

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Board Members

C. April Boling
Chairman

Greg Cox
Jim Desmond
Jim Janney
Mark Kersey
Paul Robinson
Michael Schumacher
Mary Sessom

EXECUTIVE/FINANCE COMMITTEE and SPECIAL BOARD MEETING

AGENDA

Monday, January 22, 2018
9:00 A.M.

San Diego International Airport
SDCRAA Administration Building -- Third Floor
Board Room
3225 N. Harbor Drive
San Diego, CA 92101

Ex-Officio Board Members

Cory Binns
Eraina Ortega
Col. Jason Woodworth

President / CEO

Kimberly J. Becker

This Agenda contains a brief general description of each item to be considered. The indication of a recommended action does not indicate what action (if any) may be taken. If comments are made to the Committee without prior notice or are not listed on the Agenda, no specific answers or responses should be expected at this meeting pursuant to State law. **Please note that agenda items may be taken out of order.**

Staff Reports and documentation relating to each item of business on the Agenda are on file in Corporate & Information Governance and are available for public inspection.

***NOTE:** This Committee Meeting also is noticed as a Special Meeting of the Board to (1) foster communication among Board members in compliance with the Brown Act; and (2) preserve the advisory function of the Committee.

Board members who are not members of this Committee may attend and participate in Committee discussions. Since sometimes more than a quorum of the Board may be in attendance, to comply with the Brown Act, this Committee meeting also is noticed as a Special Meeting of the Board.

To preserve the proper function of the Committee, only members officially assigned to this Committee are entitled to vote on any item before the Committee. This Committee only has the power to review items and make recommendations to the Board. Accordingly, this Committee cannot, and will not, take any final action that is binding on the Board or the Authority, even if a quorum of the Board is present.

PLEASE COMPLETE A "REQUEST TO SPEAK" FORM PRIOR TO THE COMMENCEMENT OF THE MEETING AND SUBMIT IT TO THE AUTHORITY CLERK. **PLEASE REVIEW THE POLICY FOR PUBLIC PARTICIPATION IN BOARD AND BOARD COMMITTEE MEETINGS (PUBLIC COMMENT) LOCATED AT THE END OF THE AGENDA.**

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

Executive Committee

Committee Members: Boling (Chairman), Janney, Robinson

Finance Committee

Committee Members: Boling (Chairman), Cox, Janney, Sessom

NON-AGENDA PUBLIC COMMENT

Non-Agenda Public Comment is reserved for members of the public wishing to address the Committee on matters for which another opportunity to speak **is not provided on the Agenda**, and which is within the jurisdiction of the Committee. Please submit a completed speaker slip to the Authority Clerk. ***Each individual speaker is limited to three (3) minutes. Applicants, groups and jurisdictions referring items to the Board for action are limited to five (5) minutes.***

Note: Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board.

NEW BUSINESS:

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the December 21, 2017 regular meeting.

FINANCE COMMITTEE NEW BUSINESS:

2. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2017:

RECOMMENDATION: Forward to the Board with a recommendation for acceptance.

Presented by: Kathy Kiefer, Senior Director, Finance and Asset Management

3. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF DECEMBER 31, 2017:

RECOMMENDATION: Forward to the Board with a recommendation for acceptance.

Presented by: Geoff Bryant, Manager, Airport Finance

EXECUTIVE COMMITTEE NEW BUSINESS:

4. PRE-APPROVAL OF TRAVEL REQUESTS AND APPROVAL OF BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REQUESTS FOR BOARD MEMBERS, THE PRESIDENT/CEO, THE CHIEF AUDITOR AND GENERAL COUNSEL:

RECOMMENDATION: Pre-approve travel requests and approve business and travel expense reimbursement requests.

Presented by Tony R. Russell, Director, Corporate & Information Governance/Authority Clerk

REVIEW OF FUTURE AGENDAS:

5. REVIEW OF THE DRAFT AGENDA FOR THE FEBRUARY 1, 2018 BOARD MEETING:

Presented by: Kimberly J. Becker, President/CEO

6. REVIEW OF THE DRAFT AGENDA FOR THE FEBRUARY 1, 2018 AIRPORT LAND USE COMMISSION MEETING:

Presented by: Kimberly J. Becker, President/CEO

CLOSED SESSION:

REPORT ON CLOSED SESSION:

COMMITTEE MEMBER COMMENTS:

ADJOURNMENT:

Policy for Public Participation in Board, Airport Land Use Commission (ALUC), and Committee Meetings (Public Comment)

- 1) Persons wishing to address the Board, ALUC, and Committees shall complete a "Request to Speak" form prior to the announcement of that portion of the agenda containing the item to be addressed (e.g., Public Comment and General Items). Failure to complete a form shall not preclude testimony, if permission to address the Board is granted by the Chair.
- 2) The Public Comment period at the beginning of the agenda is limited to eighteen (18) minutes and is reserved for persons wishing to address the Board, ALUC, or Committee on any matter for which another opportunity to speak is not provided on the Agenda, and on matters that are within the jurisdiction of the Board. A second Public Comment period is reserved for general public comment later in the meeting for those who were not heard during the first Public Comment period.
- 3) Persons wishing to speak on a specific item listed on the agenda will be afforded an opportunity to speak during the presentation of that individual item. Persons wishing to speak on a specific item should reserve their comments until the item is taken up by the Board, ALUC or Committee. Public comment on a specific item is limited to twenty (20) minutes – ten (10) minutes for those in favor and ten (10) minutes for those in opposition of an item. Each individual speaker will be allowed three (3) minutes, and applicants and groups will be allowed five (5) minutes.
- 4) If many persons have indicated a desire to address the Board, ALUC or Committees on the same issue, then the Chair may suggest that these persons consolidate their respective testimonies. Testimony by members of the public on any item shall be limited to **three (3) minutes per individual speaker and five (5) minutes for applicants, groups and referring jurisdictions.**
- 5) Pursuant to Authority Policy 1.33 (8), recognized groups must register with the Authority Clerk prior to the meeting.
- 6) After a public hearing or the Public Comment portion of the meeting has been closed, no person shall address the Board, ALUC, and Committees without first obtaining permission to do so.

Additional Meeting Information

NOTE: This information is available in alternative formats upon request. To request an Agenda in an alternative format, or to request a sign language or oral interpreter, or an Assistive Listening Device (ALD) for the meeting, please telephone the Authority Clerk's Office at (619) 400-2400 at least three (3) working days prior to the meeting to ensure availability.

For your convenience, the agenda is also available to you on our website at www.san.org.

For those planning to attend the Board meeting, parking is available in the public parking lot located directly in front of the SDCRAA Administration Building. Bring your ticket to the third floor receptionist for validation.

You may also reach the SDCRAA Administration Building by using public transit via the San Diego MTS system, Route 992. For route and fare information, please call the San Diego MTS at (619) 233-3004 or 511.

UPCOMING MEETING SCHEDULE

| <i>Date</i> | <i>Day</i> | <i>Time</i> | <i>Meeting Type</i> | <i>Location</i> |
|-------------|------------|-------------|---------------------|-----------------|
| February 15 | Thursday | 9:00 A.M. | Regular | Board Room |
| March 26 | Monday | 9:00 A.M. | Regular | Board Room |
| April 23 | Monday | 9:00 A.M. | Regular | Board Room |

FINANCE COMMITTEE NEW BUSINESS:

2. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE FIVE MONTHS ENDED NOVEMBER 30, 2017:

Kathy Kiefer, Senior Director, Finance and Asset Management, provided a presentation on the Review of the Unaudited Financial Statements for the Five Months Ended November 30, 2017, which included Enplanements, Car Rental License Fees, Food and Beverage Concessions Revenue, Retail Concessions Revenue, Total Terminal Concessions, Parking Revenue, Operating Revenues for the Month Ended November 30, 2017, Operating Expenses for the Month Ended November 30, 2017, Financial Summary for the Month Ended November 30, 2017, Non-Operating Revenues and Expenses for the Month Ended November 30, 2017, Operating Revenue for the Five Months Ended November 30, 2017, Operating Expenses for the Five Months Ended November 30, 2017, Financial Summary for the Five Months Ended November 30, 2017, Non-Operating Revenues and Expenses for the Five Months Ended November 30, 2017, Statements of Net Position as of November 30, 2017.

3. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF NOVEMBER 30, 2017:

Geoff Bryant, Manager, Airport Finance, provided a presentation on the Authority's Investment Report as of November 30, 2017 which included Total Portfolio Summary, Portfolio Composition by Security Type, Portfolio Composition by Credit Rating, Portfolio Composition by Maturity, Benchmark Comparison, Detail of Security Holdings, Portfolio Investment Transactions, Bond Proceeds Summary, Revolving Credit Obligations as of November 30, 2017.

4. BOND FUNDING AND IMPACTS OF POTENTIAL TAX REFORM:

John Dillon, Director, Finance, provided a presentation on the Bond Funding and Impacts of Potential Tax Reform, which included an Overview, Airport Bond Issuance by Tax Status, SAN Outstanding Debt, SAN Outstanding Debt Service by Series, Proposed Federal Tax Reform, and Key Issues for the Authority.

EXECUTIVE COMMITTEE NEW BUSINESS:

5. PRE-APPROVAL OF TRAVEL REQUESTS AND APPROVAL OF BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REQUESTS FOR BOARD MEMBERS, THE PRESIDENT/CEO, THE CHIEF AUDITOR AND GENERAL COUNSEL:

RECOMMENDATION: Pre-approve travel requests and approve business and travel expense reimbursement requests.

ACTION: Moved by Board Member Janney and seconded by Chairman Boling to approve staff's recommendation. Motion carried unanimously, noting Board Member Robinson as ABSENT.

REVIEW OF FUTURE AGENDAS:

6. REVIEW OF THE DRAFT AGENDA FOR THE NOVEMBER 2, 2017 BOARD MEETING:

Kimberly J. Becker, President/CEO, provided an overview of the draft agenda for the January 4, 2018, Board meeting.

Ms. Becker stated that Item 7, Approve and Authorize the President/CEO to Execute Two On-Call Terminal and Buildings Engineering Consultant Services Agreements at San Diego International Airport would be removed from the draft agenda and deferred to the February Board meeting.

7. REVIEW OF THE DRAFT AGENDA FOR THE NOVEMBER 2, 2017 AIRPORT LAND USE COMMISSION MEETING:

Kimberly J. Becker, President/CEO, provided an overview of the draft agenda for the January 4, 2018, ALUC meeting.

COMMITTEE MEMBER COMMENTS:

Chairman Boling reported that this was the last meeting for Board Member Robert H. Gleason. She thanked him for the support he has given her and for his support of the Authority.

ADJOURNMENT: The meeting was adjourned at 9:43 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY EXECUTIVE COMMITTEE THIS 22nd DAY OF JANUARY, 2018.

ATTEST:

TONY R. RUSSELL
DIRECTOR, CORPORATE & INFORMATION
GOVERNANCE/AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Statements of Net Position
as of December 31, 2017
(Unaudited)

ASSETS

| | December | |
|---|-------------------------|-------------------------|
| | 2017 | 2016 |
| Current assets: | | |
| Cash and investments ⁽¹⁾ | \$ 69,952,034 | \$ 83,885,755 |
| Tenant lease receivable, net of allowance of 2017: (\$211,125) and 2016: (\$213,232) | 8,619,704 | 8,121,260 |
| Grants receivable | 7,546,370 | 4,173,059 |
| Notes receivable-current portion | 1,801,694 | 1,705,491 |
| Prepaid expenses and other current assets | 10,496,503 | 7,756,303 |
| Total current assets | 98,416,305 | 105,641,868 |
| Cash designated for capital projects and other ⁽¹⁾ | 27,105,770 | 22,334,851 |
| Restricted assets: | | |
| Cash and investments: | | |
| Bonds reserve ⁽¹⁾ | 60,779,648 | 57,872,255 |
| Passenger facility charges and interest unapplied ⁽¹⁾ | 79,203,101 | 68,122,071 |
| Customer facility charges and interest unapplied ⁽¹⁾ | 41,147,339 | 32,993,075 |
| SBD Bond Guarantee ⁽¹⁾ | 4,000,000 | 4,000,000 |
| Bond proceeds held by trustee ⁽¹⁾ | 404,187,078 | 162,596,734 |
| Passenger facility charges receivable | 4,721,936 | 3,819,142 |
| Customer facility charges receivable | 3,260,065 | 2,728,505 |
| OCIP insurance reserve | 5,018,885 | 2,603,885 |
| Total restricted assets | 602,318,052 | 334,735,667 |
| Noncurrent assets: | | |
| Capital assets: | | |
| Land and land improvements | 114,569,925 | 109,974,224 |
| Runways, roads and parking lots | 637,692,754 | 590,772,032 |
| Buildings and structures | 1,424,444,333 | 1,406,166,851 |
| Machinery and equipment | 54,217,395 | 48,800,238 |
| Vehicles | 15,952,078 | 15,032,750 |
| Office furniture and equipment | 33,934,110 | 32,333,702 |
| Works of art | 10,065,769 | 9,579,436 |
| Construction-in-progress | 273,679,719 | 184,283,667 |
| | 2,564,556,083 | 2,396,942,900 |
| Less accumulated depreciation | (943,035,701) | (858,105,438) |
| Total capital assets, net | 1,621,520,382 | 1,538,837,462 |
| Other assets: | | |
| Notes receivable - long-term portion | 32,361,374 | 34,210,904 |
| Investments-long-term portion ⁽¹⁾ | 177,688,622 | 175,512,083 |
| Security deposit | 349,943 | 349,943 |
| Total other assets | 210,399,939 | 210,072,930 |
| Deferred outflows of resources: | | |
| Deferred pension contributions | 6,044,302 | 5,705,481 |
| Other deferred pension outflows | 15,047,685 | 288,051 |
| Total assets and deferred outflows of resources | \$ 2,580,852,435 | \$ 2,217,616,310 |

⁽¹⁾ Total cash and investments, \$877,064,477 for 2017 and \$607,316,824 for 2016

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Statements of Net Position
as of December 31, 2017
(Unaudited)

LIABILITIES AND NET POSITION

| | December | |
|--|-------------------------|-------------------------|
| | 2017 | 2016 |
| Current liabilities: | | |
| Accounts payable and accrued liabilities | \$ 60,739,019 | \$ 31,360,088 |
| Deposits and other current liabilities | 9,161,687 | 7,702,836 |
| Total current liabilities | 69,900,706 | 39,062,924 |
| Current liabilities - payable from restricted assets: | | |
| Current portion of long-term debt | 17,070,000 | 11,585,000 |
| Accrued interest on bonds and variable debt | 38,408,801 | 32,703,705 |
| Total liabilities payable from restricted assets | 55,478,801 | 44,288,705 |
| Long-term liabilities: | | |
| Variable debt | 26,448,000 | 52,331,000 |
| Other long-term liabilities | 7,890,052 | 8,697,549 |
| Long term debt - bonds net of amortized premium | 1,595,785,190 | 1,278,082,989 |
| Net pension liability | 18,111,482 | 1,680,759 |
| Total long-term liabilities | 1,648,234,724 | 1,340,792,297 |
| Total liabilities | 1,773,614,231 | 1,424,143,926 |
| Deferred inflows of resources: | | |
| Deferred pension inflows | 1,815,440 | 1,807,420 |
| Total liabilities and deferred inflows of resources | \$ 1,775,429,671 | \$ 1,425,951,346 |
| Net Position: | | |
| Invested in capital assets, net of related debt | 379,071,666 | 351,728,183 |
| Other restricted | 195,438,063 | 172,107,885 |
| Unrestricted: | | |
| Designated | 27,105,770 | 22,334,851 |
| Undesignated | 203,807,265 | 245,494,045 |
| Total Net Position | \$ 805,422,764 | \$ 791,664,964 |

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
 Statements of Revenues, Expenses, and Changes in Net Position
 For the Month Ended December 31, 2017
 (Unaudited)

| | Budget | Actual | Variance Favorable (Unfavorable) | % Change | Prior Year |
|--|-----------------------|---------------------|--|-------------|---------------------|
| Operating revenues: | | | | | |
| Aviation revenue: | | | | | |
| Landing fees | \$ 2,306,703 | \$ 1,979,639 | \$ (327,064) | (14)% | \$ 2,266,904 |
| Aircraft parking Fees | 251,617 | 266,714 | 15,097 | 6% | 242,298 |
| Building rentals | 4,855,042 | 4,918,586 | 63,544 | 1% | 4,586,628 |
| Security surcharge | 2,737,068 | 2,737,071 | 3 | - | 2,481,496 |
| CUPPS Support Charges | 116,784 | 116,304 | (480) | - | 103,334 |
| Other aviation revenue | 15,657 | 15,319 | (338) | (2)% | 133,115 |
| Terminal rent non-airline | 131,793 | 173,491 | 41,698 | 32% | 204,265 |
| Terminal concessions | 2,088,280 | 2,233,035 | 144,755 | 7% | 2,027,343 |
| Rental car license fees | 2,005,398 | 2,273,111 | 267,713 | 13% | 2,067,588 |
| Rental car center cost recovery | 144,308 | (74,786) | (219,094) | (152)% | 187,377 |
| License fees other | 435,727 | 508,523 | 72,796 | 17% | 414,309 |
| Parking revenue | 3,179,328 | 3,321,864 | 142,536 | 4% | 3,144,063 |
| Ground transportation permits and citations | 602,956 | 744,669 | 141,713 | 24% | 642,371 |
| Ground rentals | 1,675,558 | 1,696,569 | 21,011 | 1% | 1,535,255 |
| Grant reimbursements | - | 98,311 | 98,311 | - | 24,800 |
| Other operating revenue | 64,455 | 128,156 | 63,701 | 99% | 89,696 |
| Total operating revenues | 20,610,674 | 21,136,576 | 525,902 | 3% | 20,150,842 |
| Operating expenses: | | | | | |
| Salaries and benefits | 3,764,239 | 3,428,108 | 336,131 | 9% | 3,458,611 |
| Contractual services | 4,060,960 | 3,605,610 | 455,350 | 11% | 3,542,753 |
| Safety and security | 2,513,804 | 2,516,142 | (2,338) | - | 2,124,289 |
| Space rental | 849,048 | 849,147 | (99) | - | 848,997 |
| Utilities | 904,632 | 922,642 | (18,010) | (2)% | 688,912 |
| Maintenance | 1,344,895 | 1,106,187 | 238,708 | 18% | 893,140 |
| Equipment and systems | 47,941 | 18,296 | 29,645 | 62% | 19,156 |
| Materials and supplies | 60,374 | 32,166 | 28,208 | 47% | 44,850 |
| Insurance | 90,375 | 88,303 | 2,072 | 2% | 78,596 |
| Employee development and support | 186,009 | 144,070 | 41,939 | 23% | 69,387 |
| Business development | 286,663 | 330,817 | (44,154) | (15)% | 196,601 |
| Equipment rentals and repairs | 262,357 | 190,477 | 71,880 | 27% | 226,571 |
| Total operating expenses | 14,371,297 | 13,231,965 | 1,139,332 | 8% | 12,191,863 |
| Depreciation | 8,990,914 | 8,990,914 | - | - | 7,486,722 |
| Operating income (loss) | (2,751,537) | (1,086,303) | 1,665,234 | 61% | 472,257 |
| Nonoperating revenue (expenses): | | | | | |
| Passenger facility charges | 2,627,998 | 3,205,783 | 577,785 | 22% | 2,522,703 |
| Customer facility charges (Rental Car Center) | 2,814,951 | 2,861,544 | 46,593 | 2% | 2,258,967 |
| Quieter Home Program | (394,564) | (89,121) | 305,443 | 77% | 391,805 |
| Interest income | 805,095 | 927,163 | 122,068 | 15% | 633,820 |
| BAB interest rebate | 388,017 | 395,094 | 7,077 | 2% | 396,345 |
| Interest expense | (6,796,705) | (6,232,785) | 563,920 | 8% | (5,123,278) |
| Bond amortization costs | 338,615 | 490,516 | 151,901 | 45% | 346,425 |
| Other nonoperating income (expenses) | (1,000) | (307,572) | (306,572) | - | (17,495) |
| Nonoperating revenue, net | (217,593) | 1,250,622 | 1,468,215 | 675% | 1,409,292 |
| Change in net position before capital grant contributions | (2,969,130) | 164,319 | 3,133,449 | 106% | 1,881,549 |
| Capital grant contributions | 821,250 | 2,382,751 | 1,561,501 | 190% | (40,965) |
| Change in net position | \$ (2,147,880) | \$ 2,547,070 | \$ 4,694,950 | 219% | \$ 1,840,584 |

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Statements of Revenues, Expenses, and Changes in Net Position
For the Six Months Ended December 31, 2017 and 2016
(Unaudited)

| | Budget | Actual | Variance Favorable (Unfavorable) | % Change | Prior Year |
|--|---------------------|----------------------|--|-------------|----------------------|
| Operating revenues: | | | | | |
| Aviation revenue: | | | | | |
| Landing fees | \$ 13,916,990 | \$ 14,152,370 | \$ 235,380 | 2% | \$ 13,746,329 |
| Aircraft parking fees | 1,509,706 | 1,600,281 | 90,575 | 6% | 1,453,794 |
| Building rentals | 29,461,953 | 29,782,337 | 320,384 | 1% | 27,440,984 |
| Security surcharge | 16,465,096 | 16,467,431 | 2,335 | - | 14,905,970 |
| CUPPS Support Charges | 700,704 | 702,060 | 1,356 | - | 620,856 |
| Other aviation revenue | 100,704 | 96,367 | (4,337) | (4)% | 811,561 |
| Terminal rent non-airline | 794,171 | 957,685 | 163,514 | 21% | 764,731 |
| Terminal concessions | 12,971,088 | 13,892,688 | 921,600 | 7% | 12,758,685 |
| Rental car license fees | 14,710,995 | 15,006,107 | 295,112 | 2% | 14,693,485 |
| Rental car center cost recovery | 865,850 | 622,480 | (243,370) | (28)% | 1,090,325 |
| License fees other | 2,450,632 | 2,832,210 | 381,578 | 16% | 2,371,877 |
| Parking revenue | 21,381,581 | 21,374,683 | (6,898) | - | 21,357,996 |
| Ground transportation permits and citations | 3,712,733 | 4,705,561 | 992,828 | 27% | 3,989,240 |
| Ground rentals | 10,053,348 | 10,165,379 | 112,031 | 1% | 9,246,055 |
| Grant reimbursements | - | 304,143 | 304,143 | - | 147,200 |
| Other operating revenue | 386,734 | 681,659 | 294,925 | 76% | 764,246 |
| Total operating revenues | 129,482,285 | 133,343,441 | 3,861,156 | 3% | 126,163,334 |
| Operating expenses: | | | | | |
| Salaries and benefits | 22,249,516 | 20,333,433 | 1,916,083 | 9% | 20,918,552 |
| Contractual services | 22,892,673 | 22,097,476 | 795,197 | 3% | 21,825,158 |
| Safety and security | 14,995,290 | 14,624,197 | 371,093 | 2% | 13,348,451 |
| Space rental | 5,095,238 | 5,095,422 | (184) | - | 5,094,930 |
| Utilities | 6,419,991 | 6,295,834 | 124,157 | 2% | 5,599,770 |
| Maintenance | 7,450,546 | 5,801,329 | 1,649,217 | 22% | 6,838,925 |
| Equipment and systems | 161,418 | 164,024 | (2,606) | (2)% | 111,536 |
| Materials and supplies | 226,419 | 273,719 | (47,300) | (21)% | 252,129 |
| Insurance | 583,480 | 574,929 | 8,551 | 1% | 479,452 |
| Employee development and support | 671,489 | 617,794 | 53,695 | 8% | 536,928 |
| Business development | 1,282,299 | 1,408,773 | (126,474) | (10)% | 1,051,581 |
| Equipment rentals and repairs | 1,644,152 | 1,436,261 | 207,891 | 13% | 1,608,821 |
| Total operating expenses | 83,672,511 | 78,723,191 | 4,949,320 | 6% | 77,666,233 |
| Depreciation | 48,826,454 | 48,826,454 | - | - | 45,645,796 |
| Operating income (loss) | (3,016,680) | 5,793,796 | 8,810,476 | - | 2,851,305 |
| Nonoperating revenue (expenses): | | | | | |
| Passenger facility charges | 20,042,692 | 21,334,712 | 1,292,020 | 6% | 19,239,652 |
| Customer facility charges (Rental Car Center) | 20,375,142 | 20,259,307 | (115,835) | (1)% | 16,758,546 |
| Quieter Home Program | (1,149,519) | (657,888) | 491,631 | 43% | (359,419) |
| Interest income | 4,594,223 | 5,304,860 | 710,637 | 15% | 3,737,966 |
| BAB interest rebate | 2,328,099 | 2,333,095 | 4,996 | - | 2,325,601 |
| Interest expense | (41,565,846) | (37,523,277) | 4,042,569 | 10% | (30,662,468) |
| Bond amortization costs | 2,041,590 | 2,795,995 | 754,405 | 37% | 2,088,054 |
| Other nonoperating income (expenses) | (4,000) | (1,772,282) | (1,768,282) | - | (2,204,629) |
| Nonoperating revenue, net | 6,662,381 | 12,074,522 | 5,412,141 | 81% | 10,923,303 |
| Change in net position before capital grant contributions | 3,645,701 | 17,868,318 | 14,222,617 | 390% | 13,774,608 |
| Capital grant contributions | 2,678,750 | 4,381,414 | 1,702,664 | 64% | 217,299 |
| Change in net position | \$ 6,324,451 | \$ 22,249,732 | \$ 15,925,281 | 252% | \$ 13,991,907 |



San Diego County Regional Airport Authority
Authority Detail Income Statement - Supplemental Schedule
 For the six months ended December 31, 2017
 (Unaudited)

Print Date: 1/10/2018
 Print Time: 3:43:52PM
 Report ID: GL0012

| | 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 |
| Landing Fees | | | | | | | | | | |
| 41112 - Landing Fees - Signatory | \$2,306,703 | \$1,979,639 | \$(327,064) | (14) | \$2,331,786 | \$13,970,273 | \$14,198,590 | \$228,317 | 2 | \$13,924,076 |
| 41113 - Landing Fee Rebate | 0 | 0 | 0 | 0 | (64,882) | (53,283) | (46,220) | 7,063 | 13 | (177,747) |
| Total Landing Fees | 2,306,703 | 1,979,639 | (327,064) | (14) | 2,266,904 | 13,916,990 | 14,152,369 | 235,379 | 2 | 13,746,329 |
| Aircraft Parking Fees | | | | | | | | | | |
| 41150 - Terminal Aircraft Parking | 216,391 | 226,455 | 10,064 | 5 | 208,376 | 1,298,347 | 1,348,664 | 50,317 | 4 | 1,250,259 |
| 41155 - Remote Aircraft Parking | 35,226 | 40,259 | 5,032 | 14 | 33,923 | 211,359 | 251,617 | 40,258 | 19 | 203,535 |
| Total Aircraft Parking Fees | 251,618 | 266,713 | 15,096 | 6 | 242,299 | 1,509,706 | 1,600,281 | 90,575 | 6 | 1,453,794 |
| Building and Other Rents | | | | | | | | | | |
| 41210 - Terminal Rent | 4,792,907 | 4,844,013 | 51,105 | 1 | 4,526,009 | 28,981,595 | 29,295,969 | 314,374 | 1 | 27,011,514 |
| 41215 - Federal Inspection Services | 62,134 | 74,573 | 12,439 | 20 | 60,617 | 480,358 | 486,368 | 6,010 | 1 | 429,470 |
| Total Building and Other Rents | 4,855,041 | 4,918,586 | 63,545 | 1 | 4,586,626 | 29,461,953 | 29,782,337 | 320,384 | 1 | 27,440,984 |
| Security Surcharge | | | | | | | | | | |
| 41310 - Airside Security Charges | 660,928 | 660,929 | 1 | 0 | 612,181 | 3,977,307 | 3,978,638 | 1,331 | 0 | 3,673,364 |
| 41320 - Terminal Security Charge | 2,076,140 | 2,076,142 | 2 | 0 | 1,869,315 | 12,487,789 | 12,488,793 | 1,004 | 0 | 11,232,606 |
| Total Security Surcharge | 2,737,068 | 2,737,071 | 3 | 0 | 2,481,496 | 16,465,096 | 16,467,431 | 2,335 | 0 | 14,905,970 |
| CUPPS Support Charges | | | | | | | | | | |
| 41400 - CUPPS Support Charges | 116,784 | 116,304 | (480) | 0 | 103,334 | 700,704 | 702,060 | 1,356 | 0 | 620,856 |
| Total CUPPS Support Charges | 116,784 | 116,304 | (480) | 0 | 103,334 | 700,704 | 702,060 | 1,356 | 0 | 620,856 |
| Other Aviation Revenue | | | | | | | | | | |
| 43100 - Fuel Franchise Fees | 15,657 | 15,319 | (337) | (2) | 14,164 | 100,704 | 96,367 | (4,337) | (4) | 97,855 |
| 43105 - New Capital Recovery | 0 | 0 | 0 | 0 | 118,951 | 0 | 0 | 0 | 0 | 713,706 |
| Total Other Aviation Revenue | 15,657 | 15,319 | (337) | (2) | 133,115 | 100,704 | 96,367 | (4,337) | (4) | 811,561 |
| Non-Airline Terminal Rents | | | | | | | | | | |
| 45010 - Terminal Rent - Non-Airline | 131,793 | 173,491 | 41,699 | 32 | 204,265 | 794,171 | 957,685 | 163,514 | 21 | 764,731 |
| Total Non-Airline Terminal Rents | 131,793 | 173,491 | 41,699 | 32 | 204,265 | 794,171 | 957,685 | 163,514 | 21 | 764,731 |

San Diego County Regional Airport Authority
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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 |
| Concession Revenue | | | | | | | | | | |
| 45111 - Term Concessions-Food & Bev | \$903,802 | \$937,190 | \$33,388 | 4 | \$872,785 | \$5,535,538 | \$5,946,968 | \$411,430 | 7 | \$5,418,521 |
| 45112 - Terminal Concessions - Retail | 542,752 | 587,584 | 44,832 | 8 | 554,011 | 3,553,696 | 3,857,577 | 303,881 | 9 | 3,601,008 |
| 45113 - Term Concessions - Other | 247,139 | 342,955 | 95,816 | 39 | 268,664 | 1,527,737 | 1,787,102 | 259,366 | 17 | 1,727,811 |
| 45114 - Term Concessions Space Rents | 72,689 | 55,215 | (17,474) | (24) | 72,591 | 436,134 | 445,283 | 9,149 | 2 | 435,544 |
| 45115 - Term Concessions Cost Recovery | 126,328 | 124,725 | (1,604) | (1) | 83,361 | 761,630 | 742,711 | (18,919) | (2) | 515,314 |
| 45116 - Rec Distr Center Cost Recovery | 135,036 | 133,131 | (1,905) | (1) | 126,791 | 776,223 | 773,362 | (2,860) | 0 | 749,552 |
| 45117 - Concessions Marketing Program | 60,534 | 52,235 | (8,299) | (14) | 49,140 | 380,130 | 339,685 | (40,445) | (11) | 310,935 |
| 45120 - Rental car license fees | 2,005,398 | 2,273,111 | 267,713 | 13 | 2,067,588 | 14,710,995 | 15,006,107 | 295,112 | 2 | 14,693,485 |
| 45121 - Rental Car Center Cost Recover | 144,308 | (74,786) | (219,094) | (152) | 187,377 | 865,850 | 622,480 | (243,370) | (28) | 1,090,325 |
| 45130 - License Fees - Other | 435,727 | 508,523 | 72,796 | 17 | 414,309 | 2,450,632 | 2,832,210 | 381,577 | 16 | 2,371,877 |
| Total Concession Revenue | 4,673,713 | 4,939,883 | 266,169 | 6 | 4,696,617 | 30,998,564 | 32,353,484 | 1,354,920 | 4 | 30,914,372 |
| Parking and Ground Transportat | | | | | | | | | | |
| 45210 - Parking | 3,179,328 | 3,321,864 | 142,535 | 4 | 3,144,063 | 21,381,581 | 21,374,683 | (6,899) | 0 | 21,357,996 |
| 45220 - AVI fees | 542,316 | 708,120 | 165,804 | 31 | 568,709 | 3,553,120 | 4,495,152 | 942,032 | 27 | 3,374,000 |
| 45240 - Ground Transportation Pe | 45,228 | 15,675 | (29,553) | (65) | 58,953 | 67,141 | 89,030 | 21,889 | 33 | 504,668 |
| 45250 - Citations | 15,412 | 20,874 | 5,462 | 35 | 14,709 | 92,472 | 121,379 | 28,907 | 31 | 110,572 |
| Total Parking and Ground Transportat | 3,782,284 | 4,066,533 | 284,249 | 8 | 3,786,433 | 25,094,315 | 26,080,244 | 985,929 | 4 | 25,347,236 |
| Ground Rentals | | | | | | | | | | |
| 45310 - Ground Rental Fixed - N | 1,675,558 | 1,696,570 | 21,012 | 1 | 1,535,255 | 10,053,348 | 10,165,379 | 112,031 | 1 | 9,246,055 |
| Total Ground Rentals | 1,675,558 | 1,696,570 | 21,012 | 1 | 1,535,255 | 10,053,348 | 10,165,379 | 112,031 | 1 | 9,246,055 |
| Grant Reimbursements | | | | | | | | | | |
| 45410 - TSA Reimbursements | 0 | 24,800 | 24,800 | 0 | 24,800 | 0 | 147,200 | 147,200 | 0 | 147,200 |
| 45420 - Planning Grants | 0 | 73,511 | 73,511 | 0 | 0 | 0 | 156,943 | 156,943 | 0 | 0 |
| Total Grant Reimbursements | 0 | 98,311 | 98,311 | 0 | 24,800 | 0 | 304,143 | 304,143 | 0 | 147,200 |

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|--------------------------------------|-------------------|-------------------|----------------------------------|------------------|-------------------|--------------------|--------------------|----------------------------------|------------------|--------------------|
| | Budget | Actual | Variance Favorable (Unfavorable) | Variance Percent | Prior Year Actual | Budget | Actual | Variance Favorable (Unfavorable) | Variance Percent | Prior Year Actual |
| Other Operating Revenue | | | | | | | | | | |
| 45510 - Finger Printing Fee | \$17,605 | \$21,432 | \$3,827 | 22 | \$13,308 | \$105,632 | \$133,616 | \$27,984 | 26 | \$98,087 |
| 45520 - Utilities Reimbursements | 19,427 | 16,613 | (2,814) | (14) | 19,427 | 116,560 | 99,678 | (16,882) | (14) | 116,560 |
| 45530 - Miscellaneous Other Reve | 4,274 | 48,367 | 44,093 | 1,032 | 34,175 | 25,642 | 262,380 | 236,738 | 923 | 379,868 |
| 45540 - Service Charges | 7,314 | 8,780 | 1,466 | 20 | 7,067 | 43,883 | 64,349 | 20,466 | 47 | 63,138 |
| 45570 - FBO Landing Fees | 15,836 | 32,963 | 17,126 | 108 | 15,719 | 95,017 | 119,316 | 24,299 | 26 | 104,273 |
| 45580 - Equipment Rental | 0 | 0 | 0 | 0 | 0 | 0 | 2,320 | 2,320 | 0 | 2,320 |
| Total Other Operating Revenue | 64,456 | 128,155 | 63,699 | 99 | 89,695 | 386,735 | 681,659 | 294,925 | 76 | 764,246 |
| Total Operating Revenue | 20,610,673 | 21,136,575 | 525,901 | 3 | 20,150,840 | 129,482,285 | 133,343,440 | 3,861,155 | 3 | 126,163,332 |
| Personnel Expenses | | | | | | | | | | |
| Salaries | | | | | | | | | | |
| 51110 - Salaries & Wages | 2,828,351 | 2,254,210 | 574,140 | 20 | 2,207,518 | 17,226,347 | 13,768,011 | 3,458,336 | 20 | 13,857,203 |
| 51210 - Paid Time Off | 0 | 234,075 | (234,075) | 0 | 215,237 | 0 | 1,693,250 | (1,693,250) | 0 | 1,350,056 |
| 51220 - Holiday Pay | 0 | 53,587 | (53,587) | 0 | 54,746 | 0 | 278,171 | (278,171) | 0 | 273,226 |
| 51240 - Other Leave With Pay | 0 | 7,305 | (7,305) | 0 | 13,416 | 0 | 70,023 | (70,023) | 0 | 46,286 |
| 51250 - Special Pay | 0 | (18,319) | 18,319 | 0 | 19,362 | 0 | 117,644 | (117,644) | 0 | 352,947 |
| Total Salaries | 2,828,351 | 2,530,857 | 297,493 | 11 | 2,510,279 | 17,226,347 | 15,927,099 | 1,299,248 | 8 | 15,879,718 |
| 52110 - Overtime | 53,069 | 43,307 | 9,762 | 18 | 52,668 | 356,746 | 300,150 | 56,596 | 16 | 358,290 |

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|---|------------------|------------------|----------------------------------|------------------|-------------------|--------------------|--------------------|----------------------------------|------------------|--------------------|
| | Budget | Actual | Variance Favorable (Unfavorable) | Variance Percent | Prior Year Actual | Budget | Actual | Variance Favorable (Unfavorable) | Variance Percent | Prior Year Actual |
| Benefits | | | | | | | | | | |
| 54110 - FICA Tax | \$186,298 | \$165,893 | \$20,406 | 11 | \$157,226 | \$1,248,031 | \$1,125,457 | \$122,575 | 10 | \$1,104,050 |
| 54120 - Unemployment Insurance-S | 0 | 0 | 0 | 0 | 0 | 0 | 15,149 | (15,149) | 0 | 41,520 |
| 54130 - Workers Compensation Ins | 23,478 | 13,916 | 9,563 | 41 | 29,650 | 145,567 | 88,517 | 57,050 | 39 | 111,841 |
| 54135 - Workers Comp Incident Expense | 0 | 2,191 | (2,191) | 0 | 4,786 | 0 | 48,466 | (48,466) | 0 | 27,730 |
| 54210 - Medical Insurance | 448,007 | 397,440 | 50,567 | 11 | 396,166 | 2,028,840 | 1,896,762 | 132,078 | 7 | 2,049,460 |
| 54220 - Dental Insurance | 26,810 | 25,203 | 1,607 | 6 | 25,921 | 160,859 | 152,243 | 8,615 | 5 | 155,905 |
| 54230 - Vision Insurance | 3,360 | 3,180 | 180 | 5 | 3,196 | 20,158 | 19,096 | 1,062 | 5 | 19,108 |
| 54240 - Life Insurance | 8,838 | 8,478 | 361 | 4 | 8,182 | 53,029 | 50,836 | 2,193 | 4 | 49,034 |
| 54250 - Short Term Disability | 8,710 | 10,135 | (1,425) | (16) | 9,991 | 54,000 | 60,560 | (6,560) | (12) | 59,690 |
| 54310 - Retirement | 538,147 | 443,767 | 94,380 | 18 | 474,759 | 3,228,884 | 2,678,370 | 550,515 | 17 | 2,754,131 |
| 54315 - Retiree | 179,078 | 178,017 | 1,061 | 1 | 174,250 | 1,074,468 | 1,068,100 | 6,368 | 1 | 1,044,350 |
| 54410 - Taxable Benefits | 0 | 5,153 | (5,153) | 0 | 20,186 | 0 | (4,233) | 4,233 | 0 | 20,630 |
| 54430 - Accrued Vacation | 0 | (692) | 692 | 0 | (29,635) | 0 | (163,553) | 163,553 | 0 | (203,127) |
| 54440 - Relocation | 0 | 42,043 | (42,043) | 0 | 0 | 0 | 52,807 | (52,807) | 0 | 0 |
| Total Benefits | 1,422,726 | 1,294,723 | 128,003 | 9 | 1,274,679 | 8,013,835 | 7,088,575 | 925,260 | 12 | 7,234,323 |
| Cap Labor/Burden/OH Recharge | | | | | | | | | | |
| 54510 - Capitalized Labor Recha | (484,744) | (116,657) | (368,087) | (76) | (74,912) | (3,005,414) | (702,839) | (2,302,574) | (77) | (466,708) |
| 54515 - Capitalized Burden Rech | 0 | (48,498) | 48,498 | 0 | (27,075) | 0 | (291,474) | 291,474 | 0 | (175,389) |
| 54599 - OH Contra | 0 | (234,124) | 234,124 | 0 | (279,530) | 0 | (1,749,954) | 1,749,954 | 0 | (1,747,888) |
| Total Cap Labor/Burden/OH Recharge | (484,744) | (399,279) | (85,465) | (18) | (381,517) | (3,005,414) | (2,744,268) | (261,146) | (9) | (2,389,985) |
| QHP Labor/Burden/OH Recharge | | | | | | | | | | |
| 54520 - QHP Labor Recharge | (55,161) | (21,326) | (33,835) | (61) | 0 | (341,999) | (124,766) | (217,233) | (64) | (47,288) |
| 54525 - QHP Burden Recharge | 0 | (9,786) | 9,786 | 0 | 0 | 0 | (55,871) | 55,871 | 0 | (19,896) |
| 54526 - QHP OH Contra Acct | 0 | (10,362) | 10,362 | 0 | 0 | 0 | (71,873) | 71,873 | 0 | (99,109) |
| Total QHP Labor/Burden/OH Recharge | (55,161) | (41,474) | (13,687) | (25) | 0 | (341,999) | (252,510) | (89,490) | (26) | (166,294) |
| MM&JS Labor/Burden/OH Recharge | | | | | | | | | | |
| 54530 - MM & JS Labor Recharge | 0 | (635) | 635 | 0 | 2,500 | 0 | (12,761) | 12,761 | 0 | 2,500 |
| 54531 - Joint Studies - Labor | 0 | 606 | (606) | 0 | 0 | 0 | 27,145 | (27,145) | 0 | 0 |
| 54535 - MM & JS Burden Recharge | 0 | (287) | 287 | 0 | 0 | 0 | (2,508) | 2,508 | 0 | 0 |
| 54536 - Maintenance-Burden | 0 | 287 | (287) | 0 | 0 | 0 | 2,508 | (2,508) | 0 | 0 |
| Total MM&JS Labor/Burden/OH Recharge | 0 | (29) | 29 | 0 | 2,500 | 0 | 14,384 | (14,384) | 0 | 2,500 |
| Total Personnel Expenses | 3,764,240 | 3,428,105 | 336,135 | 9 | 3,458,608 | 22,249,515 | 20,333,431 | 1,916,084 | 9 | 20,918,552 |

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|--|------------------|------------------|----------------------------------|------------------|-------------------|-------------------|-------------------|----------------------------------|------------------|-------------------|
| | Budget | Actual | Variance Favorable (Unfavorable) | Variance Percent | Prior Year Actual | Budget | Actual | Variance Favorable (Unfavorable) | Variance Percent | Prior Year Actual |
| Non-Personnel Expenses | | | | | | | | | | |
| Contract Services | | | | | | | | | | |
| 61100 - Temporary Staffing | \$18,165 | \$40,759 | \$(22,594) | (124) | \$24,320 | \$147,359 | \$211,397 | \$(64,039) | (43) | \$225,243 |
| 61110 - Auditing Services | 0 | 0 | 0 | 0 | 10,000 | 108,900 | 107,900 | 1,000 | 1 | 154,800 |
| 61120 - Legal Services | 130,000 | (19,384) | 149,384 | 115 | 48,767 | 280,000 | 226,510 | 53,490 | 19 | 238,323 |
| 61130 - Services - Professional | 1,063,365 | 819,008 | 244,357 | 23 | 938,788 | 6,109,680 | 5,348,526 | 761,154 | 12 | 6,309,862 |
| 61150 - Outside Svs - Other | 422,191 | 281,093 | 141,098 | 33 | 260,375 | 1,985,640 | 1,913,999 | 71,641 | 4 | 1,634,832 |
| 61160 - Services - Custodial | 2,469,163 | 2,551,086 | (81,923) | (3) | 2,333,425 | 14,530,838 | 14,523,620 | 7,218 | 0 | 13,683,769 |
| 61190 - Receiving & Dist Cntr Services | 141,551 | 141,442 | 109 | 0 | 133,249 | 813,670 | 815,369 | (1,699) | 0 | 788,378 |
| 61990 - OH Contra | (183,475) | (208,393) | 24,918 | 14 | (206,170) | (1,083,414) | (1,049,845) | (33,569) | (3) | (1,210,049) |
| Total Contract Services | 4,060,960 | 3,605,611 | 455,349 | 11 | 3,542,754 | 22,892,673 | 22,097,477 | 795,196 | 3 | 21,825,158 |
| Safety and Security | | | | | | | | | | |
| 61170 - Services - Fire, Police, | 512,166 | 483,653 | 28,513 | 6 | 474,009 | 3,072,996 | 3,015,682 | 57,314 | 2 | 2,837,551 |
| 61180 - Services - SDUPD-Harbor | 1,547,338 | 1,544,562 | 2,775 | 0 | 1,287,328 | 9,408,493 | 8,823,869 | 584,624 | 6 | 8,201,758 |
| 61185 - Guard Services | 337,632 | 323,020 | 14,612 | 4 | 236,405 | 1,813,801 | 1,931,607 | (117,806) | (6) | 1,597,846 |
| 61188 - Other Safety & Security Serv | 116,667 | 164,906 | (48,240) | (41) | 126,546 | 700,000 | 853,039 | (153,039) | (22) | 711,296 |
| Total Safety and Security | 2,513,802 | 2,516,142 | (2,339) | 0 | 2,124,289 | 14,995,289 | 14,624,196 | 371,093 | 2 | 13,348,452 |
| Space Rental | | | | | | | | | | |
| 62100 - Rent | 849,048 | 849,147 | (99) | 0 | 848,997 | 5,095,238 | 5,095,422 | (184) | 0 | 5,094,930 |
| Total Space Rental | 849,048 | 849,147 | (99) | 0 | 848,997 | 5,095,238 | 5,095,422 | (184) | 0 | 5,094,930 |
| Utilities | | | | | | | | | | |
| 63100 - Telephone & Other Commun | 39,217 | 42,352 | (3,136) | (8) | 44,801 | 236,738 | 243,487 | (6,748) | (3) | 251,731 |
| 63110 - Utilities - Gas & Electr | 777,908 | 784,659 | (6,751) | (1) | 554,037 | 5,615,220 | 5,468,486 | 146,734 | 3 | 4,794,311 |
| 63120 - Utilities - Water | 87,507 | 95,687 | (8,179) | (9) | 90,085 | 568,033 | 584,422 | (16,389) | (3) | 555,045 |
| 63190 - OH Contra | 0 | (55) | 55 | 0 | (11) | 0 | (561) | 561 | 0 | (1,317) |
| Total Utilities | 904,632 | 922,643 | (18,011) | (2) | 688,913 | 6,419,992 | 6,295,834 | 124,158 | 2 | 5,599,770 |

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| | Budget | Actual | Variance Favorable (Unfavorable) | Variance Percent | Prior Year Actual | Budget | Actual | Variance Favorable (Unfavorable) | Variance Percent | Prior Year Actual |
| Maintenance | | | | | | | | | | |
| 64100 - Facilities Supplies | \$60,967 | \$49,319 | \$11,648 | 19 | \$61,632 | \$380,900 | \$325,546 | \$55,354 | 15 | \$403,447 |
| 64110 - Maintenance - Annual R | 1,026,746 | 814,827 | 211,919 | 21 | 691,118 | 5,707,496 | 4,442,650 | 1,264,846 | 22 | 4,991,570 |
| 64122 - Contractor Labor | 0 | 0 | 0 | 0 | 306 | 0 | 164 | (164) | 0 | 689 |
| 64123 - Contractor Burden | 0 | 0 | 0 | 0 | 390 | 0 | 209 | (209) | 0 | 877 |
| 64124 - Maintenance-Overhead | 0 | 34 | (34) | 0 | 29 | 0 | 1,341 | (1,341) | 0 | 271 |
| 64125 - Major Maintenance - Mat | 210,000 | 228,940 | (18,940) | (9) | 105,584 | 1,101,812 | 801,511 | 300,301 | 27 | 1,205,240 |
| 64127 - Contract Overhead (co | 0 | 0 | 0 | 0 | 506 | 0 | 461 | (461) | 0 | 1,412 |
| 64130 - Remediation | 0 | 0 | 0 | 0 | 0 | 0 | (19) | 19 | 0 | 0 |
| 64140 - Refuse & Hazardous Waste | 47,182 | 13,068 | 34,114 | 72 | 33,575 | 260,338 | 229,466 | 30,872 | 12 | 235,419 |
| Total Maintenance | 1,344,894 | 1,106,187 | 238,707 | 18 | 893,139 | 7,450,547 | 5,801,330 | 1,649,217 | 22 | 6,838,925 |
| Equipment and Systems | | | | | | | | | | |
| 65100 - Equipment & Systems | 48,535 | 18,214 | 30,321 | 62 | 19,227 | 167,020 | 164,144 | 2,876 | 2 | 113,254 |
| 65101 - OH Contra | (594) | 82 | (676) | (114) | (71) | (5,602) | (120) | (5,481) | (98) | (1,718) |
| Total Equipment and Systems | 47,941 | 18,296 | 29,645 | 62 | 19,155 | 161,418 | 164,023 | (2,605) | (2) | 111,536 |
| Materials and Supplies | | | | | | | | | | |
| 65110 - Office & Operating Suppl | 62,545 | 31,405 | 31,140 | 50 | 39,078 | 221,627 | 223,010 | (1,382) | (1) | 204,739 |
| 65120 - Safety Equipment & Suppl | 4,694 | (1,964) | 6,658 | 142 | 3,543 | 37,332 | 38,492 | (1,160) | (3) | 41,490 |
| 65130 - Tools - Small | 1,934 | 3,279 | (1,345) | (70) | 7,264 | 9,536 | 27,445 | (17,909) | (188) | 27,930 |
| 65199 - OH Contra | (8,800) | (554) | (8,246) | (94) | (5,034) | (42,076) | (15,228) | (26,848) | (64) | (22,030) |
| Total Materials and Supplies | 60,373 | 32,165 | 28,208 | 47 | 44,851 | 226,420 | 273,719 | (47,299) | (21) | 252,128 |
| Insurance | | | | | | | | | | |
| 67170 - Insurance - Property | 44,725 | 40,651 | 4,074 | 9 | 40,919 | 268,350 | 257,979 | 10,371 | 4 | 245,517 |
| 67171 - Insurance - Liability | 12,533 | 11,825 | 709 | 6 | 11,825 | 75,200 | 70,949 | 4,251 | 6 | 70,950 |
| 67172 - Insurance - Public Offic | 17,842 | 15,034 | 2,808 | 16 | 11,255 | 108,000 | 91,154 | 16,846 | 16 | 68,481 |
| 67173 - Insurance Miscellaneous | 15,275 | 20,794 | (5,519) | (36) | 14,598 | 131,930 | 154,847 | (22,917) | (17) | 94,504 |
| Total Insurance | 90,375 | 88,304 | 2,072 | 2 | 78,597 | 583,480 | 574,929 | 8,551 | 1 | 479,451 |

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| | Budget | Actual | Variance Favorable (Unfavorable) | Variance Percent | Prior Year Actual | Budget | Actual | Variance Favorable (Unfavorable) | Variance Percent | Prior Year Actual |
| Employee Development and Suppo | | | | | | | | | | |
| 66120 - Awards - Service | \$5,416 | \$1,200 | \$4,216 | 78 | \$10,483 | \$30,871 | \$16,865 | \$14,006 | 45 | \$40,036 |
| 66130 - Book & Periodicals | 3,284 | 5,453 | (2,169) | (66) | 3,822 | 20,039 | 23,646 | (3,607) | (18) | 14,358 |
| 66220 - Permits/Certificates/Lic | 88,392 | 75,150 | 13,242 | 15 | 19,355 | 118,975 | 110,440 | 8,536 | 7 | 99,788 |
| 66260 - Recruiting | 13,000 | 1,203 | 11,797 | 91 | 960 | 80,905 | 106,410 | (25,505) | (32) | 4,083 |
| 66280 - Seminars & Training | 32,232 | 17,226 | 15,005 | 47 | 5,269 | 186,355 | 114,016 | 72,339 | 39 | 161,088 |
| 66290 - Transportation | 12,122 | 10,668 | 1,454 | 12 | 11,999 | 77,076 | 64,917 | 12,159 | 16 | 70,325 |
| 66299 - OH Contra | (2,893) | (1,615) | (1,278) | (44) | (1,154) | (29,931) | (20,131) | (9,800) | (33) | (15,606) |
| 66305 - Travel-Employee Developm | 21,299 | 14,234 | 7,066 | 33 | 15,140 | 122,807 | 131,835 | (9,028) | (7) | 128,495 |
| 66310 - Tuition | 8,333 | 7,878 | 455 | 5 | 600 | 25,000 | 27,085 | (2,085) | (8) | 9,902 |
| 66320 - Uniforms | 4,823 | 12,672 | (7,849) | (163) | 2,913 | 39,392 | 42,711 | (3,319) | (8) | 24,459 |
| Total Employee Development and Suppo | 186,008 | 144,070 | 41,939 | 23 | 69,387 | 671,489 | 617,793 | 53,696 | 8 | 536,930 |
| Business Development | | | | | | | | | | |
| 66100 - Advertising | 49,010 | 136,491 | (87,481) | (178) | 92,386 | 244,000 | 382,883 | (138,883) | (57) | 406,541 |
| 66110 - Allowance for Bad Debts | 2,500 | (5,267) | 7,767 | 311 | (8,767) | 5,000 | (5,734) | 10,734 | 215 | (3,910) |
| 66200 - Memberships & Dues | 31,718 | 18,140 | 13,578 | 43 | 17,433 | 221,363 | 171,406 | 49,957 | 23 | 192,840 |
| 66230 - Postage & Shipping | 1,761 | 232 | 1,529 | 87 | 606 | 10,910 | 9,058 | 1,853 | 17 | 9,375 |
| 66240 - Promotional Activities | 186,770 | 169,266 | 17,504 | 9 | 70,299 | 687,339 | 748,056 | (60,717) | (9) | 281,869 |
| 66250 - Promotional Materials | 2,105 | 3,250 | (1,146) | (54) | 6,480 | 14,425 | 21,784 | (7,359) | (51) | 55,547 |
| 66300 - Travel-Business Developm | 12,799 | 8,704 | 4,095 | 32 | 18,164 | 99,262 | 81,320 | 17,942 | 18 | 109,319 |
| Total Business Development | 286,663 | 330,816 | (44,153) | (15) | 196,601 | 1,282,300 | 1,408,773 | (126,473) | (10) | 1,051,581 |
| Equipment Rentals and Repairs | | | | | | | | | | |
| 66140 - Computer Licenses & Agre | 34,775 | 5,762 | 29,013 | 83 | 22,114 | 132,550 | 72,921 | 59,629 | 45 | 207,016 |
| 66150 - Equipment Rental/Leasing | 13,410 | 14,733 | (1,323) | (10) | 18,047 | 110,187 | 121,678 | (11,491) | (10) | 126,114 |
| 66160 - Tenant Improvements | 65,000 | 36,999 | 28,001 | 43 | 25,340 | 415,000 | 277,662 | 137,338 | 33 | 241,292 |
| 66270 - Repairs - Office Equipme | 155,735 | 136,733 | 19,002 | 12 | 161,699 | 1,108,874 | 1,053,834 | 55,040 | 5 | 1,128,977 |
| 66279 - OH Contra | (6,563) | (3,750) | (2,813) | (43) | (629) | (122,459) | (89,834) | (32,626) | (27) | (94,578) |
| Total Equipment Rentals and Repairs | 262,357 | 190,478 | 71,880 | 27 | 226,571 | 1,644,151 | 1,436,262 | 207,889 | 13 | 1,608,822 |
| Total Non-Personnel Expenses | 10,607,054 | 9,803,858 | 803,197 | 8 | 8,733,254 | 61,422,997 | 58,389,758 | 3,033,240 | 5 | 56,747,683 |
| Total Departmental Expenses before | 14,371,295 | 13,231,963 | 1,139,332 | 8 | 12,191,862 | 83,672,512 | 78,723,189 | 4,949,324 | 6 | 77,666,235 |

San Diego County Regional Airport Authority
Authority Detail Income Statement - Supplemental Schedule
For the six months ended December 31, 2017
(Unaudited)

Print Date: 1/10/2018
Print Time: 3:43:52PM
Report ID: GL0012

| | 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 |
| Depreciation and Amortization | | | | | | | | | | |
| 69110 - Depreciation Expense | \$8,990,914 | \$8,990,914 | \$0 | 0 | \$7,486,722 | \$48,826,454 | \$48,826,454 | \$0 | 0 | \$45,645,796 |
| Total Depreciation and Amortization | 8,990,914 | 8,990,914 | 0 | 0 | 7,486,722 | 48,826,454 | 48,826,454 | 0 | 0 | 45,645,796 |
| Non-Operating Revenue/(Expense) | | | | | | | | | | |
| Passenger Facility Charges | | | | | | | | | | |
| 71110 - Passenger Facility Chrg | 2,627,998 | 3,205,783 | 577,785 | 22 | 2,522,703 | 20,042,692 | 21,334,712 | 1,292,020 | 6 | 19,239,652 |
| Total Passenger Facility Charges | 2,627,998 | 3,205,783 | 577,785 | 22 | 2,522,703 | 20,042,692 | 21,334,712 | 1,292,020 | 6 | 19,239,652 |
| Customer Facility Charges | | | | | | | | | | |
| 71120 - Customer facility charges (Con | 2,814,951 | 2,861,544 | 46,593 | 2 | 2,258,967 | 20,375,142 | 20,259,307 | (115,836) | (1) | 16,758,546 |
| Total Customer Facility Charges | 2,814,951 | 2,861,544 | 46,593 | 2 | 2,258,967 | 20,375,142 | 20,259,307 | (115,836) | (1) | 16,758,546 |
| Quieter Home Program | | | | | | | | | | |
| 71212 - Quieter Home - Labor | (41,667) | (21,326) | 20,341 | 49 | 0 | (250,000) | (124,766) | 125,234 | 50 | (47,288) |
| 71213 - Quieter Home - Burden | 0 | (9,786) | (9,786) | 0 | 0 | 0 | (55,871) | (55,871) | 0 | (19,896) |
| 71214 - Quieter Home - Overhead | (20,000) | (10,362) | 9,638 | 48 | 0 | (120,000) | (71,873) | 48,127 | 40 | (99,109) |
| 71215 - Quieter Home - Material | (1,200,000) | (422,538) | 777,462 | 65 | (84,175) | (4,125,259) | (2,647,389) | 1,477,870 | 36 | (1,304,070) |
| 71216 - Quieter Home Program | 967,103 | 384,849 | (582,254) | (60) | 475,979 | 3,445,740 | 2,266,558 | (1,179,182) | (34) | 1,111,065 |
| 71217 - Contract Labor | 0 | 0 | 0 | 0 | 0 | 0 | (295) | (295) | 0 | (53) |
| 71218 - Contractor Burden | 0 | 0 | 0 | 0 | 0 | 0 | (375) | (375) | 0 | (68) |
| 71222 - Contractor Labor | 0 | (2,408) | (2,408) | 0 | 0 | 0 | (5,117) | (5,117) | 0 | 0 |
| 71223 - Contractor Burden | 0 | (3,065) | (3,065) | 0 | 0 | 0 | (6,513) | (6,513) | 0 | 0 |
| 71224 - Joint Studies Overhead | 0 | (872) | (872) | 0 | 0 | 0 | (4,126) | (4,126) | 0 | 0 |
| 71225 - Joint Studies - Material | (100,000) | 0 | 100,000 | 100 | 0 | (100,000) | (325) | 99,675 | 100 | 0 |
| 71226 - Contractor Overhead | 0 | (3,612) | (3,612) | 0 | 0 | 0 | (7,796) | (7,796) | 0 | 0 |
| Total Quieter Home Program | (394,564) | (89,120) | 305,443 | 77 | 391,804 | (1,149,519) | (657,887) | 491,632 | 43 | (359,420) |

San Diego County Regional Airport Authority
Authority Detail Income Statement - Supplemental Schedule
For the six months ended December 31, 2017
(Unaudited)

Print Date: 1/10/2018
Print Time: 3:43:52PM
Report ID: GL0012

| | ----- 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 |
| Interest Income | | | | | | | | | | |
| 71310 - Interest - Investments | \$644,826 | \$572,989 | \$(71,837) | (11) | \$358,899 | \$3,632,672 | \$3,015,973 | \$(616,700) | (17) | \$2,119,231 |
| 71340 - Interest - Note Receivab | 160,269 | 160,269 | 0 | 0 | 168,421 | 961,551 | 961,551 | 0 | 0 | 1,009,387 |
| 71350 - Interest - Other | 0 | (883) | (883) | 0 | 4,474 | 0 | (1,695) | (1,695) | 0 | 3,897 |
| 71361 - Interest Income - 2010 Bonds | 0 | 60,528 | 60,528 | 0 | 40,663 | 0 | 319,980 | 319,980 | 0 | 237,961 |
| 71363 - Interest Income - 2013 Bonds | 0 | 40,877 | 40,877 | 0 | 32,182 | 0 | 236,551 | 236,551 | 0 | 193,187 |
| 71364 - Interest Income - 2017 Bond A | 0 | 57,589 | 57,589 | 0 | 0 | 0 | 561,440 | 561,440 | 0 | 0 |
| 71365 - Interest Income - 2014 Bond A | 0 | 35,794 | 35,794 | 0 | 29,181 | 0 | 211,060 | 211,060 | 0 | 174,303 |
| Total Interest Income | 805,096 | 927,164 | 122,069 | 15 | 633,821 | 4,594,223 | 5,304,859 | 710,636 | 15 | 3,737,967 |
| Interest income BAB's rebate | | | | | | | | | | |
| 71362 - BAB interest rebate | 388,017 | 395,094 | 7,078 | 2 | 396,345 | 2,328,099 | 2,333,095 | 4,996 | 0 | 2,325,601 |
| Total Interest income BAB's rebate | 388,017 | 395,094 | 7,078 | 2 | 396,345 | 2,328,099 | 2,333,095 | 4,996 | 0 | 2,325,601 |
| Interest Expense | | | | | | | | | | |
| 71411 - Interest Expense- 2010 Bonds | (2,521,646) | (2,521,646) | 0 | 0 | (2,559,687) | (15,129,874) | (15,129,874) | 0 | 0 | (15,358,124) |
| 71412 - Interest Expense 2013 Bonds | (1,521,979) | (1,521,979) | 0 | 0 | (1,529,163) | (9,131,875) | (9,131,875) | 0 | 0 | (9,174,975) |
| 71413 - Interest Expense 2014 Bond A | (1,361,768) | (1,361,768) | 0 | 0 | (1,361,768) | (8,170,605) | (8,170,605) | 0 | 0 | (8,170,605) |
| 71414 - Interest Expense 2017 Bond A | (1,250,229) | (1,195,289) | 54,940 | 4 | 0 | (6,251,146) | (5,976,446) | 274,701 | 4 | 0 |
| 71420 - Interest Expense-Variable Debt | (38,953) | (38,760) | 193 | 0 | (42,290) | (233,720) | (283,070) | (49,350) | (21) | (187,182) |
| 71430 - LOC Fees - C/P | (34,724) | (83,781) | (49,056) | (141) | (26,682) | (317,320) | (233,066) | 84,254 | 27 | (165,934) |
| 71450 - Trustee Fee Bonds | (7,933) | 0 | 7,933 | 100 | 0 | (7,933) | (1,050) | 6,883 | 87 | (7,050) |
| 71451 - Program Fees - Variable Debt | (5,000) | 0 | 5,000 | 100 | 0 | (5,000) | (3,300) | 1,700 | 34 | 0 |
| 71458 - Capitalized Interest | 0 | 544,911 | 544,911 | 0 | 452,410 | 0 | 3,212,670 | 3,212,670 | 0 | 2,739,896 |
| 71460 - Interest Expense - Other | 0 | 0 | 0 | 0 | 0 | (1,989,435) | (1,477,723) | 511,712 | 26 | 0 |
| 71461 - Interest Expense - Cap Leases | (54,474) | (54,474) | 0 | 0 | (56,097) | (328,938) | (328,938) | 0 | 0 | (338,494) |
| Total Interest Expense | (6,796,706) | (6,232,786) | 563,921 | 8 | (5,123,276) | (41,565,847) | (37,523,278) | 4,042,569 | 10 | (30,662,468) |
| Amortization | | | | | | | | | | |
| 69210 - Amortization - Premium | 338,615 | 490,516 | 151,901 | 45 | 346,425 | 2,041,590 | 2,795,995 | 754,405 | 37 | 2,088,054 |
| Total Amortization | 338,615 | 490,516 | 151,901 | 45 | 346,425 | 2,041,590 | 2,795,995 | 754,405 | 37 | 2,088,054 |

San Diego County Regional Airport Authority
Authority Detail Income Statement - Supplemental Schedule
For the six months ended December 31, 2017
(Unaudited)

Print Date: 1/10/2018
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Report ID: GL0012

| | ----- 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 |
| Other Non-Operating Income (Expense) | | | | | | | | | | |
| 71510 - Legal Settlement Income | \$0 | \$26,793 | \$26,793 | 0 | \$0 | \$0 | \$27,316 | \$27,316 | 0 | \$0 |
| 71530 - Gain/Loss On Investments | 0 | (353,409) | (353,409) | 0 | (23,945) | 0 | (1,822,213) | (1,822,213) | 0 | (2,256,538) |
| 71540 - Discounts Earned | 0 | 2,417 | 2,417 | 0 | 4,247 | 0 | 5,560 | 5,560 | 0 | 10,994 |
| 71610 - Legal Settlement Expense | (1,000) | 0 | 1,000 | 100 | 0 | (4,000) | 0 | 4,000 | 100 | 0 |
| 71620 - Other non-operating revenue (e | 0 | 16,627 | 16,627 | 0 | 2,203 | 0 | 29,774 | 29,774 | 0 | 40,915 |
| 71630 - Other Non-Operating Expe | 0 | 0 | 0 | 0 | 0 | 0 | (12,719) | (12,719) | 0 | 0 |
| 73300 - DMJM and Auth OH Clearin | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Other Non-Operating Income (Expense) | (1,000) | (307,571) | (306,571) | (30,657) | (17,496) | (4,000) | (1,772,282) | (1,768,282) | (44,207) | (2,204,630) |
| Total Non-Operating Revenue/(Expense) | (217,594) | 1,250,625 | 1,468,219 | 675 | (1,409,293) | 6,662,381 | 12,074,522 | 5,412,140 | (81) | (10,923,304) |
| Capital Grant Contribution | | | | | | | | | | |
| 72100 - AIP Grants | 821,250 | 2,382,751 | 1,561,501 | 190 | (40,965) | 2,678,750 | 4,381,414 | 1,702,664 | 64 | 217,299 |
| Total Capital Grant Contribution | 821,250 | 2,382,751 | 1,561,501 | 190 | (40,965) | 2,678,750 | 4,381,414 | 1,702,664 | 64 | 217,299 |
| Total Expenses Net of Non-Operating Revenue/ (Expense) | 22,758,553 | 18,589,501 | 4,169,052 | 18 | 18,310,255 | 123,157,835 | 111,093,707 | 12,064,128 | 10 | 112,171,428 |
| Net Income/(Loss) | (2,147,880) | 2,547,074 | 4,694,953 | 219 | 1,840,585 | 6,324,450 | 22,249,732 | 15,925,283 | 252 | 13,991,903 |
| Equipment Outlay | | | | | | | | | | |
| 73200 - Equipment Outlay Expendi | (286,000) | (83,753) | 202,247 | 71 | (196,818) | (431,000) | (142,791) | 288,209 | 67 | (1,479,310) |
| 73299 - Capitalized Equipment Co | 0 | 83,753 | 83,753 | 0 | 196,818 | 0 | 142,791 | 142,791 | 0 | 1,479,310 |
| Total Equipment Outlay | (286,000) | 0 | 286,000 | 100 | 0 | (431,000) | 0 | 431,000 | 100 | 0 |



SAN DIEGO
INTERNATIONAL AIRPORT

LET'S **GO.**

Review of the Unaudited Financial Statements for the Six Months Ended December 31, 2017 and 2016

Presented by:

Scott Brickner, CPA

Vice President, Finance and Asset Management/Treasurer

Kathy Kiefer

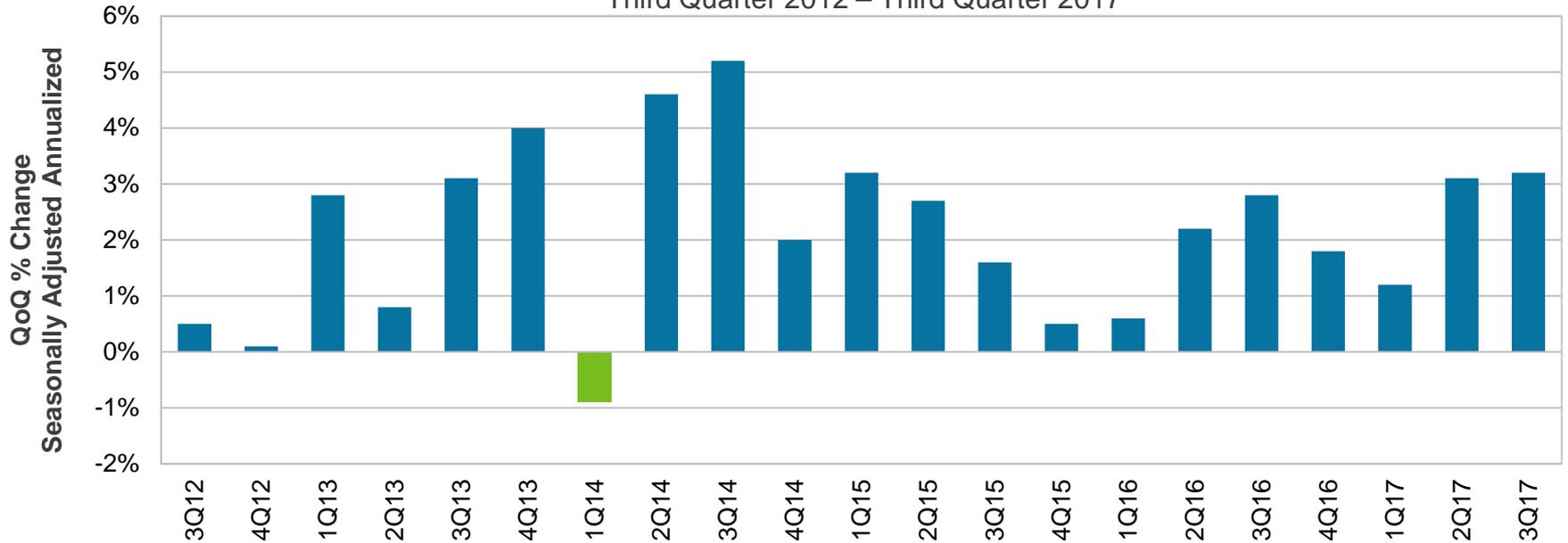
Senior Director, Finance & Asset Management

January 22, 2018

Third Quarter GDP

Third quarter GDP increased at an annual rate of 3.2% (third estimate), down slightly from the 3.3% second estimate, due personal consumption expenditures increasing less than previously estimated.

U.S. Gross Domestic Product (QoQ)
Third Quarter 2012 – Third Quarter 2017

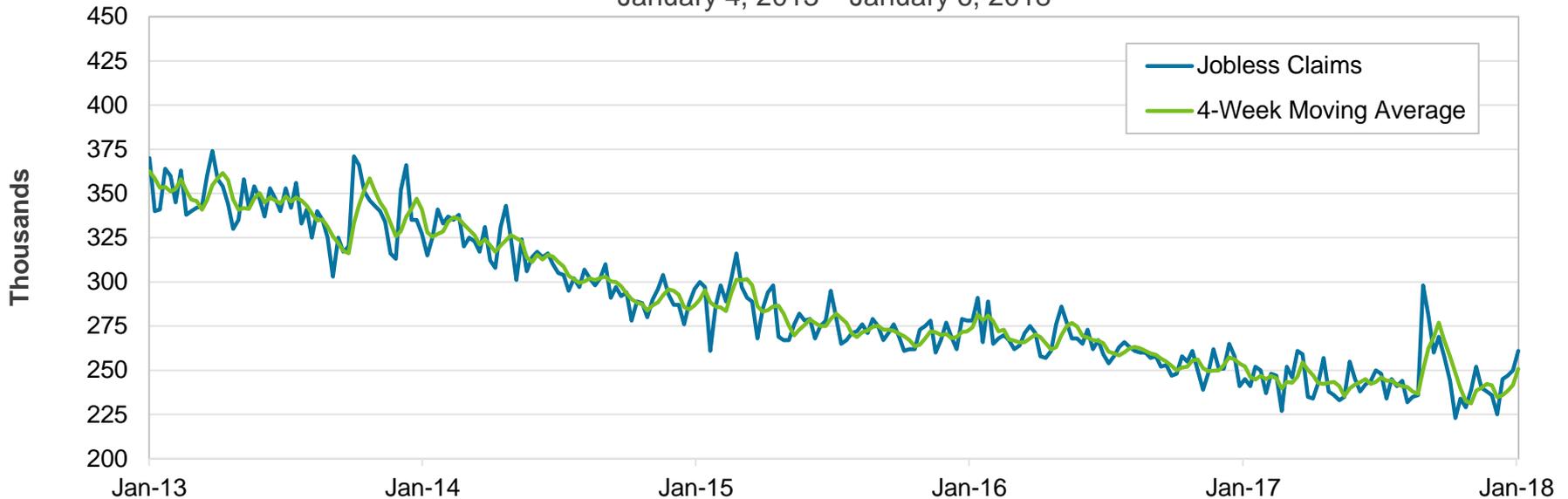


Initial Claims For Unemployment

For the week ending January 6th, initial claims for unemployment (seasonally adjusted) rose by a greater than expected 11,000 claims to 261,000. The 4-week moving average, which helps smooth out some of the weekly volatility, increased by 9,000 to 250,750. This rise in claims will be closely watched in coming weeks to see if it is an aberration or the start of a trend.

Initial Jobless Claims and 4-Week Moving Average

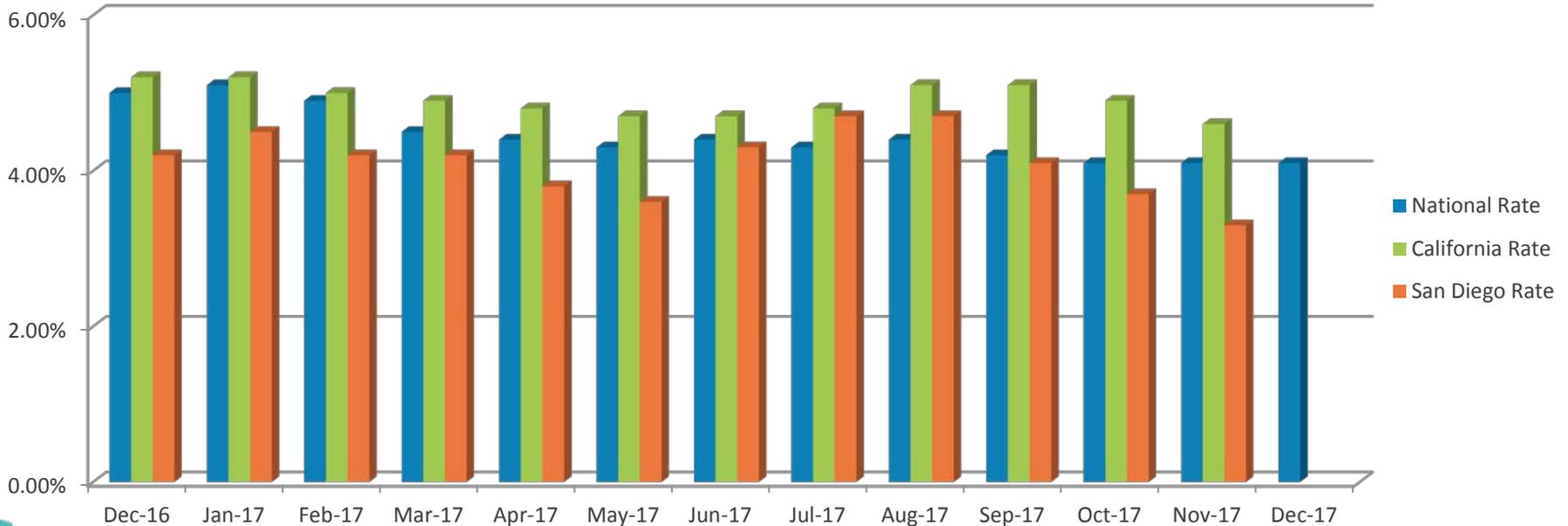
January 4, 2013 – January 6, 2018



Unemployment Rates

The National unemployment rate remained steady at 4.10 percent from November to December. The National U-6 rate rose from 8.0 percent in November to 8.1 percent in December. The California and San Diego unemployment rates for December have not yet been released.

Unemployment Rates



Consumer Price Index

The Consumer Price Index (CPI) for the twelve months ending November 30th rose by 2.20%, up from a 2.00% increase in October. Core CPI, excluding food and energy, for the twelve months ending November 30th rose by 1.70%, down from a 1.80% increase in October.

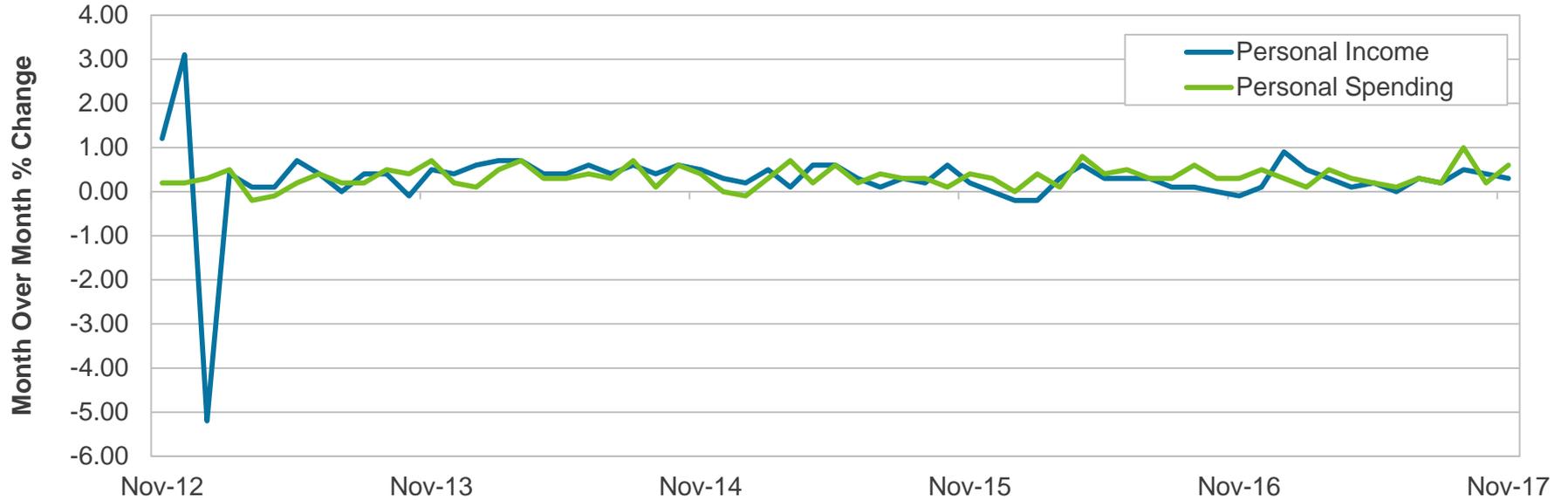
Consumer Price Index (YoY%)
November 2012 – November 2017



Personal Income and Spending

Personal income rose by 0.30% in November, primarily reflecting increased wages, salaries and personal interest income. Consumer spending rose by 0.60% in November, picking back up for the holiday season.

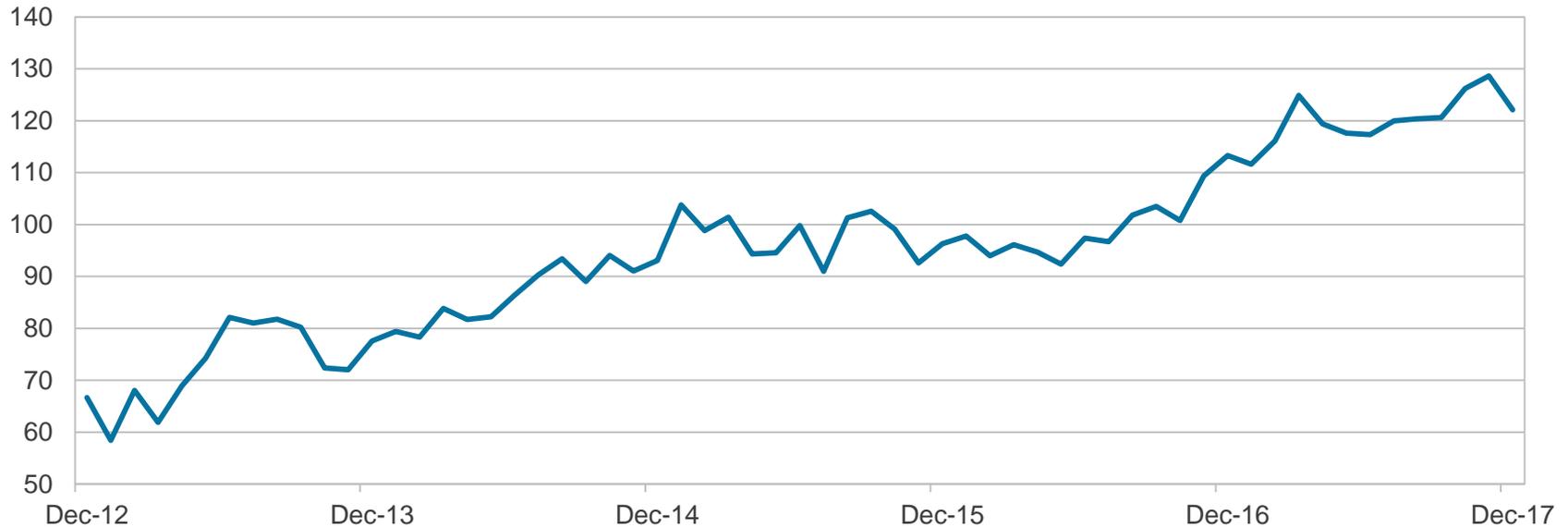
Personal Income and Spending (MoM%)
November 2012 – November 2017



Consumer Confidence Index

The Consumer Confidence Index declined to 122.1 in December, down from 128.6 in November. The decline was fueled in part by a somewhat less optimistic outlook for business and job prospects in the coming months. However, confidence levels remain at historically strong levels, suggesting economic growth will continue into 2018.

Consumer Confidence Index
December 2012 – December 2017



Existing Home Sales

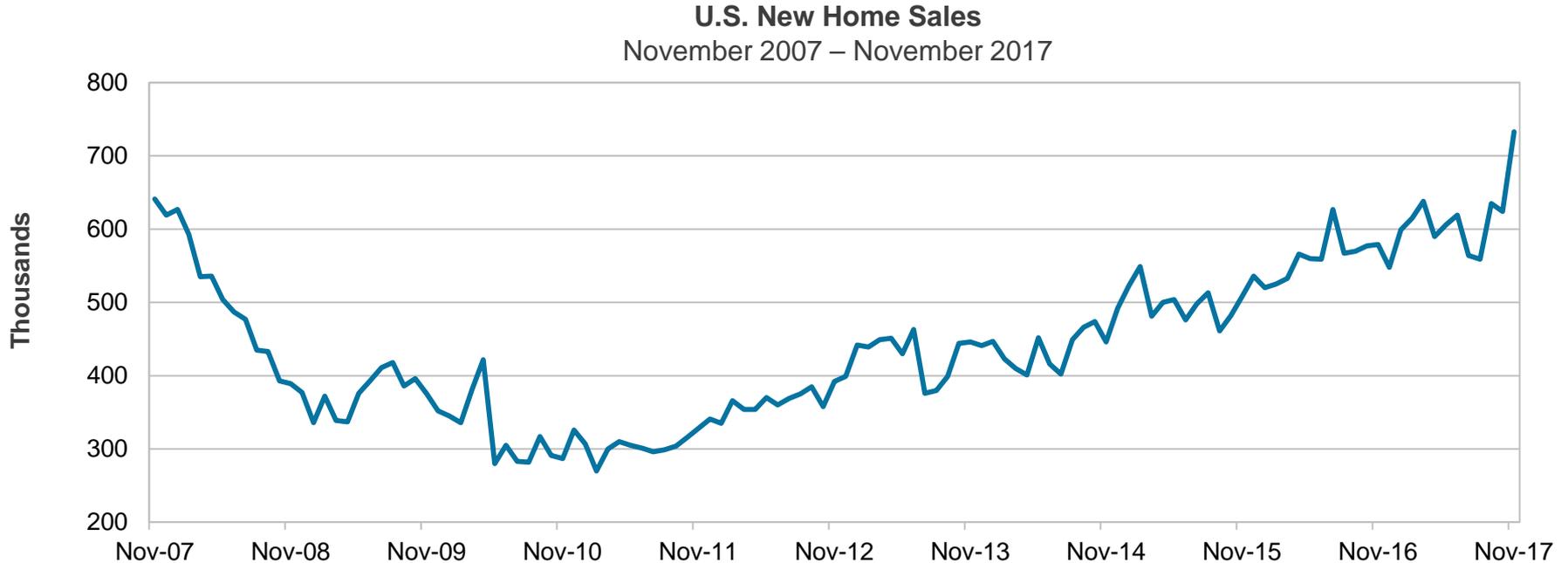
Existing home sales surged for the third straight month in November and reached its strongest pace in almost 11 years. Existing home sales were 5.81 million units in November, which was up from 5.50 million units in October.

U.S. Existing Home Sales (MoM)
November 2007 – November 2017



New Home Sales

New homes sales rose in November to a seasonally adjusted annualized rate of 733,000 units, which was above the 624,000 unit sales in October. This indicates continued strength in the housing market.



Crude Oil Prices

Oil (WTI spot) closed at \$61.73 on January 8th, 4.7% above its 30-day average of \$58.95 and 21.0% above its 12-month average of \$51.00. The market has rallied as investors bet on an increasingly tighter market, assisted by data showing declining U.S. inventories and threats to supply from major producers such as Iran and Venezuela.

West Texas Intermediate Oil Price Per Barrel (WTI Spot)

January 8, 2013 – January 8, 2018



Jet Fuel Prices

Jet fuel (U.S. Gulf Coast Spot) closed at \$1.927 on January 8th, which was up 3.7% from its 30-day average of \$1.858 and 23.1% above its 12-month average of \$1.566. Jet fuel remains up from higher crude prices.

U.S. Gulf Coast Kerosene-Type Jet Fuel Spot Price FOB

January 8, 2013 – January 8, 2018



U.S. Equity Markets

The stock market continues to rally driven by pro-business expectations from President Trump's tax bill. Year-to-date in 2018, the DJIA is up 2.7% and the S&P 500 is up 2.9%.

Dow Jones Industrial Average (DJIA) and S&P 500 Indices
January 9, 2013 – January 9, 2018

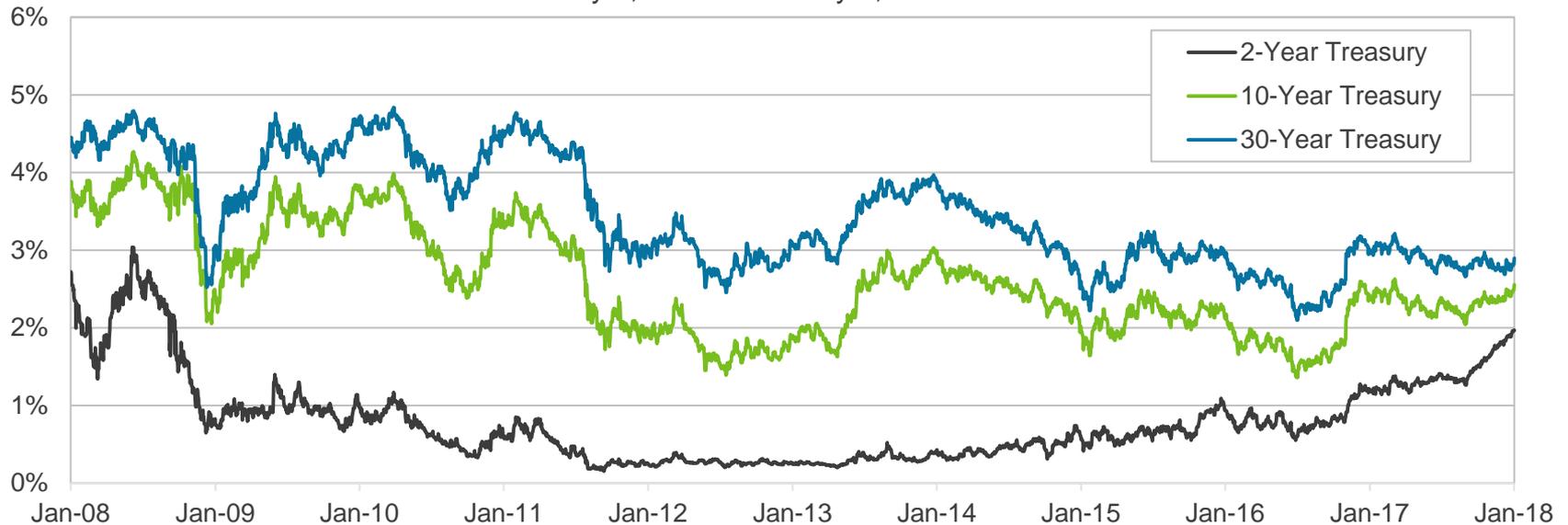


Treasury Yield History

Short-term Treasury yields continue to increase sharply driven by increases in the federal funds target rate while longer-term Treasury yields are down compared to the beginning of the 2017, due to lower inflation and long-term growth expectations for the economy.

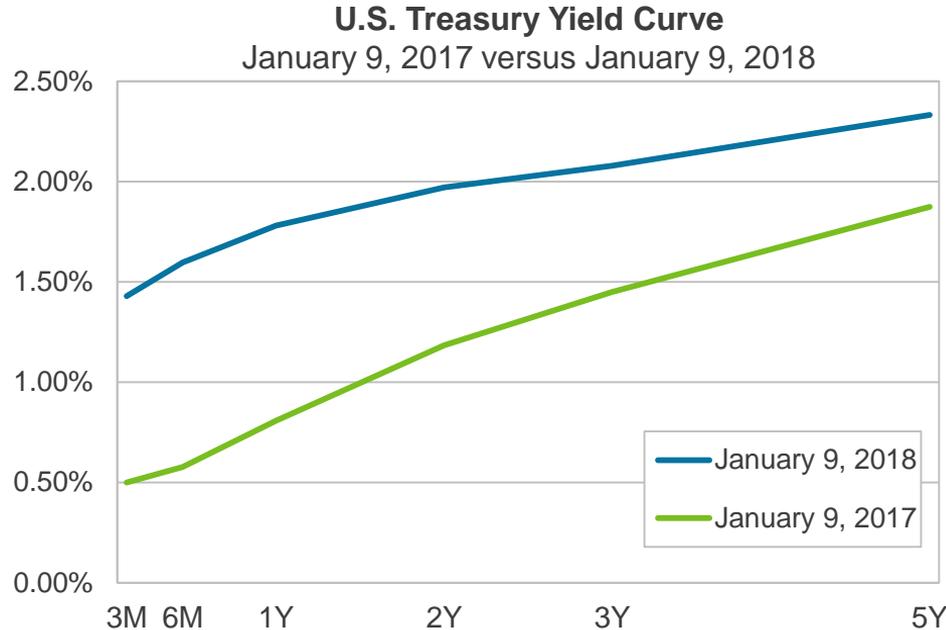
2-, 10- and 30-year U.S. Treasury Yields

January 9, 2008 – January 9, 2018



U.S. Treasury Yield Curve

Yields are up substantially year-over-year, but on a relative basis the yield curve is flatter than last year. Short-term yields are up on three hikes in the federal funds target rate in 2017 and expectations of further rate hikes in 2018. Longer-term yields, which had moved substantially higher at the beginning of 2017 on higher growth and inflation expectations, are down from their highs on moderating expectations.

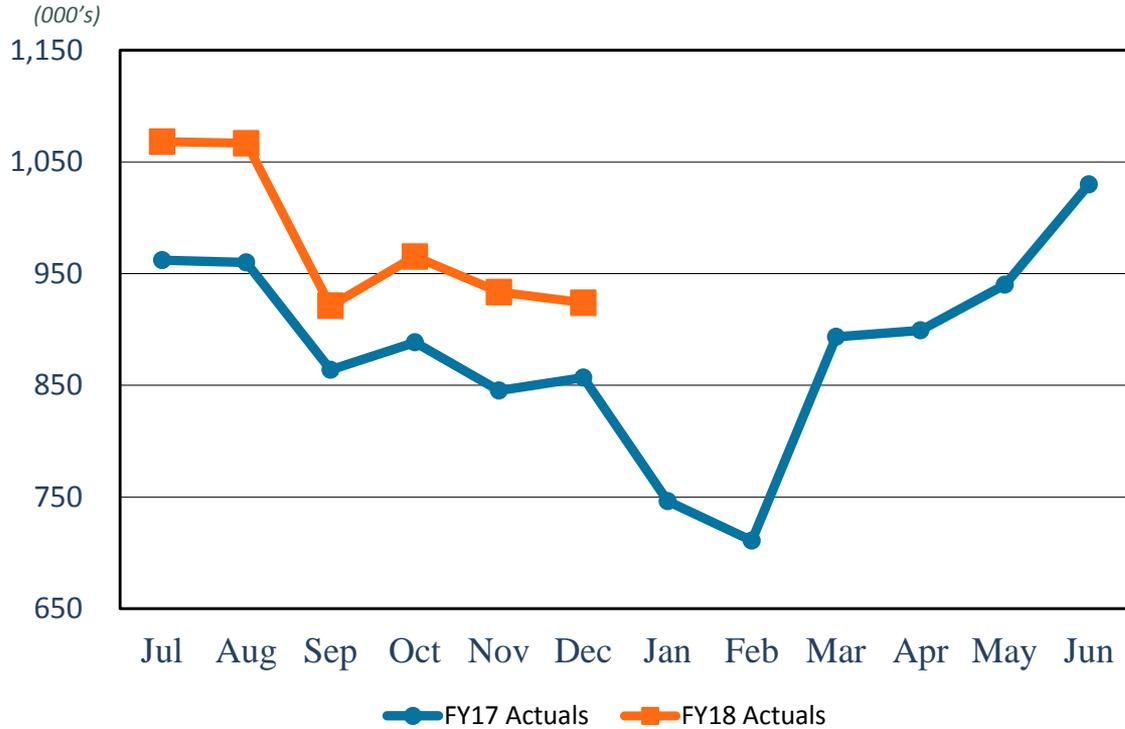


| | 1/9/17 | 1/9/18 | Change |
|---------------|--------|--------|--------|
| 3-Mo. | 0.50% | 1.43% | 0.93% |
| 6-Mo. | 0.58% | 1.60% | 1.02% |
| 1-Yr. | 0.81% | 1.78% | 0.97% |
| 2-Yr. | 1.18% | 1.97% | 0.79% |
| 3-Yr. | 1.45% | 2.08% | 0.63% |
| 5-Yr. | 1.87% | 2.33% | 0.46% |
| 10-Yr. | 2.37% | 2.55% | 0.19% |
| 30-Yr. | 2.96% | 2.90% | -0.06% |



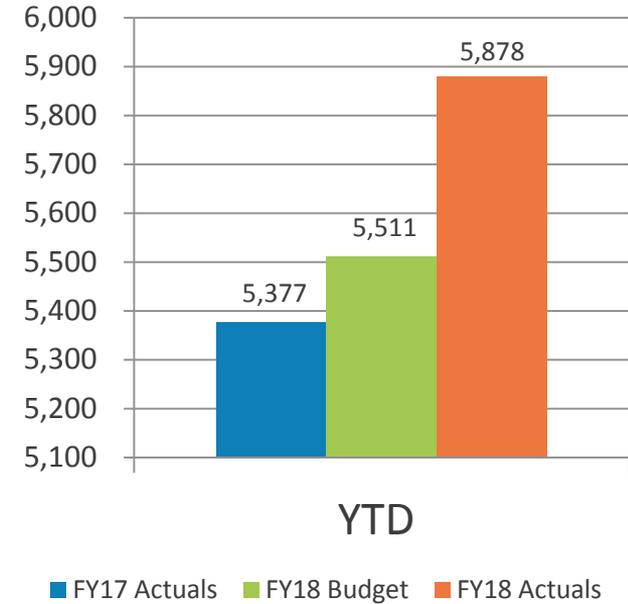
Revenue & Expenses (Unaudited) For the Month Ended December 31, 2017 and 2016

Enplanements

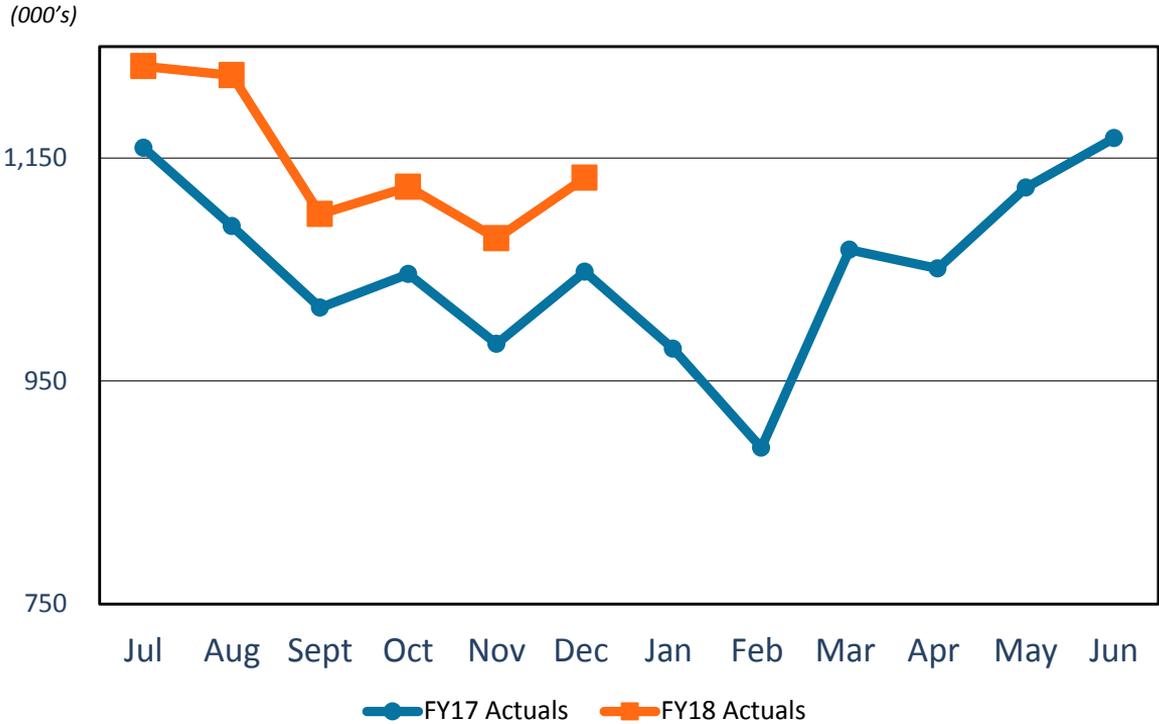


FY18 YTD Act Vs.
FY17 YTD Act
9.3%

FY18 YTD Act Vs.
FY18 YTD Budget
6.7%

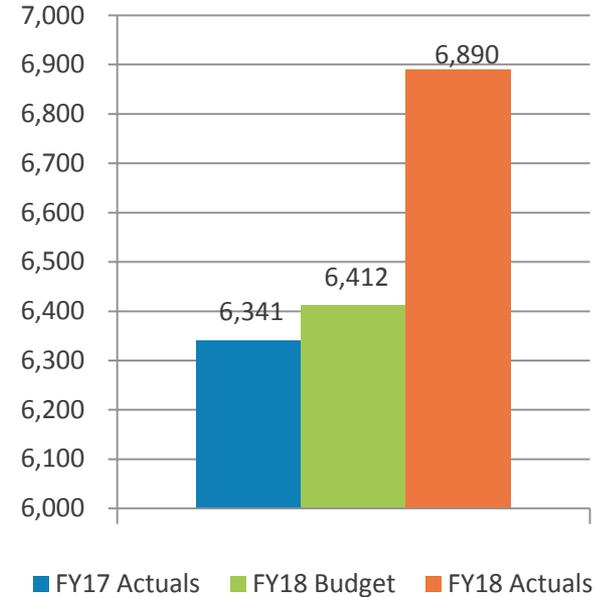


Gross Landing Weight Units (000 lbs)

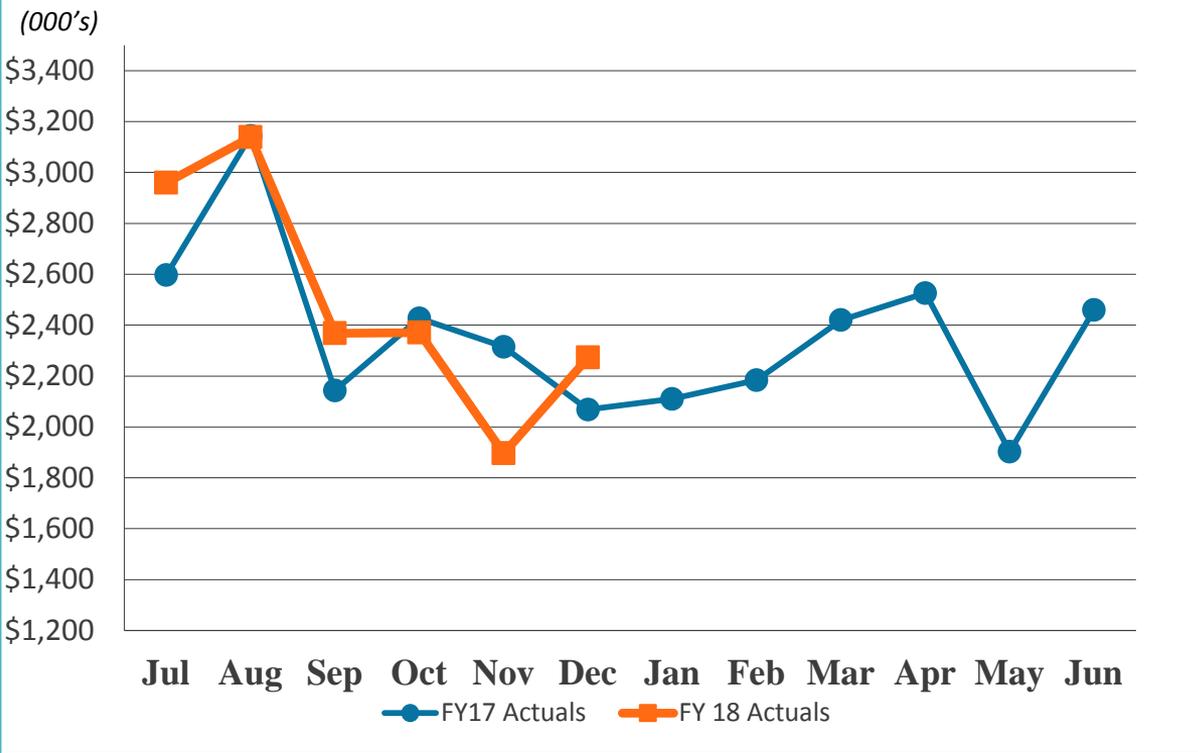


FY18 YTD Act Vs.
FY17 YTD Act
8.7%

FY18 YTD Act Vs.
FY18 YTD Budget
7.5%

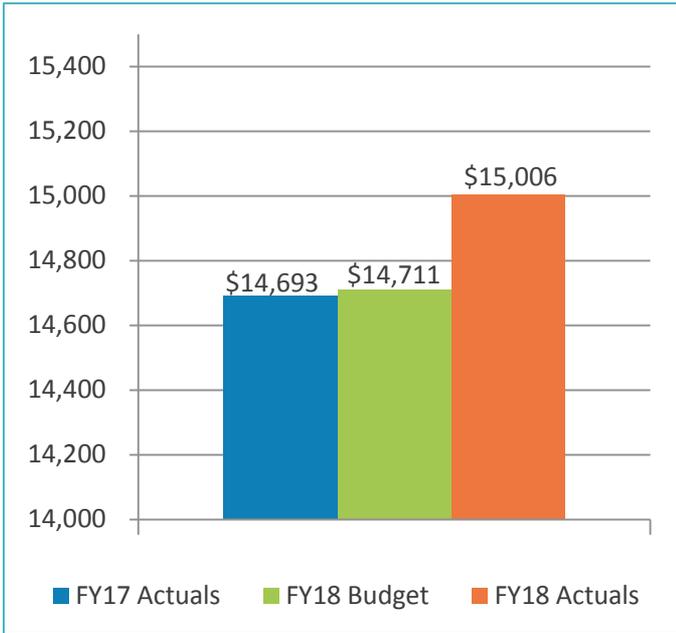


Car Rental License Fees

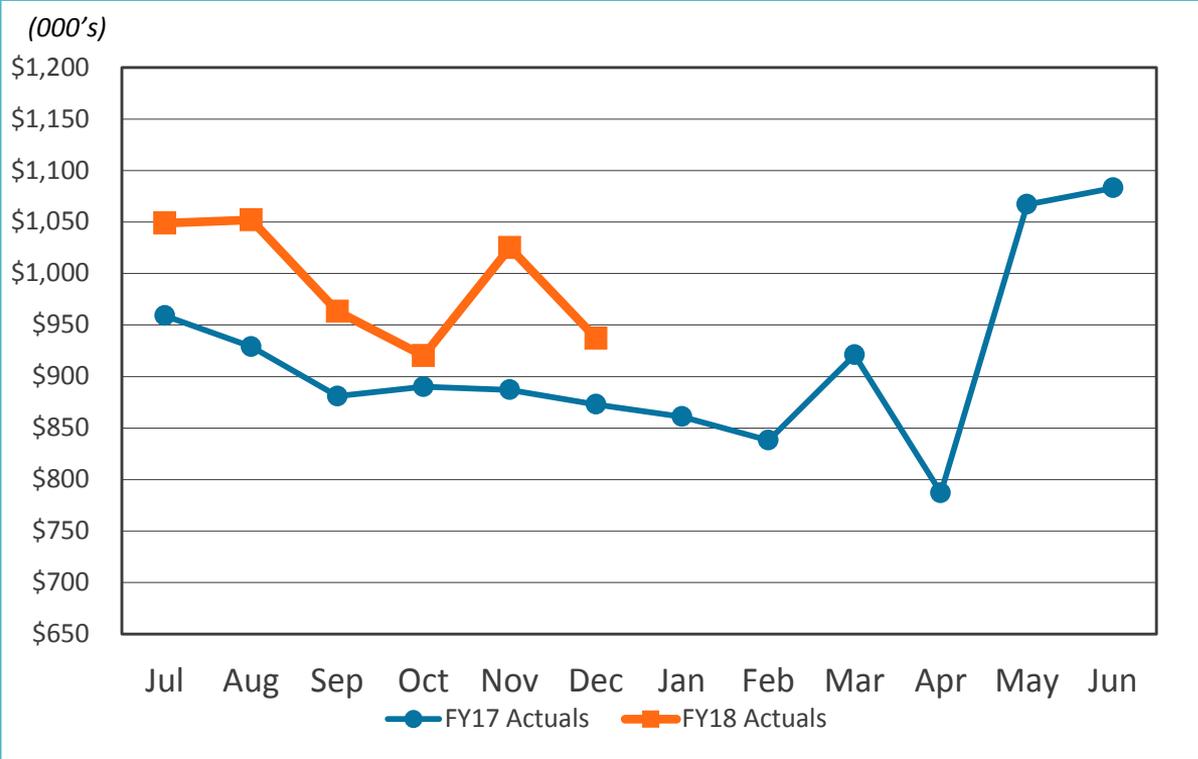


FY18 YTD Act Vs.
FY17 YTD Act
2.1%

FY18 YTD Act Vs.
FY18 YTD Budget
2.0%

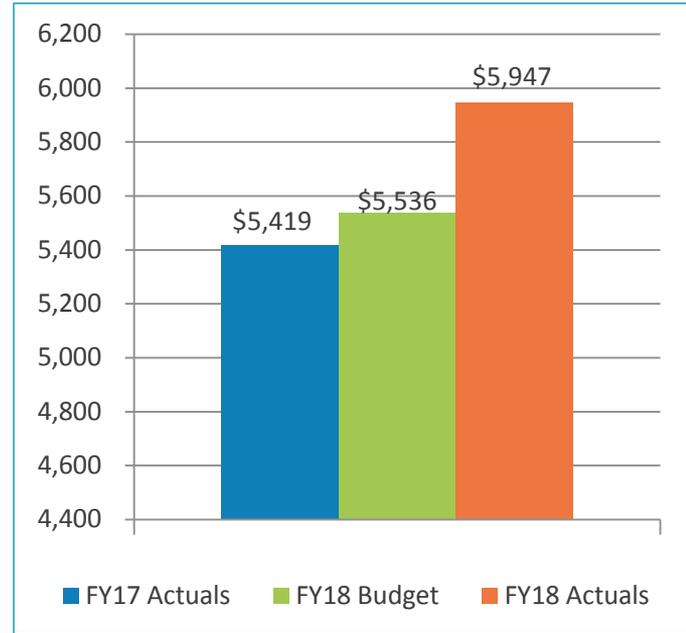


Food and Beverage Concessions Revenue

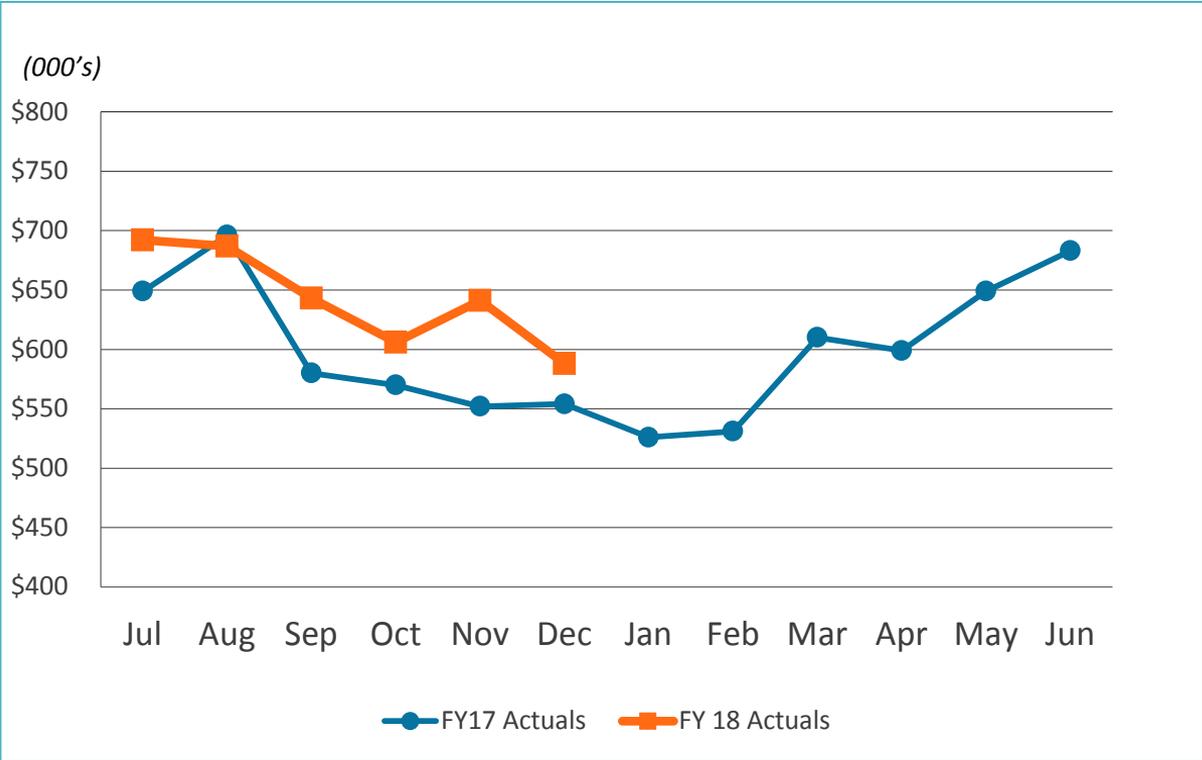


FY18 YTD Act Vs.
FY17 YTD Act
9.7%

FY18 YTD Act Vs.
FY18 YTD Budget
7.4%

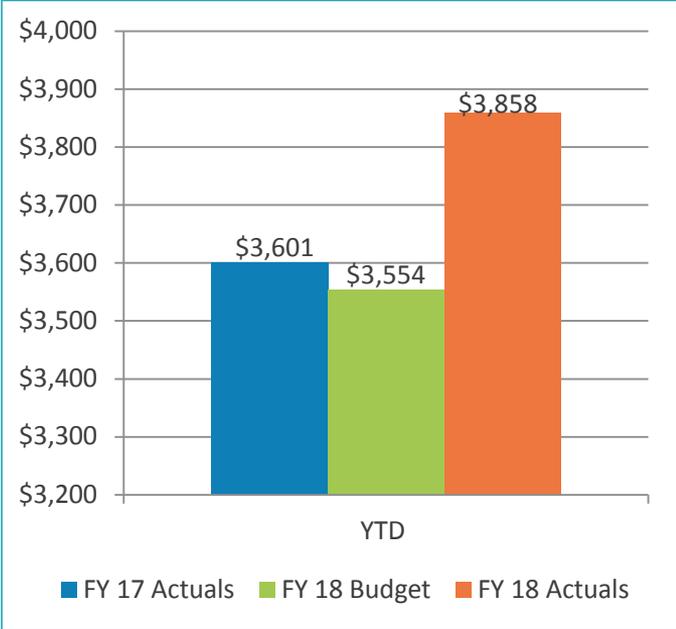


Retail Concessions Revenue

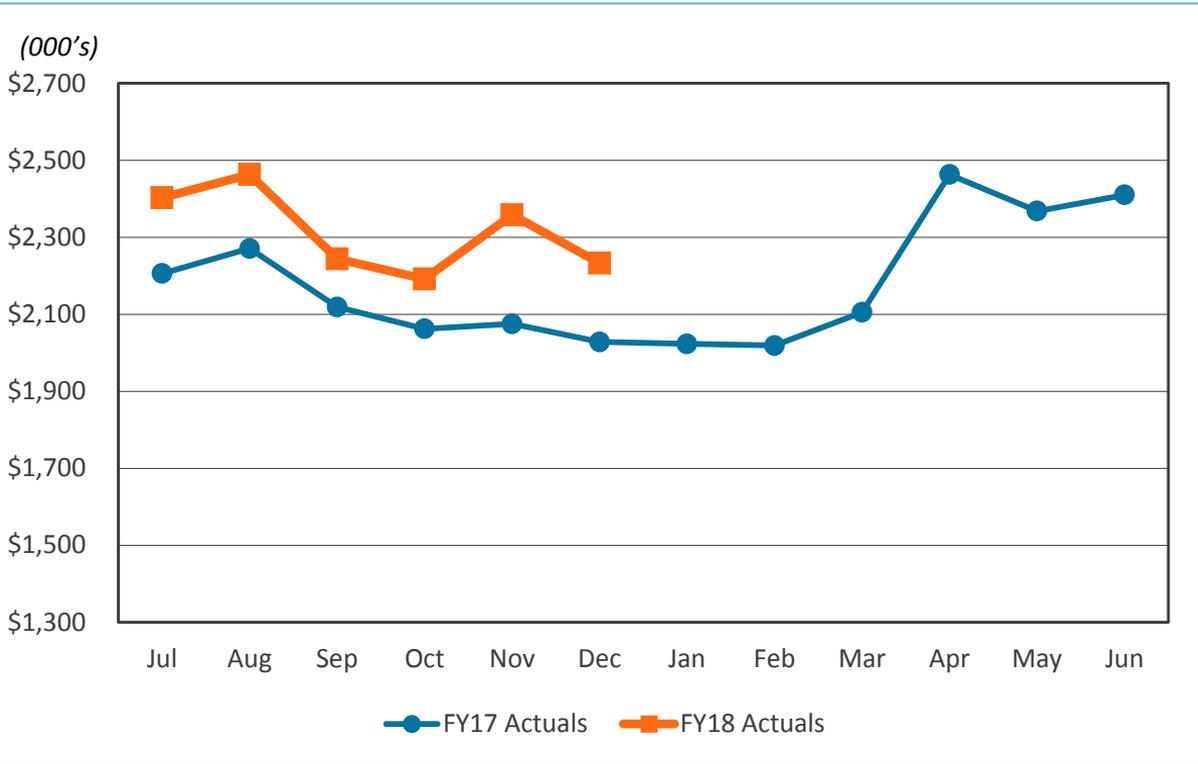


FY18 YTD Act Vs.
FY17 YTD Act
7.1%

FY18 YTD Act Vs.
FY18 YTD Budget
8.6%

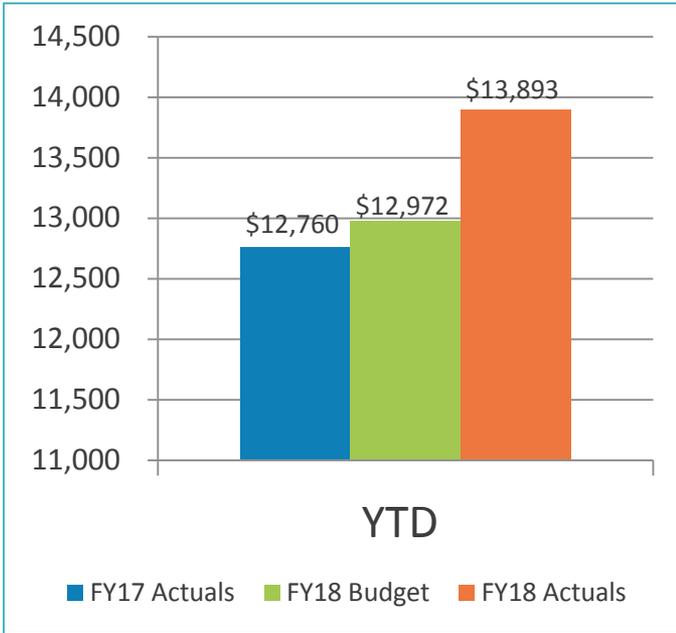


Total Terminal Concessions (Includes Cost Recovery)



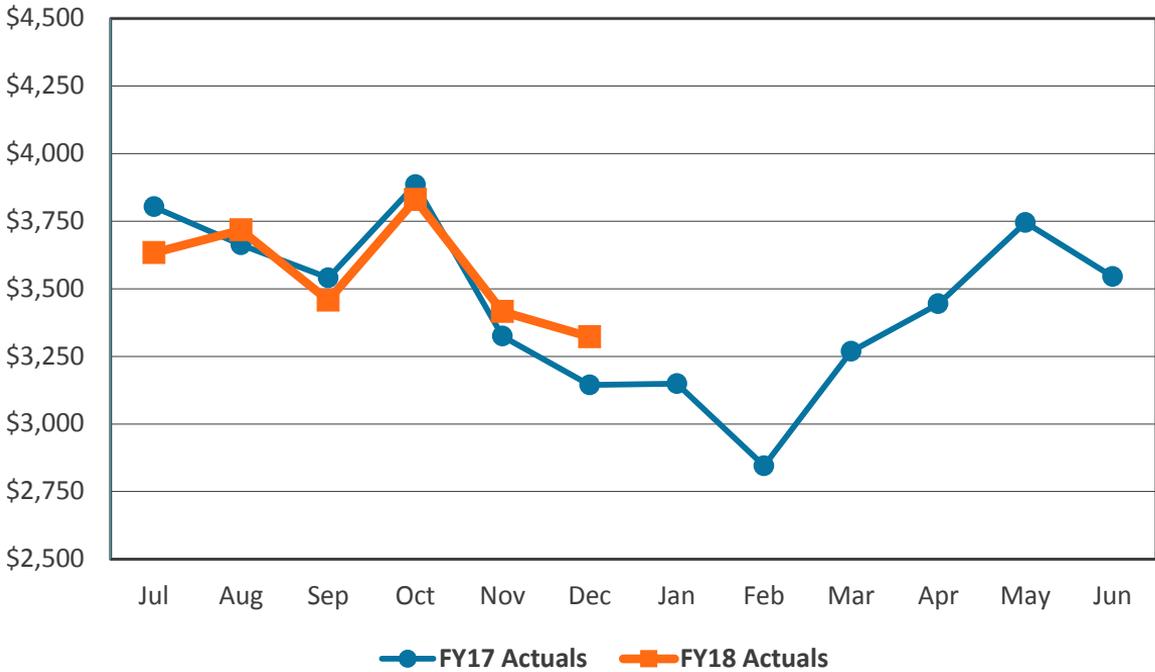
FY18 YTD Act Vs.
FY17 YTD Act
8.9%

FY18 YTD Act Vs.
FY18 YTD Budget
7.1%



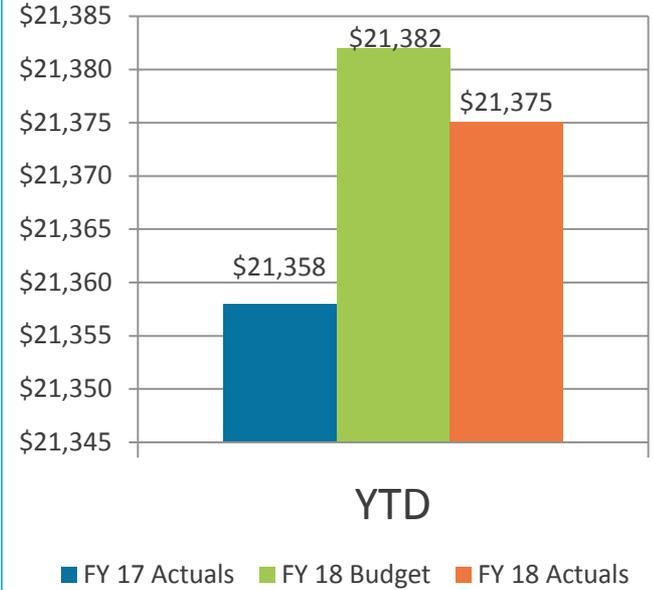
Parking Revenue

(000's)



FY18 YTD Act Vs.
FY17 YTD Act
0.1%

FY18 YTD Act Vs.
FY18 YTD Budget
0.0%



Operating Revenues

for the Month Ended December 31, 2017 (Unaudited)

| (In thousands) | Budget | Actual | Variance Favorable (Unfavorable) | % Change | Prior Year |
|-------------------------------|------------------|------------------|--|-------------|-----------------|
| Aviation revenue: | | | | | |
| Landing fees | \$ 2,307 | \$ 1,980 | \$ (327) | (14)% | \$ 2,267 |
| Aircraft parking fees | 252 | 267 | 15 | 6% | 242 |
| Building rentals | 4,855 | 4,919 | 64 | 1% | 4,587 |
| Security surcharge | 2,737 | 2,737 | - | - | 2,481 |
| CUPPS Support Charges | 117 | 116 | (1) | (1)% | 103 |
| Other aviation revenue | 16 | 15 | (1) | (6)% | 133 |
| Total aviation revenue | \$ 10,284 | \$ 10,034 | \$ (250) | (2)% | \$ 9,813 |

Operating Revenues

for the Month Ended December 31, 2017 (Unaudited)

| (In thousands) | Budget | Actual | Variance Favorable (Unfavorable) | % Change | Prior Year |
|--|-----------------|-----------------|--|-------------|-----------------|
| Terminal rent non-airline | \$ 132 | \$ 173 | \$ 41 | 31% | \$ 204 |
| Concession revenue: | | | | | |
| Terminal concession revenue: | | | | | |
| Food and beverage | 904 | 937 | 33 | 4% | 873 |
| Retail | 543 | 588 | 45 | 8% | 554 |
| Space storage | 73 | 55 | (18) | (24)% | 73 |
| Cost recovery | 261 | 258 | (3) | (1)% | 210 |
| Other (Primarily advertising) | 308 | 395 | 87 | 28% | 318 |
| Total terminal concession revenue | 2,089 | 2,233 | 144 | 7% | 2,028 |
| Car rental and license fee revenue: | | | | | |
| Rental car and license fees | 2,005 | 2,273 | 268 | 13% | 2,068 |
| Rental car center cost recovery | 144 | (75) | (219) | (152)% | 187 |
| License fees-other | 436 | 509 | 73 | 17% | 414 |
| Total rental car and license fees | 2,585 | 2,707 | 122 | 5% | 2,669 |
| Total concession revenue | \$ 4,674 | \$ 4,940 | \$ 266 | 6% | \$ 4,697 |

Operating Revenues

for the Month Ended December 31, 2017 (Unaudited)

| (In thousands) | Budget | Actual | Variance Favorable (Unfavorable) | % | Prior Year |
|---|------------------|------------------|--|-----------|-----------------|
| Parking revenue: | | | | | |
| Short-term parking revenue | \$ 1,850 | \$ 1,859 | \$ 9 | 1% | \$ 1,833 |
| Long-term parking revenue | 1,330 | 1,463 | 133 | 10% | 1,311 |
| Total parking revenue | 3,180 | 3,322 | 142 | 4% | 3,144 |
| Ground transportation permits and citations | 603 | 745 | 142 | 24% | 642 |
| Ground rentals | 1,676 | 1,697 | 21 | 1% | 1,535 |
| Grant reimbursements | - | 98 | 98 | - | 25 |
| Other operating revenue | 64 | 128 | 64 | 99% | 90 |
| Subtotal | 5,523 | 5,990 | 467 | 8% | 5,436 |
| Total operating revenues | \$ 20,613 | \$ 21,137 | \$ 524 | 3% | \$20,150 |

Operating Expenses

for the Month Ended December 31, 2017 (Unaudited)

| (In thousands) | Budget | Actual | Variance Favorable (Unfavorable) | % Change | Prior Year |
|----------------------------------|------------------|------------------|--|-------------|-----------------|
| Operating expenses: | | | | | |
| Salaries and benefits | \$ 3,764 | \$ 3,428 | \$ 336 | 9% | \$ 3,459 |
| Contractual services | 4,061 | 3,606 | 455 | 11% | 3,543 |
| Safety and security | 2,514 | 2,516 | (2) | - | 2,124 |
| Space rental | 849 | 849 | - | - | 849 |
| Utilities | 905 | 923 | (18) | (2)% | 689 |
| Maintenance | 1,345 | 1,106 | 239 | 18% | 893 |
| Equipment and systems | 48 | 18 | 30 | 62% | 19 |
| Materials and supplies | 60 | 32 | 28 | 47% | 45 |
| Insurance | 90 | 88 | 2 | 2% | 79 |
| Employee development and support | 186 | 144 | 42 | 23% | 69 |
| Business development | 287 | 331 | (44) | (15)% | 197 |
| Equipment rental and repairs | 262 | 190 | 72 | 27% | 227 |
| Total operating expenses | \$ 14,371 | \$ 13,231 | \$ 1,140 | 8% | \$12,193 |

Net Operating Income (Loss) Summary

for the Month Ended December 31, 2017 (Unaudited)

| (In thousands) | Budget | Actual | Variance Favorable (Unfavorable) | % | Prior Year |
|--------------------------------|-------------------|-------------------|--|------------|---------------|
| | | | | Change | |
| Total operating revenues | \$ 20,613 | \$ 21,137 | \$ 524 | 3% | \$20,150 |
| Total operating expenses | 14,371 | 13,231 | 1,140 | 8% | 12,193 |
| Income from operations | 6,242 | 7,906 | 1,664 | 27% | 7,957 |
| Depreciation | 8,991 | 8,991 | - | - | 7,487 |
| Operating income (loss) | \$ (2,749) | \$ (1,085) | \$ 1,664 | 61% | \$ 470 |

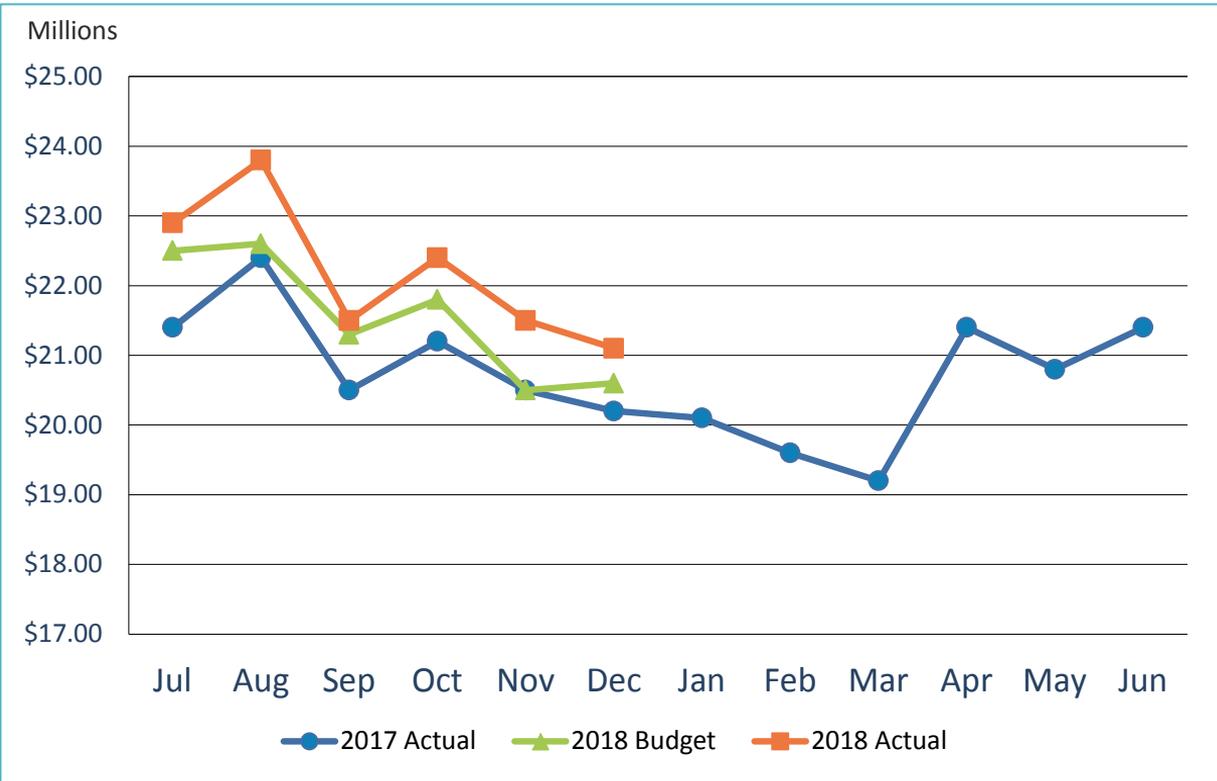
Nonoperating Revenues & Expenses for the Month Ended December 31, 2017 (Unaudited)

| (In thousands) | Budget | Actual | Variance Favorable (Unfavorable) | % | Prior Year |
|--|-------------------|-----------------|--|-------------|-----------------|
| Nonoperating revenues (expenses): | | | | | |
| Passenger facility charges | \$ 2,628 | \$ 3,206 | \$ 578 | 22% | \$ 2,523 |
| Customer facility charges (Rental Car Center) | 2,815 | 2,862 | 47 | 2% | 2,259 |
| Quieter Home Program, net | (395) | (89) | 306 | 77% | 392 |
| Interest income | 805 | 927 | 122 | 15% | 634 |
| BAB interest rebate | 388 | 395 | 7 | 2% | 396 |
| Interest expense & debt issuance costs | (6,797) | (6,233) | 564 | 8% | (5,123) |
| Bond amortization | 339 | 491 | 152 | 45% | 346 |
| Other nonoperating revenue (expenses) | (1) | (308) | (307) | - | (17) |
| Nonoperating revenue, net | (218) | 1,251 | 1,469 | 675% | 1,410 |
| Change in net position before grant contributions | (2,967) | 166 | 3,133 | 106% | 1,880 |
| Capital grant contributions | 821 | 2,383 | 1,562 | 190% | (41) |
| Change in net position | \$ (2,146) | \$ 2,549 | \$ 4,695 | 219% | \$ 1,839 |



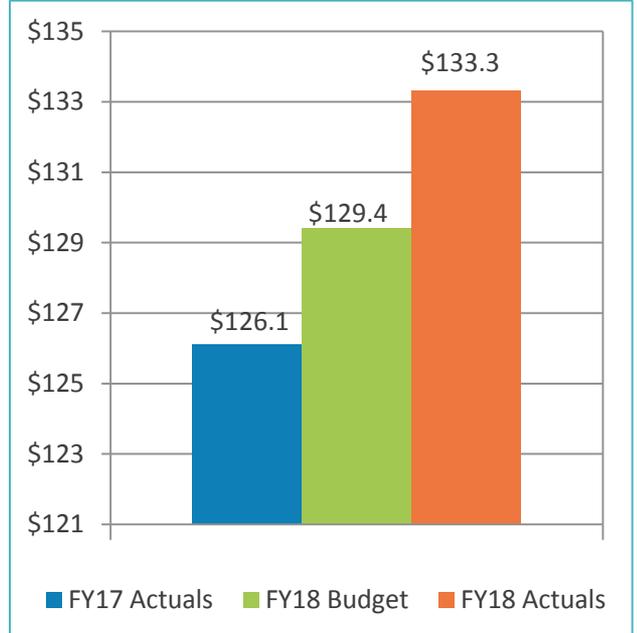
**Revenue & Expense
(Unaudited)
For the Six Months Ended
December 31, 2017 and 2016**

Operating Revenue (Unaudited)



FY18 YTD Act Vs.
FY17 YTD Act
5.7%

FY18 YTD Act Vs.
FY18 YTD Budget
3.0%



Operating Revenues

for the Six Months Ended December 31, 2017 (Unaudited)

| (In thousands) | Budget | Actual | Variance Favorable (Unfavorable) | % Change | Prior Year |
|-------------------------------|------------------|------------------|--|-------------|------------------|
| Aviation revenue: | | | | | |
| Landing fees | \$ 13,917 | \$ 14,152 | \$ 235 | 2% | \$ 13,746 |
| Aircraft parking fees | 1,510 | 1,600 | \$ 90 | 6% | 1,454 |
| Building rentals | 29,462 | 29,782 | 320 | 1% | 27,441 |
| Security surcharge | 16,465 | 16,467 | 2 | - | 14,906 |
| CUPPS Support Charges | 701 | 702 | 1 | - | 621 |
| Other aviation revenue | 101 | 96 | (5) | (5)% | 812 |
| Total aviation revenue | \$ 62,156 | \$ 62,800 | \$ 643 | 1% | \$ 58,980 |

Operating Revenues

for the Six Months Ended December 31, 2017 (Unaudited)

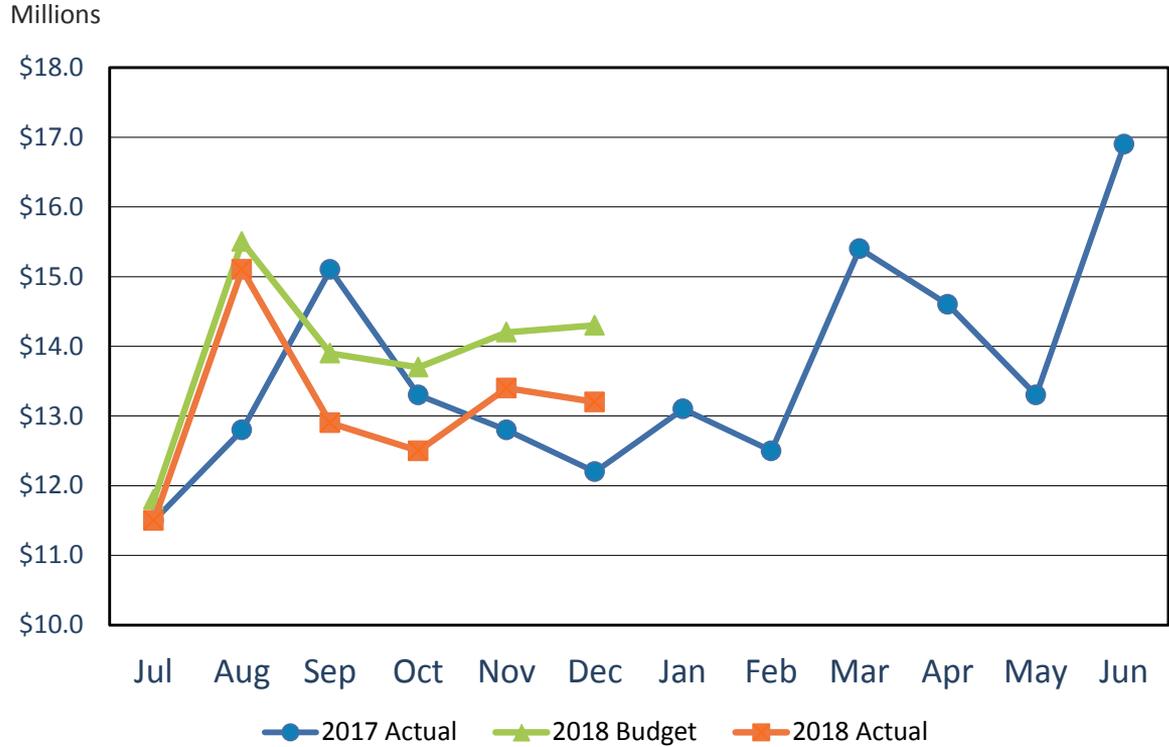
| (In thousands) | Budget | Actual | Variance Favorable (Unfavorable) | % Change | Prior Year |
|--|------------------|------------------|--|-------------|------------------|
| Terminal rent non-airline | \$ 794 | \$ 958 | \$ 164 | 21% | \$ 765 |
| Concession revenue: | | | | | |
| Terminal concession revenue: | | | | | |
| Food and beverage | 5,536 | 5,947 | 411 | 7% | 5,419 |
| Retail | 3,554 | 3,858 | 304 | 9% | 3,601 |
| Space storage | 436 | 445 | 9 | 2% | 436 |
| Cost recovery | 1,538 | 1,516 | (22) | (1)% | 1,265 |
| Other (Primarily advertising) | 1,908 | 2,127 | 219 | 11% | 2,039 |
| Total terminal concession revenue | 12,972 | 13,893 | 921 | 7% | 12,760 |
| Car rental and license fee revenue: | | | | | |
| Rental car license fees | 14,711 | 15,006 | 295 | - | 14,693 |
| Rental car center cost recovery | 866 | 622 | (244) | (28)% | 1,090 |
| License fees-other | 2,451 | 2,832 | 381 | 16% | 2,372 |
| Total rental car and license fees | 18,028 | 18,460 | 432 | 2% | 18,155 |
| Total concession revenue | \$ 31,000 | \$ 32,353 | \$ 1,353 | 4% | \$ 30,915 |

Operating Revenues

for the Six Months Ended December 31, 2017 (Unaudited)

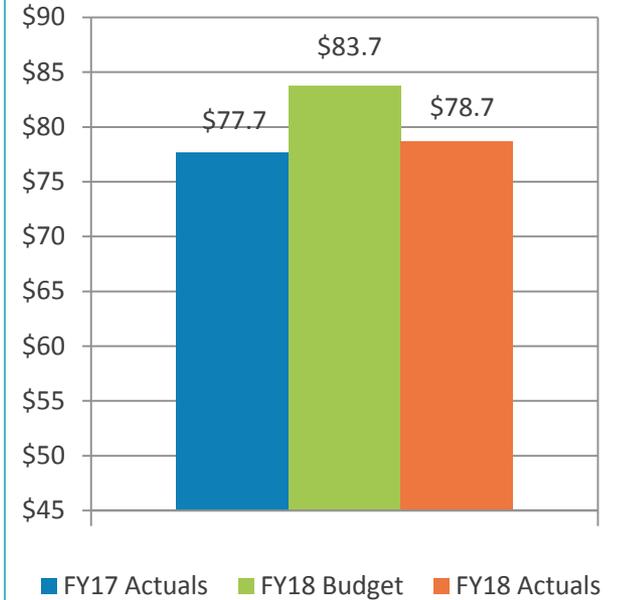
| (In thousands) | Budget | Actual | Variance Favorable (Unfavorable) | % | Prior Year |
|---|-------------------|-------------------|--|-----------|------------------|
| Parking revenue: | | | | | |
| Short-term parking revenue | \$ 11,917 | \$ 11,828 | \$ (89) | - | \$ 12,078 |
| Long-term parking revenue | 9,465 | 9,547 | 82 | 1% | 9,280 |
| Total parking revenue | 21,382 | 21,375 | (7) | - | 21,358 |
| Ground transportation permits and citations | 3,713 | 4,706 | 993 | 27% | 3,989 |
| Ground rentals | 10,053 | 10,165 | 112 | 1% | 9,246 |
| Grant reimbursements | - | 304 | 304 | - | 147 |
| Other operating revenue | 387 | 682 | 295 | 76% | 764 |
| Subtotal | 35,535 | 37,232 | 1,697 | 5% | 35,504 |
| Total operating revenues | \$ 129,485 | \$ 133,342 | \$ 3,857 | 3% | \$126,164 |

Operating Expenses (Unaudited)



FY18 YTD Act Vs.
FY17 YTD Act
-1.3%

FY18 YTD Act Vs.
FY18 YTD Budget
6.0%



Operating Expenses

for the Six Months Ended December 31, 2017 (Unaudited)

| (In thousands) | Budget | Actual | Variance Favorable (Unfavorable) | % | Prior Year |
|----------------------------------|------------------|------------------|--|-----------|------------------|
| Operating expenses: | | | | | |
| Salaries and benefits | \$ 22,250 | \$ 20,333 | \$ 1,917 | 9% | \$ 20,919 |
| Contractual services | 22,893 | 22,097 | 796 | 3% | 21,825 |
| Safety and security | 14,995 | 14,624 | 371 | 2% | 13,348 |
| Space rental | 5,095 | 5,095 | - | - | 5,095 |
| Utilities | 6,420 | 6,296 | 124 | 2% | 5,600 |
| Maintenance | 7,451 | 5,801 | 1,650 | 22% | 6,839 |
| Equipment and systems | 161 | 164 | (3) | (2)% | 112 |
| Materials and supplies | 226 | 274 | (48) | (21)% | 252 |
| Insurance | 583 | 575 | 8 | 1% | 479 |
| Employee development and support | 671 | 618 | 53 | 8% | 537 |
| Business development | 1,282 | 1,409 | (127) | (10)% | 1,052 |
| Equipment rental and repairs | 1,645 | 1,436 | 208 | 13% | 1,609 |
| Total operating expenses | \$ 83,671 | \$ 78,722 | \$ 4,949 | 6% | \$ 77,667 |

Net Operating Income (Loss) Summary

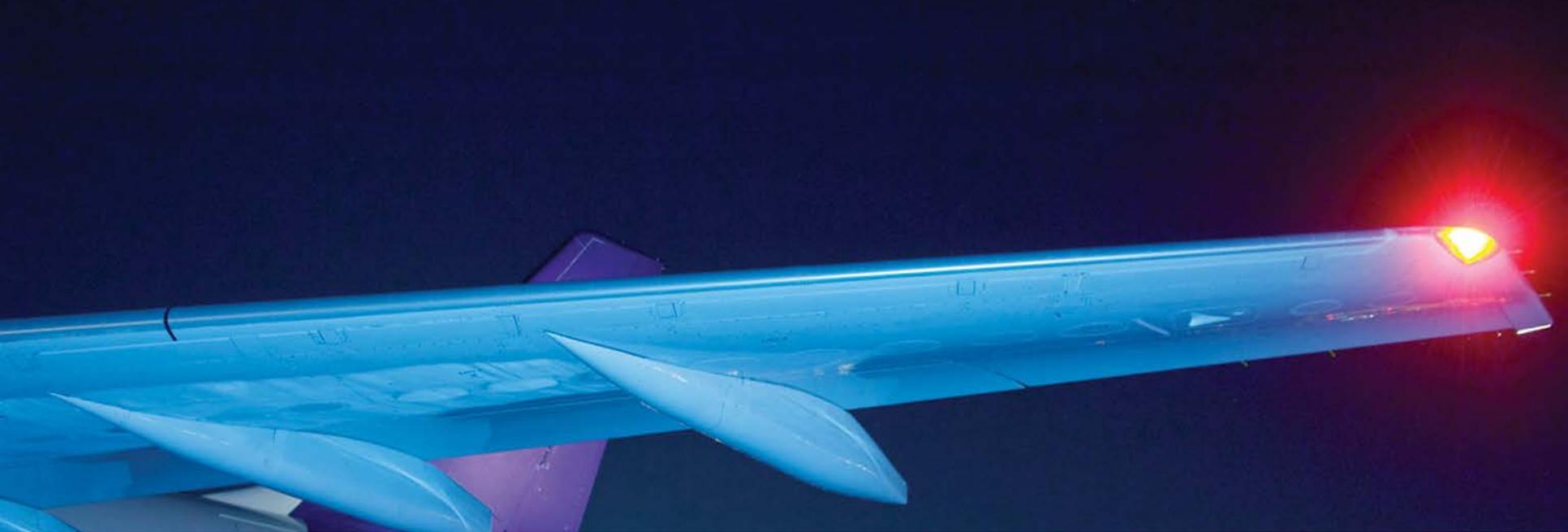
for the Six Months Ended December 31, 2017 (Unaudited)

| (In thousands) | Budget | Actual | Variance Favorable (Unfavorable) | % | Prior Year |
|--------------------------------|-------------------|-----------------|--|------------|-----------------|
| | | | | Change | |
| Total operating revenues | \$ 129,485 | \$ 133,342 | \$ 3,857 | 3% | \$126,164 |
| Total operating expenses | 83,671 | 78,722 | 4,949 | 6% | 77,667 |
| Income from operations | 45,814 | 54,620 | 8,806 | 19% | 48,497 |
| Depreciation | 48,826 | 48,826 | - | - | 45,646 |
| Operating income (loss) | \$ (3,012) | \$ 5,794 | \$ 8,806 | - | \$ 2,851 |

Nonoperating Revenues & Expenses

for the Six Months Ended December 31, 2017 (Unaudited)

| (In thousands) | Budget | Actual | Variance Favorable (Unfavorable) | % Change | Prior Year |
|--|-----------------|------------------|--|-------------|------------------|
| Nonoperating revenues (expenses): | | | | | |
| Passenger facility charges | \$ 20,043 | \$ 21,335 | \$ 1,292 | 6% | \$ 19,240 |
| Customer facility charges (Rental Car Center) | 20,375 | 20,259 | (116) | (1)% | 16,759 |
| Quieter Home Program, net | (1,150) | (658) | 492 | 43% | (359) |
| Interest income | 4,594 | 5,305 | 711 | 15% | 3,738 |
| BAB interest rebate | 2,328 | 2,333 | 5 | - | 2,326 |
| Interest expense & debt issuance costs | (41,566) | (37,523) | 4,043 | 10% | (30,662) |
| Bond amortization | 2,042 | 2,796 | 754 | 37% | 2,088 |
| Other nonoperating revenue (expenses) | (4) | (1,772) | (1,768) | - | (2,205) |
| Nonoperating revenue, net | 6,662 | 12,075 | 5,413 | 81% | 10,925 |
| Change in net position before grant contributions | 3,650 | 17,869 | 14,219 | 390% | 13,776 |
| Capital grant contributions | 2,679 | 4,381 | 1,702 | 64% | 217 |
| Change in net position | \$ 6,329 | \$ 22,250 | \$ 15,921 | 252% | \$ 13,993 |



Statements of Net Position (Unaudited)
December 31, 2017 and 2016

Statements of Net Position (Unaudited)

As of December 31, 2017 and 2016

(In Thousands)

| | <u>2017</u> | <u>2016</u> |
|---|-----------------------------|-----------------------------|
| Current assets: | | |
| Cash and investments | \$ 69,952 | \$ 83,886 |
| Tenant lease receivable, net of allowance of 2017: (\$211,125) and 2016: (\$213,232) | 8,620 | 8,121 |
| Grants receivable | 7,546 | 4,173 |
| Notes receivable-current portion | 1,802 | 1,705 |
| Prepaid expenses and other current assets | 10,496 | 7,756 |
| Total current assets | <u>98,416</u> | <u>105,641</u> |
| Cash designated for capital projects and other | <u>\$ 27,106</u> | <u>\$ 22,335</u> |

Statements of Net Position (Unaudited)

As of December 31, 2017 and 2016

(In Thousands)

| | <u>2017</u> | <u>2016</u> |
|---|--------------------------|--------------------------|
| Restricted assets: | | |
| Cash and investments: | | |
| Bonds reserve | \$ 60,780 | \$ 57,872 |
| Passenger facility charges and interest unapplied | 79,203 | 68,122 |
| Customer facility charges and interest applied | 41,147 | 32,993 |
| SBD bond guarantee | 4,000 | 4,000 |
| Bond proceeds held by trustee | 404,187 | 162,598 |
| Passenger facility charges receivable | 4,722 | 3,819 |
| Customer facility charges receivable | 3,260 | 2,728 |
| OCIP insurance reserve | 5,019 | 2,604 |
| Total restricted assets | <u>\$ 602,318</u> | <u>\$ 334,736</u> |

Statements of Net Position (Unaudited)

As of December 31, 2017 and 2016

(In Thousands)

| | <u>2017</u> | <u>2016</u> |
|----------------------------------|---------------------|---------------------|
| Noncurrent assets: | | |
| Capital assets: | | |
| Land and land improvements | \$ 114,570 | \$ 109,974 |
| Runways, roads and parking lots | 637,693 | 590,772 |
| Buildings and structures | 1,424,444 | 1,406,167 |
| Machinery and equipment | 54,217 | 48,800 |
| Vehicles | 15,952 | 15,033 |
| Office furniture and equipment | 33,934 | 32,334 |
| Works of art | 10,066 | 9,579 |
| Construction-in-progress | 273,680 | 184,284 |
| | <u>2,564,556</u> | <u>2,396,943</u> |
| Less: accumulated depreciation | (943,036) | (858,105) |
| Total capital assets, net | <u>\$ 1,621,520</u> | <u>\$ 1,538,838</u> |

Statements of Net Position (Unaudited)

As of December 31, 2017 and 2016

(In Thousands)

| | <u>2017</u> | <u>2016</u> |
|--|---------------------|---------------------|
| Other assets: | | |
| Notes receivable - long-term portion | \$ 32,361 | \$ 34,211 |
| Investments - long-term portion | 177,689 | 175,512 |
| Security deposit | 350 | 350 |
| Total other assets | <u>210,400</u> | <u>210,073</u> |
| | | |
| Deferred outflows of resources: | | |
| Deferred pension contributions | 6,044 | 5,705 |
| Other deferred pension outflows | 15,048 | 288 |
| Total assets and deferred outflows of resources | <u>\$ 2,580,852</u> | <u>\$ 2,217,616</u> |

Statements of Net Position (Unaudited)

As of December 31, 2017 and 2016

(In Thousands)

| | <u>2017</u> | <u>2016</u> |
|--|-------------------------|-------------------------|
| Current liabilities: | | |
| Accounts payable and accrued liabilities | \$ 60,739 | \$ 31,360 |
| Deposits and other current liabilities | 9,162 | 7,703 |
| Total current liabilities | <u>69,901</u> | <u>39,063</u> |
| | | |
| Current liabilities payable from restricted assets: | | |
| Current portion of long-term debt | 17,070 | 11,585 |
| Accrued interest on bonds and variable debt | 38,409 | 32,704 |
| Total liabilities payable from restricted assets | <u>\$ 55,479</u> | <u>\$ 44,289</u> |

Statements of Net Position (Unaudited)

As of December 31, 2017 and 2016

(In Thousands)

| | <u>2017</u> | <u>2016</u> |
|--|----------------------------|----------------------------|
| Long-term liabilities: | | |
| Variable debt | \$ 26,448 | \$ 52,331 |
| Other long-term liabilities | 7,890 | 8,697 |
| Long-term debt - bonds net of amortized premium | 1,595,785 | 1,278,083 |
| Net pension liability | 18,111 | 1,681 |
| Total long-term liabilities | <u>1,648,234</u> | <u>1,340,792</u> |
| Total liabilities | <u>1,773,614</u> | <u>1,424,144</u> |
| Deferred inflows of resources | | |
| Deferred pension inflows | 1,815 | 1,807 |
| Total liabilities and deferred inflows of resources | <u>\$ 1,775,429</u> | <u>\$ 1,425,951</u> |

Statements of Net Position (Unaudited)

As of December 31, 2017 and 2016

(In Thousands)

| | <u>2017</u> | <u>2016</u> |
|---|--------------------------|--------------------------|
| Net Position: | | |
| Invested in capital assets, net of related debt | \$ 379,072 | \$ 351,728 |
| Other restricted | 195,438 | 172,108 |
| Unrestricted: | | |
| Designated | 27,106 | 22,335 |
| Undesignated | <u>203,807</u> | <u>245,494</u> |
| | | |
| Total net position | <u><u>\$ 805,423</u></u> | <u><u>\$ 791,665</u></u> |



Questions?

Item 3



San Diego County Regional Airport Authority

Investment Report As of December 31, 2017

Presented by: Geoff Bryant
Manager, Airport Finance

January 22, 2018

This report is prepared for the San Diego County Regional Airport Authority (the "Authority") in accordance with California Government Code Section 53646, which states that "the treasurer or chief fiscal officer may render a quarterly report to the chief executive officer, the internal auditor, and the legislative body of the local agency within 30 days following the end of the quarter covered by the report."

The investment report was compiled in compliance with California Government Code Section 53646 and the Authority's approved Investment Policy. All investment transactions made in the Authority's portfolio during this period were made on behalf of the Authority. Sufficient liquidity and anticipated revenue are available to meet expenditure requirements for the next six months.



Scott Brickner, C.P.A.
V.P. Finance & Asset Management / Treasurer
San Diego County Regional Airport Authority

Total Portfolio Summary

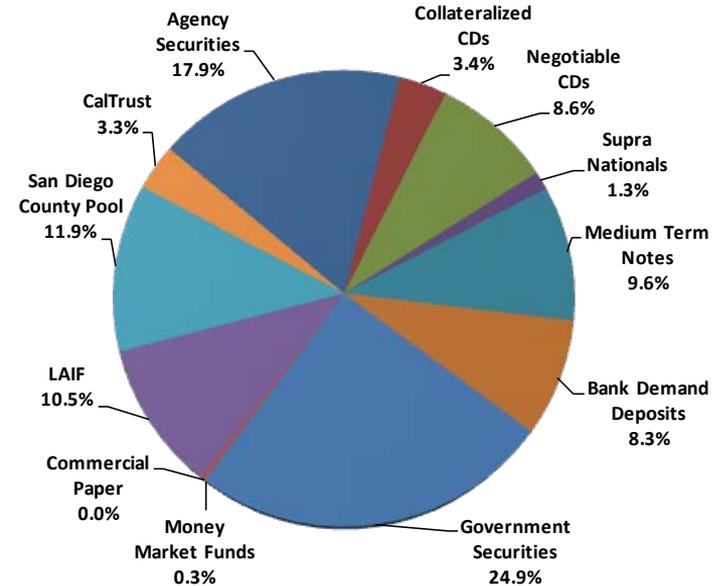
| | Current Period | Prior Period | Change From |
|---|-------------------|--------------------|---------------|
| | December 31, 2017 | September 30, 2017 | Prior |
| Book Value | \$464,988,000 | \$454,767,000 | \$10,221,000 |
| Market Value | \$462,792,000 | \$453,580,000 | \$9,212,000 |
| Market Value% | 99.53% | 99.74% | (0.21%) |
| Unrealized Gain / (Loss) | (\$2,196,000) | (\$1,187,000) | (\$1,009,000) |
| Weighted Average Maturity (Days) | 502 days | 395 days | 107 |
| Weighted Average Yield as of Period End | 1.41% | 1.27% | 0.14% |
| Cash Interest Received- Current Month | \$340,000 | \$299,000 | \$41,000 |
| Cash Interest Received- Quarter-to-Date | \$1,616,000 | \$1,279,000 | \$337,000 |
| Accrued Interest | \$988,000 | \$1,094,000 | (\$106,000) |

Notes:

(1) Increase in portfolio value is primarily due to operating receipts exceeding operating expenditures.

Portfolio Composition by Security Type

| | December 31, 2017 | | September 30, 2017 | | Permitted by Policy |
|-----------------------|-----------------------|----------------------|-----------------------|----------------------|-----------------------------|
| | Market Value | Percent of Portfolio | Market Value | Percent of Portfolio | |
| Agency Securities | \$ 82,704,000 | 17.9% | \$ 104,982,000 | 23.1% | 100% |
| Collateralized CDs | 15,524,000 | 3.4% | 15,455,000 | 3.4% | 30% |
| Negotiable CDs | 39,685,000 | 8.6% | 42,548,000 | 9.4% | 30% |
| Supra Nationals | 5,949,000 | 1.3% | 5,978,000 | 1.3% | 30% |
| Medium Term Notes | 44,554,000 | 9.6% | 42,533,000 | 9.4% | 15% |
| Bank Demand Deposits | 38,986,000 | 8.3% | 29,332,000 | 6.4% | 100% |
| Government Securities | 115,231,000 | 24.9% | 90,543,000 | 20.0% | 100% |
| Money Market Funds | 1,516,000 | 0.3% | 374,000 | 0.1% | 20% |
| Commercial Paper | 0 | 0.0% | 3,497,000 | 0.8% | 25% |
| LAIF | 48,363,000 | 10.5% | 48,263,000 | 10.6% | \$65 million ⁽¹⁾ |
| San Diego County Pool | 54,889,000 | 11.9% | 54,718,000 | 12.1% | \$65 million ⁽²⁾ |
| CalTrust | 15,391,000 | 3.3% | 15,357,000 | 3.4% | \$65 million ⁽³⁾ |
| Total: | \$ 462,792,000 | 100.0% | \$ 453,580,000 | 100.0% | |

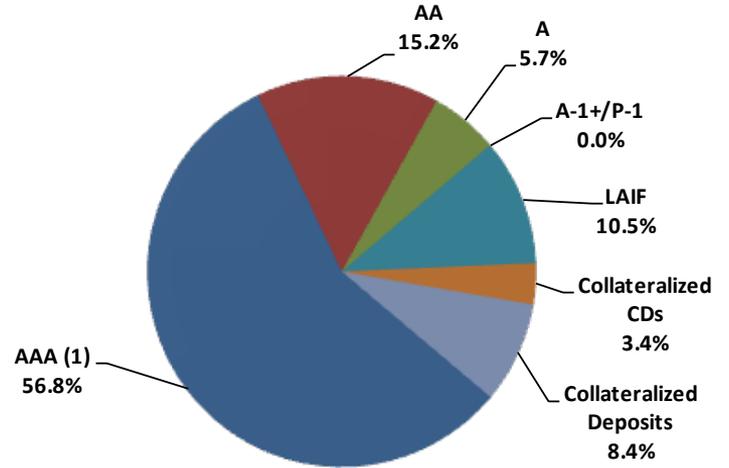


Notes:

- 1.) The \$65 million limit on LAIF is a non-statutory LAIF internal limit. It does not apply to bond proceeds.
- 2.) The San Diego County Investment Pool mirrors the LAIF internal limit and does not apply to bond proceeds.
- 3.) The CalTrust mirrors the LAIF internal limit and does not apply to bond proceeds.

Portfolio Composition by Credit Rating

| | December 31, 2017 | | September 30, 2017 | |
|-------------------------|-----------------------|----------------------|-----------------------|----------------------|
| | Market Value | Percent of Portfolio | Market Value | Percent of Portfolio |
| AAA ⁽¹⁾ | \$ 263,212,000 | 56.8% | \$ 259,541,000 | 57.2% |
| AA | 70,169,000 | 15.2% | 73,141,000 | 16.1% |
| A | 26,539,000 | 5.7% | 24,353,000 | 5.4% |
| A-1+/P-1 | - | 0.0% | 3,497,000 | 0.8% |
| LAIF | 48,363,000 | 10.5% | 48,263,000 | 10.6% |
| Collateralized CDs | 15,524,000 | 3.4% | 15,455,000 | 3.4% |
| Collateralized Deposits | 38,985,000 | 8.4% | 29,330,000 | 6.5% |
| Total: | \$ 462,792,000 | 100.0% | \$ 453,580,000 | 100.0% |

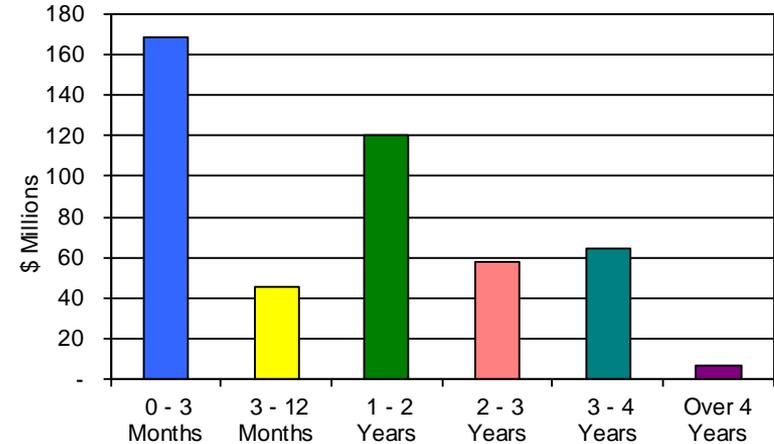


Notes:

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

Portfolio Composition by Maturity ⁽¹⁾

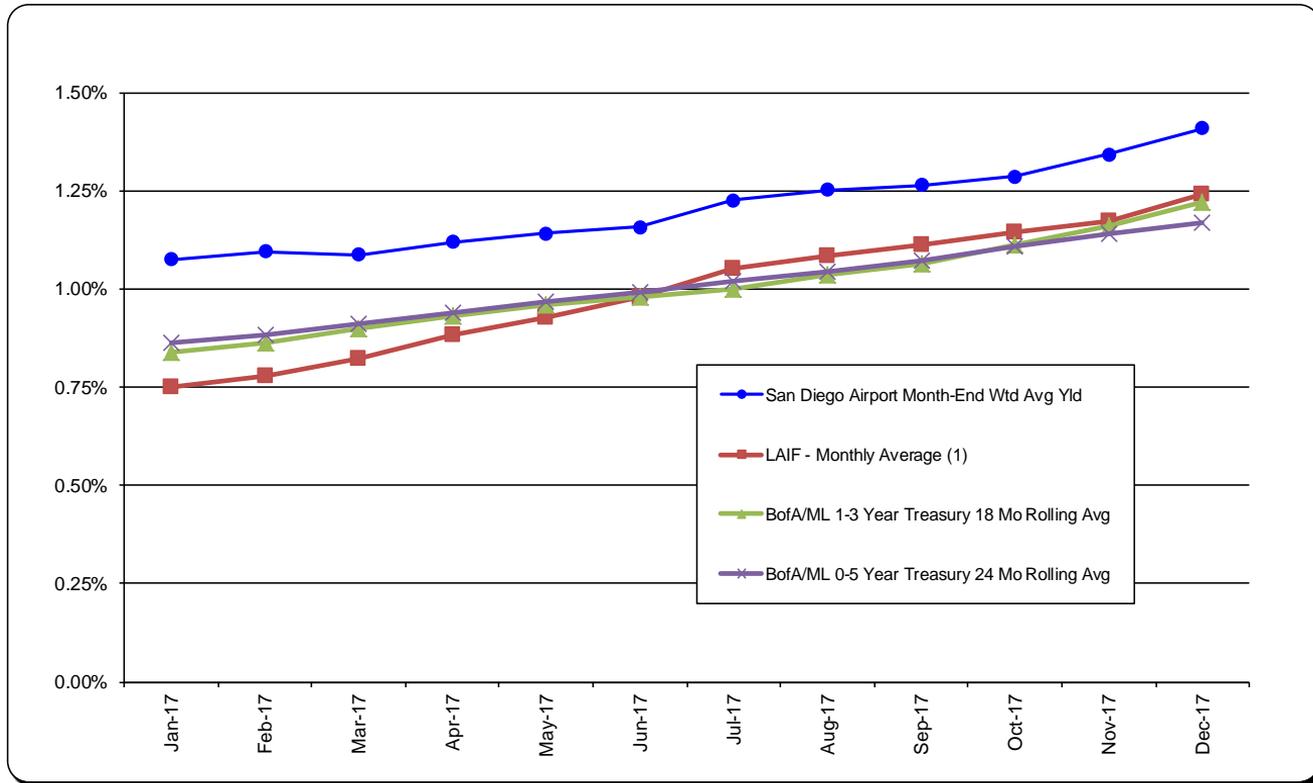
| | December 31, 2017 | | September 30, 2017 | |
|---------------|-----------------------|----------------------|-----------------------|----------------------|
| | Market Value | Percent of Portfolio | Market Value | Percent of Portfolio |
| 0 - 3 Months | \$ 168,145,000 | 36.3% | \$ 159,348,000 | 35.1% |
| 9 - 12 Months | 45,726,000 | 9.9% | 39,793,000 | 8.8% |
| 1 - 2 Years | 119,838,000 | 25.9% | 187,695,000 | 41.4% |
| 2 - 3 Years | 57,677,000 | 12.5% | 59,801,000 | 13.2% |
| 3 - 4 Years | 64,755,000 | 14.0% | 2,946,000 | 0.6% |
| Over 4 Years | 6,651,000 | 1.4% | 3,997,000 | 0.9% |
| Total: | \$ 462,792,000 | 100.0% | \$ 453,580,000 | 100.0% |



Notes:

1.) The 0-3 Quarter category includes investments held in the LAIF, CalTrust, and the San Diego County Investment Pool.

Benchmark Comparison



Notes:

1.) Benchmark data for LAIF is the average monthly effective yield.

Detail of Security Holdings As of December 31, 2017

| Settlement Date | Security Description | Coupon | Maturity Date | Par Value | Purchase Price | Book Value | Market Price | Market Value | Days to Maturity | Yield to Maturity |
|--------------------------|----------------------|--------|---------------|------------|----------------|------------|--------------|--------------|------------------|-------------------|
| 10/16/15 | FNMA | 1.125 | 10/19/18 | 5,000,000 | 100.550 | 5,027,500 | 99.50 | 4,974,900 | 292 | 0.939 |
| 08/15/16 | FHLB | 0.625 | 08/07/18 | 4,000,000 | 99.624 | 3,985,680 | 99.38 | 3,975,280 | 219 | 0.808 |
| 10/21/16 | FHLB | 0.875 | 08/05/19 | 12,000,000 | 99.568 | 11,948,160 | 98.37 | 11,804,880 | 582 | 1.032 |
| 10/07/16 | FHLB | 1.000 | 09/26/19 | 10,000,000 | 99.727 | 9,972,700 | 98.47 | 9,846,800 | 634 | 1.094 |
| 06/29/16 | FNMA | 1.125 | 06/21/19 | 10,400,000 | 100.857 | 10,497,978 | 98.93 | 10,288,304 | 537 | 0.833 |
| 05/16/17 | FHLB | 1.875 | 03/13/20 | 3,000,000 | 100.836 | 3,025,080 | 99.56 | 2,986,710 | 803 | 1.571 |
| 07/08/16 | FHLMC | 1.250 | 08/01/19 | 5,000,000 | 101.285 | 5,064,250 | 99.02 | 4,951,100 | 578 | 0.824 |
| 09/06/16 | FNMA | 1.000 | 08/28/19 | 13,500,000 | 99.836 | 13,477,860 | 98.53 | 13,300,875 | 605 | 1.056 |
| 02/28/17 | FNMA | 1.500 | 02/28/20 | 13,035,000 | 99.936 | 13,003,050 | 98.96 | 12,899,697 | 789 | 1.529 |
| 08/02/16 | FNMA | 0.875 | 08/02/19 | 7,800,000 | 99.832 | 7,786,896 | 98.40 | 7,674,966 | 579 | 0.932 |
| Agency Total | | | | 83,735,000 | | 83,789,154 | | 82,703,512 | 591 | 1.077 |
| 07/02/16 | East West Bk CD | 1.550 | 07/07/19 | 10,452,995 | 100.000 | 10,360,123 | 100.00 | 10,452,995 | 553 | 1.550 |
| 10/24/17 | East West Bk CD | 1.300 | 10/24/18 | 5,071,457 | 100.000 | 5,071,457 | 100.00 | 5,071,457 | 297 | 1.300 |
| Collateralized CDs Total | | | | 15,524,452 | | 15,431,580 | | 15,524,452 | 469 | 1.468 |

Detail of Security Holdings As of December 31, 2017

| Settlement Date | Security Description | Coupon | Maturity Date | Par Value | Purchase Price | Book Value | Market Price | Market Value | Days to Maturity | Yield to Maturity |
|-----------------------------|------------------------|--------|---------------|-------------------|----------------|-------------------|--------------|-------------------|------------------|-------------------|
| 03/09/16 | US Bank CD | 1.060 | 03/09/18 | 4,000,000 | 100.000 | 4,000,000 | 100.00 | 4,000,000 | 68 | 1.060 |
| 08/04/17 | SKANDINAV ENSKD CD | 1.840 | 08/02/19 | 5,750,000 | 100.000 | 5,747,758 | 99.56 | 5,724,758 | 579 | 1.860 |
| 02/09/17 | BK OF MONTREAL YC/D | 1.880 | 02/07/19 | 5,000,000 | 100.000 | 5,000,000 | 100.12 | 5,006,200 | 403 | 1.880 |
| 12/05/16 | NORDEA BK FINL YC/D | 1.760 | 11/30/18 | 4,000,000 | 100.000 | 4,000,000 | 100.06 | 4,002,480 | 334 | 1.760 |
| 12/05/16 | CANADIAN IMP BK YC/D | 1.760 | 11/30/18 | 5,000,000 | 99.922 | 4,996,100 | 99.79 | 4,989,450 | 334 | 1.800 |
| 11/17/17 | SWEDBANK NEW YORK YC/D | 2.270 | 11/16/20 | 4,000,000 | 100.000 | 4,000,000 | 99.46 | 3,978,400 | 1051 | 2.270 |
| 05/04/17 | SUMITOMO MITSUI YC/D | 2.050 | 05/03/19 | 3,000,000 | 100.080 | 3,000,000 | 99.93 | 2,997,960 | 488 | 2.050 |
| 03/16/16 | Toronto Dominion CD | 1.720 | 03/14/18 | 5,000,000 | 100.000 | 5,000,000 | 100.00 | 4,999,950 | 73 | 1.720 |
| 04/06/17 | BK NOVA SCOTIA YC/D | 1.910 | 04/05/19 | 4,000,000 | 100.000 | 4,000,000 | 99.64 | 3,985,520 | 460 | 1.910 |
| Negotiable CDs Total | | | | 39,750,000 | | 39,743,858 | | 39,684,718 | 415 | 1.807 |
| 04/28/17 | INTL BK RECON & DEV | 1.875 | 04/21/20 | 3,000,000 | 100.685 | 3,020,550 | 99.58 | 2,987,280 | 842 | 1.638 |
| 04/21/16 | INTER-AMER DEV BANK | 1.000 | 05/13/19 | 3,000,000 | 99.714 | 2,991,420 | 98.73 | 2,961,990 | 498 | 1.095 |
| Supranationals | | | | 6,000,000 | | 6,011,970 | | 5,949,270 | 671 | 1.368 |
| 12/12/16 | BK NEW YORK NTS | 2.300 | 09/11/19 | 2,000,000 | 101.107 | 2,022,140 | 100.26 | 2,005,220 | 619 | 1.884 |
| 10/14/16 | TOYOTA MOTOR CR CORP | 2.125 | 07/18/19 | 1,000,000 | 101.670 | 1,016,700 | 100.00 | 1,000,030 | 564 | 1.505 |
| 10/14/16 | TOYOTA MTR CR CORP | 1.400 | 05/20/19 | 1,500,000 | 99.906 | 1,498,590 | 99.10 | 1,486,455 | 505 | 1.437 |
| 10/14/16 | AMERICAN HONDA BDS | 1.200 | 07/12/19 | 2,495,000 | 99.241 | 2,476,063 | 98.62 | 2,460,494 | 558 | 1.483 |
| 11/14/17 | UNITED PARCEL BDS | 2.050 | 04/01/21 | 2,280,000 | 99.842 | 2,276,398 | 99.47 | 2,267,939 | 1187 | 2.099 |
| 07/17/15 | GECC MTN | 1.625 | 04/02/18 | 4,950,000 | 105.364 | 4,968,018 | 99.95 | 4,947,624 | 92 | 1.487 |
| 05/15/17 | CHEVRON CORP | 1.991 | 03/03/20 | 3,500,000 | 100.275 | 3,509,660 | 99.15 | 3,470,180 | 793 | 1.889 |
| 02/29/16 | CISCO SYSTEMS | 1.600 | 02/28/19 | 3,000,000 | 100.330 | 3,009,900 | 99.57 | 2,987,070 | 424 | 1.487 |
| 02/24/16 | IBM CORP NOTES | 1.800 | 05/17/19 | 3,000,000 | 100.119 | 3,003,570 | 99.74 | 2,992,200 | 502 | 1.761 |
| 05/15/17 | JPM CHASE & CO MTN | 2.250 | 01/23/20 | 3,500,000 | 100.267 | 3,509,345 | 99.93 | 3,497,655 | 753 | 2.144 |
| 07/28/17 | EXXON MOBIL CORP | 1.912 | 03/06/20 | 3,000,000 | 100.381 | 3,011,430 | 99.48 | 2,984,490 | 796 | 1.757 |
| 09/15/17 | MICROSOFT CORP NT | 1.550 | 08/08/21 | 3,000,000 | 98.478 | 2,954,280 | 97.37 | 2,921,010 | 1316 | 1.958 |
| 09/15/17 | APPLE INC BDS | 2.150 | 02/09/22 | 4,000,000 | 100.217 | 4,008,680 | 98.70 | 3,948,000 | 1501 | 2.098 |
| 06/06/16 | WELLS FARGO CO MTN | 2.150 | 01/15/19 | 4,600,000 | 101.427 | 4,665,642 | 100.16 | 4,607,406 | 380 | 1.589 |
| 09/14/15 | AMERICAN EXPRESS MTN | 1.800 | 07/31/18 | 2,980,000 | 99.759 | 2,972,818 | 99.93 | 2,978,033 | 212 | 1.886 |
| Medium Term Notes | | | | 44,805,000 | | 44,903,234 | | 44,553,806 | 669 | 1.776 |

Detail of Security Holdings As of December 31, 2017

| Settlement Date | Security Description | Coupon | Maturity Date | Par Value | Purchase Price | Book Value | Market Price | Market Value | Days to Maturity | Yield to Maturity |
|----------------------------------|----------------------|--------|---------------|-----------------------|----------------|-----------------------|--------------|-----------------------|------------------|-------------------|
| 05/11/17 | U.S. Treasury | 1.500 | 05/31/20 | 5,000,000 | 99.754 | 4,987,695 | 99.02 | 4,950,800 | 882 | 1.583 |
| 01/09/17 | U.S. Treasury | 1.250 | 01/31/20 | 7,000,000 | 99.170 | 6,940,820 | 98.68 | 6,907,320 | 761 | 1.530 |
| 10/25/17 | U.S. Treasury | 1.250 | 03/31/21 | 3,500,000 | 98.035 | 3,431,230 | 97.53 | 3,413,585 | 1186 | 1.843 |
| 10/13/17 | U.S. Treasury | 2.000 | 08/31/21 | 8,500,000 | 100.715 | 8,560,762 | 99.67 | 8,472,120 | 1339 | 1.808 |
| 10/13/17 | U.S. Treasury | 1.125 | 02/28/21 | 8,500,000 | 98.023 | 8,331,992 | 97.25 | 8,265,910 | 1155 | 1.729 |
| 04/20/16 | U.S. Treasury | 1.000 | 09/15/18 | 4,900,000 | 100.367 | 4,917,992 | 99.52 | 4,876,284 | 258 | 0.845 |
| 12/05/16 | U.S. Treasury | 1.500 | 11/30/19 | 13,400,000 | 100.125 | 13,416,750 | 99.28 | 13,303,118 | 699 | 1.457 |
| 07/28/17 | U.S. Treasury | 1.625 | 07/31/20 | 5,400,000 | 100.203 | 5,410,969 | 99.23 | 5,358,474 | 943 | 1.556 |
| 11/20/17 | U.S. Treasury | 1.250 | 10/31/21 | 7,700,000 | 97.309 | 7,492,762 | 96.88 | 7,459,375 | 1400 | 1.962 |
| 11/17/17 | U.S. Treasury | 1.750 | 04/30/22 | 2,750,000 | 98.938 | 2,720,781 | 98.28 | 2,702,618 | 1581 | 2.000 |
| 11/20/17 | U.S. Treasury | 1.750 | 11/15/20 | 7,700,000 | 99.781 | 7,683,156 | 99.43 | 7,655,802 | 1050 | 1.826 |
| 11/20/17 | U.S. Treasury | 2.250 | 04/30/21 | 7,700,000 | 101.164 | 7,789,633 | 100.66 | 7,751,128 | 1216 | 1.899 |
| 12/05/17 | U.S. Treasury | 1.750 | 06/30/22 | 8,200,000 | 98.359 | 8,063,547 | 98.19 | 8,051,662 | 1642 | 2.134 |
| 12/05/17 | U.S. Treasury | 1.750 | 05/15/22 | 8,200,000 | 98.547 | 8,080,844 | 98.39 | 8,068,062 | 1596 | 2.094 |
| 12/05/17 | U.S. Treasury | 1.875 | 08/31/22 | 8,200,000 | 98.805 | 8,101,984 | 98.59 | 8,084,708 | 1704 | 2.142 |
| 05/06/16 | U.S. Treasury | 1.250 | 10/31/18 | 9,950,000 | 101.066 | 10,034,779 | 99.60 | 9,910,399 | 304 | 0.816 |
| Government Total | | | | 116,600,000 | | 115,965,697 | | 115,231,365 | 1086 | 1.686 |
| | East West Bank | | | 104,919 | 100.000 | 104,919 | 100.00 | 104,919 | 1 | 0.950 |
| | East West Bank | | | 26,021,172 | 100.000 | 26,021,172 | 100.00 | 26,021,172 | 1 | 0.950 |
| | US Bank General Acct | | | 12,858,993 | 100.000 | 12,858,993 | 100.00 | 12,858,993 | 1 | 0.000 |
| Bank Demand Deposits | | | | 38,985,084 | | 38,985,084 | | 38,985,084 | 1 | 0.637 |
| | DREYFUS GOVT INVEST | | | 1,516,092 | 100.000 | 1,516,092 | 100.00 | 1,516,092 | 1 | 0.940 |
| Money Market Fund | | | | 1,516,092 | | 1,516,092 | | 1,516,092 | 1 | 0.940 |
| Local Agency Invstmnt Fd | | | | 48,361,140 | | 48,361,140 | | 48,362,882 | 1 | 1.239 |
| San Diego County Inv Pool | | | | 54,888,710 | | 54,888,710 | | 54,889,156 | 1 | 1.466 |
| CalTrust | | | | 15,391,299 | | 15,391,299 | | 15,391,299 | 1 | 1.330 |
| Grand Total | | | | \$ 465,556,777 | 99.97 | \$ 464,987,818 | 99.53 | \$ 462,791,635 | 502 | 1.409 |

Portfolio Investment Transactions

From October 1st, 2017 - December 31st, 2017

| Settle Date | Security Description | Security Type | CUSIP | Coupon | Mature Date | Call Date | Unit Price | Amount |
|--|-------------------------|---------------|-----------|--------|-------------|-----------|------------|---------------|
| PURCHASES | | | | | | | | |
| 10/13/17 | US TREAS NTS | US TREAS NTS | 912828D72 | 2.000 | 08/31/21 | -- | 100.715 | \$ 8,580,955 |
| 10/13/17 | US TREAS NTS | US TREAS NTS | 912828P87 | 1.125 | 02/28/21 | -- | 98.023 | 8,343,351 |
| 10/25/17 | US TREAS NTS | US TREAS NTS | 912828Q37 | 1.250 | 03/31/21 | -- | 98.035 | 3,434,235 |
| 11/14/17 | UNITED PARCEL BDS | MTN | 911312BPO | 2.050 | 04/01/21 | -- | 98.842 | 2,276,398 |
| 11/17/17 | SWEDBANK NEW YORK YCD | CD-NEG | 87019U6D6 | 2.270 | 11/16/20 | -- | 100.000 | 4,000,000 |
| 11/17/17 | US TREAS NTS | US TREAS NTS | 912828WZ9 | 1.750 | 04/20/22 | -- | 98.938 | 2,723,041 |
| 11/20/17 | US TREAS NTS | US TREAS NTS | 912828WG1 | 2.250 | 04/30/21 | -- | 101.164 | 7,799,205 |
| 11/20/17 | US TREAS NTS | US TREAS NTS | 912828T67 | 1.250 | 10/31/21 | -- | 97.309 | 7,498,079 |
| 11/20/17 | US TREAS NTS | US TREAS NTS | 912828G3G | 1.750 | 11/15/20 | -- | 99.781 | 7,685,017 |
| 12/05/17 | US TREAS NTS | US TREAS NTS | 912828XW5 | 1.750 | 06/30/22 | -- | 98.336 | 8,125,158 |
| 12/05/17 | US TREAS NTS | US TREAS NTS | 912828SV3 | 1.750 | 05/15/22 | -- | 98.547 | 8,088,772 |
| 12/05/17 | US TREAS NTS | US TREAS NTS | 912828L24 | 1.875 | 08/15/22 | -- | 98.805 | 8,142,758 |
| | | | | | | | | \$ 76,696,970 |
| CALLS | | | | | | | | |
| | | | | | | | | \$ - |
| MATURITIES | | | | | | | | |
| 04/28/17 | BANK OF TOKYO MITS DC/P | CP | 06538BXR9 | 1.370 | 10/25/17 | -- | 100.000 | \$ 3,500,000 |
| 11/18/15 | HSBC BK C/D | CD-NEG | 40428AR41 | 0.954 | 11/17/17 | -- | 100.000 | 2,750,000 |
| | | | | | | | | \$ 6,250,000 |
| DEPOSITS | | | | | | | | |
| | | | | | | | | \$ - |
| WITHDRAWALS / SALES / TRANSFERS | | | | | | | | |
| 10/13/17 | US TREAS NTS | US TREAS NTS | 912828A34 | 1.250 | 11/30/18 | -- | 99.793 | \$ 11,027,944 |
| 10/13/17 | FNMA | AGCY | 3135G0H63 | 1.375 | 01/28/19 | -- | 99.854 | 6,008,428 |
| 11/14/17 | US TREAS NTS | US TREAS NTS | 912828VE7 | 1.000 | 05/31/18 | -- | 99.797 | 2,285,772 |
| 11/17/17 | ROYAL BK CDA Y C/D | CD-NEG | 78009NZZ2 | 1.700 | 03/09/18 | -- | 100.048 | 4,014,765 |
| 11/20/17 | US TREAS NTS | US TREAS NTS | 912828A75 | 1.500 | 12/31/18 | -- | 99.844 | 15,264,848 |
| 11/20/17 | FHLMC MTN | AGCY | 3137EADZ9 | 1.125 | 04/15/19 | -- | 99.193 | 7,944,190 |
| 12/05/17 | FNMA | AGCY | 3135G0J53 | 1.000 | 02/26/19 | -- | 99.070 | 4,967,250 |
| 12/05/17 | FHLB | AGCY | 3130AAE46 | 1.250 | 01/16/19 | -- | 99.440 | 2,947,718 |
| 12/05/17 | US TREAS NTS | US TREAS NTS | 912828SH4 | 1.375 | 02/28/19 | -- | 99.551 | 2,947,505 |
| 12/05/17 | US TREAS NTS | US TREAS NTS | 912828VE7 | 1.000 | 05/31/18 | -- | 99.781 | 7,704,173 |
| 12/05/17 | US TREAS NTS | US TREAS NTS | 912828C65 | 1.625 | 03/31/19 | -- | 99.820 | 5,856,725 |
| | | | | | | | | \$ 70,969,317 |

Bond Proceeds Summary

SUMMARY OF 2010, 2013, 2014 & 2017 BOND PROCEEDS*

As of: December 31, 2017

(in thousands)

| | Series 2010 | Series 2013 | Series 2014 | Series 2017 | Total | Yield | Rating |
|---|------------------|------------------|------------------|-------------------|-------------------|---------------------|--------|
| <u>Project Fund</u> | | | | | | | |
| LAIF | \$ - | \$ - | \$ - | \$ 114,234 | \$ 114,234 | 1.24% | N/R |
| SDCIP | - | 4 | - | 96,473 | 96,477 | 1.47% ¹⁾ | AAAF |
| First Amer Govt Oblig Fd MM | - | - | - | 10,314 | 10,314 | 1.15% | AAAm |
| | <u>\$ -</u> | <u>\$ 4</u> | <u>\$ -</u> | <u>\$ 221,021</u> | <u>\$ 221,025</u> | | |
| <u>Capitalized Interest</u> | | | | | | | |
| SDCIP | \$ - | \$ - | \$ - | 2,065 | \$ 2,065 | 1.47% ¹⁾ | AAAm |
| | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,065</u> | <u>\$ 2,065</u> | | |
| <u>Debt Service Reserve & Coverage Funds</u> | | | | | | | |
| SDCIP | \$ 30,501 | \$ 33,427 | \$ 28,990 | 15,103 | \$ 108,021 | 1.47% ¹⁾ | AAAF |
| East West Bank CD | 21,196 | - | - | - | 21,196 | 1.30% | N/R |
| | <u>\$ 51,697</u> | <u>\$ 33,427</u> | <u>\$ 28,990</u> | <u>\$ 15,103</u> | <u>\$ 129,217</u> | | |
| <u>Cost of Issuance</u> | | | | | | | |
| First American Govt Oblig Fund | \$ - | \$ - | \$ - | \$ 120 | \$ 120 | 1.15% | AAAm |
| | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 120</u> | <u>\$ 120</u> | | |
| | <u>\$ 51,697</u> | <u>\$ 33,431</u> | <u>\$ 28,990</u> | <u>\$ 238,309</u> | <u>\$ 352,427</u> | 1.37% | |

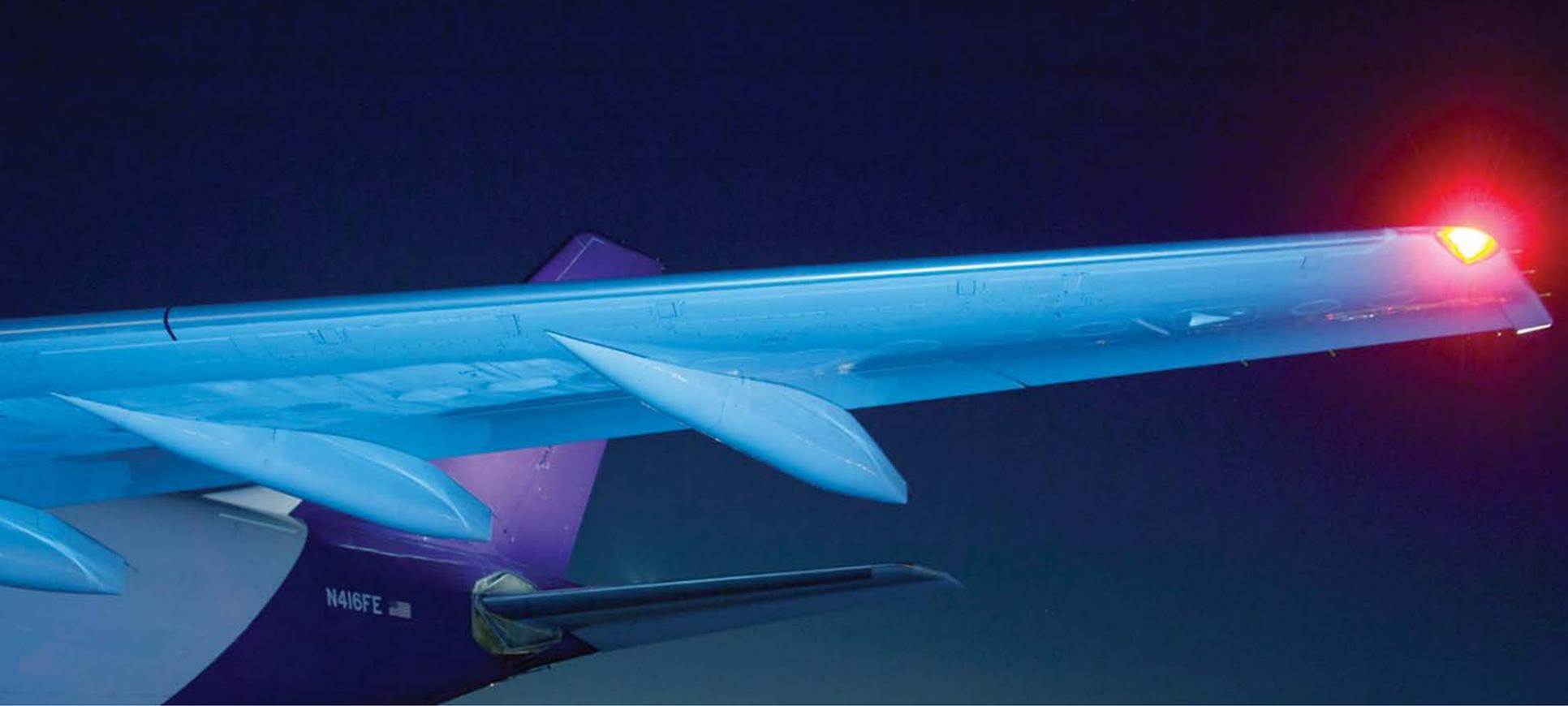
*Bond proceeds are not included in deposit limits as applied to operating funds

1) SDCIP Yield as of 11/30/17

Bond Proceeds Investment Transactions

From October 1st, 2017 - December 31st, 2017

| Settle Date | Description | Security Type | CUSIP | Coupon | Mature Date | Call Date | Unit Price | Amount |
|----------------------------|---|---------------|-------|--------|-------------|-----------|------------|---------------|
| PURCHASES | | | | | | | | |
| 12/13/2017 | First Amer Govt Oblig Fd MM (2017 Bonds) | MM | -- | 1.15 | -- | -- | 1.000 | \$ 17,000,000 |
| | | | | | | | | \$ 17,000,000 |
| CALLS | | | | | | | | |
| | | | | | | | | \$ - |
| MATURITIES | | | | | | | | |
| | | | | | | | | \$ - |
| DEPOSITS | | | | | | | | |
| | | | | | | | | \$ - |
| WITHDRAWALS / SALES | | | | | | | | |
| 10/4/2017 | First American Govt Oblig Fund (COI 2017 Bonds) | MM | -- | .94 | -- | -- | 1.000 | \$ 161,644 |
| 10/12/2017 | LAIF (2017 Bonds) | LAIF | -- | 1.14 | -- | -- | 1.000 | 8,847,367 |
| 10/30/2017 | SDCIP (2017 Bonds) | SDCIP | -- | 1.37 | -- | -- | 1.000 | 11,510,498 |
| 10/30/2017 | SDCIP (2017 Bonds) | SDCIP | -- | 1.37 | -- | -- | 1.000 | 1,735,117 |
| 11/21/2017 | First American Govt Oblig Fund (2017 Bonds) | MM | -- | 0.98 | -- | -- | 1.000 | 6,029,576 |
| 11/22/2017 | SDCIP (2017 Bonds) | SDCIP | -- | 1.42 | -- | -- | 1.000 | 4,489,032 |
| 11/29/2017 | First American Govt Oblig Fund (2014 Bonds) | MM | -- | 0.98 | -- | -- | 1.000 | 673 |
| 11/30/2017 | SDCIP (2014 Bonds) | SDCIP | -- | 1.42 | -- | -- | 1.000 | 33,762 |
| 11/30/2017 | SDCIP (2013 Bonds) | SDCIP | -- | 1.42 | -- | -- | 1.000 | 1,720,732 |
| 12/13/2017 | LAIF (2017 Bonds) | LAIF | -- | 1.24 | -- | -- | 1.000 | 17,000,000 |
| 12/26/2017 | First American Govt Oblig Fund (2017 Bonds) | MM | -- | 1.15 | -- | -- | 1.000 | 10,174,995 |
| 12/26/2017 | SDCIP (2017 Bonds) | SDCIP | -- | 1.47 | -- | -- | 1.000 | 5,303,021 |
| | | | | | | | | \$ 67,006,417 |



Questions ?

EXECUTIVE COMMITTEE

Meeting Date: **January 22, 2018**

Subject:

Pre-Approval of Travel Requests and Approval of Business and Travel Expense Reimbursement Requests for Board Members, the President/CEO, the Chief Auditor and General Counsel

Recommendation:

Pre-approve Travel Requests and approve Business and Travel Expense Reimbursement Requests.

Background/Justification:

Authority Policies 3.30 (2)(b) and (4)(b) require that business expenses reimbursements of Board Members, the President/CEO, the Chief Auditor and the General Counsel be approved by the Executive Committee and presented to the Board for its information at its next regularly scheduled meeting.

Authority Policy 3.40 (2)(b) and (3)(b) require that travel expense reimbursements of Board Members, the President/CEO, the Chief Auditor and the General Counsel be approved by the Executive Committee and presented to the Board for its information at its next regularly scheduled meeting.

The attached reports are being presented to comply with the requirements of Policies 3.30 and 3.40.

Fiscal Impact:

Funds for Business and Travel expenses are included in the FY 2017-2018 Budget.

Environmental Review:

- A. This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act (CEQA), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

Application of Inclusionary Policies:

Not applicable

Prepared by:

TONY R. RUSSELL
DIRECTOR, CORPORATE & INFORMATION GOVERNANCE/AUTHORITY CLERK

BUSINESS EXPENSE

APRIL BOLING

TRAVEL REQUEST

KIM BECKER

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST**

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Kimberly J. Becker Dept: 6

Position: Board Member President/CEO Gen. Counsel Chief Auditor
 All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 1/3/2018 PLANNED DATE OF DEPARTURE/RETURN: 3/14/2018 / 3/15/2018

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip— continue on extra sheets of paper as necessary):

Destination: Sacramento, CA Purpose: Attend California Airports Council Board Meeting
Explanation: _____

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

- AIRFARE \$ 250.00
- OTHER TRANSPORTATION (Taxi, Train, Car Rental) \$ 100.00

B. LODGING \$ 270.00

C. MEALS \$ 150.00

D. SEMINAR AND CONFERENCE FEES \$

E. ENTERTAINMENT (If applicable) \$

F. OTHER INCIDENTAL EXPENSES \$ 50.00

TOTAL PROJECTED TRAVEL EXPENSE \$ 820.00

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature:  Date: 1/4/18

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

- 1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
- 2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
- 3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)
by the Executive Committee at its _____ meeting.
(Leave blank and we will insert the meeting date.)

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

ITEM 5

DRAFT BOARD AGENDA

Thursday, February 1, 2018
9:00 A.M.

San Diego International Airport
SDCRAA Administration Building – Third Floor
Board Room
3225 N. Harbor Drive
San Diego, California 92101

Board Members

C. April Boling
Chairman

Greg Cox
Jim Desmond
Jim Janney
Mark Kersey
Paul Robinson
Michael Schumacher
Mary Sessom

Ex-Officio Board Members

Cory Binns
Col. Jason Woodworth

President / CEO

Kimberly J. Becker

***Live webcasts of Authority Board meetings can be accessed at
<http://www.san.org/Airport-Authority/Meetings-Agendas/Authority-Board>***

This Agenda contains a brief general description of each item to be considered. The indication of a recommended action does not indicate what action (if any) may be taken. ***Please note that agenda items may be taken out of order.*** If comments are made to the Board without prior notice or are not listed on the Agenda, no specific answers or responses should be expected at this meeting pursuant to State law.

Staff Reports and documentation relating to each item of business on the Agenda are on file in Corporate & Information Governance and are available for public inspection.

NOTE: Pursuant to Authority Code Section 2.15, all Lobbyists shall register as an Authority Lobbyist with the Authority Clerk within ten (10) days of qualifying as a lobbyist. A qualifying lobbyist is any individual who receives \$100 or more in any calendar month to lobby any Board Member or employee of the Authority for the purpose of influencing any action of the Authority. To obtain Lobbyist Registration Statement Forms, contact the Corporate & Information Governance/Authority Clerk Department.

PLEASE COMPLETE A "REQUEST TO SPEAK" FORM PRIOR TO THE COMMENCEMENT OF THE MEETING AND SUBMIT IT TO THE AUTHORITY CLERK. ***PLEASE REVIEW THE POLICY FOR PUBLIC PARTICIPATION IN BOARD AND BOARD COMMITTEE MEETINGS (PUBLIC COMMENT) LOCATED AT THE END OF THE AGENDA.***

The Authority has identified a local company to provide oral interpreter and translation services for public meetings. If you require oral interpreter or translation services, please telephone the Corporate & Information Governance /Authority Clerk Department with your request at (619) 400-2400 at least three (3) working days prior to the meeting.

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

APPOINTMENT OF EXECUTIVE COMMITTEE MEMBERS AND ELECTION OF THE VICE CHAIR OF THE BOARD:

PRESENTATIONS:

- A. **REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2017:**
Presented by Kathy Kiefer, Senior Director, Finance and Asset Management

REPORTS FROM BOARD COMMITTEES, AD HOC COMMITTEES, AND CITIZEN COMMITTEES AND LIAISONS:

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:**
Committee Members: Hollingworth, Robinson (Chair), Schumacher, Sessom, Tartre, Van Sambeek
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**
Committee Members: Janney (Chair), Kersey, Robinson
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Committee Members: Boling, Cox, Desmond (Chair), Kersey, Schumacher
- **FINANCE COMMITTEE:**
Committee Members: Boling (Chair), Cox, Janney, Sessom

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
Liaison: Robinson (Primary), Boling
- **ART ADVISORY COMMITTEE:**
Committee Member:

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN:**
Liaison: Janney
- **CALTRANS:**
Liaison: Binns

- **INTER-GOVERNMENTAL AFFAIRS:**
Liaison: Cox
- **MILITARY AFFAIRS:**
Liaison: Woodworth
- **PORT:**
Liaisons: Boling, Cox, Robinson
- **WORLD TRADE CENTER:**
Representatives:

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Representatives: Boling (Alternate), Janney (Primary)

CHAIR'S REPORT:

PRESIDENT/CEO'S REPORT:

NON-AGENDA PUBLIC COMMENT:

Non-Agenda Public Comment is reserved for members of the public wishing to address the Board on matters for which another opportunity to speak **is not provided on the Agenda**, and which is within the jurisdiction of the Board. Please submit a completed speaker slip to the Authority Clerk. ***Each individual speaker is limited to three (3) minutes. Applicants, groups and jurisdictions referring items to the Board for action are limited to five (5) minutes.***

Note: Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board.

CONSENT AGENDA (Items 1-13):

The consent agenda contains items that are routine in nature and non-controversial. Some items may be referred by a standing Board Committee or approved as part of the budget process. The matters listed under 'Consent Agenda' may be approved by one motion. Any Board Member may remove an item for separate consideration. Items so removed will be heard before the scheduled New Business Items, unless otherwise directed by the Chair.

1. APPROVAL OF MINUTES:

The Board is requested to approve minutes of prior meetings.

RECOMMENDATION: Approve the minutes of the January 4, 2018, regular meeting.

2. ACCEPTANCE OF BOARD AND COMMITTEE MEMBERS WRITTEN REPORTS ON THEIR ATTENDANCE AT APPROVED MEETINGS AND PRE-APPROVAL OF ATTENDANCE AT OTHER MEETINGS NOT COVERED BY THE CURRENT RESOLUTION:

The Board is requested to accept the reports.

RECOMMENDATION: Accept the reports and pre-approve Board member attendance at other meetings, trainings and events not covered by the current resolution.

(Corporate & Information Governance: Tony R. Russell, Director/Authority Clerk)

3. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM DECEMBER 11, 2017 THROUGH JANUARY 7, 2017 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM DECEMBER 11, 2017 THROUGH JANUARY 7, 2017:

The Board is requested to receive the report.

RECOMMENDATION: Receive the report.

(Procurement: Jana Vargas, Director)

4. FEBRUARY 2018 LEGISLATIVE REPORT:

The Board is requested to approve the report.

RECOMMENDATION: Adopt Resolution No. 2018-_____, approving the February 2018 Legislative Report.

(Inter-Governmental Relations: Michael Kulis, Director)

5. ANNUAL REVIEW AND NOTIFICATION OF BOARD MEMBER WEIGHTED VOTE POINT ALLOCATION AS REQUIRED BY SECTION 170014 OF THE CALIFORNIA PUBLIC UTILITIES CODE:

The Board is requested to accept the information.

RECOMMENDATION: Adopt Resolution No. 2018-_____, accepting the Board member weighted vote point allocation as required by Section 170014 of the California Public Utilities Code.

(Corporate & Information Governance: Tony R. Russell, Director/Authority Clerk)

6. APPOINTMENTS TO BOARD COMMITTEES, LIAISON POSITIONS, OTHER REPRESENTATIVE AND ALTERNATE POSITIONS:

The Board is requested to make appointments.

RECOMMENDATION: Adopt Resolution No. 2018-_____, making appointments to Board committees, liaison positions, the SANDAG Transportation Committee, and the World Trade Center Board.

(Corporate and Information Governance: Tony R. Russell, Director/Authority Clerk)

7. APPOINTMENT OF AUTHORITY ADVISORY COMMITTEE MEMBERS:

The Board is requested to make appointments.

RECOMMENDATION: Adopt Resolution No. 2018-_____, approving appointments to the Authority Advisory Committee.

(Assets & Alliances: Matthew Harris, Senior Director)

CLAIMS

COMMITTEE RECOMMENDATIONS

8. ACCEPTANCE OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2018:

The Board is requested to accept the report

RECOMMENDATION: The Finance Committee recommends that the Board accept the report.

(Finance and Asset Management: Kathy Kiefer, Senior Director)

9. ACCEPTANCE OF THE AUTHORITY'S INVESTMENT REPORT AS OF DECEMBER 31, 2017:

The Board is requested to accept the report.

RECOMMENDATION: The Executive/Finance Committee recommends that the Board accept the report.

(Business Management: Geoff Bryant, Manager, Airport Finance)

CONTRACTS AND AGREEMENTS

10. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT WITH WILLIS INSURANCE SERVICES OF CALIFORNIA, INC.:

The Board is requested to approve the amendment.

RECOMMENDATION: Adopt Resolution No. 2018-_____, approving and authorizing the President/CEO to execute a First Amendment to the Agreement with Willis Insurance Services of California, Inc. increasing the compensation amount by \$137,000 for a total not-to-exceed an amount of \$750,000.

(Talent, Culture & Capability: Kurt Gering, Director)

11. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ON-CALL TERMINAL AND BUILDING ARCHITECTURAL AND ENGINEERING CONSULTANT SERVICES AGREEMENT AT SAN DIEGO INTERNATIONAL AIRPORT:

The Board is requested to approve an agreement.

RECOMMENDATION: Adopt Resolution No. 2018-_____, approving and authorizing the President/CEO to execute an On-Call Terminal and Buildings Architectural and Engineering Consultant Services Agreement with Rivers & Christian, and Pierce Goodwin Alexander & Linville, Inc. ("PGAL") for a term of _____ years, in an aggregate amount not-to-exceed \$_____, in support of the Capital Improvement Program at San Diego International Airport

(Facilities Development: Iraj Ghaemi, Director)

12. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ON-CALL MECHANICAL, ELECTRICAL, AND PLUMBING CONSULTANT SERVICES AGREEMENT AT SAN DIEGO INTERNATIONAL AIRPORT:

The Board is requested to approve an agreement.

RECOMMENDATION: Adopt Resolution No. 2018-____, approving and authorizing the President/CEO to execute an On-Call Mechanical, Electrical, and Plumbing Consultant Services Agreement with MA Engineers, Inc. and Stantec Architecture, Inc. for a term of ____ years, in an aggregate amount not-to-exceed \$____, in support of the Capital Improvement Program at San Diego International Airport.
(Facilities Development: Iraj Ghaemi, Director)

CONTRACTS AND AGREEMENTS AND/OR AMENDMENTS TO CONTRACTS AND AGREEMENTS EXCEEDING \$1 MILLION

13. AWARD A CONTRACT TO _____ FOR QUIETER HOME PROGRAM PHASE 9, GROUP 3, PROJECT NO. 380903, SIXTY-EIGHT (68) NON-HISTORIC MULTI-FAMILY AND SINGLE FAMILY UNITS ON TWENTY-NINE (29) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE AIRPORT:

The Board is requested to award a contract.

RECOMMENDATION: Adopt Resolution No. 2018-____, awarding a contract to _____ in the amount of \$____, for Phase 9, Group 3, Project No. 380903, of the San Diego County Regional Airport Authority's Quieter Home Program.
(Planning & Environmental Affairs: Brendan Reed, Director)

14. AWARD OF CONTRACT TO LEONIDA BUILDERS, INC., FOR REPLACE SIDEWALK TERMINAL 2 WEST TO GREEN BUILD AT SAN DIEGO INTERNATIONAL AIRPORT:

The Board is requested to award a contract.

RECOMMENDATION: Adopt Resolution No. 2018-____, awarding a contract to Leonida Builder, Inc., in the amount of \$1,038,222 for Project No. 104226, replace sidewalk Terminal 2 West to Green Build at San Diego International Airport.
(Facilities Development: Iraj Ghaemi, Director)

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

15. GRANT A SEVEN-YEAR CONCESSION LEASE TO _____ TO DESIGN, BUILD AND OPERATE A DUTY FREE/DUTY PAID CONCESSION WITHIN TERMINAL 2 WEST:

The Board is requested to grant a concession lease.

RECOMMENDATION: Adopt Resolution No. 2018-_____, awarding a seven-year concession lease to _____, LLC to design, build and operate a duty free/duty paid concession in Terminal 2 West at San Diego International Airport and authorize the President/CEO to take all necessary actions to execute the concession lease.

(Business Management: Eric Podnieks, Program Manager)

CLOSED SESSION:

16. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)

Name of Case: GGTW LLC v San Diego County Regional Airport Authority, et al., San Diego Superior Court Case No. 37-2016-00032646-CU-BC-CTL

17. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)

Name of Case: San Diego County Regional Airport Authority v. American Car Rental, Inc., San Diego Superior Court Case No. 37-2016-00024056-CL-BC-CTL

18. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)

Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al., San Diego Superior Court, North County, Case No. 37-2014-00004077-CU-EI-NC

19. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:

(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)

Name of Case: K.S.A.N. L.L.C v. San Diego County Regional Airport Authority, et al. San Diego Superior Court Case No. 37-2017-00024982-CU-NP-CTL

20. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:

(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)

Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.

Number of potential cases: 1

21. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:

(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)

Navy Boat Channel Environmental Remediation

Number of potential cases: 1

- 22. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Number of potential cases: 2
- 23. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Cal. Gov. Code §54956.9)
Number of cases: 1

REPORT ON CLOSED SESSION:

GENERAL COUNSEL REPORT:

BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REPORTS FOR BOARD MEMBERS, PRESIDENT/CEO, CHIEF AUDITOR AND GENERAL COUNSEL WHEN ATTENDING CONFERENCES, MEETINGS, AND TRAINING AT THE EXPENSE OF THE AUTHORITY:

BOARD COMMENT:

ADJOURNMENT:

**Policy for Public Participation in Board, Airport Land Use Commission (ALUC),
 and Committee Meetings (Public Comment)**

- 1) Persons wishing to address the Board, ALUC, and Committees shall complete a "Request to Speak" form prior to the initiation of the portion of the agenda containing the item to be addressed (e.g., Public Comment and General Items). Failure to complete a form shall not preclude testimony, if permission to address the Board is granted by the Chair.
- 2) The Public Comment Section at the beginning of the agenda is limited to eighteen (18) minutes and is reserved for persons wishing to address the Board, ALUC, and Committees on any matter for which another opportunity to speak is not provided on the Agenda, and on matters that are within the jurisdiction of the Board. A second Public Comment period is reserved for general public comment later in the meeting for those who could not be heard during the first Public Comment period.
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- 4) If many persons have indicated a desire to address the Board, ALUC and Committees on the same issue, then the Chair may suggest that these persons consolidate their respective testimonies. Testimony by members of the public on any item shall be limited to **three (3) minutes per individual speaker and five (5) minutes for applicants, groups and referring jurisdictions.**
- 5) Pursuant to Authority Policy 1.33 (8), recognized groups must register with the Authority Clerk prior to the meeting.
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UPCOMING MEETING SCHEDULE

| <i>Date</i> | <i>Day</i> | <i>Time</i> | <i>Meeting Type</i> | <i>Location</i> |
|-------------|------------|-------------|---------------------|-----------------|
| March | 1 | 9:00 AM | Regular | Board Room |

Board Members

C. April Boling
Chairman

Greg Cox

Jim Desmond

Jim Janney

Mark Kersey

Paul Robinson

Michael Schumacher

Mary Sessom

Ex-Officio Board Members

Cory Binns

Col. Jason Woodworth

President / CEO

Kimberly J. Becker

DRAFT
AIRPORT LAND USE COMMISSION
AGENDA

Thursday, February 1, 2018
9:00 A.M. or immediately following the Board Meeting

San Diego International Airport
SDCRAA Administration Building – Third Floor
Board Room
3225 N. Harbor Drive
San Diego, California 92101

Live webcasts of Authority Board meetings can be accessed at
<http://www.san.org/Airport-Authority/Meetings-Agendas/ALUC>

Pursuant to California Public Utilities Code §§ 21670-21679.5, the Airport Land Use Commission ("Commission") is responsible for coordinating the airport planning of public agencies within San Diego County. The Commission has the legal responsibility to formulate airport land use compatibility plans ("ALUCPs") that will (a) provide for the orderly growth of each public airport and the areas surrounding the airport within the County and (b) safeguard the general welfare of the inhabitants within the vicinity of each airport and the public in general. Pursuant to §21670.3, the San Diego County Regional Airport Authority serves as the Commission.

This Agenda contains a brief general description of each item to be considered. The indication of a recommended action does not indicate what action (if any) may be taken. ***Please note that agenda items may be taken out of order.*** If comments are made to the Commission without prior notice or are not listed on the Agenda, no specific answers or responses should be expected at this meeting pursuant to State law.

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CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

NON-AGENDA PUBLIC COMMENT:

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Note: Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Commission.

CONSENT AGENDA (Items 1-2):

The Consent Agenda contains items that are routine in nature and non-controversial. It also contains consistency determinations that have been deemed consistent or conditionally consistent. The matters listed under 'Consent Agenda' may be approved by one motion. Any Commission Member may remove an item for separate consideration. Items so removed will be heard before the scheduled New Business items, unless otherwise directed by the Chair.

1. APPROVAL OF MINUTES:

The Airport Land Use Commission is requested to approve minutes of prior meetings.

RECOMMENDATION: Approve the minutes of the January 4, 2018 regular meeting.

CONSISTENCY DETERMINATIONS

2. REPORT OF DETERMINATIONS OF CONSISTENCY WITH AIRPORT LAND USE COMPATIBILITY PLANS:

The Airport Land Use Commission is requested to receive a report of determinations of consistency with Airport Land Use Compatibility Plans issued by staff.

RECOMMENDATION: Receive the report.

(Planning & Environmental Affairs: Brendan Reed)

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

COMMISSION COMMENT:

ADJOURNMENT:

**Policy for Public Participation in Board, Airport Land Use Commission (ALUC),
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- 3) Persons wishing to speak on specific items listed on the agenda will be afforded an opportunity to speak during the presentation of individual items. Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board, ALUC and Committees. Public comment on specific items is limited to twenty (20) minutes – ten (10) minutes for those in favor and ten (10) minutes for those in opposition of an item. Each individual speaker will be allowed three (3) minutes, and applicants and groups will be allowed five (5) minutes.
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For your convenience, the agenda is also available to you on our website at www.san.org.

For those planning to attend the Board meeting, parking is available in the public parking lot located directly in front of the Administration Building. Bring your ticket to the third floor receptionist for validation.

You may also reach the Administration Building by using public transit via the San Diego Metropolitan Transit System, Route 992. The MTS bus stop at Terminal 1 is a very short walking distance from the Administration Building. ADA paratransit operations will continue to serve the Administration Building as required by Federal regulation. For MTS route, fare and paratransit information, please call the San Diego MTS at (619) 233-3004 or 511. For other Airport related ground transportation questions, please call (619) 400- 2685.

UPCOMING MEETING SCHEDULE

| <i>Date</i> | <i>Day</i> | <i>Time</i> | <i>Meeting Type</i> | <i>Location</i> |
|-------------|------------|-------------|---------------------|-----------------|
| February | 1 | 9:00 AM | Regular | Board Room |