

**MINUTES OF THE BUDGET & FINANCE COMMITTEE MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS**

**October 11, 2022 - 9:00 AM**

**NOTICE REGARDING A RETURN TO IN-PERSON PUBLIC PARTICIPATION AT MONTEREY PENINSULA AIRPORT DISTRICT BOARD MEETINGS**

Due to the expiration of certain directives contained in the Governor’s Declaration of Emergency for the State of California (Executive Order N-29-20), the Board of Directors of the Monterey Peninsula Airport District will return to hold meetings at the Airport Board Room, with in-person attendance.

Due to recent increase in the transmission of the Omicron variant of the Coronavirus, and, as a result of the directives issued by the State of California and the Monterey County Public Health Officer intended to prevent the transmission of the coronavirus, the Airport may utilize the procedures outlined in AB361 to utilize alternative measures related to the conduct of remote meetings and remote comments by members of the public.

Members of the public may participate in the Board meeting via Zoom video conference. To view the Board meeting via Zoom video conference, please visit [www.zoom.us/join](http://www.zoom.us/join) and enter the following Meeting ID: **811 8749 6995**. The password for this meeting is: **20221011**. If you do not have access to the internet, you may also participate telephonically by calling (253) 215-8782 and entering the same Meeting ID and password.

**REMOTE PUBLIC COMMENTS**

To make a public comment, the following options are available:

1. Before the Meeting via Email: Written comments can be emailed to [info@montereyairport.com](mailto:info@montereyairport.com). Include the following subject line: “Public Comment Item # (insert the agenda item number relevant to your comment).” Written comments should be received by 8:00 AM on the day of the meeting. All submitted comments will be provided to the Board for consideration and will be compiled as part of the record.
2. During the Meeting via Oral Comments: When the Chair calls for public comment, attendees can queue to speak with the “Raise Hand” feature. On the Zoom application, click the “Raise Hand” button. On the phone, press \*9. The Secretary to the Board will call speaker names and unmute speaker microphones. You will have up to 3 minutes to provide your oral comments, pursuant to Board policy.

Public comments may also be made in person. Members of the public may attend the Board Meeting in person and request to speak to the Board when the Chair calls for public comment.

**A. CALL TO ORDER**

*The meeting of the Budget & Finance Committee was called to order at 9:00 AM. Director Sabo and Director Leffel, Executive Director La Pier, Deputy Director of Strategy and Development Morello, and Acting Board Secretary Adams were present.*

**B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS**

*None.*

**C. PUBLIC COMMENTS**

*None.*

**D. REGULAR AGENDA – ACTION ITEMS**

Presentation 1. FY 22 Draft Audit Report (LSL)

*Director Sabo asked that we review Item D.3 first, since Director Leffel has a time constraint this morning.*

Review 3. New Position Job Description & Salary Schedule Amendment

*Director Leffel expressed her overall support for this direction. Director Sabo stated he also supported but had some concerns regarding the Job Description.*

*Directors discussed the Staff Report and Job Description for the position of Deputy Director. Director Leffel requested that the Impact on Operating Expense section of the Staff Report be updated to reflect the actual dollar increase of the change being contemplated. Director Sabo suggested there be some clarifying language regarding financial planning and budgeting so that it was plain that it related to grant and CIP projects. He also suggested the Job Description address that this position will assume the role of Acting Executive Director in the temporary absence of the Executive Director. Director Leffel and Executive Director La Pier agreed with those changes.*

Presentation 1. FY 22 Draft Audit Report (LSL)

*Directors were joined by Brandon Young from LSL, the Airport's auditing firm. Mr. Young presented an overview of the audit process that began in May. He referred to the Opinion Letter that states the new Governmental Accounting Standards Board pronouncements that were in effect for 2021 and 2022 and additional pronouncements for 2023, 2024, and 2025, that need to be reviewed for proper implementation by management. Director Sabo asked that, in the interest of time, we dispense with the report and go straight to questions. Director Leffel agreed.*

*Director Leffel asked if the Audit Report referred anywhere to the approximately \$94k that has been paid in a disagreement that is waiting to be settled and that we might get partially refunded. Mr. Young stated it would be recognized as "Recovery" or "Other Income" with a footnote when it comes in. Director Leffel stated her concern is more about it not being referenced now. Mr. Young noted this is below the threshold that would be disclosed by the attorneys, but it could be added as a Note 12. Directors Leffel and Sabo asked that it be added to the final report.*

*Director Leffel asked Mr. Young who should approve the Executive Director's expense reports, now that we don't have a CFO or CPA on staff. Mr. Young stated under those circumstances they recommend that be delegated by the Board to the Chair.*

*There was a discussion about the formal capital assets policy that was discussed with the former Deputy Executive Director of Finance and Administration during the exit notes. Director La Pier stated he would follow up on that item.*

*Director Sabo stated he would recommend approval with the changes noted. Director Leffel agreed.*

Review 2. PR Firm Proposal

*Executive Director La Pier reported there has not been a suitable candidate apply for the open position for Public Relations Specialist. As an alternative plan, he invited Chris Chidlaw, of Chidlaw Marketing, to present a proposal for his firm to take on the role of Public Relations in addition to their retainer for Marketing and Advertising.*

*Mr. Chidlaw reviewed his presentation stating the cost included Buzz PR who is a national firm with a local franchise that would handle press releases and possibly attend some meetings. He reviewed the Game Plan and Roadshow aspect of the plan. Director La Pier noted the "Speakers Bureau" would consist of himself, the Deputy Director of Strategy and Development, Mr. Chidlaw, and possibly the Board of Directors.*

*Directors asked questions about Buzz PR. Mr. Chidlaw stated they have media lists that bring huge value as far as press release circulation goes. He noted he works with them now with other accounts.*

*Director Leffel suggested there be a quarterly report to the board on the public relations plans for the next quarter so that Board members are aware of what message is being promoted to whom. She also suggested a monthly staff report showing where media published our press releases.*

*Director Leffel stated she sees this as a good fit and suggested this item be presented to the Board as an amendment to the Agreement that we already have with Chidlaw Marketing. Director Sabo agreed it would be good to see the combined cost and formally define the scope of work as proposed. Executive Director La Pier agreed with the idea and will have an agreement drawn up for the Board.*

*There were additional suggestions by Director Sabo for Mr. Chidlaw regarding ways to reach out to the community.*

Review            3. New Position Job Description & Salary Schedule Amendment

*This item was discussed prior to Item D.1.*

*Director Leffel excused herself from the meeting at 10:10 AM.*

Review            4. Draft Rental Car Lease

*Director Sabo referred to issues we had quite a few years ago about off airport pick ups of rental cars. Executive Director La Pier stated we make money whenever there is a pickup or drop off. The incidents in question were before his or District Counsel Huber's employ but he will talk to Counsel about tightening up the language to make sure any transaction on this airport is reported and paid. Director Sabo stated he could support that.*

*Mr. Chidlaw was excused from the meeting at 10:12 AM.*

Review            5. FYTD 2023 Statements

Review            6. Variance Analysis - MTD and YTD

Review            7. Accounts Receivable Aged Invoice Report

Review            8. Grant Funds Balance

Discuss           9. General Discussion

*Director Sabo had questions regarding the communication expenses, load factors, the financial performance of the FBOs, and terminal repair. Executive Director La Pier answered each and stated the load factor data in the financial report is not as accurate as that we get from our air service consultant and actual load factors are higher.*

*Director Sabo referred to the Airport Capital Improvements / Capital Expenditures Financial Statements and the "R" footnote that represents that an item is an advance to FAA/PFC projects that will be reimbursed through grant draws. He asked if that footnote should be added to the 2021-04 SEP Phase A1 Commercial Apron line item. Executive Director La Pier will validate.*

**E. ADJOURNMENT**

*The meeting adjourned at 10:41 AM.*

*Approved at the  
Meeting of October 19, 2022*



*Carl M. Miller, Chair*

**ATTEST**



*Michael La Pier, AAE  
District Secretary*