

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
EXECUTIVE AND FINANCE COMMITTEE MEETING
MINUTES
FRIDAY, NOVEMBER 21, 2014
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER:

Chair Gleason called the Special Executive and Finance Committee and Special Board meeting to order at 9:05 a.m., Friday, November 21, 2014, in the Board Room of the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Board Member Robinson led the Pledge of Allegiance.

ROLL CALL:

Executive Committee

Present: Committee Members: Gleason, Robinson, Smisek

 Board Members: Boling

Absent: Committee Members: None

Finance Committee

Present: Committee Members: Alvarez, Cox, Hubbs, Robinson,

Absent: Committee Members: Sessom

Also Present: Thella F. Bowens, President/CEO; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate and Information Governance/Authority Clerk; Lorraine Bennett, Assistant Authority Clerk II

NON-AGENDA PUBLIC COMMENT - None

NEW BUSINESS

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the October 27, 2014, regular meeting.

ACTION: Moved by Board Member Smisek and seconded by Board Member Robinson to approve staff's recommendation. Motion carried unanimously.

FINANCE COMMITTEE NEW BUSINESS

2. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE FOUR MONTHS ENDED SEPTEMBER 30, 2014, AND 2013:

Scott Brickner, Vice President, Finance & Asset Management /Treasurer, and Kathy Kiefer, Senior Director, Finance & Asset Management, provided a presentation on the Unaudited Financial Statements for the Four Months Ended September 30, 2014, which included Enplanements, Gross Landing Weight Units, Car Rental License Fees, Parking Revenue, Food and Beverage Concessions Revenue, Retail Concessions Revenue, Total Terminal Concessions, Operating Revenues for the Month Ended October 31, 2014, Financial Summary for the Month Ended October 31, 2014, Nonoperating Revenues and Expenses for the Month Ended October 31, 2014 (Unaudited), Monthly Operating Revenue, Fiscal Year 2015 (Unaudited), Operating Revenues for the Four Months Ended October 31, 2014 (Unaudited), Monthly Operating Expenses, Fiscal Year 2015 (Unaudited), Financial Summary for the Four Months Ended October 31, 2014 (Unaudited), Nonoperating Revenue and Expenses for the Four Months Ended October 31, 2014 (Unaudited), and Statements of Net Position (Unaudited).

In response to Board Member Alvarez, regarding the year-to-date salaries and contracts being down by almost \$1 million, and what are the contracts services that have not been entered in to, Ms. Kiefer stated that as for the salaries and benefits, it is primarily head count that is pending to be filled, and regarding the contractual services, there have been savings, and some in anticipated legal expenses. She also stated that there are savings in the Planning Department that will be utilized.

In response to Board Member Robinson regarding why parking revenues on the north side are down, Thella Bowens, President/CEO, stated that there are access issues related to construction in the area, and that staff is working with the Marine Corps Recruit Depot (MCRD) to look at utilizing Washington Street for access to the lot. Mr. Brickner stated that the Authority website has also been updated to provide information about parking, and that the Authority has instituted a parking coupon program for the holidays, as well as providing media coverage to increase usage of the lot.

RECOMMENDATION: Accept the report.

3. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF OCTOBER 31, 2014:

Michael Sears, Director, Financial Management, provided a presentation on the Authority's Investment Report as of October 31, 2014, which included Total Portfolio Summary, Portfolio Composition by Security Type, Portfolio Composition by Credit Rating, Portfolio Composition by Maturity, Benchmark Comparison, Detail of Security Holdings as of October 31, 2014, Portfolio Investment Transactions from October 1, 2014 – October 31, 2014, Bond Proceeds Summary, and Bond Proceeds Investment Transactions from October 1, 2014 – October 31, 2014.

RECOMMENDATION: Accept the report.

ACTION: Moved by Board Member Robinson and seconded by Board Member Hubbs to approve staff's recommendation for Items 2 and 3. Motion carried unanimously.

EXECUTIVE COMMITTEE NEW BUSINESS

4. PRE-APPROVAL OF TRAVEL REQUESTS AND APPROVAL OF BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REQUESTS FOR BOARD MEMBERS, THE PRESIDENT/CEO, THE CHIEF AUDITOR AND GENERAL COUNSEL:

RECOMMENDATION: Pre-approve travel requests and approve business and travel expense reimbursement requests.

ACTION: No action taken

5. REVIEW OF THE PROPOSED 2015 MASTER CALENDAR OF BOARD AND COMMITTEE MEETINGS:

Chair Gleason provided a brief background regarding the proposed 2015 Master Calendar of Board and Committee Meetings. He stated that some Board Members have conflicts with some of the proposed dates. Chair Gleason requested that the Board review the revised proposed Calendar that was distributed at the meeting and to let him know if there were any further conflicts.

Thella Bowens, President/CEO, stated that moving the Board meeting dates would change when the financial data will be received by the Board. Scott Brickner, Vice President, Finance and Asset Management/Treasurer, suggested that should the Board approve the proposed Calendar, that a set date be established for sending out the monthly financial statements.

RECOMMENDATION: Forward to the Board for acceptance.

ACTION: No action taken.

REVIEW OF FUTURE AGENDAS

6. REVIEW OF THE DRAFT AGENDA FOR THE DECEMBER 4, 2014, BOARD MEETING:

Thella F. Bowens, President/CEO, provided an overview of the draft agenda for the December 4, 2014 Board Meeting. She also noted that the external auditors would be present at the meeting.

Chair Gleason requested that a presentation item be added to the agenda to allow the external auditors to address the Board and present the audit results.

In regard to Item B, "Northside Cargo Development Project Update", Chair Gleason requested that the item be removed from the agenda, and placed on the January, 2015 Board Agenda.

Board Member Alvarez requested that staff provide the presentation materials for item 15 on the December 4th Board agenda, as soon as possible in advance of the Meeting, in order to potentially submit written comments on the matter, since he will not be present at the meeting.

7. REVIEW OF THE DRAFT AGENDA FOR THE DECEMBER 4, 2014, AIRPORT LAND USE COMMISSION MEETING:

Thella F. Bowens, President/CEO, provided an overview of the draft agenda for the December 4, 2014 ALUC Meeting.

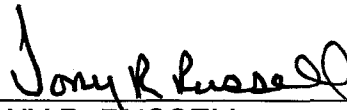
Chair Gleason informed the Committee that residents of Point Loma are anticipated to attend the next ALUC meeting in December, to address the issue of proposed lighting poles being installed at Point Loma High School football field. He also stated that prior direction was given to the General Counsel's Office for a determination on the matter, and to provide a response to the residents as to the Authority's position on this matter, prior to the next ALUC meeting.

COMMITTEE MEMBER COMMENTS: None.

ADJOURNMENT

The meeting was adjourned at 9:54 a.m. The next meeting of the Executive and Finance Committee will be held on Monday, January 5, 2015, at 9:00 a.m. in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

APPROVED BY A MOTION OF THE EXECUTIVE COMMITTEE OF THE SAN
DIEGO COUNTY REGIONAL AIRPORT AUTHORITY THIS 5TH DAY OF
JANUARY, 2015.



TONY R. RUSSELL
DIRECTOR, CORPORATE &
INFORMATION GOVERNANCE/
AUTHORITY CLERK

APPROVED AS TO FORM:



BRETON K. LOBNER
GENERAL COUNSEL