



SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Board Communication

Date: December 11, 2010
To: Board Members
From: Vernon D. Evans, CFO 
Subject: Financial Statements For Five Months Ended November 30, 2010

The attached financial reports include the following:

Balance Sheets as of November 30, 2010 and 2009
 Statement of Revenues and Expenses Compared to Budget for Five Months Ended
 November 30, 2010 and 2009
 Authority Detailed Income Statement-Supplemental Schedule

Year to date analysis:

Total operating revenues are \$125k, or less than a percent below budget primarily due to lower parking revenues. This negative variance is reduced by the retroactive billing on new ground rental agreements with Southwest and UPS.

Total operating expenses are \$3.7m or 8% below budget primarily due to overall timing issues.

Nonoperating revenues, net, are \$1.4m, or 6% below budget primarily due to required accounting treatment of BAB's bonds interest expense. The BAB's interest expense will be capitalized once the project begins.

Capital grant contributions are \$3.5m or 23% below budget due to timing issues. The delay of the apron project was caused by contract award challenges.

A more detailed discussion will be presented at the December 20th finance committee meeting.



SAN DIEGO
INTERNATIONAL
AIRPORT

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Balance Sheets
as of November 30, 2010
(Unaudited)
ASSETS

	November 30	
	2010	2009
Current assets:		
Cash and investments ⁽¹⁾	\$ 103,497,038	\$ 90,319,786
Tenant lease receivable, net of allowance of 2010: \$20,055 and 2009: \$197,737	4,829,689	5,149,689
Grants receivable	4,549,044	4,015,851
Notes receivable-current portion	1,612,790	1,665,829
Prepaid expenses and other current assets	11,600,056	9,717,853
Total current assets	126,088,617	110,869,008
Cash designated for capital projects and other ⁽¹⁾	2,714,159	9,438,409
Restricted assets:		
Cash and investments:		
Bonds reserve ⁽¹⁾	45,707,776	47,302,857
Passenger facility charges and interest unapplied ⁽¹⁾	65,403,983	61,773,033
Customer facility charges and interest unapplied ^{(1)*}	14,846,831	5,226,900
Commercial paper reserve ⁽¹⁾	167,815	237,928
SBD Bond Guarantee ⁽¹⁾	4,000,000	4,000,000
Bond proceeds held by trustee ⁽¹⁾	440,507,974	5,513,174
Commercial paper interest held by trustee ⁽¹⁾	139,785	36,488
Passenger facility charges receivable	3,847,419	2,800,061
Customer facility charges receivable*	828,183	976,764
OCIP insurance reserve	6,400,000	5,282,463
Total restricted assets	581,849,766	133,149,668
Noncurrent assets:		
Capital assets:		
Land and land improvements	23,453,560	23,581,619
Runways, roads and parking lots	235,606,452	229,216,438
Buildings and structures	463,051,436	418,051,685
Machinery and equipment	10,193,340	7,770,763
Vehicles	5,468,836	4,982,699
Office furniture and equipment	30,077,895	24,191,619
Works of art	2,410,518	2,175,217
Construction-in-progress	234,349,760	146,817,422
Total capital assets	1,004,611,797	856,787,462
Less accumulated depreciation	(479,714,514)	(439,841,643)
Total capital assets, net	524,897,283	416,945,819
Other assets:		
Notes receivable - long-term portion	43,953,591	45,603,201
Investments-long-term portion ⁽¹⁾	8,383,088	18,417,261
Deferred costs - bonds (net)	4,904,883	828,285
Net pension asset	8,085,283	3,892,522
Total other assets	65,326,845	68,741,269
Total noncurrent assets	590,224,128	485,687,088
TOTAL ASSETS	\$ 1,300,876,670	\$ 739,144,173

⁽¹⁾ Total cash and investments, \$685,366,499 2010 and \$242,265,836 2009

* ConRAC Facility

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Balance Sheets
as of November 30, 2010
(Unaudited)

LIABILITIES AND NET ASSETS

	November 30	
	2010	2009
Current liabilities:		
Accounts payable and accrued liabilities	\$ 42,502,000	\$ 39,707,729
Deposits and other current liabilities	3,518,411	3,261,826
Total current liabilities	46,020,411	42,969,555
 Current liabilities - payable from restricted assets:		
Current portion of long-term debt	4,725,000	3,105,000
Accrued interest on bonds and commercial paper	6,097,896	1,173,125
Total liabilities payable from restricted assets	10,822,896	4,278,125
 Long-term liabilities:		
Commercial paper notes payable	21,509,000	114,430,000
Deferred rent liability	450,676	987,745
Other long-term liabilities	1,187,954	1,090,385
Long term debt - bonds net of amortized premium	635,774,932	41,176,288
Total long-term liabilities	658,922,562	157,684,418
Total liabilities	715,765,869	204,932,098
 Authority net assets:		
Invested in capital assets, net of related debt	302,789,581	264,607,399
Other restricted	151,578,419	136,254,668
Unrestricted:		
Designated	14,799,442	17,330,931
Undesignated	115,943,359	116,019,077
Total net assets	585,110,801	534,212,075
TOTAL LIABILITIES AND NET ASSETS	\$ 1,300,876,670	\$ 739,144,173

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Statement of Revenues and Expenses Compared to Budget
For the Five Months Ended November 30, 2010 and 2009
(Unaudited)

	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Operating revenues:					
Aviation revenue:					
Landing fees	\$ 8,248,349	\$ 8,017,760	\$ (230,589)	(3)%	\$ 8,339,755
Aircraft parking fees	1,177,500	1,248,841	71,341	6%	1,458,317
Building rentals	11,572,324	11,692,525	120,201	1%	10,699,450
Security surcharge	6,160,625	6,185,568	24,943	0%	5,011,636
Other aviation revenue	660,773	663,908	3,135	0%	662,165
Terminal rent non-airline	361,750	334,550	(27,200)	(8)%	329,378
Terminal concessions	5,510,620	5,443,681	(66,939)	(1)%	5,186,130
Rental car license fees	9,435,979	9,679,263	243,284	3%	9,473,155
License fees other	1,351,746	1,165,541	(186,205)	(14)%	1,172,201
Parking revenue	14,116,648	13,613,919	(502,729)	(4)%	13,008,189
Ground transportation permits and citations	264,440	390,553	126,113	48%	200,192
Ground rentals	2,569,243	2,881,576	312,333	12%	2,476,030
Grant reimbursements	452,816	390,508	(62,308)	(14)%	544,863
Other operating revenue	300,580	350,467	49,887	17%	197,321
Total operating revenues	62,183,393	62,058,660	(124,733)	(0)%	58,758,782
Operating expenses:					
Salaries and benefits	15,012,792	14,410,796	601,996	4%	13,481,751
Contractual services	12,376,716	10,826,881	1,549,835	13%	11,217,407
Safety and security	8,098,562	7,786,461	312,101	4%	7,841,767
Space rental	4,544,591	4,544,168	423	0%	4,542,662
Utilities	3,163,155	2,783,372	379,783	12%	3,090,934
Maintenance	3,376,590	3,110,303	266,287	8%	4,105,462
Equipment and systems	228,844	203,001	25,843	11%	230,641
Materials and supplies	166,681	131,549	35,132	21%	157,247
Insurance	509,479	451,110	58,369	11%	491,140
Employee development and support	476,689	305,251	171,438	36%	292,243
Business development	899,111	628,988	270,123	30%	752,482
Equipment rentals and repairs	619,390	543,531	75,859	12%	629,508
Total operating expenses	49,472,600	45,725,411	3,747,189	8%	46,833,244
Depreciation	21,125,483	20,574,695	550,788	3%	16,454,059
Operating income (loss)	(8,414,690)	(4,241,446)	4,173,244	50%	(4,528,521)
Nonoperating revenue (expenses):					
Passenger facility charges	14,629,608	14,356,325	(273,283)	(2)%	14,648,027
Customer facility charges (ConRAC Facility)	4,485,445	4,679,541	194,096	4%	4,666,315
Quieter Home Program	(1,526,182)	(1,500,000)	26,182	2%	(1,025,045)
Interest income	2,492,725	2,129,172	(363,553)	(15)%	3,459,234
BAB interest rebate	-	795,276	795,276	0%	-
Interest expense	(1,836,051)	(3,712,601)	(1,876,550)	(102)%	(1,104,571)
Bond amortization cost	(60,353)	89,880	150,233	249%	(30,632)
Other nonoperating income (expenses)	(16,667)	181,700	198,367	1190%	(874,665)
Nonoperating revenue, net	18,168,525	17,019,293	(1,149,232)	(6)%	19,738,663
Income before capital grant contributions	9,753,835	12,777,847	3,024,012	31%	15,210,142
Capital grant contributions	15,396,611	11,880,536	(3,516,075)	(23)%	5,819,357
Net income	\$ 25,150,446	\$ 24,658,383	\$ (492,063)	(2)%	\$ 21,029,499



San Diego County Regional Airport Authority
Authority Detail Income Statement - Supplemental Schedule
For the five months ended November 30, 2010
(Unaudited)

Print Date: 12/13/2010
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	Month to Date				Year to Date			
	Budget	Actual	Variance Favorable (Unfavorable)	Percent	Prior Year Actual	Variance Favorable (Unfavorable)	Percent	Prior Year Actual
Landing Fees								
41111 - Landing Fees - Non Signatory	\$0	\$0	\$0	0	\$937	\$0	0	\$6,404
41112 - Landing Fees - Signatory	1,527,902	1,513,427	(14,475)	(1)	1,540,543	8,088,054	(243,228)	8,339,755
41113 - Landing Fee Rebate	(20,900)	(13,172)	7,728	37	0	(70,294)	12,639	0
Total Landing Fees	1,507,002	1,500,255	(6,747)	0	1,541,480	8,017,760	(230,589)	8,346,159
Aircraft Parking Fees								
41150 - Terminal Aircraft Parking	183,692	188,400	4,708	3	216,047	956,821	38,361	1,096,438
41155 - Remote Aircraft Parking	51,808	56,520	4,712	9	70,215	292,020	32,980	376,415
Total Aircraft Parking Fees	235,500	244,920	9,420	4	286,262	1,248,841	71,341	1,472,852
Building and Other Rents								
41210 - Terminal Rent	2,307,433	2,314,811	7,378	0	2,181,231	11,657,200	120,035	10,959,199
41215 - Federal Inspection Services	3,989	7,065	3,076	77	9,584	35,325	15,166	46,919
41220 - Fuel Farm Rent	0	0	0	0	0	0	0	0
41240 - Other Buildings	0	0	0	0	0	15,000	(15,000)	22,710
Total Building and Other Rents	2,311,422	2,321,876	10,454	0	2,190,815	11,692,525	120,201	11,028,828
Security Surcharge								
41310 - Airside Security Charges	410,225	410,225	0	0	385,970	2,058,879	7,754	1,948,066
41320 - Terminal Security Charges	821,900	821,899	(1)	0	606,442	4,126,689	17,189	3,063,570
Total Security Surcharge	1,232,125	1,232,124	(1)	0	992,412	6,185,569	24,944	5,011,636
Other Aviation Revenue								
43100 - Fuel Franchise Fees	10,504	9,031	(1,473)	(14)	13,623	69,153	3,130	67,410
43105 - New Capital Recovery	118,950	118,951	1	0	118,951	594,755	5	594,755
Total Other Aviation Revenue	129,454	127,982	(1,472)	(1)	132,574	663,908	3,135	662,165
Non-Airline Terminal Rents								
45010 - Terminal Rent - Non-Airline	72,350	66,910	(5,440)	(8)	0	334,550	(27,200)	0
Total Non-Airline Terminal Rents	72,350	66,910	(5,440)	(8)	0	334,550	(27,200)	0
Concession Revenue								
45110 - Terminal Concessions	1,019,870	1,009,412	(10,458)	(1)	977,991	5,443,681	(66,939)	5,186,130
45120 - Car Rental License Fees	1,479,092	1,479,364	272	0	1,677,175	9,679,263	243,284	9,473,155
45130 - License Fees - Other	255,483	209,786	(45,697)	(18)	211,981	1,165,541	(186,205)	1,172,201
Total Concession Revenue	2,754,445	2,698,563	(55,882)	(2)	2,867,146	16,288,485	(9,860)	15,831,486

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	Month to Date				Year to Date					
	Budget	Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual	Budget	Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual
Benefits										
54110 - FICA Tax	\$135,379	\$132,839	\$2,540	2	\$133,973	\$753,602	\$717,390	\$36,212	5	\$722,880
54120 - Unemployment Insurance-State	0	6,783	(6,783)	0	28,564	0	8,209	(8,209)	0	44,595
54130 - Workers Compensation Insurance	38,378	30,318	8,059	21	27,374	193,698	172,667	21,031	11	172,444
54135 - Workers Comp Incident Expense	0	0	0	0	1,712	0	15,340	(15,340)	0	2,518
54210 - Medical Insurance	393,851	248,089	145,762	37	209,546	1,969,257	1,229,902	739,355	38	1,024,628
54220 - Dental Insurance	21,547	20,050	1,497	7	19,878	107,817	99,173	8,645	8	97,905
54230 - Vision Insurance	3,004	2,848	156	5	2,748	15,020	14,100	920	6	13,628
54240 - Life Insurance	4,360	4,110	250	6	6,295	21,779	19,961	1,818	8	31,130
54250 - Short Term Disability	19,827	9,094	10,733	54	10,203	99,195	45,072	54,123	55	50,433
54310 - Retirement	591,110	479,897	111,213	19	384,355	2,972,959	2,396,783	576,176	19	1,939,043
54315 - Medical Retirement Benes	0	149,025	(149,025)	0	120,750	0	745,125	(745,125)	0	603,750
54320 - Amortization of Retirement-Oth	0	46,359	(46,359)	0	25,063	0	231,797	(231,797)	0	125,315
54410 - Taxable Benefits	2,122	2,546	(425)	(20)	0	10,577	5,161	5,415	51	0
54430 - Accrued Vacation	0	8,682	(8,682)	0	(6,477)	0	(53,340)	53,340	0	(80,474)
54440 - Relocation	21,375	0	21,375	100	0	26,875	0	26,875	100	0
Total Benefits	1,230,952	1,140,642	90,311	7	963,985	6,170,779	5,647,341	523,439	8	4,747,795
Cap Labor/Burden/OH Recharge										
54510 - Capitalized Labor Recharge	(415,448)	(93,915)	(321,532)	(77)	(109,458)	(2,117,050)	(551,720)	(1,565,330)	(74)	(588,747)
54515 - Capitalized Burden Recharge	0	(37,453)	37,453	0	(39,447)	0	(226,731)	226,731	0	(224,929)
Total Cap Labor/Burden/OH Recharge	(415,448)	(131,368)	(284,079)	(68)	(148,905)	(2,117,050)	(778,451)	(1,338,599)	(63)	(813,676)
QHP Labor/Burden/OH Recharge										
54520 - QHP Labor Recharge	(79,906)	(40,515)	(39,391)	(49)	(49,958)	(405,871)	(201,967)	(203,905)	(50)	(249,114)
54525 - QHP Burden Recharge	0	(18,779)	18,779	0	(19,811)	0	(90,809)	90,809	0	(103,986)
54526 - QHP OH Contra Acct FY07	0	(11,475)	11,475	0	(10,982)	0	(56,708)	56,708	0	(47,087)
Total QHP Labor/Burden/OH Recharge	(79,906)	(70,769)	(9,137)	(11)	(80,752)	(405,871)	(349,483)	(56,388)	(14)	(400,187)
MM&JS Labor/Burden/OH Recharge										
54530 - MM & JS Labor Recharge	0	(952)	952	0	(10)	0	(12,799)	12,799	0	(10)
54531 - Joint Studies-Labor(writeoff)	0	952	(952)	0	10	0	12,799	(12,799)	0	1,763
54535 - MM & JS Burden Recharge	0	(361)	361	0	(4)	0	(5,220)	5,220	0	(4)
54536 - Maintenance-Burden	0	361	(361)	0	4	0	5,220	(5,220)	0	574
54599 - OH Contra	0	(164,359)	164,359	0	(139,002)	0	(663,353)	663,353	0	(687,593)
Total MM&JS Labor/Burden/OH Recharge	0	(164,359)	164,359	0	(139,002)	0	(663,353)	663,353	0	(685,270)

San Diego County Regional Airport Authority
Authority Detail Income Statement - Supplemental Schedule
For the five months ended November 30, 2010
(Unaudited)

Print Date: 12/13/2010
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	Month to Date				Year to Date			
	Budget	Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual	Budget	Actual	Variance Favorable (Unfavorable)
Total Personnel Expenses	2,985,292	2,885,619	99,673	3	2,730,585	15,012,792	14,410,798	601,994
Non-Personnel Expenses								4
Contract Services								
61100 - Temporary Staffing	\$36,502	\$18,955	\$17,547	48	\$61,113	\$211,386	\$159,284	\$52,102
61110 - Auditing Services	35,000	6,000	29,000	83	(918)	140,000	110,300	29,700
61120 - Legal Services	100,000	97,300	2,700	3	48,950	500,000	250,702	249,298
61130 - Services - Professional	908,605	737,356	171,250	19	808,689	5,113,486	3,428,264	1,685,223
61150 - Outside Svs - Other	209,231	294,482	(85,250)	(41)	204,568	1,239,427	1,086,904	152,523
61160 - Services - Custodial	1,246,361	1,361,300	(114,940)	(9)	1,283,747	5,705,015	6,168,062	(463,047)
61990 - OH Contra	0	(67,335)	67,335	0	(103,096)	0	(376,635)	376,635
61998 - Capitalized OH Contra	(106,520)	0	(106,520)	(100)	0	(532,598)	0	(532,598)
Total Contract Services	2,429,180	2,448,058	(18,878)	(1)	2,303,054	12,376,716	10,826,881	1,549,836
Safety and Security								13
61170 - Services - Fire, Police, Rescu	347,544	431,600	(84,057)	(24)	349,657	1,831,161	2,030,138	(198,977)
61180 - Services - SDUPD	1,109,612	1,045,029	64,583	6	1,070,280	5,478,541	5,129,885	348,656
61185 - Guard Services	149,244	61,119	88,125	59	148,862	788,860	626,438	162,422
Total Safety and Security	1,606,399	1,537,749	68,651	4	1,568,798	8,098,563	7,786,462	312,101
Space Rental								4
62100 - Rent	908,678	945,925	(37,247)	(4)	945,481	4,544,591	4,731,698	(187,107)
62199 - Rent Amortization	0	(37,506)	37,506	0	(37,506)	0	(187,530)	187,530
Total Space Rental	908,678	908,419	259	0	907,975	4,544,591	4,544,168	424
Utilities								0
63100 - Telephone & Other Communicatio	40,537	38,101	2,436	6	24,141	202,955	214,784	(11,829)
63110 - Utilities - Gas & Electric	450,040	421,418	28,622	6	285,697	2,625,200	2,245,429	379,771
63120 - Utilities - Water	45,000	49,759	(4,759)	(11)	44,934	335,000	323,159	11,841
Total Utilities	535,577	509,278	26,299	5	354,771	3,163,155	2,783,372	379,783
								12
								3,090,935

San Diego County Regional Airport Authority
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(Unaudited)

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		Month to Date				Year to Date					
		Budget	Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual	Budget	Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual
Maintenance											
64100 - Facilities Supplies		\$54,825	\$48,175	\$6,650	12	\$43,354	\$312,825	\$300,639	\$12,186	4	\$244,757
64110 - Maintenance - Annual Repair		514,035	367,867	146,168	28	443,311	2,375,765	2,450,037	(74,272)	(3)	3,255,135
64122 - Contractor Labor		0	392	(392)	0	0	0	392	(392)	0	0
64123 - Contractor Burden		0	499	(499)	0	0	0	499	(499)	0	0
64124 - Maintenance-Overhead		0	862	(862)	0	0	0	3,046	(3,046)	0	51
64125 - Major Maintenance - Materials		50,000	17,994	32,006	64	5,897	500,000	104,381	395,619	79	332,155
64127 - Contract Overhead (contra)		0	9,466	(9,466)	0	0	0	9,842	(9,842)	0	0
64140 - Refuse & Hazardous Waste Dis		37,000	141,390	(104,390)	(282)	92,229	188,000	241,467	(53,467)	(28)	273,364
Total Maintenance		655,860	586,644	69,216	11	584,790	3,376,590	3,110,304	266,286	8	4,105,461
Equipment and Systems											
65100 - Equipment & Systems		68,303	97,564	(29,261)	(43)	110,838	247,187	208,711	38,476	16	262,628
65101 - OH Contra		0	(2,071)	2,071	0	(6,636)	(18,343)	(5,710)	(12,633)	(69)	(31,987)
Total Equipment and Systems		68,303	95,492	(27,189)	(40)	104,202	228,844	203,002	25,842	11	230,641
Materials and Supplies											
65110 - Office & Operating Supplies		37,454	51,481	(14,027)	(37)	12,847	168,842	116,411	52,432	31	128,528
65120 - Safety Equipment & Supplies		3,621	3,836	(215)	(6)	2,763	25,004	17,939	7,065	28	27,668
65130 - Tools - Small		1,500	453	1,047	70	1,884	9,000	6,547	2,453	27	17,699
65199 - OH Contra		(7,233)	(1,913)	(5,320)	(74)	(2,584)	(36,165)	(9,348)	(26,817)	(74)	(16,648)
Total Materials and Supplies		35,341	53,857	(18,516)	(52)	14,910	166,681	131,548	35,133	21	157,248
Insurance											
67170 - Insurance - Property		30,271	29,484	787	3	27,109	151,354	147,419	3,935	3	135,543
67171 - Insurance - Liability		36,667	25,083	11,583	32	36,813	183,333	125,416	57,917	32	184,300
67172 - Insurance - Public Officials L		26,250	23,239	3,011	11	25,505	131,250	116,194	15,056	11	127,685
67173 - Insurance Miscellaneous		8,458	12,336	(3,878)	(46)	9,296	42,292	62,081	(19,790)	(47)	43,612
67199 - Insurance - Claims		250	0	250	100	0	1,250	0	1,250	100	0
Total Insurance		101,896	90,142	11,754	12	98,722	509,479	451,111	58,369	11	491,140

San Diego County Regional Airport Authority
Authority Detail Income Statement - Supplemental Schedule
For the five months ended November 30, 2010
(Unaudited)

Print Date: 12/13/2010
Print Time: 3:24:03PM
Report ID: GL0012

	Month to Date				Year to Date			
	Budget	Actual	Variance		Actual	Variance		
			Favorable (Unfavorable)	Percent		Favorable (Unfavorable)	Percent	

San Diego County Regional Airport Authority
Authority Detail Income Statement - Supplemental Schedule
For the five months ended November 30, 2010
(Unaudited)

Print Date: 12/13/2010
Print Time: 3:24:03PM
Report ID: GL0012

	Month to Date				Year to Date					
	Budget	Actual	Variance Favorable (Unfavorable)	Percent	Prior Year Actual	Budget	Actual	Variance Favorable (Unfavorable)	Percent	Prior Year Actual
Depreciation and Amortization										
69110 - Depreciation Expense	\$4,369,917	\$4,109,739	\$260,178	6	\$3,293,624	\$21,125,483	\$20,574,695	\$550,788	3	\$16,454,059
Total Depreciation and Amortization	4,369,917	4,109,739	260,178	6	3,293,624	21,125,483	20,574,695	550,788	3	16,454,059
Non-Operating Revenue/(Expense)										
Passenger Facility Charges										
71110 - Passenger Facility Charges	2,687,001	2,828,328	141,327	5	2,937,190	14,629,608	14,356,325	(273,283)	(2)	14,648,027
Total Passenger Facility Charges	2,687,001	2,828,328	141,327	5	2,937,190	14,629,608	14,356,325	(273,283)	(2)	14,648,027
Customer Facility Charges										
71120 - Customer Facility Charges	815,110	836,768	21,658	3	914,529	4,485,445	4,679,541	194,096	4	4,666,315
Total Customer Facility Charges	815,110	836,768	21,658	3	914,529	4,485,445	4,679,541	194,096	4	4,666,315
Quilter Home Program										
71212 - Quieter Home - Labor	0	(40,515)	(40,515)	0	(49,958)	0	(201,967)	(201,967)	0	(249,114)
71213 - Quieter Home - Burden	0	(18,779)	(18,779)	0	(19,811)	0	(90,809)	(90,809)	0	(103,986)
71214 - Quieter Home - Overhead	0	(11,475)	(11,475)	0	(10,982)	0	(56,708)	(56,708)	0	(47,087)
71215 - Quieter Home - Material	(1,600,066)	(1,734,640)	(134,574)	(8)	(1,998,110)	(7,061,006)	(8,057,907)	(996,901)	(14)	(10,175,637)
71216 - Quieter Home Program	1,289,312	1,443,240	153,928	12	1,917,316	5,691,074	7,264,195	1,573,121	28	9,807,360
71217 - Contract Labor	0	(28,733)	(28,733)	0	(22,589)	0	(145,647)	(145,647)	0	(110,673)
71218 - Contractor Burden	0	(36,569)	(36,569)	0	(29,366)	0	(185,213)	(185,213)	0	(143,772)
71222 - Contractor Labor	0	0	0	0	0	0	(3,040)	(3,040)	0	0
71223 - Contractor Burden	0	0	0	0	0	0	(3,867)	(3,867)	0	0
71224 - Joint Studies Overhead	0	(229)	(229)	0	(11)	0	(4,332)	(4,332)	0	(1,993)
71225 - Joint Studies - Material	(31,250)	0	31,250	100	0	(156,250)	(7,525)	148,725	95	(98)
71226 - Contractor Overhead	0	0	0	0	0	0	(7,180)	(7,180)	0	(45)
Total Quilter Home Program	(342,004)	(427,701)	(85,697)	(25)	(213,513)	(1,526,182)	(1,500,000)	26,182	2	(1,025,046)
Interest Income										
71310 - Interest - Investments	290,187	210,557	(79,630)	(27)	323,151	1,450,935	956,921	(494,014)	(34)	2,247,897
71330 - Interest - Commercial Paper	0	0	0	0	4	0	0	0	0	7
71340 - Interest - Note Receivable - S	208,358	204,766	(3,592)	(2)	213,460	1,041,790	1,056,922	15,132	1	1,093,742
71350 - Interest - Other	0	0	0	0	(1,349)	0	(688)	(688)	0	1,571
71360 - Interest - Bonds	0	23,203	23,203	0	23,203	0	116,017	116,017	0	116,017
Total Interest Income	498,545	438,527	(60,018)	(12)	558,469	2,492,725	2,129,172	(363,553)	(15)	3,459,235

Print Date: 12/13/2010
Print Time: 3:24:03PM
Report ID: GL0012

Data Date: 12/13/2010 **3:18:13PM**
DataSource: ARP

Print Date: 12/13/2010
Print Time: 3:24:03PM
Report ID: GL0012

Data Date: 12/13/2010 3:18:13PM
DataSource: ARP



Item 3

San Diego County Regional Airport Authority

Review of the Unaudited Financial Statements for the Five Months Ended November 30, 2010

Presented by:

Vernon D. Evans, CPA

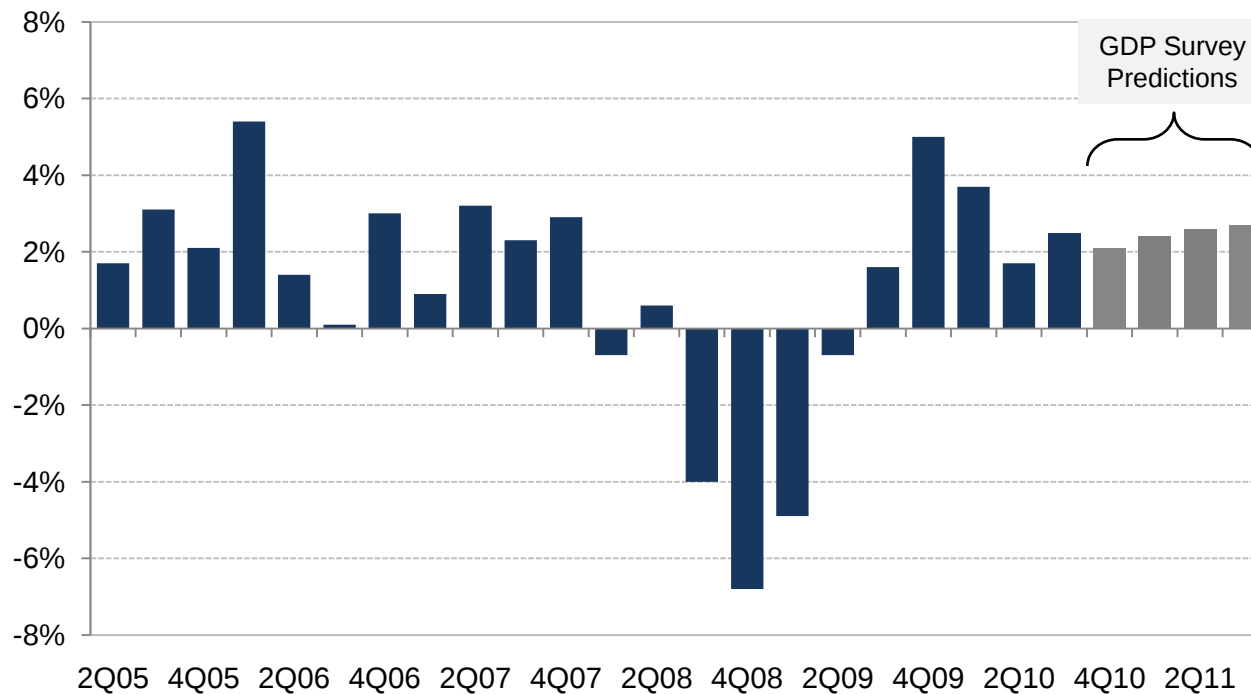
Vice-President-Finance/Treasurer and CFO

December 20, 2010

3rd Quarter 2010 GDP Revised Higher

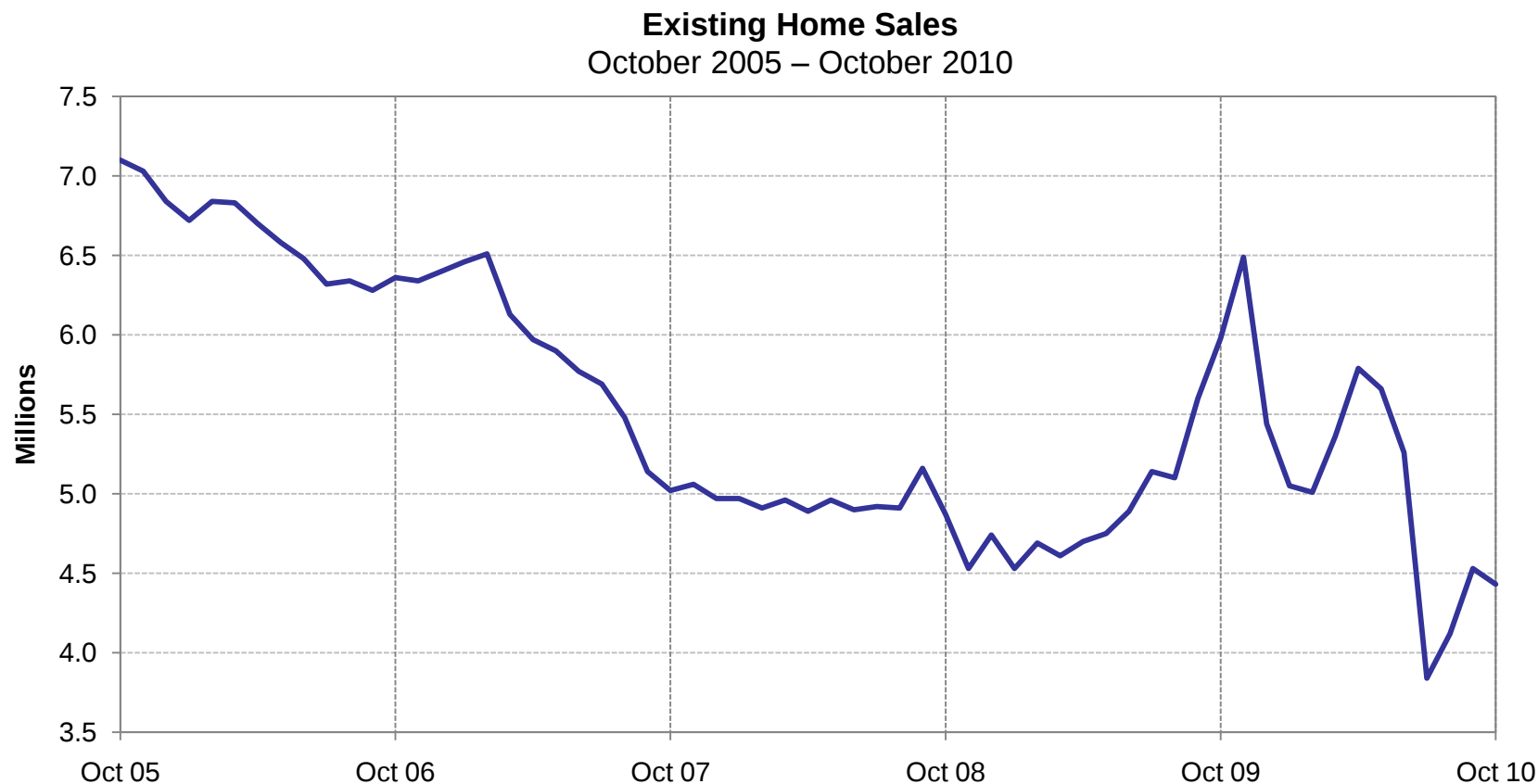
- GDP was revised to 2.5% from the initial release of 2.0% growth for the third quarter 2010. This revision was especially good as it came in large part from a 0.6% revision to final sales of domestic products and final sales to domestic purchasers, which were revised higher by 0.4%. This release indicates better than expected consumer demand, which is important in a consumer-driven economy. However, economic growth is expected to remain weak over the coming year.

Gross Domestic Product (Quarter over Quarter)
Second Quarter 2005 – Third Quarter 2011



Existing Home Sales Fall Slightly

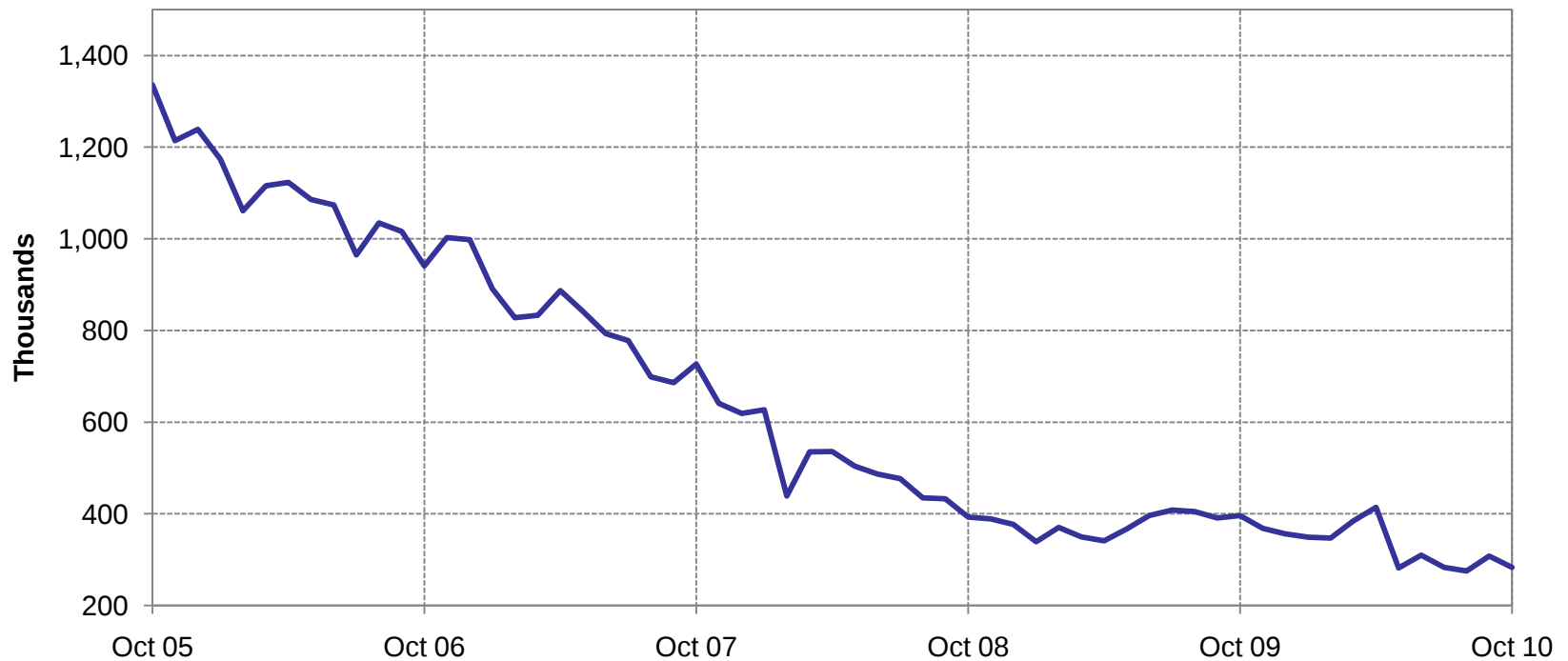
- Existing home sales fell slightly to 4.43 million, which is a drop of 2.2% month over month. Analysts' estimates showed an expected drop to 4.5 million. Lack of demand caused prices to fall, as the median price of an existing home dipped to \$170,500, losing value for the fourth consecutive month. The average months on the market for a home is still poor at 10.5 months, indicating the real estate market is still struggling, and consumers are still wary of investment in homes.



New Home Sales Fall

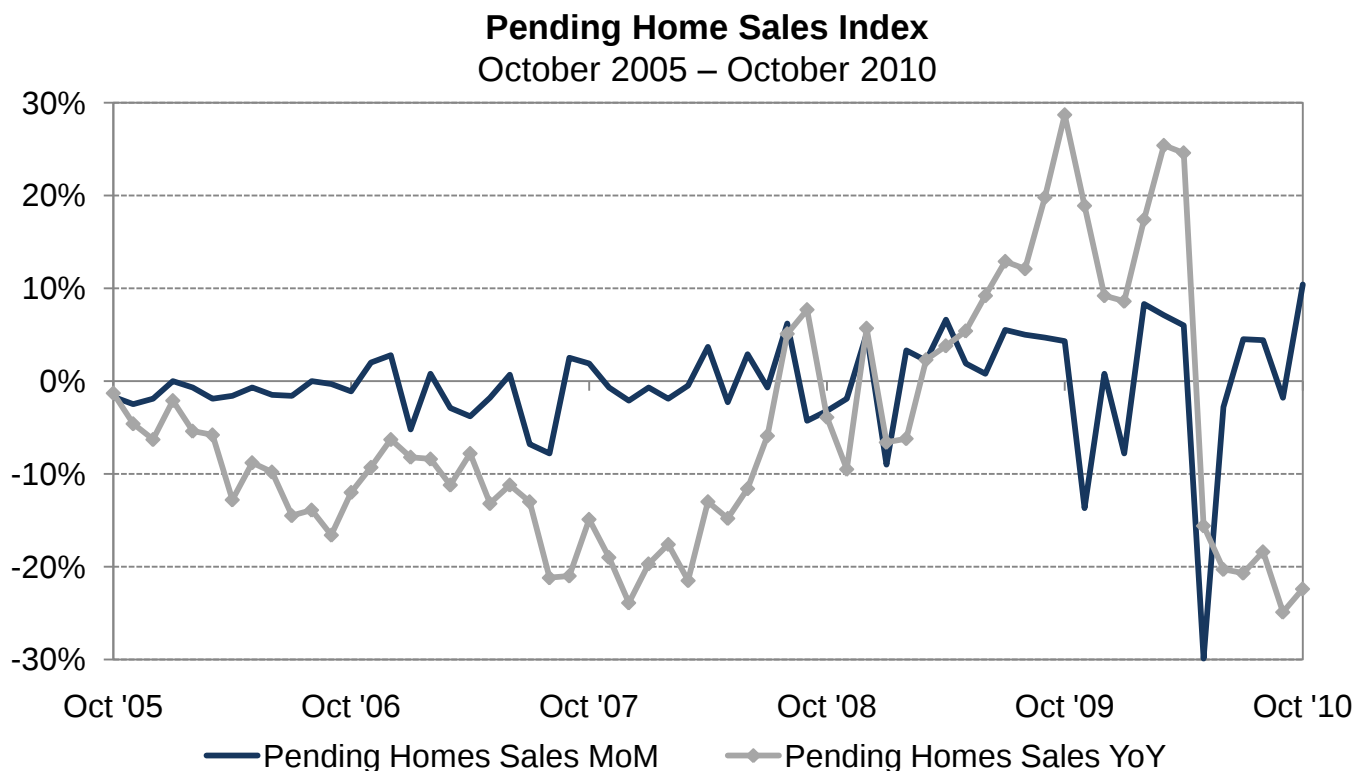
- New home sales fell by 8.1% in October. After a temporary boost from the tax credit, which expired earlier this year, housing continues to experience an uneven recovery. Despite continued low interest rates, high unemployment, tight credit, foreclosure issues and price declines continue to impede the recovery in the housing market.

New Home Sales
October 2005 – October 2010



Pending Home Sales Have Strong Month

- One positive sign in the housing market is that pending home sales had a very strong month, rising 10.4% month over month in October. Low home prices, as well as low rates, seem to be helping demand in the real estate market. The Northeast and Midwest showed the most promise, with the South showing modest gains. In addition, existing home sales months supply has dropped to 10.5 in October from a high of 12.5 months in July, but still remains elevated over historical averages. Strength in pending home sales is much needed good news for the real estate sector, which has been struggling since the beginning of the financial crisis.



Pending home sales is a leading indicator of existing home sales. A pending sale is one in which a contract was signed, but not yet closed. It usually takes four to six weeks to close a contracted sale.



Consumer Confidence Improves

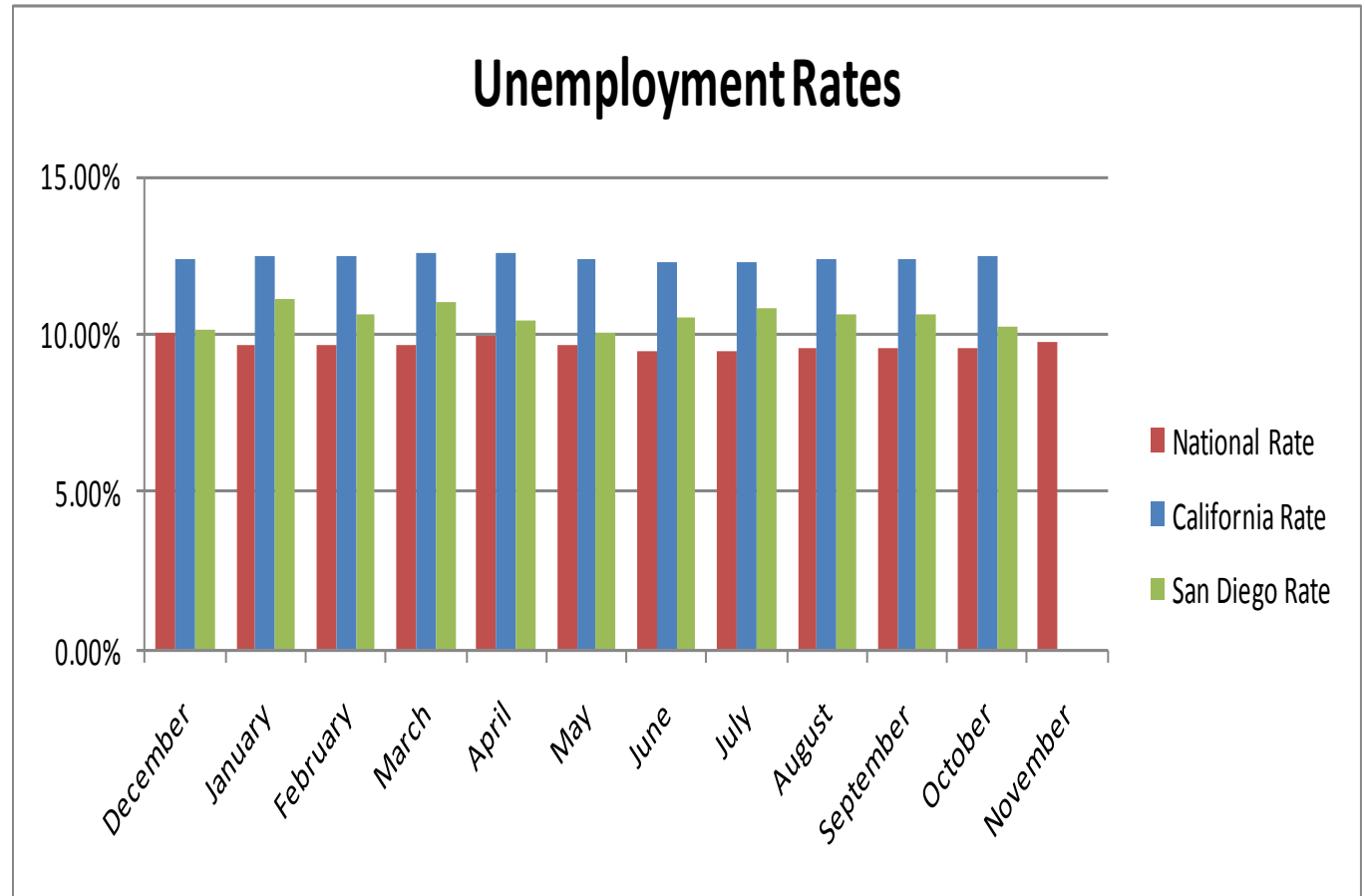
- Consumer confidence improved slightly in November for the second straight month. Consumer confidence is now at its highest level in five months. However, consumers remain concerned about the strength of the economic recovery.

Consumer Confidence
November 2005 – November 2010



Unemployment Rate This Fiscal Year

The California unemployment rate of 12.5% (to be updated) remains much higher than the National average, which increased in November to 9.8%. The U-6 rate remained at 17% for November. San Diego unemployment rate is 10.2% (to be updated).



Oil Prices Trend Higher

- Oil prices are up over 21% during the past twelve months. Increased global demand and a weakening dollar have helped fuel the increase in recent months.

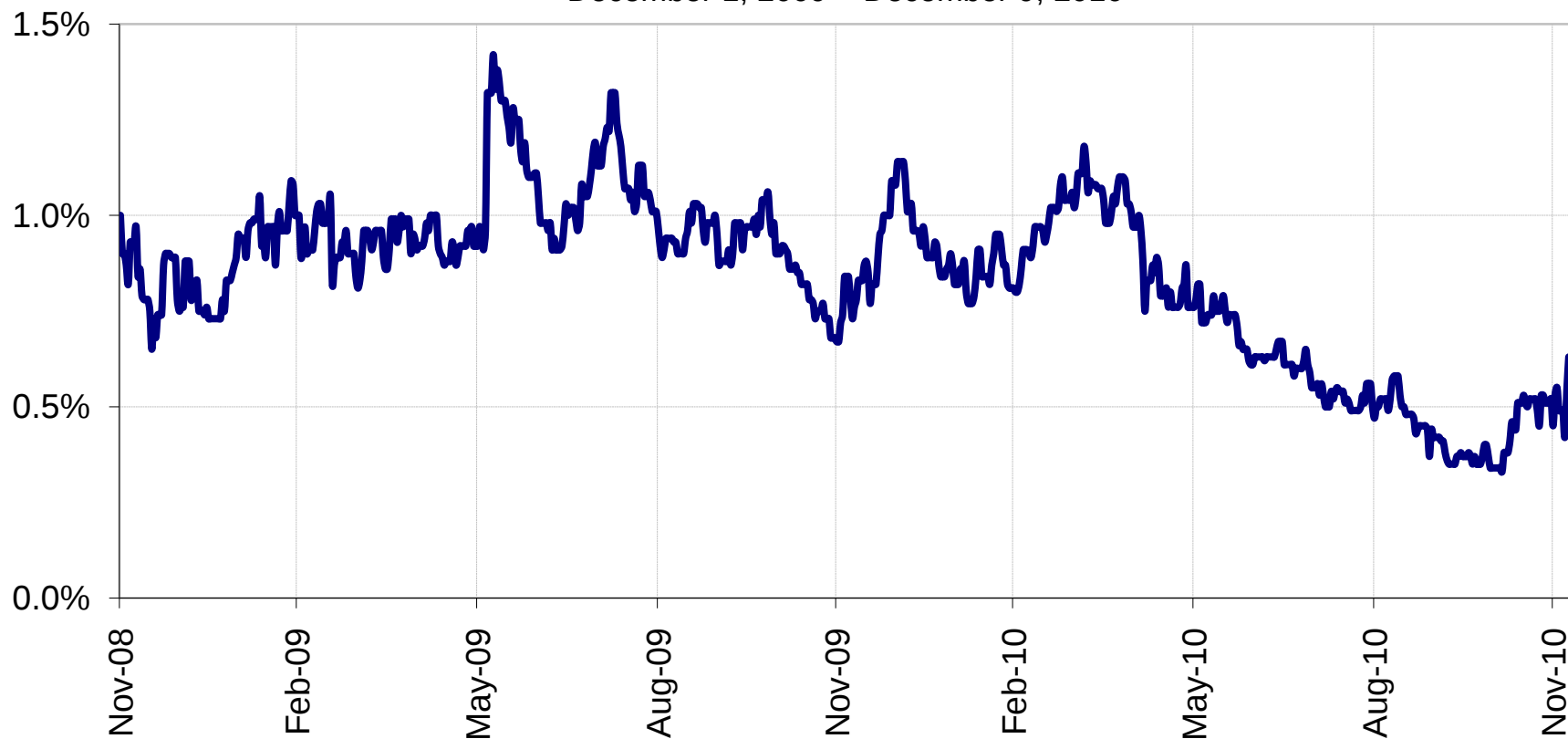


2-Year U. S. Treasury Yields Increase

- 2-year U.S. Treasury yields moved up in the week as the European Union announced that it would continue support for countries struggling with debt issues, especially Ireland. Yields were also buoyed by positive economic data in the week, including strong pending home sales data. The 2-year Treasury yield reached 0.63% on December 8th, its highest level since July.

2-Year U.S. Treasury Yields

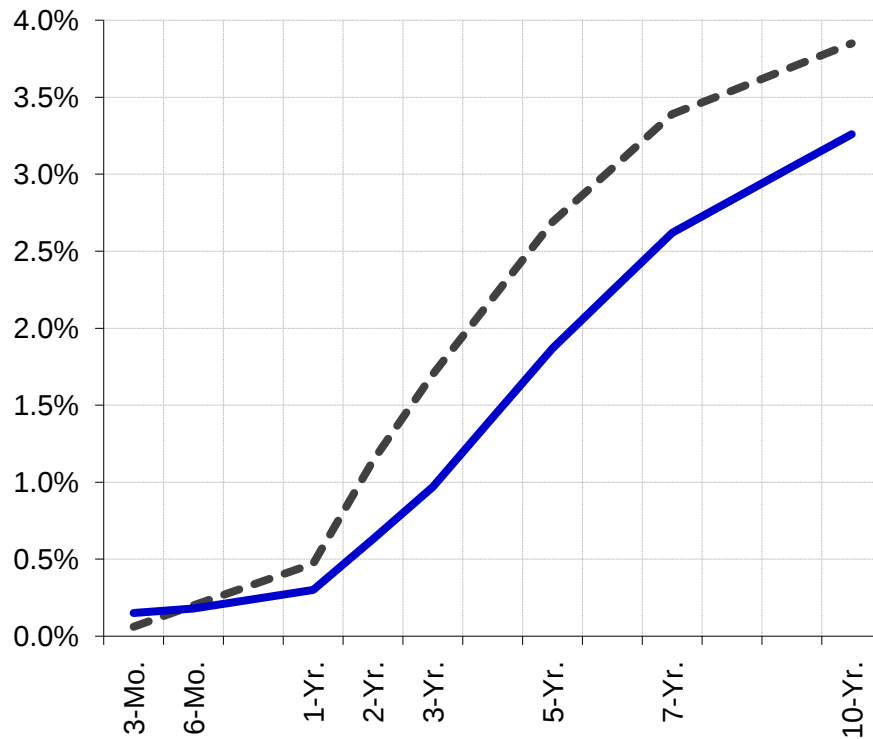
December 1, 2009 – December 9, 2010



U.S. Treasury Yield Curve

- Although Treasury yield have increased sharply in recent weeks, they are still down for the year.

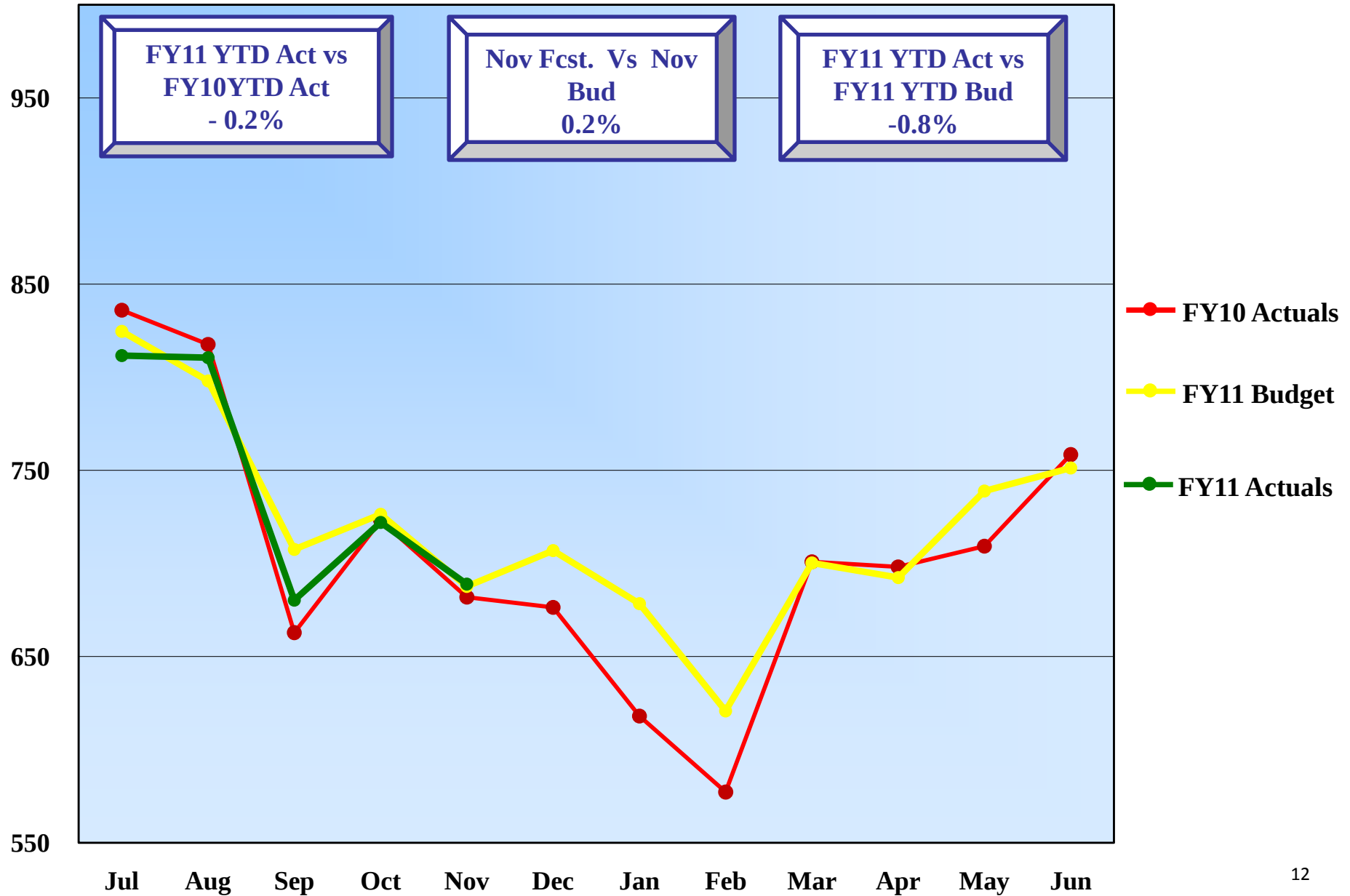
U.S. Treasury Yield Curve
December 31, 2009 vs. December 8, 2010



	12/31/09	12/8/10	Change
3-Mo.	0.06%	0.15%	0.09%
6-Mo.	0.20%	0.18%	(0.02%)
1-Yr.	0.47%	0.30%	(0.17%)
2-Yr.	1.14%	0.63%	(0.51%)
3-Yr.	1.70%	0.97%	(0.73%)
5-Yr.	2.69%	1.87%	(0.82%)
10-Yr.	3.85%	3.26%	(0.59%)

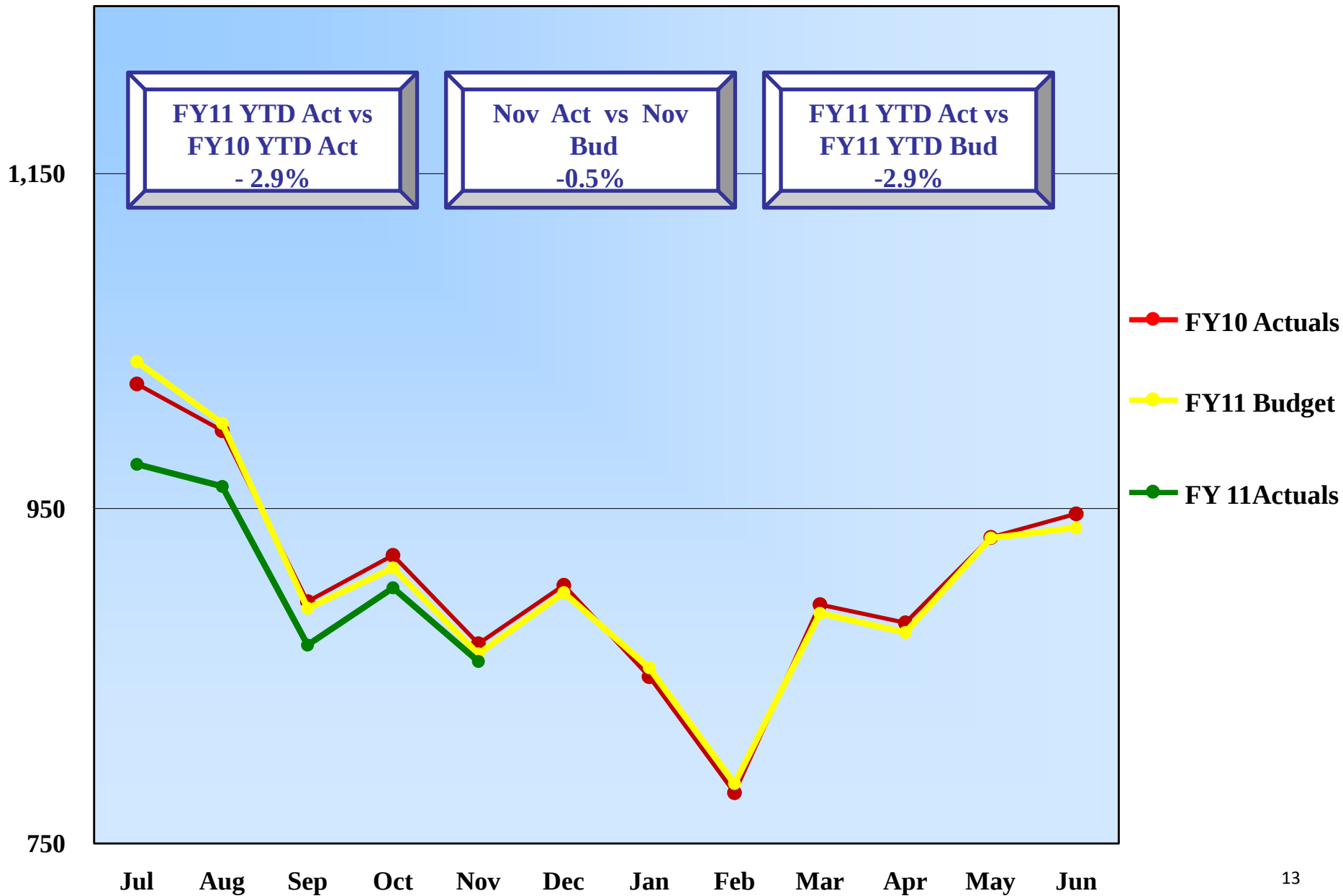
Enplanements

000s

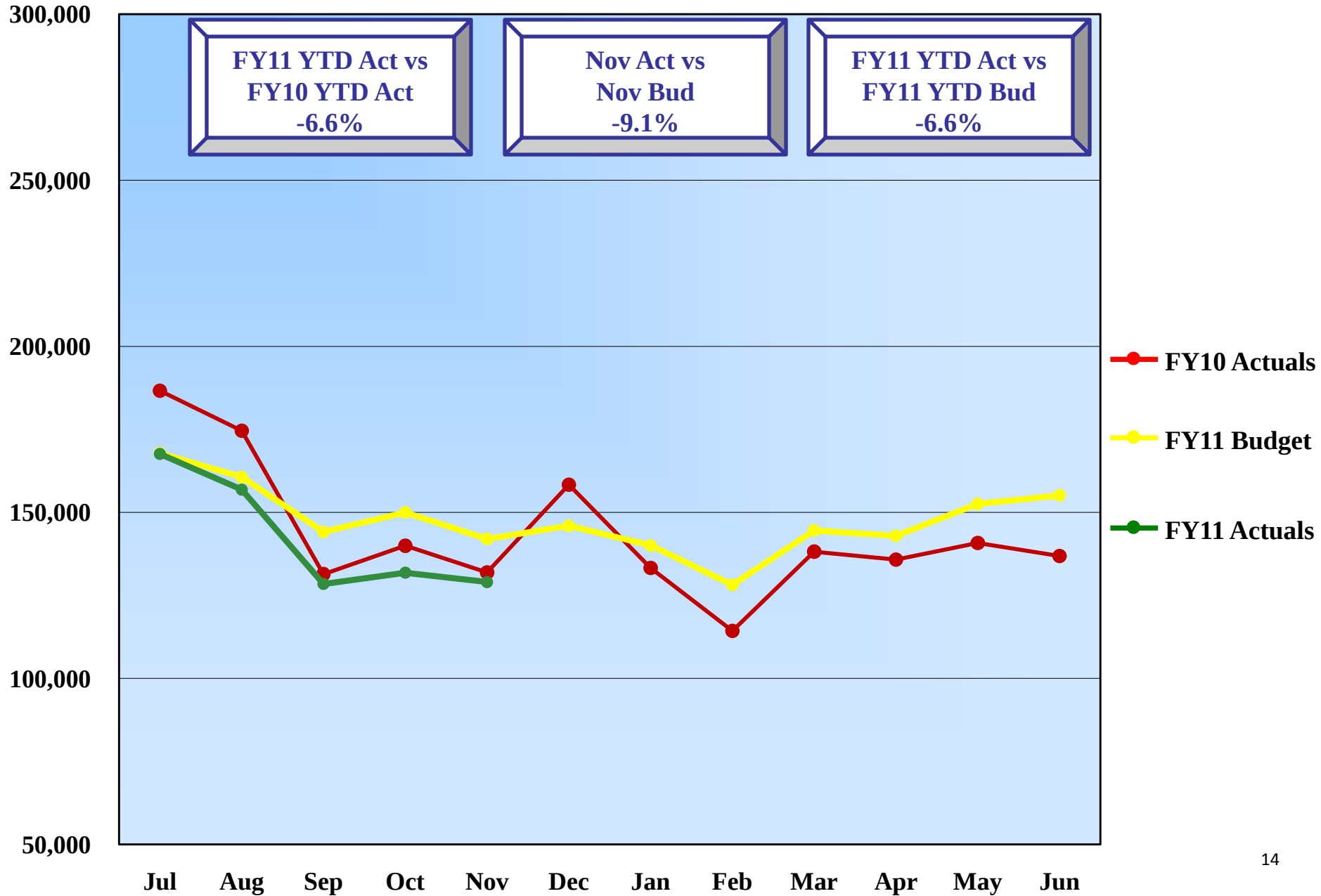


000s

Gross Landing Weight Units (000 lbs)

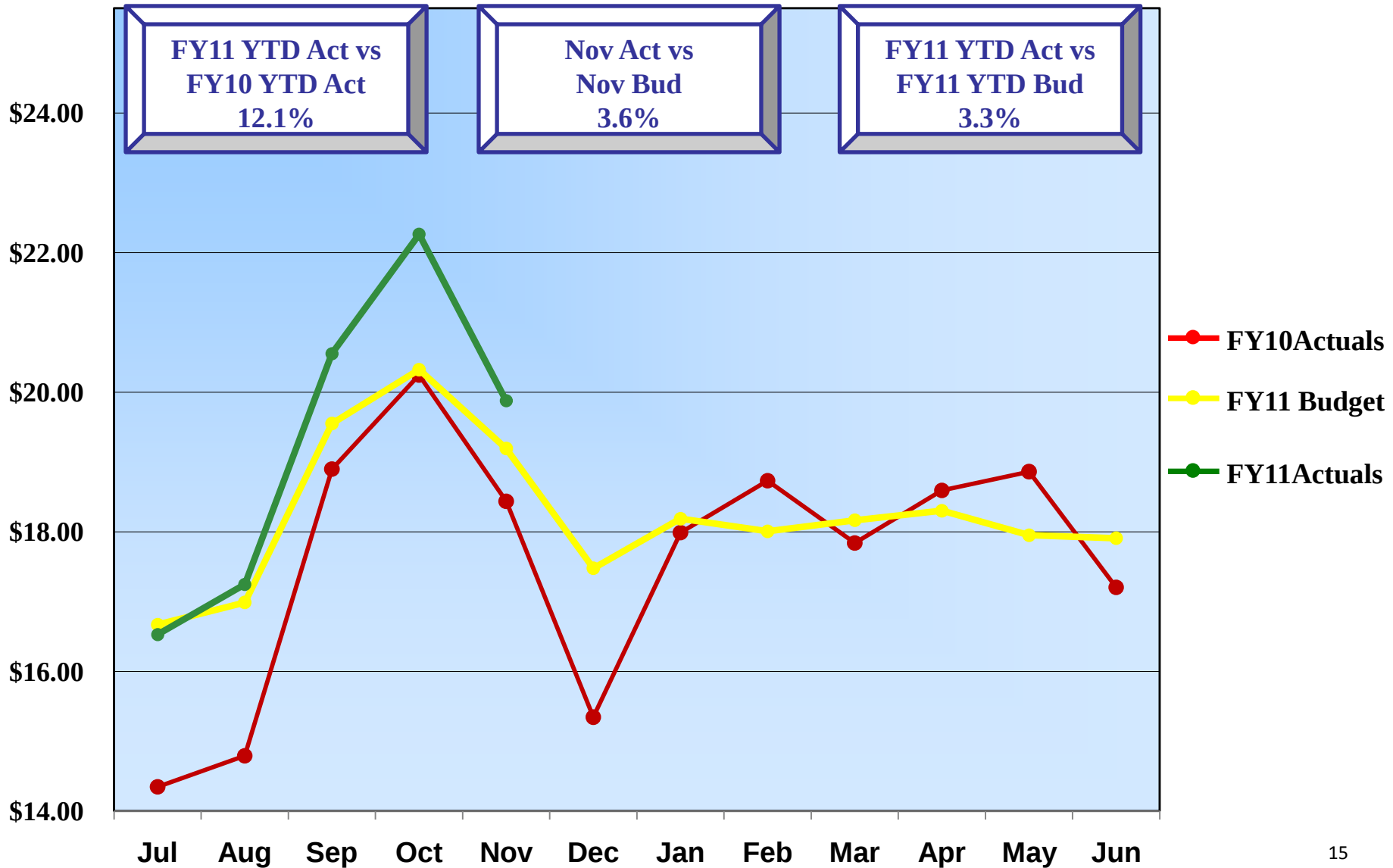


Airport Parking Transactions

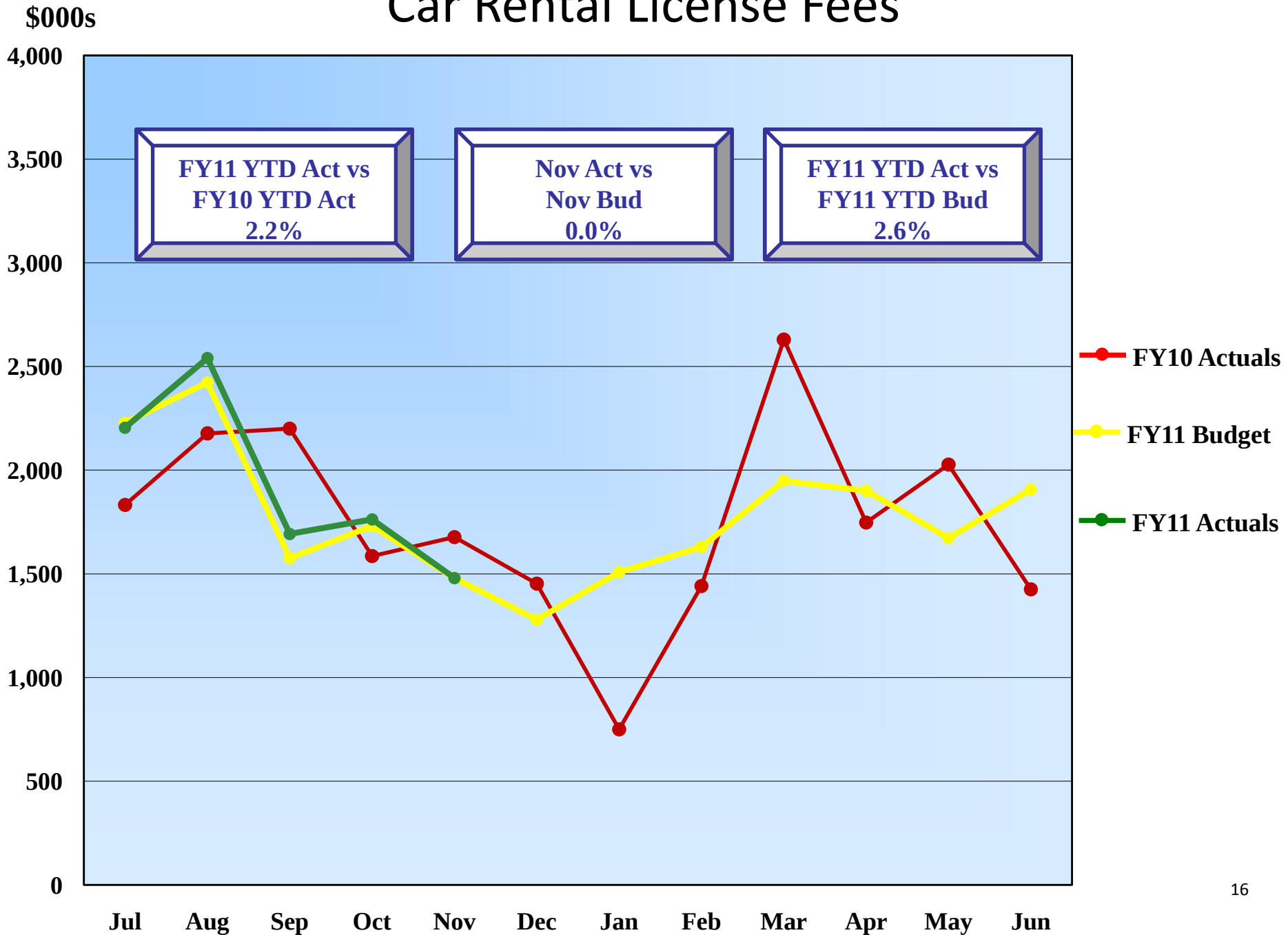


Airport Parking

Revenue (\$) / Transaction



Car Rental License Fees



Unaudited Financial Statements For the Five Months Ended November 30, 2010



Revenues and Expenses (Unaudited)

For the month ended November 30, 2010



Operating Revenues

For the Month Ended

November 30, 2010 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Aviation revenue:					
Landing fees	\$ 1,507	\$ 1,500	\$ (7)	-	\$ 1,541
Aircraft parking fees	236	245	9	4%	286
Building rentals	2,312	2,322	10	-	2,126
Security surcharge	1,232	1,232	(0)	-	992
Other aviation revenue	130	128	(2)	(2)%	133
Total aviation revenue	\$ 5,417	\$ 5,427	\$ 10	-	\$ 5,078



Operating Revenues

For the Month Ended

November 30, 2010 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Terminal rent non-airline	\$ 72	\$ 67	\$ (5)	(7)%	\$ 65
Concession revenue:					
Terminal concession revenue:					
Food and beverage	479	475	(4)	(1)%	506
Gifts and news	311	304	(7)	(2)%	300
Other	230	230	-	-	172
Total terminal concession revenue	1,020	1,009	(11)	(1)%	978
Car rental and license fee revenue:					
Rental car and license fees	1,479	1,479	0	-	1,677
License fees-other	255	210	(45)	(18)%	212
Total rental car and license fees	1,734	1,689	(45)	(3)%	1,889
Total concession revenue	\$ 2,754	\$ 2,698	\$ (56)	(2)%	\$ 2,867

Operating Revenues

For the Month Ended

November 30, 2010 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Parking revenue:					
On-airport parking revenue	\$ 1,801	\$ 1,583	\$ (218)	(12)%	\$ 1,467
Off-airport parking revenue	924	981	57	6%	965
Total parking revenue	2,725	2,564	(161)	(6)%	2,432
Ground transportation permits and citations	49	37	(12)	(24)%	53
Ground rentals	514	506	(8)	(2)%	477
Grant reimbursement	90	221	131	146%	35
Other operating revenue	60	64	4	7%	37
Subtotal	3,438	3,392	(46)	(1)%	3,034
Total operating revenues	\$ 11,681	\$ 11,584	\$ (97)	(1)%	\$ 11,044

Operating Expenses For the Month Ended November 30, 2010 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Operating expenses:					
Salaries and benefits	\$ 2,985	\$ 2,886	\$ 99	3%	\$ 2,731
Contractual services	2,429	2,448	(19)	(1)%	2,303
Safety and security	1,606	1,538	68	4%	1,569
Space rental	909	908	1	-	908
Utilities	536	509	27	5%	355
Maintenance	656	587	69	11%	585
Equipment and systems	68	95	(27)	(40)%	104
Materials and supplies	35	54	(19)	(54)%	15
Insurance	102	90	12	12%	99
Employee development and support	81	73	8	10%	56
Business development	257	168	89	35%	170
Equipment rental and repairs	125	142	(17)	(14)%	40
Total operating expenses	\$ 9,789	\$ 9,498	\$ 291	3%	\$ 8,935

Financial Summary

For the Month Ended

November 30, 2010 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Total operating revenues	\$ 11,681	\$11,584	\$ (97)	(1)%	\$ 11,044
Total operating expenses	9,789	9,498	291	3%	8,935
Income from operations	1,892	2,086	194	10%	2,109
Depreciation	4,370	4,110	260	6%	3,294
Operating income (loss)	\$ (2,478)	\$ (2,024)	\$ 454	18%	\$ (1,185)

Nonoperating Revenues and (Expenses) For the Month Ended November 30, 2010 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Nonoperating revenues (expenses):					
Passenger facility charges	\$ 2,687	\$ 2,829	\$ 141	5%	\$ 2,937
Customer facility charges (ConRAC Facility)	815	837	\$ 22	3%	915
Quieter Home Program	(342)	(428)	\$ (86)	(25)%	(214)
Interest income	498	439	\$ (59)	(12)%	558
BAB interest rebate	-	795	\$ 795	-	-
Interest expense	(548)	(2,603)	\$ (2,055)	(375)%	(181)
Bond amortization cost	(12)	54	\$ 66	550%	(6)
Other nonoperating revenue (expenses)	(3)	102	\$ 106	3533%	(125)
Nonoperating revenue, net	3,095	2,025	(1,070)	(35)%	3,884
Income before grant contributions	617	1	(616)	(100)%	2,699
Capital grant contributions	2,744	1,245	(1,499)	(55)%	1,572
Net income	\$ 3,361	\$ 1,246	\$ (2,115)	(63)%	\$ 4,271

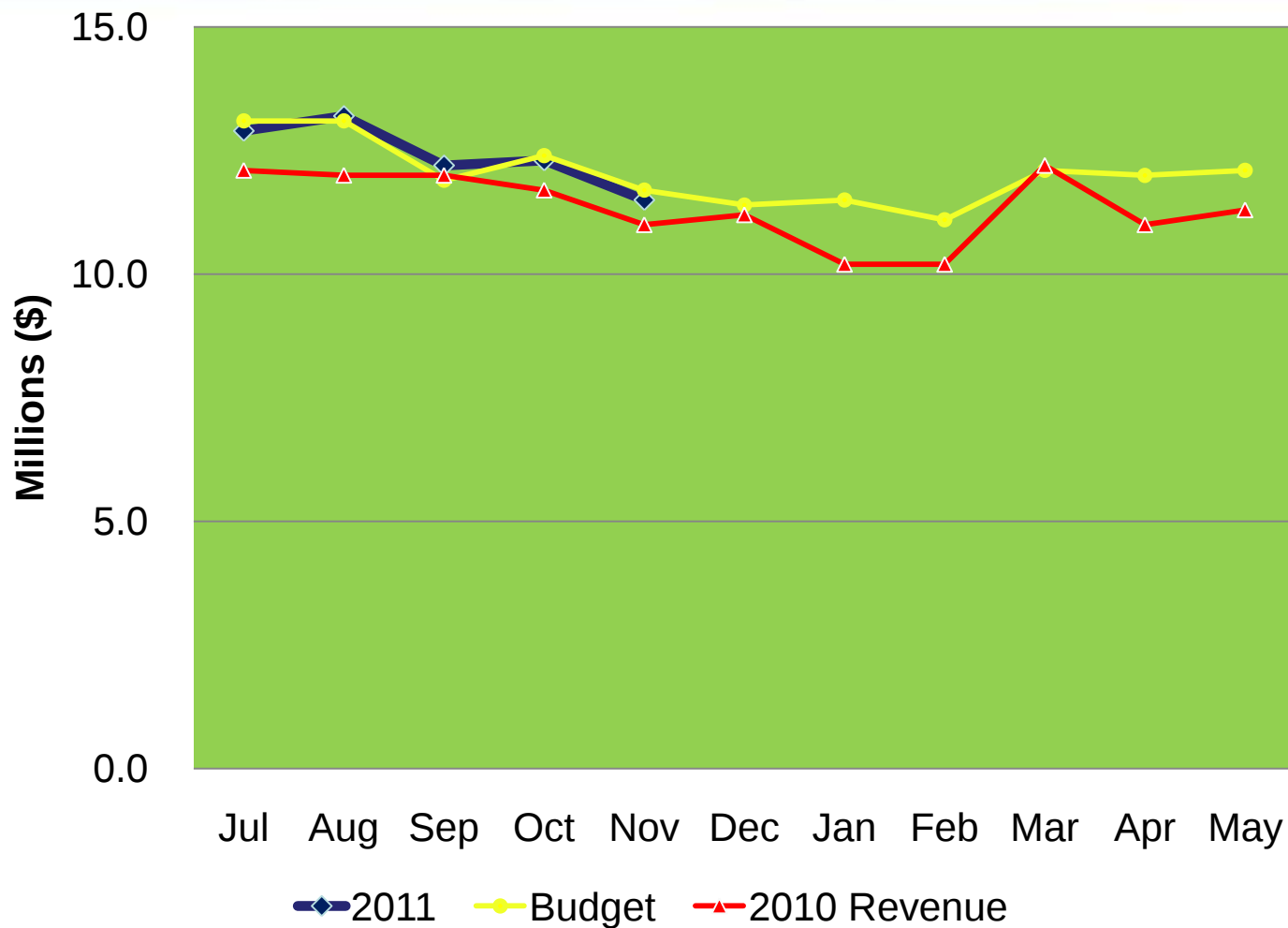
Revenues and Expenses (Unaudited)

For the five months ended November 30, 2010



Monthly Operating Revenue, FY 2011

(Unaudited)



Operating Revenues

For the Five Months Ended

November 30, 2010 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Aviation revenue:					
Landing fees	\$ 8,248	\$ 8,018	\$ (230)	(3)%	\$ 8,340
Aircraft parking fees	1,177	1,249	72	6%	1,458
Building rentals	11,572	11,692	120	1%	10,700
Security surcharge	6,161	6,186	25	-	5,012
Other aviation revenue	661	664	3	-	662
Total aviation revenue	\$ 27,819	\$ 27,809	\$ (10)	-	\$ 26,172

Operating Revenues

For the Five Months Ended

November 30, 2010 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Terminal rent non-airline	\$ 362	\$ 334	\$ (28)	(8)%	\$ 329
Concession revenue:					
Terminal concession revenue:					
Food and beverage	2,591	2,584	(7)	-	2,633
Gifts and news	1,694	1,684	(10)	(1)%	1,605
Other	1,226	1,176	(50)	(4)%	948
Total terminal concession revenue	5,511	5,444	(67)	(1)%	5,186
Car rental and license fee revenue:					
Rental car license fees	9,436	9,679	243	3%	9,473
License fees-other	1,352	1,166	(186)	(14)%	1,172
Total rental car and license fees	10,788	10,845	57	1%	10,645
Total concession revenue	\$ 16,299	\$ 16,289	\$ (10)	-	\$ 15,831

Operating Revenues

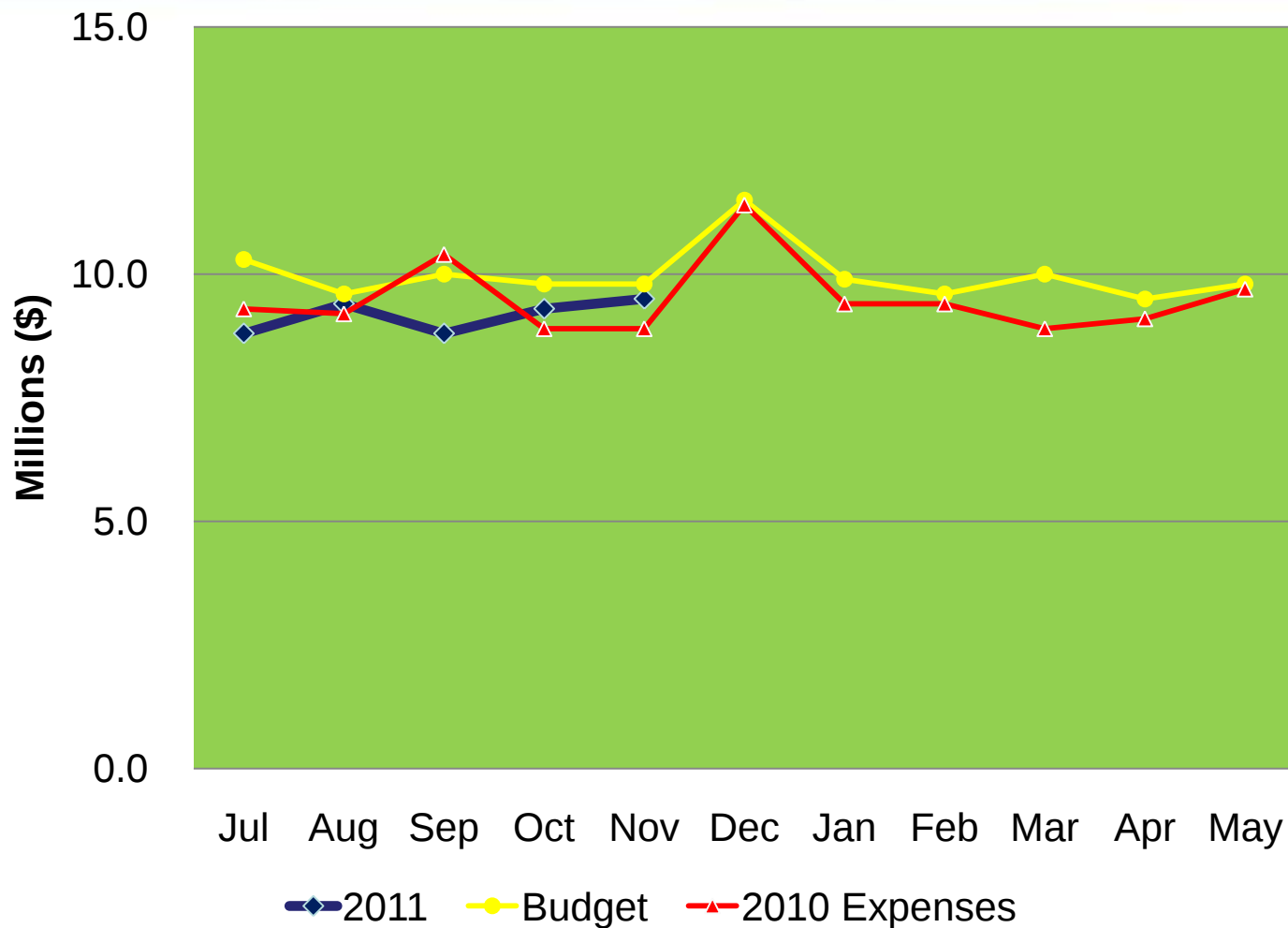
For the Five Months Ended

November 30, 2010 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Parking revenue:					
On-airport parking revenue	\$ 8,872	\$ 8,592	\$ (280)	(3)%	\$ 8,086
Off-airport parking revenue	5,245	5,022	(223)	(4)%	4,922
Total parking revenue	14,117	13,614	(503)	(4)%	13,008
Ground transportation permits and citations	264	391	127	48%	200
Ground rentals	2,569	2,882	313	12%	2,476
Grant reimbursement	453	390	(63)	(14)%	545
Other operating revenue	301	350	49	16%	197
Subtotal	17,704	17,627	(77)	-	16,426
Total operating revenues	\$ 62,184	\$ 62,059	\$ (125)	-	\$ 58,758

Monthly Operating Expenses, FY 2011

(Unaudited)



Operating Expenses

For the Five Months Ended

November 30, 2010 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Operating expenses:					
Salaries and benefits	\$ 15,013	\$ 14,411	\$ 602	4%	\$ 13,482
Contractual services	12,377	10,827	1,550	13%	11,217
Safety and security	8,099	7,786	313	4%	7,842
Space rental	4,545	4,544	1	-	4,543
Utilities	3,163	2,783	380	12%	3,091
Maintenance	3,377	3,110	267	8%	4,105
Equipment and systems	229	203	26	11%	231
Materials and supplies	167	132	35	21%	157
Insurance	509	451	58	11%	491
Employee development and support	477	305	172	36%	292
Business development	899	629	270	30%	752
Equipment rental and repairs	619	544	75	12%	630
Total operating expenses	\$ 49,474	\$ 45,725	\$ 3,749	8%	\$ 46,833

Financial Summary

For the Five Months Ended

November 30, 2010 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Total operating revenues	\$ 62,184	\$ 62,059	\$ (125)	-	\$ 58,758
Total operating expenses	49,474	45,725	3,749	8%	46,833
Income from operations	12,710	16,334	3,624	29%	11,925
Depreciation	21,125	20,575	550	3%	16,454
Operating income (loss)	\$ (8,415)	\$ (4,241)	\$ 4,174	50%	\$ (4,529)

Nonoperating Revenues and (Expenses)

For the Five Months Ended

November 30, 2010 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Nonoperating revenues (expenses):					
Passenger facility charges	\$ 14,630	\$ 14,356	\$ (274)	(2)%	\$ 14,648
Customer facility charges (ConRAC Facility)	4,485	4,679	194	4%	4,666
Quieter Home Program	(1,526)	(1,500)	26	2%	(1,025)
Interest income	2,493	2,129	(364)	(15)%	3,459
BAB interest rebate	-	795	795	-	-
Interest expense	(1,836)	(3,712)	(1,081)	(102)%	(1,104)
Bond amortization cost	(60)	90	150	250%	(31)
Other nonoperating revenue (expenses)	(17)	182	199	-	(875)
Nonoperating revenue, net	18,169	17,019	(1,150)	(6)%	19,738
Income before grant contributions	9,754	12,777	3,024	31%	15,209
Capital grant contributions	15,397	11,881	(3,516)	(23)%	5,819
Net income	\$ 25,151	\$ 24,658	\$ (492)	(2)%	\$ 21,028

Balance Sheets (Unaudited)

ASSETS

	(In thousands)	
	November	
	2010	2009
Current assets:		
Cash and investments	\$ 103,497	\$ 90,320
Tenant lease receivable, net of allowance of 2010: \$20,055 and 2009: \$197,737	4,830	5,150
Grants receivable	4,549	4,016
Notes receivable-current portion	1,613	1,666
Prepaid expenses and other current assets	11,600	9,717
Total current assets	126,089	110,869
Cash designated for capital projects and other	\$ 2,714	\$ 9,438

Balance Sheets (Unaudited)

ASSETS

(In thousands)

November

2010

2009

Restricted assets:

Cash and investments:

Bonds reserve

\$ 45,708 \$ 47,303

Passenger facility charges and interest unapplied

65,404 61,773

Customer facility charges and interest applied*

14,847 5,227

Commercial paper reserve

168 238

SBD bond guarantee

4,000 4,000

Bond proceeds held by trustee

440,508 5,513

Commercial paper interest held by trustee

140 36

Passenger facility charges receivable

3,847 2,800

Customer facility charges receivable*

828 977

OCIP insurance reserve

6,400 5,282

Total restricted assets

\$ 581,850 \$ 133,149

*ConRAC Facility

Balance Sheets (Unaudited)

ASSETS

	(In thousands)	
	November	
	2010	2009
Noncurrent assets:		
Capital assets:		
Land and land improvements	\$ 23,454	\$ 23,582
Runways, roads and parking lots	235,606	229,216
Buildings and structures	463,051	418,052
Machinery and equipment	10,193	7,771
Vehicles	5,469	4,983
Office furniture and equipment	30,078	24,191
Works of art	2,411	2,175
Construction-in-progress	234,350	146,817
Total capital assets	1,004,612	856,787
Less: accumulated depreciation	(479,715)	(439,841)
Total capital assets, net	\$ 524,897	\$ 416,946

Balance Sheets (Unaudited)

ASSETS

	(In thousands)	
	November	
	2010	2009
Other assets:		
Notes receivable - long-term portion	\$ 43,954	\$ 45,603
Investments - long-term portion	8,383	18,418
Deferred costs - bonds (net)	4,905	828
Net pension asset	8,085	3,892
Total other assets	65,327	68,741
Total noncurrent assets	590,224	485,687
TOTAL ASSETS	\$ 1,300,877	\$ 739,144

Balance Sheets (Unaudited)

LIABILITIES AND NET ASSETS

	(In thousands)	
	November	
	2010	2009
Current liabilities:		
Accounts payable and accrued liabilities	\$ 42,502	\$ 39,708
Deposits and other current liabilities	3,518	3,262
Total current liabilities	46,020	42,970
Current liabilities - payable from restricted assets:		
Current portion of long-term debt	4,725	3,105
Accrued interest on bonds and commercial paper	6,098	1,173
Total liabilities payable from restricted assets	\$ 10,823	\$ 4,278



Balance Sheets (Unaudited)

LIABILITIES AND NET ASSETS

	(In thousands)	
	November	
	<u>2010</u>	<u>2009</u>
Long-term liabilities - other:		
Commercial paper notes payable	\$ 21,509	\$ 114,430
Deferred rent liability	451	988
Other long-term liabilities	1,188	1,090
Long-term debt - bonds net of amortized premium	635,775	41,176
Total long-term liabilities	<u>658,923</u>	<u>157,685</u>
Total liabilities	<u>\$ 715,766</u>	<u>\$ 204,932</u>

Balance Sheets (Unaudited)

LIABILITIES AND NET ASSETS

	(In thousands)	
	November	
	2010	2009
Authority net assets:		
Invested in capital assets, net of related debt	\$ 302,790	\$ 264,607
Other restricted	151,579	136,255
Unrestricted:		
Designated	14,799	17,331
Undesignated	115,943	116,019
Total net assets	585,111	534,212
TOTAL LIABILITIES AND NET ASSETS	\$ 1,300,877	\$ 739,144

Questions

