



METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

# **DRAFT 2013 BUDGET BOARD PRESENTATION**

*October 17, 2012*



## Aviation Activity Forecast

	Actual 2011	Budget Forecast* 2012	Budget Forecast** 2013	2012 vs. 2013 Percent Change
<b><i>Reagan National</i></b>				
Enplanements	9,372,361	9,655,000	10,190,000	5.5%
Landed Weights	12,648,645	12,895,000	13,517,000	4.8%
<b><i>Dulles International</i></b>				
Total Enplanements	11,589,188	11,815,000	11,125,000	-5.8%
Domestic	8,363,196	8,385,000	7,709,000	-8.1%
International	3,225,992	3,430,000	3,416,000	-0.4%
Landed Weights	18,625,191	18,795,000	17,965,000	-4.4%
<b><i>Combined</i></b>				
Enplanements	20,961,549	21,470,000	21,315,000	-0.7%
Landed Weights	31,273,836	31,690,000	31,482,000	-0.7%

\*Activity used in the 2012 Budget, based on "Budget Forecast 2012"

\*\*Revised Projections from Leigh Fischer, September 20, 2012



## Airports Authority Programs

### New Authorization - Budget 2013

<b>Aviation Enterprise Fund</b>	<b>\$ 502,862,000</b>
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Aviation Operation and Maintenance (O&M) Program	\$ 338,314,000
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Aviation Capital Equipment and Maintenance	\$ 33,899,000
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Aviation Capital Construction Program (CCP)	\$ 130,649,000
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<b>Dulles Corridor Enterprise Fund</b>	<b>\$ 185,969,000</b>
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Dulles Corridor Operation and Maintenance Program	\$ 174,944,000
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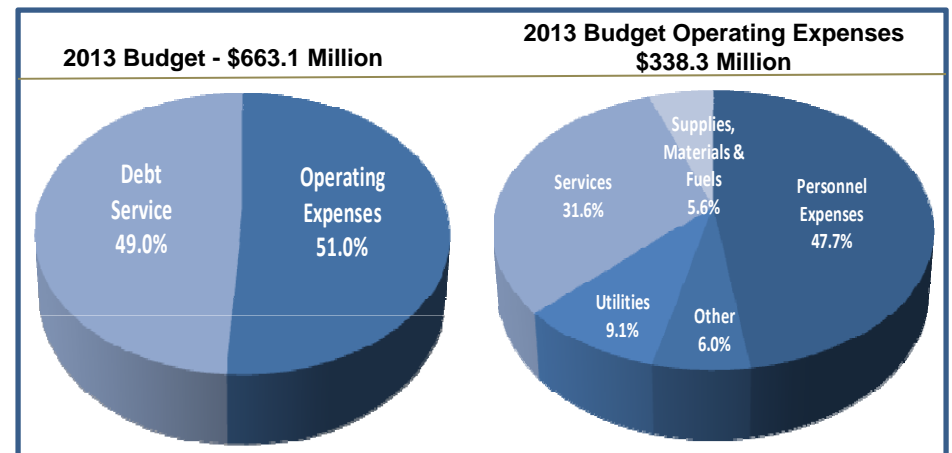
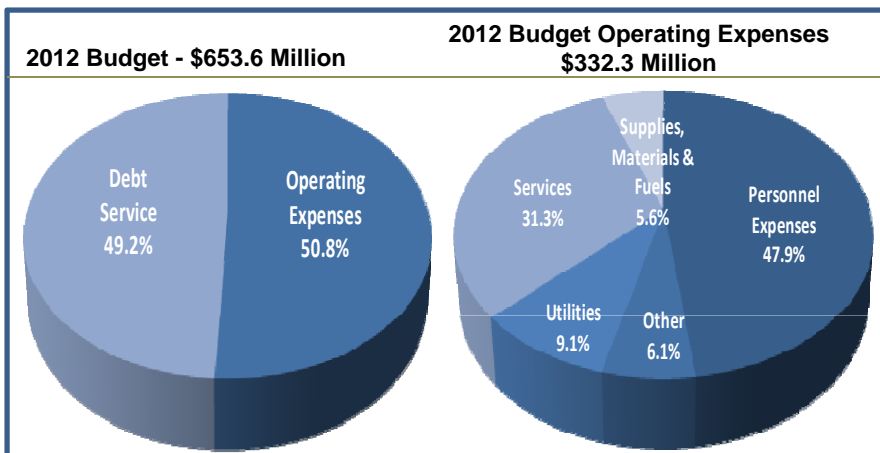
Dulles Corridor Renewal and Replacement (R&R) Program	\$ 2,285,000
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Dulles Corridor Capital Improvement Program (CIP)	\$ 8,740,000
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## Aviation Operation and Maintenance (O&M) Program

<i>(dollars in millions)</i>	Budget 2012	Budget 2013	Budget 2012	Budget 2013	Percent Change
Reagan National	11.9%	11.9%	\$ 77.6	\$ 79.2	2.1%
Dulles International	25.0%	24.9%	163.7	164.8	0.7%
Consolidated Functions	11.3%	11.6%	74.2	76.7	3.4%
Public Safety (Central Services)	2.6%	2.6%	16.8	17.6	4.6%
<b>Total Operating Expenses</b>	<b>50.8%</b>	<b>51.0%</b>	<b>\$ 332.3</b>	<b>\$ 338.3</b>	<b>1.8%</b>
Debt Service	49.2%	49.0%	\$ 321.3	\$ 324.8	1.1%
<b>Total O&amp;M Program</b>	<b>100.0%</b>	<b>100.0%</b>	<b>\$ 653.6</b>	<b>\$ 663.1</b>	<b>1.5%</b>

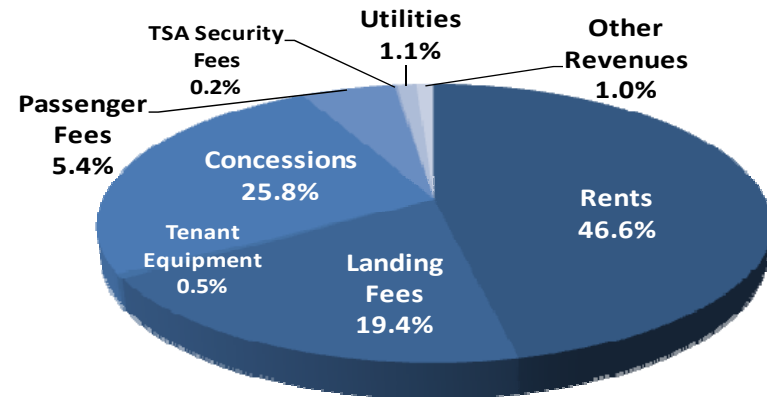




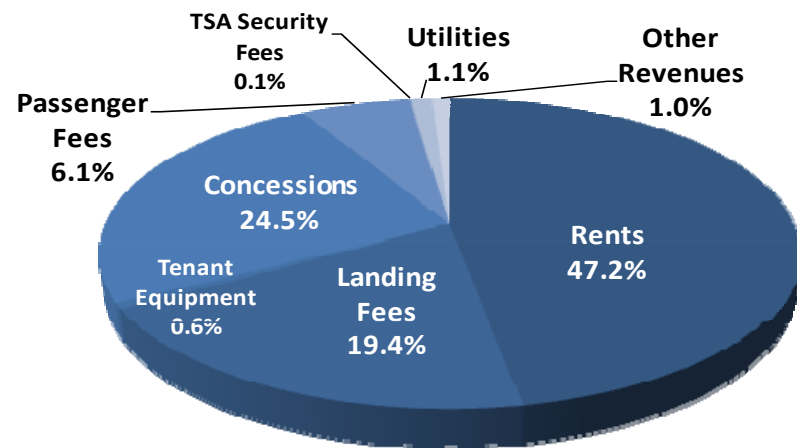
# Aviation Operating Revenues\*

	TOTAL AIRPORT SYSTEM		
	Budget 2012	Budget 2013	Percent Change
<i>(dollars in thousands)</i>			
Rents	\$ 339,273	\$ 346,648	2.2%
Landing Fees	141,325	142,744	1.0%
Tenant Equipment	3,951	4,423	11.9%
Concessions	<b>187,440</b>	<b>179,970</b>	<b>-4.0%</b>
<i>Rental Cars</i>	32,680	30,338	-7.2%
<i>Inflight Kitchen</i>	7,359	7,359	0.0%
<i>Parking</i>	73,839	68,859	-6.7%
<i>Fixed Base Operator</i>	11,513	11,513	0.0%
<i>Food &amp; Beverage</i>	18,066	18,066	0.0%
<i>Retail &amp; News</i>	12,284	12,384	0.8%
<i>Display Advertising</i>	13,348	13,000	-2.6%
<i>Services</i>	6,732	6,732	0.0%
<i>Other</i>	11,619	11,719	0.9%
Passenger Fees	39,080	44,524	13.9%
TSA Security Fees	1,261	828	-34.4%
Utilities	8,264	8,264	0.0%
Other Revenues	7,162	7,162	0.0%
<b>Total</b>	<b>\$ 727,756</b>	<b>\$ 734,563</b>	<b>0.9%</b>

**2012 Budget Revenues - \$727.8 Million**



**2013 Budget Revenues - \$734.6 Million**



\*Funded by revenues from: Airlines Terminal Rents, Landing Fees, Tenant Equipment Charges, International Arrivals Building and Passenger Conveyance Fees are generated on a cost recovery basis and Airport tenants and concessionaires (i.e., parking, rental cars, etc.)



## Aviation O&M Program Highlights

- **1.8 Percent Increase**
- **2012 Salary Adjustments**
  - \$3 million for pay for performance program (compensation increases)
- **Benefit Program**
  - Health insurance estimated at 7.9 percent increase
  - Pension funds are funded at annual required contribution levels
- **Personnel**
  - Five net new positions
- **Service Contracts Cost Escalation**
  - \$2.9 million includes \$857 thousand for custodial contract at Reagan National
- **Utilities**
  - Modest increases are expected based on the Airports Authority's continued participation in the electric cooperative and stable natural gas prices
- **Use of PFCs for Debt Service for the AeroTrain**
  - 2013 Budget assumes \$40 million of the AeroTrain debt is funded with PFC revenue



## Aviation Capital Equipment and Maintenance Projects

### Reagan National - 2013 New Program

Airfield	\$1,050,000
Buildings	2,400,000
Design	250,000
Equipment	34,000
Maintenance Vehicles	1,170,000
Public Safety - Fire System Line	350,000
Public Safety - Foam/Medic Units & Vehicles	1,555,000
Systems & Services	240,000
Other	2,000,000

**Total Reagan National \$9,049,000**

### Dulles International - 2013 New Program

Airfield	\$ 4,500,000
Buildings	4,625,000
Buses	3,240,000
Design	250,000
Equipment	1,500,000
Plane-Mates	665,000
Roads & Grounds	2,200,000
Systems & Services	870,000
Other*	7,000,000

**Total Dulles International \$24,850,000**

**Total Capital Equipment and Maintenance \$33,899,000**

*\*Includes Airports Authority's contribution for the Metrorail system*



# Aviation Capital Construction Program

Reagan National - 2013 New Program	Estimated Funding	
	Bonds	Grants
Campus Utility and Central Plant Improvements - Phase 1	\$ 3,000,000	\$ -
Hangar 6 Roof Replacement	1,607,000	-
Police Range and Training Facility	6,000,000	3,500,000
Power Distribution Upgrades - Phase 1 & 2	1,115,000	-
Route 233 and South Bound GWMP Ramp Bridges Rehabilitation	750,000	-
Runway 15-33 and 4-22 RSA Improvements	60,950,000	38,000,000
Terminal A Building Rehabilitation (Near Term)	8,255,000	-
Terminal A Long Term Re-Development Program - Phase 1	3,000,000	-
Terminal B/C Long Term Re-Development Program - Phase 1	5,000,000	-
<b>Total Reagan National</b>	<b>\$ 89,677,000</b>	<b>\$ 41,500,000</b>
<b>Reagan National Authorizations Recommended to Unschedule and Closeout</b>	<b>\$ (4,392,744)</b>	
<b>Total Reagan National New Debt</b>	<b>\$ 43,784,256</b>	





## Aviation Capital Construction Program *(continued)*

Dulles International - 2013 New Program		Estimated Funding	
		Bonds	Grants
Access Control and Alarm Monitoring System Integration	\$ 1,473,000	\$ 1,473,000	\$ -
Airfield Pavement Panel Replacement	15,028,000	8,128,000	6,900,000
Cargo Building Rehabilitation - Phases 1 and 2	3,292,000	3,292,000	-
Comprehensive Airport Security System	1,500,000	1,500,000	-
Concourse C/D Rehabilitation	1,000,000	1,000,000	-
Deluge Fire System Surge Prevention	1,100,000	1,100,000	-
Hydrant Fuel Line Improvements	4,579,000	4,579,000	-
Other Planning and Programming	1,000,000	1,000,000	-
Police Range and Training Facility	6,000,000	2,500,000	3,500,000
Public Parking Revenue Control System Replacement	6,000,000	6,000,000	-
<b>Total Dulles International</b>	<b>\$ 40,972,000</b>	<b>\$ 30,572,000</b>	<b>\$ 10,400,000</b>
<b>Dulles International Authorizations Recommended to Unschedule and Closeout</b>		<b>\$ (29,939,339)</b>	
<b>Total Dulles International New Debt</b>		<b>\$ 632,661</b>	



## Aviation Capital Construction Program *(continued)*

Total 2013 New Program Capital Construction Program	Estimated Funding		
	Bonds	Grants	
Total Reagan National	\$ 89,677,000	\$ 48,177,000	\$ 41,500,000
Total Dulles International	\$ 40,972,000	\$ 30,572,000	\$ 10,400,000
<b>Total Capital Construction Program</b>	<b>\$ 130,649,000</b>	<b>\$ 78,749,000</b>	<b>\$ 51,900,000</b>
<b>Total Authorizations Recommended to Unschedule and Closeout</b>		<b>\$ (34,332,083)</b>	
<b>Total New Debt</b>		<b>\$ 44,416,917</b>	



## Aviation Capital Construction Program Highlights

### Reagan National

- **Police Range and Training Facility (\$6,000,000)** - Project includes design and construction of new replacement facility. Split between each airport for total cost of \$12 million, of which \$7 million will be provided by Arlington County
- **Runway 15-33 and 4-22 Runway Safety Improvement Area (\$60,950,000)** - Project funds the balance to complete construction, \$38 million is eligible for airport improvement grant funding
- **Terminal A Building Rehabilitation Near Term (\$8,255,000)** - Project provides for planning and preliminary engineering capacity solutions for the increase gate to gate traffic generated by additional slots including lobby connection (including checkpoint for TSA), baggage system, and public and non-public areas
- **Terminal A Long Term Redevelopment Program (\$3,000,000)** - Project addresses design alternative for the overall long term redevelopment solutions
- **Terminal B/C Improvements Long Term Modifications (\$5,000,000)** - Project addresses facility modifications for the increase gate to gate traffic generated by additional slots

## Aviation Capital Construction Program Highlights (continued)

### Dulles International

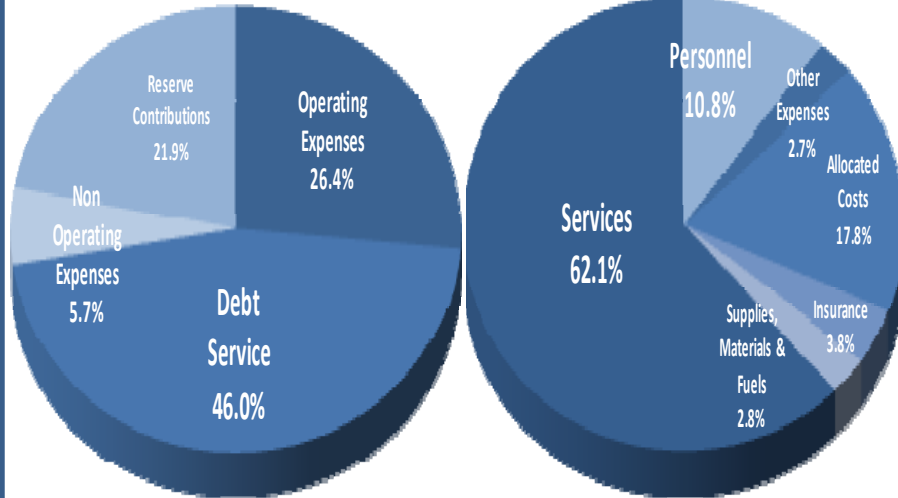
- ***Airfield Pavement Panel Replacement (\$15,028,000)*** - Project provides for the reconstruction of various sections of Taxiway Y and Taxiway B
- ***Cargo Building Rehabilitation (\$3,292,000)*** - Projects includes airside canopies, roof replacement and lighting for general building condition
- ***Comprehensive Airport Security System (\$1,500,000)*** - Project includes upgrades to various perimeter security systems
- ***Concourse C/D Rehabilitation (\$1,000,000)*** - Project includes design of various electrical substations and control centers
- ***Police Range and Training Facility (\$6,000,000)*** - Project includes design and construction of new replacement facility. Split between each airport for a total cost of \$12 million, of which \$7 million will be provided by Arlington County
- ***Public Parking Revenue Control System Replacement (\$6,000,000)*** - Project will install the new public parking revenue control system



# Dulles Corridor Enterprise

## 2012 Budget - \$108.8 Million

### 2012 Budget Operating Expenses \$28.7 Million



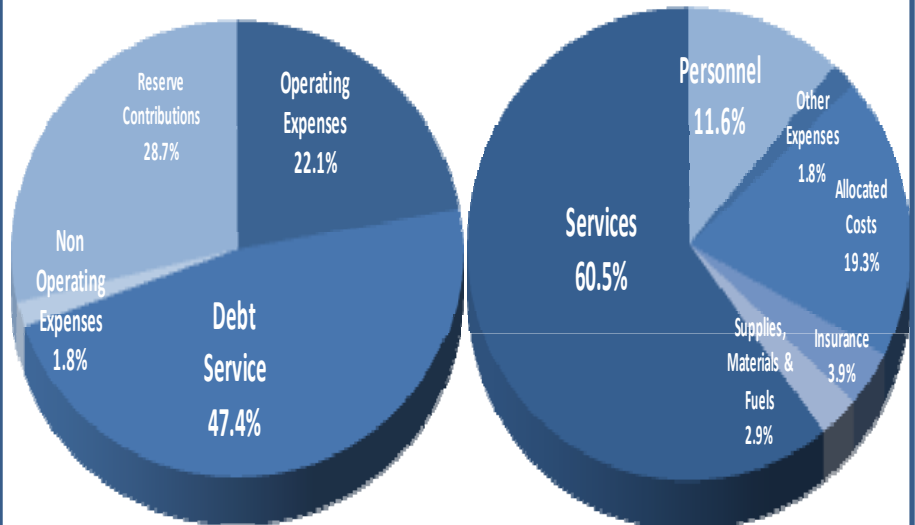
*(dollars in thousands)*

#### Budget 2012

Operating Revenue	\$ 107,823
Non Operating Revenue	1,010
<b>Total Operating Revenue</b>	<b>\$ 108,833</b>
Operating Expenses	\$ 28,746
Debt Service	50,079
R&R	6,190
Reserve Contributions	23,818
<b>Total Operating Expenses</b>	<b>\$ 108,833</b>
Remaining Toll Road Revenue Fund	\$ -

## 2013 Budget - \$127.7 Million

### 2013 Budget Operating Expenses \$28.2 Million



*(dollars in thousands)*

#### Budget 2013

Operating Revenue	\$ 127,542
Non Operating Revenue	122
<b>Total Operating Revenue</b>	<b>\$ 127,664</b>
Operating Expenses	\$ 28,245
Debt Service	60,509
R&R	2,285
Reserve Contributions	36,625
<b>Total Operating Expenses</b>	<b>\$ 127,664</b>
Remaining Toll Road Revenue Fund	\$ -