

**MONTEREY PENINSULA AIRPORT DISTRICT  
PROFESSIONAL AUDITING SERVICES  
REQUEST FOR PROPOSAL 2019-01**

**RESPONSES TO QUESTIONS 3**

1. Please see answers to questions previously answered at:

<https://montereyairport.specialdistrict.org/legal-notice>

2. Q. How many firms have been selected to compete in the RFP process?

A. The RFP 2019-01 was posted to public websites and provided to all Audit Firms with airport and FAA single audit experience.

3. Q. When you are looking at a new professional relationship, what areas that are most important for you?

A. The District's annual financial and single audits are key to relationships with our stakeholders, bondholders and the FAA. Clear communication between the Airport and Auditor staff and timely planning reporting are key. Additionally, being able to share information via a SharePoint type system has been very helpful.

4. Q. Are you happy with the current level of service you have been receiving?

A. Yes, the District was pleased with the service provide by MGO.

5. Q. Would you change anything?

A. No

6. Q. How many proposed audit adjustments were there on average?

A. Only three in the FY17 audit. One was the placement of accrued interest on the CEC loan. The other was offsetting the CEC loan against the net capital assets. The third is a GASB 68 deferred inflows and outflows adjustments.

7. Q. Does the District require auditor assistance in determining their pension liability under GASB 68?

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- A. Yes, the District prepares a GASB 68 estimate based on the reports issued by CalPERS and determines the Net Pension Liability, but the historical layering of amortized costs effecting the recognized deferred inflows and outflows have been problematic. Our GASB 68 deferred inflows and outflows have been adjusted.
8. Q. Does the District require auditor assistance in determining their OPEB liability under GASB 75?
- A. No, the District uses the actuarial firm of MacLeod Watts to prepare the OPEB actuarial and journal entries for the GASB 75 adjustments. In FY 2018 the District closed its Police Department and contracts with the City of Del Rey Oaks for law enforcement services. The Police Department was the only represented group that had a significant impact on the OPEB/GASB57 entries.
9. Q. Is the District's Retiree Health Plan part of a trusted plan?
- A. No, the District has not established a trust to fund the OPEB healthcare liability.