

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

April 8, 2019 - 10:00 AM - Board Room

A. CALL TO ORDER

Finance Committee Meeting of the Board of Directors was called to order at 10:00 AM. Director Leffel, Director Sabo and 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:

*February 2019 Financial Statements
February 2019 Financial Statement Variance Analysis
February 28, 2019 Accounts Receivable Aged Invoice Report*

B. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

None.

C. PUBLIC COMMENTS

None.

D. REGULAR AGENDA – ACTION ITEMS

Review 1. FYTD 2019 Financial Statements

Reviewed overall financial performance of the airport as of February 28, 2019

February 2019 combined airport operating revenues are \$735.9K which is \$57.3K (8.4%) higher than budget (\$678.7K), and FYTD revenues are \$6.22M which is \$247.2K (4.1%) higher than budget (\$5.97M). The February favorable variance is attributed to higher Commercial Aviation, Terminal Concessions, Heavy General Aviation, Non-Aviation and Miscellaneous revenues. Light General & Other Aviation Tenants and Other Operating revenues were materially on budget.

February operating expenses are under budget by \$42.6K (6.4%).

February's net favorable expenses variance resulted from the following: Salary & Wage and Employer Payroll Tax Expenses are \$4.1K higher than budget, Employer Benefit Expenses are lower than budget by \$7.1K, Personnel Related Expenses are higher than budget by \$1.6K, Business Related Expenses are slightly lower than budget \$0.4K, Expendable / Consumable Supplies & Materials expenses are lower than budget by \$5.3K, Repair & Maintenance expenses are under budget by \$16.1K, Outside Services are under budget by \$1.5K, Professional Services are higher than budget \$12.8K. Marketing related expenses are higher than budget \$2.3K, Utilities expenses are over budget \$2.2K.

February FYTD Operating Expenses are \$5.39M which is \$292.4K lower than budget (\$5.68M). This favorable variance is attributed to lower expenses in most expense categories except Marketing.

Higher than budget operating revenues and lower operating expenses, the February Operating Income is \$112.7K which is \$99.8K higher than budget (\$12.9K). FYTD operating income is \$819.9K which is \$539.6K or 192.5% higher than budget (\$280.3K).

Revenues:

*Commercial Fuel Flowage Fees
General Aviation Landing Fees
Taxi Operator Permits & Trip Fees
TNC Permits & Trip Fees
Rental Car Concessions
Parking Concession
GA Fuel Flowage Fees
Tenant Employee Parking, Decals & Badges*

Expenses:

Finance & Administration:

*District Legal Counsel
Human Resources
Public Relations
Marketing
Utilities - Natural Gas
Utilities - Water*

Planning & Development:

*Architect & Engineer
Environmental*

Maintenance & Custodial Services:

*Custodial Supplies & Materials
Airfield Repair & Maintenance*

Airport Operations:

None

Police Department:

None

ARFF / Fire Services:

None

Board of Directors:

Seminars & Conferences

Other Income and Expense:

Grants – FAA

*Passenger Facility Charges
Depreciation and Amortization Expense*

No additional questions on revenues or expenses.

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

The accounts receivable balance on February 28, 2019 is \$412K. This balance is 15.0% higher than the January 31, 2019 balance and 1.8% lower than the balance on February 28, 2018. The net accounts receivable balance over 60 days old on February 28, 2019 is a credit of \$1,848. This increase in accounts receivables is simply attributed to timing of collections.

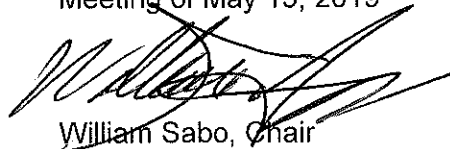
The outstanding February accounts receivable balance on March 26, 2019 is \$93.1K. Included in this balance are airline and rental car related invoices totaling approximately \$75.3K and several small invoices which are offset by several small customer prepayments.

The next meeting was scheduled for May 6, 2019 at 10:00 AM in the Administration Office Conference Room.

E. ADJOURNMENT

The meeting adjourned at 12:00 PM.

Minutes Approved at the
Meeting of May 15, 2019



William Sabo, Chair

ATTEST



Michael La Pier, AAE
District Secretary