

FY 2012 - 13 Adopted Budget and Multi-Year Capital Plan

Aviation

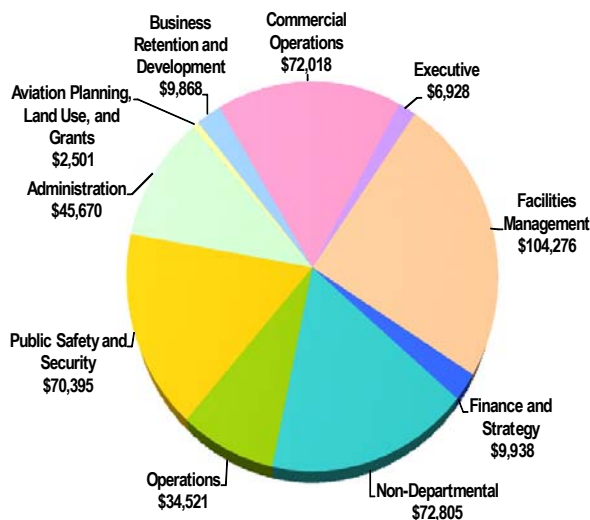
The Miami-Dade Aviation Department (MDAD) operates a system of airports that provides for the safe and efficient movement of people and goods while being responsive to the needs of customers and safeguarding the environment.

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 93 airlines with routes to nearly 150 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 \$6.509 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.

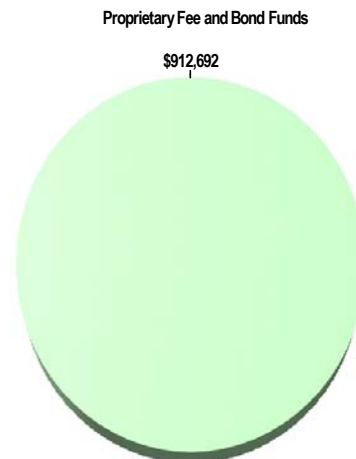
MDAD works closely with a diverse group of constituents, including cargo and passenger airlines and their customers, the support industries that form the air travel base, the Federal Aviation Administration, the Transportation Security Administration, the United States Customs and Border Protection,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

FY 2012-13 Adopted Budget

Expenditures by Activity
(dollars in thousands)



Revenues by Source
(dollars in thousands)



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TABLE OF ORGANIZATION

<p style="text-align: center;"><u>EXECUTIVE</u></p> <ul style="list-style-type: none"> Provides leadership and direction to department staff in accomplishing the stated goals and objectives; provides legal representation; oversees government relations at the local, state, and federal levels; provides oversight and management of the design, bid, award, and construction of the North Terminal Development Program <p style="text-align: center;"> <u>FY 11-12</u> <u>FY 12-13</u> 35 34 </p>			
<p style="text-align: center;"><u>BUSINESS RETENTION AND DEVELOPMENT</u></p> <ul style="list-style-type: none"> Manages rental and permit agreements of the airport system properties and facilities; commissions artwork and presentation of exhibits; plans and coordinates air carrier route development and route maintenance <p style="text-align: center;"> <u>FY 11-12</u> <u>FY 12-13</u> 42 43 </p>		<p style="text-align: center;"><u>FINANCE AND STRATEGY</u></p> <ul style="list-style-type: none"> Oversees accounting and financial services; controls scope, cost, schedule, and quality of capital projects <p style="text-align: center;"> <u>FY 11-12</u> <u>FY 12-13</u> 67 67 </p>	
<p style="text-align: center;"><u>OPERATIONS</u></p> <ul style="list-style-type: none"> Provides secure, safe and efficient airfield areas, terminal gates, and cargo loading positions for aircraft users; manages day-to-day operations within the terminal building; provides traffic control through the airport, monitors ground transportation activity, and enforces parking regulations at MIA <p style="text-align: center;"> <u>FY 11-12</u> <u>FY 12-13</u> 389 410 </p>		<p style="text-align: center;"><u>AVIATION PLANNING, LAND USE, AND GRANTS</u></p> <ul style="list-style-type: none"> Provides planning for the development of Miami-Dade County's public use airports <p style="text-align: center;"> <u>FY 11-12</u> <u>FY 12-13</u> 10 10 </p>	
<p style="text-align: center;"><u>PUBLIC SAFETY AND SECURITY</u></p> <ul style="list-style-type: none"> 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 <p style="text-align: center;"> <u>FY 11-12</u> <u>FY 12-13</u> 95 95 </p>		<p style="text-align: center;"><u>ADMINISTRATION</u></p> <ul style="list-style-type: none"> Oversees personnel and support services functions; develops and reviews Requests for Proposals (RFP) and Requests for Qualifications (RFQ) for the Department; provides information technology and telecommunications services <p style="text-align: center;"> <u>FY 11-12</u> <u>FY 12-13</u> 122 122 </p>	
		<p style="text-align: center;"><u>FACILITIES MANAGEMENT</u></p> <ul style="list-style-type: none"> Maintains airport systems and facilities; manages the planning, design, and construction of facilities <p style="text-align: center;"> <u>FY 11-12</u> <u>FY 12-13</u> 446 446 </p>	

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FINANCIAL SUMMARY

(dollars in thousands)	Actual FY 09-10	Actual FY 10-11	Budget FY 11-12	Adopted FY 12-13
Revenue Summary				
Aviation Fees and Charges	274,611	316,571	346,679	355,499
Carryover	43,861	40,979	59,916	65,440
Commercial Operations	183,822	227,179	236,043	252,161
Non-Operating Revenue	57,222	69,815	80,000	85,000
Other Revenues	12,082	13,573	15,638	15,592
Rental Income	105,823	109,262	116,042	139,000
Total Revenues	677,421	777,379	854,318	912,692
Operating Expenditures Summary				
Salary	102,284	82,248	81,000	81,159
Fringe Benefits	30,289	23,529	19,066	22,455
Court Costs	415	732	552	552
Contractual Services	88,124	91,883	109,534	114,791
Other Operating	84,759	91,270	111,515	105,910
Charges for County Services	54,725	81,681	94,846	94,132
Grants to Outside Organizations	0	0	0	0
Capital	1,036	2,195	5,686	9,921
Total Operating Expenditures	361,632	373,538	422,199	428,920
Non-Operating Expenditures Summary				
Transfers	274,810	355,478	366,679	415,145
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	65,440	68,627
Total Non-Operating Expenditures	274,810	355,478	432,119	483,772

(dollars in thousands)	Total Funding		Total Positions	
Expenditure By Program	Budget FY 11-12	Adopted FY 12-13	Budget FY 11-12	Adopted FY 12-13
Strategic Area: Transportation				
Administration	45,936	45,670	122	122
Aviation Planning, Land Use, and Grants	3,258	2,501	10	10
Business Retention and Development	6,906	9,868	42	43
Commercial Operations	69,384	72,018	0	0
Executive	7,883	6,928	35	34
Facilities Management	98,891	104,276	446	446
Finance and Strategy	10,725	9,938	67	67
Non-Departmental	76,930	72,805	0	0
Operations	34,417	34,521	389	410
Public Safety and Security	67,869	70,395	95	95
Total Operating Expenditures	422,199	428,920	1,206	1,227

SELECTED ITEM HIGHLIGHTS AND DETAILS

Line Item Highlights	(dollars in thousands)				
	Actual FY 09-10	Actual FY 10-11	Budget FY 11-12	Actual FY 11-12	Budget FY 12-13
Advertising	555	507	774	508	743
Fuel	1,488	2,133	4,254	1,678	2,234
Overtime	8,949	3,319	3,694	2,720	3,464
Rent	0	0	0	0	0
Security Services	5,710	5,417	7,492	5,877	6,915
Temporary Employees	0	0	0	0	0
Travel and Registration	84	121	469	105	393
Utilities	48,483	47,545	54,831	48,240	54,859

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CAPITAL BUDGET SUMMARY

(dollars in thousands)	PRIOR	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FUTURE	TOTAL
Revenue									
Federal Aviation Administration	313,943	7,913	14,225	2,697	0	0	0	0	338,778
Improvement Fund	17,379	0	0	0	0	0	0	0	17,379
Transportation Security Administration	63,569	15,792	3,492	3,492	0	0	0	0	86,345
Funds									
FDOT Funds	334,052	13,279	11,846	141	0	0	0	0	359,318
Aviation Passenger Facility Charge	169,459	0	0	0	0	0	0	0	169,459
Aviation Revenue Bonds	5,218,199	0	0	0	0	0	0	0	5,218,199
Double-Barreled GO Bonds	214,778	0	0	0	0	0	0	0	214,778
Tenant Financing	90,000	15,000	0	0	0	0	0	0	105,000
Total:	6,421,379	51,984	29,563	6,330	0	0	0	0	6,509,256
Expenditures									
Strategic Area: Transportation									
Airside Improvements	356,736	21,820	15,380	0	0	0	0	0	393,936
Cargo Facilities Improvements	177,377	1,500	3,300	0	0	0	0	0	182,177
General Aviation Airports	58,699	102	102	253	0	0	0	0	59,156
Landside Improvements	435,640	3,735	0	0	0	0	0	0	439,375
Support Facilities	884,159	59,888	38,388	10,500	0	0	0	0	992,935
Terminal Improvements	4,337,603	95,241	6,433	2,400	0	0	0	0	4,441,677
Total:	6,250,214	182,286	63,603	13,153	0	0	0	0	6,509,256

CAPITAL HIGHLIGHTS AND OPERATIONAL IMPACTS

- In FY 2012-13, the Department will set aside \$59.888 million to support facility improvements
- In FY 2012-13, the Department will incur \$21.820 million in support of airside improvements that include the rehabilitation of Runway 12/30 and its connecting taxiways including upgrading of all associated utilities, markings and center-line, edge and holdbar lighting
- In FY 2012-13, the Department is scheduled to make final payments (\$87.635 million) on the \$2.922 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 2012-13, the Department will make final payments (\$3.735 million) for the elevated automated people mover system (\$284.633 million) that links the Miami Intermodal Center (MIC) to the terminal, relieving 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 09-10	FY 10-11	FY 11-12	FY 11-12	FY 12-13
				Actual	Actual	Budget	Actual	Target
Contain operating expenses	CIP construction lost workday rate cases	EF	↓	.52	0	2.8	2.8	2.8

DIVISION: FINANCE AND STRATEGY

The Finance and Strategy Division is responsible for 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 09-10	FY 10-11	FY 11-12	FY 11-12	FY 12-13
				Actual	Actual	Budget	Actual	Target
Contain operating expenses	MIA cost per enplaned passenger*	OC	↓	\$17.61	\$18.51	\$20.21	\$19.72	\$20.56
Increase revenue generating activity at MIA	MIA passengers (millions)	OC	↑	35.0	37.6	38.0	39.6	39.0
	Enplaned Passengers (millions)	OC	↑	17.4	18.7	19.0	19.7	19.5

*FY 2010-11 actual revised based on audited financials released after the Adopted Budget was published; FY 2012-13 revised based on changes from budget proposal to what was adopted

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

Objectives	Measures			FY 09-10	FY 10-11	FY 11-12	FY 11-12	FY 12-13
				Actual	Actual	Budget	Actual	Target
Increase revenue generating activity at MIA	MIA cargo tonnage (millions)	OC	↑	2.0	2.0	2.0	2.0	2.1
Contain operating expenses	Landing Fee Rate (per 1,000 lbs. in dollars)	OC	↓	\$1.92	\$1.70	\$1.92	\$1.92	\$1.75

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DIVISION COMMENTS

- The Department expects to maintain a competitive landing fee in FY 2012-13 at \$1.75 per 1,000 pounds, decreasing \$0.17 from the FY 2011-12 level of \$1.92
- The FY 2012-13 Adopted Budget continues the second year of repayment, by the County to MDAD, of a \$14.507 million Federal Aviation Administration (FAA) finding resulting from a FY 2007-08 financial review; repayments will be \$1.45 million for 10 years
- 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 \$6.509 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 \$26.50 in 2018 from \$20.56 as forecasted in FY 2012-13

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 09-10	FY 10-11	FY 11-12	FY 11-12	FY 12-13
				Actual	Actual	Budget	Actual	Target
Improve overall customer satisfaction at MIA	Overall customer service ratings for MIA (scale 1-5)	OC	↑	3.8	3.9	4.0	3.7	4.0
	Airport workers trained through "Miami Begins with MIA" program	OP	↔	6,320	6,000	6,000	6,341	6,000

DIVISION COMMENTS

- In FY 2012-13, 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

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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 09-10	FY 10-11	FY 11-12	FY 11-12	FY 12-13
				Actual	Actual	Budget	Actual	Target
Increase revenue generating activity at MIA	MIA non-terminal rental revenue (millions)*	OC	↑	\$51.4	\$43.2	\$50.1	\$53.8	\$50.8
	GAA revenue (millions)*	OC	↑	\$6.3	\$6.7	\$5.7	\$6.7	\$5.7

*FY 2010-11 actual revised based on audited financials released after the Adopted Budget was published; FY 2011-12 budget figures revised based on changes incorporated during the September budget hearings that were not properly updated in the Adopted Budget book

DIVISION COMMENTS

- In FY 2012-13, the Department will increase the number of international routes to 92 from 90 in FY 2011-12, and cargo carriers to 30 from 29 during the same period; the Department will increase low fare carriers in FY 2012-13 to five from three
- MDAD's promotional funds total \$197,500 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), Greater Miami Convention & Visitors Bureau (\$50,000), and various other activities (\$62,500)

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

Strategic Objectives – Measures

- TP3-3: Continually modernize Seaport and airports

Objectives	Measures			FY 09-10	FY 10-11	FY 11-12	FY 11-12	FY 12-13
				Actual	Actual	Budget	Actual	Target
Enhance customer service	Airspace analysis for airport construction (number of studies completed)	OP	↔	N/A	39	39	39	39

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DIVISION COMMENTS

- In FY 2012-13, the Department will pursue federal funding for Runway 12/30 pavement rehabilitation, with an estimated project cost of \$45 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 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 09-10	FY 10-11	FY 11-12	FY 11-12	FY 12-13
				Actual	Actual	Budget	Actual	Target
Adhere to a green approach in disposal of waste	Percentage of cardboard recycled	EF	↑	100%	100%	100%	100%	100%

DIVISION COMMENTS

- In FY 2012-13, 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 to reduce MIA's environmental footprint

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
- 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 09-10	FY 10-11	FY 11-12	FY 11-12	FY 12-13
				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)	O C	↓	5.4	5.4	5.4	5.4	5.4

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DIVISION COMMENTS

- In FY 2012-13, 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 2012-13 Adopted Budget includes the addition of two positions (\$159,000) that will oversee property management to meet the demand for tenant monitoring and customer service and 21 positions (\$812,000) to assist with customer service and passenger safety concerns
- In FY 2012-13, the Department will eliminate two positions as a result of improved efficiency in operations (\$168,000)

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 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 09-10	FY 10-11	FY 11-12	FY 11-12	FY 12-13
				Actual	Actual	Budget	Actual	Target
Adhere to acceptable certified police officer levels to secure the airport	Average number of overall crimes at MIA	OC	↓	45	70	70	48	70

DIVISION COMMENTS

- In FY 2012-13, the Department will continue airport behavior pattern recognition awareness training for MIA employees, averaging eight classes per month