

BARNSTABLE MUNICIPAL AIRPORT

(Enterprise Fund)

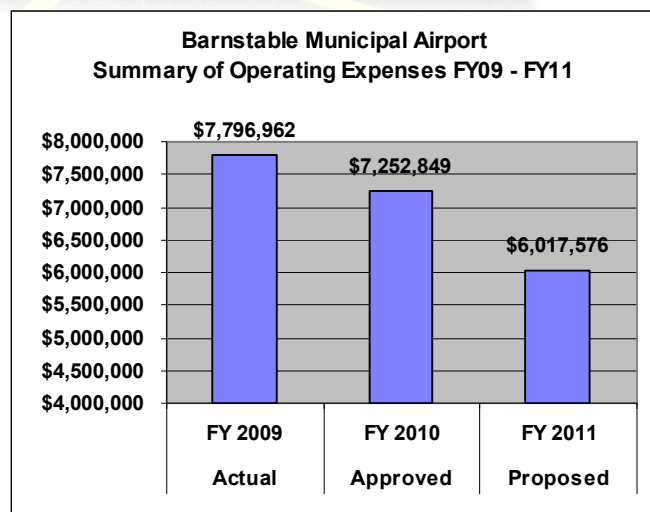
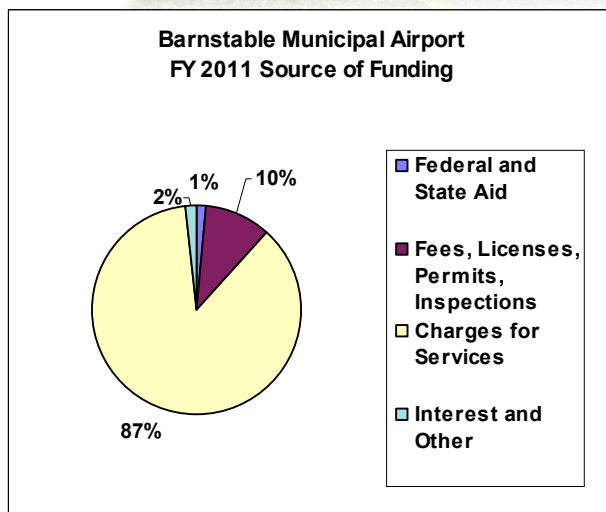
The mission of the Barnstable Municipal Airport is to provide a superb air travel experience and high quality aviation activities to the citizens of the Town of Barnstable, the Cape Cod region, and the Commonwealth of Massachusetts. As a non-hub primary airport and a major transportation facility, our goal is not only to foster local economic growth, but to ensure that the airport remains as an integral part of the regional transportation plan in an effort to meet the growing demand for present and future air travel.



DEPARTMENT PERMANENT POSITIONS (FTEs)

Program	General Fund	Airport Fund	Total
Airport	0.00	25.00	25.00
Total Department FTE's	0.00	25.00	25.00

FY 2011 DEPARTMENT FINANCIAL DATA



SUMMARY OF DEPARTMENT EXPENDITURES, RESOURCE ADJUSTMENTS AND FUNDING SOURCES

Expenditure Category	Actual FY 2009	Approved FY 2010	Projected FY 2010	Requested FY 2011	Adjustments FY 2011	Proposed FY 2011	Change FY10 - 11	Percent Change
Salaries and Wages	\$ 1,451,659	\$ 1,527,086	\$ 1,400,000	\$ 1,532,840		\$ 1,496,507	\$ (30,579)	-2.00%
Benefits	319,033	348,201	335,000	356,746		356,746	8,545	2.45%
Operating Expenses	5,686,355	5,067,293	3,900,000	3,461,535		3,461,535	(1,605,758)	-31.69%
Operating Capital	25,000	25,000	25,000	-		82,000	57,000	228.00%
Debt Service	-	30,000	16,680	370,452		370,452	340,452	1134.84%
Transfers Out	314,914	255,269	255,269	250,336		250,336	(4,933)	-1.93%
Subtotal Operating Budget	7,796,962	7,252,849	5,931,949	5,971,909		6,017,576	(1,235,273)	-17.03%
Capital Program	2,821,328	396,286	390,000	75,000		75,000	(321,286)	-81.07%
Total Budget	\$ 10,618,290	\$ 7,649,135	\$ 6,321,949	6,046,909		\$ 6,092,576	\$ (1,556,559)	-20.35%
SUPPLEMENTAL SERVICE PRIORITY REQUESTS:								
1. Increase in overtime				15,000	\$ -			
2. Equipment replacement				57,000	-			
3. Systems replacement				25,000	-			
SUBTOTAL				97,000	-			
Reductions and Reclassifications:								
1. Eliminate funding for one full-time Division Assistant					(35,440)			
2. Reduce part-time Operations Specialist					(15,893)			
SUBTOTAL					(51,333)			
TOTAL				\$ 6,143,909	\$ (51,333)			
SOURCES OF FUNDS								
Property & Other Taxes	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	0.00%
Federal and State Aid	1,060,586	50,000	75,000	87,709		87,709	37,709	75.42%
Fees, Licenses, Permits, Inspections	342,918	319,680	450,000	619,525		619,525	299,845	93.80%
Charges for Services	6,495,033	6,729,169	5,700,000	5,216,342		5,216,342	(1,512,827)	-22.48%
Interest and Other	167,431	154,000	85,000	94,000		94,000	(60,000)	-38.96%
TOTAL SOURCES	8,065,968	7,252,849	6,310,000	6,017,576		6,017,576	(1,235,273)	-17.03%
Excess (Deficiency)	(2,552,322)	(396,286)	(11,949)	(126,333)		(75,000)		
Adjustment to accrual basis	3,012,457	-	400,000	-		-		
Beginning Net Assets	45,266,629	45,726,764	45,726,764	46,114,815		46,114,815		
Ending Net Assets	\$ 45,726,764	\$ 45,330,478	\$ 46,114,815	\$ 45,988,482		\$ 46,039,815		

SUMMARY OF SIGNIFICANT BUDGET CHANGES

The FY11 proposed Airport operating budget is \$6,017,576. This represents a \$1,235,273 decrease from the FY10 approved budget or a 17 percent decrease. Personnel costs are decreasing \$22,034 as they are being reduced by 1.4 full-time equivalents for a savings of \$51,333.

Operating expenses are budgeted at \$1.6 million less than the FY10 approved budget mainly because of a decline in jet fuel sales. FY10 has seen a significant decline in this area and FY11 is projected to result in similar sales volume. The FY11 proposed budget also includes \$370,000 for debt service. The approval of the construction of a new terminal and air traffic control tower will require some short-term financing in FY11. This cost will be offset by the implementation of new fees. A Customer Facility Charge was implemented in FY10 and a Passenger Facility Charge will be implemented in FY11. Combined, these new fees are projected to generate \$370,000 in FY11.

Funding for this operation comes from various user fees, charges for services and investment income generated on cash deposits. It is projected that the airport will generate sufficient revenue from operations in FY11 and will not use any of its surplus funds to balance the operating budget.

PROGRAM

AIRPORT PROGRAM

Program Description. The Barnstable Municipal Airport is a Federal Aviation Administration (FAA) Federal Aviation Regulation (FAR) Part 139 certified airport, and as such, is recertified on an annual basis. The Airport

serves as a distinct commercial transportation hub for the residents of the Town of Barnstable and Cape Cod by meeting the regional demand for air transportation. For some, it provides very affordable and economic travel opportunities from Hyannis to other major destinations across the country, and yet for others, the airport provides a much needed mode of travel to and from the Islands of Nantucket and Martha's Vineyard, for travel, tourism, and for a large professional labor force that commute to jobs. The Airport in conjunction with its tenants and associated businesses provide employment opportunities for over 1,500 people – that combined could be considered to be one of the largest employers on Cape Cod. In normal economic times, the airport supports over 120,000 aircraft operations, and over 400,000 passengers embark to and debark from a variety of locales. These figures do not include a vast array of general aviation activities that include private and corporate passenger and freight aviation flight services. From Hyannis, travelers are afforded many flight opportunities, to local and national destinations, including Nantucket and Martha's Vineyard, Boston, and beyond.

The Airport is managed by a seven member Airport Commission appointed by the Town Council. The Airport employs 26 full-time employees who operate and maintain the airport 24 hours a day, 7 days a week, and 365 days a year. The duties of airport personnel are both broad and varied, many of which are dictated by the FAA FAR Part 139 Airport Certification. The services are provided by three major and distinct airport departments - Airport Operations, Airport Maintenance, and Airport Administration.

Operations department - The ten full-time Operations employees are tasked with servicing tenant and transient aircraft including transportation of passengers from these aircraft and passenger transportation in the busy summer months to and from remote parking areas; performing wildlife management duties to keep flight operations safe; refueling aircraft; inspecting and ensuring a safe airfield; and responding to emergency situations with our Aircraft Rescue and Fire Fighting vehicles. Aircraft rescue response, as mandated by the Federal Aviation Administration, must be able to respond to and reach an accident site within three minutes or less. Airport rescue personnel constantly train and participate in live drill exercises in order to stay proficient and ready to handle any aircraft emergency.

Maintenance department- Upkeep of the airfield and airport facilities by our nine full-time maintenance employees takes precedence over all other maintenance tasks. Since Barnstable Airport is a certified FAA FAR Part 139 commercial service airport, any and all airside discrepancies must be documented and corrected as expeditiously as possible. Their duties include maintaining runways, taxiways, and ramps; painting airfield markings; mowing all grass areas in the 683 acre airport property; maintaining all airfield lighting; conducting all snow removal operations for the airfield and the terminal roadways; and maintaining the fleet of vehicles needed to accomplish our mission.

Administration department - The Administrative staff performs a myriad of administrative functions such as overseeing airport security, noise abatement and environmental response, billing, auditing and bookkeeping, contracting, construction oversight, budgeting, processing airport employee and tenant security identification files, and overseeing leases, and communications with the public.

FY 2011 DEPARTMENT GOALS (All Goals relate to Strategic Plan Priorities: Infrastructure, Economic Development, Public Health and Safety)

Short Term

1. Construct the new airport passenger terminal to meet the Cape Cod demand for air travel.
2. Construct the new airport vehicle access road.
3. Complete the design and permitting, and begin construction of the new Air Traffic Control Tower.
4. Complete the airport master plan and Cape Cod Commission (CCC) Development Agreement.
5. Continue to improve community relations with consideration to noise and pollution.
6. Evaluate available technologies for improving noise, and storm-water and ground water management.

Long Term

1. Work with tenants and potential developers to build new general aviation facilities and public facilities to meet the needs of general aviation demand, in keeping with the FAA approved Airport Layout Plan and the new CCC Development Agreement.
2. Develop market strategies to attract prospective air carriers to meet the Cape's demand for air travel.

- Serve as an integral component of the Cape Cod Transportation Plan in order to more effectively promote the use of mass transit transportation.

DESCRIPTION OF SERVICE PRIORITY PACKAGES REQUESTED

1. Personnel Overtime

\$15,000 Requested

\$15,000 Recommended

This line item is heavily influenced by weather conditions and associated aircraft operations. (1) Snow and ice accumulation during the winter and the associated man-hours for snow removal operations required an exorbitant amount of personnel overtime. As a commercial service airport, federal and state aeronautic regulations require the airport to remain open to the maximum extent possible. It should be noted as well that failure to promptly clear the snow from airport runways/roadways can have serious safety and emergency response implications. The airport is not included in the Town's annual authorization for deficit spending for snow removal operations. (2) The airport has undergone a number of Massachusetts DEP and Federal EPA inspections over the past few years. As a result of those inspections, some immediate changes have been mandated for airport operations, particularly with regard to aircraft deicing. The airport is required to remove the deicing fluid which has accumulated on the ground immediately after the deicing process, without delay and with no exceptions. During the winter season (November-April), for flight safety purposes, the airlines deice their aircraft prior to takeoff, and as mandated by FAA regulations. Aircraft deicing occurs throughout the morning, afternoon, and into the evening. Personnel overtime is created for the airport after 3:00pm and on the weekends.

2. Operating Capital (Equipment)

\$57,000 Requested

\$57,000 Recommended

The Airport has approximately 50 pieces of equipment which are replaced with the operating capital budget. Much of this equipment is necessary to meet FAA FAR Part 139 Airport Certification requirements. This equipment consists of items ranging from front end loaders, trucks, sanders, plows, aircraft servicing equipment, and mowing equipment. As replacement cost needs exceed available funds, replacement of equipment has been deferred. The backlog has continued to grow with the FY2011 backlog exceeding \$658,000, a portion of which will be eligible for FAA reimbursement in FY2012 and beyond. This request will not meet all backlog needs but it will stabilize current conditions.

3. Operating Capital (Systems)

\$25,000 Requested

\$25,000 Recommended

An existing airport maintenance building of approximately 3,878 square feet, acquired from the former Air New England, which was constructed over 30 years ago, is in need of renovations to extend its useful life. This project will focus on replacing the roof and painting the building. The building is currently leased to Griffin Realty Trust, and there are currently 6 employees working out of this facility. An ongoing program of repairs and renovations to buildings and equipment systems is necessary in order to protect the investments the Airport has made in its capital assets.

FY 2009-2010 MAJOR ACCOMPLISHMENTS

- Completed the Permitting and Design phases for the new Airport Terminal and vehicle access road.
- Completed the Cape Cod Commission DRI Modification Applications for the new Airport Terminal and Access Road.
- Maintained Federal Aviation Administration (FAA) Federal Aviation Regulation (FAR) Part 139 certification.
- Acquired FAA Grant Funding for the design, permitting and initial construction phases of the new Air Traffic Control Tower.
- Established a new "Community Working Group" informal citizen's group to further the goals of enhanced communications and improved relations with the community in both the Town of Barnstable and the Town of Yarmouth.
- Commenced the creation of a new Wildlife Management Plan in coordination with the FAA and the U. S. Department of Agriculture.

7. In coordination with the Town of Barnstable, developed a new computer GIS-based graphic depiction of FAA-regulated airspace that will coordinate FAA airspace standards with the Town's strategic land use planning program.

FY 2011 PERFORMANCE / WORKLOAD MEASURES

	FY 2009 Actual	FY 2010 Estimate	FY 2011 Projected
Noise complaints responded to	284	295	315
Gallons of fuel dispensed	740,661	640,500	670,661
Enplanements	162,580	138,000	138,000
Vehicles parked	54,013	52,000	52,000



Barnstable Municipal Airport