

San Diego County Regional Airport Authority

Investment Report As of October 31, 2012



Presented by:
Vernon D. Evans, CPA
Vice President, Finance / Treasurer & CFO
Scott Brickner, CPA
Director, Financial Planning and Budget
November 26, 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 and is positioned above a horizontal line.

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



Total Portfolio Summary



	Current Period October 31, 2012	Prior Period September 30, 2012	Change From Prior
Book Value (1)	\$273,705,000	\$283,338,000	(\$9,633,000)
Market Value	\$274,060,000	\$283,675,000	(\$9,615,000)
Market Value%	100.15%	100.14%	0.01%
Unrealized Gain / (Loss)	\$355,000	\$337,000	\$18,000
Weighted Average Maturity (Days)	278 days	272 days	6
Weighted Average Yield as of Period End	0.50%	0.54%	(0.04%)
Cash Interest Received- Current Month	\$203,000	\$106,000	\$97,000
Cash Interest Received-Year-to-Date	\$551,000	\$348,000	\$203,000
Accrued Interest	\$148,000	\$208,000	(\$60,000)

Notes:

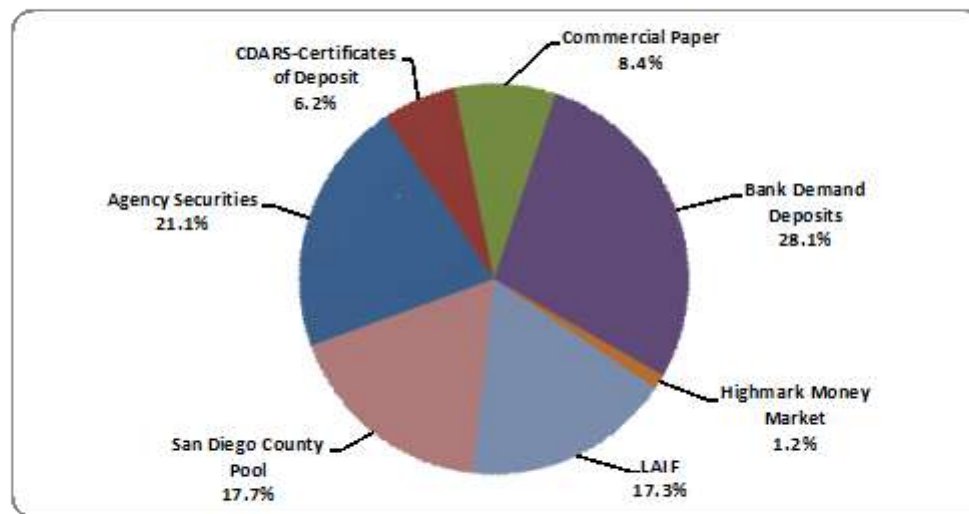
(1) Decrease in balance is due to capital disbursements being greater than capital receipts.



Portfolio Composition by Security Type



	October 31, 2012		September 30, 2012		Permitted by Policy
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio	
Agency Securities	\$ 58,223,000	21.1%	\$ 55,280,000	19.4%	100%
CDARS-Certificates of Deposit	17,032,000	6.2%	17,028,000	6.0%	30%
Commercial Paper	22,971,000	8.4%	22,972,000	8.1%	25%
Bank Demand Deposits	76,901,000	28.1%	89,592,000	31.6%	100%
Government Securities	-	0.0%	3,001,000	1.1%	100%
Highmark Money Market	3,161,000	1.2%	69,000	0.0%	20%
LAI	47,352,000	17.3%	47,371,000	16.7%	\$50 million ⁽¹⁾
San Diego County Pool	48,420,000	17.7%	48,382,000	17.1%	\$50 million ⁽²⁾
Total:	\$ 274,060,000	100.0%	\$ 283,675,000	100.0%	



Notes:

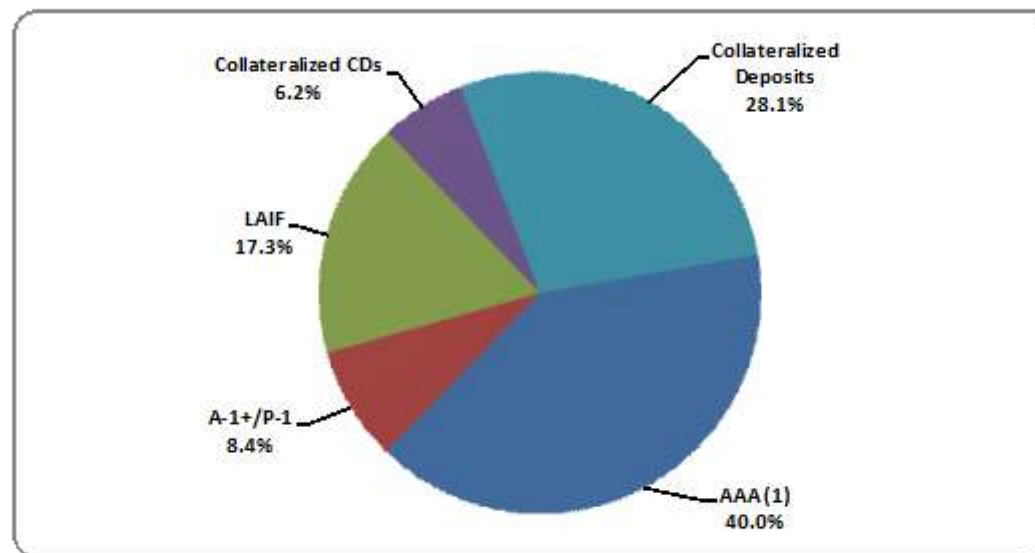
- 1.) The \$50 million limit on LAIF is a non-statutory LAIF internal limit. It does not apply to bond proceeds.
- 2.) The San Diego County Investment Pool mirrors the LAIF internal limit and does not apply to bond proceeds.



Portfolio Composition by Credit Rating



	October 31, 2012		September 30, 2012	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
AAA (1)	\$ 109,804,000	40.0%	\$ 106,712,000	37.6%
A-1+/P-1	22,971,000	8.4%	22,972,000	8.1%
LAIF	47,352,000	17.3%	47,371,000	16.7%
Collateralized CDs	17,032,000	6.2%	17,028,000	6.0%
Collateralized Deposits	76,901,000	28.1%	89,592,000	31.6%
Total:	\$ 274,060,000	100.0%	\$ 283,675,000	100.0%



Notes:

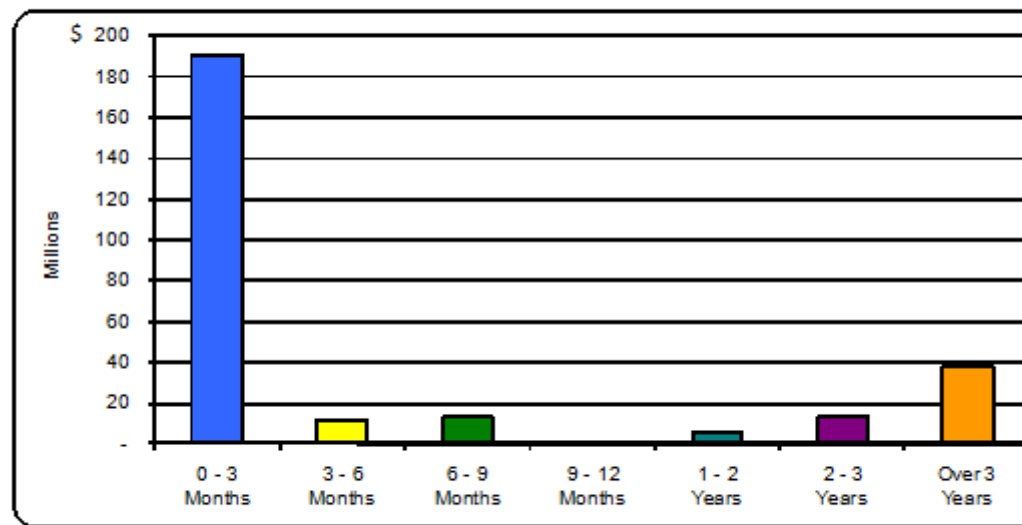
1.) Includes investments that have split ratings between S&P (AA+), Moodys (AAA) and Fitch (AAA)



Portfolio Composition by Maturity Distribution⁽¹⁾



	October 31, 2012		September 30, 2012	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
0 - 3 Months	\$ 190,328,000	69.5%	\$ 197,910,000	69.7%
3 - 6 Months	11,946,000	4.4%	20,426,000	7.2%
6 - 9 Months	13,563,000	4.9%	-	0.0%
9 - 12 Months	-	0.0%	10,079,000	3.6%
1 - 2 Years	6,069,000	2.2%	6,074,000	2.1%
2 - 3 Years	13,513,000	4.9%	9,515,000	3.4%
Over 3 Years	38,641,000	14.1%	39,671,000	14.0%
Total:	\$ 274,068,000	100.0%	\$ 283,675,000	100.0%

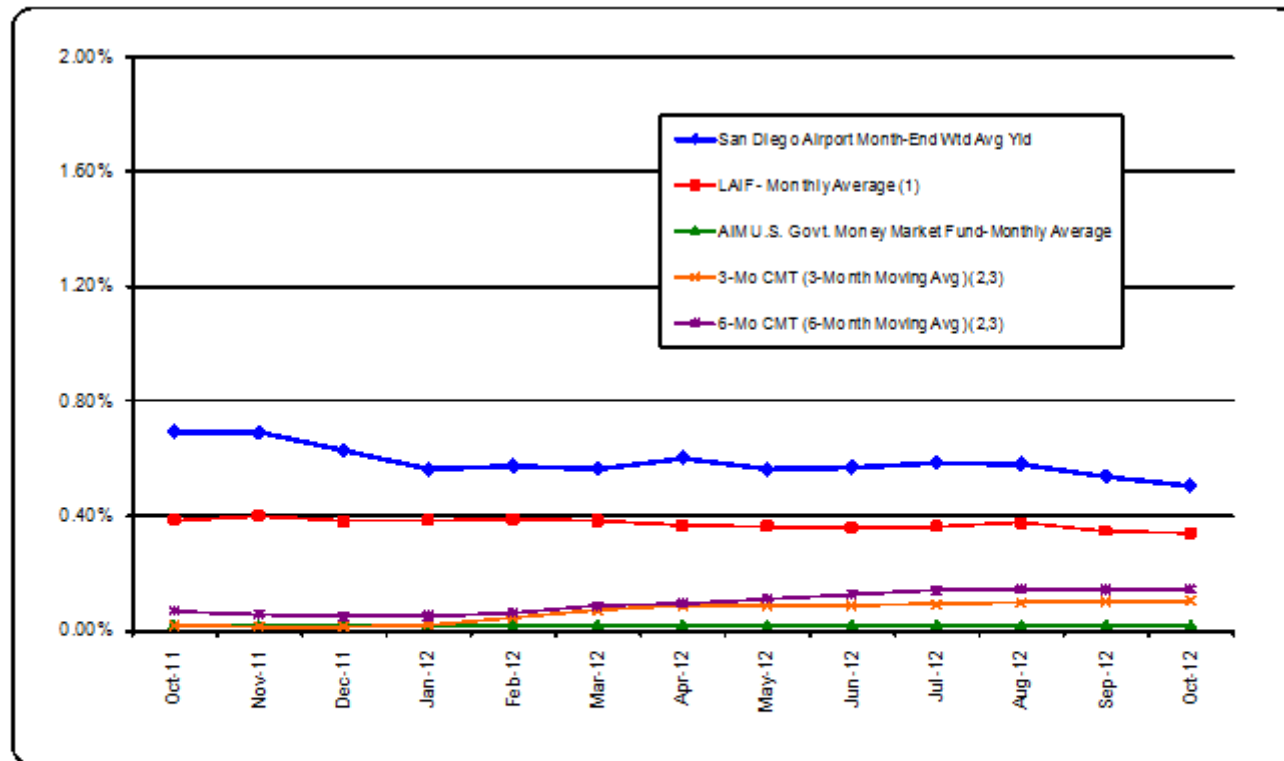


Notes:

1.) The 0-3 Month category includes investments held in the LAF 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 October 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
03/26/12	FHLMC	0.625	12/23/13	12/23/13	3,000,000	100.335	3,010,050	100.402	3,012,060	418	0.432
03/30/12	FNMA	1500	09/08/14	09/08/14	3,000,000	102.390	3,071,700	101.882	3,056,460	677	0.513
01/09/12	FHLMC	0.850	01/09/15	01/09/13	3,000,000	100.000	3,000,000	100.104	3,003,120	800	0.850
02/13/12	FHLMC	0.700	02/13/15	02/13/13	2,500,000	100.000	2,500,000	100.138	2,503,450	835	0.700
04/30/12	FNMA	0.700	04/30/15	04/30/13	4,000,000	100.000	4,000,000	100.142	4,005,680	911	0.700
10/19/12	FHLMC	0.500	10/09/15	10/09/13	4,000,000	100.015	4,000,600	100.020	4,000,800	1073	0.494
12/28/11	FNMA	0.750	12/28/15	12/28/12	5,000,000	99.970	4,998,500	100.036	5,001,800	1153	0.498
02/10/12	FHLMC	1000	02/10/16	02/10/14	3,000,000	100.475	3,014,250	100.669	3,020,070	1197	0.879
02/24/12	FNMA	0.800	02/24/16	02/24/14	3,000,000	99.785	2,993,550	100.501	3,015,030	1211	0.855
10/29/12	FNMA	0.550	04/29/16	04/29/13	6,000,000	99.863	5,991,750	99.821	5,989,260	1276	0.592
01/18/12	FNMA	0.700	01/18/17	07/18/13	4,000,000	100.000	4,000,000	100.397	4,015,880	1540	1.599
01/27/12	FHLMC	2.250	01/23/17	01/23/14	2,500,000	102.885	2,572,125	102.514	2,562,850	1545	1.645
02/06/12	FNMA	0.750	02/06/17	02/06/13	3,000,000	99.900	2,997,000	100.180	3,005,400	1559	1.700
05/09/12	FNMA	1000	05/09/16	05/09/13	4,000,000	99.990	3,999,600	100.327	4,013,080	1286	1.003
09/21/12	FNMA	1.125	06/28/17	06/28/13	3,000,000	100.368	3,011,040	100.432	3,012,960	1701	1.050
07/26/12	FNMA	0.750	07/26/17	07/26/13	2,000,000	99.875	1,997,500	100.248	2,004,960	1729	1.220
09/21/12	FHLMC	1000	09/12/17	09/12/13	3,000,000	99.975	2,999,250	99.995	2,999,850	1777	1.000
Agency Total					58,000,000		58,566,15		58,222,710	1208	0.886
02/09/12	Neighborhood Nat'l Bk CD	0.850	02/07/13		4,953,001	100.000	4,953,001	100.000	4,953,001	99	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	119	0.200
06/28/12	East West Bk CD	0.750	07/02/13		10,078,932	100.000	10,078,932	100.000	10,078,932	244	0.750
CD's Total					17,031,933		17,031,933		17,031,933	187	0.714



Detail of Security Holdings

As of October 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
06/05/12	Toyota Motor Credit CP	0.600	03/01/13		3,000,000	99.361	2,986,550	99.883	2,996,490	121	0.603
06/27/12	Toyota Motor Credit CP	0.530	03/22/13		2,000,000	99.520	1,992,109	99.836	1,996,720	142	0.532
02/16/12	FCAR Owner Trust CP	0.620	11/09/12		3,000,000	99.540	2,986,205	99.996	2,999,880	9	0.620
03/30/12	Toyota Motor Credit CP	0.552	12/24/12		3,000,000	99.589	2,987,671	99.963	2,998,890	54	0.552
04/13/12	FCAR Owner Trust CP	0.600	01/08/13		5,000,000	99.550	4,977,500	99.943	4,997,150	69	0.600
05/22/12	FCAR Owner Trust CP	0.570	01/17/13		3,500,000	99.620	3,486,700	99.936	3,497,760	78	0.570
10/16/12	FCAR Owner Trust CP	0.500	07/12/13		3,500,000	99.626	3,486,924	99.550	3,484,250	254	0.502
Commercial Paper Total					23,000,000		22,903,658		22,971,140	102	0.571
US Bank General Acct					18,554,665	100.000	18,554,665	100.000	18,554,665	1	0.035
US Bank Accounts Total					18,554,665		18,554,665		18,554,665	1	0.035
Highmark US Govt MMF					3,160,826	100.000	3,160,826	100.000	3,160,826	1	0.000
Highmark Money Market Total					3,160,826		3,160,826		3,160,826	1	0.000
Local Agency Invstmnt Fd					47,248,303	100.000	47,248,303	100.220	47,352,413	1	0.348
San Diego County Inv Pool					48,302,481	100.000	48,302,481	100.243	48,419,664	1	0.500
Bank of the West					23,370,587	100.000	23,370,587	100.000	23,370,587	1	0.350
Wells Fargo Bank					2,000,095	100.000	2,000,095	100.000	2,000,095	1	0.200
East West Bank					102,735	100.000	102,735	100.000	102,735	1	0.350
East West Bank					32,867,928	100.000	32,867,928	100.000	32,867,928	1	0.350
East West Bank Total					32,970,663		32,970,663	100.000	32,970,663	1	0.350
Union Bk Cash					4,892.33	100.000	4,892.33	100.000	4,892.33	1	0.000
Grand Total					\$ 273,644,445	100.02	\$ 273,705,019	100.15	\$ 274,059,588	278	0.505



Portfolio Investment Transactions

From October 1st, 2012 – October 31st, 2012



Settle Date	Security Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
PURCHASES								
10/16/12	FCAR Owner Trust CP	CP - DISC	3024A0UC7	0.500	07/12/13	--	99.626	3,486,924
10/19/12	AGCY CALL	FHLMC	3134G3P20	0.500	10/09/15	10/09/13	100.015	4,001,556
10/29/12	AGCY CALL	FNMA	3135G0QN6	0.550	04/29/16	04/29/13	99.863	5,991,750
								\$ 13,479,829
CALLS								
04/17/12	FNMA	AGCY CALL	3136G0AC5	1550	04/17/17	10/17/12	99.950	4,002,480
10/26/11	FNMA	AGCY STEP	3136FTEP0	1375	10/26/16	10/26/12	100.000	3,002,700
								\$ 7,005,180
MATURITIES								
01/20/12	FCAR Owner Trust CP	CP - DISC	3024A0KG9	0.650	10/16/12	--	99.513	3,500,000
03/29/11	U.S. Treasury	TREAS NOTE	912828PD6	0.375	10/31/12	--	99.740	3,000,000
								\$ 6,500,000
Deposits								
								\$ -
Withdrawals								
								\$ -



Bond Proceeds Summary



As of: October 31, 2012

(in thousands)

Fund	Series A/B	Series C	Total	Yield	Rating
<u>Project Fund</u>					
SDCIP ⁽¹⁾	\$ 5,077	\$ 26,873	\$ 31,950	0.50%	AAAf
	5,077	26,873	31,950		
<u>Capitalized Interest</u>					
SDCIP ⁽¹⁾	513	372	885	0.50%	AAAf
JP Morgan Federal MM Reserve	6	4	10	0.00%	AAAm
	519	376	895		
<u>Debt Service Reserve Fund</u>					
East West Bank CD	13,228	7,120	20,348	0.75%	
Bank of the West DDA	9,699	6,369	16,068	0.45%	
SDCIP ⁽¹⁾	9,821	4,814	14,635	0.50%	AAAf
	32,748	18,303	51,051		
	\$ 38,344	\$ 45,552	\$ 83,896	0.55%	

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

(1) SDCIP Yield as of 09/30/2012



Bond Proceeds Investment Transactions

From October 1st, 2012 – October 31st, 2012



Settle Date	Security Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
PURCHASES								
							\$	-
CALLS								
							\$	-
MATURITIES								
							\$	-
Deposits								
							\$	-
Withdrawals								
10/30/2012	San Diego County Investment Pool	SDCIP					\$	8,788,080
							\$	8,788,080



Questions

