |
| 2023 | 19,481,397 | 1,107,828 | 20,589,225 |
| 2024 [1] | 20,759,426 | 1,004,056 | 21,763,482 |

[1] In 2024, Delta's activity represented approximately 67.56% of the total landed weight at the Airport.

Source: Metropolitan Airports Commission

# Employee Counts[1]

**Last Ten Fiscal Years**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Total** | 604 | 618 | 644 | 651 | 659 | 699 | 631 | 641 | 732 | 753 |

[1] Represents employees who were paid on the last payday of the fiscal year and were contributing to a pension plan.

# Airline Cost per Enplaned Passenger

**Last Ten Fiscal Years**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| Total Cost [1] | $ 114,253 | $ 114,811 | $ 115,214 | $ 124,370 | $ 132,855 | $ 97,796 | $ 117,728 | $ 125,612 | $ 164,074 | $ 192,893 |
| Enplaned passengers | 17,730 | 18,161 | 18,385 | 18,382 | 19,181 | 7,107 | 12,197 | 15,169 | 16,887 | 18,065 |
| Airline Cost per Enplaned Passenger | 6.44 | 6.32 | 6.27 | 6.77 | 6.93 | 13.76 | 9.65 | 8.28 | 9.72 | 10.68 |

[1] Cost is defined as airline payments made to the Commission for expenses incurred in the airfield, T1 and T2 Terminals.

# Schedule of Airline Rates and Charges

**Last Ten Fiscal Years**
**December 31**

| | Landing Fee Per 1,000 Lbs. | Ramp Fees Per Linear Foot | Common Use Per Square Foot | Finished Per Square Foot | Finished Janitored Per Square Foot | Unfinished Per Square Foot |
|---|---|---|---|---|---|---|
| 2015 | 2.64 | 624.14 | 64.56 | 64.56 | 72.54 | 64.56 |
| 2016 | 2.68 | 667.80 | 60.42 | 60.42 | 69.00 | 60.42 |
| 2017 | 2.73 | 661.92 | 59.10 | 59.10 | 67.25 | 59.10 |
| 2018 | 3.05 | 748.39 | 62.59 | 62.59 | 72.10 | 62.59 |
| 2019 | 3.23 | 677.43 | 62.92 | 62.92 | 72.81 | 62.92 |
| 2020 | 5.09 | 582.32 | 58.10 | 58.10 | 66.82 | 58.10 |
| 2021 | 4.07 | 554.46 | 60.24 | 60.24 | 71.38 | 60.24 |
| 2022 | 3.68 | 604.93 | 66.61 | 66.61 | 79.08 | 66.61 |
| 2023 | 4.50 | 640.99 | 72.51 | 72.51 | 85.32 | 72.51 |
| 2024 | 4.91 | 767.13 | 88.72 | 88.72 | 102.70 | 88.72 |

# Operations at the Reliever Airports and General Aviation Operations at MSP

**Last Ten Fiscal Years**

| | St. Paul Downtown Airport | Flying Cloud Airport | Crystal Airport | Anoka County Blaine Airport | Lake Elmo Airport | Airlake Airport | MSP |
|---|---|---|---|---|---|---|---|
| 2014 | 56,676 | 87,493 | 39,641 | 89,708 | 32,842 | 42,341 | 22,077 |
| 2015 | 54,548 | 84,038 | 36,967 | 80,845 | 27,275 | 38,618 | 22,455 |
| 2016 | 40,489 | 90,835 | 34,223 | 74,943 | 28,337 | 36,670 | 22,226 |
| 2017 | 40,116 | 88,762 | 38,109 | 75,465 | 31,693 | 32,986 | 20,229 |
| 2018 | 40,934 | 104,405 | 41,541 | 71,740 | 31,208 | 29,835 | 18,654 |
| 2019 | 30,188 | 124,382 | 39,509 | 70,852 | 29,799 | 31,314 | 10,548 |
| 2020 | 39,196 | 131,593 | 37,845 | 74,657 | 32,645 | 36,259 | 15,387 |
| 2021 | 41,592 | 122,281 | 42,592 | 65,688 | 32,189 | 38,268 | 17,635 |
| 2022 | 38,167 | 136,622 | 45,541 | 69,908 | 41,593 | 38,678 | 17,772 |
| 2024 | 42,476 | 132,744 | 41,310 | 71,614 | 41,854 | 42,611 | 17,855 |

# Air Carriers Serving MSP[A]

**As of December 31, 2024**

### U.S. – FLAG CARRIERS

Air Wisconsin *[1]
Alaska Airlines *
Allegiant Air *
American *
Delta *
Denver Air Connection *
Endeavor *[2]
Envoy *[5]
Frontier *
GoJet *[1]
Horizon Air *[6]
Mesa *[1]
PSA *[5]
Republic Airlines *[1,5]
SkyWest *[1,2]
Southwest *
Spirit *
Sun Country *
United *

### ALL-CARGO SERVICES

ABX Air *[3]
Air Transport International *[3]
Amerijet[3]
Atlas Air Cargo *[3,7]
Bemidji *[3,8]
CSA Air [9]
Encore Air Cargo *[3]
FedEx *
IFL [9]
Kalitta *[3]
Mesa *[3]
Mountain Air Cargo [9]
Swift Air [3]
Sun Country *[7]
UPS *

### FOREIGN-FLAG CARRIERS

Air Canada *
Air France *
Aer Lingus*
Lufthansa*
Icelandair *
WestJet Encore*[10]
Jazz Aviation *[4]
KLM *
WestJet*

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| | |
|---|---|
| * | Denotes those Air Carriers that are Signatory Airlines to the Airline Lease Agreements. |
| A | Excludes carriers reporting fewer than 1,000 enplanted passengers. |
| 1 | Flies for United Airlines. |
| 2 | Flies for Delta Airlines. |
| 3 | Flies for DHL. |
| 4 | Flies for Air Canada. |
| 5 | Flies for American Airlines. |
| 6 | Flies for Alaska Airlines. |
| 7 | Flies for Amazon. |
| 8 | Flies for UPS. |
| 9 | Flies for FedEx. |
| 10 | Flies for WestJet |

# Insurance Coverage

**As of December 31, 2024**

| Insurer | Expirations | Coverage | Policy Limits (Thousands of Dollars) |
|---|---|---|---|
| Chubb/Lloyd's of London/Global Aerospace | 1/1/2026 | General aviation liability including personal injury. | $ 750,000.00 |
| Blue Cross Blue Shield | 1/1/2026 | Health insurance; self-insured with stop loss | |
| Self-Insured [1] | Continuous | Statutory workers' compensation | |
| | 1/1/2026 | Workers' Compensation Reinsurance Association | $ 500.00 |
| Zurich | 6/1/2025 | Comprehensive Crime Employee/Police Policies | $ 5,000.00 |
| Minnesota Risk Management Fund | 7/1/2025 | Auto Liability (licensed vehicles), physical damage (all vehicles) hired automobiles, valet parking, inland marine and garage keepers. | $ 1,500.00 |
| Chubb | 6/1/2025 | Cyber Liability with enhanced notification endorsement 1M individuals | $1,000 Individuals |

[1] Funded from current operating revenues of the Commission.

| | Square Feet | | | |
|---|---|---|---|---|
| | Terminal 1 | Terminal 2 | Quick Ride Ramp | Total |
| **Terminal Buildings** | | | | |
| Airline | 679,948 | 176,408 | | 856,356 |
| Concession | 244,998 | 31,337 | | 276,335 |
| Garage | 153,770 | - | | 153,770 |
| Non-Airline | 186,127 | 20,813 | | 206,940 |
| Unoccupied | 6,887 | 4,558 | | 11,445 |
| Circulation | 1,003,554 | 143,770 | | 1,147,324 |
| Restrooms | 58,784 | 14,408 | | 73,192 |
| MAC/Mechanical | 479,316 | 117,937 | | 597,253 |
| International Arrivals | 114,643 | 40,764 | | 155,407 |
| Trans Security Agency | 73,194 | 40,323 | | 113,517 |
| | 3,001,221 | 590,318 | | 3,591,539 |
| **Parking Facilities** | 17,015 | 9,189 | 1,302 | 27,506 |

# Airport Information (cont'd)

**As of December 31, 2024**

**Airport Code: MSP**

**Runways** [1]

| | | |
|---|---|---|
| **Minneapolis-St. Paul:** | | |
| Runway 4-22 | 11,000 | Ft |
| Runway 12R-30L | 10,000 | Ft |
| Runway 12L-30R | 8,200 | Ft |
| Runway 17-35 | 8,000 | Ft |
| **Anoka County/Blaine** | | |
| Runway 9-27 | 5,000 | Ft |
| Runway 18-36 | 4,900 | Ft |
| **Airlake** | | |
| Runway 12-30 | 4,100 | Ft |
| **Crystal** | | |
| Runway 14-32 | 3,800 | Ft |
| Runway 6L-24R | 2,500 | Ft |
| Runway 6R-24L | 1,700 | Ft |
| **Flying Cloud** | | |
| Runway 10R-28L | 5,000 | Ft |
| Runway 10L-28R | 3,900 | Ft |
| Runway 18-36 | 2,700 | Ft |
| **Lake Elmo** | | |
| Runway 14-32 | 3,500 | Ft |
| Runway 4-22 | 2,500 | Ft |
| **St. Paul Downtown** | | |
| Runway 14-32 | 6,500 | Ft |
| Runway 13-31 | 4,000 | Ft |
| Runway 9-27 | 3,600 | Ft |

[1] Amounts rounded to the nearest hundred.

MINNEAPOLIS-ST. PAUL METROPOLITAN AIRPORTS COMMISSION

6040 28th Avenue South, Minneapolis, MN 55450 | (612) 726-8100 | metroairports.org