MInneapolis/St. Paul, Minnesota

Metropolitan Airports Commission

Comprehensive Annual Financial Report

Year Ended December 31, **2009**

Prepared by
The Finance Department

Bob Schauer
Director of Finance

Stephen L. Busch
Deputy Executive Director

This page was intentionally left blank.

Introductory Section

MInneapolis/St. Paul, Minnesota

Metropolitan Airports Commission

Comprehensive Annual Financial Report

Year Ended December 31, **2009**

This page was intentionally left blank.

Table of Contents

Introductory Section PAGE

I. INTRODUCTORY SECTION

Airport Locations ... iii
Commissioners ... iv
Organization Chart ... v
Letter of Transmittal ... vi
Certificate of Achievement ... xiv

II. FINANCIAL SECTION

Independent Auditors' Report ... 1
Management Discussion and Analysis ... 3
Balance Sheets ... 20
Statements of Revenues and Expenses and Changes in Net Assets ... 22
Statements of Cash Flows ... 23
Notes to Financial Statements ... 24

III. STATISTICAL SECTION

Historical Operating Statements ... 56
Historical Revenues – Per Master Trust Indenture ... 57
Percentage Distribution of Operating Revenues ... 58
Net Assets by Business Type Activity ... 59
NWA Revenue as a Percentage of Total MAC Operating Revenue ... 60
NWA Revenue as a Percentage of Total Airline Revenue ... 60
Top 10 Revenue Providers 1999 and 2008 ... 61
Air Carrier Market Share (Enplaned Passengers) ... 62
Enplaned Passenger Trends - MSP ... 63
Air Carrier Market Share – (Enplaned Cargo) ... 64
Enplaned Cargo Trends - MSP ... 65
Trends in Enplaned Cargo By Type of Carrier ... 66
Trends in Enplaned Cargo by Freight & Mail ... 67
Rate Covenant for Senior Debt ... 68
Rate Covenant for Subordinate Debt ... 69
Operating Ratio ... 70
General Airport Revenue Bonded Debt per Enplaned Passenger ... 70
Population ... 71
Civilian Unemployment Rate ... 71
Personal Income ... 72
Per Capita Personal Income ... 72
Top 10 Employers ... 73
Employment Share by Industry ... 74
Activity Statistics ... 75
Historical Aircraft Operations Service ... 76
Trends in Aircraft Landed Weight of Signatory Airlines ... 77

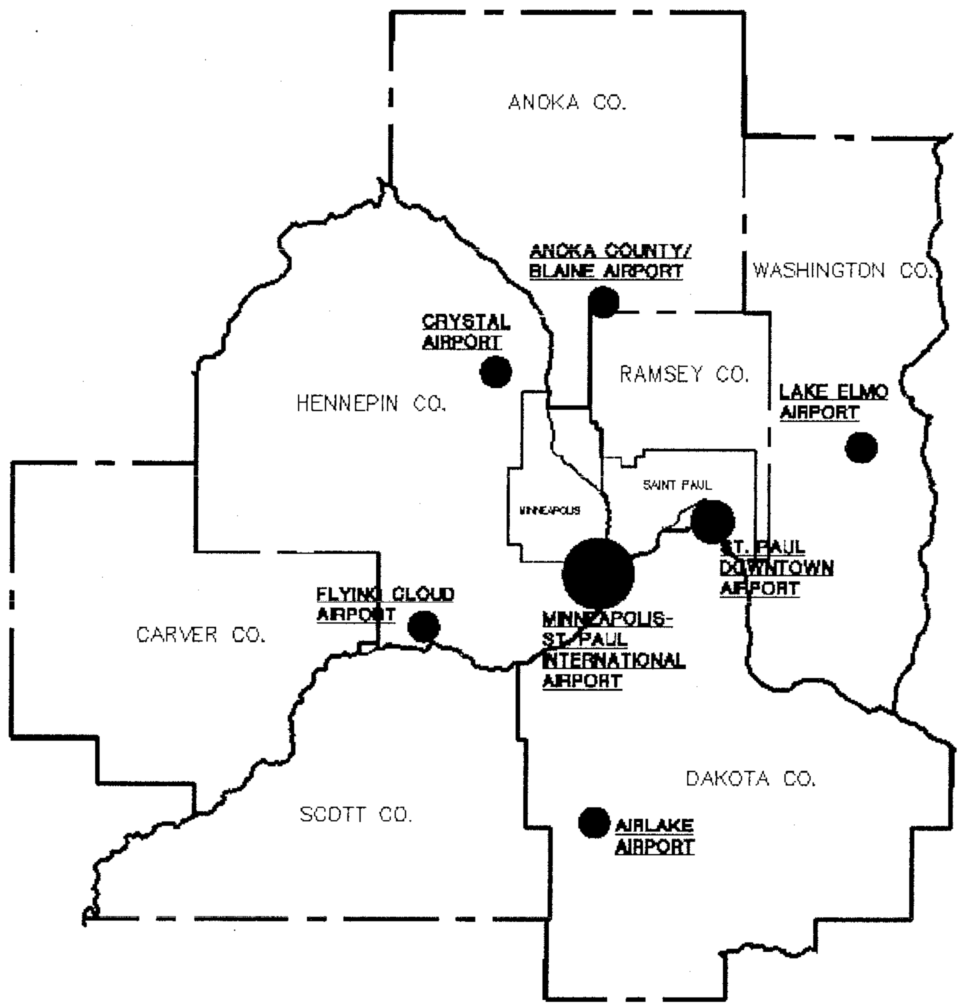
Introductory Section

Table of Contents

Employee Counts.......78
Airline Cost per Enplaned Passenger.......78
Schedule of Airline Rates and Charges.......79
Aircraft Operations at the Reliever Airports.......79
Air Carriers Serving MSP.......80
Insurance Coverage.......81
Airport Information.......82

Introductory Section

AIRPORT LOCATIONS



Commission Jurisdiction 35 Mile Radius

The Metropolitan Airports commission was created as a public corporation by the Minnesota State Legislature in 1943 (Laws of Minnesota, 1943, Chapter 500). State Law currently grants the Metropolitan Airports Commission authority to exercise its powers within a thirty-five mile radius of the city halls of Saint Paul and Minneapolis.

Introductory Section

METROPOLITAN AIRPORTS COMMISSION - 2009

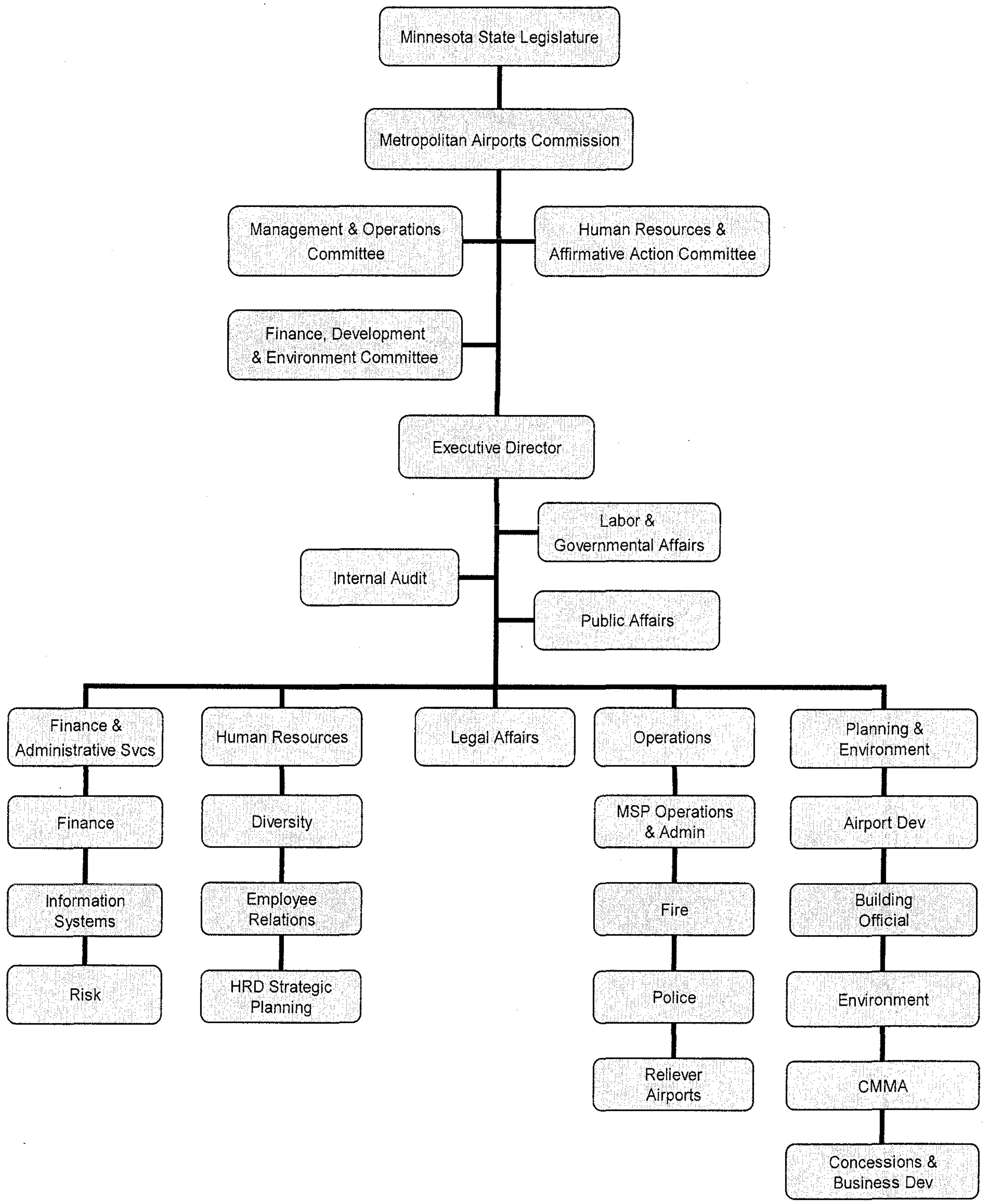
***Chair*:**	John Lanners
***Commissioners*:**	
District A	Sherry Stenerson
District B	Molly Sigel
District C	Lisa Peilen
District D	John Williams
District E	Andy Westerberg
District F	Robert Nelson
District G	Currently Vacant (To the sorrow of his colleagues at the Metropolitan Airports Commission, John McDonald, Jr., who served from January 1, 2009, died while in office, February 28, 2010.)
District H	Bert McKasy
City of Minneapolis	Daniel Boivin
City of Saint Paul	Pat Harris
Representing Greater Minnesota Area:	Timothy Geisler
	Mike Landy
	Donald Monaco
	Paul Rehkamp

The Chair and Commissioners collectively are an appointed body which governs the Metropolitan Airports Commission. The Commissioners are, in effect, the board of directors for this public corporation.

Executive Director:	Jeffrey Hamiel

The Executive Director is appointed by and responsible to the Commissioners. He is responsible for transforming Commissioners' policy guidance into practical results that benefit airport users specifically and the citizens of Minnesota generally. The Executive Director is, in effect, the CEO of the Metropolitan Airports Commission.

ORGANIZATION CHART



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

July 16, 2010

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

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Metropolitan Airports Commission, Minneapolis-St. Paul, Minnesota, for the fiscal year ended December 31, 2009.

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 assets and cash flows of the Commission in accordance with generally accepted accounting principles (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 State's 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, 2009, the annual financial statement of the MAC has been audited by a firm of independent certified public accountants: BKD, LLP. Prior years were audited by Deloitte & Touche. BKD's opinion on the financial statements is presented in this report.

Also, as part of the annual audit, BKD performs procedures consistent with the Single Audit Act of 1996 (The Act), OMB Circular A-133 and guidelines in relation to grant award agreements between the MAC and Federal Aviation Administration (FAA) in progress during the year. Finally, the auditors perform procedures to help ensure MAC's compliance with FAA regulations to implement the Aviation Safety and Capacity Expansion Act of 1990 in relation to Passenger Facility Charge (PFC) revenues and expenses. The resulting reports are intended for the use of MAC and the FAA, and have not been included in this report.

LETTER OF TRANSMITTAL

Introductory Section

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 public *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 some powers beyond those of a normal business. For example, the Commission can:

- Issue tax exempt debt;
- Adopt ordinances, enforce them through its police department, and acquire property through eminent domain;

and, most important the MAC *may*

- Levy taxes on real property in the Metropolitan Area for 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-funding organization similar to a private business.

Governance:
The MAC's governing board consists of fifteen Commissioners. 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). The Chairperson may be from anywhere in the state. Only the Chairperson can be removed before his or her term expires.

Mr. Jack Lanners was appointed to Chair the Commission in 2006. He has served on the Commission since 2003 and brings significant business experience to his role at the MAC: he is the president and chief executive officer of FTL Corporation; president of R.P. Royalties, Inc.; and is an officer and partner with LannCo LLC, a commercial real estate development firm. Mr. Lanners also serves on the boards of various charitable and professional organizations.

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 12th largest among US airports based on the number of operations (takeoffs or landings), and 14th largest based on passenger volume.

The following reliever airports complement MSP to serve general aviation needs:

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

- Airlake, Anoka County/Blaine, Crystal, Flying Cloud, and Lake Elmo are classified as minor use airports.
- Control towers are operational at 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.

Together MSP and its relievers form the third largest aviation system in the nation.

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 CONVENTIONS:
The MAC and the State of Minnesota have agreed that under Governmental Accounting Standards Board (GASB) Statements No. 14 and No. 39, the Commission is not financially accountable to any other organization; it is a stand-alone government unit (corporation).

The Commission operates as a self-supporting business. Therefore, the net assets reported in the Commissions financial statements measure "total economic resources" (as opposed to the "current financial resources" focus employed by purely governmental entities). Consistent with its measurement focus, 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. All of the Commission's financial activities are organized and accounted for within one "Enterprise fund" which includes "accounts" for operations, debt service, and capital investment.

As is the case at 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.

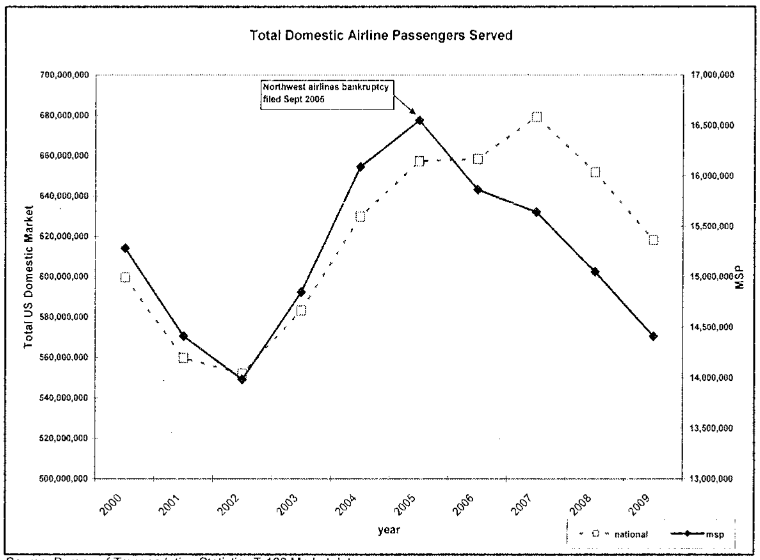
Because it is a public entity and has the authority to levy taxes (even though it does not exercise this authority), the MAC is required by State Statute (Ch. 275) to publicly adopt its budget. However, MAC's budget is <u>not</u> legally appropriated. Because the budget is not legally appropriated, budgetary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

FACTORS AFFECTING THE MAC's FINANCIAL CONDITION:

Demand for Air Travel

In last year's financial statements we reported that "...2008 was not a good year". 2009 was no better. Already, the past two years have been dubbed "The Great Recession". According to the State of Minnesota's official economic forecast in November, 2009, "...real GDP growth turned positive in the third quarter of 2009 ... (b)ut, that good economic news has yet to be reflected in labor markets." The State report goes on to note that while the recession itself appears to be over, the State's level of economic activity and employment may not return to pre-recession levels until 2013.

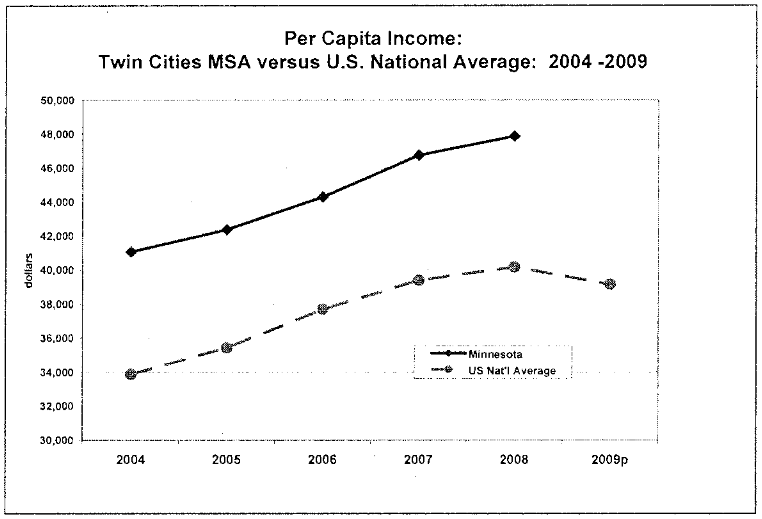
The airline industry is highly sensitive to the general level of economic output and the great recession has depressed air travel nationally and from MSP. Airline demand is highly elastic primarily due to its vulnerability to substitutes like bus, train, or automobile travel—or, in strained economic times, the choice not to travel at all. External events can also significantly affect the supply and demand for airline services; events such as the 9/11 terror attacks and the painfully large increase in petroleum (and therefore jet fuel) prices between 2005 and mid-2008. The accompanying chart of The Bureau of Transportation Statistics data on airline passengers gives one indication of the volatility of the industry and its susceptibility to outside shocks. The current economic decline has, and is likely to continue to have an adverse impact on airline business.



Source: Bureau of Transportation Statistics T-100 Market data

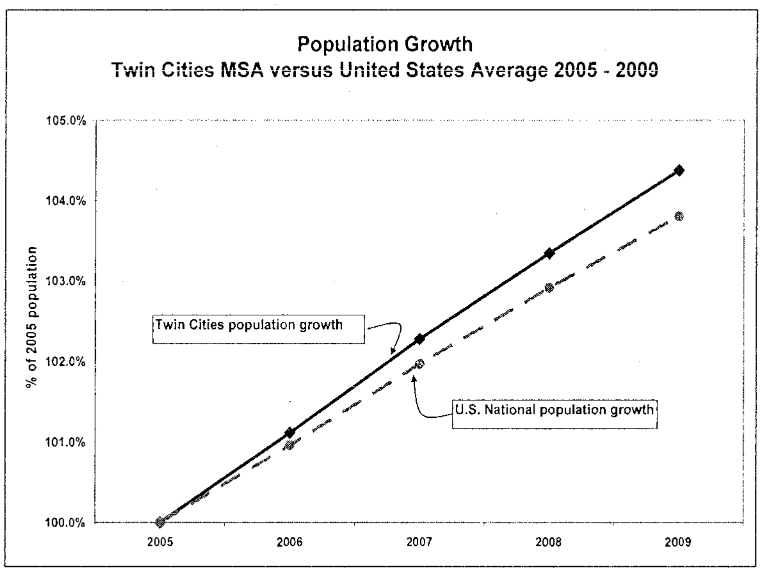
The economics of airports is dependent upon the economic health of the airlines industry; the "Great Recession" has not been good for either. Although "bloodied" by the recession, Minnesota and the metropolitan Twin Cities area (Minneapolis-St.Paul-Bloomington MSA) are not economically broken. Sources of local economic strength include:

- Size: Minnesota is the 21st most populous State in the US; The Twin Cities metropolitan area is the 16th most populous metropolitan area in the nation and 65th largest in the world.
- Education: more than 91 percent of workers in the Metropolitan area are high school graduates; the Twin Cities rank fifth nationally for the percentage of workers with bachelor's degrees or higher; the Metropolitan area is home to two public universities, eleven private colleges, and ten community and technical colleges. The high level of average education supplies Minnesota employers with a highly productive workforce.
- Economic Diversity: *Fortune* magazine reports that Minnesota is headquarters to 21 Fortune 500 companies. Minnesota is ranked 7th out of 50 States in terms of numbers of Fortune 500 firms headquartered within the State.



Source: Bureau of Economic Analysis

Because of its local economic advantages, per capita income in the Twin Cities region has been consistently higher than the national average. In 2008 (the most recent year for which MSA-level data are available) the Bureau of Economic Analysis reports that the Twin Cities per capita income at $47,836 was more than 19% higher than the national average of $40,166.



Source: U.S. Census Bureau

Population growth also contributes to the vigor of the Twin Cities regional economy. For the past two decades population growth in the Twin Cities region has outstripped national population growth.

The structurally strong and growing regional economy served by the MAC creates demand for origination and destination (O&D) air traffic from the airport. O&D traffic is supplemented by a strong connecting traffic. Traffic at MSP is split almost 50/50 between O&D and connecting traffic.

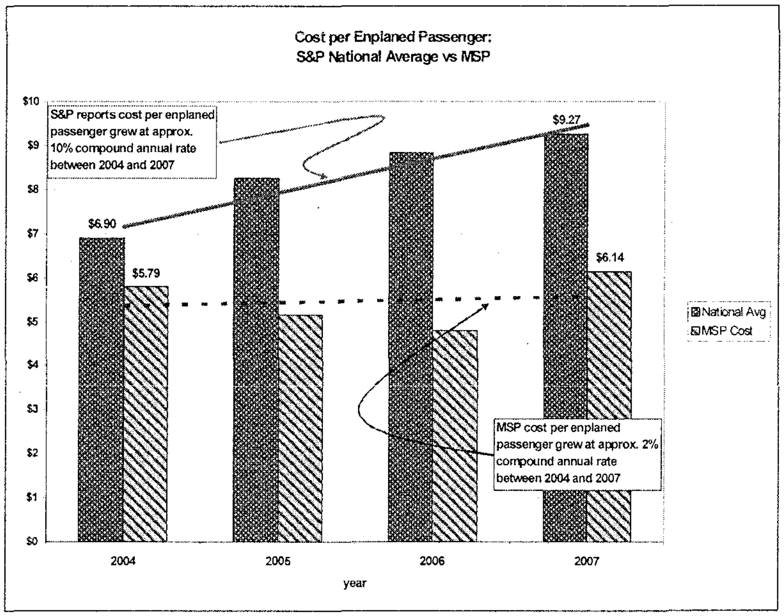
Historically, MSP was a major hub for the former Northwest Airlines which had its headquarters in Eagan, Minnesota. Its status as a major Northwest hub contributed to the volume of connecting traffic at MSP. After the merger of Northwest and Delta under the Delta brand, the headquarters of the combined company was located in Atlanta. Although no longer the "home town" company, the new Delta made significant commitments to MSP. Delta signaled its commitment to MSP by electing to extend its airline lease agreement with the MAC through December 31, 2020. In addition, Delta made a significant commitment to the airport in signing a "hub covenant". In its hub covenant Delta agreed to maintain an annual average of 400 daily departing flights from MSP, at least 250 of which must be aircraft with greater than 70 seats and that a minimum of 30% of enplaned passengers must be connecting.

Looking beyond the recent recession and its aftermath, the regional economies provide a strong foundation of demand for air travel from MSP. In December 2009, The Metropolitan Council, a regional planning organization for the eleven-county area including the Twin Cities, projected average annual population growth of 1.3% through 2020 versus the Census Bureau's projected national population growth rate of 0.8%. Similarly, the Metropolitan Council foresees a 1.2% annual average growth rate for Twin Cities area employment growth through 2020 versus the Bureau of Labor Statistics' projected growth in national employment of 1.0%.

Supplying the demand

The MAC's corporate vision is "to give our customers the best airport experience in North America".

As a self-supporting corporation, the MAC must compete for business with other airports. One way in which the MAC provides the best experience for our client airlines is to create an airport in which our tenants and airlines experience the lowest practical life-cycle operating costs on a *consistent* and *predictable* basis.



An important tangible result of the Commission's policies and management is that the cost to airlines of enplaning passengers at MSP is significantly lower than the national average. Furthermore, the per-passenger cost of enplanement has been growing more slowly at MSP than the national average rate of growth. This makes MSP a profitable venue for client airlines.

Airlines don't operate from an airport just because it is inexpensive. However, as discussed above, the strong regional economy creates strong demand for O&D traffic. Dependable O&D demand combined with the low and predictable cost of enplanement give MSP a strong competitive advantage to maintain and expand its role as an important hub in the national air traffic system.

An airport is basically a piece of real estate with some very expensive improvements (terminals, runways, etc.) It would be an understatement to say the business is "capital intensive". The MAC's balance sheet is dominated by capital assets which, at $2.5 billion (net of depreciation), represent more than two-thirds of the Agency's total assets. Constructing, maintaining, and improving these capital assets is critical to meeting the demand of our customers.

At year-end 2009, the MAC has largely completed its $2.7 Billion program of planned capital investments known as "the 2010 plan". This program of investments has endowed MSP with new and improved facilities that will contribute to passengers and airlines having "the best airport experience" including (among others):

- A new north-south runway;
- Holding/De-icing pads;
- Extension of the C concourse;
- An automated people mover in the A,C, and D concourses;
- A new Humphrey Terminal.

With the completion of the 2010 plan, the near-term needs for additional capital investment are modest. The next Capital improvement plan extending through 2016 includes planned improvements totaling approximately $523 million in addition to which management has identified another $576 million of demand-driven projects which will only be undertaken if the demand exists.

Financing the Supply

The MAC finances its capital assets through a combination of Commission revenues, entitlement and discretionary grants from the FAA, state grants, PFC's and airport revenue bonds. Long-term debt is the principal source of funding of the capital improvement program.

Under its Master Indenture, the MAC has covenanted to maintain a debt service coverage ratio of 1.25X the following years scheduled payments. Responding to the current economic slump, in July 2008, the board of Commissioners directed that the MAC increase its debt service coverage above the 1.25X contractual obligation to 1.4X annual debt service for its Senior Debt: General Obligation Revenue Bonds (GORBs) and Senior General Airport Revenue Bonds (GARBs)—(see Note E to the financial statements). The MAC exceeded the July requirement: as of December 31, 2009 projected debt coverage on Senior Debt obligations is approximately 2.26 times scheduled payments.

At year-end, 2009, The MAC had long-term debt (including the currently payable portion) of approximately $1.7 Billion supporting the $2.5 billion of capital assets discussed above. In addition, the MAC is highly liquid and at year-end had cash and investments totaling more than $660 million or more than 3 times total bonded debt service projected for 2010.

The MAC's conservative financial practices have been rewarded with AA- debt rating on its senior debt (the highest given to any airport) by both the Standard and Poor's and Fitch rating agencies. Strong reserves and high bond ratings reduce borrowing costs to the MAC and therefore helps contain the cost per enplaned passenger. 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 MAC airports in good repair.

Current economic times are strained. Nevertheless, the MAC board, management, and employees maintain a long-term focus, 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 letter, (MD&A) to accompany the financial statements. The MD&A follows the independent auditors 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, 2008. The Commission has received this prestigious GFOA award for the twenty-four 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 twenty-second consecutive year the GFOA Award for Distinguished Budget Presentation for its Annual Operating Budget for 2009. 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 members of the MAC Finance Department; without their dedicated effort, the timely preparation of this report would have been impossible.

In addition, we would like to express our appreciation for the leadership and support of the governing body of the Metropolitan Airports Commission, and for their sincere interest in operating the Metropolitan Airports Commission in a sound financial manner.

Respectfully,

Jeffrey W. Hamiel
Executive Director

Stephen L. Busch
Deputy Executive Director-
-Finance & Administration

Robert C. Schauer
Director of Finance

CERTIFICATE OF ACHIEVEMENT

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Minneapolis-St. Paul Metropolitan Airports Commission

Minnesota

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

GOVERNMENT FINANCE OFFICERS ASSOCIATION OF THE UNITED STATES AND CANADA CORPORATION SEAL CHICAGO

President

Executive Director

Financial Section

Minneapolis/St. Paul, Minnesota

Metropolitan Airports Commission

Comprehensive Annual Financial Report

Year Ended December 31, **2009**

This page was intentionally left blank.

BKD LLP
CPAs & Advisors

www.bkd.com

Independent Accountants' Report on Financial Statements and Supplementary Information

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

We have audited the accompanying basic financial statements of Minneapolis/St. Paul Metropolitan Airports Commission (Commission) as of and for the year ended December 31, 2009, as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Commission as of and for the year ended December 31, 2008, before they were retroactively restated for the matters discussed in Note A, were audited by other accountants whose report dated May 18, 2009 (July 15, 2010, as to the effects of the restatement discussed in Note R to those statements), expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the 2009 financial statements referred to above present fairly, in all material respects, the financial position of Minneapolis/St. Paul Metropolitan Airports Commission as of December 31, 2009, and its changes in financial position and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note A, the Commission retroactively changed its method of accounting for Part 150 sound insulation costs, land and related costs and bond and commercial paper issuance costs during 2009.

The accompanying management's discussion and analysis, as listed in the table of contents, is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the Commission's basic financial statements. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The accompanying information in the Introductory and Statistical Sections has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

BKD, LLP

Indianapolis, Indiana
May 27, 2010, except for the Changes in Accounting Principle
in Note A and Note T, as to which the date is July 16, 2010

Financial Section

The following 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, 2009 with selected comparative information for the years ended December 31, 2008 and 2007. 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: the Balance Sheets, the Statements of Revenues, Expenses and Changes in Net Assets and the Statements of Cash Flows. 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) principles. The MAC has also adopted GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis - for State and Local Governments* (GASB 34) as amended by GASB Statement No. 37, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus – an Amendment of GASB Statements No. 21 and No. 34* and GASB Statement No. 38, *Certain Financial Statement Note Disclosures.* The objective of these reporting standards is to enhance the understandability and usefulness of the basic external financial reports of state and local governments to the citizenry, legislative and oversight bodies, and investors and creditors.

ACTIVITY HIGHLIGHTS

Minneapolis/St. Paul International Airport (the airport or MSP) is classified by the FAA to be one of the large hub airports in the United States. According to Airports Council International statistics, in calendar year 2008, MSP was the 16th busiest airport in the United States in terms of passenger volume, 12th in terms of takeoffs and landings and 25th in cargo traffic. In March 2009, Southwest Airlines commenced 8 flights per day from MSP to Chicago-Midway. Southwest has also added service from MSP to Denver during 2009.

Passengers

In 2009, MSP carried approximately 31.3 million passengers, which represented a decrease of 5.0% from 2008 levels. The majority of the decrease was for passengers carried by major airlines and charter carriers. However, regional carrier passengers increased over 2008 levels. The top five carriers in 2009 by enplaned passengers serving MSP are shown below. The total enplaned passengers for 2009, including connecting, was 15,546,905. The totals may differ from the passenger statistics reported by the air carriers to the Department of Transportation.

Carrier	Enplaned Passengers	% of Total Enplaned Passengers
1. Northwest/Delta	8,967,602	57.7%
2. Mesaba [1]	1,577,271	10.2
3. Compass [1]	905,487	5.8
4. Pinnacle [2]	722,510	4.7
5. American	508,470	3.3
	12,681,340	81.7%

1 a wholly-owned subsidiary of Northwest/Delta

2 Operates as Northwest Airlink under a contractual agreement with Northwest/Delta Airlines

Operations

Aircraft operations represent the total number of takeoffs and landings at the airport. Aircraft operations at MSP decreased in 2009 to 432,395 from 450,044 the previous year, down 3.92%.

Operations at the reliever airports decreased 8.3% from 2008 levels.

FACTORS AFFECTING FINANCIAL CONDITION

Over the last several years, several incidents and general trends, some of which are continuing, have had an adverse impact on air travel and the airline industry which, in turn, have had an adverse effect on the airport.

Northwest/Delta airlines is the dominant carrier at the airport, which serves as a primary hub in Northwest/Delta's route system. Northwest/Delta currently leases 104 of the 117 full service jet gates in the Lindbergh Terminal. In 2009, Northwest/Delta and its affiliates accounted for approximately 78.2% of passenger enplanements at the airport (Also see Note P). Any significant financial or operational difficulties incurred by Northwest/Delta may have a material effect on the Commission's finances. In addition, no assurances can be given that the airport will continue as a system hub for Northwest/Delta.

The airline industry is highly cyclical and is characterized by intense competition, high operating and capital costs and varying demand. Passenger and cargo volumes are highly sensitive to general and localized economic trends, and passenger traffic varies substantially with seasonal travel patterns. The profitability or losses of the airline industry can fluctuate dramatically from quarter to quarter and from year to year, even in the absence of catastrophic events such as the terrorist attacks on September 11, 2001.

Growing competition from low cost, low fare carriers (such as Southwest) has forced legacy carriers (such as Northwest/Delta) to implement route rationalization, including route transfers to regional partners and the reduction or elimination of service to unprofitable markets. Airlines have reduced schedules, simplified fleets, deferred new aircraft delivery, implemented pay cuts, and reduced workforces. In addition, legacy carriers have shown increasing flexibility in adjusting fares to match discount fares offered by low cost carriers.

The future levels of aviation activity and enplaned passenger traffic at the airport will depend upon several factors, many of which cannot be controlled by the Commission, including, among others, the financial condition of individual airlines and the viability of continued service, as well as local, regional, national and international economic and political conditions, international hostilities, world health concerns, airline service and route networks, availability and price of aviation fuel, airline economics (including labor relations), airline bankruptcies, competition, airfares, airline industry consolidation and capacity of both the national air traffic control system and the airport.

The Commission cannot predict the duration or extent of the reduction in air travel revenues or the extent of the adverse impact on net revenues, Passenger Facility Charges (PFC) revenues, passenger enplanements, operations or the financial condition of the airport. However, in the event that the Commission's tenants would default on their lease obligations, the Commission has the authority to levy property taxes to support its general obligation revenue debt. As a result of the current environment, the Commission continues to actively pursue opportunities to achieve greater cost effectiveness in the deliveries of its services while meeting the mandates for greater security.

Assumption or Rejection of Agreements

In the event an airline that has executed an airline lease agreement or other agreement with the Commission seeks protection under the bankruptcy laws, such airline or its bankruptcy trustee, must determine whether to assume or reject its agreements with the Commission (a) within 60 days (or later if ordered by the court) with respect to its airline lease agreement or leases of non-residential real property, or (b) prior to confirmation of a plan of reorganization with respect to any other agreement. However, bankruptcy courts are courts of equity and can, and often do, grant exceptions to these statutory limitations. In the event of assumption and/or assignment of any agreement to a third party, the airline would be required to cure any pre- and post-petition monetary defaults and provide adequate assurance of future performance under the applicable airline lease agreement or other agreements.

Rejection of an airline lease agreement or other agreement or executory contract will give rise to an unsecured claim of the Commission for damages, the amount of which in the case of an airline lease agreement or other agreement is limited by the U.S. Bankruptcy Code generally to the amounts unpaid prior to bankruptcy plus the greater of (i) one year of rent or (ii) 15% of the total remaining lease payments, not to exceed three years. However, the amount ultimately received in the event of a rejection of an airline lease agreement or other agreement could be considerably less than the maximum amounts allowed under the U.S. Bankruptcy Code. Certain amounts unpaid as a result of a rejection of an airline lease agreement or other agreement in connection with an airline in bankruptcy, such as airfield, terminal, concourse and ramp costs, would be passed on to the remaining airlines under their respective airline lease agreements, thereby increasing such airlines' cost per enplanement, although there can be no assurance that such other airlines would be financially able to absorb the additional costs.

TWA, Sun Country, US Airways, Delta, Comair, Mesaba, Northwest, United, Air Canada and ATA were each operating at the airport under an airline lease agreement at the time of their respective filings for bankruptcy protection. TWA's Airline Lease Agreement was assigned over and assumed by American. While Sun Country rejected its airline lease agreement, the new airline, also known as Sun Country, which was created by an investor group that purchased the assets of the defunct Sun Country, has signed an airline lease agreement. Sun Country filed its second bankruptcy on October 6, 2008 and has assumed the Airline Lease Agreement. US Airways, which emerged from its second bankruptcy filing on September 27, 2005, assumed its airline lease agreement. Air Canada assumed its airline lease agreement. United, which emerged from bankruptcy protection on February 1, 2006, assumed its airline lease agreement. ATA rejected its airline lease agreement. Delta and Comair, which emerged from bankruptcy protection on April 30, 2007, assumed their respective airline lease agreements. Mesaba, which emerged from bankruptcy on April 24, 2007, assumed its airline lease agreement. Northwest Airlines, which emerged from bankruptcy protection on May 31, 2007, assumed its airline lease agreement.

On May 1, 2007, Mesaba rejected an aircraft hangar facility lease. The Commission took possession of the hangar and subsequently signed a 10-year lease with an option of another 10 years with Petters Aviation to occupy that facility. Petters Aviation declared bankruptcy on October 6, 2008 and the Commission entered into a lease in 2009 with a new tenant until March 2011.

With respect to an airline in bankruptcy proceedings in a foreign country, the Commission is unable to predict what types of orders and/or relief could be issued by foreign bankruptcy tribunals, or the extent to which any such orders would be enforceable in the United States.

Pre-Petition Obligations

During the pendency of a bankruptcy proceeding, a debtor airline may not, absent a court order, make any payments to the Commission on account of goods and services provided prior to the bankruptcy. Thus, the Commission's stream of payments from a debtor airline would be interrupted to the extent of pre-petition goods and services, including accrued rent and landing fees. All of the pre-petition obligations of TWA, United, Air Canada, ATA, Northwest Airlines, Mesaba, Delta and Comair have been paid in full. Under Sun Country's second bankruptcy filing in 2008, Sun Country owed the Commission approximately $471,000 in pre-petition obligations and paid this amount in 2009.

PFCs

Pursuant to the Aviation Safety and Capacity Expansion Act of 1990 (P.L. 101-508) (the "1990 PFC Act"), the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (P.L. 106-181) ("AIR 21") and the Vision 100 – Century of Aviation Reauthorization Act (P.L. 108-176) ("Vision 100," and collectively with the 1990 PFC Act and AIR 21, the "PFC Acts"), the FAA has approved the Commission's applications to require the airlines to collect and remit to the Commission a $4.50 PFC on each enplaning revenue passenger at the airport.

The PFC Acts provide that PFCs collected by the airlines constitute a trust fund held for the beneficial interest of the eligible agency (i.e., the Commission) imposing the PFCs, except for any handling fee (which currently is $0.11 per PFC) or retention of interest collected on unremitted proceeds. In addition, federal regulations require airlines to account for PFC collections separately and to disclose the existence and amount of funds regarded as trust funds in their respective financial statements. However, the airlines, provided they are not under bankruptcy protection, are permitted to commingle PFC collections with other revenues. The bankruptcy courts have not fully addressed such trust arrangements. Therefore, the Commission cannot predict how a bankruptcy court might rule on this matter in the event of a bankruptcy filing by one of the airlines operating at the airport. The PFC Act, require an airline in bankruptcy protection to segregate PFC collections from all of its other revenues.

It is possible that the Commission could be held to be an unsecured creditor with respect to unremitted PFCs held by an airline that has filed for bankruptcy protection. Additionally, the Commission cannot predict whether an airline operating at the airport that files for bankruptcy protection would have properly accounted for the PFCs owed to the Commission or whether the bankruptcy estate would have sufficient moneys to pay the Commission in full for the PFCs owed by such airline. All of the airlines that were operating at the airport at the time of their respective filings for bankruptcy protection and during the time they operated at the airport while under bankruptcy protection submitted to the Commission all of the PFC's collected by them.

Amendments to Airline Lease Agreement
In 2007 and in February 2009, the Commission agreed to amend its airline lease agreements. The 2009 amendment was related to Northwest and Delta Airlines only.

2007 Amendments
The 2007 amendments include the following changes to the airline rates and charges methodology set forth in the Airline Lease Agreements:

(a) Recoverable Costs allocated to each of the costs centers will include annual debt service costs, plus reasonable amortization of commercial paper for rate-based related projects (including capital equipment), rather than direct and indirect depreciation and imputed interest (the "Rate Changes").

(b) PFCs will be applied, to the fullest extent of eligibility, to the debt service on Senior Bonds and Subordinate Obligations issued to finance airfield projects, including Runway 17/35 (the Commission will be required to amend certain of its PFC applications in order to implement this provision of the amendment).

(c) Certain deferred charges previously agreed to in the airline lease agreement are eliminated.

(d) $15 million in 2006 dollars (escalated by 3% per year) will be prorated annually among the cost centers to be deposited to a repair and replacement subaccount within the Commission Construction Fund for major maintenance and minor capital projects.

(e) 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"):

Selected Concession Revenues[1]	Percent Shared with Passenger Signatory Airlines
Greater than $35,972,275	25% up to $35,972,275 and 50% for amounts above $35,972,275
$27,842,319 to $35,972,275	25
$26,728,626 to $27,842,318	20
$25,614,935 to $26,728,625	15
$24,501,242 to $25,614,934	10
$23,387,548 to $24,501,241	5

[1] Selected Concession Revenues were $34,955,262 for fiscal year 2009, resulting in shared concession revenues of $8,738,815. The selected concession revenues 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.

The amendments to the Airline Lease Agreements provide that, in the event any Signatory Airline is not in compliance with its payment obligations under any agreement with the Commission, during the period following any applicable notice and cure period under such agreement and continuing until payment of any such amounts (the "Payment Default Period"), the Commission will have the right, upon written notice to such Signatory Airline (provided that if such Signatory Airline is in bankruptcy, no notice will be required for the effectiveness of the following although invoices will reference the additional amounts due and the applicable rate that applies), to: (i) have such Signatory Airline's payment obligations under their applicable Airline Lease Agreement during the Payment Default Period revert to the Existing Rate Structure, and (ii) apply the amount of any Rate Differential for such Signatory Airline during such period and the amount of any accrued and unpaid Shared Concession Revenues credits, if any, due to such Signatory Airline for such period (collectively, "Application") against any amounts owed by such Signatory Airline to the Commission to the extent necessary to cure such payment defaults.

2009 Amendments

In 2008, Delta Airlines acquired Northwest Airlines in an all-stock transaction. On December 31, 2009, Delta completed the integration of Northwest Airlines with world headquarters in Atlanta but continuing a hub at MSP. As a result of the merger, an amendment to the Airline Lease Agreements discussed above was approved by the Commission in February 2009, the Northwest Airline and Delta Airline Lease Agreements are further amended to include the following terms:

(i) Northwest/Delta Airlines will covenant to maintain significant functions in the Minneapolis/St. Paul metropolitan area (the "Delta Minnesota Functions Covenant"). Northwest/Delta would agree to maintain several significant functions in the State of Minnesota- a) the "Delta North" headquarters, comprised of various corporate functions as determined by Delta; b) Delta's headquarters for its Delta Connection management (regional airline) function; c) Mesaba and Compass Airlines headquarters; d) Pilot and flight attendant bases; e) Reservations centers in Chisholm, Minnesota and the Twin Cities; f) Delta's primary or secondary technology/data center; g) Pilot training center. These provisions would be subject to an exception if a sufficient number of employees with the skills required for the job or function are not available in the area; or if, after three years, the function, entity or operation is "wholly" outsourced, sold or no longer exists at Delta. In the event of a breach of the Delta Minnesota Functions Covenant, Northwest/Delta may cure the breach by replacing the function with another function in the State of Minnesota with an equivalent or greater average monthly payroll.

(ii) Northwest/Delta Airlines will maintain not less than substantially 400 departing Delta and code-share airlines flights per day from MSP, calculated annually with not less than 250 of those flights being serviced by aircraft with less than 70 passenger seats, calculated annually. The Commission also included these covenants in an amendment to the Northwest Airlines Building C hangar and office Lease Agreement.

(iii) In the event Northwest/Delta Airlines breaches either of these covenants (subject to the force majeure exception set forth below), Northwest/Delta Airlines' credit from the Shared Concession Revenues will be eliminated for such year it violates either of the covenants and if violation continues for three consecutive years, or if either of the covenants is determined to be unenforceable, Northwest/Delta Airlines' credit from the Shared Concession Revenues will be eliminated permanently.

(iv) The rent payable by Delta/Northwest under the Building C Lease would be increased by $500,000 per year through 2014 and an additional $500,000 per year beginning in 2015.

FINANCIAL HIGHLIGHTS

General

The Commission has entered into, and receives payment under, different agreements with various air carriers and other parties, including the airline lease agreement 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 2009.

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 the Lindbergh terminal 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. Also see Amendments to Airline Lease Agreement.

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 Lindbergh Terminal 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.

For the year ended December 31, 2009, the aggregate rentals earned by the Commission pursuant to the airline lease agreements were approximately $81,999,000. 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 Hubert H. Humphrey Terminal (Humphrey Terminal), miscellaneous hangar facilities, and office rentals for non-airline tenants in the Lindbergh Terminal. For the year ended December 31, 2009, the aggregate annual rentals under these leases were approximately $21,988,000.

Specific Project Leases
The Commission has constructed various buildings and facilities for specific tenants including a fueling facility for Servisair & Shell Fuel Services, and hangars and office buildings for Northwest/Delta, Federal Express, Champion and Mesaba Airlines. The specific project leases relate to the use of these buildings and facilities by, Northwest/Delta, Servisair & Shell Fuel Services, Federal Express, Champion and Mesaba. On May 1, 2007, Mesaba rejected an aircraft hangar facility lease. The Commission took possession of the hangar on that date. In September 2007, the Commission was able to lease the hangar to Petters Aviation which in 2008 subsequently filed for bankruptcy and rejected the hangar lease. In 2009, the Commission was able to find another tenant to lease the hangar until March 2011. Champion Airlines ceased operations on May 31, 2008. During 2008, the Commission entered into a lease with Mesaba Airlines to occupy the hangar formerly leased by Champion Airlines through April 30, 2009. In 2009, NWA/Delta airlines currently occupy the hangar formerly leased to Champion and Mesaba airlines.

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. Bond funds were used to finance certain facilities for Northwest/Delta Airlines, Mesaba and Federal Express.

If the 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. Commission funds were used to finance facilities for Servisair & Shell Fuel Services, Champion Airlines and certain facilities for Northwest/Delta Airlines including the extension of the "G" Concourse.

For the year ended December 31, 2009, the aggregate lease rentals paid to the Commission under specific project leases was approximately $38,430,000.

Concession Agreements
The Commission has entered into separate concession agreements with various firms to operate concessions inside the terminal building at the airport including, among others, food and beverage services, newsstands, advertising, amusements/games, insurance, personal service shops, and telephones. For the year ended December 31, 2009, the aggregate fees earned by the Commission under the existing concession agreements were approximately $24,911,000. Such fees are computed on the basis of different 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 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 year ended December 31, 2009, the aggregate fees earned by the Commission under the existing rental car agreements and parking lot management contract were approximately $86,065,000. Of this amount, parking revenue was approximately $61,546,000 and auto rental revenue for both on and off airport auto rentals was approximately $24,519,000.

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 year ended December 31, 2009, revenues from these agreements were approximately $4,905,000.

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 employee parking, permits and licenses to operate shuttles, vans, buses and taxis at the airport. Such fees are set by Commission ordinances. For the year ended December 31, 2009, the Commission earned $7,370,000.

Miscellaneous Revenues

In addition to the above agreements, the Commission enters into various other leases and agreements. These include utility charges, ground space rentals, office rentals for commuter airlines and concessionaires, commuter and general aviation fees, and other miscellaneous amounts. For the year ended December 31, 2009, the revenues from these agreements were approximately $13,637,000.

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 Statement of Revenues, Expenses and Changes in Net Assets:

Airline Rates & Charges	- Revenue from landing & ramp fees and terminal building rates
Concessions	- Revenue from food & 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 MAC

Financial Section

For the fiscal years ended December 31, 2008 and 2009, the top ten operating revenue sources for the MAC are as follows:

Top Ten Operating Revenue Sources:

Source	2008 Revenue
1. Parking	$ 62,748,000
2. Landing Fees	48,082,000
3. Terminal Rent-Airlines	33,976,000
4. Auto Rental (Off and On-Airport)	17,725,000*
5. Other Building Rent	15,047,000
6. Food and Beverage	12,807,000
7. Merchandise	8,689,000
8. Ground Rent	7,511,000
9. Ramp Fees	5,693,000
10. Ground Transportation Fee	3,685,000

*Excludes Customer Facility Charge

Source	2009 Revenue
1. Parking	$ 61,546,000
2. Landing Fees	49,455,000
3. Terminal Rent-Airlines	32,774,000
4. Auto Rental (Off and On-Airport)	15,808,000*
5. Other Building Rent	15,800,000
6. Food and Beverage	13,052,000
7. Ground Rent	9,177,000
8. News/Retail	8,082,000
9. Ramp Fees	6,531,000
10. Ground Transportation Fee	3,951,000

*Excludes Customer Facility Charge

The top ten revenue providers for 2009 for the MAC are as follows:

Top Ten Operating Revenue Providers:

1. Northwest/Delta Airlines
2. HMS Host
3. Minnesota Retail Partners
4. Hertz
5. National/Alamo Car Rental
6. Avis
7. Sun Country Airlines
8. Enterprise Rent a Car
9. United Airlines
10. American Airlines

Financial Section

During 2009, MAC total revenues and capital contributions decreased by 3.0% to $366,104,000 from $381,641,000 in 2008. Changes in major categories are summarized below (dollars in thousands):

Operating Revenues	2009	% of Total	2008	% of Total	Dollar Change	Percent Change
Airline Rates & Charges	$89,867	24.5%	$87,244	22.9%	$ 2,623	3.0%
Concessions	109,636	29.9%	112,365	29.5%	(2,729)	(2.4)%
Rentals/Fees	28,435	7.8%	28,632	7.5%	(197)	(0.7)%
Utilities and Other Revenues	12,937	3.5%	13,313	3.5%	(376)	(2.8)%
Total Operating Revenues	240,875		241,554		(679)	
Nonoperating Revenues						
Investment Income	30,625	8.4%	49,938	13.1%	(19,313)	(38.7)%
Gain on Sale of Assets/Other	205	0.1%	5,178	1.4%	(4,973)	(96.0)%
Passenger Facility Charges (PFC)	67,481	18.4%	54,682	14.3%	12,799	23.4%
Total Nonoperating Revenues	98,311		109,798		(11,487)	
Capital Contributions and Grants	26,918	7.4%	30,149	7.8%	(3,231)	(10.7)%
Total Revenues and Capital Contributions	$366,104	100.0%	$381,501	100.0%	($15,397)	(4.0)%

Airline rates and charges increased 3.0%. The increase is mainly attributed to an increase in debt service. During 2009, the Commission retired an equipment related financing debt that had a large principal payment at maturity.

Concessions decreased $2,729,000 or 2.4%. The decrease is primarily in the areas of public parking and car rentals. Lower passenger counts as well as shorter length of stays attributed to this decrease.

Rentals and Fees decreased slightly by $197,000 or 0.7%. Increases in building rentals for non-airline tenants were offset by decreases in ground rentals and customer facility charges collected by auto rental firms.

Utilities and Other Revenues decreased $376,000 or 2.8%. Decreases in utility rates along with decreases in general aviation landing fees and airside fees contributed to the majority of the decreases in this category.

Investment income decreased due to lower cash balances along with lower interest rates earned on investments.

Gain on sale of assets and other income decreased $4,973,000. During 2008, the Commission received $3.2 million from a bankruptcy claim against Mesaba Airlines. In addition, the Commission sold a hangar at St. Paul downtown airport to 3M Corporation for a gain.

PFC revenue increased from 2008 levels as a result of a decrease in passenger levels and offset by a decrease in deferred revenue.

Capital contributions and grants represent grants received from both federal and state governments for various construction projects at both MSP and the reliever airports. The decrease in 2009 comes primarily from a slight decrease in grant eligible projects.

Financial Section

During 2008, MAC total revenues and capital contributions and grants decreased by 4.2% to $381,501,000 from $398,160,000 in 2007. Changes in major categories are summarized below (dollars in thousands):

Operating Revenues	**2008**	**% of Total**	**2007**	**% of Total**	**Dollar Change**	**Percent Change**
Airline Rates & Charges	$87,244	22.9%	$84,451	21.3%	$ 2,793	3.3%
Concessions	112,365	29.4%	115,857	29.1%	(3,492)	(3.0)%
Rentals/Fees	28,632	7.5%	24,328	6.1%	4,304	17.7%
Utilities and Other Revenues	13,313	3.5%	13,615	3.4%	(302)	(2.2)%
Total Operating Revenues	241,554		238,251		3,303	
Nonoperating Revenues						
Investment Income	49,938	13.1%	62,271	15.6%	(12,333)	(19.8)%
Gain on Sale of Assets/Other	5,178	1.4%	-	-	5,178	-
Passenger Facility Charges (PFC)	54,682	14.3%	66,662	16.7%	(11,980)	(18.0)%
Total Nonoperating Revenues	109,798		128,933		(19,135)	
Capital Contributions	30,149	7.8%	30,976	7.8%	(827)	(2.7)%
Total Revenues and Capital Contributions	$381,501	100.0%	$398,160	100.0%	($16,659)	(4.2)%

Airline rates and charges increased 3.3%. The increase is mainly attributed to an increase in terminal building rentals which was a result of increases in utilities, building maintenance and cleaning expenses.

Concessions decreased $3,492,000 or 3.0%. The decrease is primarily a result in public parking. Lower passenger counts as well as shorter length of stays attributed to this decrease.

Rentals/Fees increased $4,304,000 as a result of an increase in the Customer Facility Charge rate and activity collected by the auto rental firms. Also, ground rentals increased as a result of new ground space rentals and an increase in certain rental rates for facilities leased by Northwest/Delta Airlines.

Utilities and Other revenues decreased slightly primarily as a result of lower miscellaneous revenues.

Investment income decreased due to lower cash balances along with lower interest rates earned on investments.

Gain on sale of assets and other income increased $5,178,000. During 2008, the Commission received $3.2 million from a bankruptcy claim against Mesaba Airlines. In addition, the Commission sold a hangar at St. Paul downtown airport to 3M Corporation for a gain.

PFC revenue decreased from 2007 levels as a result of a decrease in passenger levels and an increase in deferred revenue.

Capital contributions represent grants received from both federal and state governments for various construction projects at both MSP and the reliever airports. The slight decrease in 2008 comes primarily from a decrease in grant eligible projects.

Expenses

In 2009, MAC total expenses decreased by 0.8% to $340,778,000 from $343,403,000 in 2008. Changes in major categories are summarized below (dollars in thousands):

Operating Expenses	2009	% of Total	2008	% of Total	Dollar Change	Percent Change
Personnel	$59,304	17.9%	$59,811	17.9%	$(507)	(0.8)%
Administrative	1,301	0.4%	1,298	0.4%	3	0.2%
Professional services	4,004	1.2%	4,161	1.2%	(157)	(3.8)%
Utilities	16,553	5.0%	18,089	5.4%	(1,536)	(8.5)%
Operating services	16,043	4.9%	17,540	5.3%	(1,497)	(8.5)%
Maintenance	23,718	7.2%	22,140	6.6%	1,578	7.1%
Depreciation	123,060	37.2%	117,999	35.4%	5,061	4.3%
Other	2,510	0.8%	3,696	1.1%	(1,186)	(32.1)%
Operating Expenses	246,493		244,734		1,759	
Nonoperating Expenses						
Interest Expense	84,198	25.4%	88,722	26.7%	(4,524)	(5.1)%
Total Nonoperating Expenses	84,198		88,722		(4,524)	
Total Expenses	$330,691	100.0%	$333,456	100.0%	$ (2,765)	(0.8)%

Personnel expenses decreased $507,000 or 0.8%. This is primarily a result of lower overtime costs; delaying and/or freezing employee pay rates and slightly lower medical costs.

Professional services decreased $157,000 from 2008 levels primarily in the area of legal fees offset partially by increase in airport planning fees.

Utilities decreased 8.5% from 2008 levels. The result of this increase is attributed to a decrease in rates in natural gas, water and sewer.

Operating services decreased $1,497,000 or 8.5%. The decreases in this category were in parking management fees, advertising, shuttle bus and events. Parking management fees and advertising decreased due to lower spending in these areas. Shuttle bus decreased due to a decrease in service as a result of the opening of a new parking ramp at the HHH Terminal and events decreased as a result of the Twin Cities area hosting national conventions in 2008.

Maintenance increased 7.1% from 2008 levels. The majority of the increases were in the contract cleaning and mechanical areas. Contract cleaning increased as a result of an increase on the frequency of cleaning certain areas of the terminal building as well as a general rate increase. Mechanical areas increased due to increased prices on the automated people mover and escalator maintenance contracts.

Depreciation increased by 4.3% as a result of a parking ramp addition at the HHH Terminal which came into full service in February 2009 as well as incurring a full years' depreciation on projects that were completed in 2008.

Other expenses decreased due to a lower general insurance premiums as well as lower spending for non capital equipment and miscellaneous expenses.

Interest expense decreased due to the refunding of debt that occurred in 2008 and 2009.

In 2008, MAC total expenses decreased by 0.9% to $343,403,000 from $346,584,000 in 2007. Changes in major categories are summarized below (dollars in thousands):

Operating Expenses	2008	% of Total	2007	% of Total	Dollar Change	Percent Change
Personnel	$59,811	17.9%	$56,278	16.7%	$3,533	6.3%
Administrative	1,298	0.4%	1,538	0.5%	(240)	(15.6)%
Professional services	4,161	1.2%	4,474	1.3%	(313)	(7.0)%
Utilities	18,089	5.4%	16,466	4.9%	1,623	9.9%
Operating services	17,540	5.3%	15,437	4.6%	2,103	13.6%
Maintenance	22,140	6.6%	21,527	6.4%	613	2.8%
Depreciation	117,999	35.4%	116,510	34.7%	1,489	1.3%
Other	3,696	1.1%	8,922	2.6%	(5,226)	(58.6)%
Operating Expenses	244,734		241,152		3,582	
Nonoperating Expenses						
Interest Expense	88,722	26.7%	95,556	28.3%	(6,834)	(7.2)%
Loss on disposal of assets	-	-	70	-	(70)	(100.0)%
Total Nonoperating Expenses	88,722		95,626		(6,904)	
Total Expenses	$333,456	100.0%	$336,778	100.0%	($3,322)	(1.0)%

Personnel expenses increased $3,533,000 or 6.3%. This is primarily a result of a general wage adjustments for the Commission's employees, additional headcount as well as overtime costs associated with snow events in 2008.

Administrative expenses decreased by $240,000 as a result of reduced spending in this area.

Professional services decreased $313,000 from 2007 levels primarily in the area of legal fees offset partially by increase in airport planning fees.

Utilities increased 9.9% from 2007 levels. The result of this increase is attributed to an increase in rates in electricity, natural gas and sewer.

Operating services increased $2,103,000 or 13.6%. The increases in this category were in service agreements, parking management fees, storm water monitoring and events. Service agreements increased as a result of maintaining the Commission's computer systems; parking management fees increased due to higher labor and benefit costs; storm water monitoring increased due to an increase in snow events in 2008 and events increased as a result of the Twin Cities area hosting national conventions.

Maintenance increased 2.8% from 2007 levels. The majority of the increases were in the contract cleaning and mechanical areas. Contract cleaning increased as a result of an increase on the frequency of cleaning certain areas of the terminal building as well as a general rate increase. Mechanical areas increased due to increased prices on the automated people mover and escalator maintenance contracts.

Depreciation increased by 1.3% as a result of approximately $174 million of airports and facilities were placed into service in 2007 and 2008.

Other expenses decreased due to a 2007 write-off of receivables from an amendment of the Building B lease with Northwest Airlines as well as a partial impairment charge recognized in 2007 for a hangar leased by Champion Airlines.

Interest expense decreased 7.2% due to the refunding of debt that occurred in 2007 and 2008.

Net Revenues

In order to promote and encourage the efficient use of facilities at all MAC airports, as well as attempting to minimize the environmental impact of MSP on the surrounding community, MAC has implemented a policy of subsidizing its reliever airports by establishing relatively low user charges as an incentive for pilots to use these facilities rather than MSP. In order to maintain this subsidy, 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 Assets:
(in thousands)

	2009	2008	2007
Operating revenues	$ 240,875	$ 241,554	$ 238,251
Operating expenses	(246,493)	(244,734)	(241,152)
Operating loss	(5,618)	(3,180)	(2,901)
Nonoperating revenues	98,311	109,798	128,933
Nonoperating expenses	(84,198)	(88,722)	(95,626)
Capital contributions	26,918	30,149	30,976
Increase in Net Assets	$ 35,413	$ 48,045	$ 61,382

The Commission shows a decrease in the total change in its net assets in 2009 from 2008 and 2007. The primary cause for the fiscal year 2009 net asset decrease is due to a decrease in PFC deferred revenue which resulted in higher PFC revenues. The increase in PFC's revenues was partially offset by a decrease in interest earnings as a result of lower cash balances and a reduction in interest rates earned on investments by the Commission. The Commission shows a growing operating loss as a result of its methodology of charging airline rates and charges and the revenue recognition of PFC's. For its airline rates and charges model, the Commission uses debt service instead of depreciation as a basis of recovering capital costs. Therefore projects constructed with internally generated funds are not recoverable under the airline agreement. Further contributing to the operating loss is the accounting treatment of PFC's and federal grants. The Commission can not charge the users of the airport for any of its capital costs that were funded by PFC's and/or capital contributions. Therefore under operating expenses the full cost of the capital project is depreciated over its useful life however the corresponding revenue from that particular project shows below the operating loss line item as a nonoperating revenue (PFC) item or a capital contribution. 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 as shown in the statistical section is very competitive and, as one of the few airports with an AA- rating from both Fitch Investor Services and Standard & Poors, we feel we are positioned well for growth in the future.

BALANCE SHEETS

The Balance Sheets present the financial position of the MAC at the end of the fiscal year. The Statements include all assets and liabilities of the MAC. Net assets are the difference between total assets and total liabilities and are an indicator of the current financial health of the MAC. A summarized comparison of the MAC's assets, liabilities and net assets at December 31, 2009, 2008 and 2007 is as follows (in thousands):

	12/31/09	12/31/08	12/31/07
Assets			
Current assets-unrestricted	$ 247,749	$ 311,873	$ 438,528
Restricted assets-current	154,070	249,231	354,712
Noncurrent assets:			
Other noncurrent assets	579,710	618,063	850,446
Capital assets-net	2,475,603	2,456,421	2,470,047
Total assets	$ 3,457,132	$ 3,635,588	$ 4,113,733
Liabilities			
Current liabilities-unrestricted	$ 46,829	$ 121,995	$ 260,088
Payable from restricted current assets	129,511	221,038	470,299
Noncurrent liabilities:			
Bonds payable	1,657,546	1,710,300	1,859,945
Other noncurrent liabilities	64,303	58,725	55,820
Total liabilities	1,898,189	2,112,058	2,646,152
Net Assets			
Invested in capital assets, net of debt	1.146.633	1.097.417	1,186,470
Restricted	252.975	272.695	150,032
Unrestricted	159,335	153,418	131,079
Total net assets	1,558,943	1,523,530	1,467,581
Total liabilities and net assets	$ 3,457,132	$ 3,635,588	$ 4,113,733

CASH AND INVESTMENT MANAGEMENT

The following summary shows the major sources and uses of cash (in thousands):

	2009	2008	2007
Cash received from operating activities	$ 240,962	$ 240,407	$ 237,679
Cash expended from operating activities	(125,479)	(151,507)	(95,591)
Net cash provided by operating activities	115,483	88,900	142,088
Net cash used in capital and related financing activities	(180,757)	(249,671)	(199,409)
Net cash provided by investing activities	75,510	168,316	70,367
Net increase in cash and cash equivalents	10,236	7,545	13,046
Cash and cash equivalents, beginning of year	33,782	26,237	13,191
Cash and cash equivalents, end of year	$ 44,018	$ 33,782	$ 26,237

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 restricted to various United States government securities, certificates of deposits, commercial paper and repurchase agreements. All securities must mature within three years from the date of purchase. During 2009, the MAC's average portfolio balance was $507,399,000 and total investment earnings were $10,608,000 for an average yield on investments during the year of 2.09%. This compares to an average portfolio balance of $560,742,000; investment earnings of $29,042,000 and average yield of 5.18% in fiscal year 2008.

The Commission currently has a policy of keeping a six-month working capital reserve in its operating fund. At the end of 2009, the Commission has in its operating fund approximately $55 million over and above its 2009 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 2009, the MAC expended $138 million in its on-going capital improvement program. Major projects that were completed in 2009 were projects associated with the construction of an additional parking ramp at the Humphrey Terminal, various improvements in the Lindbergh Terminal and the reconstruction of a segment of Runway 12L/30R and Taxiway C-D-Phase 5. Projects that began or continued construction during 2009 were the construction of a skyway from the Humphrey parking ramp to the Humphrey Terminal building and the ongoing implementation of the residential sound insulation program. Average monthly capital construction spending in 2009 was approximately $11.5 million.

During 2008, the MAC expended $114 million in its on-going capital improvement program. Major projects that were completed in 2008 were projects associated with the reconstruction of Taxiway P, various improvements in the Lindbergh Terminal, a dike at St. Paul Downtown Airport and the reconstruction of Taxiway C-D-Phase 4. Projects that began or continued construction during 2008 were the construction of an additional parking ramp adjacent to the Humphrey Terminal, and implementation of the residential sound insulation program. Average monthly capital construction spending in 2008 was approximately $9.5 million.

Further information can be found in the letter of transmittal as well as Note E.

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. In 1998-2009, the MAC issued General Airport Revenue Bonds, which are not backed by the MAC's taxing authority.

The MAC is required by law to maintain Debt Service funds sufficient to bring the balance on hand in the Debt Service Account on October 10 of each year to an amount equal to all principal and interest to become due on all General Obligation Revenue Bonds payable from October 10 to the end of the second following year. The required balance as of October 10 in the Debt Service Account for the General Obligation Revenue Bonds for the next five years is as follows (in thousands):

October 10, 2010	$65,330
October 10, 2011	$59,444
October 10, 2012	$60,110
October 10, 2013	$60,724
October 10, 2014	$58,853

Statutory authority for issuing bonds is obtained from the Minnesota State Legislature. Authorization as of December 31, 2009 permits the issuance of an additional $55 million of General Obligation Revenue Bonds.

The following table summarizes the Commission's capital financing activity from December 31, 2008 to December 31, 2009 (in thousands):

Capital Financing Activity	Balance 12/31/2008	Issued	Retired	Balance 12/31/2009
Commercial Paper	$33,887	$-	($3,300)	$30,587
Notes Payable	5,839	4,984	(4,486)	6,337
General Obligation Revenue Bonds	275,990	-	(15,085)	260,905
General Airport Revenue Bonds	1,481,040	151,910	(194,055)	1,438,895
	$1,796,756	$156,894	($216,926)	$1,736,724

On October 29, 2009, the MAC issued $151,910,000 Series 2009A and 2009B General Airport Revenue Bonds to advance refund $92,460,000 of General Airport Revenue Bond Series 1999B and $62,355,000 of General Airport Revenue Bond Series 2000B which were called on January 1, 2010.

On January 10, 2008, the Commission issued $72,035,000 General Airport Revenue Bond Series 2008A to advance refund General Airport Revenue Bond Series 1998B which were called on January 1, 2009.

In addition, in late February and early March 2008, the Commission retired $103,350,000 of the Series 2004A airport revenue bonds. These bonds were retired with PFC funds on hand.

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. Also see Note F, G and H.

CONTACTING THE MAC'S FINANCIAL MANAGEMENT

The 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 – http://www.mspairport.com/mac/organization/financial/default.aspx.

Financial Section

BALANCE SHEETS

(Dollars in Thousands)

	December 31 2009	December 31 2008 (As Restated)
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 16,181	$ 12,288
Investments	220,405	219,344
Security lending agreement	-	68,159
Accounts receivable (net of allowances for uncollectibles of $191 and $143, respectively)	8,362	9,644
Other	2,801	2,438
Restricted Assets:		
Cash, cash equivalents and Investments restricted for:		
Debt service	94,228	108,430
Construction and other	34,223	43,620
Securities lending agreement	-	68,914
Leases receivable	3,673	2,659
Receivable - Government grants in aid of construction	16,483	21,843
Passenger facility charge receivable	5,463	3,765
Total Current Assets	401,819	561,104
Noncurrent Assets:		
Investments restricted for:		
Debt service	167,041	165,794
Construction and other	127,737	144,989
Leases receivable, restricted	268,029	289,307
Other receivable, restricted	1,563	1,653
Bond and commercial paper issue costs, net	15,340	16,320
Capital Assets:		
Land	397,767	397,780
Airport improvements and buildings	3,223,703	3,002,220
Moveable equipment	94,337	91,221
Construction in progress	103,827	191,675
Less accumulated depreciation	(1,344,031)	(1,226,475)
Total Capital Assets (net of accumulated depreciation)	2,475,603	2,456,421
Total noncurrent assets	3,055,313	3,074,484
TOTAL ASSETS	**$ 3,457,132**	**$ 3,635,588**

See notes to the financial statements

Financial Section BALANCE SHEETS

(Dollars in Thousands)

	December 31 2009	December 31 2008 (As Restated)
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	$ 28,866	$ 31,710
Accounts payable due to airlines	10,383	10,828
Notes payable	1,579	3,689
Security lending agreement	-	68,159
Employee compensation, payroll taxes and other	6,001	7,609
Payable from restricted current assets:		
Current portion bonds payable	37,500	44,675
Construction and other	3,636	9,733
Deferred revenue	16,746	17,896
Interest payable	41,042	45,933
Commercial paper	30,587	33,887
Security lending agreement	-	68,914
Total Current Liabilities	176,340	343,033
Noncurrent Liabilities:		
Deferred revenue, restricted	16,381	16,426
Employee compensation and other	335	327
Notes payable	4,758	2,150
Postretirement medical	42,829	39,822
Bonds payable	1,657,546	1,710,300
Total noncurrent liabilities	1,721,849	1,769,025
TOTAL LIABILITIES	**1,898,189**	**2,112,058**
NET ASSETS		
Invested in capital assets, net of related debt	1,146,633	1,097,417
Restricted for debt service and other	252,975	272,695
Unrestricted	159,335	153,418
TOTAL NET ASSETS	**1,558,943**	**1,523,530**
TOTAL LIABILITIES AND NET ASSETS	**$ 3,457,132**	**$ 3,635,588**

See notes to the financial statements

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

(Dollars in Thousands)

	Fiscal Years Ended December 31 2009	2008 (As Restated)
OPERATING REVENUES		
Airline rates and charges	$ 89,867	$ 87,244
Concessions	109,636	112,365
Rentals/fees	28,435	28,632
Utilities and other revenues	12,937	13,313
TOTAL OPERATING REVENUES	**240,875**	**241,554**
OPERATING EXPENSES		
Personnel	59,304	59,811
Administrative	1,301	1,298
Professional services	4,004	4,161
Utilities	16,553	18,089
Operating services	16,043	17,540
Maintenance	23,718	22,140
Depreciation	123,060	117,999
Other	2,510	3,696
TOTAL OPERATING EXPENSES	**246,493**	**244,734**
OPERATING LOSS	**(5,618)**	**(3,180)**
NONOPERATING REVENUES (EXPENSES)		
Investment income	30,625	49,938
Passenger facility charges	67,481	54,682
Gain on disposal of assets	205	5,178
Interest expense	(84,198)	(88,722)
TOTAL NONOPERATING REVENUES-NET	**14,113**	**21,076**
INCOME BEFORE CAPITAL CONTRIBUTIONS AND GRANTS	**8,495**	**17,896**
Capital contributions and grants	26,918	30,149
CHANGE IN NET ASSETS	**35,413**	**48,045**
NET ASSETS - BEGINNING OF YEAR, AS PREVIOUSLY REPORTED	1,523,530	1,412,574
PRIOR PERIOD ADJUSTMENTS	-	62,911
NET ASSETS - BEGINNING OF YEAR, AS RESTATED	1,523,530	1,475,485
NET ASSETS - END OF YEAR	**$ 1,558,943**	**$ 1,523,530**

See notes to the financial statements

STATEMENTS OF CASH FLOWS

(Dollars in Thousands)

	Fiscal Years Ended December 31 2009	Fiscal Years Ended December 31 2008 (As Restated)
Cash flows provided by (used in) operating activities:		
Cash received from customers and users	$ 240,962	$ 240,407
Cash paid to employees and benefit providers	(57,897)	(55,537)
Cash paid to suppliers	(67,582)	(95,970)
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	**115,483**	**88,900**
Cash flows provided by (used in) capital and related financing activities:		
Payments for airport improvements and facilities	(138,239)	(114,369)
Proceeds from bond/note issuance	161,558	78,896
Receipt of lease payments	20,827	19,582
Receipt of passenger facility charges	57,638	64,126
Payment on bonds/notes	(219,685)	(234,423)
Interest paid on bonds	(95,134)	(94,978)
Receipt of government grants	32,278	31,495
NET CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	**(180,757)**	**(249,671)**
Cash flows provided by (used in) investing activities:		
Purchase of investment securities	(955,034)	(1,234,894)
Proceeds from maturities of investment securities	993,911	1,357,216
Investment income	36,633	45,994
NET CASH FLOWS PROVIDED BY INVESTING ACTIVITIES	**75,510**	**168,316**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**10,236**	**7,545**
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	**33,782**	**26,237**
CASH AND CASH EQUIVALENTS - END OF YEAR	**$ 44,018**	**$ 33,782**
Reconciliation of Operating Loss to Net Cash Flows Provided by Operating Activities:		
Operating loss	$ (5,618)	$ (3,180)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	123,060	117,999
Changes in assets and liabilities:		
Accounts receivable	1,285	(92)
Other assets	(363)	(887)
Accounts payable and accrued expenses	(3,289)	(28,381)
Post retirement medical	3,007	3,740
Other restricted liabilities	196	222
Employee compensation and payroll taxes	(1,600)	534
Deferred revenue	(1,195)	(1,055)
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	**$ 115,483**	**$ 88,900**
Noncash investing, capital and related financing activities:		
Changes in fair value of investments	$ (5,434)	$ 3,892
Additions to capital assets included in construction and accounts payables	11,882	16,134

See notes to financial statements.

Fiscal years ended December 31, 2009 and 2008

NOTE A
NATURE OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

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 potentialities 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 in their place. 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 Governmental Accounting Standards Board (GASB) Statement No. 14,*The Financial Reporting Entity* (as amended by GASB No. 39, *Determining Whether Certain Organizations Are Component Units*), 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.

Basis of Accounting

Under GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis-for State and Local Governments*, the Commission is considered to be a special purpose government engaged primarily in business type activities (BTA). As a BTA, the Commission prepares its financial statements using the accrual basis of accounting and the economic resources measurement focus. Under the accrual basis of accounting revenues are recognized when they are earned or when services are provided, and expenses are recognized when they are incurred.

The Commission has applied GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting.* Under GASB Statement No. 20, the Commission applies all applicable GASB pronouncements and all Financial Accounting Standards Board (FASB) Statements and Interpretations and Accounting Principles Board (APB) Opinions and Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements.

Under the provisions of GASB 20, the Commission has elected to not apply FASB Statements and Interpretations issued after November 30, 1989

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue and Expense and Net Assets Recognition

The Commission considers revenues and expenses carried out in the operation and the maintenance of the Commission's system of airports to be operating in nature. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses or capital contributions and grants.

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

Budgeting Process

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.

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

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

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

Fiscal years ended December 31, 2009 and 2008

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

The Commission is not required to demonstrate statutory compliance with its annual operating budget. Accordingly, budgetary data are 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.

Cash and Cash Equivalents

In accordance with Minnesota Statutes, the Commission maintains deposits at those depository banks which are members of the Federal Reserve System, as authorized by the Commission.

For purposes of the statements of cash flows, the Commission considers cash on hand plus overnight investments to be cash and cash equivalents.

Investments

The Commission's investments are reported at fair value as determined by quoted market prices in the balance sheets and changes in the fair value of investments are reported as investment income in the statements of revenues, expenses and changes in net assets.

Inventory

Inventories, primarily fuel, are valued at cost on a first-in, first-out basis. The cost of the Commission's inventories included in other assets is recorded as an expense when consumed rather than purchased.

Leases

Substantially all airport improvements and buildings are leased or charged to users under various agreements. Certain facilities are leased under self-liquidating lease agreements which require the lessee to pay annual payments equal to the debt service requirements of the bonds issued to construct the facilities or the debt service requirements which would have been required if bond funds were used. Other facilities at Minneapolis/St. Paul International Airport 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.

Federal and State Grants

Outlays for airport capital improvements and certain airport operating expenses, primarily those relating to airport security, are subject to reimbursement from federal grant programs. Funds are also received for airport development from the State of Minnesota. In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, the Commission records government grants in aid of construction as capital contributions..

Funding provided from government grants is considered earned as the related approved capital outlays or expenses are incurred. Costs claimed for reimbursement are subject to audit and acceptance by the granting agency.

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 following table sets forth a summary of the Commission's approved PFC applications.

PFC Application	Approval Date	Initial Approval Amount	Amended Approval Amount
1	June, 1992	$ 66,356,000	$ 92,714,000
2	August, 1994	113,064,000	140,717,000
3	June, 1998	32,700,000	36,377,000
4	April, 1999	55,460,000	47,801,000
5	August, 1999	106,874,000	112,533,000
6	April, 2003	1,161,479,000	779,146,000
7	April, 2003	-	14,109,000
8	August, 2005	191,380,000	191,380,000
9	February, 2006	7,316,000	8,659,000
10	May, 2008	128,448,000	128,448,000
		$ 1,863,077,000	$ 1,551,884,000

Applications one through five were originally approved for the collection of a $3.00 PFC on each enplaning passenger. However, as a result of the AIR 21, the Commission amended its fifth PFC application, which was subsequently approved by the FAA, authorizing the Commission to collect an additional $1.50 PFC per enplaning passenger. The collection of a $4.50 PFC was approved by the FAA for PFC applications six, eight, nine and ten. PFC applications one through five are fully funded and have been closed out .

PFC's, which are recognized as earned, are included in nonoperating revenues and amounted to $67,481,000 and $54,682,000 for 2009 and 2008, respectively.

Debt Issuance Costs

Bond issue costs are deferred and amortized over the life of the respective bond issue using the straight-line method. Commercial paper issuance costs are being amortized on a straight-line basis over the original term of the respective letter of credit that secures each debt issuance.

Intangible Assets

The Commission has incurred, and continues to incur, substantial costs in relation to its ongoing 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

Fiscal years ended December 31, 2009 and 2008

expense over a ten-year period, which approximates the estimated useful lives of such improvements. Amortization expense for capitalized Part 150 Sound Insulation expenses were $14,424,000 and $14,511,000 for the years ended December 31, 2009 and 2008, respectively. This amortization expense is included as a component of depreciation expense on the statement of revenues, expenses and changes in net assets. The unamortized costs included in airport improvements and buildings at December 31, 2009 and 2008 was $39,303,000 and $56,382,000 respectively.

Airports and Facilities

As required under Chapter 500, Laws of Minnesota 1943—the law under which the Commission was created—certain properties, classified as airports and facilities, were contributed by the cities of Minneapolis and St. Paul. Fee title to the land and improvements remain with the two cities.

Land contributed to the Commission from the cities has been recorded at the cost reported by the cities. The fair market value of the land when it was contributed was not determinable. However, it is the Commission's belief that the difference between the cost and the fair market value in 1943 is immaterial. Additions to the property accounts have been recorded at cost since 1943, unless contributed, in which case such additions are recorded at fair value.

It is the Commission's policy to amortize the carrying amount of the properties, including those acquired using government grants in aid of construction, over their estimated useful lives on a straight-line basis by annual depreciation charges to income. Estimated useful lives on depreciable assets are as follows:

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

Costs incurred for major improvements are carried in construction in progress until disposition or completion of the related projects. Costs relating to projects not pursued are expensed, while costs relating to completed projects are capitalized. The capitalization threshold for capital assets is $5,000.

Capitalized Interest

Interest capitalized on projects funded by internally generated funds is based on the weighted average borrowing rate of the Commission and actual project expenditures during the period of construction. Interest capitalized on projects funded from bond proceeds is base on the interest cost of the specific borrowing less interest earned on undisbursed invested funds during the construction period. Interest is not capitalized on project costs that are reimbursed by government grants in aid of construction or PFCs.

Total interest paid during 2009 and 2008 was $95,134,000 and $94,978,000, respectively. Total interest expense was $84,198,000 and $88,722,000 for the years ended December 31, 2009 and 2008, respectively, while interest capitalized as part of the cost of constructed assets was $2,419,000 and $5,186,000, respectively.

Compensated Absences

In accordance with the vesting method provided under GASB Statement No. 16, *Accounting for Compensated Absences*, accumulated vacation and personal time is accrued based on assumptions concerning the probability that certain employees will become eligible to receive these benefits in the future.

Substantially all employees receive compensation for vacations, holidays, illness and certain other qualifying absences. Liabilities relating to these absences are recognized as incurred and included in employee compensation, payroll taxes and other in the balance sheets.

Deferred Revenue

Deferred revenue represents advance interest payments on direct financing leases received from certain airlines, which will be recognized as investment income over the term of the lease agreement as well as rental payments received in advance of billing.

Original Issue Discounts/Premiums

Original issue discounts/premiums on bonds are amortized using the straight-line method over the lives of the bonds to which they relate.

Deferred Loss on Refundings

The Commission defers recognition of losses incurred with refundings according to GASB Statement No. 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities*. The losses incurred in refundings are amortized on a straight-line basis over the lesser of the remaining life of the original bonds or the life of the new bonds.

Net Assets

GASB Statement No. 34 establishes standards for external financial reporting for state and local governments and requires that resources be classified for accounting and reporting purposes into the following four net asset categories:

- Invested in capital assets, net of related debt: Capital assets, net of accumulated depreciation and outstanding balances of debt attributable to the acquisition, construction or improvements of those assets.

- Restricted:
  - Nonexpendable-Net assets subject to externally imposed stipulations that the Commission maintain them permanently. For the fiscal years ended December 31, 2009 and 2008, the Commission does not have nonexpendable net assets.

  - Expendable-Net assets whose use by the Commission is subject to externally imposed stipulations that can be fulfilled by actions of the Commission pursuant to those stipulations or that expire by the passage of time.

- Unrestricted: Net assets that are not subject to externally imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the management or the governing board of the Commission or may otherwise be limited by contractual agreements with outside parties.

Fiscal years ended December 31, 2009 and 2008

Rental Income

Rental income is generally recognized as it becomes receivable over the respective lease terms. The Commission may, from time to time, have leases which provide for waived rent during the initial period of the lease term and/or rental escalations throughout the lease term. In accordance with GASB Statement No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, the related rental income for leases in which the rental income stream is not systematic, if significant, is reported using the straight-line method rather than using the terms of the lease agreements.

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 (formerly the Lindbergh Terminal), as well as to recover certain maintenance costs relating to the auto rental facilities. Through 2009, the CFC was $3 per rental car transaction per day. Beginning in 2010, the fee will be $3.25 per rental car transaction per day.

Reclassifications

Certain reclassifications have been made to the 2008 financial statements to conform to the 2009 financial statement presentation. These reclassifications had no effect on the change in net assets.

Fiscal years ended December 31, 2009 and 2008

Change in Accounting Principle

During 2009, the Commission changed its method of accounting for Part 150 sound insulation costs, depreciation related to land purchased for the Runway 17-35 project and amortization of bond and commercial paper costs. The 2008 financial statements have been retroactively restated to represent this change in accounting principle. The following table presents the impact of these restatements on net assets as previously reported:

	Invested in Capital Assets, Net of Related Debt	Restricted for Debt Service	Unrestricted	Total
Net assets, January 1, 2008, as previously reported	$ 1,083,959	$ 197,535	$ 131,079	$ 1,412,573
Effect of prior period adjustments				
To capitalize Part 150 sound insulation costs that were reimbursed with PFC or federal grant dollars and expensed	45,878	—	—	45,878
To eliminate prior depreciation expense recognized on land acquired in connection with the Runway 17-35 project	21,137	—	—	21,137
To adjust the estimated bond and commercial paper issuance costs, as well as the costs deferred related to bonds that have been refunded	(4,103)	—	—	(4,103)
Total prior period adjustments	62,912	—	—	71,223
Net assets, January 1, 2008, as restated	$ 1,146,871	$ 197,535	$ 131,079	$ 1,475,485

The effect of these adjustments on the December 31, 2008, change in net assets was an increase of $8,728,000.

NOTE B
DEPOSITS AND INVESTMENTS

Cash 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. Minnesota Statutes require that all Commission deposits be protected by insurance, surety bond, or collateral. The market value of collateral pledged must equal 110% of the deposits not covered by insurance or bonds (140% 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.

Certain financial institutions holding the Commission's deposit accounts are participating in the Federal Deposit Insurance Corporation's (FDIC) Transaction Account Guarantee Program. Under that program, all noninterest-bearing accounts are fully guaranteed by the FDIC for the entire amount in the accounts. Effective October 3, 2008, the FDIC's insurance limits increased to $250,000 for all interest-bearing accounts. These increases in federally insured limits are currently set to expire June 30, 2010.

Fiscal years ended December 31, 2009 and 2008

Cash deposits which are insured or collateralized by securities held in the Commission's name by a financial institution (Commission's agent) other than that furnishing the collateral are as follows (dollars in thousands):

	12/31/09	12/31/08
Cash on hand	$ 81	$ 61
Bank balances	$ 109	$ 70

Securities Lending Transactions

State statutes and Commission policies permit the Commission to use its investments to enter into securities lending transactions–loans of securities to broker-dealers and other entities for collateral with a simultaneous agreement to return the collateral for the same securities in the future. The Commission's securities custodian acts as the Commission's agent in lending the Commission's securities for cash collateral of 100% plus accrued interest. At year-end, the Commission has limited credit risk exposure to borrowers because the amounts the Commission owes the borrowers exceed the amounts the borrowers owe the Commission. Contracts with the lending agents require them to indemnify the Commission if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the Commission for income distributions by the securities' issuers while the securities are on loan. All securities loans can be terminated on demand by either the Commission or the borrower, although the average term of the loans is one week. The Commission does not have the authority to pledge or sell collateral without borrower default. In lending securities, cash collateral is invested in securities authorized by Minnesota Statutes. At December 31, 2009, the Commission had no security lending transactions outstanding. At December 31, 2008, the fair value of collateral pledged was $137,073,000.

Investments

In accordance with GASB No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the Commission's investments are reported at fair value in the balance sheets and changes in the fair value of investments are reported in the statements of revenues, expenses and changes in net assets.

The Commission may invest idle funds as authorized by Minnesota Statute, Section 118A, and the Commission's internal investment policy as set forth below:

a) Securities which are direct obligations or are guaranteed or insured issues of the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, except mortgage-backed securities defined as high risk by Minnesota Statute, Section 118A.04 subd. 6;
b) Mutual funds through shares of registered investment companies provided the mutual fund receives certain ratings depending on its investments;
c) General obligations of the State of Minnesota and its municipalities; and in certain state agency and local obligations of Minnesota and other states provided such obligations have certain specified bond ratings by a national bond rating service;
d) Bankers' acceptances of United States banks;
e) Commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by two nationally rating agencies and matures in 270 days or less; and

Fiscal years ended December 31, 2009 and 2008

f) With certain restrictions, in repurchase agreements, security lending agreements, joint powers investment trusts, and guaranteed investment contracts.

The Commission addresses certain risks to which it is currently exposed as follows:

Interest rate risk - the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The Commission has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses from increasing interest rates. The Commission may not invest in securities maturing more than 3 years from the date of purchase. The Commission manages interest rate risk by maintaining sufficient liquidity to enable the Commission to meet anticipated cash requirements.

Below is a table of segmented time distribution for the Commission's debt investments at December 31, 2009:

		Maturing in Months (Dollars in thousands)				
Security Type	Ratings	0-6	7-12	13-18	19-24	Total
U.S. Agency Obligations						
Federal Ag. Mtg Corp	Aaa/AAA	$ -	$ 4,125	$ 4,176	$ -	$ 8,301
Federal Home Loan Mtg Corp	Aaa/AAA	40,932	34,807	16,897	19,827	112,463
Federal National Mtg Assn	Aaa/AAA	38,053	3,876	7,901	9,978	59,808
Federal Home Loan Bank	Aaa/AAA	42,604	87,817	36,575	80,683	247,679
Federal Farm Credit	Aaa/AAA	7,114	-	5,050	2,502	14,666
Wells Fargo Gov. Money Market		198,330	-	-	-	198,330
	Totals	$ 327,033	$ 130,625	$ 70,599	$ 112,990	$ 641,247

Ratings: Aaa Moody's; AAA Standard & Poors

Credit risk - the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Minnesota Statute 118A (as referenced on the previous page) limits the types of investment instruments that may be purchased by the Commission. The ratings of the Commission's debt investments are shown in the table on the previous page.

Concentration of credit risk - the Commission requires a diversified investment portfolio to avoid risk of losses resulting from an over concentration of assets in a specific maturity, issuer, or class of securities.

In respect to U.S. Treasury and Agency Obligations, the Commission places no limit on the amount that may be invested in any one issuer. For commercial paper securities, the Commission can not hold more than 30% of its portfolio in commercial paper and further can not hold more than 4% in any one corporation. The investments listed above held by the Commission are not explicitly guaranteed by the U.S. Government and the Federal Home Loan Mortgage Corporation, Federal National Mortgage Association and Federal Home Loan Bank securities are subject to concentration of credit risk.

Fiscal years ended December 31, 2009 and 2008

Custodial credit risk - 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 possession of an outside party. At December 31, 2009 and 2008, all of the Commission's investments in U.S. agency obligations were exposed to custodial credit risk. According to Commission policy, all securities purchased by the Commission are held by a third party safekeeping agent appointed as custodian. The Commission's investment in money market mutual funds was not subject to custodial credit risk at December 31, 2009 and 2008, as their existence is not evidenced by securities that exist in physical or book entry form.

Foreign currency risk - the risk of adverse effects on the fair value of an investment form changes in exchange rates. The Commission's investment policy does not allow investments in foreign investments, thus the Commission has no foreign currency risk with respect to its deposits or investments.

The Commission's cash, cash equivalents and investments are reported as follows in the balance sheets at December 31 (dollars in thousands):

	2009	2008
Cash and cash equivalents-unrestricted	$ 16,181	$ 12,288
Investments-unrestricted	220,405	219,344
Securities lending agreement-unrestricted	-	68,159
Cash, cash equivalents and investments-restricted	128,451	152,050
Investments-restricted for debt service	167,041	165,794
Investments-restricted for construction	127,737	144,989
Securities lending agreement-restricted	-	68,914
Total cash, cash equivalents and investments	$ 659,815	$ 831,538

Investment income for the Commission for the years ended December 31, consisted of the following (dollars in thousands):

	2009	2008
Investment income from leases	$ 20,017	$ 20,896
Investment income from investments	16,042	25,150
Net (decrease) increase in fair value of investments	(5,434)	3,892
	$ 30,625	$ 49,938

Fiscal years ended December 31, 2009 and 2008

NOTE C
RESTRICTED CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash, cash equivalents and investments are restricted as follows (dollars in thousands):

	2009	2008
General Obligation Revenue Bond Fund	$ 71,534	$ 71,362
Coverage Account	17,094	17,272
Police Federal Forfeiture Fund	498	385
Police State Forfeiture Fund	85	72
Passenger Facility Charge Fund	157,721	165,368
911 Emergency Communications Fund	368	311
Revenue Bond Interest and Principal Fund	52,852	66,638
Revenue Bond Reserve Fund	119,787	118,951
Revenue Bonds Construction Fund	3,242	22,474
Revenue Bond Cost of Issuance Fund	48	-
	$ 423,229	$ 462,833

Minnesota Statutes require the Commission to have a balance on hand in a debt service account on October 10 of every year equal to the total amount of principal and interest due on all general obligation revenue bonds outstanding to the end of the second following year. Cash and investments to meet this requirement, plus interest earned thereon, are restricted.

NOTE D
GRANTS RECEIVABLE

Grants receivable from government agencies represent reimbursements due from the federal government and/or the State of Minnesota for allowable costs incurred on federal and state award programs. Grants receivable at December 31, 2009 and 2008 consist of (dollars in thousands):

	2009	2008
State of Minnesota	$ -	$ 425
Federal Aviation Administration	16,191	21,418
U.S. Department of Homeland and Security	292	-
	$ 16,483	$ 21,483

Fiscal years ended December 31, 2009 and 2008

NOTE E
CAPITAL ASSETS

Changes in capital assets by major classification are as follows (dollars in thousands):

Capital Assets	Balance January 1, 2009	Additions	Transfers In (Out)	Retirements Or Disposals	Balance Dec. 31, 2009
Capital Assets-Not Depreciated:					
Land	$ 397,780	$ -	$ (13)	$ -	$ 397,767
Projects-in-Progress	191,675	134,722	(222,570)	-	103,827
Total Capital Assets-Not Depreciated	589,455	134,722	(222,583)	-	501,594
Capital Assets-Depreciated:					
Airport Improvements and Buildings	3,002,220	1,504	219,979	-	3,223,703
Less Accumulated Depreciation	(1,162,176)	(115,999)	-	-	(1,278,175)
Net Airport Improvements and Buildings	1,840,044	(114,495)	219,979	-	1,945,528
Equipment	91,221	6,017	2,604	(5,505)	94,337
Less Accumulated Depreciation	(64,299)	(7,062)	-	5,505	(65,856)
Net Equipment	26,922	(1,045)	2,604	-	28,481
Total Capital Assets-Depreciated	1,866,966	(115,540)	222,583	-	1,974,009
Net Capital Assets	$ 2,456,421	$ 19,182	$ -	$ -	$ 2,475,603

Capital Assets	Balance January 1, 2008	Additions	Restated Transfers In (Out)	Retirements Or Disposals	Balance Dec. 31, 2008
Capital Assets-Not Depreciated:					
Land	$ 398,379	$ -	$ (599)	$ -	$ 397,780
Projects-in-Progress	155,323	113,734	(77,382)	-	191,675
Total Capital Assets-Not Depreciated	553,702	113,734	(77,981)	-	589,455
Capital Assets-Depreciated					
Airport Improvements and Buildings	2,934,106	504	72,915	(5,305)	3,002,220
Less Accumulated Depreciation	(1,057,131)	(108,433)	-	3,388	(1,162,176)
Net Airport Improvements and Buildings	1,876,975	(107,929)	72,915	(1,917)	1,840,044
Equipment	82,331	5,067	5,066	(1,443)	91,221
Less Accumulated Depreciation	(59,133)	(6,609)	-	1,443	(64,299)
Net Equipment	23,198	(1,542)	5,066	-	26,922
Total Capital Assets-Depreciated	1,900,373	(109,471)	77,981	(1,917)	1,866,966
Net Capital Assets	$ 2,454,075	$ 4,263	$ -	$ (1,917)	$ 2,456,421

Fiscal years ended December 31, 2009 and 2008

NOTE F
SHORT-TERM DEBT – COMMERCIAL PAPER

From time to time, the Commission issues commercial paper, the proceeds of which are used to finance various capital projects under the Commission's long-term capital improvement program. The commercial paper is a short-term promissory note that is sold in traunches with maturities ranging from 1 to 270 days. At maturity, interest is paid to the investor and the commercial paper is resold. The Commission is authorized to issue and have outstanding, from time to time, up to $125,000,000 in Minneapolis/St. Paul Metropolitan Airports Commission Subordinate Revenue Commercial Paper Notes, Series A (Non-AMT), Series B (AMT) and Series C (Taxable) (the Subordinate Series ABC Commercial Paper Notes). Additionally, the Commission is authorized to issue and have outstanding, from time to time, up to $75,000,000 in Minneapolis/St. Paul Metropolitan Airports Commission Subordinate Revenue Commercial Paper Notes, Series D (Non-AMT), Series E (AMT) and Series F (Taxable) (the Subordinate Series DEF Commercial Paper Notes).

To mitigate the risk of an unsuccessful remarketing, the Subordinate Series ABC Commercial Paper Notes are backed by a direct pay letter of credit aggregating $125,000,000, which is set to expire October 16, 2016. The Subordinate Series DEF Commercial Paper Notes are backed by a direct pay letter of credit aggregating $75,000,000, which is set to expire May 5, 2010. The commercial paper is payable from and secured by a lien on net revenues of the airport system. This lien is subordinate to the lien of the Commission's Senior General Airport Revenue Bonds, and therefore, the commercial paper notes are considered to be a Subordinate Obligations as defined in the Master Subordinate Indenture. At December 31, 2009, the Commission had $30,587,000 in commercial paper outstanding with an interest rate ranging from 0.40% to 0.55%. At December 31, 2008, the Commission had $33,887,000 in commercial paper outstanding with an interest rate ranging from 1.10% to 2.75%.

Currently, the Commission expects the direct pay letters of credit to terminate and/or expire on May 5, 2010. The Commission is reviewing its options with respect to acquiring substitute letters of credit for the Subordinate Commercial Paper Notes.

The following is a summary of commercial paper transactions for the Commission for the years ended December 31, 2009 and 2008 (dollars in thousands):

	Balance 1/01/09	Issued	Retired	Balance 12/31/09
Commercial paper	$ 33,887	$ -	$ (3,300)	$ 30,587
	Balance 1/01/08	**Issued**	**Retired**	**Balance 12/31/08**
Commercial paper	$ 45,887	$ -	$ (12,000)	$ 33,887

Fiscal years ended December 31, 2009 and 2008

NOTE F
LONG-TERM DEBT

The Commission's long-term bonds issued and outstanding were as follows:

Long Term Debt (dollars in thousands)

Type of issue:	Issue Date	Interest Rates	Maturing On January 1	Amount	Outstanding at December 31, 2009	2008
General Airport Revenue Bonds						
* Series 1999B	07/01/1999					
Original amount-$135,095					$ -	$ 103,610
* Series 2000B	05/16/2000					
Original amount-$88,745					-	70,015
* Series 2001B	05/30/2001	5.500%	2010-2011	7,585		
Original amount-$98,815		5.750%	2012-2017	28,485		
		5.625%	2018	5,745		
		5.250%	2019-2024	35,850	77,665	81,165
** Series 2001D	05/30/2001	5.250%	2010-2011	11,060		
Original amount-$70,210		5.750%	2012-2016	28,180	39,240	44,360
** Series 2003A	07/09/2003	5.250%	2016-2017	8,845		
Original amount-$102,690		5.000%	2018-2028	67,825		
		4.500%	2029-2031	26,020	102,690	102,690
** Series 2005A	05/26/2005	5.000%	2013-2018	34,665		
Original Amount-$136,110		4.250%	2026	2,700		
		5.000%	2027-2035	98,745	136,110	136,110
** Series 2005B	05/26/2005	5.000%	2010-2026	105,870	105,870	109,600
Original Amount-$113,155						
** Series 2005C	05/26/2005	3.500%	2010-2011	705		
Original Amount-$123,750		3.625%	2012	370		
		3.750%	2013	385		
		4.000%	2014-2021	3,675		
		5.000%	2022-2031	104,150		
		4.500%	2032	13,490	122,775	123,110
* Series 2007A	01/09/2007	5.000%	2017-2026	223,090		
Original Amount-$440,985		4.500%	2027-2032	217,895	440,985	440,985
** Series 2007B	01/09/2007	5.000%	2016-2025	108,150		
Original Amount-$197,360		4.500%	2027-2032	89,210	197,360	197,360

Fiscal years ended December 31, 2009 and 2008

Type of issue:	Issue Date	Interest Rates	Maturing On January 1	Amount	Outstanding at December 31 2009	2008
* Series 2008A	01/10/2008	5.000%	2010-2016	64,290	64,290	72,035
Original Amount-$72,035						
* Series 2009A	10/29/2009	2.000%	2011-2012	3,480		
Original Amount-$23,075		3.000%	2013-2014	3,770		
		4.000%	2015-2019	10,700		
		5.000%	2020-2021	4,920		
		4.125%	2022	205	23,075	-
* Series 2009B	10/29/2009	4.000%	2011	8,080		
Original Amount-$128,835		5.000%	2012-2017	63,260		
		4.500%	2018	2,000		
		5.000%	2018	10,465		
		4.700%	2019	2,000		
		5.000%	2019	11,075		
		4.800%	2020	2,000		
		5.000%	2020-2022	29,955	128,835	-
Total General Airport Revenue Bonds					**1,438,895**	**1,481,040**
General Obligation Revenue Bonds						
Series 13	11/01/1998	5.000%	2010	2,735		
Original amount-$38,750		5.250%	2011-2013	8,980		
		4.500%	2014-2015	6,655	18,370	20,950
Series 14	10/31/2001	5.500%	2010-2011	6,740	6,740	9,875
Original amount-$25,690						
Series 15	01/29/2002	6.000%	2010-2011	21,410		
Original amount-$287,825		6.050%	2012	12,180		
		6.150%	2013	13,320		
		6.250%	2014	14,520		
		6.350%	2015	15,830		
		6.450%	2016	18,185		
		6.550%	2017	19,770		
		6.850%	2018-2022	120,580	235,795	245,165
Total General Obligation Revenue Bonds					**260,905**	**275,990**
Notes Payable					**6,337**	**5,839**
					1,706,137	**1,762,869**
Unamortized premium –net					44,838	45,014
Deferred loss on refundings					(49,592)	(47,069)
Current portion of long-term debt					(39,079)	(48,364)
Total Long Term Bonds and Notes Payable					**$ 1,662,304**	**$ 1,712,450**

* Senior General Airport Revenue Bonds

** Subordinated General Airport Revenue Bonds

Fiscal years ended December 31, 2009 and 2008

Future debt service requirements as of December 31, 2009 are as follows (in thousands):

Years	Notes Payable	General Airport Revenue Bonds	General Obligation Revenue Bonds	Total Debt Outstanding	Interest	Total Principal & Interest
2010	$ 1,579	$ 21,250	$ 16,250	$ 39,079	$ 83,792	$ 122,871
2011	1,374	32,080	17,475	50,929	84,024	134,953
2012	1,370	41,440	15,160	57,970	81,232	139,202
2013	964	43,530	16,480	60,974	78,097	139,071
2014	148	45,745	17,785	63,678	74,782	138,460
2015-2019	778	263,790	100,740	365,308	317,343	682,651
2020-2024	124	319,735	77,015	396,874	209,021	605,895
2025-2029	-	409,975	-	409,975	111,119	521,094
2030-2034	-	248,120	-	248,120	21,866	269,986
2035	-	13,230	-	13,230	331	13,561
	$ 6,337	$ 1,438,895	$ 260,905	$ 1,706,137	$ 1,061,607	$ 2,767,744

The Commission's General Airport Revenue Bonds were first issued in 1998 and, subsequently, in 1999-2001, 2003-2005 and 2007-2009. The 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 revenues. Neither the full faith and credit nor the taxing power of the Commission, the City of Minneapolis, the City of St. Paul, the State, or any political subdivision or public agency of the State, other than the Commission, to the extent of net revenues, is pledged to the payment of the General Airport Revenue Bonds.

The proceeds of these issues were used to finance a portion of the Commission's long-term capital improvement program. The long-term capital improvement program details the expansion of the airport system including the construction of a new runway at the airport, the construction of two new public/car rental garages at the airport, the expansion and upgrading of the passenger terminal facilities at the airport and certain other projects at the reliever airports.

In November 2009, the Commission issued $151,910,000 of Series 2009A and 2009B General Airport Revenue Bonds. The net proceeds were used to advance refund and defease $92,460,000 of General Airport Revenue Bonds, Series 1999B, and $62,355,000 of General Airport Revenue Bonds, Series 2000B, with the balance being used to pay for cost of issuance.
General Obligation Revenue Bonds are general obligations of the Commission, payments of which are secured by the pledge of all operating revenues of the Commission. The Commission has the power to levy property taxes upon all taxable property in the seven-county metropolitan area in order to pay debt service on outstanding General Obligation Revenue Bonds. The Commission has not levied taxes for the payment of debt service since 1969. Since then, Commission revenues have been sufficient to pay principal and interest due on General Obligation Revenue Bonds.

Fiscal years ended December 31, 2009 and 2008

The Commission has statutory authority for issuing General Obligation Revenue Bonds. The present statutory general obligation bonding limit as of December 31, 2009, would permit the issuance of an additional $55 million of General Obligation Revenue Bonds.

The Commission currently has $260,905,000 outstanding in General Obligation Revenue Bonds. The Series 14 General Obligation Revenue Bonds were used to retire the Series 8 Bonds that were issued in 1992. The Series 8 Bonds were used primarily to finance the construction of improvements to the terminal building, runways, taxiways and public roadways.

The Series 13 and Series15 General Obligation Revenue Bonds were issued by the Commission in order to finance facilities for Delta Airlines (formerly Northwest Airlines) and/or refinance previously issued bonds. The Series 13 Bonds were used to retire the Series 7 Bonds that were issued in 1988. The proceeds were also used to construct a 747-400 hangar for Delta Airlines. The Series 15 Bonds were used to retire the Series 9 Bonds that were issued in 1992. Lease agreements underlying the Series 13 and Series 15 General Obligation Revenue Bonds require Delta Airlines to make annual payments equal to the debt service requirements of the bonds. Further information on the Series 13/15 Bonds can be found later in these notes.

With respect to the General Obligation Revenue Bonds, Series 15, Delta Airlines is required to maintain certain collateral. The value of the collateral is to be determined by periodic independent appraisals. The value (based upon use of the assets by an airline) of the collateral must be at least 125% of the principal amount of the General Obligation Revenue Bond Series 15.

Rental agreements between the Commission and its tenants, including compensatory rental agreements, self-liquidating agreements, and other arrangements, are intended to provide for revenues which allow for the payment of required principal and interest payments on long-tem debt.

NOTE G
BOND REFUNDINGS

On January 10, 2008, the Commission issued $72,035,000 of General Airport Revenue Bonds, Series 2008A, to advance refund General Airport Revenue Bonds, Series 1998B which were called on January 1, 2009. As of December 31, 2009, $98,180,000 of the Series 1999B Bonds were still outstanding.

As a result of the January, 2008 refunding, the Commission reduced its total debt service requirements by $2,923,482, which resulted in an economic gain (the difference between the present values of the debt service payments on the old and the new debt) in the amount of $2,464,366. The Commission recognized an accounting loss of $3,510,080 in connection with this refunding that has been deferred and will be amortized to interest expense on a straight-line basis through January 1, 2016.

Also in late February and early March 2008, the Commission retired $103,350,000 of the Series 2004A General Airport Revenue Bonds.

Fiscal years ended December 31, 2009 and 2008

On October 29, 2009, the Commission issued $151,910,000 of General Airport Revenue Bonds, Series 2009A and 2009B to advance refund the General Airport Revenue Bonds, Series 1999B and 2000B which were called on January 1, 2010. As of December 31, 2009, $98,180,000 of the Series 1999B Bonds and $66,285,000 of the Series 2000B Bonds were still outstanding.

As a result of the November, 2009 refunding, the Commission reduced its total debt service requirements by $11,186,269, which resulted in an economic gain (the difference between the present values of the debt service payments on the old and the new debt) in the amount of $8,141,630. The Commission recognized an accounting loss of $5,218,671 in connection with this refunding that has been deferred and will be amortized to interest expense on a straight-line basis through January 1, 2022.

At December 31, 2009, $353,795,000 of defeased bonds remain outstanding.

NOTE H
CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2009 and 2008 was as follows (dollars in thousands):

	Balance 1/01/09	Additions	Retirements and Other	Balance 12/31/2009	Amounts Recognized /Due in One Year
Deferred Revenue	$ 34,322	$ 30,244	$ (31,439)	$ 33,127	$ 16,746
Employee Compensation & Other	7,936	335	(1,935)	6,336	6,001
Notes Payable	5,839	4,984	(4,486)	6,337	1,579
Bonds Payable	1,754,975	154,521	(214,450)	1,695,046	37,500
	$ 1,803,072	$ 190,084	$ (252,310)	$ 1,740,846	$ 61,826

	Balance 1/01/08	Additions	Retirements and Other	Balance 12/31/2008	Amounts Recognized /Due in One Year
Deferred Revenue	$ 35,377	$ 29,433	$ (30,488)	$ 34,322	$ 17,896
Employee Compensation & Other	7,402	534	-	7,936	7,609
Notes Payable	3,863	3,480	(1,504)	5,839	3,689
Bonds Payable	1,904,575	68,738	(218,338)	1,754,975	44,675
	$ 1,951,217	$ 102,185	$ (250,330)	$ 1,803,072	$ 73,869

Fiscal years ended December 31, 2009 and 2008

NOTE I
DIRECT FINANCING LEASES

The Commission leases certain facilities to tenants under self-liquidating lease agreements. Self-liquidating lease agreements require the lessee to pay annual rentals equal to the debt service requirements of the bonds issued to construct the facilities, or the debt service requirements that would have been required if bond financing was used. These leases are classified as direct financing leases and expire in various years through 2030. The Commission records the interest portion of the lease payments as investment income. The following lists the components of the Commission's direct financing leases as of December 31 (dollars in thousands):

	2009	2008
Total minimum lease payments to be received	$ 433,575	$ 475,253
Less: Unearned income	(147,863)	(170,312)
Net investment in leases	285,712	304,941
Less: Prepaid principal	(14,010)	(12,975)
Leases receivable - current and noncurrent	$ 271,702	$ 291,966

As of December 31, 2009, future minimum lease payments are as follows (in thousands):

Year	Amount
2010	$ 36,584
2011	36,967
2012	37,448
2013	37,823
2014	38,260
2015-2019	173,401
2020-2024	72,162
2025-2029	775
2030	155
	$ 433,575

NOTE J
PENSION AND RETIREMENT PLANS

All full-time and certain part-time employees of the Commission participate in the Minneapolis Employees Retirement Fund (MERF) (participation restricted to employees hired prior to July 1, 1978) or the Public Employees Retirement Association of Minnesota (PERA).

1. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

A. Plan Description

All full-time and certain part-time employees of the Commission (hired after June 30, 1978) are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the Public Employees Retirement Fund (PERF) and the Public Employees Police and Fire Fund (PEPFF), which are cost-sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. PERF members belong to the Coordinated Plan. Coordinated Plan members are covered by Social Security. All police officers, fire fighters, and peace officers who qualify for membership by statute are covered by the PEPFF.

PERA provides retirement benefits as well as disability benefits to members and benefits to survivors upon death of eligible members. Benefits are established by state statute and vest after three years of credited service. The defined retirement benefits are based on a member's average salary for any five successive years of allowable service, age, and years of credit at termination of service.

Two methods are used to compute benefits for Coordinated Plan members. The retiring member receives the higher of 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% of average salary for each of the first ten years and 1.7% for each remaining year. Using Method 2, the annuity accrual rate is 1.7% of average salary for Coordinated Plan members for each year of service. For PEPFF members, the annuity accrual rate is 3.0% for each year of service. For PERF members and for all PEPFF members hired prior to July 1, 1989 whose annuity is calculated using Method 1, a full annuity is available when age plus years of service equals at least 90.

Normal retirement age is 55 for PEPFF and 65 for Coordinated Plan members hired prior to July 1,1989. Normal retirement age is the age for unreduced Social Security benefits capped at 66 for Coordinated Plan members hired after July 1, 1989. A reduced retirement annuity is also available to eligible members seeking early retirement. There are different types of annuities available to members upon retirement. A single-life annuity is a lifetime annuity that ceases upon the death of the retiree. No survivor annuity is payable. There are also various types of joint and survivor annuity options available which will be payable over joint lives. Members may also leave their contribution in the fund upon termination of public service, in order to qualify for a deferred annuity at retirement age. Refunds of contributions are available at any time to members who leave public service but before retirement benefits begin.

The benefit provisions stated in the previous 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.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for PERF and PEPFF. That report may be obtained by writing to PERA, 60 Empire Drive #200, St. Paul, Minnesota, 55103-2088 or by calling (651) 296-7460 or 1-800-652-9026.

B. Funding Policy

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. PERF Coordinated Plan members are required to contribute 6.00% of their annual covered salary. PEPFF members are required to contribute 9.40% of their annual covered salary. The Commission is required to contribute the following percentages of annual covered payroll: 6.75% for Coordinated Plan PERF members and 12.90% for PEPFF members. Employer contribution rates for the Coordinated Plan increased to 7.00% effective January 1, 2010. The Commission's required contributions to the Public Employees Retirement Fund for the years ended December 31, 2009, 2008, and 2007 were $1,989,000, $1,927,000, and $1,721,000, respectively. The Commission's required contributions to the Public Employees Police and Fire Fund for the years ended December 31, 2009, 2008, and 2007 were $1,421,000, $1,321,000, and $1,159,000, respectively. The Commission's contributions were equal to the contractually required contributions for each year as set by state statute.

2. MINNEAPOLIS EMPLOYEES RETIREMENT FUND

A. Plan Description

All full-time and certain part-time employees of the Commission (hired before July 1, 1978) are covered by a defined benefit pension plan administered by the Minneapolis Employees Retirement Fund (MERF). MERF is a cost-sharing, multiple-employer retirement plan.

MERF provides retirement benefits as well as disability benefits to members and benefits to survivors upon death of eligible members. Benefits are established by state statute, and vest after ten years of credited service. Members are eligible for service retirement either:

- A) With 30 or more years of service at any age; or
- B) At age 60 with three or more years of service; or
- C) At age 65 with one year of service; or
- D) With 20 or more years of service at age 55, if a MERF member prior to June 28, 1973.

The defined retirement benefits are based on the average of the highest five years' salary within the last ten years of employment. The member will receive a benefit amount of 2% of that average salary for each of the first ten years of service and 2.5% of that salary for each year over ten years of service. The formulas used in calculating pension benefit increases are contained in Minnesota State Law. Increases may only be paid from investment earnings which exceed the actuarial assumption of a 5% return set for Minnesota public employment retirement funds. The annual increase for MERF is calculated from information supplied by the consulting actuary who determines the reserves required to maintain MERF as an actuarially and financially sound pension fund. Increases in pension benefits are permanent and guaranteed because they are fully funded, that is, the amount necessary to sustain the increase has been set aside.

There are different types of annuities available to members upon retirement. A normal annuity is a lifetime annuity that ceases upon the death of the retiree. No survivor annuity is payable. There are also various types of joint and survivor annuity options available which will reduce the monthly normal annuity amount, because the annuity is payable over joint lives. Members leaving public service any time before retirement and before age 60 may receive a refund of all personal contributions, with interest, except for the survivor benefit contribution which is the equivalent of a nonrefundable term insurance premium. Employees who leave public service after age 60 may not withdraw personal contributions with interest unless they have worked less than three years and do not qualify for monthly retirement benefits. The survivor benefits contribution is nonrefundable.

MERF issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to MERF, 800 Baker Building, 706 Second Avenue South, Minneapolis, MN 55402 or by calling (612) 335-5950.

B. Contributions Required and Contributions Made

Minnesota Statutes require members to contribute 9.75% of their earnings to MERF which includes .5% for survivor benefits. Required employer contributions are also established by Minnesota Statutes and include the normal cost, as reported in the annual actuarial valuation, plus an amount to cover administrative costs. Employers also contribute an additional 2.68% of covered employees' payroll and an annual total of $3.9 million which is required by Minnesota Statutes to be applied against the unfunded liability. Commencing in 1986, the Commission is required to make additional contributions toward the unfunded liability. This contribution was previously made by the State of Minnesota. Minnesota Laws of 1991 provide for a maximum $9,000,000 annual contribution by the State of Minnesota to MERF for the purpose of amortizing the unfunded liability by June 30, 2020. The consulting actuary for the fund determines the unfunded liability at the end of the fiscal year. By using a 6% interest assumption rate, an annual contribution to provide full funding by June 30, 2020 is determined. That amount is reduced by the employer's 2.68% of payroll and further reduced by the $3.9 million and the additional contributions made by the Commission and others. If the balance exceeds the amount of the state maximum contribution, the excess is contributed by the employers.

Current required contribution rates are as follows:

	Employee	Employer	Additional Employer
Retirement Contribution	9.25%	13.80%	2.68%
Survivor Benefits	.50%		

Total required contributions made by the Commission for the fiscal year ended December 31 are as follows (in thousands):

Contributions	2009	2008	2007
Employer (100% of required)	$ 393	$ 415	$ 823

Fiscal years ended December 31, 2009 and 2008

NOTE K
POSTRETIREMENT BENEFITS

The Commission implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* in 2006. In accordance with this Statement, the Commission recognizes postemployment benefits on the full accrual basis of accounting over a period that approximates an employee's years of service.

The Commission provides health insurance benefits for certain retired employees under a single employer self-insured plan. Active employees who retire from the Commission and who have become vested in either the Minneapolis Employees Retirement Fund (MERF) or the Public Employees Retirement Association (PERA), and who do not participate in any other health benefits program providing coverage similar to that herein described, will be eligible to continue coverage with respect to both themselves and their eligible dependent(s) under the Commission's health benefits program.

The contribution requirements of employees and retirees are established and may be amended by the Commission. The required contribution is based upon projected pay-as-you-go financing requirements and funding for future benefits. The Commission will make 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 will then pay 100% of the premium for the retired employee, spouse over age 65, and legal dependents, provided that the retired employee is receiving benefits from either MERF or PERA, and is enrolled in Medicare Part A and B as their primary health insurance. As of January 1, 1991, all employees hired by the Commission will only be able to participate in the Commission medical plan up to age 65. During 2004, the Commission approved that non-organized employees hired after October 1, 2004 will be able to participate in the Commission medical plan provided that the retiree pay 100% of the total premium cost plus a 2% administrative fee. During 2006 and 2007, the Commission was successful in getting language in all eligible labor groups that provides that employees hired after the date of the signed contract will be able to participate in the Commission medical plan provided that the retiree pay 100% of the total premium cost plus a 2% administrative fee. As of December 31, 2009 there were 248 retired employees and 517 active employees receiving health benefits from the Commission's health plan. The Commission does not issue a stand-alone financial report for its retiree health plan.

The Commission contributed $2,547,140 to the plan in fiscal year 2009, $1,305,818 to the plan in fiscal year 2008 and $2,479,650 in fiscal year 2007. Plan participants contributed $245,511 for fiscal year 2009, $205,717 for fiscal year 2008 and $184,202 for fiscal year 2007. Monthly contributions for retirees under 65 for 2009 are shown below:

Plan	Retiree Only	Family
Plan 1	$30.00	$183.00
Plan 2	$23.00	$148.00
HRA/HSA	$13.00	$97.00

Annual OPEB Cost and Net OPEB Obligation

The Commission's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the Commission's annual OPEB cost for 2009, 2008 and 2007, the amount actually contributed to the plan, and changes in the Commission's net OPEB obligation:

	2009	2008	2007
Annual required contribution (ARC)	$ 6,269,416	$ 5,706,877	$ 6,262,502
Interest on net OPEB obligation	1,603,292	1,483,574	1,315,411
Adjustment to ARC	(2,317,964)	(2,144,880)	(1,901,758)
Annual OPEB cost	5,554,744	5,045,571	5,676,155
Contributions during the year	(2,547,140)	(1,305,818)	(2,479,650)
Increase in net OPEB obligation	3,007,604	3,739,753	3,196,505
Net OPEB-beginning of year	39,821,522	36,081,770	32,885,265
Net OPEB-End of year	$ 42,829,126	$ 39,821,523	$ 36,081,770

The percentage of the Commission's annual OPEB cost as a percent of the net OPEB obligation were: 15.7% for 2007; 12.7% for 2008; and, 13.0% for 2009.

Funding Status

The Commission has set aside cash and investments to pay for future health benefits of $45,229,000, $43,169,000 and $39,525,000 in 2009, 2008 and 2007, respectively. However, since such designated cash has not been irrevocably deposited in trust for future health benefits, the actuarial value of assets is zero. The table below shows the funding status for fiscal year 2009 based on a January 1, 2009 actuarial date.

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability-Projected Unit Credit	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
01/01/2007	-	$ 78,934,932	$ 78,934,932	-	$ 33,507,125	235.6%
01/01/2008	-	$ 70,248,393	$ 70,248,393	-	$ 37,573,402	187.0%
01/01/2009	-	$ 80,406,333	$ 80,406,333	-	$ 37,735,411	213.1%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the most recent actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions in 2009 included a 4% investment rate of return, which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 7.0% initially, reduced by decrements to an ultimate rate of 5% after five years. The UAAL is being amortized as a level dollar amount over 30 years on an open basis.

NOTE L
ARBITRAGE

Every five years, the Commission is required to rebate arbitrage profits earned in relation to certain General Obligation Revenue and General Airport Revenue Bond issues. Arbitrage profits are earned when investment income relating to these issues exceeds the yield on the bonds. The Commission has recorded a liability in accrued expenses at December 31, 2009 and 2008 of $4,601,000 and $1,724,000, respectively.

NOTE M
RISK MANAGEMENT

The Commission is self-insured for workers' compensation and health/dental claims. Claims paid for workers compensation for 2009 and 2008 were $331,496 and $419,347, respectively. Claims paid for health and dental coverage for 2009 and 2008 were $5,733,519 and $5,701,447, respectively. The unpaid claims for workers compensation at December 31, 2009 and 2008 were $1,482,355 and $1,487,832, respectively. The health and dental unpaid claims at December 31, 2009 and 2008 were $522,882 and $654,436, respectively. The liability recorded under employee compensation and payroll taxes by the Commission includes estimated settlements for claims reported but not settled as of December 31, 2009 and 2008, as well as an estimate of claims incurred. Changes in the balances of claim liabilities during the past two years are as follows:

	2009	2008
Unpaid Claims – Beginning of Year	$ 2,142,268	$ 2,322,460
Incurred Claims and Changes in Estimates	5,927,984	5,940,602
Claims Paid	(6,065,015)	(6,120,794)
Unpaid Claims – End of Year	$ 2,005,237	$ 2,142,268

Fiscal years ended December 31, 2009 and 2008

NOTE N
JOINT VENTURE

The Commission is a participant with the City of Bloomington, the City of Eden Prairie and the City of Edina in a joint venture to construct and operate a facility to be used for the training of law enforcement officers and firefighters. The South Metro Public Safety Training Facility Association (PSTF) is governed by a Board consisting of one representative from each member. On dissolution of the Association, the facility shall revert to the City of Edina, and all remaining assets shall be divided among members based on a cost sharing formula.

In accordance with the joint venture agreement, each member of the association will share in the cost of construction and operation based on the cost sharing formula. Complete financial statements for the PSTF can be obtained from the City of Edina, 4801 West 50th Street, Edina, MN 55424.

NOTE O
CONTINGENT LIABILITIES AND COMMITMENTS

The nature of the business of the airport generates certain litigation against the Authority arising in the ordinary course of business. The Commission believes that existing and pending lawsuits and claims are either billable to airport users or would not materially affect the financial statements of the Commission.

Contractual obligations for construction were approximately $103,266,000 at December 31, 2009.

<u>**Noise Abatement**</u>
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, the Minneapolis Public Housing Authority in and for the City of Minneapolis, the City of Eagan and the City of Richfield (collectively, the "Noise Plaintiffs") and the Commission to settle noise abatement lawsuits.

Under the Consent Decree, the Commission would provide noise mitigation to homes and apartments in the 60 to 64 DNL contours. Noise mitigation activities would vary based on noise contour, with homes in the most noise-impacted contours eligible for more extensive mitigation than those in less impacted areas. Multi-family dwellings (those with more than three living units) would receive less extensive mitigation than single-family homes. The total cost to the Commission is uncertain until the program is complete in 2014, and is dependent upon submission of applications by homeowners to receive noise mitigation and approval by the Commission, but the program is estimated to cost as much as $127 million. Program costs are in 2007 dollars and will be adjusted annually for inflation according to the Consumer Price Index. As discussed in previously in the notes, noise mitigation costs are being capitalized as incurred and amortized over ten years.

On November 30, 2007 the FAA issued a determination that the settlement agreement with the Noise Plaintiffs and the plaintiffs in the related class action lawsuit cities is an appropriate use of airport revenue and consistent with federal grant obligations.

The costs related to the noise abatement settlements will be funded from internally generated funds of the Commission and rates and charges paid by air carriers operating at the Airport.

Runway 17/35 Land Acquisition
Certain remaining property acquisitions in association with Runway 17/35 may result in damage awards of an indeterminate amount. Any damage awards associated with these acquisitions would be capitalized as a cost of the project and recovered through airline rates and charges.

NOTE P
MAJOR CUSTOMER

Delta Airlines, Inc. (Delta), as successor by merger to Northwest Airlines, Inc. (NAI), is in the business of transporting air passengers, mail, and property. Northwest Aerospace Training Corporation (NATCO) is a Minnesota corporation in the business of pilot training. NATCO is a wholly owned subsidiary of Delta. Delta operates both domestic and international air route systems. Minneapolis/St. Paul International Airport is one of Delta's major hubs. Airport revenues from Delta account for approximately 28% of operating revenues and 78% of total revenues from major airlines.

On October 29 2008, Delta acquired NAI through a merger of NAI's parent company, Northwest Airlines Corp. (NWA Corp.), with a wholly-owned subsidiary of Delta. On December 31, 2009, Delta completed the integration of NAI by merging NAI into Delta. Effective December 14, 2009, NWA Corp. was converted into a Delaware limited liability company and re-named "Northwest Airlines, LLC."

On September 14, 2005 NWA Corp. and its affiliated debtors filed for protection under Chapter 11 of the Bankruptcy Code. The Airport's pre-petition amounts owed by NAI were $4,144,000. NAI emerged from bankruptcy protection on May 31, 2007 and paid its pre-petition obligations to the airport in full during 2007.

On April 23, 1992, the Commission issued $270,000,000 of taxable General Obligation Revenue Bonds, Series 9 (Bonds). In January 2002, the Commission issued $287,825,000 in General Obligation Revenue Bonds to refund General Obligation Revenue Bonds Series 9 (refinanced as Series 15 Bonds). (See Note F) The Bonds were used to acquire and lease back (a) a flight training center in Eagan, Minnesota, owned by NATCO, NAI, and NWA (collectively, the Northwest Entities), consisting of land, a building, flight simulators, and related equipment and (b) certain leasehold interests of the Northwest Entities and certain additional properties located at Minneapolis/St. Paul International Airport (collectively the Leased Facilities). The lease obligations initially were secured by the Leased Facilities, by guarantees of the Northwest Entities and NWA Corp., and by a pledge of certain additional collateral consisting of aircraft engine parts and international route authorities. Under the documents in effect when the Bonds were issued, during the term of the Bonds, the Northwest Entities were required to maintain collateral, as determined by periodic independent appraisals, with a value (based upon use of the assets by an airline) of at least 145% (reducible to 135% under certain circumstances) of the sum of the principal amount of Bonds outstanding. At the time NAI emerged from bankruptcy protection, the Commission and NAI amended certain provisions of the leases entered into with respect to the Series 15 Bonds and the Collateral Agreement, including modifying the collateral requirements to 125% of the principal amount of outstanding Series 15 Bonds and certain other amounts described in the Collateral Agreements based upon its "orderly liquidation value" and agreed to accept "aircraft" as an additional collateral category. The collateral was last appraised in April 1, 2008. NAI posted additional collateral, which caused the collateral currently pledged to be valued at $307.4 million, an amount that is in excess of the collateral value requirement of $306.5 million. When the collateral posted is valued in excess of 125%, the Commission may under certain circumstances be required to release collateral (mutually agreeable to the Commission and NAI) so long as the remaining collateral value exceeds 125% of the principal amount of outstanding Series 15 Bonds and certain other amounts described in the Collateral Agreements. Additionally, the Commission and NAI agreed that NAI can pledge to the Commission its right to receive Shared Concession Revenue credits during the term of the NAI Lease Agreement to secure its obligations related to the Series 15 bonds. These transactions were accounted for as a capital lease. In February, 2009, Delta guaranteed the lease obligations of the Northwest entities.

The financial condition of Delta, on a consolidated basis, is material to Delta's ability to perform their rental and other payment obligations to the Commission under various agreements. Leases and accounts receivable from Delta represent 7.3% of the Commission's total assets at December 31, 2009.

For the years ended December 31, 2009, and 2008, Delta had audited consolidated net (loss) income of approximately $(1.2) billion and $8.9 billion, respectively. On December 31, 2009 Delta's audited total consolidated assets were $43.5 billion and their total audited consolidated liabilities were $43.3 billion, resulting in Delta's audited consolidated net equity of $245 million. These audited numbers were derived from the audited consolidated financial statements of Delta. In the event that Delta and its subsidiaries are unable to meet their lease commitments, the Commission has the authority to levy property taxes to support the debt obligations on the Bonds.

NOTE Q
NEW FINANCIAL REPORTING STANDARDS

In November 2006, the GASB issued Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations.* GASB Statement No. 49 was effective for the Commission on January 1, 2008. The adoption of GASB Statement No. 49 had no material impact on the balance sheet, the statement of revenues, expenses and changes in net assets, or financial reporting disclosures.

In May 2007, the GASB issued Statement No. 50, *Pension Disclosures - an amendment of GASB Statements No. 25 and No. 27.* GASB Statement No. 50 aligns the financial reporting requirements for pensions with those for other postemployment benefits. The Commission adopted GASB Statement No. 50 on January 1, 2008, and there was no material impact on the balance sheet, the statement of revenues, expenses and changes in net assets, or financial reporting disclosures.

In June 2007, the GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets* related to accounting and reporting assets such as easements, water rights, timber rights, patents, trademarks, and computer software. GASB Statement No. 51 is effective for the Commission in 2010. The Commission expects to adopt GASB Statement No. 51 on January 1, 2010 and does not expect a material impact on the balance sheet, the statement of revenues, expenses and changes in net assets, or financial reporting disclosures.

Fiscal years ended December 31, 2009 and 2008

NOTE R
CURRENT ECONOMIC CONDITIONS

The protracted economic downturn presents the Commission and similar entities with difficult circumstances and challenges that, in some cases, may result in large declines in the fair value of investments and other assets, declines in passengers and related revenue, constraints on liquidity and difficulty obtaining financing. The financial statements have been prepared using values and information currently available to the Commission.

The Commission's operations are heavily dependent on passenger-related revenue, in addition to nonpassenger-related revenue sources. A significant decline in such revenues or the inability of the Commission to collect these revenues from business partners could have an adverse impact on the Commission's future operating results and its ability to meet debt covenants, evaluate financing needs or formulate operating and capital needs, should other revenue sources not be sufficient to mitigate these effects.

NOTE S
SUBSEQUENT EVENT – GENERAL AIRPORT REVENUE BONDS SERIES 2010A

In June 2010, the Commission will be issuing the General Airport Revenue Bonds Series 2010 in an amount not to exceed $175 million. The proceeds will be used to finance certain capital improvements at MSP, refund all of the Commission's outstanding Commercial Paper Notes, satisfy the reserve fund requirements, and pay the cost of issuance.

NOTE T
Restatement

Subsequent to the issuance of the Commission's 2008 financial statements, the Commission's management determined that it incorrectly recorded certain transactions. Following is description of the adjustments:

Grant Revenue Recognition - Historically, the Commission has recognized grant revenue when the costs were submitted for reimbursement to the granting agency. To conform with generally accepted accounting principles, the Commission has adjusted the financial statements to recognize grant revenue when the allowable expenditures are incurred. The adjustment resulted in a $8,311,000 increase to the January 1, 2008 Net Asset balance, a $11,130,000 increase to the Capital Contribution balance within the Statement of Revenues, Expenses and Changes in Net Assets, and a $19,441,000 increase in the December 31, 2008 Government Grants in Aid of Construction Receivable balance within the Balance Sheet.

Net Asset and Restricted Asset Classifications - The Commission made certain reclassifications to net asset and restricted asset categories to better align the components of the net asset and restricted asset categories to those prescribed by generally accepted accounting principles.

The effect of these adjustments on the December 31, 2007, change in net assets was an increase of $480,000 from $52,084,000 as originally reported to $52,564,000.

This page was intentionally left blank.

Statistical Section

MInneapolis/St. Paul, Minnesota

Metropolitan Airports Commission

Comprehensive Annual Financial Report

Year Ended December 31, 2009

This page was intentionally left blank.

Statistical Section

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

Contents

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. (Page 52 - 55)

Revenue Capacity

These schedules are intended to assist the reader in understanding and assessing the factors that affect the Commission's ability to generate its own revenues. (Page 56 - 63)

Debt Capacity

These schedules present information to help the reader assess the affordability of the Commission's current levels of outstanding debt and the Commission's ability to issue additional debt in the future. (Page 64 - 66)

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. (Page 67 - 70)

Operating information

These schedules are intended to provide contextual information about the Commission's operations and resources in order for readers to understand and assess its economic condition. (Page 71 - 79)

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

HISTORICAL OPERATING STATEMENTS 2000-2009
(Dollars in Thousands)-Unaudited

	2000	2001	2002	2003	2004	2005	2006	2007	2008 (As Restated)	2009
Operating Revenues										
Airline Rates and Charges	$ 68,836	$ 73,526	$ 75,223	$ 64,499	$ 77,368	$ 89,540	$ 78,270	$ 85,475	$ 87,244	$ 89,867
Concessions	71,986	70,714	68,369	73,533	87,544	101,273	110,139	115,857	112,365	109,636
Other Revenues										
Rentals/Fees	17,172	19,731	18,236	19,101	21,321	23,489	19,777	20,560	28,632	28,435
Utilities and Other Revenues	5,420	7,824	8,783	11,049	9,908	14,174	15,941	16,359	13,313	12,937
Total Operating Revenues	163,414	171,795	170,611	168,182	196,141	228,476	224,127	238,251	241,554	240,875
Operating Expenses										
Personnel	39,814	42,627	43,074	48,273	50,429	59,049	54,258	56,278	59,811	59,304
Administrative Expenses	1,686	1,708	880	844	1,089	1,179	1,240	1,538	1,298	1,301
Professional Services	6,357	5,177	3,386	2,821	3,745	3,359	4,091	4,474	4,161	4,004
Utilities	8,678	11,208	8,882	11,779	12,684	14,444	14,820	16,466	18,089	16,553
Operating Services	11,971	14,113	12,147	13,928	13,394	12,492	14,485	15,437	17,540	16,043
Maintenance	12,238	15,250	13,501	16,453	17,249	18,944	19,417	21,527	22,140	23,718
Depreciation	51,028	65,647	72,871	79,399	83,273	93,566	111,429	115,329	117,999	123,060
Other	278	2,250	2,455	2,743	3,206	3,758	3,323	8,922	3,696	2,510
Total Operating Expenses	132,050	157,980	157,196	176,240	185,069	206,791	223,063	239,971	244,734	246,493
Operating Income (Loss)	31,364	13,815	13,415	(8,058)	11,072	21,685	1,064	(1,720)	(3,180)	(5,618)
Non-Operating Revenues (Expenses)										
Investment Income	55,661	57,712	45,454	29,854	32,257	40,646	52,895	62,271	49,938	30,625
Passenger Facility Charges	43,567	57,191	61,492	63,681	69,557	69,944	67,573	66,662	54,682	67,481
Gain (Loss) on Sale/Disposal of Assets	-	(4,196)	17	(2,547)	(1,531)	(209)	(828)	(70)	5,178	205
Interest Expense	(42,023)	(55,549)	(50,707)	(59,105)	(67,247)	(76,777)	(94,069)	(95,556)	(88,722)	(84,198)
Part 150 Home Insulation Expenses	(20,707)	(20,517)	(22,208)	(13,063)	(13,134)	(8,419)	(5,395)	(2,308)	-	-
Concession Development Expenses	(416)	-	-	-	-	-	-	-	-	-
Total Non-Operating Revenues-Net	36,082	34,641	34,048	18,820	19,902	25,185	20,176	30,999	21,076	14,113
Net Income	67,446									
Income before Contributions		48,456	47,463	10,762	30,974	46,870	21,240	29,279	17,896	8,495
Capital Contributions-1		38,069	42,919	36,707	27,835	25,137	34,276	22,805	30,149	26,918
Change in Net Assets		86,525	90,382	47,469	58,809	72,007	55,516	52,084	48,045	35,413
Net Assets,Beginning of Year		941,470	1,027,995	1,118,377	1,165,846	1,224,655	1,296,662	1,352,178	1,412,574	1,523,530
Changes in Accounting Principal / Prior Period Adjustment								8,312	62,911	
Net Assets,End of Year		$ 1,027,995	$ 1,118,377	$ 1,165,846	$ 1,224,655	$ 1,296,662	$ 1,352,178	$ 1,412,574	$ 1,523,530	$ 1,558,943
Add: Depreciation of Facilities Provided by Government Grants	12,725									
Increase in Retained Earnings	80,171									
Retained Earnings, Beginning of Year	674,891									
Retained Earnings, End of Year	$755,062									

Source: Audit financial statements for the last ten years.

1. For the years ended December 31, 2001-2008, the amounts shown takes into account the effect of GASB No. 33, "Accounting and Financial Reporting for Nonexchange Transactions" and GASB No. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments".
2. For years 2000-2007, does not reflect the change in accounting adopted on January 1, 2008.

HISTORICAL REVENUES 2000-2009
Pursuant to MAC's Master Trust Indenture
(Dollars in Thousands)-Unaudited

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Airline Rates & Charges										
Landing Fees-3	$ 39,472	$ 40,378	$ 41,573	$ 27,529	$ 38,365	$ 45,683	$ 38,245	$ 49,626	$ 47,163	$ 48,736
Ramp Fees	6,444	6,243	5,944	5,700	5,608	6,105	4,611	5,238	5,619	6,531
Lindbergh Terminal Building Rents	19,430	22,405	21,236	24,151	26,195	28,834	33,920	29,378	34,196	33,003
Other Lindbergh Terminal Charges	2,787	3,643	3,093	3,597	3,038	3,234	3,475	3,105	3,496	3,410
Concessions Rebate	0	0	0	0	0	0	(9,070)	(10,160)	(9,886)	(8,739)
Humphrey Building Rentals and Other	703	857	3,377	3,522	4,162	5,684	7,089	8,288	6,656	6,926
Total Airline Rates & Charges	**68,836**	**73,526**	**75,223**	**64,499**	**77,368**	**89,540**	**78,270**	**85,475**	**87,244**	**89,867**
Concessions										
Auto Parking	42,951	39,339	36,755	41,330	50,466	60,213	64,266	66,765	62,748	61,546
Rental Car	12,385	13,739	13,359	14,742	14,220	14,693	15,699	17,043	17,011	15,357
Food & Beverage	3,546	4,053	4,340	4,864	7,311	9,790	11,552	12,645	12,808	13,052
Merchandise	4,627	4,572	4,836	4,689	5,572	6,120	8,515	8,537	8,689	8,082
Employee Parking	1,226	1,007	953	1,196	1,573	1,691	1,758	2,063	2,423	2,254
Other	7,251	8,004	8,126	6,712	8,402	8,766	8,349	8,804	8,686	9,345
Total Concessions Revenue	**71,986**	**70,714**	**68,369**	**73,533**	**87,544**	**101,273**	**110,139**	**115,857**	**112,365**	**109,636**
Other Revenues										
Utilities	1,852	2,440	1,732	2,152	1,705	2,515	2,350	2,473	2,528	2,315
Other Building and Land Rent	15,140	18,079	16,444	17,086	20,196	22,101	18,434	18,821	23,445	23,547
Other	3,676	4,805	6,226	8,131	6,282	8,160	10,111	10,315	10,785	10,605
Total Other Revenues	**20,668**	**25,324**	**24,402**	**27,369**	**28,183**	**32,776**	**30,895**	**31,609**	**36,758**	**36,467**
Total MSP Revenue	**161,490**	**169,564**	**167,994**	**165,401**	**193,095**	**223,589**	**219,304**	**232,941**	**236,367**	**235,970**
Total Reliever Airports	**1,924**	**2,231**	**2,617**	**2,781**	**3,046**	**4,887**	**4,823**	**5,310**	**5,187**	**4,905**
Total Operating Revenues	**163,414**	**171,795**	**170,611**	**168,182**	**196,141**	**228,476**	**224,127**	**238,251**	**241,554**	**240,875**
Investment Income										
Capital Lease Interest	28,715	28,464	25,300	23,554	23,698	22,820	22,815	22,570	20,896	20,017
Other-2	6,875	7,569	6,220	3,976	7,512	9,532	14,509	18,957	15,281	10,621
Total Investment Income	**35,590**	**36,033**	**31,520**	**27,530**	**31,210**	**32,352**	**37,324**	**41,527**	**36,177**	**30,638**
Capital Lease Principal Payments	**7,300**	**7,476**	**9,321**	**11,345**	**12,046**	**12,475**	**14,199**	**14,442**	**15,345**	**18,413**
Total Revenues-1	**$ 206,304**	**$ 215,304**	**$ 211,452**	**$ 207,057**	**$ 239,397**	**$ 273,303**	**$ 275,650**	**$ 294,220**	**$ 293,076**	**$ 289,926**

Source: Audit financial statements for the last ten years.

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

2-Interest income on PFC's and Bond Series 1998-2005 Construction Funds are not included as defined by the master trust indenture.

3-In 2003, includes a one-time $13 million rent rebate which is a reduction of revenue as defined by the master trust indenture.

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

PERCENTAGE DISTRIBUTION OF OPERATING REVENUES 2000-2009

(Dollars in Thousands)-Unaudited

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Airline Rates & Charges										
Landing Fees-1	24.2%	23.5%	24.4%	16.4%	19.6%	20.0%	17.1%	20.8%	19.5%	20.2%
Ramp Fees	3.9%	3.6%	3.5%	3.4%	2.9%	2.7%	2.1%	2.2%	2.3%	2.7%
Lindbergh Terminal Building Rents	11.9%	13.0%	12.4%	14.4%	13.4%	12.6%	15.1%	12.3%	14.2%	13.7%
Other Lindbergh Terminal Charges	1.7%	2.1%	1.8%	2.1%	1.5%	1.4%	1.6%	1.3%	1.4%	1.4%
Concessions Rebate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-4.0%	-4.3%	-4.1%	-3.6%
Humphrey Building Rentals & Other	0.4%	0.5%	2.0%	2.1%	2.1%	2.5%	3.2%	3.5%	2.8%	2.9%
Total Airline Rates & Charges	**42.1%**	**42.8%**	**44.1%**	**38.4%**	**39.4%**	**39.2%**	**34.9%**	**35.9%**	**36.1%**	**37.3%**
Concessions										
Auto Parking	26.3%	22.9%	21.5%	24.6%	25.7%	26.4%	28.7%	28.0%	26.0%	25.6%
Rental Car	7.6%	8.0%	7.8%	8.8%	7.2%	6.4%	7.0%	7.2%	7.0%	6.4%
Food & Beverage	2.2%	2.4%	2.5%	2.9%	3.7%	4.3%	5.2%	5.3%	5.3%	5.4%
Merchandise	2.8%	2.7%	2.8%	2.8%	2.8%	2.7%	3.8%	3.6%	3.6%	3.4%
Employee Parking	0.8%	0.6%	0.6%	0.7%	0.8%	0.7%	0.8%	0.9%	1.0%	0.9%
Other	4.4%	4.7%	4.8%	4.0%	4.3%	3.8%	3.7%	3.7%	3.6%	3.9%
Total Concessions Revenue	**44.1%**	**41.2%**	**40.1%**	**43.7%**	**44.6%**	**44.3%**	**49.1%**	**48.6%**	**46.5%**	**45.5%**
Other Revenues										
Utilities	1.1%	1.4%	1.0%	1.3%	0.9%	1.1%	1.0%	1.0%	1.0%	1.0%
Other Building and Land Rent	9.3%	10.5%	9.6%	10.2%	10.3%	9.7%	8.2%	7.9%	9.7%	9.8%
Other	2.2%	2.8%	3.6%	4.8%	3.2%	3.6%	4.5%	4.3%	4.5%	4.4%
Total Other Revenues	**12.6%**	**14.7%**	**14.3%**	**16.3%**	**14.4%**	**14.3%**	**13.8%**	**13.3%**	**15.2%**	**15.1%**
Total MSP Revenues	**98.8%**	**98.7%**	**98.5%**	**98.3%**	**98.4%**	**97.9%**	**97.8%**	**97.8%**	**97.9%**	**98.0%**
Total Reliever Airports	**1.2%**	**1.3%**	**1.5%**	**1.7%**	**1.6%**	**2.1%**	**2.2%**	**2.2%**	**2.1%**	**2.0%**
Total Operating Revenues	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

1.- Includes in 2003 a one-time rent airline rebate of $13 million.
2. Percentages may not sum to totals due to rounding.
Source: Metropolitan Airports Commission
Note: Totals may not add due to rounding.

Net Assets by Business Type Activities--2001-2009
(Dollars in Thousands)-Unaudited

Business Type Activities	2001	2002	2003	2004	2005	2006	2007	2008 (As Restated)	2009
Invested in capital assets, net of related debt	$572,551	$965,567	$1,051,268	$1,055,827	$1,078,276	$1,077,822	$1,083,959	$1,097,417	$1,146,633
Restricted	408,773	112,688	63,081	92,723	109,022	146,742	189,224	272,695	252,975
Unrestricted	46,671	40,122	51,497	76,105	109,364	127,614	131,079	153,418	159,335
Total business type activities	$ 1,027,995	$ 1,118,377	$ 1,165,846	$ 1,224,655	$ 1,296,662	$ 1,352,178	$ 1,404,262	$ 1,523,530	$ 1,558,943

Source: Audit reports for the last eight years
GASB No. 34, "Basic Financial Statements and Management's Discussion and Anlaysis for State and Local Governments" was effective in 2001, therefore years prior to 2001 are not available.

Northwest Airlines /Delta Revenue as a Percentage of Total MAC Operating Revenues
2000-2009 (dollars in thousands)-Unaudited

	2000	2001	2002	2003	2004	2005	2006	2007	2008 - 3	2009 - 3
Total MAC Operating Revenues	$ 163,414	$ 171,795	$ 170,611	$168,182	$196,141	$228,476	$224,127	$238,251	$241,554	$240,875
Lease Principal/Interest Payments	33,823	33,567	35,290	34,899	35,744	35,319	37,014	36,246	36,277	38,430
Interest Income-MAC Funds-1	24,572	28,958	19,589	5,524	7,116	14,426	24,474	31,628	21,318	5,193
Total Revenue	221,809	234,320	225,490	208,605	239,001	278,221	285,615	306,125	299,149	284,498
Delta Portion of Operating Revenues-2	47,516	52,316	51,858	44,391	52,892	60,004	52,265	55,080	62,970	66,503
Delta Portion of Lease Payments	31,865	31,608	32,692	30,477	30,760	30,890	31,301	31,605	31,875	32,127
Total Delta Revenue	79,381	83,924	84,550	74,868	83,652	90,894	83,566	86,685	94,845	98,630
Delta % of Total Revenue	**35.79%**	**35.82%**	**37.50%**	**35.89%**	**35.00%**	**32.67%**	**29.26%**	**28.32%**	**31.70%**	**34.67%**
Total Revenue	$ 221,809	$ 234,320	$ 225,490	$208,605	$239,001	$278,221	$285,615	$306,125	$299,149	$284,498
Less: Delta GO 9/15 Lease Payments	23,960	23,960	26,252	24,018	24,348	24,648	24,931	25,222	25,413	25,721
Total Adjusted Revenue	197,849	210,360	199,238	184,587	214,653	253,573	260,684	280,903	273,736	258,777
Total Delta Revenue	79,381	83,924	84,550	74,868	83,652	90,894	83,566	86,685	94,845	98,630
Less: Delta GO 9/15 Lease Payments	23,960	23,960	26,252	24,018	24,348	24,648	24,931	25,222	25,413	25,721
Total Adjusted Delta Revenue	55,421	59,964	58,298	50,850	59,304	66,246	58,635	61,463	69,432	72,909
Delta % of Total Revenue	**28.01%**	**28.51%**	**29.26%**	**27.55%**	**27.63%**	**26.13%**	**22.49%**	**21.88%**	**25.36%**	**28.17%**

Delta Revenue as a Percentage of Total Airline Revenues
2000-2009 (dollars in thousands)-Unaudited

Total Air Carrier Operating Revenue	$ 66,343	$ 71,225	$ 69,518	$ 59,504	$ 72,122	$ 82,720	$ 70,544	$ 76,131	$ 81,015	$ 83,052
Air Carrier Lease Payments	32,812	32,555	33,609	32,875	33,587	33,678	34,364	34,231	34,262	36,188
Total Air Carrier Revenue	99,155	103,780	103,127	92,379	105,709	116,398	104,908	110,362	115,277	119,240
Total Delta Revenue	79,381	83,924	84,550	74,868	83,652	90,894	83,566	86,685	94,845	98,630
Delta % of Total Air Carrier Revenue	**80.06%**	**80.87%**	**81.99%**	**81.04%**	**79.13%**	**78.09%**	**79.66%**	**78.55%**	**82.28%**	**82.72%**
Total Air Carrier Revenue	$ 99,155	$ 103,780	$ 103,127	$ 92,379	$105,709	$116,398	$104,908	$110,362	$115,277	$119,240
Less: Delta GO 9/15 Lease Payments	23,960	23,960	26,252	24,018	24,348	24,648	24,931	25,222	25,413	25,721
Total Adjusted Air Carrier Revenue	75,195	79,820	76,875	68,361	81,361	91,750	79,977	85,140	89,864	93,519
Total Delta Revenue	79,381	83,924	84,550	74,868	83,652	90,894	83,566	86,685	94,845	98,630
Less: Delta GO 9/15 Lease Payments	23,960	23,960	26,252	24,018	24,348	24,648	24,931	25,222	25,413	25,721
Total Adjusted Delta Revenue	55,421	59,964	58,298	50,850	59,304	66,246	58,635	61,463	69,432	72,909
Delta % of Total Air Carrier Revenue	**73.70%**	**75.12%**	**75.83%**	**74.38%**	**72.89%**	**72.20%**	**73.31%**	**72.19%**	**77.26%**	**77.96%**

1- Does not include interest income earned on PFC's, which are not available to pay debt service on Delta's obligations
2- In 2003, revenues are net of Delta's portion of $13 million rebate.
3- In 2008-2009, Delta's revenues are combined with NWA's revenues as a result of a merger.

Source: Metropolitan Airports Commission

Top 10 Revenue Providers--unaudited
2009 and 2000

Company	2009 Rank	2000 Rank
Northwest/Delta Airlines	1	1
HMS Host	2	2
Minnesota Retail Partners	3	
Hertz	4	3
National/Alamo Car Rental-1	5	5,8
Avis	6	4
Sun Country Airlines	7	10
Enterprise Rent A Car	8	
United Airlines	9	7
American Airlines	10	
Signature Flight Support		6
Budget Rent A Car		9

1. In 2000 Alamo and National Car Rental were separate companies.

Source:
Comprehensive Annual Financial Report 2000 and 2009

Air Carrier Market Share
Total Revenue Enplaned Passengers[1]
Minneapolis - St. Paul International Airport
(For the 12 months ended December 31)
Ranked on Year 2009 Results
2000- 2009

Unaudited

2009 Ranking	Air Carrier	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2009 % of Total [2]
1	NWA/Delta	12,334,691	12,287,029	12,047,456	12,098,750	12,904,363	12,780,697	11,946,378	11,489,712	10,274,202	8,967,602	57.67%
2	Mesaba Aviation [3]	1,261,971	685,843	591,396	572,557	551,521	539,388	431,668	547,608	1,303,619	1,577,271	10.14%
3	Compass [3]								68,174	620,165	905,487	5.82%
4	Pinnacle [3]		75,105	384,480	585,202	970,567	1,187,110	1,223,597	1,271,310	865,941	722,510	4.65%
5	American	365,665	369,345	463,331	410,688	347,618	462,914	476,228	589,989	571,930	508,470	3.27%
6	Sun Country	708,952	612,881	138,220	377,604	508,405	728,513	726,359	752,691	640,902	496,622	3.19%
7	United	491,166	474,913	508,578	516,389	507,724	489,899	559,618	555,520	488,566	470,403	3.02%
8	US Airways	236,887	204,853	219,948	161,198	131,951	57,764	21,625	174,910	389,052	455,163	2.93%
9	Southwest										283,986	1.83%
10	Air Tran Airways					168,227	149,844	290,390	316,667	256,310	247,834	1.59%
11	Frontier					126,434	120,962	123,056	132,633	164,798	183,393	1.18%
12	Continental Express										130,794	0.84%
13	Alaska Airlines										91,064	0.59%
14	Continental	193,224	198,313	253,562	235,088	222,114	240,622	250,502	169,853	119,994	83,999	0.54%
15	Midwest								66,215	67,032	79,803	0.51%
16	Skywest								113,853	98,574	26,549	0.17%
17	Atlantic Southeast							129,609	47,472	22,269	1,799	0.01%
	Champion							113,849	73,790	25,898	-	0.00%
	America West	141,591	149,416	198,307	228,452	244,176	279,965	298,126	193,185	-		0.00%
	Ryan Int'l							32,607	7,768	-		0.00%
	American Trans Air	179,274	153,772	198,855	217,689	238,073	207,414					0.00%
	Omni Air Express	134,894	109,446	107,222								0.00%
	KLM Royal Dutch [a]	114,853	62,212									0.00%
	Other	530,152	636,012	653,417	698,577	676,466	739,219	554,695	397,734	475,020	318,385	2.05%
		16,693,320	16,019,140	15,764,772	16,102,194	17,597,639	17,984,311	17,178,307	16,969,084	16,384,272	15,551,134	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, Pinnacle Airlines (formerly Express Airlines I), which commenced its operations at MSP International Airport in July 2001.
[a] -Codeshare with NWA/Delta. No activity at MSP International Airport since 2002.

Sources: DOT, Schedules T-3, T-100 and 298C T-1; Metropolitan Airports Commission and John F. Brown Company, Inc.

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

Enplaned Passenger Trends
Minneapolis - St. Paul International Airport
(For the 12 months ended December 31)
2000-2009

Unaudited

	Originating		Connecting			% Change
Year	Enplaned Passengers [1]	% of Total	Enplaned Passengers [1]	% of Total	Total	from Previous Year
2000	8,388,905	49.6	8,532,690	50.4	16,921,595	8.18
2001	7,992,507	47.6	8,798,475	52.4	16,790,982	(0.77)
2002	7,503,690	46.0	8,808,680	54.0	16,312,370	(2.85)
2003	7,533,434	45.5	9,023,564	54.5	16,556,998	1.50
2004	7,954,133	45.2	9,643,506	54.8	17,597,639	6.29
2005	8,193,652	45.6	9,790,659	54.4	17,984,311	2.20
2006	10,066,488	58.6	7,111,819	41.4	17,178,307	(4.48)
2007	9,943,883	58.6	7,025,201	41.4	16,969,084	(1.22)
2008	8,355,979	51.0	8,028,293	49.0	16,384,272	(3.45)
2009	8,318,949	53.5	7,232,185	46.5	15,551,134	(5.08)

Average Annual Compound Growth

2000-2009	-0.08%		-1.64%		-0.84%	

Sources: DOT, Schedules T-100 and T-3, DOT, Air Passenger Origin - Destination Survey, reconciled to Schedules T-100 and 298C T-1; John F. Brown Company, Inc.

Notes: [1] -Includes passengers who connected to domestic flights at MSP but who 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 the MSP.

Air Carrier Market Share
Total Enplaned Cargo (in tons)
Minneapolis - St. Paul International Airport
(For the 12 months ended December 31)
2000-2009

Unaudited

2009 Ranking	Air Carrier	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2009 % of Total [1]
1	Federal Express	50,119.8	49,222.6	71,564.1	87,380.5	84,255.1	77,531.7	74,311.2	72,391.0	65,700.1	52,480.1	51.1%
2	UPS	26,058.0	24,357.7	26,373.7	26,038.9	29,408.3	30,884.8	31,048.6	31,933.9	28,495.6	26,514.7	25.8%
3	Northwest/Delta	75,152.3	68,856.3	47,982.0	30,462.7	19,537.4	21,673.7	20,379.9	20,120.6	18,119.2	14,041.5	13.7%
4	ATI/BAX Global	-	-	-	-	4,179.8	5,263.9	4,994.2	4,235.1	2,193.9	4,222.7	4.1%
5	US Airways	1,433.8	1,643.3	1,288.5	781.1	418.7	108.1	108.1	242.5	1,127.5	1,114.7	1.1%
6	Sun Country	3,014.0	1,692.6	134.1	465.6	415.4	2,199.6	2,372.9	2,402.8	1,721.7	946.5	0.9%
7	United	2,940.0	1,652.8	946.9	1,198.0	1,282.2	1,209.1	571.5	173.8	459.1	877.2	0.9%
8	Mesaba									422.4	661.7	0.6%
9	Airborne	6,428.9	7,619.4	7,427.9	7,168.2	6,810.0	4,915.5	114.8	857.1	1,853.2	506.6	0.5%
10	American	3,198.2	1,518.3	1,150.6	997.6	1,543.9	934.9	985.1	946.3	1,052.4	440.2	0.4%
11	Other	6,053.3	4,271.8	5,693.3	5,956.0	1,413.2	1,499.0	640.0	310.0	725.1	419.5	0.4%
12	Continental	1,871.1	1,512.1	677.4	469.6	662.0	373.4	431.0	346.4	519.4	289.7	0.3%
13	Southwest										204.9	0.2%
14	DHL	2,430.7	2,014.3	2,446.2	6,117.7	4,507.1	4,161.6	7,654.9	5,668.8	4,057.3	17.6	0.0%
15	Midwest	-	-	-	-	-	-	-	326.4	239.9	8.9	0.0%
	Kitty Hawk/AIA*	1,668.6	3,585.6	2,265.1	2,659.5	2,697.4	3,665.6	2,730.8	970.6	-	-	0.0%
	America West							411.1	257.0	-	-	0.0%
	Emery Worldwide [3]	26,133.6	17,662.6	4,913.2	4,886.9	4,358.2	4,196.5	1,757.2	-	-	-	0.0%
	KLM Royal Dutch	2,455.9	1,029.9	-	-	480.0	-	-	-	-	-	0.0%
	Trans World [2]	1,365.3	616.2	-	-	-	-	-	-	-	-	0.0%
		210,323.6	187,255.5	172,863.2	174,582.4	161,968.7	158,617.4	148,511.3	141,182.3	126,686.8	102,746.5	100.0%

*American International Airways.

[1] Percentages may not sum to totals due to rounding.

[2] Filed for bankruptcy protection on January 9, 2001 and merged with American Airlines on December 2, 2001.

[3] New name: UPS Supply Chain Solutions.

Source: Metropolitan Airports Commission.

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

Statistical Section

Enplaned Cargo Trends
Minneapolis - St. Paul International Airport
(For the 12 months ended December 31)
2000-2009
Unaudited

(Freight and mail in thousands of tons)

Type of Carrier	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	AAG 2000-09
Passenger	93.3	79.8	53.3	35.8	25.4	28.0	25.9	25.1	24.2	19.0	-14.7%
All Cargo	117.0	107.4	119.6	138.8	136.6	130.6	122.6	116.1	102.5	83.7	-3.3%
Total	210.32	187.26	172.86	174.58	161.97	158.62	148.51	141.18	126.69	102.75	-6.9%

Source: Metropolitan Airports Commission.
Note: AAG=Average annual compound growth

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

Statistical Section

Trends in Enplaned Cargo by Type of Carrier
Minneapolis - St. Paul International Airport
(For the 12 months ended December 31)
2000-2009
Unaudited
(Freight and mail in tons)

	Passenger Carriers		All Cargo Carriers		
Year	Tons	% of Total	Tons	% of Total	Total Cargo
2000	93,345	44.4	116,979	55.6	210,324
2001	79,832	42.6	107,423	57.4	187,255
2002	53,292	30.8	119,571	69.2	172,863
2003	35,754	20.5	138,829	79.5	174,583
2004	25,353	15.7	136,616	84.3	161,969
2005	27,992	17.6	130,625	82.4	158,617
2006	25,900	17.4	122,611	82.6	148,511
2007	25,124	17.8	116,058	82.2	141,182
2008	24,179	19.1	102,508	80.9	126,687
2009	19,004	18.5	83,742	81.5	102,746
Average Annual Compound Growth					
2000-2009	-14.7%		-3.3%		-6.9%

Source: Metropolitan Airports Commission.

Trends in Enplaned Cargo by Freight & Mail
Minneapolis - St. Paul International Airport
(For the 12 months ended December 31)
2000-2009
Unaudited

(Freight and mail in tons)

	Freight/Express		Mail		
Year	Tons	% of Total	Tons	% of Total	Total Cargo
2000	140,760	66.9	69,563	33.1	210,323
2001	123,406	65.9	63,849	34.1	187,255
2002	138,515	80.1	34,348	19.9	172,863
2003	153,630	88.0	20,952	12.0	174,582
2004	156,795	96.8	5,174	3.2	161,969
2005	153,548	96.8	5,070	3.2	158,618
2006	143,753	96.8	4,758	3.2	148,511
2007	136,511	96.7	4,671	3.3	141,182
2008	121,037	95.5	5,650	4.5	126,687
2009	98,493	95.9	4,253	4.1	102,746
Average Annual Compound Growth					
2000-2009	-3.5%		-24.4%		-6.9%

Source: Metropolitan Airports Commission.

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

Statistical Section

Rate Covenant for Senior Debt 2000-2009
(Dollars in Thousands)-Unaudited

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues per Master Trust Indenture	$ 206,304	$ 213,575	$ 211,452	$ 207,057	$ 239,397	$ 273,303	$ 275,650	$ 294,220	$ 293,076	$ 289,925
Expenses:										
Operating Expenses	(132,050)	(157,980)	(157,196)	(176,240)	(185,069)	(206,791)	(223,063)	(239,971)	(244,734)	(246,493)
Add: Depreciation	51,028	65,647	72,871	79,399	83,273	93,566	111,429	115,329	117,999	123,060
Amount paid from non-revenue sources	-	-	-	13,000	-	-	-	-	-	-
Total Operating Expenses-Excluding Depreciation	(81,022)	(92,333)	(84,325)	(83,841)	(101,796)	(113,225)	(111,634)	(124,642)	(126,735)	(123,433)
Airport Improvement Bonds-Prior Lien Bonds	(660)	-	-	-	-	-	-	-	-	-
Net Revenues	124,622	121,242	127,127	123,216	137,601	160,078	164,016	169,578	166,341	166,492
Annual Debt Service-Senior Airport Revenue Bonds	(26,314)	(46,738)	(59,965)	(56,364)	(54,851)	(50,384)	(48,212)	(46,685)	(46,321)	(45,887)
Annual Debt Service-General Obligation Revenue Bonds	(37,766)	(39,673)	(33,867)	(33,901)	(33,211)	(31,899)	(32,165)	(32,276)	(32,542)	(32,797)
Principal and Interest on other Indebtedness-1	(656)	(2,182)	(4,944)	(16,062)	(15,638)	(20,201)	(25,523)	(32,085)	(33,239)	(37,088)
Must not be Less than Zero	**59,886**	**32,649**	**28,351**	**16,889**	**33,901**	**57,594**	**58,116**	**58,532**	**54,239**	**50,720**
Requirement Section										
Net Revenues	124,622	121,242	127,127	123,216	137,601	160,078	164,016	169,578	166,341	166,492
Transfer-Coverage-2	-	4,083	6,350	14,091	13,713	12,596	12,053	11,671	11,580	11,472
Total Available	124,622	125,325	133,477	137,307	151,314	172,674	176,069	181,249	177,921	177,964
Senior Debt Service times 125%-3	(32,893)	(58,423)	(74,956)	(70,455)	(68,564)	(62,980)	(60,265)	(58,356)	(57,901)	(57,359)
Must not be Less than Zero	**91,730**	**66,903**	**58,521**	**66,852**	**82,750**	**109,694**	**115,804**	**122,893**	**120,020**	**120,605**
Pro Forma Coverage on Senior Lien Debt										
Net Revenues	124,622	121,242	127,127	123,216	137,601	160,078	164,016	169,578	166,341	166,492
Transfer-Coverage-2	-	4,083	6,350	14,091	13,713	12,596	12,053	11,671	11,580	11,472
Total Available	124,622	125,325	133,477	137,307	151,314	172,674	176,069	181,249	177,921	177,964
Annual Debt Service-Senior Airport Revenue Bonds	(26,314)	(46,738)	(59,965)	(56,364)	(54,851)	(50,384)	(48,212)	(46,685)	(46,321)	(45,887)
Annual Debt Service-General Obligation Revenue Bonds	(37,766)	(39,673)	(33,867)	(33,901)	(33,211)	(31,899)	(32,165)	(32,276)	(32,542)	(32,797)
Total Debt Service-Senior Lien Debt	(64,080)	(86,411)	(93,832)	(90,265)	(88,062)	(82,283)	(80,377)	(78,961)	(78,863)	(78,684)
Coverage with Transfer	**194%**	**145%**	**142%**	**152%**	**172%**	**210%**	**219%**	**230%**	**226%**	**226%**
Coverage without Transfer	**194%**	**140%**	**135%**	**137%**	**156%**	**195%**	**204%**	**215%**	**211%**	**212%**

Source: Metropolitan Airports Commission

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.

Rate Covenant for Subordinate Lien Debt 2000-2009
(Dollars in Thousands)-Unaudited

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues per Master Trust Indenture	$ 206,304	$ 2,213,575	$ 211,452	$ 207,057	$ 239,397	$ 273,303	$ 275,650	$ 294,220	$ 293,076	$ 289,925
Expenses:										
Operating Expenses	(132,050)	(157,980)	(157,196)	(176,240)	(185,069)	(206,791)	(223,063)	(239,971)	(244,734)	(246,493)
Add: Depreciation	51,028	65,647	72,871	79,399	83,273	93,566	111,429	115,329	117,999	123,060
Amount paid from non-revenue sources	-	-	-	13,000	-	-	-	-	-	-
Total Operating Expenses-Excluding Depreciation	(81,022)	(92,333)	(84,325)	(83,841)	(101,796)	(113,225)	(111,634)	(124,642)	(126,735)	(123,433)
Annual Debt Service-Senior Airport Revenue Bonds	(26,314)	(46,738)	(59,965)	(56,364)	(54,851)	(50,384)	(48,212)	(46,685)	(46,321)	(45,887)
Annual Debt Service-General Obligation Revenue Bonds	(37,766)	(39,673)	(33,867)	(33,901)	(33,211)	(31,899)	(32,165)	(32,276)	(32,542)	(32,797)
Airport Improvement Bonds-Prior Lien Bonds	(660)	-	-	-	-	-	-	-	-	-
Subordinate Revenues	60,542	34,831	33,295	32,951	49,539	77,795	83,639	90,617	87,478	87,808
Principal and Interest on Subordinate Bonds	(656)	(2,182)	(4,944)	(16,062)	(15,638)	(20,201)	(25,523)	(32,085)	(33,239)	(37,088)
Must not be Less than Zero	**59,886**	**32,649**	**28,351**	**16,889**	**33,901**	**57,594**	**58,116**	**58,532**	**54,239**	**50,720**
Requirement Section										
Subordinate Revenues	60,542	34,831	33,295	32,951	49,539	77,795	83,639	90,617	87,478	87,808
Transfer-1	66	218	494	1,606	1,564	2,020	2,552	3,209	3,324	3,709
Total Available	60,608	35,049	33,789	34,557	51,103	79,815	86,191	93,826	90,802	91,517
Outstanding Subordinate Debt Service Times 110%-2	(722)	(2,400)	(5,439)	(17,668)	(17,202)	(22,221)	(28,075)	(35,294)	(36,563)	(40,797)
Must not be Less than Zero	**59,886**	**32,649**	**28,351**	**16,889**	**33,901**	**57,594**	**58,116**	**58,532**	**54,239**	**50,720**
Pro Forma Coverage on Subordinate Lien Debt										
Subordinate Revenues	60,542	34,831	33,295	32,951	49,539	77,795	83,639	90,617	87,478	87,808
Principal and Interest on Subordinate Bonds-2	656	2,182	4,944	16,062	15,638	20,201	25,523	32,085	33,239	37,088
Coverage without Transfer	**9229%**	**1596%**	**673%**	**205%**	**317%**	**385%**	**328%**	**282%**	**263%**	**237%**
Pro Forma Coverage on Senior and Subordinate Lien Debt										
Net Revenues	124,622	121,242	127,127	123,216	137,601	160,078	164,016	169,578	166,341	166,492
Total Debt Service-Senior and Subordinate Debt	64,736	88,593	98,777	106,327	103,700	102,484	105,900	111,046	112,102	115,772
Coverage without Transfer	**193%**	**137%**	**129%**	**116%**	**133%**	**156%**	**155%**	**153%**	**148%**	**144%**

Source: Metropolitan Airports Commission
1. Transfer is limited to no more than 10% of Aggregate Annual Debt Service on Outstanding Subordinate Airport Revnue Bonds.
2. Using Annual Debt Service on Subordinate Airport Revenue Bonds.

Operating Ratio (in thousands of dollars) -1 Unaudited

Year		Operating Expenses-2		Operating Revenues	Operating Ratio
2000	$	81,022	$	163,414	50%
2001		92,333		171,795	54%
2002		84,325		170,611	49%
2003		96,841		168,182	58%
2004		101,796		196,141	52%
2005		113,225		228,476	50%
2006		111,634		224,127	50%
2007		124,642		238,251	52%
2008		126,735		241,554	52%
2009		123,433		240,875	51%

1. Operating ratio is operating expenses, net of depreciation divided by total operating revenues.
2. Operating expenses exclude depreciation.
Source: Metropolitan Airports Commission

General Airport Revenue Bonded Debt per Enplaned Passenger

Unaudited

Year	General Airport Revenue Bonds Outstanding	Enplaned Passengers	Debt per Enplaned Passenger
2000	818,505,000	16,693,320	49.03
2001	1,264,535,000	16,019,140	78.94
2002	1,255,585,000	15,764,772	79.64
2003	1,339,695,000	16,102,194	83.20
2004	1,430,105,000	17,597,639	81.27
2005	1,665,105,000	17,984,311	92.59
2006	1,641,200,000	17,178,307	95.54
2007	1,613,950,000	16,969,084	95.11
2008	1,481,040,000	16,384,272	90.39
2009	1,438,895,000	15,551,134	92.53

Source: Metropolitan Airports Commission

Population

Unaudited--(in thousands) Year	Minnesota	MSA	% of Total
2000	4,934	2,981	60%
2001	4,986	3,024	61%
2002	5,025	3,055	61%
2003	5,059	3,082	61%
2004	5,094	3,112	61%
2005	5,127	3,141	61%
2006	5,167	3,172	61%
2007	5,198	3,208	62%
2008	5,220	3,230	62%
2009	N/A	N/A	

MSA is defined as Metropolitan Statistical Area

Civilian Unemployment Rate

Unaudited Year	United States	Minnesota	MSA
2000	4.0%	3.1%	2.7%
2001	4.7%	3.8%	3.5%
2002	5.8%	4.5%	4.4%
2003	6.0%	4.9%	4.6%
2004	5.6%	4.6%	4.3%
2005	5.1%	4.2%	3.8%
2006	4.6%	4.0%	3.7%
2007	4.6%	4.6%	4.3%
2008	7.2%	6.8%	6.4%
2009	9.7%	7.3%	7.2%

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

	Personal Income-(in millions)		
Unaudited Year	**Minnesota**	**MSA**	**% of Total**
2000	157,964	109,818	70%
2001	162,578	113,012	70%
2002	166,968	115,607	69%
2003	173,498	119,628	69%
2004	184,225	127,315	69%
2005	193,938	132,210	68%
2006	205,803	140,158	68%
2007	216,436	149,496	69%
2008	224,671	154,593	69%
2009	221,121	N/A	

MSA is defined as Metropolitan Statistical Area

	Per Capita Personal Income	
Unaudited Year	**Minnesota**	**MSA**
2000	32,014	36,833
2001	32,608	37,367
2002	33,230	37,839
2003	34,295	38,815
2004	36,163	40,915
2005	37,991	42,091
2006	40,015	44,295
2007	41,764	46,752
2008	43,037	47,863
2009	N/A	N/A

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

Minnesota's Largest 10 Employers ranked by in-state employees **Unaudited**
2009 and 2000

Company	2009 Employees	Rank	% of Total Employment	2000 Employees	Rank	% of Total Employment
State of Minnesota	53,729	1	2.00%	53,371	1	2.14%
Mayo Foundation	37,000	2	1.38%	32,531	4	1.30%
United States Federal Government	33,000	3	1.23%	34,806	3	1.40%
Target Corporation	29,000	4	1.08%	35,047	2	1.41%
Allina Health System	23,818	5	0.89%	22,534	6	0.90%
Fairview Health Services	21,507	7	0.80%	18,254	8	0.73%
Wells Fargo & Co.	20,613	6	0.77%	14,087	10	0.57%
Wal-Mart Stores, Inc.	20,230	8	0.75%			
University of Minnesota	19,718	9	0.73%	31,740	5	1.27%
3M Co.	15,000	10	0.56%	18,179	9	0.73%
Northwest Airlines	-			21,395	7	0.86%
	-					
	-					
Total	273,615			281,944		
Total Nonfarm employment	**2,687,740**			**2,493,169**		

Sources:
Minnesota Business Journal Book of Lists--12/25/2009
Minnesota Department of Employment and Economic Development

2009 Employment Share by Industry

Unaudited

Industry Sector	**Minnesota**	**MSA**
Education and Health Services	17.4%	15.7%
Trade, Transportation and Utilities	19.1%	18.7%
Manufacturing	11.0%	10.4%
Professional and Business Services	11.5%	14.3%
Leisure and Hospitality	8.6%	9.1%
Financial Activities	6.6%	8.0%
Public Administration	15.9%	14.0%
Construction	3.3%	2.9%
Other Services	4.3%	4.6%
Information	2.1%	2.4%
Natural Resources and Mining	0.2%	0.0%
	100.0%	100.0%

Minnesota Department of Employment and Economic Development
Prior years information not available

Activity Statistics for Minneapolis-St. Paul International Airport--Unaudited

Year	Total Passengers-1	Aircraft Operations-2	Mail and Cargo Volumes (Metric Tons)
2000	35,065,688	523,170	369,888
2001	32,186,486	501,522	340,027
2002	31,527,760	507,669	320,148
2003	32,306,884	512,588	317,230
2004	35,786,634	541,093	300,969
2005	36,678,868	532,240	283,450
2006	34,580,769	475,668	275,451
2007	34,108,743	452,972	257,691
2008	32,917,480	450,044	253,374
2009	31,273,224	432,395	209,097

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.

Source: Metropolitan Airports Commission

Historical Aircraft Operations-[2]
Minneapolis - St. Paul International Airport
(For the 12 months ended December 31)
2000-2009

Unaudited

Year	Air Carrier Operations	Commuter Operations	Cargo Operations	Total Commercial Operations [1]	Percent Commercial Operations [1]	General Aviation Operations	Military Operations	Total Operations
2000	355,269	89,105	18,247	462,621	88.43%	58,076	2,473	523,170
2001	353,661	81,661	17,077	452,399	90.21%	45,943	3,180	501,522
2002	350,625	95,248	14,974	460,847	90.78%	44,279	2,543	507,669
2003	349,709	104,931	16,579	471,219	92.27%	37,594	1,856	510,669
2004	347,605	135,785	16,709	500,099	92.42%	39,018	1,976	541,093
2005	329,956	146,400	17,182	493,538	92.73%	36,472	2,230	532,240
2006	283,844	135,286	16,355	435,485	91.68%	37,473	2,040	474,998
2007	263,816	141,013	15,292	420,121	92.75%	30,562	2,289	452,972
2008	226,646	176,237	14,361	417,244	92.71%	30,685	2,115	450,044
2009	211,085	183,911	11,146	406,142	93.93%	24,361	1,892	432,395

[1] Commercial Operations equal Air Carrier, Commuter, and Cargo Operations.
Source: Metropolitan Airports Commission

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

Trends in Aircraft Landed Weight of Signatory Airlines
Minneapolis - St. Paul International Airport
(For the 12 months ended December 31)
2000-2009

Unaudited

Type of Air Carrier

(In thousands of pounds)

Year	Passengers	All Cargo	Total Landed Weight
2000	26,148,148	996,062	27,144,210
2001	24,997,277	1,013,024	26,010,301
2002	23,976,903	1,142,126	25,119,029
2003	24,099,071	1,224,669	25,323,740
2004	25,532,738	1,030,214	26,562,952
2005	24,663,179	1,217,140	25,880,319
2006	22,266,525	1,174,305	23,440,830
2007	21,846,071	1,152,231	22,998,302
2008	21,047,357	1,095,773	22,143,130
2009 [1]	20,352,347	918,453	21,270,800

[1] In 2009, NWA/Delta's activity represented approximately 72% of the total landed weight at the Airport.

Source: Metropolitan Airports Commission

Employee Counts-2000-2009-[1] **Unaudited**

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Mpls Employees Retirement Fund	45	40	30	23	21	13	8	6	5	4
Public Employee Retirement Association	449	505	513	509	521	552	566	558	570	564
	494	545	543	532	542	565	574	564	575	568

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-Unaudited

2000-2009

(Dollars and Passengers in thousands)

	2000	2001	2002	2003-2	2004	2005	2006[3]	2007	2008	2009
Total Cost-1	$ 72,455	$ 77,209	$ 76,983	$ 66,741	$ 80,053	$ 92,818	$ 82,242	$ 88,454	$ 91,908	$ 94,003
Enplaned Passengers	17,527	16,027	15,765	16,102	17,598	17,984	17,178	16,969	16,384	15,551
Airline Cost per Enplaned Passenger	$ 4.13	$ 4.82	$ 4.88	$ 4.14	$ 4.55	$ 5.16	$ 4.79	$ 5.21	$ 5.61	$ 6.04

1. Cost is defined as airline payments made to the Commission for expenses incurred in the airfield, Lindbergh and HHH Terminals.
2. Includes a one-time airline rent rebate of $13 million
3. In 2006 and beyond, the figures represent an amended airline use agreement.

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

Statistical Section

Schedule of Airline Rates and Charges-Unaudited

Year	Landing Fee Per 1000 Lbs	Ramp Fees Per Lineal Foot	Common Use/ Square Foot	Finished per Square Foot	Finished Janitored per Square Foot	Unfinished per Square Foot
2000	1.40	588.74	38.48	38.48	42.74	38.48
2001	1.50	581.36	41.88	41.88	47.34	41.88
2002	1.59	453.95	38.06	38.06	42.27	38.06
2003	1.55	460.68	39.87	39.87	45.10	39.87
2004	1.40	457.30	43.54	43.54	49.35	43.54
2005	1.71	498.26	48.20	48.20	53.85	48.20
2006	1.65	429.73	47.39	47.39	53.29	47.39
2007	1.94	458.87	50.24	50.24	56.42	50.24
2008	2.11	502.98	52.88	52.88	59.58	52.88
2009	2.27	581.93	50.67	50.67	57.43	50.67

In 2006, the schedule of airline rates and charges reflects an amended airline agreement calculation.

Source: Metropolitan Airports Commission

Operations at the Reliever Airports-(Unaudited)

Year	St. Paul Downtown Airport	Flying Cloud Airport	Crystal Airport	Anoka County Blaine Airport	Lake Elmo Airport	Airlake Airport
2000	157,788	186,078	176,554	156,546	70,687	76,418
2001	142,794	185,593	156,801	136,892	64,962	70,229
2002	171,628	176,408	127,095	138,935	64,529	69,176
2003	131,794	155,837	98,612	132,144	54,205	58,108
2004	127,478	163,196	75,023	109,853	49,855	53,309
2005	129,814	157,710	72,205	101,267	48,329	51,678
2006	125,669	144,178	65,528	92,947	44,903	48,014
2007	117,535	117,492	53,038	80,508	38,617	41,292
2008	110,846	119,139	48,877	69,406	37,612	39,021
2009	91,507	117,180	42,311	68,534	34,509	35,802

Source: Metropolitan Airports Commission

AIR CARRIERS SERVING THE AIRPORT[a]
MINNEAPOLIS-ST. PAUL INTERNATIONAL AIRPORT

(As of December 31, 2009) (Unaudited)

U.S. – FLAG CARRIERS

SCHEDULED SERVICES

AirTran *	Air Wisconsin[1]	Alaska Airlines* [2]
American *	Atlantic Southeast * [3]	Chautauqua *
Comair * [3, 4]	Continental *	Delta * [5]
Frontier *	Mesa * [7]	Midwest Airlines *
MN Airlines dba Sun Country *	Northwest * [8]	Pinnacle *[9]
Republic Airlines * [6]	Shuttle America [1]	Sky West * [1]
Southwest [14]	Transtate [15]	United * [10]
US Airways * [6]	Freedom [16]	

NON-SCHEDULED (CHARTER) SERVICES

Ryan International *	Omni Air International *

ALL-CARGO SERVICES

A Star Air Cargo * [11]	ATI *[12]	Bemidji *
DHL Airways * [11]	FedEx *	Mountain Air Cargo
UPS *		

FOREIGN-FLAG CARRIERS

Jazz Air, LP. dba Air Canada * [13]	Icelandair *

* Denotes those Air Carriers that are Signatory Airlines to the Airline Lease Agreements.
[a] Excludes carriers reporting fewer than 1,000 enplaned passengers.
[1] Flies for United Airlines.
[2] Commenced its operations at MSP Airport in October 2008.
[3] Codeshare with Delta Air Lines.
[4] Filed for bankruptcy on 9/14/05 along with its parent company Delta Air Lines. Both carriers exited bankruptcy on April 30, 2007.
[5] Filed for bankruptcy protection on 9/14/05. DAL emerged from bankruptcy on April 30, 2007 along with Comair. DAL's plans to merge with NWA were officially approved by the U.S. Department of Justice on October 29, 2008. Both announced plans to merge in April 2009.
[6] Codeshare with US Airways.
[7] Wholly owned by Northwest Airlines (NWA) after Mesaba emerged from bankruptcy protection on April 30, 2007. It had filed for bankruptcy on October 13, 2005. Its operations were included in NWA and reported by NWA starting 2008.
[8] Filed for bankruptcy on 9/14/05 and emerged from bankruptcy on May 31, 2007. Also, refer to note 5 above.
[9] Wholly owned by Northwest Airlines.
[10] United filed for bankruptcy on December 9, 2002. Emerged from bankruptcy on February 1, 2006.
[11] ABX Air provides air service to DHL.
[12] Provides air service to BAX Global.
[13] Air Canada filed for bankruptcy protection on April 1, 2003. Emerged from bankruptcy on September 30, 2004 after 18 months in protection.
[14] Commended its operations at MSP International Airport, Humphrey Terminal on March 8, 2009.
[15] Operates as a feeder carrier for American Airlines in 2009.
[16] A wholly-owned subsidiary of Mesa Air Group, Inc. began service for Delta Air Lines as a Delta Connection carriers.

Sources: Metropolitan Airports Commission; DOT, Schedule T-3.

INSURANCE COVERAGE (Unaudited)

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

Year ended December 31, 2009

Insurer	Expiration	Coverage	Policy Limits (Thousands of Dollars)
ACE/USA[1]	1-1-11	General aviation liability including personal injury	$500,000
Alliant	7-1-10	Blanket fire & extended coverage on building and contents. Boiler, machinery	$1,000,000
Self-Insured[2]	Continuous	Statutory workers' compensation	
		Workers' Compensation Reinsurance Association	$430
Great American	6-1-10	Comprehensive Crime Employee/Police Policies	$1,000/$1,000
Minnesota Risk Management Fund	7-1-10	Auto Liability (licensed vehicles), physical damage (all vehicles) hired automobiles, valet parking, inland marine and garage keepers	MN Tort Cap Limits/ value
Minnesota Risk Management Fund	7-1-10	Non-Aviation General Liability	MN Total Cap Limits

[1]Does not include a "War Risk Endorsement."
[2]Funded from current operating revenues of the Commission.

Airport Information
As of December 31, 2009

Terminal Buildings-Sq Ft

	Lindbergh	Humphrey
Airline	662,142	126,515
Concession	190,880	17,271
Garage	155,119	-
Non-Airline	182,902	16,635
Unoccupied	45,429	19,490
Circulation	981,963	97,541
Restrooms	53,513	10,576
MAC/Mechanical	398,873	63,502
International Arrivals	118,474	40,037
Trans Security Agency	48,947	7,936
	2,838,242	399,503

Parking Facilities

Lindbergh Terminal	14,328
Humphrey Terminal	9,935
	24,263

Gates (Aircraft loading positions)

Lindbergh Terminal	117
Humphrey Terminal	10

MINNEAPOLIS/ST. PAUL METROPOLITAN AIRPORTS COMMISSION

Statistical Section

Airport Information
As of December 31, 2009

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
Airlake	
Runway 12-30	4,100 Ft
Anoka County/Blaine	
Runway 9-27	5,000 Ft
Runway 18-36	4,900 Ft
Crystal	
Runway 14L-32R	3,300 Ft
Runway 14R-32L	3,300 Ft
Runway 6L-24R	2,500 Ft
Runway 6R-24L	2,100 Ft
Flying Cloud	
Runway 10R-28L	3,900 Ft
Runway 10L-28R	5,000 Ft
Runway 18-36	2,700 Ft
Lake Elmo	
Runway 14-32	2,900 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.

USER NOTES

This page was intentionally left blank.

This page was intentionally left blank.