



DRAFT 2014 BUDGET FINANCE COMMITTEE

October 16, 2013



Aviation Activity Forecast

('000)	Actual 2012	Budget 2013	Projection* 2014	% Change 2013 vs. 2014
<i>Reagan National</i>				
Enplanements	9,788	10,190	10,460	2.6%
Landed Weights	12,846	13,517	13,435	-0.6%
<i>Dulles International</i>				
Total Enplanements	11,517	11,125	11,270	1.3%
Domestic	8,293	7,709	7,701	-0.1%
International	3,224	3,416	3,569	4.5%
Landed Weights	18,625	17,965	18,964	5.6%
<i>MWAA Systemwide</i>				
Enplanements	21,305	21,315	21,730	1.9%
Domestic	18,081	17,899	18,161	1.5%
International	3,224	3,416	3,569	4.5%
Landed Weights	31,471	31,482	32,399	2.9%

* Source: Series 2013ABC Official Statement - Report of the Airport Consultant



2014 Budget Airports Authority Programs

Aviation Enterprise Fund

Aviation Operation and Maintenance (O&M) Program

Aviation Capital, Operation and Maintenance Investment Program (COMIP)

Aviation Capital Construction Program (CCP)

Dulles Corridor Enterprise Fund

Dulles Corridor Operation and Maintenance (O&M) Program

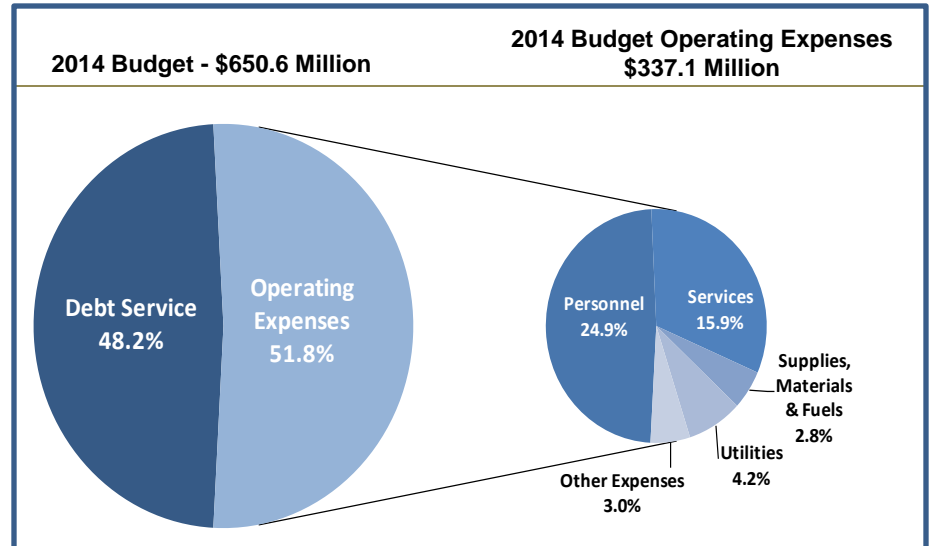
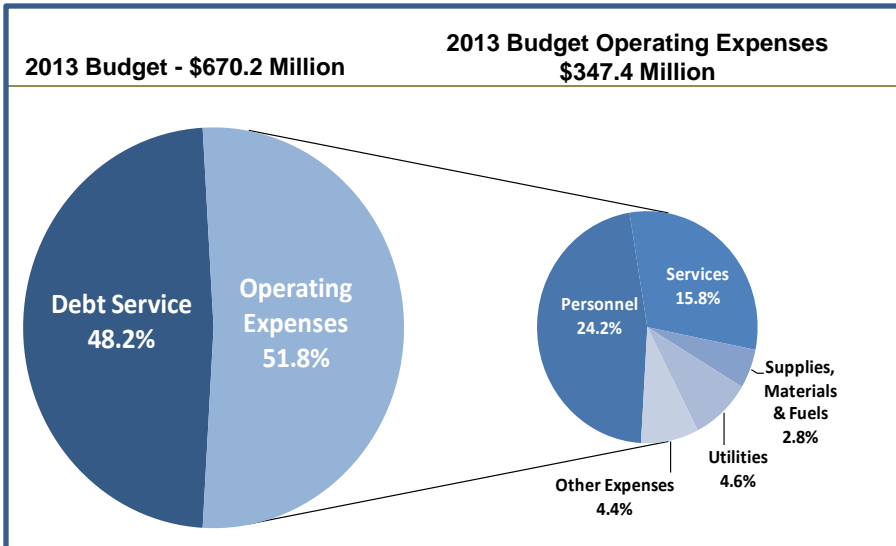
Dulles Corridor Renewal and Replacement Program (R&R)

Dulles Corridor Capital Improvement Program (CIP)



Aviation Operation and Maintenance (O&M) Program

<i>(dollars in millions)</i>	Budget 2013	Budget 2014	Budget 2013	Budget 2014	% Change
Reagan National	10.5%	10.0%	\$ 70.1	\$ 65.3	-6.9%
Dulles International	21.4%	21.8%	143.2	142.0	-0.8%
Consolidated Functions	11.4%	11.8%	76.7	76.5	-0.3%
Public Safety	8.6%	8.2%	57.3	53.4	-7.0%
Total Operating Expenses	51.8%	51.8%	\$ 347.4	\$ 337.1	-2.9%
Debt Service	48.2%	48.2%	\$ 322.8	\$ 313.5	-2.9%
Total O&M Program	100.0%	100.0%	\$ 670.2	\$ 650.6	-2.9%



Aviation 2014 O&M Program Highlights

■ **O&M Expense Goal**

- Budget expenses at a level lower than the Airport Feasibility Consultant Report forecast

■ **2014 Personnel Compensation Adjustments**

- \$3.2 million increase in pay for performance program to fund an average 2.5 percent pay adjustment, with the potential for an additional pay range adjustment
- \$2.9 million decrease for overtime based on historical usage and overtime policy
- \$314 thousand increase for enhanced special achievement program

■ **Personnel Benefit Programs**

- \$2.3 million increase for Health Insurance; 12.7 percent increase
- \$1.5 million decrease to Airports Authority annual pension contributions based on actuary determined annual required contributions (fully funded)

Aviation 2014 O&M Program Highlights *(continued)*

■ **New Positions**

— **Executive Vice President and Chief Operations Operator**

- Emergency Planner, S-21

— **Office of Finance**

- Contracting Manager (Phase 2), S-21
- Business Analyst–Internal Controls and Compliance, S-21

— **Office of Technology**

- Deputy VP of Technology, S-24
- Business Intelligence Specialist, S-23
- Enterprise Architect, S-23

— **Dulles International**

- Physical Security Technician, S-15
- Heavy Equipment Mechanic (Shops 1 and 2), T-19

Aviation 2014 O&M Program Highlights *(continued)*

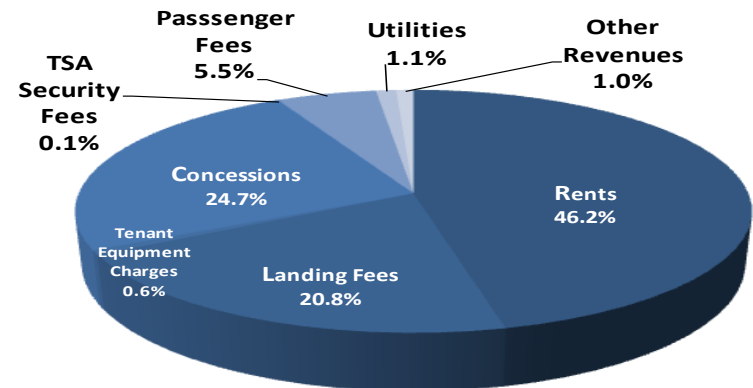
- **Travel**
 - All offices were reduced by ten percent
- **Service Contracts**
 - \$1.3 million increase for cost escalations
- **Utilities**
 - \$3.4 million decrease based on rates and usage
- **Use of Passenger Facility Charges (PFCs) for Debt Service for the Aero Train**
 - \$40 million of the Aero Train debt service is funded with PFC revenue
- **Debt Service**
 - \$9.3 million decrease from the 2013 Budget



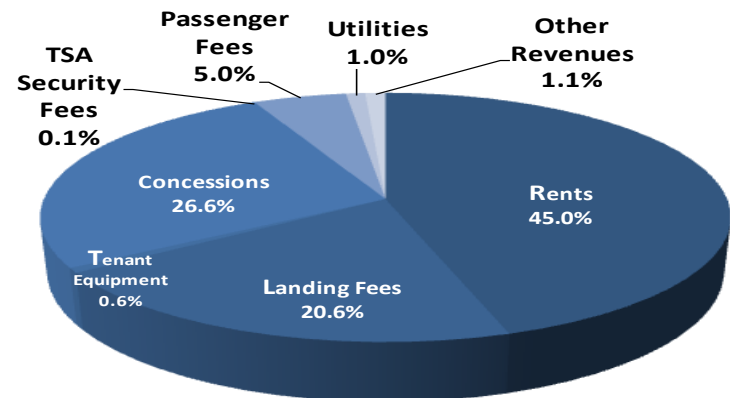
Aviation Operating Revenues*

<i>(dollars in millions)</i>	TOTAL AIRPORT SYSTEM		
	Budget 2013	Budget 2014	Percent Change
Rents	\$ 346.8	\$ 332.7	-4.1%
Landing Fees	156.1	152.9	-2.1%
Tenant Equipment Charges	4.4	4.6	4.3%
Concessions	185.7	196.8	6.0%
Rental Cars**	35.3	36.5	3.4%
Inflight Kitchen	7.4	8.5	15.9%
Parking	68.9	73.9	7.4%
Fixed Base Operator	12.0	12.5	3.9%
Food & Beverage	18.1	19.2	6.0%
Retail & News	12.4	10.9	-12.1%
Services	6.2	8.2	32.9%
Display Advertising	13.0	12.6	-3.1%
Other	12.5	14.5	16.2%
TSA Security Fees	0.8	0.2	-77.1%
International Arrivals Building Fees	23.8	20.5	-13.6%
Passenger Conveyance Fees	17.6	16.7	-5.1%
Utilities	8.3	7.7	-7.5%
Other Revenues	7.2	8.1	13.0%
Total	\$ 750.6	\$ 740.1	-1.4%

2013 Budget Revenues - \$750.6 Million



2014 Budget Revenues - \$740.1 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.)

**Includes Customer Contract Fee

Aviation Capital Programs

- **Capital, Operating, and Maintenance and Investment Program (COMIP)**
 - Prior year COMIP is being reviewed for potential closeout
 - New authorization for COMIP is under development

- **Capital Construction Program (CCP)**
 - CCP is under review and will be appropriately scaled with limited debt added to Dulles International



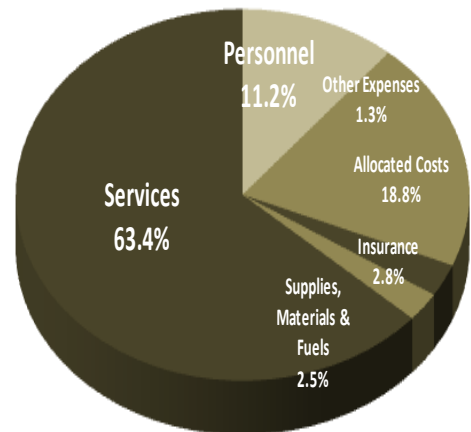
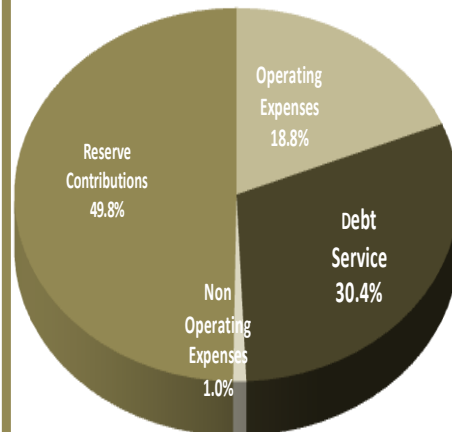
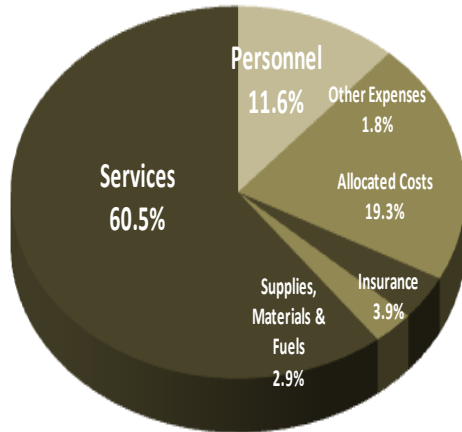
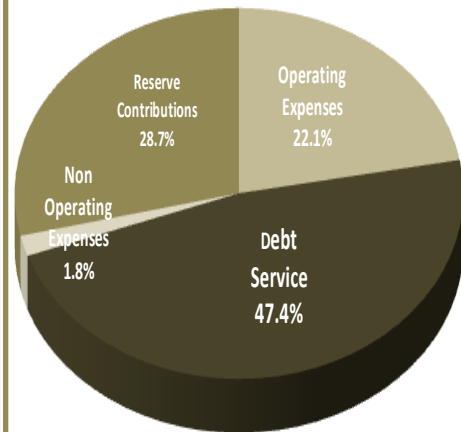
Dulles Corridor Enterprise

2013 Budget - \$127.7 Million

2013 Budget Operating Expenses
\$28.25 Million

2014 Budget - \$149.7 Million

2014 Budget Operating Expenses
\$28.17 Million



<i>(dollars in thousands)</i>	Budget 2013	Budget 2014
Operating Revenue from Tolls	\$ 127,542	\$ 149,595
Non Operating Revenue	122	136
Total Operating Revenue	\$ 127,664	\$ 149,731
Operating Expenses	\$ 28,245	\$ 28,169
Debt Service	60,509	45,634
R&R	2,285	1,425
Reserve Contributions	36,625	74,503
Total Operating Expenses	\$ 127,664	\$ 149,731
Remaining Toll Road Revenue Fund	\$ -	\$ -



Dulles Corridor Renewal and Replacement Program

2014 New Program

Bridges, Structures and Canopy Repairs	\$ 350,000
Guardrail, Traffic Barrier and Fencing Rehabilitation	100,000
Landscape Maintenance	100,000
Cameras	50,000
Planning and Programming	75,000
Utility Survey and Rehabilitation	250,000
Claim Reserve 2014 Contribution	200,000
Emergency Snow Removal Reserve 2014 Contribution	300,000
Total Dulles Corridor Renewal and Replacement Program	\$ 1,425,000



Dulles Corridor Capital Improvement Program

2014 New Program

Dulles Corridor Improvements (Other Than Rail)

Sound Wall Replacement Phase II (Construction)	\$1,900,000
Environmental Engineering Services	200,000
Geographic Information System	150,000
Total Dulles Corridor Improvements (Other than Rail)	\$2,250,000

Dulles Corridor 2014 Highlights

■ **New Positions**

— **Metrorail Project Office**

- Lead Accountant, S-21
- Financial Project Manager, S-22
- Controller, S-24

■ **Metrorail Phase 2 project**

Board Schedule

October 16 — 2014 Draft Budget Presented to Finance Committee

November 6 — 2014 Recommended Budget Distributed

November 13 — 2014 Recommended Budget Presented to Finance Committee

December 4 — 2014 Budget Distributed

December 11 — Board Approval of 2014 Budget



Ronald Reagan Washington National Airport



Dulles Corridor Metrorail Project



Dulles Toll Road



Washington Dulles International Airport



METROPOLITAN WASHINGTON
AIRPORTS AUTHORITY