



SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Board Communication

Date: April 13, 2011

To: Board Members

From: Vernon D. Evans, CFO 

Subject: Financial Statements For The Nine Months Ended March 31, 2011

The attached financial reports include the following:

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

Year to date analysis:

Total operating revenues are \$675k, or 1% above budget primarily due to the retroactive billing on new ground rental agreements with Federal Express, Southwest and UPS.

Total operating expenses are \$4.1m or 4% below budget. The Authority is in the process of reforecasting through fiscal year end to more accurately gauge the budget variance.

Nonoperating revenues, net, are \$3.3m, or 12% above budget primarily due to unrealized gains on investments and capitalized interest.

Capital grant contributions are \$8.6m or 30% below budget due to the delay of the apron project. The delay was caused by contract award challenges and December rains.

A more detailed discussion will be presented at the April 25th Finance Committee meeting.

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

	March 31	
	2011	2010
Current assets:		
Cash and investments ⁽¹⁾	\$ 97,149,145	\$ 78,720,435
Tenant lease receivable, net of allowance of 2011: \$30,980 and 2010: \$164,634	5,370,077	5,974,197
Grants receivable	7,069,613	5,370,896
Notes receivable-current portion	1,612,790	1,587,250
Prepaid expenses and other current assets	10,575,395	9,290,122
Total current assets	121,777,020	100,942,900
 Cash designated for capital projects and other ⁽¹⁾	 4,134,563	 13,091,471
 Restricted assets:		
Cash and investments:		
Bonds reserve ⁽¹⁾	45,707,776	47,302,857
Passenger facility charges and interest unapplied ⁽¹⁾	59,197,975	58,008,915
Customer facility charges and interest unapplied ⁽¹⁾ *	16,934,534	8,235,799
Commercial paper reserve ⁽¹⁾	42,852	94,999
SBD Bond Guarantee ⁽¹⁾	4,000,000	4,000,000
Bond proceeds held by trustee ⁽¹⁾	406,652,116	5,464,447
Commercial paper interest held by trustee ⁽¹⁾	12,853	11,558
Passenger facility charges receivable	4,828,949	3,519,759
Customer facility charges receivable*	960,255	1,028,616
OCIP insurance reserve	6,400,000	6,765,796
Total restricted assets	544,737,310	134,432,746
 Noncurrent assets:		
Capital assets:		
Land and land improvements	23,453,560	23,581,619
Runways, roads and parking lots	236,772,215	229,315,630
Buildings and structures	463,760,247	423,509,388
Machinery and equipment	10,218,228	7,770,763
Vehicles	5,366,830	4,982,699
Office furniture and equipment	30,127,237	28,525,482
Works of art	2,410,518	2,257,371
Construction-in-progress	300,342,040	182,375,241
Total capital assets	1,072,450,875	902,318,193
Less accumulated depreciation	(495,321,356)	(453,347,968)
Total capital assets, net	577,129,519	448,970,225
 Other assets:		
Notes receivable - long-term portion	43,443,320	45,087,179
Investments-long-term portion ⁽¹⁾	20,195,541	3,929,282
Deferred costs - bonds (net)	5,087,119	805,313
Net pension asset	7,899,846	3,792,269
Total other assets	76,625,826	53,614,043
Total noncurrent assets	653,755,345	502,584,268
TOTAL ASSETS	\$ 1,324,404,238	\$ 751,051,385

⁽¹⁾ Total cash and investments, \$654,027,355 2011 and \$218,859,763 2010

* ConRAC Facility

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

LIABILITIES AND NET ASSETS

	March 31	
	2011	2010
Current liabilities:		
Accounts payable and accrued liabilities	\$ 50,133,802	\$ 39,162,370
Deposits and other current liabilities	4,052,251	3,941,346
Total current liabilities	54,186,053	43,103,716
Current liabilities - payable from restricted assets:		
Current portion of long-term debt	4,725,000	3,105,000
Accrued interest on bonds and commercial paper	8,475,112	700,637
Total liabilities payable from restricted assets	13,200,112	3,805,637
Long-term liabilities:		
Commercial paper notes payable	21,509,000	114,430,000
Deferred rent liability	271,654	808,722
Other long-term liabilities	1,227,723	1,127,650
Long term debt - bonds net of amortized premium	635,485,863	41,177,822
Total long-term liabilities	658,494,240	157,544,194
Total liabilities	725,880,405	204,453,547
Authority net assets:		
Invested in capital assets, net of related debt	321,684,446	290,824,270
Other restricted	148,274,641	137,537,746
Unrestricted:		
Designated	16,034,408	20,883,740
Undesignated	112,530,338	97,352,083
Total net assets	598,523,833	546,597,838
TOTAL LIABILITIES AND NET ASSETS	\$ 1,324,404,238	\$ 751,051,385

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

	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Operating revenues:					
Aviation revenue:					
Landing fees	\$ 14,231,719	\$ 13,866,661	\$ (365,058)	(3)%	\$ 14,403,155
Aircraft parking fees	2,119,500	2,195,551	76,051	4%	2,543,951
Building rentals	20,829,703	20,950,011	120,308	1%	19,220,041
Security surcharge	11,089,125	11,156,856	67,731	1%	9,023,636
Other aviation revenue	1,185,318	1,199,620	14,302	1%	1,184,425
Terminal rent non-airline	651,150	654,962	3,812	1%	593,059
Terminal concessions	9,450,212	9,497,664	47,452	1%	9,283,110
Rental car license fees	15,799,456	16,048,234	248,778	2%	15,746,068
License fees other	2,338,747	1,988,594	(350,153)	(15)%	2,161,027
Parking revenue	24,148,613	23,449,575	(699,038)	(3)%	22,440,664
Ground transportation permits and citations	401,106	602,456	201,350	50%	288,195
Ground rentals	4,647,618	5,985,440	1,337,822	29%	4,450,593
Grant reimbursements	822,356	761,546	(60,810)	(7)%	911,052
Other operating revenue	541,044	573,250	32,206	6%	338,132
Total operating revenues	108,255,667	108,930,420	674,753	1%	102,587,108
Operating expenses:					
Salaries and benefits	28,245,459	27,890,654	354,805	1%	26,121,999
Contractual services	21,803,616	19,512,340	2,291,276	11%	20,059,683
Safety and security	15,298,943	15,430,372	(131,429)	(1)%	15,055,623
Space rental	8,179,304	8,180,053	(749)	(0)%	8,176,262
Utilities	5,340,983	4,866,292	474,691	9%	5,146,308
Maintenance	6,202,053	6,020,624	181,429	3%	6,864,005
Equipment and systems	420,472	347,508	72,964	17%	326,301
Materials and supplies	296,220	234,837	61,383	21%	294,096
Insurance	917,062	809,697	107,365	12%	883,530
Employee development and support	1,035,754	711,019	324,735	31%	666,882
Business development	1,625,442	1,247,662	377,780	23%	1,303,408
Equipment rentals and repairs	1,069,799	1,120,936	(51,137)	(5)%	1,040,526
Total operating expenses	90,435,107	86,371,994	4,063,113	4%	85,938,623
Depreciation	38,043,595	36,461,749	1,581,846	4%	29,960,382
Operating income (loss)	(20,223,035)	(13,903,323)	6,319,712	31%	(13,311,897)
Nonoperating revenue (expenses):					
Passenger facility charges	25,203,790	24,746,100	(457,690)	(2)%	24,752,325
Customer facility charges (ConRAC Facility)	7,755,076	8,078,721	323,645	4%	7,928,028
Quieter Home Program	(2,805,023)	(2,589,627)	215,396	8%	(2,215,344)
Interest income	4,486,905	4,436,563	(50,342)	(1)%	5,473,699
BAB interest rebate	2,442,343	2,442,450	107	0%	-
Interest expense	(8,751,948)	(7,395,990)	1,355,958	15%	(2,025,392)
Bond amortization cost	(108,636)	307,027	415,663	383%	(55,138)
Other nonoperating income (expenses)	(30,000)	1,426,700	1,456,700	4856%	(1,946,156)
Nonoperating revenue, net	28,192,507	31,451,944	3,259,437	12%	31,912,022
Income before capital grant contributions	7,969,472	17,548,621	9,579,149	120%	18,600,125
Capital grant contributions	29,125,115	20,522,784	(8,602,331)	(30)%	14,815,141
Net income	\$ 37,094,587	\$ 38,071,405	\$ 976,818	3%	\$ 33,415,266



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

Print Date: 4/11/2011
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	Month to Date				Year to Date			
	Budget	Actual	Variance		Prior Year Actual	Variance		
			Favorable (Unfavorable)	Percent		Favorable (Unfavorable)	Percent	
Landing Fees								
41111 - Landing Fees - Non Signatory	\$0	\$0	\$0	0	\$159	\$0	0	\$8,209
41112 - Landing Fees - Signatory	1,570,850	1,565,936	(4,914)	0	1,583,831	14,398,988	(2)	14,403,155
41113 - Landing Fee Rebate	(21,635)	(63,511)	(41,876)	(194)	0	(184,765)	(10)	0
Total Landing Fees	1,549,215	1,502,425	(46,791)	(3)	1,583,990	13,866,661	(3)	14,411,364
Aircraft Parking Fees								
41150 - Terminal Aircraft Parking	183,692	174,270	(9,422)	(5)	210,646	1,663,321	1	1,966,026
41155 - Remote Aircraft Parking	51,808	61,230	9,422	18	43,209	532,230	14	592,461
Total Aircraft Parking Fees	235,500	235,500	0	0	253,855	2,195,551	4	2,558,487
Building and Other Rents								
41210 - Terminal Rent	2,307,433	2,289,605	(17,828)	(1)	2,172,946	20,855,106	0	19,680,166
41215 - Federal Inspection Services	9,691	13,545	3,854	40	9,584	94,905	135	85,253
41220 - Fuel Farm Rent	0	0	0	0	0	0	0	0
41240 - Other Buildings	0	0	0	0	24,971	0	(100)	47,681
Total Building and Other Rents	2,317,124	2,303,150	(13,974)	(1)	2,207,501	20,950,011	1	19,813,099
Security Surcharge								
41310 - Airside Security Charges	410,225	410,224	(1)	0	390,526	3,699,776	0	3,507,904
41320 - Terminal Security Charges	821,900	836,164	14,264	2	614,281	7,457,080	1	5,515,732
Total Security Surcharge	1,232,125	1,246,388	14,263	1	1,004,807	11,156,857	1	9,023,636
Other Aviation Revenue								
43100 - Fuel Franchise Fees	12,793	16,623	3,830	30	12,187	129,061	12	113,866
43105 - New Capital Recovery	118,950	118,951	1	0	118,951	1,070,559	0	1,070,559
Total Other Aviation Revenue	131,743	135,574	3,831	3	131,138	1,199,620	1	1,184,425
Non-Airline Terminal Rents								
45010 - Terminal Rent - Non-Airline	72,350	69,927	(2,423)	(3)	0	654,962	1	0
Total Non-Airline Terminal Rents	72,350	69,927	(2,423)	(3)	0	654,962	1	0
Concession Revenue								
45110 - Terminal Concessions	1,055,446	1,002,209	(53,237)	(5)	1,054,404	9,497,664	1	9,283,110
45120 - Car Rental License Fees	1,948,034	1,906,106	(41,928)	(2)	2,629,539	16,048,234	2	15,746,068
45130 - License Fees - Other	249,315	219,761	(29,554)	(12)	316,073	1,988,594	(15)	2,161,027
Total Concession Revenue	3,252,795	3,128,076	(124,719)	(4)	4,000,015	27,534,492	0	27,190,206

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	Month to Date				Year to Date			
	Budget	Actual	Variance Favorable (Unfavorable)	Percent	Prior Year Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual
Parking and Ground Transportat								
45210 - Parking	\$2,626,302	\$2,551,712	\$(74,590)	(3)	\$2,465,067	\$24,148,613	\$23,449,575	\$22,440,664
45220 - AVI fees	27,802	32,620	4,818	17	0	245,958	253,718	7,760
45240 - Ground Transportation Permits	10,414	10,665	251	2	13,535	137,216	316,680	179,464
45250 - Citations	1,947	3,438	1,491	77	2,659	17,932	32,058	14,126
Total Parking and Ground Transportat	2,666,465	2,598,435	(68,030)	(3)	2,481,260	24,549,719	24,052,031	(497,688)
								(2)
								22,728,859
Ground Rentals								
45310 - Ground Rental - Fixed	462,531	525,921	63,390	14	425,064	4,162,779	5,373,405	1,210,626
45320 - Ground Rental - Percentage	45,870	59,610	13,740	30	67,824	484,839	612,035	127,196
Total Ground Rentals	508,401	585,531	77,130	15	492,888	4,647,618	5,985,440	1,337,822
								29
								4,450,594
Grant Reimbursements								
45410 - TSA Reimbursements	16,454	18,222	1,768	11	18,222	157,490	161,028	3,538
45420 - Planning Grants	73,874	280,080	206,206	279	20,692	664,866	600,518	(64,348)
Total Grant Reimbursements	90,328	298,302	207,974	230	38,914	822,356	761,546	(60,810)
								(7)
								911,052
Other Operating Revenue								
45510 - Finger Printing Fee	4,116	4,824	708	17	6,625	37,044	40,109	3,065
45520 - Utilities Reimbursements	44,191	43,331	(860)	(2)	22,330	397,719	388,892	(8,827)
45530 - Miscellaneous Other Revenue	5,567	958	(4,609)	(83)	2,819	50,103	62,458	12,355
45540 - Service Charges	3,325	(2,275)	(5,600)	(168)	(29)	29,925	14,911	(15,014)
45570 - FBO Landing Fees	2,917	2,320	(597)	(20)	0	26,253	48,880	22,627
45580 - Equipment Rental	0	2,000	2,000	0	2,000	0	18,000	18,000
Total Other Operating Revenue	60,116	51,158	(8,958)	(15)	33,745	541,044	573,250	32,206
								6
								315,387
Total Operating Revenue	12,116,162	12,154,465	38,303	0	12,228,113	108,255,667	108,930,421	674,754
								1
								102,587,109
Personnel Expenses								
Salaries								
51110 - Salaries & Wages	2,163,118	1,890,648	272,470	13	1,822,997	20,687,166	17,141,076	3,546,090
51210 - Paid Time Off	0	130,704	(130,704)	0	135,902	0	1,531,325	(1,531,325)
51220 - Holiday Pay	0	174	(174)	0	0	0	559,542	(559,542)
51240 - Other Leave With Pay	0	4,001	(4,001)	0	8,894	0	105,438	(105,438)
51250 - Special Pay	0	30,195	(30,195)	0	70,291	0	359,510	(359,510)
Total Salaries	2,163,118	2,055,722	107,396	5	2,038,084	20,687,166	19,696,890	990,276
								5
								19,418,220
52110 - Overtime	71,331	72,926	(1,596)	(2)	66,903	720,780	583,852	136,929
								19
								760,670

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

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	Month to Date				Year to Date					
	Budget	Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual	Budget	Actual	Variance Favorable (Unfavorable)	Variance Percent	Prior Year Actual
Maintenance										
64100 - Facilities Supplies	\$57,625	\$65,921	\$(8,296)	(14)	\$72,981	\$533,825	\$513,598	\$20,227	4	\$499,713
64110 - Maintenance - Annual Repair	573,535	693,042	(119,507)	(21)	724,164	4,379,990	4,627,162	(247,172)	(6)	5,410,437
64122 - Contractor Labor	0	0	0	0	0	0	1,016	(1,016)	0	0
64123 - Contractor Burden	0	0	0	0	0	0	1,293	(1,293)	0	0
64124 - Maintenance-Overhead	0	1,938	(1,938)	0	150	0	8,550	(8,550)	0	449
64125 - Major Maintenance - Materials	50,000	81,219	(31,219)	(62)	(10,798)	950,000	393,015	556,985	59	532,678
64127 - Contract Overhead (contra)	0	5,444	(5,444)	0	0	0	28,258	(28,258)	0	0
64140 - Refuse & Hazardous Waste Dis	37,238	58,538	(21,300)	(57)	70,414	338,238	447,732	(109,494)	(32)	420,728
Total Maintenance	718,398	906,101	(187,703)	(26)	856,910	6,202,053	6,020,623	181,430	3	6,864,006
Equipment and Systems										
65100 - Equipment & Systems	73,785	31,390	42,395	57	30,197	449,347	362,931	86,416	19	361,315
65101 - OH Contra	(5,266)	(3,735)	(1,531)	(29)	(425)	(28,875)	(15,423)	(13,452)	(47)	(35,014)
Total Equipment and Systems	68,519	27,655	40,864	60	29,772	420,472	347,508	72,964	17	326,301
Materials and Supplies										
65110 - Office & Operating Supplies	39,508	30,765	8,743	22	18,540	299,430	202,286	97,144	32	243,251
65120 - Safety Equipment & Supplies	4,321	2,130	2,191	51	6,742	47,387	38,569	8,818	19	46,202
65130 - Tools - Small	500	1,786	(1,286)	(257)	1,071	14,500	8,865	5,635	39	32,236
65199 - OH Contra	(7,233)	(3,374)	(3,859)	(53)	(2,190)	(65,097)	(14,883)	(50,214)	(77)	(27,593)
Total Materials and Supplies	37,095	31,307	5,788	16	24,163	296,220	234,837	61,383	21	294,096
Insurance										
67170 - Insurance - Property	30,271	29,484	787	3	27,109	272,437	265,354	7,084	3	243,978
67171 - Insurance - Liability	36,667	23,913	12,753	35	36,813	330,000	222,239	107,761	33	331,553
67172 - Insurance - Public Officials L	26,250	23,239	3,011	11	25,505	236,250	209,149	27,101	11	229,704
67173 - Insurance Miscellaneous	8,458	13,208	(4,750)	(56)	8,671	76,125	112,955	(36,830)	(48)	78,295
67199 - Insurance - Claims	250	0	250	100	0	2,250	0	2,250	100	0
Total Insurance	101,896	89,844	12,052	12	98,097	917,062	809,698	107,365	12	883,530

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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)
Employee Development and Suppo								
66120 - Awards - Service	\$6,242	\$3,349	\$2,893	46	\$2,040	\$126,674	\$82,131	\$44,543
66130 - Book & Periodicals	6,233	7,920	(1,686)	(27)	27,856	54,957	52,158	2,799
66210 - Finger Printing Expenses	210	628	(418)	(199)	224	1,680	3,306	(1,626)
66220 - Permits/Certificates/License	25,775	920	24,855	96	2,625	89,925	73,870	16,055
66260 - Recruiting	1,910	0	1,910	100	0	57,250	1,610	55,640
66280 - Seminars & Training	30,725	26,962	3,763	12	41,074	332,753	202,682	130,071
66290 - Transportation	16,480	14,171	2,309	14	18,126	144,074	124,618	19,455
66299 - OH Contra	(3,878)	(2,642)	(1,236)	(32)	(2,247)	(34,904)	(13,941)	(20,963)
66305 - Travel-Employee Development	17,282	11,726	5,556	32	10,695	132,336	96,678	35,658
66310 - Tuition	4,500	6,047	(1,547)	(34)	4,688	59,500	41,405	18,095
66320 - Uniforms	9,416	9,157	259	3	6,201	71,509	46,502	25,007
Total Employee Development and Suppo	114,895	78,238	36,657	32	111,283	1,035,753	711,020	324,733
Business Development								
66100 - Advertising	86,152	37,783	48,369	56	38,467	390,967	313,181	77,786
66110 - Allowance for Bad Debts	12,500	(7,886)	20,386	163	(63,202)	37,500	(36,227)	73,727
66200 - Memberships & Dues	23,821	46,468	(22,647)	(95)	40,548	315,541	251,295	64,247
66230 - Postage & Shipping	14,955	1,520	13,434	90	(2,734)	66,486	30,277	36,209
66240 - Promotional Activities	34,941	29,231	5,710	16	36,030	450,414	310,348	140,066
66250 - Promotional Materials	21,898	31,965	(10,067)	(46)	(12,824)	177,152	216,413	(39,261)
66300 - Travel	15,213	13,043	2,170	14	10,457	187,382	162,375	25,007
Total Business Development	209,480	152,124	57,356	27	46,742	1,625,442	1,247,661	377,781
Equipment Rentals and Repairs								
66140 - Computer Licenses & Agreements	40,000	27,094	12,906	32	5,690	297,000	261,332	35,668
66150 - Equipment Rental/Leasing	29,563	19,170	10,394	35	7,947	253,243	211,025	42,217
66160 - Tenant Improvements	0	0	0	0	0	0	8,951	(8,951)
66270 - Repairs - Office Equipment & S	71,259	90,871	(19,612)	(28)	46,297	737,826	769,911	(32,085)
66279 - OH Contra	(27,284)	(28,915)	1,632	6	(2,947)	(218,270)	(130,283)	(87,987)
Total Equipment Rentals and Repairs	113,539	108,219	5,319	5	56,987	1,069,799	1,120,936	(51,137)
Total Non-Personnel Expenses	6,917,820	6,786,160	131,661	2	6,051,000	62,189,647	58,481,339	3,708,308
Total Departmental Expenses before Depreciation	9,952,439	9,766,900	185,539	2	8,928,074	90,435,106	86,371,992	4,063,114

San Diego County Regional Airport Authority

Authority Detail Income Statement - Supplemental Schedule

For the nine months ended March 31, 2011

(Unaudited)

Print Date: 4/11/2011
Print Time: 11:58:49AM
Report ID: GL0012

	Month to Date			Year to Date		
	Budget	Actual	Variance Favorable (Unfavorable)	Prior Year Actual	Budget	Actual
			Variance Favorable (Unfavorable)	Prior Year Actual	Variance Favorable (Unfavorable)	Prior Year Actual
			Percent		Percent	
Depreciation and Amortization						
69110 - Depreciation Expense	\$4,164,674	\$3,906,404	\$258,270	\$3,402,780	\$38,043,595	\$36,461,749
Total Depreciation and Amortization	4,164,674	3,906,404	258,270	3,402,780	38,043,595	36,461,749
			6	6	4	4
					\$1,581,846	\$29,960,382
Non-Operating Revenue/(Expense)						
Passenger Facility Charges						
71110 - Passenger Facility Charges	2,736,098	3,203,724	467,626	3,089,924	25,203,790	24,746,100
Total Passenger Facility Charges	2,736,098	3,203,724	467,626	3,089,924	25,203,790	24,746,100
			17	17	(2)	(2)
					(457,690)	24,752,325
Customer Facility Charges						
71120 - Customer Facility Charges	942,795	971,942	29,147	957,234	7,755,076	8,078,721
Total Customer Facility Charges	942,795	971,942	29,147	957,234	7,755,076	8,078,721
			3	3	4	4
					323,645	7,928,028
Quiter Home Program						
71212 - Quieter Home - Labor	0	(44,377)	(44,377)	(49,405)	0	(382,172)
71213 - Quieter Home - Burden	0	(21,466)	(21,466)	(20,225)	0	(173,864)
71214 - Quieter Home - Overhead	0	(10,016)	(10,016)	(10,446)	0	(121,444)
71215 - Quieter Home - Material	(2,005,948)	(1,032,089)	973,859	(1,975,250)	(13,000,948)	(12,987,833)
71216 - Quieter Home Program	1,616,710	819,381	(797,329)	1,420,243	10,477,175	11,825,689
71217 - Contractor Labor	0	(44,696)	(44,696)	(32,989)	0	(301,495)
71218 - Contractor Burden	0	(50,456)	(50,456)	(42,881)	0	(383,564)
71222 - Contractor Labor	0	0	0	(347)	0	(3,040)
71223 - Contractor Burden	0	0	0	(451)	0	(3,867)
71224 - Joint Studies Overhead	0	0	0	(362)	0	(4,419)
71225 - Joint Studies - Material	(31,250)	(5,731)	25,519	(19,048)	(281,250)	(46,276)
71226 - Contractor Overhead	0	(13)	(13)	(2,255)	0	(7,342)
Total Quiter Home Program	(420,488)	(389,464)	31,024	(733,414)	(2,805,023)	(2,589,627)
			7	7	8	8
					215,396	(2,215,346)
Interest Income						
71310 - Interest - Investments	290,187	(326,986)	(617,173)	267,422	2,611,683	1,207,667
71330 - Interest - Commercial Paper	0	0	0	0	0	0
71340 - Interest - Note Receivable - S	208,358	209,156	798	217,998	1,875,222	1,881,978
71350 - Interest - Other	0	(562)	(562)	(869)	0	(1,825)
71360 - Interest - Bonds	0	23,203	23,203	23,203	0	208,831
71361 - Interest Income - 2010 Bonds	0	705,834	705,834	0	0	1,139,912
Total Interest Income	498,545	610,644	112,099	507,754	4,486,905	4,436,563
			22	22	(1)	(1)
					(50,342)	5,473,700

Print Date: 4/11/2011
Print Time: 11:58:49AM
Report ID: GL0012

Data Date: 4/11/2011 11:50:26AM
DataSource: ARP

Print Date: 4/11/2011
Print Time: 11:58:49AM
Report ID: GL0012

Data Date: 4/11/2011 11:50:26AM
DataSource: ARP



Item 2

San Diego County Regional Airport Authority

Review of the Unaudited Financial Statements for the Nine Months Ended March 31, 2011

Presented by:

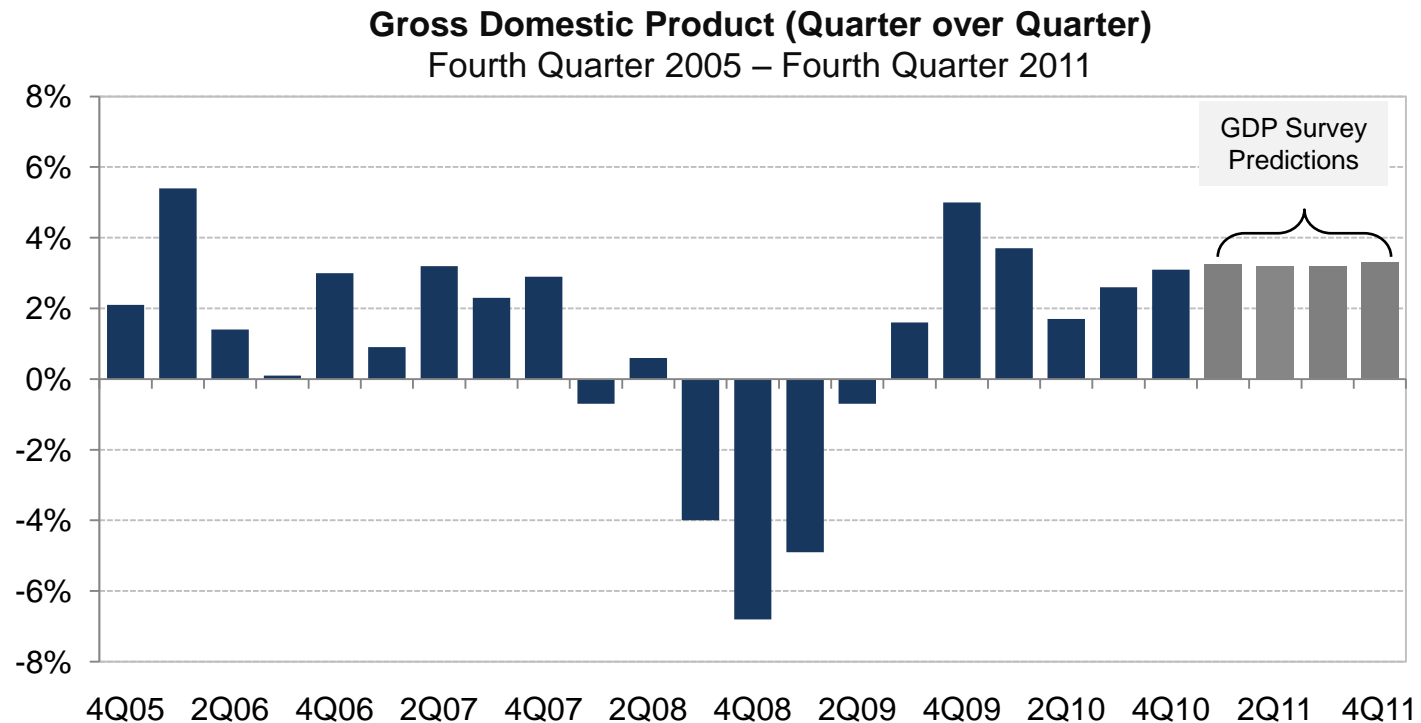
Vernon D. Evans, CPA

Vice-President-Finance/Treasurer and CFO

April 25, 2011

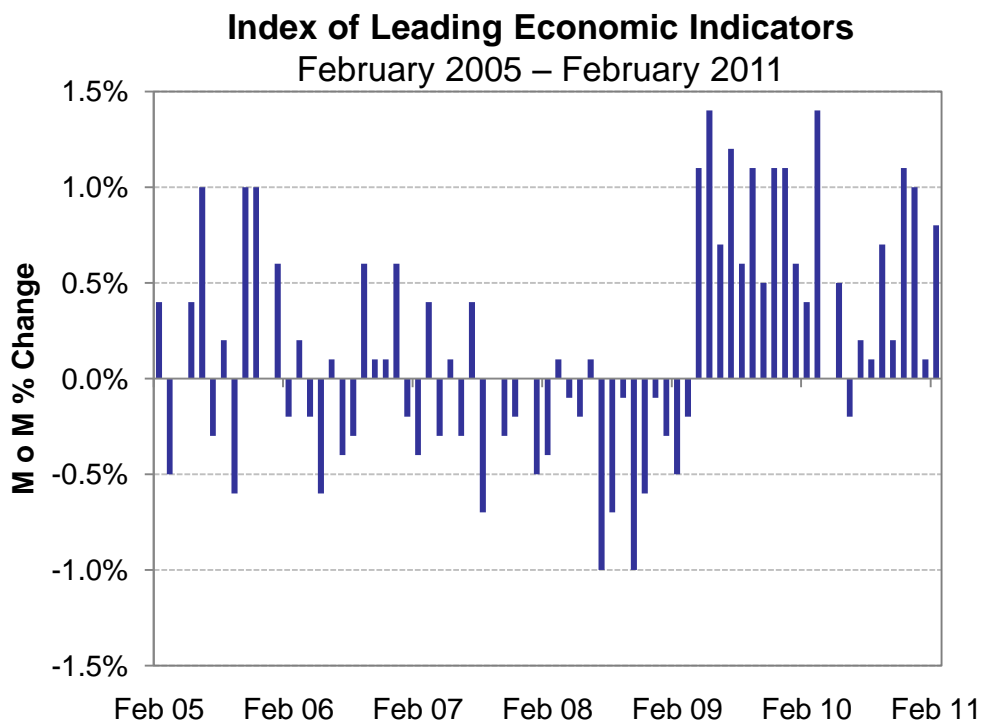
The Economy is Expected to Grow Slowly

- 4th quarter 2010 GDP came in at 3.1% (final revision). Strong corporate profits, consumer spending, and exports drove growth, while reduced state and local government spending reduced growth.
- Although some economist expect first quarter GDP to come in lower than originally expected due to geopolitical events during the first quarter, the expectations for the full year still range around 3%.



Economic Indicators Remain Favorable

- The Index of Leading Economic Indicators, which is intended to forecast the future direction of economic growth, has been positive for 21 of the past 23 months.
- In February, eight of the index's ten components made positive contributions.

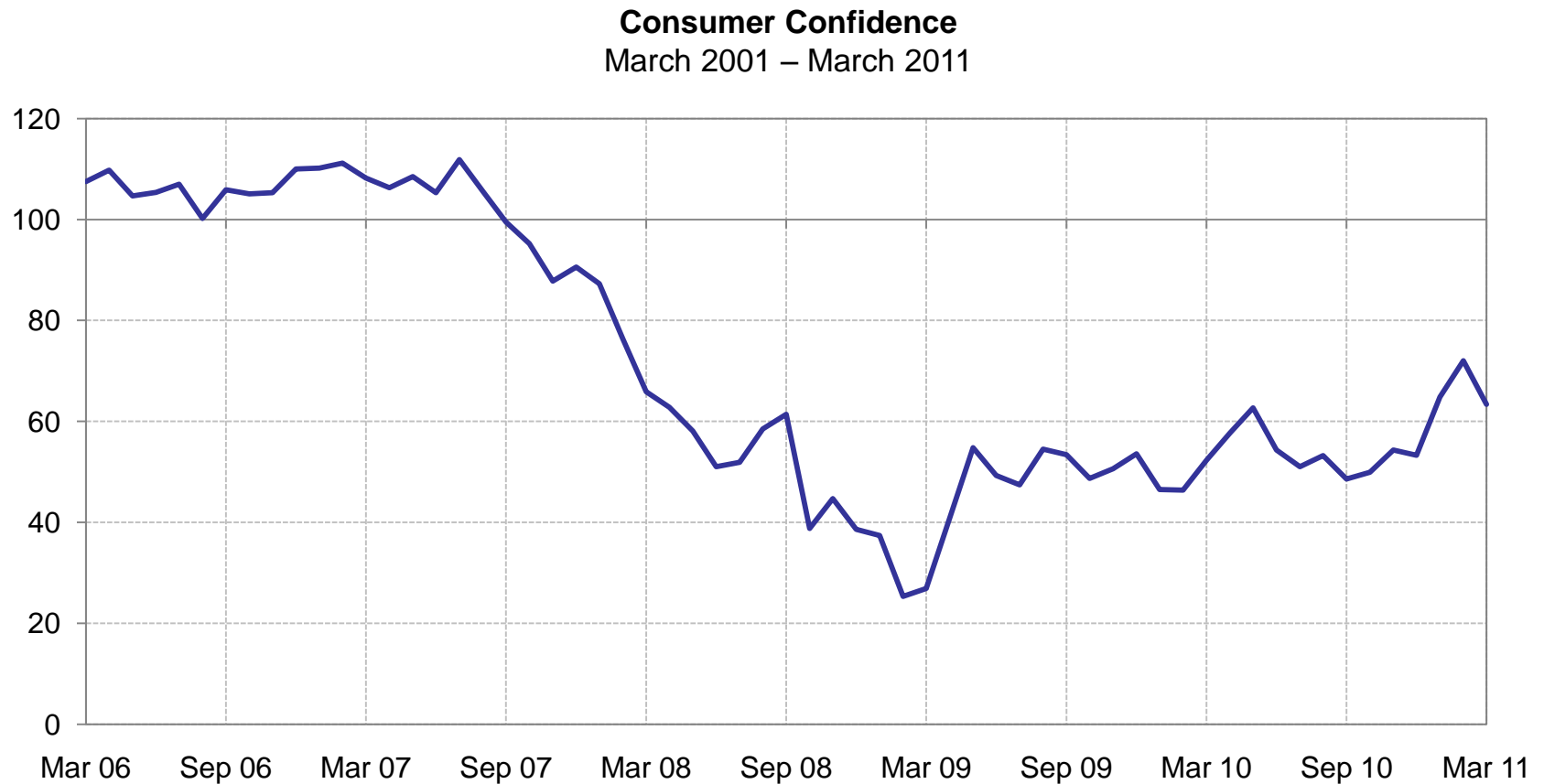


**Contribution of Index
Components to Overall Reading**
February 2011

Positive	Negative
Interest rate spread	Building permits
Jobless claims	Capital goods orders
Stock prices	
M2 money supply	
Average workweek	
Consumer expectations	
Pace of deliveries	
Consumer goods orders	

Consumer Confidence Falls in March

- After rising over the past several months, consumer confidence fell in March. Although the economy continues to improve, consumers became increasingly concerned about future conditions.

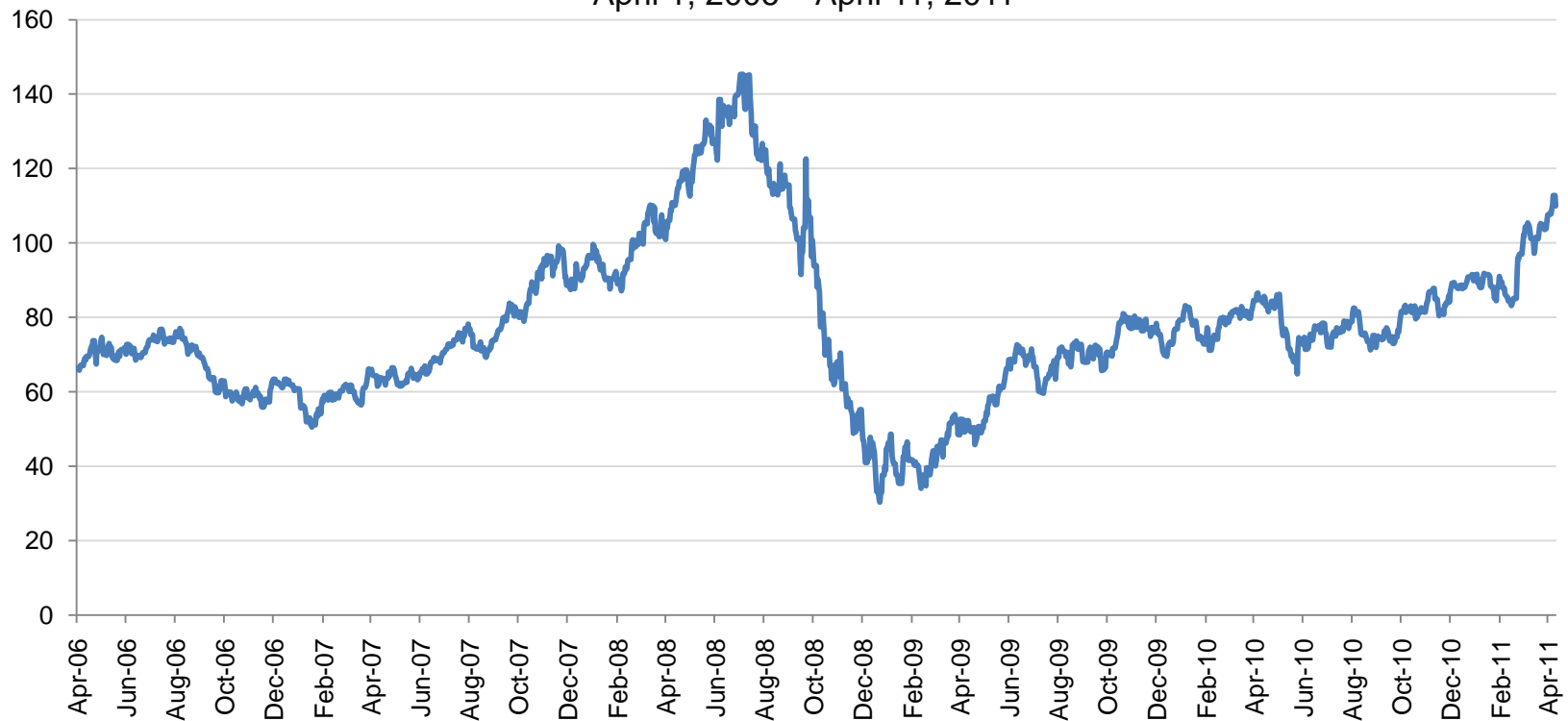


Oil Prices Remain Elevated on Geopolitical Events

- Oil prices reached two-year highs hitting over \$110 per barrel due to continued uncertainty in the market about the outcome of the unrest in Libya and the Middle East along with the continuing Japanese nuclear crises.
- Although core inflation (excluding food and energy) remain low, rising energy and food prices have heightened inflationary fears and depressed consumer confidence.

Oil Price Per Barrel (WTI Spot)

April 1, 2006 – April 11, 2011



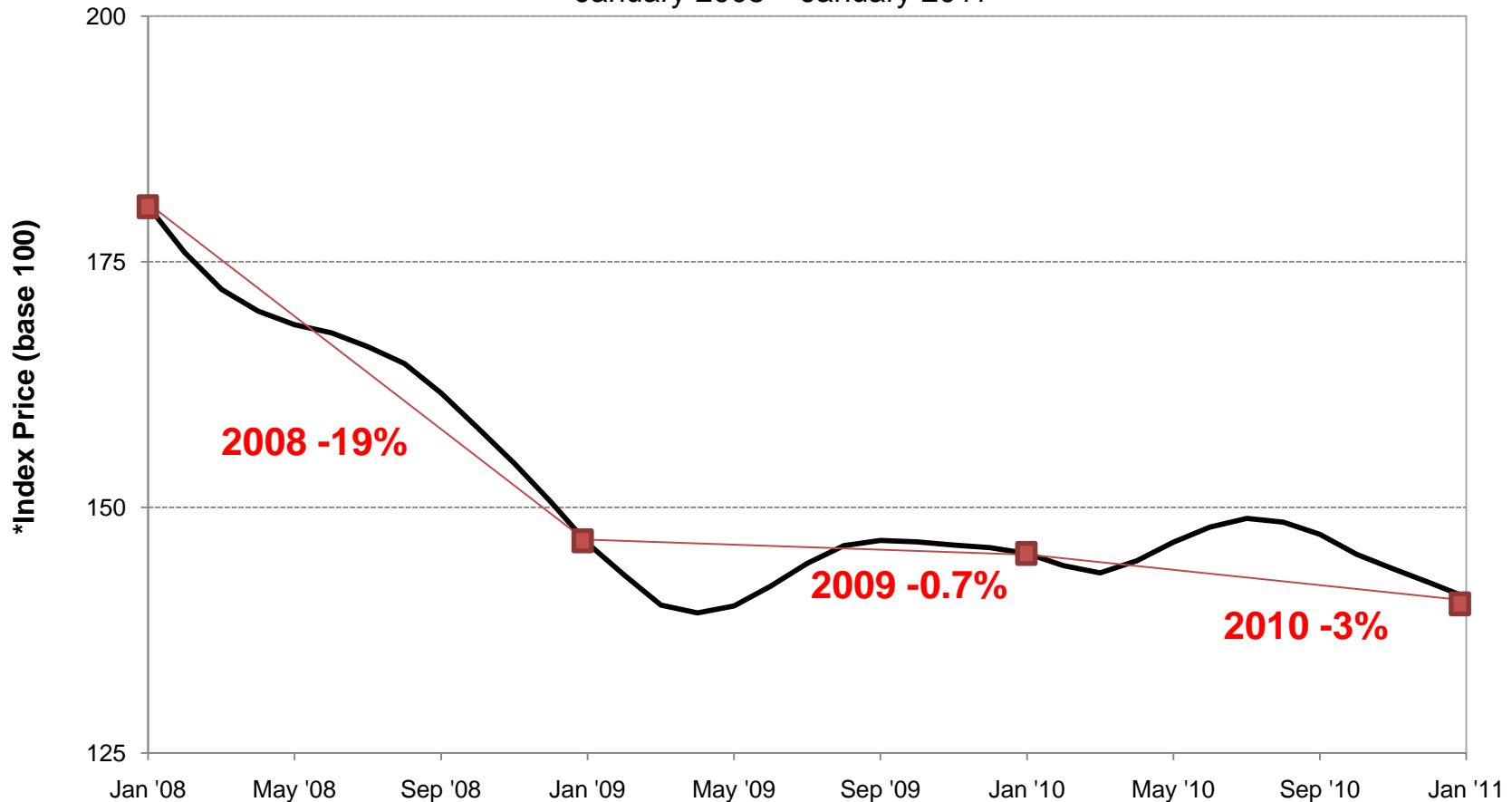
Economic Recovery and the Price Per Barrel of Oil



U.S. Housing Market Remain Depressed

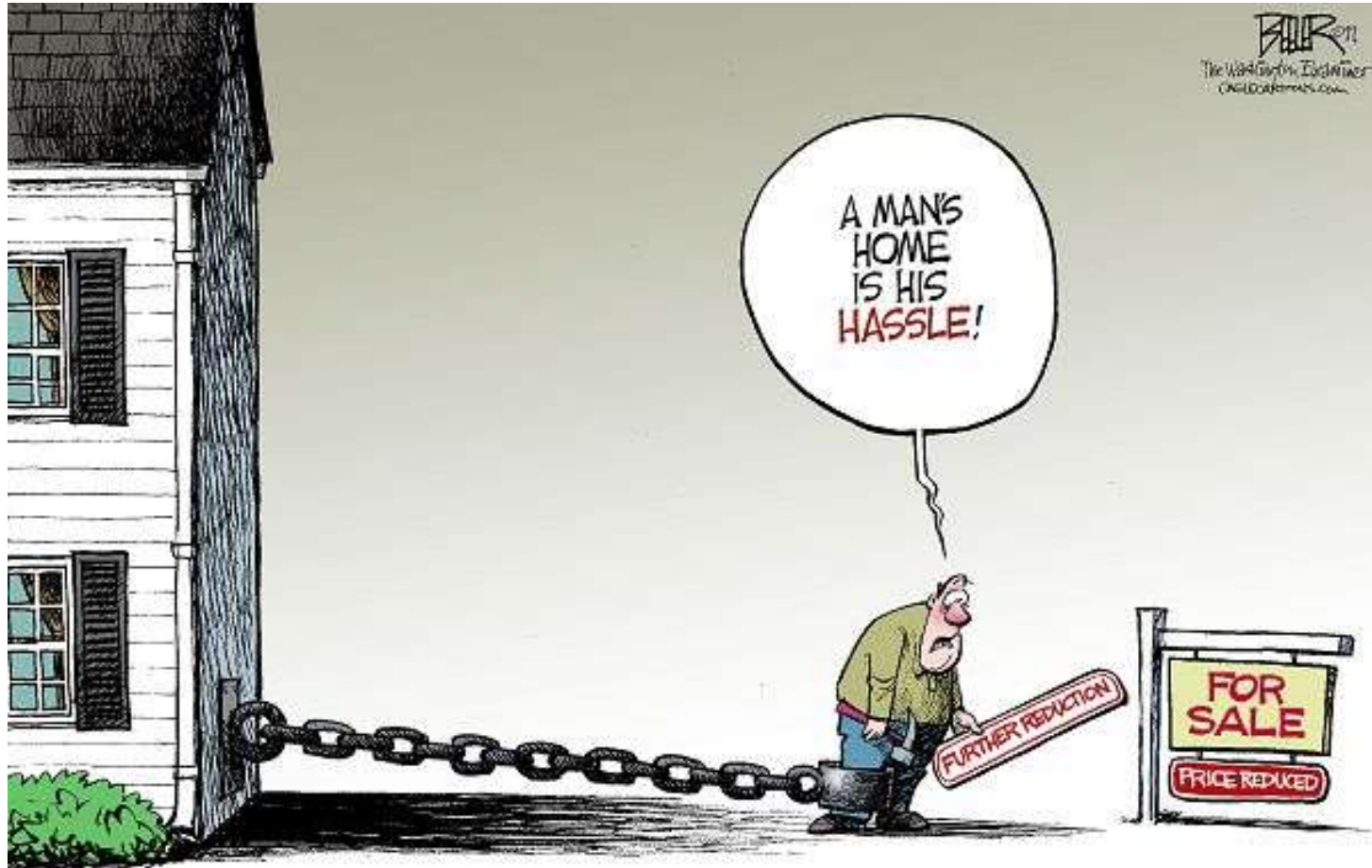
- The housing market remains depressed as home prices continue to fall in most metropolitan areas.

Case-Shiller Home Price Index
January 2008 – January 2011



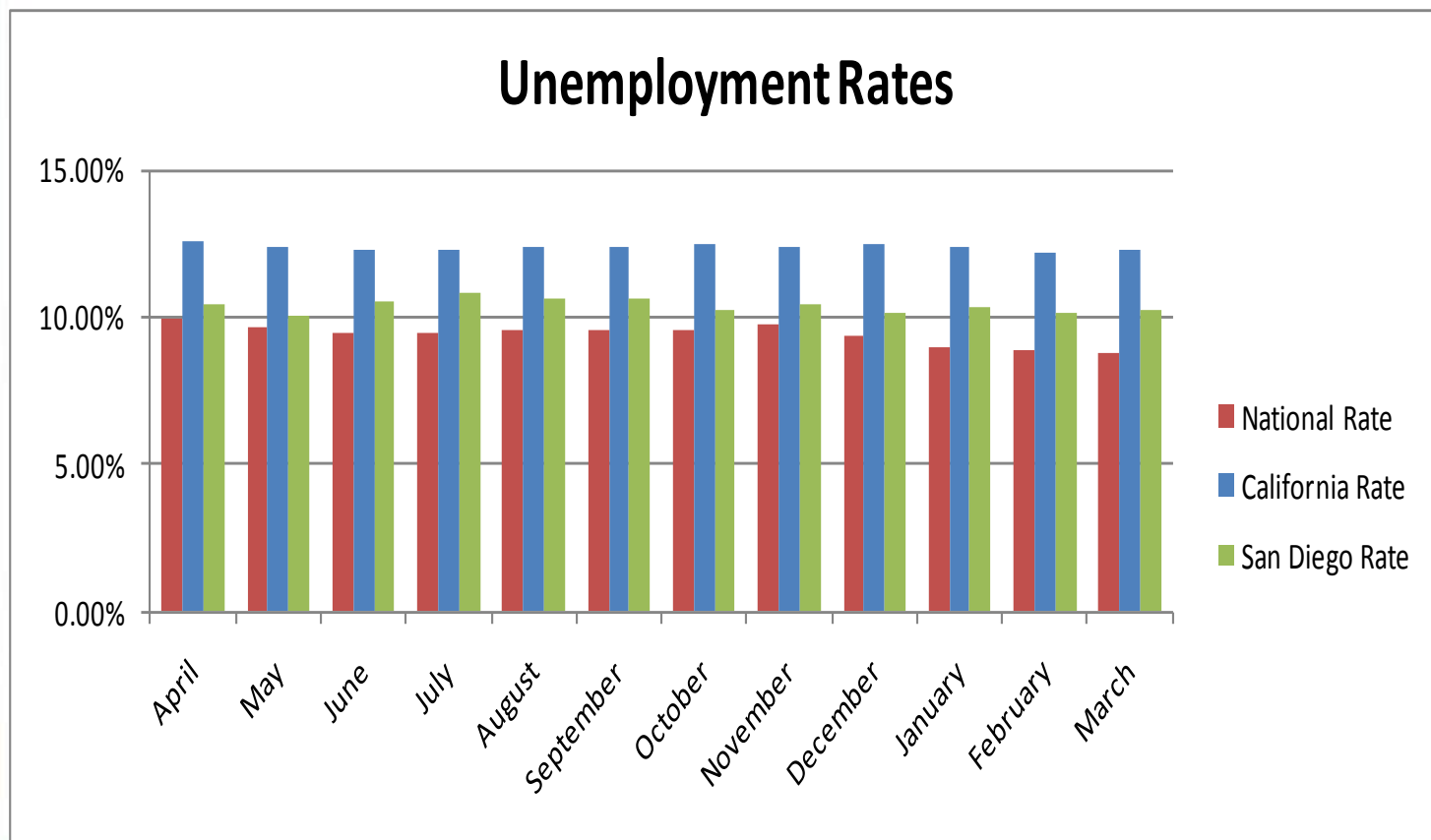
The S&P/Case-Shiller home price index tracks monthly changes in the value of residential real estate in 20 metropolitan regions across the U.S. *The value on the left represents an index price that was set at 100 on January 2000.

The Housing Market



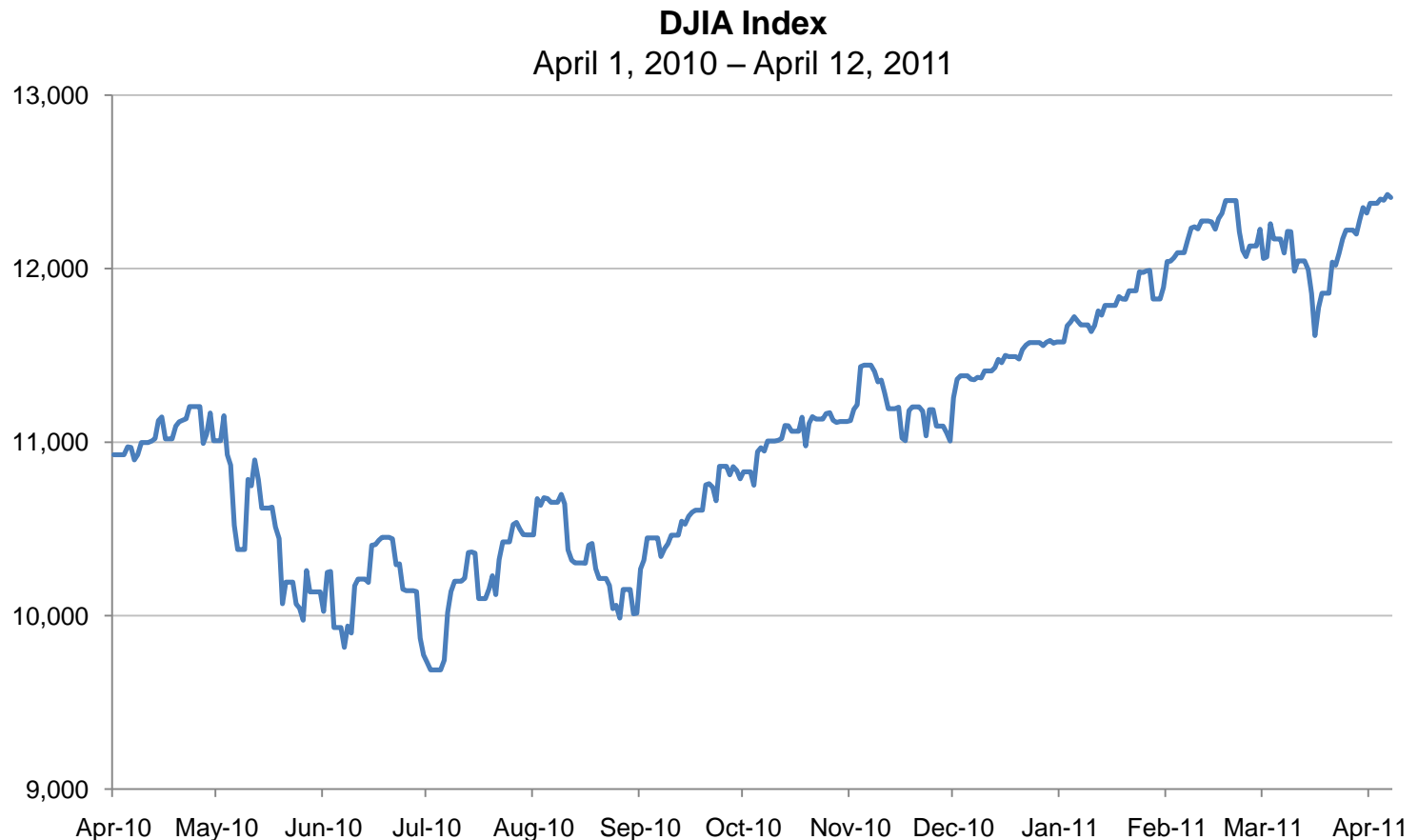
Unemployment Rate This Fiscal Year

The Federal unemployment rate continues it's mild decline, now at 8.8%, down from 8.9% last month. The California unemployment rate remains high at 12.3% which continues to be higher than the national average. The U-6 rate is 15.7% for March. San Diego unemployment rate is 10.2% .



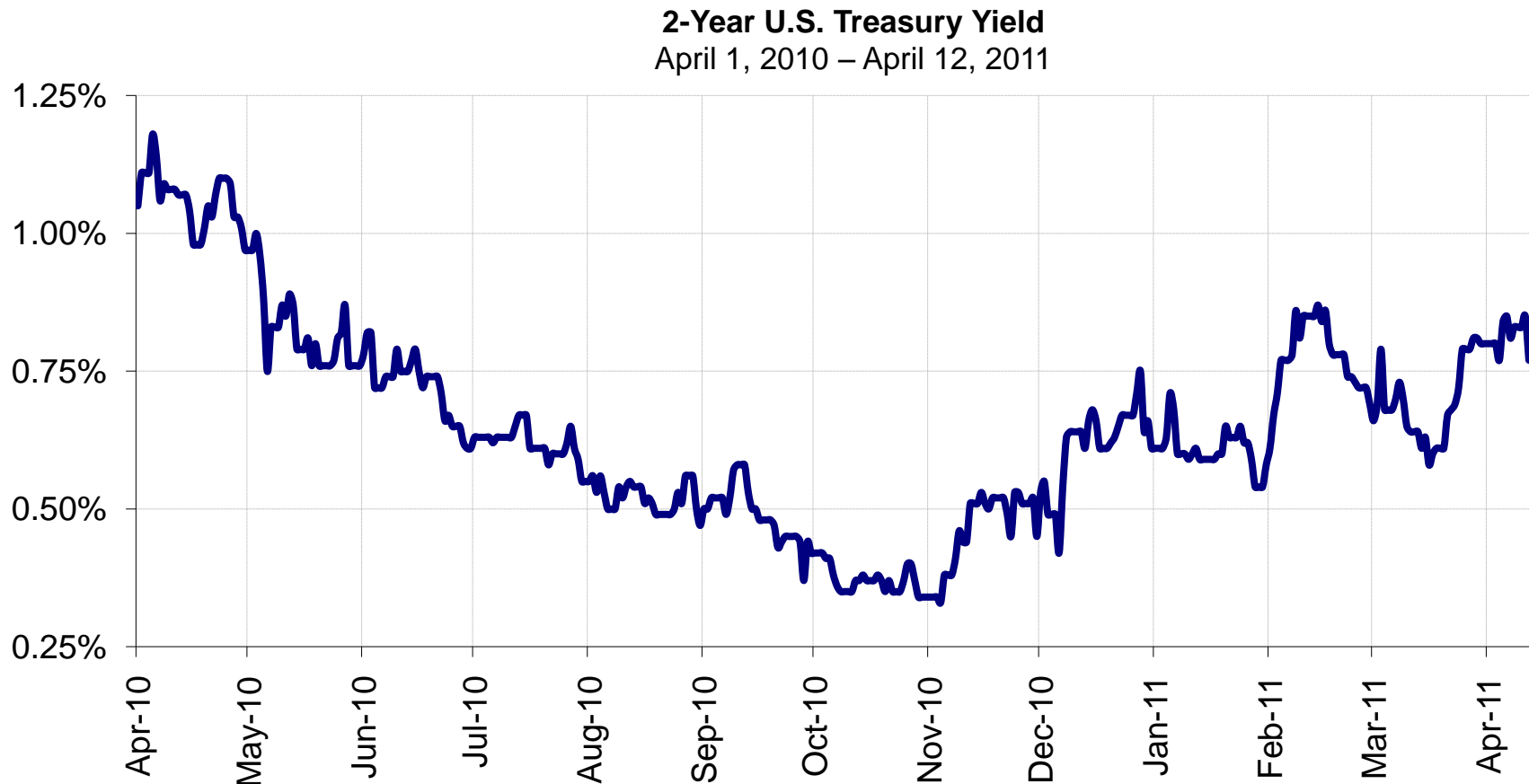
The Equity Markets Face Continued Uncertainty

- Although the markets ended up for the first quarter, geopolitical concerns continue to weigh on the markets.



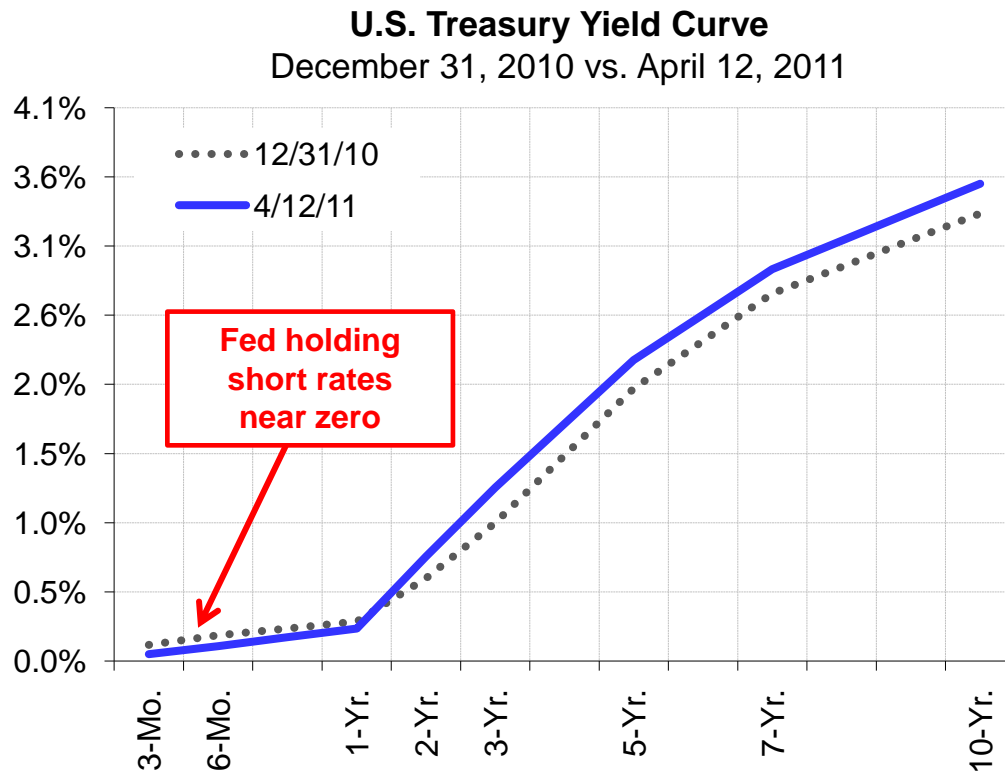
Treasury Yields Remained Range Bound

- Interest rates remain volatile in response to economic news and geopolitical events. During the past, the 2-year Treasury has traded within an 1% range.



U.S Treasury Yield Curve

- The yield curve has steepened during the first quarter, as the longer-term rates increased on favorable economic news and inflationary worries while short-term rates remain tied to the federal funds target rate..



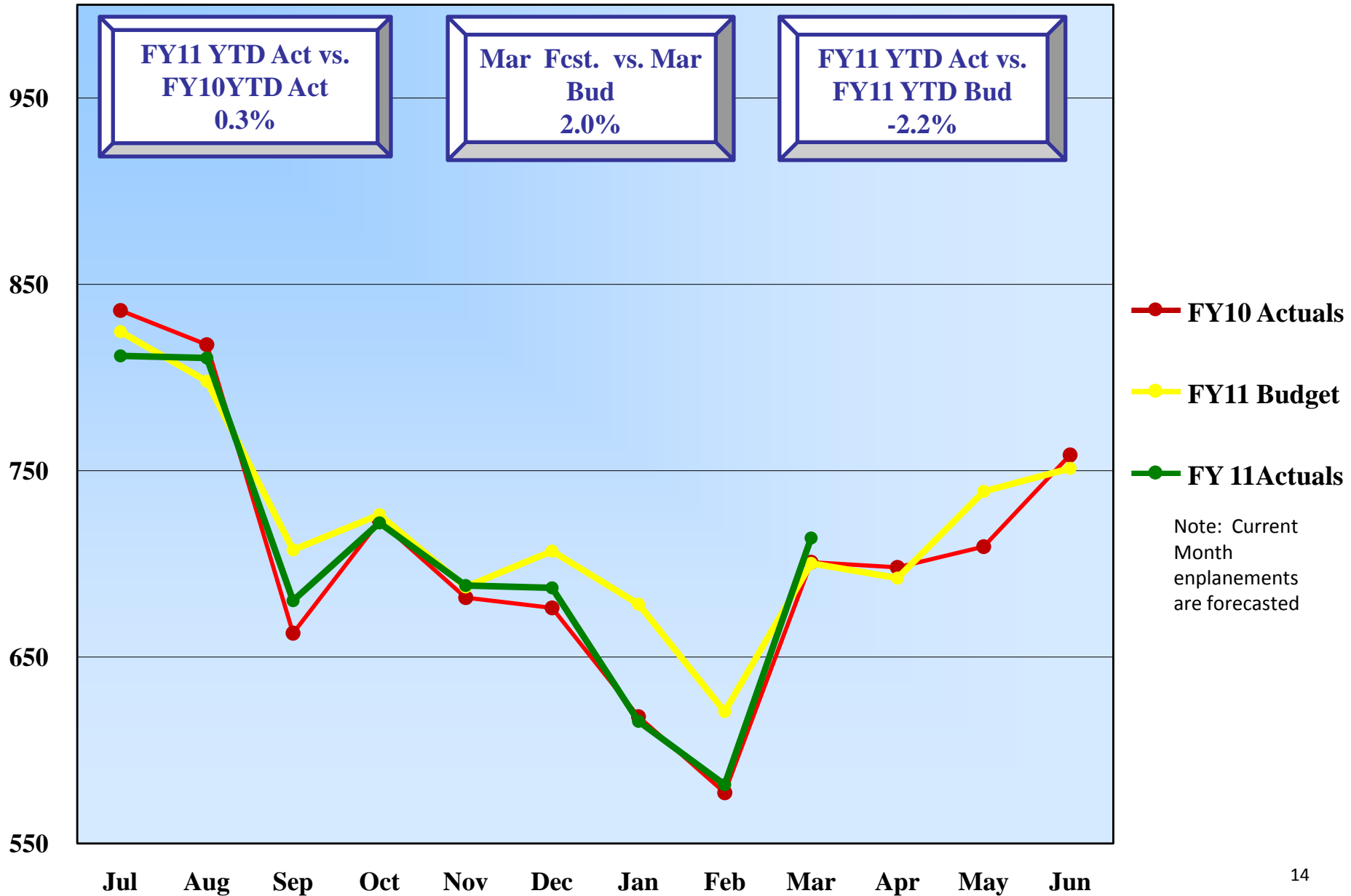
	3/22/10	11/4/10	3/21/11
3-Mo.	0.15%	0.13%	0.10%
6-Mo.	0.24%	0.17%	0.16%
1-Yr.	0.41%	0.21%	0.25%
2-Yr.	1.01%	0.33%	0.67%
3-Yr.	1.54%	0.45%	1.12%
5-Yr.	2.43%	1.04%	2.04%
10-Yr.	3.67%	2.53%	3.34%

Unaudited Financial Statements For the Nine Months Ended March 31, 2011



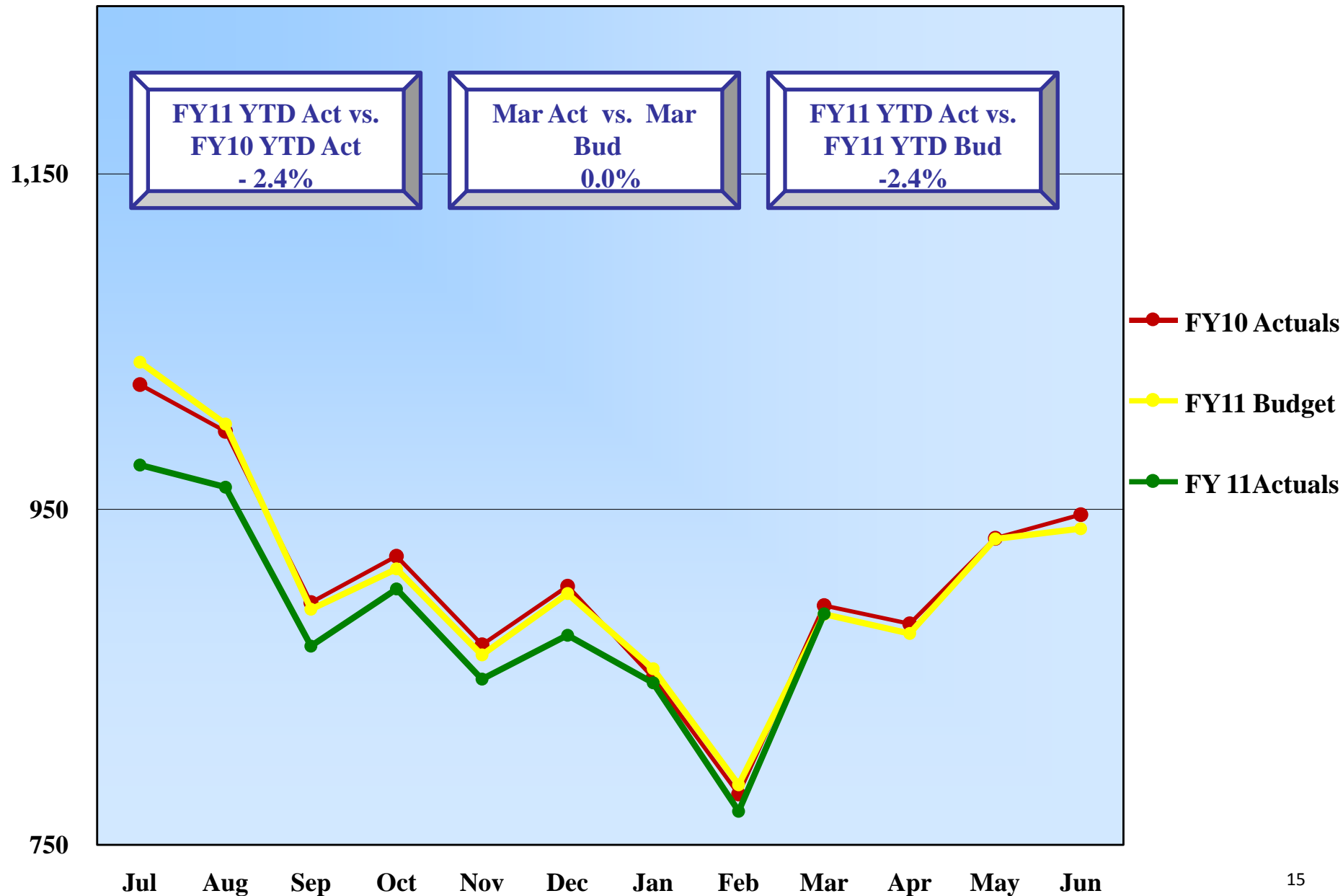
Enplanements

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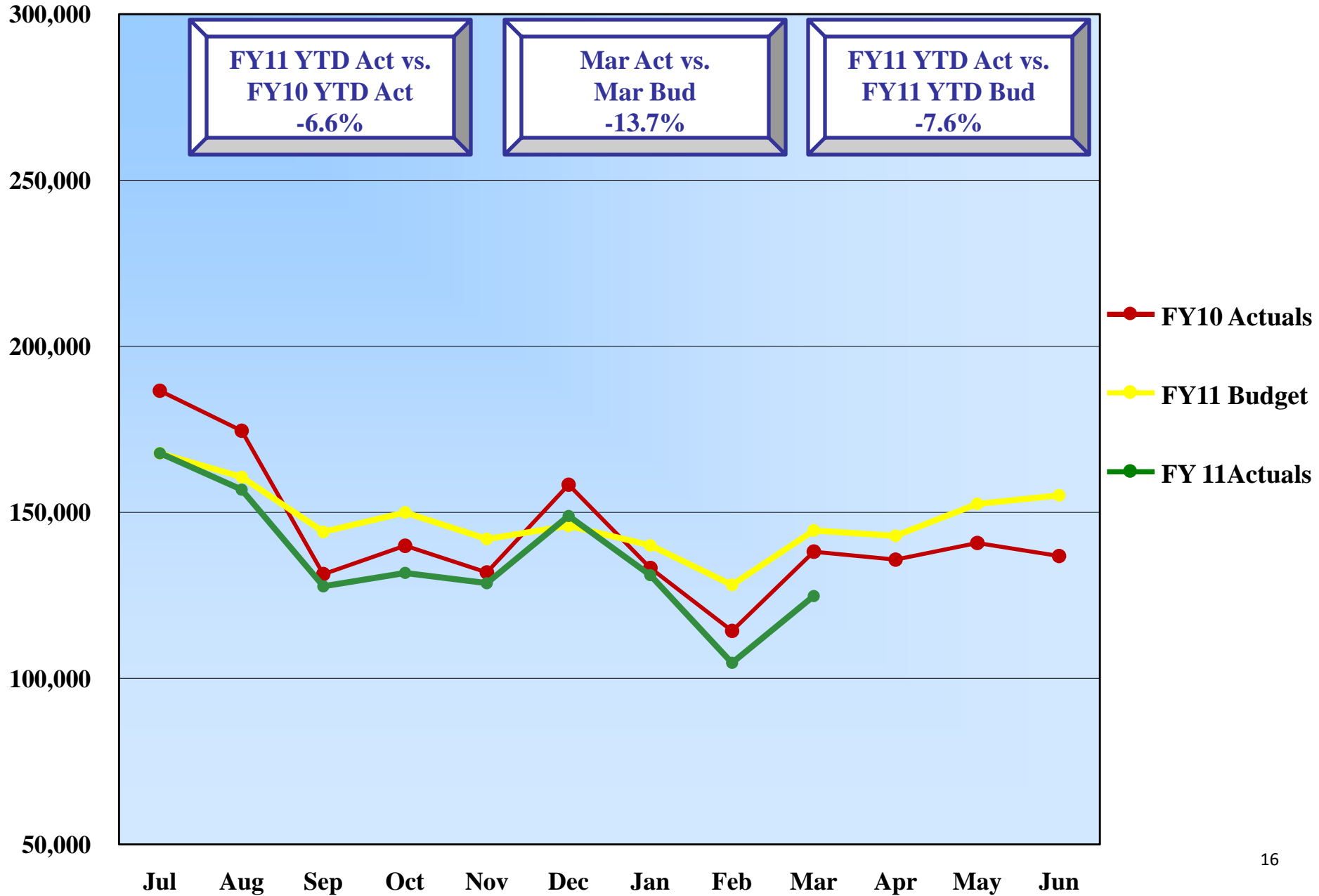


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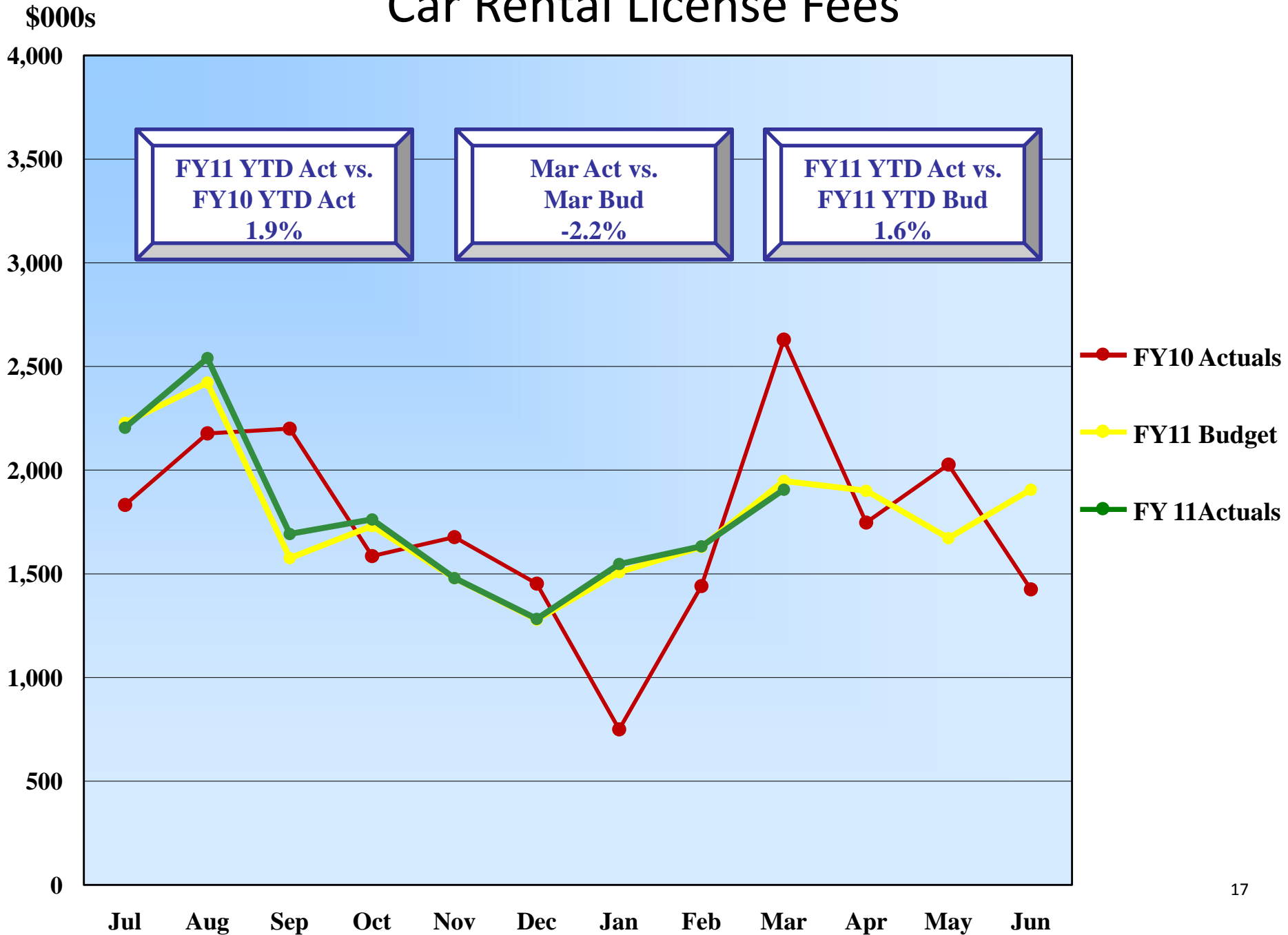
Gross Landing Weight Units (000 lbs)



Airport Parking Transactions



Car Rental License Fees



Revenues and Expenses (Unaudited)

For the month ended March 31, 2011



Operating Revenues

For the Month Ended

March 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Aviation revenue:					
Landing fees	\$ 1,549	\$ 1,502	\$ (47)	(3)%	\$ 1,584
Aircraft parking fees	236	236	(0)	-	254
Building rentals	2,317	2,303	(14)	(1)%	2,142
Security surcharge	1,232	1,246	14	1%	1,005
Other aviation revenue	132	136	4	3%	131
Total aviation revenue	\$ 5,466	\$ 5,423	\$ (43)	(1)%	\$ 5,116



Operating Revenues

For the Month Ended

March 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Terminal rent non-airline	\$ 72	\$ 70	\$ (2)	(3)%	\$ 66
Concession revenue:					
Terminal concession revenue:					
Food and beverage	503	534	31	6%	489
Gifts and news	319	322	3	1%	292
Other	233	146	(87)	(37)%	273
Total terminal concession revenue	<u>1,055</u>	<u>1,002</u>	<u>(53)</u>	<u>(5)%</u>	<u>1,054</u>
Car rental and license fee revenue:					
Rental car and license fees	1,948	1,906	(42)	(2)%	2,629
License fees-other	250	220	(30)	(12)%	316
Total rental car and license fees	<u>2,198</u>	<u>2,126</u>	<u>(72)</u>	<u>(3)%</u>	<u>2,945</u>
Total concession revenue	<u>\$ 3,253</u>	<u>\$ 3,128</u>	<u>\$ (125)</u>	<u>(4)%</u>	<u>\$ 3,999</u>

Operating Revenues

For the Month Ended

March 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Parking revenue:					
On-airport parking revenue	\$ 1,385	\$ 1,697	\$ 312	23%	\$ 1,619
Off-airport parking revenue	1,241	855	(386)	(31)%	846
Total parking revenue	2,626	2,552	(74)	(3)%	2,465
Ground transportation permits and citations	40	47	7	18%	16
Ground rentals	509	586	77	15%	493
Grant reimbursements	90	298	208	231%	39
Other operating revenue	60	51	(9)	(15)%	34
Subtotal	3,325	3,534	209	6%	3,047
Total operating revenues	\$ 12,116	\$ 12,155	\$ 39	-	\$ 12,228

Operating Expenses

For the Month Ended

March 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Operating expenses:					
Salaries and benefits	\$ 3,035	\$ 2,981	\$ 54	2%	\$ 2,877
Contractual services	2,315	2,260	55	2%	1,679
Safety and security	1,789	1,653	136	8%	1,612
Space rental	909	910	(1)	-	908
Utilities	541	571	(30)	(6)%	628
Maintenance	718	906	(188)	(26)%	857
Equipment and systems	69	27	42	61%	30
Materials and supplies	37	31	6	16%	24
Insurance	102	90	12	12%	98
Employee development and support	115	78	37	32%	111
Business development	209	152	57	27%	47
Equipment rental and repairs	114	108	6	5%	57
Total operating expenses	\$ 9,953	\$ 9,767	\$ 186	2%	\$ 8,928

Financial Summary

For the Month Ended

March 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Total operating revenues	\$ 12,116	\$12,155	\$ 39	-	\$ 12,228
Total operating expenses	9,953	9,767	186	2%	8,928
Income from operations	2,163	2,388	225	10%	3,300
Depreciation	4,164	3,907	257	6%	3,403
Operating income (loss)	\$ (2,001)	\$ (1,519)	\$ 482	24%	\$ (103)

Nonoperating Revenues and (Expenses) For the Month Ended March 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Nonoperating revenues (expenses):					
Passenger facility charges	\$ 2,736	\$ 3,204	\$ 468	17%	\$ 3,090
Customer facility charges (ConRAC Facility)	943	972	29	3%	957
Quieter Home Program	(421)	(389)	32	8%	(733)
Interest income	499	611	112	22%	508
BAB interest rebate	2,442	416	(2,026)	-	-
Interest expense	(5,273)	198	5,471	104%	(238)
Bond amortization cost	(12)	54	66	550%	(6)
Other nonoperating revenue (expenses)	(3)	(11)	(8)	(267)%	(342)
Nonoperating revenue, net	911	5,055	4,144	455%	3,236
Income before grant contributions	(1,090)	3,536	4,626	(424)%	3,133
Capital grant contributions	4,210	2,099	(2,111)	(50)%	3,532
Net income	\$ 3,120	\$ 5,635	\$ 2,515	81%	\$ 6,665

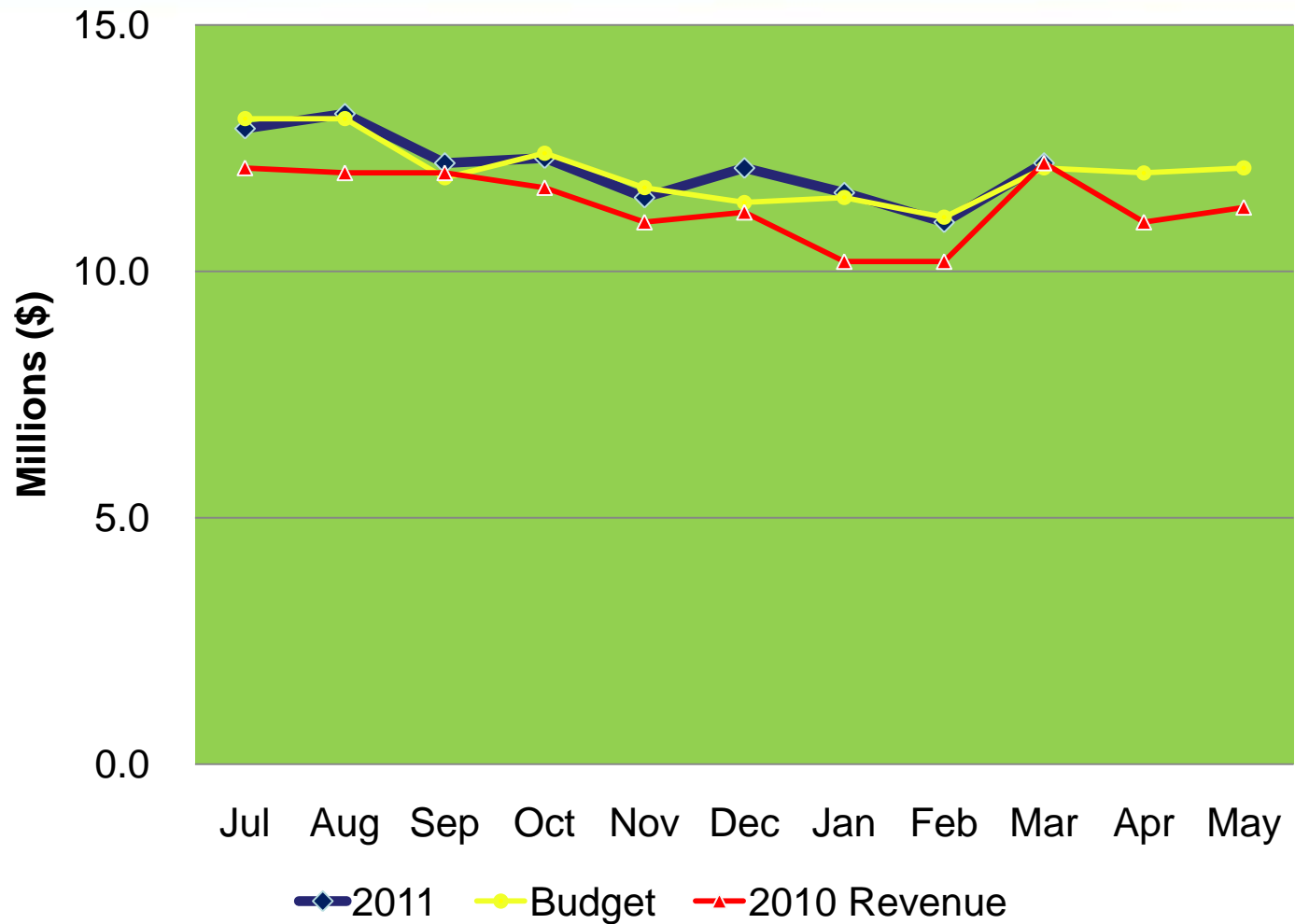
Revenues and Expenses (Unaudited)

For the nine months ended March 31, 2011



Monthly Operating Revenue, FY 2011

(Unaudited)



Operating Revenues

For the Nine Months Ended

March 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Aviation revenue:					
Landing fees	\$ 14,232	\$ 13,867	\$ (365)	(3)%	\$ 14,403
Aircraft parking fees	2,120	2,196	76	4%	2,544
Building rentals	20,830	20,950	120	1%	19,220
Security surcharge	11,089	11,157	68	1%	9,024
Other aviation revenue	1,185	1,200	15	1%	1,184
Total aviation revenue	\$ 49,456	\$ 49,370	\$ (86)	-	\$ 46,375

Operating Revenues

For the Nine Months Ended

March 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Terminal rent non-airline	\$ 651	\$ 655	\$ 4	1%	\$ 593
Concession revenue:					
Terminal concession revenue:					
Food and beverage	4,465	4,564	99	2%	4,537
Gifts and news	2,854	2,845	(9)	-	2,704
Other	2,131	2,088	(43)	(2)%	2,042
Total terminal concession revenue	9,450	9,497	47	-	9,283
Car rental and license fee revenue:					
Rental car license fees	15,799	16,048	249	2%	15,746
License fees-other	2,339	1,989	(350)	(15)%	2,161
Total rental car and license fees	18,138	18,037	(101)	(1)%	17,907
Total concession revenue	\$ 27,588	\$ 27,534	\$ (54)	-	\$ 27,190

Operating Revenues

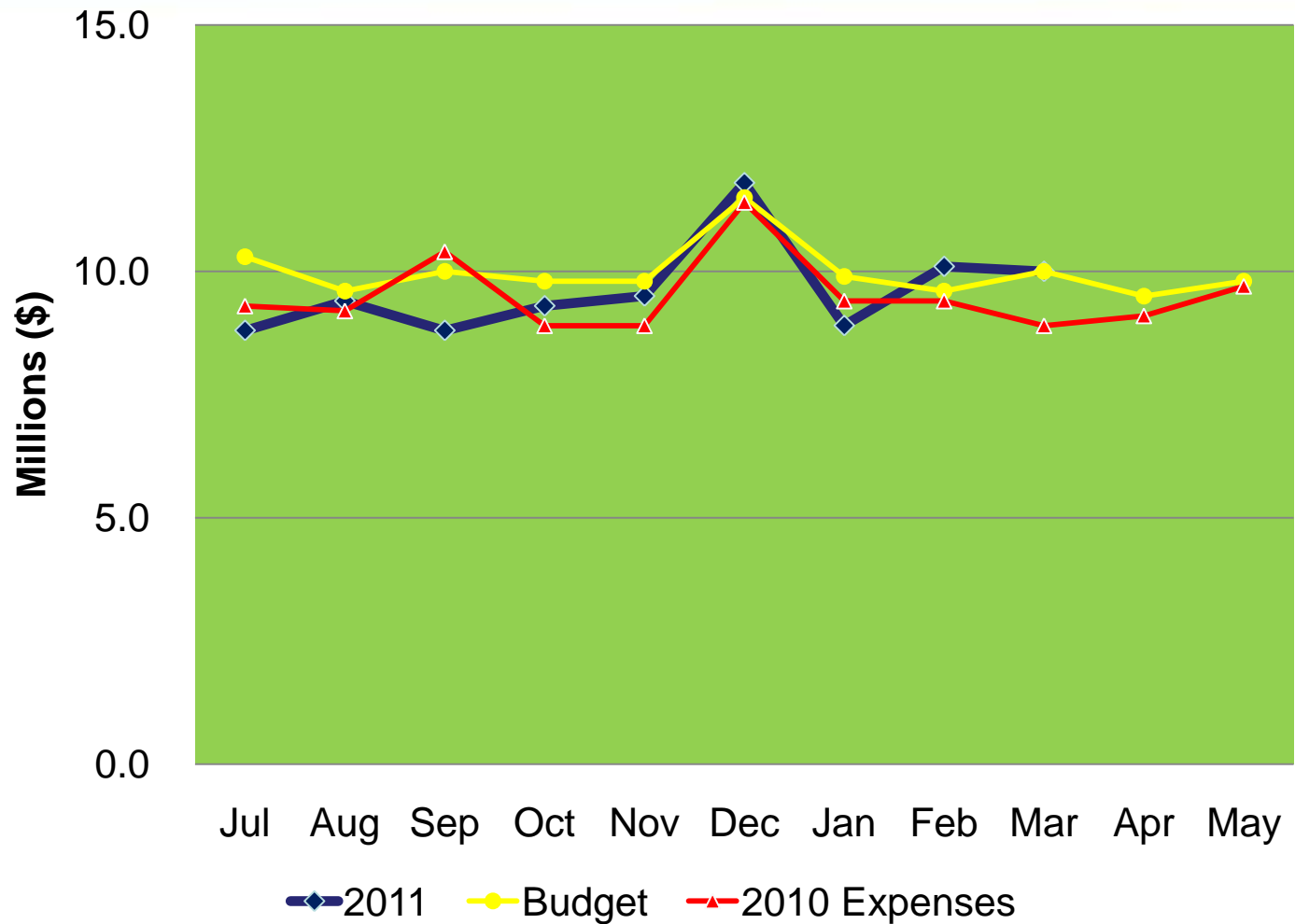
For the Nine Months Ended

March 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Parking revenue:					
On-airport parking revenue	\$ 14,450	\$ 15,062	\$ 612	4%	\$ 14,135
Off-airport parking revenue	9,699	8,388	(1,311)	(14)%	8,306
Total parking revenue	24,149	23,450	(699)	(3)%	22,441
Ground transportation permits and citations	401	602	201	50%	288
Ground rentals	4,648	5,985	1,337	29%	4,451
Grant reimbursements	822	762	(60)	(7)%	911
Other operating revenue	541	573	32	6%	338
Subtotal	30,561	31,372	811	3%	28,429
Total operating revenues	\$ 108,256	\$ 108,931	\$ 675	1%	\$ 102,587

Monthly Operating Expenses, FY 2011

(Unaudited)



Operating Expenses

For the Nine Months Ended

March 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Operating expenses:					
Salaries and benefits	\$ 28,245	\$ 27,891	\$ 354	1%	\$ 26,122
Contractual services	21,804	19,512	2,292	11%	20,060
Safety and security	15,299	15,430	(131)	(1)%	15,056
Space rental	8,179	8,180	(1)	-	8,176
Utilities	5,341	4,866	475	9%	5,146
Maintenance	6,202	6,021	181	3%	6,864
Equipment and systems	420	347	73	17%	326
Materials and supplies	296	235	61	21%	294
Insurance	917	810	107	12%	884
Employee development and support	1,036	711	325	31%	667
Business development	1,626	1,248	378	23%	1,303
Equipment rental and repairs	1,070	1,121	(51)	(5)%	1,041
Total operating expenses	\$ 90,435	\$ 86,372	\$ 4,063	4%	\$ 85,939

Financial Summary

For the Nine Months Ended March 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Total operating revenues	\$ 108,256	\$ 108,931	\$ 675	1%	\$ 102,587
Total operating expenses	90,435	86,372	4,063	4%	85,939
Income from operations	17,821	22,559	4,738	27%	16,648
Depreciation	38,044	36,462	1,582	4%	29,960
Operating income (loss)	\$ (20,223)	\$ (13,903)	\$ 6,320	31%	\$ (13,312)

Nonoperating Revenues and (Expenses)

For the Nine Months Ended

March 31, 2011 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Nonoperating revenues (expenses):					
Passenger facility charges	\$ 25,204	\$ 24,746	\$ (458)	(2)%	\$ 24,752
Customer facility charges (ConRAC Facility)	7,755	8,079	324	4%	7,928
Quieter Home Program	(2,805)	(2,590)	215	8%	(2,215)
Interest income	4,487	4,437	(50)	(1)%	5,474
BAB interest rebate	2,442	2,442	-	-	-
Interest expense	(8,752)	(7,396)	1,356	15%	(2,025)
Bond amortization cost	(109)	307	416	382%	(55)
Other nonoperating revenue (expenses)	(30)	1,427	1,457	-	(1,946)
Nonoperating revenue, net	28,192	31,452	3,260	12%	31,913
Income before grant contributions	7,969	17,549	9,580	120%	18,601
Capital grant contributions	29,125	20,523	(8,602)	(30)%	14,815
Net income	\$ 37,094	\$ 38,072	\$ 978	3%	\$ 33,416

Balance Sheets (Unaudited)

ASSETS

	(In thousands)	
	March	
	2011	2010
Current assets:		
Cash and investments	\$ 97,149	\$ 78,721
Tenant lease receivable, net of allowance of 2011: \$30,980 and 2010: \$164,634	5,370	5,974
Grants receivable	7,070	5,371
Notes receivable-current portion	1,613	1,587
Prepaid expenses and other current assets	10,575	9,290
Total current assets	121,777	100,943
Cash designated for capital projects and other	\$ 4,135	\$ 13,091

Balance Sheets (Unaudited)

ASSETS

(In thousands)

March

2011

2010

Restricted assets:

Cash and investments:

Bonds reserve

\$ 45,708 \$ 47,303

Passenger facility charges and interest unapplied

59,198 58,009

Customer facility charges and interest applied*

16,934 8,236

Commercial paper reserve

43 95

SBD bond guarantee

4,000 4,000

Bond proceeds held by trustee

406,652 5,464

Commercial paper interest held by trustee

13 12

Passenger facility charges receivable

4,829 3,520

Customer facility charges receivable*

960 1,029

OCIP insurance reserve

6,400 6,766

Total restricted assets

\$ 544,737 \$ 134,434

*ConRAC Facility

Balance Sheets (Unaudited)

ASSETS

	(In thousands)	
	March	
	2011	2010
Noncurrent assets:		
Capital assets:		
Land and land improvements	\$ 23,454	\$ 23,582
Runways, roads and parking lots	236,772	229,316
Buildings and structures	463,760	423,509
Machinery and equipment	10,218	7,771
Vehicles	5,367	4,983
Office furniture and equipment	30,127	28,525
Works of art	2,411	2,257
Construction-in-progress	300,342	182,375
Total capital assets	1,072,451	902,318
Less: accumulated depreciation	(495,321)	(453,348)
Total capital assets, net	\$ 577,130	\$ 448,970

Balance Sheets (Unaudited)

ASSETS

		(In thousands)	
		March	
		<u>2011</u>	<u>2010</u>
Other assets:			
Notes receivable - long-term portion		\$ 43,443	\$ 45,087
Investments - long-term portion		20,195	3,929
Deferred costs - bonds (net)		5,087	805
Net pension asset		7,900	3,792
Total other assets		<u>76,625</u>	<u>53,613</u>
Total noncurrent assets		<u>653,755</u>	<u>502,583</u>
TOTAL ASSETS		<u><u>\$ 1,324,404</u></u>	<u><u>\$ 751,051</u></u>

Balance Sheets (Unaudited)

LIABILITIES AND NET ASSETS

(In thousands)

March

Current liabilities:

Accounts payable and accrued liabilities

\$ 50,134 \$ 39,162

Deposits and other current liabilities

4,052 3,941

Total current liabilities

54,186 43,103

Current liabilities - payable from restricted assets:

Current portion of long-term debt

4,725 3,105

Accrued interest on bonds

and commercial paper

8,475 701

Total liabilities payable from restricted assets

\$ 13,200 \$ 3,806



Balance Sheets (Unaudited)

LIABILITIES AND NET ASSETS

		(In thousands)	
		March	
		2011	2010
Long-term liabilities:			
Commercial paper notes payable		\$ 21,509	\$ 114,430
Deferred rent liability		272	809
Other long-term liabilities		1,228	1,127
Long-term debt - bonds net of amortized premium		635,486	41,178
Total long-term liabilities		658,495	157,544
Total liabilities		\$ 725,881	\$ 204,453

Balance Sheets (Unaudited)

LIABILITIES AND NET ASSETS

	(In thousands)	
	March	
	2011	2010
Authority net assets:		
Invested in capital assets, net of related debt	\$ 321,684	\$ 290,824
Other restricted	148,275	137,538
Unrestricted:		
Designated	16,034	20,884
Undesignated	112,530	97,352
Total net assets	598,523	546,598
TOTAL LIABILITIES AND NET ASSETS	\$ 1,324,404	\$ 751,051

Questions

