

San Diego County Regional Airport Authority

Investment Report
As of February 29, 2012



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

March 26, 2012



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.

A handwritten signature in black ink that reads "Vernon D. Evans". The signature is written in a cursive style and is positioned above a horizontal line.

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



Total Portfolio Summary



	Current Period February 29, 2012	Prior Period January 31, 2012	Change From Prior
Book Value	\$260,151,000	\$252,055,000	\$8,096,000
Market Value	\$260,324,000	\$252,233,000	\$8,091,000
Market Value%	100.05%	100.05%	0.00%
Unrealized Gain / (Loss)	\$173,000	\$178,000	(\$5,000)
Weighted Average Maturity (Days)	302 days	260 days	42
Weighted Average Yield as of Period End	0.57%	0.56%	0.01%
Cash Interest Received- Current Month	\$14,000	\$274,000	(\$260,000)
Cash Interest Received-Year-to-Date	\$972,000	\$958,000	\$14,000
Accrued Interest	\$197,000	\$112,000	\$85,000

Notes:

(1) Increase in cash balance was predominantly due to positive operating cash flow and capital receipts that exceeded disbursements on capital projects.

(1) Book Value ties to accounting's record (same source)

(2) Market Value ties to accounting's record (same source)

(3) Change from prior month is booked to 71530. Does not match exactly because 'realized loss is also book to 71530.

(4) Cash Interest Received is booked to 71310 'Investment Income'

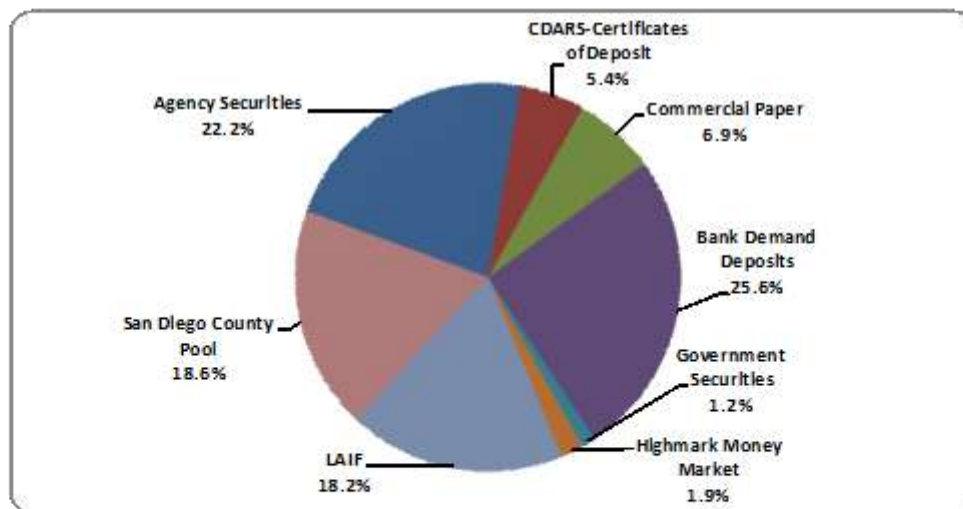
(5) Accrued Interest is booked to 71310 'Investment Income'



Portfolio Composition by Security Type



	February 29, 2012		January 31, 2012		Permitted by Policy
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio	
Agency Securities	\$ 58,146,000	22.2%	\$ 51,660,000	20.6%	100%
CDARS-Certificates of Deposit	13,955,000	5.4%	15,952,000	6.3%	30%
Commercial Paper	17,928,000	6.9%	14,960,000	5.9%	25%
Bank Demand Deposits	66,610,000	25.6%	64,066,000	25.4%	100%
Government Securities	3,004,000	1.2%	3,006,000	1.2%	100%
Highmark Money Market	5,069,000	1.9%	6,997,000	2.8%	20%
LAI	47,309,000	18.2%	47,263,000	18.7%	\$50 million ⁽¹⁾
San Diego County Pool	48,303,000	18.6%	48,289,000	19.1%	\$50 million ⁽²⁾
Total:	\$ 268,321,000	100.0%	\$ 252,233,000	100.0%	



Notes:

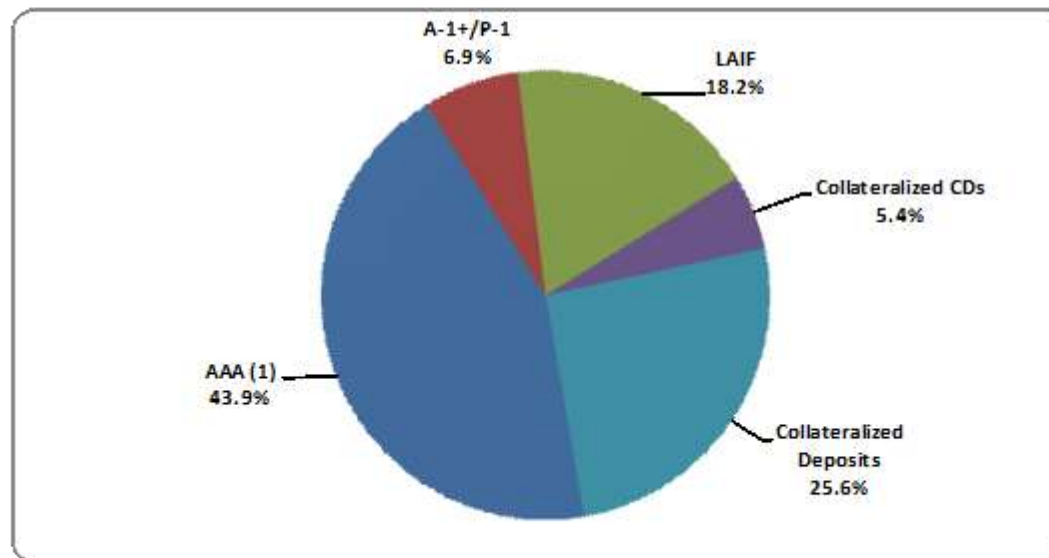
- 1.) The \$50 million limit on LAIF is a non-statutory LAIF internal limit. It does not apply to bond proceeds.
- 2.) The San Diego County Investment Pool mirrors the LAIF internal limit and does not apply to bond proceeds.
- 3.) LAIF & San Diego County Pool reported one month in arrears.



Portfolio Composition by Credit Rating



	February 29, 2012		January 31, 2012	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
AAA (1)	\$ 114,522,000	43.9%	\$ 109,952,000	43.7%
A-1+/P-1	17,928,000	6.9%	14,980,000	5.9%
LAIF	47,309,000	18.2%	47,263,000	18.7%
Collateralized CDs	13,955,000	5.4%	15,952,000	6.3%
Collateralized Deposits	66,610,000	25.6%	64,086,000	25.4%
Total:	\$ 260,324,000	100.0%	\$ 252,233,000	100.0%



Notes:

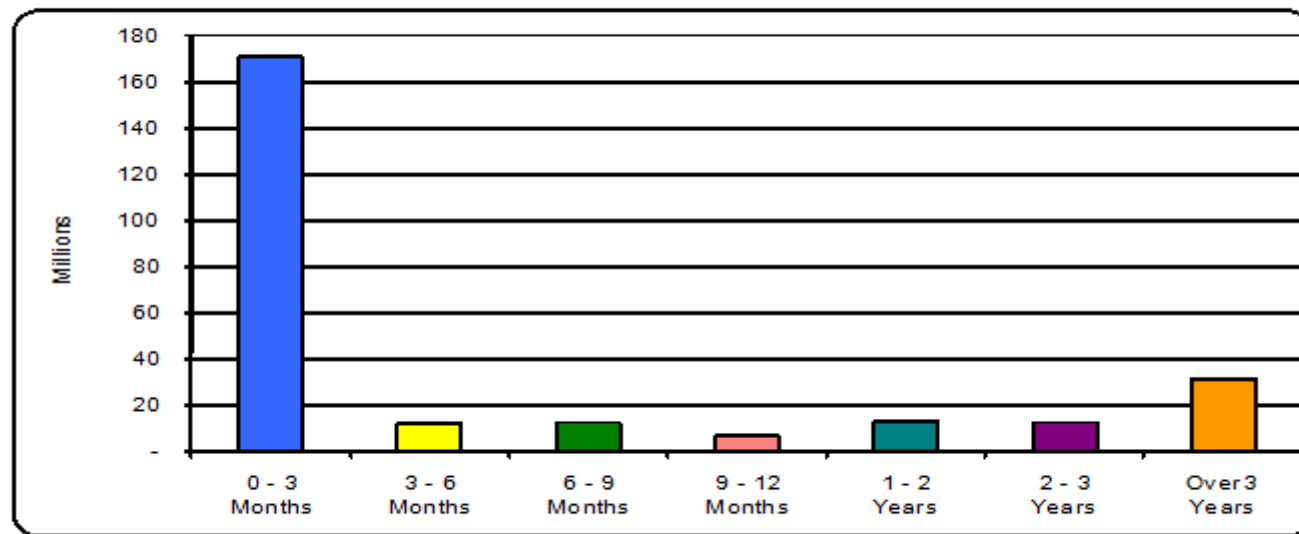
1) Includes investment grade that have split ratings between S&P (AA+), Moodys (AAA) and Fitch (AAA)



Portfolio Composition by Maturity Distribution⁽¹⁾



	February 29, 2012		January 31, 2012	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
0 - 3 Months	\$ 170,786,000	65.5%	\$ 175,557,000	69.7%
3 - 6 Month	12,021,000	4.6%	15,510,000	6.1%
6 - 9 Months	12,447,000	4.8%	6,500,000	2.6%
9 - 12 Months	6,925,000	2.7%	3,006,000	1.2%
1 - 2 Years	13,669,000	5.3%	13,670,000	5.4%
2 - 3 Years	12,936,000	5.0%	15,437,000	6.1%
Over 3 Years	31,540,000	12.1%	22,553,000	8.9%
Total:	\$ 260,324,000	100.0%	\$ 252,233,000	100.0%

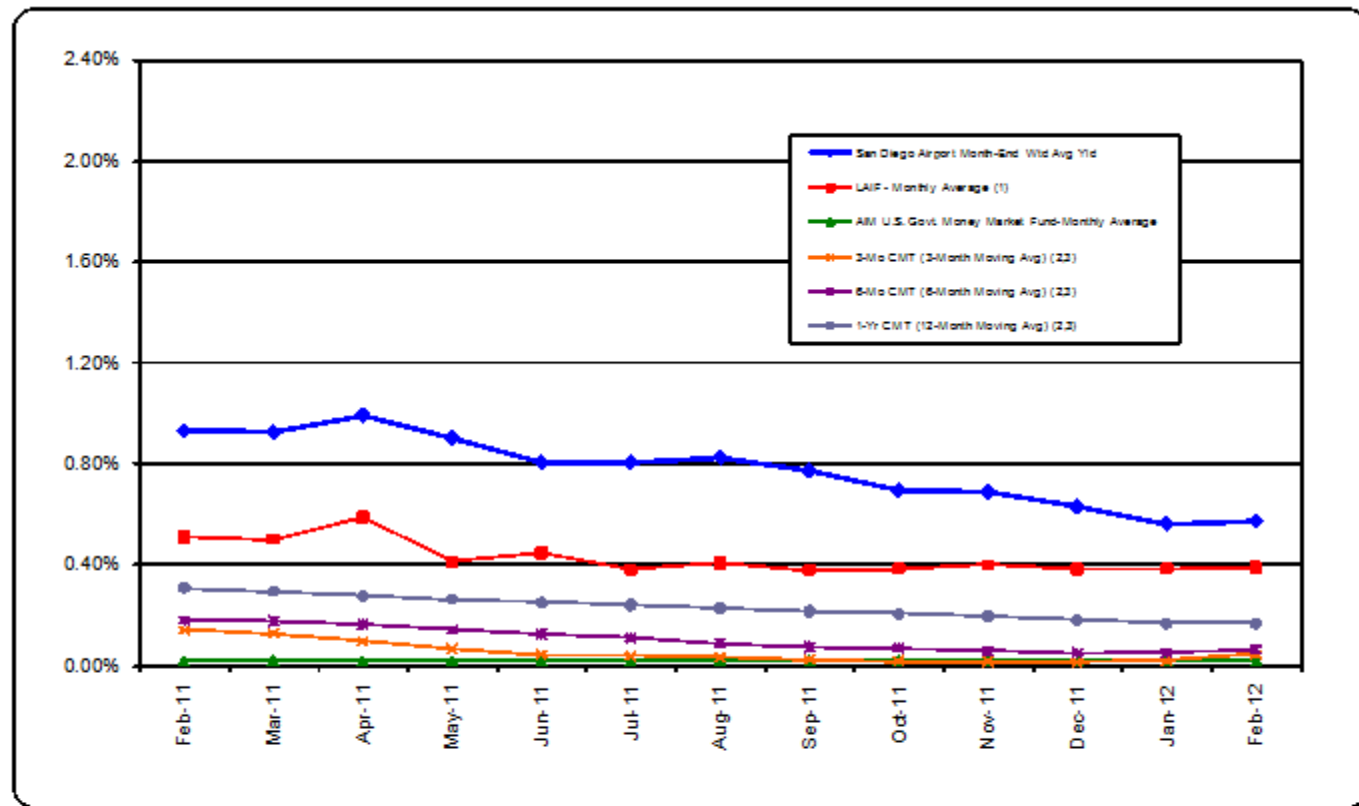


Notes:

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 LAF 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 February 29, 2012



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
08/01/11	FHLMC	0.450	07/26/13	07/26/12	3,000,000	100.000	3,000,000	99.976	2,999,280	513	0.726
06/23/11	FHLMC	0.750	09/23/13	03/23/12	3,000,000	99.950	2,998,500	100.028	3,000,840	572	0.773
12/30/11	FNMA	0.550	10/18/13	04/18/12	4,670,000	100.028	4,671,298	100.035	4,671,635	597	0.534
12/27/11	FNMA	0.550	12/27/13	06/27/12	3,000,000	99.995	2,999,850	99.922	2,997,660	667	0.553
09/29/11	FHLMC	0.800	09/29/14	03/29/12	3,000,000	100.000	3,000,000	100.045	3,001,350	943	0.800
06/30/11	FHLB	0.750	12/30/14	03/30/12	4,435,000	99.950	4,432,783	100.007	4,435,310	1035	1.469
01/09/12	FHLMC	0.850	01/09/15	01/09/13	3,000,000	100.000	3,000,000	100.000	3,000,000	1045	0.850
02/13/12	FHLMC	0.700	02/13/15	02/13/13	2,500,000	100.000	2,500,000	99.955	2,498,875	1080	0.700
11/02/11	FNMA	1.450	11/02/15	05/02/12	3,000,000	100.000	3,000,000	100.166	3,004,980	1342	1.450
12/28/11	FNMA	0.750	12/28/15	12/28/12	5,000,000	99.970	4,998,500	100.030	5,001,500	1398	1.498
02/10/12	FHLMC	1.000	02/10/16	02/10/14	3,000,000	100.475	3,014,250	100.186	3,004,080	1442	0.879
02/24/12	FNMA	0.800	02/24/16	02/24/14	3,000,000	99.785	2,993,550	99.727	2,991,810	1456	0.855
07/19/11	FNMA	1.250	07/19/16	07/19/12	2,000,000	99.800	1,996,000	100.394	2,007,880	1602	2.360
01/11/12	FHLMC	1.500	09/21/16	09/21/12	3,000,000	100.345	3,010,341	100.345	3,010,341	1666	1.424
10/26/11	FNMA	1.375	10/26/16	10/26/12	3,000,000	100.000	3,000,000	100.663	3,019,890	1701	1.689
01/18/12	FNMA	0.700	01/18/17	07/18/13	4,000,000	100.000	4,000,000	100.000	4,000,000	1785	1.599
01/27/12	FHLMC	2.250	01/23/17	01/23/14	2,500,000	102.885	2,500,000	100.000	2,500,000	1790	1.645
02/06/12	FNMA	0.750	02/06/17	02/06/13	3,000,000	99.900	3,000,000	99.972	2,999,160	1804	1.700
Agency Total					58,105,000		58,115,072		58,144,591	1228	1.180
02/09/12	Neighborhood Nat'l Bk CD	0.850	02/07/13		4,924,823	100.000	4,924,823	100.000	4,924,823	344	0.843
02/27/12	Union Bank CD	0.200	02/27/13		2,000,000	100.000	2,000,000	100.000	2,000,000	364	0.200
06/28/11	East West Bk CD	0.850	06/28/12		7,030,550	100.000	7,030,550	100.000	7,030,550	120	0.846
CD's Total					13,955,372		13,955,372		13,955,372	234	0.752



Detail of Security Holdings

As of February 29, 2012



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
08/26/11	FCAR Owner Trust CP	0.550	05/22/12		3,500,000	99.588	3,485,563	99.866	3,495,310	83	0.552
09/09/11	Toyota Motor Credit CP	0.603	06/05/12		3,000,000	99.550	2,986,500	99.819	2,994,570	97	0.603
09/30/11	Toyota Motor Credit CP	0.643	06/26/12		2,000,000	99.520	1,990,400	99.779	1,995,580	118	0.643
12/19/11	Toyota Motor Credit CP	0.760	09/14/12		3,000,000	99.430	3,000,000	99.491	2,984,730	198	0.764
01/20/12	FCAR Owner Trust CP	0.650	10/16/12		3,500,000	99.513	3,500,000	99.383	3,478,405	230	0.653
02/16/12	FCAR Owner Trust CP	0.000	11/09/12		3,000,000	99.540	2,986,205	99.318	2,979,540	254	0.620
Commercial Paper Total					18,000,000		17,948,668		17,928,135	166	0.637
03/29/11	U.S. Treasury	0.375	10/31/12		3,000,000	99.740	2,992,148	100.133	3,003,990	245	0.541
Government Total					3,000,000		2,992,148		3,003,990	245	0.541
	US Bank General Acct				33,147,158	100.000	33,147,158	100.000	33,147,158	1	0.035
US Bank Accounts Total					33,147,158		33,147,158		33,147,158	1	0.035
Highmark MoneyMarket Total					5,068,856		5,068,856		5,068,856	1	0.000
	Local Agency Invstmnt Fd				47,203,932	100.000	47,203,932	100.223	47,309,197	1	0.389
	San Diego County Inv Pool				48,256,417	100.000	48,256,417	100.097	48,303,319	1	0.530
	Bank of the West				5,230,235	100.000	5,230,235	100.000	5,230,235	1	0.450
	East West Bank				102,494	100.000	102,494	100.000	102,494	1	0.350
	East West Bank				26,122,968	100.000	26,122,968	100.000	26,122,968	1	0.350
East West Bank Total					26,225,462		26,225,462	100.000	26,225,462	1	0.350
	Union Bk Cash				2,007,185.30	100.000	2,007,185.30	100.000	2,007,185.30	1	0.000
Grand Total					\$ 260,199,617	99.99	\$ 260,150,505	100.05	\$ 260,323,500	302	0.572



Portfolio Investment Transactions

From February 1st, 2012 – February 29th, 2012



Settle Date	Security Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
PURCHASES								
02/06/12	FNMA	AGCY STEP	3136FTG94	0.750	02/06/17	02/06/13	99.900	2,997,000
02/09/12	Neighborhood Nat'l Bk CD	CD-SHORT	CDAR-6843	0.850	02/07/13		100.000	4,924,823
02/10/12	FHLMC	AGCY CALL	3134G3NH9	1.000	02/10/16	02/10/14	100.475	3,014,250
02/13/12	FHLMC	AGCY CALL	3134G3LD0	0.700	02/13/15	02/13/13	100.000	2,500,000
02/16/12	FCAR Owner Trust CP	CP - DISC	3024A0L94	0.000	11/09/12		99.540	2,986,205
02/24/12	FNMA	AGCY STEP	3135G0HK2	0.800	02/24/16	02/24/14	99.785	2,993,550
02/27/12	Union Bank CD	CD-SHORT	CD-0547	0.200	02/27/13		100.000	2,000,000
								\$ 21,415,828
CALLS								
08/29/11	FHLMC	AGCY STEP	3134G2XS6	0.500	08/29/14	02/29/12	99.950	4,997,500
								\$ 4,997,500
MATURITIES								
02/10/11	Neighborhood Nat'l Bk CD	CD-SHORT	CDAR-6182	1.150	02/09/12		100.000	4,921,174
12/22/11	Union Bank CD	CD-SHORT	CD-0505	0.150	02/27/12		100.000	4,000,000
								\$ 8,921,174
Deposits								
								\$ -
Withdrawals								
								\$ -



Bond Proceeds Summary



As of: February 29, 2012

(in thousands)

Fund	Series A	Series B	Series C	Total	Yield	Rating
<u>Project Fund</u>						
LAIF ⁽¹⁾	\$ -	\$ -	\$ 4,459	\$ 4,459	0.39%	N/R
SDCIP ⁽²⁾	100,748	-	84,660	185,408	0.53%	AAAf
	100,748	-	89,119	189,867		
<u>Capitalized Interest</u>						
CAMP	6	-	4	10	0.23%	AAAm
SDCIP ⁽²⁾	6,345	-	4,554	10,899	0.53%	AAAf
JP Morgan Federal MM Reserve	-	-	-	-	0.00%	AAAm
	6,351	-	4,558	10,909		
<u>Debt Service Reserve Fund</u>						
CAMP	9	-	5	14	0.23%	AAAm
FNMA Global Notes	9,943	-	4,973	14,916	0.66%	AA+/AAA
East West Bank CD	13,153	-	7,079	20,232	1.20%	
Bank of the West DDA	9,670	-	6,350	16,020	0.45%	
JP Morgan Federal MM Reserve	127	-	62	190	0.00%	AAAm
	32,902	-	18,469	51,372		
	\$ 140,001	\$ -	\$ 112,146	\$ 252,148	0.58%	

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

**LAIF & SDCIP Market Value & Interest Earned are one month in arrears.

(1) LAIF Yield as of 2/29/2011

(2) SDCIP Yield as of 01/31/2012



Bond Proceeds Investment Transactions

From February 1st, 2012 – February 29th, 2012



Settle Date	Security Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
PURCHASES								
							\$	-
CALLS								
							\$	-
MATURITIES								
							\$	-
Deposits								
							\$	-
Withdrawals								
2/15/2012	Local Agency Investment Fund	LAIF		0.39			100.000	5,356,298
2/15/2012	San Diego County Investment Pool	SDCIP		0.52			100.000	10,149,641
							\$	15,505,940



Questions

