



Report to the Finance Committee

Budget Reprogrammings
Quarter Ended June 30, 2014

September 2014

Budget Reprogramming Guidelines

- Budget reprogrammings within the delegated authority to the President and CEO are reported to the Finance Committee on a quarterly basis.
- The net impact of all budget reprogramming actions for the quarter ended June 30, 2014 is zero.
- For the quarter ended June 30, 2014, reprogrammings occurred within:
 - Aviation Capital, Operating & Maintenance Investment Program;
 - Aviation Operating & Maintenance.

Budget Reprogrammings Quarter Ended June 30, 2014

Aviation Capital, Operating and Maintenance Investment Program

Reprogrammed from the following projects:

Outbound Baggage Handling System Refurbishment	(\$200,000)
Air Service Incentive Program	(\$700,000)

Total Reprogrammed	<u>(\$900,000)</u>
---------------------------	---------------------------

Reprogrammed to the following projects:

Terminal B/C Consolidation	\$200,000
Automated Passport Control System	<u>\$700,000</u>

Total Reprogrammed	<u>\$900,000</u>
---------------------------	-------------------------

Budget Reprogrammings Quarter Ended June 30, 2014

Aviation Operating and Maintenance

Reprogrammed from the following Accounts:

Non-capitalized Projects	(\$403,072)
Supplies	<u>(\$ 3,390)</u>
Total Reprogrammed	<u>(\$406,462)</u>

Reprogrammed to the following projects:

Non-capitalized Equipment	\$ 26,216
Services – Terminal A tile work, snow removal services and Airport Communication System (ACS) service	\$ 334,828
Rental and Lease	<u>\$ 45,418</u>
Total Reprogrammed	<u>\$ 406,462</u>



Ronald Reagan Washington National Airport



Dulles Corridor Metrorail Project



Dulles Toll Road



Washington Dulles International Airport



METROPOLITAN WASHINGTON
AIRPORTS AUTHORITY

**INFORMATION PAPER FOR THE
FINANCE COMMITTEE
BUDGET REPROGRAMMINGS FOR THE SECOND QUARTER OF 2014
SEPTEMBER 2014**

PURPOSE

This report is presented to the Finance Committee to report on budget reprogramming actions that occurred in the second quarter ended June 30, 2014.

BACKGROUND

The President and Chief Executive Officer is authorized by the Board of Directors to modify or adjust expenditures within each of the Airports Authority's six program budgets, so long as the total expenditures within any such program do not exceed the level authorized for the program. Such modification or adjustment of expenditures is referred to as a budget reprogramming. A reprogramming represents a deduction from one budget line item and an addition to another budget line item within the defined budget program area. Generally, a budget reprogramming may be required to facilitate the Airports Authority's current mission, emergency response, business plan, action plan items, or to accommodate newly mandated initiatives not originally funded in the approved annual budget.

In April 2010 the Finance Committee adopted guidelines, which stated that all material budget reprogrammings would be reported to the Finance Committee on a quarterly basis and would include any year-to-date cumulative budget reprogramming equal to or greater than the following:

1. Aviation Operation and Maintenance (\$250,000);
2. Aviation Capital, Operating and Maintenance Investment Program (\$500,000 or any new project, regardless of dollar amount);
3. Aviation Capital Construction Program (\$500,000 or any new project, regardless of dollar amount);
4. Dulles Corridor Operation and Maintenance (\$250,000);
5. Dulles Corridor Renewal and Replacement (\$500,000 or any new project, regardless of dollar amount); and
6. Dulles Corridor Capital Improvement Program (\$500,000 or any new project, regardless of dollar amount).

Additionally, certain guidelines were adopted requiring advance approval by the Finance Committee for material reprogramming requests. The criteria for budget reprogramming reporting are included as a part of the annual budget resolution.

2014 SECOND QUARTER REPROGRAMMING SUMMARY

The table below identifies reprogrammings that occurred in the second quarter ended June 30, 2014 which met the reporting criteria.

Second Quarter 2014 Reprogramming January - June

	PROGRAM	Project	PROJECT/SERVICE	LOCATION	ORIGINAL BUDGET	REPROGRAMMING AMOUNT	TOTAL REVISED AMOUNT	EXPLANATION
From	COMIP	10105	Outbound Baggage Handling System Refurbishment	DCA	\$ 200,000	\$ (200,000)	\$ -	This project is no longer required.
To	COMIP	10328	Terminal B/C Consolidation	DCA	\$ -	\$ 200,000	\$ 200,000	This will start the design development service for the long-term re-development of Terminal B/C.
From	COMIP	3878	Air Service Incentive Program	IAD	\$ 4,434,000	\$ (700,000)	\$ 3,734,000	This project has available funding.
To	COMIP	10321	Automated Passport Control (APC) System	IAD	\$ 1,250,000	\$ 700,000	\$ 1,950,000	Increase number of APC from 32 to 36.
From	Aviation		Noncapitalized Projects	DCA	\$ 957,472	\$ (403,072)	\$ 554,400	Transfer funds for tile work for Terminal A and Airport Communication System (ACS) Services.
From	Aviation		Supplies	DCA	\$ 4,195,388	\$ (3,390)	\$ 4,191,998	Increase funds for holiday decorations and transfer funds for snow removal services, smart TVs and landscape trailer.
To	Aviation		Noncapitalized Equipment	DCA	\$ 137,500	\$ 26,216	\$ 163,716	Increase funds for smart TVs and landscape trailer.
To	Aviation		Services	DCA	\$ 20,612,657	\$ 334,828	\$ 20,947,485	Increase funds for Terminal A tile work, Airport Communication System (ACS) Services and snow removal services, holiday decorations.
To	Aviation		Rental and Lease	DCA	\$ 28,382	\$ 45,418	\$ 73,800	Temporary boiler rental.
					Total	\$ -	\$ -	

CONCLUSION

In the second quarter of 2014 reprogrammings occurred in the Aviation Capital, Operating and Maintenance Investment Program totaling \$900,000, plus \$406,462 in Aviation Operation and Maintenance. The reprogrammings resulted in a net change of zero. No reprogrammings occurred in other Budget Programs that met the reporting criteria. No reprogrammings were proposed during the quarter ended June 2014 which met the criteria for Finance Committee advance approval.

The cumulative reprogrammed totals from January through June that met the reporting criteria or required advance approval from the Finance Committee totaled \$1,306,462 in the Aviation Capital, Operating and Maintenance Investment Program and Aviation Operation and Maintenance.

Prepared by:
Office of Finance
August 2014