SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY

BOARD MEMBERS

DAVID ALVAREZ
LAURIE BERMAN*
BRUCE R. BOLAND
GREG COX
JIM DESMOND
COL. JOHN FARNAM*
ROBERT H. GLEASON
LLOYD B. HUBBS
ERAINA ORTEGA*
PAUL ROBINSON
MARY SESSOM
TOM SMISEK

* EX OFFICIO BOARD MEMBERS

PRESIDENT/CEO
THELLA F. BOWENS

SPECIAL BOARD MEETING

and

EXECUTIVE/FINANCE COMMITTEE

AGENDA

Monday, February 24, 2014
9:00 A.M.

San Diego International Airport
Commuter Terminal -- Third Floor
Board Room
3225 N. Harbor Drive
San Diego, CA 92101

This Agenda contains a brief general description of each item to be considered. The indication of a recommended action does not indicate what action (if any) may be taken. If comments are made to the Committee without prior notice or are not listed on the Agenda, no specific answers or responses should be expected at this meeting pursuant to State law. ***Please note that agenda items may be taken out of order.***

Staff Reports and documentation relating to each item of business on the Agenda are on file in Corporate Services and are available for public inspection.

***NOTE:** This Committee Meeting also is noticed as a Special Meeting of the Board to (1) foster communication among Board members in compliance with the Brown Act; and (2) preserve the advisory function of the Committee.

Board members who are not members of this Committee may attend and participate in Committee discussions. Since sometimes more than a quorum of the Board may be in attendance, to comply with the Brown Act, this Committee meeting also is noticed as a Special Meeting of the Board.

To preserve the proper function of the Committee, only members officially assigned to this Committee are entitled to vote on any item before the Committee. This Committee only has the power to review items and make recommendations to the Board. Accordingly, this Committee cannot, and will not, take any final action that is binding on the Board or the Authority, even if a quorum of the Board is present.

PLEASE COMPLETE A "REQUEST TO SPEAK" FORM PRIOR TO THE COMMENCEMENT OF THE MEETING AND SUBMIT IT TO THE AUTHORITY CLERK. ***PLEASE REVIEW THE POLICY FOR PUBLIC PARTICIPATION IN BOARD AND BOARD COMMITTEE MEETINGS (PUBLIC COMMENT) LOCATED AT THE END OF THE AGENDA.***

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

Board

Board Members: Alvarez, Berman (Ex-Officio), Boland, Cox, Desmond, Farnam (Ex-Officio), Gleason (Chair), Hubbs, Ortega (Ex-Officio), Robinson, Sessom, Smisek

Executive Committee

Committee Members: Gleason (Chair), Robinson, Smisek

Finance Committee

Committee Members: Alvarez, Cox (Chair), Hubbs, Robinson, Sessom

NON-AGENDA PUBLIC COMMENT

Non-Agenda Public Comment is reserved for members of the public wishing to address the Committee on matters for which another opportunity to speak **is not provided on the Agenda**, and which is within the jurisdiction of the Committee. Please submit a completed speaker slip to the Authority Clerk. ***Each individual speaker is limited to three (3) minutes. Applicants, groups and jurisdictions referring items to the Board for action are limited to five (5) minutes.***

Note: Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board.

NEW BUSINESS

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the January 24, 2014, special meeting.

FINANCE COMMITTEE NEW BUSINESS

2. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE SEVEN MONTHS ENDED JANUARY 31, 2014:

RECOMMENDATION: Receive the report.
Presented by Vernon Evans, Vice President, Finance/Treasurer

3. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF JANUARY 31, 2014:
RECOMMENDATION: Receive the report.
Presented by Scott Brickner, Director, Financial Planning and Budget

4. PRESENTATION ON COMMERCIAL PAPER PROGRAM:
Presented by Vernon Evans, Vice President, Finance/Treasurer

5. DISCUSSION REGARDING FISCAL YEAR 2015 AND FISCAL YEAR 2016 OPERATING BUDGETS:
RECOMMENDATION: Provide direction to staff.
Presented by Vernon Evans, Vice President, Finance/Treasurer

6. SAN DIEGO CITY EMPLOYEES' RETIREMENT SYSTEM UPDATE:
Presented by Mark Hovey; Chief Executive Officer, San Diego City Employees' Retirement System, and Jeff Lindeman; Senior Director, Organizational Performance and Development

EXECUTIVE COMMITTEE NEW BUSINESS

7. PRE-APPROVAL OF TRAVEL REQUESTS AND APPROVAL OF BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REQUESTS FOR BOARD MEMBERS, THE PRESIDENT/CEO, THE CHIEF AUDITOR AND GENERAL COUNSEL:
RECOMMENDATION: Pre-approve travel requests and approve business and travel expense reimbursement requests.
Presented by Tony R. Russell, Director, Corporate Services/Authority Clerk

REVIEW OF FUTURE AGENDAS

8. REVIEW OF THE DRAFT AGENDA FOR THE MARCH 6, 2014, BOARD MEETING:
Presented by: Thella F. Bowens, President/CEO

9. REVIEW OF THE DRAFT AGENDA FOR THE MARCH 6, 2014, AIRPORT LAND USE COMMISSION MEETING:
Presented by: Thella F. Bowens, President/CEO

BOARD BUSINESS

CLOSED SESSION:

10. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:

Real Property negotiations pursuant to Cal. Gov. Code §54954.5(b) and §54956.8:
Property: 2980 Pacific Highway, San Diego, California
Agency Negotiators: Vernon D. Evans, Vice President, Finance/Treasurer and Troy Ann Leech, Director, Aviation & Commercial Business
Negotiating Party: President/CEO, San Diego World Trade Center
Under Negotiation: New or amended lease.

REPORT ON CLOSED SESSION:

COMMITTEE MEMBER COMMENTS

ADJOURNMENT

Policy for Public Participation in Board, Airport Land Use Commission (ALUC), and Committee Meetings (Public Comment)

1) Persons wishing to address the Board, ALUC, and Committees shall complete a "Request to Speak" form prior to the initiation of the portion of the agenda containing the item to be addressed (e.g., Public Comment and General Items). Failure to complete a form shall not preclude testimony, if permission to address the Board is granted by the Chair.
2) The Public Comment Section at the beginning of the agenda is limited to eighteen (18) minutes and is reserved for persons wishing to address the Board, ALUC, and Committees on any matter for which another opportunity to speak is not provided on the Agenda, and on matters that are within the jurisdiction of the Board. A second Public Comment period is reserved for general public comment later in the meeting for those who could not be heard during the first Public Comment period.
3) Persons wishing to speak on specific items listed on the agenda will be afforded an opportunity to speak during the presentation of individual items. Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board, ALUC and Committees. Public comment on specific items is limited to twenty (20) minutes – ten (10) minutes for those in favor and ten (10) minutes for those in opposition of an item. Each individual speaker will be allowed three (3) minutes, and applicants and groups will be allowed five (5) minutes.
4) If many persons have indicated a desire to address the Board, ALUC and Committees on the same issue, then the Chair may suggest that these persons consolidate their respective testimonies. Testimony by members of the public on any item shall be limited to **three (3) minutes per individual speaker and five (5) minutes for applicants, groups and referring jurisdictions.**
5) Pursuant to Authority Policy 1.33 (8), recognized groups must register with the Authority Clerk prior to the meeting.
6) After a public hearing or the public comment portion of the meeting has been closed, no person shall address the Board, ALUC, and Committees without first obtaining permission to do so.

Additional Meeting Information

NOTE: This information is available in alternative formats upon request. To request an Agenda in an alternative format, or to request a sign language or oral interpreter, or an Assistive Listening Device (ALD) for the meeting, please telephone the Authority Clerk's Office at
(619) 400-2400 at least three (3) working days prior to the meeting to ensure availability.

For your convenience, the agenda is also available to you on our website at www.san.org.

For those planning to attend the Board meeting, parking is available in the public parking lot located directly in front of the Commuter Terminal. Bring your ticket to the third floor receptionist for validation.

You may also reach the Commuter Terminal by using public transit via the San Diego MTS system, Route 992. For route and fare information, please call the San Diego MTS at (619) 233-3004 or 511.

UPCOMING MEETING SCHEDULE

Date	*Day*	*Time*	*Meeting Type*	*Location*
March 24	Monday	9:00 A.M.	Regular	Board Room
April 21	Monday	9:00 A.M.	Regular	Board Room

DRAFT
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
SPECIAL EXECUTIVE AND FINANCE COMMITTEE MEETING
MINUTES
FRIDAY, JANUARY 24, 2014
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM

CALL TO ORDER:

Chair Gleason called the Special Executive and Finance Committee and Special Board meeting to order at 9:05 a.m., Friday, January 24, 2014, in the Board Room of the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Board Member Hubbs led the Pledge of Allegiance.

ROLL CALL:

Executive Committee

Present:	Committee Members:	Gleason, Robinson, Smisek
Absent:	Committee Members:	None

Finance Committee

Present:	Committee Members:	Cox, Hubbs, Robinson
Absent:	Committee Members:	Alvarez, Sessom

Also Present: Angela Shafer Payne, Vice President, Operations; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate Services/Authority Clerk; Lorraine Bennett, Assistant Authority Clerk II

NON-AGENDA PUBLIC COMMENT - None

NEW BUSINESS

1. **APPROVAL OF MINUTES:**
RECOMMENDATION: Approve the minutes of the December 19, 2013, special meeting.

ACTION: Moved by Board Member Smisek and seconded by Board Member Robinson to approve staff's recommendation. Motion carried unanimously.

FINANCE COMMITTEE NEW BUSINESS

2. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2013:

Vernon Evans, Vice President, Finance/Treasurer, and Kathy Kiefer, Director, Accounting, provided a presentation on the Unaudited Financial Statements for the Six Months Ended December 31, 2013, which included , Enplanements, Gross Landing Weight Units, Car Rental License Fees, Parking Revenue, Food & Beverage Concession Revenue, Retail Concession Revenue, Total Terminal Concession Revenue, Operating Revenues for the Month Ended December 31, 2013 (Unaudited), Financial Summary for the Month Ended December 31, 2013 (Unaudited), Nonoperating Revenues & Expenses for the Month Ended December 31, 2013 (Unaudited), Revenues & Expenses (Unaudited) For the Six Months Ended December 31, 2013, Monthly Operating Revenue, FY 2014 (Unaudited), Operating Revenues for the Six Months Ended December 31, 2013 (Unaudited), Monthly Operating Expenses, FY 2014 (Unaudited), Operating Expenses for the Six Months Ended December 31, 2103 (Unaudited), Financial Summary for the Six Months Ended December 31, 2013 (Unaudited), Nonoperating Revenues & Expenses for the Six Months Ended December 31, 2013 (Unaudited), and Statements of Net Position (Unaudited).

Vernon Evans, Vice President, Finance/Treasurer provided an update on Principal Bond Covenants, and noted that the Authority is in compliance with the Bond the Covenants.

RECOMMENDATION: Forward to the Board for acceptance.

3. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF DECEMBER 31, 2013:

Scott Brickner, Director, Financial Planning and Budget, provided a presentation on the Authority's Investment Report As of December 31, 2013, which included the Total Portfolio Summary, Portfolio Composition by Security Type, Portfolio Composition by Credit Rating, Portfolio Composition by Maturity Distribution, Benchmark Comparison, Detail of Security Holdings, Portfolio Investment Transactions, Bond Proceeds Summary, and Bond Proceeds Investment Transactions.

RECOMMENDATION: Forward to the Board for acceptance.

ACTION: Moved by Board Member Robinson and seconded by Board Member Hubbs to accept the staff's recommendation for Items 2 and 3. Motion carried unanimously, noting Board Members Alvarez and Sessom as ABSENT.

EXECUTIVE COMMITTEE NEW BUSINESS

4. PRE-APPROVAL OF TRAVEL REQUESTS AND APPROVAL OF BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REQUESTS FOR BOARD MEMBERS, THE PRESIDENT/CEO, THE CHIEF AUDITOR AND GENERAL COUNSEL:

RECOMMENDATION: Pre-approve travel requests and approve business and travel expense reimbursement requests.

ACTION: Moved by Board Member Smisek and seconded by Board Member Robinson to accept staff's recommendation. Motion carried unanimously.

REVIEW OF FUTURE AGENDAS

5. REVIEW OF THE DRAFT AGENDA FOR THE FEBRUARY 6, 2014, BOARD MEETING:

Angela Shafer Payne, Vice President, Operations, provided an overview of the draft agenda for the February 6, 2014 Board Meeting.

In regard to Item C, "Ground Transportation 2014 Annual Update", Chair Gleason requested that the item be a Workshop on the Agenda.

Chair Gleason requested staff to notice the Board Agenda to reflect a 10:00 a.m. start time.

6. REVIEW OF THE DRAFT AGENDA FOR THE FEBRUARY 6, 2014, AIRPORT LAND USE COMMISSION MEETING:

Angela Shafer Payne, Vice President, Operations, provided an overview of the draft agenda for the February 6, 2014 Airport Land Use Commission Meeting.

In regard to Item 4, Certification Of An Environmental Impact Report For The San Diego International Airport and Adoption of the Airport Land Use Compatibility Plan", Chair Gleason requested staff to identify the open issues for the Airport Land Use Compatibility Plan and Environmental Impact Report.

Chair Gleason requested staff to notice the Airport Land Use Committee Agenda to reflect a 9:00 a.m. start time.

ACTION: Moved by Board Member Robinson and seconded by Board Member Smisek to approve Agenda Items 5 and 6, as amended. Motion carried unanimously.

COMMITTEE MEMBER COMMENTS – None.

ADJOURNMENT

The meeting was adjourned at 9:35 a.m. The next meeting of the Executive and Finance Committee will be held on Monday, February 24, 2014, at 9:00 a.m. in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

APPROVED BY A MOTION OF THE EXECUTIVE COMMITTEE OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY THIS 24th DAY OF FEBRUARY, 2014.

_____
TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:

_____
BRETON K. LOBNER
GENERAL COUNSEL

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Statements of Net Position

as of January 31, 2014

(Unaudited)

ASSETS

ITEM 2

	January 2014	January 2013
Current assets:		
Cash and investments [1]	$ 93,500,086	$ 149,757,059
Tenant lease receivable, net of allowance of 2014: ($49,240) and 2013: ($72,147)	9,663,068	7,048,322
Grants receivable	2,669,997	7,891,792
Notes receivable-current portion	1,446,896	1,369,638
Prepaid expenses and other current assets	6,724,454	5,580,644
Total current assets	**114,004,501**	**171,647,453**
Cash designated for capital projects and other [1]	18,759,466	9,128,817
Restricted assets:		
Cash and investments:		
Bonds reserve [1]	57,286,344	47,829,175
Passenger facility charges and interest unapplied [1]	50,135,314	63,813,820
Customer facility charges and interest unapplied [1] *	39,869,232	36,501,626
Commercial paper reserve [1]	30,622	51,402
SBD Bond Guarantee [1]	4,000,000	4,000,000
Bond proceeds held by trustee [1]	251,246,568	429,840,624
Commercial paper interest held by trustee [1]	12,906	12,906
Passenger facility charges receivable	2,871,414	3,413,703
Customer facility charges receivable*	2,794,269	1,658,307
OCIP insurance reserve	5,108,468	5,943,908
Total restricted assets	**413,355,137**	**593,065,466**
Noncurrent assets:		
Capital assets:		
Land and land improvements	71,310,184	24,487,047
Runways, roads and parking lots	535,944,333	269,749,585
Buildings and structures	714,711,540	471,104,020
Machinery and equipment	13,669,022	13,079,173
Vehicles	5,582,383	5,389,417
Office furniture and equipment	32,044,469	31,415,683
Works of art	2,283,876	2,349,793
Construction-in-progress	492,988,316	809,264,633
Total capital assets	**1,868,534,123**	**1,626,839,351**
Less accumulated depreciation	(615,867,160)	(563,824,323)
Total capital assets, net	**1,252,666,963**	**1,063,015,027**
Other assets:		
Notes receivable - long-term portion	39,065,223	40,557,112
Investments-long-term portion [1]	63,518,573	12,840,755
Deferred costs - bonds (net)	-	7,031,048
Net pension asset	6,323,626	6,879,939
Security deposit	500,367	614,645
Total other assets	**109,407,789**	**67,923,499**
Total noncurrent assets	**1,362,074,752**	**1,130,938,526**
Total assets	**$ 1,908,193,856**	**$ 1,904,780,262**

[1] *Total cash and investments, $578,359,109 for 2014 and $753,776,184 for 2013*

* *Rental Car Center*

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SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Statements of Net Position
as of January 31, 2014
(Unaudited)

LIABILITIES AND NET POSITION

	January	
	2014	**2013**
Current liabilities:		
Accounts payable and accrued liabilities	$ 72,093,261	$ 90,891,253
Deposits and other current liabilities	3,918,023	4,664,519
Total current liabilities	**76,011,284**	**95,555,773**
Current liabilities - payable from restricted assets:		
Current portion of long-term debt	11,835,000	6,172,000
Accrued interest on bonds and commercial paper	4,212,373	2,689,199
Total liabilities payable from restricted assets	**16,047,373**	**8,861,199**
Long-term liabilities:		
Commercial paper notes payable	44,919,000	50,969,000
Deferred rent liability	-	-
Other long-term liabilities	10,185,332	9,294,867
Long term debt - bonds net of amortized premium	1,015,785,349	1,021,483,164
Total long-term liabilities	**1,070,889,681**	**1,081,747,031**
Total liabilities	**1,162,948,338**	**1,186,164,003**
Net Position:		
Invested in capital assets, net of related debt	423,323,974	413,171,543
Other restricted	162,112,760	169,435,654
Unrestricted:		
Designated	25,083,092	16,008,756
Undesignated	134,725,692	120,000,308
Net position	**745,245,518**	**718,616,259**
Total liabilities and net position	**$ 1,908,193,856**	**$ 1,904,780,262**

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Statements of Revenues, Expenses, and Changes in Net Position
For the Seven Months Ended January 31, 2014 and 2013
(Unaudited)

	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Operating revenues:					
Aviation revenue:					
Landing fees	$ 12,760,805	$ 12,757,784	$ (3,021)	(0)%	$ 12,323,922
Aircraft parking fees	1,493,038	1,464,884	(28,154)	(2)%	1,893,803
Building rentals	26,566,246	26,533,723	(32,523)	(0)%	25,352,863
Security surcharge	14,565,542	14,565,504	(38)	(0)%	11,994,608
CUPPS Support Charges	651,525	651,513	(12)	(0)%	-
Other aviation revenue	929,770	922,684	(7,086)	(1)%	929,289
Terminal rent non-airline	594,494	627,561	33,067	6%	565,659
Terminal concessions	9,765,463	10,768,734	1,003,271	10%	7,996,941
Rental car license fees	14,816,214	14,176,276	(639,938)	(4)%	14,464,993
License fees other	1,930,299	2,251,267	320,968	17%	1,948,515
Parking revenue	19,775,598	21,419,435	1,643,837	8%	19,553,247
Ground transportation permits and citations	1,544,317	1,640,245	95,928	6%	838,747
Ground rentals	4,782,772	4,958,787	176,015	4%	4,879,777
Grant reimbursements	131,483	248,385	116,902	89%	111,151
Other operating revenue	257,775	836,200	578,425	224%	454,222
Total operating revenues	**110,565,341**	**113,822,982**	**3,257,641**	**3%**	**103,307,737**
Operating expenses:					
Salaries and benefits	23,777,028	22,935,405	841,623	4%	21,596,648
Contractual services	20,075,199	17,860,717	2,214,482	11%	15,385,466
Safety and security	14,436,717	14,230,691	206,026	1%	12,856,541
Space rental	6,056,809	6,054,179	2,630	0%	6,571,241
Utilities	5,044,904	4,857,122	187,782	4%	3,887,530
Maintenance	6,833,207	7,123,898	(290,691)	(4)%	5,249,166
Equipment and systems	269,110	137,641	131,469	49%	98,038
Materials and supplies	219,046	187,635	31,411	14%	187,312
Insurance	731,255	576,158	155,097	21%	471,544
Employee development and support	784,839	576,520	208,319	27%	571,584
Business development	1,925,505	1,422,562	502,943	26%	1,486,178
Equipment rentals and repairs	1,798,246	1,568,573	229,673	13%	867,761
Total operating expenses	**81,951,865**	**77,531,101**	**4,420,764**	**5%**	**69,229,009**
Depreciation	34,171,992	34,171,999	(7)	(0)%	23,900,344
Operating income (loss)	**(5,558,516)**	**2,119,882**	**7,678,398**	**138%**	**10,178,384**
Nonoperating revenue (expenses):					
Passenger facility charges	19,274,343	18,408,015	(866,328)	(4)%	18,595,024
Customer facility charges (Rental Car Center)	13,924,949	14,405,776	480,827	3%	8,914,416
Quieter Home Program	(1,545,853)	(1,167,754)	378,099	24%	226,170
Interest income	3,085,962	2,849,489	(236,473)	(8)%	2,585,479
BAB interest rebate	2,765,659	2,704,459	(61,200)	0%	2,914,287
Interest expense	(29,183,019)	(26,866,288)	2,316,731	8%	(232,052)
Bond amortization	2,344,526	2,566,698	222,172	9%	635,141
Other nonoperating income (expenses)	(11,666)	1,927,636	1,939,302	-	(594,540)
Nonoperating revenue, net	**10,654,901**	**14,828,031**	**4,173,130**	**39%**	**33,043,925**
Change in net position before capital grant contributions	**5,096,385**	**16,947,913**	**11,851,528**	**233%**	**43,222,309**
Capital grant contributions	6,197,264	1,234,239	(4,963,025)	(80)%	9,849,524
Change in net position	**$ 11,293,649**	**$ 18,182,152**	**$ 6,888,503**	**61%**	**$ 53,071,833**

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2/10/2014 9:14 AM

San Diego County Regional Airport Authority
Authority Detail Income Statement - Supplemental Schedule
For the seven months ended January 31, 2014
(Unaudited)

Print Date: 2/10/2014
Print Time: 9:17:22AM
Report ID: GL0012

	Month to Date					Year to Date				
	Budget	Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual	Budget	Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual
Landing Fees										
41112 - Landing Fees - Signatory	$1,739,947	$1,762,791	$22,844	1	$1,695,290	$12,958,545	$13,049,261	$90,715	1	$12,603,912
41113 - Landing Fee Rebate	(11,481)	(27,158)	(15,677)	(137)	(53,477)	(197,740)	(291,477)	(93,737)	(47)	(279,990)
Total Landing Fees	**1,728,466**	**1,735,633**	**7,167**	**0**	**1,641,813**	**12,760,805**	**12,757,784**	**(3,022)**	**0**	**12,323,922**
Aircraft Parking Fees										
41150 - Terminal Aircraft Parking	173,049	165,001	(8,049)	(5)	207,540	1,211,346	1,118,786	(92,560)	(8)	1,457,969
41155 - Remote Aircraft Parking	40,242	44,268	4,027	10	57,074	281,692	346,098	64,406	23	435,834
Total Aircraft Parking Fees	**213,291**	**209,269**	**(4,022)**	**(2)**	**264,614**	**1,493,038**	**1,464,884**	**(28,154)**	**(2)**	**1,893,803**
Building and Other Rents										
41210 - Terminal Rent	3,808,466	3,709,753	(98,712)	(3)	3,565,398	26,195,316	26,081,752	(113,564)	0	25,130,352
41215 - Federal Inspection Services	49,805	70,862	21,058	42	36,742	370,930	451,971	81,041	22	222,511
Total Building and Other Rents	**3,858,270**	**3,780,616**	**(77,655)**	**(2)**	**3,602,140**	**26,566,246**	**26,533,724**	**(32,522)**	**0**	**25,352,863**
Security Surcharge										
41310 - Airside Security Charges	512,275	512,275	0	0	416,669	3,585,925	3,585,919	(6)	0	2,921,585
41320 - Terminal Security Charge	1,568,517	1,568,513	(4)	0	1,250,789	10,979,617	10,979,585	(32)	0	9,073,023
Total Security Surcharge	**2,080,792**	**2,080,788**	**(4)**	**0**	**1,667,458**	**14,565,542**	**14,565,504**	**(38)**	**0**	**11,994,608**
CUPPS Support Charges										
41400 - CUPPS Support Charges	93,075	93,075	0	0	0	651,525	651,513	(12)	0	0
Total CUPPS Support Charges	**93,075**	**93,075**	**0**	**0**	**0**	**651,525**	**651,513**	**(12)**	**0**	**0**
Other Aviation Revenue										
43100 - Fuel Franchise Fees	11,957	9,334	(2,623)	(22)	10,976	97,120	90,027	(7,093)	(7)	96,632
43105 - New Capital Recovery	118,950	118,951	1	0	118,951	832,650	832,657	7	0	832,657
Total Other Aviation Revenue	**130,907**	**128,285**	**(2,622)**	**(2)**	**129,927**	**929,770**	**922,684**	**(7,086)**	**(1)**	**929,289**
Non-Airline Terminal Rents										
45010 - Terminal Rent - Non-Airline	85,948	89,138	3,190	4	82,707	594,494	627,561	33,068	6	565,659
Total Non-Airline Terminal Rents	**85,948**	**89,138**	**3,190**	**4**	**82,707**	**594,494**	**627,561**	**33,068**	**6**	**565,659**

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(Unaudited)

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	Budget	Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual	Budget	Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual
Concession Revenue										
45110 - Terminal Concessions	$0	$0	$0	0	$(39,500)	$0	$0	$0	0	$6,028,087
45111 - Term Concessions-Food & Bev	463,846	650,134	186,288	40	486,673	3,611,149	4,410,583	799,433	22	943,225
45112 - Terminal Concessions - Retail	310,698	428,755	118,057	38	248,229	2,457,012	2,911,432	454,420	18	432,393
45113 - Term Concessions - Other	245,089	250,602	5,512	2	217,658	1,635,274	1,651,480	16,206	1	217,658
45114 - Term Concessions Space Rents	62,500	(6,809)	(69,309)	(111)	56,066	437,500	443,769	6,269	1	106,957
45115 - Term Concessions Cost Recovery	125,382	61,809	(63,573)	(51)	2,147	680,127	372,096	(308,031)	(45)	29,988
45116 - Rec Distr Center Cost Recovery	124,980	120,247	(4,734)	(4)	120,683	860,801	841,175	(19,626)	(2)	238,633
45117 - Concessions Marketing Program	20,900	33,000	12,100	58	0	83,600	138,199	54,599	65	0
45120 - Rental car license fees	1,830,623	1,884,197	53,575	3	1,836,976	14,816,214	14,176,276	(639,938)	(4)	14,464,993
45130 - License Fees - Other	237,651	314,196	76,545	32	286,174	1,930,299	2,251,267	320,967	17	1,948,515
Total Concession Revenue	**3,421,669**	**3,736,131**	**314,462**	**9**	**3,215,106**	**26,511,976**	**27,196,276**	**684,300**	**3**	**24,410,450**
Parking and Ground Transportat										
45210 - Parking	2,593,909	2,916,723	322,814	12	2,600,038	19,775,598	21,419,435	1,643,837	8	19,553,247
45220 - AVI fees	129,911	127,039	(2,872)	(2)	107,781	843,905	932,034	88,129	10	700,148
45240 - Ground Transportation Pe	141,988	90,937	(51,052)	(36)	32,765	687,144	657,754	(29,390)	(4)	87,190
45250 - Citations	701	5,634	4,933	703	6,966	13,268	50,457	37,189	280	51,409
Total Parking and Ground Transportat	**2,866,509**	**3,140,333**	**273,823**	**10**	**2,747,550**	**21,319,915**	**23,059,680**	**1,739,765**	**8**	**20,391,993**
Ground Rentals										
45310 - Ground Rental - Fixed	620,743	637,791	17,047	3	610,835	4,345,204	4,536,836	191,631	4	4,354,674
45320 - Ground Rental - Percenta	55,379	49,252	(6,128)	(11)	98,432	437,568	421,951	(15,617)	(4)	525,103
Total Ground Rentals	**676,123**	**687,042**	**10,920**	**2**	**709,267**	**4,782,772**	**4,958,787**	**176,015**	**4**	**4,879,777**
Grant Reimbursements										
45410 - TSA Reimbursements	18,958	24,800	5,842	31	16,126	131,483	248,385	116,903	89	111,151
Total Grant Reimbursements	**18,958**	**24,800**	**5,842**	**31**	**16,126**	**131,483**	**248,385**	**116,903**	**89**	**111,151**

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Other Operating Revenue										
45510 - Finger Printing Fee	$4,600	$7,921	$3,321	72	$15,202	$32,200	$71,363	$39,163	122	$64,316
45520 - Utilities Reimbursements	17,900	14,686	(3,214)	(18)	15,506	125,300	102,804	(22,496)	(18)	248,126
45530 - Miscellaneous Other Reve	5,467	1,007	(4,460)	(82)	1,499	38,267	513,949	475,683	1,243	35,109
45540 - Service Charges	3,525	17,966	14,441	410	(1,044)	24,675	119,096	94,421	383	70,243
45570 - FBO Landing Fees	3,333	3,148	(185)	(6)	0	23,333	14,988	(8,346)	(36)	22,428
45580 - Equipment Rental	2,000	2,000	0	0	2,000	14,000	14,000	0	0	14,000
Total Other Operating Revenue	**36,825**	**46,728**	**9,903**	**27**	**33,163**	**257,775**	**836,201**	**578,426**	**224**	**454,221**
Total Operating Revenue	**15,210,833**	**15,751,838**	**541,006**	**4**	**14,109,871**	**110,565,341**	**113,822,983**	**3,257,642**	**3**	**103,307,736**
Personnel Expenses										
Salaries										
51110 - Salaries & Wages	2,405,165	1,777,193	627,972	26	1,777,776	17,647,502	13,969,320	3,678,182	21	13,684,586
51210 - Paid Time Off	0	260,352	(260,352)	0	202,098	0	1,569,747	(1,569,747)	0	1,369,777
51220 - Holiday Pay	0	169,282	(169,282)	0	162,349	0	546,408	(546,408)	0	547,892
51240 - Other Leave With Pay	0	6,952	(6,952)	0	8,353	0	45,968	(45,968)	0	58,242
51250 - Special Pay	0	99,197	(99,197)	0	107,534	0	713,441	(713,441)	0	575,265
Total Salaries	**2,405,165**	**2,312,976**	**92,189**	**4**	**2,258,110**	**17,647,502**	**16,844,884**	**802,618**	**5**	**16,235,761**
52110 - Overtime	72,249	68,806	3,443	5	69,984	506,747	622,467	(115,720)	(23)	605,877

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Benefits										
54110 - FICA Tax	$185,400	$175,894	$9,506	5	$173,413	$1,264,383	$1,199,063	$65,320	5	$1,153,304
54120 - Unemployment Insurance-S	0	0	0	0	0	0	23,212	(23,212)	0	9,694
54130 - Workers Compensation Ins	47,675	19,754	27,922	59	23,350	349,829	139,052	210,777	60	204,392
54135 - Workers Comp Incident Expense	0	2,338	(2,338)	0	0	0	27,205	(27,205)	0	32,120
54210 - Medical Insurance	376,862	369,468	7,393	2	306,903	2,353,558	2,219,372	134,187	6	1,966,623
54220 - Dental Insurance	27,036	24,293	2,743	10	24,245	180,480	170,317	10,163	6	164,431
54230 - Vision Insurance	3,222	2,968	254	8	2,932	22,163	20,492	1,671	8	20,124
54240 - Life Insurance	8,284	7,716	568	7	7,651	57,213	53,299	3,913	7	32,084
54250 - Short Term Disability	8,546	8,853	(307)	(4)	8,625	58,713	60,929	(2,216)	(4)	64,172
54310 - Retirement	484,280	402,042	82,238	17	376,707	3,560,363	2,968,697	591,666	17	2,771,623
54315 - Retiree	195,997	208,483	(12,486)	(6)	187,215	1,371,978	1,477,109	(105,131)	(8)	1,310,956
54320 - Amortization of Retireme	0	46,359	(46,359)	0	46,359	0	324,516	(324,516)	0	324,516
54410 - Taxable Benefits	0	0	0	0	(984)	0	12,230	(12,230)	0	19,954
54430 - Accrued Vacation	0	(42,385)	42,385	0	(57,822)	0	(169,327)	169,327	0	(119,477)
Total Benefits	**1,337,302**	**1,225,783**	**111,519**	**8**	**1,098,596**	**9,218,679**	**8,526,166**	**692,513**	**8**	**7,954,516**
Cap Labor/Burden/OH Recharge										
54510 - Capitalized Labor Recha	(454,650)	(103,040)	(351,610)	(77)	(109,155)	(3,194,268)	(773,726)	(2,420,542)	(76)	(898,315)
54515 - Capitalized Burden Rech	0	(40,872)	40,872	0	(43,961)	0	(303,870)	303,870	0	(340,670)
Total Cap Labor/Burden/OH Recharge	**(454,650)**	**(143,911)**	**(310,739)**	**(68)**	**(153,116)**	**(3,194,268)**	**(1,077,597)**	**(2,116,671)**	**(66)**	**(1,238,986)**
QHP Labor/Burden/OH Recharge										
54520 - QHP Labor Recharge	(54,936)	(21,293)	(33,643)	(61)	(21,086)	(401,633)	(199,347)	(202,286)	(50)	(235,040)
54525 - QHP Burden Recharge	0	(9,159)	9,159	0	(9,194)	0	(83,209)	83,209	0	(97,134)
54526 - QHP OH Contra Acct	0	(27,969)	27,969	0	(16,443)	0	(123,785)	123,785	0	(107,120)
Total QHP Labor/Burden/OH Recharge	**(54,936)**	**(58,421)**	**3,485**	**6**	**(46,723)**	**(401,633)**	**(406,341)**	**4,708**	**1**	**(439,293)**
MM&JS Labor/Burden/OH Recharge										
54530 - MM & JS Labor Recharge	0	0	0	0	(186)	0	(394)	394	0	(1,350)
54531 - Joint Studies - Labor	0	0	0	0	186	0	402	(402)	0	622
54535 - MM & JS Burden Recharge	0	0	0	0	(96)	0	(194)	194	0	(279)
54536 - Maintenance-Burden	0	0	0	0	96	0	194	(194)	0	279
54599 - OH Contra	0	(261,685)	261,685	0	(206,439)	0	(1,574,183)	1,574,183	0	(1,520,500)
Total MM&JS Labor/Burden/OH Recharge	**0**	**(261,685)**	**261,685**	**0**	**(206,439)**	**0**	**(1,574,174)**	**1,574,174**	**0**	**(1,521,227)**
Total Personnel Expenses	**3,305,130**	**3,143,548**	**161,582**	**5**	**3,020,412**	**23,777,027**	**22,935,404**	**841,623**	**4**	**21,596,648**

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Non-Personnel Expenses										
Contract Services										
61100 - Temporary Staffing	$2,616	$25,036	$(22,420)	(857)	$13,170	$44,112	$231,104	$(186,992)	(424)	$159,656
61110 - Auditing Services	0	0	0	0	0	160,000	205,750	(45,750)	(29)	177,612
61120 - Legal Services	101,667	53,467	48,199	47	(65,232)	711,667	274,689	436,977	61	453,110
61130 - Services - Professional	844,500	519,654	324,846	38	735,292	6,241,773	4,745,791	1,495,983	24	5,128,055
61150 - Outside Svs - Other	260,799	283,308	(22,509)	(9)	188,305	1,960,971	1,746,338	214,633	11	1,066,306
61160 - Services - Custodial	1,525,428	1,693,177	(167,749)	(11)	1,343,316	11,236,265	10,709,212	527,053	5	9,024,384
61190 - Receiving & Dist Cntr Services	130,325	126,327	3,998	3	127,984	912,273	885,199	27,074	3	302,125
61990 - OH Contra	0	(148,466)	148,466	0	(124,088)	0	(937,366)	937,366	0	(925,782)
61998 - Capital Proj OH Alloc Co	(168,874)	0	(168,874)	(100)	0	(1,191,862)	0	(1,191,862)	(100)	0
Total Contract Services	**2,696,460**	**2,552,503**	**143,957**	**5**	**2,218,746**	**20,075,198**	**17,860,716**	**2,214,482**	**11**	**15,385,465**
Safety and Security										
61170 - Services - Fire, Police,	512,543	489,315	23,228	5	105,140	3,558,605	3,432,308	126,298	4	2,946,507
61180 - Services - SDUPD-Harbor	1,295,796	1,266,696	29,100	2	1,403,469	9,490,927	9,377,146	113,780	1	8,927,492
61185 - Guard Services	200,013	214,361	(14,348)	(7)	145,341	1,387,185	1,421,237	(34,052)	(2)	982,542
Total Safety and Security	**2,008,352**	**1,970,372**	**37,980**	**2**	**1,653,950**	**14,436,717**	**14,230,691**	**206,026**	**1**	**12,856,542**
Space Rental										
62100 - Rent	865,173	864,041	1,132	0	864,365	6,056,809	6,054,179	2,630	0	6,571,241
Total Space Rental	**865,173**	**864,041**	**1,132**	**0**	**864,365**	**6,056,809**	**6,054,179**	**2,630**	**0**	**6,571,241**
Utilities										
63100 - Telephone & Other Commun	40,862	25,983	14,880	36	30,194	286,436	201,839	84,597	30	191,993
63110 - Utilities - Gas & Electr	595,896	577,704	18,192	3	425,346	4,059,468	4,231,295	(171,827)	(4)	3,274,721
63120 - Utilities - Water	60,000	61,079	(1,079)	(2)	43,057	699,000	423,988	275,012	39	420,816
Total Utilities	**696,758**	**664,765**	**31,993**	**5**	**498,597**	**5,044,903**	**4,857,122**	**187,782**	**4**	**3,887,531**

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Maintenance										
64100 - Facilities Supplies	$74,996	$48,237	$26,759	36	$59,189	$548,736	$300,012	$248,724	45	$417,284
64110 - Maintenance - Annual R	836,449	620,716	215,733	26	562,213	5,331,471	6,022,995	(691,524)	(13)	4,218,365
64122 - Contractor Labor	0	0	0	0	109	0	26	(26)	0	531
64123 - Contractor Burden	0	0	0	0	139	0	33	(33)	0	676
64124 - Maintenance-Overhead	0	93	(93)	0	285	0	1,138	(1,138)	0	1,137
64125 - Major Maintenance - Mat	8,500	29,844	(21,344)	(251)	73,804	633,000	533,406	99,594	16	315,502
64127 - Contract Overhead (co	0	0	0	0	109	0	29	(29)	0	542
64140 - Refuse & Hazardous Waste	50,000	91,554	(41,554)	(83)	92,562	320,000	266,259	53,741	17	295,129
Total Maintenance	**969,945**	**790,444**	**179,501**	**19**	**788,411**	**6,833,207**	**7,123,899**	**(290,692)**	**(4)**	**5,249,166**
Equipment and Systems										
65100 - Equipment & Systems	42,547	15,381	27,166	64	14,621	287,746	143,763	143,983	50	109,432
65101 - OH Contra	(1,734)	(2,081)	347	20	(1,601)	(18,636)	(6,122)	(12,514)	(67)	(11,394)
Total Equipment and Systems	**40,813**	**13,300**	**27,513**	**67**	**13,021**	**269,110**	**137,641**	**131,469**	**49**	**98,038**
Materials and Supplies										
65110 - Office & Operating Suppl	30,345	26,419	3,926	13	32,208	202,219	165,196	37,023	18	157,883
65120 - Safety Equipment & Suppl	5,105	3,316	1,788	35	1,741	37,852	21,516	16,335	43	32,375
65130 - Tools - Small	1,375	0	1,375	100	353	10,125	11,363	(1,238)	(12)	7,425
65199 - OH Contra	(4,514)	(1,943)	(2,571)	(57)	(2,428)	(31,150)	(10,440)	(20,710)	(66)	(10,371)
Total Materials and Supplies	**32,310**	**27,792**	**4,519**	**14**	**31,874**	**219,046**	**187,635**	**31,411**	**14**	**187,312**
Insurance										
67170 - Insurance - Property	60,076	44,917	15,159	25	28,498	420,532	314,417	106,115	25	199,483
67171 - Insurance - Liability	20,746	17,254	3,492	17	17,254	145,222	120,776	24,446	17	120,776
67172 - Insurance - Public Offic	12,856	10,766	2,090	16	10,530	89,992	76,310	13,682	15	74,661
67173 - Insurance Miscellaneous	9,837	9,319	518	5	8,767	68,859	64,594	4,265	6	61,369
67199 - Insurance - Claims	950	0	950	100	0	6,650	61	6,589	99	15,255
Total Insurance	**104,465**	**82,255**	**22,210**	**21**	**65,048**	**731,255**	**576,158**	**155,097**	**21**	**471,542**

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Employee Development and Suppo										
66120 - Awards - Service	$72,225	$1,842	$70,383	97	$1,133	$104,715	$17,002	$87,714	84	$81,625
66130 - Book & Periodicals	5,788	3,742	2,046	35	4,169	43,147	31,222	11,925	28	36,727
66210 - Finger Printing Expenses	0	0	0	0	128	0	128	(128)	0	721
66220 - Permits/Certificates/Lic	4,469	5,849	(1,380)	(31)	6,155	96,203	108,463	(12,260)	(13)	95,161
66260 - Recruiting	2,083	25	2,058	99	77	6,583	25,439	(18,855)	(286)	2,751
66280 - Seminars & Training	39,197	24,051	15,146	39	31,438	243,969	171,963	72,007	30	115,204
66290 - Transportation	16,604	13,456	3,148	19	13,266	105,058	90,417	14,641	14	91,140
66299 - OH Contra	(4,182)	(1,484)	(2,698)	(65)	(754)	(26,138)	(9,073)	(17,065)	(65)	(4,311)
66305 - Travel-Employee Developm	20,761	4,632	16,130	78	7,460	132,690	67,063	65,627	49	87,532
66310 - Tuition	3,500	9,995	(6,495)	(186)	1,430	35,000	25,624	9,376	27	32,108
66320 - Uniforms	6,116	13,362	(7,246)	(118)	9,906	43,612	48,272	(4,660)	(11)	32,926
Total Employee Development and Suppo	**166,562**	**75,469**	**91,093**	**55**	**74,408**	**784,840**	**576,519**	**208,321**	**27**	**571,584**
Business Development										
66100 - Advertising	72,926	167,266	(94,340)	(129)	119,100	722,585	572,487	150,098	21	597,456
66110 - Allowance for Bad Debts	0	(3,464)	3,464	0	0	10,000	(4,479)	14,479	145	22,993
66200 - Memberships & Dues	35,596	17,406	18,190	51	28,398	304,145	221,602	82,543	27	178,399
66230 - Postage & Shipping	3,146	6,326	(3,180)	(101)	187	34,843	21,019	13,824	40	32,309
66240 - Promotional Activities	115,737	99,038	16,698	14	45,725	462,822	413,811	49,011	11	487,907
66250 - Promotional Materials	76,500	(5,028)	81,528	107	11,679	277,510	100,742	176,769	64	77,415
66300 - Travel-Business Developm	21,300	11,219	10,081	47	3,115	113,600	97,380	16,220	14	89,699
Total Business Development	**325,205**	**292,763**	**32,442**	**10**	**208,204**	**1,925,505**	**1,422,562**	**502,943**	**26**	**1,486,178**
Equipment Rentals and Repairs										
66140 - Computer Licenses & Agre	49,791	29,367	20,425	41	45,828	275,041	241,347	33,694	12	226,059
66150 - Equipment Rental/Leasing	29,505	31,486	(1,981)	(7)	26,089	212,859	188,548	24,311	11	178,929
66160 - Tenant Improvements	0	0	0	0	0	334,900	0	334,900	100	0
66270 - Repairs - Office Equipme	185,498	253,554	(68,056)	(37)	107,135	1,205,471	1,311,838	(106,367)	(9)	642,907
66279 - OH Contra	(44,639)	(20,331)	(24,308)	(54)	(36,182)	(230,025)	(173,160)	(56,865)	(25)	(180,134)
Total Equipment Rentals and Repairs	**220,155**	**294,077**	**(73,921)**	**(34)**	**142,870**	**1,798,246**	**1,568,574**	**229,673**	**13**	**867,761**
Total Non-Personnel Expenses	**8,126,198**	**7,627,780**	**498,418**	**6**	**6,559,493**	**58,174,836**	**54,595,694**	**3,579,142**	**6**	**47,632,360**
Total Departmental Expenses before Depreciation	**11,431,328**	**10,771,328**	**660,000**	**6**	**9,579,906**	**81,951,863**	**77,531,098**	**4,420,765**	**5**	**69,229,008**

San Diego County Regional Airport Authority
Authority Detail Income Statement - Supplemental Schedule
For the seven months ended January 31, 2014
(Unaudited)

Print Date: 2/10/2014
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Report ID: GL0012

	Month to Date					Year to Date				
	Budget	Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual	Budget	Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual
Depreciation and Amortization										
69110 - Depreciation Expense	$4,882,131	$4,882,131	$0	0	$3,379,618	$34,171,992	$34,171,999	$(7)	0	$23,900,344
Total Depreciation and Amortization	**4,882,131**	**4,882,131**	**0**	**0**	**3,379,618**	**34,171,992**	**34,171,999**	**(7)**	**0**	**23,900,344**
Non-Operating Revenue/(Expense)										
Passenger Facility Charges										
71110 - Passenger Facility Charg	2,035,006	1,875,711	(159,294)	(8)	1,537,816	19,274,343	18,408,015	(866,328)	(4)	18,595,024
Total Passenger Facility Charges	**2,035,006**	**1,875,711**	**(159,294)**	**(8)**	**1,537,816**	**19,274,343**	**18,408,015**	**(866,328)**	**(4)**	**18,595,024**
Customer Facility Charges										
71120 - Customer facility charges (Con	2,227,909	2,283,421	55,513	2	2,543,348	13,924,949	14,405,776	480,828	3	8,914,416
Total Customer Facility Charges	**2,227,909**	**2,283,421**	**55,513**	**2**	**2,543,348**	**13,924,949**	**14,405,776**	**480,828**	**3**	**8,914,416**
Quiter Home Program										
71212 - Quieter Home - Labor	0	(21,293)	(21,293)	0	(21,086)	0	(199,347)	(199,347)	0	(235,040)
71213 - Quieter Home - Burden	0	(9,159)	(9,159)	0	(9,194)	0	(83,209)	(83,209)	0	(97,134)
71214 - Quieter Home - Overhead	0	(27,969)	(27,969)	0	(16,443)	0	(123,785)	(123,785)	0	(107,120)
71215 - Quieter Home - Material	(994,621)	(1,202,255)	(207,634)	(21)	(1,253,964)	(7,376,621)	(6,178,569)	1,198,052	16	(7,692,387)
71216 - Quieter Home Program	801,566	1,099,399	297,833	37	1,610,108	5,947,418	5,854,677	(92,741)	(2)	8,710,715
71217 - Contract Labor	0	(25,015)	(25,015)	0	(25,127)	0	(152,397)	(152,397)	0	(154,881)
71218 - Contractor Burden	0	(30,499)	(30,499)	0	(31,980)	0	(192,620)	(192,620)	0	(196,978)
71222 - Contractor Labor	0	(1,088)	(1,088)	0	0	0	(1,271)	(1,271)	0	(307)
71223 - Contractor Burden	0	(133)	(133)	0	0	0	(366)	(366)	0	(391)
71225 - Joint Studies - Material	(16,670)	(8,134)	8,536	51	0	(116,650)	(89,443)	27,207	23	0
71226 - Contractor Overhead	0	(1,218)	(1,218)	0	0	0	(1,424)	(1,424)	0	(307)
Total Quiter Home Program	**(209,725)**	**(227,364)**	**(17,638)**	**(8)**	**252,315**	**(1,545,853)**	**(1,167,754)**	**378,099**	**24**	**226,172**
Interest Income										
71310 - Interest - Investments	254,385	218,321	(36,064)	(14)	113,430	1,780,695	968,723	(811,972)	(46)	783,180
71330 - Interest - Commercial Pa	0	0	0	0	0	0	0	0	0	0
71340 - Interest - Note Receivab	186,467	189,789	3,323	2	196,367	1,305,267	1,327,761	22,494	2	1,375,998
71350 - Interest - Other	0	0	0	0	0	0	(541)	(541)	0	(680)
71360 - Interest - Bonds	0	0	0	0	0	0	0	0	0	131,736
71361 - Interest Income - 2010 Bonds	0	20,532	20,532	0	22,801	0	148,849	148,849	0	295,245
71363 - Interest Income - 2013 Bonds	0	51,791	51,791	0	0	0	404,697	404,697	0	0
Total Interest Income	**440,852**	**480,433**	**39,582**	**9**	**332,598**	**3,085,962**	**2,849,490**	**(236,472)**	**(8)**	**2,585,479**

San Diego County Regional Airport Authority
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(Unaudited)

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	Month to Date					Year to Date				
	Budget	Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual	Budget	Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual
Interest Income BAB's rebate										
71362 - BAB interest rebate	$395,094	$386,351	$(8,743)	(2)	$416,327	$2,765,659	$2,704,459	$(61,200)	(2)	$2,914,287
Total Interest Income BAB's rebate	**395,094**	**386,351**	**(8,743)**	**(2)**	**416,327**	**2,765,659**	**2,704,459**	**(61,200)**	**(2)**	**2,914,287**
Interest Expense										
71410 - Interest Expense 2005 Bo	0	0	0	0	0	0	0	0	0	(830,074)
71411 - Interest Expense- 2010 Bonds	(2,642,125)	(2,642,125)	0	0	(2,644,625)	(18,494,874)	(18,494,874)	0	0	(18,512,374)
71412 - Interest Expense 2013 Bonds	(1,539,625)	(1,539,625)	0	0	0	(10,777,375)	(10,777,375)	0	0	0
71420 - Interest Expense - Comme	(53,092)	(7,093)	45,999	87	(16,235)	(371,646)	(53,574)	318,072	86	(44,682)
71430 - LOC Fees - C/P	(22,426)	(23,502)	(1,076)	(5)	(23,502)	(156,981)	(162,801)	(5,820)	(4)	(146,472)
71440 - Dealer Fees - C/P	(1,682)	0	1,682	100	(2,626)	(11,774)	(10,692)	1,082	9	(4,710)
71450 - Trustee Fee Bonds	(1,365)	(1,000)	365	27	(1,000)	(9,555)	(1,000)	8,555	90	(9,825)
71451 - Program Fees - Comm. Pap	(833)	0	833	100	2,624	(5,833)	0	5,833	100	(2,624)
71452 - Investment Fees	0	0	0	0	(75)	0	0	0	0	(75)
71460 - Interest Expense - Other	152,505	436,149	283,644	186	2,642,114	1,067,538	3,116,515	2,048,976	192	19,318,784
71461 - Interest Expense - Cap Leases	(60,068)	(59,968)	99	0	0	(422,519)	(482,487)	(59,968)	(14)	0
Total Interest Expense	**(4,168,710)**	**(3,837,164)**	**331,547**	**8**	**(43,325)**	**(29,183,019)**	**(26,866,288)**	**2,316,731**	**8**	**(232,053)**
Amortization										
69210 - Amortization - Premium	364,834	364,834	0	0	114,936	2,565,577	2,566,698	1,121	0	915,754
69220 - Amortization - Cost of I	(31,430)	0	31,430	100	(19,453)	(221,051)	0	221,051	100	(272,639)
69230 - Amort-Commercial Paper	0	0	0	0	(1,139)	0	0	0	0	(7,974)
Total Amortization	**333,404**	**364,834**	**31,430**	**9**	**94,343**	**2,344,526**	**2,566,698**	**222,172**	**9**	**635,142**
Other Non-Operating Income (Expense)										
71510 - Legal Settlement Income	0	0	0	0	4,884	0	1,809	1,809	0	5,023
71520 - Fixed Asset Disposal-Pro	0	0	0	0	0	0	11,273	11,273	0	0
71521 - Fixed Asset Disposal - L	0	0	0	0	(231,662)	0	0	0	0	(1,036,261)
71530 - Gain/Loss On Investments	0	(6,272)	(6,272)	0	(142,836)	0	1,751,077	1,751,077	0	379,132
71540 - Discounts Earned	0	2,257	2,257	0	0	0	5,718	5,718	0	4,809
71610 - Legal Settlement Expense	(1,667)	0	1,667	100	(4,884)	(11,667)	0	11,667	100	(215)
71620 - Other non-operating revenue (e	0	7,400	7,400	0	16,525	0	157,755	157,755	0	52,969
Total Other Non-Operating Income (Expense)	**(1,667)**	**3,385**	**5,052**	**303**	**(357,973)**	**(11,667)**	**1,927,632**	**1,939,299**	**16,623**	**(594,543)**
Total Non-Operating Revenue/(Expense)	**1,052,162**	**1,329,609**	**277,447**	**26**	**(4,775,450)**	**10,654,899**	**14,828,027**	**4,173,128**	**39**	**(33,043,924)**

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(Unaudited)

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	Month to Date					Year to Date				
	Budget	Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual	Budget	Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual
Capital Grant Contribution										
72100 - AIP Grants	$1,936,038	$88,841	$(1,847,197)	(95)	$1,263,348	$6,197,264	$1,234,239	$(4,963,025)	(80)	$9,849,524
Total Capital Grant Contribution	**1,936,038**	**88,841**	**(1,847,197)**	**(95)**	**1,263,348**	**6,197,264**	**1,234,239**	**(4,963,025)**	**(80)**	**9,849,524**
Total Expenses Net of Non-Operating Revenue/ (Expense)	**13,325,259**	**14,235,009**	**(909,750)**	**(7)**	**6,920,726**	**99,271,692**	**95,640,831**	**3,630,861**	**4**	**50,235,903**
Net Income/(Loss)	**1,885,573**	**1,516,829**	**(368,744)**	**(20)**	**7,189,144**	**11,293,649**	**18,182,152**	**6,888,503**	**61**	**53,071,833**
Equipment Outlay										
73200 - Equipment Outlay Expendi	0	(204,638)	(204,638)	0	0	(10,000)	(382,538)	(372,538)	(3,725)	(136,844)
73299 - Capitalized Equipment Co	0	204,638	204,638	0	0	0	382,538	382,538	0	136,844
Total Equipment Outlay	**0**	**0**	**0**	**0**	**0**	**(10,000)**	**0**	**10,000**	**100**	**0**

ITEM 2

San Diego County Regional Airport Authority

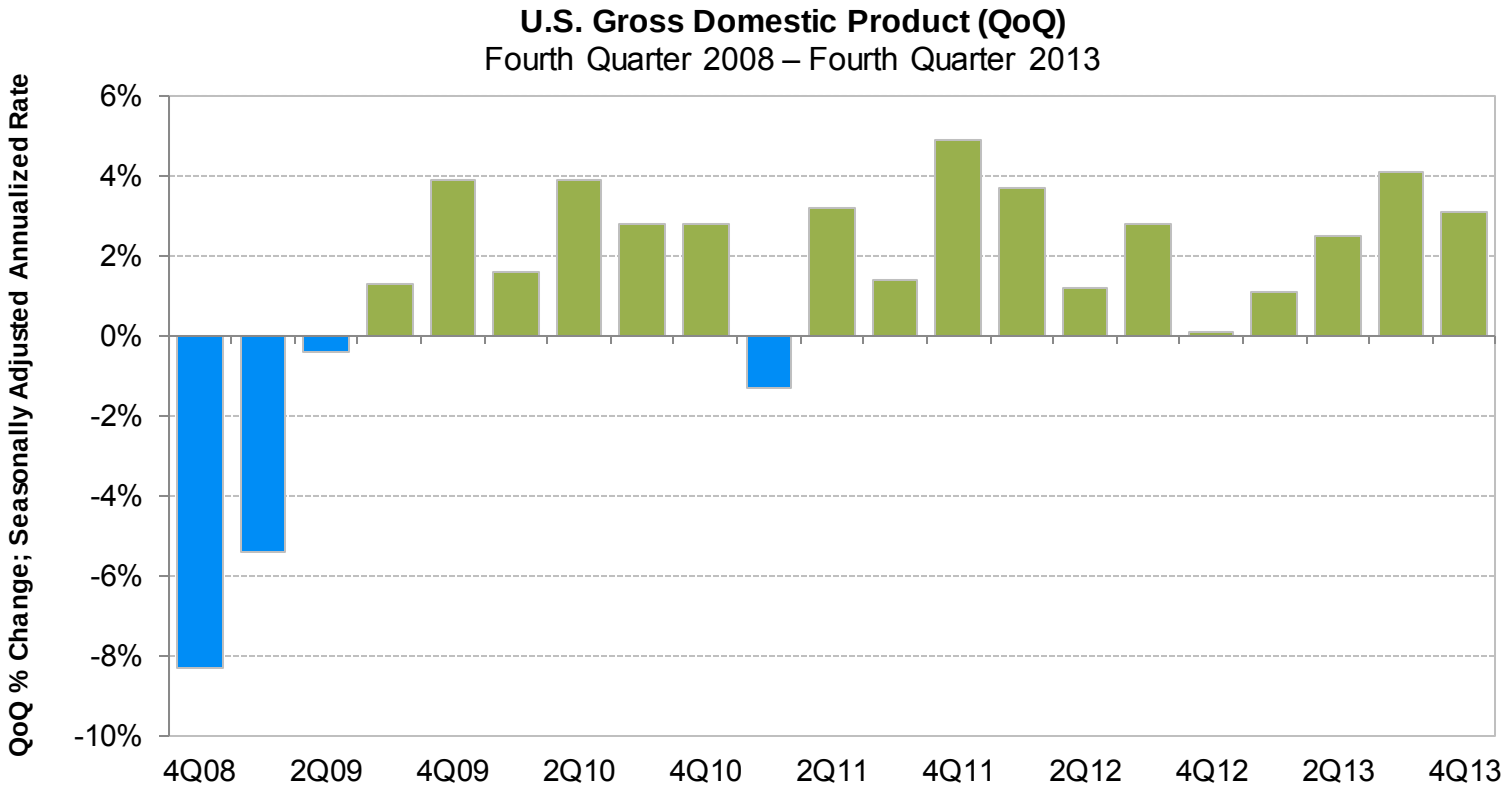
Review of the Unaudited Financial Statements for the Seven Months Ended January 31, 2014 and 2013

Presented by:
Vernon D. Evans, CPA
Vice President,
Finance / Treasurer & CFO
Kathy Kiefer
Director, Accounting

February 24, 2014

Fourth Quarter GDP Drops

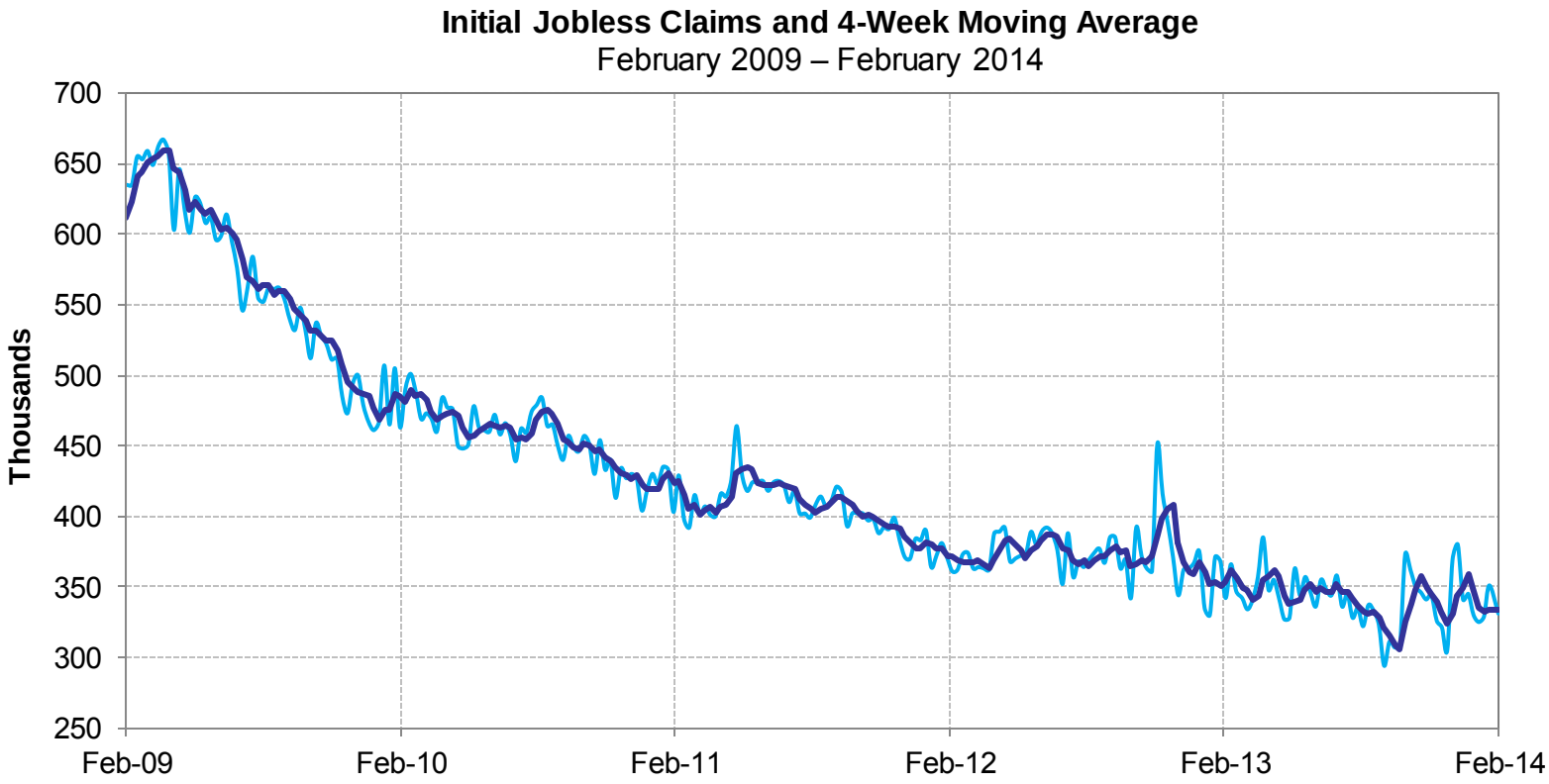
- The advance estimate of fourth quarter GDP came in at 3.2%. Although down from 4.1% in the third quarter, it was better than expected, especially given the drag from the government shutdown and debt crisis at the start of the quarter. Two quarters of reasonably strong growth, after the weakness at the start of the year, suggest that U.S. economic growth may be strengthening.



Source: Bureau Of Economic Analysis

Initial Claims For Unemployment Down

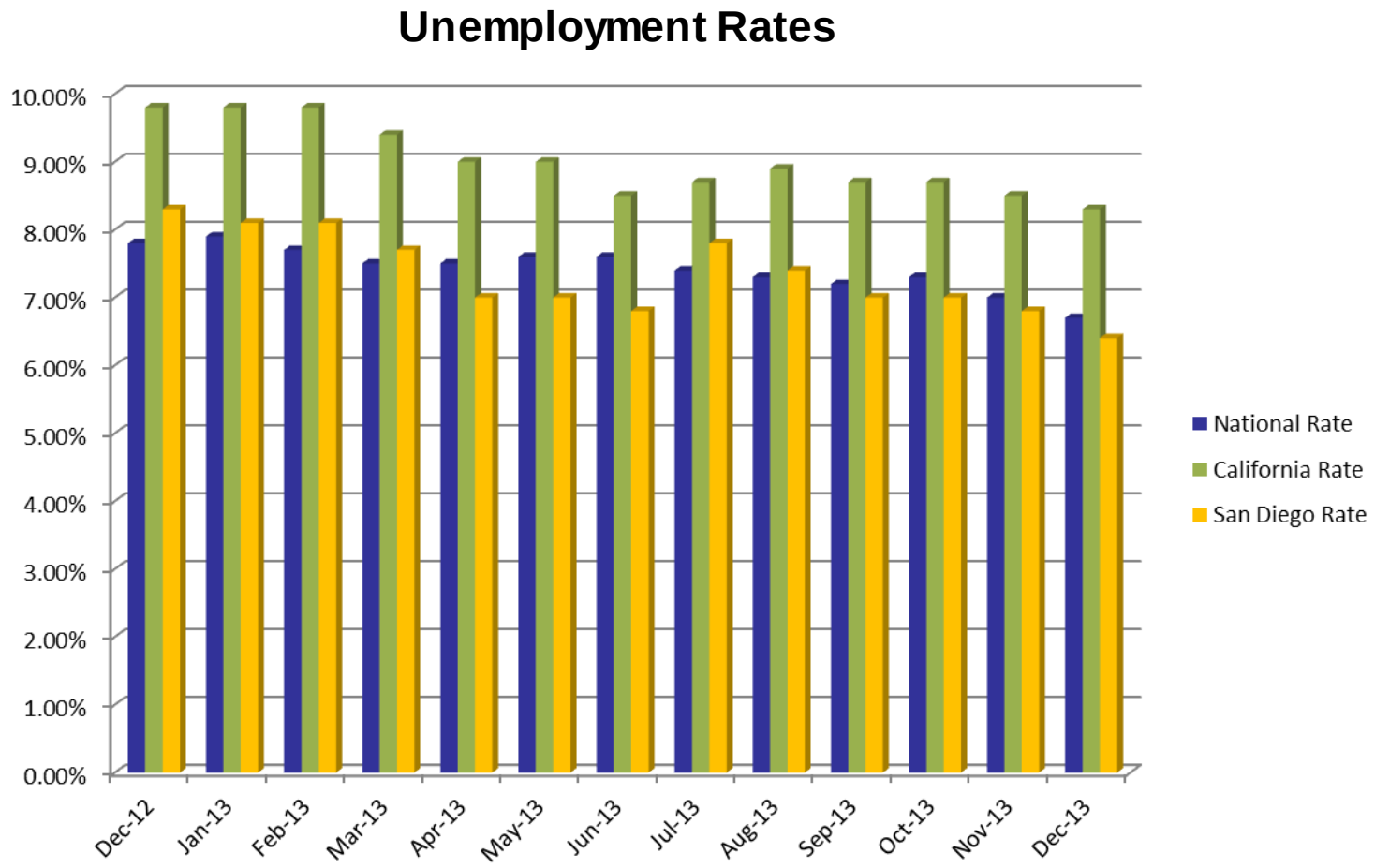
- For the week ending February 1st, seasonally adjusted initial claims for unemployment were down by 20,000 to 331,000. The 4-week moving average, which helps smooth out some of the weekly volatility, was up by 250 to 334,000. Over the past year, weekly initial claims have averaged under the 350,000 level that many economists think indicates strong job growth.



Source: U.S. Department of Labor

December Unemployment Rate Declines Slightly

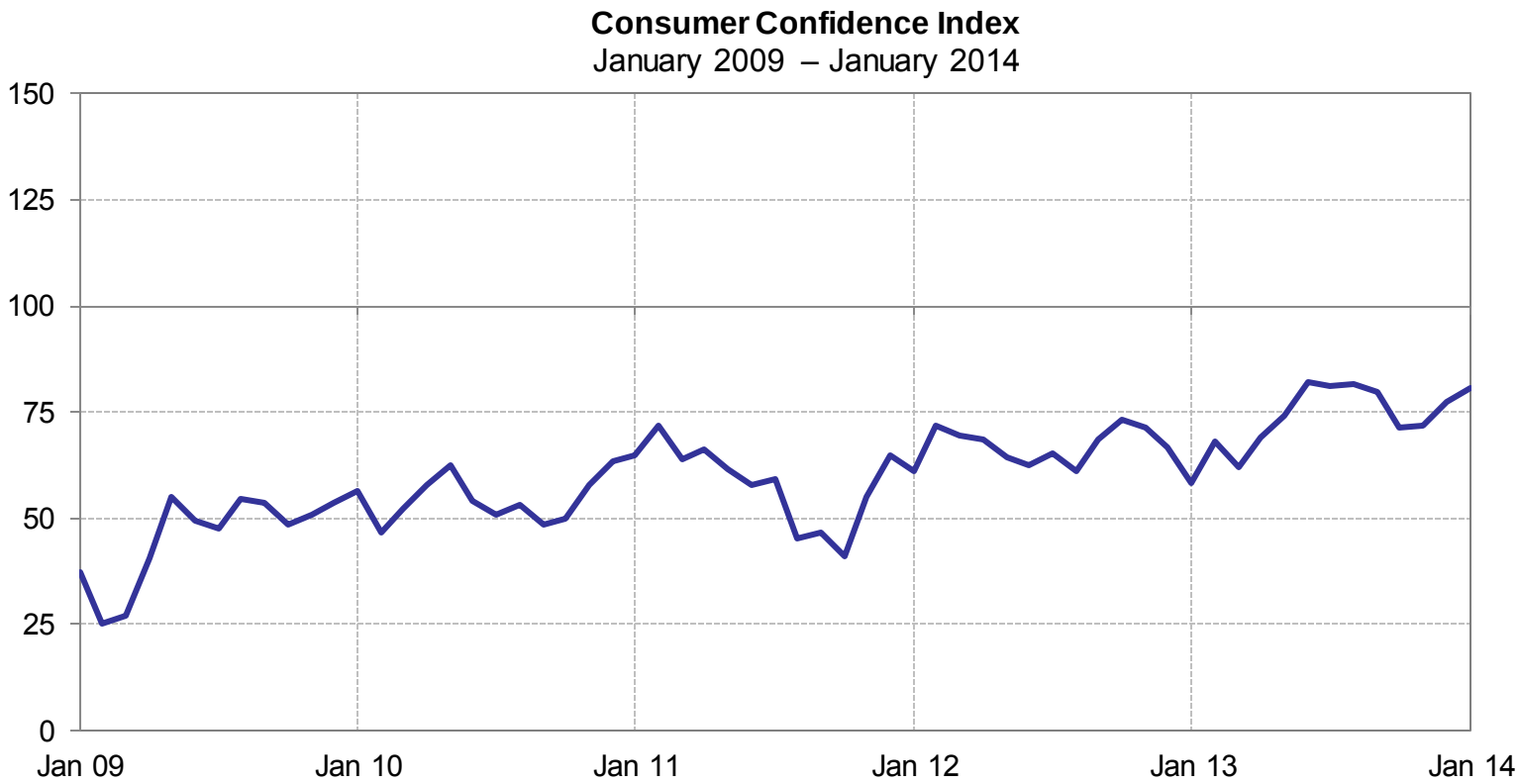
The Federal unemployment declined slightly from 6.7 percent to 6.6 percent in January 2014. The National U-6 rate decreased to 12.7 percent. In California, the State unemployment rate was 8.3 percent in December, down 0.2 percentage point from November. Locally, San Diego's unemployment was 6.4 percent in December 2013.



Source: US Dept of Labor, CA EDD

Consumer Confidence Improves

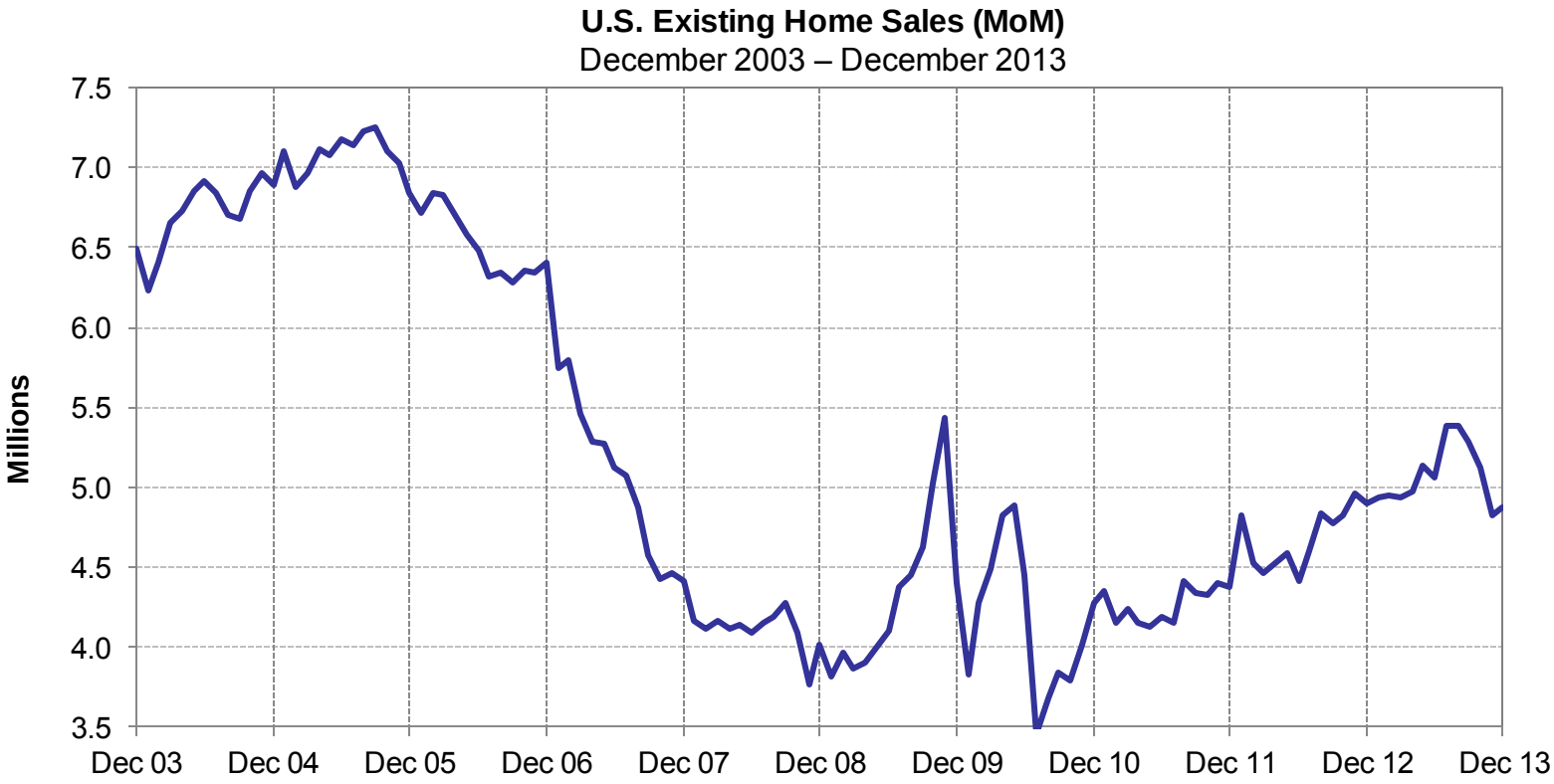
- The Consumer Confidence Index, which fell sharply in October, has improved over the past three months and it is now close to pre-government shutdown levels at 80.7. Although the Consumer Confidence Index is below its most recent high of 82.1 in June 2013, it is well above the 58.4 level it stood at January 2013.



Source: Conference Board

Existing Home Sales Up Slightly in December

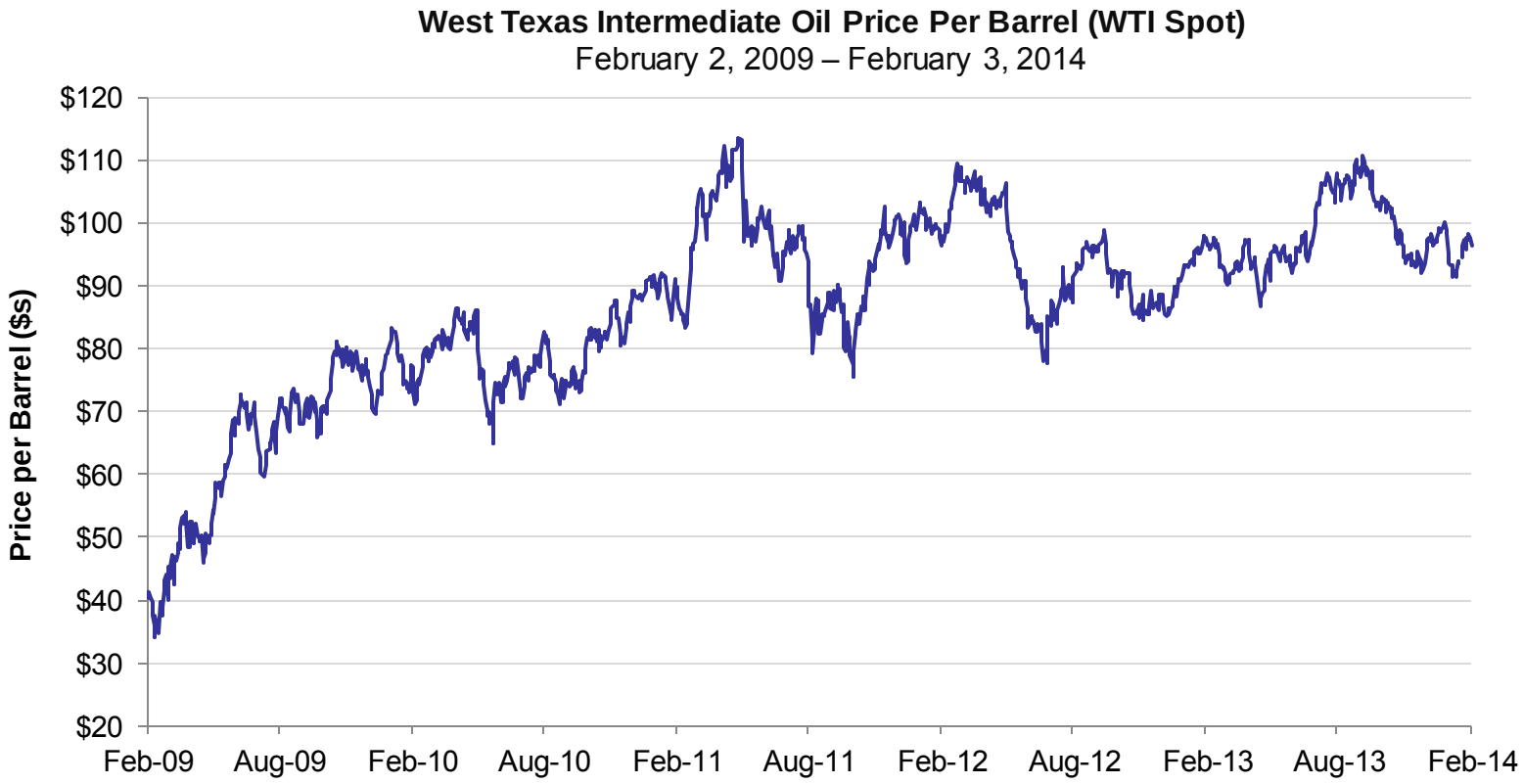
- Existing home sales were up 1.0% in December, but were still down 0.6% from December 2012. This was the second straight month since June 2011 that monthly home sales were below their prior year levels. Rising mortgage rates, tight credit, rising prices, and constrained inventory all appear to have impacted home sales in recent months.



Source: National Association of Realtors

Oil Prices Range Trending Higher

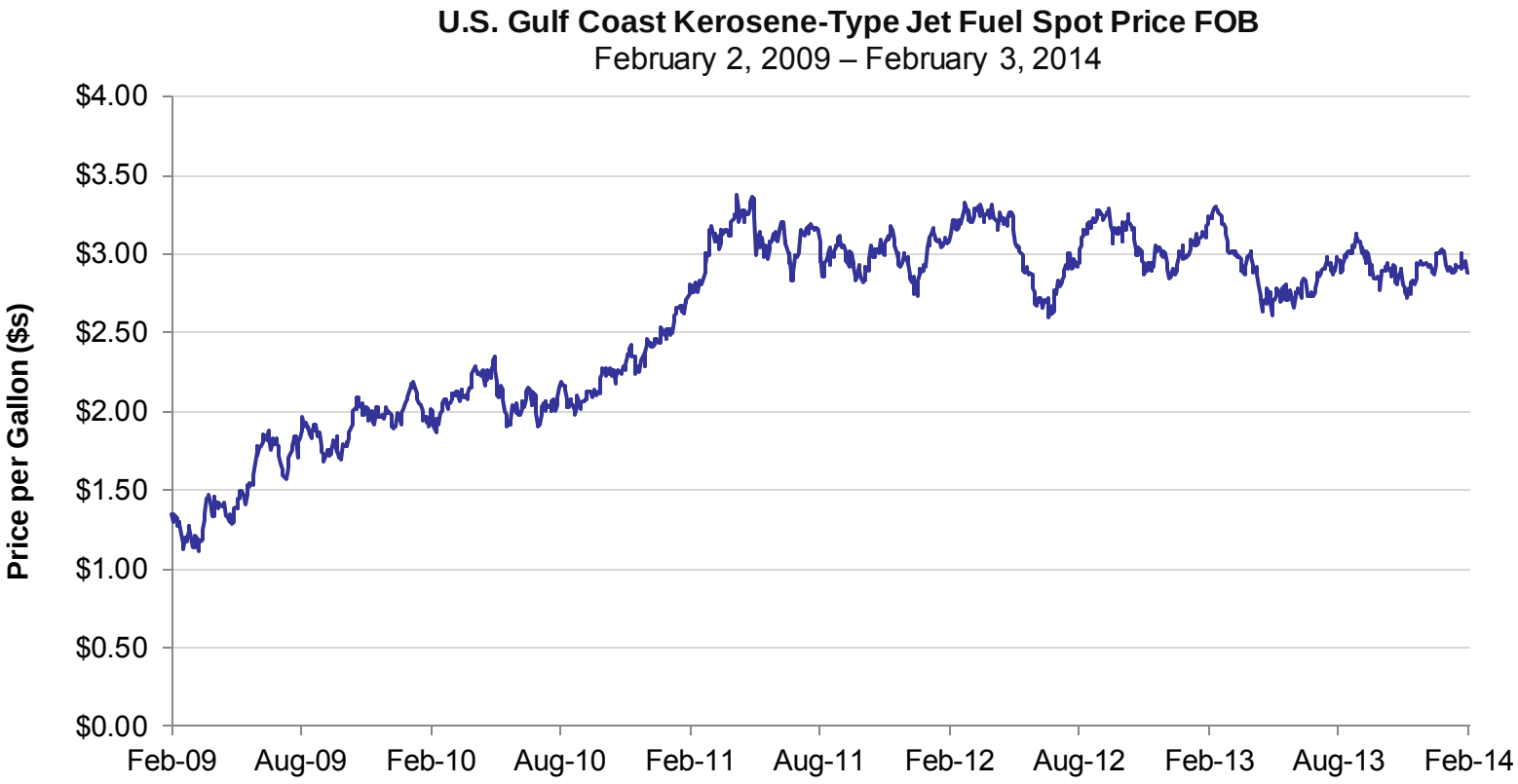
- Oil (WTI spot) closed at $96.44 on February 3, 2014. Oil prices have been trending toward the top end recently due to increased global demand and reduced supplies.



Source: U.S. Energy Information Administration (EIA)

Jet Fuel Prices Remain Range Bound

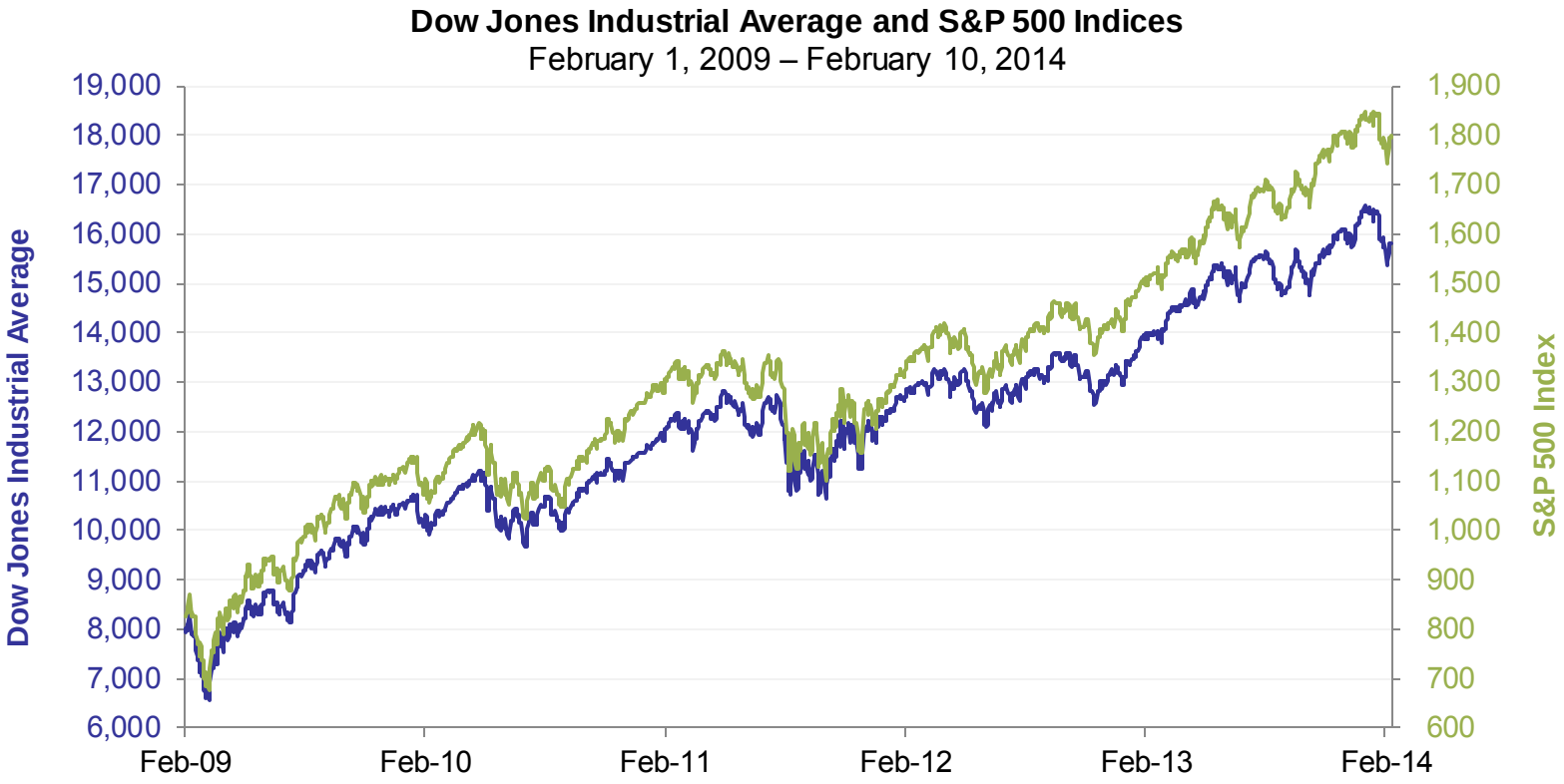
- Jet fuel (U.S. Gulf Coast Spot Price) closed at $2.89 on February 3rd. Year to date, jet fuel prices have traded in a range of $0.12. Jet fuel has averaged $2.92 during 2014.



Source: U.S. Energy Information Administration (EIA)

Equity Markets Down to Start 2014

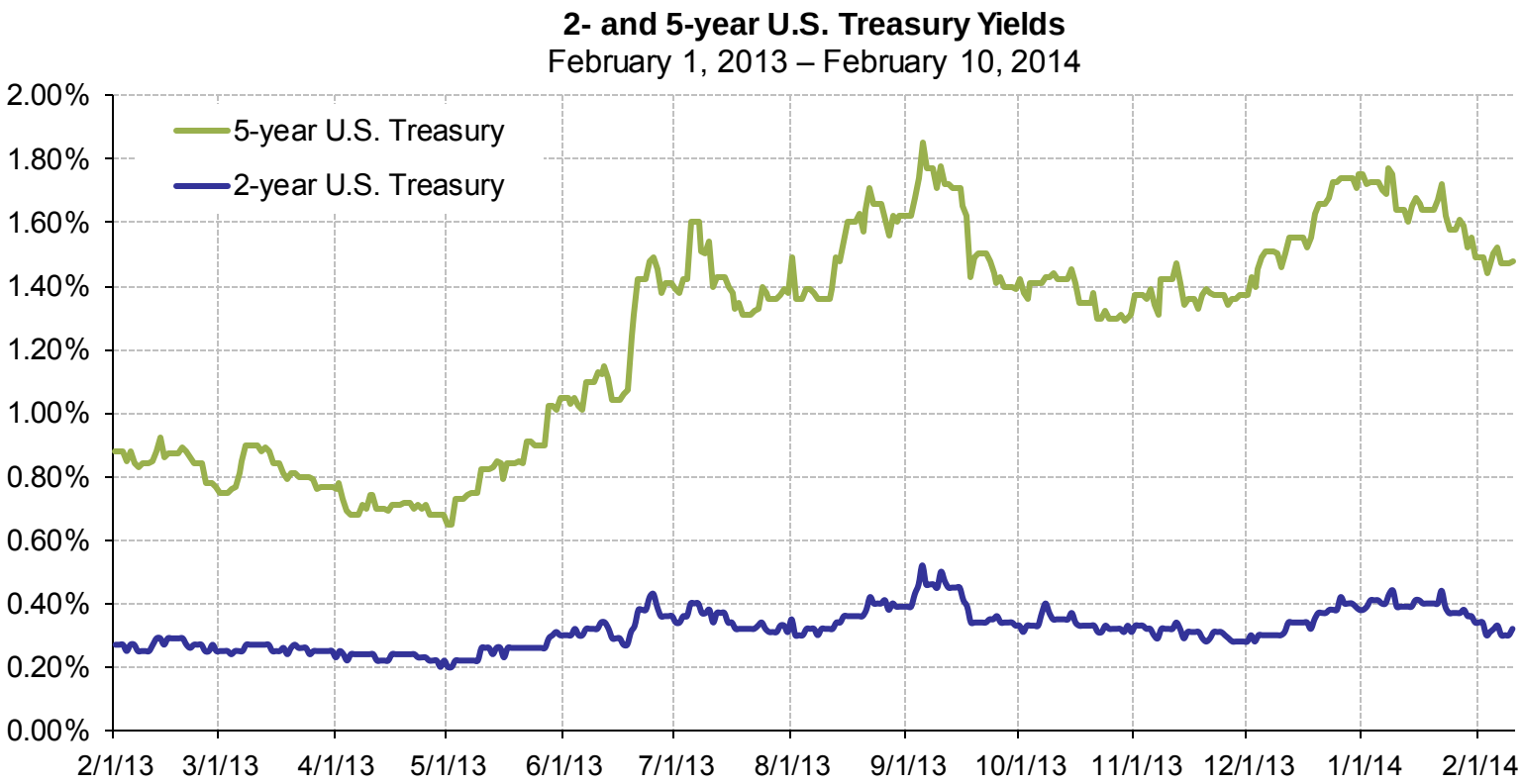
- The markets have been volatile to start 2013 due to uncertainty in the emerging markets, weakness in job growth, and uncertainty regarding Fed policy. Year to date, the DJIA is down 4.67% and the S&P 500 is down 2.63%.



Source: Bloomberg

Treasury Yields Trending Lower

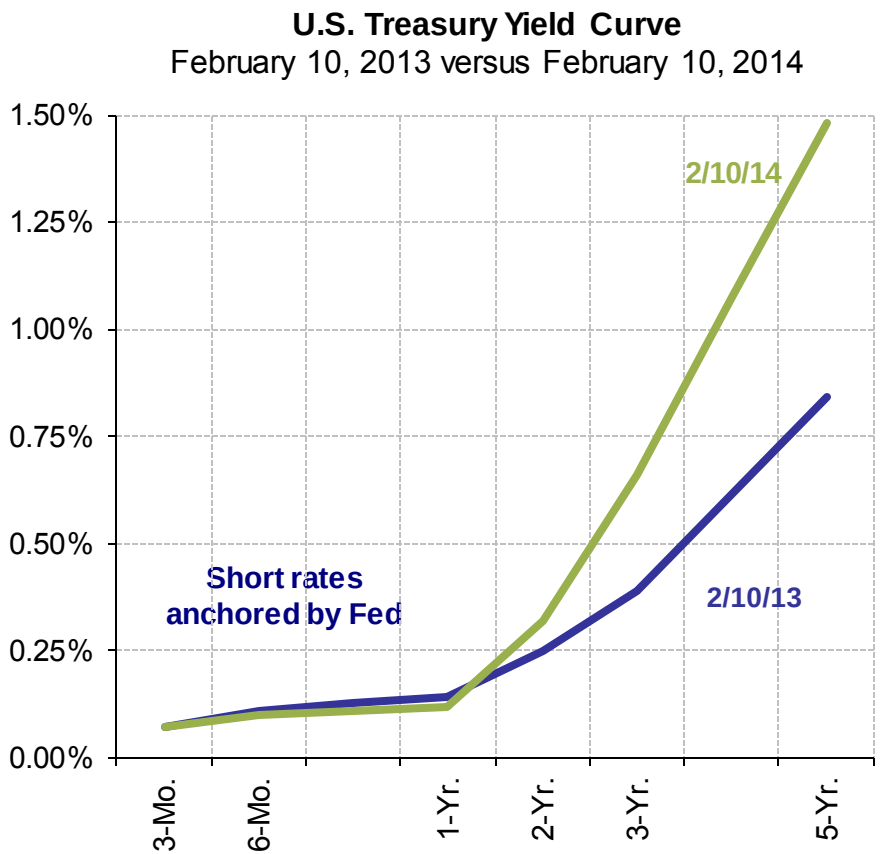
- Longer-term Treasury yields have trended downwards to start 2014 as recent weakness in economic reports has the markets questioning the strength of the economy and the impact it could have on Fed Policy.



Source: Bloomberg

U.S. Treasury Yield Curve Remains Steep

- Although longer-term yields have fallen recently, the yield curve remains steep compared to last year.

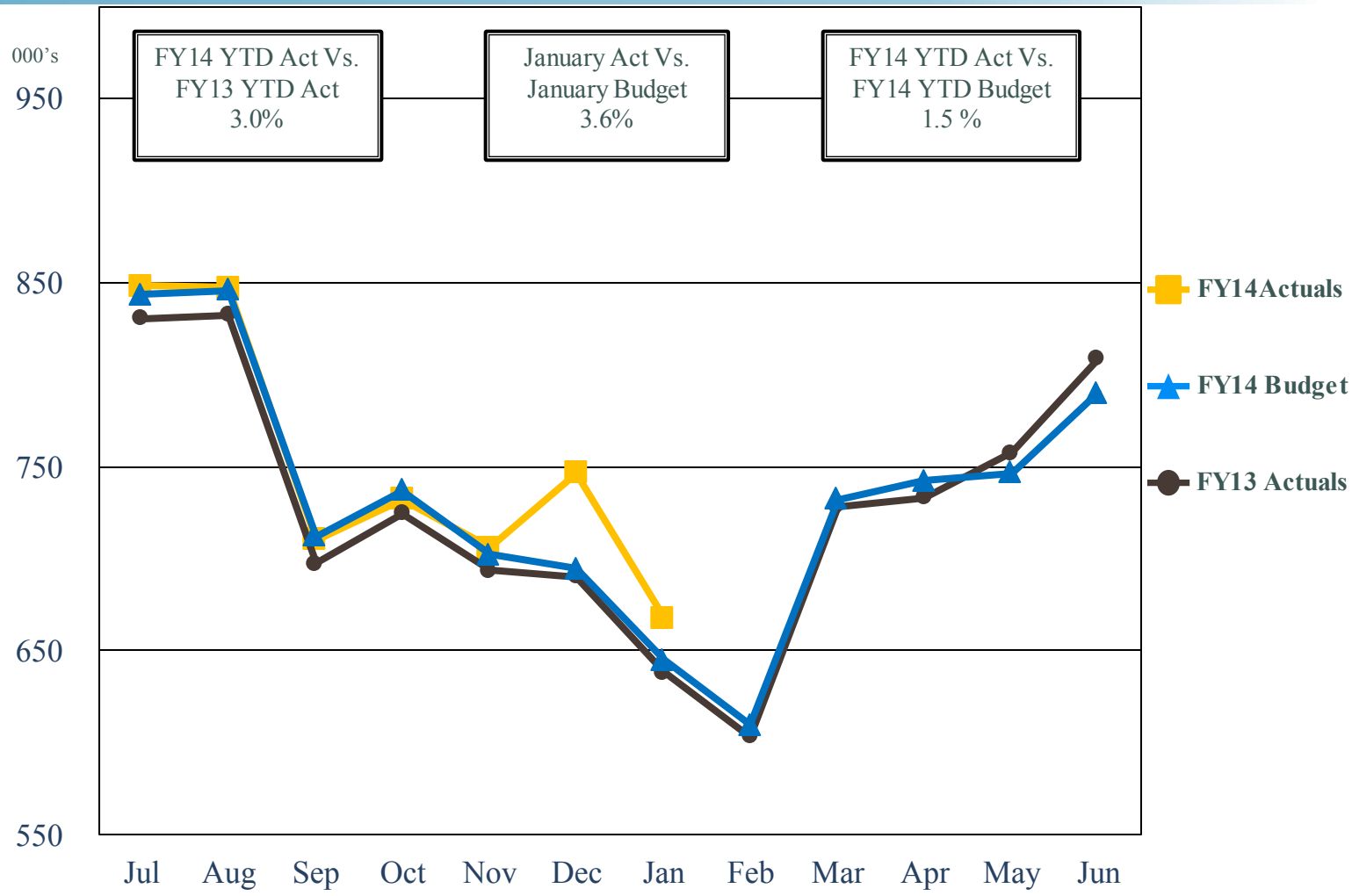


Maturity	2/10/13	2/10/14	Change
3-Mo.	0.07%	0.07%	0.00%
6-Mo.	0.11%	0.10%	(0.01%)
1-Yr.	0.14%	0.12%	(0.02%)
2-Yr.	0.25%	0.32%	0.07%
3-Yr.	0.39%	0.66%	0.27%
5-Yr.	0.84%	1.48%	0.64%
10-Yr.	1.99%	2.70%	0.71%
20-Yr.	2.79%	3.38%	0.59%
30-Yr.	3.17%	3.66%	0.49%

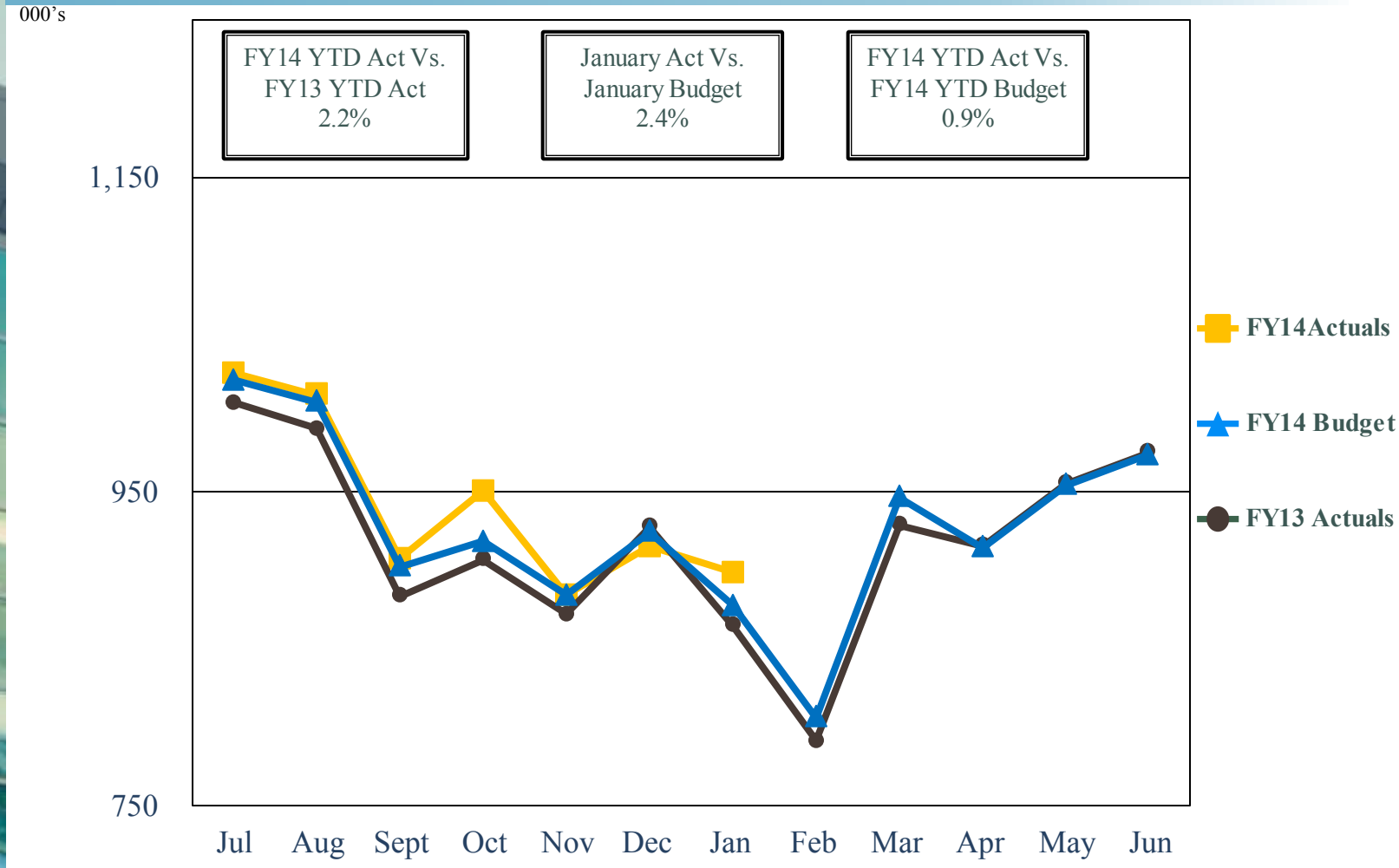
Source: Bloomberg

Unaudited Financial Statements
For the Month Ended
January 31, 2014

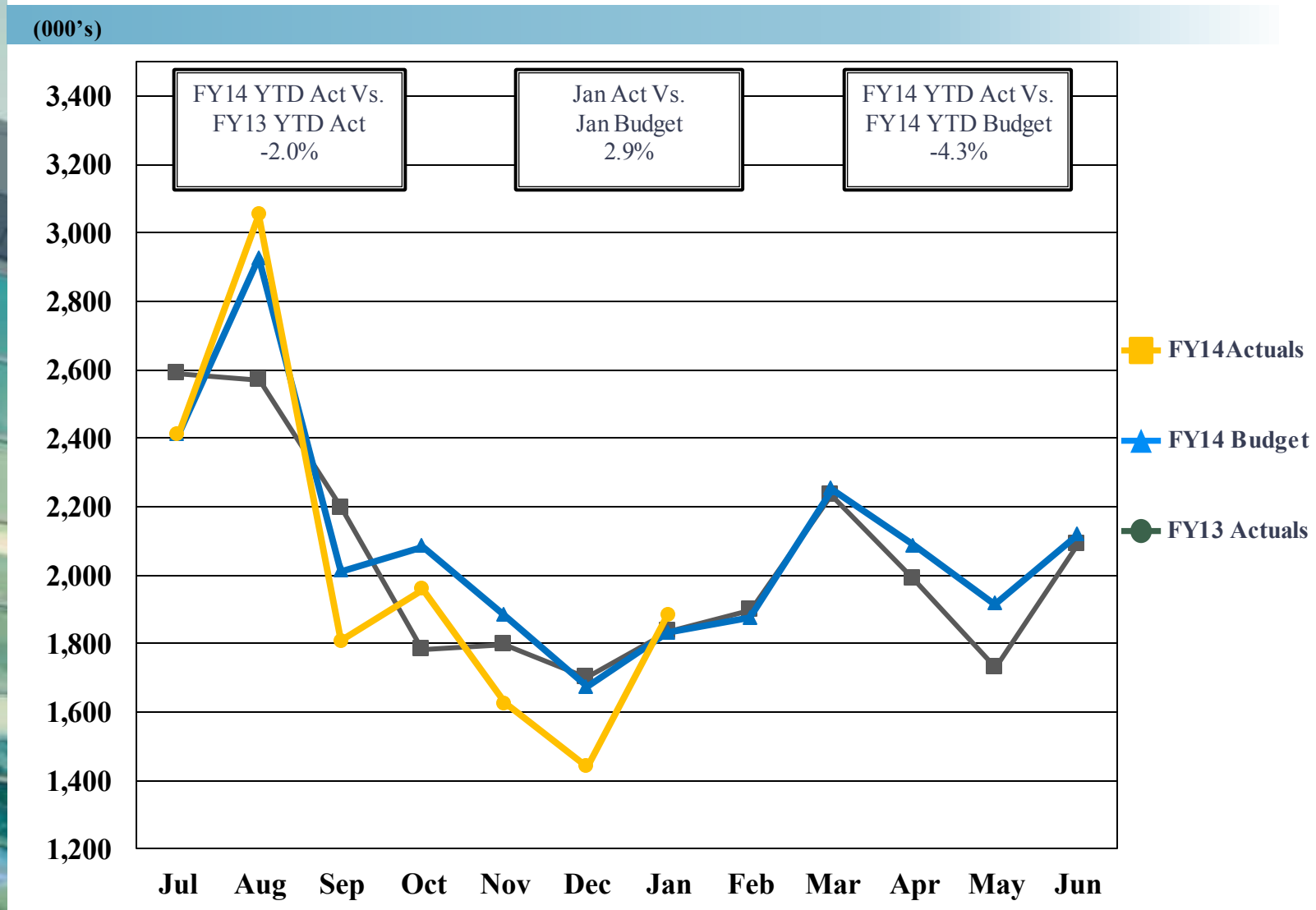
Enplanements



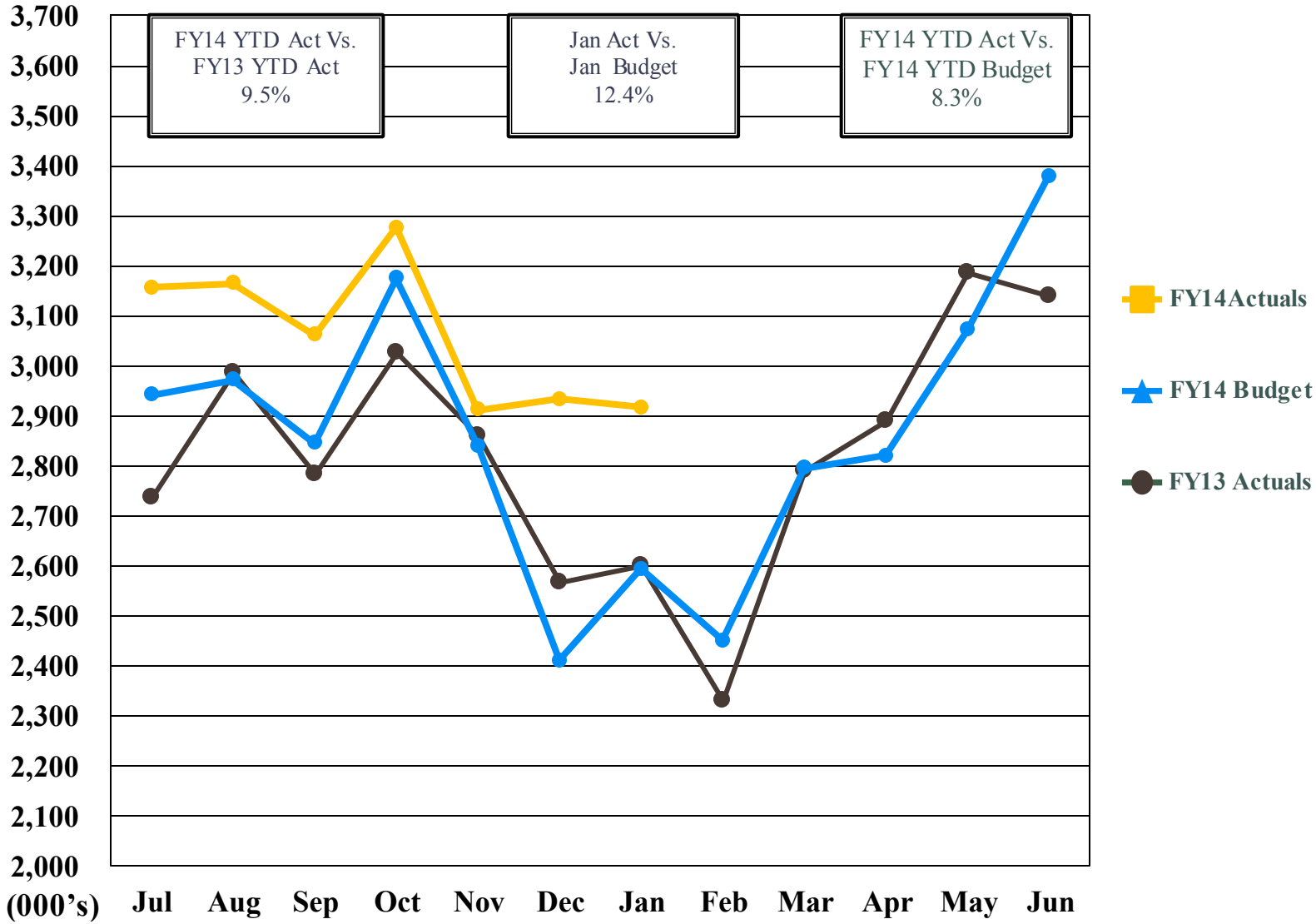
Gross Landing Weight Units (000 lbs)



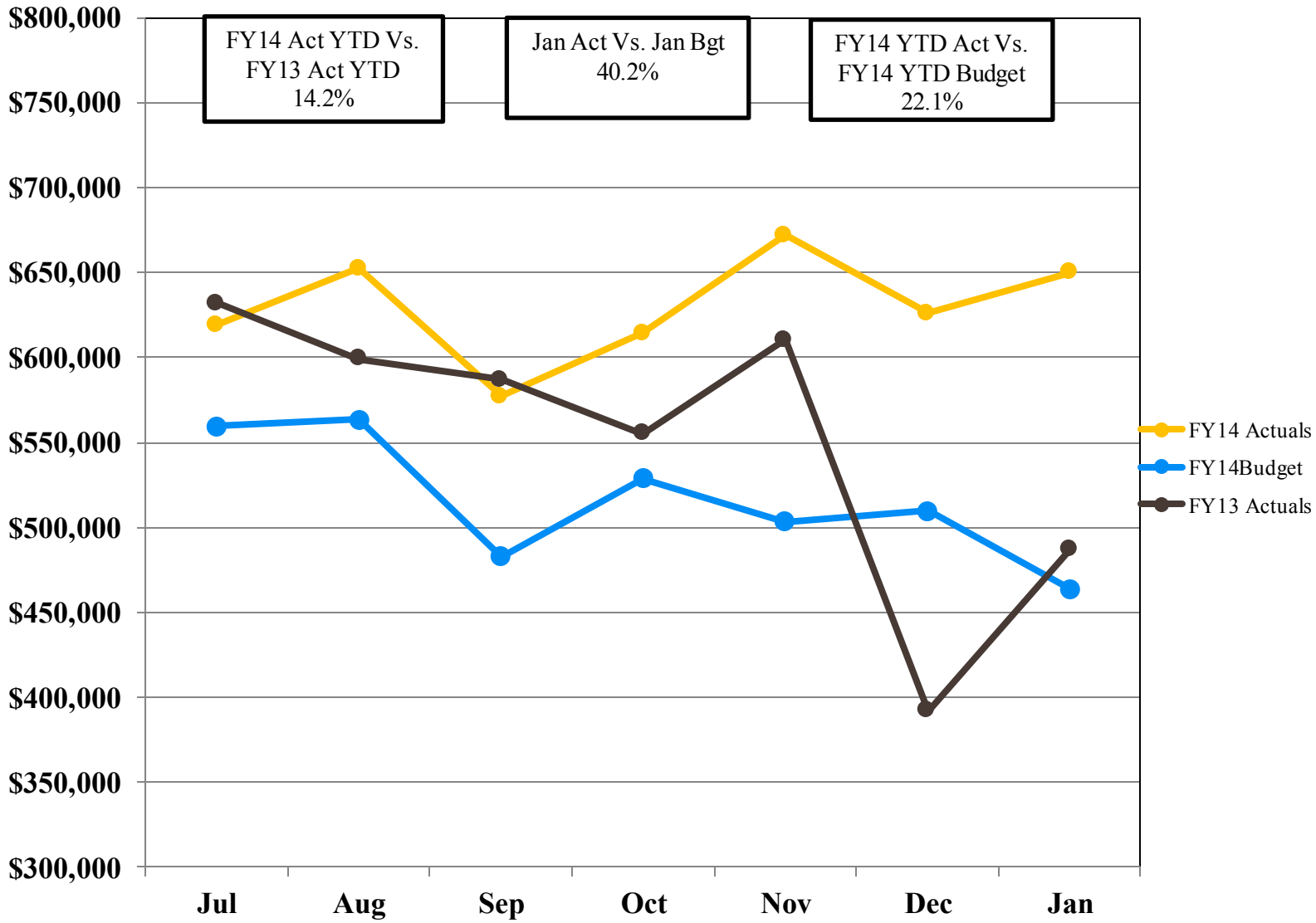
Car Rental License Fees



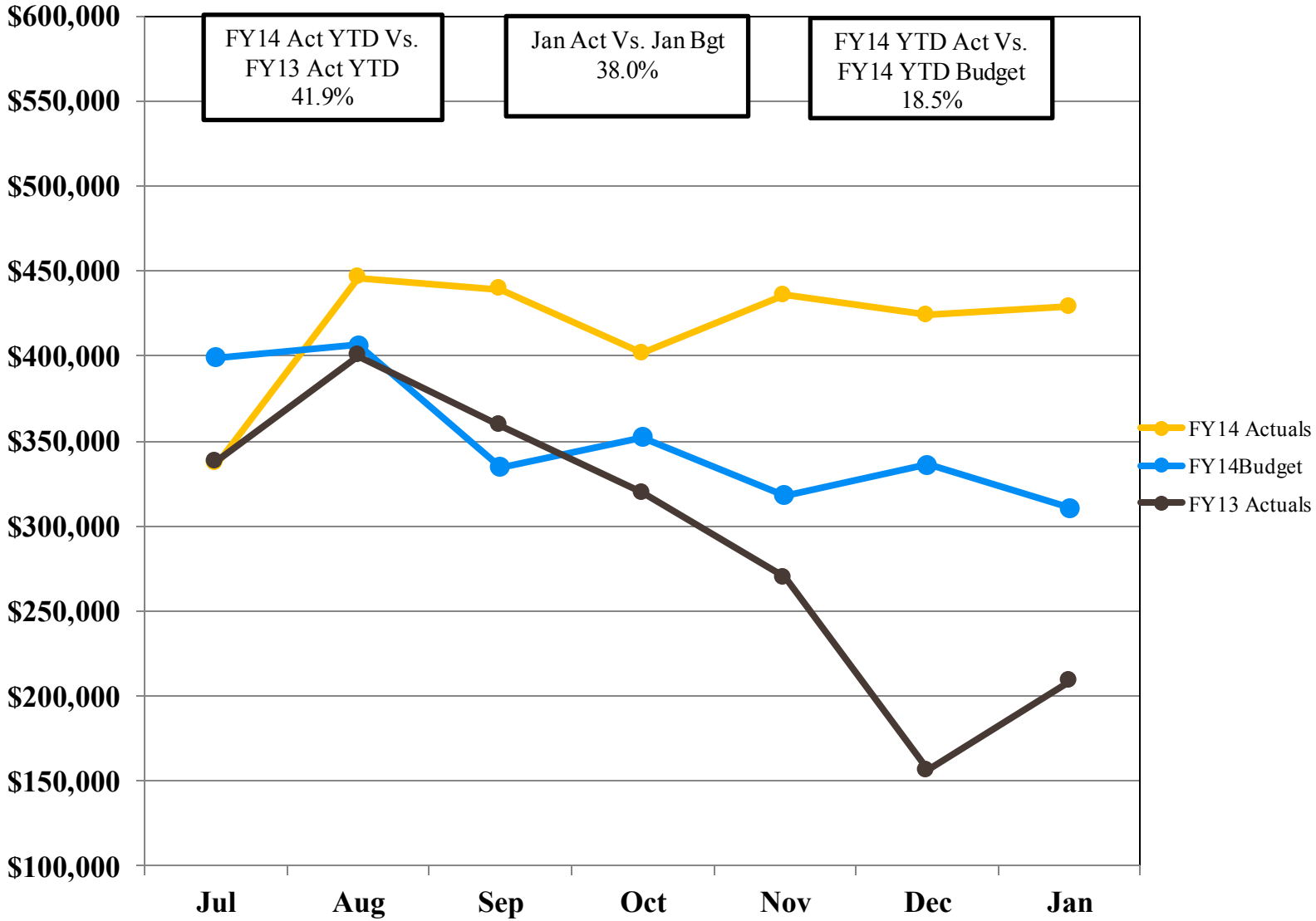
Parking Revenue



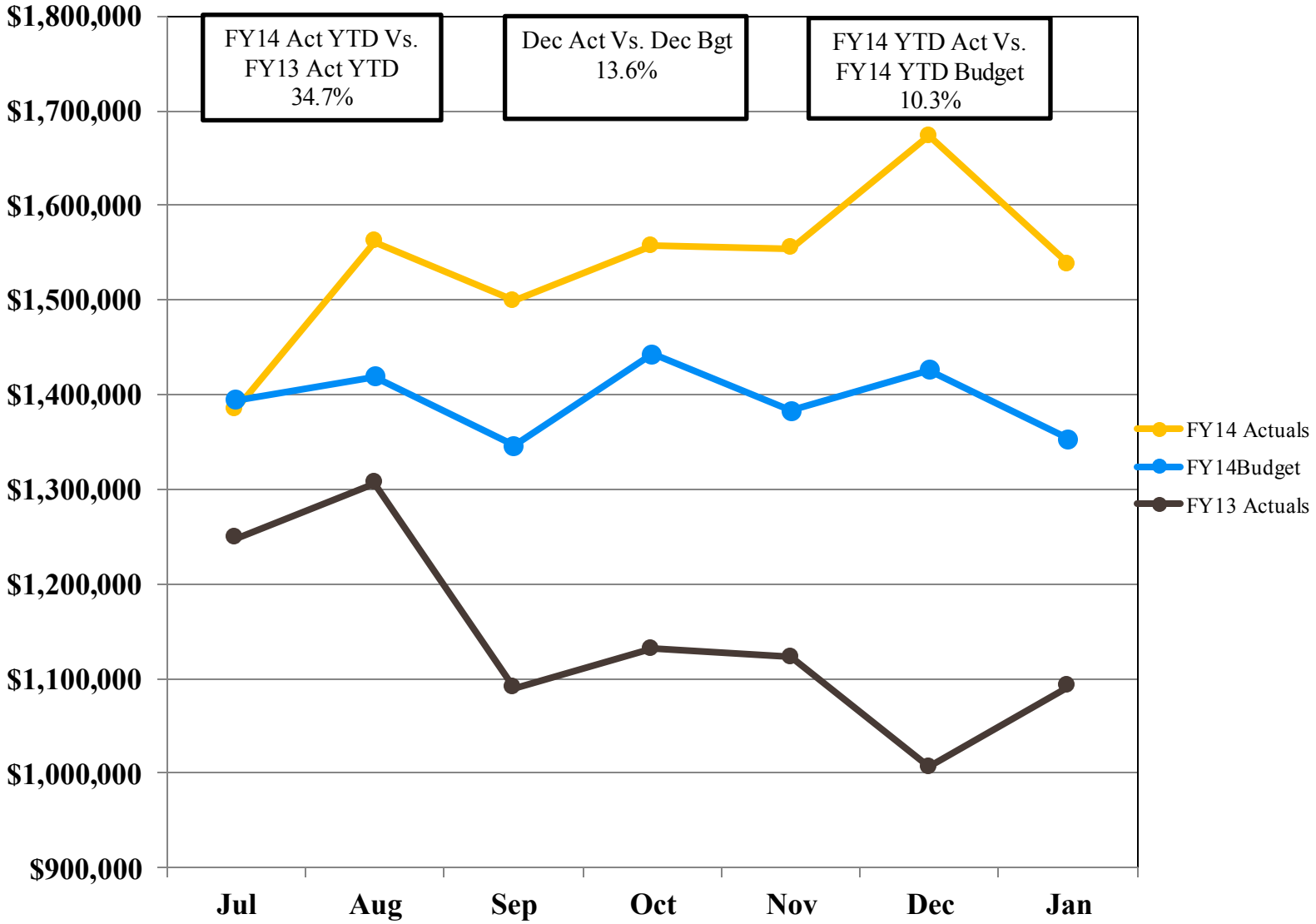
Food & Beverage Concession Revenue



Retail Concession Revenue



Total Terminal Concession Revenue



Operating Revenues
for the Month Ended January 31, 2014 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Aviation revenue:					
Landing fees	$ 1,728	$ 1,736	$ 8	-	$ 1,642
Aircraft parking fees	213	209	(4)	(2)%	265
Building rentals	3,858	3,781	(77)	(2)%	3,602
Security surcharge	2,081	2,081	(0)	-	1,667
CUPPS Support Charges	93	93	-	-	-
Other aviation revenue	131	128	(3)	(2)%	130
Total aviation revenue	**$ 8,104**	**$ 8,028**	**$ (76)**	**(1)%**	**$ 7,306**

Operating Revenues
for the Month Ended January 31, 2014 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Terminal rent non-airline	**$ 86**	**$ 89**	**$ 3**	**3%**	**$ 83**
Concession revenue:					
Terminal concession revenue:					
Food and beverage	464	650	186	40%	487
Gifts and news	311	429	118	38%	209
Space storage	63	(7)	(70)	(111)%	56
Cost recovery	250	182	(68)	(27)%	123
Other *(Primarily advertising)*	266	284	18	7%	218
Total terminal concession revenue	**1,354**	**1,538**	**184**	**14%**	**1,093**
Car rental and license fee revenue:					
Rental car and license fees	1,831	1,884	53	3%	1,837
License fees-other	238	314	76	32%	286
Total rental car and license fees	**2,069**	**2,198**	**129**	**6%**	**2,123**
Total concession revenue	**$ 3,423**	**$ 3,736**	**$ 313**	**9%**	**$ 3,216**

Operating Revenues
for the Month Ended January 31, 2014 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Parking revenue:					
Short-term parking revenue	$ 915	$ 1,092	$ 177	19%	$ 1,144
Long-term parking revenue	1,679	1,825	146	9%	1,456
Total parking revenue	**2,594**	**2,917**	**323**	**12%**	**2,600**
Ground transportation permits and citations	273	224	(49)	(18)%	148
Ground rentals	676	687	11	2%	709
Grant reimbursements	19	25	6	32%	16
Other operating revenue	37	47	10	27%	33
Subtotal	**3,599**	**3,900**	**301**	**8%**	**3,506**
Total operating revenues	**$ 15,212**	**$ 15,753**	**$ 541**	**4%**	**$ 14,111**

Operating Expenses
for the Month Ended January 31, 2014 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Operating expenses:					
Salaries and benefits	$ 3,305	$ 3,144	$ 161	5%	$ 3,020
Contractual services	2,696	2,553	143	5%	2,219
Safety and security	2,008	1,970	38	2%	1,654
Space rental	865	864	1	-	864
Utilities	697	665	32	5%	499
Maintenance	970	790	180	19%	788
Equipment and systems	41	13	28	68%	13
Materials and supplies	32	28	4	13%	32
Insurance	104	82	22	21%	65
Employee development and support	167	75	92	55%	74
Business development	325	293	32	10%	208
Equipment rental and repairs	220	294	(74)	(34)%	143
Total operating expenses	**$ 11,430**	**$ 10,771**	**$ 659**	**6%**	**$ 9,579**

Financial Summary
for the Month Ended January 31, 2014 (Unaudited)

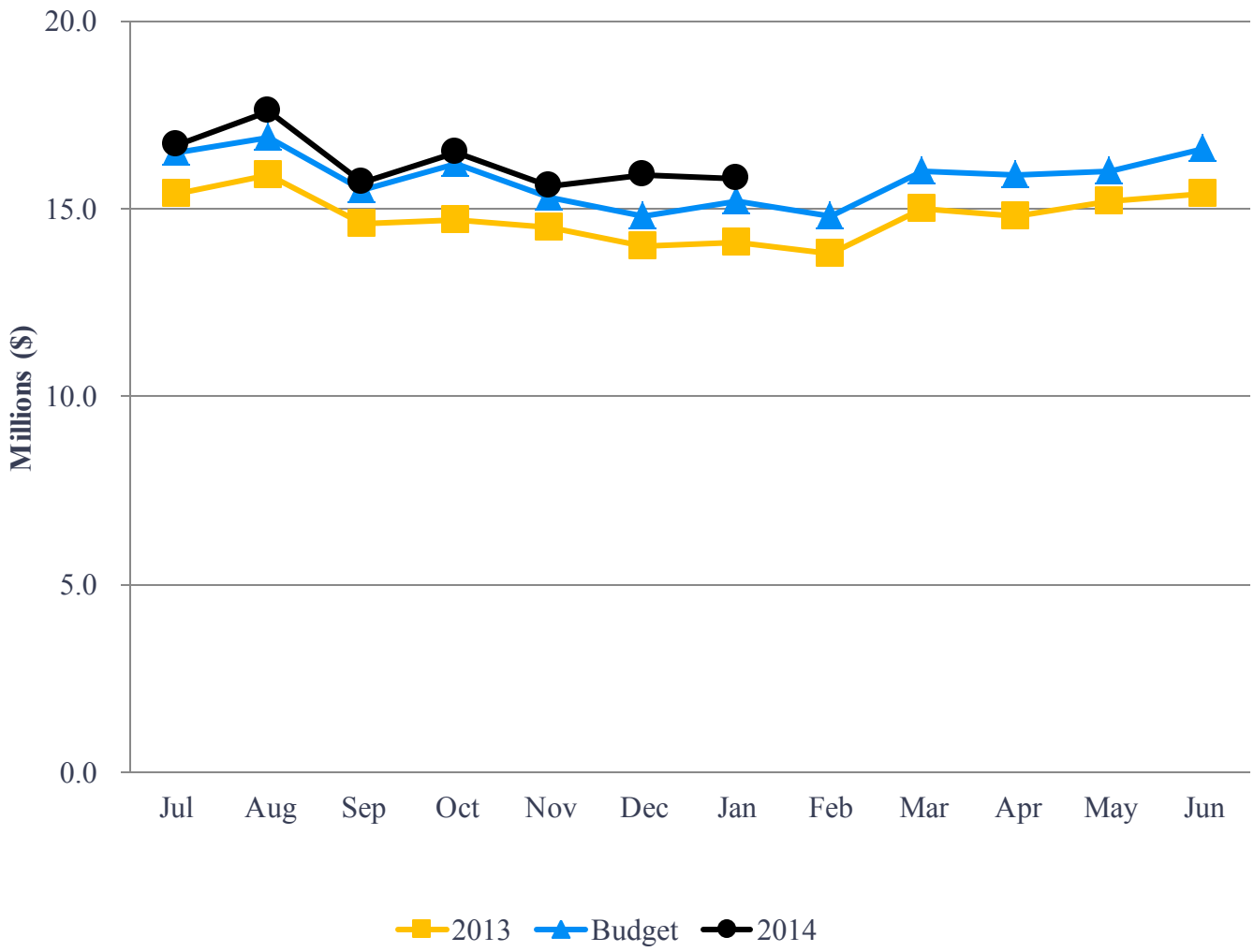
(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Total operating revenues	$ 15,212	$ 15,753	$ 541	4%	$ 14,111
Total operating expenses	11,430	10,771	659	6%	9,579
Income from operations	**3,782**	**4,982**	**1,201**	**32%**	**4,532**
Depreciation	4,882	4,882	-	-	3,380
Operating income (loss)	**$ (1,100)**	**$ 101**	**$ 1,201**	**109%**	**$ 1,152**

Nonoperating Revenues & Expenses for the Month Ended January 31, 2014 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Nonoperating revenues (expenses):					
Passenger facility charges	$ 2,035	$ 1,876	$ (159)	(8)%	$ 1,538
Customer facility charges (Rental Car Center)	2,228	2,283	55	2%	2,543
Quieter Home Program, net	(212)	(227)	(15)	(7)%	252
Interest income	441	480	39	9%	333
BAB interest rebate	395	386	(9)	(2)%	416
Interest expense bonds and commercial paper	(4,235)	(4,189)	46	1%	(2,661)
Interest expense centralized receiving building purchase agreement	(60)	(60)	0	-	-
Amortization of bond and commercial paper fees	(26)	(25)	1	4%	(25)
2005 Bond defeasance	-	(323)	(323)	-	-
Capitalized interest expense from bonds and commercial paper	153	759	606	396%	2,642
Bond amortization	333	365	32	10%	94
Other nonoperating revenue (expenses)	(2)	3	5	303%	(358)
Nonoperating revenue, net	**1,050**	**1,328**	**278**	**26%**	**4,774**
Change in net position before grant contributions	**(50)**	**1,428**	**1,479**	**-**	**5,926**
Capital grant contributions	1,936	89	(1,847)	(95)%	1,263
Change in net position	**$ 1,886**	**$ 1,517**	**$ (368)**	**(20)%**	**$ 7,189**

Revenue & Expenses (Unaudited) For the Seven Months Ended January 31, 2014 and 2013

Monthly Operating Revenue, FY 2014 (Unaudited)



Operating Revenues
for the Seven Months Ended January 31, 2014 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Aviation revenue:					
Landing fees	$ 12,761	$ 12,758	$ (3)	-	$ 12,324
Aircraft parking fees	1,493	1,465	(28)	(2)%	1,894
Building rentals	26,566	26,534	(32)	-	25,353
Security surcharge	14,566	14,566	(0)	-	11,995
CUPPS Support Charges	652	652	(0)	-	-
Other aviation revenue	930	923	(7)	(1)%	929
Total aviation revenue	**$ 56,968**	**$ 56,898**	**$ (70)**	**-**	**$ 52,495**

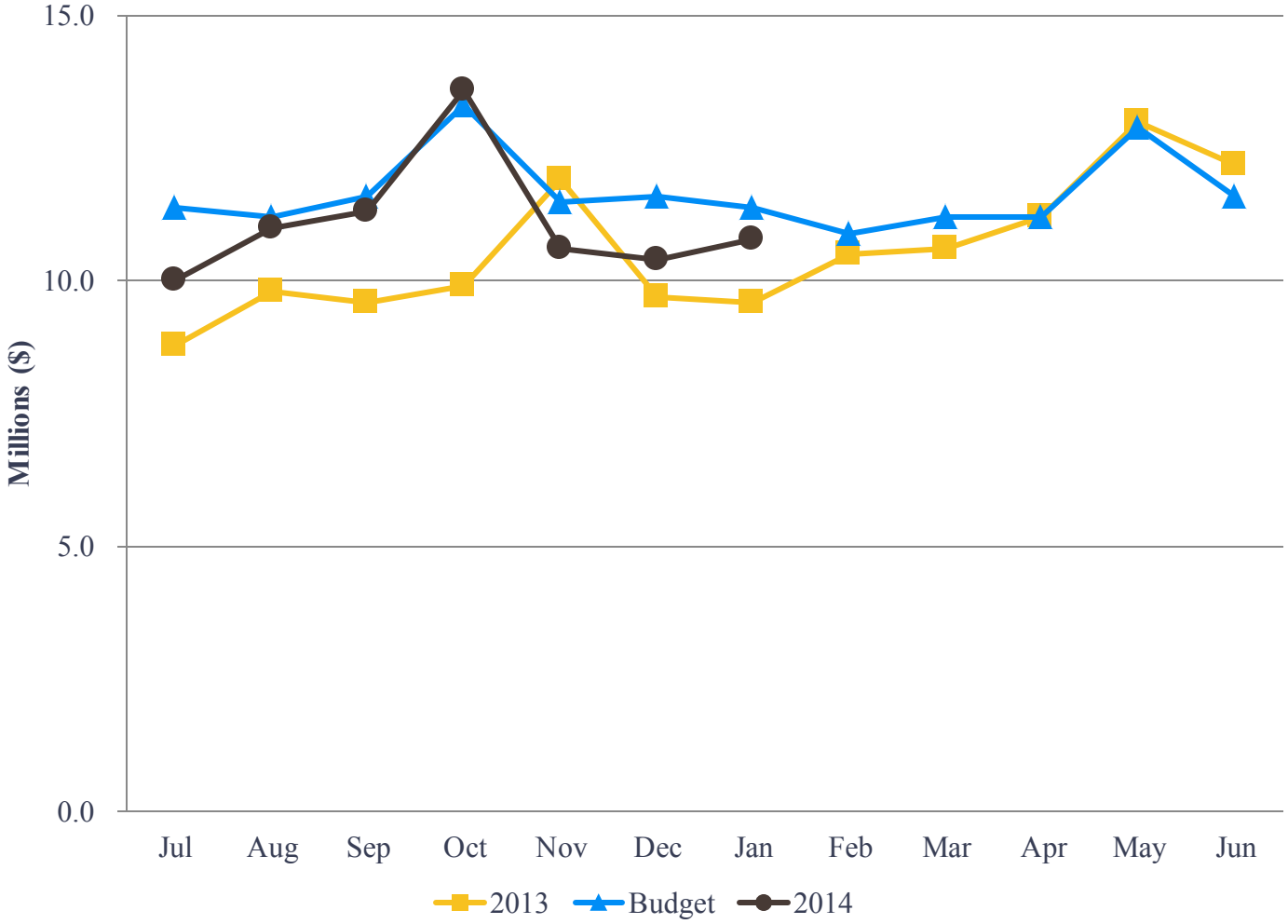
Operating Revenues
for the Seven Months Ended January 31, 2014 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Terminal rent non-airline	**$ 594**	**$ 628**	**$ 34**	**6%**	**$ 566**
Concession revenue:					
Terminal concession revenue:					
Food and beverage	3,611	4,411	800	22%	3,862
Retail	2,457	2,911	454	18%	2,052
Space storage	438	444	6	1%	107
Cost recovery	1,541	1,213	(328)	(21)%	269
Other *(Primarily advertising)*	1,719	1,790	71	4%	1,708
Total terminal concession revenue	**9,766**	**10,769**	**1,003**	10%	**7,998**
Car rental and license fee revenue:					
Rental car license fees	14,816	14,176	(640)	(4)%	14,465
License fees-other	1,930	2,251	321	17%	1,949
Total rental car and license fees	**16,746**	**16,427**	**(319)**	(2)%	**16,414**
Total concession revenue	**$ 26,512**	**$ 27,196**	**$ 684**	**3%**	**$ 24,412**

Operating Revenues
for the Seven Months Ended January 31, 2014 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Parking revenue:					
Short-term parking revenue	$ 7,086	$ 8,034	$ 948	13%	$ 9,375
Long-term parking revenue	12,690	13,385	695	5%	10,179
Total parking revenue	**19,776**	**21,419**	**1,643**	**8%**	**19,554**
Ground transportation permits and citations	1,544	1,640	96	6%	839
Ground rentals	4,783	4,959	176	4%	4,880
Grant reimbursements	131	248	117	89%	111
Other operating revenue	258	836	578	224%	454
Subtotal	**26,492**	**29,102**	**2,610**	**10%**	**25,838**
Total operating revenues	**$ 110,566**	**$ 113,824**	**$ 3,258**	**3%**	**$ 103,311**

Monthly Operating Expenses, FY 2014 (Unaudited)



Operating Expenses
for the Seven Months Ended January 31, 2014 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Operating expenses:					
Salaries and benefits	$ 23,777	$ 22,935	$ 842	4%	$ 21,597
Contractual services	20,075	17,861	2,214	11%	15,385
Safety and security	14,437	14,231	206	1%	12,857
Space rental	6,057	6,054	3	-	6,571
Utilities	5,045	4,857	188	4%	3,888
Maintenance	6,833	7,124	(291)	(4)%	5,249
Equipment and systems	269	138	131	49%	98
Materials and supplies	219	188	31	14%	187
Insurance	731	576	155	21%	472
Employee development and support	785	577	208	26%	572
Business development	1,926	1,423	503	26%	1,486
Equipment rental and repairs	1,798	1,569	229	13%	868
Total operating expenses	**$ 81,952**	**$ 77,533**	**$ 4,419**	5%	**$ 69,230**

Financial Summary
for the Seven Months Ended January 31, 2014 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Total operating revenues	$ 110,566	$ 113,824	$ 3,258	3%	$ 103,311
Total operating expenses	81,952	77,533	4,419	5%	69,230
Income from operations	**28,614**	**36,291**	**7,677**	**27%**	**34,081**
Depreciation	34,172	34,172	0	-	23,900
Operating income (loss)	**$ (5,558)**	**$ 2,119**	**$ 7,677**	**138%**	**$ 10,181**

Nonoperating Revenues & Expenses for the Seven Months Ended January 31, 2014 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Nonoperating revenues (expenses):					
Passenger facility charges	$ 19,274	$ 18,408	$ (866)	(4)%	$ 18,595
Customer facility charges (Rental Car Center)	13,925	14,406	481	3%	8,914
Quieter Home Program, net	(1,546)	(1,168)	378	24%	226
Interest income	3,086	2,849	(237)	(8)%	2,585
BAB interest rebate	2,766	2,704	(62)	(2)%	2,914
Interest expense bonds and commercial paper	(29,644)	(29,326)	318	1%	(19,387)
Interest expense centralized receiving building purchase agreement	(423)	(482)	(59)	(14)%	-
Amortization of bond and commercial paper fees	(184)	(174)	10	5%	(164)
2005 Bond defeasance	-	(646)	(646)	-	-
Capitalized interest expense from bonds and commercial paper	1,068	3,762	2,696	252%	19,319
Bond amortization	2,345	2,567	222	9%	635
Other nonoperating revenue (expenses)	(13)	1,929	1,942	-	(596)
Nonoperating revenue, net	**10,655**	**14,829**	**4,175**	**39%**	**33,041**
Change in Net Position before grant contributions	**5,097**	**16,948**	**11,852**	**233%**	**43,222**
Capital grant contributions	6,197	1,234	(4,963)	(80)%	9,850
Change in Net Position	**$ 11,294**	**$ 18,182**	**$ 6,889**	**61%**	**$ 53,072**

Statements of Net Position (Unaudited)

	(In thousands) January 2014	(In thousands) January 2013
Current assets:		
Cash and investments	$ 93,500	$ 149,757
Tenant lease receivable, net of allowance of 2014: ($49,240) and 2013: ($72,147)	9,663	7,048
Grants receivable	2,670	7,892
Notes receivable-current portion	1,447	1,370
Prepaid expenses and other current assets	6,724	5,579
Total current assets	**114,005**	**171,646**
Cash designated for capital projects and other	**$ 18,759**	**$ 9,129**

Statements of Net Position (Unaudited)

	(In thousands) January 2014	(In thousands) January 2013
Restricted assets:		
Cash and investments:		
Bonds reserve	$ 57,286	$ 47,829
Passenger facility charges and interest unapplied	50,135	63,814
Customer facility charges and interest applied*	39,869	36,502
Commercial paper reserve	31	51
SBD bond guarantee	4,000	4,000
Bond proceeds held by trustee	251,247	429,841
Commercial paper interest held by trustee	13	13
Passenger facility charges receivable	2,871	3,414
Customer facility charges receivable*	2,794	1,658
OCIP insurance reserve	5,108	5,944
Total restricted assets	**$ 413,354**	**$ 593,066**

**Rental Car Center*

Statements of Net Position (Unaudited)

	(In thousands) January 2014	(In thousands) January 2013
Noncurrent assets:		
Capital assets:		
Land and land improvements	$ 71,310	$ 24,487
Runways, roads and parking lots	535,944	269,750
Buildings and structures	714,712	471,104
Machinery and equipment	13,669	13,079
Vehicles	5,582	5,389
Office furniture and equipment	32,044	31,416
Works of art	2,284	2,350
Construction-in-progress	492,990	809,264
Total capital assets	**1,868,535**	**1,626,839**
Less: accumulated depreciation	(615,867)	(563,824)
Total capital assets, net	**$ 1,252,668**	**$ 1,063,015**

Statements of Net Position (Unaudited)

	(In thousands) January 2014	(In thousands) January 2013
Other assets:		
Notes receivable - long-term portion	$ 39,065	$ 40,557
Investments - long-term portion	63,519	12,841
Deferred costs - bonds (net)	0	7,031
Net pension asset	6,324	6,880
Security deposit	500	615
Total other assets	**109,408**	**67,924**
Total noncurrent assets	**1,362,076**	**1,130,939**
TOTAL ASSETS	**$ 1,908,194**	**$ 1,904,780**

Statements of Net Position (Unaudited)

	(In thousands) January 2014	(In thousands) January 2013
Current liabilities:		
Accounts payable and accrued liabilities	$ 72,093	$ 90,890
Deposits and other current liabilities	3,918	4,665
Total current liabilities	**76,011**	**95,555**
Current liabilities - payable from restricted assets:		
Current portion of long-term debt	11,835	6,172
Accrued interest on bonds and commercial paper	4,212	2,689
Total liabilities payable from restricted assets	**$ 16,047**	**$ 8,861**

Statements of Net Position (Unaudited)

	(In thousands) January	
	2014	**2013**
Long-term liabilities - other:		
Commercial paper notes payable	$ 44,919	$ 50,969
Other long-term liabilities	10,185	9,295
Long-term debt - bonds net of amortized premium	1,015,785	1,021,483
Total long-term liabilities	**1,070,890**	**1,081,747**
Total liabilities	**$ 1,162,947**	**$ 1,186,163**

Statements of Net Position (Unaudited)

	(In thousands) January	
	2014	**2013**
Net Position:		
Invested in capital assets, net of related debt	$ 423,324	$ 413,172
Other restricted	162,113	169,436
Unrestricted:		
Designated	25,083	16,009
Undesignated	134,727	120,000
Total net position	**745,247**	**718,617**
TOTAL LIABILITIES AND NET POSITION	**$ 1,908,194**	**$ 1,904,780**

Questions?

Item 3

San Diego County Regional Airport Authority

Review of the Authority's Investment Report
As of January 31, 2014

Presented by:

Vernon D. Evans, CPA

Vice President, Finance / Treasurer & CFO

Scott Brickner, CPA

Director, Financial Planning and Budget

February 24, 2014

This report is prepared for the San Diego County Regional Airport Authority (the "Authority") in accordance with California Government Code Section 53646, which states that "the treasurer or chief fiscal officer may render a quarterly report to the chief executive officer, the internal auditor, and the legislative body of the local agency within 30 days following the end of the quarter covered by the report."

The investment report and investment portfolio are in compliance with California Government Code Section 53646 and the Authority's approved Investment Policy. All investment transactions made in the Authority's portfolio during this period were made on behalf of the Authority. Sufficient liquidity and anticipated revenue are available to meet expenditure requirements for the next six months.

Vernon D. Evans
Chief Financial Officer/Treasurer
San Diego County Regional Airport Authority

Total Portfolio Summary

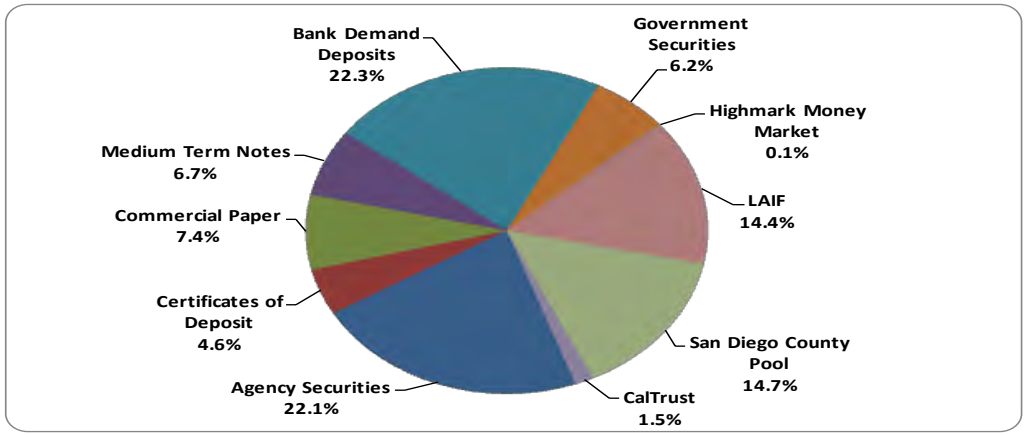
	Current Period January 31, 2014	Prior Period December 31, 2013	Change From Prior
Book Value (1)	$330,825,000	$329,224,000	$1,601,000
Market Value (1)	$330,770,000	$328,866,000	$1,904,000
Market Value%	100.03%	99.96%	0.07%
Unrealized Gain / (Loss)	($55,000)	($358,000)	$303,000
Weighted Average Maturity (Days)	312 days	306 days	6
Weighted Average Yield as of Period End	0.43%	0.44%	(0.01%)
Cash Interest Received- Current Month	$253,000	$114,000	$139,000
Cash Interest Received- Year-to-Date	$984,000	$731,000	$253,000
Accrued Interest	$256,000	$291,000	($35,000)

Notes:

(1) Increase in cash balance was predominantly due to capital receipts exceeding capital disbursements.

Portfolio Composition by Security Type

	January 31, 2014		December 31, 2013		
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio	Permitted by Policy
Agency Securities	$ 72,940,000	22.1%	$ 75,241,000	22.9%	100%
Certificates of Deposit	15,170,000	4.6%	15,168,000	4.6%	30%
Commercial Paper	24,485,000	7.4%	24,491,000	7.4%	25%
Medium Term Notes	22,052,000	6.7%	22,039,000	6.7%	15%
Bank Demand Deposits	74,102,000	22.3%	72,668,000	22.2%	100%
Government Securities	20,533,000	6.2%	17,999,000	5.5%	100%
Highmark Money Market	472,000	0.1%	304,000	0.1%	20%
LAIF	47,516,000	14.4%	47,496,000	14.4%	$50 million (1)
San Diego County Pool	48,481,000	14.7%	48,442,000	14.7%	$50 million (2)
CalTrust	5,019,000	1.5%	5,018,000	1.5%	$50 million (3)
Total:	**$ 330,770,000**	**100.0%**	**$ 328,866,000**	**100.0%**	

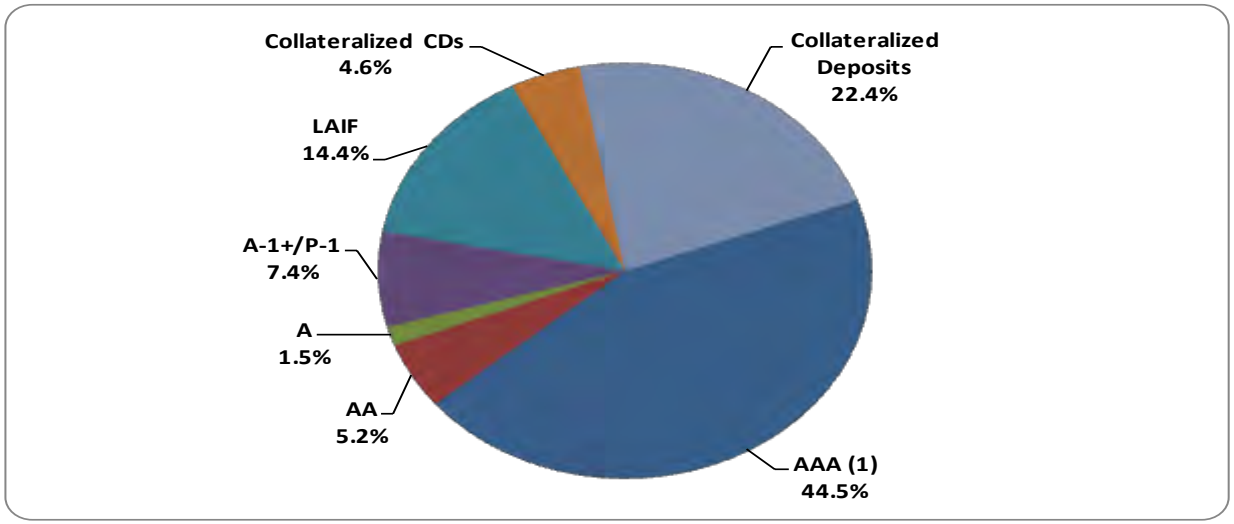


Notes:

1.) The $50 million limit on LAIF is a non-statutory LAIF internal limit. It does not apply to bond proceeds.
2.) The San Diego County Investment Pool mirrors the LAIF internal limit and does not apply to bond proceeds.
3.) The CalTrust mirrors the LAIF internal limit and does not apply to bond proceeds.

Portfolio Composition by Credit Rating

	January 31, 2014		December 31, 2013	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
AAA [(1)]	$ 147,447,000	44.5%	$ 147,004,000	44.8%
AA	17,049,000	5.2%	$ 17,034,000	5.2%
A	5,003,000	1.5%	$ 5,005,000	1.5%
A-1+/P-1	24,485,000	7.4%	24,491,000	7.4%
LAIF	47,516,000	14.4%	47,496,000	14.4%
Collateralized CDs	15,170,000	4.6%	15,168,000	4.6%
Collateralized Deposits	74,100,000	22.4%	72,668,000	22.1%
Total:	**$ 330,770,000**	**100.0%**	**$ 328,866,000**	**100.0%**

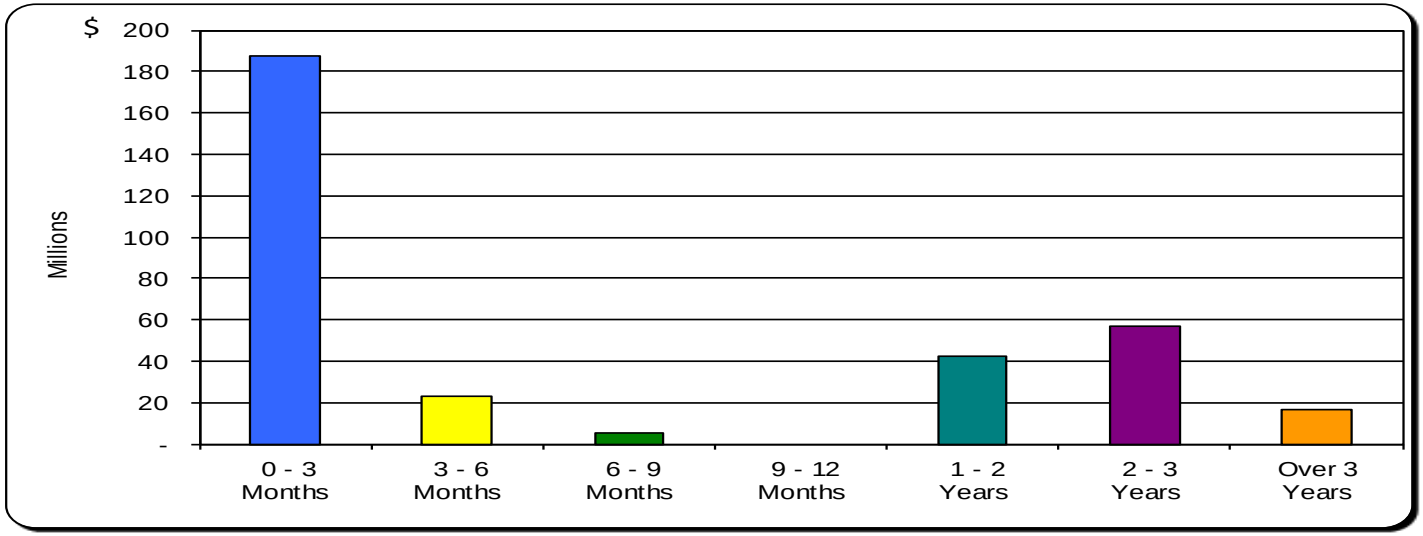


Notes:

1.) Includes investments that have split ratings between S&P (AA+), Moodys (AAA) and Fitch (AAA)

Portfolio Composition by Maturity Distribution(1)

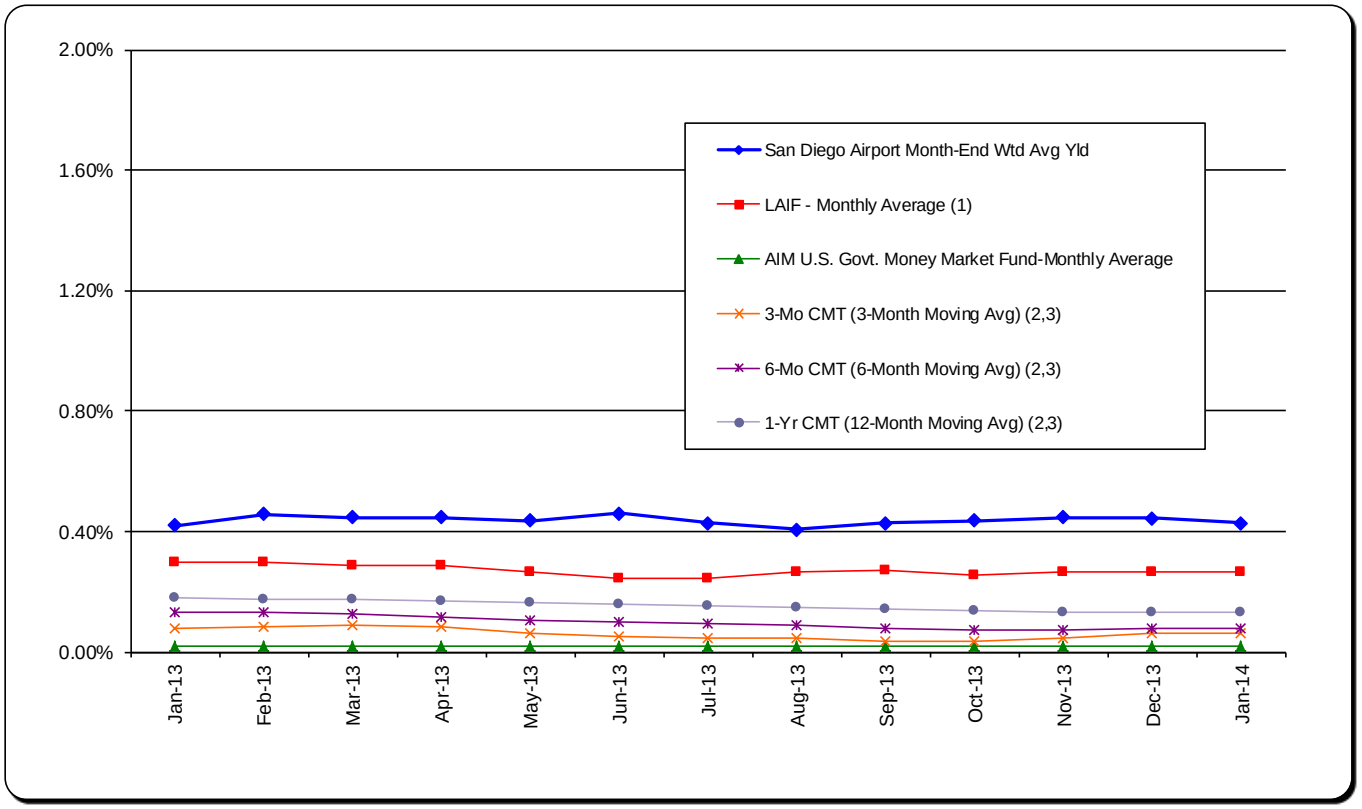
	January 31, 2014		December 31, 2013	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
0 - 3 Months	$ 187,588,000	56.7%	$ 188,426,000	57.3%
3 - 6 Month	22,649,000	6.8%	9,993,000	3.0%
6 - 9 Months	5,008,000	1.5%	15,168,000	4.6%
9 - 12 Months	-	0.0%	-	0.0%
1 - 2 Years	42,298,000	12.8%	25,568,000	7.8%
2 - 3 Years	56,827,000	17.2%	70,922,000	21.6%
Over 3 Years	16,400,000	5.0%	18,789,000	5.7%
Total:	**$ 330,770,000**	**100.0%**	**$ 328,866,000**	**100.0%**



Notes:

1.) The 0-3 Month category includes investments held in the LAIF and the San Diego County Investment Pool.

Benchmark Comparison



Notes:

1.) *Benchmark data for LAIF is the average monthly effective yield.*

2.) *CMT stands for Constant Maturity Treasury. This data is published in Federal Reserve Statistical Release H.15 and represents an average of all actively traded Treasury securities having that time remaining until maturity. This is a standard industry benchmark for Treasury securities.*

3.) *The CMT benchmarks are moving averages. The 3-month CMT is the daily average for the previous 3 months, the 6-month CMT is the daily average for the previous 6 months, and the 1-year CMT is the daily average for the previous 12-months.*

Detail of Security Holdings

As of January 31, 2014

Settlement Date	Security Description	Coupon	Maturity Date	Next Call Date	Par Value	Purchase Price	Book Value	Market Price	Market Value	Days to Maturity	Yield to Maturity
02/10/12	FHLMC	1.000	02/10/16	02/10/14	3,000,000	100.475	3,014,250	100.015	3,000,450	740	0.879
02/24/12	FNMA	0.800	02/24/16	02/24/14	3,000,000	99.785	2,993,550	100.041	3,001,230	754	0.855
10/29/12	FNMA	0.550	04/29/16	01/29/14	6,000,000	99.863	5,991,750	100.086	6,005,160	819	0.592
12/28/12	FNMA	0.006	06/27/16	03/27/14	5,000,000	99.875	4,993,750	99.855	4,992,750	878	0.596
09/21/12	FNMA	1.125	06/28/17	03/28/14	3,000,000	100.368	3,011,040	100.168	3,005,040	1244	1.050
07/26/12	FNMA	0.750	07/26/17	01/26/14	2,000,000	99.875	1,997,500	99.574	1,991,480	1272	1.220
09/21/12	FHLMC	1.000	09/12/17	03/12/14	3,000,000	99.975	2,999,250	99.394	2,981,820	1320	1.000
01/16/13	FHLMC	1.050	01/16/18	01/16/14	3,000,000	99.970	2,999,100	98.840	2,965,200	1446	1.056
01/09/13	FHLMC	1.375	01/09/18	01/09/15	2,000,000	101.440	2,028,800	100.165	2,003,300	1439	1.080
01/30/13	FNMA	1.030	01/30/18	01/30/14	3,500,000	99.990	3,499,650	98.657	3,452,995	1460	1.032
06/13/13	FHLB	0.375	06/24/16	06/24/16	5,000,000	99.023	4,951,150	99.702	4,985,100	875	0.701
02/13/13	FHLB	0.250	02/20/15	02/20/15	5,000,000	99.870	4,993,500	100.078	5,003,900	385	0.315
02/14/13	FNMA	0.500	05/27/15	05/27/15	2,500,000	100.349	2,508,725	100.330	2,508,250	481	0.347
02/13/13	FHLB	0.500	11/20/15	11/20/15	5,000,000	100.172	5,008,600	100.228	5,011,400	658	0.437
02/13/13	FNMA	0.375	12/21/15	12/21/15	5,000,000	99.772	4,988,600	100.068	5,003,400	689	0.455
10/10/13	FHLMC	0.875	10/14/16	10/14/16	4,000,000	100.180	4,007,200	100.539	4,021,560	987	0.814
12/10/13	FHLB	0.625	12/28/16	12/28/16	5,000,000	99.816	4,990,800	99.958	4,997,900	1062	0.438
06/12/13	FHLMC	0.500	05/13/16	05/13/16	8,000,000	99.707	7,976,568	100.112	8,008,960	833	0.601
	Agency Total				73,000,000		72,953,783		72,939,895	911	0.684
07/02/13	East West Bk CD	0.500	07/02/14		10,161,695	100.000	10,161,695	100.000	10,161,695	152	0.500
09/05/13	Torrey Pines Bank CD	0.500	09/04/14		5,000,000	100.000	5,008,363	100.167	5,008,363	216	0.500
	CD's Total				15,161,695		15,170,058		15,170,058	173	0.500

Detail of Security Holdings

As of January 31, 2014

Settlement Date	Security Description	Coupon	Maturity Date	Next Call Date	Par Value	Purchase Price	Book Value	Market Price	Market Value	Days to Maturity	Yield to Maturity
09/04/13	BNP PARIBAS CP	0.340	03/03/14		4,000,000	99.830	3,993,200	99.987	3,999,480	31	0.341
01/17/14	UBS FINANCE CP	0.215	07/16/14		4,000,000	99.893	3,995,700	99.873	3,994,920	166	0.215
08/06/13	BANK OF TOKYO-MITSUBISHI CP	0.250	02/06/14		3,000,000	99.872	2,996,167	99.999	2,999,970	6	0.250
08/12/13	RABUSA CP	0.260	05/09/14		5,000,000	99.805	4,990,250	99.942	4,997,100	98	0.260
10/07/13	J.P. MORGAN SEC CP	0.250	04/07/14		5,000,000	99.874	4,993,681	99.963	4,998,150	66	0.250
01/15/14	BANK OF TOKYO-MITSUBISHI CP	0.240	07/15/14		3,500,000	99.879	3,495,777	99.874	3,495,590	165	0.240
	Commercial Paper Total				24,500,000		24,464,774		24,485,210	90	0.260
05/09/13	Apple Inc Notes	0.450	05/03/16		4,000,000	99.944	3,997,760	99.689	3,987,560	823	0.469
06/03/13	Toyota Motor Corp Notes	2.800	01/11/16		4,000,000	105.114	4,204,560	104.243	4,169,720	710	0.812
08/30/13	Caterpillar Financial	0.409	08/28/15		5,000,000	100.000	5,000,000	100.064	5,003,200	574	0.409
10/10/13	GE CAP CORP	0.896	01/08/16		5,000,000	100.452	5,022,600	100.741	5,037,050	707	0.695
11/01/13	COCA COLA CORP NOTE	0.750	11/01/16		800,000	100.080	799,080	99.974	799,792	1005	0.789
07/08/13	WAL MART STORES INC	1.500	10/25/15		3,000,000	102.028	3,060,836	101.834	3,055,020	632	0.617
	Medium Term Notes				21,800,000		22,084,836		22,052,342	699	0.604
02/13/13	U.S. Treasury	0.375	01/15/16		5,000,000	99.926	4,996,082	100.142	5,007,122	714	0.401
01/23/14	U.S. Treasury	0.375	01/15/16		2,500,000	99.965	2,499,328	99.973	2,499,328	714	0.393
06/03/13	U.S. Treasury	0.250	05/15/16		6,850,000	99.234	6,797,555	99.586	6,821,641	835	0.512
07/08/13	U.S. Treasury	0.500	06/15/16		6,197,856	99.602	6,175,297	100.121	6,205,332	866	0.637
	Government Total				20,547,856		20,468,262		20,533,423	800	0.508
	US Bank General Acct				14,793,896	100.000	14,793,896	100.000	14,793,896	1	0.035
	US Bank Accounts Total				14,793,896		14,793,896		14,793,896	1	0.035
	Highmark US Govt MMF				472,096	100.000	472,096	100.000	472,096	1	0.000
	Highmark Money Market Total				472,096		472,096		472,096	1	0.000
	Torrey Pines Bank MM				5,009,806	100.000	5,009,806	100.000	5,009,806	1	0.500
	Local Agency Invstmnt Fd				47,493,924	100.000	47,493,924	100.046	47,515,981	1	0.264
	San Diego County Inv Pool				48,598,029	100.000	48,598,029	99.759	48,480,990	1	0.390
	CalTrust				5,019,379	100.000	5,019,379	100.000	5,019,379	1	0.320
	Bank of the West				18,737,981	100.000	18,737,981	100.000	18,737,981	1	0.290
	Wells Fargo Bank				4,047,896	100.000	4,047,896	100.000	4,047,896	1	0.250
	East West Bank				103,186	100.000	103,186	100.000	103,186	1	0.350
	East West Bank				31,407,392	100.000	31,407,392	100.000	31,407,392	1	0.350
	East West Bank Total				31,510,579		31,510,579	100.000	31,510,579	1	0.350
	Grand Total				**$ 330,693,138**	**98.53**	**$ 330,825,300**	**100.03**	**$ 330,769,534**	**312**	**0.427**

Portfolio Investment Transactions

From January 1st, 2014 – January 31st, 2014

Settle Date	Security Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
PURCHASES								
01/15/14	BANK OF TOKYO-MITSUBISHI CP	CP - DISC	06538CGF2	0.240	07/15/14	--	99.879	$ 3,495,777
01/17/14	UBS FINANCE CP	CP - DISC	90262DGG4	0.215	07/16/14	--	99.893	3,995,700
01/23/14	TREAS NOTE	U.S. Treasury	912828UG3	0.375	01/15/16	--	99.965	2,499,328
								$ 9,990,805
CALLS								
01/27/12	FHLMC	AGCY CALL	3134G3JU5	2.250	01/23/17	01/23/14	102.885	$ 2,503,050
								$ 2,503,050
MATURITIES								
07/12/13	BANK OF TOKYO-MITSUBISHI CP	CP - DISC	06538CAF8	0.250	01/15/14	--	99.870	$ 3,499,825
07/18/13	UBS FINANCE CP	CP - DISC	90262DAH8	0.220	01/17/14	--	99.888	$ 3,999,760
								$ 7,499,585
DEPOSITS								
								$ -
WITHDRAWALS/SALES								
								$ -

Bond Proceeds Summary

As of: January 31, 2014
(in thousands)

	Bonds 2010	Bonds 2013	Total	Yield	Rating
Project Fund					
LAIF[1]	$ -	$ 6,605	$ 6,605	0.26%	N/R
SDCIP[2]	290	151,806	152,096	0.39%	AAAf
	$ 290	$ 158,411	$ 158,701		
Capitalized Interest					
SDCIP[2]	$ -	$ 752	$ 752	0.39%	AAAf
	$ -	$ 752	$ 752		
Debt Service Reserve Fund					
East West Bank CD	$ 20,539	$ -	$ 20,539	0.75%	
Bank of the West DDA	16,138	-	16,138	0.23%	
SDCIP[2]	14,640	32,966	47,606	0.39%	AAAf
	$ 51,317	$ 32,966	$ 84,283		
	$ 51,607	$ 192,129	$ 243,736	0.41%	

*Bond proceeds are not included in deposit limits as applied to operating funds

(1) LAIF Yield as of 12/31/2013

(2) SDCIP Yield as of 12/31/2013

Bond Proceeds Investment Transactions

From January 1st, 2014 – January 31st, 2014

Settle Date	Security Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
PURCHASES								
								$ -
CALLS								
								$ -
MATURITIES								
								$ -
DEPOSITS								
								$ -
WITHDRAWALS / SALES								
1/2/2014	LAIF (2013 Bonds)	LAIF		0.26			1.000	$ 7,647,196
1/2/2014	SDCIP (2013 Bond)	SDCIP		0.39			1.000	$ 4,267,605
1/2/2014	SDCIP (2013 CAPI)	SDCIP		0.39			1.000	$ 1,530,743
								$ 13,445,544

Questions

ITEM 4

San Diego County Regional Airport Authority

Commercial Paper Program

Presented by:
Vernon D Evans, CPA
Vice President, Finance/Treasurer

February 24, 2014

Rationale for a Commercial Paper (CP) Program

Used to manage capital funding requirements

- Flexible, "just in time" funding
- Interim capital funding source between Bond offerings

Provides variable rate exposure in a debt portfolio

- CP has generally provided the lowest cost of funds

Diversifies credit and investor base

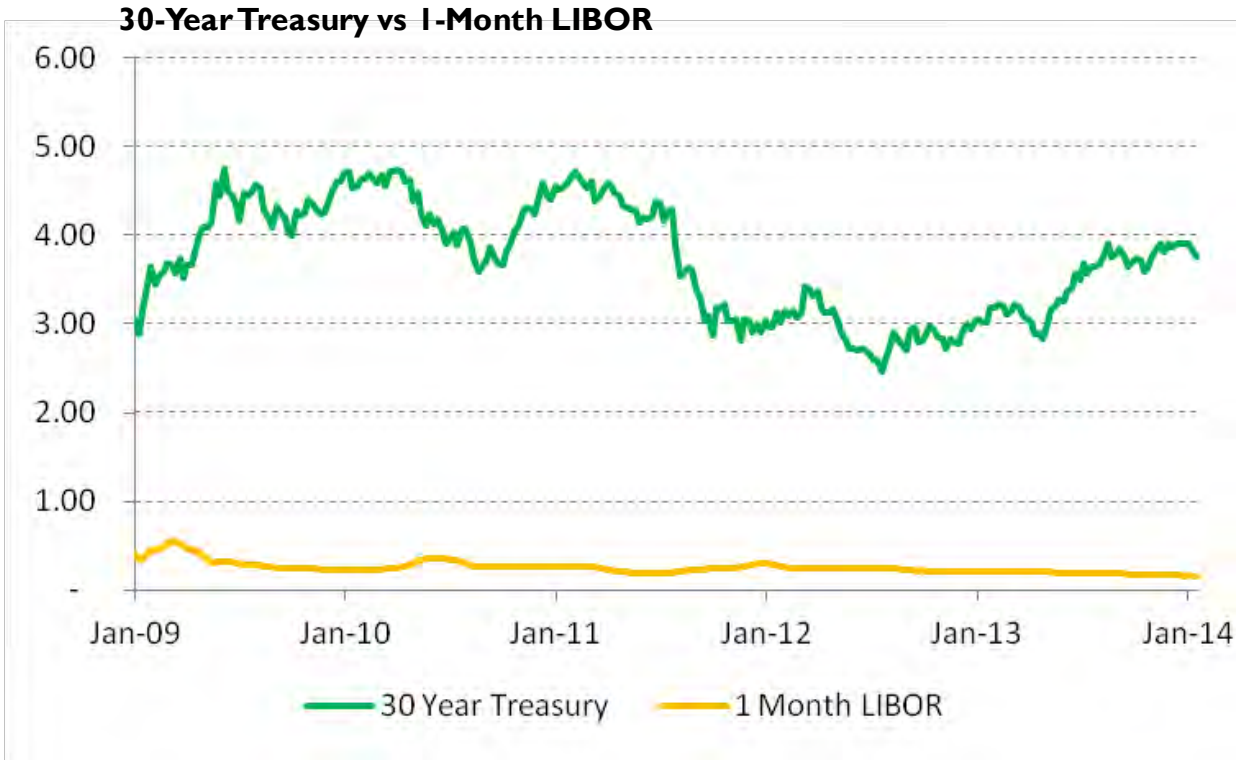
- Attract a different buyer base than long term fixed rate debt

Features of the CP Program

- CP Notes are secured by a Letter of Credit (LOC)
- CP Notes may be issued for terms from 1 day to up to 270 days
- Upon maturity, a Note may be "rolled" by issuing CP notes to refund the maturing notes
- The interest rate on CP Notes is established upon the issuance of each Note
- CP interest rates are very attractive in the current market, generally in the range of 15 to 20 basis points for maturities of up to 90 days

Taxable Historical Interest Rates

- Over the last five years, 30-Year Treasury rates, a proxy for long-term taxable interest rates, have averaged 3.72% versus 0.25% for One-Month LIBOR which is a proxy for short term taxable Commercial Paper



Tax-Exempt Historical Interest Rates

- Over the last five years, 30-Year Municipal Market Data (MMD), a proxy for long-term tax exempt interest rates, have averaged 3.89% versus 0.22% for Securities Industry and Financial Markets Association (SIFMA) index, a proxy for short term tax exempt Commercial Paper

30-Year MMD vs SIFMA

Background: Authority's Commercial Paper Program

- The Authority established its current $250M CP Program in September 2007
- The Authority currently has $51.0 million of outstanding CP Notes
  - $19.9 million (AMT) of Notes that funded various capital projects and which are being amortized through 2030
  - $31.1 million (Taxable) of Notes that defeased the Series 2005 bonds and which are being amortized through 2019
- The Authority also has previously utilized CP to provide interim funding for the Capital Program
- SDCRAA's current CP program is supported by a LOC from Lloyds TSB bank
  - The Lloyds LOC expires on September 10, 2014
  - This LOC had a seven year term with a fee of 17.25 bps for the utilized portion and 8 bps for the unutilized portion

Recent CP Market Developments

- Since the existing CP program was established in September 2007 the market environment has changed
- There are fewer banks who are currently providing LOCs compared to seven years ago, and the universe of banks that are active is different
- There generally is no price differential between the utilized and unutilized fee
- LOC fees are generally in the 35-50 basis point range for issuers with similar credit qualities as the Authority
- The term of LOC commitments are generally up to three years
- Several banks offer alternatives to a CP program:
  - Bank revolving credit facilities
  - Floating or fixed rate loans

Options

- Prior to expiration of the current LOC, we recommend establishing one or more programs to provide up to $150 million of funding capacity
  - Approximately $50 million to refund the current CP Notes
  - Approximately $100M for interim financing of capital needs and to provide liquidity
- The Authority would solicit proposals for one or more of the following:
  - LOCs for a new CP program
  - Bank revolving credit facilities
  - Floating or fixed rate loan to refund all or a portion of the current CP Notes

Timetable

Event	Date
Develop RFP for LOCs and/or Direct Loans and for CP dealer	March 2014
Issue RFP	May 2014
Receive and evaluate responses	June 2014
Request Board approval: Supplemental Subordinate Trust Indenture Bank Agreement(s) Other documents as required	July 2014
Finalize new CP and/or Loan program	August 2014

Questions

ITEM 5

San Diego County Regional Airport Authority

Discussion Regarding Fiscal Year 2015 and Fiscal Year 2016 Operating Budgets

Presented by:

Vernon D. Evans, CPA

Vice-President, Treasurer and CFO

Scott Brickner, CPA

Director, Business and Financial Management

February 24, 2014

SAN ORG

San Diego International Airport

Agenda

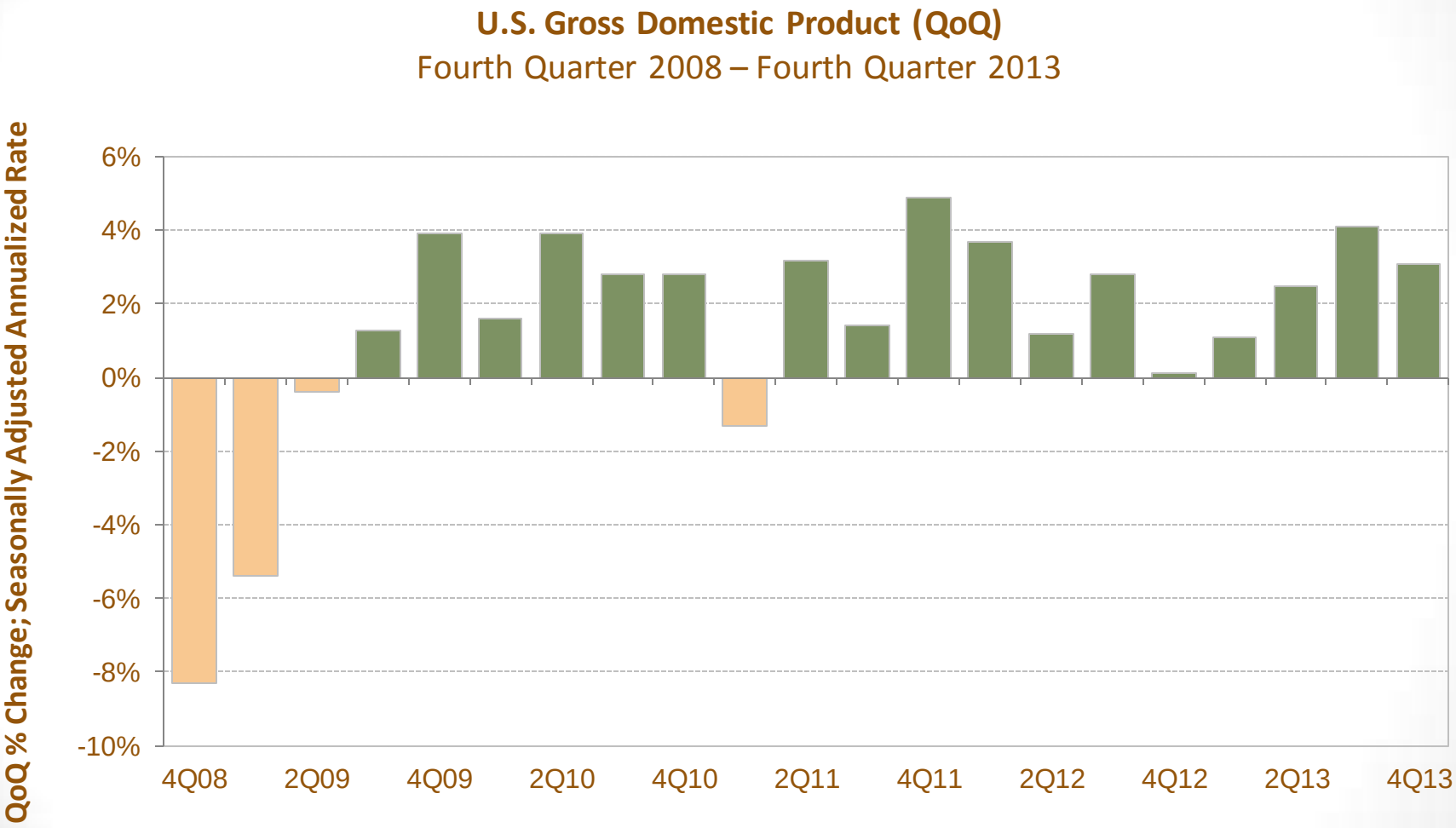
- Organizational Strategies
- Economic Update
- Moody's Report
- Budget Objectives
- Authority Financial Snapshot
- Budget Challenges
- GASB Statement 68
- Budget Guidelines
- Budget Calendar

Organizational Strategies

Financial Strategy	Enhance the financial position of the Authority
Customer Strategy	Achieve the highest level of internal and external customer satisfaction
Operations Strategy	Operate our airport in a safe, secure, environmentally-sound, effective, and efficient manner
Employee Strategy	Ensure the highest level of employee satisfaction
Community Strategy	Be a trusted and highly responsive regional agency

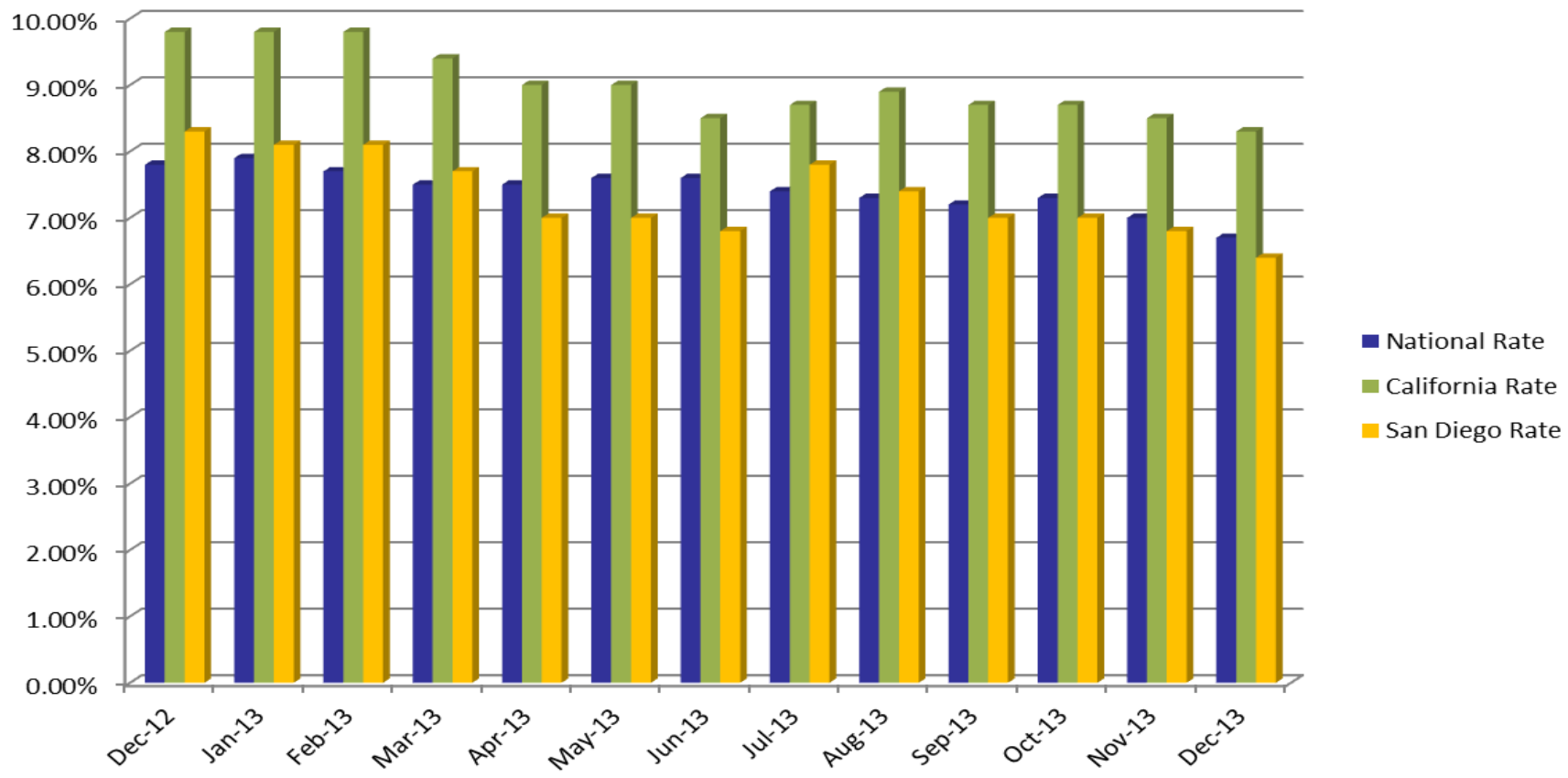
ECONOMIC UPDATE

GDP Grew by 1.9% in 2013



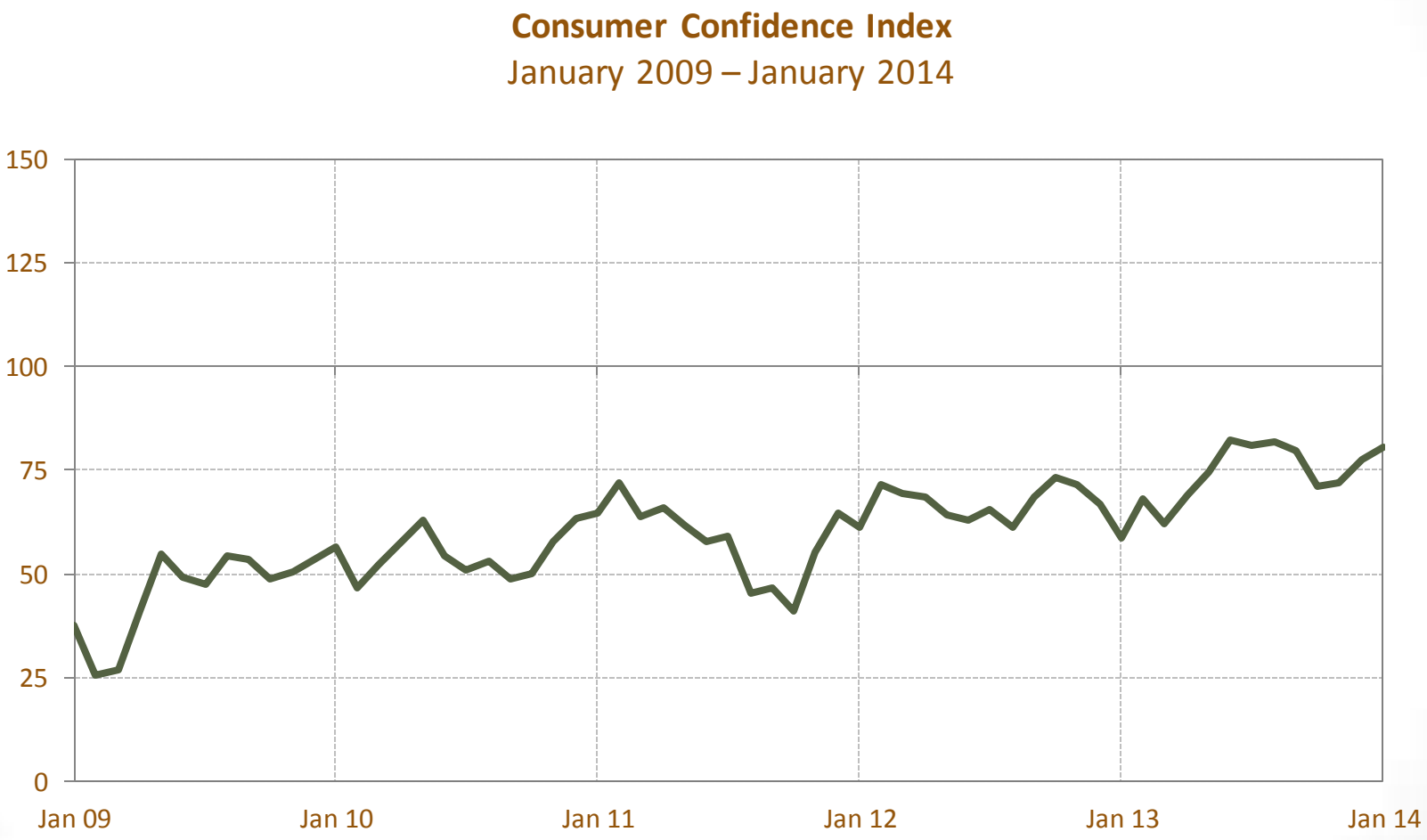
Source: Bureau Of Economic Analysis

December Unemployment Rate Declines Slightly



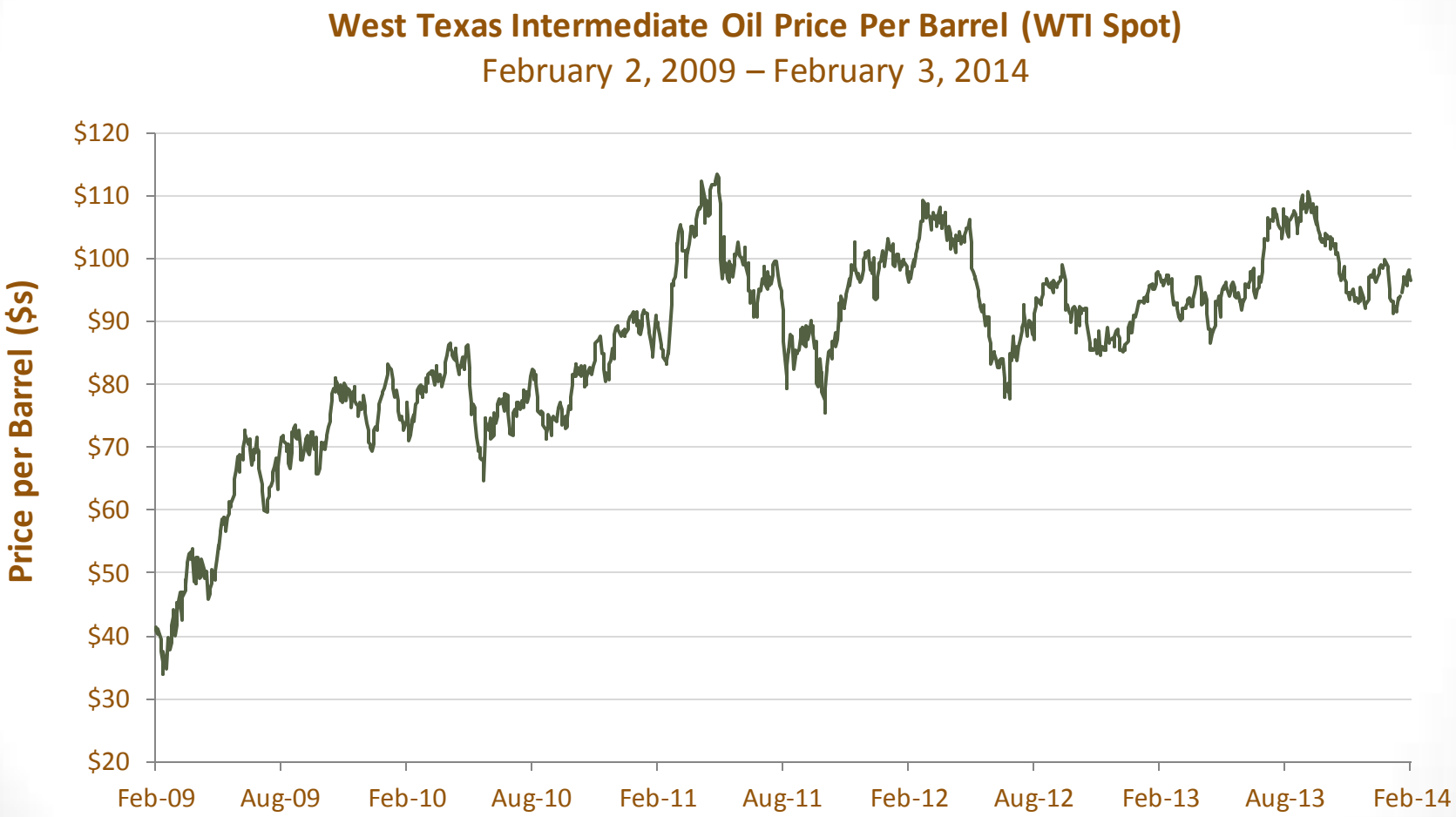
Source: US Dept of Labor, CA EDD

Consumer Confidence Improves



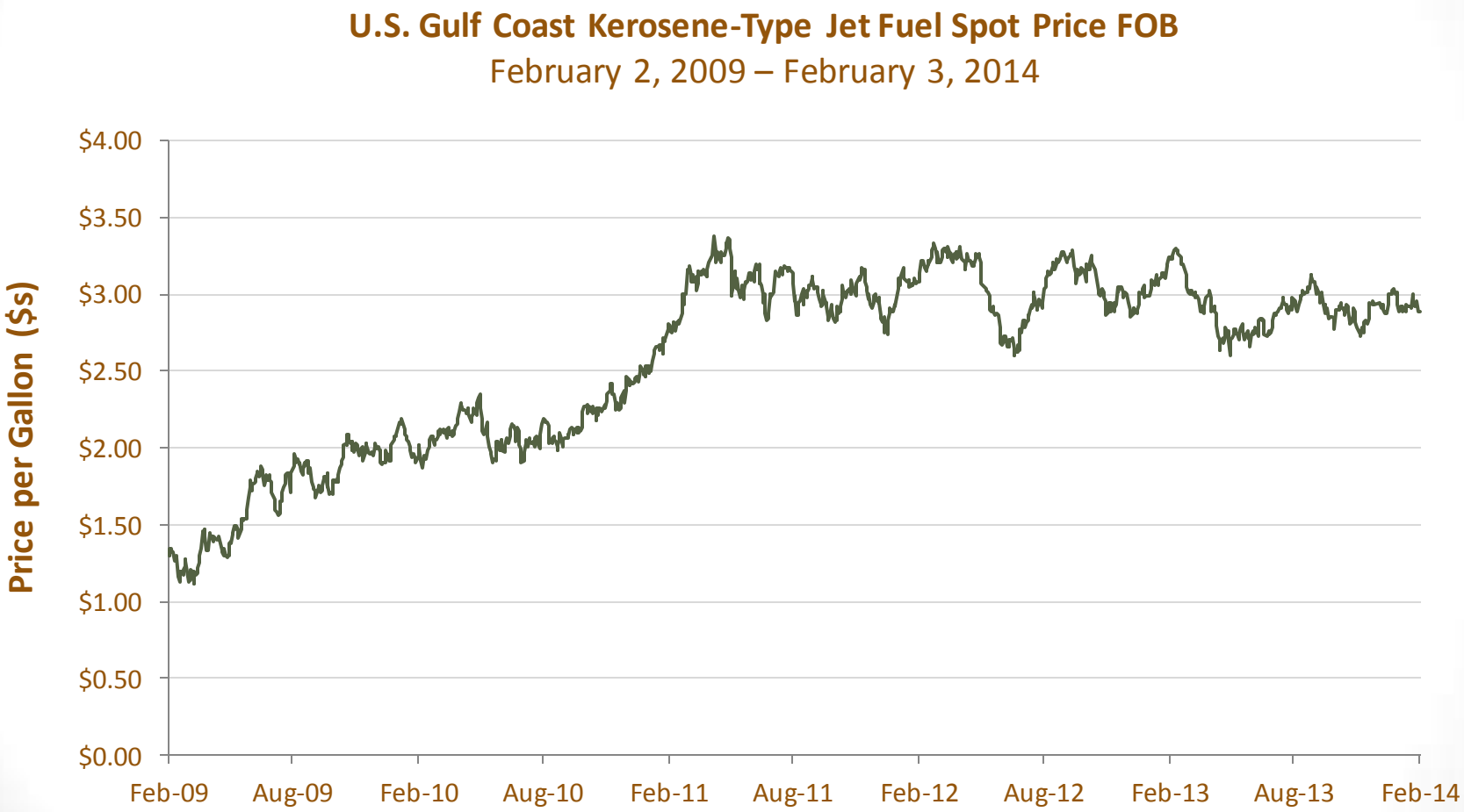
Source: Conference Board

Oil Prices Range Bound



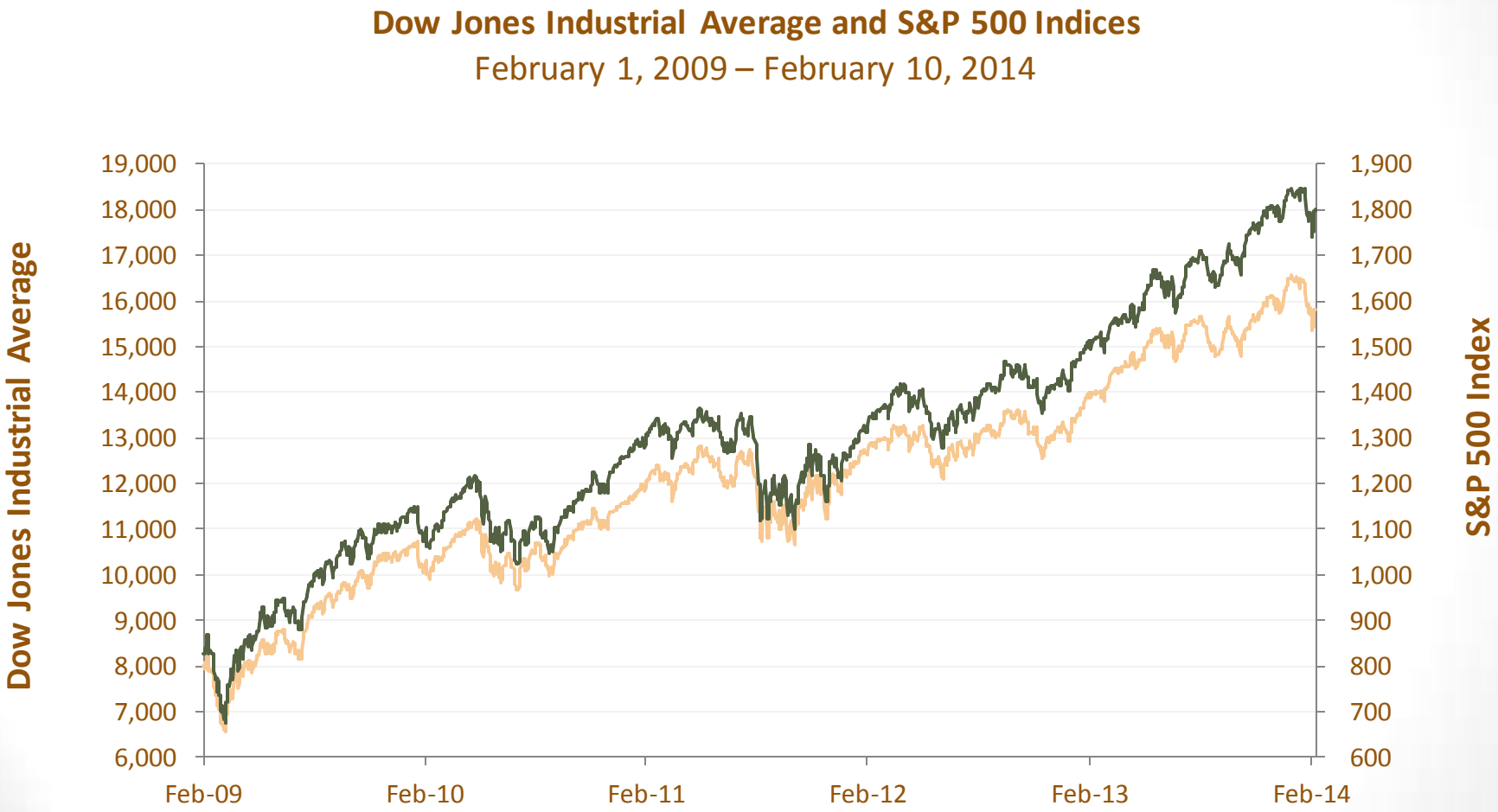
Source: U.S. Energy Information Administration (EIA)

Jet Fuel Prices Remain Range Bound



Source: U.S. Energy Information Administration (EIA)

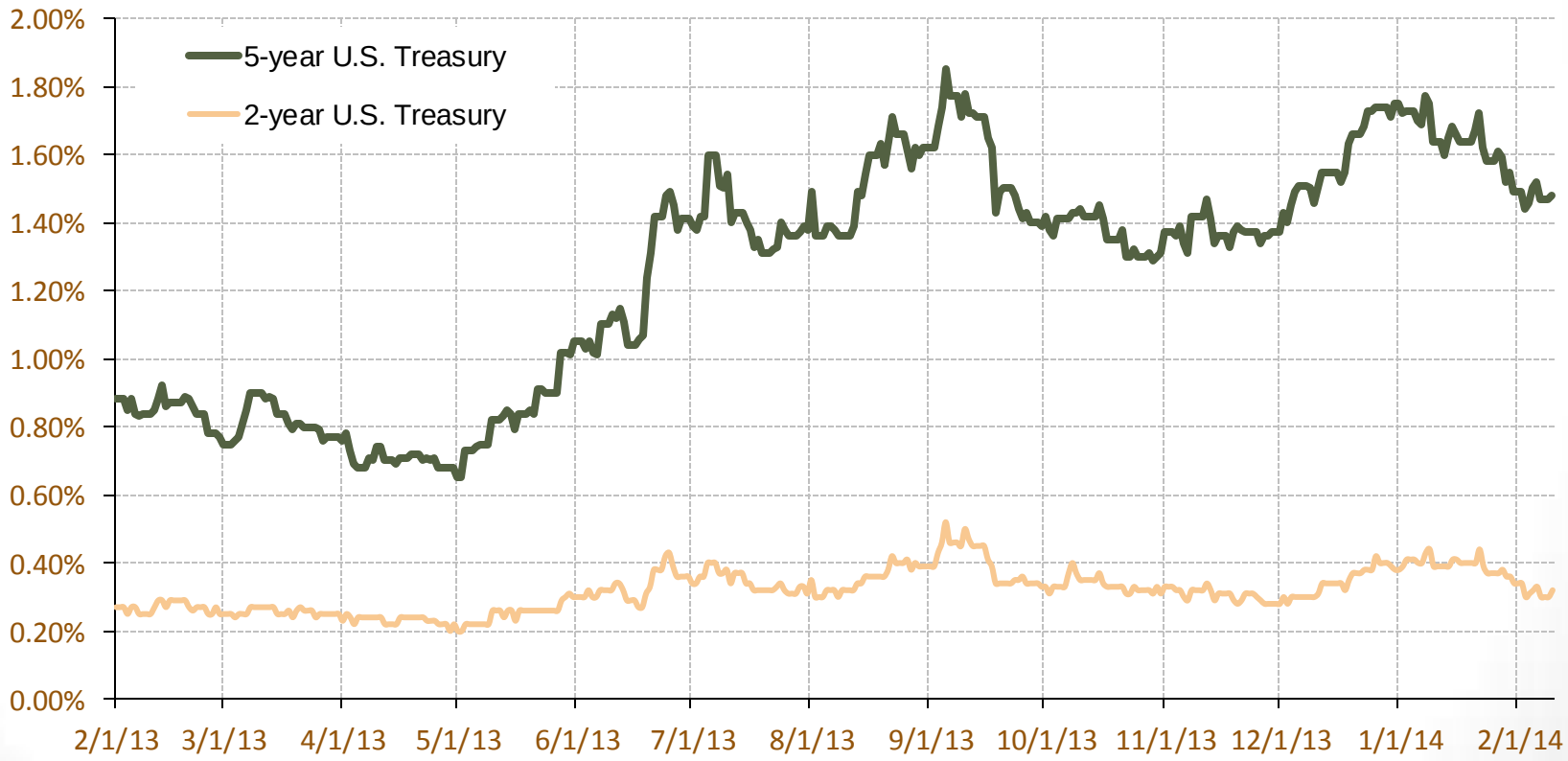
Equity Markets Up Sharply in 2013



Source: Bloomberg

Treasury Yields Trending Higher Throughout the Past Year

2- and 5-year U.S. Treasury Yields
February 1, 2013 – February 10, 2014



Source: Bloomberg

Moody's U.S. Airports 2014 Outlook

*Improved from **Negative** to **Stable***

Key drivers are:

- **Modest growth in enplanements**
- **Airlines will add seats**
- **Fuel prices have stabilized**
- **Slight gains in the U.S. economy**
- **Cost to airlines per enplanement (CPE) will rise modestly**

SDCRAA Strong Credit

recently affirmed by Moody's and S&P

- **Moody's assigns A3 rating to CFC Bond issuance and affirms A1 Senior and A2 Subordinate ratings with a stable outlook.**
- **Standard & Poor's assigns A- rating to CFC Bond issuance and affirms A+ Senior and A Subordinate ratings with a stable outlook.**
- **Fitch affirms A+ Senior and A Subordinate ratings with a stable outlook**

SDCRAA Strong Credit

recently affirmed by Moody's and S&P

Key Rating Rationale

- **Regional economy supports strong O&D market covering the 2nd largest City and County in California**
- **Diverse carrier base with 14 domestic and 5 foreign flag carriers**
- **Experienced proactive management team composed of seasoned professionals**
- **Solid financial operations and liquidity**
- **Strong debt service coverage**
- **Conservative plan of finance**

Budget Objectives

The Budget funds the Authority's Business Plan

- **Enhance Revenue**
- **Contain Costs**
- **Maintain Current Bond Rating (A+)**
- **Ensure Optimal Facility and Service Enhancement Initiative Support**
- **Begin Positioning the Authority for Implementation of ADP**
- **Ensure Adequate Funding for Safety & Security**

Budget Objectives cont.

- Address Regulatory, Legal & Contractual Requirements
- Address Maintenance Needs of New and Aging Facilities
- Continue to Serve the Region with a High Level of Trust, Responsiveness and Customer Service
- Enhance Staff Performance, Capacity, and Efficiency through Training Development and Best Business Practices
- Promote New Domestic and International Air Service

AUTHORITY FINANCIAL SNAPSHOT

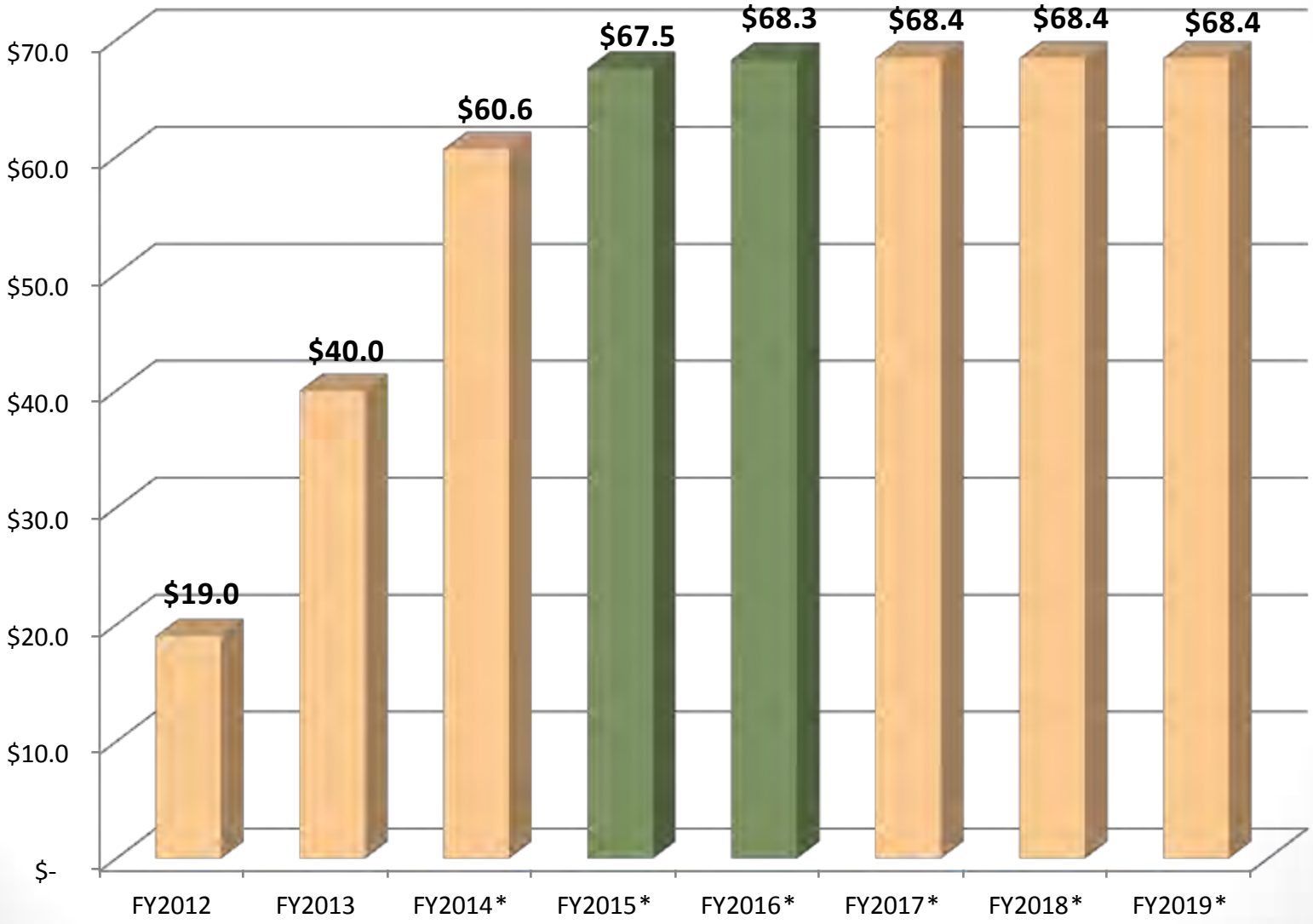
Debt Profile

Series	Lien	Par ($M)	Fiscal Year	Coupons	Tax Status
General Airport Revenue Bonds (GARB)					
CP	Subordinate	$50.9	2013-2030	Variable[1]	AMT/Taxable
2010A	Subordinate	$313.1	2014-2040	4.00-5.00%	Non-AMT
2010B	Subordinate	$41.3	2013-2040	3.00-5.00%	Non-AMT
2010C	Subordinate	$215.3	2031-2040	6.628%[2]	TX BABs
2013A	Senior	$107.2	2015-2043	3.00-5.00%	Non-AMT
2013B	Senior	$272.3	2015-2043	3.00-5.00%	AMT
Total		**$1,000.1**			
Special Facilities Bond					
2014A	Senior	$29.4	2043-2044	5.00%	Non-AMT
2014B	Senior	$275.9	2018-2043	2.54-5.59%	Taxable
Total		**$305.3**			

[1] *Currently rate is between 0.11% and 0.19% over 90 days*

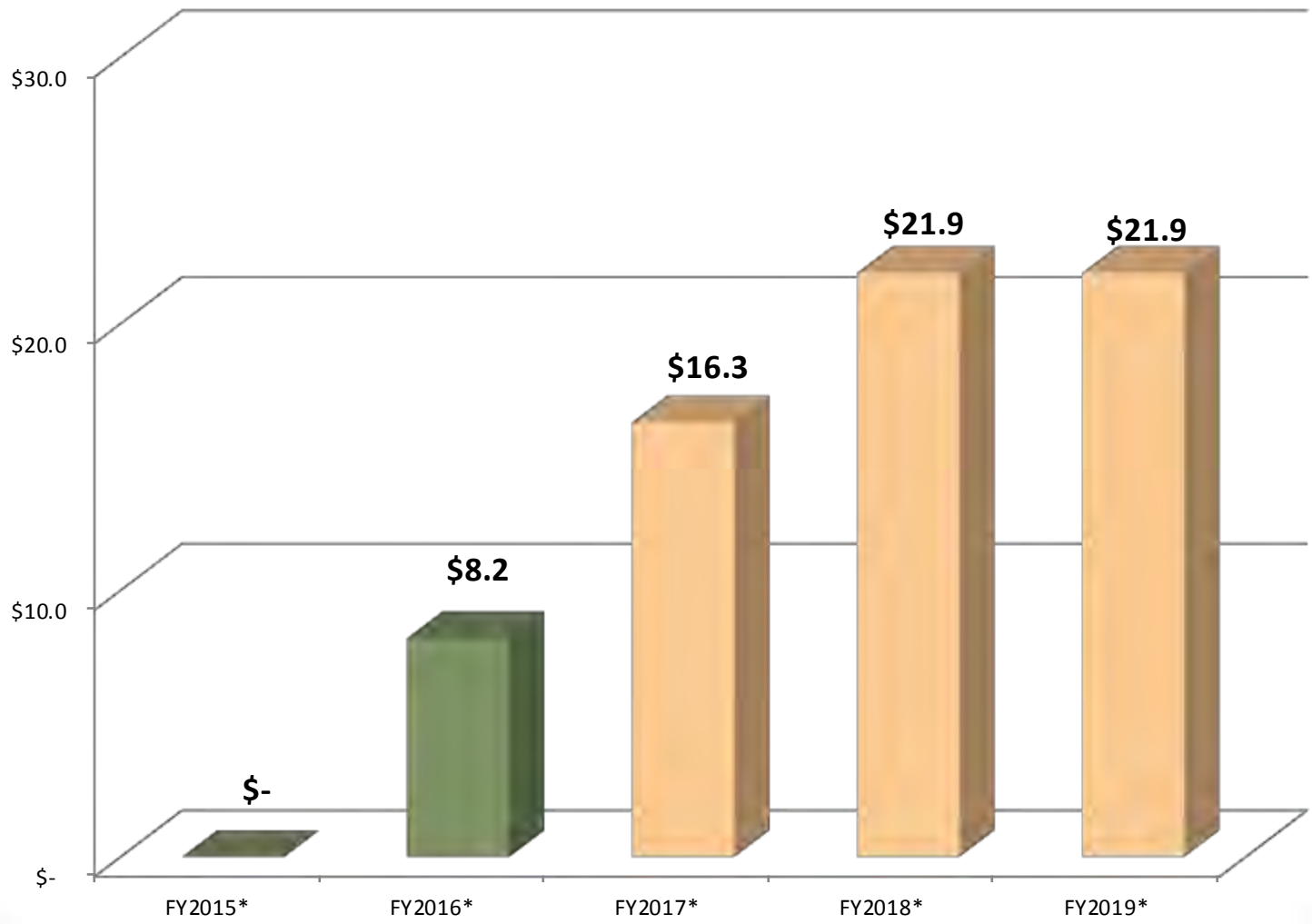
[2] *4.4475% net of the expected Federal BABs subsidy*

GARB Debt Service
(in millions)



** Projected*

Special Facilities Debt Service
(in millions)



** Projected*

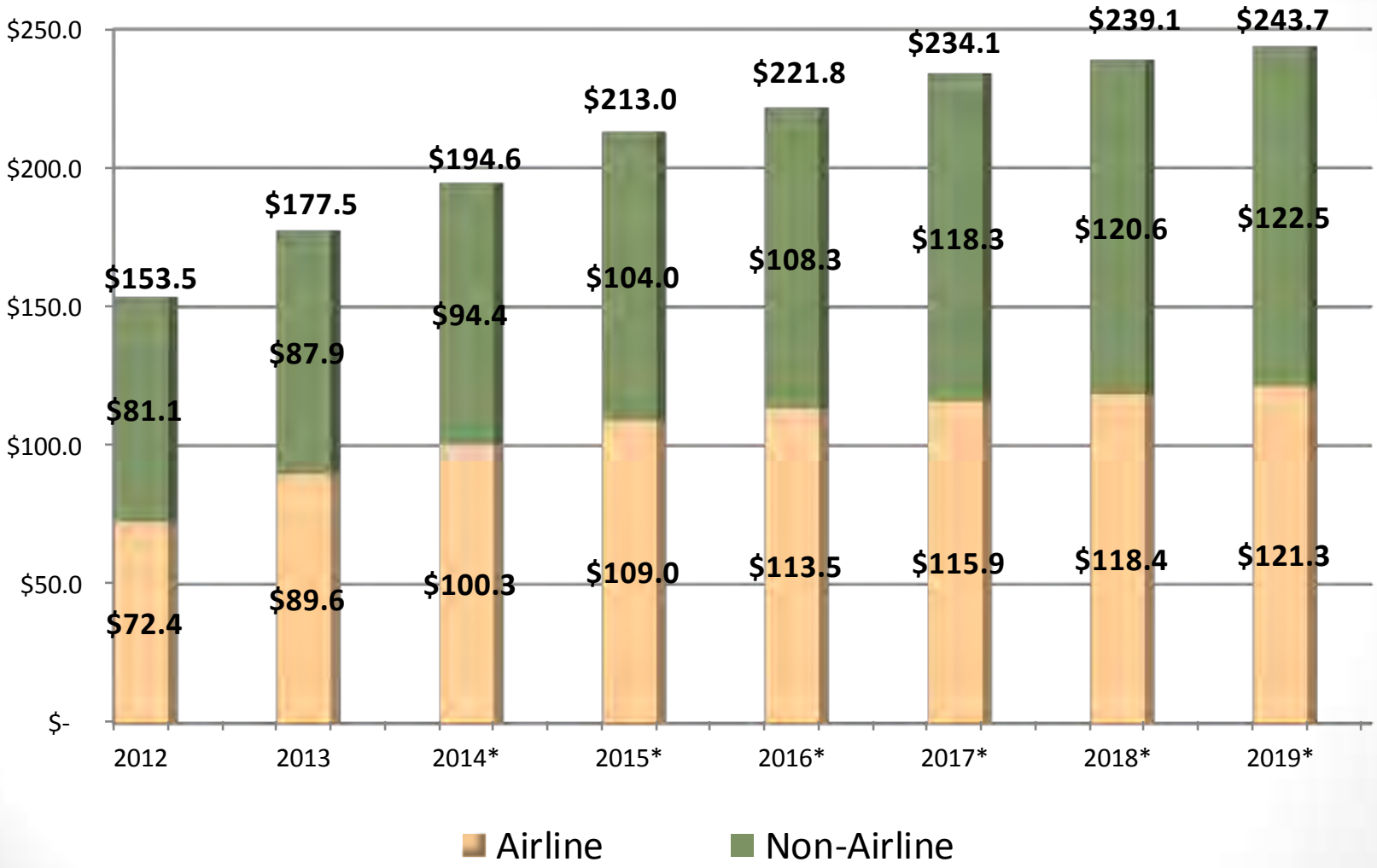
Enplanements Forecast

Fiscal Year	Enplanements (000's)	Growth Rate	FAA Growth Rate
2010	8,454		
2011	8,441	-0.2%	
2012	8,575	1.6%	
2013	8,738	1.9%	
2014*	8,831	1.1%	2.8%
2015*	8,976	1.6%	3.4%
2016*	9,156	2.0%	2.9%
2017*	9,320	1.8%	2.3%
2018*	9,479	1.7%	1.9%
2019*	9,593	1.2%	2.0%

** Projected*

Total Operating Revenue

(in millions)



** Projected*

Revenue Assumptions

- **Enplanements**
  - **FY2015 enplanements increase 1.6% vs. FY2014 Forecast**
  - **FY2016 enplanements increase 2.0% vs. FY2015**

- **Airline Revenue- recovery methodology remains the same as FY2014 budget**

Fiscal Year	*Terminal*	*Security*	*Airfield*	*CUPPS*
FY 2015	69%	95%	100%	100%
FY 2016	69%	95%	100%	100%

- **Concessions Development Program**
  - **FY2015-2016 revenue estimates reflect current Sales Per Enplanement rate which is higher than budgeted in FY2014**

- **Car Rental License Fees**
  - **FY2015-2016 estimates reduced to reflect increased market share and pricing pressure from low cost providers**
  - **FY2014 forecast is 7.4% below the FY2014 budget**

Revenue Assumptions cont.

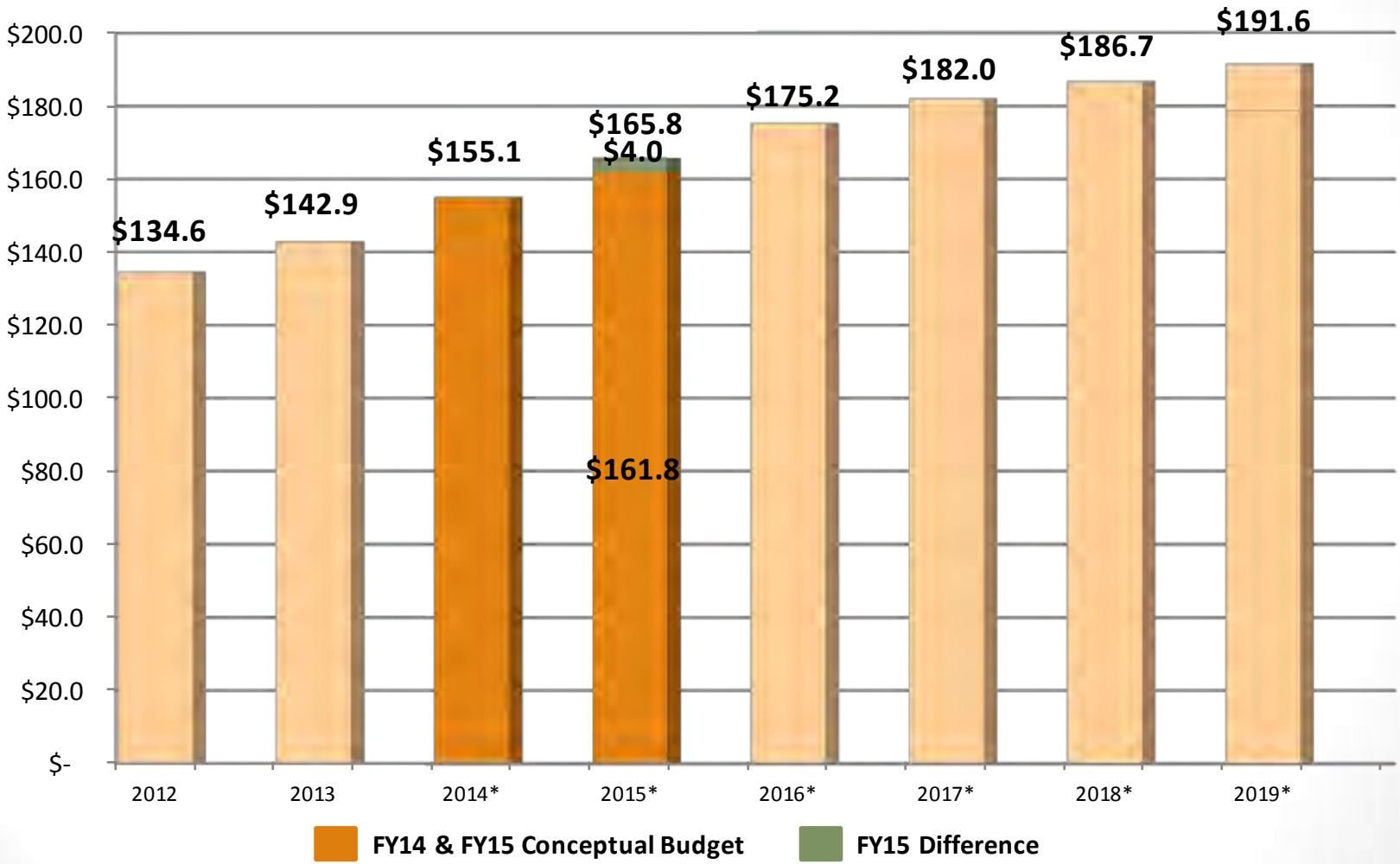
- Parking Revenue
  - Relocated Economy Lot opens March, 2014
  - Scheduled Parking Rate Increase in July 2014, as included in FY2015 conceptual budget
  - FY2015-2016 estimates reflect current revenue per transactions levels that are higher than budgeted due to longer duration

- Ground Rentals
  - New fixed- base operator facility commences August, 2014 (FY2015)
  - Rental Car Center (RCC) opens January, 2016 (FY 2016)
  - Vehicle storage revenue ceases once RCC opens

- Inflight Services
  - Percentage rent increase from 7% to 8% in January, 2014 due to new negotiated agreement

Total Expenses (w/o Debt Service)

(in millions)



** Projected*

Expense Assumptions

Personnel

- Salary and Wages
  - FY2015-2016 includes same assumptions as approved in FY2015 conceptual budget
    - Pay-for-performance
    - Contractually required union increases

- Health and Dental Benefits
  - Health: FY2015-2016 budget 10.8% renewal rate
  - Dental: FY2015-2016 budget 7.5% renewal rate

- Retirement Benefits
  - FY2015 proposed budget actuarial rate 14.29% vs. FY2015 conceptual budget rate of 12.5%
  - FY2016 proposed budget actuarial rate 14.79% vs. FY2015 proposed budget rate 14.29%

Expense Assumptions cont.

Non- Personnel

- Increase in Utilities (Gas & Electric)- $1M increase vs. FY2015 conceptual budget (7-10% rate increase in FY2015-2016)

- Increase in maintenance costs- $1.7M increase vs. FY2014 budget mainly due to Green Build and Northside Development and $2.8M increase vs. FY2015 conceptual budget

- Increase in security maintenance costs- $0.5M vs. FY2015 conceptual budget

- Increase in Harbor police costs due to increase in rates- $1.8M increase vs. FY2014 budget (was budgeted in FY2015 conceptual budget)

- ALUCPs costs increase- $0.7M increase vs. FY2014 budget (was budgeted in FY2015 conceptual budget)

- Rental Car Center (RCC) Busing costs- $4.6M in FY2016 (paid with CFCs)

FY2015 - FY2016 Challenges

- Identify New Revenue Opportunities
- Reduced Rental Car License Revenue
- Increase in Debt Service
- Increase in Utility Costs
- Increase in Harbor Police Costs
- Increase in Terminal Maintenance

GASB Statement 68

- Prior accounting standards required disclosure only of the unfunded pension liability.
- The unfunded liability is a measure of the promised benefits to employees for services performed, compared to the assets set aside to pay for those benefits.
- The recently adopted GASB Statement 68 requires the unfunded liability to be recorded as an operating expense and takes effect beginning FY2015.
- The unfunded liability in the latest actuarial report is $7.6 Million and will be budgeted as an operating expense.
- This change does not affect cash, but will impact the net position beginning in FY2015.
- This non-cash item does not affect the Authority's debt service coverage, CPE or Days Cash on Hand.

FY2015 - FY2016 Budget Guidelines

- **The 5 Organizational Strategies remain the same**
- **Provide / Develop new or enhanced revenues**
- **<u>Personnel Expenses</u>: FY15 – 16 Budget – New positions must be justified**
- **<u>Non-Personnel Expenses:</u>**
  - ***FY15 Budget***

Increase in Utilities, Maintenance and Security expenses	*$4.0M*
Required budget reductions from all departments	*-$1.2M*
Total Increase vs. FY15 Conceptual Budget	***$2.8M***

  - ***FY16 Budget – 2% justified increase vs. FY15 budget (does not include RCC busing)***

FY2015- FY2016 Budget Calendar

Timeline of Key Dates

1
Budget Kickoff Meeting FY15 & FY16
Jan 30

2
Board Meeting
Budget Calendar
Feb 6

3
Finance Committee
Operating Budget Discussion
Feb 24

4
Board Meeting
Capital Program Budget Discussion
April 3

5
Distribute Draft
of Proposed Budget to Board
April 30

6
Board Meeting
Budget Workshop
May 22

7
Board Meeting
Formal Adoption
June 5

January → February → March → April → May → June

Questions

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Board Communication

Date: February 13, 2014

To: Board Members

From: Jeff Lindeman; Senior Director, Organizational Performance & Development

Copy: Thella F. Bowens; President/CEO

Subject: 2013 Actuarial Valuation, San Diego City Employees' Retirement System (SDCERS)

Enclosed is the SDCERS Actuarial Valuation report as of June 30, 2013 for the Airport Authority's pension plan. At the February 24, 2014 Executive/Finance Committee Meeting, Mark Hovey, the Chief Executive Officer of SDCERS will review this information in a presentation on the plan's investment returns as well as our actuarial valuation.

SAN DIEGO INTERNATIONAL AIRPORT

ITEM 6

San Diego City Employees' Retirement System

Actuarial Valuation as of June 30, 2013 for the San Diego County Regional Airport Authority

Produced by Cheiron

December 2013

CHEIRON Classic Values, Innovative Advice

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LETTER OF TRANSMITTAL

December 27, 2013

Board of Administration
San Diego City Employees' Retirement System
401 West A Street, Suite 400
San Diego, California 92101

Re: San Diego County Regional Airport Authority June 30, 2013 Actuarial Valuation

Dear Members of the Board:

At your request, we performed the June 30, 2013 Actuarial Valuation of the San Diego City Employees' Retirement System (SDCERS). The valuation results with respect to the San Diego County Regional Airport Authority are contained in this valuation report. The table below presents the key results of the valuation for the Airport Authority.

Table I-1
SDCERS - Airport Authority

Valuation as of:	June 30, 2013	June 30, 2012
Unfunded Actuarial Liability	$ 7,583,685	$ 1,432,241
Funding Ratio	93.4%	98.5%
Airport Contribution Rate	14.29%	11.90%
	Fiscal Year 2015	**Fiscal Year 2014**
Actuarially Determined Contribution		
-if paid at the beginning of the year	$ 3,822,606	$ 2,904,457
-if paid throughout the year	$ 3,958,751	$ 3,011,405

- *Unfunded Actuarial Liability (UAL):* The Airport Authority's UAL has increased by $6.2 million. The primary causes of this increase were liabilities greater than expected and a change in the economic assumptions (discount rate and pay inflation), which increased the UAL by $4.3 million and $1.6 million, respectively. Valuation salary greater than expected was the largest component of the liability loss ($3.3 million). Partially offsetting these factors were asset returns greater than expected. The rate of return on the actuarial value of assets was 8.19%, or 0.69% above last year's assumed 7.50% return, leading to a $0.3 million decrease in the UAL.

- *Funding Ratio:* The ratio of the system's actuarial value of assets to its actuarial liabilities decreased by 5.1%, from 98.5% to 93.4%.

1750 Tysons Boulevard, Suite 1100, McLean, VA 22102 Tel: 703.893.1456 Fax: 703.893.2006 www.cheiron.us

- *Contributions (ADC):* The results of this valuation produced an increase in the Airport Authority's Actuarially Determined Contribution (ADC) of $0.9 million. The largest source of this increase was liabilities greater than expected, which increased the ADC by $0.6 million. When measured as a percent of member payroll, the ADC increased by 2.39%. The contribution determined in this valuation satisfies the parameters of the Annual Required Contribution (ARC) in Governmental Accounting Standards Board (GASB) Statement Number 25. However, the revised standard GASB Statement Number 67, effective in FY 2014, does not define an ARC. In this report we use the term ADC instead, to refer to the contribution determined by the actuary in accordance with the SDCERS Board's adopted funding policy.

More details on plan experience for the past year can be found in the valuation report. Furthermore, it is important to note that this valuation was prepared using the census data and financial information as of the valuation date, June 30, 2013. Changes in membership and investment experience following that date are not reflected in this report.

In preparing our report, we relied on information (some oral and some written) supplied by SDCERS' staff. This information includes, but is not limited to, plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice Number 23.

To the best of our knowledge, this report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

Finally, this report was prepared exclusively for the San Diego City Employees' Retirement System for the purpose described herein and for the use by the plan auditor in completing an audit related to the matters herein. This report is not intended to benefit any third party, and Cheiron assumes no duty or liability to any such party.

Sincerely,
Cheiron

Gene Kalwarski, FSA, EA, MAAA
Principal Consulting Actuary

David Holland, FSA, EA, MAAA
Associate Actuary

cc: Alice Alsberghe

SECTION I
BOARD SUMMARY

The primary purpose of the actuarial valuation is to report, as of the valuation date, on the following:

- The financial condition of the SDCERS-Airport Authority Defined Benefit Plan,
- Past and expected trends in the financial condition of SDCERS-Airport Authority,
- The Airport Authority's contribution rates for Fiscal Year 2015, and
- Information required by the Governmental Accounting Standards Board (GASB).

In this Section, we present a summary of the principal valuation results. This summary includes the basis upon which the June 30, 2013 valuation was completed and an examination of the current financial condition of SDCERS-Airport Authority. In addition, we present a review of the key historical trends followed by the projected financial outlook for SDCERS-Airport Authority.

A. Valuation Basis

In FY 2014 GASB 25, which outlines standards for pension plan financial reporting, will be replaced by GASB 67. Similarly, in FY 2015 GASB 27 (standards for plan sponsor reporting) will be replaced by GASB 68. As described above, one purpose of the June 30, 2013 valuation is to develop contribution rates for FY 2015. However, neither GASB 67 nor GASB 68 retain the concept of an Annual Required Contribution (ARC), which had previously been used as the System's de-facto funding policy. In response, the SDCERS Board at its November 2013 meeting adopted to formalize the funding policy based on the existing practices used to develop the ARC. In this report we have replaced the term ARC with Actuarially Determined Contribution (ADC), to refer to the contribution determined by the actuary each year based on the adopted funding policy. GASB 67 and 68 also use this term to refer to a contribution determined by the actuary in accordance with Actuarial Standards of Practice, but do not define it further.

At the November 2013 meeting, the Board also adopted two assumption changes following our annual review of economic assumptions. The across the board annual pay inflation assumption was lowered from 3.75% to 3.3% per year, and the assumed investment return was lowered from 7.5% to 7.25% per year, net of all expenses. More details on the assumptions and methods can be found in Appendix B.

Effective January 1, 2013, new Airport Authority employees who are deemed to be "New Members" under the California Public Employees' Pension Reform Act (PEPRA) will be subject to a number of plan provisions, including reduced benefit accrual factors, a cap on pensionable salary, three-year averaging for final salary, and mandatory exclusion of certain items from pensionable salary. PEPRA also requires New Members to pay at least 50% of the normal cost, with more than 50% allowed subject to collective bargaining. There are less significant changes for current employees and retirees.

The June 30, 2013 membership census data did not contain any New Members. However, the calculation of the FY15 ADC reflects an estimate of PEPRA's impact on the normal cost for any New Members hired between July 1, 2014 and June 30, 2015.

B. Current Financial Condition of SDCERS-Airport Authority

The following discussion summarizes the key results of the June 30, 2013 valuation and shows how they compare to the results from the June 30, 2012 valuation.

1. Airport Authority Membership

Table I-2 shows that total membership in SDCERS-Airport Authority increased by 3.0% from 2012 to 2013. The increase was attributable to the growth in both inactive membership (terminated vested, disabled, retirees and beneficiaries), and active membership, which increased by 1.8%. Active member total payroll increased by 6.2%, and the average pay per active member increased by 4.4%.

Table I-2
SDCERS - Airport Authority - Membership Total

Valuation as of:	June 30, 2013	June 30, 2012	% Change
Active Counts	347	341	1.8%
Terminated Vested	79	76	3.9%
Disabled	2	1	100.0%
Retirees	45	41	9.8%
Beneficiaries	4	4	0.0%
Total Airport Authority Members	477	463	3.0%
Active Member Payroll	$ 26,380,323	$ 24,839,570	6.2%
Average Pay per Active Member	$ 76,024	$ 72,843	4.4%
Benefits in Pay Status	$ 2,013,899	$ 1,716,385	17.3%
Average Benefit	$ 39,488	$ 37,313	5.8%

SECTION I
BOARD SUMMARY

2. Airport Authority Assets and Liabilities

Table I-3 presents a comparison between the June 30, 2013 and June 30, 2012 SDCERS-Airport Authority assets, liabilities, unfunded actuarial liability, and funding ratios.

The key results shown in Table I-3 indicate that due to the total actuarial liability increase of 18.5% and the actuarial value of assets increase of 12.3%, the funding ratio decreased from 98.5% as of June 30, 2012 to 93.4% as of June 30, 2013. SDCERS employs a commonly used actuarial smoothing method on the market value that dampens market volatility, so the actuarial value of assets increased less than the market value (17.9%). Had the funding ratio been measured on a market value of assets basis, the ratio would be 94.1% as of June 30, 2013.

Section II-C provides additional information explaining the development of the actuarial value of assets.

Table I-3
SDCERS - Airport Authority - Assets & Liabilities

Entry Age Normal (EAN) Liabilities	June 30, 2013	June 30, 2012	% Change
Actives	$ 84,024,915	$ 70,540,876	19.1%
Terminated Vested	4,396,239	4,246,096	3.5%
Disabled	456,604	228,252	100.0%
Retirees	25,451,563	21,356,642	19.2%
Beneficiaries	870,727	852,988	2.1%
Total Actuarial (EAN) Liability	$ 115,200,048	$ 97,224,854	18.5%
Market Value Assets	$ 108,456,000	$ 91,997,000	17.9%
Actuarial Value Assets	$ 107,616,363	$ 95,792,613	12.3%
Unfunded Actuarial Liability	$ 7,583,685	$ 1,432,241	429.5%
Funding Ratio-Actuarial Value	93.4%	98.5%	-5.1%

SECTION I
BOARD SUMMARY

3. Components of UAL Change between June 30, 2012 and June 30, 2013

The unfunded actuarial liability (UAL) for SDCERS-Airport Authority increased by $6.2 million, from $1.4 million to $7.6 million. Table I-4 below presents the specific components of this change in the UAL.

The largest components of this increase were liabilities greater than expected and a change in the economic assumptions (discount rate and pay inflation), which increased the UAL by $4.3 million and $1.6 million, respectively. Valuation salary greater than expected was the largest component of the liability loss ($3.3 million).

For a description of the method changes on line 6 below, see the end of Appendices A and B.

Table I-4
SDCERS - Airport Authority-Change in UAL

1. UAL at June 30, 2012	**$**	**1,432,241**
2. Expected change in UAL*		1,464,160
3. Investment experience gain		
a. Anticipated loss/(gain)		1,020,070
b. Actual loss/(gain)		(316,719)
c. Difference (b - a)		(1,336,790)
4. Liability experience loss		4,308,779
5. Reduction in discount rate and pay inflation assumption		1,620,447
6. Method changes		87,000
7. Employee contributions paid less than expected		76,666
8. Decrease in negative amortization cost component		N/A
9. Other misc (includes purchased service)		(68,819)
10. Total change in UAL: sum of 2 through 9		6,151,444
11. UAL at June 30, 2013: 1 + 10	**$**	**7,583,685**

* Includes projected phase-in of investment gains or losses.

SECTION I
BOARD SUMMARY

4. Airport Authority Contributions

The Airport Authority's actuarially determined contribution (ADC) for FY 2015 measured as a percent of membership payroll increased from 11.90% to 14.29%. In dollars, the beginning of year ADC increased by $0.9 million, from $2.9 million to $3.8 million. This increase in the ADC was $0.8 million more than the expected increase of $0.1 million, assuming continued phase-in of investment experience from prior years.

The largest source of this increase was liabilities greater than expected, which increased the ADC by $0.6 million.

Table I-5 below presents the specific components of the change in the ADC. In Section IV we provide more detail on the development of this contribution. For a description of the method changes on line 6 below, see the end of Appendices A and B.

Table I-5
SDCERS - Airport Authority-Change in ADC

1.	**ADC at June 30, 2012**	**$ 2,904,457**
2.	Expected change in ADC*	144,996
3.	Investment experience gain	
	a. Anticipated increase/(decrease)	93,610
	b. Actual increase/(decrease)	(29,065)
	c. Difference (b - a)	(122,675)
4.	Liability experience loss	628,817
5.	Reduction in discount rate and pay inflation assumption	126,893
6.	Method changes	201,206
7.	Employee contributions paid less than expected	7,036
8.	Decrease in negative amortization cost component	(64,179)
9.	Other misc (includes purchased service)	(3,944)
10.	Total change in ADC: sum of 2 through 9	918,149
11.	**ADC at June 30, 2013: 1 + 10**	**$ 3,822,606**

* Includes projected phase-in of investment gains or losses.

C. Historical Trends SDCERS-Airport Authority

Despite the primary focus given each year on the most recently computed unfunded actuarial liability (UAL), funding ratio, and Airport Authority's contribution (ADC), it is important to remember that each valuation is merely a snapshot of the long-term progress of a pension plan. It is more important to judge a current year's valuation result relative to historical trends, and trends expected into the future.

In the chart below, we present the historical trends for both the market value and smoothed assets compared to actuarial liabilities, and SDCERS-Airport Authority funding ratios since 2003.

SDCERS-Airport Authority Assets and Liabilities 2003 – 2013

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Funding Ratio	68.4%	68.8%	87.6%	111.7%	109.0%	102.3%	86.9%	96.0%	102.7%	98.5%	93.4%
UAL (millions) *	$ 5.1	$ 7.4	$ 4.1	$ (4.3)	$ (4.2)	$ (1.3)	$ 8.9	$ 3.0	$ (2.3)	$ 1.4	$ 7.6

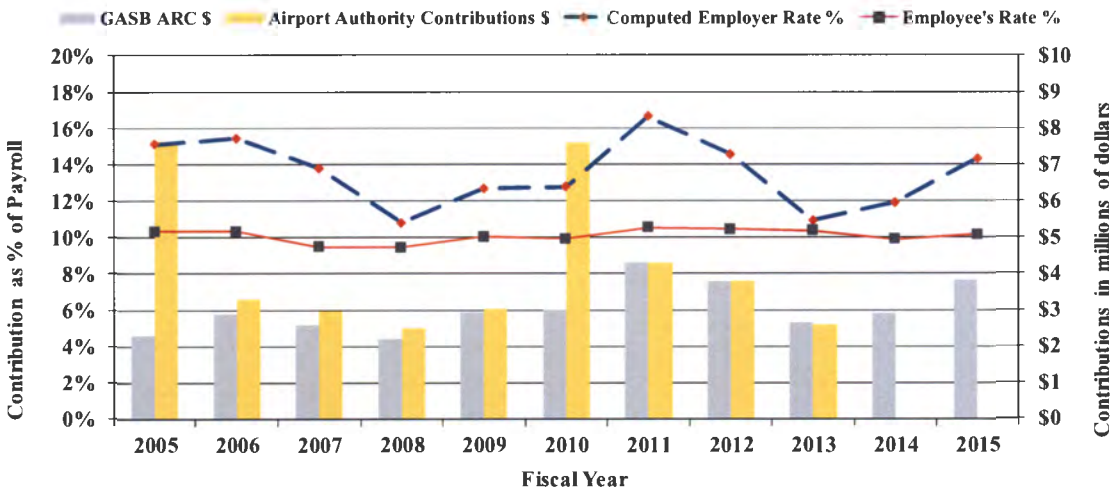
* The UAL for 2007 and after is calculated using the Entry Age Normal method; 2006 and prior years are calculated using the Projected Unit Credit method.

The chart indicates that in 2003 and 2004, the funding ratio was slightly more than 68% of the actuarial value of assets. In 2005 through 2006, the funding ratio significantly increased due to excess contributions and strong investment performance. In 2009 the funding ratio declined significantly due to investment losses. It has been around 100% for the last four years, with a low of 93.4% in 2013.

SECTION I
BOARD SUMMARY

In the chart below, we present the historical trends for the SDCERS-Airport Authority contribution rates, actual contributions made by the Airport Authority and the actuarially computed contributions (previously the GASB ARC, but in the future will be referred to as the ADC).

SDCERS-Airport Authority and Member Contribution Rates FY 2005-2015



The Airport Authority's contribution rate increased for fiscal years 2014 and 2015 after decreasing significantly in the two prior years, but it is still around the average for the entire ten-year period. The chart shows that the Members' contribution rate has remained relatively stable in contrast to the volatility in the employer rates.

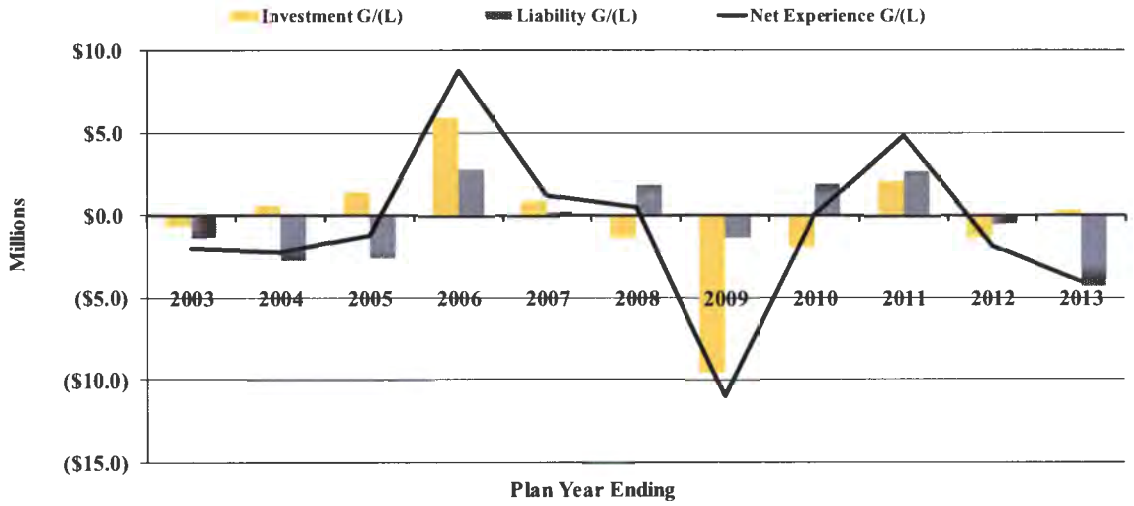
This chart also compares the actual contributions made by the Airport Authority to the annual required contribution (ARC) based on the Board's adopted funding practice of Normal Cost plus amortization of various UAL components, including the requirement beginning in fiscal year 2009 that there be no negative amortization. The chart indicates that the Airport Authority has been consistently paying at or above the ARC since FY 2005, with a significant excess contribution amount in FY 2010.

Since the ARC is not defined in the new standards for public pension plan reporting, GASB 67 and 68, the term ADC will be used in future years to refer to the annual actuarially determined contribution and will be the basis for comparison to actual Airport Authority contributions.

SECTION I
BOARD SUMMARY

The chart below for SDCERS-Airport Authority presents the pattern of annual gains and losses, broken into the investment and liability components. The chart does not include any changes in the SDCERS' assets and liabilities attributable to changes to actuarial methods, procedures or assumptions or plan benefit changes.

SDCERS-Airport Authority Historical Gain/(Loss) 2003-2013



The key insights from this chart are:

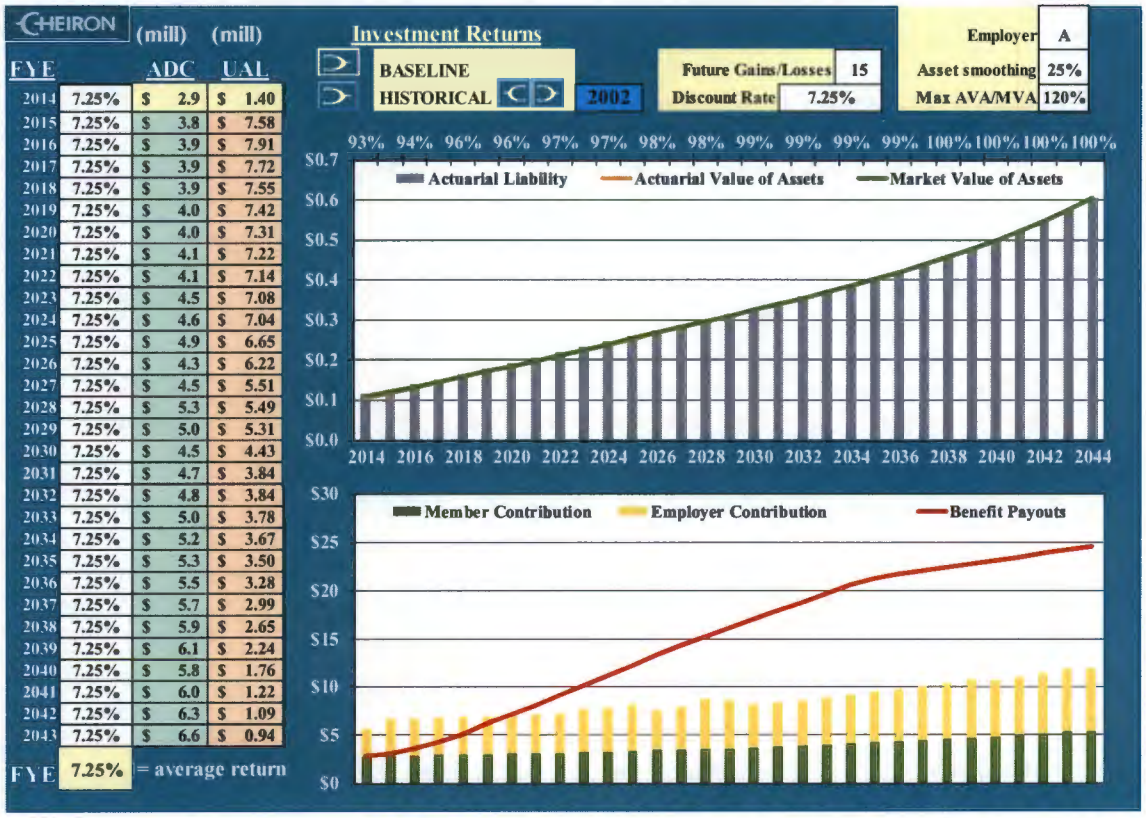
- The System experienced investment gains (gold bars) in 2004 through 2007, which were more than offset by investment losses of 2008 through 2010.
- The investment loss in 2009 was by far the most significant gain or loss during the last ten years.
- There was a pattern of liability loss from 2003 to 2005. The liability experience has been more varied over the past few years, although there was a loss of $4.3 million in 2013, most of which was due to valuation salaries greater than expected ($3.3 million).

D. Projected Financial Trends

Our analysis of SDCERS-Airport Authority projected financial trends is a very important part of this valuation. Our assessment of the implications of the June 30, 2013 valuation results on the future outlook of SDCERS-Airport Authority in terms of benefit security (assets over liabilities) and the Airport Authority's expected cost progression is set forth below.

In the chart that follows, we project the SDCERS-Airport Authority assets and liabilities and the Airport Authority's contributions assuming 7.25% returns each and every year and liability growth exactly as anticipated by the plan assumptions. The upper chart compares the assets (green and yellow lines) and liabilities (gray bars) and the lower chart shows contributions in dollars (employer contributions in yellow bars and member contributions in green bars). The left side of the exhibit shows the returns assumed each year followed by the annual ADC and UAL in dollar amounts.

SDCERS-Airport Authority Projections FY 2014-2043 (earnings as assumed)



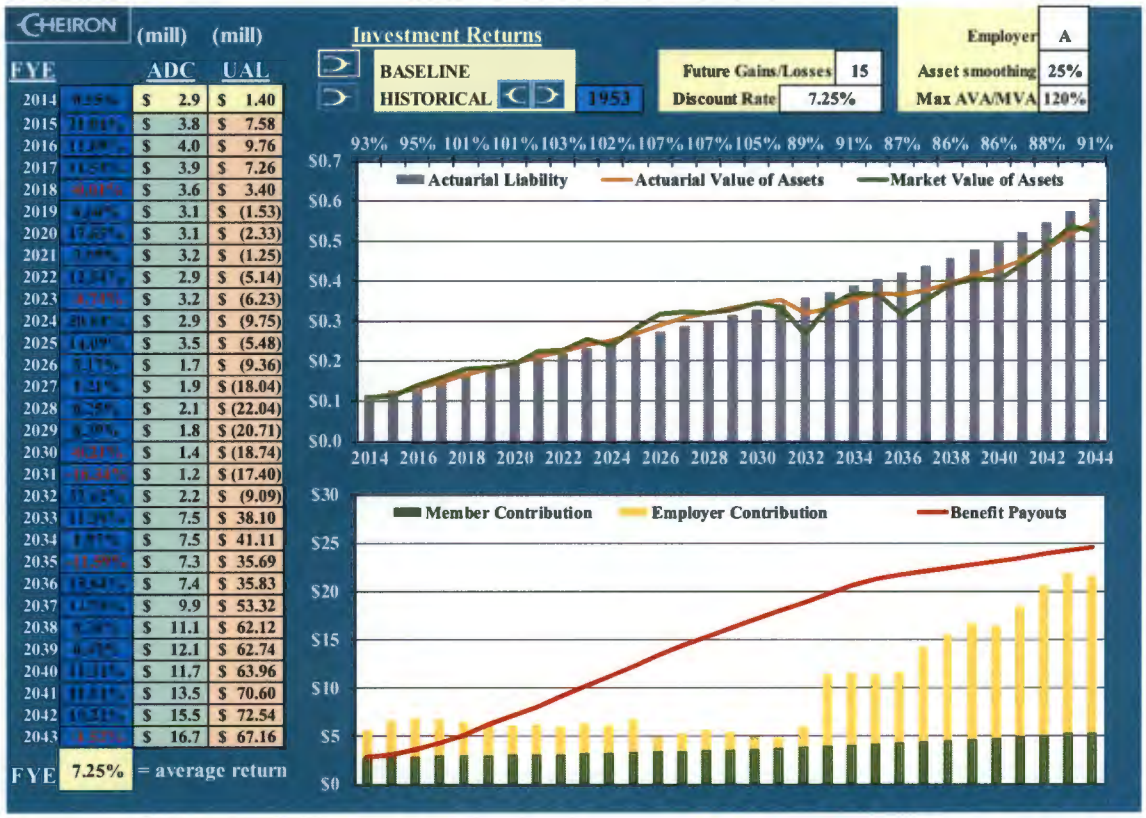
FYE		(mill) ADC	(mill) UAL
2014	7.25%	$ 2.9	$ 1.40
2015	7.25%	$ 3.8	$ 7.58
2016	7.25%	$ 3.9	$ 7.91
2017	7.25%	$ 3.9	$ 7.72
2018	7.25%	$ 3.9	$ 7.55
2019	7.25%	$ 4.0	$ 7.42
2020	7.25%	$ 4.0	$ 7.31
2021	7.25%	$ 4.1	$ 7.22
2022	7.25%	$ 4.1	$ 7.14
2023	7.25%	$ 4.5	$ 7.08
2024	7.25%	$ 4.6	$ 7.04
2025	7.25%	$ 4.9	$ 6.65
2026	7.25%	$ 4.3	$ 6.22
2027	7.25%	$ 4.5	$ 5.51
2028	7.25%	$ 5.3	$ 5.49
2029	7.25%	$ 5.0	$ 5.31
2030	7.25%	$ 4.5	$ 4.43
2031	7.25%	$ 4.7	$ 3.84
2032	7.25%	$ 4.8	$ 3.84
2033	7.25%	$ 5.0	$ 3.78
2034	7.25%	$ 5.2	$ 3.67
2035	7.25%	$ 5.3	$ 3.50
2036	7.25%	$ 5.5	$ 3.28
2037	7.25%	$ 5.7	$ 2.99
2038	7.25%	$ 5.9	$ 2.65
2039	7.25%	$ 6.1	$ 2.24
2040	7.25%	$ 5.8	$ 1.76
2041	7.25%	$ 6.0	$ 1.22
2042	7.25%	$ 6.3	$ 1.09
2043	7.25%	$ 6.6	$ 0.94
FYE	7.25%	= average return	

SECTION I
BOARD SUMMARY

Based on assuming 7.25% earnings each and every year, the Airport Authority's funded status (percentages at the top of the upper graph) is ultimately projected to reach 100%. The Airport Authority's ADC (formerly the ARC) generally increases throughout the projection period, reaching $6.6 million by 2043, but the payment is lower as a percentage of pay.

However, it is critical to note that these projections, while valid as baseline projections, **are not likely to occur** as experience never conforms exactly to assumptions from year to year. As a result, we present the following additional stress testing projection, based on assuming varying returns in the future which on average equal the assumed 7.25% earnings rate. The returns selected generally represent the returns that would have resulted from a passive 60%/40% equity/fixed income portfolio during the period of 1953 to 1983. This period was selected because it happened to mirror the assumed 7.25% investment assumption of SDCERS.

SDCERS-Airport Authority Projections FY 2014-2043 (earnings which vary by year)



FYE	(mill) ADC	(mill) UAL
2014	$ 2.9	$ 1.40
2015	$ 3.8	$ 7.58
2016	$ 4.0	$ 9.76
2017	$ 3.9	$ 7.26
2018	$ 3.6	$ 3.40
2019	$ 3.1	$ (1.53)
2020	$ 3.1	$ (2.33)
2021	$ 3.2	$ (1.25)
2022	$ 2.9	$ (5.14)
2023	$ 3.2	$ (6.23)
2024	$ 2.9	$ (9.75)
2025	$ 3.5	$ (5.48)
2026	$ 1.7	$ (9.36)
2027	$ 1.9	$ (18.04)
2028	$ 2.1	$ (22.04)
2029	$ 1.8	$ (20.71)
2030	$ 1.4	$ (18.74)
2031	$ 1.2	$ (17.40)
2032	$ 2.2	$ (9.09)
2033	$ 7.5	$ 38.10
2034	$ 7.5	$ 41.11
2035	$ 7.3	$ 35.69
2036	$ 7.4	$ 35.83
2037	$ 9.9	$ 53.32
2038	$ 11.1	$ 62.12
2039	$ 12.1	$ 62.74
2040	$ 11.7	$ 63.96
2041	$ 13.5	$ 70.60
2042	$ 15.5	$ 72.54
2043	$ 16.7	$ 67.16

With varying annual earnings that average over the period to 7.25%, one can see the volatility in the funding ratios in the top chart, and the fact that the Airport Authority ADC increases significantly near the end of the projection period. Note that this chart is based on a particular historical period and is not intended to reflect future expectations.

SECTION I
BOARD SUMMARY

This last chart demonstrates the risks faced by SDCERS measured in terms of funding ratios and contribution rates. Whether the System is fully funded or poorly funded, subsequent returns can quickly alter the financial position of the plan dramatically. The point being, it is impossible to judge the financial soundness of a system with a single year point measurement. What is more important to consider is the systems' level of conservatism in funding the plan, and the discipline and ability of the plan sponsor to consistently contribute the ADC as determined by the plan actuary.

SECTION II
ASSETS

Like other public pension plans, SDCERS uses two different asset measurements that are presented in this section of the report: the market value and the actuarial value of assets. The market value represents, as of the valuation date, the value of the assets if they were liquidated on that date. The actuarial value of assets is a value that smooths annual investment performance over multiple years to reduce the impact of annual investment volatility on employer contribution rates. The actuarial value of assets is used in determining SDCERS' contribution rates for the three participating employer plans.

Each employer receives a separate actuarial valuation report and cost determination. However, the assets of all employer plans are pooled for investment purposes. The apportionment of the assets among the employer plans directly impacts each employer's costs. Therefore, in the interest of ensuring transparency, this section discloses information on the total assets of SDCERS-All Employers. In addition, a brief explanation of how those assets are apportioned to the City of San Diego, the San Diego Unified Port District (Port), and the San Diego County Regional Airport Authority (Airport) is included.

On the following pages, detailed information is presented on SDCERS-All Employers assets, including:

A. Disclosure of the June 30, 2013 total SDCERS market value of assets, by asset class;
B. Market value of assets by Plan Sponsor;
C. Development of the actuarial value of assets; and
D. Disclosure of the investment performance for the year.

SECTION II
ASSETS

A. Disclosure of Market Value of Assets

The market value of assets represents a "snap-shot" value as of June 30, 2013, the last day of the fiscal year, which provides the principal basis for measuring financial performance from one year to the next. Market values, however, can fluctuate widely with swings in the investment markets. Because these fluctuations would cause volatility in employer contributions, an actuarial value of assets is developed. Table II-1 below discloses the market value by asset class of SDCERS–All Employers' gross assets on June 30, 2013.

Table II-1
SDCERS – All Employers
Summary of Reported Market Value of Total Defined Benefit Plan Assets

Cash	$	237,090,000
US Stocks		1,839,561,000
International Stocks		1,353,839,000
Private Equity		258,176,000
Bonds		1,718,919,000
Real Estate		609,782,000
Receivables		214,194,000
Miscellaneous		5,030,000
Accounts Payable		(423,278,000)
Market Value of Assets – June 30, 2013	**$**	**5,813,313,000**

SECTION II
ASSETS

B. Market Value of Assets by Plan Sponsor

As of July 1, 2007, the City, Unified Port District, and Airport Authority plans were separated into independent, qualified, single employer governmental defined benefit plans and trusts. The assets of the three separate plans and trusts are pooled in the SDCERS Group Trust, which was established as of July 1, 2007. SDCERS invests and administers the Group Trust as a common investment fund and accounts separately for the proportional interest of each plan and trust that participates in the Group Trust. Cash flow activity for each plan is recorded directly to that plan, with investment activity and other cash flow activity not specific to any one plan being allocated based upon each plan's respective share of the Group Trust's total assets, with time-weighted adjustments for the plan-specific cash flows. Administrative expenses are allocated based on the proportion of participants of a participating trust to the number of total participants of all participating trusts on the first day of the plan year. Table II-2 below discloses the market value and actuarial value of assets by plan.

Table II-2
Summary of Market and Actuarial Assets for Each Employer Group as of June 30, 2013

	Market Value Total Net Assets June 30, 2012	Market Value Total Net Assets June 30, 2013	Actuarial Value Total Assets June 30, 2013
City of San Diego	$ 4,799,827,000	$ 5,395,158,000	$ 5,317,778,092
Unified Port District	271,703,000	309,699,000	302,321,696
Airport Authority	91,997,000	108,456,000	107,616,363
Total-SDCERS	***$ 5,163,527,000***	***$ 5,813,313,000***	***$ 5,727,716,151***

SECTION II
ASSETS

C. Actuarial Value of Assets

To determine on-going funding requirements, most pension plans utilize an actuarial value of assets. Unlike the market value of assets, the actuarial value of assets represents an asset value based on averaging or smoothing year-to-year market value returns for purposes of reducing the resulting volatility on contributions.

The actuarial value of assets is equal to 100% of the expected actuarial value of assets as of June 30, 2013 (based on the prior year assumption of 7.50% earnings for the year) plus 25% of the difference between the current actual market value of assets and the expected actuarial value of assets. (See Appendix B, Section B-2 for further explanation of the asset valuation method). In no event will the actuarial value of assets ever be less than 80% of the market value of assets, nor ever greater than 120% of the market value of assets.

Table II-3
SDCERS - Airport Authority
Development of Actuarial Value of Assets at June 30, 2013
Expected Value of Assets Method

1. Actuarial Value of Assets at June 30, 2012	$	95,792,613
2. Amount in (1) with interest at 7.5% to June 30, 2013		102,977,059
3. Employer and Member contributions for the Plan Year ended June 30, 2013		6,160,000
4. Disbursements from Trust excluding investment and admin expenses, June 30, 2012 through June 30, 2013		2,056,000
5. Interest on cash flows to June 30, 2013 at 7.5% per year		255,425
6. Expected Actuarial Value of Assets at June 30, 2013 = (2) + (3) – (4) + (5)		107,336,484
7. Actual Market Value of Assets at June 30, 2013		108,456,000
8. Excess of (7) over (6)		1,119,516
9. Preliminary Actuarial Value of Assets at June 30, 2013 = (6) + 25% of (8)	$	107,616,363
10. 80% Minimum Corridor on the Actuarial Value of Assets = 80% of (7)		86,764,800
11. 120% Maximum Corridor on the Actuarial Value of Assets = 120% of (7)		130,147,200
12. Final Actuarial Value of Assets at June 30, 2013 = (9), but no less than (10) and no more than (11)	$	107,616,363

SECTION II
ASSETS

D. Investment Performance

The return on the market value of assets, as reported by SDCERS' investment consultant Hewitt Ennis Knupp, was 13.6%. The return in FY 2012 was 0.9%.

On an actuarial (smoothed) value of assets basis, the return for FY 2013 was 8.19%. This return produced for SDCERS-All Employers an overall investment gain of $27.8 million for the year ending June 30, 2013. (Note: this reported gain is different than the investment gain of $0.3 million reported on page 5 in this report. $0.3 million is the gain only for SDCERS-Airport Authority).

SECTION III
LIABILITIES

In this section, we present detailed information on System liabilities for SDCERS-Airport Authority including:

- Disclosure of liabilities at June 30, 2012 and June 30, 2013, and
- Statement of changes in the unfunded actuarial liabilities during the year.

A. Disclosure

Several types of liabilities are calculated and presented in this report. Each type is distinguished by the purpose for which the figures are ultimately used.

- **Present Value of Future Benefits:** Used for measuring all future SDCERS obligations, represents the amount of money needed today to fully pay off all benefits of SDCERS both earned as of the valuation date and those to be earned in the future by current plan participants, under the current plan provisions.

- **Actuarial Liability-Entry Age Normal (EAN):** Used for determining employer contributions and GASB accounting disclosures. This liability is calculated taking the present value of all future benefits and subtracting the present value of future Member contributions and future employer normal costs as determined under the EAN actuarial funding method. It represents the portion of the present value of future benefits attributed to service prior to the valuation date by the Entry Age Normal method.

- **Present Value of Accrued Benefits:** Disclosed in Section V of this report for accounting statement purposes (ASC Topic 960). This liability represents the present value of future benefits payable to all plan participants if the plan were terminated as of the valuation date, and future accruals and contributions stopped.

Table III-1 on the following page discloses the first two of these liabilities for the current and prior year valuations. Subtracting the actuarial value of assets from the actuarial liability results in a net surplus or an unfunded actuarial liability (UAL).

SECTION III
LIABILITIES

Table III-1
SDCERS - Airport Authority - Total

Valuation as of:	June 30, 2013	June 30, 2012
Present Value of Future Benefits		
Actives	$ 124,954,564	$ 109,404,288
Terminated Vested	4,396,239	4,246,096
Disabled	456,604	228,252
Retirees	25,451,563	21,356,642
Beneficiaries	870,727	852,988
Total Airport Authority	**$ 156,129,697**	**$ 136,088,266**
Actuarial Liability - EAN		
Total Present Value of Future Benefits	$ 156,129,697	$ 136,088,266
Present Value of Future Normal Costs		
Employer Portion	21,970,522	20,794,777
Employee Portion	18,959,127	18,068,635
Actuarial Liability - EAN	**$ 115,200,048**	**$ 97,224,854**
Actuarial Value of Assets	$ 107,616,363	$ 95,792,613
Unfunded EAN Actuarial Liability	**$ 7,583,685**	**$ 1,432,241**

Table III-2 shows actuarial liability as of June 30, 2013 for General and Executive Members of SDCERS-Airport Authority.

Table III-2
SDCERS - Airport Authority - General & Executives as of June 30, 2013

	Total	General	Executives
Present Value of Future Benefits			
Actives	$ 124,954,564	$ 119,584,411	$ 5,370,153
Terminated Vested	4,396,239	4,396,239	-
Disabled	456,604	456,604	-
Retirees	25,451,563	19,984,718	5,466,845
Beneficiaries	870,727	870,727	-
Total Airport Authority	**$ 156,129,697**	**$ 145,292,699**	**$ 10,836,999**
Actuarial Liability - EAN			
Actives	$ 84,024,915	$ 79,583,642	$ 4,441,273
Terminated Vested	4,396,239	4,396,239	-
Disabled	456,604	456,604	-
Retirees	25,451,563	19,984,718	5,466,845
Beneficiaries	870,727	870,727	-
Total Airport Authority	**$ 115,200,048**	**$ 105,291,929**	**$ 9,908,118**

SECTION III
LIABILITIES

B. Changes in Unfunded Actuarial Liabilities

The UAL of any retirement plan is expected to change at each subsequent valuation for a variety of reasons. In each valuation, we report on those elements of change in the UAL that have particular significance or could potentially affect the long-term financial outlook of a retirement plan. Below we present key changes in liabilities since the last valuation.

Table III-3
Development of 2013 Experience Gain/(Loss) SDCERS - Airport Authority
(In Thousands)

1.	Unfunded Actuarial Liability at June 30, 2012		$	1,432.2
2.	Beginning of year unfunded actuarial liability payment			313.2
3.	Interest accrued ((1+2) x 7.5%)			130.9
4.	Expected Unfunded Actuarial Liability at June 30, 2013 (1+2+3)			1,876.3
5.	Actual Unfunded Liability at June 30, 2013			7,583.7
6.	Difference: (4 - 5)			(5,707.4)
7.	Portion of difference (6) due to actuarial assumption or method changes			(1,707.4)
8.	Portion of difference (6) due to plan changes			-
9.	Portion of difference (6) due to employee contributions less than expected			(76.7)
10.	Portion of difference (6) due to net experience Gain/(Loss)			(3,923.2)
	a) portion of (10) due to investment experience	*$ 316.7*		
	b) portion of (10) due to liability experience	*$ (4,308.8)*		
	c) portion of (10) due to service purchases	*$ 68.8*		
	Elements of Liability Gain/(Loss)			
1.	G/(L) due to demographic and payroll experience			(4,308.8)
2.	Other Gain/(Loss)			-
3.	Total Estimated Liability Gain/(Loss): sum 1 and 2		**$**	**(4,308.8)**

SECTION III
LIABILITIES

Table III-4 shows the history of past experience gains and losses.

Table III-4
Experience Gain/(Loss) - Historical SDCERS - Airport Authority

Valuation Date	Gain/(Loss)	Beginning-of-Year Actuarial Liabilities	Gain/(Loss) % of Liability
6/30/2003	$ (2,013,702)	$ 11,526,293	(17.5%)
6/30/2004	(2,204,850)	16,278,613	(13.5)
6/30/2005	(1,207,448)	23,578,460	(5.1)
6/30/2006	8,732,864	32,602,898	26.8
6/30/2007	1,176,387	36,905,216	3.2
6/30/2008	492,707	46,636,555	1.1
6/30/2009	(10,976,099)	56,807,663	(19.3)
6/30/2010	27,790	67,870,945	0.0
6/30/2011	4,808,814	76,447,473	6.3
6/30/2012	(1,801,741)	84,042,425	(2.1)
6/30/2013	(3,923,241)	97,224,854	(4.0)

SECTION IV
CONTRIBUTIONS

In the process of evaluating the financial condition of any pension plan, the actuary analyzes the assets and liabilities to determine what level (if any) of contributions is needed to achieve and maintain an appropriate funded status of a plan. Typically, the actuarial process will use an actuarial funding method that attempts to create a pattern of contributions that is both stable and predictable.

The actuarial funding methodology employed is the Entry Age Normal (EAN) actuarial funding method. Under EAN, there are two components to the total contribution: the normal cost and an amortization payment on the unfunded actuarial liability. The normal cost for an individual employee is the ratio of their present value of future benefits to present value of future salaries at entry age, multiplied by their valuation salary. The gross normal cost rate for each sub-group is determined by dividing the sum of the individual normal costs by the total valuation salary for that sub-group. The gross normal cost rate is then reduced by the average employee contribution rate to determine the employer normal cost rate. Finally, the employer normal cost rate for each sub-group is multiplied by that group's projected FY 2015 payroll to determine the normal cost component of the FY 2015 ADC.

The EAN actuarial liability is the Plan's total present value of future benefits minus the total present value of future normal costs. The difference between the EAN actuarial liability and the actuarial value of assets is the unfunded actuarial liability. The UAL for FY 2015 is to be amortized over several different periods. Table IV-2 shows the outstanding balance, the FY 2015 payment and the remaining amortization period for each of these components. If necessary, there is an additional UAL cost component to ensure that there is no negative amortization in any year.

Table IV-1 on the following page shows how the Airport Authority's contribution rate for SDCERS for FY 2015 is developed. The methodology and assumptions used are in full compliance with the parameters set in GASB Statement Number 25 for purposes of determining the annual required contribution (ARC). However, starting in FY 2014 (SDCERS) and FY 2015 (UPD), the new GASB Statements Number 67 and 68 apply, neither of which contain the concept of an ARC nor provide guidance for plan funding. In response, the SDCERS Board adopted a formal funding policy based on the existing practices used to develop the ARC. In the future, the contribution based on this policy will be referred to as the Actuarially Determined Contribution (ADC).

SECTION IV
CONTRIBUTIONS

Table IV-1
SDCERS - Airport Authority
Development of the Airport's Contribution as of June 30, 2013, For (FY 2015)
(dollars in millions)

		WEIGHTED TOTAL AIRPORT	General	Executives
1.	Total Normal Cost Rate as of June 30, 2013	**23.12%**	23.09%	24.14%
2.	Member Contribution Rate as of June 30, 2013	**10.46%**	10.44%	11.01%
3.	Employer Normal Cost Rate as of June 30, 2013 (1-2)	**12.66%**	12.65%	13.13%
4.	Actuarial Liability	**$ 115.2**	$ 105.3	$ 9.9
5.	Actuarial Assets	**$ 107.6**	$ 98.4	$ 9.3
6.	Total Unfunded Actuarial Liability (UAL) (4-5)*	**$ 7.6**	$ 6.9	$ 0.7
7.	Preliminary FY15 UAL amortization*	**$ 0.5**	$ 0.4	$ 0.0
8.	Negative Amortization Test for FY15			
	a. Total UAL on 6/30/13 less FY14 UAL payment	**$ 7.5**	$ 6.8	$ 0.6
	b. interest on 8a. To 6/30/14	**$ 0.5**	$ 0.5	$ 0.0
	c. preliminary FY15 UAL amortization (line 7)	**$ 0.5**	$ 0.4	$ 0.0
	d. Negative interest (8b - 8c, not less than zero)	**0.1**	0.1	0.0
9.	Total FY15 UAL payment on 7/01/14 (8c + 8d)	**$ 0.5**	$ 0.5	$ 0.0
10.	Total FY15 UAL payment throughout year	**$ 0.6**	$ 0.5	$ 0.0
11.	Total Expected Payroll for FY15**	**$ 27.7**	$ 26.5	$ 1.2
12.	FY15 Normal Cost paid throughout the year	**$ 3.4**	$ 3.3	$ 0.1
13.	FY15 Normal Cost paid at start of year	**$ 3.3**	$ 3.1	$ 0.1
14.	Determination of FY15 ADC %			
	a. Employer Normal Cost Rate (12 divided by 11)	**12.27%**	12.30%	11.77%
	b. UAL Rate (line 10 divided by line 11)	**2.02%**	1.93%	4.02%
	c. Total employer ADC % (14a + 14b)	**14.29%**	14.23%	15.79%
15.	Determination of FY15 ADC dollars			
	a. FY15 ADC if paid throughout year	**$ 4.0**	$ 3.8	$ 0.2
	b. FY15 ADC if paid at beginning of year	**$ 3.8**	$ 3.6	$ 0.2

** See Table IV-2 for components of these amounts.*
*** Amounts include expected FY15 payroll for new plan (PEPRA).*
Note: Numbers may not add due to rounding.

SECTION IV
CONTRIBUTIONS

Table IV-2 shows information on each layer of the June 30, 2013 UAL.

Table IV-2
SDCERS - Airport Authority
Schedule of Amortization Bases as of July 1, 2013
Used in Development of the Airport Authority's Contribution for FY 2015

Type of Base	Date Established	Initial Amount	Initial Amortization Years	July 1, 2013 Outstanding Balance	Outstanding Balance for FY 2015 (BOY)*	Remaining Amortization Years	FY 2015 Amortization Amount
1. June 30, 2007 UAL	7/1/2007	$ (4,175,587)	14	$ (2,211,816)	$ (2,069,647)	8	$ (293,928)
2. Assumption Change	7/1/2008	2,808,340	30	3,240,222	3,274,015	25	198,116
3. Experience Gain	7/1/2008	(1,356,123)	15	(1,332,072)	(1,274,513)	10	(150,024)
4. Experience Loss	7/1/2009	9,892,984	15	10,026,281	9,671,975	11	1,053,305
5. Experience Gain	7/1/2010	(5,002,725)	15	(5,195,430)	(5,046,358)	12	(512,617)
6. Experience Gain**	7/1/2010	(1,750,000)	15	(1,817,410)	(1,765,263)	12	(179,318)
7. Experience Gain	7/1/2011	(4,235,009)	15	(4,480,631)	(4,377,519)	13	(417,632)
8. Assumption Change	7/1/2011	(574,045)	30	(628,069)	(637,053)	28	(36,079)
9. Experience Loss	7/1/2012	2,533,950	15	2,723,996	2,674,679	14	241,055
10. Method Change	7/1/2012	1,443,033	30	1,551,260	1,575,167	29	87,476
11. Experience Loss	7/1/2013	4,086,907	15	4,086,907	4,383,208	15	375,048
12. Assumption Change	7/1/2013	1,620,447	30	1,620,447	1,737,930	30	94,743
TOTAL				**$ 7,583,685**	**$ 8,146,620**		**$ 460,144**

* July 1, 2013 outstanding balance adjusted to the FY2015 beginning of year (BOY), July 1, 2014.
** Reduction in UAL from anticipated impact of PSC correction as of the June 30, 2010 valuation.

SECTION V
ACCOUNTING STATEMENT INFORMATION

Accounting Standards Codification (ASC) Topic 960 of the Financial Accounting Standards Board (FASB) requires the disclosure of certain information regarding its funding status. Statement No. 25 of the Governmental Accounting Standards Board (GASB) establishes standards for disclosure of pension information by public employee retirement systems (PERS) and governmental employers in notes to financial statements and supplementary information.

The ASC Topic 960 disclosure provides a "snap shot" view of how system assets at market value compare to liabilities if contributions stopped and accrued benefit claims had to be satisfied.

The GASB Number 25 disclosure compares the actuarial liability computed for funding purposes to the actuarial value of assets to determine a funded ratio (i.e., the EAN liability).

Both the present value of accrued benefits (ASC Topic 960) and the actuarial liability (GASB Number 25) are determined assuming that participants continue to terminate employment, retire, etc., in accordance with the actuarial assumptions. Liabilities are discounted at the assumed valuation interest rate of 7.25% per annum.

ASC Topic 960 specifies that a comparison of the present value of accrued (accumulated) benefits to the market value of the assets as of the valuation date must be provided. GASB Statement Number 25 requires the actuarial liability be compared with the actuarial value of assets for funding purposes. The relevant amounts as of June 30, 2012 and June 30, 2013 are presented in Table V-1 and Table V-2.

SECTION V
ACCOUNTING STATEMENT INFORMATION

Table V-1
SDCERS - Airport Authority - Total

Valuation as of:	June 30, 2013	June 30, 2012	% Change
ASC Topic 960 Basis			
1. Present Value of Benefits Accrued and Vested to Date			
a. Members Currently Receiving Payments	$ 26,778,894	$ 22,437,882	19.3%
b. Vested Terminated and Inactive Members	4,396,239	4,246,096	3.5%
c. Active Members	56,199,889	45,930,356	22.4%
d. Total PVAB	$ 87,375,021	$ 72,614,334	20.3%
2. Assets at Market Value	$ 108,456,000	$ 91,997,000	17.9%
3. Unfunded Present Value of Accrued Benefits, But Not Less Than Zero	$ -	$ -	
4. Ratio of Assets to Value of Benefits (2)/(1)(d)	124.13%	126.69%	-2.6%
GASB No. 25 Basis			
1. Actuarial Liabilities			
a. Members Currently Receiving Payments	$ 26,778,894	$ 22,437,882	19.3%
b. Vested Terminated and Inactive Members	4,396,239	4,246,096	3.5%
c. Active Members	84,024,915	70,540,876	19.1%
d. Total Actuarial Liability	$ 115,200,048	$ 97,224,854	18.5%
2. Actuarial Value of Assets	$ 107,616,363	$ 95,792,613	12.3%
3. Unfunded Actuarial Liability	$ 7,583,685	$ 1,432,241	429.5%
4. Ratio of Actuarial Value of Assets to Actuarial Liability (2)/(1)(d)	93.42%	98.53%	-5.1%

Table V-2
SDCERS - Airport Authority - Total
Accumulated Benefit Obligation (ASC Topic 960)

Actuarial Present Value of Benefits Accrued and Vested as of June 30, 2012	**$**	**72,614,334**
Increase (Decrease) During Year Attributable to:		
Passage of Time		5,368,975
Benefits Paid		(2,056,000)
Assumption Changes		2,688,740
Plan Changes		-
Benefits Accrued, Other Gains/Losses		8,758,972
Net Increase (Decrease)	$	14,760,687
Actuarial Present Value of Benefits Accrued and Vested as of June 30, 2013	**$**	**87,375,021**

SECTION V
ACCOUNTING STATEMENT INFORMATION

Tables V-3 through V-5 are exhibits required for the Airport Authority's Comprehensive Annual Financial Report (CAFR). The Government Finance Officers Association (GFOA) recommends showing at least 6 years of experience in each of these exhibits in the CAFR. Table V-3 shows the Notes to Required Supplementary Information. Table V-4 presents an analysis of financial experience for the valuation year, and Table V-5 presents the Solvency Test which shows the portion of actuarial liability covered by assets.

Table V-3
SDCERS - Airport Authority
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The information presented in the required supplementary schedules to the Financial Section of the Airport's CAFR was determined as part of the actuarial valuation at the date indicated. Additional information as of latest actuarial valuation follows.

Valuation date	June 30, 2013
Actuarial funding method	Entry Age Normal
Amortization method	Level percent closed
Equivalent single amortization period	19.389 years [1]
Asset valuation method	Expected Value Method
Actuarial assumptions:	
Investment rate of return	7.25%
Projected salary increases due to inflation [2]	3.30%
Cost-of-living adjustments	2.00%

The actuarial assumptions used have been recommended by the actuary and adopted by SDCERS' Board of Administration based on the most recent reviews of SDCERS' experience, completed in 2011 and 2013.

The rate of employer contributions to SDCERS is composed of the normal cost and an amortization of the unfunded actuarial liability. The normal cost is a level percent of payroll cost which, along with the Member contributions, will pay for projected benefits at retirement for the average plan participant. The actuarial liability is that portion of the present value of projected benefits that will not be paid by future employer normal costs or Member contributions. The difference between this liability and the funds accumulated as of the same date is the unfunded actuarial liability.

[1] Eight years for the outstanding balance of the 2007 UAL, 15 years for experience gains and losses, 30 years for changes in methods and assumptions, 20 years for benefit changes.

[2] Additional merit salary increases of 0.50% to 5.00% based on a participant's years of service, and membership group are also assumed. These increases are not used in the amortization of the APA's UAL.

SECTION V
ACCOUNTING STATEMENT INFORMATION

Table V-4
SDCERS - Airport Authority
ANALYSIS OF FINANCIAL EXPERIENCE
Gain and Loss in Actuarial Liability During Years Ended June 30
Resulting from Differences Between Assumed Experience and Actual Experience

Type of Activity	*Gain (or Loss) for Year ending June 30, 2013*
Investment Income	$ 316,719
Combined Liability Experience	(4,308,779)
Gain (or Loss) During Year from Financial Experience	$ (3,992,059)
Non-Recurring Gain (or Loss) Items (e.g., Contributions, Assumption Changes)	(1,715,295)
Composite Gain (or Loss) During Year	$ (5,707,354)

SECTION V
ACCOUNTING STATEMENT INFORMATION

Table V-5
SDCERS - Airport Authority
SOLVENCY TEST
Actuarial Liabilities For
($ in thousands)

Valuation Date June 30,	(A) Active Member Contributions	(B) Retirees And Beneficiaries	(C) Remaining Active Members' Liabilities	Reported Assets [1]	Portion of Actuarial Liabilities Covered by Reported Assets (A)	(B)	(C)
2013 [7]	$ 13,384	$ 26,779	$ 75,037	$ 107,616	100%	100%	89.89%
2012	11,371	22,438	63,416	95,793	100	100	97.74
2011 [6]	11,132	16,133	56,778	86,309	100	100	103.99
2010	10,611	11,832	54,004	73,401	100	100	94.36
2009	9,120	9,924	48,827	58,981	100	100	81.79
2008 [5]	7,335	6,341	43,131	58,096	100	100	102.99
2007 [4]	6,681	4,288	35,668	50,812	100	100	111.71
2006 [3]	5,402	2,783	28,720	41,222	100	100	115.03
2005	4,255	2,713	25,635	28,551	100	100	84.19
2004	2,935 [2]	795	19,848	16,225	100	100	62.95
2003	2,200 [2]	300	13,779	11,142	100	100	62.72

[1] Actuarial Value of Assets.
[2] Estimated.
[3] Reflects contingent liabilities (13th check), DROP reserves, and IRC Section 415 limits.
[4] The actuarial liability on June 30, 2007 and after is based on the entry age actuarial funding method. All prior years are based on the projected unit credit actuarial funding method.
[5] Reflects revised actuarial and economic assumptions.
[6] Reflects revised actuarial and economic assumptions.
[7] Reflects revised actuarial and economic assumptions.

APPENDIX A
MEMBERSHIP INFORMATION

Table A-1
SDCERS - Airport Authority
Active Member Data

	June 30, 2013	June 30, 2012	% Change
Count	347	341	1.8%
Average Current Age	48.1	47.7	0.8%
Average Service	9.9	9.3	6.5%
Average Pensionable Earnings	$ 74,533	$ 72,510	2.8%
Annual Pensionable Earnings	$ 25,863,062	$ 24,726,029	4.6%
Average Valuation Compensation[1]	$ 74,447	$ 72,414	2.8%
Annual Valuation Compensation[1]	$ 25,833,258	$ 24,693,205	4.6%
Service Without Permissive Service Purchased	9.3	8.9	4.5%
Members with Paid Purchased Service	44	37	18.9%
Members with Any Purchased Service	48	39	23.1%
Amount of Paid Purchased Service	160	133	20.5%
Amount of Total Purchased Service	180	144	24.8%

[1] The definition of valuation compensation differs from the definition of pensionable earnings due to IRS 401(a).

Table A-2
SDCERS - Airport Authority
Non-Active Participant Data

	Count			Average Age		
	June 30, 2013	June 30, 2012	%Change	June 30, 2013	June 30, 2012	%Change
Retired	45	41	9.8%	65.2	65.1	0.2%
Disabled	2	1	100.0%	57.6	49.5	16.4%
Beneficiaries	4	4	0.0%	63.0	62.0	1.6%
Payee Total	51	46	10.9%	64.8	64.5	0.5%
DROP Participants	10	11	-9.1%	62.9	62.9	0.0%
Deferred Vested [1]	79	76	3.9%	46.7	46.7	0.0%
Vested < 5 yrs svc	47	47	0.0%			

[1] Includes all participants having a contribution balance still on account with SDCERS.

Table A-3
SDCERS - Airport Authority
Non-Active Participant Data

	Total Annual Benefit			Average Annual Benefit		
	June 30, 2013	June 30, 2012	%Change	June 30, 2013	June 30, 2012	%Change
Retired	$ 1,909,883	$ 1,633,186	16.9%	$ 42,442	$ 39,834	6.5%
Disabled	34,380	14,916	130.5%	17,190	14,916	15.2%
Beneficiaries	69,636	68,282	2.0%	17,409	17,070	2.0%
Payee Total	$ 2,013,899	$ 1,716,384	17.3%	$ 39,488	$ 37,313	5.8%
DROP Participants	$ 649,670	$ 642,645	1.1%	$ 64,967	$ 58,422	11.2%
Deferred Vested [1]	$ 1,414,252	$ 1,316,550	7.4%	$ 17,902	$ 17,323	3.3%

[1] Includes all participants having a contribution balance still on account with SDCERS. Annual benefit for deferred vested participants is the total contribution balance on account as of valuation date.

APPENDIX A
MEMBERSHIP INFORMATION

Table A-4
SDCERS - Airport Authority
Distribution of Active Members (Excludes DROP Participants) as of June 30, 2013
Total Airport Authority

Age	Years of Service										Total Count	Average Salary
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 and up		
Under 25	1	1	-	-	-	-	-	-	-	-	2	$ 45,653
25 to 29	3	12	1	-	-	-	-	-	-	-	16	46,379
30 to 34	5	7	10	1	-	-	-	-	-	-	23	56,172
35 to 39	1	5	15	9	-	-	-	-	-	-	30	67,670
40 to 44	6	11	25	11	3	2	-	-	-	-	58	77,523
45 to 49	2	8	14	14	8	6	1	-	-	-	53	76,334
50 to 54	-	7	25	14	12	8	6	-	-	-	72	76,970
55 to 59	-	8	16	14	5	8	1	1	2	-	55	76,782
60 to 64	1	6	17	6	4	-	-	-	-	-	34	85,233
65 to 69	-	1	1	-	-	-	-	-	-	-	2	98,178
70 and up	-	-	1	-	-	-	1	-	-	-	2	153,227
Tot Count	19	66	125	69	32	24	9	1	2	-	347	
Avg. Salary	$ 57,785	$ 60,876	$ 77,956	$ 73,913	$ 95,242	$ 72,599	$ 92,435	$ 72,272	$ 104,258	$ -		$ 74,533

APPENDIX A
MEMBERSHIP INFORMATION

Table A-5
SDCERS - Airport Authority
Retirees (Includes DROP Participants), Disabled, and Beneficiaries Tabulated by Attained Age/Benefit Effective Date
Total Airport Authority

	Age										
Plan Year	Under 50	50 to 54	55 to 59	60 to 64	65 to 69	70 to 74	75 to 79	80 to 84	85 to 89	90 and up	Total
pre-2004	-	-	-	-	-	-	1	-	-	-	1
2004	-	-	-	-	-	1	-	-	-	-	1
2005	-	1	-	-	2	1	-	-	-	-	4
2006	-	-	-	1	-	-	-	-	-	-	1
2007	-	-	-	-	1	4	-	-	-	-	5
2008	-	-	-	3	2	-	-	-	-	-	5
2009	-	-	1	1	2	-	-	-	-	-	4
2010	-	-	1	1	4	-	-	-	-	-	6
2011	-	-	-	7	3	-	-	-	-	-	10
2012	-	-	2	4	2	-	-	-	-	-	8
2013	-	-	3	2	1	-	-	-	-	-	6
Total	-	1	7	19	17	6	1	-	-	-	51

Surviving spouses benefit effective date no longer based on participant's original date of retirement.

Average Age at Retirement/Disability	60.8
Average Current Age	64.8
Average Annual Pension	$ 39,488

APPENDIX A
MEMBERSHIP INFORMATION

Data Assumptions and Practices

In preparing our data, we relied on information (some oral and some written) supplied by the SDCERS staff. This information includes, but is not limited to, plan provisions, employee data, and financial information. Our methodology for obtaining the data used for the valuation is based upon the following assumptions and practices:

- Service for Actives and Inactives was calculated using Benefit Service. An adjusted date of hire is retroactively calculated from the valuation date. Purchased Service that has been paid for is included in the Benefit Service field. Purchased Service that has been applied for, but not paid as of the valuation date will be assumed to be paid in full and this service will be reflected in the projected benefit.

- Valuation Salary will be the maximum of "Current Annual Pensionable Salary" and annualized "Average Compensation."

- For accounts having duplicate records in the Actives and Inactives by Social Security Number the information from the latest payroll date is regarded as most up to date. The other record is treated as out of date and invalid.

- For duplicate records (based on SSN and Benefit Type) in the payee file, records having the same plan and same benefit type but different benefit amounts, we have added those benefit amounts together.

- Records on the provided "Member" file are considered to be Active if they have no "Date of Death," no "Date of Separation," do not have a retiree record and they received pay in the last pay period (Last Pay Period = 26) of the current FY.

- Records on the "Member" file are considered to be Inactive if they do not have a "Date of Death," do not have a retiree record and either have a "Date of Separation" or have a "Last Pay Period" earlier than the last pay period of the current FY.

- Records on the "Payee" file are considered in pay status if their benefit is not suspended.

- Pension Benefit for retirees for each plan was calculated by summing "Monthly Pension," "Monthly Annuity," "COLA Annuity," "Surviving Spouse Annuity," and "COLA Pension" and subtracting "Non-COLA Adjustments." The "Non-COLA Adjustments" field is mainly for Qualified Domestic Relation Order purposes. The "Supplement Amount" field is added as an annual benefit (i.e., 13th check) and the "Corbett Supplemental Payment" is annualized for new retirees in the City only. It is assumed the payment is annual for Members already in pay status prior to this valuation.

APPENDIX A
MEMBERSHIP INFORMATION

- Members retiring since the prior valuation date and not having a "Supplement Amount" (13th check) will have their projected "Supplement Amount" (13th check) calculated assuming $30 multiplied by the "Total Service Credit."

- Members may retire and receive benefits from multiple Plans (e.g., a City police officer could have also worked for the Airport Authority); we will value each Member's blended benefit individually. This will result in the counts being slightly higher than actual counts due to people having more than one benefit payable from multiple plans.

- We assume any retiree found in last year's "Payee" file and not in this year's file has died without a beneficiary and should be removed from the valuation data.

- We assume all deceased retirees with payments continuing to a beneficiary have already been accounted for in the "Payee" file.

- We exclude any payee receiving $0.00 from a blended benefit plan.

- We assume that any active Member found in the inactive data last year has returned to work and should be valued as active.

- The Final 415 Regulations were used to calculate the present value of Member benefits over the Internal Revenue Service Code 415 Benefit Limits.

Changes Since Last Valuation

- Members with service in one SDCERS plan who are now active in another SDCERS plan have "frozen service" in the original plan. In prior valuations, Member records associated with frozen service were treated as active, but effective with this valuation they are treated as inactive. This affects the allocation of their total benefit liability between past (actuarial liability) and future (present value of future normal costs) but does not impact the value of the total benefit liability itself.

APPENDIX B
ACTUARIAL ASSUMPTIONS AND METHODS

A. Actuarial Assumptions

1. Investment Return Rate

SDCERS' assets are assumed to earn 7.25% net of both administrative and investment expenses.

2. Inflation Rate

An inflation assumption of 3.3% compounded annually is used for projecting the total annual payroll growth for amortization of the UAL.

3. Interest Credited to Member Contributions

7.25%, compounded annually.

4. Salary Increase Rate

Inflation component: 3.3% (Freezes had been assumed for FYs 2013 and 2014).

The additional merit component:

Table B-1

Years of Service at Valuation Date	General
0	5.00%
1	4.00%
2	3.00%
3	2.00%
4	1.00%
5+	0.50%

5. Cost-of-Living Increase in Benefits

Assumed to be 2.0% per annum, compounded.

6. COL Annuity Benefit

For active Members, the COL annuity benefit is valued by adding to the liabilities one-sixth of accumulated member contribution accounts and using a load factor of 2.0% for future member contributions.

APPENDIX B
ACTUARIAL ASSUMPTIONS AND METHODS

7. Member Refunds

All or part of the employee contribution rate is subject to potential "offset" by the employer. That "offset" and the related accumulated interest are not to be refunded to employees at termination. However, such offsets are not directly reflected in either the employee contributions or related refund calculations.

8. Rates of Termination

Table B-2
SDCERS - Airport Authority
Rates of Termination

Service	General
0	11.00%
1	10.00
2	9.00
3	8.00
4	7.00
5	5.50
6	4.50
7	4.50
8	4.00
9	4.00
10	3.00
11	3.00
12	3.00
13	3.00
14	3.00
15	3.00
16	3.00
17	3.00
18	3.00
19	3.00
20	3.00
21	3.00
22+	3.00

10% of terminating employees, with 5+ years of service at termination, are assumed to subsequently work for a reciprocal employer and receive 3.8% pay increases per year.

APPENDIX B
ACTUARIAL ASSUMPTIONS AND METHODS

9. Rates of Disability

Table B-3
SDCERS - Airport Authority
Rates of Disability at Selected Ages

Age	General
20	0.02%
25	0.03
30	0.04
35	0.06
40	0.08
45	0.12
50	0.20
55	0.35
60	0.45

60% of the disabilities are assumed to be industrial disability retirements. Non-industrial disability retirement is subject to a service requirement.

10. Rates of Mortality for Active Lives

To reflect improvements in mortality since the date of the tables, the mortality tables have been modified to reflect actual experience through June 30, 2010 and include a projection to 2013.

All active members follow the RP2000 Combined Healthy table (male and female) projected to 2013.

Table B-4
SDCERS - Airport Authority
Rates of Mortality for Active Lives at Selected Ages

Age	Male	Female
20	0.03%	0.02%
25	0.03	0.02
30	0.04	0.02
35	0.07	0.04
40	0.10	0.06
45	0.13	0.09
50	0.17	0.13
55	0.28	0.25
60	0.55	0.47
65	1.03	0.91
70	1.83	1.57

All active Member deaths are assumed to not be duty-related.

APPENDIX B
ACTUARIAL ASSUMPTIONS AND METHODS

11. Rates of Mortality for Retired Healthy Lives

To reflect improvements in mortality since the date of the tables, the mortality tables have been modified to reflect actual experience through June 30, 2010. No modifications have been made to project future mortality improvements. In the next experience study we will examine the mortality experience and consider the projection of future improvement.

All retired healthy participants use the RP2000 Combined Healthy table (male and female).

Table B-5
SDCERS - Airport Authority
Rates of Mortality for Retired Healthy Lives at Selected Ages

Age	Male	Female
40	0.11%	0.07%
45	0.15	0.11
50	0.21	0.17
55	0.36	0.27
60	0.67	0.51
65	1.27	0.97
70	2.22	1.67
75	3.78	2.81
80	6.44	4.59
85	11.08	7.74
90	18.34	13.17

APPENDIX B
ACTUARIAL ASSUMPTIONS AND METHODS

12. Rates of Mortality for Retired Disabled Lives

To reflect improvements in mortality since the date of the tables, the mortality tables have been modified to reflect actual experience through June 30, 2010. No modifications have been made to project future mortality improvements. In the next experience study we will examine the mortality experience and consider the projection of future improvement.

The mortality tables used are variations of the CALPERS Disability Tables (male and female):

Table B-6
SDCERS - Airport Authority
Rates of Mortality for Disabled Lives at Selected Ages

Age	Male	Female
40	1.45%	0.67%
45	1.65	0.99
50	1.63	1.25
55	1.86	1.58
60	2.19	1.63
65	2.99	1.97
70	3.76	3.02
75	5.42	3.92
80	7.90	5.56
85	12.48	9.58

APPENDIX B
ACTUARIAL ASSUMPTIONS AND METHODS

13. The Rates of Retirement

Table B-7
SDCERS - Airport Authority
Rates of Retirement by Service Years

Service	Prior to age 62	Age 62 or greater
5-9	--	9.0%
10	--	33.3
11	--	33.3
12	--	33.3
13	--	33.3
14	--	33.3
15	--	33.3
16	--	33.3
17	--	33.3
18	--	33.3
19	--	33.3
20	30.0	40.5
21	15.0	33.3
22	17.5	35.1
23	20.0	36.9
24	22.5	38.7
25	25.0	40.5
26	27.5	42.3
27	30.0	44.1
28	32.5	45.9
29	35.0	47.7
30	37.5	49.5
31	40.0	51.3
32	40.0	53.1
33	40.0	54.9
34	40.0	56.7
35+	100.0	100.0

For vested deferred members, we assume that retirement will occur provided they have at least five years of service on the later of attained age or the earlier of age 62 or age 55 and 20+ years of service.

If the inactive participant is not vested, the liability is the contributions with interest.

APPENDIX B
ACTUARIAL ASSUMPTIONS AND METHODS

14. Family Composite Assumptions

80% of men and 55% of women were assumed married at retirement. A female spouse is assumed to be three years younger than her male spouse.

15. Member Contributions for Spousal Continuance

All active Members contribute towards a 50% survivor continuance. However, Members who are unmarried at retirement may either be refunded that specific part of their contributions, or they may leave such contributions on account and receive an incremental benefit that is the actuarial equivalent of such contributions.

16. Deferred Member Actuarial Accrued Benefit

The benefit was estimated based on information provided by SDCERS staff. The data used to value the estimated deferred benefit were date of birth, date of hire, date of termination, and last pay. Based on the data provided, service credit, highest average salary, and deferred retirement age were estimated. The estimates were used to compute the retirement benefit, upon which the liabilities are based. For those participants without sufficient data or service, accumulated participant contribution balances, with interest, were used as the actuarial accrued liability.

17. DROP Account Balances

For DROP participants still working, the liability for the account balances in the asset information received from SDCERS staff was adjusted to assume average commencement in 2½ years and an interest crediting rate of 1.2%. Thereafter, it was assumed the account balance would be converted to an annuity at an interest rate of 3.3% over an average period of 10 years. The 10-year period was selected to average among the available DROP payment elections, including a lump sum, life expectancy, and 20 years. The liability for pre-2006 DROP account balances still left on account was valued assuming they would be paid out until age 70½, with an interest crediting rate of 1.2%. The liability for the remaining account balances was adjusted based on the DROP annuity rate in effect at the Member's benefit effective date.

These adjustments are applied to the DROP account balance values provided in the financial statements. The account balance liability is allocated to each individual sub-group (e.g., General) based on the total amount of the DROP account balances for that sub-group in the valuation data.

APPENDIX B
ACTUARIAL ASSUMPTIONS AND METHODS

18. Other

The contribution requirements and benefit values of a plan are calculated by applying actuarial assumptions to the benefit provisions and Member information furnished, using the actuarial funding methods described in the following section.

Actual experience of SDCERS will not coincide exactly with assumed experiences, regardless of the choice of the assumptions, the skill of the actuary, or the precision of the many calculations made. Each valuation provides a complete recalculation of assumed future experience and takes into account all past differences between assumed and actual experience. The result is a continual series of adjustments to the computed contribution rate. From time to time it becomes appropriate to modify one or more of the assumptions to reflect experience trends, but not random year-to-year fluctuations.

19. Changes Since Last Valuation

The following revisions to the economic assumptions were adopted by the SDCERS Board at its November 8, 2013 meeting:

- The assumed investment return was lowered from 7.5% to 7.25%, and
- The inflation assumption used for amortization of the UAL and across the board pay increases was lowered from 3.75% to 3.3%.

The DROP interest crediting and annuity rates used to value the liability for account balances were reduced from 1.9% to 1.2% and from 4.4% to 3.3%, respectively, to reflect the Board's adoption of these rates at its December 2012 meeting.

APPENDIX B
ACTUARIAL ASSUMPTIONS AND METHODS

B. Actuarial Methods

1. Actuarial Funding Method

The Entry Age Normal funding method was used for active employees, whereby the normal cost rate is computed as the average level annual percent of pay required to fund the retirement benefits for all Members between their dates of hire and assumed dates of retirement. The EAN actuarial liability is the difference between the plan's total present value of future benefits and the present value of future normal costs, calculated for each sub-group (e.g., General). The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets, and is allocated to each sub-group based on its liability.

The unfunded actuarial liability is amortized by annual payments. The payments are determined so that they will be a level percentage of pay, assuming payroll increases 3.3% per year. The UAL is amortized over different closed periods depending on the source of the loss. The entire UAL as of June 30, 2007 is amortized over 14 years. Subsequent gains and losses are amortized over 15 years, changes in assumptions over 30 years, and changes in benefits over 20 years (or period over which benefit changes are paid, if shorter). Funding surplus, if any, is amortized over 30 years. Finally, if necessary, there is an additional UAL cost component to ensure that there is no negative amortization in any year.

2. Asset Valuation Method

For the purposes of determining the Airport Authority's annual required contribution to SDCERS, we use a smoothed actuarial value of assets. The asset smoothing method dampens the volatility in asset values that could occur because of the fluctuations in market conditions. Use of an asset smoothing method is consistent with the long-term nature of the actuarial valuation process. Assets are assumed to be used exclusively for the use of retirement benefits and expenses.

The actuarial value of assets each year is equal to 100% of the *expected actuarial value of assets*[1] plus 25% of the difference between the current market value of assets and the expected actuarial value of assets. In no event will the actuarial value of assets ever be less than 80% of the market value of assets nor greater than 120% of the market value of assets.

3. Changes Since Last Valuation

The SDCERS Board adopted a policy of 30-year amortization of funding surplus, if any, at its November 8, 2013 meeting.

The gross normal cost rate is now determined by dividing the sum of the individual normal costs by the total valuation salary, instead of by dividing the total present value of future normal costs by the total present value of future salaries. This change was made to

APPENDIX B
ACTUARIAL ASSUMPTIONS AND METHODS

be consistent with the disclosure requirements of GASB Statements Number 67 and Number 68.

[1] The expected actuarial value of assets is equal to the prior year's actuarial value of assets increased with actual contributions made, decreased with actual disbursements made, all items (prior assets, contributions and disbursements) further adjusted with expected investment returns for the year.

APPENDIX C
SUMMARY OF PLAN PROVISIONS

The Airport Authority was spun off from the Unified Port District effective January 1, 2003. Existing liabilities and assets were transferred to the new plan based on an interim valuation dated December 31, 2002. The Airport Authority Plan is created pursuant to San Diego City Charter section 149, which became effective on April 24, 2002, and San Diego Municipal Code Chapter 2, Article 4, section 24.0912 and Division 18. This Plan is effective on January 1, 2003, and nothing in this Plan should be constructed to affect any rights or benefits Airport Authority employees have earned in this Retirement System as of that date.

The California Public Employees' Pension Reform Act (PEPRA) was effective January 1, 2013 and has a significant impact on the plan provisions for most employees hired on or after that date. This summary of plan provisions has not been modified to reflect the provisions of PEPRA, as there were no such members in the June 30, 2013 valuation. The next valuation report will reflect the provisions of PEPRA as well as any other revisions to the plan subsequent to the current valuation date.

1. Membership Requirement

Membership is mandatory upon first day of employment for all full-time Airport employees (§ 0103).*

2. Monthly Salary Base for Benefits

Highest contiguous 26 bi-weekly pay periods (§ 0102), subject to a 10% increase for employees who were both a UPD employee on December 31, 2002 and became an Airport employee on or after January 1, 2003 and were employed by the UPD and contributing to SDCERS on January 1, 2002, if the Member elects such increase in lieu of an increased benefit formula.

3. Service Retirement

Eligibility

Age 62 with five years of service (excludes five year permissible purchased service), or age 55 with 20 years of service (§ 0300).

Benefit

Member choice of: (1) formula in place on December 31, 2001 with 10% increase in Final Average Compensation, (2)"Andrecht" formula effective as of January 1, 2002, or (3) "2.5% at 55" multiplier with a benefit cap of 90% of Final Average Compensation effective April 1, 2004 for Non-Executive General Members. Executive Members receive "3% at 55" multiplier without an increase in Final Average Compensation.

* All "§ " references are to the Airport Authority Plan Document.

APPENDIX C
SUMMARY OF PLAN PROVISIONS

For all employees, there is an additional benefit equal to the annuitized Member COL Annuity contributions at retirement date. In all cases, there is an integration feature which provides for 2/3 of the formula multiplier on the first $400 of Final Average Compensation.

Member Service Retirement Accrual Factors

Table C-1
SDCERS - Airport Authority
Member Service Retirement Accrual Factors

Age	Pre 12/31/2001	Andrecht	Post 4/1/2004	Executive
55	2.00%	2.25%	2.50%	3.00%
56	2.00%	2.25%	2.60%	3.00%
57	2.00%	2.25%	2.70%	3.00%
58	2.00%	2.25%	2.80%	3.00%
59	2.08%	2.25%	2.90%	3.00%
60	2.16%	2.30%	3.00%	3.00%
61	2.24%	2.35%	3.00%	3.00%
62	2.31%	2.40%	3.00%	3.00%
63	2.39%	2.45%	3.00%	3.00%
64	2.47%	2.50%	3.00%	3.00%
65+	2.55%	2.55%	3.00%	3.00%

Table C-2
SDCERS – Airport Authority

For Vested Members who terminated--	--the accrual factors are--
January 1, 2003 - present	Pre 12/31/2001 factors above with 10% increase in Final Average Compensation, Andrecht, Post 4/1/2004 or Executive (if applicable)

Maximum Benefit

Effective April 1, 2004, there is a 90% benefit cap, as a percentage of pay, for non-Executive Members who choose post-4/1/2004 factors. This cap does not apply to the annuitized COL Annuity benefit.

Unmodified Form of Payment

Monthly payments continued for the life of the Member, with 50% continuance to the eligible spouse, domestic partner, or dependent child under 21 years of age upon Member's

death. If there is no eligible spouse, the Member may receive either a lump sum payment equal to the accumulated surviving spouse contributions or an actuarially equivalent annuity.

Note: Airport Authority employees participate in Social Security.

4. Non-Industrial Disability

Eligibility

Ten years of service. (§ 0502)

Benefit

Greater of 1.5% per year of service multiplied by final compensation, one-third of final compensation, or the earned service retirement benefit, if eligible. (§ 0503)

5. Industrial Disability

Eligibility

No age or service requirement (§ 0500).

Benefit

Greater of one-third of final compensation, or the earned service retirement benefit, if eligible.
(§ 0501)

6. Non-Industrial Death Before Eligible to Retire

Refund of employee contributions with interest plus one month's salary for each completed year of service to a maximum of six months salary. (§ 0701)

7. Non-Industrial Death After Eligible to Retire for Service

50% of earned benefit payable to eligible surviving spouse, domestic partner, or dependent child under 21 years of age. (§ 0703)

8. Industrial Death

50% of the final average compensation preceding death, payable to eligible surviving spouse, domestic partner or dependent child under 21 years of age. (§ 0704)

APPENDIX C
SUMMARY OF PLAN PROVISIONS

9. Death After Retirement

Continuance to surviving beneficiary depending on benefit selection made at retirement.

$2,000 payable in lump sum to the beneficiary or the estate of the retiree. (§ 0600, 0708)

10. Withdrawal Benefits

Less than five years of service

Refund of accumulated employee contributions with interest, or may keep deposits with SDCERS and earn additional interest, and use service with a reciprocal system to establish eligibility for earned benefits upon concurrent retirement from reciprocal system. (§0205, 0401)

Five or more years of service

If contributions left on deposit, entitled to earned benefits, commencing any time after eligible to retire. (§0205)

11. Post-retirement Cost-of-Living Benefit

Based on changes in Consumer Price Index, to a maximum of 2% per year. (§ 1301)

12. COL Annuity

Actuarial equivalent of accumulated contributions in cost-of-living annuity account at time of retirement. (§ 0300)

APPENDIX C
SUMMARY OF PLAN PROVISIONS

13. Member Contributions

Vary by age at time of entrance into the system (§ 0200). While a significant portion of these contributions may be "offset," such offsets are not directly reflected in either the employee contributions or related refund calculations. Rates include cost of providing spouse's continuance, cost of providing COL Annuity, and cost of funding final one-year average in lieu of final three-year average (§ 0102, 0200, 0201).

Table C-3
SDCERS - Airport Authority
Employee Contribution Rates[1]

	Integrated Members[2]	
Entry Age	First $400/Mo.	Over $400/Mo.
20	5.52%	8.28%
21	5.59	8.38
22	5.66	8.49
23	5.73	8.60
24	5.80	8.70
25	5.89	8.83
26	5.97	8.95
27	6.04	9.06
28	6.12	9.18
29	6.20	9.30
30	6.28	9.42
31	6.37	9.55
32	6.45	9.67
33	6.53	9.79
34	6.61	9.91
35	6.70	10.05
36	6.79	10.18
37	6.88	10.32
38	6.97	10.45
39	7.05	10.58
40	7.15	10.72
41	7.24	10.86
42	7.33	10.99
43	7.42	11.13
44	7.52	11.28
45	7.61	11.42
46	7.71	11.56
47	7.81	11.71
48	7.91	11.86
49	8.01	12.01
50	8.10	12.15
51	8.21	12.32
52	8.31	12.47
53	8.42	12.63
54	8.53	12.79
55	8.63	12.95
56	8.74	13.11
57	8.87	13.31

[1] Rate = Normal Cost + Cost of Living Rate
[2] Non-Integrated Members will follow the "Over $400/month" rate

Interest: 8.00%
Salary: 5.00%
Mortality: 83 Group Annuity Mortality (GAM) male
(Males set back 2 years, Females set back 8 years)

Changes to the salary scale and mortality table effective with the June 30, 1994 valuation were applied to the then existing Member rates.

14. Internal Revenue Code Compliance

Benefits provided by SDCERS' Trust Fund are subject to the limitations set forth in Section 415 in accordance with the "grandfather" election in Section 415(b)(10) of the Internal Revenue Code.

As of the June 30, 2006 valuation, active participants' benefit payments were limited by Section 415 of the Internal Revenue Code. As of the June 30, 2007 valuation, all benefit payments were limited by Section 415 of the Internal Revenue Code.

15. Deferred Retirement Option Plan

Effective April 1, 1997, a deferred retirement option plan (DROP) was created and offered to Members as an alternative method of benefit accrual (§1200). Members eligible for service retirement are eligible to participate in DROP, but only those hired before October 3, 2006 may enter the program (§1201).

A participant in DROP may leave DROP at any time before the end of his or her designated DROP participation period by voluntarily leaving Airport Authority employment (§1202). The maximum DROP participation period is 60 months (§1201).

A DROP participation account is a nominal account established with the Retirement System, which is credited with the following amounts (§1203):

- The Member's monthly service retirement allowance, credited monthly, calculated at the date of DROP entry and increased each year by a cost-of-living adjustment.
- The Member's supplemental 13th check benefit, if applicable, credited annually.
- 3.05% of base compensation, payable by the Airport Authority and credited bi-weekly.
- 3.05% of base compensation, payable by the Member and credited bi-weekly.
- Interest on the above amounts, as determined by the Board.

When a Member leaves DROP and Airport Authority employment, they begin to collect their monthly service retirement allowance, their supplemental 13th check benefit (if applicable), and the amounts credited to their DROP participation account, payable as a single lump sum distribution, as a 240-month annuity with equal payments, or any other form approved by the Board and subject to applicable provisions of the Internal Revenue Code (§1206).

DROP is not intended to jeopardize the tax-qualified status of the retirement system under the rules and regulations of the Internal Revenue Service. Benefits provided under this division are subject to the limitations of Section 415 of the Internal Revenue Code relating to the amount of benefits that can be paid (§1207).

16. Blended Benefit with Participating Agencies

Members may retire and receive benefits from multiple Plans (e.g., an Airport Authority employee could have also worked for the Unified Port District).

17. Changes Since Last Valuation

The California Public Employees' Pension Reform Act (PEPRA) was effective January 1, 2013 and has a significant impact on the plan provisions for most employees hired on or after that date. This summary of plan provisions has not been modified to reflect the provisions of PEPRA, as there were no such members in the June 30, 2013 valuation. The next valuation report will reflect the provisions of PEPRA as well as any other revisions to the plan subsequent to the current valuation date.

Note: The summary of major plan provisions is designed to outline principal plan benefits. If the SDCERS staff should find the plan summary not in accordance with the actual provisions, the actuary should immediately be alerted so the proper provisions are valued.

APPENDIX D
GLOSSARY OF TERMS

1. Actuarial Liability

The Actuarial Liability is the difference between the present value of all future system benefits and the actuarial value of future normal costs. This is also referred to by some actuaries as "accrued liability" or "actuarial accrued liability."

2. Actuarial Assumptions

Estimates of future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and salary increases. Actuarial assumptions (rates of mortality, disability, turnover and retirement) are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (salary increases and investment income) consist of an underlying rate in an inflation-free environment plus a provision for a long-term average rate of inflation.

3. Accrued Service

Service credited under the system which was rendered before the date of the actuarial valuation.

4. Actuarial Equivalent

A single amount or series of amounts of equal actuarial value to another single amount or series of amounts, computed on the basis of appropriate actuarial assumptions.

5. Actuarial Cost Method

A mathematical budgeting procedure for allocating the dollar amount of the actuarial present value of retirement system benefit between future normal cost and actuarial accrued liability. Sometimes referred to as the "actuarial funding method."

6. Actuarial Gain/(Loss)

The difference between actual experience and actuarial assumption anticipated experience during the period between two actuarial valuation dates.

7. Actuarial Present Value

The amount of funds currently required to provide a payment or series of payments in the future. It is determined by discounting future payments at predetermined rates of interest, and by probabilities of payment.

8. Actuarially Determined Contribution (ADC)

Contribution determined each year based on the SDCERS Board's adopted funding policy. The term also exists in GASB 67 and 68 as a contribution determined by the actuary in accordance with Actuarial Standards of Practice, but no further guidance is provided.

APPENDIX D
GLOSSARY OF TERMS

9. Amortization

Paying off an interest-discounted amount with periodic payments of interest and principal—as opposed to paying off with lump sum payment.

10. Annual Required Contribution (ARC) under GASB 25

The Governmental Accounting Standards Board (GASB) Statement Number 25 defines the Plan Sponsor's "Annual Required Contribution" (ARC) as the employer's periodic required contributions to a defined benefit plan, calculated in accordance with the parameters outlined in Statement Number 25. Starting in FY 2014, GASB Statement Number 67, which does not contain the concept of an ARC, will replace Statement Number 25 for public pension plan accounting and financial reporting.

11. Normal Cost

The actuarial present value of retirement system benefits allocated to the current year by the actuarial funding method.

12. Set Back/Set Forward

Set back is a period of years that a standard published table (i.e., mortality) is referenced backwards in age. For instance, if the set back period is two years and the participant's age is currently 40, then the table value for age 38 is used from the standard published table. It is the opposite for set forward. A system would use set backs or set forwards to compensate for mortality experience in their work force.

13. Unfunded Actuarial Liability (UAL)

The difference between actuarial liability and the actuarial value of assets.

Most retirement systems have unfunded actuarial liability. They arise each time new benefits are added and each time an actuarial loss is realized.

The existence of unfunded actuarial liability is not in itself bad, any more than a mortgage on a house is bad. Unfunded actuarial liability does not represent a debt that is payable today. What is important is the ability to amortize the unfunded actuarial accrued liability, and the trend in its amount (after due allowance for devaluation of the dollar).

Revised 2/21/14 Item 6

Presentation to the Executive and Finance Committee San Diego County Regional Airport Authority

June 30, 2013 Investment Returns & Actuarial Valuation

February 24, 2014

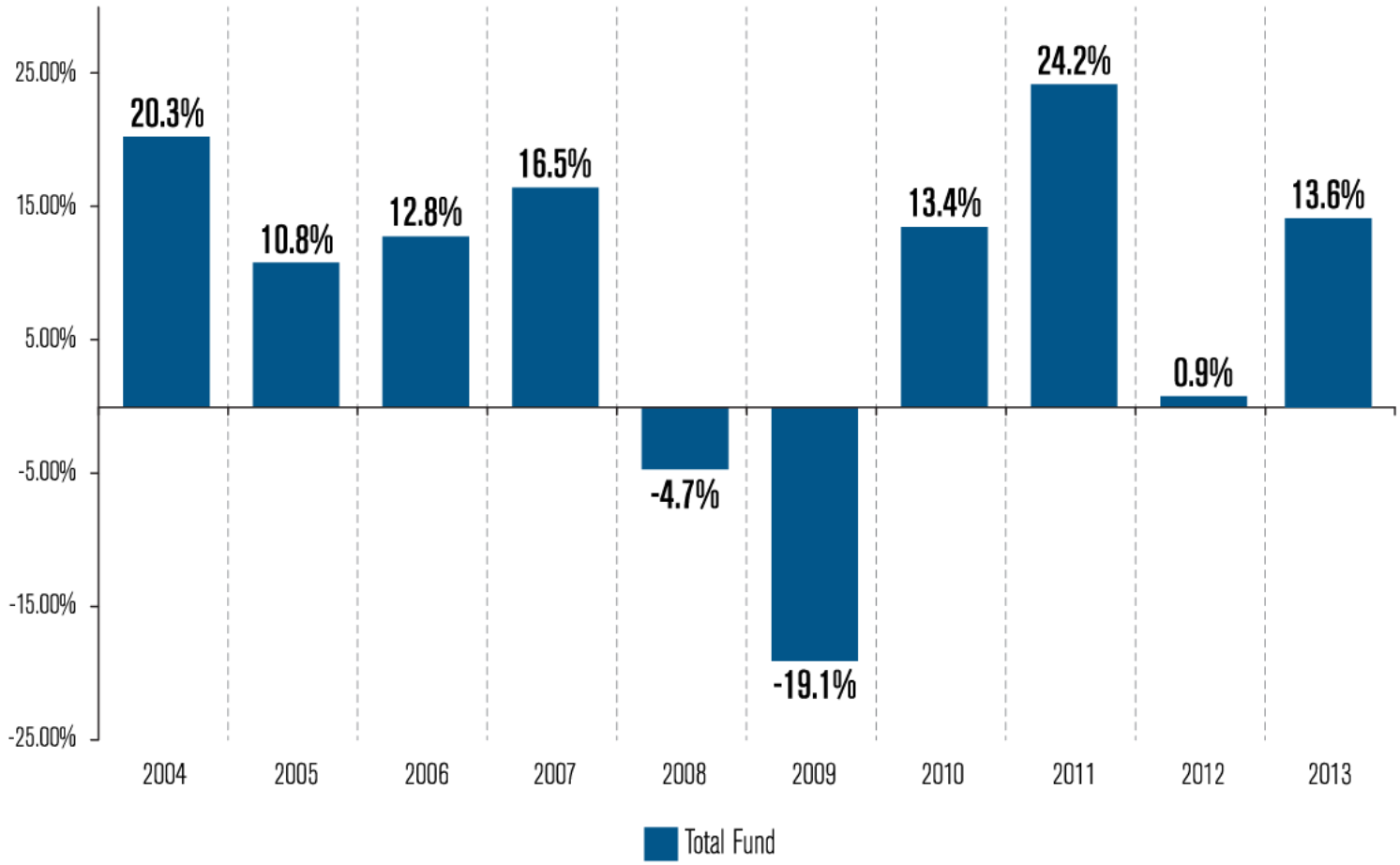
Mark A. Hovey, Chief Executive Officer; SDCERS

Liza Crisafi, Chief Investment Officer; SDCERS

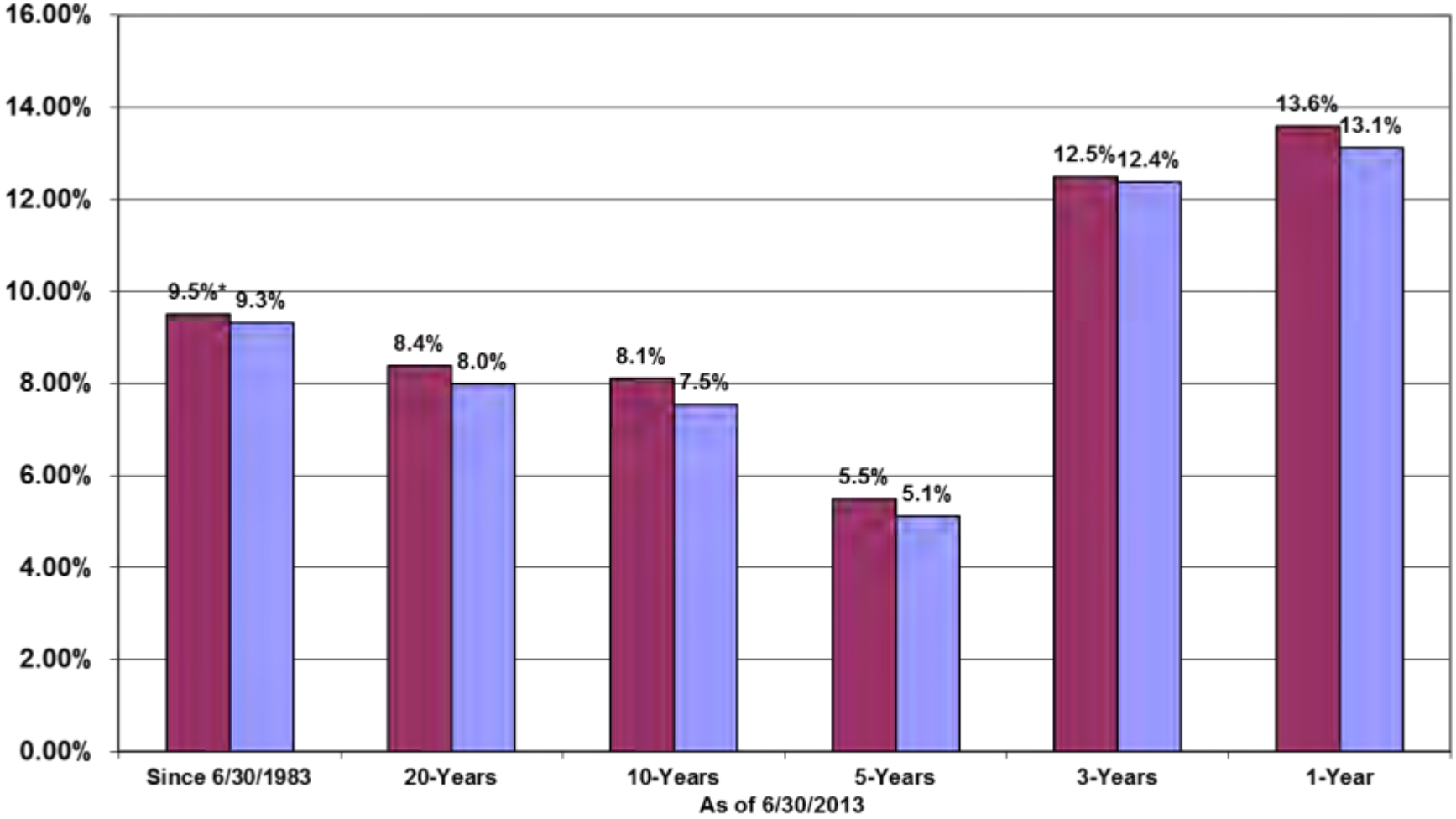
Preface: With the exception of slides 2, 3, and 4, the slides that follow are excerpts from Cheiron's presentation to SDCERS' Board on January 10, 2014. The charts on slides 2-4 were prepared by SDCERS and not part of the Cheiron January 10 presentation.

Historical Investment Performance

period ending June 30



Total Fund Returns (Fiscal Year)



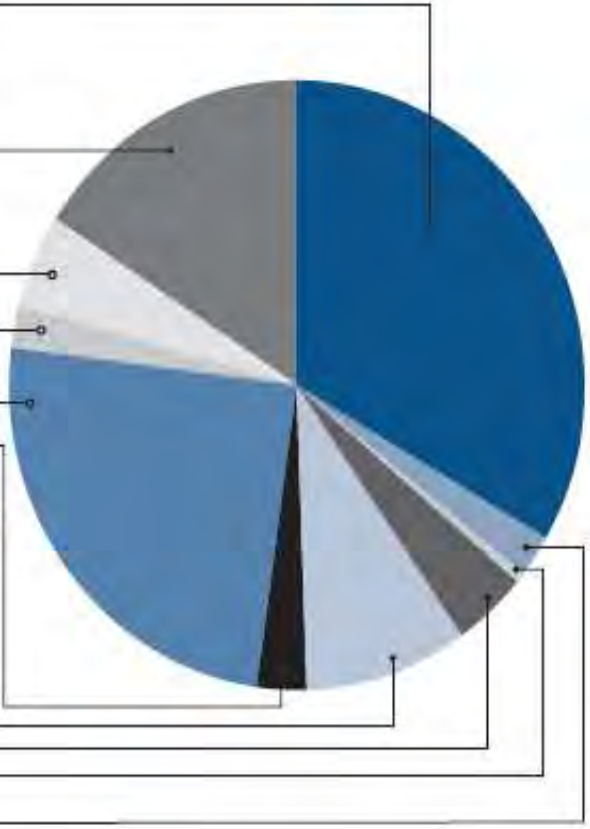
* All time-weighted returns estimated by Cheiron

CHEIRON

Actual Asset Allocation

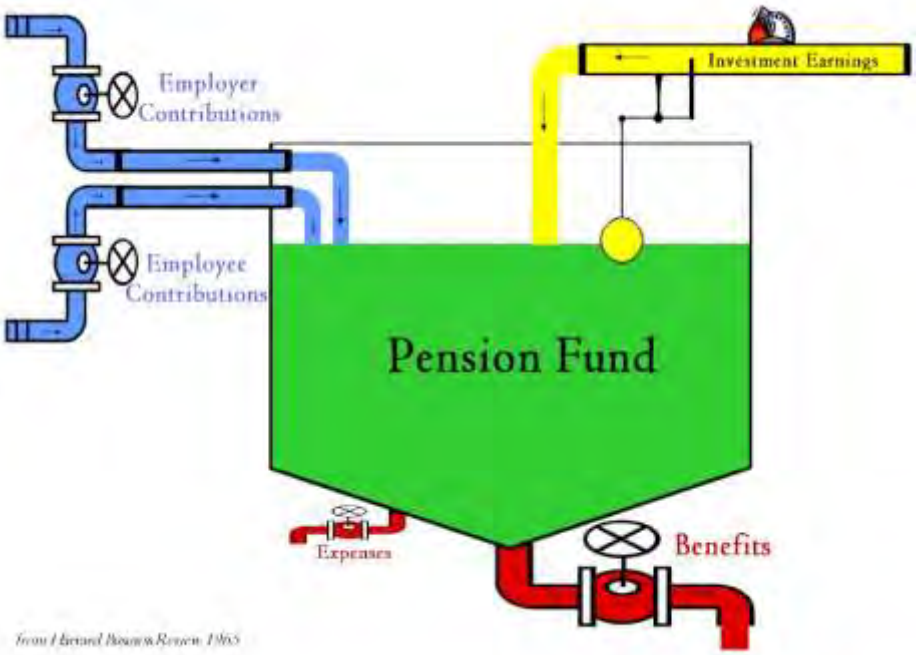
As of June 30, 2013

Domestic Equity	33.3%
International Equity	15.6
Global Equity	5.1
Emerging Market Equity	2.1
Domestic Fixed Income	24.5
Emerging Market Debt	2.7
Real Estate	9.6
Private Equity	4.3
Infrastructure	0.6
Cash	2.2
Total	100.0%



The Actuarial Valuation Process

1. Collect data
   - Participants
   - Plan provisions
   - Financial
2. Make assumptions
   - Demographic
   - Economic
3. Project all future benefit payments
4. Determine a present value = tank
5. Compare to assets
6. Calculate employer contribution



Key Results

Table I-1 SDCERS - Airport Authority				
Valuation as of:		**June 30, 2013**		**June 30, 2012**
Unfunded Actuarial Liability	$	7,583,685	$	1,432,241
Funding Ratio		93.4%		98.5%
Airport Contribution Rate		14.29%		11.90%
		Fiscal Year 2015		**Fiscal Year 2014**
Actuarially Determined Contribution				
-if paid at the beginning of the year	$	3,822,606	$	2,904,457
-if paid throughout the year	$	3,958,751	$	3,011,405

Changes Since Last Valuation

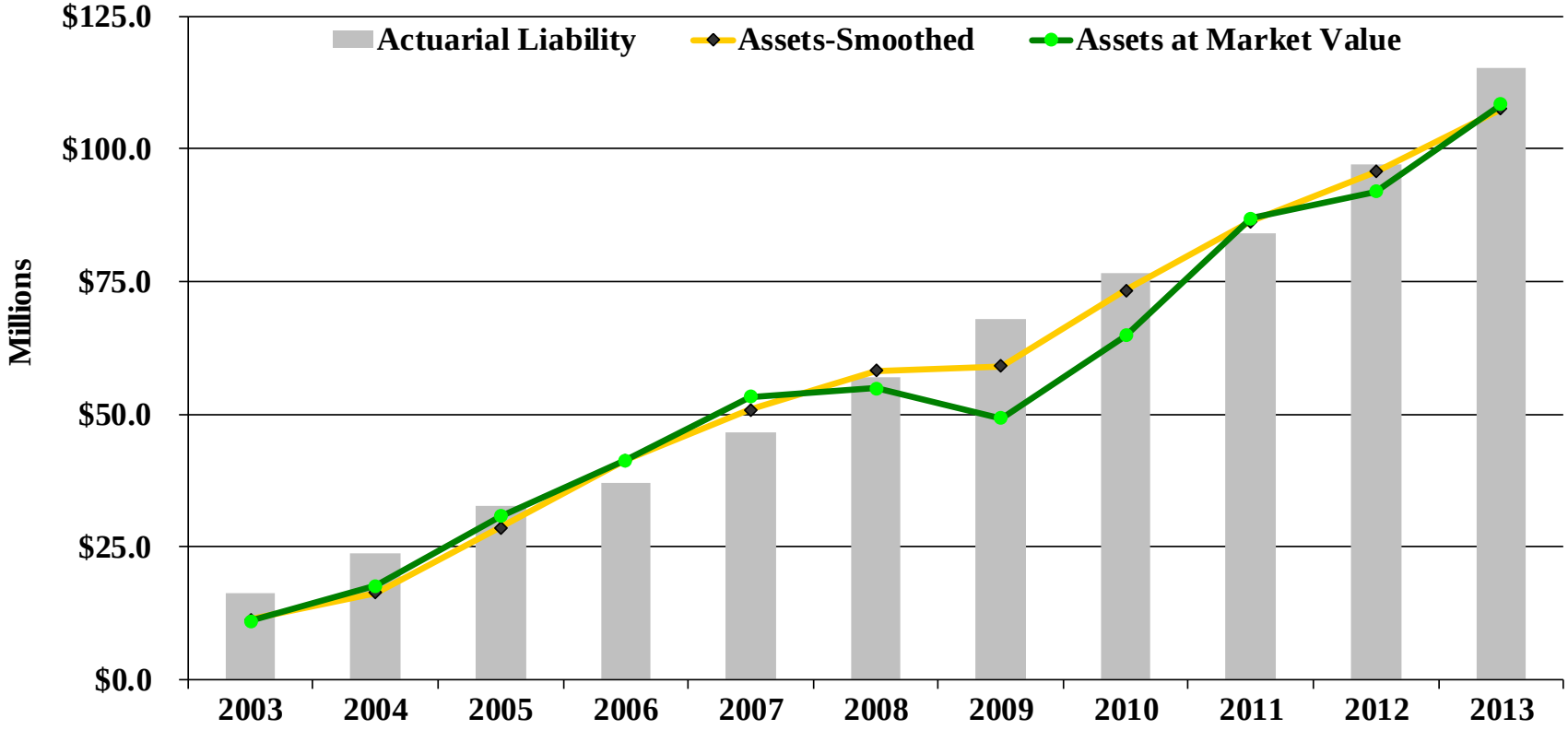
Changes in UAL and ADC	UAL	ADC
1. Value at June 30, 2012	$ 1,432,241	$ 2,904,457
2. Expected Value at June 30, 2013*	2,896,401	3,049,453
3. Actual Value at June 30, 2013	7,583,685	3,822,606
4. (Favorable)/Unfavorable experience (3 - 2)	$ 4,687,284	$ 773,153

Breakdown of Experience	UAL	ADC
1. Actuarial investment experience different than projected	$ (1,336,790)	$ (122,675)
2. Liability experience	4,308,779	628,817
3. Reduction in discount rate and pay inflation assumption	1,620,447	126,893
4. Method changes	87,000	201,206
5. Employee contributions paid less than expected	76,666	7,036
6. Decrease in negative amortization cost component	N/A	(64,179)
7. Other Misc (includes purchased service)	(68,819)	(3,944)
8. Total change: (sum 1 thru 7)	$ 4,687,284	$ 773,153

* Includes projected phase-in of asset gains or losses

CHEIRON

Historical Trends
Assets and Liabilities



	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Funding Ratio	68.4%	68.8%	87.6%	111.7%	109.0%	102.3%	86.9%	96.0%	102.7%	98.5%	93.4%
UAL (millions) *	$ 5.1	$ 7.4	$ 4.1	$ (4.3)	$ (4.2)	$ (1.3)	$ 8.9	$ 3.0	$ (2.3)	$ 1.4	$ 7.6

Projections

CHEIRON

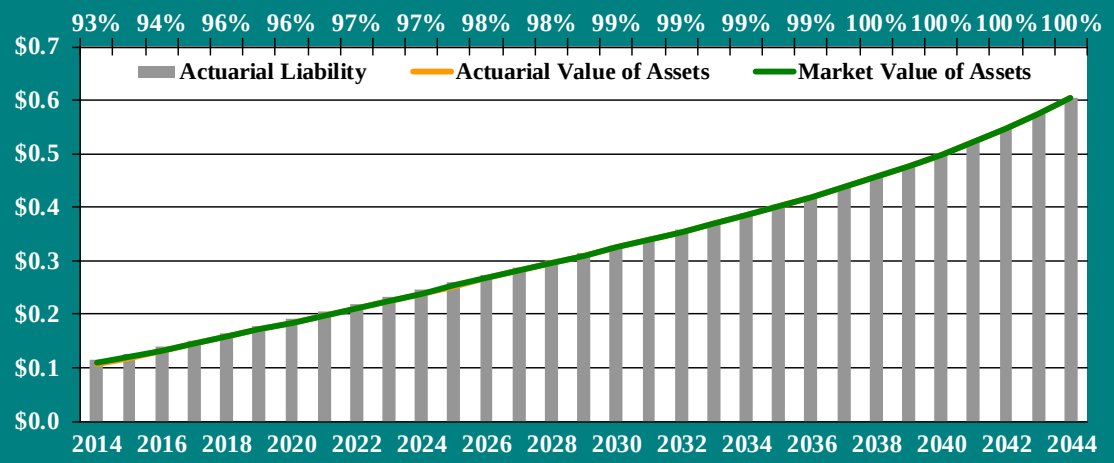
FYE		(mill) ADC	(mill) UAL
2014	7.25%	$ 2.9	$ 1.40
2015	7.25%	$ 3.8	$ 7.58
2016	7.25%	$ 3.9	$ 7.91
2017	7.25%	$ 3.9	$ 7.72
2018	7.25%	$ 3.9	$ 7.55
2019	7.25%	$ 4.0	$ 7.42
2020	7.25%	$ 4.0	$ 7.31
2021	7.25%	$ 4.1	$ 7.22
2022	7.25%	$ 4.1	$ 7.14
2023	7.25%	$ 4.5	$ 7.08
2024	7.25%	$ 4.6	$ 7.04
2025	7.25%	$ 4.9	$ 6.65
2026	7.25%	$ 4.3	$ 6.22
2027	7.25%	$ 4.5	$ 5.51
2028	7.25%	$ 5.3	$ 5.49
2029	7.25%	$ 5.0	$ 5.31
2030	7.25%	$ 4.5	$ 4.43
2031	7.25%	$ 4.7	$ 3.84
2032	7.25%	$ 4.8	$ 3.84
2033	7.25%	$ 5.0	$ 3.78
2034	7.25%	$ 5.2	$ 3.67
2035	7.25%	$ 5.3	$ 3.50
2036	7.25%	$ 5.5	$ 3.28
2037	7.25%	$ 5.7	$ 2.99
2038	7.25%	$ 5.9	$ 2.65
2039	7.25%	$ 6.1	$ 2.24
2040	7.25%	$ 5.8	$ 1.76
2041	7.25%	$ 6.0	$ 1.22
2042	7.25%	$ 6.3	$ 1.09
2043	7.25%	$ 6.6	$ 0.94
FYE	7.25%	= average return	

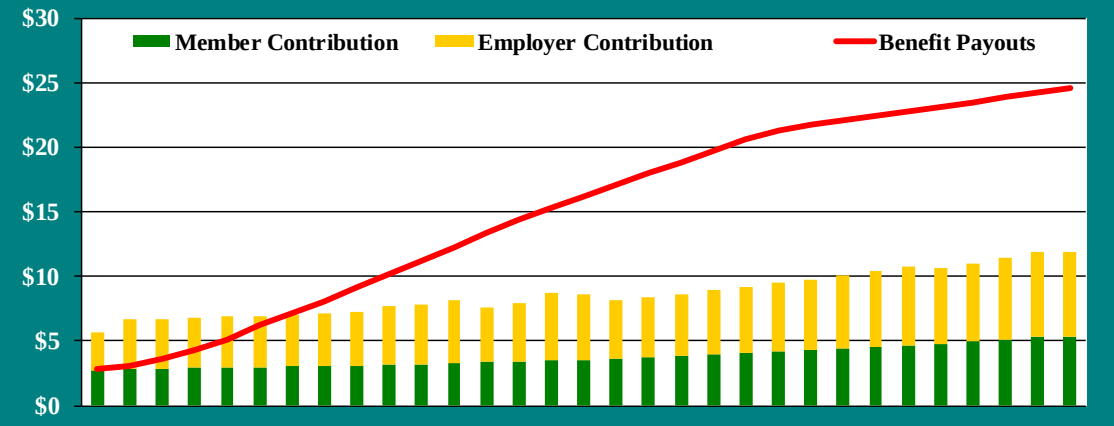
Investment Returns

BASELINE
HISTORICAL 2002

Future Gains/Losses	15
Discount Rate	7.25%

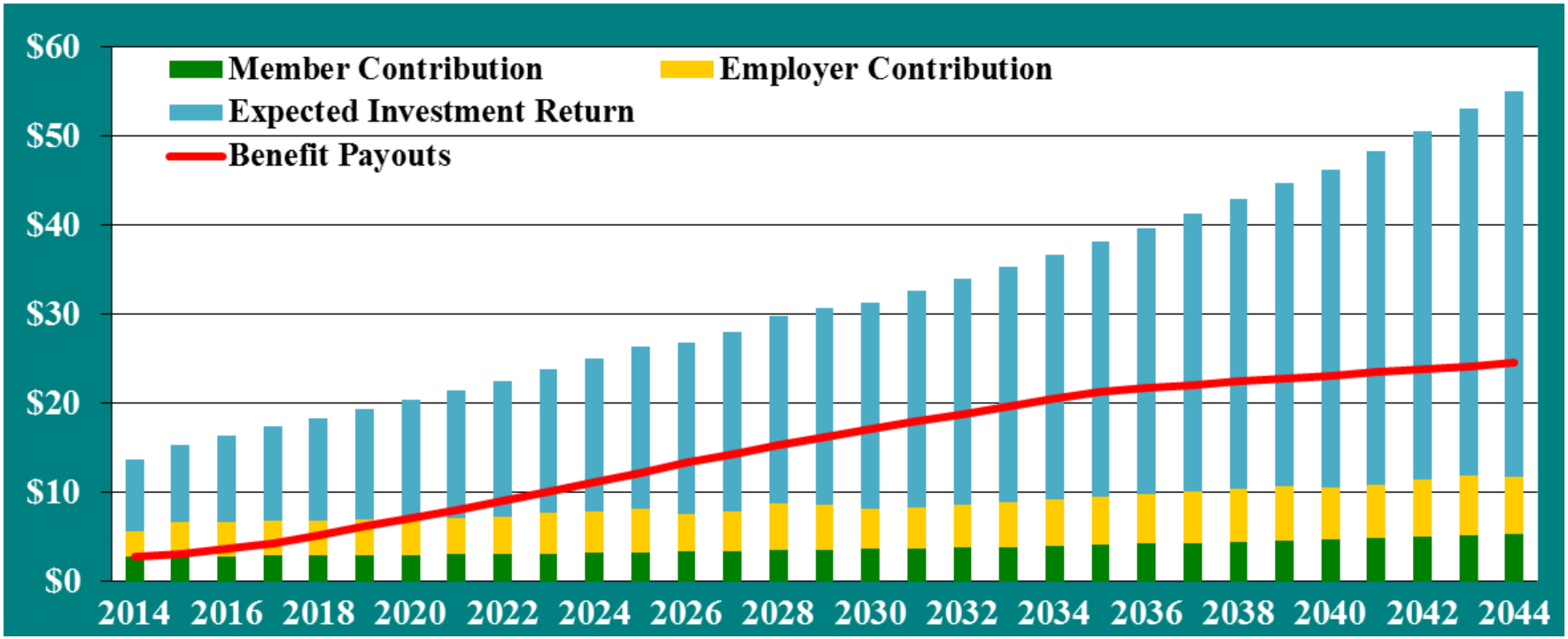
Employer	A
Asset smoothing	25%
Max AVA/MVA	120%





CHEIRON

SDCERS Projections



Discussion

Revised 2/20/14

SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY
EXECUTIVE COMMITTEE

Item No.
7

Meeting Date: **FEBRUARY 24, 2014**

Subject:

Pre-Approval of Travel Requests and Approval of Business and Travel Expense Reimbursement Requests for Board Members, the President/CEO, the Chief Auditor and General Counsel

Recommendation:

Pre-approve Travel Requests and Approve Business and Travel Expense Reimbursement Requests.

Background/Justification:

Authority Policies 3.30 (2)(b) and (4)(b) require that business expenses reimbursements of Board Members, the President/CEO, the Chief Auditor and the General Counsel be approved by the Executive Committee and presented to the Board for its information at its next regularly scheduled meeting.

Authority Policy 3.40 (2)(b) and (3)(b) require that travel expense reimbursements of Board Members, the President/CEO, the Chief Auditor and the General Counsel be approved by the Executive Committee and presented to the Board for its information at its next regularly scheduled meeting.

The attached reports are being presented to comply with the requirements of Policies 3.30 and 3.40.

Fiscal Impact:

Funds for Business and Travel expenses are included in the FY 2014 Budget.

Environmental Review:

A. This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act (CEQA), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.

B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

Application of Inclusionary Policies:

Not applicable

Prepared by:

TONY RUSSELL
DIRECTOR, CORPORATE SERVICES/AUTHORITY CLERK

TRAVEL REQUESTS

ROBERT GLEASON

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST

GENERAL INSTRUCTIONS:

A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Robert H. Gleason, Board Chair Dept: 2

Position: ☑ Board Member ☐ President/CEO ☐ Gen. Counsel ☐ Chief Auditor

☐ All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 1/30/14 PLANNED DATE OF DEPARTURE/RETURN: 2/19/14 / 2/20/14

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip– continue on extra sheets of paper as necessary):

Destination:Redmond, Washington

Purpose: Multi-agency collaboration re treating San Diego's "City as a System"

Explanation: Leading organizations from government, business, education and nonprofit are maximizing synergies to drive existing energy programs forward, identify new opportunities, embrace additional collaborations, and move the San Diego region beyond today's boundaries of sustainability. Includes tour of Microsoft's Energy Management and Control Center and joins delegations from Carnegie Mellon Univ and the Philadelphia Navy Yard

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:		
• AIRFARE	$	310
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	$	100
B. LODGING	$	$180 ($152 plus taxes)
C. MEALS	$	
D. SEMINAR AND CONFERENCE FEES	$	
E. ENTERTAINMENT (If applicable)	$	
F. OTHER INCIDENTAL EXPENSES	$	
TOTAL PROJECTED TRAVEL EXPENSE	$	$590

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: RHGleason Date: 2.3.14

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: Date: 2/6/14

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)

by the Executive Committee at its _____ meeting.
(Leave blank and we will insert the meeting date.)

You are invited to participate in a briefing and demonstration of

Microsoft's Energy Management and Control Center

See in action what a smart city can be today

San Diego is preparing to demonstrate how a city can promote sustainability at previously unobtained scale. The goal is to demonstrate how treating the "City as a System" achieves tremendous savings in energy and other resources. We will see how Microsoft and OSIsoft platforms make this vision realizable today.

We will tour Microsoft's future energy management and control center and join the hosts and the delegation from Carnegie Mellon University and the Philadelphia Navy Yard to for a dinner meeting to discuss possible future collaborations.

Schedule:

February 19 – "Art of the Possible"

10:30a – Arrival into SEA airport
Transfer to Microsoft Redmond Campus
11:30a-12:30p – Welcome Luncheon

WHEN:

February 19-20, 2014

WHERE:

Microsoft Campus
Redmond, WA.

Departing from and returning to San Diego, CA

For information about travel arrangements, please contact Martha Carver Luick.

Click to RSVP

Collaborators:

12:30-1:30p – Executive Briefing Center

- Welcome
- Vision Discussion
- CityNext – Joel Cherkis, General Manager, Microsoft

1:30-3p – Microsoft Real Estate Operations Center
3:30-5p – Executive Briefing Center

- Seattle 2030 District – Brian Geller, Executive Director
- Pittsburgh Energy Reduction – Bertrand Lasternas, Carnegie Mellon University

5-6p – Discussion – City as a System
Transfer to Hotel
7p – Group Dinner and Executive Discussions

February 20 – "San Diego as a World Class Leader"

7:30a *Transfer to Microsoft Executive Briefing Center*
8-8:30a – Recap of the "Art of the Possible"
8:30-9:30a – Achieving "San Diego as a System"

- Leveraging Cloud Technologies as Key Enabler
- Demonstration using San Diego data (2013 Pilot Participants)

9:30-10a – Break
10-11a – Microsoft/OSIsoft Proposal to San Diego
11a-12p – Executive Collaboration, Wrap Up and

Actionable Deliverables

12p – Adjourn and *Transfer to SEA airport*

Smart City San Diego is a bold, multi-year collaboration combining the resources of the City of San Diego, San Diego Gas & Electric, GE, UC San Diego, and CleanTECH San Diego.Together, these leading organizations from government, business, education, and nonprofit are maximizing synergies to drive existing energy programs forward, identify new opportunities, embrace additional collaborators, and move the San Diego region beyond today's boundaries of sustainability.

☒ _____

THELLA F. BOWENS

Revised

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST

GENERAL INSTRUCTIONS:

A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Thella F. Bowens Dept: Exec Office BU6

Position: ☐ Board Member ☑ President/CEO ☐ Gen. Counsel ☐ Chief Auditor

☐ All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 12/03/13 PLANNED DATE OF DEPARTURE/RETURN: ~~12/14/13~~ 1/21/14 / ~~12/16/13~~ 1/23/14

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip-- continue on extra sheets of paper as necessary):

Destination: New York, NY

Purpose: Tour of JFK's Delta Terminal Passport Control Kiosks and GT operations

Explanation:

* travel was rescheduled to january 21-23, 2014
same location/purpose

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:		
• AIRFARE	$	700.00
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	$	150.00
B. LODGING	$	800.00
C. MEALS	$	200.00
D. SEMINAR AND CONFERENCE FEES	$	
E. ENTERTAINMENT (If applicable)	$	
F. OTHER INCIDENTAL EXPENSES	$	
TOTAL PROJECTED TRAVEL EXPENSE	$	1850.00

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: Thella F Bowens Date: 3 Dec 2013

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: [signature] Date: 12-3-13

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)

by the Executive Committee at its _____ meeting.
(Leave blank and we will insert the meeting date.)

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST

GENERAL INSTRUCTIONS:

A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:
Travelers Name: Thella F. Bowens Dept: Executive Office BU6

Position: ☐ Board Member ☑ President/CEO ☐ Gen. Counsel ☐ Chief Auditor

☐ All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 02/14/14 PLANNED DATE OF DEPARTURE/RETURN: 03/15/14 / 03/15/14

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip– continue on extra sheets of paper as necessary):
Destination: Santa Ana, CA Purpose: Attend Tesla Awards Honoring Linden Blue
Explanation: Attend Tesla Awards Honroing Linden Blue on 3/15/14 at Lyon Air Museum, Santa Ana, CA

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:	
• AIRFARE	$
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	$ 150.00
B. LODGING	$
C. MEALS	$
D. SEMINAR AND CONFERENCE FEES	$ 500.00
E. ENTERTAINMENT (If applicable)	$
F. OTHER INCIDENTAL EXPENSES	$
TOTAL PROJECTED TRAVEL EXPENSE	$ 650.00

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.
Travelers Signature: Thella F. Bowens Date: 2/14/14

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).
By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)
by the Executive Committee at its _____ meeting.
(Leave blank and we will insert the meeting date.)

EXPENSE REPORTS

THELLA F. BOWENS

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
TRAVEL EXPENSE REPORT

(To be completed within 30 days from travel return date)

TRAVELER: Thella F. Bowens **DEPT. NAME & NO.** Executive Office BU6

DEPARTURE DATE: 11/1/2013 **RETURN DATE:** 11/4/2013 **REPORT DUE:** 12/4/13

DESTINATION: Montevideo, Uruguay

Please refer to the Authority Travel and Lodging Expense Reimbursement Policy, Article 3, Part 3.4, Section 3.40, outlining appropriate reimbursable expenses and approvals. Please attach all required supporting documentation. All receipts must be detailed, (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.

	Authority Expenses (Prepaid by Authority)	Employee Expenses							
		SUNDAY 11/3/14	MONDAY 11/4/14	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY 11/1/14	SATURDAY 11/2/14	TOTALS
Air Fare, Railroad, Bus *(attach copy of itinerary w/charges)*	5,859.90								0.00
Conference Fees *(provide copy of flyer/registration expenses)*	350.00								0.00
Rental Car*									0.00
Gas and Oil*									0.00
Garage/Parking*									0.00
Mileage - attach mileage form*									0.00
Taxi and/or Shuttle Fare *(include tips pd.)**		28.48							28.48
Hotel*		395.00					395.00	395.00	1,185.00
Telephone, Internet and Fax*									0.00
Laundry*									0.00
Tips - *separately paid (maids,bellhop,other hotel srvs.)*									0.00
Meals *(include tips pd.)* Breakfast*									0.00
Lunch*									0.00
Dinner*								41.65	41.65
Other Meals*									0.00
Alcohol is a non-reimbursable expense									
Hospitality [1] *									0.00
Miscellaneous: Baggage Fees									0.00
									0.00
									0.00
**Provide detailed receipts*									0.00
Total Expenses prepaid by Authority	6,209.90	423.48	0.00	0.00	0.00	0.00	395.00	436.65	1,255.13

Explanation:

Change return to November 4 - $300.

Total Expenses Prepaid by Authority	6,209.90
Total Expenses Incurred by Employee (including cash advances)	1,255.13
Grand Trip Total	7,465.03
Less Cash Advance (attach copy of Authority ck)	
Less Expenses Prepaid by Authority	6,209.90
Due Traveler (positive amount)[2]	
Due Authority (negative amount)[3]	1,255.13

Note: Send this report to Accounting even if the amount is $0.

[1]Give names and business affiliations of any persons whose meals were paid by traveler.
[2] Prepare Check Request
[3]Attach personal check payable to SDCRAA

I as traveler or administrator acknowledge that I have read, understand and agree to Authority policies 3.40 - Travel and Lodging Expense Reimbursement Policy[4] and 3.30 - Business Expense Reimbursement Policy[5] and that any purchases/claims that are not allowed will be my responsibility. I further certify that this report of travel expenses were incurred in connection with official Authority business and is true and correct.

[4] Travel and Lodging Expense Reimbursement Policy 3.40 [5] Business Expense Reimbursement Policy 3.30

Prepared By: Amy Caldera (Print/Type Name) Ext.: 2445

Traveler Signature: Thella F Bowens Date: 12/4/2014

Approved By: Date:

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE **(To be certified if used by President/CEO, Gen. Counsel, or Chief Auditor)**

I, _____ hereby certify that this document was approved by the Executive Committee at its
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)

_____ meeting.
(Leave blank and we will insert the meeting date.)

Failure to attach required documentation will result in the delay of processing reimbursement. If you have any questions, please see your department Administrative Assistant or call Accounting at ext. 2806.

→ Corporate 8/7 4:3

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST

GENERAL INSTRUCTIONS:

A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Thella F. Bowens Dept: Exec Office BU6

Position: ☐ Board Member ☑ President/CEO ☐ Gen. Counsel ☐ Chief Auditor

☐ All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 08/05/13 PLANNED DATE OF DEPARTURE/RETURN: 10/31/13 / 11/05/13

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip– continue on extra sheets of paper as necessary):

Destination: Montevideo, Uruguay

Purpose: ACI World Governing Board and ACI-LAC Annual Conference

Explanation:

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:		
• AIRFARE	$	4500.00
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	$	150.00
B. LODGING	$	1975.00
C. MEALS	$	250.00
D. SEMINAR AND CONFERENCE FEES	$	350.00
E. ENTERTAINMENT (If applicable)	$	
F. OTHER INCIDENTAL EXPENSES	$	150.00
TOTAL PROJECTED TRAVEL EXPENSE	$	7375.00

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: Thella F Bowens Date: 5 Aug 2013

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, Tony R. Russell, Authority Clerk, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)
by the Executive Committee at its 8/26/13 meeting.
(Leave blank and we will insert the meeting date.)

rasco Noble S.A.

SOFITEL
LUXURY HOTELS

MONTEVIDEO CASINO CARRASCO & SPA

Sofitel Montevideo Casino Carrasco & Spa
Rbla. República de México 6451 - CP 11500
Montevideo - Uruguay
Tel.: +598 2604 6060 - www.sofitel.com

R.U.T. 21 599369 0018
BOLETA CONTADO
A 005912

R.U.T. COMPRADOR	CONSUMO FINAL
	X

FECHA	04-11-13

BOWENS Thella
3225 N Harbor Dr
San Diego CA United States

Check-In: 01-11-13
Check-Out: 04-11-13
3 nights @ $395.00
Habitación: 207

DESCRIPCION		PRECIO SIN IVA
01-11-13	Servicio de Hospedaje	1,185.00
[redacted]		

$ 395 / night

EXENTO	EXPORTACION	GRAVADO TB	GRAVADO TM	I.V.A. TB	I.V.A. TM	TOTAL
0.00	1,192.38	0.00	0.00	0.00	0.00	1,192.38 US 1185.00

S DATOS: **DOCUMENTO EMITIDO EN DOLARES AMERICANOS**
Equivale a $25786.41 pesos uruguayos

Transaction Date:	11/04/2013 Mon
Transaction Description:	SOFITEL HOTEL MONTEVIDEO
	Arrival Date Departure Date
	11/04/13 11/05/13
	00000000
Amount $: 1185.02	1,192.38
Doing Business As:	SOFITEL HOTEL
Merchant Address:	AROCENA ESQ SAEZ ENTRADA DE PERS6451 MONTEVIDEO 11500 URUGUAY
Reference Number:	320133090483470664
Category:	Travel- Lodging

RECEIPTS FROM TRAVEL TO Montevideo, Uruguay
October 31 – November 6, 2013—THELLA F. BOWENS

PABLO FERREIRA LTDA.

Restaurante El Peregrino
Mercado del Puerto
Montevideo - Uruguay

P. Castellano 1553
Tel.: 2916-4737
Montevideo

R.U.T. 215014120012
CONTADO A

Nº 059384

DIA	MES	AÑO
02	11	2013

R.U.T. COMPRADOR	C. FINAL
	X

Nº MOZO SANTIAGO MESA 31

CANTIDAD	DESCRIPCIÓN	PRECIO	IMPORTE
[redacted]			
1	brochete pollo	330	330
1	vegetales a la parrilla	230	230
[redacted]			
1	agua s/gas	65	65
[redacted]			

SUBTOTAL GRABADO	625	~~2552.00~~
SUBTOTAL EXENTO		~~323.00~~
IVA 22%	135.50	~~583.00~~
TOTAL	762.50	~~3558.00~~

[redacted]

625,00
137,50 IVA 22%
762.50 x .04679 = 35.68

I.V.A. AL DIA
Mundo Gráfico s.r.l. - Tel.: 2929 0277
R.U.T. 21 63 5514 0011 - O.T. 1466
CONSTANCIA 83 13 01 80192 - 02/13
CONTADO SERIE A 056.001 al A 061.000 x 2 vías
IMPRENTA AUTORIZADA

Fecha de Vencimiento 26 / 02/ 2015

VIA 1: CLIENTE

exchange rate .04679
762,50
35.68 + tip = 41.65

11/2 dinner
ACI and ACI-LAC
Boards dinner

TAXI Aeropuerto de Carrasco
Telefonos: 2604 0323 2604 0188 2604 0187

Nº 4450

Fecha 3/11/13
Ida ☐ Vuelta ☐ Coche Nº
Compañia
Entregado por
Destino
Hotel Sofitel Hab.Nº
Nombre pasajero
Traer hora Fecha / /
Precio $ 600.-
Gasto aeroportuario: $ 50.-
Aclaraciones

exchange rate
.047460
11/3/13
$28.48

11/3
hotel to
welcome
reception - MVD Airport Terrace

Transaction Date:	11/02/2013 Sat
Transaction Description:	REST EL PEREGRINO MONTEVIDEO RESTAURANT
Amount $:	41.65
Foreign Spend Amount:	890,00Pesos Uruguayos
Doing Business As:	REST EL PEREGRINO
Merchant Address:	PEREZ CASTELLANO 1553 MONTEVIDEO 11000 URUGUAY
Reference Number:	320133060442950627
Category:	Restaurant- Restaurant

TRAVELTRUST SCRIPPS RANCH
Phone: 1-800-792-4662

Electronic Invoice

Prepared For:
BOWENS/THELLA

SALES PERSON	E4
INVOICE NUMBER	1206960
INVOICE ISSUE DATE	10 Sep 2013
RECORD LOCATOR	GKPHAQ
CUSTOMER NUMBER	0000SDCRAA

Client Address

SAN DIEGO COUNTY REG AIRPORT AUTHORITY
PO BOX 82776
SAN DIEGO CA 92138-2776

Notes
YOUR UNITED ETICKET CONFIRMATION IS ** JBC664 **
YOUR TAM ETICKET CONFIRMATION IS ** YQ79NI **
-------INVOICE/ITINERARY ACCOUNTING DOCUMENT-------
**********TICKETLESS TRAVEL INSTRUCTIONS**********
THIS IS AN E-TICKET RESERVATION.
A GOVERNMENT ISSUED PHOTO ID IS NEEDED AT CHECK IN
A PORTION OF THIS TRIP MAY BE REFUNDABLE. PLEASE RETURN
UNUSED PORTIONS TO TRAVELTRUST FOR POSSIBLE REFUND.
****
**********TSA GUIDANCE FOR PASSENGERS**********
PLEASE ALLOW EXTRA TIME FOR SCREENING AND BOARDING
INTERNATIONAL-MINIMUM 3 HOUR CHECK-IN PRIOR TO DEPARTURE
DOMESTIC-MINIMUM 2 HOUR CHECK-IN PRIOR TO DEPARTURE
FOR ADDITIONAL SECURITY INFORMATION VISIT WWW.TSA.GOV
****
FOR TRAVEL TO URUGUAY
A US CITIZEN MUST HAVE A VALID PASSPORT
YOU CANNOT TRAVEL OUT OF THE UNITED STATES IF YOUR U.S.
PASSPORT EXPIRES WITHIN 6 MONTHS OF YOUR DEPARTURE DATE
****
FOR EMERGENCY AFTERHOURS SERVICE
WHILE IN URUGUAY
PLEASE CALL 00-800-7373-7882
THERE IS A MINIMUM 25USD CHARGE PER CALL
IF INTL AFTERHOUR NUMBER DOES NOT WORK
DIAL DIRECT OR COLLECT 201-221-4462
****
YOUR INTERNATIONAL TRAVEL MAY REQUIRE VACCINATIONS
PLEASE CHECK WWW.CDC.GOV FOR LATEST REQUIREMENTS
****
INTER-EUROPE FARES MAY REQUIRE REISSUANCE AT TIME OF CANCELLATION
CONTACT THE AIRLINE OR TRAVELTRUST PRIOR TO CANCELLATION
****

* original schedule
* changed return date
$300.00

DATE: Thu, Oct 31

Flight: UNITED AIRLINES 1586

From	SAN DIEGO, CA	Departs	12:30pm
To	HOUSTON GEO BUSH, TX	Arrives	5:44pm
Departure Terminal	2	Arrival Terminal	C
Duration	03hr(s) :14min(s)	Class	BUSINESS/BUSFIRST
Type	BOEING 737-800 JET	Meal	Lunch
Stop(s)	Non Stop		
Seat(s) Details	BOWENS/THELLA	Seat(s) - 03B	UA - XXXXXX 58

DATE: Thu, Oct 31

Flight: UNITED AIRLINES 979

From	HOUSTON GEO BUSH, TX	Departs	9:10pm
To	SAO PAULO GUARULH, BRAZIL	Arrives	10:15am
Departure Terminal	C	Arrival Terminal	1
Duration	10hr(s) :05min(s)	Class	BUSINESS/BUSFIRST
Type	BOEING 767 JET	Meal	Dinner
Stop(s)	Non Stop		
Seat(s) Details	BOWENS/THELLA	Seat(s) - 07C	UA - XXXXXX 58

DATE: Fri, Nov 01

Flight: TAM LINHAS AEREAS S.A. 8040

From	SAO PAULO GUARULH, BRAZIL	Departs	12:25pm
To	MONTEVIDEO, URUGUAY	Arrives	3:00pm
Departure Terminal	1		
Duration	02hr(s) :35min(s)	Class	BUSINESS CLASS CABIN
Type	AIRBUS INDUSTRIE A320 JET	Meal	Breakfast
Stop(s)	Non Stop		
Seat(s) Details	BOWENS/THELLA	Seat(s) - 02C	

DATE: Tue, Nov 05

Flight: TAM LINHAS AEREAS S.A. 8041

From	MONTEVIDEO, URUGUAY	Departs	5:35pm
To	SAO PAULO GUARULH, BRAZIL	Arrives	8:00pm
		Arrival Terminal	1
Duration	02hr(s) :25min(s)	Class	BUSINESS CLASS CABIN
Type	AIRBUS INDUSTRIE A320 JET	Meal	Snack
Stop(s)	Non Stop		
Seat(s) Details	BOWENS/THELLA	Seat(s) - 02D	

DATE: Tue, Nov 05

Flight: UNITED AIRLINES 978

From	SAO PAULO GUARULH, BRAZIL	Departs	11:35pm
To	HOUSTON GEO BUSH, TX	Arrives	5:45am
Departure Terminal	1	Arrival Terminal	E
Duration	10hr(s) :10min(s)	Class	BUSINESS/BUSFIRST
Type	BOEING 767 JET	Meal	Dinner
Stop(s)	Non Stop		
Seat(s) Details	BOWENS/THELLA	Seat(s) - 07C	UA - XXXXXX 58

DATE: Wed, Nov 06

Flight: UNITED AIRLINES 522

From	HOUSTON GEO BUSH, TX	Departs	9:14am
To	SAN DIEGO, CA	Arrives	10:46am
Departure Terminal	C	Arrival Terminal	2
Duration	03hr(s) :32min(s)	Class	BUSINESS/BUSFIRST
Type	AIRBUS INDUSTRIE A320	Meal	Breakfast

	JET		
Stop(s)	Non Stop		
Seat(s) Details	BOWENS/THELLA	Seat(s) - 02E	UA - XXXXXX 58

DATE: Mon, May 05

Others

RESERVATION
RETAINED FOR
180 DAYS

Ticket Information

Ticket Number	UA 7305012043	**Passenger**	BOWENS THELLA		
		Billed to:	AX XXXXXXXXXXX1012	USD	* 5,494.90
Service Fee	XD 0594062978	**Passenger**	BOWENS THELLA		
		Billed to:	AX XXXXXXXXXXX1012	USD	* 40.00
			SubTotal		USD 5,534.90
			Net Credit Card Billing		* USD 5,534.90
			Total Amount Due		USD 0.00

TRAVELTRUST IS OPEN MONDAY - FRIDAY FROM 5AM-530PM PST
AND SATURDAY FROM 9AM-1PM PST - 760-635-1700.
FOR EMERGENCY AFTERHOURS SERVICE IN THE US
PLEASE CALL 888-221-6062 AND USE YOUR VIT CODE - S7NS0
PLEASE NOTE THIS IS OUR NEW EMERGENCY NUMBER
EACH EMERGENCY CALL IS BILLABLE AT A MINIMUM 25.00
THANK YOU FOR CHOOSING TRAVELTRUST...SCOTT MACKERLEY

Your travel arranger provides the information contained in this document. If you have any questions about the content, please contact your travel arranger. For Credit Card Service fees, please see eTicket receipt for total charges.

Traveltrust
TRAVEL MANAGEMENT SOLUTIONS

374 North Coast Highway 101 - Suite F | Encinitas, CA. 92024 | 760-635-1700 | 800-792-4662

Matt Harris
San Diego County Reg. Airport Authority
PO Box 82776
San Diego CA 92138-2776
Phone: +1 (619) 400-2542
Fax: +1 (619) 400-2541

Sale Invoice No: 1208010
Date Issued: 10/30/2013
Agent: SMackerley

Traveler / Type	Ticket/Conf No	Department / Airline/Vendor	Depart Date	Return Date	Remarks	Total Fare
Bowens/Thella			10/30/2013			
Misc Serv Fee	0595873317	ARC			Travel trust fee	25.00
Bowens/Thella			10/31/2013	11/5/2013		
Intl Air	7313835465-466 Exch: 7305012043	United Airlines			Change fee	300.00

From	To	Flight	A/L	Depart	Arrive
SAN San Diego	IAH Houston	1586	UA	10/31/2013 12:30:00 PM	10/31/2013 5:44:00 PM
IAH Houston	GRU Sao Paulo	979	UA	10/31/2013 9:10:00 PM	11/1/2013 10:15:00 AM
GRU Sao Paulo	MVD Montevideo	8040	JJ	11/1/2013 12:25:00 PM	11/1/2013 3:00:00 PM
MVD Montevideo	GRU Sao Paulo	717	PZ	11/4/2013 5:15:00 PM	11/4/2013 7:40:00 PM
GRU Sao Paulo	IAH Houston	978	UA	11/4/2013 11:35:00 PM	11/5/2013 5:45:00 AM
IAH Houston	SAN San Diego	544	UA	11/5/2013 9:14:00 AM	11/5/2013 10:40:00 AM

Payments Applied To This Invoice

AX 37-XXXX-1012	Received	10/30/2013	Pymt For Inv #1208010	-300.00
AX 37-XXXX-1012	Received	10/30/2013	Pymt For Inv #1208010	-25.00
				-325.00

Invoice Total:	325.00
Payment Total:	-325.00
Balance Due:	0.00

MMD2013
Montevideo - Uruguay **Nov. 2 - 5**
22nd Conference and Exhibition

AIRPORTS COUNCIL INTERNATIONAL

REGISTRATION FORM

DELEGATE INFORMATION

Surname (Dr. / Mr. / Ms. / Mrs.) Bowens — First Name Thella

Company SDCRAA — Job Title President / CEO

Address 3225 N. Harbor Drive

City/Postal Code San Diego 92101 — Country USA

Telephone 619 400 2444 — Fax 619 400 2448 — E-mail tbowens@san.org

REGISTRATION FEE

	Before October 1st	After October 1st	NO CHARGE
ACI Member	☒ US $ 350	☐ US $ 500	Exhibitor: ☐ 1st Representative ☐ 2nd Representative
Accompanying Person	☐ US $ 150	☐ US $ 150	
New ACI-LAC Members*	☐ US $ 350	☐ US $ 350	☐ Speaker
Non Member	☐ US $ 650	☐ US $ 850	☐ Sponsor ☐ Media

Events to attend: ☒ Opening reception ☒ Gala Dinner ☐ Accompanying person program

***Refers to New Airports Members who complete the affiliation process prior to the date of the event.*

METHOD OF PAYMENT

CREDIT CARD: VISA ☒ MASTERCARD ☐

Name as it appears on the card: [redacted]

Credit Card Number: [redacted]

Street Address billing: P.O. Box 82776 SD, CA 92138-2776

Phone number: 619 400 2445 — Fax number: 619 400 2448

Expiration Date: [redacted] — Signature: [signature]

BANK TRANSFER: Airports Council International Latin American and Caribbean
UBS, Geneve, Switzerland
Account No. 0240—368984.61P
IBAN CH03 0024 0240 3689 8461P
Swift Address UBSWCHZH12A

Your registration may be transferred to another person at no charge, subject to writing notification to the organizer, at least a week prior to the event

FLIGHT DETAILS

Arrival	Date 11-01	Time 3pm	Airline TAM LINHAS AEREAS	Flight 8040
Departure	Date 11-06	Time 11:35pm	Airline same	Flight 8041

FOR MORE INFORMATION PLEASE CONTACT: LORENA SALGADO - Tel.: 593 2 294 4900 Ext. 2461 - E-mail: asistente@aci-lac.aero

FOR HOTEL OPTIONS PLEASE VISIT OUR WEBSITE:
www.aci-lac.aero

BRET LOBNER

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
TRAVEL EXPENSE REPORT

(To be completed within 30 days from travel return date)

TRAVELER: Breton Lobner **DEPT. NAME & NO.** General Counsel

DEPARTURE DATE: 1/16/2014 **RETURN DATE:** 1/18/2014 **REPORT DUE:** 2/17/14

DESTINATION: Miami, FL

Please refer to the Authority Travel and Lodging Expense Reimbursement Policy, Article 3, Part 3.4, Section 3.40, outlining appropriate reimbursable expenses and approvals. Please attach all required supporting documentation. All receipts must be detailed, (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.

	Authority Expenses (Prepaid by Authority)	Employee Expenses							
		SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY 1/16/14	FRIDAY 1/17/14	SATURDAY 1/18/14	TOTALS
Air Fare, Railroad, Bus *(attach copy of itinerary w/charges)*	571.00								0.00
Conference Fees *(provide copy of flyer/registration expenses)*									0.00
Rental Car*									0.00
Gas and Oil*									0.00
Garage/Parking*									0.00
Mileage - attach mileage form*									0.00
Taxi and/or Shuttle Fare *(include tips pd.)**						39.00		39.00	78.00
Hotel*						275.72	275.72		551.44
Telephone, Internet and Fax*									0.00
Laundry*									0.00
Tips - *separately paid (maids,bellhop,other hotel srvs.)*									0.00
Meals *(include tips pd.)* Breakfast*						4.90		15.00	19.90
Lunch*						12.44			12.44
Dinner*						49.00	49.00		98.00
Other Meals*									0.00
Alcohol is a non-reimbursable expense									
Hospitality [1] *									0.00
Miscellaneous: Travel trust fee	30.00								0.00
Luggage fee									0.00
									0.00
**Provide detailed receipts*									0.00
Total Expenses prepaid by Authority	601.00	0.00	0.00	0.00	0.00	381.06	324.72	54.00	759.78

Explanation:

Total Expenses Prepaid by Authority	601.00
Total Expenses Pd. by Employee (including cash advances)	759.78
Grand Trip Total	1,360.78
Less Cash Advance (attach copy of Authority ck)	
Less Expenses Prepaid by Authority	601.00
Due Traveler (positive amount)[2]	
Due Authority (negative amount)[3]	759.78

Note: Send this report to Accounting even if the amount is $0.

[1] Give names and business affiliations of any persons whose meals were paid by traveler.
[2] Prepare Check Request
[3] Attach personal check payable to SDCRAA

I as traveler or administrator acknowledge that I have read, understand and agree to Authority policies 3.40 - Travel and Lodging Expense Reimbursement Policy[4] and 3.30 - Business Expense Reimbursement Policy[5] and that any purchases/claims that are not allowed will be my responsibility. I further certify that this report of travel expenses were incurred in connection with official Authority business and is true and correct.

[4] Travel and Lodging Expense Reimbursement Policy 3.40 [5] Business Expense Reimbursement Policy 3.30

Prepared By: Kendy Rios (Print/Type Name) Ext.: x2424

Traveler Signature: Date: 2-11-14

Approved By: Date:

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE **(To be certified if used by President/CEO, Gen. Counsel, or Chief Auditor)**

I, _____ hereby certify that this document was approved by the Executive Committee at its
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)

_____ meeting.
(Leave blank and we will insert the meeting date.)

Failure to attach required documentation will result in the delay of processing reimbursement. If you have any questions, please see your department Administrative Assistant or call Accounting at ext. 2806.

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST

GENERAL INSTRUCTIONS:

A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Breton K. Lobner Dept: 15

Position: ☐ Board Member ☐ President/CEO ☑ Gen. Counsel ☐ Chief Auditor

☐ All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 1-4-2014 PLANNED DATE OF DEPARTURE/RETURN: 1/16/2014 / 1/18/2014

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip– continue on extra sheets of paper as necessary):

Destination: Miami, FL Purpose: 2014 Legal Steering Group Meeeting

Explanation: Meeting of ACI-NA Legal Affairs Steering Group

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:	
• AIRFARE	$ 600.00
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	$
B. LODGING	$ 460.00
C. MEALS	$ 100.00
D. SEMINAR AND CONFERENCE FEES	$
E. ENTERTAINMENT (If applicable)	$
F. OTHER INCIDENTAL EXPENSES	$
TOTAL PROJECTED TRAVEL EXPENSE	$

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: Breton K. Lobner Date: 1-3-14

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, Tony R Russell, Authority Clerk, hereby certify that this document was approved
(Please leave blank. Whoever clerks the meeting will insert their name and title.)
by the Executive Committee at its 1/24/14 meeting.
(Leave blank and we will insert the meeting date.)

Flight

TRAVELTRUST CORPORATION
Phone: 1-760-635-1700
CHERYL@TRAVELTRUST.COM

Electronic Invoice

Prepared For:
LOBNER/BRETON

Ref: DEPT 15

SALES PERSON	CH
INVOICE NUMBER	5293462
INVOICE ISSUE DATE	03 Jan 2014
RECORD LOCATOR	ZFXKZT
CUSTOMER NUMBER	0000SDCRAA

Client Address

SAN DIEGO COUNTY REG AIRPORT AUTHORITY
PO BOX 82776
SAN DIEGO CA 92138-2776

Notes
PLEASE CHECK NEW CARRY-ON RESTRICTIONS DIRECT WITH
YOUR CARRIER OR CALL TRAVELTRUST AT 800-792-4662
---------INVOICE/ITINERARY ACCOUNTING DOCUMENT---------
*********TICKETLESS TRAVEL INSTRUCTIONS**********
THIS IS AN E-TICKET RESERVATION.
A GOVERNMENT ISSUED PHOTO ID IS NEEDED AT CHECK IN
THIS TICKET IS NON-REFUNDABLE AND MUST BE USED FOR
THE FLIGHTS BOOKED. IF THE RESERVATION IS NOT USED
OR CANCELLED BEFORE THE DEPARTURE OF YOUR FLIGHTS
IT MAY HAVE NO VALUE. CONTACT TRAVELTRUST BEFORE
YOUR OUTBOUND FLIGHT IF CHANGE IS NECESSARY.
****
**********TSA GUIDANCE FOR PASSENGERS**********
PLEASE ALLOW EXTRA TIME FOR SCREENING AND BOARDING
INTERNATIONAL-MINIMUM 3 HOUR CHECK-IN PRIOR TO DEPARTURE
DOMESTIC-MINIMUM 2 HOUR CHECK-IN PRIOR TO DEPARTURE
FOR ADDITIONAL SECURITY INFORMATION VISIT WWW.TSA.GOV
****

34

DATE: Thu, Jan 16

Flight: UNITED AIRLINES 1546

From	SAN DIEGO, CA	Departs	6:18am
To	HOUSTON GEO BUSH, TX	Arrives	11:27am
Departure Terminal	2	Arrival Terminal	C
Duration	03hr(s) :09min(s)	Class	United Economy
Type	BOEING 737-900 JET	Meal	Food for Purchase
Stop(s)	Non Stop		
Seat(s) Details	LOBNER/BRETON		UA - XXXXXX 28
Notes	YOUR SEAT WILL BE ASSIGNED AT CHECK IN WE WILL CONTINUE TO MONITOR FOR A SEAT		

DATE: Thu, Jan 16

Flight: UNITED AIRLINES 337

From	HOUSTON GEO BUSH, TX	Departs	1:54pm
To	MIAMI INTERNTNL, FL	Arrives	5:18pm
Departure Terminal	C		
Duration	02hr(s) :24min(s)	Class	United Economy
Type	AIRBUS INDUSTRIE	Meal	Food and Beverage

	A320 JET		for Purchase
Stop(s)	Non Stop		
Seat(s) Details	LOBNER/BRETON	Seat(s) - 23B	UA - XXXXXX 28

DATE: Sat, Jan 18

Flight: UNITED AIRLINES 1437

From	MIAMI INTERNTNL, FL	Departs	7:45am
To	HOUSTON GEO BUSH, TX	Arrives	9:42am
		Arrival Terminal	C
Duration	02hr(s) :57min(s)	Class	United Economy
Type	BOEING 737-900 JET	Meal	Food and Beverage for Purchase
Stop(s)	Non Stop		
Seat(s) Details	LOBNER/BRETON	Seat(s) - 38E	UA - XXXXXX 28

DATE: Sat, Jan 18

Flight: UNITED AIRLINES 369

From	HOUSTON GEO BUSH, TX	Departs	12:46pm
To	SAN DIEGO, CA	Arrives	2:12pm
Departure Terminal	C	Arrival Terminal	2
Duration	03hr(s) :26min(s)	Class	United Economy
Type	BOEING 757 200 SERIES JET	Meal	Food for Purchase
Stop(s)	Non Stop		
Seat(s) Details	LOBNER/BRETON	Seat(s) - 36B	UA - XXXXXX 28

DATE: Thu, Jul 17

Others

RESERVATION
RETAINED FOR
180 DAYS

Ticket Information

Ticket Number	UA 7371211177	**Passenger**	LOBNER BRETON		
		Billed to:	AX XXXXXXXXXXX1012	USD	* 571.00
Service Fee	XD 0615862971	**Passenger**	LOBNER BRETON		
		Billed to:	AX XXXXXXXXXXX1012	USD	* 30.00

SubTotal	USD 601.00
Net Credit Card Billing	* USD 601.00

Total Amount Due	USD 0.00

TRAVELTRUST IS OPEN MONDAY - FRIDAY FROM 5AM-530PM PST
AND SATURDAY FROM 9AM-1PM PST - 760-635-1700.
FOR EMERGENCY AFTERHOURS SERVICE IN THE US
PLEASE CALL 888-221-6043 AND USE YOUR VIT CODE - SJE72
PLEASE NOTE THIS IS OUR NEW EMERGENCY NUMBER
EACH EMERGENCY CALL IS BILLABLE AT A MINIMUM 25.00
THANK YOU FOR CHOOSING TRAVELTRUST...CHERYL HARLOFF

Your travel arranger provides the information contained in this document. If you have any questions about the content, please contact your travel arranger. For Credit Card Service fees, please see eTicket receipt for total charges.

MARSEILLES HOTEL
1741 COLLINS AVE.
MIAMI BEACH, FL 33139

(305) 538-5711
reservations@gomiamibeach.com
www.marseilleshotel.com

C/O 01/18/2014 05:36 AM rs

Room #	415-A
Conf #	60944
Arrival	01/16/14
Departure	01/18/14
Room Type	SDDN-STANDARD
Guests	2 / 0
Payment	Visa/Master
Acct	XXXX-XXXX-XXXX-[redacted]

Registered To:
LOBNER, BRETON
[redacted]

[redacted]

Posting	Oper	AcctCo	Description	From	Reference	Amount
01/16/14	FS	7T	GUEST ADV DEP TRANSFER			$275.72-
01/16/14	FS	325	KEY DEPOSIT			$5.00
01/16/14	ACL	100	ROOM CHRG REVENUE			$229.00
01/16/14	ACL	190	ROOM SLS TAX (STATE)			$29.77
01/16/14	ACL	310	RESORT FEE			$15.00
01/16/14	ACL	190	ROOM SLS TAX (STATE)			$1.95
01/17/14	rs	100	ROOM CHRG REVENUE			$229.00
01/17/14	rs	190	ROOM SLS TAX (STATE)			$29.77
01/17/14	rs	310	RESORT FEE			$15.00
01/17/14	rs	190	ROOM SLS TAX (STATE)			$1.95
01/18/14	rs	326	ADJ KEY DEPOSIT			$5.00-
01/18/14	rs	625	PAYMENT VISA/MC		5358 - 03120C	$275.72-

Balance Due	$0.00

'HE UNDERSIGNED GUEST AGREES TO PAY THE AMOUNT INDICATED ON THE BALANCE DUE PORTION OF THIS INVOICE. IF 'HE CHARGES ARE TO BE BILLED TO A THIRD PARTY, THE UNDERSIGNED AGREES TO BE PERSONALLY LIABLE FOR 'AYMENT
)F THE CHARGES IN THE EVENT THAT THE INDICATED THIRD PARTY, PERSON, COMPANY OR ASSOCIATION FAILS TO PAY 'OR ANY PART OR THE FULL AMOUNT OF SUCH CHARGES.

_____
ignature

1-16
Taxi

FLAMINGO TAXI
PHONE: (305) 599-9999

FARE:
$ 39

DATE 1/16/14 **CAB#** _____
FROM Airport
TO Hotel
DRIVER'S NAME _____
COMMENTS: PTRD (305) 375-2460
PASSENGER SIGNATURE _____

1-18
Taxi

CENTRAL CAB

Charge # $ 39.00 Date 1·18·14 Cab # _____
Name _____
From Mariscula Hotel
To Miami International Airport
Starting Mile _____ Finishing _____
Amount $ 39.00 Driver's Name _____
Passenger Signature _____
PTRD Complaint (305) 375-2460

1/16
Breakfast

HMSHOST
STARBUCKS COFFEE
SAN DIEGO AIRPORT

4774 Josephin

CHK 9262 GST 1
JAN16'14 5:52AM

TO GO

1	COD DARK T	1.95
1	LOAF ICD LEMON	3.10
	AIRPORT DISC 10%	0.51-
	SUBTOTAL	4.54
	TAX	0.36
	AMOUNT PAID	4.90
	CASH	5.00
	CHANGE	0.10

---4774 Closed JAN16 05:52AM----

THANK YOU FOR YOUR BUSINESS!

TELL US ABOUT YOUR EXPERIENCE

JOE NIKNAM
JOE.NIKNAM@HMSHOST.COM

1/16
lunch

SSP America
Real Food Company
Terminal C
IAH Bush International
281-233-7621

442 Tashay F

Chk 3093 Jan16'14 11:51A Gst 0

TO GO

1	Hamburger	11.49
	Cash	20.00
	Food	11.49
	Tax	0.95
	Payment	12.44
	Change Due	7.56

FEEDBACK
Dish Up Your Experience.

We appreciate feedback
about your visit.
Please call us 1 877 325 8777
Or email
feedback@foodtravelexperts.com

1/16 -Dinner
Bret's share $49.00

Service Not Included

TRANSACTION RECORD

LOCANDA SIBILLA
833 LINCOLN RD.
305-695-1654

CARD TYPE:MASTERCARD
NU. **********9287 EXPI.: ****
ENTRY:SWIPED
Customer : THOMAS ABBOTT
AUTHORIZATION:38304P
STORE #:01
TERMINAL:1
REFERENCE:149053

SALE $970.10

TIP 160.00

TOTAL 1130.10

THANK YOU
JANUARY 16,2014 20:51:59
Server's name : L. GIANFRANCO

CUSTOMER COPY

LOCANDA SIBILLA
833 LINCOLN RD.
305-695-1654

THU JANUARY 16,2014
CHECK #149053-1
TABLE #70

[redacted]

1 Side $6	$6.00
1 Iced Tea	$3.00

[redacted]

1 Tagliata Tuna Grill	$29.00

[redacted]

1 tricolore Salad	$9.00

[redacted]

SUB-TOTAL	:	$890.00
TAX	:	$80.10.
TOTAL		$970.10
		160.00
SUGGESTED TIP: 17.00%		$151.30

Grand Total 1130.10

Time: 20:51 4 CUSTOMERS

TIP OR GRATUITY NOT INCLUDED

YOU HAVE BEEN SERVED
BY : L. GIANFRANCO

1-11 - Dinner
But's share $ 49

La Lupa di Roma
610 Lincoln Road
Miami Beach, FL 33139
305-532-6657
www.lalupadiroma.com
Jan 17 2014 9:16:28 PM

********** REPRINT **********

******CLOSED******

Server: Waiter
Order Name: Table 32
Order: 34895216 Jan 17 2014 7:08:36 PM
Order Type: Dine-In Seats: 2

[redacted]

1 - Maroccan soup	11.00
[redacted]	
1 - Hibiscus Risotto	28.00
[redacted]	
1 - Coffee	3.50
1 - Tiramisu	9.00
[redacted]	
1 - Gl Porto	8.00
[redacted]	

Sub Total:	550.00
Florida Sales (9.00%):	49.51
Gratuity:	93.50
Total:	693.01
Amt. Paid:	693.01
Amt. Due:	0.00

1-18 Breakfast

Bret's share $ 15.00

SSP America
Le Grand Comptoir
Terminal C
IAH Bush International
281-233-7621

Date: Jan18'14 10:30AM
Card Type: Amex
Acct #: XXXXXXXXXXX4195
Card Entry: SWIPED
Trans Type: PURCHASE
Trans Key: EIE009699229150
Auth Code: 185303
Check: 6062
Table: 110/1
Server: 539 Jose L

Subtotal: 23.82

Tip: 3.50

Total: 27.32

Sig ure

** C cuity Not Included **
I agree to pay above total
according to my card issuer
agreement.
*** Customer Copy ***

SSP America
Le Grand Comptoir
Terminal C
IAH Bush International
281-233-7621

539 Jose L

Tbl 110/1 Chk 6062 Gst 1
Jan18'14 10:03AM
*** Reprint ***

Eat In

1 NY Breakfast	10.00
[redacted]	[redacted]
Subtotal	22.00
Tax	1.82
10:03AM Total	23.82

FEEDBACK
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Or email
feedback@foodtravelexperts.com

AGENDA

MEETING OF ACI-NA LEGAL AFFAIRS STEERING GROUP
Marseilles Hotel, Boardroom
1741 Collins Avenue
Miami Beach, Florida 33139
Friday, January 17, 2014
9:00 a.m. – 4:00 p.m.

Greetings from In-coming Chair, Robert Watson
Greetings from In-coming Vice-Chair, Nancy McNair

I. **Legislative/Regulatory Update – Debby McElroy, ACI-NA Interim President**

II. **Spring 2014 Joint Conference Agenda----(see the preliminary agenda attached)**

a. **Joint Sessions Tues – Wed – April 8-9, 2014 - outstanding issues, concerns, speaker needs, etc.**

b. **Planning for Legal Affairs Sessions – Monday April 7, 2014**

i. **FAA, TSA, and Litigation Update Sessions**
ii. **Other Possible Session Topics (from members and prior meetings)**
1. **Car Rental issues**
2. **E-Discovery and Records Retention Policies for electronic records**
3. **Passenger liability and interplay of state, federal, and int'l law – Vumbaca v. Terminal One 859 F.Supp.2d 343**
4. **Other**

iii. **Process/Presentation Ideas – room set up, voting tools, keynote speaker, other.**

c. **Select Date and Time for April Steering Group meeting in Dallas**

III. **Old Business**
a. **Pending Litigation - updates**
b. **Joint Working Group updates**
i. **FAA Amendments to Rates and Charges Policy**
ii. **FAA Incentives Guidebook**
c. **TSA/ACI-NA Legal Working Group – renew conference calls? Topics?**
d. **Liaisons from Legal Affairs to Industry Groups**
- **ABA Air and Space Law Forum (Bret Lobner, Louisa Goldstein) Sept. 27-28, 2013 Annual Meeting, February 21, 20145 Update Conference**
- **Transportation Research Board Annual Meeting, January 12-16, 2014.**

- **ACRP Legal Research Panel: Tim Karaskiewicz, E. Lee Thomson, and Tom Anderson**
- **Federal Bar Association Transportation and Transportation Security Law Section (_____)**
- **AMAC (_____)**

e. Liaisons from Legal Affairs to ACI-NA Committees

- **Business Diversity (TBD)**
- **Environmental Affairs Committee (Bret Lobner)**
- **Finance Committee (Emily Neuberger)**
- **Insurance and Risk Management Committee (Tim Karaskiewicz and Nancy McNair)**
- **ASSIST-Sustainability Working Group (Tim Karaskiewicz)**
- **Safety and Security (Lee Thomson)**
- **Government Affairs (Jeff Letwin)**
- **Human Resources (Carlene McIntyre)**

f. Pending Litigation Updates

IV. New Business: Additional Issues for Consideration by the Steering Group

a. ACI-NA and AAAE collaboration efforts– update

b. Nick Yost Proposal To ACI-NA Regarding FAA's Use of ALP to Insist on NEPA Compliance When No Federal Action is Involved (Bret Lobner)

c. TSA – pending issues other than litigation

d. FAA Proposal to Clarify Revenue Use Policy on Aviation Fuel Tax Revenues – comments submitted (or to be submitted) by January21, 2014

e. Open Position on the Steering Group

f. City selected for the Spring 2015 Legal Affairs Conference?

g. Proposed Cities for Consideration for Spring 2016 Conference

h. Discussion of possible future Joint Webinars with Finance Committee

V. **Other pending issues of importance**

VI. **Adjourn**

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

BOARD MEMBERS

DAVID ALVAREZ
LAURIE BERMAN*
BRUCE R. BOLAND
GREG COX
JIM DESMOND
COL. JOHN FARNAM*
ROBERT H. GLEASON
LLOYD B. HUBBS
ERAINA ORTEGA*
PAUL ROBINSON
MARY SESSOM
TOM SMISEK

* EX OFFICIO BOARD MEMBERS

PRESIDENT/CEO
THELLA F. BOWENS

REVISED 2/21/14

DRAFT BOARD

AGENDA

Thursday, March 6, 2014
9:00 A.M.

San Diego International Airport
Commuter Terminal – Third Floor

Board Room
3225 N. Harbor Drive
San Diego, California 92101

Live webcasts of Authority Board meetings can be accessed at http://www.san.org/airport_authority/boardmeetings.asp.

This Agenda contains a brief general description of each item to be considered. The indication of a recommended action does not indicate what action (if any) may be taken. ***Please note that agenda items may be taken out of order.*** If comments are made to the Board without prior notice or are not listed on the Agenda, no specific answers or responses should be expected at this meeting, pursuant to State law.

Staff Reports and documentation relating to each item of business on the Agenda are on file in Corporate Services and are available for public inspection.

NOTE: Pursuant to Authority Code Section 2.15, all Lobbyists shall register as an Authority Lobbyist with the Authority Clerk within ten (10) days of qualifying as a lobbyist. A qualifying lobbyist is any individual who receives $100 or more in any calendar month to lobby any Board Member or employee of the Authority for the purpose of influencing any action of the Authority. To obtain Lobbyist Registration Statement Forms, contact the Corporate Services/Authority Clerk Department.

PLEASE COMPLETE A "REQUEST TO SPEAK" FORM PRIOR TO THE COMMENCEMENT OF THE MEETING AND SUBMIT IT TO THE AUTHORITY CLERK. ***PLEASE REVIEW THE POLICY FOR PUBLIC PARTICIPATION IN BOARD AND BOARD COMMITTEE MEETINGS (PUBLIC COMMENT) LOCATED AT THE END OF THE AGENDA.***

The Authority has identified a local company to provide oral interpreter and translation services for public meetings. If you require oral interpreter or translation services, please telephone the Corporate Services/Authority Clerk Department with your request at (619) 400-2400 at least three (3) working days prior to the meeting.

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

PRESENTATIONS:

A. RECOGNITION OF BOND TEAM:
Presented by Vernon Evans, Vice President, Finance/Treasurer

REPORTS FROM BOARD COMMITTEES, AD HOC COMMITTEES, AND CITIZEN COMMITTEES AND LIAISONS:

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:**
  Committee Members: Gleason, Hollingworth, Hubbs, Sessom, Smisek (Chair), Tartre, Van Sambeek

- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**
  Committee Members: Alvarez, Boland (Chair), Gleason, Hubbs, Robinson

- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
  Committee Members: Boland, Cox, Desmond (Chair), Hubbs, Smisek

- **FINANCE COMMITTEE:**
  Committee Members: Alvarez, Cox (Chair), Hubbs, Robinson, Sessom

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
  Liaison: Smisek, Robinson

- **ART ADVISORY COMMITTEE:**
  Committee Member: Gleason

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN FOR SAN DIEGO INTERNATIONAL AIRPORT:**
  Liaison: Robinson

- **CALTRANS:**
  Liaison: Berman

- **INTER-GOVERNMENTAL AFFAIRS:**
  Liaison: Cox

- **MILITARY AFFAIRS:**
  Liaisons: Boland

- **PORT:**
  Liaisons: Cox, Gleason (Primary), Robinson

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
  Representatives: Hubbs, Smisek (Primary)

- **WORLD TRADE CENTER:**
  Representatives: Alvarez, Gleason (Primary)

CHAIR'S REPORT:

PRESIDENT/CEO'S REPORT:

NON-AGENDA PUBLIC COMMENT:
Non-Agenda Public Comment is reserved for members of the public wishing to address the Board on matters for which another opportunity to speak **is not provided on the Agenda**, and which is within the jurisdiction of the Board. Please submit a completed speaker slip to the Authority Clerk. ***Each individual speaker is limited to three (3) minutes. Applicants, groups and jurisdictions referring items to the Board for action are limited to five (5) minutes.***

Note: Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board.

CONSENT AGENDA (Items 1-12):
The consent agenda contains items that are routine in nature and non-controversial. Some items may be referred by a standing Board Committee or approved as part of the budget process. The matters listed under 'Consent Agenda' may be approved by one motion. Any Board Member may remove an item for separate consideration. Items so removed will be heard before the scheduled New Business Items, unless otherwise directed by the Chair.

1. APPROVAL OF MINUTES:
The Board is requested to approve minutes of prior meetings.
RECOMMENDATION: Approve the minutes of the February 6, 2014, regular meeting.

2. ACCEPTANCE OF BOARD AND COMMITTEE MEMBERS WRITTEN REPORTS ON THEIR ATTENDANCE AT APPROVED MEETINGS AND PRE-APPROVAL OF ATTENDANCE AT OTHER MEETINGS NOT COVERED BY THE CURRENT RESOLUTION:

The Board is requested to accept the reports.
RECOMMENDATION: Accept the reports and pre-approve Board member attendance at other meetings, trainings and events not covered by the current resolution.
(Corporate Services: Tony Russell, Director/Authority Clerk)

3. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM JANUARY 13, 2014 THROUGH FEBRUARY 9, 2014 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM JANUARY 13, 2014 THROUGH FEBRUARY 9, 2014:

The Board is requested to receive the report.
RECOMMENDATION: Receive the report.
(Procurement: Jana Vargas, Director)

4. MARCH 2014 LEGISLATIVE REPORT:

The Board is requested to approve the report.
RECOMMENDATION: Adopt Resolution No. 2014-____, approving the March 2014 Legislative Report.
(Inter-Governmental Relations: Michael Kulis, Director)

5. ANNUAL REVIEW AND NOTIFICATION OF BOARD MEMBER WEIGHTED VOTE POINT ALLOCATION AS REQUIRED BY SECTION 170014 OF THE PUBLIC UTILITIES CODE:

The Board is requested to accept the report.
RECOMMENDATION: Accept the report.
(Corporate Services: Tony Russell, Director/Authority Clerk)

6. DISPOSITION OF SURPLUS PROPERTY:

The Board is requested to authorize the disposition of surplus property.
RECOMMENDATION: Adopt Resolution No. 2014-_____, authorizing the Disposition of Surplus Property (Materials and/or Equipment) by; 1) Donating electronic surplus to San Diego Futures Foundation (SDFF), 2) Sale to the highest bidder, and 3) Recycling.
(Procurement: Jana Vargas, Director)

CLAIMS

7. REJECT THE CLAIM OF JENNIFER CAIN:
The Board is requested to reject the claim.
RECOMMENDATION: Adopt Resolution No. 2014-____, rejecting the claim of Jennifer Cain.
(Legal: Breton Lobner, General Counsel)

COMMITTEE RECOMMENDATIONS

8. QUARTERLY AUDIT ACTIVITIES REPORT – FISCAL YEAR 2014 SECOND QUARTER, AND AUDIT RECOMMENDATIONS ISSUED BY THE OFFICE OF THE CHIEF AUDITOR:
The Board is requested receive the information.
RECOMMENDATION: The Audit Committee recommends that this item be forward to the Board for information.
(Audit Department: Mark Burchyett, Chief Auditor)

9. REVISION TO THE FISCAL YEAR 2014 AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:
The Board is requested receive the information.
RECOMMENDATION: The Audit Committee recommends that this item be forward to the Board for information.
(Audit Department: Mark Burchyett, Chief Auditor)

CONTRACTS AND AGREEMENTS

10. AWARD A CONTRACT TO HAZARD CONSTRUCTION CO. TO RELOCATE CELL PHONE LOT AT SAN DIEGO INTERNATIONAL AIRPORT:
The Board is requested to award a contract.
RECOMMENDATION: Adopt Resolution No. 2014-____,
(Facilities Development: Iraj Ghaemi, Director)
Project number: 104174 Engineer's estimate $700,000. Bid Opening Date: February 6, 2014

11. AWARD A CONTRACT TO G&G SPECIALTY CONTRACTORS, INC., FOR QUIETER HOME PROGRAM PHASE 7, GROUP 8 (34 NON-HISTORIC UNITS ON 1 RESIDENTIAL PROPERTY LOCATED WEST OF THE AIRPORT):
The Board is requested to award a contract.
RECOMMENDATION: Adopt Resolution No. 2014-____, awarding a contract to G&G Specialty Contractors, Inc., in the amount of $693,900, for Phase 7, Group 8, Project No. 380708, of the San Diego County Regional Airport Authority's ("Authority's") Quieter Home Program.
(Airport Planning: Keith Wilschetz, Director)

CONTRACTS AND AGREEMENTS AND/OR AMENDMENTS TO CONTRACTS AND AGREEMENTS EXCEEDING $1 MILLION

12. AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH GENERAL NETWORKS CORPORATION FOR THE PURCHASE AND IMPLEMENTATION OF AN ENTERPRISE CONTENT MANAGEMENT SYSTEM ("ECMS"):

The Board is requested to authorize the agreement.
RECOMMENDATION: Adopt Resolution No. 2014-____, authorizing the President/CEO to negotiate and execute an agreement with General Networks Corporation in an amount not-to-exceed $1,500,000 for a three (3) year term, with an option for two (2) one-year extensions, which may be exercised at the sole discretion of the President/CEO, for the purchase and implementation of an ECMS.
(Corporate Services: Tony Russell, Director/Authority Clerk)

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

13. RENTAL CAR CENTER BUS PROCUREMENT AND OPERATION CONTRACT APPROVAL:

The Board is requested to approve a contract.
RECOMMENDATION: Adopt Resolution No. 2014-____,
(Operations: Angela Shafer-Payne, Vice President)

14. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE HEATING, VENTILATION, AND AIR CONDITIONING MAINTENANCE AND REPAIR SERVICE AGREEMENT WITH PACIFIC RIM MECHANICAL CONTRACTORS, INC.:

The Board is requested to approve an agreement.
RECOMMENDATION: Adopt Resolution No. 2014-____, approving and authorizing the President/CEO to execute a Heating, Ventilation and Air Conditioning Maintenance and Repair Service agreement with Pacific Rim Mechanical Contractors, Inc., for a term of three years, with the option for two one-year extensions to be exercised at the discretion of the President/CEO, for a total not-to-exceed amount of $8,074,308, to provide heating, ventilation and air conditioning maintenance and repair services at San Diego International Airport.
(Facilities Management: Murray Bauer, Director)

15. RESCIND BOARD RESOLUTION 2013-0017; AND APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A SITE LEASE AGREEMENT AND SOLAR POWER PURCHASE AGREEMENT TO FINANCE, DESIGN, INSTALL, OPERATE, AND MAINTAIN A SOLAR PHOTOVOLTAIC GENERATING SYSTEM WITH [COMPANY NAME] AT SAN DIEGO INTERNATIONAL AIRPORT:

The Board is requested to rescind a resolution and approve an agreement.
RECOMMENDATION: Adopt Resolution No. 2014-_____ rescinding Resolution 2013-0017 and approving and authorizing the President/CEO to: (1) execute a site lease agreement with [COMPANY NAME] for the development and installation of a solar photovoltaic ("PV") generating system, for a maximum term of 20 years; and (2) negotiate and execute a solar power purchase agreement with [COMPANY NAME], to finance, design, install, operate, and maintain the solar PV generating system for an amount not to exceed $[DOLLAR AMOUNT] and a maximum term limit of 20 years, at San Diego International Airport.
(Airport Design & Construction: Bob Bolton, Director)

16. SAN DIEGO INTERNATIONAL AIRPORT DEVELOPMENT PLAN:

The Board is requested to receive the information.
RECOMMENDATION: Receive the update.
(Airport Planning: Keith Wilschetz, Director)

WORKSHOP:

17. UPDATE ON GROUND TRANSPORTATION OPERATIONAL FRAMEWORK:

RECOMMENDATION: Receive the update.
(Operations: Angela Shafer-Payne, Vice President)

CLOSED SESSION:

18. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:
Real property negotiations pursuant to Cal. Gov. Code §54954.5(b) and §54956.8:
Property: Salt Plant – 17 acre parcel located at 1470 Bay Boulevard, San Diego
Agency Negotiators: Vernon D. Evans, Vice President, Finance/Treasurer
Negotiating Parties: San Diego Gas & Electric, United States Fish and Wildlife Service, GGTW, LLC (current tenant) and/or other interested parties
Under Negotiation: Sale – terms and conditions

19. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:
Real Property negotiations pursuant to Cal. Gov. Code §54954.5(b) and §54956.8:
Property: 2980 Pacific Highway, San Diego, California
Agency Negotiators: Vernon D. Evans, Vice President, Finance/Treasurer and Troy Ann Leech, Director, Aviation & Commercial Business
Negotiating Party: President/CEO, San Diego World Trade Center
Under Negotiation: New or amended lease.

20. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:
(Cal. Gov. Code Section 54956.9(A))
Diego Concession Group, Inc. v. San Diego County Regional Airport Authority
S.D.S.C Case No. 37-2012-00088083-CU-BT-CTL

21. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:
(Cal. Gov. Code §54956.9(A))
Melvin R. McFarlin v. San Diego County Regional Airport Authority, et al.,
San Diego Superior Court Case No. 37-2013-00066152-CU-OE-CTL

22. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:
Initiation of litigation pursuant to subdivision (c) of §54956.9: (1 case)

23. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION AND EXISTING LITIGATION:
Significant exposure to litigation pursuant to Cal. Gov. Code §54956.9(b) and Cal. Gov. Code § 54956.9(A): Jay A. Bass, et al v. San Diego City Employees' Retirement System, et al., San Diego Sup. Court Case No. 37-2013-00077566-CU-OE-CTL
Number of cases: 1

24. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:
Significant exposure to litigation (Cal. Gov. Code §§ 54956.9 (b) and 54954.5)
Number of potential cases: 1
Re: Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board regarding submission of technical reports pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego

REPORT ON CLOSED SESSION:

NON-AGENDA PUBLIC COMMENT:
Non-Agenda Public Comment is reserved for members of the public wishing to address the Board on matters for which another opportunity to speak **is not provided on the Agenda**, and which is within the jurisdiction of the Board. Please submit a completed speaker slip to the Authority Clerk. ***Each individual speaker is limited to three (3) minutes. Applicants, groups and jurisdictions referring items to the Board for action are limited to five (5) minutes.***

Note: Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board.

GENERAL COUNSEL REPORT:

BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REPORTS FOR BOARD MEMBERS, PRESIDENT/CEO, CHIEF AUDITOR AND GENERAL COUNSEL WHEN ATTENDING CONFERENCES, MEETINGS, AND TRAINING AT THE EXPENSE OF THE AUTHORITY:

BOARD COMMENT:

ADJOURNMENT:

Policy for Public Participation in Board, Airport Land Use Commission (ALUC), and Committee Meetings (Public Comment)

1) Persons wishing to address the Board, ALUC, and Committees shall complete a "Request to Speak" form prior to the initiation of the portion of the agenda containing the item to be addressed (e.g., Public Comment and General Items). Failure to complete a form shall not preclude testimony, if permission to address the Board is granted by the Chair.
2) The Public Comment Section at the beginning of the agenda is limited to eighteen (18) minutes and is reserved for persons wishing to address the Board, ALUC, and Committees on any matter for which another opportunity to speak is not provided on the Agenda, and on matters that are within the jurisdiction of the Board. A second Public Comment period is reserved for general public comment later in the meeting for those who could not be heard during the first Public Comment period.
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4) If many persons have indicated a desire to address the Board, ALUC and Committees on the same issue, then the Chair may suggest that these persons consolidate their respective testimonies. Testimony by members of the public on any item shall be limited to **three (3) minutes per individual speaker and five (5) minutes for applicants, groups and referring jurisdictions.**
5) Pursuant to Authority Policy 1.33 (8), recognized groups must register with the Authority Clerk prior to the meeting.
6) After a public hearing or the public comment portion of the meeting has been closed, no person shall address the Board, ALUC, and Committees without first obtaining permission to do so.

Additional Meeting Information

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UPCOMING MEETING SCHEDULE

Date	***Day***	***Time***	***Meeting Type***	***Location***
April 3	Thursday	9:00 a.m.	Regular	Board Room
May 1	Thursday	9:00 a.m.	Regular	Board Room

ITEM 9

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

BOARD MEMBERS

DAVID ALVAREZ
LAURIE BERMAN*
BRUCE R. BOLAND
GREG COX
JIM DESMOND
COL. JOHN FARNAM*
ROBERT H. GLEASON
LLOYD B. HUBBS
ERAINA ORTEGA*
PAUL ROBINSON
MARY SESSOM
TOM SMISEK

* EX OFFICIO BOARD MEMBERS

PRESIDENT/CEO
THELLA F. BOWENS

DRAFT
AIRPORT LAND USE COMMISSION AGENDA

Thursday, March 6, 2014
9:00 A.M. or immediately following the Board Meeting

San Diego International Airport
Commuter Terminal – Third Floor
Board Room
3225 N. Harbor Drive
San Diego, California 92101

Live webcasts of Authority Board meetings can be accessed at http://www.san.org/airport_authority/boardmeetings.asp.

Pursuant to California Public Utilities Code §§ 21670-21679.5, the Airport Land Use Commission ("Commission") is responsible for coordinating the airport planning of public agencies within San Diego County. The Commission has the legal responsibility to formulate airport land use compatibility plans ("ALUCPs") that will (a) provide for the orderly growth of each public airport and the areas surrounding the airport within the County and (b) safeguard the general welfare of the inhabitants within the vicinity of each airport and the public in general. Pursuant to §21670.3, the San Diego County Regional Airport Authority serves as the Commission.

This Agenda contains a brief general description of each item to be considered. The indication of a recommended action does not indicate what action (if any) may be taken. ***Please note that agenda items may be taken out of order.*** If comments are made to the Commission without prior notice or are not listed on the Agenda, no specific answers or responses should be expected at this meeting pursuant to State law.

Staff Reports and documentation relating to each item of business on the Agenda are on file in Corporate Services and are available for public inspection.

NOTE: Pursuant to Authority Code Section 2.15, all Lobbyists shall register as an Authority Lobbyist with the Authority Clerk within ten (10) days of qualifying as a lobbyist. A qualifying lobbyist is any individual who receives $100 or more in any calendar month to lobby any Commission Member or employee of the Authority for the purpose of influencing any action of the Authority. To obtain Lobbyist Registration Statement Forms, contact the Corporate Services/Authority Clerk Department.

PLEASE COMPLETE A "REQUEST TO SPEAK" FORM PRIOR TO THE COMMENCEMENT OF THE MEETING AND SUBMIT IT TO THE AUTHORITY CLERK. ***PLEASE REVIEW THE POLICY FOR PUBLIC PARTICIPATION IN BOARD AND BOARD COMMISSION MEETINGS (PUBLIC COMMENT) LOCATED AT THE END OF THE AGENDA.***

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

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CONSENT AGENDA (Items 1-4):
The Consent Agenda contains items that are routine in nature and non-controversial. It also contains consistency determinations that have been deemed consistent or conditionally consistent. The matters listed under 'Consent Agenda' may be approved by one motion. Any Commission Member may remove an item for separate consideration. Items so removed will be heard before the scheduled New Business items, unless otherwise directed by the Chair.

1. APPROVAL OF MINUTES:
The Commission is requested to approve minutes of prior Commission meetings.
RECOMMENDATION: Approve the minutes of the February 6, 2014, regular meeting.

CONSISTENCY DETERMINATIONS

2. CONSISTENCY DETERMINATION – REPORT OF LAND USE ACTIONS DETERMINED TO BE CONSISTENT WITH AIRPORT LAND USE COMPATIBILITY PLANS:
The Commission is requested to receive a report of land use actions determined by staff to be consistent with their respective Airport Land Use Compatibility Plans.
RECOMMENDATION: Receive the report.
(Airport Planning: Angela Jamison, Manager)

3. CONSISTENCY DETERMINATION – SAN DIEGO INTERNATIONAL AIRPORT - AIRPORT LAND USE COMPATIBILITY PLAN - CONSTRUCTION OF 2 ATTACHED RESIDENTIAL UNITS AT 4945-4947 MUIR AVENUE, CITY OF SAN DIEGO:

The Commission is requested to make a consistency determination on a proposed project in the City of San Diego.
RECOMMENDATION: Adopt Resolution No. 2014-____ ALUC, making the determination that the project is conditionally consistent with the San Diego International Airport - Airport Land Use Compatibility Plan.
(Airport Planning: Angela Jamison, Manager)

4. CONSISTENCY DETERMINATION – SAN DIEGO INTERNATIONAL AIRPORT - AIRPORT LAND USE COMPATIBILITY PLAN – CONSTRUCTION OF A RESIDENTIAL UNIT AT 4655 CASTELAR STREET, CITY OF SAN DIEGO:

The Commission is requested to make a consistency determination on a proposed project in the City of San Diego.
RECOMMENDATION: Adopt Resolution No. 2014-____ ALUC, making the determination that the project is conditionally consistent with the San Diego International Airport - Airport Land Use Compatibility Plan.
(Airport Planning: Angela Jamison, Manager)

PUBLIC HEARINGS: None

OLD BUSINESS:

NEW BUSINESS:

COMMISSION COMMENT:

ADJOURNMENT:

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