



# SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

## Board Communication

**Date:** January 20, 2012  
**To:** Board Members  
**From:** Vernon D. Evans, CFO   
**Subject:** Unaudited Financial Statements For The Six Months Ended December 31, 2011 and 2010

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The attached unaudited financial reports include the following:

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

### **Year to date analysis:**

Total operating revenues are \$568k or 1% 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 \$1.7m or 3% below budget. This is primarily due to salary vacancies. Also contributing is reduced major maintenance services and business development expenses.

Nonoperating revenues, net, are \$6.2m, or 32% above budget primarily due to higher interest capitalization.

Capital grant contributions are \$5.1m or 62% above budget due to accelerated expenditures for the apron and baggage screening projects.



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

	December 31	
	2011	2010
<b>Current assets:</b>		
Cash and investments <sup>(1)</sup>	\$ 93,843,339	\$ 110,326,520
Tenant lease receivable, net of allowance of 2011: \$54,982 and 2010: \$30,980	5,193,263	5,769,716
Grants receivable	7,709,559	4,502,940
Notes receivable-current portion	1,696,413	1,612,790
Prepaid expenses and other current assets	8,733,437	12,368,039
<b>Total current assets</b>	<b>117,176,011</b>	<b>134,580,005</b>
<b>Cash designated for capital projects and other <sup>(1)</sup></b>	<b>8,278,254</b>	<b>5,253,756</b>
<b>Restricted assets:</b>		
Cash and investments:		
Bonds reserve <sup>(1)</sup>	45,098,156	45,707,776
Passenger facility charges and interest unapplied <sup>(1)</sup>	59,085,667	68,738,181
Customer facility charges and interest unapplied <sup>(1)*</sup>	25,597,489	15,472,487
Commercial paper reserve <sup>(1)</sup>	40,994	167,815
SBD Bond Guarantee <sup>(1)</sup>	4,000,000	4,000,000
Bond proceeds held by trustee <sup>(1)</sup>	305,816,133	429,441,193
Commercial paper interest held by trustee <sup>(1)</sup>	12,855	139,785
Passenger facility charges receivable	4,186,619	3,788,849
Customer facility charges receivable*	864,451	935,378
OCIP insurance reserve	6,239,213	6,400,000
<b>Total restricted assets</b>	<b>450,941,577</b>	<b>574,791,464</b>
<b>Noncurrent assets:</b>		
<b>Capital assets:</b>		
Land and land improvements	24,488,572	23,453,560
Runways, roads and parking lots	274,536,072	236,947,421
Buildings and structures	465,476,021	463,108,153
Machinery and equipment	11,178,774	10,211,096
Vehicles	5,422,530	5,468,836
Office furniture and equipment	30,937,994	30,099,465
Works of art	2,475,869	2,410,518
Construction-in-progress	455,046,275	253,592,399
<b>Total capital assets</b>	<b>1,269,562,107</b>	<b>1,025,291,448</b>
Less accumulated depreciation	(531,439,385)	(483,825,854)
<b>Total capital assets, net</b>	<b>738,122,722</b>	<b>541,465,594</b>
<b>Other assets:</b>		
Notes receivable - long-term portion	42,084,087	43,823,439
Investments-long-term portion <sup>(1)</sup>	9,045,434	8,383,088
Deferred costs - bonds (net)	4,808,718	5,134,176
Net pension asset	7,482,611	8,038,924
Security deposit	500,000	-
<b>Total other assets</b>	<b>63,920,850</b>	<b>65,379,627</b>
<b>Total noncurrent assets</b>	<b>802,043,572</b>	<b>606,845,221</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,378,439,414</b>	<b>\$ 1,321,470,446</b>

<sup>(1)</sup> Total cash and investments, \$550,818,321 2011 and \$687,630,601 2010

\* ConRAC Facility

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

**LIABILITIES AND NET ASSETS**

	December 31	
	2011	2010
<b>Current liabilities:</b>		
Accounts payable and accrued liabilities	\$ 58,745,663	\$ 59,726,827
Deposits and other current liabilities	3,635,931	3,284,692
<b>Total current liabilities</b>	<b>62,381,594</b>	<b>63,011,519</b>
<b>Current liabilities - payable from restricted assets:</b>		
Current portion of long-term debt	5,190,000	4,725,000
Accrued interest on bonds and commercial paper	16,905,933	8,817,788
<b>Total liabilities payable from restricted assets</b>	<b>22,095,933</b>	<b>13,542,788</b>
<b>Long-term liabilities:</b>		
Commercial paper notes payable	20,729,000	21,509,000
Deferred rent liability	93,888	405,920
Other long-term liabilities	1,524,226	1,188,530
Long term debt - bonds net of amortized premium	629,740,181	635,702,665
<b>Total long-term liabilities</b>	<b>652,087,295</b>	<b>658,806,115</b>
<b>Total liabilities</b>	<b>736,564,822</b>	<b>735,360,422</b>
<b>Authority net assets:</b>		
Invested in capital assets, net of related debt	386,729,794	307,441,981
Other restricted	154,914,041	155,054,720
Unrestricted:		
Designated	15,760,865	17,292,680
Undesignated	84,469,892	106,320,642
<b>Total net assets</b>	<b>641,874,592</b>	<b>586,110,024</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 1,378,439,414</b>	<b>\$ 1,321,470,446</b>

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

	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
<b>Operating revenues:</b>					
Aviation revenue:					
Landing fees	\$ 10,118,783	\$ 10,048,161	\$ (70,622)	(1)%	\$ 9,544,197
Aircraft parking fees	1,515,300	1,603,403	88,103	6%	1,493,761
Building rentals	15,953,812	16,158,099	204,287	1%	14,024,785
Security surcharge	8,365,800	8,419,278	53,478	1%	7,417,692
Other aviation revenue	790,457	797,502	7,045	1%	797,360
Terminal rent non-airline	452,158	447,068	(5,090)	(1)%	406,930
Terminal concessions	6,498,466	6,751,144	252,678	4%	6,504,295
Rental car license fees	11,256,498	12,008,419	751,921	7%	10,961,995
License fees other	1,360,067	1,413,791	53,724	4%	1,367,693
Parking revenue	16,790,653	14,759,596	(2,031,057)	(12)%	16,156,908
Ground transportation permits and citations	832,820	755,760	(77,060)	(9)%	443,293
Ground rentals	3,335,820	3,363,945	28,125	1%	4,253,761
Grant reimbursements	107,836	206,322	98,486	91%	407,924
Other operating revenue	368,948	447,313	78,365	21%	406,511
<b>Total operating revenues</b>	<b>77,747,418</b>	<b>77,179,801</b>	<b>(567,617)</b>	<b>(1)%</b>	<b>74,187,105</b>
<b>Operating expenses:</b>					
Salaries and benefits	18,954,843	17,955,871	998,972	5%	18,800,168
Contractual services	13,702,335	13,658,423	43,912	0%	13,051,866
Safety and security	10,413,159	10,998,504	(585,345)	(6)%	10,131,544
Space rental	5,707,572	5,707,737	(165)	(0)%	5,453,808
Utilities	3,430,690	3,614,855	(184,165)	(5)%	3,289,639
Maintenance	4,312,755	3,888,981	423,774	10%	3,846,882
Equipment and systems	191,733	70,235	121,498	63%	278,234
Materials and supplies	154,567	102,405	52,162	34%	156,799
Insurance	510,000	376,277	133,723	26%	541,254
Employee development and support	517,200	330,757	186,443	36%	485,981
Business development	1,308,866	905,364	403,502	31%	799,374
Equipment rentals and repairs	920,409	788,124	132,285	14%	652,828
<b>Total operating expenses</b>	<b>60,124,129</b>	<b>58,397,533</b>	<b>1,726,596</b>	<b>3%</b>	<b>57,488,377</b>
Depreciation	23,497,646	23,510,588	(12,942)	(0)%	24,686,038
<b>Operating income (loss)</b>	<b>(5,874,357)</b>	<b>(4,728,320)</b>	<b>1,146,037</b>	<b>20%</b>	<b>(7,987,310)</b>
<b>Nonoperating revenue (expenses):</b>					
Passenger facility charges	16,597,822	16,764,983	167,161	1%	16,817,865
Customer facility charges (ConRAC Facility)	5,200,359	5,570,766	370,407	7%	5,384,979
Quieter Home Program	(1,505,941)	(931,551)	574,390	38%	(1,704,797)
Interest income	2,669,068	3,062,988	393,920	15%	2,755,910
BAB interest rebate	2,497,961	2,497,961	-	0%	1,193,470
Interest expense	(6,061,934)	(2,123,520)	3,938,414	65%	(5,131,604)
Bond amortization cost	324,772	513,103	188,331	(58)%	144,009
Other nonoperating income (expenses)	-	651,507	651,507	-	654,642
<b>Nonoperating revenue, net</b>	<b>19,722,107</b>	<b>26,006,237</b>	<b>6,284,130</b>	<b>32%</b>	<b>20,114,474</b>
<b>Income before capital grant contributions</b>	<b>13,847,750</b>	<b>21,277,917</b>	<b>7,430,167</b>	<b>54%</b>	<b>12,127,164</b>
Capital grant contributions	8,226,502	13,342,431	5,115,929	62%	13,530,430
<b>Net income</b>	<b>\$ 22,074,252</b>	<b>\$ 34,620,348</b>	<b>\$ 12,546,096</b>	<b>57%</b>	<b>\$ 25,657,594</b>



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

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	Month to Date				Year to Date			
	Budget	Actual	Variance	Prior Year Actual	Budget	Actual	Variance	Prior Year Actual
			Favorable (Unfavorable)				Favorable (Unfavorable)	
<b>Parking and Ground Transportat</b>								
45210 - Parking	\$2,697,953	\$2,271,995	\$(425,958) (16)	\$2,542,990	\$16,790,653	\$14,759,596	\$(2,031,058) (12)	\$16,156,908
45220 - AVI fees	49,648	42,739	(6,909) (14)	34,745	322,446	359,285	36,839 11	152,434
45240 - Ground Transportation Pe	88,029	28,474	(59,555) (68)	16,030	498,320	345,384	(152,936) (31)	278,160
45250 - Citations	1,931	33,879	31,948 1,655	1,965	12,054	51,091	39,037 324	12,699
<b>Total Parking and Ground Transportat</b>	<b>2,837,560</b>	<b>2,377,086</b>	<b>(460,474) (16)</b>	<b>2,595,730</b>	<b>17,623,473</b>	<b>15,515,355</b>	<b>(2,108,118) (12)</b>	<b>16,600,201</b>
<b>Ground Rentals</b>								
45310 - Ground Rental - Fixed	495,185	476,935	(18,251) (4)	1,296,576	2,971,113	2,914,165	(56,948) (2)	3,858,004
45320 - Ground Rental - Percenta	80,299	92,055	11,756 15	75,610	364,707	449,780	85,072 23	395,757
<b>Total Ground Rentals</b>	<b>575,485</b>	<b>568,990</b>	<b>(6,494) (1)</b>	<b>1,372,185</b>	<b>3,335,820</b>	<b>3,363,944</b>	<b>28,124 1</b>	<b>4,253,761</b>
<b>Grant Reimbursements</b>								
45410 - TSA Reimbursements	18,168	14,000	(4,168) (23)	18,222	107,836	102,000	(5,836) (5)	108,126
45420 - Planning Grants	0	0	0 0	(806)	0	104,322	104,322 0	299,798
<b>Total Grant Reimbursements</b>	<b>18,168</b>	<b>14,000</b>	<b>(4,168) (23)</b>	<b>17,416</b>	<b>107,836</b>	<b>206,322</b>	<b>98,486 91</b>	<b>407,924</b>
<b>Other Operating Revenue</b>								
45510 - Finger Printing Fee	4,417	5,851	1,434 32	4,549	26,500	26,524	24 0	30,008
45520 - Utilities Reimbursements	44,683	42,494	(2,189) (5)	43,627	268,098	265,827	(2,271) (1)	259,978
45530 - Miscellaneous Other Reve	5,667	8,000	2,333 41	519	34,000	63,985	29,985 88	52,990
45540 - Service Charges	3,392	4,229	837 25	3,368	20,350	63,994	43,644 214	11,927
45570 - FBO Fees	3,333	4,342	1,008 30	1,982	20,000	14,983	(5,017) (25)	39,608
45580 - Equipment Rental	0	2,000	2,000 0	2,000	0	12,000	12,000 0	12,000
<b>Total Other Operating Revenue</b>	<b>61,491</b>	<b>66,916</b>	<b>5,424 9</b>	<b>56,045</b>	<b>368,948</b>	<b>447,314</b>	<b>78,366 21</b>	<b>406,511</b>
<b>Total Operating Revenue</b>	<b>12,274,506</b>	<b>12,045,018</b>	<b>(229,488) (2)</b>	<b>12,128,446</b>	<b>77,747,417</b>	<b>77,179,801</b>	<b>(567,617) (1)</b>	<b>74,187,105</b>
<b>Personnel Expenses</b>								
<b>Salaries</b>								
51110 - Salaries & Wages	3,196,795	2,552,891	643,904 20	2,526,765	13,900,895	11,226,227	2,674,668 19	11,572,469
51210 - Paid Time Off	0	283,653	(283,653) 0	319,911	0	1,151,493	(1,151,493) 0	1,176,449
51220 - Holiday Pay	0	206,202	(206,202) 0	215,843	0	357,331	(357,331) 0	357,104
51240 - Other Leave With Pay	0	5,839	(5,839) 0	12,450	0	39,007	(39,007) 0	91,355
51250 - Special Pay	0	60,800	(60,800) 0	102,008	0	518,405	(518,405) 0	235,970
<b>Total Salaries</b>	<b>3,196,795</b>	<b>3,109,384</b>	<b>87,410 3</b>	<b>3,176,979</b>	<b>13,900,895</b>	<b>13,292,462</b>	<b>608,432 4</b>	<b>13,433,347</b>
52110 - Overtime	81,783	97,249	(15,466) (19)	94,701	409,942	464,350	(54,408) (13)	393,077

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

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	Month to Date				Year to Date								
	Budget	Actual	Variance		Budget	Actual	Variance						
			Favorable (Unfavorable)	Percent			Favorable (Unfavorable)	Percent					
<b>Benefits</b>													
54110 - FICA Tax	\$208,621	\$210,453	\$(1,832)	(1)	\$984,573	\$927,309	\$57,264	6	\$930,127				
54120 - Unemployment Insurance-S	0	(20)	20	0	0	37,345	(37,345)	0	8,209				
54130 - Workers Compensation Ins	62,439	30,601	31,839	51	284,881	129,119	155,761	55	219,174				
54135 - Workers Comp Incident Expense	0	0	0	0	0	20,420	(20,420)	0	28,016				
54210 - Medical Insurance	438,529	251,818	186,711	43	2,631,173	1,585,700	1,045,473	40	1,480,063				
54220 - Dental Insurance	22,873	20,838	2,034	9	137,109	129,092	8,018	6	119,239				
54230 - Vision Insurance	3,018	2,824	194	6	18,110	16,856	1,254	7	16,956				
54240 - Life Insurance	5,310	4,099	1,211	23	31,860	24,669	7,191	23	24,072				
54250 - Short Term Disability	27,560	9,008	18,552	67	165,097	53,987	111,110	67	54,167				
54310 - Retirement	764,128	642,265	121,862	16	3,408,330	2,807,931	600,399	18	3,120,022				
54315 - Medical Retirement Benes	0	145,049	(145,049)	0	0	863,043	(863,043)	0	951,750				
54320 - Amortization of Retirement	0	46,359	(46,359)	0	0	278,156	(278,156)	0	278,156				
54410 - Taxable Benefits	0	4,807	(4,807)	0	0	14,530	(14,530)	0	5,955				
54430 - Accrued Vacation	0	8,683	(8,683)	0	0	(25,924)	25,924	0	(68,305)				
54440 - Relocation	2,500	0	2,500	100	5,000	0	5,000	100	0				
<b>Total Benefits</b>	<b>1,534,978</b>	<b>1,376,785</b>	<b>158,193</b>	<b>10</b>	<b>7,666,133</b>	<b>6,862,234</b>	<b>803,899</b>	<b>10</b>	<b>7,167,600</b>				
<b>Cap Labor/Burden/OH Recharge</b>													
54510 - Capitalized Labor Recha	(595,915)	(149,017)	(446,898)	(75)	(2,668,076)	(753,770)	(1,914,306)	(72)	(695,620)				
54515 - Capitalized Burden Rech	0	(33,620)	33,620	0	0	(282,850)	282,850	0	(283,856)				
<b>Total Cap Labor/Burden/OH Recharge</b>	<b>(595,915)</b>	<b>(182,637)</b>	<b>(413,278)</b>	<b>(69)</b>	<b>(2,668,076)</b>	<b>(1,036,620)</b>	<b>(1,631,456)</b>	<b>(61)</b>	<b>(979,476)</b>				
<b>QHP Labor/Burden/OH Recharge</b>													
54520 - QHP Labor Recharge	(78,659)	(49,521)	(29,139)	(37)	(354,051)	(232,127)	(121,925)	(34)	(255,698)				
54525 - QHP Burden Recharge	0	1,729	(1,729)	0	0	(79,625)	79,625	0	(113,252)				
54526 - QHP OH Contra Acct	0	(39,535)	39,535	0	0	(82,229)	82,229	0	(81,667)				
<b>Total QHP Labor/Burden/OH Recharge</b>	<b>(78,659)</b>	<b>(87,327)</b>	<b>8,667</b>	<b>11</b>	<b>(354,051)</b>	<b>(393,981)</b>	<b>39,930</b>	<b>11</b>	<b>(450,616)</b>				
<b>MM&amp;JS Labor/Burden/OH Recharge</b>													
54530 - MM & JS Labor Recharge	0	(107)	107	0	0	(1,038)	1,038	0	(13,918)				
54531 - Joint Studies - Labor	0	107	(107)	0	0	1,038	(1,038)	0	12,852				
54535 - MM & JS Burden Recharge	0	(31)	31	0	0	(336)	336	0	(5,245)				
54536 - Maintenance-Burden	0	31	(31)	0	0	336	(336)	0	5,245				
54599 - OH Contra	0	(309,191)	309,191	0	0	(1,232,574)	1,232,574	0	(762,698)				
<b>Total MM&amp;JS Labor/Burden/OH Recharge</b>	<b>0</b>	<b>(309,191)</b>	<b>309,191</b>	<b>0</b>	<b>0</b>	<b>(1,232,574)</b>	<b>1,232,574</b>	<b>0</b>	<b>(763,764)</b>				

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

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	Month to Date				Year to Date				
	Budget	Actual	Variance		Budget	Actual	Variance		
			Favorable (Unfavorable)	Percent			Favorable (Unfavorable)	Percent	
<b>Total Personnel Expenses</b>	4,138,982	4,004,264	134,718	3	4,389,369	17,955,871	998,971	5	18,800,167
<b>Non-Personnel Expenses</b>									
<b>Contract Services</b>									
61100 - Temporary Staffing	\$27,583	\$6,752	\$20,832	76	\$13,666	\$110,355	\$27,645	20	\$172,950
61110 - Auditing Services	0	27,800	(27,800)	0	0	121,451	143,549	54	110,300
61120 - Legal Services	95,000	140,530	(45,530)	(48)	70,054	562,300	7,700	1	320,756
61130 - Services - Professional	889,193	817,210	71,983	8	681,434	4,359,173	252,190	5	4,109,698
61150 - Outside Svs - Other	218,088	224,231	(6,143)	(3)	213,078	1,217,678	101,813	8	1,299,982
61160 - Services - Custodial	1,233,050	1,475,419	(242,369)	(20)	1,317,874	7,857,846	(460,364)	(6)	7,485,936
61990 - OH Contra	0	(74,661)	74,661	0	(71,120)	(570,380)	570,380	0	(447,756)
61998 - Capital Proj OH Alloc Co	(104,000)	0	(104,000)	(100)	0	(599,000)	(599,000)	(100)	0
<b>Total Contract Services</b>	<b>2,358,914</b>	<b>2,617,280</b>	<b>(258,366)</b>	<b>(11)</b>	<b>2,224,985</b>	<b>13,658,422</b>	<b>43,913</b>	<b>0</b>	<b>13,051,866</b>
<b>Safety and Security</b>									
61170 - Services - Fire, Police,	484,802	475,678	9,124	2	429,300	2,866,975	14,394	0	2,459,439
61180 - Services - SDUPD-Harbor	1,549,406	1,701,609	(152,203)	(10)	1,740,584	7,315,829	(726,735)	(11)	6,870,469
61185 - Guard Services	157,116	135,630	21,486	14	175,198	815,700	126,996	13	801,636
<b>Total Safety and Security</b>	<b>2,191,324</b>	<b>2,312,917</b>	<b>(121,593)</b>	<b>(6)</b>	<b>2,345,082</b>	<b>10,998,504</b>	<b>(585,346)</b>	<b>(6)</b>	<b>10,131,544</b>
<b>Space Rental</b>									
62100 - Rent	951,262	951,966	(704)	0	947,146	5,707,737	(165)	0	5,678,844
62199 - Rent Amortization	0	0	0	0	(37,506)	0	0	0	(225,036)
<b>Total Space Rental</b>	<b>951,262</b>	<b>951,966</b>	<b>(704)</b>	<b>0</b>	<b>909,640</b>	<b>5,707,737</b>	<b>(165)</b>	<b>0</b>	<b>5,453,808</b>
<b>Utilities</b>									
63100 - Telephone & Other Commun	33,356	33,242	115	0	32,684	186,631	13,809	7	247,468
63110 - Utilities - Gas & Electr	425,042	355,829	69,213	16	434,589	2,973,780	(148,530)	(5)	2,680,017
63120 - Utilities - Water	55,000	68,159	(13,159)	(24)	38,995	454,444	(49,444)	(12)	362,154
<b>Total Utilities</b>	<b>513,398</b>	<b>457,229</b>	<b>56,169</b>	<b>11</b>	<b>506,267</b>	<b>3,614,855</b>	<b>(184,165)</b>	<b>(5)</b>	<b>3,289,639</b>

**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) Percent	Prior Year Actual	Budget	Actual	Variance Favorable (Unfavorable) Percent	Prior Year Actual
<b>Maintenance</b>								
64100 - Facilities Supplies	\$50,600	\$71,979	\$(21,379) (42)	\$24,898	\$343,450	\$304,649	\$38,801 11	\$325,538
64110 - Maintenance - Annual R	513,137	394,594	118,542 23	474,258	2,919,305	3,013,409	(94,104) (3)	2,924,296
64122 - Contractor Labor	0	0	0 0	156	0	0	0 0	548
64123 - Contractor Burden	0	0	0 0	198	0	0	0 0	698
64124 - Maintenance-Overhead	0	143	(143) 0	0	0	287	(287) 0	3,046
64125 - Major Maintenance - Mat	130,000	189,451	(59,451) (46)	152,778	850,000	341,556	508,444 60	257,159
64127 - Contract Overhead (co	0	0	0 0	8,359	0	0	0 0	18,201
64140 - Refuse & Hazardous Waste	33,000	10,004	22,996 70	75,929	200,000	229,080	(29,080) (15)	317,396
<b>Total Maintenance</b>	<b>726,737</b>	<b>666,172</b>	<b>60,565 8</b>	<b>736,576</b>	<b>4,312,755</b>	<b>3,888,981</b>	<b>423,774 10</b>	<b>3,846,880</b>
<b>Equipment and Systems</b>								
65100 - Equipment & Systems	73,867	26,006	47,861 65	76,317	220,783	78,629	142,154 64	285,028
65101 - OH Contra	(4,900)	(2,210)	(2,690) (55)	(1,084)	(29,050)	(8,394)	(20,656) (71)	(6,794)
<b>Total Equipment and Systems</b>	<b>68,967</b>	<b>23,796</b>	<b>45,171 65</b>	<b>75,233</b>	<b>191,733</b>	<b>70,235</b>	<b>121,498 63</b>	<b>278,235</b>
<b>Materials and Supplies</b>								
65110 - Office & Operating Suppl	25,346	23,417	1,928 8	20,536	141,347	92,211	49,136 35	136,946
65120 - Safety Equipment & Suppl	3,958	446	3,512 89	6,441	32,300	18,361	13,939 43	24,380
65130 - Tools - Small	1,050	130	920 88	22	8,100	4,716	3,384 42	6,569
65199 - OH Contra	(4,530)	(2,854)	(1,676) (37)	(1,748)	(27,180)	(12,883)	(14,297) (53)	(11,096)
<b>Total Materials and Supplies</b>	<b>25,824</b>	<b>21,140</b>	<b>4,684 18</b>	<b>25,252</b>	<b>154,567</b>	<b>102,405</b>	<b>52,162 34</b>	<b>156,800</b>
<b>Insurance</b>								
67170 - Insurance - Property	27,083	25,976	1,107 4	29,484	162,500	155,857	6,643 4	176,903
67171 - Insurance - Liability	26,917	18,860	8,057 30	25,083	161,500	105,047	56,453 35	150,500
67172 - Insurance - Public Offic	22,417	10,625	11,792 53	23,239	134,500	63,750	70,750 53	139,433
67173 - Insurance Miscellaneous	8,333	8,384	(50) (1)	12,336	50,000	51,623	(1,623) (3)	74,418
67199 - Insurance - Claims	0	0	0 0	0	1,500	0	1,500 100	0
<b>Total Insurance</b>	<b>84,750</b>	<b>63,845</b>	<b>20,905 25</b>	<b>90,142</b>	<b>510,000</b>	<b>376,278</b>	<b>133,722 26</b>	<b>541,253</b>

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	Budget	Actual	Variance Favorable (Unfavorable) Percent	Prior Year Actual	Budget	Actual	Variance Favorable (Unfavorable) Percent	Prior Year Actual
<b>Employee Development and Suppo</b>								
66120 - Awards - Service	\$12,041	\$2,649	\$9,392 78	\$59,699	\$40,746	\$(9,605)	124	\$70,130
66130 - Book & Periodicals	5,462	5,174	288 5	2,158	30,252	30,437	(185)	18,454
66210 - Finger Printing Expenses	230	0	230 100	160	1,380	52	96	1,364
66220 - Permits/Certificates/Lic	7,188	21,114	(13,925) (194)	57,685	45,110	32,649	28	70,005
66260 - Recruiting	198	0	198 100	319	5,413	457	92	1,610
66280 - Seminars & Training	16,287	22,227	(5,940) (36)	23,760	181,704	130,758	28	133,779
66290 - Transportation	16,288	13,705	2,584 16	13,549	88,764	82,768	7	82,703
66299 - OH Contra	(3,000)	(667)	(2,333) (78)	(1,253)	(18,000)	(13,324)	(26)	(13,081)
66305 - Travel-Employee Developm	12,175	6,692	5,483 45	7,610	68,676	36,234	47	65,903
66310 - Tuition	12,000	4,478	7,522 63	11,591	31,500	19,575	38	27,280
66320 - Uniforms	7,875	4,298	3,577 45	5,451	41,655	20,756	50	27,834
<b>Total Employee Development and Suppo</b>	<b>86,745</b>	<b>79,670</b>	<b>7,074 8</b>	<b>180,729</b>	<b>517,200</b>	<b>330,758</b>	<b>36</b>	<b>485,981</b>
<b>Business Development</b>								
66100 - Advertising	95,532	32,404	63,128 66	39,211	518,164	103,544	80	168,346
66110 - Allowance for Bad Debts	2,083	19,179	(17,096) (821)	10,924	12,500	40,064	(221)	(28,361)
66200 - Memberships & Dues	14,940	34,233	(19,293) (129)	41,554	197,787	172,861	13	174,134
66230 - Postage & Shipping	5,093	4,205	889 17	2,734	30,406	27,093	11	17,851
66240 - Promotional Activities	41,383	67,828	(26,444) (64)	54,805	302,507	330,245	(9)	178,819
66250 - Promotional Materials	4,360	139,309	(134,949) (3,095)	2,428	177,052	171,548	3	166,219
66300 - Travel+Business Developm	9,250	(374)	9,624 104	18,728	70,450	60,009	15	122,366
<b>Total Business Development</b>	<b>172,642</b>	<b>296,783</b>	<b>(124,141) (72)</b>	<b>170,385</b>	<b>1,308,866</b>	<b>905,364</b>	<b>31</b>	<b>799,373</b>
<b>Equipment Rentals and Repairs</b>								
66140 - Computer Licenses & Agre	35,000	37,201	(2,201) (6)	14,888	231,000	211,266	9	175,119
66150 - Equipment Rental/Leasing	28,315	23,615	4,700 17	24,808	176,440	146,520	17	144,270
66160 - Tenant Improvements	0	0	0 0	265	0	70,800	0	8,951
66270 - Repairs - Office Equipme	91,366	57,898	33,468 37	80,097	667,969	528,776	21	441,869
66279 - OH Contra	(26,000)	(29,303)	3,303 13	(10,762)	(155,000)	(169,238)	9	(117,381)
<b>Total Equipment Rentals and Repairs</b>	<b>128,681</b>	<b>89,412</b>	<b>39,269 31</b>	<b>109,296</b>	<b>920,409</b>	<b>788,124</b>	<b>14</b>	<b>652,828</b>
<b>Total Non-Personnel Expenses</b>	<b>7,309,243</b>	<b>7,580,210</b>	<b>(270,967) (4)</b>	<b>7,373,588</b>	<b>41,169,286</b>	<b>40,441,662</b>	<b>2</b>	<b>38,688,205</b>
<b>Total Departmental Expenses before Depreciation</b>	<b>11,448,224</b>	<b>11,584,474</b>	<b>(136,249) (1)</b>	<b>11,762,957</b>	<b>60,124,128</b>	<b>58,397,533</b>	<b>3</b>	<b>57,488,372</b>

**San Diego County Regional Airport Authority**  
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	Budget	Actual	Variance	Prior Year Actual	Budget	Actual	Variance	Prior Year Actual
			Favorable (Unfavorable)				Favorable (Unfavorable)	
<b>Depreciation and Amortization</b>								
69110 - Depreciation Expense	\$3,733,224	\$3,801,950	\$(68,726) (2)	\$4,111,343	\$23,497,646	\$23,510,588	\$(12,942) 0	\$24,686,038
<b>Total Depreciation and Amortization</b>	<b>3,733,224</b>	<b>3,801,950</b>	<b>(68,726) (2)</b>	<b>4,111,343</b>	<b>23,497,646</b>	<b>23,510,588</b>	<b>(12,942) 0</b>	<b>24,686,038</b>
<b>Non-Operating Revenue/(Expense)</b>								
<b>Passenger Facility Charges</b>								
71110 - Passenger Facility Chrg	2,521,982	2,551,109	29,147 1	2,461,541	16,597,822	16,764,983	167,161 1	16,817,865
<b>Total Passenger Facility Charges</b>	<b>2,521,982</b>	<b>2,551,109</b>	<b>29,147 1</b>	<b>2,461,541</b>	<b>16,597,822</b>	<b>16,764,983</b>	<b>167,161 1</b>	<b>16,817,865</b>
<b>Customer Facility Charges</b>								
71120 - Customer facility charges (Con	715,175	797,142	81,967 11	705,438	5,200,359	5,570,766	370,407 7	5,384,979
<b>Total Customer Facility Charges</b>	<b>715,175</b>	<b>797,142</b>	<b>81,967 11</b>	<b>705,438</b>	<b>5,200,359</b>	<b>5,570,766</b>	<b>370,407 7</b>	<b>5,384,979</b>
<b>Quiter Home Program</b>								
71212 - Quieter Home - Labor	0	(49,521)	(49,521) 0	(53,731)	0	(232,127)	(232,127) 0	(255,698)
71213 - Quieter Home - Burden	0	(19,842)	(19,842) 0	(22,443)	0	(79,625)	(79,625) 0	(113,252)
71214 - Quieter Home - Overhead	0	(39,535)	(39,535) 0	(24,958)	0	(82,229)	(82,229) 0	(81,667)
71215 - Quieter Home - Material	(1,020,907)	(416,490)	604,417 59	(1,028,853)	(7,280,218)	(5,392,758)	1,887,460 26	(9,086,760)
71216 - Quieter Home Program	822,198	437,226	(384,972) (47)	1,029,463	5,869,277	5,318,225	(551,052) (9)	8,293,658
71217 - Contract Labor	0	(31,396)	(31,396) 0	(38,149)	0	(175,924)	(175,924) 0	(183,796)
71218 - Contractor Burden	0	(39,958)	(39,958) 0	(48,553)	0	(223,904)	(223,904) 0	(233,766)
71222 - Contractor Labor	0	(1,413)	(1,413) 0	0	0	(12,318)	(12,318) 0	(3,040)
71223 - Contractor Burden	0	(1,799)	(1,799) 0	0	0	(15,677)	(15,677) 0	(3,867)
71224 - Joint Studies Overhead	0	0	0 0	(59)	0	(157)	(157) 0	(4,390)
71225 - Joint Studies - Material	(30,000)	(2,491)	27,509 92	(17,514)	(95,000)	(11,337)	83,663 88	(25,039)
71226 - Contractor Overhead	0	(3,345)	(3,345) 0	0	0	(23,720)	(23,720) 0	(7,180)
<b>Total Quiter Home Program</b>	<b>(228,709)</b>	<b>(168,564)</b>	<b>60,146 26</b>	<b>(204,797)</b>	<b>(1,505,941)</b>	<b>(931,551)</b>	<b>574,390 38</b>	<b>(1,704,797)</b>
<b>Interest Income</b>								
71310 - Interest - Investments	243,428	112,434	(130,994) (54)	391,501	1,460,568	694,440	(766,128) (52)	1,348,421
71340 - Interest - Note Receivab	201,417	205,019	3,602 2	212,609	1,208,500	1,226,592	18,092 1	1,269,531
71350 - Interest - Other	0	(432)	(432) 0	(576)	0	(939)	(939) 0	(1,263)
71360 - Interest - Bonds	0	23,203	23,203 0	23,203	0	139,221	139,221 0	139,221
71361 - Interest Income - 2010 Bonds	0	160,924	160,924 0	0	0	1,003,674	1,003,674 0	0
<b>Total Interest Income</b>	<b>444,845</b>	<b>501,148</b>	<b>56,304 13</b>	<b>626,738</b>	<b>2,669,068</b>	<b>3,062,988</b>	<b>393,920 15</b>	<b>2,755,910</b>

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			Favorable (Unfavorable)				Favorable (Unfavorable)	
<b>Interest income BAB's rebate</b>								
71362 - BAB interest rebate	\$416,327	\$416,327	\$0	\$398,194	\$2,497,961	\$2,497,961	\$0	\$1,193,470
<b>Total Interest income BAB's rebate</b>	<b>416,327</b>	<b>416,327</b>	<b>0</b>	<b>398,194</b>	<b>2,497,961</b>	<b>2,497,961</b>	<b>0</b>	<b>1,193,470</b>
<b>Interest Expense</b>								
71410 - Interest Expense 2005 Bo	(160,498)	(160,498)	0	(174,102)	(962,988)	(962,988)	0	(1,044,612)
71411 - Interest Expense- 2010 Bonds	(2,646,258)	(2,646,258)	0	(1,228,896)	(15,877,548)	(15,877,549)	(1)	(3,837,911)
71420 - Interest Expense - Comm	(28,265)	(4,567)	23,698	(6,048)	(127,252)	(27,255)	99,998	(73,272)
71430 - LOC Fees - C/P	(22,123)	(19,836)	2,287	(9,957)	(126,062)	(121,660)	4,402	(135,730)
71440 - Dealer Fees - C/P	(460)	0	460	0	(5,668)	(2,169)	3,499	(28,319)
71450 - Trustee Fee - Bonds	(1,250)	(8,775)	(7,525)	(602)	(9,500)	(9,775)	(275)	(8,000)
71451 - Program Fees - Comm. Pap	0	0	0	0	(5,000)	(2,642)	2,358	(3,760)
71460 - Interest Expense - Other	1,842,014	2,470,251	628,237	0	11,052,084	14,880,518	3,828,434	0
<b>Total Interest Expense</b>	<b>(1,016,839)</b>	<b>(369,683)</b>	<b>647,156</b>	<b>(1,419,003)</b>	<b>(6,061,933)</b>	<b>(2,123,518)</b>	<b>3,938,415</b>	<b>(5,131,605)</b>
<b>Amortization</b>								
69210 - Amortization - Premium	91,589	136,117	44,528	91,590	549,535	819,210	269,675	331,588
69220 - Amortization - Cost of I	(36,322)	(43,760)	(7,439)	(36,322)	(217,929)	(299,273)	(81,344)	(180,745)
69230 - Amort-Commercial Paper	(1,139)	(1,139)	0	(1,139)	(6,834)	(6,834)	0	(6,834)
<b>Total Amortization</b>	<b>54,129</b>	<b>91,217</b>	<b>37,089</b>	<b>54,129</b>	<b>324,772</b>	<b>513,103</b>	<b>188,331</b>	<b>144,009</b>
<b>Other Non-Operating Income (Expense)</b>								
71520 - Fixed Asset Disposal-Pro	0	0	0	(50,000)	0	0	0	(37,522)
71530 - Gain/Loss On Investments	0	(298,242)	(298,242)	518,896	0	453,305	453,305	625,990
71540 - Discounts Earned	0	0	0	0	0	4,270	4,270	3,895
71610 - Legal Settlement Expense	0	0	0	0	0	(1,930)	(1,930)	0
71620 - Other non-operating revenue (e	0	0	0	4,047	0	195,862	195,862	62,279
<b>Total Other Non-Operating Income (Expense)</b>	<b>0</b>	<b>(298,242)</b>	<b>(298,242)</b>	<b>472,943</b>	<b>0</b>	<b>651,507</b>	<b>651,507</b>	<b>654,643</b>
<b>Total Non-Operating Revenue/(Expense)</b>	<b>2,906,889</b>	<b>3,520,455</b>	<b>613,567</b>	<b>(3,095,182)</b>	<b>19,722,108</b>	<b>26,006,239</b>	<b>6,284,131</b>	<b>(20,114,474)</b>
<b>Capital Grant Contribution</b>								
72100 - AIP Grants	2,002,186	1,858,042	(144,144)	1,649,894	8,226,502	13,342,431	5,115,929	13,530,430
<b>Total Capital Grant Contribution</b>	<b>2,002,186</b>	<b>1,858,042</b>	<b>(144,144)</b>	<b>1,649,894</b>	<b>8,226,502</b>	<b>13,342,431</b>	<b>5,115,929</b>	<b>13,530,430</b>
<b>Total Expenses Net of Non-Operating Revenue/(Expense)</b>	<b>10,272,373</b>	<b>10,007,926</b>	<b>264,447</b>	<b>11,129,224</b>	<b>55,673,165</b>	<b>42,559,451</b>	<b>13,113,714</b>	<b>48,529,506</b>
<b>Net Income/(Loss)</b>	<b>2,002,133</b>	<b>2,037,092</b>	<b>34,959</b>	<b>999,222</b>	<b>22,074,253</b>	<b>34,620,350</b>	<b>12,546,097</b>	<b>25,657,599</b>

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<b>Equipment Outlay</b>								
73200 - Equipment Outlay Expendi	\$(60,000)	\$0	\$60,000 100	\$0	\$(136,000)	\$(80,830)	\$55,170 41	\$(413,051)
73299 - Capitalized Equipment Co	0	0	0 0	0	0	80,830	80,830 0	413,051
<b>Total Equipment Outlay</b>	<b>(60,000)</b>	<b>0</b>	<b>60,000 100</b>	<b>0</b>	<b>(136,000)</b>	<b>0</b>	<b>136,000 100</b>	<b>0</b>

# San Diego County Regional Airport Authority



## Review of the Unaudited Financial Statements for the Six Months Ended December 31, 2011

Presented by:

Vernon D. Evans, CPA

Vice President, Finance / Treasurer & CFO

January 30, 2012



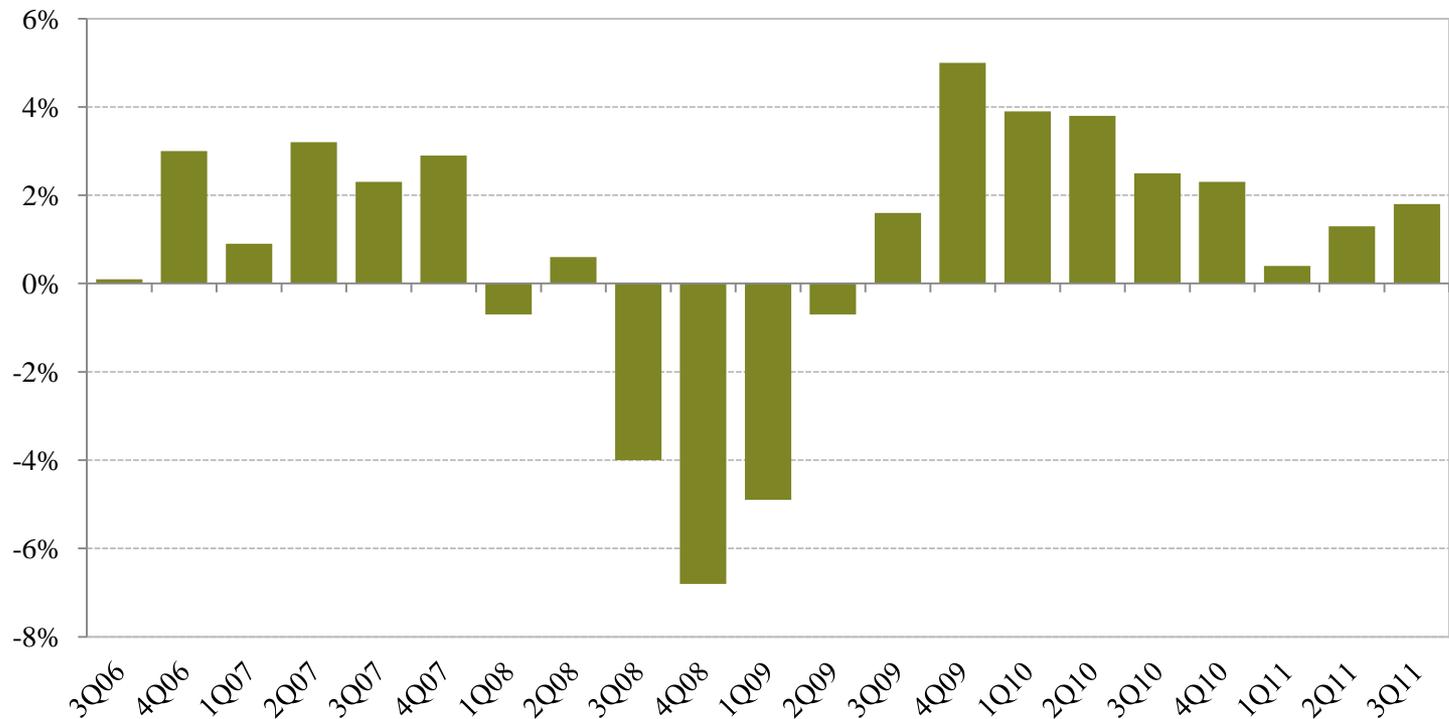
# Third Quarter GDP Revised Downward



The third estimate of 2011Q3 GDP was revised downward to 1.8% compared to the initial estimate of 2.5%. The downward revision was due to lower levels for business inventories and less personal spending on health care.

Economists have raised their 2011Q4 GDP estimate to 2.75% and lowered 2012Q1 to 1.90%. In October, consensus forecasts were for 2.0% growth both quarters.

**U.S. GDP**  
2Q 2006 – 3Q 2011



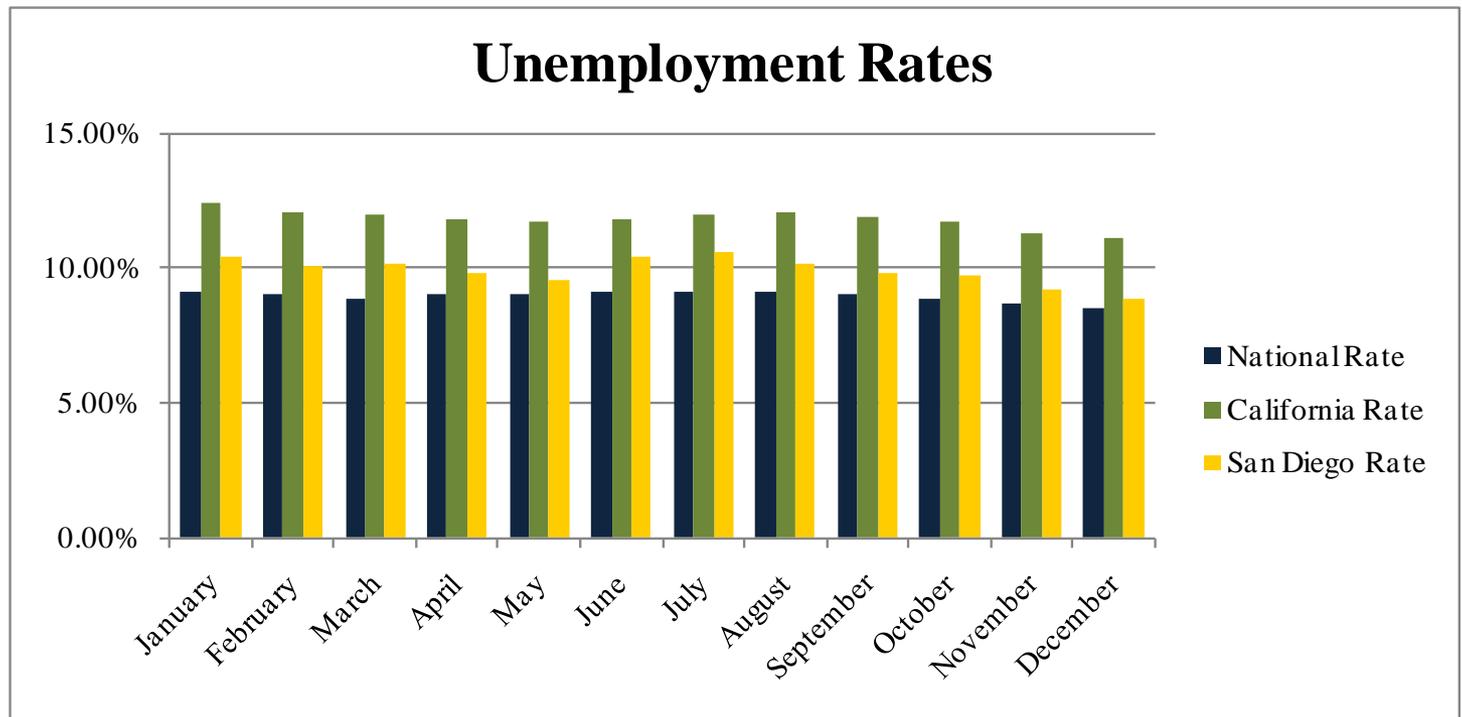




# Unemployment Rate Remains High



The Federal unemployment rate decreased to 8.5% for the month of December. The California unemployment rate decreased to 11.1% in December, but continued to be higher than the national average. The U-6 rate decreased to 15.2% for December. San Diego's unemployment rate decreased to 8.9% for December, 2011.



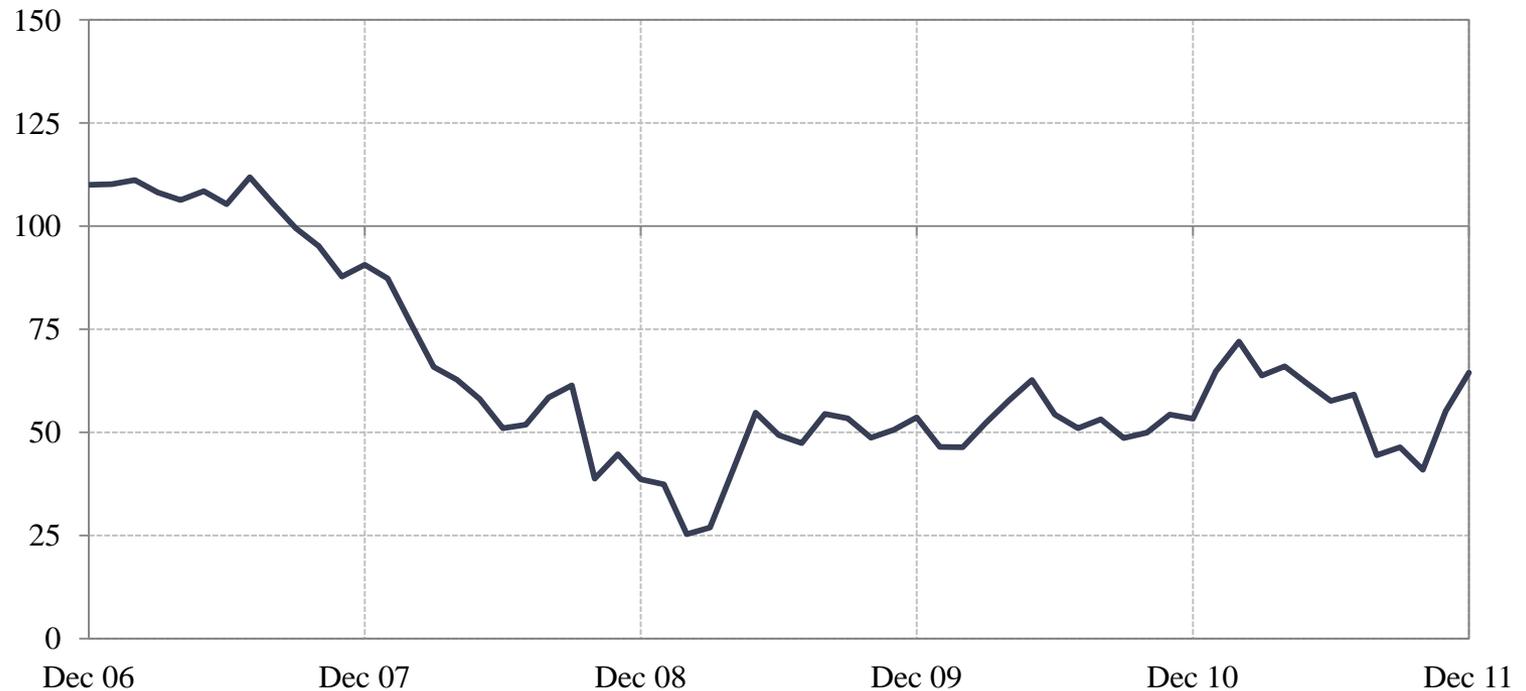


# Consumer Confidence Improves Further in December



Consumer confidence jumped 9.3 points to 64.5 in December (an increase of almost 24 points over the past two months). Consumer Confidence is now back at the levels seen in early spring before the U.S. debt ceiling debacle and S&P U.S. credit downgrade. The survey indicated that “consumers are more optimistic that business conditions, employment prospects and their financial situations will continue to get better.”

**Consumer Confidence**  
December 2006 – December 2011





# New Home Sales Up Slightly

New home sales in November were up 1.6% to an annual rate of 315,000, the highest level in seven months. However, the overall sales level remains dismal. In a healthy market, new home sales are typically two to three times that level. Despite very low mortgage rates, a recovery in the housing market remains constrained by an oversupply of unsold homes, falling prices and high unemployment.



**New Home Sales**  
November 2001– November 2011





# Oil Prices Drop



Oil prices (WTI) slip to just under \$100 per barrel, on reports that Europe would hold off on an embargo on Iranian oil imports. Heightened tensions with Iran had propelled oil back above \$100 in the past month.

Continued higher prices could reduce economic growth. Every \$10 rise in the price of a barrel of oil subtracts about 0.3% to GDP

**Oil Price Per Barrel (WTI Spot)**  
January 1, 2007 – January 11, 2012





# The Equity Markets Trend Upward



The U.S. equity markets have trended upward in recent weeks driven by generally favorable economic data and renewed investor confidence that the European will be able to resolve its debt crisis. However, a weakening in the economic data or new uncertainty surrounding the European debt crisis could result in additional volatility in the equity markets.

**Dow Jones Industrial Average and S&P 500 Indices**  
January 1, 2007 – January 12, 2012





# 2 Year Treasury Yield Remains Range Bound



Since the end of September, the 2-year U.S. Treasury has traded in a narrow range around 0.25%.

**2-Year U.S. Treasury Yields**  
January 1, 2010 – January 12, 2012



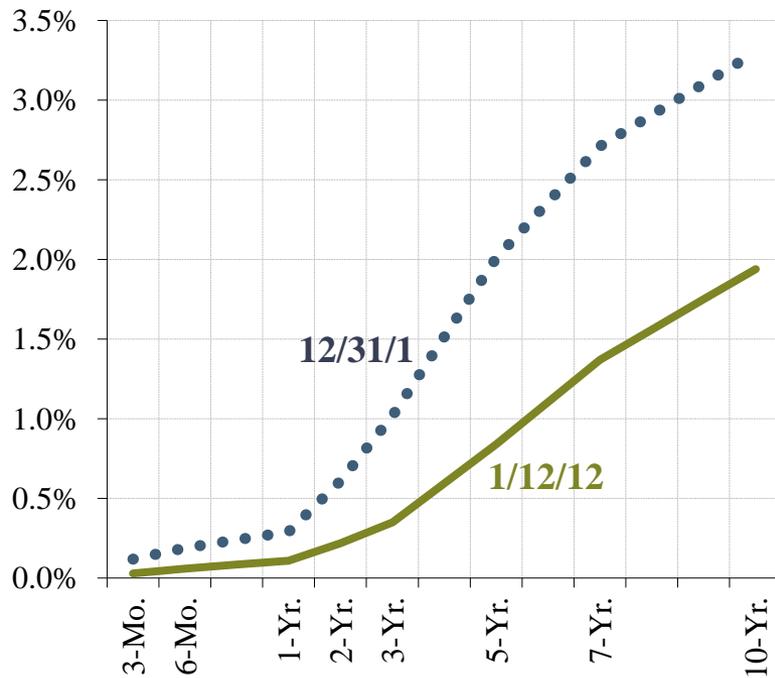


# Yield Curve Flattens



The yield curve remains relatively flat. Slow economic growth, uncertainty in Europe, and Fed actions continue to place downward pressures on yields.

**U.S. Treasury Yield Curve**  
December 31, 2010 vs. January 12, 2012



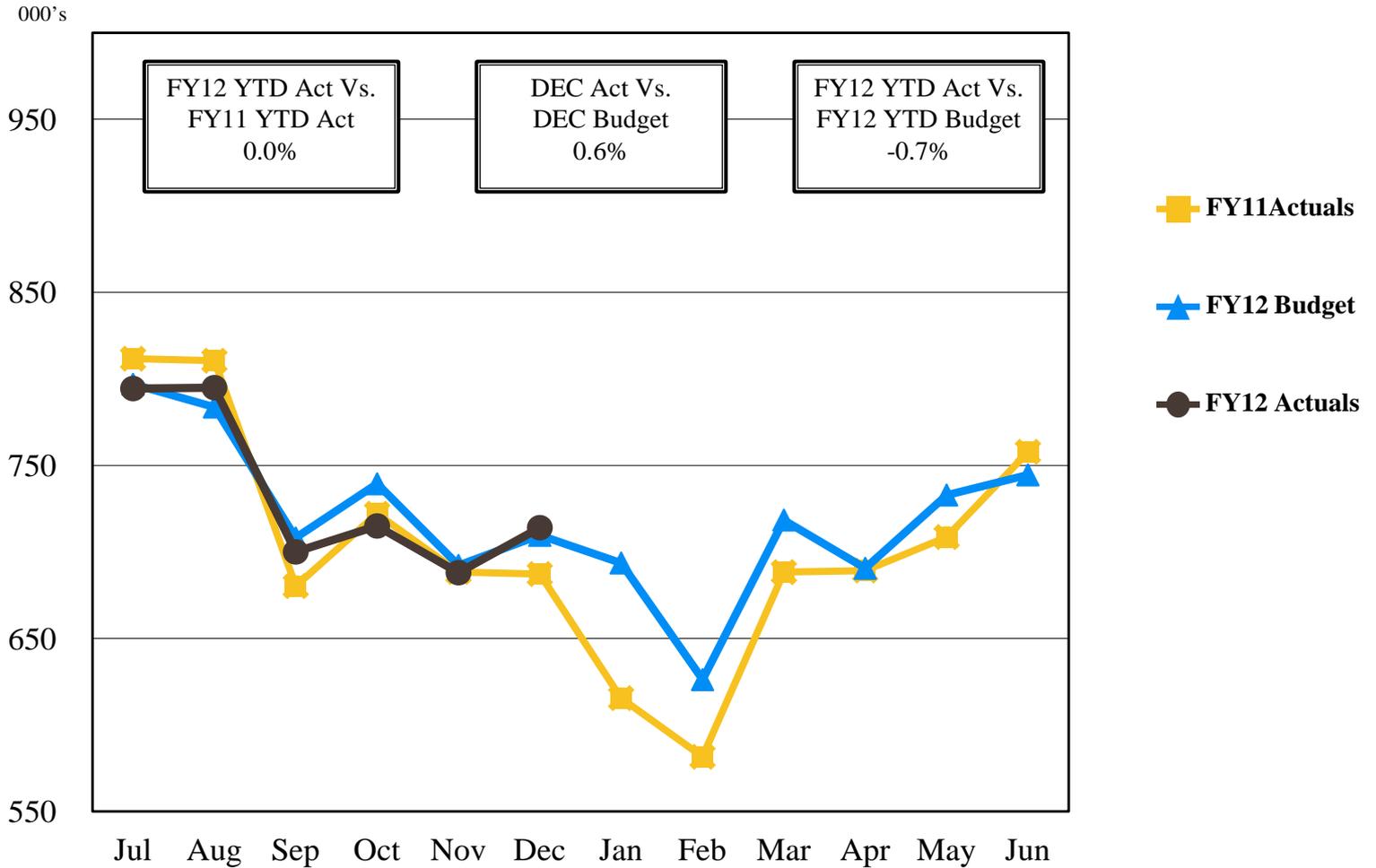
	12/31/10	1/12/12	Change
<b>3-Mo.</b>	0.12%	0.03%	(0.09%)
<b>6-Mo.</b>	0.19%	0.06%	(0.13%)
<b>1-Yr.</b>	0.29%	0.11%	(0.18%)
<b>2-Yr.</b>	0.61%	0.22%	(0.39%)
<b>3-Yr.</b>	1.02%	0.35%	(0.67%)
<b>5-Yr.</b>	2.01%	0.84%	(1.17%)
<b>10-Yr.</b>	3.30%	1.94%	(1.36%)

Unaudited Financial Statements  
For the Six Months Ended  
December 31, 2011





# Enplanements

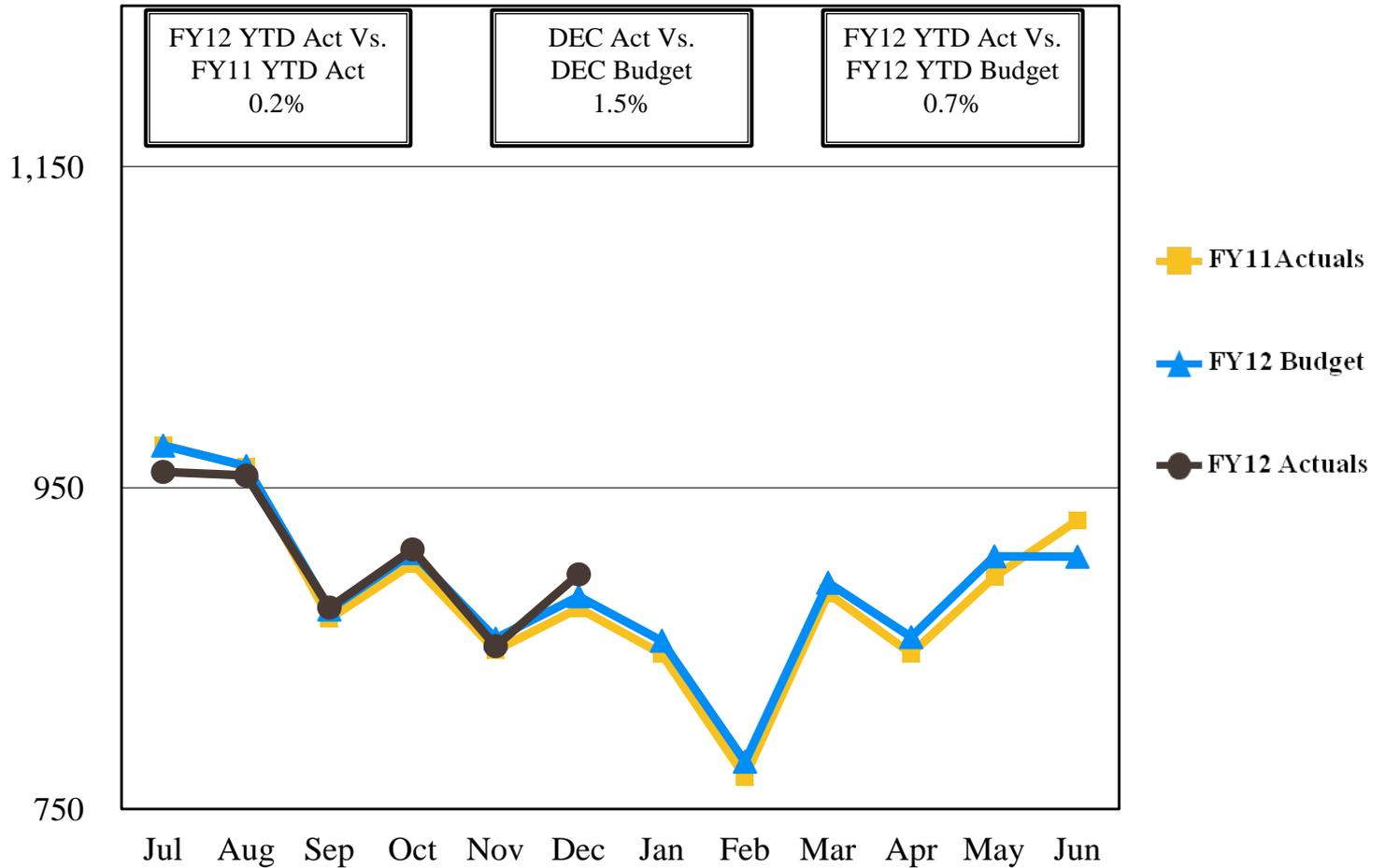




# Gross Landing Weight Units (000 lbs)

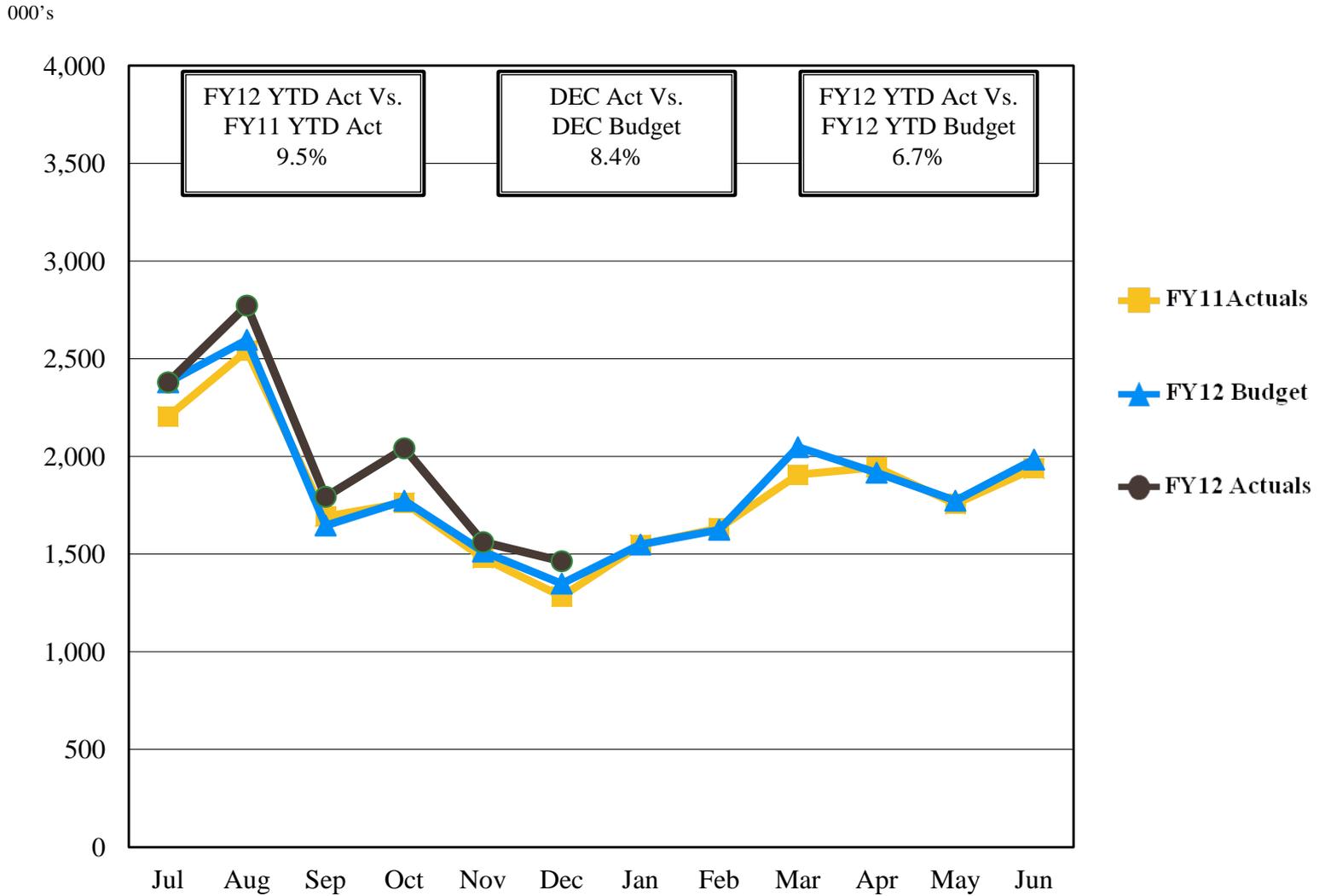


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# Car Rental License Fees



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





# Operating Revenues

## for the Month Ended December 31, 2011 (Unaudited)



(In thousands)	<b>Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>	<b>% Change</b>	<b>Prior Year</b>
<b>Aviation revenue:</b>					
Landing fees	\$ 1,638	\$ 1,677	\$ 39	2%	\$ 1,526
Aircraft parking fees	253	277	24	10%	245
Building rentals	2,659	2,652	(7)	-	2,332
Security surcharge	1,394	1,412	18	1%	1,232
Other aviation revenue	130	135	5	4%	133
<b>Total aviation revenue</b>	<b>\$ 6,074</b>	<b>\$ 6,153</b>	<b>\$ 79</b>	<b>1%</b>	<b>\$ 5,468</b>

# Operating Revenues

for the Month Ended December 31, 2011 (Unaudited)



(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
<b>Terminal rent non-airline</b>	\$ 75	\$ 77	\$ 2	2%	\$ 72
<b>Concession revenue:</b>					
<b>Terminal concession revenue:</b>					
Food and beverage	520	547	27	5%	520
Gifts and news	300	301	1	-	286
Other	235	237	2	1%	255
<b>Total terminal concession revenue</b>	<u>1,055</u>	<u>1,085</u>	<u>30</u>	<u>3%</u>	<u>1,061</u>
<b>Car rental and license fee revenue:</b>					
Rental car and license fees	1,349	1,463	114	8%	1,283
License fees-other	229	240	11	5%	202
<b>Total rental car and license fees</b>	<u>1,578</u>	<u>1,703</u>	<u>125</u>	<u>8%</u>	<u>1,485</u>
<b>Total concession revenue</b>	<u>\$ 2,633</u>	<u>\$ 2,788</u>	<u>\$ 155</u>	<u>6%</u>	<u>\$ 2,546</u>

# Operating Revenues

## for the Month Ended December 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
<b>Parking revenue:</b>					
Short-term parking revenue	\$ 753	\$ 409	\$ (344)	(46)%	\$ 649
Long-term parking revenue	1,945	1,863	(82)	(4)%	1,894
<b>Total parking revenue</b>	<b>2,698</b>	<b>2,272</b>	<b>(426)</b>	<b>(16)%</b>	<b>2,543</b>
Ground transportation permits and citations	140	105	(35)	(24)%	53
Ground rentals	575	569	(6)	(1)%	1,372
Grant reimbursements	18	14	(4)	(25)%	17
Other operating revenue	61	67	5	9%	56
Subtotal	3,492	3,027	(465)	(13)%	4,041
<b>Total operating revenues</b>	<b>\$12,274</b>	<b>\$12,045</b>	<b>\$ (229)</b>	<b>(2)%</b>	<b>\$12,127</b>

# Operating Expenses

## for the Month Ended December 31, 2011 (Unaudited)



(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
<b>Operating expenses:</b>					
Salaries and benefits	\$ 4,139	\$ 4,004	\$ 135	3%	\$ 4,389
Contractual services	2,359	2,617	(258)	(11)%	2,225
Safety and security	2,191	2,313	(122)	(6)%	2,345
Space rental	951	952	(1)	-	910
Utilities	513	457	56	11%	506
Maintenance	727	667	60	8%	736
Equipment and systems	69	24	45	65%	75
Materials and supplies	26	21	5	18%	25
Insurance	85	64	21	25%	90
Employee development and support	87	80	7	8%	181
Business development	173	297	(125)	(72)%	170
Equipment rental and repairs	129	89	40	31%	109
<b>Total operating expenses</b>	<b>\$ 11,449</b>	<b>\$ 11,585</b>	<b>\$ (136)</b>	<b>(1)%</b>	<b>\$ 11,761</b>

# Financial Summary

## for the Month Ended December 31, 2011 (Unaudited)

(In thousands)	<b>Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>	<b>% Change</b>	<b>Prior Year</b>
Total operating revenues	\$12,274	\$12,045	\$ (229)	(2)%	\$12,127
Total operating expenses	11,449	11,585	\$ (136)	(1)%	11,761
<b>Income from operations</b>	<b>825</b>	<b>460</b>	<b>(365)</b>	<b>(44)%</b>	<b>366</b>
Depreciation	3,733	3,802	(69)	(2)%	4,111
<b>Operating income (loss)</b>	<b>\$ (2,908)</b>	<b>\$ (3,342)</b>	<b>\$ (434)</b>	<b>(15)%</b>	<b>\$ (3,745)</b>



# Nonoperating Revenues & Expenses for the Month Ended December 31, 2011 (Unaudited)



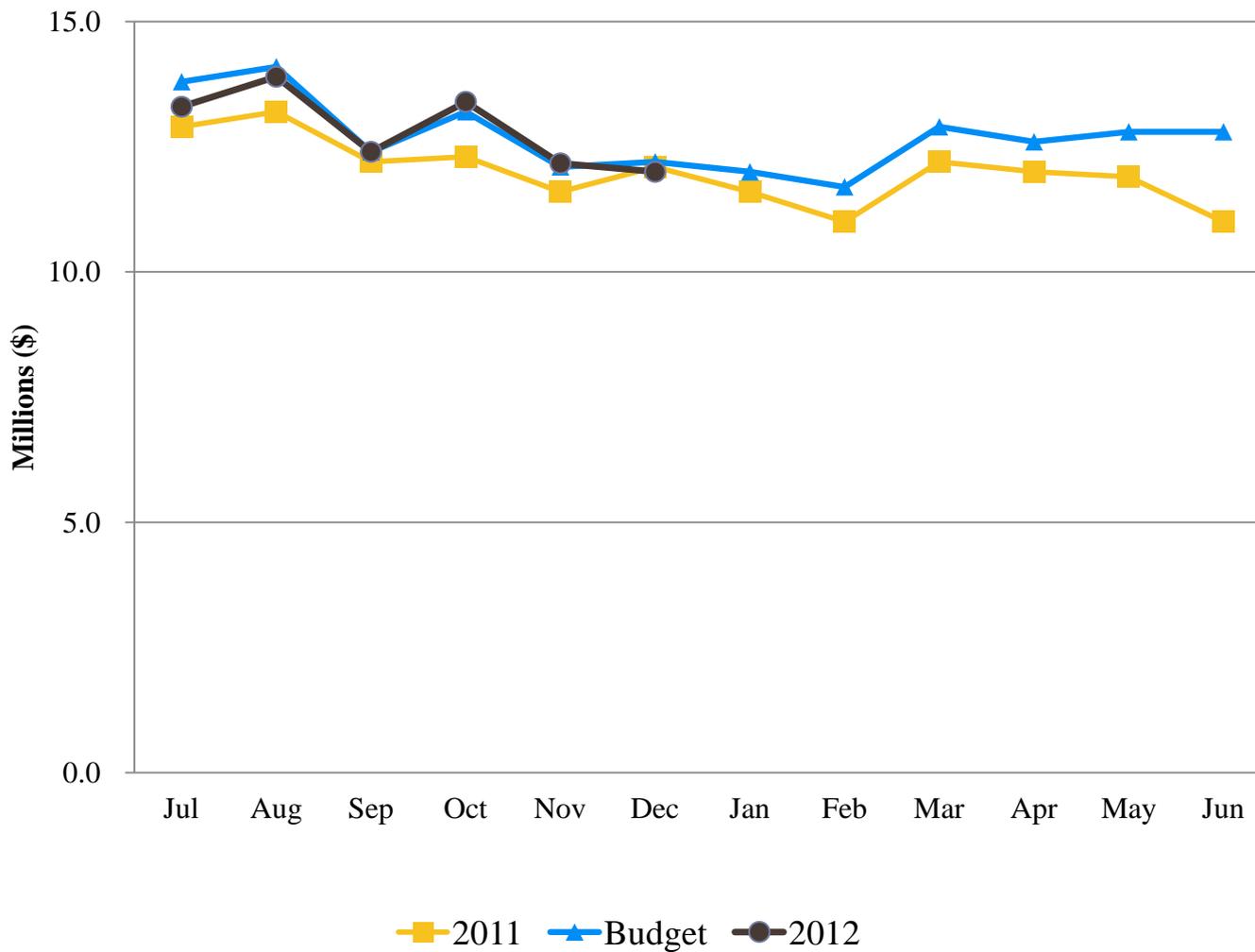
(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
<b>Nonoperating revenues (expenses):</b>					
Passenger facility charges	\$ 2,522	\$ 2,551	\$ 29	1%	\$ 2,462
Customer facility charges (ConRAC Facility)	715	797	82	11%	705
Quieter Home Program	(229)	(169)	59	26%	(205)
Interest income	445	501	56	13%	627
BAB interest rebate	416	416	-	-	398
Interest expense	(1,017)	(370)	647	64%	(1,419)
Bond amortization	54	91	37	69%	54
Other nonoperating revenue (expenses)	-	(298)	(298)	-	473
<b>Nonoperating revenue, net</b>	<b>2,906</b>	<b>3,519</b>	<b>613</b>	<b>21%</b>	<b>3,095</b>
<b>Income before grant contributions</b>	<b>(2)</b>	<b>177</b>	<b>179</b>	<b>-</b>	<b>(650)</b>
Capital grant contributions	2,002	1,858	(144)	(7)%	1,650
<b>Net income</b>	<b>\$ 2,000</b>	<b>\$ 2,035</b>	<b>\$ 35</b>	<b>2%</b>	<b>\$ 1,000</b>

Revenues & Expenses (Unaudited)  
For the Six Months Ended  
December 31, 2011





# Monthly Operating Revenue, FY 2012 (Unaudited)



# Operating Revenues

## for the Six Months Ended December 31, 2011 (Unaudited)



(In thousands)	<b>Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>	<b>% Change</b>	<b>Prior Year</b>
<b>Aviation revenue:</b>					
Landing fees	\$10,119	\$10,048	\$ (71)	(1)%	\$ 9,544
Aircraft parking fees	1,515	1,603	88	6%	1,494
Building rentals	15,954	16,158	204	1%	14,025
Security surcharge	8,366	8,419	53	1%	7,417
Other aviation revenue	790	798	8	1%	797
<b>Total aviation revenue</b>	<b>\$36,744</b>	<b>\$37,026</b>	<b>\$ 282</b>	<b>1%</b>	<b>\$33,277</b>

# Operating Revenues

## for the Six Months Ended December 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
<b>Terminal rent non-airline</b>	\$ 452	\$ 447	\$ (5)	(1)%	\$ 407
<b>Concession revenue:</b>					
<b>Terminal concession revenue:</b>					
Food and beverage	3,055	3,236	181	6%	3,103
Gifts and news	1,987	2,062	75	4%	1,970
Other	1,456	1,453	(3)	-	1,431
<b>Total terminal concession revenue</b>	6,498	6,751	253	4%	6,504
<b>Car rental and license fee revenue:</b>					
Rental car license fees	11,256	12,008	752	7%	10,962
License fees-other	1,360	1,414	54	4%	1,368
Total rental car and license fees	12,616	13,422	806	6%	12,330
<b>Total concession revenue</b>	<b>\$ 19,114</b>	<b>\$ 20,173</b>	<b>\$ 1,059</b>	<b>6%</b>	<b>\$ 18,834</b>

# Operating Revenues

## for the Six Months Ended December 31, 2011 (Unaudited)

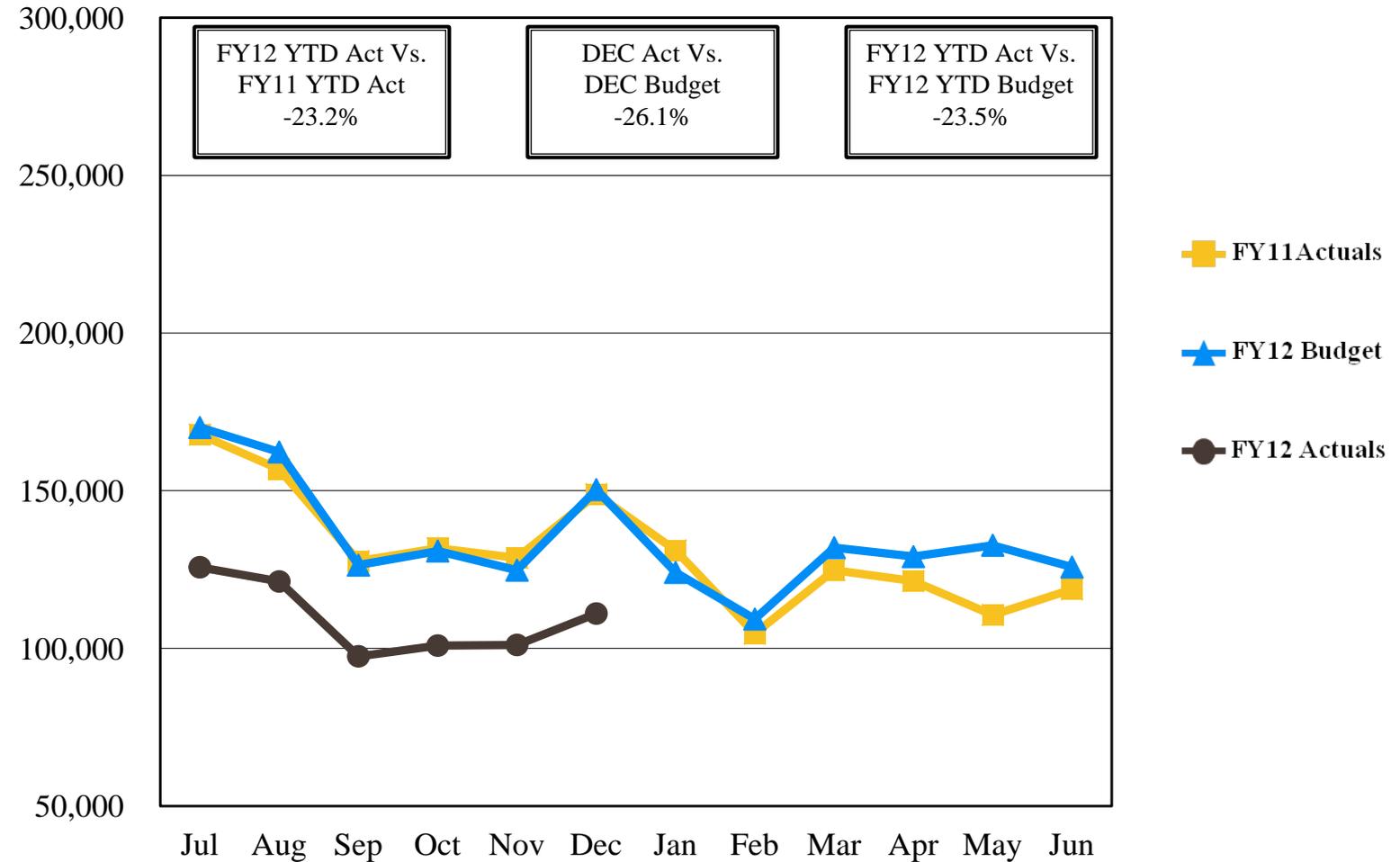
(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
<b>Parking revenue:</b>					
Short-term parking revenue	\$ 4,184	\$ 2,440	\$ (1,744)	(42)%	\$ 3,579
Long-term parking revenue	12,607	12,320	(287)	(2)%	12,578
<b>Total parking revenue</b>	<b>16,791</b>	<b>14,760</b>	<b>(2,031)</b>	<b>(12)%</b>	<b>16,157</b>
Ground transportation permits and citations	833	756	(77)	(9)%	443
Ground rentals	3,336	3,364	28	1%	4,254
Grant reimbursements	108	206	98	91%	408
Other operating revenue	369	447	78	21%	407
Subtotal	21,436	19,533	(1,903)	(9)%	21,668
<b>Total operating revenues</b>	<b>\$77,747</b>	<b>\$77,179</b>	<b>\$ (568)</b>	<b>(1)%</b>	<b>\$74,187</b>



# Airport Parking Transactions



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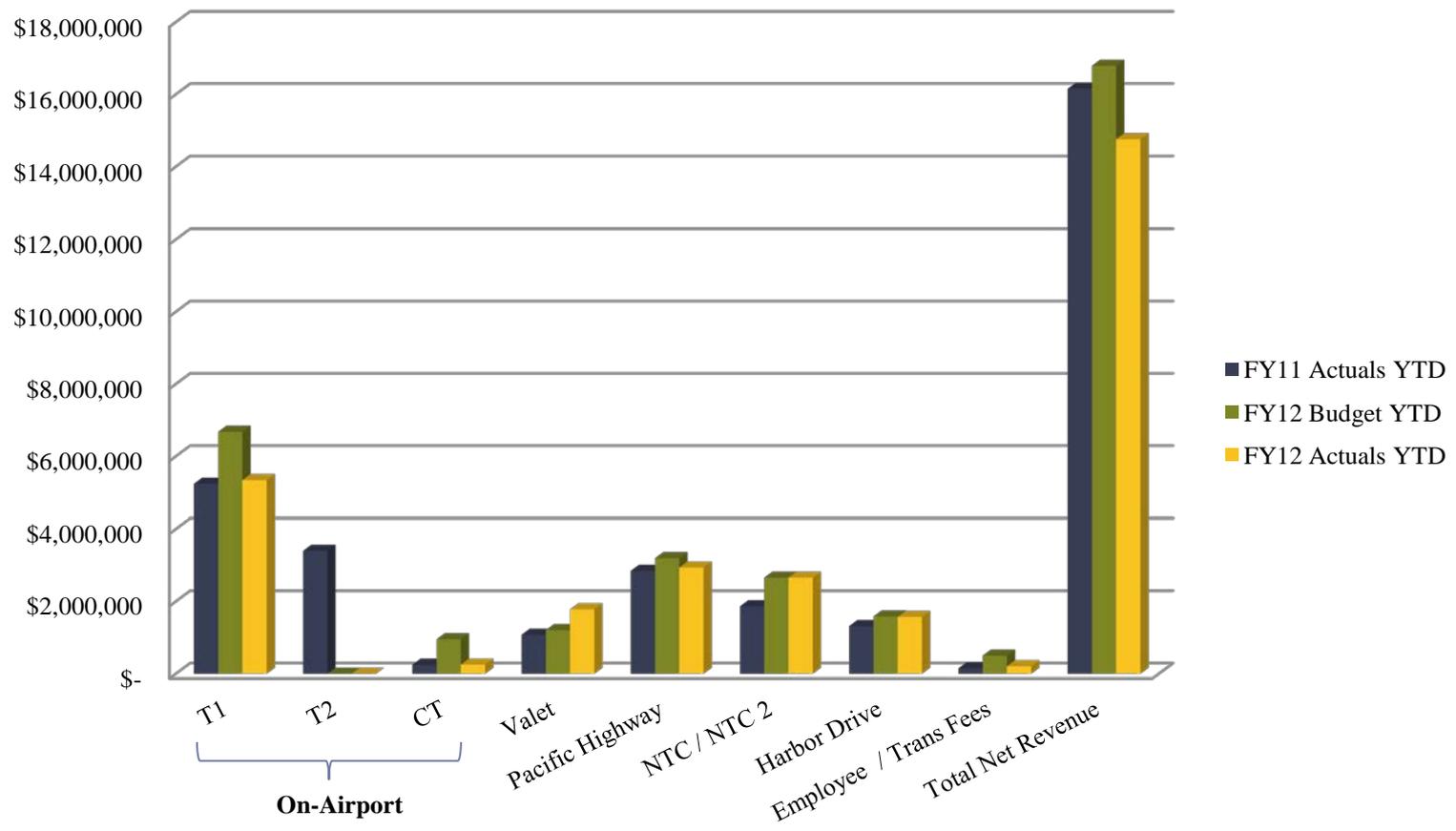




# Parking Revenue



## Parking Revenue (\$) Six Months Ended December 2011

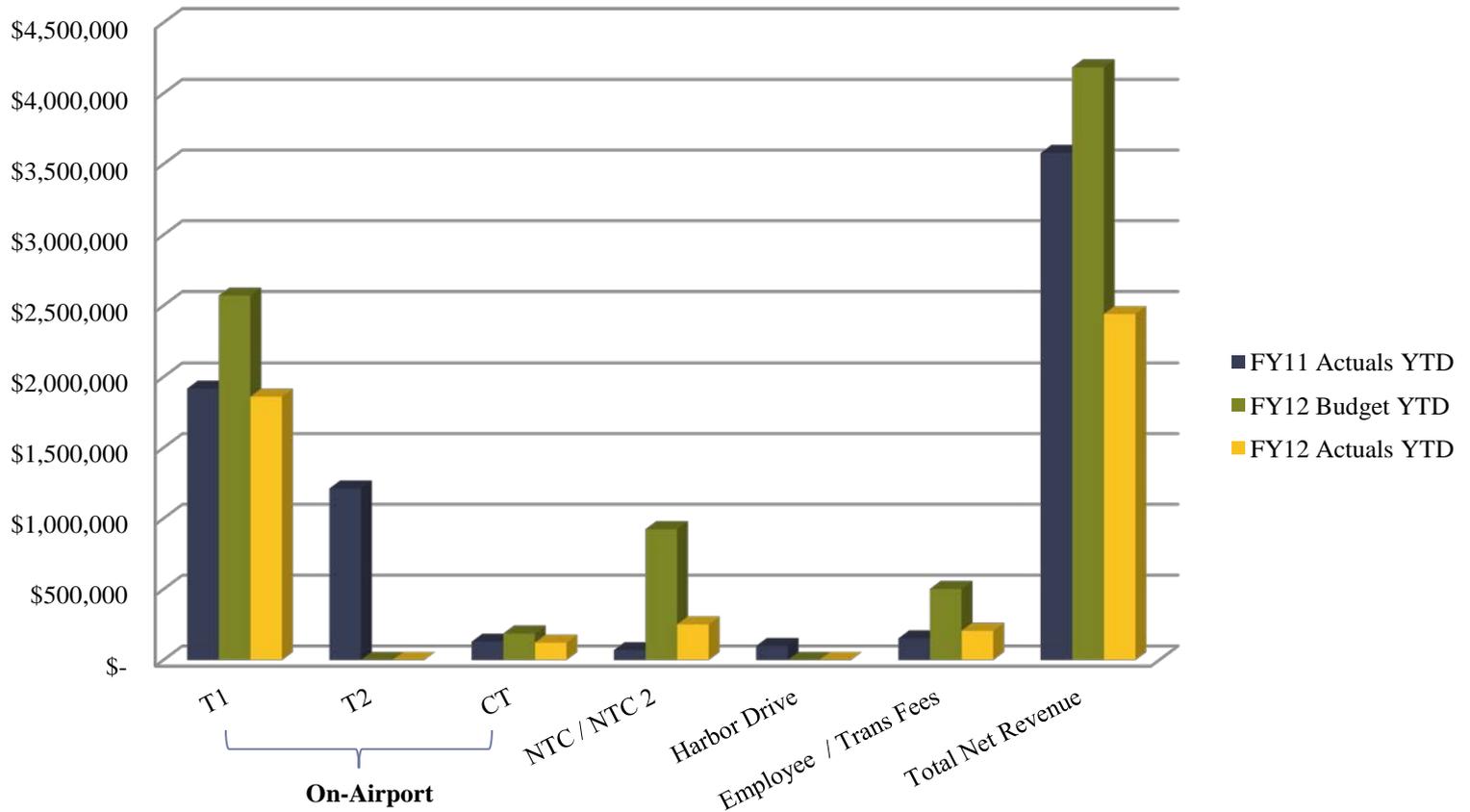




# Short Term Parking Revenue



## Short Term Parking Revenue (\$) Six Months Ended December 2011

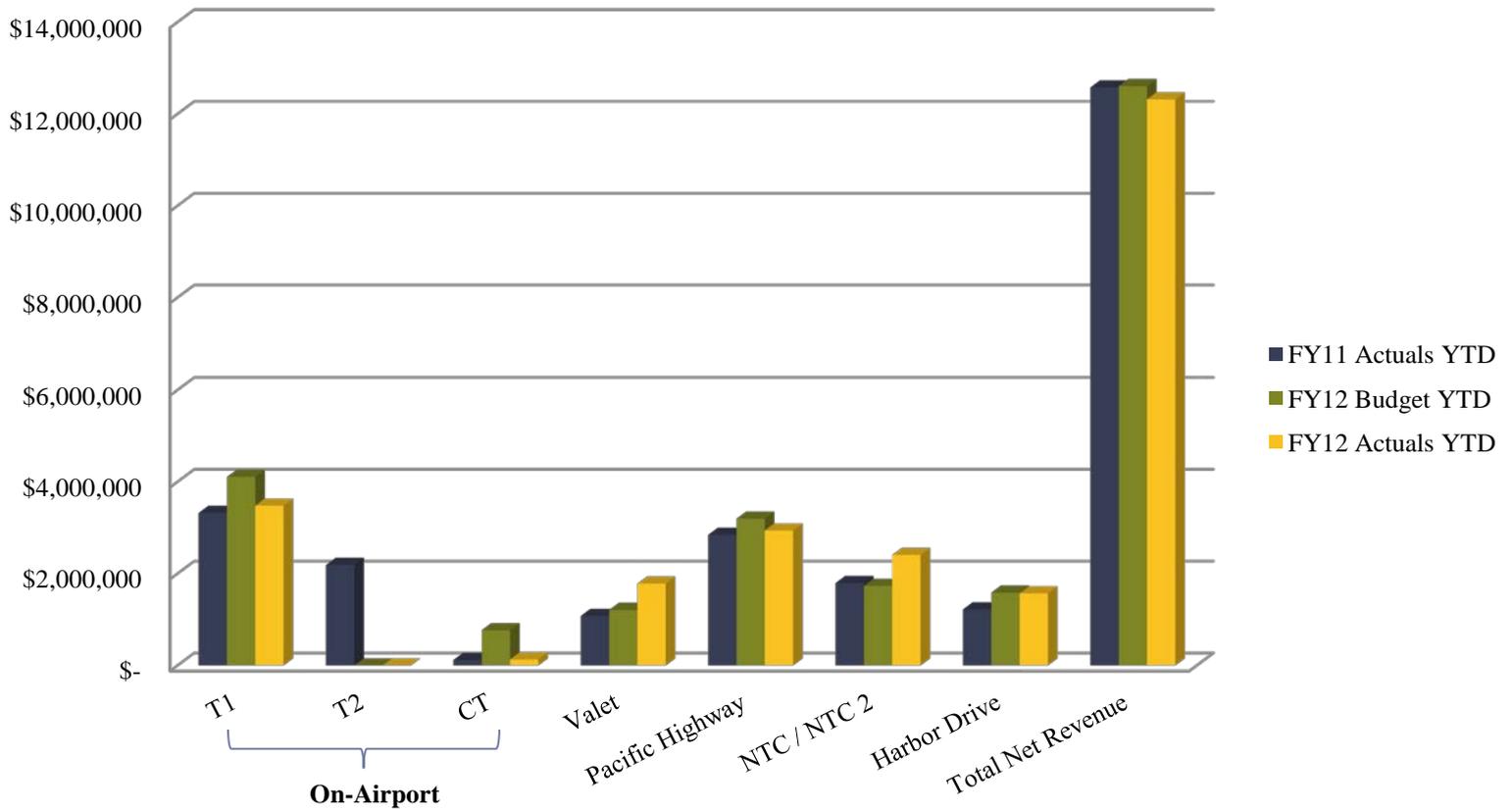




# Long Term Parking Revenue

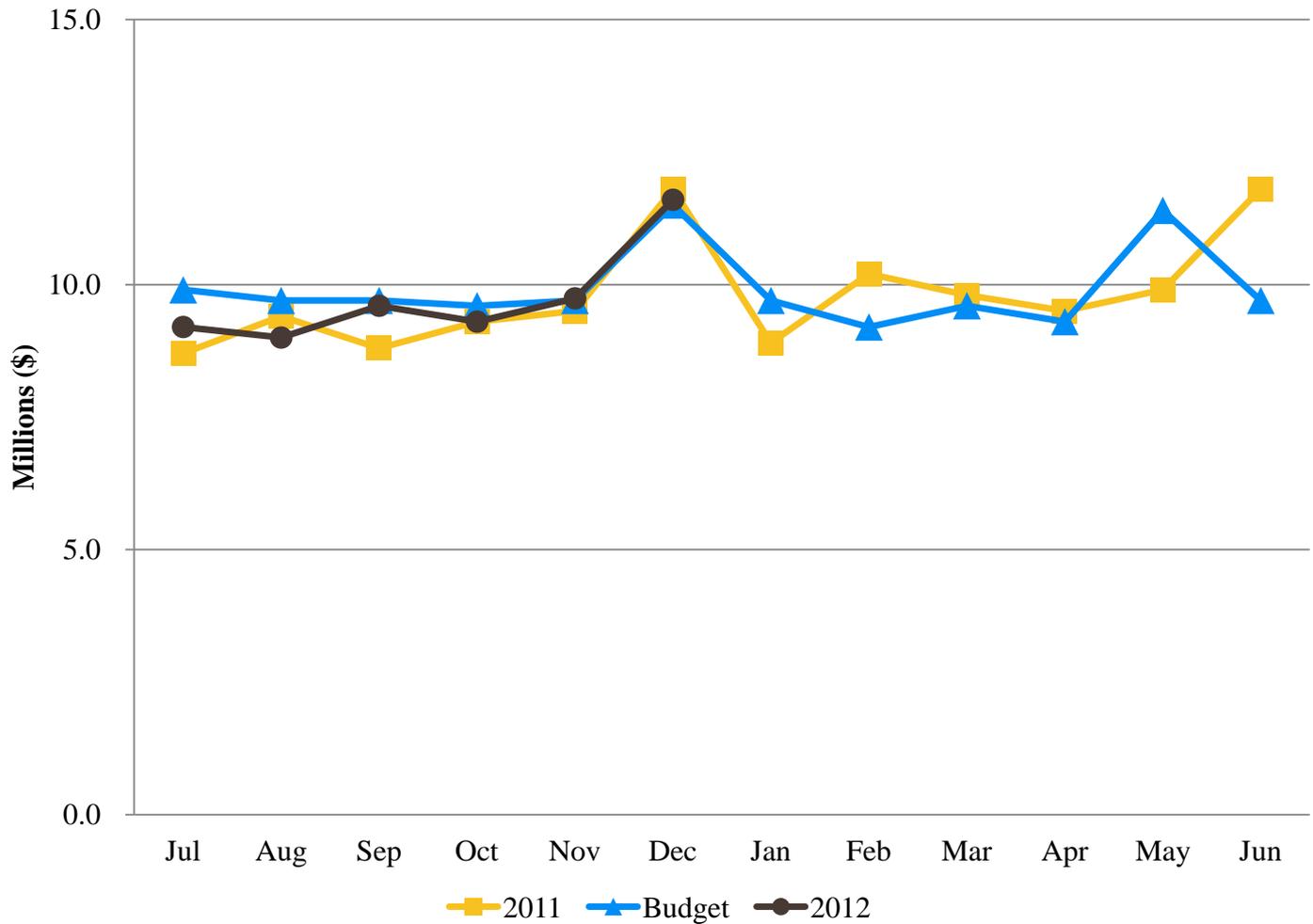


## Long Term Parking Revenue (\$) Six Months Ended December 2011





# Monthly Operating Expenses, FY 2012 (Unaudited)



# Operating Expenses

## for the Six Months Ended December 31, 2011 (Unaudited)



(In thousands)	<b>Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>	<b>% Change</b>	<b>Prior Year</b>
<b>Operating expenses:</b>					
Salaries and benefits	\$18,955	\$17,956	\$ 999	5%	\$18,800
Contractual services	13,702	13,658	44	0%	13,052
Safety and security	10,413	10,999	(586)	(6)%	10,132
Space rental	5,708	5,708	-	-	5,454
Utilities	3,431	3,615	(184)	(5)%	3,290
Maintenance	4,313	3,889	424	10%	3,847
Equipment and systems	192	70	122	64%	278
Materials and supplies	155	102	53	34%	157
Insurance	510	376	134	26%	541
Employee development and support	517	331	186	36%	486
Business development	1,309	905	404	31%	799
Equipment rental and repairs	920	788	132	14%	653
<b>Total operating expenses</b>	<b>\$60,125</b>	<b>\$58,397</b>	<b>\$ 1,728</b>	<b>3%</b>	<b>\$57,489</b>

# Financial Summary

## for the Six Months Ended December 31, 2011 (Unaudited)



(In thousands)	<b>Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>	<b>% Change</b>	<b>Prior Year</b>
Total operating revenues	\$77,747	\$77,179	\$ (568)	(1)%	\$74,187
Total operating expenses	60,125	58,397	1,728	3%	57,489
<b>Income from operations</b>	<b>17,622</b>	<b>18,782</b>	<b>1,160</b>	<b>7%</b>	<b>16,699</b>
Depreciation	23,498	23,511	(13)	-	24,686
<b>Operating income (loss)</b>	<b>\$ (5,876)</b>	<b>\$ (4,729)</b>	<b>\$ 1,147</b>	<b>20%</b>	<b>\$ (7,988)</b>

# Nonoperating Revenues & Expenses for the Six Months Ended December 31, 2011 (Unaudited)



(In thousands)	<b>Budget</b>	<b>Actual</b>	<b>Variance Favorable (Unfavorable)</b>	<b>% Change</b>	<b>Prior Year</b>
<b>Nonoperating revenues (expenses):</b>					
Passenger facility charges	\$ 16,598	\$ 16,765	\$ 167	1%	\$ 16,818
Customer facility charges (ConRAC Facility)	5,200	5,571	371	7%	5,385
Quieter Home Program	(1,506)	(932)	574	38%	(1,705)
Interest income	2,669	3,063	394	15%	2,756
BAB interest rebate	2,498	2,498	-	-	1,193
Interest expense	(6,062)	(2,124)	3,938	65%	(5,132)
Bond amortization	325	514	189	58%	144
Other nonoperating revenue (expenses)	-	652	652	-	655
<b>Nonoperating revenue, net</b>	<b>19,722</b>	<b>26,007</b>	<b>6,285</b>	<b>32%</b>	<b>20,114</b>
<b>Income before grant contributions</b>	<b>13,846</b>	<b>21,278</b>	<b>7,432</b>	<b>54%</b>	<b>12,126</b>
Capital grant contributions	8,227	13,342	5,115	62%	13,530
<b>Net income</b>	<b>\$ 22,073</b>	<b>\$ 34,620</b>	<b>\$ 12,547</b>	<b>57%</b>	<b>\$ 25,656</b>



# Balance Sheets (Unaudited)



(In thousands)

**December**

	<b>2011</b>	<b>2010</b>
<b>Current assets:</b>		
Cash and investments	\$ 93,843	\$ 110,327
Tenant lease receivable, net of allowance of 2011: \$54,982 and 2010: \$30,980	5,193	5,770
Grants receivable	7,710	4,503
Notes receivable-current portion	1,696	1,613
Prepaid expenses and other current assets	8,733	12,368
<b>Total current assets</b>	<b>117,175</b>	<b>134,581</b>
<b>Cash designated for capital projects and other</b>	<b>\$ 8,278</b>	<b>\$ 5,254</b>



# Balance Sheets (Unaudited)



(In thousands)

**December**

**2011**

**2010**

**Restricted assets:**

Cash and investments:

Bonds reserve	\$ 45,098	\$ 45,708
Passenger facility charges and interest unapplied	59,086	68,738
Customer facility charges and interest applied*	25,597	15,472
Commercial paper reserve	41	168
SBD bond guarantee	4,000	4,000
Bond proceeds held by trustee	305,816	429,441
Commercial paper interest held by trustee	13	140
Passenger facility charges receivable	4,187	3,789
Customer facility charges receivable*	864	935
OCIP insurance reserve	6,239	6,400
<b>Total restricted assets</b>	<b>\$ 450,941</b>	<b>\$ 574,791</b>

\*ConRAC Facility



# Balance Sheets (Unaudited)



(In thousands)

**December**

**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**

	<u>2011</u>	<u>2010</u>
	\$ 24,489	\$ 23,454
	274,536	236,947
	465,476	463,108
	11,179	10,211
	5,423	5,469
	30,938	30,099
	2,476	2,411
	455,046	253,592
	<b>1,269,563</b>	<b>1,025,291</b>
	(531,439)	(483,826)
	<b>\$ 738,124</b>	<b>\$ 541,465</b>



# Balance Sheets (Unaudited)



## Other assets:

Notes receivable - long-term portion

Investments - long-term portion

Deferred costs - bonds (net)

Net pension asset

Security deposit

**Total other assets**

**Total noncurrent assets**

**TOTAL ASSETS**

(In thousands)

**December**

	<b>2011</b>	<b>2010</b>
Notes receivable - long-term portion	\$ 42,084	\$ 43,823
Investments - long-term portion	9,045	8,383
Deferred costs - bonds (net)	4,809	5,134
Net pension asset	7,483	8,039
Security deposit	500	-
<b>Total other assets</b>	<b>63,921</b>	<b>65,379</b>
<b>Total noncurrent assets</b>	<b>802,045</b>	<b>606,844</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,378,439</b>	<b>\$ 1,321,470</b>



# Balance Sheets (Unaudited)



	(In thousands)	
	<b>December</b>	
	<b>2011</b>	<b>2010</b>
<b>Current liabilities:</b>		
Accounts payable and accrued liabilities	\$ 58,745	\$ 59,727
Deposits and other current liabilities	3,636	3,285
<b>Total current liabilities</b>	<b>62,381</b>	<b>63,012</b>
<b>Current liabilities - payable from restricted assets:</b>		
Current portion of long-term debt	5,190	4,725
Accrued interest on bonds and commercial paper	16,906	8,818
<b>Total liabilities payable from restricted assets</b>	<b>\$ 22,096</b>	<b>\$ 13,543</b>



# Balance Sheets (Unaudited)



(In thousands)

**December**

**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**

	<b>2011</b>	<b>2010</b>
\$ 20,729	\$ 21,509	
94	406	
1,524	1,188	
629,740	635,702	
<b>652,087</b>	<b>658,805</b>	
<b>\$ 736,564</b>	<b>\$ 735,360</b>	



# Balance Sheets (Unaudited)



	(In thousands)	
	<b>December</b>	
	<b>2011</b>	<b>2010</b>
<b>Authority net assets:</b>		
Invested in capital assets, net of related debt	\$ 386,730	\$ 307,442
Other restricted	154,914	155,055
Unrestricted:		
Designated	15,761	17,293
Undesignated	84,470	106,320
<b>Total net assets</b>	<b>641,875</b>	<b>586,110</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$1,378,439</b>	<b>\$1,321,470</b>



# Questions

