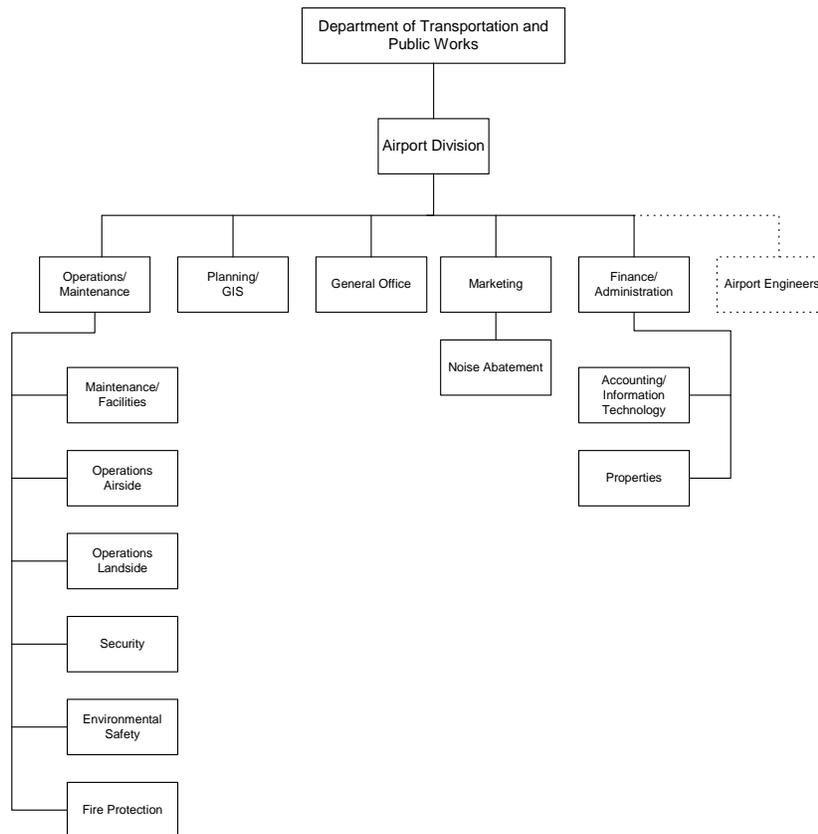


DTPW-AIRPORT (5040)



MISSION

The Airport Division will plan, enhance, operate and maintain efficient, cost-effective air transportation facilities that meet the current and future needs of the region, airlines and tenants while remaining responsive to the concerns of the Airport's neighboring residents.

Budget Summary

	2010	2009/2010 Change
Expenditures	76,967,243	345,060
Revenue	78,199,275	(282,304)
Levy	(1,232,032)	627,364
FTE's	275.7	5.9

Major Programmatic Changes

- Negotiate a successor lease to the current master lease, which expires in September of 2010.
- Develop and maintain the 440th Air Force Reserve Base that is expected to become Airport property in late 2009.
- The Wisconsin Air National Guard will assume responsibility for fire and emergency services.

COUNTY EXECUTIVE'S 2010 BUDGET

DEPT: DTPW-Airport

UNIT NO. 5040
FUND: Enterprise - 0076

OBJECTIVES

- Operate within established budgets while maximizing the quality and timeliness of services provided.
- Provide an operating environment that meets or exceeds the needs of air carriers and the traveling public.
- Provide high quality services to the Airport's customers and tenants at a reasonable price.
- Increase the use of General Mitchell International Airport by all customers.
- Continue the ongoing implementation of projects within the Capital Improvement Plan.
- Continue planning for the phased implementation of the Master Plan to prepare the Airport for anticipated growth in the region and air transportation industry in future years.
- Develop, maintain and operate the former 440th Air Force Reserve Base in a manner consistent with the Master Plan.
- Conclude negotiations for a new master lease with air carriers operating at General Mitchell International Airport prior to the September 30, 2010 expiration of the current lease agreement.

DEPARTMENTAL PROGRAM DESCRIPTION

The Airport Division provides air transportation services for Milwaukee County and the surrounding region and manages all activities necessary for the efficient, day-to-day operation of General Mitchell International Airport (GMIA) and Lawrence J. Timmerman Field (LJT). In support of this program, operations are divided into the following areas of responsibility:

Administration is responsible for general administration, planning, marketing and public relations, accounting, payroll, budget, procurement, and airside and landside business operations. Administration of the noise mitigation program and ongoing noise monitoring and abatement activities is also handled in this section.

Parking Operations records the various expenses of operating the parking structure, debt service and associated interest expense on the parking structure addition. This group also oversees all GMIA ground transportation activities including taxi, shuttle, limousine and bus operators providing services to and from GMIA. Parking revenue fees are collected and accounted for by this section.

Maintenance is responsible for the Airport's structures and grounds, including custodial, HVAC and electrical services. Snow plowing and grass cutting are also handled by the maintenance staff.

Environmental and Safety is responsible for activities related to workplace safety, compliance with governmental safety requirements, glycol recovery programs and wastewater treatment programs.

Airside Operations is responsible for keeping the airfield and ramp areas open for business at all times. This area oversees the day-to-day activities of the airport and ensures compliance with Federal Aviation Administration (FAA), Transportation Security Administration (TSA), and state and local regulations. This section coordinates emergency responses, construction activities, special events and snow removal.

Landside Operations oversees day-to-day terminal operations. This section addresses passenger safety issues and coordinates terminal construction activities, special events, snow removal (on the roadway) and signage issues. This section ensures that ground transportation operators are properly licensed and are in compliance with the standards set forth in Milwaukee County General Ordinances.

Fire Protection maintains round-the-clock staffing to deal with emergency situations on the airfield and within the terminal, parking structure and parking lots. This section responds to emergency needs involving patrons, tenants and airport staff.

Safety and Security is responsible for the safety and security functions within the airfield perimeters, working closely with other agencies and taking necessary actions to keep the Airports in compliance with TSA standards and regulations.

COUNTY EXECUTIVE'S 2010 BUDGET

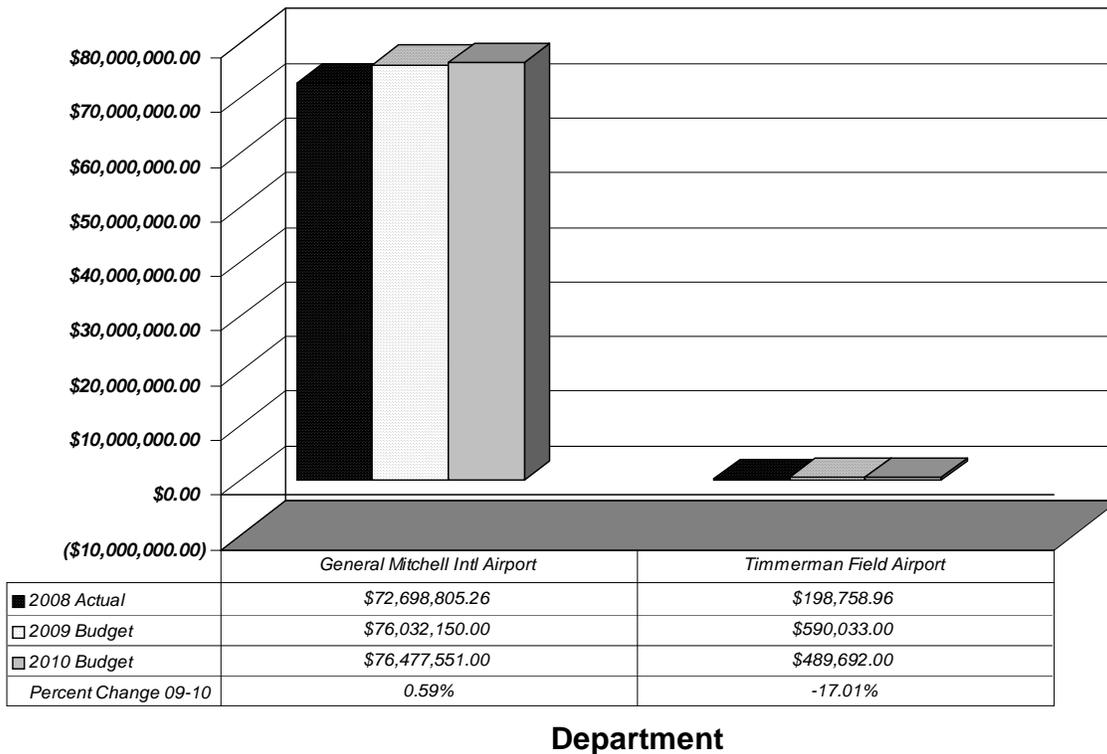
DEPT: DTPW-Airport

UNIT NO. 5040
FUND: Enterprise - 0076

Timmerman (Lawrence J. Timmerman Airport), located on the northwest side of Milwaukee, is the general aviation reliever airport in the County's airport system. Revenues and expenditures associated with the operation of LJT are governed by the terms of the signatory airline long-term lease.

The Airport Division anticipates taking ownership of the **440th Air Force Base** in late 2009 and converting the property to a self-sustaining business unit. Approximately 102 acres of federal land, including the structures, will be transferred and operated and maintained by the Airport Division.

Expenditures



Department

2010 Budget

Approach and Priorities

- Maintain efficient, effective and economical operations while maximizing cost savings.

Programmatic Impacts

- The Wisconsin Air National Guard will provide fire and emergency services at the Airport beginning July 1, 2010 or as agreed upon during contract negotiations.
- Due to declining parking revenues and concessions, budgeted revenues from signatory airlines increase dramatically in 2010. Savings achieved from wage and benefit modifications will offset these increases during the year.

COUNTY EXECUTIVE'S 2010 BUDGET

DEPT: DTPW-Airport

UNIT NO. 5040
FUND: Enterprise - 0076

Budget Highlights

Air National Guard Fire and Emergency Services

(\$619,150)

Crash fire rescue service will be provided by the Wisconsin Air National Guard. The Wisconsin Air National Guard currently provides all crash fire rescue service for all of Dane County Regional Airport (both military and civilian). Initial review suggests that the Wisconsin Air National Guard could provide the same level of personnel at a cost of \$1,000,000, which is approximately \$1.2 million less than current personnel costs. Because the transfer of services is not anticipated until July 1, 2010, only one-half of the personnel savings is budgeted in 2010. To prevent any lapse in expenditure authority should contract negotiations not have concluded by July 1, 2010, the savings is budgeted as an abatement. All positions in the fire department will be abolished upon the effective date of the contract.

Increase in Overtime Expenditures

\$168,033

Overtime expenditures increase \$168,033 in 2010 to \$551,181. The increase in overtime budgeted in 2010 is mainly for additional capacity during winter operations. The overtime budget also includes salary expenses for seasonal airport maintenance workers.

Required Increases To Debt Reserves

\$950,000

The County anticipates issuing general airport revenue bonds (GARBs) in late 2009. This appropriation assumes a bond covenant requiring the Airport Division to maintain a "Reserve Requirement," which is assumed to be \$950,000.

Transfer of the 440th Air Force Base

(\$56,831)

The expenses budgeted in 2010 for the 440th Air Force Base property decrease \$56,831 from the 2009 budgeted amount, for a total expense of \$741,980. The 2010 budget assumes that title to the 440th Air Force Base property will be transferred to the County in late 2009. Upon transfer, the Airport Division will be responsible for the operation and maintenance of property and structures on the 440th until the property can be developed and leased to other entities. Until the property is self-sustaining and can be operated and maintained on rental income, undistributed airport revenues will offset expenditures.

Increase in Commodities Expenditures

\$795,241

Commodities expenditures increase in 2010 largely due to costs associated with winter operations, electrical maintenance and auto and equipment repair parts. The cost of potassium acetate increased from \$2.20 per gallon to \$7.95 per gallon for a budgeted expenditure of \$1,250,000. The cost of anticipated electrical materials necessary to update the aging electrical infrastructure increases commodities by an additional \$241,000. The cost of repair parts increases the budget by an additional \$471,000, which were not budgeted in 2009 when the Airport Division took over management of its fleet maintenance services.

Capital Outlay Expenditures

\$39,314

Various major maintenance items are budgeted for in 2010, for an increase of \$39,314 from the 2009 budgeted amount. Projects budgeted for in 2010 include: ongoing membrane and surface repairs to the parking structure (\$140,000); light fixtures at the skywalks and South Maintenance Shop (\$85,000); repaving in the remote parking lot (\$96,400); environmental, lighting and electrical repair projects (\$83,000); replacement of the core switch of the MUFIDS system (\$125,000); replacement of the elevator intercom system (\$100,000); continuation of an integrated GIS mapping/location system (\$500,000); fiber optic cable on concourse D to include tie-in with various connection points (\$300,000); continuation of a visual paging system for hearing impaired travelers (\$100,000); continuation of an airfield safety and incident system (\$250,000); a snow removal tractor for sidewalk areas (\$120,000); and an allowance for roof and conveyor repair at baggage claim (\$250,000).

Position Transfers

\$64,360

In 2009, the Airport Division assumed management of its fleet maintenance operations. The 2009 action included the transfer of ten service employees, but did not include the transfer of a parts employee. The transferring of 1.0 FTE Auto & Equip Parts Tech from the Fleet Management Division results in an increase in salary and benefits of \$64,360 in the Airport Division.

COUNTY EXECUTIVE'S 2010 BUDGET

DEPT: DTPW-Airport

UNIT NO. 5040
FUND: Enterprise - 0076

Increase in Charges to Signatory Airlines

\$6,929,842

With the exception of a few budgeted revenue increases, most budgeted revenues decrease in 2010. The largest decreases include a reduction in parking fees of \$2,905,000 and car rental concessions of \$800,000. Because of the reduction in anticipated revenues, charges to signatory airlines will increase in 2010. These increases include \$4,278,940 in land fees and \$2,977,802 in terminal space rental fees. Increases are partially offset by a reduction in apron fees of \$326,900 and will be further offset by the undistributed wage and benefit modification savings of \$2,813,354.

Wage and Benefit Modifications

(\$2,813,354)

This budget includes an expenditure reduction of \$2,813,354 based on the changes described in the non-departmental account for wage and benefit modifications (org-1972). There is a corresponding revenue offset of \$2,813,354 for a total tax levy savings of \$0. This revenue offset will likely reduce the budgeted increase in charges to the airlines during 2010.

Capital Investments

Approximately \$142,000,000 is invested in capital projects for 2010. These include projects that are part of two 2010 debt issuances and a Fall 2009 debt issuance. The projects funded through the Fall 2009 debt issuance were submitted to the County Board for approval during the September 2009 cycle but are presented here for illustrative purposes. Additional details can be found in the Debt Service budget - Org 9960 and the 2010 Recommended Capital Improvement Budget.

Fall 2009 Projects

- Airside projects total \$7,681,500.
- Landside projects total \$30,427,000.
- Noise-related projects total \$11,085,000.

Spring 2010 Projects

- Airside projects total \$29,509,630.
- Landside projects total \$512,000.

Fall 2010 Projects

- Airside projects total \$35,681,902.
- Landside projects total \$6,982,000.
- Noise-related projects total \$20,367,600.

COUNTY EXECUTIVE'S 2010 BUDGET

DEPT: DTPW-Airport

UNIT NO. 5040
FUND: Enterprise - 0076

BUDGET SUMMARY				
Account Summary	2008 Actual	2009 Budget	2010 Budget	2009/2010 Change
Personal Services (w/o EFB)	\$ 11,409,819	\$ 13,397,623	\$ 12,719,349	\$ (678,274)
Employee Fringe Benefits (EFB)	9,484,925	11,426,082	11,438,702	12,620
Services	18,471,846	18,733,334	18,441,400	(291,934)
Commodities	3,182,808	3,699,489	4,494,730	795,241
Other Charges	1,109,490	68,200	392,050	323,850
Debt & Depreciation	18,076,799	18,686,879	18,884,668	197,789
Capital Outlay	1,781,299	3,190,050	3,229,364	39,314
Capital Contra	(1,294,127)	(2,581,650)	(2,649,964)	(68,314)
County Service Charges	10,716,761	10,002,176	10,016,944	14,768
Abatements	(42,074)	0	0	0
Total Expenditures	\$ 72,897,546	\$ 76,622,183	\$ 76,967,243	\$ 345,060
Direct Revenue	75,384,995	78,154,979	77,708,075	(446,904)
State & Federal Revenue	0	50,000	75,000	25,000
Indirect Revenue	270,545	276,600	416,200	139,600
Total Revenue	\$ 75,655,540	\$ 78,481,579	\$ 78,199,275	\$ (282,304)
Direct Total Tax Levy	(2,757,994)	(1,859,396)	(1,232,032)	627,364

PERSONNEL SUMMARY				
	2008 Actual	2009 Budget	2010 Budget	2009/2010 Change
Position Equivalent (Funded)*	229.0	269.8	275.7	5.9
% of Gross Wages Funded	97.0	97.6	97.0	(0.6)
Overtime (Dollars)	\$ 1,426,181	\$ 383,148	\$ 684,768	\$ 301,620
Overtime (Equivalent to Position)	31.8	8.4	14.8	6.4

* For 2008 Actuals, the Position Equivalent is the budgeted amount.

PERSONNEL CHANGES						
Job Title/Classification	Title Code	Action	# of Positions	Total FTE	Division	Cost of Positions (Salary Only)
Clerical Asst 1	00042	Abolish*	(1)	(0.50)	5062 - Fire	\$ (17,272)
Firefighter Equip Operator	64200	Abolish*	(18)	(23.97)	5062 - Fire	(1,046,726)
Asst Airport Fire Chief	64320	Abolish*	(1)	(1.00)	5062 - Fire	(59,496)
Airport Firefighter Train Off	64340	Abolish*	(1)	(1.00)	5062 - Fire	(52,896)
Fire Chief	64300	Abolish*	(1)	(1.00)	5062 - Fire	(67,364)
Fire Captain	64210	Abolish*	(1)	(4.19)	5062 - Fire	(167,570)
Auto & Equip Parts Tech	06630	Transfer	1	1.0	From Fleet Mngmt	38,052
					TOTAL	\$ (1,373,272)

* Positions will be abolished upon the effective date of the signed contract with the Air National Guard for fire crash rescue services, which is anticipated to be July 1, 2009.

COUNTY EXECUTIVE'S 2010 BUDGET

DEPT: DTPW-Airport

UNIT NO. 5040
FUND: Enterprise - 0076

ORGANIZATIONAL COST SUMMARY					
DIVISION		2008 Actual	2009 Budget	2010 Budget	2009/2010 Change
General Mitchell Intl Airport	Expenditure	\$ 72,698,805	\$ 76,032,150	\$ 76,477,551	\$ 445,401
	Revenue	75,383,479	78,152,691	77,927,747	(224,944)
	Tax Levy	\$ (2,684,674)	\$ (2,120,541)	\$ (1,450,196)	\$ 670,345
Timmerman Field Airport	Expenditure	\$ 198,759	\$ 590,033	\$ 489,692	\$ (100,341)
	Revenue	272,063	328,888	271,528	(57,360)
	Tax Levy	\$ (73,304)	\$ 261,145	\$ 218,164	\$ (42,981)

All departments are required to operate within their expenditure appropriations and their overall budgets. Pursuant to Section 59.60(12), Wisconsin Statutes, "No payment may be authorized or made and no obligation incurred against the county unless the county has sufficient appropriations for payment. No payment may be made or obligation incurred against an appropriation unless the director first certifies that a sufficient unencumbered balance is or will be available in the appropriation to make the payment or to meet the obligation when it becomes due and payable. An obligation incurred and an authorization of payment in violation of this subsection is void. A county officer who knowingly violates this subsection is jointly and severely liable to the county for the full amount paid. A county employee who knowingly violates this subsection may be removed for cause."