

**CAYMAN ISLANDS AIRPORTS AUTHORITY (CIAA) BOARD MEETING MINUTES HELD AT OWEN ROBERTS INTERNATIONAL AIRPORT, CIAA CONFERENCE ROOM, ON 30<sup>th</sup> MARCH 2015**

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**BOARD MEMBERS**

**Present were:**

Chairman:	Mr. Kirkland Nixon
Director	Mr. Bruce Smith
Director:	Ms. Vanessa Banks
Director:	Mr. Joel Jefferson
Director:	Mr. Nathaniel Tibbetts
Director	Mr. Stran Bodden

**Apologies**

Deputy Chairman:	Mr. Thom Guyton
Director:	Mr. John Meghoo

**Others Present**

CEO	Mr. Albert Anderson
Secretary	Ms. Nadine Ramsay

**Presenters**

CFO:	Ms. Sheila Thomas
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Acting Deputy Commissioner Mr. Cory Martinson – Information Commissioner Officer.

**1. WELCOME & APOLOGIES**

- 1.1. A quorum being present, the Chairman, Mr. Kirkland Nixon, called the meeting to order at 9:25am.
- 1.2. The Chairman extended a warm welcome to the Directors and advised all present that three Members asked to be excused during the course of the meeting, as they had to attend to urgent matters that were unavoidable. These members would be excused at the appropriate times

**2. CONFIRMATION OF MINUTES (*note confirmation of minutes was delayed until the conclusion of the CFO's presentation*)**

The minutes of meeting of 27<sup>th</sup> February 2015 were approved.

**2.1. MATTERS ARISING FROM MINUTES**

- a. **Understanding Pension Entitles.** The Chairman gave an historical overview of the Pension Scheme in Cayman and confirmed that this was also discussed with the Civil Service Association Representative. It was important to note that there is no difference between CIAA's and the Government's Pension Benefits. To illustrate this to CIAA's staff, a copy of the Government's Pay

slip could be used to show the benefits comparatively. Details identifying the owner of the payslip should be removed to conceal their identity.

- b. **Board Audit Committee (BAC) Chairman Report.** The Chairman handed over the floor to the BAC Chairman who requested the opportunity to remind the Board about the existing issue on how the PFC's should be reported in the financials.

**The following actions arose:-**

Matter/Actions	Actioned By	Due Date
Provide illustration to CIAA's Staff showing comparison between Government and CIAA pension benefits.	CEO	May 30. 15

**Mr. Cory Martinson Acting Deputy Commissioner from the Information Commissioner Officer arrived at 10:00 am.**

**3. INFORMATION COMMISSIONER'S OFFICE PRESENTATION (ICO)**

- 3.1. Following the formal introductions of Board Members, Mr. Martinson advised that the ICO tries to reach out to the respective Boards to put a face to the name and have formal introductions as the Boards are made up of various persons.

Mr. Martinson, gave an overview of the Freedom of Information (FOI) law in Cayman and made references to similarities and contrasts in other jurisdictions and the role of the Information Commissioner. When asked if it was permissible to engage legal advice in relation to specific FOI requests, he confirmed that it was. In the case of an FOI for contract information he also confirmed that it would be ok to engage the contracted party in the FOI decision process. The recent issue with an Immigration FOI case which was in the media was cited and used as an example to explain how the FOI process should have worked. It was highlighted that the FOI manager is not protected under the FOI Law. Mr. Martinson further highlighted the exemptions under the FOI law and concluded his presentation after a question and answer session with the Board.

After thanking the Board for accommodating his presentation, the Chairman advised Mr. Martinson that the Board found it very informative.

**Mr. Bruce Smith is excused from the meeting at 11:15am.**

**4. CEO OPERATIONAL UPDATE**

The CEO went through his presentation and discussed with the Board some key issues. Areas of concerns are highlighted below:-

- 4.1. The new Chief of Operations Officer remit was 2 years with an option for a 3<sup>rd</sup> year. Five internal candidates will be reduced to two who will understudy and be trained up for final selection into the COO role.

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- 4.2. Maintenance Department- will be moved from the Chief Commercial Officer, Customer & Commercial Services (CCOCS) to the Chief of Airport Operations Officer (CAOO) effective May 1, 2015. With the upcoming ORIA expansion, the CCOCS needs to focus on Commercial as this will have a significant revenue impact. The CAOO managed maintenance in his previous role and given the day to day operation at ORIA, the realignment was a proper fit. The Board agreed with this rationale.
- 4.3. CAA Audit Meetings were nearing completion. The general view was that while there were improvements on the physical safety of the airports, some operational issues remained. There will be findings on these. The Aerodrome manuals for CKIA was submitted to CAA however ORIA's manual is still pending.
- 4.4. Safety training – Attendance by internal staff was marginal and to address this issue, safety training will now be a part of the performance appraisal going forward and should be done at least once per year.
- 4.5. Human Resources – the CHRO Recruitment process is ongoing and if being fully supported by all relevant parties.
- 4.6. Overtime Claims
- Security Overtime Claims – An update was provided as to the possible scenarios to address the potential overtime claim costs. Legal Opinion confirms that CIAA is legally obligated to accept the security overtime claims retroactively up to a specified time. The Board advised that this matter should be approached cautiously and where possible all employees should go on a “legal” shift immediately. An internal action plan should be in place to address possible outcomes.
  - Ground Transport Unit has made a formal request for compensation of all Overtime worked on their shift which is now being reviewed by HR.

- [REDACTED]
- 4.8. Airport Development Projects. ORIA Terminal Redevelopment concept designed sign off was completed on March 9, 2015. RS&H is looking at ways to include the sidewalks covers at the front of the terminal and extended bus parking areas. To accommodate this, it was agreed to forego the paving of the long term car park. The projects is now in the design development stage and a revised project schedule is being discussed.

4.9.

- 4.11. RFP's**
- a. ORIA Perimeter Fence RFP will be advertised next week. While the correct process is to have a concrete base in the fencing, there is not enough funds in the budget to incorporate the concrete base. Therefore, the replacement will proceed as it is important to have a secure perimeter fence in place.
  - b. Elevator and Sewage Plan Maintenance RFP proposals received and evaluations are pending. The Janitorial Services RFP is now completed and is with the Central Tenders Committee for review before advertising.
- 4.12.** ORIA security Checkpoint reconfiguration will be ready by April 1, 2015. Once completed this would eliminate the bottle neck issues for passengers being processed at the Checkpoint. The Runway strengthening works is scheduled to begin in July 2015.
- 4.13.** OTAR 178 coming into Effect 1 April 2015. The Board raised its concern that it was not appraised of any policies being decided at the National Security Meeting as the CEO was not included. An enquiry should be made to determine why the CEO is not included.
- 4.14.** CKIA departure Lounge. The Chief Officer received a report that the departure lounge was closed Saturday, March 28. The CEO will investigate.

**The following actions arose:-**

Matter/Actions	Actioned By	Due Date
[REDACTED]	CEO	May 28, 15
Follow up with CKIA Airport Manager to address the issue of the Departure Lounge being and ensure there is no recurrence of this issue.	CEO	ASAP
Make enquiry at the Governor's Office as to why CIIA's CEO is not included in the National Security Meetings.	CEO	ASAP
Look at putting up "pardon me while we make things better" signs and ensure that the Arrivals areas door is 'defined'	CEO	June 25.15
Organize Board's Tour of ORIA's runway and perimeter.	Board Secretary	June 25.15

S.156

**The CFO joins the meeting and is welcomed by the Chairman.**

Board Audit Committee (BAC) Chairman advised the Board that the Committee recommended the 2015/2016 Budget for the Board's scrutiny and approval if the Board is so inclined. He highlighted the fact that while there were many challenges, the work done and level of detail that went in the budget preparation was commendable.

**5. FINANCIAL REPORT**

The CFO presented the 2015/2016 proposed Budget along with February 2015 YTD management accounts to the Board.

**5.1. 2015/2016 Budget Assumptions**

- a. This budget assumes that salaries will remain at current levels.
- b. It assumes a contingent staff benefit.
- c.
- d. [REDACTED]

S. 21(aii)

5.2. Overall, the CIAA was asking the Board to approve the Budget provided, we are able to get approval for the increase in revenues [REDACTED]. The Chairman confirmed that the Board is happy to entertain the recommendations as long as the CIAA can recouped some of the cost that Authority is mandated to undertake such as the RCIPS presence at ORIA. He queried if the proposed fee and tax increases needed Cabinet Approval.

S. 21(aii)

- 5.3. The Board advised that there should be a policy decision as to the nature and frequency of salaries reviews etc. The Chief Officer gave a review from Government's perspective with the consensus being that COLA has to reviewed seriously.
- 5.4. The Proposed Capital projects listed were based on ongoing estimates and a Capital Audit Committee will be established to make recommendations to the Board via the BAC.

The 2015/2016 budget was approved by the Board. The CEO noted the level of details included in the financials and extended this thanks to the CFO. Both the CEO and CFO were then thanked by the Board for the work done on the 2015/2016 Budget.

The Chief Officer is excused from the meeting at 1:00pm

**5.5. Feb 2015 YTD Account Management**

In presenting the Year to date (YTD) Management Accounts, the CFO provided the KPI's and these were discussed in detail. Areas of concerns are highlighted below:-

- a. Revenue Performance – Continued improvements in performance. The Leadership Team has been advised that they need to ensure that spending is in line with revenues.
- b. PFC's transfers were based on collection not earnings. Board approval is needed on how PFC's should be treated in the financials. Based on the guidance from the Auditor General's Office it is up to the Board to officially decide as they have the authority under the Airport Law.
- c. Overtime Cost -Concerns were expressed that some staffs earned 15% of their annual in overtime. It was noted that when there are less staff assigned during the peak periods there were lots more complaints, some of which were sent directly to the Governor. CIAA is however, continuously looking at ways reduce overtime.
- d. Repairs and Maintenance continues to trend above budget while the utilities consumption has gone done. Currently it was below budget for 2014 and ahead of current years' budget.

[REDACTED] S. 21(aii)

- f. Accounts Receivables [REDACTED] S. 21(aii)  
 [REDACTED]s. For customers with balances over \$10k, the aging profile for the majority of sums owed to the Authority were 361 days and over, followed by 0 to 30 days and 181 to 360 days.
- g. Unfunded Pension Liability - Awaiting finalized documents from the PSPB, however the funding of the pension liability will start in June 2015.

**The following actions arose:-**

Matter/Actions	Actioned By	Due Date
[REDACTED]	CEO/CFO	ASAP
Ensure that FADS personnel are adjusted for the passenger flows and review contract to see if this is addressed in the service level agreement.	CEO	ASAP

S. 21(a)

Mr. Joel Jefferson is excused from the meeting at 2pm.

The Chairman thanked Ms. Thomas on behalf of the Board for her presentation after which she exited the meeting.

**6. NEW BUSINESS**

- 6.1. Risk Management Seminar - The CEO gave an overview of the Risk Management seminar that was recently attending by the CEO, CFO and Chief of Safety Officer along with two members of the Board.
- 6.2. An Electronic version of the Draft Board Policy Manual will be circulated to the Board for their review and comments.
- 6.3. [REDACTED] S. 21(aii)
- 6.4. CAA lease should be evaluated by the Attorney General as this lease is between two government agencies.

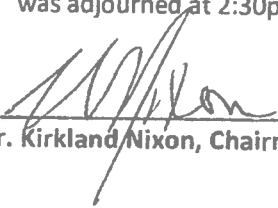
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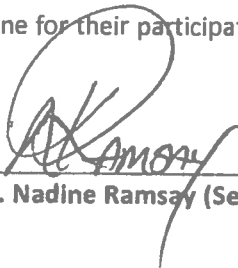
Matter/Actions	Actioned By	Due Date
[REDACTED]	CEO	ASAP
Circulate draft Board Polity to the Board for review and comments	Board Secretary	ASAP
Ensure that the AG reviews the CAA lease.	CEO	ASAP

S. 21(aii)

**7. ADJOURNMENT**

There being no further business, the Chairman thanked everyone for their participation; the meeting was adjourned at 2:30pm. .

  
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Mr. Kirkland Nixon, Chairman CIAA Board

  
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Ms. Nadine Ramsay (Secretary)