



Item 3

# San Diego County Regional Airport Authority

## Investment Report As of October 31, 2010

Presented by:

Vernon D. Evans, CPA

Vice-President-Finance/Treasurer and CFO

November 22, 2010



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.

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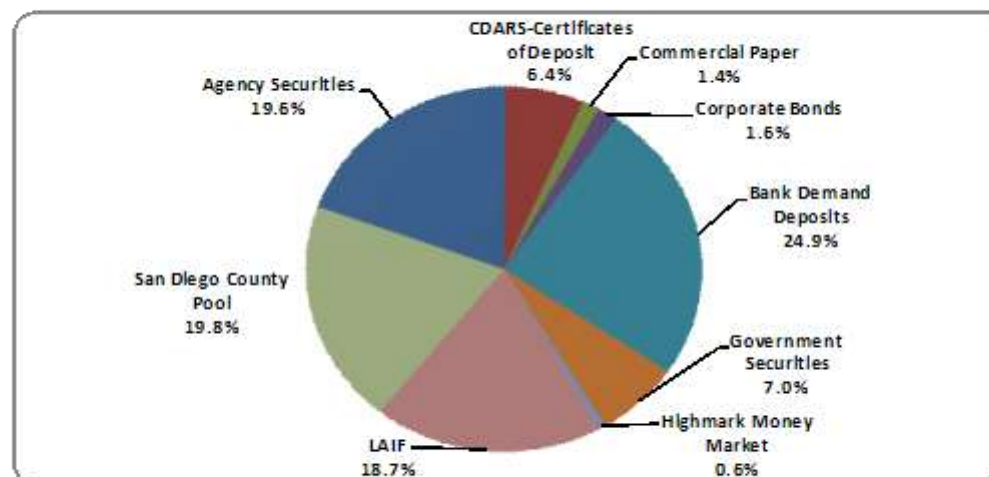
Vernon D. Evans  
Chief Financial Officer/Treasurer  
San Diego County Regional Airport Authority

# *Total Portfolio Summary*

	Current Period October 31, 2010	Prior Period September 30, 2010	Change From Prior
Book Value	\$251,814,000	\$230,645,000	\$21,169,000
Market Value	\$251,732,000	\$230,579,000	\$21,153,000
Market Value%	100.10%	100.10%	0.00%
Unrealized Gain / (Loss)	(\$82,000)	(\$66,000)	(\$16,000)
Weighted Average Maturity (Days)	233 days	288 days	(55)
Weighted Average Yield as of Period End	0.96%	1.03%	(0.07%)
Cash Interest Received- Current Month	\$208,000	\$188,000	\$20,000
Cash Interest Received-Year-to-Date	\$887,000	\$678,000	\$209,000
Accrued Interest	\$403,000	\$412,000	(\$9,000)

# Portfolio Composition by Security Type

	October 31, 2010		September 30, 2010		Permitted by Policy
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio	
Agency Securities	\$ 49,242,000	19.6%	\$ 51,754,000	22.5%	100%
CDARS-Certificates of Deposit	16,058,000	6.4%	16,052,000	7.0%	30%
Commercial Paper	3,491,000	1.4%	-	0.0%	25%
Corporate Bonds	4,010,000	1.6%	4,016,000	1.7%	15%
Bank Demand Deposits	62,915,000	24.9%	41,941,000	18.2%	100%
Government Securities	17,627,000	7.0%	17,636,000	7.6%	100%
Highmark Money Market	1,420,000	0.6%	2,386,000	1.0%	20%
LAIF	47,035,000	18.7%	47,011,000	20.4%	\$50 million <sup>(1)</sup>
San Diego County Pool	49,934,000	19.8%	49,783,000	21.6%	\$50 million <sup>(2)</sup>
<b>Total:</b>	<b>\$ 251,732,000</b>	<b>100.0%</b>	<b>\$ 238,573,000</b>	<b>100.0%</b>	

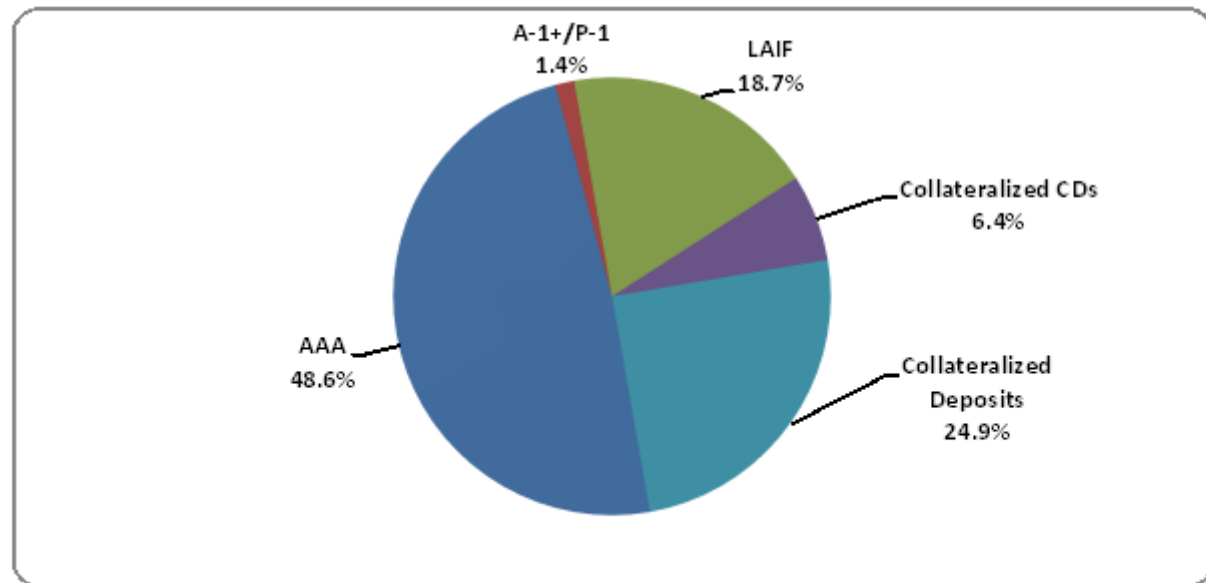


## Notes:

- 1.) The \$50 million limit on LAIF is a non-stubatory 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 Rating

	October 31, 2010		September 30, 2010	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
AAA	\$ 122,232,000	48.6%	\$ 125,575,000	54.4%
A-1+/P-1	3,491,000	1.4%	-	0.0%
LAIF	47,035,000	18.7%	47,011,000	20.4%
Collateralized CDs	16,058,000	6.4%	16,052,000	7.0%
Collateralized Deposits	62,916,000	24.9%	41,941,000	18.2%
<b>Total:</b>	<b>\$ 251,732,000</b>	<b>100.0%</b>	<b>\$ 230,579,000</b>	<b>100.0%</b>

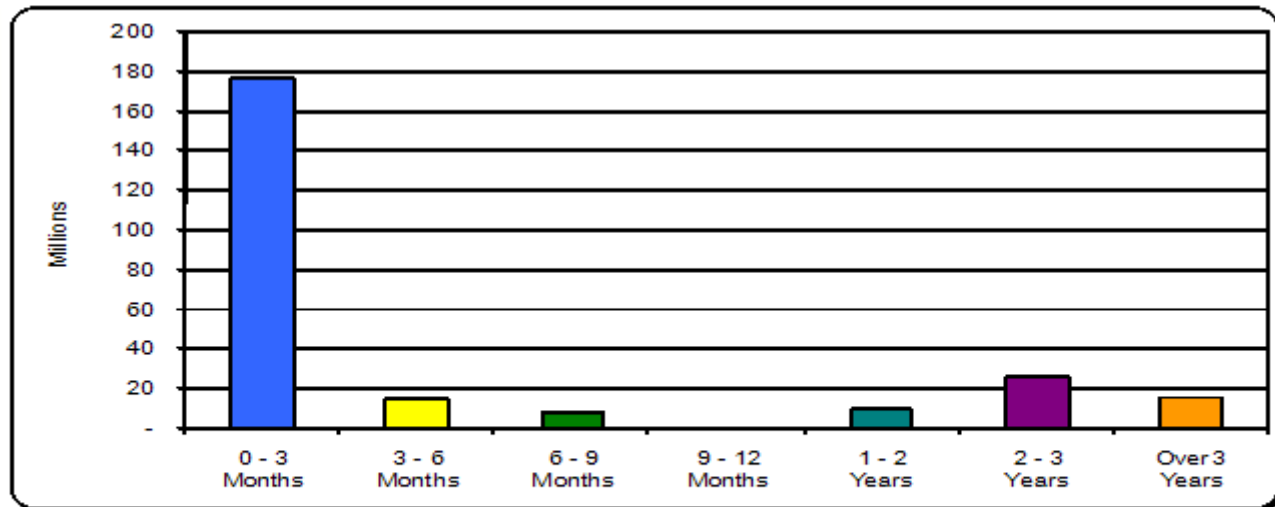


## Notes



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

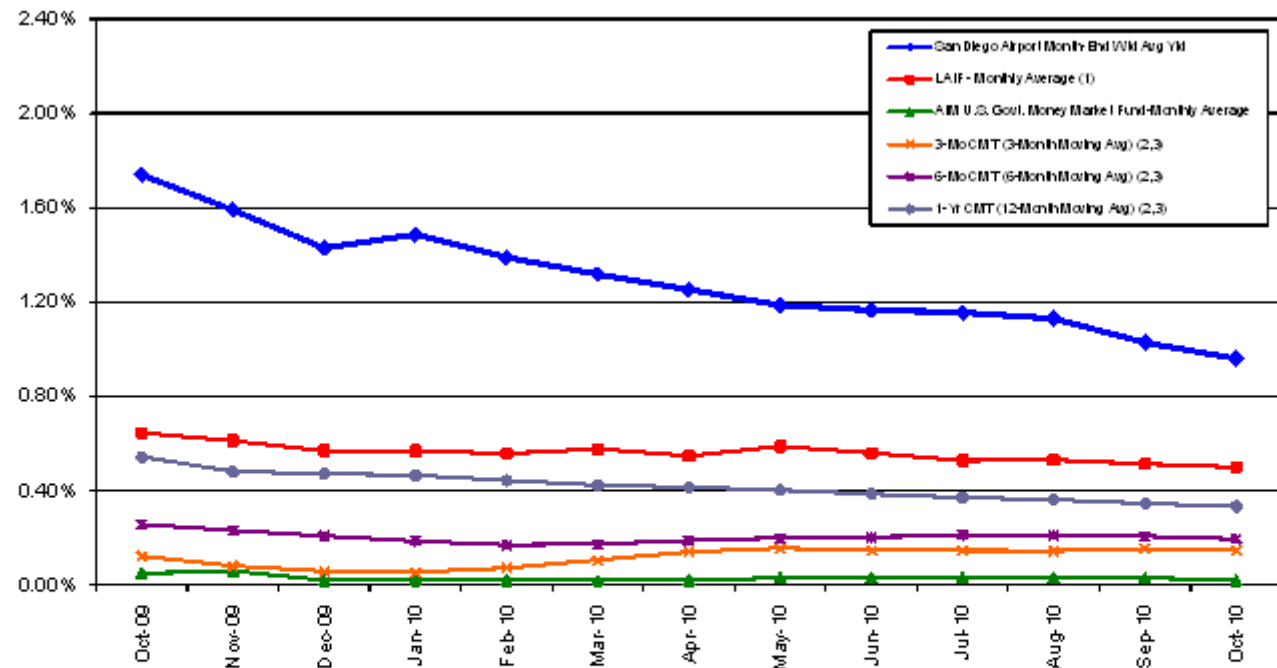
	October 31, 2010		September 30, 2010	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
<b>0 - 3 Months</b>	<b>\$ 176,898,000</b>	<b>70.3%</b>	<b>\$ 145,126,000</b>	<b>63.0%</b>
<b>3 - 6 Month</b>	<b>14,555,000</b>	<b>5.8%</b>	<b>16,667,000</b>	<b>7.2%</b>
<b>6 - 9 Months</b>	<b>8,681,000</b>	<b>3.4%</b>	<b>7,693,000</b>	<b>3.3%</b>
<b>9 - 12 Months</b>	<b>-</b>	<b>0.0%</b>	<b>7,001,000</b>	<b>3.0%</b>
<b>1 - 2 Years</b>	<b>10,065,000</b>	<b>4.0%</b>	<b>10,064,000</b>	<b>4.4%</b>
<b>2 - 3 Years</b>	<b>26,404,000</b>	<b>10.5%</b>	<b>19,043,000</b>	<b>8.3%</b>
<b>Over 3 Years</b>	<b>15,129,000</b>	<b>6.0%</b>	<b>24,985,000</b>	<b>10.8%</b>
<b>Total:</b>	<b>\$ 251,732,000</b>	<b>100.0%</b>	<b>\$ 230,579,000</b>	<b>100.0%</b>



## Notes:

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

# Benchmark Comparison <sup>(1)</sup>



## 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.

**San Diego County Regional Airport Authority**  
**DETAIL OF SECURITY HOLDINGS**  
*As of October 31, 2010*

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
04/16/09	FHLMC	1.550	12/15/10		\$ 2,000,000	100.592	\$ 2,011,830	100.172	\$ 2,003,440	45	1.190
04/20/09	TVA	5.625	01/18/11		2,000,000.00	107.498	2,149,960.00	101.133	2,022,660.00	79	1.264
06/01/07	FNMA	6.000	05/15/11		1,630,000.00	103.106	1,680,619.65	103.094	1,680,432.20	196	5.122
07/06/10	FHLMC	0.750	07/06/12	01/06/11	2,000,000.00	100.000	2,000,000.00	100.077	2,001,540.00	614	1.309
06/28/10	FHLMC	1.250	12/28/12	12/28/10	2,000,000.00	100.000	2,000,000.00	100.114	2,002,280.00	789	1.250
06/28/10	FHLB	0.750	12/28/12	03/28/11	2,000,000.00	100.000	2,000,000.00	100.156	2,003,120.00	789	1.343
08/11/10	FNMA	2.050	04/26/13	04/26/11	2,000,000.00	101.116	2,022,314.00	100.688	2,013,760.00	908	1.627
06/28/10	FNMA	2.000	06/24/13	06/24/11	2,000,000.00	100.980	2,019,600.00	100.813	2,016,260.00	967	1.662
07/08/10	FHLMC	1.000	07/08/13	07/08/11	4,000,000.00	100.199	4,007,960.00	100.210	4,008,400.00	981	1.758
07/26/10	FHLMC	1.000	07/26/13	01/26/11	4,000,000.00	100.000	4,000,000.00	100.063	4,002,520.00	999	1.657
08/26/10	FNMA	0.550	08/26/13	08/26/11	3,000,000.00	100.000	3,000,000.00	99.969	2,999,070.00	1030	1.509
09/17/10	FHLMC	0.500	09/17/13		3,000,000.00	99.950	2,998,500.00	99.939	2,998,170.00	1052	1.405
09/23/10	FHLMC	1.125	09/23/13	03/23/11	4,350,000.00	99.990	4,349,565.00	100.251	4,360,918.50	1058	1.128
07/28/10	FNMA	1.000	01/28/14	01/28/11	4,000,000.00	100.000	4,000,000.00	100.094	4,003,760.00	1185	1.981
05/26/10	FNMA	2.250	05/26/15	11/26/10	1,600,000.00	100.000	1,600,000.00	100.125	1,602,000.00	1668	3.396
06/10/10	FNMA	1.500	06/10/15	12/10/10	3,000,000.00	100.000	3,000,000.00	100.094	3,002,820.00	1683	3.432
06/29/10	FNMA	1.000	06/29/15	12/29/10	4,000,000.00	100.000	4,000,000.00	100.063	4,002,520.00	1702	3.496
07/28/10	FNMA	1.550	07/28/15	07/28/11	2,500,000.00	99.880	2,497,000.00	100.719	2,517,975.00	1731	2.280
Agency Total					49,080,000.00		49,337,348.65		49,241,645.70	1036	2.003
02/04/10	Neighborhood Nat'l Bk CD	1.550	02/03/11		5,057,657.59	100.000	5,057,657.59	100.000	5,057,657.59	95	1.549
03/22/10	Union Bank CD	0.500	03/22/11		4,000,000.00	100.000	4,000,000.00	100.000	4,000,000.00	142	0.500
06/16/10	East West Bk CDARS	1.090	06/16/11		250,800.10	100.000	250,800.10	100.000	250,800.10	228	1.055
06/17/10	East West Bk CDARS	1.100	06/16/11		6,750,000.00	100.000	6,750,000.00	100.000	6,750,000.00	228	1.103
CD's Total					16,058,457.69		16,058,457.69		16,058,457.69	165	1.092



**San Diego County Regional Airport Authority**  
**DETAIL OF SECURITY HOLDINGS**  
*As of October 31, 2010*

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
12/11/08	JPM Chase TLGP (FDIC)	2.625	12/01/10		2,000,000.00	100.366	2,007,320.00	100.205	2,004,100.00	31	2.434
04/28/09	GE Capital TLGP (FDIC)	1.625	01/07/11		2,000,000.00	100.645	2,012,890.60	100.282	2,005,640.00	68	1.238
<b>Corporate Bonds Total</b>					<b>4,000,000.00</b>		<b>4,020,210.60</b>		<b>4,009,740.00</b>	<b>50</b>	<b>1.835</b>
10/29/10	FCAR Owner Trust CP		04/27/11		3,500,000.00	99.775	3,492,125.00	99.753	3,491,215.00	178	0.451
<b>Commercial Paper Total</b>					<b>3,500,000.00</b>		<b>3,492,125.00</b>		<b>3,491,215.00</b>	<b>178</b>	<b>0.451</b>
09/15/09	U.S. Treasury	1.500	10/31/2010*		2,000,000.00	101.168	2,022,773.43	100.000	2,000,000.00	0	0.458
10/13/09	U.S. Treasury	1.500	10/31/2010*		2,000,000.00	101.168	2,022,773.43	100.000	2,000,000.00	0	0.439
09/15/09	U.S. Treasury	1.250	11/30/10		2,000,000.00	100.922	2,018,437.50	100.082	2,001,640.00	30	0.483
09/27/10	U.S. Treasury	1.000	12/31/11		4,033,593.75	100.840	4,033,593.72	100.000	4,033,600.00	426	0.330
01/11/08	U.S. Treasury	4.250	01/15/11		1,543,000.00	104.406	1,610,988.44	100.832	1,555,837.76	76	2.716
09/15/09	U.S. Treasury	0.875	03/31/11		2,000,000.00	100.313	2,006,250.00	100.285	2,005,700.00	151	0.671
09/30/10	U.S. Treasury	0.875	12/31/11		4,028,906.25	100.723	4,028,906.24	100.023	4,029,840.00	426	0.332
<b>Government Total</b>					<b>17,605,500.00</b>		<b>17,743,722.76</b>		<b>17,626,617.76</b>	<b>221</b>	<b>0.630</b>
	US Bank CFC Acct				0.31	100.000	0.31	100.000	0.31	1	0.350
	US Bank General Acct				21,384,241.17	100.000	21,384,241.17	100.000	21,384,241.17	1	0.350
<b>US Bank Accounts Total</b>					<b>21,384,241.48</b>		<b>21,384,241.48</b>		<b>21,384,241.48</b>	<b>1</b>	<b>0.350</b>
	Highmark US Govt MMF				511,283.73	100.000	511,283.73	100.000	511,283.73	1	0.050
	Highmark US Govt MMF				966.63	100.000	966.63	100.000	966.63	1	0.050
	Highmark US Govt MMF				508,931.45	100.000	508,931.45	100.000	508,931.45	1	0.050
	Highmark US Govt MMF				398,567.78	100.000	398,567.78	100.000	398,567.78	1	0.050
<b>Highmark Money Market Total</b>					<b>1,419,749.59</b>		<b>1,419,749.59</b>		<b>1,419,749.59</b>	<b>1</b>	<b>0.050</b>
<b>Local Agency Invstmnt Fd</b>					<b>47,034,833.40</b>	<b>100.000</b>	<b>46,944,940.86</b>	<b>100.000</b>	<b>47,034,833.40</b>	<b>1</b>	<b>0.531</b>
<b>San Diego County Inv Pool</b>					<b>49,882,280.04</b>	<b>100.000</b>	<b>49,882,280.04</b>	<b>100.104</b>	<b>49,934,000.00</b>	<b>1</b>	<b>1.004</b>
<b>Bank of the West</b>					<b>12,000,037.32</b>	<b>100.000</b>	<b>12,000,037.32</b>	<b>100.000</b>	<b>12,000,037.32</b>	<b>1</b>	<b>0.400</b>
	East West Bank				15,760,851.45	100.000	15,760,851.45	100.000	15,760,851.45	1	0.600
	East West Bank				13,758,859.41	100.000	13,758,859.41	100.000	13,758,859.41	1	0.600
<b>East West Bank Total</b>					<b>29,519,710.86</b>		<b>29,519,710.86</b>	<b>100.000</b>	<b>29,519,710.86</b>	<b>1</b>	<b>0.600</b>
<b>Union Bk Cash</b>					<b>11,595.93</b>	<b>100.000</b>	<b>11,595.93</b>	<b>100.000</b>	<b>11,595.93</b>	<b>1</b>	<b>0.000</b>
<b>Grand Total</b>					<b>\$ 251,496,406</b>	<b>100.19</b>	<b>\$ 251,814,421</b>	<b>100.10</b>	<b>\$ 251,731,845</b>	<b>233</b>	<b>0.959</b>

\*Security settled on Sunday, 10/31/2010, and was not reflected as sold in our portfolio until 11/1/2010.

**San Diego County Regional Airport Authority**  
**Consolidated Investments**  
**INVESTMENT TRANSACTIONS**  
*From 10-01-10 To 10-31-10*

Settle Date	Security Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
<b>PURCHASES</b>								
10/29/2010	FCAR Owner Trust CP	CP - DISC	3024A1RT2	0.451	4/27/2011		99.775	\$ 3,492,125
								<b>\$ 3,492,125</b>
<b>CALLS</b>								
7/29/2010	FHLB	AGCY STEP	313370CB2	0.750	1/29/2014	10/29/2010	100.000	\$ 2,504,688
								<b>\$ 2,504,688</b>
<b>MATURITIES</b>								
9/15/2009	U.S. Treasury	TREAS NOTE	912828JP6	1.500	10/31/2010		100.000	\$ 4,000,000
								<b>\$ 4,000,000</b>
<b>Deposits</b>								
								<b>-</b>
<b>Withdrawals</b>								
								<b>-</b>

# Bond Proceeds Summary

As of: October 31, 2010

Fund	Series A	Series B	Series C	Total	Yield	Rating
<b><u>Project Fund</u></b>						
CAMP	7,857,402	-	10,053,570	17,910,972	0.20%	AAAm
LAIF*	69,305,000	-	59,925,000	129,230,000	0.48%	N/R
SDCIP*	114,356,687	-	83,961,794	198,318,481	1.06%	AAAf
Deutsche Bank / JP Morgan Federal MM Reserve (VFVXX)	254	-	137	390	0.02%	AAAm
	191,519,343	-	153,940,501	345,459,843		
<b><u>Capitalized Interest</u></b>						
CAMP	21,157,322	-	14,142,674	35,299,996	0.20%	AAAm
Deutsche Bank / JP Morgan Federal MM Reserve (VFVXX)	1,237,450	-	1,136,789	2,374,239	0.02%	AAAm
	22,394,772	-	15,279,463	37,674,236		
<b><u>Debt Service Reserve Fund</u></b>						
CAMP	28,636,176	3,976,732	18,320,973	50,933,881	0.20%	AAAm
Deutsche Bank / JP Morgan Federal MM Reserve (VFVXX)	322	-	181	502	0.02%	AAAm
	28,636,498	3,976,732	18,321,153	50,934,384		
<b><u>Cost of Issuance</u></b>						
Deutsche Bank / JP Morgan Federal MM Reserve (VFVXX)	163,771	23,190	104,971	291,933	0.02%	AAAm
	242,714,384	3,999,923	187,646,089	434,360,395	0.67%	

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

# San Diego County Regional Airport Authority

## Bond Proceeds Investments

### INVESTMENT TRANSACTIONS

From 10-01-10 To 10-31-10

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>								
10/5/2010	San Diego County Investment Pool	SDCIP		1.04			100.000	198,318,481.00
10/5/2010	California Asset Management Program	CAMP		0.20			100.000	49,238,972.00
10/8/2010	California Asset Management Program	CAMP		0.20			100.000	5,939,533.00
10/8/2010	JP Morgan Federal Money Market Fund	JPMM		0.02			100.000	114,999,376.59
10/12/2010	Local Agency Investment Fund	LAIF		0.49			100.000	129,230,000.00
10/14/2010	California Asset Management Program	CAMP		0.20			100.000	88,599,376.59
10/15/2010	JP Morgan Federal Money Market Fund	JPMM		0.02			100.000	778,410.49
10/21/2010	JP Morgan Federal Money Market Fund	JPMM		0.02			100.000	2,665,800.62
								589,769,950.29
<b>Withdrawals</b>								
10/20/2010	California Asset Management Program	CAMP		0.20			100.000	6,895,062.00
10/13/2010	JP Morgan Federal Money Market Fund	JPMM		0.02			100.000	26,400,000.00
10/14/2010	JP Morgan Federal Money Market Fund	JPMM		0.02			100.000	88,599,376.59
10/18/2010	JP Morgan Federal Money Market Fund	JPMM		0.02			100.000	776,929.16
10/20/2010	California Asset Management Program	CAMP		0.20			100.000	2,373,867.62
10/27/2010	California Asset Management Program	CAMP		0.20			100.000	30,378,786.00
								155,424,021.37

# Questions

