

**MINUTES OF THE SPECIAL MEETING OF THE BUDGET & FINANCE COMMITTEE OF THE
MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS** February 7, 2017
1:30 PM, BOARD ROOM

A. CALL TO ORDER

Director Sabo called to order the Special Meeting of the Board of Directors at 1:30 PM. Director Leffel, Director Sabo, Executive Director La Pier and Deputy Executive Director of Finance and Administration Bergholz were present.

Presented the following documents to the Budget and Finance committee members:

December 2016 Financial Statement

December 2016 Financial Statement Variance Analysis

December 30, 2016 Accounts Receivable Aged Invoice Report

Fiscal Year 2017 Mid-Year Financial and Capital Expenditures Forecast

B. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

Fiscal year 2017 mid-year financial and capital expenditures forecast has been completed.

Fiscal year 2017 financial results are continuing to exceed plan. Cash from operations continues to cover operating expenses and the airport's share of capital expenditures. A modest cash contribution to operating reserves is expected for fiscal year 2017.

The fiscal year 2017 capital expenditure plan has been updated and staff will be requesting an increase in capital projects.

C. PUBLIC COMMENTS

None.

D. REGULAR AGENDA – ACTION ITEMS

Review 1. FYTD 2017 Financial Statements

Reviewed overall financial performance of the airport as of December 31, 2016. Airport revenues are above budget \$7.4K (1%) and expenses are below budget \$10.4K (2%).

Review 2. December 2016 Financial Statement Variance Analysis

Reviewed **Revenues:**

GA Landing Fee

Terminal Space Rent

Taxi Operator Permits and Trip fees

TNC Permits and Trip Fees

Rental Car Concessions

Parking Concessions

Facility / Space Rents

*Self-Storage Concession
Tenant Employee Parking, Decals & Badges**

** In December the airport invoiced Envoy and UGE agent and passenger service providers for FY 2017 parking permits. Both companies were billed later in the fiscal year than usual.*

Expenses:

Finance and Administration

*Salaries and Wages, Benefits, etc.**
CalPERS Health Insurance***

*** MRYs staff accountant retired in November. The December reductions in staff salaries and wages and CalPERS health insurance will continue until the position is filled.*

*Dues & Subscriptions
Umbrella Liability Insurance Expense
Art Program
Annual Audit / Accounting
Utilities - Sewage / Waste Water*

Planning & Development:

Salaries & Wages ^

^ One staff member is on maternity leave and the airport receives reimbursement of CA SDI payment in lieu of paying the employees full salary during the leave. This favorable variance will increase as the staff member continues maternity leave past the SDI coverage period.

Salary & Wage Reimbursement

Maintenance & Custodial Services:

*CalPERS Health Insurance
Airfield Repair & Maintenance+*

+ Russell Auria Pest Control was schedule to provide services in November. Due to rain services were delayed until December.

*Terminal Repairs & Maintenance
Rental Space Repairs
Landscape & Grounds Repair & Maintenance*

Airport Operations:

None

Police Department:

Salary and Wages #

The airport continues to operate the airport with 5 police officers instead of 7 per the budget. Chief Hoyne continues to cover some of the full-time staffing gaps and uses part-time staff as well. One officer is out on sick leave/disability and another resigned. The airport is currently recruiting for another full time officer and another part time officer.

*LC 4850 Wages
Overtime (OT) Pay##*

With the shortage of full-time officers, part-time officers covered more overtime during the December holidays.

*Holiday Pay
CalPERS Retirement
CalPERS Health Insurance
Business Travel & Entertainment*

ARFF / Fire Services:

None

Board of Directors:

None

Other Income and Expense:

*Grants – FAA
Unrealized Gain/Loss on Investment \$*

\$ Unrealized losses generated on short-term CDs held by Royal Alliance. These are temporary market adjustments that will be reverse as the CD's reach maturity.

Depreciation and Amortization Expense

No additional questions on revenues or expenses.

Review 3. Accounts Receivable Aged Invoice Report / Cash Position Updated

Review of accounts over 60 pass due were reviewed. Two RV tenants are significantly past due and staff is considering terminating the tenant's leases. Staff continues to apply revised collections and tracking processes that should improve collections and communications.

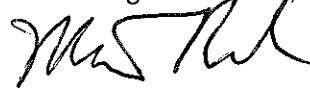
Discussion 4. Future Agenda Items/Finance Committee Schedule

The next meeting was scheduled for March 6, 2016 at 10:00am. In the Board of Directors Conference Room.

E. ADJOURNMENT

The meeting adjourned at 1:00 pm.

Minutes Approved at the Regular
Meeting of March 9, 2017



Matthew Nelson, Chair

ATTEST



Michael La Pier, AAE
District Secretary