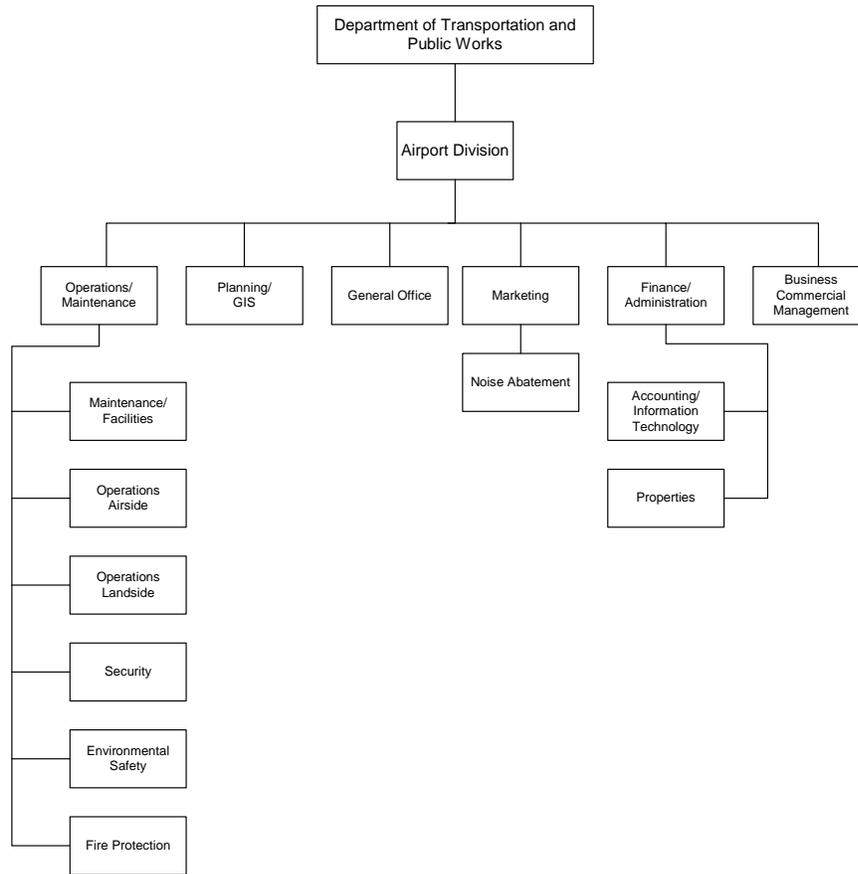


DTPW-AIRPORT (5040)



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		
	2011	2010/2011 Change
Expenditures	80,909,012	2,445,938
Revenue	80,909,012	1,213,906
Levy	0	1,232,032
FTE's	271.7	(3.9)
Major Programmatic Changes		
<ul style="list-style-type: none"> • A new Airport/Airline lease agreement maintains the two airports on a self-supporting zero tax levy basis, and establishes an Airline-approved 5 year capital program. • Maintain and redevelop the 440th Air Force Reserve Base that is expected to become Airport property in late 2010. • Add capacity for airport development. 		

COUNTY EXECUTIVE'S 2011 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 for aviation uses and as a business park.

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 development and 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), 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.

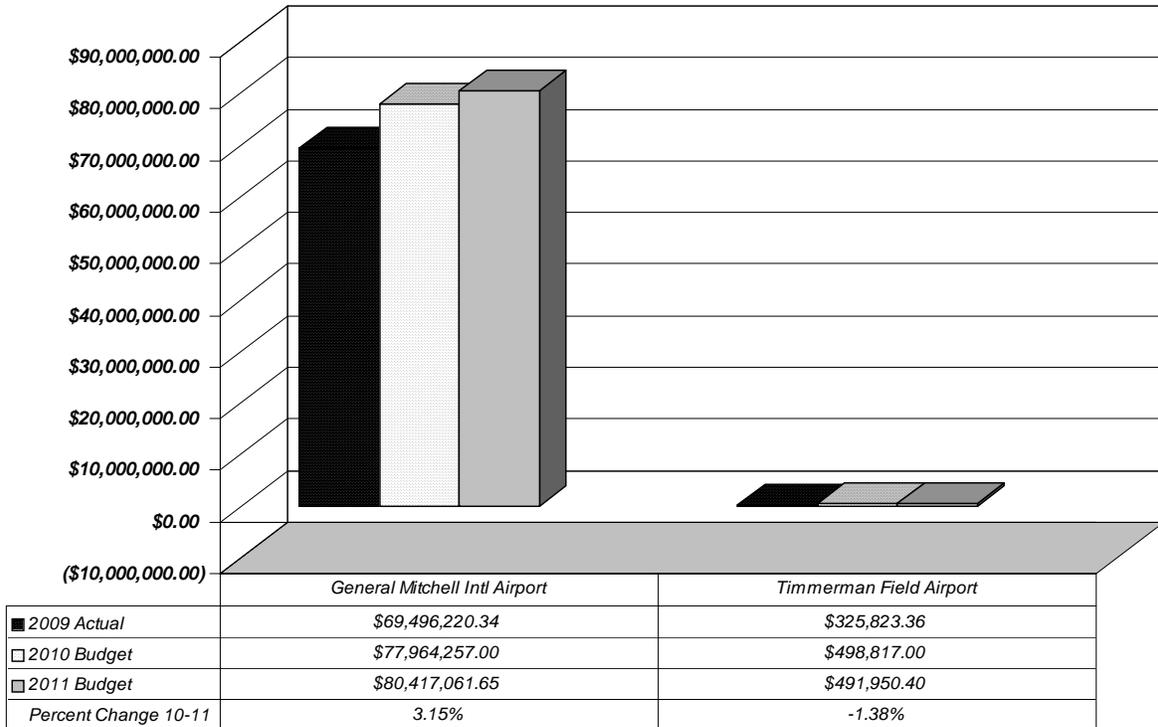
COUNTY EXECUTIVE'S 2011 BUDGET

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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.

Expenditures



2011 Budget

Approach and Priorities

- Maintain safe, efficient, effective and economical operations while responding to record passenger activity.

Programmatic Impacts

- 2011 represents the initial year of a new five-year master lease agreement with signatory airlines. In accordance with federal law, this master lease agreement will result in the Airport fully funding its operations through a variety of available revenue sources.

COUNTY EXECUTIVE'S 2011 BUDGET

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FUND: Enterprise - 0076

Budget Highlights¹

Wage and Benefit Modifications **(\$1,379,066)**

This budget includes an expenditure reduction of \$1,379,066 based on the changes described in the non-departmental account for wage and benefit modifications (Org-1972). There is corresponding revenue offset of \$1,379,066, for a total tax levy savings of \$0.

Increase in Charges to Signatory Airlines **\$2,122,436**

Primarily due to continued increases in passenger activities and according to the terms of the renewed master lease, charges to signatory airlines increase by \$2,122,436 over the 2010 Adopted Budget, from \$20,362,532 to \$22,484,968. Increases include \$2,414,468 for landing fees and \$204,939 for apron fees, offset by a decrease of \$496,971 for terminal space rent.

Increase in Parking Revenues **\$1,919,682**

Parking revenue increases by \$1,919,682 over the 2010 Adopted Budget, from \$26,945,000 to \$28,864,682, primarily due to continued increases in passenger traffic.

Restaurant Concessions **\$1,382,400**

Restaurant concessions revenues increase by \$1,382,400 over the 2010 Adopted Budget, from \$1,950,000 to \$3,332,400 based on higher sales due to increased passenger traffic and expanded food and beverage operations throughout the facility.

Increase in Services Expenditures **\$1,320,191**

Services expenditures, not including costs for operation of the former 440th Air Force Base and advertising (see separate bullets below) increase by \$1,320,191 over the 2010 Adopted Budget from \$17,603,600 to \$18,923,721. The increase includes \$557,065 for fees retained by the parking structure operator (revenues increase by \$4,555,000), \$440,000 for evaluations of the fire suppression system and the parking structure, \$213,800 for machinery maintenance to replace a hangar door at Timmerman Airport and for maintenance of baggage claims at the main terminal, \$187,175 for maintenance agreements for operating and power distribution component software systems, \$120,000 for electrical and hydrant systems studies, and \$65,000 for increased bank service fees related to increased passenger activity.

440th Air Force Base **\$429,448**

Services budgeted at the facility increase by \$332,000, from \$440,000 to \$772,000. The increase includes \$195,000 for private security, \$105,000 for grounds keeping and maintenance duties, and \$32,000 for utilities based on updated rates. Revenue decreases by \$190,740, primarily due to removing undistributed revenues to portray an accurate net cost to operate the facility. Rental revenue increases by \$40,000 to \$540,000 to reflect annual rent payments provided by the existing tenant. Personal Services costs are reduced by \$92,999 reflecting the transfer of the Airport Business Manager out of the 440th and into Airport Administration.

Increased Marketing Efforts **\$131,000**

Advertising expenditures increase by \$106,000 over the 2010 Adopted Budget, from \$397,800 to \$503,800, reflecting increased marketing efforts in northern Illinois. In addition, \$25,000 in funding for VISIT Milwaukee is shifted to the Airport reflecting the value of VISIT Milwaukee activities in attracting visitors to Milwaukee through GMIA.

¹ For purposes of presentation, a change in levy is identified for each budget highlight, however the Airport's actual levy is \$0 because as an enterprise fund its net expenses are charged to signatory airlines.

COUNTY EXECUTIVE'S 2011 BUDGET

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Increase in Commodities Expenditures **\$177,650**

Commodities expenditures increase by \$177,650 over the 2010 Adopted budget to \$4,672,380. The increase is primarily due to inflationary increases in various commodities used at the airport, especially those needed to keep runways available during snow events.

Deputy Airport Director for Business and Commercial Management **\$117,362**

In order to expand the Airport's capacity to engage in property management (airline leases and rates/charges, retail concessions) and economic development (property and commercial development both in the airport and in the surrounding area), 1.0 FTE Deputy Airport Director for Business and Commercial Management is created, with an active salary and fringe benefit cost of \$117,362. The Deputy Director for Business and Commercial Management will partner with the County's Director of Economic Development to pursue opportunities in and around the Airport property, including coordination with the Airport Gateway Business Association (AGBA), which is seeking to develop the Airport Gateway Business Improvement District #40, or Aerotropolis.

Network Technical Specialist – Airport **\$105,422**

In order to effectively maintain the airport's substantial information technology infrastructure, 1.0 FTE Network Technical Specialist – Airport is created with a total active salary and fringe benefit cost of \$105,422. This position will support the current compliment of two IT professionals at the airport in the planning, development and maintenance of airport unique systems and applications.

Assistant Public Safety and Security Manager **\$5,104**

To ensure compliance and implementation of safety and security requirements of federal, state, and local agencies and associated regulations, 1.0 FTE Assistant Public Safety and Security Manager is created with an active salary and fringe benefit cost of \$87,642. This position will assist the Public Safety and Security Manager. Upon filling this position, 1.0 FTE position of Airport Public Safety Coordinator will be abolished, with a reduction in active salary and fringe benefit costs of \$82,538. The total active salary and fringe benefit cost of this position action is \$5,104.

Capital Outlay Expenditures **(\$19,064)**

Capital outlay expenditures are reduced by \$19,064 from the 2010 Adopted Budget to \$3,210,300, primarily due to less need for IT equipment replacement.

Capital Investments

\$18,491,000 is budgeted in seven capital projects in 2011. Additional details can be found in the 2011 Recommended Capital Improvement Budget. The funded projects include:

- WA042 - GMIA Bag Claim Remodeling: \$5,436,000
- WA044 - GMIA In-Line Baggage Screening Phase II: \$11,589,000
- WA127 - Terminal Expansion Design Study: \$500,000
- WA131 - Part 150 Study – Ramp Electrification Design: \$188,500
- WA139 - GMIA Redundant Main Electrical Service Feed: \$321,000
- WA141 - GMIA Security Training Facility- Design: \$489,000
- WA142 - Lawrence J. Timmerman Runway 15L – 33R Extension: \$260,000
- WA161 - Terminal Roadway Signage: \$250,000
- WA162 - Cessna Service Apron Reconstruction: \$95,000
- WA163 - Perimeter Road Bridge over Howell Avenue: \$300,000

In addition, the 2011 Capital Improvements Budget includes \$596,400 for airport (including GMIA and Lawrence J. Timmerman) infrastructure improvements that are part of a countywide infrastructure improvement program. See the Department of Transportation and Public Works – Facilities Division budget for additional details.

COUNTY EXECUTIVE'S 2011 BUDGET

DEPT: DTPW-Airport

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FUND: Enterprise - 0076

BUDGET SUMMARY				
Account Summary	2009 Actual	2010 Budget	2011 Budget	2010/2011 Change
Personal Services (w/o EFB)	\$ 11,978,308	\$ 13,227,933	\$ 13,174,897	\$ (53,036)
Employee Fringe Benefits (EFB)	8,389,216	11,729,473	10,920,806	(808,667)
Services	16,350,439	18,441,400	20,199,591	1,758,191
Commodities	4,073,258	4,494,730	4,672,380	177,650
Other Charges	304,774	1,011,200	556,200	(455,000)
Debt & Depreciation	18,676,383	18,884,668	20,459,400	1,574,732
Capital Outlay	2,410,955	3,229,364	3,210,300	(19,064)
Capital Contra	(1,929,711)	(2,649,964)	(2,443,800)	206,164
County Service Charges	9,568,396	10,094,270	10,159,238	64,968
Abatements	0	0	0	0
Total Expenditures	\$ 69,822,018	\$ 78,463,074	\$ 80,909,012	\$ 2,445,938
Direct Revenue	71,613,020	79,203,906	80,432,712	1,228,806
State & Federal Revenue	178,867	75,000	75,000	0
Indirect Revenue	329,709	416,200	401,300	(14,900)
Total Revenue	\$ 72,121,596	\$ 79,695,106	\$ 80,909,012	\$ 1,213,906
Direct Total Tax Levy	(2,299,578)	(1,232,032)	0	1,232,032

PERSONNEL SUMMARY				
	2009 Actual	2010 Budget	2011 Budget	2010/2011 Change
Position Equivalent (Funded)*	269.8	275.7	271.7	(4.0)
% of Gross Wages Funded	97.6	97.0	95.9	(1.1)
Overtime (Dollars)**	\$ 842,192	\$ 684,768	\$ 675,384	\$ (9,384)
Overtime (Equivalent to Position)	18.1	14.8	15.0	0.2

* For 2009 Actuals, the Position Equivalent is the budgeted amount.

** For 2010 and 2011, budgeted overtime figures do not include reductions described in org 1972. For 2011, this amount equals (\$194,143)

PERSONNEL CHANGES						
Job Title/Classification	Title Code	Action	# of Positions	Total FTE	Division	Cost of Positions (Salary Only)
Dep. Dir. Of Business & Comm Dev	Z0015	Create	1	1.0	Airport	\$ 76,156
Network Technical Specialist-Airport	Z0017	Create	1	1.0	Airport	67,052
Asst Public Safety & Security Mgr.	Z0016	Create	1	1.0	Airport	53,480
Airport Pub Safety & Sec Coordinator	10892	Abolish*	(1)	(1.0)	Airport	(49,584)
					TOTAL	\$ 147,104

* This position to be abolished upon vacancy.

COUNTY EXECUTIVE'S 2011 BUDGET

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ORGANIZATIONAL COST SUMMARY					
DIVISION		2009 Actual	2010 Budget	2011 Budget	2010/2011 Change
General Mitchell Intl Airport	Expenditure	\$ 69,496,220	\$ 77,964,257	\$ 80,417,062	\$ 2,452,805
	Revenue	71,868,323	79,423,578	80,647,234	1,223,656
	Tax Levy	\$ (2,372,103)	\$ (1,459,321)	\$ (230,172)	\$ 1,229,149
Timmerman Field Airport	Expenditure	\$ 325,823	\$ 498,817	\$ 491,950	\$ (6,867)
	Revenue	253,277	271,528	261,778	(9,750)
	Tax Levy	\$ 72,546	\$ 227,289	\$ 230,172	\$ 2,883

Selected Benchmarks		2009 Actual	2010 Budget	2011 Budget
Enplanements		3,987,607	3,600,000	4,700,000
Passengers		7,946,562	7,200,000	9,400,000
Landed Weight	(000 lb unit)	5,562,700	5,800,000	6,300,000

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."