Finance Department Update



DULUTH AIRPORT AUTHORITY

October 20, 2026

Updates

- 2027 Draft DLH Rates & Charges Addendum
- 2027 Draft DYT Rates & Charges Addendum
- 2027 Draft Annual Budget

DRAFT 2027 Budget and Rates & Charges



DULUTH AIRPORT AUTHORITY

2027 DRAFT DLH Rates & Charges

Passenger Terminal (Per Square Foot)	Airline Leased Premises - Signatory		$31.06		$34.17	10% Rate Adjustment
	Airline Leased Premises - Non Signatory		$38.83		$42.71	125% of Signatory Rate
	Non-Airline Terminal Tenant Rate		$46.46		$47.86	3% Rate adjustment - CPI
Aircraft Landing Fee (Per 1,000 lbs MGLW)	Signatory Carrier		$2.60		$2.75	6% CPI Adjustment
	Non-Signatory Carrier (125% more)		$3.25		$3.44	125% of Signatory
	All Other Aircraft		$3.25		$3.44	125% of Signatory
	Exemptions: Aircraft operated or chartered by the United States Federal Government or State of Minnesota and non-revenue generating aircraft under 12,500 lbs MGLW are exempt					
Terminal Per Use	Non-Signatory Ticket Counter Per Use Fee		$93.77		$103.15	As determined by Rates & Charges Model
Aircraft Definitions	**Signatory**: Aircraft covered by an Airline Use and Lease Agreement with the DAA or by an agreement with the DAA containing terms and conditions similar with those contained in such an agreement.					
	Non-Signatory: Aircraft using the Airport facilities that are not covered by an Airline Use and Lease Agreement with the DAA and not covered by an agreement with the DAA containing terms and conditions similar with those contained in such an agreement; diverted Airline aircraft not using the Airport Terminal; and commercial air carrier aircraft making regularly scheduled flights to the Airport. Any Non-Signatory aircraft utilizing the terminal must be reported by the ground handler.					
Terminal International	Less than 50,000 lbs. MGLW		$75.00			TBD - Agreement review
	50,001-175,000 lbs. MGLW		$175.00			
	175,001 lbs. MGLW and above		$275.00			
Non-Terminal (FBO) International						
	US Customs Facility (GAF)		$0.00			
Non-Terminal FBO & DAA Ad Hoc (Per 1,000 lbs MGLW)		Per Night		Per Night		
	Category by MGLW (lbs.)	(24 hour period)	Per Month (Calendar)	(24 hour	Per Month (Calendar)	
	12,499 & Under	$19.10	$155.06	$19.67	$159.71	TBD - 3% Rate Adjustment for CPI - Confirming with FBO
	12,500 - 49,999	$80.90	$651.69	$83.33	$671.24	TBD - 3% Rate Adjustment for CPI - Confirming with FBO
	50,000 - 99,999	$161.80	$1,292.14	$166.65	$1,330.90	TBD - 3% Rate Adjustment for CPI - Confirming with FBO
	100,000 & Over	$331.46	$2,646.08	$341.41	$2,725.46	TBD - 3% Rate Adjustment for CPI - Confirming with FBO
Fuel Flowage Fee (Fee Per Gallon) Must have agreement with DAA.	FBO Charged In-to Plane Fee		$0.090		$0.100	Fuel flowage fee adjustment
	FBO Charged Aviation, Heating & Auto Fuel Fee		$0.090		$0.100	Fuel flowage fee adjustment
	Fee Per Gallon - Other Airport Operator		$0.090		$0.100	Cirrus currently only other operator.
Landside Fuel System Fees						TBD - Section Reserved for fees related to new DLH parking system
	Fuel System Access Device (Per Each)				TBD	
Preferential Use Cargo Ramp Fee Per			Per Month (Calendar)		Per Month (Calendar)	
	Per Calendar Month Preferential Use Cargo Ramp Fee		$1,745.00		$1,797	3% CPI Adjustment - CPI
Passenger Facility	Per Enplaned Commercial Passenger, Per FAA Approved PFC		$4.50			
DAA Owned Hangar Rental Rates (Per *$50 Discount if paid in full by January 31 of lease year.	Hangar Type		Per Month (Calendar)		Per Month (Calendar)	High Demand - Long Waiting Lists
	West T-Hangars*		$230.00		$244	6.0% Adjustment
	East T-Hangars*		$230.00		$244	6.0% Adjustment
	East Ranch Hangars*		$295.00		$313	6.0% Adjustment
	4825 Airport Rd. Ranch Hangars (12ft high door)*		$695.00		$737	6.0% Adjustment
	4825 Airport Rd. Ranch Hangars (14ft high door)*		$721.00		$764	6.0% Adjustment
	Other		Set by Lease Agreement			

2027 DRAFT DLH Rates & Charges Continued

Airport Car Rental Customer Facility Charge (CFC) (Full per day fee should be charged for each transaction day or any fraction thereof.)	Fee Per Car Rental Transaction Day		$4.00			
	"Transaction Day" means a 24-hour period or fraction thereof for which a rental car customer is provided the use of a rental car for compensation regardless of the duration or length of the rental term. If the same rental car is rented to more than one customer within such continuous 24-hour period, then each such rental shall be calculated as a Transaction Day, Except that a partial day that is a grace period of no more than 2 hours after the last 24-hour day booked shall not be considered a Transaction Day.					
Rental Car Ready Return & Overflow (Tax Not Included)		Surface	Ramp	Surface	Ramp	
	Per Month, Per Space Fee	$19.77	$20.94	$20.36	$21.56	3% increase - CPI
Parking Lot Fees (Includes Tax)		Surface	Ramp	Surface	Ramp	Remain same as rates were adjusted last year.
	Hourly Rate (Up to Daily Maximum)	$3.00	$6.00			
	Daily Maximum	$15.00	$18.00			
	Additional Drive-off Fee	$125.00	$125.00			
Parking Permits (Includes Tax) *DAA Employees and DAA Directors are exempt for airport business		Per Month (Calen	Annual		Annual	
	Corporate Surface Permit (Annual)		$1,420.00		$1,462.60	3% Rate Adjustment CPI - Tentative
	Corporate Garage Permit (Annual)		$2,350.00		$2,420.50	3% Rate Adjustment CPI - Tentative
	Airport Tenant Employee Permit (Annual)*		$120.00			
	Airline Crew Overnight Permit (Monthly or Annual)	$51.00	$612.00			
	Tenant Commercial Parking Agreement (Monthly or Annual)	$250.00	$3,000.00			
	Airport Crew/Tenant Employee Parking Violation		$25 + parking fees owed			
Ground Transportatic Fees & Permits (Includes Tax) (Permit/Operator Agreements are required)	Taxi/Limo/Hotel Shuttle Permit (Annual)	$25.00	Per Each Vehicle			
	Taxi/Limo/Hotel Shuttle Permit Per Trip Fee	$1.50	Per Pick-Up & Drop-Off		$2.50	Adjusted trip rate to match TNC rate
	Passenger Shuttle Service Permit (Annual)	$500.00	Per Each Vehicle			
	Transportation Network Company Permit (Annual)	$1,500.00	Per Company			
	Transportation Network Company Per Trip Fee	$2.50	Per Pick-Up & Drop-Off			
	Peer-To-Peer Car Sharing Concession Fee	10% of Gross Revenue Per Agreement				
Civil Penalties	Civil Penalty for Violation of Commercial Vehicle Ordinance 001 (Per Occurrence)		$240.00			
Business Services (Sponsorship Agreement Passes will not be charged)	Per Pass Fee to Access Business Services Club Room		$150 per pass			
Terminal Conference (20% Discount for Airport Tenants)	Room/Space	0-4 Hours	4-8 Hours	0-4 Hours	4-8 Hours	TBD - To potentially add longer time blocks for agreements longer than 8 hours
	1st Floor Baggage Claim - Wall Up	$300.00	Per Agreement			
	2nd Floor Secure Business Club Conference Room	$40.00	$80.00			
	2nd Floor Mezzanine	$250.00	$350.00			
	2nd Floor Conference Room - Room 250	$100.00	$150.00			
	3rd Floor Conference Room - Amatuzio A	$150.00	$200.00			
	3rd Floor Conference Room - Amatuzio B or C	$100.00	$200.00			
	3rd Floor Conference Room - Amatuzio A+B	$175.00	$250.00			
	3rd Floor Conference Room - Amatuzio B+C	$175.00	$250.00			
	3rd Floor Conference Room - Amatuzio A+B+C	$200.00	$300.00			
	2nd Floor Private Office (201 SF) - If vacant	$50.00	$75.00			
	After Hours and Weekends Additional Fee (After 5pm and/or Sat. & Sun.)	$50.00	$100.00			

2027 DRAFT DLH Rates & Charges Continued

Fiber Internet: (Contract required. Higher speeds available upon request with pricing established per contract)	Internet Speed			Per Month (Calendar)
	100 MB Fiber Internet with 1 static IP address			$120.00
	200 MB Fiber Internet with 1 static IP address			$180.00
	Each Additional Static IP Address			$24.95
Badging Fees (DAA Employees, ARFF, CBP, Duluth PD, Fire & Public Works, USDA, & MN Air National Guard Badges are Exempt)	SIDA & Sterile Badge			$200.00
	SIDA & Sterile Signatory Only			$150.00
	AOA Badge			$125.00
	AOA Signatory Only			$65.00
	Landside Badge			$65.00
	Incomplete			$100.00
	SIDA & Sterile Renewal			$115.00
	AOA Renewal			$65.00
	Emergency Renewal Additional Charge			$60.00
	Lost or Non-Returned Badge			$125.00
	Badge Handling Fee (ex: company change, access change, etc.)			$65.00
	Contractor Badge			$175.00
	Contractor Badge Handling Fee			$150.00
	Contractor Badge Late Fee			$125.00
Security Violation Sanction Fee	Sanction Fee issued to lessee, tenant, operator, or business which violates the Airport Security Plan (ASP) at the Executive Director's Discretion			$1,500.00
	If at any point the DAA is issued a sanction or civil penalty, responsible tenants, operators or businesses responsible for violations will be required to reimburse the DAA for the amount of the sanction/fee or civil penalty			TBD based on imposed fee.

DULUTH SKY HARBOR AIRPORT

2027 Rates & Charges

Effective January 1st, 2027 - To Be Adopted November 17, 2026

				Changes for 2027
Fuel Price	To be determined by airport manager and published on the Duluth Sky Harbor website, ForeFlight, SkyVector, AirNav, GlobalAir and 100LL.com			
Fuel Discounts	Sky Harbor Tenant with Lease Agreement or Commercial Operator Agreement	$0.25	Per Gallon	
(Tenant Discount requires fuel card)				
Tie-downs	Per Night (1-6 nights)	$10.00	Per Night	
	Per Week (1-3 weeks)	$30.00	Per Week	
	Per Month	$90.00	Per Month	
	Six Month Season (Must be paid in advance)	$450.00	Per Six Month Season	
Float Storage	Monthly Float Storage	$20	Per Month	
(Float storage location determine by airport manager)	Seasonal / Winter Only	$100	Per Winter Season	
	Annual / 12-Month	$180	Per 12-Months	

Aircraft Parking & Float Storage Rules:

Aircraft parking and tie-down spaces are non-reservable and shall be occupied on a first come, first served basis.

A. No person shall park, store, tie down or leave an aircraft and/or floats on any area of the airport other than designated parking spaces or those designated by the Airport Manager.

B. The pilot and owner of an aircraft and/or floats are solely responsible for storing floats, parking and tying down their aircraft and shall properly secure their aircraft and/or floats while it is parked or stored on the airport. Pilots and owners of aircraft and/or floats are solely responsible for securing aircraft and/or floats in a manner necessary to avoid damage to other aircraft , floats, or buildings on the airport in the event of wind or other severe weather conditions. The pilot and owner of an aircraft and/or floats shall be held responsible and liable for any damage or loss whatsoever resulting from failure to comply with this rule.

C. With respect to aircraft parking, tie-down and float storage, the Airport Manager is authorized to control and direct activities that the Airport Manager determines concern the health, welfare and safety of Sky Harbor, its tenants, and users.

Hangar 1 Aircraft Storage Fee		Per Month	Per Month	Per Night	Per Night	
(Summer months are May - October. Winter months are November - April.)		(Summer)	(Winter)	(Summer)	(Winter)	
	Single Engine	$310.00	$335.00	$78.00	$88.00	3% CPI to Single Engine category
	Twin Engine - Small	$465.00	$502.50	$117.00	$132.00	with multipliers to adjust for each
	Twin Engine - Medium	$620.00	$670.00	$156.00	$176.00	
	Twin Engine - Large	$930.00	$1,005.00	$234.00	$264.00	
	Piston Helicopter	$310.00	$335.00	$78.00	$88.00	
	Turbine Helicopter	$620.00	$670.00	$156.00	$176.00	
Conference Room Rental				0-4 Hours	$40.00	
(DYT Tenants receive 20% discount)				4-8 Hours	$75.00	
Overnight Vehicle Parking	Per Vehicle, Per Night				$10	
	Spaces are limited. Parking space to be determined by the manager and must be for aviation related					
Land Lease	Price per agreement with Duluth Airport Authority					
Operator Agreements	All individuals or businesses providing sales, service or commercial operations out of Sky Harbor must have an agreement with the Duluth Airport Authority.					

Payment Options & Instructions	
1. Scanning the QR code available on this document or in the airport terminal building – Direct payment	
2.On the Duluth Airport Authority website Sky Harbor page – Direct payment	
https://skyharbor.duluthairport.com/plan-your-stay/tie-down-payment/	
3. Monthly invoicing from the Duluth Airport Authority (weekly, monthly and seasonal parking)	
Make checks payable to Duluth Airport Authority, 4701 Grinden Drive, Duluth, MN 55811	
***All invoiced aircraft parking, tie-down, and float storage fees shall be paid within thirty (30) days of invoice date**	
In the event that fees are not paid within thirty (30) days of invoice date and such failure to pay continues for a period exceeding ninety (90) days after invoice date, the aircraft or floats owner shall be in default. Upon default, the Duluth Airport Authority may exercise any one or more of the following remedies (in its sole discretion): (i) utilize a collections agency and/or an attorney to recover said amount, including reasonable attorney's fees, court costs, and collection costs; (ii) enter the premises where the aircraft or floats are located and take immediate possession of and remove (or disable in place) the aircraft or floats by self-help, summary proceedings or otherwise without liability; and (iii) eject and trespass the aircraft pilot, owner or float	

Contact for Questions	Airport Manager	218-733-0078 ext. 6	skyharbormanager@duluthairport.com

DRAFT 2027 ANNUAL BUDGET

Financial Row	Amount (FY 2024)	Amount (FY 2025)	Projected Amount (Sep 2025 - Aug 2026)	Proposed Annual Budget
Ordinary Income/Expense				
Income				
Total - Non-Aeronautical Revenue	$3,876,056	$4,507,250	$4,459,831.84	$4,412,298
Total - Non-Passenger Aeronautical Revenue	$1,684,499	$1,915,027	$1,941,399.87	$2,186,699
Total - Passenger Airline Aeronautical Revenue	$1,668,890	$1,850,922	$1,959,767.96	$2,181,815
Total - Income	$7,229,446	$8,273,200	$8,360,999.67	$8,780,812
Gross Profit	$7,229,446	$8,273,200	$8,360,999.67	$8,780,812
Expense				
Miscellaneous Expenses	$215,430	$131,638	$150,501.75	$143,040
Total - Personnel Compensation & Benefits	$2,876,039	$2,661,915	$2,721,467.21	$3,623,324
Total - Services and Charges	$2,615,862	$2,658,668	$2,630,044.95	$2,842,648
Total - Supplies	$586,217	$691,845	$811,514.02	$762,262
Total - Expense	$6,293,548	$6,144,065	$6,313,527.93	$7,371,274
Net Ordinary Income	$935,897	$2,129,134	$2,047,471.74	$1,409,539
Other Income and Expenses				
Other Income				
Non-Operating Revenue				
Gain/Loss on Asset Disposal	($43,360)	$7,412	-$5,888.01	$0
Interest Income	$296,138	$247,677	$214,139.19	$40,500
Passenger Facility Charges	$556,422	$556,094	$582,519.17	$573,994
Total - Non-Operating Revenue	$809,201	$811,182	$790,770.35	$614,494
Total - Other Income	$809,201	$811,182	$790,770.35	$614,494
Other Expense				
Non-Operating Expense				
Interest Expense	$121,328	$98,965	$86,836.47	$76,096
Total - Non-Operating Expense	$121,328	$98,965	$86,836.47	$76,096
Total - Other Expense	$121,328	$98,965	$86,836.47	$76,096
Net Other Income	$687,872	$712,217	$703,933.88	$538,398
Net Income Exclusive of Project Expenses, Depreciation & Amortization	$1,623,770	$2,841,352	$2,751,405.62	$1,947,936
Projects/Grants				
Capital Contributions				
Contributed Capital				
Other	$0	$136,265	$28,441.05	$3,095,419
Total - Contributed Capital	$0	$136,265	$28,441.05	$3,095,419
Grants				
Federal Grants	$18,021,818	$14,793,424	$17,394,134.95	$38,673,183
Other Grants	$1,341,706	$2,338,798	$1,450,356.62	$0
State Grant	$1,923,301	$2,060,055	$2,347,212.13	$6,213,750
Total - Grants	$21,286,825	$19,192,277	$21,191,703.70	$44,886,933
Total - Capital Contributions	$21,286,825	$19,328,542	$21,220,144.75	$47,982,352
Total - Projects/Grants	$21,286,825	$19,328,542	$21,220,144.75	$47,982,352
Capital Improvement Costs				$48,677,852
Loan Principal				$540,000
CFC's Reserved for Approved Projects - Restricted				$418,503
PFCs Reserved for Approved Projects - Restrivted				$493,994
Future Amortization of Capital Projects				$379,050
Amortization of LifeLink				$139,373
Positive (Negative) Budget Variance				$39,616
Depreciation & Amortization	($12,510,211)	($13,756,114)	-$14,423,150.36	($13,756,114)
Net Income	$10,400,384	$8,413,780	$9,548,400.01	$36,174,174

MAJOR TAKE AWAYS:

- DAA staff budgeted for nearly a $39.6k budget surplus in 2027.
- Operating revenues are budgeted to be an all-time high, representing a 9.5% increase over the 2026 budget.
- Passenger related concession revenue was estimated based on 2026 activity, adjusted for the return of Sun Country passenger service. Other revenues were determined based on current activity and contracted rates.
- TSA LEO revenue was added to the budget for the upcoming year and expected to continue through the entirety of 2027.
- Non-Aeronautical revenue increases are expected to continue, driven in part by Lifelink rents and the return of the TSA LEO program.
- A 10% rate increase to the Signatory Airline rental rate has been proposed as well as 6% to the landing fee rate.
- Operating expenses are budgeted at 8.9% over the 2026 budget.
- DAA staff worked to maintain a relatively flat budget by considering deferred maintenance where possible and increasing rates where necessary.
- DAA staff continue to support the master plan as well as our strategic plan initiatives.
- Our annual debt service in 2026 for all long-term debt is $586,096.
- Airline negotiations with a new rate structure are anticipated, which may affect the final budget for November approval.

DULUTH INTERNATIONAL AIRPORT

2027 Debt Service Schedule

Debt	City Loan 1 - GO Bonds Issued				City Loan 2 - GO Bonds Issued	City Loan 3 - GO Bonds Issued	DEDA MIF Loan	NCA Loan	Total of Annual Debt Service Payments
Purpose	Terminal & Parking Structure				Parking Structure	Hangar 103/LSC Rehabilitation	Soil Remediation	FBO Buyout	
Payment Source	CFC	PFC	Operating Revenues	Total	Operating Revenues - Parking	Revenues - LSC Rent	Operating Revenues	Revenues - Fuel Flowage	
2012	192,681.26	321,781.26	107,518.76	621,981.28	-		26,666.64	75,000.00	723,647.92
2013	189,981.26	322,281.26	111,018.76	623,281.28	-		26,666.64	75,000.00	724,947.92
2014	192,281.26	322,681.26	109,418.76	624,381.28	115,718.04		26,666.64	75,000.00	841,765.96
2015	194,481.26	322,981.26	107,818.76	625,281.28	338,981.26		26,666.64	75,000.00	1,065,929.18
2016	191,581.26	323,181.26	106,218.76	620,981.28	340,571.26	242,752.33	26,666.64	75,000.00	1,305,971.51
2017	193,681.26	323,281.26	109,618.76	626,581.28	336,071.26	247,137.50	26,666.64	75,000.00	1,311,456.68
2018	190,681.26	323,281.26	107,918.76	621,881.28	335,446.26	247,337.50	26,666.64	75,000.00	1,306,331.68
2019	192,681.26	323,181.26	106,218.76	622,081.28	338,776.26	247,387.50	26,666.64	37,500.00	1,272,411.68
2020	194,193.76	322,331.26	109,306.26	625,831.28	336,336.26	247,287.50	26,666.64	-	1,236,121.68
2021	187,301.13	310,695.11	590,000.00	1,087,996.24	338,006.26	247,037.50	2,222.62	-	1,675,262.62
2022	184,447.50	310,905.00		495,352.50	338,443.76	246,637.50	-	-	1,080,433.76
2023	178,485.00	309,282.50		487,767.50	338,108.76	246,087.50	-	-	1,071,963.76
2024	182,040.00	311,775.00		493,815.00	336,971.26	245,387.50	-	-	1,076,173.76
2025	185,115.00	308,475.00		493,590.00	340,143.76	244,537.50	-	-	1,078,271.26
2026	187,775.00	309,575.00		497,350.00	337,393.76	243,437.50	-	-	1,078,181.26
2027	-	-	-	-	339,218.76	246,877.50	-	-	586,096.26
2028						244,675.00			244,675.00
2029						246,975.00			246,975.00
2030						243,695.00			243,695.00

**City GO Bonds are not eligible for refinancing until 8 years after the origination date.

Series 2012B GO Tax Exempt - $7,655,000. First call date February 1, 2022. - Bond refinance completed in 2021 to utilize relief funds and pay off operating share of debt.

Series 2013B GO Tax Exempt - $3,400,000. First call date February 1, 2024 - Refinancing not completed as rates were not favorable.

Series 2015C GO Taxable - $2,855,000. First call date February 1, 2026

Questions?