

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

May 12, 2022 – 12:30 PM

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: **846 0367 0451**. The password for this meeting is: **20220512**. 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 12:40 PM. Director Sabo and Director Leffel, Executive Director La Pier, Director of Strategy and Development Morello and Deputy Executive Director of Finance and Administration Bergholz were present.

B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS

None.

C. PUBLIC COMMENTS

None.

D. REGULAR AGENDA – ACTION ITEMS

Review 1. FY 23 Proposed Operating Budget

Staff presented the FY 2023 budget slide presentation to the attendees. Director Sabo and Director Leffel asked questions about how commercial aviation revenues were budgeted and why there was a 10% increase in flights and enplanements. Director Sabo expressed concerns about the commercial aviation revenues budget considering the increases in fuel prices and interest rates.

Staff explained that the budget was prepared using commercial airline published flight schedules that were validated by Landrum and Brown. Staff further explained that although there are some concerns about economic uncertainties there were no indications that the airlines were planning to change their flight schedules.

Directors Sabo and Leffel asked clarifying questions about other budgeted revenue types. Staff explained the rationale for changing Other Operating, Rental Car and Parking Concession revenues. Staff further explained that the Airport was applying the April 2022 All Urban Consumers Price Index (CPI) for the San Francisco-Oakland-Hayward, CA Area increases for FBO's and Non-Aviation land and building tenants. The CPI increase will result in a \$70K increase in FY 2023 revenues.

Staff presented the proposed changes in the FY 2023 Operating expenses. The FY 2023 budget includes the addition of three new positions (Public Relation Specialist, Social Media Specialist, and Maintenance Worker) and filling of the Operations Executive Assistant position. Director Sabo asked for an estimated expense for these positions. Staff provided an estimate of \$110K to \$120K per position. Staff further presented information about the CalPERS UAL increase, Workers Comp decrease, changes in health insurance and CalPERS, which included the new staff positions.

Staff presented proposed changes in general operating expenses which includes a SCASDP Grant match, marketing and social media, human resource services, District legal services, Board election and other expenses. Directors Sabo and Leffel asked various questions about the expense changes and the increases in marketing/social media and elections expenses.

There was also a general discussion about how the FY 2023 budget benefited the large Airport Safety Enhance Plan (SEP). Executive Director La Pier shared that the budget was developed to add \$1.0M in cash to the Airport reserves. Director Sabo asked questions about the SEP funding plan. Executive Director La Pier said the Board of Directors would learn more about the SEP Funding plan at the June 1st and 2nd workshop.

E. ADJOURNMENT

The meeting adjourned at 3:05 PM.

Approved at the
Meeting of May 18, 2022


Carl M. Miller, Chair

ATTEST



Michael La Pier, AAE
District Secretary