MAY 2015
FINANCIAL ADVISOR REPORT – THE AVIATION ENTERPRISE

INTRODUCTION

The Finance Committee has requested that the Financial Advisor for the Aviation Enterprise provide a monthly report on the status of the financing of the Capital Construction Program (CCP) and any related issues concerning the Airports Authority's Aviation Enterprise capital financing activities. The Financial Advisor presents this Monthly Report, focusing on the specific debt management projects underway, the debt policy framework guiding these projects and the financing of the CCP in general.

DISCUSSION SUMMARY

This paper is organized as follows:

I. Executive Summary

II. Action Items
  A. None

III. Informational Items
  A. Series 2015B-D Financing
  B. Expiring Bank Facilities
  C. Commercial Paper Program

IV. Monthly Update
  A. CCP: Actuals vs. Projections
  B. Short-term Liquidity Forecast
  C. Variable Rate Programs
  D. Swaps – Monthly Swap Performance

Exhibits
  A. Airports Authority's Capital Construction Program
  B. Airport System Revenue Bonds
    - Summary of Bonds Outstanding
    - Refunding Monitor
  C. Variable Rate Programs
    - Overview
    - Historical Performance
  D. Swap Program
    - Airports Authority Swap Profile
    - Historic Performance of 2009 Swaps

I. EXECUTIVE SUMMARY

Action Items

- None to report.

Informational Items

- ***Series 2015B-D Financing.*** On April 15, the Board of Directors selected Morgan Stanley as Book-Running Senior Manager, RBC Capital Markets as Co-Senior Manager and Citigroup, Goldman Sachs, Raymond James and Siebert Brandford Shank as Co-Managers for the Series 2015B-D financing. The financing is expected to include the issuance of bonds to fund about $72 million in project costs, to current refund approximately $275 million of outstanding Series 2005A-D Bonds and to take out $21 million of outstanding Commercial Paper. The transaction schedule requests the Finance Committee and the Board to approve substantially final bond documents at the June meeting with an expected bond sale in late June or July.

- ***Expiring Bank Facility.*** The Airports Authority has three bank facilities totaling $426 million that expire over the next two years; one expires in September 2015 and two expire in 2016. Under a separate agenda item, Finance Staff is presenting a pre-solicitation paper to the Finance Committee to replace or extend the facility expiring in September, or potentially all three facilities. The recommended pre-solicitation terms provided to the Finance Committee will also contain the proposed schedule. The Airports Authority plans to issue a Request for Proposals (RFP) to qualified financial institutions in May and targets closing on the new or extended bank facilities in September.

- ***Commercial Paper Program.*** Finance Staff and the Financial Advisor evaluated the size of the Commercial Paper program. CP Series Two is authorized in an amount up to $200 million. At this time, the Commercial Paper program is sufficient for the Airports Authority's capital needs over the next year.

II. ACTION ITEMS

No Action Items to report this month.

III. INFORMATIONAL ITEMS

(III.A) Series 2015B-D Update
On April 15, the Board of Directors selected Morgan Stanley as Book-Running Senior Manager, RBC Capital Markets as Co-Senior Manager and Citigroup, Goldman Sachs, Raymond James and Siebert Brandford Shank as Co-Managers for the Series 2015B-D financing. The transaction schedule requests the Finance Committee and the Board to approve substantially final bond documents at the June meetings with an expected bond sale in late June or July.

The financing is expected to include the issuance of bonds to fund about $72 million in project costs, to current refund approximately $275 million of outstanding Series 2005A-D Bonds and to take out $21 million of outstanding Commercial Paper.

Finance Staff and the Financial Advisor continue to monitor the economics of various refunding opportunities for the Series 2005A-D Bonds. Assuming current rates prevail at the time of the expected bond sale in July, a current refunding would produce $23.1 million of present value savings, or 8.4 percent of refunded par.

Series	*Callable Par/ Maturities*	*Range of Interest Rates*	*Call Date*	*Call Premium*	*Savings Required*	*Net PV Savings*
2005A AMT	$227,455,000 (2016-2035)	4.25% - 5.25%	10/01/15	0% (at par)	1%	$17.2 mm; 7.6%
2005B Non-AMT	$10,890,000 (2016-2020)	4.00% - 5.25%	10/01/15	0% (at par)	1%	$1.0 mm; 9.4%
2005C Taxable	$30,000,000 (2020-2035)	5.59% - 5.73%	10/01/15	0% (at par)	1%	$3.6 mm; 12.1%
2005D Non-AMT	$7,650,000 (2021-2023)	5.00%	10/01/15	0% (at par)	1%	$1.3 mm; 16.5%
Total	$275,995,000 (2016-2035)	4.00%-5.73%	10/01/15	0% (at par)		$23.1 mm; 8.4%

The Series 2006A-C and Series 2007A-B Bonds are not advance refundable with tax exempt bonds, but may be refunded with taxable debt. Finance Staff and the Financial Advisor are analyzing whether to include a taxable advance refunding of all or a portion of the Series 2006A-C and Series 2007A-B Bonds. In addition, the Airports Authority's interest rate swap portfolio will continue to be monitored for opportunities to reduce risk in a cost-effective manner.

(III.B) 2015 Expiring Bank Facility
The Barclays letter of credit that supports the Series 2010C Bonds expires in September 2015. Additionally, based on the results of a bank solicitation, the Airports Authority may consider replacing or extending two bank facilities that are scheduled to expire in 2016, the Bank of America and Wells Fargo facilities supporting the Series 2003D Bonds and the Series 2011A Bonds, respectively.

Bank Provider	*Facility*	*Program/ Series*	*Amount ($MM)*	*Costs (bps)*	*Expiration Date*
Barclays Capital	LOC	2010 C VRDO	$156.265	70.0	September 23, 2015
Bank of America	Index Floater	2003 D1	$59.750	70.0*	December 16, 2016
Wells Fargo	Index Floater	2011A	$210.135	82.0*	September 21, 2016

** Fixed spread to the 72 percent of LIBOR Index.*

These three bank facilities total $426 million. Under a separate agenda item, Finance Staff is presenting a pre-solicitation paper to the Finance Committee to replace or extend the facility expiring in September, or potentially all three facilities. The recommended pre-solicitation terms provided to the Finance Committee will also contain the proposed schedule. The Airports Authority plans to issue a Request for Proposals (RFP) to qualified financial institutions in May and targets closing on the new or extended bank facilities in September.

(III.C) Commercial Paper Program

Finance Staff and the Financial Advisor evaluated the size of the Commercial Paper program. CP Series Two is authorized in an amount up to $200 million. The funding needs for the CCP are not expected to increase significantly for another year. Also, the Series 2015B-D Bonds will take out $21 million of outstanding CP, thereby increasing CP capacity. At this time, the Commercial Paper program is deemed to be sufficient for the Airports Authority's needs.

IV. MONTHLY UPDATES

(IV.A) CCP: Actuals vs. Projections

Exhibit A sets forth the major 2001-2016 CCP projects underway at the Airports Authority, as well as historical CCP actual versus projected expenditures. For 2015, CCP expenditures are budgeted at $248.8 million including construction and capitalized interest costs. Expenditures in April 2015 totaled $7.2 million including accrued capitalized interest expenditures.

2015 CCP Projections vs. Actuals ($ millions)				
	General Ledger Actual[1]	***Original Projection***	***Variance***	***Variance (%)***
15-Jan	$4.00	$14.51	($10.51)	(72.43%)
15-Feb	6.20	21.95	(15.75)	(71.75%)
15-Mar	8.00	19.03	(11.03)	(57.96%)
15-Apr	7.20	24.71	(17.51)	(70.86%)
15-May		15.69		
15-Jun		16.21		
15-Jul		23.93		
15-Aug		27.71		
15-Sep		19.94		
15-Oct		23.62		
15-Nov		20.73		
15-Dec		20.74		
2015 Totals (Thru April)	$25.40	$80.20	($54.80)	(68.33%)

[1] As provided by the Airports Authority.

(IV.B) Short-term Liquidity Forecast

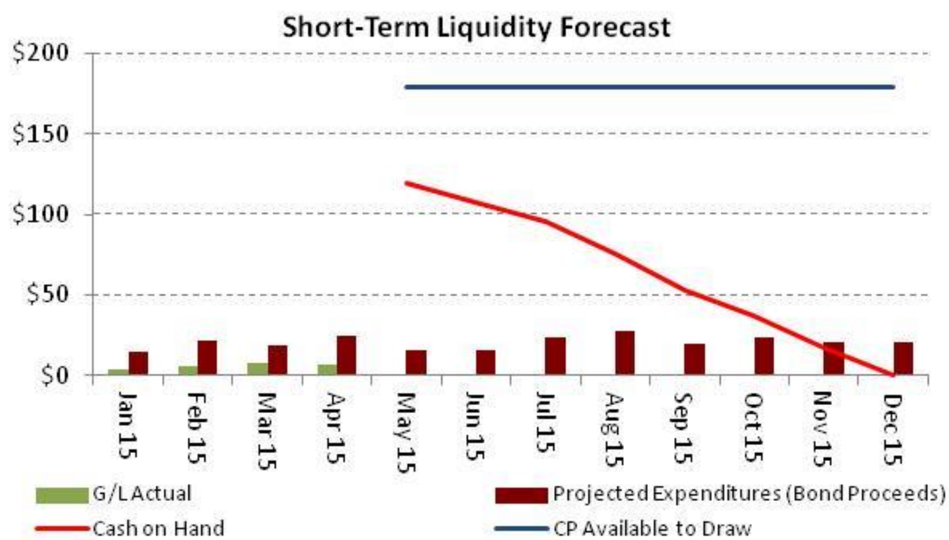
The following (including the table and chart) is based on information provided to the Financial Advisors by Finance Staff.

As of the beginning of April 2015, the Airports Authority had $119.8 million of cash-on-hand[2] and $179 million of additional available liquidity in the form of undrawn CP Series Two capacity.

Short-term Liquidity Forecast ($ millions)

Beginning of Month	Cash Available	CP Available to Draw (End Bal)	PFCs	Grants	Projected Expenditures
May-15	119.76	179.00	3.06	1.04	(15.69)
Jun-15	108.17	179.00	3.06	1.04	(16.21)
Jul-15	96.06	179.00	3.06	1.04	(23.93)
Aug-15	76.23	179.00	3.06	1.04	(27.71)
Sep-15	52.62	179.00	3.06	1.04	(19.94)
Oct-15	36.78	179.00	3.06	1.04	(23.62)
Nov-15	17.26	179.00	3.06	1.04	(20.73)
Dec-15	0.63	179.00	3.06	1.04	(20.74)

Note: the table above does not reflect an assumed new money bond sale in 2015



[2] The cash-on-hand includes proceeds of the Series 2014A Bonds received in July and Funds 63 and 64.

(IV.C) Variable Rate Programs

In addition to approximately $904.3 million of variable rate debt that is currently outstanding, the Airports Authority can issue up to $179 million of CP Two Notes which are currently "on-the-shelf."

Outstanding unhedged variable rate debt of $313.5 million represents approximately 6.4 percent of the Airports Authority's $4.9 billion of outstanding indebtedness.

Gross Variable Rate Exposure

Fixed Rate Debt Percentage:		
Fixed Rate Debt	$3,968,050,000	
2009D VRDOs (Hedged)	125,205,000	
2010C2 VRDOs (Hedged)	96,690,000	
2010D Index Floater (Hedged)	158,775,000	
2011A Index Floater (Hedged)	210,135,000	
Fixed Rate	**$4,558,855,000**	**93.6%**
Variable Rate Debt Percentage:		
2003D Index Floater	59,750,000	
2010C1 VRDOs	59,575,000	
2011B Index Floater	173,185,000	
CP Notes	21,000,000	
Variable Rate	**$313,510,000**	**6.4%**
Combined Total	**$4,872,365,000**	**100.0%**

The Airports Authority's current $667.8 million unrestricted cash balances in short-term investments can be netted against variable rate debt exposure to produce a "net variable rate exposure". Currently, the unrestricted cash balances exceed the amount of unhedged short-term debt.

Exhibit C-2 illustrates for the current year rolling three-month average spreads to SIFMA of the Airports Authority's variable rate programs, as well as historic spreads to SIFMA by quarter.

(IV.D) Swaps – Monthly Swap Performance

2002 Swap: Under the terms of the swap agreement, the Airports Authority pays to the counterparty a fixed rate of 4.45 percent on the outstanding notional amount of the swap. In return, the Airports Authority receives from the counterparty 72 percent of one-month LIBOR based upon the outstanding notional amount of the swap. The 2002 Swap originally hedged the Series 2002C Bonds and now hedges the 2011A-2 Indexed Floaters which refunded the Series 2002C Bonds in full. The Airports Authority pays 72 percent of LIBOR plus 82 basis points on the Indexed Floaters. The effective rate of the swap is therefore equal to the fixed swap rate of 4.45 percent plus the spread of 82 basis points: 5.27 percent.

2009 Swaps: Under the terms of the swap agreements, the Airports Authority pays to the counterparties an average fixed rate of 4.10 percent on the outstanding notional amount of the swap. In return, the Airports Authority receives from the counterparties 72 percent of one-month LIBOR based upon the outstanding notional amount of its respective swaps. The 2009 Swap originally hedged the Series 2009A Bonds and 2009D Bonds. The Series 2009A Bonds were partially refunded by the Series 2010C2 Bonds and the remaining portion was fully refunded by the Series 2011A-3 Bonds. The 2009 swaps now hedge the 2011A-3 Indexed Floaters and the 2009D and 2010C2 Variable Rate Demand Obligations (VRDOs). On the Indexed Floaters, the Airports Authority pays 72 percent of LIBOR plus 82 basis points. The effective rate of the swap related to these Bonds is therefore equal to the fixed swap rate of 4.10 percent plus the spread of 82 basis points: 4.92 percent. **Exhibit D-2** provides the historical monthly cash flow history of the 2009 swaps associated with the hedged VRDOs (currently the 2009D and 2010C2).

2010 Swap: Under the terms of the swap agreement, the Airports Authority pays to the counterparty a fixed rate of 4.11 percent on the outstanding notional amount of the swap. In return, the Airports Authority receives from the counterparty 72 percent of one-month LIBOR based upon the outstanding notional amount of the swap. The 2010 Swap hedges the Series 2010D Indexed Floaters. The Airports Authority pays 72 percent of LIBOR plus 32.5 basis points on the Indexed Floaters. The effective rate of the swap is therefore equal to the fixed swap rate of 4.11 percent plus the spread of 32.5 basis points: 4.44 percent.

2011 Swap: Under the terms of the swap agreement, the Airports Authority pays to the counterparty a fixed rate of 3.86 percent on the outstanding notional amount of the swap. In return, the Airports Authority receives from the counterparty 72 percent of one-month LIBOR based upon the outstanding notional amount of the swap. The 2011 Swap hedges the Series 2011A-1 Indexed Floaters. The Airports Authority pays 72 percent of LIBOR plus 82 basis points on the Indexed Floaters. The effective rate of the swap is therefore equal to the fixed swap rate of 3.86 percent plus the spread of 82 basis points: 4.68 percent.

Exhibit A
Airports Authority's CCP

Major projects under construction at Reagan National include:

- North Substation Gear Replacement;
- Runway 15-33 and 4-22 Runway Safety Area Enhancements; and
- Combined Electrical System Upgrades

Major projects under construction at Dulles International include:

- East and West Baggage Basement In Line High Volume Baggage Screening;
- Concourse C/D Rehabilitation;
- Cargo Buildings 1-4 Exterior Rehabilitation;
- Dedicated Fire System Surge Prevention;
- Hydrant Fuel Line Improvements; and
- Combined Taxilane C and Taxiway Z Reconstruction

Historical CCP Projections vs. Actuals (2001-2014) ($ millions)

	General Ledger Actual	*Projection*[1]	*Variance*	*Variance (%)*
2001 Totals	$370.8	$429.8	($58.9)	(13.7%)
2002 Totals	$295.6	$346.5	($50.9)	(14.7%)
2003 Totals	$282.7	$321.9	($39.2)	(12.2%)
2004 Totals	$349.3	$349.9	($0.6)	(0.2%)
2005 Totals[2]	$555.8	$574.4	($18.6)	(3.2%)
2006 Totals	$672.2	$713.2	($41.0)	(5.7%)
2007 Totals	$719.4	$689.7	$29.7	4.3%
2008 Totals	$537.7	$672.8	($135.1)	(20.1%)
2009 Totals	$349.8	$474.2	($124.3)	(26.2%)
2010 Totals	$220.2	$327.3	($107.1)	(32.7%)
2011 Totals	$167.4	$299.4	($131.9)	(44.1%)
2012 Totals	$118.8	$274.6	($155.8)	(56.7%)
2013 Totals	$152.3	$235.9	($83.6)	(35.4%)
2014 Totals	$113.0	$209.5	($96.5)	(46.1%)

1) Historical projections for 2001-2003 do not reflect periodic revisions. 2002: the last revision for 2002 projected $271 million of capital spending for the year. 2003: the last revision for 2003 projected a total of $287.5 million.
2) Projection reflects December 2005 budget amendment.

Exhibit B-1
Airport System Revenue Bonds
Summary of Bonds Outstanding

Security:	General Airport Revenue Bonds (GARBs) are secured by the pledge of Net Airport Revenues
Lien:	Senior
Ratings:	Moody's A1 (Stable) S&P AA- (Stable) Fitch AA- (Stable)

Series	Date	Original Par Amount	Current Par Amount	Tax Status	Coupon	Credit Enhancement*	Purpose
2003D	10/01/03	150,000,000	59,750,000	AMT	Variable	BAML Index Floaters	New Money
2005A	04/12/05	320,000,000	234,810,000	AMT	Fixed	MBIA	New Money/CP Refunding
2005B	04/12/05	19,775,000	12,800,000	Non-AMT	Fixed	MBIA	Advance Refunding
2005C	04/12/05	30,000,000	30,000,000	Taxable	Fixed	MBIA	New Money
2005D	10/12/05	11,450,000	7,650,000	Non-AMT	Fixed	Ambac	Advance Refunding
2006A	01/25/06	300,000,000	153,555,000	AMT	Fixed	FSA	New Money/CP Refunding
2006B	12/06/06	400,000,000	284,320,000	AMT	Fixed	FGIC	New Money
2006C	12/06/06	37,865,000	32,915,000	Non-AMT	Fixed	FGIC	Advance Refunding
2007A	07/03/07	164,460,000	107,850,000	AMT	Fixed	Ambac	Current Refunding
2007B	09/27/07	530,000,000	393,540,000	AMT	Fixed	Ambac	New Money
2008A	06/24/08	250,000,000	199,630,000	AMT	Fixed	None	New Money/CP Refunding
2009B	04/01/09	236,825,000	221,845,000	Non-AMT	Fixed	BHAC (partial)	New Money
2009C	07/02/09	314,435,000	287,605,000	Non-AMT	Fixed	None	Refund PFC Notes
2009D**	07/02/09	136,825,000	125,205,000	Non-AMT	Variable	TD LOC	Refund PFC Notes
2010A	07/28/10	348,400,000	332,095,000	Non-AMT	Fixed	None	New Money/OMP
2010B	07/28/10	229,005,000	177,795,000	AMT	Fixed	None	Current Refunding
2010C***	09/22/10	170,000,000	156,265,000	C1 (AMT), C2 (Non-AMT)	Variable	Barclays LOC	Current Refunding
2010D**	09/22/10	170,000,000	158,775,000	Non AMT	Variable	Wells Fargo Index Floaters	New Money/Current Refunding
2010F-1	11/17/10	61,820,000	61,820,000	Non-AMT	Fixed	None	OMP
2011A**	09/21/11	233,635,000	210,135,000	AMT	Variable	Wells Fargo Index Floaters	New Money/Current Refunding
2011B	09/21/11	207,640,000	173,185,000	AMT	Variable	PNC Index Floaters	New Money/Current Refunding
2011C	09/29/11	185,390,000	163,585,000	AMT	Fixed	None	Current Refunding
2011D	09/29/11	10,385,000	9,245,000	Non-AMT	Fixed	None	Current Refunding
2012A	07/03/12	291,035,000	291,035,000	AMT	Fixed	None	Current Refunding
2012B	07/03/12	20,790,000	17,310,000	Non-AMT	Fixed	None	Advance Refunding
2013A	07/11/13	207,205,000	207,205,000	AMT	Fixed	None	New Money/Current Refunding
2013B	07/11/13	27,405,000	27,405,000	Taxable	Fixed	None	Current Refunding
2013C	07/11/13	11,005,000	11,005,000	Non-AMT	Fixed	None	Advance Refunding
2014A	07/03/14	539,250,000	539,250,000	AMT	Fixed	None	Current Refunding
2015A	01/29/15	163,780,000	163,780,000	AMT	Fixed	None	Refunding/Call Extension
Total		**5,778,380,000**	**4,851,365,000**				

* Approximately 32% of the GARB portfolio is additionally secured through bond insurance.
** All of the Series 2009D, 2010D and 2011A are subject to a floating-to-fixed rate swap.
*** $96.7 million of the Series 2010C is subject to a floating-to-fixed rate swap.

As % of Total Portfolio	
Insurer	**Percentage**
Ambac	10.5%
BHAC	2.3%
FGIC	6.5%
FSA	3.2%
National (MBIA)	5.7%
Uninsured	71.8%

As % of Insured Portfolio	
Insurer	**Percentage**
Ambac	37.2%
BHAC	8.2%
FGIC	23.2%
FSA	11.2%
National (MBIA)	20.3%

TIC of Fixed Rate Debt
4.51%

Exhibit B-2
Airport System Revenue Bonds
Refunding Monitor

Refunding Candidates – Non-AMT
The Series 2005B and 2005D Bonds are callable on October 1, 2015 at par. Please see the discussion in Section III.A. regarding the refunding of these bonds on a current basis.

There are no advance refunding opportunities at this time[3].

Refunding Candidates – AMT
The Series 2005A Bonds are callable on October 1, 2015 at par. Please see the discussion in Section III.A. regarding the refunding of these bonds on a current basis.

Refunding Candidates – Taxable
The Series 2005C Bonds are callable on October 1, 2015 at par. Please see the discussion in Section III.A. regarding the refunding of these bonds on a current basis.

Below are the refunding guidelines previously accepted by the Board:

Time Between Call Date and Issuance of Refunding Bonds	Traditional Financing Products Minimum PV % Savings	Non-Traditional Financing Products Minimum PV % Savings
0 to 90-days (Current)	Greater of Call Premium or 1%	Call Premium + 1% - 2%
90-days to 1-year	Call Premium + 1%	Call Premium + 2% - 3%
1-year to 2-years	Call Premium + 2%	Call Premium + 3% - 4%
> 2-years	Call Premium + 3%	Call Premium + 4% - 5%

[3] The Series 2005B, Series 2005D, Series 2006C, Series 2012B and Series 2013C Bonds are Non-AMT. However, they may not be advance refunded since the proceeds were used to advance refund other Airports Authority Bonds. The Series 2009B, Series 2009C, Series 2010A and Series 2010F1 Bonds were issued as private activity Non-AMT Bonds and cannot be advance refunded. The Series 2011D Bonds are advance refundable, but given the length of time to the call date, they are not a viable refunding candidate at this time.

Exhibit C-1
Variable Rate Programs
Overview

Summary of Dealers, Credit Enhancement and Bank Facilities

Details of Dealers

Dealer	*Program/ Series*	*Amount ($MM)*	*Remarketing Fees*
Merrill Lynch	CP: Series Two*	Up to $200	0.05%
Bank of America	Index Floater: 2003 D1 Bonds	$59.750	None
Bank of America	VRDO: 2009D Bonds**	$125.205	0.08 – 0.10%
Barclays	VRDO: 2010C Bonds	$156.265	0.08%
Wells Fargo	Index Floater: 2010D Bonds	$158.775	None
Wells Fargo	Index Floater: 2011A Bonds	$210.135	None
PNC	Index Floater: 2011B Bonds	$173.185	None

** The CP Series One has been suspended and the CP Series Two is authorized to be issued up to $200 million effective March 6, 2014.*
*** The Series 2009D Bonds in a daily mode have a 0.10 percent remarketing fee and those bonds in a weekly mode have a 0.08 percent remarketing fee.*

Details of Facilities

Bank Provider	*Facility*	*Program/ Series*	*Amount ($MM)*	*Costs (bps)*	*Expiration Date*
Sumitomo	LOC	CP: Series Two	$200.000	33.0	March 6, 2017
Bank of America	Index Floater	2003 D1	$59.750	70.0*	December 16, 2016
TD Bank	LOC	2009 D VRDO	$125.205	61.0	December 2, 2017
Barclays Capital	LOC	2010 C VRDO	$156.265	70.0	September 23, 2015
Wells Fargo	Index Floater	2010 D	$158.780	32.5*	September 23, 2017
Wells Fargo	Index Floater	2011A	$210.135	82.0*	September 21, 2016
PNC	Index Floater	2011B	$173.185	32.0*	October 2, 2017

** This is a fixed spread to the 72 percent of LIBOR Index.*
Note: The fees above reflect the increases due to the Moody's downgrade.

Exhibit C-2
Variable Rate Programs
Historical Performance

The following tables illustrate (i) rolling three-month average spreads to SIFMA and (ii) rolling 12-month average spread to SIFMA including credit and remarketing fees.

2015 Interest Rates *(by quarter)*

Quarter	2003D1 BofA Index[4]	2009D1 BoA Weekly	2009D2 BoA Daily	2010C1 Barclay 2-Day	2010C2 Barclay Weekly	2010D Wells Index	2011A Wells Index	2011B PNC Index	CP 2 ML	SIFMA
12-month Rolling Average	0.772%	0.684%	0.704%	0.786%	0.780%	0.528%	0.893%	N/A	0.404%	0.043%
Jan 15 – Mar 15	0.802%	0.681%	0.699%	0.784%	0.779%	0.427%	0.922%	0.422%	0.412%	0.021%
Feb 15 – Apr 15	0.797%	0.682%	0.707%	0.793%	0.781%	0.423%	0.918%	0.418%	0.402%	0.028%

2004 – 2014 Historical All-in Costs *(annually)*

Year	2003 D-1[5]	2003 D-2 MS[5]	2002C UBS/ BoA[6]	2009D1 BoA Weekly	2009D2 BoA Daily	2010C1 Barclay 2-Day	2010C2 Barclay Weekly	2010D Wells Index	2011A Wells Index	CP 1 JPM	CP 2 ML (Tax.)	CP A/2 ML	SIFMA
2014	0.761%	n.a.	n.a.	0.684%	0.703%	0.783%	0.780%	0.621%	0.881%	n.a.	n.a.	0.597%	0.05%
2013	0.724%	n.a.	n.a.	0.662%	0.676%	0.707%	0.709%	0.696%	0.866%	n.a.	n.a.	1.347%	0.09%
2012	0.415%	n.a.	n.a.	0.671%	0.682%	0.624%	0.629%	0.754%	0.828%	n.a.	n.a.	1.339%	0.16%
2011	0.405%	n.a.	n.a.	0.648%	0.668%	0.599%	0.606%	0.745%	n.a.	0.721%	n.a.	1.468%	0.17%
2010	0.413%	n.a.	0.338%	1.243%	1.307%	n.a.	n.a.	n.a.	n.a.	0.293%	0.462%	0.323%	0.26%
2009	0.390%	2.291%	1.439%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.694%	1.659%	0.791%	0.40%
2008	2.079%	1.207%	0.960%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1.470%	0.116%	2.21%
2007	0.649%	0.603%	0.370%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1.989%	0.281%	3.62%
2006	0.474%	0.426%	0.463%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.381%	3.45%
2005	0.364%	0.398%	0.436%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.306%	2.47%
2004	0.438%	0.415%	0.427%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.258%	1.24%

[4] On December 18, 2012, Bank of America purchased the 2003D-1 Bonds as Indexed Floaters. On April 16, 2009, Wells Fargo took over the remarketing of the 2003D-1 Bonds from Goldman Sachs.
[5] On April 23, 2009, Morgan Keegan took over the remarketing of the 2003D-2 Bonds from Morgan Stanley; on July 30, 2009, Wachovia took over the remarketing from Morgan Keegan and became the LoC Provider replacing Regions Bank. As of October 1, 2010, the 2003D-2 Bonds were no longer outstanding.
[6] Bank of America replaced UBS as Remarketing Agent in April 2008.

The following tables illustrate (i) rolling three-month average spreads to SIFMA, and (ii) rolling 12-month average spread to SIFMA excluding credit and remarketing fees.

2015 Interest Rates *(by quarter)*

Quarter	2003D1 BofA Index[7]	2009D1 BoA Weekly	2009D2 BoA Daily	2010C1 Barclay 2-Day	2010C2 Barclay Weekly	2010D Wells Index	2011A Wells Index	2011B PNC Index	CP 2 ML	SIF-MA
12-month Rolling Average	0.072%	-0.006%	-0.006%	0.006%	0.000%	0.073%	0.073%	N/A	0.024%	0.043%
Jan 15 – Mar 15	0.102%	-0.009%	-0.011%	0.004%	-0.001%	0.102%	0.102%	0.102%	0.032%	0.021%
Feb 15 – Apr 15	0.097%	-0.008%	-0.003%	0.013%	0.001%	0.098%	0.098%	0.098%	0.022%	0.028%

October 2004-2014 Historical Interest Rates *(by calendar year)*

Year	2003 D-1[8]	2003 D-2 MS[8]	2002C UBS/ BoA[9]	2009D1 BoA Weekly	2009D2 BoA Daily	2010C1 Barclay 2-Day	2010C2 Barclay Weekly	2010D Wells Index	2011A Wells Index	CP 1 JPM	CP 2 ML (Tax.)	CP A/2 ML	SIF MA
2014	0.061%	n.a.	n.a.	-0.006%	-0.007%	0.003%	0.000%	0.060%	0.061%	n.a.	n.a.	0.040%	0.05%
2013	0.047%	n.a.	n.a.	-0.004%	-0.010%	-0.003%	-0.001%	0.046%	0.046%	n.a.	n.a.	0.144%	0.09%
2012	0.054%	n.a.	n.a.	0.021%	-0.017%	-0.007%	-0.001%	0.007%	0.008%	0.031%	n.a.	0.189%	0.16%
2011	0.055%	n.a.	n.a.	0.004%	-0.033%	-0.033%	-0.024%	-0.013%	n.a.	0.073%	n.a.	0.315%	0.17%
2010	0.063%	n.a.	0.092%	-0.014%	-0.000%	n.a.	n.a.	n.a.	n.a.	0.073%	0.252%	0.113%	0.26%
2009	0.040%	0.841%	1.193%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	0.474%	1.449%	0.581%	0.40%
2008	1.673%	0.860%	0.713%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1.260%	-0.094%	2.21%
2007	0.239%	0.193%	0.091%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	1.739%	0.032%	3.62%
2006	-0.026%	-0.074%	-0.026%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-0.099%	3.54%
2005	-0.046%	-0.012%	0.037%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-0.084%	2.47%
2004	0.028%	0.005%	0.040%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	-0.012%	1.24%

7 On December 18, 2012, Bank of America purchased the 2003D-1 Bonds as Indexed Floaters. On April 16, 2009, Wells Fargo took over the remarketing of the 2003D-1 Bonds from Goldman Sachs.

8 On April 23, 2009, Morgan Keegan took over the remarketing of the 2003D-2 Bonds from Morgan Stanley; on July 30, 2009, Wachovia took over the remarketing from Morgan Keegan and became the LoC Provider replacing Regions Bank. As of October 1, 2010, the 2003D-2 Bonds were no longer outstanding.

9 Bank of America replaced UBS as Remarketing Agent in April 2008.

Exhibit D-1
Swap Program
Airports Authority Swap Profile

The table below summarizes the Airports Authority's current swap profile. All of the Airports Authority's swaps require payment of a fixed rate by the Airports Authority to the counterparty and the receipt of a variable rate by the Airports Authority based upon 72 percent of LIBOR.

Trade Date	Effective Date	Termination Date ("final maturity")	Swap Providers	Ratings Moody's/S&P/ Fitch	Outstanding Notional Amount ($millions)	Hedged Series	Current Termination Value[10]	Fixed Rate
7/31/01	8/29/02	10/1/21	Bank of America	A2/A/A	$38.8	2011A-2	($4,753,000)	4.445%
6/15/06	10/1/09	10/1/39	JPMorgan Chase Bank of America	Aa3/A+/A+ A2/A/A	$173.9 $100.6 $274.5	2011A-3 2009D 2010C2	($54,835,000) ($31,317,000) ($86,152,000)	4.099%
6/15/06	10/1/10	10/1/40	Wells Fargo	Aa3/AA-/AA-	$158.8	2010D	($52,014,000)	4.112%
5/13/05	10/1/11	10/1/39	Wells Fargo	Aa3/AA-/AA-	$118.7	2011A-1	($31,367,000)	3.862%
				Aggregate Swaps	$590.8		($174,286,000)	

The table below presents the all-in effective rate of the swaps. The 2002, 2010 and 2011 swaps hedge only indexed floaters. The 2009 swaps hedge both indexed floaters and VRDOs (separate all-in effective rates are presented for each). The interest rate paid on each of the indexed floaters is equal to 72 percent of LIBOR plus an agreed upon spread. The effective rate is therefore equal to the fixed swap rate plus the agreed upon spread (82 basis points on the 2011A Bonds and 32.5 basis points on the 2010D Bonds). In Exhibit D-2, we track the monthly performance and all-in effective rate of the 2009 swap in relation to the hedged VRDOs.

Effective Date	Notional Amount ($millions)	Hedged Series	Fixed Rate	All-In Effective Rate*
8/29/02	$38.8	2011A-2 (Indexed Floaters)	4.445%	5.265%
10/1/09	$52.6	2011A-3 (Indexed Floaters)	4.099%	4.919%
10/1/09	$221.9	2009D&2010C2 (VRDOs)	4.099%	4.921%
10/1/10	$158.8	2010D (Indexed Floaters)	4.112%	4.437%
10/1/11	$118.7	2011A-1 (Indexed Floaters)	3.862%	4.682%

**The Effective Rate takes into account the agreed upon spread on indexed floaters and remarketing and bank facility costs on the VRDOs.*

[10] Amounts as of February 27, 2015; A negative value represents a payment by the Airports Authority to the counterparty if the swap is terminated in the current market; a positive value represents a receipt by the Airports Authority if the swap is unwound in the current market.

Exhibit D-2
Swap Program
2009 Swap Effective Interest Rate to-date and Monthly Performance

The Airports Authority's 2009 Swap is a fixed-payor interest rate swap. Under the 2009 Swap: (a) the Airports Authority pays a fixed rate of interest, 4.099 percent, to the swap counterparty; and (b) in return, the swap counterparty pays the Airports Authority a variable rate of interest equal to 72 percent of one-month LIBOR. The variable rate received from the counterparty is designed to closely correlate to the interest rate the Airports Authority pays on the underlying variable rate bonds, thereby creating essentially fixed rate debt ("synthetic" fixed rate debt). The Swap Agreement was dated June 15, 2006, and became effective on October 1, 2009. The 2009 Swap counterparties were Bear Stearns and Bank of America. However, Bear Stearns was bought by JP Morgan in March 2008. The following table represents the 72 percent of one-month LIBOR rate received from the counterparties, the average monthly interest rate on the hedged variable rate bonds paid by the Airports Authority (excludes hedged indexed floaters), and the resulting effective all-in interest rate on the swap. The 2009 swap hedges the Series 2009D Bonds and the Series 2010C2 Bonds. The swap previously hedged the Series 2009A Bonds until these bonds were refunded by the 2011A-3 Indexed Floaters (the calculated effective rate does take into account the 2009A Bonds prior to their refinancing).

Hedged VRDOs and Swaps

Period	1-month LIBOR[11]	72% 1-month LIBOR	Average All-In Aggregate Interest Rate[12]	Average Fixed Swap Rate	Effective Interest Rate[13]	All-In Effective Rate to Date
4/1/15 – 5/1/15	0.18%	0.13%	0.78%	4.099%	4.752%	4.921%
3/1/15 – 4/1/15	0.18%	0.13%	0.75%	4.099%	4.723%	4.923%
2/1/15 – 3/1/15	0.17%	0.12%	0.75%	4.099%	4.726%	4.926%
1/1/15 – 2/1/15	0.17%	0.12%	0.75%	4.099%	4.729%	4.929%

Historical Data:

1/1/14 - 1/1/15	0.16%	0.11%	0.78%	4.099%	4.77%	4.95%
1/1/13 - 1/1/14	0.19%	0.14%	0.78%	4.099%	4.74%	4.99%
1/1/12 - 1/1/13	0.24%	0.17%	0.82%	4.099%	4.75%	5.06%
1/1/11 - 1/1/12	0.23%	0.17%	0.87%	4.099%	4.80%	5.21%
1/1/10 - 1/1/11	0.27%	0.20%	1.41%	4.099%	5.31%	5.35%
10/1/09 – 1/1/10	0.24%	0.17%	1.59%	4.099%	5.52%	5.52%

[11] One-month LIBOR is weighted average of weekly one-month LIBOR as reset each Tuesday for a Thursday effective date.
[12] The 2009D-1 and 2010C-2 variable rate bonds are currently in a weekly mode, with interest rate resets each Wednesday for a Thursday effective date. The 2009D-2 variable rate bonds are currently in a daily mode. The 2009A variable rate bonds were in a weekly mode, with interest rate resets each Tuesday for a Wednesday effective date. The interest rate is the all-in interest rate including bank facility costs.
[13] Totals will not add due to the day count difference of 30/360-day basis for the fixed swap rate and actual/actual day basis for the floating swap rate.