



Item 3

# San Diego County Regional Airport Authority

## Investment Report As of July 31, 2011

Presented by:

Vernon D. Evans, CPA

Vice-President-Finance/Treasurer and CFO

August 22, 2011



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.

---

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

# Total Portfolio Summary

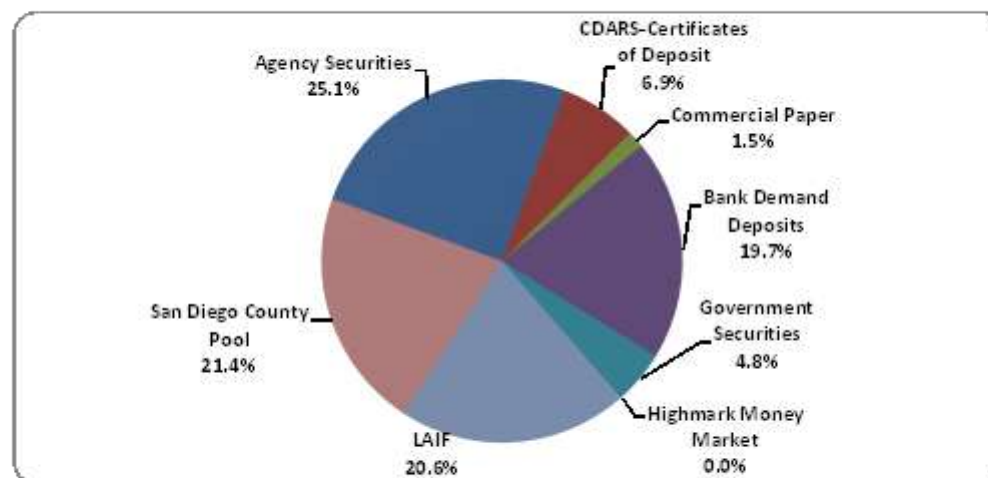
	Current Period July 31, 2011	Prior Period June 30, 2011	Change From Prior
Book Value	\$228,782,000	\$241,585,000	(\$12,803,000)
Market Value	\$228,795,000	\$241,544,000	(\$12,749,000)
Market Value%	100.00%	99.98%	0.02%
Unrealized Gain / (Loss)	\$13,000	(\$41,000)	\$54,000
Weighted Average Maturity (Days)	305 days	294 days	11
Weighted Average Yield as of Period End	0.81%	0.80%	0.01%
Cash Interest Received- Current Month	\$233,000	\$247,000	(\$14,000)
Cash Interest Received-Year-to-Date	\$2,481,000	\$2,248,000	\$233,000
Accrued Interest	\$156,000	\$279,000	(\$123,000)

## Notes:

(1) Decrease in cash balance was predominantly due to spending on capital projects that exceeded reimbursements for the month.

# Portfolio Composition by Security Type

	July 31, 2011		June 30, 2011		Permitted by Policy
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio	
Agency Securities	\$ 56,967,000	25.1%	\$ 58,922,000	24.4%	100%
CDARS-Certificates of Deposit	15,893,000	6.9%	15,888,000	6.6%	30%
Commercial Paper	3,492,000	1.5%	3,490,000	1.4%	25%
Bank Demand Deposits	45,085,000	19.7%	55,757,000	23.1%	100%
Government Securities	11,030,000	4.8%	11,038,000	4.6%	100%
Highmark Money Market	83,000	0.0%	333,000	0.1%	20%
LAIIF	47,187,000	20.6%	47,174,000	19.5%	\$50 million <sup>(1)</sup>
San Diego County Pool	49,058,000	21.4%	48,942,000	20.3%	\$50 million <sup>(2)</sup>
<b>Total:</b>	<b>\$ 228,795,000</b>	<b>100.0%</b>	<b>\$ 241,544,000</b>	<b>100.0%</b>	

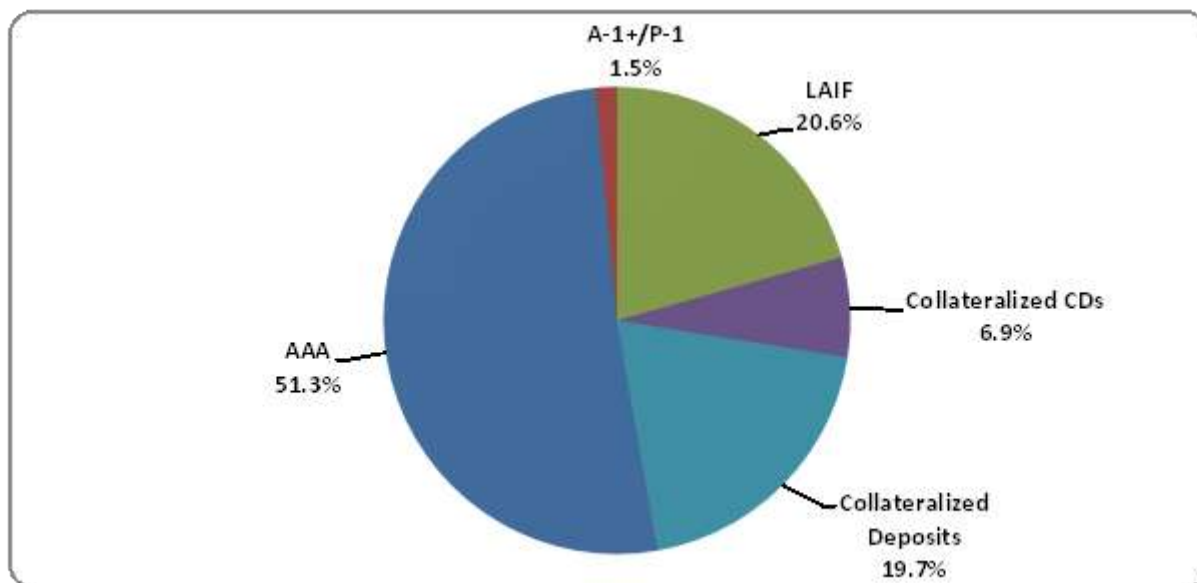


## Notes:

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

# Portfolio Composition by Credit Rating

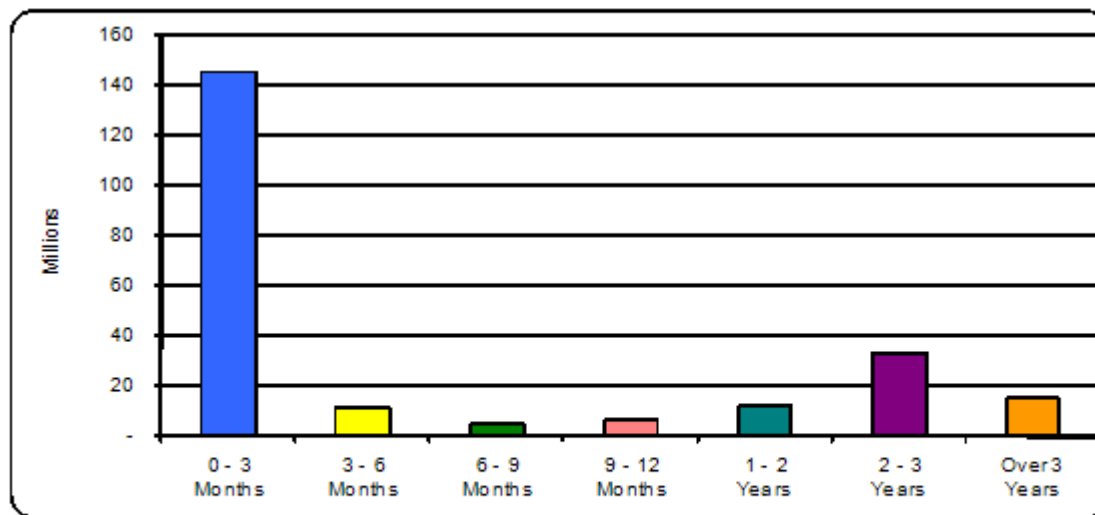
	July 31, 2011		June 30, 2011	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
AAA	\$ 117,138,000	51.3%	\$ 119,235,000	49.4%
A-1+/P-1	3,492,000	1.5%	3,490,000	1.4%
LAIF	47,187,000	20.6%	47,174,000	19.5%
Collateralized CDs	15,893,000	6.9%	15,888,000	6.6%
Collateralized Deposits	45,085,000	19.7%	55,757,000	23.1%
<b>Total:</b>	<b>\$ 228,795,000</b>	<b>100.0%</b>	<b>\$ 241,544,000</b>	<b>100.0%</b>





# Portfolio Composition by Maturity Distribution<sup>(1)</sup>

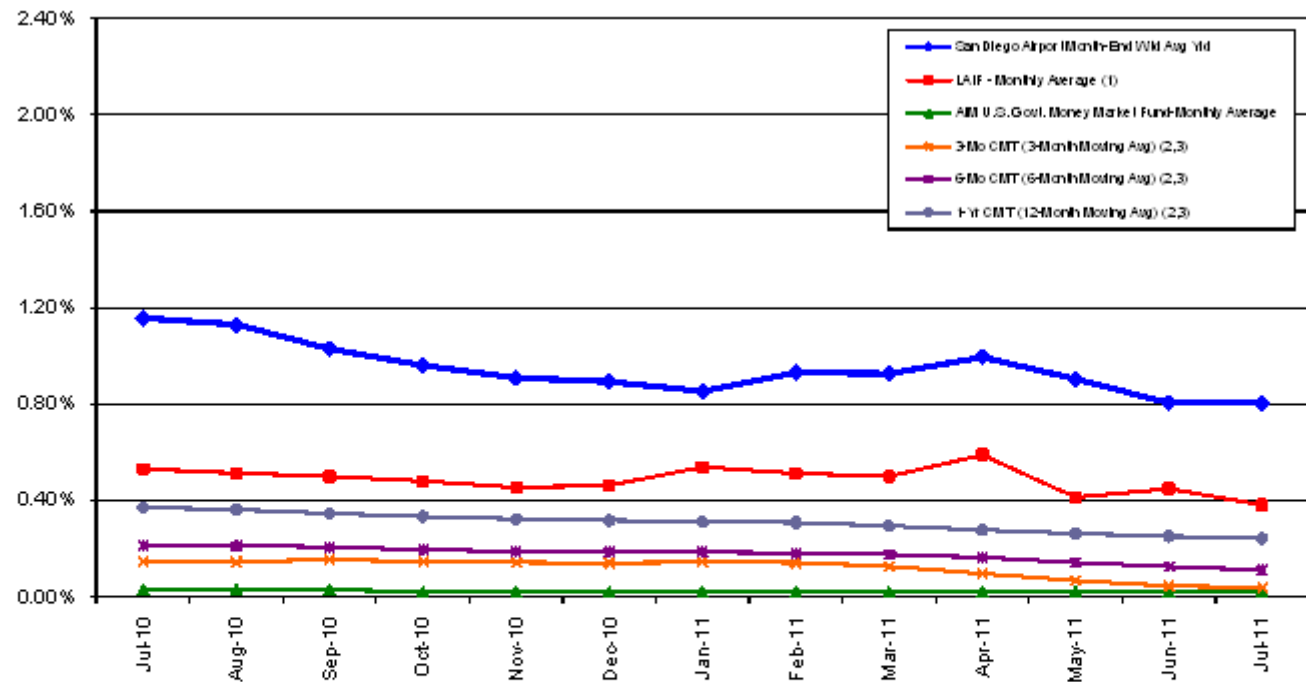
	July 31, 2011		June 30, 2011	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
0 - 3 Months	\$ 145,414,000	63.7%	\$ 156,206,000	64.7%
3 - 6 Months	11,519,000	5.0%	-	0.0%
6 - 9 Months	4,893,000	2.1%	16,413,000	6.8%
9 - 12 Months	7,000,000	3.1%	7,000,000	2.9%
1 - 2 Years	12,004,000	5.2%	14,997,000	6.2%
2 - 3 Years	33,438,000	14.6%	24,008,000	9.9%
Over 3 Years	14,527,000	6.3%	22,920,000	9.5%
<b>Total:</b>	<b>\$ 228,735,000</b>	<b>100.0%</b>	<b>\$ 241,544,000</b>	<b>100.0%</b>



## 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 LAF 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.

**San Diego County Regional Airport Authority**  
**DETAIL OF SECURITY HOLDINGS**  
*As of July 31, 2011*

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
06/28/11	FHLB	0.500	12/28/12	07/28/11	\$ 4,000,000	100.000	\$ 4,000,000	99.989	\$ 3,999,560	516	0.500
06/13/11	FHLMC	0.500	06/13/13	09/13/11	3,000,000	100.000	3,000,000	99.999	2,999,970	683	0.874
06/27/11	FHLB	0.875	06/27/13	09/27/11	2,000,000	100.000	2,000,000	100.051	2,001,020	697	0.875
08/26/10	FNMA	0.550	08/26/13	08/26/11	3,000,000	100.000	3,000,000	100.000	3,000,000	757	1.509
06/23/11	FHLMC	0.750	09/23/13	12/23/11	3,000,000	99.975	2,998,500	100.115	3,003,450	785	0.773
01/27/11	FNMA	0.750	01/27/14	01/27/12	5,000,000	99.950	4,997,500	100.026	5,001,300	911	1.597
03/07/11	FNMA	2.500	03/07/14	09/07/11	3,000,000	100.950	3,028,500	100.170	3,005,100	950	2.171
07/21/11	FNMA	1.110	04/29/14		3,000,000	100.000	3,000,000	100.167	3,005,010	1003	1.110
06/23/11	FNMA	0.750	06/23/14	12/23/11	3,000,000	100.000	3,000,000	99.933	2,997,990	1058	1.348
06/23/11	FHLMC	0.758	06/23/14	12/23/11	3,000,000	99.975	2,999,250	99.918	2,997,540	1058	1.458
06/30/11	FHLB	0.500	06/30/14	12/30/11	3,000,000	99.975	2,999,250	99.911	2,997,330	1065	1.294
06/30/11	FHLB	0.750	06/30/14	03/30/12	4,435,000	99.950	4,432,783	99.992	4,434,645	1065	1.469
07/11/11	FNMA	1.200	07/11/14	01/11/12	3,000,000	100.000	3,000,000	99.859	2,995,770	1076	1.200
04/27/11	FNMA	1.000	04/27/15	10/27/11	3,000,000	100.000	3,000,000	100.147	3,004,410	1366	2.469
05/26/11	FHLB	1.250	05/26/16	08/26/11	1,500,000	99.825	1,497,375	100.057	1,500,855	1761	2.458
06/30/11	FNMA	1.200	06/30/16	12/30/11	5,000,000	100.000	5,000,000	100.257	5,012,850	1796	2.545
07/19/11	FNMA	1.250	07/19/16	07/19/12	2,000,000	99.800	1,996,000	100.367	2,007,340	1815	2.360
07/27/11	FHLMC	1.050	07/27/16	10/27/11	3,000,000	100.000	3,000,000	100.057	3,001,710	1823	2.991
Agency Total					56,935,000		56,949,158		56,965,850	1104	1.598
02/10/11	Neighborhood Nat'l Bk CD	1.150	02/09/12		4,892,728	100.000	4,892,728	100.000	4,892,728	193	1.138
06/21/11	Union Bank CD	0.200	09/19/11		4,000,000	100.000	4,000,000	100.000	4,000,000	50	0.200
06/28/11	East West Bk CD	0.850	06/28/12		7,000,000	100.000	7,000,489	100.007	7,000,489	333	0.850
CD's Total					15,892,728		15,893,217		15,893,217	219	0.775



**San Diego County Regional Airport Authority**  
**DETAIL OF SECURITY HOLDINGS**  
*As of July 31, 2011*

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
04/27/11	FCAR Owner Trust CP	0.530	01/20/12		3,500,000	99.605	3,486,191	99.785	3,492,475	173	0.532
Commercial Paper Total					3,500,000		3,486,191		3,492,475	173	0.532
09/27/10	U.S. Treasury	1.000	12/31/11		4,033,594	100.840	4,033,594	99.496	4,013,280	153	0.330
09/30/10	U.S. Treasury	0.875	12/31/11		4,028,906	100.723	4,028,906	99.608	4,013,120	153	0.332
03/29/11	U.S. Treasury	0.375	10/31/12		3,000,000	99.740	2,992,148	100.113	3,003,390	458	0.541
Government Total					11,062,500		11,054,648		11,029,790	236	0.388
US Bank General Acct					10,697,770	100.000	10,697,770	100.000	10,697,770	1	0.350
US Bank Accounts Total					10,697,770		10,697,770		10,697,770	1	0.350
Highmark US Govt MMF					83,043	100.000	83,043	100.000	83,043	1	0.000
Highmark US Govt MMF					0	100.000	0	100.000	0	1	0.000
Highmark US Govt MMF					0	100.000	0	100.000	0	1	0.000
Highmark US Govt MMF					0	100.000	0	100.000	0	1	0.000
Highmark Money Market Total					83,043		83,043		83,043	1	0.000
Local Agency Invstmnt Fd					47,113,197	100.000	47,113,197	100.157	47,187,382	1	0.381
San Diego County Inv Pool					49,117,501	100.000	49,117,501	99.879	49,057,838	1	0.671
Bank of the West					3,216,153	100.000	3,216,153	100.000	3,216,153	1	0.450
East West Bank					10,903,287	100.000	10,903,287	100.000	10,903,287	1	0.600
East West Bank					20,261,040	100.000	20,261,040	100.000	20,261,040	1	0.600
East West Bank Total					31,164,327		31,164,327	100.000	31,164,327	1	0.600
Union Bk Cash					7,096.75	100.000	7,096.75	100.000	7,096.75	1	0.000
<b>Grand Total</b>					<b>\$ 228,789,316</b>	<b>100.02</b>	<b>\$ 228,782,301</b>	<b>100.00</b>	<b>\$ 228,794,942</b>	<b>305</b>	<b>0.805</b>

**San Diego County Regional Airport Authority**  
**Consolidated Investments**  
**INVESTMENT TRANSACTIONS**  
*From 07-01-11 To 07-31-11*

Settle Date	Security Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
<b>PURCHASES</b>								
07/27/11	FHLMC	AGCY STEP	3134G2RH7	1.050	07/27/16	10/27/11	100.000	3,000,000
07/21/11	FNMA	AGCY STEP	31398A5G3	1.110	04/29/14		100.000	3,000,000
07/11/11	FNMA	AGCY CALL	3136FRVL4	1.200	07/11/14	01/11/12	100.000	3,000,000
07/19/11	FNMA	AGCY STEP	3136FRYJ6	1.250	07/19/16	07/19/12	99.800	2,000,000
								<b>\$ 11,000,000</b>
<b>CALLS</b>								
01/07/11	FNMA	AGCY CALL	31398A7H9	1.000	01/07/13	07/07/11	99.970	3,000,000
07/08/10	FHLMC	AGCY STEP	3134G1JG0	1.000	07/08/13	07/08/11	100.199	4,000,000
07/28/10	FNMA	AGCY STEP	3136FM3T9	1.550	07/28/15	07/28/11	99.880	2,500,000
01/28/11	FNMA	AGCY STEP	3136FP2Y2	1.250	01/28/16	07/28/11	100.000	3,500,000
								<b>\$ 13,000,000</b>
<b>MATURITIES</b>								
								<b>\$ -</b>
<b>Deposits</b>								
								<b>\$ -</b>
<b>Withdrawals</b>								
								<b>\$ -</b>

# Bond Proceeds Summary

As of: July 31, 2011  
(in thousands)

Fund	Series A	Series B	Series C	Total	Yield	Rating
<b><u>Project Fund</u></b>						
LAIF*	\$ 46,454	\$ -	\$ 45,447	\$ 91,901	0.38%	N/R
SDCIP*	114,732	-	84,237	198,969	0.67%	AAAf
	161,186	-	129,684	290,870		
<b><u>Capitalized Interest</u></b>						
CAMP	6	-	4	10	0.12%	AAAm
SDCIP*	12,155	-	8,783	20,938	0.67%	AAAf
JP Morgan Federal MM Reserve	-	-	-	-	0.00%	AAAm
	12,161	-	8,787	20,948		
<b><u>Debt Service Reserve Fund</u></b>						
CAMP	9	-	5	14	0.12%	AAAm
FNMA Global Notes	10,054	-	5,027	15,081	0.66%	AAA
East West Bank CD	13,079	-	7,040	20,119	1.14%	
Bank of the West DDA	9,644	-	6,333	15,977	0.45%	
JP Morgan Federal MM Reserve	65	-	31	97	0.00%	AAAm
	32,851	-	18,436	51,288		
	\$ 206,198	\$ -	\$ 156,907	\$ 363,106	0.61%	

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

\*\*LAIF & SDCIP Market Value & Interest Earned is one month in arrears.

CAMP Yield as of 7/31/2011

LAIF Yield as of 7/31/2011

SDCIP Yield as of 6/30/2011

# San Diego County Regional Airport Authority

## Bond Proceeds Investments

### INVESTMENT TRANSACTIONS

From 07-01-11 To 07-31-11

Settle Date	Security Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
<b>PURCHASES</b>								
							\$	-
<b>CALLS</b>								
							\$	-
<b>MATURITIES</b>								
							\$	-
<b>Deposits</b>								
							\$	-
<b>Withdrawals</b>								
7/1/2011	Transfer to Debt Service P&I Funds	SDCIP		0.67			100.000	4,339,978
7/13/2011	Local Agency Investment Fund	LAIF		0.38			100.000	8,020,000
7/13/2011	JP Morgan Federal Money Market Fund	JPMM		0.00			100.000	30
							\$	12,360,008

# Questions

