

MOJAVE AIR AND SPACE PORT

NOTICE OF A REGULAR MEETING OF THE BOARD OF DIRECTORS

Date: December 3, 2019

Time: 2:00 p.m.

**Location: Board Room
1434 Flightline, Mojave, CA**

AGENDA

1. Call to Order

- A. Pledge of Allegiance
- B. Roll Call
- C. Approval of Agenda

2. Community Announcements

Members of the audience may make announcements regarding community events.

3. Consent Agenda

All items on the consent agenda are considered routine and non-controversial, and will be approved by one motion unless a member of the Board, staff, or public requests to move an item to Action Items.

- A. Minutes of the Regular Board Meeting on November 5, 2019
- B. Check Register dated November 26, 2019, \$289,067.13

4. Action Items

- A. R.C. Becker & Son – Perimeter Road, Change Order 5
- B. Virgin Orbit – Reciprocal Waiver of Claims and Assumption of Responsibility

5. Reports

- A. Finance Reports
 - Audit FY 18-19
- B. CEO/GM Reports
- C. Board Committees
- D. Board of Directors: This portion of the meeting is reserved for board members to comment on items not on the agenda

6. Public Comment on Items Not on the Agenda

Members of the public may make comments to the Board on items not on the agenda.

7. Closed Session

- A. Existing Litigation (Govt Code 54956.9) MASP v. Shinnick,
- B. Potential Litigation (Govt Code 54956.9): MASP v. Compton Family Trust; MASP v. Professional Equities, Inc.; MASP v. Hobbs; MASP v. Kim
- C. Performance Evaluation: CEO
- D. Real Property Negotiations (Govt Code 54956.8)
 - 1. Property: Building 43 East and West, Building 7, Bunker 89
Parties: MASP, Interorbital
Negotiator: CEO, General Counsel
Term: Lease
 - 2. Property: Land
Parties: MASP, Mojave Unified School District
Negotiator: CEO, General Counsel
Term: Lease

8. Closed Session Report

Adjournment

This Agenda was posted on November 27, 2019 by Jason.

ADA Notice: Persons desiring disability-related accommodations should contact the District no later than forty-eight hours prior to the meeting. Persons needing an alternative format of the agenda because of a disability should notify the District no later than seventy-two hours prior to the meeting. All inquiries/requests can be made by phone at (661) 824-2433, in person at 1434 Flightline, Mojave, CA, or via email to carrie@mojaveairport.com.

Copy of Records: Copies of public records related to open session items are available at the administrative office of the District at 1434 Flightline, Mojave, CA.

Public Comments: Members of the public may comment on items on the agenda before the Board takes action on that item, or for closed session items, before the Board goes into closed session. Comments on items not on the agenda, and over which the Board has jurisdiction, may be made under "Public Comments on Items not on the Agenda," but the Board may not take action on any issues raised during this time. All comments by members of the public are limited to three minutes.

MISSION STATEMENT

**FOSTER AND MAINTAIN OUR RECOGNIZED AEROSPACE PRESENCE WITH A
PRINCIPLE FOCUS AS THE WORLD'S PREMIER CIVILIAN AEROSPACE TEST CENTER
WHILE SEEKING COMPATIBLY DIVERSE BUSINESS AND INDUSTRY**

BOARD OF DIRECTORS

MINUTES OF THE REGULAR MEETING ON NOVEMBER 5, 2019

1. CALL TO ORDER

The meeting was called to order on Tuesday, November 5, 2019, at 2:00 p.m. by President Parker in the Board Room at Mojave Air and Space Port, Mojave, California.

A. Pledge of Allegiance: Director Allred led those assembled in the Pledge of Allegiance.

B. Roll Call:

Directors present: Allred, Balentine, Deaver, Evans and Parker

Directors absent:

Others present: CEO Drees, DOA Rawlings, District Counsel Navé.

C. Approval of Agenda: Upon motion by Director Evans, seconded by Director Deaver, The Board unanimously approved the agenda.

2. COMMUNITY ANNOUNCEMENTS

Cathy Hansen stated the Plane Crazy for the Long EZ was a success and presented plaques and pictures to MASP and staff. She also announce the Veterans Day celebration in Legacy Park. John Joyce announced the expansion of the Water Reclamation facility in Rosamond.

3. CONSENT AGENDA

Upon motion by Director Balentine, seconded by Director Evans, the following Consent Agenda was unanimously approved.

A. Minutes of the Regular Board Meeting on October 1, 2019

B. Minutes of the Special Board Meeting on October 16, 2019

C. Check Register dated October 24, 2019, \$142,854.74

4. ACTION ITEMS

A. Resolution Authorizing Application for Federal Excess Personal Property (FEPP) Program

CEO Drees presented the Application, stating the equipment is already on site. CEO Drees also discussed MASP's "Wish List" for the FEPP in the event more equipment becomes available at a later date. Upon motion by Director Evans, seconded by Director Balentine, the resolution was unanimously approved.

5. REPORTS

A. Finance Reports

DOA Rawlings presented the financial reports ending September 30, 2019.

B. CEO/GM Report

CEO Drees briefed the Board on current and future projects. CEO Drees also updated the Board on her recent speaking engagements related to Space Industry.

C. Board Committees

There were no committee reports.

D. Board of Directors

There were no Director comments.

6. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

There were no Public Comments.

7. CLOSED SESSION

A. Existing Litigation: Mark Shinnick

B. Potential Litigation: MASP v. Compton Family Trust; MASP v. Professional Equities, Inc.; MASP v. Hobbs; MASP v. Kim

C. Real Property Negotiations:

1. Property: 20 Acres, APN 428-120-24, 25, 33, 34

Parties: MASP, Dennis McCollam

Negotiator: CEO, General Counsel

Term: Purchase

2. Property: 1 Acre Solar Lot on Sabovich

Parties: MASP, ClearSun Power

Negotiator: CEO, General Counsel

Term: Lease

D. Potential Threats to Public Services

Consultation with CEO, General Counsel, DOO Himes, DOT Buck

8. CLOSED SESSION REPORT

In closed session, The Board discussed the Existing and Potential Litigation matters. The Board also discussed the Real Property Negotiations, and the Potential Threats to Public Services. The Board gave direction to the CEO, no other items were discussed.

ADJOURNMENT

There being no further business to come before the Board, the chair adjourned the meeting at 4:53 pm.

Andrew Parker, President

ATTEST

Jimmy R. Balentine, Secretary

Date: Tuesday, November 26, 2019
 Time: 02:00PM
 User: CPANKO

Mojave Air & Space Port
Check Register - Standard
 Period: 06-20 As of: 11/26/2019

Page: 1 of 1
 Report: 03630.rpt
 Company: MASP

Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period To Post Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
Company: MASP										
Acct / Sub:	101000		1200							
059059	CK	12/3/2019	1603 Wen Painter	06-20	044646	VO	923/PURCHASE	12/3/2019	0.00	40,248.00
059060	CK	12/3/2019	1892 R.C. Becker and Son, Inc.	06-20	044550	VO	12141	10/18/2019	0.00	128,819.13
059061	CK	12/3/2019	2112 Douglas and Bonnie Triplat	06-20	044645	VO	957/PURCHASE	12/31/2019	0.00	48,000.00
059062	CK	12/3/2019	4049 Townson Life Trust	06-20	044647	VO	BLDG 9/PURCHASE	12/1/2019	0.00	52,000.00

Check Count: 4

Acct Sub Total: 269,067.13

Check Type	Count	Amount Paid
Regular	4	269,067.13
Hand	0	0.00
Electronic Payment	0	0.00
Void	0	0.00
Stub	0	0.00
Zero	0	0.00
Mask	0	0.00
Total:	4	269,067.13

Company Disc Total 0.00 Company Total 269,067.13

MOJAVE
AIR AND SPACE PORT
STAFF MEMORANDUM

TO: Board of Directors
FROM: Floyd VanWey, Director of Planning
SUBJECT: Change Order #5, South Perimeter Road Project
MEETING DATE: December 03, 2019

Background:

In order to complete the roadway grading of Perimeter Roads #1 and #2, additional dirt is required to be relocated from elsewhere on site. This change order for \$159,562.00 will cover the cost of loading, hauling, unloading, placement and compaction of dirt to complete roadway fills. Due to the inaccuracies of the aerial survey and changing field conditions, the last portions of Perimeter Roadway #1 and #2 will need additional dirt to complete the project. Existing on site stockpiles of dirt will be used to complete this task. Due to these proposed changes, bid items #25 and #26 "Material Haul-off, On-Site and Off-Site Disposal" will not be performed, resulting in a contract change of \$120,912.53.

Impacts:

Fiscal: Net \$38,649.47 Budgeted Dollars.

Environmental: N/A

Legal: N/A

Recommended Action:

Staff recommends approving the change order and authorizing the CEO to execute.

CONTRACT CHANGE ORDER NO. 05


Airport	Mojave Air and Space Port	Date	11/21/2019
Sponsor	Mojave Air and Space Port	AIP No.	N/A
Contractor	RC Becker & Son	Contract Identifier	3229800-181721.01

Project Description: South Perimeter Road Improvements

The following Change Order is submitted for review to determine eligibility.

Item No.	Description	Unit	Unit Price	Quantity	Amount
1	Haul and Place Stockpiled material to complete perimeter fills.	LS	\$46.93	3,400	\$159,562.00
2	Additional Days to Contract	DAYS	N/A	19	-
This Change Order Total Debits					\$159,562.00
Previous Change Order(s) Net Total					\$41,268.00
Original Contract Value					\$2,000,672.26
				Subtotal	\$2,201,502.26
Bid Items Not to be Performed due to changes					
25	-Material Haul-off: On-Site Disposal		\$43.67/CY	2,359 CY	\$103,017.53
26	-Material Haul-off: Off-Site Disposal		\$35.79/CY	500 CY	\$17,895.00
				Total Credits	\$120,912.53
Revised Contract Value					\$2,080,589.73

The time provided for completion in the contract is ~~(unchanged)~~-(decreased) (increased) by **nineteen (19)** calendar days. The total time allowed for construction is now one hundred and thirty (149) calendar days. The effect on engineering, construction management, and inspection services will be an increase in time required to provide services. This change order is due to circumstances that are outside the contractor's control. This document shall become an amendment to the contract and all provisions of the contract will apply.

Recommended by:	 _____	11/26/2019
	Rafael Gonzalez, PE, Project Manager (Mead & Hunt, Inc.)	Date
Approved by:	_____	_____
	Floyd VanWey (Sponsor)	Date
Accepted by:	_____	_____
	Randy Becker (Contractor)	Date

NOTE: Change Orders and Supplemental Agreements require FAA determination of cost eligibility for AIP participation. If Sponsor proceeds without prior FAA approval, it is at the Sponsor's risk.

AIP NO. N/A
AIRPORT Mojave Air and Space Port

CHANGE ORDER NO. 05
SPONSOR Mojave Air and Space Port

CHANGE ORDER INFORMATION

1. Brief description of the proposed contract change(s) and location(s). In order to complete the roadway grading, additional dirt is required. This change order will cover the cost of loading, hauling, unloading, placement and compaction of dirt to complete roadway fills.
2. Reason(s) for the change(s) <i>(Continue on reverse if necessary)</i> Due to inaccuracy of aerial survey and changing field conditions, the last portions of Perimeter Roadway #1 and #2 will need additional dirt to complete the project. Existing stockpile of dirt will be use to complete the task.
3. The Sponsor's share of this cost is available from: N/A
4. If this is a supplemental agreement involving more than \$2,000, is the cost estimate based on the latest wage rate decision? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Applicable <input type="checkbox"/>
5. Has consent of surety been obtained? Yes <input type="checkbox"/> Not Necessary <input checked="" type="checkbox"/>
6. Will this change affect the insurance coverage? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
7. If yes, will the policies be extended? Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/>
8. Has this Change Order been discussed with FAA officials? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> When: _____ With Whom: _____
Comment(s): See Contractor's negotiated cost proposal attached.



Excavating, Grading, and Paving Contractor
 Lic No. 258762

Change Order Proposal

Date: November 6, 2019
 To: Mojave Air and Space Port
1434 Flight Line Road
Mojave, Ca. 93501
 Attn: Rafael Gonzalez
 Phone: 909-219-8213
 email: Rafael.Gonzalez@meadhunt.com

28355 Kelly Johnson Parkway
 Santa Clarita, CA 91355
 Phone (661) 259-4845
 Fax (661) 259-9869

RE: Haul and Place Stockpiled to complete perimeter road fills

RFC#5

Contract price includes Labor, Equipment, and Material to Complete the following Scope of Work:

Item	Description	Quantity	Units	Unit Price	Extension
1	Haul and Place Stockpiled material to complete perimeter road fills.	3,400	CY	\$ 46.93	\$ 159,562.00
2	Additional Days in Contract	19	Days	\$	-
3				\$	-
4				\$	-

Note: Gate Access and Security to be provided by the Mojave Air and Space Port. Open gate access required during hauling operation.

Total = \$ 159,562.00

Accepted
 By: _____
 Dated: _____

Submitted
 By: Joun Smith
 Date: November 6, 2017

CHANGE ORDER LOG

SOUTH PERIMETER ROAD IMPROVEMENT PROJECT

Last Revised

20-Nov-19

ORIGINAL CONTRACT AMOUNT \$ 2,000,672.26
 ORIGINAL CONSTRUCTION DAYS 79

CHANGE ORDER NUMBER	DAYS ADDED TO CONTRACT	NEW PROJECT DURATION (DAYS)	CHANGE ORDER TOTAL	PREVIOUS CHANGE ORDERS TOTAL	NEW REVISED CONTRACT VALUE
1	14	93	\$ -	N/A	\$ 2,000,672.26
2	15	108	\$ 18,900.00	\$ -	\$ 2,019,572.26
3	10	118	\$ 5,400.00	\$ 18,900.00	\$ 2,024,972.26
4	12	130	\$ 16,968.00	\$ 24,300.00	\$ 2,041,940.26
5	19	149	\$ 159,562.00	\$ 41,268.00	\$ 2,201,502.26

NEW TOTAL PROJECT DURATION (DAYS) **149**
 NEW REVISED CONTRACT VALUE \$ **2,201,502.26**
 CREDIT FROM ITEMS NOT TO BE PERFORMED \$ **120,912.53**
 NEW ACTUAL CONTRACT VALUE \$ **2,080,589.73**
 INCREASE FROM ORIGINAL CONTRACT AMOUNT **3.99%**

MOJAVE
AIR AND SPACE PORT
STAFF MEMORANDUM

TO: Board of Directors
FROM: Karina Drees
SUBJECT: Virgin Orbit Waiver of Claims
MEETING DATE: December 3, 2019

Background:

Federal law requires any licensed or permitted commercial space entity to obtain signed waivers of claim under 14 CFR 440.3 from all contractors, to include commercial spaceports. Virgin Orbit is requesting we sign this waiver in order for them to complete future launches from Mojave Air & Space Port.

The Board approved the same agreement for Virgin Galactic on May 7, 2019.

Impacts:

Fiscal: None

Environmental: None

Legal: None

Recommended Action:

Sign the waiver of claim as required for commercial space operations.

Waiver of Claims and Assumption of Responsibility for Licensed Activities

This Waiver of Claims and Assumption of Responsibility for Licensed Activities (the "Agreement") is entered into this Third day of December, 2019, by and between Virgin Orbit, LLC (the "Operator") and Mojave Air & Space Port ("District") (collectively, the "Parties"), to implement the provisions of § 440.17(b) of the Commercial Space Transportation Licensing Regulations, 14 CFR Ch. III (the "Regulations").

1. Definitions

"Bodily Injury" means injuries as defined by § 440.3 of the Regulations.

"Claims" means any and all liabilities, damages, actions, costs, losses, claims, expenses, and fees, including without limitation, attorney, consultant, and expert fees.

"Contractors and Subcontractors" means entities defined by § 440.3 of the Regulations.

"Customer" means the persons defined by § 440.3 of the Regulations.

"License" means License No. LRLS 18-106 issued on June 29, 2018, by the Associate Administrator for Commercial Space Transportation, Federal Aviation Administration, Department of Transportation, to Operator, including all license orders issued in connection with the License.

"Licensed Activities" means the activities carried out under the License as defined by § 440.3 of the Regulations.

"Property Damage" means damage as defined by § 440.3 of the Regulations.

All capitalized terms used without definition shall have the same meanings given to them in the Agreement.

2. Waiver and Release of Claims

(a) Operator hereby waives and releases Claims it may have against District for Property Damage it sustains and for Bodily Injury or Property Damage sustained by its own employees, resulting from Licensed Activities, regardless of fault.

(b) District hereby waives and releases Claims it may have against Operator, any Customer and each of their respective Contractors and Subcontractors, for Property Damage it sustains and for Bodily Injury or Property Damage sustained by its own employees, resulting from Licensed Activities, regardless of fault.

3. Assumption of Financial Responsibility

Operator and District shall each assume financial responsibility for Property Damage it sustains and for Bodily Injury or Property Damage sustained by its own employees, resulting from Licensed Activities, regardless of fault.

4. Indemnification

Operator and District shall each hold harmless and indemnify each other and any Customer, and each of their respective Contractors and Subcontractors, for Bodily Injury or Property Damage sustained by its own employees, resulting from Licensed Activities, regardless of fault,

Under no circumstances shall Operator's liability for third-party Claims for Bodily Injury or Property Damage exceed the amounts prescribed under the License and Section 440.9 of the Regulations provided, however, that Operator's indemnification obligations shall be limited to the amounts actually recovered under Operator's relevant insurance policy(ies).

5. Miscellaneous

(a) Notwithstanding any provision of this Agreement to the contrary, any waiver, release, assumption of responsibility or agreement to hold harmless and indemnify herein shall not apply to Claims for Bodily Injury or Property Damage of a Party resulting from the willful misconduct of such Party, its Contractors or Subcontractors, Customers, the Contractors and Subcontractors of such Party's Customers, and the directors, officers, agents and employees of any of the foregoing.

(b) This Agreement shall be governed by and construed in accordance with United States Federal law.

(c) If there is a conflict between the terms of this Agreement and any other commercial launch operations agreement entered into between the Parties, the terms of this Agreement shall control.

Each Party hereby acknowledges and agrees to this Agreement:

District

Operator

**Mojave Air & Space Port
Treasurer's Report
For the month ended October 31, 2019**

	<u>General</u>	<u>County Treasury</u>	<u>LAIF</u>	<u>Total</u>
Beginning Balance	<u>\$ 1,464,950.16</u>	<u>\$ 3,634,662.52</u>	<u>\$ 3,092,917.17</u>	<u>\$ 8,164,522.51</u>
Receipts:				
Operating Revenues	1,181,481.94	-	-	1,181,481.94
Interest Income	59.03	13,639.16	19,043.61	32,741.80
Tax Proceeds	-	8,917.79	-	8,917.79
Total Receipts	<u>1,181,540.97</u>	<u>22,556.95</u>	<u>19,043.61</u>	<u>1,223,141.53</u>
Expenditures:				
Operating Expenses	(1,112,260.43)	-	-	(1,112,260.43)
Project Expenses	-	-	-	-
Total Expenditures	<u>(1,112,260.43)</u>	<u>-</u>	<u>-</u>	<u>(1,112,260.43)</u>
Transfers:				
Between General and County Treasury	-	-	-	-
Between General and LAIF	-	-	-	-
Total Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Balance	<u>\$ 1,534,230.70</u>	<u>\$ 3,657,219.47</u>	<u>\$ 3,111,960.78</u>	<u>\$ 8,275,403.61</u>

The Mojave Air & Space Port unencumbered cash is on deposit bearing interest at various rates, in accordance with the District's Investment Policy.

MOJAVE AIR & SPACE PORT
Revenue and Expense by Function
For the Four Months Ending Thursday, October 31, 2019

Description	Rents & Leases Aviation	Rents & Leases Non-aviation	Flight Related Activities	Non-flight Related Activities	Total
Operating Revenue					
Fuel Sales & Services	30	-	1,312,241	-	1,312,271
Cost of Fuel & Lubricants Sold	-	-	912,255	-	912,255
Gross Profit on Fuel Sales & Services	30	-	399,987	-	400,016
Rents & Leases	1,529,443	545,880	-	(19,984)	2,055,339
Other Revenue	-	-	4,398	70,349	74,747
Total Operating Revenue	1,529,473	545,880	404,385	50,365	2,530,102
Operating Expense					
Salaries & Benefits	448,451	195,380	332,525	151,121	1,127,477
Noncapitalized Equipment	856	5,241	16,920	10,529	33,546
Supplies	36,479	13,741	25,956	32,644	108,821
Communications	9,391	4,374	4,389	7,992	26,147
Training & Travel	-	-	-	9,299	9,299
Permits & Fees	1,613	806	2,720	-	5,139
Repairs & Maintenance	54,235	56,853	30,130	19,891	161,109
Outside Services	139,691	99,841	43,205	127,673	410,410
Travel	4,566	2,457	2,407	12,977	22,407
Dues & Subscriptions	1,056	781	1,965	45,598	49,401
Insurance	95,782	-	29,037	47,809	172,629
Marketing	-	-	-	28,552	28,552
Rent Expense	-	425	14,538	36	14,999
Utilities	76,772	35,658	2,645	25,360	140,435
Tenant Retention					
Miscellaneous	(17)	-	5,992	1,910	7,885
Expense Reimbursements	(13,816)	-	(6,188)	(676)	(20,679)
Total Operating Expense	855,060	415,559	506,243	520,714	2,297,576
Excess (Deficit) of Operating Revenue over Operating Expense	674,414	130,320	(101,858)	(470,349)	232,526
Nonoperating Revenue					
Property Taxes	43,516	14,505	-	-	58,021
Interest Income	-	-	-	45,666	45,666
Total Nonoperating Revenue	43,516	14,505	-	45,666	103,687
Excess (Deficit) of Revenue over Expense	717,930	144,826	(101,858)	(424,683)	336,213
FAA Projects					
Grants In Aid-Federal/State	-	-	5,000	-	5,000
Excess (Deficit) of FAA Projects Revenue over FAA Projects Expense	-	-	5,000	-	5,000
Reserve Designations					
Infrastructure Projects	-	-	-	459,723	459,723
Property Investments	-	-	-	40,248	40,248
Equipment	-	-	-	10,850	10,850
Total Reserve Designations	-	-	-	510,821	510,821

Mojave Air & Space Port Fuel Inventory Report

October 2019

JET A		
Beginning Inventory		67,432
Gallons Delivered		
Gallons Purchased	91,959	
Defuels	-	
Total Gallons Delivered	91,959	
Gallons Pumped		
Gallons Sold	105,981	
Refuels	-	
Tank farm/Line truck sumps	60	
Delivery Samples	60	
Total Gallons Pumped	106,101	
Ending Inventory		53,290
Physical Check		52,419
Inventory Value at	2.44	\$127,878.57

AVGAS		
Beginning Inventory		10,588
Gallons Delivered		
Gallons Purchased	-	
Gallons Pumped		
Gallons Sold	4,125	
Tank farm/Line truck sumps	5	
Delivery Samples	-	
Total Gallons Pumped	4,130	
Ending Inventory		6,458
Physical Check		6,623
Inventory Value at	4.58	\$30,333.34

LUBRICANTS		
Beginning Inventory		231
Quarts Purchased	0	
Quarts Sold	5	
Ending Inventory		226
Physical Check		226
Aeroshell 100; 100W; 15/50 Multi		
78 @ \$5.62; 66@ \$6.02; 82 @ \$6.68		\$1,388.24

PRIST		
Beginning Inventory		117
Cans Purchased	0	
Cans Sold	0	
Ending Inventory		117
Physical Check - Cans		117
Physical Check - Bulk		11
117 CANS @ \$7.40; 6.8 (5) Gallons @ 120.15		\$1,899.09

UNLEADED FUEL		
Beginning Inventory		686.4
Gallons Purchased	660.0	
Gallons Used	694.1	
Ending Inventory		652.3
Physical Check		644.8
Inventory Value at	\$3.27	\$2,108.50

DIESEL FUEL		
Beginning Inventory		816.4
Gallons Purchased	467.0	
Gallons Used	408.6	
Ending Inventory		874.8
Physical Check		873.6
Inventory Value at	\$2.72	\$2,376.19

October 2019 Fuel Inventory \$165,983.93

October Gallons Sold 110,106
Year to Date 386,517

Mojave Air & Space Port
Customers Over 90 Days Past Due

	1-30 Days	31-60 Days	61-90 Days	90+ Days	TOTAL	Comments
Bob Green	54.12	53.54	53.04	54.56	215.26	Working with legal
Aged AR as of 11/26/2019	434,365.54	36,712.50	19,403.15	54.56	490,535.75	

2019 Mojave Invoice Attachment

	January	February	March	April	May	June	July	August	September	October
Total Income	\$ 12,301.75	\$ 11,869.58	\$ 12,080.25	\$ 12,048.69	\$ 11,967.16	\$ 12,776.59	\$ 23,477.48	\$ 23,604.46	\$ 12,691.15	\$ 13,907.04
Total Expenses	\$ (17,716.70)	\$ (15,607.34)	\$ (16,326.33)	\$ (14,836.34)	\$ (15,949.75)	\$ (17,166.12)	\$ (16,077.87)	\$ (18,478.19)	\$ (18,953.34)	\$ (17,868.08)
Net Income	\$ (5,414.95)	\$ (3,737.76)	\$ (4,246.08)	\$ (2,787.65)	\$ (3,982.59)	\$ (4,389.53)	\$ 7,399.61	\$ 5,126.27	\$ (6,262.19)	\$ (3,961.04)
MEMBERSHIPS	536	522	531	520	520	520	524	520	536	550
New Members	46	27	36	21	34	32	38	30	49	47
Cancelled Members	-29	-41	-27	-32	-34	-32	-34	-34	-33	-33
Net Change	17	-14	9	-11	0	0	4	-4	16	14
Notes for board:	<p><u>JANUARY:</u> Of the 29 Cancels, 5 were returned for collections, 2 took advantage of our National Test Pilot School promo of pay 6 mos. Upfront, get 1 month off</p> <p><u>FEBRUARY:</u> Of the 41 cancels, 9 were returned for collections. There was a layoff of over 40 employees at VG/TSC. 2 signed up from Scaled from 1 week free promo.</p> <p><u>MARCH:</u> Of the 27 cancels, 5 were returned for collections, 1 was a write-off, 3 were trial 30-day memberships and 11 moved.</p> <p><u>APRIL:</u> Of the 32 Cancels 4 were returned for collection, 6 were cancelled as refuse to pay, 10 moved, 5 were Paid in Full accounts that expired, 2 were 30 day temporary memberships, 2 joined another club, 1 due to shower hours and 2 were no time.</p> <p><u>MAY:</u> Of the 34 cancels, 13 moved, 3 no longer worked in the area, 7 had no time, 1 was trial membership, 1 was medical, 1 was no longer MASP employee, 1 cancelled because it was too far, 1 was a member that already cancelled and account was still active due to abc error, 6 were returned for collection.</p> <p><u>JUNE:</u> Of the 32 cancels, 5 were returned for collections, 5 had no time, 5 had their job transferred due to Virgin Transition to New Mexico, 2 were a regular moves, 2 are no longer MASP employee, 4 were 30 day temporary/trial memberships, 2 joined another gym/cheaper gym, 1 couldn't afford, 2 has a job out of the area and is too far away, 1 cancelled due to dues increasing from VG/TSC contract, 1 moved did not cancel so cancelled as refuses to pay, 1 medical, and 1 was a cancelled member that was reactivated in error by ABC billing.</p> <p><u>JULY:</u> Of the 34 Cancels, 6 moved, 6 had job transfers, 2 had jobs out of area, 1 for "travel; 3 were returned for collections, 3 no-time, 2 lost their jobs, 2 for "babysitting" 2 trial memberships, 2 joined other club, 1 expired, 1 wasn't using it, & 1 "personal"</p> <p><u>AUGUST:</u> Of the 34 Cancels, 9 moved, 7 had job transfers or out of the area, 7 were returned for collections status, 6 no-time, 2 weren't using it, 1 trial membership 1 for "babysitting", & 1 was unhappy w/facility</p> <p><u>Sept:</u> Of the 33 cancels, 9 moved, 6 had no time, 6 were trial memberships, 4 had job transfers, 3 had jobs out of area, 2 returned to collections, 1 refused to pay, 1 lost their job, 1 was "medical"</p> <p><u>Oct:</u> Of the 33 cancels, 6 moved, 5 returned to collections, 5 had no time, 3 were trial memberships, Job transfer/out of area had 4, 2 refused to pay 2 joined other gyms, 2 had gyms at work, 1 couldn't afford, 1 worked out at home, 1 became injured, 1 was unhappy w/facility</p>									



BROWN ARMSTRONG

Certified Public Accountants

Board of Directors
Mojave Air and Space Port
Mojave, California

We have audited the basic financial statements of the Mojave Air and Space Port (the District) for the year ended June 30, 2019. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 6, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. During the year ended June 30, 2019, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 83 – *Certain Asset Retirement Obligations*, GASB Statement No. 84 – *Fiduciary Activities*, and GASB Statement No. 88 – *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. There was no impact on the basic financial statements due to the implementation of these statements.

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the basic financial statements in the proper period.

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's basic financial statements were:

Management's estimate of the other post-employment benefits and net pension liability and related expenses, deferred inflows of resources, and deferred outflows of resources are based on actuary reports and an allocation percentage from the California Public Employees Retirement System (CalPERS). We evaluated the key factors and assumptions used to develop the estimates of these liabilities in determining that it is reasonable in relation to the basic financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

Note 4 – Retirement Plans

The basic financial statement disclosures are neutral, consistent, and clear.

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Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. See attached schedule for adjusting entries.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 18, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management's Discussion and Analysis, Schedule of the District's Proportionate Share of the Net Pension Liability (CalPERS), Schedule of Contributions (CalPERS), and Schedule of Changes in the Net OPEB Liability and Related Ratios, which are required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Bakersfield, California
November 18, 2019

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Client: **54219 - Mojave Air and Space Port**
 Engagement: **54219 - 6/30/19 Audit**
 Period Ending: **6/30/2019**
 Trial Balance: **TB**
 Workpaper: **PSR-27-1 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1		GASB 68		
To clear residual balance in the 2018 Deferred Outflows of Resources - Subsequent contributions of 2018				
61001830-31	Pension Expense		94,977.00	
17000012-00	Defrrd Outfw Sub Contrib 2018			94,977.00
Total			94,977.00	94,977.00

MOJAVE AIR AND SPACE PORT
FINANCIAL STATEMENTS
JUNE 30, 2019



BROWN ARMSTRONG

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Mojave Air and Space Port
Mojave, California

Report on the Basic Financial Statements

We have audited the accompanying basic financial statements of Mojave Air and Space Port (the District), as of June 30, 2019, and the related notes to the basic financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. The prior year's comparative information has been derived from the District's 2018 basic financial statements and, in our report dated November 19, 2018, we expressed an unmodified opinion on the basic financial statements.

Management's Responsibility for the Basic Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the basic financial statements 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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**MOJAVE AIR AND SPACE PORT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2019
(WITH COMPARATIVE TOTALS)**

The following discussion and analysis of Mojave Air and Space Port's financial performance provides an overview of the financial activities for the year ended June 30, 2019. Please read it in conjunction with the audited basic financial statements and accompanying notes, which follow this section.

Financial Highlights

The District's total net position decreased \$0.90 million, or -3%, over the course of the year's operations.

The District's total revenues experienced a net increase of \$2.63 million, or 29%, during the year ended June 30, 2019.

The District's total expenses decreased \$3.53 million, or -22%, during the year ended June 30, 2019.

The District's net capital assets increased \$0.80 million, or 2%, during the year ended June 30, 2019.

Overview of the Basic Financial Statements

This annual report includes this management's discussion and analysis report, the independent auditor's report, the basic financial statements of the District and required supplementary information. The basic financial statements also include notes that explain in more detail some of the information contained in the basic financial statements.

Required Basic Financial Statements

The basic financial statements of the District report information of the District using accounting methods like those used by private sector companies. The basic financial statements conform to accounting principles which are generally accepted in the United States of America and utilize the accrual basis of accounting.

The statement of net position includes all the District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities), with the difference between the two reported as net position. This statement will indicate which assets are restricted due to contractual, Board of Directors (Board) action, or other commitments. This statement also provides the basis for assessing the liquidity, capital structure and financial flexibility of the District.

Revenues and expenses are accounted for in the statements of revenues and expenses and changes in net position. These statements measure the success of the District's operations and can be used to determine profitability, credit worthiness, and whether the District has successfully recovered all its costs through user fees and other charges.

The statement of cash flows reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities. From this statement, information related to sources and uses of cash and the change in cash balances are presented.

Financial Analysis of the District

One of the most important questions asked about the District's finances is "Is the District, as a whole, better off or worse off as a result of this year's activities?" The condensed statements of net position and the condensed statements of revenues, expenses, and changes in net position reports information about the District's activities in a way that will help answer this question. These two condensed statements report the net position of the District and the changes in net position. One can think of the District's net position – the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources – as one way to measure financial health or financial position. Over time, increases

Deferred inflows of resources increased by \$0.36 million or 99% from \$0.36 million at June 30, 2018, to \$0.72 million at June 30, 2019. The increase was composed of increases of \$0.11 million in the difference between the District's contributions and its proportionate share of contributions, \$0.07 million in changes in assumptions, and \$0.18 million in changes in the District's proportion. The increases were partially offset by a decrease of \$0.01 million in actual and expected experience.

Table B
Condensed Statements of Revenues, Expenses, and Changes in Net Position
June 30, 2019 and 2018
(000's)

	<u>2019</u>	<u>2018</u>	<u>Dollar Change</u>	<u>Percentage Change</u>
Operating revenue	\$ 9,487	\$ 8,378	\$ 1,109	13%
Nonoperating revenue	2,200	682	1,518	223%
Total revenues	<u>11,687</u>	<u>9,060</u>	<u>2,627</u>	29%
Operating expenses	10,318	13,919	(3,601)	-26%
Depreciation expense	2,276	2,200	76	3%
Total expenses	<u>12,594</u>	<u>16,119</u>	<u>(3,525)</u>	-22%
Change in net position	(907)	(7,059)	6,152	-87%
Net position, beginning of year	<u>36,006</u>	<u>43,065</u>	<u>(7,059)</u>	-16%
Net position, end of year	<u>\$ 35,099</u>	<u>\$ 36,006</u>	<u>\$ (907)</u>	-3%

While the Condensed Statements of Net Position show the change in financial position of the District, the Condensed Statements of Revenues and Expenses and Changes in Net Position provides answers as to the nature and source of these changes.

The District's total revenues increased by \$2.63 million to \$11.69 million during the year ended June 30, 2019, from \$9.10 million during the year ended June 30, 2018. Operating revenues increased by \$1.11 million, primarily due to increased sales of fuel and related services of \$0.69 million, higher rent proceeds of \$0.45 million, and an offsetting decrease in other operating revenue sources of \$0.03. Nonoperating revenues increased by \$1.52 million because of higher tax receipts of \$0.02 million, higher grant proceeds of \$1.39 million, lower losses on disposals of assets of \$0.03 million, and an increase in interest income of \$0.07 million.

Total expenses decreased \$3.53 million to \$12.59 million during the year ended June 30, 2019, from \$16.12 million during the year ended June 30, 2018. The primary reasons were the decrease of \$1.55 million in direct expenses, lower general shop and equipment expensed of \$1.45 million, lower general and administrative expenses of \$0.60 million and an offsetting increase in depreciation of \$0.08 million.

Actual total revenues were above budgeted revenues for 2019 by \$0.96 million mainly due to higher than anticipated fuel sale revenues of \$0.56 million, rent and lease revenues of \$0.22 million, property tax revenue of \$0.03 million, federal grants revenue of \$0.05 million, interest income revenue of \$0.07 million and other revenue of \$0.03 million.

Actual total expenses, exclusive of depreciation, came out \$0.13 million above budgeted operating expenses primarily due to higher than anticipated salaries and benefits of \$1.29 million and cost of fuel and lubricants sold of \$0.39 million. Significant under budget expenses included repairs and maintenance of \$0.13 million and outside services of \$0.27 million.

The annual budget is presented and approved by the District's Board each June with revisions presented and approved when appropriate to accommodate changes in conditions.

Contacting the District Management

This financial report is designed to provide our customers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District at 1434 Flightline, Mojave, California 93501.

**MOJAVE AIR AND SPACE PORT
STATEMENT OF NET POSITION
JUNE 30, 2019
(WITH COMPARATIVE TOTALS)**

	2019	2018
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets		
Cash and Cash Equivalents	\$ 8,652,081	\$ 8,587,931
Receivables		
Accounts Receivable, Net of Allowance for Doubtful Accounts	579,595	392,107
Other Receivables	28,217	49,558
Fuel Inventory	199,598	292,705
Prepaid Expenses	193,540	69,013
Total Current Assets	9,653,031	9,391,314
Capital Assets, Net of Accumulated Depreciation	38,436,008	37,631,414
Total Assets	48,089,039	47,022,728
Deferred Outflows of Resources		
Deferred Outflows - CalPERS Pension Plan	768,663	1,796,483
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 48,857,702	\$ 48,819,211
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
Current Liabilities		
Accounts Payable	\$ 885,933	\$ 339,029
Accrued Liabilities	51,316	31,734
Customer Deposits	68,054	92,988
Compensated Absences	103,482	108,381
Total Current Liabilities	1,108,785	572,132
Long-Term Liabilities		
Net Other Post-Employment Benefits Liabilities	7,410,000	7,257,100
Net Pension Liability	4,519,897	4,622,788
Total Long-Term Liabilities	11,929,897	11,879,888
Total Liabilities	13,038,682	12,452,020
Deferred Inflows of Resources		
Deferred Inflows - CalPERS Pension Plan	720,454	360,773
Net Position		
Net Investment in Capital Assets	38,436,008	37,631,414
Unrestricted	(3,337,442)	(1,624,996)
Total Net Position	35,098,566	36,006,418
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$ 48,857,702	\$ 48,819,211

The accompanying notes to the basic financial statements are an integral part of these statements.

**MOJAVE AIR AND SPACE PORT
STATEMENT OF CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2019
(WITH COMPARATIVE TOTALS)**

Balance, June 30, 2017	\$ 37,355,242
Change in Net Position	<u>(1,348,824)</u>
Balance, June 30, 2018	36,006,418
Change in Net Position	<u>(907,852)</u>
Balance, June 30, 2019	<u><u>\$ 35,098,566</u></u>

The accompanying notes to the basic financial statements are an integral part of these statements.

**MOJAVE AIR AND SPACE PORT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019
WITH COMPARATIVE TOTALS**

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of District's Activities

Mojave Air and Space Port (the District) was incorporated on February 24, 1972, under the provisions of the Public Utilities Code, Division 9, Part 2, beginning with Section 22002. The first District meeting was held on February 28, 1972. On November 15, 1972, Kern County Airport No. 7 was transferred from the County of Kern (the County) to the District and the Airport name was changed to the Mojave Airport. On November 1, 1974, the District's name was changed to East Kern Airport District. On November 20, 2012, the District's name was changed to Mojave Air and Space Port.

The District's mission is to foster and maintain a recognized aerospace presence with a principal focus as the world's premier civilian aerospace test center while seeking compatible diverse business and industry.

B. Basis of Accounting and Financial Reporting

The accompanying basic financial statements have been prepared on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred regardless of the timing of cash payments or receipts.

When the District has both unrestricted and restricted resources available for District purposes, it is the District's practice to first expend restricted resources, subsequently utilizing unrestricted resources as needed.

The District utilizes a net position presentation in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, as amended by GASB Statement No. 63, *Financial Reporting of Deferred Outflows or Resources, Deferred Inflows of Resources, and Net Position*. Net position is categorized as net investment in capital assets, restricted components of net position, and unrestricted components of net position. These categories are defined as follows.

Net investment in capital assets - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and the deferred outflow of advanced refunding of bonds, reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted components of net position - This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.

Unrestricted components of net position - This component of net position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

H. Capital Assets

Capital assets are defined by the District as assets with an individual cost of more than \$5,000 and an estimated life greater than two years. The District's capital assets are recorded at cost. Depreciation is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings and Structures	5-40
Furniture and Equipment	5-30
Infrastructure	5-40

Maintenance and repairs of capital assets are charged to operations and major improvements are capitalized. Upon retirement, sale, or other disposition of capital assets, the cost and accumulated depreciation are eliminated from the accounts and the gain or loss is included in operations.

I. Compensated Absences

The District's established vacation policy states that each employee shall utilize his or her vacation in the year immediately succeeding the year during which the vacation is earned. The General Manager may authorize up to 20 days of vacation be deferred for one year. The employee may accrue no more than 40 days of vacation. The District's policy regarding sick leave provides employees with up to 200 hours of sick leave accruals. Upon retirement, employees who have been with the District for 5 to 10 years are entitled to 50% payment of unused sick leave accruals and employees who have been with the District over 10 years are entitled to 100% payment of unused sick leave accruals.

J. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plans and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

K. Deferred Outflows/Inflows of Resources

The District reports increases/decreases in net position that relate to future periods as deferred outflows/inflows of resources in a separate section of the statement of net position. Deferred outflows of resources reported in the statement of net position are the results of the employer contributions made to the pension plan after the measurement date and will be recognized as a reduction of the net pension liability in the following year. Deferred inflows of resources are the results of actuarially determined amounts corresponding to the net pension liability that are amortized over an estimated life as part of pension expense.

NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

N. Fair Value Measurements (Continued)

The District has no recurring fair value measurements as of June 30, 2019.

Treasury Pool Income and Participant Withdrawals

Treasury Pool investments are accounted for in accordance with the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, which requires governmental entities to report certain investments at fair value in the balance sheet and the statement of net position and recognize the corresponding change in value of investments in the year in which the change occurred. The value of the participant's shares in the Treasury Pool that may be withdrawn is determined on an amortized cost basis, which is different from the fair value of the participant's position in the Treasury Pool. The fair value fluctuates with interest rates, and increasing rates could cause the value to decline below original cost; however, Kern County management believes the liquidity in the portfolio is more than adequate to meet cash flow requirements and to preclude Kern County from having to sell investments below original cost for that purpose.

O. Disclosures Relating to Interest Rate Risk and Credit Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Both the deposits with the County and the LAIF have no maturity.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County and LAIF do not have a rating provided by a nationally recognized statistical rating organization.

P. Cash Flows

GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, states for purposes of preparing the statement of cash flows, all transactions that are not classified as capital and related financing activities, noncapital financing activities or investing activities are classified as operating activities. The adjustments to reconcile operating income to net cash provided by operating activities include tax revenues and other income.

Q. Governmental Accounting Standards Board Update

During the year ended June 30, 2019, the Districted implemented the following standards:

GASB Statement No. 83 – *Certain Asset Retirement Obligations*. The requirements of this statement are effective for reporting periods beginning after June 15, 2018. There was no impact on the basic financial statements due to the implementation of this statement.

GASB Statement No. 84 – *Fiduciary Activities*. The requirements of this statement are effective for reporting periods beginning after December 15, 2018. There was no impact on the basic financial statements due to the implementation of this statement.

GASB Statement No. 88 – *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The requirements of this statement are effective for reporting periods beginning after June 15, 2018. There was no impact on the basic financial statements due to the implementation of this statement.

NOTE 2 – CAPITAL ASSETS (Continued)

	Capital Assets - At Cost				Balance June 30, 2018
	Balance June 30, 2017	Acquisitions	Retirements	Transfers	
Capital Assets Not Being Depreciated					
Land	\$ 6,250,000	\$ 131,298	\$ -	\$ -	\$ 6,381,298
Construction in Progress	156,216	282,348	(173,291)	-	265,273
Capital Assets Being Depreciated					
Buildings and Structures	12,419,462	391,802	(525,169)	(2,393)	12,283,702
Furniture and Equipment	5,134,613	267,469	(775,095)	(172,888)	4,454,099
Infrastructure	46,048,837	478,729	(160,661)	175,281	46,542,186
	<u>\$ 70,009,128</u>	<u>\$ 1,551,646</u>	<u>\$ (1,634,216)</u>	<u>\$ -</u>	<u>\$ 69,926,558</u>

	Accumulated Depreciation				Balance June 30, 2018
	Balance June 30, 2017	Depreciation Expense	Retirements	Transfers	
Capital Assets Being Depreciated					
Buildings and Structures	\$ 8,075,261	\$ 342,283	\$ (507,111)	\$ (2,393)	\$ 7,908,040
Furniture and Equipment	4,169,286	169,539	(729,430)	(172,888)	3,436,507
Infrastructure	19,238,392	1,687,703	(150,779)	175,281	20,950,597
	<u>\$ 31,482,939</u>	<u>\$ 2,199,525</u>	<u>\$ (1,387,320)</u>	<u>\$ -</u>	<u>\$ 32,295,144</u>

NOTE 3 – RENTS AND LEASES

The District receives income from the rental of land, buildings, and hangars. Leases for these arrangements can be month-to-month or be fixed terms from 1 to 40 years. Lease income for the years ended June 30, 2019 and 2018, was \$5,671,162 and \$5,225,203, respectively. Future minimum rental receipts due under non-cancellable leases are as follows:

Year Ending June 30,	
2020	\$ 2,233,261
2021	1,961,839
2022	1,943,363
2023	1,874,687
2024	1,572,356
After 2024	<u>21,954,365</u>
	<u>\$ 31,539,871</u>

NOTE 4 – RETIREMENT PLANS

CalPERS

A. Plan Description

The District participates in the Public Agency portion of CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. The District offers three defined benefit pension plans, the Miscellaneous Plan of the Mojave Air and Space Port (Miscellaneous), and the Safety Plan of the Mojave Air and Space Port (Safety). All nonsafety employees hired after January 1, 2013, are placed in the California Public Employees' Pension Reform Act (PEPRA) Miscellaneous Plan of the Mojave Air and Space Port ("PEPRA"). All plans are cost-sharing multiple-employer defined benefit pension plans. All qualified permanent and

NOTE 4 – RETIREMENT PLANS (Continued)

CalPERS (Continued)

C. Contributions (Continued)

For the years ended June 30, 2019 and 2018, the contributions recognized as part of pension expense for each Plan were as follows:

2019	<u>Miscellaneous</u>	<u>Safety</u>	<u>PEPRA</u>
Contributions - Employer	\$ 114,879	\$ 34,502	\$ 56,067
Contributions - Employee	61,373	12,873	50,681
Contributions - Side Fund	<u>279,000</u>	<u>34,196</u>	<u>217</u>
	<u>\$ 455,252</u>	<u>\$ 81,571</u>	<u>\$ 106,965</u>

2018	<u>Miscellaneous</u>	<u>Safety</u>	<u>PEPRA</u>
Contributions - Employer	\$ 104,711	\$ 30,149	\$ 35,455
Contributions - Employee	58,169	11,780	33,659
Contributions - Side Fund	<u>244,158</u>	<u>28,896</u>	<u>59</u>
	<u>\$ 407,038</u>	<u>\$ 70,825</u>	<u>\$ 69,173</u>

D. Pension Liabilities, Pension Expense, and Pension Deferred Outflows/Inflows of Resources

As of June 30, 2019 and 2018, the District reported net pension liabilities for its proportionate share of the net pension liability of each Plan as follows:

	<u>2019</u>	<u>2018</u>
Miscellaneous	\$ 3,962,906	\$ 4,070,987
Safety	556,991	551,801
PEPRA*	-	-
	<u>\$ 4,519,897</u>	<u>\$ 4,622,788</u>

*During the years ended June 30, 2019 and 2018, amounts from the PEPRA Miscellaneous Plan are included in the Miscellaneous Plan.

The District's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2017 (for year ended June 30, 2018) and June 30, 2018 (for year ended June 30, 2019), and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016, rolled forward to June 30, 2017, for June 30, 2018 year-end and as of June 30, 2017, rolled forward to June 30, 2018, for June 30, 2019 year-end using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

NOTE 4 – RETIREMENT PLANS (Continued)

CalPERS (Continued)

D. Pension Liabilities, Pension Expense, and Pension Deferred Outflows/Inflows of Resources (Continued)

The \$25,298 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30,</u>	
2020	\$ 227,725
2021	86,475
2022	(251,788)
2023	(39,502)
	<u>\$ 22,910</u>

E. Actuarial Assumptions

The total pension liabilities in the June 30, 2017 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>Safety</u>	<u>PEPRA</u>
Valuation Date	June 30, 2017	June 30, 2017	June 30, 2017
Measurement Date	June 30, 2018	June 30, 2018	June 30, 2018
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:			
Discount Rate	7.15%	7.15%	7.15%
Inflation Rate	2.75%	2.75%	2.75%
Payroll Growth	2.75%	2.75%	2.75%
Projected Salary Increase	Varies by Entry Age and Service	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return	7.15%	7.15%	7.15%
Mortality	*	*	*

* Derived using CalPERS membership data for all funds.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2017 valuation were based on the results of a January 2014 actuarial experience study for the period 1997-2011. Further details on the Experience Study can be found on the CalPERS website.

The discount rate used to measure the total pension liability was 7.15% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.15% will be applied to all plans in the California Public Employees' Retirement Fund. The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

NOTE 4 – RETIREMENT PLANS (Continued)

CalPERS (Continued)

F. Sensitivity of the District's Proportionate Share of the Net Pension Liability

The following presents the District's proportionate share of the net pension liability using the discount rate of 7.15%, as well as what the District's proportionate share of the net pension liability would be at June 30, 2019, if it were calculated using a discount rate that is 1-percentage-point lower (6.15%) or 1-percentage-point higher (8.15%) than the current rate:

	Miscellaneous (Including PEPRA)	Safety
1% Decrease Net Pension Liability	6.15% \$ 5,694,850	6.15% \$ 770,112
Current Discount Rate Net Pension Liability	7.15% \$ 3,962,906	7.15% \$ 556,991
1% Increase Net Pension Liability	8.15% \$ 2,533,215	8.15% \$ 382,376

G. Side Funds

When the District joined the Plans, CalPERS created an employer side fund to cover the cost of purchasing qualifying employees' prior years' experience to account for the difference between the funded status of the Plan and the funded status of the retirement pool. A positive side fund will cause employer contributions to be reduced by the amortization of the side fund, while a negative side fund will cause employer contributions to increase by the amortization of the side fund. As of June 30, 2018, the District's actuarial value of assets was less than the present value of the benefits which resulted in a negative side fund of \$799,369 for the Miscellaneous Plan and \$86,572 for the Safety Plan.

Other Post-Employment Benefits

A. Plan Description

The District provides certain post-employment health care benefits in accordance with District policy to retired employees age 50 or older who were active members of CalPERS for at least five years, their dependents, and retired directors who were first elected before January 1, 1995, who served the District for at least 12 years, and their dependents. The benefits are available until death for both the participants and their spouse.

B. Contributions

The contribution requirements of plan members and the District are established and may be amended by the District's Board. Currently, contributions are not required from plan members. The District pays for post-employment health insurance on a pay-as-you go basis.

NOTE 4 – RETIREMENT PLANS (Continued)

Other Post-Employment Benefits (Continued)

D. Changes in Total/NOL for the Year End June 30, 2019

	<u>Total/NOL</u>
Balance at Reporting Date at June 30, 2018 ⁽¹⁾	\$ 7,257,100
Increase/Decrease within Fiscal Year 2018/19 attributable to:	
Service Cost	196,900
Interest Cost	252,400
Other Liability Experience Loss/(Gain)	(14,600)
Benefit Payments ⁽²⁾	<u>(281,800)</u>
Net Increase/(Decrease) within Fiscal Year 2018/19	<u>\$ 152,900</u>
Balance at Reporting Date June 30, 2019 ⁽¹⁾	<u><u>\$ 7,410,000</u></u>

⁽¹⁾ Measurement date June 30, 2016 liability and assets have been used for the GASB Statement No. 75 reporting date of June 30, 2017, while measurement date June 30, 2017 liability and assets have been used for the GASB Statement No. 75 reporting date of June 30, 2018.

⁽²⁾ Benefit payments consist of \$237,000 cash benefits payments plus a \$53,300 Implicit Subsidy. These payments were actually made in measurement period 2016/2017, but for GASB Statement No. 75 accounting purposes they are being reported for fiscal year 2017/2018.

E. Sensitivity of End-of-Year NOL to Changes in Assumptions

	<u>Discount Rate</u>		
	<u>1% Decrease (2.50%)</u>	<u>Current Rate (3.50%)</u>	<u>1% Increase (4.50%)</u>
NOL at Reporting Date June 30, 2019	\$ 8,538,600	\$ 7,410,000	\$ 6,502,100

	<u>Trend Rates</u>		
	<u>1% Decrease ⁽¹⁾</u>	<u>Current Rates ⁽²⁾</u>	<u>1% Increase ⁽³⁾</u>
NOL at Reporting Date June 30, 2019	\$ 6,470,000	\$ 7,410,000	\$ 8,537,000

⁽¹⁾ Various initial rates grading to ultimate 3.00% for medical, flat 1.00% for dental/vision, and flat 0.00% for PPO deductibles.

⁽²⁾ Various initial rates grading to ultimate 4.00% for medical, flat 2.00% for dental/vision, and flat 1.00% for PPO deductibles.

⁽³⁾ Various initial rates grading to ultimate 5.00% for medical, flat 3.00% for dental/vision, and flat 2.00% for PPO deductibles.

NOTE 4 – RETIREMENT PLANS (Continued)

Other Post-Employment Benefits (Continued)

G. Annual OPEB Expense and Related Items

Fiscal Year Measurement Period	2018/19 2017/18
<u>Annual OPEB Expense</u>	
Service Cost	\$ 196,900
Interest Cost	252,400
(Expected Investment Return)	
Non-Benefit-Related Administrative Expenses from Plan Trusts	
NOL change due to amendments	
Amortizations of other changes in NOL	<u>(2,612)</u>
Total Annual OPEB Expense	<u>\$ 446,688</u>
<u>Reconciliation of NOL</u>	
NOL at beginning of year	\$ 7,257,100
Annual OPEB Expense	446,688
(Benefit Payments)	(281,800)
Increase/(Decrease) in Deferred Resources	<u>(11,988)</u>
Total NOL at end of year	<u>\$ 7,410,000</u>
<u>Recognition of Deferred Resources in Future Annual OPEB Expense</u>	
Amortization of Deferred Resources in current year + 1 = 2019/20	\$ (2,612)
Amortization of Deferred Resources in current year + 2 = 2020/21	(2,612)
Amortization of Deferred Resources in current year + 3 = 2021/22	(2,612)
Amortization of Deferred Resources in current year + 4 = 2022/23	(2,612)
Amortization of Deferred Resources in current year + 5 = 2023/24	(1,540)
Amortization of Deferred Resources in later years	<u>-</u>
Total Deferred Resources at end of current year	<u>\$ (11,988)</u>

Projections and benefits of financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and includes the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The actuarial valuation, dated June 30, 2016, used the Entry Age Normal actuarial cost method, at a discount rate of 3%, the expected long-term rate of return on the District assets, and an annual compensation increase rate of 0%.

REQUIRED SUPPLEMENTARY INFORMATION

2019 Mojave Invoice Attachment

	January	February	March	April	May	June	July	August	September	October
Total Income	\$ 12,301.75	\$ 11,869.58	\$ 12,080.25	\$ 12,048.69	\$ 11,967.16	\$ 12,776.59	\$ 23,477.48	\$ 23,604.46	\$ 12,691.15	\$ 13,907.04
Total Expenses	\$ (17,716.70)	\$ (15,607.34)	\$ (16,326.33)	\$ (14,836.34)	\$ (15,949.75)	\$ (17,166.12)	\$ (16,077.87)	\$ (18,478.19)	\$ (18,953.34)	\$ (17,868.08)
Net Income	\$ (5,414.95)	\$ (3,737.76)	\$ (4,246.08)	\$ (2,787.65)	\$ (3,982.59)	\$ (4,389.53)	\$ 7,399.61	\$ 5,126.27	\$ (6,262.19)	\$ (3,961.04)
MEMBERSHIPS	536	522	531	520	520	520	524	520	536	550
New Members	46	27	36	21	34	32	38	30	49	47
Cancelled Members	-29	-41	-27	-32	-34	-32	-34	-34	-33	-33
Net Change	17	-14	9	-11	0	0	4	-4	16	14
Notes for board:	<p><u>JANUARY:</u> Of the 29 Cancels, 5 were returned for collections, 2 took advantage of our National Test Pilot School promo of pay 6 mos. Upfront, get 1 month off</p> <p><u>FEBRUARY:</u> Of the 41 cancels, 9 were returned for collections. There was a layoff of over 40 employees at VG/TSC. 2 signed up from Scaled from 1 week free promo.</p> <p><u>MARCH:</u> Of the 27 cancels, 5 were returned for collections, 1 was a write-off, 3 were trial 30-day memberships and 11 moved.</p> <p><u>APRIL:</u> Of the 32 Cancels 4 were returned for collection, 6 were cancelled as refuse to pay, 10 moved, 5 were Paid in Full accounts that expired, 2 were 30 day temporary memberships, 2 joined another club, 1 due to shower hours and 2 were no time.</p> <p><u>MAY:</u> Of the 34 cancels, 13 moved, 3 no longer worked in the area, 7 had no time, 1 was trial membership, 1 was medical, 1 was no longer MASP employee, 1 cancelled because it was too far, 1 was a member that already cancelled and account was still active due to abc error, 6 were returned for collection.</p> <p><u>JUNE:</u> Of the 32 cancels, 5 were returned for collections, 5 had no time, 5 had their job transferred due to Virgin Transition to New Mexico, 2 were a regular moves, 2 are no longer MASP employee, 4 were 30 day temporary/trial memberships, 2 joined another gym/cheaper gym, 1 couldn't afford, 2 has a job out of the area and is too far away, 1 cancelled due to dues increasing from VG/TSC contract, 1 moved did not cancel so cancelled as refuses to pay, 1 medical, and 1 was a cancelled member that was reactivated in error by ABC billing.</p> <p><u>JULY:</u> Of the 34 Cancels, 6 moved, 6 had job transfers, 2 had jobs out of area, 1 for "travel; 3 were returned for collections, 3 no-time, 2 lost their jobs, 2 for "babysitting" 2 trial memberships, 2 joined other club, 1 expired, 1 wasn't using it, & 1 "personal"</p> <p><u>AUGUST:</u> Of the 34 Cancels, 9 moved, 7 had job transfers or out of the area, 7 were returned for collections status, 6 no-time, 2 weren't using it, 1 trial membership 1 for "babysitting", & 1 was unhappy w/facility</p> <p><u>Sept:</u> Of the 33 cancels, 9 moved, 6 had no time, 6 were trial memberships, 4 had job transfers, 3 had jobs out of area, 2 returned to collections, 1 refused to pay, 1 lost their job, 1 was "medical"</p> <p><u>Oct:</u> Of the 33 cancels, 6 moved, 5 returned to collections, 5 had no time, 3 were trial memberships, Job transfer/out of area had 4, 2 refused to pay 2 joined other gyms, 2 had gyms at work, 1 couldn't afford, 1 worked out at home, 1 became injured, 1 was unhappy w/facility</p>									

OTHER INFORMATION



BROWN ARMSTRONG

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Mojave Air and Space Port
Mojave, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of Mojave Air and Space Port (the District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 18, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the basic financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's basic financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

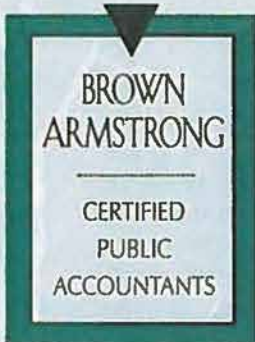
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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BROWN ARMSTRONG

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Mojave Air and Space Port
Mojave, California

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Report on Compliance for Each Major Federal Program

We have audited the Mojave Air and Space Port's (the District) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2019. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

FINDINGS AND QUESTIONED COSTS SECTION

IV. State Award Findings and Questioned Costs

None.

V. A Summary of Prior Audit (all June 30, 2018) Findings and Current Year Status Follows

None.

MOJAVE

AIR AND SPACE PORT

CEO REPORT

TO: MASP Board of Directors
FROM: Karina Drees
MEETING DATE: December 3, 2019

Updates

- I am pleased to report that the District is on track to receive the grant funding in 2020 for our taxiway C improvement project!
- I met with Congressman McCarthy's legislative assistant on aerospace and discussed several federal issues that may impact our customers.
- I will be meeting with the FAA Airports District Office in LA December 4, as well as speaking at a class at USC that evening.
- We are sad to say "Happy Retirement" to Mike Edmonds after 26 faithful years with the District. Congratulations, Mike!

Airport Improvements

- Mead & Hunt began survey work on taxiway C. We expect this pre-engineering work to remain on track through spring of 2020.
- The control tower HVAC upgrade is underway and expected to be complete by the end of the year.

Insurance Updates

- Avsurance – Airport GL – 11/17/19 – 11/17/20 – \$26,591.00
- Avsurance – Tower GL – 11/20/18 – 11/19/19 - \$53,253.00

Property Purchased

- Hangar 957: Triplat
- Hangar 923: Painter
- Building 9: Townson Family Trust

Mojave Air & Space Port * 1434 Flightline, Mojave, CA 93501 * 661-824-2433

MOJAVE

AIR AND SPACE PORT

CEO REPORT

Security Update

During the November 5 Board meeting, staff updated the Board on security, technology and operations processes. Some highlights from the briefing are attached to this memo for review.

Authorized Payments

BOARD MEETING 12/3/2019	DATE	AMOUNT	EFT'S	TOTAL
CEO CHECK REGISTER	11/7/19	81,244.11		81,244.11
	11/13/19	72,333.43		72,333.43
	11/19/19	2,660.37		2,660.37
	11/20/19	119,406.41		119,406.41
	11/26/19	13,279.45		13,279.45
	11/21/19		463,356.44	463,356.44
		288,923.77	463,356.44	752,280.21
VOIDED Check	58741			
BOD CHECK	12/3/19	269,067.13		269,067.13
TOTAL ALL CHECKS & EFT'S				1,021,347.34

MOJAVE
AIR AND SPACE PORT
STAFF MEMORANDUM

TO: Board of Directors
FROM: John Himes, Director of Operations
SUBJECT: Safety, Security, Cybersecurity Review for Calendar Year 2019
MEETING DATE: December 3, 2019

Overview

Mojave Air & Space Port operations during calendar year 2019, are on track to exceed 20,000 for the fifth consecutive year. Operations included general aviation (GA), aerospace test & evaluation, unmanned aircraft systems (UAS-small and large), Department of Defense (DoD), commercial space flight (CS), and rocket tests. Operations highlights for this year include Virgin Galactic's second spaceflight, first flight of the Stratolaunch aircraft, our inaugural local Runway Safety Action Team meeting, a wildlife hazard assessment, installation and the certification of our new ATC communications system, and one million gallons of fuel sold.

Discussion

Aircraft Rescue & Fire Fighting (ARFF), Air Traffic Control (ATC), and Security serve as the operational cornerstones to our aerospace support. Cybersecurity, a separate but integral business line to overall security, is included as foundational piece to our safety and security programs. As a GA airport, many of the FAA regulations for ARFF, ATC, and Security are not mandatory however; we do have regulatory requirements as a commercial spaceport. Integrating the two types of operations requires a blended approach to incorporating compliance, recommendations, and situation dependent implied requirements as outlined by the FAA.

1. ARFF. GA airports do not have a requirement to staff an ARFF facility. It is our service to aerospace test and evaluation, DoD aircraft operations, and our status as a licensed CS launch site that implies an ARFF response capability requirement. 2019 notable highlights include the addition of Jeffrey Wolf, a state certified Emergency Medical Technician, a third 3,000-gallon engine, and state fire department registration.

MOJAVE

AIR AND SPACE PORT

2. ATC. Year 2019 continued to be a year of change for our ATC program. As a VFR tower supporting more than 20,000 diverse aircraft, rocket tests, operations and CS launches, our ATC communications system and personnel greatly benefited from the modernization efforts began in 2018. Notable highlights for 2019 include the continued installation process for STARs, the addition of Daniel Howard (full-time ATC controller) and Darian Mitchel (Air Traffic Manager), implementation of the NOTAM manager system.
3. Security. Our security posture, led by Chief of Security Chris Spandorf and Sara Teeter, continues to provide Mojave with a sense of stability through vigilance, presence, and client relations. Our contract security provider for 2019 was Securitas and we will continue to use Securitas in 2020. Securitas provides security automation tools that blend well with our array of fixed and mobile CCTV cameras, 24/7 roving patrols, and supplementary staff to support high-demand test events. Notable 2019 highlights include increased camera coverage and an upgraded vehicle for security patrols.
4. Cybersecurity. The Department of Homeland Security states cybersecurity is the protection of information by preventing, detecting, and responding to cyber attacks. Led by Jason Buck, our cybersecurity focuses on internal and external network security, cloud based social media services, phone systems, and data backup and recovery.

Closing

Mojave Air & Space Port is providing safe and secure operations for a wide variety of private, commercial, and government operations, the depth and breadth of which is comparable only to military test and evaluation bases. With an underlying theme of FAA compliance, where practical and a demonstrated need exists, we have made important strides regarding tactics, training, and procedures. ARFF, ATC and Security are living programs and, as our client programs modernize and become more complex, so too will our pillar programs.

Date: Thursday, November 07, 2019
 Time: 03:20PM
 User: CPANKO

Mojave Air & Space Port
Check Register - Standard
 Period: 05-20 As of: 11/7/2019

Page: 1 of 4
 Report: 03630.rpt
 Company: MASP

Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period To Post Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
Company: MASP										
Acct / Sub:	101000		1200							
058944	CK	11/7/2019	0158 Ameripride Uniform Services	05-20	044479	VO	2100792705/1019	10/18/2019	0.00	170.02
058944	CK	11/7/2019	0158 Ameripride Uniform Services	05-20	044480	VO	2100794110/1019	10/25/2019	0.00	211.41
058944	CK	11/7/2019	0158 Ameripride Uniform Services	05-20	044487	VO	2100794111/1019	10/25/2019	0.00	71.93
058944	CK	11/7/2019	0158 Ameripride Uniform Services	05-20	044488	VO	2100792709	10/18/2019	0.00	63.65
									Check Total	517.01
058945	CK	11/7/2019	0284 Michael L. Brouse	05-20	044454	VO	1019	11/4/2019	0.00	1,125.00
058946	CK	11/7/2019	0396 CDW Government	05-20	044447	AD	TZM4745/0819	9/19/2019	0.00	-72.67
058946	CK	11/7/2019	0396 CDW Government	05-20	044448	VO	VBM4411	9/24/2019	0.00	150.37
									Check Total	77.70
058947	CK	11/7/2019	0430 Desert Truck Service Inc.	05-20	044453	VO	1327542	10/11/2019	0.00	22.03
058948	CK	11/7/2019	0433 Karina Quelet	05-20	044467	VO	1019/REIMB	10/30/2019	0.00	839.86
058949	CK	11/7/2019	0898 IML Security Supply	05-20	044438	VO	2361745	9/19/2019	0.00	272.84
058949	CK	11/7/2019	0898 IML Security Supply	05-20	044455	VO	2380891	10/11/2019	0.00	38.36
									Check Total	311.20
058950	CK	11/7/2019	1122 Randall Kelley	05-20	044468	VO	014172	10/28/2019	0.00	19.22
058950	CK	11/7/2019	1122 Randall Kelley	05-20	044469	VO	014155	10/21/2019	0.00	32.00
058950	CK	11/7/2019	1122 Randall Kelley	05-20	044470	VO	014150	10/16/2019	0.00	35.22
									Check Total	86.44
058951	CK	11/7/2019	1161 Kern Auto Parts Inc	05-20	044483	VO	913804	10/23/2019	0.00	87.92

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				To Post	Closed						
058952	CK	11/7/2019	1178 Kimley-Horn and Associates, Inc.	05-20		044437	VO	096541101-0919	9/30/2019	0.00	2,908.49
058953	CK	11/7/2019	1200 L & L Construction	05-20		044456	VO	WE 10.27.19	10/27/2019	0.00	1,125.00
058954	CK	11/7/2019	1372 Mojave Public Utility District	05-20		044457	VO	006072003/1019	10/31/2019	0.00	310.62
058954	CK	11/7/2019	1372 Mojave Public Utility District	05-20		044458	VO	006072000/1019	10/31/2019	0.00	85.27
058954	CK	11/7/2019	1372 Mojave Public Utility District	05-20		044459	VO	006072002/1031	10/31/2019	0.00	239.41
058954	CK	11/7/2019	1372 Mojave Public Utility District	05-20		044460	VO	006072001/1031	10/31/2019	0.00	7,587.56
Check Total											8,222.86
058955	CK	11/7/2019	1407 Nave & Cortell, LLP	05-20		044466	VO	20804/1019	11/4/2019	0.00	6,636.00
058956	CK	11/7/2019	1683 Commercial Spaceflight Fed	05-20		044489	VO	1265	10/22/2019	0.00	35,000.00
058957	CK	11/7/2019	1925 Sparkletts	05-20		044472	VO	13703338103119	10/31/2019	0.00	1,056.97
058958	CK	11/7/2019	2006 Sierra Rail Services, LLC	05-20		044474	VO	191210/1019	10/14/2019	0.00	492.20
058959	CK	11/7/2019	2044 Securitas Security Services USA,	05-20		044471	VO	W6636427	10/31/2019	0.00	892.30
058959	CK	11/7/2019	2044 Securitas Security Services USA,	05-20		044473	VO	W6630404	10/31/2019	0.00	12,748.38
Check Total											13,640.68
058960	CK	11/7/2019	2253 Waste Management - Kern	05-20		044477	VO	6514848081/1019	11/1/2019	0.00	357.73
058960	CK	11/7/2019	2253 Waste Management - Kern	05-20		044478	VO	6525348089/1019	11/1/2019	0.00	710.65
Check Total											1,068.38
058961	CK	11/7/2019	2313 Waxie Sanitary Supply	05-20		044484	VO	7866941	10/29/2019	0.00	564.44
058961	CK	11/7/2019	2313 Waxie Sanitary Supply	05-20		044485	VO	78623516	10/10/2019	0.00	1,110.07

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				To Post	Closed						
Check Total											1,674.51
058962	CK	11/7/2019	2450 Xerox Corporation	05-20		044486	VO	098582473	11/1/2019	0.00	324.47
058963	CK	11/7/2019	3200 Timothy Mallon	05-20		044465	VO	102419/REIMB	10/24/2019	0.00	65.00
058964	CK	11/7/2019	3251 Hopkins, Julie	05-20		044481	VO	102019/REIMB	10/28/2019	0.00	2,400.00
058964	CK	11/7/2019	3251 Hopkins, Julie	05-20		044482	VO	081819/REIMB	9/18/2019	0.00	2,400.00
Check Total											4,800.00
058965	CK	11/7/2019	4008 Michael B.Jones DDS	05-20		044461	VO	101819/BUCK J.	10/18/2019	0.00	225.00
058965	CK	11/7/2019	4008 Michael B.Jones DDS	05-20		044462	VO	101519/ROTH	10/15/2019	0.00	104.00
058965	CK	11/7/2019	4008 Michael B.Jones DDS	05-20		044463	VO	101119/BUCK	10/11/2019	0.00	126.00
058965	CK	11/7/2019	4008 Michael B.Jones DDS	05-20		044464	VO	101119/BUCK	11/6/2019	0.00	305.00
Check Total											760.00
058966	CK	11/7/2019	4016 Terry Allred	05-20		044475	VO	102019/REIMB	11/7/2019	0.00	267.39
058967	CK	11/7/2019	4093 Boyd F. Young, O.D.	05-20		044476	VO	103119/HIMES	10/31/2019	0.00	135.00

Check Count: 24

Acct Sub Total: 81,244.11

Check Type	Count	Amount Paid
Regular	24	81,244.11
Hand	0	0.00
Electronic Payment	0	0.00
Void	0	0.00
Stub	0	0.00
Zero	0	0.00
Mask	0	0.00
Total:	24	81,244.11

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Company Disc Total								0.00	Company Total		81,244.11

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Company: MASP										
Acct / Sub:	101000		1200							
058968	CK	11/13/2019	0000 Horizon Scripted Television, Inc.	05-20	044517	VO	AR-070834	10/30/2019	0.00	35.09
058969	CK	11/13/2019	0157 Akri Corporation	05-20	044514	VO	10036	10/28/2019	0.00	677.00
058970	CK	11/13/2019	0158 Ameripride Uniform Services	05-20	044532	VO	2100795475/1119	11/1/2019	0.00	170.02
058970	CK	11/13/2019	0158 Ameripride Uniform Services	05-20	044533	VO	2100795479/1119	11/1/2019	0.00	61.65
058971	CK	11/13/2019	0244 American Electrical Services	05-20	044552	VO	S1167-1228	11/8/2019	0.00	1,407.00
058972	CK	11/13/2019	0245 Airports Council	05-20	044528	VO	114402/2020	10/8/2019	0.00	895.00
058973	CK	11/13/2019	0271 AIRNAV, LLC	05-20	044544	VO	1986369	10/2/2019	0.00	189.00
058974	CK	11/13/2019	0345 Civil Air Patrol Magazine	05-20	044545	VO	IS1122554	10/8/2019	0.00	245.00
058975	CK	11/13/2019	0615 Federal Express	05-20	044534	VO	1119/SPONSOR	11/6/2019	0.00	34.10
058976	CK	11/13/2019	0660 Flight Test Historical Found.	05-20	044546	VO	1015/081519	9/14/2019	0.00	750.00
058977	CK	11/13/2019	0751 The Gibbons Family LLC	05-20	044509	VO	1019/INVST PMT	10/31/2019	0.00	4,771.58
058978	CK	11/13/2019	0842 J. Hitchcock Riverwest Fam Ptr	05-20	044510	VO	1019/INVST PMT	10/31/2019	0.00	3,181.05
058979	CK	11/13/2019	0861 John Himes	05-20	044551	VO	1119	11/3/2019	0.00	271.31
Check Total									0.00	231.67
										1,407.00

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				To Post	Closed						
058980	CK	11/13/2019	0899 Independent Fee Est., LLC	05-20		044524	VO	10919	11/1/2019	0.00	2,330.00
058981	CK	11/13/2019	1106 Elmer F. Karpe, Inc.	05-20		044508	VO	1019/INVST PMT	10/31/2019	0.00	7,952.64
058982	CK	11/13/2019	1200 L & L Construction	05-20		044511	VO	WE 11.3.19	11/3/2019	0.00	1,050.00
058982	CK	11/13/2019	1200 L & L Construction	05-20		044553	VO	WE 11.10.19	11/10/2019	0.00	1,050.00
Check Total											2,100.00
058983	CK	11/13/2019	1258 Loomacres Inc.	05-20		044515	VO	14404/1019	11/1/2019	0.00	5,937.19
058984	CK	11/13/2019	1306 Martha's Cleaning Service	05-20		044525	VO	1843/1119	11/1/2019	0.00	2,695.00
058984	CK	11/13/2019	1306 Martha's Cleaning Service	05-20		044526	VO	1842/1119	11/1/2019	0.00	1,300.00
Check Total											3,995.00
058985	CK	11/13/2019	1314 Mead & Hunt	05-20		044535	VO	296389	11/12/2019	0.00	3,074.60
058986	CK	11/13/2019	1372 Mojave Public Utility District	05-20		044505	VO	10191/1019	11/6/2019	0.00	6,943.92
058987	CK	11/13/2019	1373 Mojave Public Utility District /	05-20		044506	VO	10192/1019	11/6/2019	0.00	157.50
058988	CK	11/13/2019	1388 Municipal Emergency Services	05-20		044178	VO	IN1374593	9/5/2019	0.00	594.05
058988	CK	11/13/2019	1388 Municipal Emergency Services	05-20		044507	AD	CM118887	10/21/2019	0.00	-243.89
058988	CK	11/13/2019	1388 Municipal Emergency Services	05-20		044516	AD	CM117852	11/12/2019	0.00	-30.17
Check Total											319.99
058989	CK	11/13/2019	1501 Office Depot	05-20		044518	VO	10076136/1019	10/17/2019	0.00	1,065.20
058990	CK	11/13/2019	1800 Ramos / Strong, Inc.	05-20		044503	VO	0338012	10/22/2019	0.00	2,113.67

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				To Post	Closed						
058990	CK	11/13/2019	1800 Ramos / Strong, Inc.	05-20		044504	VO	0338117	10/24/2019	0.00	645.96
058990	CK	11/13/2019	1800 Ramos / Strong, Inc.	05-20		044537	VO	0338392	11/1/2019	0.00	1,064.21
Check Total											3,823.84
058991	CK	11/13/2019	1803 Race Telecommunications, Inc.	05-20		044501	VO	RC293799/1119	11/1/2019	0.00	2,780.83
058991	CK	11/13/2019	1803 Race Telecommunications, Inc.	05-20		044502	VO	RC293913/1119	11/11/2019	0.00	810.99
Check Total											3,591.82
058992	CK	11/13/2019	1952 So. Calif. Edison	05-20		044512	VO	2025279670/1019	11/6/2019	0.00	8,328.95
058993	CK	11/13/2019	2014 Sharper Landscaping Services,	05-20		044540	VO	5148/1019	10/1/2019	0.00	1,600.00
058993	CK	11/13/2019	2014 Sharper Landscaping Services,	05-20		044541	VO	5162	11/6/2019	0.00	400.00
Check Total											2,000.00
058994	CK	11/13/2019	2037 10-8 Retrofit, Inc.	05-20		044538	VO	16359	11/4/2019	0.00	186.45
058995	CK	11/13/2019	2045 Shreds Unlimited, Inc	05-20		044543	VO	10039/1119	11/5/2019	0.00	40.00
058996	CK	11/13/2019	2136 UNUM Life Ins. Co.	05-20		044527	VO	5580360012/1119	11/1/2019	0.00	3,509.88
058997	CK	11/13/2019	2193 Velosio LLC	05-20		044539	VO	568356	11/12/2019	0.00	43.75
058997	CK	11/13/2019	2193 Velosio LLC	05-20		044542	VO	568159	10/29/2019	0.00	218.75
Check Total											262.50
058998	CK	11/13/2019	2214 Antelope Valley Press, Inc.	05-20		044513	VO	1019/MARKETING	10/27/2019	0.00	1,368.68
058999	CK	11/13/2019	3310 Timothy Jaworski	05-20		044548	VO	090319	9/3/2019	0.00	257.50
059000	CK	11/13/2019	3630 Roth~Deborah	05-20		044547	VO	092619/COPAY	10/12/2019	0.00	125.97

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				To Post	Closed						
059001	CK	11/13/2019	3864 Carrie Rawlings	05-20		044556	VO	1019/RYAN	11/13/2019	0.00	268.00
059002	CK	11/13/2019	4033 Peter G. Cooper, D.D.S., inc.	05-20		044554	VO	090419/BURCH	9/4/2019	0.00	1,296.00
059003	CK	11/13/2019	4523 Perez~Gerardo	05-20		044536	VO	43968-1/LP	11/2/2019	0.00	600.00
059003	CK	11/13/2019	4523 Perez~Gerardo	05-20		044555	VO	1119	11/2/2019	0.00	110.00
Check Total											710.00

Check Count: 36

Acct Sub Total: 72,333.43

Check Type	Count	Amount Paid
Regular	36	72,333.43
Hand	0	0.00
Electronic Payment	0	0.00
Void	0	0.00
Stub	0	0.00
Zero	0	0.00
Mask	0	0.00
Total:	36	72,333.43

Company Disc Total	0.00	Company Total	72,333.43
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Company: MASP										
059004	CK	11/20/2019	1200 4041 Jeffus, Jack	05-20	044607	VO	1119/PR	11/20/2019	0.00	1,424.20
059005	CK	11/20/2019	4042 Forshee, Michael	05-20	044606	VO	1119/PR	11/20/2019	0.00	1,236.17
Check Count:		2								
									Acct Sub Total:	2,660.37

Check Type	Count	Amount Paid
Regular	2	2,660.37
Hand	0	0.00
Electronic Payment	0	0.00
Void	0	0.00
Stub	0	0.00
Zero	0	0.00
Mask	0	0.00
Total:	2	2,660.37

Company Disc Total	0.00	Company Total	2,660.37
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Company: MASP										
Acct / Sub:	101000		1200							
059006	CK	11/20/2019	0109 AT&T	05-20	044603	VO	7788001/1019	10/21/2019	0.00	84.45
059007	CK	11/20/2019	0112 American Assoc of Airport Exec	05-20	044598	VO	1064282/JB	10/1/2019	0.00	275.00
059008	CK	11/20/2019	0158 Ameripride Uniform Services	05-20	044564	VO	2100798294	11/15/2019	0.00	63.65
059008	CK	11/20/2019	0158 Ameripride Uniform Services	05-20	044565	VO	2100796909	11/8/2019	0.00	61.65
059008	CK	11/20/2019	0158 Ameripride Uniform Services	05-20	044566	VO	2100796905	11/8/2019	0.00	211.41
059008	CK	11/20/2019	0158 Ameripride Uniform Services	05-20	044567	VO	2100798290	11/15/2019	0.00	170.02
Check Total										506.73
059009	CK	11/20/2019	0225 Avsurance Corporation	05-20	044618	VO	1245	11/15/2019	0.00	53,253.00
059009	CK	11/20/2019	0225 Avsurance Corporation	05-20	044619	VO	1244	11/15/2019	0.00	26,591.00
Check Total										79,844.00
059010	CK	11/20/2019	0266 Antelope Valley Ford Lincoln	05-20	044568	VO	159266	11/8/2019	0.00	68.90
059010	CK	11/20/2019	0266 Antelope Valley Ford Lincoln	05-20	044569	VO	159208	11/7/2019	0.00	68.90
Check Total										137.80
059011	CK	11/20/2019	0467 Coastline Equipment	05-20	044571	VO	638677	11/5/2019	0.00	578.50
059011	CK	11/20/2019	0467 Coastline Equipment	05-20	044572	VO	638676	11/5/2019	0.00	485.92
Check Total										1,064.42
059012	CK	11/20/2019	0721 Flight Research, Inc.	05-20	044587	VO	274	10/17/2019	0.00	400.00
059013	CK	11/20/2019	0866 The Home Depot Credit Plan	05-20	044597	VO	07610417/1019	10/28/2019	0.00	789.13
059014	CK	11/20/2019	0897 Core & Main LP	05-20	044570	VO	110619	11/6/2019	0.00	1,458.89

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				To Post	Closed						
059015	CK	11/20/2019	0898 IML Security Supply	05-20		044592	VO	2374166	10/3/2019	0.00	121.92
059015	CK	11/20/2019	0898 IML Security Supply	05-20		044593	VO	2374276	10/3/2019	0.00	545.69
Check Total										0.00	667.61
059016	CK	11/20/2019	0957 Independent Concrete Cutting,	05-20		044594	VO	94130	10/22/2019	0.00	4,770.00
059017	CK	11/20/2019	1005 Pacific Telemanagement Svcs.	05-20		044604	VO	2007553/0119	11/18/2019	0.00	53.00
059017	CK	11/20/2019	1005 Pacific Telemanagement Svcs.	05-20		044605	VO	2029579/1119	10/3/2019	0.00	53.00
Check Total										0.00	106.00
059018	CK	11/20/2019	1103 COUNTY OF KERN PUBLIC	05-20		044617	VO	10-2019	11/8/2019	0.00	9.00
059019	CK	11/20/2019	1105 Karl's Hardware & Rental	05-20		044590	VO	G14388	10/11/2019	0.00	425.00
059020	CK	11/20/2019	1122 Randall Kelley	05-20		044573	VO	014184	11/6/2019	0.00	137.94
059020	CK	11/20/2019	1122 Randall Kelley	05-20		044574	VO	014181	11/5/2019	0.00	114.32
059020	CK	11/20/2019	1122 Randall Kelley	05-20		044588	VO	014174	10/29/2019	0.00	20.22
059020	CK	11/20/2019	1122 Randall Kelley	05-20		044601	VO	014200	11/18/2019	0.00	18.22
059020	CK	11/20/2019	1122 Randall Kelley	05-20		044612	VO	014202	11/19/2019	0.00	109.67
Check Total										0.00	400.37
059021	CK	11/20/2019	1161 Kern Auto Parts Inc	05-20		044600	VO	915235	11/18/2019	0.00	24.66
059021	CK	11/20/2019	1161 Kern Auto Parts Inc	05-20		044621	AD	915351	11/20/2019	0.00	-17.07
059021	CK	11/20/2019	1161 Kern Auto Parts Inc	05-20		044622	VO	915341	11/20/2019	0.00	80.43
Check Total										0.00	88.02
059022	CK	11/20/2019	1254 Lincoln Nat'l Life Ins. Co.	05-20		044563	VO	3965872544/1119	11/1/2019	0.00	1,036.76
059023	CK	11/20/2019	1267 Lowe's	05-20		044585	VO	4557306/0919	11/2/2019	0.00	21.89

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Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period		Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
				To Post	Closed						
059024	CK	11/20/2019	1364 Karl's Hardware Mojave	05-20		044586	VO	1019	10/30/2019	0.00	1,226.98
059025	CK	11/20/2019	1670 Praxair	05-20		044589	VO	92570083	10/21/2019	0.00	245.05
059026	CK	11/20/2019	1683 Commercial Spaceflight Fed	05-20		044623	VO	1119	11/6/2019	0.00	1,000.00
059027	CK	11/20/2019	1865 RLH Fire Protection	05-20		044575	VO	0951815/1119	11/1/2019	0.00	65.00
059027	CK	11/20/2019	1865 RLH Fire Protection	05-20		044576	VO	0951814/1119	11/1/2019	0.00	65.00
059028	CK	11/20/2019	1897 Southern California Fleet	05-20		044599	VO	HP900663	11/15/2019	0.00	800.00
059029	CK	11/20/2019	1952 So. Calif. Edison	05-20		044595	VO	2395077167/1119	11/17/2019	0.00	69.49
059029	CK	11/20/2019	1952 So. Calif. Edison	05-20		044596	VO	2340063106/1119	11/18/2019	0.00	1,198.18
Check Total										0.00	1,267.67
059030	CK	11/20/2019	1954 Southern California Gas	05-20		044577	VO	31545767/1119	11/15/2019	0.00	53.20
059030	CK	11/20/2019	1954 Southern California Gas	05-20		044578	VO	11545997/1119	11/15/2019	0.00	248.42
059030	CK	11/20/2019	1954 Southern California Gas	05-20		044579	VO	89363938/1119	11/15/2019	0.00	97.19
059030	CK	11/20/2019	1954 Southern California Gas	05-20		044580	VO	61545001/1119	11/15/2019	0.00	139.95
Check Total										0.00	538.76
059031	CK	11/20/2019	1963 Southwest Research Institute	05-20		044624	VO	002-2020	11/14/2019	0.00	5,000.00
059032	CK	11/20/2019	2026 Tel-Tec, Inc.	05-20		044581	VO	680339	11/1/2019	0.00	805.00
059033	CK	11/20/2019	2044 Securitas Security Services USA,	05-20		044602	VO	W6645145	11/4/2019	0.00	13,264.15

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				To Post	Closed						
059034	CK	11/20/2019	2142 Underground Service Alert	05-20		044584	VO	1540682019	7/19/2019	0.00	150.00
059035	CK	11/20/2019	2230 Verizon Wireless	05-20		044613	VO	9842030268	11/20/2019	0.00	882.40
059036	CK	11/20/2019	3003 Johansen, Lennora	05-20		044620	VO	1119/REIMB	11/15/2019	0.00	1,134.52
059037	CK	11/20/2019	3025 Logan Altman	05-20		044582	VO	110819	11/8/2019	0.00	43.85
059038	CK	11/20/2019	3030 Sonia Valenzuela	05-20		044615	VO	111419	11/14/2019	0.00	452.96
059039	CK	11/20/2019	3864 Carrie Rawlings	05-20		044616	VO	113338/092419	10/3/2019	0.00	380.00

Check Count: 34

Acct Sub Total: 119,406.41

Check Type	Count	Amount Paid
Regular	34	119,406.41
Hand	0	0.00
Electronic Payment	0	0.00
Void	0	0.00
Stub	0	0.00
Zero	0	0.00
Mask	0	0.00
Total:	34	119,406.41

Company Disc Total	0.00	Company Total	119,406.41
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Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period To Post Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
Company: MASP										
Acct / Sub:	101000		1200							
059040	CK	11/26/2019	0002 Dear Liza Productions	05-20	044642	VO	AR/0100100	10/29/2019	0.00	417.86
059041	CK	11/26/2019	0109 AT&T	05-20	044626	VO	7134122793/1119	11/7/2019	0.00	127.06
059041	CK	11/26/2019	0109 AT&T	05-20	044627	VO	8123831139/1119	11/7/2019	0.00	127.06
059042	CK	11/26/2019	0112 American Assoc of Airport Exec	05-20	044640	VO	1066096/FV	11/1/2019	0.00	275.00
Check Total										254.12
059043	CK	11/26/2019	0244 American Electrical Services	05-20	044625	VO	S1169-1230	12/20/2019	0.00	255.00
059044	CK	11/26/2019	0287 Brown Armstrong Accountancy	05-20	044632	VO	251394	10/27/2019	0.00	3,208.60
059045	CK	11/26/2019	0350 Clarks Pest Control	05-20	044633	VO	0350	11/13/2019	0.00	85.00
059045	CK	11/26/2019	0350 Clarks Pest Control	05-20	044634	VO	200922714/1119	11/13/2019	0.00	49.00
059045	CK	11/26/2019	0350 Clarks Pest Control	05-20	044635	VO	200972309/1119	11/13/2019	0.00	50.00
059045	CK	11/26/2019	0350 Clarks Pest Control	05-20	044636	VO	201058810/1119	11/13/2019	0.00	61.00
Check Total										245.00
059046	CK	11/26/2019	0358 DELUXE	05-20	044655	VO	86563043	11/14/2019	0.00	127.08
059047	CK	11/26/2019	0554 Engel & Company, Inc.	05-20	044650	VO	22597	11/20/2019	0.00	510.00
059048	CK	11/26/2019	0712 FP Mailing Solutions	05-20	044637	VO	RI104261511/111	11/10/2019	0.00	122.10
059049	CK	11/26/2019	1200 L & L Construction	05-20	044638	VO	WE 11.17.19	11/17/2019	0.00	900.00
059049	CK	11/26/2019	1200 L & L Construction	05-20	044649	VO	WE 11.24.19	11/24/2019	0.00	1,125.00

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Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period		Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
				To Post	Closed						
Check Total											2,025.00
059050	CK	11/26/2019	1254 Lincoln Nat'l Life Ins. Co.	05-20		044643	VO	3981427784/1219	11/8/2019	0.00	749.66
059051	CK	11/26/2019	1800 Ramos / Strong, Inc.	05-20		044648	VO	0339011	11/18/2019	0.00	1,486.73
059052	CK	11/26/2019	2041 South Street Digital, Inc.	05-20		044639	VO	12707	11/15/2019	0.00	73.36
059053	CK	11/26/2019	2136 UNUM Life Ins. Co.	05-20		044644	VO	5580360012/1219	11/11/2019	0.00	2,615.59
059054	CK	11/26/2019	3017 Panko, Carmelita	05-20		044652	VO	112219	11/2/2019	0.00	25.00
059055	CK	11/26/2019	3220 Hatfield~Ray	05-20		044641	VO	091819/CO PAY	9/18/2019	0.00	162.35
059056	CK	11/26/2019	3556 Michael Sterbens	05-20		044653	VO	112029	11/20/2019	0.00	319.00
059057	CK	11/26/2019	4008 Michael B.Jones DDS	05-20		044651	VO	111319/HIMES	11/13/2019	0.00	104.00
059058	CK	11/26/2019	4523 Gerardo Perez	05-20		044654	VO	111619	11/16/2019	0.00	304.00

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Check Nbr	Check Type	Check Date	Vendor ID Vendor Name	Period To Post Closed	Ref Nbr	Doc Type	Invoice Number	Invoice Date	Discount Taken	Amount Paid
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Check Count: 19

Acct Sub Total: 13,279.45

Check Type	Count	Amount Paid
Regular	19	13,279.45
Hand	0	0.00
Electronic Payment	0	0.00
Void	0	0.00
Stub	0	0.00
Zero	0	0.00
Mask	0	0.00
Total:	19	13,279.45

Company Disc Total	0.00	Company Total	13,279.45
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ELECTRONIC FUND TRANSFERS OCTOBER 24 through November 21, 2019

10/24/2019	3100 CALPERS	5,799.31
10/24/2019	3100 CALPERS	5,246.15
10/24/2019	3100 CALPERS	1,792.60
10/24/2019	3100 CALPERS	549.86
10/24/2019	CDTFA EPMT CA DEPT TAX FEE	458.00
10/24/2019	EFTTransfe AVFUEL	19,928.51
10/25/2019	EFTTransfe AVFUEL	20,189.50
10/25/2019	WIRE TRANSFER FEE	15.00
10/29/2019	EFTTransfe AVFUEL	20,003.29
10/29/2019	WIRE TRANSFER FEE	15.00
10/31/2019	CASH MANAGEMENT MONTHLY FEE	35.00
10/31/2019	GARNISH PAYCHEX	142.30
10/31/2019	PAYROLL	60,321.88
10/31/2019	POSITIVE PAY MONTHLY FEE	15.00
10/31/2019	RDC MONTHLY FEE	75.00
11/1/2019	EFTTransfe AVFUEL	20,193.19
11/1/2019	INVOICE PAYCHEX	253.75
11/1/2019	TAXES PAYCHEX	12,964.47
11/1/2019	WIRE TRANSFER FEE	15.00
11/1/2019	WIRE TRANSFER FEE	15.00
11/1/2019	WIRE TRANSFER FEE	15.00
11/6/2019	EFTTransfe AVFUEL	4,059.42
11/7/2019	1800 CALPERS	9,177.66
11/7/2019	1800 CALPERS	51,781.72
11/7/2019	3100 CALPERS	958.19
11/8/2019	ACH DEBIT ACH PMT AMEX EPAYMENT	2,590.78
11/8/2019	ACH DEBIT ACH PMT AMEX EPAYMENT	19,085.82
11/12/2019	CALPERS	5,842.83
11/12/2019	CALPERS	5,289.22
11/12/2019	ACH DEBIT ERS	1,792.60
11/12/2019	CALPERS	549.86
11/12/2019	ACH DEBIT EFTTransfe AVFUEL	39,824.76
11/13/2019	ACH DEBIT EFTTransfe AVFUELL	20,087.35
11/13/2019	ACH DEBIT INVESTMENT BFDS	270.15
11/13/2019	ACH DEBIT INVESTMENT BFDS	270.15
11/13/2019	ACH DEBIT INVESTMENT BFDS	1,352.46
11/14/2019	ACH DEBIT EFTTransfe AVFUEL3252	20,318.25
11/14/2019	ACH DEBIT GARNISH PAYCHEX	142.30
11/14/2019	ACH DEBIT PAYROLL PAYCHEX	58,862.72
11/14/2019	WIRE TRANSFER FEE	15.00
11/15/2019	ACH DEBIT HRS PMT PAYCHEX	245.10
11/15/2019	ACH DEBIT INVOICE PAYCHEX EIB	232.75
11/15/2019	ACH DEBIT TAXES PAYCHEX	12,607.61
11/19/2019	ACH DEBIT EFTTransfe AVFUEL	20,063.74
11/20/2019	ACH DEBIT EFTTransfe AVFUEL	19,893.19

TOTAL 463,356.44