

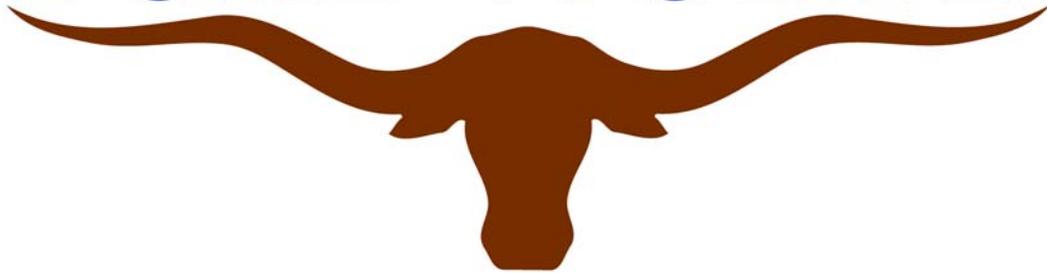
FUND STATEMENT**FUND:****MUNICIPAL AIRPORTS FUND**

The Municipal Airports Fund, as one of the City's Enterprise Funds, must support itself from the revenues it generates. The Aviation Department, which manages the Municipal Airports Fund, relies on that fund to finance the promotion, development, maintenance, and protection of all City aviation facilities, services and other assets. With effective departmental stewardship of the fund, the Fort Worth airports system makes a significant contribution to the City.

The Aviation Department is responsible for maintaining, managing, operating, developing and promoting three of the four airports in the City's airport system: Fort Worth Meacham International Airport, Fort Worth Spinks Airport and the planned Fort Worth Downtown Heliport. Although the City owns Fort Worth Alliance Airport, the airport is currently under private management. The contracted firm is responsible for Alliance's daily operations. All City of Fort Worth airports are designated as General Aviation Reliever airports providing relief for Dallas/Fort Worth International airport and Dallas Love Field. Collectively, the three airports support more than 262,000 flight operations per year which is 32% of the combined operations at DFW and Dallas Love Field.

The Municipal Airports Fund is sustained by several revenue sources, including, but not limited to: aircraft landing fees, fuel flowage fees, terminal building and hangar lease agreements, lease fees for both improved and unimproved land at the airports, and a profit-sharing arrangement with Alliance Airport. Fund expenditures include personnel costs for Aviation Department staff, operating supplies, and capital equipment.

FORT WORTH



**MUNICIPAL AIRPORTS FUND BUDGET SUMMARY
FY2011**

REVENUES:

Meacham Airport Operations	\$2,478,163
FAA/Alliance Revenue	1,262,700
Gas Lease Royalties (ERP Phase II)	917,358
Spinks Airport Operations	264,937
Transfer from P240	245,626
Heliport Operations	200,000
GSIA Possession Fee	200,000
Other Revenue	<u>30,000</u>

TOTAL REVENUE \$5,598,784

Use/(Source) of Fund Balance \$0

TOTAL SOURCE OF FUNDS \$5,598,784

EXPENDITURES:

Personal Services	\$1,500,255
Supplies	224,710
Contractual Services	<u>3,568,319</u>

TOTAL RECURRING EXPENSES \$5,293,284

DEBT SERVICE AND CAPITAL OUTLAY:

Capital Outlays	\$305,500
Debt Service	<u>0</u>

TOTAL DEBT SERVICE AND CAPITAL OUTLAY \$305,500

TOTAL EXPENDITURES \$5,598,784

FORT WORTH



**PROJECTED
FY2011 CASH FLOW
MUNICIPAL AIRPORTS FUND**

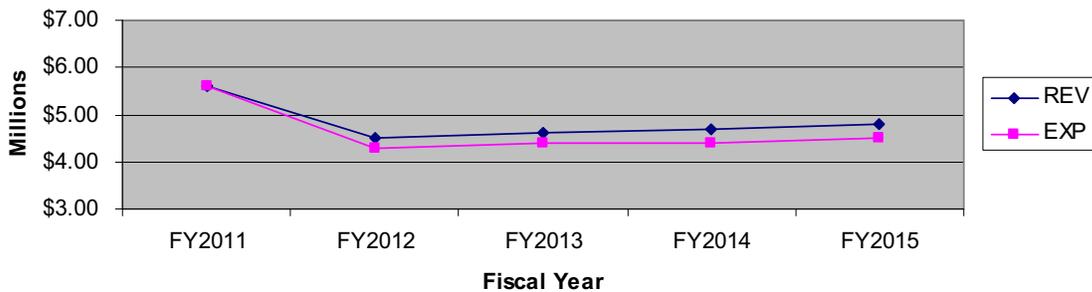
Cash Balance as of 9/30/10 *	\$857,161
Plus: Projected Revenues	\$5,598,784
Less: Projected Expenditures	(\$5,598,784)
Estimated Available Cash as of 9/30/11	\$857,161

* Preliminary fund balance due to pending audit of actual fund balances

MUNICIPAL AIRPORTS FUND FIVE YEAR FORECAST FISCAL YEAR 2011 THROUGH 2015

	FY2011 Adopted	FY2012 Projected	FY2013 Projected	FY2014 Projected	FY2015 Projected
Beginning Cash Balance	\$857,161	\$857,161	\$1,005,969	\$1,195,347	\$1,437,179
<u>Revenues*</u>					
Interest	\$20,000	\$20,350	\$20,757	\$21,297	\$21,936
Fuel Flowage	\$745,000	\$758,038	\$773,198	\$793,301	\$817,100
Lease Revenue	\$524,263	\$524,263	\$524,263	\$524,263	\$524,263
Gas Lease Royalties**	\$1,162,984	\$0	\$0	\$0	\$0
ACFT Landing Fees	\$815,000	\$829,263	\$845,848	\$867,840	\$893,875
Land Revenue	\$1,082,837	\$1,101,787	\$1,123,822	\$1,153,042	\$1,187,633
Hangar Revenue	\$888,000	\$903,540	\$921,611	\$945,573	\$973,940
Other Revenue	<u>\$360,700</u>	<u>\$360,700</u>	<u>\$360,700</u>	<u>\$360,700</u>	<u>\$360,700</u>
Total Revenue	\$5,598,784	\$4,497,940	\$4,570,199	\$4,666,015	\$4,779,447
Total Resources	\$6,455,945	\$5,355,101	\$5,576,168	\$5,861,363	\$6,216,626
<u>Expenditures</u>					
Personnel Services	\$1,500,255	\$1,523,812	\$1,550,927	\$1,588,227	\$1,611,973
Supplies	\$224,710	\$228,642	\$233,215	\$239,279	\$246,457
Contractual	\$3,568,319	\$2,496,678	\$2,496,678	\$2,496,678	\$2,496,678
Capital	\$305,500	\$100,000	\$100,000	\$100,000	\$100,000
Debt Service	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Expenditures	\$5,598,784	\$4,349,132	\$4,380,820	\$4,424,183	\$4,455,108
Projected Variance	\$0	\$148,807	\$189,379	\$241,832	\$324,339
Projected Cash Balance	\$857,161	\$1,005,969	\$1,195,347	\$1,437,179	\$1,761,518
Reserve Requirement (20%)	\$844,329	\$635,498	\$641,836	\$650,508	\$656,693
Excess/(Deficit)	\$12,833	\$370,470	\$553,511	\$786,671	\$1,104,825

MUNICIPAL AIRPORTS FUND PROJECTED REVENUES AND EXPENDITURES



*This model does **not** reflect any rate increases for the next five years.

**One time transfer in FY2011 for the fund's portion of ERP Phase II.

**COMPARISON OF MUNICIPAL AIRPORTS FUND
EXPENDITURES**

	ACTUAL FY2008	ACTUAL FY2009	BUDGET FY2010	RE-ESTIMATE FY2010	ADOPTED FY2011
General Administration	\$3,381,566	\$2,361,165	\$815,869	\$815,869	\$1,889,938
Depreciation	8,824,874	7,189,335	0	0	0
Non-Departmental	512,086	85,884	0	0	169,891
Meacham Airport	1,383,774	1,309,625	1,594,267	1,594,267	1,744,694
Spinks Airport	269,086	353,937	522,347	522,347	456,819
Alliance Airport	28,572	445,416	1,687,464	1,687,464	1,137,442
Heliport	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>200,000</u>
TOTAL	\$14,399,958	\$11,745,362	\$4,619,947	\$4,619,947	\$5,598,784

FORT WORTH



**COMPARISON OF MUNICIPAL AIRPORTS FUND
REVENUES**

	ACTUAL FY2008	ACTUAL FY2009	BUDGET FY2010	RE-ESTIMATE FY2010	ADOPTED FY2011
Interest on Investment	\$5,354	\$16,826	\$25,000	\$17,686	\$20,000
Unrealized Gain	2,795	3,862	0	(6,797)	0
Gas Lease Bonus/Royalties	0	0	0	0	917,358
Easements for Pipelines	0	1,000	0	44,533	0
Temp Water Line Gas Drilling	0	12,415	0	0	0
FAA Lease Revenue	482,032	108,128	62,700	62,700	62,700
Transfer from GASB 10	26,692	25,410	0	0	0
Transfers In GG14	31,435	33,235	0	0	0
Intra-Fund Transfer	2,366,145	668,256	0	15,000	0
Intra-Fund Transfer P240	0	0	0	572,820	245,626
Alliance Revenue Sharing	314,290	947,645	1,750,000	1,468,559	0
Fuel Flowage Fees	511,088	414,944	511,704	450,861	745,000
Landing Fees	306	0	0	0	815,000
Land (Improved)	158,287	166,234	166,210	190,712	357,000
Aircraft Parking	1,357	1,357	0	0	0
Miscellaneous Operations	300	0	0	0	0
Auto Rental	175	0	0	0	0
Terminal Building Revenue	336,521	388,196	331,933	331,933	355,163
Hangar Revenue	636,320	608,381	635,000	629,393	888,000
Other Building Revenue	19,372	19,109	74,100	19,100	169,100
Land (Unimproved)	643,789	684,534	783,200	714,546	725,837
Miscellaneous Income	72,200	72,200	25,000	15,205	13,000
Miscellaneous L/H Income	52,967	68,631	70,100	51,270	75,000
G.S.I.A. Possession Fee	<u>210,428</u>	<u>210,428</u>	<u>210,000</u>	<u>212,161</u>	<u>210,000</u>
TOTAL	\$5,863,704	\$4,430,103	\$4,619,947	\$4,789,682	\$5,598,784

FORT WORTH



FUND BUDGET SUMMARY

DEPARTMENT: AVIATION	FUND/CENTER PE40/0551000:0551401
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SUMMARY OF FUND RESPONSIBILITIES:

The Aviation Department oversees a system of airports, which include Fort Worth Alliance, Fort Worth Meacham International Airport, Fort Worth Spinks Airport and a planned Fort Worth Downtown Heliport. These airports are designed to relieve Dallas/Fort Worth International Airport of general aviation pressures. The Department is responsible for planning, operating, and promoting these facilities. Aviation Administration is responsible for aviation planning, grant administration, capital projects, and staff support functions for all airports. Airport Managers work with airport tenants, manage projects and oversee and maintain airport infrastructure in compliance with Federal Aviation Administration standards.

Fort Worth Alliance Airport was completed by the City in 1989, and is one component of a master-planned, mixed-use community known as Alliance Texas developed by Hillwood. The Alliance Texas development serves as an inland logistics port with air, rail and trucking. The Aviation Department is involved with the air portion of this development. The airport has two runways, precision instrument approaches, and a variety of private companies that provide aviation services or choose Alliance as a base of operations. The airport infrastructure and grounds are maintained by a private contractor through a management agreement. The Alliance Air Traffic Control tower, with its unique design, is operated by the Federal Aviation Administration but is owned by the City of Fort Worth and maintained by the Aviation Department.

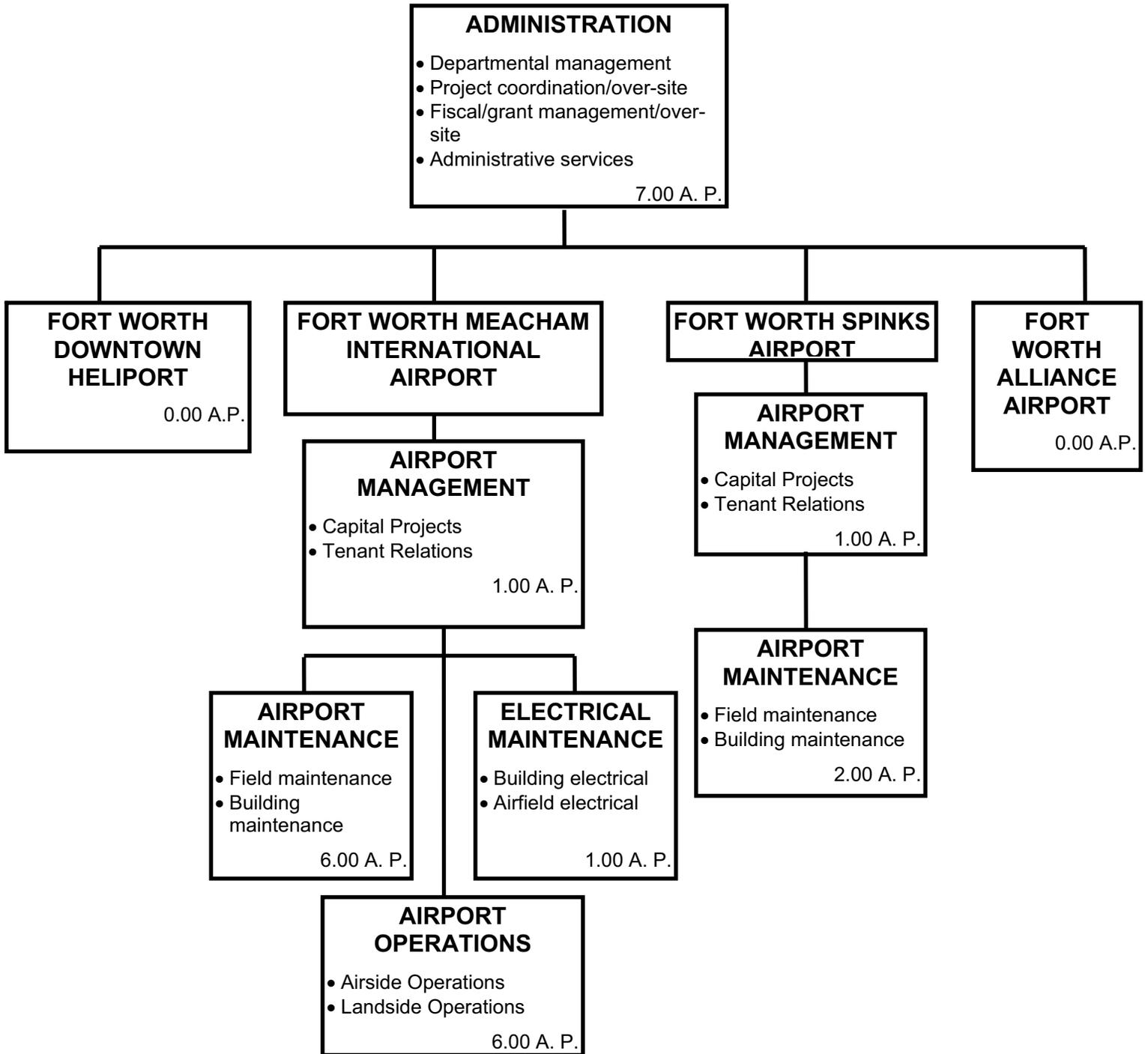
Fort Worth Meacham International Airport began serving the community in 1925. The airport has three runways, precision instrument approaches, and a large variety of private companies that provide aviation services or choose Meacham as a base of operations. The Aviation Department maintains the infrastructure, grounds and some buildings at Meacham, most notably the terminal building.

Fort Worth Spinks Airport became a part of the City system in 1988 when the Oak Grove Airport was acquired from a private operator and expanded. The airport has two runways, a precision instrument approach, and a variety of private companies that provide aviation services or choose Spinks as a base of operations. The Aviation Department maintains the infrastructure, grounds, tower and some buildings at Spinks.

Fort Worth Downtown Heliport is under development and will be maintained by the Aviation Department. Aviation services will be provided by private companies at the heliport.

Allocations	Actual FY2009	Adopted FY2010	Proposed Budget FY2011	Adopted Budget FY2011
Personnel Services	\$ 1,898,793	\$ 1,559,094	\$ 1,495,092	\$ 1,500,255
Supplies	207,751	158,453	224,710	224,710
Contractual	9,530,265	2,861,400	3,568,319	3,568,319
Capital Outlay	16,694	41,000	305,500	305,500
Debt Service	91,859	0	0	0
Total Expenditures	\$ 11,745,362	\$ 4,619,947	\$ 5,593,621	\$ 5,598,784
Authorized Positions	29.00	26.00	24.00	24.00

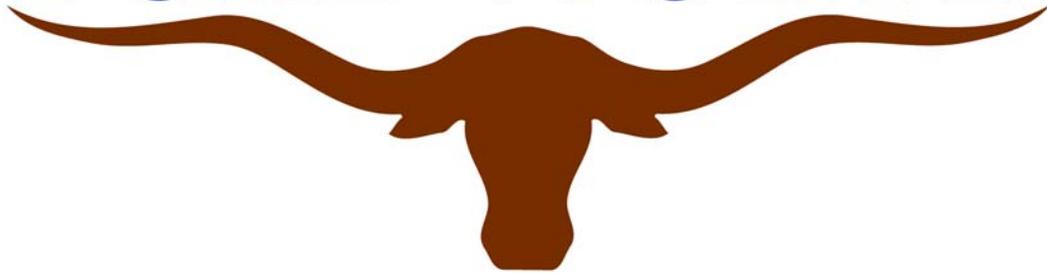
MUNICIPAL AVIATION FUND – 24.00 A. P.



SIGNIFICANT BUDGET CHANGES

DEPARTMENT:	FUND/CENTER		
AVIATION	PE40/0551000:0551401		
CHANGES FROM FY2010 ADOPTED TO FY2011 ADOPTED			
FY2010 ADOPTED:	\$4,619,947	A.P.	26.00
FY2011 ADOPTED:	\$5,598,784	A.P.	24.00
<p>A) The adopted budget decreases by (\$97,128) for the reduction of a Field Operations Crewleader and an Administrative Assistant and associated costs.</p> <p>B) The adopted budget increases by 1,071,641 for the transfer from gas royalties to fund Aviation's cost allocation for ERP Phase II.</p> <p>C) The adopted budget decreases by (\$433,695) for the reduction of expenditures related to the lease agreement at Alliance Airport.</p> <p>D) The adopted budget decreases by (\$249,805) for the reduction of the administrative service charge for the fund as determined by the Financial Management Services Department.</p> <p>E) The adopted budget increases by \$190,000 for the projected costs to lease the land for the new Heliport from Chesapeake.</p> <p>F) The adopted budget decreases by (\$106,052) for the elimination of an additional contribution to Retiree Healthcare. The FY2011 additional contribution of \$5M to the Retiree Healthcare Trust for all City Funds will be funded through General Fund savings rolled over from FY2010.</p> <p>G) The adopted budget increases by \$74,500 for motor vehicles based on the FY2011 vehicle replacement plan for the fund.</p> <p>H) The adopted budget increases by \$70,000 for planned inside repair and maintenance at the Meacham Terminal Building and other facilities.</p> <p>I) The adopted budget increases by \$41,453 for equipment maintenance based on current spending trends.</p> <p>J) The adopted budget increases by \$35,668 as a result of the elimination of eight mandatory furlough days.</p> <p>K) The adopted budget decreases by (\$31,632) for salaries of regular employees based on turnover and vacancies in the department.</p> <p>L) The adopted budget increases by \$28,462 for the City's contribution to retirement to 19.74% of salary for General Employees and to 20.46% of salary to Police Civil Service.</p> <p>M) The adopted budget decreases by (\$23,837) for claim payments based on the claims history and severity.</p> <p>N) The adopted budget increases by a net of \$17,916 for group health based on plan migration, turnover, and a 15% increase in the city's contribution to group health.</p>			

FORT WORTH



DEPARTMENTAL OBJECTIVES AND MEASURES

DEPARTMENT:			
AVIATION			
DEPARTMENT PURPOSE			
To provide aviation users with a first-class airport system that provides safe facilities and services that benefit the citizens of Fort Worth.			
FY2011 DEPARTMENTAL OBJECTIVES			
Achieve 100% occupancy at Meacham Terminal Building			
Increase operations at Meacham and Spinks Airports by 5%			
Increase based aircraft at Meacham and Spinks Airports by 5%			
Achieve 100% completion rate on FAA Form 425A (financial report)			
Increase efficiency of accounts receivable to reduce delinquent accounts and ensure revenues are collected in a timely manner			
DEPARTMENTAL MEASURES	ACTUAL FY2009	ESTIMATED FY2010	PROJECTED FY2011
Meacham Terminal Building occupancy	90%	100%	100%
Increase Aircraft Operations Spinks by 5%	59,893	62,888	66,032
Meacham Aircraft Operations	85,747	90,034	94,536
Based Aircraft - Spinks Airport	173	182	191
Based Aircraft - Meacham Airport	215	226	237
FAA Form SF-272 Completion Rate	100%	100%	100%
Collection Rate - Delinquent Accounts	95%	98 %	100%

FORT WORTH



DEPARTMENTAL SUMMARY BY CENTER

DEPARTMENT AVIATION		ALLOCATIONS				AUTHORIZED POSITIONS			
FUND PE40	MUNICIPAL AIRPORTS FUND	Actual Expenditures FY2009	Adopted Budget FY2010	Proposed Budget FY2011	Adopted Budget FY2011	Adopted Budget FY2009	Adopted Budget FY2010	Proposed Budget FY2011	Adopted Budget FY2011
Center	Center Description								
	<u>GENERAL ADMINISTRATION</u>								
0551000	GENERAL ADMINISTRATION	\$ 2,361,165	\$ 815,869	\$ 1,887,120	\$ 1,889,938	7.00	7.00	5.00	5.00
0551002	NON-DEPARTMENTAL	85,884	0	169,891	169,891	0.00	0.00	0.00	0.00
	Sub-Total	<u>\$ 2,447,049</u>	<u>\$ 815,869</u>	<u>\$ 2,057,011</u>	<u>\$ 2,059,829</u>	<u>7.00</u>	<u>7.00</u>	<u>5.00</u>	<u>5.00</u>
	<u>MEACHAM AIRPORT</u>								
0551101	MEACHAM OPERATIONS	\$ 1,309,625	\$ 1,594,267	\$ 1,742,349	\$ 1,744,694	17.00	15.00	15.00	15.00
	Sub-Total	<u>\$ 1,309,625</u>	<u>\$ 1,594,267</u>	<u>\$ 1,742,349</u>	<u>\$ 1,744,694</u>	<u>17.00</u>	<u>15.00</u>	<u>15.00</u>	<u>15.00</u>
	<u>SPINKS AIRPORT</u>								
0551201	SPINKS OPERATIONS	\$ 353,937	\$ 522,347	\$ 456,819	\$ 456,819	5.00	4.00	4.00	4.00
	Sub-Total	<u>\$ 353,937</u>	<u>\$ 522,347</u>	<u>\$ 456,819</u>	<u>\$ 456,819</u>	<u>5.00</u>	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>
	<u>ALLIANCE AIRPORT</u>								
0551301	ALLIANCE OPERATIONS	\$ 445,416	\$ 1,687,464	\$ 1,137,442	\$ 1,137,442	0.00	0.00	0.00	0.00
	Sub-Total	<u>\$ 445,416</u>	<u>\$ 1,687,464</u>	<u>\$ 1,137,442</u>	<u>\$ 1,137,442</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	<u>HELIPORT</u>								
0551401	HELIPORT OPERATION	\$ 0	\$ 0	\$ 200,000	\$ 200,000	0.00	0.00	0.00	0.00

DEPARTMENTAL SUMMARY BY CENTER

DEPARTMENT AVIATION		ALLOCATIONS				AUTHORIZED POSITIONS			
FUND PE40	MUNICIPAL AIRPORTS FUND	Actual Expenditures FY2009	Adopted Budget FY2010	Proposed Budget FY2011	Adopted Budget FY2011	Adopted Budget FY2009	Adopted Budget FY2010	Proposed Budget FY2011	Adopted Budget FY2011
Center	Center Description								
	Sub-Total	\$ 0	\$ 0	\$ 200,000	\$ 200,000	0.00	0.00	0.00	0.00
	<u>NON-DEPARTMENTAL</u>								
0554000	NON-DEPARTMENTAL	\$ 7,189,335	\$ 0	\$ 0	\$ 0	0.00	0.00	0.00	0.00
	Sub-Total	\$ 7,189,335	\$ 0	\$ 0	\$ 0	0.00	0.00	0.00	0.00
	TOTAL	\$ 11,745,362	\$ 4,619,947	\$ 5,593,621	\$ 5,598,784	29.00	26.00	24.00	24.00