

San Diego County Regional Airport Authority

Investment Report
As of May 31, 2012



Presented by:
Vernon D. Evans, CPA
Vice President, Finance / Treasurer & CFO

June 25, 2012



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

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

A handwritten signature in black ink that reads "Vernon D. Evans". The signature is written in a cursive style.

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



Total Portfolio Summary



	Current Period	Prior Period	Change From
	May 31, 2012	April 30, 2012	Prior
Book Value	\$279,732,000	\$263,304,000	\$16,428,000
Market Value	\$279,910,000	\$263,528,000	\$16,382,000
Market Value%	100.08%	100.10%	(0.02%)
Unrealized Gain / (Loss)	\$178,000	\$224,000	(\$46,000)
Weighted Average Maturity (Days)	300 days	320 days	(20)
Weighted Average Yield as of Period End	0.56%	0.60%	(0.04%)
Cash Interest Received- Current Month	\$55,000	\$144,000	(\$89,000)
Cash Interest Received-Year-to-Date	\$1,255,000	\$1,200,000	\$55,000
Accrued Interest	\$217,000	\$154,000	\$63,000

Notes:

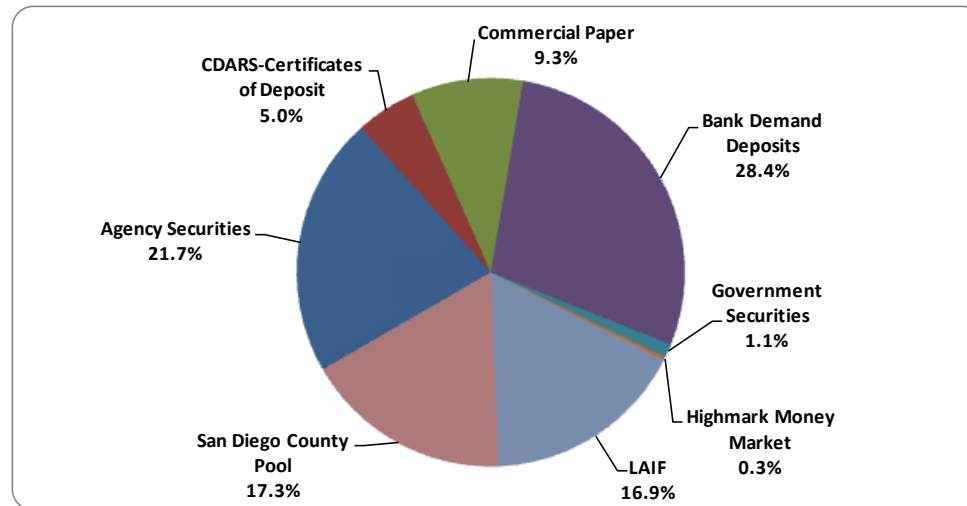
(1) Increase in cash balance was predominantly due to positive operating cash flow and capital receipts that exceeded disbursements on capital projects.



Portfolio Composition by Security Type



Portfolio Composition by Security Type					
	May 31, 2012		April 30, 2012		Permitted by Policy
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio	
Agency Securities	\$ 61,257,000	21.7%	\$ 60,261,000	22.9%	100%
CDARS-Certificates of Deposit	13,981,000	5.0%	13,977,000	5.3%	30%
Commercial Paper	25,915,000	9.3%	25,909,000	9.8%	25%
Bank Demand Deposits	79,414,000	28.4%	64,026,000	24.3%	100%
Government Securities	3,003,000	1.1%	3,003,000	1.1%	100%
Highmark Money Market	752,000	0.3%	717,000	0.3%	20%
LAIF	47,248,000	16.9%	47,305,000	18.0%	\$50 million ⁽¹⁾
San Diego County Pool	48,340,000	17.3%	48,330,000	18.3%	\$50 million ⁽²⁾
Total:	\$ 279,910,000	100.0%	\$ 263,528,000	100.0%	



Notes:

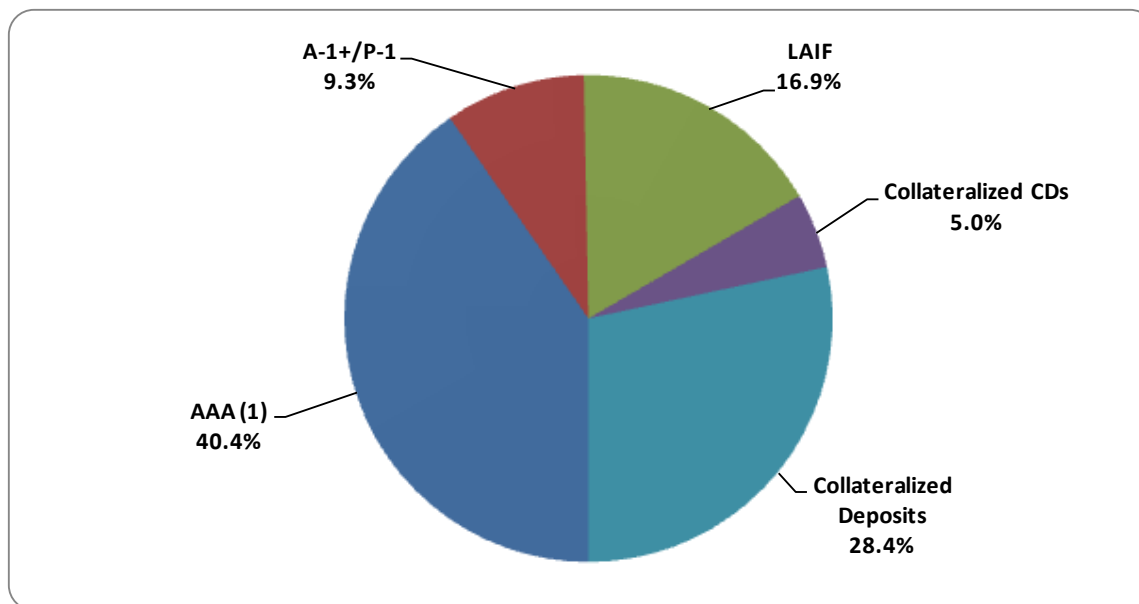
- 1.) The \$50 million limit on LAIF is a non-statutory LAIF internal limit. It does not apply to bond proceeds.
- 2.) The San Diego County Investment Pool mirrors the LAIF internal limit and does not apply to bond proceeds.
- 3.) LAIF & San Diego County Pool reported one month in arrears.



Portfolio Composition by Credit Rating



	May 31, 2012		April 30, 2012	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
AAA ⁽¹⁾	\$ 113,352,000	40.4%	\$ 112,311,000	42.6%
A-1+/P-1	25,915,000	9.3%	25,909,000	9.8%
LAIF	47,248,000	16.9%	47,305,000	18.0%
Collateralized CDs	13,981,000	5.0%	13,977,000	5.3%
Collateralized Deposits	79,414,000	28.4%	64,026,000	24.3%
Total:	\$ 279,910,000	100.0%	\$ 263,528,000	100.0%

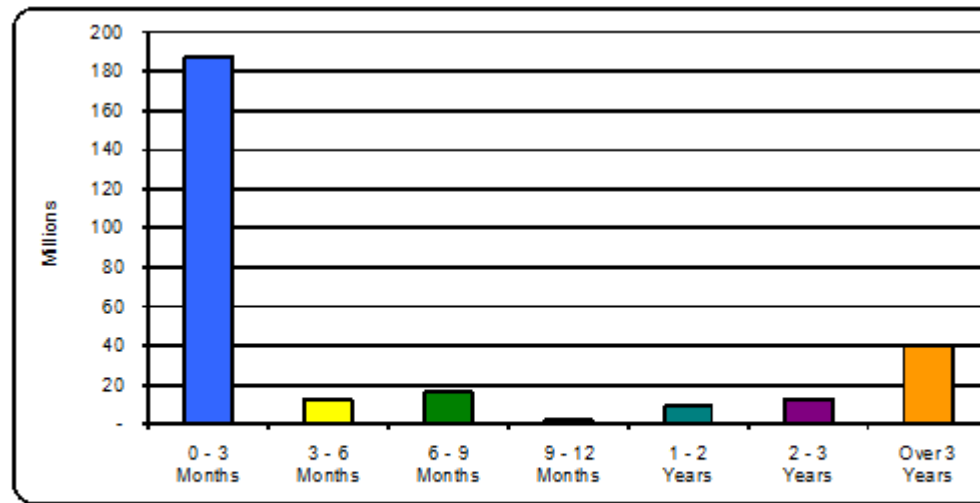




Portfolio Composition by Maturity Distribution⁽¹⁾



Portfolio Maturity Distribution ⁽¹⁾				
	May 31, 2012		April 30, 2012	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
0 - 3 Months	\$ 187,799,000	67.0%	\$ 175,920,000	66.7%
3 - 6 Month	12,479,000	4.5%	6,479,000	2.5%
6 - 9 Months	16,375,000	5.9%	13,937,000	5.3%
9 - 12 Months	2,000,000	0.7%	6,932,000	2.6%
1 - 2 Years	9,014,000	3.2%	9,014,000	3.4%
2 - 3 Years	12,570,000	4.5%	8,578,000	3.3%
Over 3 Years	39,673,000	14.2%	42,668,000	16.2%
Total:	\$ 279,910,000	100.0%	\$ 263,528,000	100.0%

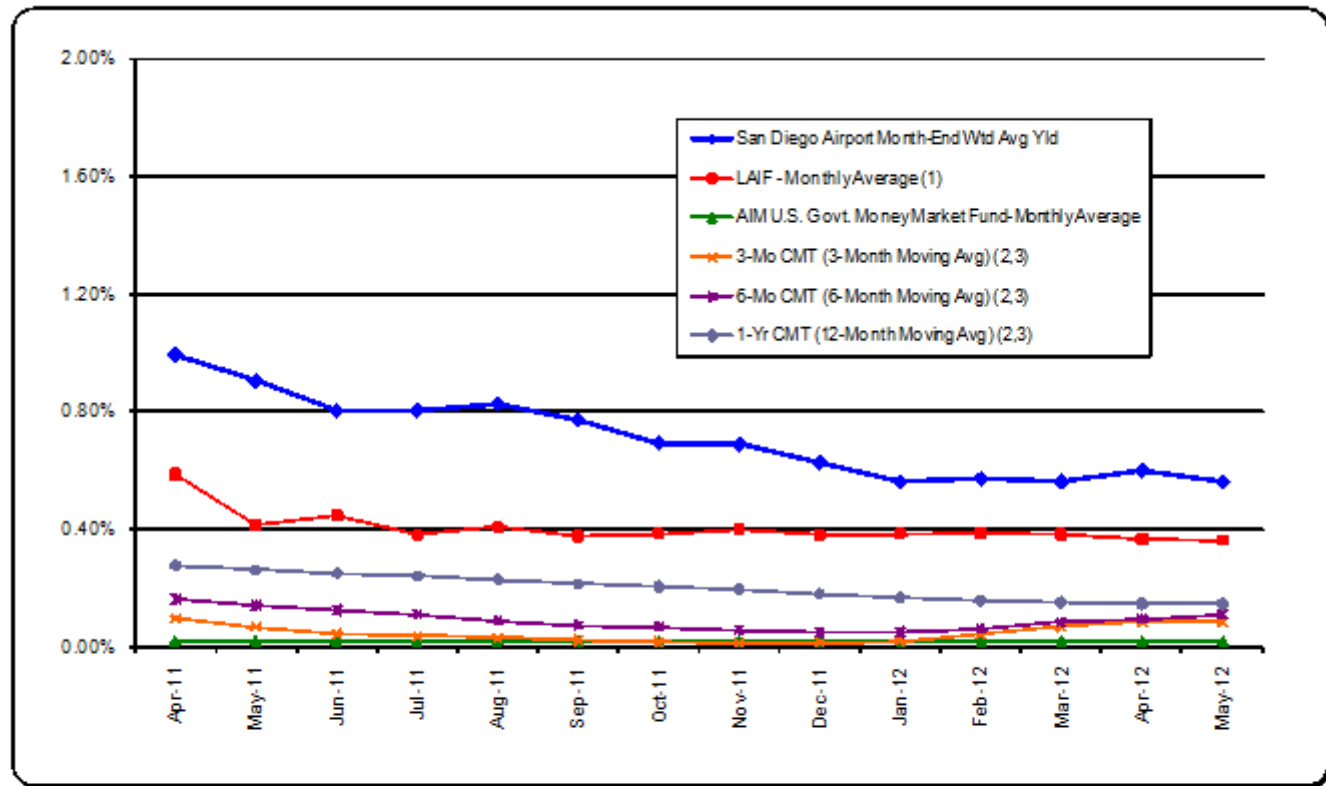


Notes:

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



Benchmark Comparison



Notes:

- 1.) Benchmark data for LAIF is the average monthly effective yield.
- 2.) CMT stands for Constant Maturity Treasury. This data is published in Federal Reserve Statistical Release H.15 and represents an average of all actively traded Treasury securities having that time remaining until maturity. This is a standard industry benchmark for Treasury securities.
- 3.) The CMT benchmarks are moving averages. The 3-month CMT is the daily average for the previous 3 months, the 6-month CMT is the daily average for the previous 6 months, and the 1-year CMT is the daily average for the previous 12 months.



Detail of Security Holdings

As of May 31, 2012



Settlement Date	Security Description	Coupon	Maturity Date	Next Call Date	Par Value	Purchase Price	Book Value	Market Price	Market Value	Days to Maturity	Yield to Maturity
08/01/11	FHLMC	0.450	07/26/13	07/26/12	3,000,000	100.000	3,000,000	100.000	3,000,000	421	0.726
03/26/12	FHLMC	0.625	12/23/13	12/23/13	3,000,000	100.335	3,010,050	100.447	3,013,410	571	0.432
12/27/11	FNMA	0.550	12/27/13	06/27/12	3,000,000	99.995	2,999,850	100.014	3,000,420	575	0.553
03/30/12	FNMA	1.500	09/08/14	09/08/14	3,000,000	102.390	3,071,700	102.081	3,062,430	830	0.513
01/09/12	FHLMC	0.850	01/09/15	01/09/13	3,000,000	100.000	3,000,000	100.209	3,006,270	953	0.850
02/13/12	FHLMC	0.700	02/13/15	02/13/13	2,500,000	100.000	2,500,000	100.175	2,504,375	988	0.700
04/30/12	FNMA	0.700	04/30/15	04/30/13	4,000,000	100.000	4,000,000	99.914	3,996,560	1064	0.700
12/28/11	FNMA	0.750	12/28/15	12/28/12	5,000,000	99.970	4,998,500	100.045	5,002,250	1306	1.498
02/10/12	FHLMC	1.000	02/10/16	02/10/14	3,000,000	100.475	3,014,250	100.539	3,016,170	1350	0.879
02/24/12	FNMA	0.800	02/24/16	02/24/14	3,000,000	99.785	2,993,550	100.080	3,002,400	1364	0.855
03/21/12	FNMA	0.625	03/21/16	09/21/12	3,000,000	100.000	3,000,000	100.008	3,000,240	1390	1.304
07/19/11	FNMA	1.250	07/19/16	07/19/12	2,000,000	99.800	1,996,000	100.137	2,002,740	1510	2.360
01/11/12	FHLMC	1.500	09/21/16	09/21/12	3,000,000	100.345	3,010,341	100.282	3,008,460	1574	1.424
10/26/11	FNMA	1.375	10/26/16	10/26/12	3,000,000	100.000	3,000,000	100.510	3,015,300	1609	1.689
01/18/12	FNMA	0.700	01/18/17	07/18/13	4,000,000	100.000	4,000,000	100.331	4,013,240	1693	1.599
01/27/12	FHLMC	2.250	01/23/17	01/23/14	2,500,000	102.885	2,572,125	102.959	2,573,975	1698	1.645
02/06/12	FNMA	0.750	02/06/17	02/06/13	3,000,000	99.900	2,997,000	100.223	3,006,690	1712	1.700
04/17/12	FNMA	1.550	04/17/17	10/17/12	4,000,000	99.950	3,998,000	100.410	4,016,400	1782	1.560
05/09/12	FNMA	1.000	05/09/16	05/09/13	4,000,000	99.990	3,999,600	100.379	4,015,160	1439	1.003
Agency Total					61,000,000		61,160,966		61,256,490	1266	1.152
02/09/12	Neighborhood Nat'l Bk CD	0.850	02/07/13		4,935,385	100.000	4,935,385	100.000	4,935,385	252	0.850
02/27/12	Union Bank CD	0.200	02/27/13		2,000,000	100.000	2,000,000	100.000	2,000,000	272	0.200
06/28/11	East West Bk CD	0.850	06/28/12		7,045,464	100.000	7,045,464	100.000	7,045,464	28	0.850
CD's Total					13,980,849		13,980,849		13,980,849	442	0.757



Detail of Security Holdings

As of May 31, 2012



Settlement Date	Security Description	Coupon	Maturity Date	Next Call Date	Par Value	Purchase Price	Book Value	Market Price	Market Value	Days to Maturity	Yield to Maturity
09/09/11	Toyota Motor Credit CP	0.603	06/05/12		3,000,000	99.550	2,986,500	99.997	2,999,910	5	0.603
09/30/11	Toyota Motor Credit CP	0.643	06/26/12		2,000,000	99.520	1,990,400	99.979	1,999,580	26	0.643
12/19/11	Toyota Motor Credit CP	0.760	09/14/12		3,000,000	99.430	2,982,900	99.831	2,994,930	106	0.764
01/20/12	FCAR Owner Trust CP	0.650	10/16/12		3,500,000	99.513	3,482,938	99.745	3,491,075	138	0.653
02/16/12	FCAR Owner Trust CP	0.620	11/09/12		3,000,000	99.540	2,986,205	99.660	2,989,800	162	0.620
03/30/12	Toyota Motor Credit CP	0.552	12/24/12		3,000,000	99.589	2,987,671	99.525	2,985,750	207	0.552
04/13/12	FCAR Owner Trust CP	0.600	01/08/13		5,000,000	99.550	4,977,500	99.466	4,973,300	222	0.600
05/22/12	FCAR Owner Trust CP	0.570	01/17/13		3,500,000	99.620	3,486,700	99.444	3,480,540	231	0.570
Commercial Paper Total					26,000,000		25,880,813		25,914,885	150	0.622
03/29/11	U.S. Treasury	0.375	10/31/12		3,000,000	99.740	2,992,148	100.102	3,003,060	153	0.541
Government Total					3,000,000		2,992,148		3,003,060	153	0.541
US Bank General Acct					29,417,434	100.000	29,417,434	100.000	29,417,434	1	0.035
US Bank Accounts Total					29,417,434		29,417,434		29,417,434	1	0.035
Highmark US Govt MMF					752,480	100.000	752,480	100.000	752,480	1	0.000
Highmark Money Market Total					752,480		752,480		752,480	1	0.000
Local Agency Invstmnt Fd					47,248,303	100.000	47,248,303	100.000	47,248,303	1	0.363
San Diego County Inv Pool					48,302,651	100.000	48,302,651	100.078	48,340,323	1	0.470
Bank of the West					20,243,917	100.000	20,243,917	100.000	20,243,917	1	0.350
East West Bank					102,585	100.000	102,585	100.000	102,585	1	0.350
East West Bank					29,645,322	100.000	29,645,322	100.000	29,645,322	1	0.350
East West Bank Total					29,747,907		29,747,907	100.000	29,747,907	1	0.350
Union Bk Cash					4,253.36	100.000	4,253.36	100.000	4,253.36	1	0.000
Grand Total					\$ 279,697,795	100.01	\$ 279,731,722	100.08	\$ 279,909,901	300	0.562



Portfolio Investment Transactions

From May 1st, 2012 – May 31st, 2012



Settle Date	Security Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
PURCHASES								
05/09/12	FNMA	AGCY CALL	3136G0DS7	1.000	05/09/16	05/09/13	99.990	3,999,600
05/22/12	FCAR Owner Trust CP	CP - DISC	3024A0NH4	0.570	01/17/13		99.620	3,486,700
								\$ 7,486,300
CALLS								
11/02/11	FNMA	AGCY CALL	3135G0EP4	1.450	11/02/15	05/02/12	100.000	3,000,000
								\$ 3,000,000
MATURITIES								
08/26/11	FCAR Owner Trust CP	CP - DISC	3024A0EN1	0.550	05/22/12		99.588	3,500,000
								\$ 3,500,000
Deposits								
								\$ -
Withdrawals								
								\$ -



Bond Proceeds Summary



As of: May 31, 2012

(in thousands)

Fund	Series A	Series B	Series C	Total	Yield	Rating
<u>Project Fund</u>						
SDCIP ⁽¹⁾	52,826	-	63,529	116,355	0.47%	AAAf
	52,826	-	63,529	116,355		
<u>Capitalized Interest</u>						
SDCIP ⁽²⁾	6,348	-	4,552	10,900	0.47%	AAAf
JP Morgan Federal MM Reserve	6	-	4	10	0.00%	AAAm
	6,354	-	4,556	10,910		
<u>Debt Service Reserve Fund</u>						
FNMA Global Notes	9,915	-	4,959	14,874	0.66%	AA+/AAA
East West Bank CD	13,178	-	7,095	20,273	0.75%	
Bank of the West DDA	9,680	-	6,408	16,088	0.45%	
JP Morgan Federal MM Reserve	136	-	67	203	0.00%	AAAm
	32,909	-	18,529	51,438		
	\$ 92,089	\$ -	\$ 86,614	\$ 178,703	0.52%	

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

**SDCIP Market Value & Interest Earned are one month in arrears.

(1) SDCIP Yield as of 04/30/2012



Bond Proceeds Investment Transactions

From May 1st, 2012 – May 31st, 2012



Settle Date	Security Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
PURCHASES								
								\$ -
CALLS								
								\$ -
MATURITIES								
								\$ -
Deposits								
								\$ -
Withdrawals								
5/1/2012	San Diego County Investment Pool							18,592,740
5/30/2012	Local Agency Investment Fund							7,127
5/30/2012	San Diego County Investment Pool							17,648,402
								\$ 36,248,269



Questions

