

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

August 9, 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 and enter the following Meeting ID: **823 4228 6806**. The password for this meeting is: **20220809**. 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. 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 of the Monterey Peninsula Airport District Board of Directors was called to order at 9:07 AM. Director Sabo and Director Leffel, Executive Director La Pier and Deputy Executive Director of Finance and Administration Bergholz were present.

LSL CPA’s and Advisors (LSL) Partner Brandon Young and Supervisor Brian Gross were also present.

B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS

None.

C. PUBLIC COMMENTS

None.

D. REGULAR AGENDA – ACTION ITEMS

Review 1. Audit Plan, Brandon Young, Lance, Soll & Lunghard, LLP (LSL)

LSL Partner Brandon Young presented the FY22 financial audit plan and provided an overview of the process. Mr. Young explained the audit will cover the District’s financial statements, Federal Aviation

Administration construction and operating grants, and Passenger Facilities Charges collections and expenditures.

Mr. Young explained that the audit field work will begin on August 22nd, the first draft audit report will be delivered to the Finance Committee at the October 11th meeting, and the final report will be delivered to the full Board of Directors at the November 16th meeting. The Audit team will consist of Mr. Gross as supervising auditor, Samantha Asbra, Senior Audit Associate and potentially a new staff member. Mr. Young will be the partner in charge of the audit.

The Directors asked specific questions about the audit process and delivery of the FAA single audit, California State Special Districts Financial Transaction, and Certification Activity Tracking System (CATS) 5100 reports.

Review 2. HR Services Contract

District Counsel Huber presented the draft Barrett Business Services, Inc. ("BBSI") human resource service contract for review and comments. Directors Leffel and Sabo both asked questions and recommended changes to Exhibit A, Tasks to Be Performed. Changes focused on clarifying the coordination of duties between BBSI and staff.

The Directors said they could support the BBSI contract with the changes suggested to Mr. Huber and the Finance Committee.

Review 3. FYTD 2022 Statements

Director Sabo asked various questions about the financial reports. Specific questions covered commercial airline, taxi, parking revenue, other legal expenses and repairs and maintenance expense variances.

Director Sabo asked about the difference in cash flows between the cash report and financial statements. Staff explained that the \$4M grant draw was recognized as a receivable in the June financial statements but the cash was received July 5th.

Review 4. Variance Analysis - MTD and YTD

Director Sabo asked about the taxi revenue variance caused by ghost cabs. Staff explain that the monthly taxi trip reports provided by Gate Keeper System had errors which included taxis that were no longer working for current taxi service providers. The error resulted in a refund to one taxi company.

Review 5. Accounts Receivable Aged Invoice Report

Director Sabo asked about the collectability of Allegiant's past due account receivable balance. Staff explained it was collectible.

Review 6. Grant Funds Balance

Staff explained that the Airport submitted draws for \$1.7M of the ARP Act and \$4M of the CARES Act grants in June.

Discuss 7. General Discussion

Director Leffel asked to change the next Finance Committee meeting from September 13th to September 8th. Director Sabo agreed with the change.

E. ADJOURNMENT

The meeting adjourned at 10:45 AM.

Approved at the
Meeting of August 17, 2022


Carl M. Miller, Chair

ATTEST



Michael La Pier, AAE
District Secretary