



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

**Thursday
June 27, 2024**

**Administration Building
Airport Boardroom
6:00 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: Moreno, Adams, Brown, Clayton, Baskett

- 1. MINUTES OF THE REGULAR MEETING HELD JUNE 13, 2024**
- 2. COMMITTEE REPORT(S):**
 - a) EXECUTIVE
 - b) ADMINISTRATION & FINANCIAL
 - c) SAFETY & SECURITY
 - d) REAL ESTATE
 - e) AIRPORT PLANNING & CAPITAL IMPROVEMENT
 - f) GOVERNMENT AFFAIRS
 - g) MARKETING & PROMOTIONS
 - h) GENERAL AVIATION
- 3. GENERAL MANAGER'S REPORT**
- 4. MANAGER OF FINANCE & ADMINISTRATION REPORT**
 - a) Demand Register
 - b) Budget to Actual
 - c) Financial Statements
 - d) Budget Deviation
 - e) Delinquent Tenant

5. **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 a time limit for receipt of testimony. The board reserves the right to establish further time limits for receipt of testimony.
6. **REVIEW AND APPROVAL OF THE BUDGET FOR FISCAL YEAR 2024-2025.**
7. **RESOLUTION 936. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT APPROVING A GRANT OF EASEMENT TO PACIFIC GAS AND ELECTRIC COMPANY.**
8. **AUTHORIZATION FOR THE PRESIDENT AND THE GENERAL MANAGER TO EXECUTE THE LETTER OF ENGAGEMENT BETWEEN THE DISTRICT AND C.J. BROWN & COMPANY CPAs FOR THE ANNUAL AUDIT.**
9. **CLOSED SESSION.** The Board will hold a Closed Session to discuss the following item(s):
 - a) **Conference with Legal Counsel-Existing Litigation (Paragraph (1) of Subdivision (d) of Section 54956.9): Santa Maria Public Airport District v. California State Water Resources Control Board et al. (Santa Barbara Superior Court Case No. 24CV01262)**
 - b) **Conference with Legal Counsel-Anticipated Litigation (Paragraph (2) or (3) of Subdivision (d) of Gov. Code Section 54956.9) Significant exposure to litigation: (One case).**
10. **DIRECTORS' COMMENTS.**
11. **ADJOURNMENT.**

MINUTES OF THE REGULAR BOARD
MEETING OF THE BOARD OF DIRECTORS
OF THE SANTA MARIA PUBLIC AIRPORT
DISTRICT HELD JUNE 13, 2024

The Board of Directors of the Santa Maria Public Airport District held a Regular Meeting at the regular meeting place at 6:00 p.m. Present were Directors Moreno, Adams, Brown, Clayton, and Baskett. Manager of Finance & Administration Reade, and District Counsel Cheung. General Manager Pehl was absent.

1. MINUTES OF THE REGULAR MEETING HELD May 23, 2024. Director Adams made a Motion to approve the minutes of the regular meeting held May 23, 2024. Director Clayton Seconded and it was carried by a 5-0 vote.
2. MINUTES OF THE SPECIAL MEETING HELD June 7, 2024. Director Adams made a Motion to approve the minutes of the special meeting held June 7, 2024. Director Clayton Seconded and it was carried by a 5-0 vote.
3. COMMITTEE REPORT(S):
 - a) EXECUTIVE – No meeting scheduled.
 - b) ADMINISTRATION & FINANCIAL – No meeting scheduled.
 - c) SAFETY & SECURITY – No meeting scheduled.
 - d) REAL ESTATE – No meeting scheduled.
 - e) AIRPORT PLANNING & CAPITAL IMPROVEMENT– No meeting scheduled.
 - f) GOVERNMENT AFFAIRS – No meeting scheduled.
 - g) MARKETING & PROMOTIONS – No meeting scheduled.
4. GENERAL MANAGER'S REPORT: Nothing to report.
5. The Manager of Finance & Administration presented the Demand Register to the Board for review and approval.
 - a) Demand Register. The Demand Register, covering warrants 072737 through 072801 in the amount of \$460,649.74, was recommended for approval as presented. Director Baskett made a Motion to accept the Demand Register as presented. Director Clayton Seconded and it was carried by a 5-0 vote.
6. 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 has established a five-minute time limit for receipt of testimony. The board reserves the right to establish further time limits for receipt of testimony.

Cliff Soloman, a member of the public, voiced concerns over noise from military aircraft. He also stated he has not received a call back after leaving messages on the specified noise complaint line.

7. Review and approval of the budget for fiscal year 2024-2025. This item was tabled for a future meeting.
8. Resolution 933. A Resolution of the Board of Directors of the Santa Maria Public Airport District adopting the appropriations subject to limitations for fiscal year 2024-2025 under California Constitution Article XIII B (as amended) and implementing statutes. Director Adams made a Motion to approve. Director Brown Seconded and it was carried by the following roll call vote. Directors Moreno, Adams, Brown, Clayton, and Baskett voted "Yes".
9. Authorization for two staff members to attend the annual Allegiant conference to be held October 1-3, 2024, in Las Vegas, NV. Director Brown made a Motion to approve. Director Adams Seconded and it was carried by a 5-0 vote.
10. Authorization for two staff members to attend the Takeoff North America Air Service Development conference to be held October 22-24, 2024, in Green Bay, WI. Director Brown made a Motion to approve. Director Adams Seconded and it was carried by a 5-0 vote.
11. Authorization for the President and Secretary to execute the Eleventh Amendment between the District and the Santa Maria Valley Chamber of Commerce and Visitor and Convention Bureau. Director Adams made a Motion to approve. Director Brown Seconded and it was carried by a 5-0 vote.
12. Authorization for the President and Secretary to execute the Revocable License Agreement between the District and Valley Art Gallery. Director Baskett made a Motion to approve. Director Adams Seconded and it was carried by a 5-0 vote.

RECESS: At 6:10 p.m.

Return to OPEN SESSION: At 6:16 p.m. The Board and staff reconvened to Open Session.

13. Closed Session. At 6:16 p.m. the Board went into Closed Session to discuss the following item(s):
 - a) Conference with Legal Counsel-Existing Litigation (Paragraph (1) of Subdivision (d) of Section 54956.9): Santa Maria Public Airport District v. California State Water Resources Control Board et al. (Santa Barbara Superior Court Case No. 24CV01262).
 - b) Conference with Legal Counsel-Anticipated Litigation (Paragraph (2) or (3) of Subdivision (d) of Gov. Code Section 54956.9) Significant exposure to litigation: (One case).
 - c) Conference with Legal Counsel-Initiation of Litigation (Paragraph (4) of Subdivision (d) of Gov. Code Section 54956.9): (One Case).

At 6:44 pm., the Board and staff reconvened to Open Public Session.

There were no reportable actions.

14. Directors' Comments. Directors Moreno, Adams, Brown, and Baskett had no comment. Director Clayton stated the airport was moving in the right direction.

15. Adjournment: President Moreno asked for a Motion to adjourn to a Regular Meeting to be held on June 27, 2024, at the regular meeting place. Director Adams made that Motion, Director Brown Seconded and it 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 6:45 p.m. on June 13, 2024.

Ignacio Moreno, President

Steven Brown, Secretary

Santa Maria Public Airport District

Demand Register

Check Number	Check Date	Vendor Name	Check Amount	Description
* 72802	6/19/2024	Adamski Moroski	\$19,826.50	Legal Counsel Services
* 72803	6/19/2024	Armstrong's Lock and Key	\$264.44	Hangar Maintenance
* 72804	6/19/2024	Central City Tool Supply, Inc.	\$33.69	Shop Supplies
* 72805	6/19/2024	Comcast	\$1,344.60	Cable/Internet/Digital Voice
* 72806	6/19/2024	Comcast Business	\$2,205.77	Internet Service
* 72807	6/19/2024	Commander Quest, LLC	\$507.00	Tenant Refund
* 72808	6/19/2024	Fenton, Kerry	\$2,194.43	Travel Reimbursement - Conference
* 72809	6/19/2024	Fraser, Rik	\$250.00	Tenant Refund
* 72810	6/19/2024	Gsolutionz, Inc.	\$527.31	Voice Services - 5/22/24 - 6/21/24
* 72811	6/19/2024	Hayward Lumber Company	\$35.31	Hangar Maintenance
* 72812	6/19/2024	Interstate Batteries	\$152.20	Vehicle Maintenance
* 72813	6/19/2024	J B Dewar, Inc	\$127.85	Unleaded/Diesel Fuel
* 72814	6/19/2024	J.D. Humann Landscape Contr.	\$4,955.00	Landscaping - Terminal
* 72815	6/19/2024	Langan CA, Inc.	\$13,839.64	Legal Consulting Services
* 72816	6/19/2024	Letters, Inc.	\$158.82	Car Wash
* 72817	6/19/2024	MarTeeny Designs	\$275.00	Website Maintenance
* 72818	6/19/2024	Mission Linen Service	\$139.32	Uniform Service
* 72819	6/19/2024	Pacific Telemanagement Services	\$343.00	Pay Phone Svcs - Terminal
* 72820	6/19/2024	RRM Design Group	\$870.00	Parcel Rezoning/Bus Park Spec. Plan
* 72821	6/19/2024	Safety-Kleen	\$527.80	Hangar Maintenance
* 72822	6/19/2024	Sousa Tire Service, LLC	\$977.51	Vehicle Maintenance
* 72823	6/19/2024	Tri-Counties Plant Service	\$275.00	Interior Plant Service - Terminal
		Subtotal	<u>\$49,830.19</u>	
ACH	6/11/2024	The Gas Company	\$553.96	Utilities - Gas
ACH	6/11/2024	CalPers	\$14,985.81	Employee Health Insurance
ACH	6/13/2024	Ready Refresh	\$52.25	Water Delivery
ACH	6/13/2024	Pacific Premier Bank	\$151.75	Analysis Activity
ACH	6/13/2024	De Lage Landen	\$83.74	Copier
ACH	6/14/2024	HR Your Way	\$1,879.83	Recruitment Services
ACH	6/14/2024	Collective Communications	\$7,500.00	Collective Strategies
ACH	6/18/2024	Clark Pest Control	\$2,968.75	Weed/Wildlife Abatement
ACH	6/18/2024	PG&E	\$1,586.12	Terminal/Admin/Hangar Electricity
ACH	6/18/2024	CalPers	\$6,597.13	Employee Retirement
ACH	6/19/2024	Paychex	\$26,751.82	Payroll
ACH	6/19/2024	Paychex	\$7,391.77	Payroll Taxes
ACH	6/19/2024	Empower Retirement	\$5,237.84	Employee Paid Retirement

Santa Maria Public Airport District

Demand Register

Check Number	Check Date	Vendor Name	Check Amount	Description
ACH	6/20/2024	Frontier Communications	\$985.09	Telephone Service
ACH	6/20/2024	Amazon Capital Services	\$245.49	Office Equipment, Shop Supplies
ACH	6/21/2024	Paychex	\$202.56	Paychex Invoice
ACH	6/24/2024	Aflac	\$204.24	Voluntary Insurance - Employee
ACH	6/24/2024	Frontier Communications	\$264.98	Telephone Service
		Subtotal	<u>\$77,643.13</u>	
		Total	<u><u>\$127,473.32</u></u>	

Santa Maria Public Airport District
Budget vs. Actual - YTD
As of May 31, 2024

	<u>YTD</u>	<u>YTD BUD</u>	<u>VARIANCE</u>	<u>% VARIANCE</u>
61000-Landing fees	22,206.44	82,500.00	(60,293.56)	(73.1 %)
61100-Tiedowns	24,772.00	26,374.33	(1,602.33)	(6.1 %)
61200-Fuel Flowage Fees	74,395.80	103,955.50	(29,559.70)	(28.4 %)
62000-T-Hangar	420,538.92	403,237.08	17,301.84	4.3 %
62100-Corporate Hangar	288,490.00	273,847.75	14,642.25	5.3 %
62200-Owner Build Hangar	19,183.00	18,139.00	1,044.00	5.8 %
63000-T-Hangar Storage	31,020.00	32,670.00	(1,650.00)	(5.1 %)
64100-Main Hangar	124,300.00	122,556.50	1,743.50	1.4 %
64200-Commercial Aviation	390,724.53	385,220.92	5,503.61	1.4 %
64300-Land Lease - Commercial Aviation	90,321.00	126,987.67	(36,666.67)	(28.9 %)
65000-Car Rental	175,965.08	174,609.42	1,355.66	.8 %
65100-Terminal Space Lease	152,748.14	158,613.58	(5,865.44)	(3.7 %)
66100-Agricultural Lease	1,043,479.60	1,042,986.08	493.52	.0 %
66200-Non Aviation Land Leases	394,553.01	382,197.75	12,355.26	3.2 %
66300-Cell Tower Lease	55,550.00	55,550.00	0.00	.0 %
66400-Mobile Home Parks	487,460.90	492,297.67	(4,836.77)	(1.0 %)
67000-Administrative Income	49,561.40	18,333.33	31,228.07	170.3 %
67210-Leo Reimbursement	5,202.00	11,825.00	(6,623.00)	(56.0 %)
69100-Interest and Investment Earnings	306,773.56	110,000.00	196,773.56	178.9 %
69110-AIP Reimbursement	4,607,908.00	6,430,050.00	(1,822,142.00)	(28.3 %)
69120-PFC Revenue	50,972.55	59,583.33	(8,610.78)	(14.5 %)
69200-Tax Revenues	2,139,575.14	1,879,281.25	260,293.89	13.9 %
Total Income	10,955,701.07	12,390,816.16	(1,435,115.09)	(11.6 %)
80000-G&A	12,508.76	14,817.92	(2,309.16)	(15.6 %)
80001-MHP - Maintenance	27,692.71	28,155.42	(462.71)	(1.6 %)
80002-MHP - MHP Liability Insurance	13,470.44	13,694.08	(223.64)	(1.6 %)
80003-MHP - Property Management	25,850.00	25,850.00	0.00	.0 %
80004-MHP - Salaries/ Employee Related Expenses	113,375.49	114,302.83	(927.34)	(.8 %)
80005-MHP - Utilities	186,268.16	204,201.25	(17,933.09)	(8.8 %)
80100-Salaries- Administration	437,866.83	468,950.17	(31,083.34)	(6.6 %)
80101-Salaries - Maintenance & Operations	422,032.90	467,322.17	(45,289.27)	(9.7 %)
80102-Employee Benefits - Other	53,144.05	52,440.67	703.38	1.3 %
80104-Employee Benefits - Medical	226,821.02	243,068.83	(16,247.81)	(6.7 %)
80105-Medicare Tax	14,494.43	13,575.83	918.60	6.8 %
80106-PERS Retirement	272,355.82	294,254.58	(21,898.76)	(7.4 %)
81000-ARFF Services	676,250.60	825,000.00	(148,749.40)	(18.0 %)
81100-Electricity	220,877.86	182,465.25	38,412.61	21.1 %
81200-Natural Gas	8,277.98	15,008.59	(6,730.61)	(44.8 %)
81300-Water	83,545.57	89,353.92	(5,808.35)	(6.5 %)
81600-Communications	17,972.74	17,072.00	900.74	5.3 %
81601-Communications - Alarm	13,650.62	12,707.76	942.86	7.4 %
81602-Communications - Wireless	16,230.67	16,155.33	75.34	.5 %
81603-Communications - Access Control	1,182.91	3,329.33	(2,146.42)	(64.5 %)
82400-Supplies Office	26,125.96	72,050.01	(45,924.05)	(63.7 %)
82410-Supplies Shop	51,525.20	47,666.63	3,858.57	8.1 %
82500-Fuel Expense	36,931.20	43,033.83	(6,102.63)	(14.2 %)
83000-Maintenance - Misc	22,682.01	10,713.09	11,968.92	111.7 %
83001-Maintenance - Lighting	18,071.64	20,768.91	(2,697.27)	(13.0 %)
83002-Maintenance - Generator	8,478.20	8,350.83	127.37	1.5 %
83003-Maintenance - Pavement	12,629.14	29,335.17	(16,706.03)	(56.9 %)
83004-Maintenance - Weed/Wildlife	57,975.73	43,685.58	14,290.15	32.7 %
83005-Maintenance - Fencing & Gates	13,880.37	11,916.66	1,963.71	16.5 %
83006-Maintenance - Building	60,981.74	60,249.75	731.99	1.2 %
83007-Maintenance - Fire Alarm	4,772.97	5,877.66	(1,104.69)	(18.8 %)
83008-Maintenance - Drainage	15,082.51	14,486.09	596.42	4.1 %
83100-Signs	12,521.64	6,416.67	6,104.97	95.1 %
84000-Equipment Lease	8,710.65	6,773.25	1,937.40	28.6 %
84500-Janitorial	127,000.50	139,701.84	(12,701.34)	(9.1 %)

84700-Landscaping	59,794.90	67,703.17	(7,908.27)	(11.7 %)
85000-Vehicle Maintenance	71,776.38	70,583.33	1,193.05	1.7 %
85400-Dues and Membership	79,344.66	70,583.33	8,761.33	12.4 %
86000-Advertising	107,057.92	247,500.00	(140,442.08)	(56.7 %)
86001-Consulting - Admin	523,473.77	520,666.67	2,807.10	.5 %
86002-Consulting Professional	415,257.48	414,526.75	730.73	.2 %
86003-Consulting - Legal	266,732.03	249,736.67	16,995.36	6.8 %
86004-Consulting - Security	368,044.94	414,333.33	(46,288.39)	(11.2 %)
86005-Bank Fees	3,323.87	458.33	2,865.54	625.2 %
86015-Depreciation - Hangar Area	20,128.08	80,058.00	(59,929.92)	(74.9 %)
86020-Depreciation - Owner Build	2,602.59	0.00	2,602.59	.0 %
86025-Depreciation - Landing Area	1,108,191.92	1,317,129.00	(208,937.08)	(15.9 %)
86035-Depreciation - FBO	18,474.06	30,801.83	(12,327.77)	(40.0 %)
86045-Depreciation - Revenue Gen Land	180,485.21	346,094.83	(165,609.62)	(47.9 %)
86055- Depreciation - Terminal Area	296,381.59	313,852.00	(17,470.41)	(5.6 %)
86100-Depreciation - Administration	(50,031.87)	189,970.00	(240,001.87)	(126.3 %)
86200-Insurance	316,126.41	401,874.92	(85,748.51)	(21.3 %)
86500-Permits	11,775.65	10,358.33	1,417.32	13.7 %
86600-Education and Recognition	21,485.67	21,332.67	153.00	.7 %
86700-Business Travel	78,201.07	77,916.67	284.40	.4 %
86800-Fire Fighting Training	0.00	24,750.00	(24,750.00)	(100.0 %)
87000-Bad Debt Expense	200.00	0.00	200.00	.0 %
87025-Rent Credit	25,986.00	0.00	25,986.00	.0 %
88001-Airfest Expense - Performers	75,000.00	68,750.00	6,250.00	9.1 %
88009-Airfest Expenses- Miscellaneous	1,280.68	13,750.00	(12,469.32)	(90.7 %)
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Total Expenses	7,322,332.03	8,575,481.73	(1,253,149.70)	(14.6 %)
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Net Income	3,633,369.04	3,815,334.43	(181,965.39)	3.0 %
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Santa Maria Public Airport District
Balance Sheet
As of May 31, 2024

Current Assets:

Cash and cash equivalents	7,588,673
Restricted - cash and cash equivalents	699,779
Certificate-of-deposit	8,000
Accounts receivable - customers and tenants, net	(23,926)
Prepaid expenses and deposits	11,142,195
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Total current assets	19,414,721

Non-current assets:

Note receivable	0
Interest Receivable	0
Capital assets, not being depreciated	16,679,287
Depreciable capital assets	18,874,675
Deferred other post-employment benefits outflows	9,000
Deferred pension outflows	966,715
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Total non-current assets	36,529,677

Total assets	55,944,398
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Current Liabilities:

Accounts payable and accrued expenses	179,295
Accrued wages and related payables	3,473
Unearned Revenue (customer prepaid)	144,126
Hangar and other deposits	108,930
Long-term liabilities - due in one year:	
Compensated absences	36,873
Land improvements payable	12,637
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Total current liabilities	485,334

Long-term liabilities - due in more than one year

Compensated absences	110,620
Land improvements payable	71,609
Total other post-employment benefits liability	337,720
Net pension liability	2,410,249
Deferred pension inflows	151,904
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Total long term liabilities	3,082,102

Total Liabilities	3,567,436
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Net position:

Retained Earnings	48,743,593
Change in Net Position	3,633,369
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Total net position	52,376,962

Total liabilities and net position	55,944,398
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Santa Maria Public Airport District

Profit & Loss

As of May 31, 2024

	YTD	PTD	PTD AVG	% AVG/PTD
Revenues from Operations				
Landing Area				
Landing fees and tiedowns	46,978.44	2,881.00	4,270.77	148.2 %
Fuel flowage fees	74,395.80	6,670.98	6,763.25	101.4 %
Subtotal	121,374.24	9,551.98	11,034.02	115.5 %
Hangar area				
T-Hangar	420,538.92	37,422.92	38,230.81	102.2 %
Corporate T-Hangars	288,490.00	26,185.00	26,226.36	100.2 %
T-Hangar Storage Units	31,020.00	2,820.00	2,820.00	100.0 %
Owner Build Hangars	19,183.00	1,997.00	1,743.91	87.3 %
Subtotal	759,231.92	68,424.92	69,021.08	100.9 %
FBO Area				
Main Hangar	124,300.00	11,300.00	11,300.00	100.0 %
Commercial Hangars	390,724.53	35,070.74	35,520.41	101.3 %
Land Leases	90,321.00	8,211.00	8,211.00	100.0 %
Subtotal	605,345.53	54,581.74	55,031.41	100.8 %
Terminal Area				
Car Rental	175,965.08	11,728.93	15,996.83	136.4 %
Terminal Space Lease	152,748.14	14,193.82	13,886.19	97.8 %
TSA LEO Reimbursement	5,202.00	0.00	472.91	
Subtotal	333,915.22	25,922.75	30,355.93	117.1 %
Revenue generating land				
Non Aviation Land Leases	394,553.01	33,908.92	35,868.46	105.8 %
Agricultural Leases	1,043,479.60	96,008.36	94,861.78	98.8 %
Cell Towers	55,550.00	5,050.00	5,050.00	100.0 %
Airport Mobile Home Park	487,460.90	36,476.27	44,314.63	121.5 %
Subtotal	1,981,043.51	171,443.55	180,094.87	105.0 %
Airfest				
Airfest Ticket Sales	0.00	0.00	0.00	
Airfest Vendors	0.00	0.00	0.00	
Airfest Sponsorship	0.00	0.00	0.00	
Subtotal	0.00	0.00	0.00	
Administrative				
Badging Income			0.00	
Miscellaneous Income	49,561.40	1,366.00	4,505.58	329.8 %
Plans and Specs	0.00	0.00	0.00	
Cares Grant Revenue	0.00	0.00	0.00	
Subtotal	49,561.40	1,366.00	4,505.58	329.8 %
Total Revenue from operations	3,850,471.82	331,290.94	350,042.89	105.7 %
			0.00	

Santa Maria Public Airport District

Profit & Loss

As of May 31, 2024

	YTD	PTD	PTD AVG	% AVG/PTD
Operating Expenses:				
Landing Area	114,717.02	10,606.04	10,428.82	98.3 %
Hangar Area	89,857.70	7,665.79	8,168.88	106.6 %
FBO Area	84,622.03	6,830.15	7,692.91	112.6 %
Terminal Area	401,466.62	28,470.41	36,496.97	128.2 %
Revenue generating land	437,056.08	31,920.41	39,732.37	124.5 %
Salaries and Benefits	1,426,715.05	124,041.87	129,701.37	104.6 %
Utilities	99,136.15	4,571.29	9,012.38	197.2 %
Supplies	109,807.46	7,979.81	9,982.50	125.1 %
Maintenance and Repairs	104,933.78	6,124.17	9,539.43	155.8 %
Contractual Services	1,117,402.52	108,758.52	101,582.05	93.4 %
Real Estate Commission	0.00	0.00	0.00	
ARFF Services	676,250.60	0.00	61,477.33	
Security Services	367,677.38	7,910.97	33,425.22	422.5 %
Dues and Subscriptions	79,344.66	460.00	7,213.15	1568.1 %
Advertising	107,057.92	0.00	9,732.54	
Depreciation	1,576,231.58	0.00	143,293.78	
Insurance	316,126.41	0.00	28,738.76	
Election Expense	0.00	0.00	0.00	
Business Travel	78,201.07	2,124.95	7,109.19	334.6 %
Fire Fighting Training	0.00	0.00	0.00	
Rent Credit	25,986.00	0.00	2,362.36	
Air Show Expense	76,280.68	0.00	6,934.61	
Other Miscellaneous Expense	33,461.32	1,676.24	3,041.94	181.5 %
Total Expenses	7,322,332.03	349,140.62	665,666.56	190.7 %
Operating income (loss)	(3,471,080.31)	(17,849.68)	(315,623.67)	1768.2 %
Non-Operating Revenues (Expenses):				
PFC Revenue	50,972.55	0.00	4,633.87	
Interest Income	306,773.56	25,123.75	27,888.51	111.0 %
Tax Revenues	2,139,575.14	2,774.18	194,506.83	7011.3 %
AIP Reimbursement	4,607,908.00	0.00	418,900.73	
Gain on Land Sale	0.00	0.00	0.00	
Total non-operating rev (exp)	7,105,229.25	27,897.93	645,929.94	2315.3 %
Net Income	3,633,369.04	10,048.25	330,306.27	3287.2 %



MEMORANDUM

Santa Maria Public Airport District

June 27, 2024

TO: Board of Directors

FROM: Manager of Finance and Administration

SUBJECT: Budget Deviation #3 for 2023-2024 Budget

It is recommended that the 2023-2024 Budget be amended to include the following changes:

Expenses	Proposed Budget Amount	Current Budget Amount	Increase/ (Decrease)
1.) 81100-200 Electricity Hangars	\$31,000.00	24,160.00	\$6,840.00
2.) 81100-400 Electricity FBO	\$55,000.00	43,584.00	\$11,416.00
3.) 81100-500 Electricity Terminal	\$83,000.00	73,817.00	\$9,183.00
4.) 81100-600 Electricity Revenue Generating Land	\$17,000.00	8,540.00	\$8,460.00
5.) 81100-700 Electricity Administration	\$22,000.00	18,312.00	\$3,688.00
6.) 83000-200 Misc. Maintenance Hangars	\$6,500.00	\$0.00	\$6,500.00
7.) 83000-600 Misc. Maintenance Revenue Generating Land	\$11,000.00	\$3,305.00	\$7,695.00
8.) 86005-700 Bank Fees	\$3,600.00	\$500.00	\$3,100.00
9.) 86000-700 Advertising	\$120,000.00	\$270,000.00	(\$150,000.00)
10.) 83004-100 Weed and Wildlife Maintenance	\$66,200.00	\$47,657.00	\$18,543.00
	<u>\$415,300.00</u>	<u>\$489,875.00</u>	<u>(\$74,575.00)</u>

- 1.) Electricity budget based on prior year. Significant increases were recorded this fiscal year.
- 2.) Electricity budget based on prior year. Significant increases were recorded this fiscal year.
- 3.) Electricity budget based on prior year. Significant increases were recorded this fiscal year.
- 4.) Electricity budget based on prior year. Significant increases were recorded this fiscal year.
- 5.) Electricity budget based on prior year. Significant increases were recorded this fiscal year.
- 6.) Hangar area required additional maintenance primarily caused by the removal of hazardous waste. Mostly oil and fuel.
- 7.) A water line needed to be installed for grazing. A fence was damaged on A street and needed to be replaced.
- 8.) Credit Card fees continued until the contracts were terminated. No more fees are accruing.
- 9.) The District did not gain new service and additional advertisement was not required.
- 10.) Heavy rains caused additional vegetation requiring additional herbicide. The cost of herbicide increased. Additional spraying required for the runway painting and crack sealing projects.

Veroneka Reade, Manager of Finance and Administration

Recommended:

Martin Pehl, General Manager

Approved Board Meeting
of June 27, 2024

Steve Brown, Secretary



DELINQUENT TENANT LIST

as of June 2024

MONTH	NAME	HANGAR	RENT	LATE FEES	DAYS DELINQUENT
Jan-Jun 24	Joel Rieman	3107-M	414.00	7.00	150 +
Jan-June 24	Joel Rieman	3031-I	492.00	8.00	150+
Jan-June 24	Joel Rieman	3031-H	492.00	8.00	150 +
Apr - June 24	James Ward	3027-B	714.00	97.00	60
Jun-24	W. Siebenthal	Tie Down	80.00		17
			TOTAL:	\$2,312.00	

J. Rieman - non-airworthy fee portion of rent is unpaid

Santa Maria Public Airport District
Proposed Budget for Fiscal Year End June 30, 2025

Description	23-24 Budget	YTD Estimate	24-25 Budget	Increase (Decrease)	Percent Change
Landing fees	90,000	23,176	90,000	-	0%
Tiedowns	28,772	27,024	28,500	(272)	-1%
Fuel Flowage Fees	113,406	73,882	100,000	(13,406)	-12%
T-Hangar	439,895	458,748	620,034	180,139	41%
Corporate Hangar	298,743	314,734	435,914	137,171	46%
Owner Build Hangar	19,788	20,927	23,964	4,176	21%
T-Hangar Storage	35,640	33,840	51,500	15,860	45%
Main Hangar	133,698	135,600	141,000	7,302	5%
Commercial Aviation	420,241	421,003	397,000	(23,241)	-6%
Land Lease - Com. Aviation	138,532	98,532	98,600	(39,932)	-29%
Car Rental	190,483	180,988	195,000	4,517	2%
Terminal Space Lease	173,033	166,480	171,000	(2,033)	-1%
Agricultural Lease	1,137,803	1,138,341	1,816,840	679,037	60%
Non Aviation Land Leases	416,943	430,421	409,000	(7,943)	-2%
Cell Tower Lease	60,600	60,600	60,600	-	0%
Mobile Home Parks	537,052	525,801	559,000	21,948	4%
Administrative Income	20,000	54,100	22,000	2,000	10%
Leo Reimbursement	12,900	4,379	7,000	(5,900)	-46%
Total Operating Income	4,267,529	4,168,577	5,226,952	959,423	22%
G&A	16,165	14,513	14,000	(2,165)	-13%
MHP - Maintenance	30,715	31,674	31,000	285	1%
MHP - MHP Liability Insurance	14,939	13,470	14,000	(939)	-6%
MHP - Property Management	28,200	28,200	28,200	-	0%

Santa Maria Public Airport District
Proposed Budget for Fiscal Year End June 30, 2025

Description	23-24 Budget	YTD Estimate	24-25 Budget	Increase (Decrease)	Percent Change
MHP - Salaries/ Employee Related Expenses	124,694	123,990	128,000	3,306	3%
MHP - Utilities	222,765	204,403	200,000	(22,765)	-10%
Salaries- Administration	511,582	494,813	522,000	10,418	2%
Salaries - Maintenance & Operations	509,806	470,308	545,800	35,994	7%
Employee Benefits - Other	57,208	56,198	57,000	(208)	0%
Employee Benefits - Medical	265,166	249,536	283,000	17,834	7%
Medicare Tax	14,810	15,000	15,500	690	5%
PERS Retirement	321,005	300,000	354,800	33,795	11%
ARFF Services	900,000	900,000	993,000	93,000	10%
Electricity	30,268	30,033	30,000	(268)	-1%
Electricity	24,160	31,757	31,000	6,840	28%
Electricity	372	341	500	128	34%
Electricity	43,584	54,506	51,000	7,416	17%
Electricity	73,817	83,205	82,000	8,183	11%
Electricity	8,540	17,740	17,000	8,460	99%
Electricity	18,312	22,360	22,000	3,688	20%
Natural Gas	2,496	1,551	2,000	(496)	-20%
Natural Gas	12,016	6,303	8,000	(4,016)	-33%
Natural Gas	1,861	1,415	1,400	(461)	-25%
Water	3,915	3,607	4,000	85	2%
Water	1,719	3,312	3,000	1,281	75%
Water	15,921	17,436	17,500	1,579	10%
Water	17,812	16,952	18,500	688	4%
Water	58,110	59,192	67,000	8,890	15%

Santa Maria Public Airport District
Proposed Budget for Fiscal Year End June 30, 2025

Description	23-24 Budget	YTD Estimate	24-25 Budget	Increase (Decrease)	Percent Change
Communications	2,771	3,972	4,500	1,729	62%
Communications	15,853	16,770	75,775	59,922	378%
Communications - Alarm	2,651	2,231	3,000	349	13%
Communications - Alarm	3,410	4,030	3,600	190	6%
Communications - Alarm	7,802	8,970	9,000	1,198	15%
Communications - Wireless	4,025	4,835	4,400	375	9%
Communications - Wireless	13,599	13,258	13,500	(99)	-1%
Communications - Access Control	3,632	1,290	1,300	(2,332)	-64%
Supplies Hangar	1,000	0	4,000	3,000	300%
Supplies Office	37,600	1,129	5,000	(32,600)	-87%
Supplies Office	40,000	28,086	35,000	(5,000)	-13%
Supplies Shop	52,000	52,000	30,000	(22,000)	-42%
Fuel Expense	46,946	39,379	46,000	(946)	-2%
Maintenance Misc		6,645	10,000	10,000	
Maintenance -Misc	1,000	4,742	1,000	-	0%
Maintenance - Misc	4,882	13,426	5,000	118	2%
Maintenance - Misc	3,305	1,772	3,300	(5)	0%
Maintenance - Misc	2,500	15,742	2,000	(500)	-20%
Maintenance - Lighting	18,846	3,949	19,000	154	1%
Maintenance - Lighting	2,951	1,391	5,000	2,049	69%
Maintenance - Lighting	860	605	2,500	1,640	191%
Maintenance - Generator	1,722	1,695	2,500	778	45%
Maintenance - Generator	7,388	4,477	5,000	(2,388)	-32%
Maintenance - Pavement	14,448	2,916	14,000	(448)	-3%

**Santa Maria Public Airport District
Proposed Budget for Fiscal Year End June 30, 2025**

Description	23-24 Budget	YTD Estimate	24-25 Budget	Increase (Decrease)	Percent Change
Maintenance - Pavement	250	11,639	2,500	2,250	900%
Maintenance - Pavement	17,304	60,135	17,500	196	1%
Maintenance - Weed/Wildlife	47,657	2,988	60,000	12,343	26%
Maintenance - Fencing & Gates	3,000	2,424	3,000	-	0%
Maintenance - Fencing & Gates	1,500	2,856	3,500	2,000	133%
Maintenance - Fencing & Gates	1,500	2,611	2,300	800	53%
Maintenance - Fencing & Gates	3,500	3,586	2,500	(1,000)	-29%
Maintenance - Fencing & Gates	3,500	2,939	8,000	4,500	129%
Maintenance - Building	6,041	1,176	10,000	3,959	66%
Maintenance - Building	3,193	11,287	8,000	4,807	151%
Maintenance - Building	47,707	8,716	47,707	-	0%
Maintenance - Building	8,786	48,988	10,000	1,214	14%
Maintenance - Fire Alarm	4,412	3,141	4,400	(12)	0%
Maintenance - Fire Alarm	2,000	3,728	2,000	-	0%
Maintenance - Drainage	0	1,776	5,000	5,000	
Maintenance - Drainage	10,803	10,803	10,000	(803)	-7%
Signs	5,000	13,137	6,500	1,500	30%
Signs	1,000	292	1,000	-	0%
Signs	1,000	1,493	1,000	-	0%
Equipment Lease	7,389	9,658	10,000	2,611	35%
Janitorial	16,771	16,771	15,000	(1,771)	-11%
Janitorial	3,049	3,049	2,800	(249)	-8%
Janitorial	3,049	3,049	2,800	(249)	-8%
Janitorial	115,812	115,810	105,282	(10,530)	-9%

**Santa Maria Public Airport District
Proposed Budget for Fiscal Year End June 30, 2025**

Description	23-24 Budget	YTD Estimate	24-25 Budget	Increase (Decrease)	Percent Change
Janitorial	13,721	13,721	12,500	(1,221)	-9%
Landscaping	7,783	8,571	7,783	-	0%
Landscaping	1,255	1,380	1,200	(55)	-4%
Landscaping	34,520	37,830	34,500	(20)	0%
Landscaping	11,202	12,322	11,000	(202)	-2%
Landscaping	19,098	5,705	19,500	402	2%
Vehicle Maintenance	77,000	77,000	77,000	-	0%
Dues and Membership	77,000	77,000	75,000	(2,000)	-3%
Advertising	270,000	120,000	50,000	(220,000)	-81%
Consulting - Admin	568,000	568,000	116,664	(451,336)	-79%
Consulting Professional	98,500	98,500	103,500	5,000	5%
Consulting Professional	353,711	369,455	151,774	(201,937)	-57%
Consulting - Legal	272,440	27,000	267,500	(4,940)	-2%
Consulting - Security	452,000	358,000	491,000	39,000	9%
Bank Fees	500	3,000	2,400	1,900	380%
Computer Software Maintenance			143,500	143,500	
Customs			125,000	125,000	
Insurance	438,409	438,409	446,000	7,591	2%
Permits	11,300	12,846	12,000	700	6%
Education and Recognition	23,272	21,196	23,275	3	0%
Business Travel	85,000	82,473	30,000	(55,000)	-65%
Fire Fighting Training	27,000	27,000	27,000	-	0%
Election Expense	0	0	20,000	20,000	
Airfest Expense - Performers	75,000	75,000	75,000	-	0%

Santa Maria Public Airport District
Proposed Budget for Fiscal Year End June 30, 2025

Description	23-24 Budget	YTD Estimate	24-25 Budget	Increase (Decrease)	Percent Change
Airfest Expense - Miscellaneous	15,000	1,280		(15,000)	-100%
Total Operating Revenues	<u>6,865,083</u>	<u>6,262,862</u>	<u>6,509,460</u>	<u>-355,623</u>	<u>-5%</u>
Operating Gain/(Loss) Before Depreciation	<u>(2,597,554)</u>	<u>(2,094,285)</u>	<u>(1,282,508)</u>	<u>1,315,046</u>	<u>-51%</u>
Depreciation - Hangar	87,336	27,000	27,000	(60,336)	-69%
Depreciation - Landing Area	1,436,868	1,478,000	2,000,000	563,132	39%
Depreciation - FBO	33,602	25,000	25,000	(8,602)	-26%
Depreciation - Revenue Generating Land	377,558	241,000	236,000	(141,558)	-37%
Depreciation - Terminal	342,384	395,000	392,000	49,616	14%
Depreciation - Administration	207,240	200,000	45,000	(162,240)	-78%
Total Depreciation	<u>2,484,988</u>	<u>2,366,000</u>	<u>2,725,000</u>	<u>240,012</u>	<u>10%</u>
Operating Gain/(Loss) With Depreciation	<u>(5,082,542)</u>	<u>(4,460,285)</u>	<u>(4,007,508)</u>	<u>1,075,034</u>	<u>-21%</u>
Interest and Investment Earnings	120,000	340,000	250,000	130,000	108%
AIP Reimbursement	7,014,600	7,014,600		(7,014,600)	-100%
PFC Revenue	65,000	62,000	65,000	0	0%
Tax Revenues	2,050,125	2,289,000	2,426,000	375,875	18%
Total Nonoperating Income	<u>9,249,725</u>	<u>9,705,600</u>	<u>2,741,000</u>	<u>(6,508,725)</u>	<u>-70%</u>
Net Income/(Loss)	<u>4,167,183</u>	<u>5,245,315</u>	<u>(1,266,508)</u>	<u>(5,433,691)</u>	<u>-92%</u>

**Santa Maria Public Airport District
Cash Flow Analysis
Five Year Period July 1, 2024 through June 30, 2029**

	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Estimated cash balance July 1, 2024	\$ 7,773,579	\$ 5,949,378	\$ 4,655,225	\$ 8,334,488	\$ 13,731,879
Budgeted Revenue	\$ 5,226,952	\$ 6,533,690	\$ 7,187,059	\$ 7,546,412	\$ 7,923,733
Budgeted Expenses	\$ (6,509,460)	\$ (5,533,041)	\$ (5,256,389)	\$ (4,993,570)	\$ (4,743,891)
Encumbered	\$ (2,000,000)	\$ (1,000,000)	\$ (1,000,000)	\$ (1,000,000)	
Net cash balance before Capital outlays	\$ 6,491,071	\$ 6,950,027	\$ 6,585,895	\$ 10,887,331	\$ 16,911,720
Net capital outlay for fiscal year	\$ (3,307,694)	\$ (10,950,000)	\$ (11,800,000)	\$ (4,000,000)	\$ (4,000,000)
Property Taxes	\$ 2,426,000	\$ 2,498,780	\$ 2,573,743	\$ 2,650,956	\$ 2,730,484
Interest	\$ 340,000	\$ 357,000	\$ 374,850	\$ 393,593	\$ 413,272
AIP Revenue	\$ -	\$ 5,799,418	\$ 10,600,000	\$ 3,800,000	\$ 3,800,000
Land Sale	\$ -				
Projected cash balance at June 30th	\$ 5,949,378	\$ 4,655,225	\$ 8,334,488	\$ 13,731,879	\$ 19,855,477



SANTA MARIA AIRPORT

SMX

Budget Item	Proposed Budget
Specific Plan Amendment	118,622.50
Hangar Roof Repair Main Hangar	1,000,000.00
Hangar Upgrades	100,000.00
A Street Parcel Rezone	15,500.00
Access Control Upgrades	50,000.00
Airfield Signage & Lighting	20,000.00
Customs Facility	1,146,000.00
Fire Sation Equipment	12,500.00
Tractor	170,000.00
Main Hangar Drainage	180,000.00
Board Room Improvements	5,500.00
Mobile Home Utilities Improvement	100,000.00
G3 Improvements	150,000.00
Landside Pavement Repair & Improvement	239,571.00
Total Capital Budget	<u>3,307,693.50</u>

RESOLUTION NO. 936

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SANTA MARIA PUBLIC AIRPORT DISTRICT APPROVING
A GRANT OF EASEMENT TO PACIFIC GAS AND ELECTIRC COMPANY**

WHEREAS, Government Code Section 27281 requires that no deed or grant conveying any interest in or easement upon real estate to a political corporation or government agency for public purposes shall be accepted for recordation without the consent of the grantee evidenced by its certificate or resolution of acceptance attached to or printed on the deed or grant; and

WHEREAS, Pacific Gas and Electric Company requires a grant of easement on certain real property to the Santa Maria Public Airport District pursuant to a Grant of Easement attached hereto and incorporated herein as Exhibit "A"; and

WHEREAS, the Board of Directors of the Santa Maria Public Airport District wishes to allow said Grant of Easement, as it serves a public purpose and is in the best interest of the Santa Maria Public Airport District;

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors of the Santa Maria Public Airport District hereby allows the Grant of Easement attached hereto as Exhibit "A" and authorizes the recordation of said Grant of Easement together with the Certificate of Acceptance required by Government Code Section 27281.

PASSED AND ADOPTED at the Regular meeting of the Board of Directors of the Santa Maria Public Airport District held June 27, 2024, on motion of Director _____, seconded by Director _____, and carried by the following roll call vote:

AYES:

NOS:

ABSENT:

ABSTAIN:

Ignacio Moreno, President

ATTEST:

Steve Brown, Secretary

Utility Distribution Easement (02/2020)

RECORDING REQUESTED BY AND RETURN TO:

PACIFIC GAS AND ELECTRIC COMPANY
300 Lakeside Drive, Suite 210
Oakland, CA 94612
Attn: Land Rights Library

Location: City/Uninc _____
Recording Fee \$ _____
Document Transfer Tax \$ _____

- This is a conveyance where the consideration and Value is less than \$100.00 (R&T 11911).
- Computed on Full Value of Property Conveyed, or
- Computed on Full Value Less Liens & Encumbrances Remaining at Time of Sale
- Exempt from the fee per GC 27388.1 (a) (2); This document is subject to Documentary Transfer Tax

(SPACE ABOVE FOR RECORDER'S USE ONLY)

Signature of declarant or agent determining tax

LD# 3410-34-10061

EASEMENT DEED

SANTA MARIA PUBLIC AIRPORT DISTRICT, a state agency of the State of California,

hereinafter called Grantor, hereby grants to PACIFIC GAS AND ELECTRIC COMPANY, a California corporation, hereinafter called Grantee, the right from time to time to excavate for, construct, reconstruct, replace (of initial or any other size), remove, maintain, inspect, and use facilities and associated equipment for public utility purposes, including, but not limited to electric, gas, and communication facilities, together with a right of way therefor, on, over, and under the easement area as hereinafter set forth, and also ingress thereto and egress therefrom, over and across the lands of Grantor situated in the City of Santa Maria, County of Santa Barbara, State of California, described as follows:

(APN 111-231-019 & 111-231-011)

PARCEL "C" and PARCEL "E" in the Airport Lot Line Adjustment, Tract 5556 recorded as Document No. 89-052984, Santa Barbara County Records.

The easement area is described as follows:

The strips of land of the uniform width of 10 feet, lying 5 feet on each side of the alignment of the facilities as initially installed hereunder. The approximate locations of said facilities are shown upon Grantee's Drawing No. S-1034246 attached hereto and made a part hereof.

Grantee agrees that on receiving a request in writing, it will at Grantor's expense, survey, prepare and record a "Notice of Final Description" referring to this instrument and setting forth a description of said strips of land.

Grantor further grants to Grantee the right, from time to time, to trim or to cut down, without Grantee paying compensation, any and all trees and brush now or hereafter within said easement area, and shall have the further right, from time to time, to trim and cut down trees and brush along each side of said easement area which now or hereafter in the opinion of Grantee may interfere with or be a hazard to the facilities installed hereunder, or as Grantee deems necessary to comply with applicable state or federal regulations.

Grantor also grants to Grantee the right to use such portion of said lands contiguous to said easement area as may be reasonably necessary in connection with the excavation, construction, reconstruction, replacement, removal, maintenance and inspection of said facilities.

Grantor hereby covenants and agrees not to place or construct, nor allow a third party to place or construct, any building or other structure, or store flammable substances, or drill or operate any well, or construct any reservoir or other obstruction within said easement area, or diminish or substantially add to the ground level within said easement area, or construct any fences that will interfere with the maintenance and operation of said facilities.

Grantor further grants to Grantee the right to apportion to another public utility (as defined in Section 216 of the California Public Utilities Code) the right to excavate for, construct, reconstruct, replace, remove, maintain, inspect, and use the communications facilities within said easement area including ingress thereto and egress therefrom.

Grantor acknowledges that they have read the "Grant of Easement Disclosure Statement", EXHIBIT "A", attached hereto and made a part hereof.

The legal description herein, or the map attached hereto, defining the location of this utility distribution easement, was prepared by Grantee pursuant to Section 8730(c) of the Business and Professions Code.

This document may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

The provisions hereof shall inure to the benefit of and bind the successors and assigns of the respective parties hereto, and all covenants shall apply to and run with the land.

Dated: _____, _____.

Santa Maria Public Airport District,
a state agency of the State of California

By:

Print Name: _____

Title: _____

I hereby certify that a resolution was adopted on the ____ day of _____, 20____, by the _____ authorizing the foregoing grant of easement.

By _____ Title _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of _____)

On _____, before me, _____ Notary Public,
Insert name

personally appeared _____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Seal)

CAPACITY CLAIMED BY SIGNER

- Individual(s) signing for oneself/themselves
- Corporate Officer(s) of the above named corporation(s)
- Trustee(s) of the above named Trust(s)
- Partner(s) of the above named Partnership(s)
- Attorney(s)-in-Fact of the above named Principal(s)
- Other _____

Plat No. BA140-G01

Unless otherwise shown
all courses extend to or
along all boundaries or lines



SKYWAY DR

Existing Easement
LD# 341054-0745

Approximate Location
cL 10' Utility Easement

E

E

LLA - OR
89-052984
PARCEL "C"

APN: 111-231-011

LLA - OR
89-052984
PARCEL "E"

Santa Maria Public
Airport District
Book 2039 Pg. 509
APN: 111-231-019

- Legend
- New PMI-9TT
 - Existing Electrical Box
 - Existing Pole Line
 - New Pole Line
 - Easement Delineation
 - Grantor's Property Line

Section 34, SW¹/₄ of SE¹/₄

City, Rancho, Subdivision, Etc. Santa Maria				SCALE 1" = 100'	DATE 2/26/24
SECTION 34	TOWNSHIP 10N	RANGE 34W	MERIDIAN SBB&M	COUNTY: Santa Barbara	APPLICANT: P.O.F.A.M
REFERENCES: 35491670.dgn				F.B.: N/A	DR.BY: m22f
				PG&E	Los Padres DIVISION
				35491670 AUTHORIZ	S-1034246 DRAWING NO.

Pacific Gas and Electric Company



EXHIBIT "A"

GRANT OF EASEMENT DISCLOSURE STATEMENT

This Disclosure Statement will assist you in evaluating the request for granting an easement to Pacific Gas and Electric Company (PG&E) to accommodate a utility service extension to PG&E's applicant. **Please read this disclosure carefully before signing the Grant of Easement.**

- You are under no obligation or threat of condemnation by PG&E to grant this easement.
- The granting of this easement is an accommodation to PG&E's applicant requesting the extension of PG&E utility facilities to the applicant's property or project. Because this easement is an accommodation for a service extension to a single customer or group of customers, PG&E is not authorized to purchase any such easement.
- By granting this easement to PG&E, the easement area may be used to serve additional customers in the area and **may be used to install additional utility facilities**. Installation of any proposed facilities outside of this easement area will require an additional easement.
- Removal and/or pruning of trees or other vegetation on your property may be necessary for the installation of PG&E facilities. You have the option of having PG&E's contractors perform this work on your property, if available, or granting permission to PG&E's applicant or the applicant's contractor to perform this work. Additionally, in order to comply with California fire laws and safety orders, PG&E or its contractors will periodically perform vegetation maintenance activities on your property as provided for in this grant of easement in order to maintain proper clearances from energized electric lines or other facilities.
- The description of the easement location where PG&E utility facilities are to be installed across your property must be satisfactory to you.
- The California Public Utilities Commission has authorized PG&E's applicant to perform the installation of certain utility facilities for utility service. In addition to granting this easement to PG&E, your consent may be requested by the applicant, or applicant's contractor, to work on your property. Upon completion of the applicant's installation, the utility facilities will be inspected by PG&E. When the facility installation is determined to be acceptable the facilities will be conveyed to PG&E by its applicant.

By signing the Grant of Easement, you are acknowledging that you have read this disclosure and understand that you are voluntarily granting the easement to PG&E. Please return the signed and notarized Grant of Easement with this Disclosure Statement attached to PG&E. The duplicate copy of the Grant of Easement and this Disclosure Statement is for your records.

Utility Distribution Easement (02/2020)

Attach to LD: 3410-34-10061

Area, Region or Location: 4

Land Service Office: San Luis Obispo

Line of Business: Electric Distribution (43)

Business Doc Type: Easements

MTRSQ: 34.10.34.34.23,

FERC License Number:

PG&E Drawing Number: S-1034246

Plat No.: BA140-G01

LD of Affected Documents:

LD of Cross Referenced Documents:

Type of interest: Electric Underground Easements (4), Utility Easement (86)

SBE Parcel:

% Being Quitclaimed:

Order or PM: 35491670

JCN:

County: Santa Barbara

Utility Notice Number:

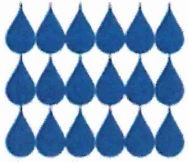
851 Approval Application No: ;Decision:

Prepared By: m22f

Checked By: l3b0

Approved By:

Revised by:



C.J. Brown & Company CPAs
An Accountancy Corporation

Christopher J. Brown, CPA, CGMA
Jonathan Abadesco, CPA
Jeffrey Palmer

Cypress Office:
10805 Holder Street, Suite 150
Cypress, California 90630
(657) 214-2307

Riverside Office:
5051 Canyon Crest Drive, Suite 203
Riverside, California 92507
(657) 214-2307

June 4, 2024

To Management and the Governing Board

Santa Maria Public Airport District
3217 Terminal Drive
Santa Maria, California 93455

Dear Mr. Martin Pehl, General Manager:

You have requested that we audit the financial statements of the business-type activities, each major fund, and the aggregate remaining fund information of Santa Maria Public Airport District (District) as of June 30, 2024, and for the year then ended, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In addition, we will audit the District's compliance over major federal award programs for the period ended June 30, 2024. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the District's major federal award programs. The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and with *Government Auditing Standards*, will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the District complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and *Government Auditing Standards*, if any, and perform procedures to address those requirements.

Accounting standards generally accepted in the United States of America (GAAP) required that certain required supplementary information (RSI), such as management's discussion and analysis (MD&A) and budgetary comparison information be presented to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

- 1) Management Discussion and Analysis
- 2) Schedules of the District's Proportionate Share of the Net Pension Liability
- 3) Schedules of Pension Plan Contributions
- 4) Schedules of Changes in the Total OPEB Liability and Related Ratios

Supplementary information other than RSI will accompany the District's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the financial statements as a whole.

- 1) Schedule of Revenues, Expenses, and Changes in Net Position – Budget to Actual on a Budgetary Basis
- 2) Schedule of Operating Expenses and Non-Operating Expenses – Budget to Actual

Schedule of Expenditures of Federal Awards

We will subject the schedule of expenditures of federal awards to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements as a whole.

Also, the document we submit to you will include the following other additional information that will not be subjected to the auditing procedures applied in our audit of the financial statements:

- 1) Letter of Transmittal
- 2) Organizational Chart
- 3) Statistical Section

Data Collection Form

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the federal audit clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the federal audit clearinghouse. We will assist you in the electronic submission and certification.

Data Collection Form, continued

You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities. The Data Collection Form is required to be submitted within the earlier of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

Audit of the Financial Statements

We will conduct our audits in accordance GAAS, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). As part of an audit of financial statements in accordance with GAAS, and in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control.² However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards* of the Comptroller General of United States of America. Please note that the determination of abuse is subjective, and *Government Auditing Standards* does not require auditors to detect abuse. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

We will issue a written report upon completion of our audit of the District's basic financial statements. Our report will be addressed to the Board of Directors. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance.

Audit of the Financial Statements, continued

If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Audit of Major Program Compliance

Our audit of District's major federal award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the Uniform Guidance, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the District's compliance based on the audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of the federal programs as a whole. As part of a compliance audit in accordance with GAAS with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal programs and, performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the District's major programs, and performing such other procedures as we consider necessary in the circumstances. The purpose of those procedures will be to express an opinion on the District's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance. Also, as required by the Uniform Guidance, we will obtain an understanding of the District's internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the District's major federal award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you, regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

Audit of Major Program Compliance, continued

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the District's major federal award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Management Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
2. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
3. For identifying, in its accounts, all federal awards received and expended during the period and the federal programs under which they were received;
4. For maintaining records that adequately identify the source and application of funds for federally funded activities;
5. For preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance;
6. For designing, implementing, and maintaining effective internal control over federal awards that provides reasonable assurance that the District is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards;
7. For identifying and ensuring that the District complies with federal laws, statutes, regulations, rules, provisions of contracts or grant agreements, and the terms and conditions of federal award programs, and implementing systems designed to achieve compliance with applicable federal statutes, regulations, and the terms and conditions of federal award programs;
8. For disclosing accurately, currently, and completely the financial results of each federal award in accordance with the requirements of the award;
9. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
10. For taking prompt action when instances of noncompliance are identified;
11. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
12. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
13. For submitting the reporting package and data collection form to the appropriate parties;
14. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;
15. To provide us with:
 - a. Access to all information of which *management* is aware that is relevant to the preparation and fair presentation of the financial statements including the disclosures, and relevant to federal award programs, such as records, documentation, and other matters;
 - b. Additional information that we may request from *management* for the purpose of the audit;
 - c. Unrestricted access to persons within the District and others from whom we determine it necessary to obtain audit evidence;

Management Responsibilities, continued

- d. A written acknowledgement of all the documents that *management* expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report;⁴ and
 - e. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
16. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
 17. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
 18. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
 19. For informing us of any known or suspected fraud affecting the District involving management, employees with significant role in internal control and others where fraud could have a material effect on compliance;
 20. For the accuracy and completeness of all information provided;
 21. For taking reasonable measures to safeguard protected personally identifiable and other sensitive information; and
 22. For confirming your understanding of your responsibilities as defined in this letter to us in your management representation letter.

With regard to the schedule of expenditures of federal awards referred to above, you acknowledge and understand your responsibility (a) for the preparation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance, (b) to provide us with the appropriate written representations regarding the schedule of expenditures of federal awards, (c) to include our report on the schedule of expenditures of federal awards in any document that contains the schedule of expenditures of federal awards and that indicates that we have reported on such schedule, and (d) to present the schedule of expenditures of federal awards with the audited financial statements, or if the schedule will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the schedule of expenditures of federal awards no later than the date of issuance by you of the schedule and our report thereon.

As part of our audit process, we will request from *management and, when appropriate, those charged with governance*, written confirmation concerning representations made to us in connection with the audit.

We understand that your employees will prepare all confirmations we request and will locate any documents or invoices selected by us for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Nonattest Services

With respect to any nonattest services we perform, we will prepare the financial statements based on the trial balance provided by the District. We will not assume management responsibilities on behalf of the District. However, we will provide advice and recommendations to assist management of the District in performing its responsibilities.

Nonattest Services, continued

The District's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) designing, implementing, and maintaining internal control, including the process used to monitoring the system of internal control.

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards.
- The nonattest services are limited to the preparation of financial statements. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries.

Reporting

We will issue a written report upon completion of our audit of the District's basic financial statements. Our report will be addressed to the Board of Directors. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinion on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

Provisions of Engagement Administration, Timing, and Fees

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

The timing of our audit will be scheduled to start approximately June-July 2024 (planning procedures), and October 2024 (audit fieldwork). The audit report will be issued no later than January 2025. Christopher Brown is the engagement partner for the audit services specified in this letter. His responsibilities include supervising C.J. Brown & Company, CPA's – An Accountancy Corporation services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Our fees are based on the amount of time required at various levels of responsibility, plus actual out-of-pocket expenses. Invoices will be rendered every month and are payable upon presentation. We estimate that our fee for the audit will not exceed \$28,310 (included in the gross fee of \$28,310 are out-of-pocket expenses not exceeding \$3,000, preparation of the Single-Audit Report for \$5,120 and preparation of the State Controller's Report for \$625). We will notify you immediately of any circumstances we encounter that could significantly affect this initial fee estimate. Additional time incurred that exceeds the scope of the audit will be billed at our quoted rates. Whenever possible, we will attempt to use the District's personnel to assist in the preparation of schedules and analyses of accounts. This effort could substantially reduce our time requirements and facilitate the timely conclusion of the audit.

Provisions of Engagement Administration, Timing, and Fees, continued

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. By signing this engagement letter, you affirm that you have all the data and records required to make your books and records complete.

The audit documentation for this engagement is the property of C.J. Brown & Company CPAs – An Accountancy Corporation and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulators pursuant to authority given to them by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of C.J. Brown & Company CPAs – An Accountancy Corporation’s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulators. Regulators may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies.

Further, we will be available during the year to consult with you on financial management and accounting matters of a routine nature. *Government Auditing Standards* require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing. You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor’s report to the date the financial statements are issued. We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report.

At the conclusion of our audit engagement, we will communicate to the Governing Board the following significant findings from the audit:

- Our view about the qualitative aspects of the District’s significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- Representations we requested from management;

Provisions of Engagement Administration, Timing, and Fees, continued

- Management’s consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Very truly yours,



C.J. Brown & Company CPAs – An Accountancy Corporation

RESPONSE:

This letter correctly sets forth the understanding of Santa Maria Public Airport District.

Management signature: _____

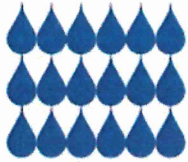
Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____



C.J. Brown & Company CPAs
An Accountancy Corporation

Christopher J. Brown, CPA, CGMA
Jonathan Abadesco, CPA
Jeffrey Palmer

Cypress Office:
10805 Holder Street, Suite 150
Cypress, California 90630
(657) 214-2307

Riverside Office:
5051 Canyon Crest Drive, Suite 203
Riverside, California 92507
(657) 214-2307

June 4, 2024

Board of Directors
Santa Maria Public Airport District
3217 Terminal Drive
Santa Maria, California 93455

Re: Engagement Letter for Passenger Facility Charges validation reporting for the year ended June 30, 2024.

Dear Mr. Martin Pehl, General Manager:

This letter is to explain our understanding of the arrangements for, and the nature and limitations of, the services we are to perform for the Santa Maria Public Airport District (District) with respect to the performance of the following procedures in regard to assisting the District in completing the Passenger Facility Charges validation procedures for the fiscal year ending June 30, 2024:

1. We will perform the proper procedures to review and validate the District's Passenger Facility Charges for the fiscal year ending June 30, 2024.
2. We ask that the District provide our staff with adequate accommodations to perform these validations and to identify a District staff member to be the point person for questions to complete these validations.

We ask that you either confirm or amend our understanding regarding the above procedures. The sufficiency of these procedures is solely the responsibility of the District. We make no representation regarding the sufficiency of the procedures described above either for the purpose for which these services have been requested or for any other purpose.

Our fees are based on the time required by the individuals assigned to the engagement, plus direct expenses. We will submit our bill for these services promptly upon posting of the results. Billings are due upon submission. Our fees for this project are \$3,125.

In the event we are requested or authorized by the District or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagements for the District, the District, will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such request.

It is agreed by the District and C.J. Brown & Company CPAs, or any successors in interest that no claim arising out of services rendered pursuant to this agreement by or on behalf of the District shall be asserted more than two years after the report release date or one year after the date of termination of C.J. Brown & Company CPAs services, which ever date comes first.

This letter constitutes the complete and exclusive statement of agreement between C.J. Brown & Company CPAs and the District, superseding all other communications oral or written with respect to the terms of the engagement between the parties.

Martin Pehl, Interim General Manager
Santa Maria Public Airport District
June 4, 2024
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If this letter defines the arrangements, as you understand them, please sign and date the enclosed copy and return it to us. Thank you for this opportunity to be of assistance.

Cordially,

C.J. Brown & Company, CPAs

C.J. Brown & Company CPAs – An Accountancy Corporation

Accepted: _____
Martin Pehl, General Manager

Date: _____