

LOUISVILLE REGIONAL AIRPORT AUTHORITY
FY 2011 ANNUAL REPORT



BEYOND THE HORIZON

TABLE OF CONTENTS

TO THE COMMUNITY— BEYOND THE HORIZON	2
AIR SERVICE	4
CUSTOMER SERVICE	6
INVESTMENTS FOR THE FUTURE	8
OPERATIONS	10
PUBLIC SAFETY	11
BOWMAN FIELD	12
THE ENVIRONMENT	14
RENAISSANCE ZONE	16
FINANCIAL HORIZON	18
JERRY E. ABRAMSON TERMINAL	22
THE BOARD	23

Phil Lynch, Chairman of the Board, was named 2011 Commercial Service Airport Board Member of the Year by the Kentucky Department of Aviation.

Looking beyond the horizon to ensure that the Airport Authority is prepared to seize every opportunity to enhance its services and facilities was the focus of our strategic plan in FY '11. And although the uncertain economy had an impact, our community's support and employees' resourcefulness enabled us to take significant steps toward reaching our goals in key areas.



Phil Lynch
Chairman

During the fiscal year, Louisville International retained its ranking as the third busiest cargo airport in North America and was among the top ten in the world. In addition, the airport continued to outperform most regional and North American airports with a 2.8 percent increase in passenger traffic.

Additional highlights for FY '11 include:



C.T. "Skip" Miller
Executive Director

- Added another low-fare airline and new service to key business and leisure destinations—increasing nonstop service to 28 destinations—including nine of the nation's top 10 international gateways.
- Thanks to the financial support from the Commonwealth of Kentucky and the Louisville Redevelopment Authority, Phase I of the Relocation of Crittenden Drive Project was designed and poised for construction, clearing the way to resume work on Taxiway Alpha—a critical improvement that will allow the airport to handle the larger, 21st century aircraft.

- We opened new and renovated restaurants and cafés in the passenger terminal—reflecting more than a \$2.2 million investment by HMSHost, the airport's food-and-beverage concessionaire. The new facilities combine world-renowned names with hometown touches to give travelers a taste of Louisville's hospitality.
- Louisville International's terminal building was named for Jerry E. Abramson in recognition of his extraordinary leadership during 21 years as Mayor of Louisville and a member of the Board of the Louisville Regional Airport Authority. His vision led to the creation of a modern state-of-the-art airfield, provided the foundation for improved passenger service, and established Louisville International Airport as one of the foremost cargo airports in the world.

Looking ahead, we believe that our strong passenger and cargo operations, firm financial position and dedicated employees will enable us to build on this year's achievements to retain our competitive advantages during the next fiscal year and beyond.

Phil Lynch
Chairman

C.T. "Skip" Miller
Executive Director



NONSTOP SERVICE... CONVENIENT CONNECTIONS ...LOW FARES

*Just 10 minutes from downtown,
Louisville International Airport draws travelers
within a 200-mile radius of the city.
In FY '11, the airport featured nonstop service to 28
destinations and convenient connections to cities worldwide.*

PASSENGER

Thanks to the addition of a new, low-fare airline and new service to important business and leisure destinations in FY '11, the airport benefitted from nonstop service to 28 destinations—including 18 of the 20 most desired by regional travelers.

Vision Airlines launched its inaugural scheduled commercial service from Louisville International Airport, with nonstop, low-fare service between Louisville and Atlanta—a vital business destination for local travelers. The airline also added nonstop service from Louisville to two popular leisure destinations—the Destin/Ft. Walton Beach and Ft. Lauderdale communities.



Nonstop service to Washington-Dulles is provided by United Airlines.

United Airlines began nonstop service to Washington-Dulles—offering not only a new option for travelers to the nation's capital, but also easy access to more than a dozen international destinations, including those in Europe, the Middle East and Africa.

Building on last year's success, Louisville International again took advantage of Derby week to promote Derby Deals during non-peak arrival and departure days. In FY '11, six airlines used their additional seating capacity to offer special fares—as low as \$137 roundtrip—to more than 100 destinations. Derby week is the busiest peak travel week of the year at Louisville International.

Louisville International Airport offers nonstop service to 18 of the 20 destinations most desired by regional travelers.

CARGO

In 2010, as home to the global air hub for UPS Airlines, Louisville International Airport retained its rankings as the third busiest cargo airport in North America and one of the top 10 in the world—outpacing Singapore, Miami and Taipei airports.



Worldport® is the largest fully automated package handling facility in the world and processes an average of 1.5 million packages a day.

Vision Airlines added ultra, low-fare nonstop service to new leisure destinations.

Departing To	Flight	Time	Remark	Gate
Atlanta	1815	12:35P	On Time	A3
Atlanta	1409	2:37P	On Time	A2
Baltimore	1824	12:40P	Now 12:50 PM	B17
Birmingham	491	3:30P	Now 3:10 PM	B16
Charlotte	2203	11:58A	On Time	B4
Charlotte	2218	3:25P	On Time	B6
Chicago O'Hare	5042	1:30P	On Time	A15
Chicago O'Hare	4131	1:30P	On Time	A16
Chicago O'Hare	3446	3:50P	On Time	A12
Chicago-Midway	2555	1:40P	On Time	B17
Cleveland	4153	1:15P	On Time	A11
Corpus Christi	491	3:30P	Now 3:10 PM	B16
Dallas-Ft. Worth	3346	11:40A	On Time	A15
Dallas-Ft. Worth	1195	3:50P	On Time	A1
Dallas-Ft. Worth	3084	2:45P	On Time	B6
Detroit	2218	3:25P	On Time	B6
Greenville	491	3:30P	Now 3:10 PM	B16
Houston-HOU	5245	2:55P	On Time	A15
Houston-IAH	3552	2:30P	On Time	A5
Miami	5897	1:25P	On Time	A16
Minneapolis	1195	3:50P	On Time	B16
Monterrey, MX	3086	12:25P	On Time	A5
New York-LGA	7283	1:25P	On Time	A5
Newark				



CHEERFUL... ASSISTANCE OFFERED BY VOLUNTEER AMBASSADORS

The airport also offers 5,957 public parking spaces — including a 4-level parking garage, and a convenient credit-card-only parking lot immediately next to the passenger terminal.



Volunteer Ambassador Roz Shaffer greets travelers during Derby week.

Louisville International Airport hosted more than 3.3 million travelers in FY '11.



Named for a premium Kentucky Bourbon produced by Louisville's Brown-Forman Corporation, Woodford Reserve Bar & Grill offers a full-service food and bar menu.



The new Credit-Card-Only Lot is just steps away from the passenger terminal.

As part of its objective to be the airport of choice for travelers in our region, arriving and departing passengers are surveyed quarterly to determine their level of customer satisfaction with airport, airline (and other business partners) staff and services at Louisville International Airport.

In FY '11, 98 percent of passengers surveyed affirmed that they were either satisfied or very satisfied with airport services—specifically noting the clean and easy-to-use terminal and the cheerful assistance offered 365 days a year by the airport's corps of more than 60 volunteer Ambassadors.

During the fiscal year, the airport celebrated the opening of new and renovated restaurants and cafés. Operated by HMSHost, the airport's food-and-beverage concessionaire, the new facilities blend world-renowned brand names with hometown roots and expertise to give travelers a taste of Louisville's hospitality.



The \$2.2 million investment included two new restaurants—Chili's Too® and the Stars of Louisville Sports Pub. In addition, Burger King®, KFC Express®, Quiznos®, Starbuck's and the Woodford Reserve® Bar & Grill were renovated and given fresh, new looks.

The airport also expanded parking options for patrons with a Credit-Card-Only Parking Lot designed for frequent travelers. The new lot is just a few steps from baggage claim and allows a quick and easy exit, as patrons don't need to stop at the parking toll plaza on their way home.

As has become a tradition during Derby week, the passenger terminal was decorated with roses and jockey silks. Live music, with volunteers offering Woodford Reserve® bourbon balls, also greeted guests during peak arrival times. In addition, the airport's business partners hosted special displays and promotions.

In FY '11, the Authority continued to enhance its customer communications—launching a new electronic newsletter and revamping its FlyLouisville.com website with new graphics, improved flight schedules, maps and online booking engine.

“Thank you for the Altitude Club. It is quite a bargain and a great place to relax. Thank you very much for such a great service!”

Chili's Too®, across from gate A8, is a sit-down restaurant offering a full menu and bar service.



BEYOND 2010

Taxiway Alpha is a key airfield component necessary to accommodate the largest and newest long-range commercial aircraft.



In 2006, the Airport Authority launched its Beyond 2010 plan to ensure that Louisville International is ready to handle the largest and newest long-range commercial aircraft—helping to retain and attract even more aviation-related companies and jobs for our community.

During the fiscal year, significant progress was made on key projects within the plan that pave the way for its critical element—the construction of Taxiway Alpha.

- Phase 1 of the Relocation of Crittenden Drive Project was designed and under construction by the end of the fiscal year thanks to \$5 million from the Commonwealth of Kentucky and \$6 million from the Louisville Redevelopment Authority.
- Projects to relocate FedEx's airfield facilities that allow for construction of Taxiway Alpha—including a feedertruck lot and employee parking lot—also were completed; the project to move the company's aircraft parking area was under construction.

The Authority also took aggressive steps during the fiscal year to maintain its investments.

Most notable was a challenging project to extend the life of the airport's busy West Runway. This pavement rehabilitation project was carefully coordinated with airline partners' schedules and included replacing 11 concrete panels—each weighing 64 tons.

Additionally, the airfield's surface-painted hold position markings were enhanced to better highlight the intersections of runways and taxiways.

Construction began on Phase I of the Crittenden Drive Relocation Project in June 2011.



Louisville International Airport has new airfield markings.



Installing drainage pipe as part of the Crittenden Drive Relocation Project.



Work begins on the Pavement Rehabilitation Project on the West Runway.



Snow blowers help keep the airport open and operational during winter weather.

SAFETY... WITHOUT EXCEPTION— IN FULL COMPLIANCE WITH FEDERAL SAFETY STANDARDS

The airport's four highly trained canine teams routinely check packages, structures and vehicles as part of our focus on security.



Louisville International is committed to minimizing any disruption to cargo operations and passenger services—even during the winter. In FY '11, the airport continued to invest in specialized snow-removal equipment, adding two new snow blowers to its fleet. The new equipment helps the airport's two snow teams continuously clear ice and snow from runways and taxiways.

In addition, for the sixth year in a row, Louisville International passed the FAA's annual certification inspection with "no discrepancies." During the three-day inspection, FAA personnel carefully examined all operational areas and determined that—without exception—the airport was in full compliance with federal airport safety standards.

Rescue #49 is part of Louisville International's fleet of specialized firefighting equipment.

K-9 Officer Zach Swanson and Scout patrol in the terminal building.

PUBLIC SAFETY

Just seven years ago, the Authority began building a unified Public Safety Department to improve emergency response capabilities, reduce costs and increase staffing flexibility. Today, 95 percent of its personnel have been cross-trained to work both as a police officer and firefighter.

During FY '11, the department responded to 767 requests for fire, medical or law enforcement assistance—62 percent involved a fire or medical emergency.

The department also expanded its mutual-aid agreements with community fire and police departments—including those for Bowman Field. It also continued to proactively offer technical assistance to local agencies responding to aviation-related incidents.

The airport's four highly trained canine teams routinely check packages, structures and vehicles for dangerous materials—without hindering cargo operations or passenger travel. In addition to airport duties, these canine teams assist local, state and federal agencies at community events.

"We are grateful for the assistance you gave our mother when she became ill at your airport. The physicians said that your response enabled them to help her as soon as she arrived at the hospital."



LOUISVILLE'S FIRST AIRPORT... TODAY SERVES SMALLER, LIGHTER AIRCRAFT

*Bowman Field offers
flight instruction; aircraft leases; charters and sales;
aircraft cleaning and refueling;
and aircraft repair and maintenance.*

Carved out of a pasture in 1919, Bowman Field was Louisville's first airport. Today, nestled among suburban neighborhoods, it is a cherished community landmark, a reliever airport for Louisville International and an essential component of the area's airport system.

Recognizing its importance, the Authority has made preserving and enhancing the airport's facilities a top priority while taking steps to be a good neighbor.

Since FY '04, the Authority has invested \$12.5 million in improvements—including building a new parallel taxiway to Runway 15/33, restoring pavement areas and revamping the art deco Administration Building.

In FY '11, the Authority continued to dedicate resources to maintain and improve the airfield and its facilities.

New energy-efficient windows were installed in the Central American Airways office building and a pavement rehabilitation project next to Louisville Executive Aviation was completed.



Bowman Field is often chosen as the site for major ballooning events.



Looking southeast: Bowman Field is situated on 426 acres.

The Authority also began building two 16-unit T-hangars to replace old, deteriorating facilities. As the new hangars are scheduled to be ready for occupancy by late fall 2011, a transition plan was designed for tenants of the "oldTs" to make their move as easy as possible.

The airport's convenient location has long attracted community and special events. However, for the first time, Bowman Field hosted one of the cornerstone events of the world-renowned Derby Festival—the Great Balloon Race. First held 38 years ago with eight balloons, the 2011 Great Balloon Race attracted 32 balloons and more than 2,000 spectators.

*As of January 2011, there were
337 aircraft based at Bowman Field.*



Energy-efficient windows are installed in Central American Airways' office building.



Goodyear's blimp visits Bowman Field.



PLANS... SENSITIVE TO THE ENVIRONMENT...

*and involve community, neighbors,
and business partners.*

To identify feasible and affordable solutions to aviation-noise problems, the Airport Authority works with the FAA, airlines, airport users and neighbors through the Community Noise Forum (CNF). Among other initiatives, this collaborative effort has launched two FAA-approved community noise-mitigation programs—the residential relocation program and the QuieterHome® sound-insulation program.

In FY '11, the CNF worked with Authority staff to update Louisville International Airport's Noise Exposure Maps, which identify where aircraft noise occurs. These maps are critical to the airport's noise compatibility plan, which designates how to keep the least amount of aircraft noise over the fewest number of homes. The Airport Authority Board approved the maps after a public workshop and the CNF's review; the FAA accepted the new maps in April 2011.

RELOCATION PROGRAM

At the end of the fiscal year, 3,672 of the 3,740 eligible families in the most noise-impacted areas around Louisville International Airport had been relocated through either the traditional relocation program (families choose a home using LRAA-provided funds) or the Heritage Creek program (the noise-impacted home is swapped for a brand new home of comparable size in Heritage Creek). Of the 68 remaining eligible families, to date 27 have expressed an interest in relocating.

One of the 419 homes in Heritage Creek.

*“The workers were very professional
and the quality of the sound-
insulation work was excellent.
We love everything.”*



*New windows are installed in homes
to reduce aircraft noise as part of
the airport's QuieterHome® program.*



THE QUIETERHOME® SOUND- INSULATION PROGRAM

While the relocation program will remain a priority until it's completed, the LRAA continues to move forward with its QuieterHome® sound-insulation program.

This voluntary program offers eligible homeowners in certain neighborhoods northeast of the airport complimentary customized, sound-insulation treatments designed to reduce aircraft noise within the home.

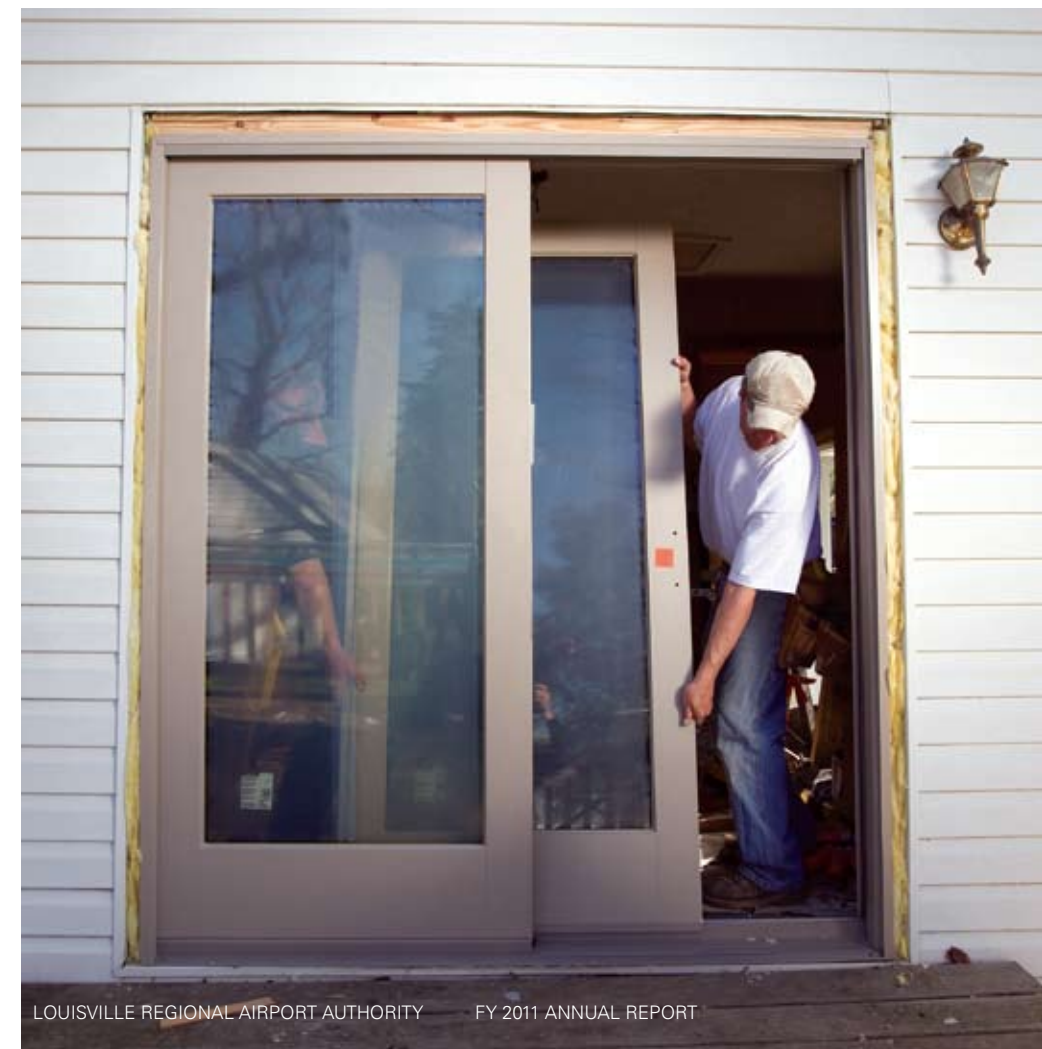
In FY '11, Phase I was completed, with sound-insulation products installed in homes of the 55 owners (of the 61 eligible) who chose to participate in the program. By the end of the fiscal year, 79 (of the 93 eligible) homeowners in Phase 2 had enrolled in this voluntary program. In June, the LRAA Board approved the boundary of Phase 3—adding 116 residential units to the program.

*New doors are part of the
QuieterHome® Program.*

*“Everyone has been very
accommodating.
The QuieterHome® Program
is very organized and we've been
communicated with every
step of the way. A great job
was done by all. Thank you.”*



Looking south: Louisville International Airport encompasses 1,200 acres.



RENAISSANCE ZONE...

promotes economic development and airport-compatible redevelopment.

The Louisville Renaissance Zone Corporation (LRZC), whose members comprise the board of the Louisville Regional Airport Authority, promotes economic development and airport-compatible redevelopment in an area that includes the Minors Lane voluntary residential relocation neighborhood.

Since its inception, the LRZC has made public infrastructure improvements, formed the Renaissance South Business Park and an owners' association.

The business park's strategic location, just south of Louisville International Airport, features easy access to the airport, major highways and the CSX rail system. In 2008, UPS moved



The business park's main entrance is located at Air Commerce Drive and the Outer Loop.

its regional ground-sorting operation—Centennial Hub—to 50 acres in the business park. Today, 1,100 employees work at the facility and it houses approximately 180 delivery vehicles.

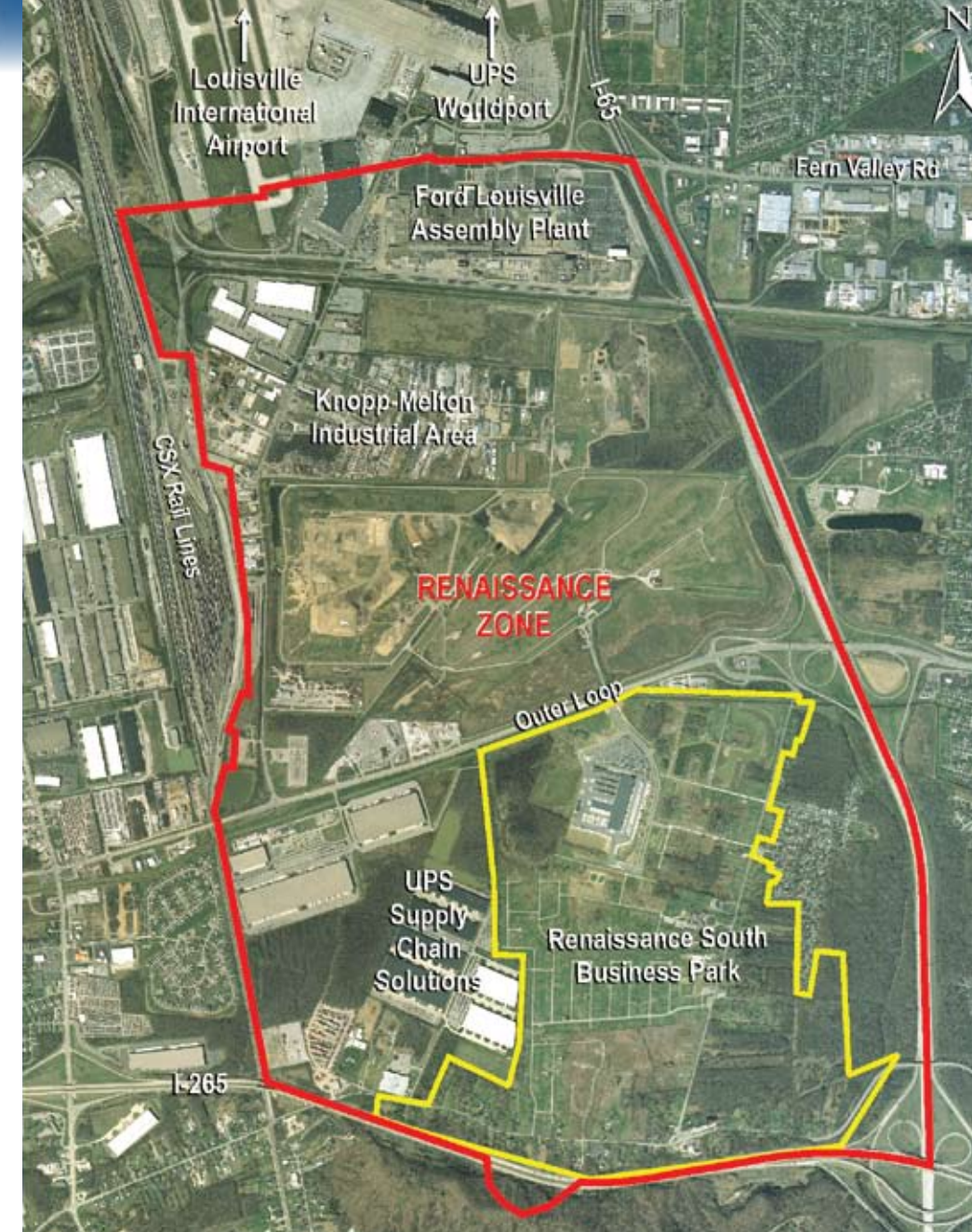
UPS's Louisville Centennial Hub is able to process more than 240,000 in-bound and out-bound packages a day.

Another milestone was reached in FY '11, when the LRZC Board approved a lease with the Ford Motor Company for approximately 15 acres in the business park to support its Louisville Assembly Plant. A 1,400 vehicle storage-and-staging lot and a new thoroughfare (Transglobal Drive) to the lot's entrance are under construction—leaving 470 acres available in the business park for future development.

The Renaissance Zone is close to I-65, I-265, the CSX railroad and Louisville International Airport.



Construction begins on the vehicle storage-and-staging lot for Ford Motor Company.



STATEMENTS OF NET ASSETS
June 30, 2011 and 2010

	Component Unit			
	Louisville Regional Airport Authority		Louisville Renaissance Zone Corporation	
	2011	June 30, 2010	2011	June 30, 2010
ASSETS				
Current assets, unrestricted				
Cash and equivalents	\$ 21,235,445	\$ 16,647,315	\$ 916,259	\$ 1,560,940
Investments, at amortized cost plus accrued interest	18,481,078	15,507,135	-	-
Fees and rentals receivable, net	4,023,780	3,526,591	1,847,169	1,619,604
Due from component unit	2,922,863	2,609,624	-	-
Supplies and prepaid expenses	1,303,552	1,292,390	-	-
Total unrestricted current assets	47,966,718	39,583,055	2,763,428	3,180,544
Current assets, restricted				
Cash and equivalents	34,696,680	38,204,175	-	-
Cash – land fund	1,995,125	3,072,567	-	-
Interest receivable	122,080	97,061	-	-
Grants receivable	1,308,088	28,007	-	-
Investments, at amortized cost plus accrued interest – land fund	3,862,276	5,000,238	-	-
Total restricted current assets	41,984,249	46,402,048	-	-
Total current assets	89,950,967	85,985,103	2,763,428	3,180,544
Noncurrent assets, unrestricted				
Capital assets not being depreciated	345,430,517	357,954,938	11,270,847	9,604,113
Depreciable capital assets, net	195,956,733	213,899,065	6,178,213	6,532,475
Deferred loan and bond cost, net of accumulated amortization of \$7,546,079 as of 2011 and \$6,349,111 as of 2010	13,838,640	14,272,522	3,138,304	3,333,431
Total unrestricted noncurrent assets	555,225,890	586,126,525	20,587,364	19,470,019
Noncurrent assets, restricted				
Cash – PFC fund	1,054,409	883,110	-	-
Cash and equivalents	20,523,865	17,745,801	-	-
Investments – PFC fund	3,471,989	3,000,143	-	-
Investments, at amortized cost plus accrued interest	22,381,765	25,107,028	-	-
Total restricted noncurrent assets	47,432,028	46,736,082	-	-
Total noncurrent assets	602,657,918	632,862,607	20,587,364	19,470,019
Total assets	\$ 692,608,885	\$ 718,847,710	\$ 23,350,792	\$ 22,650,563

These statements are excerpts from the audited financial statements which are available upon request.

STATEMENTS OF NET ASSETS—CONTINUED
June 30, 2011 and 2010

	Component Unit			
	Louisville Regional Airport Authority		Louisville Renaissance Zone Corporation	
	2011	June 30, 2010	2011	June 30, 2010
LIABILITIES				
Current liabilities (payable from unrestricted current assets)				
Accounts payable	\$ 4,056,906	\$ 4,852,253	\$ 229,668	\$ 65,674
Due to the Authority	-	-	2,922,863	2,609,624
Accrued expenses and other	879,409	822,331	234,441	269,819
Loans payable	-	-	3,469,360	1,492,584
Deferred income	1,018,623	912,533	-	-
Total unrestricted current liabilities	5,954,938	6,587,117	6,856,332	4,437,701
Current liabilities (payable from restricted current assets)				
Bonds payable	17,680,000	16,890,000	-	-
Accounts payable	3,294,133	750,250	-	-
Accrued interest	6,191,411	7,423,480	-	-
Total restricted current liabilities	27,165,544	25,063,730	-	-
Total current liabilities	33,120,482	31,650,847	6,856,332	4,437,701
Long-term debt				
Bonds and loans payable	327,140,000	345,100,000	15,274,506	17,308,669
Other liabilities				
Deposit from UPS land option	7819,551	7,804,954	-	-
Unamortized bond premium, net	9,524,773	8,688,588	-	-
Deposit from Commonwealth of Kentucky	18,724,824	18,724,824	-	-
Other liabilities	83,600	83,600	-	-
Revolving coverage (payable from restricted assets)	4,300,000	4,300,000	-	-
Total other liabilities	40,452,748	39,601,966	-	-
Total liabilities	\$ 400,713,230	\$ 416,352,813	\$ 22,130,838	\$ 21,746,370
NET ASSETS				
Invested in capital assets, net of related debt	\$ 180,281,660	\$ 196,325,947	\$ -	\$ -
Restricted for debt service	65,558,032	66,965,002	-	-
Restricted for capital projects	11,863,734	14,012,964	-	-
Unrestricted net assets	34,192,229	25,190,984	1,219,954	904,193
Total net assets	\$ 291,895,655	\$ 302,494,897	\$ 1,219,954	\$ 904,193

These statements are excerpts from the audited financial statements which are available upon request.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
Years ended June 30, 2011 and 2010

	Component Unit			
	Louisville Regional Airport Authority		Louisville Renaissance Zone Corporation	
	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010
OPERATING REVENUES				
Rentals and concessions	\$ 40,988,036	\$ 38,648,740	\$ -	\$ -
Landing and field use fees	18,966,757	18,821,087	-	-
Land sales and TIF revenues	-	-	1,337,673	1,289,157
Total operating revenues	59,954,793	57,469,827	1,337,673	1,289,157
OPERATING EXPENSES				
Operations and general maintenance	14,246,841	14,043,337	-	-
Administrative, general, planning and engineering	9,741,372	9,298,416	198,557	148,752
Total operating and maintenance	23,988,213	23,341,753	198,557	148,752
Major maintenance	3,257,674	3,574,877	-	-
Depreciation and amortization	28,153,053	28,175,958	354,262	236,174
Total operating expenses	55,398,940	55,092,588	552,819	384,926
OPERATING INCOME	4,555,853	2,377,239	784,854	904,231
NON-OPERATING REVENUES (EXPENSES)				
Investment earnings, net	1,156,827	1,301,398	710	1,252
Interest expense	(14,848,982)	(15,299,423)	(469,803)	(385,727)
Passenger facility charges	5,888,853	4,447,652	-	-
Net gain (loss) on disposal of assets	(18,100,046)	4,248	-	-
Other expenses	(189,595)	(134,386)	-	-
Net non-operating revenues (expenses)	(26,092,943)	(9,680,511)	(469,093)	(384,475)
(LOSS) INCOME BEFORE CAPITAL CONTRIBUTIONS	(21,537,090)	(7,303,272)	315,761	519,756
Capital contributions	10,937,848	8,890,235	-	-
CHANGE IN NET ASSETS	(10,599,242)	1,586,963	315,761	519,756
Net assets, beginning of year	302,494,897	300,907,934	904,193	384,437
NET ASSETS, END OF YEAR	\$ 291,895,655	\$ 302,494,897	\$ 1,219,954	\$ 904,193

These statements are excerpts from the audited financial statements which are available upon request.

STATEMENTS OF CASH FLOWS
Years ended June 30, 2011 and 2010

	Component Unit			
	Louisville Regional Airport Authority		Louisville Renaissance Zone Corporation	
	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 59,578,291	\$ 57,829,149	\$ -	\$ -
Land sales and TIF revenues	-	-	1,110,108	160,189
Payments to suppliers	(20,134,215)	(18,738,733)	(173,341)	(500,814)
Payments to employees	(7,456,559)	(7,621,485)	-	-
Net cash flows provided by (used for) operating activities	31,987,517	31,468,931	936,767	(340,625)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions	9,657,767	9,539,129	-	-
Passenger facility charges	5,888,853	4,447,652	-	-
Acquisition and construction of capital assets	(13,847,426)	(15,544,893)	(1,527,956)	(295,360)
Proceeds from sale of assets	1,127,927	53,500	-	-
Proceeds from issuance of debt	37,170,000	-	1,435,196	585,126
Principal paid on capital debt	(54,340,000)	(16,085,000)	(1,492,583)	(193,108)
Net proceeds received from the Authority	-	-	309,037	235,023
Interest paid on capital debt, net of capitalized interest	(16,081,051)	(15,593,826)	(305,852)	(317,438)
Fees paid on bonds	(189,595)	(134,386)	-	-
Issuance costs of capital debt	(763,086)	8,703	-	-
Net cash flows (used for) provided by capital and related financing activities	(31,376,611)	(33,309,121)	(1,582,158)	14,243
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from maturities of investments	68,687,044	46,964,833	-	-
Cash advances to component unit	(309,037)	(235,023)	-	-
Purchase of investments	(68,269,608)	(61,914,524)	-	-
Investment income	2,233,251	866,472	710	1,252
Net cash flows provided by (used for) investing activities	2,341,650	(14,318,242)	710	1,252
Net increase (decrease) in cash and equivalents	2,952,556	(16,158,432)	(644,681)	(325,130)
Cash and equivalents, beginning of year	76,552,968	92,711,400	1,560,940	1,886,070
Cash and equivalents, end of year	\$ 79,505,524	\$ 76,552,968	\$ 916,259	\$ 1,560,940

These statements are excerpts from the audited financial statements which are available upon request.

JERRY E. ABRAMSON TERMINAL BUILDING



In December, the LRAA Board of Directors named Louisville International Airport's terminal building in honor of Jerry E. Abramson.

BOARD PROCLAMATION

As Mayor of Louisville and a member of the Board of the Louisville Regional Airport Authority from 1986 to 1999 and 2003 to 2011, his extraordinary leadership led to the creation of a 21st century airfield, provided the foundation for improved passenger service, and established Louisville International

Airport as one of the foremost cargo airports in the world.

Mayor Abramson's vision has ensured the economic strength and vitality of the entire region.

The Louisville Regional Airport Authority (LRAA) is an autonomous municipal corporation established by Kentucky state statute that is responsible for owning, operating and developing Louisville International Airport (SDF) and Bowman Field (LOU).

Much like a private corporation, the Authority is self-funded and derives



C.T. "Skip" Miller
Executive Director

operating revenue from a variety of user fees. The Authority does not receive local or state funding for the routine operations of either airport.

An 11-member Board of Directors sets policy, approves the budget and hires the executive director, who serves as the organization's chief executive officer and governs the Authority. Board members serve four-year staggered terms without compensation.

Charles T. "Skip" Miller is the executive director of the Louisville Regional Airport Authority and oversees staff who handle the day-to-day operations, maintenance and administration.



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