COMPREHENSIVE ANNUAL FINANCIAL REPORT

COLUMBUS REGIONAL AIRPORT AUTHORITY

Columbus, Ohio

For the year ended December 31, 2007

Mary Taylor, CPA
Auditor of State

Board of Directors
Columbus Regional Airport Authority
4600 International Gateway
Columbus, Ohio 43219

We have reviewed the *Independent Auditors' Report* of the Columbus Regional Airport Authority, Franklin County, prepared by Clark, Schaefer, Hackett & Co., for the audit period January 1, 2007 through December 31, 2007. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Columbus Regional Airport Authority is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

May 14, 2008

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N710CK


skybus
Spirit of Columbus


US AIRWAYS EXPRESS
N329DL
Delta

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the
Columbus Regional Airport Authority
Columbus, OH

For the year ended
December 31, 2007

Prepared by:
John E. Byrum, CPA - Inactive
Vice President & CFO

Gwen Langston, CPA
Controller and Director, Finance and I.T.

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COLUMBUS REGIONAL AIRPORT AUTHORITY
PORT COLUMBUS • RICKENBACKER • BOLTON

March 17, 2008

To the Board of Directors:

This Comprehensive Annual Financial Report (CAFR) for the Columbus Regional Airport Authority (the Authority) for the year ended December 31, 2007, is proudly prepared and presented by your Finance Department and represents the Authority staff's commitment to provide accurate, concise and high-quality financial information to its Board of Directors and to the public we serve.

This CAFR contains financial statements and statistical data that fully disclose all the material financial operations of the Authority. The financial statements and statistical information contained herein are the representations of the Authority's management, which bears the responsibility for the accuracy, completeness, and fairness of this CAFR. A narrative overview and analysis of the financial activities of the Authority that occurred during the years ended December 31, 2007 and 2006 is presented in the Management's Discussion and Analysis (MD&A) found at the beginning of the Financial Section.

This CAFR has been prepared following the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). The GFOA awards Certificates of Achievement to those entities whose annual financial reports are judged to conform to the high standards of public financial reporting, including generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). It is our belief that the accompanying 2007 CAFR meets program standards, and it will be submitted to the GFOA for review.

Reporting Entity

The Authority is an independent, special purpose political subdivision of the State of Ohio. It was created as a body corporate and politic on July 30, 1990, by action of the Columbus City Council pursuant to the provisions of the Ohio Revised Code Chapter 4582. On November 10, 1991 (the transfer date), the Authority began operations under a use agreement with the City of Columbus for the purpose of providing airport facilities to the general public. On January 1, 2003, the assets and liabilities of the former Rickenbacker Port Authority, principally the Rickenbacker International Airport, were merged into the Columbus Municipal Airport Authority and the surviving entity was renamed the Columbus Regional Airport Authority. In December 2007, the Authority paid the City the remaining balance on the general obligation bonds and received title to the airport property relating to the use agreement. Additional information describing this event may be found in the Overview of the Financial Statements section of the MD&A and in Note 1 to the financial statements.

The Authority's financial reporting entity has been defined in accordance with GASB Statement No. 14. The financial statements contained within this CAFR include all departments and operations for which the Authority is financially accountable. Financial accountability is defined in Note 1 to the financial statements. No governmental organizations other than the Authority itself are included in the financial reporting entity.

Port Columbus International Airport
4600 International Gateway
Columbus, Ohio 43219
Phone: 614-239-4000
Fax: 614-239-4066

Rickenbacker International Airport
7161 Second Street
Columbus, Ohio 43217
Phone: 614-491-1401
Fax: 614-491-0662

Bolton Field Airport
2000 Norton Road
Columbus, Ohio 43228
Phone: 614-851-9900
Fax: 614-851-8959

A nine member Board of Directors that are jointly appointed by the City of Columbus and County of Franklin governs the Authority. The Mayor of Columbus with the advice and consent of the City Council appoints four members, four members are appointed by the County Commissioners and one member is jointly appointed. A complete discussion of the Authority's financial reporting entity is included in Note 1 to the financial statements.

Economic Conditions and Outlook

The financial condition of the Authority is primarily dependent upon the number of passengers using Port Columbus International Airport. Passenger levels, in turn, are dependent upon several factors, including: the economic conditions of the airline industry which influences the airlines' willingness and ability to provide service; the local economy which influences the willingness and ability of consumers to purchase air travel; and the cost of air travel.

In 2007, Standard & Poor's raised the underlying rating on the Authority's airport revenue bonds from A- to A. Standard & Poor's based this upgrade on the Authority's improved debt coverage, stable primary air trade area, diverse sources of revenue and strong liquidity. In addition, Fitch Ratings revised its Rating Outlook for the Authority from Stable to Positive.

The economy of the Greater Columbus area, including Franklin and the six surrounding counties, remained strong in 2007. The unemployment rate of 4.7% was below that of Ohio (5.6%) and slightly above the United States (4.6%). A balance among manufacturing, education and health services, technology, retail, research and financial activities has helped Columbus' economy to survive periods of slow growth. Unlike most other large U.S. cities, Columbus is not dependent upon one or two industries for its major economic strength and no single activity dominates the economy.

The diversity among Greater Columbus' top five employers – the State of Ohio, The Ohio State University, JP Morgan Chase & Co., Nationwide Insurance Companies and the Federal Government (U.S. Postal Service, Defense Supply Center and Defense Finance and Accounting Service) – is representative of the local economy as a whole. The variety represented by these five employers, which together account for more than 83,000 jobs in Central Ohio, assures that the local economy can withstand slowdowns in certain sectors and not suffer an overall slowdown in the local economy.

Port Columbus' growth has been incredible over the last few years. In 2007, a new and different airline was born in Columbus. Skybus opened its headquarters at Port Columbus with a focus on controlling costs in order to offer low airfares. In just a few short months Skybus became one of the largest carriers at Port Columbus. In early 2008, Skybus announced they were ceasing all operations. In spite of this news, Port Columbus continues to serve 35 airports with 168 daily departures by 10 airlines. In 2007, the Authority served over 7.7 million passengers, up 14.6 % from the previous year. Additional data can be found in the Statistical section of this CAFR.

Meanwhile, 220.5 million pounds of cargo moved through Rickenbacker in 2007 as compared to 250.7 million pounds in 2006. In 2007, 7,299 passengers used the Rickenbacker Charter Terminal for a 27% increase over 2006.

Initiatives and Development

Funding for the Authority's development projects is provided exclusively by user fees, as are the funds needed to conduct the Airport's day-to-day operations. These funds are principally generated in three ways: through direct charges such as space rentals and landing fees collected from the airlines; from the airlines ticket tax which is then returned to airports in the form of grants under the Federal Airport Improvement Program; and through a passenger facility charge which is collected as a surcharge on airline tickets. The Authority utilizes each of these to generate funds for its operations and facilities development.

The Authority was instrumental in hosting the Gathering of Mustangs & Legends, a once-in-a-lifetime aviation celebration honoring the heroes and flying machines of WWII, with a focus on the P-51 "Mustang" aircraft. The Air Force chose Columbus as the site of Air Force Heritage Week in conjunction with the event to celebrate the 60th anniversary of the Air Force. In September, over 150,000 spectators gathered at Rickenbacker to watch and honor our nation's aviation heroes, including the Tuskegee Airmen.

In 2005, a partnership between the Authority and Norfolk Southern Corporation was established to develop the Rickenbacker Intermodal Facility. Planned to be operational by early 2008, the train-truck intermodal facility and the industrial development is expected to create over an estimated 20,000 jobs and have an economic impact of over $15 billion over the next 30 years. This facility is also expected to reduce the overall transportation cost for domestic and international shippers and solidify the area's status as a premier Midwest distribution hub.

In conjunction with the development of the intermodal facility, the Authority formed a partnership with Duke Realty Corporation and Capitol Square, Ltd. (DRCS, LLC) to develop the Rickenbacker Global Logistics Park. This will be located on 1,500 acres of prime, industrial land near the new intermodal site and will eventually include up to 24 million square feet of development.

The Authority is partnering with the Ohio Department of Transportation to construct a grade separated interchange at the intersection of Stelzer Road and I-670/International Gateway. This interchange project at Port Columbus International Airport will ultimately involve the removal of all traffic lights on International Gateway, allowing for more efficient public access to the airport.

The Authority is also constructing a new crossover taxiway over International Gateway. This taxiway will provide a shorter route for taxiing aircraft, increase airport capacity and eliminate congestion on the existing terminal apron.

Authority's Internet Web Page

The Authority has an Internet web site offering a wide array of information to users, including financial information and operational statistics. Users can obtain direct access to the airlines serving the airports, obtain flight arrival and departure information and download flight schedules directly onto their Personal Digital Assistant (PDAs). The Authority's CAFR is posted on the web site. The web address is ColumbusAirports.com.

Internal Control Framework

In developing and evaluating the Authority's accounting system, consideration is given to the adequacy of the internal control framework. Internal control framework is designed to provide reasonable, but not absolute assurance regarding: (1) safeguarding of assets against loss from unauthorized use or disposition; (2) execution of transactions in accordance with management's authorization; (3) reliability of financial records used in preparing financial statements and maintaining accountability for assets; (4) effectiveness and efficiency of operations; and (5) compliance with applicable laws and regulations. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from it, and that the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above structure. We believe that the Authority's internal control framework adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions. Management also believes that the data in this CAFR, as presented, is accurate in all material respects, that it presents fairly the financial position, results of operations and cash flows of the Authority, and that all disclosures necessary to enable the reader to gain the maximum understanding of the Authority's financial affairs have been included.

The Authority maintains an Internal Audit Department responsible for a broad, comprehensive program of internal and external auditing. The audit director reports directly to the Vice President & Chief Financial Officer and maintains reporting responsibilities to the President & CEO and the Board of Directors. The Internal Audit Department is authorized to have full, free, and unrestricted access to all records pertaining to the audits.

Budgetary Controls & Policies

The Authority's financial policies are prepared in accordance with state laws and bond indentures. Financial policies include budgeting and financial planning, capital planning, revenue, investment, debt management, procurement, and accounting and auditing.

The annual operating and capital budgets are proposed by the Authority's management and adopted by the Board of Directors in a public meeting before the beginning of each fiscal year. The annual budget is prepared pursuant to guidelines established after consideration of the Authority's General Business Plan covering the years 2004 through 2008. Management control of the budget is maintained at the department level. It is the responsibility of each department to administer its operations in such a manner as to ensure that the use of funds is consistent with the goals and programs authorized by the Board of Directors.

Activity Highlights

The following represents the Authority's activity highlights for the years ended December 31:

	2007	2006	% Change
Airline Cost	$ 22,946,926	$18,900,435	21.4
Enplanements	3,865,481	3,363,000	14.9
Cost Per Enplaned Passenger	$ 5.94	$ 5.62	5.6

Throughout its existence the Authority has been purposeful in building cash reserves to fund contingencies and future facilities development. The Authority uses these assets to provide services to its passengers and visitors to the Airport. It has also diligently controlled the costs passed on to its family of airlines. Airline cost per enplaned passenger (Cost/EP) – the standard employed by the air carriers to determine the relative cost of operating at an airport – is the sum of all expenditures charged to the airlines by an airport divided by the number of passengers enplaned at the airport. For 2007 and 2006, the airline Cost/EP at Port Columbus International Airport has remained competitive at $5.94 and $5.62 respectively. These Cost/EPs continue to compare favorably with other medium hub airports, further reinforcing Port Columbus' reputation as a cost effective, airline-friendly facility.

Independent Audit

The Authority's independent auditing firm, Clark, Schaefer, Hackett & Co., has rendered an unqualified opinion that the Authority's financial statements for December 31, 2007 and 2006, and for the years then ended, present fairly, in all material respects, the results of the Authority's financial position, operations and cash flows. The Auditor of State of Ohio also reviews the Authority's financial statements for compliance with state reporting requirements.

The Authority participates in the federal single audit program, which consists of a single audit of all federally funded programs administered by the Authority. Participation in the single audit program is mandatory as a condition for continued funding eligibility. The single audit performed by Clark, Schaefer, Hackett & Co., met the requirements set forth by the State of Ohio and the Federal Single Audit Act of 1996 and related Office of Management and Budget Circular A-133. The independent auditors' reports issued based upon work performed in accordance with those requirements noted no instances of noncompliance by the Authority with any applicable state or federal laws or regulations or other matters that are required to be reported for the fiscal year ending December 31, 2007. A copy of the report can be found in the Compliance section of this CAFR.

Certificate of Achievement

I am most proud to report that the GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the Authority for its CAFR for the year ended December 31, 2006. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. Such CAFR must satisfy both accounting principles generally accepted in the United States of America (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The Authority has received a Certificate of Achievement for the last fifteen consecutive years, ended December 31, 2006. We believe our current CAFR continues to meet the Certificate of Achievement Program's requirements, and we will be submitting it to the GFOA to determine its eligibility for another certificate.

The Ohio Auditor of State's office has also recognized the Columbus Regional Airport Authority with a "Making Your Tax Dollars Count" award for the audit of fiscal year 2006. This award recognizes excellence in financial accountability and the Authority has received this award for the fourth consecutive year.

Acknowledgments

The publication of this CAFR is a reflection of the level of excellence and professionalism the Authority's entire staff has attained. I wish to express my appreciation specifically to all members of the Finance Department, who contributed not only to the preparation of this CAFR, but also to the accomplishments that I am privileged to report.

I would like to thank the Board of Directors and the President & CEO, Elaine Roberts, for their guidance and support provided in the planning and conducting of the financial operations of the Authority. Your direction and counsel have helped to ensure that the Columbus Regional Airport Authority will remain a model of excellence for airports throughout the world.

Respectfully submitted,

John E. Byrum, CPA-Inactive
Vice President & Chief Financial Officer

Board of Directors

Kathleen H. Ransier

Dwight E. Smith

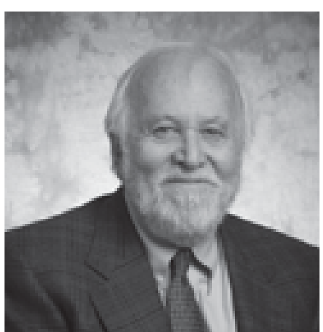
Don M. Casto, III

Frank J. Cipriano

John W. Kessler

Wm. J. Lhota

James P. Loomis



George A. Skestos

Dennis L. White

Chair

Kathleen H. Ransier, Esq.
Partner
Vorys, Sater, Seymour & Pease

Vice Chair

Dwight E. Smith
President/CEO
Sophisticated Systems, Inc.

Directors

Don M. Casto, III
President/Owner
CASTO

Frank J. Cipriano
Chief Executive Officer
Land Network

John W. Kessler
Chairman
The New Albany Company

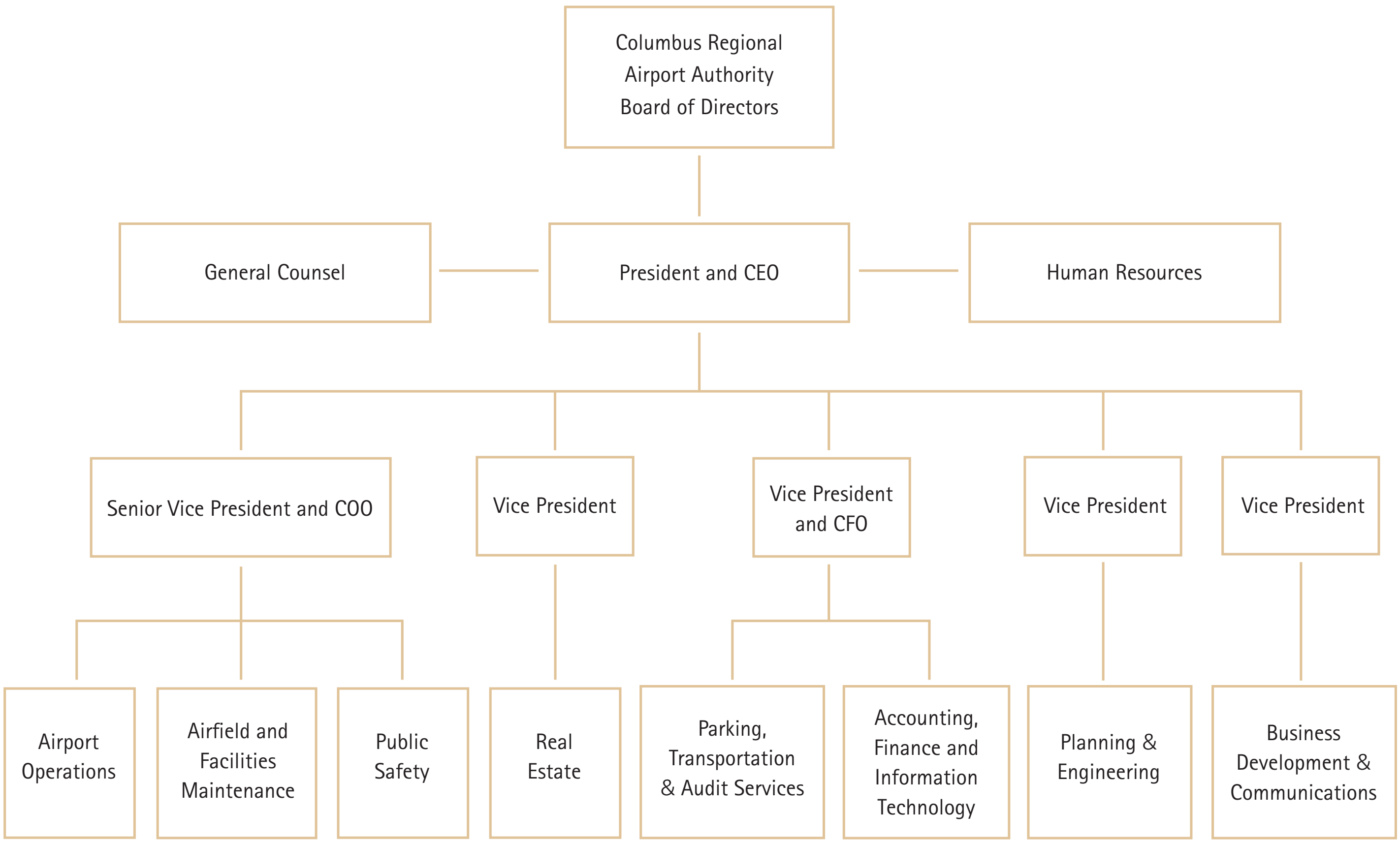
Wm. J. Lhota, P.E.
President & CEO
Central Ohio Transit Authority

James P. Loomis, P.E.
Retired Vice President, Transportation
Battelle

George A. Skestos
Retired Chief Executive Officer
Trinity Homes

Dennis L. White
Deputy Director
Franklin County Board of Elections

Organization Chart and Senior Management



Senior Management

Elaine Roberts, A.A.E.	President & Chief Executive Officer
Rod C. Borden, Esq., A.A.E.	Senior Vice President & Chief Operating Officer
T. Randal Bush, CPFM, CIA, CPA	Director, Parking, Transportation & Audit Services
John E. Byrum, CPA - Inactive	Vice President & Chief Financial Officer
Linda F. Frankl, A.A.E.	Director, Airport Operations
Robin V. Holderman	Vice President, Real Estate
Gwen E. Langston, CPA	Controller and Director, Finance & I.T.
Linda M. Laughlin	Director, Human Resources
Bernard F. Meleski	Director, Planning & Development
Richard L. Morgan	Director, Public Safety
Angela R. Newland, P.E., A.A.E.	Vice President, Planning & Engineering
Ronald E. Newland	Director, Airfield & Facilities
Robert E. Tanner, Jr., Esq.	General Counsel and Director, Governmental Affairs
David V. Whitaker	Vice President, Business Development & Communications

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Columbus Regional Airport Authority, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

Financial Section

This section contains the following subsections:

Independent Auditors' Report

Management's Discussion and Analysis

Financial Statements

Supplemental Schedule of Revenues and Expenses-Budget vs. Actual-Budget Basis

Clark, Schaefer, Hackett & Co.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Columbus Regional Airport Authority
Columbus, Ohio:

We have audited the accompanying statements of net assets of the Columbus Regional Airport Authority (the "Authority") as of and for the years ended December 31, 2007 and 2006 and the related statements of revenues, expenses, and changes in net assets and of cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express opinions 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2007 and 2006, and its changes in financial position and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 17, 2008, 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, and 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 effectiveness of 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* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 16 through 26 is not a required part of the financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The introductory section, supplemental schedule of revenues and expenses – budget vs. actual – budget basis, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The supplemental schedule of revenues and expenses – budget vs. actual – budget basis has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
March 17, 2008

Management's Discussion and Analysis

The following Management's Discussion and Analysis (MD&A) of the Columbus Regional Airport Authority's (the Authority) financial performance provides an introduction to the financial statements for the years ended December 31, 2007 and 2006. The information contained in this MD&A should be considered in conjunction with the information contained in the Authority's financial statements.

Overview of the Financial Statements

The Authority's financial statements are prepared on the accrual basis in accordance with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). The Authority is structured as a single enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when they are paid. Capital assets are capitalized and are depreciated (except land and construction in progress) over their estimated useful lives. See the notes to the financial statements for a summary of the Authority's significant accounting policies.

Following this MD&A are the basic financial statements of the Authority together with the notes, which are essential to a full understanding of the data contained in the financial statements. The Authority's basic financial statements are designed to provide readers with a broad overview of the Authority's finances.

The *Statements of Net Assets* presents information on all the Authority's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of the Authority's financial position.

The *Statements of Revenues, Expenses, and Changes in Net Assets* presents information showing how the Authority's net assets changed during the most recent years. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in these statements for some items that will result in cash flows in future periods.

The *Statements of Cash Flows* relates to the flows of cash and cash equivalents. Consequently, only transactions that affect the Authority's cash accounts are recorded in these statements. A reconciliation is provided at the bottom of the Statements of Cash Flows to assist in the understanding of the difference between cash flows from operating activities and operating income or loss.

In addition to the basic financial statements and accompanying notes, this report also presents the *Supplemental Schedule of Revenues and Expenses – Budget vs. Actual – Budget Basis*.

In 2001 the County of Franklin, Ohio (the County) Board of Commissioners approached the Mayor and officials of the City of Columbus, Ohio (the City) with the idea of creating one port authority to oversee the airports managed by the Columbus Municipal Airport Authority (CMAA) and the Rickenbacker Port Authority (RPA). The County and the City formed a committee, the Regional Port Authority Study Committee that evaluated and concluded that there was the potential for achieving cost savings, operational efficiencies and other intangible synergies by creating a single regional airport authority to oversee the operations of Port Columbus International (CMH), Rickenbacker International (LCK) and Bolton Field (TZR) airports. On December 12, 2002, the County, the City and the CMAA entered into the Port Authority Consolidation and Joinder Agreement (the Agreement) with an effective date of January 1, 2003. Under the Agreement the RPA was dissolved and the CMAA, the surviving entity, was renamed the Columbus Regional Airport Authority (the Authority). The assets of the RPA were recorded on the Authority's records at net book value. Additional information may be found in Note 1 of the accompanying notes.

Significant Events

Commercial Paper Notes Issuance

On September 6, 2007, the Authority entered into an agreement with Deutsche Bank National Trust Company to issue a not-to-exceed amount of $75 million of Commercial Paper Notes. Under the agreement the Commercial Paper Notes may be renewed until 2014 in up to 270 day increments. See Note 7 for further information.

Obligation Due To City of Columbus

During 2007, the Authority paid the remaining balance of $1.9 million to the City as a final payment under the Airport Operation and Use Agreement. Upon this final payment, the title to CMH and TZR was transferred to the Authority on December 31, 2007. See Note 9 for further information.

Financial Highlights

The Authority's financial position remains sound as evidenced by our growth in net assets and reduction in outstanding debt as well as our continued strong liquidity position.

A summary of the Authority's financial highlights for the year 2007 is as follows:

The Authority's Total Assets increased $73.0 million over 2006. The increase is the result of increases in land acquisition and construction of capital projects. Current Assets (Unrestricted and Restricted) decreased $7.0 million primarily due to the decrease Other Investments due to use of cash for capital acquisitions. Non Current Assets (Unrestricted and Restricted) increased $80.0 million as the result of acquisition and construction of capital projects.

Total Liabilities increased $21.1 million over 2006. The increase was primarily the result of the issuance of $25.0 million of commercial paper notes.

Total Operating Revenues increased $10.5 million over 2006. The increase is primarily a result of higher revenue received from auto parking receipts, airline revenue and concession revenue.

Total Operating Expenses increased $5.0 million over 2006. The increase is primarily the result of increases associated with employee wages & benefits, parking facility expenses and professional services.

A summary of the Authority's financial highlights for the year 2006 is as follows:

The Authority's Total Assets increased $48.0 million over 2005. The increase is the result of increases in land acquisition and construction of capital projects. Current Assets (Unrestricted and Restricted) increased $956,000 primarily due to the increase in Grant and Passenger Facility Charge receivables. Non Current Assets (Unrestricted and Restricted) increased $47.1 million as the result of acquisition and construction of capital projects.

Total Liabilities increased $6.6 million over 2005. The increase was primarily the result of an increase in accounts payable for capital projects.

Total Operating Revenues increased $3.5 million over 2005. The increase is primarily a result of higher revenue received from auto parking receipts and concession revenue.

Total Operating Expenses increased $3.0 million over 2005. The increase is primarily the result of increases associated with employee wages & benefits and services.

Financial Position

The following represents the Authority's financial position for the years ended December 31:

	Dollars in 000's			% Change	
	2007	2006	2005	2007	2006
ASSETS:					
Current Assets – Unrestricted	$ 64,128	$ 63,155	$ 59,121	1.5	6.8
Current Assets – Restricted	38,867	46,817	49,896	(17.0)	(6.2)
Capital Assets	590,502	513,115	454,590	15.1	12.9
Other Non Current Assets – Unrestricted	36,911	17,423	37,470	111.9	(53.5)
Other Non Current Assets – Restricted	5,011	21,899	13,319	(77.1)	64.4
Total Assets	$ 735,419	$662,409	$ 614,396	11.0	7.8
LIABILITIES:					
Current Liabilities – Unrestricted	$ 27,619	$ 29,065	$ 21,943	(5.0)	32.5
Current Liabilities – Restricted	32,806	8,495	7,707	286.2	10.2
Long-Term Liabilities	120,589	122,355	123,712	(1.4)	(1.1)
Total Liabilities	181,014	159,915	153,362	13.2	4.3
NET ASSETS:					
Invested in Capital Assets, Net of Related Debt	449,486	395,388	335,305	13.7	17.9
Restricted Net Assets	39,552	64,721	59,033	(38.9)	9.6
Unrestricted Net Assets	65,367	42,385	66,696	54.2	(36.5)
Total Net Assets	554,405	502,494	461,034	10.3	9.0
Total Liabilities and Net Assets	$ 735,419	$662,409	$ 614,396	11.0	7.8

An analysis of significant changes in assets, liabilities and net assets for the year 2007 is as follows:

The Authority's assets exceeded liabilities by $554.4 million, a $51.9 million increase over December 31, 2006. The largest portion of the Authority's net assets each year ($449.5 million or 81% at December 31, 2007) represents its investment in capital assets, less the related debt outstanding used to acquire those capital assets. The Authority uses these capital assets to provide services to its aviation partners, passengers and visitors to the airports; consequently, these assets are not available for future spending. Although the Authority's investment in its capital assets is reported net of related debt, it is noted that the resources required to repay this debt must be provided annually from operations, since the capital assets themselves cannot be used to liquidate liabilities.

An additional portion of the Authority's net assets ($39.6 million or 7% at December 31, 2007) represents resources that are subject to restrictions on how they can be used. The restricted net assets are not available for new spending because they have already been committed as follows:

Passenger Facility Charges	$ 15,253,207
Bond Reserves	24,298,629
Total Restricted	$ 39,551,836

The remaining unrestricted net assets of $65.4 million may be used to meet any of the Authority's ongoing obligations. The Authority anticipates these funds will be needed to pay future capital expenditures and to maintain adequate levels of working capital.

An analysis of significant changes in assets, liabilities and net assets for the year 2006 is as follows:

The Authority's assets exceeded liabilities by $502.5 million, a $41.5 million increase over December 31, 2005. The largest portion of the Authority's net assets each year ($395.4 million or 79% at December 31, 2006) represents its investment in capital assets, less the related debt outstanding used to acquire those capital assets. The Authority uses these capital assets to provide services to its aviation partners, passengers and visitors to the airports; consequently, these assets are not available for future spending. Although the Authority's investment in its capital assets is reported net of related debt, it is noted that the resources required to repay this debt must be provided annually from operations, since the capital assets themselves cannot be used to liquidate liabilities.

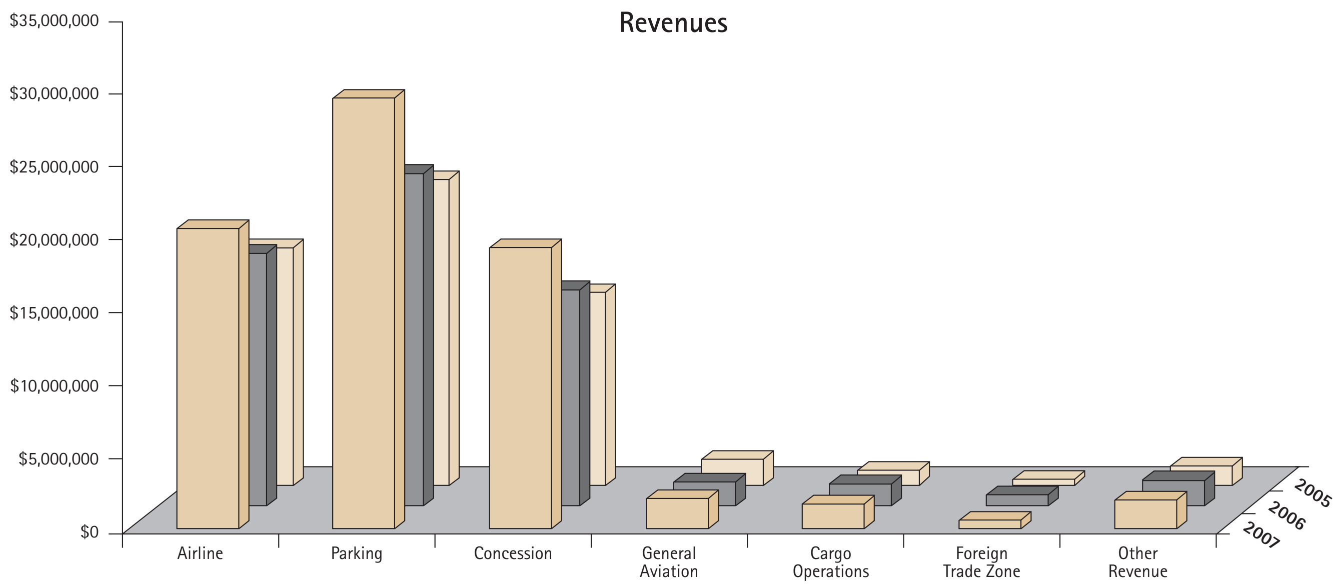
An additional portion of the Authority's net assets ($64.7 million or 13% at December 31, 2006) represents resources that are subject to restrictions on how they can be used. The restricted net assets are not available for new spending because they have already been committed as follows:

Passenger Facility Charges	$ 39,692,225
Bond Reserves	23,252,032
Obligation Due to City	1,776,893
Total Restricted	$ 64,721,150

The remaining unrestricted net assets of $42.4 million may be used to meet any of the Authority's ongoing obligations. The Authority anticipates these funds will be needed to pay future capital expenditures and to maintain adequate levels of working capital.

The following represents the Authority's summary of operating revenues by source for the years ended December 31:

	Dollars in 000's			% Change	
	2007	2006	2005	2007	2006
Airline Revenue	$ 20,817	$ 18,227	$ 17,930	14.2	1.7
Parking Revenue	29,081	23,984	22,154	21.3	8.3
Concession Revenue	18,881	16,030	15,100	17.8	6.2
General Aviation Revenue	2,245	2,359	2,412	(4.8)	(2.2)
Cargo Operations Revenue	1,990	2,003	1,679	(0.6)	19.3
Foreign Trade Zone Fees	482	607	440	(20.6)	38.1
Other Revenue	2,152	1,973	1,948	9.0	1.3
Total Operating Revenues	$ 75,648	$ 65,183	$ 61,663	16.1	5.7



An analysis of significant changes in revenues for the year 2007 is as follows:

- Airline Revenue increased 14%, or $2.6 million. The increase is primarily due to an increase in Space Rental revenue of 12% or $1.1 million, an increase in Landing Fee revenue of 10% or $1.0 million, and the reduction of 15% or $675,000 in the airline credit applied against airline revenue per the airline agreement.

- Parking Revenue increased 21%, or $5.1 million. The increase is the result of greater utilization and longer parking stays in addition to a parking rate increase.

- Concession Revenue increased 18% or $2.9 million. The increase is primarily the result of an increase in car rental revenue of 9% or $884,000, an increase in food and beverage income of 38% or $657,000 and an increase in ground rental revenue of 73% or $640,000.

An analysis of significant changes in revenues for the year 2006 is as follows:

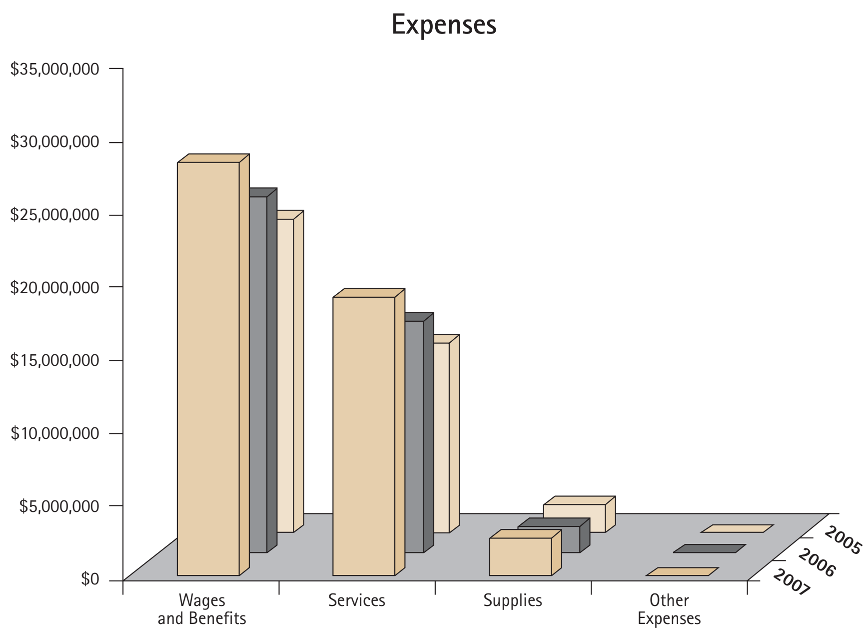
- Airline Revenue increased 2%, or $297,000. The increase is primarily due to the reduction of $675,000 in the airline credit applied against airline revenue per the airline agreement. This was offset by a reduction in airline space rental revenue due to less leased airline space.

- Parking Revenue increased 8%, or $1.8 million. The increase is the result of greater utilization and longer parking stays in addition to a parking rate increase.

- Concession Revenue increased 6% or $930,000. The increase is primarily the result of an increase in car rental revenue of 6% or $510,000 and an increase in food and beverage income of 19% or $271,000.

The following represents the Authority's summary of operating expenses before depreciation by source for the years ended December 31:

	Dollars in 000's			% Change	
	2007	2006	2005	2007	2006
Employee Wages and Benefits	$ 28,348	$ 26,101	$ 24,635	8.6	5.9
Purchase of Services	19,048	16,966	15,304	12.3	10.9
Materials and Supplies	2,708	2,120	2,558	27.7	(17.1)
Other Expenses	61	(30)	(313)	(300.9)	(90.4)
Total Operating Expenses	$ 50,165	$ 45,157	$ 42,184	11.1	7.0



An analysis of significant changes in expenses for the year 2007 is as follows:

- Employee Wages and Benefits increased 9%, or $2.2 million primarily as a result of an increase in salaries paid of 6% or $1.1 million, an increase in health insurance of 17% or $532,000 and an increase in the retirement benefits of 11% or $431,000.

- Purchase of Services increased 12%, or $2.1 million as a result of a 23% or $1.0 million increase in parking facility expenses and an increase in professional services of 72% or $799,000.

- Materials and Supplies increased 27%, or $588,000 as a result of an increase in snow removal supplies of 327% or $202,000 and a general overall increase in supplies.

An analysis of significant changes in expenses for the year 2006 is as follows:

- Employee Wages and Benefits increased 6%, or $1.5 million primarily as a result of an increase in salaries paid of 5% or $861,000 and an increase in the retirement benefits of 9% or $302,000.

- Purchase of Services increased 11%, or $1.7 million as a result of a 17% or $630,000 increase in parking facility expenses and a general overall increase in services.

- Materials and Supplies decreased 17%, or $438,000 as a result of a reduction in the purchase for snow removal supplies of 88% or $432,000 due to a mild winter.

The following represents the Authority's summary of changes in net assets for the years ended December 31:

	Dollars in 000's			% Change	
	2007	2006	2005	2007	2006
Total Operating Revenues	$ 75,648	$ 65,183	$ 61,663	16.1	5.7
Total Operating Expenses	(50,165)	(45,157)	(42,184)	11.1	7.0
Operating Income before Depreciation	25,483	20,026	19,479	27.3	2.8
Depreciation	(24,819)	(23,580)	(22,820)	5.3	3.3
Operating Income (Loss)	664	(3,554)	(3,341)	(118.7)	6.4
Net Investment Income	3,075	4,156	2,429	(26.0)	71.1
Passenger Facility Charges	19,141	16,004	14,504	19.6	10.3
Rental Car Customer Facility Charges	2,140	-	-	-	-
Interest Expense	(4,679)	(5,833)	(6,209)	(19.8)	(6.1)
Other Non-Operating Revenues	5,055	4,581	5,923	10.4	(22.7)
Income before Capital Contribution and Special & Extraordinary Items	25,396	15,354	13,306	65.4	15.4
Capital Contributions	26,515	26,106	22,005	1.6	18.6
Special & Extraordinary Items	-	-	(1,595)	-	(100.0)
Increase in Net Assets	51,911	41,460	33,716	25.2	23.0
Net Assets, Beginning of Year	502,494	461,034	427,318	9.0	7.9
Net Assets, End of Year	$ 554,405	$ 502,494	$ 461,034	10.3	9.0

An analysis of significant changes in net assets for the year 2007 is as follows:

• Depreciation expense increased 5%, or $1.2 million due to an increase in depreciable assets.

• Net Investment Income decreased 26%, or $1.1 million as a result of less cash invested due to use for capital acquisitions.

• Passenger Facility Charges increased 20%, or $3.1 million as a result of increased enplaned passengers.

• Rental Car Customer Facility Charges, a new program instituted in May 2007, increased $2.1 million due to revenue received from rental car customers for future facility enhancements.

• Interest expense decreased 20%, or $1.2 million as a result of interest savings due to the refunding of the 1998B bonds.

An analysis of significant changes in net assets for the year 2006 is as follows:

• Depreciation expense increased 3%, or $760,000 due to an increase in depreciable assets.

• Net Investment Income increased 71%, or $1.7 million as a result of rising interest rates received on investments.

• Passenger Facility Charges increased 10%, or $1.5 million as a result of increased enplaned passengers.

• Interest Expense decreased 6%, or $376,000 which reflects the reduction in outstanding principal balances resulting in lower interest requirements for the city and county general obligation bonds.

• Other Non-Operating Revenues decreased 23%, or $1.3 million due primarily as a result of the loss on disposal of certain parcels of land at Rickenbacker Airport.

• Special & Extraordinary Items relates to the golf course settlement in 2005 in the amounts of $12.7 million for interest expense on past advances paid to the City. This is offset against $11.1 million for past ground rents and related interest income received from the City.

• Capital Contributions increased 19%, or $4.1 million primarily due to an increase in federal, state and local grants received.

Capital Assets

The Authority's capital assets as of December 31, 2007, totaled $590.5 million (net of accumulated depreciation). This investment in capital assets includes land, buildings & building improvements, runways, taxiways & roads, and furniture, machinery & equipment. The total increase in the Authority's investment in capital assets before accumulated depreciation for 2007 was 13%, or $99.7 million.

Major capital projects-in-progress and expenditures incurred during 2007 included the following:

• Intermodal Facility – LCK	$ 25,090,000
• Industrial Development Land Purchase – LCK	$ 13,573,000
• Crossover Taxiway – CMH	$ 10,915,000
• Concourse-B Capacity Enhancement – CMH	$ 10,071,000
• 17th Avenue Surface Parking Lots – CMH	$ 7,023,000
• Alum Creek Drive Extension – LCK	$ 6,230,000

Capital asset acquisitions are capitalized at cost and depreciated using the straight-line method. Acquisitions are funded using a variety of financing techniques, including federal and state grants, passenger facility charges, debt issuance, and the Authority revenues and reserves. Additional information on the Authority's capital assets can be found in Note 2 of the accompanying notes.

Debt Administration

Airport Improvement Revenue Bonds, Series 1998AB

On February 1, 1998, the CMAA issued Airport Improvement Revenue Bonds, Series 1998AB in the principal amount of $87,290,000, in varying maturities up to thirty years. On April 12, 2007, a partial refunding occurred for the bonds with a par value of $61,965,000 with proceeds from the Airport Improvement Revenue Bonds, Series 2007. The remaining bonds are due at maturity or through sinking fund redemption requirements through January 1, 2013 and have annual debt service amounts from $2,110,000 to $2,730,000.

Balance outstanding as of December 31, 2007 - $14,465,000

Airport Refunding Revenue Bonds, Series 2003AB

On October 28, 2003, the Authority issued Airport Refunding Revenue Bonds, Series 2003AB in the principal amount of $33,445,000, in varying maturities up to twenty years. The bond proceeds were used primarily to refund the Authority's Series 1994A bonds. The bonds have annual debt service of approximately $2.6 million.

Balance outstanding as of December 31, 2007 - $29,860,000

Airport Refunding Revenue Bonds, Series 2007

On April 12, 2007, the Authority issued Airport Refunding Revenue Bonds, Series 2007 in the principal amount of $59,750,000, in varying maturities up to twenty years. The bond proceeds were used primarily to refund a portion of the Authority's Series 1998B bonds. The bonds have annual debt service amounts from $2,805,000 to $5,475,000.

Balance outstanding as of December 31, 2007 - $59,750,000

Ohio Public Works Commission Debt

In 1995, the RPA agreed to reimburse the County for debt service on $1,489,000 of an Ohio Public Works Commission loan for storm sewer improvements. The agreement is non-interest bearing.

Balance outstanding as of December 31, 2007 - $521,150

Other Debt

In 2000, the RPA entered into a long-term note with Forward Air Incorporated in connection with a buyout of a third party lease.

Balance outstanding as of December 31, 2007 - $1,529,661

Airport Improvement Revenue Bonds, Series 2001A

On June 1, 2001, the CMAA issued Airport Improvement Revenue Bonds, Series 2001A in the principal amount of $3,265,600. These bonds were fully paid in July of 2007.

Obligation Due to City of Columbus

In 1991, the CMAA entered into a long-term Airport Operation and Use Agreement with the City. This agreement requires the Authority to make payments, which match exactly in timing and amount the debt service payments by the City on general obligation bonds previously issued in connection with the airports. This debt was fully paid in December of 2007.

Bond principal and interest are paid from the general revenues of the Authority. Additional details may be found in Note 9 of the accompanying notes.

Passenger Facility Charge (PFC)

In October 1992, the Authority received approval from the Federal Aviation Administration (the FAA) to impose a PFC of $3.00 per enplaned passenger. In January 2002 the FAA approved the Authority's request to increase the PFC level to $4.50 on certain eligible projects. The new collection rate commenced on April 1, 2002. In 2007 the Authority received approval to collect on its newest application effective December 26, 2007, in the amount of $71.1 million. This brings the total approved collectible amount to $280 million, which is projected to be collected through April 1, 2013. Through December 31, 2007, the Authority has collected PFCs, including interest earnings thereon, totaling $180 million.

Airline Rates and Charges

The Authority and certain airlines negotiated an agreement effective from January 1, 2005, through December 31, 2009, which in part establishes how the airlines that sign the agreement (signatory airlines) will be assessed annual rates and charges for their use of the CMH. Landing fees and terminal rental rates for non-signatory airlines are assessed at 150 percent of the signatory rates.

The rates and charges net of credits billed to the signatory airlines at the CMH were as follows:

				% Change	
	2007	2006	2005	2007	2006
Landing Fees (per 1,000 lbs)	$ 2.62	$ 1.92	$ 1.86	36.5	3.2
Terminal Rental Rate (Average)	$ 48.75	$ 46.82	$ 39.53	4.1	18.4
Apron Fee – Square Foot Rate Component	$ 0.79	$ 0.74	$ 0.69	6.8	7.2
Apron Fee – Landed Weight Rate Component (per 1,000 lbs)	$ 0.17	$ 0.13	$ 0.22	30.8	(40.9)

The Authority also charges a signatory landing fee to airlines for their use of the LCK. Landing fees for non-signatory airlines are assessed at 125 percent of the signatory rate. The LCK landing fees were as follows:

				% Change	
	2007	2006	2005	2007	2006
Landing Fees (per 1,000 lbs)	$ 1.67	$ 1.59	$ 1.51	5.0	5.3

Request For Information

This report is designed to provide detailed information on the Authority's operations to all with an interest in the Authority's financial affairs and to demonstrate the Authority's accountability for the assets it controls and the funds it receives and expends. Questions concerning any of the information provided in this report or any request for additional information should be sent via email to glangston@columbusairports.com or in writing to the Controller, Columbus Regional Airport Authority, 4600 International Gateway, Columbus, Ohio 43219.


FMC

Statements of Net Assets

As of December 31, 2007 and 2006

	2007	2006
ASSETS		
CURRENT ASSETS:		
Unrestricted Assets:		
Cash and Cash Equivalents	$ 25,094,149	$ 19,153,663
Other Investments	19,179,682	27,074,595
Accounts Receivable - Trade	15,678,861	13,800,511
Accounts Receivable - Other	1,481,193	752,204
Interest Receivable	457,058	335,401
Direct Financing Leases Receivable	490,803	490,803
Deposits, Prepaid Items and Other	1,745,764	1,548,156
Total Unrestricted Assets	64,127,510	63,155,333
Restricted Assets:		
Cash and Cash Equivalents	36,866,620	34,474,135
Other Investments	2,000,310	12,342,999
	38,866,930	46,817,134
Total Current Assets	102,994,440	109,972,467
NON-CURRENT ASSETS:		
Unrestricted Assets:		
Other Investments	27,574,468	6,459,220
Deferred Charges (Net of Accumulated Amortization of $2,604,424 in 2007 and $1,721,044 in 2006)	7,798,935	7,753,047
Accounts Receivable - Other	188,040	1,370,320
Direct Financing Leases Receivable	1,349,708	1,840,512
Land	101,227,213	61,924,688
Construction In Progress	81,555,713	60,203,918
Depreciable Capital Assets, Net of Accumulated Depreciation	407,719,485	390,986,394
Total Unrestricted Non-Current Assets	627,413,562	530,538,099
Restricted Assets:		
Other Investments	5,011,440	21,898,530
Total Non-Current Assets	632,425,002	552,436,629
TOTAL ASSETS	$ 735,419,442	$ 662,409,096

See accompanying notes to the financial statements

Statements of Net Assets (Continued)

As of December 31, 2007 and 2006

	2007	2006
LIABILITIES		
CURRENT LIABILITIES:		
Payable from Unrestricted Assets:		
Accounts Payable - Trade	$ 13,164,361	$ 17,413,305
Accrued Interest Payable	3,273,822	2,664,996
Accrued and Withheld Employee Benefits	5,268,314	4,636,987
Unearned Income	490,835	1,310,234
Other Accrued Expenses	5,421,816	3,039,955
Total Payable from Unrestricted Assets	27,619,148	29,065,477
Payable from Restricted Assets:		
Retainages on Construction Contracts	3,937,622	2,647,803
Accrued Interest Payable	-	32,886
Customer Deposits and Other	388,912	373,574
Current Portion of Long-Term Debt	3,479,630	5,440,843
Commercial Paper Notes	25,000,000	-
Total Payable from Restricted Assets	32,806,164	8,495,106
Total Current Liabilities	60,425,312	37,560,583
NON-CURRENT LIABILITIES:		
Unearned Income	16,832,547	12,624,401
Long-Term Debt, Less Current Portion, Net	103,756,326	109,730,113
Total Non-Current Liabilities	120,588,873	122,354,514
Total Liabilities	181,014,185	159,915,097
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	449,486,697	395,388,193
Restricted:		
Passenger Facility Charges	15,253,207	39,692,225
Bond Reserves	24,298,629	23,252,032
Obligation Due To City	-	1,776,893
Total Restricted Net Assets	39,551,836	64,721,150
Unrestricted Net Assets	65,366,724	42,384,656
Total Net Assets	554,405,257	502,493,999
Commitments and Contingencies		
TOTAL LIABILITIES AND NET ASSETS	$ 735,419,442	$ 662,409,096

See accompanying notes to the financial statements

Statements of Revenues, Expenses, and Changes in Net Assets

For the Years Ended December 31, 2007 and 2006

	2007	2006
OPERATING REVENUES		
Airline Revenue	$ 20,816,552	$ 18,226,881
Parking Revenue	29,081,408	23,983,845
Concession Revenue	18,881,289	16,030,329
General Aviation Revenue	2,245,305	2,358,718
Cargo Operations Revenue	1,990,227	2,002,779
Foreign Trade Zone Fees	481,906	607,095
Other Revenue	2,151,409	1,973,315
Total Operating Revenues	75,648,096	65,182,962
OPERATING EXPENSES		
Employee Wages and Benefits	28,348,205	26,100,893
Purchase of Services	19,048,399	16,966,592
Materials and Supplies	2,708,084	2,120,100
Other Expenses	60,564	(30,141)
Total Operating Expenses	50,165,252	45,157,444
OPERATING INCOME BEFORE DEPRECIATION	25,482,844	20,025,518
Less: Depreciation	24,819,240	23,579,890
OPERATING GAIN (LOSS)	663,604	(3,554,372)
NON-OPERATING REVENUES (EXPENSES)		
Investment Income	2,666,312	3,734,483
Other Non-Operating Revenues	5,262,509	5,280,253
Passenger Facility Charges	19,141,042	16,003,781
Rental Car Customer Facility Charges	2,140,422	-
Interest Expense	(4,678,817)	(5,832,977)
Gain on Securities	408,734	421,683
Amortization of Deferred Charges	(425,523)	(190,942)
Gain (Loss) on Disposal of Assets	218,502	(508,437)
Total Non-Operating Revenues	24,733,181	18,907,844
INCOME BEFORE CAPITAL CONTRIBUTIONS	25,396,785	15,353,472
Capital Contributions	26,514,473	26,106,697
CHANGES IN NET ASSETS		
Increase in Net Assets	51,911,258	41,460,169
Total Net Assets, Beginning of Year	502,493,999	461,033,830
Total Net Assets, End of Year	$ 554,405,257	$ 502,493,999

See accompanying notes to the financial statements

Statements of Cash Flows

For the Years Ended December 31, 2007 and 2006

	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	$ 74,223,037	$ 65,116,088
Cash Paid to Employees	(27,716,878)	(26,121,735)
Cash Paid to Suppliers	(23,805,836)	(13,800,985)
Other Payments	(60,564)	30,141
Net Cash Provided by Operating Activities	22,639,759	25,223,509
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Proceeds from Federally Funded Operating Grants	5,262,509	5,280,253
Net Cash Provided by Noncapital Financing Activities	5,262,509	5,280,253
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of Property, Plant and Equipment	(102,737,269)	(76,096,335)
Advanced Partial Refunding of Series 1998 Bonds	(61,965,000)	-
Proceeds from Series 2007 Bonds	59,750,000	-
Contributed Capital, Passenger Facility Charges & Car Rental Facility Charges	47,795,937	38,783,208
Proceeds from the Sale of Commercial Paper	25,000,000	-
Principal Payments on Bond, Notes and Loan	(5,478,068)	(6,268,559)
Interest Paid on Bonds, Notes and Loan	(6,039,230)	(5,872,681)
Increase in Future Rents from Rickenbacker Global Logistics Park	4,404,306	4,375,451
Original Issue Premium on Series 2007 Bonds	3,773,324	-
Proceeds from the Sale of Capital Assets	2,038,939	30,072
Cost of Issuance on Series 2007 Bonds	(929,269)	-
Advanced Refunding of Series 2001 Bonds	(1,473,600)	-
Reimbursements for Projects with Advanced Funded Grants	(989,958)	(2,982,624)
Principal Payments from Direct Financing Leases	326,560	326,560
Proceeds from Tenant Promotional Program	173,824	-
Advanced Refunding of Government Obligations	(160,000)	-
Decrease in Discounted Future Rents from Golf Course	(55,231)	(53,662)
Increase in Capital Credits	21,196	64,249
Effective Interest on Direct Financing Leases	11,409	(16,785)
Net Cash Used by Capital and Related Financing Activities	(36,532,130)	(47,711,106)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(67,571,410)	(37,332,001)
Proceeds from the Sale of Investments	81,580,854	56,408,440
Interest Received on Cash and Investments	2,953,389	4,207,992
Net Cash Provided by Investing Activities	16,962,833	23,284,431
NET INCREASE IN CASH AND CASH EQUIVALENTS	8,332,971	6,077,087
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	53,627,798	47,550,711
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 61,960,769	$ 53,627,798
Reconciliation of Operating Gain (Loss) to Net Cash Provided by Operating Activities:		
Operating Gain (Loss)	$ 663,604	$ (3,554,372)
Adjustments to Reconcile Operating Gain (Loss) to Net Cash Provided by Operating Activities:		
Depreciation	24,819,240	23,579,890
(Increase) Decrease in Assets:		
Accounts Receivable-Trade	(1,878,350)	(637,769)
Accounts Receivable-Other	453,291	570,895
Deposits, Prepaid Items and Other	(197,608)	131,011
Increase (Decrease) in Liabilities:		
Accounts Payable	(4,248,944)	6,520,278
Accrued Liabilities	3,013,188	(1,374,729)
Customer Deposits	15,338	(11,695)
Net Cash Provided by Operating Activities	$ 22,639,759	$ 25,223,509

See accompanying notes to the financial statements

Notes to Financial Statements
December 31, 2007

The accounting methods and procedures adopted by the Columbus Regional Airport Authority (the Authority) conform to accounting principles generally accepted in the United States of America (GAAP) as applied to governmental entities. The following notes are an integral part of the Authority's financial statements.

Note 1 - Organization and Reporting Entity

Organization

The Authority is an independent, special purpose political subdivision of the State of Ohio. As a political subdivision, the Authority is distinct from, and is not, an agency of the State of Ohio or any other local governmental unit. On December 12, 2002, the Columbus Municipal Airport Authority (CMAA), the City of Columbus, Ohio (the City) and the County of Franklin, Ohio (the County) entered into the Port Authority Consolidation and Joinder Agreement (Agreement) with an effective date of January 1, 2003, which created a single regional authority to oversee the airports formerly managed by the CMAA and the Rickenbacker Port Authority (RPA). Under the Agreement the RPA was dissolved and the CMAA, the surviving entity, was renamed the Columbus Regional Airport Authority. The Agreement provided for the ultimate transfer of all of the RPA's rights, title and interests in all of the assets and liabilities to the Authority. The assets were recorded on the Authority's records at net book value. The newly created Authority merged the operations of the RPA and the CMAA. The Authority administers an airport system comprised of Port Columbus International (CMH), Rickenbacker International (LCK) and a reliever airport, Bolton Field (TZR).

The governing board for the Authority is jointly appointed by the City and the County. Four members are appointed by the Mayor of Columbus with the advice and consent of the City Council, four members are appointed by the County Commissioners and one member is jointly appointed. The members first appointed serve staggered terms. Thereafter, each successor serves for a term of four years, except that any person appointed to fill a vacancy is to be appointed to serve only the unexpired term. Members of the Board are eligible for reappointment. The Board controls the employment of the President & CEO of the Authority who is responsible for staffing the respective departments and overseeing the day-to-day operations.

The Agreement outlines the various rights and responsibilities of the Authority, the City and the County. These rights and responsibilities generally relate to the operation of the three airports and the provision of services to facilitate those operations. Among those, the Authority was designated the operator of the three airports. The County agreed to contribute $4.338 million per year for 10 years commencing in 2003 to facilitate the consolidated operations. The Authority agreed to make certain payments on behalf of the County to retire certain debt previously issued for capital improvements at the LCK. Also, the County agreed to waive approximately $88 million of financial aid previously contributed to the RPA. The Authority and the County have agreed to review the County's subsidy if a significant project locates at the LCK that provides net revenues to the Authority in an amount greater than the County's subsidy.

The CMAA was created on July 30, 1990, pursuant to the provisions of Chapter 4582, Ohio Revised Code (ORC), as a body corporate and politic. On November 10, 1991, the transfer date, the CMAA began operations under a use agreement with the City for the purpose of providing airport facilities to the general public. On this date the City transferred the use of all assets and liabilities of the airport enterprise fund to the CMAA. This transfer was recorded at the net book value. During 2007, the Authority paid the remaining balance of the City bonds. As a result of the early payment, the use agreement was terminated. The title to the airport property relating to the use agreement with the City was transferred to the Authority on December 31, 2007.

The RPA was formed under ORC Chapter 4582 in 1979 by the County for the purpose of serving as a local reuse agency, which included, in part, acquiring and owning land (including improvements thereon) situated in Franklin and Pickaway counties and consisting of a part of the former Rickenbacker Air Force Base. This property was deemed to be surplus by the United States Government and was transferred to the RPA at no cost, other than certain costs associated with the transfer. Title to the land is subject to certain covenants, conditions and restrictions and reverts to the United States Government at the Governments' option if any covenant is violated and not cured within sixty days. At December 31, 2007 and 2006, the Authority owns approximately 4,300 and 3,800 acres of land contiguous to certain airfield property owned by the United States Government at the LCK.

The Authority is not subject to federal, state or local income taxes or sales taxes.

Reporting Entity

The Authority's financial reporting entity has been defined in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, "*The Reporting Entity*," as amended by GASB Statement No. 39, "*Determining Whether Certain Organizations Are Component Units*." The financial statements include all departments and operations for which the Authority is financially accountable. Financial accountability exists if a primary government/component unit appoints a majority of an organization's governing board and is able to impose its will on that organization. Financial accountability may also be deemed to exist if there is a potential for the organization to provide financial benefits to, or impose financial burdens on, the primary government/component unit. On this basis, no governmental organizations other than the Authority itself are included in the financial reporting entity.

The Authority is a joint venture of the City for 2006 and the County for 2006 and 2007.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting, whereby revenues and expenses are recognized in the period earned or incurred. All transactions are accounted for in a single enterprise fund.

Revenues from rental and fees, landing fees, parking revenue and other miscellaneous revenue are reported as operating revenues. Transactions, which are capital, financing or investing related, are reported as non-operating revenues. Passenger Facility Charges and Rental Car Customer Facility Charges are reported as non-operating revenues. Expenses from employee wages and benefits, purchases of services, materials and supplies and other miscellaneous expenses are reported as operating expenses. Interest expense and financing costs are reported as non-operating expenses.

Pursuant to GASB Statement No. 20, "*Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*," the Authority follows GASB guidance as applicable to enterprise funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989, that do not conflict with or contradict GASB pronouncements. The Authority has elected to follow GASB guidance for enterprise funds rather than FASB guidance issued after November 30, 1989.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Newly Issued Accounting Pronouncements

In November 2006, GASB issued Statement No. 49, "*Accounting and Financial Reporting for Pollution Remediation Obligations*," which addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups. The scope of the statement excludes pollution prevention or control obligations with respect to current obligations, and future pollution activities that are required upon retirement of an asset, such as landfill closure and postclosure care and nuclear power plant decommissioning. The provisions of this statement are effective for the periods beginning after December 15, 2007. Management has not completed its determination of the impact on the financial statements once the provisions of this statement are implemented.

In May 2007, GASB issued Statement No. 50, "*Pension Disclosures*," which more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits (OPEB) and, in doing so, enhances information disclosed in notes to financial statements or presented as required supplementary information (RSI) by pension plans and by employers that provide pension benefits. The reporting changes required by this statement amend applicable note disclosure and RSI requirements of Statements No. 25, "*Financial Reporting for Defined Benefit Pension Plans and Disclosures for Defined Contribution Plans*," and No. 27, "*Accounting for Pensions by State and Local Governmental Employers*," to conform with the requirements of Statements No. 43, *"Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*," and No. 45, "*Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*." The provisions of this statement are effective for periods beginning after June 15, 2007. Management has not completed its determination of the impact on the financial statements once the provisions of this statement are implemented.

In June 2007, GASB issued Statement No. 51, "*Accounting and Financial Reporting for Intangible Assets*." This statement requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. Accordingly, existing authoritative guidance related to the accounting and financial reporting for capital assets should be applied to these intangible assets, as applicable. This statement also provides authoritative guidance that specifically addresses the nature of these intangible assets. Such guidance should be applied in addition to the existing authoritative guidance for capital assets. The provisions of this statement are effective for periods beginning after June 15, 2009. Management has not completed its determination of the impact on the financial statements once the provisions of this statement are implemented.

Budgetary Data

The Authority's budgetary basis of accounting is maintained on a modified accrual basis. Gains and Losses on Securities are not budgeted. All other revenues and expenses are reported on the accrual basis. State statute does not require a specific budgetary basis of accounting under ORC Chapter 4582. The Authority has adopted this basis of accounting to comply with certain airline agreements currently in effect.

The budgetary process begins in May of each year. Each department manager estimates the expected costs to be incurred for the upcoming year. Revenues are estimated based on history, projected increases, and market trends within the aviation industry. The President & CEO is responsible to submit budgets for operating revenues and expenses and capital improvements to the Board for approval at least thirty days prior to the beginning of each fiscal year. The budget can be amended by the Board subsequent to its adoption.

The Authority experienced unfavorable variances for Airline Revenues due to a reduction of leased space and certain credits due the airlines pursuant to the airline agreement with the Authority. The favorable variance in Concession Revenues was due to the impact of increased passenger activity levels for rental cars, food and beverage sales. The unfavorable variances in Purchase of Services was due to a combination of higher professional services for financing instruments, deed transfers, and services associated with land acquisitions, as well as, higher parking lot and garage expenses due to increased passenger activity levels. The favorable variance in Interest Income was due to higher invested balances than expected. The favorable variance for Gain on Securities was due to the fact that this item is not a reimbursable item under the current airline agreement and was not budgeted. The favorable variance for Gain on Disposal of Assets was due to the gain on the sale of land at LCK netted against certain demolition work on a building at CMH. The favorable variance for Rental Car Facility Charges was due to the fact that this item was not budgeted since the program was established during 2007. The favorable variance in Interest Expense was due to the refinancing of the Series 1998B bonds and repayment of the Series 2001 bonds.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Investments

Investments are stated at fair value in accordance with GASB Statement No. 31.

Inventories

Inventories are stated at the lower of first-in, first-out (FIFO) cost or market.

Capital Contributions

Certain expenditures for airport capital improvements are significantly federally funded through the Airport Improvement Program of the Federal Aviation Administration (FAA) with certain matching funds provided by the State of Ohio and the Authority, or from other various state, county, or federal grant programs. Capital funding provided under government grants is considered earned as the related allowable expenditures are incurred.

Grants for the acquisition and construction of land, property and certain types of equipment are reported in the Statements of Revenues, Expenses and Changes in Net Assets, under the classification of capital contributions.

Receivables

Receivables are reported at their gross value when earned as the underlying exchange transaction occurs. Receivables are reduced by the estimated portion that is expected to be uncollectible. This estimate is made based on collection history, aviation industry trends and current information regarding the credit worthiness of the debtors. When continued collection activity results in receipts of amounts previously written off, revenue is recognized for the amount collected.

An estimated receivable amount has been recorded for services rendered but not yet billed as of December 31, 2007 and 2006. The receivable was arrived at primarily by taking the subsequent collection of landing fees, commissions, and real estate taxes, which are received after year end, and recording the portions earned through year end.

Restricted Assets

Restricted assets consist of monies and other resources, which are restricted legally or by enabling legislation. These restrictions are described below:

Restricted for Obligation Due to City - These assets are restricted for the payment of the current obligation due to the City.

Restricted for Construction Retainages - These assets are restricted for certain capital projects and cannot be expended on any other item.

Restricted for Bond Reserves - These assets are restricted for the retirement of the Airport Revenue Bonds, Series 1998B, 2003A, 2003B and 2007.

Restricted for Passenger Facility Charges - These assets represent Passenger Facility Charge (PFC) collections based on an approved FAA application to impose such charges on enplaned passengers at the CMH. These are restricted for designated capital projects.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as they are needed.

At December 31, 2007, $15,253,207 of the Authority's $39,551,836 of restricted net assets on the Statement of Net Assets were restricted by enabling legislation for Passenger Facility Charges, as defined by GASB Statement No. 46, "*Net Assets Restricted by Enabling Legislation*." At December 31, 2006, $39,692,225 of the Authority's $64,721,150 of restricted net assets on the Statement of Net Assets were restricted by enabling legislation for Passenger Facility Charges.

Capital Assets

Capital assets are stated at historical cost or estimated historical cost and include expenditures which substantially increase the useful lives of existing assets. The Authority's policy is to capitalize assets with a cost of $5,000 or more in 2007 and 2006. Routine maintenance and repairs are expensed as incurred. In accordance with FASB Statements No. 34 and 62, "*Capitalization of Interest Costs*" and "*Capitalization of Interest Cost in Situations Involving Certain Tax-Exempt Borrowings and Certain Gifts and Grants*," certain net interest costs have been included as a component of the asset under construction rather than reported as an expense of the period.

	Total 12/31/06	Additions	Deletions	Transfers	Total 12/31/07
Depreciable Capital Assets:					
Buildings	$ 295,004,271	$ 1,670,353	$ (3,889,057)	$ 14,498,692	$ 307,284,259
Runways & Other	314,950,462	1,405,668	-	23,074,151	339,430,281
Machinery	28,381,038	2,655,530	(399,709)	-	30,636,859
Furniture	2,461,443	5,845	(7,475)	-	2,459,813
Total Depreciable Capital Assets	640,797,214	5,737,396	(4,296,241)	37,572,843	679,811,212
Less Accumulated Depreciation:					
Buildings	89,924,905	7,883,762	(2,321,954)	-	95,486,713
Runways & Other	141,487,225	14,087,641	(12)	-	155,574,854
Machinery	17,434,445	2,560,237	(209,764)	-	19,784,918
Furniture	964,245	287,600	(6,603)	-	1,245,242
Total Accumulated Depreciation	249,810,820	24,819,240	(2,538,333)	-	272,091,727
Depreciable Capital Assets, Net	$ 390,986,394	$ (19,081,844)	$ (1,757,908)	$ 37,572,843	$ 407,719,485
Nondepreciable Capital Assets:					
Land	$ 61,924,688	$ 39,608,327	$ (62,529)	$ (243,273)	$ 101,227,213
Construction in Progress	$ 60,203,918	$ 58,681,365	$ -	$ (37,329,570)	$ 81,555,713

	Total 12/31/05	Additions	Deletions	Transfers	Total 12/31/06
Depreciable Capital Assets:					
Buildings	$ 284,906,785	$ 3,121,452	$ (537,296)	$ 7,513,330	$ 295,004,271
Runways & Other	281,372,116	20,555,335	(54,169)	13,077,180	314,950,462
Machinery	23,677,674	4,943,738	(240,374)	-	28,381,038
Furniture	2,443,923	18,802	(1,282)	-	2,461,443
Total Depreciable Capital Assets	592,400,498	28,639,327	(833,121)	20,590,510	640,797,214
Less Accumulated Depreciation:					
Buildings	82,222,390	7,848,548	(146,033)	-	89,924,905
Runways & Other	126,493,879	13,062,923	-	1,930,423	141,487,225
Machinery	15,209,693	2,372,048	(147,296)	-	17,434,445
Furniture	669,156	296,371	(1,282)	-	964,245
Total Accumulated Depreciation	224,595,118	23,579,890	(294,611)	1,930,423	249,810,820
Depreciable Capital Assets, Net	$ 367,805,380	$ 5,059,437	$ (538,510)	$ 18,660,087	$ 390,986,394
Nondepreciable Capital Assets:					
Land	$ 48,556,714	$ 13,390,715	$ (222,505)	$ 199,764	$ 61,924,688
Construction in Progress	$ 38,228,227	$ 42,765,965	$ -	$ (20,790,274)	$ 60,203,918

Depreciation of property and equipment 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 classification are as follows:

	Years
Buildings and Building Improvements	5-40
Runways, Taxiways and Other	20
Machinery and Equipment	5-10
Furniture and Fixtures	7

Compensated Absences

In conformity with GASB Statement No. 16, "*Accounting for Compensated Absences*," the Authority accrues vacation and sick pay benefits as earned by its employees utilizing the vesting method. A summary of the changes in this accrual are as follows:

	2007	2006
Beginning Balance	$ 3,038,808	$ 2,758,222
Payments	(1,905,580)	(1,854,368)
Accruals	2,321,004	2,134,954
Ending Balance	$ 3,454,232	$ 3,038,808

The Authority estimates that this entire amount is due within one year.

Risk Management

It is the policy of the Authority to eliminate or transfer risk. Where possible, lease agreements contain insurance requirements and hold harmless clauses. Contractors are required to maintain appropriate amounts of insurance and bonding.

The Authority carries property insurance on airport property and equipment in the aggregate sum of approximately $478 million. The Authority carries liability insurance coverage in the amount of approximately $306 million.

In 2005, the Authority began to account for and finance its risk of loss due to workers' compensation claims and established a self insurance fund. The Authority self-insures cost associated with workers' compensation up to certain limits. Insurance reserves are established for estimates of the loss that will ultimately be incurred on reported claims, as well as estimates of claims that have been incurred but not yet reported. Recorded balances are based on reserve levels determined by outside actuaries, who incorporate historical loss experience and judgments about the present and expected levels of cost per claim. A summary of the changes in this accrual are as follows:

	2007	2006
Beginning Balance	$ 87,482	$ 17,063
Payments	(182,773)	(138,810)
Accruals	185,948	209,229
Ending Balance	$ 90,657	$ 87,482

Other than the workers' compensation self insurance fund, there have been no significant changes in coverage or settlements in excess of insurance coverage during the past three years.

Pension Plans

The provision for pension costs is recorded when the related payroll is accrued and the obligation is incurred (See Note 10).

Revenue

Rental income is recorded from the majority of leases maintained by the Authority which are accounted for as operating leases. Rental income is generally recognized as it is earned over the respective lease terms.

Other types of revenue are recognized when earned, as the underlying exchange transaction occurs.

Landing fees are based upon projections of operations and are recalculated annually.

Passenger Facility Charges

Passenger Facility Charges (PFCs), along with related interest income, are recognized and recorded in the year the PFC is levied and collected by the air carrier, net of an allowance for estimated ticket refunds.

PFC monies are legally restricted for capital projects and related expenditures, and cannot be used for any other purpose. The PFC monies will be used to assist in funding the Authority's capital improvement program involving runway, taxiway and apron improvements, the funding of debt service associated with these projects and various other projects.

Reclassifications

Certain amounts in the 2006 financial statements have been reclassified to conform with the 2007 presentation.

Note 3 - Cash and Cash Equivalents

The Authority follows the provisions of GASB Statement No. 31, "*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*," and records all investments at their fair value.

The investment and deposit of Authority monies is governed by the provisions of the ORC. In accordance with these statutes, only financial institutions located in Ohio are eligible to hold public deposits. The statutes also permit the Authority to invest its monies in certificates of deposit, savings accounts, money market accounts, the State Treasurer's Asset Reserve (STAR Ohio) investment pool, and obligations of the United States government or certain agencies thereof. The Authority may also enter into repurchase agreements with any eligible depository for a period not exceeding thirty days. The Authority has an investment policy consistent with Ohio Senate Bill 81.

STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the Securities Exchange Commission as an investment company, but does operate in a manner generally consistent with Rule 2a-7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2007 and 2006.

Public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by the Federal Deposit Insurance Corporation (FDIC), or may pledge a pool of government securities valued at least 105% of the total value of public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within five years of the date of the related repurchase agreement. State law does not require security for public deposits and investments to be maintained in the Authority's name.

Deposits with Financial Institutions

At December 31, 2007, the carrying amount of the Authority's deposits with financial institutions was $5,336,754 and the bank balance was $5,351,000. Based upon criteria described in GASB Statement No. 3, "*Deposits with Financial Institutions, Investments (Including Repurchase Agreements) and Reverse Repurchase Agreements*," $230,626 of the bank balance was covered by deposit insurance provided by the FDIC; and $5,120,374 was uncollateralized as defined by the GASB. These uncollateralized deposits were, however, covered by a pledged collateral pool in accordance with the ORC as discussed above.

At December 31, 2006, the carrying amount of the Authority's deposits with financial institutions was $12,141,213 and the bank balance was $14,219,529. Based upon criteria described in GASB Statement No. 3, "*Deposits with Financial Institutions, Investments (Including Repurchase Agreements) and Reverse Repurchase Agreements*," $298,940 of the bank balance was covered by deposit insurance provided by the FDIC; and $13,920,589 was uncollateralized as defined by the GASB. These uncollateralized deposits were, however, covered by a pledged collateral pool in accordance with the ORC as discussed above.

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Authority's deposits may not be returned or the Authority will not be able to recover collateral securities in possession of an outside party. For depository accounts, the Authority's policy requires deposits to be 105% secured by collateral less the amount of the FDIC insurance based on the daily available bank balances to limit its exposure to custodial credit risk.

In addition, the Authority had $10,690 and $3,490 in cash on hand at December 31, 2007 and 2006, respectively.

Investments

As of December 31, 2007, the Authority had the following investments and maturities:

Type of Investment	Fair Value/ Carrying Value	Rating	Weighted Average Days to Maturity
Federal Agency Obligations	$ 53,765,900	AAA/Aaa	520

As of December 31, 2006, the Authority had the following investments and maturities:

Type of Investment	Fair Value/ Carrying Value	Rating	Weighted Average Days to Maturity
Federal Agency Obligations	$ 67,775,344	AAA/Aaa	350

The Authority's unrestricted and restricted cash and cash equivalents included $34,520,742 of money market funds, $12,589,870 of repurchase agreements, and $9,502,713 of STAR Ohio funds as of December 31, 2007. The Authority's unrestricted and restricted cash and cash equivalents as of December 31, 2006, included $19,332,906 of money market funds, $13,114,096 of repurchase agreements, and $9,036,093 of STAR Ohio funds. Standard & Poor's rating for the STAR Ohio fund is AAAm.

The Authority's investment strategy incorporates certain financial instruments, which involve, to varying degrees, elements of market risk and credit risk in excess of amounts recorded in the financial statements.

Interest Rate Risk – The market value of securities in the portfolio will increase or decrease based upon changes in the general level of interest rates. Investments with longer maturity dates are subject to greater degrees of increases or decreases in market value as interest rates change. The Authority's written investment policy addresses the effects of market value fluctuations. The Authority mitigates interest rate risk by maintaining adequate liquidity so that current obligations can be met without a sale of securities and by diversifying both maturities and assets in the portfolio.

Credit Risk – Credit risk is the risk of loss due to the failure of a security issuer to pay principal or interest, or the failure of the issuer to make timely payments of principal or interest. Eligible investments, pursuant to Section 135.14 ORC, affected by credit risk include certificates of deposit, commercial paper, bankers' acceptances, and counterparties involved in repurchase agreements. The Authority's written investment policy does not consider U.S. Treasury obligations, obligations guaranteed by the U.S. Treasury, and federal agency securities as having credit risk. Credit risk is minimized by diversifying assets by issuer; ensuring that required, minimum credit quality ratings as described by nationally recognized rating organizations and agencies exist prior to the purchase of commercial paper and bankers' acceptances; and maintaining adequate collateralization of certificates of deposits.

Custodial Credit Risk –The Authority's unrestricted and restricted investments at December 31, 2007 and 2006, are insured, registered or are held by the Authority or its agent in the Authority's name. The Authority's investment policy is silent on custodial credit risk.

Concentration of Risk – A risk of concentration refers to an exposure with the potential to produce losses large enough to threaten the Authority's financial health or ability to maintain its core operations. Risk concentrations can arise through a combination of exposures across broad categories. The potential for loss reflects the size of position and the extent of any losses given a particular adverse circumstance. The Concentration of Risk category excludes U.S. Treasury issues, issues guaranteed by the U.S. Treasury, federal agency issues, eligible money market mutual funds, and the Ohio Treasurer's investment pool, STAR Ohio. The Authority's written investment policy states that the portfolio shall contain less than 5%, based upon purchase cost, in any one issuer with credit risk as a percentage of the portfolio's book value at the time of purchase. Additionally, the Authority's written investment policy establishes maximum percentages allowed for callable and variable rate investments issued by federal agencies, commercial paper, banker's acceptances, repurchase agreements, and certificate of deposits.

Note 4 - Restricted Cash and Investments

The following amounts represent restricted cash and investments as of December 31, 2007 and 2006:

	2007	2006
Cash and Investments		
Restricted for Debt Service	$ 24,298,629	$ 23,252,032
Restricted for Passenger Facility Charges	15,253,207	39,320,395
Retainages on Construction Contracts	3,937,622	2,647,803
Customer Deposits and Other	388,912	373,574
Obligation Due To City (Including Interest)	-	1,809,779
Restricted for Capital Expenditures	-	1,312,081
Total Restricted Cash and Investments	$ 43,878,370	$ 68,715,664

Note 5 - Receivables

The following amounts represent receivables due to the Authority at December 31, 2007 and 2006:

	2007	2006
Unrestricted:		
Current:		
Accounts Receivable - Trade	$ 15,755,813	$ 13,828,937
Less Allowance for Uncollectibles	76,952	28,426
Total Current Unrestricted Trade Receivables	15,678,861	13,800,511
Accounts Receivable - Other	1,481,193	752,204
Non-Current:		
Accounts Receivable - Other	188,040	1,370,320
Total Unrestricted Receivables	$ 17,348,094	$ 15,923,035

Note 6 – Direct Financing Lease

Under direct financing leases, the Authority leases certain rental car facilities within the parking facility (See Note 13). The components of lease receivable for the net investment in direct financing leases are as follows as of December 31:

	2007	2006
Total Minimum Lease Receivables	$ 1,840,511	$ 2,331,315
Less Unearned Income	275,623	428,458
Net Investment in Direct Financing Leases	$ 1,564,888	$ 1,902,857
Current Portion	$ 326,559	$ 326,559
Non-Current Portion	1,238,329	1,576,298
	$ 1,564,888	$ 1,902,857

Future minimum lease receivables due from tenants under direct financing leases as of December 31, 2007 are as follows:

2008	$ 490,803
2009	490,804
2010	490,804
2011	368,100
Total	$ 1,840,511

Unearned Income on direct financing leases is recognized in such a manner as to produce a constant periodic rate of return on the net investment in the direct financing lease. During 2007, $152,835 of interest was recognized reducing the balance of Unearned Income from $428,458 to $275,623.

Note 7 – Commercial Paper

On September 6, 2007, the Authority entered into an agreement with Deutsche Bank National Trust Company. Under this agreement, the Authority is allowed to issue an aggregate principal amount, not-to-exceed $75,000,000 outstanding at any one time, of commercial paper notes in three series (Series A-Tax-exempt, Non AMT; Series B-Tax-exempt, AMT; and Series C-Taxable) collateralized by a letter of credit issued by Calyon New York Branch and a subordinated lien and pledge of net revenues of the Authority. Under the agreement, the commercial paper notes may be renewed until 2014 in up to 270-day increments and are subordinated to the Authority's revenue bonds. The notes may be issued to finance authorized capital projects, reimburse the bank for any authorized draws made under the letter of credit, pay all or a portion of the principal and interest on the notes, fund capitalized interest or finance any costs of issuance.

At December 31, 2007, there was $25,000,000 of commercial paper notes outstanding with interest rates from 3.28% to 3.47%.

Commercial paper information and activity as of and for the year ended December 31, 2007 is presented below:

	Balance 12/31/06	Additions	Payments	Balance 12/31/07	Amounts Due Within One Year
Commercial					
Paper notes:					
Series A	$ -	$ 16,500,000	$ -	$ 16,500,000	$ 16,500,000
Series B	-	8,500,000	-	8,500,000	8,500,000
Total	$ -	$ 25,000,000	$ -	$ 25,000,000	$ 25,000,000

Note 8 – Unearned Income

Unearned income activity for the year ended December 31, 2007 is summarized as follows:

	Balance 12/31/06	Additions	Payments	Balance 12/31/07	Amounts Due Within One Year
City Golf Course	$ 7,973,924	$ -	$ 67,787	$ 7,906,137	$ 74,662
Deferred Rents	4,375,451	4,584,237	179,930	8,779,758	179,929
Other	1,585,260	271,196	1,218,969	637,487	236,244
	$ 13,934,635	$ 4,855,433	$ 1,466,686	$ 17,323,382	$ 490,835

Unearned income activity for the year ended December 31, 2006 is summarized as follows:

	Balance 12/31/05	Additions	Payments	Balance 12/31/06	Amounts Due Within One Year
City Golf Course	$ 8,035,149	$ -	$ 61,225	$ 7,973,924	$ 67,787
Deferred Rents	-	4,412,220	36,769	4,375,451	88,245
Other	4,684,664	64,249	3,163,653	1,585,260	1,154,202
	$ 12,719,813	$ 4,476,469	$ 3,261,647	$ 13,934,635	$ 1,310,234

Unearned income for the City Golf Course reflects prepaid rents received by the Authority from the City in 2005 for two golf courses on Authority property. Deferred Rents include prepaid rents received from DRCS, LLC for certain land at LCK.

Note 9 - Long-Term Debt

Revenue bonds

On February 1, 1998, the Authority issued $81,375,000 of Airport Improvement Revenue Bonds, Series 1998B. The bond proceeds were used to construct a new parking facility and improve landside roadways and terminal aprons. On April 12, 2007, bonds with a par value of $61,965,000 were refunded with proceeds from the Airport Refunding Revenue Bonds, Series 2007. The remaining bonds are due at maturity or through mandatory sinking fund redemption requirements in annual installments of $2,110,000 to $2,730,000 through January 1, 2013. The interest rate on the remaining bonds is 5.11%. Revenue bonds payable at December 31, 2007, net of unamortized discount of $68,438, are $14,396,562 and at December 31, 2006, net of unamortized discount of $473,226, are $77,966,774. The revenue bonds are collateralized by revenue of the Authority established by the trust indenture.

On June 1, 2001, the Authority issued $3,265,600 of Airport Improvement Revenue Bonds, Series 2001A. The bond proceeds were used to construct certain rental car facilities within the parking facility. The bonds are due at maturity or through mandatory sinking fund redemption requirements in annual installments of $105,000 to $448,000 through June 1, 2011. Interest rates change monthly based on London Interbank Offered Rate (LIBOR) plus 135 basis points. This rate shall not exceed 12% per year. On July 2, 2007, the Authority paid off the remaining balance of these bonds. Revenue bonds payable at December 31, 2007 and 2006, are $0 and $1,819,600, respectively. The revenue bonds were collateralized by certain rental car revenues of the Authority established by the trust indenture.

On June 1, 2001, simultaneous with the delivery of the Authority's $3,265,000 Airport Improvement Revenue Bonds, Series 2001A, (the bonds), the Authority entered into an Interest Rate Swap agreement Under this agreement, the Authority and the swap counterparty are obligated to make monthly payments to each other. The Authority's monthly obligation to the counterparty to the swap is equal to the interest calculated at a fixed annual rate of 8.74%. The swap counterparty's monthly obligation is equal to the interest that is payable during a particular month at the variable rate then in effect for the bonds. Only the net difference in interest payments is exchanged with the counterparty. As of December 31, 2006, the swap had a negative fair value of $97,443.

The Authority continues to pay interest to the bondholders at the variable rate provided by the bonds. The effect of the agreement is that the Authority pays interest on the bonds at a fixed annual rate of 8.74% and the principal payments on the bonds have been structured based on that effective fixed interest rate. The Authority would have to pay interest on the bonds at the stated variable rate if the agreement was terminated prior to the final maturity of the bonds. Termination of the agreement may also result in the Authority either making or receiving a termination swap payment. The agreement was terminated on July 2, 2007 when the underlying bonds were paid off and the Authority paid $82,400 in termination swap fees.

On October 28, 2003, the Authority issued $26,210,000 of Airport Refunding Revenue Bonds, Series 2003A. The bond proceeds were used to refund the Authority's outstanding Airport Improvement Bonds, Series 1994A, fund the Series 2003 Debt Service Reserve Account and pay the costs of issuance of the Series 2003 Bonds. The bonds are due at maturity or through mandatory sinking fund redemption requirements in annual installments of $915,000 to $1,945,000 through January 2024. Interest rates range from 2.00% to 5.50% with a weighted average rate of 4.35%. Revenue bonds payable at December 31, 2007, net of unamortized premium of $135,147 are $23,540,147 and at December 31, 2006, net of unamortized premium of $149,994 are $24,509,994. The revenue bonds are collateralized by revenue of the Authority established by the trust indenture.

On October 28, 2003, the Authority issued $7,235,000 of Airport Refunding Revenue Bonds, Series 2003B. The bond proceeds were used to refund the Authority's outstanding Airport Improvement Bonds, Series 1994A, fund the Series 2003 Debt Service Reserve Account and pay the costs of issuance of the Series 2003 Bonds. The bonds are due at maturity or through mandatory sinking fund redemption requirements in annual installments of $250,000 to $530,000 through January 2024. Interest rates range from 2.00% to 4.70% with a weighted average rate of 3.86%. Revenue bonds payable at December 31, 2007, net of unamortized premium of $37,501 are $6,492,501 and at December 31, 2006, net of unamortized premium of $41,709 are $6,761,709. The revenue bonds are collateralized by revenue of the Authority established by the trust indenture.

On April 12, 2007, the Authority issued $59,750,000 of Airport Refunding Revenue Bonds, Series 2007. The bond proceeds were used to partially refund the Authority's outstanding Airport Improvement Bonds, Series 1998B, fund the Series 2007 Debt Service Reserve Account and pay the costs of issuance of the Series 2007 Bonds. The bonds are due at maturity or through mandatory sinking fund redemption requirements in annual installments of $2,805,000 to $5,475,000 through January 2028. Interest rates range from 4.357% to 5.00% with a weighted average rate of 4.92%. Revenue bonds payable at December 31, 2007, net of unamortized premium of $3,580,043 are $63,330,043. The revenue bonds are collateralized by revenue of the Authority established by the trust indenture.

Long-term revenue bond activity for the year ended December 31, 2007 is summarized as follows:

	Beginning Balance	New Debt	Principal Repayment	Ending Balance
Bonds:				
1998B	$ 78,440,000	$ -	$ 63,975,000	$ 14,465,000
2001A	1,819,600	-	1,819,600	-
2003A	24,360,000	-	955,000	23,405,000
2003B	6,720,000	-	265,000	6,455,000
2007	-	59,750,000	-	59,750,000
	111,339,600	$ 59,750,000	$ 67,014,600	104,075,000
Less Current Portion	3,576,000			3,360,000
	$ 107,763,600			$ 100,715,000

Long-term revenue bond activity for the year ended December 31, 2006 is summarized as follows:

	Beginning Balance	Principal Repayment	Ending Balance
Bonds:			
1998B	$ 80,365,000	$ 1,925,000	$ 78,440,000
2001A	2,135,600	316,000	1,819,600
2003A	25,295,000	935,000	24,360,000
2003B	6,980,000	260,000	6,720,000
	114,775,600	$ 3,436,000	111,339,600
Less Current Portion	3,436,000		3,576,000
	$ 111,339,600		$ 107,763,600

Maturities and interest on bonds payable for the next five years and in subsequent five-year periods as of December 31, 2007 are as follows:

	Principal	Interest
2008	$ 3,360,000	$ 4,893,094
2009	3,510,000	4,737,175
2010	3,665,000	4,569,110
2011	3,835,000	4,388,818
2012	4,015,000	4,197,020
2013-2017	22,825,000	17,845,931
2018-2022	28,855,000	11,406,998
2023-2027	28,535,000	3,971,547
2028	5,475,000	-
Total	$ 104,075,000	$ 56,009,693

Unamortized premium at December 31, 2007 was $3,684,253.

Advance Refunding and Defeasances

In 2003, the Authority refunded $30,950,000 of Airport Improvement Revenue Bonds, Series 1994A, through the issuance of $33,445,000 of Airport Refunding Revenue Bonds, Series 2003. The refunded bonds, which have an outstanding balance of $29,055,000 at December 31, 2007, are not included in the Authority's outstanding debt since the Authority has in-substance satisfied its obligation through advance refunding. The Authority reduced its aggregate debt service payments over the life of the refunded bonds by $4.31 million and obtained an economic gain (difference between the present value of the old and new debt service payments) of $2.65 million.

The Authority did advance refund and defease certain bond issues on April 12, 2007. The Authority accounted for these 2007 advance refundings in accordance with GASB Statement No. 7, "*Advance Refunding Resulting in Defeasance of Debt*," for the governmental (non-enterprise) debt and GASB Statement No. 23, "*Accounting and Financial Reporting for Refunding of Debt Reported by Proprietary Activities*," for the enterprise-type debt.

These advance refundings of the enterprise-type debt resulted in a $2,713,079 difference between the $63,786,542 reacquisition price and the carrying amount of the old debt which was $61,073,463. This difference, deferred amount of refunding, is reported in the financial statements with unamortized bond discount amortized to operations over the remaining lives of the refunding (new) bonds which equates to the remaining lives of the refunded (old) bonds using the effective interest method.

The Authority, in completing the advance refunding, reduced its debt service payments over 20 years by $4.09 million for an economic gain, present value savings, of $2.43 million. Amortization of the deferred amount on refunding was $138,971 in 2007.

Obligation Due to City

During 1991, the CMAA entered into a long-term Airport Operation and Use Agreement with the City for the operation and use of Port Columbus International and Bolton Field airports and for financing the acquisition of the airports' assets. The agreement provides for payments which match exactly in timing and amount the debt service payments by the City on general obligation bonds previously issued in connection with the airports.

During 2007, the Authority paid the remaining balance of $1,910,000 to the City reducing the December 31, 2006, obligation from $1,910,000 to $0 at December 31, 2007. The title to the airport property relating to the use agreement with the City was transferred to the Authority on December 31, 2007.

The following schedule lists property acquired through the agreement by major classes at December 31, 2007:

Land	$ 13,079,492
Building	81,900,216
Runways, Taxiways and Other	53,591,966
Machinery and Equipment	2,038,084
	150,609,758
Less Accumulated Depreciation	104,083,584
	$ 46,526,174

Ohio Public Works Commission

In 1995, the RPA agreed to reimburse the County for debt service on $1,489,000 of an Ohio Public Works Commission loan for storm sewer improvements. The agreement is non-interest bearing and provides for annual principal payments of $74,450 until January 1, 2015. The outstanding balance at December 31, 2007 is $521,150, of which $37,225 is the current amount due.

The following schedule lists future payments due under the agreement as of December 31, 2007:

	Principal
2008	$ 37,225
2009	74,450
2010	74,450
2011	74,450
2012	74,450
2013-2015	186,125
Total	$ 521,150

Other Debt

Other debt outstanding at December 31, 2007 includes a $1,529,661 note with Forward Air Incorporated bearing interest at 6%. Principal and interest are paid monthly with maturity in 2020.

Other long-term debt matures as follows:

	Principal	Interest
2008	$ 82,405	$ 89,538
2009	87,488	84,455
2010	92,884	79,059
2011	98,613	73,330
2012	104,695	67,248
2013-2017	628,680	231,037
2018-2020	434,896	37,949
Total	$ 1,529,661	$ 662,616

Note 10 - Pension Plans and Other Postemployment Benefits

All Authority employees are required to participate in the statewide Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans: the Traditional Pension Plan (TP) – a cost-sharing multiple-employer defined benefit pension plan; the Member Directed Plan (MD) – a defined contribution plan; and the Combined Plan (CO) – a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan. OPERS provides retirement, disability, survivor and death benefits and annual cost-of-living adjustments to qualifying members of both the TP and CO plans. Members of the MD plan do not qualify for ancillary benefits, including post-employment health care coverage. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the ORC. In 2007, the employer was required to contribute 13.77% of active member payroll. For full-time employees, the portion of an employee's contribution is equal to 9.5% to be picked up (assumed and paid) on behalf of the employee, and in lieu of payment by the employee, by the Authority.

Total required employer contributions billed to the Authority were $4,465,026, $4,015,399, and $3,710,503 for the years ended December 31, 2007, 2006, and 2005, respectively, and are equal to 100% of the dollar amount extracted from the Authority's records.

The OPERS issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to OPERS, Attention: Finance Director, 277 East Town Street, Columbus, Ohio 43215-4642 or by calling 614-222-5601 or 800-222-7377.

Other postemployment benefits for health care costs provided by OPERS are as follows:

The postretirement health care coverage includes a medical plan, prescription drug program, and Medicare Part B premium reimbursement to qualifying members. In order to qualify for postretirement health care coverage, age and service retirees under the TP and CO must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by the retirement system meets the definition of an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 45, "*Accounting and Financial Reporting by Employers for Post-employment Benefits other than Pension*." OPEB are advanced-funded on an actuarially determined basis. A portion of each contribution to OPERS is set aside for the funding of postretirement health care. The ORC provides statutory authority for employer contributions and permits, but does not mandate, OPERS to provide OPEB benefits to its eligible members and beneficiaries. The ORC currently limits the employer contribution to a rate not to exceed 14% of covered payroll. Active members do not make contributions to the OPEB plan. OPERS Post Employment Heath Care plan was established under, and is administered in accordance with, Internal Revenue Code 401(h). The 2007 employer contribution rate for state employers was 13.77% of covered payroll; 5.0% was the portion that was used to fund health care from January 1 through June 30, 2007 and 6.0% was used to fund health care from July 1 through December 31, 2007. These rates are the actuarially determined contribution requirements for OPERS. The portion of the Authority's 2007 and 2006 contribution that was used to fund postemployment benefits was $1,781,120 and $1,334,317, respectively. The ORC provides the statutory authority requiring public employers to fund postretirement health care through their contributions to OPERS. For 2007, member and employer contribution rates were consistent across all three plans.

In September 2004, OPERS board adopted the Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. Member and employer contribution rates increased as of January 1, 2006, 2007, and 2008, which allowed additional funds to be allocated to the health care plan.

Note 11 - Capital Contributions

The Authority received capital contributions by means of federal, state and local grants as follows:

	2007	2006
Federal	$ 23,323,515	$ 22,996,625
State and Local	3,190,958	3,110,072
Total	$ 26,514,473	$ 26,106,697

Note 12 - Commitments and Contingencies

Capital Improvements

As of December 31, 2007, the Authority was obligated for completion of certain airport improvements under commitments of approximately $45 million. An estimated $7.4 million is eligible for reimbursement from the FAA. The remaining amount is expected to be funded from bond proceeds, current available resources, PFC's, and future operations.

Federally Assisted Programs - Compliance Audits

The Authority participates in a number of programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Authority may be required to reimburse the grantor government. As of December 31, 2007, significant amounts of grant expenditures have not been audited but the Authority believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Authority.

Note 13 - Property Leased to Others

The Authority is a lessor of space in the CMH terminal along with other land and buildings on a fixed fee as well as a contingent rental basis. Many of the leases provide for a periodic review and redetermination of the rental amounts. Substantially all of the land and building costs in the Statements of Net Assets are held by the Authority for the purpose of rental or related use. The cost and net book value of property held for operating leases as of December 31, 2007 is $274,186,188 and $174,664,989, respectively. The cost and net book value of property held for operating leases as of December 31, 2006 is $259,904,797 and $165,104,056, respectively.

Minimum future rentals on noncancelable operating leases to be received in each of the next five years and thereafter are as follows:

2008	$ 19,344,263
2009	19,479,745
2010	12,942,119
2011	8,255,924
2012	4,902,706
2013-2017	20,714,516
2018-2022	11,643,595
2023-2027	8,908,401
2028-2032	6,549,766
2033-2037	6,610,904
2038-2042	3,472,138
2043-2047	132,853
2048-2052	136,174
2053-2056	83,197
	$ 123,176,301

Certain airline agreements to lease space in the terminal building and terminal apron areas are subject to fluctuating rates.

Contingent operating revenue aggregated approximately $19,599,000 and $17,502,000, respectively in 2007 and 2006.

Note 14 - Related Party Transactions

County of Franklin, Ohio

In accordance with the Joinder and Use Agreement, the County agreed to contribute $4.338 million per year for 10 years commencing in 2003 to facilitate the consolidated operations. In 2007 and 2006, the Authority recorded these payments from the County in Other Non-Operating Income. The Authority and the County have agreed to review the County's subsidy if a significant project locates at the LCK that provides net revenues to the Authority in an amount greater than the County's subsidy.

Franklin Community Improvement Corporation

According to the Project Coordination agreement, effective June 1994, the Authority may extend project advances to Franklin Community Improvement Corporation (FCIC) for its business operations. In consideration of the Authority making project advances, FCIC shall pay all of its available project net proceeds to the Authority. If the cumulative total of project advances exceeds available project net proceeds, unless the Authority agrees in writing, FCIC shall pay the difference between such amounts. In no event shall the Authority be obligated to repay any available project net proceeds paid by FCIC. Additionally, certain income earned by FCIC is remitted to the Authority under the terms of this agreement. The FCIC entered into an amended and restated Project Coordination agreement with the Authority. In consideration of the Authority making project advances, the FCIC shall pay all its available net proceeds to the Authority on an annual basis. Available net proceeds is defined as all funds but not including $1,000,000 in working capital, certain project advances, reserves and other funds relating to the Authority's activities. There were no outstanding working capital advances as of December 31, 2007 or 2006.

Also, under a management agreement the Authority provides the FCIC with certain administrative services. The management agreement was terminated in July 2007 and LCK purchased the cargo buildings previously owned by the FCIC for $3.9 million. The FCIC paid $55,780 and $83,323, respectively, for the management services for 2007 and 2006.

Note 15 - Conduit Debt

From time to time, the Authority has issued certificates of participation, industrial revenue bonds, revenue bonds, and revenue notes to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments on the underlying mortgage loans. Upon repayment of the obligations, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the Authority, nor the County, nor any political subdivisions thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2007 and 2006, there were twenty-eight series of bonds outstanding, with aggregate principal balances of $509,344,124 and $479,819,784, respectively. The original issue amounts for these twenty-eight series totaled $528,142,079.

Supplemental Schedule of Revenues and Expenses
Budget vs. Actual - Budget Basis

For the Year Ended December 31, 2007

	Budget	Actual	Positive/ (Negative) Variance
OPERATING REVENUES			
Airline Revenue	$ 22,207,624	$ 20,816,552	$ (1,391,072)
Parking Revenue	28,620,014	29,081,408	461,394
Concession Revenue	16,718,218	18,881,289	2,163,071
General Aviation Revenue	2,408,132	2,245,305	(162,827)
Cargo Operations Revenue	1,950,196	1,990,227	40,031
Foreign Trade Zone Fees	435,675	481,906	46,231
Other Revenue	1,860,090	2,151,409	291,319
Total Operating Revenues	74,199,949	75,648,096	1,448,147
OPERATING EXPENSES			
Employee Wages and Benefits	28,556,225	28,348,205	208,020
Purchase of Services	18,213,141	19,048,399	(835,258)
Materials and Supplies	2,650,793	2,708,084	(57,291)
Other Expenses	-	60,564	(60,564)
Total Operating Expenses	49,420,159	50,165,252	(745,093)
OPERATING INCOME BEFORE DEPRECIATION	24,779,790	25,482,844	703,054
Less: Depreciation	23,460,172	24,819,240	(1,359,068)
OPERATING GAIN	1,319,618	663,604	(656,014)
NON-OPERATING REVENUES (EXPENSES)			
Interest Income	2,104,925	2,666,312	561,387
Other Non-Operating Revenues	5,198,300	5,262,509	64,209
Passenger Facility Charges	19,000,000	19,141,042	141,042
Rental Car Customer Facility Charges	-	2,140,422	2,140,422
Interest Expense	(5,523,384)	(4,678,817)	844,567
Gain on Securities	-	408,734	408,734
Amortization of Deferred Charges	(184,800)	(425,523)	(240,723)
Loss on Disposal of Assets	(100,000)	218,502	318,502
Total Non-Operating Revenues	20,495,041	24,733,181	4,238,140
INCOME BEFORE CAPITAL CONTRIBUTIONS	21,814,659	25,396,785	3,582,126
ADJUSTMENTS TO RECONCILE GAAP NET INCOME BEFORE CAPITAL CONTRIBUTIONS TO BUDGETED NET INCOME:			
Gain on Securities	-	(408,734)	(408,734)
Total Adjustments	-	(408,734)	(408,734)
NET INCOME ADJUSTED TO THE BUDGETARY BASIS OF ACCOUNTING	$ 21,814,659	$ 24,988,051	$ 3,173,392

See accompanying independent auditors' report


Baggage Claim
Restrooms

Statistical Section (Unaudited)

The Statistical Section presents comparative data (when available) and differs from financial statements because they usually cover more than one fiscal year and may present non-accounting data.

Financial Trends and Revenue Capacity

These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time. Also contained in these schedules is information to help the reader understand the Authority's most significant revenue sources and the Authority's capacity to insure itself against material risk.

Debt Capacity

This schedule presents information to help the reader assess the affordability of the Authority's current levels of outstanding debt and also the ability of the Authority to issue additional debt in the future.

Operating Information

These schedules contain information to help the reader understand and to provide context for the Authority's operations and how this relates to the Authority's financial position.

Economic and Demographic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.

Revenues and Expenses by Type

For the ten years ended December 31, 2007 (dollars in thousands)

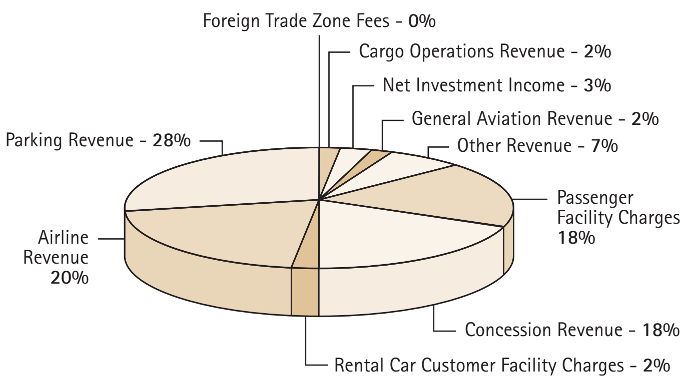
	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
REVENUES:										
AIRLINE REVENUE	$ 20,817	18,227	17,930	19,485	21,338	14,385	19,371	17,573	16,207	16,201
PARKING REVENUE	29,081	23,984	22,154	20,536	18,904	18,811	19,327	18,862	14,975	13,534
CONCESSION REVENUE	18,881	16,030	15,100	13,917	13,813	13,508	13,524	13,184	10,823	10,846
GENERAL AVIATION REVENUE	2,245	2,359	2,412	2,569	2,472	2,522	2,271	1,903	1,701	1,782
CARGO OPERATIONS REVENUE	1,990	2,003	1,679	1,265	1,226	-	55	80	72	64
FOREIGN TRADE ZONE FEES	482	607	440	544	550	-	-	-	-	-
NET INVESTMENT INCOME	3,075	4,156	2,430	1,469	755	1,310	3,565	4,664	3,746	5,467
PASSENGER FACILITY CHARGES	19,141	16,004	14,504	13,276	13,212	13,351	10,750	11,523	11,486	11,332
RENTAL CAR CUSTOMER FACILITY CHARGES	2,140	-	-	-	-	-	-	-	-	-
OTHER REVENUES	7,634	6,745	8,068	7,412	7,100	3,598	1,194	956	688	325
	105,486	90,115	84,717	80,473	79,370	67,485	70,057	68,745	59,698	59,551
EXPENSES:										
EMPLOYEE WAGES AND BENEFITS	28,348	26,101	24,635	23,732	23,076	17,516	15,732	15,396	12,505	11,504
PURCHASE OF SERVICES	19,048	16,967	15,304	14,813	14,699	12,839	10,929	13,217	9,869	8,242
MATERIALS AND SUPPLIES	2,708	2,120	2,558	2,051	2,039	1,607	1,626	1,649	1,499	1,266
DEPRECIATION	24,819	23,580	22,820	21,161	19,852	14,967	25,166	8,953	7,783	7,280
INTEREST EXPENSE	4,679	5,833	6,209	6,675	8,049	7,179	7,475	7,142	6,906	7,444
OTHER EXPENSES	487	161	(116)	346	715	205	3,594	137	183	424
	80,089	74,762	71,410	68,778	68,430	54,313	64,522	46,494	38,745	36,160
INCOME BEFORE CAPITAL CONTRIBUTIONS, SPECIAL & EXTRAORDINARY ITEMS	$ 25,397	15,353	13,307	11,695	10,940	13,172	5,535	22,251	20,953	23,391

SOURCE: THE AUTHORITY FINANCE DEPARTMENT

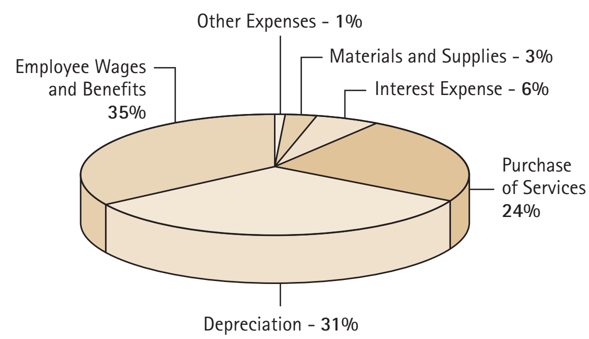
NOTE: THE YEAR 2003 WAS THE FIRST YEAR WHICH INCLUDED LCK'S DATA IN THE STATISTICS

2007 Revenue and Expense Breakdown by Type

Composition of Revenues



Composition of Expenses



Revenues and Expenses by Area

For the ten years ended December 31, 2007 (dollars in thousands)

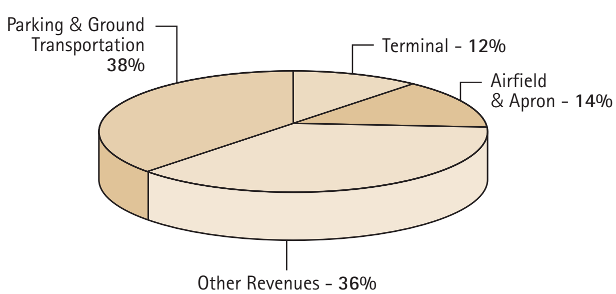
	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Revenues:										
Parking & Ground Transportation	$39,699	33,695	31,250	28,899	27,376	27,654	28,055	27,536	15,103	11,670
Airfield & Apron	14,869	13,741	12,609	12,964	13,474	10,869	12,513	10,488	10,197	10,231
Terminal	13,119	10,955	11,244	12,159	11,252	7,307	10,330	9,863	15,148	15,161
Other Revenues	37,799	31,724	29,614	26,451	27,268	21,655	19,159	20,858	19,250	22,489
	105,486	90,115	84,717	80,473	79,370	67,485	70,057	68,745	59,698	59,551
Expenses:										
Parking & Ground Transportation	15,455	14,143	12,224	13,005	12,099	10,989	10,428	9,171	7,012	4,182
Airfield & Apron	14,733	14,473	13,118	12,097	12,816	11,006	11,171	11,789	10,036	9,054
Terminal	17,450	17,753	15,998	15,524	14,464	12,831	11,977	12,583	12,413	12,208
Other Expenses	7,632	4,813	7,250	6,991	9,199	4,520	5,780	3,998	1,501	3,436
Expenses Before Depreciation	55,270	51,182	48,590	47,617	48,578	39,346	39,356	37,541	30,962	28,880
Depreciation	24,819	23,580	22,820	21,161	19,852	14,967	25,166	8,953	7,783	7,280
	80,089	74,762	71,410	68,778	68,430	54,313	64,522	46,494	38,745	36,160
Income Before Capital Contributions, Special & Extraordinary Items	$25,397	15,353	13,307	11,695	10,940	13,172	5,535	22,251	20,953	23,391

Source: The Authority Finance Department

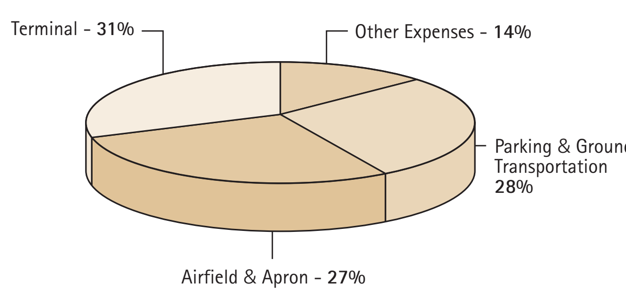
Note: The year 2003 was the first year which included LCK's data in the statistics

2007 Revenue and Expense Breakdown by Area

Composition of Revenues



Composition of Expenses
(Excluding Depreciation)



Total Annual Revenues, Expenses and Changes in Net Assets

For the ten years ended December 31, 2007 (dollars in thousands)

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
OPERATING REVENUES										
Airline Revenue	$ 20,817	18,227	17,930	19,485	21,338	14,385	19,371	17,573	16,207	16,201
Parking Revenue	29,081	23,984	22,154	20,536	18,904	18,811	19,327	18,862	14,975	13,534
Concession Revenue	18,881	16,030	15,100	13,917	13,813	13,508	13,524	13,184	10,823	10,846
Other Revenue	6,869	6,942	6,479	6,478	6,347	3,735	3,232	2,771	2,461	2,172
Total Operating Revenues	75,648	65,183	61,663	60,416	60,402	50,439	55,454	52,390	44,466	42,753
OPERATING EXPENSES										
Employee Wages and Benefits	28,348	26,101	24,635	23,732	23,076	17,516	15,732	15,396	12,505	11,504
Purchase of Services	19,048	16,967	15,304	14,813	14,699	12,839	10,929	13,217	9,869	8,242
Materials and Supplies	2,708	2,120	2,558	2,051	2,039	1,607	1,626	1,649	1,499	1,266
Other Expenses	61	(30)	(313)	142	7	1	175	6	13	42
Total Operating Expenses	50,165	45,158	42,184	40,738	39,821	31,963	28,462	30,268	23,886	21,054
OPERATING INCOME BEFORE DEPRECIATION	25,483	20,025	19,479	19,678	20,581	18,476	26,992	22,122	20,580	21,699
Less: Depreciation	24,819	23,580	22,820	21,161	19,852	14,967	25,166	8,953	7,783	7,280
OPERATING INCOME (LOSS)	664	(3,555)	(3,341)	(1,483)	729	3,509	1,826	13,169	12,797	14,419
NON-OPERATING REVENUES (EXPENSES)										
Investment Income	2,666	3,734	2,889	1,510	755	1,310	3,411	4,541	4,483	5,007
Other Non-Operating Revenues	5,263	5,280	5,439	5,241	4,990	2,385	288	168	-	-
Passenger Facility Charges	19,141	16,004	14,504	13,276	13,212	13,351	10,750	11,523	11,486	11,332
Rental Car Customer Facility Charges	2,140	-	-	-	-	-	-	-	-	-
Interest Expense	(4,679)	(5,833)	(6,209)	(6,675)	(8,049)	(7,179)	(7,475)	(7,142)	(6,906)	(7,444)
Gain (Loss) on Securities	409	422	(459)	(41)	-	-	154	123	(737)	460
Amortization of Deferred Charges	(426)	(191)	(197)	(205)	(709)	(132)	(128)	(122)	(123)	(119)
Gain (Loss) on Disposal of Assets	219	(508)	681	72	12	(72)	(3,291)	(9)	(47)	(264)
Total Non-Operating Revenues	24,733	18,908	16,648	13,178	10,211	9,663	3,709	9,082	8,156	8,972
INCOME BEFORE CAPITAL CONTRIBUTIONS, SPECIAL & EXTRAORDINARY ITEMS	25,397	15,353	13,307	11,695	10,940	13,172	5,535	22,251	20,953	23,391
Capital Contributions	26,514	26,107	22,005	21,660	8,725	8,787	8,333	7,652	1,560	2,204
Special & Extraordinary Items	-	-	(1,595)	-	-	-	-	-	-	-
Net Assets Acquired Through Merger	-	-	-	-	73,259	-	-	-	-	-
INCREASE IN NET ASSETS	51,911	41,460	33,717	33,355	92,924	21,959	13,868	29,903	22,513	25,595
TOTAL NET ASSETS, BEGINNING OF YEAR	502,494	461,034	427,317	393,962	301,038	279,079	265,211	235,308	212,795	187,200
TOTAL NET ASSETS, END OF YEAR	$ 554,405	502,494	461,034	427,317	393,962	301,038	279,079	265,211	235,308	212,795

Source: The Authority's Audited Financial Statements

Note: The year 2003 was the first year which included LCK's data in the statistics

Total Net Assets

For the ten years ended December 31, 2007 (dollars in thousands)

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
ASSETS										
CURRENT ASSETS:										
Unrestricted Assets:										
Cash and Cash Equivalents	$ 25,094	19,154	11,801	13,722	29,402	18,290	23,052	45,269	34,635	14,705
Other Investments	19,180	27,074	33,822	-	-	-	-	-	-	-
Accounts Receivable - Trade	15,679	13,801	9,835	4,435	4,382	4,502	4,695	4,281	3,808	3,649
Accounts Receivable - Other	1,481	752	1,105	129	176	574	-	-	-	-
Interest Receivable	457	335	387	182	-	-	-	-	-	-
Direct Financing Leases Receivable	491	491	491	491	491	491	491	-	-	-
Deposits, Prepaid Items and Other	1,746	1,548	1,679	2,018	1,896	637	256	231	190	390
Total Unrestricted Assets	64,128	63,155	59,120	20,977	36,347	24,494	28,494	49,781	38,633	18,744
Restricted Assets:										
Cash and Cash Equivalents	36,866	34,474	35,749	62,140	97,783	100,523	100,213	56,460	63,005	76,844
Other Investments	2,000	12,343	14,147	17,555	-	-	-	10,073	15,227	54,270
Other Receivables	-	-	-	3,540	3,156	2,265	1,926	2,473	1,261	1,673
Total Restricted Assets	38,866	46,817	49,896	83,235	100,939	102,788	102,139	69,006	79,493	132,787
Total Current Assets	102,994	109,972	109,016	104,212	137,286	127,282	130,633	118,787	118,126	151,531
NON-CURRENT ASSETS:										
Unrestricted Assets:										
Other Investments	27,575	6,459	25,564	23,388	-	-	-	-	-	-
Deferred Charges	7,799	7,753	7,986	2,439	2,678	1,857	2,023	2,014	2,169	1,984
Accounts Receivable - Other	188	1,370	1,590	1,594	1,201	1,281	-	-	-	-
Direct Financing Leases Receivable	1,350	1,841	2,331	2,822	3,313	3,804	4,295	-	-	-
Land	101,227	61,925	48,557	47,386	44,902	24,720	20,860	20,657	20,611	20,125
Construction In Progress	81,556	60,204	38,228	37,596	14,159	11,118	8,344	8,620	79,385	35,251
Depreciable Capital Assets, Net of Accumulated Depreciation	407,719	390,986	367,805	352,225	352,390	294,368	281,593	283,026	187,471	180,604
Total Unrestricted Non-Current Assets	627,414	530,538	492,061	467,450	418,643	337,148	317,115	314,317	289,636	237,964
Restricted Assets:										
Other Investments	5,011	21,899	13,319	11,237	-	-	-	-	-	-
Total Non-Current Assets	632,425	552,437	505,380	478,687	418,643	337,148	317,115	314,317	289,636	237,964
TOTAL ASSETS	$ 735,419	662,409	614,396	582,899	555,929	464,430	447,748	433,104	407,762	389,495
LIABILITIES										
CURRENT LIABILITIES:										
Payable from Unrestricted Assets:										
Accounts Payable - Trade	$ 13,164	17,413	5,968	3,207	2,129	4,370	6,382	2,057	886	2,211
Accrued Interest Payable	3,274	2,665	2,726	2,784	2,368	3,149	3,192	3,224	3,852	3,992
Accrued and Withheld Employee Benefits	5,268	4,637	4,658	4,485	4,224	2,634	2,536	2,012	1,880	1,972
Unearned Income	491	1,310	4,198	551	3,277	164	164	-	-	-
Other Accrued Expenses	5,422	3,040	4,394	4,103	2,485	5,877	1,859	2,792	1,393	1,287
Total Payable from Unrestricted Assets	27,619	29,065	21,944	15,130	14,483	16,194	14,133	10,085	8,011	9,462
Payable from Restricted Assets:										
Accounts Payable	-	-	-	3,475	2,412	1,124	1,085	2,761	5,384	2,996
Retainages on Construction Contracts	3,937	2,648	1,026	1,186	1,227	1,087	1,100	1,067	-	-
Accrued Interest Payable	-	33	64	156	247	339	430	464	-	-
Customer Deposits and Other	389	374	385	368	224	159	198	171	149	199
Current Portion of Long-Term Debt	3,480	5,441	6,231	9,072	7,870	7,654	7,004	6,290	6,225	5,515
Commercial Paper Notes	25,000	-	-	-	-	-	-	-	-	-
Total Payable from Restricted Assets	32,806	8,496	7,706	14,257	11,980	10,363	9,817	10,753	11,758	8,710
Total Current Liabilities	60,425	37,561	29,650	29,387	26,463	26,557	23,950	20,838	19,769	18,172
NON-CURRENT LIABILITIES:										
Accounts Payable - Other	-	-	-	-	24	-	-	-	-	-
Unearned Income	16,833	12,624	8,522	755	985	1,135	1,437	-	-	-
Long-Term Debt, Less Current Portion, Net	103,756	109,730	115,190	121,440	130,495	131,700	139,282	143,055	148,685	154,528
Other Long-Term Borrowing	-	-	-	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Total Non-Current Liabilities	120,589	122,354	123,712	126,195	135,504	136,835	144,719	147,055	152,685	158,528
Total Liabilities	181,014	159,915	153,362	155,582	161,967	163,392	168,669	167,893	172,454	176,700
NET ASSETS										
Invested in Capital Assets, Net of Related Debt	449,486	395,388	335,304	309,122	275,778	193,789	167,446	158,956	132,558	75,937
Restricted:										
Capital Expenditures	-	-	443	34,803	20,686	32,457	38,376	7,613	20,222	25,837
Passenger Facility Charges	15,253	39,692	33,973	27,227	50,743	40,020	34,359	29,622	28,417	39,233
Bond Reserves	24,299	23,252	22,669	22,281	20,123	22,081	20,851	19,968	18,225	56,792
Obligation Due To City	-	1,777	1,949	5,066	5,277	5,519	5,742	6,136	6,334	6,635
Total Restricted Net Assets	39,552	64,721	59,034	89,377	96,829	100,077	99,328	63,339	73,198	128,497
Unrestricted Net Assets	65,367	42,385	66,696	28,818	21,355	7,172	12,305	42,916	29,552	8,361
Total Net Assets	554,405	502,494	461,034	427,317	393,962	301,038	279,079	265,211	235,308	212,795
Commitments and Contingencies										
TOTAL LIABILITIES AND NET ASSETS	$ 735,419	662,409	614,396	582,899	555,929	464,430	447,748	433,104	407,762	389,495

Source: The Authority's Audited Financial Statements

Note: The year 2003 was the first year which included LCK's data in the statistics

Schedule of Insurance in Force

As of January 1, 2008

Type of Coverage	Insurer	Coverage Amount	Expiration Date
Airport Property and Equipment Insurance			
Building and Contents	American Guarantee & Liability	$ 477,213,770	11/01/08
Business Auto	St. Paul Fire & Marine Insurance Co.	$ 1,000,000	11/01/08
Liability Insurance			
Aviation and General			
Liability	ACE Property & Casualty Ins. Co.	$ 50,000,000	11/01/08
Excess Liability	Underwriters at Lloyd's, London	$ 200,000,000	11/01/08
Pollution Liability (LCK)	American International Specialty Lines Ins. Co.	$ 25,000,000	01/01/13
Public Official Liability			
Employment Practices	National Union Fire Insurance Co.	$ 10,000,000	11/01/08
Pollution Liability			
Storage Tank Pollution (CMH)	American International Specialty Lines Ins. Co.	$ 1,000,000	02/27/08
Storage Tank Pollution (LCK)	ACE American Insurance Co. & Illinois Union Ins. Co.	$ 2,000,000	05/30/08
Police Professional	Lexington Insurance	$ 10,000,000	11/01/08
Employee Dishonesty	Hartford Fire Ins. Co.	$ 1,000,000	11/01/08
Fiduciary Liability	Federal Insurance Co.	$ 1,000,000	11/01/08
Special Accident	Federal Insurance Co.	$ 5,000,000	11/01/08
International Commercial Insurance	Great Northern Insurance Co.	$ 1,000,000	11/01/08
Surety Bonds	National Fire Insurance Co. of Hartford & Western Surety Co.	$ 250,000	11/01/08
Customs Bonds (FTZ)	XL Specialty Ins. Co.	$ 100,000	01/23/08
Workers' Compensation Insurance			
Excess Workers' Compensation	Employers' Reinsurance Co.	$ 25,000,000	11/31/08

Source: The Authority Legal Services Department

Schedule of Debt and Obligation Coverages

For the ten years ended December 31, 2007 (dollars in thousands, except coverage)

Year	Gross revenue (1)	Direct operating expense (2)	Net Revenue available for debt & obligation payments	Debt and obligation requirements: Principal	Interest	Total	Coverage
2007	$ 84,204	($50,165)	$34,039	$ 7,112	$4,679	$ 11,791	2.89
2006	$ 74,111	($45,157)	$28,954	$6,268	$5,833	$12,101	2.39
2005	$ 68,617	($42,185)	$26,432	$9,109	$6,209	$15,318	1.73
2004	$ 67,198	($40,738)	$26,460	$7,870	$6,675	$14,545	1.82
2003	$ 66,158	($39,821)	$26,337	$7,829	$8,049	$15,878	1.66
2002	$ 54,134	($31,963)	$ 22,171	$7,004	$7,179	$14,183	1.56
2001	$ 59,306	($28,463)	$30,843	$6,395	$7,475	$13,870	2.22
2000	$ 57,222	($30,269)	$26,953	$5,635	$7,142	$12,777	2.11
1999	$ 48,212	($23,886)	$24,326	$5,515	$6,906	$12,421	1.96
1998	$ 46,220	($19,053)	$27,167	$5,464	$7,444	$12,908	2.10

Source: The Authority Finance Department

Note: The year 2003 was the first year which included LCK's data in the statistics

1) Gross revenue includes operating revenue, investment income, other non-operating revenues, loss on security, gain on disposal of assets and special & extraordinary items

2) Direct operating expense excludes depreciation

Air Commerce Trends
Rickenbacker International Airport

For the ten years ended December 31, 2007

Year	Total Passenger Volume	% Change	Cargo (in pounds)	% Change
2007	7,299	27.2	220,529,131	(12.1)
2006	5,739	(85.5)	250,748,061	0.7
2005	39,554	(71.1)	248,917,975	15.3
2004	136,949	424.7	215,926,925	5.0
2003	26,100	-	205,724,924	11.4
2002	-	-	184,643,243	(13.5)
2001	-	-	213,359,995	0.6
2000	-	-	212,094,348	12.9
1999	-	-	187,854,570	(23.6)
1998	-	-	245,977,011	1.2

Source: The Authority Business Development and Communications Department

Note: The year 2003 is the first year for passenger activity at LCK

Air Commerce Trends
Port Columbus International Airport

For the ten years ended December 31, 2007

Year	Total Passenger Volume	% Change	In Pounds: Cargo (1)	In Pounds: Freight (2)	In Pounds: Mail
2007	7,719,340	14.6	273,735	9,538,051	3,716,194
2006	6,733,990	1.9	827,486	9,584,434	8,537,279
2005	6,611,575	6.1	1,693,728	7,136,401	11,046,679
2004	6,232,332	(0.3)	1,252,413	6,831,713	12,873,701
2003	6,252,233	(7.2)	906,153	7,788,444	15,047,248
2002	6,740,935	0.9	728,739	8,648,769	14,212,967
2001	6,680,897	(2.8)	1,644,574	7,881,056	24,123,410
2000	6,873,998	5.1	2,721,388	11,917,544	35,133,745
1999	6,541,851	1.9	2,903,773	13,760,947	34,664,922
1998	6,420,037	(1.5)	2,950,015	17,249,208	40,528,661

Source: The Authority Finance Department

1) Freight carried by cargo carriers

2) Freight carried in the belly of an air carrier

Airline Cost Per Enplaned Passenger
Port Columbus International Airport

For the ten years ended December 31, 2007 (in thousands except airline cost per enplaned passenger)

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Airline Cost for the Airfield Area	$ 13,630	11,562	10,923	10,717	12,905	11,840	10,666	12,094	9,507	8,951
Airline Cost for the Terminal Building	11,448	10,402	9,323	10,377	10,854	9,649	9,550	10,315	7,330	7,716
Airline Cost for the Aircraft Parking Area	1,819	1,561	1,545	1,860	2,507	2,204	2,461	2,325	-	-
General Airline Credit	(3,950)	(4,625)	(5,300)	(5,300)	(5,300)	(5,300)	(5,300)	(5,300)	-	-
Total Airline Cost	$ 22,947	18,900	16,491	17,654	20,966	18,393	17,377	19,434	16,837	16,667
Enplanements	3,865	3,363	3,307	3,113	3,157	3,367	3,352	3,481	3,347	3,262
Airline Cost per Enplaned Passenger	$ 5.94	5.62	4.99	5.67	6.64	5.46	5.18	5.58	5.03	5.11

Source: Authority's Finance Department

Note: The Authority negotiated a five year agreement effective January 1, 2000 and then again January 1, 2005. The rates and charges are calculated pursuant to formulas set forth in the agreement

Air Carrier Market Shares
Port Columbus International Airport

For the ten years ended December 31, 2007

	2007 Market Share Percentage	2007 Total Airline Passengers	2006 Total Airline Passengers	2005 Total Airline Passengers	2004 Total Airline Passengers	2003 Total Airline Passengers	2002 Total Airline Passengers	2001 Total Airline Passengers	2000 Total Airline Passengers	1999 Total Airline Passengers	1998 Total Airline Passengers
COMMERCIAL AIRLINES AND COMMUTERS											
1. SOUTHWEST	21.29%	1,643,557	1,521,778	1,289,278	1,088,221	907,513	832,880	866,634	758,521	672,160	594,393
2. DELTA, Delta Connection	15.67%	1,209,366	1,232,978	1,377,219	1,332,258	1,225,796	1,118,105	1,164,761	1,281,057	1,299,027	1,186,634
3. US AIRWAYS GROUP (1) US Airways Express	14.75%	1,138,854	1,147,376	1,111,307	999,500	1,394,175	2,069,193	1,934,209	2,061,750	1,962,650	2,224,910
4. AMERICAN, American Eagle, American Connection	12.39%	956,494	871,197	854,842	830,395	862,419	914,996	547,726	544,410	402,980	442,992
5. UNITED, United Express	9.07%	700,422	682,027	656,627	708,621	636,163	663,065	649,356	625,101	669,132	610,737
6. SKYBUS	8.23%	635,274	-	-	-	-	-	-	-	-	-
7. NORTHWEST, Northwest Airlink	6.81%	525,810	604,941	639,839	659,567	638,491	579,568	564,852	544,571	536,936	446,600
8. CONTINENTAL, Continental Express	6.65%	513,554	493,613	464,458	459,635	456,676	419,563	404,384	401,951	376,111	347,332
9. JETBLUE AIRWAYS	2.99%	230,769	52,416	-	-	-	-	-	-	-	-
10. MIDWEST	1.04%	80,189	43,441	41,474	36,954	47,395	59,446	47,123	43,483	48,685	50,487
11. AIR CANADA JAZZ	.52%	39,692	41,079	41,651	42,163	42,920	50,331	53,811	57,640	51,130	46,421
INDEPENDENCE AIR	-	-	969	94,074	39,415	-	-	-	-	-	-
TRANS WORLD	-	-	-	-	-	-	-	347,375	414,458	407,831	402,506
MIDWAY	-	-	-	-	-	-	-	69,705	106,686	74,244	32,810
CORPORATE EXPRESS	-	-	-	-	-	-	-	-	-	-	114
Commercial Total	99.41%	7,673,981	6,691,815	6,570,769	6,196,729	6,211,548	6,707,147	6,649,936	6,839,628	6,500,886	6,385,936
CHARTER AIRLINES											
SCHEDULED	.35%	26,767	29,414	31,213	17,720	13,916	3,554	5,222	2,445	3,325	1,491
NON-SCHEDULED	.24%	18,592	12,761	9,593	17,883	26,769	30,234	25,739	31,925	37,640	32,610
Charter Total	.59%	45,359	42,175	40,806	35,603	40,685	33,788	30,961	34,370	40,965	34,101
TOTAL PASSENGERS	100.00%	7,719,340	6,733,990	6,611,575	6,232,332	6,252,233	6,740,935	6,680,897	6,873,998	6,541,851	6,420,037

Source: The Authority Finance Department

1) US Airways and America West merged operations on 9/27/2005 and was renamed US Airways Group

Capital Asset Information

Port Columbus International Airport

Location:	7 miles northeast of downtown Columbus, Ohio		
Area:	2,217.7 acres		
Elevation:	814 ft		
Airport Code:	CMH		
Runways:	South Runway – 10R/28L – 10,250 ft by 150 ft		
	North Runway – 10L/28R – 8,000 ft by 150 ft		
Terminal:	Airline Space	285,033.0	sq ft
	Concession Space	62,193.0	sq ft
	Administrative Space	70,249.4	sq ft
	Public Space	237,016.4	sq ft
	Nonpublic Space	161,819.0	sq ft
	Customs/Government Space	18,688.5	sq ft
	Total Terminal Space	834,999.3	sq ft
	Number of Passenger Gates	38	
	Number of Loading Bridges	29	
	Number of Concessionaires in Terminal	41	
	Number of Rental Car Agencies	8	
Auto Parking:	Total Parking Spaces Available	15,733	
Cargo:	Air Cargo Building 1 – 36,000 sq ft		
	Air Cargo Building 2 – 24,000 sq ft		
International:	Customs / International Immigration FIS Facility		
Air Traffic Control Tower:	TRACON 24/7 - 365		
Fixed Base Operator:	Lane Aviation		
	Million Air		

Source: Authority Finance Department

Budgeted Employees by Department

For the ten years ended December 31, 2007

	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Administration	4	4	4	4	4	3	2	2	3	3
Airfield Services	89	89	88	87	85	68	67	61	52	52
Business Development and Communications	20	20	20	21	20	10	11	11	11	11
Facilities and Custodial	105	105	104	108	111	114	107	96	87	87
Finance & Audit	18	18	19	19	19	15	15	15	16	16
Human Resources	6	6	6	6	6	5	4	4	5	5
Information Technology	7	7	6	6	6	5	2	2	2	2
Legal & Procurement	12	11	9	9	10	9	9	8	8	8
Operations	37	37	32	24	27	13	11	10	14	14
Parking & Ground Transportation	12	8	8	8	8	6	4	4	6	6
Planning and Engineering	24	21	21	21	22	18	16	16	15	15
Public Safety	70	70	70	70	70	50	43	44	42	42
Real Estate	5	4	4	4	4	2	2	1	0	0
TOTAL BUDGETED EMPLOYEES	409	400	391	387	392	318	293	274	261	261

Source: The Authority Finance Department

Note: The year 2003 was the first year which included LCK's data in the statistics

Largest Employers in the Greater Columbus Area

Ranked by number of full-time employees

		% of Total Employment	2007	1998
1	State of Ohio	2.87%	26,239	27,755
2	The Ohio State University	2.23%	20,345	13,967
3	JPMorgan Chase & Co.	1.59%	14,469	N/A
4	Nationwide	1.29%	11,768	9,309
5	Federal Government			
	* United States Postal Service	0.61%	5,526	6,207
	* Defense Finance & Accounting Office	0.30%	2,700	2,518
	* Defense Supply Center Columbus	0.27%	2,500	2,728
6	OhioHealth	1.02%	9,336	N/A
7	City of Columbus	0.90%	8,227	8,398
8	Honda of America Manufacturing Inc.	0.88%	8,000	13,300
9	Columbus City School District	0.79%	7,181	8,583
10	Franklin County	0.66%	6,055	5,843
11	Mount Carmel Health System	0.63%	5,750	4,148
12	Huntington Bancshares Inc.	0.53%	4,800	3,363
12	Limited Brands	0.53%	4,800	N/A
14	American Electric Power Company Inc.	0.46%	4,221	3,501
15	Kroger Co.	0.44%	3,982	4,201
16	Nationwide Children's Hospital	0.40%	3,618	1,960
17	AT&T Ohio	0.33%	3,000	N/A
18	Cardinal Health Inc	0.30%	2,700	N/A
19	Medco Health Solutions	0.27%	2,470	2,250
20	Battelle	0.27%	2,420	1,912
21	Southwestern City Schools	0.26%	2,353	2,094
22	State Farm Insurance	0.22%	2,000	N/A
23	Emerson Network Power/Liebert Corp.	0.21%	1,920	N/A
24	United Parcel Service	0.21%	1,915	N/A
25	Alliance Data	0.21%	1,900	N/A
	Other Employers	81.32%	742,505	702,163

Source: Business First. December 14, 2007 and December 18, 1998 Issue and Ohio Department of Job and Family Services, Office of Workforce Development

Estimated Civilian Labor Force and Annual Average Unemployment Rates

For the ten years ended December 31, 2007 (labor force in thousands)

	Franklin County		Columbus MSA (1)		Ohio		U.S.
Year	Labor Force (2)	Unemployment Rate (3)	Labor Force (2)	Unemployment Rate (3)	Labor Force (2)	Unemployment Rate (3)	Unemployment Rate (3)
2007	618.8	4.7%	958.1	4.7%	5,977	5.6%	4.6%
2006	609.7	4.7%	938.6	4.7%	5,947	5.4%	4.6%
2005	599.7	5.2%	923.3	5.2%	5,892	5.9%	5.1%
2004	600.0	5.5%	916.1	5.4%	5,870	6.2%	5.5%
2003	600.2	5.4%	909.5	5.4%	5,864	6.2%	6.0%
2002	601.1	5.0%	903.5	5.0%	5,838	5.7%	5.8%
2001	599.5	3.4%	895.4	3.5%	5,824	4.4%	4.7%
2000	594.3	3.1%	882.3	3.2%	5,807	4.0%	4.0%
1999	591.8	2.6%	865.6	2.7%	5,781	4.3%	4.2%
1998	582.6	2.6%	848.0	2.8%	5,737	4.3%	4.5%

Source: Ohio Department of Job & Family Services, Office of Workforce Development (Preliminary data which is subject to change)

1) The Columbus Metropolitan Statistical Area (MSA) includes Delaware, Fairfield, Franklin, Licking, Madison and Pickaway Counties

2) Civilian labor force is the estimated number of persons 16 years of age and over, working or seeking work

3) The unemployment rate is equal to the estimate of unemployed persons divided by the estimated civilian labor force

Compliance Section

This section contains the following subsections:

Independent Auditors' Report on Compliance

Schedule of Expenditures of Federal Awards

Schedule of Expenditures of Passenger Facility Charges

Notes to Schedule of Expenditures of Federal Awards and Schedule of Passenger Facility Charges

Schedule of Findings and Questioned Costs

Clark, Schaefer, Hackett & Co.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Columbus Regional Airport Authority
Columbus, Ohio:

We have audited the financial statements of the Columbus Regional Airport Authority (the "Authority") as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated March 17, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance And Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, management, others within the entity, the Ohio Auditor of State and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than those specified parties.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
March 17, 2008

Clark, Schaefer, Hackett & Co.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND INTERNAL CONTROL OVER COMPLIANCE APPLICABLE TO EACH MAJOR FEDERAL AWARD PROGRAM, AND ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND SCHEDULE OF PASSENGER FACILITY CHARGES

To the Board of Directors
Columbus Regional Airport Authority
Columbus, Ohio:

Compliance

We have audited the compliance of Columbus Regional Airport Authority (the "Authority") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs and the *Passenger Facility Charge Audit Guide for Public Agencies* (the "Guide"), issued by the Federal Aviation Administration, for the Authority's Passenger Facility Charge ("PFC") Program for the year ended December 31, 2007. The Authority's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs and its PFC Program is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the Guide. Those standards, OMB Circular A-133, and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program and the PFC Program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Authority's compliance with those requirements.

In our opinion, the Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs and its PFC Program for the year ended December 31, 2007.

Internal Control Over Compliance

The management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs and PFC Program. In planning and performing our audit, we considered the Authority's internal control over compliance with the requirements that could have a direct and material effect on a major federal program and the PFC Program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program and the PFC Program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program and the PFC Program such that there is a more than remote likelihood that noncompliance with a type of compliance requirement of a federal program and the PFC Program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in a more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the Authority, as of and for the years ended December 31, 2007 and 2006, and have issued our report thereon dated March 17, 2008. Our audits were performed for the purpose of forming opinions on the financial statements taken as a whole. The accompanying schedule of expenditures of federal awards and schedule of passenger facility charges are presented for purposes of additional analysis as required by OMB Circular A-133 and the Guide and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audits of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

This report is intended solely for the information and use of the Board of Directors, management, the Ohio Auditor of State and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Clark, Schaefer, Hackett & Co.

Cincinnati, Ohio
March 17, 2008

Schedule of Expenditures of Federal Awards

For the year ended December 31, 2007

Federal Grantor	Federal CFDA Number	Grant Number	Federal Receipts	Federal Expenditures
DEPARTMENT OF TRANSPORTATION:				
Federal Aviation Administration –				
Airport Improvement Program (AIP):	20.106			
Security Enhancements		3-39-0025-47	$ 353,549	$ 353,549
Rehab R/W 10R/28L, AOA Fence		3-39-0025-49	13,740	13,725
Noise Mitigation Phase IX		3-39-0025-50	418,796	418,800
Construct Perimeter Road		3-39-0025-56	115,228	115,222
Residential Sound Insulation Program, Phase X		3-39-0025-57	1,047,070	1,047,068
Security Enhancements		3-39-0025-58	58,759	58,761
Upgrade Noise Monitoring Systems		3-39-0025-59	108,098	108,095
Upgrade Noise Monitoring Systems		3-39-0025-62	59,680	59,680
Crossover T/W		3-39-0025-63	657,585	657,585
Crossover T/W		3-39-0025-64	8,000,000	8,000,001
Rehab T/W E, East Apron Deicing, AOA		3-39-0025-65	1,196,423	1,196,425
Rehab Apron D, Relocate AWOS		3-39-0026-15	15,811	15,811
Install Perimeter Fence		3-39-0026-16	237,500	237,502
Rehab T-Hangar T/W		3-39-0026-17	139,266	139,266
Install Perimeter Fence		3-39-0026-18	84,383	84,384
Part 150 Noise Compatibility Program		3-39-0117-27	58,954	58,955
Rehab Cargo Ramps #1 & #3		3-39-0117-29	551,014	551,018
Wildlife Fencing, Snow Equipment		3-39-0117-30	997,428	997,426
Construct Air Cargo Terminal		3-39-0117-31	273,039	273,042
Update Airport Layout Plan		3-39-0117-32	36,576	36,576
Rehab R/W 5R-23L, Rehab Ramp #2		3-39-0117-33	331,124	331,129
Fuel Hydrant System, Air Cargo Terminal #4		3-39-0117-34	407,401	407,403
Air Cargo Terminal #4, Exhibit A & ALP		3-39-0117-35	30,587	30,588
Total Federal Aviation Administration			15,192,011	15,192,011
Ohio Department of Transportation				
Highway Planning & Construction	20.205	LPA #14035	23,420,166	21,891,391
Total U. S. Department of Transportation			38,612,177	37,083,402
DEPARTMENT OF JUSTICE:				
Drug Enforcement Agency –				
Equitable Sharing Agreement	16.000	N/A	340,710	271,417
Total U.S. Department of Justice			340,710	271,417
TOTAL FEDERAL AWARDS			$ 38,952,887	$ 37,354,819

See accompanying notes to schedule of expenditures of federal awards and schedule of passenger facility charges.

Schedule of Expenditures of Passenger Facility Charges

For the year ended December 31, 2007

PROGRAM	RECEIPTS	EXPENDITURES
PASSENGER FACILITY CHARGES	$ 17,414,728	$ 43,919,348

SEE ACCOMPANYING NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND SCHEDULE OF PASSENGER FACILITY CHARGES.

Notes to Schedule of Expenditures of Federal Awards and Schedule of Passenger Facility Charges For the Year Ended December 31, 2007

1. **Summary of Significant Accounting Policies**

   General – The accompanying schedule of expenditures of federal awards and schedule of passenger facility charges present the activity of all federal assistance programs of the Columbus Regional Airport Authority (the "Authority"). The Authority's reporting entity is defined in Note 1 to the Authority's financial statements.

2. **Basis of Accounting**

   Basis of Accounting – The accompanying schedule of expenditures of federal awards and schedule of passenger facility charges are prepared on the basis of cash receipts and disbursements. Consequently, revenues are recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligations are incurred.

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2007

Part I - Summary of Auditors' Results

1. The independent auditors' report on the financial statements expressed an unqualified opinion.

2. No significant deficiencies or material weaknesses in internal control over financial reporting were identified.

3. No instance of noncompliance considered material to the financial statements was disclosed.

4. No significant deficiencies or material weaknesses in internal control over compliance with requirements applicable to major federal awards programs were identified.

5. The independent auditors' report on compliance with requirements applicable to major federal award programs expressed an unqualified opinion.

6. The audit disclosed no findings, which are required to be reported by OMB Circular A-133.

7. The organization's major programs were:
   Highway Planning & Construction (CFDA #20.205).

8. Dollar threshold used to distinguish between Type A and Type B programs: $1,120,645.

9. The Auditee did qualify as a low-risk auditee as that term is defined in OMB Circular A-133.

Part II – Financial Statement Findings Section

No matters were noted.

Part III – Federal Award Findings and Questioned Cost Section

No matters were noted.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Mary Taylor, CPA
Auditor of State

COLUMBUS REGIONAL AIRPORT AUTHORITY

FRANKLIN COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
MAY 27, 2008

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