

SUMMARY OF FINANCIAL PROJECTION SCENARIOS
Fiscal Years Ending June 30

	OPTIMISTIC SCENARIO		POSITIVE TRAFFIC: +1.5%		FLAT TRAFFIC: 0.0%		NEGATIVE TRAFFIC: -1.5%		PESSIMISTIC SCENARIO	
	POSITIVE TRAFFIC: +4.0%		POSITIVE TRAFFIC: +1.5%		FLAT TRAFFIC: 0.0%		NEGATIVE TRAFFIC: -1.5%		NEGATIVE TRAFFIC: -1.5%	
	USE EXCESS SERIES 2007 BOND PROCEEDS									
AIRLINE TRAFFIC	CONTRIBUTION IN FY 2013 ONLY		CONTRIBUTIONS EACH FY						NO CONTRIBUTIONS	
USE OF EXCESS BOND PROCEEDS	USE EXCESS SERIES 2007 BOND PROCEEDS									
AIRPORT CASH CONTRIBUTIONS	CONTRIBUTION IN FY 2013 ONLY		CONTRIBUTIONS EACH FY						NO CONTRIBUTIONS	
ASSUMPTIONS	CONTRIBUTION IN FY 2013 ONLY		CONTRIBUTIONS EACH FY						NO CONTRIBUTIONS	
Airline Traffic	4.0%		1.5%		0.0%		-1.5%		-1.5%	
Assumed enplaned passenger growth FY14-20	2.0%		0.75%		0.00%		-0.75%		-0.75%	
Assumed landed weight growth FY14-20										
Excess Series 2007 Bond Proceeds	Used to pay down Series 2007 requirements (subject to weighted avg. maturity rules)		Used to pay down Series 2007 requirements (subject to weighted avg. maturity rules)		Used to pay down Series 2007 requirements (subject to weighted avg. maturity rules)		Used to pay down Series 2007 requirements (subject to weighted avg. maturity rules)		NO use of excess Series 2007 Bonds	
PFCs Used to Pay Debt Service	Range from \$20 mil to \$29 mil per Fiscal Year		Limited based on traffic: range from \$19 mil to \$29 mil per Fiscal Year		Limited based on flat traffic: range from \$17 mil to \$29 mil per Fiscal Year		Limited based on lower traffic: range from \$15 mil to \$29 mil per Fiscal Year		Limited based on lower traffic: range from \$15 mil to \$29 mil per Fiscal Year	
Airport Cash Contributions to Meet Airport Expense/Debt Service Obligations	FY 2013 only (as budgeted)		With Contributions FY13-20		With Contributions FY13-20		With Contributions FY13-20		NO Contributions FY13-20	
Renewal & Replacement Expenditures	\$6 million per Fiscal Year		\$6 million per Fiscal Year		\$6 million per Fiscal Year		\$6 million R&R thru FY 2017; then eliminated		R&R Expenditures Eliminated	
Extraordinary Coverage Projection Payments by airlines	None required		None required		None required		Payments required FY18-20 (range from \$0.4 to \$4.2 mil per FY)		Payments required each FY (range from \$0.8 to \$7.0 mil per FY)	
RESULTS	CONTRIBUTION IN FY 2013 ONLY		CONTRIBUTIONS EACH FY						NO CONTRIBUTIONS	
Cost Per Enplaned Passenger (CPE)										
	<u>Passenger Airline Payments</u>	<u>CPE</u>	<u>Passenger Airline Payments</u>	<u>CPE</u>	<u>Passenger Airline Payments</u>	<u>CPE</u>	<u>Passenger Airline Payments</u>	<u>CPE</u>	<u>Passenger Airline Payments</u>	<u>CPE</u>
FY 2014	\$51,515,000	\$11.99	\$51,507,000	\$12.29	\$51,503,000	\$12.47	\$51,498,000	\$12.66	\$51,909,000	\$15.22
FY 2015	\$53,495,000	\$11.98	\$51,714,000	\$12.16	\$51,993,000	\$12.59	\$52,270,000	\$13.05	\$60,887,000	\$15.20
FY 2016	\$55,647,000	\$11.98	\$53,497,000	\$12.39	\$54,214,000	\$13.13	\$54,928,000	\$13.92	\$63,973,000	\$16.21
FY 2017	\$57,926,000	\$11.99	\$53,454,000	\$12.20	\$56,592,000	\$13.70	\$60,210,000	\$15.49	\$71,189,000	\$18.31
FY 2018	\$60,265,000	\$11.99	\$63,604,000	\$14.30	\$67,835,000	\$16.43	\$69,881,000	\$18.25	\$77,790,000	\$20.32
FY 2019	\$62,669,000	\$11.99	\$69,035,000	\$15.29	\$73,377,000	\$17.77	\$71,262,000	\$18.89	\$72,594,000	\$19.25
FY 2020	\$65,172,000	\$11.99	\$68,159,000	\$14.87	\$73,074,000	\$17.70	\$73,181,000	\$19.70	\$74,443,000	\$20.04
Net Remaining Revenues (This amount is split 50% to airlines and 50% to City)	<u>Net Remaining Revenues</u>		<u>Net Remaining Revenues</u>		<u>Net Remaining Revenues</u>		<u>Net Remaining Revenues</u>		<u>Net Remaining Revenues</u>	
FY 2014	\$8,999,000		\$12,531,000		\$11,954,000		\$11,379,000		\$0	
FY 2015	\$11,557,000		\$15,809,000		\$14,345,000		\$12,888,000		\$0	
FY 2016	\$12,114,000		\$16,883,000		\$14,335,000		\$11,850,000		\$0	
FY 2017	\$13,871,000		\$18,893,000		\$14,282,000		\$9,574,000		\$0	
FY 2018	\$4,100,000		\$5,151,000		\$103,000		\$0		\$0	
FY 2019	\$15,137,000		\$7,837,000		\$1,582,000		\$0		\$0	
FY 2020	\$13,431,000		\$9,267,000		\$1,531,000		\$0		\$0	
Debt Service Coverage	<u>Senior Bonds</u>	<u>Overall</u>	<u>Senior Bonds</u>	<u>Overall</u>	<u>Senior Bonds</u>	<u>Overall</u>	<u>Senior Bonds</u>	<u>Overall</u>	<u>Senior Bonds</u>	<u>Overall</u>
FY 2014	1.59	1.50	1.66	1.56	1.65	1.55	1.64	1.54	1.31	1.25
FY 2015	1.66	1.55	1.74	1.62	1.72	1.60	1.69	1.57	1.31	1.25
FY 2016	1.64	1.54	1.73	1.61	1.68	1.57	1.64	1.53	1.31	1.25
FY 2017	1.65	1.55	1.75	1.64	1.66	1.56	1.57	1.48	1.31	1.25
FY 2018	1.45	1.38	1.45	1.38	1.38	1.32	1.31	1.25	1.31	1.25
FY 2019	1.64	1.55	1.50	1.42	1.41	1.34	1.31	1.25	1.31	1.25
FY 2020	1.57	1.49	1.51	1.44	1.41	1.34	1.31	1.25	1.31	1.25
Potential Use of Airport Cash Reserve (discretionary amounts not related to required reserves)	<u>Use of Reserve Not Needed</u>		<u>Use of Reserve</u>	<u>Revised CPE</u>	<u>Use of Reserve</u>	<u>Revised CPE</u>	<u>Use of Reserve</u>	<u>Revised CPE</u>	<u>Use of Reserve</u>	<u>Revised CPE</u>
FY 2014			\$1,251,000	\$11.99	\$1,990,000	\$11.99	\$2,728,000	\$11.99	\$13,139,000	\$11.99
FY 2015			\$704,000	\$11.99	\$2,480,000	\$11.99	\$4,231,000	\$11.99	\$12,861,000	\$11.99
FY 2016			\$1,722,000	\$11.99	\$4,701,000	\$11.99	\$7,610,000	\$11.99	\$0	\$16.21
FY 2017			\$903,000	\$11.99	\$7,079,000	\$11.99	\$11,431,000	\$12.55	\$0	\$18.31
FY 2018			\$10,264,000	\$11.99	\$9,750,000	\$14.07	\$0	\$18.25	\$0	\$20.32
FY 2019			\$11,156,000	\$12.82	\$0	\$17.77	\$0	\$18.89	\$0	\$19.25
FY 2020			\$0	\$14.87	\$0	\$17.70	\$0	\$19.70	\$0	\$20.04
			\$26,000,000		\$26,000,000		\$26,000,000		\$26,000,000	

Sources: City of San Jose; Ricondo & Associates, Inc., September 2012.
Prepared by: Ricondo & Associates, Inc., September 2012.