Raleigh-Durham Airport Authority
North Carolina

COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the Fiscal Year Ended March 31, 2017 and 2016

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Raleigh-Durham Airport Authority
RDU Airport, North Carolina

Comprehensive Annual Financial Report

For the Fiscal Years March 31, 2017 and 2016

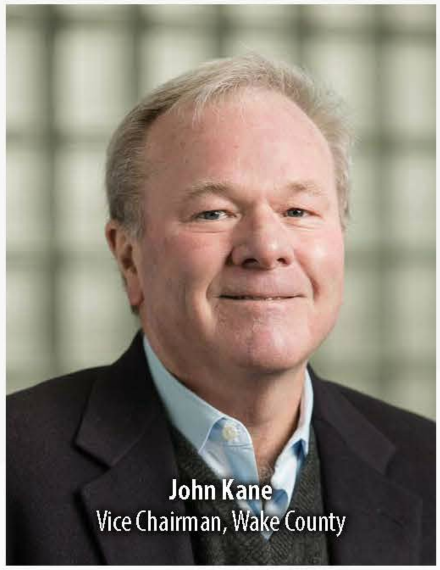
Prepared by the Finance Department

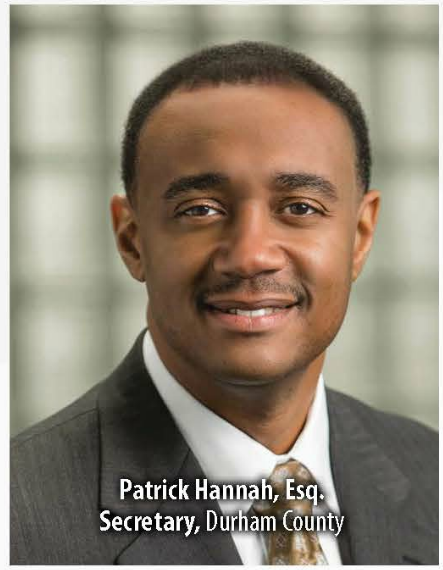
Raleigh-Durham Airport Authority

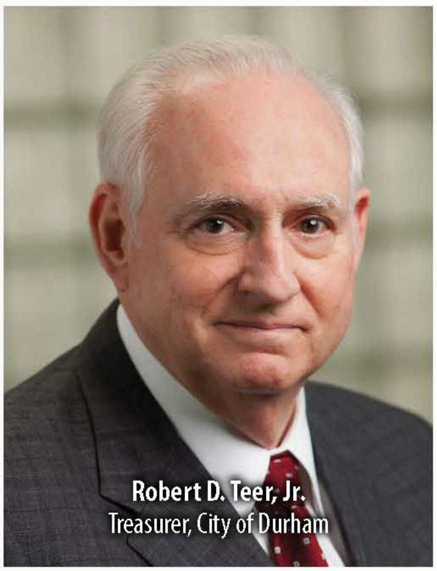
COMPREHENSIVE ANNUAL FINANCIAL REPORT

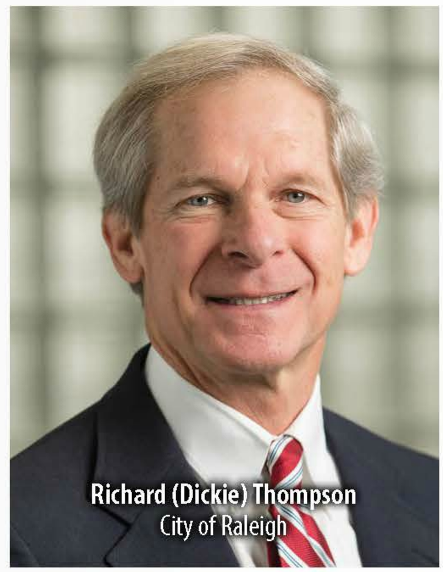
Board Members

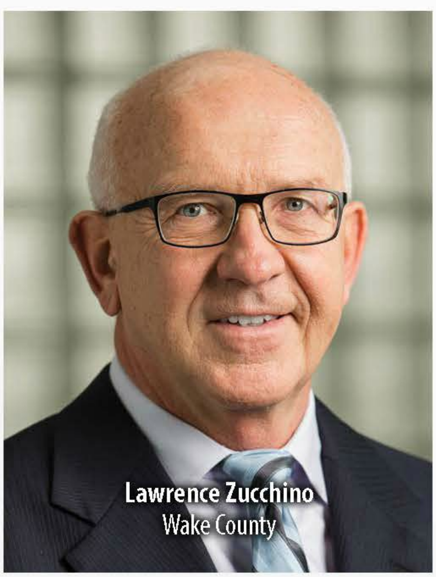

Farad Ali
Chairman, City of Durham

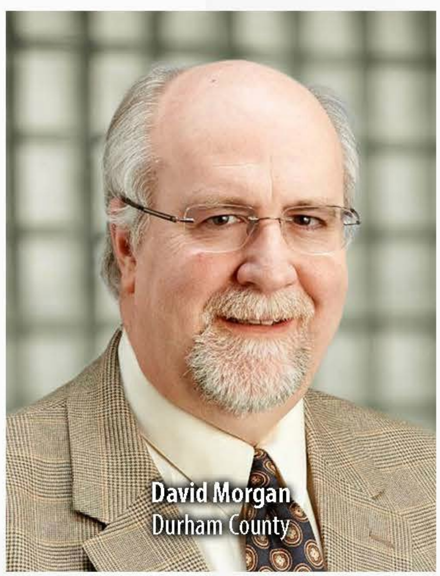

John Kane
Vice Chairman, Wake County


Patrick Hannah, Esq.
Secretary, Durham County


Robert D. Teer, Jr.
Treasurer, City of Durham


Richard (Dickie) Thompson
City of Raleigh


Lawrence Zucchino
Wake County


David Morgan
Durham County


Sepideh Saidi
City of Raleigh

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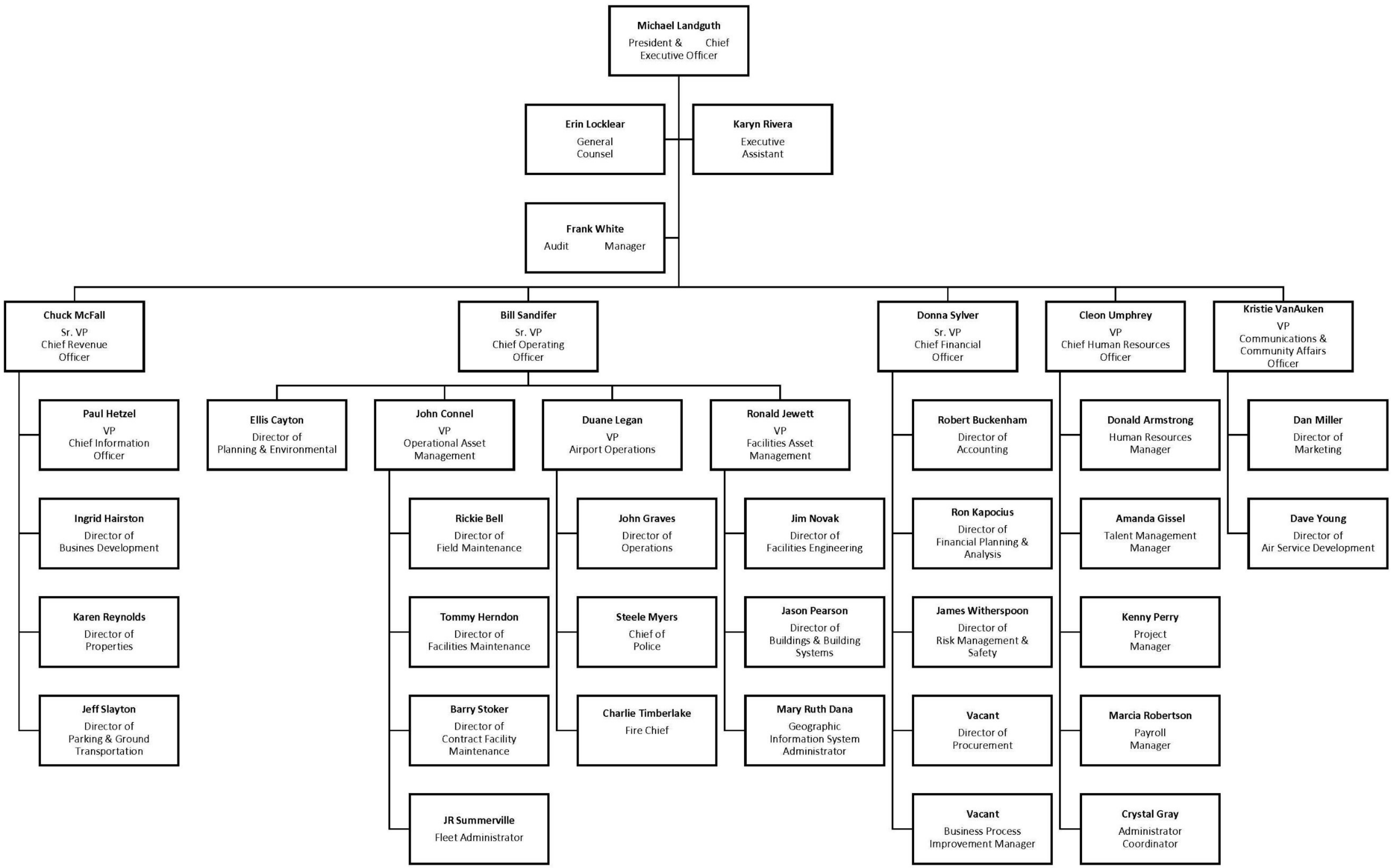
2017 ORGANIZATIONAL STRUCTURE



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Raleigh-Durham Airport Authority

North Carolina

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

March 31, 2016

Executive Director/CEO

RDU
Michael J. Landguth, A.A.E.
President & CEO

RALEIGH-DURHAM AIRPORT AUTHORITY
1000 Trade Drive • P O Box 80001 • RDU Airport, NC 27623
tel: (919) 840-7700 · fax: (919) 840-0175 · www.rdu.com

July 20, 2017

To the Board of the Raleigh-Durham Airport Authority,

This Comprehensive Annual Financial Report of the Raleigh-Durham Airport Authority (the "Authority"), is hereby submitted for the fiscal year ended March 31, 2017 (FY 2016-17). Responsibility for the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the Finance department of the Authority. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the Authority.

The Comprehensive Annual Financial Report (CAFR)

The Comprehensive Annual Financial Report is presented in three sections - Introductory, Financial, and Statistical. The Introductory section includes this Letter of Transmittal, a depiction of the Authority Board Members, the Authority's Organization Chart and the Certificate of Achievement for Excellence in Financial Reporting Awarded to the Authority for its prior FY 2015-16 submissions. This Certificate of Achievement is a national award recognizing conformance with the highest standards for preparation of state and local government finance reports. The Financial Section includes the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), Basic Financial Statements, Required Supplemental Information, and Supplemental Information. The Statistical Section includes selected financial trends, debt service, key performance indicators ("KPIs"), other operating statistics, and economic demographic information, presented on a multi-year basis.

This Letter should be read in conjunction with the accompanying Management Discussion & Analysis ("MD&A") in order to gather a more complete financial and business picture of the Authority. It is our intent to submit the FY 2016-17 Comprehensive Annual Financial Report to the Government Finance Officers Association for their review and seek the award for the ninth consecutive year.

Reporting Entity

The Authority is a special joint agency of the Cities of Raleigh and Durham, North Carolina and the Counties of Wake and Durham, North Carolina created for the development, operation and maintenance of the Raleigh-Durham International Airport (RDU). The Authority was created and exists pursuant to a special act enacted by the General Assembly of North Carolina in 1939, as amended, and by action taken by the sponsoring governmental units pursuant to that act. The Authority is governed by an eight-member board appointed by the sponsoring governmental units.

The Authority has many of the same powers of any North Carolina local government unit with some notable exceptions. It has no power to impose any taxes. In order to finance Airport development, operation and maintenance it charges fees to those who use or operate businesses at the Airport. Annually the Authority receives $12,500 from each of the four governmental units that appoint its members. This total of $50,000 is less than one-tenth of one percent of the Authority's annual operating revenue.

Raleigh-Durham Airport Authority Members

WAKE COUNTY	DURHAM COUNTY	RALEIGH	DURHAM
John M. Kane, Vice Chairman	David Morgan	Dickie Thompson	Farad Ali, Chairman
Lawrence R. Zucchino, Treasurer	Patrick Hannah, Esq., Secretary	Sepideh Saidi	Robert D. Teer, Jr.

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Economy, Region & Air Service

In 2016, more than 11 million passengers traveled through RDU, breaking the airport's all-time record. That translates to about 30,000 travelers every day connecting to the people and places that matter most; for business, vacation or both.

The Airport is located midway between the cities of Raleigh and Durham in an area often referred to as the Research Triangle. The population as of July 1, 2015 of the Raleigh-Durham-Cary Combined Statistical Area ("CSA"), which is made up of the eleven counties in and around the Research Triangle, was estimated at 2,117,103.

RDU is thriving because the Triangle is an economically prosperous region and the airline industry is relatively stable. However, we know that the aviation industry is dynamic; therefore, our Board, airport leadership and our finance team continue to closely monitor the aviation industry, world events and commodity prices, which can quickly impact the stability we've been enjoying.

The core of RDU's service area is the Research Triangle Region, known locally as "The Triangle." This is an area surrounding three major universities in Raleigh, Durham and Chapel Hill and is the home of the Research Triangle Park, a major research and technological economic development area. This 7,000 acre research park employs about 50,000 people. The primary Triangle region consists of Durham, Orange and Wake counties.

Beyond these three counties, a large portion of the airport's service area is the Research Triangle Region, a 13-county economic powerhouse that provides the primary economic base for air transportation at the airport. Beyond this region, RDU serves as the primary airport for residents from the coast westward to about U.S. 220 and from southern Virginia southward to the South Carolina state line. RDU is the primary international hub for nearly half the State of North Carolina.

According to a 2016 economic impact analysis conducted by the North Carolina Department of Transportation, RDU's economic engine powers the region with an annual $8.5 billion economic impact. More than 21,000 jobs in this area depend on and are connected to RDU and nearly 5,000 people work on the airport campus every day. The airport contributes more than $148 million annually in State and Local taxes.

With nine airlines and 47 nonstop destinations, we're proud to connect central and eastern North Carolina to the world. Each day, an average 192 daily flights head to destinations across the U.S. and international cities such as London, Paris and Toronto.

Residents of the Triangle region have exceptional airline choices to meet their travel needs including large network carriers, low-cost airlines and ultra-low cost leisure-oriented air carriers. Airlines serving RDU include: Air Canada, Alaska, Allegiant, American, Delta, Frontier, JetBlue, Southwest and United. In October 2017, Virgin America will join our ranks. Because we offer such a diverse portfolio of airlines, RDU offers the lowest average fare of any major North Carolina airport.

Raleigh-Durham Airport Authority Members

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Economy, Region & Air Service (continued)

RDU is growing. Our record-breaking passenger growth is being fueled by multiple airlines adding more flights and increasing the size of the airplanes serving the airport. During the past year, carriers serving RDU have added and/or announced a number of new routes, giving our customers even better choices and exceptional airfares.

- Delta Air Lines launched nonstop service to Paris-Charles de Gaulle International Airport on May 12. They also launched nonstop service to Austin, Nashville, and Seattle.
- New Orleans is a new destination thanks to new nonstop service by both Allegiant and Southwest.
- Southwest also increased the number of daily departures while JetBlue added service to Ft. Lauderdale.
- United Airlines has increased frequencies to key markets and increased the size of airplanes

The Federal Aviation Administration classifies RDU as a medium-size hub. In fiscal year 2016-17, the top three carriers by market share included Delta, Southwest and American, comprising about 78 percent of total passengers. During that same time, passenger demand grew by 9.0% overall, while passengers boarding international flights at RDU grew by an outstanding 38.4%.

In terms of cargo, both FedEx and UPS operate cargo flights, allowing goods to travel from our region to the world. More than 86,100 tons of air cargo flowed through RDU during fiscal year 2016-17.

We are also home to many general aviation/ corporate aircraft. Our beautiful, 22,000-square foot General Aviation Terminal serves these customers alongside fixed-base operators Signature Flight Support and TAC Air. The general aviation complex offers 30 acres of aircraft parking and hangars for a wide variety of general aviation needs from the recreational pilot to our most valuable corporate customers.

FY 2016-17 Major Events and Initiatives

In addition to passenger growth and new air service, RDU is improving to serve our customers and our region better through the implementation of Vision 2040, our recently approved 25-year airport master plan.

The plan was created with input from our community and approved by our Authority Board, through a transparent 18-month process. It provides RDU with the facilities and infrastructure necessary to keep pace with growing demand for flights and aviation services. It also provides for the region's air service needs for decades to come, through responsible and phased growth.

Vision 2040 is centered on the replacement of Runway 5L-23R, which is arguably the most important two miles of concrete in our region. At 10,000-feet, this runway connects our region to the world by providing the operational length necessary for international and West Coast flights. It's nearing the end of its useful life and needs to be replaced in the short-term.

By replacing the runway 500-feet to the west, phased expansion of Terminal 2 can occur as demand warrants. Between the terminals, a new consolidated rental car center and ground transportation center can be built to greatly improve the rental car experience, relieve capacity constraints on the terminal curbs and add desirable close-in parking spaces near the terminals.

Raleigh-Durham Airport Authority Members

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Financial Information

The Board of Directors and management are responsible for establishing and maintaining internal controls designed to ensure that the assets of the authority are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for preparation of financial statements in conformity with Generally Accepted Accounting Principles. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal, state, and local financial assistance, the Board and management are also responsible for ensuring that adequate internal controls are in place to ensure and document compliance with applicable laws and regulations related to these programs. These internal controls are subject to periodic evaluation by management and the internal audit staff.

The Authority maintains extensive budgetary controls to ensure that expenditures are made in compliance with the approved budget ordnances. There were no significant changes to the Authority's financial policies that had an impact on the financial statements during the last year.

Independent Audit

Elliott Davis Decosimo have performed the annual audit as of and for the fiscal period ended March 31, 2017, and rendered an unmodified opinion as to the Authority's financial statements. The audit was conducted in a manner consistent with the requirements of the Single Audit Act, Subpart F of the U.S. CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the U.S. Office of Management and Budgets (OMB) Compliance Supplement. The report and opinion are contained herein, and found that the Authority's financial statements presented fairly, in all material respects, the financial position of the Authority as of March 31, 2017 and 2016.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its comprehensive annual financial report (CAFR) for the fiscal year ended March 31, 2016 this was the 8th consecutive year of award. In order to be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized CAFR. The report must satisfy both accounting principles generally accepted in the United States of America 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.

Raleigh-Durham Airport Authority Members

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Lawrence R. Zucchino, Treasurer

DURHAM COUNTY
David Morgan
Patrick Hannah, Esq., Secretary

RALEIGH
Dickie Thompson
Sepideh Saidi

DURHAM
Farad Ali, Chairman
Robert D. Teer, Jr.

Michael J. Landguth, A.A.E.
President & CEO

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Acknowledgements

The completion of this report would not have been possible without the support of the Board and the President and CEO's commitments to continuous improvement of the corporate governance and financial reporting function. In addition, the members of the Finance department played a major role in bringing this expanded report to the Authority.

Respectfully submitted,

Michael J. Landguth, AAE
President and CEO
Raleigh-Durham Airport Authority

Donna Sylver, MBA, CPA, CGMA
Senior Vice President and CFO
Raleigh-Durham Airport Authority

Raleigh-Durham Airport Authority Members

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Lawrence R. Zucchino, Treasurer	Patrick Hannah, Esq., Secretary	Sepideh Saidi	Robert D. Teer, Jr.

Raleigh-Durham Airport Authority
RDU Airport, North Carolina

Financial Section

Prepared by the Finance Department

Raleigh-Durham Airport Authority

FINANCIAL SECTION

Independent Auditor's Report

To the Members
Raleigh-Durham Airport Authority
RDU Airport, North Carolina

Report on the Financial Statements
We have audited the accompanying financial statements of the business-type activities of Raleigh-Durham Airport Authority (the Authority), which comprise the statements of net position as of March 31, 2017 and 2016, and the related statements of revenues, expenses and changes in net position, the statements of cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of March 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplemental Information
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the schedules of funding progress and employer contributions for Other Postemployment Benefits, the schedules of funding progress and employer contributions for the Law Enforcement Officers' Special Separation Allowance, the Proportionate Share of Net Pension Liability and Schedule of Employer Contributions for Local Governmental Employees' Retirement System as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The introductory section, supplemental information to include the Summary of Operating Revenues and Expenses Compared with Budget, Operating Revenues and Expenses Compared with Budget by category, Comparative Summaries of Operating Expenses by Cost Center, Summary of Operating Expenses by Cost Center, Summary of Depreciation, Detail of Airport and Facilities, and statistical section 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 audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

The supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated July 20, 2017 on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Elliott Davis Decosimo, PLLC

Raleigh, North Carolina
July 20, 2017

Overview

The management discussion and analysis ("MD&A") provides an overview of the Raleigh-Durham Airport Authority's (the "Authority") activities during the fiscal years ended March 31, 2017 and March 31, 2016. The Authority's basic financial statements consist of three components; 1) Management's Discussion and Analysis, 2) financial statements, and 3) notes to the financial statements. In addition to the management's discussion and analysis, management has prepared the accompanying Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows.

The MD&A is intended to aid the reader in interpreting the Authority's relative financial position as of the above referenced date. Condensed key financial as well as non-financial information will be highlighted for the reader.

Required Financial Statements

The Financial Statements of the Authority report information about the Authority using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities. The Statement of Net Position include all of the Authority's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to Authority creditors (liabilities). It also provides the basis for computing rate of return, evaluating the capital structure of the Authority and assessing the liquidity and financial flexibility of the Authority. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. These statements can be used to measure the success of the Authority's operations over the past year, its financial position, and can be used to determine the Authority's overall profitability, financial strength and credit worthiness. The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

Notes to Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements are on pages 18 to 42 of this report.

Background

The Raleigh-Durham International Airport (the "Authority") is located in Wake County, between the Cities of Raleigh and Durham approximately 10 miles from the downtown areas of each of Raleigh and Durham. Interstate 40, a major thoroughfare, is located immediately to the southwest of the Airport and US Highway 70, another major thoroughfare, located immediately to the northeast of the Airport. William B. Umstead State Park is located to the immediate east of the Airport. The Airport consists of approximately 5,100 acres, approximately 2,075 of which are developed. The Airport has two active terminals, 1 and 2. The $573 million Terminal 2, a state of the art, common use facility consists of approximately 920,000 square feet of floor space, including 36 passenger gates. The North Concourse of Terminal 2 opened October 26, 2008, while the final phase, or the South Concourse of Terminal 2, opened January 23, 2011. In addition, in April 2014 the Authority completed a $68 million renovation of Terminal 1. This terminal is home to Southwest Airlines and operates with 9 gates.

Background (Continued)

The Airport has two primary runways and one secondary runway. In the fiscal years ended March 31, 2017 and 2016, 11.2 million and 10.3 million annual passengers, respectively, used the Airport.

Financial Highlights and Analysis

Net Position

For the fiscal year ending March 31, 2017, Current assets increased 1.0%, or $2.0 million from the prior fiscal year due to increased accounts receivable of $0.5 million and increased other current assets of $1.2 million compared to the fiscal year ending March 31, 2016. Current assets increased 18.5%, or $30.2 million for the fiscal year ending March 31, 2016 from the prior fiscal year due to increased short-term investments of $25.0 million, increased accounts receivable of $1.7 million and increased grants receivable of $1.7 million.

For the fiscal year ending March 31, 2017, total non-current assets, consisting of restricted assets and airport and facilities, net decreased $4.3 million or 0.5% as compared to the fiscal year ending March 31, 2016. This decrease was in part related to the reduction of Airport and facilities depreciable of $38.6 million or 4.7%. Primarily offsetting this decrease was an increase in PFC cash and cash equivalents of $21.7 million or 4,948.6% and an increase in the airport and facilities, non-depreciable of $9.3 million or 19.0%. For the fiscal year ending March 31, 2016, total non-current assets, consisting of restricted assets and airport and facilities, net decreased $48.0 million or 5.0% as compared to the fiscal year ending March 31, 2015. This decrease was in part related to the reduction of Airport and facilities depreciable of $49.6 million or 5.7%, a decrease in PFC cash and cash equivalents of $1.5 million or 76.9% and a decrease in the debt service reserve fund of $1.4 million or 2.9%. Primarily offsetting this decrease was an increase of $4.4 million or 9.9% in Airport and facilities non-depreciable.

For the fiscal year ending March 31, 2017, restricted assets increased $25.1 million or 51.2% as compared to the fiscal year ending March 31, 2016, primarily due to a $21.7 million or 4,948.6% increase in PFC cash and cash equivalents, an increase of $1.0 million in PFC and CFC receivable and an increase in the customer facility charge cash of $2.0 million or 100.0%. For the fiscal year ending March 31, 2016, Restricted assets decreased $2.8 million or 5.4% as compared to the fiscal year ending March 31, 2015, primarily due to a $1.5 million or 34.1% decrease in PFC cash and cash equivalents and a decrease in the parity reserve fund of $1.4 million or 2.9%.

For the fiscal year ending March 31, 2017, Airport and facilities, net decreased $29.3 million or 3.4% as compared to the fiscal year ending March 31, 2016, primarily related to a decrease in airport and facilities depreciable net of $38.6 million or 4.7% offset by an increase in airport and facilities, non depreciable of $9.3 million or 19.0%. Airport and facilities, net decreased $45.2 million or 5.0% for fiscal year ending March 2016 primarily related to an increase in the allowance for depreciation related to the completion and depreciation of the renovation of Terminal 1.

The combined effect of the above items was to decrease total assets $2.2 million or 0.2% for the fiscal year ending March 2017, $17.8 million or 1.6% for the fiscal year ending March 2016, and $22.3 million or 2.0% for the fiscal year ending March 2015.

For the fiscal year ending March 31, 2017, deferred outflows of resources increased by $4.5 million or 334.3% due to an increase in the Authority's proportionate share of the Local Government Employees' Retirement System's net pension liability as compared to the fiscal year ending March 31, 2016. For the fiscal year ending March 31,

Net Position (Continued)

2016, deferred outflows of resources increased $1.3 million or 100% due to the implementation of GASB 68 for the fiscal year ending March 31,2016.

For the fiscal year ending March 31, 2017, current liabilities increased by $2.1 million or 5.9% due to an increase in current maturities of long-term debt of $1.5 million or 9.1% offset by a decrease in accrued bond interest payable of $0.8 million or 8.9% as compared to the fiscal year ending March 31, 2016. For the fiscal year ending March 2016, current liabilities decreased by $4.7 million or 11.8% due to a decrease in current maturities of long-term debt of $3.6 million or 18.1% and a decrease in accrued bond interest payable of $2.8 million or 23.9% as compared to the fiscal year ending March 31, 2015.

For the fiscal year ending March 31, 2017, total non-current liabilities decrease by $25.7 million or 4.0% from the prior fiscal year, primarily due to a decrease in long term debt of $40.5 million or 6.8% offset by an increase in debt issue premiums of $9.3 million or 25.8%, both the result of principal payments and refunding of the 2007 bonds. For the fiscal year ending March 2016, total non-current liabilities decreased by $18.9 million or 2.9% from the prior fiscal year, primarily due to decreases in long term debt of $27.8 million or 4.5% offset by an increase in debt issue premiums of $7.4 million, both the result of principal payments and refunding of the series 2005A bonds. Slightly offsetting this decrease was the implementation of the GASB 68 net pension liability of $1.3 million.

For the fiscal year ending March 31, 2017, total deferred inflows of resources decreased $0.6 million or 68.4% due to a decrease in unearned rent credit of $0.4 million or 65.1% as compared to the fiscal year ending March 31, 2016. For the fiscal year ending March 2016, total deferred inflows of resources increased $0.5 million or 189.2% primarily due to the implementation of GASB 68 for the fiscal years ending March 31, 2016.

The combined effect of these items was an increase in net position during the fiscal year ending March 31, 2017 of $26.4 million or 6.1%. For the fiscal year ending March 31, 2016, net position increased by $6.7 million or 1.5%. Also, the Authority implemented GASB 68 during FY 2015-16. With the new reporting change, the Authority allocated its proportionate share of the Local Government Employees' Retirement System's net pension liability, deferred inflows of resources, and pension expense. A restatement to record the effects of the new reporting guidance decreased beginning net position by $1.3 million. Decisions regarding the allocations are made by the administrators of the pension plan, not by the Authority's management. Net position at March 31, 2017, March 31, 2016, and March 31, 2015 are presented in the following table:

Net Position (Continued)

Condensed Statements of Net Position

	March 31, 2017	March 31, 2016	March 31, 2015
Current assets	$ 194,962,826	$ 192,952,457	$ 162,777,854
Airport and facilities, net	833,312,368	862,650,469	907,823,612
Other noncurrent assets	74,090,883	49,005,394	51,830,003
Total assets	1,102,366,077	1,104,608,320	1,122,431,469
Total deferred outflows of resources	5,822,651	1,340,679	—
Current liabilities	37,389,932	35,308,057	40,011,426
Noncurrent liabilities	611,126,027	636,855,249	655,776,847
Total liabilities	648,515,959	672,163,306	695,788,273
Total deferred inflows of resources	258,990	820,137	283,597
Net investment in capital assets	306,735,414	297,838,788	313,053,656
Restricted net position	28,992,837	3,152,075	4,584,959
Unrestricted net position	123,685,528	131,974,693	108,720,984
Net position	$ 459,413,779	$ 432,965,556	$ 426,359,599

Revenues, Expenses, and Change in Net Position

For the fiscal year ended March 31, 2017, the Authority experienced a $17.5 million increase, or 15.0% in operating revenue, due primarily to an increase in Parking revenue of $8.8 million, or 18.7%, an increase of $4.1 million, or 12.1% in Terminals revenue and an increase in Airfield revenue of $2.2 million or 17.2%, compared to the prior fiscal year. This overall increase in Operating revenue was realized in part due to an increase in enplaned passengers of 462 thousand, or 9.0% for the fiscal year ended March 31, 2017, relative to the prior fiscal year. In addition, the Authority's airline derived revenue remained diversified with no single carrier accounting for more than approximately 10% of operating revenue for the fiscal year ended March 31, 2017.

For the fiscal year ended March 31, 2016, the Authority experienced an $8.5 million increase, or 7.9% in operating revenue, due primarily to an increase in Parking revenue of $3.2 million, or 7.5% and an increase of $2.2 million, or 6.9% in Terminals revenue, compared to the prior fiscal year. This overall increase in Operating revenue was realized in part due to an increase in enplaned passengers of 278 thousand, or 5.8% for the fiscal year ending March 31, 2016, relative to the prior fiscal year. In addition, the Authority's airline derived revenue remained diversified with no single carrier accounting for more than approximately 10% of operating revenue for the fiscal year ended March 31, 2016.

Operating expenses (excluding depreciation) increased $5.6 million, or 9.3% for the fiscal year ending March 31, 2017, compared to the prior fiscal year. This increase was primarily due to increases in contracted services, and the Authority's proportionate share of the Local Government Employees' Retirement System's net pension liability. Depreciation expense decreased 4.0% or $2.1 million during the fiscal year ending March 31, 2017. Thus, total Operating expenses (including depreciation), increased $3.5 million, or 3.1%. The combined effect of the above items was an increase in operating income of $14.0 million with a current fiscal year income of $18.8 million. Nearly all of this increase in Operating income was directly related to increased revenue in Parking, Terminals and Airfield. While revenues in all three areas were driven by a 9.0% increase in enplanements, Terminal revenue also benefited from a 10% increase (effective April 1, 2016) in terminal fixed rental rates to the air carriers.

Operating expenses (excluding depreciation) increased $6.1 million, or 11.4% for the fiscal year ending March 31, 2016, compared to the prior fiscal year. This increase was primarily due to increases in contracted services, air service incentive program, and Law Enforcement costs. Depreciation expense increased 4.4% or $2.2 million during the fiscal year ended March 31, 2016. Thus, total Operating expenses (including depreciation), increased or $8.3 million, or 8.0%. The combined effect of the above items was an increase in operating income of $0.2 million with a current fiscal year income of $4.4 million. Nearly all of this increase in Operating income was directly related to increased revenue in Terminals and Parking. While revenues in both areas were driven by a 5.8% increase in enplanements, Terminal revenue also benefited from a 3.5% increase (effective April 1, 2015) in terminal fixed rental rates to the air carriers.

For the period ending March 31, 2017, total non-operating revenues (expenses) increased $3.6 million, or 280.5% due to increases in CFC revenue of $3.1 million or 100.0%, and PFC revenue of $2.2 million offset by a decrease in Bond interest expense, net of $0.8 million compared to the period ending March 31, 2016.

For the fiscal year ending March 31, 2016, total non-operating revenues (expenses) improved $6.8 million, or 130.9% due to a decrease in Bond interest expense, net of $4.9 million or 18.5%, and an increase in PFC revenue of $1.4 million or 7.4% compared to the fiscal year ending March 31, 2015.

Revenues, Expenses, and Change in Net Position (Continued)

For the fiscal year ending March 31, 2017, capital contributions increased $1.0 million or 54.7% compared to the prior fiscal year. This change primarily related to an increase in Federal and State Funds received for master plan and the purchase of a new fire truck. For the fiscal year ending March 31, 2016, capital contributions decreased $0.6 million or 25.1% compared to the prior fiscal year. This change primarily related to decreased Federal and State Funds received for airfield project costs.

Net position may serve over time as one useful indicator of the Authority's financial condition. The Authority's net position for the fiscal year ending March 31, 2017, increased $26.4 million, or 6.1% as compared to the previous fiscal year. The Authority's net position for the fiscal year ending March 31, 2016 increased $6.6 million, or 1.6% as compared to the previous fiscal year. A condensed representation of revenues, expenses and change in net position for the fiscal years ending March 31, 2017, 2016, and 2015 are presented in the following table:

Condensed Statement of Revenues, Expenses, and Change in Net Position

	March 31, 2017	March 31, 2016	March 31, 2015
Operating revenues			
Parking	$ 55,843,209	$ 47,058,255	$ 43,796,914
Terminals	37,929,957	33,821,356	31,649,941
Rental Car	16,742,662	14,830,467	14,191,508
Other	23,298,462	20,608,927	17,831,871
Total operating revenues	133,814,290	116,319,005	107,470,234
Operating expenses	65,281,110	59,707,924	53,607,399
Depreciation	49,734,592	51,800,974	49,623,986
Total operating expense	115,015,702	111,508,898	103,231,385
Operating income (loss)	18,798,588	4,810,107	4,238,849
Non-operating revenues(expenses)			
Passenger Facility Charges	22,679,826	20,525,728	19,113,463
Customer Facility Charges	3,147,074	—	—
Investment Interest Income	2,970,505	2,432,019	2,465,613
Other non-operating revenue	(1,347,666)	92,106	10,157
Non-operating expenses	(22,575,341)	(21,768,920)	(26,763,852)
Total non-operating revenues(expenses)	4,874,398	1,280,933	(5,174,619)
Capital contributions	2,775,237	1,793,993	2,459,419
Increase (decrease) in net assets	26,448,223	7,885,033	1,523,649
Net position, beginning restated	—	(1,279,076)	—
Net position, beginning of year	432,965,556	426,359,599	424,835,950
Net position, end of year	$ 459,413,779	$ 432,965,556	$ 426,359,599

Cash Flows

With regard to the statement of cash flows for fiscal year ending March 31, 2017, cash provided by operating activities of $68.9 million increased $13.3 million or 23.9%, from the prior fiscal year. For fiscal year ending March 31, 2016, cash provided by operating activities of $55.6 million decreased $1.6 million or 2.8%, from the prior fiscal year.

For the fiscal year ending March 31, 2017, cash used in investing activities of $45.2 million represented an increase of $22.3 million or 97.8%, relative to the prior fiscal year. This increase in cash used in investing activities was primarily due to increased purchases of short-term investments. For the fiscal year ending March 31, 2016, cash used in investing activities of $22.8 million represented an increase of $6.2 million or 37.7%, relative to the prior fiscal year. This increase in cash used in investing activities was primarily due to increased purchases of short-term investments.

For the fiscal year ending March 31, 2017, cash used in capital and related financing activities of $47.9 million represented a increase of $13.2 million or 37.9%, from the prior fiscal year. The primary contributor to this increase was an increase in additions to Airport and Facilities of $13.5 million and an increase in Contributed capital of $2.8 million caused by an increase in grant receipts. For the fiscal year ending March 31, 2016, cash used in capital and related financing activities or $34.7 million, represented a decrease of $5.5 million or 13.7%, from the prior fiscal year. The primary contributor to this reduction was a decrease in additions to Airport and Facilities of $9.3 million. Offsetting cash used in capital and related financing activities was a decrease in Contributed capital of $4.0 million caused by a reduction in grant receipts.

For the fiscal year ending March 31, 2017, positive operating cash activities of $68.9 million, offset by cash used in capital and related financing activities of $47.9 million and cash used in investment activities of $45.2 million, produced an overall decrease in cash and cash equivalents of $24.2 million. For the fiscal year ending March 31, 2016 positive operating cash activities of $55.6 million, offset by cash used in capital and related financing activities of $34.7 million and cash used in investment activities of $22.8 million, produced an overall decrease in cash and cash equivalents of $2.0 million.

The following is a summary of the change in cash and cash equivalents for the fiscal years ended March 31, 2017, March 31, 2016, and March 31, 2015:

Condensed Statement of Cash Flows

	March 31, 2017	March 31, 2016	March 31, 2015
Net cash provided by:			
Operating activities	$ 68,853,660	$ 55,578,099	$ 57,164,262
Investing activities	(45,153,072)	(22,832,976)	(16,585,621)
Capital and related financing activities	(47,900,822)	(34,724,690)	(40,207,220)
Net increase (decrease)	(24,200,234)	(1,979,567)	371,421
Cash and cash equivalents at beginning of year	118,538,172	120,517,739	120,146,318
Cash and cash equivalents at end of year	$ 94,337,938	$ 118,538,172	$ 120,517,739

The Authority continues to maintain its cash reserve policy to set aside and reserve an operating cash reserve of about one times the current fiscal year's annual operating budgeted expenses (excluding depreciation). Beginning Fiscal year ending March 31, 2011, the Authority raised the cash reserve cap to $50 million where it is currently

Cash Flows (continued)

maintained. Authority policy requires that this reserve not be expended, encumbered, or budgeted for any purpose in executing Authority fiscal policy without Board approval and notification of bond rating agencies that maintain bond ratings for the Authority.

Capital Assets

As of March 31, 2017 the Authority had $833.3 million (net of depreciation) in capital assets consisting primarily of land, buildings and runways. This amount represents a net decrease primarily attributable to depreciation of $49.7 million, offset by increases in construction in progress of $9.3 million and additions to assets of $11.1 million over the prior fiscal year. As of March 31, 2016 the Authority had $862.7 million (net of depreciation) in capital assets consisting primarily of land, buildings and runways. This amount represents a net decrease primarily attributable to depreciation of $51.8 million, or 5.0% over the fiscal year ending March 31, 2015. This year's major asset additions were equipment purchases. More detailed information about the Airport's capital assets is presented in Note 4 to the financial statements.

Economic Outlook and Capital Development

The Economic outlook for the North Carolina Triangle region continues to be strong. In Wake County alone the GDP growth has been double that of the State of North Carolina, and outpaced the nation nearly three to one. The regions employment growth over the past year has exceeded the state and nation by 1.9% and 2.7% respectively. The region also remains a high-growth community, growing at more than twice the rate of the state and nation since 2013. Throughout 2016 the Authority worked diligently to create a master plan that fulfilled the long-term needs of RDU. This planning process culminated in October of 2016 with the Authority Board approving a master plan preferred alternative. Following this approval in March of 2017 the Authority submitted an Airport Layout Plan to the Federal Aviation Administration for review and approval. The master planning process will conclude sometime in mid to late 2017.

For the fiscal year ended March 31, 2017, the Authority's enplaned passengers increased significantly year-over-year to 5.6 million, which represented a 9.0% increase, compared to the prior fiscal year. For the fiscal year ended March 31, 2016, the Authority's enplaned passengers increased year-over-year to 5.2 million, which represented a 7.2% increase, relative to the prior fiscal year.

Long Term Debt Activity

For the fiscal year ending March 31, 2017 the Authority's outstanding debt totaled $571.7 million that was comprised of 89.1% fixed rate revenue bonds and 10.9% variable rate revenue bonds. The weighted average interest cost of this debt portfolio was 3.3% at March 31, 2017. On March 14, 2017, the Authority sold $115.1 million of Series 2017A Bonds to refund its Series 2007 Bonds. Ultimately, this refunding will generate $23.0 million of total debt service savings, or $15.0 million on a net present value basis. For more information on long-term debt activity please refer to Note 5 of the financial statements.

Budget Information for the Fiscal Year Ending March 31,2018

The Authority, as it typically does, has elected to budget conservatively, especially with respect to revenue. For comparison purposes, the fiscal year ending March 31,2018 budgeted operating revenue of $144.0 million was $10.2 million or 7.6% greater than actual fiscal year ending March 31, 2017 operating revenue of $133.8 million.

Budget Information for the Fiscal Year Ending March 31, 2018 (continued)

For the fiscal year ending March 31,2018 relative to the prior fiscal year budget (year-over-year), total budgeted operating revenue increased $23.5 million or 19.6%. Significant drivers of this revenue increase included increased Parking revenue of $7.3 million, increased Terminal related revenue of $11.3 million, increased Ground Transportation revenue of $2.0 million, and increased Landing fee revenue of $1.6 million. Year-over-year budgeted non-operating revenue increased $3.3 million or 11.8% due primarily to increased Federal and State Grant contributions of $1.6 million and increased PFC revenue of $2.0 million.

Operating expenses are budgeted to increase $10.9 million, or 17.5% for the fiscal year ending March 31,2018 relative to the budgeted amounts for the prior fiscal year. The increase was predominantly driven by increased asset management costs related to maintaining the Authority's $1.5 billion of infrastructure assets. Inclusive of depreciation, total budgeted operating expenses increased $11.0 million or 9.8% relative to the prior fiscal year as historical roadway and grounds capital assets begin to fully depreciate. Total budgeted non-operating expenses decreased $1.0 million or 4.2% due to decreased debt service interest expense.

The combined net effect of these items for the fiscal year ending March 31,2018 will increase budgeted net position by $16.9 million, driven by increased operating and non-operating revenue, increased asset management costs, and decreased debt service expense.

Requests for Information

This report is designed to provide an overview of the Authority's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Chief Financial Officer, Raleigh-Durham Airport Authority, P.O. Box 80001, RDU Airport, North Carolina 27623.

RALEIGH-DURHAM AIRPORT AUTHORITY
STATEMENT OF NET POSITION
Years Ended March 31, 2017 and 2016

	2017	2016
ASSETS		
Current assets		
Cash and cash equivalents	$ 24,966,246	$ 71,944,110
Short-term investments	160,360,112	113,071,660
Accounts receivable	4,193,661	3,654,495
Grants receivable	1,690,687	1,743,993
Other current assets	3,752,120	2,538,199
Total current assets	194,962,826	192,952,457
Non-current assets		
Restricted assets		
State of North Carolina underground storage tank trust fund deductible cash	—	220,000
DEA/ICE forfeitures cash	79,610	82,029
Passenger Facility Charge Cash	22,149,077	438,714
Passenger/Customer Facility Charge Receivable	4,719,191	2,411,332
Customer Facility Charge Cash	2,044,959	—
Parity reserve fund investment	45,098,046	45,853,319
Total restricted assets	74,090,883	49,005,394
Airport and facilities		
Airport and facilities, non depreciable	58,242,335	48,949,992
Airport and facilities depreciable, net	775,070,033	813,700,477
Airport and facilities, net	833,312,368	862,650,469
Total non-current assets	907,403,251	911,655,863
TOTAL ASSETS	1,102,366,077	1,104,608,320
DEFFERRED OUTFLOWS OF RESOURCES		
Deferred outflows - pensions	5,822,651	1,340,679
TOTAL DEFFERRED OUTFLOWS OF RESOURCES	5,822,651	1,340,679

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

RALEIGH-DURHAM AIRPORT AUTHORITY

STATEMENT OF NET POSITION

Years Ended March 31, 2017 and 2016

	2017	2016
LIABILITIES		
Current liabilities		
Accounts payable	6,349,965	6,591,996
Other accrued liabilities	3,408,889	1,550,052
Accrued employee compensation	1,950,301	2,164,980
Accrued bond interest payable	8,040,777	8,831,029
Current maturities of long-term debt	17,640,000	16,170,000
Total current liabilities	37,389,932	35,308,057
Non-current liabilities		
Long-term debt		
General airport revenue bonds	554,035,000	594,495,000
Unamortized debt issue premiums	45,185,093	35,910,859
	599,220,093	630,405,859
Other non-current liabilities		
OPEB retiree health care liability	4,513,151	4,393,283
Separation allowance liability	765,151	776,726
Net pension liability	6,627,632	1,279,381
	11,905,934	6,449,390
Total non-current liabilities	611,126,027	636,855,249
TOTAL LIABILITIES	648,515,959	672,163,306
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue	26,754	155,176
Deferred inflows-pensions	232,236	664,961
TOTAL DEFERRED INFLOWS OF RESOURCES	258,990	820,137

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

RALEIGH-DURHAM AIRPORT AUTHORITY

STATEMENT OF NET POSITION

Years Ended March 31, 2017 and 2016

NET POSITION	2017	2016
Net investment in capital assets	$ 306,735,414	$ 297,838,788
Restricted for:		
State of North Carolina Underground Storage Tank		
Trust Fund Deductible	—	220,000
DEA/ICE Forfeitures	79,610	82,029
Passenger Facility Charges	25,529,873	2,850,046
Customer Facility Charges	3,383,354	—
Unrestricted net position	123,685,528	131,974,693
TOTAL NET POSITION	$ 459,413,779	$ 432,965,556

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

RALEIGH-DURHAM AIRPORT AUTHORITY

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Years Ended March 31, 2017 and 2016

	2017	2016
Operating revenues		
Parking	$ 55,843,209	$ 47,058,255
Airfield	15,058,135	12,852,933
General aviation	1,721,515	1,706,871
Terminals	37,929,957	33,821,356
Air cargo	2,309,639	2,290,621
Fuel farm	1,649,095	1,632,397
Rental car	16,742,662	14,830,467
Other	2,560,078	2,126,105
Total operating revenues	133,814,290	116,319,005
Operating expenses		
Airport facilities	22,633,404	21,241,939
Administrative	19,738,597	17,813,209
Fuel farm	1,137,855	1,072,207
Law enforcement	4,004,081	3,958,846
Airport maintenance	5,541,078	5,317,196
Parking	4,411,740	2,787,162
Airport fire - rescue	1,647,814	1,649,329
Guest services	837,917	791,525
Communications	859,235	794,310
Operations	1,553,559	1,516,292
Ground transportation	2,915,830	2,765,909
Subtotal	65,281,110	59,707,924
Depreciation	49,734,592	51,800,974
Total operating expenses	115,015,702	111,508,898
Operating income	18,798,588	4,810,107
Non-operating revenues (expenses)		
Investment interest income	2,970,505	2,432,019
Passenger facility charges	22,679,826	20,525,728
Customer facility charges	3,147,074	—
Net (decrease) increase in fair value of investments	(711,548)	259
Bond interest expense, net	(22,575,341)	(21,768,920)
Other, net	(636,118)	91,847
Total non-operating revenues (expenses)	4,874,398	1,280,933
Income (loss) before capital contributions	23,672,986	6,091,040
Capital contributions	2,775,237	1,793,993
Increase in net position	26,448,223	7,885,033
Net Position, beginning, previously reported	432,965,556	426,359,599
Restatement	—	(1,279,076)
Net Position, beginning restated	432,965,556	425,080,523
Net Position, end of year	$ 459,413,779	$ 432,965,556

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

RALEIGH-DURHAM AIRPORT AUTHORITY

STATEMENT OF CASH FLOWS

Years Ended March 31, 2017 and 2016

	2017	2016
Cash flows from operating activities		
Cash received from operations	$ 133,380,226	$ 114,778,311
Other, non-operating revenue	151,583	91,158
Cash paid to employees	(25,507,789)	(24,140,185)
Cash paid to suppliers	(39,170,360)	(35,151,185)
Net cash provided by operating activities	68,853,660	55,578,099
Investing activities		
Purchases of short-term investments	(105,000,000)	(106,000,000)
Proceeds from calls or maturities of short-term investments	57,000,000	81,000,000
Investment (loss) gain on valuation account	—	(2,326)
Interest on cash deposits	2,846,928	2,169,350
Net cash used in provided by investing activities	(45,153,072)	(22,832,976)
Capital and related financing activities		
Payments of long-term debt	(154,220,000)	(114,095,000)
Issuance of long term debt	115,230,000	82,745,000
Other capital and financing costs		
Additions to airport and facilities (net)	(20,379,348)	(6,837,281)
Bond interest paid on long-term debt	(14,914,657)	(17,172,481)
Passenger facility charges collected	21,710,363	20,536,458
Customer facility charges collected	1,808,679	—
Contributed capital	2,864,141	98,614
Net cash used in capital and related financing activities	(47,900,822)	(34,724,690)
DECREASE IN CASH AND CASH EQUIVALENTS	(24,200,234)	(1,979,567)
CASH AND CASH EQUIVALENTS- BEGINNING OF YEAR	118,538,172	120,517,739
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 94,337,938	$ 118,538,172

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

RALEIGH-DURHAM AIRPORT AUTHORITY

STATEMENT OF CASH FLOWS

Years Ended March 31, 2017 and 2016

	2017	2016
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	$ 18,798,588	$ 4,810,107
Other, non-operating revenue	151,583	91,158
Adjustments to reconcile operating income (loss) to net cash provided by operating activities		
Depreciation	49,734,592	51,800,974
Changes in operating assets and liabilities		
Accounts receivable	(434,062)	(1,407,986)
Inventories	(642,573)	(957,989)
Other current assets	(552,875)	34,934
OPEB retiree health care liability	119,868	230,598
Net pension liability	433,554	(675,418)
Separation allowance liability	(11,575)	(61,928)
Accounts payable and other accrued liabilities	1,599,661	1,529,384
Accrued employee compensation	(214,679)	312,686
Deferred revenue	(128,422)	(128,421)
Net cash provided by operating activities	$ 68,853,660	$ 55,578,099

	2017	2016
RECONCILIATION OF CASH AND CASH EQUIVALENTS		
Current Assets		
Cash and cash equivalents	$ 24,966,246	$ 71,944,110
Restricted cash and cash equivalents:		
Miscellaneous restricted cash	79,610	302,029
Passenger facility charge cash and cash equivalents	22,149,077	438,714
Customer Facility charge	2,044,959	—
Parity Reserve Fund	45,098,046	45,853,319
	$ 94,337,938	$ 118,538,172

	2017	2016
Supplemental Cash Flow Information		
Non-cash investing, capital and financing activities		
Capitalized interest	$ 339,078	$ 12,074

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

Note 1 - The Authority

In 1939, the General Assembly of the State of North Carolina enacted legislation authorizing the governing bodies of the City of Durham, the City of Raleigh, the County of Durham, and the County of Wake jointly to acquire, establish, and operate airports. It was provided that the governing bodies would appoint a joint board to carry out the provisions of the act, and the Raleigh-Durham Airport Authority (the "Authority") is the board so appointed. Legal title to all properties is vested jointly in the governing bodies. Each of the four governing bodies makes an annual appropriation of $12,500, which is accounted for as nonexchange transactions in accordance with Statement No. 33 of the Government Accounting Standards Board ("GASB").

Note 2 - Summary of significant accounting policies and new pronouncements

Basis of presentation, basis of accounting - The accounts of the Raleigh-Durham Airport Authority are organized and operated on a fund basis. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts recording its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses.

The Authority accounts for its operations in one fund type, the enterprise fund. An enterprise fund is used to account for operations that are (a) financed and operated in a manner similar to that of private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

All assets and all liabilities associated with the operation of the Authority are included on the statement of net position. Net position is the result of deducting all the liabilities and deferred inflows of resources from all the assets and deferred outflows of resources. Total net position is segregated into three components: 1) net investment in capital assets, 2) restricted, and 3) unrestricted. Operating statements present increases and decreases in total net position. As required for periods beginning after June 15, 2000 by Statement 33 of GASB, *Accounting and Financial Reporting for Nonexchange Transactions*, the Authority recognizes capital contributions as revenue, rather than as contributed capital. Nonexchange transactions for the Authority include federal and state grants and contributions by the Authority's four governing bodies. The enterprise fund of the Authority is presented in the financial statements on the accrual basis of accounting. Under this basis, revenues are recognized in the accounting period when earned, and expenses are recognized in the period when incurred.

Budgetary control - The Authority adopts an annual budget ordinance as required by the Local Government Budget and Fiscal Control Act of the North Carolina General Statutes. The Operating Budget ordinance is prepared on the modified accrual basis of accounting as required by North Carolina law. This budget is adopted and amended at the total expense level with management control maintained on a departmental and complex basis. Operating expenses may not legally exceed the total expense level and operating budget appropriations lapse at year-end. Project ordinances are also adopted annually but do not lapse at year-end and may extend multiple years. Both operating and project ordinances are adopted by the Authority at its March meeting and are entered in the minutes within five days after adoption.

Note 2 - Summary of significant accounting policies and new pronouncements (continued)

Cash and cash equivalents - The Authority considers highly liquid investments, including restricted assets, with a maturity of 90 days or less to be cash equivalents.

Investments - The Authority records its investments in marketable securities at their quoted estimated fair value except for money market investments and U.S. Treasury and Agency obligations having a remaining maturity at purchase of one year or less, which are recorded at amortized cost.

Grants receivable - Grants receivable from governmental agencies for capital construction projects are recorded in the period actual costs are incurred. The actual amount of payment on these grants is subject to final audit by the applicable agency.

Inventory - Inventory consists of parts related to fleet vehicles, building maintenance, the terminal baggage claim systems and passenger boarding bridges as well as fuel for fleet vehicles and equipment. Materials and supplies inventories are valued at lower of cost or market. Fuel inventories are accounted for at the lower of cost or market.

Airport and facilities - The airport and facilities are recorded at cost. Provision for depreciation has been made to amortize the cost of the assets over their estimated useful lives by the straight-line method.

A portion of internal engineering costs are capitalized in connection with related capital projects.

All capital projects are budgeted under project ordinances, which span more than one year. These appropriations continue until the related project is complete.

Airport and facilities are defined by the Authority as assets with an initial individual cost of more than $5,000 and an economic useful life of 3 years or more.

Depreciation of airport and facilities is computed under the straight-line method at various rates considered adequate to allocate the cost over the estimated useful lives of such assets.

The estimated lives by general classifications are as follows:

	Years
Landing field and grounds	5 - 20
Terminal buildings	5 - 45
Other buildings	5 - 30
Utilities	5 - 20
Equipment	3 - 20

Deferred outflows/inflows of resources - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, Deferred Outflow of Resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense until then. The Authority has two items that meet this criterion, contributions that were made to the pension plan subsequent to the measurement date and pension deferrals resulting from changes in proportion and the proportionate share of contributions. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, Deferred Inflows of Resources, represents an acquisition of net position that applies to a future period and so will

Note 2 - Summary of significant accounting policies and new pronouncements (continued)

not be recognized as revenue until then. The Authority has two items that meet the criterion for this category, unearned rent credits resulting from the lease agreement with American Airlines and deferrals of pension expense that result from the implementation of GASB Statement No. 68.

Net position - The Authority's net position is classified into three parts; net investment in capital assets, restricted and unrestricted.

Net investment in capital assets - This represents the Authority's total investment in airport and facilities, net of outstanding debt obligations related to those airport and facilities. To the extent debt has been incurred but not yet expended for airport and facilities, such amounts are not included as a component of net investment in capital assets. On the Statement of Net Position, the Net investment in capital assets is composed of the following:

Airport and facilities, net	$ 833,312,368
Parity reserve fund investment	45,098,046
General airport revenue bonds current and long term	(571,675,000)
Total net investment in capital assets	$ 306,735,414

Restricted net position - Restricted net position include resources in which the Authority is legally or contractually obligated to spend the resources in accordance with restrictions imposed by external parties.

State of North Carolina underground storage tank trust fund deductible represents cash that was required to be set aside by the North Carolina Department of Environment and Natural Resources related to underground storage tank clean-up costs. This account was closed during the fiscal year ending March 31, 2017.

Pensions - For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net pension of the Local Government Employees' Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The Authority's employer contributions are recognized when due and the Authority has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

Aeronautical facilities revenue bonds represent cash and cash equivalents restricted by the Master Trust Indenture to be expended for the construction of certain airport facilities and debt service reserve funds.

Vacation and sick leave compensation - The Authority allows full-time employees to accumulate up to 30 days earned vacation leave, and such leave is fully vested when earned provided the employee has completed a mandatory six-month probationary period. Accumulated vacation pay is recorded as a current liability and reflected in accrued employee compensation.

Note 2 - Summary of significant accounting policies and new pronouncements (continued)

Employees can accumulate an unlimited amount of sick leave. Unused sick leave accumulated at the time of retirement may be used in determining length of service for retirement benefit purposes. Also, employees who voluntarily terminate employment prior to retirement may convert unused sick leave in excess of 30 days to vacation leave at a rate of two days of sick leave for one day of vacation leave. This policy is limited to converting a maximum of 60 days of sick leave into 30 days of vacation leave. Since the resulting leave is fully vested when earned, it is recorded as a liability along with ordinary vacation leave.

Revenues and expenses classifications - Revenues from airlines, concessions, rental cars, and parking are reported as operating revenues. Transactions which are financing or investing related, customer facility charges and passenger facility charges are reported as non-operating revenues. All expenses related to operating the Authority are reported as operating expenses. Interest expense and financing costs are reported as non-operating expenses.

Interest expense - The Authority capitalizes material interest costs related to construction projects. The objective of interest capitalization is to reflect the total asset cost and to provide the related depreciation charges against revenues of future periods that benefit from the asset use.

Income tax status - Income of the Authority is excludable from federal income tax under Section 115 of the Internal Revenue Code.

Concentration of credit risk - For the years ended March 31, 2017 and 2016, no air carrier accounted for more than approximately 10% of the Authority's operating revenues.

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

Customer facility charges - Commencing on January 1, 2017, the rental car customers pay a $5.00 facility charge for each transaction day to fund the future debt service and capital improvements of a rental car facility.

Passenger facility charges - are presented as restricted net assets based on Federal Aviation Administration ("FAA") regulations to be used only on FAA approved capital projects. The ("FAA") authorized the Authority to collect Passenger Facility Charges ("PFCs") of $3 per qualifying enplaned passenger commencing May 1, 2003. Effective October 1, 2004, the FAA authorized the Authority to collect PFCs of $4.50 per qualifying enplaned passenger. The net receipts from PFCs are accounted for on the accrual basis of accounting and are restricted to use on FAA approved projects. Aggregate collections and interest thereon from inception through March 31, 2017 and 2016 were $264.2 million and $242.5 million, respectively. Total PFC funds of $21.7 million and $22.0 million were expended during the fiscal years ended March 31, 2017 and 2016, respectively, on FAA approved uses. For the fiscal year ending March 31, 2017, PFCs were expended from the operating fund and then transferred from the restricted fund June 2, 2017. Net position related to PFCs are restricted for projects that are approved by the FAA.

Parity reserve fund -- The Authority, pursuant to its Bond Master Trust Indenture, maintains a debt service reserve fund, called the Parity Reserve Fund, for its outstanding revenue bonds (excluding the variable rate Series 2008 Bonds, for which a reserve fund is not required). The reserve fund requirement for the Parity Reserve Fund is based on the maximum year of debt service for all of the Bonds secured by the Parity Reserve Fund. The Parity

Note 2 - Summary of significant accounting policies and new pronouncements (continued)

Reserve Fund is available to pay debt service on the Bonds secured by the Parity Reserve Fund in the event the Authority were to encounter financial difficulty and did not have sufficient revenues for such payment. The Parity Reserve Fund would also be used to pay the final year of debt service on the Bonds secured by the Parity Reserve Fund. Due to these restrictions, the Parity Reserve Fund balance is presented as a restricted asset on the Statements of Net Position.

New pronouncements - During the fiscal year ended March 31, 2017 and beyond, the Authority has or will implement several new pronouncements of the GASB. These pronouncements are as follows:

GASB Statement No. 72 "Fair Value Measurement and Application" The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2015. The Authority adopted the statement as of April 1, 2016. The statement did not have a material effect on the Authority's financial position or results of operations.

GASB Statement No. 73 "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68" This statement establishes requirements for those pensions and pension plans that are not administered through a trust meeting specified criteria. The provisions in Statement 73 are effective for fiscal years beginning after June 15, 2015. The Authority adopted the statement as of April 1, 2016. The Statement did not have a material effect on the Authority's financial position or results of operations.

GASB Statement No. 74 "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans" This statement replaces GASB Statement No. 43. Statement 74 addresses the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. The provisions in Statement 74 are effective for financial statements for fiscal years beginning after June 15, 2016. The Authority is currently evaluating the effect this statement will have on the Authority's financial position or results of operations.

GASB Statement No. 75 "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions" This statement replaces GASB Statement No. 45. Statement 75 requires governments to report a liability on the face of the financial statements for the OPEB that they provide. The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017. The Authority is currently evaluating the effect this statement will have on the Authority's financial position or results of operations.

GASB Statement No. 76 "The hierarchy of generally accepted accounting principles for state and local governments" This statement replaces GASB Statement No. 55. Statement 76 reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015.

GASB Statement No. 77 "Tax abatement disclosures" This Statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements:

- Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients
- The gross dollar amount of taxes abated during the period
- Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement.

Note 2 - Summary of significant accounting policies and new pronouncements (continued)

The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. The Authority adopted the statement as of April 1, 2016. The Statement did not have a material effect on the Authority's financial position or results of operations.

GASB Statement no. 78 "Pensions provided through certain multiple-employer defined benefit pension plans" This Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. The Authority adopted the statement as of April 1, 2016. The Statement did not have a material effect on the Authority's financial position or results of operations.

GASB Statement no. 79 "Certain external investment pools and pool participants" This statement establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The requirements of this Statement are effective for reporting periods beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing. Those provisions are effective for reporting periods beginning after December 15, 2015. The Authority adopted the statement as of April 1, 2016. The Statement did not have a material effect on the Authority's financial position or results of operations.

GASB Statement no. 80 "Blending requirements for certain component units-an amendment of GASB statement no. 14" This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. The Authority is currently evaluating the effect this statement will have on the Authority's financial position or results of operations.

GASB Statement no, 81 "Irrevocable split-interest agreements" This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively. The Authority is currently evaluating the effect this statement will have on the Authority's financial position or results of operations.

GASB Statement no, 82 "pension issues-an amendment of GASB statements no. 67, no. 68, and no. 73" The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No.

Note 2 - Summary of significant accounting policies and new pronouncements (continued)

73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016, except for the requirements of this Statement for the selection of assumptions in a circumstance in which an employer's pension liability is measured as of a date other than the employer's most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. The Authority is currently evaluating the effect this statement will have on the Authority's financial position or results of operations.

GASB Statement No. 83, "Certain Asset Retirement Obligations"
This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.

GASB Statement No. 84 "Fiduciary Activities"
The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged.

GASB Statement No. 85 "Omnibus 2017"
The objective of this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The provisions of this Statement are effective for periods beginning after June 15, 2017. Earlier application is encouraged.

GASB Statement No. 86 "Certain Debt Extinguishment Issues"
The primary objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged.

Note 3 - Deposits and investments

Deposits - All the deposits of the Authority are either insured or collateralized by the Pooling Method. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Authority, these deposits are considered to be held by the Authority's agents in its name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Authority or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the Authority under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Authority has no formal policy regarding custodial credit risk for deposits.

All investments are measured using the market approach: using prices and other relevant information generated by market transactions involving identical or comparable assets or a group of assets.

Level of fair value hierarchy: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. Level Two debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

At March 31, 2017, the Authority's deposits had a carrying amount of $49.2 million and a statement balance of $54.9 million. Of this bank balance, $0.3 million was covered by federal depository insurance while the balance of $54.7 million was covered by collateral held under the Pooling Method. The Authority is required to maintain a minimum balance of $250,000 in its checking account.

At March 31, 2016, the Authority's deposits had a carrying amount of $65.7 million and a statement balance of $70.5 million. Of this bank balance, $4.3 million was covered by federal depository insurance while the balance of $66.2 million was covered by collateral held under the Pooling Method. The Authority is required to maintain a minimum balance of $250,000 in its checking account.

Investments - At March 31, 2017, the Authority had the following investments and maturities:

Investment Type	Valuation Measurement Method	Fair Value	Less than 6 months	6-12 months	1 year- 30 Months
Repurchase Agreement	Cost	$ 8,162,680	$ —	$ —	$ 8,162,680
US Government Agencies	Fair Value-Level 1	182,943,050	38,935,566	3,999,560	140,007,924
NC Capital Management Trust: Cash Portfolio	Amortized Cost	14,352,428	N/A	N/A	N/A
Total:		$ 205,458,158	$ 38,935,566	$ 3,999,560	$ 148,170,604

Note 3 - Deposits and investments (continued)

At March 31, 2016, the Authority had the following investments and maturities:

Investment Type	Valuation Measurement Method	Fair Value	Less than 6 months	6-12 months	1 year- 30 Months
Repurchase Agreement	Cost	$ 8,169,466	$ —	$ —	$ 8,169,466
US Government Agencies	Fair Value-Level 1	135,665,534	26,599,394	2,999,370	106,066,770
NC Capital Management Trust:					
Cash Portfolio	Amortized Cost	15,168,259	N/A	N/A	N/A
Term Portfolio	Fair Value-Level 1	6,945,186	6,945,186	N/A	N/A
Total:		$ 165,948,445	$ 33,544,580	$ 2,999,370	$ 114,236,236

Interest Rate Risk - Interest rate risk is the risk that rising interest rates will adversely affect the fair value of an interest bearing investment. As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority limits the investment portfolio to maturities of 30 months.

Credit Risk - State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (“NRSROs”). Direct investments made by the Authority by policy are limited to U.S. Treasury Bills and Notes, U.S. Government Agency obligations and bank Certificates of Deposit, all with maximum maturity of 30 months. Only indirect investments in Commercial Paper and Repurchase Agreements are permitted in relation to bond proceed and debt service reserve fund investments which are designed to maximum investment income as permitted under U.S. Treasury arbitrage regulations. The Authority’s investments in the NC Capital Management Trust Cash Portfolio carried a credit rating of AAAm by Standard & Poor’s as of March 31, 2016 and 2015. The Authority’s investments in U.S. Agencies are rated AA+ by Standard & Poor’s and Aaa by Moody’s Investors Service as of March 31, 2017 and 2016.

G.S. 159-30(c) authorizes the Authority to invest in obligations of the U.S. Treasury; obligations of any agency of the United States of America, provided the payment of interest and principal of such obligations is fully guaranteed by the United States; obligations of the state of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-acceptances; and the North Carolina Capital Management Trust (“NCCMT”), a SEC registered mutual fund, dedicated to serving North Carolina public units.

Concentration of Credit Risk - The Authority places no formal limit on the amount that the Authority may invest in any one issuer. At March 31, 2017, the Authority’s investments are 4% Repurchase Agreement, 7% NCCMT and 89% in government agencies, consisting of 22% in Federal Home Loan Bank securities, 34% in Federal Home Loan Mortgage Corporation securities, 25% Federal Farm Credit Bank, 2% Federal National Mortgage Association, and 6% in Guaranteed Investment Contract. Of the 7% invested in the NCCMT, 100% represents Authority debt service reserves.

At March 31, 2016, the Authority’s investments consisted of 47% in Federal Home Loan Bank securities, 31% in Federal Home Loan Mortgage Corporation securities, 4% Federal Farm Credit Bank, 5% Repurchase Agreement, and 13% in NCCMT. Of this 13% invested in the NCCMT, 68% represents Authority debt service reserves.

Note 4 - Airport and facilities, net

Changes in airport and facilities are as follows for the year ended March 31, 2017:

	March 31, 2016	Additions	Deletions	Transfers	March 31, 2017
Capital assets not being depreciated					
Land	$ 41,193,383	$ —	$ —	$ —	$ 41,193,383
Construction in progress	7,756,609	23,445,510	(3,049,019)	(11,104,148)	17,048,952
Total capital assets not being depreciated	48,949,992	23,445,510	(3,049,019)	(11,104,148)	58,242,335
Other capital assets					
Landing field and grounds	552,766,933	—	—	4,264,371	557,031,304
Terminal Buildings	777,075,433	—	—	—	777,075,433
Other buildings	176,491,899	—	—	963,636	177,455,535
Utilities	5,417,436	—	—		5,417,436
Equipment	39,088,210	—	—	5,876,141	44,964,351
Total other capital assets	1,550,839,911	—	—	11,104,148	1,561,944,059
Total airport and facilities	1,599,789,903	23,445,510	(3,049,019)	—	1,620,186,394
Accumulated depreciation					
Landing field and grounds	(375,182,851)	(15,769,848)	—	—	(390,952,699)
Terminal Buildings	(214,914,179)	(23,206,095)	—	—	(238,120,274)
Other buildings	(111,557,438)	(7,583,728)	—	—	(119,141,166)
Utilities	(4,660,490)	(68,795)	—	—	(4,729,285)
Equipment	(30,824,476)	(3,106,126)	—	—	(33,930,602)
Total accumulated depreciation	(737,139,434)	(49,734,592)	—	—	(786,874,026)
Airport and facilities, net	$ 862,650,469	$ (26,289,082)	$ (3,049,019)	$ —	$ 833,312,368

Note 4 - Airport and facilities, net (continued)

Changes in airport and facilities are as follows for the year ended March 31, 2016:

	March 31, 2015	Additions	Deletions	Transfers	March 31, 2016
Capital assets not being depreciated					
Land	$ 41,193,383	$ —	$ —	$ —	$ 41,193,383
Construction in progress	3,327,600	9,004,014	(2,376,183)	(2,198,822)	7,756,609
Total capital assets not being depreciated	44,520,983	9,004,014	(2,376,183)	(2,198,822)	48,949,992
Other capital assets					
Landing field and grounds	552,675,945	—	—	90,988	552,766,933
Terminal buildings	777,058,986	—	—	16,447	777,075,433
Other buildings	176,159,528	—	—	332,371	176,491,899
Utilities	5,417,436	—	—	—	5,417,436
Equipment	37,329,194	—	—	1,759,016	39,088,210
Total other capital assets	1,548,641,089	—	—	2,198,822	1,550,839,911
Total airport and facilities	1,593,162,072	9,004,014	(2,376,183)	—	1,599,789,903
Accumulated depreciation					
Landing field and grounds	(358,333,497)	(16,849,354)	—	—	(375,182,851)
Terminal buildings	(191,607,194)	(23,306,985)	—	—	(214,914,179)
Other buildings	(102,902,790)	(8,654,648)	—	—	(111,557,438)
Utilities	(4,591,695)	(68,795)	—	—	(4,660,490)
Equipment	(27,903,284)	(2,921,192)	—	—	(30,824,476)
Total accumulated depreciation	(685,338,460)	(51,800,974)	—	—	(737,139,434)
Airport and facilities, net	$ 907,823,612	$ (42,796,960)	$(2,376,183)	$ —	$ 862,650,469

During March 31, 2017 and 2016, interest costs of $339,078 and $12,074 were capitalized as part of the cost of construction in progress, respectively.

Depreciation expense was $49.7 million and $51.8 million for the fiscal years ending March 31, 2017 and 2016, respectively.

The March 31, 2017 and 2016 deletions consists of $3.0 million and $2.4 million construction in progress that was reclassified to expense, respectively.

Note 5 - Long-term debt

Changes of long-term debt for the fiscal year ended March 31, 2017 consist of the following:

Amounts due to trustee	March 31, 2016	Principal Repayments	New Debt	March 31, 2017
Series 2007 4.750% General Airport Revenue Bonds, maturing in varying installments beginning 2011 to 2037	$ 136,850,000	$ 136,850,000	$ —	$ —
Series 2008C 4.72% General Airport Revenue Bonds, maturing in varying installments beginning 2009 to 2036 (Refunded 2006 Bonds)	64,310,000	1,840,000	—	62,470,000
Series 2010A 4.11% General Airport Revenue Bonds, maturing in varying installments beginning 2011 to 2036 (Refunded 2008AB Bonds)	215,590,000	6,005,000	—	209,585,000
Series 2010B 4.11% General Airport Revenue Bonds, maturing in varying installments beginning 2011 to 2027 (Refunded 2001A Bonds)	72,935,000	4,725,000	—	68,210,000
Series 2010B-1 4.18% General Airport Revenue Bonds, maturing in varying installments beginning 2028 to 2031 (Refunded 2001A Bonds)	38,235,000	—	—	38,235,000
Series 2015A 3.07% General Airport Revenue Bonds, maturing in varying installments beginning 2019 to 2030 (Refunded 2005A Bonds)	34,060,000	—	—	34,060,000
Series 2015B 3.00% General Airport Revenue Bonds, maturing in varying installments beginning 2016 to 2029 (Refunded 2005A Bonds)	48,685,000	4,800,000	—	43,885,000
Series 2017A 3.56% General Airport Revenue Bonds, maturing in varying installments beginning 2018 to 2037 (Refunded 2007 Bonds)	—	—	115,230,000	115,230,000
Total bond obligations	610,665,000	154,220,000	115,230,000	571,675,000
Less current maturities	16,170,000	—	—	17,640,000
	$ 594,495,000	$ 154,220,000	$ 115,230,000	$ 554,035,000

Note 5 - Long-term debt (continued)

Changes of long-term debt for the year ended March 31, 2016 consist of the following:

Amounts due to trustee	March 31, 2015	Principal Repayments	New Debt	March 31, 2016
Series 2005A 4.00-5.00% General Airport Revenue Bonds, maturing in varying installments beginning 2019 to 2030	$ 39,805,000	$ 39,805,000	$ —	$ —
Series 2005B 3.00-5.00% General Airport Revenue Bonds, maturing in varying installments beginning 2006 to 2029	58,905,000	58,905,000	—	—
Series 2007 4.750% General Airport Revenue Bonds, maturing in varying installments beginning 2011 to 2037	140,205,000	3,355,000	—	136,850,000
Series 2008C 4.72% General Airport Revenue Bonds, maturing in varying installments beginning 2009 to 2036 (Refunded 2006 Bonds)	66,060,000	1,750,000	—	64,310,000
Series 2010A 4.11% General Airport Revenue Bonds, maturing in varying installments beginning 2011 to 2036 (Refunded 2008AB Bonds)	221,330,000	5,740,000	—	215,590,000
Series 2010B 4.11% General Airport Revenue Bonds, maturing in varying installments beginning 2011 to 2027 (Refunded 2001A Bonds)	77,475,000	4,540,000	—	72,935,000
Series 2010B-1 4.18% General Airport Revenue Bonds, maturing in varying installments beginning 2028 to 2031 (Refunded 2001A Bonds)	38,235,000	—	—	38,235,000
Series 2015A 3.07% General Airport Revenue Bonds, maturing in varying installments beginning 2019 to 2030 (Refunded 2005A Bonds)	—	—	34,060,000	34,060,000
Series 2015B 3.00% General Airport Revenue Bonds, maturing in varying installments beginning 2016 to 2029 (Refunded 2005A Bonds)	—	—	48,685,000	48,685,000
Total bond obligations	642,015,000	114,095,000	82,745,000	610,665,000
Less current maturities	19,740,000	—	—	16,170,000
	$ 622,275,000	$ 114,095,000	$ 82,745,000	$ 594,495,000

Note 5 - Long-term debt (continued)

Debt maturities for the next five years and in five-year increments thereafter are as follows:

Year Ending March 31	General Airport Revenue Bond Series 2008C	General Airport Revenue Bond Series 2010A	General Airport Revenue Bond Series 2010B, B-1	General Airport Revenue Bond Series 2015A	General Airport Revenue Bond Series 2015B	General Airport Revenue Bond Series 2017A	Interest
2018	$ 1,925,000	$ 6,310,000	$ 4,865,000	$ —	$ 4,445,000	$ 95,000	$ 22,982,114
2019	2,020,000	6,635,000	5,110,000	—	4,675,000	4,320,000	25,886,471
2020	2,120,000	6,975,000	5,365,000	120,000	4,420,000	3,685,000	24,813,204
2021	2,220,000	7,330,000	5,630,000	2,375,000	2,400,000	3,840,000	23,715,313
2022	2,330,000	7,710,000	5,805,000	2,495,000	2,520,000	4,015,000	22,656,529
2023-2027	13,415,000	44,895,000	33,660,000	14,530,000	14,695,000	23,130,000	93,521,429
2028-2032	16,970,000	56,990,000	46,010,000	14,540,000	10,730,000	29,535,000	54,891,123
2033-2037	21,470,000	72,740,000	—	—	—	37,840,000	18,437,717
2038	—	—	—	—	—	8,770,000	219,250
	$ 62,470,000	$ 209,585,000	$ 106,445,000	$ 34,060,000	$ 43,885,000	$ 115,230,000	$ 287,123,150

For the table above, interest was calculated for the 2008C variable rate bonds using an estimated rate of 4.0% for their remaining term. At March 31, 2017, the actual rate on these bonds was 0.9%.

On February 27, 2001, the Authority entered into a Master Trust Indenture, dated as of February 1, 2001, that established the primary financing mechanism for the issuance of Bonds to finance improvements to the Airport. Bonds issued under the Master Trust Indenture are obligations of the Authority, secured by and payable from the Net Revenues of the Authority, and under certain circumstances, the proceeds of the Bonds, investment earnings, amounts set aside in a Debt Service Reserve Fund created under the Master Trust Indenture, and certain other funds and accounts.

On May 2, 2008, the Authority issued $300.0 million of Series 2008ABC Variable Rate Airport Revenue Bonds to refund the Series 2006ABCDE Bonds. The Series 2008 Bonds were issued as variable interest rate bonds, but the swaps converted the interest rate to a synthetic fixed rate. The Series 2006 Bond proceeds were used for the development of Terminal 2. There was no gain or loss on the refunding.

On August 6, 2010 the Authority elected to terminate all three of its interest rate swap positions. In conjunction with these terminations, the Authority simultaneously issued the 2010A refunding bonds in the amount of $242.4 million which refunded the 2008AB variable bonds. The Authority’s remaining $72.3 million Series 2008C Bonds were converted to bear interest at the weekly interest rate on December 3, 2009. These Bonds are secured by an irrevocable, direct-pay Letter of Credit.

During August 2010, the Authority issued $94.1 million of Series 2010B and $38.2 million of 2010B-1 Bonds to advance refund the Series 2001A Bonds. The Series 2001A Bond proceeds were used for the design and construction of several improvements to the Airport, including the construction of a garage, two warehouse buildings to house support equipment, alterations to existing parking structures, roadways, bridges, toll plazas, walkways, and alterations to a pedestrian tunnel. This advance refunding resulted in future debt service savings of $4.1 million and net present value economic gain of $2.6 million. The proceeds were deposited into an escrow fund to be used to pay the interest on the Series 2001A Bonds until the redemption thereof on May 1, 2011 and to pay the redemption price of the Series 2001A Bonds on such date. This escrow payment to the trustee defeased

Note 5 - Long-term debt (continued)

the remaining Series 2001A Bonds and the liability for this debt was removed from the Authority's statement of net position.

On June 5, 2015, the Authority issued $82.7 million of Series 2015AB Bonds to refund its Series 2005AB Bonds. The Series 2005AB Bond proceeds were used for the development of Terminal 2, including the redevelopment of the north ramp general aviation area, an Authority Operations Center, and the relocation of Taxiway D and ramp expansion. This refunding resulted in future debt service savings of $16.5 million and net present value economic gain of $11.8 million.

On March 14, 2017, the Authority issued $115.2 million of Series 2017A Bonds to advance refund its Series 2007 Bonds. The Series 2007 Bond proceeds were used for the development of the new Terminal 2. This advance refunding resulted in future debt service savings of $23.0 million and net present value economic gain of $15.0 million. The proceeds of the 2017A bonds were deposited in an escrow fund pending the call date of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the Authority's statement of net position.

The Authority's bonds are subject to federal arbitrage regulations, and are reviewed for potential arbitrage liability annually on the bond issue dates. At March 31, 2017 there was no liability for arbitrage rebate.

These bonds have rate covenants associated with them, whereby the Authority must maintain a debt service coverage ratio of net revenues and available fund balance to debt service. The bond documents provide for a number of technical adjustments to be followed in determining the net revenues and debt service to be used in this calculation. The rate covenant generally requires that sum of (i) the net revenues for the fiscal year and (ii) available fund balance at the end of the fiscal year in an amount up to 25% of debt service for the fiscal year (the "25% transfer") must be no less than 125% of the adjusted debt service calculated for the fiscal year. The debt service coverage ratio at March 31, 2017 with this 25% transfer is 244%. The debt service coverage ratio at March 31, 2017 without this 25% transfer is calculated as follows:

Net revenues	$	71,503,684
Annual debt service		32,679,895
Calculated debt service coverage ratio without transfer		219%

For the fiscal year ending March 31, 2016, the Authority had debt service coverage ratios of 259% without transfer and 248% with transfer.

Note 6 - Leases

The Authority leases land, buildings, and terminal space with a cost of approximately $796.1 million and a carrying value of approximately $542.7 million to the airlines, car rental agencies, restaurants and other businesses located at the airport. Revenues from these leases, which are included in general aviation, terminals, air cargo and rental car revenue, were approximately 42.2% and 43.1% of airport operating revenues for fiscal years ended March 31, 2017 and 2016, respectively. These leases cover periods ranging up to a maximum of 40 years and contain provisions for fixed and contingent rentals based on revenues. For the years ended March 31, 2017 and 2016, contingent rentals comprised $29.1 and $25.0 million of the total rental revenues, respectively.

Minimum future rentals on non-cancelable operating leases for the next five fiscal years are approximately:

Note 6 - Leases (continued)

Year Ending March 31	Amount
2018	$ 10,258,000
2019	7,018,000
2020	5,660,000
2021	4,835,000
2022	4,539,000
Thereafter	11,988,000
	$ 44,298,000

Note 7 - Employee retirement plans

Local governmental employees' retirement system

Plan Description - The Authority is a participating employer in the statewide Local Governmental Employees' Retirement System ("LGERS"), a cost-sharing multiple-employer defined benefit pension plan administered by the state of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the Authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report ("CAFR") for the state of North Carolina. The state's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided - LGERS provides retirement benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer.

Contributions - Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. The Authority employees are required to contribute 6.00% of their annual covered salary. The Authority is required to contribute at an actuarially determined rate and set annually by the LGERS Board of Trustees. The Authority's contractually required contribution rate for employees not engaged in law enforcement and for law enforcement officers is 6.74% and 7.15% of annual covered payroll respectively. The Authority's contributions to LGERS for the fiscal years ended March 31, 2017 and 2016 were $1.4 million and $1.3 million, respectively. The contributions made by the Authority were actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year.

Note 7 - Employee retirement plans (continued)

Refunds of Contributions - Authority employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At March 31, 2017, the Authority reported a liability of $6.6 million for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2015. The total pension liability was then rolled forward to the measurement date of June 30, 2016 utilizing update procedures incorporating the actuarial assumptions. The Authority's proportion of the net pension asset was based on a projection of the Authority's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2016, the Authority's proportion was .31228%, which was an increase of .02721% from its proportion measured as of June 30, 2015.

For the fiscal year ended March 31, 2017, the Authority recognized pension expense of $1.8 million. At March 31, 2017, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Differences between expected and actual experience	124,522	232,236
Changes of assumptions	734,243	
Net difference between projected and actual earnings on pension plan investments	3,664,244	
Changes in proportion and differences between employer contributions and proportionate share of contributions	189,764	
Employer contributions subsequent to the measurement date	1,109,878	
Total	**5,822,651**	**232,236**

$ 1.1 million reported as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended March 31, 2018. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Note 7 - Employee retirement plans (continued)

Year ended March 31:	
2018	$ 664,321
2019	664,783
2020	1,787,962
2021	1,083,166
2022	—
Thereafter	—

***Actuarial Assumptions* -** The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.50 to 7.75 percent, including inflation and productivity factor
Investment rate of return	7.25 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through December 31, 2014.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2016 are summarized in the following table:

Note 7 - Employee retirement plans (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	29.00%	1.4%
Global Equity	42.00%	5.3%
Real Estate	8.00%	4.3%
Alternatives	8.00%	8.9%
Credit	7.00%	6.0%
Inflation Protection	6.00%	4.0%
Total	**100%**	

The information above is based on 30 year expectations developed with the consulting actuary and is part of the asset liability and investment policy of the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. Return projections do not include any excessd return expectations over benchmark averages. All rates of return and inflation are annualized.

Discount rate **-** The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Authority's proportionate share of the net pension asset to changes in the discount rate **-** The following presents the Authority's proportionate share of the net pension asset calculated using the discount rate of 7.25%, as well as what the Authority's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1- percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
Employer's proportionate share of the net pension liability (asset)	$ 15,730,452	$ 6,627,628	$ (975,728)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

Supplemental retirement income plan for law enforcement officers

Plan Description - The Authority contributes to the Supplemental Retirement Income Plan ("Plan"), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the Authority. Article 5 of G.S. Chapter 135 assigns the Authority to establish and amend benefit provisions to the North Carolina General Assembly.

Note 7 - Employee retirement plans (continued)

Funding Policy - Article 12E of G.S. Chapter 143 requires the Authority to contribute each month an amount equal to 5% of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended March 31, 2017 were $0.3 million, which consisted of $0.2 million from the Authority and $0.1 million from the law enforcement officers. Contributions for the year ended March 31, 2016 were $0.2 million, which consisted of $0.1 million from the Authority and $0.1 million from the law enforcement officers.

Law enforcement officer's special separation allowance

Plan Description - The Authority administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the Authority's qualified sworn law enforcement officers. The Separation Allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the Authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time law enforcement officers of the Authority are covered by the Separation Allowance. At March 31, 2017, the Separation Allowance's membership consisted of:

Retirees receiving benefits	7
Active plan members	38
Total	45

A separate audited GAAP-basis postemployment benefit plan report was not issued for the plan.

Summary of Significant Accounting Policies
Basis of Accounting - The Authority has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from operating accounts, which are maintained on the accrual basis of accounting.

Method Used to Value Investments - No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

Contributions - The Authority is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay as you go basis through appropriations made in the operating budget. The Authority's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions made by employees.

The Authority's pension cost and net pension obligation to the separation allowance were as follows:

Note 7 - Employee retirement plans (continued)

	March 31, 2017	March 31, 2016
a - Employer annual required contribution	$ 141,814	$ 106,186
b - Interest on net pension obligation	27,729	41,933
c - Adjustment to annual required contribution	(51,781)	(73,698)
d - Annual pension cost (a+b+c)	117,762	74,421
e - Employer contributions made for current fiscal year	129,337	136,349
f - Increase in net pension obligation (d-e)	(11,575)	(61,928)
g - Net pension obligation beginning of fiscal year	776,726	838,654
h - Net pension obligation end of fiscal year (f+g)	$ 765,151	$ 776,726

The annual required contribution for the fiscal years ended March 31, 2017 and March 31, 2016 were determined as part of the December 31, 2015 actuarial valuation using the Entry Age Normal actuarial cost method. The actuarial assumptions included (a) 3.57% investment rate of return and (b) projected salary increases ranging from 3.50% to 7.35% per year. Item (b) included an inflation component of 3.00%. The assumptions do not include post-retirement benefit increases. The actuarial value of assets was market value. The unfunded actuarial accrued liability is being amortized as a level percentage of pay on a closed basis. The remaining amortization period at December 31, 2015 was 15 years.

The trend information is as follows:

Fiscal Year Ending March	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation End of Year
2010	$ 98,662	60.64%	$ 1,095,770
2011	84,514	103.18%	1,093,084
2012	82,172	170.66%	1,035,247
2013	79,479	195.3%	959,505
2014	70,570	198.63%	889,904
2015	89,309	157.39%	838,654
2016	74,421	183.21%	776,726
2017	117,762	109.83%	765,151

Funding Status and Funding Progress - as of December 31, 2015, the most recent actuarial valuation date, the plan was not funded. The present value of future accrued liability contributions and, thus, the unfunded actuarial accrued liability (“UAAL”) was $1.1 million. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Note 7 - Employee retirement plans (continued)

Other Post-Employment Benefits

Health Care Plan

Plan Description:
Under the terms of an Authority resolution, the Authority administers a single-employer benefit Health Care Plan (the "Plan"). The Plan provides postemployment healthcare benefits to retirees of the Authority, provided they participate in the North Carolina Local Governmental Employees' Retirement System ("System"). While eligibility to draw retirement benefits from the System vests at 5 years, eligibility for post-retirement health benefits from the Authority requires: (1) all requirements for retirement from LGERS are met and (2) the final 5 years of service are worked with the Authority. The Authority pays the cost of the individual and dependent premiums (on same portion of the cost as it pays for non-retired employees) for the qualified retiree's health coverage through the Authority's group health insurance plan. When the retiree reaches age 65, the Authority's post-retirement benefits cease. At that time, the retiree is no longer covered by the Authority's group health insurance program. The Plan does not issue a stand-alone report and is not included in the report of a public employee retirement system or a report of another entity.

Membership in the Plan included the following at December 31, 2015, the date of the last actuarial valuation:

Retirees receiving benefits	82
Active plan members	273
Total	355

Funding Policy:
As noted above, the Authority pays its share of the cost of coverage (premiums) for the health care benefits provided to qualified retirees. The Authority's members pay their share of the premiums. The Authority has chosen to fund the health care benefits on a pay as you go basis, and no funds are set aside to pay these benefits.

The current annual required contribution rate is 3.0% of annual covered payroll. For the current year, the Authority contributed $0.4 million (retiree claims paid less premiums received) or 2.5% of annual covered payroll. The Authority provides health care coverage through a minimum premium plan. The Authority's required contribution for employees and retirees is the actual expense incurred. Contributions (premiums) made by employees and retirees were 2.5% and 0.3% of covered payroll, respectively. The Authority's obligation to contribute to the Plan is established and may be amended by the Authority's Board of Directors.

Life Insurance Benefit

Plan Description:
Under the terms of an Authority resolution, the Authority administers a single-employer life insurance benefit. The life insurance benefit provides postemployment life insurance coverage to retirees of the Authority in the amount of $10,000. When the retiree reaches age 99, the Authority's post-retirement benefits cease. At that time, the retiree is no longer covered by the Authority's life insurance policy.

Funding Policy:
The Authority pays the full cost of life insurance premiums. The Authority has chosen to fund the life insurance benefits on a pay as you go basis, and no funds are set aside to pay these benefits. The Authority's obligation to contribute to the life insurance benefit is established and may be amended by the Authority's Board of Directors.

Note 7 - Employee retirement plans (continued)

Summary of Significant Accounting Policies:
Postemployment expenditures for the Authority's portion of the premiums are from the Authority's enterprise fund, which is maintained on the full accrual basis of accounting. No funds are set aside to pay benefits and administrative costs. These expenditures are paid as they come due.

Annual OPEB Cost and Net OPEB Obligation:
The Authority's annual OPEB cost (expense) is calculated based on the *annual required contribution of the employer* ("ARC"), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (of funding excess) over a period not to exceed thirty years. The following table shows the components of the Authority's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the Authority's net OPEB obligation for the health care benefits:

	March 31, 2017	March 31, 2016
Annual required contribution	$ 551,323	$ 632,198
Interest on net OPEB obligation	175,731	166,507
Adjustment to annual required contribution	(167,878)	(159,065)
Annual OPEB cost	559,176	639,640
Contributions made	439,308	409,042
Increase in net OPEB obligation	119,868	230,598
Net OPEB obligation beginning of the year	4,393,283	4,162,685
Net OPEB obligation end of the year	$ 4,513,151	$ 4,393,283

The Authority's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for the fiscal year ending March 31, 2017 were as follows:

For Year Ended March	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010	$ 854,455	23.8%	$ 650,820
2011	1,714,169	11.7%	2,164,060
2012	914,339	30.4%	2,800,736
2013	668,845	35.8%	3,230,390
2014	689,529	26.8%	3,734,979
2015	620,461	31.1%	4,162,685
2016	639,640	63.9%	4,393,283
2017	559,176	78.6%	4,513,151

Funded Status and Funding Progress:
As of December 31, 2015, the most recent actuarial valuation date, the Plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial accrued liability ("UAAL") was $5.0 million. The covered payroll (annual payroll of active employees covered by the Plan) was $17.6 million, and the ratio of the

Note 7 - Employee retirement plans (continued)

UAAL to the covered payroll was 28.4%. 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 healthcare trends. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer 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, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities 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 of benefit costs between the employer and plan members at that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value assets, consistent with the long-term perspective of the calculations.

In the December 31, 2015 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return (net of administrative expenses), which is the expected long-term investment return on the employer's own investments calculated based on the funded level of the Plan at the valuation date, and an annual medical cost trend increase of 7.75% to 5.00% annually. Both rates included a 3.00% inflation assumption. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2015 was 30 years.

Note 8 - Commitments and contingencies

Risk management - The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets: injuries to employees and the general public; and natural disasters. The Authority carries commercial insurance against risks of loss, including property and public liability insurance and worker's compensation. Settled claims from these risks have been far less than commercial insurance coverage.

The Authority, in accordance with NC General Statute 159-29, maintains Public Official Bonds on those designated as Finance Officer or Deputy Finance Officer. Currently, the Senior Vice President and Chief Financial Officer, the Director of Financial Planning and Analysis, and the Director of Accounting, each carry coverage at the statutory requirement of $50,000. In addition, the Authority carries a Blanket Fidelity Bond for all employees in the amount of $1.0 million.

Construction commitments - At March 31, 2017 and 2016, the Authority has contractual commitments for Authority capital programs of approximately $30.1 million and $3.2 million, respectively.

Contingent liabilities - The Authority is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Authority's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the Authority.

Prior to the opening of Terminal 2, the Authority's Small Emerging Business ("SEB") program was used to provide loan backing for two small business concessionaires. The Authority is no longer utilizing this program. No outstanding loans remain at March 31, 2017, thus, the collateral of $1.5 million maintained to support this program is no longer required.

Note 9 - Subsequent events

The Authority has evaluated subsequent events through July 20, 2017 in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued. No subsequent events are noted.

Note 10 - Change in Accounting Principles/Restatement

The Authority implemented Governmental Accounting Standards Board (GASB) statement 68, Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27), in the fiscal year ending March 31, 2016. The implementation of the statement required the Authority to record beginning net pension liability and the effects on net position of contributions made by the Authority during the measurement period (fiscal year ending March 31, 2015). As a result, net position for the Authority decreased by $1.3 million. The Authority did not implement any GASB statements requiring restatement of net position for the current fiscal year ending March 31, 2017.

Note 11 - Reclassifications

Certain amounts in the prior-year financial statements have been reclassified in order to be comparable with the current year presentation.

Raleigh-Durham Airport Authority
RDU Airport, North Carolina

Required Supplemental Information

Prepared by the Finance Department

Raleigh-Durham Airport Authority

REQUIRED SUPPLEMENTAL INFORMATION

REQUIRED SUPPLEMENTAL INFORMATION

RALEIGH-DURHAM AIRPORT AUTHORITY

POST EMPLOYMENT BENEFIT HEALTH CARE PLAN

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF FUNDING PROGRESS

UNAUDITED

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
12/31/2008	$—	$6,078,786	$6,078,786	0.0%	$14,562,473	41.7%
12/31/2009	—	7,591,229	7,591,229	0.0%	15,311,651	49.6%
12/31/2011	—	6,007,588	6,007,588	0.0%	15,938,472	37.7%
12/31/2013	—	5,811,562	5,811,562	0.0%	15,564,381	37.3%
12/31/2015	—	5,010,313	5,010,313	0.0%	17,617,967	28.4%

RALEIGH-DURHAM AIRPORT AUTHORITY

POST EMPLOYMENT BENEFIT HEALTH CARE PLAN
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
UNAUDITED

Fiscal Year Ended March 31,	Annual Required Contribution	Actual Contribution	Percentage Contribution
2010	$854,455	$203,635	23.8%
2011	858,455	200,929	23.4%
2012	950,981	277,663	29.2%
2013	663,839	239,192	36.0%
2014	683,754	184,940	27.0%
2015	613,784	192,755	31.4%
2016	632,198	409,042	64.7%
2017	551,323	439,308	79.7%

Notes to the Required Schedules:
These measures do not indicate whether or not the Plan would have sufficient assets if it were terminated, nor do they indicate what level of future contributions will be required.

Additional Valuation Information

Valuation date	12/31/2015
Actuarial cost method	Projected unit credit
Amortization method	Level Percentage of Pay, open
Remaining amortization period	30 years
Amortization Factor	26.1695
Asset valuation method	Market Value of Assets
Actuarial assumptions:	
Investment Rate of Return*	4.00%
Medical Trend Assumptions:	
Pre-Medicare trend rate	7.75% - 5.00%
Year of Ultimate trend rate	2022
*Includes inflation at	3.00%

The assumed investment rate of return reflects the fact that no assets are set aside within the Raleigh-Durham Airport Authority that are legally held exclusively for retiree health benefits.

RALEIGH-DURHAM AIRPORT AUTHORITY

SEPARATION ALLOWANCE PLAN
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
UNAUDITED

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
12/31/2009	$—	$1,044,827	$1,044,827	0.0%	$1,387,487	75.30%
12/31/2011	—	1,022,450	1,022,450	0.0%	1,349,585	75.76%
12/31/2013	—	1,005,502	1,005,502	0.0%	1,196,499	84.04%
12/31/2015	—	1,082,682	1,082,682	0.0%	2,336,897	46.33%

RALEIGH-DURHAM AIRPORT AUTHORITY

SEPARATION ALLOWANCE PLAN

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF EMPLOYER CONTRIBUTIONS

UNAUDITED

Fiscal Year Ended March 31	Annual Required Contribution	Amount Contributed	Percentage of APC Contributed
2009	$ 88,614	$ 24,569	27.73%
2010	88,614	59,826	67.51%
2011	88,614	87,200	98.40%
2012	88,614	140,234	158.25%
2013	88,614	155,222	175.17%
2014	85,056	140,171	164.80%
2015	106,186	140,559	132.37%
2016	106,186	136,349	128.41%
2017	141,814	129,337	91.20%

Notes to the Required Schedules:

The information presented in the required supplementary schedules was determined as part of the actuarial valuations indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	12/31/2015
Actuarial cost method	Entry Age Normal
Amortization method	Level dollar closed
Remaining amortization period	15 years
Asset valuation method	Market Value
Actuarial assumptions:	
Investment rate of return	3.57%
Projected salary increase	3.50 - 7.35%
Includes inflation at	3.00%
Cost of living adjustments	N/A

RALEIGH-DURHAM AIRPORT AUTHORITY
LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)
UNAUDITED

	Fiscal Year Ending March 31		
	2017	2016	2015
Proportionate Share of Net Pension Liability (Asset)	0.31228%	0.28507%	0.28433 %
Proportionate Share of Net Pension Liability (Asset)($)	$ 1,270,452	$ 1,279,381	$ (1,569,268)
Covered-Employee payroll	$20,098,008	$ 18,128,137	$ 17,154,583
Proportionate Share of Net Pension Liability (Asset) as a percentage of covered-employee payroll	6.32%	7.06%	(9.15)%
Plan fiduciary net position as a percentage of the total pension liability.	91.47%	98.09%	102.64 %

Notes to the Required Schedules:

The amounts presented for each fiscal year were determined as of the prior fiscal year ending March 31.

The pension schedules are intended to show information for ten years, additional years' information will be displayed as it becomes available.

RALEIGH-DURHAM AIRPORT AUTHORITY
LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
UNAUDITED

	Fiscal Year Ending March 31		
	2017	2016	2015
Contractually required contribution	$ 1,410,750	$ 1,267,243	$ 1,221,836
Contributions in relation to the contractually required contribution	1,410,750	1,267,243	1,221,836
Contribution deficiency (excess)	$ —	$ —	$ —
Covered-employee payroll	$20,140,459	$20,098,008	$18,128,137
Contributions as a percentage of covered-employee payroll	7.00%	6.31%	6.74%

Notes to the Required Schedules:

The pension schedules are intended to show information for ten years, additional years' information will be displayed as it becomes available.

SUPPLEMENTAL INFORMATION

Raleigh-Durham Airport Authority
RDU Airport, North Carolina

Supplemental Information

Prepared by the Finance Department

Raleigh-Durham Airport Authority

SUPPLEMENTAL INFORMATION

RALEIGH-DURHAM AIRPORT AUTHORITY
SUMMARY OF OPERATING REVENUES AND EXPENSES
COMPARED WITH BUDGET
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Operating revenues			
Parking	$ 55,843,209	$ 48,050,398	116.2%
Airfield	15,058,135	13,748,083	109.5%
General aviation	1,721,515	1,733,638	99.3%
Terminals	37,929,957	35,515,178	106.8%
Air cargo	2,309,639	2,337,953	98.8%
Fuel farm	1,649,095	1,403,400	117.5%
Rental car	16,742,662	16,066,940	104.2%
Other	2,560,078	1,592,066	160.8%
Total operating revenues	133,814,290	120,447,656	111.1%
Operating expenses			
Complex expenses	22,633,404	23,589,712	95.9%
Department expenses	42,647,706	43,965,131	97.0%
Subtotal	65,281,110	67,554,843	96.6%
Depreciation expense	49,734,592	49,021,599	101.5%
Total operating expenses	115,015,702	116,576,442	98.7%
Net operating income (loss)	$ 18,798,588	$ 3,871,214	485.6%

RALEIGH-DURHAM AIRPORT AUTHORITY
REVENUES COMPARED WITH BUDGET
PARKING REVENUES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Parking Revenues			
RDU Parking			
Public parking fees	$ 54,848,785	$ 47,130,398	116.4%
Tenant employee parking fees	420,029	549,000	76.5%
Parking other	189,242	—	n/a
Telecommunications services	959	1,000	95.9%
Other	—	—	n/a
Total RDU Parking	55,459,015	47,680,398	116.3%
Off-Airport parking			
Percentage rent off airport	384,194	370,000	103.8%
Total Off-Airport Parking	384,194	370,000	103.8%
TOTAL PARKING REVENUES	$ 55,843,209	$ 48,050,398	116.2%

RALEIGH-DURHAM AIRPORT AUTHORITY

REVENUES COMPARED WITH BUDGET

AIRFIELD REVENUES

Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Landing Fees			
Domestic landing fees Terminal 1	$ 2,644,752	$ 2,572,528	102.8%
Domestic landing fees Terminal 2	10,913,018	9,942,470	109.8%
International landing fees Terminal 2	100,982	—	n/a
Landing fees Cargo	956,598	862,195	110.9%
Total Landing Fees	14,615,350	13,377,193	109.3%
G/A Fuel Flowage			
Fuel flowage fees	421,895	350,000	120.5%
Total G/A Fuel Flowage	421,895	350,000	120.5%
Other airfield revenues			
Maint & operating expense recovery	14,890	14,890	100.0%
Miscellaneous aeronautical revenue	6,000	6,000	100.0%
Other airfield revenues	—	—	n/a
Total Other airfield revenue	20,890	20,890	100.0%
TOTAL AIRFIELD REVENUES	$ 15,058,135	$ 13,748,083	109.5%

RALEIGH-DURHAM AIRPORT AUTHORITY
REVENUES COMPARED WITH BUDGET
GENERAL AVIATION REVENUES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
General Aviation-General			
Fixed space rents			
Fixed rents	$ 1,096,031	$ 1,012,825	108.2%
Ground rents	150,225	143,977	104.3%
Maint & operating expense recovery	249,744	329,223	75.9%
Telecommunications services	16,702	14,900	112.1%
Miscellaneous rents	26,147	25,386	103.0%
Total fixed space rents	1,538,849	1,526,311	100.8%
Percentage rents			
Percentage rents	36,135	51,200	70.6%
Other general aviation general revenue	—	—	n/a
Total percentage rents	36,135	51,200	70.6%
Total General Aviation-General	1,574,984	1,577,511	99.8%
General Aviation-Terminal			
Fixed space rents			
Fixed rents	110,693	106,227	104.2%
Tenant employee parking fees	9,475	28,000	33.8%
Maint & operating expense recovery	—	—	n/a
Telecommunications services	4,171	4,400	94.8%
Miscellaneous rents	—	—	n/a
Total fixed space rents	124,339	138,627	89.7%
Percentage rents			
Percentage rents	20,992	12,900	162.7%
Other general aviation terminal revenue	—	—	n/a
Total percentage rents	20,992	12,900	162.7%
Total General Aviation-Terminal	145,331	151,527	95.9%
Other			
Charter security screening	1,200	4,600	26.1%
TOTAL GENERAL AVIATION REVENUES	$ 1,721,515	$ 1,733,638	99.3%

RALEIGH-DURHAM AIRPORT AUTHORITY
REVENUES COMPARED WITH BUDGET
TERMINAL REVENUES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Terminal 1 Complex			
Fixed space rents			
Fixed rents aeronautical	$ 1,563,827	$ 1,536,452	101.8%
Fixed rents non-aeronautical	185,900	192,116	96.8%
Total fixed space rents	1,749,727	1,728,568	101.2%
Percentage rents			
Percentage rents	22,998	24,800	92.7%
Percentage rent - food & beverage	988,949	915,100	108.1%
Percentage rent - retail	397,307	473,000	84.0%
Percentage rent - other terminal services	346,249	261,200	132.6%
Total percentage rents	1,755,503	1,674,100	104.9%
Miscellaneous rents			
Telecommunications services	45,599	37,400	121.9%
Bag claim recovery	1,423,221	1,487,453	95.7%
Airport Operation Information System (AOIS) recovery	121,494	121,494	100.0%
Maint & operating expense recovery	116,189	94,439	123.0%
Gate usage fees	175,600	80,000	219.5%
Miscellaneous rents	300	450	66.7%
Total miscellaneous rents	1,882,403	1,821,236	103.4%
Total Terminal 1 Complex revenues	$ 5,387,633	$ 5,223,904	103.1%

RALEIGH-DURHAM AIRPORT AUTHORITY
REVENUES COMPARED WITH BUDGET
TERMINAL REVENUES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Terminal 2 Complex			
Fixed space rents			
Fixed rents aeronautical	$ 9,889,717	$ 9,551,846	103.5%
Fixed rents non-aeronautical	342,977	314,668	109.0%
Total fixed space rents	10,232,694	9,866,514	103.7%
Percentage rents			
Percentage rents	88,665	15,300	579.5%
Percentage rent - food & beverage	3,672,670	3,224,000	113.9%
Percentage rent - retail	2,089,885	1,984,700	105.3%
Percentage rent - duty free	28,624	41,900	68.3%
Percentage rent - other terminal services	769,068	808,100	95.2%
Total percentage rents	6,648,912	6,074,000	109.5%
Miscellaneous rents			
Telecommunications services	200,961	156,300	128.6%
Bag claim recovery	5,185,846	5,172,542	100.3%
Airport Operation Information System (AOIS) recovery	1,168,131	1,164,220	100.3%
Ramp tower recovery	844,049	836,580	100.9%
Maint & operating expense recovery	375,297	418,300	89.7%
Gate usage fees	1,801,800	1,058,000	170.3%
Miscellaneous rents	11,703	4,200	278.6%
Total miscellaneous rents	9,587,787	8,810,142	108.8%
Total Terminal 2 Complex revenues	26,469,393	24,750,656	106.9%
Terminal Security			
Security checkpoint	2,671,003	2,670,703	100.0%
Transportation Security Administration (TSA) checkpoint	305,979	—	n/a
Federal Inspection Services (FIS) int'l passenger fee	1,914,520	2,143,440	89.3%
Miscellaneous rents	—	—	n/a
Total Terminal Security	4,891,502	4,814,143	101.6%
Terminal Miscellaneous			
Fixed rent non-aeronautical terminal miscellaneous	21,110	21,110	100.0%
Percentage rent terminal miscellaneous	957,678	506,260	189.2%
Telecommunications services terminal miscellaneous	166,026	162,240	102.3%
Maint & Operating expense recovery	35,665	35,665	100.0%
Miscellaneous rents	950	1,200	79.2%
Total Terminal Miscellaneous	1,181,429	726,475	162.6%
TOTAL TERMINAL REVENUES	$ 37,929,957	$ 35,515,178	106.8%

RALEIGH-DURHAM AIRPORT AUTHORITY
REVENUES COMPARED WITH BUDGET
AIR CARGO REVENUES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
North Cargo Complex			
Fixed space rents			
Fixed rents aeronautical	$ 181,082	$ 328,557	55.1%
Fixed rents non-aeronautical	387,806	249,432	155.5%
Ground rents	326,173	304,234	107.2%
Telecommunications services	494	480	102.9%
Maint & operating expense recovery	155,177	160,204	96.9%
Miscellaneous rents	—	—	n/a
Total North Cargo Complex revenues	1,050,732	1,042,907	100.8%
South Cargo 1 Complex			
Fixed space rents			
Fixed rents aeronautical	—	—	n/a
Fixed rents non-aeronautical	266,347	188,855	141.0%
Ground rents	—	—	n/a
Telecommunications services	3,594	—	n/a
Maint & operating expense recovery	131,366	81,226	161.7%
Miscellaneous rents	74,767	1,200	6,230.6%
Total South Cargo 1 Complex revenues	476,074	271,281	175.5%
South Cargo 2 Complex			
Fixed space rents			
Fixed rents aeronautical	—	106,056	—%
Fixed rents non-aeronautical	184,991	222,846	83.0%
Ground rents	—	—	n/a
Telecommunications services	2,599	5,900	44.1%
Maint & operating expense recovery	91,922	91,922	100.0%
Miscellaneous rents	2,400	2,400	100.0%
Total South Cargo 2 Complex revenues	$ 281,912	$ 429,124	65.7%

RALEIGH-DURHAM AIRPORT AUTHORITY
REVENUES COMPARED WITH BUDGET
AIR CARGO REVENUES
Year Ended March 31, 2017

South Cargo 3 Complex			
Fixed space rents			
Fixed rents aeronautical	$ —	$ 265,901	—%
Fixed rents non-aeronautical	310,223	47,428	654.1%
Ground rents	—	91,334	—%
Telecommunications services	—	—	n/a
Maint & operating expense recovery	190,698	189,978	100.4%
Miscellaneous rents	—	—	n/a
Total South Cargo 3 Complex revenues	500,921	594,641	84.2%
TOTAL AIR CARGO REVENUES	$ 2,309,639	$ 2,337,953	98.8%

RALEIGH-DURHAM AIRPORT AUTHORITY

REVENUES COMPARED WITH BUDGET

FUEL FARM REVENUES

Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Fuel Farm			
Fuel throughput fees	$ 1,646,695	$ 1,401,000	117.5%
Miscellaneous rents	2,400	2,400	100.0%
TOTAL FUEL FARM REVENUES	$ 1,649,095	$ 1,403,400	117.5%

RALEIGH-DURHAM AIRPORT AUTHORITY
REVENUES COMPARED WITH BUDGET
RENTAL CAR REVENUES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Fixed space rents			
Fixed rents	$ 958,585	$ 952,338	100.7%
Ground Rents	416,352	375,817	110.8%
Maint & operating expense recovery	404,037	393,785	102.6%
Telecommunications services	—	—	n/a
Miscellaneous rents	—	—	n/a
Total fixed space rents	1,778,974	1,721,940	103.3%
Percentage rents			
Percentage rents	14,963,688	14,345,000	104.3%
Other rental car revenue	—	—	n/a
Total percentage rents	14,963,688	14,345,000	104.3%
TOTAL RENTAL CAR REVENUES	$ 16,742,662	$ 16,066,940	104.2%

RALEIGH-DURHAM AIRPORT AUTHORITY
REVENUES COMPARED WITH BUDGET
OTHER REVENUES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Office & Other Buildings			
Aviation Station			
Ground rents	$ 150,000	$ 150,000	100.0%
Maint & operating expense recovery	69,132	69,656	99.2%
Total Aviation Station Revenues	219,132	219,656	99.8%
Other miscellaneous rents			
Conference rooms	50,831	26,250	193.6%
Fixed rent non-aeronautical other buildings	99,436	80,816	123.0%
Ground rent other buildings	103,334	—	n/a
Security authorization badges	199,819	124,600	160.4%
Fingerprinting	—	—	n/a
Maint & operating expense recovery	4,250	5,203	81.7%
Miscellaneous revenue	11,811	1,200	984.3%
Total other miscellaneous rents	469,481	238,069	197.2%
Ground Transportation			
Taxi Operation			
Percentage rents	318,450	203,320	156.6%
Maint & operating expense recovery	2,777	3,204	86.7%
Telecommunications services	6,240	6,200	100.6%
Miscellaneous rents	—	—	n/a
Total Taxi Operation	327,467	212,724	153.9%
AVI Transportation Fees			
AVI-trip fees	1,487,496	867,000	171.6%
Miscellaneous revenue	—	—	n/a
Total AVI Transportation Fees	1,487,496	867,000	171.6%
Total Ground Transportation Revenues	1,814,963	1,079,724	168.1%
General Grounds			
Traffic ordinance violation fees	56,502	54,616	103.5%
Miscellaneous revenue	—	—	n/a
Total General Grounds Revenues	56,502	54,616	103.5%
TOTAL OTHER REVENUES	$ 2,560,078	$ 1,592,065	160.8%

RALEIGH-DURHAM AIRPORT AUTHORITY

COMPARATIVE SUMMARIES OF OPERATING EXPENSES BY COST CENTER

Years Ended March 31, 2017 and 2016

	Amount		Percent of Total Operating Expenses	
	2017	2016	2017	2016
Operating expenses				
Airport facilities	$ 22,633,404	$ 21,241,939	19.7%	19.0%
Administrative	19,738,597	17,813,209	17.2%	16.0%
Fueling systems	1,137,855	1,072,207	1.0%	1.0%
Law enforcement	4,004,081	3,958,846	3.5%	3.6%
Airport maintenance	5,541,078	5,317,196	4.8%	4.8%
Parking	4,411,740	2,787,162	3.8%	2.5%
Airport fire rescue	1,647,814	1,649,329	1.4%	1.5%
Guest services	837,917	791,525	0.7%	0.7%
Communications center	859,235	794,310	0.7%	0.7%
Operations	1,553,559	1,516,292	1.4%	1.4%
Ground transportation	2,915,830	2,765,909	2.5%	2.5%
Depreciation	49,734,592	51,800,974	43.2%	46.5%
TOTAL OPERATING EXPENSES	$ 115,015,702	$ 111,508,898	100.0%	100.0%

RALEIGH-DURHAM AIRPORT AUTHORITY
SUMMARY OF OPERATING EXPENSES BY COST CENTER
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Operating expenses (excluding depreciation)			
Airport facilities	$ 22,633,404	$ 23,589,712	95.9%
Administrative	19,738,597	20,486,873	96.3%
Fueling systems	1,137,855	1,151,239	98.8%
Law enforcement	4,004,081	4,046,116	99.0%
Airport maintenance	5,541,078	5,843,988	94.8%
Parking	4,411,740	4,468,553	98.7%
Airport fire rescue	1,647,814	1,749,585	94.2%
Guest services	837,917	847,343	98.9%
Communications center	859,235	862,337	99.6%
Operations	1,553,559	1,572,387	98.8%
Ground transportation	2,915,830	2,936,710	99.3%
Total operating expenses (excluding depreciation)	65,281,110	67,554,843	96.6%
Depreciation			
Airport facilities	38,532,226	38,201,091	100.9%
Administrative	652,039	487,435	133.8%
Fueling systems	—	—	n/a
Law enforcement	16,419	19,678	83.4%
Airport maintenance	1,344,278	1,206,935	111.4%
Parking	9,031,763	8,961,212	100.8%
Airport fire rescue	25,621	22,362	114.6%
Guest services	—	—	n/a
Communications center	105,237	95,877	109.8%
Operations	2,561	2,561	100.0%
Ground transportation	24,448	24,448	100.0%
Total depreciation	49,734,592	49,021,599	101.5%
TOTAL OPERATING EXPENSES	$115,015,702	$116,576,442	98.7%

RALEIGH-DURHAM AIRPORT AUTHORITY
EXPENSES COMPARED WITH BUDGET
AIRPORT FACILITIES OPERATING EXPENSES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Airport facilities			
Airfield complex			
Employee related expense	$ —	$ —	n/a
Professional services	—	—	n/a
Contractual labor	510,903	530,111	96.4 %
Utilities	77,482	124,013	62.5 %
Materials and supplies	427,823	431,875	99.1 %
Insurance	170,197	189,500	89.8 %
General and administrative expenses	9,802	—	n/a
Total Airfield complex	1,196,207	1,275,499	93.8 %
Terminal complex			
Employee related expense	—	—	n/a
Professional services	106,396	106,397	100.0 %
Contractual labor	9,444,245	9,626,635	98.1 %
Utilities	4,169,819	3,633,203	114.8 %
Materials and supplies	314,243	673,860	46.6 %
Insurance	483,260	467,400	103.4 %
General and administrative expenses	19,454	11,731	165.8 %
Total Terminal complex	14,537,417	14,519,226	100.1 %
General Aviation complex			
General Aviation-General			
Employee related expense	—	—	n/a
Professional services	—	—	n/a
Contractual labor	364,481	385,299	94.6 %
Utilities	132,629	112,596	117.8 %
Materials and supplies	(866)	11,038	(7.8)%
Insurance	14,141	13,950	101.4 %
General and administrative expenses	—	490	— %
Total General Aviation complex	510,385	523,373	97.5 %
Cargo complex			
Employee related expense	—	—	n/a
Professional services	—	—	n/a
Contractual labor	39,331	54,362	72.4 %
Utilities	240,425	138,554	173.5 %
Materials and supplies	(13,434)	7,000	(191.9)%
Insurance	26,895	29,400	91.5 %
General and administrative expenses	175	175	100.0 %
Total Cargo complex	293,392	229,491	127.8 %

RALEIGH-DURHAM AIRPORT AUTHORITY
EXPENSES COMPARED WITH BUDGET
AIRPORT FACILITIES OPERATING EXPENSES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Fuel Farm complex			
Employee related expense	$ —	$ —	n/a
Professional services	30,750	30,750	100.0 %
Contractual labor	101,671	102,759	98.9 %
Utilities	83,553	77,867	107.3 %
Materials and supplies	(1,456)	3,518	(41.4)%
Insurance	10,778	12,000	89.8 %
General and administrative expenses	—	—	n/a
Total Fuel Farm complex	225,296	226,894	99.3 %
Office & Other Buildings complex			
Employee related expense	—	—	n/a
Professional services	2,688	5,220	51.5 %
Contractual labor	705,730	776,328	90.9 %
Utilities	476,821	486,829	97.9 %
Materials and supplies	(9,700)	41,728	(23.2)%
Insurance	39,498	44,800	88.2 %
General and administrative expenses	525	770	68.2 %
Total Office & Other Buildings complex	1,215,562	1,355,675	89.7 %
Aviation Station complex			
Employee related expense	—	—	n/a
Professional services	—	—	n/a
Contractual labor	—	—	n/a
Utilities	41,419	2,520	1,643.6 %
Materials and supplies	—	—	n/a
Insurance	—	—	n/a
General and administrative expenses	—	—	n/a
Total Aviation Station complex	41,419	2,520	1,643.6 %
Rental Car complex			
Employee related expense	—	—	n/a
Professional services	—	—	n/a
Contractual labor	2,750	2,750	100.0 %
Utilities	291,014	3,238	8,987.5 %
Materials and supplies	—	—	n/a
Insurance	12,915	12,950	99.7 %
General and administrative expenses	—	—	n/a
Total Rental Car complex	306,679	18,938	1,619.4 %

RALEIGH-DURHAM AIRPORT AUTHORITY
EXPENSES COMPARED WITH BUDGET
AIRPORT FACILITIES OPERATING EXPENSES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Parking Lots complex			
Employee related expense	$ —	$ —	n/a
Professional services	573,512	576,453	99.5 %
Contractual labor	975,593	1,040,782	93.7 %
Utilities	815,848	813,509	100.3 %
Materials and supplies	96,955	105,245	92.1 %
Insurance	151,384	160,800	94.1 %
General and administrative expenses	3,925	3,975	98.7 %
Total Parking complex	2,617,217	2,700,764	96.9 %
Ground Transportation complex			
Employee related expense	—	—	n/a
Professional services	—	—	n/a
Contractual labor	39,881	43,038	92.7 %
Utilities	2,741	549	499.3 %
Materials and supplies	(7,152)	1,000	(715.2)%
Insurance	981	1,100	89.2 %
General and administrative expenses	—	—	n/a
Total Ground Transportation complex	36,451	45,687	79.8 %
General Grounds complex			
Employee related expense	—	—	n/a
Professional services	113,020	118,020	95.8 %
Contractual labor	1,442,822	1,463,076	98.6 %
Utilities	19,966	995,117	2.0 %
Materials and supplies	69,736	112,032	62.2 %
Insurance	7,835	3,400	230.4 %
General and administrative expenses	—	—	n/a
Total General Grounds complex	1,653,379	2,691,645	61.4 %
TOTAL AIRPORT FACILITIES EXPENSES	$ 22,633,404	$ 23,589,712	95.9 %

RALEIGH-DURHAM AIRPORT AUTHORITY
EXPENSES COMPARED WITH BUDGET
ADMINISTRATIVE EXPENSES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Administrative			
Chief Executive Officer			
Salaries & overtime	$ 928,270	$ 971,445	95.6%
Employee benefits	208,518	247,733	84.2%
Employee related expense	190,993	184,756	103.4%
Professional services	220,967	221,053	100.0%
Contractual labor	—	—	n/a
Utilities	—	—	n/a
Materials and supplies	1,638	2,235	73.3%
Insurance	98,265	109,400	89.8%
General and administrative expenses	50,972	53,047	96.1%
Total Chief Executive Officer	1,699,623	1,789,669	95.0%
Communications			
Salaries & overtime	378,313	504,731	75.0%
Employee benefits	122,559	161,231	76.0%
Employee related expense	23,189	30,316	76.5%
Professional services	433,833	438,000	99.0%
Contractual labor	287,267	366,276	78.4%
Utilities	—	—	n/a
Materials and supplies	28,853	33,944	85.0%
Insurance	—	—	n/a
General and administrative expenses	1,474,476	1,498,168	98.4%
Total Communications	2,748,490	3,032,666	90.6%
Human Capital Management			
Salaries & overtime	675,679	875,930	77.1%
Employee benefits	631,609	210,451	300.1%
Employee related expense	52,159	35,862	145.4%
Professional services	6,996	10,000	70.0%
Contractual labor	453,914	496,380	91.4%
Utilities	—	—	n/a
Materials and supplies	17,778	46,070	38.6%
Insurance	—	—	n/a
General and administrative expenses	14,096	16,517	85.3%
Total Human Capital Management	1,852,231	1,691,210	109.5%

RALEIGH-DURHAM AIRPORT AUTHORITY
EXPENSES COMPARED WITH BUDGET
ADMINISTRATIVE EXPENSES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Revenue Development			
Salaries & overtime	$ 2,913,898	$ 2,847,765	102.3%
Employee benefits	800,157	869,337	92.0%
Employee related expense	40,510	81,571	49.7%
Professional services	965,596	1,008,094	95.8%
Contractual labor	223,267	258,470	86.4%
Utilities	11,409	10,729	106.3%
Materials and supplies	391,429	412,504	94.9%
Insurance	—	—	n/a
General and administrative expenses	58,891	75,235	78.3%
Total Revenue Development	5,405,157	5,563,705	97.2%
Finance, Risk, Procurement			
Salaries & overtime	1,465,785	1,427,673	102.7%
Employee benefits	393,051	434,201	90.5%
Employee related expense	25,295	49,148	51.5%
Professional services	46,889	58,840	79.7%
Contractual labor	86,896	111,140	78.2%
Utilities	—	—	n/a
Materials and supplies	30,203	35,769	84.4%
Insurance	5,480	526	1,041.8%
General and administrative expenses	103,437	121,678	85.0%
Total Finance, Risk, Procurement	2,157,036	2,238,975	96.3%
Facilities Asset Management			
Salaries & overtime	872,196	1,012,693	86.1%
Employee benefits	245,161	281,315	87.1%
Employee related expense	9,054	27,325	33.1%
Professional services	35,357	35,357	100.0%
Contractual labor	47,214	66,600	70.9%
Utilities	—	—	n/a
Materials and supplies	1,101	2,100	52.4%
Insurance	20,390	22,700	89.8%
General and administrative expenses	16,183	30,108	53.7%
Total Facilities Asset Management	1,246,656	1,478,198	84.3%

RALEIGH-DURHAM AIRPORT AUTHORITY
EXPENSES COMPARED WITH BUDGET
ADMINISTRATIVE EXPENSES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Planning and Environment			
Salaries & overtime	$ 289,631	$ 294,368	98.4%
Employee benefits	84,433	98,260	85.9%
Employee related expense	2,510	7,395	33.9%
Professional services	4,077,828	4,077,827	100.0%
Contractual labor	164,164	191,711	85.6%
Utilities	2,970	3,530	84.1%
Materials and supplies	122	1,335	9.1%
Insurance	1,166	1,300	89.7%
General and administrative expenses	6,580	16,724	39.3%
Total Planning and Environment	4,629,404	4,692,450	98.7%
TOTAL ADMINISTRATIVE EXPENSES	$ 19,738,597	$ 20,486,873	96.3%

RALEIGH-DURHAM AIRPORT AUTHORITY
EXPENSES COMPARED WITH BUDGET
FUELING SYSTEMS EXPENSES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Fueling Systems			
Salaries & overtime	$ 727,909	$ 697,202	104.4%
Employee benefits	215,700	238,746	90.3%
Employee related expense	8,144	10,110	80.6%
Professional services	—	—	n/a
Contractual labor	86,496	99,000	87.4%
Utilities	—	—	n/a
Materials and supplies	84,135	88,359	95.2%
Insurance	14,275	15,900	89.8%
General and administrative expenses	1,196	1,922	62.2%
TOTAL FUELING SYSTEMS EXPENSES	$ 1,137,855	$ 1,151,239	98.8%

RALEIGH-DURHAM AIRPORT AUTHORITY
EXPENSES COMPARED WITH BUDGET
LAW ENFORCEMENT EXPENSES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Law Enforcement			
Salaries & overtime	$ 2,940,357	$ 2,859,550	102.8%
Employee benefits	825,085	866,989	95.2%
Employee related expense	70,115	71,617	97.9%
Professional services	1,041	1,200	86.8%
Contractual labor	3,350	5,143	65.1%
Utilities	—	—	n/a
Materials and supplies	56,691	124,229	45.6%
Insurance	85,326	95,000	89.8%
General and administrative expenses	22,116	22,388	98.8%
TOTAL LAW ENFORCEMENT EXPENSES	$ 4,004,081	$ 4,046,116	99.0%

RALEIGH-DURHAM AIRPORT AUTHORITY
EXPENSES COMPARED WITH BUDGET
AIRPORT MAINTENANCE EXPENSES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Airport Maintenance			
Baggage Systems			
Salaries & overtime	$ 93,880	$ 101,244	92.7 %
Employee benefits	24,114	24,984	96.5 %
Employee related expense	—	—	n/a
Professional services	—	—	n/a
Contractual labor	—	—	n/a
Utilities	—	—	n/a
Materials and supplies	—	—	n/a
Insurance	(89)	—	n/a
General and administrative expenses	—	—	n/a
Total Baggage Systems	117,905	126,228	93.4 %
Contract Facilities Maintenance			
Salaries & overtime	130,467	135,436	96.3 %
Employee benefits	(8,417)	42,060	(20.0)%
Employee related expense	—	—	n/a
Professional services	—	—	n/a
Contractual labor	—	—	n/a
Utilities	—	—	n/a
Materials and supplies	543	750	72.4 %
Insurance	—	—	n/a
General and administrative expenses	—	—	n/a
Total Contract Facilities Maintenance	122,593	178,246	68.8 %
Fleet Maintenance			
Salaries & overtime	424,214	429,173	98.8 %
Employee benefits	138,021	144,600	95.5 %
Employee related expense	5,357	6,105	88 %
Professional services	—	—	n/a
Contractual labor	95,970	105,125	91.3 %
Utilities	—	—	n/a
Materials and supplies	584,956	611,187	95.7 %
Insurance	10,778	12,000	89.8 %
General and administrative expenses	11,521	13,224	87 %
Total Fleet Maintenance	1,270,817	1,321,414	96.2 %

RALEIGH-DURHAM AIRPORT AUTHORITY
EXPENSES COMPARED WITH BUDGET
AIRPORT MAINTENANCE EXPENSES
Year Ended March 31, 2017

Facilities Maintenance			
Salaries & overtime	$ 1,786,363	$ 1,820,225	98.1 %
Employee benefits	579,729	618,020	93.8 %
Employee related expense	33,974	41,540	81.8 %
Professional services	—	—	n/a
Contractual labor	97	1,000	9.7 %
Utilities	—	—	n/a
Materials and supplies	1,112	19,670	5.7 %
Insurance	108,947	121,200	89.9 %
General and administrative expenses	10,415	12,866	80.9 %
Total Facilities Maintenance	2,520,637	2,634,521	95.7 %
Fields Maintenance			
Salaries & overtime	1,053,332	1,075,184	98.0 %
Employee benefits	406,738	427,224	95.2 %
Employee related expense	36,464	42,770	85.3 %
Professional services	—	—	n/a
Contractual labor	578	2,080	27.8 %
Utilities	—	—	n/a
Materials and supplies	5,858	9,425	62.2 %
Insurance	—	—	n/a
General and administrative expenses	6,156	26,896	22.9 %
Total Fields Maintenance	1,509,126	1,583,579	95.3 %
TOTAL AIRPORT MAINTENANCE EXPENSES	$ 5,541,078	$ 5,843,988	94.8 %

RALEIGH-DURHAM AIRPORT AUTHORITY
EXPENSES COMPARED WITH BUDGET
PARKING EXPENSES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Parking			
Salaries & overtime	$ 1,022,985	$ 1,008,189	101.5%
Employee benefits	358,463	405,562	88.4%
Employee related expense	5,235	10,593	49.4%
Professional services	815,490	815,490	100.0%
Contractual labor	829,272	838,761	98.9%
Utilities	—	—	n/a
Materials and supplies	4,202	5,215	80.6%
Insurance	25,238	28,100	89.8%
General and administrative expenses	1,350,855	1,356,643	99.6%
TOTAL PARKING EXPENSES	$ 4,411,740	$ 4,468,553	98.7%

RALEIGH-DURHAM AIRPORT AUTHORITY
EXPENSES COMPARED WITH BUDGET
AIRPORT FIRE - RESCUE
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Airport Fire - Rescue			
Salaries & overtime	$ 1,145,530	$ 1,218,064	94.0%
Employee benefits	362,330	376,545	96.2%
Employee related expense	45,775	49,668	92.2%
Professional services	—	—	n/a
Contractual labor	13,523	13,930	97.1%
Utilities	1,718	1,800	95.4%
Materials and supplies	30,600	30,813	99.3%
Insurance	37,011	41,200	89.8%
General and administrative expenses	11,327	17,565	64.5%
TOTAL AIRPORT FIRE - RESCUE EXPENSES	$ 1,647,814	$ 1,749,585	94.2%

RALEIGH-DURHAM AIRPORT AUTHORITY
EXPENSES COMPARED WITH BUDGET
GUEST SERVICES EXPENSES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Guest Services			
Salaries & overtime	$ 580,712	$ 563,843	103.0%
Employee benefits	197,329	216,750	91.0%
Employee related expense	10,330	12,339	83.7%
Professional services	—	—	n/a
Contractual labor	16,194	16,344	99.1%
Utilities	—	—	n/a
Materials and supplies	15,422	16,102	95.8%
Insurance	14,275	15,900	89.8%
General and administrative expenses	3,655	6,065	60.3%
TOTAL GUEST SERVICES EXPENSES	$ 837,917	$ 847,343	98.9%

RALEIGH-DURHAM AIRPORT AUTHORITY
EXPENSES COMPARED WITH BUDGET
COMMUNICATIONS CENTER EXPENSES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Communications Center			
Salaries & overtime	$ 526,711	$ 516,157	102.0%
Employee benefits	172,784	180,875	95.5%
Employee related expense	331	1,530	21.6%
Professional services	—	—	n/a
Contractual labor	86,999	89,500	97.2%
Utilities	—	—	n/a
Materials and supplies	58,666	59,175	99.1%
Insurance	11,944	13,300	90%
General and administrative expenses	1,800	1,800	100.0%
TOTAL COMMUNICATIONS CENTER EXPENSES	$ 859,235	$ 862,337	99.6%

RALEIGH-DURHAM AIRPORT AUTHORITY
EXPENSES COMPARED WITH BUDGET
OPERATIONS EXPENSES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Operations			
Salaries & overtime	$ 1,005,970	$ 994,268	101.2%
Employee benefits	289,053	312,375	92.5%
Employee related expense	5,061	5,105	99.1%
Professional services	3,198	3,450	92.7%
Contractual labor	168,602	168,653	100.0%
Utilities	—	—	n/a
Materials and supplies	47,949	48,760	98.3%
Insurance	21,285	23,700	90%
General and administrative expenses	12,441	16,076	77.4%
TOTAL OPERATIONS EXPENSES	$ 1,553,559	$ 1,572,387	98.8%

RALEIGH-DURHAM AIRPORT AUTHORITY
EXPENSES COMPARED WITH BUDGET
GROUNDS TRANSPORTATION DIVISION EXPENSES
Year Ended March 31, 2017

	Actual	Budget	Percent of Budget
Ground Transportation			
Salaries & overtime	$ 121,554	$ 122,164	99.5%
Employee benefits	39,276	42,167	93.1%
Employee related expense	1,319	2,110	62.5%
Professional services	—	—	n/a
Contractual labor	1,242,522	1,249,462	99.4%
Utilities	—	—	n/a
Materials and supplies	8,638	9,430	91.6%
Insurance	17,247	19,200	89.8%
General and administrative expenses	5,020	30,444	16.5%
Total Ground Transportation	1,435,576	1,474,977	97.3%
Traffic Control			
Salaries & overtime	1,056,821	987,913	107.0%
Employee benefits	360,239	400,150	90.0%
Employee related expense	18,053	19,914	90.7%
Professional services	—	—	n/a
Contractual labor	5,298	8,248	64.2%
Utilities	—	—	n/a
Materials and supplies	3,766	5,760	65.4%
Insurance	30,982	34,500	89.8%
General and administrative expenses	5,095	5,248	97.1%
Total Traffic Control	1,480,254	1,461,733	101.3%
TOTAL GROUND TRANSPORTATION DIVISION EXPENSES	$ 2,915,830	$ 2,936,710	99.3%

RALEIGH-DURHAM AIRPORT AUTHORITY
SUMMARY OF DEPRECIATION
FOR THE YEAR ENDED MARCH 31, 2017

	Actual
Departmental	
Administrative	$ 652,039
Parking	9,031,763
Airport Fire - Rescue	25,621
Airport maintenance	1,344,278
Law enforcement	16,419
Facilities and environmental	—
Operations	2,561
Communications	105,237
Ground transportation	24,448
Total departmental	11,202,366
Nondepartmental	
Airfield complex	6,315,600
Terminal 1 complex	
Buildings and improvements	4,594,968
Terminal 2 complex	
Buildings and improvements	19,042,256
Central Energy Plant	554,593
General Aviation complex	
Buildings and improvements	3,044,451
Cargo complex	
Buildings and improvements	187,945
Ground Transportation complex	
Roadways	1,431,082
Fuel Farm complex	628,473
Office & Other Buildings complex	2,662,563
Utilities complex	68,795
Rental Car complex	1,500
TOTAL DEPRECIATION EXPENSE	$ 49,734,592

RALEIGH-DURHAM AIRPORT AUTHORITY

DETAILS OF AIRPORT AND FACILITIES

Year Ended March 31, 2017

	Total	Authority Funds	Federal and State Funds
Land	$ 41,193,383	$ 35,702,262	$ 5,491,121
Land improvements	1,446,371	1,446,371	—
Airfield	552,766,933	427,274,752	125,492,181
Airfield improvements	2,818,001	2,818,001	—
Terminal buildings	777,075,433	776,799,163	276,270
Other buildings	176,491,899	141,486,597	35,005,302
Building improvements	963,636	963,636	—
Utilities	5,417,436	5,211,923	205,513
Equipment	41,004,245	41,004,245	—
Vehicles heavy	935,458	218,224	717,234
Vehicles light	280,492	280,492	—
Computer Hardware	1,875,070	1,875,070	—
Computer Software	869,086	869,086	—
Construction in progress	17,048,951	17,048,951	—
TOTAL DETAILS OF AIRPORT AND FACILITIES	$ 1,620,186,394	$ 1,452,998,773	$ 167,187,621

Raleigh-Durham Airport Authority
RDU Airport, North Carolina

Statistical Section

Prepared by the Finance Department

The ***Statistical Section*** presents detailed information on financial trends, revenue capacity, debt capacity, demographic, and economic information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Authority's overall financial health.

Raleigh-Durham Airport Authority

STATISTICAL SECTION

RALEIGH-DURHAM AIRPORT AUTHORITY
STATISTICAL TABLE OF CONTENTS
FOR THE FISCAL YEAR ENDED MARCH 31, 2017

Statistical Section (Unaudited) **Page**

Net Position by Component
Last Ten Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Net Position										
Net investment in capital assets	$306,735,414	$297,838,788	$313,053,656	$330,599,774	$313,607,597	$307,107,509	$321,369,827	$302,289,837	$310,905,473	$298,851,847
Restricted For:										
State of North Carolina Underground Storage Tank Trust Deductible	—	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000	220,000
DEA/ICE Forfeitures	79,610	82,029	39,851	—	—	—	—	—	—	—
Passenger Facility Charges	25,529,873	2,850,046	4,325,108	7,212,645	13,239,327	18,149,465	22,671,438	73,294,625	74,428,717	73,609,528
Customer Facility Charges	3,383,354	—	—	—	—	—	—	—	—	—
Unrestricted Net Position	123,685,528	131,974,693	108,720,984	86,803,531	93,733,389	96,036,491	97,869,697	108,572,170	91,557,348	88,539,606
Total Net Position	$459,413,779	$432,965,556	$426,359,599	$424,835,950	$420,800,313	$421,513,465	$442,130,962	$484,376,632	$477,111,538	$461,220,981

Note:
Due to Raleigh-Durham Airport Authority's required adoption of GASB 68 during FY2016, the Net Position for FY2015 has been re-stated for comparative financial statements.
Due to Raleigh-Durham Airport Authority's required adoption of GASB 63 & 65 during FY2013, the Net Position for FY2012 have been re-stated for comparative financial statements.

RALEIGH-DURHAM AIRPORT AUTHORITY
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Last Ten Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Operating revenues										
Parking	$ 55,843,209	$ 47,058,255	$ 43,796,914	$ 41,427,389	$ 41,266,707	$ 37,166,800	$ 35,859,116	$ 34,686,948	$ 37,379,524	$ 40,131,085
Airfield	15,058,135	12,852,933	11,361,874	12,158,127	11,366,233	11,930,074	11,865,742	12,499,790	10,614,546	11,308,179
General aviation	1,721,515	1,706,871	1,632,938	1,475,959	1,539,352	1,399,599	1,400,643	1,398,821	1,387,739	1,342,211
Terminals	37,929,957	33,821,356	31,649,941	26,230,425	27,022,756	27,020,695	24,632,442	23,283,910	20,459,651	18,845,460
Air cargo	2,309,639	2,290,621	2,186,712	2,032,561	2,000,218	2,300,134	2,016,233	2,004,795	1,989,512	1,959,833
Fuel Farm	1,649,095	1,632,397	1,493,730	1,260,329	1,033,960	1,041,622	972,544	961,740	927,232	565,893
Rental car	16,742,662	14,830,467	14,191,508	13,126,408	12,875,772	12,305,766	11,967,229	11,604,879	12,788,821	13,628,529
Other	2,560,078	2,126,105	1,156,617	986,311	939,738	1,219,858	905,829	728,034	685,165	577,573
Total operating revenues	**133,814,290**	**116,319,005**	**107,470,234**	**98,697,509**	**98,044,736**	**94,384,548**	**89,619,778**	**87,168,917**	**86,232,190**	**88,358,763**
Operating expenses										
Airport facilities	22,633,404	21,241,939	20,771,149	21,427,418	19,852,701	19,742,281	19,122,793	17,956,239	15,499,047	12,290,026
Administrative	19,738,597	17,813,209	13,081,431	11,439,962	10,104,828	9,631,766	9,438,549	8,201,857	8,274,367	6,684,641
Fuel Farm	1,137,855	1,072,207	974,962	988,781	962,410	954,405	978,378	903,815	932,042	739,965
Law enforcement	4,004,081	3,958,846	3,083,883	2,621,284	3,276,244	3,352,166	3,253,639	2,848,365	3,008,371	2,987,660
Airport maintenance	5,541,078	5,317,196	5,752,900	5,682,924	5,582,380	5,147,431	5,176,960	4,828,437	4,821,408	4,247,141
Parking	4,411,740	2,787,162	2,646,638	2,734,778	2,695,904	2,752,134	2,829,332	2,416,808	2,756,988	2,644,350
Airport fire - rescue	1,647,814	1,649,329	1,630,311	1,687,521	1,588,000	1,601,134	1,614,092	1,523,960	1,461,996	1,508,453
Guest services	837,917	791,525	793,295	803,492	736,912	734,451	758,323	689,040	611,002	543,024
Communications	859,235	794,310	706,819	722,262	777,618	751,792	808,140	727,856	814,682	741,821
Operations	1,553,559	1,516,292	1,325,999	1,277,388	1,211,335	1,127,924	1,069,994	984,061	1,004,747	919,665
Ground transportation	2,915,830	2,765,909	2,728,126	2,656,949	2,573,877	2,608,835	2,685,399	2,701,382	2,722,685	2,771,980
Terminal services	—	—	111,886	129,396	237,313	334,352	256,996	227,699	222,382	123,352
Subtotal	**65,281,110**	**59,707,924**	**53,607,399**	**52,172,155**	**49,599,522**	**48,738,671**	**47,992,595**	**44,009,519**	**42,129,717**	**36,202,078**
Depreciation	49,734,592	51,800,974	49,623,986	47,901,680	48,678,489	49,359,167	47,095,977	47,523,955	39,245,679	33,505,153
Total operating expenses	**115,015,702**	**111,508,898**	**103,231,385**	**100,073,835**	**98,278,011**	**98,097,838**	**95,088,572**	**91,533,474**	**81,375,396**	**69,707,231**
Operating income (loss)	**18,798,588**	**4,810,107**	**4,238,849**	**(1,376,326)**	**(233,275)**	**(3,713,290)**	**(5,468,794)**	**(4,364,557)**	**4,856,794**	**18,651,532**
Non-operating revenues (expenses)										
Investment interest income	2,970,505	2,432,019	2,465,613	1,419,898	2,054,048	2,148,101	2,500,267	3,750,839	5,592,912	8,507,396
Passenger Facility Charges	22,679,826	20,525,728	19,113,463	18,323,327	18,734,688	18,424,026	18,818,814	18,940,075	19,710,529	24,006,372
Customer Facility Charges	3,147,074	—	—	—	—	—	—	—	—	—
Net (decrease) increase in fair value of investments	(711,548)	259	(570,203)	477,643	781,419	241,068	(404,171)	(404,147)	(40,516)	771,553
Bond interest expense, net	(22,575,341)	(21,768,920)	(26,763,852)	(25,801,032)	(27,933,517)	(29,077,558)	(25,491,187)	(22,663,862)	(15,989,551)	(15,239,195)
Loss on disposal of airport facilities	—	—	—	—	—	—	—	—	—	—
Loss on swap termination	—	—	—	—	—	(1,465,749)	(34,350,297)	—	(4,543,541)	—
Amortization of deferred expenses related to 2001A refunding	—	—	—	—	—	—	(5,392,913)	—	—	—
Other, Revenue (TSA Reimb, Late Fees, Misc)	(636,118)	91,847	580,360	344,365	408,133	729,996	873,263	487,820	626,545	206,670
Total non-operating revenues (expenses)	**4,874,398**	**1,280,933**	**(5,174,619)**	**(5,235,799)**	**(5,955,229)**	**(9,000,116)**	**(43,446,224)**	**110,725**	**5,356,378**	**18,252,796**
Income (loss) before capital contributions	**23,672,986**	**6,091,040**	**(935,770)**	**(6,612,125)**	**(6,188,504)**	**(12,713,406)**	**(48,915,018)**	**(4,253,832)**	**10,213,172**	**36,904,328**
Capital contributions	2,775,237	1,793,993	2,459,419	10,647,762	5,475,352	644,240	6,669,348	11,518,926	5,677,385	50,000
Increase (decrease) in net position	**26,448,223**	**7,885,033**	**1,523,649**	**4,035,637**	**(713,152)**	**(12,069,166)**	**(42,245,670)**	**7,265,094**	**15,890,557**	**36,954,328**
Net position, beginning restated	—	(1,279,076)				(8,548,331)				
Net position, beginning of year	432,965,556	426,359,599	424,835,950	420,800,313	421,513,465	442,130,962	484,376,632	477,111,538	461,220,981	424,266,653
Net position, end of year	**$ 459,413,779**	**$ 432,965,556**	**$ 426,359,599**	**$ 424,835,950**	**$ 420,800,313**	**$ 421,513,465**	**$ 442,130,962**	**$ 484,376,632**	**$ 477,111,538**	**$ 461,220,981**

Note:

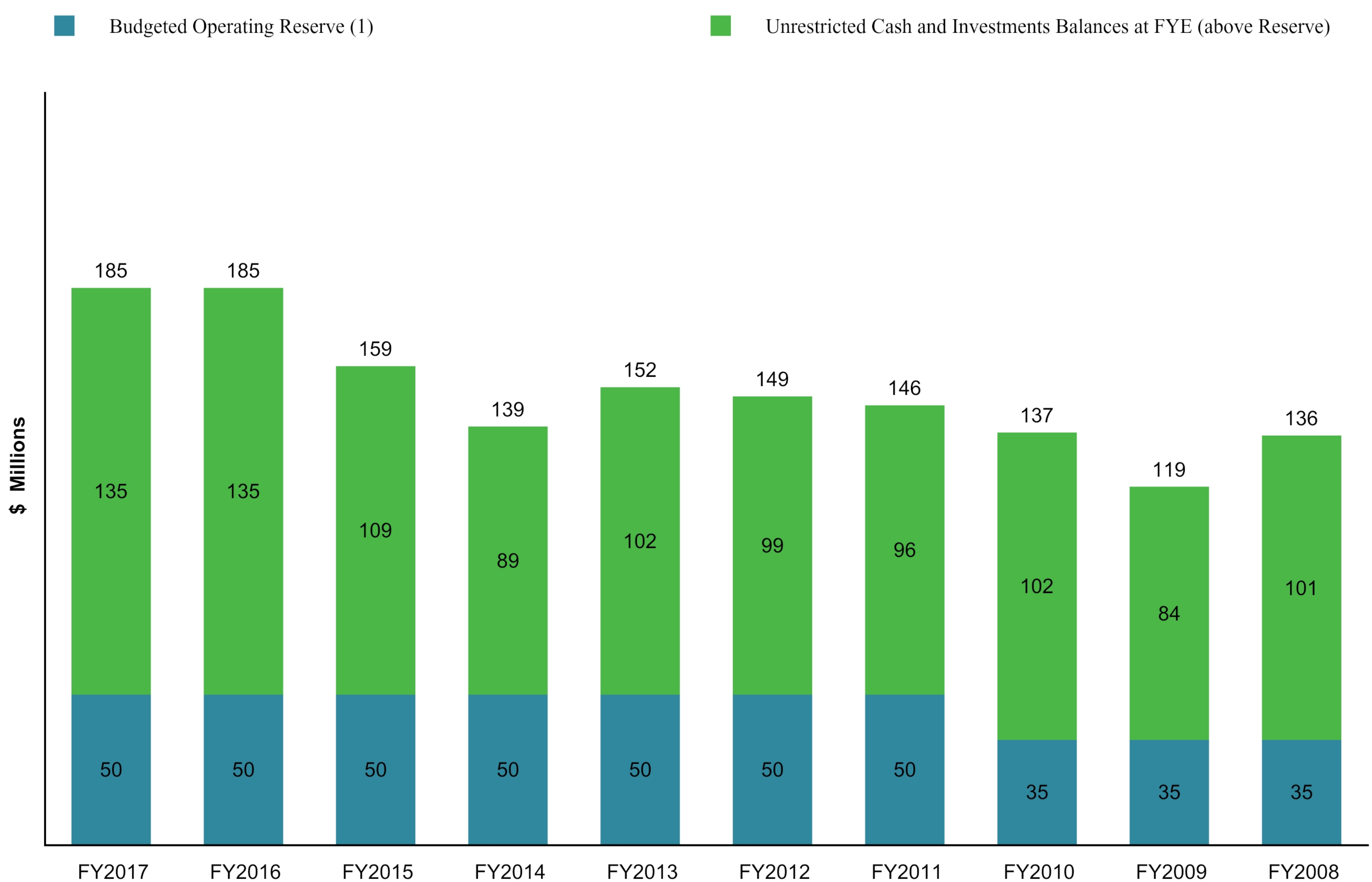
Due to Raleigh-Durham Airport Authority's required adoption of GASB 68 during FY2016, the Net Position for FY2015 has been re-stated for comparative financial statements.

Due to Raleigh-Durham Airport Authority's required adoption of GASB 63 & 65 during FY2013, the Net Position for FY2012 have been re-stated for comparative financial statements.

RALEIGH-DURHAM AIRPORT AUTHORITY
KEY PERFORMANCE INDICATORS
Last Ten Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Airline Cost per Enplanement (CPE)	$ 7.28	$ 7.02	$ 6.91	$ 6.45	$ 6.35	$ 6.48	$ 6.29	$ 6.24	$ 5.09	$ 4.50
Airline Cost per Airline Operation	286.04	266.43	247.87	218.82	215.93	206.77	191.23	186.94	145.35	120.55
Total Aeronautical Revenue per Total Operation	254.76	236.19	220.80	194.58	192.23	186.22	178.95	171.91	132.04	110.81
Concession Revenue per Enplanement	1.67	1.61	1.60	1.49	1.44	1.49	1.43	1.39	1.25	1.19
Concession Revenue per Airline Operation	65.51	61.24	57.52	50.64	48.96	47.62	43.52	41.80	35.58	31.91
Rental Car Revenue per Enplanement	2.98	2.88	2.95	2.86	2.78	2.68	2.62	2.57	2.73	2.69
Rental Car Revenue per Airline Operation	117.16	109.31	105.95	96.84	94.53	85.35	79.84	77.00	77.93	71.96
Parking Revenue per Enplanement	10.27	9.37	9.26	9.13	9.01	8.18	7.95	7.76	7.99	7.87
Parking Revenue per Airline Operation	403.47	355.77	332.28	309.53	306.46	260.80	241.89	232.63	228.18	210.62
Non-Aeronautical Revenue per Enplanement	15.05	14.14	14.10	13.73	13.49	12.66	12.09	11.82	12.16	11.92
Non-Aeronautical Revenue per Airline Operation	591.36	536.97	505.68	465.46	458.76	404.01	367.65	354.43	347.08	319.05
Non-Airline Operating Revenue per Enplanement	16.56	15.56	15.55	15.10	14.79	14.05	13.43	13.18	13.32	12.92
Non-Airline Operating Revenue per Total Operation	480.21	435.64	410.53	375.41	371.62	332.51	314.97	298.45	281.39	259.97
Total Operating Revenue per Enplanement	23.84	22.58	22.46	21.55	21.14	20.53	19.72	19.41	18.41	17.43
Total Operating Revenue per Airline Operation	936.39	857.36	805.71	730.87	718.97	655.08	599.76	581.97	525.44	466.52
Total Operating Revenue per Total Operation	691.41	632.05	592.95	535.84	531.13	485.88	462.41	439.68	389.00	350.56
Total Operating Expenses per Enplanement	11.63	11.59	11.16	11.35	10.71	10.57	10.49	9.74	8.99	7.14
Total Operating Expenses per Airline Operation	456.82	440.09	400.21	384.88	364.16	337.16	319.14	292.01	256.71	191.14
Total Operating Expenses per Total Operation	337.31	324.44	294.53	282.17	269.02	250.08	246.05	220.62	190.05	143.63
Number of Days Unrestricted Cash On Hand	1,036	1,131	1,084	976	1,118	1,112	1,162	1,135	1,029	1,364

RDU Unrestricted Cash & Investment Balances

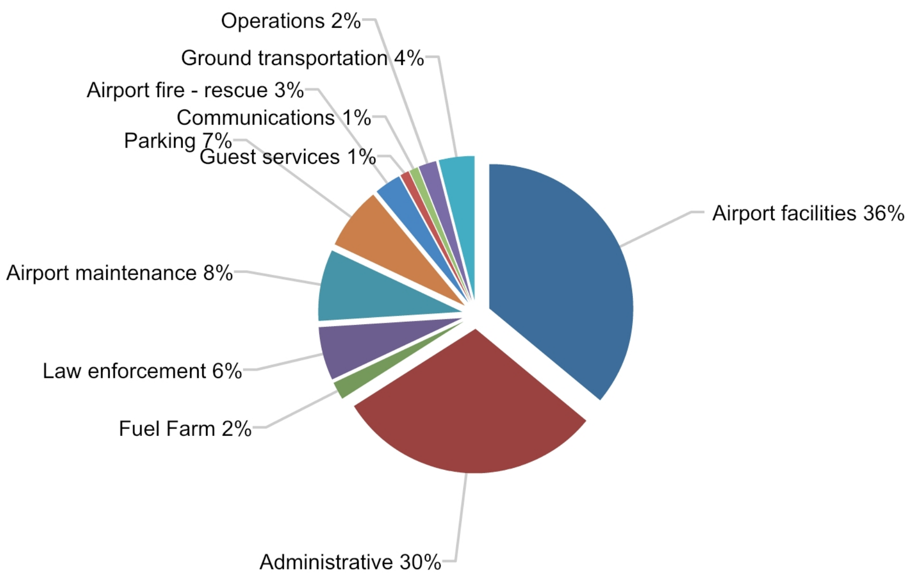


(1) The Authority formally adopted an operating reserve policy that provided that the Authority maintain an unencumbered reserve of $50 million.

FYE March 31, 2017 Operating Expense by Business Unit (000s)

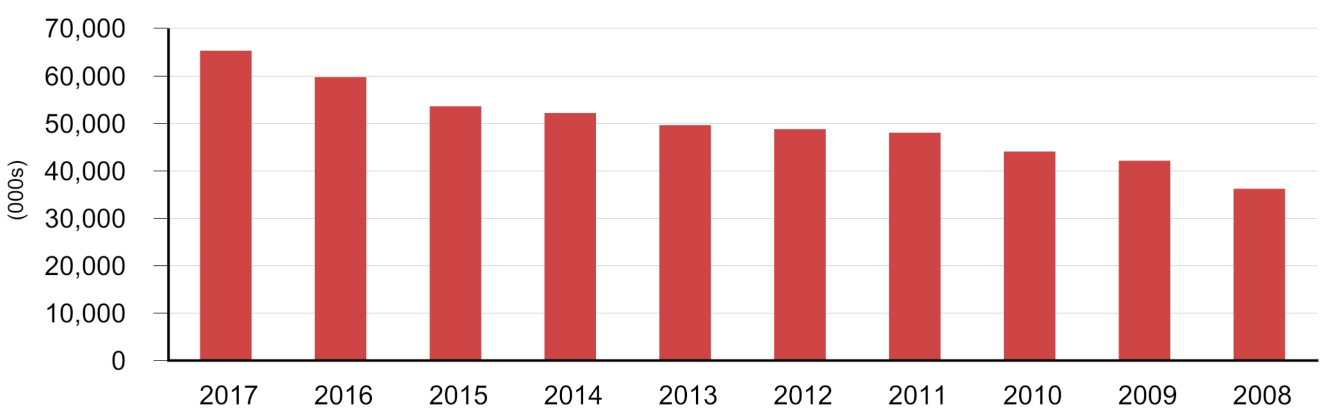
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Airport facilities	$ 22,633	$ 21,242	$ 20,771	$ 21,427	$ 19,853	$ 19,742	$ 19,123	$ 17,956	$ 15,499	$ 12,290
Administrative	19,738	17,813	13,081	11,440	10,105	9,632	9,439	8,202	8,274	6,685
Fueling Systems	1,138	1,072	975	989	963	954	978	904	932	740
Law enforcement	4,004	3,959	3,084	2,621	3,276	3,352	3,254	2,848	3,008	2,988
Airport maintenance	5,541	5,317	5,753	5,683	5,582	5,148	5,177	4,829	4,822	4,247
Parking	4,412	2,787	2,647	2,735	2,696	2,752	2,829	2,417	2,757	2,644
Airport fire - rescue	1,648	1,650	1,630	1,688	1,588	1,601	1,614	1,524	1,462	1,508
Guest services	838	792	793	804	737	735	758	689	611	543
Communications	859	794	707	722	778	752	808	728	815	742
Operations	1,554	1,516	1,326	1,277	1,211	1,128	1,070	984	1,005	920
Ground transportation	2,916	2,766	2,728	2,657	2,574	2,609	2,686	2,701	2,723	2,772
Terminal services	—	—	112	129	237	334	257	228	222	123
Total	$ 65,281	$ 59,708	$ 53,607	$ 52,172	$ 49,600	$ 48,739	$ 47,993	$ 44,010	$ 42,130	$ 36,202

FYE March 31, 2017 Operating Expense by Business Unit (000s)



Administrative includes:
- Airport Authority & Director
- Legal and Compliance
- Marketing and Customer Relations
- Administration
- Business
- Audit
- Finance
- Information Services
- Facilities Development
- Planning and Environmental
- Building and Building Systems
- Noise
- GIS

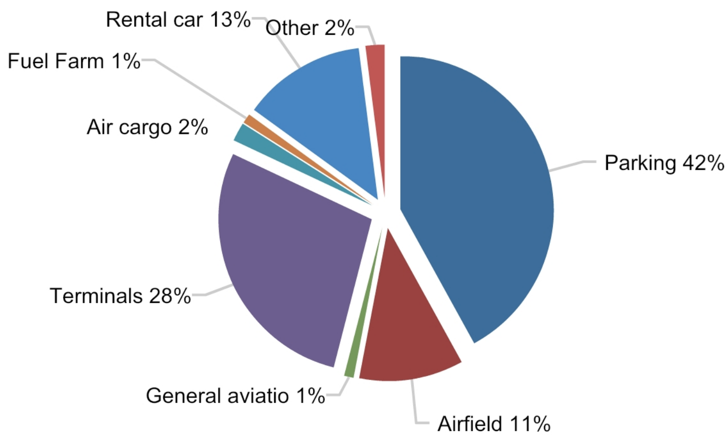
Operating Expenses



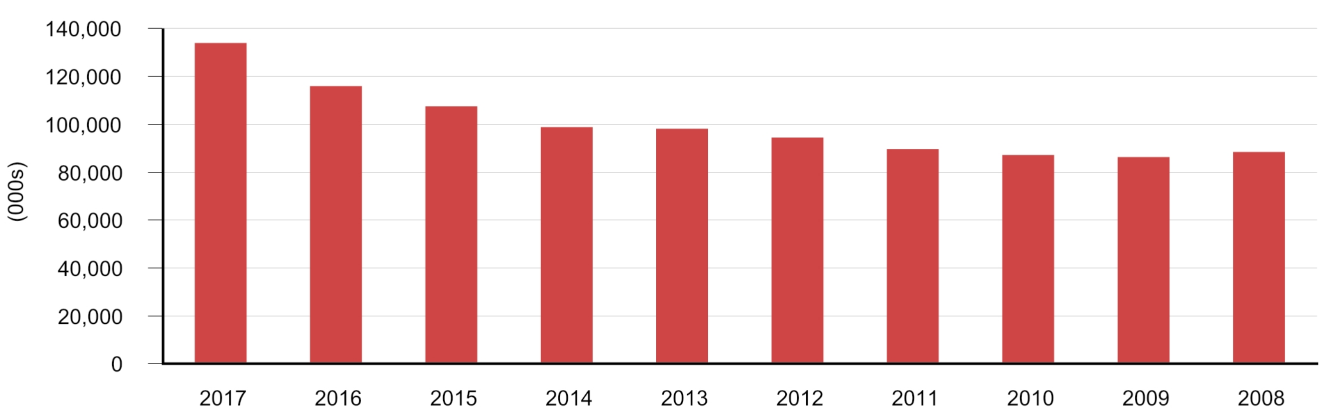
FYE March 31, 2017 Operating Revenue by Source (000s)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Parking	$ 55,843	$ 47,058	$ 43,796	$ 41,427	$ 41,267	$ 37,167	$ 35,859	$ 34,687	$ 37,380	$ 40,131
Airfield	15,058	12,853	11,362	12,158	11,366	11,930	11,866	12,500	10,614	11,308
General aviation	1,722	1,707	1,633	1,476	1,539	1,399	1,401	1,399	1,388	1,342
Terminals	37,930	33,821	31,650	26,230	27,023	27,021	24,632	23,284	20,460	18,845
Air cargo	2,310	2,291	2,187	2,033	2,000	2,300	2,016	2,005	1,989	1,960
Fuel Farm	1,649	1,632	1,494	1,260	1,034	1,042	973	961	927	566
Rental car	16,742	14,831	14,191	13,128	12,876	12,306	11,967	11,605	12,789	13,629
Other	2,560	1,760	1,157	986	940	1,220	906	728	685	578
Total	$ 133,814	$ 115,953	$ 107,470	$ 98,698	$ 98,045	$ 94,385	$ 89,620	$ 87,169	$ 86,232	$ 88,359

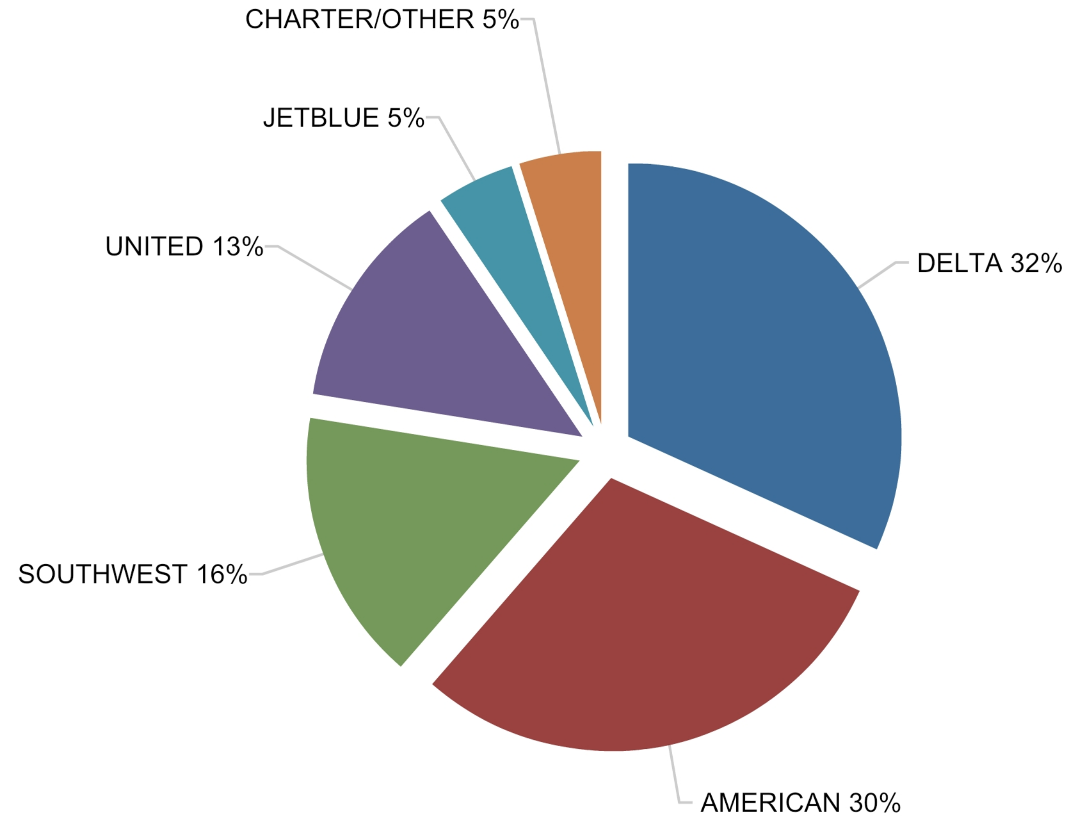
FYE March 31, 2017 Operating Revenues by Source (000s)



Operating Revenues



FYE March 31, 2017 Airline Derived Revenue by Carrier



RALEIGH-DURHAM AIRPORT AUTHORITY
DEBT SERVICE SCHEDULE

RDU BONDS ISSUES	FY 2026/2027	FY 2025/2026	FY 2024/2025	FY 2023/2024	FY 2022/2023	FY 2021/2022	FY 2020/2021	FY 2019/2020	FY 2018/2019	FY 2017/2018	FY 2016/2017
2007 (AMT) - $152.070 mill (4.75%) - PFC 74.74%											
Principal (May Only) PFC Applicaton of Funds	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	$ 7,230,000
Interest (May) PFC Application of Funds	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	6,636,400
Interest (November) PFC Application of Funds	n/a [n]	n/a [n]	n/a [n]	n/a [n]	n/a [n]	n/a [n]	n/a [n]	n/a [n]	n/a [n]	n/a	3,274,138
Total	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 17,140,538
2008 C (Non-AMT) - $72.295 mill Variable rate											
Principal (May Only) PFC Application of Funds	$ 2,940,000	$ 2,805,000	$ 2,680,000	$ 2,550,000	$ 2,440,000	$ 2,330,000	$ 2,220,000	$ 2,120,000	$ 2,020,000	$ 1,925,000	$ 1,840,000
Interest (12 Monthly Payments) PFC Application of Funds	1,547,400	1,664,550	1,776,333	1,883,100	1,984,733	2,081,967	2,174,800	2,263,267	2,347,733	600,000	357,282
Total	$ 4,487,400	$ 4,469,550	$ 4,456,333	$ 4,433,100	$ 4,424,733	$ 4,411,967	$ 4,394,800	$ 4,383,267	$ 4,367,733	$ 2,525,000	$ 2,197,282
2010A (Non-AMT) - $242.365 mill (4.11%) Fixed Rate											
Principal (May Only)	$ 9,900,000	$ 9,415,000	$ 8,955,000	$ 8,520,000	$ 8,105,000	$ 7,710,000	$ 7,330,000	$ 6,975,000	$ 6,635,000	$ 6,310,000	$ 6,005,000
Interest (May)	3,394,256	3,629,631	3,853,506	4,066,506	4,269,131	4,461,881	4,645,131	4,819,506	4,985,381	5,143,131	5,293,257
Interest (November)	3,146,756	3,394,256	3,629,631	3,853,506	4,066,506	4,269,131	4,461,881	4,645,131	4,819,506	4,985,381	5,143,131
Total	$ 16,441,012	$ 16,438,887	$ 16,438,137	$ 16,440,012	$ 16,440,637	$ 16,441,012	$ 16,437,012	$ 16,439,637	$ 16,439,887	$ 16,438,512	$ 16,441,388
2010B - (Non-AMT) - $94.08 mill, (4.11%) Fixed Rate											
Principal (November Only)	$ 7,405,000	$ 7,055,000	$ 6,715,000	$ 6,395,000	$ 6,090,000	$ 5,805,000	$ 5,630,000	$ 5,365,000	$ 5,110,000	$ 4,865,000	$ 4,725,000
Interest (May)	379,500	555,875	723,750	883,625	1,035,875	1,181,000	1,265,450	1,399,575	1,527,325	1,648,950	1,719,825
Interest (November)	379,500	555,875	723,750	883,625	1,035,875	1,181,000	1,265,450	1,399,575	1,527,325	1,648,950	1,719,825
Total	$ 8,164,000	$ 8,166,750	$ 8,162,500	$ 8,162,250	$ 8,161,750	$ 8,167,000	$ 8,160,900	$ 8,164,150	$ 8,164,650	$ 8,162,900	$ 8,164,650
2010B-1 (Non-AMT) - $38.235 mill (4.18%) Fixed Rate											
Principal (November Only)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Interest (May)	851,550	851,550	851,550	851,550	851,550	851,550	851,550	851,550	851,550	851,550	851,550
Interest (November)	851,550	851,550	851,550	851,550	851,550	851,550	851,550	851,550	851,550	851,550	851,550
Total	$ 1,703,100	$ 1,703,100	$ 1,703,100	$ 1,703,100	$ 1,703,100	$ 1,703,100	$ 1,703,100	$ 1,703,100	$ 1,703,100	$ 1,703,100	$ 1,703,100
2015A (Non-AMT) - $34.06 mill (3.07%)											
Principal (May Only)	$ 3,205,000	$ 3,045,000	$ 2,900,000	$ 2,755,000	$ 2,625,000	$ 2,495,000	$ 2,375,000	$ 120,000	n/a	n/a	n/a
Interest (May)	434,250	510,375	582,875	651,750	717,375	779,750	839,125	841,525	841,525	841,525	841,525
Interest (November)	354,125	434,250	510,375	582,875	651,750	717,375	779,750	839,125	841,525	841,525	841,525
Total	$ 3,993,375	$ 3,989,625	$ 3,993,250	$ 3,989,625	$ 3,994,125	$ 3,992,125	$ 3,993,875	$ 1,800,650	$ 1,683,050	$ 1,683,050	$ 1,683,050
2015B (AMT) - $48.685 mill (3.00%)											
Principal (May Only)	$ 3,235,000	$ 3,085,000	$ 2,930,000	$ 2,790,000	$ 2,655,000	$ 2,520,000	$ 2,400,000	$ 4,420,000	$ 4,675,000	$ 4,445,000	$ 4,800,000
Interest (May)	334,125	411,250	484,500	554,250	620,625	683,625	743,625	854,125	971,000	1,082,125	1,178,125
Interest (November)	253,250	334,125	411,250	484,500	554,250	620,625	683,625	743,625	854,125	971,000	1,082,125
Total	$ 3,822,375	$ 3,830,375	$ 3,825,750	$ 3,828,750	$ 3,829,875	$ 3,824,250	$ 3,827,250	$ 6,017,750	$ 6,500,125	$ 6,498,125	$ 7,060,250
2017A (AMT) - $115.23 mill (3.56%) - PFC 74.74%											
Principal (May Only) PFC Application of Funds	$ 5,075,000	$ 4,830,000	$ 4,615,000	$ 4,415,000	$ 4,195,000	$ 4,015,000	$ 3,840,000	$ 3,685,000	$ 4,320,000	$ 95,000	n/a
Interest (May) PFC Application of Funds	2,020,088	2,140,838	2,233,138	2,343,513	2,448,388	2,528,688	2,624,688	2,679,963	2,787,963	728,464	n/a
Interest (November) PFC Application of Funds	1,893,213	2,020,088	2,140,838	2,233,138	2,343,513	2,448,387	2,528,687	2,624,688	2,679,963	2,787,963	n/a
Total	$ 8,988,301	$ 8,990,926	$ 8,988,976	$ 8,991,651	$ 8,986,901	$ 8,992,075	$ 8,993,375	$ 8,989,651	$ 9,787,926	$ 3,611,427	$ —
FY Principal Total	$ 31,760,000	$ 30,235,000	$ 28,795,000	$ 27,425,000	$ 26,110,000	$ 24,875,000	$ 23,795,000	$ 22,685,000	$ 22,760,000	$ 17,640,000	$ 24,600,000
FY Interest Total	15,839,563	17,354,213	18,773,046	20,123,488	21,431,121	22,656,529	23,715,312	24,813,205	25,886,471	22,982,114	29,790,258
Total Principal and Interest	**$ 47,599,563**	**$ 47,589,213**	**$ 47,568,046**	**$ 47,548,488**	**$ 47,541,121**	**$ 47,531,529**	**$ 47,510,312**	**$ 47,498,205**	**$ 48,646,471**	**$ 40,622,114**	**$ 54,390,258**
Total Principal Outstanding at end of FY	**$ 315,595,000**	**$ 347,355,000**	**$ 377,590,000**	**$ 406,385,000**	**$ 433,810,000**	**$ 459,920,000**	**$ 484,795,000**	**$ 508,590,000**	**$ 531,275,000**	**$ 554,035,000**	**$ 571,675,000**
PFC Offsets to Annual Debt Service										22,000,000	21,710,363
DEBT SERVICE P & I NET OF PFC OFFSET	**$ 47,599,563**	**$ 47,589,213**	**$ 47,568,046**	**$ 47,548,488**	**$ 47,541,121**	**$ 47,531,529**	**$ 47,510,312**	**$ 47,498,205**	**$ 48,646,471**	**$ 18,622,114**	**$ 32,679,895**

Notes:
1. This schedule represents Cashflow Scheduled Debt Service. Accrual Basis interest expense will differ slightly.
2. 2008C interest costs are based on estimated weekly variable rates of 4.0%. The actual average variable rates at March 31, 2017 was 0.9%. This interest cost excludes program costs such as liquidity and remarketing fees which total 52.5 basis pts.
3. There are no irrevocable commitments of PFC's beyond FY2015/2016

RALEIGH-DURHAM AIRPORT AUTHORITY
DEBT PROFILE
3/31/2017

			Original Issue			Current Issue	
Series	Final Maturity	Use of Funds	Amount	Rate	Call Date	Amount	Rate
2008C	5/1/2036	Refunded 2008C Variable Bonds to to Non-AMT -T2	$ 73,680,000	4.72%	Any Time	$ 62,470,000	0.78%
2010A	5/1/2036	Refunded 2008AB bonds to fixed rate and Terminate Swaps - T2	242,365,000	4.11%	5/1/2020	209,585,000	4.11%
2010B	11/1/2027	Refunded 2001A-Parking Garage Bonds for PV savings	94,080,000	4.11%	5/1/2020	68,210,000	4.11%
2010B-1	11/1/2031	Refunded 2001A-Parking Garage Bonds for PV savings	38,235,000	4.18%	5/1/2020	38,235,000	4.18%
2015A	11/1/2031	Refunded 2005A-Operation Center, G/A Term, 75% of Taxiway D	34,060,000	4.66%	5/1/2025	34,060,000	3.07%
2015B	11/1/2031	Refunded 2005B-Terminal 2 Project, 25% of Taxiway D	48,685,000	4.66%	5/1/2025	43,885,000	3.00%
2017A	5/1/2037	Refunded 2007-Terminal 2 project	115,230,000	4.75%	5/1/2027	115,230,000	3.56%
		Total	**$ 646,335,000**	**4.02%**	(1)	**$ 571,675,000**	**3.26%**

Fixed versus Variable Debt

Fixed Rate Debt	89.1%	$ 509,205,000
Variable Rate Debt (2008C bonds)	10.9%	62,470,000
		$ 571,675,000
Debt outstanding per enplanement		$ 101.8

(1) Excludes unamortized debt issue premiums

RALEIGH-DURHAM AIRPORT AUTHORITY
RDU DEMOGRAPHIC INFORMATION
LAST TEN YEARS ($ in thousands)

Year	Population*	Median Household Income**	Per Capita Income***	Median Age****	Unemployment Rate*****
2007	1,671	$52.9	$40.4	34.1	7.5%
2008	1,730	$55.9	$40.3	34.8	9.7%
2009	1,779	$55.5	$38.2	34.7	8.4%
2010	1,800	$49.4	$39.1	34.9	8.5%
2011	1,830	$60.7	$40.2	34.4	8.6%
2012	1,860	$60.3	$41.4	35.1	7.7%
2013	1,910	$58.9	$42.5	35.4	6.4%
2014	1,950	$56.6	$46.3	35.2	4.9%
2015	1,990	$59.5	$46.0	36.1	4.7%
2016	2,031	Unavailable	Unavailable	36.4	3.7%

Sources:

*CAFR Demographic and Economic Statistics for City of Raleigh, Wake County, City of Durham, and Durham County
**U.S. Census Bureau, American Fact Finder - American Community Survey
***U.S. Department of Commerce, Bureau of Economic Analysis
****Raleigh-Durham-Chapel Hill, NC CSA - profile data - Census Reporter
*****U.S. Department of Labor, Bureau of Labor Statistics

Raleigh-Durham Airport Authority
Raleigh-Durham Triangle Top Employers
Current year and Nine years Ago

The Authority primarily serves the Research Triangle; officially named the Raleigh-Durham-Cary CSA (combined statistical area). Major employers of the region include:

	2016			2007		
	Employees	Rank	% of Total Employment	Employees	Rank	% of Total Employment
Duke University & Medical Center	36,004	1	5.40%	30,551	2	5.04%
State of North Carolina	24,083	2	3.61%	39,103	1	6.45%
Wake County Public Schools	18,554	3	2.78%	15,000	3	2.47%
International Business Machines	15,000	4	2.25%	10,000	4	1.65%
Wake Med. Health & Hospital	8,422	5	1.26%	7,100	6	1.17%
N C State University at Raleigh	7,876	6	1.18%	7,219	5	1.19%
Cisco Systems, Inc.	5,500	7	0.82%	—		—%
Rex Healthcare	5,300	8	0.79%	4,300	9	0.71%
SAS Institute, Inc.	5,232	9	0.78%	3,500	10	0.58%
GlaxoSmithKline	4,950	10	0.74%	5,272	8	0.87%
Durham Public Schools	4,600		0.69%	5,489	7	0.91%
Total	135,521		20.30%	127,534		21.04%

Source - Wake County 2016 CAFR - Greater Raleigh Chamber of Commerce
Durham County 2016 CAFR - Durham Chamber of Commerce

RALEIGH-DURHAM AIRPORT AUTHORITY
ACTIVITY STATISTICS
Last Ten Fiscal Years

Fiscal Year	Total Passengers	Aircraft Operations	Enplaned Cargo Volume (tons)	Deplaned Cargo Volume (tons)
2017	11,211,410	193,538	34,829	51,333
2016	10,264,233	184,034	38,208	47,240
2015	9,591,249	182,013	37,915	46,045
2014	9,165,624	184,893	36,941	45,944
2013	9,234,825	184,370	35,622	49,713
2012	9,199,631	194,895	36,862	48,446
2011	9,147,426	195,051	44,158	51,658
2010	9,001,247	199,483	46,251	53,021
2009	9,367,703	221,676	49,946	55,687
2008	10,110,183	252,051	52,353	66,195

Source: Raleigh Durham Airport Authority Activity Reports
Aircraft operations represents the total number of take-offs and landings passenger & Cargo

RALEIGH-DURHAM AIRPORT AUTHORITY
ENPLANED PASSENGERS BY AIRLINE
LAST TEN FISCAL YEARS

	2017		2016		2015		2014		2013	
DELTA	1,683,455	30.0%	1,522,158	29.9%	1,433,435	29.8%	1,301,608	28.3%	1,252,801	27%
SOUTHWEST	1,168,889	20.8%	1,132,726	22.3%	1,075,156	22.4%	881,332	19.2%	1,001,494	21.6%
AMERICAN	1,509,127	26.9%	1,443,316	27%	761,538	15.8%	822,556	17.9%	792,398	17.1%
USAIR		—%		—%	735,199	15.3%	665,133	14.5%	702,779	15.2%
UNITED AIRLINES	708,999	12.6%	595,913	11.7%	479,055	10.0%	461,097	10%	364,127	7.9%
JETBLUE	256,777	4.6%	253,654	5%	239,660	5%	225,960	4.9%	227,676	4.9%
CONTINENTAL	—	—%	—	—%	—	—%	—	—%	139,311	3%
AIRTRAN	—	—%	—	—%	—	—%	179,787	3.9%	119,079	2.6%
CHARTER/OTHER	286,375	5.1%	203,734	4%	81,060	1.7%	59,425	1.3%	33,619	0.7%
TOTAL	5,613,622		5,151,501		4,805,103		4,596,898		4,633,284	

	2012		2011		2010		2009		2008	
DELTA	1,213,745	26.3%	1,068,655	23.4%	992,524	22%	1,051,656	22.4%	1,099,792	21.7%
SOUTHWEST	980,621	21.3%	1,018,029	22.3%	1,012,673	22.4%	1,006,841	21.5%	982,935	19.4%
AMERICAN	796,502	17.3%	835,120	18.3%	977,895	21.6%	1,034,070	22.1%	1,179,470	23.3%
USAIR	740,900	16.1%	652,031	14.3%	623,142	13.8%	685,798	14.6%	732,835	14.5%
UNITED AIRLINES	248,920	5.4%	330,210	7.2%	289,275	6.4%	247,776	5.3%	277,971	5.5%
JETBLUE	234,131	5.1%	210,642	4.6%	152,583	3.4%	141,066	3%	139,057	2.7%
CONTINENTAL	243,467	5.3%	295,864	6.5%	306,178	6.8%	311,410	6.6%	339,065	6.7%
AIRTRAN	115,128	2.5%	117,280	2.6%	130,365	2.9%	147,364	3.1%	173,880	3.4%
CHARTER/OTHER	38,071	0.8%	46,946	1%	33,687	0.7%	58,717	1.3%	144,989	2.9%
TOTAL	4,611,485		4,574,777		4,518,322		4,684,698		5,069,994	

RALEIGH-DURHAM AIRPORT AUTHORITY
ENPLANED PASSENGERS BY MONTH
LAST TEN FISCAL YEARS

	Avg %	**Monthly Avg**	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
April	8.3%	**402,472**	447,366	408,738	401,769	384,101	394,240	385,934	378,833	386,257	418,666	418,819
May	9.0%	**433,812**	514,217	449,653	436,051	417,581	411,004	415,626	400,240	395,931	449,221	448,600
June	9.3%	**448,598**	518,973	464,691	450,658	426,151	428,277	422,735	421,754	413,735	462,195	476,806
July	9.3%	**446,410**	508,317	476,967	444,405	410,540	414,839	427,336	427,675	429,806	454,330	469,881
August	8.8%	**422,985**	481,903	440,297	422,424	396,153	411,880	391,839	399,923	399,927	422,091	463,413
September	7.9%	**380,936**	457,284	404,968	384,148	359,375	369,095	369,392	365,295	354,093	354,490	391,222
October	8.8%	**427,089**	493,170	457,164	431,658	406,059	406,522	412,907	411,232	403,843	410,727	437,609
November	8.3%	**401,491**	480,508	431,732	390,220	374,721	392,065	389,412	393,364	374,480	364,782	423,622
December	8.5%	**412,134**	481,271	461,445	415,732	414,239	383,896	383,279	391,540	386,585	394,997	408,355
January	6.8%	**328,928**	385,261	351,758	328,348	317,903	323,135	314,555	312,767	309,391	301,606	344,556
February	6.6%	**319,986**	374,588	358,049	302,921	293,120	311,865	313,715	299,202	291,670	298,697	356,028
March	8.3%	**401,128**	470,764	446,039	396,769	396,955	386,466	384,755	372,952	372,604	352,896	431,083
TOTAL		**4,825,969**	5,613,622	5,151,501	4,805,103	4,596,898	4,633,284	4,611,485	4,574,777	4,518,322	4,684,698	5,069,994
Increase (Decrease) over Prior Period			9.0%	7.2%	4.5%	(0.8)%	0.5%	0.8%	1.3%	(3.6)%	(7.6)%	6.3%

RALEIGH-DURHAM AIRPORT AUTHORITY
LANDED WEIGHTS BY AIRLINE (in 000's)
LAST TEN FISCAL YEARS

	2017		2016		2015		2014		2013		2012		2011		2010		2009		2008	
Airlines																				
AIRTRAN	—	—%	—	—%	91,000	1.5%	215,944	3.6%	138,728	2.4%	145,040	2.4%	138,872	2.3%	151,096	2.6%	180,448	2.8%	205,140	2.9%
ALASKA	64,382	0.9%	27,394	0.4%	—		—		—		—		—		—		—		—	
ALLEGIANT	45,527	0.7%	37,743	0.7%	—		—		—		—		—		—		—		—	
AMERICAN	1,775,281	25.4%	1,569,356	25.0%	889,370	14.5%	986,671	16.5%	919,159	15.6%	945,196	15.5%	1,015,421	16.9%	1,199,346	20.2%	1,379,141	21.3%	1,607,898	22.6%
CONTINENTAL	—	—%	—	—%	—	—%	—	—%	162,018	2.7%	270,259	4.4%	325,661	5.4%	340,284	5.7%	373,258	5.8%	384,853	5.4%
DELTA	2,057,116	29.4%	1,808,812	28.9%	1,776,474	29%	1,641,586	27.4%	1,503,387	25.5%	1,453,247	23.8%	1,281,755	21.4%	1,161,040	19.6%	1,003,810	15.5%	1,359,023	19.1%
FRONTIER	141,610	2.0%	105,682	1.7%	50,447	0.8%	28,369	0.5%	—	—%	21,676	0.4%	44,847	0.7%	—		—		—	
JAZZ/AIR GEORGIAN	49,068	0.7%	47,047	0.8%	44,979	0.7%	46,540	0.8%	50,752	0.9%	60,364	1%	53,752	0.9%	45,646	0.8%	53,016	0.8%	56,440	0.8%
JETBLUE	284,781	4.1%	285,029	4.5%	264,781	4.3%	266,987	4.5%	256,643	4.4%	269,025	4.4%	249,735	4.2%	190,769	3.2%	191,153	3%	181,688	2.6%
SOUTHWEST	1,285,108	18.4%	1,283,654	20.5%	1,168,858	19.1%	1,058,200	17.7%	1,239,454	21%	1,226,814	20.1%	1,205,886	20.1%	1,237,984	20.9%	1,347,980	20.8%	1,341,806	18.8%
UNITED AIRLINES	809,007	11.6%	646,950	10.3%	507,034	8.3%	517,665	8.6%	396,819	6.7%	516,571	8.5%	484,410	8.1%	473,477	8%	338,950	5.2%	500,564	7%
USAIR	—	—%	—	—%	874,493	14.3%	797,467	13.3%	818,146	13.9%	752,766	12.3%	716,733	12%	658,321	11.1%	1,089,779	16.9%	916,639	12.9%
CHARTER/OTHER	6,704	0.1%	7,465	0.1%	13,315	0.2%	11,814	0.2%	17,455	0.3%	24,926	0.4%	16,968	0.3%	17,940	0.3%	18,950	0.3%	52,098	0.7%
Cargo																				
UPS	157,182	2.3%	144,829	2.3%	142,946	2.3%	137,312	2.3%	132,418	2.2%	133,430	2.2%	134,901	2.3%	131,024	2.2%	134,318	2.1%	135,893	1.9%
FEDERAL EXPRESS	299,700	4.3%	294,116	4.7%	290,774	4.7%	269,512	4.5%	251,156	4.3%	244,371	4%	250,699	4.2%	239,170	4%	237,094	3.7%	248,939	3.5%
OTHERS	7,938	0.1%	8,118	0.1%	8,797	0.1%	8,202	0.1%	8,287	0.1%	33,463	0.5%	75,259	1.3%	79,123	1.3%	118,319	1.8%	129,820	1.8%
TOTAL	6,983,404	100.0%	6,266,195	100.0%	6,123,268	100.0%	5,986,269	100.0%	5,894,422	100.0%	6,097,148	100.0%	5,994,899	100.0%	5,925,220	100.0%	6,466,216	100.0%	7,120,801	100.0%

Raleigh-Durham Airport Authority
Capital Assets and Other Airport Information

About the Airport: Raleigh-Durham International Airport (the Airport or RDU) is owned and operated by the Raleigh-Durham Airport Authority (the Authority). The General Assembly of North Carolina enacted legislation on March 9, 1939 enabling the Cities of Raleigh and Durham, and the Counties of Wake and Durham to jointly establish, operate and maintain an airport and to appoint members to a board to be known as the "Aeronautics Authority for the City of Raleigh, City of Durham, County of Durham and County of Wake". The enabling act further authorized the Aeronautics Authority to "act in an administrative capacity and be vested with the Authority to control, lease, maintain, improve, operate, and regulate the joint airport or landing field." In 1941 , the name of the Aeronautics Authority was changed to the "Raleigh-Durham Airport Authority." Amendments to the Authority's enabling legislation have been enacted from time to time to define and expand the Authority's powers to operate the Airport.

RDU serves 11.2 million passengers on 9 airlines and serves 47 international and domestic nonstop destinations with an average of 192 daily flights. In the fiscal year 2017 98% of all passengers at the airport enplaned on domestic flights and 2% enplaned on international flights.

Location: The Airport is located midway between the cities of Raleigh and Durham, primarily in Wake County, approximately 10 miles southeast of Durham and 10 miles northwest of Raleigh. The Airport encompasses approximately 5,100 acres, of which approximately 2,075 acres are developed.

Terminals: Passenger terminal facilities at the Airport are located in two separate buildings known as Terminal 1 and Terminal 2.

The Authority completed a project to renovate and modernize Terminal 1. Construction on this $68 million project was completed on April 13, 2014. Terminal 1 is home to Southwest Airlines and potentially other carriers and operates with 9 gates.

Terminal 2 is a $573 million state-of-the-art, common use, passenger terminal that opened on October 26, 2008. The second phase of the Terminal, the South Concourse, opened January 23, 2011. The completed Terminal consists of approximately 920,000 square feet, with a total of 36 gates. Terminal 2 currently serves Air Canada, Alaska, Allegiant, American Airlines, Delta Airlines, Frontier, JetBlue Airways, United Airlines and Charter Express.

Runways: RDU has two primary runways and one secondary runway.

Runway One: 5L/23R 10,000' L, 150' W; CAT II (5L), CAT III (23R)

Runway Two: 5R/23L 7,500' L, 150' W; CAT I (5R), CAT II (23L)

Runway Three: 14/32 3,550' L, 100' W; not equipped to handle most commercial aircraft.

Parking Spaces: The airports total parking capacity is approximately 20,350 vehicles.

4 - Parking Garages	11,000 spaces approximately
4 - Park & Ride Parking Lots	9,100 spaces approximately
General Aviation Parking Lot	250 spaces approximately

RALEIGH-DURHAM AIRPORT AUTHORITY
GRANT AWARDS HISTORY
LAST TEN FISCAL YEARS

Fiscal Year	Security	Construction	Total
		PURPOSE OF GRANT	
2017	$ 305,979	$ 2,725,237	$ 3,031,216
2016	203,019	1,743,993	1,947,012
2015	453,513	2,393,509	2,847,022
2014	325,375	10,566,576	10,891,951
2013	389,704	5,286,908	5,676,612
2012	552,148	594,240	1,146,388
2011	573,561	6,619,348	7,192,909
2010	540,492	11,468,926	12,009,418
2009	688,069	5,627,385	6,315,454
2008	751,336	—	751,336
Total	$ 4,783,196	$ 47,026,122	$ 51,809,318

Source: Schedule of Expenditures of Federal Awards

RALEIGH-DURHAM AIRPORT AUTHORITY
EMPLOYEE HEADCOUNT
LAST TEN FISCAL YEARS

Year Ending	Number of employees
2017	288
2016	286
2015	272
2014	273
2013	270
2012	273
2011	271
2010	271
2009	273
2008	261

RALEIGH-DURHAM AIRPORT AUTHORITY
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