

Item B

San Diego County Regional Airport Authority



Review of the Unaudited Financial
Statements for the Six Months
Ended December 31, 2011

Presented by:
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Vice President, Finance / Treasurer & CFO

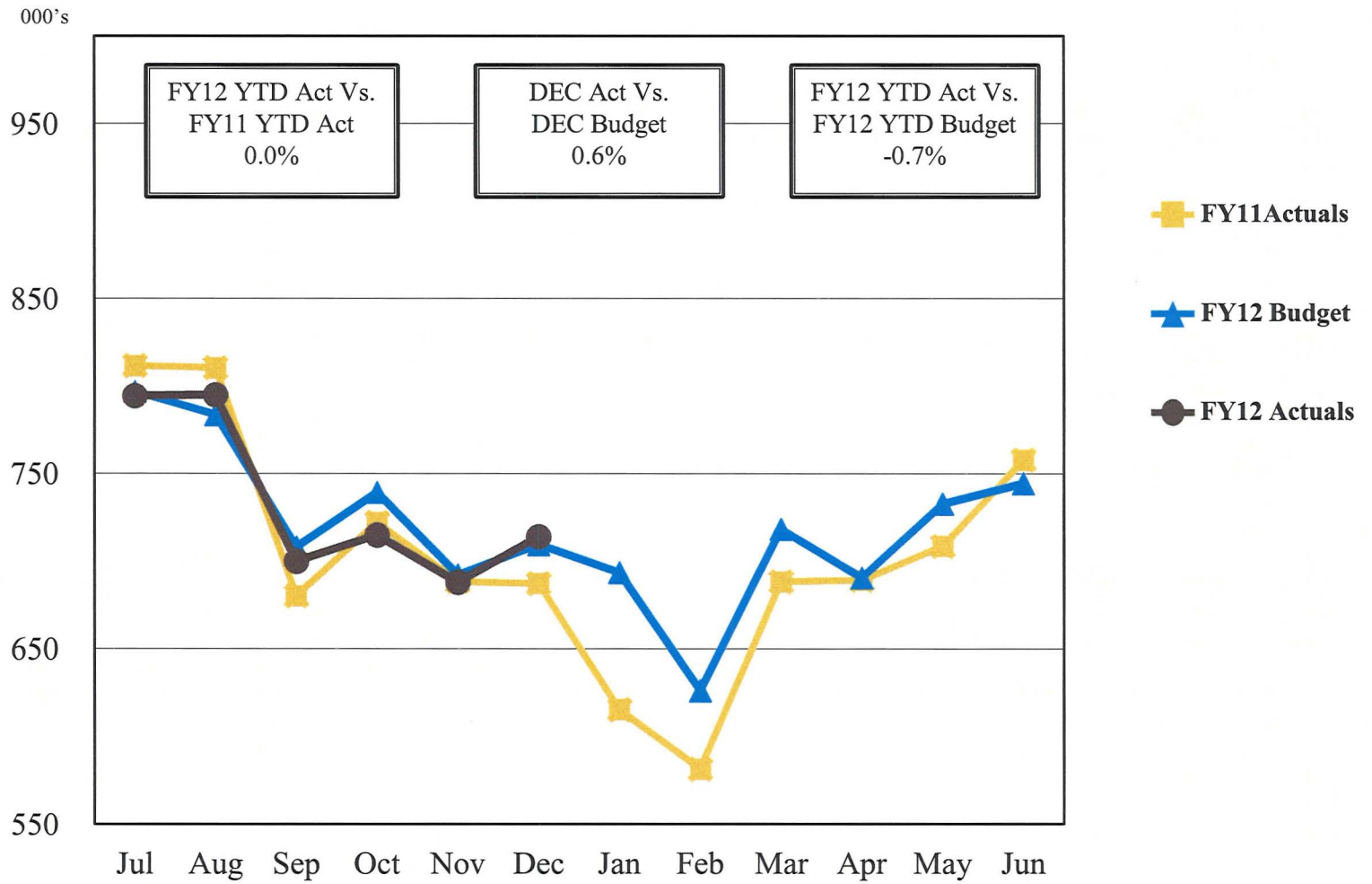
February 9, 2012

Unaudited Financial Statements
For the Six Months Ended
December 31, 2011





Enplanements

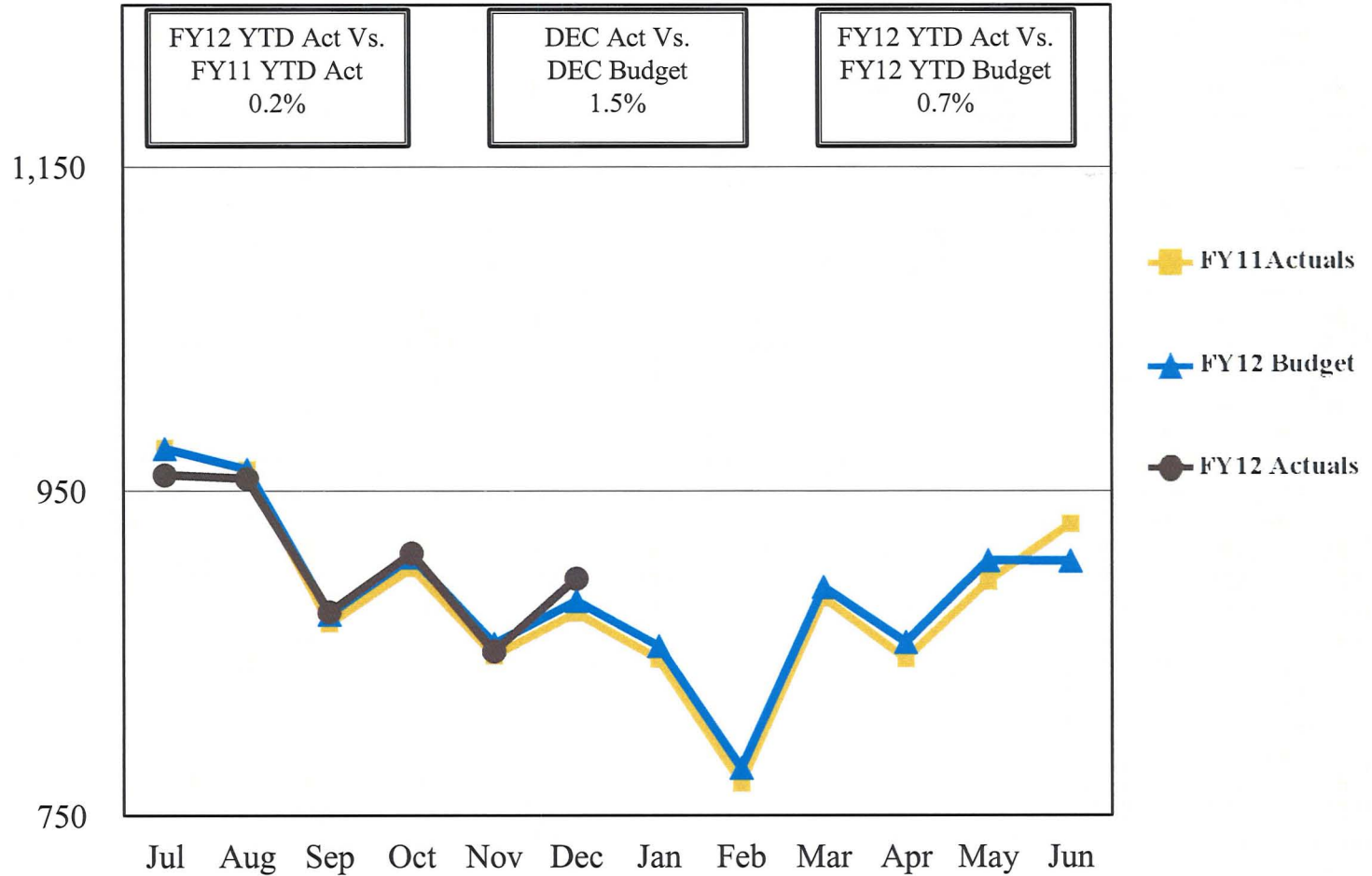




Gross Landing Weight Units (000 lbs)

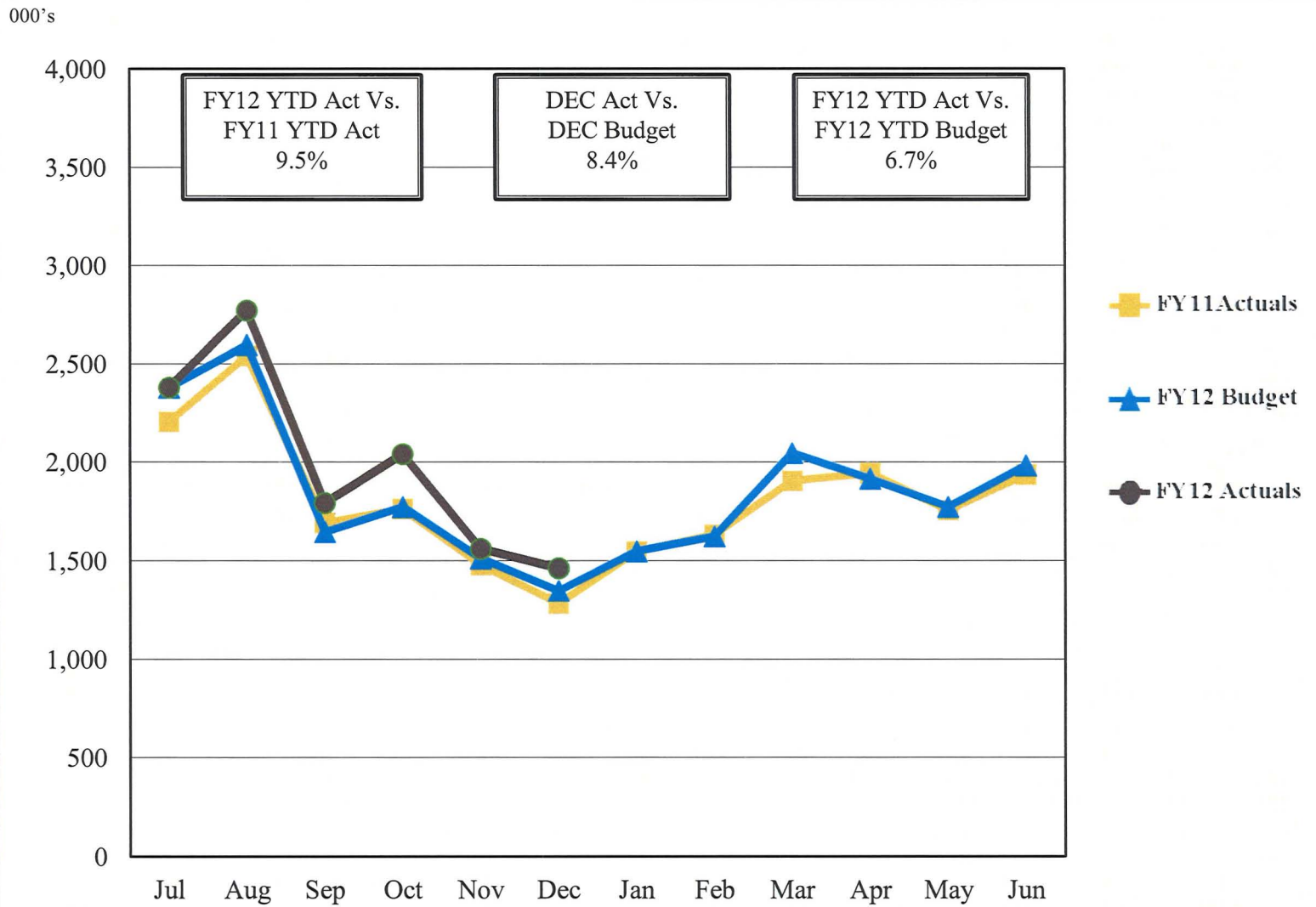


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Car Rental License Fees

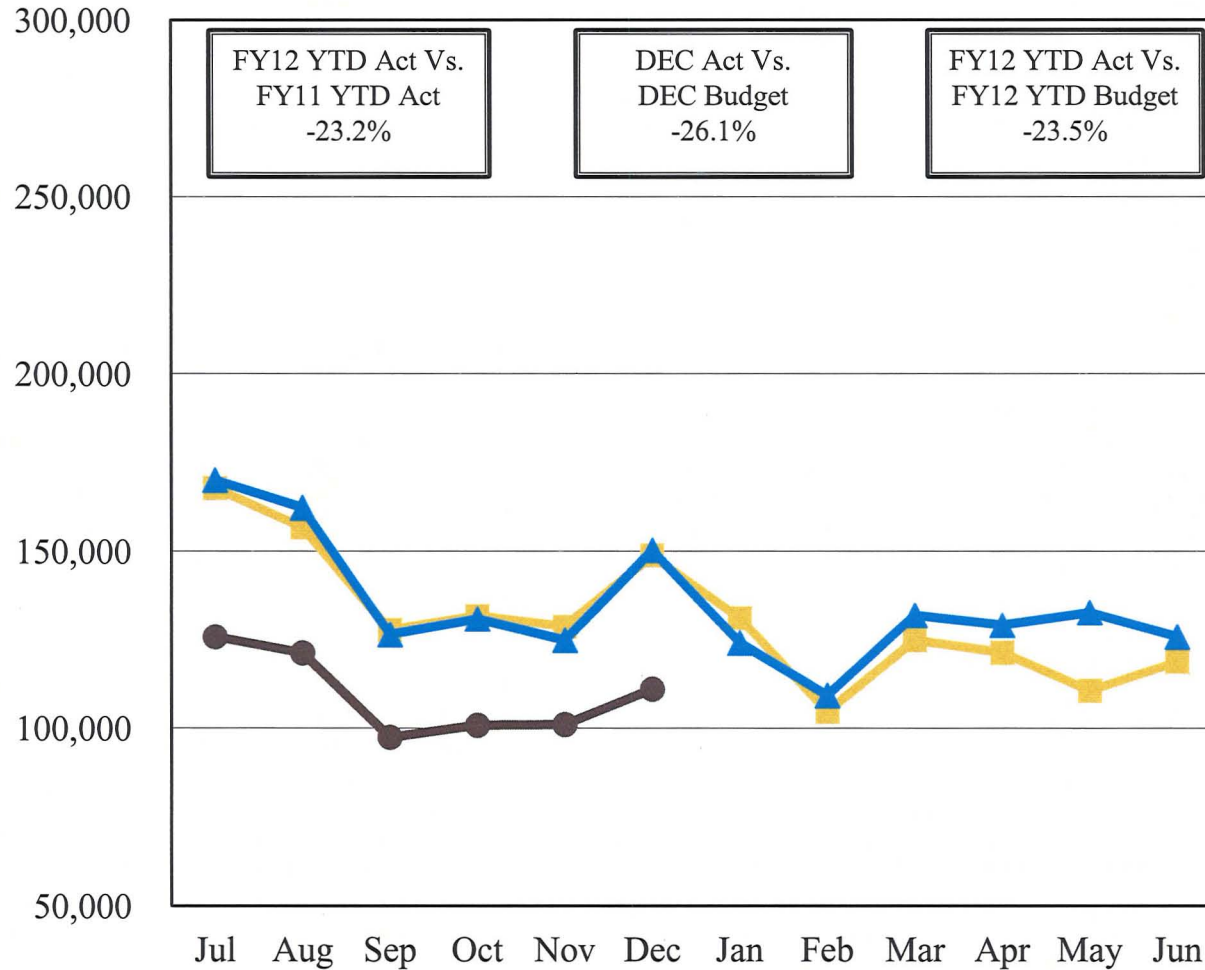




Airport Parking Transactions

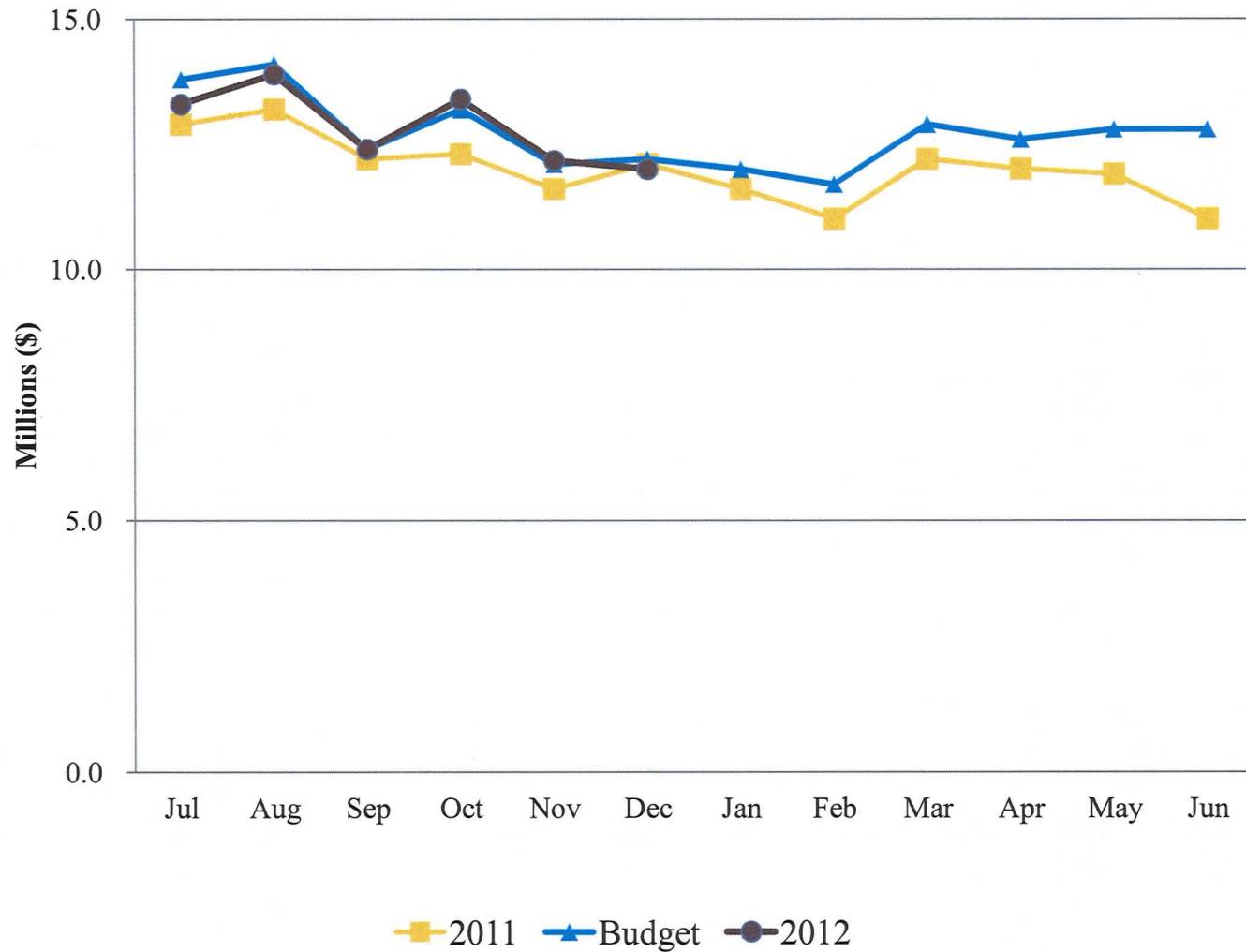


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Monthly Operating Revenue, FY 2012 (Unaudited)





Operating Revenues

for the Six Months Ended December 31, 2011 (Unaudited)



(In thousands)	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>% Change</u>	<u>Prior Year</u>
Aviation revenue:					
Landing fees	\$10,119	\$10,048	\$ (71)	(1)%	\$ 9,544
Aircraft parking fees	1,515	1,603	88	6%	1,494
Building rentals	15,954	16,158	204	1%	14,025
Security surcharge	8,366	8,419	53	1%	7,417
Other aviation revenue	790	798	8	1%	797
Total aviation revenue	\$36,744	\$37,026	\$ 282	1%	\$33,277



Operating Revenues

for the Six Months Ended December 31, 2011 (Unaudited)



(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Terminal rent non-airline	\$ 452	\$ 447	\$ (5)	(1)%	\$ 407
Concession revenue:					
Terminal concession revenue:					
Food and beverage	3,055	3,236	181	6%	3,103
Gifts and news	1,987	2,062	75	4%	1,970
Other	1,456	1,453	(3)	-	1,431
Total terminal concession revenue	6,498	6,751	253	4%	6,504
Car rental and license fee revenue:					
Rental car license fees	11,256	12,008	752	7%	10,962
License fees-other	1,360	1,414	54	4%	1,368
Total rental car and license fees	12,616	13,422	806	6%	12,330
Total concession revenue	\$ 19,114	\$ 20,173	\$ 1,059	6%	\$ 18,834



Operating Revenues

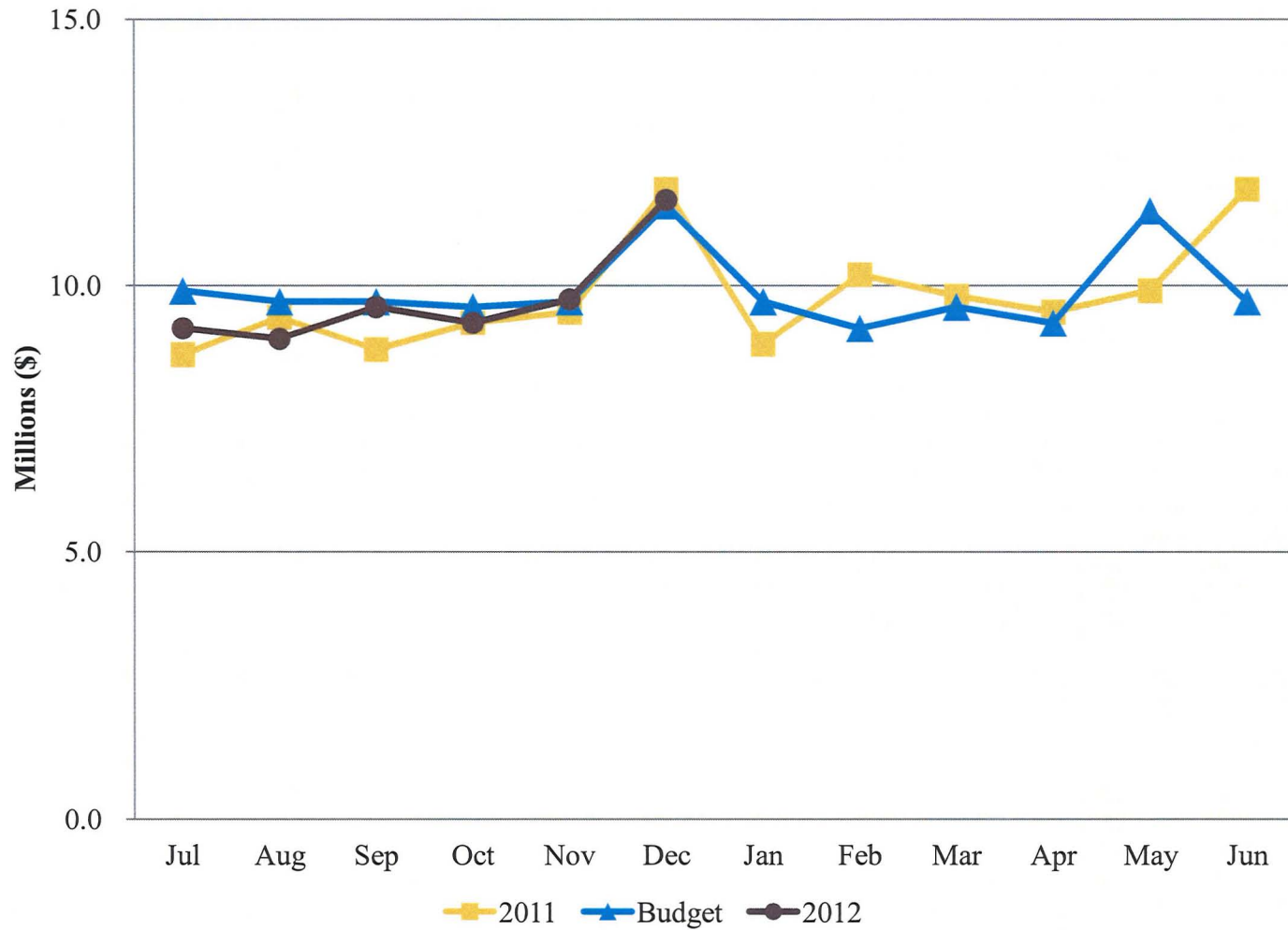
for the Six Months Ended December 31, 2011 (Unaudited)



(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Parking revenue:					
Short-term parking revenue	\$ 4,184	\$ 2,440	\$ (1,744)	(42)%	\$ 3,579
Long-term parking revenue	12,607	12,320	(287)	(2)%	12,578
Total parking revenue	16,791	14,760	(2,031)	(12)%	16,157
Ground transportation permits and citations	833	756	(77)	(9)%	443
Ground rentals	3,336	3,364	28	1%	4,254
Grant reimbursements	108	206	98	91%	408
Other operating revenue	369	447	78	21%	407
Subtotal	<u>21,436</u>	<u>19,533</u>	<u>(1,903)</u>	<u>(9)%</u>	<u>21,668</u>
Total operating revenues	\$77,747	\$77,179	\$ (568)	(1)%	\$74,187



Monthly Operating Expenses, FY 2012 (Unaudited)





Operating Expenses

for the Six Months Ended December 31, 2011 (Unaudited)



(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Operating expenses:					
Salaries and benefits	\$18,955	\$17,956	\$ 999	5%	\$18,800
Contractual services	13,702	13,658	44	0%	13,052
Safety and security	10,413	10,999	(586)	(6)%	10,132
Space rental	5,708	5,708	-	-	5,454
Utilities	3,431	3,615	(184)	(5)%	3,290
Maintenance	4,313	3,889	424	10%	3,847
Equipment and systems	192	70	122	64%	278
Materials and supplies	155	102	53	34%	157
Insurance	510	376	134	26%	541
Employee development and support	517	331	186	36%	486
Business development	1,309	905	404	31%	799
Equipment rental and repairs	920	788	132	14%	653
Total operating expenses	\$60,125	\$58,397	\$ 1,728	3%	\$57,489



Financial Summary

for the Six Months Ended December 31, 2011 (Unaudited)



(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Total operating revenues	\$77,747	\$77,179	\$ (568)	(1)%	\$74,187
Total operating expenses	60,125	58,397	1,728	3%	57,489
Income from operations	17,622	18,782	1,160	7%	16,699
Depreciation	23,498	23,511	(13)	-	24,686
Operating income (loss)	\$ (5,876)	\$ (4,729)	\$ 1,147	20%	\$ (7,988)



Nonoperating Revenues & Expenses for the Six Months Ended December 31, 2011 (Unaudited)



(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Nonoperating revenues (expenses):					
Passenger facility charges	\$ 16,598	\$ 16,765	\$ 167	1%	\$ 16,818
Customer facility charges (ConRAC Facility)	5,200	5,571	371	7%	5,385
Quieter Home Program	(1,506)	(932)	574	38%	(1,705)
Interest income	2,669	3,063	394	15%	2,756
BAB interest rebate	2,498	2,498	-	-	1,193
Interest expense	(6,062)	(2,124)	3,938	65%	(5,132)
Bond amortization	325	514	189	58%	144
Other nonoperating revenue (expenses)	-	652	652	-	655
Nonoperating revenue, net	19,722	26,007	6,285	32%	20,114
Income before grant contributions	13,846	21,278	7,432	54%	12,126
Capital grant contributions	8,227	13,342	5,115	62%	13,530
Net income	\$ 22,073	\$ 34,620	\$ 12,547	57%	\$ 25,656



Balance Sheets (Unaudited)



	(In thousands)	
	December	
	<u>2011</u>	<u>2010</u>
Current assets:		
Cash and investments	\$ 93,843	\$ 110,327
Tenant lease receivable, net of allowance of 2011: \$54,982 and 2010: \$30,980	5,193	5,770
Grants receivable	7,710	4,503
Notes receivable-current portion	1,696	1,613
Prepaid expenses and other current assets	8,733	12,368
Total current assets	117,175	134,581
Cash designated for capital projects and other	\$ 8,278	\$ 5,254



Balance Sheets (Unaudited)



(In thousands)

December

2011

2010

Restricted assets:

Cash and investments:

Bonds reserve	\$ 45,098	\$ 45,708
Passenger facility charges and interest unapplied	59,086	68,738
Customer facility charges and interest applied*	25,597	15,472
Commercial paper reserve	41	168
SBD bond guarantee	4,000	4,000
Bond proceeds held by trustee	305,816	429,441
Commercial paper interest held by trustee	13	140
Passenger facility charges receivable	4,187	3,789
Customer facility charges receivable*	864	935
OCIP insurance reserve	6,239	6,400
Total restricted assets	\$ 450,941	\$ 574,791

*ConRAC Facility



Balance Sheets (Unaudited)



(In thousands)

December

Noncurrent assets:

Capital assets:

	<u>2011</u>	<u>2010</u>
Land and land improvements	\$ 24,489	\$ 23,454
Runways, roads and parking lots	274,536	236,947
Buildings and structures	465,476	463,108
Machinery and equipment	11,179	10,211
Vehicles	5,423	5,469
Office furniture and equipment	30,938	30,099
Works of art	2,476	2,411
Construction-in-progress	455,046	253,592
Total capital assets	1,269,563	1,025,291
Less: accumulated depreciation	(531,439)	(483,826)
Total capital assets, net	\$ 738,124	\$ 541,465



Balance Sheets (Unaudited)



(In thousands)

December

Other assets:

Notes receivable - long-term portion
Investments - long-term portion
Deferred costs - bonds (net)
Net pension asset
Security deposit

Total other assets

Total noncurrent assets

TOTAL ASSETS

	<u>2011</u>	<u>2010</u>
\$ 42,084	\$ 42,084	\$ 43,823
9,045	9,045	8,383
4,809	4,809	5,134
7,483	7,483	8,039
500	500	-
63,921	63,921	65,379
802,045	802,045	606,844
\$ 1,378,439	\$ 1,378,439	\$ 1,321,470



Balance Sheets (Unaudited)



(In thousands)

December

Current liabilities:

Accounts payable and accrued liabilities

\$ 58,745 \$ 59,727

Deposits and other current liabilities

3,636 3,285

Total current liabilities

62,381 63,012

Current liabilities - payable from restricted assets:

Current portion of long-term debt

5,190 4,725

Accrued interest on bonds

and commercial paper

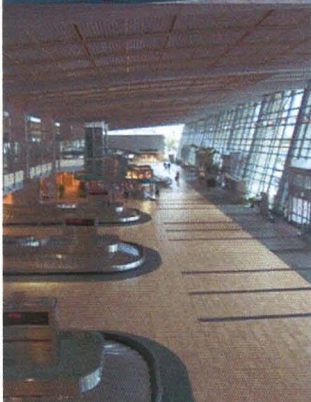
16,906 8,818

Total liabilities payable from restricted assets

\$ 22,096 \$ 13,543



Balance Sheets (Unaudited)



(In thousands)

December

Long-term liabilities - other:

Commercial paper notes payable

Deferred rent liability

Other long-term liabilities

Long-term debt - bonds net of amortized premium

Total long-term liabilities

Total liabilities

	<u>2011</u>	<u>2010</u>
	\$ 20,729	\$ 21,509
	94	406
	1,524	1,188
	629,740	635,702
	<u>652,087</u>	<u>658,805</u>
	\$ 736,564	\$ 735,360



Balance Sheets (Unaudited)



	(In thousands)	
	December	
	<u>2011</u>	<u>2010</u>
Authority net assets:		
Invested in capital assets, net of related debt	\$ 386,730	\$ 307,442
Other restricted	154,914	155,055
Unrestricted:		
Designated	15,761	17,293
Undesignated	84,470	106,320
Total net assets	<u>641,875</u>	<u>586,110</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$1,378,439</u>	 <u>\$1,321,470</u>



Questions

