



Item 2

# San Diego County Regional Airport Authority

## Investment Report As of June 30, 2011

Presented by:

Vernon D. Evans, CPA

Vice-President-Finance/Treasurer and CFO

July 25, 2011



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.

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

# Total Portfolio Summary

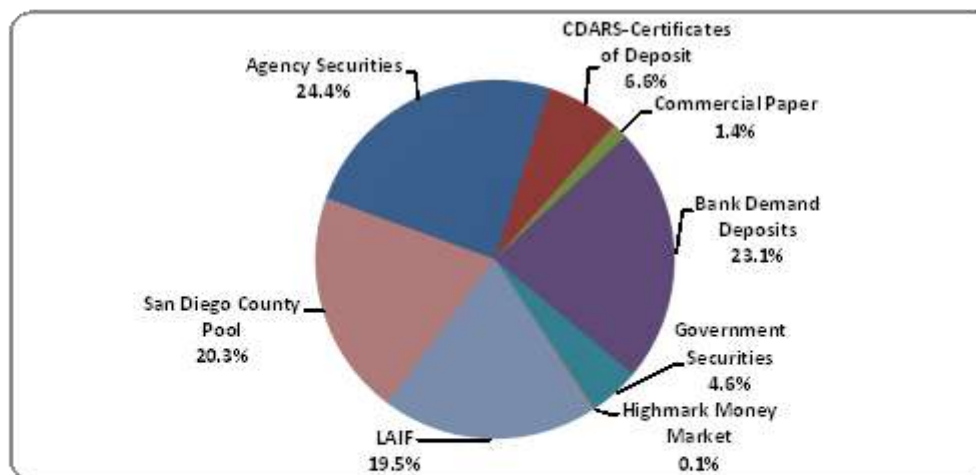
	Current Period June 30, 2011	Prior Period March 31, 2011	Change From Prior
Book Value	\$241,585,000	\$246,930,000	(\$5,345,000)
Market Value	\$241,544,000	\$247,101,000	(\$5,557,000)
Market Value%	99.98%	100.10%	(0.12%)
Unrealized Gain / (Loss)	(\$41,000)	\$171,000	(\$212,000)
Weighted Average Maturity (Days)	294 days	304 days	(10)
Weighted Average Yield as of Period End	0.80%	0.93%	(0.13%)
Cash Interest Received- Current Month	\$247,000	\$125,000	\$122,000
Cash Interest Received- Quarter-to-Date	\$534,000	\$525,000	\$9,000
Cash Interest Received-Year-to-Date	\$2,248,000	\$1,715,000	\$533,000
Accrued Interest	\$279,000	\$369,000	(\$90,000)

## Notes:

(1) Decrease in cash balance was predominantly due to end-of-year pension, employee benefits and debt service payments.

# Portfolio Composition by Security Type

	June 30, 2011		March 31, 2011		Permitted by Policy
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio	
Agency Securities	\$ 58,922,000	24.4%	\$ 64,955,000	26.0%	100%
CDARS-Certificates of Deposit	15,888,000	6.6%	15,876,000	6.4%	30%
Commercial Paper	3,490,000	1.4%	4,999,000	2.0%	25%
Bank Demand Deposits	55,757,000	23.1%	53,831,000	21.8%	100%
Government Securities	11,038,000	4.6%	11,032,000	4.5%	100%
Highmark Money Market	333,000	0.1%	625,000	0.3%	20%
LAIF	47,174,000	19.5%	47,112,000	19.1%	\$50 million <sup>m</sup>
San Diego County Pool	48,942,000	20.3%	49,071,000	19.9%	\$50 million <sup>m</sup>
<b>Total:</b>	<b>\$ 241,544,000</b>	<b>100.0%</b>	<b>\$ 247,101,000</b>	<b>100.0%</b>	

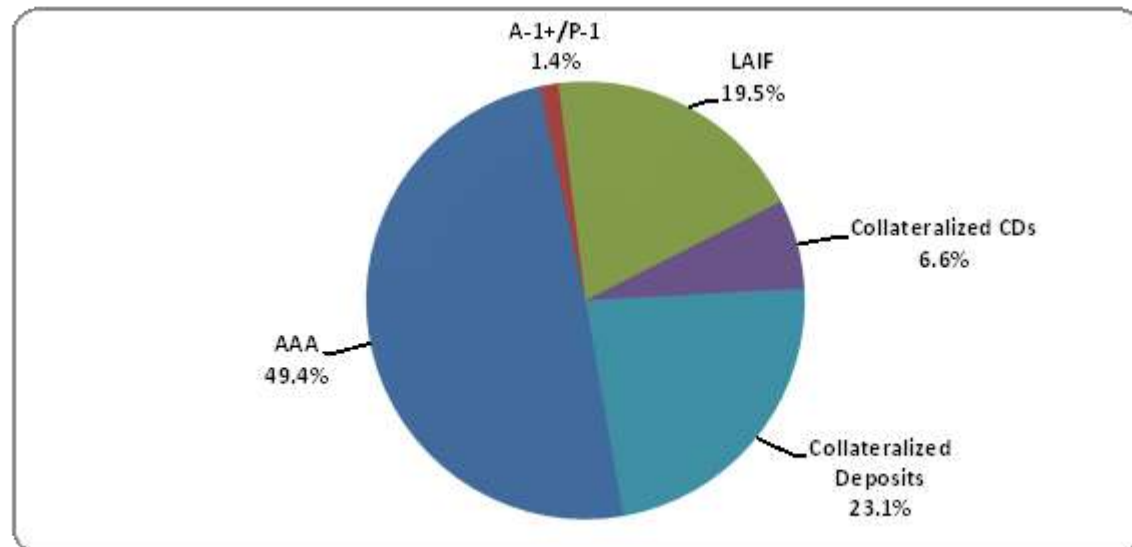


## Notes:

- 1.) The \$50 million limit on LAIF is a non-disbursary 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

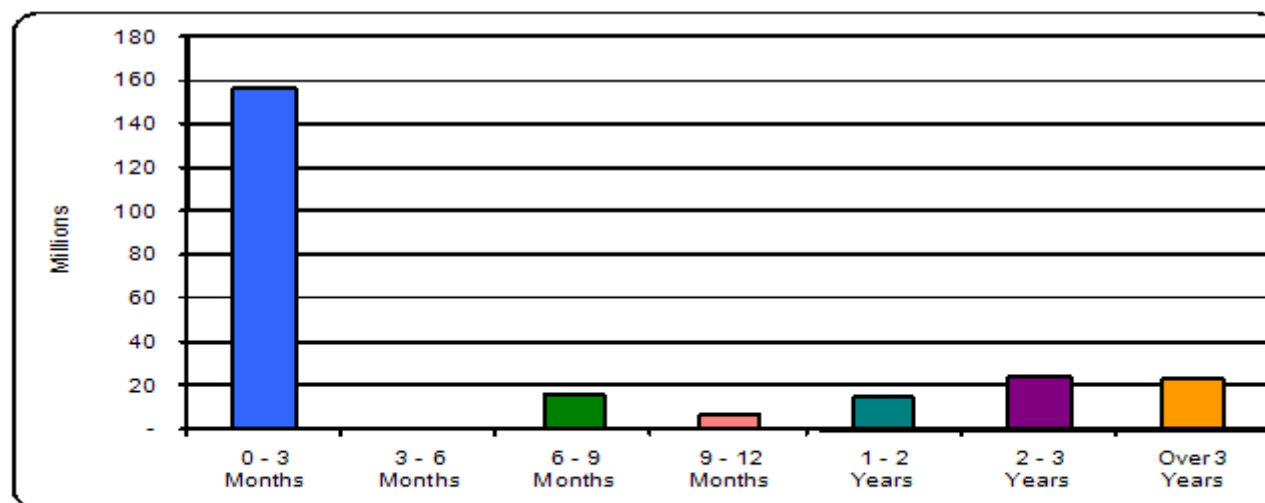
	June 30, 2011		March 31, 2011	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
AAA	\$ 119,235,000	49.4%	\$ 125,283,000	50.7%
A-1+/P-1	3,490,000	1.4%	4,999,000	2.0%
LAIF	47,174,000	19.5%	47,112,000	19.1%
Collateralized CDs	15,888,000	6.6%	15,876,000	6.4%
Collateralized Deposits	55,757,000	23.1%	53,831,000	21.8%
<b>Total</b>	<b>\$ 241,544,000</b>	<b>100.0%</b>	<b>\$ 247,101,000</b>	<b>100.0%</b>





## Portfolio Composition by Maturity Distribution<sup>(1)</sup>

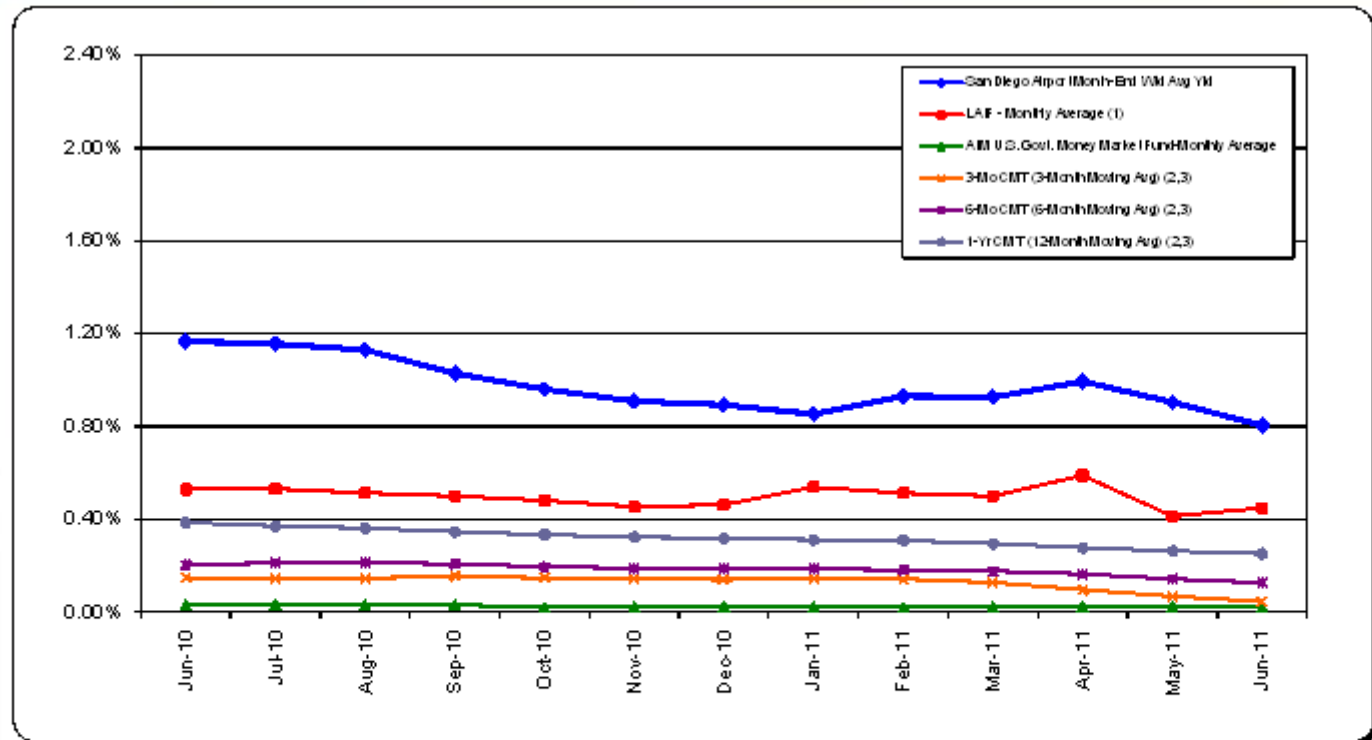
	June 30, 2011		March 31, 2011	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
0 - 3 Months	\$ 156,206,000	64.7%	\$ 163,283,000	66.1%
3 - 6 Month	-	0.0%	4,999,000	2.0%
6 - 9 Months	16,413,000	6.8%	-	0.0%
9 - 12 Months	7,000,000	2.9%	12,916,000	5.2%
1 - 2 Years	14,997,000	6.2%	16,067,000	6.5%
2 - 3 Years	24,008,000	9.9%	33,335,000	13.5%
Over 3 Years	22,920,000	9.5%	16,501,000	6.7%
<b>Total:</b>	<b>\$ 241,544,000</b>	<b>100.0%</b>	<b>\$ 247,101,000</b>	<b>100.0%</b>



### 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.

**San Diego County Regional Airport Authority**  
**DETAIL OF SECURITY HOLDINGS**  
*As of June 30, 2011*

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
06/28/11	FHLB	0.500	12/28/12	07/28/11	\$ 4,000,000	100.000	\$ 4,000,000	99.882	\$ 3,995,280	547	0.500
01/07/11	FNMA	1.000	01/07/13	07/07/11	3,000,000	99.970	2,999,100	100.010	3,000,300	557	1.015
06/13/11	FHLMC	0.500	06/13/13	09/13/11	3,000,000	100.000	3,000,000	100.033	3,000,990	714	0.874
06/27/11	FHLB	0.875	06/27/13	09/27/11	2,000,000	100.000	2,000,000	99.890	1,997,800	728	0.875
07/08/10	FHLMC	1.000	07/08/13	07/08/11	4,000,000	100.199	4,007,960	100.010	4,000,400	739	1.758
08/26/10	FNMA	0.550	08/26/13	08/26/11	3,000,000	100.000	3,000,000	100.023	3,000,690	788	1.509
06/23/11	FHLMC	0.750	09/23/13	12/23/11	3,000,000	99.975	2,998,500	100.024	3,000,720	816	0.773
01/27/11	FNMA	0.750	01/27/14	01/27/12	5,000,000	99.950	4,997,500	100.111	5,005,550	942	1.597
03/07/11	FNMA	2.500	03/07/14	09/07/11	3,000,000	100.950	3,028,500	100.343	3,010,290	981	2.171
06/23/11	FNMA	0.750	06/23/14	12/23/11	3,000,000	100.000	3,000,000	99.825	2,994,750	1089	1.348
06/23/11	FHLMC	0.758	06/23/14	12/23/11	3,000,000	99.975	2,999,250	99.846	2,995,380	1089	1.458
06/30/11	FHLB	0.500	06/30/14	12/30/11	3,000,000	99.975	2,999,250	99.945	2,998,350	1096	1.294
06/30/11	FHLB	0.750	06/30/14	03/30/12	4,435,000	99.950	4,432,783	99.687	4,421,118	1096	1.470
04/27/11	FNMA	1.000	04/27/15	10/27/11	3,000,000	100.000	3,000,000	100.255	3,007,650	1397	2.469
07/28/10	FNMA	1.550	07/28/15	07/28/11	2,500,000	99.880	2,497,000	100.110	2,502,750	1489	2.280
01/28/11	FNMA	1.250	01/28/16	07/28/11	3,500,000	100.000	3,500,000	100.084	3,502,940	1673	3.187
05/26/11	FHLB	1.250	05/26/16	08/26/11	1,500,000	99.825	1,497,375	100.132	1,501,980	1792	2.458
06/30/11	FNMA	1.200	06/30/16	12/30/11	5,000,000	100.000	5,000,000	99.709	4,985,450	1827	2.545
Agency Total					58,935,000		58,957,218		58,922,388	1071	1.651
02/10/11	Neighborhood Nat'l Bk CD	1.150	02/09/12		4,887,951	100.000	4,887,951	100.000	4,887,951	224	1.138
06/21/11	Union Bank CD	0.200	09/19/11		4,000,000	100.000	4,000,000	100.000	4,000,000	81	0.200
06/28/11	East West Bk CD	0.850	06/28/12		7,000,000	100.000	7,000,489	100.007	7,000,489	364	0.850
CD's Total					15,887,951		15,888,440		15,888,440	250	0.775



**San Diego County Regional Airport Authority**  
**DETAIL OF SECURITY HOLDINGS**  
*As of June 30, 2011*

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
04/27/11	FCAR Owner Trust CP	0.530	01/20/12		3,500,000	99.605	3,486,191	99.724	3,490,340	204	0.532
Commercial Paper Total					3,500,000		3,486,191		3,490,340	204	0.532
09/27/10	U.S. Treasury	1.000	12/31/11		4,033,594	100.840	4,033,594	99.598	4,017,360	184	0.330
09/30/10	U.S. Treasury	0.875	12/31/11		4,028,906	100.723	4,028,906	99.717	4,017,520	184	0.332
03/29/11	U.S. Treasury	0.375	10/31/12		3,000,000	99.740	2,992,148	100.098	3,002,940	489	0.541
Government Total					11,062,500		11,054,648		11,037,820	267	0.388
US Bank General Acct					16,375,599	100.000	16,375,599	100.000	16,375,599	1	0.350
US Bank Accounts Total					16,375,599		16,375,599		16,375,599	1	0.350
Highmark US Govt MMF					332,593	100.000	332,593	100.000	332,593	1	0.010
Highmark Money Market Total					332,593		332,593		332,593	1	0.010
Local Agency Invstmnt Fd*					47,057,660	100.000	47,057,660	100.246	47,173,638	1	0.448
San Diego County Inv Pool*					49,050,975	100.000	49,050,975	99.777	48,941,835	1	0.594
Bank of the West					8,214,338	100.000	8,214,338	100.000	8,214,338	1	0.450
East West Bank					10,897,734	100.000	10,897,734	100.000	10,897,734	1	0.600
East West Bank					20,250,721	100.000	20,250,721	100.000	20,250,721	1	0.600
East West Bank Total					31,148,454		31,148,454	100.000	31,148,454	1	0.600
<b>Grand Total</b>					<b>\$ 241,583,507</b>	<b>100.03</b>	<b>\$ 241,584,552</b>	<b>99.98</b>	<b>\$ 241,543,882</b>	<b>294</b>	<b>0.804</b>

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

**San Diego County Regional Airport Authority**  
**Consolidated Investments**  
**INVESTMENT TRANSACTIONS**  
*From 04-01-11 To 06-30-11*

Settle Date	Security Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
<b>PURCHASES</b>								
04/27/11	FCAR Owner Trust CP	CP - DISC	3024A0AL9	0.530	01/20/12		99.605	3,500,000.00
04/27/11	FHLB	AGCY CALL	3133734N9	1.000	06/30/15	06/30/11	100.038	2,152,429.50
04/27/11	FNMA	AGCY STEP	3136FRHT3	1.000	04/27/15	10/27/11	100.000	3,000,000.00
05/26/11	FHLB	AGCY STEP	313373TM4	1.250	05/26/16	08/26/11	99.825	1,500,000.00
06/13/11	FHLMC	AGCY STEP	3134G2JY9	0.500	06/13/13	09/13/11	100.000	3,000,000.00
06/21/11	Union Bank CD	CD-SHORT	CD-0398	0.200	09/19/11		100.000	4,000,000.00
06/23/11	FHLMC	AGCY STEP	3134G2KY7	0.750	09/23/13	12/23/11	99.975	3,000,000.00
06/23/11	FNMA	AGCY STEP	3136FRSC8	0.750	06/23/14	12/23/11	100.000	3,000,000.00
06/23/11	FHLMC	AGCY STEP	3134G2LK6	0.758	06/23/14	12/23/11	99.975	3,000,000.00
06/27/11	FHLB	AGCY CALL	3133747H7	0.875	06/27/13	09/27/11	100.000	2,000,000.00
06/28/11	East West Bk CD	CD-SHORT	CD-3328	0.850	06/28/12		100.000	7,000,000.00
06/28/11	FHLB	AGCY CALL	313374FE5	0.500	12/28/12	07/28/11	100.000	4,000,000.00
06/30/11	FHLB	AGCY STEP	3133744T4	0.500	06/30/14	12/30/11	99.975	3,000,000.00
06/30/11	FHLB	AGCY STEP	313374CY4	0.750	06/30/14	03/30/12	99.950	4,435,000.00
06/30/11	FNMA	AGCY STEP	3136FRUB7	1.200	06/30/16	12/30/11	100.000	5,000,000.00
								<b>\$ 51,587,430</b>
<b>CALLS</b>								
08/11/11	FNMA	AGCY CALL	31398AP22	2.050	04/26/13	04/26/11	101.116	2,000,000.00
02/25/11	FHLB	AGCY STEP	313372LA0	1.125	02/25/16	05/25/11	99.800	3,000,000.00
02/11/11	FHLMC	AGCY STEP	3134G1Y73	1.000	02/11/14	05/11/11	100.000	3,000,000.00
12/06/10	FNMA	AGCY CALL	31398A6N7	0.750	12/06/12	06/06/11	99.990	4,000,000.00
12/21/10	FNMA	AGCY CALL	31398A6Z0	0.900	12/21/12	06/21/11	100.000	2,500,000.00
06/28/10	FNMA	AGCY CALL	31398AS45	2.000	06/24/13	06/24/11	100.980	2,000,000.00
09/17/10	FHLMC	AGCY STEP	3134G1ST2	0.875	09/17/13	06/17/11	99.950	3,000,000.00
09/23/10	FHLMC	AGCY CALL	3134G1TD6	1.125	09/23/13	06/23/11	99.990	4,350,000.00
12/16/10	FHLB	AGCY STEP	313371XS0	1.000	12/16/15	06/16/11	100.000	2,500,000.00
01/07/11	FNMA	AGCY CALL	3136FPZ75	1.000	12/28/12	06/28/11	100.000	3,600,700.00
03/28/11	FFCB	AGCY CALL	31331KEX4	0.850	06/24/13	06/24/11	99.750	4,000,000.00
03/29/11	FHLB	AGCY STEP	3133734B5	1.125	12/29/15	06/29/11	99.800	3,000,000.00
04/27/11	FHLB	AGCY CALL	3133734N9	1.000	06/30/15	06/30/11	100.038	2,152,429.50
03/30/11	FHLB	AGCY STEP	313372V35	1.250	03/30/16	06/30/11	99.750	2,000,000.00
								<b>\$ 41,103,130</b>
<b>MATURITIES</b>								
10/29/10	FCAR Owner Trust CP	CP - DISC	3024A1RT2	0.451	04/27/11		99.775	3,500,000.00
06/01/07	FNMA	AGCY BULET	31359MJH7	6.000	05/15/11		103.106	1,630,000.00
11/01/10	FCAR Owner Trust CP	CP - DISC	3024A1S20	0.451	05/02/11		99.775	1,500,000.00
03/22/11	Union Bank CD	CD-SHORT	CD-0349	0.200	06/20/11		100.000	4,000,000.00
06/16/10	East West Bk CDARS	CD-SHORT	CD-4365	1.090	06/16/11		100.000	250,000.00
06/17/10	East West Bk CDARS	CD-SHORT	CDAR-3888	1.100	06/16/11		100.000	6,750,000.00
								<b>\$ 17,630,000</b>
<b>Deposits</b>								
								<b>\$ -</b>
<b>Withdrawals</b>								
								<b>\$ -</b>

# Bond Proceeds Summary

As of: June 30, 2011

(in thousands)

Fund	Series A	Series B	Series C	Total	Yield	Rating
<b><u>Project Fund</u></b>						
LAIF*	\$ 52,615	\$ -	\$ 47,285	\$ 99,900	0.45%	N/R
SDCIP*	114,460	-	84,038	198,498	0.59%	AAAf
	167,075	-	131,323	298,398		
<b><u>Capitalized Interest</u></b>						
CAMP	6	-	4	10	0.10%	AAAm
SDCIP*	12,085	-	8,763	20,848	0.59%	AAAf
JP Morgan Federal MM Reserve	-	-	4,340	4,340	0.00%	AAAm
	12,091	-	13,107	25,198		
<b><u>Debt Service Reserve Fund</u></b>						
CAMP	9	-	5	14	0.10%	AAAm
FNMA Global Notes	10,063	-	5,032	15,095	0.66%	AAA
East West Bank CD	13,079	-	7,040	20,119	1.14%	
Bank of the West DDA	9,641	-	6,331	15,972	0.45%	
JP Morgan Federal MM Reserve	65	-	31	97	0.00%	AAAm
	32,857	-	18,439	51,297		
	\$ 212,023	\$ -	\$ 162,869	\$ 374,893	0.57%	

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

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

# San Diego County Regional Airport Authority

## Bond Proceeds Investments

### INVESTMENT TRANSACTIONS

From 04-01-11 To 06-30-11

Settle Date	Security Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
<b>PURCHASES</b>								
								\$ -
<b>CALLS</b>								
								\$ -
<b>MATURITIES</b>								
								\$ -
<b>Deposits</b>								
								\$ -
<b>Withdrawals</b>								
4/13/2011	Local Agency Investment Fund	LAIF		0.59			100.000	3,753,000
4/13/2011	JP Morgan Federal Money Market Fund	JPMM		0.00			100.000	40,954
5/13/2011	Local Agency Investment Fund	LAIF		0.59			100.000	5,689,000
5/13/2011	California Asset Management Program	CAMP		0.13			100.000	1,286
6/13/2011	Local Agency Investment Fund	LAIF		0.45			100.000	8,263,000
6/13/2011	California Asset Management Program	JPMM		0.00			100.000	331
								\$ 17,747,571

# Questions

