

# 2009 Comprehensive Annual Financial Report



**Washington Dulles  
International Airport**

**Ronald Reagan  
Washington National  
Airport**



**Dulles Corridor**



**METROPOLITAN WASHINGTON AIRPORTS AUTHORITY**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**YEAR ENDED DECEMBER 31, 2009**

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Mark Tune, CPA, Controller

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# METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

## Comprehensive Annual Financial Report

Year Ended December 31, 2009

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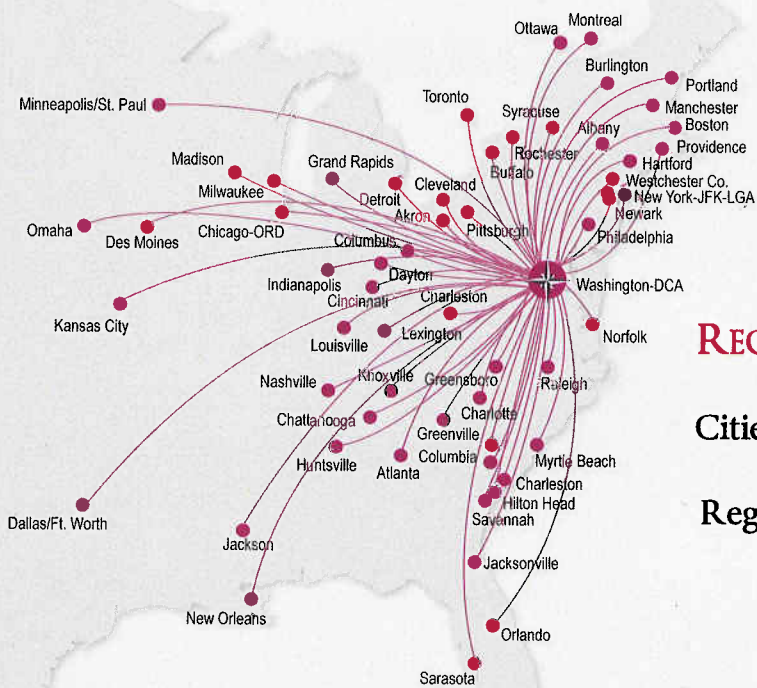
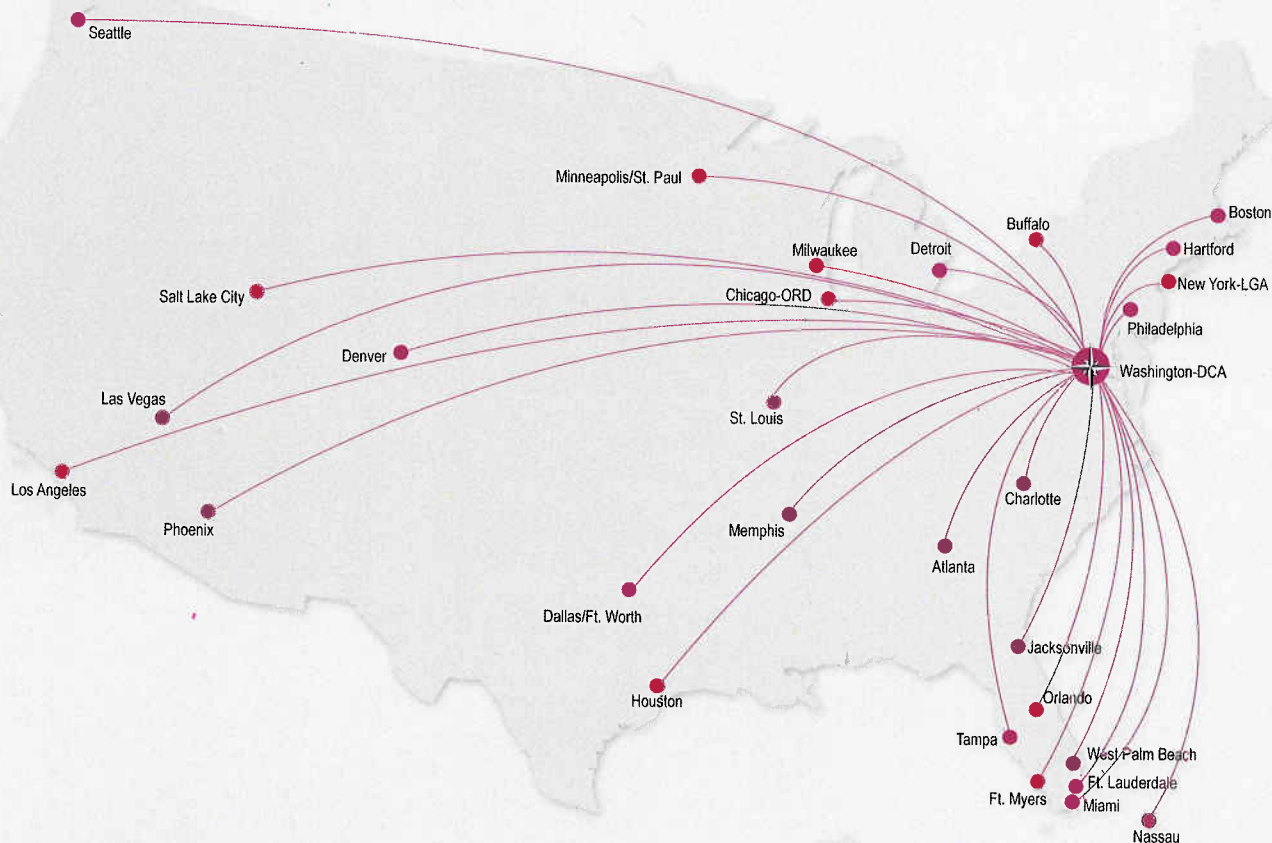
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# NORTH AMERICAN JET AIR SERVICE AT REAGAN NATIONAL

Cities Served Nonstop to/from Reagan National by Large Jets



**REGIONAL AIR SERVICE AT  
REAGAN NATIONAL**  
Cities Served Nonstop to/from  
Reagan National by  
Regional Jets and Turboprops

Source: OAG, March 15-21, 2010



**METROPOLITAN WASHINGTON AIRPORTS AUTHORITY**

April 12, 2010

To the Board of Directors and  
The President and Chief Executive Officer of the  
Metropolitan Washington Airports Authority

The Comprehensive Annual Financial Report (CAFR) of the Metropolitan Washington Airports Authority (the Airports Authority) for the year ended December 31, 2009 is submitted herewith. The Office of Finance prepared this report. Responsibility for both the accuracy of the presented data and completeness and fairness of the presentation, including all disclosures, rests with the Airports Authority. To the best of our knowledge and belief, this report fairly presents and fully discloses the Airports Authority's financial position, results of operations, and cash flows in accordance with accounting principles generally accepted in the United States of America. It includes disclosures necessary to enable the reader to gain an understanding of the Airports Authority's financial activities. The report of the independent auditors on the financial statements is included on page 15.

This report was prepared following the guidelines recommended by the Government Finance Officer's Association of the United States and Canada (GFOA). The GFOA awards Certificates of Achievement to those governments whose annual financial reports are judged to conform substantially with the high standards of public financial reporting, including accounting principles generally accepted in the United States of America, promulgated by the Governmental Accounting Standards Board (GASB).

The management of the Airports Authority is responsible for establishing and maintaining an internal control structure that is designed to ensure that the assets of the Airports Authority are safeguarded. In addition, as a recipient of federal financial assistance, the Airports Authority is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with general and specific laws and regulations related to the Airport Improvement Program (AIP) and the Aviation Safety and Capacity Expansion Act as well as the Federal Transit Administration (FTA) provisions of the Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users with regards to the Dulles Corridor Metrorail Project (Dulles Metrorail Project).

The objectives of an internal control structure are to provide management with reasonable assurance that the resources are safeguarded against waste, loss, and misuse, and reliable data are recorded, maintained, and fairly disclosed in reports. The Airports Authority's current internal controls provide a solid base of reliable financial records from which the financial statements are prepared. These accounting controls ensure that accounting data are reliable and available to facilitate the preparation of financial statements on a timely basis. Inherent limitations should be recognized in considering the potential effectiveness of any system of internal control. The concept of reasonable assurance is based on the recognition that the cost of a system of internal control should not exceed the benefits derived and that the evaluation of those factors requires estimates and judgment by management.

The Airports Authority's Office of Audit functions include coordination of the annual financial statements audit performed by external auditors as well as internal audits of internal controls. The Office of



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Audit conducts internal audits to provide the Airports Authority's management and the Board of Directors (the Board) with reasonable assurance that, 1) risks are being managed; 2) management and delivery capacity are being maintained; 3) adequate control is being exercised; and, 4) appropriate results are being achieved. The Office of Audit operates under the direction of Valerie Holt, CPA, and Vice President for Audit. This position has dual reporting responsibilities to the President and Chief Executive Officer and the Audit Committee of the Board. The Audit Committee of the Board has an important role in the oversight of the financial reporting to ensure the Airports Authority's financial reports are reliable, consistent and of high quality.

As required by the Acts of the District of Columbia and the Commonwealth of Virginia (the Commonwealth), a firm of independent certified public accountants is retained each year to conduct an audit of the financial statements of the Airports Authority in accordance with auditing standards generally accepted in the United States of America and to meet the requirements of the Federal Single Audit Act of 1984 (pursuant to OMB Circular A-133). The Airports Authority selected the firms of PricewaterhouseCoopers LLP and Bert Smith and Company to perform these audit services. The opinion of PricewaterhouseCoopers LLP on the financial statements is presented in the financial section of this report. The Single Audit Report and its opinion from Bert Smith and Company are presented under separate cover. Each year, the firms meet with the Audit Committee of the Board to review the results of the audits.

The Management Discussion and Analysis (MD&A) on page 17 provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this Transmittal Letter and should be read in conjunction with it.

## REPORTING ENTITY AND ITS SERVICES

The Airports Authority is a public body politic and corporate, created with the consent of the Congress of the United States by an Act of the District of Columbia and an Act of the Commonwealth for the purpose of operating, maintaining, and improving Ronald Reagan Washington National Airport (Reagan National) and Washington Dulles International Airport (Dulles International), (collectively, the Airports). The Airports had historically been managed by the Federal Aviation Administration (FAA) of the United States Department of Transportation. Pursuant to an agreement and Deed of Lease, effective June 7, 1987, the Airports were transferred by the U. S. Government to the Airports Authority for an initial term of 50 years. On June 17, 2003, the Agreement and the Deed of Lease were extended 30 years to June 6, 2067. The Airports operate as a single Business-Type Activity and are reported in the Airports Authority's Aviation Enterprise Fund. On November 1, 2008, the Virginia Department of Transportation (VDOT) transferred responsibility for the operation and maintenance of the Dulles Toll Road (DTR) to the Airports Authority for an initial term of 50 years. As part of the agreement with the Commonwealth, the Airports Authority will construct the Dulles Metrorail Project with an eastern terminus near the West Falls Church Metrorail Station on Interstate 66 and a western terminus of Virginia Route 772 in Loudoun County and will make other improvements in the Dulles corridor consistent with VDOT and regional plans. The DTR and the Dulles Metrorail Project construction projects operate as a single Business-Type Activity and are reported in the Airports Authority's Dulles Corridor Enterprise (DCE) Fund.

The Airports Authority is an independent interstate agency. A 13-member Board presently governs the Airports Authority. Five members are appointed by the Governor of Virginia subject to confirmation by the Virginia General Assembly, three are appointed by the Mayor of the District of Columbia subject to confirmation by the Council of the District of Columbia, two are appointed by the Governor of Maryland, and three are appointed by the President of the United States with the advice and consent of the United States



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Senate. Directors serve staggered, six-year overlapping terms without compensation. They establish the Airports Authority's policy and appoint the Chief Executive Officer. The Board annually elects a Chairman, Vice Chairman, and Secretary.

James E. Bennett became the President and Chief Executive Officer of the Airports Authority on May 3, 2003. In this position, Mr. Bennett plans and directs all programs and activities of the Airports Authority, focusing on the future and the development of long-term business strategies. Mr. Bennett was formerly the Executive Vice President and Chief Operating Officer of the Airports Authority.

Margaret McKeough became the Executive Vice President and Chief Operating Officer of the Airports Authority on April 1, 2004. In this position, Ms. McKeough plans and directs the operations of the Airports Authority, including airport management. Ms. McKeough was formerly the Vice President for Business Administration of the Airports Authority.

### Aviation Enterprise Fund

The Airports Authority Aviation Enterprise Fund operates a two-airport system that provides domestic and international air service for the mid-Atlantic region. The Aviation Enterprise Fund is self-supporting, using aircraft landing fees, fees from terminal and other rentals, and revenue from concessions to fund operating expenses. The Aviation Enterprise Fund is not taxpayer-funded. The organization consists of 1,405 full and part-time employees in a structure that includes central administration, airports' management and operations, and public safety.

In February 1990, the Airports Authority entered into a long-term agreement with the major airlines serving Reagan National and Dulles International, the Airport Use Agreement and Premises Lease (the Agreement). The Agreement provides the financial stability necessary for the Airports Authority to operate the Airports and access the capital markets to fund the Capital Construction Program (CCP). The Agreement is for a term of 25 years, subject to annual cancellation rights by the Airports Authority starting in 2004. In 2003, the Airports Authority began a review of the Agreement and entered into discussions with the Airlines to determine if changes could be made to improve the operations of the Airports. These discussions continue. The Agreement continues a long history of a close working relationship between the Airlines and the Airports Authority. The Agreement gives the Airlines interest in the positive financial performance of the Airports Authority by sharing in the net remaining revenues (NRR) (see Note L).

Christopher U. Browne became the Vice President and Airport Manager of Dulles International on April 2, 2005. He was the former Vice President and Airport Manager of Reagan National. Dulles International, which opened in 1962, is situated on approximately 11,830 acres in Fairfax and Loudoun Counties, Virginia. Dulles International is 26 miles from downtown Washington, D.C., from which it is accessible via a 17-mile dedicated dual-lane Access Road and Interstate Route 66. Dulles International is the Airports Authority's international airport, served by 54 domestic and international airlines as of December 31, 2009, providing a full range of domestic services with international service to Europe, Asia, South America, and Africa.

J. Paul Malandrino, Jr. became the Vice President and Airport Manager of Reagan National on July 24, 2006. Before joining the Airports Authority, he served as the Federal Security Director for the Baltimore-Washington International Thurgood Marshall Airport (BWI) for four years. Prior to that time he served as the Manager of the Operations Department for Dulles International. Reagan National, which opened in 1941, is the

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oldest commercial airport serving the Washington, D.C. area and is located on 860 acres along the Potomac River in Arlington County, Virginia. Approximately three miles from downtown Washington, Reagan National is the Airports Authority's principal domestic airport and is served by 30 airlines as of December 31, 2009.

The Airports Authority's mission to develop the Airports is the driving force behind its continuing aggressive efforts of air service development. While the facility and service enhancement improvements at Reagan National and Dulles International are notable, the Airports Authority's goal to prepare the dual airport system for the world of tomorrow would not be fulfilled without a concentrated effort to attract airline service for new domestic and international destinations.

The Air Trade Area for the Airports Authority is the Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area and is comprised of the District of Columbia, five Maryland counties, nine Virginia counties, six independent Virginia cities, and the West Virginia county of Jefferson. There are 84 airlines serving the Airports as of December 31, 2009, providing 272 thousand takeoffs and landings at Reagan National and 340 thousand takeoffs and landings at Dulles International during 2009.

In addition to passenger traffic, Dulles International provides facilities for cargo transport. There are 524 thousand square feet of cargo buildings at Dulles International, leased by eleven airlines and other aviation support companies. The occupancy of the cargo facilities decreased to 89.7% in 2009, with only 54 thousand square feet of vacancy. In 2009, total cargo weight at Dulles International decreased by 12.3% to 293 thousand metric tons of cargo. The cargo facilities at Dulles International are a major economic engine for the Washington Region. There is no significant cargo transportation at Reagan National.

### Dulles Corridor Enterprise Fund

The DCE Fund is comprised of the Omer L. Hirst-Adelard L. Brault Expressway, also known as the DTR, and the Dulles Metrorail Project, a large capital improvement project extending the existing Metrorail system to Dulles International and beyond into Loudoun County. The DCE Fund is self-supporting using the collected tolls to support the road's general operations, finance the road's ongoing capital program and finance the construction of the Dulles Metrorail Project. The organization consists of 44 full and part-time employees in a structure that includes the DTR and the Dulles Metrorail Project.

On November 1, 2008, VDOT transferred operating and maintenance responsibility of the DTR to the Airports Authority through an operating permit for a period of 50 years. The DTR is an eight-lane (4 lanes in each direction) limited access highway 13.4 miles in length. It was built in 1984 by VDOT and until the transfer on November 1, 2008 had been maintained and operated solely by VDOT. It begins just inside the Capital Beltway near Falls Church at the Interstate 66 connector to Washington, D.C. The DTR then travels westward through Fairfax County past Dulles International and terminates at the entrance to the Dulles Greenway, a privately owned toll road. The DTR has 10 exit and entrance ramps with tolls in 2009 of 75¢ at the main toll plaza west of the Beltway and 50¢ at other exit and entrance locations for 2-axle vehicles. Tolls were increased on January 1, 2010 to \$1.00 at the main toll plaza and 75¢ at the remaining exit and entrance ramps. It has 59 collection lanes, 33 toll booths and eight E-ZPass dedicated only lanes. All tollbooths are equipped with E-ZPass, an electronic toll collection system accepted in 14 contiguous states, including most states in the Virginia to Maine corridor.

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The DTR processed an average of 9.1 million toll transactions per month in 2009. This is a decrease from 2008 of 173 thousand transactions per month or a 1.6% drop in transactions for the year.

### ***Capital Construction Program***

#### *Aviation Enterprise Fund*

The Aviation Enterprise Fund initiated its CCP in 1988 to expand, modernize and maintain the Airports. Under the CCP, the Airports Authority has constructed and will continue to construct many of the principal elements of the Reagan National and Dulles International Master Plans. Major projects completed under the Master plan at Reagan National include, among others, two new main terminals connected to a Metrorail station, three parking garages, an airport traffic control tower, and a consolidated communications center. Major capital projects completed under the CCP at Dulles International include, among others, expansion and rehabilitation of the Main Terminal, construction of Concourses A and B, the International Arrivals Building (IAB), runway and road improvements, daily parking garages 1 and 2, the air traffic control tower and the addition of a fourth runway.

In 2000, the Airports Authority approved an expansion of the CCP for Dulles International referred to as the Washington Dulles Development (*d<sup>2</sup>*) program that was expected to be completed in 2006. In the aftermath of the events of September 11, 2001, the Airports Authority reexamined the CCP and revised the expected completion date to 2011, which delayed the start dates of several projects and deferred others. In 2006 the program was rescheduled to be completed in 2016. At that time, the 2001-2016 CCP was expected to cost \$7.1 billion in current dollars.

Due to a number of factors, including the current economic conditions and the unprecedented increases in the cost of aviation fuel and their impact on the financial conditions of the airlines, in September 2008, the Airports Authority revised the scope, timing and size of certain 2001-2016 CCP projects, including deferring the construction of the Tier 2 Concourse and related facilities, the construction of the consolidated rental car facility and the expansion of the south utility service complex, resulting in a \$2.1 billion reduction in the cost of the 2001-2016 CCP. The Airports Authority currently estimates the cost of the 2009-2016 CCP to be approximately \$4.5 billion including \$2.8 billion in projects that are currently unscheduled.

The projects currently in the program at Dulles International include the AeroTrain (formerly known as the Automated People Mover System) to replace the existing mobile lounges which will move passengers between the Main Terminal and Concourses A, B and C, completion of the construction of the IAB expansion, site preparation for the fifth runway, preservation of the historic air traffic control tower in the Main Terminal, concourse modifications to support the Airbus A380 aircraft and Main Terminal restroom upgrades. The AeroTrain began passenger operations in January 2010. At Reagan National, projects include a consolidated communications center, runway and taxiway area improvements, replacement of the parking revenue control system, additional decks on Garages A, B and C, and Terminal B/C restroom upgrades.

#### *Dulles Corridor Enterprise Fund*

With the transfer of the DTR from VDOT, the Airports Authority committed to constructing the Dulles Metrorail Project. This is a 23-mile extension of the existing Metrorail system from near the West Falls Church station to Dulles International west to Ashburn in Loudoun County, Virginia. The project will be operated by

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the Washington Metropolitan Area Transit Authority (WMATA) and serve Tysons Corner, the Reston/Herndon area and provide a one-seat ride from Dulles International to downtown Washington.

The Dulles Metrorail Project - Phase 1 will extend 11.7 miles from near the West Falls Church station to Wiehle Avenue in Reston. It includes five new stations and improvements to the existing WMATA Service and Inspection Yard at the West Falls Church station. Construction activities began in March 2009 with full revenue operations to begin in December 2013. Utility relocation activities began in the spring of 2008. The total project cost is estimated to be \$2.8 billion.

The Dulles Metrorail Project - Phase 2 will extend the Metrorail system 11.3 miles from Wiehle Avenue in Reston to Dulles International and into Loudoun County. Preliminary engineering began under the direction of the Virginia Department of Rail and Public Transportation (VDRPT) and was deferred before the transfer of the project to the Airports Authority. The Dulles Metrorail Project - Phase 2 preliminary engineering resumed in 2009 following the solicitation and award of a contract. The Dulles Metrorail Project - Phase 2 construction is scheduled to begin in 2011 and be completed in 2016.

The Airports Authority expects to fund the cost of the Dulles Metrorail Project - Phase 1 with a combination of toll road revenue bonds secured by a pledge of DTR revenues, state and federal grants and contributions from local jurisdictions. The Airports Authority executed a Full Funding Grant Agreement (FFGA) with the FTA for \$900.0 million on March 10, 2009. The Airports Authority has also executed a design-build contract with Dulles Transit Partners LLC for construction of the Dulles Metrorail Project - Phase 1 and issued a notice to proceed with construction on March 11, 2009.

### ***The Airports Authority's Internet Web Page***

The Airports Authority has an Internet web site offering a wide array of information to users, including financial information and operational statistics. Users can obtain direct access to the Airlines serving the Airports, and flight arrival and departure information. The Airports Authority's Comprehensive Annual Financial Report (CAFR), Budget, Master Indenture, Debt Service Review, airline rates and charges and aviation statistics are posted on the web site. Since September 11, 2001, the Airports Authority has posted monthly unaudited financial statements to include discussion of results, and other information for the Airports Authority's bondholders and other interested parties. The financial information for the Airports Authority is available on their website at the following address: [http://www.mwaa.com/about\\_the\\_authority/financial](http://www.mwaa.com/about_the_authority/financial).

### ***The Airports Authority's Operating Budgets***

The Airports Authority's annual operating budgets are a financial planning tool outlining the estimated revenues and expenses for the Airports and for the DTR at certain levels. The Budgets are not prepared according to generally accepted accounting principles (GAAP). The President and Chief Executive Officer submit the Airports Authority's annual operating budgets to the Board for approval. Budgetary controls and evaluations are affected by comparing actual interim and annual results with the budgets, noting the actual level of activities. The Airports Authority conducts quarterly reviews to ensure compliance with the provisions of the annual operating budgets approved by the Airports Authority's Board of Directors (the Board). In keeping with the requirements of a proprietary fund, budgetary comparisons have not been included in the financial section of this report.

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### The Aviation Enterprise Fund Operating Budget

In 2009, the Airports Authority continued budget constraints that were first initiated in 2008. Overtime was reduced and equipment purchases were curtailed. Other initiatives, including new contracts with rental car companies and additional display advertisement, sought to mitigate decreases in concession revenue. Besides the continuation of budget constraints, a cost allocation study was performed and \$5.9 million in Aviation Enterprise Fund budgeted operating expenses was allocated to the DCE Fund. Operating revenues reached 97.8% of budget expectations in 2009, while in 2008, operating revenues, reached 96.3% of budget expectations. Operating expenses reached 90.8% of budget authorization in 2009, while in 2008 expenses reached 91.5% of budget authorization. The Airports Authority's 2009 budget reflected a 3.6% increase in revenues and a 0.8% increase in expenses.

	Budget	Actual*	As a Percentage of Budget
2009 Revenues	\$ 517,645,000	\$ 506,022,442	97.8%
2009 Expenses	\$ 283,530,100	\$ 257,376,029	90.8%
2008 Revenues	\$ 499,640,000	\$ 481,394,629	96.3%
2008 Expenses	\$ 281,389,100	\$ 257,435,300	91.5%

\* As defined in The Airport Use Agreement and Premises Lease, revenues do not include transfers and expenses include debt service but exclude depreciation.

### The Dulles Corridor Enterprise Fund Operating Budget

The 2009 Operating Budget for the DCE Fund reflects the first full year of operating the DTR. For the period from November 1, 2008 through September 30, 2009, the operations of the DTR were contracted to VDOT. There was start-up costs associated with the transfer of operations including \$501 thousand in severance pay for employees whose service with VDOT ended. As of October 1, 2009, the majority of employees of the DTR became employees of the Airports Authority.

The cost allocation study allocated \$5.9 million of operating expenses budgeted in the Aviation Enterprise Fund to the DCE Fund with \$3.2 million of the allocation to the DTR and \$2.7 million allocated to the Dulles Metrorail Project.

The 2008 Operating Budget for the DTR was adopted in anticipation that the transfer of responsibility for the operation and maintenance of the DTR might occur in early 2008. Accordingly, a full year's budget for operation and maintenance costs was approved. The actual date of the transfer of the DTR, however, did not occur until November 1, 2008, resulting in only two months of actual operation and maintenance costs. The budget amounts shown below for 2008 are a pro rata portion of the approved full year's budget, based on the period of operations.

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	Budget	Actual*	As a Percentage of Budget
2009 Revenues	\$ 65,893,000	\$ 64,893,554	98.5%
2009 Expenses	\$ 22,911,000	\$ 26,099,896	113.9%
2008 Revenues	\$ 12,979,167	\$ 10,416,498	80.3%
2008 Expenses	\$ 3,815,667	\$ 9,670,706	253.4%

\* Includes transitional cost of \$7.2 million in 2008. Operating expense related to the DTR in 2008 was \$2.4 million or 64.9% of budget.

### AIRPORTS AUTHORITY'S ECONOMIC CONDITION

In 2009, the U.S. economy experienced a continuation of the recessionary period that began in December 2007. In response, the U.S. government provided an integrated series of solutions to stabilize the economy. The economy began to show signs of improvement towards the end of 2009, and many economists are asserting that the worst is over and have projected a slow return to previous growth levels. A statement released by the Federal Open Market Committee after its December 16, 2009 meeting cited that information received since its November meeting suggests that "economic activity has continued to pick up and that the deterioration in the labor market is abating."

The Washington, D.C. region has traditionally outperformed the national economy and is expected to continue to do so. As home to the federal government and the fourth largest regional economy in the nation<sup>1</sup>, the area is somewhat insulated from national downturns. Population growth in the Metropolitan Washington area has consistently outpaced population growth in the United States. From 1990 through 2008, the population grew at an annual compounded rate of 1.5% compared to 1.1% for the United States. Within the region, the largest concentration of population is in the jurisdictions of Fairfax County, Virginia (18.9%); Montgomery County, Maryland (17.7%); Prince George's County, Maryland (15.3%); and the District of Columbia (11.0%).<sup>2</sup> The region's median household income levels are also extremely high, with Loudoun and Fairfax Counties in Virginia and Howard County in Maryland topping the U.S. Census Bureau's American Community Survey in 2008.<sup>3</sup>

Activity generated by the federal government provides a solid foundation for the area and economic stimulus and stability to the metropolitan area in both up cycles and down cycles. The federal government's procurement spending in the Washington region statistical area amounted to \$66.5 billion in 2008, up \$6.1 billion or 10% from 2007; its total spending was \$134.8 billion in 2008, representing an increase of \$9.9 billion or 7.8%.<sup>4</sup> A significant portion of these purchases are in technology-intensive services.

<sup>1</sup> Source: Greater Washington Initiative, Greater Washington 2009 Regional Report, Page 4

<sup>2</sup> Source: National Planning Association, Data Services, Inc. *Key Indicators of County Growth, 1970-2030, 2009 Edition*.

<sup>3</sup> Source: U.S. Census Bureau's American Community Survey, 2008. Note: The 2009 Survey has not been published yet.

<sup>4</sup> From the GMU-CRA "Shape of the Recovery" presentation dated January 15, 2010, of which 2008 is the most current information available.

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On February 17, 2009, Congress passed the American Recovery and Reinvestment Act (ARRA) which is designed to provide a critical boost to the nation's economy. The stimulus plan provides for \$787.0 billion over ten years, and \$47.0 billion is intended to be spent by the end of 2010. While the stimulus dollars will be disseminated throughout the country, Greater Washington is expected to see a significant portion of the package. In addition to the billions of dollars that Virginia, Maryland, and the District of Columbia will receive for infrastructure projects, energy and clean technology, education, and other projects, Greater Washington will also benefit from the money that will be spent simply to manage the various stimulus programs.

In addition to the federal government sector, the Washington region is also home to numerous large and small private companies. In the last 24 months, corporate headquarters from diverse companies, such as Computer Sciences Corp., Hilton Worldwide, Volkswagen North America, and SAIC, have relocated to the Washington region. Additionally, Northrop Grumman announced in 2009 that it will move its corporate headquarters to Fairfax County in 2011. And, for the thirteenth consecutive year, the Greater Washington region had the largest number of fastest-growing private companies in the country in 2009 according to *Inc.* Magazine.

A large high-tech corridor stretches along the DTR to Dulles International and beyond into Loudoun County and is one of the largest employers of technology workers. Greater Washington's technology cluster has the country's highest concentration of network and computer systems administrators, database administrators, and computer programmers. The region also has six times the national average of computer scientists and four times the national average of computer software engineers. The region is also home to a sizeable biotech industry, largely located along the I-270 corridor in Montgomery County, Maryland.

Statistics from the 2001 recession show that when the national economy lost 1.8 million jobs from 2001 – 2003 the Greater Washington region added 66 thousand jobs. This trend appears to have continued during the current economic downturn. As of November 2009, the Washington Metropolitan Statistical Area had the lowest unemployment rate among the 15 largest job markets in the United States.<sup>5</sup> Furthermore, although the region had a higher monthly unemployment rate during 2009 than during previous years, it still compared favorably to the national monthly average unemployment rate.

### Average Annual Unemployment Rate

<u>Year</u>	<u>Air Trade Area</u>	<u>United States</u>	<u>Year</u>	<u>Air Trade Area</u>	<u>United States</u>
2000	2.7%	4.0%	2005	3.4%	5.1%
2001	3.4%	4.7%	2006	3.1%	4.6%
2002	4.0%	5.8%	2007	2.9%	4.6%
2003	3.9%	6.0%	2008	3.7%	5.8%
2004	3.7%	5.5%	2009	6.0%	9.3%

Source: United States Department of Labor Bureau of Labor Statistics.

Although the recent economic downturn has impacted the Washington area less than the rest of the country, it has not left the region untouched. Activity levels at both the Aviation Enterprise and the DCE

<sup>5</sup> From the GMU-CRA "Shape of the Recovery" presentation dated January 15, 2010.



## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

decreased in 2009. As a result, the Airports Authority continued measures adopted in mid-2008 throughout 2009 to safeguard itself by scaling back budgeted expenditures.

Reagan National had total passenger traffic in 2009 of 17.6 million people. This is a decline from 2008 by 451 thousand total passengers or a decrease of 2.5%. The drop, however, was less than the U.S. industry average decrease of 6.9%. Total aircraft operations, either a take-off or a landing, at the airport decreased from 277 thousand operations in 2008 to 272 thousand in 2009, which was a decrease of 1.9%.

Dulles International also experienced a decline in passenger traffic dropping 663 thousand passengers to 23.2 million for 2009. This was a 2.8% decrease for the year, but was lower than the U.S. industry average decrease of 6.9%. International passenger traffic at Dulles International increased in 2009 by 12 thousand passengers or 0.2%, far exceeding the North America industry average international rate decrease of 4.6%. Total aircraft operations at Dulles International declined 5.5% in 2009 to 340 thousand operations, from 360 thousand operations in 2008.

The toll road transactions of 109.3 million for the DTR in 2009 were a decrease of 1.5 million transactions from the combined VDOT and Airports Authority management of the DTR in 2008. The DTR's activity for the final two months of 2008 was 17.4 million toll road transactions in mainline or ramp toll plaza. On an annual basis, the DTR processed 110.8 million transactions in 2008. The DTR activity was only in the Airports Authority's total Business-Type Activities since November 1, 2008.

### ***Long-Term Financial Planning***

#### ***Aviation Enterprise Fund***

The Airports Authority's long-term financial planning includes the completion of certain approved capital expenditures, the accumulation of sufficient resources required to service the debt issued to finance these expenditures and to operate and maintain the Airports. Under terms of the Agreement, fees and charges paid by the Airlines are used along with other income from the Airports to service the debt issued to finance the construction program. The Airlines pay operating and maintenance expenses, and debt service coverage equal to 125.0% of debt service (by airline cost center).

The Airports Authority's CCP is planned to be \$4.5 billion in years 2009-2016 which includes \$2.8 billion in projects currently unscheduled. It is anticipated that the major portion of the facilities development will be financed with the proceeds of bonds issued under the Master Indenture. For the scheduled program the Airports Authority expects to issue \$827.4 million in bonds, which includes \$303.9 million issued during 2009. The Airports Authority also expects to use approximately \$280.5 million of Passenger Facility Charge (PFC) revenues, \$269.2 million of federal and state grants, and the Airports Authority's portion of NRR to finance these costs. Because of constraints at Reagan National, much of the future growth in aviation activity for the Washington Metropolitan area will occur at Dulles International.

Although the U.S airline industry continues to face financial difficulties in 2010, airline activity is expected to begin to recover. Enplanements at Reagan National are projected to increase to 9.0 million or 2.9%. Dulles International domestic enplanements are projected to increase to 8.6 million or 2.1%. Dulles International's international enplanements are projected to decrease to 3.0 million or 2.8%. The combined enplanements for Dulles International are projected to decrease in 2010 to 11.6 million or 0.2%.

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

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Since 1988, the Airports Authority has participated in the AIP, the federal government's airport grant program. The AIP provides funding for airport development, airport planning and noise compatibility programs from the Airport and Airway Trust Fund. The AIP also provides both entitlement and discretionary grants for eligible projects. The Airports Authority also receives grants from the Commonwealth.

In 1990, Congress approved the Aviation Safety and Capacity Expansion Act, which authorized domestic airports to impose a PFC on enplaning passengers. In May 1991, the FAA issued the regulations for the use and reporting of PFCs. PFCs may be used for airport projects which meet at least one of the following criteria: preserve or enhance safety, security, or capacity of the national air transportation system; reduce noise or mitigate noise impacts resulting from an airport; or furnish opportunities for enhanced competition between or among carriers.

The Airports Authority applied for, and was granted, permission to begin collecting a \$3.00 PFC effective November 1993 at Reagan National and January 1994 at Dulles International. The Airports Authority applied for, and received in February 2001, the approval to increase the PFC collection from \$3.00 to \$4.50, effective May 2001. In accordance with the regulations, based on the approval date from the FAA and continuing through the PFC collection period, the Airports Authority's share of AIP entitlement grants was reduced by 75.0%.

The Airports Authority has submitted and gained approval of four series of PFC applications, with amendments, covering both Airports in the amount of \$1.5 billion. In March 2007, the Airports Authority filed a fifth PFC application for approximately \$125.0 million. This application allowed the PFCs collected at Reagan National to provide funds for the expansion of the IAB at Dulles International. On February 9, 2009, the Airports Authority also submitted a request for approval of an Amendment to Application No. 05-05-C-01-IAD, which provides PFC funding for the AeroTrain and related projects. The application was originally approved August 15, 2005 and subsequently approved on March 6, 2009. In March 2009, the Airports Authority received approval of an additional amendment to restructure the PFC Financing Plan for the AeroTrain to include \$87.7 million from the Pay-As-You-Go program, \$1.4 billion in new Bond Capital, and \$603.0 million in financing and interest cost. Additionally, \$821.3 million of the interest cost will be paid by the Airlines through airline rates and charges. All other funding remains the same. In 2010, the Airports Authority expects to collect a total of \$89.3 million in PFCs.

### *Dulles Corridor Enterprise Fund*

The DCE Fund's long-term planning includes the completion of the Dulles Metrorail Project - Phase 1 and Phase 2 and certain approved capital expenditures on the DTR. The Airports Authority anticipates that the funding for the capital expenditures on the DTR and the Dulles Metrorail Project - Phase 1 will include fees and charges collected on the DTR, the issuance of \$1.1 billion in DTR bonds, \$900.0 million in FTA funding and \$651.7 million in state and local grants.

## OTHER INFORMATION

### *Recognition of Awards and Achievement*

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the Airports Authority for its CAFR for the fiscal year ended December 31, 2008. This was the twentieth consecutive year

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

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Metropolitan Washington Airports Authority

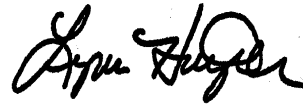
that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Airports Authority has also received the GFOA's Award for Distinguished Budget Presentation for many years since 1991 and the GFOA's Popular Annual Financial Reporting (PAFR) Award for the last three years.

### *Acknowledgments*

In closing, I would like to thank the President and Chief Executive Officer and the Board for their leadership and support in planning and conducting the financial operations of the Airports Authority. Special thanks are directed to Mark Tune, Cindy Sano, and Diane Lary, for the preparation of the CAFR. Additional staff that deserve recognition for their efforts in completing the CAFR are Andrew Rountree, Wanda Onafuwa, Michael Donaldson, Matthew Wermer, William Bailey, Janice Gardner, Teresa Arnold, Nancy Edwards, David Tucker, Paula Simms, Kris Wenneson, and Susan Abeles as well as all personnel within the Office of Finance.



Lynn Hampton, CPA  
Vice President and Chief Financial Officer

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## CERTIFICATE OF ACHIEVEMENT

### Certificate of Achievement for Excellence in Financial Reporting

Presented to

Metropolitan Washington  
Airports Authority, Virginia

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

### Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Metropolitan Washington Airports Authority for its comprehensive annual financial report for the year ended December 31, 2008.

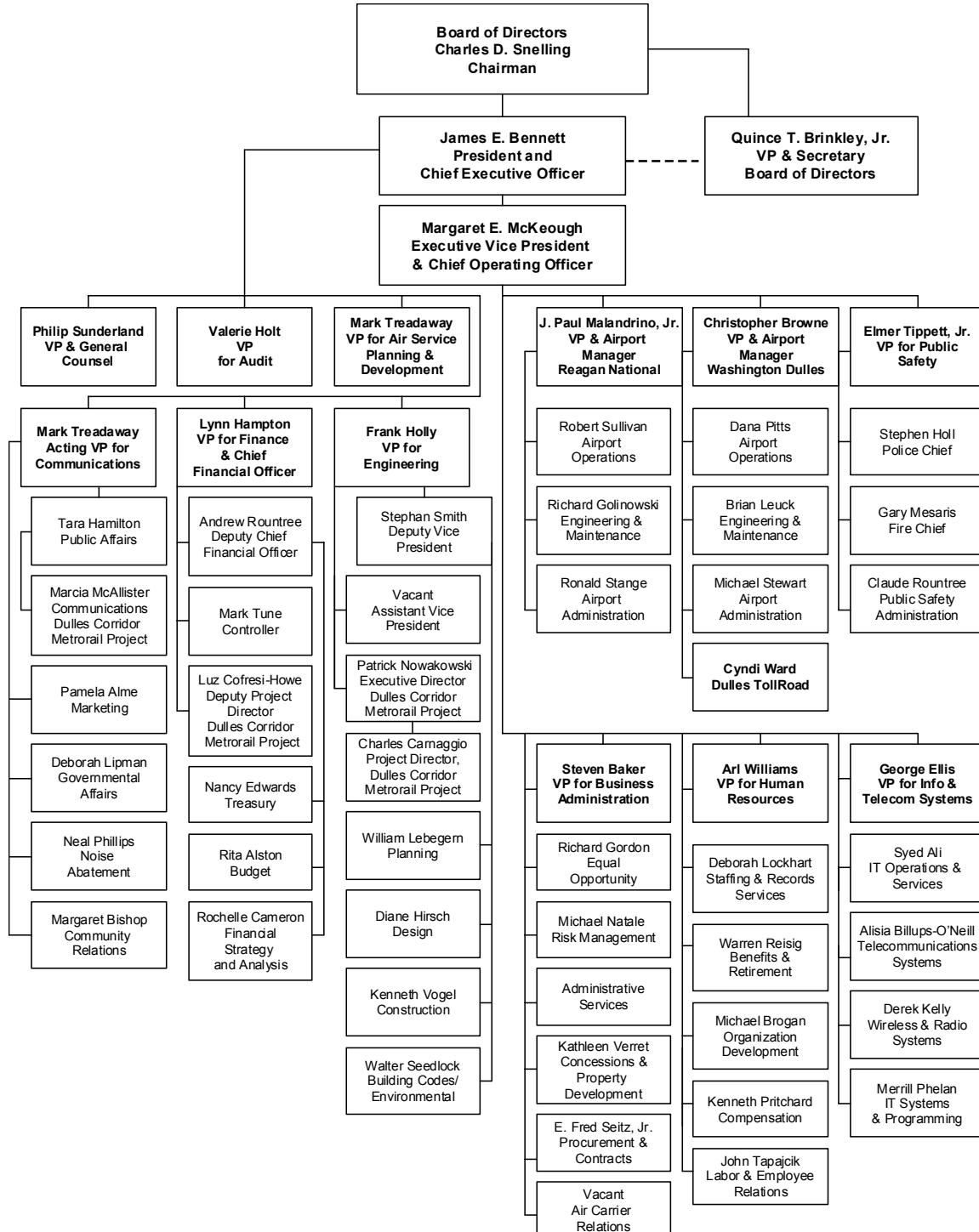
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

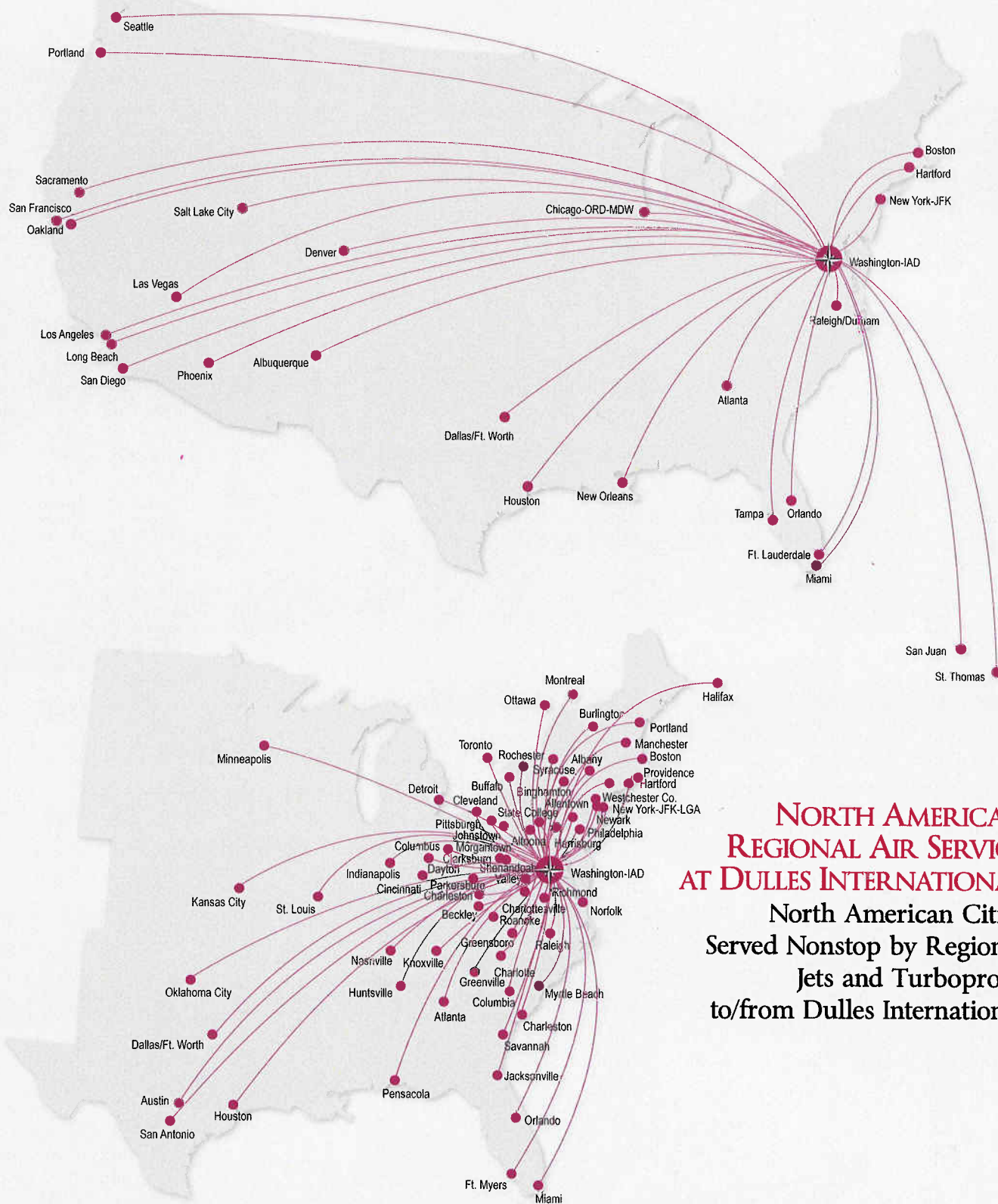
# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Metropolitan Washington Airports Authority Organization Chart



## North American Cities Served Nonstop by Large Jets to/from Dulles International



# FINANCIAL

**North American Cities  
Served Nonstop by Regional  
Jets and Turboprops  
to/from Dulles International**

Source: OAG, March 15-21, 2010



METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

**Report of Independent Auditors**

To the Board of Directors  
of the Metropolitan Washington Airports Authority:

In our opinion, the financial statements of the business-type activities and each major fund of the Metropolitan Washington Airports Authority (the "Airports Authority"), which collectively comprise the Airports Authority's basic financial statements as listed in the table of contents, present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the Airports Authority as of December 31, 2009 and December 31, 2008, and the respective changes in financial position and cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Airports Authority's management. Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

The Management's Discussion and Analysis (MD&A) on pages 17 through 37 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Airports Authority's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements and, accordingly, we express no opinion on it.

*PricewaterhouseCoopers LLP*

April 12, 2010



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# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## MANAGEMENT'S DISCUSSION AND ANALYSIS (unaudited)

### INTRODUCTION

The following discussion and analysis of the financial performance and activity of the Metropolitan Washington Airports Authority (the Airports Authority) is to provide an introduction and understanding of the basic financial statements of the Airports Authority for the year ended December 31, 2009 with selected comparative information for the years ended December 31, 2008 and December 31, 2007. This discussion has been prepared by management, is unaudited and should be read in conjunction with the financial statements, and the notes thereto, which follow this section.

#### *Using the Financial Statements*

The Airports Authority's financial report includes three financial statements: the Statements of Net Assets; the Statements of Revenues, Expenses and Changes in Net Assets; and the Statements of Cash Flows. The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by Governmental Accounting Standards Board (GASB) principles.

The financial statements presentation includes two Enterprise Funds. The Aviation Enterprise Fund encompasses the two Airports, Ronald Reagan Washington National Airport (Reagan National) and Washington Dulles International Airport (Dulles International), (collectively, the Airports). The Dulles Corridor Enterprise (DCE) Fund, which commenced November 1, 2008, encompasses the Dulles Toll Road (DTR) and the Dulles Corridor Metrorail Project (Dulles Metrorail Project).

The Statements of Net Assets depict the Airports Authority's financial position as of a point in time, December 31, and include all assets and liabilities of the Airports Authority. The Statements of Net Assets demonstrate that the Airports Authority's assets equal liabilities plus net assets. Net assets represent the residual interest in the Airports Authority's assets after liabilities are deducted. Net assets are displayed in three components: invested in capital assets, net of related debt; restricted; and unrestricted.

The Statements of Revenues, Expenses and Changes in Net Assets report total operating revenues, operating expenses, non-operating revenues and expenses, and other changes in net assets as of the end of a fiscal period, the year ended December 31. Revenues and expenses are categorized as either operating or non-operating based upon management's policy as established in accordance with definitions set forth by GASB. Significant recurring sources of the Airports Authority's revenues, including Passenger Facility Charges (PFCs), investment income and federal, state and local grants are reported as non-operating revenues. The Airports Authority's interest expense is reported as non-operating expense.

The Statements of Cash Flows present information showing how the Airports Authority's cash and cash equivalents position changed during the fiscal year. The Statements of Cash Flows classify cash receipts and cash payments resulting from operating activities, capital and related financing activities, and investing activities.

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## *The Airports Authority's Activity Highlights*

### Aviation Enterprise Fund

Pursuant to the Airports Authority's Airport Use Agreement and Premises Lease (the Agreement), the Airports Authority has activity-based revenues which include non-airline fees such as parking and rental car and airline based fees such as landing fees, rents, international arrival fees and passenger conveyance fees. There have been many factors and events that have negatively affected the air transportation industry in the past year such as the general economic downturn beginning in the latter part of 2007 and continuing through 2009 resulting in contraction in the economy. In response to this, the Airports Authority has diversified its revenue sources, increased the carriers using its Airports and adhered to the principles of fiscal restraint. In 2008, the U.S. economy experienced uncertainty and instability beginning with the banking crisis and spreading to the major industrial sectors including aviation. The economic recession has resulted in a decrease in air travel in 2008 and 2009.

Enplanements at Reagan National for the 12 months of 2009 were 8.8 million, compared to 9.0 million for the year 2008 and 9.3 million for the year 2007. In 2007, Reagan National experienced record passenger levels and reported record high revenues from other sources such as concessions. The economic recession translated into a severe dislocation of the world credit market and a contraction in the economy with a resulting decrease in air travel.

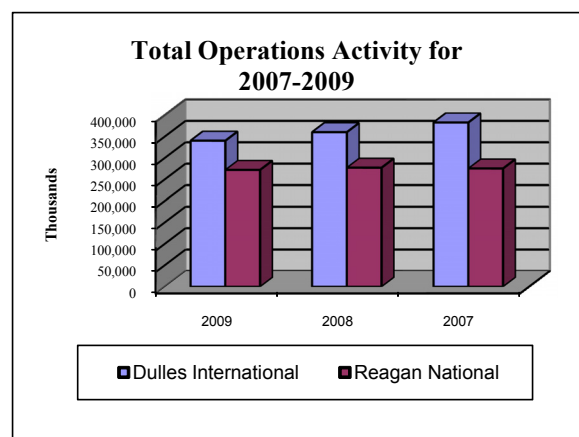
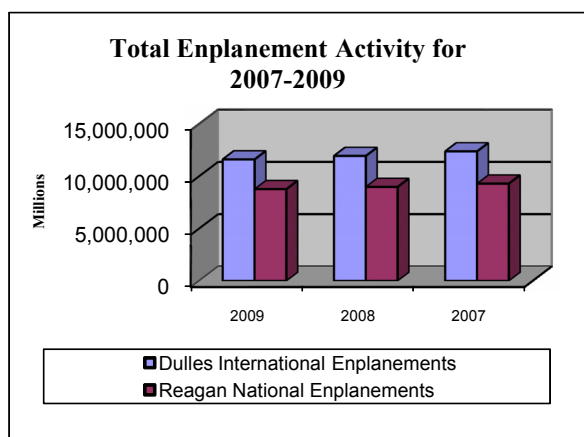
Total enplanements at Dulles International for the 12 months of 2009 were 11.6 million compared to 11.9 million in 2008, and 12.4 million in 2007. In 2007, Dulles International was growing rapidly and surpassed all previous years closing the year with growth in total passengers and increased revenues in all areas. International enplanements for the 12 months of 2009 were 3.1 million and were slightly higher than 2008 and 157 thousand higher than 2007.

### **Enplanements and Operations Activity for 2007 to 2009**

	2009	2008	2007
<u>Dulles International Enplanements</u>			
Dulles International Domestic	8,429,500	8,742,530	9,313,161
Dulles International International	3,117,271	3,115,417	2,960,345
Dulles International Non-Commercial	67,557	86,914	109,310
Total Dulles International Enplanements	11,614,328	11,944,861	12,382,816
<u>Reagan National Enplanements</u>			
Reagan National Domestic	8,634,011	8,836,467	9,145,554
Reagan National Transborder	133,232	141,364	148,523
Reagan National Non-Commercial	4,651	4,349	4,230
Total Reagan National Enplanements	8,771,894	8,982,180	9,298,307
<u>Operations</u>			
Dulles International	340,367	360,292	382,939
Reagan National	272,146	277,298	275,433

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Metropolitan Washington Airports Authority



The North American combined domestic and international aviation industry growth rate declined by 6.9% for 2009. Both Airports exceeded this rate by more than 3.6% while experiencing a reduction in passengers. Dulles International's international passenger growth rate was 0.1%. This growth rate far exceeded the North American industry average international growth rate by 4.7%.

Enplanements Growth	MWAA	North America	Difference
Dulles International (Domestic)	-3.6%	-7.2%	3.6%
Dulles International (International)	0.1%	-4.6%	4.7%
Reagan National	-2.3%	-7.2%	4.9%

## Dulles Corridor Enterprise Fund

On November 1, 2008, the Virginia Department of Transportation (VDOT) transferred responsibility for the operation and maintenance of the DTR to the Airports Authority for an initial term of 50 years. The operations of the DTR were contracted to VDOT under the agreement until September 30, 2009. As of October 1, 2009, the employees of the DTR became employees of the Airports Authority, all contracts of the DTR became contracts of the Airports Authority and the Airports Authority's public safety department began providing the primary police and fire service for the DTR. As part of the agreement with the Commonwealth of Virginia (the Commonwealth), the Airports Authority will construct the Dulles Metrorail Project from the vicinity of West Falls Church to Route 772 in Loudoun County and will make other improvements in the Dulles corridor consistent with VDOT and regional plans, using revenues from the DTR to pay the resulting debt service.

The DTR is an eight lane (4 lanes in each direction) limited access highway 13.4 miles in length. During 2009, the Airports Authority commenced a public process with the aim of raising the tolls on the DTR. The DTR has 10 exit and entrance ramps. Effective January 1, 2010 the tolls of 75¢ at the main toll plaza west of the Beltway were raised to \$1.00 and the tolls at all other exit and entrance locations were raised from 50¢ to 75¢. The toll increases are necessary to support the financing for the Dulles Metrorail Project.

The DTR processed 109.3 million transactions in 2009 a 1.5 million decrease in transactions from 2008. The DTR processed an average of 9.1 million transactions per month in 2009. This is a decrease from 2008 of

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

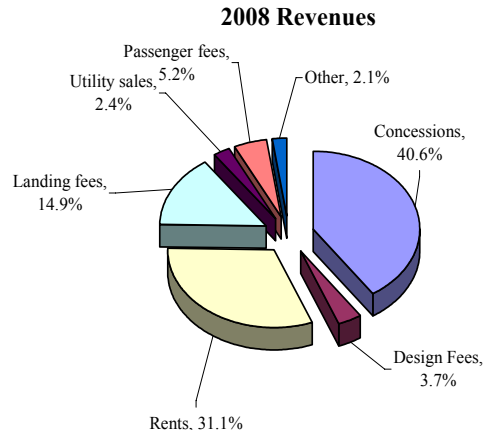
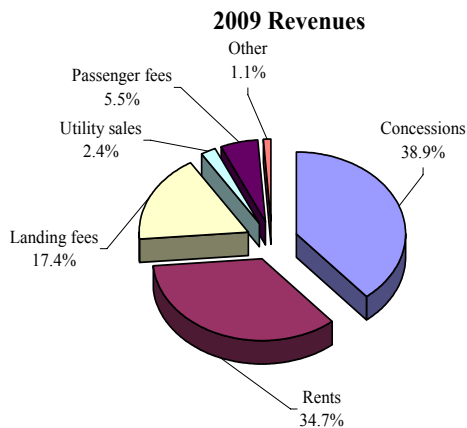
122 thousand transactions per month or a 1.3% decrease in transactions for the year. Nationally, toll road transactions decreased by 3.4%.

### *Financial Highlights - Aviation Enterprise Fund*

The overall activity results of 2009 reflect the general slowdown experienced as a result of the recession that started in December 2007. The Airports Authority recorded \$558.5 million in operating revenues for 2009. This was a total increase from 2008 of \$7.5 million and from 2007 of \$48.0 million. The Airports Authority's revenues are primarily derived from rents and charges for the use of the Airports Authority's facilities, including landing fees received from both Signatory and non-Signatory Airlines using the Airports, and concession contracts at the Airports, including off-airport rental car operations. Concessions historically have accounted for a substantial portion of the Airports Authority's revenues. The Agreement requires the Signatory Airlines to pay actual costs plus debt service coverage, while the majority of concessionaires pay a percentage of revenue or a minimum annual guarantee (MAG) payment.

Classifications	2009 Revenue	2008 Revenue	Increase (Decrease) from 2008	Percent of Increase (Decrease) from 2008
Concessions	\$ 217,413,676	\$ 223,710,732	\$ (6,297,056)	(2.8%)
Rents	193,736,080	171,331,285	22,404,795	13.1%
Design fees	-	20,363,189	(20,363,189)	100.0%
Landing fees	96,934,558	82,289,545	14,645,013	17.8%
Utility sales	13,227,161	13,348,545	(121,384)	(0.9%)
Passenger fees	30,665,358	28,354,142	2,311,216	8.2%
Other	6,476,626	11,547,405	(5,070,779)	(43.9%)
Total	<u>\$ 558,453,459</u>	<u>\$ 550,944,843</u>	<u>\$ 7,508,616</u>	<u>1.4%</u>

The following is a graphic illustration of operating revenues by source for the years ended December 31, 2009 and 2008:



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Metropolitan Washington Airports Authority

### *Airline Revenue*

In 2009, airline revenues, which consist of landing fees, terminal rents and passenger fees, increased \$16.2 million from 2008, principally related to an increase in debt service at Dulles International for the security mezzanine and fourth runway and debt service for Concourse A renovation at Reagan National. Prior-year Transfers, used as an offset to airline revenues (see Note L), decreased \$6.6 million. Landing fees increased \$14.6 million to \$96.9 million or 17.8%. Rent revenue increased \$22.4 million, a 13.1% increase from 2008. Passenger fees, including International Arrivals Fees and fees paid by the Transportation Security Administration (TSA) increased \$2.3 million or 8.2%. As part of its emergence from bankruptcy in 2006, United Airlines (United) agreed to reimburse the Airports Authority over a 10-year period for the expenses incurred by the Airports Authority in designing the Tier 2 Concourse and related facilities. In June 2008, the Airports Authority ceased all design work on the Tier 2 Concourse and related facilities. In conjunction with the cessation of the work on Tier 2 Concourse and related facilities, the Airports Authority recognized the \$20.4 million as design fees revenue in the Airports Authority's Statement of Revenue, Expenses and Changes in Net Assets.

### *Other Revenue*

In 2009, other revenues of \$6.5 million decreased \$5.1 million from 2008 principally related to \$1.8 million received in 2008 for construction right of way and \$3.2 million received in 2008 from the Greenway Toll Road for the construction of an entrance ramp.

### *Concession Revenue*

In 2009, the Airports Authority's concession revenues decreased \$6.3 million or 2.8%, from 2008. Concession revenues account for 38.9% of total operating revenues, down from 2008 by 1.7%. Car parking revenues rank as the Airports Authority largest concession providing \$107.7 million in total revenues for the year. This is a decrease of \$7.4 million from last year and reflects the general decrease in passenger traffic. Rental car revenue of \$38.9 million increased \$2.9 million from 2008 supplemented by the new MAG amounts as negotiated in new contracts for both Reagan National and Dulles International in recent years. Ground transportation revenues of \$6.9 million increased by \$544 thousand and reflect the new taxi contract in place at Dulles International and new taxi fees at Reagan National. In 2009, the registered traveler program had revenues of \$328 thousand before it ceased operations in June 2009. In 2008 the registered traveler program had revenues of \$534 thousand. Excluding car parking and rental car revenue, all other areas of concession revenue decreased \$1.9 million or 2.5% with a 24.4% decrease in duty free revenue, a 6.5% increase in display advertisement, an 8.5% increase in ground transportation and moderate changes in the food and beverage and remaining concession revenue sources.

Concession revenue at Reagan National increased in total by \$1.1 million in 2009. Parking revenues decreased \$2.2 million from 2008 at Reagan National. The parking garages at Reagan National experienced a drop in average occupancy from 83.8% in 2007 to 82.9% in 2008 and 75.8% in 2009. Parking rates were increased at both airports in June 2008. Construction on an additional level to Parking Garages A, B and C began in 2008. This additional area will provide approximately 1,424 new public parking spaces when it opens in March 2010. When complete there will be 9,829 parking (including handicap) spaces at Reagan National: 475 hourly, 6,243 daily, 2,996 economy, and 115 overflow spaces. In December 2009, Sam & Harry's, a full-service restaurant opened at Reagan National, and for the first time, a restaurant offers a full-service breakfast.

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

In January 2008, National Airport Grill, Einstein Bagel, a second location of Mayorga Coffee and an Auntie Anne's opened at Reagan National. There were no new retail openings in 2009 or 2008.

Concession revenue at Dulles International decreased \$7.4 million from 2008. In 2009, parking revenues were \$66.0 million, a decrease of \$5.2 million from 2008. In 2009, there were 27,433 public parking spaces at Dulles International. Public parking is comprised of 1,923 spaces in hourly, 8,325 daily, 830 valet, 12,398 economy, 3,733 in overflow and 224 in the cell phone lot. Overall activity for public parking decreased 9.7% in 2009 compared to 2008. Total exits for 2009 were 2.8 million compared to 3.1 million in 2008. Total parking revenue decreased 7.2% due to decreased passenger activity. Food and beverage revenue decreased 2.6% over 2008 to \$8.5 million, resulting from decreased enplanement activity. In 2009, two new restaurants and one new retail business opened in the expansion of midfield Concourse B. New tenants included Chipotle, City Wok and America!.

The following table details concession revenues by major category for years ended December 31, 2009 and December 31, 2008:

<b>Concession Revenues</b>				
	2009	2008	Increase (Decrease) from 2008	Percent of Increase (Decrease) from 2008
Parking	\$ 107,721,718	\$ 115,105,856	\$ (7,384,138)	(6.4%)
Rental cars	38,865,186	35,949,215	2,915,971	8.1%
Food and beverage	15,626,929	15,860,110	(233,181)	(1.5%)
Newsstand and retail	11,900,883	11,921,105	(20,222)	(0.2%)
Duty free	2,881,047	3,810,294	(929,247)	(24.4%)
Display advertising	8,243,796	7,737,054	506,742	6.5%
Inflight caterers	6,705,056	6,872,934	(167,878)	(2.4%)
Fixed base operator	12,353,018	12,712,051	(359,033)	(2.8%)
Ground transportation	6,913,108	6,368,761	544,347	8.5%
All other	6,202,935	7,373,352	(1,170,417)	(15.9%)
Total	<u>\$ 217,413,676</u>	<u>\$ 223,710,732</u>	<u>\$ (6,297,056)</u>	<u>(2.8%)</u>

### ***Operating Expense***

Operating expenses for the Aviation Enterprise Fund, for fiscal year ended December 31, 2009 were \$502.5 million, a decrease of \$53.1 million or 9.6% over 2008.

In 2009, the Airports Authority continued the budget constraints that were first initiated in 2008. The alignment of office workforce and workload was reviewed and alternative approaches to fulfilling the requirements of vacant positions were enacted. Initiatives were taken to reduce overtime, and equipment purchases were curtailed. As a result of these cost containment measures, materials, equipment, supplies, contract services and other is the largest expenditure area and closed the year \$14.4 million less than 2008 and \$34.2 million lower than 2007.



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A cost allocation study was performed in 2009 to recognize the work performed by Aviation Enterprise for the Dulles Toll Road and Dulles Metrorail Project. As a result of this allocation study, \$5.9 million of Aviation Enterprise Fund operating expenses was allocated to the DCE Fund.

The 2008 expenses reflect the one-time reduction of \$7.4 million in previously recorded expenses to be repaid to the Aviation Enterprise Fund from the DCE Fund primarily \$7.2 million for costs incurred to-date associated with the pursuit and transfer of the DTR and Dulles Metrorail Project and additional \$200 thousand in operating expense. In 2008, the Airports Authority recognized a one-time transaction to record a write off of design costs incurred on the Tier 2 Concourse and related facilities. In 2008, the Airports Authority ceased all design work on the Tier 2 Concourse and related facilities. If the Airports Authority was to proceed with the Tier 2 Concourse in the future, the Tier 2 Concourse and related facilities are likely to be substantially different from what is reflected in the designs and plans developed to date. Consistent with GASB Statement No. 42 *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries* (GASB 42), the Airports Authority recorded \$66.2 million in impairment losses as period expenses in 2008.

The Airports Authority continued its process of implementing a new Enterprise Resource Planning (ERP) system. In March 2009, the Airports Authority selected Oracle EBusiness Solutions as the ERP software. According to accounting principles as promulgated in GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets* (GASB 51), the Airports Authority was in the developmental stage of the implementation program in early 2009 and all of 2008 and expensed the costs through the Statements of Revenues, Expenses and Changes in Net Assets. In March 2009, the Airports Authority began capitalizing the ERP, and as of December 31, 2009, \$14.5 million was included in work in progress for the project.

The Airports Authority experienced a record snow event in December of 2009 incurring \$5.0 million in snow-related expenses over a period of three days. The Governor of Virginia declared the snow event an emergency, and the Airports Authority has filed initial paperwork to receive reimbursement for the cost.

In 2008, the year of implementation for *GASB Statement No. 49, Accounting and Financial Reporting for Pollution Remediation Obligations* (GASB 49), pollution remediation costs residing in the Airports Authority's construction in progress accounts were expensed. The 2008 expenses of \$2.6 million reflect the implementation expenses, as well as other current year pollution remediation work, consistent with GASB 49. Pollution remediation expense in 2009 was \$1.6 million.

The Airports Authority's utility expenditures for 2009 were \$28.1 million, an increase of \$2.7 million from 2008 and an increase of \$7.0 million from 2007. In 2009 fuel prices began to moderate throughout the world resulting in a leveling of the cost of utilities purchased by the Airports Authority.

Salaries and related benefits expenses of \$140.1 million resulted in an increase of \$3.6 million from 2008 and \$11.7 million from 2007. When compared to 2008, health insurance expenses of \$13.6 million increased \$331 thousand and regular salaries increased \$2.6 million. Overtime increased in 2009 by \$897 thousand with the increase related to the record snowstorm experienced in December 2009. The Airports Authority continues its funding of the Other Post-Employment Benefits (OPEB) program and recorded \$6.6 million in expenses for 2009, \$5.9 million in expenses for 2008, and \$5.9 million for 2007. The contribution percentages to the Airports Authority's retirement plans decreased to 6.4% in 2009 from 6.8% of eligible earnings in 2008 for the general plan and increased to 13.0% in 2009 from 12.4% of eligible earnings in 2008.

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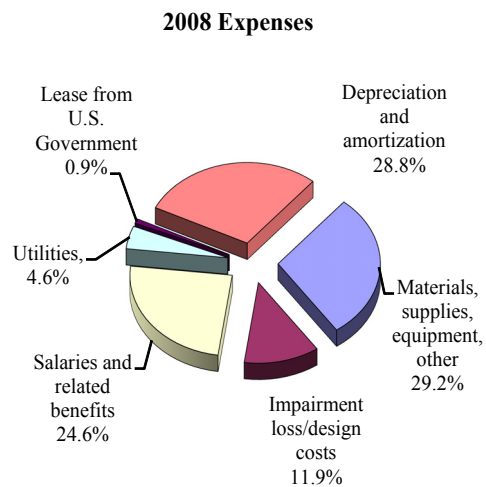
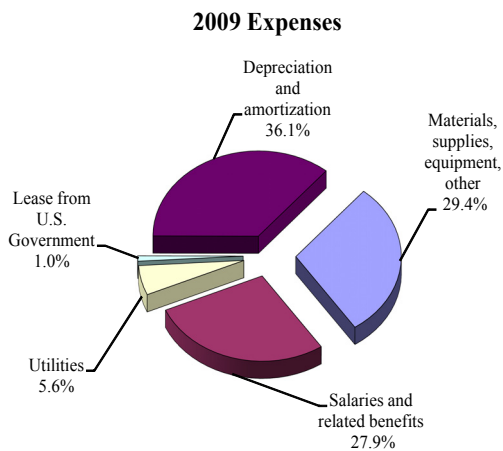
for the police and firefighter plan. The Funded Ratio as of the Actuarial Valuation Date of December 31, 2008 was 107.8% for the general plan and 98.8% for the police and firefighters plan.

Depreciation and amortization expense in 2009 was \$181.2 million. This is an increase of \$20.9 million from 2008 and \$39.2 million from 2007. In 2009 the Airports Authority completed and put into service at Dulles International the passenger security mezzanine which is the first element of the automated train system, the AeroTrain, and the first phase of the expanded International Arrivals Building.

### Aviation Enterprise Operating Expenses

Expense Classification	2009	2008	Increase (Decrease) from 2008	Percent of Increase (Decrease) from 2008
Materials, equipment, supplies, contract services and other	\$ 147,883,400	\$ 162,254,215	\$ (14,370,815)	(8.9%)
Impairment loss/design costs	-	66,170,165	(66,170,165)	(100.0%)
Salaries and related benefits	140,138,903	136,508,033	3,630,870	2.7%
Utilities	28,141,680	25,402,257	2,739,423	10.8%
Lease from U.S. Government	5,066,069	4,958,280	107,789	2.2%
Depreciation and amortization	181,234,375	160,256,762	20,977,613	13.1%
<b>Total</b>	<b>\$ 502,464,427</b>	<b>\$ 555,549,712</b>	<b>\$ (53,085,285)</b>	<b>(9.6%)</b>

The following is a graphic illustration of the total operating expenses by source for the years ended December 31, 2009 and 2008:



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### *Changes in Net Assets*

The 2009 operating income was \$56.0 million, an increase of \$60.6 million from 2008 and \$24.1 million from 2007. The results primarily reflect the reduction in materials, supplies, and services and non-capital project expenses realized from the budget constraints applied during the year and in comparison to 2008, the write off of the design cost for Tier 2.

Non-operating revenues of \$119.2 million are comprised of \$139.5 million in Fair Value Gains on swaps less \$35.0 million in swap termination payouts and \$14.7 million in investment income. On April 1, 2009, concurrent with the closing of the Series 2009A-B bonds, the Airports Authority terminated the two Bank of Montreal swaps with effective dates of July 15, 2009 and the Wachovia swap with an effective date of July 15, 2009 and made a combined termination payment of \$35.0 million. When compared to 2008 and 2007, non-operating revenues are up by \$81.2 million and \$63.6 million, respectively. The continued reduction in interest rates, as seen in 2009, has had a direct effect on investment income with a decrease of \$23.2 million and \$40.8 million when compared to 2008 and 2007, respectively. In fiscal year 2009, the Federal Reserve kept interest rates low to help the U.S. economy recover.

To minimize the risk of the loss of financial assets, the Airports Authority has adopted an investment policy. The investment policy is designed to be conservative and protect the financial assets of the Authority. The investment policy goals are the safety of principal, liquidity and lastly yield. The investment policy limits investments to highly rated fixed income securities with maturities matching the Airports Authority's cash requirements.

Further the Airports Authority's bond proceeds are invested according to the permitted investments in Master Bond Indentures. The debt service reserve funds are primarily invested in guaranteed investment contracts (GICs) that invest in permitted investments. The GICs must maintain collateral of 103.0% of principal in a third party trust account. The market values of the GICs are monitored by the Treasurer. If the counterparty to the GIC were to default, the securities in the GIC would be available to the Airports Authority for sale and reinvestment. There would be a discontinuation of the interest paid by the counterparty to the Airports Authority.

Non-operating expenses, primarily interest expense and financing charges, were \$145.5 million for the year. In fiscal year 2008 the traditional relationship of LIBOR and variable municipal bond interest rates moved in opposite directions where London International Bank Offered Rate (LIBOR) interest rates were lower and municipal interest rates increased resulting in a \$158.4 million unrealized loss on the outstanding swaps. Interest expenses and finance charges were \$146.2 million for 2009 which is an increase from 2008 of \$20.8 million and \$30.7 million from 2007.

In 2001, the Airports Authority began a risk management program to assist in managing the interest cost on outstanding and future debt. The Airports Authority's derivatives consist of interest rate swaps used to modify interest rates on outstanding and future debt. Based on the Airports Authority's International Swaps and Derivatives Association Agreement (Swap Agreement), the Airports Authority owes interest calculated at a notional amount multiplied by a fixed rate to the counter parties. In return, the counter parties owe the Airports Authority interest based on the notional amount multiplied by a variable rate equal to 72.0% of LIBOR. Only the net difference in interest payments is actually exchanged with the counter parties. The Airports Authority continues to pay interest to the bondholders at the variable rate provided by the bonds associated with the swap.

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During the term of the Swap Agreement, the Airports Authority pays, or receives, the difference between the fixed rate on the swaps and 72.0% of LIBOR.

For the year ended December 31, 2008, the Airports Authority implemented GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* (GASB 53). According to GASB 53, all of the Aviation Enterprise's forward-starting swap transactions and those swap transactions associated with issued debt were determined to be ineffective in 2008 and are recognized at fair value on the Statements of Net Assets.

GASB 53 states that if LIBOR, or a percentage of LIBOR, is employed as a hedge of tax-exempt debt, hedge effectiveness should be evaluated using one of the quantitative methods. For the year ended December 31, 2008, the Airports Authority applied the synthetic instrument method to determine swap effectiveness. GASB 53 requires that if a derivative instrument is found to be ineffective in the first reporting period, evaluation of effectiveness in subsequent reporting periods should not be performed. Therefore, since all of the Airports Authority's derivatives were found to be ineffective at the end of December 31, 2008, its first reporting period, hedge accounting ceased permanently, and the changes in the value of this instrument will be reported in the Statements of Revenues, Expenses and Changes in Net Assets as Fair Value (Loss) Gain.

In 2008, subsequent to the bankruptcy of Lehman Brothers, the 2001 and 2006 Lehman Brothers Swaps were terminated. The Airports Authority paid Lehman Brothers the calculated value of \$10.6 million and \$5.9 million, respectively. In 2008, three 2005 Swaps, with an effective date of October 1, 2008, were amended to extend the effective date to January 15, 2009 and increase the fixed-payer rate. On January 7, 2009, the three 2005 swaps were again amended to extend the effective date to July 15, 2009 and increase the fixed-payer rate. In connection with the issue of the Series 2009B Airport System Revenue Bonds, on April 1, 2009, the Airports Authority terminated the three outstanding 2005 Swaps with a notional amount of \$175.0 million for a total termination payment of \$35.0 million. On October 1, 2009, the Airports Authority began paying the counterparties for the two 2006 swaps, J.P. Morgan and Bank of America, 4.1%, and began to receive from the counterparties interest based on the total notional amount of \$300.0 million multiplied by a variable rate equal to 72.0% of LIBOR.

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Metropolitan Washington Airports Authority

The following table provides information on the Airports Authority's Swaps as of December 31, 2008, and December 31, 2009.

Trade Date	Effective Date/Termination Date (Final Maturity)	Counterparty	Notional Amount (\$millions)	Fixed Rate	Fair Market Value at 12/31/08	Fair Market Value at 12/31/09	Change in Fair Market Value
07/31/2001	8/29/02 - 10/01/21	Merrill Lynch	\$59.25	4.460%	\$ (11,587,964)	\$ (6,922,472)	\$ 4,665,492
05/13/2005	1/15/09 - 10/1/31	Wachovia		3.966%	(14,517,184)	Terminated	14,517,184
		Bank of Montreal		4.059%	(7,880,152)	Terminated	7,880,152
	1/15/09 - 10/1/36	Bank of Montreal		3.911%	(17,008,939)	Terminated	17,008,939
06/15/2006	10/1/09 - 10/1/39	JP Morgan Chase	190.00	4.100%	(54,400,169)	(24,258,893)	30,141,276
		Bank of America	110.00		(31,903,537)	(14,174,632)	17,728,905
06/15/2006	10/1/10 - 10/1/40	Wachovia	170.00	4.112%	(46,433,048)	(17,885,122)	28,547,926
05/13/2005	10/1/11 - 10/1/39	Wachovia	125.00	3.862%	(24,940,948)	(5,945,956)	18,994,992
			\$654.25		\$ (208,671,941)	\$ (69,187,075)	\$ 139,484,866

Capital contributions include PFCs, federal and state grants and other capital property acquired. PFC revenue for 2009 was \$78.5 million, \$66 thousand greater than 2008 and \$4.3 million less than 2007. This reduction in receipts from 2007 reflects the general downturn in air travel predicated by the overall general economic conditions in 2009 and 2008.

Federal and state grants were \$348.1 million in 2009, \$89.3 million in 2008, and \$32.3 million in 2007. In 2009, the Airports Authority received \$7.5 million in Airport Improvement Program (AIP) grants primarily reimbursed the capital cost of the construction of the fourth runway at Dulles International and received American Recovery and Reinvestment Act (ARRA) grants of \$10.9 million for Runway Rehabilitation at Dulles International and for \$400 thousand for TSA Surveillance closed circuit TV and In-line Baggage Electronic Detection Systems.

The change in net assets is an indicator of the overall fiscal condition of the Airports Authority. Net assets increased in 2009 by \$136.9 million. This increase includes the effects of the combined loss on hedge termination and the Fair Value Gain on swaps of \$104.5 million.

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Metropolitan Washington Airports Authority

The following represents a summary of the Statements of Revenues, Expenses and Changes in Net Assets for the Aviation Enterprise:

	Aviation Enterprise		
	2009	2008	2007
Operating revenues			
Concessions	\$ 217,413,676	\$ 223,710,732	\$ 217,486,823
Rents	193,736,080	171,331,285	167,301,027
Design fees	-	20,363,189	-
Landing fees	96,934,558	82,289,545	78,682,496
Utility sales	13,227,161	13,348,545	11,778,736
Passenger fees	30,665,358	28,354,142	28,684,113
Other	6,476,626	11,547,405	6,542,935
Total operating revenues	<u>558,453,459</u>	<u>550,944,843</u>	<u>510,476,130</u>
Operating expenses			
Material, equipment, supplies			
contract services, and other	147,883,400	162,254,215	182,096,091
Impairment loss/design costs	-	66,170,165	-
Salaries and related benefits	140,138,903	136,508,033	128,465,267
Utilities	28,141,680	25,402,257	21,134,317
Lease from U.S. Government	5,066,069	4,958,280	4,830,121
Depreciation and amortization	181,234,375	160,256,762	142,030,354
Total operating expenses	<u>502,464,427</u>	<u>555,549,712</u>	<u>478,556,150</u>
Operating income (loss)	<u>55,989,032</u>	<u>(4,604,869)</u>	<u>31,919,980</u>
Non-operating revenues			
Investment income	14,725,255	37,965,692	55,557,746
Fair value gains on swaps	104,466,866	-	-
Total non-operating revenues	<u>119,192,121</u>	<u>37,965,692</u>	<u>55,557,746</u>
Non-operating expenses			
Interest expense	(144,510,068)	(122,984,332)	(111,534,092)
Passenger facility charges, financing costs	(944,806)	(2,330,507)	(3,968,842)
Fair value losses on swaps	-	(178,810,699)	(24,577,653)
Total non-operating expenses	<u>(145,454,874)</u>	<u>(304,125,538)</u>	<u>(140,080,587)</u>
Income/(Loss) before capital contributions	29,726,279	(270,764,715)	(52,602,861)
Capital contributions	107,142,569	130,592,529	118,674,180
Increase (decrease) in net assets	<u>\$ 136,868,848</u>	<u>\$ (140,172,186)</u>	<u>\$ 66,071,319</u>

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### *Financial Highlights - Dulles Corridor Enterprise Fund*

#### *Operating Revenue*

On November 1, 2008, VDOT transferred responsibility for the operation and maintenance of the DTR to the Airports Authority for an initial term of 50 years. As part of its agreement with the Commonwealth, the Airports Authority will construct the Dulles Metrorail Project from the vicinity of West Falls Church to Route 772 in Loudoun County and will make other improvements in the Dulles corridor consistent with VDOT and regional plans. These two functions operate as a single Business-Type Activity and are reported in the DCE Fund. On October 1, 2009, Commonwealth employees of the Dulles Toll Road became Airports Authority employees, all contracts of the Dulles Toll Road were transferred to the Airports Authority and the primary responsibility for the public safety of the Dulles Toll Road was transferred to the Airports Authority.

The DTR is an eight lane (4 lanes in each direction) limited access highway 13.4 miles in length. The DTR has 10 exit and entrance ramps with tolls in 2009 of 75¢ at the main toll plaza west of the Beltway and 50¢ at other exit and entrance locations for 2 axle vehicles. It has 59 collection lanes, 33 toll booths and 8 E-ZPass dedicated only lanes. All toll booths are equipped with E-ZPass (recognized from Virginia to Maine) electronic toll collection systems.

For the year ended December 31, 2009, the Airports Authority recorded Toll Road revenue of \$64.9 million consisting of Automated Vehicle Identification (AVI) or electronic toll collections of \$45.1 million, cash collections of \$19.2 million and violations revenues of \$547 thousand. AVI collections as a percentage of total operating revenues were 69.6%. The Airports Authority in November and December of 2008 recorded revenue of \$10.4 million consisting of AVI or electronic toll collections of \$7.1 million, cash collections of \$3.2 million and violations revenues of \$109 thousand. AVI collections as a percent of total operating revenues were 68.6%.

DCE Operating Revenues	2009	2008
Cash revenues	\$ 19,199,661	\$ 3,166,176
Automated vehicle identification revenues	45,146,685	7,141,495
Violation revenues	547,208	108,827
Total tolls and other	<u>\$ 64,893,554</u>	<u>\$ 10,416,498</u>

#### *Operating Expenses*

For the year ended December 31, 2009, the DCE Fund recorded \$30.1 million in operating expenses of the DTR and Dulles Metrorail project. Operating expenses of \$24.8 million in Supplies and Materials include \$9.5 million paid to VDOT for operations of the DTR through September 30, 2009, and \$5.3 million in electronic toll collection fees paid to the processor of the AVI transactions. The Airports Authority contracted with VDOT to continue to operate the DTR from November 1, 2008 through September 30, 2009. For the year ended December 31, 2008, the DCE Fund recorded \$10.2 million in operating expenses from the date of transfer, November 1, 2008 to the end of the reporting period. Materials, equipment, supplies, contract services and other included \$7.2 million in expenses to be repaid to the Aviation Enterprise Fund from the DCE Fund for costs incurred associated with the pursuit and transfer of the DTR and Dulles Metrorail project. This payment was made in 2009. Operating expenses also include \$788 thousand in electronic toll collection fees paid to the processor of the AVI transactions and \$1.5 million paid to VDOT.



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The majority of costs related to the DCE Fund are directly charged to the fund. In certain instances, overhead costs for the Airports Authority are initially paid from the Aviation Enterprise Fund, but are appropriately allocable to the DCE Fund as costs associated with operation of the DTR or as costs of the Dulles Metrorail Project. In 2009 the Airports Authority completed a cost allocation plan. The purpose of the CAP is to identify and quantify all indirect and overhead costs appropriately allocable to the DCE Fund and to appropriately allocate those costs. In 2009, \$5.9 million was allocated from the Aviation Enterprise Fund to the DCE Fund with \$3.2 million allocated to the DTR and \$2.7 million to the Dulles Metrorail Project.

DCE Operating Expenses	2009	2008
Materials, supplies, equipment, contract services and other	\$ 24,836,947	\$ 10,028,145
Salaries and related benefits	4,071,427	212,627
Utilities	67,989	-
Depreciation and amortization	1,118,482	8,204
Total	<u>\$ 30,094,845</u>	<u>\$ 10,248,976</u>

The DCE Fund closed 2009 with total net assets of \$666.5 million. The following represents a summary of the Statements of Revenues, Expenses and Changes in Net Assets of the DCE Fund:

	Dulles Corridor Enterprise	
	2009	2008
Operating revenues		
Tolls and other	\$ 64,893,554	\$ 10,416,498
Total operating revenues	<u>64,893,554</u>	<u>10,416,498</u>
Operating expenses		
Materials, equipment, supplies contract services, and other	24,836,947	10,028,145
Salaries and related benefits	4,071,427	212,627
Utilities	67,989	-
Depreciation and amortization	1,118,482	8,204
Total operating expenses	<u>30,094,845</u>	<u>10,248,976</u>
Operating income	<u>34,798,709</u>	<u>167,522</u>
Non-operating revenues		
Investment income	422,349	26,126
Total non-operating revenues	<u>422,349</u>	<u>26,126</u>
Gain before capital contributions	35,221,058	193,648
Capital contributions	321,813,613	309,241,103
Increase in net assets	<u>\$ 357,034,671</u>	<u>\$ 309,434,751</u>

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### *Changes in Net Assets*

Operating income for the DCE Fund, for the year ended December 31, 2009 was \$34.8 million. Fiscal year 2008 operating income for the two-month period ended December 31, 2008 was \$168 thousand. The 2008 operating results reflect a shortened operating period and the one time addition of \$7.4 million in expenses to be repaid to the Aviation Enterprise Fund from the DCE Fund for costs associated with the pursuit and transfer of the DTR and Dulles Metrorail Project.

With the transfer on November 1, 2008, a number of one-time accounting entries were necessary. The Airports Authority received and recognized at fair value DTR related assets and liabilities transferred from VDOT on November 1, 2008. These included cash, accounts receivable, liabilities, and personal property. The transfer of these items resulted in the recognition, in accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions* (GASB 33), of capital contributions in the amount of \$17.3 million. Upon transfer of the DTR, the Airports Authority also received from the Virginia Department of Rail and Public Transportation (VDRPT) a one-time transfer of existing construction in progress for the Dulles Metrorail Project. This resulted in capital contributions in the amount of \$254.8 million, and for DCE, for the year, total capital contributions of \$309.2 million.

For fiscal year ending December 31, 2009, the DCE Federal and state grants were \$322.5 million inclusive of the \$77.3 million in ARRA funding to the Dulles Metrorail Project. The Commonwealth transferred \$50.0 million of the \$125.0 million in bond funds to the Airports Authority for use on project expenses. As of the end of December, the Airports Authority had expended approximately \$34.8 million of the Commonwealth funding. Fairfax County provided the first \$25.0 million in funding to the Airports Authority on June 11, 2009. As of the end of December, the Airports Authority had expended all the \$25.0 million of Fairfax County funds.

### *Statements of Net Assets – Aviation Enterprise Fund and Dulles Corridor Enterprise Fund*

The Statements of Net Assets present the financial position of the Airports Authority at the end of the fiscal year. The Statements include all assets and liabilities of the Airports Authority. Net assets are the difference between total assets and total liabilities and are an indicator of the current fiscal health of the Airports Authority. A summarized comparison of the Airports Authority's assets, liabilities and net assets on December 31, 2009, 2008, and 2007, is as follows:

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### Metropolitan Washington Airports Authority

	2009	2008	2007
Current assets	\$ 1,413,466,567	\$ 662,511,761	\$ 849,502,892
Non-current assets			
Capital assets, net	5,889,869,511	5,307,658,368	4,616,109,321
Other non-current assets	735,134,252	556,420,830	441,617,047
Total Assets	<u>8,038,470,330</u>	<u>6,526,590,959</u>	<u>5,907,229,260</u>
Liabilities			
Current liabilities	334,335,008	455,590,321	315,593,920
Non-current liabilities			
Long-term debt outstanding and other restricted liabilities	<u>6,038,000,414</u>	<u>4,898,769,249</u>	<u>4,588,666,516</u>
Total Liabilities	<u>6,372,335,422</u>	<u>5,354,359,570</u>	<u>4,904,260,436</u>
Net Assets			
Invested in capital assets, net of debt	880,078,950	698,351,703	555,206,611
Restricted	379,767,956	131,285,221	114,983,454
Unrestricted	406,288,002	342,594,465	332,778,759
Total Net Assets	<u>\$ 1,666,134,908</u>	<u>\$ 1,172,231,389</u>	<u>\$ 1,002,968,824</u>

### *Statements of Net Assets*

Current assets increased \$751.0 million from 2008 and \$582.2 million from 2007. Current assets for the Aviation Enterprise Fund increased \$72.8 million primarily as a result of the increase in cash and cash equivalents of \$20.9 million and in unrestricted investments of \$30.9 million, both related to the Airports Authority's goal to increase the days of cash on hand. Restricted current assets for the Aviation Enterprise Fund increased \$6.8 million with a decrease of restricted cash and cash equivalents and an increase in PFCs. Current assets for the DCE Fund increased \$678.2 million.

In 2009 capital assets increased \$582.2 million. The Aviation Enterprise Fund continued its construction program in 2009 recording an increase, net of depreciation, of \$199.3 million in capital assets. The DCE Fund recorded an increase of \$382.9 million in capital assets (see Note G). This increase includes the \$380.2 million in construction in progress for the Dulles Metrorail Project. In total, the Dulles Metrorail Project includes \$742.5 million in CIP..

Current liabilities decreased \$121.3 million from 2008 and increased \$18.7 million from 2007. The decrease in current liabilities for 2008 relates to the repayment of the \$150 million bond anticipation notes. The DCE Fund provided \$46.7 million in accounts payable and accrued expenses primarily for the Dulles Metrorail Project. The Aviation Enterprise Fund saw a decrease in accounts payable and accrued expenses, restricted and unrestricted of \$11.0 million from 2008 in response to reduced spending for both the operational budget and the CCP.

In 2009, long-term liabilities increased \$1.1 billion. Bonds payable increased \$1.7 billion as a result of the issuance of \$851.3 million in Airport System Revenue Bonds less a principal payment of \$90.5 million on the outstanding bonds, the refunding of \$432.0 million in PFC bank participation notes and the issuance of \$972.3 million in Dulles Toll Revenue Bonds. In 2008, the Airports Authority reduced other liabilities by \$20.4

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million with the recognition of deferred revenue as income in the Statements of Revenues, Expenses and Changes in Net Assets of the design fees United Airlines (United) agreed to reimburse the Airports Authority for the expenses incurred by the Aviation Enterprise Fund in designing the Tier 2 Concourse and related facilities. The Airports Authority had a net decrease in its outstanding commercial paper by \$2.5 million in 2009.

The DCE Fund bonds payable was \$967.1 million at year ended December 31, 2009 as a result of the issuance of \$972.3 million in Series 2009A through D bonds and related discounts of \$5.2 million and \$9.0 million accretion from capital appreciation bonds. The DCE Fund did not have any long-term debt at year ended December 31, 2008. In 2009, the DCE Fund reduced other liabilities by \$157.2 million with the payment to the Aviation Enterprise of \$7.4 million for the cost of the pursuit and transfer of the DTR and Dulles Metrorail Project and the repayment of the \$150.0 million bond anticipation notes. As of December 31, 2009, the DCE liability of \$6.3 million was due to the Aviation Enterprise Fund for services provided to the DCE in the normal course of business, including the cost allocation plan.

Total net assets, which represent the residual interest in the Airports Authority assets after liabilities are deducted, increased \$493.9 million from 2008 and \$663.1 million from 2007. The DCE Fund provided a \$357.0 million increase in total net assets for 2009 and the Aviation Enterprise Fund recorded an increase of \$136.9 million in total net assets for 2009.

The account "Invested in Capital Assets, Net of Related Debt" increased \$181.7 million from 2008 and \$324.9 million from 2007. For the Aviation Enterprise Fund, capital assets, net of depreciation, increased \$199.3 million. This was offset by a net increase in debt related to capital expenditures of \$132.1 million, resulting in an overall increase for the Aviation Enterprise Fund of \$67.2 million and an increase of \$114.6 million for the DCE Fund. For the DCE Fund, capital assets increased \$383.0 million.

At the year ended December 31, 2009, total restricted net assets of \$379.8 million consist of unspent debt proceeds, including debt service reserve funds, and unspent PFC funds. This was an overall increase from 2008 of \$248.5 million. The Aviation Enterprise Fund's restricted net assets increased \$33.8 million. Restricted assets and restricted liabilities increased \$855.4 million and \$606.9 million, respectively. Current restricted investments increased \$341.4 million reflecting the increase in the value of the Airports Authority's swaps offset by continued construction spending. Restricted debt related to unspent bond proceeds increased \$1.7 billion. An increase of accounts payable and accrued expenses of \$20.6 million also occurred in 2009.

The DCE Fund restricted net assets of \$251.7 million had \$368.6 million in cash, \$434.2 million in investments and \$80.4 million in grants receivables at year end. These were offset by \$42.3 million in restricted accounts payable and accrued expense and \$613.9 million in debt related to unspent debt proceeds.

Total unrestricted net assets at the end of the reporting period for the Airports Authority were \$406.3 million. This is an overall increase of \$63.7 million from 2008. These net assets may be used to meet any of the Airports Authority's ongoing operational needs for the Aviation Fund and DCE Fund, subject to approval by the Airports Authority's Board of Directors (the Board). Unrestricted net assets for the Aviation Enterprise Fund increased \$35.9 million. As a result of operations, cash, investments and accounts receivable increased \$20.9 million, \$24.2 million, and \$12.6 million, respectively, offset by an increase in accounts payable and accrued expenses of \$18.1 million.

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The DCE Fund unrestricted net assets were \$22.6 million as of December 31, 2009. This was primarily operational cash derived from the DTR activities and prepaid expenses of \$1.7 million offset by unrestricted accounts payable and accrued expenses of \$10.7 million.

### ***Capital Financing and Debt Management***

#### *Aviation Enterprise Fund*

As a result of the ARRA of 2009 the Airports Authority, as all U.S. airports, was able to issue bonds that had full federal tax-exemption, with the interest income to the investors not subject to the alternative minimum tax. During 2009, the Airports Authority issued four series of aviation bonds and two series of commercial paper with the ARRA tax provisions. The \$163.2 million Series 2009A Airport System Revenue Bonds refunded the Commercial Paper (CP) Notes Series One and CP Notes Series Two. The \$236.8 million Series 2009B bonds refinanced a portion of the CP Notes Series One and provided funds for the capital construction program. The \$314.4 million Series 2009C Bonds and the \$136.8 million Series 2009D variable rate bonds refinanced the outstanding PFC Notes Series A, B, C and D.

In October 2009, Series Two CP was expanded to create two sub-series, A-1 and C, with \$21.0 million and \$17.5 million issued in a full federal tax-exempt status. In November 2009, an additional \$86.5 million of Series two CP was issued to fund the capital construction program including capitalized interest.

At December 31, 2009, the Aviation Enterprise Fund had \$90.0 million outstanding in Series One CP Notes and \$125.0 million of Series Two CP Notes outstanding. In 2009, the total available CP was reduced by \$75.0 million to \$345.0 million in recognition of the reduced capital construction program. As of December 31, 2009, the Airports Authority has available but not issued \$130.0 million CP. As of December 31, 2009, the Airports Authority Aviation Enterprise Fund had \$4.9 billion in outstanding Airport System Revenue Bonds.

The Airports Authority's Aviation Enterprise Fund's long-term uninsured bonds are rated "AA" by Fitch, "Aa3" by Moody's, and "AA-" by Standard & Poor's Rating Services (S&P). Fitch affirmed the Airports Authority's rating with a "Stable Outlook" on June 2, 2009. Moody's affirmed the Airports Authority's rating with a "Stable" outlook on May 29, 2009. On June 23, 2009 S&P affirmed the "AA-" rating with a "Stable Outlook". S&P assigned the Airports Authority an overall Debt Derivative Profile rating of "1.5" on a scale of "1" to "4", with "1" representing the lowest risk and "4" representing the highest risk.

The Airports Authority is financing its Aviation Enterprise Fund CCP through a combination of revenues, entitlement, and discretionary grants received from the Federal Aviation Administration (FAA), state grants, PFCs, and revenue bonds. Long-term debt is the principal source of funding for the CCP. The Airports Authority, through its Master Indenture, has agreed to maintain debt service coverage of not less than 1.25x. Debt service coverage is calculated based on a formula included in the Master Indenture and the Agreement with the Airlines. Historically, the Airports Authority has maintained a coverage ratio significantly higher than its requirement. During 2009 and 2008, the Airports Authority's debt service coverage was 1.49x and 1.57x, respectively.

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Metropolitan Washington Airports Authority

### Dulles Corridor Enterprise Fund

On November 1, 2008 the Airports Authority DCE Fund issued bond anticipation notes for \$150.0 million to provide short-term financing for the Dulles Metrorail Project. On August 5, 2009, \$972.3 million in Dulles Toll Road Revenue Bonds Series A, B, C and D were issued to refund the bond anticipation notes and to provide funding for the Dulles Metrorail Project and certain capital improvements to the DTR; \$198.0 million Series A are current interest bonds, \$212.1 million Series B are capital appreciation bonds, \$162.2 million Series C are convertible capital appreciation bonds which convert to current interest bonds beginning October 1, 2016, and \$400.0 million Series D are Build America Bonds. Build America Bonds are taxable bonds, where the Airports Authority DCE Fund will pay taxable interest to the investor and receive a payment of 35.0% of the interest cost from the federal government. No other debt financings occurred in 2009.

### ***Federal and State Grant Activity – Aviation Enterprise Fund and Dulles Corridor Enterprise Fund***

In March 2007, the Airports Authority submitted a PFC application for the International Arrivals Building (IAB) at Dulles International. This application was approved in 2008. On February 9, 2009, the Airports Authority submitted a request for approval of an Amendment to Application No. 05-05-C-01-IAD, which was originally approved August 15, 2005 and subsequently approved on March 6, 2009. The Airports Authority restructured the PFC Financing Plan for the AeroTrain to include \$87.7 million from the Pay-As-You-Go program, \$1.4 billion in new Bond Capital, and \$603.0 million in financing and interest cost to be paid from PFC. The remaining \$821.3 million interest cost for the AeroTrain will be paid by the Airlines through Airline Rates and Charges.

As of December 31, 2009, the Airports Authority has drawn down a total of \$113.9 million out of the \$200.0 million award under the 2006 FAA Letter of Intent (LOI) funding for the fourth runway project at Dulles International. The TSA has allocated an additional \$9.0 million to the South Baggage Basement In-Line Screening Explosive Detection System at Dulles International. The additional funding brings the total federal share to \$42.0 million. As of December 31, 2009, the Airports Authority received a total of \$5.0 million from TSA as 100.0% reimbursement for the design phase of the project and billed TSA for our first invoice of \$496 thousand on the construction phase of the project. The East and West Baggage In-Line Screening System application at Dulles International was approved for \$154.0 million TSA funding in 2009. The Reagan National In-Line Screening Baggage application was not funded in Fiscal Year 2009. The FAA continues to review the eligibility requirements to meet the AIP eligibility for reimbursement of the acquisition cost of the land purchased for the fourth runway at Dulles International.

The FTA awarded the Final Design Grant for the Dulles Metrorail Project in September 2008 with a total cost of \$159.0 million. As of December 2009, the Airports Authority drew a total of \$115.1 million from the Final Design Grant. The \$900.0 million Full Funding Grant Agreement (FFGA) was approved by the FTA on March 10, 2009 and is inclusive of all previously awarded grants for the Dulles Metrorail Project. On May 18, 2009, the United States Department of Transportation (USDOT) announced its intention to allocate \$77.3 million in ARRA funding to the Dulles Metrorail Project. These funds will replace Section 5309 funds that are scheduled to be received in the final year (2016) of the FFGA. The grant was executed on August 26, 2009. As of December 17, 2009, the ARRA grant was fully drawn down by the Airports Authority.

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

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### *Cash and Investment Management – Aviation Enterprise Fund and Dulles Corridor Enterprise Fund*

The Airports Authority's cash and cash equivalents increased \$277.2 million to \$600.2 million as of December 31, 2009 as a result of the available cash both restricted and unrestricted in the DCE Fund. Cash and cash equivalents with an original maturity of three months or less are considered highly liquid investments. Restricted investments increased by \$483.9 million from 2008 primarily as a result of investments related to the proceeds of DCE Bonds.

The following summary shows the major sources and use of cash:

	2009	2008
Cash received from operations	\$ 612,535,087	\$ 560,453,406
Cash expended from operations	(325,915,915)	(358,051,337)
Net cash provided by operations	<u>286,619,172</u>	<u>202,402,069</u>
Net cash from noncapital financing activities	(17,005)	15,108,417
Net cash provided (used) by capital and related financing activities	522,046,834	(416,124,468)
Net cash provided (used) by investing activities	<u>(489,532,057)</u>	<u>309,352,703</u>
Net cash provided (used) by capital financing and investing activities	<u>32,497,772</u>	<u>(91,663,348)</u>
Net increase in cash and cash equivalents	319,116,944	110,738,721
Cash and cash equivalents, beginning of year	<u>335,666,405</u>	<u>224,927,684</u>
Cash and cash equivalents, end of year	<u><u>\$ 654,783,349</u></u>	<u><u>\$ 335,666,405</u></u>

Cash temporarily idle during 2009 was invested in demand deposits, certificates of deposit, commercial paper, United States Government and agency obligations, mutual funds, repurchase agreements collateralized by the United States Government or agency obligations, and other permitted investments as listed in the Master Indenture for the Airports Authority's outstanding bonds. During 2009, the Airports Authority's Aviation Enterprise Fund operating account average portfolio balance was \$303.3 million and the average yield on investments was 0.86%. The capital funds are held by an agent for the Trustee, but managed by the Airports Authority. For 2009, the capital funds had an average portfolio balance of \$514.0 million and an average yield of 2.28%. During 2009, the Airports Authority's DCE Fund operating account average portfolio balance was \$30.2 million and the average yield on investments was 0.05%. The capital funds are held by an agent for the Trustee, but the Airports Authority directs the investments. For 2009, the capital funds had an average portfolio balance of \$653.6 million and an average yield of 0.25%.

Certain Airports Authority funds that will be used for bond requirements (see Note F) and capital projects are invested in long-term instruments. An annual cash flow projection for capital projects is developed for all bond proceeds and investments are matched to maximize investment income while ensuring cash is available for capital project expenses. All investments must be made following the investment policy that was adopted by the Airports Authority's Board. An investment committee meets quarterly to review the portfolios for compliance with the investment policy (see Note C).

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

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### *Capital Construction*

During 2009, the Aviation Enterprise expended \$358.3 million in its ongoing CCP compared to an expenditure budget of \$474.2 million. The Aviation Enterprise capitalized \$518.2 million in projects in 2009, principally the security mezzanine and International Arrivals Building expansion at Dulles International. Projects that are continuing that were completed in early 2010 include the AeroTrain system and the additional decks on the parking garages at Reagan National. Projects continuing in 2010 and beyond include the further expansion of the International Arrivals Building and in-line baggage systems at Dulles and runway safety areas at Reagan National. Average monthly capital construction spending in 2009 was approximately \$29.6 million.

### *Contacting the Airports Authority's Financial Management*

The financial report is designed to provide the Airports Authority's Board, management, investors, creditors and customers with a general view of the Airports Authority's finances and to demonstrate the Airports Authority's accountability for the funds it receives and expends. For additional information about this report, or for additional financial information, please contact Lynn Hampton, Vice President and Chief Financial Officer, at the following address: 1 Aviation Circle, Washington, DC, 20001-6000 or e-mail [BondholdersInformation@mwaa.com](mailto:BondholdersInformation@mwaa.com).



# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## STATEMENTS OF NET ASSETS

As of December 31, 2009

	Aviation Enterprise	Dulles Corridor Enterprise	Total Business-Type Activities
<b>ASSETS</b>			
<b>Current assets</b>			
Unrestricted assets:			
Cash and cash equivalents	\$ 47,928,844	\$ 31,476,254	\$ 79,405,098
Investments	266,348,779	-	266,348,779
Accounts receivable, net	35,140,477	113,643	35,254,120
Inventory	8,061,986	32,795	8,094,781
Prepaid expenses and other current assets	8,006,423	1,705,504	9,711,927
Total unrestricted assets	<u>365,486,509</u>	<u>33,328,196</u>	<u>398,814,705</u>
Restricted assets:			
Cash and cash equivalents	152,253,857	368,559,910	520,813,767
Passenger facility charges cash	54,564,484	-	54,564,484
Passenger facility charges receivable	6,422,745	-	6,422,745
Grants receivable	7,140,958	80,425,796	87,566,754
Prepaid expenses and other current assets	-	17,952	17,952
Investments	3,185,550	342,080,610	345,266,160
Total restricted assets	<u>223,567,594</u>	<u>791,084,268</u>	<u>1,014,651,862</u>
Total current assets	<u>589,054,103</u>	<u>824,412,464</u>	<u>1,413,466,567</u>
<b>Non-current assets</b>			
Capital assets:			
Land and other non-depreciable assets	121,734,710	-	121,734,710
Construction in progress	1,630,063,189	2,216,052	1,632,279,241
Construction in progress, Metrorail project	-	742,560,712	742,560,712
Buildings, systems and equipment	5,030,351,241	761,943	5,031,113,184
Less: accumulated depreciation	(1,637,640,970)	(177,366)	(1,637,818,336)
Capital assets, net	<u>5,144,508,170</u>	<u>745,361,341</u>	<u>5,889,869,511</u>
Long-term investments	65,005,339	-	65,005,339
Other long-term assets	16,553,865	-	16,553,865
Net pension asset and other post-employment benefits asset	3,528,691	-	3,528,691
Total non-current unrestricted assets	<u>85,087,895</u>	<u>-</u>	<u>85,087,895</u>
Restricted assets:			
Long-term investments	451,355,340	92,127,111	543,482,451
Bond issuance costs, net	67,299,782	39,264,124	106,563,906
Total non-current restricted assets	<u>518,655,122</u>	<u>131,391,235</u>	<u>650,046,357</u>
Total non-current assets	<u>5,748,251,187</u>	<u>876,752,576</u>	<u>6,625,003,763</u>
<b>Total assets</b>	<u>\$6,337,305,290</u>	<u>\$ 1,701,165,040</u>	<u>\$ 8,038,470,330</u>

The accompanying notes are an integral part of these financial statements.

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## STATEMENTS OF NET ASSETS (continued)

As of December 31, 2009

	Aviation Enterprise	Dulles Corridor Enterprise	Total Business-Type Activities
<b>LIABILITIES AND NET ASSETS</b>			
<b>Current liabilities</b>			
Payable from unrestricted:			
Accounts payable and accrued expenses	\$ 71,688,570	\$ 4,419,033	\$ 76,107,603
Due to/due from other funds	(6,293,407)	6,293,407	-
Operating lease obligations	341,140	-	341,140
Total unrestricted	<u>65,736,303</u>	<u>10,712,440</u>	<u>76,448,743</u>
Payable from restricted assets:			
Accounts payable and accrued expenses	36,271,474	42,288,064	78,559,538
Accrued interest payable	57,660,321	14,536,406	72,196,727
Bonds payable	107,130,000	-	107,130,000
Total restricted	<u>201,061,795</u>	<u>56,824,470</u>	<u>257,886,265</u>
Total current liabilities	<u>266,798,098</u>	<u>67,536,910</u>	<u>334,335,008</u>
<b>Non-current liabilities</b>			
Payable from unrestricted:			
Other liabilities	1,160,156	5,698	1,165,854
Payable from restricted:			
Other liabilities	1,615,164	38,130	1,653,294
Commercial paper notes	215,000,000	-	215,000,000
Interest rate swaps payable	69,187,075	-	69,187,075
Bonds payable, net	4,783,879,311	967,114,880	5,750,994,191
Total restricted	<u>5,069,681,550</u>	<u>967,153,010</u>	<u>6,036,834,560</u>
Total non-current liabilities	<u>5,070,841,706</u>	<u>967,158,708</u>	<u>6,038,000,414</u>
<b>Total liabilities</b>	<u>5,337,639,804</u>	<u>1,034,695,618</u>	<u>6,372,335,422</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	<u>487,966,906</u>	<u>392,112,044</u>	<u>880,078,950</u>
Restricted:			
Bond/debt funds	42,400,392	31,210,473	73,610,865
Passenger facility charges	75,768,210	-	75,768,210
Grants	9,852,035	220,536,846	230,388,881
<b>Total restricted</b>	<u>128,020,637</u>	<u>251,747,319</u>	<u>379,767,956</u>
Unrestricted	<u>383,677,943</u>	<u>22,610,059</u>	<u>406,288,002</u>
<b>Total net assets</b>	<u>999,665,486</u>	<u>666,469,422</u>	<u>1,666,134,908</u>
<b>Total net assets and liabilities</b>	<u>\$ 6,337,305,290</u>	<u>\$ 1,701,165,040</u>	<u>\$ 8,038,470,330</u>

The accompanying notes are an integral part of these financial statements.

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## STATEMENTS OF NET ASSETS (continued)

As of December 31, 2008

	Aviation Enterprise	Dulles Corridor Enterprise	Total Business-Type Activities
<b>ASSETS</b>			
<b>Current assets</b>			
Unrestricted assets:			
Cash and cash equivalents	\$ 26,982,791	\$ 11,011,856	\$ 37,994,647
Investments	235,399,596	-	235,399,596
Accounts receivable, net	22,541,480	544,287	23,085,767
Inventory	6,796,319	-	6,796,319
Prepaid expenses and other current assets	7,812,490	3,821,244	11,633,734
Total unrestricted assets	<u>299,532,676</u>	<u>15,377,387</u>	<u>314,910,063</u>
Restricted assets:			
Cash and cash equivalents	170,767,057	114,300,144	285,067,201
Passenger facility charges cash	12,604,557	-	12,604,557
Passenger facility charges and interest receivable	5,581,130	1,710	5,582,840
Grants receivable	23,906,251	15,690,443	39,596,694
Prepaid expenses and other current assets	-	848,277	848,277
Investments	3,902,129	-	3,902,129
Total restricted assets	<u>216,761,124</u>	<u>130,840,574</u>	<u>347,601,698</u>
Total current assets	<u>516,293,800</u>	<u>146,217,961</u>	<u>662,511,761</u>
<b>Non-current assets</b>			
Capital assets:			
Land and other non-depreciable assets	121,734,710	-	121,734,710
Construction in progress	1,776,370,046	-	1,776,370,046
Construction in progress, Metrorail project	-	362,322,546	362,322,546
Buildings, systems and equipment	4,508,943,236	166,963	4,509,110,199
Less: accumulated depreciation	(1,461,796,180)	(82,953)	(1,461,879,133)
Capital assets, net	<u>4,945,251,812</u>	<u>362,406,556</u>	<u>5,307,658,368</u>
Long-term investments	71,747,636	-	71,747,636
Other long-term assets	18,192,128	-	18,192,128
Net pension asset and other post-employment benefits asset	4,755,914	-	4,755,914
Total non-current unrestricted assets	<u>94,695,678</u>	<u>-</u>	<u>94,695,678</u>
Restricted assets:			
Long-term investments	400,987,362	-	400,987,362
Bond issuance costs, net	60,712,709	25,081	60,737,790
Total non-current restricted assets	<u>461,700,071</u>	<u>25,081</u>	<u>461,725,152</u>
Total non-current assets	<u>5,501,647,561</u>	<u>362,431,637</u>	<u>5,864,079,198</u>
<b>Total assets</b>	<u>\$6,017,941,361</u>	<u>\$508,649,598</u>	<u>\$6,526,590,959</u>

The accompanying notes are an integral part of these financial statements.

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## STATEMENTS OF NET ASSETS

As of December 31, 2008

	Aviation Enterprise	Dulles Corridor Enterprise	Total Business-Type Activities
<b>LIABILITIES AND NET ASSETS</b>			
<b>Current liabilities</b>			
Payable from unrestricted:			
Accounts payable and accrued expenses	\$ 53,560,971	\$ 1,863,476	\$ 55,424,447
Due to/due from other funds	(7,413,995)	7,413,995	-
Operating lease obligations	341,140	-	341,140
Total unrestricted	<u>46,488,116</u>	<u>9,277,471</u>	<u>55,765,587</u>
Payable from restricted assets:			
Accounts payable and accrued expenses	65,398,716	39,550,490	104,949,206
Accrued interest payable	54,013,642	386,886	54,400,528
Bonds payable	90,475,000	-	90,475,000
Bond anticipation notes	-	150,000,000	150,000,000
Total restricted	<u>209,887,358</u>	<u>189,937,376</u>	<u>399,824,734</u>
Total current liabilities	<u>256,375,474</u>	<u>199,214,847</u>	<u>455,590,321</u>
<b>Non-current liabilities</b>			
Payable from restricted:			
Other liabilities	3,106,529	-	3,106,529
Passenger facility charge bank participation notes	432,000,000	-	432,000,000
Commercial paper notes	217,500,000	-	217,500,000
Interest rate swaps payable	208,671,941	-	208,671,941
Bonds payable, net	4,037,490,779	-	4,037,490,779
Total restricted	<u>4,898,769,249</u>	<u>-</u>	<u>4,898,769,249</u>
Total non-current liabilities	<u>4,898,769,249</u>	<u>-</u>	<u>4,898,769,249</u>
<b>Total liabilities</b>	<u>5,155,144,723</u>	<u>199,214,847</u>	<u>5,354,359,570</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	<u>420,814,163</u>	<u>277,537,540</u>	<u>698,351,703</u>
Restricted:			
Bond/debt funds	42,731,922	-	42,731,922
Passenger facility charges	19,506,449	-	19,506,449
Grants	32,003,866	37,042,984	69,046,850
<b>Total restricted</b>	<u>94,242,237</u>	<u>37,042,984</u>	<u>131,285,221</u>
Unrestricted	<u>347,740,238</u>	<u>(5,145,773)</u>	<u>342,594,465</u>
<b>Total net assets</b>	<u>862,796,638</u>	<u>309,434,751</u>	<u>1,172,231,389</u>
<b>Total net assets and liabilities</b>	<u>\$ 6,017,941,361</u>	<u>\$ 508,649,598</u>	<u>\$ 6,526,590,959</u>

The accompanying notes are an integral part of these financial statements.

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

For the year ended December 31, 2009

	Aviation Enterprise	Dulles Corridor Enterprise	Total Business-Type Activities
<b>OPERATING REVENUES</b>			
Concessions	\$ 217,413,676	\$ -	\$ 217,413,676
Tolls and other	-	64,893,554	64,893,554
Rents	193,736,080	-	193,736,080
Landing fees	96,934,558	-	96,934,558
Utility sales	13,227,161	-	13,227,161
Passenger fees	30,665,358	-	30,665,358
Other	6,476,626	-	6,476,626
<b>Total operating revenues</b>	<b>558,453,459</b>	<b>64,893,554</b>	<b>623,347,013</b>
<b>OPERATING EXPENSES</b>			
Materials, equipment, supplies, contract services, and other	147,883,400	24,836,947	172,720,347
Salaries and related benefits	140,138,903	4,071,427	144,210,330
Utilities	28,141,680	67,989	28,209,669
Lease from U. S. Government	5,066,069	-	5,066,069
Depreciation and amortization	181,234,375	1,118,482	182,352,857
<b>Total operating expenses</b>	<b>502,464,427</b>	<b>30,094,845</b>	<b>532,559,272</b>
<b>OPERATING INCOME</b>	<b>55,989,032</b>	<b>34,798,709</b>	<b>90,787,741</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Passenger facility charges, financing costs	(944,806)	-	(944,806)
Investment income	14,725,255	422,349	15,147,604
Interest expense	(144,510,068)	-	(144,510,068)
Fair value gains on swaps	104,466,866	-	104,466,866
<b>Total non-operating revenues (expenses)</b>	<b>(26,262,753)</b>	<b>422,349</b>	<b>(25,840,404)</b>
<b>GAIN BEFORE CAPITAL CONTRIBUTIONS (DISTRIBUTIONS)</b>	<b>29,726,279</b>	<b>35,221,058</b>	<b>64,947,337</b>
<b>CAPITAL CONTRIBUTIONS (DISTRIBUTIONS)</b>			
Passenger facility charges	78,520,764	-	78,520,764
Federal, state and local grants	25,643,815	322,463,858	348,107,673
Other capital property contributed (distributed)	2,977,990	(650,245)	2,327,745
<b>Total capital contributions</b>	<b>107,142,569</b>	<b>321,813,613</b>	<b>428,956,182</b>
<b>NET ASSETS</b>			
Increase in net assets	136,868,848	357,034,671	493,903,519
<b>Total net assets, beginning of year</b>	<b>862,796,638</b>	<b>309,434,751</b>	<b>1,172,231,389</b>
<b>Total net assets, end of year</b>	<b>\$ 999,665,486</b>	<b>\$ 666,469,422</b>	<b>\$ 1,666,134,908</b>

The accompanying notes are an integral part of these financial statements.

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

*For the year ended December 31, 2008*

	Aviation Enterprise	Dulles Corridor Enterprise	Total Business-Type Activities
<b>OPERATING REVENUES</b>			
Concessions	\$ 223,710,732	\$ -	\$ 223,710,732
Tolls and other	-	10,416,498	10,416,498
Rents	171,331,285	-	171,331,285
Design fees	20,363,189	-	20,363,189
Landing fees	82,289,545	-	82,289,545
Utility sales	13,348,545	-	13,348,545
Passenger fees	28,354,142	-	28,354,142
Other	11,547,405	-	11,547,405
<b>Total operating revenues</b>	<u>550,944,843</u>	<u>10,416,498</u>	<u>561,361,341</u>
<b>OPERATING EXPENSES</b>			
Materials, equipment, supplies, contract services, and other	162,254,215	10,028,145	172,282,360
Impairment loss/design costs	66,170,165	-	66,170,165
Salaries and related benefits	136,508,033	212,627	136,720,660
Utilities	25,402,257	-	25,402,257
Lease from U. S. Government	4,958,280	-	4,958,280
Depreciation and amortization	160,256,762	8,204	160,264,966
<b>Total operating expenses</b>	<u>555,549,712</u>	<u>10,248,976</u>	<u>565,798,688</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(4,604,869)</u>	<u>167,522</u>	<u>(4,437,347)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Passenger facility charges, financing costs	(2,330,507)	-	(2,330,507)
Investment income	37,965,692	26,126	37,991,818
Interest expense	(122,984,332)	-	(122,984,332)
Fair value losses on swaps	(178,810,699)	-	(178,810,699)
<b>Total non-operating revenues (expenses)</b>	<u>(266,159,846)</u>	<u>26,126</u>	<u>(266,133,720)</u>
<b>GAIN (LOSS) BEFORE CAPITAL CONTRIBUTIONS</b>	<u>(270,764,715)</u>	<u>193,648</u>	<u>(270,571,067)</u>
<b>CAPITAL CONTRIBUTIONS</b>			
Passenger facility charges	78,455,218	-	78,455,218
Federal, state and local grants	52,137,311	37,168,479	89,305,790
Other capital property contributed	-	272,072,624	272,072,624
<b>Total capital contributions</b>	<u>130,592,529</u>	<u>309,241,103</u>	<u>439,833,632</u>
<b>NET ASSETS</b>			
Increase (decrease) in net assets	(140,172,186)	309,434,751	169,262,565
<b>Total net assets, beginning of year</b>	<u>1,002,968,824</u>	<u>-</u>	<u>1,002,968,824</u>
<b>Total net assets, end of year</b>	<u>\$ 862,796,638</u>	<u>\$ 309,434,751</u>	<u>\$ 1,172,231,389</u>

The accompanying notes are an integral part of these financial statements.

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## STATEMENTS OF CASH FLOWS (continued)

For the year ended December 31, 2009

	Aviation Enterprise	Dulles Corridor Enterprise	Total Business-Type Activities
<b>NET CASH FROM OPERATING ACTIVITIES:</b>			
Operating cash receipts from customers	\$ 547,210,889	\$ 65,324,198	\$ 612,535,087
Cash receipts (payments) for interfund services	6,856,153	(6,856,153)	-
Cash payments to suppliers for goods and services	(167,383,896)	(17,303,198)	(184,687,094)
Cash payments to employees for services	(140,763,814)	(465,007)	(141,228,821)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>245,919,332</b>	<b>40,699,840</b>	<b>286,619,172</b>
<b>NET CASH FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash provided to state agency	-	(650,244)	(650,244)
Government grants	633,239	-	633,239
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	<b>633,239</b>	<b>(650,244)</b>	<b>(17,005)</b>
<b>NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Proceeds from issuance of bonds/notes	855,598,698	958,045,533	1,813,644,231
Principal payments on commercial paper	(2,500,000)	-	(2,500,000)
Principal payments on bonds/notes	(90,475,000)	(150,000,000)	(240,475,000)
Payments for capital expenditures and construction in progress	(327,812,062)	(357,234,847)	(685,046,909)
Swap payments	(35,018,000)	-	(35,018,000)
Proceeds from sale of capital assets	300,847	-	300,847
Payments of bond issuance costs	(10,584,814)	(40,305,634)	(50,890,448)
Interest paid on bonds and commercial paper	(218,365,978)	(1,164,975)	(219,530,953)
Government grants in aid of construction	41,775,868	257,728,505	299,504,373
Passenger facility charge receipts	77,679,700	-	77,679,700
Passenger facility charge principal, expenses and interest	(435,621,007)	-	(435,621,007)
<b>NET CASH PROVIDED(USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<b>(145,021,748)</b>	<b>667,068,582</b>	<b>522,046,834</b>
<b>NET CASH FROM INVESTING ACTIVITIES:</b>			
Interest received on investments	4,782,101	1,449,868	6,231,969
Decrease in short term investments, net	(17,149,560)	(342,035,595)	(359,185,155)
Proceeds from long-term investment maturities	203,152,774	89,582,344	292,735,118
Purchase of long-term investments	(247,923,358)	(181,390,631)	(429,313,989)
<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<b>(57,138,043)</b>	<b>(432,394,014)</b>	<b>(489,532,057)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>44,392,780</b>	<b>274,724,164</b>	<b>319,116,944</b>
<b>CASH AND CASH EQUIVALENTS, Beginning of year</b>	<b>210,354,405</b>	<b>125,312,000</b>	<b>335,666,405</b>
<b>CASH AND CASH EQUIVALENTS, End of year</b>	<b>\$ 254,747,185</b>	<b>\$ 400,036,164</b>	<b>\$ 654,783,349</b>

The accompanying notes are an integral part of these financial statements.

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## STATEMENTS OF CASH FLOWS

For the year ended December 31, 2009

	Aviation Enterprise	Dulles Corridor Enterprise	Total Business-Type Activities
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Operating income	\$ 55,989,032	\$ 34,798,709	\$ 90,787,741
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	181,234,375	1,118,482	182,352,857
Decrease in allowance for doubtful accounts	(141,251)	-	(141,251)
Loss on disposal of assets	(237,476)	-	(237,476)
Decrease (increase) in accounts receivable	(13,442,588)	430,644	(13,011,944)
Increase in inventory	(1,265,668)	(32,795)	(1,298,463)
Decrease (increase) in prepaid expenses and other current assets	(193,932)	2,946,066	2,752,134
Decrease in other long-term assets	2,865,487	-	2,865,487
Increase in long-term liabilities	1,160,156	43,828	1,203,984
Increase in accounts payable and accrued expenses	18,830,608	2,515,495	21,346,103
Increase (decrease) in due to/due from other funds	1,120,589	(1,120,589)	-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ 245,919,332</b>	<b>\$ 40,699,840</b>	<b>\$ 286,619,172</b>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:</b>			
Unrealized gain (loss) on investments	\$ (1,144,903)	\$ 318,824	\$ (826,079)
Other capital property acquired (distributed)			
Non-cash working capital transferred from (to) state agency	\$ -	\$ (650,245)	\$ (650,245)
Buildings and improvements received from tenants	2,977,990	-	2,977,990
Capital construction costs payable	\$ 31,758,647	\$ 41,746,431	\$ 73,505,078
Fair value gain on swaps	\$ 139,484,866	\$ -	\$ 139,484,866

The accompanying notes are an integral part of these financial statements.



## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

### STATEMENTS OF CASH FLOWS (continued)

*For the year ended December 31, 2008*

	Aviation Enterprise	Dulles Corridor Enterprise	Total Business-Type Activities
<b>NET CASH FROM OPERATING ACTIVITIES:</b>			
Operating cash receipts from customers	\$ 550,034,022	\$ 10,419,384	\$ 560,453,406
Cash payments to suppliers for goods and services	(217,889,584)	(2,127,013)	(220,016,597)
Cash payments to employees for services	(137,957,996)	(76,744)	(138,034,740)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>194,186,442</u>	<u>8,215,627</u>	<u>202,402,069</u>
<b>NET CASH FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Cash received from state agency	-	13,740,869	13,740,869
Government grants	1,367,548	-	1,367,548
<b>NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES</b>	<u>1,367,548</u>	<u>13,740,869</u>	<u>15,108,417</u>
<b>NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Proceeds from issuance of bonds/notes	253,074,886	150,000,000	403,074,886
Principal payments on commercial paper	(42,500,000)	-	(42,500,000)
Principal payments on bonds	(86,570,000)	-	(86,570,000)
Payments for capital expenditures and construction in progress	(512,917,416)	(68,116,851)	(581,034,267)
Proceeds from sale of capital assets	337,261	-	337,261
Payments of bond issuance costs	(3,757,913)	(30,097)	(3,788,010)
Interest paid on bonds and commercial paper	(222,556,489)	-	(222,556,489)
Government grants in aid of construction	27,959,748	21,478,036	49,437,784
Passenger facility charge receipts	81,132,857	-	81,132,857
Passenger facility charge expenses and interest	(13,658,490)	-	(13,658,490)
<b>NET CASH PROVIDED(USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>(519,455,556)</u>	<u>103,331,088</u>	<u>(416,124,468)</u>
<b>NET CASH FROM INVESTING ACTIVITIES:</b>			
Interest received on investments	38,205,965	24,416	38,230,381
Decrease in short term investments, net	320,875,762	-	320,875,762
Proceeds from long-term investment maturities	493,505,823	-	493,505,823
Purchase of long-term investments	(543,259,263)	-	(543,259,263)
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<u>309,328,287</u>	<u>24,416</u>	<u>309,352,703</u>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	(14,573,279)	125,312,000	110,738,721
<b>CASH AND CASH EQUIVALENTS, Beginning of year</b>	<u>224,927,684</u>	<u>-</u>	<u>224,927,684</u>
<b>CASH AND CASH EQUIVALENTS, End of year</b>	<u><u>\$ 210,354,405</u></u>	<u><u>\$ 125,312,000</u></u>	<u><u>\$ 335,666,405</u></u>

The accompanying notes are an integral part of these financial statements.

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## STATEMENTS OF CASH FLOWS

For the year ended December 31, 2008

	Aviation Enterprise	Dulles Corridor Enterprise	Total Business-Type Activities
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ (4,604,869)	\$ 167,522	\$ (4,437,347)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Impairment loss, design costs	66,170,165	-	66,170,165
Depreciation and amortization	160,256,762	8,204	160,264,966
Decrease in allowance for doubtful accounts	(40,829)	-	(40,829)
Loss on disposal of assets	2,981,105	-	2,981,105
Decrease (increase) in accounts receivable	18,011,863	(538,554)	17,473,309
Increase in inventory	(1,762,622)	-	(1,762,622)
Increase in prepaid expenses and other current assets	(1,002,308)	(1,375,013)	(2,377,321)
Increase in other long-term assets	(104,860)	-	(104,860)
Decrease in long-term liabilities	(20,363,189)	-	(20,363,189)
Increase (decrease) in accounts payable and accrued expenses	(17,940,781)	2,539,473	(15,401,308)
Increase (decrease) in due to/due from other funds	(7,413,995)	7,413,995	-
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ 194,186,442</b>	<b>\$ 8,215,627</b>	<b>\$ 202,402,069</b>

## NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:

Unrealized gain on investments	\$ 14,213,721	\$ -	\$ 14,213,721
Other capital property acquired			
Construction in progress and non-cash working capital transferred from state agency	\$ -	\$ 258,201,628	\$ 258,201,628
Capital construction costs payable	\$ 65,398,716	\$ 38,968,796	\$ 104,367,512
Fair value losses on swaps	\$ (158,374,462)	\$ -	\$ (158,374,462)

The accompanying notes are an integral part of these financial statements.

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# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## NOTES TO FINANCIAL STATEMENTS

### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Reporting Entity*

The Metropolitan Washington Airports Authority (the Airports Authority) is an independent interstate agency created by the Commonwealth of Virginia (the Commonwealth) and the District of Columbia with the consent of the United States Congress. The Commonwealth and the District of Columbia enacted essentially identical legislation creating the Airports Authority for the purpose of operating Ronald Reagan Washington National Airport (Reagan National) and Washington Dulles International Airport (Dulles International), collectively, the Airports. The Airports Authority is governed by a Board of Directors (the Board) with members from the Commonwealth, the District of Columbia, the State of Maryland, and three members appointed by the President of the United States.

On June 7, 1987, Reagan National's and Dulles International's properties were transferred to the Airports Authority under a long-term lease authorized by the Metropolitan Washington Airports Act of 1986, Title VI of Public Law 99-500. All personal property was transferred to the Airports Authority without condition. Prior to the transfer, the Airports were operated by the Federal Aviation Administration (FAA) of the United States Department of Transportation.

On November 1, 2008, the Virginia Department of Transportation (VDOT) transferred responsibility for the operation and maintenance of the Dulles Toll Road (DTR) to the Airports Authority for an initial term of 50 years. In connection with the transfer, the Airports Authority will construct the Dulles Corridor Metrorail Project (Dulles Metrorail Project) and will make other improvements in the Dulles Corridor consistent with VDOT and regional plans. These two functions operate as a single Business-Type Activity and are reported in the Dulles Corridor Enterprise (DCE) Fund (see Notes B and G).

Only the accounts of the Airports Authority are included in the reporting entity. There are no U.S. or state government agency finances that should be considered for inclusion in the Airports Authority's financial reporting entity.

#### *Basis of Accounting*

The accompanying financial statements have been prepared on the accrual basis. The Airports Authority reports as two Business-Type Activities, as defined by the Governmental Accounting Standards Board (GASB). Business-Type Activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

The Airports Authority's activities are accounted for similar to those often found in the private sector using the flow of an economic resources measurement focus and the accrual basis of accounting. All assets, liabilities, net assets, revenues, and expenses are accounted for through two enterprise funds with revenues recorded when earned and expenses recorded at the time liabilities are incurred. Current assets include cash and amounts convertible to cash during the next normal operating cycle, or one year. Current liabilities include those obligations to be liquidated with current assets.

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

Revenues from airlines, concessions, rental cars, parking and toll collections are reported as operating revenues. Capital, grants, financing or investing related transactions are reported as non-operating revenues. All expenses related to operating the Airports Authority are reported as operating expenses. Interest expense and financing costs are reported as non-operating expenses.

### ***Net Assets***

Net assets represent the residual interest in the Aviation Enterprise Fund and the DCE Fund assets after the liabilities are deducted and they consist of three sections: Invested in capital assets, net of related debt; restricted; and unrestricted. Net assets invested in capital assets, net of related debt includes capital assets, restricted and unrestricted, net of accumulated depreciation, reduced by outstanding debt attributable to acquisition. Net assets are reported as restricted when constraints are imposed by third parties or enabling legislation. The Airports Authority's restricted assets are expendable. All other net assets are unrestricted.

### ***Proprietary Accounting and Financial Reporting***

In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting* (GASB 20), the Airports Authority follows all GASB pronouncements issued on, before, or after November 30, 1989, as well as all Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principal Board Opinions and Accounting Research Bulletins issued on, before, or after November 30, 1989, unless they contradict GASB guidance.

### ***Budgeting Requirements***

The Airports Authority's annual budgeting process is a financial planning tool used to establish the estimated revenues and expenditures for both Airports and the DTR. The Airports Authority's annual budget is not prepared in accordance with generally accepted accounting principles. In keeping with the requirements of a proprietary fund, budget comparisons have not been included in the financial section of this report.

### ***Revenue Recognition***

#### **Aviation Enterprise Fund**

Rentals, passenger fees and concession fees are generated from airlines, Transportation Security Administration (TSA), parking structures and lots, food, rental cars, fixed base operators, and other commercial tenants. Leases with the Airlines are based on full cost recovery plus debt service coverage, through rates and charges as described in Note L. Other leases are for terms from one to 15 years and generally require rentals based on the volume of business, with specified minimum rentals. Rental revenue is recognized over the life of the respective leases, and concession revenue is recognized partially based on reported concession revenue and partially based on minimum rental guarantee. Rental revenue and concession revenue are recognized as operating revenues on the Statements of Revenues, Expenses and Changes in Net Assets.

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

Landing fees are principally generated from scheduled airlines and non-scheduled commercial airlines and are based on the landed weight of aircraft. The scheduled airline fee structure is determined annually based on full cost recovery of airside related charges pursuant to an agreement between the Airports Authority and the Signatory Airlines. Landing fees are recognized as part of operating revenues when airline related facilities are utilized.

Several airlines represent concentrations of revenues for the Airports Authority. At Reagan National, US Airways, Delta Air Lines (Delta), and American Airlines (American) comprise approximately 70.0% of airline revenues during 2009. At Dulles International, United Airlines (United), Delta and American comprise approximately 63.3% of airline revenues during 2009. These Airlines combined represent approximately 70.3% of the total airline revenues, during 2009, for the Airports Authority. Actual airline revenues for 2009 represent approximately 50.0% of the Aviation Enterprise's total operating revenues.

### Dulles Corridor Enterprise Fund

Tolls and other revenues represent tolls collected from vehicles on the DTR. The DTR has 10 exit and entrance ramps with tolls during 2009 and 2008 of 75¢ at the main toll plaza west of the Beltway and 50¢ at other exit and entrance locations for two-axle vehicles. Tolls and other revenue include Automated Vehicle Identification (AVI) or electronic toll collections, cash collections and violations revenues. Tolls and other revenue are recognized in the period in which the toll road transaction occurred.

### ***Cash and Cash Equivalents***

For purposes of reporting cash flows, cash and cash equivalents include cash on hand, demand deposits, certificates of deposit, commercial paper (CP), United States Government and agency obligations, mutual funds, and repurchase agreements collateralized by United States Government or agency obligations with an original maturity of three months or less, including restricted assets.

### ***Investments***

Investments with an original maturity greater than one year are recorded at their fair value with all investment income, including changes in the fair value of investments, reported as investment income in the financial statements. Investments with an original maturity of less than one year are carried at amortized cost. Fair value equals quoted market prices, if available. If a quoted market value is not available, fair value is estimated based upon quoted market prices for securities with similar characteristics.

Investments consist of certificates of deposit, commercial paper, United States Government and agency obligations, interest rate swaps, and repurchase agreements collateralized by United States Government or agency obligations, with an original maturity greater than three months.

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

### *Swaps*

The Airports Authority enters into interest rate swap agreements to modify interest rates on outstanding debt. In 2008, the Airports Authority implemented GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* (GASB 53). The Airports Authority reports the changes in fair value of derivative instruments that are used for investment purposes or that are reported as investment derivative instruments because of ineffectiveness within the investment revenue classification.

### *Inventory and Prepaid Items*

Inventory consists of spare parts and some bulk items, such as sand and salt stored at the Airports and is stated at the lower of cost or market value, using the first-in, first-out method. Inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

### *Capital Assets*

Personal property, the ownership of which was transferred from the United States Government to the Airports Authority on June 7, 1987 and the ownership of which transferred from VDOT to the Airports Authority on November 1, 2008, is recorded at fair value at the date of transfer. Assets acquired subsequent to the transfer are stated at historical cost and include the expenditure of federal grants to construct and improve the facilities of the Airports Authority. The costs for property and facilities include net interest expense incurred from the date of issuance of the debt to finance construction until the completion of the capital project (see Note G). Tenants have funded construction and improvements of airport facilities from their own working capital. Under agreements with the Airports Authority, the property reverts to the Airports Authority upon termination or expiration of the Airport Use Agreement and Premises Lease (the Agreement). Terms range from 15 to 40 years. These assets obtained by the Airports Authority are recorded at fair market value as of the date of transfer. Major improvements and replacements of property are capitalized. Maintenance, repairs, and minor improvements and replacements are expensed as incurred.

Provision for depreciation has been calculated using the straight-line method over the estimated useful lives of the assets. The estimated useful lives and corresponding capitalization thresholds are as follows:

		Threshold
Equipment	5-7 years	\$ 10,000
Motor vehicles	3-5 years	\$ 10,000
Buildings	20-40 years	\$ 25,000
Systems and structures	10-40 years	\$ 25,000

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

### ***Impaired Capital Assets***

In accordance with GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries* (GASB 42), capital assets that have potential for meeting the definition of impairment are identified and tested for impairment. Permanently impaired capital assets that will continue to be used by the Airports Authority are written down to the measured impaired value. The carrying amount of impaired capital assets that are idle are disclosed in the notes to the financial statements and impaired capital assets that are no longer used by the Airports Authority are reported at the lower of carrying value or fair value.

### ***Intangible Assets***

In accordance with GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets* (GASB 51), intangible assets are recognized as capital assets in the Statements of Net Assets if they are identifiable. The amortization of capital assets is determined by legal or contractual provisions. If there are no factors that limit the useful life of an intangible asset, these assets may be considered to have indefinite lives and no amortization of the costs occurs. Intangible assets with indefinite lives are presented in the Statements of Net Assets as a component of "Land and non-depreciable assets."

The Airports Authority is in the practice of amortizing the cost of internally developed software and other assets, as required in GASB 51, and identifying certain assets, such as easements, as having indefinite lives.

### ***Pollution Remediation and Control Obligations***

In 2008, the Airports Authority implemented GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* (GASB 49). In compliance with GASB 49, the Airports Authority capitalizes pollution remediation outlays only if the outlays are incurred to prepare property for sale in anticipation of a sale, prepare property for use when the property was acquired with known or suspected pollution that was expected to be remediated, to perform pollution remediation that restores a pollution-caused decline in service utility that was recognized as an asset impairment, or to acquire property, plant and equipment that have a future alternative use other than remediation efforts.

Pollution remediation obligations that do not qualify for capitalization are accrued as liabilities and expensed when a range of expected outlays is reasonably estimable or upon receipt of goods and services (see Note G).

### ***Bond Issuance Costs***

Bond issuance costs represent expenses incurred in the process of issuing bonds and are amortized over the life of the related bond issue, using the interest method.

### ***Long-Term Debt Refundings***

The Airports Authority periodically refunds its debt. The difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense



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over the life of the old or new debt, whichever is shorter. The amount deferred is reported as a deduction from the new debt liability.

### *Compensated Absences*

The Airports Authority employees are granted paid vacation at rates of 13 to 30 days per year, depending on their length of employment. General employees may accumulate up to a maximum of 30 days or 240 hours. Firefighters who work a 56-hour week may accumulate up to a maximum of 336 hours. Employees exceeding a specified pay scale, executive type employees, are entitled to accumulate up to 480 hours or 60 days. Upon termination, employees are paid for any unused accumulated vacation. The accumulated vacation is recorded as a liability when earned and is reflected in accrued expenses. The calculation of the liability is based on the pay or salary rates in effect as of the end of the fiscal period, normally the year ended December 31. An additional amount has been accrued for the liability of salary related payments. Such salary related payments include the employer's share of Social Security, Medicare and unemployment taxes and the employer's contributions to the Airports Authority retirement and pension plans.

Balance as of December 31, 2008	\$ 7,002,052
Vacation used during the year	(7,108,459)
Vacation earned during the year	<u>7,661,536</u>
Balance as of December 31, 2009	<u>\$ 7,555,129</u>
Current liability	\$ 6,351,144
Non-current liability	<u>1,203,985</u>
	<u>\$ 7,555,129</u>

The Airports Authority employees earn 13 days of sick leave per year. Unused sick leave for employees enrolled in the Airports Authority's retirement plan is counted at retirement as additional time worked for calculation of the pension benefit. There is no liability of unpaid accumulated sick leave, since the Airports Authority does not have a policy to pay any amounts when employees separate from service.

### *Capital Contributions - Passenger Facility Charges (PFCs)*

In 1990, Congress approved the Aviation Safety and Capacity Expansion Act which authorized domestic airports to impose a Passenger Facility Charge (PFC) on enplaning passengers. In May 1991, the FAA issued the regulations for the use and reporting of PFCs. PFCs may be used for airport projects that meet at least one of the following criteria: preserve or enhance safety, security, or capacity of the national air transportation system; reduce noise or mitigate noise impacts resulting from an airport; or furnish opportunities for enhanced competition between or among carriers.

The Airports Authority was granted permission to begin collecting a \$3.00 PFC effective November 1, 1993, at Reagan National and January 1, 1994, at Dulles International. The Airports Authority applied for and received approval in February 2001 to increase the PFC collection from \$3.00 to \$4.50, effective May 1, 2001. The charges, less an administrative fee charged by the Airlines for processing, are collected by the Airlines and remitted on a monthly basis to the Airports Authority. The Airports

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Authority accounts for the net charges on an accrual basis, based on the month the charges were collected by the Airlines. Due to their restricted use, PFCs are categorized as non-operating revenues.

### *Capital Contributions – Federal, State and Local Grants*

The Airports Authority receives federal, state and local grants in support of its Capital Construction Program (CCP) and in support of the Dulles Metrorail Project. Grants are recognized as related expenditures are made and all eligibility requirements are met.

Grants for capital asset acquisition, facility development, rehabilitation of facilities and long-term planning are reported as capital contributions in the Statements of Revenues, Expenses and Changes in Net Assets, after non-operating revenues and expenses.

### *Management Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management, where necessary, to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### *Reclassifications*

Certain amounts in the 2008 financial statements have been reclassified to conform to the current year's presentation. The value of the interest rate swaps has been reclassified from non-current assets, long-term investments, restricted to non-current liabilities, interest rate swap payable.

## **B. TRANSFER OF THE DULLES TOLL ROAD AND CONSTRUCTION OF THE DULLES METRORAIL PROJECT**

On December 20, 2005, the Airports Authority proposed to the Commonwealth that the Airports Authority (i) assume the responsibility for operating the DTR and constructing the Dulles Metrorail Project and (ii) use revenues from the DTR to fund construction of the Dulles Metrorail Project with an eastern terminus near the West Falls Church Metrorail station on I-66 and a western terminus of Virginia Route 772 in Loudoun County (approximately 1.5 miles northwest of Dulles International) (the Dulles Corridor) and other transportation improvements within the area in Northern Virginia. By Memorandum of Understanding (the MOU) entered into as of March 24, 2006), the Commonwealth generally accepted the Airports Authority's proposal. In accordance with the MOU, the Airports Authority and VDOT entered into the Master Transfer Agreement relating to the DTR and the Dulles Metrorail Project, dated December 29, 2006 (the Transfer Agreement), and the Permit and Operating Agreement, dated December 29, 2006, as amended).

On November 1, 2008, VDOT (i) granted to the Airports Authority a permit to operate the Dulles Toll Road, to set and collect Tolls, and to receive and use the Toll Road Revenues, and (ii) assigned to the Airports Authority, for the 50-year term of the Permit and Operating Agreement, substantially all of the right and interest of VDOT in and to the Dulles Toll Road. Concurrent with this transfer of rights and

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responsibility, VDOT contributed to the Airports Authority approximately \$272.1 million of capital property, including \$254.8 million of construction in progress, for the Dulles Metrorail Project. The Airports Authority accounted for the transfer in accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transaction*. The Airports Authority established a DCE Fund to account for the activity of the DTR and the Dulles Metrorail Project separately from the aviation activity of the Airports, which is accounted for within the Aviation Enterprise Fund.

Under the Permit and Operating Agreement, the Airports Authority is obligated to “use its best efforts” to finance and complete the Dulles Metrorail Project within certain time parameters. In addition, the Airports Authority is authorized to finance and construct other transportation improvements within the Dulles Corridor, including construction, modification, replacement and reconstruction of the DTR and other roadways within the Dulles Corridor (excluding the Dulles International Airport Access Highway).

The Airports Authority is responsible for setting toll rates and collecting tolls following its process for issuing regulations and in consultation with the Dulles Corridor Advisory Committee. Effective upon transfer, the Airports Authority adopted the existing toll structure established by the Commonwealth and contracted with VDOT for the interim operation of the DTR. In 2009, the Airports Authority amended its regulation that sets toll rates for the DTR. The amendment provides for annual toll rate increases effective January 1 in the years 2010, 2011 and 2012. Effective October 1, 2009, the Airports Authority assumed full responsibility for operations of the DTR and discontinued the services of VDOT as a contracted operator.

Pursuant to the Agreement, the Airports Authority is limited to \$10.0 million of airport revenue that can be used for construction of the Dulles Metrorail Project at Dulles International. Further, the Agreement prohibits the payment of Metrorail operating and maintenance costs from funds other than the capital fund without written agreement from a majority-in-interest (MII) of the Signatory Airlines at Dulles International. The Airports Authority also has no claim on the DTR revenues to support the activities of the Airports. To this end, the Airports Authority amended the Airport System Revenue Bonds Master Trust Indenture (the Indenture) to treat DTR revenues as “Released Revenues” under the Indenture, thereby excluding the DTR revenues from the revenues and the pledge and lien on the Net Revenues securing these bonds. The Airports Authority also amended the Agreement with each of the Airlines serving the Airports to exclude the DTR revenues from the definition of “Revenues” under the Agreement.

### C. DEPOSITS AND INVESTMENTS

#### *Deposits*

The Airports Authority’s investment policy, as approved by the Board, requires that deposits in excess of the federally insured amount be held at institutions with a Liquidity, Asset Quality, Capital and Earnings (LACE) Financial Institutions Rating Service of B or above. In the event a financial institution’s rating falls below this level, the deposits are reduced to the federally insured amount. The Airports Authority’s practice is to sweep all demand deposits at the close of each business day into overnight repurchase agreements.

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As of December 31, 2009 and 2008, the Airports Authority had various certificates of deposit in the amount of \$5.5 million and \$5.3 million, respectively, that were not covered by insurance and were not collateralized with securities held by the pledging financial institutions. These certificates of deposit are held at institutions with a LACE Financial Institutions Rating Service of B or above. These certificates of deposit are part of the Airports Authority's Link Deposit Program whereby a portion of the reserve funds are deposited with banks that have an "outstanding" Community Reinvestment Act rating.

The Airports Authority maintains multiple imprest cash funds in certain departments at each Airport. These amounts are not covered by insurance and are not collateralized. These funds totaled \$208 thousand and \$234 thousand as of December 31, 2009 and 2008, respectively.

### Investments

The Airports Authority had the following investments in its portfolio as of December 31, 2009:

2009 Investments	Credit Rating <sup>1</sup>	Carrying Value	Weighted Average Maturity (years)	% of Portfolio
Treasury	-	\$ 417,101,512	2.8656	30.14%
Fannie Mae	Aaa/AAA	187,423,023	1.0407	13.54%
Freddie Mac	Aaa/AAA	137,130,653	0.6999	9.91%
Farmer Mac	Aaa	39,913,958	0.8469	2.88%
Federal Home Loan Bank	Aaa	139,391,728	1.2186	10.07%
MBIA Guaranteed Invest Contract <sup>2</sup>	Ba3/BB-	36,274,390	30.2290	2.62%
FSA Guaranteed Invest Contract <sup>2</sup>	A+	67,075,427	28.8151	4.85%
Bank of America-Forward Purchase Agreement	A/A2	7,716,000	9.6193	0.56%
Overnight Repurchase Agreements <sup>3</sup>	A-1/P-1	263,322,982	0.0110	19.02%
Debt Service Reserve Repurchase Agreements:				
Bank of America Repo	A/A2	16,333,690	16.2944	1.18%
Morgan Stanley Repo	A/A2	72,406,627	29.7017	5.23%
		<u>\$ 1,384,089,990</u>	<u>5.2128</u>	<u>100.00%</u>

<sup>1</sup> The ratings in this table are from Fitch, Moody's or S&P.

<sup>2</sup> Underlying rating of the counterparties.

<sup>3</sup> Collateralized by Federal Agency Notes

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The Airports Authority had the following investments in its portfolio as of December 31, 2008:

2008 Investments	Credit Rating <sup>1</sup>	Carrying Value	Weighted Average Maturity (years)	% of Portfolio
Treasury	-	\$ 53,432,937	2.1298	7.10%
Fannie Mae	Aaa/AAA	103,728,082	1.4567	13.79%
Freddie Mac	Aaa/AAA	54,594,884	1.1720	7.26%
Farmer Mac	Aaa/AAA	34,645,696	0.6870	4.60%
Farm Credit	Aaa	10,000,000	1.9643	1.33%
Federal Home Loan Bank	Aaa	149,238,988	0.9291	19.83%
Commercial Paper	A-1/P-1	17,500,000	0.0192	2.33%
MBIA Guaranteed Invest Contract <sup>2</sup>	A-/Ba1	36,274,390	30.2290	4.82%
FSA Guaranteed Invest Contract <sup>2</sup>	A+/A3	67,075,427	28.8151	8.91%
Bank of America-Forward Purchase Agreement	A+/A1	7,716,000	9.6193	1.03%
Overnight Repurchase Agreements <sup>3</sup>	A-1/P-1	129,499,060	0.0055	17.21%
Debt Service Reserve Repurchase Agreements:				
Bank of America Repo	A+/A1	16,333,690	16.2944	2.17%
Morgan Stanley Repo	A/A2	72,406,627	29.7017	9.62%
		<u>\$ 752,445,781</u>	<u>9.4879</u>	<u>100.00%</u>

<sup>1</sup> The ratings in this table are from Fitch, Moody's or S&P.

<sup>2</sup> Underlying rating of the counterparties.

<sup>3</sup> Collateralized by Federal Agency Notes

### Credit Risk

Credit Risk is the risk that the Airports Authority will lose money because of the default of the security of the issuer or investment counterparty.

The primary objectives of the Airports Authority's investment policy are the safety of capital, the liquidity of the portfolio and the yield of investments. Bond proceeds (see Note F) may be invested in securities as permitted in the bond indentures, otherwise, assets of the Airports Authority may be invested in United States Treasury securities; short-term obligations of the United States Government agencies; short-term obligations of the Commonwealth, the State of Maryland, and the District of Columbia; certificates of deposit with banks that have a LACE rating of "B" or better, or that are fully insured or collateralized; prime CP rated "A1" and "P1" by Standard & Poor's Rating Services (S&P) and Moody's Investors Service Inc. (Moody's), respectively; prime bankers' acceptance notes; repurchase agreements whose underlying collateral consists of the foregoing; money market or mutual funds or other such securities or obligations that may be approved by the Finance Committee by modification of the Airports Authority's policy.

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The tables on the previous pages show the carrying value and the credit quality of the Airports Authority's investment portfolio, by investment type, as of December 31, 2009 and 2008.

### ***Custodial Credit Risk***

Custodial credit risk is the risk that, in the event of a failure of the counterparty, the Airports Authority would not be able to recover the value of its deposits, investments or collateral securities that were in the possession of an outside party. Deposits are exposed to custodial credit risk if they are uninsured and uncollateralized. Investment securities are exposed to custodial credit risk if they are uninsured or not registered in the name of the Airports Authority and are held by either the counterparty or the counterparty's trust department or agent but not in the Airports Authority's name.

The Airports Authority's investment policy requires that securities be insured or registered investments or securities held by the Airports Authority or its agent in the Airports Authority's name. As of December 31, 2009 and 2008, all the Airports Authority's securities are held by the Airports Authority or its agent in the Airports Authority's name and are fully insured or registered investments.

Repurchase agreements and guaranteed investment contracts are required to be collateralized at 103.0% and require the collateral to be Authorized Investments as described in the Investment Policy and the Master Bond Indenture.

The Airports Authority's forward purchase agreement is collateralized at 100.0% with securities delivered monthly. The collateral is required to be approved Airports Authority investments, as described in the Master Bond Indenture.

The fair value of the collateral for overnight repurchase agreements was \$271.0 million on December 31, 2009. The fair value of the collateral for the guaranteed investment contracts was \$113.6 million on December 31, 2009. The fair value of the collateral for the forward purchase agreements was \$7.7 million on December 31, 2009. The fair value of the collateral for the Debt Service Reserve repurchase agreements was \$92.2 million as of December 31, 2009. All the collateral for these contracts was held by the Airports Authority's agent in the Airports Authority's name.

### ***Interest Rate Risk***

The Airports Authority's investment policy as approved by the Board is designed to maximize investment earnings, while protecting the security of the principal and providing adequate liquidity. The overriding policy for investment decisions is to have funds available as needed for construction and general operating expenses. The Airports Authority's investment committee meets quarterly and determines the investment horizon for each fund based on the current construction or operating needs and the prevailing market conditions. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they are from securities defaults or erosion of market value. The Airports Authority manages interest rate risk by managing the weighted average maturity of each portfolio type to best meet liquidity needs.

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### *Concentration of Credit Risk*

The Airports Authority, as previously described, is limited to investments allowed by the bond indentures and the authorized Investment Policy. However, the Investment Policy does not limit the aggregation of investments in any one type of security. There are providers of securities in which the Airports Authority has invested individually more than 5.0% of the total portfolio.

In accordance with the provisions of GASB Statement No. 31, *Accounting and Reporting For Certain Investments and For External Investments Pools* (GASB 31), investments with an original maturity greater than one year are recorded at their fair value and all investment income, including changes in the fair value of investments, are reported as investment income in the financial statements. As permitted by GASB 31, investments with an original maturity of less than one year are carried at amortized cost. Fair values are determined through quoted market prices.

The tables below present the Airports Authority's investments in accordance with GASB 31:

	December 31, 2009	
	Cost	Carrying Value
Securities with original maturity 1 year and over	\$ 520,436,134	\$ 520,224,220
Securities with original maturity less than 1 year	864,019,982	863,865,770
	<u>\$ 1,384,456,116</u>	<u>\$ 1,384,089,990</u>

	December 31, 2008	
	Cost	Carrying Value
Securities with original maturity 1 year and over	\$ 356,006,134	\$ 360,135,141
Securities with original maturity less than 1 year	394,194,060	392,310,640
	<u>\$ 750,200,194</u>	<u>\$ 752,445,781</u>

Change in carrying value from December 31, 2008 to December 31, 2009:

Carrying value at December 31, 2009	\$ 1,384,089,990
Add: Proceeds from investments sold in 2009	987,728,360
Less: Cost of investments purchased in 2009	(1,620,198,647)
Less: Carrying value at December 31, 2008	(752,445,781)
Change in carrying value of investments	<u>\$ (826,078)</u>

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Change in carrying value from December 31, 2007 to December 31, 2008:

Carrying value at December 31, 2008	\$ 752,445,781
Add: Proceeds from investments sold in 2008	1,330,987,756
Less: Cost of investments purchased in 2008	(1,148,303,920)
Less: Carrying value at December 31, 2007	(920,915,896)
Change in carrying value of investments	<u>\$ 14,213,721</u>

### *Reconciliation to Comparative Statements of Net Assets*

A reconciliation of deposits and investments to the comparative Statements of Net Assets is as follows:

	December 31,	
	2009	2008
Deposits	\$ 86,100,505	\$ 71,462,478
Money market	397,443,583	216,794,869
Certificates of Deposit	7,252,000	7,000,000
Securities	1,384,089,990	752,445,781
	<u>\$ 1,874,886,078</u>	<u>\$ 1,047,703,128</u>
Cash and cash equivalents	\$ 79,405,098	\$ 37,994,647
Cash and cash equivalents, restricted	520,813,767	285,067,201
Passenger facility charges, restricted cash	54,564,484	12,604,557
Investments, restricted	345,266,160	3,902,129
Investments	266,348,779	235,399,596
Long-term investments	65,005,339	71,747,636
Long-term investments, restricted	543,482,451	400,987,362
	<u>\$ 1,874,886,078</u>	<u>\$ 1,047,703,128</u>

### **D. INTEREST RATE SWAPS**

In 2001, the Airports Authority began a risk management program to assist in managing the interest cost on outstanding and future debt. The Airports Authority's derivatives consist of interest rate swaps used to modify interest rates on outstanding and future debt. Based on the Airports Authority's International Swaps and Derivatives Association Agreement (Swap Agreement), the Airports Authority owes interest calculated at a notional amount multiplied by a fixed rate, to the counterparties. In return, the counterparties owe the Airports Authority interest, based on the notional amount multiplied by a variable rate equal to 72 percent of London International Bank Offered Rate (LIBOR). Only the net difference in interest payments is actually exchanged with the counterparties. The Airports Authority continues to pay interest to the bondholders at the variable rate provided by the bonds associated with the swap. During the term of the Swap Agreement, the Airports Authority pays or receives the difference between the fixed rate on the Swaps and 72.0% of LIBOR.

For the year ended December 31, 2008, the Airports Authority implemented GASB 53. The Airports Authority's derivatives to which GASB 53 is applicable consist of interest rate swaps used to modify interest rates on outstanding and future debt. According to GASB 53, all of the Aviation Enterprise's



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forward-starting swap transactions and those swap transactions associated with issued debt were determined to be ineffective in 2008 and are recognized at fair value on the Statements of Net Assets. GASB 53 requires that if a derivative instrument is found to be ineffective in the first reporting period, evaluation of effectiveness in subsequent reporting periods should not be performed. Therefore, since all of the Airports Authority's derivatives were found to be ineffective at the end of December 31, 2008, its first reporting period, hedge accounting ceased permanently, and the changes in the value of this instrument will be reported in the Statements of Revenues, Expenses and Changes in Net Assets as a Fair value gain (loss).

### *Hedging Derivative Instruments*

During the year ended December 31, 2001, the Airports Authority entered into two forward-starting interest rate Swap Agreements (collectively, the 2001 Swaps) to modify interest rates on future outstanding debt. In October 2002, the 2001 Swaps were used to hedge \$241.8 million of the Series 2002C Bonds. Based on the 2001 Swaps, the Airports Authority contracted to pay interest calculated at a fixed rate of 4.46% and 4.45% to the counterparties to the 2001 Swaps: Lehman Brothers and Merrill Lynch. In return, the counterparties owed the Airports Authority interest based on the notional amount multiplied by a variable rate equal to 72.0% of LIBOR. In 2008, the Airports Authority's 2001 Swap with Merrill Lynch was reviewed for hedge effectiveness pursuant to the requirements of GASB 53 and found not to be an effective hedge. As required by GASB 53, the monthly change in the fair value of this swap agreement is recorded as Fair value gain (loss) in the Statements of Revenues, Expenses and Changes in Net Assets.

On May 13, 2005, the Airports Authority entered into four forward floating-to-fixed interest rate Swap Agreements (collectively, the 2005 Swaps) with Wachovia Bank, N.A. and Bank of Montreal. Two of the 2005 Swaps had an effective date of October 1, 2006 and notional amounts of \$65.0 million (Wachovia) and \$35.0 million (Bank of Montreal). These were amended on August 30, 2006, to provide a hedge against rising interest rates for a portion of the financings the Airports Authority expected to undertake in 2008. The two remaining 2005 Swaps were amended effective October 1, 2007. The start date for the \$75.0 million 2005 Swap with the Bank of Montreal was extended to October 1, 2008. The start date for the \$125.0 million 2005 Swap with Wachovia was extended to October 1, 2011. In 2008, three of the 2005 Swap Agreements with notional amounts of \$65.0 million (Wachovia Bank, N.A.), \$35.0 million (Bank of Montreal), and \$75.0 million (Bank of Montreal) scheduled to become effective October 1, 2008, were amended to extend the effective date to January 15, 2009, and then again to July 15, 2009, increasing the fixed-payer rate to 3.966%, 4.059%, and 3.911%, respectively. In connection with the issue of the Series 2009B Airport System Revenue Bonds, on April 1, 2009, the Airports Authority terminated the three outstanding 2005 Swaps with a notional amount of \$175.0 million for a total termination payment of \$35.0 million.

During the year ended December 31, 2006, the Airports Authority entered into four forward-starting interest rate Swap Agreements (collectively, the 2006 Swaps) to modify interest rates on future outstanding debt. The 2006 Swaps that had an effective date of October 1, 2009 have notional amounts of \$190.0 million and \$110.0 million with Bear Stearns and Bank of America, respectively. In May 2008, JP Morgan completed the acquisition of Bears Stearns and on March 4, 2009, the Airports Authority approved the assignment of the Bears Stearns swap to JPMorgan Chase Bank. On October 1, 2009, the Airports Authority began paying the counterparties for the two 2006 Swaps, J.P. Morgan and

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Bank of America, 4.1%, and began to receive interest from the counterparties based on the total notional amount of \$300.0 million multiplied by a variable rate equal to 72.0% of LIBOR. In 2008, the Airports Authority's 2006 Swap with JP Morgan Chase and Bank of America was reviewed for hedge effectiveness pursuant to the requirements of GASB 53 and found not to be an effective hedge. As required by GASB 53, the monthly change in the fair value of this swap agreement is recorded as Fair value gain (loss) in the Statements of Revenues, Expenses and Changes in Net Assets. The Airports Authority links the swaps to its \$163.2 million Series 2009A and \$136.8 million Series 2009D variable rate bonds to meet requirements of the United States Internal Revenue Service.

The Airports Authority held an interest rate swap agreement with Lehman Brothers Special Financing Inc. (LBSF) with an original notional amount of \$161.2 million and an effective date of August 29, 2002, and a forward starting interest rate swap agreement with Lehman Brothers Commercial Bank (LBCB) with an original notional amount of \$80.0 million and an effective date of October 1, 2010. Due to an event of default under the LBSF swap agreement and an additional termination event under the LBCB swap agreement caused by the bankruptcy protection filing, and the resulting ratings downgrade of Lehman Brothers Holdings, Inc., the credit support provider under the LBSF swap agreement, the Airports Authority terminated both swap agreements on October 3, 2008, and made termination payments to LBSF and LBCB in the aggregate amount of \$16.6 million.

### *Investment Derivative Instruments*

At December 31, 2009, the Airports Authority had two outstanding swaps serving as Investment Derivative Instruments. A 2006 Swap is a future-starting swap and is reported as investment derivative instruments with the changes in the fair values reported within investment income on the Statements of Revenues, Expenses and Changes in Net Assets. This 2006 Swap has an effective date of October 1, 2010, and a notional amount of \$170.0 million with Wachovia Bank. Based on the 2006 Swaps agreements, the Airports Authority owes interest calculated at a fixed rate of 4.112% to Wachovia Bank, the counterparty. In return, the counterparty owes the Airports Authority interest based on the notional amount multiplied by a variable rate equal to 72.0% of LIBOR. The 2005 Swap is a future starting swap with an effective date of October 1, 2011 and a notional amount of \$125.0 million with Wachovia Bank. Based on the 2005 Swaps agreements, the Airports Authority owes interest calculated at a fixed rate of 3.862% to Wachovia Bank, the counterparty. In return, the counterparty owes the Airports Authority interest based on the notional amount multiplied by a variable rate equal to 72.0% of LIBOR.

In 2008, the Airports Authority's forward-starting swap agreements were also reviewed for hedge effectiveness pursuant to the requirements of GASB 53 and found not to be effective hedges. Consistent with paragraph 29 of GASB 53, the hedge effectiveness of the forward-starting swaps were evaluated as if current payments under the swaps were being made and they were associated with variable rate bonds that had been issued. As required by GASB 53, the monthly change in the fair value of the swaps is recorded as a Fair value gain (loss) in the Statements of Revenues, Expenses and Changes in Net Assets.

As of the years ended December 31, 2009 and 2008, all of the Airports Authority's interest rate swaps are recognized on the Statements of Net Assets in liabilities at fair value. The fair value of the Airports

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Authority Swaps on December 31, 2009 and 2008 is a loss of \$69.2 million and \$208.7 million, respectively. This represents the maximum loss that would be recognized if all counterparties failed to perform as contracted. The change in fair value of the Airports Authority's Swaps in 2009 and 2008 is a fair value gain of \$139.5 million and a fair value loss of \$158.4 million, respectively. Changes in the fair value of the Airports Authority's Swaps are recorded as fair value gains or losses on the Statements of Revenue, Expenses and Changes in Net Assets. In addition, net interest payments to the counterparties are recorded in the financial statements.

The fair value of the Airports Authority's Swaps as of December 31, 2009, and 2008 are as follows:

	Notional Amount	Maturity	Fair Value as of 12/31/2009	Fair Value as of 12/31/2008	Change in Fair Value
<b>Hedging Derivative Instruments</b>					
<b>2001</b>					
Merrill Lynch	\$ 59,250,000	2021	\$ (6,922,472)	\$ (11,587,964)	\$ 4,665,492
<b>2009</b>					
J.P. Morgan Chase	190,000,000	2039	(24,258,893)	(54,400,169)	30,141,276
Bank of America	110,000,000	2039	(14,174,632)	(31,903,537)	17,728,905
<b>Total</b>	<u>300,000,000</u>		<u>(38,433,525)</u>	<u>(86,303,706)</u>	<u>47,870,181</u>
<b>Total Live Swaps</b>	<u>359,250,000</u>		<u>(45,355,997)</u>	<u>(97,891,670)</u>	<u>52,535,673</u>
<b>Investment Derivative Instruments</b>					
<b>July 2009</b>					
Wachovia (Terminated in 2009)	-		-	(14,517,184)	14,517,184
Bank of Montreal (Terminated in 2009)	-		-	(7,880,152)	7,880,152
Bank of Montreal (Terminated in 2009)	-		-	(17,008,939)	17,008,939
<b>Total</b>	<u>-</u>		<u>-</u>	<u>(39,406,275)</u>	<u>39,406,275</u>
<b>October 2010</b>					
Wachovia	170,000,000	2040	(17,885,122)	(46,433,048)	28,547,926
<b>Total</b>	<u>170,000,000</u>		<u>(17,885,122)</u>	<u>(46,433,048)</u>	<u>28,547,926</u>
<b>October 2011</b>					
Wachovia	125,000,000	2039	(5,945,956)	(24,940,948)	18,994,992
<b>Total</b>	<u>125,000,000</u>		<u>(5,945,956)</u>	<u>(24,940,948)</u>	<u>18,994,992</u>
<b>Total Forward Settling</b>	<u>295,000,000</u>		<u>(23,831,078)</u>	<u>(110,780,271)</u>	<u>86,949,193</u>
<b>Grand Total</b>	<u>\$ 654,250,000</u>		<u>\$ (69,187,075)</u>	<u>\$ (208,671,941)</u>	<u>\$ 139,484,866</u>

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The fair value gains on swaps for 2009 of \$104.5 million are comprised of the \$139.5 million change in fair value less the \$35.0 million in termination payments. The fair value losses on swaps for 2008 of \$178.8 million are comprised entirely of the change in fair value.

### *Risks*

*Credit Risk* – Each of the Airports Authority's Swaps is held with a counterparty as indicated in the following table. The credit ratings for each of the counterparties are as follows:

Counterparty	Credit Ratings <sup>1</sup>	Notional Amount
Merrill Lynch	A2/A/A+	\$ 59,250,000
Wachovia <sup>2</sup>	Aa2/AA/AA-	295,000,000
JP Morgan Chase	Aa3/A+/AA-	190,000,000
Bank of America	A2/A/A+	110,000,000
		<u>\$ 654,250,000</u>

<sup>1</sup> Long-term ratings

<sup>2</sup> Ratings of parent company: Wells Fargo Company.

The Airports Authority's Swaps do not require the Airports Authority to post collateral for any reason. The counterparties to the Swaps are required to post collateral if their credit ratings fall below Aa3/AA- but only if the Swaps are positive in the Airports Authority's favor. As of December 31, 2009, all outstanding swap values are in the counterparty's favor, so no collateral has been posted.

The Airports Authority does not enter into any master netting agreements.

*Interest Rate Risk* - The Airports Authority is exposed to interest rate risk on its interest rate swaps. On its pay-fixed, received-variable interest rate swaps, as LIBOR decreases, the Airports Authority's net payment on the swap increases.

*Basis Risk* - The Airports Authority is exposed to basis risk on its pay-fixed interest rate swap because the variable-rate payments received by the Airports Authority on this hedging derivative instrument is based on a rate or index other than the interest rates the Airports Authority pays on its hedged variable-rate debt on which the interest rate resets every week. As of December 31, 2009, the weighted average interest rate on the Airports Authority's hedged variable-rate debt is 0.347997%, and 72.0% of LIBOR was 0.166277% on December 31, 2009.

*Termination Risk* - The Airports Authority or its counterparties may terminate a swap if the other party fails to perform under the terms of the contract.

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### E. ACCOUNTS RECEIVABLE

Trade accounts receivable consists of the following:

	December 31,	
	2009	2008
Trade accounts receivable	\$ 36,060,843	\$ 24,033,741
Less: allowance for doubtful accounts	(806,723)	(947,974)
	<u>\$ 35,254,120</u>	<u>\$ 23,085,767</u>

In 2008, Frontier Airlines, Gemini Air Cargo, MN Airlines (dba Sun Country Airlines) and ATA Holdings, Inc. filed for bankruptcy. The Airports Authority's accounts receivable for this pre-petition debt totaled \$169 thousand. In 2009, Frontier Airlines emerged from bankruptcy, paying the Airports Authority all pre-petition debts. Accounts receivable as of December 31, 2009, for the remaining airlines' pre-petition debts totaled \$88 thousand. The Airports Authority has sufficient reserves to cover these potentially uncollectable receivables.

The Airports Authority's accounts receivables are 78.3% trade receivables due from concessionaires and airlines. The remaining 21.7% are notes and other receivables such as interest receivable. The allowance for doubtful accounts is specific to the Aviation Enterprise Fund.

### F. RESTRICTED ASSETS

The Master Indenture securing the Revenue Bonds of the Airports Authority requires segregation of certain assets into restricted accounts. The Airports Authority has also included PFC assets in restricted assets. Restricted assets consist of the following:

	December 31,	
	2009	2008
Construction accounts	\$ 716,076,883	\$ 204,197,324
Dulles Corridor enterprise escrow accounts	37,744,034	-
Debt service reserve accounts	543,482,450	400,987,362
Interest accounts	76,878,577	53,254,984
Sinking fund accounts	27,962,055	23,776,457
DTR extraordinary maintenance and repair fund	7,418,379	7,740,565
Passenger facility charge accounts	54,564,484	12,604,557
Prepaid expenses and other current assets	17,952	848,277
Passenger facility charges	6,422,745	5,582,840
Grants receivable	87,566,754	39,596,694
Bond issuance costs, net	106,563,906	60,737,790
	<u>\$ 1,664,698,219</u>	<u>\$ 809,326,850</u>

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The construction accounts include the funds available for the design and construction of capital improvements for the Airports and for the Dulles Metrorail Project. The debt service reserve accounts contain the maximum amount of required principal payments for the bonds scheduled to come due in one year. The debt service reserve accounts are revalued each year in October. Any amounts in excess of the debt service requirements are transferred to the applicable construction fund or taken into the revenue funds of the Airports Authority if the construction funds have been expended. If the debt service reserve is undervalued, the Airports Authority transfers funds into the accounts. The debt service reserve accounts were over funded by \$858 thousand as of December 31, 2009 and \$6.8 million as of December 31, 2008. The interest account contains the interest amounts required for the semi-annual interest payments. The sinking fund accounts represent the principal for the annual October bond payments. The PFC and grant receivables represent amounts collectable as of December 31, 2009 and 2008. The bond issuance costs are costs incurred and paid by bond funds to complete the bond deal. They are amortized over the life of the related bond issue.

### G. CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets for the years ended December 31, 2009 and 2008 are as follows:

	Beginning Balance January 1, 2009	Transfers and Additions	Transfers and Deletions	Ending Balance December 31, 2009
Capital assets not being depreciated:				
Construction in progress	\$ 1,776,370,046	\$ 370,373,980	\$(514,464,785)	\$ 1,632,279,241
Construction in progress, Metrorail project	362,322,546	380,238,166	-	742,560,712
Land and other non-depreciable assets	121,734,710	-	-	121,734,710
Total capital assets not being depreciated	<u>2,260,427,302</u>	<u>750,612,146</u>	<u>(514,464,785)</u>	<u>2,496,574,663</u>
Other capital assets:				
Equipment	64,668,539	5,412,559	(1,178,662)	68,902,436
Motor vehicles	90,376,286	212,602	(164,592)	90,424,296
Buildings	2,515,808,818	421,403,342	-	2,937,212,160
Systems and structures	1,838,256,556	96,429,697	(111,961)	1,934,574,292
Total other capital assets	<u>4,509,110,199</u>	<u>523,458,200</u>	<u>(1,455,215)</u>	<u>5,031,113,184</u>
Less accumulated depreciation:				
A/D equipment	45,505,275	5,580,004	(1,020,230)	50,065,049
A/D motor vehicles	76,069,258	3,089,308	(217,131)	78,941,435
A/D buildings	640,655,372	76,313,720	-	716,969,092
A/D systems and structures	699,649,228	92,305,493	(111,961)	791,842,760
Total accumulated depreciation	<u>1,461,879,133</u>	<u>177,288,525</u>	<u>(1,349,322)</u>	<u>1,637,818,336</u>
Other capital assets, net	<u>3,047,231,066</u>	<u>346,169,675</u>	<u>(105,893)</u>	<u>3,393,294,848</u>
Totals	<u>\$ 5,307,658,368</u>	<u>\$1,096,781,821</u>	<u>\$(514,570,678)</u>	<u>\$ 5,889,869,511</u>

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	Beginning Balance January 1, 2008	Transfers and Additions	Transfers and Deletions	Ending Balance December 31, 2008
Capital assets not being depreciated:				
Construction in progress	\$ 1,915,881,901	\$ 290,681,788	\$(430,193,643)	\$ 1,776,370,046
Construction in progress, Metrorail project	-	362,322,546	-	362,322,546
Land and other non-depreciable assets	121,534,710	200,000	-	121,734,710
Total capital assets not being depreciated	<u>2,037,416,611</u>	<u>653,204,334</u>	<u>(430,193,643)</u>	<u>2,260,427,302</u>
Other capital assets:				
Equipment	59,460,093	8,229,458	(3,021,012)	64,668,539
Motor vehicles	92,275,530	704,243	(2,603,487)	90,376,286
Buildings	2,315,713,763	222,577,655	(22,482,600)	2,515,808,818
Systems and structures	1,440,873,719	397,382,837	-	1,838,256,556
Total other capital assets	<u>3,908,323,105</u>	<u>628,894,193</u>	<u>(28,107,099)</u>	<u>4,509,110,199</u>
Less accumulated depreciation:				
A/D equipment	43,617,182	4,764,315	(2,876,222)	45,505,275
A/D motor vehicles	75,458,102	3,215,918	(2,604,762)	76,069,258
A/D buildings	588,730,005	71,107,861	(19,182,494)	640,655,372
A/D systems and structures	621,825,106	77,824,122	-	699,649,228
Total accumulated depreciation	<u>1,329,630,395</u>	<u>156,912,216</u>	<u>(24,663,478)</u>	<u>1,461,879,133</u>
Other capital assets, net	<u>2,578,692,710</u>	<u>471,981,977</u>	<u>(3,443,621)</u>	<u>3,047,231,066</u>
Totals	<u>\$ 4,616,109,321</u>	<u>\$1,125,186,311</u>	<u>\$(433,637,264)</u>	<u>\$ 5,307,658,368</u>

For the year ended December 31, 2009, interest costs of \$77.4 million less interest earned of \$1.0 million were capitalized in the Aviation Enterprise Fund as part of the cost of construction in progress and interest costs of \$24.4 million less interest earned of \$1.4 million was capitalized in the DCE Fund as part of the cost of construction in progress. For the year ended December 31, 2008, interest costs of \$87.2 million less interest earned of \$11.8 million were capitalized as part of the cost of construction in progress. Depreciation expense for the year ended December 31, 2009 was \$177.2 million for the Aviation Enterprise Fund and \$52 thousand for the DCE Fund. As of December 31, 2008, depreciation expense for the Aviation Enterprise Fund was \$156.9 million.

As of December 31, 2009, the Airports Authority's construction in progress account includes only costs expended on work for projects that are in an active status. Included in these active status projects is the construction of a facility for the National Oceanic and Atmospheric Administration (NOAA) which will be exchanged for 40 acres of land at Dulles International. While the building was occupied in September 2008, by NOAA personnel, the quitclaim deed for the land has not been received as of December 31, 2009. The total amount of construction in progress related to this facility as of December 31, 2009 is \$20.4 million. The land which the Airports Authority will receive in exchange for this building will be appraised in 2010, which is when the exchange is expected to be finalized. Other capital assets - buildings includes an Automated People Mover Maintenance Facility that was completed in 2006, but not put into service as of the end of 2009. This asset for \$36.9 million is available to the train operator for fit-out but is not in use for its intended purpose and is therefore idle as of December 31, 2009. No depreciation expense has been recognized for this asset during the years ended December 31, 2009 and 2008.

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The Airports Authority Aviation Enterprise Fund initiated its CCP in 1988 to expand, modernize and maintain the Airports. Under the CCP, the Airports Authority has constructed and will continue to construct many of the principal elements of the Reagan National and Dulles International Master Plans. Major projects completed under the Master plan at Reagan National include, among others, two new main terminals connected to a Metrorail station, three parking garages, an airport traffic control tower and a consolidated communications center. Major capital projects completed under the CCP at Dulles International include, among others, expansion and rehabilitation of the Main Terminal, a fourth runway, construction of Concourses A and B, the International Arrivals Building (IAB), runway and road improvements, two daily parking garages and an air traffic control tower.

In 2000, the Airports Authority approved an expansion of the CCP for Dulles International referred to as the Washington Dulles Development (*d*<sup>2</sup>) program expected to be completed in 2006. In the aftermath of the events of September 11, 2001, the Airports Authority reexamined the CCP program and revised the expected completion date to 2011 and delayed the start dates of several projects and deferred some other projects. However, due to the growth in passenger enplanements at Dulles International in recent years, the CCP program has been rescheduled to 2016 and an additional \$2.1 billion of projects were added. In total, the CCP program is expected to cost \$7.1 billion.

The Airports Authority's approved capital budget for the 2009-2016 CCP is \$4.5 billion. The projects currently in the program at Dulles International include the AeroTrain system to replace the existing mobile lounges which will move passengers between the Main Terminal and Concourses A, B and C, completion of the construction of the IAB expansion, conveyor and building changes to accommodate in-line baggage screening, site preparation for the fifth runway, preservation of the historic air traffic control tower in the Main Terminal, concourse modifications to support the Airbus A380 aircraft and an Enterprise Resource Program (ERP). At Reagan National, projects include runway and taxiway area improvements, building modifications to accommodate in-line baggage screening, additional decks on Garages A, B, and C, and an ERP.

With the transfer of the DTR from VDOT, the Airports Authority committed to constructing the Dulles Metrorail Project. This is a 23.1-mile extension of the existing Metrorail system from near the West Falls Church station to Dulles International west to Ashburn in Loudoun County, Virginia. Upon completion, this system will be operated by the Washington Metropolitan Area Transit Authority (WMATA) and serve Tysons Corner, the Reston/Herndon area, and provide a one-seat ride from Dulles International to downtown Washington.

The Dulles Metrorail Project - Phase 1 will extend 11.7 miles from near the West Falls Church station to Wiehle Avenue in Reston. It includes five new stations and improvements to the existing WMATA Service and Inspection Yard at the West Falls Church station. Utility relocation activities began in the spring of 2008 and construction began in March 2009. The total Dulles Metrorail Project - Phase 1 cost is budgeted at \$2.8 billion.

The Dulles Metrorail Project - Phase 2 will extend the Metrorail system an additional 11.4 miles from Wiehle Avenue to Ashburn in Loudoun County. It includes six new stations and a new service and inspection yard at Dulles International. Preliminary engineering began in December 2009. The preliminary estimate for the Dulles Metrorail Project - Phase 2 is \$2.5 billion.



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In 2008, the Airports Authority recognized a one-time transaction to write off design costs incurred on the Tier 2 Concourse and related facilities. In 2008 the Airports Authority ceased all design work on the Tier 2 Concourse and related facilities. If the Airports Authority were to proceed with the project in the future, the Tier 2 Concourse and related facilities are likely to be substantially different from what is reflected in the designs and plans developed to date. Consistent with GASB 42, in 2008, the Airports Authority recorded \$66.2 million in impairment loss, which is included in transfers and deletions in the preceding 2008 table summarizing the changes in capital assets for the year.

### *Pollution Remediation Obligations*

In 2008, the Airports Authority implemented GASB 49. Prior year financial statements were not restated since there were no material previously unrecorded liabilities. As of December 31, 2009 and 2008, the Airports Authority has two sites which require further evaluation of potential contamination.

Due to the burning of waste containing hazardous material at a former fire training area in 1989, Dulles International is subject to Resource Conservation and Recovery Act (RCRA) corrective action regulatory requirements. RCRA corrective action activities are being conducted under the direction of the Environmental Protection Agency (EPA) Region 3 with assistance from the Virginia Department of Environmental Quality (VDEQ). On March 19, 2007, the EPA requested the Airports Authority to submit a work plan to address Phase I Environmental Indicator Information Needs. The Airports Authority submitted a work plan on April 30, 2007 and implemented the work plan in May of 2007, subsequently submitting reports of investigation in August, October and November of that year. On November 27, 2007, the Airports Authority submitted a work plan for additional investigations. The EPA is reviewing that work plan. Thus far, only one investigated area has contained contamination that requires further evaluation for the environmental indicators. Acetone has been found in groundwater north of the Shop #2 maintenance complex. Further evaluation of the concentration of acetone is needed to determine necessary pollution remediation efforts, if any. As of December 31, 2009, it is unknown what additional studies and/or site work, if any, will be required. Therefore, no liabilities have been established as of December 31, 2009.

During July of 2007, a petroleum release was discovered at the Shop #1 Used Oil Tank Site located at Dulles International. The 1,000 gallon double wall fiberglass tank was originally installed in 1992. It is believed the release originated from the remote fill piping located within the Shop #1 Complex. Subsequent actions included the preparation of an Initial Abatement Report in July, 2007, followed by the preparation of a Site Characterization Report in February, 2008, and the approval of the Corrective Action Plan (CAP) in July, 2008. The CAP approved by VDEQ required the Airports Authority to properly close (remove) the tank, begin free product recovery activities, and to establish remedial endpoints for the site. These reports and the tank removal activities were performed under the direction of VDEQ. The Authority continues to conduct free product recovery activities at the site and is required to submit Quarterly Monitoring and Remediation Reports to VDEQ. The free product recovery and reporting activities will continue through 2010, until the remedial endpoints have been achieved for the site. As of December 31, 2009, an estimated potential liability in the amount of \$63 thousand has been recognized.

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### H. ACCOUNTS PAYABLE

The accounts payable and accrued expenses balance as of December 31, 2009, of \$154.7 million, is 50.8% payable from restricted funds and 49.2% payable from general operating funds. The restricted fund payables are primarily trade accounts payable related to the Airports Authority's ongoing construction programs. Building construction costs payable are \$78.1 million as of December 31, 2009 and \$101.2 million as of December 31, 2008. The unrestricted accounts payable and accrued expenses are 16.1% accrued salaries and benefits, 42.9% payables to vendors, 33.7% deferred revenue and expenses, with the remaining 7.3% reserves for insurance claims as of December 31, 2009.

For the year ended December 31, 2008, the Aviation Enterprise financial statements reflect the one-time reduction of \$7.2 million in previously recorded expenses for costs incurred in connection with the transfer of the DTR to the Airports Authority and the reduction of \$200 thousand in operating expense, primarily payroll, both of which were repaid from the DCE Fund in 2009.

### I. PENSION PLANS AND DEFERRED COMPENSATION PLAN

The Airports Authority participates in two United States Government pension plans: the Civil Service Retirement System (CSRS) and the Federal Employees' Retirement System (FERS). Each is considered a cost-sharing multiple employer public employee retirement system. Employees hired before December 31, 1983 are members of the CSRS unless they elected to transfer to FERS either before December 31, 1987 or during the special enrollment period from July 1, 1998 through December 31, 1998. In addition, the Airports Authority maintains single employer-defined benefit pension plans that cover all of its police and fire employees and its regular employees hired on or after June 7, 1987, excluding employees working less than 20 hours a week and other temporary employees.

#### *Government Pension Plans*

Under the CSRS, employees contribute 7.0% of their base pay (7.5% for firefighters) and the Airports Authority matches the employees' contributions. Retirement benefits are based on length of service and the average of the employee's three highest years of base pay. Employees can retire at age 55 with 30 years of service; age 60 with 20 years of service; or age 62 with five years of service. Firefighters can retire at age 50 with 20 years of firefighting service. Retirement annuities range from 7.5% of the average high three-year base pay to a maximum of 80.0% depending on years of service. Effective April 1, 1987, the CSRS added a Thrift Savings Plan. CSRS participants can contribute a percentage of their salary on a tax-deferred basis up to the statutory limit of \$16,500 in 2009. There are 35 regular employees and 5 police and firefighter employees enrolled in CSRS as of December 31, 2009.

The FERS provides benefits from three different sources: a Basic Benefit Plan, Social Security, and the Thrift Savings Plan. The Basic Benefit Plan employees' deduction ranges from 0.8% of base pay for regular employees to 1.3% for firefighters. The Airports Authority contributes from 10.7% for regular employees to 23.3% for firefighters. There were 39 regular employees and 12 police and firefighter employees currently enrolled in the FERS as of December 31, 2009.

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Employees retiring under the FERS are entitled to annual maximum retirement benefits equal to 1.1% of the employee's highest three-year average salary for every year of service. Regular employees are eligible for retirement when they have 10 years of service and have reached the minimum retirement age (ranging from 55 to 57 years old), based on a birth date. Firefighters can retire at age 50 with 20 years of firefighting service or at any age with 25 years of service. These employees are entitled to an annual retirement benefit of 1.7% of the employee's highest three-year average salary for every year of service up to 20 years and 1.0% for years of service over 20. FERS participants enrolled in the Thrift Savings Plan can now contribute up to 15.0% of their salary on a tax-deferred basis.

The Airports Authority's base payroll for employees covered by the CSRS and the FERS for the year ended December 31, 2009 was \$8.3 million. Employee contributions for the federal pension plans were \$304 thousand for 2009, \$337 thousand for 2008, and \$352 thousand for 2007. The employer contributions for these plans were \$976 thousand for 2009, \$1.1 million for 2008, and \$1.1 million for 2007. These contributions represent 100.0% of required contributions for each of the respective years. The Airports Authority's total base payroll for all employees, including employees covered by CSRS, FERS and DCE employees was \$92.6 million in 2009.

#### *The Airports Authority Pension Plans*

Effective January 1, 1989, the Airports Authority established a retirement benefits program for employees hired on or after June 7, 1987, which provides income in the event of retirement or death where a surviving spouse remains. Employee coverage and service credit was retroactive to June 7, 1987. The program includes the Airports Authority General Employee Retirement Plan (covering regular employees) and the Airports Authority Retirement Plan for Police Officers and Firefighters (the Plans), both single employer defined benefit plans. Any amendment to these plans must be approved by the Airports Authority's Board. As of December 31, 2009, the number of employees participating in the Plans was:

Current participants	Regular	Police/Fire	Total
Vested	573	208	781
Non-vested	400	95	495
Retirees/disabled employees			
currently receiving benefits	174	12	186
Terminated vested participants	198	61	259
Total	1,345	376	1,721

The Airports Authority contributed 6.3% to the Regular Plan and 13.0% to the Police and Fire Plan in 2009. The Airports Authority's base payroll in 2009 for the Regular Plan was approximately \$63.9 million and \$20.4 million for the Police and Fire Plan. The Airports Authority's base payroll in 2008 for the Regular Plan was approximately \$60.5 million and \$20.2 million for the Police and Fire Plan. In 2009, the Airports Authority contributed \$4.0 million to the Regular Plan and \$2.7 million to the Police and Fire Plan. In 2008, the Airports Authority contributed \$4.1 million to the Regular Plan and \$2.5 million to the Police and Fire Plan. Employees do not contribute to the Regular Plan. Financial statements and required supplementary information for the Plans can be obtained by writing to the Manager, Benefits, Metropolitan Washington Airports Authority, 1 Aviation Circle, Washington, DC 20001-6000.

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The Plans provide retirement benefits as well as death benefits. Regular employees who retire at or after age 60 with five years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1.2% of final-average salary up to covered compensation and 1.6% of final-average salary which is above covered compensation for each year of credited service (maximum 30 years).

Final-average salary is the average of the employee's highest consecutive 78 pay periods in the most recent 260 pay periods, while covered compensation is the 35-year average of the Social Security Wage Bases ending with the year in which the participant attains Social Security normal retirement age. A pre-retirement surviving spouse benefit is payable in the event of death, equal to 50.0% of the benefit which would have been payable had the participant retired, provided the participant had at least five years of service. Benefits can be received as early as age 55 with five years of service with a 5.0% reduction for each year the participant is younger than age 60. Benefits are also adjusted to the lesser of one-half of the CPI or 4.0%.

The benefits to police officers and firefighters become payable at age 55 with five years of service or at any age with 25 years of service. Benefits are not reduced if retirement is at or after age 50. The benefit is 2.0% of the final average earnings for service up to 25 years, and 1.0% of the final average earnings for service between 25 and 30 years. Withdrawal, death, and cost of living benefits are similar to those available to regular employees. Police officers and firefighters are required to contribute 1.5% of base pay per year of participation, which is accumulated with a 5.0% interest rate and returned when a benefit is forfeited.

The Airports Authority contributes the remaining amounts necessary to fund the Plans using the entry age normal actuarial method in addition to an amount to amortize any unfunded liability.

### Contributions Required and Made

The Airports Authority's funding policy is to provide for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. Employer contributions are determined in accordance with the plan provisions and approved by the Airports Authority's Board. Level percentages of payroll employer contribution rates are determined using the entry age actuarial funding method shown in dollars in the following table. Unfunded actuarial accrued liabilities are being amortized over a period of 30 years on an open basis.

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### Annual Pension Cost and Net Pension Obligation (Asset)

The Airports Authority's pension obligation (asset) for its General Employees and Police and Firefighters pension plans as of December 31, 2009, 2008 and 2007 and for the years then ended, which are based on the then latest actuarial valuations available, are as follows:

	2009	
	General Employees	Police and Firefighters
Annual required contribution	\$ 4,030,946	\$ 2,657,291
Interest on net pension asset	(125,731)	(39,071)
Adjustment to annual required contribution	132,040	41,032
Annual pension cost	4,037,255	2,659,252
Contributions made	4,030,946	2,657,291
Change in net pension obligation	6,309	1,961
Net pension obligation (asset) beginning of year	(1,676,408)	(520,949)
Net pension obligation (asset) end of year	<u>\$ (1,670,099)</u>	<u>\$ (518,988)</u>

	2008	
	General Employees	Police and Firefighters
Annual required contribution	\$ 4,117,347	\$ 2,508,523
Interest on net pension asset	(126,206)	(39,219)
Adjustment to annual required contribution	132,539	41,187
Annual pension cost	4,123,680	2,510,491
Contributions made	4,117,347	2,508,523
Change in net pension obligation	6,333	1,968
Net pension obligation (asset) beginning of year	(1,682,741)	(522,917)
Net pension obligation (asset) end of year	<u>\$ (1,676,408)</u>	<u>\$ (520,949)</u>

	2007	
	General Employees	Police and Firefighters
Annual required contribution	\$ 3,433,086	\$ 2,084,003
Interest on net pension asset	(123,248)	(39,367)
Adjustment to annual required contribution	129,433	41,343
Annual pension cost	3,439,271	2,085,979
Contributions made	3,508,663	2,050,272
Change in net pension obligation (asset)	(69,392)	35,707
Net pension obligation (asset) beginning of year	(1,613,349)	(558,624)
Net pension obligation (asset) end of year	<u>\$ (1,682,741)</u>	<u>\$ (522,917)</u>

The net pension asset is reported as a non-current unrestricted asset as of December 31, 2009 and 2008.

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Three year trend information is as follows:

General Employees Retirement Plan				Police Officers and Firefighters Plan		
Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
2007	\$ 3,439,271	102.0%	\$ (1,682,741)	\$ 2,085,979	98.3%	\$ (522,917)
2008	\$ 4,123,680	99.8%	\$ (1,676,408)	\$ 2,510,491	99.9%	\$ (520,949)
2009	\$ 4,037,255	99.8%	\$ (1,670,099)	\$ 2,659,252	99.9%	\$ (518,988)

### Funding Status

The actuarial accrued liability (AAL) was determined from the then most recently available actuarial valuation of the Plans. Significant actuarial assumptions used in determining the AAL include: (a) a rate of return on the investment of the present and future assets of 7.5% per year compounded annually, (b) projected salary increases ranging from 5.5% to 9.5% based on years of service and anticipated inflation, (c) post-retirement benefit increases of 1.75% per year, (d) for inflation rate, CPI increases of 3.5% per year (e) amortization method of percentage of projected payroll, and (f) amortization period of 30 years, open. The actuarial value of assets is determined using fair market values with changes smoothed over a five-year period. A copy of the actuarial valuations, plan financial statements and plan documents may be obtained by written request to: MWAA, Benefits Department, 1 Aviation Circle, Washington, DC 20001-6000.

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### Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
General Employees Retirement Plan						
12/31/2002	\$48,332,275	\$37,975,594	(\$10,356,681)	127.30%	\$39,377,221	(26.30)%
12/31/2003	\$53,164,834	\$43,202,420	(\$9,962,414)	123.10%	\$41,524,933	(24.00)%
12/31/2004	\$58,126,517	\$46,229,931	(\$11,896,586)	125.70%	\$43,199,684	(27.50)%
12/31/2005	\$64,087,361	\$53,833,003	(\$10,254,358)	119.00%	\$48,218,773	(21.30)%
12/31/2006	\$72,341,671	\$62,195,419	(\$10,146,252)	116.30%	\$52,985,414	(19.10)%
12/31/2007	\$82,372,511	\$68,958,757	(\$13,413,754)	119.50%	\$54,751,207	(24.50)%
12/31/2008	\$86,617,649	\$80,356,911	(\$6,260,738)	107.80%	\$63,672,545	(9.83)%
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
Police Officers and Firefighters Retirement Plan						
12/31/2002	\$21,744,019	\$19,020,653	(\$2,723,366)	114.30%	\$11,487,047	(23.70)%
12/31/2003	\$24,294,170	\$21,873,198	(\$2,420,972)	111.10%	\$12,679,387	(19.10)%
12/31/2004	\$27,168,047	\$24,474,697	(\$2,693,350)	111.00%	\$14,298,016	(18.80)%
12/31/2005	\$30,730,808	\$28,546,385	(\$2,184,423)	107.70%	\$15,462,439	(14.10)%
12/31/2006	\$35,464,226	\$34,134,852	(\$1,329,374)	103.90%	\$17,799,707	(7.50)%
12/31/2007	\$41,245,955	\$39,293,637	(\$1,952,318)	105.00%	\$18,799,993	(10.40)%
12/31/2008	\$44,590,069	\$45,128,509	\$538,440	98.80%	\$20,932,221	2.60%

### Annual Pension Percentage of ARC

Calendar Year	General Employees Retirement Plan			Police Officers and Firefighters Retirement Plan		
	Annual Required Contribution	Actual Contribution	Percentage Contribution	Annual Required Contribution	Actual Contribution	Percentage Contribution
2003	\$2,593,255	\$2,370,976	91.40%	\$1,577,901	\$1,443,352	91.50%
2004	\$2,755,413	\$2,678,873	97.20%	\$1,723,233	\$1,684,069	97.70%
2005	\$2,525,154	\$3,030,185	119.70%	\$1,654,845	\$1,950,353	117.80%
2006	\$3,233,610	\$3,037,634	93.90%	\$1,939,938	\$1,890,618	97.50%
2007	\$3,463,046	\$3,508,663	101.30%	\$2,050,272	\$2,050,272	100.00%
2008	\$4,117,347	\$4,117,347	100.00%	\$2,508,523	\$2,508,523	100.00%
2009	\$4,030,946	\$4,030,946	100.00%	\$2,657,291	\$2,657,291	100.00%

Expressing the actuarial value of assets available for benefits as a percentage of the AAL provides an indication of the Plan's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the Plan is becoming financially stronger or weaker. Generally, the greater this

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percentage, the stronger the retirement plan. Trends in assets in excess of AAL and annual covered payroll are both affected by inflation. Expressing the AAL in excess of assets as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of progress made in accumulating sufficient assets to pay benefits when due. Generally, the lower this percentage, the stronger the retirement plan.

The comparability of trend information is affected by changes in actuarial assumptions, benefit provisions, actuarial funding methods, accounting policies, the size or composition of the population covered by the Plan, and other changes. Those changes usually affect trends in contribution requirements and in ratios that use the AAL as a factor.

All assets of the Airports Authority pension plans are held in trust at the Bank of New York Mellon. The assets were transferred to the Bank of New York Mellon on July 2, 2007 from Manufacturers and Traders Trust Company (M&T).

The contribution rates for any given year for the Airports Authority General Plan and Police and Firefighter Plan are calculated based on the actuarial valuation done for the year two years prior to the current year. That is, the contribution rates for the 2009 year were calculated using the actuarial valuation done for year ended December 31, 2007. For this reason, the Airports Authority contribution rates will not see the activity in the current financial markets reflected in the rates for years 2009 or 2010. The contribution rate for the calendar year 2010 will incorporate the changes that took place in the current market in 2008 and any corresponding economic assumptions.

### ***Deferred Compensation Plan***

Effective July 2, 1989, the Airports Authority offered its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan, available to all full-time employees, permits employees to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is available to employees at termination, retirement, death, or an unforeseeable emergency.

Effective July 17, 2008, the Airports Authority changed its trust agent for the Deferred Compensation Plan to the Vantage Trust Company. Prior to this date, the assets were held in trust by M&T.

Investments are managed for participants by the International City/County Management Association Retirement Corporation (ICMA-RC) through one of several investment options, or a combination thereof. The choice of the investment option(s) is made by the participant.

### ***Money Purchase Pension Plan***

Effective December 18, 2007, the Airports Authority established a Money Purchase Pension Plan (MPPP) in accordance with Internal Revenue Code 401 (a) (17). The MPPP is available to all full-time employees. Under the terms of the MPPP, the Airports Authority makes contributions on behalf of eligible employees. The amount of contributions made on behalf of eligible employees depends on whether the employee's pension benefit under the Airports Authority's General Employees Retirement Plan or the Airports Authority's Retirement Plan for Police Officers and Firefighters is limited due to



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compensation limitations imposed by section 401 (a) (17). Eligible employees may not defer a portion of their salary into the MPPP. The Airports Authority serves as trustee of the MPPP. The Airports Authority has entered into an agreement with the ICMA-RC to act as an investment advisor to the MPPP and to provide record keeping services. In 2009, the Airports Authority paid \$57 thousand into the MPPP. In 2008, the Airports Authority paid \$34 thousand into the MPPP.

### J. POSTEMPLOYMENT BENEFITS

#### *The Airports Authority Plans*

In addition to pension benefits, the Airports Authority provides post employment benefits of health, dental and life insurance. The Airports Authority's Retired Employees Healthcare Plan (the Healthcare Plan) is a single-employer defined benefit healthcare, dental and life insurance plan administered by the Airports Authority. The Healthcare Plan provides medical, dental and life insurance benefits to eligible retirees and their spouses.

The Airports Authority's Board initially provided the benefits package to meet requirements of the federal enabling legislation which created the Airports Authority in 1987. Through the budget approval process, the Airports Authority has continued to provide these benefits of insurance to retired employees under the Airports Authority's group plans for health, dental and life insurance. The Airports Authority can establish and amend benefit provisions of the Healthcare Plan. As of December 31, 2009, 344 retired employees were receiving life insurance benefits and 355 retired employees were receiving health insurance benefits under these Airports Authority programs.

In accordance with GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* (GASB 43) and GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions* (GASB 45), the Airports Authority created in February 2005 an Employee Welfare Benefits Trust. This Trust provides a funding mechanism for retiree health, dental and life insurance coverage and other post employment benefits other than pensions. The Airports Authority began funding the trust and fully implemented GASB 43 and GASB 45 in 2005.

The contribution requirements of the Plan's members and the Airports Authority for the health and dental insurance are established and may be amended by the management of the Airports Authority. The required contribution is based upon projected pay-as-you-go financing requirements and funding for future benefits. The Airports Authority pays 80.0% of the total health insurance premiums costs with the remainder paid by the retired employee. For the years ended December 31, 2009 and December 31, 2008 the Airports Authority's health insurance costs for retired employees totaled \$3.9 million and \$3.3 million, respectively.

Plan participants contributed \$810 thousand for fiscal year 2009 and \$633 thousand for fiscal year 2008, or 20.0% of the total premiums, through their required monthly contributions:

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### Monthly Contributions for Retirees Under 65 for 2009

Provider Choices	Retiree Only	Retiree Plus Spouse	Retiree Plus Child(ren)	Family
Aetna - HMO	\$96.00	\$199.00	\$180.00	\$283.00
Aetna - PPO	106.00	220.00	200.00	314.00
Kaiser Permanente Select HMO	79.00	166.00	150.00	238.00
MetLife Dental	12.00	25.00	29.00	47.00

### Monthly Contributions for Retirees Over 65 for 2009

Provider Choices	Retiree Only	One > 65 One < 65	Two Party Medicare	Family Medicare
Aetna - HMO	\$84.00	\$190.00	\$166.00	\$301.00
Aetna - PPO	85.00	201.00	168.00	304.00
Kaiser HMO	51.00	134.00	103.00	185.00
MetLife Dental	12.00	25.00	25.00	47.00

The Airports Authority offers two life insurance options to retirees. Under option 1, the Airports Authority pays 100.0% of the retired employee's basic and supplemental life insurance cost. Basic life insurance coverage is reduced to 25.0% of the employee's life insurance in force at the time of retirement. Supplemental life insurance is a multiple of the basic life insurance (1 to 5 times) that the employee had selected prior to retirement. Supplemental life insurance is reduced at a rate of 2.0% each month so that at the end of 50 months, no supplemental life insurance coverage remains in force.

Option 2 is available to employees who retire from the Airports Authority on or after May 1, 2007. Under option 2, basic life insurance is reduced to 25.0% of the retired employee's basic life insurance in force at the time of retirement. The Airports Authority pays 100.0% of the cost of the basic life insurance. The amount of supplemental life insurance in force remains at the amount the retired employee had at the time of retirement. The amount of supplemental life insurance is reduced by 50.0% at age 70 and another 50.0% at age 75. Retirees pay the entire cost of supplemental life insurance under this option.

Of the 355 retired employees, 42 had supplemental insurance coverage as of December 31, 2009. For the year ended December 31, 2009, the life insurance costs for retired employees totaled \$153 thousand. Of the 340 retired employees, 40 had supplemental insurance coverage as of December 31, 2008. For the year ended December 31, 2008, the life insurance costs for retired employees totaled \$158 thousand.

### ***Annual Other Post Employment Cost and Obligation (Asset)***

The Airports Authority's obligations (assets) for its post employment benefit plans as of December 31, 2009, 2008, 2007 and for the years then ended, which are based on the then latest actuarial valuations available, are as follows:

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2009	Medical and Dental	Life Insurance
Annual required contribution	\$ 9,210,000	\$ 811,900
Annual OPEB cost	9,210,000	811,900
Contributions made	8,120,921	682,026
Change in net OPEB obligation	1,089,079	129,874
Net OPEB obligation (asset) beginning of year	(2,492,070)	(66,487)
Net OPEB obligation (asset) end of year	<u>\$ (1,402,991)</u>	<u>\$ 63,387</u>

2008	Medical and Dental	Life Insurance
Annual required contribution	\$ 7,980,000	\$ 746,600
Annual OPEB cost	7,980,000	746,600
Contributions made	8,262,070	718,827
Change in net OPEB obligation (asset)	(282,070)	27,773
Net OPEB obligation (asset) beginning of year	(2,210,000)	(94,260)
Net OPEB obligation (asset) end of year	<u>\$ (2,492,070)</u>	<u>\$ (66,487)</u>

2007	Medical and Dental	Life Insurance
Annual required contribution	\$ 7,904,439	\$ 754,384
Annual OPEB cost	7,904,439	754,384
Contributions made	7,754,439	753,962
Change in net OPEB obligation	150,000	422
Net OPEB obligation (asset) beginning of year	(2,360,000)	(94,682)
Net OPEB obligation (asset) end of year	<u>\$ (2,210,000)</u>	<u>\$ (94,260)</u>

The OPEB asset is reported as a non-current unrestricted asset as of December 31, 2009 and 2008.

### ***Funding Status***

The Airports Authority began funding the Plan in 2005 and in addition to funding insurance costs for retired employees (see above), contributed \$5.0 million, \$5.4 million and \$5.2 million for the years ended December 31, 2009, 2008, and 2007, respectively, to the Trust for medical and dental insurance. The Airports Authority also contributed approximately \$540 thousand, \$570 thousand and \$550 thousand for the years ended December 31, 2009, 2008, and 2007, respectively, to the Trust for life insurance.

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### Schedule of Funding Progress for Medical Insurance

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded UAAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
01/01/2005	-	\$65,790,000	\$65,790,000	0.00%	\$58,820,000	111.90%
01/01/2006	\$6,500,000	\$76,080,000	\$69,580,000	8.50%	\$64,100,000	108.60%
01/01/2007	\$13,090,000	\$81,930,000	\$68,840,000	15.97%	\$69,770,000	98.67%
01/01/2008	\$19,450,000	\$85,170,000	\$65,720,000	22.83%	\$68,620,000	95.80%
01/01/2009	\$25,190,000	\$103,980,000	\$78,790,000	24.23%	\$73,960,000	106.53%

### Schedule of Funding Progress for Life Insurance

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Entry Age	Unfunded UAAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
01/01/2005	-	\$5,380,500	\$5,380,500	0.00%	\$59,739,100	9.00%
01/01/2006	\$554,100	\$5,941,900	\$5,387,800	9.30%	\$64,148,900	8.40%
01/01/2007	\$1,152,000	\$6,722,000	\$5,570,000	17.20%	\$69,770,800	7.90%
01/01/2008	\$1,711,700	\$6,822,000	\$5,110,300	25.10%	\$68,616,300	7.50%
01/01/2009	\$2,217,400	\$7,578,300	\$5,360,900	29.26%	\$73,961,700	7.25%

### Annual Percentage of ARC – Medical Insurance

Calendar Year	Annual Required Contribution	Actual Contribution	Percentage Contributor
2005	\$6,390,000	\$8,750,000	136.90%
2006	\$7,400,000	\$7,400,000	100.00%
2007	\$7,904,439	\$7,754,439	98.10%
2008	\$7,980,000	\$8,262,070	103.50%
2009	\$9,210,000	\$8,120,922	88.18%

### Annual Percentage of ARC – Life Insurance

Calendar Year	Annual Required Contribution	Actual Contribution	Percentage Contributor
2005	\$680,000	\$853,000	125.40%
2006	\$709,500	\$631,182	89.00%
2007	\$754,384	\$753,962	99.90%
2008	\$746,600	\$718,827	96.30%
2009	\$811,900	\$682,026	84.00%

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Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits.

### *Actuarial Methods and Assumptions*

Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and the Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing the benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in AAL and the actuarial value of assets, consistent with the long-term perspective of the calculations. The actuarial value of future assets will be determined using fair market values.

In the January 1, 2009 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 7.5% investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 11.0% initially, reduced by decrements to an ultimate rate of 5.0% after seven years. The Life Insurance rate includes a 3.0% inflation assumption. The initial unfunded AAL is being amortized as a level dollar amount over a period of 30 years. A copy of the actuarial valuation and plan document may be obtained by written request to: Metropolitan Washington Airports Authority, Benefits Department, 1 Aviation Circle, Washington, DC 20001-6000. There are no separate stand alone financial reports issued.

## **K. CAPITAL DEBT**

### *Commercial Paper Notes*

The Airports Authority's Board adopted Resolution No. 00-1 on April 2, 2000, allowing the issuance of \$250.0 million in CP Notes. The principal amount was to pay or provide for certain capital improvements at the airports or refunding other forms of indebtedness principal and interest thereof. On May 2, 2001, the Airports Authority Board adopted Resolution No. 01-6 allowing the issuance of CP Notes not to exceed \$500.0 million. The Airports Authority currently has in place credit facilities allowing it to draw up to \$345.0 million in CP Notes for the Aviation Enterprise at any given time.

Series One CP Notes are authorized pursuant to the Amended and Restated Eleventh Supplemental Indenture dated as of November 1, 2004 and amended on March 1, 2005 and further amended on January 6, 2010 between the Airports Authority and the Trustee. The Series One CP Notes are structured as Short-term/Demand Obligations under the Indenture and collateralized by certain pledged funds including Net Revenues on parity with the Bonds. They are further collateralized by an irrevocable direct pay letter of credit for \$220.0 million issued by JP Morgan Chase Bank, which expires in March 2011. The Airports Authority's obligation to repay amounts drawn under such letter of credit is collateralized by a promissory note issued by the Airports Authority to JP Morgan Chase

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Bank and is collateralized by and payable from Net Revenues and other pledged funds on a parity with the Series One CP Notes and the Bonds. As of December 31, 2009, \$90.0 million of the Series One CP Notes were outstanding. The proceeds are being used to provide interim financing for authorized projects at Reagan National and Dulles International airports. The weighted average interest rate on the Series One CP Notes as of December 31, 2009 was 0.40% on sub-series A, and 0.39% on sub-series A-2.

Series Two CP Notes are authorized pursuant to the Twenty-second Supplemental Indenture dated as of January 1, 2005 and amended on March 1, 2007 and further amended on October 1, 2009 between the Airports Authority and the Trustee. The Series Two CP Notes are structured as Short-term/Demand Obligations under the Indenture and are collateralized by certain pledged funds including Net Revenues on parity with the Bonds. They were further collateralized by an irrevocable direct pay letter of credit issued on a several but not joint basis by WestLB-AG acting through its New York Branch, and Landesbank Baden-Württemberg (LBBW), acting through its New York Branch (collectively, the Banks), which expires in December 2015, but allows the Banks under certain circumstances to terminate the facility every five years beginning on January 12, 2010. On October 1, 2009, the Series Two CP Notes direct letter of credit was amended to eliminate WestLB-AG as a party to the Series Two irrevocable direct letter of credit as of October 26, 2009 and continue LBBW's commitment at \$125.0 million, reducing the Maximum Stated Amount of the Series Two CP irrevocable direct letter of credit from \$200.0 million to \$125.0 million. The Airports Authority's obligation to repay amounts drawn under such letter of credit is collateralized by a promissory note issued by the Airports Authority to the Bank and is collateralized by and payable from Net Revenues and other pledged funds on parity with the Series Two CP Notes and the Bonds. As of December 31, 2009, the Airports Authority has all of the \$125.0 million Series Two CP Notes outstanding. The proceeds are used to provide interim financing for authorized projects at Reagan National and Dulles International. The weighted average interest rate on the Series Two CP Notes as of December 31, 2009 was 0.37% on sub-series A-1, and 0.46% on sub-series C.

As of December 31, 2009 all of the Airports Authority's CP Notes are rated "P-1" short-term by Moody's, "A-1+" short-term by S&P, and "F1+" short-term by Fitch.

### *Changes in Commercial Paper Notes Balances*

	Series One	Series Two	Total
Balance as of December 31, 2008	\$ 150,000,000	\$ 67,500,000	\$ 217,500,000
Commercial Paper Notes Refunded	(130,000,000)	(67,500,000)	(197,500,000)
Commercial Paper Notes Issued	70,000,000	125,000,000	195,000,000
Balance as of December 31, 2009	<u>\$ 90,000,000</u>	<u>\$ 125,000,000</u>	<u>\$ 215,000,000</u>

### *PFC Bank Participation Notes*

The Airports Authority issued Flexible Term PFC Revenue Notes (bank participation notes) to finance PFC approved projects, of which \$432.0 million were outstanding as of December 31, 2008. On July 2, 2009, proceeds from Airport System Revenue Series 2009C-D Bonds were used to refund the \$432.0 million Flexible Term PFC Revenue Notes. The bank participation notes had various maturity dates and interest rates that varied from 0.95% to 1.70%. The bank participation notes required the Airports

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Authority to maintain a reserve account. The reserve account at December 31, 2008, was \$3.6 million and is included in PFCs, restricted cash on the Statements of Net Assets. The bank participation notes were backed by a Bank of America, N.A. letter of credit that would have expired on November 16, 2010, but was terminated concurrent with the refunding. Total interest cost for the years ended December 31, 2009 and December 31, 2008 were \$3.5 million and \$11.5 million, respectively.

Balance as of December 31, 2008	\$ 432,000,000
PFC Bank Participation Notes Issued	-
PFC Bank Participation Notes Refunded	(432,000,000)
Balance as of December 31, 2009	<u>\$ -</u>

### ***Bond Anticipation Notes***

On November 1, 2008, the Airports Authority received the proceeds of \$150.0 million for a Bond Anticipation Note (BAN) with the Bank of America. The proceeds were used to fund a portion of the Dulles Metrorail Project – Phase 1. The BAN was refunded with proceeds from the Series 2009 DTR Revenue Bonds on August 12, 2009.

Balance as of December 31, 2008	\$ 150,000,000
Bond Anticipation Notes Issued	-
Bond Anticipation Notes Refunded	(150,000,000)
Balance as of December 31, 2009	<u>\$ -</u>

### ***Bonds Payable***

A Master Indenture was created in 1990 for the Aviation Enterprise Fund of the Airports Authority. This Master Indenture was amended effective September 1, 2001, to in part, change the definition of Annual Debt Service to accommodate the issuance of secured commercial paper, to permit the Airports Authority to release certain revenues from the definition of revenues, and to expand the list of permitted investments to include new, safe investment vehicles designed to increase the return on the Airports Authority investments. Under this amended Master Indenture, all bonds are collateralized by a pledge of Net Revenues of the Airports Authority which is “senior” to the “subordinated” pledge given by the Airports Authority in connection with the issuance of its bonds prior to 1990.

In August of 2009, a Master Indenture was created for the DCE Fund of the Airports Authority. Under this Master Indenture, all bonds are secured by a pledge of the Toll Road Revenues derived by the Airports Authority from the operation of the DTR. The pledge of the Toll Road Revenues securing the Series 2009A Bonds, however, is senior to the pledge to Toll Road Revenues securing the Series 2009B Bonds, the Series 2009C Bonds and the Series 2009D Bonds and any additional DTR Second Senior Lien Revenue Bonds or Subordinate Bonds.

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### *Bonds Payable (Aviation Enterprise Fund)*

The Aviation Enterprise Fund's long-term bonds issued and outstanding as of December 31, 2009 and 2008 were as follows:

Aviation Enterprise Senior Debt	Issue Date	Interest Rates	Maturing On October 1	Amount	Outstanding at December 31,	
					2009	2008
Series 1998B						
Revenue & Refunding Bonds	06/15/1998					
Serial		4.700%-5.250%	2010-2014	\$ 56,305,000		
Term		5.000%	2018	56,040,000		
Term		5.000%	2028	85,660,000		
					<u>\$ 198,005,000</u>	<u>\$ 207,680,000</u>
Series 1999A						
Revenue Refunding Bonds	04/15/1999					
Serial		4.500%	2010	\$ 1,635,000		
Term		5.250%	2012	3,510,000		
Term		5.250%	2014	3,885,000		
Term		5.250%	2016	4,300,000		
Serial		5.000%	2017-2019	7,320,000		
Term		5.000%	2027	66,180,000		
					<u>\$ 86,830,000</u>	<u>\$ 88,395,000</u>
Series 2001A Revenue Bonds						
Serial	04/01/2001	4.375%-5.500%	2010-2022	\$111,105,000		
Term		5.500%	2027	67,190,000		
Term		5.000%	2031	67,820,000		
					<u>\$ 246,115,000</u>	<u>\$ 252,010,000</u>
Series 2001B Revenue Bonds						
Serial	04/01/2001	4.125%-4.750%	2010-2017	\$ 2,930,000		
Term		5.000%	2021	1,920,000		
Term		5.000%	2026	3,005,000		
Term		5.000%	2031	3,830,000		
					<u>\$ 11,685,000</u>	<u>\$ 11,990,000</u>
Series 2002A Revenue Bonds						
Serial	06/04/2002	4.300%-5.750%	2010-2022	\$ 82,125,000		
Term		5.125%	2026	38,780,000		
Term		5.250%	2032	75,075,000		
					<u>\$ 195,980,000</u>	<u>\$ 200,260,000</u>
Series 2002B Revenue Bonds						
Serial	06/04/2002	4.100%-4.300%	2010-2012	\$ 1,875,000		
					<u>\$ 1,875,000</u>	<u>\$ 2,450,000</u>
Series 2002C Refunding Bonds						
Term	08/28/2002	Variable	2010-2021	\$194,650,000		
					<u>\$ 194,650,000</u>	<u>\$ 206,460,000</u>



# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## *Bonds Payable (continued)*

Aviation Enterprise Senior Debt	Issue Date	Interest Rates	Maturing On October 1	Amount	Outstanding at December 31,	
					2009	2008
Series 2002D Refunding Bonds	08/28/2002					
Serial		3.750%-5.375%	2010-2020	\$ 31,890,000		
Term		5.000%	2023	12,270,000		
Term		5.000%	2032	49,685,000		
					<u>\$ 93,845,000</u>	\$ 96,050,000
Series 2003A Revenue & Refunding Bonds	10/01/2003					
Serial		3.750%-5.500%	2010-2025	\$ 87,615,000		
Term		5.125%	2029	34,935,000		
Term		5.000%	2033	42,590,000		
					<u>\$ 165,140,000</u>	\$ 168,735,000
Series 2003B Refunding Bonds	10/01/2003					
Serial		3.400%-5.250%	2010-2019	\$ 34,230,000		
					<u>\$ 34,230,000</u>	\$ 34,230,000
Series 2003C Revenue & Refunding Bonds	10/01/2003					
Serial		4.620%-5.390%	2010-2015	\$ 14,985,000		
Term		5.740%	2019	12,935,000		
Term		6.000%	2023	12,880,000		
					<u>\$ 40,800,000</u>	\$ 42,920,000
Series 2003D Revenue Bonds	10/01/2003					
Term		Variable	2010-2033	\$135,425,000		
					<u>\$ 135,425,000</u>	\$ 138,175,000
Series 2004A Refunding Bonds	08/26/2004					
Term		3.750%	2014	\$ 50,000		
Serial		4.50%-5.000%	2015-2022	13,510,000		
					<u>\$ 13,560,000</u>	\$ 13,570,000
Series 2004B Revenue Bonds	05/18/2004					
Serial		5.000%	2027	\$ 25,000,000		
Serial		5.050%	2028	7,330,000		
Term		5.000%	2034	217,670,000		
					<u>\$ 250,000,000</u>	\$ 250,000,000
Series 2004C-1 Refunding Bonds	07/07/2004					
Serial		5.000%	2020-2021	\$ 56,900,000		
					<u>\$ 56,900,000</u>	\$ 56,900,000
Series 2004C-2 Revenue Bonds	08/12/2004					
Term		5.000%	2022	\$ 32,605,000		
Serial		5.000%	2023-2024	66,690,000		
					<u>\$ 99,295,000</u>	\$ 99,390,000

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

### *Bonds Payable (continued)*

Aviation Enterprise Senior Debt	Issue Date	Interest Rates	Maturing On October 1	Amount	Outstanding at December 31,	
					2009	2008
Series 2004D Refunding Bonds	08/26/2004					
Serial		4.100%-5.250%	2010-2019	\$201,885,000		
					<u>\$ 201,885,000</u>	\$ 217,120,000
Series 2005A Revenue Bonds	04/12/2005					
Serial		3.600%-5.250%	2010-2020	\$118,410,000		
Term		4.750%	2035	22,290,000		
Term		5.000%	2035	149,740,000		
					<u>\$ 290,440,000</u>	\$ 298,365,000
Series 2005B Refunding Bonds	04/12/2005					
Serial		3.500%-5.250%	2011-2020	\$ 19,775,000		
					<u>\$ 19,775,000</u>	\$ 19,775,000
Series 2005C Revenue Bonds	04/12/2005					
Serial		5.590%	2025	\$ 8,315,000		
Serial		5.690%	2030	9,350,000		
Serial		5.730%	2035	12,335,000		
					<u>\$ 30,000,000</u>	\$ 30,000,000
Series 2005D Revenue Bonds	10/12/2005					
Serial		5.000%	2010	\$ 1,330,000		
Serial		5.000%	2021-2023	7,650,000		
					<u>\$ 8,980,000</u>	\$ 10,245,000
Series 2006A Revenue Bonds	01/25/2006					
Serial		4.750%	2030	\$ 12,500,000		
Term		5.000%	2032	126,555,000		
Term		5.000%	2035	160,945,000		
					<u>\$ 300,000,000</u>	\$ 300,000,000
Series 2006B Revenue Bonds	12/06/2006					
Serial		4.550%	2031	\$ 59,020,000		
Serial		5.000%	2032	61,710,000		
Term		5.000%	2036	279,270,000		
					<u>\$ 400,000,000</u>	\$ 400,000,000
Series 2006C Refunding Bonds	12/06/2006					
Serial		3.750%-5.000%	2010-2026	\$ 25,730,000		
Term		4.375%	2032	11,595,000		
					<u>\$ 37,325,000</u>	\$ 37,865,000
Series 2007A Refunding Bonds	07/03/2007					
Serial		4.750%-5.000%	2010-2023	\$150,205,000		
					<u>\$ 150,205,000</u>	\$ 157,505,000

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Metropolitan Washington Airports Authority

## *Bonds Payable (continued)*

Aviation Enterprise Senior Debt	Issue Date	Interest Rates	Maturing On October 1	Amount	Outstanding at December 31,	
					2009	2008
Series 2007B Revenue Bonds	09/27/2007					
Serial		4.000%-5.000%	2010-2027	\$ 418,135,000		
Serial		4.750%	2032	1,150,000		
Term		5.000%	2032	67,225,000		
Term		5.000%	2035	22,360,000		
					<u>\$ 508,870,000</u>	<u>\$ 519,665,000</u>
Series 2008A Revenue Bonds	06/24/2008	4.100%-5.750%	2012-2029	\$ 250,000,000	<u>\$ 250,000,000</u>	<u>\$ 250,000,000</u>
Series 2009A Revenue Bonds						
Term	04/01/2009	Variable	2010-2039	\$ 163,175,000	<u>\$ 163,175,000</u>	<u>\$ -</u>
Series 2009B Revenue Bonds	04/01/2009					
Serial		3.000%-5.250%	2010-2026	\$ 173,920,000		
Term		5.000%	2029	31,450,000		
Term		5.000%	2036	31,455,000	<u>\$ 236,825,000</u>	<u>\$ -</u>
Series 2009C Revenue Bonds	07/02/2009					
Serial		3.000%-5.25%	2010-2031	\$ 181,905,000		
Term		5.125%	2034	43,405,000		
Term		5.125%	2039	34,125,000		
Term		5.625%	2039	55,000,000	<u>\$ 314,435,000</u>	<u>\$ -</u>
Series 2009D Revenue Bonds						
Term	07/02/2009	Variable	2010-2039	\$ 136,825,000	<u>\$ 136,825,000</u>	<u>\$ -</u>
					<u>\$ 4,873,075,000</u>	<u>\$ 4,109,755,000</u>
Plus (less) unamortized discount/premium, net					<u>\$ 20,469,311</u>	<u>\$ 18,210,779</u>
Total Aviation Enterprise Senior Debt					<u><u>\$ 4,893,544,311</u></u>	<u><u>\$ 4,127,965,779</u></u>

\* Portions of Series 1998A and 2002B Revenue Bonds were refunded on December 6, 2006, with fixed rate debt.

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## *Bonds Payable (Dulles Corridor Enterprise Fund)*

Dulles Corridor Enterprise	Issue Date	Interest Rates	Maturing On October 1	Amount	Outstanding at December 31,	
					2009	2008
Series 2009A Revenue Bonds	08/12/2009					
Term		5.125%	2032	\$ 22,140,000		
Term		5.000%	2039	89,735,000		
Term		5.250%	2044	86,125,000		
					<u>\$ 198,000,000</u>	\$ -
Series 2009B Revenue Bonds						
Term	08/12/2009	3.500%-7.910%	2012-2040	\$212,127,142		
					<u>\$ 212,127,142</u>	\$ -
Series 2009C Revenue Bonds	08/12/2009					
Serial		6.500%	2038-2041	\$162,212,626		
					<u>\$ 162,212,626</u>	\$ -
Series 2009D Revenue Bonds	08/12/2009					
Serial		7.462%	2045-2046	\$400,000,000		
					<u>\$ 400,000,000</u>	\$ -
					<u>\$ 972,339,768</u>	\$ -
Plus (less) unamortized discount/premium, net					<u>\$ (5,224,888)</u>	\$ -
Total Dulles Corridor Enterprise Debt					<u>\$ 967,114,880</u>	\$ -

## *Changes in Bonds Payable Balances*

### **Aviation Enterprise Senior Debt**

Balance as of December 31, 2009		\$ 4,127,965,779
Bonds issued		
Series 2009A	Revenue Bonds	\$ 163,175,000
Series 2009B	Revenue Bonds	\$ 236,825,000
Series 2009C	Revenue Bonds	\$ 314,435,000
Series 2009D	Revenue Bonds	<u>\$ 136,825,000</u>
		851,260,000
Principal payments		(90,475,000)
Change in unamortized discount/premium, net		2,258,532
Balance as of December 31, 2009		<u>\$ 4,891,009,311</u>
Balance as of December 31, 2009 - short-term		107,130,000
Balance as of December 31, 2009 - long-term		<u>4,783,879,311</u>
Total Aviation Enterprise Senior Debt		<u>\$ 4,891,009,311</u>

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

### **Dulles Corridor Enterprise**

Balance as of December 31, 2009			\$ -
Bonds issued			
Series 2009A	Revenue Bonds	\$ 198,000,000	
Series 2009B	Revenue Bonds	\$ 207,056,688	
Series 2009C	Revenue Bonds	\$ 158,234,960	
Series 2009D	Revenue Bonds	<u>\$ 400,000,000</u>	
			963,291,648
Accretion of Capital Appreciation Bonds			9,048,120
Change in unamortized discount/premium, net			<u>(5,224,888)</u>
Balance as of December 31, 2009			<u>\$ 967,114,880</u>
Balance as of December 31, 2009 - short-term			-
Balance as of December 31, 2009 - long-term			<u>967,114,880</u>
Total Dulles Corridor Enterprise Debt			<u>\$ 967,114,880</u>

### ***Recent Bond Issues***

In March of 2009, the Airports Authority issued \$163.2 million of Airport System Revenue Variable Rate Series 2009A Bonds, the proceeds of which were used to refund a portion of outstanding commercial paper, and issued \$236.8 million of fixed rate Airport System Revenue Series 2009B Bonds, the proceeds of which were used to refund a portion of outstanding commercial paper, to fund the swap termination payment, and to fund Capital Construction Program expenditures.

In August 2009, the Airports Authority issued \$314.4 million of Airport System Revenue Series 2009C Bonds and \$136.8 million of Airport System Revenue Variable Rate Series 2009D Bonds to refinance the Flexible Term PFC Revenue Notes.

Also in August 2009, the Airports Authority issued \$963.3 million of Dulles Toll Road Revenue Bonds Series 2009A-D, the proceeds of which were used to pay a portion of the Dulles Metrorail Project, Dulles Toll Road Capital Improvements, and refund the \$150.0 million Dulles Toll Road BAN.

### ***Insurers***

The Airports Authority reviews each bond sale to determine if there is value in providing investors municipal bond insurance. Aviation Enterprise bonds insurance is provided in part by American Municipal Bond Assurance Corporation (Ambac), Berkshire Hathaway (BHAC), Financial Guaranty Insurance Company (FGIC), National Public Finance Guarantee Corporation, previously known as Municipal Bond Investors Assurance Corporation (MBIA), Financial Security Assurance (FSA), and Syncora Guarantee, previously known as XL Capital Assurance (XL). The Dulles Corridor Enterprise bonds insurance is provided in part by Assured Guaranty (AG).

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

The following table details the Airports Authority's outstanding debt noting insured and uninsured bonds.

Bond Series	Principal Outstanding	Uninsured Bonds	Insured Bonds	Insurance Provider
<b>Aviation Enterprise Senior Debt</b>				
1998B	\$ 198,005,000	\$ -	\$ 198,005,000	MBIA
1999A	86,830,000	-	86,830,000	FGIC
2001A	246,115,000	-	246,115,000	MBIA
2001B	11,685,000	-	11,685,000	MBIA
2002A	195,980,000	-	195,980,000	FGIC
2002B	1,875,000	-	1,875,000	FGIC
2002C	194,650,000	-	194,650,000	FSA
2002D	93,845,000	-	93,845,000	FSA
2003A	165,140,000	-	165,140,000	FGIC
2003B	31,695,000	-	31,695,000	FGIC
2003C	40,800,000	-	40,800,000	FGIC
2003D	135,425,000	-	135,425,000	XL
2004A	13,560,000	-	13,560,000	MBIA
2004B	250,000,000	-	250,000,000	FSA
2004C-1	56,900,000	-	56,900,000	FSA
2004C-2	99,295,000	-	99,295,000	FSA
2004D	201,885,000	20,570,000	181,315,000	MBIA
2005A	290,440,000	-	290,440,000	MBIA
2005B	19,775,000	-	19,775,000	MBIA
2005C	30,000,000	-	30,000,000	MBIA
2005D	8,980,000	-	8,980,000	Ambac
2006A	300,000,000	-	300,000,000	FSA
2006B	400,000,000	-	400,000,000	FGIC
2006C	37,325,000	-	37,325,000	FGIC
2007A	150,205,000	-	150,205,000	Ambac
2007B	508,870,000	-	508,870,000	Ambac
2008A	250,000,000	250,000,000	-	-
2009A	163,175,000	163,175,000	-	-
2009B	236,825,000	124,625,000	112,200,000	BHAC
2009C	314,435,000	314,435,000	-	-
2009D	136,825,000	136,825,000	-	-
Total Aviation Enterprise Senior Debt	\$ 4,870,540,000	\$ 1,009,630,000	\$3,860,910,000	
<b>Dulles Corridor Enterprise</b>				
2009A	\$ 198,000,000	\$ 198,000,000	\$ -	-
2009B	212,127,142	19,361,824	192,765,318	AG
2009C	162,212,627	-	162,212,627	AG
2009D	400,000,000	400,000,000	-	-
Total Dulles Corridor Enterprise Debt	\$ 972,339,769	\$ 617,361,824	\$ 354,977,945	
	<u>\$ 5,842,879,769</u>	<u>\$ 1,626,991,824</u>	<u>\$4,215,887,945</u>	

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The following is a summary of the maturities and sinking fund requirements, not including any unamortized discount or premium. Scheduled principal payments on long term bonds are due annually on October 1.

### Aviation Enterprise Senior Debt

Year Ending December 31	Principal	Interest	Total Debt Service
2010	\$ 107,130,000	\$ 239,859,819	\$ 346,989,819
2011	112,450,000	234,878,002	347,328,002
2012	127,200,000	229,715,468	356,915,468
2013	133,645,000	223,625,940	357,270,940
2014	141,155,000	217,133,749	358,288,749
2015-2019	829,140,000	972,868,528	1,802,008,528
2020-2024	975,375,000	749,395,019	1,724,770,019
2025-2029	856,770,000	519,678,372	1,376,448,372
2030-2034	1,167,555,000	278,092,055	1,445,647,055
Thereafter	420,120,000	41,738,757	461,858,757
	<u>\$4,870,540,000</u>	<u>\$3,706,985,709</u>	<u>\$ 8,577,525,709</u>

### Dulles Corridor Enterprise Debt

Year Ending December 31	Principal	Interest	Total Debt Service
2010	\$ -	\$ 45,434,205	\$ 45,434,205
2011	-	39,990,987	39,990,987
2012	5,822,305	39,990,987	45,813,292
2013	9,174,435	39,990,988	49,165,423
2014	4,270,929	39,990,987	44,261,916
2015-2019	32,266,418	248,661,061	280,927,479
2020-2024	31,013,603	281,131,812	312,145,415
2025-2029	32,439,927	281,131,813	313,571,740
2030-2034	92,122,005	277,628,044	369,750,049
Thereafter	765,230,147	485,999,915	1,251,230,062
	<u>\$ 972,339,769</u>	<u>\$1,779,950,799</u>	<u>\$2,752,290,568</u>

Total interest costs for the years ended December 31, 2009 and 2008 were \$219.9 million and \$201.8 million, respectively. The current portion of the Airports Authority's bond payable, in the amount of \$107.1 million, is due on October 1, 2010.

### Special Facility Revenue Bonds

In March 1991, the Airports Authority issued \$14.2 million of Special Facility Revenue Bonds on behalf of Caterair International Corporation (Caterair). The bonds were issued to finance the construction of an In-flight Kitchen Facility at Reagan National.

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The Special Facility Revenue Bonds and related costs are payable only with funds from Caterair. Since these bonds do not represent a claim on the Airports Authority's assets, nor do they require the Airports Authority to incur future obligations, they have not been recorded in the Airports Authority's financial statements.

### *Arbitrage - Rebate Liability*

The United States Treasury has issued regulations on calculating the rebate due to the United States Government on arbitrage profits and determining compliance with the arbitrage rebate provisions of the Tax Reform Act of 1986. Arbitrage profits arise when the Airports Authority temporarily invests the proceeds of tax exempt debt in securities with higher yields. The Airports Authority has an estimated liability on December 31, 2009 and 2008 of \$1.6 million and \$3.1 million, respectively.

### **L. AIRPORT USE AGREEMENT AND PREMISES LEASE**

In February 1990, the Airports Authority entered into a long-term agreement with the major Airlines serving the Airports. The Agreement is for a term of 25 years, subject to cancellation rights by the Airports Authority after 15 years, and annually thereafter, at the option of the Airports Authority. The Agreement provides for the calculation of annual rates and charges, with rate adjustments at midyear, or any time revenues fall 5.0% or more below projections to provide for full cost recovery plus debt service coverage. The Agreement also provides for an annual "settlement" whereby the rates and charges are recalculated using audited financial data to determine any airline over/underpayment. For the year ended December 31, 2009, the settlement resulted in a net charge to the Airlines of \$7.9 million.

Rates and charges are established to provide net revenues before the payment of debt service of at least 125.0% of debt service. Net Remaining Revenues (NRR) are defined as revenues less all operating and maintenance expenses, debt service, specified reserves, and other requirements. Subsequent to the final determination, NRR is allocated between the Airports Authority and the Airlines in accordance with the Agreement. The Airports Authority's share of NRR is reflected in the Airports Authority's Capital Fund and is available for repair and rehabilitation projects or any other lawful purpose. The Airlines' share of NRR, called Transfers, is used in the calculation of the subsequent year's rates and charges. All calculations are done in accordance with the Agreement.

To calculate Transfers, the Agreement establishes a plateau amount of \$8.0 million at Reagan National and \$12.0 million at Dulles International, escalated by the implicit price deflator index from the base year of 1989 to the current year. NRR is shared approximately 50/50 until reaching the plateau. When the Transfer amount to the Airlines reaches the plateau, the amount over the plateau is allocated 75.0% to the Airlines and 25.0% to the Airports Authority. For the years ended December 31, 2009 and 2008, at Dulles International, the Transfer exceeded the plateau amount by \$13.4 million and \$16.9 million, respectively. For the year ended December 31, 2009, at Reagan National, the Transfer did not exceed the plateau amount. For the year ended December 31, 2008 at Reagan National, the Transfer exceeded the plateau amount by \$1.5 million. These amounts were allocated accordingly and are included in the Airlines' and the Airports Authority's share. For the years ended December 31, 2009 and 2008, the Airlines' Transfer was \$65.8 million and \$72.4 million, respectively, and the Airports Authority's share of NRR was \$40.7 million and \$37.9 million, respectively.



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### M. NET ASSETS

Net assets consist of the following:

*Invested in Capital Assets Net of Related Debt consists of the following:*

	2009 Aviation Enterprise	2009 DCE	2009 Total Business- Type Activities
Long-term assets			
Land and other non-depreciable assets	\$ 121,734,710	\$ -	\$ 121,734,710
Construction in progress	1,630,063,189	2,216,052	1,632,279,241
Construction in progress, Metrorail project	-	742,560,712	742,560,712
Buildings, systems and equipment	5,030,351,241	761,943	5,031,113,184
Less: accumulated depreciation	(1,637,640,970)	(177,366)	(1,637,818,336)
Total capital assets	<u>5,144,508,170</u>	<u>745,361,341</u>	<u>5,889,869,511</u>
Less: related liabilities			
Current portion bonds payable	107,130,000	-	107,130,000
Commercial paper notes	215,000,000	-	215,000,000
Bonds payable, net	4,334,411,264	353,249,297	4,687,660,561
Total liabilities	<u>4,656,541,264</u>	<u>353,249,297</u>	<u>5,009,790,561</u>
Invested in capital assets, net of related debt	<u>\$ 487,966,906</u>	<u>\$ 392,112,044</u>	<u>\$ 880,078,950</u>

*Restricted assets consists of the following:*

Restricted assets			
Cash and cash equivalents	\$ 152,253,857	\$ 368,559,910	\$ 520,813,767
Passenger facility charges cash	54,564,484	-	54,564,484
Passenger facility charges receivable	6,422,745	-	6,422,745
Grants receivable	7,140,958	80,425,796	87,566,754
Long-term investments	451,355,340	92,127,111	543,482,451
Bond issuance costs, net	67,299,782	39,264,124	106,563,906
Prepaid expenses and other current assets	-	17,952	17,952
Investments	3,185,550	342,080,610	345,266,160
Total assets	<u>742,222,716</u>	<u>922,475,503</u>	<u>1,664,698,219</u>
Less: liabilities payable from restricted assets			
Accounts payable and accrued expenses	36,271,474	42,288,064	78,559,538
Accrued interest payable	57,660,321	14,536,406	72,196,727
Other liabilities	1,615,164	38,130	1,653,294
Interest rate swaps payable	69,187,075	-	69,187,075
Debt related to unspent bond proceeds	449,468,045	613,865,584	1,063,333,629
Total liabilities	<u>614,202,079</u>	<u>670,728,184</u>	<u>1,284,930,263</u>
Restricted net assets	<u>\$ 128,020,637</u>	<u>\$ 251,747,319</u>	<u>\$ 379,767,956</u>

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*Unrestricted assets consists of the following:*

	2009 Aviation Enterprise	2009 DCE	2009 Total Business- Type Activities
Current assets			
Cash and cash equivalents	\$ 47,928,844	\$ 31,476,254	\$ 79,405,098
Investments	266,348,779	-	266,348,779
Accounts receivables, net	35,140,477	113,643	35,254,120
Inventory	8,061,986	32,795	8,094,781
Prepaid expenses and other current assets	8,006,423	1,705,504	9,711,927
Total current assets	<u>365,486,509</u>	<u>33,328,196</u>	<u>398,814,705</u>
Long-term assets			
Long-term investments	65,005,339	-	65,005,339
Net pension assets and other post-employment benefits assets	3,528,691	-	3,528,691
Other long-term assets	16,553,865	-	16,553,865
Total unrestricted assets	<u>450,574,404</u>	<u>33,328,196</u>	<u>483,902,600</u>
Less: current liabilities			
Accounts payable and accrued expenses	71,688,570	4,419,033	76,107,603
Due to/due from other funds	(6,293,407)	6,293,407	-
Operating lease obligations	341,140	-	341,140
Total current liabilities	<u>65,736,303</u>	<u>10,712,440</u>	<u>76,448,743</u>
Less: Non-current liabilities			
Other liabilities	<u>1,160,156</u>	<u>5,698</u>	<u>1,165,854</u>
Unrestricted net assets	<u>\$ 383,677,943</u>	<u>\$ 22,610,059</u>	<u>\$ 406,288,003</u>

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

### Metropolitan Washington Airports Authority

*Invested in Capital Assets Net of Related Debt consists of the following:*

	2008 Aviation Enterprise	2008 DCE Enterprise	2008 Total Business- Type Activities
Long-term assets			
Land and other non-depreciable assets	\$ 121,734,710	\$ -	\$ 121,734,710
Construction in progress	1,776,370,046	-	1,776,370,046
Construction in progress, Metrorail project	-	362,322,546	362,322,546
Buildings, systems and equipment	4,508,943,236	166,963	4,509,110,199
Less: accumulated depreciation	(1,461,796,180)	(82,953)	(1,461,879,133)
Total capital assets	<u>4,945,251,812</u>	<u>362,406,556</u>	<u>5,307,658,368</u>
Less: related liabilities			
Current portion bonds payable	90,475,000	-	90,475,000
Bank participation notes/bond anticipation notes	432,000,000	84,869,016	516,869,016
Commercial paper notes	217,500,000	-	217,500,000
Bonds payable, net	3,784,462,649	-	3,784,462,649
Total liabilities	<u>4,524,437,649</u>	<u>84,869,016</u>	<u>4,609,306,665</u>
Invested in capital assets, net of related debt	<u>\$ 420,814,163</u>	<u>\$ 277,537,540</u>	<u>\$ 698,351,703</u>

*Restricted assets consists of the following:*

Restricted assets			
Cash and cash equivalents	\$ 170,767,057	\$ 114,300,144	\$ 285,067,201
Passenger facility charges, cash	12,604,557	-	12,604,557
Passenger facility charges and interest receivables	5,581,130	1,710	5,582,840
Grants receivable	23,906,251	15,690,443	39,596,694
Long-term investments	400,987,362	-	400,987,362
Bond issuance costs, net	60,712,709	25,081	60,737,790
Prepaid expenses and other current assets	-	848,277	848,277
Investments	3,902,129	-	3,902,129
Total assets	<u>678,461,195</u>	<u>130,865,655</u>	<u>809,326,850</u>
Less: liabilities payable from restricted assets			
Accounts payable and accrued expenses	65,398,716	39,550,490	104,949,206
Accrued interest payable	54,013,642	-	54,013,642
Other liabilities	3,106,529	-	3,106,529
Interest rate swaps payable	208,671,941	-	208,671,941
Debt related to unspent bond proceeds	253,028,130	54,272,181	307,300,311
Total liabilities	<u>584,218,958</u>	<u>93,822,671</u>	<u>678,041,629</u>
Restricted net assets	<u>\$ 94,242,237</u>	<u>\$ 37,042,984</u>	<u>\$ 131,285,221</u>

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

*Unrestricted assets consists of the following:*

	2008 Aviation Enterprise	2008 DCE Enterprise	2008 Total Business- Type Activities
Current assets			
Cash and cash equivalents	\$ 26,982,791	\$ 11,011,856	\$ 37,994,647
Investments	235,399,596	-	235,399,596
Accounts receivables, net	22,541,480	544,287	23,085,767
Inventory	6,796,319	-	6,796,319
Prepaid expenses and other current assets	7,812,490	3,821,244	11,633,734
Total current assets	<u>299,532,676</u>	<u>15,377,387</u>	<u>314,910,063</u>
Long-term assets			
Long-term investments	71,747,636	-	71,747,636
Net pension assets and other post-employment benefits asset	4,755,914	-	4,755,914
Other long-term assets	18,192,128	-	18,192,128
Total unrestricted assets	<u>394,228,354</u>	<u>15,377,387</u>	<u>409,605,741</u>
Less: current liabilities			
Accounts payable and accrued expenses	53,560,971	1,863,476	55,424,447
Due to/due from other funds	(7,413,995)	7,413,995	-
Operating lease obligations	341,140	-	341,140
Total current liabilities	<u>46,488,116</u>	<u>9,277,471</u>	<u>55,765,587</u>
Less: Non-current liabilities			
Debt related to unspent bond proceeds	<u>-</u>	<u>11,245,689</u>	<u>11,245,689</u>
Unrestricted net assets	<u>\$ 347,740,238</u>	<u>\$ (5,145,773)</u>	<u>\$ 342,594,465</u>

### N. LEASE COMMITMENTS

#### *Property Held for Lease*

The Airports Authority has entered into various operating leases with tenants for the use of space at the Airports Authority's facilities including buildings, terminals, and customer service areas. The lease terms include a minimum fixed fee as well as contingent fees based on the tenants' volume of business. All the leases provide for a periodic review and redetermination of the rental amounts. Minimum future rentals scheduled to be received on operating leases that have initial or remaining non-cancelable terms in excess of one year are:

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

Year ending December 31,

2010	\$ 338,072,111
2011	311,842,979
2012	311,635,364
2013	309,778,502
2014	298,799,719
2015 and thereafter	1,325,405,870
Total minimum future rentals	<u>\$ 2,895,534,545</u>

The above amounts do not include contingent rentals and fees in excess of minimums, which amounted to \$13.7 million for the year ended December 31, 2009. The portion of property associated with minimum rentals derived from operating leases was capitalized prior to June 7, 1987, and ownership was retained by the United States Government. Use of this property is provided to the Airports Authority under its operating lease with the United States Government. Accordingly, the cost of this property is not reflected in the financial statements of the Airports Authority.

On December 15, 2003, the operating period of the lease of land and provision for services to the Stephen F. Udvar-Hazy Center (the Center) began. The lease agreement grants the Smithsonian Institute the right to occupy, develop, operate, control and use the Center premises located on land at Dulles International and obtain services from the Airports Authority for police, fire, emergency, and ambulance needs. This lease expires in 2054. The operating period was preceded by a construction period. Commencing with the operating period the Smithsonian Institute will pay the Airports Authority for the services provided. The lease provides for periodic reconciliation payments and updated payments for services provided.

### ***Property Leased from Others***

On June 7, 1987, the United States Government transferred Reagan National's and Dulles International's real properties to the Airports Authority under a 50-year lease, with extensions negotiable. The lease was amended effective June 17, 2003, to extend the term from 50 to 80 years, with expiration date of June 6, 2067. Upon expiration of the lease, the Airports and facilities, including improvements, will be returned to the United States Government. The lease requires annual rental payments of \$3.0 million, with subsequent annual rental payments adjusted for inflation. The Airports Authority invests the monthly lease payments in repurchase agreements or certificates of deposit and makes semi-annual payments, including interest, to the United States Government. The 2009 and 2008 payments to the United States Government, including interest, total \$5,067,887 and \$4,973,788, respectively.

Minimum future rentals scheduled to be paid on the operating leases in effect on December 31, 2009, as calculated in 2009 dollars are:

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

<u>Year ending December 31,</u>	
2010	\$ 5,066,069
2011	5,066,069
2012	5,066,069
2013	5,066,069
2014	5,066,069
2015 and thereafter	268,501,671
Total minimum future rentals	<u>\$ 293,832,016</u>

Total rental expense for the years ended December 31, 2009 and 2008 were \$5.1 million and \$5.0 million, respectively.

On July 23, 2007, the Airports Authority entered into a lease with the California State Teachers' Retirement System for approximately 26,084 rentable square feet of office space located at 1593 Spring Hill Road, Vienna, Virginia, 22182. The rent commencement date was January 1, 2008, and the lease term expires on July 31, 2013. This office space is used by the Dulles Metrorail Project personnel and expenditures are capitalized as construction in progress.

The lease was amended on February 25, 2008, to extend the Airports Authority's one-time right of early termination from March 1, 2008 to June 1, 2008. The lease was further amended on September 25, 2009, to add approximately 5,949 rentable square feet, and extending the lease term until February 28, 2014. The rent commencement date on the additional 5,949 rentable square feet was January 1, 2010.

The 2009 and 2008 capitalized expenditures related to the space leased from the California State Teachers' Retirement System totaled \$885 thousand and \$861 thousand, respectively. Minimum future rent payments, as calculated in 2009 dollars are:

<u>Year Ending December 31,</u>	
2010	\$ 1,076,360
2011	1,108,650
2012	1,141,910
2013	662,264
2014	27,899
Total minimum future rentals	<u>\$ 4,017,083</u>

### O. OTHER COMMITMENTS AND CONTINGENCIES

At December 31, 2009, the Aviation Enterprise had outstanding commitments for capital expenditures in connection with its CCP in the amount of \$265.7 million and the DCE had \$1.4 billion in outstanding commitments for capital expenditures associated with its Dulles Metrorail Project. However, services have not been provided as of December 31, 2009, and accordingly no liability has been recorded in the accompanying financial statements.

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

### P. GOVERNMENT GRANTS

The Airports Authority receives, on a cost-reimbursement basis, grants from the United States government and the Commonwealth for certain operating and capital construction programs. As a recipient of federal and state financial assistance, the Airports Authority is responsible for maintaining an internal control structure that ensures compliance with all laws and regulations related to these programs. Total federal and state grant expenditures for the years ended December 31, 2009 and 2008 were \$349.8 million and \$90.6 million, respectively. All grant expenditures are subject to financial and compliance audits by the grantors as well as during the Airports Authority's annual Office of Management and Budget (OMB) A-133 Single Audit process. The Airports Authority estimates that no material disallowances will result from any such audits.

In fiscal years 2009 and 2008, the Airports Authority recognized federal and state grants for operating and capital programs as summarized below:

#### *Aviation Operating Programs*

	Award Remaining December 31, 2009	Award Recognized	
		2009	2008
Law Enforcement Officer Reimbursement Program	\$ 3,511,783	\$ 1,259,953	\$ 1,278,646
DHS TSA National Explosives Detection Canine Team Program	1,931,893	654,355	600,500
Drug Seizure Program (DEA)	-	238,256	132,902
Drug Seizure Program (Drug Funds)	-	217,426	614
Drug Seizure Program (ICE)	-	141,210	75,052
Department of Justice (Presidential Inaugural Activities)	-	103,051	-
Arlington County Grant (HIDTA Task Force)	-	43,902	14,254
Department of the Interior (Presidential Inaugural Activities)	-	15,416	-
Disaster Relief and Emergency Assistance	-	1,537	22,377
Contract Baggage Handler Demonstration Program	-	-	309,263
Homeland Security Grant Program	-	-	1,281
Bureau of Justice (Bulletproof Vest Partnership Program)	-	-	983

The Law Enforcement Officer Reimbursement Program offsets expenses incurred by the Airports Authority's Public Safety personnel serving a support role to the TSA. Explosives detection funds are used to offset the expense of training and caring for canines used in explosives detection. The Drug Enforcement Agency (DEA) Drug Seizures Program and the U.S. Customs Drug Seizures Program are collaborative efforts between the Agencies and the Airports Authority's police department wherein both entities share in the proceeds from the sale of confiscated items. The Airports Authority's proceeds may only be used for certain types of expenses defined by the DEA and Customs.

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Capital Programs

### Aviation Capital Program

	Award Remaining December 31, 2009	Award Recognized	
		2009	2008
Federal grants for construction - Runway Rehabilitation 1C/19C	\$ 7,472,051	\$ 14,345,894	\$ -
Federal grants for construction - 4th Runway	86,324,828	3,798,520	-
Federal grants for construction - SBB In-Line Baggage EDS Project	34,710,844	3,487,021	2,844,568
Federal grants for construction - Closed Circuit Television Camera Installation	11,368,889	386,285	-
Federal grants for construction - Runway Safety Area Improvement	291,136	133,667	-
Federal grants for construction - Under Vehicle Inspection System - Gatekeeper	-	7,500	-
State grants for construction - Virginia Department of Aviation	2,000,000	2,666,667	1,358,333

### DCE Capital Program

	Award Remaining December 31, 2009	Award Recognized	
		2009	2008
Federal grants for construction - Dulles Corridor Metrorail Project	\$ 691,043,702	\$ 192,375,293	\$ 84,155,512
State grants for construction - Commonwealth Transportation Bonds	66,586,913	50,000,000	-
Local funds for construction - Fairfax County	498,750,000	76,021,168	-
Build America Bonds - construction interest, and subsidy	-	4,067,398	-

The Airports Authority Aviation Enterprise Fund receives federal and state grants in support of its CCP. The federal programs, primarily through the FAA's Airport Improvement Program (AIP), including annual entitlement grants, provide funding for airport development, airport planning and noise compatibility programs from the Airports and Airways Trust Funds in the form of entitlement and discretionary grants for eligible projects. The Commonwealth also provides discretionary funds for capital programs.

The Airports Authority also participated in a pilot program with the TSA designed to improve the effectiveness of the TSA's baggage screening process.

The DCE Fund receives federal, state and county grants in support of its Dulles Metrorail Project. The federal program is primarily through the FTA.

## Q. LITIGATION

Legal counsel has advised that, while a number of claims in the normal course of business are outstanding, there were no matters outstanding which could have a material adverse effect on the financial statements of the Airports Authority.

## R. PASSENGER FACILITY CHARGES

As described in Note A, PFCs are collected in accordance with the FAA regulations allowing airports to impose a \$4.50 PFC. For the years ended December 31, 2009 and 2008, the Airports Authority earned PFCs of \$34.9 million and \$35.0 million for Reagan National, respectively, and \$43.6 million and \$43.4



## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

million for Dulles International, respectively. In accordance with the regulations, based on the approval date from the FAA and continuing through the PFC collection period, the FAA reduces the Airports Authority's share of entitlement grants by 75.0%.

### S. RISK MANAGEMENT

The Airports Authority is exposed to a variety of risks or losses related to operations (i.e., injuries to employees, injuries to members of the public or damage to their property, and damage to the Airports Authority's property). Since 2002, the Airports Authority has maintained accruals to finance its self-insured risk of loss. The Airports Authority purchases commercial insurance for claims in excess of amounts provided by these accounts.

All offices within the Airports Authority are covered under these accounts. The accruals are determined by the Risk Management Department based on insurance claim practices and actuarial estimates for prior and current-year claims. The overall accrual for losses is \$5.6 million and \$5.2 million as of December 31, 2009 and 2008, respectively, and is included in accounts payable and accrued expenses in the Statements of Net Assets. This is based on the requirements of GASB Statement No. 30, *Risk Financing Omnibus* (GASB 30), which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the claim liability accounts in fiscal years 2009 and 2008 and 2007 were:

Fiscal Year	Beginning Balance	Claims and Changes in Estimates	Claim Payments	Ending Balance
2007	\$4,478,933	\$2,475,680	\$1,682,027	\$5,272,586
2008	\$5,272,586	\$2,624,925	\$2,682,772	\$5,214,739
2009	\$5,214,739	\$4,027,539	\$3,657,577	\$5,584,701

Settlements did not exceed insurance coverage for the past three years.

### T. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

#### *Cash and Short Term Investments*

The carrying amount of cash and short-term investments approximates fair value because the maturity of those instruments is three months or less.

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

### ***Long-Term Investments***

For securities held as long-term investments, fair value equals quoted market prices, if available. If a quoted market price is not available, fair value is estimated based upon quoted market prices for securities with similar characteristics (see Note C).

### ***Long-Term Debt***

The fair value of the Airports Authority's long-term debt is estimated based on the quoted market prices for the same or similar issues or on the current rates offered to the Airports Authority for debt of the same remaining maturities. The carrying value of the Airports Authority's Bonds payable and CP Notes payable as of December 31, 2009, is \$6.1 billion with an estimated market value of \$6.2 billion.

### ***Interest Rate Swap***

The fair value of interest rate swaps is the estimated amount that the Airports Authority would pay (or receive) to terminate the Swap Agreements at the reporting date, taking into account current interest rates and the current creditworthiness of the swap counterparties (see Note D).

## **U. Voluntary Separation Incentive Program**

In 2009, the Airports Authority established a Voluntary Separation Incentive Program (VSIP) for up to forty-eight employees in its Mobile Lounge department at Dulles International. The VSIP offered each employee a one-time special payment allowance of \$25 thousand and the right to continue medical and dental benefits under the continuation health coverage provisions of Title X of the Consolidated Omnibus Budget Reconciliation Act of 1986 (COBRA) or, if eligible, enroll in the retiree medical and dental insurance plans upon separation from service. In exchange, the employee agreed to separation or retirement from the Authority within fourteen days following the date upon which the AeroTrain became operational. Forty-one employees entered into an agreement with the Airports Authority and fulfilled their obligations to the Airports Authority under the terms of this VSIP.

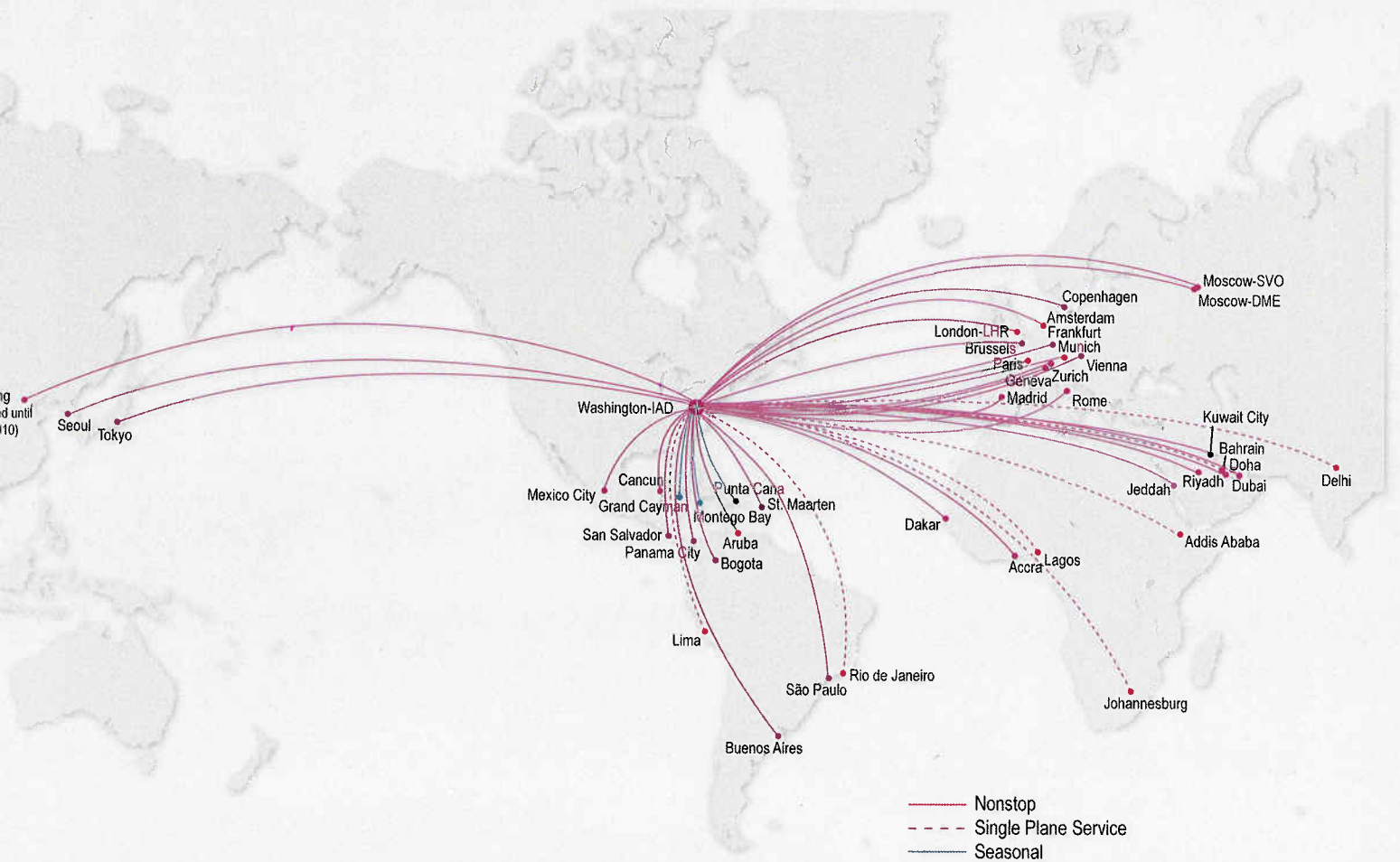
In accordance with GASB Statement No. 47, *Accounting for Termination Benefits* (GASB 47), as this was a voluntary termination agreement, a liability was established when the employees accepted the offer and the amounts could be determined. The total liability established was \$1.1 million and included the one-time special payment allowance and associated payroll taxes. No liability was established for the continuation of medical and dental benefits, as COBRA benefits are paid by the employee, less a 65.0% subsidy provided by the Federal government through the American Recovery and Reinvestment Act (ARRA) of 2009, as extended by the Temporary Extension Act of 2010, or through postemployment benefits for employees who retired (see Note J).

The liability of \$1.1 million was outstanding as of December 31, 2009.

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# INTERNATIONAL JET AIR SERVICE AT DULLES INTERNATIONAL

## Nonstop and Single Plane Cities Served to/from Dulles International



*Note: United to begin Baharain service via Kuwait City in iApril 2010, and Accra/Lagos service in May 2010.*

Source: OAG, March 15-21, 2010.



METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Statistical

This part of the Airports Authority's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements and note disclosures says about the Airports Authority's overall financial health.

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Metropolitan Washington Airports Authority

## Annual Revenues, Expenses and Changes in Net Assets

## Exhibit S-1

(Expressed in Thousands)

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>TOTAL REVENUES</b>										
OPERATING REVENUES										
Concessions	\$ 217,413.7	\$ 223,710.7	\$ 217,486.8	\$ 199,011.3	\$ 198,691.2	\$ 173,962.7	\$ 146,095.9	\$ 132,817.9	\$ 124,641.5	\$ 144,060.8
Tolls and other	64,893.6	10,416.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rents	193,736.1	171,331.3	167,301.0	156,164.1	153,865.1	143,389.8	130,802.7	127,555.0	122,382.1	119,658.5
Design fees	0.0	20,363.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Landing fees	96,934.6	82,289.6	78,682.5	73,375.4	76,359.1	76,274.3	67,637.2	63,967.4	55,780.4	58,757.5
Utility sales	13,227.2	13,348.6	11,778.8	11,249.0	10,934.6	12,035.2	11,868.0	10,589.1	12,322.8	13,113.0
Passenger fees	30,665.4	28,354.1	28,684.1	25,474.9	26,973.2	29,474.7	27,878.9	27,521.3	24,445.9	24,898.1
Other	6,476.6	11,547.4	6,542.9	5,893.9	10,398.5	7,149.4	5,355.6	6,387.3	7,242.3	10,006.6
<b>TOTAL OPERATING REVENUES</b>	<b>623,347.2</b>	<b>561,361.4</b>	<b>510,476.1</b>	<b>471,168.6</b>	<b>477,221.7</b>	<b>442,286.1</b>	<b>389,638.3</b>	<b>368,838.0</b>	<b>346,815.0</b>	<b>370,488.5</b>
<b>TOTAL EXPENSES</b>										
OPERATING EXPENSES										
Materials, equipment, supplies, contract services and other	172,720.3	172,282.3	182,096.1	151,009.8	142,107.4	130,127.5	134,105.4	123,970.3	113,922.6	106,389.7
Impairment loss/design costs	0.0	66,170.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Salaries and related benefits	144,210.3	136,720.6	128,465.3	113,870.9	113,878.1	98,858.6	95,192.2	91,748.0	84,481.6	78,970.5
Utilities	28,209.7	25,402.3	21,134.3	20,359.2	21,493.9	18,754.5	16,754.4	15,657.4	17,568.7	21,592.4
Lease from U.S. Government	5,066.1	4,958.3	4,830.1	4,689.9	4,505.4	4,375.4	4,303.8	4,238.2	4,169.3	4,058.4
Depreciation and amortization	182,352.9	160,265.0	142,030.3	133,106.4	132,424.5	126,177.8	114,950.5	105,035.8	99,325.7	93,726.6
<b>TOTAL OPERATING EXPENSES</b>	<b>532,559.3</b>	<b>565,798.7</b>	<b>478,556.1</b>	<b>423,036.2</b>	<b>414,409.3</b>	<b>378,293.8</b>	<b>365,306.3</b>	<b>340,649.7</b>	<b>319,467.9</b>	<b>304,737.6</b>
<b>OPERATING INCOME</b>	<b>90,787.9</b>	<b>(4,437.3)</b>	<b>31,920.0</b>	<b>48,132.4</b>	<b>62,812.4</b>	<b>63,992.3</b>	<b>24,332.0</b>	<b>28,188.3</b>	<b>27,347.1</b>	<b>65,750.9</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>										
Passenger facility charges, financing costs	(944.8)	(2,330.5)	(3,968.8)	(2,026.4)	(1,497.1)	(1,525.0)	(1,137.7)	(2,029.2)	(4,537.8)	(7,028.9)
Investment income	15,147.6	37,991.8	55,557.8	45,035.2	20,194.5	10,385.8	5,896.2	13,277.8	17,536.8	25,551.9
Interest expense	(144,510.1)	(122,984.3)	(111,534.1)	(96,999.8)	(103,561.3)	(89,368.8)	(95,610.1)	(98,256.1)	(93,132.4)	(96,627.0)
Federal compensation net of transfers	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,785.6	38,348.2	0.0
Fair value gain (loss) on swaps	104,466.9	(178,810.7)	(24,577.7)	(14,572.3)	1,205.8	(2,060.7)	5,572.3	(26,024.2)	(1,567.0)	0.0
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<b>(25,840.4)</b>	<b>(266,133.7)</b>	<b>(84,522.8)</b>	<b>(68,563.3)</b>	<b>(83,658.1)</b>	<b>(82,568.7)</b>	<b>(85,279.3)</b>	<b>(110,246.1)</b>	<b>(43,352.2)</b>	<b>(78,104.0)</b>
<b>GAIN (LOSS) BEFORE CAPITAL CONTRIBUTIONS (DISTRIBUTIONS)</b>	<b>64,947.5</b>	<b>(270,571.0)</b>	<b>(52,602.8)</b>	<b>(20,430.9)</b>	<b>(20,845.7)</b>	<b>(18,576.4)</b>	<b>(60,947.3)</b>	<b>(82,057.8)</b>	<b>(16,005.1)</b>	<b>(12,353.1)</b>
<b>CAPITAL CONTRIBUTIONS</b>										
Passenger facility charges	78,520.8	78,455.2	82,858.8	81,489.7	88,315.3	76,060.2	58,438.0	59,071.3	47,233.1	48,367.1
Federal and state grants	348,107.7	89,305.8	32,317.1	54,239.5	11,738.8	28,727.1	14,378.3	14,613.5	16,819.9	15,351.5
Other capital property acquired	2,327.7	272,072.6	3,498.2	1,231.6	0.0	0.0	6,044.9	0.0	237.2	0.0
<b>TOTAL CAPITAL CONTRIBUTIONS</b>	<b>428,956.2</b>	<b>439,833.6</b>	<b>118,674.1</b>	<b>136,960.8</b>	<b>100,054.1</b>	<b>104,787.3</b>	<b>78,861.2</b>	<b>73,684.8</b>	<b>64,290.2</b>	<b>63,718.6</b>
<b>INCREASE IN NET ASSETS</b>	<b>\$ 493,903.7</b>	<b>\$ 169,262.6</b>	<b>\$ 66,071.3</b>	<b>\$ 116,529.9</b>	<b>\$ 79,208.4</b>	<b>\$ 86,210.9</b>	<b>\$ 17,913.9</b>	<b>\$ (8,373.0)</b>	<b>\$ 48,285.1</b>	<b>\$ 51,365.5</b>
<b>NET ASSETS AT YEAR END COMPOSED OF:</b>										
Invested in capital assets, net of related debt	880,079.0	698,351.7	555,206.6	598,949.4	492,384.5	344,583.6	428,497.7	418,037.8	418,474.5	388,552.0
Restricted	379,768.0	131,285.2	114,983.4	46,083.3	65,337.7	170,526.4	36,158.3	34,646.5	44,033.5	53,927.3
Unrestricted	406,288.0	342,594.4	332,778.8	291,864.8	262,645.4	226,049.3	190,292.3	184,350.1	182,899.3	154,642.7
<b>TOTAL NET ASSETS</b>	<b>\$ 1,666,135.0</b>	<b>\$ 1,172,231.3</b>	<b>\$ 1,002,968.8</b>	<b>\$ 936,897.5</b>	<b>\$ 820,367.6</b>	<b>\$ 741,159.3</b>	<b>\$ 654,948.3</b>	<b>\$ 637,034.4</b>	<b>\$ 645,407.3</b>	<b>\$ 597,122.0</b>

Source: Authority's audited financial statements.

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Operating Expenses By Business Unit (Expressed in Thousands)

Exhibit S-2

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>NATIONAL</b>										
Materials, equipment, supplies, contract services, and other	\$ 43,901.1	\$ 49,004.0	\$ 58,393.0	\$49,285.6	\$44,273.9	\$43,028.1	\$42,379.1	\$41,932.7	\$38,775.9	\$39,825.9
Salaries and related benefits	56,326.6	56,184.0	53,294.8	47,818.9	47,660.8	41,725.6	40,221.7	38,727.9	35,314.3	33,439.0
Utilities	9,457.9	8,679.3	7,623.1	7,083.2	6,977.5	6,042.5	5,801.8	5,402.1	5,490.5	5,417.3
Travel	319.4	524.8	629.2	598.1	521.5	518.3	407.3	369.9	536.3	415.9
Insurance	3,898.4	4,116.5	4,448.7	3,463.5	3,715.0	3,790.6	3,936.5	2,718.5	1,558.8	1,550.1
Proceeds/loss from sale of capital asset	(121.7)	(132.0)	(45.1)	(67.8)	65.6	78.0	50.3	(321.6)	646.0	(269.6)
Non-Capitalized facility projects	715.2	635.1	1,926.3	1,535.9	1,699.9	1,054.6	222.8	794.5	710.1	1,077.3
Lease from U.S. Government	2,533.0	2,479.1	2,415.1	2,344.9	2,252.7	2,187.7	2,151.9	2,119.1	2,084.6	2,029.2
Depreciation and amortization	12,511.6	13,705.0	11,571.8	10,584.6	10,894.5	13,154.6	11,110.8	11,080.6	10,710.3	9,349.4
<b>Total National Expenses</b>	<b>\$129,541.5</b>	<b>\$135,195.8</b>	<b>\$140,256.9</b>	<b>\$122,646.9</b>	<b>\$118,061.4</b>	<b>\$111,580.0</b>	<b>\$106,282.2</b>	<b>\$102,823.7</b>	<b>\$95,826.8</b>	<b>\$92,834.5</b>
<b>DULLES</b>										
Materials, equipment, supplies, contract services, and other	\$ 83,773.3	\$ 82,344.3	\$ 87,758.6	\$82,318.7	\$76,630.2	\$70,323.6	\$68,998.1	\$65,348.7	\$56,719.3	\$55,616.5
Salaries and related benefits	83,660.1	80,164.6	75,067.2	65,992.3	66,090.0	57,018.3	54,749.8	52,802.3	48,619.6	44,981.1
Utilities	18,464.4	16,483.0	13,301.3	13,091.7	14,321.1	12,223.2	10,756.8	10,061.6	11,895.2	10,734.9
Travel	358.3	583.2	670.1	647.8	517.0	485.8	371.3	316.1	523.0	385.8
Insurance	3,898.4	4,116.4	4,448.7	3,463.5	3,715.5	3,790.6	3,936.5	2,718.5	1,558.8	1,550.1
Proceeds/loss from sale of capital asset	(115.8)	84.4	78.4	(24.2)	129.0	122.2	109.1	717.6	1,054.4	(333.4)
Non-Capitalized facility projects	188.0	900.0	1,583.4	740.6	601.5	556.0	630.1	102.8	182.5	302.6
Lease from U.S. Government	2,533.0	2,479.1	2,415.1	2,344.9	2,252.7	2,187.7	2,151.9	2,119.1	2,084.6	2,029.2
Depreciation and amortization	33,048.8	30,623.1	27,277.5	26,310.0	26,408.4	25,855.4	22,390.7	20,433.3	20,458.8	18,925.2
<b>Total Dulles Expenses</b>	<b>\$225,808.5</b>	<b>\$217,778.1</b>	<b>\$212,600.3</b>	<b>\$194,885.3</b>	<b>\$190,665.4</b>	<b>\$172,562.8</b>	<b>\$164,094.3</b>	<b>\$154,620.0</b>	<b>\$143,096.2</b>	<b>\$134,192.0</b>
<b>DULLES CORRIDOR ENTERPRISE FUND</b>										
Materials, equipment, supplies, contract services, and other	\$ 24,836.9	\$10,028.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Salaries and related benefits	4,071.4	212.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Utilities	68.0	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Depreciation and amortization	1,118.5	8.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Dulles Corridor Enterprise Fund</b>	<b>\$30,094.8</b>	<b>\$10,248.9</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>WASHINGTON FLYER</b>										
Washington Flyer expenses	\$0.0	\$0.0	\$0.0	\$176.5	\$1,428.6	\$1,359.7	\$1,477.1	\$1,897.9	\$4,682.8	\$5,420.6
<b>Total Washington Flyer Expenses</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$176.5</b>	<b>\$1,428.6</b>	<b>\$1,359.7</b>	<b>\$1,477.1</b>	<b>\$1,897.9</b>	<b>\$4,682.8</b>	<b>\$5,420.6</b>
<b>WASHINGTON FLYER MAGAZINE<sup>1</sup></b>										
Washington Flyer Magazine expenses	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$352.0	\$905.8	\$728.5	\$1,506.8	\$1,982.2
<b>Total Washington Flyer Magazine Expenses</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$352.0</b>	<b>\$905.8</b>	<b>\$728.5</b>	<b>\$1,506.8</b>	<b>\$1,982.2</b>
<b>BOND FUNDS</b>										
Financing expenses	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$13.1	\$37.5	\$75.0	\$0.0
Legal fees	0.0	0.0	0.0	0.0	0.0	0.0	1,434.0	0.0	0.0	0.0
Materials, Equipment, Supplies										
Contract services, and other	2,677.6	74,913.7	3,400.9	2,425.6	1,469.5	(568.0)	2,712.5	0.0	0.0	0.0
Non-Cash expenses	0.0	3,057.2	12,708.7	0.0	0.0	0.0	0.0	43.5	178.9	(1.0)
Non-Capitalized facility projects	2,886.1	1,960.3	242.4	652.2	1,606.9	190.8	269.6	0.0	0.0	0.0
Depreciation and amortization	135,036.3	115,291.0	102,538.1	95,543.0	94,316.9	86,345.2	80,628.8	72,613.9	66,895.3	64,398.7
<b>Total Bond Expenses</b>	<b>\$140,600.0</b>	<b>\$195,222.2</b>	<b>\$118,890.1</b>	<b>\$98,620.8</b>	<b>\$97,393.3</b>	<b>\$85,968.0</b>	<b>\$85,058.0</b>	<b>\$72,694.9</b>	<b>\$67,149.2</b>	<b>\$64,397.7</b>
<b>TELECOMMUNICATIONS</b>										
Telephone expenses	\$5,083.6	\$5,606.8	\$5,361.9	\$5,441.5	\$5,558.6	\$5,324.8	\$6,257.8	\$6,213.1	\$5,917.2	\$5,039.3
<b>Total Telecommunication Exp</b>	<b>\$5,083.6</b>	<b>\$5,606.8</b>	<b>\$5,361.9</b>	<b>\$5,441.5</b>	<b>\$5,558.6</b>	<b>\$5,324.8</b>	<b>\$6,257.8</b>	<b>\$6,213.1</b>	<b>\$5,917.2</b>	<b>\$5,039.3</b>
<b>FAA AIR TRAFFIC CONTROL TOWER<sup>3</sup></b>										
Air Traffic Control Tower expenses	\$232.0	\$340.7	\$213.2	\$30.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Air Traffic Control Tower Exp.</b>	<b>\$232.0</b>	<b>\$340.7</b>	<b>\$213.2</b>	<b>\$30.6</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>JP MORGAN CHASE BUILDING<sup>2</sup></b>										
JP Morgan Chase Building Expenses	\$1,198.9	\$1,406.1	\$1,233.7	\$1,234.6	\$1,302.0	\$1,146.5	\$1,231.1	\$1,671.5	\$1,288.8	\$871.3
<b>Total JP Morgan Chase Building Exp</b>	<b>\$1,198.9</b>	<b>\$1,406.1</b>	<b>\$1,233.7</b>	<b>\$1,234.6</b>	<b>\$1,302.0</b>	<b>\$1,146.5</b>	<b>\$1,231.1</b>	<b>\$1,671.5</b>	<b>\$1,288.8</b>	<b>\$871.3</b>
<b>TOTAL EXPENSES</b>	<b>\$532,559.3</b>	<b>\$565,798.7</b>	<b>\$478,556.1</b>	<b>\$423,036.2</b>	<b>\$414,409.3</b>	<b>\$378,293.8</b>	<b>\$365,306.3</b>	<b>\$340,649.6</b>	<b>\$319,467.8</b>	<b>\$304,737.6</b>

<sup>1</sup> The Authority converted the Washington Flyer Magazine Program to a management contract in 2005. Separate reporting has been discontinued.

<sup>2</sup> JP Morgan Chase Building is inclusive of all expense classifications.

<sup>3</sup> FAA Air Traffic Control Tower completed in 2006.



# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Revenues By Source (Expressed in Thousands)

Exhibit S-3

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>NATIONAL</b>										
Airline:										
Rents	\$ 75,177.7	\$ 66,111.6	\$ 67,234.2	\$63,938.0	\$63,568.0	\$62,236.9	\$53,802.5	\$60,453.8	\$62,948.2	\$60,659.8
Landing fees	32,928.4	32,290.2	30,149.2	32,057.9	29,445.5	31,328.2	26,455.0	27,527.4	25,548.0	28,392.1
Passenger fees/Security	0.0	0.0	0.0	0.0	0.0	0.0	0.0	597.0	2,496.4	1,943.4
<b>Total Airline Revenues</b>	<b>\$108,106.1</b>	<b>\$98,401.8</b>	<b>\$97,383.4</b>	<b>\$95,995.9</b>	<b>\$93,013.5</b>	<b>\$93,565.1</b>	<b>\$80,257.5</b>	<b>\$88,578.2</b>	<b>\$90,992.6</b>	<b>\$90,995.3</b>
Non-Airline:										
Concessions:										
Parking	\$ 41,764.0	\$ 43,980.2	\$ 44,569.9	\$40,459.6	\$37,647.4	\$35,285.0	\$32,381.8	\$26,236.4	\$27,289.8	\$32,954.1
Rental cars	23,248.3	20,736.1	19,432.8	16,411.3	16,065.9	14,566.0	15,189.2	14,239.8	9,627.4	13,232.6
Terminal concessions										
Food and beverage	7,109.1	7,117.4	6,801.0	6,359.5	4,906.5	3,185.5	3,213.8	2,677.0	1,582.3	2,645.9
News stands	2,733.7	2,731.8	2,558.1	2,228.8	1,951.2	1,736.4	1,653.8	1,653.1	726.2	1,514.7
Retail	2,474.8	2,531.5	2,564.3	2,601.7	2,763.8	2,493.4	1,894.1	1,640.7	1,465.7	2,115.6
Display advertising	4,121.5	4,105.4	3,715.3	3,072.0	3,150.0	3,150.0	3,170.5	2,229.0	2,194.6	855.0
Ground transportation <sup>2</sup>	3,731.5	3,183.1	3,373.4							
Services	413.5	576.7	239.9	219.3	201.9	192.3	208.9	216.5	53.4	337.4
Inflight catering	719.9	752.0	766.5	784.3	785.5	787.6	735.4	1,149.1	1,811.6	1,907.0
Fixed base operator	739.9	282.1	205.5	134.9	0.0	0.0	0.0	473.4	1,591.7	2,433.3
Duty free	49.7	52.8	40.9	36.3	33.3	19.7	0.0	0.1	2.8	6.2
All other	323.3	320.2	321.5	3,521.6	3,720.1	3,330.4	2,734.2	2,858.0	2,135.9	3,117.1
<b>Total Concessions</b>	<b>\$87,429.2</b>	<b>\$86,369.3</b>	<b>\$84,589.1</b>	<b>\$75,829.3</b>	<b>\$71,225.6</b>	<b>\$64,746.3</b>	<b>\$61,181.7</b>	<b>\$53,373.1</b>	<b>\$48,481.4</b>	<b>\$61,118.9</b>
Rents	8,018.4	7,541.2	7,254.0	7,267.2	8,424.7	9,055.5	6,570.7	4,588.1	3,308.4	7,219.3
Security	866.3	878.3	888.3	898.1	854.8	843.3	1,083.0	1,197.0	0.0	0.0
Utility sales	2,401.6	2,240.1	1,990.1	1,886.5	1,939.9	1,744.7	1,731.4	1,516.1	2,216.8	3,175.6
Other	1,849.0	2,651.3	1,695.5	1,553.5	4,083.1	1,650.5	694.1	1,273.1	1,235.0	1,679.9
<b>Total Non-Airline Revenue</b>	<b>\$100,564.5</b>	<b>\$99,680.2</b>	<b>\$96,417.0</b>	<b>\$87,434.6</b>	<b>\$86,528.1</b>	<b>\$78,040.3</b>	<b>\$71,260.9</b>	<b>\$61,947.4</b>	<b>\$55,241.6</b>	<b>\$73,193.7</b>
<b>Total National Revenues</b>	<b>\$208,670.6</b>	<b>\$198,082.0</b>	<b>\$193,800.4</b>	<b>\$183,430.5</b>	<b>\$179,541.6</b>	<b>\$171,605.4</b>	<b>\$151,518.4</b>	<b>\$150,525.6</b>	<b>\$146,234.2</b>	<b>\$164,189.0</b>
<b>DULLES</b>										
Airline:										
Rents	\$ 88,820.3	\$ 78,287.5	\$ 74,974.8	\$71,961.8	\$69,886.1	\$62,372.3	\$62,281.5	\$55,332.7	\$48,685.3	\$46,686.0
Landing fees	64,006.2	49,999.3	48,533.3	41,317.6	46,913.6	44,946.1	41,182.2	36,440.0	30,232.4	30,365.4
International Arrival Building fees	11,897.4	9,372.0	9,100.2	9,394.9	8,849.9	12,295.1	12,768.8	10,526.6	10,107.2	9,274.6
Passenger Fees	17,508.0	17,703.5	18,294.4	14,777.1	16,874.0	15,950.3	12,477.8	13,256.1	11,842.3	13,680.0
Design Fees	0.0	20,361.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Airline Revenues</b>	<b>\$182,231.9</b>	<b>\$175,723.5</b>	<b>\$150,902.7</b>	<b>\$137,451.4</b>	<b>\$142,523.6</b>	<b>\$135,563.8</b>	<b>\$128,710.3</b>	<b>\$115,555.4</b>	<b>\$100,867.2</b>	<b>\$100,006.0</b>
Non-Airline:										
Concessions:										
Parking	\$ 65,957.7	\$ 71,125.6	\$ 71,958.9	\$ 68,608.0	\$ 75,769.0	\$64,396.8	\$47,408.0	\$42,923.2	\$39,942.8	\$46,411.9
Rental cars	15,616.9	15,213.1	14,985.7	13,790.7	14,484.9	13,458.5	11,313.6	11,410.8	11,686.7	13,177.5
Terminal concessions										
Food and beverage	8,517.8	8,742.7	8,184.7	6,396.0	5,719.5	4,677.3	3,724.1	3,563.1	3,557.6	3,751.0
News stands	4,130.1	4,081.0	3,555.7	3,259.8	3,328.1	2,772.5	1,551.6	1,441.5	1,431.6	1,442.1
Retail	2,562.4	2,576.8	2,676.1	2,429.6	2,539.7	2,195.2	1,537.8	1,384.1	1,802.8	1,477.8
Display advertising	4,122.3	4,119.8	3,640.7	3,228.0	3,150.0	3,150.0	3,171.9	3,203.2	3,350.0	645.0
Ground transportation <sup>2</sup>	3,181.6	3,185.6	1,410.6							
Services	4,992.6	5,515.2	5,374.0	5,372.2	5,293.9	4,682.8	4,195.0	3,867.1	4,073.3	4,058.9
Inflight catering	5,985.2	6,120.9	5,476.0	4,882.3	4,682.9	4,761.3	4,470.3	5,079.0	5,268.6	5,499.3
Fixed base operator	11,613.1	12,430.0	11,779.6	10,448.7	7,602.8	4,802.7	4,381.6	3,546.9	2,646.6	2,414.5
Duty free	2,831.4	3,757.5	3,381.5	2,892.4	3,133.1	2,700.0	2,016.9	1,732.3	1,916.6	2,455.2
All other	473.4	473.3	474.2	1,843.5	1,464.1	1,373.4	926.4	1,166.1	100.1	1,101.5
<b>Total Concessions</b>	<b>\$129,984.5</b>	<b>\$137,341.5</b>	<b>\$132,897.7</b>	<b>\$123,151.2</b>	<b>\$127,168.0</b>	<b>\$108,970.5</b>	<b>\$84,697.2</b>	<b>\$79,317.3</b>	<b>\$75,776.7</b>	<b>\$82,434.7</b>
Rents	\$ 20,374.70	\$17,948.5	\$ 15,346.8	\$ 11,396.1	\$ 10,358.8	\$ 8,066.0	\$ 6,117.7	\$ 4,888.4	\$ 4,943.3	\$ 3,987.5
Security	393.7	400.4	401.2	404.8	394.4	386.0	1,549.3	1,944.7	0.0	0.0
Utility sales	6,694.5	6,776.1	5,526.7	5,462.4	5,322.2	4,950.1	4,775.5	4,586.8	4,261.6	4,305.0
Other	4,609.3	9,048.5	4,694.7	4,254.1	4,668.6	3,884.3	2,980.6	3,058.9	2,606.0	3,299.5
<b>Total Non-Airline Revenues</b>	<b>\$162,056.7</b>	<b>\$171,515.0</b>	<b>\$158,867.1</b>	<b>\$144,668.6</b>	<b>\$147,912.0</b>	<b>\$126,256.9</b>	<b>\$100,120.3</b>	<b>\$93,796.1</b>	<b>\$87,587.9</b>	<b>\$94,026.7</b>
<b>Total Dulles Revenues</b>	<b>\$344,288.6</b>	<b>\$347,238.5</b>	<b>\$309,769.8</b>	<b>\$282,120.0</b>	<b>\$290,435.6</b>	<b>\$261,820.7</b>	<b>\$228,830.6</b>	<b>\$209,351.5</b>	<b>\$188,455.1</b>	<b>\$194,032.7</b>
<b>DULLES CORRIDOR ENTERPRISE FUND</b>										
Tolls and other	\$64,893.5	\$10,416.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Dulles Corridor Enterprise Fund</b>	<b>\$64,893.5</b>	<b>\$10,416.5</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>WASHINGTON FLYER</b>										
Ground Transportation:										
Rents	\$0.0	\$0.0	\$0.0	\$5.6	\$67.2	\$67.2	\$67.2	\$67.2	\$67.2	\$63.3
Concessions	0.0	0.0	0.0	30.8	297.6	245.9	217.0	127.5	383.3	500.0
Ground Transportation - other	0.0	0.0	0.0	82.1	1,642.2	1,262.6	958.8	1,081.6	2,250.4	3,431.8
<b>Total Ground Transportation</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$118.5</b>	<b>\$2,007.0</b>	<b>\$1,575.7</b>	<b>\$1,243.0</b>	<b>\$1,276.3</b>	<b>\$2,700.9</b>	<b>\$3,995.1</b>
Magazine										
Advertising - other	\$0.0	\$0.0	\$0.0	\$0.0	\$4.7	\$352.0	\$722.1	\$974.1	\$1,151.0	\$1,576.1
<b>Total Magazine Revenues</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$4.7</b>	<b>\$352.0</b>	<b>\$722.1</b>	<b>\$974.1</b>	<b>\$1,151.0</b>	<b>\$1,576.1</b>
<b>TELECOMMUNICATIONS</b>										
<b>Total Telephone Revenues</b>	<b>\$4,119.3</b>	<b>\$4,179.9</b>	<b>\$4,414.7</b>	<b>\$3,900.0</b>	<b>\$3,673.6</b>	<b>\$5,345.7</b>	<b>\$5,361.0</b>	<b>\$4,485.5</b>	<b>\$5,835.7</b>	<b>\$5,632.7</b>
<b>VASTERA BUILDING</b>										
<b>Total Vastera Bldg. Revenues<sup>1</sup></b>	<b>\$1,375.0</b>	<b>\$1,444.5</b>	<b>\$2,491.2</b>	<b>\$1,599.6</b>	<b>\$1,559.2</b>	<b>\$1,586.6</b>	<b>\$1,963.1</b>	<b>\$2,225.0</b>	<b>\$2,438.1</b>	<b>\$1,062.9</b>
<b>TOTAL REVENUES</b>	<b>\$623,347.0</b>	<b>\$561,361.4</b>	<b>\$510,476.1</b>	<b>\$471,168.6</b>	<b>\$477,221.7</b>	<b>\$442,286.1</b>	<b>\$389,638.2</b>	<b>\$368,838.0</b>	<b>\$346,815.0</b>	<b>\$370,488.5</b>

<sup>1</sup> Vastera Building revenues include rents and utilities.

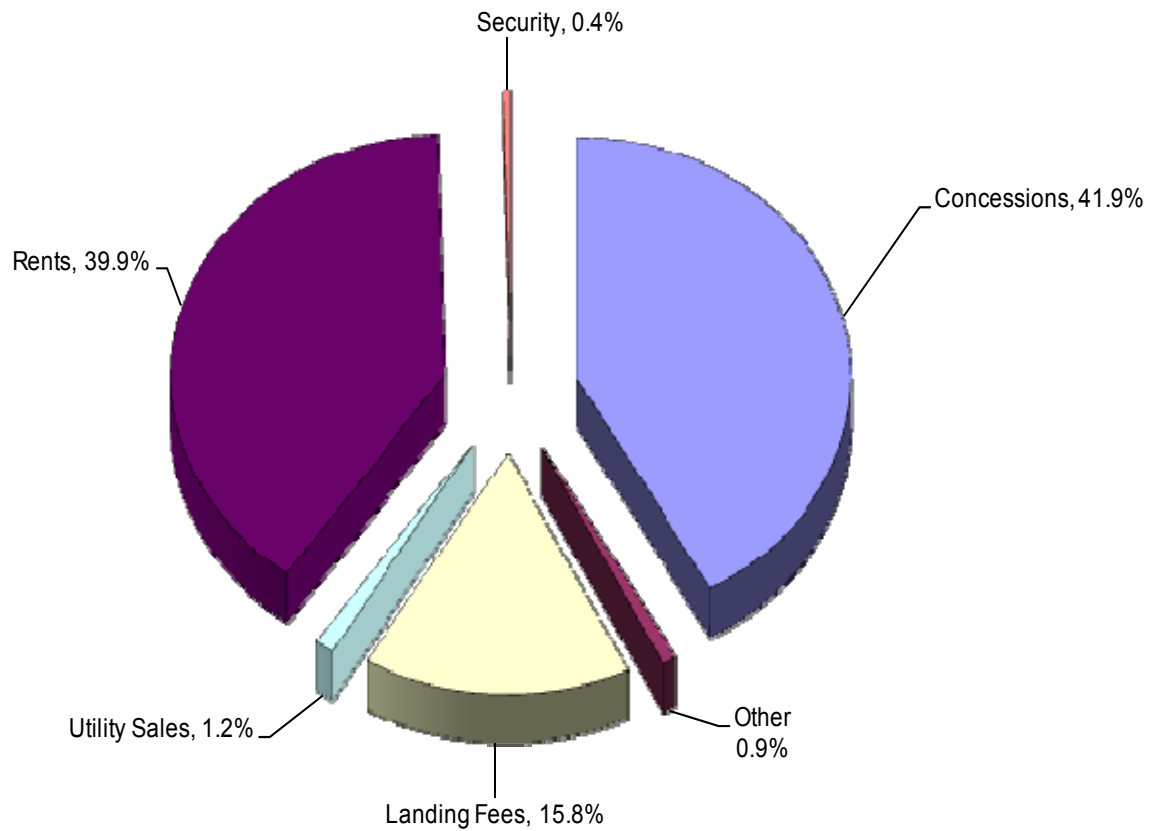
<sup>2</sup> Ground transportation was reported as other revenue in years prior to 2007

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

### 2009 Ronald Reagan Washington National Airport Revenues

Exhibit S-4

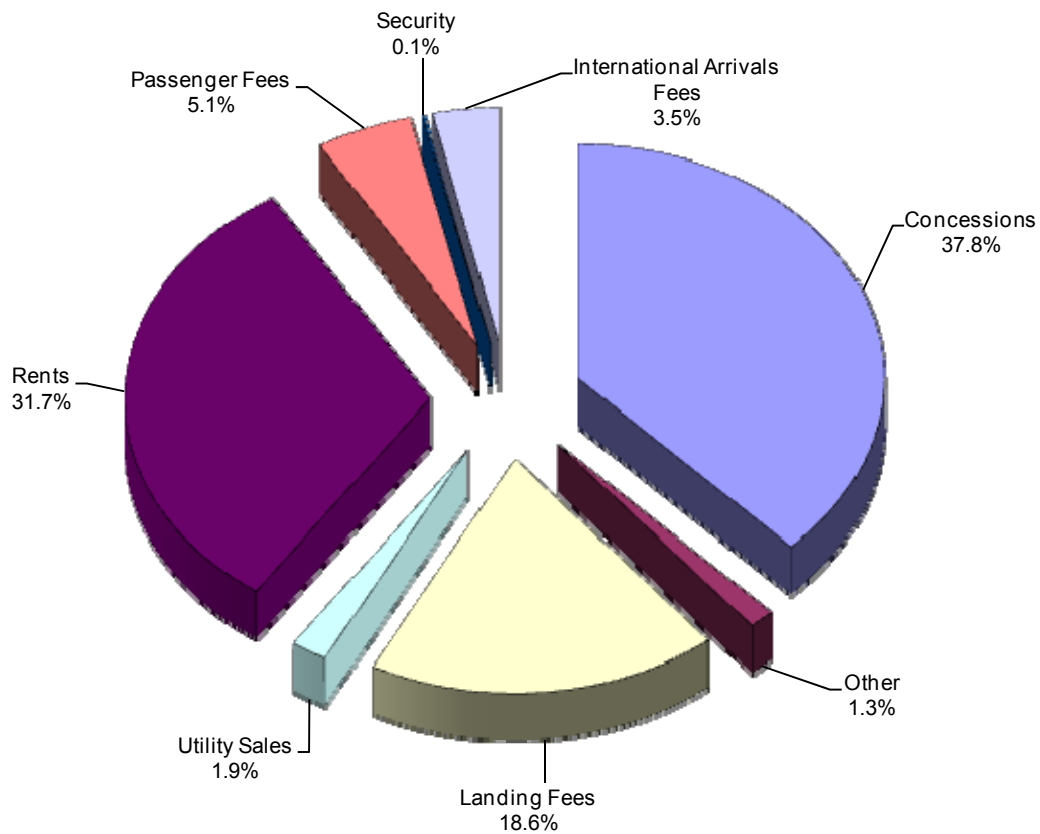


# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## 2009 Washington Dulles International Airport Revenues

Exhibit S-5



# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Scheduled Airlines Rates and Charges

## Exhibit S-6

### Ronald Reagan Washington National Airport

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>Signatory Airline Rates</b>										
Landing Fee	\$ 2.81	\$ 2.55	\$ 2.34	\$ 2.26	\$ 2.16	\$ 2.41	\$ 2.34	\$ 2.65	\$ 2.68	\$ 2.12
Signatory Airline Cost Per Enplanement	\$ 12.49	\$ 10.95	\$ 10.51	\$ 10.02	\$ 10.22	\$ 11.84	\$ 11.29	\$ 12.12	\$ 14.16	\$ 11.65
Terminal A - Average Rate	\$ 111.55	\$ 103.47	\$ 100.73	\$ 84.22	\$ 68.76	\$ 69.46	\$ 57.10	\$ 65.53	\$ 85.07	\$ 102.63
Terminal B & C - Average Rate	\$ 180.68	\$ 162.87	\$ 169.51	\$ 156.22	\$ 150.16	\$ 150.44	\$ 125.49	\$ 116.43	\$ 121.14	\$ 138.54
Type 6 - Covered/Unenclosed	\$ 5.35	\$ 6.00	\$ 5.85	\$ 5.68	\$ 5.49	\$ 5.21	\$ 5.09	\$ 5.32	\$ 5.28	\$ 5.15
Type 7 - Uncovered/Unenclosed	\$ 1.34	\$ 1.50	\$ 1.46	\$ 1.42	\$ 1.37	\$ 1.30	\$ 1.27	\$ 1.33	\$ 1.32	\$ 1.29
<b>NonSignatory Airline Rates</b>										
General Aviation Landing Fees	\$ 2.93	\$ 2.89	\$ 2.82	\$ 2.66	\$ 2.40	\$ 2.80	\$ 2.45	\$ 3.01	\$ 2.94	\$ 2.34
Landing Fees	\$ 3.66	\$ 3.61	\$ 3.52	\$ 3.33	\$ 3.00	\$ 2.80	\$ 2.45	\$ 3.01	\$ 2.94	\$ 2.34
Terminal A	\$ 111.15	\$ 106.40	\$ 115.79	\$ 92.79	\$ 84.81	\$ 92.93	\$ 76.79	\$ 95.00	\$ 96.47	\$ 85.20
Terminal B & C	\$ 199.45	\$ 185.11	\$ 193.36	\$ 172.31	\$ 169.93	\$ 167.07	\$ 154.56	\$ 162.83	\$ 158.83	\$ 155.67

### Washington Dulles International Airport

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>Signatory Airline Rates</b>										
Landing Fee	\$ 3.14	\$ 2.60	\$ 2.37	\$ 2.06	\$ 2.00	\$ 2.52	\$ 2.82	\$ 2.39	\$ 1.78	\$ 1.45
Signatory Airline Cost Per Enplanement	\$ 14.21	\$ 13.11	\$ 12.11	\$ 11.57	\$ 10.40	\$ 12.34	\$ 13.30	\$ 12.81	\$ 11.30	\$ 8.48
Concourse C&D	\$ 38.37	\$ 29.14	\$ 31.43	\$ 29.48	\$ 29.32	\$ 35.39	\$ 33.27	\$ 31.01	\$ 30.93	\$ 22.61
Concourse B	\$ 62.18	\$ 55.94	\$ 70.48	\$ 61.39	\$ 69.94	\$ 65.24	\$ 62.53	\$ 60.32	\$ 61.04	\$ 45.23
Main Terminal	\$ 142.72	\$ 131.84	\$ 129.23	\$ 125.19	\$ 128.72	\$ 120.69	\$ 103.97	\$ 93.32	\$ 94.44	\$ 85.49
Concourse A	\$ 144.38	\$ 142.05	\$ 144.59	\$ 80.36	\$ 54.22	\$ 65.53	\$ 52.56	\$ 46.35	\$ 44.85	\$ 46.93
Z-Gates	\$ 57.82	\$ 81.33	\$ 258.65	\$ 177.24	\$ 173.82	N/A	N/A	N/A	N/A	N/A
Type 6 - Covered/Unenclosed	\$ 5.35	\$ 6.00	\$ 5.85	\$ 5.68	\$ 5.49	\$ 5.21	\$ 5.09	\$ 5.32	\$ 5.28	\$ 5.15
Type 7 - Uncovered/Unenclosed	\$ 1.34	\$ 1.50	\$ 1.46	\$ 1.42	\$ 1.37	\$ 1.30	\$ 1.27	\$ 1.33	\$ 1.32	\$ 1.29
Airside Operations Building	\$ 25.28	\$ 19.97	\$ 21.52	\$ 20.89	\$ 12.60	\$ 10.11	\$ 14.34	\$ 14.16	\$ 16.62	\$ 12.37
International Arrivals Building	\$ 4.10	\$ 3.53	\$ 3.61	\$ 4.09	\$ 4.50	\$ 5.57	\$ 5.68	\$ 5.49	\$ 5.80	\$ 3.82
Apron Operations Building	N/A	N/A	N/A	N/A	N/A	\$ 15.25	\$ 10.90	\$ 14.39	\$ (1.66)	\$ 9.66
Concourse C International Arrival Building	\$ 2.98	\$ 1.78	\$ 2.04	\$ 2.33	\$ 1.73	\$ 6.53	\$ 6.79	\$ 6.30	\$ 5.55	\$ 5.69
Passenger Conveyance	\$ 1.39	\$ 1.26	\$ 1.34	\$ 1.37	\$ 1.34	\$ 1.32	\$ 1.29	\$ 1.38	\$ 1.39	\$ 1.39
<b>NonSignatory Airline Rates</b>										
General Aviation Landing Fees	\$ 4.32	\$ 3.54	\$ 3.20	\$ 2.90	\$ 2.71	\$ 2.43	\$ 3.05	\$ 2.53	\$ 2.16	\$ 1.90
Landing Fees	\$ 5.68	\$ 4.66	\$ 4.21	\$ 3.81	\$ 3.57	\$ 2.43	\$ 3.05	\$ 2.53	\$ 2.16	\$ 1.90
Concourse C&D	\$ 54.98	\$ 46.74	\$ 47.65	\$ 45.32	\$ 42.08	\$ 37.96	\$ 38.43	\$ 43.65	\$ 38.33	\$ 40.10
Concourse B	\$ 81.87	\$ 67.80	\$ 83.61	\$ 75.21	\$ 74.24	\$ 54.12	\$ 63.32	\$ 69.96	\$ 67.16	\$ 55.92
Main Terminal	\$ 210.52	\$ 202.98	\$ 193.65	\$ 179.29	\$ 174.62	\$ 138.24	\$ 128.58	\$ 128.72	\$ 121.67	\$ 113.54
International Arrivals Building	\$ 5.28	\$ 4.74	\$ 4.72	\$ 5.25	\$ 5.86	\$ 5.65	\$ 6.75	\$ 6.57	\$ 7.45	\$ 5.68
Concourse C International Arrival Building	\$ 4.80	\$ 3.43	\$ 3.81	\$ 4.31	\$ 4.31	\$ 7.33	\$ 9.05	\$ 6.64	\$ 6.53	\$ 6.91
Concourse A	\$ 195.45	\$ 185.13	\$ 145.13	\$ 103.08	\$ 72.46	\$ 73.69	\$ 64.23	\$ 47.68	\$ 44.89	\$ 44.18
Z-Gates	\$ 187.23	\$ 178.91	\$ 282.72	\$ 226.76	\$ 173.82	N/A	N/A	N/A	N/A	N/A
Passenger Conveyance	\$ 2.02	\$ 2.02	\$ 1.92	\$ 1.74	\$ 1.61	\$ 1.54	\$ 1.73	\$ 1.86	\$ 1.61	\$ 1.63

Note\* Rates and Charges are calculated pursuant to the formulas set forth in the Airport Use Agreement and Premises Lease.

The agreement provides the calculation of the annual rates and charges, with rate adjustments at midyear, or any time revenues fall 5% or more below projections.

Note\* Rates as presented are average rates as calculated at settlement.

Source: Authority's rates and charges reports.

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Ratios Of Outstanding Debt

	2009	2008	2007	2006
<b>Outstanding Debt per Enplaned Passenger</b>				
Outstanding debt by type:				
General Airport Revenue Bonds (GARB)	\$ 4,891,009,311	\$ 4,127,965,779	\$ 3,962,873,327	\$ 3,483,377,453
Commercial Paper	215,000,000	217,500,000	260,000,000	200,000,000
Bond Anticipation Commercial Paper Notes	-	-	-	-
PFC Bank Participation Notes	-	432,000,000	432,000,000	400,000,000
Total Outstanding Debt	5,106,009,311	4,777,465,779	4,654,873,327	4,083,377,453
Enplaned Passengers	20,386,222	20,927,041	21,681,123	20,739,630
Outstanding Debt per Enplaned Passenger	\$ 250.46	\$ 228.29	\$ 214.70	\$ 196.89
<b>Debt Service Per Enplaned Passenger</b>				
Net Debt Service (1)	\$ 230,189,688	\$ 206,726,464	\$ 185,377,198	\$ 163,354,637
Enplaned Passengers	20,386,222	20,927,041	21,681,123	20,739,630
Debt Service per Enplaned Passenger	\$ 11.29	\$ 9.88	\$ 8.55	\$ 7.88
<b>Pledged Revenue Coverage - Flexible Term PFC Notes (Bank Participation Notes) (2)</b>				
Passenger Facility Revenues	\$ 78,520,764	\$ 78,455,218	\$ 82,858,846	\$ 81,489,704
Passenger Facility Interest Earnings	18,058	129,913	632,066	1,902,938
Net Available Revenues	\$ 78,538,822	\$ 78,585,131	\$ 83,490,912	\$ 83,392,642
Outstanding Bank Participation Notes	-	432,000,000	432,000,000	400,000,000
Total Available	-	495,900,000	495,900,000	495,900,000
10% of Outstanding	-	43,200,000	43,200,000	40,000,000
Loan Fees & Interest Expense	3,492,011	11,491,243	16,999,845	15,245,780
Total Debt Coverage Requirements	\$ 3,492,011	\$ 54,691,243	\$ 60,199,845	\$ 55,245,780
Debt Service Coverage	22.49	1.44	1.39	1.51
Less Passenger Facility Expenditures	\$ 30,802,034	\$ 81,034,757	\$ 114,367,332	\$ 181,693,023

(1) Debt Service paid from operating accounts. Net Debt Service does not include debt service paid from bond funds for capitalized interest and debt service paid from interest earnings.

(2) The Airports Authority issued Flexible Term PFC Revenue Notes to finance PFC approved projects. The bank participation notes have various maturity dates and interest rates that vary from 1.39% to 2.10%.

Source: Office of Finance

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Ratios Of Outstanding Debt (continued)

Exhibit S-7

2005	2004	2003	2002	2001	2000
\$ 2,828,462,510	\$ 2,528,738,687	\$ 2,327,168,578	\$ 2,016,923,324	\$ 1,695,065,930	\$ 1,439,881,951
186,000,000	-	-	-	-	-
-	150,000,000	150,000,000	250,000,000	206,000,000	190,000,000
400,000,000	187,700,000	187,700,000	170,200,000	170,200,000	170,200,000
3,414,462,510	2,866,438,687	2,664,868,578	2,437,123,324	2,071,265,930	1,800,081,951
22,415,046	19,385,904	15,565,042	15,061,353	15,599,674	17,973,986
\$ 152.33	\$ 147.86	\$ 171.21	\$ 161.81	\$ 132.78	\$ 100.15
\$ 164,667,568	\$ 140,079,210	\$ 141,828,530	\$ 135,250,234	\$ 122,585,407	\$ 123,179,914
22,415,046	19,385,904	15,565,042	15,061,353	15,599,674	17,973,986
\$ 7.35	\$ 7.23	\$ 9.11	\$ 8.98	\$ 7.86	\$ 6.85
\$ 88,315,311	\$ 76,060,174	\$ 58,438,038	\$ 59,071,341	\$ 47,233,127	\$ 48,367,121
743,458	198,989	48,075	215,471	378,474	458,998
\$ 89,058,769	\$ 76,259,163	\$ 58,486,113	\$ 59,286,812	\$ 47,611,601	\$ 48,826,119
400,000,000	187,700,000	187,700,000	170,200,000	170,200,000	170,200,000
495,900,000	252,900,000	252,900,000	252,900,000	252,900,000	252,900,000
40,000,000	18,770,000	18,770,000	17,020,000	17,020,000	17,020,000
4,834,032	3,571,826	2,316,822	3,186,897	6,167,172	7,933,004
\$ 44,834,032	\$ 22,341,826	\$ 21,086,822	\$ 20,206,897	\$ 23,187,172	\$ 24,953,004
1.99	3.41	2.77	2.93	2.05	1.96
\$ 241,850,339	\$ 33,883,482	\$ 67,871,550	\$ 68,222,443	\$ 41,949,627	\$ 42,228,527

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Revenue Bond Debt Service Coverage

	2009	2008	2007
<b>NET REVENUES</b>			
Airline Revenue	\$ 286,360,437	\$ 250,286,235	\$ 245,708,513
Non-Airline Revenue	227,355,981	227,056,802	217,338,644
Interest Income	15,851,520	23,574,302	32,510,098
Other Revenues & Prior Year Transfers	78,683,554	86,220,757	81,178,387
Total Revenues	608,251,492	587,138,096	576,735,642
LESS: Operating Expenses	(267,174,359)	(265,135,432)	(260,303,941)
Net Revenues	\$ 341,077,133	\$ 322,002,664	\$ 316,431,701
<b>DEBT SERVICE</b>			
1990A Airport System Revenue Bonds	-	-	-
1992A Airport System Revenue Bonds	-	-	-
1993A Airport System Revenue & Refunding Bonds	-	-	-
1993B Airport System Revenue & Refunding Bonds	-	-	-
1994A Airport System Revenue Bonds	-	-	-
1997A Airport System Revenue Bonds	-	-	971,072
1997B Airport System Revenue Bonds	-	-	8,556,063
1997C Airport System Revenue & Refunding Bonds	-	-	-
1998A Airport System Revenue Bonds	-	381,282	468,826
1998B Airport System Revenue & Refunding Bonds	18,080,308	18,762,102	17,942,588
1999A Airport System Revenue & Refunding Bonds	5,533,497	5,934,291	5,891,335
2001A Airport System Revenue Bonds	15,642,420	15,183,505	14,291,817
2001B Airport System Revenue Bonds	765,360	741,309	651,072
2002A Airport System Revenue Bonds	8,276,261	7,647,018	8,556,496
2002B Airport System Revenue Bonds	575,748	555,736	477,883
2002C Airport System Revenue Variable Rate Refunding Bonds	16,894,925	19,909,292	19,857,135
2002D Airport System Revenue Refunding Bonds	5,653,245	5,138,941	5,267,806
2003A Airport System Revenue Refunding Bonds	9,204,996	9,432,168	7,490,702
2003B Airport System Revenue Refunding Bonds	4,080,345	4,044,855	4,000,040
2003C Taxable Airport System Revenue Refunding Bonds	3,346,857	3,304,686	3,266,384
2003D Airport System Revenue Variable Rate Bonds	3,033,369	4,610,424	4,754,407
2004A Airport System Revenue Refunding Bonds	663,053	658,543	654,853
2004B Airport System Revenue Bonds	8,513,411	2,687,609	5,104,256
2004C-1 Airport System Revenue Refunding Bonds	2,304,178	13,086,451	16,369,182
2004C-2 Airport System Revenue Refunding Bonds	4,524,687	4,951,434	4,924,855
2004D Airport System Revenue Refunding Bonds	24,379,800	14,950,296	11,187,696
2005A Airport System Revenue Bonds	18,369,390	18,734,984	16,966,776
2005B Airport System Revenue Bonds	861,656	855,406	850,174
2005C Taxable Airport System Revenue Bonds	1,700,941	1,085,993	289,964
2005D Airport System Revenue Bonds	1,773,881	1,758,877	864,492
2006A Airport System Revenue Bonds	8,392,188	5,604,803	5,810,728
2006B Airport System Revenue Bonds	9,946,372	5,746,532	7,854,839
2006C Airport System Revenue Refunding Bonds	1,903,483	1,485,981	1,732,719
2007A Airport System Revenue Bonds	13,723,351	13,816,874	5,557,044
2007B Airport System Revenue Bonds	20,751,616	14,659,468	3,194,582
2008A Airport System Revenue Bonds	2,495,585	6,964,179	-
2009A Airport System Revenue Bonds	3,874,659	-	-
2009B Airport System Revenue Bonds	3,497,817	-	-
2009C Airport System Revenue Bonds	8,278,752	-	-
2009D Airport System Revenue Bonds	1,200,444	-	-
Series A Bond Anticipation Commercial Paper Notes	-	-	-
Series B Bond Anticipation Commercial Paper Notes	-	-	-
Series One Airport System Revenue Commercial Paper Notes	759,104	1,401,056	75,000
Series Two Airport System Revenue Commercial Paper Notes	58,482	402,269	365,833
Net Debt Service	\$ 229,060,179	\$ 204,496,362	\$ 184,246,617
<b>DEBT SERVICE COVERAGE</b>	1.49	1.57	1.72

Note: Net Revenues are calculated in accordance with the Airports Authority's Airport Use Agreement and Premises Lease. Debt Service does not include debt paid from bond funds for capitalized interest or debt service paid from interest earnings.

Source: Office of Finance

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Revenue Bond Debt Service Coverage (continued)

Exhibit S-8

2006	2005	2004	2003	2002	2001	2000
\$ 230,537,986	\$ 233,326,267	\$ 225,134,652	\$ 202,331,669	\$ 195,780,109	\$ 181,891,097	\$ 184,187,568
199,896,655	200,409,975	178,783,727	148,840,418	135,030,371	128,871,384	146,143,142
27,735,256	14,337,950	8,356,729	8,727,243	9,642,956	15,472,164	16,161,118
66,929,387	60,358,771	33,211,382	36,138,404	53,132,972	65,104,145	44,655,603
525,099,284	508,432,963	445,486,490	396,037,734	393,586,408	391,338,790	391,147,431
(234,849,253)	(234,702,564)	(210,630,721)	(196,433,452)	(194,629,440)	(187,047,571)	(180,595,115)
\$ 290,250,031	\$ 273,730,399	\$ 234,855,769	\$ 199,604,282	\$ 198,956,968	\$ 204,291,219	\$ 210,552,316
-	-	-	-	-	275,787	15,069,038
-	-	-	-	15,729,503	22,856,951	22,655,731
-	-	1,993,757	4,350,565	4,903,913	4,794,599	4,903,808
-	-	-	2,565,300	3,402,230	3,345,168	3,383,814
-	-	23,257,594	35,119,965	35,289,120	34,485,341	34,776,289
1,257,695	2,142,909	2,952,191	2,945,565	2,655,447	2,213,032	2,580,111
14,484,458	15,248,622	12,842,186	14,370,024	14,741,589	14,241,097	14,198,177
-	-	-	-	-	-	-
1,287,357	1,322,236	1,318,158	1,330,610	1,297,815	1,086,168	1,123,553
18,369,760	19,710,594	18,124,292	18,603,575	18,568,291	17,552,433	16,759,523
5,855,002	5,946,837	5,841,298	5,874,163	5,833,633	5,631,732	5,912,982
13,623,715	13,976,834	6,905,090	11,718,857	13,619,313	5,754,121	-
316,128	366,495	451,143	672,953	650,327	182,684	-
7,794,227	6,320,872	5,615,081	6,173,644	3,022,077	-	-
611,720	789,395	1,085,449	1,515,875	257,284	-	-
19,442,226	19,758,330	19,934,028	19,158,357	5,037,925	-	-
4,884,026	2,596,248	2,994,667	5,739,300	1,807,184	-	-
5,886,411	10,185,205	9,433,874	2,841,304	-	-	-
4,012,211	4,050,272	2,603,708	528,739	-	-	-
3,275,036	3,295,935	3,330,846	1,114,077	-	-	-
3,366,517	3,230,574	2,656,903	1,227,443	-	-	-
629,037	561,894	223,643	-	-	-	-
1,482,108	4,819,952	2,535,517	-	-	-	-
16,156,121	8,049,634	2,353,789	-	-	-	-
4,992,470	14,346,612	5,161,229	-	-	-	-
11,219,448	11,183,139	3,885,524	-	-	-	-
12,701,790	9,863,398	-	-	-	-	-
852,675	618,617	-	-	-	-	-
1,677,884	1,647,078	-	-	-	-	-
553,486	138,752	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
6,910,355	427,742	4,579,243	4,044,030	3,994,287	7,005,927	1,527,800
-	-	-	1,934,188	2,595,462	3,160,367	289,087
-	764,384	-	-	1,844,833	-	-
1,712,774	3,305,008	-	-	-	-	-
\$ 163,354,637	\$ 164,667,568	\$ 140,079,210	\$ 141,828,530	\$ 135,250,234	\$ 122,585,407	\$ 123,179,914
1.78	1.66	1.68	1.41	1.47	1.67	1.71



## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

### Revenue Bond Coverage – For Years 2000 -2009 (Dollars in Thousands)

**Exhibit S-9**

YEAR	TOTAL REVENUES 1/	DIRECT OPERATING EXPENSES 2/	NET REVENUE AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENTS			
				Principal	Interest	Total	Coverage
<b>2009</b>	<b>\$ 608,251</b>	<b>\$ 267,174</b>	<b>\$ 341,077</b>	<b>\$ 87,306</b>	<b>\$ 141,754</b>	<b>\$ 229,060</b>	<b>1.49</b>
<b>2008</b>	587,138	265,135	322,003	83,360	121,136	204,496	1.57
<b>2007</b>	576,736	260,304	316,432	110,322	73,925	184,247	1.72
<b>2006</b>	525,099	234,849	290,250	68,137	95,218	163,355	1.78
<b>2005</b>	508,433	234,703	273,730	61,384	103,284	164,668	1.66
<b>2004</b>	445,486	210,630	234,856	58,893	81,187	140,080	1.68
<b>2003</b>	396,038	196,434	199,604	51,875	89,953	141,829	1.41
<b>2002</b>	393,586	194,629	198,957	43,478	91,772	135,250	1.47
<b>2001</b>	391,339	187,048	204,291	35,202	87,383	122,585	1.67
<b>2000</b>	391,147	180,595	210,552	34,839	88,341	123,180	1.71

1/ Total Revenues including transfers

2/ Operating expenses include Telecommunications, Washington Flyer Ground Transportation Subsidy, and Washington Flyer Magazine Subsidy.

Note: Calculated based on Airports Authority's Agreed Upon Procedures, not in accordance with generally accepted accounting principles (GAAP).

Source: Office of Finance

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Airport Information – Ronald Reagan Washington National Airport

Exhibit S-10

As of December 31, 2009

<b>Location:</b>	3 miles south from downtown Washington D.C. along the Potomac River in Arlington County, VA		
<b>Acres:</b>	860 +/- acres		
<b>Airport Code:</b>	DCA	<b>Data as of February 3, 2010</b>	
<b>Runways:</b>	1/19	1,030,350	sq ft
	15/33	780,600	sq ft
	4/22	736,650	sq ft
<b>Terminal:</b>	Terminal A	55,567	sq ft
	Terminal B/C	365,743	sq ft
	Tenants	115,329	sq ft
	Public/Common	445,914	sq ft
	Mechanical	153,539	sq ft
	<b>Total Terminal Sq. Ft.</b>	<b>1,136,092</b>	sq ft
	Number of Passenger Gates:	44	
	Number of Loading Bridges:	44	
	Number of Concessionaires in Terminal:	93	
	Number of Rental Car Agencies in Garage A:	5	
<b>Apron:</b>	Commercial Airlines	2,972,637	sq ft
	Cargo Airlines	N/A	sq ft
	FBO	62,900	sq ft
	Exclusive Ramp Space	0	
	Common Use Ramp Space	253,700	
	<b>Total Apron Sq. Ft.</b>	<b>3,289,237</b>	
<b>Parking:</b>	Spaces Assigned:		
	Garage A	277	*
	Overflow	115	
	Garage B & C Daily	4,673	
	Garage B & C Hourly	455	
	Economy Lot	2,956	
	<b>Total Spaces</b>	<b>8,476</b>	
<b>Cargo:</b>	Air Cargo Building	47,752	sq ft
<b>International:</b>	N/A		
<b>Tower(s):</b>	TRACON 24 / 7 365		
<b>FBO's</b>	Signature Flight Support in Hanger 7		

Source: Office of Finance

\* 1,423 Spaces effective March/April 2010

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Airport Information – Washington Dulles International Airport

Exhibit S-11

As of December 31, 2009

<b>Location:</b>	26 miles west from downtown Washington D.C., Located in Fairfax and Loudoun Counties, VA		
<b>Acres:</b>	11,830 +/- Acres		
<b>Airport Code:</b>	IAD		
<b>Runways:</b>	12/30 1L/19R 1R/19L	<b>Data as of February 18, 2010</b>	
<b>Terminal:</b>	Signatory Airlines	1,010,726	sq ft
	Tenants / Concessions	173,264	sq ft
	Public/Common	1,504,879	sq ft
	Mechanical	854,615	sq ft
	<b>Total Terminal Sq. Ft.</b>	<b>3,543,484</b>	sq ft
	Number of Passenger Gates:	142	
	Number of Loading Bridges:	57	
	Number of Concessionaires in Terminal:	107	
	Number of Rental Car Agencies on Airport:	8	
<b>Airfield</b>	Runways	6,435,000	sq ft
	Taxiways	15,394,677	sq ft
	Ramps/Aprons	13,683,142	sq ft
	Shoulders & Blast Pads	10,961,426	sq ft
	<b>Total Airfield Sq. Ft.</b>	<b>46,474,245</b>	
<b>Parking:</b>	Spaces Assigned		
	Daily Garage 1	4,680	
	Daily Garage 2	3,645	
	Hourly Parking Lot	1,923	
	Economy	12,398	
	Valet	830	
	Overflow	3,733	
	Cell Phone Lot	224	
	<b>Total Parking Spaces</b>	<b>27,433</b>	spaces
<b>Roadways</b>	Lane mileage	229	miles
<b>Cargo:</b>	Cargo 1 & 2	54,000	sq ft
	Cargo 3 & 4	61,534	sq ft
	Cargo 5	277,370	sq ft
	Cargo 6	148,167	sq ft
	<b>Total Cargo Sq. Ft.</b>	<b>541,071</b>	
<b>International:</b>	Customs/Immigration F.I.S. Facility		
<b>Tower(s):</b>	TRACON 24 / 7/ 365		
<b>FBO's</b>	Landmark Aviation Signature Flight Support		

Source: Office of Finance

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Major Private Employers in Primary Air Trade Area - 2009

Exhibit S-12

Employer	Fortune 1000 Rating	State	Revenues (\$ millions)	Industry
Lockheed Martin Corp.	54	MD	\$ 42,731	Aerospace and Defense
General Dynamics	83	VA	29,302	Aerospace and Defense
Fannie Mae	112	DC	22,652	Financial Services
Capital One Financial	145	VA	17,869	Financial Services
Computer Sciences	153	VA	16,500	Information Technology
AES	158	VA	16,170	Energy
Marriott International Inc.	208	MD	12,880	Hospitality & Travel
Danaher	213	DC	12,698	Manufacturing
Freddie Mac	220	VA	12,302	Financial Services
Coventry Health Care	226	MD	11,914	Health Care
Pepco Holdings	254	DC	10,700	Energy
SLM	331	VA	7,689	Financial Services
Gannett	371	VA	6,768	Media/Data
Host Hotels & Resorts	449	MD	5,294	Hospitality & Travel
The Washington Post Co.	514	DC	4,462	Media/Data
NII Holdings	530	VA	4,269	Telecommunications
Harman International Industries	544	DC	4,113	Audio & Electronics
Discovery Communications	562	MD	3,927	Media/Data
NVR	584	VA	3,714	Real Estate
Bearing Point	633	VA	3,370	Information Technology & Professional Services
WGL Holdings	748	DC	2,628	Energy
Catalyst Health Solutions	767	MD	2,543	Health Care
CACI International	798	VA	2,421	Aerospace and Defense Government & Professional Services
DynCorp International	868	VA	2,140	Aerospace and Defense Government & Professional Services
ManTech International	941	VA	1,871	Aerospace and Defense Government & Professional Services
Watson Wyatt Worldwide	980	VA	1,760	Health Care
Sunrise Senior Living	990	VA	1,741	Health Care
<b>Total</b>			<b>\$ 264,426</b>	

<sup>1</sup>Ten years of data is not presented as the rapidly changing company community makes older year information obsolete and non-comparative. Data presented is for the most recent year available.

Source: Post 200 Top Private Companies, *The Washington Post*, May 13, 2009.

Source: Greater Washington Initiative, *2009 Regional Report*

Source: Fortune 500 Annual Ranking of Top American Companies, *Fortune*, May 4, 2009

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

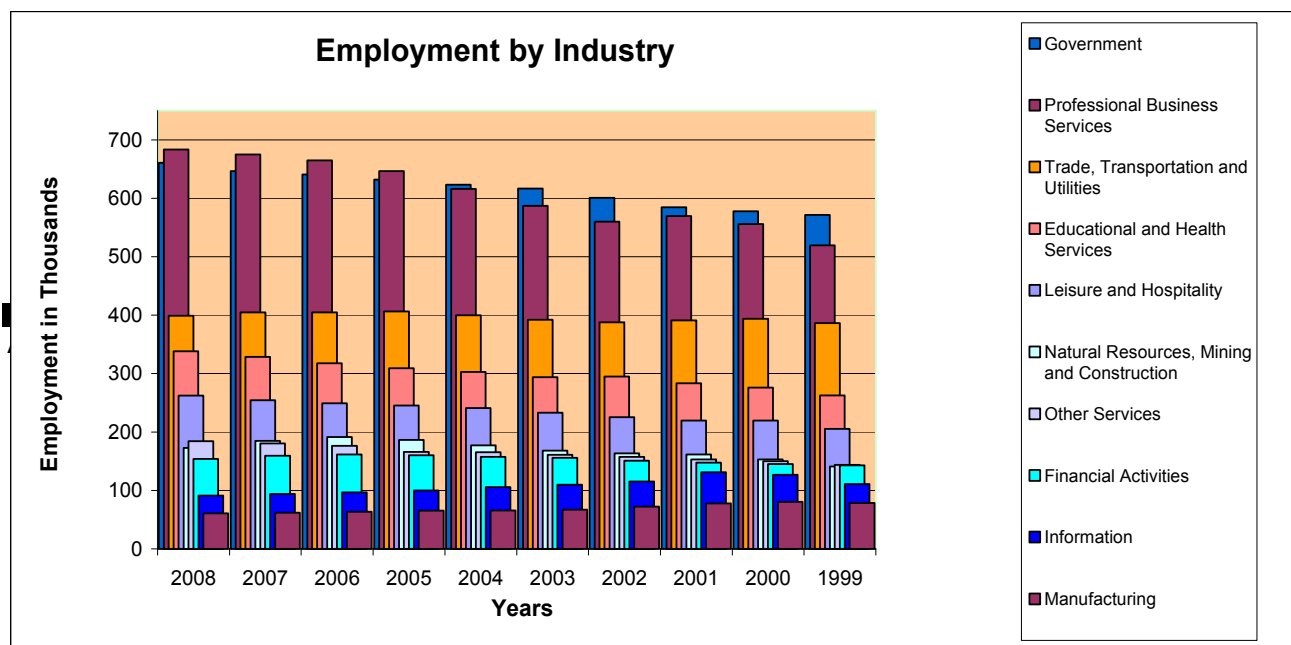
## Employment By Industry

Exhibit S-13

Metropolitan Statistical Area – Last Ten Years

Industry Type	Yearly Annual Average Numbers of Employees (in thousands)									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Government	660.8	646.6	640.5	632.1	623.1	616.5	600.8	584.7	577.7	571.3
Professional Business Services	683.4	675.1	664.5	646.4	616.0	586.9	560.0	569.6	555.7	519.2
Trade, Transportation and Utilities	398.8	404.8	404.7	406.5	399.6	392.0	387.7	391.0	393.6	386.3
Educational and Health Services	338.0	328.5	317.5	309.1	302.9	294.0	295.1	283.4	276.0	262.6
Leisure and Hospitality	262.1	254.3	249.4	245.2	241.1	232.9	225.7	219.4	219.6	205.2
Natural Resources, Mining and Construction	173.1	184.9	191.5	186.6	177.3	168.1	163.4	161.7	153.1	140.8
Other Services	184.5	180.6	176.7	165.9	165.5	161.3	157.4	153.1	150.0	143.8
Financial Activities	154.0	159.4	161.5	160.4	157.4	155.9	151.0	147.8	145.5	143.0
Information	91.4	93.9	96.9	99.8	106.0	109.6	115.3	131.0	126.8	111.1
Manufacturing	60.8	62.2	63.7	65.4	66.1	67.2	72.1	77.7	80.7	78.6
<b>Washington-Arlington-Alexandria, D.C.-Md-Va W.Va - Metropolitan Statistical Area</b>	<b>3,006.9</b>	<b>2,990.3</b>	<b>2,966.9</b>	<b>2,917.4</b>	<b>2,855.0</b>	<b>2,784.4</b>	<b>2,728.5</b>	<b>2,719.4</b>	<b>2,678.7</b>	<b>2,561.9</b>

Source: U.S. Department of Labor, Bureau of Labor Statistics



# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

**Population Trends (expressed in thousands)**  
*Metropolitan Statistical Area – Last Ten Years*

**Exhibit S-14**

JURISDICTION	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
District of Columbia	591.8	587.9	585.4	582.0	579.5	577.4	579.1	577.7	571.7	570.2
Arlington County, VA	210.0	203.9	200.8	199.8	198.0	196.9	195.7	193.6	189.6	188.7
City of Alexandria, VA	143.9	139.8	138.2	137.6	136.6	135.2	134.5	133.1	129.3	125.7
<b>Central Jurisdictions</b>	<b>945.7</b>	<b>931.6</b>	<b>924.4</b>	<b>919.4</b>	<b>914.1</b>	<b>909.5</b>	<b>909.3</b>	<b>904.4</b>	<b>890.6</b>	<b>884.6</b>
Fairfax County, VA	1,015.3	1,004.2	998.5	1,000.5	995.6	991.9	989.3	984.7	974.9	955.6
Montgomery County, MD	950.7	941.5	936.1	930.3	923.1	917.2	908.2	894.9	877.5	862.4
Prince George's County, MD	820.9	825.3	831.6	835.6	832.8	828.8	823.2	814.7	803.2	795.1
City of Fairfax, VA	23.8	23.2	22.8	21.9	22.0	22.2	22.0	21.9	21.6	21.5
City of Falls Church, VA	11.2	10.9	10.8	10.8	10.5	10.6	10.6	10.5	10.4	10.2
<b>Inner Suburbs</b>	<b>2,821.9</b>	<b>2,805.1</b>	<b>2,799.8</b>	<b>2,799.1</b>	<b>2,784.0</b>	<b>2,770.7</b>	<b>2,753.3</b>	<b>2,726.7</b>	<b>2,687.6</b>	<b>2,644.8</b>
Prince William County, VA	364.7	359.6	351.8	344.6	332.7	320.6	309.3	297.1	283.8	272.7
Loudoun County, VA	290.0	277.3	265.0	253.1	237.0	219.4	203.0	189.6	173.9	158.1
Frederick County, MD	225.7	224.1	221.5	219.2	216.2	212.7	208.5	201.9	196.5	191.6
Charles County, MD	140.8	140.2	139.2	137.1	134.5	131.4	127.8	214.7	121.2	118.6
Stafford County, VA	121.7	120.6	118.3	116.5	113.2	109.0	103.6	98.1	93.5	89.4
Spotsylvania County, VA	120.0	118.9	117.7	114.9	110.5	106.5	101.8	96.4	91.5	87.2
Calvert County, MD	88.7	88.1	87.5	86.7	85.3	83.3	80.4	77.3	75.2	72.9
Fauquier County, VA	66.8	66.1	65.5	64.2	62.6	60.8	59.2	57.3	55.6	54.0
Jefferson County, WVA	51.6	50.8	49.7	48.5	47.0	46.0	44.7	43.3	42.4	41.6
Warren County, VA	36.7	36.3	35.8	35.0	34.1	33.5	32.8	32.1	31.6	31.1
Manassas City, VA	35.2	35.4	36.0	36.8	37.0	36.7	36.3	35.8	35.4	34.6
Fredericksburg City, VA	22.8	22.4	22.0	21.3	21.3	20.4	20.3	19.9	19.4	19.5
Clarke County, VA	14.5	14.3	14.2	14.0	13.6	13.3	13.1	13.0	12.7	12.5
Manassas Park City, VA	11.3	11.4	11.4	11.6	11.3	10.9	10.8	10.6	10.3	10.0
<b>Outer Suburbs</b>	<b>1,590.5</b>	<b>1,565.5</b>	<b>1,535.6</b>	<b>1,503.5</b>	<b>1,456.3</b>	<b>1,404.5</b>	<b>1,351.6</b>	<b>1,387.1</b>	<b>1,243.0</b>	<b>1,193.8</b>
<b>DC-MD-VA-WVA</b>										
<b>Metropolitan Statistical Area</b>	<b>5,358.1</b>	<b>5,302.2</b>	<b>5,259.8</b>	<b>5,222.0</b>	<b>5,154.4</b>	<b>5,084.7</b>	<b>5,014.2</b>	<b>5,018.2</b>	<b>4,821.2</b>	<b>4,723.2</b>

Prepared by the Office of Finance

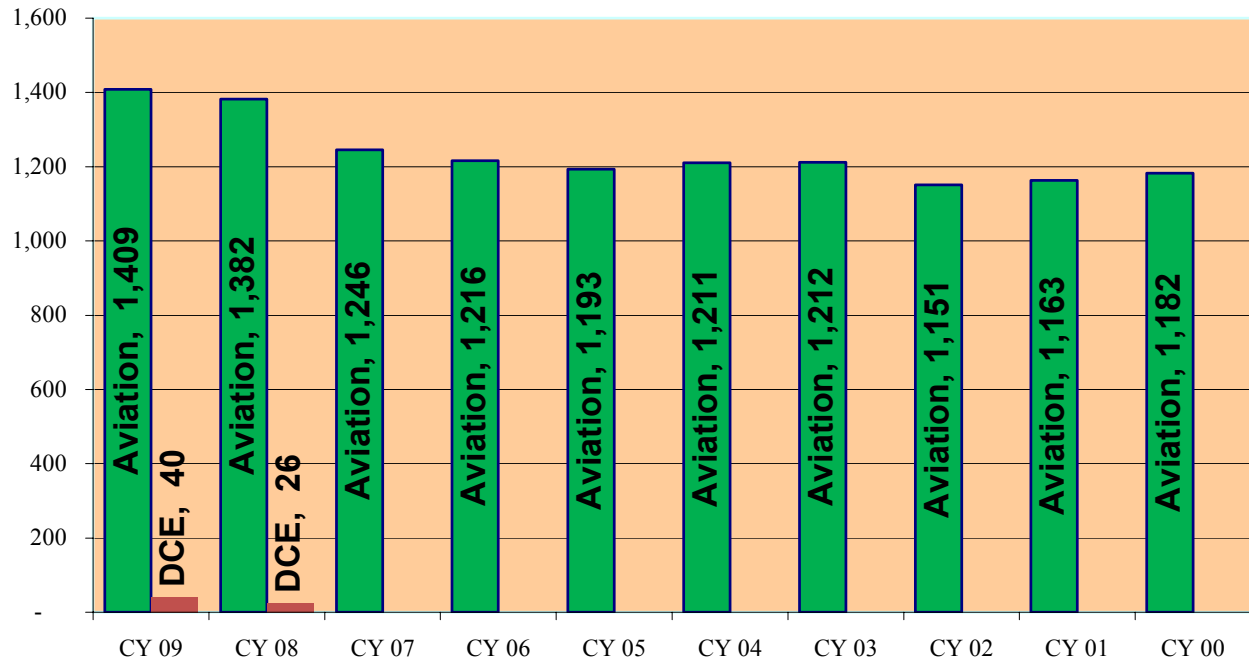
Source: U.S. Census Bureau, American Factfinder

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Aviation and Dulles Corridor Employee Strength

Exhibit S-15



# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Aircraft Operations By Airport Takeoff and Landing Operations

Exhibit S-16

### Ronald Reagan Washington National Airport

CALENDAR YEAR	MAJOR/ NATIONALS	REGIONAL/ COMMUTERS	GENERAL AVIATION	MILITARY	TOTAL
2009	121,446	144,165	5,261	1,274	272,146
2008	140,564	130,541	4,914	1,279	277,298
2007	146,614	123,024	5,272	523	275,433
2006	157,536	115,087	3,172	624	276,419
2005	181,417	91,227	3,101	311	276,056
2004	154,452	111,333	2,546	245	268,576
2003	139,343	109,085	2,087	287	250,802
2002	139,259	73,078	2,255	1,099	215,691
2001	159,347	47,650	32,290	4,721	244,008
2000	188,285	59,695	44,592	5,307	297,879

### Washington Dulles International Airport

CALENDAR YEAR	MAJOR/ NATIONALS	REGIONAL/ COMMUTERS	GENERAL AVIATION	MILITARY	TOTAL
2009	125,531	166,046	48,221	569	340,367
2008	136,052	168,608	54,808	824	360,292
2007	141,428	176,150	64,549	816	382,943
2006	132,265	178,372	67,954	980	379,571
2005	255,442	179,492	73,629	1,089	509,652
2004	281,663	111,669	74,689	1,614	469,635
2003	232,112	27,833	73,668	1,784	335,397
2002	262,063	26,957	81,732	1,884	372,636
2001	300,061	27,548	62,643	6,634	396,886
2000	336,467	52,847	59,417	7,705	456,436

Prepared by the Office of Finance

Source: Office of Finance



# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Landed Weights

(Expressed in Thousands of Pounds)

### Ronald Reagan Washington National Airport

AIRLINE <sup>3</sup>	2009		2008		2007		2006		2005	
	Landed Weights	Share	Landed Weights <sup>4</sup>	Share	Landed Weights	Share	Landed Weights	Share	Landed Weights	Share
US Airways	2,956,848	24.50%	3,349,614	26.38%	3,429,981	26.97%	3,777,558	29.06%	4,437,393	34.66%
American Airlines	1,322,046	10.95%	1,316,961	10.37%	1,330,575	10.46%	1,288,058	9.91%	1,277,371	9.98%
Republic Airlines (US Airways Express)	985,480	8.17%	886,321	6.98%	856,710	6.74%	692,821	5.33%	26,900	0.21%
Delta Airlines + Delta Shuttle	927,067	7.68%	1,412,258	11.12%	1,380,212	10.85%	1,521,021	11.70%	1,510,590	11.80%
Air Wisconsin (US Airways Express)	804,969	6.67%	951,797	7.50%	819,586	6.44%	724,223	5.57%	52,170	0.41%
Northwest Airlines	802,592	6.65%	884,805	6.97%	872,401	6.86%	875,902	6.74%	846,247	6.61%
United Airlines	727,557	6.03%	702,636	5.53%	682,154	5.36%	685,035	5.27%	671,032	5.24%
American Eagle(Flagship)	464,512	3.85%	420,394	3.31%	396,591	3.12%	425,382	3.27%	404,211	3.16%
Comair	398,162	3.30%	293,498	2.31%	262,815	2.07%	287,789	2.21%	291,534	2.28%
Continental Airlines	386,058	3.20%	479,057	3.77%	534,727	4.20%	528,186	4.06%	506,448	3.96%
Shuttle America (Delta Connection)	354,390	2.94%	49,609	0.39%	51,703	0.41%	1,663	0.01%	-	-
AirTran	324,784	2.69%	305,608	2.41%	245,672	1.93%	199,552	1.53%	184,624	1.44%
PSA Airlines	243,601	2.02%	222,845	1.76%	196,901	1.55%	208,700	1.61%	578,899	4.52%
Republic Airlines (Midwest Connect)	188,415	1.56%	29,719	0.23%	-	-	-	-	-	-
Alaska Airlines	156,469	1.30%	157,074	1.24%	155,172	1.22%	148,008	1.14%	142,538	1.11%
Frontier Airlines	154,449	1.28%	153,061	1.21%	141,070	1.11%	137,573	1.06%	137,474	1.07%
Spirit Airlines	142,196	1.18%	130,622	1.03%	102,376	0.80%	143,724	1.11%	182,057	1.42%
Chautauqua (US Airways Express)	101,169	0.84%	88,233	0.69%	91,790	0.72%	119,937	0.92%	213,123	1.66%
Air Canada	94,097	0.78%	112,319	0.88%	109,403	0.86%	124,919	0.96%	159,966	1.25%
Continental Express	80,775	0.67%	88,674	0.70%	108,012	0.85%	123,207	0.95%	116,228	0.91%
Air Canada Jazz	79,314	0.66%	68,770	0.54%	64,479	0.51%	50,044	0.38%	-	-
Pinnacle Airlines	75,482	0.63%	84,271	0.66%	80,652	0.63%	80,464	0.62%	106,596	0.83%
Colgan Air (Continental Connection)	60,264	0.50%	23,932	0.19%	-	-	-	-	-	-
Midwest Express	47,500	0.39%	275,464	2.17%	302,760	2.38%	303,872	2.34%	305,028	2.38%
Chautauqua (Continental Express)	43,460	0.36%	39,940	0.31%	15,713	0.12%	-	-	-	-
Federal Express FDX	39,204	0.32%	16,830	0.13%	-	-	-	-	-	-
Mesaba Airlines	35,447	0.29%	8,819	0.07%	15,396	0.12%	26,010	0.20%	50,065	0.39%
Colgan Air (US Airways Express)	26,933	0.22%	25,826	0.20%	24,935	0.20%	25,734	0.20%	31,379	0.25%
Signature Flight Support (FBO)	13,811	0.11%	10,402	0.08%	12,702	0.10%	5,181	0.04%	46,982	0.37%
Piedmont Aviation	7,348	0.06%	19,578	0.15%	44,670	0.35%	20,192	0.16%	11,597	0.09%
Chautauqua (Delta Connection)	6,641	0.06%	15,071	0.12%	19,949	0.16%	3,147	0.02%	-	-
Atlantic Southeast	4,869	0.04%	10,045	0.08%	46,076	0.36%	43,851	0.34%	50,422	0.39%
American Trans Air	-	-	-	-	164,658	1.29%	180,125	1.39%	204,921	1.60%
America West Airlines	-	-	-	-	149,032	1.17%	215,496	1.66%	224,186	1.75%
Trans States Airlines	-	-	-	-	-	-	20,338	0.16%	32,507	0.25%
Allegheny Commuter	-	-	-	-	-	-	-	-	-	-
Trans World Airlines	-	-	-	-	-	-	-	-	-	-
Trans States Airlines (US Airways Exp)	-	-	128	0.00%	8,284	0.07%	-	-	-	-
Other 1/	12,745	0.11%	51,619	0.41%	1,573	0.01%	13,268	0.10%	-	-
<b>Total 2/</b>	<b>12,068,654</b>	<b>100.00%</b>	<b>12,695,770</b>	<b>100.00%</b>	<b>12,718,727</b>	<b>100.00%</b>	<b>13,000,978</b>	<b>100.00%</b>	<b>12,802,488</b>	<b>100.00%</b>

1/ Includes airlines no longer serving National or carriers with insignificant activity.

2/ Percentage may not add to 100 percent due to individual rounding.

3/ Prior year amounts have been adjusted for corrections or additional information.

4/ Prior years' comparative information has been modified as necessary based on revisions from carriers.

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Landed Weights (continued)

## Exhibit S-17

2004		2003		2002		2001		2000	
Landed Weights <sup>3</sup>	Share <sup>3</sup>	Landed Weights <sup>3</sup>	Share <sup>3</sup>	Landed Weights <sup>3</sup>	Share <sup>3</sup>	Landed Weights <sup>3</sup>	Share <sup>3</sup>	Landed Weights <sup>3</sup>	Share <sup>3</sup>
3,082,443	26.87%	3,059,815	28.24%	3,115,677	30.81%	3,615,979	33.36%	3,952,238	31.87%
1,156,215	10.08%	1,362,246	12.57%	1,311,095	12.96%	1,187,911	10.96%	1,449,620	11.69%
-	-	-	-	-	-	-	-	-	-
1,411,358	12.30%	1,489,855	13.75%	1,713,594	16.94%	2,191,172	20.22%	2,415,506	19.48%
-	-	-	-	-	-	-	-	-	-
842,286	7.34%	916,221	8.46%	779,922	7.71%	741,852	6.84%	901,926	7.27%
846,889	7.38%	615,931	5.69%	628,511	6.21%	598,303	5.52%	689,184	5.56%
361,779	3.15%	363,734	3.36%	231,222	2.29%	127,751	1.18%	83,298	0.67%
417,530	3.64%	473,666	4.37%	98,888	0.98%	-	-	-	-
475,519	4.15%	481,828	4.45%	534,108	5.28%	684,300	6.31%	852,278	6.87%
-	-	-	-	-	-	-	-	-	-
182,535	1.59%	36,296	0.34%	-	-	-	-	-	-
302,035	2.63%	232,511	2.15%	185,006	1.83%	58,305	0.54%	140,293	1.13%
-	-	-	-	-	-	-	-	-	-
94,224	0.82%	46,770	0.43%	-	-	4,642	0.04%	-	-
128,394	1.12%	47,815	0.44%	43,199	0.43%	30,727	0.28%	10,260	0.08%
125,013	1.09%	8,060	0.07%	-	-	56,651	0.52%	12,848	0.10%
292,133	2.55%	156,538	1.44%	-	-	-	-	-	-
145,756	1.27%	129,872	1.20%	136,149	1.35%	122,533	1.13%	171,101	1.38%
189,110	1.65%	113,036	1.04%	67,618	0.67%	10,110	0.09%	1,809	0.01%
-	-	-	-	-	-	-	-	171,101	1.38%
37,404	0.33%	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
355,080	3.10%	272,663	2.52%	286,368	2.83%	-	-	215,212	1.74%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
105,417	0.92%	11,258	0.10%	-	-	432	-	-	-
41,747	0.36%	30,662	0.28%	21,578	0.21%	466,035	4.30%	199,255	1.61%
95,502	0.83%	177,332	1.64%	411,452	4.07%	160,547	1.48%	352,055	2.84%
-	-	-	-	-	-	-	-	-	-
89,497	0.78%	87,245	0.81%	5,684	0.06%	-	-	-	-
214,056	1.87%	158,894	1.47%	146,007	1.44%	138,567	1.28%	156,211	1.26%
285,361	2.49%	172,147	1.59%	189,006	1.87%	213,416	1.97%	125,394	1.01%
100,843	0.88%	4,595	0.04%	-	-	-	-	85,704	0.69%
58,953	0.51%	152,042	1.40%	116,819	1.16%	13,153	0.12%	19,425	0.16%
-	-	-	-	-	-	290,335	2.68%	395,454	3.19%
-	-	-	-	-	-	-	-	-	-
34,720	0.30%	233,075	2.15%	91,111	0.90%	125,735	1.16%	-	-
<b>11,471,799</b>	<b>100.00%</b>	<b>10,834,104</b>	<b>100.00%</b>	<b>10,113,018</b>	<b>100.00%</b>	<b>10,838,455</b>	<b>100.00%</b>	<b>12,400,172</b>	<b>100.00%</b>

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Landed Weights

(Expressed in Thousands of Pounds)  
Washington Dulles International Airport

AIRLINE <sup>3</sup>	2009		2008		2007		2006		2005	
	Landed Weights	Share	Landed Weights <sup>4</sup>	Share	Landed Weights <sup>4</sup>	Share	Landed Weights	Share	Landed Weights	Share
United Airlines	7,544,840	40.11%	7,435,550	38.09%	7,606,298	37.90%	7,048,694	37.76%	6,392,517	31.32%
Mesa Airlines (United Express)	900,587	4.79%	1,126,123	5.77%	1,520,846	7.58%	1,847,801	9.90%	893,675	4.38%
JetBlue Airways	786,663	4.18%	927,826	4.75%	952,941	4.75%	794,112	4.25%	523,980	2.57%
Shuttle America	675,158	3.59%	676,463	3.47%	629,476	3.14%	475,885	2.55%	370,263	1.81%
Trans States Airlines (United Express)	652,276	3.47%	628,832	3.22%	603,260	3.01%	596,537	3.20%	678,031	3.32%
Signature Flight Support (FBO)	525,464	2.79%	462,871	2.37%	538,636	2.68%	477,555	2.56%	-	-
American Airlines	501,613	2.67%	535,928	2.75%	544,803	2.71%	557,241	2.98%	598,510	2.93%
GoJet Airlines	471,144	2.50%	343,308	1.76%	306,123	1.53%	111,153	0.60%	-	-
British Airways	467,295	2.48%	492,144	2.52%	438,467	2.18%	458,074	2.45%	28,512	0.14%
Southwest Airlines	455,344	2.42%	475,884	2.44%	518,676	2.58%	130,534	0.70%	-	-
Landmark Aviation (FBO)	403,491	2.14%	501,128	2.57%	650,364	3.24%	701,682	3.76%	551,161	2.70%
Chautauqua Airlines (United Express)	392,004	2.08%	401,533	2.06%	335,329	1.67%	200,743	1.08%	-	-
Delta Airlines	386,054	2.05%	441,899	2.26%	481,132	2.40%	497,957	2.67%	530,760	2.60%
Air France	375,681	2.00%	387,484	1.98%	398,061	1.98%	413,269	2.21%	384,546	1.88%
Federal Express	358,267	1.90%	411,650	2.11%	421,845	2.10%	403,651	2.16%	401,655	1.97%
Lufthansa	336,077	1.79%	384,825	1.97%	443,982	2.21%	469,317	2.51%	409,835	2.01%
Colgan Airways (United Express)	329,603	1.75%	345,987	1.77%	210,455	1.05%	207,564	1.11%	-	-
Virgin America	286,088	1.52%	257,399	1.32%	45,361	0.23%	-	-	-	-
Qatar Amiri Air	201,786	1.07%	202,791	1.04%	96,778	0.48%	-	-	-	-
Virgin Atlantic	193,267	1.03%	252,265	1.29%	245,771	1.22%	190,860	1.02%	165,869	0.81%
All Nippon	186,018	0.99%	202,764	1.04%	202,794	1.01%	187,630	1.01%	168,917	0.83%
South African Airways	182,269	0.97%	197,826	1.01%	203,850	1.02%	169,210	0.91%	64,125	0.31%
Korean Air	167,900	0.89%	118,508	0.61%	137,824	0.69%	119,136	0.64%	111,384	0.55%
AirTrans Airlines	166,448	0.88%	222,712	1.14%	255,984	1.28%	267,592	1.43%	178,360	0.87%
KLM Royal Dutch Airlines	146,952	0.78%	147,041	0.75%	149,854	0.75%	132,227	0.71%	-	-
Scandinavian Airlines System	124,007	0.66%	128,077	0.66%	126,229	0.63%	125,820	0.67%	105,126	0.51%
Austrian Airlines	107,368	0.57%	142,221	0.73%	137,908	0.69%	143,320	0.77%	28,800	0.14%
Mesa Airlines, Inc. (US Airways Exp.)	104,585	0.56%	62,622	0.32%	33,149	0.17%	16,137	0.09%	22,380	0.11%
Taca International	100,162	0.53%	118,736	0.61%	146,944	0.73%	115,978	0.62%	107,680	0.53%
Air Canada + Jazz	75,163	0.40%	84,723	0.43%	94,704	0.47%	95,203	0.51%	94,946	0.47%
Ethiopian Airlines	74,084	0.39%	76,639	0.39%	79,513	0.40%	59,714	0.32%	53,966	0.26%
Iberia Airlines	73,401	0.39%	81,074	0.42%	54,424	0.27%	-	-	-	-
United Parcel Service	68,755	0.37%	86,359	0.44%	85,884	0.43%	83,528	0.45%	78,162	0.38%
Saudi Arabian Airlines	67,978	0.36%	68,455	0.35%	74,359	0.37%	84,109	0.45%	61,241	0.30%
Northwest Airlines	59,556	0.32%	174,666	0.89%	283,572	1.41%	267,526	1.43%	289,410	1.42%
Aer Lingus	57,169	0.30%	81,417	0.42%	33,729	0.17%	-	-	-	-
PSA Airlines	48,098	0.26%	38,205	0.20%	27,732	0.14%	50,049	0.27%	30,738	0.15%
US Airways	46,683	0.25%	126,347	0.65%	164,131	0.82%	159,723	0.86%	196,034	0.96%
Continental Express	31,084	0.17%	110,616	0.57%	145,612	0.73%	178,176	0.95%	197,711	0.97%
Comair, Inc.	30,032	0.16%	52,429	0.27%	91,573	0.46%	80,395	0.43%	190,435	0.93%
MN Airlines, LLC	22,078	0.12%	30,700	0.16%	61,320	0.31%	28,470	0.15%	584	0.00%
Trans States Airlines (Amer. Conn)	4,212	0.02%	30,678	0.16%	39,911	0.20%	-	-	-	-
Continental Airlines, Inc.	3,411	0.02%	5,071	0.03%	36,415	0.18%	26,020	0.14%	37,391	0.18%
Airborne Express	1,360	0.01%	70,006	0.36%	71,670	0.36%	71,887	0.39%	-	-
American Eagle	190	0.00%	84	0.00%	24,553	0.12%	66,712	0.36%	69,347	0.34%
Colgan Airways (US Airways Express)	-	-	8,436	0.04%	90,290	0.45%	85,596	0.46%	31,736	0.16%
America West	-	-	-	-	50,737	0.25%	116,422	0.62%	146,936	0.72%
MAXjet Airways	-	-	-	-	24,411	0.12%	41,662	0.22%	-	-
FLYi (Independence Air + Atlantic Coast)	-	-	-	-	-	-	34,476	0.18%	3,802,412	18.63%
Air Wisconsin (United Express)	-	-	-	-	-	-	30,108	0.16%	896,072	4.39%
Other 1/	620,747	3.30%	364,191	1.87%	153,930	0.77%	249,777	1.34%	1,520,072	7.45%
<b>TOTAL 2/</b>	<b>18,812,406</b>	<b>100.00%</b>	<b>19,522,487</b>	<b>100.00%</b>	<b>20,071,604</b>	<b>100.00%</b>	<b>18,669,231</b>	<b>100.00%</b>	<b>20,413,280</b>	<b>100.00%</b>

1/ Includes airlines no longer serving National or carriers with insignificant activity.

2/ Percentage may not add to 100 percent due to individual rounding.

3/ Prior year amounts have been adjusted for corrections or additional information.

4/ Prior years' comparative information has been modified as necessary based on revisions from carriers.

Source: Office of Finance

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Landed Weights (continued)

## Exhibit S-18

2004		2003		2002		2001		2000	
Landed Weights	Share	Landed Weights	Share	Landed Weights	Share	Landed Weights	Share	Landed Weights	Share
6,557,152	34.22%	5,663,094	37.40%	6,127,511	36.96%	7,019,527	40.38%	7,384,117	42.02%
347,739	1.81%	-	-	-	-	-	-	106,597	0.61%
484,930	2.53%	361,958	2.39%	244,420	1.47%	10,082	0.06%	-	-
173,781	0.91%	-	-	2,802	0.02%	-	-	-	-
217,860	1.14%	-	-	-	-	-	-	-	-
419,380	2.19%	375,348	2.48%	382,530	2.31%	246,438	1.42%	-	-
587,805	3.07%	777,149	5.13%	1,017,507	6.14%	858,456	4.94%	805,479	4.58%
-	-	-	-	-	-	-	-	-	-
529,004	2.76%	515,279	3.40%	564,804	3.41%	403,510	2.32%	426,999	2.43%
-	-	-	-	-	-	-	-	-	-
297,868	1.55%	352,416	2.33%	546,953	3.30%	347,870	2.00%	-	-
-	-	-	-	-	-	-	-	12,262	0.07%
727,540	3.80%	759,207	5.01%	985,854	5.95%	864,294	4.97%	838,037	4.77%
321,257	1.68%	296,325	1.96%	268,292	1.62%	252,435	1.45%	298,118	1.70%
371,733	1.94%	410,858	2.71%	485,719	2.93%	465,973	2.68%	482,391	2.75%
317,729	1.66%	310,526	2.05%	311,217	1.88%	375,212	2.16%	339,781	1.93%
-	-	-	-	-	-	-	-	58,181	0.33%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
212,812	1.11%	181,611	1.20%	189,107	1.14%	217,233	1.25%	222,620	1.27%
168,360	0.88%	169,440	1.12%	168,644	1.02%	197,512	1.14%	203,232	1.16%
-	-	-	-	-	-	-	-	-	-
108,756	0.57%	99,716	0.66%	96,944	0.58%	80,003	0.46%	104,536	0.59%
184,808	0.96%	211,560	1.40%	214,929	1.30%	235,026	1.35%	244,114	1.39%
-	-	-	-	-	-	-	-	-	-
111,950	0.58%	114,283	0.75%	114,878	0.69%	68,159	0.39%	-	-
145,155	0.76%	143,237	0.95%	146,469	0.88%	120,737	0.69%	99,507	0.57%
23,623	0.12%	184,629	1.22%	165,325	1.00%	261,994	1.51%	-	-
94,172	0.49%	88,868	0.59%	89,792	0.54%	70,489	0.41%	52,878	0.30%
150,749	0.79%	166,472	1.10%	180,561	1.09%	217,438	1.25%	189,526	1.08%
45,664	0.24%	40,874	0.27%	41,201	0.25%	42,492	0.24%	44,353	0.25%
-	-	-	-	-	-	-	-	-	-
79,916	0.42%	79,890	0.53%	76,392	0.46%	66,928	0.39%	58,705	0.33%
73,470	0.38%	70,397	0.46%	77,214	0.47%	89,230	0.51%	85,632	0.49%
308,611	1.61%	327,689	2.16%	479,618	2.89%	524,895	3.02%	474,675	2.70%
-	-	-	-	-	-	-	-	-	-
4,973	0.03%	-	-	-	-	2,188	0.01%	52,559	0.30%
185,961	0.97%	187,800	1.24%	249,267	1.50%	508,258	2.92%	1,446,769	8.23%
190,639	0.99%	135,889	0.90%	118,366	0.71%	103,267	0.59%	100,403	0.57%
101,050	0.53%	120,943	0.80%	119,057	0.72%	76,563	0.44%	112,474	0.64%
146	0.00%	438	0.00%	292	0.00%	-	-	-	-
-	-	-	-	-	-	-	-	-	-
44,334	0.23%	60,142	0.40%	113,272	0.68%	143,190	0.82%	-	-
-	-	-	-	-	-	-	-	-	-
69,164	0.36%	69,219	0.46%	54,241	0.33%	27,897	0.16%	-	-
38,262	0.20%	33,716	0.22%	66,624	0.40%	109,330	0.63%	58,181	0.33%
175,731	0.92%	126,018	0.83%	8,813	0.05%	-	-	1,667	0.01%
-	-	-	-	-	-	-	-	-	-
3,403,084	17.76%	2,035,844	13.45%	2,217,292	13.37%	2,373,765	13.66%	2,251,159	12.81%
840,831	4.39%	227,378	1.50%	57,340	0.35%	-	-	-	-
1,045,034	5.45%	442,577	2.92%	596,200	3.60%	1,001,858	5.76%	1,018,203	5.79%
<b>19,161,031</b>	<b>100.00%</b>	<b>15,140,790</b>	<b>100.00%</b>	<b>16,579,448</b>	<b>100.00%</b>	<b>17,382,246</b>	<b>100.00%</b>	<b>17,573,156</b>	<b>100.00%</b>

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Enplanements

Exhibit S-19

### Ronald Reagan Washington National Airport

#### Domestic

YEAR	NATIONAL COMMERCIAL PASSENGER ENPLANEMENTS	ANNUAL GROWTH	TOTAL U.S. COMMERCIAL PASSENGER ENPLANEMENTS 1/	ANNUAL GROWTH
2009	8,634,011	-2.3%	620,366,609	-5.1%
2008	8,836,467	-3.4%	653,855,923	-4.1%
2007	9,145,554	1.0%	681,536,246	3.2%
2006	9,054,485	3.6%	660,672,077	0.0%
2005	8,736,725	12.0%	660,652,908	4.1%
2004	7,797,382	11.9%	634,401,364	8.0%
2003	6,970,957	9.7%	587,517,042	6.0%
2002	6,356,238	-1.9%	554,011,114	-1.1%
2001	6,480,154	-16.1%	560,318,598	-6.6%
2000	7,726,093	-0.8%	599,807,913	8.3%

#### Transborder/International

YEAR	NATIONAL COMMERCIAL PASSENGER ENPLANEMENTS	ANNUAL GROWTH	TOTAL U.S. COMMERCIAL PASSENGER ENPLANEMENTS 1/	ANNUAL GROWTH
2009	133,232	-5.8%	83,844,549	-6.7%
2008	141,364	-4.8%	89,901,765	0.7%
2007	148,523	-19.9%	89,297,977	5.3%
2006	185,333	7.4%	84,797,568	4.6%
2005	172,549	11.5%	81,052,380	8.8%
2004	154,689	17.7%	74,514,795	15.7%
2003	131,458	26.1%	64,425,272	0.9%
2002	104,213	25.0%	63,824,050	-1.8%
2001	83,350	-35.5%	65,018,549	-7.7%
2000	129,280	23.8%	70,460,601	14.3%

1/ Per Bureau of Transportation Statistics "Air Carriers: T-100 Market commercial passengers flown by U.S. Flag Carriers." This source replaces the FAA, which had been used as the source for this information in prior years.

Prepared by the Office of Finance

Sources: Office of Finance, Bureau of Transportation Statistics

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Enplanements

Exhibit S-20

### Washington Dulles International Airport

#### Domestic Activity

YEAR	DULLES DOMESTIC COMMERCIAL PASSENGER ENPLANEMENTS	ANNUAL GROWTH	TOTAL U.S. COMMERCIAL PASSENGER ENPLANEMENTS <sup>1/</sup>	ANNUAL GROWTH
2009	8,429,500	-3.6%	620,366,609	-5.1%
2008	8,742,530	-6.1%	653,855,923	-4.1%
2007	9,313,161	5.9%	681,536,246	3.2%
2006	8,797,384	-19.6%	660,672,077	0.0%
2005	10,947,383	21.4%	660,652,908	4.1%
2004	9,014,584	41.5%	634,401,364	8.0%
2003	6,371,646	-1.9%	587,517,042	6.0%
2002	6,497,774	-6.6%	554,011,114	-1.1%
2001	6,958,802	-11.8%	560,318,598	-6.6%
2000	7,888,431	-1.0%	599,807,913	4.6%

#### International Activity

YEAR	DULLES DOMESTIC COMMERCIAL PASSENGER ENPLANEMENTS	ANNUAL GROWTH	TOTAL U.S. COMMERCIAL PASSENGER ENPLANEMENTS <sup>1/</sup>	ANNUAL GROWTH
2009	3,117,271	0.1%	83,844,549	-6.7%
2008	3,115,417	5.2%	89,901,765	0.7%
2007	2,960,345	14.1%	89,297,977	5.3%
2006	2,594,861	6.0%	84,797,568	4.6%
2005	2,448,994	6.0%	81,052,380	8.8%
2004	2,309,572	15.8%	74,514,795	15.7%
2003	1,994,840	-1.1%	64,425,272	0.9%
2002	2,017,724	2.9%	63,824,050	-1.8%
2001	1,961,394	-5.8%	65,018,549	-7.7%
2000	2,083,201	13.1%	70,460,601	7.8%

<sup>1/</sup> Per Bureau of Transportation Statistics "Air Carriers: T-100 Domestic Market." This source replaces the FAA, which had been used as the source for this information in prior years.

Prepared by the Office of Finance

Sources: MWAA Office of Finance, Bureau of Transportation Statistics

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Enplanement Market Share

### Ronald Reagan Washington National Airport

AIRLINE	2009		2008		2007		2006		2005	
	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share
<b>DOMESTIC</b>										
<b>AIR CARRIERS</b>										
US Airways+US Airways Shuttle	1,929,992	22.00%	2,132,137	23.74%	2,255,033	24.25%	2,353,896	25.47%	2,715,964	30.48%
American	1,143,658	13.04%	1,158,855	12.90%	1,214,058	13.06%	1,132,839	12.26%	1,119,235	12.56%
Delta+Delta Shuttle	741,305	8.45%	933,025	10.39%	957,515	10.30%	1,073,406	11.61%	1,131,927	12.70%
Northwest	581,173	6.63%	669,821	7.46%	675,764	7.27%	666,028	7.21%	643,017	7.22%
United	522,673	5.96%	518,293	5.77%	519,311	5.59%	511,091	5.53%	462,300	5.19%
Continental	303,467	3.46%	325,851	3.63%	373,191	4.01%	378,298	4.09%	357,253	4.01%
AirTran	263,100	3.00%	249,030	2.77%	213,397	2.30%	172,293	1.86%	155,613	1.75%
Midwest Airlines	32,247	0.37%	174,737	1.95%	204,583	2.20%	207,345	2.24%	187,012	2.10%
ATA	-	-	-	-	159,377	1.71%	151,274	1.64%	145,227	1.63%
Alaska Airlines	144,317	1.65%	146,589	1.63%	142,567	1.53%	130,596	1.41%	116,137	1.30%
Frontier Airlines	158,734	1.81%	156,669	1.74%	128,498	1.38%	123,223	1.33%	121,424	1.36%
America West Airlines	-	-	-	-	125,095	1.35%	175,333	1.90%	172,484	1.94%
Spirit Airlines	117,546	1.34%	106,483	1.19%	86,636	0.93%	104,988	1.14%	135,878	1.52%
Trans World Airlines	-	-	-	-	-	-	-	-	-	-
Other Air Carriers 1/	201	0.00%	852	0.01%	-	-	-	-	-	-
<b>REGIONALS</b>										
Republic (US Airways Express)	733,136	8.36%	630,563	7.02%	594,411	6.39%	465,755	5.04%	14,032	0.16%
Air Wisconsin (US Airways Express)	567,358	6.47%	670,067	7.46%	568,630	6.12%	460,008	4.98%	32,716	0.37%
American Eagle Airlines	331,584	3.78%	268,652	2.99%	258,697	2.78%	280,129	3.03%	264,758	2.97%
Comair (Delta Connection)	250,061	2.85%	190,134	2.12%	179,534	1.93%	176,297	1.91%	158,060	1.77%
PSA Airlines	168,781	1.92%	147,013	1.64%	139,087	1.50%	152,515	1.65%	339,434	3.81%
Continental Express	61,874	0.71%	58,935	0.66%	80,791	0.87%	97,211	1.05%	90,506	1.02%
Chautauqua (US Airways Express)	77,766	0.89%	64,453	0.72%	70,677	0.76%	95,080	1.03%	150,719	1.69%
Pinnacle	47,431	0.54%	58,100	0.65%	59,895	0.64%	55,563	0.60%	62,386	0.70%
Piedmont Airlines	4,466	0.05%	12,856	0.14%	28,463	0.31%	11,584	0.13%	4,342	0.05%
ASA (Delta Connection)	2,974	0.03%	4,965	0.06%	26,268	0.28%	27,887	0.30%	35,904	0.40%
Chautauqua (Continental Express)	32,401	0.37%	34,546	0.38%	14,381	0.15%	-	-	-	-
Colgan Airways (US Airways Exp.)	13,983	0.16%	13,740	0.15%	13,867	0.15%	13,041	0.14%	-	-
Mesaba (Northwest Airlink)	29,506	0.34%	4,658	0.05%	9,895	0.11%	14,734	0.16%	25,724	0.29%
Trans States (American Connection)	-	-	-	-	-	-	15,250	0.16%	25,230	0.28%
Liberty Express	-	-	-	-	-	-	6,849	0.07%	58,990	0.66%
Allegheny	-	-	-	-	-	-	-	-	-	-
Other Regionals 1/	374,277	4.27%	105,443	1.17%	45,933	0.49%	1,969	0.02%	10,453	0.12%
<b>AIR CARRIER -- CHARTERED</b>										
Other Charters 1/	25	0.00%	-	-	-	-	3.00	0.00%	-	-
<b>GENERAL AVIATION</b>										
Signature Flight Support	1,656	0.02%	1,516	0.02%	1136.00	0.01%	June 19, 1901	0.01%	53	0.00%
<b>MILITARY</b>										
Other Military 1/	2,995	0.03%	2,833	0.03%	3,094	0.03%	2,126	0.02%	1,906	0.02%
<b>TOTAL</b>	<b>8,638,687</b>	<b>98.48%</b>	<b>8,840,816</b>	<b>98.43%</b>	<b>9,149,784</b>	<b>98.40%</b>	<b>9,057,147</b>	<b>97.99%</b>	<b>8,738,684</b>	<b>98.06%</b>
<b>TRANSBORDER/INTERNATIONAL</b>										
<b>AIR CARRIERS</b>										
Air Canada	54,701	0.62%	65,031	0.72%	61,837	0.67%	76,107	0.82%	104,637	1.17%
US Airways	35,786	0.41%	38,020	0.42%	41,372	0.44%	48,559	0.53%	40,830	0.46%
<b>REGIONALS</b>										
Other Regionals 1/	42,720	0.49%	38,313	0.43%	45,314	0.49%	60,667	0.66%	27,082	0.30%
<b>GENERAL AVIATION</b>										
Other General Aviation 1/	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>133,207</b>	<b>1.52%</b>	<b>141,364</b>	<b>1.57%</b>	<b>148,523</b>	<b>1.60%</b>	<b>185,333</b>	<b>2.01%</b>	<b>172,549</b>	<b>1.94%</b>
<b>GRAND TOTAL</b>	<b>8,771,894</b>	<b>100.00%</b>	<b>8,982,180</b>	<b>100.00%</b>	<b>9,298,307</b>	<b>100.00%</b>	<b>9,242,480</b>	<b>100.00%</b>	<b>8,911,233</b>	<b>100.00%</b>

1/ Includes airlines no longer serving National or airlines with insignificant activity.

Note: Prior years' schedules have been adjusted to include charter, general aviation and military passengers.

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## Enplanement Market Share (continued)

Exhibit S-21

2004		2003		2002		2001		2000	
Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share
2,087,921	26.24%	1,895,630	27.10%	1,797,035	27.79%	2,049,010	30.99%	2,569,040	32.37%
921,936	11.59%	955,780	13.66%	921,433	14.25%	771,529	11.67%	1,013,424	12.77%
1,095,415	13.77%	1,050,133	15.01%	1,139,754	17.63%	1,247,114	18.86%	1,458,645	18.38%
622,144	7.82%	587,036	8.39%	522,216	8.08%	480,359	7.27%	580,364	7.31%
441,683	5.55%	398,713	5.70%	392,739	6.07%	372,984	5.64%	411,947	5.19%
309,128	3.88%	306,612	4.38%	326,253	5.05%	409,712	6.20%	544,747	6.86%
138,707	1.74%	26,303	0.38%	-	-	-	-	-	-
166,059	2.09%	149,368	2.14%	142,933	2.21%	109,329	1.65%	105,799	1.33%
165,032	2.07%	126,474	1.81%	121,712	1.88%	105,944	1.60%	99,549	1.25%
77,325	0.97%	33,895	0.48%	32,149	0.50%	3,019	0.05%	-	-
72,757	0.91%	39,044	0.56%	36,058	0.56%	24,879	0.38%	10,511	0.13%
153,659	1.93%	131,354	1.88%	122,745	1.90%	122,536	1.85%	55,432	0.70%
110,303	1.39%	8,854	0.13%	-	-	46,762	0.71%	10,161	0.13%
-	-	-	-	-	-	173,781	2.63%	252,161	3.18%
409	0.01%	-	-	19,798	0.31%	75,026	1.13%	71,088	0.90%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
215,408	2.71%	198,460	2.84%	133,539	2.07%	66,060	1.00%	70,044	0.88%
214,242	2.69%	243,627	3.48%	46,716	0.72%	-	-	22,759	0.29%
191,904	2.41%	111,727	1.60%	128,069	1.98%	34,511	0.52%	95,775	1.21%
90,655	1.14%	90,836	1.30%	58,954	0.91%	10,735	0.16%	1,593	0.02%
225,935	2.84%	115,102	1.65%	-	-	-	-	-	-
10,455	0.13%	-	-	-	-	-	-	-	-
47,334	0.59%	100,245	1.43%	189,691	2.93%	70,872	1.07%	164,970	2.08%
65,488	0.82%	54,430	0.78%	5,423	0.08%	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
42,617	0.54%	3,622	0.05%	-	-	-	-	-	-
265,276	3.33%	113,511	1.62%	122,977	1.90%	227,204	3.44%	126,588	1.59%
24,344	0.31%	86,410	1.24%	66,799	1.03%	2,933	0.04%	5,058	0.06%
41,246	0.52%	33,488	0.48%	29,245	0.45%	72,429	1.10%	53,627	0.68%
-	-	-	-	-	-	3,426	0.04%	2,811	0.03%
-	-	-	-	-	-	46,433	0.70%	81,183	1.02%
5,375	0.07%	3,940	0.06%	4,936	0.08%	849	0.01%	-	-
<b>7,802,757</b>	<b>87.56%</b>	<b>6,864,594</b>	<b>98.12%</b>	<b>6,361,174</b>	<b>98.39%</b>	<b>6,527,436</b>	<b>98.74%</b>	<b>7,807,276</b>	<b>98.37%</b>
94,135	1.18%	79,436	1.14%	83,654	1.29%	78,937	1.19%	108,709	1.37%
37,625	0.47%	33,891	0.48%	11,481	0.18%	-	0.00%	-	-
22,929	0.29%	18,131	0.26%	9,078	0.14%	4,413	0.07%	20,571	0.26%
-	-	-	-	-	-	32	0.00%	-	-
<b>154,689</b>	<b>1.94%</b>	<b>131,458</b>	<b>1.88%</b>	<b>104,213</b>	<b>1.61%</b>	<b>83,382</b>	<b>1.26%</b>	<b>129,280</b>	<b>1.63%</b>
<b>7,957,446</b>	<b>100.00%</b>	<b>6,996,052</b>	<b>100.00%</b>	<b>6,465,387</b>	<b>100.00%</b>	<b>6,610,818</b>	<b>100.00%</b>	<b>7,936,556</b>	<b>100.00%</b>



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Metropolitan Washington Airports Authority

## Enplanement Market Share

### Washington Dulles International Airport

AIRLINE	2009		2008		2007		2006		2005	
	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share
<b>DOMESTIC</b>										
<b>AIR CARRIERS</b>										
United	3,286,673	28.30%	3,312,845	27.73%	3,551,268	28.68%	3,430,537	29.84%	3,131,653	23.19%
JetBlue	625,519	5.39%	730,989	6.12%	776,980	6.27%	666,704	5.80%	475,282	3.52%
American	409,716	3.53%	435,623	3.65%	444,445	3.59%	450,718	3.92%	471,771	3.49%
Southwest Airlines Co.	371,029	3.19%	396,298	3.32%	368,977	2.98%	80,567	0.70%	-	-
Delta	296,772	2.56%	333,445	2.79%	368,507	2.98%	384,682	3.35%	392,954	2.91%
Virgin America	237,796	2.05%	194,248	1.63%	27,247	0.22%	-	-	-	-
AirTran	127,164	1.09%	179,892	1.51%	204,194	1.65%	199,898	1.74%	133,541	0.99%
Northwest	34,442	0.30%	114,489	0.96%	199,194	1.61%	196,249	1.71%	220,105	1.63%
US Airways	34,728	0.30%	96,997	0.81%	109,878	0.89%	101,772	0.89%	118,897	0.88%
Continental	817	0.01%	3,808	0.03%	20,415	0.16%	15,217	0.13%	26,260	0.19%
America West	-	0.00%	-	0.00%	39,222	0.32%	86,614	0.75%	98,160	0.73%
Independence Air	-	0.00%	-	0.00%	-	-	22,050	0.19%	2,690,638	19.93%
Atlantic Coast	-	0.00%	-	0.00%	-	-	-	-	-	-
Other Air Carriers 1/	25,512	0.22%	30,055	0.25%	39,487	0.32%	31,500	0.27%	58,883	0.44%
<b>REGIONALS</b>										
Mesa (United Express)	719,003	6.19%	906,747	7.59%	1,279,241	10.33%	1,602,553	13.94%	730,191	5.41%
Trans States (United Express)	566,386	4.88%	545,487	4.57%	528,990	4.27%	498,796	4.34%	567,626	4.20%
Shuttle America (United Express)	372,543	3.21%	369,050	3.09%	375,942	3.04%	266,414	2.32%	239,948	1.78%
Chautauqua (United Express)	233,296	2.01%	239,421	2.00%	230,741	1.86%	127,799	1.11%	389,987	2.89%
Colgan Air (United Express)	221,228	1.90%	203,456	1.70%	156,967	1.27%	142,528	1.24%	22,075	0.16%
Continental Express	25,471	0.22%	79,287	0.66%	103,954	0.84%	134,477	1.17%	166,745	1.23%
Air Wisconsin (United Express)	-	0.00%	-	0.00%	-	-	16,899	0.15%	681,692	5.05%
Other Regionals 1/	841,405	7.24%	569,889	4.77%	486,502	3.93%	340,604	2.96%	329,999	2.44%
<b>AIR CARRIER -- CHARTERED</b>										
Other Charters 1/	-	0.00%	504	0.00%	1,010	0.01%	806	0.01%	976	0.01%
<b>GENERAL AVIATION</b>										
Landmark Aviation	16,986	0.15%	24,598	0.21%	35,424	0.29%	36,105	0.31%	43,772	0.32%
Signature Flight Support	49,845	0.43%	60,399	0.51%	72,635	0.59%	66,673	0.58%	59,748	0.44%
<b>MILITARY</b>										
Other Military 1/	36	0.00%	314	0.00%	-	-	173	0.00%	573	0.00%
<b>TOTAL</b>	<b>8,496,367</b>	<b>73.15%</b>	<b>8,827,841</b>	<b>73.90%</b>	<b>9,421,220</b>	<b>76.08%</b>	<b>8,900,335</b>	<b>77.41%</b>	<b>11,051,476</b>	<b>81.84%</b>
<b>TRANSBORDER/INTERNATIONAL</b>										
<b>AIR CARRIERS</b>										
United	1,443,621	12.43%	1,401,537	11.73%	1,350,797	10.91%	1,105,952	9.62%	1,004,913	7.44%
British Airways	182,703	1.57%	189,442	1.59%	173,361	1.40%	182,241	1.59%	189,991	1.41%
Air France	181,787	1.57%	176,064	1.47%	192,578	1.56%	201,577	1.75%	190,865	1.41%
Lufthansa	158,147	1.36%	173,440	1.45%	203,686	1.64%	215,272	1.87%	200,149	1.48%
Taca International	95,132	0.82%	101,867	0.85%	118,331	0.96%	98,628	0.86%	90,554	0.67%
Virgin Atlantic	84,778	0.73%	95,567	0.80%	104,319	0.84%	83,992	0.73%	75,626	0.56%
South African Airways	73,221	0.63%	82,084	0.69%	87,604	0.71%	58,492	0.51%	13,254	0.10%
Austrian Airlines	63,885	0.55%	80,821	0.68%	80,054	0.65%	78,879	0.69%	81,580	0.60%
KLM Royal Dutch	79,265	0.68%	78,574	0.66%	83,033	0.67%	77,105	0.67%	73,253	0.54%
SAS	66,085	0.57%	71,112	0.60%	66,251	0.54%	66,272	0.58%	74,016	0.55%
All Nippon	60,949	0.52%	62,932	0.53%	65,852	0.53%	70,047	0.61%	68,507	0.51%
Korean Air	72,814	0.63%	57,850	0.48%	63,789	0.52%	56,776	0.49%	60,604	0.45%
Northwest Airlines	1,026	0.01%	5,496	0.05%	-	-	-	-	-	-
Air Canada	-	-	-	-	558	0.00%	4,388	0.04%	69,791	0.52%
Atlantic Coast	-	-	-	-	-	-	-	-	-	-
Other Air Carriers 1/	302,358	2.60%	285,229	2.39%	159,576	1.29%	114,882	1.00%	155,970	1.16%
<b>REGIONALS</b>										
Air Canada Jazz	43,459	0.37%	49,104	0.41%	66,344	0.54%	63,833	0.56%	-	-
Air Wisconsin (United Express)	-	-	-	-	-	-	6,953	0.06%	81,885	0.61%
Other Regionals 1/	208,041	1.79%	203,967	1.71%	143,916	1.16%	109,298	0.95%	17,593	0.13%
<b>AIR CARRIER -- CHARTERED</b>										
Other Charters 1/	-	0.00%	331	0.00%	296	0.00%	274	0.00%	443	0.00%
<b>GENERAL AVIATION</b>										
Other General Aviation 1/	167	0.00%	63	0.00%	448	0.00%	581	0.01%	1,696	0.01%
<b>MILITARY</b>										
Other Military 1/	523	0.00%	1,540	0.01%	803	0.01%	1,552	0.01%	1,647	0.01%
<b>TOTAL</b>	<b>3,117,961</b>	<b>26.85%</b>	<b>3,117,020</b>	<b>26.10%</b>	<b>2,961,596</b>	<b>23.92%</b>	<b>2,596,994</b>	<b>22.59%</b>	<b>2,452,337</b>	<b>18.16%</b>
<b>GRAND TOTAL</b>	<b>11,614,328</b>	<b>100.00%</b>	<b>11,944,861</b>	<b>100.00%</b>	<b>12,382,816</b>	<b>100.00%</b>	<b>11,497,329</b>	<b>100.00%</b>	<b>13,503,813</b>	<b>100.00%</b>

1/ Includes airlines no longer serving Dulles or airlines with insignificant activity.

Note: Prior years' schedules have been adjusted to include passengers from charters, general aviation and military.

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Enplanement Market Share (continued)

## Exhibit S-22

2004		2003		2002		2001		2000	
Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share	Passenger Enplanements	Market Share
3,064,079	26.81%	2,459,604	29.08%	2,563,838	29.83%	3,065,872	34.11%	3,392,374	33.80%
444,592	3.89%	342,582	4.05%	219,135	2.55%	8,948	0.10%	-	-
410,792	3.59%	438,793	5.19%	511,972	5.96%	433,586	4.82%	461,054	4.59%
-	-	-	-	-	-	-	-	-	-
474,913	4.16%	531,773	6.29%	665,661	7.74%	604,116	6.72%	639,591	6.37%
-	-	-	-	-	-	-	-	-	-
129,738	1.14%	166,607	1.97%	153,497	1.79%	190,661	2.12%	195,219	1.94%
204,563	1.79%	174,280	2.06%	189,204	2.20%	235,265	2.62%	207,152	2.06%
97,310	0.85%	118,315	1.40%	125,972	1.47%	303,648	3.38%	757,791	7.55%
27,616	0.24%	39,506	0.47%	71,950	0.84%	89,553	1.00%	66,623	0.66%
120,987	1.06%	85,113	1.01%	5,551	0.06%	-	-	321	0.00%
1,221,575	10.69%	-	-	-	-	-	-	-	-
817,453	7.15%	1,500,700	17.74%	1,583,496	18.42%	1,602,357	17.83%	1,592,006	15.86%
95,279	0.83%	69,428	0.82%	94,664	1.10%	173,616	1.93%	187,787	1.87%
-	-	-	-	-	-	-	-	-	-
282,517	2.47%	-	-	-	-	-	-	-	-
288,287	2.52%	2,707	0.03%	-	-	-	-	-	-
110,075	0.96%	-	-	2,391	0.03%	-	-	-	-
154,760	1.35%	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
153,109	1.34%	92,012	1.09%	69,276	0.81%	66,287	0.74%	63,648	0.63%
641,015	5.61%	179,975	2.13%	49,376	0.57%	-	-	-	-
272,562	2.38%	163,327	1.93%	182,859	2.13%	184,893	2.06%	324,865	3.24%
-	-	-	-	-	-	-	-	-	-
3,362	0.03%	6,924	0.08%	8,932	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
39,817	0.35%	40,184	0.48%	35,567	0.41%	32,134	0.36%	25,293	0.25%
60,106	0.53%	48,106	0.57%	37,506	0.44%	19,840	0.22%	17,595	0.18%
-	-	-	-	-	-	-	-	-	-
698	0.01%	903	0.01%	637	0.01%	470	0.01%	370	0.00%
<b>9,115,205</b>	<b>79.76%</b>	<b>6,460,839</b>	<b>76.38%</b>	<b>6,571,484</b>	<b>76.45%</b>	<b>7,011,246</b>	<b>78.00%</b>	<b>7,931,689</b>	<b>79.02%</b>
932,830	8.16%	768,233	9.08%	801,230	9.32%	739,139	8.22%	850,389	8.47%
189,690	1.66%	187,934	2.22%	181,694	2.11%	155,961	1.74%	192,643	1.92%
156,142	1.37%	139,751	1.65%	127,684	1.49%	119,792	1.33%	124,421	1.24%
163,817	1.43%	149,399	1.77%	153,186	1.78%	174,875	1.95%	166,574	1.66%
81,316	0.71%	72,989	0.86%	71,528	0.83%	57,470	0.64%	42,694	0.43%
92,282	0.81%	82,415	0.97%	91,551	1.07%	105,259	1.17%	115,034	1.15%
-	-	-	-	-	-	-	-	-	-
82,215	0.72%	76,242	0.90%	74,721	0.87%	58,962	0.66%	47,454	0.47%
70,856	0.62%	39,718	0.47%	-	-	-	-	-	-
68,727	0.60%	58,086	0.69%	60,007	0.70%	31,423	0.35%	-	-
68,744	0.60%	62,181	0.74%	65,680	0.76%	59,254	0.66%	77,451	0.77%
58,695	0.51%	46,316	0.55%	45,177	0.53%	37,840	0.42%	50,041	0.50%
-	-	25,068	0.30%	77,183	0.90%	72,763	0.81%	81,650	0.81%
95,776	0.84%	95,265	1.13%	110,409	1.28%	126,224	1.40%	114,982	1.15%
41,414	0.36%	73,145	0.86%	6,655	0.08%	-	-	-	-
155,511	1.36%	118,098	1.40%	151,019	1.76%	222,432	2.47%	219,868	2.19%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
51,557	0.45%	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
1,191	0.01%	1,003	0.01%	816	0.01%	1,523	0.02%	1,024	0.01%
-	-	-	-	-	-	-	-	-	-
2,869	0.03%	2,005	0.02%	5,942	0.07%	14,693	0.16%	21,516	0.21%
<b>2,313,632</b>	<b>20.24%</b>	<b>1,997,848</b>	<b>23.62%</b>	<b>2,024,482</b>	<b>23.55%</b>	<b>1,977,610</b>	<b>22.00%</b>	<b>2,105,741</b>	<b>20.98%</b>
<b>11,428,837</b>	<b>100.00%</b>	<b>8,458,687</b>	<b>100.00%</b>	<b>8,595,966</b>	<b>100.00%</b>	<b>8,988,856</b>	<b>100.00%</b>	<b>10,037,430</b>	<b>100.00%</b>

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Cargo Market Share Enplaned

(Expressed in Pounds)

### Ronald Reagan Washington National Airport

AIRLINE	2009		2008		2007		2006		2005	
	Cargo Weight	Market Share	Cargo Weight	Market Share	Cargo Weight	Market Share	Cargo Weight	Market Share	Cargo Weight	Market Share
<b>DOMESTIC</b>										
<b>AIR CARRIERS</b>										
US Airways + US Airways Shuttle	554,872	20.61%	642,775	31.43%	1,661,112	60.57%	1,210,445	40.61%	1,037,946	34.03%
Federal Express FDX	549,860	20.42%	313,462	15.33%	-	-	-	-	-	-
Frontier Airlines	499,669	18.56%	19,694	0.96%	2,856	-	-	-	-	-
American Airlines	438,101	16.27%	357,360	17.47%	2,628	0.10%	4,457	0.15%	92,242	3.02%
Delta+Delta Shuttle	156,417	5.81%	95,744	4.68%	107,764	3.93%	141,541	4.75%	264,623	8.68%
Continental Airlines	110,081	4.09%	156,508	7.65%	163,807	5.97%	246,489	8.27%	300,118	9.84%
Alaska Airlines	97,411	3.62%	106,397	5.20%	106,366	3.88%	120,052	4.03%	43,616	1.43%
Northwest Airlines	85,523	3.18%	83,748	4.09%	69,039	2.52%	24,575	0.82%	24,992	0.82%
United Airlines	16,191	0.60%	17,874	0.87%	17,631	0.64%	20,069	0.67%	76,329	2.50%
Midwest Airlines	11,783	0.44%	102,453	5.01%	146,642	5.35%	172,537	5.79%	143,100	4.69%
Air Canada	53	0.00%	152	0.01%	-	-	-	-	-	-
AirTran Airlines	-	-	-	-	7,500	0.27%	28,539	0.96%	21,234	0.70%
America West Airlines	-	-	-	-	86,448	3.15%	287,846	9.66%	284,665	9.33%
ATA	-	-	-	-	215,872	7.87%	371,210	12.45%	589,871	19.34%
Spirit Airlines	-	-	-	-	-	-	1,210	0.04%	8,791	0.29%
Midway Airlines	-	-	-	-	-	-	-	-	-	-
National Airlines	-	-	-	-	-	-	-	-	-	-
Trans World Airlines	-	-	-	-	-	-	-	-	-	-
<b>REGIONALS</b>										
Air Wisconsin (US Airways Express)	63,295	2.35%	43,548	2.13%	25,796	0.94%	138,487	4.65%	23,281	0.76%
PSA Airlines	56,727	2.11%	23,795	1.16%	27,467	1.00%	56,658	1.90%	67,526	2.21%
Republic (Midwest Connect)	39,083	1.45%	9,538	0.47%	-	-	-	-	-	-
Continental Express	8,900	0.33%	20,167	0.99%	35,974	1.31%	60,917	2.04%	43,763	1.43%
Chautauqua Airlines	1,969	0.07%	7,191	0.35%	3,333	0.12%	-	-	-	-
Pinnacle Airlines (Northwest Airlink)	1,901	0.07%	4,445	0.22%	4,608	0.17%	1,298	0.04%	-	-
Piedmont Airlines	412	0.02%	481	0.02%	2,032	0.07%	1,849	0.06%	1,089	0.04%
Mesaba Airlines	345	0.01%	4	0.00%	154	0.01%	-	-	-	-
Comair (Delta Connection)	-	-	64	0.00%	-	-	-	-	7,082	0.23%
Republic (US Airways Express)	-	-	-	-	2,222	0.08%	12,545	0.42%	901	0.03%
Chautauqua (Delta Connection)	-	-	-	-	35	0.00%	2,000	0.07%	-	-
Chautauqua (US Airways Express)	-	-	-	-	-	-	126	0.00%	1,028	0.03%
American Eagle Airlines	-	-	-	-	-	-	45,960	1.54%	52	0.00%
ASA (Delta Connection)	-	-	-	-	-	-	-	-	1,530	0.05%
Allegheny	-	-	-	-	-	-	-	-	-	-
US Airways Express (Midway)	-	-	-	-	-	-	-	-	-	-
Skyway Airlines	-	-	-	-	-	-	-	-	-	-
Mesa (America West Express)	-	-	-	-	-	-	-	-	-	-
Potomac Air	-	-	-	-	-	-	-	-	-	-
Liberty Express	-	-	-	-	-	-	-	-	-	-
Business Express	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>2,692,593</b>	<b>99.99%</b>	<b>2,005,400</b>	<b>98.05%</b>	<b>2,689,286</b>	<b>98.06%</b>	<b>2,948,810</b>	<b>98.93%</b>	<b>3,033,779</b>	<b>99.46%</b>
<b>TRANSBORDER/INTERNATIONAL</b>										
<b>AIR CARRIERS</b>										
US Airways	169	0.01%	39,907	1.95%	52,526	1.92%	27,321	0.92%	12,198	0.40%
Air Canada	31	0.00%	-	-	751	0.03%	1,551	0.05%	3,558	0.12%
<b>REGIONALS</b>										
Air Wisconsin (US Airways Express)	-	-	-	-	-	-	3,100	0.10%	-	-
PSA Airlines	-	-	-	-	-	-	41	0.00%	656	0.02%
US Airways Express (Midway)	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>200</b>	<b>0.01%</b>	<b>39,907</b>	<b>1.95%</b>	<b>53,277</b>	<b>1.94%</b>	<b>32,013</b>	<b>1.07%</b>	<b>16,412</b>	<b>0.54%</b>
<b>GRAND TOTAL</b>	<b>2,692,793</b>	<b>100.00%</b>	<b>2,045,307</b>	<b>100.00%</b>	<b>2,742,563</b>	<b>100.00%</b>	<b>2,980,823</b>	<b>100.00%</b>	<b>3,050,191</b>	<b>100.00%</b>

Note: Prior years' comparative information has been corrected for omitted and/or erroneous information.

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Cargo Market Share Enplaned (continued)

## Exhibit S-23

2004		2003		2002		2001		2000	
Cargo Weight	Market Share	Cargo Weight	Market Share	Cargo Weight	Market Share	Cargo Weight	Market Share	Cargo Weight	Market Share
1,727,285	38.02%	1,832,745	39.64%	1,607,082	36.22%	8,306,573	24.78%	13,348,951	26.99%
-	-	-	-	-	-	-	-	-	-
1,371	0.03%	36,318	0.79%	6,199	0.14%	37,684	0.11%	54,064	0.11%
744,151	16.38%	289,789	6.27%	399,616	9.01%	5,278,460	15.75%	7,621,476	15.41%
275,700	6.07%	379,496	8.21%	143,774	3.24%	3,905,915	11.65%	7,200,187	14.56%
487,743	10.74%	437,175	9.46%	663,111	14.94%	3,054,482	9.11%	4,247,501	8.59%
752	0.02%	22,764	0.49%	20,476	0.46%	-	-	-	-
41,723	0.92%	239,483	5.18%	331,498	7.47%	4,717,567	14.07%	7,312,454	14.79%
172,457	3.80%	221,887	4.80%	146,663	3.31%	2,559,076	7.63%	3,902,016	7.89%
277,948	6.12%	300,996	6.51%	426,727	9.62%	1,202,290	3.59%	1,326,932	2.68%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
381,530	8.40%	499,521	10.80%	443,313	9.99%	1,059,059	3.16%	571,123	1.15%
225,601	4.97%	87,735	1.90%	807	0.02%	561,322	1.67%	527,952	1.07%
32,198	0.71%	3,052	0.07%	-	-	2,319	0.01%	2,454	0.00%
-	-	-	-	1,772	0.04%	16,331	0.05%	86,034	0.17%
-	-	-	-	-	-	339,724	1.01%	153,174	0.31%
-	-	-	-	-	-	2,352,248	7.02%	2,861,483	5.79%
-	-	-	-	-	-	-	-	-	-
30,539	0.67%	20,245	0.44%	21,742	0.49%	12,634	0.04%	48,357	0.10%
30,235	0.67%	18,279	0.40%	22,775	0.51%	4,179	0.01%	1,868	0.00%
-	-	2,616	0.06%	8,850	0.20%	-	-	-	-
-	-	-	-	-	-	-	-	-	-
13,044	0.29%	54,940	1.19%	66,069	1.49%	51,767	0.15%	171,159	0.35%
-	-	-	-	-	-	-	-	-	-
32,909	0.72%	56,881	1.23%	87	0.00%	-	-	337	0.00%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
16,677	0.37%	28,477	0.62%	-	-	-	-	-	-
789	0.02%	2,800	0.06%	1,627	0.04%	-	-	2,725	0.01%
40,939	0.90%	38,554	0.83%	-	-	-	-	-	-
6,021	0.13%	31,054	0.67%	8,927	0.20%	1,027	0.00%	1,704	0.00%
-	-	11,004	0.24%	-	-	-	-	-	-
-	-	314	0.01%	465	0.01%	23,317	0.07%	3,326	0.01%
-	-	-	-	58,562	1.32%	4,693	0.01%	3,689	0.01%
-	-	-	-	-	-	32,270	0.10%	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
<b>4,539,612</b>	<b>99.93%</b>	<b>4,616,125</b>	<b>99.84%</b>	<b>4,380,142</b>	<b>98.71%</b>	<b>33,522,937</b>	<b>100.00%</b>	<b>49,448,966</b>	<b>100.00%</b>
2,876	0.06%	6,682	0.14%	55,983	1.26%	-	-	-	-
462	0.01%	708	0.02%	1,326	0.03%	1,100	0.00%	771	0.00%
-	-	-	-	-	-	-	-	-	-
64	0.00%	1	0.00%	-	-	-	-	-	-
-	-	4	0.00%	-	-	-	-	-	-
<b>3,402</b>	<b>0.07%</b>	<b>7,395</b>	<b>0.16%</b>	<b>57,309</b>	<b>1.29%</b>	<b>1,100</b>	<b>0.00%</b>	<b>771</b>	<b>0.00%</b>
<b>4,543,014</b>	<b>100.00%</b>	<b>4,623,520</b>	<b>100.00%</b>	<b>4,437,451</b>	<b>100.00%</b>	<b>33,524,037</b>	<b>100.00%</b>	<b>49,449,737</b>	<b>100.00%</b>

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Cargo Market Share Enplaned (Expressed in Pounds)

### WashingtonDulles International Airport

AIRLINE	2009		2008		2007		2006		2005	
	Cargo Weight	Share	Cargo Weight	Share	Cargo Weight	Share	Cargo Weight	Share	Cargo Weight	Share
<b>DOMESTIC</b>										
<b>AIR CARRIERS</b>										
Federal Express	83,793,859	26.97%	82,766,364	23.66%	90,637,340	25.37%	84,999,063	24.86%	89,954,132	29.61%
United Airlines	38,771,925	12.48%	40,833,059	11.67%	47,996,696	13.43%	44,757,206	13.09%	42,347,957	13.94%
United Parcel Service	8,304,813	2.67%	8,582,825	2.45%	9,522,514	2.67%	9,210,600	2.69%	8,522,281	2.81%
Continental Airlines	1,949,852	0.63%	875,020	0.25%	2,296,733	0.64%	2,484,266	0.73%	2,893,214	0.95%
American Airlines	1,289,901	0.42%	2,264,649	0.65%	1,486,544	0.42%	1,709,804	0.50%	1,441,953	0.47%
JetBlue Airways	455,711	0.15%	678,715	0.19%	138,833	0.04%	-	-	-	-
Delta AirLines	399,477	0.13%	420,072	0.12%	547,443	0.15%	732,947	0.21%	1,415,717	0.47%
Southwest Airlines	271,671	0.09%	560,639	0.16%	585,535	0.16%	100,030	0.03%	-	-
US Airways	225,628	0.07%	274,354	0.08%	119,368	0.03%	99,377	0.03%	83,805	0.03%
Airborne Express	119,843	0.04%	11,811,662	3.38%	13,330,418	3.73%	11,161,815	3.26%	10,135,209	3.34%
Northwest Airlines	22,077	0.01%	75,020	0.02%	96,087	0.03%	139,315	0.04%	168,907	0.06%
Mountain Air Cargo	8,117	0.00%	-	-	2,731	-	-	-	-	-
Murray Air Cargo	-	-	30,878	0.01%	-	-	-	-	-	-
America West Airlines	-	-	-	-	218,379	0.06%	510,124	0.15%	390,576	0.13%
AirTran Airlines	-	-	-	-	-	-	6,705	0.00%	-	-
Emery Worldwide	-	-	-	-	-	-	-	-	-	-
Trans World Airlines	-	-	-	-	-	-	-	-	-	-
DHL Airways	-	-	-	-	-	-	-	-	1,738,533	0.57%
Other 1/	-	-	757	0.00%	-	-	226,542	0.07%	161,704	0.05%
<b>ALL-CARGO CHARTERS</b>										
Other 1/	-	-	-	-	-	-	-	-	-	-
<b>REGIONALS</b>										
Other 1/	38,805	0.01%	1,209,912	0.35%	55,269	0.02%	91,623	0.03%	244,563	0.08%
<b>MILITARY</b>										
Other 1/	-	-	-	-	-	-	-	-	200	0.00%
<b>TOTAL</b>	<b>135,651,679</b>	<b>43.67%</b>	<b>150,383,926</b>	<b>43.00%</b>	<b>167,033,893</b>	<b>46.75%</b>	<b>156,229,417</b>	<b>45.69%</b>	<b>159,498,751</b>	<b>52.51%</b>
<b>TRANSBORDER/INTERNATIONAL</b>										
<b>AIR CARRIERS</b>										
United Airlines	85,576,244	27.55%	94,114,032	26.91%	96,960,774	27.14%	106,822,333	31.24%	64,727,512	21.31%
Lufthansa German Airline	16,741,822	5.39%	19,296,508	5.52%	21,636,118	6.06%	20,128,114	5.89%	17,550,693	5.78%
British Airways	14,530,288	4.68%	14,539,614	4.16%	12,824,088	3.59%	11,246,501	3.29%	11,563,749	3.81%
Qatar Amiri Air	12,546,842	4.04%	12,987,692	3.71%	5,196,251	1.45%	-	-	-	-
All Nippon Airways	7,120,220	2.29%	10,093,321	2.89%	12,112,144	3.39%	9,251,189	2.71%	6,663,410	2.19%
Air France	6,913,773	2.23%	8,659,903	2.48%	6,331,689	1.77%	5,570,291	1.63%	9,209,885	3.03%
Virgin Atlantic Airways	6,908,136	2.22%	9,891,243	2.83%	8,941,718	2.50%	7,924,997	2.32%	6,585,176	2.17%
Scandinavian Airlines (SAS)	5,502,209	1.77%	6,208,829	1.78%	7,262,647	2.03%	6,616,384	1.93%	7,375,992	2.43%
Austrian Airlines	5,371,312	1.73%	7,344,158	2.10%	7,459,761	2.09%	4,930,035	1.44%	5,752,394	1.89%
South African Airways	4,687,739	1.51%	3,797,528	1.09%	1,156,830	0.32%	3,342,760	0.98%	612,131	0.20%
KLM Royal Dutch Airlines	4,164,994	1.34%	5,766,904	1.65%	5,498,164	1.54%	4,679,652	1.37%	4,137,455	1.36%
Aer Lingus	705,060	0.23%	1,129,916	0.32%	442,914	0.12%	-	-	-	-
Iberia Airlines	641,961	0.21%	1,388,761	0.40%	721,493	0.20%	-	-	-	-
Korean Air	631,640	0.20%	348,966	0.10%	288,372	0.08%	315,087	0.09%	313,519	0.10%
Saudi Arabian Airlines	619,146	0.20%	697,661	0.20%	680,012	0.19%	631,037	0.18%	648,639	0.21%
Ethiopian Airlines	571,426	0.18%	722,967	0.21%	316,427	0.09%	109,308	0.03%	121,825	0.04%
Taca International Airlines	452,220	0.15%	624,461	0.18%	644,573	0.18%	859,922	0.25%	669,909	0.22%
Aeroflot Soviet Airlines	7,193	0.00%	77,707	0.02%	97,483	0.03%	180,476	0.05%	439,147	0.14%
Polet Cargo Airlines	-	-	50,000	0.01%	345,000	0.10%	-	-	-	-
Sabena Belgian World Airlines	-	-	-	-	-	-	-	-	-	-
Spanair	-	-	-	-	-	-	-	-	-	-
Swiss Int'l Air Lines + Swiss Air Transport Co.	-	-	-	-	-	-	-	-	-	-
Northwest Airlines	-	-	-	-	-	-	-	-	-	-
bmi british midland	-	-	-	-	-	-	-	-	2,502,224	0.82%
Alitalia	-	-	-	-	-	-	1,535,749	0.45%	3,552,226	1.17%
Air Canada	-	-	-	-	-	-	-	-	25,385	0.01%
Other 1/	341,015	0.11%	72,202	0.02%	57,774	0.02%	531,312	0.16%	508,389	0.17%
<b>REGIONALS</b>										
Other 1/	-	-	-	-	-	-	-	-	38	0.00%
<b>MILITARY</b>										
Other 1/	950,429	0.31%	1,569,418	0.45%	1,304,371	0.37%	1,054,151	0.31%	1,318,272	0.43%
<b>TOTAL</b>	<b>174,983,669</b>	<b>56.33%</b>	<b>199,381,791</b>	<b>57.00%</b>	<b>190,278,603</b>	<b>53.25%</b>	<b>185,729,298</b>	<b>54.31%</b>	<b>144,277,970</b>	<b>47.49%</b>
<b>GRAND TOTAL</b>	<b>310,635,348</b>	<b>100.00%</b>	<b>349,765,717</b>	<b>100.00%</b>	<b>357,312,496</b>	<b>100.00%</b>	<b>341,958,715</b>	<b>100.00%</b>	<b>303,776,721</b>	<b>100.00%</b>

1/ Includes airlines no longer serving National or carriers with insignificant activity.

Note: Prior years' comparative information may have been adjusted for revisions and/or corrections to previously reported enplanement information.

Prepared by the Office of Finance

Source: Office of Air Service Development

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Cargo Market Share Enplaned (continued)

## Exhibit S-24

2004		2003		2002		2001		2000	
Cargo Weight	Share	Cargo Weight	Share	Cargo Weight	Share	Cargo Weight	Share	Cargo Weight	Share
85,571,561	28.33%	72,467,555	26.61%	90,967,737	29.79%	88,358,150	26.80%	91,583,330	23.43%
55,671,032	18.43%	62,396,831	22.92%	72,840,463	23.85%	81,358,395	24.67%	109,265,864	27.95%
7,394,010	2.45%	7,347,070	2.70%	6,192,586	2.03%	5,974,164	1.81%	7,401,171	1.89%
3,181,635	1.05%	2,811,793	1.03%	3,498,512	1.15%	3,271,626	0.99%	4,597,958	1.18%
2,677,255	0.89%	4,106,286	1.51%	4,643,111	1.52%	6,992,499	2.12%	12,123,012	3.10%
-	-	-	-	-	-	-	-	-	-
2,514,816	0.83%	2,557,510	0.94%	2,774,213	0.91%	2,577,754	0.78%	2,547,541	0.65%
-	-	-	-	-	-	-	-	-	-
128,821	0.04%	146,319	0.05%	159,500	0.05%	469,911	0.14%	877,779	0.22%
10,007,380	3.31%	8,749,084	3.21%	9,150,502	3.00%	9,941,637	3.01%	11,066,441	2.83%
184,783	0.06%	641,324	0.24%	1,487,143	0.49%	1,483,469	0.45%	1,403,491	0.36%
-	-	-	-	-	-	10,319,760	3.13%	16,957,159	4.34%
-	-	-	-	-	-	-	-	-	-
492,484	0.16%	291,963	0.11%	10,674	0.00%	-	-	3,350	0.00%
-	-	-	-	-	-	-	-	50,161	0.01%
-	-	-	-	1,600	0.00%	8,248	0.00%	76,844	0.02%
-	-	-	-	-	-	666,631	0.20%	1,562,073	0.40%
4,394,872	1.45%	1,317,691	0.48%	-	-	-	-	-	-
391,174	0.13%	513,319	0.19%	168,426	0.06%	355,031	0.11%	1,022,699	0.26%
-	-	-	-	-	-	-	-	-	-
95,280	0.03%	-	-	-	-	-	-	36,192	0.01%
-	-	-	-	-	-	-	-	-	-
224,694	0.07%	90,263	0.03%	93,862	0.03%	209,186	0.06%	383,186	0.10%
-	-	-	-	-	-	-	-	-	-
1,050	0.00%	-	-	1,500	0.00%	-	-	-	-
<b>172,930,847</b>	<b>57.25%</b>	<b>163,437,008</b>	<b>60.02%</b>	<b>191,989,829</b>	<b>62.86%</b>	<b>211,986,461</b>	<b>64.29%</b>	<b>260,958,251</b>	<b>66.75%</b>
50,470,602	16.71%	39,940,381	14.67%	42,985,025	14.07%	42,534,428	12.90%	52,268,673	13.37%
14,632,524	4.84%	12,251,601	4.50%	10,364,929	3.39%	12,650,701	3.84%	12,760,821	3.28%
10,578,872	3.50%	10,758,490	3.95%	9,074,725	2.97%	10,258,786	3.11%	16,391,775	4.19%
-	-	-	-	-	-	-	-	-	-
6,707,108	2.22%	7,236,405	2.66%	8,318,691	2.72%	8,235,468	2.50%	9,533,827	2.44%
8,210,094	2.72%	5,032,086	1.85%	5,552,156	1.82%	5,858,226	1.78%	5,187,814	1.33%
7,404,359	2.45%	6,485,883	2.38%	7,531,089	2.47%	8,130,042	2.47%	9,283,100	2.37%
6,035,730	2.00%	4,338,814	1.59%	4,874,136	1.60%	2,397,403	0.73%	-	-
7,593,452	2.51%	6,593,887	2.42%	5,926,046	1.94%	4,704,800	1.43%	1,795,376	0.46%
-	-	-	-	-	-	-	-	-	-
3,599,933	1.19%	1,287,174	0.47%	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
208,699	0.07%	468,292	0.17%	672,406	0.22%	257,662	0.08%	386,414	0.10%
875,122	0.29%	886,750	0.33%	1,225,157	0.40%	1,672,694	0.51%	954,181	0.24%
116,894	0.04%	112,949	0.04%	172,870	0.06%	226,948	0.07%	259,152	0.07%
873,307	0.29%	913,388	0.34%	905,820	0.30%	940,378	0.29%	926,524	0.24%
1,027,717	0.34%	874,555	0.32%	525,752	0.17%	546,684	0.17%	245,341	0.06%
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	3,477,123	1.05%	4,549,426	1.16%
-	-	-	-	-	-	2,690,300	0.82%	5,056,162	1.29%
-	-	5,889,946	2.16%	6,919,291	2.27%	5,230,183	1.59%	5,145,354	1.32%
-	-	1,340,944	0.49%	3,042,907	1.00%	3,355,483	1.02%	2,835,503	0.73%
6,395,026	2.12%	1,949,612	0.72%	3,015,126	0.99%	1,377,792	0.42%	-	-
2,556,490	0.85%	-	-	-	-	-	-	-	-
30,738	0.01%	123,219	0.05%	79,789	0.03%	43,395	0.01%	76,599	0.02%
186,963	0.06%	285,919	0.11%	19,258	0.01%	131,034	0.04%	53,687	0.01%
-	-	-	-	-	-	-	-	-	-
140	0.00%	-	-	-	-	-	0.00%	-	-
-	-	-	-	-	-	-	-	-	-
1,650,338	0.55%	2,088,322	0.77%	2,213,341	0.72%	3,049,885	0.92%	2,269,449	0.58%
<b>129,154,108</b>	<b>42.75%</b>	<b>108,858,617</b>	<b>39.98%</b>	<b>113,418,514</b>	<b>37.14%</b>	<b>117,769,415</b>	<b>35.71%</b>	<b>129,979,178</b>	<b>33.25%</b>
<b>302,084,955</b>	<b>100.00%</b>	<b>272,295,625</b>	<b>100.00%</b>	<b>305,408,343</b>	<b>100.00%</b>	<b>329,755,876</b>	<b>100.00%</b>	<b>390,937,429</b>	<b>100.00%</b>

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Passenger Facility Charges

Exhibit S-25

### Ronald Reagan Washington National Airport

AIRLINE <sup>2</sup>	2009	Share	2008	Share	2007	Share	2006	Share	2005	Share
US Airways	\$ 13,019,724	41.13%	\$14,476,818	41.04%	\$ 14,351,176	38.73%	\$ 12,086,972	32.62%	\$ 12,625,267	35.64%
American Airlines	4,752,614	15.01%	5,253,701	14.89%	5,534,500	14.94%	5,394,631	14.56%	5,427,137	15.32%
Delta Airlines	4,365,252	13.79%	4,636,630	13.14%	4,676,954	12.62%	4,967,091	13.40%	5,179,372	14.62%
United Airlines	2,324,094	7.34%	2,506,485	7.11%	2,573,881	6.95%	2,705,570	7.30%	2,656,152	7.50%
Northwest Airlines	1,998,181	6.31%	2,775,098	7.87%	2,956,332	7.98%	2,926,818	7.90%	2,907,962	8.21%
Continental Airlines	1,687,371	5.33%	1,750,203	4.96%	1,806,768	4.88%	1,742,687	4.70%	1,687,362	4.76%
AirTran Airlines	1,061,695	3.35%	1,075,203	3.05%	947,077	2.56%	814,715	2.20%	695,644	1.96%
Midwest Airlines	680,403	2.15%	798,789	2.26%	855,607	2.31%	892,721	2.41%	792,860	2.24%
Frontier Airlines	550,672	1.74%	625,194	1.77%	535,577	1.45%	514,013	1.39%	504,049	1.42%
Spirit Airlines	457,295	1.44%	487,386	1.38%	396,793	1.07%	453,489	1.22%	581,274	1.64%
Alaska Airlines	372,633	1.18%	437,198	1.24%	465,254	1.26%	425,548	1.15%	413,946	1.17%
Air Canada	278,091	0.88%	361,106	1.02%	334,925	0.90%	359,440	0.97%	354,705	1.00%
ATA	-	0.00%	238	0.00%	451,217	1.22%	551,933	1.49%	652,466	1.84%
America West Airlines	-	-	-	-	854,244	2.31%	2,901,072	7.83%	728,576	2.06%
American Trans Air	-	-	-	-	-	-	-	-	-	-
Midwest Express Airlines	-	-	-	-	-	-	-	-	-	-
Others	104,913	0.33%	92,682	0.26%	312,883	0.84%	320,815	0.87%	222,149	0.63%
<b>TOTAL 1/</b>	<b>\$ 31,652,938</b>	<b>100.00%</b>	<b>\$ 35,276,731</b>	<b>100.00%</b>	<b>\$ 37,053,187</b>	<b>100.00%</b>	<b>\$ 37,057,515</b>	<b>100.00%</b>	<b>\$ 35,428,920</b>	<b>100.00%</b>

### Washington Dulles International Airport

AIRLINE <sup>2</sup>	2009	Share	2008	Share	2007	Share	2006	Share	2005	Share
United Airlines	\$24,188,764	57.11%	\$ 24,105,856	55.24%	\$ 27,004,434	57.61%	\$ 26,067,952	58.62%	\$ 24,377,948	41.98%
JetBlue Airways	2,441,165	5.76%	3,055,512	7.00%	3,272,345	6.98%	2,840,661	6.39%	2,091,639	3.60%
Delta Airlines	1,860,992	4.39%	1,907,178	4.37%	1,952,085	4.16%	1,928,007	4.34%	2,196,748	3.78%
American Airlines	1,571,386	3.71%	1,695,527	3.89%	1,943,558	4.15%	2,094,490	4.71%	2,372,503	4.09%
Southwest Airlines	1,397,882	3.30%	1,591,622	3.65%	1,676,548	3.58%	465,784	1.05%	0	0.00%
US Airways	1,309,668	3.09%	1,288,635	2.95%	1,522,274	3.25%	2,069,268	4.65%	1,571,833	2.71%
Lufthansa German Airline	1,256,257	2.97%	1,299,418	2.98%	973,447	2.08%	1,130,727	2.54%	1,201,615	2.07%
Virgin America	979,396	2.31%	867,813	1.99%	185,561	0.40%	0	0.00%	0	0.00%
British Airways	753,116	1.78%	794,545	1.82%	740,442	1.58%	763,136	1.72%	751,507	1.29%
Northwest Airlines	676,823	1.60%	902,399	2.07%	1,093,729	2.33%	1,060,255	2.38%	1,102,369	1.90%
Air France	622,599	1.47%	593,256	1.36%	640,047	1.37%	673,672	1.51%	654,538	1.13%
AirTran Airlines	537,859	1.27%	755,506	1.73%	891,901	1.90%	955,363	2.15%	624,017	1.07%
Continental Airlines	536,166	1.27%	435,936	1.00%	619,562	1.32%	775,664	1.74%	837,419	1.44%
Taca International Airlines	431,875	1.02%	416,958	0.96%	533,730	1.14%	427,165	0.96%	407,022	0.70%
South African Airways	387,444	0.91%	490,495	1.12%	519,315	1.11%	345,590	0.78%	5,203,179	8.96%
Qatar Amiri Air	382,185	0.90%	216,286	0.50%	74,144	0.16%	0	0.00%	0	0.00%
Virgin Atlantic Airways	345,970	0.82%	389,053	0.89%	345,685	0.74%	332,503	0.75%	288,858	0.50%
Austrian Airlines	304,465	0.72%	258,781	0.59%	341,175	0.73%	359,218	0.81%	417,492	0.72%
Air Canada	280,925	0.66%	373,935	0.86%	335,333	0.72%	332,483	0.75%	327,523	0.56%
Korean Air Lines	286,197	0.68%	226,761	0.52%	246,580	0.53%	216,256	0.49%	223,869	0.39%
Scandinavian Airlines	268,004	0.63%	301,378	0.69%	303,343	0.65%	275,317	0.62%	283,535	0.49%
All Nippon Airways	248,549	0.59%	246,599	0.57%	255,203	0.54%	266,327	0.60%	261,000	0.45%
Ethiopian Airlines	174,015	0.41%	191,196	0.44%	175,408	0.37%	141,155	0.32%	129,939	0.22%
Alaska Airlines	32,673	0.08%	34,970	0.08%	21,156	0.05%	49,074	0.11%	171,266	0.29%
America West Airlines	-	0.00%	-	0.00%	63,575	0.14%	401,643	0.90%	401,961	0.69%
Independence Air	-	0.00%	-	0.00%	0	0.00%	(194,233)	-0.44%	11,236,856	19.35%
Others	1,081,210	2.55%	1,196,918	2.74%	1,141,267	2.43%	692,012	1.56%	932,812	1.61%
<b>TOTAL 1/</b>	<b>\$ 42,355,586</b>	<b>100.00%</b>	<b>\$ 43,636,533</b>	<b>100.00%</b>	<b>\$ 46,871,847</b>	<b>100.00%</b>	<b>\$ 44,469,490</b>	<b>100.00%</b>	<b>\$ 58,067,448</b>	<b>100.00%</b>

1/ Percentage may not add to 100 percent due to individual rounding.

2/ Previous years' comparative information has been modified as necessary based on revisions from carriers.

Prepared by the Office of Finance

Source: Office of Finance

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Top 30 Origination and Destination Passenger Markets

Exhibit S-26

### *Ronald Reagan Washington National Airport*

Domestic			International		
2009 Market	Trip Length*	Total O&D	Airport	Country	Total O&D
Atlanta, GA	SH	778,050	Toronto	Canada	85,853
Chicago, O'Hare	MH	760,280	Nassau	Bahamas	46,320
Boston, MA	SH	643,870	Cancun	Mexico	43,631
New York, LaGuardia	SH	625,870	Montreal	Canada	40,679
Dallas/Ft Worth, TX	MH	454,580	Lima	Peru	36,556
Ft. Lauderdale, FL	MH	404,490	Ottawa	Canada	28,369
Miami, FL	MH	347,350	Montego Bay	Jamaica	26,943
Orlando, FL	MH	341,970	Guatemala City	Guatemala	26,172
Detroit, MI	SH	334,190	San Salvador	El Salvador	25,361
Denver, CO	MH	323,590	San Jose	Costa Rica	23,593
Minneapolis/St. Paul, MN	MH	313,090	Mexico City	Mexico	22,134
Houston, TX	MH	290,010	Santo Domingo	Dominican Rep.	21,177
Tampa, FL	MH	234,950	Vancouver	Canada	20,997
Seattle, WA	LH	217,900	Manila	Philippines	20,451
St. Louis, MO	MH	217,390	Punta Cana	Dominican Rep.	17,696
Los Angeles, CA	LH	213,060	Bermuda	Bermuda	17,251
Kansas City, MO	MH	173,450	London, Heathrow	U.K.	16,575
Indianapolis, IN	SH	169,420	Santiago	Chile	16,019
Phoenix, AZ	LH	164,770	Managua	Nicaragua	15,927
Las Vegas, NV	LH	163,850	Bogota	Colombia	15,477
Milwaukee, WI	MH	163,640	Tokyo	Japan	15,023
New Orleans, KY	MH	152,060	Port of Spain	Trinidad/Tobago	14,869
Raleigh/Durham, NC	SH	147,600	Tel Aviv	Israel	14,432
San Francisco, CA	LH	142,970	Buenos Aires	Argentina	14,358
West Palm Beach, FL	MH	137,790	Aruba	Aruba	13,863
San Diego, CA	LH	133,630	Panama City	Panama	13,093
Salt Lake City, UT	LH	125,550	Santa Cruz	Bolivia	13,020
New York, Kennedy	SH	125,510	Calgary	Canada	12,573
Fort Myers, FL	MH	124,060	Caracas	Venezuela	12,266
Jacksonville, FL	MH	123,760	Paris	France	12,044
<b>Total</b>		<b>8,548,700</b>	<b>Total</b>		<b>702,722</b>

#### Note\*

- SH Short Haul = 0 to 600 miles
- MH Medium Haul = 601 - 1,800 miles
- LH Long Haul = over 1,801 miles

Source: MIDT (adjusted), Year Ending 3q2009



# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## Top 30 Origination and Destination Passenger Markets

Exhibit S-27

### Washington Dulles International Airport

Domestic			International		
2009 Market	Trip Length*	Total O&D	Airport	Country	Total O&D
Los Angeles, CA	LH	904,180	London, Heathrow	U.K.	421,500
San Francisco, CA	LH	732,470	Paris	France	178,846
Boston, MA	SH	481,330	Frankfurt	Germany	159,721
Orlando, FL	MH	479,790	San Salvador	El Salvador	140,620
Atlanta, GA	SH	354,420	Seoul	Rep. of Korea	136,511
Denver, CO	MH	326,880	Amsterdam	Netherlands	90,816
San Diego, CA	LH	252,500	Tokyo	Japan	85,460
Las Vegas, NV	LH	248,470	Rome	Italy	83,427
Dallas/Ft Worth, TX	MH	224,170	Beijing	China	74,357
Tampa, FL	MH	218,190	Cancun	Mexico	72,921
Ft. Lauderdale, FL	MH	210,380	Brussels	Belgium	71,310
Chicago, O'Hare	SH	207,210	Munich	Germany	65,367
Chicago, Midway	SH	196,440	Toronto	Canada	65,212
New York, Kennedy	SH	182,610	Mexico City	Mexico	57,419
Seattle, WA	LH	168,900	Addis Ababa	Ethiopia	56,969
Long Beach, CA	LH	156,130	Ho Chi Minh City	Vietnam	55,901
Oakland, CA	LH	155,860	Delhi	India	53,895
Minneapolis/St. Paul, MN	MH	121,230	Dubai	U.A.E.	51,976
St. Louis, MO	MH	110,650	Lima	Peru	47,388
Phoenix, AZ	LH	106,350	Vienna	Austria	47,287
San Juan, PR	MH	104,360	Montreal	Canada	45,726
Detroit, MI	SH	103,980	Copenhagen	Denmark	45,357
Salt Lake City, UT	LH	98,830	Ottawa	Canada	44,798
Honolulu, HI	LH	83,630	Johannesburg	South Africa	44,444
Portland, OR	LH	80,700	Madrid	Spain	39,771
San Antonio, TX	MH	72,760	Sao Paulo	Brazil	38,942
Miami, FL	MH	68,830	Tel Aviv	Israel	38,565
Sacramento, CA	LH	68,760	Bangkok	Thailand	38,245
Houston, TX	MH	67,990	Zurich	Switzerland	38,040
Austin, TX	MH	66,950	Geneva	Switzerland	37,737
		<u>6,654,950</u>			<u>2,428,528</u>

#### Note\*

- SH Short Haul = 0 to 600 miles
- MH Medium Haul = 601 - 1,800 miles
- LH Long Haul = over 1,801 miles

Source: U.S. DOT O&D Survey, Year Ending 3q2009

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

### DULLES CORRIDOR ENTERPRISE FUND Dulles Toll Road Transactions

Exhibit S-28

	2009	2008	2007	2006	2005
January	8,412,824	9,207,781	9,198,057	9,109,306	9,196,216
February	8,366,392	8,709,460	8,023,545	8,422,303	8,786,162
March	9,234,614	9,351,455	9,686,308	9,941,362	10,111,654
April	9,283,838	9,585,976	9,246,736	9,120,164	9,948,766
May	9,306,946	9,578,599	9,856,502	9,779,415	9,906,511
June	9,579,031	9,385,082	9,581,354	9,756,929	9,872,015
July	9,462,994	9,478,858	9,338,507	9,192,347	9,251,263
August	9,255,019	9,158,359	9,698,127	9,706,925	9,698,296
September	9,126,570	9,185,049	9,087,941	9,066,103	9,228,605
October	9,524,392	9,731,826	9,903,111	9,692,059	9,483,395
November	8,666,127	8,482,507	9,030,545	8,976,611	9,041,300
December	8,499,460	8,943,949	8,634,873	8,959,341	8,959,171
Total	108,718,207	110,798,901	111,285,606	111,722,865	113,483,354

Notes:

- 1) Toll rates were adjusted in May 2005.
- 2) Non-revenue transaction such as police, emergency vehicles, military vehicles, etc. are not recorded.
- 3) Transaction includes violations.
- 4) Information prior to 2005 is not available.

Source 2005 - October 2008: VDOT transaction data, unaudited

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## SCHEDULE OF INSURANCE (2009-2010) - OPERATIONS PROGRAM

Exhibit S-29

Underwriter/A.M. Best Rating	Term	Policy Type	Coverage Description	Limit/Deductible
ACE Property & Casualty Insurance Co. Rated- A+	October 1, 2009 to 10/1/2010	Airport Owners and Operators Liability	Per Occurrence Limit Extended War, Hijacking Prod/Cops Aggregate Excess Auto (Off Premises) Excess Auto Deductible Excess Employers Liability PI/AI Limit except offense f (unintentional discrimination) Offense f Malpractice Limit Medical Expenses Fire Damage Hangarkeepers Limit Deductible Each/Aggregate	\$100,000,000 \$100,000,000 \$100,000,000 \$50,000,000 \$1,000,000 \$50,000,000 \$50,000,000 \$1,000,000 \$50,000,000 Not insured \$100,000 \$100,000,000 \$200,000/\$2,000,000
Underwriters at Lloyds, London and Companies- Various Rated- N/A	October 1, 2009 to 10/1/2010	Airport Owners and Operators Excess Liability Coverage	Per Occurrence Limit	\$650,000,000
Factory Mutual Insurance Company/FM Global Rated- A+	October 1, 2009 to 10/1/2010	Commercial Property Coverage, including Builders Risk	Policy Limit Policy Deductible Earth Movement Occ/Agg Limit Earth Movement Deductible Flood – Occurrence No Agg Flood Deductible  Boiler & Machinery Limit Boiler & Machinery Ded.	\$1,000,000,000 \$100,000 \$250,000,000  \$100,000 \$250,000,000 \$500,000 per location Included \$500,000
			Wind-Tier 1& 2 Counties Ded. Wind - NE Wind Counties Ded. Tunnel Collapse Ded.	3% TIV; min./ \$100,000 \$100,000 \$250,000
The Ins. Co. of the State of PA/American International Group Rated- A	October 1, 2009 to 10/1/2010	Workers Compensation	Workers Compensation-Employers' Liability  Deductible Each Accident	Statutory Limits \$1,000,000 as noted on the policy \$500,000/\$1,500,000 Aggregate
Greenwich Insurance Company/XL American Group Rated- A	October 1, 2008 to 10/01/2011	Pollution Liability/Environmental Impairment	Loss Limit Aggregate Limit Deductible	\$5,000,000 \$5,000,000 \$100,000/\$250,000
American International Specialty/Chartis Casualty Rated- A	October 1, 2009 to 10/1/2010	Public Officials Liability including Employment Practices	Agg All claims except EPL Agg EPL claims Policy Aggregate Deductible	\$10,000,000 \$10,000,000 \$20,000,000 \$1,000,000
Indian Harbor Insurance Co./XL Insurance Co. Rated- A	October 1, 2009 to 10/1/2010	Law Enforcement Liability	Limit Each Claim Aggregate Limit of Liability Deductible	\$10,000,000 \$10,000,000 \$1,000,000
National Union Fire of Pittsburgh/Chartis Casualty Co. Rated- A	October 1, 2009 to 10/1/2010	Crime Coverage	Limit of Liability Deductible	\$10,000,000 \$75,000

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

### SCHEDULE OF INSURANCE (2009-2010) - OPERATIONS PROGRAM

Exhibit S-29

Underwriter/A.M. Best Rating	Term	Policy Type	Coverage Description	Limit/Deductible
Federal Insurance Co./ Chubb Group of Insurance Cos. Rated- A++	October 1, 2009 to 10/1/2010	Fiduciary Liability Coverage	Fiduciary Liability Limit Deductible	\$5,000,000 \$5,000
Federal Insurance Co./ Chubb Group of Insurance Cos. Rated- A++	October 1, 2009 to 10/1/2010	Executive Risk Coverage	Special Coverage Limit Deductible	\$10,000,000 Nil
ACE American Insurance Company Rated- A+	October 1, 2009 to 10/1/2010	Travel Accident 24 Hour Business AD&D	Directors Limit Active FT Employees 10x Salary with Max per Employee Per Accident Aggregate	\$1,000,000 \$500,000 \$5,000,000

Source: Data provided on this page is proprietary between Aon and the Metropolitan Washington Airports Authority

## 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

### SCHEDULE OF INSURANCE (2009-2010)

#### DULLES TOLL ROAD & DULLES RAIL PROGRAM (Specific)

Exhibit S-30

Underwriter/A.M. Best Rating	Term	Policy Type	Coverage Description	Limit/Deductible
Lexington Insurance/ Chartis Casualty Co. Rated- A	11/01/2009 to 11/01/2010	Commercial General Liability	Per Occurrence Limit	\$1,000,000
			Products/Complete Ops	\$2,000,000
			Annual Aggregate	
			Personal Injury/Advertising	\$1,000,000
			Injury Annual Aggregate	
Lexington Insurance/ Chartis Casualty Co. Rated- A	11/01/2009 to 11/01/2010	Commercial Umbrella Liability	Fire Damage	\$500,000
			Deductible	\$25,000
			Per Occurrence Limit	\$25,000,000
			Products/Complete	\$25,000,000
			Ops Annual Aggregate	
AXIS Surplus Insurance Company Rated- A	11/01/2009 to 11/01/2010	Excess Liability	All Other Coverage	\$25,000,000
			Combined Aggregate	
			SIR	\$10,000
			Per Occurrence Limit	\$25,000,000
			Products/Complete	\$25,000,000
National Casualty Company Rated A+	11/01/2009 to 11/01/2010	Commercial Automobile	Ops Annual Aggregate	
			All Other Coverage	\$25,000,000
			Combined Aggregate	
			Combined Single Limit	\$1,000,000
			Liability Only Any	
			Auto including Hired or Non Owned	

Source: Data provided on this page is proprietary between Aon and the Metropolitan Washington Airports Authority

# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## SCHEDULE OF INSURANCE (2009-2010) OCWIP PROGRAM

Exhibit S-31

Underwriter/A.M. Best Rating	Term	Policy Type	Coverage Description	Limit/Deductible
FM Global/Factory Mutual Insurance Co. Rated- A+	10/01/2009 to 10/01/2010	Builders Risk (Part of the Property Program referred to in the Operations Program)	Policy Limit Deductible Earthquake Limit Earthquake Deductible Flood Limit-No Aggregate Flood Deductible	\$1,000,000,000 \$100,000 \$250,000,000 \$100,000 \$250,000,000 \$100,000 Per Loc.
Liberty Mutual Insurance Co. Rated- A	06/01/2009 to 6/01/2010	Workers Compensation	Workers Compensation VA Employers Liability Limit	Statutory Benefits \$1,000,000
Liberty Mutual Insurance Co. Rated- A	06/01/2008 to 6/01/2013	Contractors' General Liability	Each Occurrence Retention General Agg Per Project Products/Completed Ops Agg Lifetime Cap	\$2,000,000 \$1,000,000 \$4,000,000 \$4,000,000 \$100,000,000
Liberty Mutual Insurance Co. Rated- A	06/01/2008 to 6/01/13	Automobile Liability (On Site)	\$2,000,000 Each No Aggregate	\$1,000,000
National Union Fire/Chartis Insurance Co. Rated- A	06/01/2008 to 6/01/13	Lead Excess Liability	Limit Each/Aggregate	\$25,000,000
Lexington Insurance Company Rated- A	06/01/2008 to 6/01/13	Follow Form of Lead Excess	Limit Each/Aggregate	\$50,000,000
Lexington Insurance – London Rated- N/A	06/01/2008 to 6/01/13	Follow Form of Lead Excess	Limit Each/Aggregate	\$25,000,000
Chartis Excess Liability Rated- A	06/01/2008 to 6/01/13	Follow Form of Lead Excess	Limit Each/Aggregate	\$150,000,000
Endurance American Group Rated- A	06/01/2008 to 6/01/13	Follow Form of Lead Excess	Limit Each/Aggregate	\$50,000,000
Great American Assurance Co. Rated- A	06/01/2008 to 6/01/13	Follow Form of Lead Excess	Limit Each/Aggregate	\$25,000,000
St. Paul Fire & Marine Insurance Rated- A+ RSUI Indemnity Co. Rated- A	06/01/2008 to 6/01/13	Follow Form of Lead Excess	Limit Each/Aggregate Limit Each/Aggregate	\$25,000,000 \$25,000,000
AXIS Surplus insurance Co. Rated- A	06/01/2008 to 6/01/13	Follow Form of Lead Excess	Limit Each/Aggregate	\$25,000,000
American International Specialty/Chartis Rated-A	06/01/2008 to 6/01/13	Contractors Pollution Liability	Limit Each/Aggregate Deductible	\$20,000,000 \$250,000

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# 2009 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Metropolitan Washington Airports Authority

## SCHEDULE OF INSURANCE (2009-2010)

### I. UTILITY RELOCATION (Dulles Rail)

Exhibit S-32

Underwriter/A.M. Best Rating	Term	Policy Type	Coverage Description	Limit/Deductible
Colony National Insurance Co. Rated- A To	05/19/2009 to 05/19/2010	General Liability	Each Occurrence General Aggregate Products Completed Operations	\$1,000,000 \$2,000,000 \$2,000,000
Everest National Insurance Co. Rated- A+	05/19/2009 to 05/19/2010	Excess Liability	Limit Each/Aggregate	\$5,000,000
Allied World Assurance Co (US) Inc. Rated- A	05/19/2009 to 05/19/2010	Follow Form of Lead Excess	Limit Each/Aggregate	\$25,000,000
American Insurance Co. Rated- A	05/19/2009 to 05/19/2010	Follow Form of Lead Excess	Limit Each/Aggregate	\$25,000,000

## SCHEDULE OF INSURANCE (2009-2010)

### II. NON-DULLES TRANSIT PARTNERS CONSTRUCTION (Dulles Rail)

Underwriter/A.M. Best Rating	Term	Policy Type	Coverage Description	Limit/Deductible
Colony National Insurance Co. Rated- A	05/19/2009 to 05/19/2010	General Liability	Each Occurrence General Aggregate Gen Aggregate includes P/Cops	\$1,000,000 \$2,000,000 \$25,000 Deductible
American Insurance Co/ Firemen's Fund Insurance Co. Rated- A	05/19/2009 to 05/19/2010	Excess Liability	Limit Each/Aggregate	\$25,000,000
RSUI Indemnity Co. Rated- A	05/19/2009 to 05/19/2010	Follow Form of Lead Excess	Limit Each/Aggregate	\$25,000,000

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