Jefferies

# DECEMBER 2014
# FINANCIAL ADVISOR REPORT – THE AVIATION ENTERPRISE

## INTRODUCTION

The Finance Committee has requested that the Aviation Enterprise Financial Advisors 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 Advisors 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. Rating Agency Meetings
   B. Potential Refinancing Opportunities

IV. Monthly Updates
   A. CCP: Actuals vs. Projections
   B. Short-term Liquidity Forecast
   C. Variable Rate Programs
   D. Swaps –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
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D. Swap Program
   - Airports Authority Swap Profile
   - Historic Performance of 2009 Swaps

# I. EXECUTIVE SUMMARY

## Action Items

- None to report this month

## Informational Items

- ***Rating Agency Meetings.*** On December 3 and December 5, the Airports Authority and the Financial Advisor met with the three rating agencies to provide an update on the new Airport Use and Lease Agreement and the additional financial flexibility provided by the agreement. Additional topics included an update on 2014-to-date activity and financial results, 2015 Budget and Aviation Enterprise Capital Construction Program.

- ***Potential Financing Opportunities.*** Finance Staff, the Financial Advisor and Bond Counsel have been evaluating the potential economic benefit of refinancing certain Bonds callable in 2015 and 2016. Finance Staff and the Financial Advisor have evaluated the merits of this proposal and have recommended proceeding with refunding the Bonds callable in 2016. Finance Staff expects to seek Finance Committee and Board approval of substantially final documents at the January 21, 2015 meetings and target the closing of the transaction by the end of January 2015. A second proposal that the financing team has been considering involves the potential investment of certain monies periodically deposited to the Aviation Enterprise Debt Service Fund. If Finance Staff determines that it is appropriate to recommend proceeding with a solicitation for a debt service fund forward purchase agreement, such recommendation would be made in the first quarter 2015.

- ***Capital Construction Program.*** For 2014, CCP expenditures are budgeted at $209.5 million including construction and capitalized interest costs. Expenditures in October 2014 totaled $8.7 million including accrued capitalized interest expenditures. Through the end of October 2014 year-to-date capital expenditures were $95.8 million. (Monthly CCP expenditures for November 2014 were not available at the time this paper was finalized.)

## II. ACTION ITEMS

No Action Items to report this month.

## III. INFORMATIONAL ITEMS

**(III.A) Rating Agency Meetings**

On December 3 and December 5, the Airports Authority and the Financial Advisor met with the three rating agencies via conference call and in New York City to provide an update on the successful negotiation of the new Airport Use and Lease Agreement and the additional financial flexibility provided by the agreement. Additional topics included an update on 2014-to-date activity and financial results, 2015 Budget and Aviation Enterprise Capital Construction Program.

**(III.B) Potential Financing Opportunities**

Finance Staff, the Financial Advisor and Bond Counsel have been evaluating the potential economic benefit of refinancing certain Bonds callable in 2015 and 2016.

***Current refunding of certain Bonds callable in 2015 and 2016.*** The Airports Authority has $227.5 million of Series 2005A Bonds that are callable on October 1, 2015, $245.0 million of Series 2006A Bonds that are callable on October 1, 2016 and $375.3 million of Series 2006B Bonds that are also callable on October 1, 2016. None of these Bonds can be advanced refunded because these are private activity bonds. However, one of the Airport Authority's underwriters holds $234.3 million of these Bonds ($51.9 million of the Series 2005A, $91.4 million of the Series 2006A and $91.0 million of the Series 2006B) and has proposed to pay the Airports Authority an upfront amount or reduce the par amount of the outstanding bonds in exchange for extending the optional call dates to between 2019 and 2024. This savings (i.e. upfront payment or reduced annual debt service) and call modification can be effectuated through a tender and current refunding of the $234.3 million Bonds held by the underwriter.

*($ millions)*

| Series | Call Date | Total Callable Bonds | Underwriter-held Bonds (Par) | Underwriter-held Bonds (Term) |
|---|---|---|---|---|
| 2005A | October 1, 2015 | $227.455 | $51.900 | 2035 |
| 2006A | October 1, 2016 | 245.000 | 91.445 | 2035 |
| 2006B | October 1, 2016 | 375.320 | 91.000 | 2036 |
| **Totals** | | **$847.775** | **$234.345** | |

As of November 25, 2014, in exchange for extending the call dates from 2015 and 2016 to 2024, the Airports Authority could either receive an upfront payment of approximately $18.0 million (representing 7.7 percent of the "refunded" par amount) or reduce annual debt service through 2036, generating a net present value savings of approximately $18.0 million. As shown in the table below, this proposal compares favorably to several benchmarks.

**Metropolitan Washington Airports Authority Call Modification Proposal**
**(Results below reflect savings only on the $234.3 million of Bonds)**

| Series | Par | NPV of Call Modification* | | Hyp. Adv. Ref. (SLGs Escrow) | | As % of Hyp. Adv. (SLGs) | Hyp. Adv. Ref. (Perfect Escrow) | | As % of Hyp. Adv. (Perfect) | Current Ref.** (Current Rates) | | As % of Current Ref. | Breakeven |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | $ | % | $ | % | | $ | % | | $ | % | | |
| Series 2005A | 51,900,000 | 5,034,300 | 9.7% | 3,739,514 | 7.2% | 134.6% | 4,885,198 | 9.4% | 103.1% | 5,495,881 | 10.6% | 91.6% | Plus 10 bps |
| Series 2006A | 91,445,000 | 6,629,763 | 7.3% | 1,903,950 | 2.1% | 348.2% | 7,048,543 | 7.7% | 94.1% | 9,100,573 | 10.0% | 72.8% | Plus 35 bps |
| Series 2006B | 91,000,000 | 6,370,000 | 7.0% | 1,803,416 | 2.0% | 353.2% | 6,978,939 | 7.7% | 91.3% | 8,949,172 | 9.8% | 71.2% | Plus 35 bps |
| | **234,345,000** | **18,034,063** | **7.7%** | **7,446,881** | **3.2%** | 242.2% | **18,912,680** | **8.1%** | 95.4% | **23,545,626** | **10.0%** | 76.6% | |

*Assumes call modified further out 10 years (10/1/24 call date).

*Current refunding executed 90 days prior to call date; assuming current rates and 4.1% discount rate and target date of 1/27/15 for pv calculations.

A primary benefit of executing this transaction would be that the Airports Authority could monetize the debt service savings available at current market rates rather than being subject to the interest rate risk of waiting for the current refunding dates in 2015 and 2016. The breakeven increase in rates is between 10 basis points and 35 basis points. Moreover, the underwriter is willing to pay a premium above the price appreciation from simply extending the optional call date. (For example, on November 25, an extension of the call date to 2024 for the 2006A Bonds would change the value of the bonds by 5.7 percent and the underwriter has offered to pay 7.3 percent.) The financing team will continue to negotiate with the underwriter to maximize the premium.

Finance Staff, the Financial Advisor and Bond/Tax Counsel have evaluated the permitted uses for an upfront payment. It has been determined that the Airports Authority would not be able to apply the proceeds received from the underwriter to pay debt service on outstanding bonds that had funded completed projects (i.e. no direct benefit to IAD rates and charges over the near term). The hope had been that an upfront payment could have provided benefits similar to what the Airports Authority achieved over the last several years by structuring its refundings for upfront savings. Since that will not be possible, the recommendation is to focus on the alternative proposal whereby the Airports Authority would generate annual debt service savings over time.

We recommend that the Airports Authority proceed with the call modification proposal for the Series 2006A and 2006B Bonds for the following reasons:

- The breakeven applies to rates through June 2016 (pricing date of a current refunding) which is a relatively longer window of time.
- Because the Bonds held by the underwriter represent a larger percentage of each series, increasing rates between now and the current refunding date results in more foregone savings. If rates were to rise by 60 bps (25 bps above the breakeven) between now and the 2016 current refunding, waiting to current refund all the bonds generates approximately $1.4 million less present value savings for both the Series 2006A and 2006B Bonds.
- Waiting to call all the Series 2006A-B Bonds in the future does not create more capacity to restructure the refunding with savings in 2017 and 2018. The Series 2006A-B Bonds do not have any principal maturing in the next several years so there are no up-front savings opportunities at all.

We recommend that the Airports Authority **not** proceed with the call modification proposal for the Series 2005A Bonds for the following reasons:

- The breakeven applies to rates through June 2015 (pricing date of a current refunding) which is a relatively short window of time.
- Even if rates were to rise by 35 bps (25 bps above the breakeven) between now and the 2015 current refunding, waiting to current refund all the bonds generates $1.0 million less present value savings.
- By waiting to call all the Series 2005A Bonds in the future, there is more capacity to restructure the refunding with savings in 2016 and 2017 rather than locking-in a portion of the structure by refunding the Bonds held by the underwriter on a stand-alone basis.

Subject to competing negotiations with the underwriter, Finance Staff expects to seek Finance Committee and Board approval of substantially final documents at the January 21, 2015 meetings and target the closing of the transaction by the end of January 2015.

***Forward purchase agreement for certain Debt Service Funds.*** Over the next five years, the annual Aviation Enterprise debt service is between $390 million and $420 million. To meet this requirement, the Airports Authority makes monthly deposits to the Debt Service Fund. These periodic deposits are invested in short-term instruments because funds are needed to make debt service payments to bondholders each April 1 and October 1. In the current market, these periodic short-term investments average approximately 0.11 percent per annum. One of the Airports Authority's underwriters has proposed that a portion of these periodic debt service funds could be invested through a forward purchase agreement (an FPA). In an FPA, on each monthly deposit date the Airports Authority would transfer a portion of the Debt Service money in exchange for delivery of a highly-rated security (U.S. Treasury or Agency security) that would mature on or before the following April 1 or October 1). These series of forward purchases would generate a guaranteed investment rate over the term of the agreement—approximately 1.30 percent for a five year agreement in the current market.

Finance Staff and the Financial Advisor continue to (i) review the mechanics of this proposal, including the appropriate amount of debt service funds to consider locking-up in an agreement, (ii) consider the potential economic and legal impacts of subjecting some amount of debt service funds to an agreement, and (iii) review, with Bond and Tax Counsel, the potential legal terms of a forward purchase agreement. If Finance Staff determines that it is appropriate to recommend proceeding with a solicitation for a debt service fund forward purchase agreement, such recommendation would be made in the first quarter 2015.

## 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 2014, CCP expenditures are budgeted at $209.5 million including construction and capitalized interest costs. Expenditures in October 2014 totaled $8.7 million including accrued capitalized interest expenditures. Through the end of October 2014, year-to-date capital expenditures were $95.8 million. (Monthly CCP expenditures for November 2014 were not available at the time this paper was finalized.)

**2014 CCP Projections vs. Actuals ($ millions)**

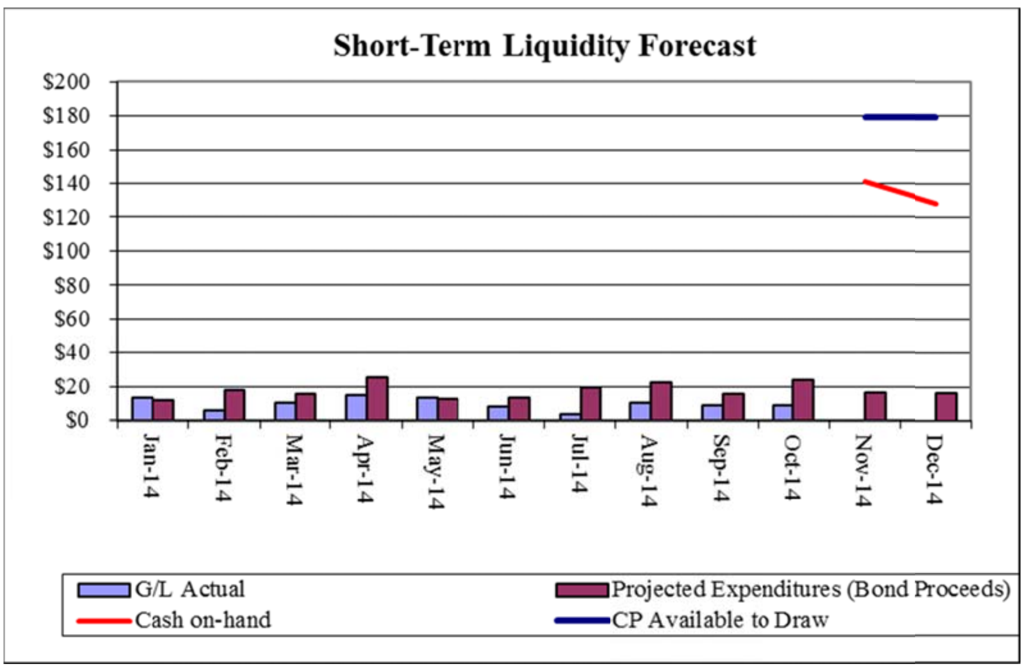
| | *General Ledger Actual*[1] | *Original Projection* | *Variance* | *Variance (%)* |
|---|---|---|---|---|
| 14-Jan | $13.10 | $11.60 | $1.50 | 12.93% |
| 14-Feb | $5.40 | $17.55 | ($12.15) | (69.23%) |
| 14-Mar | $10.50 | $15.22 | ($4.72) | (31.01%) |
| 14-Apr | $14.80 | $25.05 | ($10.25) | (40.92%) |
| 14-May | $13.60 | $12.55 | $1.05 | 8.37% |
| 14-Jun | $7.70 | $12.97 | ($5.27) | (40.63%) |
| 14-Jul | $3.60 | $19.14 | ($15.54) | (81.19%) |
| 14-Aug | $10.00 | $22.17 | ($12.17) | (54.89%) |
| 14-Sep | $8.40 | $15.95 | ($7.55) | (47.34%) |
| 14-Oct | $8.70 | $24.18 | ($15.48) | (64.02%) |
| 14-Nov | | $16.58 | | |
| 14-Dec | | $16.59 | | |
| ***2014 Totals (Through Oct.)*** | **$95.80** | **$176.38** | **($80.58)** | **(45.69%)** |

[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 November 2014, the Airports Authority had $141.1 million of cash-on-hand[2] and $179 million of additional available liquidity in the form of undrawn CP Series Two capacity. (The cash-on-hand for the beginning of December 2014 was not available at the time this paper was finalized.)

| Short-term Liquidity Forecast ($ millions) | | | | | |
|---|---|---|---|---|---|
| **Beginning of Month** | **Cash Available** | **CP Available to Draw** | **PFCs** | **Grants** | **Projected Expenditures** |
| Nov-14 | 141.1 | 179.0 | 0.1 | 4.0 | (16.6) |
| Dec-14 | 128.6 | 179.0 | 0.1 | 4.0 | (16.6) |




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

The approximately $313.5 million in unhedged variable rate debt outstanding represents approximately 6.4 percent of the outstanding $4.9 billion indebtedness.

***Gross Variable Rate Exposure***

| | | |
|---|---|---|
| **Fixed Rate Debt Percentage:** | | |
| Fixed Rate Debt | $3,986,715,000 | |
| 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** | **$4,577,520,000** | **93.59%** |
| **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** | **6.41%** |
| **Combined Total** | **$4,891,030,000** | **100.00%** |

The Airports Authority's current $216 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 Airports Authority has $97 million of net variable rate exposure.

**Exhibit C-2** illustrates for the current year the rolling three-month average spreads to the 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 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-3** 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;
- Combined Electrical System Upgrades; and
- Hangar 6 Roof Replacement

Major projects under construction at Dulles International include:
- East and West Baggage Basement In Line High Volume Baggage Screening;
- Concourse C/D Rehabilitation;
- High Temperature Hot Water Generator Procurement & Replacement;
- 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 (2001-2013) ($ millions)**

| | *General Ledger Actual* | *Projection** | *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** | $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%) |

* 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.

** Projection reflects December 2005 budget amendment.

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

**Security:** General Airport Revenue Bonds ("GARB") are secured by the pledge of Net Airport Revenues
**Lien:** Senior
**Credit Ratings:**

| | Rating | Outlook | As of |
|---|---|---|---|
| Moody's | A1 | Stable | May 22, 2014 |
| S&P | AA- | Stable | May 28, 2014 |
| Fitch | AA- | Stable | May 22, 2014 |

| Series | Dated Date | Originally Issued Par Amount | Current Outstanding Par Amount | Tax Status | Tenor | Credit Enhancement Provider* | Purpose |
|---|---|---|---|---|---|---|---|
| **2003D** | October 1, 2003 | 150,000,000 | 59,750,000 | AMT | Variable | BofA Indexed Floaters | New Money |
| **2005A** | April 12, 2005 | 320,000,000 | 234,810,000 | AMT | Fixed | MBIA | New Money/CP Refunding |
| **2005B** | April 12, 2005 | 19,775,000 | 12,800,000 | Non-AMT | Fixed | MBIA | Advance Refunding |
| **2005C** | April 12, 2005 | 30,000,000 | 30,000,000 | Taxable | Fixed | MBIA | New Money |
| **2005D** | October 12, 2005 | 11,450,000 | 7,650,000 | Non-AMT | Fixed | AMBAC | Advance Refunding |
| **2006A** | January 25, 2006 | 300,000,000 | 245,000,000 | AMT | Fixed | FSA | New Money/CP Refunding |
| **2006B** | December 6, 2006 | 400,000,000 | 375,320,000 | AMT | Fixed | FGIC | New Money |
| **2006C** | December 6, 2006 | 37,865,000 | 32,915,000 | Non-AMT | Fixed | FGIC | Advance Refunding |
| **2007A** | July 3, 2007 | 164,460,000 | 107,850,000 | AMT | Fixed | AMBAC | Current Refunding |
| **2007B** | September 27, 2007 | 530,000,000 | 393,540,000 | AMT | Fixed | AMBAC | New Money |
| **2008A** | June 24, 2008 | 250,000,000 | 199,630,000 | AMT | Fixed | - | New Money/CP Refunding |
| **2009B** | April 1, 2009 | 236,825,000 | 221,845,000 | Non-AMT | Fixed | BHAC (partially) | Term. |
| **2009C** | July 2, 2009 | 314,435,000 | 287,605,000 | Non-AMT | Fixed | - | Refunding PFC |
| **2009D**** | July 2, 2009 | 136,825,000 | 125,205,000 | Non-AMT | Variable | TD Bank | Refunding PFC |
| **2010A** | July 28, 2010 | 348,400,000 | 332,095,000 | Non-AMT | Fixed | - | New Money/OMP |
| **2010B** | July 28, 2010 | 229,005,000 | 177,795,000 | AMT | Fixed | - | Current Refunding |
| **2010C***** | September 22, 2010 | 170,000,000 | 156,265,000 | C1 AMT, C2 Non-AMT | Variable | Barclays | Current Refunding |
| **2010D**** | September 22, 2010 | 170,000,000 | 158,775,000 | Non-AMT | Variable | Wells Fargo Indexed Floaters | New Money/Current Refunding |
| **2010F1** | November 17, 2010 | 61,820,000 | 61,820,000 | Non-AMT | Fixed | - | OMP |
| **2011A**** | September 21, 2011 | 233,635,000 | 210,135,000 | AMT | Variable | Wells Fargo Indexed Floaters | New Money/Current Refunding |
| **2011B** | September 21, 2011 | 207,640,000 | 173,185,000 | AMT | Variable | PNC Indexed Floaters | New Money/Current Refunding |
| **2011C** | September 29, 2011 | 185,390,000 | 163,585,000 | AMT | Fixed | - | Current Refunding |
| **2011D** | September 29, 2011 | 10,385,000 | 9,245,000 | Non-AMT | Fixed | - | Current Refunding |
| **2012A** | July 3, 2012 | 291,035,000 | 291,035,000 | AMT | Fixed | - | Current Refunding |
| **2012B** | July 3, 2012 | 20,790,000 | 17,310,000 | Non-AMT | Fixed | - | Advance Refunding |
| **2013A** | July 11, 2013 | 207,205,000 | 207,205,000 | AMT | Fixed | - | Current Refunding/New Money |
| **2013B** | July 11, 2013 | 27,405,000 | 27,405,000 | Taxable | Fixed | - | Current Refunding |
| **2013C** | July 11, 2013 | 11,005,000 | 11,005,000 | Non-AMT | Fixed | - | Advance Refunding |
| **2014A** | July 3, 2014 | 539,250,000 | 539,250,000 | AMT | Fixed | - | Current Refunding |
| **Total** | | 5,614,600,000 | 4,870,030,000 | | | | |

** Approximately 32% of the GARB portfolio is additionally secured through bond insurance.*
*** All of the 2009D, 2010D and 2011A are subject to a floating-to-fixed rate swap.*
**** $96,690,000 of the outstanding amount of the Series 2010C is the subject of a floating-to-fixed rate swap.*

**Insurer Splits as % of Total Bond Portfolio**

| Insurer | Insured |
|---|---|
| Ambac | 10.5% |
| BHAC | 2.3% |
| FGIC | 8.4% |
| FSA | 5.0% |
| National (MBIA) | 5.7% |
| Uninsured | 68.1% |

**Insurer Splits as % of Insured Bond Portfolio**

| Insurer | Insured |
|---|---|
| Ambac | 32.8% |
| BHAC | 7.2% |
| FGIC | 26.3% |
| FSA | 15.8% |
| National (MBIA) | 17.9% |

| Aviation Enterprise Total TIC of Fixed Rate Debt |
|---|
| 4.51% |

**Exhibit B-2**
**Airport System Revenue Bonds Refunding Monitor**

**Current Refunding Opportunities**
There are no current refunding opportunities at this time.

**Advance Refunding Candidates – Non-AMT**
There are no advance refunding opportunities at this time[3].

**Refunding Candidates – AMT**
The Series 2005A-B and 2005D Bonds may NOT be advance refunded with the proceeds of tax-exempt bonds. However, it is illustrative to consider hypothetical advance refunding results to use as a benchmark in evaluating the efficiency of other refunding strategies. The table below illustrates results of hypothetical AMT advance refundings.

| ***Series*** | ***Callable Par/ Maturities*** | ***Range of Interest Rates*** | ***Call Date*** | ***Call Premium*** | ***Savings Required*** | ***Net PV Savings*** | ***Negative Arbitrage*** |
|---|---|---|---|---|---|---|---|
| 2005A AMT | $227,455,000 (2016-2035) | 4.25% - 5.25% | 10/1/2015 | 0% (at par) | 1% | $14.3 mm; 6.3% $227.4 mm refunded | $6.1 mm |
| 2005B Non-AMT | $10,890,000 (2016-2020) | 4.00% - 5.25% | 10/1/2015 | 0% (at par) | 1% | $0.9 mm; 8.6% $10.9 mm refunded | $0.1 mm |
| 2005D Non-AMT | $7,650,000 (2021-2023) | 5.00% | 10/1/2015 | 0% (at par) | 1% | $1.1 mm; 14.1% $7.6 mm refunded | $0.1 mm |

Since these bonds may not be advance refunded with tax-exempt bonds, alternative strategies include, but are not limited to, taxable advance or forward refundings.

**Refunding Candidates – Taxable**
The Series 2005C Bonds may be advance refunded with the proceeds of taxable bonds.

| ***Series*** | ***Callable Par/ Maturities*** | ***Range of Interest Rates*** | ***Call Date*** | ***Call Premium*** | ***Savings Required*** | ***Net PV Savings*** | ***Negative Arbitrage*** |
|---|---|---|---|---|---|---|---|
| 2005C Taxable | $30,000,000 (2020-2035) | 5.59% - 5.73% | 10/1/2015 | 0% (at par) | 1% | $3.0 mm; 10.0% $30.0 mm refunded | $1.0 mm |

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 are non-AMT. However, they may not be advance refunded since the proceeds were used to advance refund other Airports Authority Bonds. The Non-AMT Bonds (2009B, 2009C, 2010A, 2010F1) were issued as private activity Non-AMT Bonds and cannot be advance refunded. The 2011D Bonds were issued as a current refunding but given the length of time to the call date is not a viable refunding candidate.

# 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.

***2014 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 | CP 2 ML | SIFMA |
|---|---|---|---|---|---|---|---|---|---|
| 12-month Rolling Average | 0.759% | 0.683% | 0.702% | 0.782% | 0.779% | 0.647% | 0.879% | 0.760% | 0.05% |
| Jan-14 – Mar-14 | 0.775% | 0.680% | 0.702% | 0.785% | 0.776% | 0.723% | 0.893% | 1.098% | 0.04% |
| Apr-14 – Jun-14 | 0.732% | 0.686% | 0.702% | 0.776% | 0.778% | 0.682% | 0.852% | 0.383% | 0.08% |
| July-14 – Sept-14 | 0.765% | 0.685% | 0.703% | 0.784% | 0.781% | 0.684% | 0.886% | 0.414% | 0.05% |
| Sept-14 – Nov-14 | 0.769% | 0.682% | 0.711% | 0.788% | 0.781% | 0.472% | 0.888% | 0.405% | 0.04% |

***2004 – 2013 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 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 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.
Note: 2011B was previously a fixed spread to SIFMA and was not tracked here. It is now is a spread to 72 percent of LIBOR and will be tracked here once there is three months of data available.

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.

***2014 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 | CP 2 ML | SIF-MA |
|---|---|---|---|---|---|---|---|---|---|
| 12-month Rolling Average | 0.059% | -0.007% | -0.008% | 0.002% | -0.001% | 0.058% | 0.059% | 0.050% | 0.05% |
| Jan-14 – Mar-14 | 0.075% | -0.010% | -0.008% | 0.005% | -0.004% | 0.073% | 0.073% | 0.099% | 0.04% |
| Apr-14 – Jun-14 | 0.032% | -0.004% | -0.008% | -0.004% | -0.002% | 0.032% | 0.032% | 0.003% | 0.08% |
| July-14 – Sept-14 | 0.065% | -0.005% | -0.007% | 0.004% | 0.001% | 0.062% | 0.066% | 0.034% | 0.05% |
| Sept-14 – Nov-14 | 0.069% | -0.008% | 0.001% | 0.008% | 0.001% | 0.068% | 0.068% | 0.025% | 0.04% |

***October 2004-2013 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 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 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.
Note: 2011B was previously a fixed spread to SIFMA and was not tracked here. It is now is a spread to 72 percent of LIBOR and will be tracked here once there is three months of data available.

# Exhibit D-1
## Swap Profile

The table below summarizes the Airports Authority's current swap profile. All of the Airports Authority's swaps call for a fixed rate to be paid by the Airports Authority to the counterparty and a variable rate to be received 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 | (5,005,000) | 4.445% |
| 6/15/06 | 10/1/09 | 10/1/39 | JPMorgan Chase<br>Bank of America | Aa3/A+/A+<br>A2/A/A | $173.9<br>$100.6<br>$274.5 | 2011A-3<br>2009D<br>2010C2 | ($49,856,000)<br>($27,904,000)<br>($77,760,000) | 4.099% |
| 6/15/06 | 10/1/10 | 10/1/40 | Wells Fargo | Aa3/AA-/AA- | $158.8 | 2010D | ($47,154,000) | 4.112% |
| 5/13/05 | 10/1/11 | 10/1/39 | Wells Fargo | Aa3/AA-/AA- | $118.7 | 2011A-1 | ($28,586,000) | 3.862% |
| | | | | **Aggregate Swaps** | $590.8 | | ($158,505,000) | |

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% | 4.934% |
| 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 November 28, 2014; 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
## 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, 4.099 percent, to the swap counterparty; (b) in return, the swap counterparty pays the Airports Authority a variable rate of interest equal to 72 percent of one-month LIBOR. This variable rate received from the counterparty was designed to closely correlate 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 effective 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 presents 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 being refinanced).

## 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 |
|---|---|---|---|---|---|---|
| 11/1/14 – 12/1/14 | 0.15% | 0.11% | 0.78% | 4.099% | 4.767% | 4.934% |
| 10/1/14 – 11/1/14 | 0.15% | 0.11% | 0.77% | 4.099% | 4.761% | 4.936% |
| 9/1/14 – 10/1/14 | 0.15% | 0.11% | 0.77% | 4.099% | 4.762% | 4.939% |
| 8/1/14 – 9/1/14 | 0.16% | 0.11% | 0.78% | 4.099% | 4.766% | 4.941% |
| 7/1/14 – 8/1/14 | 0.15% | 0.11% | 0.78% | 4.099% | 4.768% | 4.944% |
| 6/1/14 – 7/1/14 | 0.15% | 0.11% | 0.79% | 4.099% | 4.784% | 4.947% |
| 5/1/14 – 6/1/14 | 0.15% | 0.11% | 0.81% | 4.099% | 4.801% | 4.949% |
| 4/1/14 – 5/1/14 | 0.15% | 0.11% | 0.82% | 4.099% | 4.810% | 4.952% |
| 3/1/14 – 4/1/14 | 0.16% | 0.11% | 0.78% | 4.099% | 4.769% | 4.954% |
| 2/1/14 – 3/1/14 | 0.16% | 0.11% | 0.76% | 4.099% | 4.748% | 4.957% |
| 1/1/14 – 2/1/14 | 0.16% | 0.12% | 0.76% | 4.099% | 4.747% | 4.960% |
| 12/1/13 - 1/1/14 | 0.17% | 0.12% | 0.78% | 4.099% | 4.760% | 4.964% |
| 11/1/13 - 12/1/13 | 0.17% | 0.13% | 0.79% | 4.099% | 4.768% | 4.968% |
| 10/1/13 - 11/1/13 | 0.18% | 0.13% | 0.81% | 4.099% | 4.778% | 4.971% |
| 9/1/13 - 10/1/13 | 0.18% | 0.13% | 0.79% | 4.099% | 4.764% | 4.974% |
| 8/1/13 - 9/1/13 | 0.18% | 0.13% | 0.79% | 4.099% | 4.759% | 4.978% |
| 7/1/13 - 8/1/13 | 0.19% | 0.14% | 0.80% | 4.099% | 4.757% | 4.982% |
| 6/1/13 - 7/1/13 | 0.19% | 0.14% | 0.75% | 4.099% | 4.709% | 4.987% |
| 5/1/13 - 6/1/13 | 0.20% | 0.14% | 0.79% | 4.099% | 4.750% | 4.992% |
| 4/1/13 - 5/1/13 | 0.20% | 0.14% | 0.81% | 4.099% | 4.769% | 4.997% |
| 3/1/13 - 4/1/13 | 0.20% | 0.15% | 0.75% | 4.099% | 4.700% | 5.002% |
| 2/1/13 - 3/1/13 | 0.20% | 0.14% | 0.74% | 4.099% | 4.693% | 5.008% |
| 1/1/13 - 2/1/13 | 0.20% | 0.15% | 0.73% | 4.099% | 4.682% | 5.014% |

**Historical Data:**

| | | | | | | |
|---|---|---|---|---|---|---|
| 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 except for the Bank of America swap where the two London Banking Days are replaced by one London Banking Day.
[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-ion 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.