

**SANTA MARIA PUBLIC AIRPORT DISTRICT
BOARD OF DIRECTORS**

**Thursday
January 25, 2018**

**Administration Building
Airport Boardroom
7:00 P.M.**

**REGULAR MEETING
A G E N D A**

This agenda is prepared and posted pursuant to the requirements of the California Government Code Section 54954.2. By listing a topic on this agenda, the Santa Maria Public Airport District has expressed its intent to discuss and act on each item. The Santa Maria Public Airport District welcomes orderly participation at its meetings from all members of the public. This includes assistance under the Americans with Disabilities Act to provide an equally effective opportunity for individuals with a disability to participate in and benefit from District activities. To request assistance with disability accommodation, please call (805) 922-1726. Notification at least 48 hours prior to the meeting would enable the Santa Maria Public Airport District to make reasonable arrangements to ensure accessibility to this meeting.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL: Rafferty, Adams, Engel, Brown, Baskett

- 1. MINUTES OF THE REGULAR MEETING HELD DECEMBER 14, 2017.**
- 2. MINUTES OF THE REGULAR MEETING HELD JANUARY 11, 2018.**
- 3. COMMITTEE REPORT(S):**
 - a) AVIATION SUPPORT & PLANNING (Standing or Ad Hoc)**
 - b) ADMINISTRATION & FINANCIAL (Standing or Ad Hoc)**
 - c) MARKETING & PROMOTIONS (Standing or Ad Hoc)**
 - d) CITY & COUNTY LIAISON**
 - e) STATE & FEDERAL LIAISON**
 - f) VANDENBERG LIAISON**
 - g) BUSINESS PARK COMMITTEE (Ad Hoc)**
- 4. GENERAL MANAGER'S REPORT**
 - a) Monthly Activity Report**

5. **MANAGER OF FINANCE & ADMINISTRATION REPORT**
 - a) Demand Register
 - b) Budget Report
 - c) Budget Deviation
6. **DISTRICT COUNSEL'S REPORT. (Joshua George and Natalie Frye Laacke)**
7. **PUBLIC SESSION:** Statements from the floor will be heard during public session. Request to Speak forms are provided for those wishing to address the board. After completing the form, please give it to the Clerk. Requests requiring board action will be referred to staff and brought on the next appropriate agenda. Members of the public are cordially invited to speak on agenda items as they occur. Staff reports covering agenda items are available for review in the offices of the General Manager on the Tuesday prior to each meeting. The Board will establish time limit for receipt of testimony. The board reserves the right to establish further time limits for receipt of testimony.
8. **PRESENTATION OF THE ANNUAL AUDIT BY JEFF PALMER OF FEDAK & BROWN LLP.**
9. **AUTHORIZATION FOR THE PRESIDENT AND SECRETARY TO EXECUTE THE FOURTH AMENDMENT OF LEASE BETWEEN THE DISTRICT AND COASTAL VALLEY AVIATION.**
10. **DISCUSSION AND DIRECTION TO STAFF REGARDING WORKERS' COMPENSATION RESOLUTION FOR GOVERNING BODY MEMBER.**
11. **CLOSED SESSION.** The Board will hold a Closed Session to discuss the following item(s):
 - a) Conference with Real Property Negotiators (Chris Hastert, Tom Ross and District Counsel) Re: 1424 Fairway Dr. (Gov. Code Section 54956.8).
12. **DIRECTORS' COMMENTS.**
13. **ADJOURNMENT.**

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MINUTES OF THE REGULAR BOARD
MEETING OF THE BOARD OF DIRECTORS
OF THE SANTA MARIA PUBLIC AIRPORT
DISTRICT HELD DECEMBER 14, 2017

The Board of Directors of the Santa Maria Public Airport District held a Regular Meeting at the regular place at 7:00 p.m. Present were Directors Rafferty, Adams, Engel, Brown and Baskett, General Manager Hastert, Manager of Finance & Administration Reade and District Counsel George.

1. Organizational meeting of the Board of Directors-Election of Officers pursuant to Article 1, Section 5 of the Official Administrative Code of the District. President Engel called the meeting to order and introduced Agenda item 1. Director Engel proceeded with a Motion for the following slate nomination:

Director Rafferty for President, Director Adams for Vice-President, Director Engel for Secretary and Director Brown for Vice-Secretary. Director Baskett will hold the position of Director.

Director Rafferty Seconded and it was carried by a 5-0 vote.

2. Appointment of Members to Committees and Assignment to Liaison Positions.

President Rafferty announced the 2018 Board of Directors Committee and Liaison Appointments as follows:

Aviation Support & Planning: Directors Brown & Rafferty
Administration & Financial: Directors Rafferty & Adams
Marketing & Promotion: Directors Adams & Brown
Business Park: Directors Engel & Adams
City & County Liaison: Directors Engel & Rafferty
State & Federal Liaison: Directors Brown & Rafferty
Vandenberg Liaison: Directors Rafferty & Baskett

3. MINUTES OF THE SPECIAL MEETING HELD November 30, 2017. Director Brown made a Motion to approve the Special Meeting Minutes held November 30, 2017 as presented. Director Adams Seconded and it was carried by a 5-0 vote.

4. COMMITTEE REPORT(S):

a) AVIATION SUPPORT & PLANNING (Standing or Ad Hoc) –No meeting scheduled.

b) ADMINISTRATION & FINANCIAL (Standing or Ad Hoc) – No meeting scheduled.

c) MARKETING & PROMOTIONS (Standing or Ad Hoc) – No meeting scheduled.

d) CITY & COUNTY LIAISON – A committee meeting will be held on December 20th.

- 1 e) STATE & FEDERAL LIAISON – Director Baskett attended a meeting with the
2 FAA to discuss the ramp and taxiway project.
- 3
- 4 f) VANDENBERG LIAISON – No meeting scheduled.
- 5
- 6 g) BUSINESS PARK COMMITTEE (Ad Hoc) – No meeting scheduled.
- 7
- 8 5. GENERAL MANAGER’S REPORT. General Manager Hastert notified the Board
9 the Tanker Base has been reactivated for the Thomas Fire. He updated the
10 Board on the details for the upcoming air show and how the International Council
11 of Air Shows conference went.
- 12
- 13 6. MANAGER OF FINANCE & ADMINISTRATION REPORT.
- 14
- 15 The Manager of Finance & Administration presented the Demand Register to the
16 Board for review and approval.
- 17
- 18 a) Demand Register. The Demand Register, covering warrants 064716 through
19 064777 in the amount of \$212,077.96 was recommended for approval as
20 presented. Director Baskett made a Motion to accept the Demand Register
21 as presented. Director Engel Seconded and it was carried by a 5-0 vote.
22 Director Brown has requested that late fees be separated out if we have any.
- 23
- 24 b) Information on Credit Card Fees. Information was given to Directors.
- 25
- 26 7. DISTRICT COUNSEL’S REPORT. District Counsel George refreshed the Board
27 on the Brown Act, specifically the limitation of email communications.
- 28
- 29 8. PUBLIC SESSION: Statements from the floor will be heard during public session.
30 Request to Speak forms are provided for those wishing to address the board. After
31 completing the form, please give it to the Clerk. Requests requiring board action
32 will be referred to staff and brought on the next appropriate agenda. Members of
33 the public are cordially invited to speak on agenda items as they occur. Staff
34 reports covering agenda items are available for review in the offices of the General
35 Manager on the Tuesday prior to each meeting. The Board has established a five-
36 minute time limit for receipt of testimony. The board reserves the right to establish
37 further time limits for receipt of testimony.
- 38
- 39 No one requested to speak.
- 40
- 41 9. Discussion and direction to staff on increasing participation in Board Meetings.
42 Director Engel made a Motion to keep the Board packet off the website in an effort
43 to gain community participation. Director Adams Seconded and it was carried by
44 a 4-1 vote. Director Baskett opposed.
- 45
- 46 10. Authorization for the President and Secretary to execute the Sixteenth Amendment
47 of Land Lease between the District and CJJ Farming. Director Baskett made a
48 Motion to approve. Director Adams Seconded and it was carried by a 5-0 vote.
- 49
- 50

1 11. CLOSED SESSION. At 7:32 p.m. the Board went into Closed Session to discuss
2 the following item(s):
3

- 4 a) Conference with Legal Counsel-Pending litigation pursuant to Government
5 Code Section 54956.9(d)(4): 1 case SMPAD v. David Baskett.
6

7 At 7:55 p.m., the Board and staff reconvened to Open Public Session.
8

9 There were no reportable actions.
10

11 12. DIRECTORS' COMMENTS: Director Brown would like to see an agenda item
12 added to get the non-airworthy aircraft cleaned up.
13

14 Director Baskett has asked Director Engel for an apology regarding a comment
15 he made over the summer.
16

17 Director Adams commented on recent articles discussing Russian Aircraft and
18 the affiliation with Director Baskett. He also suggested that Director Baskett
19 resign from the Board due to conflict of interest caused by that affiliation.
20

21 Director Engel asked District Counsel George a question regarding the FedEx
22 property. He is excited for the Air Show and hopes that it is a success.
23

24 Director Rafferty thanked the board for their support in him becoming Board
25 President and wished everyone a Merry Christmas.
26

27 13. ADJOURNMENT. President Rafferty asked for a Motion to adjourn to a Regular
28 Meeting to be held on December 28, 2017 at 7:00 p.m. at the regular meeting
29 place. Director Adams made that Motion, Director Engel Seconded and the Motion
30 was carried by a 5-0 vote.
31

32 ORDER OF ADJOURNMENT

33 This Regular Meeting of the Board of Directors of the Santa Maria
34 Public Airport District is hereby adjourned at 8:03 p.m. on
35 December 14, 2017.
36

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38 _____
39 Hugh Rafferty, President
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41 _____
42 Carl Engel, Secretary

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MINUTES OF THE REGULAR BOARD
MEETING OF THE BOARD OF DIRECTORS
OF THE SANTA MARIA PUBLIC AIRPORT
DISTRICT HELD JANUARY 11, 2018

The Board of Directors of the Santa Maria Public Airport District held a Regular Meeting at the regular place at 7:00 p.m. Present were Directors Rafferty, Adams, Engel, Brown and Baskett, General Manager Hastert, Manager of Finance & Administration Reade and District Counsel Frye Laacke.

1. MINUTES OF THE REGULAR MEETING HELD December 14, 2017. Director Rafferty noted that due to a typographical error on the agenda this item will be tabled until the next board meeting.
2. COMMITTEE REPORT(S):
 - a) AVIATION SUPPORT & PLANNING (Standing or Ad Hoc) –The committee met and discussed the cleanup of non-airworthy aircraft in the tie-down areas.
 - b) ADMINISTRATION & FINANCIAL (Standing or Ad Hoc) – No meeting scheduled.
 - c) MARKETING & PROMOTIONS (Standing or Ad Hoc) – No meeting scheduled.
 - d) CITY & COUNTY LIAISON – Mr. Hastert updated the Board on the items discussed at the quarterly City meeting.
 - e) STATE & FEDERAL LIAISON – No meeting scheduled.
 - f) VANDENBERG LIAISON – No meeting scheduled.
 - g) BUSINESS PARK COMMITTEE (Ad Hoc) – No meeting scheduled.
3. GENERAL MANAGER'S REPORT. General Manager Hastert notified the Board of the items discussed at the Chamber Transportation Committee meeting. He will be meeting with SkyWest Airlines on the 18th and the Small Community Air Service Development Grant has been extended another year. The TSA precheck mobile unit will be returning on January 22nd.
4. MANAGER OF FINANCE & ADMINISTRATION REPORT.

The Manager of Finance & Administration presented the Demand Register to the Board for review and approval.

 - a) Demand Register. The Demand Register, covering warrants 064778 through 064900 in the amount of \$341,407.05 was recommended for approval as presented. Director Baskett made a Motion to accept the Demand Register as presented. Director Engel Seconded and it was carried by a 5-0 vote.

- 1 b) Quarterly Investment Report. Received and filed.
2
3 5. DISTRICT COUNSEL'S REPORT. District Counsel Frye Laacke announced that
4 she will be attending the upcoming SWAAAE conference in Monterey, CA.
5
6 6. PUBLIC SESSION: Statements from the floor will be heard during public session.
7 Request to Speak forms are provided for those wishing to address the board. After
8 completing the form, please give it to the Clerk. Requests requiring board action
9 will be referred to staff and brought on the next appropriate agenda. Members of
10 the public are cordially invited to speak on agenda items as they occur. Staff
11 reports covering agenda items are available for review in the offices of the General
12 Manager on the Tuesday prior to each meeting. The Board has established a five-
13 minute time limit for receipt of testimony. The board reserves the right to establish
14 further time limits for receipt of testimony.
15
16 Tom Widroe, a consultant requested to speak during agenda item 7, the U.S.
17 Customs Memorandum of Agreement.
18
19 7. Authorization for the President to execute a Memorandum of Agreement between
20 the District and U.S. Customs and Boarder Protection to reestablish user-fee
21 customs operations at the Santa Maria Airport. Discussion was held between staff
22 and the Directors. Mr. Widroe updated the Board on the process required and the
23 progress the airport has made. Director Baskett made a Motion to approve.
24 Director Adams Seconded and it was carried by a 5-0 vote.
25
26 8. Discussion and direction to staff regarding non-airworthy aircraft stored in the tie
27 down areas. Discussion was held and the Board directed staff to proceed with
28 cleanup and implementing new policy. Director Baskett made a Motion to approve.
29 Director Engel Seconded and it was carried by a 5-0 vote.
30
31 9. Authorization for the General Manager to dispose of the 2001 Ford Explorer vin
32 #1FMZU73E62UB25491. Director Adams made a Motion to approve. Director
33 Brown Seconded and it was carried by a 5-0 vote.
34
35 10. Authorization for the President and Secretary to execute a three-year contract
36 between the District and Bomar Security for professional security services at the
37 Santa Maria Airport. Director Baskett made a Motion to approve. Director Engel
38 Seconded and it was carried by a 5-0 vote.
39
40 RECESS: At 7:32 p.m.
41
42 Return to OPEN SESSION: At 7:37 p.m. The Board and staff reconvened to Open
43 Session.
44
45 11. CLOSED SESSION. At 7:37 p.m. the Board went into Closed Session to discuss
46 the following item(s):
47
48 a) Conference with Real Property Negotiators (Chris Hastert, Tom Ross and
49 District Counsel) Re: 1424 Fairway Dr. (Gov. Code Section 54956.8).
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At 7:47 p.m., the Board and staff reconvened to Open Public Session.

There were no reportable actions.

12. DIRECTORS' COMMENTS: Director Brown enjoyed the meeting with Phil Kirkham of Coastal Valley Aviation.

Director Baskett handed out two items to be included in the minutes for this meeting.

Director Engel would like to see other areas of the airfield cleaned up.

Director Adams is happy to hear the non-airworthy aircraft will be cleaned up.

Director Rafferty thanked our guests for attending and Director Brown for a productive committee meeting.

13. ADJOURNMENT. President Rafferty asked for a Motion to adjourn to a Regular Meeting to be held on January 25, 2018 at 7:00 p.m. at the regular meeting place. Director Adams made that Motion, Director Engel Seconded and the Motion was carried by a 5-0 vote.

ORDER OF ADJOURNMENT

This Regular Meeting of the Board of Directors of the Santa Maria Public Airport District is hereby adjourned at 7:52 p.m. on January 11, 2018.

Hugh Rafferty, President

Carl Engel, Secretary

5 August 2017

Updated 11 January 2018

The Santa Maria Airport Future

By David E. Baskett, Director

The following are my personal views:

The Santa Maria Public Airport District is fortunate to have a large land area, good facilities, an excellent General Manager, an active fire base and multiple streams of income with a good balance sheet, excellent regulatory compliance with high operational and financial audit grades.

Where do we go from here?

Airline Service: This has been a long-term disappointment despite recently providing more than \$1.7 million in subsidies for the limited service received.

The demographics are such that Santa Maria has the airline passenger usage of a town of about 20,000.

We are missing a major part of our citizens.

I see four ways to grow that:

1. The shift of Mokulele from LAX to Burbank and the South West Airline connections that should have create some new traffic to a less troubled airport has not worked.

2. Offer our citizens who often travel overnight to Fresno to catch a 6 AM flight to Mexico, a similar service here. Will require the completion and further development of the Customs Facility.
3. After the US Customs facility is reopened and some additional business aircraft begin to use it, it can be expanded to handle direct charter flights from Mexico with possible scheduled service to follow. In addition, it opens up the possibility of an international food processing facility, which already has reported local investor interest.
4. A community based, scheduled air taxi service to Sacramento with weekend flights to Reno/Tahoe. Preliminary work has been done.
5. A possible bulk cargo air service and facility that can deliver the wonderful, locally grown, fresh produce to far away populations with fewer transfer points and faster delivery to kitchens.

Flight Training: The airport began as a military pilot training base and had a commercial flight school several years ago, but now has none. We currently have a national shortage of pilots affecting all phases of aviation. It is time to support a new flight school that can teach not only with traditional airplanes but include helicopters, commercial drones, search and rescue and amphibious aircraft operations with needed mechanic and technician training to keep them running.

Facilities: Our physical plant ranges from old and neglected, to old and maintained, to an updated terminal and the low-cost owner built hangars with resulted in little capital cost to the airport. Major upgrade work is being done on ramps and systems to take advantage of the excellent, longer runway that now supports the larger firefighting aircraft and can handle all medium and most large jet airliners.

My view is to further “polish it up” by the following:

1. A phased rehab of the historical main hangar that was built in WWII but allowed to decay.

2. The addition of more owner built hangars on the East side now that the airport owned hangars are full again. The owner built ones are among the best on the airport.
3. The building of a "Fire Camp" bunk house and center on the West side to better host the state and federal fire crews that are growing-in-size and are needed for longer periods of time. Perhaps it can be done in cooperation with the Radisson.
4. Fix up the older Airport owned south side hangars that have been neglected and need to be kept from sinking below a non- recovery point.

Energy: We pay some of the highest electrical rates in the nation but have unused land that is being lost to the ever-increasing encroachment of "endangered species" that in my view are often used for political purposes.

The vulnerability of the grid is well established (even Atlanta Airport recently lost power) and our airport may well become a critical nexus if we are attacked by outside forces or internal saboteurs.

Why not use the low value land areas to generate enough power and storage to make the airport independent?

With low temperature geo thermal, small inflow radial wind turbines and the now very low cost solar with megawatt sized, low maintenance, energy storage available we can be better prepared for future problems. Both Vandenberg and a Sacramento Airport have 30% or more of their power from solar. We have none.

Santa Maria is currently limited to two types of aviation fuel, leaded aviation gasoline and kerosene based jet fuel.

Planning and action is needed for the now increasingly used bio fuels and coming electric planes. LAX is reportedly supplying six different kinds of fuel not counting automotive types. Some airline flights are now 100% bio fueled. Perhaps offering it here will be of advantage to operators desiring Co2e offsets under AB 32.

R&D Land Use.

A small area can be set aside for “endangered species ranching” and offer the results to those who use them to slow or stop wonderful development needed by people as a better way to actually protect, frogs, salamanders, shrimp and flies.

In the area that borders Foster Road, perhaps some land can be used for high tech community gardens with lessons learned from Windset Farms on how to grow more with less.

David E. Baskett

David.Baskett@Gmail.com

805 887 8782

1424 Oakridge Park, Santa Maria, 93455

“FEATHERS”

12 Jan 2018

In Response to Chuck Adams public comment at the last SMAPD board meeting regarding my status as a publicly elected director as “a feather”. He then stated that I should resign over “Russians Coming then Not Coming” “BS” reported in the press.

He has been provided an audit trail of messages that show that I first notified the press of the FEMA problem.

It is expected that it will be shown under coming FOIA documents that FEMA has the credibility issues.

Small Feathers:

Earned various Pilots Licenses in the RPI, Peru, Germany and an Airline Transport Pilot Rating (ATP) in Lear Jets, with a Commercial Helicopter with an Instrument rating, Flight Instructor and A&P.

Earned High Honors for the following:

1. Top Graduate from US Army advanced aviation maintenance school on Sikorsky helicopters.
2. Top Graduate from the 4th Armored Division NCO Academy, Ulm Germany.

3. Top Graduate, US Army helicopter pilot's school
4. Top graduate of the US Army Infantry Officers Course, Ft. Benning Ga. Post Vietnam (where I had given a direct commission to Infantry officer after Tet 1968).
5. Suma Cum Laude with a BS in "Aerospace Management" Denver.
6. A former Commander of the Seoul airfield recently used by President Trump and also ran 10 control towers.
7. Command of the HQ company 6th Air Cavalry. (formed and trained to kill Russian armor)

Medium Feathers:

1. High awards for action in close combat, Republic of Vietnam
2. Seven, later years, of service that:
 - a. Responsible to move a highly classified national program in crisis from 2 years behind to "on track" with White House authority.
 - b. Saw a highly politized, multi \$Billion Joint Service weapons program get adapted.
 - c. Tasked with direct reporting to Congress.
 - d. Special weapons conceived, prototyped, tested, produced and used in combat.
 - e. A combat tank killer robot developed and demonstrated within 18 months.
3. Post Army:
 - a. Personally acquired, flew and delivered the first operational NATO named "HIP C " gunship to the US DOD much to the expressed amazement of an intelligence agency.

- b. Indicted, put on trial and then apologized to by the US DA for the district of Atlanta re C 130s (L 100s) that ended up in Libya.
- c. Faced down six screaming federal agents waving guns who were terrorizing my family in my then home in Santa Maria. The head of the agency later resigned.
- d. Built a 3,000 person ice hockey stadium in Siberia to national acclaim.
- e. Became the first General Motors Dealer in the new Russia.
- f. Modernized the 8,000 person sports stadium for the U 308 and HEU (nuclear bomb material) complex in Novosibirsk.
- g. Built a milk processing plant in Irkutsk Siberia, with Cal Poly technology.
- h. Built a pathology lab and morgue (patterned after the one in Santa Barbara) at the end of "Communist Street" in Irkutsk after modernizing the cardiology and radiology departments of a 1,000 bed hospital.
- i. Brought Soviet doctors and dentists to the US for advanced training.
- j. Formed a health care JV in Kazakhstan to help replace the wretched "single payer" Communist medical system that failed all but the "elite".
- k. Flew a MiG 21 at supersonic speeds over Moscow.
- l. Flew other Russian aircraft in Russia.
- m. Bought, delivered and supported Russian aircraft for the US Military.
- n. Was in Siberia where we installed the first licensed special Sat Com communications equipment when the USSR came apart, without bloodshed.

- o. With US Government EXIM Bank support, delivered high tech "Hi- Wall" coal mining equipment to the Siberian "Kuzbass" for safer, cleaner, and better coal mining.
- p. A face to face meeting with Gov. Brown led to the required support letter for the SMX Customs program and a later meeting in DC resulted in a promise to approve it when the program package arrives there.
- q. A major, EU, Russia, US \$500 million + program that will lead to advanced fire fighting aircraft being operated, supported and then built in Santa Maria was started (but is in danger of being fatally wounded by SMX board actions)

Large Feathers:

Many years after the events, calls from former soldiers who found me in Santa Maria and who said they wanted to thank me for saving their lives.

I have three children who are responsible tax paying citizens of the United States and six grand kids of which one will become an Eagle Scout in Utah this month.



David E. Baskett

Monthly Activity Report

December 2017



AGENDA ITEM

4a

1/25/2018

Aviation Building Information

| | Inventory | Occupied | Available | Occupancy Rate |
|---|-----------|----------|-----------|----------------|
| T Hangars | 140 | 140 | 0 | 100% |
| Corporate T Hangars | 8 | 8 | 0 | 100% |
| Corporate Hangars | 28 | 28 | 0 | 100% |
| Storage Units | 26 | 26 | 0 | 100% |
| Owner Build | 23 | 23 | 0 | 100% |
| Commercial Aviation Hangar Space (SqFt) | 107,782 | 105,407 | 275 | 98% |
| Commercial Aviation Office Space (SqFt) | 28,800 | 19,449 | 9,351 | 68% |

Hangar Waiting List

| | |
|------------------------------|----|
| T-Hangars | 9 |
| Corporate/Corporate T-Hangar | 15 |

Monthly Activity

| | Dec-16 | Nov-17 | Dec-17 | %Change |
|---------------------------|--------|--------|---------|---------|
| Operations | 2,887 | 3,465 | 3,018 | 5% |
| Noise/Nuisance Complaints | 0 | 0 | 2 | |
| Jet\100LL Fuel (Gallons) | 64,001 | 48,358 | 237,150 | 271% |

Enplanments

| | Dec-16 | Nov-17 | Dec-17 | %Change |
|-----------------------|--------|--------|--------|---------|
| Allegiant | 1,784 | 1,859 | 1,847 | 4% |
| Central Coast Shuttle | 1,543 | 1,067 | 1,623 | 5% |

Airline Load Factor

| | # of Flights | Load Factor Actual flights | Load Factor SCHD flights |
|-----------|--------------|----------------------------------|-----------------------------|
| Allegiant | 13 | 86% | 86% |

Land Lease Information (Acres)

| | Inventory | Occupied | Available |
|--------------------------|-----------|----------|-----------|
| Business Park | 224 | 0 | 224 |
| Agriculture | 592.29 | 592.29 | 0 |
| Grazing | 511 | 511 | 0 |
| Non Aviation Land Leases | TBD | 48.42 | |
| Aviation Land Leases | TBD | 12.22 | |
| Total Airport Acreage | 2,550 | | |

Mobile Home Park

| | Spaces Rented | Units Sold |
|------------------|---------------|------------|
| Mobile Home Park | 78 | |

2017-2018

**DEMAND REGISTER
SANTA MARIA PUBLIC AIRPORT DISTRICT**

Full consideration has been received by the Santa Maria Public Airport District for each demand numbers 064901 to 064961 and Electronic Payments on Pacific Premier Bank in the amount of \$183,158.47.

CHRIS HASTERT
GENERAL MANAGER

DATE

The undersigned certifies that the attached register of audited demands of the Santa Maria Public Airport District for each demand, numbers 064901 to 064961 and Electronic Payments on Pacific Premier Bank in the total amount of \$183,158.47 has been approved as being in conformity with the budget approved by the Santa Maria Public Airport District and funds are available for their payment.

VERONEKA READE
MANAGER OF FINANCE & ADMINISTRATION

DATE

THE BOARD OF DIRECTORS OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT APPROVED PAYMENT OF THE ATTACHED WARRANTS AT THE MEETING OF JANUARY 25, 2018.

CARL ENGEL
SECRETARY

Santa Maria Public Airport District

Demand Register

| Check Number | Check Date | Vendor Name | Check Amount | AIP Funding | Description |
|--------------|------------|--|--------------|-------------|--------------------------------|
| 064901* | 1/11/2018 | AT&T | \$119.40 | | Phone Service |
| 064902* | 1/11/2018 | Calportland Construction | \$57,094.15 | \$51,761.56 | Terminal Apron Reconstruction |
| 064903* | 1/11/2018 | Pacific Telemanagement Services | \$227.92 | | Pay Phone Service |
| 064904* | 1/11/2018 | Pacific Gas & Electric Company | \$426.35 | | Electricity |
| 064905* | 1/22/2018 | City of Santa Maria | \$14.40 | | Water Invoice |
| 064906* | 1/22/2018 | Applied Industrial Technologies | \$294.84 | | Building Maint. |
| 064907 | 1/22/2018 | AT&T | \$39.51 | | Phone Service |
| 064908* | 1/22/2018 | Aflac | \$627.32 | | Voluntary Ins. - Employee |
| 064909* | 1/22/2018 | Advantage Answering Plus | \$261.70 | | Answering Service |
| 064910* | 1/22/2018 | Berchtold Equipment Company | \$2,194.75 | | Heavy Equip Maint - Mechanical |
| 064911* | 1/22/2018 | Capitol Door | \$1,093.52 | | Buildg. Maint. - Terminal |
| 064912* | 1/22/2018 | De Lage Landen | \$83.16 | | Lease/Maint. - Copier |
| 064913* | 1/22/2018 | J B Dewar, Inc | \$376.45 | | Fuel Expense - Gas/Diesel |
| 064914* | 1/22/2018 | LinkedIn Corporation | \$1,750.00 | | Education |
| 064915* | 1/22/2018 | Pacific Gas & Electric Company | \$268.90 | | Electricity |
| 064916* | 1/22/2018 | Heritage Oaks Bank | \$9,163.17 | | Business Travel & Enter. |
| 064917 | 1/24/2018 | Adamski Moroski | \$2,390.64 | | Legal Service |
| 064918 | 1/24/2018 | American Flag & Gift | \$193.95 | | American Flags |
| 064919 | 1/24/2018 | American Industrial Supply | \$42.01 | | Lighting & Nav Aid Maint. |
| 064920 | 1/24/2018 | AT&T | \$39.51 | | Phone Service |
| 064921 | 1/24/2018 | Bagby Plumbing Service & Repair | \$100.00 | | Building Maint. - Terminal |
| 064922 | 1/24/2018 | Bedford Enterprises, Inc. | \$240.72 | | Trash Removal |
| 064923 | 1/24/2018 | Berchtold Equipment Company | \$479.23 | | Heavy Equip Maint - Mechanical |
| 064924 | 1/24/2018 | Bomar Security & Investigation | \$7,328.22 | | Security Service |
| 064925 | 1/24/2018 | Carquest Auto Parts | \$514.19 | | Auto Maint. - Mechanical |
| 064926 | 1/24/2018 | Consolidated Electrical Distributors, Ir | \$134.46 | | Lighting Maintenance |
| 064927 | 1/24/2018 | CHEMSEARCHFE | \$255.26 | | Building Maint. - Maint. |
| 064928 | 1/24/2018 | City of Santa Maria | \$293.45 | | Construction Meter |

SANTA MARIA PUBLIC AIRPORT DISTRICT

Demand Register

| Check Number | Check Date | Vendor Name | Check Amount | AIP Funding | Description |
|-----------------|---------------|------------------------------------|-----------------|----------------|--------------------------------|
| 064929 | 1/24/2018 | Clark Pest Control | \$380.00 | | Pest Control - Terminal & Adm. |
| 064930 | 1/24/2018 | Fastenal Company | \$372.48 | | Shop Supplies |
| 064931 | 1/24/2018 | Coastline Equipment Company | \$278.11 | | Heavy Equipment Maint.- Mech. |
| 064932 | 1/24/2018 | Fedak & Brown LLP | \$4,166.00 | | Annual Audit |
| 064933 | 1/24/2018 | Federal Express | \$87.85 | | Freight & Common Carrier |
| 064934 | 1/24/2018 | Ferguson Enterprises, Inc. | \$105.06 | | Buildg. Maint. - Customs |
| 064935 | 1/24/2018 | Frontier Communications | \$723.56 | | Telephone Service |
| 064936 | 1/24/2018 | J B Dewar, Inc | \$291.22 | | Maint. - Oil |
| 064937 | 1/24/2018 | J.D. Humann Landscape Contr. | \$4,155.66 | | Landscape Maintenance |
| 064938 | 1/24/2018 | Lee Central Coast Newspapers | \$818.12 | | Request For Proposals |
| 064939 | 1/24/2018 | Letters, Inc. | \$24.00 | | Auto Maintenance |
| 064940 | 1/24/2018 | LSC Communications | \$27.49 | | Publications |
| 064941 | 1/24/2018 | Mission Uniform Service | \$227.44 | | Uniform Service |
| 064942 | 1/24/2018 | Napa Auto Parts | \$67.98 | | Auto parts |
| 064943 | 1/24/2018 | Pat's Automotive | \$67.60 | | Auto Maint. - Mechanical |
| 064944 | 1/24/2018 | PATHPOINT | \$990.78 | | Airport Maintenance Service |
| 064945 | 1/24/2018 | Playnetwork, Inc. | \$89.85 | | Radio Service - Terminal |
| 064946 | 1/24/2018 | Porsche Club of America | \$500.00 | | Refund - Event Canceled(Fire) |
| 064947 | 1/24/2018 | Praxair | \$352.95 | | Shop Supplies |
| 064948 | 1/24/2018 | Quinn Company | \$350.94 | | Pavement - Maint. |
| 064949 | 1/24/2018 | Hugh Rafferty - Reimbursement | \$29.58 | | Expense Reimbursement |
| 064950 | 1/24/2018 | Roberts & Connell LLP | \$35.00 | | Legal Service |
| 064951 | 1/24/2018 | Special Dist. Risk Mgmt. Authority | \$2,982.23 | | Property/Liability Insurance |
| 064952 | 1/24/2018 | Service Star | \$11,856.96 | | Janitorial Service |
| 064953 | 1/24/2018 | S Lombardi & Assoc., Inc. | \$6,610.00 | | Airport Advertising |
| 064954 | 1/24/2018 | Tartaglia | \$24,284.00 | \$22,015.87 | Terminal Apron Reconstruction |
| 064955 | 1/24/2018 | Tri-Counties Plant Service | \$275.00 | | Interior Plants Maint. |

Santa Maria Public Airport District

Demand Register

| Check Number | Check Date | Vendor Name | Check Amount | AIP Funding | Description |
|----------------------|---------------|------------------------------|---------------------|--------------------|-----------------------------|
| 064956 | 1/24/2018 | Vision Communications Co | \$2,712.09 | | Radios - Operation Vehicles |
| 064957 | 1/24/2018 | VTC Enterprises | \$54.00 | | Trash - Paper Recycling |
| 064958 | 1/24/2018 | WageWorks | \$27.42 | | Cafeteria Plan - Admin. Fee |
| 064959 | 1/24/2018 | Brayton's Power Wash & Sweep | \$500.00 | | Street Sweeping |
| 064960 | 1/24/2018 | Next Day Signs | \$680.40 | | Signs |
| 064961 | 1/24/2018 | Office Depot | \$298.27 | | Office Supplies |
| Total Checks Written | | | \$150,469.22 | \$73,777.43 | |

*Approved by One Board Member

Electronic Payments

| | | |
|---------------------------------|-----------------------|---------------------|
| 1/3/2018 | Cal Pers | \$5,825.86 |
| 1/3/2018 | Cal Pers | \$24.52 |
| 1/9/2018 | Cal Pers | \$3,732.27 |
| 1/9/2018 | Cal Pers | \$1,026.16 |
| 1/10/2018 | Cal Pers - Medical | \$14,226.16 |
| 1/16/2018 | Mass Mutual | \$3,097.10 |
| 1/23/2018 | Cal Pers - Retirement | \$4,757.18 |
| Total Electronic Funds Transfer | | \$32,689.25 |
| Total Funds Dispersed: | | \$183,158.47 |

Santa Maria Public Airport District

Budget Report

For Expense Only Transactions Posted Year to Date

| Account Number | Account Description | Actual Expenses Year to Date | Budgeted Expenses for Twelve Months | Over/(Under Budget) |
|----------------|--|------------------------------|-------------------------------------|---------------------|
| 71110-100 | Electricity - Landing Area | 7,950 | 18,692 | (10,742) |
| 71110-455 | Electricity - Hotel Ramp | 541 | 1,062 | (521) |
| 71120-150 | ARFF Services | 166,278 | 665,110 | (498,832) |
| 71220-100 | Signs | | 1,600 | (1,600) |
| 71310-100 | Lighting & Nav Aid Maintenance | 4,101 | 11,125 | (7,024) |
| 71323-100 | Runway Generator Maintenance | 940 | 3,250 | (2,310) |
| 71330-100 | Pavement - Runways & Taxiways | 450 | 8,200 | (7,750) |
| 71331-100 | Pavement - Ramps & Tiedowns | 732 | 10,850 | (10,118) |
| 71345-100 | Weed/Wildlife Abatement | 1,303 | 24,800 | (23,497) |
| 71350-100 | Fencing & Gates | | 4,300 | (4,300) |
| 72100-200 | Electricity - Hangars | 45 | | 45 |
| 72110-200 | Electricity - Hangars | 10,869 | 25,083 | (14,214) |
| 72130-200 | Water/Sewer - Hangar | 2,140 | 5,140 | (3,000) |
| 72150-200 | Emergency Phones - Hangars | 753 | 3,240 | (2,487) |
| 72250-200 | Landscape Supplies - Hangars | 311 | | 311 |
| 72260-200 | Landscaping Hangar Area | 2,700 | 6,528 | (3,828) |
| 72290-200 | Miscellaneous Hangar Supplies | | 700 | (700) |
| 72300-200 | Building Maintenance - Hangar Area | 2,941 | 8,900 | (5,959) |
| 72310-200 | Lighting Maintenance - Hangars | 336 | 7,000 | (6,664) |
| 72311-200 | Janitorial Sv Hangar Area | 6,115 | 14,137 | (8,022) |
| 72328-200 | Fire Extinguisher Service - Hangar | | 1,500 | (1,500) |
| 72331-200 | Pavement - Ramp - Hangars | 810 | 11,250 | (10,440) |
| 72350-200 | Fencing & Gates | 768 | 3,050 | (2,282) |
| 72445-200 | Fire Alarm Service - Hangars | 910 | 3,260 | (2,350) |
| 72480-200 | Waste Oil Removal - Hangars | 584 | 1,500 | (916) |
| 73700-721 | Owner Build - Water/Sewer | 355 | 713 | (358) |
| 73700-722 | Owner Build - Electricity | 117 | 205 | (88) |
| 73700-723 | Owner Build - Restroom Janitorial | 1,050 | 2,570 | (1,520) |
| 73700-724 | Owner Build - Maintenance | | 1,000 | (1,000) |
| 74110-203 | Electricity - Main Hangar | 15,436 | 32,239 | (16,804) |
| 74110-204 | Utilities - 3940 Mitchell Rd. | 365 | 316 | 49 |
| 74120-203 | Gas- Main Hangar | 248 | 541 | (293) |
| 74130-125 | Water/Refuse - Paint Hangar | 2,023 | 4,774 | (2,750) |
| 74130-203 | Water/Refuse - Main Hangar | 3,069 | 5,544 | (2,475) |
| 74150-125 | Emergency Phone Lines - Paint Hangar | 1,047 | 2,052 | (1,005) |
| 74150-203 | Emergency Phone Lines - Main Hangar | 327 | 1,500 | (1,173) |
| 74260-400 | Landscaping - FBO | 415 | 996 | (581) |
| 74290-400 | Miscellaneous Supplies | | 1,000 | (1,000) |
| 74300-400 | Building Maintenance - FBO Hangar Area | 4,049 | 10,350 | (6,301) |
| 74311-203 | Janitorial Sv Main Hangar & FBOs | 1,050 | 2,570 | (1,520) |
| 74311-218 | Customs - Water/Refuse/Sewer | 1,555 | 2,322 | (767) |
| 74315-400 | Fire Sprinkler Maintenance | | 2,500 | (2,500) |
| 74331-400 | Pavement - Ramps & Tiedowns | 600 | 2,000 | (1,400) |
| 74340-400 | Drainage Maintenance | | 1,500 | (1,500) |
| 74350-400 | Fencing & Gates | 777 | 2,800 | (2,023) |

Santa Maria Public Airport District

Budget Report

For Expense Only Transactions Posted Year to Date

| Account Number | Account Description | Actual Expenses Year to Date | Budgeted Expenses for Twelve Months | Over/(Under Budget) |
|----------------|--|------------------------------|-------------------------------------|---------------------|
| 74445-125 | Fire Alarm Service - Paint Hangar | 210 | 420 | (210) |
| 74445-203 | Fire Alarm Service - Main Hangar | 210 | 420 | (210) |
| 75110-249 | Electricity - Terminal | 51,807 | 96,253 | (44,446) |
| 75120-249 | Gas - Terminal | 1,623 | 6,602 | (4,979) |
| 75130-249 | Water/Refuse/Sewer - Terminal | 9,679 | 17,845 | (8,167) |
| 75150-249 | Emergency Phone Lines - Terminal | 3,371 | 7,762 | (4,390) |
| 75150-250 | Pay Phone Service - Terminal | 1,595 | 2,735 | (1,140) |
| 75150-300 | Audio & Video Monthly Charges | 1,139 | 2,278 | (1,139) |
| 75220-250 | Signs | 572 | 2,000 | (1,428) |
| 75255-250 | Janitorial Sv Terminal Area | 51,699 | 97,626 | (45,927) |
| 75260-250 | Landscaping - Terminal | 11,845 | 28,428 | (16,583) |
| 75300-249 | Building Maint. - Terminal | 12,662 | 35,700 | (23,038) |
| 75300-339 | Building Maintenance - Fire Station | 3,164 | 5,730 | (2,566) |
| 75310-240 | Lighting Maintenance - Terminal Area Streets | | 500 | (500) |
| 75310-249 | Lighting Maintenance - Terminal | 1,409 | 4,000 | (2,591) |
| 75310-339 | Lighting Maintenance - Fire Station | | 100 | (100) |
| 75323-249 | Emergency Generator Maintenance - Terminal | 1,072 | 1,500 | (428) |
| 75323-339 | Emergency Generator Maintenance - Fire Station | 1,100 | 2,000 | (900) |
| 75333-250 | Pavement - Roads - Terminal Area | 5,120 | 10,000 | (4,880) |
| 75350-250 | Fencing & Gates - Terminal | | 2,000 | (2,000) |
| 75465-249 | Automatic Door Maintenance Service - Terminal | | 3,000 | (3,000) |
| 75475-249 | Interior Plant Service - Terminal | 1,375 | 3,300 | (1,925) |
| 75700-740 | Sig Items - Terminal Accessories | | 9,360 | (9,360) |
| 75700-761 | Sig Item - Crash Rescue Tool Roll for C-6 | | 11,750 | (11,750) |
| 76110-300 | Electric - Street Lights | 902 | 2,578 | (1,676) |
| 76110-310 | Electric - Retention Dam Pumps | 822 | 7,826 | (7,004) |
| 76140-300 | Recycled Water | | 2,250 | (2,250) |
| 76220-250 | Signs | | 2,000 | (2,000) |
| 76260-300 | Landscaping - Revenue Generating Land | 3,948 | 9,476 | (5,528) |
| 76290-300 | South Well Repairs | | 500 | (500) |
| 76310-300 | Street Light Maintenance | | 500 | (500) |
| 76340-300 | Drainage Maintenance | 1,157 | 3,000 | (1,843) |
| 76345-300 | North Well Repairs | | 1,500 | (1,500) |
| 76350-300 | Fencing & Gates | | 2,500 | (2,500) |
| 76360-300 | Stormwater Retention Facilities | 1,134 | 3,400 | (2,266) |
| 76700-750 | MHP - Salaries/ Employee Related Expenses | 44,393 | 90,283 | (45,890) |
| 76700-752 | MHP - Maintenance | 12,234 | 34,455 | (22,221) |
| 76700-753 | MHP - MHP Liability Insurance | 6,312 | 6,750 | (438) |
| 76700-754 | MHP - Utilities | 82,802 | 154,330 | (71,528) |
| 76700-755 | MHP - Property Management | 14,100 | 28,200 | (14,100) |
| 76700-757 | MHP - General and Admin. Expense | 10,276 | 16,710 | (6,434) |
| 87010-451 | General Manager | 77,906 | 155,759 | (77,853) |
| 87010-452 | Manager of Operations and Maintenance | 46,004 | 88,864 | (42,860) |
| 87010-453 | Manager of Finance and Administration | 46,004 | 88,864 | (42,860) |
| 87010-454 | Operations Officer | 25,633 | 49,953 | (24,319) |

Santa Maria Public Airport District

Budget Report

For Expense Only Transactions Posted Year to Date

| Account Number | Account Description | Actual Expenses Year to Date | Budgeted Expenses for Twelve Months | Over/(Under Budget) |
|----------------|---|------------------------------|-------------------------------------|---------------------|
| 87010-455 | Administrative Assistant | 26,505 | 51,785 | (25,280) |
| 87010-456 | Maintenance Foreman | 36,651 | 70,792 | (34,141) |
| 87010-457 | Maintenance Workers III | 44,317 | 63,529 | (19,212) |
| 87010-458 | Maintenance Worker I | 30,228 | 63,871 | (33,643) |
| 87010-459 | Maintenance Worker II | 20,521 | 34,075 | (13,554) |
| 87010-460 | Accounting Clerk | 43,405 | 84,626 | (41,222) |
| 87010-462 | Receptionist | 20,740 | 40,947 | (20,207) |
| 87020-473 | Longevity Pay | 9,837 | 18,049 | (8,213) |
| 87020-474 | On Call Pay | | 8,000 | (8,000) |
| 87030-481 | Medicare Tax | 6,916 | 11,877 | (4,961) |
| 87030-482 | Medical Insurance | 135,239 | 245,387 | (110,148) |
| 87030-483 | Dental Insurance | 9,192 | 12,371 | (3,179) |
| 87030-484 | Auto Allowance | 6,231 | 12,000 | (5,769) |
| 87030-485 | Life Insurance | 1,820 | 3,960 | (2,140) |
| 87030-486 | Disability Insurance | 5,283 | 6,673 | (1,390) |
| 87030-487 | PERS Retirement | 96,649 | 182,282 | (85,633) |
| 87030-488 | Worker's Compensation | 17,620 | 18,761 | (1,142) |
| 87030-489 | Employee Vision Coverage | 1,319 | 1,526 | (206) |
| 87110-150 | Electricity - Shop | 1,375 | 3,601 | (2,227) |
| 87110-217 | Electricity - Administration Building | 7,268 | 15,771 | (8,503) |
| 87120-150 | Gas - Shop | 124 | 260 | (135) |
| 87120-217 | Gas - Administration Building | 311 | 1,324 | (1,013) |
| 87130-150 | Water/Refuse - Shop | 1,336 | 1,413 | (77) |
| 87130-217 | Water/Sewer - Administrative Building | 624 | 1,589 | (964) |
| 87130-500 | Water - Landscaping | 13,736 | 19,608 | (5,872) |
| 87140-500 | Trash - Paper Recycling | 297 | 648 | (351) |
| 87160-501 | Cellular Phone | 5,190 | 13,750 | (8,560) |
| 87160-502 | Security Phone Lines | 520 | 1,032 | (512) |
| 87160-504 | Administration Office - Monthly Service | 3,075 | 7,813 | (4,738) |
| 87160-505 | Administration Office - Toll Calls | 961 | 1,903 | (942) |
| 87160-507 | Administration Office - Fax Line | 715 | 1,650 | (935) |
| 87160-509 | Tower & Fire Station | 1,609 | 2,187 | (578) |
| 87160-510 | Shop Phone | 1,174 | 2,317 | (1,144) |
| 87160-511 | Answering Service | 1,466 | 3,023 | (1,558) |
| 87160-512 | Legal Reimbursement | 0 | | 0 |
| 87160-514 | Cellular Phone - ARFF Vehicle | 46 | | 46 |
| 87210-500 | Security Supplies | | 3,400 | (3,400) |
| 87230-500 | Janitorial Supplies | 3,057 | 12,249 | (9,191) |
| 87240-500 | Small Tools | 2,439 | 5,250 | (2,811) |
| 87260-150 | Shop Supplies | 1,508 | 4,550 | (3,042) |
| 87270-531 | Fuel Expense - Gas/Oil | 7,069 | 11,049 | (3,979) |
| 87270-532 | Fuel Expense - Diesel Fuel/Oil | 3,228 | 11,000 | (7,772) |
| 87275-500 | Solvent | 519 | 1,036 | (517) |
| 87280-546 | First Aid | 850 | 1,036 | (185) |
| 87280-547 | Safety Equipment | 1,411 | 3,380 | (1,969) |

Santa Maria Public Airport District

Budget Report

For Expense Only Transactions Posted Year to Date

| Account Number | Account Description | Actual Expenses Year to Date | Budgeted Expenses for Twelve Months | Over/(Under Budget) |
|----------------|--|------------------------------|-------------------------------------|---------------------|
| 87280-548 | Training Supplies | | 600 | (600) |
| 87286-500 | Uniform Service | 4,158 | 7,599 | (3,441) |
| 87290-500 | Sundries | 3,528 | 4,438 | (910) |
| 87300-150 | Building Maintenance - Shop | 1,574 | 3,650 | (2,076) |
| 87300-217 | Building Maintenance - Administrative Building | 1,440 | 7,920 | (6,480) |
| 87300-221 | Clean HVAC Term & Admin | | 3,000 | (3,000) |
| 87321-150 | Equipment Maintenance - Shop | 202 | 750 | (548) |
| 87322-500 | Radio Maintenance | 156 | 1,000 | (844) |
| 87324-521 | Copier | 4,407 | 7,931 | (3,524) |
| 87324-523 | Maintenance - Postage Machine | 722 | 1,448 | (726) |
| 87328-500 | Fire Extinguisher Service | | 1,400 | (1,400) |
| 87360-536 | Automotive Maintenance - Mechanical | 1,693 | 8,000 | (6,307) |
| 87360-537 | Automotive Maintenance - Tires | 807 | 4,000 | (3,192) |
| 87370-541 | Heavy Equipment Maintenance - Mechanical | 6,133 | 13,500 | (7,367) |
| 87370-542 | Heavy Equipment Maintenance - Tires | 1,016 | 2,500 | (1,484) |
| 87370-543 | ARFF Vehicle Maintenance | 4,803 | 21,000 | (16,197) |
| 87380-554 | Fuel System - Fire Alarm Service | 210 | 540 | (330) |
| 87400-500 | Directors Fees | 5,800 | 21,000 | (15,200) |
| 87412-500 | Payroll Processing Fees | 2,746 | 4,773 | (2,026) |
| 87414-500 | Annual Audit | 13,734 | 27,750 | (14,016) |
| 87420-500 | Legal Counsel Services | 37,635 | 82,733 | (45,098) |
| 87430-500 | Engineering Services | | 25,000 | (25,000) |
| 87440-500 | Security Service | 111,731 | 340,084 | (228,353) |
| 87443-500 | Security Sys Maint & Repairs | 5,563 | 16,000 | (10,437) |
| 87450-500 | Janitorial Service - Admin | 4,725 | 11,567 | (6,842) |
| 87470-500 | Landscaping Services | 1,870 | 4,488 | (2,618) |
| 87472-500 | Landscaping Contingencies | 1,168 | 5,000 | (3,832) |
| 87475-500 | Internet/Web Page Maintenance | 14,571 | 27,297 | (12,726) |
| 87510-562 | Bank Charges - Service Charges | 5,797 | 12,004 | (6,207) |
| 87520-566 | Freight & Common Carrier | 345 | 473 | (128) |
| 87520-567 | Postage | 324 | 1,800 | (1,476) |
| 87520-568 | Printing & Stationery | 30 | 1,200 | (1,170) |
| 87520-570 | Misc. Office Supplies | 6,338 | 15,071 | (8,733) |
| 87520-572 | Books & Publications | 619 | 500 | 119 |
| 87530-581 | Computer Supplies | 1,570 | 16,120 | (14,550) |
| 87530-583 | Computer Support Services | 47,639 | 60,070 | (12,431) |
| 87540-600 | Dues and Memberships | 2,145 | 4,822 | (2,677) |
| 87540-601 | Dues -AAAE | 3,800 | 4,600 | (800) |
| 87540-603 | Dues - SWAAAE | | 510 | (510) |
| 87540-605 | Dues - Chamber of Commerce | 350 | 1,000 | (650) |
| 87540-606 | Dues - National Notary Association | | 150 | (150) |
| 87540-607 | Dues - CA Special Districts Association | 6,433 | 6,388 | 45 |
| 87540-608 | Dues - AAEE ARDF CA Airport Storm | 4,950 | 4,950 | 0 |
| 87540-610 | Costco Membership | 180 | 165 | 15 |
| 87540-618 | Santa Maria Times | | 150 | (150) |

Santa Maria Public Airport District

Budget Report

For Expense Only Transactions Posted Year to Date

| Account Number | Account Description | Actual Expenses Year to Date | Budgeted Expenses for Twelve Months | Over/(Under Budget) |
|----------------|--|------------------------------|-------------------------------------|---------------------|
| 87540-625 | Santa Barbara County Special Districts Assn | 300 | | 300 |
| 87540-628 | Pro-rata Share of LAFCO Budget | 4,000 | 3,556 | 444 |
| 87600-596 | Advertising - Legal | 622 | 1,000 | (378) |
| 87600-599 | Advertising - Airport Advertising | 38,741 | 32,300 | 6,441 |
| 87610-100 | Depreciation - Landing Area | | 1,513,200 | (1,513,200) |
| 87610-200 | Depreciation - Hangar Area | | 152,739 | (152,739) |
| 87610-250 | Depreciation - Terminal Area | | 526,335 | (526,335) |
| 87610-300 | Depreciation - Revenue Generating Land | | 254,890 | (254,890) |
| 87610-400 | Depreciation - Main Hangar & FBO | | 68,219 | (68,219) |
| 87610-500 | Depreciation - Administration | | 96,758 | (96,758) |
| 87620-692 | Emergency Exercises | | 500 | (500) |
| 87630-591 | Insurance - Airport Liability | | 20,000 | (20,000) |
| 87630-592 | Insurance - Auto, Fire, Property | | 63,897 | (63,897) |
| 87630-595 | Insurance - General Liability | | 28,707 | (28,707) |
| 87650-643 | Permits | 858 | 5,024 | (4,166) |
| 87650-646 | Storm Water Permits | | 1,283 | (1,283) |
| 87660-500 | Education | 959 | 9,000 | (8,041) |
| 87670-500 | Business Travel & Entertainment | 19,713 | 54,850 | (35,137) |
| 87679-500 | Employee Recognition | 1,165 | 3,500 | (2,335) |
| 87700-791 | Sig Items - Training Live Burn | | 26,500 | (26,500) |
| 88680-681 | SM Chamber Economic Development | 33,000 | 33,000 | 0 |
| 88680-690 | Airline Service Enhancement Grant | 184,603 | 184,603 | 0 |
| 88680-691 | Planning & Marketing | | 25,000 | (25,000) |
| 88680-692 | Consulting Services - Marketing Aviation Related | 3,599 | 64,410 | (60,811) |
| 88680-693 | Consulting Services - Contingencies | 27,755 | 102,554 | (74,799) |
| Total | | 1,975,953 | 7,136,893 | (5,160,940) |

Santa Maria Public Airport District

For the For Months Ending November 30, 2017

Revenues

| | | Actual YTD | Budget YTD | Over/(Under) Budget |
|-----------|--|-----------------------|-----------------------|--------------------------------|
| 61100-052 | Landing Fees - Ameriflight | 4,431 | 2,505 | 1,926 |
| 61100-053 | Landing Fees - U.S. Forest Service | 26,966 | 10,417 | 16,549 |
| 61100-054 | Landing Fees - Federal Express - WestAir | 2,890 | 2,407 | 483 |
| 61100-055 | Landing Fees - Allegiant Air | 10,278 | 9,649 | 629 |
| 61100-069 | Landing Fees - Charter Jets | 4 | | 4 |
| 61110-052 | Tiedowns - Ameriflight | 520 | 510 | 10 |
| 61110-054 | Tiedowns - Federal Express - WestAir in | 1,535 | 1,535 | 0 |
| 61110-059 | FBO Tiedowns | 62 | | 62 |
| 61130-093 | Comm Veh Access - Federal Express | 4,435 | 4,435 | 0 |
| 61130-094 | Comm Veh Access - UPS | 1,675 | 1,658 | 17 |
| 61140-152 | Fuel Flowage Fees - Self Serve | 3,049 | 1,384 | 1,665 |
| 61140-154 | Fuel Flowage Fees - CC Jet Center, LLC | 31,861 | 28,880 | 2,981 |
| 62210-005 | T-Hangar 3005 Airpark | 17,250 | 17,282 | (32) |
| 62210-009 | T-Hangar 3009 Airpark | 11,034 | 11,115 | (81) |
| 62210-011 | T-Hangar 3011 Airpark | 10,700 | 10,687 | 13 |
| 62210-019 | T-Hangar 3019 Airpark | 10,486 | 10,687 | (201) |
| 62210-023 | T-Hangar 3023 Airpark | 11,100 | 11,115 | (15) |
| 62210-027 | T-Hangar 3027 Airpark | 10,802 | 10,965 | (164) |
| 62210-031 | T-Hangar 3031 Airpark | 11,335 | 10,965 | 370 |
| 62210-039 | T-Hangar 3039 Airpark | 14,840 | 15,935 | (1,095) |
| 62210-103 | T-Hangar 3103 Airpark | 17,660 | 17,835 | (175) |
| 62210-107 | T-Hangar 3107 Airpark | 12,834 | 13,017 | (183) |
| 62210-109 | T-Hangar 3109 Airpark | 10,050 | 10,046 | 4 |
| 62210-111 | T-Hangar 3111 Airpark | 9,470 | 10,292 | (822) |
| 62220-035 | Corporate T-Hangar 3035 Airpark | 15,875 | 15,876 | (1) |
| 62230-005 | T-Hangar Storage 3005 Airpark | 2,350 | 2,350 | (0) |
| 62230-009 | T-Hangar Storage 3009 Airpark | 790 | 783 | 7 |
| 62230-011 | T-Hangar Storage 3011 Airpark | 830 | 825 | 5 |
| 62230-019 | T-Hangar Storage 3019 Airpark | 415 | 413 | 2 |
| 62230-023 | T-Hangar Storage 3023 Airpark | 395 | 392 | 3 |
| 62230-027 | T-Hangar Storage 3027 Airpark | 770 | 773 | (3) |
| 62230-031 | T-Hangar Storage 3031 Airpark | 385 | 773 | (388) |
| 62230-035 | T-Hangar Storage 3035 Airpark | 795 | 794 | 1 |
| 62230-039 | T-Hangar Storage 3039 Airpark | 3,410 | 2,350 | 1,060 |
| 62230-107 | T-Hangar Storage 3107 Airpark | 690 | 783 | (93) |
| 62230-109 | T-Hangar Storage 3109 Airpark | 340 | 339 | 1 |
| 62230-111 | T-Hangar Storage 3111 Airpark | 788 | 773 | 15 |
| 62240-001 | Corporate Hangars 3001 Airpark | 17,790 | 17,792 | (2) |
| 62240-029 | Corporate Hangars 3029 Airpark | 19,620 | 19,618 | 2 |
| 62240-105 | Corporate Hangars 3105 Airpark | 23,310 | 23,304 | 6 |
| 62240-118 | Corporate Hangar 3043 Airpark | 21,450 | 22,743 | (1,293) |
| 63310-100 | Owner Build Hangar - Land (Sm) | 2,678 | 2,678 | 0 |
| 63310-101 | Owner Build Hangars - Land (Lg) | 4,642 | 4,642 | 0 |

Santa Maria Public Airport District

For the For Months Ending November 30, 2017

Revenues

| | | Actual YTD | Budget YTD | Over/(Under) Budget |
|-----------|---|-----------------------|-----------------------|--------------------------------|
| 64410-177 | Main Hangar - Artcraft Paints | 19,107 | 19,107 | (0) |
| 64410-178 | Main Hangar - Tricor Calif | 975 | 975 | (0) |
| 64410-183 | Main Hangar - S B Cellular | 10,875 | 10,988 | (113) |
| 64410-184 | Main Hangar - Ravatt, Albrecht & Associated, Inc. | 5,355 | 5,215 | 140 |
| 64410-185 | Main Hangar - Art-Craft Suites 119-128 | 18,727 | 18,728 | (1) |
| 64420-117 | Corporate Hangar FBO 3117 Liberator | 12,446 | 7,620 | 4,826 |
| 64420-119 | Corporate Hangar FBO 3119 Liberator | 3,324 | 3,302 | 22 |
| 64420-121 | Corporate Hangar FBO 3121 Liberator | 3,220 | 3,220 | 0 |
| 64420-125 | Corporate Hangar FBO 3125 Liberator (P) | 21,046 | 21,045 | 1 |
| 64420-409 | Corporate Hangar FBO 3409 Corsair | 20,349 | 26,170 | (5,821) |
| 64420-410 | U.S. Forest - Land Use Revenue | 27,485 | 16,667 | 10,818 |
| 64420-438 | Corporate Hangar FBO - CALSTAR | 4,810 | 4,761 | 49 |
| 64420-439 | Corporate Hangar FBO CC Jet Center | 21,295 | 21,295 | 0 |
| 64420-440 | Corporate Hangar FBO 3950 Mitchell | 7,937 | 7,990 | (53) |
| 64420-441 | Corporate Hangar FBO 3948 Mitchell | 1,018 | 2,562 | (1,544) |
| 64420-442 | Corporate Hangar FBO 3944 Mitchell | 7,135 | 7,135 | 0 |
| 64420-443 | Corporate Hangar FBO 3940 Mitchell | 15,355 | 15,354 | 1 |
| 64420-444 | Corporate Hangar FBO Arctic Air | 18,580 | 18,580 | 0 |
| 64420-445 | CC Jet Center Self Serve | 1,248 | 875 | 373 |
| 64420-447 | Rotocraft Leasing - Parking Lot | 5,345 | 5,348 | (3) |
| 64420-448 | MOF 3015/3025 Airpark Drive | 1,060 | 1,045 | 15 |
| 64420-449 | FBO CC Jet Center-Los Padres Disp | 1,530 | 1,532 | (2) |
| 64420-450 | CCJC (GA Terminal) | 4,415 | 4,790 | (375) |
| 64459-203 | Utility Reimbursement - Main Hangar | 12,869 | 9,403 | 3,466 |
| 65000-100 | Vehicle Access Fee - Uber | 2,740 | | 2,740 |
| 65510-251 | Terminal - TSA Lease | 39,042 | 39,042 | 0 |
| 65510-252 | Terminal - Restaurant | 13,767 | 15,561 | (1,794) |
| 65510-255 | Terminal - Allegiant Air, Inc. | 920 | 920 | 0 |
| 65510-256 | Terminal -Central Coast Shuttle | 10,030 | 10,029 | 1 |
| 65510-257 | PFC Revenue | 47,156 | 33,413 | 13,743 |
| 65510-261 | Terminal - ProDIGIQ | 63 | | 63 |
| 65510-262 | ARINC | 725 | 722 | 2 |
| 65520-265 | Terminal Concessions - Avis | 42,215 | 40,295 | 1,920 |
| 65520-266 | Terminal Concessions - Budget | 11,977 | 7,738 | 4,239 |
| 65520-267 | Terminal Concessions - Hertz | 26,606 | 28,760 | (2,154) |
| 65520-268 | Terminal Concessions - Enterprise | 22,760 | 22,328 | 432 |
| 65520-274 | Terminal Vending Machines | 855 | 1,315 | (460) |
| 65530-217 | Other Building - Administrative Board Room | 300 | 467 | (167) |
| 65530-307 | Other Building - Avis Service Center | 4,540 | 4,539 | 1 |
| 65559-249 | Utility Reimbursements - Terminal | 1,124 | 1,025 | 99 |
| 65559-336 | TSA - LEO Reimbursement | 5,140 | 12,000 | (6,860) |
| 66120-080 | Vehicle Training Area/Special Events | 1,000 | | 1,000 |
| 66120-083 | Santa Maria Karting | 2,950 | 2,750 | 200 |

Santa Maria Public Airport District

For the For Months Ending November 30, 2017

Revenues

| | | Actual YTD | Budget YTD | Over/(Under) Budget |
|-----------|--|-----------------------|-----------------------|--------------------------------|
| 66610-361 | Farm Land - Castellanos | 55,388 | 53,102 | 2,286 |
| 66610-362 | Grazing Land - R. Michel | 976 | 895 | 81 |
| 66610-363 | Grazing Land - Mc Gray & Jokela | 565 | 565 | 0 |
| 66610-364 | Master Lease - Mahoney Brothers - CJJ | 9,947 | 9,610 | 337 |
| 66610-365 | Farm Land - Gresser | 209,252 | 210,563 | (1,310) |
| 66610-366 | Grazing Land - Verlade | 1,343 | 1,343 | 0 |
| 66620-201 | Airport Business Park | 53,625 | 58,988 | (5,363) |
| 66620-320 | Pioneer Park | 805 | 805 | 0 |
| 66620-455 | Commercial Land - Hotel | 83,768 | 76,812 | 6,957 |
| 66620-500 | Verizon Land Lease | 10,000 | | 10,000 |
| 66630-381 | Village Mobile Home Park | 178,533 | 170,894 | 7,639 |
| 67300-950 | Commercial Filming - Movie Shoots | 2,000 | | 2,000 |
| 67910-900 | Misc. Income Operations | 9,036 | | 9,036 |
| 67910-921 | Misc. Income - Late Charges | 8 | 2,917 | (2,909) |
| 67910-924 | Misc. Income - Copy Charges/Postage/Keys | 35 | | 35 |
| 67910-931 | Misc. Income - Rebates - PG&E | | 2,500 | (2,500) |
| 67910-951 | Misc. Income - Airport Access Card | 873 | 3,333 | (2,460) |
| 69010-951 | Interest Income | | 9,806 | (9,806) |
| 69110-934 | AIP 34 - Airport Master Plan | 33,082 | | 33,082 |
| 69110-935 | AIP 35 Rehabilitate Apron | 837,804 | | 837,804 |
| 69110-936 | AIP 36 Reimbursement | | 3,882,022 | (3,882,022) |
| 69310-965 | Tax Revenues | 307,378 | 586,822 | (279,444) |
| 69510-980 | Ordinary Dividends - Principal Financial Group | 49 | | 49 |
| | Total | 2,626,472 | 5,856,908 | (3,230,436) |

Santa Maria Public Airport District

Board of Directors Presentation of 2017 Audit Results

From

**Jeff Palmer
Fedak & Brown LLP**



Audit Requirements

- **State Law Requires the District to Have an Audit Performed Each Year by a Qualified CPA.**
- **A Copy of the Audit Report and the Results of That Years Operations Must be Submitted to the State Auditor Controller.**



The Financial Statement Audit

- **The Annual Audit of the District's Financial Statements is to Determine Whether the Financial Statements are Free of Material Misstatements and Prepared in Accordance with Generally Accepted Accounting Principles (GAAP).**



Professional Guidance

- **The Audit Process is Governed by:**
 - **The Statements of Auditing Standards**
 - **Federal and State Requirements**
- **GAAP is Established by The Governmental Accounting Standards Board (GASB)**



The Audit Process

- **Interim Fieldwork – Assess the District's Internal Controls and Effectiveness**
 - **Gain and Understanding of the District's Control Framework**
 - **Test of Controls Testing – Accounting Cycles**
 - **Assess Risk – Design Audit Programs for Final Audit**



The Audit Process

- **Final Fieldwork – Test Account Balances**
 - **Agree to Supporting Documentation**
 - **Perform Analysis of Key Relationships**



The Reports

Independent Auditor's Report on the Financial Statement – Unmodified “CLEAN” Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the **Santa Maria Public Airport District** as of June 30, 2017....

Independent Auditor's Report – Performed in Accordance with Government Auditing Standards on Internal Controls and on Compliance and Other Matters

Report to Management on Financial Reporting Matters

Communication to Governing Board

- **Auditor's Responsibility Under U.S. GAAS**
- **Planned Scope of Audit – Audit Engagement Letter**
- **Qualitative Aspects of Accounting Practices**
- **Management's Judgments & Accounting Estimates**



Communication to Governing Board

- **Corrected and/or Uncorrected Misstatements**
- **Management's Consultation with Other Accountants**
- **Difficulties Encountered in Performing the Audit**
- **Disagreements with Management**



Upcoming Items For 2018

New Accounting Pronouncement Implementation for GASB 75:

- **The Primary Objective is to Match both Accounting and Reporting of the OPEB liability with the Pension liability in the District's books.**
- **Utilize deferred outflows and inflows which represents either the consumption/acquisition of resources in future periods.**
- **Provides Additional Disclosures within the Notes to the Financial Statements.**



Financial Highlights

Condensed Statements of Net Position

| | | As Restated | |
|---------------------------------------|----------------------|-------------------|------------------|
| Assets: | 2017 | 2016 | Change |
| Current assets | \$ 5,572,349 | 5,702,555 | (130,206) |
| Non-current assets | 120,788 | 113,212 | 7,576 |
| Capital assets, net | 32,171,380 | 30,705,190 | 1,466,190 |
| Total assets | 37,864,517 | 36,520,957 | 1,343,560 |
| Deferred outflows of resources | 309,433 | 112,925 | 196,508 |
| Liabilities: | | | |
| Current liabilities | 1,813,900 | 710,026 | 1,103,874 |
| Long-term liabilities | 1,680,048 | 1,284,675 | 395,373 |
| Total liabilities | 3,493,948 | 1,994,701 | 1,499,247 |
| Deferred inflows of resources | 178,148 | 277,504 | (99,356) |
| Net position: | | | |
| Net investment in capital assets | 32,136,697 | 30,657,372 | 1,479,325 |
| Restricted for capital projects | 1,967,435 | 3,590,388 | (1,622,953) |
| Unrestricted | 397,722 | 113,917 | 283,805 |
| Total net position | \$ 34,501,854 | 34,361,677 | 140,177 |



Financial Highlights

Condensed Statements of Revenues, Expenses and Changes in Net Position

| | | As Restated 2016 | |
|--|----------------------|------------------------|------------------|
| Revenues: | 2017 | | Change |
| Operating revenues | \$ 3,310,143 | 3,226,304 | 83,839 |
| Non-operating revenues | 1,559,066 | 1,528,730 | 30,336 |
| Total revenues | 4,869,209 | 4,755,034 | 114,175 |
| Expenses: | | | |
| Operating expenses | 4,458,946 | 3,813,171 | 645,775 |
| Depreciation and amortization | 2,288,269 | 2,441,538 | (153,269) |
| Non-operating expenses | 737,054 | 387,922 | 349,132 |
| Total expenses | 7,484,269 | 6,642,631 | 841,638 |
| Net income before capital | (2,615,060) | (1,887,597) | (727,463) |
| Capital contributions | 2,755,237 | 327,120 | 2,428,117 |
| Change in net position | 140,177 | (1,560,477) | 1,700,654 |
| Net position, beginning of year | | | |
| – as restated | 34,361,677 | 35,922,154 | (1,560,477) |
| Net position, end of year | \$ 34,501,854 | 34,361,677 | 140,177 |



Financial Highlights

In fiscal year 2017:

Change in Net Position - Increased \$140,177 to \$34,501,854, due as a result of current years operations and a prior year restatement for a note receivable allowance of \$111,272.

Total Revenues - Increased by \$114,175 to \$4,869,209.

Operating Revenues - Increased by \$83,839 to \$3,310,143, due primarily to increases of \$45,319 in landing area usage, \$24,436 in main hangar and fixed base operations, and \$46,586 in land usage, which were offset by a decrease of \$22,599 in terminal area usage revenues.

Non-operating Revenues - Increased by \$30,336 to \$1,559,066, primarily due to increases of \$24,170 in overall property taxes and \$5,940 in interest and investment earnings.

Total Expenses - Increased by \$841,638 to \$7,484,269.

Operating Expenses before Depreciation - Increased by \$645,775 to \$4,458,946, due primarily to increases of \$364,355 in landing area usage, \$243,049 in public administration, and \$38,460 in terminal area usage.

Depreciation - Decreased by \$153,269 to \$2,288,269, primarily due to maturing depreciable assets.

Non-operating Expenses - Increased by \$349,132 to \$737,054, primarily due to increases of \$334,338 in revenue guarantee expense and \$14,794 on loss on disposal of capital assets.

Capital Contributions - Increased by \$2,428,117 to \$2,755,237, due primarily to an increase of \$2,493,645 in federal capital grants which was offset by a decrease of \$65,528 in passenger facility charges.

At the end of fiscal year 2017, the District showed a positive balance in its unrestricted net position of \$397,722 which is an increase of \$283,805 from 2016.



FOURTH AMENDMENT TO LEASE

Re: Lease dated October 28, 1993, between SANTA MARIA PUBLIC AIRPORT DISTRICT and SR-9 CORPORATION, as assigned to COASTAL VALLEY AVIATION, Inc., covering Buildings 3119-A and 3119-B at 3119 Liberator Street, related aircraft ramp, and aircraft parking space area immediately south of corporate hangar 3121, at the Santa Maria Public Airport (the "Lease").

The undersigned, SANTA MARIA PUBLIC AIRPORT DISTRICT ("District") and COASTAL VALLEY AVIATION, Inc. ("Tenant"), do hereby agree to amend the above-referenced Lease, effective February 1, 2018, as follows:

Effective February 1, 2018, section 1(d) is deleted in its entirety. It is replaced with:

1. (d) "Leased Premises" means and includes Buildings 3119-A and B at 3119 Liberator Street (consisting of approximately 7,800 square feet of floor area), a paved aircraft ramp of approximately 50 feet by 150 feet in front of the buildings and an aircraft parking space of approximately 40 feet by 40 feet adjacent to the buildings and ramp area shown on Exhibit "A" attached hereto and made a part hereof.

All of the terms, covenants, conditions, provisions and agreements of said Lease, as amended, shall remain in full force and effect.

DATED: January 25, 2018

APPROVED AS TO CONTENT FOR
DISTRICT:

General Manager

APPROVED AS TO FORM FOR
DISTRICT:

District Counsel

DISTRICT:

SANTA MARIA PUBLIC AIRPORT DISTRICT

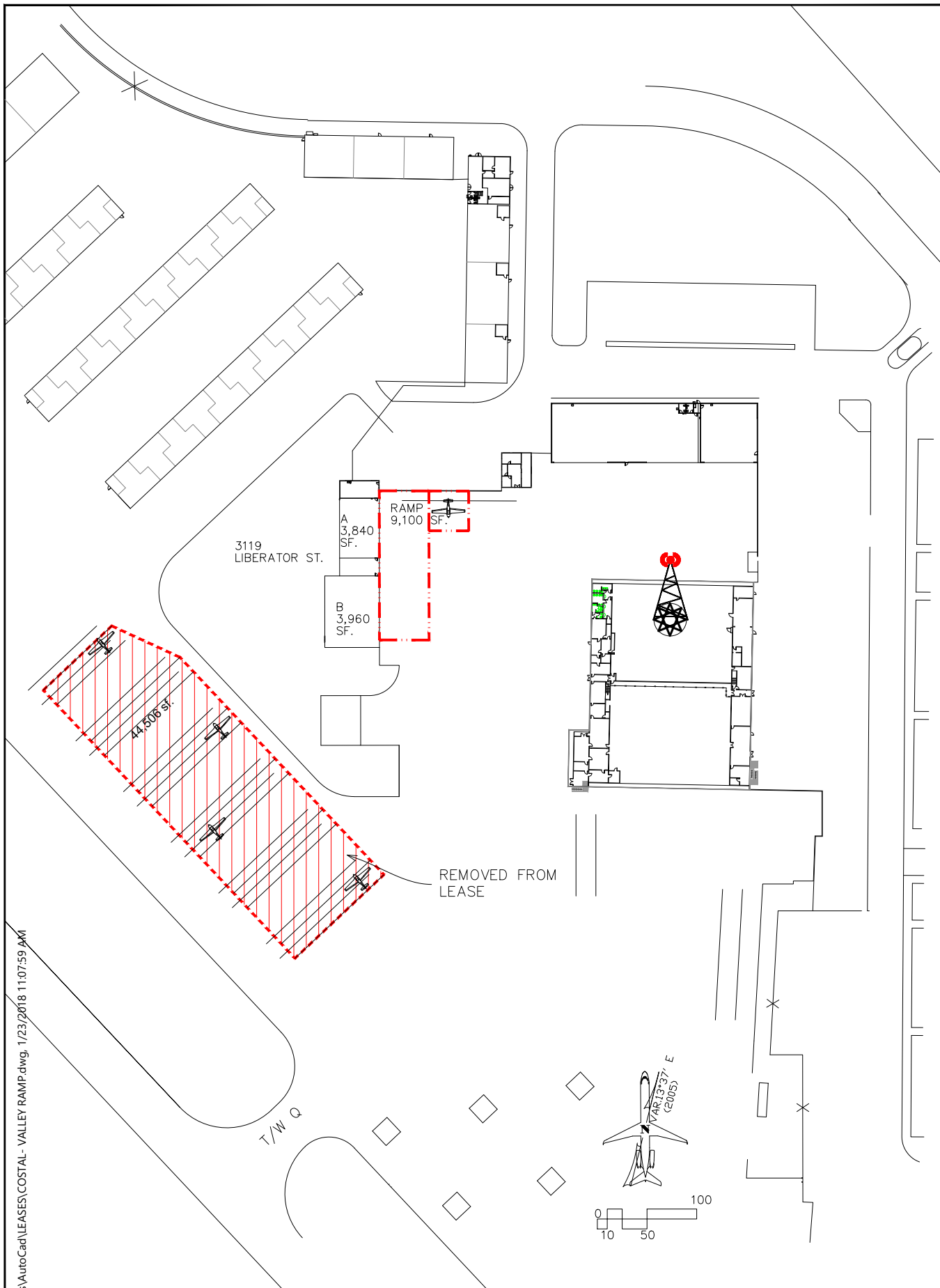
By: _____
Hugh Rafferty, President

By: _____
Carl Engel, Secretary

Tenant:

COASTAL VALLEY CORPORATION, INC.
a California corporation

By: _____
Phil Kirkham, President



G:\Drawings\AutoCad\LEASES\COSTAL- VALLEY RAMP.dwg, 1/23/2018 11:07:59 AM



3217 TERMINAL DR.
SANTA MARIA, CA
93455.
(805) 922-1726

| REVISIONS | |
|-----------|-----|
| DATE | By: |
| 1/23/18 | RH |
| | |
| | |

DRAWN BY:
RAY HEATH

BY: _____
DATE: _____

EXHIBIT A COASTAL VALLEY LEASE

DRAWING NUMBER
COASTAL VALLEY CORP.

November 30, 2017

Ms. Veroneka Reade
Manager of Finance
Santa Maria Public Airport District
3217 Terminal Drive
Santa Maria, California 93455-1899

Re: Workers' Compensation Resolution for Governing Body Member and/or Volunteer Coverage

Dear Ms. Reade,

Recently our excess carrier has made us aware that SDRMA Workers' Compensation (WC) members need to pass a **new Resolution** if they would like to continue (or start) covering their Governing Body members and/or volunteers.

Section 3363.5 of the California Labor Code provides that a person who performs voluntary service for a public agency as designated and authorized by the Governing Body of the agency or its designee, shall, upon adoption of a Resolution by the Governing Body of the agency so declaring, be deemed to be an employee for workers' compensation purposes. Thus, if such a resolution is adopted, and the volunteer is injured while performing duties for the agency, the volunteer is entitled to receive workers' compensation benefits and their exclusive remedy for recovery against the agency is through the Workers' Compensation system.

Such Governing Body members and/or volunteers may be covered for workers' compensation benefits only if a Resolution to that effect is adopted by the Governing Body pursuant to Labor Code § 3363.5 and a copy of the Resolution is filed with SDRMA.

A new Resolution (see attached) has been created by our coverage counsel. The Resolution permits your Governing Body to designate the various categories of persons who the agency desires to "deem" to be employees for purposes of workers' compensation. It declares, on a blanket basis, that the designated categories of volunteers are deemed employees and those categories consist of Governing Body Members, persons performing voluntary service, persons on work study, interns, and other volunteers. In addition, those so designated persons also need to be listed under our Workers' Compensation Program (which includes paying an annual contribution amount) to enable coverage.

When using the sample Resolution provided, please do not make any changes other than the areas highlighted in yellow. **To ensure accurate and timely implementation of your Resolution, please return your Governing Body approved Workers' Compensation Resolution as soon as possible by fax or email.** A Microsoft Word version of the sample Resolution can be downloaded at <http://www.sdrma.org/program-coverages/workers-compensation-program>. If your agency has any questions please contact Ellen Doughty, Chief Member Services Officer, at 800.537.7790 or edoughty@sdrrma.org.

Sincerely,
Special District Risk Management Authority



Gregory S. Hall, ARM
Chief Executive Officer

Enclosures: Sample Resolution for Covering Governing Body and/or Volunteers

RESOLUTION No. xxxxxxxxx

**RESOLUTION OF THE GOVERNING BODY OF
THE AGENCY NAME,
DECLARING THAT GOVERNING BODY MEMBERS AND VOLUNTEERS SHALL
BE DEEMED TO BE EMPLOYEES OF THE DISTRICT FOR THE PURPOSE OF
PROVIDING WORKERS' COMPENSATION COVERAGE FOR SAID CERTAIN
INDIVIDUALS WHILE PROVIDING THEIR SERVICES**

WHEREAS, the Agency Name utilizes the services of Governing Body Members and Volunteers; and

WHEREAS, Section 3363.5 of the California Labor Code provides that a person who performs voluntary service for a public agency as designated and authorized by the Governing Body of the agency or its designee, shall, upon adoption of a resolution by the Governing Body of the agency so declaring, be deemed to be an employee of the agency for the purpose of Division 4 of said Labor Code while performing such services; and

WHEREAS, the Governing Body wishes to extend Workers' Compensation coverage as provided by State law to the following designated categories of persons as indicated by a checkmark in the box to the left of the descriptions:

- ☐ All Members of the Governing Body of the Agency Name as presently or hereafter constituted and/or
- ☐ All persons performing voluntary services without pay other than meals, transportation, lodging or reimbursement for incidental expenses
- ☐ Individuals on Work-study programs
- ☐ Interns
- ☐ Other Volunteers
- ☐ _____
[designate]

NOW, THEREFORE, BE IT RESOLVED, that such persons coming within the categories specified above, including the duly elected or appointed replacements of any Governing Body Member and other designated individuals be deemed to be employees of the Agency Name for the purpose of Workers' Compensation coverage as provided in Division 4 of the Labor Code while performing such service. However, said Governing Body Members and other designated individuals will not be considered an employee of the Agency Name for any purpose other than for such Workers' Compensation coverage, nor grant nor enlarge upon any other right, duty, or responsibility of such Governing Body Members or other designated individuals, nor allow such persons to claim any other benefits or rights given to paid employees of the Agency Name.

PASSED, APPROVED AND ADOPTED this DATE by the following vote:

AYES:
NOES:
ABSENT:

Name, Chairperson
Agency Name

APPROVED AS TO FORM: