

APPENDIX A: GLOSSARY OF TERMS USED

Allocated Expense: These are costs allocated to Lines of Business and business groups from service providers. Allocated costs are general support costs that cannot be directly attributed to a business unit, but instead support the entire Port and all its Lines of Business. Costs can come from within the division or from outside the division.

Assessed Valuation: A valuation set upon real estate and personal property by the County Assessor as a basis for levying taxes.

Capital Budget and Draft Plan of Finance: A detailed plan of proposed expenditures arising from the acquisition or improvement of fixed assets and the means of financing them. The Draft Plan of Finance is prepared and presented to the Port Commission concurrently with the budget.

Capital Capacity: An estimated calculation of the maximum amount available to spend on capital projects, given assumptions about future revenues and expenses and the ability to cover future interest payments per bond covenants and Port policies. See the further discussion in the Draft Plan of Finance section.

Cost Per Enplanement (CPE): The CPE measures the total costs borne by the passenger airlines operating at the airport divided by the number of enplaned passengers (roughly half of the total passengers). CPE is a key indicator used by the airlines to measure the relative costs of airports.

Depreciation: This is a non-cash item that represents the use of long-term assets. Port assets are given a useful life when they become active and each year some of that useful life is used up or depreciated.

Equity: The excess of assets over liabilities.

Revenue over Expense: The excess or deficit of revenues (operating and non-operating) over expenses (operating and non-operating). The excess of revenues over expenses increases equity. Whereas the deficit, expenses over revenues, decreases equity.

General Obligation (G.O.) Bonds and Interest: The Port can borrow money which is intended to be paid back through its taxing authority. The tax levy (See Section IV) funds the repayment of the principal and interest of these bonds. Port financial policies dictate that G.O. bonds be used for projects that have a long lag between project costs and revenues or are insufficient to support revenue bond financing, the project generates significant economic benefits for taxpayers, and the project is critical to the Port's core business.

Landing Fee: See the discussion of landing fees in Appendix C.

Majority in Interest (MII): Under the terms of the current agreement between the airlines and the airport, the airlines are entitled to vote their approval for particular capital projects that affect the airline rate base.

Millage: A tax rate on property, expressed in mills per dollar of value of the property.

Net Operating Income before Depreciation (NOI): Income from operations after all direct expenses and allocated expenses, but before non-operating expenses and revenues have been included.

Non-Operating Expenses: Cost or charges that do not arise from the normal operation of business. An example is interest expense.

Non-Operating Revenues: Revenues that do not result from the normal operation of business. Example is interest income.

Operating Income before Allocations & Depreciation: Direct operating revenues minus direct operating expenses. This does not include any allocated expenses.

Operating & Maintenance Expenses: Cost or charges that arise from the normal operation of business. These include all direct charges, even those from Corporate and from other Divisions.

Operating Revenues: Gross earnings or billings from operations that results from facilities and/or equipment leased or operated.

Other Post Employment Benefits (OPEB): According to the Governmental Accounting Standard Board (GASB) statement 45, government agencies are required to record post employment benefit costs other than pensions as a liability based on actuarial costs.

Passenger Facilities Charges (PFCs): SeaTac airport collects \$4.50 per enplaned passengers from airlines. PFCs may be used to fund capital improvements approved by FAA.

Passenger Facilities Charges (PFCs) Bonds: Bonds backed by Passenger Facility Charges.

Performance or Operating Budget: A financial plan that incorporates an estimate of proposed revenues and expenses for a given period. A department's budget includes only those revenues and expenditures for which it has control.

Revenue Bonds: A type of borrowing that is repaid through the dedication of revenues intended to be generated by the investment being funded by the bonds.

Statutory Budget: A plan that depicts the cash flows of the Port. It shows the beginning balance, cash receipts and cash disbursements and the balance at the end of the year. This budget must be filed with the County Council and the County Assessor by a specific date. See Section XI.

Tax Levy: The amount of money to be raised by imposing property taxes. See Section IV.

APPENDIX B: BOND AMORTIZATION SCHEDULES

TABLE B-1: BOND AMORTIZATION SCHEDULE FOR 2007

| Bond Type Series | Original Issue Amount | Issue Date | Outstanding Jan. 1, 2007 | 2007 Principal Payments | | Outstanding Dec. 31, 2007 | Interest Payments [1] | |
|---------------------------------------|--------------------------|---------------|-----------------------------|-------------------------|-------------------|------------------------------|-----------------------|--------------------|
| | | | | Due Date | Amount | | Due Date | Amount |
| GENERAL OBLIGATION BONDS | | | | | | | | |
| Limited Tax G.O., Series 2000A | \$9,840,000 [16] | 04/06/00 | 1,160,000 | 12/01/07 | 270,000 [16] | 890,000 [16] | 06/01, 12/01 | 58,605 |
| Limited Tax G.O., Series 2000B | \$107,305,000 | 04/06/00 | 93,040,000 | 12/01/07 | 2,820,000 | 90,220,000 | 06/01, 12/01 | 5,400,554 |
| Limited Tax G.O., Series 2004A | \$32,510,000 | 01/27/04 | 32,510,000 | | - | 32,510,000 | 05/01, 11/01 | 1,562,400 |
| Limited Tax G.O., Series 2004B | \$134,970,000 | 01/27/04 | 117,330,000 | 11/01/07 | 5,765,000 | 111,565,000 | 05/01, 11/01 | 5,847,975 |
| Limited Tax G.O., Series 2004C Ref. | \$131,330,000 [18] | 01/27/04 | 110,975,000 | 11/01/07 | 9,955,000 | 101,020,000 | 05/01, 11/01 | 5,683,638 |
| Limited Tax G.O., Series 2006 Ref. | \$61,630,000 [16] | 01/05/06 | 61,630,000 | | | 61,630,000 | 06/01, 12/01 | 3,065,725 |
| TOTAL GENERAL OBLIGATION BONDS | | | 416,645,000 | | 18,810,000 | 397,835,000 | | 21,618,896 |
| REVENUE BONDS | | | | | | | | |
| First Lien Revenue Bonds | | | | | | | | |
| Series 1994A Refunding | \$27,135,000 [3, 12] | 02/01/94 | 1,845,000 | 12/01/07 | 1,845,000 | - [4, 12] | 06/01, 12/01 | 88,560 |
| Series 1996B | \$74,520,000 [11] | 04/01/96 | 6,955,000 | 09/01/07 | 3,375,000 [11] | 3,580,000 [4, 11] | 03/01, 09/01 | 417,300 |
| Series 1997A | \$120,375,000 [14] | 05/01/97 | 4,595,000 | 10/01/07 | 4,595,000 | - [14] | 04/01, 10/01 | 275,700 |
| Series 1998A Refunding | \$73,180,000 [5] | 05/07/98 | 31,455,000 | 06/01/07 | 1,285,000 | 30,170,000 [4, 5] | 06/01, 12/01 | 1,616,738 |
| Series 2000B | \$221,590,000 | 07/27/00 | 203,900,000 | 02/01/07 | 6,575,000 | 197,325,000 | 02/01, 08/01 | 11,674,783 |
| Series 2000D Refunding | \$28,085,000 [6] | 07/27/00 | 11,765,000 | 02/01/07 | 1,505,000 | 10,260,000 | 02/01, 08/01 | 623,063 |
| Series 2001A | \$176,105,000 | 10/05/01 | 176,105,000 | | - | 176,105,000 | 04/01, 10/01 | 8,805,250 |
| Series 2001B | \$251,380,000 | 10/05/01 | 243,660,000 | 04/01/07 | 8,155,000 | 235,505,000 | 04/01, 10/01 | 12,841,468 |
| Series 2001C Refunding | \$12,205,000 [7] | 10/05/01 | 12,205,000 | | - | 12,205,000 | 06/01, 12/01 | 681,713 |
| Series 2001D Refunding | \$68,580,000 [8] | 08/07/02 | 57,705,000 | 11/01/07 | 3,860,000 | 53,845,000 | 05/01, 11/01 | 3,318,038 |
| Series 2003A | \$190,470,000 | 07/30/03 | 188,190,000 | | - | 188,190,000 | 01/01, 07/01 | 9,661,213 |
| Series 2003B | \$164,900,000 | 07/30/03 | 164,900,000 | 07/01/07 | 4,395,000 | 160,505,000 | 01/01, 07/01 | 8,525,791 |
| Series 2004 Refunding | \$24,710,000 [4, 5] | 06/15/04 | 22,045,000 | 06/01/07 | 1,420,000 | 20,625,000 | 06/01, 12/01 | 1,095,995 |
| Series 2007A | \$27,880,000 | 03/20/07 | - | | - | \$27,880,000 | 10/01 | 734,276 |
| Series 2007B | \$200,115,000 | 03/20/07 | - | | - | 200,115,000 | 10/01 | 5,297,612 |
| Total First Lien Revenue Bonds | | | 1,125,325,000 | | 37,010,000 | 1,316,310,000 | | 65,657,496 |
| Intermediate Lien Bonds | | | | | | | | |
| Series 2005A New S | \$252,190,000 | 07/20/05 | 252,190,000 | | | 252,190,000 | 03/01, 09/01 | 12,624,575 |
| Series 2005A - Ref. 1994A | \$12,030,000 [12] | 07/20/05 | 11,795,000 | | | 11,795,000 | 03/01, 09/01 | 589,750 |
| Series 2005A - Ref. 1996A | \$31,475,000 [13] | 07/20/05 | 31,035,000 | | | 31,035,000 | 03/01, 09/01 | 1,551,750 |
| Series 2005A - Ref. 1997A | \$108,900,000 [14] | 07/20/05 | 108,075,000 | | | 108,075,000 | 03/01, 09/01 | 5,420,775 |
| Series 2005B - Ref. 1994C | \$9,395,000 [15] | 07/20/05 | 9,395,000 | 07/01/07 | 3,260,000 | 6,135,000 | 01/01, 07/01 | 469,750 |
| Series 2005C - Ref. 1996B | \$40,120,000 [11] | 06/06/06 [11] | 39,590,000 | | - | 39,590,000 | 03/01, 09/01 | 1,979,500 |
| Series 2006A - Ref. 2000A | \$124,625,000 [17] | 06/08/06 [17] | 124,625,000 | | - | 124,625,000 | 02/01, 08/01 [17] | 6,738,504 |
| Total Intermediate Lien Bonds | | | 576,705,000 | | 3,260,000 | 573,445,000 | | 29,374,604 |
| Subordinate Lien Bonds | | | | | | | | |
| Series 1997 | \$108,830,000 | 03/26/97 | 108,830,000 | 09/01/07 | - [2] | 108,830,000 | Various [2] | 3,191,432 [2] |
| Series 1998 Refunding | \$27,930,000 [5] | 05/07/98 | 18,195,000 | 08/01/07 | 1,290,000 | 16,905,000 | 02/01, 08/01 | 909,040 |
| Series 1999A | \$127,140,000 | 11/14/02 | 121,840,000 | | - | 121,840,000 | 03/01, 09/01 | 6,426,113 |
| Series 1999B | \$116,815,000 | 11/14/02 | 89,245,000 | 09/01/07 | 7,185,000 | 82,060,000 | 03/01, 09/01 | 4,890,513 |
| Series 2003C | \$200,000,000 | 08/12/03 | 200,000,000 | | - | 200,000,000 | Various [2] | 6,621,381 [2] |
| Series 2005D | \$62,925,000 | 08/17/05 | 62,925,000 | | - | 62,925,000 | Various [2] | 1,855,649 [2] |
| Total Subordinate Lien Bonds | | | 601,035,000 | | 8,475,000 | 592,560,000 | | 23,894,128 |
| TOTAL REVENUE BONDS | | | 2,303,065,000 | | 48,745,000 | 2,482,315,000 | | 118,926,228 |
| SPECIAL REVENUE BONDS | | | | | | | | |
| PFC Rev. Bonds Series 1998A | \$118,490,000 [9] | 07/16/98 | 118,490,000 | | | 118,490,000 | 06/01, 12/01 | 6,079,600 |
| PFC Rev. Bonds Series 1998B | \$144,010,000 [9] | 07/16/98 | 108,915,000 | 12/01/07 | 8,645,000 | 100,270,000 | 06/01, 12/01 | 5,701,328 |
| TOTAL SPECIAL REVENUE BONDS | | | 227,405,000 | | 8,645,000 | 218,760,000 | | 11,780,928 |
| SPECIAL FACILITY REVENUE BONDS | | | | | | | | |
| Fuel Facilities Series 2003 | \$121,140,000 [10] | 05/01/03 | 119,015,000 | 06/01/07 | 2,230,000 | \$116,785,000 | 06/01, 12/01 | 5,914,275 |
| TOTAL SPECIAL REVENUE BONDS | | | 119,015,000 | | 2,230,000 | \$116,785,000 | | 5,914,275 |

Notes:

- [1] - Interest Payments shown in this schedule are gross amounts before use of any Capitalized Interest.
- [2] - Estimated annual total. Interest paid monthly or at maturity. Principal paid annual or at maturity.
- [3] - Series 1994A refunded a portion of the Port's 1990A. Series 1994C refunded all of the Port's outstanding Series 1971 bonds, and a portion of the Series 1979 bonds.
- [4] - Series 2004 refunded a portion of the Port's existing series 1992A, 1994A, 1996B and 1998 revenue bonds.
- [5] - Series 1998 (First Lien & Sub-Lien) refunded a portion of the Port's 1990 and existing 1992 bonds.
- [6] - Series 2000C & 2000D refunded a portion of the Port's 1990 and existing 1992 bonds.
- [7] - Series 2001C refunded a portion of the Port's 1990B bonds.
- [8] - Series 2001D refunded a portion of the Port's existing 1992B bonds. It had a delayed delivery date of 8/7/02.
- [9] - Debt services for PFC Rev. Bonds will be paid directly out of receipts from PFCs, not out of operating cash flow.
- [10] - Debt services for Fuel Facilities is paid directly from Fuel Hydrant Facility income, not out of general operating cash flow. First principal payment due 6/1/2006.
- [11] - Series 2005C refunded a portion of the Port's existing 1996B bonds. It had a delayed delivery date of 6/6/2006.
- [12] - Series 2005A-Ref. 1994A refunded a portion of the Port's existing 1994A bonds.
- [13] - Series 2005A-Ref. 1996A refunded a portion of the Port's 1996A bonds.
- [14] - Series 2005A-Ref. 1997A refunded a portion of the Port's existing 1997A bonds.
- [15] - Series 2005B-Ref. 1994C refunded a portion of the Port's existing 1994C bonds.
- [16] - Series 2006 G. O. Ref. Bonds refunded a portion of the Port's existing 1999A Special Facility bonds, and refunded a portion of the existing 2000A G. O. bonds.
- [17] - Series 2006A Intermediate Lien refunded the outstanding 2000A First Lien series bonds. The first debt service date is 2/1/2007.
- [18] - Series 2004C G. O. Ref. bonds refunded a portion of the Port's existing 1994B Revenue bonds, and refunded a portion of the existing 1994 G. O. bonds.

The Port has authority to issue up to \$250 million in Commercial Paper, as of 9/30/07 the Port had \$156.770 million outstanding.

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TABLE B-2: BOND AMORTIZATION SCHEDULE FOR 2008

| Bond Type Series | Original Issue Amount | Issue Date | Outstanding Jan. 1, 2008 | 2008 Principal Payments | | Outstanding Dec. 31, 2008 | Interest Payments [1] | |
|---------------------------------------|--------------------------|---------------|-----------------------------|-------------------------|-------------------|------------------------------|-----------------------|--------------------|
| | | | | Due Date | Amount | | Due Date | Amount |
| GENERAL OBLIGATION BONDS | | | | | | | | |
| Limited Tax G.O., Series 2000A | \$9,840,000 [16] | 04/06/00 | 890,000 | 12/01/08 | 285,000 [16] | 605,000 [16] | 06/01, 12/01 | 45,105 |
| Limited Tax G.O., Series 2000B | \$107,305,000 | 04/06/00 | 90,220,000 | 12/01/08 | 2,975,000 | 87,245,000 | 06/01, 12/01 | 5,245,454 |
| Limited Tax G.O., Series 2004A | \$32,510,000 | 01/27/04 | 32,510,000 | | | 32,510,000 | 05/01, 11/01 | 1,562,400 |
| Limited Tax G.O., Series 2004B | \$134,970,000 | 01/27/04 | 111,565,000 | 11/01/08 | 6,055,000 | 105,510,000 | 05/01, 11/01 | 5,559,725 |
| Limited Tax G.O., Series 2004C Ref. | \$131,330,000 [3] | 01/27/04 | 101,020,000 | 11/01/08 | 10,455,000 | 90,565,000 | 05/01, 11/01 | 5,185,888 |
| Limited Tax G.O., Series 2006 Ref. | \$61,630,000 [16] | 01/05/06 | 61,630,000 | | | 61,630,000 | 06/01, 12/01 | 3,065,725 |
| TOTAL GENERAL OBLIGATION BONDS | | | 397,835,000 | | 19,770,000 | 378,065,000 | | 20,664,296 |
| REVENUE BONDS | | | | | | | | |
| First Lien Revenue Bonds | | | | | | | | |
| Series 1996B | \$74,520,000 [11] | 04/01/96 | 3,580,000 | 09/01/08 | 3,580,000 [11] | - [4, 11] | 03/01, 09/01 | 214,800 |
| Series 1998A Refunding | \$73,180,000 [5] | 05/07/98 | 30,170,000 | 06/01/08 | 1,365,000 | 28,805,000 [4, 5] | 06/01, 12/01 | 1,547,928 |
| Series 2000B | \$221,590,000 | 07/27/00 | 197,325,000 | 02/01/08 | 6,950,000 | 190,375,000 | 02/01, 08/01 | 11,302,845 |
| Series 2000D Refunding | \$28,085,000 [6] | 07/27/00 | 10,260,000 | 02/01/08 | 1,680,000 | 8,580,000 | 02/01, 08/01 | 535,475 |
| Series 2001A | \$176,105,000 | 10/05/01 | 176,105,000 | | | 176,105,000 | 04/01, 10/01 | 8,805,250 |
| Series 2001B | \$251,380,000 | 10/05/01 | 235,505,000 | 04/01/08 | 8,615,000 | 226,890,000 | 04/01, 10/01 | 12,380,293 |
| Series 2001C Refunding | \$12,205,000 [7] | 10/05/01 | 12,205,000 | | | 12,205,000 | 06/01, 12/01 | 681,713 |
| Series 2001D Refunding | \$68,580,000 [8] | 08/07/02 | 53,845,000 | 11/01/08 | 4,085,000 | 49,760,000 | 05/01, 11/01 | 3,096,088 |
| Series 2003A | \$190,470,000 | 07/30/03 | 188,190,000 | | | 188,190,000 | 01/01, 07/01 | 9,661,213 |
| Series 2003B | \$164,900,000 | 07/30/03 | 160,505,000 | 07/01/08 | 6,630,000 | 153,875,000 | 01/01, 07/01 | 8,295,054 |
| Series 2004 Refunding | \$24,710,000 [4, 5] | 06/15/04 | 20,625,000 | 06/01/08 | 1,520,000 | 19,105,000 | 06/01, 12/01 | 1,037,070 |
| Series 2007A | \$27,880,000 | 03/20/07 | \$27,880,000 | | | 27,880,000 | 04/01, 10/01 | 1,383,975 |
| Series 2007B | \$200,115,000 | 03/20/07 | 200,115,000 | 10/01/08 | 1,900,000 | 198,215,000 | 04/01, 10/01 | 9,985,028 |
| Total First Lien Revenue Bonds | | | 1,316,310,000 | | 36,325,000 | 1,279,985,000 | | 68,926,729 |
| Intermediate Lien Bonds | | | | | | | | |
| Series 2005A New \$ | \$252,190,000 | 07/20/05 | 252,190,000 | | | 252,190,000 | 03/01, 09/01 | 12,624,575 |
| Series 2005A - Ref. 1994A | \$12,030,000 [12] | 07/20/05 | 11,795,000 | 03/01/08 | 1,260,000 | 10,535,000 | 03/01, 09/01 | 558,250 |
| Series 2005A - Ref. 1996A | \$31,475,000 [13] | 07/20/05 | 31,035,000 | | | 31,035,000 | 03/01, 09/01 | 1,551,750 |
| Series 2005A - Ref. 1997A | \$108,900,000 [14] | 07/20/05 | 108,075,000 | 03/01/08 | 3,695,000 | 104,380,000 | 03/01, 09/01 | 5,328,400 |
| Series 2005B - Ref. 1994C | \$9,395,000 [15] | 07/20/05 | 6,135,000 | 07/01/08 | 3,185,000 | 2,950,000 | 01/01, 07/01 | 306,750 |
| Series 2005C - Ref. 1996B | \$40,120,000 [11] | 06/06/06 [11] | 39,590,000 | | - | 39,590,000 | 03/01, 09/01 | 1,979,500 |
| Series 2006A - Ref. 2000A | \$124,625,000 [17] | 06/08/06 [17] | 124,625,000 | | - | 124,625,000 | 02/01, 08/01 [17] | 6,172,675 |
| Total Intermediate Lien Bonds | | | 573,445,000 | | 8,140,000 | 565,305,000 | | 28,521,900 |
| Subordinate Lien Bonds | | | | | | | | |
| Series 1997 | \$108,830,000 | 03/26/97 | 108,830,000 | 09/01/08 | 5,235,000 [2] | 103,595,000 | Various [2] | 4,897,350 [2] |
| Series 1998 Refunding | \$27,930,000 [5] | 05/07/98 | 16,905,000 | 08/01/08 | 1,345,000 | 15,560,000 | 02/01, 08/01 | 849,700 |
| Series 1999A | \$127,140,000 | 11/14/02 | 121,840,000 | | | 121,840,000 | 03/01, 09/01 | 6,426,113 |
| Series 1999B | \$116,815,000 | 11/14/02 | 82,060,000 | 09/01/08 | 7,565,000 | 74,495,000 | 03/01, 09/01 | 4,513,300 |
| Series 2003C | \$200,000,000 | 08/12/03 | 200,000,000 | | | 200,000,000 | Various [2] | 9,000,000 [2] |
| Series 2005D | \$62,925,000 | 08/17/05 | 62,925,000 | | | 62,925,000 | Various [2] | 2,831,625 [2] |
| Total Subordinate Lien Bonds | | | 592,560,000 | | 14,145,000 | 578,415,000 | | 28,518,088 |
| TOTAL REVENUE BONDS | | | 2,482,315,000 | | 58,610,000 | 2,423,705,000 | | 125,966,717 |
| SPECIAL REVENUE BONDS | | | | | | | | |
| PFC Rev. Bonds Series 1998A | \$118,490,000 [9] | 07/16/98 | 118,490,000 | | | 118,490,000 | 06/01, 12/01 | 6,079,600 |
| PFC Rev. Bonds Series 1998B | \$144,010,000 [9] | 07/16/98 | 100,270,000 | 12/01/08 | 9,075,000 | 91,195,000 | 06/01, 12/01 | 5,269,078 |
| TOTAL SPECIAL REVENUE BONDS | | | 218,760,000 | | 9,075,000 | 209,685,000 | | 11,348,678 |
| SPECIAL FACILITY REVENUE BONDS | | | | | | | | |
| Fuel Facilities Series 2003 | \$121,140,000 [10] | 05/01/03 | 116,785,000 | 06/01/08 | 2,340,000 | \$114,445,000 | 06/01, 12/01 | 5,823,425 |
| TOTAL SPECIAL REVENUE BONDS | | | 116,785,000 | | 2,340,000 | \$114,445,000 | | 5,823,425 |

Notes:

- [1] - Interest Payments shown in this schedule are gross amounts before use of any Capitalized Interest.
- [2] - Estimated annual total. Interest paid monthly or at maturity. Principal paid annual or at maturity.
- [3] - Series 2004C G. O. Ref. bonds refunded a portion of the Port's existing 1994B Revenue bonds, and refunded a portion of the existing 1994 G. O. bonds.
- [4] - Series 2004 refunded a portion of the Port's existing series 1992A, 1994A, 1996B and 1998 revenue bonds.
- [5] - Series 1998 (First Lien & Sub-Lien) refunded a portion of the Port's 1990 and existing 1992 bonds.
- [6] - Series 2000C & 2000D refunded a portion of the Port's 1990 and existing 1992 bonds.
- [7] - Series 2001C refunded a portion of the Port's 1990B bonds.
- [8] - Series 2001D refunded a portion of the Port's existing 1992B bonds. It had a delayed delivery date of 8/7/02.
- [9] - Debt services for PFC Rev. Bonds will be paid directly out of receipts from PFCs, not out of operating cash flow.
- [10]-Debt services for Fuel Facilities is paid directly from Fuel Hydrant Facility income, not out of general operating cash flow. First principal payment due 6/1/2006.
- [11] - Series 2005C refunded a portion of the Port's existing 1996B bonds. It had a delayed delivery date of 6/6/2006.
- [12] - Series 2005A-Ref. 1994A refunded a portion of the Port's existing 1994A bonds.
- [13] - Series 2005A-Ref. 1996A refunded a portion of the Port's 1996A bonds.
- [14] - Series 2005A-Ref. 1997A refunded a portion of the Port's existing 1997A bonds.
- [15] - Series 2005B-Ref. 1994C refunded a portion of the Port's existing 1994C bonds.
- [16] - Series 2006 G. O. Ref. Bonds refunded a portion of the Port's existing 1999A Special Facility bonds, and refunded a portion of the existing 2000A G. O. bonds.
- [17] - Series 2006A Intermediate Lien refunded the outstanding 2000A First Lien series bonds. The first debt service date is 2/1/2007.

The Port has authority to issue up to \$250 million in Commercial Paper, as of 9/30/07 the Port had \$156.770 million outstanding.

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APPENDIX C: AVIATION LANDING FEE REVENUES

The landing fee rate and resulting landing fee revenue are based on the contractual agreement between the Port's Aviation Division and the airlines. This contractual agreement permits the airlines to land and operate at Sea-Tac International Airport.

The landing fee rate is established during the budget period for the following calendar year. The rate is subject to revision during the calendar year and the landing fee dollars are adjusted to the actual airport costs at the end of the calendar year in accordance with a formula outlined in the Basic Airline Lease. The airlines are then billed or reimbursed accordingly for any differences.

The landing fee calculation provides that the airlines pay for the operating cost of the airport. The landing fee formula is as follows:

| | | |
|--|---|--|
| To the total Airport Operating and Maintenance Costs | | |
| Add | + | Operating and Maintenance Expenses |
| Add | + | Capital Costs (debt services, interim financing costs, etc.) |
| Add | + | Allocable Terminal Costs |
| Subtract | - | Other Airfield Revenues (airfield properties, ID badging, gate parking, fuel flowage) |
| Add | + | Change in Security Deposit |
| Equals | = | Landing Fees required to support the airport |

The landing fee rate is determined at the beginning of the year by dividing the landing fee revenues required, based on the budgeted costs, by the estimated landed weights as provided by the airlines and reviewed for reasonableness by Airport management.

TABLE C-1: LANDING FEE REVENUE CALCULATION

Seattle-Tacoma International Airport Landing Fee Revenue Calculation

| | 2008 Budget |
|---|------------------------|
| Landing Fee Cost <i>\$ in '000</i> | |
| Total Operating Costs | \$47,881 |
| Capital Costs | 22,165 |
| Allocable Terminal Costs | 958 |
| Offset Other Airfield Revenues | (12,718) |
| Change in Security Deposit | 592 |
| Landing Fee Revenues | \$58,878 |

APPENDIX D: OTHER DETAILED EXPENDITURES

A. Promotional Hosting

Promotional hosting consists of expenses incurred by officials and employees of the Port in connection with hosting others for the purpose of promoting the increased use of Port facilities and services.

TABLE D-1: PROMOTIONAL HOSTING BY DIVISION

| DIVISION | 2008 Budget | 2007 Approved | 2006 Approved | 2006 Actual |
|----------------------------|------------------|------------------|------------------|------------------|
| Aviation | 226,989 | 200,710 | 192,029 | 146,827 |
| Seaport | 111,065 | 93,628 | 71,766 | 72,766 |
| Real Estate | 21,491 | | | |
| Professional & Tech. Svcs. | 189,467 | 138,676 | 124,220 | 106,757 |
| Economic Development | | 49,473 | 63,077 | 33,101 |
| Total | \$549,012 | \$482,487 | \$451,092 | \$359,451 |
| PROMO.XLS | | | | |

Note: Real Estate became a new division for 2008 and Economic Development was absorbed into Real Estate and Corporate Professional & Technical Services.

B. Memberships

The 2008 Budget for the Port of Seattle includes monies sufficient for the following memberships amounting to a total of \$932,206.

In addition, the Chief Executive Officer may approve additional memberships and dues increases for 2008, which may arise and which could not be foreseen at this time, provided these increases do not exceed 10% of the total memberships budget.

Memberships are for associations for the purpose of participating on a cooperative basis with other port districts, airports and with operators of terminal and transportation facilities, associations providing specialized information and services, associations to better qualify certain employees in the performance of specified duties which are assigned to such employees, and associations which are considered to be of particular and special value in connection with the carrying out of the Port's promotion and advertising activities. Membership is an effective way to leverage scarce resources to accomplish objectives that might otherwise be omitted.

APPENDIX E: ACRONYMS and ABBREVIATIONS (AAA) RELEVANT TO THE PORT OF SEATTLE

| | | | |
|--------|---|-------|---|
| AIR 21 | Aviation Investment & Reform Act for the 21st Century | NOI | Net Operating Income |
| AODB | Airport Operations Database | O&D | Origin and Destination |
| APM | Automated People Mover | O&M | Operation and Maintenance |
| ARFF | Aviation Regional Fire Fighting | P&TS | Professional and Technical Services |
| BALA | Basic Airline Lease Agreement | PCS | Port Construction Services |
| CDP | Comprehensive Development Plan | PER | Pecuniary Extraction Rate |
| CFC | Customer Facility Charge | PFC | Passenger Facility Charge |
| CIP | Capital Improvement Program | PLA | Project Labor Agreement |
| CMMS | Computerized Maintenance Management System | PMG | Project Management Group |
| CPE | Cost per Enplanement | PPE | Personal Protective Equipment |
| CPI | Consumer Price Index | PPM | Post Panamax |
| CPR | Cardio Pulmonary Resuscitation | PRA | Particle Resistant Articulator |
| CTE | Central Terminal Expansion | RCF | Rental Car Facility |
| EASE | Extraordinary Airport Service Experience | RCW | Revised Code of Washington |
| EIS | Environmental Impact Study | RJ | Regional Jet |
| ETDD | Economic and Trade Development Department | RON | Remain Overnight |
| FAA | Federal Aviation Administration | SBM | Shilshole Bay Marina |
| FAR | Federal Aviation Regulations | STEP | South Terminal Expansion Project |
| FAST | Freight Action Strategy Corridor | STIA | Seattle-Tacoma International Airport |
| FIS | Federal Inspection Area | STITA | Seattle-Tacoma International Taxi Association |
| FTE | Full-time Equivalent Employee | STS | Satellite Transit System |
| FTPP | Fishermen's Terminal Piers and Properties | TEU | Twenty-foot Equivalent Unit |
| G.O. | General Obligation (Bond) | TSA | Transportation Security Administration |
| GT | Ground Transportation | | |
| HDS | Harbor Development Strategy | | |
| IFO | Income From Operations | | |
| ILA | Interlocal Agreement | | |
| IMC | Intermodal Center | | |
| ICT | Information and Communications Technology | | |
| LOB | Line of Business | | |
| LOI | Letter of Intent | | |
| MAP | Million Annual Passengers | | |
| MIC | Marine Industrial Center | | |
| MIS | Management Information System | | |
| MOBI | Marina Operation Boating Inventory System | | |
| NAMF | North Area Maintenance Facility | | |
| NEST | New Economic Strategy Triangle | | |