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

October 12, 2026 – 3:30 PM

Due to the expiration of the COVID-19 California State of Emergency, the Monterey Peninsula Airport District will return to holding meetings at the Airport Board Room, with in-person attendance. Members of the public may attend the Committee Meeting in person and request to speak to the Committee Members when the Chair calls for public comment.

Alternatively, members of the public who desire to provide input as to any item can send an email to info@montereyairport.com and 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 Committee Members for consideration and will be compiled as part of the record.

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 3:39 PM. Directors Pick & Leffel, Executive Director Morello, Controller Wilson, and Acting Board Secretary Adams were present.

B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS

None.

C. REGULAR AGENDA – ACTION ITEMS

Report 1. Fiscal Year 2026 Audit Update

Directors asked to hear the report on the Plan of Finance prior to the Fiscal Year 2026 Audit Update.

Report 2. Plan of Finance Update

Executive Director Morello gave an update on the TIFIA loan agreement approval process. Controller Wilson and Executive Director Morello answered questions from Directors.

Executive Director Morello reported that the sale of the GARBs (General Airport Revenue Bonds) closed last week. Controller Wilson added that the Standard and Poor's District rating was A- and that the GARB offerings were oversubscribed, showing a strong financial portfolio for the District.

Controller Wilson and Executive Director Morello answered questions from Directors.

Report 1. Fiscal Year 2026 Audit Update

Controller Wilson reported the fieldwork for the Fiscal Year 2026 financial audit has been completed. The OMB (Office of Management & Budget) guidance for the GASB audit standards has not yet been released, and the auditors can't issue a final opinion until that guidance is provided. It is expected that the draft audit will be reviewed by the Finance Committee in November and brought to the full board after that review.

Controller Wilson stated the GASB (Governmental Accounting Standards Board) Statement No. 103 (Financial Reporting Model Improvements) is in effect for FY2026 audits. There are a number of key changes in how information will be presented, with significant changes to the form of the Management's Discussion and Analysis (MD&A).

Controller Wilson and Executive Director Morello answered questions from Directors.

Review 3. FYTD Financial Statements, August 2026

Controller Wilson reported that the August 2026 Financial Statements are essentially on budget. He highlighted the Commercial Aviation fees are higher than budget due mostly to higher landing, RON, apron and fuel flowage fees from United Airlines. He noted that the Landed Weights chart now breaks out regional and mainline service.

There was a discussion about the reporting that will need to be added for compliance with the GARBs.

Executive Director Morello answered questions from Directors.

Controller Wilson answered a question about the Accounts Receivable report.

D. ADJOURNMENT

The meeting adjourned at 4:27 PM.

Approved at the
Meeting of October 22, 2026

Danial Pick, Chair

A T T E S T

Christine Morello
District Secretary