

Proposed Resolution

Adopting the 2014 Budget

WHEREAS, The Finance Committee has provided direction to the staff regarding major challenges that the 2014 Budget needs to address;

WHEREAS, The Finance Committee received the details and an update of the draft 2014 Budget, prepared by staff, at its October and November 2013 meetings;

WHEREAS, The Finance Committee considered a draft of the 2014 Budget, prepared by staff, at its December 2013 meeting and recommended its approval to the Board of Directors;

WHEREAS, In order to assist the airlines serving Dulles International by reducing the level of debt service included in the 2014 airline rates and charges, the recommended 2014 Aviation Enterprise Fund Budget provides for \$40.0 million of the debt service attributable to the AeroTrain, which otherwise would be included in such rates and charges, to be paid by Passenger Facility Charges revenues;

WHEREAS, A total of \$3.2 million in available Aviation Capital, Operating and Maintenance Investment Program funds have been reprogrammed in the 2014 Budget from previously authorized Aviation Capital, Operating and Maintenance Investment Program funds to fund new authorizations; and

WHEREAS, The 2014 Budget presents a reasonable level of expenditures, to be made or accrued in 2014, (a) from the Aviation Enterprise Fund, to operate Ronald Reagan Washington National and Washington Dulles International Airports, to repair and maintain the facilities at these Airports, and to undertake needed capital improvements at the Airports, and (b) from the Dulles Corridor Enterprise Fund, to operate the Dulles Toll Road, to repair and maintain Toll Road facilities, to undertake capital improvements for the betterment of the Toll Road and otherwise within the Dulles Corridor, and to continue construction of the Dulles Corridor Metrorail Project, and that there will be sufficient revenues in 2014 and other funds to cover these expenditures; now, therefore, be it

RESOLVED, That the 2014 Budget, as presented at the December 2013 meeting of the Board of Directors, is hereby adopted;

2. That the following sums, totaling \$926,885,000, are hereby authorized to be expended from the Aviation Enterprise Fund in 2014 for the operation, maintenance, care, improvement and protection of Ronald Reagan Washington National and Washington Dulles International Airports:

- (a) \$650,597,000 for the Aviation Operation and Maintenance Program, including \$313,453,000 of this total for debt service;
- (b) \$77,095,000 for the Aviation Capital, Operating and Maintenance Investment Program (COMIP); and
- (c) \$199,193,000 for the Aviation Capital Construction Program (CCP);

3. That the following sums, totaling \$886,680,215, are hereby authorized to be expended from the Dulles Corridor Enterprise Fund in 2014 for the operation, maintenance, care, improvement and protection of the Dulles Toll Road and for the planning, design and construction of the Dulles Corridor Metrorail Project:

- (a) \$73,803,000 for the Dulles Corridor Operation and Maintenance Program, including \$45,634,000 of this total for debt service;
- (b) \$7,665,222 for the Dulles Corridor Renewal and Replacement Program (R&R);
- (c) \$730,708,993 for the Dulles Corridor Capital Improvement Program (CIP), consisting of \$87,440,938 for Dulles Corridor Improvements and \$643,268,055 for the Dulles Corridor Rail Project; and
- (d) \$74,503,000 to be transferred to reserve accounts within the Dulles Corridor Enterprise Fund, as identified in the 2014 Budget;

4. That any revenue received or accrued by the Dulles Corridor Enterprise in 2014 that at the conclusion of 2014 has not been expended, obligated or transferred to a reserve account pursuant to this Resolution, or to a reserve fund or account under the Master Indenture of Trust Securing Dulles Toll Road Revenue Bonds dated as of August 1, 2009, shall be transferred to the Dulles Corridor Reserve and Toll Rate Stabilization Fund;

5. That the President and Chief Executive Officer is hereby authorized to modify or adjust expenditures within each of the six Programs identified in this Resolution, so long as the total expenditures within any such Program in 2014 do not

exceed the level authorized herein; provided, that any such reprogramming exceeding \$10 million in a calendar year for any project in the COMIP, CCP, R&R, or CIP shall be submitted to the Finance Committee for approval and its recommendation to the Board of Directors for approval before it may take effect. All other material budget reprogramming shall be reported to the Finance Committee on a quarterly basis, no later than two months after the end of each quarter at the May, August, November and February Committee meetings, and shall include year-to-date cumulative material budget reprogramming equal or greater than the following:

- (a) Aviation Operation and Maintenance Program (\$250,000);
- (b) Aviation Capital, Operating and Maintenance Investment Program (\$500,000 or any new project, regardless of dollar amount);
- (c) Aviation Capital Construction Program (\$500,000 or any new project, regardless of dollar amount);
- (d) Dulles Corridor Operation and Maintenance Program (\$250,000);
- (e) Dulles Corridor Renewal and Replacement Program (\$500,000 or any new project, regardless of dollar amount); and
- (f) Dulles Corridor Capital Improvement Program (\$500,000 or any new project, regardless of dollar amount).

6. That the new and expanded projects identified in the 2014 Budget, in the amount of (i) \$35,247,000 within the Aviation Capital Operating and Maintenance Investment Program, (ii) \$44,424,000 within the Aviation Capital Construction Program, (iii) \$1,425,000 within the Dulles Corridor Renewal and Replacement Program, and (iv) \$2,250,000 within the Dulles Corridor Capital Improvement Program pertaining to the Dulles Toll Road, are hereby approved and hereafter shall be considered a part of their respective approved programs.

*For Consideration by the Finance Committee
and Board of Directors on December 11, 2013*