



SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Board Communication

Date: September 13, 2011
To: Board Members
From: Vernon D. Evans, CFO *VE*
Subject: Unaudited Financial Statements For The Two Months Ended August 31, 2011 and 2010

The attached unaudited financial reports include the following:

Balance Sheets as of August 31, 2011 and 2010
 Statement of Revenues and Expenses Compared to Budget for the Two Months Ended August 31, 2011 and 2010
 Authority Detailed Income Statement-Supplemental Schedule

Year to date analysis:

Total operating revenues are \$722k or 3% below budget primarily due to deficit parking revenues related to reduced operations and due to perceived traffic disruptions from the Green Build.

Total operating expenses are \$1.5m or 8% below budget. This is primarily due to the tile replacement project material delay that was budgeted for July and now projected to begin in September.

Nonoperating revenues, net, are \$1.9m, or 28% above budget primarily due to unbudgeted unrealized gains and higher capitalized interest expense.

Capital grant contributions are \$1.8m or 143% above budget due to higher expenditures for the apron and baggage screening projects.



SAN DIEGO
INTERNATIONAL
AIRPORT

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Balance Sheets

as of August 31, 2011

(Unaudited)

ASSETS

	Aug 31	
	2011	2010
Current assets:		
Cash and investments ⁽¹⁾	\$ 90,746,427	\$ 80,411,454
Tenant lease receivable, net of allowance of 2011: \$14,918 and 2010: \$59,341	7,122,045	6,157,553
Grants receivable	5,561,968	4,392,649
Notes receivable-current portion	1,696,413	1,612,790
Prepaid expenses and other current assets	9,930,265	12,068,054
Total current assets	115,057,118	104,642,500
Cash designated for capital projects and other ⁽¹⁾	7,343,656	26,022,637
Restricted assets:		
Cash and investments:		
Bonds reserve ⁽¹⁾	45,098,156	45,707,776
Passenger facility charges and interest unapplied ⁽¹⁾	54,360,584	60,227,514
Customer facility charges and interest unapplied ^{(1)*}	21,967,310	12,073,554
Commercial paper reserve ⁽¹⁾	63,115	210,252
SBD Bond Guarantee ⁽¹⁾	4,000,000	4,000,000
Bond proceeds held by trustee ⁽¹⁾	347,660,885	5,442,017
Commercial paper interest held by trustee ⁽¹⁾	12,855	116,758
Passenger facility charges receivable	4,762,954	3,849,981
Customer facility charges receivable*	989,617	975,734
OCIP insurance reserve	6,239,213	6,400,000
Total restricted assets	485,154,689	139,003,586
Noncurrent assets:		
Capital assets:		
Land and land improvements	24,472,187	23,453,560
Runways, roads and parking lots	273,449,105	227,870,260
Buildings and structures	464,483,168	461,116,203
Machinery and equipment	10,327,811	10,064,981
Vehicles	5,422,559	5,295,223
Office furniture and equipment	30,594,507	29,991,102
Works of art	2,426,971	2,257,371
Construction-in-progress	352,239,142	204,346,285
Total capital assets	1,163,415,450	964,394,985
Less accumulated depreciation	(516,044,594)	(467,143,569)
Total capital assets, net	647,370,856	497,251,416
Other assets:		
Notes receivable - long-term portion	42,644,327	44,355,614
Investments-long-term portion ⁽¹⁾	18,412,718	7,882,199
Deferred costs - bonds (net)	4,996,954	776,599
Net pension asset	7,668,049	8,224,361
Security Deposit	500,000	-
Total other assets	74,222,048	61,238,773
Total noncurrent assets	721,592,904	558,490,189
TOTAL ASSETS	\$ 1,329,148,367	\$ 828,158,912

⁽¹⁾ Total cash and investments, \$589,665,706 2011 and \$242,094,161 2010

* ConRAC Facility

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Balance Sheets
as of August 31, 2011
(Unaudited)

LIABILITIES AND NET ASSETS

	Aug 31	
	2011	2010
Current liabilities:		
Accounts payable and accrued liabilities	\$ 42,172,778	\$ 44,452,049
Deposits and other current liabilities	3,222,780	3,450,552
Total current liabilities	45,395,558	47,902,601
Current liabilities - payable from restricted assets:		
Current portion of long-term debt	5,905,000	3,265,000
Accrued interest on bonds and commercial paper	4,951,586	558,456
Total liabilities payable from restricted assets	10,856,586	3,823,456
Long-term liabilities:		
Commercial paper notes payable	20,729,000	164,430,000
Deferred rent liability	122,886	584,943
Other long-term liabilities	1,576,442	1,195,050
Long term debt - bonds net of amortized premium	630,714,525	37,914,740
Total long-term liabilities	653,142,853	204,124,733
Total liabilities	709,394,997	255,850,790
Authority net assets:		
Invested in capital assets, net of related debt	337,238,156	292,185,524
Other restricted	148,840,821	142,268,586
Unrestricted:		
Designated	15,011,704	38,246,998
Undesignated	118,662,689	99,607,014
Total net assets	619,753,370	572,308,122
TOTAL LIABILITIES AND NET ASSETS	\$ 1,329,148,367	\$ 828,158,912

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Statement of Revenues and Expenses Compared to Budget
For the two Months Ended August 31, 2011 and 2010
(Unaudited)

	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Operating revenues:					
Aviation revenue:					
Landing fees	\$ 3,589,718	\$ 3,517,776	\$ (71,942)	(2)%	\$ 3,406,645
Aircraft parking fees	505,100	534,816	29,716	6%	514,081
Building rentals	5,320,907	5,298,610	(24,297)	-	4,719,953
Security surcharge	2,788,600	2,774,200	(14,400)	(1)%	2,486,622
Other aviation revenue	266,167	266,080	(87)	-	266,042
Terminal rent non-airline	150,719	142,833	(7,886)	(5)%	133,820
Terminal concessions	2,332,578	2,372,937	40,359	2%	2,347,654
Rental car license fees	4,975,619	5,150,970	175,351	4%	4,745,147
License fees other	488,325	493,080	4,755	1%	529,894
Parking revenue	5,672,544	4,910,858	(761,686)	(13)%	5,474,503
Ground transportation permits and citations	550,246	305,414	(244,832)	(44)%	178,515
Ground rentals	1,100,272	1,109,663	9,391	1%	971,929
Grant reimbursements	36,336	140,767	104,431	287%	58,128
Other operating revenue	122,982	161,790	38,808	32%	187,224
Total operating revenues	27,900,113	27,177,794	(722,319)	(3)%	26,018,157
Operating expenses:					
Salaries and benefits	5,968,905	5,593,344	375,561	6%	5,766,178
Contractual services	4,578,262	4,406,395	171,867	4%	3,956,926
Safety and security	3,268,379	3,232,928	33,451	1%	3,132,575
Space rental	1,902,524	1,901,922	602	-	1,817,423
Utilities	1,271,875	1,208,624	63,251	5%	1,151,452
Maintenance	1,616,213	1,112,973	503,240	31%	1,525,983
Equipment and systems	39,048	26,569	12,479	32%	32,932
Materials and supplies	53,984	29,285	24,699	46%	40,610
Insurance	169,500	126,062	43,438	26%	180,686
Employee development and support	161,125	69,857	91,268	57%	87,745
Business development	343,224	184,236	158,988	46%	216,475
Equipment rentals and repairs	299,386	225,322	74,064	25%	232,408
Total operating expenses	19,670,425	18,117,517	1,552,908	8%	18,141,373
Depreciation	8,079,199	8,115,797	(36,598)	-	8,003,752
Operating income (loss)	150,489	944,480	793,991	(528)%	(126,968)
Nonoperating revenue (expenses):					
Passenger facility charges	5,781,807	5,667,974	(113,833)	(2)%	5,971,572
Customer facility charges (ConRAC Facility)	1,908,179	1,954,878	46,699	2%	1,935,905
Quieter Home Program	(453,597)	(231,637)	221,960	49%	(643,152)
Interest income	889,760	1,052,798	163,038	18%	860,059
BAB interest rebate	832,654	832,654	-	-	-
Interest expense	(1,859,273)	(932,824)	926,449	50%	(463,750)
Bond amortization cost	(34,765)	108,489	143,234	412%	(12,253)
Other nonoperating income (expenses)	-	567,201	567,201	-	66,228
Nonoperating revenue, net	7,064,765	9,019,513	1,954,748	28%	7,714,609
Income before capital grant contributions	7,215,254	9,963,993	2,748,739	38%	7,587,641
Capital grant contributions	1,260,866	3,063,534	1,802,668	143%	4,268,054
Net income	\$ 8,476,120	\$ 13,027,527	\$ 4,551,407	54%	\$ 11,855,695

S:\Accounting\FY 2012, August 2011, Financial Statement Preparation AUG 2011\AUG 11 Income Statement MTD-YTD Actual vs Budget - Job\Fin Stat Extract Month



San Diego County Regional Airport Authority
Authority Detail Income Statement - Supplemental Schedule
For the two months ended August 31, 2011
(Unaudited)

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Report ID: GL0012

	Month to Date				Year to Date			
	Budget		Actual		Budget		Actual	
				Variance Favorable (Unfavorable)	Percent			Prior Year Actual
Landing Fees								
41112 - Landing Fees - Signatory	\$1,820,988	\$1,801,064	\$1,711,232	\$(19,923)	(1)	\$3,666,046	\$3,621,080	\$3,434,976
41113 - Landing Fee Rebate	(38,164)	(45,799)	(28,331)	(7,634)	(20)	(76,328)	(103,304)	(28,331)
Total Landing Fees	1,782,823	1,755,266	1,682,902	(27,558)	(2)	3,589,718	3,517,776	3,406,646
Aircraft Parking Fees								
41150 - Terminal Aircraft Parking	193,125	198,080	193,110	4,955	3	386,250	396,160	391,621
41155 - Remote Aircraft Parking	59,425	69,328	61,230	9,903	17	118,850	138,656	122,460
Total Aircraft Parking Fees	252,550	267,408	254,340	14,858	6	505,100	534,816	514,081
Building and Other Rents								
41210 - Terminal Rent	2,642,100	2,643,925	2,348,949	1,825	0	5,284,200	5,242,938	4,705,823
41215 - Federal Inspection Services	17,862	33,316	7,065	15,454	87	36,707	53,672	14,130
41220 - Fuel Farm Rent	0	0	0	0	0	0	0	0
Total Building and Other Rents	2,659,962	2,677,241	2,356,014	17,279	1	5,320,907	5,296,610	4,719,953
Security Surcharge								
41310 - Airside Security Charges	393,825	393,824	413,702	(1)	0	787,650	784,064	827,404
41320 - Terminal Security Charges	1,000,475	1,000,475	829,609	0	0	2,000,950	1,990,136	1,659,218
Total Security Surcharge	1,394,300	1,394,299	1,243,311	(1)	0	2,788,600	2,774,200	2,486,622
Other Aviation Revenue								
43100 - Fuel Franchise Fees	14,236	14,146	14,108	(89)	(1)	28,267	28,178	28,140
43105 - New Capital Recovery	118,950	118,951	118,951	1	0	237,900	237,902	237,902
Total Other Aviation Revenue	133,186	133,097	133,059	(88)	0	266,167	266,080	266,042
Non-Airline Terminal Rents								
45010 - Terminal Rent - Non-Airline	75,360	71,417	66,910	(3,943)	(5)	150,719	142,833	133,820
Total Non-Airline Terminal Rents	75,360	71,417	66,910	(3,943)	(5)	150,719	142,833	133,820
Concession Revenue								
45110 - Terminal Concessions	1,160,082	1,200,341	1,125,673	40,259	3	2,332,578	2,372,937	2,347,654
45120 - Car Rental License Fees	2,596,687	2,772,038	2,540,481	175,351	7	4,975,619	5,150,970	4,745,147
45130 - License Fees - Other	245,867	251,622	239,686	5,755	2	488,325	493,080	529,894
Total Concession Revenue	4,002,635	4,224,000	3,905,839	221,365	6	7,796,522	8,016,987	7,622,696

San Diego County Regional Airport Authority
Authority Detail Income Statement - Supplemental Schedule
For the two months ended August 31, 2011
(Unaudited)

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	Month to Date				Year to Date			
	Actual		Variance		Actual		Variance	
	Budget	Actual	Favorable (Unfavorable)	Percent	Prior Year Actual	Favorable (Unfavorable)	Variance Percent	Prior Year Actual
Parking and Ground Transportat								
45210 - Parking	\$2,788,847	\$2,407,847	\$(381,000)	(14)	\$2,704,948	\$5,672,544	\$(761,686)	\$5,474,503
45220 - AVI fees	55,126	60,650	5,524	10	0	110,123	14,639	0
45240 - Ground Transportation Permits	373,310	129,095	(244,215)	(65)	173,480	435,822	(259,547)	175,355
45250 - Citations	2,133	2,208	76	4	2,218	4,301	76	3,160
Total Parking and Ground Transportat	3,219,416	2,599,801	(619,615)	(19)	2,880,647	6,222,791	(1,006,619)	5,663,018
Ground Rentals								
45310 - Ground Rental - Fixed	495,185	494,796	(390)	0	421,495	990,371	150	842,991
45320 - Ground Rental - Percentage	47,526	62,290	14,764	31	71,084	109,901	9,242	128,938
Total Ground Rentals	542,712	557,086	14,374	3	492,580	1,100,272	9,392	971,929
Grant Reimbursements								
45410 - TSA Reimbursements	18,168	18,222	54	0	18,222	36,336	108	36,414
45420 - Planning Grants	0	104,323	104,323	0	11,368	0	104,323	19,714
Total Grant Reimbursements	18,168	122,545	104,377	575	29,590	36,336	104,431	56,128
Other Operating Revenue								
45510 - Finger Printing Fee	4,417	2,975	(1,442)	(33)	6,038	8,833	(3,385)	11,278
45520 - Utilities Reimbursements	44,683	43,752	(931)	(2)	43,161	89,366	4,033	87,040
45530 - Miscellaneous Other Revenue	5,667	41,998	36,331	641	44,428	11,333	30,663	45,186
45540 - Service Charges	3,392	2,386	(1,006)	(30)	7,231	6,783	5,533	21,027
45570 - FBO Landing Fees	3,333	4,630	1,297	39	9,733	6,667	(2,036)	18,693
45580 - Equipment Rental	0	2,000	2,000	0	2,000	0	4,000	4,000
Total Other Operating Revenue	61,491	97,741	36,250	59	112,591	122,983	38,807	187,224
Total Operating Revenue	14,142,603	13,899,900	(242,703)	(2)	13,157,782	27,900,115	(722,322)	26,018,158
Personnel Expenses								
Salaries								
51110 - Salaries & Wages	2,145,577	1,773,604	371,973	17	1,787,998	4,315,770	779,239	3,611,852
51210 - Paid Time Off	0	186,375	(186,375)	0	187,689	0	(400,256)	393,403
51220 - Holiday Pay	0	0	0	0	0	0	(51,242)	46,876
51240 - Other Leave With Pay	0	6,842	(6,842)	0	15,025	0	(11,235)	35,087
51250 - Special Pay	0	34,482	(34,482)	0	8,720	0	(76,902)	47,009
Total Salaries	2,145,577	2,001,102	144,475	7	1,999,432	4,315,770	239,504	4,134,227
52110 - Overtime	63,828	80,048	(16,220)	(25)	57,029	126,565	(23,071)	124,511

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San Diego County Regional Airport Authority



Review of the Unaudited Financial
Statements for the 2 Months
Ended August 31, 2011

Presented by:

Vernon D. Evans, CPA

Vice President, Finance / Treasurer & CFO

September 26, 2011



No Worries This Ship Is Unsinkable

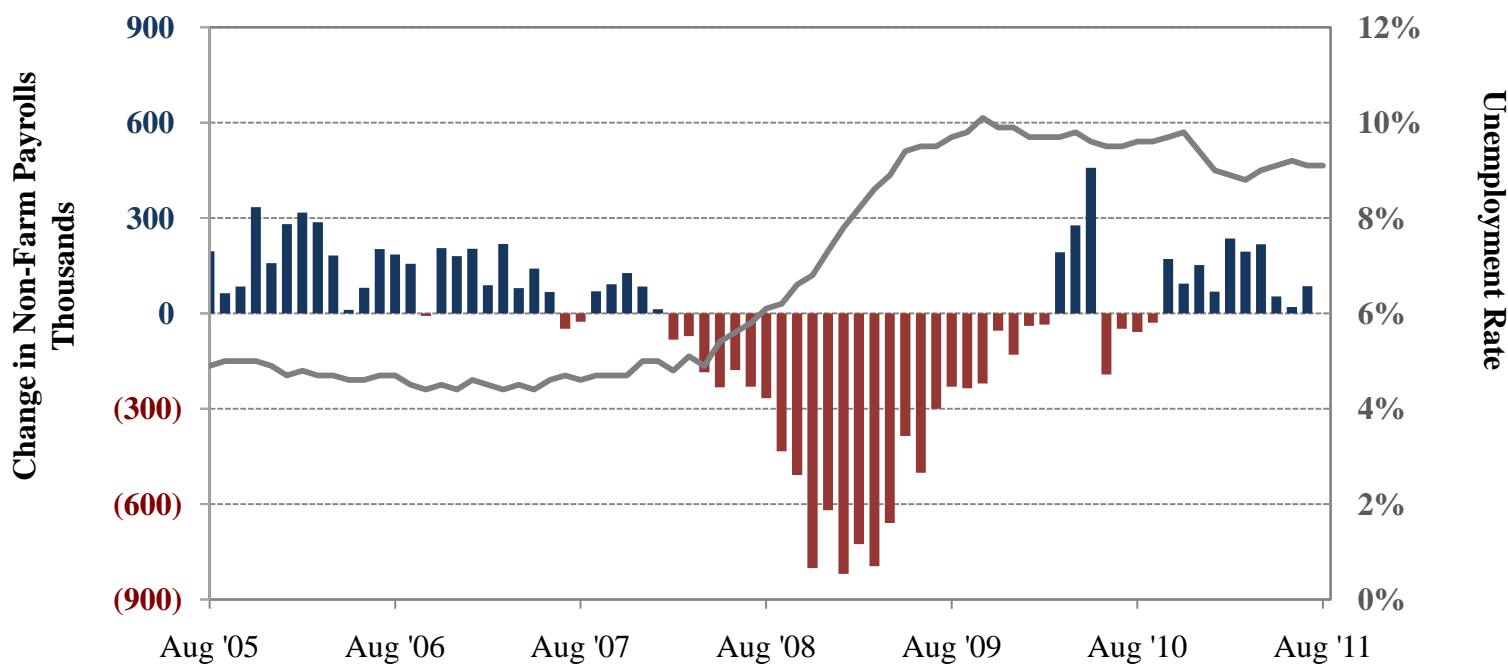




Companies Reluctant To Hire

Zero nonfarm payroll jobs were created during the month of August. The prior month's 85,000 was revised down from 115,000. Economists projected a 60,000 increase for the month of August. Private sector growth for service jobs was stronger than for goods-producing jobs. While goods-producing jobs dropped 3,000, following a 52,000 rise in the prior month, service-producing jobs increase 20,000, following a 104,000 increase in July. Apparently, companies were reluctant to hire following the recent debt ceiling debate and the stock market decline. The actual unemployment rate was unchanged at 9.1% and met the market consensus.

Change in Non-Farm Payrolls/ Unemployment Rate
August 2005 – August 2011

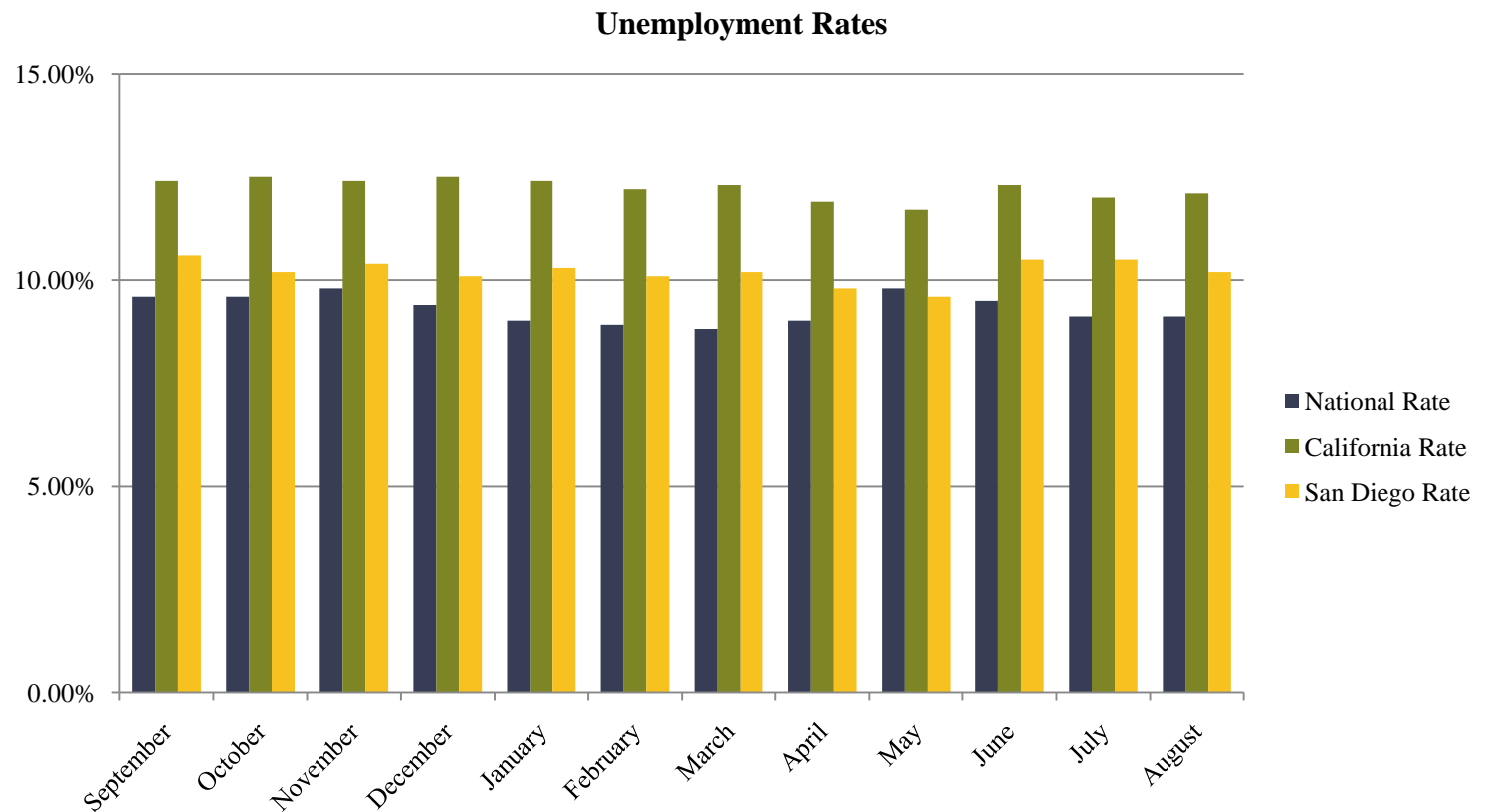




Unemployment Rate Remains High



The Federal unemployment rate held at 9.1% for the months of July & August. The California unemployment rate remains high at 12.1% which continues to be higher than the national average. The U-6 rate is 16.2% for August. San Diego's unemployment rate is 10.2%.





Consumer Confidence Fell Sharply in August



The Conference Board's Consumer Confidence Index fell sharply in August. The August report represented the biggest monthly drop since October 2008 (just following the Lehman Bankruptcy), as consumer confidence fell to its lowest level since April 2009. Consumers' short-term outlook in August was decidedly more pessimistic, as the weak labor market continues to weigh heavily on consumers outlook. Contributing factors to the decline may also include the contentious debt limit battles, the S&P downgrade of the U.S. long-term debt and volatility in the equity markets.

The Conference Board's report reflects similar trends to the Reuters/University of Michigan report on consumer sentiment that was released earlier in the month.

Consumer Confidence
August 2006 – August 2011

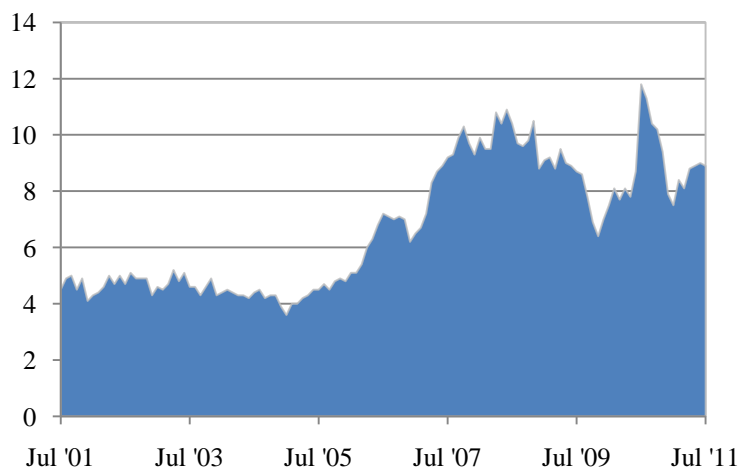




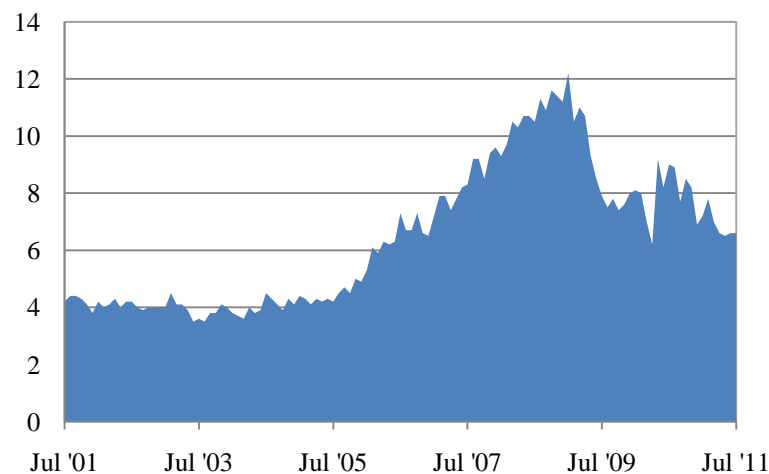
Real Estate Market Still Under Pressure

Prior to the housing boom and following recession, monthly supply of new single family homes hovered around a reading of 4. After the new homes supply peaked in January 2009 at 12.2, supply has fluctuated but gradually declined to 6.6 in July 2011. The monthly supply of existing homes, however, surged from 7.5 to 8.9 this year, due to an increase in foreclosures and short sales. The total count of non-current delinquent homes rose 1.3% from the prior month to 6,538,100 in July. The average number of days for delinquent homes to reach foreclosure increased to 599 days from 587 days in June. The delay in processing foreclosures and the increase in delinquencies indicate that there will be more foreclosures coming down the pipeline and adding pressure on the housing sector.

**Monthly Supply
Existing Single Family Homes**
July 2001 – July 2011



**Monthly Supply
New Single Family Homes**
July 2001 – July 2011



Housing Starts represent the number of privately owned new houses on which construction has been started in a given period. This data is divided into three types: single-family houses, townhouses or small condos, and apartment buildings with five or more units.



Oil Prices Up Slightly

Since falling sharply in early August, crude oil prices are up around 1.5% over the past month as global economic concerns continue weigh on the energy markets. The spot price for West Texas Intermediate (WTI) has traded at or under \$90 per barrel for the most of the past month compared to the of high of \$113/barrel (WTI) reached in early May. The spot price for Brent Crude remains over \$114 per barrel. The spread between WTI and Brent has narrowed recently, but remains over \$23 per barrel compared to around \$2 per barrel spread at the beginning of the year.

Oil Price Per Barrel (WTI Spot)
September 1, 2006 – September 13, 2011





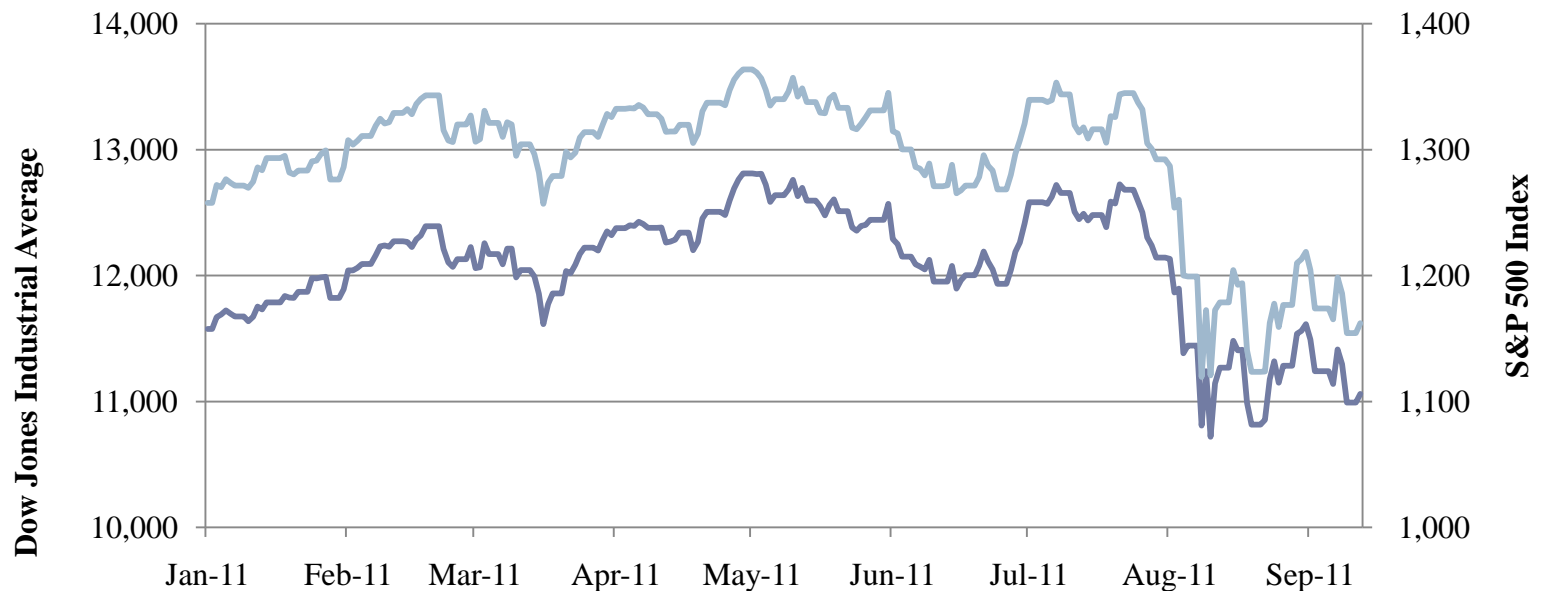
The Equity Markets Remain Volatile



Since August, the stock markets have experienced significant volatility as investors have reacted to a variety of developments, including the continuing European debt crises, generally weaker economic data, the debt ceiling battle, the S&P downgrade along with statements from the Federal Reserve.

Year-to-date, the DJIA is down -4.46% and the S&P500 is down -7.58%.

Dow Jones Industrial Average and S&P 500 Indices
January 1, 2011 – September 12, 2011



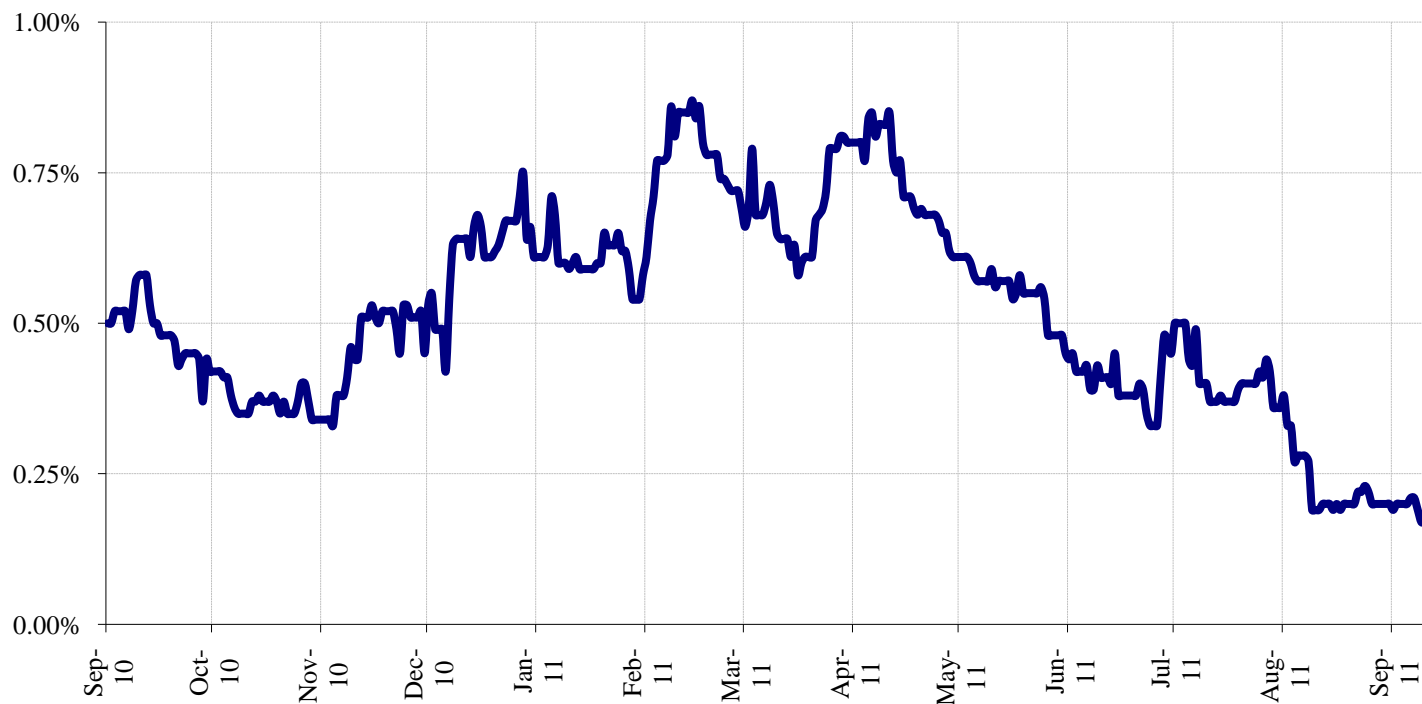


2 Year Treasury Yield Remains Range Bound



The 2-year Treasury has remained range bound near its historical low since the Federal Reserve's statement that it expects the weak economy to warrant exceptionally low levels for the federal funds rate "at least through mid-2013."

2-Year U.S. Treasury Yields
September 1, 2010 – September 12, 2011



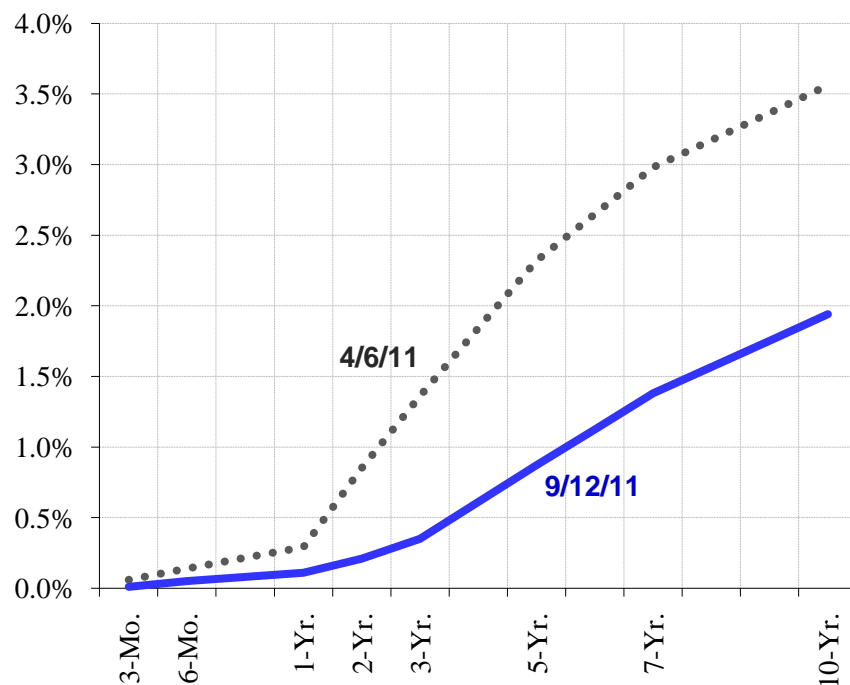


Yield Curve Flattens

Global economic weakness, European sovereign debt concerns along the Federal Reserve's statement that economic conditions are likely to warrant exceptionally low levels "at least through mid-2013" will likely keep downward pressure on Treasury interest rates.

The 2-year Treasury yield is currently down 0.64% from most recent high of 0.85% reached in early April.

U.S. Treasury Yield Curve
April 6, 2011 vs. September 12, 2011



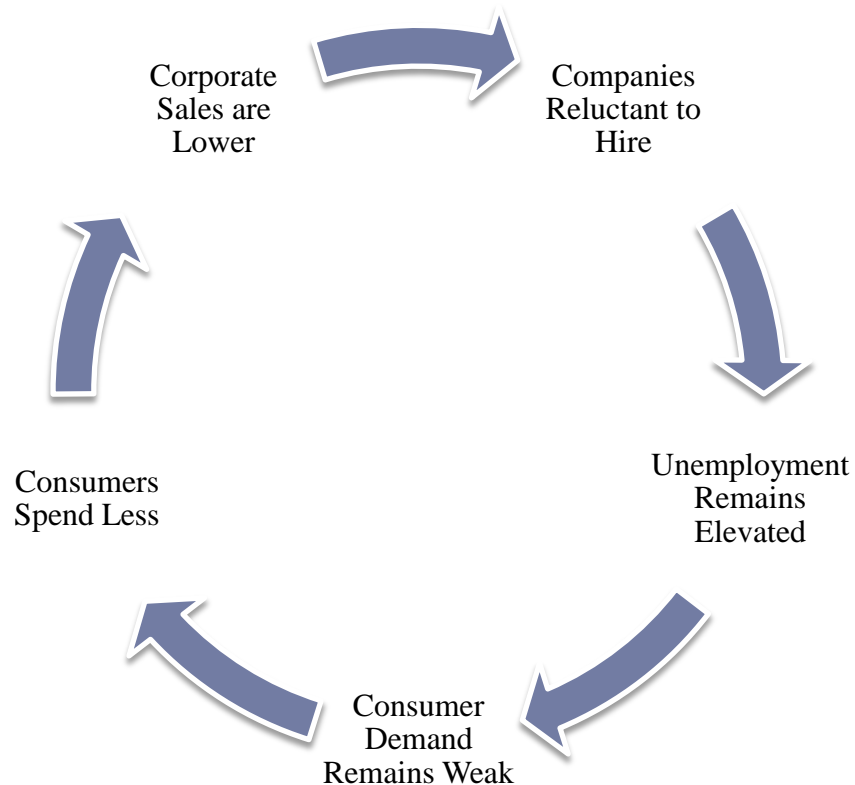
	4/6/11	9/12/11	Change
3-Mo.	0.06%	0.01%	(0.05%)
6-Mo.	0.14%	0.05%	(0.09%)
1-Yr.	0.29%	0.11%	(0.18%)
2-Yr.	0.85%	0.21%	(0.64%)
3-Yr.	1.36%	0.35%	(1.01%)
5-Yr.	2.32%	0.87%	(1.45%)
10-Yr.	3.56%	1.94%	(1.62%)





The Vicious Cycle Continues

High unemployment causes consumers to pull back spending, which leads to lower corporate sales. As revenues decline, companies become reluctant to hire, which in turn causes unemployment to remain elevated. Consumer demand remains weak because consumers have less money to spend. From this point on the cycle starts all over again, until eventually employment picks up and consumption increases.

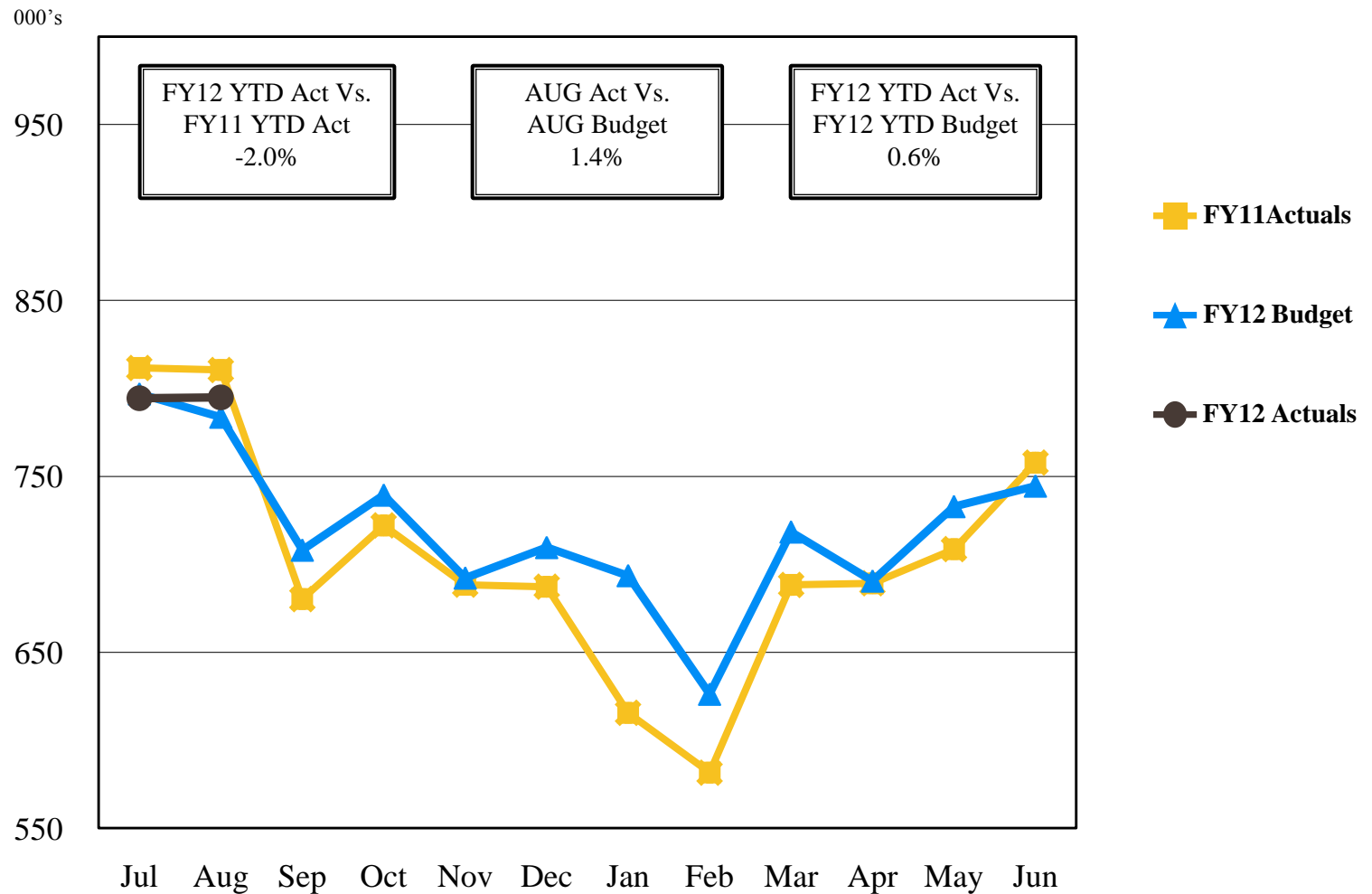


Unaudited Financial Statements For the Two Months Ended August 31, 2011





Enplanements

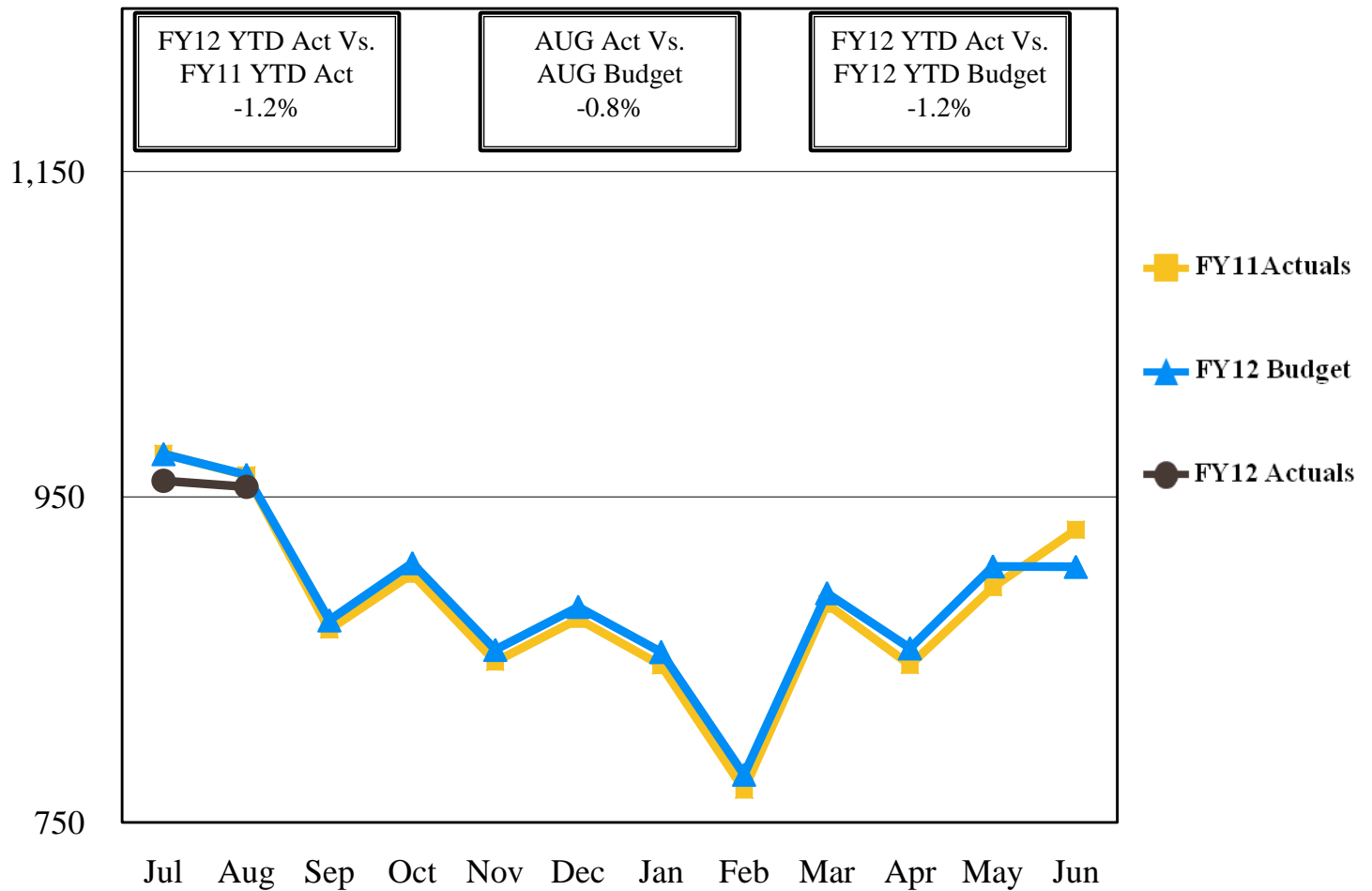




Gross Landing Weight Units (000 lbs)



000's

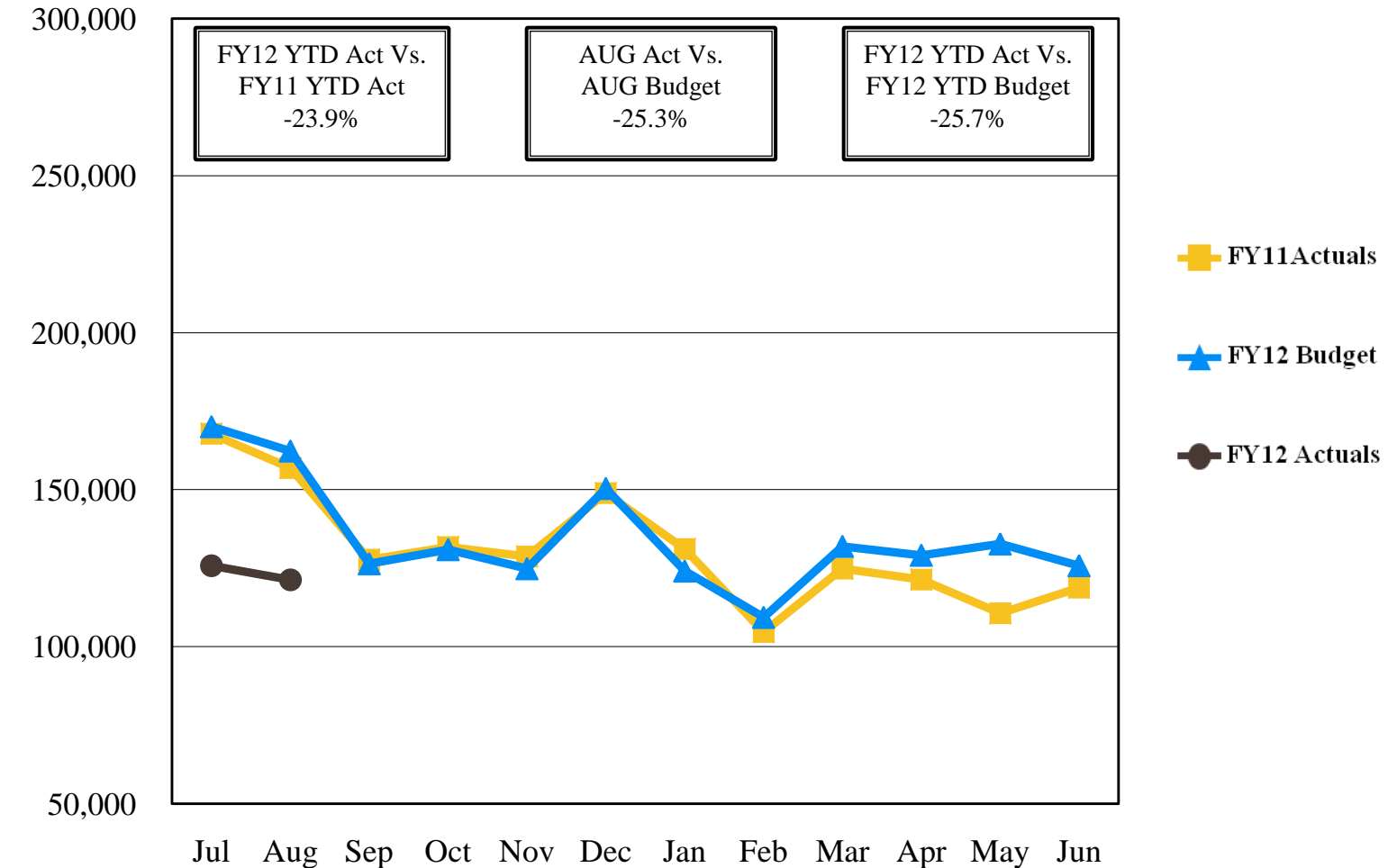




Airport Parking Transactions



000's

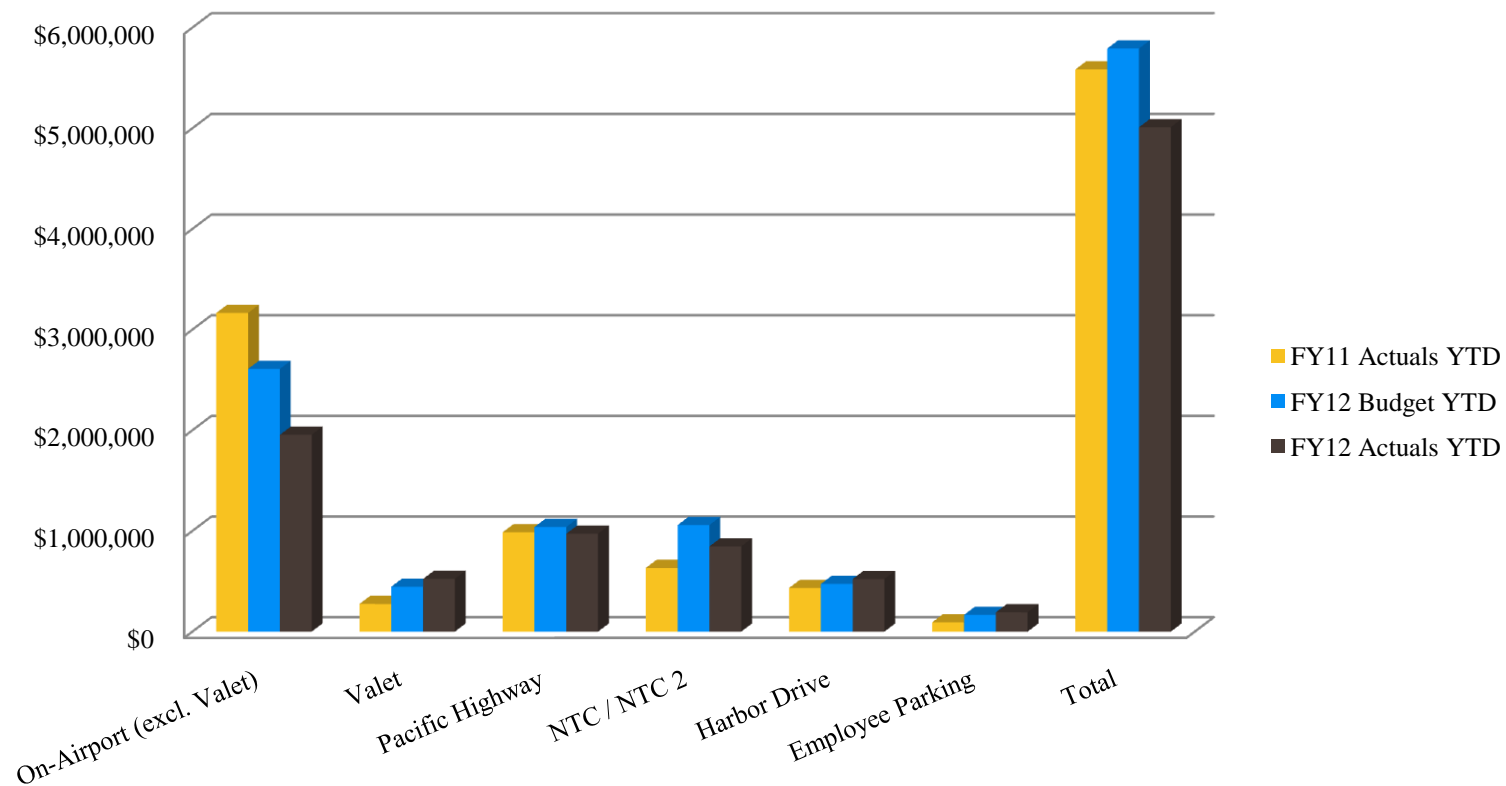




Airport Parking Revenue

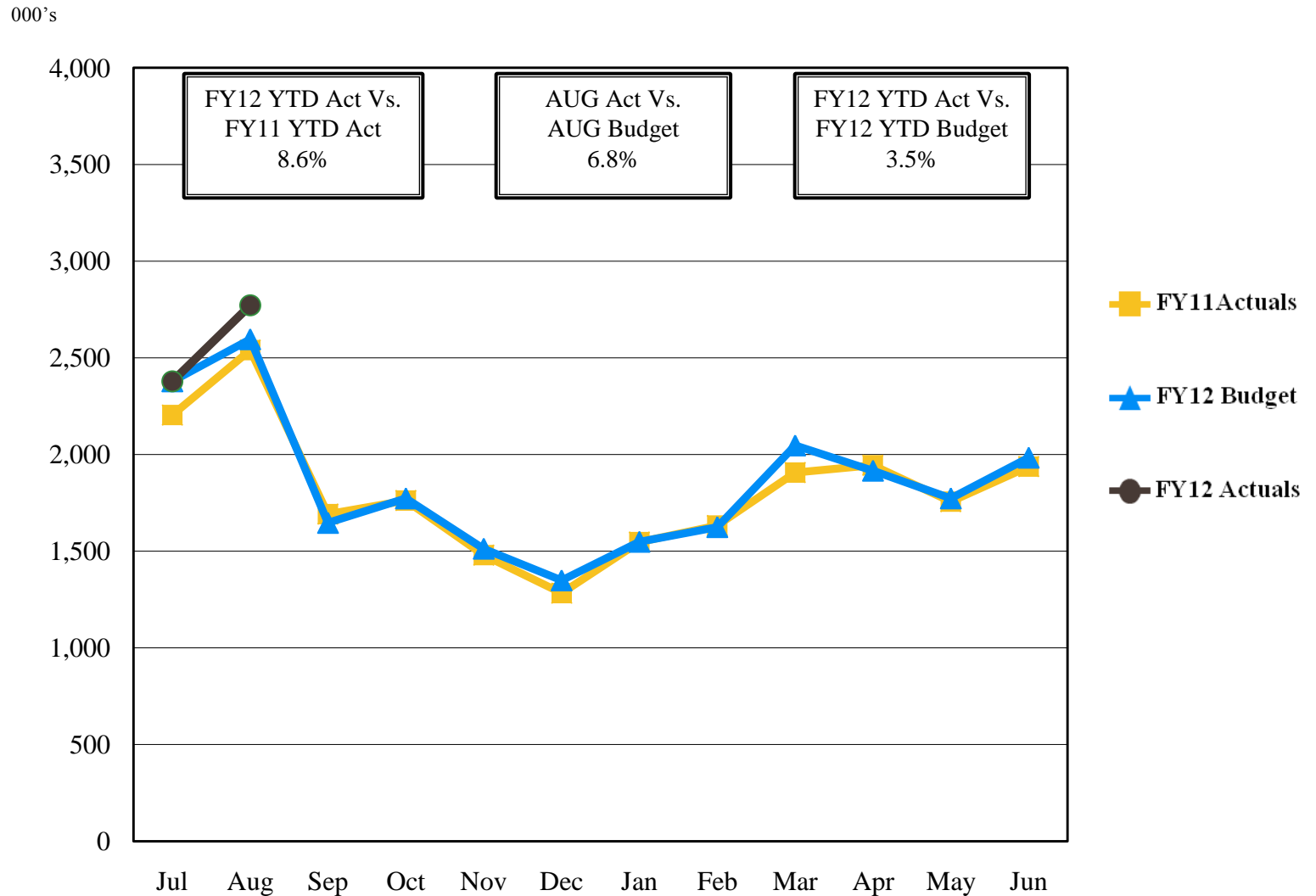


Gross Parking Revenue (\$)
August YTD





Car Rental License Fees



Revenues & Expenses (Unaudited)
For the Month Ended
August 31, 2011





Operating Revenues

for the Month Ended August 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Aviation revenue:					
Landing fees	\$ 1,783	\$ 1,755	\$ (28)	(2)%	\$ 1,683
Aircraft parking fees	253	267	14	2%	254
Building rentals	2,660	2,677	17	1%	2,356
Security surcharge	1,394	1,394	-	-	1,243
Other aviation revenue	133	133	-	-	133
Total aviation revenue	\$ 6,223	\$ 6,226	\$ 3	-	\$ 5,669



Operating Revenues

for the Month Ended August 31, 2011 (Unaudited)



(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Terminal rent non-airline	\$ 75	\$ 72	\$ (3)	(4)%	\$ 67
Concession revenue:					
Terminal concession revenue:					
Food and beverage	532	567	35	7%	537
Gifts and news	374	392	18	5%	363
Other	254	241	(13)	(5)%	226
Total terminal concession revenue	1,160	1,200	40	3%	1,126
Car rental and license fee revenue:					
Rental car and license fees	2,597	2,772	175	7%	2,540
License fees-other	246	252	6	2%	240
Total rental car and license fees	2,843	3,024	181	6%	2,780
Total concession revenue	\$ 4,003	\$ 4,224	\$ 221	6%	\$ 3,906



Operating Revenues for the Month Ended August 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Parking revenue:					
On-airport parking revenue	\$ 1,491	\$ 1,281	\$ (210)	(14)%	\$ 1,708
Off-airport parking revenue	1,298	1,127	(171)	(13)%	997
Total parking revenue	2,789	2,408	(381)	(14)%	2,705
Ground transportation permits and citations	431	192	(239)	(55)%	176
Ground rentals	543	557	14	3%	493
Grant reimbursements	18	123	(62)	(344)%	30
Other operating revenue	61	98	(9)	(15)%	113
Subtotal	3,842	3,378	(464)	(12)%	3,517
Total operating revenues	\$ 14,143	\$ 13,900	\$ (243)	(2)%	\$ 13,159



Operating Revenues

for the Month Ended August 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Operating expenses:					
Salaries and benefits	\$ 2,969	\$ 2,736	\$ 233	8%	\$ 2,820
Contractual services	2,249	2,154	95	4%	2,041
Safety and security	1,633	1,624	9	1%	1,579
Space rental	951	956	(5)	(1)%	908
Utilities	613	590	23	4%	627
Maintenance	801	527	274	34%	989
Equipment and systems	32	17	15	47%	12
Materials and supplies	27	56	(29)	(107)%	30
Insurance	85	62	23	27%	90
Employee development and support	83	54	29	35%	54
Business development	144	107	37	26%	142
Equipment rental and repairs	152	134	18	12%	127
Total operating expenses	\$ 9,739	\$ 9,017	\$ 722	7%	\$ 9,419



Operating Revenues for the Month Ended August 31, 2011 (Unaudited)



(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Total operating revenues	\$ 14,143	\$13,900	\$ (243)	(2)%	\$ 13,159
Total operating expenses	9,739	9,017	722	7%	9,419
Income from operations	4,404	4,883	480	11%	3,740
Depreciation	4,041	4,060	(20)	-	3,996
Operating income (loss)	\$ 363	\$ 824	\$ 462	127%	\$ (256)



Operating Revenues for the Month Ended August 31, 2011 (Unaudited)

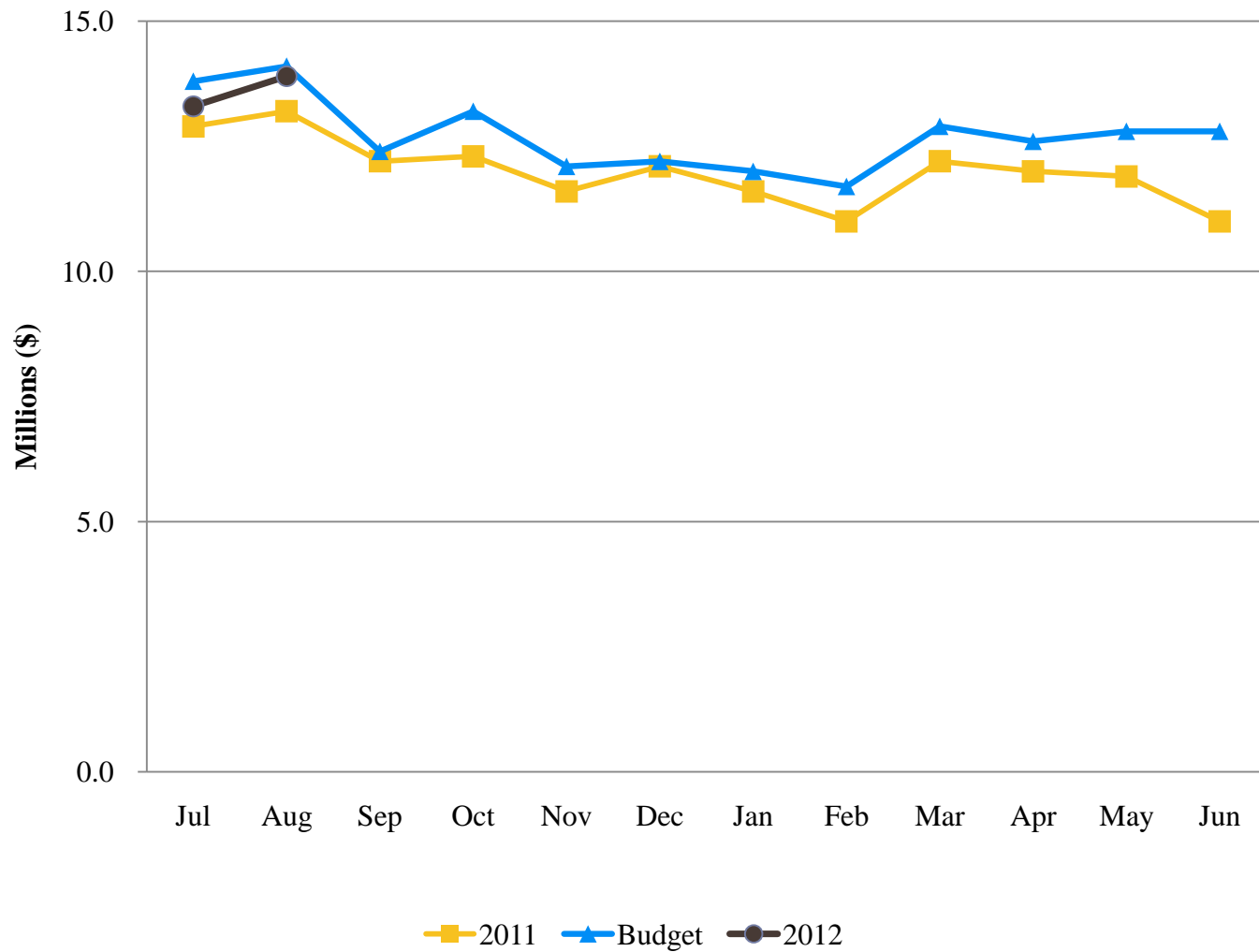
(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Nonoperating revenues (expenses):					
Passenger facility charges	\$ 2,826	\$ 2,714	\$ (112)	(4)%	\$ 2,756
Customer facility charges (ConRAC Facility)	985	1,031	46	5%	971
Quieter Home Program	(212)	436	648	306%	288
Interest income	445	511	66	15%	424
BAB interest rebate	416	416	-	-	-
Interest expense	(927)	(201)	726	78%	(218)
Bond amortization cost	(17)	54	71	418%	(6)
Other nonoperating revenue (expenses)	-	540	540	-	79
Nonoperating revenue, net	3,516	5,501	1,985	56%	4,295
Income before grant contributions	3,879	6,325	2,444	63%	4,038
Capital grant contributions	669	1,052	383	57%	2,061
Net income	\$ 4,548	\$ 7,377	\$ 2,827	62%	\$ 6,099

Revenues & Expenses (Unaudited)
For the Two Months Ended
August 31, 2011





Monthly Operating Revenue, FY 2012 (Unaudited)





Operating Revenues

for the Two Months Ended August 31, 2011



(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Aviation revenue:					
Landing fees	\$ 3,590	\$ 3,518	\$ (72)	(2)%	\$ 3,407
Aircraft parking fees	505	535	30	6%	514
Building rentals	5,321	5,297	(24)	-	4,720
Security surcharge	2,789	2,774	(15)	(1)%	2,487
Other aviation revenue	266	266	-	-	266
Total aviation revenue	\$ 12,471	\$ 12,390	\$ (81)	(1)%	\$ 11,394



Operating Revenues

for the Two Months Ended August 31, 2011



(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Terminal rent non-airline	\$ 151	\$ 143	\$ (8)	5%	\$ 134
Concession revenue:					
Terminal concession revenue:					
Food and beverage	1,077	1,112	35	3%	1,113
Gifts and news	743	762	19	3%	743
Other	512	499	(13)	(3)%	492
Total terminal concession revenue	2,333	2,373	40	2%	2,348
Car rental and license fee revenue:					
Rental car license fees	4,976	5,151	175	4%	4,745
License fees-other	488	493	5	1%	530
Total rental car and license fees	5,464	5,644	180	3%	5,275
Total concession revenue	\$ 7,797	\$ 8,017	\$ 220	3%	\$ 7,623



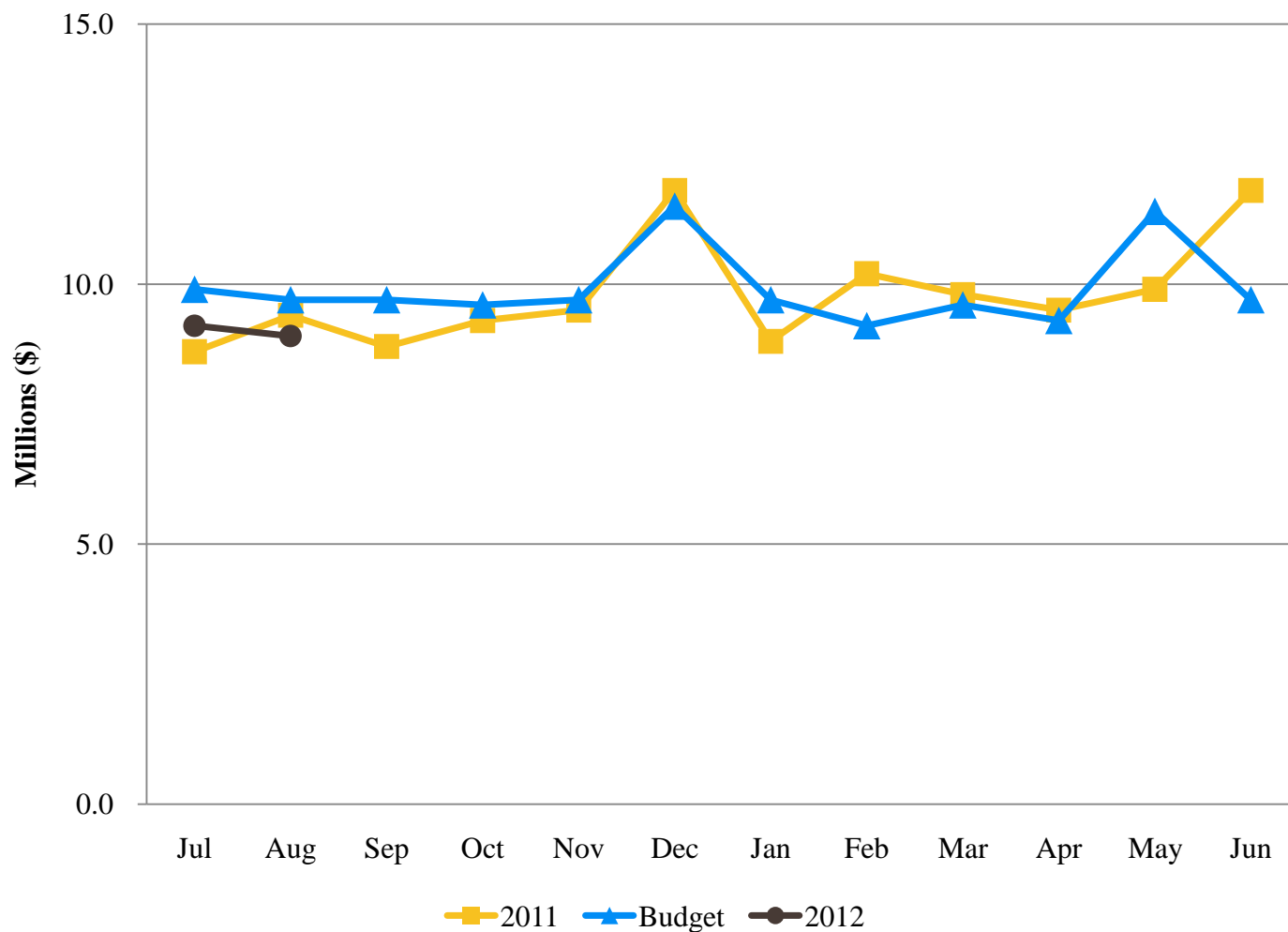
Operating Revenues

for the Two Months Ended August 31, 2011

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Parking revenue:					
On-airport parking revenue	\$ 3,102	\$ 2,623	\$ (479)	(15)%	\$ 3,471
Off-airport parking revenue	2,571	2,288	(283)	(11)%	2,004
Total parking revenue	5,673	4,911	(762)	(13)%	5,475
Ground transportation permits and citations	550	305	(245)	(45)%	179
Ground rentals	1,100	1,110	10	1%	972
Grant reimbursements	36	141	105	292%	56
Other operating revenue	123	162	39	32%	187
Subtotal	7,482	6,629	(853)	(11)%	6,868
Total operating revenues	\$ 27,900	\$ 27,179	\$ (721)	(3)%	\$ 26,019



Monthly Operating Expenses, FY 2012 (Unaudited)





Operating Revenues

for the Two Months Ended August 31, 2011

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Operating expenses:					
Salaries and benefits	\$ 5,969	\$ 5,593	\$ 376	6%	\$ 5,766
Contractual services	4,578	4,406	171	4%	3,957
Safety and security	3,267	3,233	34	1%	3,133
Space rental	1,903	1,902	1	-	1,817
Utilities	1,272	1,209	63	5%	1,151
Maintenance	1,616	1,113	503	31%	1,526
Equipment and systems	39	27	12	31%	33
Materials and supplies	54	29	25	46%	41
Insurance	170	126	44	26%	181
Employee development and support	161	70	91	57%	88
Business development	343	184	159	46%	216
Equipment rental and repairs	299	225	74	25%	232
Total operating expenses	\$ 19,671	\$ 18,117	\$ 1,554	8%	\$ 18,141



Financial Summary

for the Two Months Ended August 31, 2011



(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Total operating revenues	\$ 27,900	\$ 27,179	\$ (722)	(3)%	\$ 26,020
Total operating expenses	19,671	18,117	1,554	8%	18,141
Income from operations	8,229	9,062	833	10%	7,879
Depreciation	8,079	8,116	(37)	-	8,004
Operating income (loss)	\$ 150	\$ 946	\$ 796	530%	\$ (125)



Nonoperating Revenues & Expenses

for the Two Months Ended August 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Nonoperating revenues (expenses):					
Passenger facility charges	\$ 5,782	\$ 5,668	\$ (114)	(2)%	\$ 5,972
Customer facility charges (ConRAC Facility)	1,908	1,955	47	2%	1,936
Quieter Home Program	(454)	(232)	222	(49)%	(643)
Interest income	890	1,053	163	18%	860
BAB interest rebate	833	833	-	-	-
Interest expense	(1,859)	(933)	926	50%	(464)
Bond amortization cost	(35)	108	143	409%	(12)
Other nonoperating revenue (expenses)	-	567	567	-	66
Nonoperating revenue, net	7,065	9,019	1,954	28%	7,715
Income before grant contributions	7,215	9,965	2,750	38%	7,590
Capital grant contributions	1,261	3,064	1,803	143%	4,268
Net income	\$ 8,476	\$ 13,029	\$ 4,553	54%	\$ 11,858



Balance Sheets (Unaudited)



Current assets:

Cash and investments
 Tenant lease receivable, net of allowance
 of 2011: \$14,918 and 2010: \$59,341
 Grants receivable
 Notes receivable-current portion
 Prepaid expenses and other current assets

Total current assets

Cash designated for capital projects and other

(In thousands)

August

	2011	2010
\$ 90,746	\$ 80,411	
7,122	6,158	
5,562	4,393	
1,697	1,613	
9,930	12,068	
115,057	104,643	
\$ 7,344	\$ 26,023	



Balance Sheets (Unaudited)

(In thousands)

August

2011

2010

Restricted assets:

Cash and investments:

Bonds reserve

\$ 45,098 \$ 45,708

Passenger facility charges and interest unapplied

54,361 60,227

Customer facility charges and interest applied*

21,967 12,074

Commercial paper reserve

63 210

SBD bond guarantee

4,000 4,000

Bond proceeds held by trustee

347,661 5,442

Commercial paper interest held by trustee

13 117

Passenger facility charges receivable

4,763 3,850

Customer facility charges receivable*

990 976

OCIP insurance reserve

6,239 6,400

Total restricted assets

\$ 485,155 \$ 139,004

*ConRAC Facility



Balance Sheets (Unaudited)

Noncurrent assets:

Capital assets:

Land and land improvements
Runways, roads and parking lots
Buildings and structures
Machinery and equipment
Vehicles
Office furniture and equipment
Works of art
Construction-in-progress

Total capital assets

Less: accumulated depreciation

Total capital assets, net

(In thousands)

August

2011

2010

\$ 24,472	\$ 23,454
273,449	227,870
464,483	461,116
10,328	10,065
5,423	5,295
30,595	29,991
2,427	2,257
352,240	204,346
1,163,417	964,394
(516,045)	(467,144)
\$ 647,372	\$ 497,250



Balance Sheets (Unaudited)

Other assets:

Notes receivable - long-term portion

Investments - long-term portion

Deferred costs - bonds (net)

Net pension asset

Security deposits

Total other assets

Total noncurrent assets

TOTAL ASSETS

(In thousands)

August

	2011	2010
\$	42,644	\$ 44,356
	18,413	7,882
	4,997	777
	7,668	8,224
	500	-
	74,222	61,239
	721,594	558,489
	\$ 1,329,150	\$ 828,159



Balance Sheets (Unaudited)



(In thousands)

August

2011

2010

Current liabilities:

Accounts payable and accrued liabilities

\$ 42,173 \$ 44,452

Deposits and other current liabilities

3,223 3,451

Total current liabilities

45,396 47,903

Current liabilities - payable from restricted assets:

Current portion of long-term debt

5,905 3,265

Accrued interest on bonds

and commercial paper

4,952 558

Total liabilities payable from restricted assets

\$ 10,857 \$ 3,823



Balance Sheets (Unaudited)



Long-term liabilities - other:

Commercial paper notes payable

Deferred rent liability

Other long-term liabilities

Long-term debt - bonds net of amortized premium

Total long-term liabilities

Total liabilities

(In thousands)

August

	2011	2010
\$ 20,729	\$ 164,430	
123	585	
1,576	1,195	
630,715	37,915	
653,143	204,125	
\$ 709,396	\$ 255,851	



Balance Sheets (Unaudited)



(In thousands)

August

2011

2010

Authority net assets:

Invested in capital assets, net of related debt

\$ 337,238

\$ 292,186

Other restricted

148,841

142,269

Unrestricted:

Designated

15,012

38,247

Undesignated

118,663

99,606

Total net assets

619,754

572,308

TOTAL LIABILITIES AND NET ASSETS

\$ 1,329,150

\$ 828,159



Questions

