

FY 2011-12 Adopted Budget and Multi-Year Capital Plan

Aviation

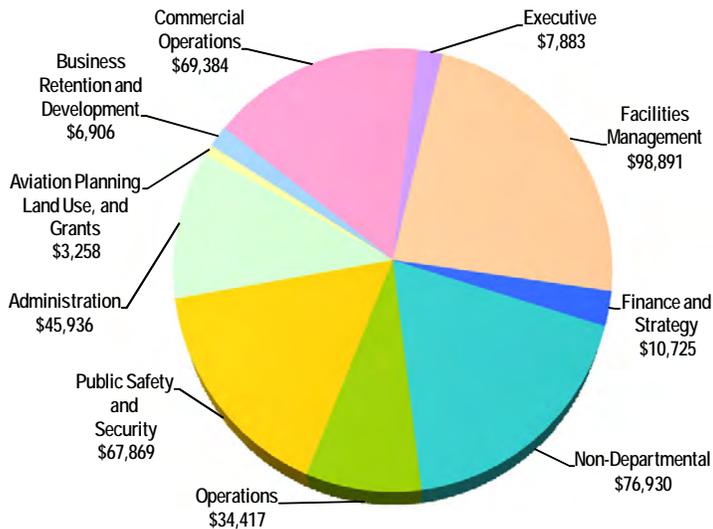
The Miami-Dade Aviation Department (MDAD) operates a system of airports that provides for the safe and efficient movement of people and goods while being responsive to the needs of customers and safeguarding the environment.

As part of the Transportation and Economic Development strategic areas, MDAD operates Miami International Airport (MIA) and four General Aviation Airports (GAA). MDAD operates the airport system as a financially self-sufficient entity without property tax support from the County. MIA is considered a primary economic engine for Miami-Dade County, and is the major trans-shipment point between the Americas, the Caribbean, and Europe. Servicing 95 airlines with routes to nearly 153 cities on four continents, MIA ranks number one in the USA for international freight and second for international passenger traffic. The Department is finalizing a \$6.021 billion capital improvement program to make the airport a more desirable and efficient transportation center. The key elements of the capital improvement program are a new North Terminal, expansion of the South Terminal, improvements to the Central Terminal, construction of an elevated automated people mover system known as the "MIA Mover," roadway and facility improvements, major security modifications, and replacement of the airport's business systems.

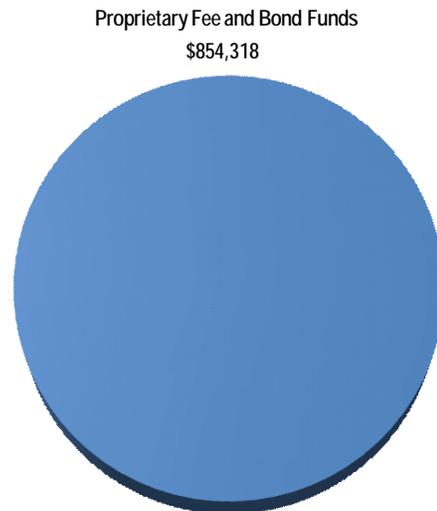
MDAD works closely with a diverse group of constituents, including cargo and passenger airlines and their customers, the support industries that form the air travel base, the Federal Aviation Administration, the Transportation Security Administration, the United States Customs and Border Protection, business leaders, and the media.

FY 2011-12 Adopted Budget

Expenditures by Activity
(dollars in thousands)

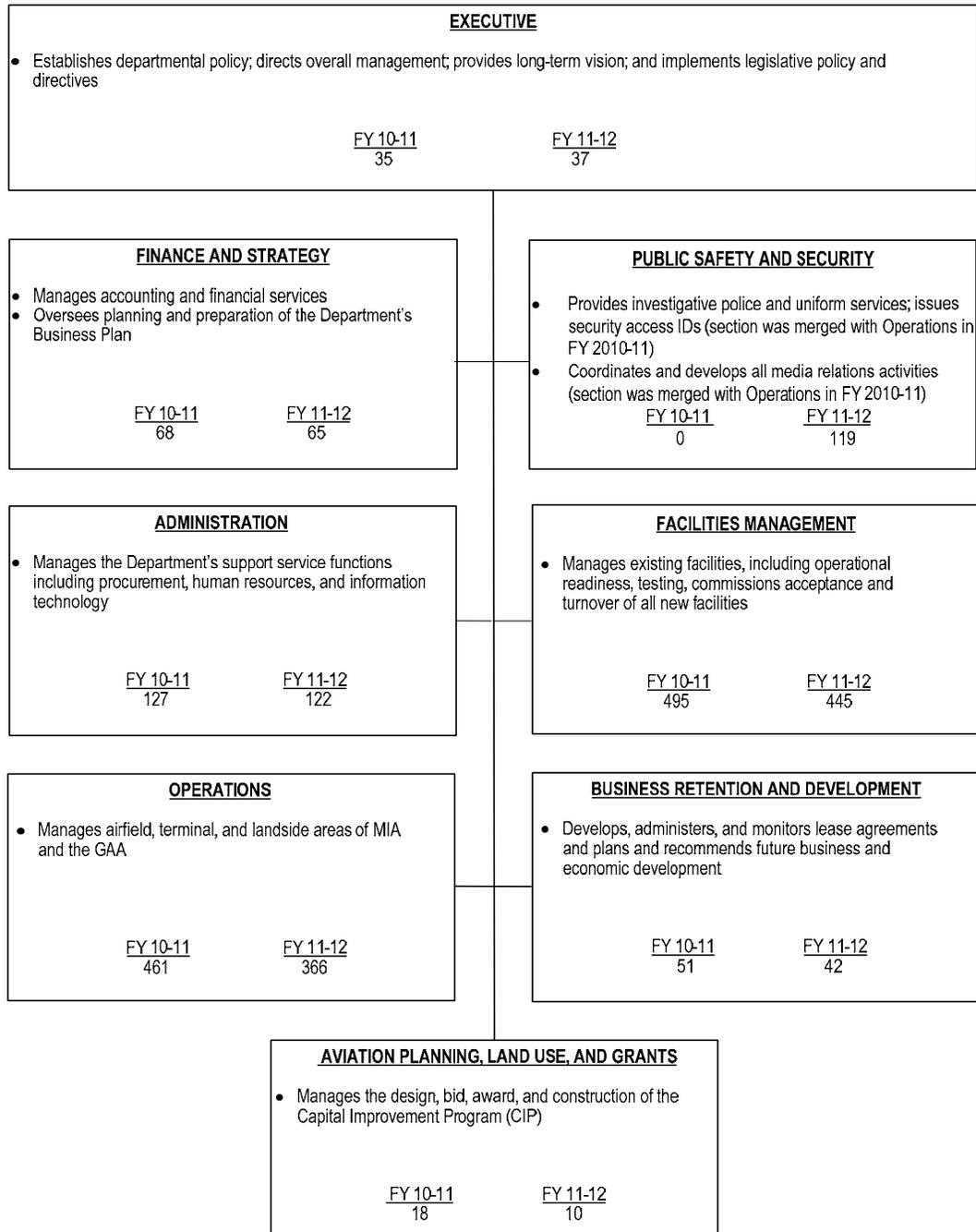


Revenues by Source
(dollars in thousands)



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TABLE OF ORGANIZATION



FY 2011-12 Adopted Budget and Multi-Year Capital Plan

FINANCIAL SUMMARY

(dollars in thousands)	Actual FY 08-09	Actual FY 09-10	Budget FY 10-11	Adopted FY 11-12
Revenue Summary				
Aviation Fees and Charges	239,933	274,611	310,629	346,679
Carryover	66,740	43,861	55,079	59,916
Commercial Operations	171,723	183,822	202,597	236,043
Non-Operating Revenue	71,954	57,222	62,500	80,000
Other Revenues	9,234	12,082	14,625	15,638
Rental Income	100,384	105,823	112,555	116,042
Total Revenues	659,968	677,421	757,985	854,318
Operating Expenditures Summary				
Salary	107,371	102,284	83,304	81,000
Fringe Benefits	32,359	30,289	26,992	19,066
Court Costs	1,118	415	552	552
Contractual Services	86,342	88,124	110,868	109,534
Other Operating	84,444	84,759	94,098	111,515
Charges for County Services	54,024	54,725	82,115	94,846
Grants to Outside Organizations	0	0	0	0
Capital	1,855	1,036	1,520	5,686
Total Operating Expenditures	367,513	361,632	399,449	422,199
Non-Operating Expenditures Summary				
Transfers	248,594	274,810	298,619	366,679
Distribution of Funds In Trust	0	0	0	0
Debt Service	0	0	0	0
Depreciation, Amortizations and Depletion	0	0	0	0
Reserve	0	0	59,917	65,440
Total Non-Operating Expenditures	248,594	274,810	358,536	432,119

(dollars in thousands)	Total Funding		Total Positions	
Expenditure By Program	Budget FY 10-11	Adopted FY 11-12	Budget FY 10-11	Adopted FY 11-12
Strategic Area: Transportation				
Administration	42,832	45,936	127	122
Aviation Planning, Land Use, and Grants	3,883	3,258	18	10
Business Retention and Development	6,970	6,906	51	42
Commercial Operations	66,982	69,384	0	0
Executive	7,378	7,883	35	37
Facilities Management	103,026	98,891	495	445
Finance and Strategy	9,802	10,725	68	65
Non-Departmental	71,402	76,930	0	0
Operations	87,174	34,417	461	366
Public Safety and Security	0	67,869	0	119
Total Operating Expenditures	399,449	422,199	1,255	1,206

SELECTED ITEM HIGHLIGHTS AND DETAILS

Line Item Highlights	(dollars in thousands)				
	Actual FY 08-09	Actual FY 09-10	Budget FY 10-11	Actual FY 10-11	Budget FY 11-12
Advertising	522	555	770	507	774
Fuel	2,036	1,488	3,786	2,133	4,254
Overtime	9,746	8,949	3,365	3,319	3,694
Rent	0	0	0	0	0
Security Services	4,710	5,710	5,729	5,417	7,492
Temporary Employees	0	0	0	0	0
Travel and Registration	141	84	323	121	469
Utilities	50,533	48,483	55,884	47,545	54,831

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CAPITAL BUDGET SUMMARY

(dollars in thousands)	PRIOR	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FUTURE	TOTAL
Revenue									
Federal Aviation Administration	89,906	11,038	12,500	12,500	3,125	0	0	0	129,069
Improvement Fund	54,009	5,000	5,000	5,000	5,000	5,000	5,000	10,959	94,968
Transportation Security Administration	62,814	13,348	0	0	0	0	0	0	76,162
Funds									
FDOT Funds	234,901	10,208	4,680	3,122	521	0	0	0	253,432
Aviation Passenger Facility Charge	156,784	0	0	0	0	0	0	0	156,784
Aviation Revenue Bonds	4,991,030	0	0	0	0	0	0	0	4,991,030
Double-Barreled GO Bonds	214,778	0	0	0	0	0	0	0	214,778
Tenant Financing	80,000	25,000	0	0	0	0	0	0	105,000
Total:	5,884,222	64,594	22,180	20,622	8,646	5,000	5,000	10,959	6,021,223
Expenditures									
Strategic Area: Transportation									
General Aviation Airports	58,278	1,973	143	143	143	0	0	0	60,680
Landside Improvements	412,303	61,809	5,000	5,000	5,000	5,000	5,000	10,959	510,071
Support Facilities	905,655	20,515	21,389	35,009	16,166	0	0	0	998,734
Terminal Improvements	4,316,139	128,716	6,883	0	0	0	0	0	4,451,738
Total:	5,692,375	213,013	33,415	40,152	21,309	5,000	5,000	10,959	6,021,223

CAPITAL HIGHLIGHTS AND OPERATIONAL IMPACTS

- In FY 2011-12, the Department is scheduled to complete the \$2.920 billion North Terminal Development Program, which adds 1.8 million square feet of new terminal space and renovates 1.7 million square feet of existing terminal space, and which will have 48 international and domestic gates, two regional gates, a Customs facility capable of processing 3,600 international passengers per hour, 278 ticketing positions, an Automated People Mover system with four stations capable of transporting 9,500 passengers per hour and a Baggage Handling System capable of processing 8,400 bags per hour

- In FY 2011-12, the Department will finalize the construction of the elevated automated people mover (\$299.381 million) that will link the Miami Intermodal Center (MIC) to the terminal, which will relieve vehicular traffic at the curb of the terminal

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DIVISION: EXECUTIVE

The Executive Division, which includes the Office of the Director, provides leadership and direction to the Department staff in accomplishing the stated goals and objectives.

- Establishes departmental policy, directs overall management, and provides long-term vision
- Coordinates agenda items for the Board of County Commissioners
- Provides legal services to operational divisions
- Manages implementation of the North Terminal Development program

Strategic Objectives - Measures

- GG4-2: Effectively allocate and utilize resources to meet current and future operating and capital needs

Objectives	Measures		FY 08-09	FY 09-10	FY 10-11	FY 10-11	FY 11-12
			Actual	Actual	Budget	Actual	Target
Contain operating expenses	Number of positions reduced as part of the 20 percent position reduction plan (FY 2007-2012)	IN ↔	24	79	38	38	50

- TP3-3: Continually modernize Seaport and airports

Objectives	Measures		FY 08-09	FY 09-10	FY 10-11	FY 10-11	FY 11-12
			Actual	Actual	Budget	Actual	Target
Improve overall productivity and profitability at MIA	Number of gates opened in the North Terminal Program	OC ↑	7	7	6	3	3

DIVISION HIGHLIGHTS AND BUDGET ENHANCEMENTS OR REDUCTIONS

- MDAD's promotional funds total \$243,500 and will be used for activities that promote Miami-Dade County's airport system; major programs include Foundation for Democracy in Africa summit (\$25,000), Community Outreach Programs (\$60,000), Air Cargo Americas International Congress and Exhibition (\$50,000), Greater Miami Convention & Visitors Bureau (\$50,000), and various other activities (\$58,500)
- *The FY 2011-12 Adopted Budget includes the elimination of 50 positions (\$4.163 million); to date the Department has eliminated 299 positions as part of the five year position reduction plan that concludes this year*

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DIVISION: FINANCE AND STRATEGY

The Finance and Strategy Division is responsible for the management of accounting and financial services; development and monitoring of the operating and capital budgets; and development and monitoring of the Department's business plan.

- Oversees all accounting activities, including cost accounting, accounts payable and receivable, cash management, and generation of financial statements; coordinates with external auditor for year-end financial audit
- Manages capital and operating budget activities
- Develops and monitors the business plan for the Department on an annual basis
- Ensures adherence to federal, state, and County rules through the Professional Compliance section

Strategic Objectives - Measures

- ED2-1: Attract more visitors, meetings and conventions

Objectives	Measures			FY 08-09	FY 09-10	FY 10-11	FY 10-11	FY 11-12
				Actual	Actual	Budget	Actual	Target
Contain operating expenses	MIA cost per enplaned passenger*	OC	↓	\$15.98	\$17.61	\$19.89	\$19.89	\$20.21
Increase revenue generating activity at MIA	MIA passengers (millions)**	OC	↑	33.8	35.0	34.5	37.6	38.0
	Enplaned Passengers (millions)	OC	↑	16.8	17.4	17.5	18.7	19.0

* Estimates revised based on actual performance

**Estimates revised based on actual performance

- ED3-1: Attract and increase foreign direct investments and international trade from targeted countries

Objectives	Measures			FY 08-09	FY 09-10	FY 10-11	FY 10-11	FY 11-12
				Actual	Actual	Budget	Actual	Target
Increase revenue generating activity at MIA	MIA cargo tonnage (millions)	OC	↑	1.7	2.0	1.7	2.0	2.0
Contain operating expenses	Landing Fee Rate (per 1,000 lbs. in dollars)	OC	↓	\$1.18	\$1.92	\$1.92	\$1.70	\$1.92

DIVISION HIGHLIGHTS AND BUDGET ENHANCEMENTS OR REDUCTIONS

- The Department expects to maintain a competitive landing fee in FY 2011-12 at \$1.92 per 1,000 pounds, maintaining the same level that was budgeted in FY 2009-10 and FY 2010-11
- The FY 2011-12 Adopted Budget begins repayment, by the County to MDAD, of a \$15.629 million Federal Aviation Administration (FAA) finding resulting from a FY 2007-08 financial review; repayments will be \$1.563 million for 10 years; additionally, the United States Office of the Inspector General (OIG) 2005 finding that resulted from MDAD overpaying its share of the County's administrative reimbursement by \$11.285 million was settled in FY 2010-11
- MDAD's revenue and expenditure model is based on a residual program per the bond user agreement that stipulates that any fluctuations in expenditures will be matched with a landing fee model that charges a fee per 1,000 pounds of landed weight; due to the debt service increases of a \$6.021 billion capital improvement program and a ten percent enplanement growth, it is anticipated that the landing fee will increase, making the cost per enplaned passenger grow to \$29.53 in 2018 from \$20.21 as forecasted in FY 2011-12

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DIVISION: OPERATIONS

The Operations Division provides for a safe and secure airfield; manages the day-to-day operations within the terminal building; oversees the 24 hour traffic operations, which extend from the terminal curb to the airport property line and include the cargo area; addresses the issue of aircraft related noise and land compatibility within the community; and provides protocol services to ensure a smooth passage of dignitaries through the airport.

- Manages the day-to-day operation of the facility and acts as a mediator to resolve complaints/issues for tenants, airlines and passengers in MIA terminals
- Provides secure, safe and efficient airfield areas, terminal gates, and cargo loading positions for aircraft users
- Provides for the smooth flow of traffic through the airport, monitors ground transportation activity, and enforces parking regulations at MIA

Strategic Objectives - Measures

- TP2-6: Ensure excellent customer service for passengers

Objectives	Measures			FY 08-09	FY 09-10	FY 10-11	FY 10-11	FY 11-12
				Actual	Actual	Budget	Actual	Target
Improve overall customer satisfaction at MIA	Overall customer service ratings for MIA (scale 1-5)	OC	↑	3.6	3.8	3.9	3.9	4.0
	Airport workers trained through "Miami Begins with MIA" program	OP	↔	N/A	6,320	6,000	6,000	6,000

DIVISION HIGHLIGHTS AND BUDGET ENHANCEMENTS OR REDUCTIONS

- In FY 2011-12, the Department will continue to enhance customer service by continuing the Miami Begins at MIA program, which requires that all 35,000 airport workers, regardless of experience, position or title, attend customer service classes through Miami Dade College's Center for Service Excellence

DIVISION: BUSINESS RETENTION AND DEVELOPMENT

The Business Retention and Development Division oversees air carrier route development and route maintenance; oversees air carrier and concessionaire lease agreements; expands and develops revenue sources for MIA and the General Aviation Airports (GAA); plans future business and economic development for the Department; and enriches the airport environment through the commission of artwork and presentation of exhibits.

- Manages business retention and new business development
- Provides real estate management and development services
- Prepares marketing plans to attract new business
- Manages commercial operations, including management agreements and MIA tenants
- Creates an environment that is visually stimulating for passengers at the airport

Strategic Objectives - Measures

- GG4-1: Provide sound financial and risk management

Objectives	Measures			FY 08-09	FY 09-10	FY 10-11	FY 10-11	FY 11-12
				Actual	Actual	Budget	Actual	Target
Increase revenue generating activity at MIA	MIA non-terminal rental revenue (millions)	OC	↑	\$48.7	\$51.4	\$47.2	\$47.2	\$54.7
	GAA revenue (millions)	OC	↑	\$4.8	\$6.3	\$6.5	\$6.0	\$6.7

DIVISION HIGHLIGHTS AND BUDGET ENHANCEMENTS OR REDUCTIONS

- In FY 2011-12, the Department will increase the number of international routes to 90 from 85 in FY 2010-11, and cargo carriers to 29 from 28 during the same period; the Department will increase low fare carriers in FY 2011-12 to five from three in FY 2010-11

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DIVISION: AVIATION PLANNING, LAND USE, AND GRANTS

The Aviation Planning, Land Use, and Grants Division provides planning for the near, intermediate, and long-term development of Miami-Dade County's public use airports.

- Provides short and long range planning for MIA's infrastructure, concourse, and terminals, and for individual projects and programs
- Manages federal and state grants that provide funding for MIA's Capital Improvement Program
- Acts in a technical advisory capacity to key stakeholders including the Federal Aviation Administration concerning safety standards, regulatory compliance and operating and planning issues
- Conducts land use/zoning analyses

DIVISION HIGHLIGHTS AND BUDGET ENHANCEMENTS OR REDUCTIONS

- In FY 2011-12, the Department will pursue federal funding for MIA runway 12/30 pavement rehabilitation, with an estimated project cost of \$32 million, and MIA Concourse "D" roof rehabilitation, with an estimated project cost of \$8 million

DIVISION: FACILITIES MANAGEMENT

The Facilities Management Division maintains all airport systems and facilities in optimum working conditions to include the environmental systems, infrastructure, and Departmental fuel systems.

- Ensures that facilities at the airport are kept operationally reliable at all times
- Maintains and repairs the facilities and utility systems at MIA and General Aviation Airports (GAA)
- Ensures readiness of all new facilities including testing, commissioning, and turnover; sets operational standards and develops standard operational procedures; and updates MDAD design guidelines
- Supports the environmental, civil, and aviation fuel needs for the Department
- Monitors the levels and quality of the domestic water, sewage and storm water systems
- Manages, monitors, and maintains Airside Operations area pavement
- Performs audits of tenants for environmental compliance

Strategic Objectives - Measures

- GG6-1: Reduce County government's greenhouse gas emissions and resource consumption

Objectives	Measures			FY 08-09	FY 09-10	FY 10-11	FY 10-11	FY 11-12
				Actual	Actual	Budget	Actual	Target
Adhere to a green approach in disposal of waste	Percentage of cardboard recycled	OC	↑	N/A	100%	100%	100%	100%

DIVISION HIGHLIGHTS AND BUDGET ENHANCEMENTS OR REDUCTIONS

- In FY 2011-12, the Department will continue its annual recertification of fuel storage, environmental engineering, procurement, and maintenance as it relates to International Organization for Standardization (ISO) 14001 regulations; certification is required to ensure that management and environmental procedures meet the ISO standards and incorporate continued environmental improvement methodology, as well as reducing MIAs environmental footprint

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DIVISION: ADMINISTRATION

The Administration Division is responsible for managing support functions including procurement, human resources, information technology, and the aviation warehouse.

- Establishes and administers procurement contracts for operational divisions
- Provides human resource services: recruitment, employee counseling, training and staff development, and administration of policy and procedures
- Oversees maintenance of computerized systems to including the Common Use Terminal Equipment (CUTE)
- Manages the aviation warehouse, which stores parts and materials for the Facilities Management Division
- Develops and reviews Requests for Proposals (RFP) and Requests for Qualifications (RFQ) for a wide range of services for the Department
- Ensures minority businesses have bidding opportunities on contracts at MIA

Strategic Objectives - Measures

- GG2-2: Develop and retain excellent employees and leaders

Objectives	Measures			FY 08-09	FY 09-10	FY 10-11	FY 10-11	FY 11-12
				Actual	Actual	Budget	Actual	Target
Ensure a safe working environment for employees at MDAD	MDAD job related injury/illness incidents (number of incidents per month)	OC	↓	2.85	5.4	5.4	5.4	5.4

DIVISION HIGHLIGHTS AND BUDGET ENHANCEMENTS OR REDUCTIONS

- In FY 2011-12, the Department will continue to review its staffing and organizational structure to identify redundancies and other opportunities for streamlining the organization in the near-term and long-term
- The FY 2011-12 Adopted Budget includes the addition of one position (\$63,000) that will oversee contractual activities for the Rental Car Facility

DIVISION: PUBLIC SAFETY AND SECURITY

The Public Safety and Security division oversees investigative police and uniform services as well as fire and rescue services; ensures enforcement of all local, state and federally mandated security requirements; and coordinates internal and external communication activities.

- Oversees the investigative police and uniform services
- Oversees the fire and rescue services at Miami International Airport (MIA)
- Ensures the secure movement of people and goods through MIA and enforces all local, state, and federally mandated security requirements
- Coordinates, develops, and directs all media relations activities, special events, and external communications for the department

Strategic Objectives - Measures

- TP2-4: Ensure security at airports, seaport and on public transit

Objectives	Measures			FY 08-09	FY 09-10	FY 10-11	FY 10-11	FY 11-12
				Actual	Actual	Budget	Actual	Target
Adhere to acceptable certified police officer levels to secure the airport	Average number of overall crimes at MIA	OC	↓	N/A	45	70	70	70

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DIVISION HIGHLIGHTS AND BUDGET ENHANCEMENTS OR REDUCTIONS

- In FY 2011-12, the Department will continue airport behavior pattern recognition awareness training for MIA employees, averaging eight classes per month

Department Operational Unmet Needs

Description	(dollars in thousands)		Positions
	Startup Costs/ Non Recurring Costs	Recurring Costs	
Provide full-time Aircraft Rescue Fire Fighting (ARFF) services at Kendall Tamiami Executive Airport to include funding for one Captain, two Lieutenants, and six Firefighters	\$905	\$1,091	9
Total	\$905	\$1,091	9